

**Cabazon Water District**  
14-618 Broadway Street • P.O. Box 297  
Cabazon, California 92230

**Board Training**

**AGENDA**

**Meeting Location:**  
Cabazon Water District Office  
14-618 Broadway Street  
Cabazon, California 92230

**Meeting Date:**  
Tuesday, June 21, 2016 – 10:00 am

**CALL TO ORDER,**  
**PLEDGE OF ALLEGIANCE,**  
**ROLL CALL**

1. AB 1234 Board Training (approximately 2 hours)
2. Groundwater Law Training (approximately 2 hours)

**PUBLIC COMMENT**

Any person may address the Board of Directors at this time on any matter within the subject matter jurisdiction of the Cabazon Water District; however, any matter that requires action will be referred to staff for investigation and reported at a subsequent Board of Directors meeting. The Board of Directors is prohibited by law from discussing or taking immediate action on items during this public comment period. To comment on specific agenda items, please advise the Board secretary prior to the meeting. Each public comment will be limited to three (3) minutes. Individuals may not give their time away to another spokesperson. After two (2) minutes, the speaker will be notified that he/she has one (1) minute remaining. AB 1234 ORAL REPORTS (Gov. Code Sec. 53232.3(d))

**ADJOURNMENT**

**ADA Compliance Issues**

In compliance with the Americans with Disabilities Act & Government Code Section 54954.2, if special assistance is needed to participate in a Board meeting, please contact the Clerk of the Board at (951) 849-4442. Notification of at least 48 hours prior to meeting time will assist staff in assuring that reasonable arrangements can be made to provide accessibility at the meeting.



Cabazon Water District  
14-618 Broadway Street • P.O. Box 297  
Cabazon, California 92230

## FINANCE & AUDIT COMMITTEE MEETING

### AGENDA

#### Meeting Location:

Cabazon Water District Office  
14-618 Broadway Street  
Cabazon, California 92230

#### Meeting Date:

Tuesday, June 21, 2016 – 3:45 PM

CALL TO ORDER,  
PLEDGE OF ALLEGIANCE,  
ROLL CALL

### FINANCE & AUDIT COMMITTEE

1. Discussion: Finance & Audit Committee Report
  - Balance Sheet
  - Profit and Loss Two Month
  - Profit and Loss Budget Comparison
  - Statement of Cash Flows
  - Proposed Budget for FY 2016-2017
  
2. Finance & Audit Committee District Payables Review and Approval/Signing

### PUBLIC COMMENT

Any person may address the Board of Directors at this time on any matter within the subject matter jurisdiction of the Cabazon Water District; however, any matter that requires action will be referred to staff for investigation and reported at a subsequent Board of Directors meeting. The Board of Directors is prohibited by law from discussing or taking immediate action on items during this public comment period. To comment on specific agenda items, please advise the Board secretary prior to the meeting. **Each public comment will be limited to three (3) minutes. Individuals may not give their time away to another spokesperson. After two (2) minutes, the speaker will be notified that he/she has one (1) minute remaining. AB 1234 ORAL REPORTS (Gov. Code Sec. 53232.3(d))**

**ADJOURNMENT**

**ADA Compliance Issues**

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**Cabazon Water District**  
14-618 Broadway Street • P.O. Box 297  
Cabazon, California 92230

## **REGULAR BOARD MEETING**

### **AGENDA**

**Meeting Location:**  
Cabazon Water District Office  
14-618 Broadway Street  
Cabazon, California 92230

**Meeting Date:**  
June 21, 2016 – 6:00 PM

#### **CALL TO ORDER**

#### **PLEDGE OF ALLEGIANCE**

#### **REMEMBRANCE OF OUR SERVICE MEN AND WOMEN**

#### **ROLL CALL**

#### **CONSENT CALENDAR**

All matters in this category are considered to be consistent with the Board/District goals, District Policies and Regulations adopted and/or approved by the Board of Directors, and will be enacted in one motion. There will be no separate discussion of these items. If discussion is required, items may be removed from the consent calendar and will be considered separately.

#### **1. Approval of:**

- a. Finance and Audit Committee Meeting Minutes and warrants approved by the committee of May 17, 2016 regarding April 2016 Financials
- b. Regular Board Meeting Minutes and warrants of May 17, 2016
- c. Special Meeting Minutes of May 24, 2016
- d. Regular Board Meeting Minutes and warrants of April 19<sup>th</sup>, 2016\*

\* NOTE: The April 19<sup>th</sup>, 2016 Regular Board Meeting Minutes were approved by the Board during the May 17<sup>th</sup>, 2016 Regular Board Meeting, during Director Wargo's absence. There is one minor

change requested to be allowed in the April 19<sup>th</sup> Minutes. Refer to the Memorandum included in the current Board Packet and April 19<sup>th</sup>, 2016 Meeting Audio for clarification.

2. Warrants – None
3. Awards of Contracts – None

#### UPDATES

1. Update: San Gorgonio Pass Regional Water Alliance Update  
(by Director Israel)
2. Update: Manager's Operations Report  
(by General Manager Louie)

#### OLD BUSINESS

1. Discussion/Action: Board to Review & Award Annual Audit Service Contract (by the Board)
2. Discussion/Action: Review and Approval of proposed budget for Fiscal Year (FY) 2016-2017. (by General Manager Louie and Linda Halley, CPA)
3. Discussion: Update on Water Rates Study – Staff Report & Update (by General Manager Louie) – Arrange for the First workshop in July 2016.
4. Discussion/Action: Sustainable Groundwater Management Act update and consideration of board position on Groundwater Sustainability and Other Issues,
  1. Board to Support or Oppose the Proposed Water Allocation Agreement drafted by the Beaumont-Cherry Valley Water District and Yucaipa Valley Water District Update (by Steve Anderson, General Counsel)
5. Discussion/Action: Board to Appoint a replacement (1) for the Personnel Committee (PC) (by the Board)
  - Upon an appointment by the Board, PC shall arrange for a time to meet with the GM for his annual performance evaluation.

#### NEW BUSINESS

1. Discussion/Action: Carmen Meadows Development initial deposit refund request  
(by Jack Pryor)
2. Discussion/Action: RESOLUTION 02-2016: Revision of Authorized Signer for the District Chase Bank Accounts. Request to add Director Sarah Wargo as an authorized signer.
3. Discussion/Action: Review of Director Bui's California Rural Water Association Water Education & Exhibitors Expo, South Lake Tahoe, Nevada, on April 25-28, 2016 Reimbursement Request (by the Board)

## PUBLIC COMMENTS

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## GENERAL MANAGER/BOARD COMMENTS

### 1. Future Agenda Items

The Board Chair or the majority of the Board may direct staff to investigate and report back to an individual(s) and the Board on matters suggested or direct the General Manager/Board Secretary to place the matter on a future Board meeting.

- Suggested agenda items from the Public.
- Suggested agenda items from Management.
- Suggested agenda items from Board Members.

### 2. Management Comments

Staff members may speak on items of information not requiring comment or discussion to the Board and public. Topics which may be included on a future meeting agenda may be presented but cannot be discussed. (3 minutes)

### 3. Board Member Comments

Board members may speak on items of information not requiring comment or discussion to the Board and public. (3 minutes)

## MISCELLANEOUS

### 1. Future Board Items/Next Board Meeting Date(s)

- a. Finance & Audit Workshop – Tuesday – July 19, 2016, 3:45 pm
- b. Regular Board Meeting – Tuesday – July 19, 2016, 6:00 pm
- c. Personnel Committee – None
- d. San Gorgonio Pass Regional Water Alliance – Alliance Meeting - Wednesday – June 29, 2016 - 5:00 PM to 7:00 PM

## ADJOURNMENT

ADA Compliance Issues

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Cabazon Water District  
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Cabazon, California 92230

**FINANCE & AUDIT COMMITTEE MEETING**

**MINUTES**

**Meeting Location:**  
Cabazon Water District Office  
14-618 Broadway Street  
Cabazon, California 92230

**Meeting Date:**  
Tuesday, May 17, 2016 – 3:45 PM

CALL TO ORDER, at 15:52 hr.

PLEDGE OF ALLEGIANCE,  
ROLL CALL

Director Bui - Present  
Director Israel - Present

Calvin Louie (General Manager) - Present  
Elizabeth Lemus, Board Secretary - Present  
Linda Halley, Financial Consultant - Absent

\*Note: This meeting was recorded by the District -

FINANCE & AUDIT COMMITTEE

1. Discussion: Finance & Audit Committee Report
  - Profit and Loss Two Month
  - Profit and Loss Budget Comparison
  - Statement of Cash Flows
  - Proposed Budget for FY 2016-2017

↓ The District looks at four basic reports each month to get a high level overview of the financial position of the District.



- ↓ These Financial Statements are not Compiled, Reviewed, or Audited, but are created by the contract accountant in her position as Financial Controller of the District.
- ↓ The District has an independent financial audit each year. The District's year ends on June 30.
- ↓ The four reports the District reviews are the Balance Sheet, the Profit and Loss Two Months, the Profit and Loss Budget Performance, and the Statement of Cash Flows.
- ↓ The Balance Sheet shows what the District owns and what the District Owes.
- ↓ The Profit and Loss Two Months shows whether the District is consistent month to month with revenue and expenses.
- ↓ The Profit and Loss Budget Performance shows how the District is doing against the budget, and how the District is doing fiscal year to date.
- ↓ The Statement of Cash Flow gives an overview of the cash that came in and went out during the month.

The Profit and Loss two month shows

- that Account 41100 Base Rate - Water Bills - is substantially the same this month as last.
- Total 50010 - Payroll All Expenses is substantially the same between the two months.
- Account 53160- Utilities - Wells -shows that the District has received only some of the Edison bills for the month.
- Accounts 5318 - this has been split to show the equipment rental portion of both the 53180 Materials and Line Maintenance Repair Contractor and 53181 Materials and Line Maintenance Repair Contractor - Emergency Work to give the District more visibility. During April the District had only Emergency repairs done by the Line Maintenance and Repair Contractor.
- 55160, Printing and Publications, shows that the District placed ads in the newspaper for the three Open Positions at the District and the two RFPs for professional accounting and auditing services.
- 56500 Legal. The bills this month related to:
  - General: counsel
  - Water: counsel
  - Personnel: counsel

- Account 61170 DWR Interest on Loans, shows that the District paid the DWR Interest this month. This does not impact cash as the District pays into a trustee account each month, and the trustee account pays the loan.
- The District ended the month with a preliminary net loss of \$5400.
- ↓ The Profit & Loss Budget Performance has five columns. The first shows the actual income and expenses for the month. The second column shows the Budget for the month just ended. The middle column shows the year to date actual figures. The fourth column shows the Year to Date Budget. The last column shows the annual budget.
- Account 41100 Base Rate - Water Bills – The District is about 10% below budget for the year to date, and is close to what was anticipated.
- 41500 Stand By Fees – shows the District is just a bit below the Budget. The District anticipated a deposit in April and that may be coming in May.
- 42110 - Ad Valorem - shows the District is a little below what was anticipated year to date. These are the regular property taxes. This could be because property owners are not paying the property taxes as quickly in the past. The District does not have very much visibility from the reporting it receives from the county.
- Total 50010 Payroll All Expenses is right on the year to date budget.
- Account 53180 Materials and Line Maintenance Contractor, including the emergency work is over budget year to date. Most of the work has been emergency repair.
- 56500 Legal Service - This is about 30% over budget year to date, although the month of April was right on budget.
- Preliminary figures show the District with a year to date loss of \$114k, compared to a budgeted year to date net loss of zero.
- The main areas where the District is overbudget year to date:
  - Legal
  - Line Maintenance and Materials Contractor – Emergency

The Statement of Cash Flows shows that the largest expenditures were the bills.

Payroll remains at a normal level.

The total expenditures were about \$91k

Net cash used was about \$18k

The District ended the month with cash of \$137k.

This ties to the Balance Sheet.

2. Finance & Audit Committee District Payables Review and Approval/Signing

**PUBLIC COMMENT**

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**ADJOURNMENT**

Motion to adjourn at 16:02 hr. made by Director Israel and 2<sup>nd</sup> by Director Bui.

Meeting adjourned at 16:02 hr. on May 17, 2016.

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Robert Lynk, Board Chair  
Board of Directors  
Cabazon Water District

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Elizabeth Lemus, Secretary  
Board of Directors  
Cabazon Water District

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**REGULAR BOARD MEETING**

**MINUTES**

**Meeting Location:**  
Cabazon Water District Office  
14-618 Broadway Street  
Cabazon, California 92230

**Meeting Date:**  
May 17, 2016 – 6:00 PM

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**REMEMBRANCE OF OUR SERVICE MEN AND WOMEN**

**ROLL CALL**

Director Sarah Wargo - Absent  
Director Teresa Bui - Present  
Director Maxine Israel - Present  
Director Alan Davis - Present  
Director Robert Lynk - Present

Calvin Louie, General Manager - Present  
Elizabeth Lemus, Board Secretary - Present  
Linda S. Halley, Financial Consultant - Absent  
Steve Anderson, Best Best & Krieger Law Firm - Present

**Note: This meeting was recorded by the District -**

**CONSENT CALENDAR**

All matters in this category are considered to be consistent with the Board/District goals, District Policies and Regulations adopted and/or approved by the Board of Directors, and will be enacted in one motion. There will be no separate discussion of these items. If discussion is required, items may be removed from the consent calendar and will be considered separately.

1. Approval of:

- a. Finance and Audit Committee Meeting Minutes and warrants approved by the committee of April 19, 2016 regarding March 2016 Financials
- b. Regular Board Meeting Minutes and warrants of April 19, 2016

Motion to approve consent calendar item(s) a.) Finance and Audit Committee Meeting Minutes and warrants approved by the committee of April 19, 2016 regarding March 2016 Financials (b.) Regular Board Meeting Minutes and warrants of April 19, 2016 made by Director Bui and 2<sup>nd</sup> by Director Israel.

Director Wargo – Absent.

Director Bui - Aye

Director Israel - Aye

Director Davis - Aye

Director Lynk - Aye

2. Warrants – None
3. Awards of Contracts – None

UPDATES

1. Update: San Gorgonio Pass Regional Water Alliance Update  
(by Director Israel)
2. Update: Manager's Operations Report  
(by General Manager Louie)

PUBLIC COMMENTS

Any person may address the Board of Directors at this time on any matter within the subject matter jurisdiction of the Cabazon Water District that is listed on the agenda under Closed Session; however, any matter that requires action will be referred to staff for investigation and reported at a subsequent Board of Directors meeting. The Board of Directors is prohibited by law from discussing or taking immediate action on items during this public comment period. To comment on specific agenda items, please advise the Board secretary prior to the meeting. Each public comment will be limited to three (3) minutes. Individuals may not give their time away to another spokesperson. After two (2) minutes, the speaker will be notified that he/she has one (1) minute remaining. AB 1234 ORAL REPORTS (Gov. Code Sec. 53232.3(d))

Entered into Closed Session at 18:25 hr.

CLOSED SESSION

- (1) CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
*Property: (former Hadley property at 50100 Main Street)*  
*Agency Negotiator: Calvin Louie*  
*Negotiating Parties: Cabazon Water District, Lucent Real Estate, Inc., and Hadley's Trust*  
*Under Negotiation: Price and Terms of Payment*
- (2) CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION  
*Government Code, section 54956.9(d)(2)*

*Existing Facts and Circumstances: Water Billing Issue with Desert Hills Premium Outlets*

- (3) *CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION*  
*Government Code, section 54956.9(d)(2) (2 cases)*

**OPEN SESSION**

Report to the public of action taken by the Board, if any.

No action to report.

Entered into Open Session at 19:05 hr.

**OLD BUSINESS**

1. Discussion/Action: Water Bill Appeal - Account# 6-6019P - Water meter #113677 –  
Service ID# 6-519423003- 49965 Fuller, Cabazon – Jack Pryor  
(by Board)

Motion to grant Mr. Pryor his appeal to forgive his account debt of approx. \$431.96 made by Director Bui and 2<sup>nd</sup> by Director Davis.

Director Wargo – Absent.  
Director Bui - Aye  
Director Israel - Nay  
Director Davis - Aye  
Director Lynk – Nay

Vote failed due to lack of a majority vote.

Motion to deny Mr. Pryor his appeal to forgive his account debt made by Director Lynk and 2<sup>nd</sup> by Director Israel.

Director Wargo – Absent.  
Director Bui - Nay  
Director Israel - Aye  
Director Davis - Aye  
Director Lynk - Aye

Motion passed.

2. Discussion/Action: Review and Approval of proposed budget for Fiscal Year (FY)  
2016-2017. (by General Manager Louie and Linda Halley, CPA)

By consensus of the Board, this discussion was tabled until the June meeting, due to the fact that the budget would be more accurate after procuring a CPA and Auditing Firm (their expenses would then be known).

The General Manager was also asked to obtain bids for a mid-size 4x4 truck, which may need to be purchased with the hiring of two field workers.

These bids were to be brought to the June meeting, along with bids for a full-size 4x4 truck, in order to review and compare costs.

**3. Discussion: Water Rates Study – Staff Report & Update**

The General Manager presented the Board with a draft rate structure, for the Board to use as a basis for ideas regarding a new meter charge and water tier rate.

**4. Discussion/Action: Approve Water Bill Format Change from postcard to 8 ½ x 10 invoices (Staff Report)**

It was discussed by the Board that this may be a day-to-day operational item that may not need to be brought up during the regular board meeting, but to the Finance and Audit Committee, if at all. With this being said, the board made the following vote:

Motion to approve the water bill format change from postcard to 8 ½ x 10 inch paper invoices with envelopes and return mail envelopes, made by Director Bui and 2<sup>nd</sup> by Director Davis.

