



MINUTES
April 20th, 2022

DECLARATION OF A QUORUM

President James Bissell called the meeting to order at 9:00 A.M. Everyone attended the meeting via Zoom. Directors present were Treasurer Ken Brown, and Director John Boyle and Director Diane Lundquist. Absent with notice were Vice President Gunnar Thordarson. Staff present were General Manager Jeff Gouveia and Office Manager Judi Silber. No public were present.

BOARD MEETING

Public comments on agenda items will be limited to 3 minutes or otherwise at the discretion of the Board Chair.

PUBLIC FORUM

Any member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction provided the matter is not on the agenda or pending before the Board.

BOARD BUSINESS

1. Approval of Minutes - The Board will consider adoption of the March 22, 2022 Board Meeting minutes

MOTION Bissell SECOND Brown to accept the March 22, 2022 Minutes as presented.

AYES: Bissell, Boyle, Brown, Lundquist

NOES:

ABSENT: Thordarson

MOTION CARRIED

2. Ordinance No. 75 – Amending Article II of Ordinance #1 to Board Order - Discussion and Possible Action Item

MOTION Brown SECOND Bissell to amend Article II of Ordinance #1 to have a rate change by board order.

AYES: Bissell, Boyle, Brown

NOES:

ABSENT: Lundquist, Thordarson

MOTION CARRIED

The amendment allows for a rate increase to go into effect without the 30-day waiting period after the vote on the rate increase.

3. Resolution No. 2022-502 - Conducting Meetings Using Teleconferencing – GC 54953 Amend AB 361

MOTION Brown SECOND Bissell to adopt Resolution No. 2022-502, to conduct meeting using teleconferencing.

AYES: Bissell, Boyle, Brown

NOES:

ABSENT: Lundquist, Thordarson

MOTION CARRIED

4. **FY 2022 - 23 Draft Preliminary Budget Proposal** - Discussion and Possible Action Item

General Manager Jeff Gouveia presented the preliminary budget proposal. Discussion ensued.

ACTION: GM Gouveia will get an estimate to replace the old pipe in the collection system. The budget will be put on the agenda for the next meeting in June.

5. **Manager's Report** - General Manager

See attachment.

6. **Financial Report** - General Manager

6.1 P&L and Balance Sheet Reports - Discussion and Possible Action Item

MOTION Bissell SECOND Brown to accept the P&L and Balance Sheet Report as presented.

AYES: Bissell, Boyle, Brown

NOES:

ABSENT: Lundquist, Thordarson

MOTION CARRIED

6.2 Accounts Payable Report - Discussion and Possible Action Item

MOTION Boyle SECOND Bissell to accept the Accounts Payables as presented.

AYES: Bissell, Boyle, Brown

NOES:

ABSENT: Lundquist, Thordarson

MOTION CARRIED

6.3 A/R & Aging Reports – Discussion

The Accounts Receivables as of April 18, 2022 was \$115,643.35. The previous year balance was \$94,464.67.

7. **Board Member Reports**

The next board meeting was set for June 25th at 10:00 A.M. in the Perry Walther Building, Bear Valley, CA 95223.

President James Bissell adjourned the meeting at 11:14 A.M.

AGENDA ITEM

DATE: APRIL 20, 2022

TO: BVWD BOARD OF DIRECTORS

FROM: JEFF GOUVEIA, DISTRICT GENERAL MANAGER

RE: MANAGER'S REPORT

1. Water Balance - Update
 - a. Influent Flows & Effluent Transfers
 - a. Effluent in Storage, Current Storage Capacity & Land / Surface Disposal Update
2. Permit Compliance & Monitoring & Reporting Programs (MRPs) - Update
 - a. WDR MRP - Land Discharge Permit – Compliance & Reporting Update
 - i. Reporting Status Matrix – No Certified Violations, All Reporting Submitted On-Time
 - b. NPDES MRP – Surface Water Discharge Permit – Compliance & Reporting Update
 - i. Reporting Status Matrix – No Certified Violations, All Reporting Submitted On-Time
 - ii. Tentative Order Released April 6 – Public Comment Ends May 6 – Reg Bd Agenda June 9/10
3. Other
 - a. Prop 218 Public Hearing – Draft Agenda
 - b. PGE-SGIP-2020-3656 – WWTF Powerpack Project – Update
 - c. Cal OES Community Power Resiliency Allocation - Update

AGENDA ITEM

DATE: JUNE 25, 2022

TO: BVWD BOARD OF DIRECTORS

FROM: JEFF GOUVEIA, DISTRICT GENERAL MANAGER

RE: ACCOUNTING POLICIES AND ADMINISTRATIVE PROCEDURES MANUAL

BACKGROUND AND DISCUSSION:

In response to repeated recommendations from Robert Johnson Accounting following routine annual audits and as a matter of best practice to maintain a formal, electronic accounting policies and procedures manual capable of continuous update, Staff has prepared the attached draft "*BVWD Accounting Policies and Administrative Procedures Manual*" for Board review.

Staff reached out to Robert Johnson Accounting earlier this year for direction on this recommendation and Robert Johnson Accounting provided a sample manual from one of their clients which they believe best exemplified a well prepared and fully documented manual.

The attached draft has been prepared using the sample manual as a guide and has been prepared to include the accounting policies and procedures currently in practice at the Bear Valley Water District.

RECOMMENDATION

ACTION:

1. Review and comment on the draft manual.
2. Provide direction to Staff for any changes or revisions to the manual to bring back to the July meeting for Approval by Resolution.

Attachments:

- Draft BVWD Accounting Policies and Administrative Procedures Manual

BEAR VALLEY WATER DISTRICT
ACCOUNTING POLICIES AND ADMINISTRATIVE PROCEDURES



June 25, 2022

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1. INTRODUCTION

This manual puts in place basic accounting, billing, and cash control policies and procedures designed to protect and secure the Bear Valley Water District (BVWD), ensure the maintenance of accurate records of financial activities and ensure compliance with governmental and private funding source reporting requirements. Where this manual conflicts with specific Federal or State regulation or with BVWD's Board policy, Federal or State regulations shall prevail.

1.1. RESPONSIBILITIES

- 1.1.1. The Board of Directors formulates financial policies, delegates administration of the financial policies to the General Manager, and reviews operations and activities.
- 1.1.2. The General Manager has responsibility for all operations and activities, including financial management.
- 1.1.3. Exceptions to these policies may be made on an individual basis, as necessary, with the approval of the General Manager and Board of Directors.
- 1.1.4. The Office Manager is responsible to the General Manager for all financial operations.

1.2. GENERAL POLICIES

- 1.2.1. Current job descriptions are maintained for all employment positions, indicating duties and responsibilities.
- 1.2.2. There are separations of financial duties and responsibilities so that no staff member has sole control over cash receipts, bank reconciliations or other accounting functions.
- 1.2.3. Financial Procedures are reviewed annually by the Board of Directors and General Manager.
- 1.2.4. Separate General Ledger accounts are maintained as required by funding source regulations.
- 1.2.5. Accounting forms and timesheets are printed from a computer software program or completed in ink. Whiteout or correction tape is not to be used.
- 1.2.6. Passwords must comply with organizational standards. They are to be treated confidentially and are not shared with other staff. Policies may be established requiring the expiration of passwords where appropriate. All passwords and subsequent changes are to be provided to the General Manager immediately.

1.3. COMPLIANCE WITH EXTERNAL POLICIES

BVWD's accounting policies and procedures are consistent with:

- 1.3.1. Generally Accepted Accounting Principles (GAAP).
- 1.3.2. OMB Circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations".
- 1.3.3. GASB 34

1.4. SECURITY AND ACCESS

To ensure that only authorized staff can access the financial, personnel, payroll, computer, online and paper records of the organization:

- 1.4.1. Security and access is determined by the General Manager.

