

**AGENDA FOR THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS OF THE  
TEMESCAL VALLEY WATER DISTRICT  
DECEMBER 18, 2018, 8:30 A.M. AT  
THE DISTRICT'S ADMINISTRATIVE OFFICE  
22646 TEMESCAL CANYON ROAD,  
TEMESCAL VALLEY, CALIFORNIA 92883**

The following is a summary of the rules of order governing meetings of the Temescal Valley Water District Board of Directors:

**AGENDA ITEMS**

In case of an emergency, items may be added to the Agenda by a majority vote of the Board of Directors. An emergency is defined as a work stoppage; a crippling disaster; or other activity, which severely imperils public health, safety or both. Also, items, which arise after the posting of Agenda, may be added by a two-thirds vote of the Board of Directors.

**PUBLIC COMMENT**

Persons wishing to address a matter not on the Agenda may be heard at this time; however, no action will be taken until placed on a future agenda in accordance with Board policy.

**NOTICE TO PUBLIC**

All matters listed under the Consent Calendar will be voted upon by one motion. There will be no separate discussion of these items, unless a Board Member or member of the public requests that a particular item(s) be removed from the Consent Calendar, in which case, they will be considered separately under New Business.

**IF ANYONE WISHES TO SPEAK WITH THE BOARD  
ABOUT ANY CONSENT CALENDAR MATTER(S),  
PLEASE STATE YOUR NAME, ADDRESS,  
AND APPROPRIATE ITEM NUMBER(S).**

**AFFIDAVIT OF POSTING**

I, Allison Harnden, Office Manager of the Temescal Valley Water District, hereby certify that I caused the posting of the Agenda at the District office at 22646 Temescal Canyon Road, Temescal Valley, California 92883 before December 15, 2018.

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Allison Harnden, Office Manager

**AGENDA FOR REGULAR MEETING  
December 18, 2018**

**Page No.**

1. **Roll Call and Call to Order.**
2. **Presentations and Acknowledgments.**
3. **Public Comment.**

**BOARD ITEMS:**

4. **Minutes of the November 27, 2018 Regular Meeting.** **6-8**  
**RECOMMENDATION:** Approve Minutes as written.
5. **Payment Authorization Report.** **9-10**  
**RECOMMENDATION:** Approve Report and authorize payment of the November 27-December 18, 2018 invoices.
6. **Revenue & Expenditure Reports. (Unaudited).**
  - a. Revenue & Expenditure Reports. **11-30**  
**RECOMMENDATION:** Note and file.
  - b. Lien update. **31**  
**RECOMMENDATION:** Note and file.
7. **Annual Financial Report FY 17/18.** **32-76**  
**RECOMMENDATION:** To be made by Board.
8. **Trilogy Development.**
  - a. Homeowners Association update. **(-)**
  - b. Golf Course update. **(-)**
9. **Sycamore Creek Development.**
  - a. Project Update. **(-)**

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- b. 1738 homes to be built. 1566 houses occupied to date. 90% complete.
  
- 10. Terramor Development (Forestar Toscana).**
  - a. Project Update. (-)
  
  - b. 1443 homes to be built. 168 houses released to date.
  
- 11. Harmony Grove (Griffin Homes).** (-)
  - a. Project Update.
  
  - b. 50 estimated homes to be built.
  
- 12. Water Utilization Reports.** 77-90  
**RECOMMENDATION:** Note and file.
  
- 13. Sustainable Groundwater Management Act.** (-)
  - a. Project Update.
  
- 14. Committee Reports.**
  - a. Finance (Director Rodriguez).
  
  - b. Engineering (Director Destache). (-)
  
  - c. Public Relations (Allison Harnden). (-)
  
- 15. General Manager's Report.**
  - a. General Manager's Report. 91
  
- 16. Operations Report.** 92-94
  - a. Water and Sewer Operations.
  
- 17. District Engineer's Report.** 95-96
  - a. Status of Projects.

	<u><b>Page No.</b></u>
<b>18. District Counsel's Report.</b>	(-)
<b>19. Seminars/Workshops.</b>	(-)
<b>20. Consideration of Correspondence.</b> An informational package containing copies of all pertinent correspondence for the Month of November will be distributed to each Director along with the Agenda.	<b>97</b>
<b>21. Adjournment.</b>	(-)

**MINUTES OF THE  
REGULAR MEETING OF THE  
TEMESCAL VALLEY WATER DISTRICT**

**November 27, 2018**

**PRESENT**

C. Colladay  
P. Rodriguez  
G. Destach  
J. Butler  
D. Harich

**ABSENT**

**GUESTS**

S. Smith  
B. Forbath  
J. Sincich  
D. Slater

**STAFF**

J. Pape  
A. Harnden  
M. McCullough  
D. Saunders  
P. Bishop  
J. Scheidel

**1. Roll Call and Call to Order.**

The regular meeting of the Temescal Valley Water District was called to order by President Colladay at 8:30 a.m.

**2. Presentations and Acknowledgments.**

- 3. Public Comment** – Jerry Sincich asked what procedures the District has in place to keep pumps running in the event of an emergency.

**BOARD ITEMS:**

**4. Minutes of the October 23, 2018 Regular Meeting.**

**ACTION:** Director Rodriguez moved to approve the minutes as presented. Director Harich seconded. Motion carried unanimously.

**5. Payment Authorization Report.**

**ACTION:** Director Rodriguez moved to approve the October 23-November 27, 2018 invoices. Director Destache seconded. Motion carried unanimously.

**6. Revenue & Expenditure Reports. (Unaudited).**

a. Revenue & Expenditure Reports.

**ACTION:** Note and file.

b. Lien update.

**ACTION:** Note and file.

7. **Trilogy Development.**
  - a. Homeowners Association update.
  - b. Golf Course update.
8. **Sycamore Creek Development.**
  - a. Project Update.
  - b. 1738 homes to be built. 1548 houses occupied to date. 89% complete.
9. **Terramor Development (Forestar Toscana).**
  - a. Project Update.
  - b. Resolution No. R-18-17 Authorizing the Issuance of Improvement Area No. 1 2018 Special Tax Bonds in an Aggregate Principal Amount Not To Exceed \$24,000,000 and Approving Certain Other Actions in Connection Therewith.  
**ACTION:** Director Rodriguez moved to Adopt Resolution No. R-18-17. Director Harich seconded. Motion carried unanimously.
  - c. 1443 estimated homes to be built. 156 houses released to date.
10. **Harmony Grove (Griffin Homes).**
  - a. Project Update.
  - b. 50 estimated homes to be built.
11. **Water Utilization Reports.**  
**ACTION:** Note and file.
12. **Sustainable Groundwater Management Act.**
  - a. Project Update.
13. **Committee Reports.**
  - a. Finance (Director Rodriguez).
  - b. Engineering (Director Destache).
  - c. Public Relations (Allison Harnden) – Allison reported that our website has been updated to comply with AB2257. She also reminded the Board and staff that the December meeting will be moved up one week to the 18<sup>th</sup>.
14. **General Manager's Report.**

a. General Manager’s Report – The General Manager reported on current projects.

1. Reimbursement of Slater Sewer Lift Station.

**ACTION:** Director Rodriguez moved to approve the reimbursement to Don Slater in the amount of \$34,295.30. Director Butler seconded. Director Destache abstained Motion carried.

2. Modifications & Additions to Employee Handbook.

**ACTION:** This item was tabled until next month’s meeting.

**15. Operations Report.**

a. Water and sewer operations.

**16. District Engineer’s Report.**

a. Status of Projects.

**17. District Counsel’s Report.**

**18. Seminars/Workshops.**

**19. Consideration of Correspondence.**

An informational package containing copies of all pertinent correspondence for the Month of October will be distributed to each Director along with the Agenda.

**20. Adjournment.**

There being no further business, the November 27, 2018 Regular Meeting of the Temescal Valley Water District Board of Directors was adjourned at 10:35 a.m. by President Colladay.

**ATTEST:**

**APPROVED:**

\_\_\_\_\_  
Paul Rodriguez, Secretary

\_\_\_\_\_  
Charles Colladay, President

Date: \_\_\_\_\_

Date: \_\_\_\_\_



TEMESCAL VALLEY WATER DISTRICT

Payment Authorization Report

December 18, 2018

Check #	Date	Payee ID	Payee	Amount	
21847	11/17/18	DH	DAVID HARICH-FIN MTG	\$ 243.87	
21848	11/17/18	RO	PAUL RODRIGUEZ-FIN MTG	246.37	
21849-21854	11/17/18		VOID	-	
21855	11/17/18	DB	DAVID A. BROWN	195.10	
21856	11/17/18	EC	EXPRESS CARPET & UPHOLSTERY CL	60.00	
21857	11/17/18	DSC	DON SLATER-REIMB AGREEMENT	34,295.30	
21858	11/17/18	RO	PAUL RODRIGUEZ-CONF EXP	246.37	
21859	11/17/18	WE01	WESTERN MUNICIPAL WATER DISTR.	244.92	
21860	11/30/18	AD	PAYROLL	-	
21861	11/30/18	BE	PAYROLL	-	
21862	11/30/18	CG	PAYROLL	-	
21863	11/30/18	CL	PAYROLL	-	
21864	11/30/18	DB	PAYROLL	-	
21865	11/30/18	JH	PAYROLL	-	
21866	11/30/18	KN	PAYROLL	-	
21867	11/30/18	LK	PAYROLL	-	
21868	11/30/18	MM	PAYROLL	-	
21869	11/30/18	PB	PAYROLL	-	
21870	11/30/18	KEN	KEN CALDWELL-CONSULTANT	500.00	
21871	11/27/18	ACSI	ALEXANDER'S CONTRACT SERVICES, INC.	5,172.75	
21872	11/27/18	ATTM	AT & T MOBILITY	709.68	
21873	11/27/18	BA01	BABCOCK LABORATORIES, INC	3,252.00	
21874	11/27/18	CE01	CENTRAL COMMUNICATIONS	92.52	
21875	11/27/18	CM01	CORE & MAIN	19,592.19	METERS
21876	11/27/18	FM	MAIL FINANCE	1,504.87	
21877	11/27/18	PFTS	PIRTEK FLUID TRANSFER SOLUTIONS	231.11	
21878	11/27/18	PLIC	PROTECTIVE LIFE INSURANCE COMPANY	117.60	
21879	11/27/18	PLM01	PARRA LANDSCAPE MAINTENANCE	279.80	
21880	11/27/18	PPE	PRIVATE PEST EXTERMINATORS	286.00	
21881	11/27/18	SA02	SAM'S CLUB	100.00	
21882	11/27/18	SEMA	SEMA INC.	1,433.08	
21883	11/27/18	TR01	TRAN CONTROLS SCADA SOLUTIONS, LLC.	1,548.37	
21884	11/27/18	TR012	TRAN CONTROLS SCADA SOLUTIONS, LLC.	7,228.13	
21885	11/27/18	UBB	USA BLUEBOOK	941.01	
21886	11/28/18		EDUARDO LOPEZ	80.00	
21887	12/4/18	BLIC	BENEFICIAL LIFE INS COMPANY	759.54	
21888	12/4/18	CA16	CALIFORNIA CHOICE BENEFIT ADMINISTRATOR	11,856.75	2 MONTHS
21889	12/4/18	DSC	DATABASE SYSTEMS CORP.	1,022.00	
21890	12/4/18	SAQMDHB	SOUTH COAST AIR QUALITY MGT DIST	813.58	
21891	12/4/18	SC01	SOUTH COAST AQMD	263.58	
21892	12/4/18	SCAP	SOUTHERN CALIFORNIA ALLIANCE OF PUBLICL	1,686.00	
21893	12/4/18	SO03	SOUTHERN CALIF EDISON CO.	40,342.00	
21894	12/4/18	SWRCB-1	WATER BOARDS-SWRCB	10,891.00	ST FEES
21895	12/4/18	TWC	SPECTRUM BUSINESS	1,018.49	
21896	12/4/18	UCSI	ULTIMATE CLEANING SOLUTIONS INC	290.00	
21897	12/4/18	UN01	UNDERGROUND SERVICE ALERT	61.15	
21898	12/4/18	USB01	US BANK GOVERNMENT SERVICES	1,828.30	
21899	12/4/18	WA01	WASTE MANAGEMENT - INLAND EMPIRE	276.88	
21900	12/7/18		EDUARDO LOPEZ	100.00	
21901-21917	12/10/18		VOID	-	
21918	12/10/18	AS01	ASJ INDUSTRIAL HOSE & FITTING INC.	463.71	
21919	12/10/18	ATT01	AT&T	283.51	
21920	12/10/18	BGM	BIG GIANT MEDIA	204.70	
21921	12/10/18	BT	BT PIPELINE INC.	9,080.50	REP-12" VAL/BLOCKS
21922	12/10/18	CDM	COMMERCIAL DOOR MEDICS	1,396.50	
21923	12/10/18	CFP	CINTAS FIRE PROTECTION	1,265.94	
21924	12/10/18	CM01	CORE & MAIN	1,275.16	
21925	12/10/18	CS01	CSDA - CAL.SPECIAL DISTR.ASSN	7,252.00	
21926	12/10/18	DCI	DIVE / CORR, INC.	2,675.00	
21927	12/10/18	DU02	DUDEK & ASSOCIATES-SPECIAL PJTS	4,657.50	
21928	12/10/18	DU03	DUDEK & ASSOCIATES-PASS THRU	2,245.00	
21929	12/10/18	DU04	DUDEK & ASSOCIATES-ENGINEERING	1,750.00	
21930	12/10/18	DWEI	DEXTER WILSON ENGINEERING INC	660.00	
21931	12/10/18	EWC	EYNON MANAGEMENT	2,333.00	
21932	12/10/18	HES	HOLLOWAY ENVIRONMENTAL SOLUTIONS	2,402.89	
21933	12/10/18	HO01	HOME DEPOT CREDIT SERVICES	275.56	
21934	12/10/18	IEI	INNERLINE ENGINEERING INC	2,449.50	

TEMESCAL VALLEY WATER DISTRICT

Payment Authorization Report

December 18, 2018

Check #	Date	Payee ID	Payee	Amount
21935	12/10/18	Maxim	MAXIM SECURITY SERVICES	275.00
21936	12/10/18	NC	NORTHSTAR CHEMICAL	7,195.55
21937	12/10/18	PE10	PETE'S ROAD SERVICE INC.	1,901.05
21938	12/10/18	ST01	STAPLES CREDIT PLAN	598.82
21939	12/10/18	ST02	STATE COMPENSATION INSUR.FUND	1,868.50
21940	12/10/18	UBB	USA BLUEBOOK	572.81
21941	12/10/18	VW	V.W. HOUSEN	1,097.50
21942	12/10/18	WA01	WASTE MANAGEMENT - INLAND EMPIRE	648.78
21943	12/10/18	WA02	WATEREUSE ASSOC.	722.25
21944	12/10/18	WE01	WESTERN MUNICIPAL WATER DISTR.	14,267.17
21945	12/10/18	KEN	KEN CALDWELL-CONSULTANT	400.00
21946-21947	12/10/18		VOID	-
21948	12/10/18	REFUND	FAYE PICHON	225.94
21949	12/10/18	REFUND	DARBY MERRITT	97.21
21950	12/10/18	REFUND	AIMEE POPE	135.48
21951	12/10/18	REFUND	MANJIT KAUR	148.45
21952	12/10/18	REFUND	ERWIN HYMER USA LP	92.58
21953	12/10/18	REFUND	DEBORAH HEWETT	108.37
21954	12/10/18	REFUND	CHARLES LEE JOHNSON	70.44
21955	12/10/18	REFUND	PAUL DODENHOFF	104.72
21956	12/10/18	REFUND	JUSTIN FRERICHS	84.67
21957	12/10/18	REFUND	SERGIO MACIEL	118.64
21958	12/10/18	REFUND	TIMOTHY WYMORE	333.84
21959	12/11/18	CAM	CHANDLER INVESTMENT MANAGEMENT	1,000.00
21960	12/11/18	CE01	CENTRAL COMMUNICATIONS	125.80
21961	12/11/18	DU02	DUDEK & ASSOCIATES	3,325.00
21962	12/11/18	REFUND	MARTIN CLEVINGER	300.00
21963	12/12/18	REFUND	CHRISTOPHER RICHMOND	1.61
21964	12/13/18	WE01	WESTERN MUNICIPAL WATER DISTR.	209,328.10
Total				<u>\$ 435,629.06</u>

CAP/RTS FEES

THESE INVOICES ARE SUBMITTED TO THE  
TEMESCAL VALLEY BOARD OF DIRECTORS FOR  
APPROVAL AND AUTHORIZATION FOR PAYMENT

*Mel McCullough - Finance Manager*

Mel McCullough - Finance Manager

12/18/18

Date

**TEMESCAL VALLEY WATER DISTRICT**  
**INTERNAL BALANCE SHEET**  
**30-Nov-18**

ASSETS

Fixed Assets (net of accumulated depreciation)			
Land		\$	902,118
Treatment Plants			13,773,360
Capacity Rights			13,503,639
Water System, Reservoir & Wells			8,903,061
Water & Sewer Mains			31,247,459
General Equipment Sewer/Water/ Furniture			328,191
Buildings & Entrance Improvements			313,505
			\$ 68,971,334
Current Assets			
Cash - Wastewater	11,174,186		
Cash - Water	11,151,294		
Cash - ID #1	504,549		
Cash - ID #2	189,811		
Cash - Nonpotable	2,667,516		
Cash - Deposits	1,139,055		26,826,411
Accounts Receivable-Services/Developers			1,643,398
Assessment Receivable			176,553
Interest Receivable			34,400
Prepaid Expenses			21,000
Inventory			75,141
			28,776,904
Other Assets			
Work-in-Process			247,952
Deferred Outflows - Pension		\$	197,154
<b>TOTAL ASSETS</b>		<b>\$</b>	<b>98,193,343</b>

LIABILITIES

Current Liabilities			
Accounts Payable		\$	326,489
Security Deposits			235,008
Payroll & Payroll Taxes Payable			37,045
Capacity & Meter Deposits			204,630
Fiduciary Payments Payable			399,129
Developer Deposits			287,211
Other Deposits			13,077
			1,502,589
Long-term Liabilities			
TVRP Note			1,433,445
Deferred Inflows - Pension			83,543
<b>TOTAL LIABILITIES</b>		<b>\$</b>	<b>3,019,577</b>

FUND EQUITY

Fund Balances			
Waste Water Fund Balance			34,579,519
Water Fund Balance			46,306,941
ID #1 Fund Balance			600,534
ID #2 Fund Balance			564,747
Recycled Water Fund Balance			13,122,026
<b>TOTAL FUND EQUITY</b>		<b>\$</b>	<b>95,173,766</b>
<b>TOTAL LIABILITIES &amp; FUND EQUITY</b>		<b>\$</b>	<b>98,193,343</b>

**TEMESCAL VALLEY WATER DISTRICT  
REVENUE AND EXPENDITURES/BUDGET  
For Five Month ending November 30, 2018**

	NOV			YEAR TO DATE			BUDGET 2018-2019	BUDGET REMAINING
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE		
<b><u>WASTEWATER DEPARTMENT</u></b>								
<b>OPERATING REVENUE:</b>								
MONTHLY SEWER SERVICE CHARGE	192,886	193,500	(614)	963,012	967,500	(4,488)	2,320,000	(1,356,988)
MONTHLY SERVICE CHARGE-ID #1	10,767	10,767	-	53,835	53,835	-	129,200	(75,365)
MONTHLY SERVICE CHARGE-ID #2	12,180	12,180	-	60,900	60,900	-	146,150	(85,250)
MONTHLY SEWER SERVICE CHG-R COM	12,999	9,440	3,559	48,574	47,200	1,374	113,300	(64,726)
MISC UTILITY CHARGES/ REVENUE	-	400	(400)	5,837	2,000	3,837	5,000	837
STANDBY CHARGES	-	-	-	2,254	-	2,254	110,000	(107,746)
CFD REIMBURSEMENTS	-	-	-	-	-	-	20,000	(20,000)
INSPECTION CHARGES	5,673	3,800	1,873	23,524	19,000	4,524	46,000	(22,476)
TOTAL WASTEWATER REVENUE	234,505	230,087	4,418	1,157,936	1,150,435	7,501	2,889,650	(1,731,714)
<b>OPERATING EXPENSES:</b>								
PLANT WAGES EXPENSE	14,108	11,750	2,358	47,327	47,950	(623)	137,000	(89,673)
INSPECTION WAGES EXPENSE	3,721	3,500	221	13,570	13,100	470	31,000	(17,430)
PAYROLL TAXES EXP	362	350	12	1,186	1,250	(64)	3,000	(1,814)
EMPLOYEE BENEFITS-INS	792	1,125	(333)	3,791	4,200	(409)	18,500	(14,709)
EMPLOYEE BENEFITS-RETIREMENT	1,272	1,200	72	6,360	6,400	(40)	19,000	(12,640)
OVERTIME EXP	-	600	(600)	1,845	3,000	(1,155)	7,000	(5,155)
MILEAGE EXP	311	100	211	881	500	381	1,000	(119)
VACATION EXP	624	650	(26)	3,121	3,650	(529)	8,800	(5,679)
ELECTRICIAN LABOR COSTS	-	420	(420)	-	2,100	(2,100)	5,000	(5,000)
SCADA SYSTEM ADMIN/MAINT	-	850	(850)	700	4,250	(3,550)	10,000	(9,300)
LABORATORY TESTING COSTS	-	1,250	(1,250)	11,321	10,000	1,321	15,000	(3,679)
SLUDGE DISPOSAL/PUMPING COSTS	3,328	2,500	828	9,487	12,500	(3,013)	30,000	(20,513)
SLUDGE DISPOSAL BAG EXP	-	25,000	(25,000)	-	25,000	(25,000)	25,000	(25,000)
SLUDGE CHEMICAL EXP	-	5,000	(5,000)	11,400	25,000	(13,600)	60,000	(48,600)
EQUIPMENT RENTAL COSTS	-	200	(200)	-	1,000	(1,000)	2,000	(2,000)
EQUIPMENT REPAIRS & MAINT.	7,227	15,500	(8,273)	56,757	77,500	(20,743)	185,000	(128,243)
SEWER LINE REPAIRS	-	1,000	(1,000)	-	5,000	(5,000)	10,000	(10,000)
SEWER CLEANING AND VIDEO EXP	-	1,250	(1,250)	2,526	6,250	(3,724)	15,000	(12,474)
SECURITY AND ALARM EXP	-	-	-	-	750	(750)	3,000	(3,000)
PROPERTY MAINTENANCE	4,645	3,500	1,145	15,181	17,500	(2,319)	40,000	(24,819)
ENGINEERING/ADMIN. STUDIES	-	1,500	(1,500)	1,925	7,500	(5,575)	20,000	(18,075)
ENERGY COSTS	15,299	15,750	(451)	100,775	78,750	22,025	190,000	(89,225)
CONSUMABLE SUPPLIES & CLEANING	375	850	(475)	4,664	4,250	414	10,000	(5,336)
CHEMICALS, LUBRICANTS & FUELS	4,222	5,000	(778)	37,412	25,000	12,412	60,000	(22,588)
SMALL EQUIPMENT & TOOLS COST	2,788	1,250	1,538	16,580	6,250	10,330	15,000	1,580
PERMITS, FEES & TAXES	2,900	2,100	800	6,005	10,500	(4,495)	25,000	(18,995)
SAWPA BASIN MONITORING EXP	-	-	-	11,080	12,000	(920)	25,000	(13,920)
MAP UPDATING/GIS EXP	-	-	-	-	500	(500)	2,000	(2,000)
MISC. OPERATING EXP	-	-	-	-	250	(250)	1,000	(1,000)
BAD DEBT EXPENSES	-	-	-	27	-	27	1,500	(1,473)
CONTINGENCIES (Cross Conection)	7,717	3,000	4,717	14,707	15,000	(293)	37,000	(22,293)
TOTAL OPERATING EXPENSES	69,691	105,195	(35,504)	378,628	426,900	(48,272)	1,011,800	(633,172)