Director Wargo – Absent.  
Director Bui - Aye  
Director Israel - Aye  
Director Davis - Aye  
Director Lynk - Aye

**NEW BUSINESS**

**PUBLIC COMMENTS**

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**GENERAL MANAGER/BOARD COMMENTS**

**1. Future Agenda Items**

The Board Chair or the majority of the Board may direct staff to investigate and report back to an individual(s) and the Board on matters suggested or direct the General Manager/Board Secretary to place the matter on a future Board meeting.

- Suggested agenda items from the Public.
- Suggested agenda items from Management.
- Suggested agenda items from Board Members.

2. Management Comments

Staff members may speak on items of information not requiring comment or discussion to the Board and public. Topics which may be included on a future meeting agenda may be presented but cannot be discussed. (3 minutes)

3. Board Member Comments

Board members may speak on items of information not requiring comment or discussion to the Board and public. (3 minutes)

MISCELLANEOUS

1. Future Board Items/Next Board Meeting Date(s)

- a. AB 1234 Board Training – Tuesday, June 21, 2016, 10:00 am
- b. Groundwater Law Training – Tuesday, June 21, 12:00 pm
- c. Finance & Audit Workshop – Tuesday – June 21, 2016, 3:45 pm
- d. Regular Board Meeting – Tuesday – June 21, 2016, 6:00 pm
- e. Personnel Committee – None
- f. San Geronio Pass Regional Water Alliance – Alliance Meeting - Wednesday – May 25, 2016 - 5:00 PM to 7:00 PM
- g. Joint Board Meeting at Beaumont Cherry Valley Water District - 560 Magnolia Avenue Beaumont, CA 92223-2258 – Proposed Allocation Agreement – Thursday – May 26, 2016 at 6:00 PM

ADJOURNMENT

Motion to adjourn at 20:25 hr. made by Director Bui and 2<sup>nd</sup> by Director Israel.

Director Wargo – Absent.  
Director Bui - Aye  
Director Israel - Aye  
Director Davis - Aye  
Director Lynk - Aye

Meeting adjourned at 20:25 hr. on Tuesday, May 17, 2016

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Robert Lynk, Board Chair  
Board of Directors  
Cabazon Water District

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Elizabeth Lemus, Secretary  
Board of Directors  
Cabazon Water District

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**Cabazon Water District**  
14-618 Broadway Street • P.O. Box 297  
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**SPECIAL BOARD MEETING  
MINUTES**

**Meeting Location:**  
Cabazon Water District  
14618 Broadway Street  
Cabazon CA 92230

**Meeting Date:**  
May 24, 2016 – 4:00 PM

**CALL TO ORDER, FLAG SALUTE, AND ROLL CALL**

Director Sarah Wargo - Present  
Director Teresa Bui - Present  
Director Maxine Israel - Present  
Director Alan Davis - Present  
Director Robert Lynk - Present

Calvin Louie, General Manager - Present  
Elizabeth Lemus, Board Secretary - Present  
Linda S. Halley, Financial Consultant - Absent  
Steve Anderson, Best Best & Krieger Law Firm - Present

Note: This meeting was recorded by the District -

**PUBLIC COMMENTS**

**NEW BUSINESS**

**1. APPROVAL OF SETTLEMENT WITH DESERT HILLS PREMIUM OUTLETS**

Review and Approval of Settlement and Mutual Release Agreement between Cabazon Water District and Simon Property Group, et al.

Motion to approve the Settlement and Mutual Release Agreement between Cabazon Water District and Simon Property Group, et al. (Desert Hills Premium Outlets) made by Director Israel and 2<sup>nd</sup> by Director Bui.

Director Bui - Aye  
Director Israel - Aye  
Director Wargo - Aye  
Director Davis - Aye  
Director Lynk - Aye

**ANNOUNCEMENTS**

**ADJOURNMENT**

Motion to adjourn at 16:10 hr. made by Director Lynk.

No objections to adjourn were voiced by any Director, staff, or member of the public.

Meeting adjourned at 16:10 hr. on Tuesday, May 24, 2016

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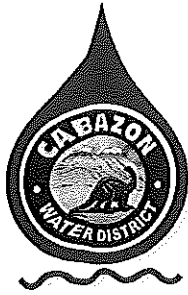
Robert Lynk, Board Chair  
Board of Directors  
Cabazon Water District

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Elizabeth Lemus, Secretary  
Board of Directors  
Cabazon Water District

ADA Compliance Issues

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## MEMORANDUM

DATE: June 21, 2016  
TO: The Cabazon Water District Board of Directors  
FROM: Ellie Lemus, Board Secretary  
SUBJ: April 19, 2016 Regular Board Meeting Minutes: Request for minor revision.  
cc:

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Dear Ladies and Gentlemen of the Board,

The April 19, 2016 Regular Board Meeting Minutes were approved by the Board during the May 17, 2016 Regular Board Meeting, during Director Wargo's absence. There is one minor change requested to be allowed in the April 19, 2016 Minutes: Director Wargo's vote for Old Business Discussion/Action Item 1: Water Rate Study – Request for Staff Report – Approval to continue Contract or In-house employees: should be changed from "Aye" to "Abstain", as the "Aye" vote was a typo. Please consult the meeting audio recording for clarification, if needed. The Board Secretary's notes also reflect that Director Wargo's vote was indeed an "Abstain" vote.

Cabazon Water District  
14618 Broadway Street  
PO Box 297  
Cabazon, CA 92230  
[www.cabazonwater.org](http://www.cabazonwater.org)

Bus. (951) 849-4442

Fax (951) 849 2519



**Cabazon Water District**  
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**REGULAR BOARD MEETING**

**MINTUES**

**Meeting Location:**  
Cabazon Water District Office  
14-618 Broadway Street  
Cabazon, California 92230

**Meeting Date:**  
April 19, 2016 – 6:00 PM

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**REMEMBRANCE OF OUR SERVICE MEN AND WOMEN**

**ROLL CALL**

Director Teresa Bui - Present  
Director Maxine Israel - Present  
Director Alan Davis - Present  
Director Robert Lynk - Present

Calvin Louje, General Manager - Present  
Elizabeth Lemus, Board Secretary - Present  
Linda S. Halley, Financial Consultant - Absent  
Steve Anderson, Best Best & Krieger Law Firm - Present

Note: This meeting was recorded by the District -

**CONSENT CALENDAR**

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1. Approval of:

- a. Finance and Audit Committee Meeting Minutes and warrants approved by the committee of March 21, 2016 regarding February 2016 Financials
- b. Regular Board Meeting Minutes and warrants of March 21, 2016

Motion to approve consent calendar item(s) a.) Finance and Audit Committee Meeting Minutes and warrants approved by the committee of March 21, 2016 regarding February 2016 Financials and (b.) Regular Board Meeting Minutes and warrants of March 21, 2016 made by Director Israel and 2<sup>nd</sup> by Director Bui.

Director Bui - Aye  
Director Israel - Aye  
Director Davis - Aye  
Director Lynk - Aye

2. Warrants – None
3. Awards of Contracts – None

UPDATES

Update: San Gorgonio Pass Regional Water Alliance Update  
(by Director Israel)

Update: Manager's Operations Report  
(by General Manager Louie)

NEW BUSINESS

1. Discussion/Action: Recruit and Selection of a new member to replace the vacancy on the Board. (by Board)

Oath of Office: swearing-in of appointed Director.

Motion to appoint Sarah Wargo as the new member to replace the vacancy on the Board left by former Director Joseph Tobias made by Director Davis and 2<sup>nd</sup> by Director Israel.

Director Bui - Nay  
Director Israel - Aye  
Director Davis - Aye  
Director Lynk – Aye

Ms. Wargo was then sworn in before the Board and Public, and took her seat as Director.

2. Discussion/Action: Water Bill Appeal - Account# 6-6019P - Water meter #113677 – Service ID# 6-519423003- 49965 Fuller, Cabazon – Jack Pryor (by Board)

Motion to have the “old, previous” meter tested, which the District will absorb the cost for testing, and to table any further decisions until the May 2016 regular board meeting made by Director Israel and 2<sup>nd</sup> by Director Bui.

Director Wargo - Aye  
Director Bui - Aye  
Director Israel - Aye  
Director Davis - Aye  
Director Lynk - Aye

3. Discussion/Action: Kids Cure Foundation – Presentation by Shannon Smith, President

No action needed. Kids Cure Foundation President, Shannon Smith, gave a power-point presentation about their foundation, and presented a plaque to the District, thanking the District for the donation received.

4. Discussion/Action: Board to reconsider meeting package to be prepared and distributed four to five (4 to 5) days instead of seven (7) days before scheduled Board meetings. (by General Manager Louie)

Motion to approve distributing board meeting packets five days before scheduled Board meetings (i.e. distribute packets the Thursday before the Regular Tuesday Meeting) made by Director Israel and 2<sup>nd</sup> by Director Wargo.

Director Wargo - Aye  
Director Bui - Aye  
Director Israel - Aye  
Director Davis - Aye  
Director Lynk - Aye

The District took a short break at 20:45 hr. and reconvened at 20:57 hr.

The District skipped ahead of Old Business to Closed Session.

**CLOSED SESSION:**

**CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9:  
One (1) case

**CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Property: 50100 Main St., Cabazon, CA 92230  
Agency negotiator: Calvin Louie, General Manager  
Negotiating Parties: Cabazon Water District, Lucent Real Estate, Inc., and Hadley's Trust  
Under negotiation: Terms of Payment

**OPEN SESSION:**

Board to report of action taken.

No reportable action taken. Meeting resumed Open Session at 22:10 hr.

**OLD BUSINESS**

1. Discussion/Action: Water Rate Study – Request for Staff Report  
– Approval to continue Contract or In-house employees. (by Director Davis and Director Israel)

Motion to authorize the General Manager to begin the process of hiring an In-house Field Crew and to provide the current Water System Repair and Maintenance Crew Contractor a contract termination notice giving 90 days from April 19, 2016 before contract termination made by Director Israel and 2<sup>nd</sup> by Director Bui.

Director Wargo - Aye Abstain  
Director Bui - Aye  
Director Israel - Aye  
Director Davis - Aye  
Director Lynk - Aye

2. Discussion/Action: Present bids to Board for a Target Audit (by Director Lynk and Director Davis)

Director Davis and Director Lynk were responsible for obtaining bids from various auditors. They had set a spending cap of \$2,500, but the lowest bid they received was for \$3,400.

Motion not proceed any further with the Target Audit made by Director Wargo and 2<sup>nd</sup> by Director Davis.

Director Wargo - Aye  
Director Bui - Abstain  
Director Israel - Aye  
Director Davis - Aye  
Director Lynk - Aye

3. Discussion/Action: Cabazon Water District Financial - Target Audit – Selection of Auditors (by Director Lynk and Director Davis)

This item was dropped due to the previous item's motion/action.

4. Discussion: Update on Request for Proposals for Auditors and Recruitment for a Financial Advisor. (by General Manager)

5. Discussion/Action: AB 1234 Joint Board Training with High Valley Water District – two hour class. Date and time to be determined; may be able to schedule four hours before the May 17, 2016 Board Meeting.

\*Note: It was unanimously agreed upon by the board that both the AB 1234 Joint Board Training with High Valley Water District (a two hour class) and the Groundwater Law Training (also a two hour class) will be planned to take place beginning at 10:00 am on June 21, 2016, at the District Administration Office (14618 Broadway St., Cabazon). After the finishing of the first class, the District will continue on to the second class.

6. Discussion/Action: Groundwater Law Training – two hour class. Date and time to be determined. May be able to schedule two hours before the May 17, 2016 Board Meeting.

\*Note: It was unanimously agreed upon by the board that both the AB 1234 Joint Board Training with High Valley Water District (a two hour class) and the Groundwater Law Training (also a two hour class) will be planned to take place beginning at 10:00 am on June 21, 2016, at the District Administration Office (14618 Broadway St., Cabazon). After the finishing of the first class, the District will continue on to the second class.

7. Discussion/Action: Beaumont-Cherry Valley & Yucaipa Valley Water Districts Proposal regarding San Gorgonio Pass Water Agency water allocation discussions.

No action was taken, but this item was discussed between the Board, Management, and the public.

#### PUBLIC COMMENTS ON CLOSED SESSION ITEM(S)

Any person may address the Board of Directors at this time on any matter within the subject matter jurisdiction of the Cabazon Water District that is not listed on the agenda; however, any matter that requires action will be referred to staff for investigation and reported at a subsequent Board of Directors meeting. The Board of Directors is prohibited by law from discussing or taking immediate action on items during this public comment period. To comment on specific agenda items, please advise the Board secretary prior to the meeting. Each public comment will be limited to three (3) minutes. Individuals may not give their time away to another spokesperson. After two (2) minutes, the speaker will be notified that he/she has one (1) minute remaining. AB 1234 ORAL REPORTS (Gov. Code Sec. 53232.3(d))

#### PUBLIC COMMENTS

Any person may address the Board of Directors at this time on any matter within the subject matter jurisdiction of the Cabazon Water District that is not listed on the agenda; however, any matter that requires action will be referred to staff for investigation and reported at a subsequent Board of Directors meeting. The Board of Directors is prohibited by law from discussing or taking immediate action on items during this public comment period. To comment on specific agenda items, please advise the Board secretary prior to the meeting. Each public comment will be limited to three (3) minutes. Individuals may not give their time away to another spokesperson. After two (2) minutes, the speaker will be notified that he/she has one (1) minute remaining. AB 1234 ORAL REPORTS (Gov. Code Sec. 53232.3(d))



GENERAL MANAGER/BOARD COMMENTS

1. Future Agenda Items

The Board Chair or the majority of the Board may direct staff to investigate and report back to an individual(s) and the Board on matters suggested or direct the General Manager/Board Secretary to place the matter on a future Board meeting.

- Suggested agenda items from the Public.
- Suggested agenda items from Management.
- Suggested agenda items from Board Members.

2. Management Comments

Staff members may speak on items of information not requiring comment or discussion to the Board and public. Topics which may be included on a future meeting agenda may be presented but cannot be discussed. (3 minutes)

3. Board Member Comments

Board members may speak on items of information not requiring comment or discussion to the Board and public. (3 minutes)

MISCELLANEOUS

1. Future Board Items/Next Board Meeting Date(s)

- a. Finance & Audit Workshop – Tuesday - May 17, 2016, 3:45 pm
- b. Regular Board Meeting – Tuesday - May 17, 2016, 6:00 pm
- c. Personnel Committee – None
- d. San Geronio Pass Regional Water Alliance – Alliance Meeting - Wednesday - April 27, 2016 - 5:00 PM to 7:00 PM
- e. Joint Board Meeting at Beaumont Cherry Valley Water District - 560 Magnolia Avenue Beaumont, CA 92223-2258 – Proposed Allocation Agreement – Thursday – April 28, 2016 at 6:00 PM

ADJOURNMENT

Motion to adjourn at 23:12 hr. unanimously by all Directors (no objections were voiced).

Meeting adjourned at 23:12 hr. on Tuesday, April 19, 2016

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Robert Lynk, Board Chair  
Board of Directors  
Cabazon Water District

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Elizabeth Lemus, Secretary  
Board of Directors  
Cabazon Water District

ADA Compliance Issues

*In compliance with the Americans with Disabilities Act & Government Code Section 54954.2, if special assistance is needed to participate in a Board meeting, please contact the Clerk of the Board at (951) 849-4442. Notification of at least 48 hours prior to meeting time will assist staff in assuring that reasonable arrangements can be made to provide access.*

**Cabazon Water District**  
**Balance Sheet**  
As of May 31, 2016

May 31, 16

**ASSETS**

**Current Assets**

**Checking/Savings**

11020 · General Bank Account-Chase	129,915.73
11030 · Payroll Bank Account-Chase	24,493.96
11040 · Trust Account- Chase - Cus Dep	10,770.48
11050 · Local Petty Cash	<u>100.00</u>

Total Checking/Savings 165,280.17

**Accounts Receivable**

12021 · Accounts Rec - Special Invoices	<u>6,443.69</u>
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Total Accounts Receivable 6,443.69

**Other Current Assets**

12000 · Accounts Receivable	
12011 · Accounts Receivable - Co 1	92,712.36
12012 · Accounts Receivable - Co 2	38,286.99
12014 · Allow for Doubtful Accts Co 1	(8,225.34)
12015 · Allow for Doubtful Accts Co 2	<u>(7,872.23)</u>

Total 12000 · Accounts Receivable 114,901.78

**13010 · LAIF**

13011 · LAIF	674,066.84
13012 · LAIF Annual Market Adjustment	<u>252.53</u>

Total 13010 · LAIF 674,319.37

**13020 · Bank of NY Trustee Accounts**

13021 · Reserve Fund - DWR-HS 528	49,482.64
13022 · Repayment Fund DWR-HS 525	<u>8,992.73</u>

Total 13020 · Bank of NY Trustee Accounts 58,475.37

13040 · Prepaid Expenses 4,394.18

13060 · Inventory Total 103,052.66

Total Other Current Assets 955,143.36

Total Current Assets 1,126,867.22

**Fixed Assets**

**14200 · Construction in Process**

14203 · CIP DHPO Expansion	8,087.13
14204 · CIP Cabazon Outlets Expansion (Little Cabazon Mall - expansion)	9,692.35
14206 · Almond Vault Repair 2013	62,872.14
14208 · CIP Board Room	8,611.74
14210 · CIP 50100 Main St. Property (50100 Main St. Property - Old Hadley Ice Ho	<u>1,570.00</u>

Total 14200 · Construction in Process 90,833.36

14310 · Tools and Equipment 118,015.94

**14320 · Source of Supply**

14321 · Source of Supply- DHPO Intercon	553,807.23
14320 · Source of Supply - Other	<u>548,138.93</u>