- 1.4.2. Access to computer or online systems for accounting, personnel, payroll, and online and phone banking is controlled by Board resolution naming those within the District who are authorized to access banking information (identified as signers on the accounts). Passwords are assigned by the General Manager or Office Manager. Within each system, access permission is set to allow the appropriate level of access depending on staff positions and job duties.
- 1.4.3. Upon separation of a staff member, the password is immediately locked to prohibit any unauthorized activities or entries and keys to BVWD's office(s) are returned.

2. OVERVIEW OF THE BEAR VALLEY WATER DISTRICT ACCOUNTING SYSTEM

The financial records of Bear Valley Water District are maintained on QuickBooks Accounting Software using the accrual basis of accounting. Access to the accounting system is controlled to maintain the reliability and integrity of the data.

Security is set by the Office Manager under the direction of the General Manager to allow different levels of access. During annual audits, the District's auditor is provided full access to the entire system including setup and administration. The Office Manager has full access to the system in order to fulfill accounting duties such as issuing payroll and accounts payable.

2.1. DATA BACKUP

Data backup is performed daily to assure that the data is secure and will not be lost in the event of a computer failure or cybersecurity breach. Daily backups of the accounting system are downloaded to an external hard drive and uploaded to QuickBooks data storage service as well as a separate cloud-based service. In the event of a fire or other catastrophe at the BVWD Office, the external hard drives are removed from the office daily and kept at a secured off-site location determined by the General Manager. Year-end backups are kept indefinitely. Data stored on CDs or thumb drives are stored offsite.

2.2. FUNDS RECEIVED

The funds received policies and procedures ensure that all in-coming funds are properly recorded and safeguarded through separation of duties and proper documentation. The General Manager designates which staff is authorized to collect incoming BVWD funds.

2.3. FUNDS DISBURSED

Specialized procedures govern check writing. The General Manager reviews, signs and dates the invoices. The District Treasurer or Board of Directors President may authorize the issuance of checks. Access to the check printing system is limited to the Office Manager and is controlled by password protected software. Checks are stored in a locked cabinet which only the General Manager and Office Manager have access to.

2.4. PAYROLL SYSTEM

Access to the payroll system is controlled to assure accuracy and maintain confidential data. Access is limited to accounting staff responsible for payroll processes. Payroll is processed by the Office Manager.

3. DETAILED ACCOUNTING PROCEDURES

3.1. FUNDS RECEIVED

- 3.1.2. Mail is to be opened promptly and distributed by the Office Manager. All checks and money orders are promptly logged into the District's billing system, ensuring that account numbers are included on each check. The Office Manager is responsible for processing these receipts.
- 3.1.3. Documentation for receipts in the form of printouts from the District's billing system are retained with deposit records.
- 3.1.4. Funds awaiting bank deposit are kept in a locked file safe with access limited to the Office Manager and the General Manager.
- 3.1.5. The Office Manager verifies the checks and documentation received and prepares bank deposits to be deposited utilizing a proprietary bank scanning device connected to the District's banking institution.
- 3.1.6. The Office Manager is responsible for processing the deposits at least once per week. Cash deposits are made as needed.
- 3.1.7. The Office Manager records all deposits that are made into the accounting system (Quick Books). The check copies and documentation from the billing system are attached to the deposit slip. The Bank's deposit confirmation receipts are filed with monthly reconciliations.
- 3.1.8. Documentation for each deposit is filed in chronological order into a bank deposit file/folder for the month.

3.2. PROCUREMENT POLICY

The District's Procurement Policy establishes the Board's approved procedures that comply with California law for the District's Procurement of services, goods, equipment, supplies, Professional Services, and/or Public Projects. All Procurements to be paid for by the District from District Funds shall adhere to this Policy, except as otherwise determined by the Board.

The General Manager is the designated Purchasing Agent. The Purchasing Agent may delegate all or a portion of the Procurement duties to any District staff member. The Purchasing Agent shall have the authority to:

- a. Authorize Procurements in accordance with the procedures outlined in the Policy up to the expenditure limits established by resolution of the Board;
- b. Sign contracts for Procurements in accordance with the requirements of the Policy;
- c. Prepare and recommend to the Board revisions and amendments to the Policy;
- d. Establish and maintain such forms as reasonably necessary to the operation of purchasing guidelines set forth in the Policy.

3.2.1. Approvals and Authorization

- 3.3.1.1. The Board of Directors delegates authority for approval and authorization for all procurements to the General Manager.
- 3.3.1.2. Payment for supplies or services will be made based on invoices, not statements.

- 3.3.1.3. Invoices are processed by the Office Manager. Each invoice is entered as a payable in the accounting system and the check stub and all corresponding documentation is stapled together and retained per the Record Retention Policy.

3.2.2. Missing Invoices/Receipts

In the event that an invoice for services, reimbursement or supplies is lost, a memo explaining the expense and detailing the cost is submitted for approval by the General Manager.

3.2.3. Vendor Documentation

All applicable vendors must submit an IRS Form W-9 Request for Tax Payer Identification and Certification or equivalent to the Accounting Department, prior to payment. A determination is made by the Office Manager on the need to file an annual IRS Form 1099-Misc. on payments made to vendors. Form W-9's should be mailed to all current applicable vendors each year prior to Form 1099 preparation to assure information is current.

3.2.4. Check Writing Procedures

- 3.2.4.1. Checks are processed as needed.
- 3.2.4.2. Checks are prepared through the District's accounting software. The General Manager will designate staff with access to the check printing system. When authorized by the General Manager, the Office Manager prepares checks.
- 3.2.4.3. Checks are automatically numbered by the accounting system maintained by the Office Manager.
- 3.2.4.4. Checks are not to be postdated or made out to cash.
- 3.2.4.5. The "Payment Record" portion of the check printed by QuickBooks is attached to the Invoice plus any other documentation, such as purchase order #'s or shipping documents, and filed by the month paid in the District's vendor files maintained by the Office Manager.
- 3.2.4.6. Voided or spoiled checks will have the signature block torn off and will then be filed in numerical order in a locked file cabinet maintained by the Office Manager.
- 3.2.4.7. Checks are recorded in the accounting system by the Office Manager and a report of disbursement is given to the District Treasurer and the Board of Directors for review and approval.

3.2.5. Check Approval Process

This procedure is designed to ensure that all checks have adequate documentation and authorization and that there are no missing checks or checks written to phantom vendors.

- 3.2.5.1. The invoice is reviewed for proper account coding, appropriateness of expenditure, and authorized signatures.
- 3.2.5.2. The invoice is compared with the check amount. The copy of the check is initialed by the General Manager to indicate the review has been completed and the documentation is in order.
- 3.2.5.3. The batch of checks is reviewed by the General Manager and Board President prior to approval. The District Treasurer may review the batch if the Board President is unavailable.
- 3.2.5.4. The Disbursement report will be reviewed by the General Manager and provided to the District Treasurer or one Board Member if the Treasurer is unavailable to assure that the first

check in each batch of checks begins with the next sequential check after last batch processed. The Disbursement reports are retained with fiscal year vendor files.

- 3.2.5.5. If there are no questions to be resolved, the Disbursement report and signed checks are returned to the Office Manager as authorization to mail or release the check to the vendor.
- 3.2.5.6. Checks are mailed to vendors by the office staff unless specific arrangements had been made in advance for pickup of checks at the office. If a check is picked up, the person picking up the check must provide identification which agrees with the payee on the check or must have verifiable written authorization from the payee to pick up the check.

3.2.6. Electronic Payment and Transfers

These procedures ensure that unauthorized transfers will not be made. Procedures may vary based on the system of the banking institution. Required documentation for all transfers is the same as for invoice payment.