**TEMESCAL VALLEY WATER DISTRICT  
REVENUE AND EXPENDITURES/BUDGET  
For Five Month ending November 30, 2018**

	NOV			YEAR TO DATE			BUDGET	BUDGET
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	2018-2019	REMAINING
<b>ADMINISTRATIVE EXPENSES:</b>								
CONTRACT MANAGEMENT	9,233	9,500	(267)	40,789	40,500	289	100,000	(59,211)
GENERAL ENGINEERING EXP	860	1,250	(390)	5,185	6,250	(1,065)	15,000	(9,815)
EMPLOYEE BENEFITS-INS	621	750	(129)	7,377	8,450	(1,073)	20,000	(12,623)
EMPLOYEE BENEFITS-RETIREMENT	1,908	2,000	(92)	9,540	9,980	(440)	23,500	(13,960)
ANNUAL ASSESSMENT EXP	-	-	-	5,688	5,000	688	5,000	688
PLAN CHECK & INSPECTION EXP	-	200	(200)	-	1,000	(1,000)	2,500	(2,500)
WAGES EXPENSE	16,820	16,625	195	63,065	63,125	(60)	164,000	(100,935)
VACATION EXP	797	1,000	(203)	4,970	5,000	(30)	11,500	(6,530)
PAYROLL TAX EXPENSES	284	240	44	1,080	1,200	(120)	3,100	(2,020)
OVERTIME EXP	-	100	(100)	-	500	(500)	1,000	(1,000)
MILEAGE EXP ADMIN	-	42	(42)	-	210	(210)	500	(500)
CONTRACT STAFFING EXP	-	-	-	-	-	-	2,000	(2,000)
LEGAL EXPENSES	-	900	(900)	1,985	4,200	(2,215)	10,000	(8,015)
AUDIT EXPENSES	-	-	-	-	-	-	5,500	(5,500)
BOARD COMMITTEE MEETING EXP.	844	1,000	(156)	3,577	5,000	(1,423)	12,000	(8,423)
ELECTION & PUBLIC HEARING EXP	-	-	-	-	-	-	-	-
COMPUTER SYSTEM ADMIN	1,880	1,500	380	5,879	7,500	(1,621)	18,000	(12,121)
BANK CHARGES EXP	2,065	1,250	815	10,227	6,250	3,977	15,000	(4,773)
MISCELLANEOUS & EDUCATION EXP	-	400	(400)	1,200	2,000	(800)	5,000	(3,800)
TELEPHONE, FAX & CELL EXP	472	1,000	(528)	4,112	5,000	(888)	12,000	(7,888)
OFFICE SUPPLIES EXP	1,440	1,400	40	3,799	7,000	(3,201)	16,000	(12,201)
PRINTING EXPENSES	-	-	-	2,382	1,500	882	6,000	(3,618)
POSTAGE & DELIVERY EXPENSE	913	1,100	(187)	4,868	5,500	(632)	13,200	(8,332)
PUBLICATIONS, NOTICES & DUES	-	750	(750)	309	750	(441)	750	(441)
EQUIPMENT LEASE EXPENSES	889	620	269	2,126	3,100	(974)	7,400	(5,274)
INSURANCE EXPENSES	1,770	2,000	(230)	9,175	10,000	(825)	28,000	(18,825)
COMMUNITY OUTREACH EXP	-	-	-	3,160	4,000	(840)	8,000	(4,840)
INVESTMENT EXP	400	400	-	2,000	2,000	-	4,800	(2,800)
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<b>41,196</b>	<b>44,027</b>	<b>(2,831)</b>	<b>192,493</b>	<b>205,015</b>	<b>(12,522)</b>	<b>509,750</b>	<b>(317,257)</b>
<b>TOTAL WASTEWATER EXPENSES</b>	<b>110,887</b>	<b>149,222</b>	<b>(38,335)</b>	<b>571,121</b>	<b>631,915</b>	<b>(60,794)</b>	<b>1,521,550</b>	<b>(950,429)</b>
<b>NET OPERATING REVENUE/EXPENSE</b>	<b>123,618</b>	<b>80,865</b>	<b>42,753</b>	<b>586,815</b>	<b>518,520</b>	<b>68,295</b>	<b>1,368,100</b>	<b>(781,285)</b>
<b>NON-OPERATING SOURCE OF FUNDS:</b>								
OTHER REVENUE REIMB-MANDATE COSTS	-	-	-	-	-	-	-	-
INTEREST INCOME	6,536	1,250	5,286	28,877	6,250	22,627	15,000	13,877
PROPERTY TAX INCOME	-	-	-	9,231	-	9,231	70,000	(60,769)
<b>TOTAL NON-OPER SOURCE OF FUNDS</b>	<b>6,536</b>	<b>1,250</b>	<b>5,286</b>	<b>38,108</b>	<b>6,250</b>	<b>31,858</b>	<b>85,000</b>	<b>(46,892)</b>
<b>TOTAL SEWER REVENUE/EXPENSE</b>	<b>130,154</b>	<b>82,115</b>	<b>48,039</b>	<b>624,923</b>	<b>524,770</b>	<b>100,153</b>	<b>1,453,100</b>	<b>(828,177)</b>
TRANSFER TO CAPITAL FUND-REPLACEMENT				297,422				
TRANSFER TO CAPITAL FUND-IMPROVEMENT				327,501				
CONNECTION FEES				99,097				
				-				

**TEMESCAL VALLEY WATER DISTRICT  
REVENUE AND EXPENDITURES/BUDGET  
For Five Month ending November 30, 2018**

**WASTE WATER CAPITAL FUND:**

ENDING FUNDS AVAILABLE 2017-2018	<b>11,261,532</b>
TRANSFER FOR CAPITAL FUND REPLACEMENT	<b>297,422</b>
TRANSFER FOR CAPITAL IMPROVEMENTS	<b>426,598</b>
CAPITAL IMPROVEMENT (SEE ATTACHED DETAIL)	<b><u>(33,180)</u></b>
TOTAL FUNDS AVAILABLE	<b><u>11,952,372</u></b>

**TEMESCAL VALLEY WATER DISTRICT  
REVENUE AND EXPENDITURES/BUDGET  
For Five Month ending November 30, 2018**

	NOV			YEAR TO DATE			BUDGET 2018-2019	BUDGET REMAINING
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE		
<b><u>WATER DEPARTMENT</u></b>								
<b>OPERATING REVENUE:</b>								
WATER SERVICE CHARGE	126,937	129,600	(2,663)	670,103	680,000	(9,897)	1,675,000	(1,004,897)
WATER USAGE CHARGES	393,732	334,400	59,332	2,112,289	1,881,000	231,289	4,180,000	(2,067,711)
WATER PUMPING CHARGE	15,982	12,800	3,182	71,039	72,000	(961)	160,000	(88,961)
FIRE PROTECTION CHARGES	3,038	2,800	238	14,751	14,000	751	33,500	(18,749)
MISC. UTILITY CHARGES	3,267	3,000	267	15,905	15,000	905	36,000	(20,095)
SERVICE METER INCOME	9,660	8,000	1,660	29,360	31,000	(1,640)	100,000	(70,640)
CELLULAR SITE LEASE	2,957	2,900	57	8,870	14,500	(5,630)	35,000	(26,130)
MWD READINESS TO SERVE CHARGE	12,494	11,800	694	62,133	59,000	3,133	142,000	(79,867)
STANDBY CHARGES	-	-	-	1,669	-	1,669	41,000	(39,331)
CFD REIMBURSEMENTS	-	-	-	-	-	-	20,000	(20,000)
INSPECTION CHARGES	4,964	3,400	1,564	20,583	17,000	3,583	40,400	(19,817)
TOTAL WATER REVENUE	573,031	508,700	64,331	3,006,702	2,783,500	223,202	6,462,900	(3,456,198)
<b>OPERATING EXPENSES:</b>								
WAGES EXPENSE	12,345	13,500	(1,155)	41,411	50,700	(9,289)	120,000	(78,589)
INSPECTION WAGES EXPENSE	3,256	3,000	256	11,874	11,600	274	27,500	(15,626)
PAYROLL TAXES EXP	317	250	67	1,038	930	108	2,200	(1,162)
EMPLOYEE BENEFITS-INS	890	1,000	(110)	3,907	4,000	(93)	16,000	(12,093)
EMPLOYEE BENEFITS-RETIREMENT	1,115	1,335	(220)	5,575	5,675	(100)	16,000	(10,425)
OPERATION-MILEAGE EXP	272	40	232	771	200	571	500	271
OVERTIME EXPENSE/ ON CALL	-	500	(500)	1,615	2,500	(885)	6,000	(4,385)
VACATION EXP	780	670	110	3,901	3,350	551	8,000	(4,099)
CONTRACT STAFFING-METER READS	5,172	5,420	(248)	25,621	27,100	(1,479)	65,000	(39,379)
SCADA SYSTEM ADMIN/MAINT	-	830	(830)	8,794	3,150	5,644	10,000	(1,206)
LABORATORY TESTING COSTS	-	1,000	(1,000)	6,812	5,000	1,812	12,000	(5,188)
COMPLIANCE TESTING (ISDE/CROSS)	-	250	(250)	-	1,250	(1,250)	3,000	(3,000)
LEAK DETECTION EXPENSE	-	670	(670)	-	3,350	(3,350)	8,000	(8,000)
EPA WATER TESTING EXP	-	500	(500)	-	2,500	(2,500)	6,000	(6,000)
EQUIPMENT RENTAL COSTS	-	-	-	-	500	(500)	2,000	(2,000)
EQUIPMENT REPAIRS & MAINT.	10,066	8,300	1,766	28,498	41,500	(13,002)	100,000	(71,502)
WATER LINE REPAIRS	-	3,350	(3,350)	-	16,750	(16,750)	40,000	(40,000)
ALARM MONITORING COSTS	-	-	-	-	700	(700)	2,625	(2,625)
PROPERTY MAINTENANCE	-	420	(420)	857	2,100	(1,243)	5,000	(4,143)
ENGINEERING/ADMIN. STUDIES	-	670	(670)	-	3,350	(3,350)	8,000	(8,000)
ENERGY COSTS	8,087	13,400	(5,313)	65,801	67,000	(1,199)	160,000	(94,199)
CONSUMABLE SUPPLIES & CLEANING	335	300	35	807	1,500	(693)	3,500	(2,693)
CHEMICALS, LUBRICANTS & FUELS	319	400	(81)	2,054	2,000	54	5,000	(2,946)
SMALL EQUIPMENT & TOOLS COST	-	170	(170)	-	850	(850)	2,000	(2,000)
PERMITS, FEES & TAXES	790	-	790	5,325	8,500	(3,175)	34,000	(28,675)
MAP UPDATING/GIS EXP	2,538	420	2,118	2,538	2,100	438	5,000	(2,462)
SERVICE METERS & PARTS COSTS	24,452	6,600	17,852	44,454	33,000	11,454	80,000	(35,546)
WHOLESALE WATER PURCHASES	209,328	292,000	(82,672)	1,628,546	1,642,500	(13,954)	3,650,000	(2,021,454)
WATER-MWD CAPACITY CHARGE	4,205	4,200	5	21,025	21,000	25	50,000	(28,975)
WATER-READINESS TO SERVE/REFUSAL CHARGE	10,062	10,000	62	50,311	50,000	311	120,000	(69,689)
WMWD-MGLMR EXP	-	-	-	116,314	116,314	-	116,314	-
BAD DEBT EXPENSES	-	-	-	27	-	27	1,500	(1,473)
CONSERVATION REBATE EXP	-	250	(250)	-	1,250	(1,250)	3,000	(3,000)
CONTINGENCIES(Cross Connection)	6,752	6,800	(48)	14,936	14,000	936	28,000	(13,064)
TOTAL OPERATING EXPENSES	301,081	376,245	(75,164)	2,092,812	2,146,219	(53,407)	4,716,139	(2,623,327)

**TEMESCAL VALLEY WATER DISTRICT  
REVENUE AND EXPENDITURES/BUDGET  
For Five Month ending November 30, 2018**

	NOV			YEAR TO DATE			BUDGET	BUDGET
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	2018-2019	REMAINING
<b>ADMINISTRATIVE EXPENSES:</b>								
CONTRACT MANAGEMENT	8,079	7,600	479	35,691	35,300	391	87,500	(51,809)
GENERAL ENGINEERING EXP	175	1,700	(1,525)	13,175	8,500	4,675	20,000	(6,825)
PLAN CHECK & INSPECTION EXP	-	900	(900)	-	4,500	(4,500)	10,000	(10,000)
EMPLOYEE BENEFITS-INS	738	1,000	(262)	6,934	7,400	(466)	17,500	(10,566)
EMPLOYEE BENEFITS-RETIREMENT	1,670	2,350	(680)	8,350	8,670	(320)	20,500	(12,150)
ANNUAL ASSESSMENT EXP	-	-	-	5,688	4,000	1,688	4,000	1,688
WAGES EXPENSE	16,176	16,250	(74)	56,640	60,650	(4,010)	143,500	(86,860)
VACATION EXP	996	950	46	4,982	4,750	232	11,300	(6,318)
MILEAGE EXP ADMIN	-	42	(42)	-	210	(210)	500	(500)
OVERTIME EXPENSE	-	80	(80)	-	400	(400)	1,000	(1,000)
PAYROLL TAX EXPENSES	249	230	19	945	1,150	(205)	2,950	(2,005)
CONTRACT STAFFING OFFICE	-	-	-	-	2,000	(2,000)	2,000	(2,000)
LEGAL EXPENSES	-	420	(420)	1,409	2,100	(691)	5,000	(3,591)
AUDIT EXPENSES	-	5,000	(5,000)	-	5,000	(5,000)	5,000	(5,000)
BOARD COMMITTEE/ MEETING EXP.	739	875	(136)	3,131	4,375	(1,244)	10,500	(7,369)
COMPUTER SYSTEM EXP	1,645	850	795	5,144	4,250	894	10,000	(4,856)
BANK CHARGES EXP	1,807	1,250	557	8,948	6,250	2,698	15,000	(6,052)
MISCELLANEOUS & EDUCATION EXP	-	200	(200)	210	1,000	(790)	2,000	(1,790)
TELEPHONE EXP	413	850	(437)	3,597	4,250	(653)	10,000	(6,403)
OFFICE SUPPLIES EXP	1,143	850	293	3,701	4,250	(549)	10,000	(6,299)
PRINTING EXPENSES	-	-	-	2,085	2,500	(415)	5,000	(2,915)
POSTAGE & DELIVERY EXPENSE	799	920	(121)	4,077	4,600	(523)	11,000	(6,923)
PUBLICATIONS, NOTICES & DUES	-	200	(200)	-	1,000	(1,000)	2,000	(2,000)
EQUIPMENT LEASE EXPENSES	777	500	277	1,808	2,500	(692)	6,000	(4,192)
INSURANCE EXPENSES	1,550	2,050	(500)	8,033	10,250	(2,217)	24,500	(16,467)
INVESTMENT EXPENSE	350	350	-	1,750	1,750	-	4,200	(2,450)
ELECTION & PUBLIC HEARING EXP	-	-	-	-	-	-	-	-
COMMUNITY OUT REACH EXP	-	-	-	2,765	3,000	(235)	7,000	(4,235)
TOTAL ADMINISTRATIVE EXPENSES	37,306	45,417	(8,111)	179,063	194,605	(15,542)	447,950	(268,887)
TOTAL WATER EXPENSES	338,387	421,662	(83,275)	2,271,875	2,340,824	(68,949)	5,164,089	(2,892,214)
<b>NET OPERATING REVENUE/EXPENSE</b>	<b>234,644</b>	<b>87,038</b>	<b>147,606</b>	<b>734,827</b>	<b>442,676</b>	<b>292,151</b>	<b>1,298,811</b>	<b>(563,984)</b>
<b>NON-OPERATING SOURCE OF FUNDS:</b>								
OTHER REVENUE REIMB-MANDATE COSTS	-	-	-	-	-	-	-	-
INTEREST INCOME	8,256	1,500	6,756	36,475	7,500	28,975	18,000	18,475
PROPERTY TAX INCOME	-	-	-	4,432	-	4,432	40,000	(35,568)
TOTAL NON-OP SOURCE OF FUNDS	8,256	1,500	6,756	40,907	7,500	33,407	58,000	(17,093)
<b>TOTAL REVENUE/EXPENSE</b>	<b>242,900</b>	<b>88,538</b>	<b>154,362</b>	<b>775,734</b>	<b>450,176</b>	<b>325,558</b>	<b>1,356,811</b>	<b>(581,077)</b>
TRANSFER TO CAPITAL FUND-REPLACEMENT				222,279				
TRANSFER TO CAPITAL FUND-IMPROVEMENT				553,455				
CONNECTION FEES				363,745				
CAPACITY USAGE INCOME				249,815				
LONG TERM DEBT REDUCTION				249,815				
				-				



**TEMESCAL VALLEY WATER DISTRICT  
REVENUE AND EXPENDITURES/BUDGET  
For Five Month ending November 30, 2018**

**WATER CAPITAL FUND:**

ENDING FUNDS AVAILABLE 2017-2018	<b>10,930,588</b>
TRANSFER FOR CAPITAL FUND REPLACEMENT	<b>222,279</b>
TRANSFER FOR CAPITAL IMPROVEMENTS	<b>917,200</b>
CAPITAL IMPROVEMENT (SEE ATTACHED DETAIL)	<b><u>(237,860)</u></b>
TOTAL FUNDS AVAILABLE	<b><u>11,832,207</u></b>

**TEMESCAL VALLEY WATER DISTRICT  
REVENUE AND EXPENDITURES/BUDGET  
For Five Month ending November 30, 2018**

	NOV			YEAR TO DATE			BUDGET	BUDGET
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	2018-2019	REMAINING
<b><u>ID#1 DEPARTMENT</u></b>								
OPERATING REVENUE:								
ANNUAL SEWER SERVICE CHARGE	13,725	13,725	-	68,625	68,625	-	164,700	(96,075)
TOTAL ID #1 REVENUE	13,725	13,725	-	68,625	68,625	-	164,700	(96,075)
OPERATING EXPENSES:								
MONTHLY TREATMENT PLANT COSTS	10,766	10,766	-	53,832	53,832	-	133,078	(79,246)
TOTAL OPERATING COSTS	10,766	10,766	-	53,832	53,832	-	133,078	(79,246)
ADMINISTRATIVE EXPENSES:								
ANNUAL ASSESSMENT PROCESSING	-	-	-	-	-	-	3,000	(3,000)
TOTAL ADMINISTRATIVE EXPENSES	-	-	-	-	-	-	3,000	(3,000)
TOTAL ID#1 EXPENSES	10,766	10,766	-	53,832	53,832	-	136,078	(82,246)
<b>NET OPERATING REVENUE/EXPENSE</b>	<b>2,959</b>	<b>2,959</b>	<b>-</b>	<b>14,793</b>	<b>14,793</b>	<b>-</b>	<b>28,622</b>	<b>(13,829)</b>
NON-OPERATING SOURCE OF FUNDS:								
INTEREST INCOME	172	30	142	759	167	592	400	359
TOTAL NON-OPER SOURCE OF FUNDS	172	30	142	759	167	592	400	359
<b>TOTAL REVENUE/EXPENSE</b>	<b>3,131</b>	<b>2,989</b>	<b>142</b>	<b>15,552</b>	<b>14,960</b>	<b>592</b>	<b>29,022</b>	<b>(13,470)</b>
TRANSFER TO CAPITAL FUND-REPLACEMENT				8,586				
TRANSFER TO CAPITAL FUND-IMPROVEMENT				6,966				
				-				
<b><u>ID #1 FUND BALANCE:</u></b>								
ENDING FUNDS AVAILABLE 2017-2018	488,997							
TRANSFER FOR CAPITAL FUND REPLACEMENT	8,586							
TRANSFER FOR CAPITAL IMPROVEMENTS	6,966							
CAPITAL IMPROVEMENT (SEE ATTACHED DETAIL)	-							
TOTAL FUNDS AVAILABLE	504,549							

**TEMESCAL VALLEY WATER DISTRICT  
REVENUE AND EXPENDITURES/BUDGET  
For Five Month ending November 30, 2018**

	NOV			YEAR TO DATE			BUDGET 2018-2019	BUDGET REMAINING
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE		
<b><i>ID#2 DEPARTMENT</i></b>								
OPERATING REVENUE:								
ANNUAL SEWER SERVICE CHARGE	15,525	15,525	-	77,625	77,625	-	191,820	(114,195)
TOTAL ID #2 REVENUE	15,525	15,525	-	77,625	77,625	-	191,820	(114,195)
OPERATING EXPENSES:								
MONTHLY TREATMENT PLANT COSTS	12,179	12,179	-	60,982	60,982	-	150,530	(89,548)
TOTAL OPERATING COSTS	12,179	12,179	-	60,982	60,982	-	150,530	(89,548)
ADMINISTRATIVE EXPENSES:								
GENERAL ENGINEERING EXP	-	-	-	-	-	-	2,500	(2,500)
ANNUAL ASSESSMENT PROCESSING	-	-	-	-	-	-	3,000	(3,000)
TOTAL ADMINISTRATIVE EXPENSES	-	-	-	-	-	-	5,500	(5,500)
TOTAL ID#2 EXPENSES	12,179	12,179	-	60,982	60,982	-	156,030	(95,048)
<b>NET OPERATING REVENUE/EXPENSE</b>	<b>3,346</b>	<b>3,346</b>	<b>-</b>	<b>16,643</b>	<b>16,643</b>	<b>-</b>	<b>35,790</b>	<b>(19,147)</b>
NON-OPERATING SOURCE OF FUNDS:								
INTEREST INCOME	758	344	414	1,520	1,520	-	800	720
TOTAL NON-OPER SOURCE OF FUNDS	758	344	414	1,520	1,520	-	800	720
<b>TOTAL REVENUE/EXPENSE</b>	<b>4,104</b>	<b>3,690</b>	<b>414</b>	<b>18,163</b>	<b>18,163</b>	<b>-</b>	<b>36,590</b>	<b>(18,427)</b>
TRANSFER TO CAPITAL FUND-REPLACEMENT				30,694				
TRANSFER TO CAPITAL FUND-IMPROVEMENT				(12,531)				
				-				
<b><i>ID #2 FUND BALANCE:</i></b>								
ENDING FUNDS AVAILABLE 2017-2018	171,648							
TRANSFER FOR CAPITAL FUND REPLACEMENT	30,694							
TRANSFER FOR CAPITAL IMPROVEMENTS	(12,531)							
CAPITAL IMPROVEMENT-PLANT REMOVAL	-							
TOTAL FUNDS AVAILABLE	189,811							