Total 14320 · Source of Supply 1,101,946.16

14330 · Transmission & Distribution 7,767,650.86

14340 · Buildings & Structures 13,731.04

**Cabazon Water District**  
**Balance Sheet**  
As of May 31, 2016

	May 31, 16
14350 · Water Treatment	8,800.00
14360 · Office Furniture and Equipment	82,471.41
14370 · Intangible Plant	11,032.00
14380 · Vehicles	90,456.71
14400 · Land	409,548.38
14500 · Accumulated Depreciation	(4,417,011.45)
<b>Total Fixed Assets</b>	<b>5,277,474.41</b>
<b>TOTAL ASSETS</b>	<b>6,404,341.63</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
21100 · *Accounts Payable	11,100.88
<b>Total Accounts Payable</b>	<b>11,100.88</b>
<b>Other Current Liabilities</b>	
21210 · Misc Short Term Liability	
21220 · Jack Pryor	(692.41)
<b>Total 21210 · Misc Short Term Liability</b>	<b>(692.41)</b>
21300 · Customer Deposits	
21330 · Customer Deposits - Co 1	3,792.05
21340 · Customer Deposits - Co 2	4,799.14
21300 · Customer Deposits - Other	50.00
<b>Total 21300 · Customer Deposits</b>	<b>8,641.19</b>
21420 · Accrued Vacation Pay	12,588.93
21440 · DWR-HS Payable - Current	36,184.29
21450 · Current Portion Zion's Bank Ln	73,227.06
21510 · Employee Deductions	291.28
<b>Total Other Current Liabilities</b>	<b>130,240.34</b>
<b>Total Current Liabilities</b>	<b>141,341.22</b>
<b>Long Term Liabilities</b>	
22000 · DWR-H Loan Payable (Payoff '26)	392,151.33
22100 · Zion's Bank Long Term (2023)	493,392.87
22200 · RCEDA Loan Payable	300,000.35
22230 · DHPO Loan Payable	243,088.02
<b>Total Long Term Liabilities</b>	<b>1,428,632.57</b>
<b>Total Liabilities</b>	<b>1,569,973.79</b>
<b>Equity</b>	
31010 · Net Investment in Capital Asset	4,188,757.00
31020 · Restricted for Debt Service	233,447.00
31030 · Unrestricted Net Assets	
31041 · Reserved for Almond Vault Refur	50,000.00
31030 · Unrestricted Net Assets - Other	921,429.76
<b>Total 31030 · Unrestricted Net Assets</b>	<b>971,429.76</b>
32000 · Retained Earnings	(394,430.73)
<b>Net Income</b>	<b>(164,835.19)</b>

Cabazon Water District  
**Balance Sheet**  
As of May 31, 2016

May 31, 16
<u>4,834,367.84</u>
<u>6,404,341.63</u>

Total Equity  
TOTAL LIABILITIES & EQUITY

PRELIMINARY

**Cabazon Water District**  
**Profit & Loss**  
 April through May 2016

Ordinary Income/Expense	<u>Apr 16</u>	<u>May 16</u>
<b>Income</b>		
<b>41000 · Operating Income</b>		
41100 · Base Rate - Water Bills	77,969.72	75,361.92
41220 · Fire Sales - Water Bills	240.00	240.00
41240 · Meter Install and Removal	0.00	0.00
41310 · Penalty Fees - Water Bills	3,625.33	2,190.16
41320 · Lien Reinstatement Fees	0.00	200.00
41330 · New Account Fees - Water Bills	165.00	125.00
41360 · Incident Fee - Water Bills	70.00	70.00
41370 · Returned Check Fees	90.00	30.00
41500 · Stand By Fees - Tax Revenue	0.00	38,897.00
<b>Total 41000 · Operating Income</b>	<u>82,160.05</u>	<u>117,114.08</u>
<b>42000 · Non-Operating Income</b>		
42100 · Property Taxes		
42110 · Ad Valorem - Tax Revenue	1,232.65	5,789.20
<b>Total 42100 · Property Taxes</b>	<u>1,232.65</u>	<u>5,789.20</u>
42210 · Cell Tower Lease Income	3,856.48	0.00
42310 · Miscellaneous Non-Operating Inc	0.00	0.00
<b>43000 · Interest Income</b>		
43110 · Interest Inc - Gen, Trust, Payr	0.22	1.49
43120 · Interest Income LAIF	777.19	0.00
43140 · Interest Income - Water bills	525.90	278.68
43160 · Interest Income - DWR	0.62	0.35
<b>Total 43000 · Interest Income</b>	<u>1,303.93</u>	<u>280.52</u>
<b>Total 42000 · Non-Operating Income</b>	<u>6,393.06</u>	<u>6,069.72</u>
<b>Total Income</b>	<u>88,553.11</u>	<u>123,183.80</u>
<b>Gross Profit</b>	88,553.11	123,183.80
<b>Expense</b>		
<b>50010 · Payroll - All Expenses</b>		
51000 · Payroll Summary		
51050 · Directors' Fees	1,000.00	1,600.00
51100 · Management and Customer Service		
51120 · Customer Accounts	3,301.05	4,991.40
51130 · Admin Assistant	3,958.91	5,951.78
51140 · General Manager	6,341.52	9,512.28
<b>Total 51100 · Management and Customer Serv</b>	<u>13,601.48</u>	<u>20,455.46</u>
51200 · Water Operations		
51210 · Meter Reader	(3,334.25)	2,875.91
<b>Total 51200 · Water Operations</b>	<u>(3,334.25)</u>	<u>2,875.91</u>
<b>Total 51000 · Payroll Summary</b>	<u>11,267.23</u>	<u>24,931.37</u>
51300 · Payroll - Employee Ben Expense		
51310 · Workers Comp.	1,152.26	1,596.71
51320 · Employee Health Care	2,606.70	2,491.89
51330 · Pension	2,794.83	2,841.52

DRAFT

**Cabazon Water District**  
**Profit & Loss**  
 April through May 2016

	<u>Apr 16</u>	<u>May 16</u>
51350 · Union Dues	0.00	(29.51)
51360 · Aflac Deductions	0.00	(119.64)
<b>Total 51300 · Payroll - Employee Ben Expense</b>	<b>6,553.79</b>	<b>6,780.97</b>
51400 · Payroll Expenses - Taxes, etc		
51410 · FICA and Medicare	1,238.42	1,879.77
51420 · SUI and ETT	148.54	99.20
<b>Total 51400 · Payroll Expenses - Taxes, etc</b>	<b>1,386.96</b>	<b>1,978.97</b>
<b>Total 50010 · Payroll - All Expenses</b>	<b>19,207.98</b>	<b>33,691.31</b>
52000 · Operational Expenses		
53000 · Facilities, Wells, Trans, Dist		
53110 · Lab Fees	165.00	165.00
53120 · Site Landscaping & Maintenance	45.00	45.00
53130 · Meters	100.00	0.00
53160 · Utilities - Wells	7,516.26	6,425.83
53170 · SCADA (no ongoing contract )	25.52	26.46
5318 · Line Mtn & Rep Contractor		
53180 · Line Maint and Repair Cont	0.00	650.00
53181 · Line Maint Repair Cont. Emergen (	6,780.00	0.00
5318RE · Line Mtn & Rep Eq Rent Emerg	4,250.00	0.00
<b>Total 5318 · Line Mtn &amp; Rep Contractor</b>	<b>11,030.00</b>	<b>650.00</b>
53190 · Line Maint and Repair Materials	(1,190.79)	68.00
53210 · Well Maintenance		
53215 · Chemicals	851.73	0.00
53210 · Well Maintenance - Other	588.00	0.00
<b>Total 53210 · Well Maintenance</b>	<b>1,439.73</b>	<b>0.00</b>
53300 · Security		
53350 · Alarms		
53355 · Alarm Phones	105.43	105.43
<b>Total 53350 · Alarms</b>	<b>105.43</b>	<b>105.43</b>
53390 · Audio Alarm (cont exp xx/xx)	241.12	241.12
53410 · Video Eq Lease (exp xx/xx)	1,104.00	966.00
<b>Total 53300 · Security</b>	<b>1,450.55</b>	<b>1,312.55</b>
55131 · Meter Reading	0.00	0.00
<b>Total 53000 · Facilities, Wells, Trans, Dist</b>	<b>20,581.27</b>	<b>8,692.84</b>
54000 · Utilities - Office		
54110 · Electricity	884.68	872.53
54120 · Gas	15.29	14.41
54130 · Telephone	754.12	757.44
54140 · Trash Pickup/Office Cleaning	351.48	351.48
<b>Total 54000 · Utilities - Office</b>	<b>2,005.57</b>	<b>1,995.86</b>
55000 · Office Expenses		
55220 · Fire Alarm System Servicing (Fire Alar	144.00	0.00
55110 · Water Billing System	2,294.97	0.00
55120 · Supplies & Equipment	164.21	356.99
55130 · Copier and Supplies	489.24	489.24

**Cabazon Water District**  
**Profit & Loss**  
 April through May 2016

	<u>Apr 16</u>	<u>May 16</u>
55140 · Dues & Subscriptions	0.00	539.00
55150 · Postage	745.67	458.83
55160 · Printing & Publications	3,069.00	1,305.48
55180 · Computer Services	2,450.00	2,997.00
55190 · Office/Radio	1,087.40	0.00
55200 · Office Storage	500.00	500.00
55210 · Air Conditioning Servicing (Air Condit)	361.00	361.00
55000 · Office Expenses - Other	175.00	0.00
<b>Total 55000 · Office Expenses</b>	<b>11,480.49</b>	<b>7,007.54</b>
<b>56000 · Support Services</b>		
56200 · Temporary Labor	35.93	0.00
56300 · Financial Audit (through 20xx)	0.00	3,000.00
56400 · Accounting (monthly contract)	1,253.75	1,211.25
56500 · Legal Services		
565-00 · Legal - General	2,819.20	5,611.72
565.01 · Legal - Water	3,990.10	4,263.07
565.07 · Legal - Personnel	250.00	100.00
<b>Total 56500 · Legal Services</b>	<b>7,059.30</b>	<b>9,974.79</b>
56600 · Bank Service Charges	130.21	139.10
56700 · Payroll Service	248.40	368.45
56800 · General Liability Insurance	1,711.19	1,711.19
<b>Total 56000 · Support Services</b>	<b>10,438.78</b>	<b>16,404.78</b>
<b>57000 · Training/Travel</b>		
57110 · Seminars/Training	0.00	425.00
57120 · Travel and Meals	419.37	1,353.97
<b>Total 57000 · Training/Travel</b>	<b>419.37</b>	<b>1,778.97</b>
<b>58000 · Other Fees</b>		
58110 · Riverside County Fees	0.00	2,016.00
58000 · Other Fees - Other	122.53	0.00
<b>Total 58000 · Other Fees</b>	<b>122.53</b>	<b>2,016.00</b>
<b>59000 · Service Tools &amp; Equipment</b>		
59110 · Shop Supplies and Small Tools	(695.95)	67.49
59120 · Vehicle Fuel	976.80	413.28
59160 · Backhoe Fuel	0.00	95.49
59170 · Equipment Rental	188.10	0.00
59180 · Service Trucks - Repair and Mtn	937.39	1,307.30
59190 · Water Ops Cell Phone/ Internet	0.00	196.96
59210 · Water Ops Computer Internet	0.00	0.00
59000 · Service Tools & Equipment - Other	0.00	0.00
<b>Total 59000 · Service Tools &amp; Equipment</b>	<b>1,406.34</b>	<b>2,080.52</b>
<b>Total 52000 · Operational Expenses</b>	<b>46,454.35</b>	<b>39,976.51</b>
<b>61000 · Non-Operating Expenses</b>		
61150 · Returned Checks	(221.00)	0.00
61170 · DWR Interest on Loans	6,898.97	0.00
61220 · Reconciliation Discrepancies	3.88	0.00



Cabazon Water District  
**Profit & Loss**  
April through May 2016

	<u>Apr 16</u>	<u>May 16</u>
61240 · Miscellaneous	96.56	0.00
61241 · Website Support	0.00	2,650.00
<b>Total 61000 · Non-Operating Expenses</b>	<b>6,778.41</b>	<b>2,650.00</b>
65000 · Depreciation and Amortization		
65110 · Depreciation	22,189.00	22,189.00
<b>Total 65000 · Depreciation and Amortization</b>	<b>22,189.00</b>	<b>22,189.00</b>
<b>Total Expense</b>	<b>94,629.74</b>	<b>98,506.82</b>
<b>Net Ordinary Income</b>	<b>(6,076.63)</b>	<b>24,676.98</b>
<b>Net Income</b>	<b>(6,076.63)</b>	<b>24,676.98</b>

PRELIMINARY

**Cabazon Water District**  
**Profit & Loss Budget Performance**  
May 2016

	May 16	Budget	Jul '15 - May 16	YTD Budget	Annual Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
<b>41000 · Operating Income</b>					
41100 · Base Rate - Water Bills	75,361.92	97,333.00	878,220.68	1,070,663.00	1,168,000.00
41220 · Fire Sales - Water Bills	240.00	240.00	2,640.00	2,640.00	2,880.00
41230 · Fire Flow Income	0.00		150.00		
41240 · Meter Install and Removal	0.00		75.00		
41310 · Penalty Fees - Water Bills	2,190.16	2,750.00	31,310.10	30,250.00	33,000.00
41320 · Lien Reinstatement Fees	200.00		1,001.07		
41330 · New Account Fees - Water Bill	125.00		1,245.00		
41360 · Incident Fee - Water Bills	70.00		140.00		
41370 · Returned Check Fees	30.00		450.00		
41500 · Stand By Fees - Tax Revenue	38,897.00	0.00	140,329.37	90,000.00	100,000.00
<b>Total 41000 · Operating Income</b>	<b>117,114.08</b>	<b>100,323.00</b>	<b>1,025,561.22</b>	<b>1,193,553.00</b>	<b>1,303,880.00</b>
<b>42000 · Non-Operating Income</b>					
<b>42100 · Property Taxes</b>					
42110 · Ad Valorem - Tax Revenue	5,789.20	0.00	32,792.02	41,400.00	46,000.00
42120 · Teeter Settlement Income	0.00	0.00	0.00	0.00	10,000.00
<b>Total 42100 · Property Taxes</b>	<b>5,789.20</b>	<b>0.00</b>	<b>32,792.02</b>	<b>41,400.00</b>	<b>56,000.00</b>
42210 · Cell Tower Lease Income	0.00	1,917.00	21,210.64	21,087.00	23,000.00
42310 · Miscellaneous Non-Operating	0.00		1,792.81		
<b>43000 · Interest Income</b>					
43110 · Interest Inc - Gen, Trust, Pay	1.49		13.33		
43120 · Interest Income LAIF	0.00	158.00	1,940.94	1,738.00	1,900.00
43140 · Interest Income - Water bills	278.68	333.00	4,032.40	3,663.00	4,000.00
43160 · Interest Income - DWR	0.35		4.68		
<b>Total 43000 · Interest Income</b>	<b>280.52</b>	<b>491.00</b>	<b>5,991.35</b>	<b>5,401.00</b>	<b>5,900.00</b>
<b>Total 42000 · Non-Operating Income</b>	<b>6,069.72</b>	<b>2,408.00</b>	<b>61,786.82</b>	<b>67,888.00</b>	<b>84,900.00</b>
<b>Total Income</b>	<b>123,183.80</b>	<b>102,731.00</b>	<b>1,087,348.04</b>	<b>1,261,441.00</b>	<b>1,388,780.00</b>
<b>Gross Profit</b>	<b>123,183.80</b>	<b>102,731.00</b>	<b>1,087,348.04</b>	<b>1,261,441.00</b>	<b>1,388,780.00</b>
<b>Expense</b>					
<b>50010 · Payroll - All Expenses</b>					
<b>51000 · Payroll Summary</b>					
51050 · Directors' Fees	1,600.00	1,183.00	9,800.00	13,013.00	14,200.00
<b>51100 · Management and Customer Service</b>					
51120 · Customer Accounts	4,991.40	3,450.00	40,373.60	37,950.00	41,400.00
51130 · Admin Assistant	5,951.78	3,533.00	38,218.22	38,863.00	42,400.00
51140 · General Manager	9,512.28	7,400.00	79,284.23	81,400.00	88,800.00
<b>Total 51100 · Management and Cust</b>	<b>20,455.46</b>	<b>14,383.00</b>	<b>157,876.05</b>	<b>158,213.00</b>	<b>172,600.00</b>
<b>51200 · Water Operations</b>					
51210 · Meter Reader	2,875.91	2,025.00	17,267.36	22,275.00	24,300.00
<b>Total 51200 · Water Operations</b>	<b>2,875.91</b>	<b>2,025.00</b>	<b>17,267.36</b>	<b>22,275.00</b>	<b>24,300.00</b>
<b>Total 51000 · Payroll Summary</b>	<b>24,931.37</b>	<b>17,591.00</b>	<b>184,943.41</b>	<b>193,501.00</b>	<b>211,100.00</b>