- 3.2.6.1. Electronic banking allows wire transfers, electronic transfers, stop payments on checks, and account balance inquiries be initiated and completed via computer or telephone.
- 3.2.6.2. Wire transfers, electronic transfers, and stop payments shall be set up by the General Manager or Office Manager after approval by the Board President.
- 3.2.6.3. Password security is set to allow wire transfers, electronic transfers, and stop payments to be set up by staff designated by the Board of Directors.
- 3.2.6.4. Wire transfers must be authorized by the Board of Directors and the General Manager and can only be transferred between Bear Valley Water District accounts.
- 3.2.6.5. When a wire transfer, electronic transfer, or stop payment has been set up by the accounting staff, the documentation supporting the transaction is given to the Board President for verification.

3.3. PAYROLL

These procedures are designed to assure that payroll is based on proper authorization and required documentation, is paid at the approved rate, is only paid to actual employees, and to assure that proper and timely reporting is made to federal, state, and local taxing authorities. Bear Valley Water District uses QuickBooks Payroll Service to assist the Office Manager to manually process payroll and required payroll tax deposits.

- 3.3.1. BVWD payroll is processed biweekly, payroll is paid every other week and Friday is payday. Paychecks may be issued earlier if approved by the General Manager.
- 3.3.2. Payroll is based on time sheets completed by entries made by employees in the District's timekeeping software. Employees are required to record an hourly breakdown each day that reflects the department to which the employees' time is charged. This will serve as a timesheet and must be approved by the General Manager and retained with payroll records.
- 3.3.3. Time sheets will reflect the use of sick, vacation, or other leave time, if applicable. Overtime for non-exempt employees requires the prior approval of the employee's supervisor.
- 3.3.4. Time sheet adjustments will be completed in ink with no whiteout or correction tape. Changes are initialed by the employee and reviewed for approval by the General Manager.

- 3.3.5. Salary and/or benefit changes must be approved by the Board of Directors. A memo detailing the changes and the effective day shall be maintained with the employee's personnel file.
- 3.3.6. Payroll records are maintained by the Office Manager in a confidential manner. Information regarding payroll will not be discussed with other staff. Files must be in locked cabinets with access limited to designated personnel.
- 3.3.7. Documents that verify tax withholding and authorize other deductions such as health insurance premiums or voluntary contributions are filed in the payroll files by the Office Manager. Separate files containing the I-9 forms for each current employee are maintained by the Office Manager.

3.4. PAYROLL PREPARATION AND PAYMENT

- 3.4.1. Payroll is prepared from employee's time sheets which have been completed and signed by the employee and reviewed and approved by the General Manager.
- 3.4.2. The Office Manager will check each time sheet for computational errors.
- 3.4.3. For non-exempt salaried staff, unscheduled time worked must be documented on the employee's timesheet and will be paid at their regular hourly rate of pay.
- 3.4.4. The General Manager or other designee reviews the payroll vouchers or checks, to assure that all of the checks are for actual employees or other required payments (i.e., garnishments).
- 3.4.5. Employees will receive either printed or electronic paystubs which detail all deductions such as garnishments or deductions for the employee's contribution to a defined contribution retirement plan. Otherwise, checks are printed and issued to employees on scheduled pay days or directly deposited electronically into their bank accounts.
- 3.4.6. Payroll tax deposits are made by the Office Manager.

3.5. CONTRACTING FOR LEASES AND CONSULTING SERVICES

3.5.1. Leases

- 3.5.1.1. Only the General Manager can sign lease agreements following authorization from the Board of Directors.
- 3.5.1.2. Copies of all leases will be maintained by the Office Manager. An amortization schedule authorizing payments of the lease for the fiscal year will be maintained by the Office Manager. The payment amortization schedule will be reviewed by the General Manager and Board of Directors annually.

3.5.2. Consultant and Contract Services

- 3.5.2.1. The Board of Directors will review and approve proposed projects, usually a "Scope of Work" from the consultant, at properly noticed meetings of the Board. The Board of Directors may authorize the Board President or the General Manager to sign the contract once the project and/or Scope of Work is approved.

- 3.5.2.2. Consideration is made regarding in-house capabilities to accomplish services before contracting for them.
- 3.5.2.3. Written contracts clearly defining work to be performed is maintained for each consultant and contract services by the Office Manager.
- 3.5.2.4. The qualifications and reasonable charges for fees are considered in hiring consultants and proof of insurance and Form W-9, at minimum, will be required.
- 3.5.2.5. Requests for Proposals will be issued for all payments to consultants or professional services.

3.5.3. Furniture and Equipment

- 3.5.3.1. All furniture and equipment purchases are subject to the District's Procurement Policy and must be approved by the General Manager.

3.6. PUBLIC CONSTRUCTION AND PUBLIC BID REQUIREMENTS

The Bear Valley Water District was duly formed pursuant to California Water District Law, Division 13 of the Water Code of the State of California. The enabling statutes are located in Division 13, California Water Districts, Water Code §34000 et seq.

Following is a short summary of the various provisions of the code:

Water Code Section 35400 - Powers and Functions: A district may acquire, plan, construct, maintain, improve, operate, and keep in repair the necessary works for the production, storage, transmission, and distribution of water for irrigation, domestic, industrial, and municipal purposes, and any drainage or reclamation works connected therewith or incidental thereto.

Pursuant to Division 13, there are no bidding requirements for California water districts such as the Bear Valley Water District. The District is not required to bid ordinary construction contracts. This does not mean that the District cannot bid contracts and ultimately the Board of Directors will determine on a case by case basis whether any public construction project undertaken by the District should require solicitation of multiple bids. Any contract awarded, however, remains subject to prevailing wage requirements.

Additionally, pursuant to Government Code Section 53091, California Government Code states that, "Building ordinances of a county or city shall not apply to the location or construction of facilities for the production, generation, storage, or transmission of water, waste water, or electrical energy by a local agency."

A "local agency" is defined by California Government Code as an agency of the state for the local performance of governmental or proprietary function within limited boundaries. The Bear Valley Water District is an example of a local agency.

As a local agency, the District is exempt from county building and zoning ordinances that regulate the location or construction of facilities directly and immediately used for the production, generation, storage, or transmission of waste water.

3.7. PREVAILING WAGE REQUIREMENTS

Pursuant to California Labor Code sections 1720 and 1771, for any construction, alteration, demolition, installation, repair and maintenance work performed for the District which is \$1000 or more is subject to State prevailing wage laws. Contractors hired by the District as well as any subcontractors shall comply with State prevailing wage laws. All workers employed on public works projects must be paid the prevailing wage

determined by the Director of the Department of Industrial Relations, according to the type of work and location of the project.

State prevailing wage laws require the District to adhere to the following provisions and these provisions be included in all contracts for public works.

- No contractor or subcontractor may be listed on a bid proposal for a public works project (submitted on or after March 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].
- No contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.
- This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
- Every contractor will be required to secure the payment of workers compensation to his or her employees. Labor Code Section 1860.
- The contractor shall post the applicable prevailing wage rate on the project site. Labor Code Section 1771.4
- The project is subject to prevailing wages. The applicable the wage rates are available at www.dir.ca.gov and the agency also has access to the applicable prevailing wage rate at XXXXXXXX.

3.8 LOANS

3.8.1. Third Party Loans

- 3.8.1.1. Loans from outside sources (other agencies, banks, etc.) are authorized through Board action and initiated by the General Manager or other designee.
- 3.8.1.2. Upon repayment of funds, the promissory note is reviewed by the Board of Directors and returned to the Office Manager.
- 3.8.1.3. Loans from the District to an employee are prohibited.

3.9. BANK ACCOUNTS

The Board of Directors may authorize by resolution the Board President, Vice President, and/or District Treasurer to establish bank accounts and set signing authority.

- 3.9.1. Bank accounts are established to meet the needs of the organization for separation of funds and the specific requirements of funding sources. Separate accounts for specific federal or state programs which exceed the FDIC limits must be collateralized by the bank to ensure the safety of the deposit. All other accounts, where possible, are established to maximize the use and earnings of cash.