**TEMESCAL VALLEY WATER DISTRICT  
REVENUE AND EXPENDITURES/BUDGET  
For Five Month ending November 30, 2018**

	NOV			YEAR TO DATE			BUDGET 2018-2019	BUDGET REMAINING
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE		
<b><u>NON-POTABLE WATER DEPARTMENT</u></b>								
OPERATING REVENUE:								
RECYCLED/NON-POTABLE WATER SALES	151,560	136,000	15,560	978,298	799,000	179,298	1,700,000	(721,702)
RECYCLED/ NON-POT WATER FIXED CHARGE	19,338	16,600	2,738	101,478	83,000	18,478	200,000	(98,522)
RECYCLED/NON-POTABLE PUMPING CHARGE	5,137	3,335	1,802	24,629	16,675	7,954	40,000	(15,371)
MISC INCOME	1,300	1,000	300	6,500	5,000	1,500	12,000	(5,500)
INSPECTION REVENUE	3,546	2,400	1,146	14,703	12,000	2,703	29,000	(14,297)
TOTAL NON-POTABLE REVENUE	180,881	159,335	21,546	1,125,608	915,675	209,933	1,981,000	(855,392)
OPERATING EXPENSES:								
RECYCLED/NON-POTABLE LABOR EXP	8,818	9,750	(932)	29,580	36,150	(6,570)	85,500	(55,920)
INSPECTION WAGES EXPENSE	2,325	2,300	25	8,481	8,300	181	19,600	(11,119)
PAYROLL TAXES EXP	226	200	26	742	760	(18)	1,800	(1,058)
EMPLOYEE BENEFITS-INS	636	700	(64)	2,791	3,500	(709)	11,500	(8,709)
EMPLOYEE BENEFITS-RETIREMENT	793	800	(7)	3,965	4,000	(35)	11,500	(7,535)
MILEAGE EXP	195	17	178	551	85	466	200	351
OVERTIME EXP	-	350	(350)	1,154	1,670	(516)	4,000	(2,846)
VACATION EXP	156	260	(104)	781	1,300	(519)	5,500	(4,719)
SCADA SYS EXP	-	420	(420)	16,817	2,100	14,717	5,000	11,817
LABORATORY TESTING COSTS	-	300	(300)	-	1,500	(1,500)	3,000	(3,000)
EQUIPMENT REPAIRS & MAINT.	-	8,300	(8,300)	10,255	41,500	(31,245)	100,000	(89,745)
NONPOTABLE WATER LINE REPAIR	-	8,300	(8,300)	-	41,500	(41,500)	100,000	(100,000)
SECURITY AND ALARM EXP	-	-	-	-	470	(470)	1,875	(1,875)
PROPERTY MAINTENANCE	-	420	(420)	218	2,100	(1,882)	5,000	(4,782)
ENERGY COSTS	16,955	22,000	(5,045)	125,416	129,250	(3,834)	275,000	(149,584)
CONSUMABLE SUPPLIES EXP	-	125	(125)	337	625	(288)	1,500	(1,163)
CHEMICALS, LUBRICANTS & FUELS	228	250	(22)	1,467	1,250	217	3,000	(1,533)
PERMITS AND FEES EXP	1,813	500	1,313	2,748	2,500	248	6,000	(3,252)
SERVICE METERS AND PARTS COSTS	-	600	(600)	-	3,000	(3,000)	7,000	(7,000)
RECYCLED SIGN/TOOLS EXP	-	400	(400)	-	2,000	(2,000)	4,000	(4,000)
MISC OPERATING EXP	-	-	-	-	125	(125)	500	(500)
POTABLE WATER EXP	-	11,000	(11,000)	-	55,000	(55,000)	130,000	(130,000)
BAD DEBT	-	-	-	-	-	-	1,600	(1,600)
CONTINGENCIES(Cross Connection)	4,574	4,600	(26)	22,492	23,000	(508)	26,000	(3,508)
TOTAL OPERATING EXPENSES	36,719	71,592	(34,873)	227,795	361,685	(133,890)	809,075	(581,280)

**TEMESCAL VALLEY WATER DISTRICT  
REVENUE AND EXPENDITURES/BUDGET  
For Five Month ending November 30, 2018**

	NOV			YEAR TO DATE			BUDGET	BUDGET
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	2018-2019	REMAINING
<b>ADMINISTRATIVE EXPENSES:</b>								
CONTRACT MANAGEMENT	5,770	5,450	320	25,493	25,350	143	62,500	(37,007)
GENERAL ENGINEERING/ PLAN CHECK EXP	125	1,250	(1,125)	3,175	6,250	(3,075)	15,000	(11,825)
INSPECTION EXP	-	420	(420)	-	2,100	(2,100)	5,000	(5,000)
EMPLOYEE BENEFITS-INS	527	650	(123)	4,953	5,250	(297)	12,500	(7,547)
EMPLOYEE BENEFITS-RETIREMENT	1,192	1,750	(558)	5,960	6,350	(390)	15,000	(9,040)
WAGES EXPENSE	11,554	11,750	(196)	40,457	43,350	(2,893)	102,500	(62,043)
VACATION EXP	200	300	(100)	998	1,000	(2)	7,100	(6,102)
MILEAGE EXP	-	20	(20)	-	100	(100)	200	(200)
OVERTIME EXP	-	50	(50)	-	250	(250)	500	(500)
PAYROLL TAX EXPENSE	178	200	(22)	675	780	(105)	1,850	(1,175)
CONTRACT STAFFING EXP	-	-	-	-	2,000	(2,000)	2,000	(2,000)
LEGAL EXPENSE	-	425	(425)	1,006	2,075	(1,069)	5,000	(3,994)
AUDIT EXP	-	-	-	-	4,000	(4,000)	4,000	(4,000)
BOARD FEES EXP	527	625	(98)	2,236	3,125	(889)	7,500	(5,264)
ELECTION EXP	-	-	-	-	-	-	-	-
COMPUTER SYSTEMS EXP	1,175	800	375	3,674	4,000	(326)	10,000	(6,326)
BANK CHARGES	1,290	800	490	6,392	4,000	2,392	10,000	(3,608)
MISC & EDUCATION EXP	-	80	(80)	150	400	(250)	1,000	(850)
TELEPHONE EXP	295	500	(205)	2,570	2,500	70	6,000	(3,430)
OFFICE SUPPLIES	585	425	160	1,920	2,075	(155)	5,000	(3,080)
PRINTING EXP	-	250	(250)	88	1,250	(1,162)	3,000	(2,912)
POSTAGE EXP	796	710	86	4,616	3,550	1,066	8,500	(3,884)
PUBLICATION EXP	-	170	(170)	-	850	(850)	2,000	(2,000)
EQUIPMENT LEASE EXP	555	300	255	1,291	1,500	(209)	3,500	(2,209)
INSURANCE EXPENSE	1,107	1,460	(353)	5,738	7,300	(1,562)	17,500	(11,762)
ANNUAL ASSESSMENT EXP	-	-	-	-	3,000	(3,000)	3,000	(3,000)
INVESTMENT EXPENSE	250	250	-	1,250	1,250	-	3,000	(1,750)
COMMUNITY OUTREACH EXP	-	-	-	1,975	2,000	(25)	4,800	(2,825)
TOTAL ADMINISTRATIVE EXPENSES	26,126	28,635	(2,509)	114,617	135,655	(21,038)	317,950	(203,333)
TOTAL NON-POTABLE OPERATING EXPENSES	62,845	100,227	(37,382)	342,412	497,340	(154,928)	1,127,025	(784,613)
<b>NET OPERATING REVENUE/EXPENSE</b>	<b>118,036</b>	<b>59,108</b>	<b>58,928</b>	<b>783,196</b>	<b>418,335</b>	<b>364,861</b>	<b>853,975</b>	<b>(70,779)</b>
<b>NON-OPERATING SOURCE OF FUNDS:</b>								
INTEREST INCOME	1,892	300	1,592	8,359	1,500	6,859	3,500	4,859
TOTAL NON-OP SOURCE OF FUNDS	1,892	300	1,592	8,359	1,500	6,859	3,500	4,859
<b>TOTAL REVENUE/EXPENSE</b>	<b>119,928</b>	<b>59,408</b>	<b>60,520</b>	<b>791,555</b>	<b>419,835</b>	<b>371,720</b>	<b>857,475</b>	<b>(65,920)</b>
TRANSFER TO CAPITAL FUND-REPLACEMENT				147,029				
TRANSFER TO CAPITAL FUND-IMPROVEMENT				644,526				
CONNECTION FEES				-				
				-				
<b>NON-POTABLE FUND BALANCE:</b>								
ENDING FUNDS AVAILABLE 2017-2018	2,668,491							
TRANSFER FOR CAPITAL FUND REPLACEMENT	147,029							
TRANSFER FOR CAPITAL IMPROVEMENTS	644,526							
CAPITAL IMPROVEMENT (SEE ATTACHED DETAIL)	(306,164)							
TOTAL FUNDS AVAILABLE	3,153,882							

Temescal Valley Water District  
Capital Projects  
Yearly Miscellaneous and Multi - Year

Capital Projects FY 2018/2019 Maintenance/ General Projects	Total Cost	Source of Funding			Previous YR	AS OF NOVEMBER 30, 2018 EXPENDITURES			Total YTD	Variance
		Sewer Fund	Water Fund	Recycled Fund		Sewer Fund	Current Water Fund	Recycled Fund		
Computer and Software Upgrades	\$ 25,000	\$ 10,000	\$ 8,750	\$ 6,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000
General Building Improvements	\$ 40,000	\$ 16,000	\$ 14,000	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000
Convert to Recycled	\$ 135,000	\$ -	\$ 75,000	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 135,000
Replace VFD	\$ 40,000	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000
Sewer Management Plan Update	\$ 45,000	\$ 45,000	\$ -	\$ -	\$ 9,562	\$ 10,340	\$ -	\$ -	\$ 10,340	\$ 25,098
New Generator design	\$ 54,150	\$ 54,150	\$ -	\$ -	\$ 43,065	\$ -	\$ -	\$ -	\$ -	\$ 11,085
Park Canyon RW Design and Easements	\$ 90,000	\$ -	\$ -	\$ 90,000	\$ 17,074	\$ -	\$ -	\$ -	\$ -	\$ 72,926
Water System Master Plan Update	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ 15,085	\$ -	\$ 15,085	\$ 4,915
Sewer System Master Plan	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ 1,280	\$ -	\$ -	\$ 1,280	\$ 98,720
Non-Potable Recycled Water Plan Update	\$ 30,000	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000
WRF Compliance Instrumentation Replacement	\$ 40,000	\$ 25,000	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000
Well Cleaning and Rehab	\$ 125,000	\$ -	\$ 50,000	\$ 75,000	\$ 61,723	\$ -	\$ -	\$ -	\$ -	\$ 63,277
Operation Building Office Rehab and Improvements	\$ 85,000	\$ 34,000	\$ 30,000	\$ 21,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,000
Painting Syc Crk Potable Water Tank	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 15,150	\$ -	\$ 15,150	\$ 484,850
Forklift	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ -	\$ 17,936	\$ -	\$ -	\$ 17,936	\$ 7,064
Cap Rock Potable pipeline	\$ 200,000	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ 200,000	\$ -
New Energy Saving Plant Lighting	\$ 52,000	\$ 52,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52,000
Air Actuator valves	\$ 42,000	\$ 42,000	\$ -	\$ -	\$ 21,984	\$ -	\$ -	\$ -	\$ -	\$ 20,016
Subtotal Maintenance and General	\$ 1,648,150	\$ 443,150	\$ 897,750	\$ 307,250	\$ 153,408	\$ 29,556	\$ 230,235	\$ -	\$ 259,791	\$ 1,234,951
<b>Multiple Fiscal Year Projects</b>										
Knabe Non-Potable Line	\$ 722,000	\$ -	\$ -	\$ 722,000	\$ 411,823	\$ -	\$ -	\$ 294,118	\$ 294,118	\$ 16,059
Recycled and Non-potable Pipeline extentions	\$ 775,000	\$ -	\$ -	\$ 775,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 775,000
Upgrade STP PLCs	\$ 250,000	\$ 100,000	\$ 87,500	\$ 62,500	\$ 229,114	\$ -	\$ -	\$ -	\$ -	\$ 20,886
WRF 225,000 GPD Upgrade (SBR Controls)	\$ 1,230,000	\$ 1,230,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,230,000
WRF 225,000 GPD Upgrade (Generator )	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ 29,024	\$ -	\$ -	\$ -	\$ -	\$ 470,976
WRF 225,000 GPD Expansion (District Share)	\$ 3,520,000	\$ 3,520,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,520,000
GIS Mapping - Water Sewer RW pipelines and facilities	\$ 171,700	\$ 66,000	\$ 66,000	\$ 39,700	\$ 62,466	\$ 3,624	\$ 3,665	\$ -	\$ 7,289	\$ 101,945
Well Replacement	\$ 300,000	\$ -	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000
SCADA Tower	\$ 60,000	\$ 30,000	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000
Groundwater Study and Development (inc GSA)	\$ 428,000	\$ -	\$ 60,000	\$ 368,000	\$ 131,140	\$ -	\$ -	\$ -	\$ -	\$ 296,860
Alternate Tertiary Percolation Area	\$ 320,000	\$ 300,000	\$ -	\$ 20,000	\$ 152,143	\$ -	\$ -	\$ 38,539	\$ 38,539	\$ 129,318
Dawson Canyon Potable Reservoir Design	\$ 160,000	\$ -	\$ 160,000	\$ -	\$ 61,257	\$ -	\$ -	\$ -	\$ -	\$ 98,743
Corona Customer Conversion-Temescal Cyn Rd.	\$ 225,000	\$ -	\$ 225,000	\$ -	\$ -	\$ -	\$ 3,960	\$ -	\$ 3,960	\$ 221,040
COR Temescal Cyn Rd widening - pipeline relocation.	\$ 500,000	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Subtotal Multiple Year	\$ 9,161,700	\$ 5,746,000	\$ 878,500	\$ 2,537,200	\$ 1,076,967	\$ 3,624	\$ 7,625	\$ 332,657	\$ 343,906	\$ 7,740,827
<b>TOTAL</b>	<b>\$ 10,809,850</b>	<b>\$ 6,189,150</b>	<b>\$ 1,776,250</b>	<b>\$ 2,844,450</b>	<b>\$ 1,230,375</b>	<b>\$ 33,180</b>	<b>\$ 237,860</b>	<b>\$ 332,657</b>	<b>\$ 603,697</b>	<b>\$ 8,975,778</b>

**TEMESCAL VALLEY WATER DISTRICT**  
**Community Facilities District No. 1**  
**Financing Authority**  
**(Sycamore Creek)**  
**11/30/2018**

<u>Special Tax Fund (Acct #105636-009)</u> Account Balance at Wilmington Trust	\$	0.56
<hr/>		
<u>BONDS PR ACCT (Acct # 105636-010)</u> Account Balance at Wilmington Trust		190.90
<hr/>		
<u>Administrative Expense Fund(Acct #105636-011)</u> Account Balance at Wilmington Trust		1.42
<hr/>		
<u>Surplus Fund (Acct #105636-012)</u> Account Balance at Wilmington Trust		1,486,985.05
<hr/>		
<u>Re-call Fund (Acct #105636-025)</u> Account Balance at Wilmington Trust		-
<hr/>		
<b>TOTAL</b>	<b>\$</b>	<b>1,487,177.93</b>

**TEMESCAL VALLEY WATER DISTRICT**  
**Community Facilities District No. 2**  
**Financing Authority**  
**(Montecito Ranch)**  
**11/30/2018**

Special Tax Fund (Acct #105636-014)  
Account Balance at Wilmington Trust \$ 0.08

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BONDS PR ACCT (Acct # 105636-015)  
Account Balance at Wilmington Trust 28.89

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Administrative Expense Fund(Acct #105636-016)  
Account Balance at Wilmington Trust 1.33

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Surplus Fund (Acct #105636-017)  
Account Balance at Wilmington Trust 377,089.43

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TOTAL \$ **377,119.73**



**TEMESCAL VALLEY WATER DISTRICT**  
**Community Facilities District No. 3**  
**Financing Authority**  
**(The Retreat)**  
**11/30/2018**

<u>Special Tax Fund (Acct #105636-019)</u> Account Balance at Wilmington Trust	\$ 0.40
<hr/>	
<u>BONDS PR ACCT (Acct # 105636-020)</u> Account Balance at Wilmington Trust	142.18
<hr/>	
<u>Administrative Expense Fund(Acct #105636-021)</u> Account Balance at Wilmington Trust	1.42
<hr/>	
<u>Surplus Fund (Acct #105636-022)</u> Account Balance at Wilmington Trust	972,856.42
<hr/>	
<b>TOTAL</b>	<b>\$ 973,000.42</b>

**TEMESCAL VALLEY WATER DISTRICT  
Community Facilities District  
Financing Authority**

**11/30/2018**

Senior Lien Bonds - Revenue Fund (Acct #105636-000)	\$	-
- Lien Interest A/C ( Acct #105636-001)		<b>26,319.80</b>
- Lien Principal A/C (Acct #105636-002)		-
- Financing Authority Surplus A/C (Acct #105636-003)		-
- Reserve Fund CFD #1 (Acct #105636-004)		<b>2,265,509.38</b>
- Reserve Fund CFD #2 (Acct #105636-005)		<b>276,062.59</b>
- Reserve Fund CFD #3 (Acct #105636-006)		<b>1,495,511.95</b>
Junior Lien Bonds - Revenue Fund (Acct #105639-000)	\$	<b>0.01</b>
- Lien Interest A/C ( Acct #105639-001)		<b>25,244.83</b>
- Lien Principal A/C (Acct #105639-002)		-
- Financing Authority Surplus A/C (Acct #105639-003)		-
- Reserve Fund CFD #1 (Acct #105639-004)		<b>619,793.57</b>
- Reserve Fund CFD #2 (Acct #105639-005)		<b>100,295.18</b>
- Reserve Fund CFD #3 (Acct #105639-006)		<b>541,513.05</b>
<b>TOTAL</b>		
		<b>\$ 5,350,250.36</b>



**JOHN CHIANG  
TREASURER  
STATE OF CALIFORNIA**



**PMIA Performance Report**

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
11/12/18	2.21	2.16	205
11/13/18	2.20	2.16	203
11/14/18	2.21	2.16	201
11/15/18	2.22	2.16	201
11/16/18	2.22	2.16	202
11/17/18	2.22	2.16	202
11/18/18	2.22	2.16	202
11/19/18	2.22	2.16	200
11/20/18	2.22	2.16	199
11/21/18	2.22	2.17	197
11/22/18	2.22	2.17	197
11/23/18	2.22	2.17	197
11/24/18	2.22	2.17	197
11/25/18	2.22	2.17	197
11/26/18	2.24	2.17	192
11/27/18	2.24	2.17	192
11/28/18	2.24	2.17	199
11/29/18	2.24	2.17	199
11/30/18	2.26	2.18	207
12/01/18	2.26	2.18	207
12/02/18	2.26	2.18	207
12/03/18	2.26	2.18	207
12/04/18	2.26	2.18	206
12/05/18	2.26	2.18	204
12/06/18	2.27	2.18	206
12/07/18	2.28	2.18	205
12/08/18	2.28	2.19	205
12/09/18	2.28	2.19	205
12/10/18	2.28	2.19	204
12/11/18	2.28	2.19	203
12/12/18	2.29	2.19	204

\*Daily yield does not reflect capital gains or losses

[View Prior Month Daily Rates](#)

**LAIF Performance Report**

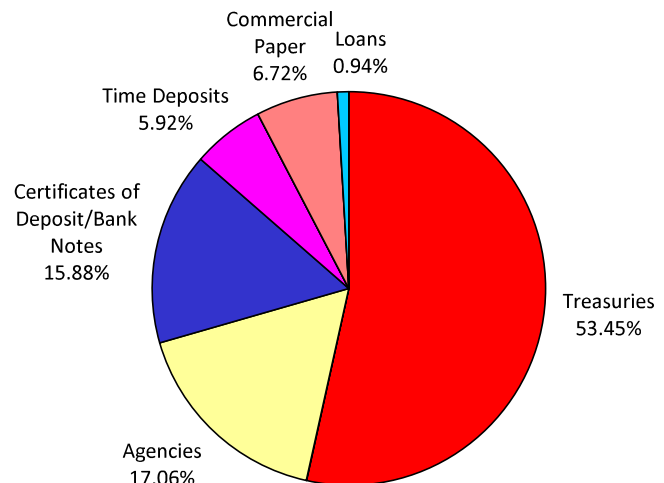
**Quarter Ending 09/30/18**

Apportionment Rate: 2.16%  
 Earnings Ratio: 0.00005909460836489  
 Fair Value Factor: 0.997832404  
     Daily: 2.09%  
 Quarter to Date: 2.00%  
 Average Life: 193

**PMIA Average Monthly Effective Yields**

**Nov 2018 2.208**  
 Oct 2018 2.144  
 Sept 2018 2.063

**Pooled Money Investment Account  
Portfolio Composition  
11/30/18  
\$80.4 billion**



Percentages may not total 100%, due to rounding.

Based on data available as of 12/12/2018

**TEMESCAL VALLEY WATER DISTRICT**  
**General Ledger**  
**For the Period From Jul 1, 2018 to Nov 30, 2018**

Filter Criteria includes: 1) IDs from 567500.3 to 567500.5. Report order is by ID. Report is printed in Detail Format.

Account ID Account Description	Date	Reference	Jrn	Trans Description	Debit Amt	Credit Amt	Balance
567500.3	7/1/18			Beginning Balance			
EQUIPMENT REPAIRS & MAIN	7/1/18	21384	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS & MAINT.	40.00		
	7/1/18	2978	PJ	ENGINEERED AIR SERVICES, INC. - COMPRESSOR NOT WORKING PROPERLY	1,476.54		
	7/5/18	21278	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS & MAINT.	40.00		
	7/5/18	15045	PJ	DOUGLAS ENVIRONMENTAL GROUP - QUOTE FOR A NEW UPDATE REPLACEMENT OF THE CCC C12 ANALYZER REF # 7669	9,512.24		
	7/13/18	166494	PJ	THOMPSON INDUSTRIAL SUPPLY - BRAKE MOTOR BAR SCREEN	1,024.37		
	7/18/18	21360	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS & MAINT.	30.00		
	7/23/18	7/23/2018	PJ	US BANK GOVERNMENT SERVICES	587.37		
	7/25/18	15095	PJ	DOUGLAS ENVIRONMENTAL GROUP - TAX	43.94		
	7/25/18	15095	PJ	DOUGLAS ENVIRONMENTAL GROUP - CHLORINE ANALYZER FIBERGLASS ENCLOSURE	475.00		
	7/25/18	15095	PJ	DOUGLAS ENVIRONMENTAL GROUP - SPECIAL SERVICE CHECK, TROUBLESHOOT INF PH + EC	280.00		
	7/25/18	110141	PJ	BARRETT ENGINEERED PUMPS - MOTOR	3,385.07		
	7/25/18	185225	PJ	THOMPSON INDUSTRIAL SUPPLY - REBUILD GEAR BOX	1,885.63		
	7/31/18	SI08170	PJ	BRITHINEE ELECTRIC - CONTROL FIELD SERVICE	252.00		
	7/31/18	51592	PJ	RICHARDSON TECHNOLOGIES INC. - SYCAMORE BOOSTER PUMP STATION AIR WAS OUT OF 90+	446.00		
	7/31/18	10371	PJ	TRAN CONTROLS SCADA SOLUTIONS, - TROUBLE SHOOT REMOTE EQUIPMENT	4,750.00		
	7/31/18	10370	PJ	TRAN CONTROLS SCADA SOLUTIONS, - SPARE PARTS AND REPLACEMENT	8,583.83		
	7/31/18	1852	PJ	MORAN MANHOLE BUILDERS - REMOVAL OF EXISTING 48	2,150.00		
	7/31/18	6096	PJ	VOGEL'S PLUMBING & BACKFLOW - INSTALL BACKFLOW AT WEIRICK LIFT STATION	1,197.00		
	7/31/18	7/31/2018	PJ	ENGINEERED AIR SERVICES, INC. - WORKED ON 3 COMPRESSORS & REBUILT VALVES, REPLACED GASKETS	1,721.17		
				Current Period Change	37,880.16		37,880.16
	8/1/18			Beginning Balance			37,880.16
	8/15/18	21441	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS & MAINT.	40.00		
	8/16/18	24063	PJ	MASTER TECH MRCHANICAL - UNIT 1 FOUND DUAL STAGE CAPACITOR BAD CONDENSER	328.00		
	8/21/18	24031-1	PJ	MASTER TECH MRCHANICAL - REPLACED COMPRESSOR CONTROL MODULE	436.00		
	8/24/18	24070	PJ	MASTER TECH MRCHANICAL - REPLACED A/C UNIT COMPRESSOR MODULE FOR RECLAIMED PUMP BLD	346.00		
	8/29/18	21508	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS & MAINT.	50.00		
	8/31/18	10374	PJ	TRAN CONTROLS SCADA SOLUTIONS, - REPLACED SOLAR PANEL/ CHARGER CONTROLLER @ DIVERSION	940.63		
				Current Period Change	2,140.63		2,140.63
	9/1/18			Beginning Balance			40,020.79

**TEMESCAL VALLEY WATER DISTRICT  
General Ledger**

**For the Period From Jul 1, 2018 to Nov 30, 2018**

Filter Criteria includes: 1) IDs from 567500.3 to 567500.5. Report order is by ID. Report is printed in Detail Format.