**Cabazon Water District**  
**Profit & Loss Budget Performance**  
May 2016

	May 16	Budget	Jul '15 - May 16	YTD Budget	Annual Budget
<b>51300 · Payroll - Employee Ben Expense</b>					
51310 · Workers Comp.	1,596.71	750.00	15,414.83	8,250.00	9,000.00
51320 · Employee Health Care	2,491.89	2,558.00	27,854.28	28,138.00	30,700.00
51330 · Pension	2,841.52	2,975.00	36,332.76	32,725.00	35,700.00
51350 · Union Dues	(29.51)		(58.07)		
51360 · Aflac Deductions	(119.64)		21.80		
<b>Total 51300 · Payroll - Employee Ben Expense</b>	<b>6,780.97</b>	<b>6,283.00</b>	<b>79,565.60</b>	<b>69,113.00</b>	<b>75,400.00</b>
<b>51400 · Payroll Expenses - Taxes, etc</b>					
51410 · FICA and Medicare	1,879.77	1,342.00	14,474.19	14,762.00	16,100.00
51420 · SUI and ETT	99.20	233.00	2,428.84	2,563.00	2,800.00
51430 · Medical Testing	0.00	77.00	720.00	847.00	920.00
<b>Total 51400 · Payroll Expenses - Taxes, etc</b>	<b>1,978.97</b>	<b>1,652.00</b>	<b>17,623.03</b>	<b>18,172.00</b>	<b>19,820.00</b>
<b>Total 50010 · Payroll - All Expenses</b>	<b>33,691.31</b>	<b>25,526.00</b>	<b>282,132.04</b>	<b>280,786.00</b>	<b>306,320.00</b>
<b>52000 · Operational Expenses</b>					
<b>53000 · Facilities, Wells, Trans, Dist</b>					
53110 · Lab Fees	165.00	700.00	7,301.12	7,700.00	8,400.00
53120 · Site Landscaping & Mainten	45.00	2,000.00	1,421.03	22,000.00	24,000.00
53130 · Meters	0.00	833.00	4,863.23	9,163.00	10,000.00
53140 · Generator Service Contract	0.00	292.00	0.00	3,212.00	3,500.00
53150 · Median Landscape & Mainte	0.00	1,916.67	11,385.00	21,083.37	23,000.00
53160 · Utilities - Wells	6,425.83	8,750.00	93,514.36	96,250.00	105,000.00
53170 · SCADA (no ongoing contrac	26.46	400.00	1,720.45	4,400.00	4,800.00
<b>5318 · Line Mtn &amp; Rep Contractor</b>					
53180 · Line Maint and Repair Cor	650.00	12,500.00	62,035.00	137,500.00	150,000.00
5318R · Line Mtn and Repair Equip	0.00		8,850.00		
53181 · Line Maint Repair Cont. Ei	0.00		90,877.50		
5318RE · Line Mtn & Rep Eq Rent	0.00		8,170.00		
<b>Total 5318 · Line Mtn &amp; Rep Contract</b>	<b>650.00</b>	<b>12,500.00</b>	<b>169,932.50</b>	<b>137,500.00</b>	<b>150,000.00</b>
53190 · Line Maint and Repair Mater	68.00	5,000.00	20,900.80	55,000.00	60,000.00
<b>53210 · Well Maintenance</b>					
53215 · Chemicals	0.00	525.00	1,555.59	5,775.00	6,300.00
53210 · Well Maintenance - Other	0.00	1,250.00	6,181.80	13,750.00	15,000.00
<b>Total 53210 · Well Maintenance</b>	<b>0.00</b>	<b>1,775.00</b>	<b>7,737.39</b>	<b>19,525.00</b>	<b>21,300.00</b>
<b>53300 · Security</b>					
53330 · Crime Prevention (PSI & V	0.00		1,050.60		
<b>53350 · Alarms</b>					
53355 · Alarm Phones	105.43	113.00	1,181.80	1,243.00	1,350.00
53350 · Alarms - Other	0.00	46.00	242.00	506.00	550.00
<b>Total 53350 · Alarms</b>	<b>105.43</b>	<b>159.00</b>	<b>1,423.80</b>	<b>1,749.00</b>	<b>1,900.00</b>
53380 · Materials	0.00	42.00	64.00	462.00	500.00
53390 · Audio Alarm (cont exp xx/	241.12	225.00	2,815.32	2,475.00	2,700.00
53410 · Video Eq Lease (exp xx/x)	966.00	742.00	8,586.00	8,162.00	8,900.00
<b>Total 53300 · Security</b>	<b>1,312.55</b>	<b>1,168.00</b>	<b>13,939.72</b>	<b>12,848.00</b>	<b>14,000.00</b>

**Cabazon Water District**  
**Profit & Loss Budget Performance**  
May 2016

	May 16	Budget	Jul '15 - May 16	YTD Budget	Annual Budget
53610 · Engineering Services	0.00	2,000.00	46,904.17	22,000.00	24,000.00
55131 · Meter Reading	0.00		0.00		
53000 · Facilities, Wells, Trans, Dist	0.00		2,612.95		
<b>Total 53000 · Facilities, Wells, Trans, I</b>	<b>8,692.84</b>	<b>37,334.67</b>	<b>382,232.72</b>	<b>410,681.37</b>	<b>448,000.00</b>
<b>54000 · Utilities - Office</b>					
54110 · Electricity	872.53	1,083.00	12,245.52	11,913.00	13,000.00
54120 · Gas	14.41	75.00	499.86	825.00	900.00
54130 · Telephone	757.44	750.00	8,820.63	8,250.00	9,000.00
54140 · Trash Pickup/Office Cleanin	351.48	350.00	3,866.28	3,850.00	4,200.00
<b>Total 54000 · Utilities - Office</b>	<b>1,995.86</b>	<b>2,258.00</b>	<b>25,432.29</b>	<b>24,838.00</b>	<b>27,100.00</b>
<b>55000 · Office Expenses</b>					
55220 · Fire Alarm System Servicing	0.00		573.50		
55110 · Water Billing System	0.00	208.00	4,560.00	2,288.00	2,500.00
55120 · Supplies & Equipment	356.99	795.00	4,843.84	8,745.00	9,540.00
55130 · Copier and Supplies	489.24	635.00	6,740.40	6,985.00	7,620.00
55140 · Dues & Subscriptions	539.00	83.00	1,631.00	913.00	1,000.00
55150 · Postage	458.83	750.00	5,890.93	8,250.00	9,000.00
55160 · Printing & Publications	1,305.48	104.00	4,123.48	1,144.00	1,250.00
55180 · Computer Services	2,997.00	2,997.00	33,093.21	32,967.00	35,964.00
55190 · Office/Radio	0.00		1,087.40		
55200 · Office Storage	500.00	500.00	5,500.00	5,500.00	6,000.00
55210 · Air Conditioning Servicing (	361.00	167.00	3,872.00	1,837.00	2,000.00
55000 · Office Expenses - Other	0.00		175.00		
<b>Total 55000 · Office Expenses</b>	<b>7,007.54</b>	<b>6,239.00</b>	<b>72,090.76</b>	<b>68,629.00</b>	<b>74,874.00</b>
<b>56000 · Support Services</b>					
56200 · Temporary Labor	0.00		1,557.10		
56300 · Financial Audit (through 20)	3,000.00	0.00	21,278.00	18,000.00	21,000.00
56400 · Accounting (monthly contrac	1,211.25	1,800.00	15,141.25	19,800.00	21,600.00
<b>56500 · Legal Services</b>					
565-00 · Legal - General	5,611.72		55,783.15		
565.01 · Legal - Water	4,263.07		23,256.89		
565.02 · Legal - Brown Act, Public	0.00		6,622.00		
565.07 · Legal - Personnel	100.00		7,324.57		
565-13 · Legal - Grant/Loan Fundin	0.00		5,917.00		
565-40 · Legal - Fees and Charges	0.00		2,892.10		
56500 · Legal Services - Other	0.00	7,274.00	0.00	80,014.00	87,286.00
<b>Total 56500 · Legal Services</b>	<b>9,974.79</b>	<b>7,274.00</b>	<b>101,795.71</b>	<b>80,014.00</b>	<b>87,286.00</b>
56600 · Bank Service Charges	139.10	200.00	1,528.40	2,200.00	2,400.00
56700 · Payroll Service	368.45	292.00	3,075.00	3,212.00	3,500.00
56800 · General Liability Insurance	1,711.19	1,833.00	18,823.09	20,163.00	22,000.00
56810 · Fixed Asset Software Syste	0.00		498.33		
<b>Total 56000 · Support Services</b>	<b>16,404.78</b>	<b>11,399.00</b>	<b>163,696.88</b>	<b>143,389.00</b>	<b>157,786.00</b>
<b>57000 · Training/Travel</b>					

## Cabazon Water District Profit & Loss Budget Performance May 2016

	May 16	Budget	Jul '15 - May 16	YTD Budget	Annual Budget
57110 · Seminars/Training	425.00	858.00	1,799.00	9,438.00	10,300.00
57120 · Travel and Meals	1,353.97	417.00	2,069.51	4,587.00	5,000.00
<b>Total 57000 · Training/Travel</b>	<b>1,778.97</b>	<b>1,275.00</b>	<b>3,868.51</b>	<b>14,025.00</b>	<b>15,300.00</b>
58000 · Other Fees					
58100 · County Lien Release Fees (f	0.00		131.00		
58110 · Riverside County Fees	2,016.00	42.00	2,368.80	462.00	500.00
58120 · State Water fees	0.00	525.00	7,236.87	5,775.00	6,300.00
58130 · Election Fees	0.00	83.00	0.00	913.00	1,000.00
58000 · Other Fees - Other	0.00		590.51		
<b>Total 58000 · Other Fees</b>	<b>2,016.00</b>	<b>650.00</b>	<b>10,327.18</b>	<b>7,150.00</b>	<b>7,800.00</b>
59000 · Service Tools & Equipment					
59110 · Shop Supplies and Small Tc	67.49	54.00	730.82	594.00	650.00
59120 · Vehicle Fuel	413.28	1,250.00	12,483.78	13,750.00	15,000.00
59130 · Employee Uniforms	0.00	92.00	0.00	1,012.00	1,100.00
59150 · Tractor Expenses	0.00	575.00	2,758.15	6,325.00	6,900.00
59160 · Backhoe Fuel	95.49	442.00	959.26	4,862.00	5,300.00
59170 · Equipment Rental	0.00		853.14		
59180 · Service Trucks - Repair and	1,307.30	625.00	12,330.53	6,875.00	7,500.00
59190 · Water Ops Cell Phone/ Intern	196.96	183.00	1,554.15	2,013.00	2,200.00
59210 · Water Ops Computer Intern	0.00	67.00	0.00	737.00	800.00
59220 · Communications	0.00	92.00	0.00	1,012.00	1,100.00
59000 · Service Tools & Equipment	0.00		190.11		
<b>Total 59000 · Service Tools &amp; Equipm</b>	<b>2,080.52</b>	<b>3,380.00</b>	<b>31,859.94</b>	<b>37,180.00</b>	<b>40,550.00</b>
<b>Total 52000 · Operational Expenses</b>	<b>39,976.51</b>	<b>62,535.67</b>	<b>689,508.28</b>	<b>705,892.37</b>	<b>771,410.00</b>
61000 · Non-Operating Expenses					
61150 · Returned Checks	0.00		(221.01)		
61160 · Grant/Loan Processing Fee	0.00	167.00	1,325.00	1,837.00	2,000.00
61170 · DWR Interest on Loans	0.00	1,125.00	10,366.46	12,375.00	13,500.00
61180 · DHPO Interest Expense	0.00	1,292.00	11,493.35	14,212.00	15,500.00
61190 · Bad Debt Expense	0.00	100.00	0.00	1,100.00	1,200.00
61220 · Reconciliation Discrepancies	0.00		14.70		
61240 · Miscellaneous	0.00	417.00	10,536.41	4,587.00	5,000.00
61241 · Website Support	2,650.00	621.00	2,949.00	6,831.00	7,450.00
61250 · Image Consultant	0.00		0.00	0.00	0.00
<b>Total 61000 · Non-Operating Expenses</b>	<b>2,650.00</b>	<b>3,722.00</b>	<b>36,463.91</b>	<b>40,942.00</b>	<b>44,650.00</b>
65000 · Depreciation and Amortization					
65110 · Depreciation	22,189.00	22,200.00	244,079.00	244,200.00	266,400.00
<b>Total 65000 · Depreciation and Amortiza</b>	<b>22,189.00</b>	<b>22,200.00</b>	<b>244,079.00</b>	<b>244,200.00</b>	<b>266,400.00</b>
<b>Total Expense</b>	<b>98,506.82</b>	<b>113,983.67</b>	<b>1,252,183.23</b>	<b>1,271,820.37</b>	<b>1,388,780.00</b>
<b>Net Ordinary Income</b>	<b>24,676.98</b>	<b>(11,252.67)</b>	<b>(164,835.19)</b>	<b>(10,379.37)</b>	<b>0.00</b>
<b>income</b>	<b>24,676.98</b>	<b>(11,252.67)</b>	<b>(164,835.19)</b>	<b>(10,379.37)</b>	<b>0.00</b>

Cabazon Water District  
Statement of Cash Flows  
Month Ended May 31, 2016

Beginning Balance	<u>137,327.54</u>
Receipts:	
Water Service	76,648.39
Tax Revenue	38,952.09
Cell Tower Revenue	-
Customer Deposits	1,300.00
Interest Income	1.49
Other	-
Total Receipts	<u>116,901.97</u>
Expenditures:	
Paid Bills	60,740.63
Payroll Expenses	26,903.38
Deposit Refunds	848.23
Debt Repayment	-
Other	457.10
Total Expenditures	<u>88,949.34</u>
Net Receipts/(Expenditures)	<u>27,952.63</u>
Ending Cash	<u>165,280.17</u>
Cash Per GL	<u>165,280.17</u>

Cabazon Water District  
Profit & Loss  
April 2015 through March 2016

	Approved Budget 06/30/2016	Proposed Budget 06/30/2017
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
41000 - Operating Income		
41100 - Base Rate - Water Bills	1,168,000.00	1,016,000.00
41220 - Fire Sales - Water Bills	2,880.00	2,880.00
41230 - Fire Flow Income	0.00	0.00
41240 - Meter Install and Removal	0.00	0.00
41310 - Penalty Fees - Water Bills	33,000.00	33,000.00
41320 - Lien Reinstatement Fees	0.00	500.00
41330 - New Account Fees - Water Bills	0.00	1,000.00
41360 - Incident Fee - Water Bills	0.00	0.00
41370 - Returned Check Fees	0.00	0.00
41500 - Stand By Fees - Tax Revenue	100,000.00	100,000.00
<b>Total 41000 - Operating Income</b>	<b>1,303,880.00</b>	<b>1,153,380.00</b>
42000 - Non-Operating Income		
42100 - Property Taxes		
42110 - Ad Valorem - Tax Revenue	46,000.00	48,000.00
42120 - Teeter Settlement Income	10,000.00	9,500.00
<b>Total 42100 - Property Taxes</b>	<b>56,000.00</b>	<b>57,500.00</b>
42210 - Cell Tower Lease Income	23,000.00	24,000.00
42310 - Miscellaneous Non-Operating Inc	0.00	0.00
43000 - Interest Income		
43110 - Interest Inc - Gen, Trust, Payr	0.00	0.00
43120 - Interest Income LAIF	1,900.00	2,000.00
43130 - BCC Income on Note	0.00	0.00
43140 - Interest Income - Water bills	4,000.00	4,000.00
43150 - LAIF FMV Adjustment	0.00	0.00
43160 - Interest Income - DWR	0.00	0.00
<b>Total 43000 - Interest Income</b>	<b>5,900.00</b>	<b>6,000.00</b>
<b>Total 42000 - Non-Operating Income</b>	<b>84,900.00</b>	<b>87,500.00</b>
<b>Total Income</b>	<b>1,388,780.00</b>	<b>1,240,880.00</b>
<b>Expense</b>		
50010 - Payroll - All Expenses		
51000 - Payroll Summary		
51050 - Directors' Fees	14,200.00	14,200.00
51100 - Management and Customer Service		
51120 - Customer Accounts	41,400.00	47,000.00
51130 - Admin Assistant	42,400.00	7,000.00
51135 - Business Administration Manager		56,000.00
51140 - General Manager	88,800.00	91,000.00
<b>Total 51100 - Management and Customer Service</b>	<b>172,600.00</b>	<b>201,000.00</b>
51200 - Water/Field Operations		
51210 - Meter Reader	24,300.00	23,000.00
51210 - Field Crew Lead I		47,000.00
51220 - Field Crew Worker 1		29,000.00
<b>Total 51200 - Water Operations</b>	<b>24,300.00</b>	<b>99,000.00</b>
<b>Total 51000 - Payroll Summary</b>	<b>211,100.00</b>	<b>314,200.00</b>
51300 - Payroll - Employee Ben Expense		
51310 - Workers Comp.	9,000.00	15,000.00
51320 - Employee Health Care	30,700.00	58,000.00
51330 - Pension	35,700.00	61,000.00
51350 - Union Dues	0.00	0.00
51360 - Aflac Deductions	0.00	0.00
<b>Total 51300 - Payroll - Employee Ben Expense</b>	<b>75,400.00</b>	<b>134,000.00</b>
51400 - Payroll Expenses - Taxes, etc		
51410 - FICA and Medicare	16,100.00	24,000.00
51420 - SUI and ETT	2,600.00	3,000.00
51430 - Medical Testing	920.00	920.00
<b>Total 51400 - Payroll Expenses - Taxes, etc</b>	<b>19,820.00</b>	<b>27,920.00</b>
<b>Total 50010 - Payroll - All Expenses</b>	<b>306,320.00</b>	<b>476,120.00</b>
52000 - Operational Expenses		
53000 - Facilities, Wells, Trans, Dist		
53110 - Lab Fees	8,400.00	8,400.00
53120 - Site Landscaping & Maintenance	24,000.00	0.00
53130 - Meters	10,000.00	0.00
53140 - Generator Service Contractor	3,500.00	1,810.00
53160 - Median Landscape & Maintenance	23,000.00	0.00
53160 - Utilities - Wells	105,000.00	105,000.00
53170 - SCADA (no ongoing contract )	4,800.00	2,000.00