- 3.9.1.1. A complete listing of all accounts and the account numbers shall be maintained by the Office Manager.
- 3.9.1.2. Bank Reconciliations for each account are completed monthly by the Office Manager with a copy reviewed by the General Manager.
- 3.9.1.3. Each month all bank statements received must be initially opened, reviewed, signed and dated by the General Manager. The General Manager then provides bank statements to the Office Manager for reconciliation.
- 3.9.1.4. Reconciled accounting statements are reviewed by the District Treasurer and the General Manager monthly. The District's auditor reviews all bank reconciliations during the annual audit.
- 3.9.1.5. Outstanding checks more than 90 days old are investigated and stop payments issued as deemed necessary by the Office Manager. Replacement checks are reissued after appropriate documentation has been collected.

3.10. ACCOUNTS RECEIVABLE

For each wastewater customer service account, the Office Manager is responsible for preparation of invoices, payment requests, or reports necessary to secure payment to Bear Valley Water District. The following procedures ensure that all requests for funds are properly recorded and tracked.

- 3.10.1 Property Owner – The owner of record pursuant to recorded deed / title of property within the District with an approved application for service on file with the District.
- 3.10.2 Tenant - A user of wastewater services provided by the District who is a resident non-owner of property within the District and, while not responsible for payment of statements, shall be obligated to comply with all other rules and regulations established by the District.

IMPLEMENTATION:

- 3.10.1.1. When a property is being rented, the District will send a monthly wastewater service invoice to the owner of record of each property, not the tenant. It is the owner's responsibility to make sure the invoice is paid. The owner is responsible for all charges and fees that accrue on the account. In accordance with the District's policies, all late charges will be mailed to the owner of record's mailing address.
- 3.10.1.2. The District will accept payments from either the tenant or owner; however only the owner will be listed on the account and wastewater service invoices will only be mailed to the owner of record's address on file. All credits will be applied to the owner of record's account.
- 3.10.1.3. The owner of record may contact the District with the current tenants' mailing address, e-mail address (if applicable) and phone number. The District will keep this information on file as an emergency contact for the property.
- 3.10.1.4. The owner may request in writing that their tenant(s) receive a copy of the quarterly wastewater service invoice. The purpose of the written request is to confirm his/her understanding that the owner is ultimately responsible for all service charges. It is also the owner's responsibility to contact the District if they no longer want their tenants to receive a copy of the invoice.

3.11. COUNTY TAX ROLL ASSESSMENTS AND DEBT COLLECTION

Pursuant to the District's enabling statutes under Division 13, Water Code §34000 et seq. of California Water District Law in the Water Code of the State of California, as a California Water District, Bear Valley Water District may, by resolution, elect to transfer the levy, collection, and enforcement of assessments for unpaid wastewater service fees to Alpine County (Wat. Code §37203).

The service fee assessments are then levied and collected at the same time, in the same manner, and with the same penalties and interest as general county taxes. When collected, the assessments are paid to the District.

Each year prior to August 1, the Office Manager presents a list of delinquent accounts to the Board of Directors. The Board of Directors holds a public hearing each year at a regularly scheduled meeting to provide any customer listed for transfer of collection to Alpine County an opportunity to speak on their behalf in front of the Board. Following the public hearing, the Board votes to approve those accounts to send to the County for collection through the county tax roll.

4. OTHER FINANCIAL SAFEGUARDS

4.1. PERSONNEL RECORDS SYSTEM

Access to the personnel records system is controlled to assure the confidentiality, privacy, and appropriate access to records and reliability of data. Access is limited to the General Manager, and key administrative staff. Hard copy personnel files are maintained in locked file cabinets. The files contain all personnel related information in sections, including:

- 4.1.1.** Employee selection documents (resume, application, test results, offer letter, etc.).
- 4.1.2.** Employee performance documents (evaluations and disciplinary actions).
- 4.1.3.** Employee development (training certificates, education records, specialized licenses).
- 4.1.4.** Miscellaneous data (employee handbook receipt, requests to inspect personnel file, leave of absence requests, attendance records, letter of resignation, termination records and other employment related documents).

Additionally, one file containing all Form I-9's for current employees eligible to work in the United States is maintained. Access is controlled by the Office Manager.

4.2. DISTRICT CREDIT CARDS

The District's Credit Card Policy establishes procedures and provides guidelines for the permissible use of District credit cards when issued by the Bear Valley Water District. Permitting authorized payments by credit card improves District efficiency in the Accounts Payable process saving the District time and money.

The District credit card is a purchase card system benefiting the District and the District's authorized users by allowing purchases to be made from vendors for certain types of goods and/or services that are not available through other procurement means or where it is more expeditious or urgent to utilize the credit card. To ensure proper control, the District shall limit the use of credit card purchases to those that meet the criteria as defined by this policy.

4.2.1 Authorization

The District Manager or Office Manager shall have discretion of which employees shall have use of the District's credit card. However, only those employees with purchasing authority may be granted use of a District credit card. District employees must receive approval from the District Manager and/or Office Manager to have permission to use the District's credit card. District purchasing authority governs the use of a District credit card as a tool for purchasing materials and services approved for purchase.

The District credit card may be used only by authorized users who have authority to buy goods and services on behalf of the District. Each user is responsible for ensuring safeguard of the credit card information.

4.2.2 Compliance with Policy

Purchases made under this credit card policy shall comply with the District's purchasing policy and only following approval by the District Manager or Office Manager. The card user agrees to comply with all applicable District policies and procedures and this agreement.

Use of the District credit card is restricted to the purchasing of those goods or services that cannot be procured through normal procedures. All goods and services purchased by the District should generally be acquired through credit extended by the District's vendors to the District whenever possible and paid by approved invoice within the agreed credit terms of the vendor.

4.2.3 Violations and Consequences

Card user violations of this policy may result in any or all of the following actions, including but not limited to: written warning, revocation of credit card privileges, cancellation of delegation of purchasing authority, disciplinary action, termination and/or criminal prosecution.

The District Manager and/or Office Director have the authority to determine whether a violation of this credit card policy has occurred and to determine the action deemed most appropriate pursuant to applicable law and/or District policy.

Violations of credit card usage include but are not limited to:

- Purchase of items for personal use
- Use of the credit card for cash advances
- Exceeding the credit card account credit line limit
- Purchase of items in violation of the District's travel policy
- Failure to return the credit card when card user is reassigned, terminated or upon request
- Failure to turn in packing slips, receipts or other back up documentation to the District Office Manager within three (3) business days of the purchase
- Sharing the credit card or card account number with unauthorized users

4.2.4 Ownership and Cancellation of the District Credit Card

The credit card remains property of the District. It may not be transferred to, assigned to, or used by anyone other than an authorized user of the District. Users of the credit card are accountable for the activity on the card. The issuer or the District may suspend or cancel user privileges at any time for any reason. If the user is in possession of a card, the user will surrender the credit card upon request to the General Manager or Office Manager.

4.2.5 Receipts

It is the responsibility of each credit card user to obtain transaction receipts from the merchant each time the credit card is used, including telephone and internet charges. These are to be immediately forwarded to the General Manager or Office Manager for review and ensure eligibility for payment. Failure to provide the required documentation for payment processing may subject the user to the Violations and Consequences provisions of this policy, including recovering the costs of any non-District purchase from the card user.

The District shall keep statement data and proof of reconciliation, including receipts and packing slips, on file for a period consistent with the record retention requirements of the law. Failure to provide receipts and allow for timely payment of the credit card purchase will also subject the purchasing department to finance charges on the charge.

4.2.6 Disputed Items

It is each user's responsibility to follow-up on any erroneous charges, returns or adjustments to ensure proper credit is given on subsequent statements.