Account ID Account Description	Date	Reference	Jrn	Trans Description	Debit Amt	Credit Amt	Balance
	9/11/18	21530	CD	BOGART PLUMBING - EQUIPMENT REPAIRS & MAINT.	310.00		
	9/12/18	21531	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS & MAINT.	40.00		
	9/17/18	52073	PJ	RICHARDSON TECHNOLOGIES INC. - OPERATIONS A/C NOT COOLING	289.00		
	9/26/18	21603	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS & MAINT.	40.00		
	9/29/18	10379	PJ	TRAN CONTROLS SCADA SOLUTIONS, - CL2 PIP CONTROL FOR PLANT	984.14		
				Current Period Change	1,663.14		1,663.14
	10/1/18			Beginning Balance			41,683.93
	10/1/18	21741	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS & MAINT.	40.00		
	10/9/18	4691	PJ	UNITED POWER GENERATION - LEVEL 1 GENERATOR INSPECTION FOR ALL LIFT STATIONS, BOOSTER PUMP + WAST WATER QUARTERLY	3,755.05		
	10/10/1	21642	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS & MAINT.	40.00		
	10/12/1	52069	PJ	RICHARDSON TECHNOLOGIES INC.	396.00		
	10/12/1	52153	PJ	RICHARDSON TECHNOLOGIES INC.	399.00		
	10/12/1	52201	PJ	RICHARDSON TECHNOLOGIES INC. - NEW FAN MOTOR FOR RECLAIMED PUMP ROOM AIR COND #2	865.00		
	10/16/1	1810610	PJ	ONESTOP PLUMBERS	95.00		
	10/16/1	S2760666-0	PJ	PIRTEK FLUID TRANSFER SOLUTION	378.17		
	10/24/1	21702	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS & MAINT.	40.00		
	10/30/1	11174986	PJ	HACH COMPANY - COLORIMETER MULTI USE	1,436.00		
	10/30/1	11174986	PJ	HACH COMPANY - NITRAVER X 50 TEST SET- NITRATE	89.25		
	10/30/1	11174986	PJ	HACH COMPANY - AMVER HR 50 TEST SET AMMONIA	109.00		
	10/30/1	11174986	PJ	HACH COMPANY - TAX & FEE	203.28		
				Current Period Change	7,845.75		7,845.75
	11/1/18			Beginning Balance			49,529.68
	11/13/1	102218	PJ	US BANK GOVERNMENT SERVICES	37.46		
	11/21/1	S2827508-0	PJ	PIRTEK FLUID TRANSFER SOLUTION - CALL OUT FOR TRACTOR MAINTENCE	231.11		
	11/23/1	11232018	PJ	US BANK GOVERNMENT SERVICES	66.77		
	11/23/1	11232018	PJ	US BANK GOVERNMENT SERVICES	771.60		
	11/28/1	21886	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS & MAINT.	40.00		
	11/29/1	11/29/2018	PJ	PETE'S ROAD SERVICE INC. - REPLACED ALL 4 TIRES ON TRACTOR	1,901.05		
	11/30/1	2935	PJ	BT PIPELINE INC. - FINISH WORK INSTALL THRUST BLOCK INSTALL VALVE 12" GATE	1,729.50		
	11/30/1	170716	PJ	INNERLINE ENGINEERING INC - VACTOR SERVICE FOR THE TREATMENT PLANT , BUTTERFIELD LIFT STATION + MAN HOLE ON KNABE	2,449.50		
				Current Period Change	7,226.99		7,226.99
	11/30/1			Ending Balance			56,756.67
567500.4 EQUIPMENT REPAIRS & MAIN	7/1/18			Beginning Balance			
	7/1/18	21384	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS & MAINT.	40.00		
	7/5/18	21278	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS & MAINT.	40.00		
	7/13/18	8500	PJ	THE PLUMBING SOURCE - 8795 CUYAMACA REPAIR	738.84		
	7/18/18	21360	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS	30.00		

**TEMESCAL VALLEY WATER DISTRICT**  
**General Ledger**  
**For the Period From Jul 1, 2018 to Nov 30, 2018**

Filter Criteria includes: 1) IDs from 567500.3 to 567500.5. Report order is by ID. Report is printed in Detail Format.

Account ID Account Description	Date	Reference	Jrn	Trans Description	Debit Amt	Credit Amt	Balance
				& MAINT.			
	7/23/18	7/23/2018	PJ	US BANK GOVERNMENT SERVICES	587.38		
	7/26/18	21383	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS	40.00		
				Current Period Change	1,476.22		1,476.22
	8/1/18			Beginning Balance			1,476.22
	8/15/18	21441	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS	40.00		
				& MAINT.			
	8/29/18	21508	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS	50.00		
				& MAINT.			
				Current Period Change	90.00		90.00
	9/1/18			Beginning Balance			1,566.22
	9/5/18	J101005	PJ	CORE & MAIN - 2" VAL-MATIC AIR VACS	1,691.16		
				FOR SBR'S			
	9/11/18	1064501	PJ	DICKSON - CHART RECORDERS FOR	2,100.72		
				TVWD CROSS-CONNECTION			
	9/12/18	21531	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS	40.00		
				& MAINT.			
	9/13/18	14889	PJ	ASJ INDUSTRIAL HOSE & FITTING	17.65		
	9/17/18	6154012	PJ	EWING IRRIGATION PRODUCTS - CROSS	241.35		
				CONNECTION SUPPLIES			
	9/19/18	426461/1	PJ	MCFADDEN-DALE HARDWARE CO.	481.64		
	9/26/18	21603	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS	40.00		
				& MAINT.			
				Current Period Change	4,612.52		4,612.52
	10/1/18			Beginning Balance			6,178.74
	10/1/18	21741	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS	40.00		
				& MAINT.			
	10/3/18	315-1	PJ	GJR ELECTRIC - TRILOGY PUMP STATION	986.37		
				AIR CONDITIONER PROJECT			
	10/10/1	21642	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS	40.00		
				& MAINT.			
	10/12/1	24152	PJ	MASTER TECH MECHANICAL	9,522.00		
	10/24/1	21702	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS	40.00		
				& MAINT.			
	10/31/1	2765-E	PJ	GMC ELECTRICAL INC - 2 YEAR	1,625.00		
				AGREEMENT FOR CATHODIC			
				PROTECTION FOR SYSTEM RESERVOIRS			
				Current Period Change	12,253.37		12,253.37
	11/1/18			Beginning Balance			18,432.11
	11/28/1	21886	CD	EDUARDO LOPEZ - EQUIPMENT REPAIRS	40.00		
				& MAINT.			
	11/30/1	2935	PJ	BT PIPELINE INC. - EXPOSE EXISTING	7,351.00		
				TEE + CHIP OUT CONCRETE FOR WELL			
				FIELD ISOLATION VALVE			
	11/30/1	18113	PJ	DIVE / CORR, INC. - DAWNSON	2,675.00		
				RESERVOIR INSPECTION 11/18/2018			
				Current Period Change	10,066.00		10,066.00
	11/30/1			Ending Balance			28,498.11
567500.5	7/1/18			Beginning Balance			
EQUIPMENT REPAIRS & MAIN	7/27/18	15180	PJ	FAIN DRILLING & PUMPING CO. IN	2,308.29		
				Current Period Change	2,308.29		2,308.29
	8/1/18			Beginning Balance			2,308.29
	9/1/18			Beginning Balance			2,308.29
	9/28/18	9/24/2018	PJ	US BANK GOVERNMENT SERVICES	55.50		
	9/29/18	10378	PJ	TRAN CONTROLS SCADA SOLUTIONS, -	7,891.04		
				TRILOGY POND LEVEL INSTALLATION			
				Current Period Change	7,946.54		7,946.54
	10/1/18			Beginning Balance			10,254.83
	11/1/18			Beginning Balance			10,254.83
	11/30/1			Ending Balance			10,254.83

# Active Lien Board Update

**Balance as of 11/27/18:** \$12,922.41

**Payments received:** \$516.20

**New liens recorded:** \$0.00

## **ACTIVE**

Active liens value \$1,621.60

Number of active liens 11

## **WRITTEN OFF**

Written off liens value \$10,934.08

Number of written off liens 53

**Released liens 6/13/07 - 12/18/18:** \$174,268.58

December 13, 2018

Board of Directors  
Temescal Valley Water District  
Corona, CA

We have audited the financial statements of the business-type activities and the aggregate remaining fund information of the Temescal Valley Water District for the year ended June 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 30, 2018. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year ended June 30, 2018. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the fair value of investments is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of investments in determining that it is reasonable in relation to the financial statements as a whole.

Management's estimate of capital assets depreciation is based on historical estimates of each capitalized item's useful life. We evaluated key factors and assumptions used to develop the



estimated useful lives in determining that they are reasonable in relation to the financial statements as a whole.

Management's estimate of the net pension liability is based on actuarial information provided by the California Public Employee Retirement System's (CalPERS) actuarial office. We evaluated the key factors and assumptions to develop the net pension liability in determining that it is reasonable in relation to the financial statements as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of the fair value of investments in Note 2 to the financial statements represents amounts susceptible to market fluctuation.

The disclosure of accumulated depreciation in Note 3 to the financial statements is based on estimated useful lives which could differ from actual useful lives of each capitalized item.

The disclosure of the net pension liability in Note 6 to the financial statements is based on the District's proportionate share of the total pension liability of the pool and includes assumptions for discount rates, which could differ from actual discount rates. Note 6 discloses the differences in the net pension liability assuming different discount rates.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

#### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 13, 2018.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the District’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Other Matters

We applied certain limited procedures to management’s discussion and analysis and the schedules listed as required supplementary information in the table of contents, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

### *Findings and Recommendations*

In addition to our audit opinion on the financial statements, we issued our “Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*” dated December 13, 2018, in which we identified certain deficiencies in internal controls.

Restriction on Use

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

Very truly yours,

*Van Lant & Fankhanel, LLP*

**TEMESCAL VALLEY WATER DISTRICT**

**ANNUAL FINANCIAL REPORT**

For the Fiscal Years Ended  
June 30, 2018 and 2017

**Temescal Valley Water District**  
**Table of Contents**  
June 30, 2018 and 2017

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Temescal Valley Water District  
Corona, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities and the aggregate remaining fund information of the Temescal Valley Water District (the "District"), as of and for the years ended June 30, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate remaining fund information of the Temescal Valley Water District, as of June 30, 2018 and 2017, and the changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

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

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The schedule listed in the Supplementary Information section of the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule listed in the Supplementary Information section of the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule listed in the Supplementary Information section of the table of contents is fairly stated in all material respects in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated December 13, 2018, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Van Lant & Fankhaed, LLP*

December 13, 2018



**TEMESCAL VALLEY WATER DISTRICT**  
**Management's Discussion and Analysis**  
June 30, 2018

Our discussion and analysis of Temescal Valley Water District's (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2018. Please read it in conjunction with the District's financial statements, which begin on page 13.

**Financial Highlights**

- The District's Net Position increased \$12,429,642 or 24.3 percent in the current year as a result of \$2,994,575 from operations and \$9,080,543 from contributed capital other fees.
- Current assets and other restricted assets increased by \$3,428,248 mainly due to the net effect of an increase in current assets and a decrease in restricted assets.
- Current year operating revenues increased by \$1,039,607 due to higher water usage and connection fees. While operating expenses increased by \$ 263,533 due mainly to higher costs of water purchase and repairs.
- Capital asset contributions received from developers were \$ 9,080,543 in the current year and zero in the prior year, due to no granting of completed facilities within housing developments in the District's service area.
- Total revenues were \$11.8 million and \$ 10.8 million and total expenses were \$ 8.8 million and \$8.5 million for the current year and prior year, respectively.
- See accompanying charts for revenue and expense details, as well as capital expenditures.

**Using This Annual Report**

This annual report consists of a series of financial statements. The statements of net position and statements of revenues, expenses, and changes in net position (on pages 13 through 14) provide information about the activities of the District as a whole and present a longer-term view of the District's finances.

**Reporting on the District as a Whole**

Our analysis of the District as a whole begins on page 5. One of the most important questions asked about the District's finances is, "Is the District as a whole better off or worse off as a result of the year's activities?" The statements of net position and the statements of revenues, expenses, and changes in net position, report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

**TEMESCAL VALLEY WATER DISTRICT**  
**Management's Discussion and Analysis**  
**(Continued)**  
June 30, 2018

These financial statements report the District's net position and changes in them. You can think of the District's net position – the difference between assets and liabilities – as one way to measure the District's financial health or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non financial factors, such as changes in the District's property tax base and the condition of the District's water and sewer facilities, to assess the overall health of the District.

The District reports in the statements of net position and the statements of revenues expenses, and changes in net position two types of activities, water and sewer services. All District activities are reported in these statements.

**The District as a Whole**

The District's net position increased to \$81.1 million from \$78.6 million. Our analysis below focuses on the net position (Table 1) and the changes in net position (Table 2) of the District's activities.

**Table 1**  
**Net Position (in Millions)**  
**June 30**

	2018	2017	2016
Capital assets	\$69.9	\$ 62.1	\$ 67.5
Current and other restricted assets	26.8	22.5	18.7
Total assets	<u>96.7</u>	<u>84.6</u>	<u>86.2</u>
Deferred Outflows of Resources	<u>.2</u>	<u>.2</u>	<u>.1</u>
Current Liabilities	1.6	1.5	5.4
Noncurrent Liabilities	1.7	2.1	2.3
Total liabilities	<u>3.3</u>	<u>3.6</u>	<u>7.7</u>
Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>
Net Position			
Net Investment in Capital Assets	<u>68.2</u>	<u>59.2</u>	<u>60.5</u>
Unrestricted	<u>25.3</u>	<u>21.9</u>	<u>18.2</u>
Total net position	<u>\$93.5</u>	<u>\$81.1</u>	<u>\$78.7</u>

The net position increased by \$12,429,642 in 2018, \$2,464,849 in 2017 and \$1,914,709 in 2016. Unrestricted net position (the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements) increased by \$3,400,615. This increase arose from higher operating income and less funds invested in capital assets.

**TEMESCAL VALLEY WATER DISTRICT**  
**Management's Discussion and Analysis**  
**(Continued)**  
June 30, 2018

**Table 2**  
**Changes in Net Position (in millions)**  
**June 30**

	2018	2017	2016
Operating revenues	\$ 11.8	\$10.8	\$8.9
Operating expenses	8.8	8.6	7.3
Operating income (loss)	3.0	2.2	1.6
Non-operating revenues, net	.3	.2	.3
Capital contributions	9.1	-	-
Change in net position	\$12.4	\$2.4	\$1.9

The District's operating revenues increased over prior year by 9.6 percent. Operating expenses increased by 3.0 percent. The factors driving these results include:

- Operating revenues increased by an increase in water sales. Operating expenses increased by the cost of water.
- The District had 5,076 active water services at June 30, 2018 as compared to 4,851 active services at June 30, 2017 and 4,736 active services at June 30, 2016. This represents a net increase of 4.6 percent.
- Capital asset contributions by developers were \$9,080,543 in 2018, zero in 2017 and 2016. This is a result of the completion and dedication of new water and sewer facilities within the new housing developments inside the District.

**Capital Assets and Debt Administration**

**Capital Assets**

At the end of fiscal year 2018, the District had \$70.9 million invested in a broad range of capital assets including land, water reclamation facilities, reservoirs, water transportation facilities, water and sewer mains, and sewage collection, treatment, and disposal systems, and buildings and equipment (see Table 3 below).

**Table 3**  
**Capital Assets at Year-End (in millions)**  
**June 30**

	2018	2017	2016
Land	\$ .9	\$ .9	\$ .9
Water capacity rights	13.5	13.5	13.5
Construction in progress	2.7	2.6	2.5
Capital assets (net of depreciation)	52.7	44.2	45.8
	\$ 69.8	\$ 61.2	\$ 62.7

**TEMESCAL VALLEY WATER DISTRICT**  
**Management's Discussion and Analysis**  
(Continued)  
June 30, 2018

**Debt**

At June 30, 2018, the District had \$1,747,994 in long-term debt.

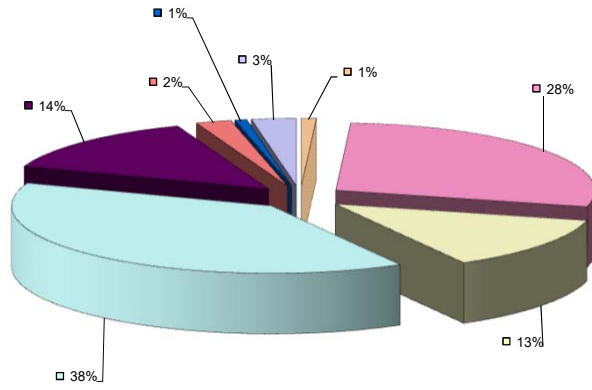
**Factors Bearing on the District's Future**

The District is currently experiencing very little growth in residential housing within its service area. In the 2017-2018 fiscal year, the customer base increased only by 1.5 percent. New and planned residential communities totaling approximately 1,801 residences are projected to be completed in the future. This new growth will increase the size of the District's customer base. These planned residential communities are in various stages of construction and planning. As water and sewer facilities are completed and accepted by the District, the facilities will become part of the District's capital assets and subject to operation by the District.

**Contacting the District's Financial Management**

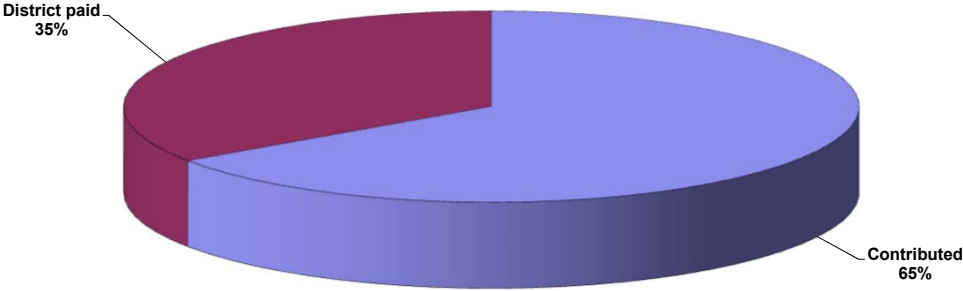
The financial report is designed to provide our citizens, taxpayers, and customers with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Manager at: Temescal Valley Water District, 22646 Temescal Canyon Road, Temescal Canyon, California 92883.

**Temescal Valley Water District  
Capital Assets  
June 30, 2018**



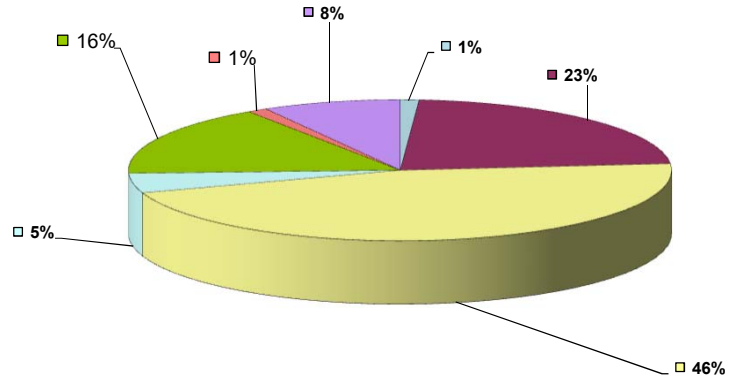
■ Land ■ Water reclamation facility ■ Reservoirs & water transportation facilities ■ Water, sewer & recycled mains ■ Water capacity rights ■ Equipment ■ Office building improvements ■ Construction in progress

**Temescal Valley Water District  
Percentage of Capital Assets Contributed  
June 30, 2018**



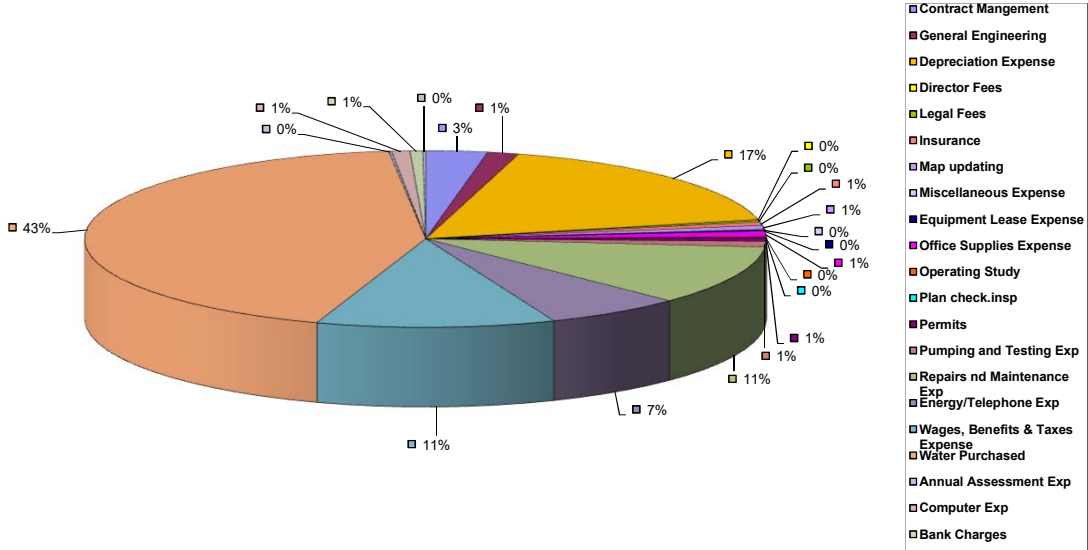
■ Contributed    ■ District paid

**Temescal Valley Water District  
Operating Revenue  
Year ended June 30, 2018**



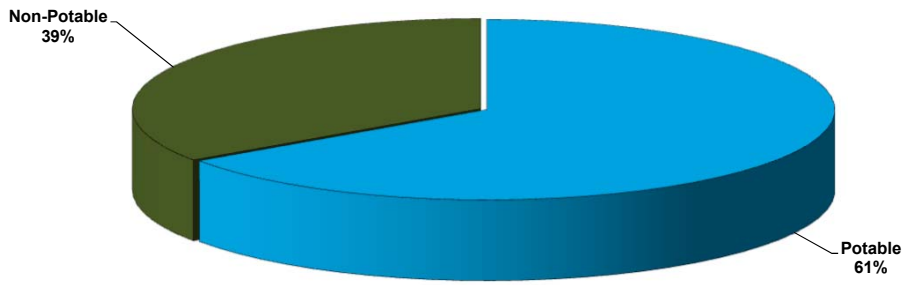
Standby charges	Sewer service fees
Water service fees	Connection fees
Recycled/Nonpotable water sales	MWD Readiness to serve charge
Property Taxes / Int Inc/ Other	

**Temescal Valley Water District  
Operating Expenses  
Year ended June 30, 2018**





**Temescal Valley Water District  
Water Volume Sold  
For F/Y 2017-2018**



## **BASIC FINANCIAL STATEMENTS**

**Temescal Valley Water District**  
**Statement of Net Position**  
June 30, 2018 and 2017

	2018	2017
<b>ASSETS</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 24,486,580	\$ 21,030,320
Accounts Receivable:		
Utility	974,613	1,080,038
Other	248,541	225,607
Accrued Interest Receivable	30,313	10,054
Prepaid Expenses	34,484	25,597
Inventory	86,481	61,148
Total Current Assets	25,861,012	22,432,764
Noncurrent Assets:		
Restricted Cash and Cash Equivalents	977,832	820,470
Capital Assets Not Being Depreciated:		
Land	902,118	902,118
Water Capacity Rights	13,503,639	13,503,639
Construction in Progress	2,712,411	2,636,807
Capital Assets, Net of Accumulated Depreciation	52,807,132	44,212,818
Total Noncurrent Assets	70,903,132	62,075,852
Total Assets	96,764,144	84,508,616
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Pension Related Items	197,154	240,340
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	197,468	277,706
Payable to Other Governmental Agencies	359,239	299,814
Due to Agency Fund	314,154	137,342
Accrued Salaries and Refunds	45,499	51,812
Related Party Payable	68,833	66,519
Excess Sewer Capacity Deposits	98,330	98,330
Other Deposits	565,348	584,798
Total Current Liabilities	1,648,871	1,516,321
Noncurrent Liabilities:		
Net Pension Liability	79,781	50,718
Loan Payable	1,668,213	2,027,322
Total Noncurrent Liabilities	1,747,994	2,078,040
Total Liabilities	3,396,865	3,594,361
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Pension Related Items	3,762	23,566
<b>NET POSITION</b>		
Net Investment in Capital Assets	68,257,087	59,228,060
Unrestricted	25,303,584	21,902,969
Total Net Position	\$ 93,560,671	\$ 81,131,029

The accompanying notes are an integral part of this statement.