Proposed Budget

Cabazon Water District  
Profit & Loss  
April 2015 through March 2016

	Approved Budget 06/30/2016	Proposed Budget 06/30/2017
<b>5318 - Line Mtn &amp; Rep Contractor</b>		
53180 - Line Maint and Repair Cont	150,000.00	0.00
5318R - Line Mtn and Repair Equip Rent	60,000.00	0.00
53181 - Line Maint Repair Cont. Emergen (Emergency Work)		
5318RE - Line Mtn & Rep Eq Rent Emerg		
<b>Total 5318 - Line Mtn &amp; Rep Contractor</b>	<b>210,000.00</b>	<b>0.00</b>
<b>53190 - Line Maint and Repair Materials</b>		24,000.00
<b>53210 - Well Maintenance</b>		
53216 - Chemicals	6,300.00	2,000.00
53210 - Well Maintenance - Other	15,000.00	8,000.00
<b>Total 53210 - Well Maintenance</b>	<b>21,300.00</b>	<b>10,000.00</b>
<b>53300 - Security</b>		
53330 - Crime Prevention (PSI & Verizon)	0.00	0.00
53350 - Alarms		
53355 - Alarm Phones	1,350.00	1,350.00
53350 - Alarms - Other	550.00	550.00
<b>Total 53350 - Alarms</b>	<b>1,900.00</b>	<b>1,900.00</b>
53380 - Materials	500.00	500.00
53390 - Audio Alarm (cont exp xx/xx)	2,700.00	2,700.00
53410 - Video Eq Lease (exp xx/xx)	8,900.00	8,900.00
<b>Total 53300 - Security</b>	<b>14,000.00</b>	<b>14,000.00</b>
53610 - Engineering Services	24,000.00	24,000.00
53620 - Chlorinators		
53000 - Facilities, Wells, Trans, Dist - Other	0.00	0.00
<b>Total 53000 - Facilities, Wells, Trans, Dist</b>	<b>148,000.00</b>	<b>189,210.00</b>
<b>54000 - Utilities - Office</b>		
54110 - Electricity	13,000.00	14,000.00
54120 - Gas	800.00	700.00
54130 - Telephone	9,000.00	9,500.00
54140 - Sanitation	1,200.00	4,200.00
<b>Total 54000 - Utilities - Office</b>	<b>27,100.00</b>	<b>28,400.00</b>
<b>55000 - Office Expenses</b>		
55220 - Fire Alarm System Servicing (Fire Alarm Sy	2,500.00	1,000.00
55110 - Water Billing System	9,540.00	5,000.00
55120 - Supplies & Equipment	7,620.00	6,000.00
55130 - Copier and Supplies	1,000.00	8,000.00
55140 - Dues & Subscriptions	9,000.00	2,000.00
55150 - Postage	1,250.00	6,000.00
55160 - Printing & Publications	0.00	500.00
55180 - Computer Services	35,964.00	37,000.00
55200 - Office Storage	6,000.00	5,000.00
55210 - Air Conditioning Servicing (Air Conditioning)	2,000.00	4,500.00
<b>Total 55000 - Office Expenses</b>	<b>74,874.00</b>	<b>75,000.00</b>
<b>56000 - Support Services</b>		
56200 - Temporary Labor	0.00	0.00
56300 - Financial Audit (through 20xx)	21,000.00	21,000.00
56400 - Accounting (monthly contract)	21,600.00	24,000.00
56500 - Legal Services		
565.01 - Legal - General		
565.01 - Legal - Water		
565.02 - Legal - Brown Act, Public Recor		
565.07 - Legal - Personnel		
565.13 - Legal - Grant/Loan Funding		
565.40 - Legal - Fees and Charges		
<b>Total 56500 - Legal Services</b>	<b>87,286.00</b>	<b>36,000.00</b>
56600 - Bank Service Charges	2,400.00	1,600.00
56700 - Payroll Service	3,500.00	3,500.00
56800 - General Liability Insurance	22,000.00	22,000.00
56810 - Fixed Asset Software System		500.00
<b>Total 56000 - Support Services</b>	<b>157,786.00</b>	<b>109,600.00</b>
<b>67000 - Training/Travel</b>		
67110 - Seminars/Training	10,300.00	5,000.00
67120 - Travel and Meals	5,000.00	1,200.00
<b>Total 67000 - Training/Travel</b>	<b>15,300.00</b>	<b>6,200.00</b>
<b>68000 - Other Fees</b>		
68100 - County Lien Release Fees (Fees related to lien releases (W		200.00
68110 - Riverside County Fees	500.00	500.00
68120 - State Water fees	6,300.00	7,500.00
68000 - Other Fees - Other	1,000.00	1,000.00
<b>Total 68000 - Other Fees</b>	<b>7,800.00</b>	<b>9,200.00</b>

Proposed Budget



Cabazon Water District  
Profit & Loss  
April 2015 through March 2016

	Approved Budget 06/30/2016	Proposed Budget 06/30/2017
<b>69000 - Service Tools &amp; Equipment</b>		
69110 - Shop Supplies and Small Tools	650.00	2,500.00
69120 - Vehicle Fuel	15,000.00	17,000.00
69150 - Tractor Expenses	1,100.00	5,000.00
69160 - Backhoe Fuel	6,900.00	1,500.00
69170 - Equipment Rental	5,300.00	1,000.00
69180 - Service Trucks - Repair and Mtn	7,500.00	17,000.00
69190 - Water Ops Cell Phone/ Internet	2,200.00	2,200.00
69210 - Water Ops Computer Internet	800.00	0.00
69000 - Service Tools & Equipment - Other	1,100.00	0.00
<b>Total 69000 - Service Tools &amp; Equipment</b>	<b>40,550.00</b>	<b>45,200.00</b>
<b>Total 52000 - Operational Expenses</b>	<b>771,410.00</b>	<b>462,810.00</b>
<b>61000 - Non-Operating Expenses</b>		
61150 - Returned Checks	0.00	0.00
61160 - Grant/Loan Processing Fee	2,000.00	1,500.00
61170 - DWR Interest on Loans	13,500.00	13,500.00
61180 - DHPO Interest Expense	15,500.00	15,500.00
61190 - Bad Debt Expense	1,200.00	0.00
61210 - Other Non-Op Expense	0.00	0.00
61220 - Reconciliation Discrepancies	0.00	0.00
61240 - Miscellaneous	5,000.00	5,000.00
61241 - Website Support	7,450.00	7,450.00
<b>Total 61000 - Non-Operating Expenses</b>	<b>4,650.00</b>	<b>42,950.00</b>
<b>65000 - Depreciation and Amortization</b>		
65110 - Depreciation	268,400.00	259,000.00
<b>Total 65000 - Depreciation and Amortization</b>	<b>268,400.00</b>	<b>259,000.00</b>
<b>Total Expense</b>	<b>1,388,780.00</b>	<b>1,240,880.00</b>
<b>Net Ordinary Income</b>	<b>0.00</b>	<b>0.00</b>
<b>Other Income/Expense</b>		

Proposed Budget

Cabazon Water District  
Transactions - Account  
As of Jun 316

21210 - Misc Short Term Liability  
21220 - Jack Pryor

Type	Date	Num	Name	Memo	Clr	Split	Amount	Balance
Deposit	06/29/2007	5223	Diversified Product Industries	Refundable Deposit-Jack Pryor		11020 - General Bank Account-Chase	1,000.00	0.00
Bill	06/30/2007		Best Best & Krieger	Inv. 546587		21100 - *Accounts Payable	0.00	1,000.00
Deposit	08/24/2007	5288	Diversified Product Industries,LTD	Carmen Meadows		11020 - General Bank Account-Chase	5,000.00	6,000.00
Bill	09/27/2007	Inv. 29764	Krieger & Stewart, Inc.			21100 - *Accounts Payable	(365.60)	5,634.40
Bill	10/25/2007	Inv. 29800	Krieger & Stewart, Inc.			21100 - *Accounts Payable	(1,692.10)	3,942.30
Bill	11/13/2007	556500	Best Best & Krieger	Water& wastewater		21100 - *Accounts Payable	(70.00)	3,872.30
Bill	11/13/2007	41894514	Jack Pryor	carmen meadows		11020 - General Bank Account-Chase	5,000.00	8,872.30
Bill	11/13/2007	558467	Best Best & Krieger	2.5 hours @ 280 for Pryor		21100 - *Accounts Payable	(700.00)	8,152.30
Bill	11/16/2007	Inv. 30021	Krieger & Stewart, Inc.	Jack Pryor account		21100 - *Accounts Payable	(973.60)	7,178.70
Bill	12/06/2007	Inv. 591433	Best Best & Krieger			21100 - *Accounts Payable	(260.00)	6,918.70
Bill	12/18/2007	Inv. 30133	Krieger & Stewart, Inc.			21100 - *Accounts Payable	(608.60)	6,310.10
Bill	01/18/2008	Inv. 30272	Krieger & Stewart, Inc.			21100 - *Accounts Payable	(515.00)	5,795.10
Bill	02/21/2008	Inv. 30435	Krieger & Stewart, Inc.			21100 - *Accounts Payable	(268.00)	5,527.10
Bill	03/17/2008	Inv. 30591	Krieger & Stewart, Inc.			21100 - *Accounts Payable	(364.90)	5,162.20
Bill	04/02/2008	Inv. 570352	Best Best & Krieger			21100 - *Accounts Payable	(95.00)	5,067.20
Bill	05/20/2008	Inv. 30895	Krieger & Stewart, Inc.			21100 - *Accounts Payable	(134.00)	4,933.20
General Journal	07/01/2008			K&S Invoice 27988 11-18-06 should have been -SPLIT-			(489.00)	4,444.20
General Journal	07/01/2008			K&S Invoice 28340 1-19-07 should have been c- 21220 - Jack Pryor			(1,467.55)	2,976.65
General Journal	07/01/2008			K&S Invoice 28440 7-27-07 should have been c- 21220 - Jack Pryor			(960.00)	2,016.65
General Journal	07/01/2008			K&S Invoice 28481 8-3-07 should have been c- 21220 - Jack Pryor			(1,193.00)	833.75
General Journal	07/01/2008			K&S Invoice 28480 8-3-07 should have been c- 21220 - Jack Pryor			(954.00)	(320.25)
General Journal	11/30/2009			w/ta off uncollectible receivable			320.25	0.00
Bill	01/28/2013	35992	Krieger & Stewart, Inc.	Corresponded with DP's engineer regarding DI: 21100 - *Accounts Payable		81190 - Bad Debt Expense	(570.91)	(570.91)
Bill	02/23/2013	36003	Krieger & Stewart, Inc.	Developer Projects: Carmen Springs: Correspond 21100 - *Accounts Payable			(121.50)	(692.41)
							(692.41)	(692.41)
							(692.41)	(692.41)

Total 21220 - Jack Pryor  
Total 21210 - Misc Short Term Liability  
TOTAL



*Cabazon Water District*

14-618 Broadway Street • P.O. Box 297  
Cabazon, California 92230

**RESOLUTION NO. 02-2016**

**Removal and Revision of Authorized Signers**

Cabazon Water District Board of Directors has concluded that the following individual(s) be added to all Cabazon Water District (the "District") bank accounts.

1. Ms. Sarah Wargo

Cabazon Water District Board of Directors has concluded that the following specific Chase Bank accounts are to be updated.

- General           xxx-xxx -2623
- Payroll           xxx-xxx -2631
- Trust               xxx-xxx -2673

**PASSED AND ADOPTED** by the Board of Directors of the Cabazon Water District, Riverside County, State of California, this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

MOTION: Director \_\_\_\_\_  
 SECOND: Director \_\_\_\_\_  
 AYE: \_\_\_\_\_  
 NAY: \_\_\_\_\_

BY: \_\_\_\_\_  
 Robert Lynk, Board Chair  
 Board of Directors  
 Cabazon Water District

ATTEST: \_\_\_\_\_  
 Elizabeth Lemus  
 Board Secretary  
 Cabazon Water District

Permit No. 28407  
 PAID  
 U.S. Postage  
 Standard  
 Presort



**CRWA 2016 EDUCATION & EXHIBITOR EXPO**  
 April 25 - 28, 2016 • South Lake Tahoe

**Registration fee includes:**  
 Daily breakfast and lunch on all 3 days,  
 Annual Awards Banquet and Exhibitor  
 Showcase Reception. Meals will be provided  
 to you only on the days you are registered.

**2016 ATTENDEE REGISTRATION**

**Registration Fees - Includes Annual Awards Banquet!**

Individual registration:

- Member: \$425 per person       Non-member: \$525 per person
- 1 day only: \$300 Member/\$400 Non-member - Select Day:     Tues.     Wed.     Thurs.

Exhibit Hall and breakfast only: \$80

Have a large group? If you have three or more attendees from your system, please call us to discuss a group rate.

**Annual Awards Banquet (this event is included in registration fees.)**

You must check the box in order to receive banquet tickets.

YES! I would like to attend the Annual Awards Banquet, Tuesday, April 26 (Included In Registration Fees)

\$60 - Banquet Guest -- Guest Name: ERNIE SALDANA

Fees

Fees

FREE

60.00

**Workshops (Please indicate which workshops you will be attending.)**

- | Tuesday                                |                              |  |                             | Wednesday                    |   |   | Thursday                                |                             |  |
|--|------------------------------|--|-----------------------------|------------------------------|---|---|---|-----------------------------|--|
| <input type="checkbox"/> W1            | <input type="checkbox"/> W6  | <input type="checkbox"/> WW2           | <input type="checkbox"/> M1 | <input type="checkbox"/> W10 | <input type="checkbox"/> W15            | <input checked="" type="checkbox"/> W16 | <input type="checkbox"/> W21            | <input type="checkbox"/> R6 |  |
| <input type="checkbox"/> W2            | <input type="checkbox"/> W7  | <input checked="" type="checkbox"/> R1 | <input type="checkbox"/> M2 | <input type="checkbox"/> W11 | <input checked="" type="checkbox"/> WW3 | <input type="checkbox"/> W17            | <input type="checkbox"/> W22            | <input type="checkbox"/> R7 |  |
| <input checked="" type="checkbox"/> W3 | <input type="checkbox"/> W8  | <input checked="" type="checkbox"/> R2 | <input type="checkbox"/> M3 | <input type="checkbox"/> W12 | <input checked="" type="checkbox"/> R5  | <input type="checkbox"/> W18            | <input type="checkbox"/> W23            | <input type="checkbox"/> M6 |  |
| <input type="checkbox"/> W4            | <input type="checkbox"/> W9  | <input checked="" type="checkbox"/> R3 | <input type="checkbox"/> M4 | <input type="checkbox"/> W13 | <input type="checkbox"/> M5             | <input type="checkbox"/> W19            | <input checked="" type="checkbox"/> WW4 | <input type="checkbox"/> M7 |  |
| <input type="checkbox"/> W5            | <input type="checkbox"/> WW1 | <input checked="" type="checkbox"/> R4 |                             | <input type="checkbox"/> W14 |   | <input type="checkbox"/> W20            | <input checked="" type="checkbox"/> WW5 |                             |  |

TOTAL AMOUNT ENCLOSED: \$ 60.00

ATTENDEE INFORMATION		
Name: <u>Teresa D. Bui</u>		
System: <u>Cabazon water District</u>		
System Address: <u>14-618 Broadway St. P.O. Box 297</u>		
City: <u>Cabazon</u>	State: <u>CA</u>	Zip: <u>92230</u>
Phone:	Fax:	
Email:		
The email address(es) above will receive all confirmation materials for the attendee(s) on this form.		
PAYMENT INFORMATION: PAYMENT MUST BE RECEIVED BEFORE REGISTRATION CAN BE PROCESSED.		
<input checked="" type="checkbox"/> Check (payable to CRWA) # <u>31</u> <small>To Follow MAIL</small>		<input type="checkbox"/> MasterCard/Visa/American Express/Other Credit Card
Credit card number:		TOTAL - \$
Expiration date:		
Name on card:		Authorized signature:
Accommodations		
<input type="checkbox"/> Vegetarian		<input type="checkbox"/> Other:



## MEMORANDUM

DATE: May 25, 2016  
 TO: Accounts Payable  
 FROM: Teresa Bui  
 SUBJ: Expense Reimbursement  
 cc: file

DATE	DESCRIPTION	AMOUNT
4/25/2016 Monday	Expense Reimbursement – April 2016 CRWA Tahoe Expo/Classes: Meal Expense for Teresa Bui. Breakfast: McDonald's	\$10.24
04/25/2016	Expense Reimbursement – April 2016 CRWA Tahoe Expo/Classes: Meal Expense for Teresa Bui. Lunch: KFC	\$21.60
4/25/2016	Expense Reimbursement – April 2016 CRWA Tahoe Expo/Classes: Meal Expense for Teresa Bui. Dinner: Round Table Pizza	\$25.89
4/26/2016 Tuesday	Expense Reimbursement – April 2016 CRWA Tahoe Expo/Classes: Meal Expense for Teresa Bui. Lunch: Subway	\$9.45
4/26/2016	Expense Reimbursement – April 2016 CRWA Tahoe Expo/Classes: Meal Expense for Teresa Bui. Taco Bell	\$6.65
04/27/2016 Wednesday	Expense Reimbursement – April 2016 CRWA Tahoe Expo/Classes: Meal Expense for Teresa Bui. Lunch: McDonald's	\$14.56
4/27/2016	Expense Reimbursement – April 2016 CRWA Tahoe Expo/Classes: Meal Expense for Teresa Bui. Pizza Hut	\$29.43
04/28/2016	Expense Reimbursement – April 2016 CRWA Tahoe Expo/Classes: Meal Expense for Teresa Bui. Lunch: Cinnabon	\$5.13
4/28/2016	Expense Reimbursement – April 2016 CRWA Tahoe Expo/Classes: Meal Expense for Teresa Bui. McDonald's	\$12.41
4/23/2016 – 4/29/2016	Expense Reimbursement – April 2016 CRWA Tahoe Expo/Classes: Enterprise Rent-a-car company: Rental Vehicle	\$171.08
	<b>TOTAL DUE</b>	<b>\$306.44</b>

Signature & Date:

---

MONDAY - LUNCH  
KFC

Restaurant #C835026

3668 Lake Tahoe Boulevard  
South Lake Tahoe  
(530)544-8101

Ticket #2265

2016-04-25 2:50 PM  
C835026 2 115 2265

Cashier: Andre

Family Fill Up	20.00
Lrg Coleslaw	
Lrg Mash/ Gvy	
Lrg Mash Only	
4 Biscuit	
Tax	1.60
CARRY OUT	\$21.60
CASH NEXT	\$22.00
Change	\$0.40

\*\*\*\*\*

MONDAY - DINNER

PO-

Round Table 0804

\*530-544-5500  
To Go 04/25/2016 5:55P  
Trans 000314124

Order 502

Server: Susan  
Guest: TERESA

ExLrg Orig. Pizza	\$29.99
H1: Pepperoni; Italian Sausage	
H2: King Arthur Supreme	
2l. Root Beer	\$2.99
5 (8) Boneless Buff. Mild	\$5.99
Sub Total	\$38.97
Discount	\$15.00
Sub Total	\$23.97
Tax	\$1.92
Total	\$25.89
Paid	\$26.00
Change	\$0.11

CASH

3

MONDAY Breakfast

356

BUY ONE GET ONE FREE: QUARTER POUNDER  
W/CHEESE OR EGG MIXUPPIN  
Go to [www.mcdvoice.com](http://www.mcdvoice.com) within 7 days  
and tell us about your visit.