4.2.7 Safeguarding an Issued Credit Card

An issued credit card or card account number should always be treated with utmost care and should be kept in a secure location and protected from misuse by unauthorized users. When using the credit card for internet purchases, users should ensure that the site utilizes industry recognized encryption transmission tools.

4.2.8 Lost or Stolen Credit Cards

If a credit card is lost or stolen, contact the Office Manager immediately, who will make contact with the issuer and take the appropriate steps to protect the account from unauthorized purchases.

4.3. PERSONNEL MANUAL

This Bear Valley Water District Personnel Manual is intended to explain the terms and conditions of employment for all full, part-time and temporary employees as well as supervisors and managers. Written employment contracts between the Bear Valley Water District and some individuals may supersede some of the provisions of this handbook.

The manual summarizes the policies and practices in effect at the time of publication. This manual supersedes all previously issued handbooks and any policy or benefit statements or memoranda that are inconsistent with the policies described. The procedures are designed to ensure that employees receive the appropriate benefits as specified in the Personnel Manual.

The General Manager is responsible for the administration and documentation of all benefits as listed in the BVWD Personnel Manual. The benefits may be adjusted by a majority vote of the Board of Directors at a properly noticed meeting of the Board.

4.4. EMPLOYEE BENEFITS

The Bear Valley Water District is committed to providing the following benefits for eligible employees. Benefit eligibility may be dependent upon your employee classification (full-time/part-time vs. temporary employee, for example) and on length of continuous employment at the Bear Valley Water District. Benefit eligibility requirements may also be imposed by the plans themselves.

The District will provide medical, dental and vision plans for participation by eligible District employees and their qualifying dependents. The District will pay 100 % of the premium for medical, dental and vision insurance for employees. The District will provide for enrollment in the plans for qualifying dependents but the premium for these dependents is to be paid entirely by the employee by automatic payroll deduction.

Upon becoming eligible for certain employee benefit plans, the actual benefits available will be described in the benefits booklet and Summary Plan Description document which will describe the benefits in greater detail. For information regarding employee benefits and to answer any questions you may contact the Office Manager.

The District reserves the right to modify, amend or terminate benefits and to modify or amend benefit eligibility requirements at any time and for any reason, subject to any legal restrictions.

The District offers the following employee benefits:

- Holiday pay
- Vacation pay
- Vacation accrual
- Sick leave

- Medical, dental, vision benefits
- Retirement benefits
- Life Insurance
- Long term disability benefits
- Cash In-Lieu benefits
- Workers' Compensation Insurance
- Social Security Insurance
- Unemployment Insurance

4.5. RETIREMENT

Bear Valley Water District offers a District sponsored Defined Contribution Plan managed by Mission Square Retirement (formerly ICMA-RA). The Office Manager prepares and sends all contributions to the plan.

The following public employer plans qualify as governmental retirement plans and the District offers these plan options to qualifying staff:

- Section 401(a) – Qualified Plan
- Section 457(b) – Nonqualified, eligible deferred compensation plans for state and local governments and tax-exempt organizations

Pursuant to current District policy regarding retirement plan contributions, the District will contribute both a 3% "grant" of each qualifying employee's compensation and up to a 3% match of each qualifying employee's deferred compensation into the employee's retirement plan(s).

4.6. TRAVEL POLICY

Travel policies and procedures assure that all travel costs are pre-authorized, documented and are consistent with applicable regulations.

4.6.1. Mileage Reimbursement

- 4.6.1.1. The reimbursement rate for privately owned vehicles is the rate paid by Federal agencies for the use of private vehicles, unless otherwise established by the Board of Directors, not to exceed the current GSA rates.
- 4.6.1.2. Mileage reimbursement forms must be completed in ink or typed and signed by the employee and submitted to the General Manager. Reimbursement for mileage expense is made along with other vendor payments.
- 4.6.1.3. Mileage Reimbursement records are maintained by the General Manager or Office Manager.
- 4.6.1.4. Employees are required to have proof of auto insurance on file with the Office Manager. Employees will not be reimbursed for mileage unless proof of insurance is on file for the period in which mileage is incurred.

4.6.2. Travel out of service area

- 4.6.2.1. Travel out of the Bear Valley Water District service area must be pre- approved by the General Manager or other designee. Travel out of state requires pre-approval by the Board of Directors.
- 4.6.2.2. Federal per diem guidelines apply unless otherwise established by the board, not to exceed the current Federal GSA rates. Exceptions may be approved by the Board of Directors.

4.6.2.3. The General Manager or other designee may approve travel advances for employees. When authorized, the Office Manager will process a Travel Advance Request for employees based on estimated per diem and other anticipated travel costs.

4.6.2.4. Following a trip, employees will submit to the Office Manager a properly authorized Travel Expense Report. The report must detail all expenses, and required receipts must be attached. The report will reconcile the advance funds received and will show funds to be returned to Bear Valley Water District or additional expenses to be paid to the employee.

4.6.3. Board of Directors Travel and Reimbursements

4.6.3.1. Bear Valley Water District Board members may be paid allowances and reimbursements for business expenses incurred in the performance of their duties.

4.6.3.2. Claims for reimbursement must be approved by the General Manager.

4.7. PROPERTY, INVENTORY AND CONTROL

Bear Valley Water District property inventory procedures provide for management control of Bear Valley Water District owned property and documentation of property for potential insurance losses and tax reporting. All property in excess of \$100.00 in value but less than the established capitalization threshold at the time of original purchase is included in inventory.

4.7.1. Bear Valley Water District will maintain property records to reflect furniture and equipment purchased, including tagging of these items, and include location, changes, deletions, etc.

4.7.2. Every year a physical inventory and of all furniture and equipment plus estimates of supplies on hand is completed prior to year-end. Any discrepancies are brought to the attention of the General Manager for appropriate action.

4.7.3. Equipment to be retired is documented with an explanation for release. The listing of equipment to be retired is authorized by the General Manager. Any salvage value received is so noted on the records as miscellaneous income.

4.8. CAPITAL ASSETS POLICY

The District's Capital Assets Policy establishes the capitalization threshold for capital assets. The Bear Valley Water District (the District) will maintain a capital asset management system that will meet external financial reporting requirements and the needs of the District in line with these policies.

Generally, the capitalization threshold for capital assets will be an original cost of \$5,000 or more (recorded as an asset on the balance sheet versus expensing the item). Specific capitalization requirements are described as follows:

- a. All land will be capitalized regardless of cost
- b. Buildings, land improvements and infrastructure will be recorded if cost exceeds \$5,000.
- c. All other assets must cost \$5,000 or more and have a useful life of three (3) or more years.
- d. The capitalization threshold is applied to individual units of capital assets rather than groups. For example, ten desks purchased for \$1,000 each will not be capitalized even though the total (\$10,000) exceeds the threshold of \$5,000.

- e. For purposes of capitalization, the threshold will generally not be applied to components of capital assets. For example a keyboard, monitor and central processing unit purchased as components of a computer system will not be evaluated individually against the capitalization threshold. The entire computer system will be treated as a single asset. The capitalization threshold will be applied to a network if all component parts are required to make the asset functional.
- f. Repairs to existing capital assets will generally not be subject to capitalization unless the repair extends the standard useful life of the asset
- g. Improvements to existing capital assets will be presumed by definition to extend the useful life of the related capital asset and therefore will be subject to capitalization if the cost exceeds \$5,000. Capital Assets are defined as land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

Fixed assets may be acquired through direct purchase, lease-purchase or capital lease, construction, eminent domain, tax foreclosures, donations and gifts purposes.

Capital assets are recorded at their "historical cost," which is the original cost of the assets. Donations accepted by the District will be valued at the fair market value at the time of donation. Costs include purchase price (less discounts) and any other reasonable and necessary costs incurred to place the asset in its intended location and prepare it for service.