**Temescal Valley Water District**  
**Statement of Revenues, Expenses and Changes in Net Position**  
For the Years Ended June 30, 2018 and 2017

	2018	2017
<b>OPERATING REVENUES</b>		
Standby Charges	\$ 135,166	\$ 131,441
Sewer Service Fees	2,723,145	2,544,072
Water Service Fees	7,748,881	6,740,410
Connection Fees	547,476	743,114
Service Meter Income	78,350	38,700
Other	570,901	566,575
	<u>11,803,919</u>	<u>10,764,312</u>
<b>OPERATING EXPENSES</b>		
Annual Assessment Processing	11,417	11,432
Bank Charges	54,004	33,203
Computer System	75,632	54,897
Community Outreach	11,599	8,182
Contract Work - Management and Administrative	257,320	252,393
Contract Work - Operations and Engineering	130,189	213,807
Depreciation and Amortization	1,506,561	1,736,388
Director Fees	13,254	11,193
Insurance	57,594	65,063
Legal and Accounting	24,425	86,729
Map Updating	65,272	14,535
Miscellaneous	6,607	3,892
Office Equipment Rental	17,096	21,505
Office Supplies and Expenses	91,104	72,246
Operating Study	14,464	20,240
Permits	54,162	56,665
Plan Check/Inspection Fees and Studies	5,735	94,842
Pumping and Testing	91,212	65,211
Repairs, Maintenance, and Supplies	955,542	1,048,017
Telephone and Utilities	575,121	553,410
Wages, Employee Benefits, and Payroll Taxes	993,615	782,852
Water - Purchased	3,797,419	3,339,109
	<u>8,809,344</u>	<u>8,545,811</u>
Total Operating Expenses		
	<u>2,994,575</u>	<u>2,218,501</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Property Taxes	163,026	147,240
Interest Income	100,481	42,865
Other	91,017	56,243
	<u>354,524</u>	<u>246,348</u>
Total Non-Operating Revenues (Expenses)		
Capital Contributions	<u>9,080,543</u>	<u>-</u>
Change in Net Position	12,429,642	2,464,849
Net Position - Beginning of Year	<u>81,131,029</u>	<u>78,666,180</u>
Net Position - End of Year	<u>\$ 93,560,671</u>	<u>\$ 81,131,029</u>

The accompanying notes are an integral part of this statement.

**Temescal Valley Water District**  
**Statement of Cash Flows**  
For the Years Ended June 30, 2018 and 2017

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Customers	\$ 11,886,410	\$ 10,602,661
Payments to Employees	(947,483)	(849,918)
Payments to Suppliers	(6,361,887)	(5,777,652)
Other Revenue	91,017	56,243
	<u>4,668,057</u>	<u>4,031,334</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Property Taxes	163,026	147,240
	<u>163,026</u>	<u>147,240</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Principal Payments on Loans	(359,109)	(217,999)
Purchases of Capital Assets	(1,095,936)	(404,037)
	<u>(1,455,045)</u>	<u>(622,036)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on Cash and Cash Equivalents	80,222	45,728
	<u>80,222</u>	<u>45,728</u>
Net (Decrease) Increase in Cash and Cash Equivalents	3,456,260	3,602,266
Cash and Cash Equivalents - Beginning of Year	21,030,320	17,428,054
Cash and Cash Equivalents - End of Year	<u>\$ 24,486,580</u>	<u>\$ 21,030,320</u>

The accompanying notes are an integral part of this statement.

**Temescal Valley Water District**  
**Statement of Cash Flows - Continued**  
For the Years Ended June 30, 2018 and 2017

	2018	2017
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ 2,994,575	\$ 2,218,501
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	1,506,561	1,736,388
Other Revenue	91,017	56,243
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable:		
Utility	105,425	(209,297)
Other	(22,934)	47,646
(Increase) Decrease in Prepays	(8,887)	(25,597)
(Increase) Decrease in Inventory	(25,333)	18,630
(Increase) Decrease in Deferred Outflows Related to Pensions	43,186	(81,770)
Increase (Decrease) in Accounts Payable	(80,238)	183,776
Increase (Decrease) in Payable to Other Governmental Agencies	59,425	32,178
Increase (Decrease) in Accrued Salaries and Refunds	(6,313)	(2,477)
Increase (Decrease) in Net Pension Liability	29,063	40,217
Increase (Decrease) in Deferred Inflows Related to Pensions	(19,804)	(23,036)
Increase (Decrease) in Related Party Payable	2,314	39,932
	\$ 4,668,057	\$ 4,031,334
<b>SCHEDULE OF NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Contributed Capital Assets	\$ 9,080,543	\$ -

The accompanying notes are an integral part of this statement.

**Temescal Valley Water District**  
**Statement of Fiduciary Assets and Liabilities**  
**Agency Fund**  
June 30, 2018 and 2017

	2018	2017
<b>ASSETS</b>		
Cash and Investments with Fiscal Agent	\$ 11,890,439	\$ 12,099,077
Due from Water District	314,154	137,342
Total Assets	\$ 12,204,593	\$ 12,236,419
<b>LIABILITIES</b>		
Due to Bondholders	\$ 12,204,593	\$ 12,236,419
Total Liabilities	\$ 12,204,593	\$ 12,236,419

The accompanying notes are an integral part of this statement.

**Temescal Valley Water District**  
**Notes to Financial Statements**  
June 30, 2018 and 2017

**1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

The reporting entity includes the accounts of the Temescal Valley Water District (District) and the related improvement districts located within the service area of the District. The District is a special district created for the purpose of providing water, water treatment, and sewage disposal services to customers within its service area. The District has a contract to purchase a majority of its water from the Western Municipal Water District. As of July 1, 2015, the District, formerly named the Lee Lake Water District, officially changed its name to Temescal Valley Water District.

In a previous fiscal year, the District's Board of Directors ratified the formation of the Lee Lake Water District Financing Corporation to facilitate the issuance of certificates of participation. The certificates may be issued to assist in the financing of costs of design and engineering of certain sewer system and water system improvements. Although the Financing Corporation qualifies as a component unit for inclusion within these financial statements, the certificates have not been issued and there has been no other activity to record in these financial statements to date.

On April 23, 2013, the District and CFD No. 1 created the Lee Lake Public Financing Authority (Authority), through a joint exercise of powers agreement under Chapter 5 of Division 7 of Title 1 of the California Government Code (the "Act"). Article 4 of the Act authorizes and empowers the Authority to issue bonds and to purchase bonds issued by, or to make loans to, the District or CFD No. 1 for financing public capital improvements or projects as determined by the District or CFD No. 1. The Authority's Board consists of the five members of the District's Board of Directors. The General Manager of the District is designated as the Executive Director of the Authority. On July 18, 2013, the Authority issued Series A and B Revenue Bonds (Bonds) to refund outstanding special tax bonds previously issued by CFD No. 1, 2 and 3, as described in Note 8 of these financial statements. The Bonds do not represent obligations of the District, and the related balances and activity are reported in an agency fund in these financial statements.

**Basis of Accounting and Measurement Focus**

As a governmental agency, the District is subject to accounting and reporting standards established by the Governmental Accounting Standards Board (GASB). As the majority of revenues consist of water sales and related services, the District as a whole, for financial statements purposes, is classified as a proprietary fund. Separate financial statements are provided for the proprietary fund and the agency fund. The District uses the accrual basis of accounting. The financial activities of the District are accounted for using the economic resources measurement focus. Under this method, all assets and liabilities associated with its operations are included on the statement of net position; revenues are recorded when earned and become measurable; and expenses are recorded when liabilities are incurred.

The District reports its water and sewer operations as a single enterprise fund. Additionally, the District reports an agency fund to account for money received by the District as an agent for individuals, other



**Temescal Valley Water District**  
**Notes to Financial Statements**  
June 30, 2018 and 2017

**1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

governments and other entities. Specifically, the District accounts for activities of the Public Financing Authority in the agency fund. The agency fund is reported using the accrual basis of accounting.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the District considers all short-term debt securities purchased with an original maturity of three months or less to be cash equivalents. The District invests funds with the State of California Pooled Local Agency Investment Fund (LAIF). Due to the high liquidity of this investment, the funds are classified as a cash equivalent. Fair value in external investments pools such as LAIF are determined based on the District's pro rate share of the fair value of the Pool's underlying portfolio. Some of the cash and cash equivalents have been classified as restricted in accordance with applicable standards, and are not included in the statement of cash flows.

**Inventory**

Inventory consists of supplies and excess Equivalent Dwelling Units (EDUs) and is recorded at the lower of cost (first-in, first-out) or market.

**Capital Assets**

The District records the acquisition of capital assets and additions, improvements, and other capital outlays that significantly extend the life of an asset. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate.

Donated capital assets received prior to the implementation of GASB 72 were recorded at fair value on the date of donation. Donated capital assets received subsequent to the implementation of GASB 72 are recorded at acquisition value as of the date received. Capital assets purchased by the District are carried at cost. Assets are depreciated using the straight-line method of depreciation over their estimated useful lives ranging from five to fifty years.

**Revenue and Expenses**

Revenues and expenses are distinguished between operating and nonoperating items. Operating revenues generally result from providing services in connection with the District's principal ongoing operations. The principal operating revenues of the District are fees in connection with providing water and sewer services to customers.

Operating expenses include the costs of providing water and sewer services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

**Temescal Valley Water District**  
**Notes to Financial Statements**  
June 30, 2018 and 2017

**1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**Property Taxes**

Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien Date	March	
Levy Date	July 1 to June 30	
Due Date	November 1	1st Installment
	March 1	2nd Installment
Collection Date	December 10	1st Installment
	April 10	2nd Installment

The District assesses its property taxes through the County tax rolls. Property taxes are recognized as revenue in the period for which the taxes are levied.

**Reclassification**

Certain reclassifications have been made to prior fiscal year amounts to conform with the current fiscal year financial statement presentations.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then. The District reports deferred outflows in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reports deferred inflows in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*.

**Temescal Valley Water District**  
**Notes to Financial Statements**  
June 30, 2018 and 2017

**1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**Net Position**

The difference between assets and liabilities is reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net investment in capital assets, consist of capital assets, net of accumulated depreciation and reduced by the outstanding principal of related debt. Restricted net position reflects the carrying value of assets less related liabilities that have external constraints placed on them by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions, or enabling legislation. Unrestricted net position represents the remaining fund equity balance.

**Net Position Flow Assumption**

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the statement of net position, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the District's policy to consider restricted net position to have been depleted before unrestricted net position.

**Pension Plan**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**2) CASH AND INVESTMENTS**

Cash and investments as of June 30, 2018 and June 30, 2017 are classified in the accompanying financial statements as follows:

	2018	2017
Statement of Net Position:		
Cash and Cash Equivalents	\$ 24,486,580	\$ 21,030,320
Restricted Cash and Cash Equivalents	977,832	820,470
Total Cash and Investments - Statement of Net Position	\$ 25,464,412	\$ 21,850,790
Statement of Fiduciary Assets and Liabilities:		
Cash and Investments with Fiscal Agent	\$ 11,890,439	\$ 12,099,077

**Temescal Valley Water District**  
**Notes to Financial Statements**  
June 30, 2018 and 2017

**2) CASH AND INVESTMENTS - Continued**

Cash and investments as of June 30, 2018 and June 30, 2017 consist of the following:

	2018	2017
Cash on Hand	\$ 400	\$ 400
Deposits with Financial Institutions	5,998,555	7,465,058
Investments	19,465,457	14,385,332
Total Cash and Investments	<u>\$ 25,464,412</u>	<u>\$ 21,850,790</u>
Cash and Investments with Fiscal Agent		
Money Market Mutual Funds	\$ 11,890,439	\$ 12,099,077
Total Cash and Investments with Fiscal Agent	<u>\$ 11,890,439</u>	<u>\$ 12,099,077</u>

**Investments Authorized by the District's Investment Policy**

The table below identifies the investment types that are authorized by the District's investment policy, which is in accordance with the California Government Code. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District, rather than the general provision of the California Government Code or the District's investment policy:

Authorized Investment Type	Maximum Maturity	Maximum Allowable Investment Percentage	Maximum in one Issuer
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	75%	None
U.S. Agency Securities	5 years	60%	\$6,000,000
Banker's Acceptances	180 days	20%	\$2,000,000
Commercial Paper	270 days	20%	10%
Negotiable Certificates of Deposits	5 years	30%	\$7,500,000
Medium-Term Notes	5 years	30%	\$1,000,000
Mutual Funds	None	20%	\$1,000,000
Money Market Mutual Funds	None	20%	\$1,000,000
County Pooled Investments	None	None	None
Local Agency Investment Fund (LAIF)	None	100%	100%
Community Facility District	None	40%	None
Assessment District	None	40%	None

**Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by

**Temescal Valley Water District**  
**Notes to Financial Statements**  
June 30, 2018 and 2017

**2) CASH AND INVESTMENTS - Continued**

timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturing evenly over time as necessary to provide the cash flow and liquidity needed for operations. Information about the sensitivity of the fair values of the District's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table:

Investment Type	Total	Remaining Maturity (in Months)			
		12 Months Or Less	13 to 24 Months	25 to 60 Months	More than 60 Months
LAIF	\$ 9,417,623	\$ 9,417,623	\$ -	\$ -	\$ -
U.S Treasury Obligations	3,018,490	598,840	979,854	1,439,796	-
U.S. Agency Securities	4,261,592	2,039,468	1,203,422	1,018,702	-
Money Market Mutual Funds	131,780	131,780	-	-	-
Medium-Term Notes	2,635,972	746,356	486,152	1,403,464	-
Held by Fiscal Agent:					
Money Market Mutual Funds	11,890,439	11,890,439	-	-	-
<b>Total</b>	<b>\$ 31,355,896</b>	<b>\$ 24,824,506</b>	<b>\$ 2,669,428</b>	<b>\$ 3,861,962</b>	<b>\$ -</b>

**Disclosures Relating to Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

Investment Type	Total	Minimum Legal Rating	Rating as of Year end			
			AAA	AA	A	Not Rated
LAIF	\$ 9,417,623	N/A	\$ -	\$ -	\$ -	\$ 9,417,623
U.S Treasury Obligations	3,018,490	N/A	-	3,018,490	-	-
U.S. Agency Securities	4,261,592	N/A	-	4,261,592	-	-
Money Market Mutual Funds	131,780	A	131,780	-	-	-
Medium-Term Notes	2,635,972	A-	113,196	626,093	1,896,683	-
Held by Fiscal Agent:						
Money Market Mutual Funds	11,890,439	A	11,890,439	-	-	-
<b>Total</b>	<b>\$ 31,355,896</b>		<b>\$ 12,135,415</b>	<b>\$ 7,906,175</b>	<b>\$ 1,896,683</b>	<b>\$ 9,417,623</b>

**Concentration of Credit Risk**

The investment policy of the District contains no limitation on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represent 5% or more of total District investments (other than U.S. Treasury securities, mutual funds and external investment pools).

**Temescal Valley Water District**  
**Notes to Financial Statements**  
June 30, 2018 and 2017

**2) CASH AND INVESTMENTS - Continued**

**Custodial Credit Risk**

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

As of June 30, 2018, and June 30, 2017, the District had deposits with financial institutions in excess of federal depository insurance limits of \$5,748,555 and \$7,215,058, respectively, which were collateralized by securities held by the pledging Financial Institution's Agent but not in the District's name.

**Fair Value of Investments**

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District has the following recurring fair value measurements as of June 30, 2018:

- U.S. Treasury Obligations of \$3,018,490 are valued using quoted marked prices (Level 1 inputs)
- U.S. Agency Securities of \$4,261,592 are valued using institutional bond quotes (Level 2 inputs)
- Medium-Term Notes of \$2,635,972 are valued using institutional bond quotes (Level 2 inputs)

**Investment in State Investment Pool**

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at the amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Information regarding LAIF's and the District's exposure to risk (credit, market, or legal) is not currently available.

**Temescal Valley Water District**  
**Notes to Financial Statements**  
June 30, 2018 and 2017

**3) CAPITAL ASSETS**

Capital assets are presented as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Not Being Depreciated				
Land	\$ 902,118	\$ -	\$ -	\$ 902,118
Water Capacity Rights	13,503,639	-	-	13,503,639
Construction in Progress	2,636,807	75,604	-	2,712,411
Total Capital Assets, Not Being Depreciated	17,042,564	75,604	-	17,118,168
Capital Assets Being Depreciated:				
Water Reclamation Facility	22,224,760	5,188,623	-	27,413,383
Reservoirs	12,265,486	-	-	12,265,486
Water and Sewer Mains	33,039,132	4,840,787	-	37,879,919
Office Building Improvements	191,354	-	-	191,354
Sewage Systems (Improvement Districts)	2,779,412	-	-	2,779,412
Equipment - Water and Sewer	2,023,951	71,465	-	2,095,416
Administration Building	529,200	-	-	529,200
Well Systems	340,052	-	-	340,052
Total Capital Assets Being Depreciated	73,393,347	10,100,875	-	83,494,222
Less Accumulated Depreciation:				
Water Reclamation Facility	(13,528,008)	(290,720)	-	(13,818,728)
Reservoirs	(3,231,072)	(308,172)	-	(3,539,244)
Water and Sewer Mains	(8,137,588)	(668,942)	-	(8,806,530)
Office Building Improvements	(107,960)	(16,448)	-	(124,408)
Sewage Systems (Improvement Districts)	(2,265,308)	(97,555)	-	(2,362,863)
Equipment - Water and Sewer	(1,638,528)	(96,887)	-	(1,735,415)
Administration Building	(247,066)	(20,900)	-	(267,966)
Well Systems	(24,999)	(6,937)	-	(31,936)
Total Accumulated Depreciation	(29,180,529)	(1,506,561)	-	(30,687,090)
Capital Assets Being Depreciated, Net	44,212,818	8,594,314	-	52,807,132
Total Capital Assets, Net of Depreciation	<u>\$ 61,255,382</u>	<u>\$ 8,669,918</u>	<u>\$ -</u>	<u>\$ 69,925,300</u>

**4) EXCESS SEWER CAPACITY DEPOSITS**

In connection with the District's construction of its water reclamation plant, the District can offer "excess" sewer capacity to individuals outside Community Facilities Districts (CFD) 87-5 and 89-1. According to the agreement, the District shall pay to the CFDs, without interest, the reimbursement amount for the oversized sewer capacity utilized by the connection of those parties outside the CFDs. As of June 30, 2018, and 2017, the District held deposits of \$98,330 and \$98,330, respectively, from individuals interested in hooking up to the District's plant. Payment to the CFDs shall be due upon receipt of the full connection fee or commencement of service, whichever is earlier.

**Temescal Valley Water District**  
**Notes to Financial Statements**  
June 30, 2018 and 2017

**5) DESIGNATIONS OF DISTRICT UNRESTRICTED NET POSITION**

For the amounts reported as unrestricted net position in these financial statements, the District’s Board of Directors has designated \$13,818,728 to be set aside for the future major refurbishing or replacement of the wastewater utility plant as of June 30, 2018.

**6) DEFINED BENEFIT PENSION PLAN**

**General Information about the Defined Benefit Pension Plan**

**Plan Description** – All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees’ Retirement System (CalPERS.) The plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all others.) Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The District sponsors 2 rate plans (both are miscellaneous.) Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**Benefits Provided** – The Plan is a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS). A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes, and membership information is listed in the June 30, 2016 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the June 30, 2016 actuarial valuation report. This report is a publically available valuation report that can be obtained at CalPERS’ website under Forms and Publications. The Plans’ provisions and benefits in effect at June 30, 2018, are summarized as follows:

	Miscellaneous	Miscellaneous PEPRA
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	60	62
Monthly benefits, as a % of eligible compensation	2%	2%
Required employee contribution rates	7%	6.25%
Required employer contribution rates	8.370% + \$305	6.533% + \$17



**Temescal Valley Water District**  
**Notes to Financial Statements**  
June 30, 2018 and 2017

**6) DEFINED BENEFIT PENSION PLAN – Continued**

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis. The District's required contribution for the unfunded liability was \$322 in fiscal year 2018.

**Contributions** – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The District pays the required employee contribution on behalf of the employees.

The District's contributions to the Plan for the year ended June 30, 2018 were \$54,675.