Validation Code: \_\_\_\_\_  
Expires 30 days after receipt date.  
Valid at participating US McDonald's.

1668 USHY 305

NINDEN

NV

89423-4309

!!! THANK YOU !!!

TEL# 775 782 6822 Store# 6305

KSH 3

Apr 25 '16 (Mon) 09:09

MFY SIDE 1 KVS Order 56

QTY	ITEM	TOTAL
1	Big Brkfst/w Hi Fck	5.49
1	Mash Brown	1.49
2	Milk	2.58
	Subtotal	9.56
	Tax	0.68
	Take-Out Total	10.24
	Cash Tendered	20.00
	Change	9.76

General Manager Debrae -- 775-720-8351



PIZZA HUT  
101 00

WEEKLY

PIZZA HUT  
DINE-IN  
Sequence # 2648

\*\*\*\* CHANGED \*\*\*\*

Ticket # 0054

ENTERED BY TABLE # GUESTS  
PABLO W83 3  
023778 04/27/16 06:04PM

01	1	Large Stuffed	15.75
		Half A: Cheese Pepperoni	
		Half B: Cheese Ham Pineapple	
02	1	8 Pc Bone OUT Buf mild 50 Ranch +50 Ranch	5.80
03	3	Medium Sft Drnk	5.70

Subtotal	27.25
SALES TAX	2.18
Balance Due	29.43

Ant Tendered	
Cash	40.00
Charge	10.57

America's Favorite Pizza  
Thank You

LOVE AT FIRST BITE?  
CHANCE TO WIN \$1000  
WWW.TELLPIZZAHUT.COM  
CODE: 8nnx mfwe m4n

For Special Deals Order  
Online at Pizzahut.com

ICE TO WIN!  
FLIP OVER FOR A CHANCE TO WIN!  
FLIP OVER FOR A CHANCE TO WIN!  
FLIP OVER FOR A CHANCE TO WIN!  
FLIP OVER FOR A CHANCE TO WIN!  
FLIP OVER FOR A CHANCE TO WIN!

WED - LUNCH

258

BUY ONE GET ONE FREE QUARTER POUNDER  
W/CHEESE OR EGG MUFFIN  
Go to [www.mcdvoice.com](http://www.mcdvoice.com) within 7 days  
and tell us about your visit.

Validation Code: \_\_\_\_\_  
Expires 30 days after receipt date.  
Valid at participating US Restaurants.  
3715 LAKE TAHOE BL.  
SOUTH LAKE TAHOE  
CA  
96150  
!!! THANK YOU !!!  
TEL# (530)541-2256 Stor# 13109

KSH 2 Apr. 27 '16 (Wed) 11:58

MFY SIDE 1 KVS Order 58

QTY	ITEM	TOTAL
1	Db1 Qtr Ch M1-Lrg	8.19
1	L Vanilla Shake <Drink Upcharge>	2.79
1	2 McChicken	2.50
Subtotal		13.48
Tax		1.08
Take-Out Total		14.56
Cash Tendered		20.00
Change		5.44

McDonald's Restaurant





ENTERPRISE RENT-A-CAR COMPANY OF LOS ANGELES, 2822 WEST RAMSEY, STE B, BANNING, CA 922203720 (951) 922-0515

RENTAL AGREEMENT REF#  
979381 47D1ZP

**SUMMARY OF CHARGES**

RENTER  
BUI, TERESA  
  
ADDITIONAL DRIVER  
SALADANA, ERNIE  
  
DATE & TIME OUT  
04/23/2016 09:13 AM  
DATE & TIME IN  
04/29/2016 04:35 PM

Charge Description	Date	Quantity	Per	Rate	Total
TIME & DISTANCE	04/23 - 04/29	1	WEEK	\$151.99	\$151.99
ADDITIONAL DRIVER FEE	04/23 - 04/29			\$0.00	\$0.00
REFUELING CHARGE	04/23 - 04/29				\$0.00
<b>Subtotal:</b>					<b>\$151.99</b>
<b>Taxes &amp; Surcharges</b>					
SALES TAX	04/23 - 04/29			8%	\$12.16
VEHICLE LICENSE RECOVERY FEE	04/23 - 04/29	7	DAY	\$0.99	\$6.93
<b>Total Charges:</b>					<b>\$171.08</b>

BILLING CYCLE  
24-HOUR

Total Amount Due \$0.00

VEH #1 2016 FORD FOCU 15SE  
VIN# 1FADP3K28GL264255  
LIC# 7REL475  
MILES DRIVEN 1234

**PAYMENT INFORMATION**  
AMOUNT PAID      TYPE      CREDIT CARD NUMBER  
\$171.08      Mastercard      xxxxxxxxxxxx PENDING



## MEMORANDUM

DATE: May 25, 2016  
TO: Accounts Payable  
FROM: Teresa Bui  
SUBJ: Expense Reimbursement  
cc: file

DATE	DESCRIPTION	AMOUNT
4/25/2016 Monday	Expense Reimbursement -- April 2016 CRWA Tahoe Expo/Classes: Vehicle Gasoline Expense: Pilot #200	\$21.50
04/25/2016	Expense Reimbursement -- April 2016 CRWA Tahoe Expo/Classes: Vehicle Gasoline Expense: Lee Vining Chevron	\$31.33
4/28/2016 Thursday	Expense Reimbursement -- April 2016 CRWA Tahoe Expo/Classes: Vehicle Gasoline Expense: Topaz Lodge Chevron	\$16.60
4/28/2016	Expense Reimbursement -- April 2016 CRWA Tahoe Expo/Classes: Vehicle Gasoline Expense: Morongo Travel Center	\$26.81
	<b>TOTAL DUE</b>	<b>\$96.24.</b>

Signature & Date:

---

1

2

WELCOME TO  
 TOPAZ LODGE CHEVRON  
 TOPAZ LODGE  
 1979 HWY 395 S  
 GARDNERVILLE NV

Pilot #208  
 5725 Hwy 58  
 Boron CA

Invoice # 83863  
 Date 8/25/16  
 Time 02:57  
 Auth # 08107Z

MC  
 Acct#  
 #####

Pump Gallons Price  
 82 7.792 \$ 2.759

Product Amount  
 Unleaded \$ 21.50  
 Total Sale \$ 21.50

SALE - Card Swiped

Thank You For  
 being Pilot  
 Come Again

Lee Vining Chevron  
 00094739  
 51557 Highway 395  
 Lee Vining, CA  
 04/25/2016 132971076  
 07:16:50 AM

XXXXXXXXXXXXXX  
 MASTERCARD  
 INVOICE E/3902000  
 AUTH 053642

PUMP# 2  
 UNLEAD PLS 7.5696  
 PRICE/GAL \$4.139  
 FUEL TOTAL \$ 31.33  
 CREDIT \$ 31.33

Learn how to  
 EARN REWARDS  
 with a Chevron  
 or Texaco  
 Credit Card  
 See application  
 for details

DUPLICATE OUTDOOR RECEIPT

DATE 04/28/16 13:58  
 PUMP # 01

SERVICE LEVEL: SELF  
 PRODUCT: REGUNL  
 GALLONS: 6.196  
 PRICE/G: \$ 2.679  
 FUEL SALE \$ 16.60  
 XXXXXXXXXXXX

Site# 00309380  
 MASTERCARD  
 Inv# 8051743  
 Auth# 05391Z

Learn how to  
 EARN REWARDS  
 with a Chevron  
 or Texaco  
 Credit Card  
 See application  
 for details

THANK YOU AND  
 COME AGAIN!

Last Gas Full

WELCOME TO  
 MORONGO TRAVEL CTR.

MORONGO BAND W MESS  
 49020 SEMINOLE DR.  
 CABAZON CA  
 92730

DATE 04/28/16 22:01  
 TRAN# 9187331  
 PUMP# 18  
 SERVICE LEVEL: SELF  
 PRODUCT: UNLD  
 GALLONS: 10.478  
 PRICE/G: \$ 2.559  
 FUEL SALE \$ 26.81  
 CREDIT \$26.81

MASTERCARD  
 XXXXXXXXXXXXX  
 Auth #: 053a7z  
 Resp Code: 0  
 Stan: 01782580684  
 Invoice #: 533916  
 SITE ID: VP06232708U  
 01

THANK YOU  
 HAVE A NICE DAY

# HARVEYS

## LAKE TAHOE

### Harveys Lake Tahoe Hotel & Casino

Name: TERESA BUI  
 Address: ; DALE CT  
 CABAZON CA 92230

Room: TT 932  
 Arrive: 4/25/16  
 Depart: 4/28/16  
 Persons: 2

Convention Code: S04CRW6

Deposit Amt:  
 Reservation ID: 424641446040  
 Guest Folio ID: 424841938728

DATE	REFERENCE	DESCRIPTION	TKT#	S	AMOUNT	DATE	REFERENCE	DESCRIPTION	TKT#	S	AMOUNT
04/25/16	424849000299	ROOM CHARGE TT 932	TT	932	79.00						
		TAX			10.27						
04/25/16	424841938729	ADVANCE DEPOSIT *****			89.27-						
04/25/16	424841940769	WEB INTERNET 932 10:43 DEVICE-25002	1940769		13.99						
04/25/16	424841940848	WEB INTERNET 932 10:49 DEVICE-25002	1940848								
04/26/16	424859000327	ROOM CHARGE TT 932	TT	932	79.00						
		TAX			10.27						
04/26/16	424851960486	WEB INTERNET 932 10:54 DEVICE-25002	1960486		13.99						
04/26/16	424851965426	WEB INTERNET 932 12:19 DEVICE-25002	1965426								
04/27/16	424869000318	ROOM CHARGE TT 932	TT	932	79.00						
		TAX			10.27						
04/27/16	424861982838	WEB INTERNET 932 11:06 DEVICE-25002	1982838		13.99						
04/27/16	424861986326	WEB INTERNET 932 11:48 DEVICE-25002	1986326								
04/28/16	424872005456	WEB INTERNET 932 11:11 DEVICE-25002	2005456		13.99						
04/28/16	424872005508	WEB INTERNET 932 11:15 DEVICE-25002	2005508								
04/28/16	424872010905	FRONT DESK-VISA *****			234.50- 56 178.54						
TOTAL											.00

\$56.00

\$178.54  
 Reimbursement request (that is supposed say reimburse)

C/O CASHIER FRANCISCO

# HARVEYS

## Guest Card

Arrival Date

Room No:

Departure Date

Signature

# HARVEYS

## Guest Card

Arrival Date

Room No:

Departure Date

Signature

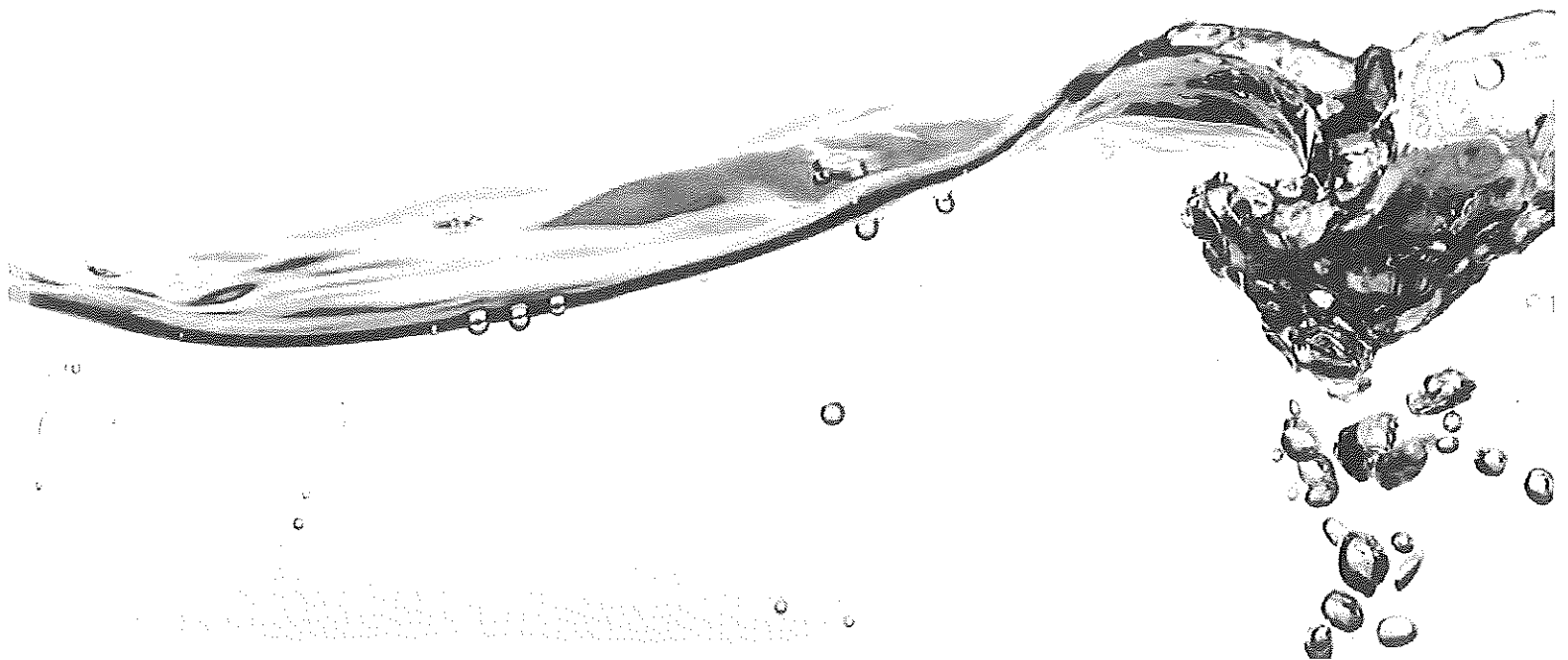
VALID ONLY WHEN SIGNED BY RESURON DEPARTOR

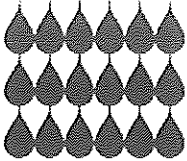
VALID ONLY WHEN SIGNED BY RESURON DEPARTOR

**Cost Proposal  
Independent Auditor Services  
For The**



**Cabazon Water District**





Charles Z. Fedak, CPA, MBA  
Christopher J. Brown, CPA, CGMA  
Jonathan R. Abadosco, CPA

**Fedak & Brown LLP**  
Certified Public Accountants

Cypress Office:  
6081 Orange Avenue  
Cypress, California 90630  
(657) 214-2307  
FAX (714) 527-9154

Riverside Office:  
4204 Riverwalk Pkwy. Ste. 390  
Riverside, California 92505  
(951) 977-9888

March 17, 2016

Mr. Robert Lynk, President of the Board of Directors  
Cabazon Water District  
14618 Broadway Street  
P.O. Box 297  
Cabazon, CA 92230

**Re: Cost Proposal for Continued Independent Auditor Services**

Dear Mr. Lynk:

Based on our understanding of the Cabazon Water District's (District) requirements, our fee for audit services at our discounted rates for the fiscal year ending June 30, 2016 is **\$13,900**. This fee is based on our understanding of the District's audit requirements. **Based on our continuous understanding of the District over the past years, we have discounted our total audit costs by approximately 20% in this proposal from the previous proposal.**

Assuming there is no substantial change in the District's activities and operations, our fee for audit services for the fiscal years ending June 30, 2017 and 2018 would be **\$14,190** and **\$14,480**, respectively. In addition, we have provided service fees for fiscal years 2019 and 2010 to be exercised at the District's discretion.

Our estimate for out-of-pocket expenses is a separate estimate and may not be utilized in total to the amount estimated.

Again, these fees are based on the estimated hours using our discounted hourly rates. The components of this audit services fee proposal and out-of-pocket costs for the years ending June 30, 2016 through 2018 are itemized in the attached Exhibits.