According to GASB 34, an estimate of the original cost is allowable in the absence of historical records. Standard costing is one method of estimating historical cost using a known average installed cost for a like unit at the estimated date of acquisition. When necessary the District will use whichever method gives the most reasonable amount based on available information.

4.9. EQUIPMENT DEPRECIATION

The purpose of depreciation is to recognize the decreased value of the property over time (useful life) and to quantify this 'usage' as an expense to each cost center deriving benefit from its use.

The District will record depreciation expense on all capital assets, except for land. The District will use straight-line depreciation using the end of-year convention. Depreciation will be calculated starting the year after acquisition and will end the year of disposition or after the completion of the estimated useful life of the asset, whichever occurs first.

In the event of disposition before the end of the estimated useful life, the remaining un-depreciated value of that asset shall be subject to a one-time write-off in the year of disposition. Otherwise, depreciation will be calculated over the estimated useful life of the asset.

- 4.9.1 A fixed asset, as previously defined, is depreciated according to the Bear Valley Water Capital Assets Policy.
- 4.9.2. The Capital Assets Policy sets the useful life of property types (Buildings, Capital Assets, Furniture & Equipment, Vehicles, etc.) Depreciation Schedules are prepared for the full fiscal year utilizing the guidelines of the Capital Assets Policy.
- 4.9.3. A separate schedule is made for each property/asset type. The schedule is prepared by the District's auditor and maintained by the Office Manager. As depreciable property is purchased, it is added to the depreciation schedule in the month following purchase/installation.

- 4.9.4. A recurring journal entry is set up for posting each year, charging the depreciation expense to the appropriate fund(s).

4.10. AUDITS

Bear Valley Water District is required to have a financial audit on an annual basis. Periodically, as determined by the State Controller, a Request for Proposal is sent to audit firms qualified to provide the type of audit that meets Bear Valley Water District. Acceptance of the audit contract will be evidenced by a signed audit engagement letter that contains the type of service to be provided, the timeframe for providing the service, the cost for the service including incidental expenses, the term of the engagement and a clause stating "if unanticipated issues arise during the course of the audit that will result in additional fees, the audit firm will notify BVWD and obtain written approval prior to incurring additional costs".

The audit will be presented to the Board by the General Manager and accepted by the Board of Directors based upon recommendation.

4.11. TAXES AND REPORTING REQUIREMENTS

- 4.11.1. The auditor prepares Form 990 "IRS Return of Organization Exempt from Income Tax," and other forms required by the State of California. The Office Manager is responsible for submitting the audited Accountants Compilation Report and the Special Districts Financial Transactions Report to the State Controller's Office by the deadlines issued by their office.

4.12. GRANTS AND CONTRACTS

Contract and grant documents are reviewed and approved by appropriate program staff, as well as the General Manager, prior to being approved by the Board of Directors.

- 4.12.1. The General Manager will carefully review each award to ensure that Bear Valley Water District will be in compliance with all financial provisions.
- 4.12.2. Original copies of signed grants and contracts are filed in the contract file with copies to the General Manager.
- 4.12.3. The General Manager will designate the appropriate staff responsible for preparation of reports, payment requests and/or invoices.
- 4.12.4. The Office Manager will maintain individual contract files containing copies of the grant/contract, any amendments, relevant correspondence regarding the grant/contract, and reports of expenditures or billings.

4.13. BUDGETS

The Bear Valley Water District's Board of Directors adopts operating and capital budgets annually. The District's budget is intended to provide the fiscal year's work plan. Funding details for annual programs and capital projects are included in the budget.

Pursuant to Section 61110 of the California Government Code, preliminary budgets are generally approved at the Board's June meeting and no later than July 1 each year. The District's final fiscal year budget is then

generally approved at either the Board's July or August meeting but always on or before September 1 each year.

The District's fiscal year begins on July 1 and ends on June 30. Budgets provide a standard by which to measure performance, encourage planning, and allocate resources in accordance with funding source requirements. Budgets should use reasonable assumptions of income and expenses. All budget assumptions should be documented to facilitate a thorough analysis and evaluation, not only of the budget, but of the actual revenue and expenditures as they relate to the budget.

- 4.13.1. The organization budget is prepared by the General Manager with input from the Board of Directors. Budgets are estimates of the financial transactions for the year, based on previous years' spending and evaluating operation changes or needs.
- 4.13.2. The General Manager will submit an annual organization budget to the Board of Directors for their approval.
- 4.13.3. The Operations & Maintenance (O&M) and Capital Improvement Projects (CIP) budgets are established and approved by the Board of Directors. A long-term (5 – 15 year) plan for the Asset Management Program and Capital Improvements shall be reviewed annually and modified as needed.
- 4.13.4. Reports outlining budgeted amounts compared to actual spending will be presented to the Board of Directors at each regular meeting of the Board.

4.14. INTERNAL REPORTING

Reports assist the Board of Directors, General Manager, and funders with managing and controlling of program activities and financial resources.

- 4.14.1. Monthly financial reports, including a revenue and expense report for all accounts and balance sheet where appropriate, will be provided to the Board of Directors at each regular meeting of the Board.
- 4.14.2. The Office Manager will prepare monthly, quarterly and/or annual reports at the direction of the General Manager.
- 4.14.3. The General Manager or designee will review the reports to the funding sources.
- 4.14.4. The General Manager will prepare and maintain, on a current basis, a listing of reports and due dates for funding sources.
- 4.14.5. It is the responsibility of the General Manager to ensure that all financial reports are submitted on a timely basis.

4.15. SURPLUS EQUIPMENT POLICY

The District's Personal Surplus Property Policy establishes the authority and procedure for the disposition of the District's surplus personal property. All disposition of personal property shall adhere to this Policy, except as otherwise determined by the Board.

The District Manager is the designated Surplus Personal Property Agent. The Agent may delegate all or a portion of the Surplus Personal Property disposal duties to any District staff member. The Agent shall have the authority to:

- a. Authorize the disposition of Surplus Personal Property in accordance with the procedures outlined in this Policy;
- b. Enter into and sign any contracts for the disposition of Surplus Personal Property the Agent determines are beneficial to the District;
- c. Prepare and recommend to the Board any methods for disposing of Surplus Personal Property requiring Board approval in this Policy;
- d. Establish and maintain such forms as the Agent deems reasonably necessary to the dispose of Surplus Personal Property.

5. RECORDS RETENTION

The purpose of this policy is to provide guidelines to staff regarding the retention or disposal of BVWD records; provide for the identification, maintenance, safeguarding and disposal of records in the normal course of business; ensure prompt and accurate retrieval of records; and ensure compliance with legal and regulatory requirements.

Vital and important records, regardless of recording media, are those having legal, financial, operational, or historical value to the District.

5.1. AUTHORIZATION

The General Manager is authorized by the Board of Directors to interpret and implement this policy, and to cause to be destroyed any or all such records, papers and documents that meet the qualifications governing the retention and disposal of records, specified below.

5.2. GUIDELINES

Pursuant to the provisions of California Government Code §61000 et seq. Bear Valley Water Districts, and the guidelines prepared by the State Controller's office and the Controller's Advisory Committee for Special Districts, the following qualifications will govern the retention and disposal of records of the Bear Valley Water District.