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

As of June 30, 2018, the District reported \$79,781 net pension liability for its proportionate share of the net pension liability. The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plans is measured as of June 30, 2017, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability as of June 30, 2016 and 2017 was as follows:

Proportion - June 30, 2016	0.00059%
Proportion - June 30, 2017	0.00080%
Change - Increase (Decrease)	0.00021%

For the year ended June 30, 2018, the District recognized pension expense of \$90,469. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**Temescal Valley Water District**  
**Notes to Financial Statements**  
June 30, 2018 and 2017

**6) DEFINED BENEFIT PENSION PLAN – Continued**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 54,675	\$ -
Differences between actual and expected experience	-	3,762
Changes in assumptions	32,350	-
Change in employer's proportion	63,974	-
Differences between the employer's contributions and the employer's proportionate share of contributions	38,235	-
Net differences between projected and actual earnings on plan investments	7,920	-
Total	\$ 197,154	\$ 3,762

\$54,675 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,		
2019	\$	63,134
2020		49,500
2021		30,786
2022		(4,703)
2023		-
Thereafter		-

**Actuarial Assumptions** – The total pension liabilities in the June 30, 2016 actuarial valuations were determined using the following actuarial assumptions:

Valuation date	June 30, 2016
Measurement date	June 30, 2017
Actuarial cost method	entry-age normal
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.75%
Payroll growth	3.00%
Projected salary increase	(1)
Investment rate of return	7.15%
Mortality	(2)

- (1) Depending on age, service and type of employment  
(2) Derived using CalPERS' Membership Data for all Funds.

**Temescal Valley Water District**  
**Notes to Financial Statements**  
June 30, 2018 and 2017

**6) DEFINED BENEFIT PENSION PLAN – Continued**

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2016 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

**Discount Rate** – The discount rate used to measure the total pension liability was 7.15% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent. The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	47%	4.90%	5.38%
Global Fixed Income	19%	0.80%	2.27%
Inflation Sensitive	6%	0.60%	1.39%
Private Equity	12%	6.60%	6.63%
Real Estate	11%	2.80%	5.21%
Infrastructure and Forestland	3%	3.90%	5.36%
Liquidity	2%	-0.40%	-0.90%

(1) An expected inflation of 2.5% used for this period.

(2) An expected inflation of 3.0% used for this period.

**Temescal Valley Water District**  
**Notes to Financial Statements**  
June 30, 2018 and 2017

**6) DEFINED BENEFIT PENSION PLAN – Continued**

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** – The following presents the District’s proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease		6.15%
Net Pension Liability	\$	195,220
Current Discount Rate		7.15%
Net Pension Liability	\$	79,781
1% Increase		8.15%
Net Pension Liability	\$	(15,827)

**Pension Plan Fiduciary Net Position** – Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

**Payable to the Pension Plan** – At June 30, 2018, the District reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2018.

**7) RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. Premiums are paid annually by the District. Claims liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. As of June 30, 2018 and June 30, 2017, there were no such liabilities to be reported. There have been no settlements in the past three fiscal years that have exceeded insurance coverage.

**8) DEBT WITHOUT DISTRICT COMMITMENT**

The District has issued \$79,145,000 in Community Facilities District Special Tax Bonds to finance the acquisition and construction of public improvements within the Community Facilities Districts No. 1, 2, and 3. In July of 2014, the bonds were refinanced and combined into Series A and Series B bonds of \$51,695,000 and \$18,045,000. The refinanced bonds have the same maturity dates with a lower interest rate. The Bonds were issued pursuant to the Mello-Roos Community Facilities Act of 1982, and are special obligations of the District payable solely from revenues derived from special taxes levied on taxable land within the Community Facilities Districts. The Bonds are not general obligations of the District. Neither the faith and credit of the District, nor of either County, nor the State or any related political subdivision, is pledged to the payment of the Bonds. Therefore, these Bonds are not reflected as debt in the District’s financial statements. As of June 30, 2018, the remaining balance on the bonds was \$61,980,000.

**Temescal Valley Water District**  
**Notes to Financial Statements**  
June 30, 2018 and 2017

**9) COMMITMENTS AND CONTINGENCIES**

**Construction Commitments**

The District has active construction projects as of June 30, 2018. At year-end the District's commitments are \$1,511,153.

**10) RELATED PARTY TRANSACTIONS**

The District contracts with Dudek & Associates for management and engineering services. The services of the general manager for the District are hired under this contract. The General Manager has an ownership interest in Dudek & Associates. The District owed Dudek & Associates \$68,833 and \$66,519 at June 30, 2018 and 2017, respectively, for services received. In addition, the District incurred the following costs for services provided by Dudek & Associates:

	Year Ended June 30,	
	2018	2017
General Management	\$ 260,897	\$ 252,393
Engineering and Special Projects	158,440	82,121
Total	\$ 419,337	\$ 334,514

**11) LOAN PAYABLE**

In the 2014-15 Fiscal year, the District entered into a loan agreement with the Elsinore Valley Municipal Water District (EVMWD) to purchase a pipeline owned by EVMWD for \$2,644,000. Under the terms of the agreement, in exchange for the pipeline, EVMWD received the right to use the District's excess capacity water rights from Western Municipal Water District (WMWD). The loan balance is reduced based on EVMWD's purchases of the District's excess water capacity. EVMWD's purchases from year to year are expected to fluctuate and, therefore, the final maturity of the loan is unknown because there is not an established repayment schedule. EVMWD purchased \$359,109 and \$217,999, in fiscal years 2017-18 and 2016-17, respectively, of the District's excess capacity rights from WMWD. The remaining loan balance as of June 30, 2018 and June 30, 2017 was \$1,668,213 and \$2,027,322, respectively.

**12) LONG-TERM LIABILITIES**

The following is a summary of long-term liability transactions for the year ended June 30, 2018:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Net Pension Liability	\$ 50,718	\$ 29,063	\$ -	\$ 79,781	\$ -
Loan Payable	2,027,322	-	359,109	1,668,213	-
Total Long-term Liabilities	\$ 2,078,040	\$ 29,063	\$ 359,109	\$ 1,747,994	\$ -

**Temescal Valley Water District**  
**Notes to Financial Statements**  
June 30, 2018 and 2017

**13) JOINT VENTURE**

The District is a member of the California Finance Authority for Delinquent Special Taxes and Assessments (Authority), along with the Cities of Norco and Riverside. The Authority was established to implement and finance a program for the purchase from the member agencies of delinquent special taxes, assessments and property-related fees and charges that are collected on the secured property tax roll. The District has determined to assign to the Authority certain delinquent special taxes (levied under the Mello-Roos Community Facilities Act of 1982) in consideration of the agreement by the Authority to pay the purchase price to the District for such liens and to assume all responsibility and pay all costs in connection with the enforcement and collection of such liens. Separate financial statements for the Authority are currently not available.

**14) DUE TO AGENCY FUND**

The District, as a pass-through agency, held property tax assessments for the Community Facilities Districts of \$314,154 and \$137,342 as of June 30, 2018 and June 30, 2017, respectively. This amount represents the amounts received by the District prior to June 30, 2018 and June 30, 2017, for the benefit of the Community Facilities District (Agency Fund).

**15) IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS**

GASB has issued the following Statements, which may impact the District's financial reporting requirements in the future:

*GASB 83 - Certain Asset Retirement Obligations:* This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

*GASB 84 - Fiduciary Activities:* This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

*GASB 87 – Leases:* This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

**Temescal Valley Water District**  
**Notes to Financial Statements**  
June 30, 2018 and 2017

**15) IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS - Continued**

*GASB 88 – Certain Disclosures Related to Debt:* The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

*GASB 89 – Accounting for Interest Cost Incurred before the End of a Construction Period:* This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

*GASB 90 – Majority Equity Interests:* The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

**REQUIRED SUPPLEMENTARY INFORMATION**



**Temescal Valley Water District**  
**Required Supplementary Information**  
June 30, 2018 and 2017

**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Last 10 Years\***

<u>Measurement Date</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a % of Payroll</u>	<u>Plan Fiduciary Net Position as a % of the Total Pension Liability</u>
2017	0.00080%	\$ 79,781	\$ 650,346	12.27%	90.49%
2016	0.00059%	50,718	636,890	7.96%	91.79%
2015	0.00015%	10,501	630,835	1.66%	97.84%
2014	0.00048%	30,099	614,139	4.90%	91.51%

**Notes to the Schedule of the District's Proportionate Share of the Net Pension Liability**

**Benefit Changes:** None

**Changes in Assumptions:** In 2017, the accounting discount rate changed from 7.65% to 7.15%.

\*Fiscal year 2015 was the first year of implementation; therefore, 10 years of information are not yet available.

**Temescal Valley Water District**  
**Required Supplementary Information**  
June 30, 2018 and 2017

**Schedule of Plan Contributions**  
**Last 10 Years\***

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2018	\$ 54,675	\$ (54,675)	\$ -	\$ 731,228	7.48%
2017	53,460	(53,460)	-	650,346	8.22%
2016	49,928	(49,928)	-	636,890	7.84%
2015	48,665	(48,665)	-	630,835	7.71%

**Notes to the Schedule of Plan Contributions**

Valuation Date: 6/30/2013, 6/30/2014, 6/30/2015, and 6/30/2016

\*Fiscal year 2015 was the first year of implementation; therefore, 10 years of information are not yet available.

## **SUPPLEMENTARY INFORMATION**

**TEMESCAL VALLEY WATER DISTRICT**  
**Organizational and Insurance Information**

June 30, 2018

**Organizational Information**

The Lee Lake Water District (the "District") was formed December 27, 1965 for the purpose of providing irrigation, industrial, and domestic water for the District area. The District was formed and is governed by the California Water Code Section 34000. The area encompasses approximately 6,700 acres or 10-1/2 square miles of land south and east of the City of Corona following the floor of Temescal Canyon to a boundary in the vicinity of Indian Truck Trail. The District's service area is predominantly business, agricultural, unimproved, and includes residential homes as of June 30 of 5,076.

In February 1979, the District formed Improvement District No.1 to operate a wastewater treatment facility to serve Tract 11959 which is located at the intersection of Maitre Road and Highway 71. The facility was completed during the year ended June 30, 1984.

In August 1983, the District formed Improvement District No.2 to operate a wastewater treatment facility to serve Tract 13990 in the unincorporated area of Riverside County. A facility was completed and accepted by the District as of October 1990.

January 1992 marked the completion and the subsequent operation of the District's facilities first water reclamation facility. Those facilities include a wastewater reclamation plant sewer, and water mains. The District has expanded the water reclamation facility to 1.57 mg/day and operates six tanks and seven pressure zones to deliver potable and non-potable water.

As of July 1, 2015 Lee Lake Water District has changed its name by resolution to Temescal Valley Water District.

The officers of the District and the date of expiration of terms of office are as follows:

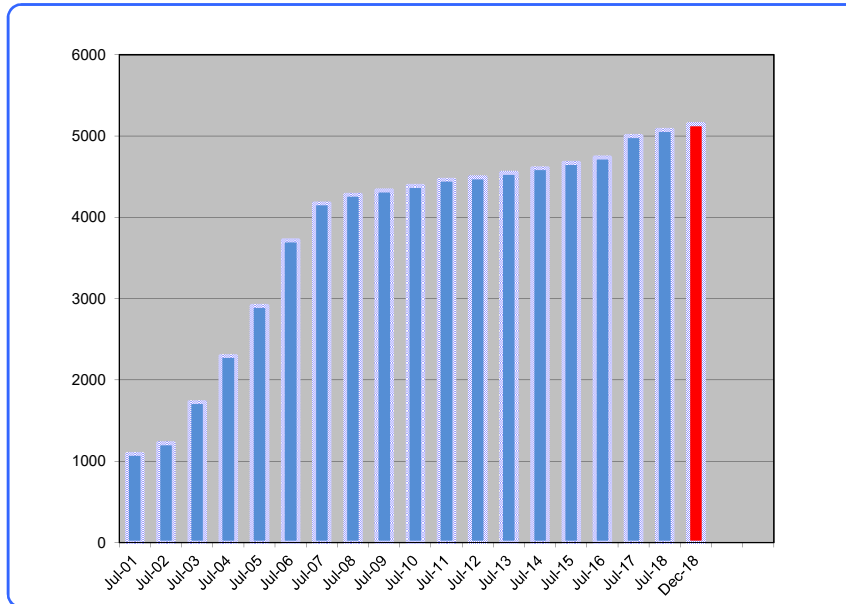
Charles Colladay	President	November	2019
Paul Rodriguez	Vice President/Secretary	November	2021
Grant Destache	Board Member-Engineering Com	November	2021
John Butler	Board Member-Engineering Com	November	2019
Damon De Frates	Board Member-Finance Com	November	2021

**Insurance**

The District maintains a commercial general liability, wrongful acts, employment practices, and employment benefit liability policy with coverage in the amount of \$1,000,000 for each occurrence and aggregate coverage of \$3,000,000, fire damage coverage for any one fire of \$1,000,000, hired and non-owned auto liability coverage of \$1,000,000 per accident and excess liability coverage per occurrence/aggregate limit of insurance of \$5,000,000, and property insurance in the amount of \$22,468,981. The District also has crime coverage in the amount of \$250,000 for employee dishonesty and forgery or alteration, \$250,000 for theft, disappearance or destruction, and \$100,000 for computer fraud. As mandated by the State, the District has covered all employees with a workers' compensation policy through the State Compensation Insurance Fund.

**TEMESCAL VALLEY WATER DISTRICT  
CUSTOMER COUNT PER YEAR(RESIDENTIAL)**  
(Excludes SID#1 and SID#2 sewer customers)

DATE	Jul-01	Jul-02	Jul-03	Jul-04	Jul-05	Jul-06	Jul-07	Jul-08	Jul-09	Jul-10	Jul-11	Jul-12	Jul-13	Jul-14	Jul-15	Jul-16	Jul-17	Jul-18	Dec-18
CUSTOMERS	1090	1223	1729	2295	2910	3718	4173	4279	4332	4386	4463	4492	4547	4605	4670	4736	5000	5076	5146



RESIDENTIAL	Total Homes	Completed Homes	
Wildrose Ranch	1043	1043	100%
Trilogy at Glen Ivy	1317	1317	100%
Painted Hills	204	204	100%
Canyon Oaks	26	26	100%
Montecito Ranch	305	305	100%
Sycamore Creek	1735	1566	90%
The Retreat	525	517	98%
Terramor	1443	168	12% 15 MODELS
Harmony Grove	50	0	0%
	<u>6648</u>	<u>5146</u>	<u>77%</u>

**TOTAL CUSTOMER COUNT REPORT**  
**November 30, 2018**

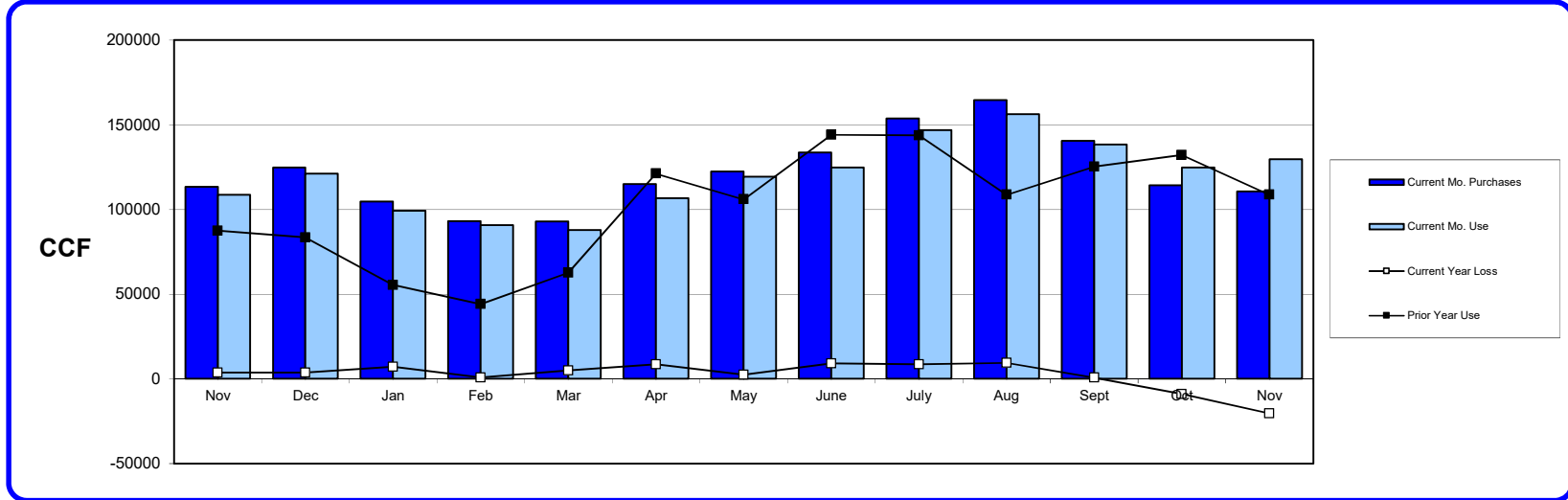
	Water & Sewer	Water Only	Sewer Only	Count
New homes added 30 Accts closed/transf 64 Empty Homes 7			Butterfield (305) Calif. Meadows (345)	
Residential	5114	2	650	5766
Commercial	91	0	2	93
Commercial-fireheld inactive	41			41
Public Govt	4	1	0	5
Irrigation-Industrial	0	67	0	67
Non-Potable Water other	0	145	0	145
Construction-Bulk Sales	0	20	0	20
Total Active Customers				

**DELINQUENT REPORT**

Meters Read - Customers Billed	<b>5444</b>	
Received Delinquent Notice on current bill	420	7.71%
Turned Off for lack of payment	3	0.06%
Customers turned back on, amount paid	1	0.02%

## WATER USAGE REPORT FOR THIRTEEN MONTHS

	Nov	Dec	JAN	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	TOTAL
Beg Water Levels	8641	9467	9328	7546	9049	9311	9222	9943	9673	11347	10107	11630	10154	
Ending Water Levels	9467	9328	7546	9049	9311	9222	9943	9673	11347	10107	11630	10154	11560	
Cur Yearly Purchases	113260	124709	104698	92998	92960	115005	122466	133518	153700	164495	140518	114288	110566	1583181
Cur Yr Monthly Use	108702	121203	99305	90737	87771	106589	119302	124735	146815	156286	138302	124684	129569	1554000
Prior Yr Monthly Use	87384	83501	55396	44125	62713	121182	106003	144053	143645	108702	125247	132059	108702	1322712



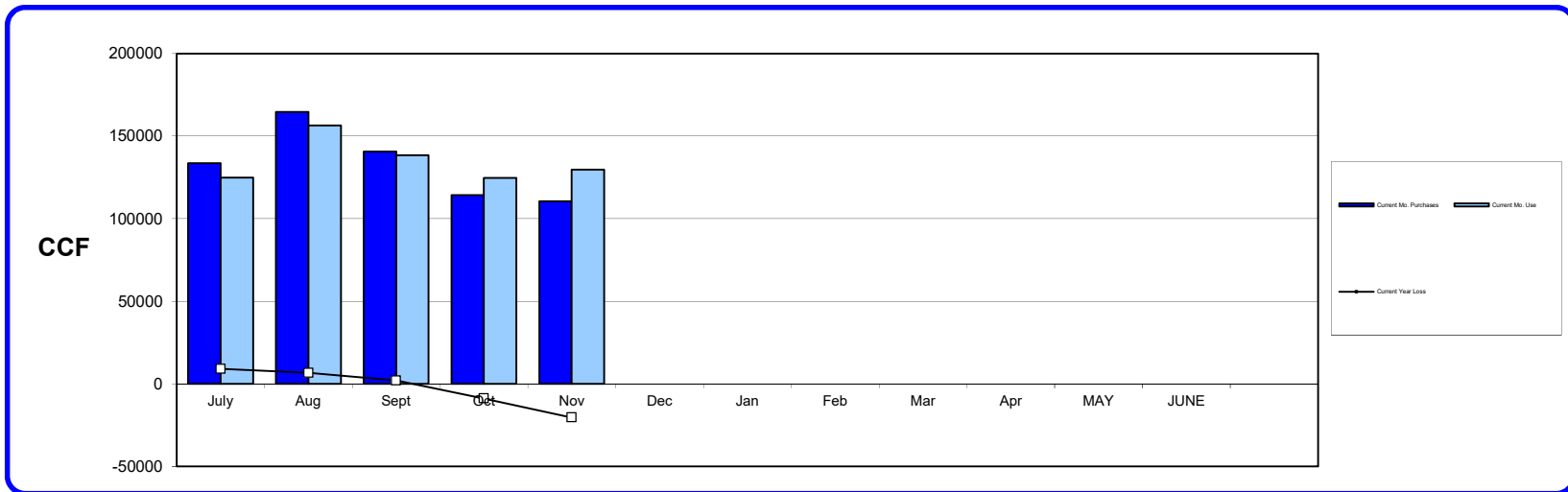
KEY
2016-2017
2017-2018
2018-2019

SUMMARY		CCF
Beginning Water in System		8641 CCF
Water Purchased in last 13 months		1583181 CCF
Water Used in last 13 months		1554000 CCF
Water Remaining in System		11560 CCF
<b>(Loss)/Gain over last 13 months</b>		<b>(26262) CCF</b>
		<b>-1.66%</b>

## WATER USAGE REPORT FOR FY 2018-2019

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Beg Water Levels	9943	9673	11347	11630	10154							
Ending Water Levels	9673	11347	11630	10154	11560							
Cur Yearly Purchases	133518	164495	140518	114288	110566							
Cur Yr Monthly Use	124735	152286	138302	124684	129569							
GAIN/LOSS (UNITS)	9053	6535	1933	-8920	-20409							

<b>TOTAL</b>
663385
669576
-11808



YEAR	%
2014-2015	-5.61
2015-2016	-4.83
2016-2017	-8.01
2017-2018	-5.36

SUMMARY		CCF
Beginning Water in System		9943 CCF
Water Purchased		663385 CCF
Water Used		669576 CCF
Water Remaining in System		11560 CCF
(Loss)/Gain FY to date		7808 CCF
		<b>1.18%</b>

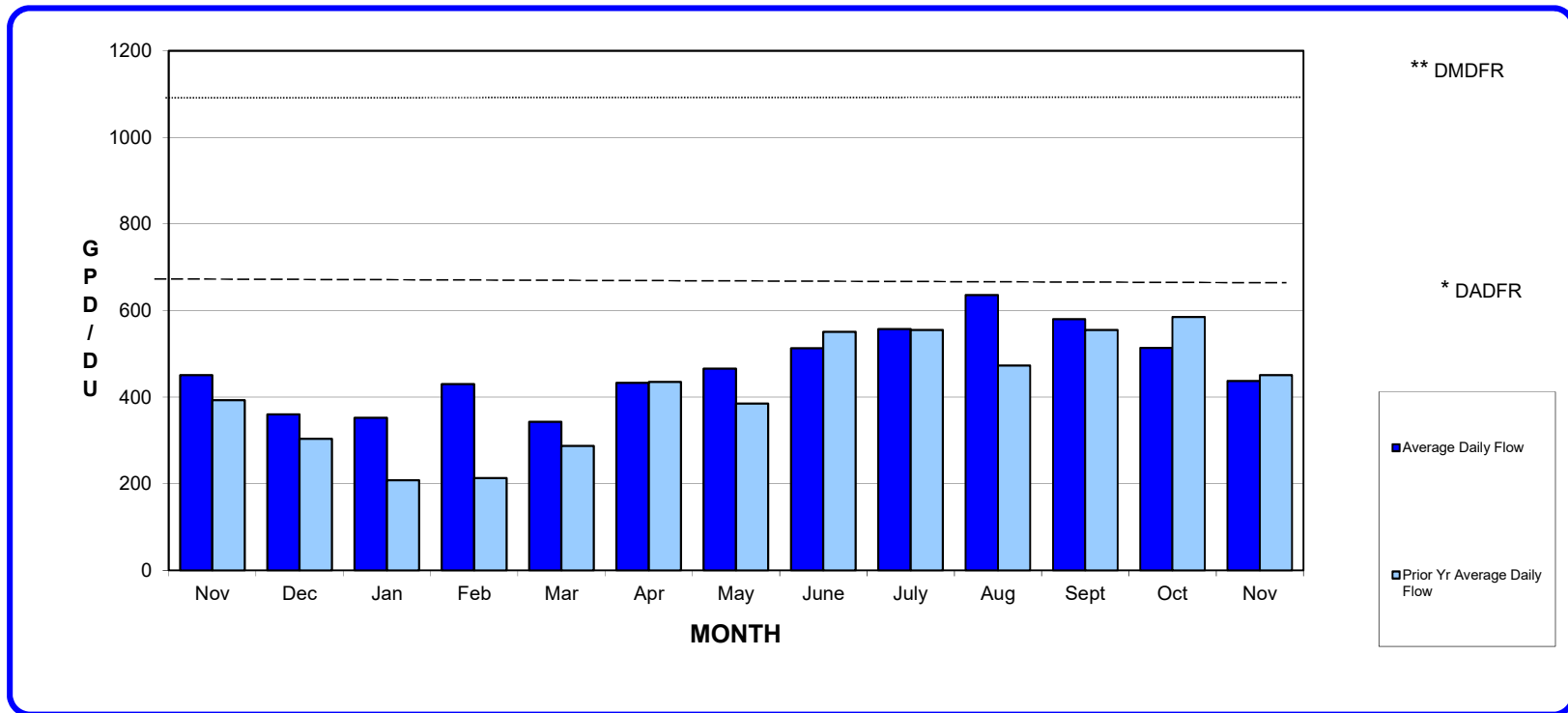


# RESIDENTIAL WATER USAGE

## AVERAGE DAILY FLOW

(GALLONS per DAY per RESIDENTIAL DWELLING UNIT CONNECTED)