Our not-to-exceed fee proposal is contingent upon our understanding of your requirements and the assistance we require as noted in our original audit technical proposal.

Additional services not included in this proposal will be based on our discounted billing rates based on the level of experience required. We would execute a separate contract for these services, if they are requested by the District.

I am authorized to make representations for Fedak & Brown LLP and am duly authorized to sign a contract with the District.

Christopher J. Brown CPA CGMA

March 17, 2016

Date

## Exhibit I – Proposed Hours and Our Fees

### Proposed Hours and Our Fees

We anticipate that, for the years ending June 30, 2016 through 2018, the audit of the District will approximate 125 hours. These hours, by major area, are summarized as follows:

<u>Audit Steps</u>	<u>Partner</u>	<u>Manager</u>	<u>Staff</u>	<u>Total</u>
Planning	2	2	6	10
Control Testwork	2	6	32	40
Substantive Testwork	4	6	31	41
Reporting	8	10	16	34
Total Hours	<u>16</u>	<u>24</u>	<u>85</u>	<u>125</u>

As shown above, we expect approximately 32% of engagement hours to come from the Partners and Managers assigned to the engagement.

Working on the premise that we will be provided with a year-end trial balance, along with an audit package of reconciled balances and supporting schedules of all balance sheet accounts, we expect to perform the audit of the District at fees as stated in the attached Schedule of Professional Fees on Page 3 for the years ending June 30, 2016 through 2018, and optional years 2019 and 2020, respectively

Our fees are based on the product of the time spent on the engagement and the billing rates of the individuals assigned, plus out-of-pocket costs (such as, report reproductions, typing, postage, travel, copies, telephone, etc.). We will obtain the assistance of the District's personnel to the extent possible and otherwise endeavor to keep these charges to a minimum. We will submit progress billings monthly to your office as our work progresses, which will be due and payable thirty days from the date of the invoice.

Based upon the present size and scope of the activities of the District, we expect to perform the services enumerated above at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to the audits. We have provided a breakdown of our current hourly rates, which would apply to this engagement on the attached Schedule of Professional Fees on Pages 4 and 5 of this cost proposal.

In accordance with your request for proposal and the Office of Management and Budget Circular A-128, we will maintain our work papers for at least five years and make them available to the District, state agencies, the General Accounting Office, and other parties upon the direction of the District.

We want the Board to understand that we will provide any assistance and answer any questions that the District's staff or members of the Board may have when they arise for the entire duration of our contract. We find it important to stay abreast of the District's activities and accounting issues during the entire engagement.

We would like to thank you and the Board for the opportunity to submit a proposal for the auditing services of the District. Because of our experience in special districts and our interest in the District, we will provide you with assistance in your operations as well as meet the audit needs of the organization. We will also continually make recommendations on these and other matters that come to our attention. We are proud of the professional services we provide and encourage you to make inquiries to any of our clients about their satisfaction with our services and the quality of our staff.



## Exhibit II – Schedule of Professional Fees

<u>Total Audit Fees By Fiscal Year</u>	<u>District Total Audit Service Fees*</u>	<u>District Not-to-Exceed Estimate of Out- of-Pocket Costs**</u>	<u>Preparation of State Contoler's Report</u>	<u>District Not-to-Exceed Total</u>
Fiscal Year 2016	\$ 13,900	600	500	15,000
Fiscal Year 2017	14,190	610	500	15,300
Fiscal Year 2018	14,480	620	500	15,600
Total Three Year Contract Price	<u>\$ 42,570</u>	<u>1,830</u>	<u>1,500</u>	<u>45,900</u>
Optional – Fiscal Year 2019	<u>\$ 14,770</u>	<u>630</u>	<u>500</u>	<u>15,900</u>
Optional – Fiscal Year 2020	<u>\$ 15,060</u>	<u>640</u>	<u>500</u>	<u>16,200</u>

\* Professional Audit Service Fees - Labor Only

\*\* Estimate of Out-of-Pocket Costs consist of: Travel, Mileage, Postage and Printing Costs - May not be fully utilized

Please note that any additional services requested by the District during the audit period shall be negotiated at the stated hourly rates per year as noted in the following schedules.

## Exhibit III – Schedule of Fees By Hours

### Fiscal Year 2016 Breakdown of Fees by Hours

	Hours	Hourly Rates	Total
<b>Fiscal Year 2016 Audit of:</b>			
District's Basic Financial Statements			
Partner	16	\$ 150	\$ 2,400
Manager/Supervisor	24	125	3,000
Staff	85	100	8,500
<b>Total Financial Statement Audit for 2016</b>	<b>125</b>		<b>13,900</b>
<b>Out-of-Pocket Expenses (Travel, Postage &amp; Printing)</b>			<b>600</b>
<b>Total Maximum for 2016</b>			<b>\$ 14,500</b>
<b>Optional Items Asked to be Priced by the District</b>			
	Hours	Rates	Total
Preparation of the District's Annual State Controller's Report	4	125	\$ 500
<b>Total Maximum with Optional Item for 2016</b>			<b>\$ 15,000</b>

### Fiscal Year 2017 Breakdown of Fees by Hours

	Hours	Hourly Rates	Total
<b>Fiscal Year 2016 Audit of:</b>			
District's Basic Financial Statements			
Partner	16	\$ 153	\$ 2,448
Manager/Supervisor	24	128	3,072
Staff	85	102	8,670
<b>Total Financial Statement Audit for 2016</b>	<b>125</b>		<b>14,190</b>
<b>Out-of-Pocket Expenses (Travel, Postage &amp; Printing)</b>			<b>610</b>
<b>Total Maximum for 2016</b>			<b>\$ 14,800</b>
<b>Optional Items Asked to be Priced by the District</b>			
	Hours	Rates	Total
Preparation of the District's Annual State Controller's Report	4	125	\$ 500
<b>Total Maximum with Optional Item for 2016</b>			<b>\$ 15,300</b>

### Fiscal Year 2018 Breakdown of Fees by Hours

	Hours	Hourly Rates	Total
<b>Fiscal Year 2016 Audit of:</b>			
District's Basic Financial Statements			
Partner	16	\$ 156	\$ 2,496
Manager/Supervisor	24	131	3,144
Staff	85	104	8,840
<b>Total Financial Statement Audit for 2016</b>	<b>125</b>		<b>14,480</b>
<b>Out-of-Pocket Expenses (Travel, Postage &amp; Printing)</b>			<b>620</b>
<b>Total Maximum for 2016</b>			<b>\$ 15,100</b>
<b>Optional Items Asked to be Priced by the District</b>			
	Hours	Rates	Total
Preparation of the District's Annual State Controller's Report	4	125	\$ 500
<b>Total Maximum with Optional Item for 2016</b>			<b>\$ 15,600</b>

## Exhibit III – Schedule of Fees By Hours

### Optional – Fiscal Year 2019 Breakdown of Fees by Hours

	Hours	Hourly Rates	Total
<b>Fiscal Year 2019 Audit of:</b>			
District's Basic Financial Statements			
Partner	16	\$ 159	\$ 2,544
Manager/Supervisor	24	134	3,216
Staff	85	106	9,010
<b>Total Financial Statement Audit for 2019</b>	<b>125</b>		<b>14,770</b>
<b>Out-of-Pocket Expenses (Travel, Postage &amp; Printing)</b>			<b>630</b>
<b>Total Maximum for 2019</b>			<b>\$ 15,400</b>
<b>Optional Items Asked to be Priced by the District</b>			
	Hours	Rates	Total
Preparation of the District's Annual State Controller's Report	4	125	\$ 500
<b>Total Maximum with Optional Item for 2019</b>			<b>\$ 15,900</b>

### Optional – Fiscal Year 2020 Breakdown of Fees by Hours

	Hours	Hourly Rates	Total
<b>Fiscal Year 2020 Audit of:</b>			
District's Basic Financial Statements			
Partner	16	\$ 162	\$ 2,592
Manager/Supervisor	24	137	3,288
Staff	85	108	9,180
<b>Total Financial Statement Audit for 2020</b>	<b>125</b>		<b>15,060</b>
<b>Out-of-Pocket Expenses (Travel, Postage &amp; Printing)</b>			<b>640</b>
<b>Total Maximum for 2020</b>			<b>\$ 15,700</b>
<b>Optional Items Asked to be Priced by the District</b>			
	Hours	Rates	Total
Preparation of the District's Annual State Controller's Report	4	125	\$ 500
<b>Total Maximum with Optional Item for 2020</b>			<b>\$ 16,200</b>

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# Proposal for Fiscal Auditing Services

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## **Cabazon Water District**

For the Year Ending June 30, 2016, 2017 and 2018

With an option to extend for an additional two years

June 15, 2016

Fechter & Company  
Certified Public Accountants  
1870 Avondale Avenue Suite 4  
Sacramento, CA 95825

Contact: Craig R. Fechter, CPA  
T (916) 333-5360 F (916) 244-0116  
Email: [Cfechter@Fechtercpa.com](mailto:Cfechter@Fechtercpa.com)

# Contents

TRANSMITTAL LETTER.....	1
FIRM PROFILE.....	2 – 5
Experience of the firm, size, location, years in business and area of expertise	
Licensing and Independence	
Engagement team assigned	
Transition expertise	
Internal Quality Control Procedures	
Technology and Security	
REFERENCES.....	6 – 7
AUDIT APPROACH.....	8 – 13
Overall Audit Approach	
Specific Audit Approach	
Audit Effort	
AUDIT TIMELINE.....	14
COMPENSATION.....	15
QUALIFICATIONS.....	16 – 20

June 15, 2016

Attn: Calvin Louie or Ellie Lemus  
Cabazon Water District  
PO Box 297  
Cabazon, CA 92230

Dear Mr. Louie:

Fechter & Company, Certified Public Accountants, is pleased to present our proposal to provide audit or review services to the Cabazon Water District (the District). The Statement of Firm Qualifications and the credentials listed in the resumes of our team will demonstrate our qualifications, competence, and capacity to perform the audit services requested within the time frame required by the District.

This proposal is an irrevocable offer valid for 60 days after the date of the proposal. I am authorized to represent and to obligate the firm contractually to the District. I am located at 1870 Avondale Avenue, Suite 4, Sacramento, CA 95825, and you can contact me by telephone at (916) 333-5360.

Thank you for considering our proposal. We look forward to a long and successful working relationship with you and your management team.

Very Truly Yours,



Craig R. Fechter, CPA, President  
Fechter & Company, Certified Public Accountants

## Firm Profile

Fechter & Company, CPAs is a professional corporation formed in April 2005. We provide finance consulting and auditing services to governmental and non-profit entities. We specialize in serving agencies with annual budgets of less than \$25 million.

## Experience of the firm, size, location, years in business and area of expertise

Fechter & Company is based in Sacramento, with a staff of 4 Certified Public Accountants. Our relatively small practice offers several advantages to you:

- Experienced auditors perform all audit procedures from initial planning meetings through fieldwork to financial statement preparation. Our firm has been in business since 2005, and approximately 70 percent of our firm's revenues are derived from governmental and non-profit audits.
- You receive a high level of personal service with easy access to professionals who can answer your questions and facilitate the audit process.
- The turnaround time from the end of our fieldwork to the report draft is typically only 10 days.
- Working with the same auditors from year to year greatly reduces the time your staff spends familiarizing us with your business procedures. Your audit process becomes increasingly efficient.

## Licensing and Independence

- Our firm is licensed as a certified public accounting firm in the state of California.
- Each CPA in our firm meets the independence requirements of the American Institute of Certified Public Accountants and the Government Auditing Standards, 2003 revision, published by the U.S. General Accounting Office.
- Our firm has had no disciplinary action taken or pending since its inception in 2005.
- There are no conflicts of interest with the District or its personnel.
- We will continue to maintain requisite insurance coverage—professional liability, workers compensation, business occupancy and auto insurance—throughout the course of our engagement.

## Firm Profile (Continued)

### Engagement team assigned

Mr. Craig Fechter will serve as partner in charge for the audit engagement. He will review the progress of the audit team, assist in resolving technical issues, and evaluate reports and deliverables for overall quality. Craig is licensed to practice as a certified public accountant in California.

Ms. Sandy Sup will serve as the on-site audit manager and will be responsible for the daily management and delivery of services. She will be responsible for planning the audit and assuring that the design of audit programs dictate the audit procedures we believe are necessary to accomplish the objectives of the audit. Sandy will work closely with the client to ensure issues are identified and addressed and that the delivery of services is timely. Sandy is also licensed to practice as a certified public accountant in California.

Mr. Robert White, an audit senior, will assist with the fieldwork. He will test those transactions that are significant to the financial statements including cash disbursements and receipts, payroll, and capital assets.

### Transition expertise

We understand that any change in auditors is a difficult endeavor given all the documents to be completed and new staff members to get used to. In addition, much of the internal control work which had been done in the previous years has to be re-done by the new audit firm which in turn causes more time and efforts by the auditee.

We recognize the disruption in your overall work flow with the change in auditors. Given that, we promise the following:

1. We will only assign experienced people to your account. Ms. Sup is a CPA with nearly 20 years of experience in auditing governmental agencies. She will lead the engagement and attempt to minimize disruption. Mr. White has over 8 years of experience in auditing governmental agencies and will be the senior on the account.
2. We will have an initial planning meeting with you to discuss all of our requests and review what our needs are.
3. We will contact the prior auditor and attempt to gain access to their working papers that document your controls. This may reduce some of the work in accepting a new audit firm.



## Firm Profile (Continued)

### Internal Quality Control Procedures

- Each member of our firm meets the continuing education and external quality control review requirements.
- Each audit staff is required to complete annual update courses for both Government/A-133 and non-profit audits. These courses, which together comprise 26 hours of continuing education, help our audit staff maintain awareness of technical changes in both regular and single audits.
- During the years our firm is not peer reviewed, we conduct annual internal reviews. A principal inspects 4 randomly selected audits and makes notations and recommendations in the same manner as an external peer review. This helps to keep our working papers and audit processes fresh.
- Prior to being released, each audit is reviewed by a partner who is not involved with the audit or the client. Although our audit staff is extremely experienced, we continually strive to improve our audit quality, from the planning stages to the final report. We actively encourage all staff to suggest new or different procedures.

### Technology and Security

We maximize both efficiency and security by using technology recognized as standard in the accounting industry. These are some examples:

- Microsoft Office Applications  
Since most of our clients use Microsoft applications, we likewise use the programs, which enable us to collaborate on projects.
- Engagement CS  
We use Engagement CS paperless auditing system to cut processing time and costs. All information can be uploaded to our secure file transfer website.
- Biometric User Security  
All staff computers are protected with biometric access restrictions.

## Firm Profile (Continued)

- **Data Storage**  
All data is backed up to our local server daily through our secure VPN. In addition, our server data is backed up daily off-site.
- Our firm subscribes to approximately a dozen industry periodicals and newsletters. We proactively inform our clients about potential changes in related accounting legislation and standards so they can quickly assess the impact on their organizations. In addition, we offer an annual Government Accounting Standards Board (GASB) and Financial Accounting Standards Board (FASB) update course to our clients at no additional charge.

## References

### Special Districts Audited

Approximately 70 percent of our firm's revenues are derived from governmental and non-profit audits under *Government Auditing Standards* as published by the U.S. General Accounting Office. Current clients and services performed are as follows:

#### East Contra Costa Irrigation District

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**Scope of audit work:** Fechter & Company, CPAs was engaged to provide a financial statement audit for the East Contra Costa Irrigation District under Government Auditing Standards and OMB A-133.

**Services provided:** Audit of the GASB 34 financial statements, management letter and report on internal control structure, and preparation of annual report of financial transactions of special districts.

**Engagement partner:** Craig R. Fechter, CPA

**Contact information:**

Pat Corey, District Manager  
1711 Sellers Avenue  
Brentwood, CA 94513  
925-634-3544

#### Bayshore Sanitary District (wastewater)

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**Scope of audit work:** Fechter & Company, CPAs was engaged to provide a financial statement audit for the Bayshore Sanitary District under Government Auditing Standards and OMB A-133. Size of general fund budget – 2.5 million. The agency has one finance staff.

**Services provided:** Audit of the GASB 34 financial statements, management letter and report on internal control structure, and preparation of annual report of financial transactions of special districts.

**Engagement partner:** Craig R. Fechter, CPA

**Contact information:**

Joann Landi, Finance Director  
36 Industrial Way  
Brisbane, CA 94005  
1-415-467-1144

**References (continued)****Olivehurst Public Utility District**

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**Scope of audit work:** Fechter & Company, CPAs was engaged to provide a financial statement audit for the Olivehurst Public Utility District under Government Auditing Standards and OMB A-133.

**Services provided:** Audit of the GASB 34 financial statements, management letter and report on internal control structure, and preparation of annual report of financial transactions of special districts.

**Engagement partner:** Craig R. Fechter, CPA

**Contact information:**

Rebecca Courtright, Finance Director  
1970 9th Avenue  
Olivehurst, CA 95961  
530-743-4657

**Rio Linda – Elverta Community Water District**

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**Scope of audit work:** Fechter & Company, CPAs was engaged to provide a financial statement audit for the Rio Linda – Elverta Community Water District under Government Auditing Standards and OMB A-133.

**Engagement partner:** Craig R. Fechter, CPA

**Contact information:**

Mary Henrici, General Manager  
730 L Street  
Rio Linda, CA 95673  
916-991-1000

## Audit Approach

### Specific audit approach

The District requests that the auditor express an opinion on the fair presentation of its financial statements in accordance with accounting principles generally accepted in the United States of America. We propose that the engagement be divided into the following segments:

#### Phase I

- Initial planning and preparation
- Preliminary analysis, report preparation, cash and other confirmations
- Information gathering
- Evaluating internal controls

#### Phase II

- Fieldwork
- Post-field-work activities (e.g., follow-up on pending items, collection of confirmation letters, etc.)