- 5.2.1. Duplicate records, papers and documents may be destroyed at any time without the necessity of Board authorization or copying to photographic or electronic media.
- 5.2.2. Originals of records, papers and documents more than two (2) years old that were prepared or received in any manner other than pursuant to State or Federal statute may be destroyed without the necessity of copying to photographic or electronic media.
- 5.2.3. In no instances are records, papers or documents to be destroyed where there is a continuing need for such records for such matters as pending litigation, special projects, etc.
- 5.2.4. Records, papers or documents which are not expressly required by law to be filed and preserved may be destroyed if all of the following conditions are met:
 - 5.2.4.1. Any accounting record except the journals and ledgers which are more than five years old and which were prepared or received in any manner other than pursuant to State statute may be authorized for destruction, provided that:
 - 5.2.5. There is no continuing need for said record, i.e., long-term transactions, special projects, pending litigations, etc.
 - 5.2.6. There exists in a permanent file, an audit report or reports covering the inclusive period of said record, and that;
 - 5.2.7. Said audit report or reports were prepared pursuant to procedures outlined in Government Code Section 26909 and other State or Federal audit requirements, and that; and,
 - 5.2.8. Said audit or audits contain the expression of an unqualified opinion.
 - 5.2.9. Any accounting record created for a specific event or action may be destroyed upon authorization five years after said event has in all respects terminated. Any source document detailed in a register, journal, ledger or statement may be authorized for destruction five

years from the end of the fiscal period to which it applies. The following may be destroyed at any time:

- 5.2.9.1. Duplicated (original-subject to aforementioned requirements).
- 5.2.9.2. Rough drafts, notes or working papers (except audit).
- 5.2.9.3. Cards, listings, nonpermanent indices, other papers used for controlling work or transitory files.
- 5.2.10. All payroll and personnel records shall be retained indefinitely. Originals may upon authorization be destroyed after seven years retention, provided said records have been microfilmed and qualify for destruction section 4, above. Payroll and personnel records include the following:
 - 5.2.10.1. Accident reports, injury claims and settlements.
 - 5.2.10.2. Medical histories.
 - 5.2.10.3. Injury frequency charts.
 - 5.2.10.4. Applications, changes and terminations of employees.
 - 5.2.10.5. Insurance records of employees.
 - 5.2.10.6. Time cards.
 - 5.2.10.7. Classification specifications (job descriptions).
 - 5.2.10.8. Performance evaluation forms.
 - 5.2.10.9. Earning records and summaries.
 - 5.2.10.10. Retirements.
- 5.2.11. All assessing records may upon authorization be destroyed after seven years retention from lien date; however, their records may be destroyed three years after the lien date when said records are microfilmed as provided for section 4, above.
- 5.2.12. Records of proceedings for the authorization of long-term debt, bonds, warrants, loans, etc., after issuance or execution may be destroyed if microfilmed as provided for in section 4, above. Terms and conditions of bonds warrants, and other long-term agreements should be retained until final payment, and thereafter may be destroyed in less than ten years if microfilmed as provided for in section 4, above. Paid bonds, warrant certificates and interest coupons may be destroyed after six months if detailed payment records are kept for ten years.
- 5.2.13. Minutes of the meetings of the Board of Directors are usually retained indefinitely in their original form. However, they may upon authorization be destroyed if said minutes are microfilmed as provided for in section 4, above. Recording tapes (or other media) of Board meetings will be kept for a period of one year from the date of the recorded meeting, after which they will be destroyed.
- 5.2.14. Construction records, such as bids, correspondence, change orders, etc., shall not be kept in excess of seven years unless they pertain to a project which includes a guarantee or grant and, in that event, they shall be kept for the life of the guarantee or grant plus seven years. As-built plans for any public facility or works shall be retained as long as said facility is in existence.
- 5.2.15. Contracts should be retained for its life plus seven years. Any unaccepted **bid or** proposal for the construction or installation of any building, structure or other public work which is more than two (2) years old may be destroyed.
- 5.2.16. Property records, such as documents of title, shall be kept until the property is transferred or otherwise no longer owned by the District.

5.3. RETENTION OF ELECTRONIC MAIL (E-MAIL) POLICY

- 5.3.1. The purpose of this portion of the policy is to: provide guidelines to staff regarding the retention or disposal of Bear Valley Water District electronic mail ("e-mail") which generates correspondence and other documentation considered public records (hereinafter "Official District Records") in need of protection/retention in accordance with the California Public Records Act (Gov. Code §§ 6250-6276.48). The Bear Valley Water District's (the "District") e-mail system is intended as a medium of communication only. Therefore, the District's e-mail system should not be used to store or maintain documents, including, but not limited to, Official District Records.
- 5.3.2. In the event a records request or court-issued demand is made for e-mail, the employees having control over such e-mail, once they become aware of the request or demand, shall use their best efforts, by any responsible means available, to temporarily preserve any e-mail which is in existence until it is determined whether such e-mail is subject to preservation, public inspection or disclosure.
- 5.3.3. The Public Records Act states that "public records" include "any writing containing information relating to the conduct of the public's business prepared, owned, used or retained by any state or local agency regardless of physical form or characteristics." (Gov. Code § 6252, subd. (e).) The Public Records Act also defines "writing" as "handwriting, typewriting, printing, photo stating, photographing, photocopying, transmitting by electronic mail or facsimile, and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combination thereof, and any record thereby created, regardless of the manner in which the record has been stored." (Gov. Code § 6252, subd. (g), emphasis added.)
- 5.3.4. According to the preceding definitions, e-mail messages and any attachments regardless of format are, in fact, public records and are subject to the provisions of the Public Records Act as well as legal requirements for retention of public records. The preceding definitions also include any messages sent through a cell phone or other electronic device that end up as e-mail to or from any District employee.
- 5.3.5. It is the responsibility of individual employees to determine if e-mail is an Official District Record which must be retained in accordance with the District's Records Retention Policy. Generally, an e-mail message and any attachments regardless of format may be considered an Official District Record if it: (1) is created or received in connection with official District business; (2) documents the formulation and implementation of District policies and decisions; or (3) initiates, authorizes or completes a transaction of official District business.
- 5.3.6. Preliminary drafts, notes or interagency or intra-agency memoranda which are not retained by the District in the ordinary course of business are generally not considered to be Official District Records subject to disclosure.

Employees are encouraged to delete documents which are not otherwise required to be kept by law or whose preservation is not necessary or convenient to the discharge of your duties or the conduct of the District's business. Examples of e-mail messages that are not generally considered Official District Records may include: (1) personal messages and announcements not related to official District business; (2) messages with attached copies or extracts of documents distributed for convenience or reference (with the original documents being preserved according to the District's Records Retention Policy); and (3) messages that are essentially cover notes or distribution slips. The District's General Counsel can assist you in determining whether an e-mail message is required to be retained and/or

is necessary or convenient to the discharge of your duties or the conduct of the District's business.

- 5.3.7. Any e-mail message, including any attachments regardless of format, which can be considered an Official District Record must be preserved in accordance with the retention periods specified in the District's Records Retention Policy. Generally, the District employee who sends an e-mail that qualifies as an Official District Record should be the person responsible for preserving that e-mail, but persons responsible for a particular program or project file shall also be responsible for preserving all e-mail they send or receive related to that program or project. District employees may print and file hard copies of e-mail messages that must be preserved. Employees may also save e-mail messages electronically, in electronic folders separate from their regular e-mail inboxes. However, e-mail messages must not be stored in an employee's regular inbox. Many types of e-mail can also be stored electronically as a Word document. However, all e-mail messages that are retained electronically must be easy to retrieve, view and print out, if necessary.
- 5.3.8. For projects that involve two or more employees, any e-mails pertaining to a specific project should be retained in that project's central file(s). Employees should work with Information Technology staff on the best method for central storage of e-mails on a project to make sure the e-mails remain easily accessible to everyone.
- 5.3.9. In addition, any e-mail messages that relate to a claim or a potential claim against the District must be preserved. Likewise, any e-mail messages that may relate to a lawsuit filed against the District, even if a subpoena or court order for such e-mail messages has not yet been issued, must be preserved. Under newly enacted federal rules regarding electronic discovery, any information stored electronically, including e-mail messages, must be produced for a requesting party. A court can impose severe penalties if e-mail messages relevant to a lawsuit are deliberately destroyed when it is known, or should have reasonably been anticipated, that a claim or lawsuit could be filed against the District. There are no penalties if electronic information is "lost" through "the routine operation of an electronic information system" (i.e., automatic deletion after a period of time; automatic overwriting of backup tapes, etc.). (Rule 37(f) of the Federal Rules of Civil Procedure.) However, the District has a duty to preserve any relevant data when there is even a hint of possible litigation. Therefore, when District employees become aware of a potential claim, an actual claim, or a lawsuit against the District, they must preserve any e-mail messages and attachments that have any information relevant to that matter. The District's General Counsel can provide you with guidance on these issues.