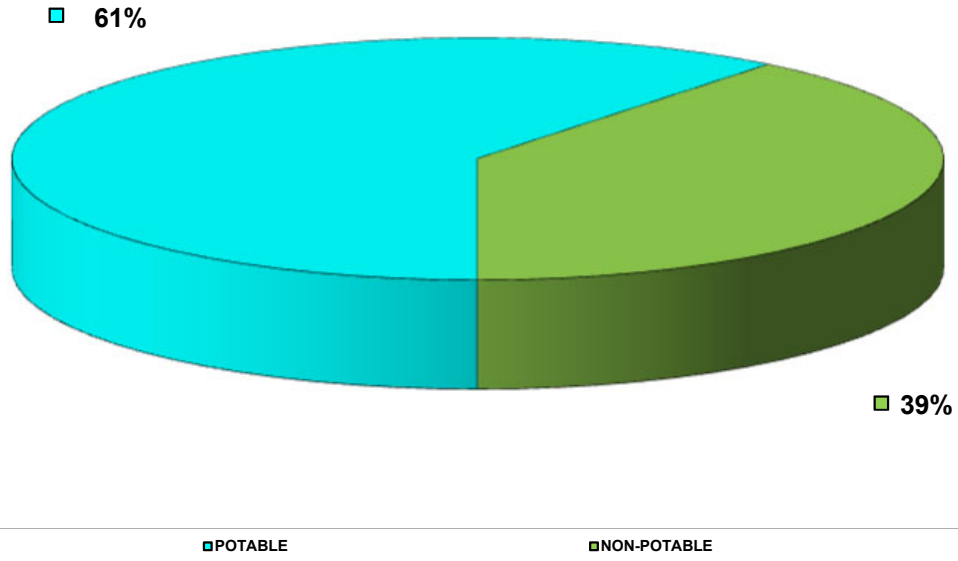
	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	YEARLY AVERAGE
Average Daily Flow	451	360	352	430	343	433	466	513	557	636	580	514	437	468
Prior Yr Average Daily Flow	393	304	208	213	287	435	385	551	555	473	555	585	451	417



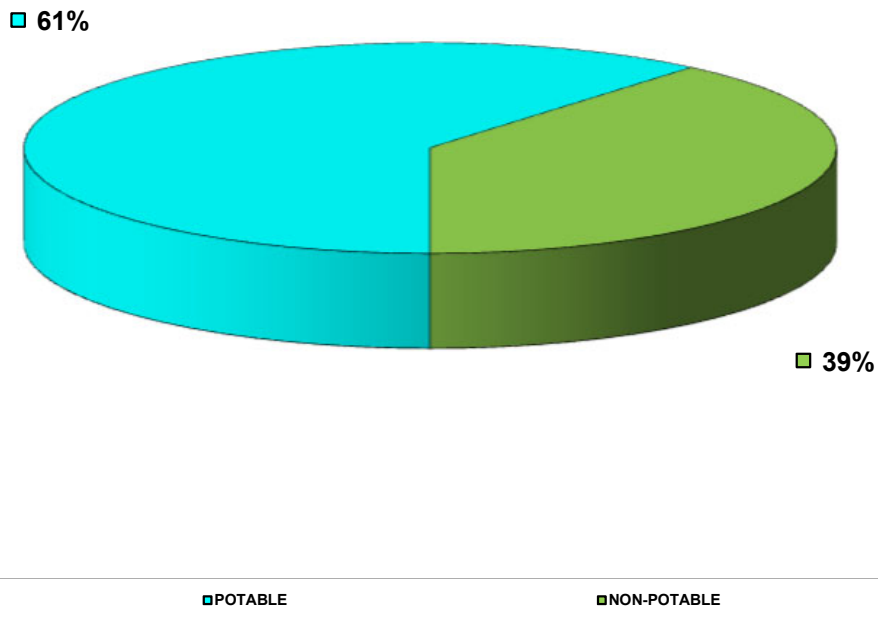
Key
2016-2017
2017-2018
2018-2019

\* DESIGN AVERAGE DAILY FLOW RATE IN GPD (650)  
 \*\* DESIGN MAXIMUM DAILY FLOW RATE IN GPD (1140)

**Temescal Valley Water District  
Volume of Water Sold  
For Five Month Ending November 30, 2018  
F/Y 2018-2019**

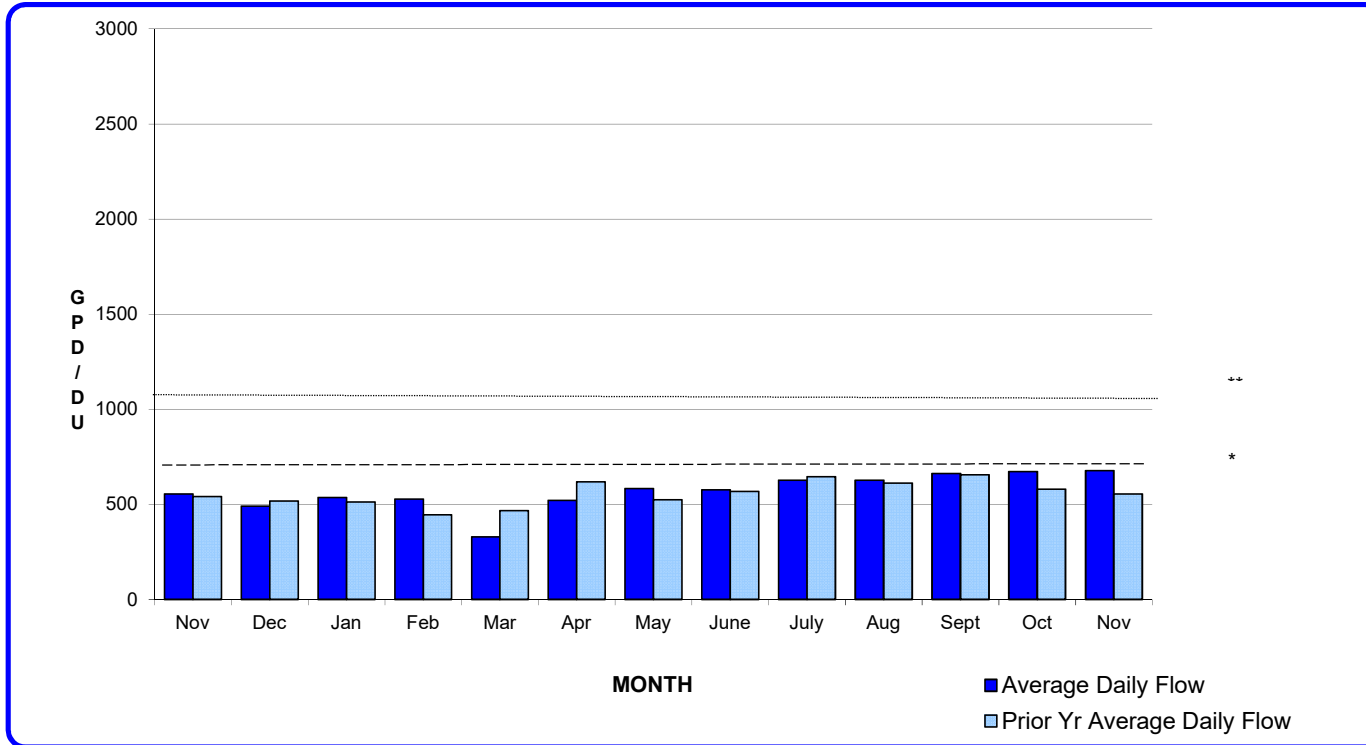


**Temescal Valley Water District  
Water Volume Sold  
For F/Y 2017-2018  
Twelve Months**



**COMMERCIAL WATER USAGE  
AVERAGE DAILY FLOW  
(GALLONS per DAY per COMMERCIAL DWELLING UNIT CONNECTED)**

	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	YEARLY AVERAGE
Average Daily Flow	555	491	536	527	329	521	583	577	627	627	663	673	678	569
Prior Yr Average Daily Flow	542	518	512	445	467	618	525	569	646	612	656	580	555	958

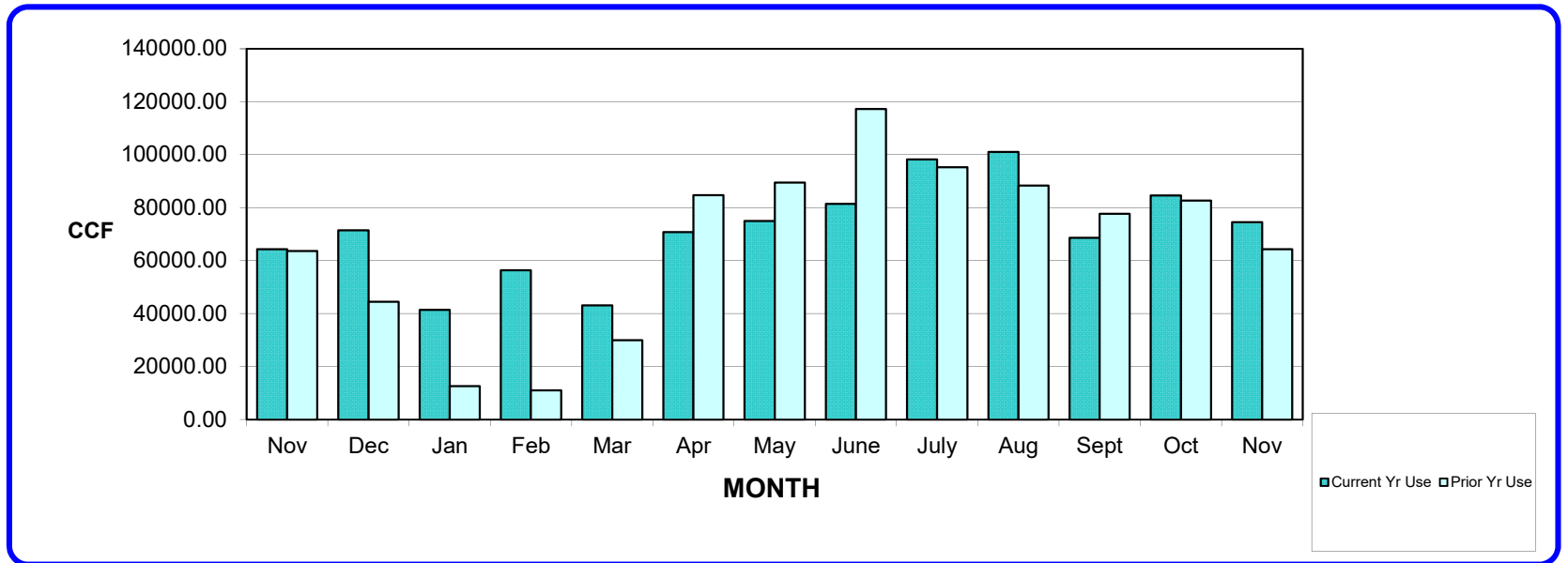


Key
2016-2017
2017-2018
2018-2019

- \* DESIGN AVERAGE DAILY FLOW RATE IN GPD (650)
- \*\* DESIGN MAXIMUM DAILY FLOW RATE IN GPD (1140)

## RECYCLED AND NON-POTABLE WELL WATER MONTHLY FLOW (ccf)

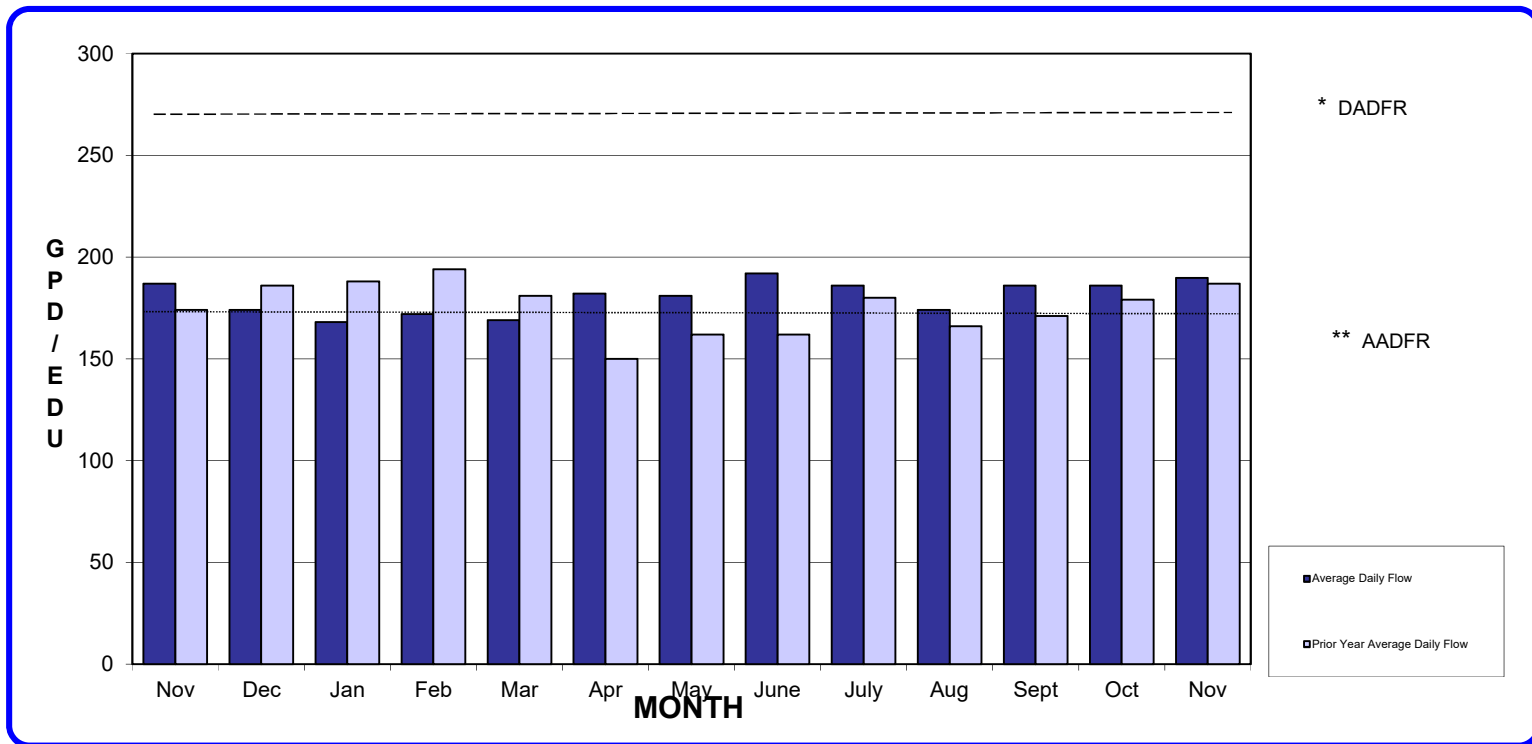
	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov
<b>Current Yr Use</b>	64288.64	71437.89	41374.89	56321.00	43054.20	70816.32	74999.30	81380.55	98207.89	101012.78	68554.80	84552.12	74461.87
<b>Prior Yr Use</b>	63655.96	44418.02	12663.02	10972.41	29977.05	84766.00	89476.06	117228.16	95220.93	88355.76	77651.75	82662.81	64288.64
<b>Revenue</b>	\$127,933	\$142,160	\$82,336	\$89,190	\$95,150	\$173,703	\$205,689	\$207,857	\$243,245	\$253,573	\$214,499	\$216,138	\$197,117



Key	
2016-2017	Red
2017-2018	Blue
2018-2019	Black

## RESIDENTIAL & COMMERCIAL SEWER USAGE AVERAGE DAILY FLOW (GALLONS per DAY per DWELLING UNIT)

	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	12-Month Average
Average Daily Flow	187	174	168	172	169	182	181	192	186	174	186	186	190	196
Prior Year Average Daily Flow	174	186	188	194	181	150	162	162	180	166	171	179	187	176



Key
2016-2017
2017-2018
2018-2019

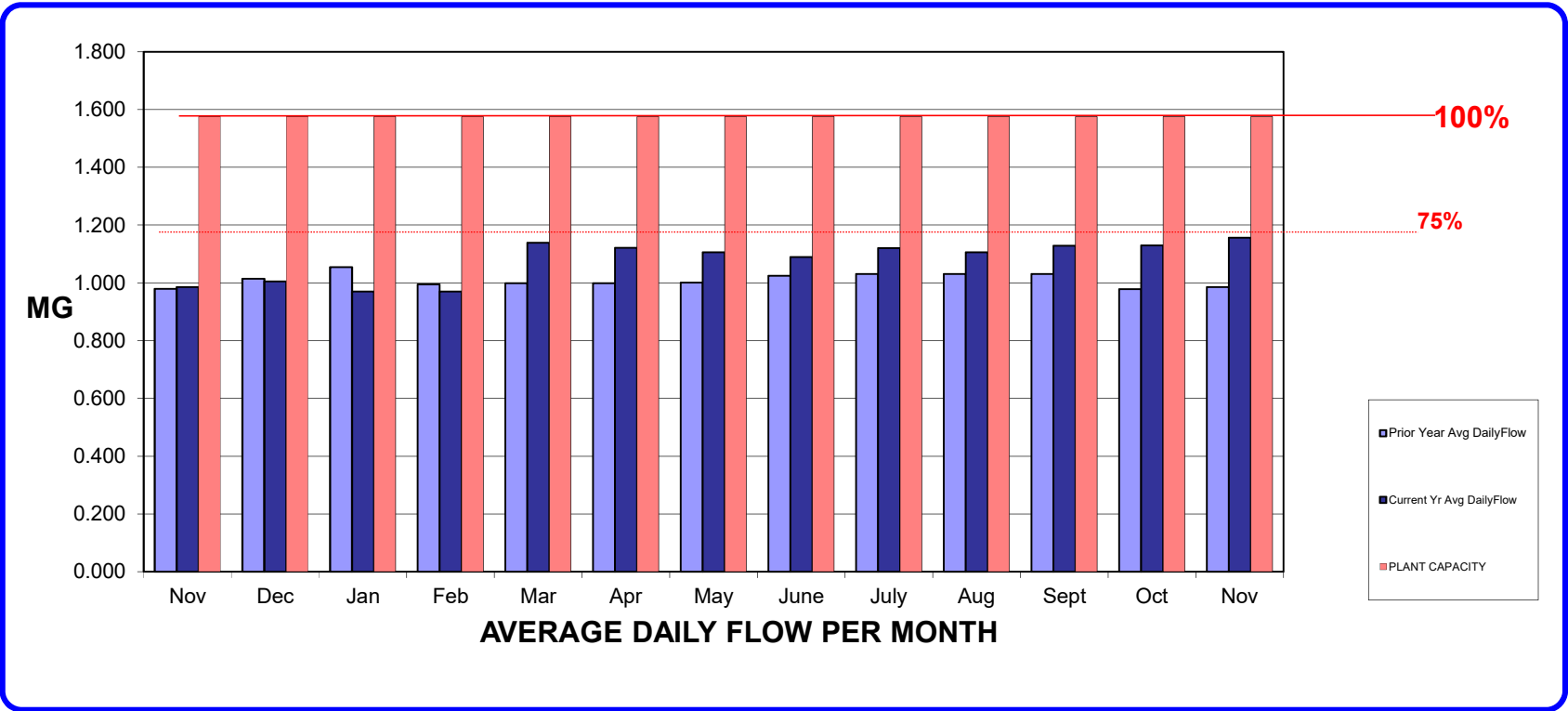
\*\* ACTUAL AVERAGE DAILY FLOW RATE IN GPD

# RECLAMATION PLANT FLOW REPORT

## AVERAGE DAILY FLOW (Million Gallons)

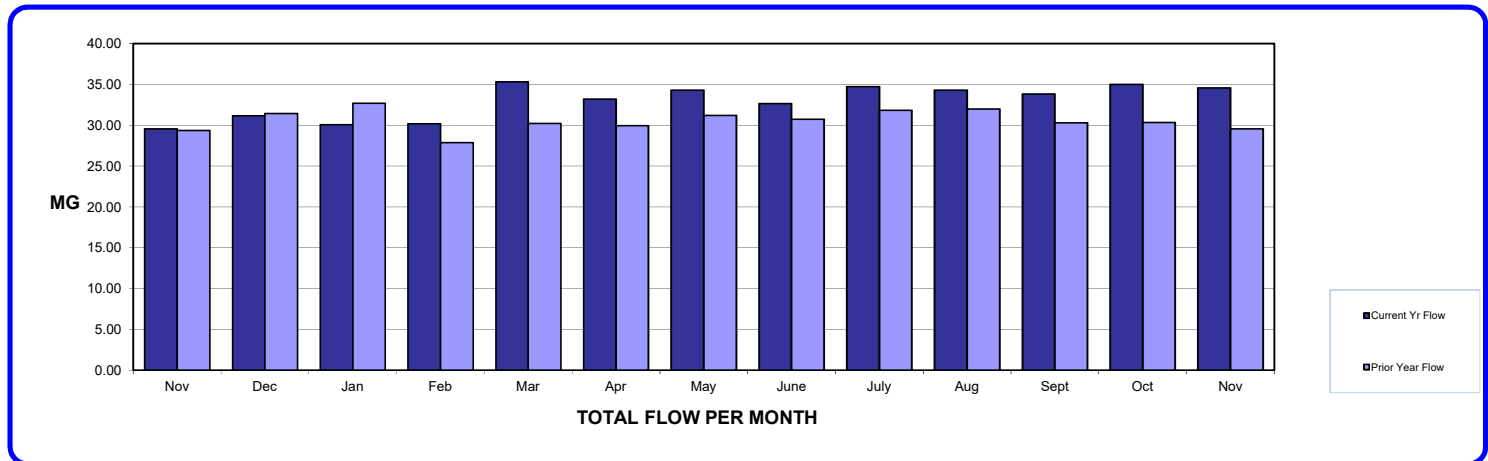
Key
2016-2017
2017-2018
2018-2019

	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov
Current Yr Avg DailyFlow	0.9850	1.0050	0.9700	0.9700	1.1390	1.1210	1.1060	1.0890	1.1200	1.1060	1.1280	1.1290	1.1560
Prior Year Avg DailyFlow	0.9790	1.0140	1.0540	0.9950	0.9990	0.9990	1.0006	1.0240	1.0310	1.0310	1.0310	0.9780	0.9850
PLANT CAPACITY	1.575	1.575	1.575	1.575	1.575	1.575	1.575	1.575	1.575	1.575	1.575	1.575	1.575