#### Phase III

- Report finalization and final analysis
- Report delivery and Board of Directors presentation

### Initial Planning and Preparation

As the first step in our planning and preparation phase, we will meet with the staff of your company to establish a working relationship. We expect this meeting will involve the District's manager and its controller.

We will deliver a Prepared-by-Client list (PBC), which details the items we will need to perform the audit. We will resolve any ambiguities or questions we or the District might have about the services we are to perform.

We will gather contact information for the District's bankers, attorneys, prior accountant, and other relevant parties, and make inquiries as required by *Government Auditing Standards*.

We will examine prior year's financial statements to develop audit plans for each significant balance sheet and income statement account.

## Audit Approach (continued)

### Preliminary analysis

The primary focus of an audit is to develop expectations and compare actual financial results against those expectations. We will compare the current year's results with budgetary expectations to identify any areas of material misstatement.

### Report Preparation

Unlike other firms, we prepare financial statements prior to field work. Doing so allows us to focus on the overall financial position of the organization and limits our testing of clearly insignificant areas.

### Cash and Other Confirmations

We will confirm cash with the bank, any material year-end accounts or grants receivable, grants or donations received during the year, debt outstanding at the end of the year, and any other financial transaction that we consider material to the financial statements as a whole. The decision to confirm a statement item depends on the materiality of the item, the susceptibility of the item to misstatement, or the likelihood of fraud.

### Information Gathering

We will obtain the information requested in the PBC along with any associated report required.

#### 1. Testing statistical samples

During sample selection we consider three questions: (1) purpose of the test—attribute or balance testing, (2) susceptibility of the population or process to fraud or misstatement, and (3) size of transactions—small and numerous, or large and infrequent.

#### 2. Testing revenues and disbursements

In testing revenues and disbursements, we determine that the attribute being tested is applied to the transaction as approved by the District's Management and Board; we do not determine whether a balance is valued properly. For example, our sample for disbursements test has two purposes—attributes testing, and control testing. In attribute testing we see whether the amounts posted to the general ledger agree with the invoices and canceled checks. Since disbursements have the potential for defalcation, we check for any suspect or significant transactions that appear to be out of place in your detailed general ledger. We may select 20 items based on the results of a random number generator, and select another 20 to 40 items by scanning the detailed general ledger. The result is an overall sample of 20 to 40 invoices to confirm compliance

## Audit Approach (continued)

with board-approved procedures. We determine sample sizes in accordance with the objective of the test, the population to be sampled, and the risk associated with that population. The sample size also depends on the size of the population and whether or not we will be able to properly stratify populations into individually significant and individually insignificant items.

3. Examining the District's internal control structure

Among the items included in the PBC is a questionnaire regarding internal controls. We will review the completed questionnaires and compare them with procedures the District has established for actions such as purchasing, cash and check collections, inventorying fixed assets, billing, payroll disbursement, and budgeting. We will then audit each area of internal control that will materially affect the audit.

4. Determining pertinent laws and regulations

We will examine items such as grant agreements to determine their effect on the District, and audit them if necessary. We will also examine pertinent ordinances to determine whether the District is in compliance.

5. Assessing risk

Generally accepted auditing standards require that we assess the risks of material misstatement and fraud. After analyzing internal controls and evaluating potential weaknesses, we will determine which areas of the audit carry the risk of material misstatement, and take steps to mitigate that risk.

6. Testing for functionality of internal controls

We will conduct random tests on a year-to-year basis to determine the functionality of the District's internal controls. We will randomly select customers and trace each step of each payment into the system over the course of a year. We will audit any area of potential weakness with a specifically designed test.

7. Water District specific procedures

Water Districts have a number of different risk factors and areas due to the nature of the district, with the many different types of programs and services offered. We design specific audit procedures to address these risks.

## Audit Approach (continued)

### Fieldwork

With the assistance of Company personnel, we will test the balances resulting from the following procedures:

- Cash deposits
- Internal control of disbursements
- Payroll
- Revenues
- Inventory control
- Billing and collections
- Unrecorded liabilities

We will also discuss with the Board any specific concerns or procedures they want performed.

### Post-fieldwork Activities

Once we complete our fieldwork, we will resolve any pending items and ensure that all requested third-party confirmations have been received. After the District has reviewed the financial statements and any proposed adjusting journal entries, we will obtain signed representation letters from the District and from its counsel that confirm or explain any pending litigation against the District and its effect on the audited financial statements.

### Report Finalization and Final Analysis

Prior to finalizing the financial statements, we will perform a second comparison of current year results with prior year results, and budgetary expectations to actual results. Performing these tests subsequent to the audit work provides additional assurance that the financial statements are free of material misstatement.

### Report Delivery and Board of Directors Presentation

We will deliver our report in person to the Board of Directors. We will also attend a board meeting to answer questions that the Board may have. Our aim is to create an open line of communication between our firm and your organization so the Board feels comfortable asking for help with any questions or issues that may arise during the year.



## Audit Approach (continued)

### Overall Audit Approach

We understand that our clients have needs which come up during the year that they need to sound off against another knowledgeable accountant. We also understand that our clients do not like the thought of a "meter running" in the circumstance of questions or problems that are discussed throughout the course of the year. Given those factors, we routinely consult with clients during the year about the issues or problems they are facing without charging any additional fees for doing so.

We also recognize that our clients do not like different individuals assigned to their account each year. Since our firm started in 2005, we have never had a full-time accountant leave our employ. We intend on keeping the same people on your account year after year in order to develop the trust, understanding and efficiency that comes with ongoing professional relationships.

### Audit effort

Given the nature of the District as a water District, we will spend much time on analyzing its control over collections and on billing. This is one of the higher areas of risks that the District faces given the frequency of billings and number of customers that the District has.

We will test billings to verify that they were accurately prepared. In addition, we will perform a number of analytical procedures to help assure accurate presentation of the District's financial statements. Some of these analytical procedures include:

- Analyzing collections on a monthly basis to look for irregularities
- Analyzing water delivery figures and comparing to total revenues to attempt to identify irregularities. We will do this over a number of years to attempt to establish what is "normal"
- Comparing the revenues collected per your revenue tracking and billing system to deposits made in your books. We have had significant findings at other water districts when attempting to perform this procedure.

## Client Listing

This is a partial list representing the governmental agencies our firm has conducted audits for in the last three years. We continue to service these clients.

- Granada Sanitary District
- Colusa Basin Drainage District
- East Stanislaus Resource Conservation District
- West Stanislaus Resource Conservation District
- Rio Linda-Elverta Community Water District
- Banta-Carbona Irrigation District
- Washington County Water District
- Bayshore Sanitary District proposal
- Fox Canyon Groundwater Management Agency
- Springlake Fire Protection District
- Boulder Creek Recreation and Park District
- Eastern Sierra Transit Authority
- Los Medanos Community Healthcare District
- Pioneer Fire Protection District
- Truckee Fire Protection District
- North Tahoe Fire Protection District
- Stanislaus Consolidated Fire
- North County Fire Protection District
- Dixon Public Library
- Julian-Cuyamaca Fire Protection District
- Borrego Springs Fire Protection District
- Eastside Mosquito Abatement District
- Turlock Mosquito Abatement District
- Bonita-Sunnyside Fire Protection District
- Ambrose Recreation and Park District
- Solano County Mosquito Abatement District
- Alpine Fire Protection District
- Kensington Fire Protection District
- Courtland Fire Protection District
- Emerald Bay Services District
- Mono County Local Transportation District
- Pleasant Hill Recreation and Park District
- Lakeside Fire Protection District
- Fulton El Camino Recreation and Park District
- Sylvan Cemetery District
- Fair Oaks Cemetery District
- Roseville Cemetery District
- Montecito Fire Protection District
- Fair Oaks Recreation and Park District
- Carpinteria Fire Protection District
- El Dorado Fire Protection District
- Greenfield Fire Protection District
- Sunrise Recreation and Park District
- Arden Manor Recreation and Park District
- North County Recreation and Park District
- North County Fire Protection District
- South Lake County Fire Protection District
- Garden Valley Fire Protection District
- Pioneer Fire Protection District
- East Contra Costa Irrigation District
- Carmichael Recreation and Park District
- Olivehurst Public Utility District
- Greater Vallejo Recreation District
- Mission Oaks Recreation and Park District
- Mokelumne Fire Protection District
- Woodland Avenue Fire Protection District
- Bridgeport Fire Protection District
- Mountain Valley Emergency Medical Services Agency

## Audit Timeline

### Audit Timeline

The turnaround time from the end of our fieldwork to the report draft is typically only 10 days. Completion of the final audit report depends on how promptly the District's staff is able to provide needed reports and confirmations. The typical turnaround is within 3 weeks. The following table shows our timeline for completing the major tasks of the audit.

Phase	Audit Task	Estimated Timeline
I	Entrance conference	Nov 2016
	Initial planning and audit planning Prepared-by-Client list Information from bankers, attorneys Prior year's statements	Nov 2016
	Preliminary analysis Report preparation Cash and other confirmations Internal controls Information gathering Statistical sampling and testing Revenues and disbursements Internal controls Laws and regulations Risk assessment Functionality testing	Nov 2016
II	Fieldwork: 4-5 days Cash deposits Internal control of disbursements Payroll Revenues Inventory control Billing and collections Unrecorded liabilities	Dec 2016
	Post-fieldwork activities Third-party confirmations	Dec 2016
III	Report finalization and final analysis Final analysis	Jan 2017
	Report draft delivery Final report delivery	March 2017

## Compensation

### Proposed Fee Schedule for June 30, 2016

Total Maximum Fee: \$ 13,500

### Proposed Fee Schedule for 2016

Total direct engagement costs for the year will not exceed \$1,000.

For the cost of the 2017 and 2018 fiscal years we would have an annual increase of 3%.

The above fee quote is a fixed price to be charged for all services rendered in connection with the audit. Our best understanding is that the following must be performed – performing auditing standards under GASB standards, preparing the financial statements, and preparation of the Special Districts financial transactions report as required by the California State Controller. We will default to what the request for proposal defines as needed services should any questions arise.

We recognize the District may wish to have the option to extend the contract by two following years and we accordingly implicitly agree to this two-year extension, should the District so choose. Fees for audits in the following years are estimated to increase by approximately 3% per year, sufficient to cover a cost of living increase.

### Single Audit

If the District is ever subject to a single audit requirement, our firm will perform the District's single audit for a maximum fee not to exceed \$2,500 per grant audited. Should the District have more than one grant, we will charge a lesser amount for each grant audited.

## Qualifications

**Craig R. Fechter, CPA**

**Fechter & Company, Certified Public Accountants**

**Classification:** President

**Years of Experience:** 15

Mr. Fechter is the president of Fechter & Company, Certified Public Accountants.

### **Academic Background**

Master of Science in Taxation at Golden Gate University, 2012

Bachelor of Science in Business Administration, Accountancy,  
California State University at Sacramento, 2001

### **Professional Certifications and Affiliations**

Certified Public Accountant

Member California Society of Certified Public Accountants

Member American Institute of Certified Public Accountants

Adjunct Professor of Accounting, University of California, Davis Extension

Executive Committee, Big Brothers Big Sisters of the  
Greater Sacramento Area

Scoutmaster, Boy Scouts of America, Troop 320

Facilities, Transportation & Finance Committee,  
San Juan Unified School District

Past Finance Committee Chair, San Juan Education Foundation

### **Relevant Experience**

Since his graduation from Sacramento State in 2001, Mr. Fechter has worked for two regional CPA firms. During college, he worked for a local sole practitioner. Mr. Fechter has performed financial statement audits of numerous counties and local government agencies, including other non-profit agencies. He has performed these audits in the capacity of both a staff auditor, lead auditor, and engagement partner.

## Qualifications (continued)

### **Craig R. Fechter, CPA (continued)**

#### **Financial Statement Audits**

Mr. Fechter has participated in the following audits in the capacity of engagement partner:

Greater Vallejo Recreation & Parks District  
Alpine Fire Protection District  
Lakeside Fire Protection District  
Borrego Springs Fire Protection District  
Bonita-Sunnyside Fire Protection District  
Carpinteria-Summerland Fire Protection District  
South Lake County Fire Protection District  
Stanislaus Consolidated Fire Protection

References for the above clients, who worked exclusively with Mr. Fechter, are available upon request.

#### **Single Audit Act Compliance Audits**

Mr. Fechter has participated in the following single audits in the capacity of lead auditor:

Marin County  
MAAP, Inc.  
San Joaquin County  
Stanislaus County  
Sierra County  
San Luis Obispo County  
Lassen County

#### **Continuing Professional Education**

Mr. Fechter takes annual courses on the Governmental Accounting & Audit Update. He has recently completed a course in the implementation of the new Auditing Standards (SAS 108-114). He also serves on the accounting advisory board for UC Davis Extension and teaches a course, which serves as a source of CPE for Mr. Fechter.

Mr. Fechter is an accomplished public speaker and published author. He has taught CPE courses for the American Society of Women Accountants (Sacramento chapter). He is also the author of accounting-related articles published by *Comstock's Magazine* and *The Nugget*, the journal of the Sacramento District Dental Society.

## Qualifications (continued)

### **Sandy Sup, CPA, MBA**

#### **Fechter & Company, Certified Public Accountants**

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**Classification:** Audit Manager

**Years of Experience:** 15

Ms. Sandy Sup is an audit manager in the firm of Fechter & Company, Certified Public Accountants.

#### **Academic Background:**

Sandy is a licensed Certified Public Accountant in the State of California with the authority to sign attest reports under California law. She received her Bachelor's degree from the University of New Hampshire and an MBA from California State University, Sacramento. She has performed audits of numerous local governmental agencies, including counties, cities and special districts.

#### **Professional Certifications/Accomplishments:**

Certified Public Accountant

#### **Relevant Experience:**

Sandy has been auditing government entities for more than 14 years. She has audited 28 of the 58 counties in California as well as numerous cities and districts in California and Nevada. This work included primary responsibility for the preparation of Comprehensive Annual Financial Reports as well as many other financial reports, including single audit reports. All of the Comprehensive Annual Financial Reports for which Sandy served as the primary preparer were considered for, and awarded, the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association. Sandy served as a reviewer on the Special Review Committee of the Government Finance Officers Association that is responsible for awarding the Certificate of Achievement for Excellence in Financial Reporting for more than four years.

#### **Professional Associations**

American Institute of Certified Public Accountants (AICPA)  
California Society of Certified Public Accountants (CalCPA)  
Government Finance Officers Association (GFOA)

## Qualifications (continued)

### Sandy Sup, CPA, MBA (continued)

Below is a list of audits that Sandy managed during employment with Fechter & Company:

- Rio Linda Water District (2015)
- Banta Carbona Irrigation District (2015)
- East Stanislaus Resource Conservation District (2013-2014)
- Greenfield Fire Protection District (2014-2015)
- El Dorado County Fair Association (2014)

Below is a partial list of the entities for which Sandy performed audit work during employment with her former firm:

#### *Audits of California Counties/Districts:*

• Alpine	• Mendocino	• Shasta
• Amador	• Mono	• Stanislaus
• Butte	• Monterey	• Sierra
• Calaveras	• Napa	• Siskiyou
• El Dorado	• Nevada	• Sutter
• Humboldt	• Placer	• Tehama
• Inyo	• San Joaquin	• Trinity
• Lake	• San Luis Obispo	• Yolo
• Lassen	• San Luis Obispo Air Pollution CD	• Yuba
• Marin	• Santa Cruz	

Below is a list of audits that Sandy managed during employment with her former firm:

• Amador County (2012 – 2014)	• Nevada County (2014)
• Butte County (2008 – 2014)	• City of Porterville, CA (2012-2014)
• El Dorado County (2008 – 2014)	• Citrus Heights Water District (2007 – 2009)
• Inyo County (2012 – 2014)	• Sierra County (2008 – 2013)
• Lake County (2012 – 2014)	• Siskiyou County (2012 – 2013)
• Marin County (2012 – 2014)	• Sutter County (2008 – 2010, 2013 – 2014)
• Mono County (2012 – 2014)	
• Monterey County (2004 – 2006)	
• Napa Sanitation District (2010 – 2014)	

Sandy meets the continuing professional education requirements for performing audits in accordance with Government Auditing Standards, which require that she receive 80 credit hours of continuing professional education every two years with at least 24 of those hours being specifically related to the governmental accounting and auditing.



## Qualifications (continued)

More detailed resumes are available upon request.

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### **Robert C. White, Senior Accountant, CPA Candidate Fechter & Company, Certified Public Accountants**

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**Classification:** Senior Accountant

**Years of Experience:** 5

Mr. Robert White is a Senior Accountant in the firm of Fechter & Company, Certified Public Accountants.

**Academic Background:**

Mr. White graduated in 2006 from California State University of Sacramento with a Bachelor of Science degree in Business Administration, with a concentration in Accountancy.

**Relevant Experience:**

Conducted a variety of audits in accordance with the Yellow Book and governmental auditing standards. The majority of Mr. White's public accounting experience is related to providing auditing services in order to issue year-end audited financial statements for the following type of entities:

- Special districts (Water, Fire, and Cemetery)
- Counties
- Cities
- Banks

**Below is a partial list of audits that Robert has performed during employment with Fechter & Company:**

- Oliverhurst Public Utility District (2011-2014)
- East Contra Costa Irrigation District (2012-2014)
- Banta Carbona Irrigation District (2015)
- Boulder Creek Recreation and Park District (2012-2013)
- Arden Manor Recreation and Park District (2011-2014)
- Greater Vallejo Recreation and Park District (2011-2015)