## RECLAMATION PLANT DISCHARGE REPORT MONTHLY FLOW (Million Gallons)

	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Total/yr
<b>Current Yr Flow</b>	29.55	31.15	30.07	30.18	35.31	33.20	34.28	32.67	34.73	34.29	33.84	35.00	34.57	399.28
<b>Prior Year Flow</b>	29.36	31.42	32.68	27.87	30.22	29.95	31.19	30.73	31.84	31.97	30.30	30.32	29.55	368.04
<b>Potential Revenue</b>	\$78,606	\$82,854	\$79,986	\$80,279	\$104,341	\$116,793	\$117,052	\$111,554	\$124,060	\$122,488	\$135,269	\$139,906	\$138,187	\$1,352,769

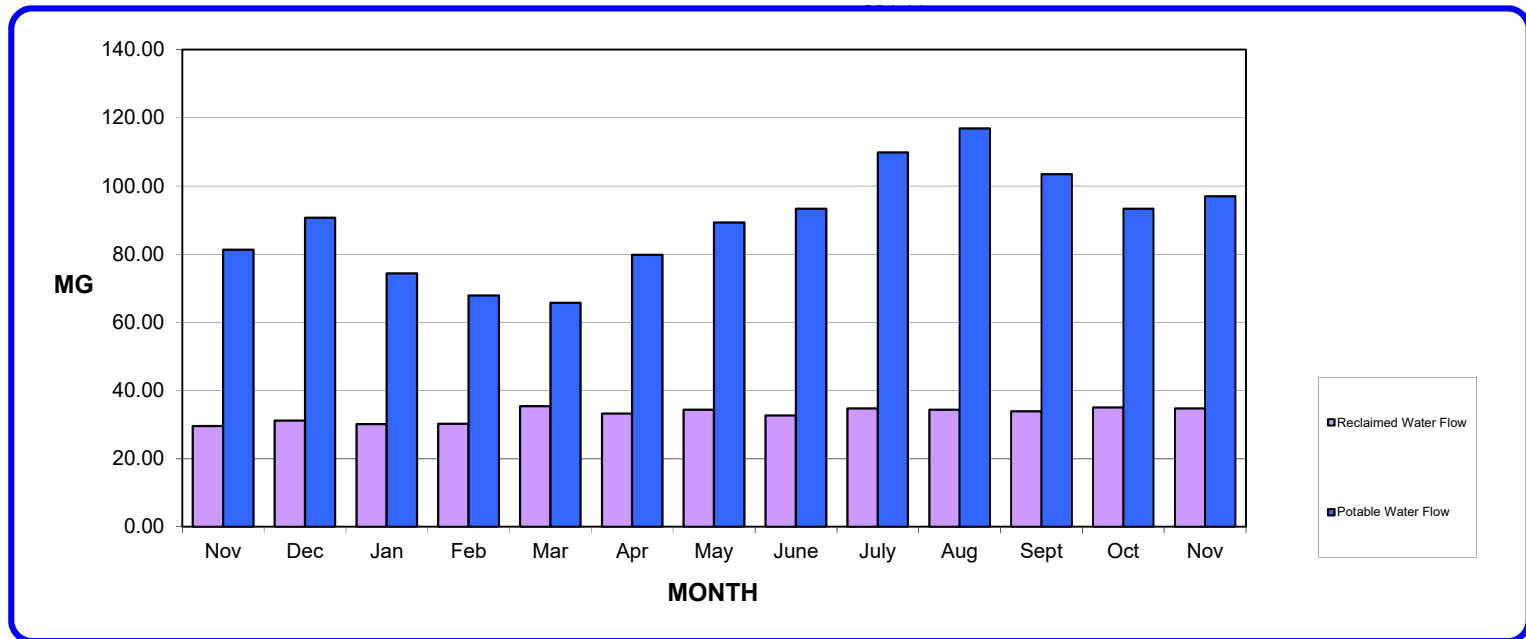


Key
2016-2017
2017-2018
2018-2019

Note - recycled water only

## RECLAIMED WATER VERSUS POTABLE WATER MONTHLY FLOW (Million Gallons)

	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov
<b>No. of Sewer Dwelling Units Connected</b>	5909	5957	5970	5857	5965	5978	6025	6028	6029	6343	6060	6060	6088
<b>Reclaimed Water Flow</b>	29.55	31.15	30.07	30.19	35.31	33.20	34.28	32.67	34.73	34.29	33.84	35.01	34.67
<b>Potable Water Flow</b>	81.31	90.66	74.28	67.87	65.65	79.73	89.24	93.30	109.82	116.90	103.45	93.26	96.92





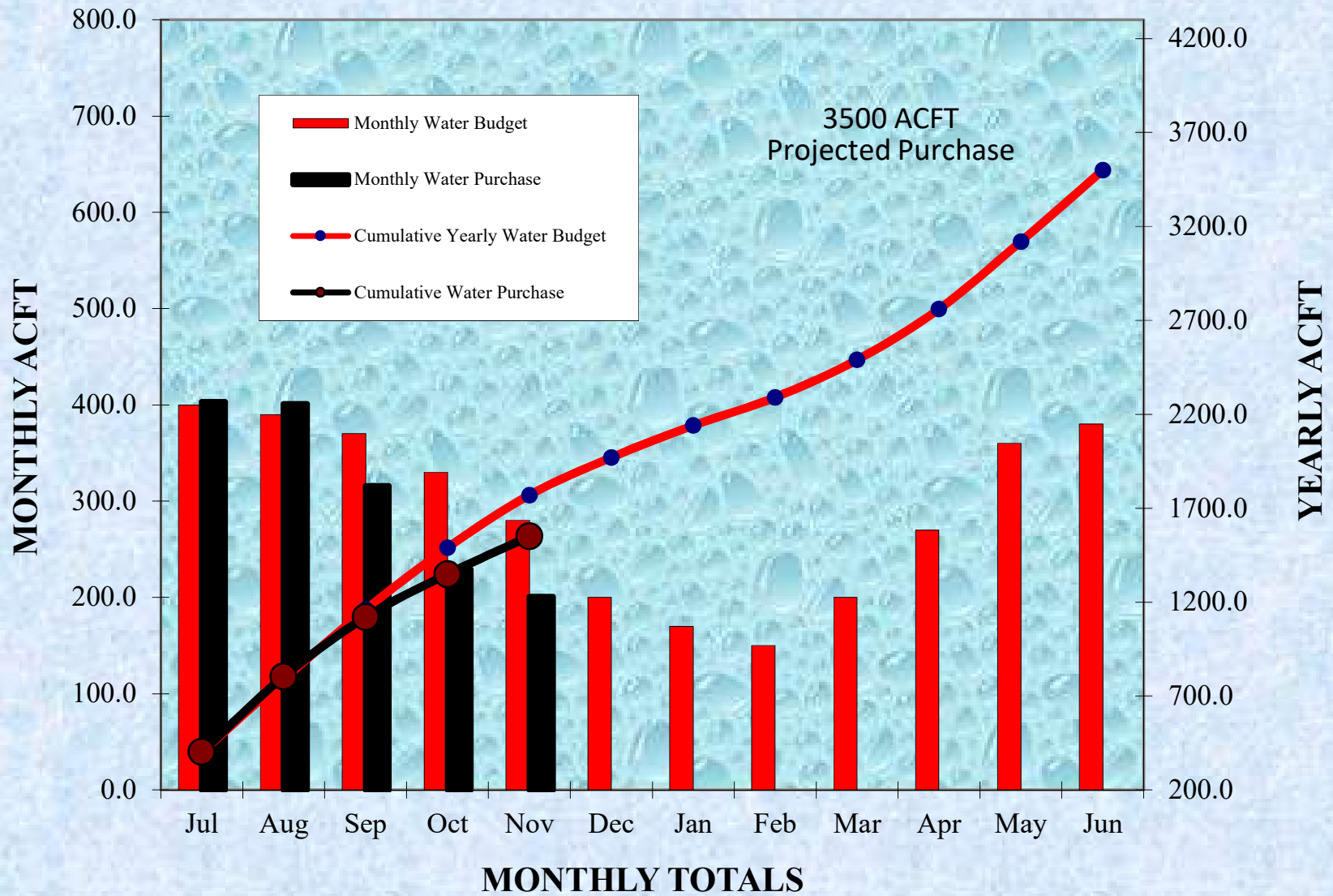
Month	Wildrose(2)	Montecito(3)	Trilogy(4)	Painted Hills(5)	Syc Crk(6)	Retreat(7)	Terramor(8)	Avg All Resid	AVG	TOTAL		
									IND-BK / IRR (1)	RECYCLED- Inc Retreat Golf	NONPOT- Other	NONPOT-Trilogy Golf
<b>AVG '07-'08</b>	18.1	32.7	15.9	32.2	21.7	37.1	-	25.9	106.6			
<b>AVG '08-'09</b>	24.6	33.8	17.0	33.3	32.6	40.8	-	25.4	53.3			
<b>AVG '09-'10</b>	21.9	30.0	15.8	30.2	26.3	38.0	-	23.0	51.7			
<b>AVG '10-'11</b>	20.6	27.6	15.5	25.8	25.1	35.2	-	22.3	36.0			
<b>AVG '11-'12</b>	21.0	27.9	15.9	27.3	24.7	34.0	-	22.5	82.3			
<b>AVG '12-'13</b>	21.9	31.3	15.6	27.5	23.6	30.5	-	22.9	190.0			
<b>AVG '13-'14</b>	22.5	33.8	16.5	28.2	24.5	30.6	-	23.0	9.8			
<b>AVG '14-'15</b>	20.7	28.4	15.4	26.8	21.9	28.2	-	21.2	62.8			
<b>AVG '15-'16</b>	17.4	21.3	10.6	22.4	16.9	24.3	-	16.5	105.4	38,401.9	4,639.1	18,977.2
<b>AVG '16-'17</b>	18.4	26.4	16.7	24.8	18.5	27.1	26.4	19.4	211.0	46,977.4	8,442.6	16,068.4
<b>AVG '17-'18</b>	18.2	22.9	14.0	25.4	18.4	27.1	16.0	18.8	378.4	48,106.6	4,904.8	16,348.5
Jul-18	25.5	36.9	22.7	37.6	22.8	35.7	16.3	25.9	377.7	66,650.4	5,248.9	26,308.7
Aug-18	26.7	37.2	25.4	39.9	24.1	39.9	17.4	27.9	308.8	64,689.9	7,023.0	29,299.9
Sep-18	24.9	34.2	20.7	37.9	23.6	35.5	13.9	25.4	358.8	61,514.7	7,040.1	18,467.7
Oct-18	23.3	32.0	17.9	32.85	22.0	31.7	13.0	23.8	172.7	58,831.5	8,085.6	17,743.0
Nov-18	24.6	35.4	16.3	31.4	23.3	34.1	14.6	23.7	208.8	53,758.5	4,323.6	15,574.7
Dec-18												
Jan-19												
Feb-19												
Mar-19												
Apr-19												
May-19												
Jun-19												
<b>AVG '17-'18</b>												

AMOUNTS IN UNITS (CCF) (ONE UNIT = 748 GALS.)

# WHOLESALE BUDGET vs PURCHASE

## Water Year July 2018 through June 2019

**3500 ACFT PROJECTION**





December 18, 2018

Board of Directors  
Temescal Valley Water District

RE: General Manager's Report

Dear Board:

The following is a brief status report on a number of issues that I have been involved in since the last meeting.

- Working on non-potable water supply improvements
  - Park Canyon Drive RW line – Easement was denied by Craig Deleo
- Working on Conservation opportunities and RW/NP conversion locations
  - Trilogy HOA – Approved Phase 1 – Meter A \$40,000 Not started
- Working with Land Developers on water and sewer fees for multiple infill projects.
  - Deleo adjacent to Tom's Farms – New buyer requested Capacity fees – Meritage Homes
  - Forest Boundary – Infrastructure is complete – building 3 model homes have been completed
  - Retreat Infill – Kiley Court – Plans signed
  - Temescal Canyon Road at Campbell Ranch Road – Approved by Planning Commission – Developer requested Water and Sewer fee costs – Met with engineering team on design. Developer requesting CFD funding
  - Kiley Family Trust Property – Tract Map Stage
- Terramor CFD – CFD 4 Bond Sale complete
- Terramor Review:
  - RW and Potable Tank – In Construction – storm drain and ring wall construction now – Tanks were bid 5-14-18
- Terramor Onsite Water, Sewer and RW improvements
  - Back Bone Gravity Sewer – Loop finished - In Tract Finished
  - Back Bone Potable Water – Loop finished - In Tract Finished
  - Sewer Lift Station – Accepted into maintained system
- Sycamore Creek:
  - TM 36317 Water Sewer and RW improvement plans – TVWD infrastructure is 90% complete
- WRF Secondary Percolation:
  - Grading of site – Finished – in operation – one last overflow pipe needed
  - Storm drain relocation/repair – Finished

Temescal Valley Water District

22646 Temescal Canyon Road | Temescal Valley, CA 92883-4106 | tel: 951.277.1414 | fax: 951.277.1419  
www.temescalvwd.com

December 13, 2018

Board of Directors  
Temescal Valley Water District

Re: Water and Sewer Operations – November 2018

Dear Board Members:

Temescal Valley Water District operations personnel perform the following tasks on a regular and routine basis:

- Managed 253.82 acre-feet of water through system.
- Collected monthly potable water samples. We are now collecting four samples per week as required by the State Water Resources Control Board, Division of Drinking Water. Collected monthly and weekly wastewater samples as required by Regional Water Quality Control Board.
- Submitted monthly report to the Regional Water Quality Control Board for: Temescal Valley Wastewater Reclamation Facility
- Submitted monthly report to the State Water Resources Control Board, Division of Drinking Water for: TVWD distribution system monitoring.
- Read 5444 water meters.
- 3 shut-offs.
- Responded 97 service calls.
- Installed 30 meters for the various developers
- Responded to 75 USA Dig Alerts to mark District underground utilities.

In addition to the above regular and routine tasks we also performed the following operational tasks.

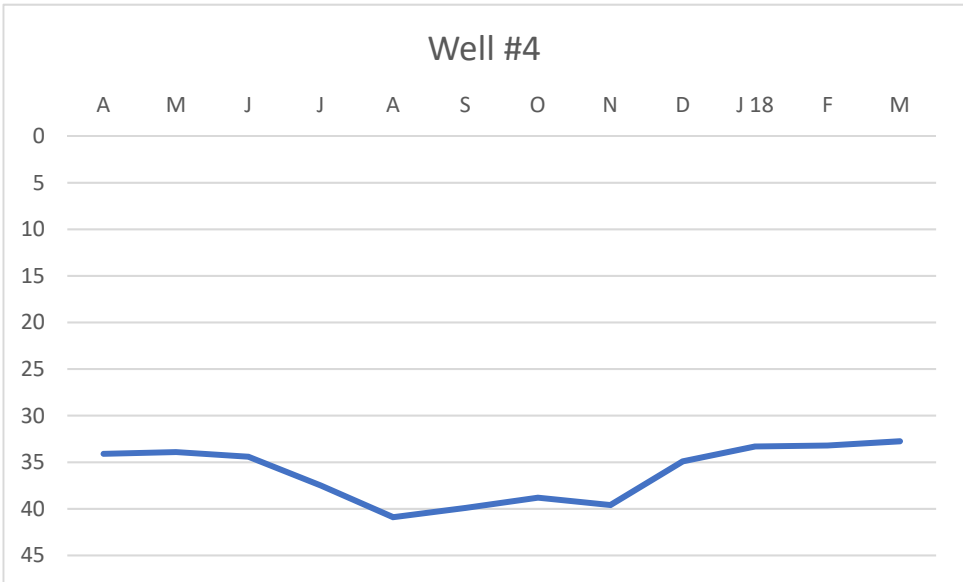
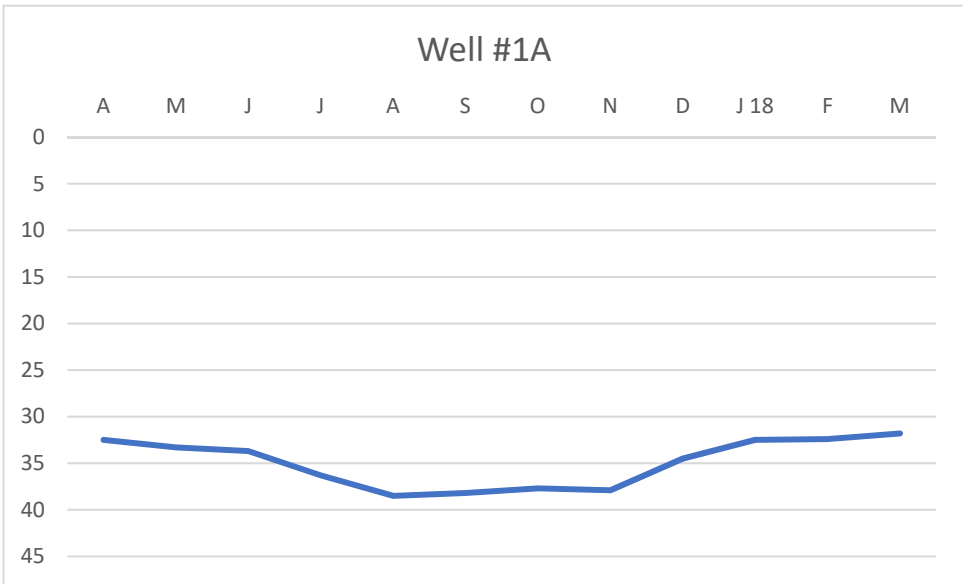
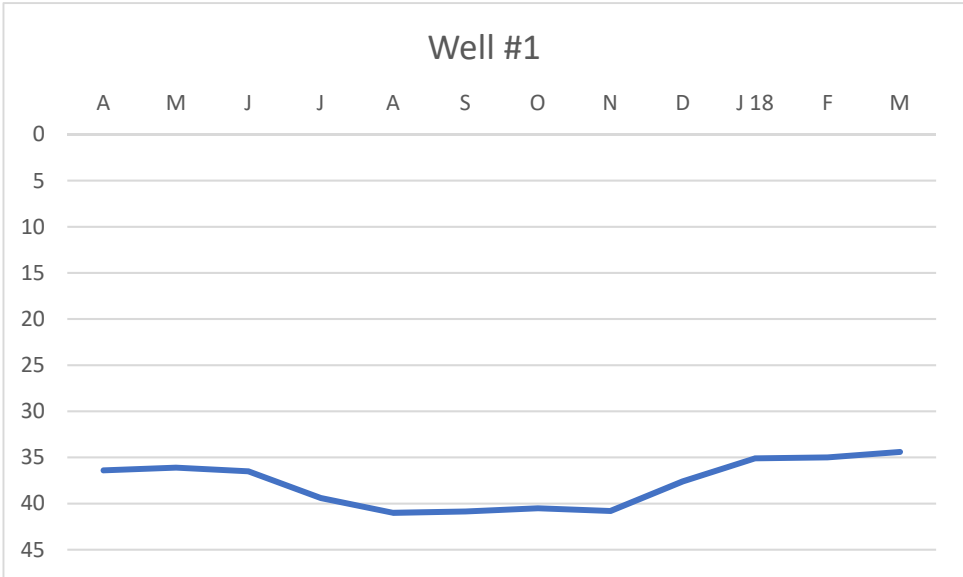
- Maintained aesthetic appearance of all District facilities.
- TVWD staff is on schedule with required UCMR4 sampling for the water distribution system.
- TVWD staff working on cross connection compliance.

- No loads of biosolids were hauled off this month.
- Contractor completing main plant lighting upgrade.
- Operations staff repaired the concrete ring seal to a manhole near Well 1A.

Sincerely,

---

Paul Bishop, Superintendent



TEMESCAL VALLEY WATER DISTRICT  
ENGINEERING DEPARTMENT

**DISTRICT ENGINEER'S MONTHLY REPORT**

**Date:** December 12, 2018  
**To:** Jeff Pape, General Manager  
**From:** Justin Scheidel, District Engineer  
**Subject:** Engineering Activities Update for the Month of December 2018

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Following is a summary of the status of current engineering projects:

**PLAN CHECKING & DEVELOPER RELATED PROJECTS**

**Terramor Water, Sewer, & RW Improvements In-Tract Laterals (36643, 36826-1, 10476, 10477 and 10478)** – Engineering review previously completed, currently under construction.

**Terramor Water, Sewer, & RW Improvements In-Tract Laterals (Tract 36826-2/3/4, 10555 Phase 7/8/9)** – 1<sup>st</sup> plan check completed, comments returned to the developer for incorporation

**Terramor Reservoirs Project (1401.1610)** – Engineering review previously completed, currently under construction.

**Tract 33688 Water, Sewer and Recycled Plan Check (10555, Phase 6)** – 1<sup>st</sup> plan check completed, comments returned to the developer for incorporation.

**Warm Spring Drive (10555, Phase 10)** - 1<sup>st</sup> plan check completed for private residence water main extension, comments returned to the developer for incorporation.

***TVWD Water Reclamation Facility Expansion (9830)*** – The 95% design drawings and specifications have been reviewed by engineering staff. Consolidated comments are currently under review by the District Manager before being returned to the Design Engineer for incorporation and final edits. Public bid for this project is scheduled for January of 2019.

**CAPITAL IMPROVEMENT PROJECTS**

**1320 Reservoir Preliminary Design Report (1401.1608):** Submitted Draft Preliminary Engineering Report to the General Manager for review. Currently waiting for comments.

**AS-NEEDED ENGINEERING SERVICES**

***General Engineering Initiated During FY 2018/19***

Project 1401.1801: Potable Water Related Services for FY 2018/19: No work completed this month.  
Project 1401.1802: Non-Potable Water Related Services for FY 2018/19: Development of the district engineering report and attendance of the District's Board Meeting.

- Project 1401.1803: Wastewater Related Services for FY 2017/18: Conducted coordination for the WWTP expansion design review process.
- Project 1401.1804/5: Potable /Wastewater Mapping Updates for FY 2017/18. No work completed this month.
- Project 1401.1806/7: Potable/Wastewater Engineering Studies: No work completed this month.
- Project 1401.1808: General GIS Support: Updating of the GIS database and re-formatting as-built catalog. General support provided for updating GIS information discovered during master plan updates.
- Project 1401.1809: Sewer System Management Plan Assistance: Reviewed final version of the SSMP update and provided comments.
- Project 1401.1810: Dawson Canyon Reservoir Design: No activity this month
- Project 1401.1811: Water System Master Plan Update: Continuing updates to the master plan to reflect current system configuration with additional developments, facilities and demands.
- Project 1401.1812: Non-Potable Master Plan Update: Updating the master plan to reflect current system configuration with current customer demands.
- Project 1401.1813: Sycamore Creek Rehab Project: Coordination with contractor regarding the construction agreement and mobilization efforts. Contractor to begin mobilization the week of December 17<sup>th</sup>.
- Project 1401.1814: Corona Service Conversion: No work completed this month.