6. RISK MANAGEMENT AND INSURANCE

In the implementation of the Risk Management, Bear Valley Water District will ensure those risks which Bear Valley Water District deems appropriate using an insurance professional who is knowledgeable about the market, who understands or is willing to learn about Bear Valley Water District operations, is an assertive advocate for Bear Valley Water District's interests, and is organized and responsive to Bear Valley Water District's needs. Cal Mutuals JPRIMA has covered the BVWD for a number of years, providing us with Liability Insurance. The Zenith Insurance Company provides Worker's Compensation coverage.

7. INVESTMENT POLICY

The Investment Policy for the Bear Valley Water ("the District") establishes procedures that are formulated in compliance with governing provisions of law (Government Code Sections 53600 et seq.) for a prudent and systemic investment program in support of the District's overall mission. The District's General Manager shall, if so directed by the Board of Directors, periodically prepare or cause to be prepared a statement of investment policy and such policy, and any changes thereto, shall be considered by the Board at a public meeting; (CGC 53646(a)). This Policy covers all funds and investment activities under the direct authority of the District with the exception of deferred compensation assets. The District's investment process and Policy is subject to annual review and evaluation at a public forum.

The primary objectives of the District's investment activities shall be, in order of priority:

1. Safety. The safety of principal is the foremost objective of the District's investment program. The District's investments shall be undertaken in a manner that shall strive to preserve the District's capital.
2. Liquidity - The District's secondary objective shall be to meet its liquidity needs. The investment portfolio shall maintain sufficient liquidity to enable the District to meet all operating requirements which might be reasonably anticipated.
3. Yield - Yield shall become a consideration only after the basic requirements of safety and liquidity have been met. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk, constraints and the cash flow characteristics of the portfolio.

7.1. COMPLIANCE

The Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (California Government Code (CGC) §53600.6 and §53630.1); and Government Code Sections 5921 and 53601, et seq., allow the legislative body of a local agency to invest surplus monies not required for the immediate necessities of the local agency.

The General Manager is required to annually prepare and submit a statement of investment policy and such policy, and any changes thereto, is to be considered by the local agency's legislative body at a public meeting (CGC §53646(a)).

For these reasons, and to ensure prudent and responsible management of the public's funds, it is the policy of the BVWD to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all statutes governing the investment of BVWD funds.

7.2. ACCOUNTS

This investment policy applies to all financial assets of BVWD. These funds are accounted for in the Independent Annual Financial Report and include: Demand Account: Investments:

7.3. RESPONSIBILITIES

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be

derived. The standard of prudence to be used by investment officials shall be the "prudent investor" standard (CGC §53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations for expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

7.4. OBJECTIVES

As specified in CGC §53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives of the investment activities, in priority order, shall be:

- 7.4.1. Safety - Safety of principal is the foremost objective of the investment program. Investments of BVWD shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
- 7.4.2. Liquidity: The investment portfolio will remain sufficiently liquid to enable BVWD to meet all operating requirements which might be reasonably anticipated.
- 7.4.3. Return on Investments: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

7.5. DELEGATION OF AUTHORITY

Authority to manage an investment program is derived from California Government Code Sections 53600, et seq. Management responsibility for the investment program is hereby delegated by the Board to the General Manager, for a period of one-year, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked. Subject to review, the Board may renew the delegation of authority each year. The General Manager may delegate the day-to-day operations of investing to his/her designee(s) but not the responsibility for the overall investment program. The General Manager and/or his/her designee(s) shall make all investment decisions and transactions in strict accordance with state law and with this Policy.

If authorized by the Board, the General Manager and/or his/her designee(s) may utilize an external investment advisor to assist with investment decision-making and trade execution authority. The investment advisor shall be under the supervision of the General Manager and/or his/her designee(s) and shall follow this Policy and such other written instructions as are provided.

The General Manager, his/her designee(s) and/or the designated investment officers, acting in accordance with written procedures and policies and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

7.6. ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

7.7. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

It shall be the District's policy to purchase securities only from authorized institutions and firms. No deposit of public funds shall be made except in a qualified public depository as established by state laws. If an external investment advisor is authorized to conduct investment transactions on the District's behalf, the investment advisor may use its own list of approved broker/dealers and financial institutions for investment purposes consistent with the District's policies and existing laws.

For broker/dealers of government securities and other investments, the District shall select only broker/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission, the Financial Industry Regulatory Authority or other applicable self-regulatory organizations.

Before engaging in investment transactions with a broker/dealer, the General Manager and/or his/her designee(s) shall have received from said firm written acknowledgement attesting that the individual responsible for the District's account has reviewed the District's Investment Policy and that the firm understands the policy and intends to present investment recommendations and transactions to the District that are appropriate under the terms and conditions of this Investment Policy.

7.8. AUTHORIZED AND SUITABLE INVESTMENTS

The type, quality and percent composition within the portfolio shall be in full compliance with Government Code Section 53601 et seq., as amended by periodic action of the State Legislature. All investment types and the limitations under this policy are listed in Appendix A.

In the event a security held by the District is subject to a rating change that brings it below the minimum credit ratings specified in this policy, the General Manager and/or his/her designee(s) shall notify the Board of the change.

Subject to extraordinary circumstances and after review by the board, the General Manager and/or his/her designee(s) shall strive to liquidate and/or otherwise remove any such security from the District's investment portfolio in a timely manner. In some extraordinary circumstances, the District may have to accept some delays in order to minimize additional losses tied to expedited liquidation. In all cases, though, the focus should remain on avoiding loss of principal, forward-looking safety and liquidity.

7.9. COLLATERALIZATION

All certificates of deposits must be collateralized by U.S. Treasury Obligations. Collateral must be held by a third-party trustee and valued on a monthly basis. The percentage of collateralization on repurchase and reverse repurchase agreements will adhere to the amount required under CGC §53601(i)(2).

7.10. SAFEKEEPING AND CUSTODY

All deliverable security transactions entered into by the District shall be conducted on a delivery versus-payment (DVP) basis. To protect against potential losses by collapse of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all securities owned by the District shall be held in safekeeping by a third party bank trust department, acting as agent for the District under the terms of a custody agreement executed by the bank and by the District. The only exception to the foregoing shall be depository accounts and securities purchases made with: (i) LAIF and government investment pools and, (ii) money market funds, since the purchased investments are not deliverable. Evidence of each these investments will be held by the District.

7.11. DIVERSIFICATION

BVWD will diversify its investments by security type and institution. It is the policy of the BVWD to diversify its investment portfolio. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. Diversification strategies shall be determined and revised periodically. In establishing specific diversification strategies, the following general policies and constraints shall apply:

- 7.11.1. Portfolio maturities shall be matched versus liabilities to avoid undue concentration in a specific maturity sector.
- 7.11.2. Maturities selected shall provide for stability of income and liquidity.
- 7.11.3. Disbursement and payroll dates shall be covered through maturities investments, marketable U.S. Treasury bills or other cash equivalent instruments such as money market mutual funds.

7.12. REPORTING

The General Manager and/or his/her designee(s) shall maintain a complete and timely record of all investments and transactions. The General Manager and/or his/her designee(s) shall submit a monthly investment report to the District.

7.13. INVESTMENT POLICY REVIEW

This Investment Policy shall be reviewed on an annual basis, and the Board of Directors must approve modifications.

8. RESERVE FUND POLICY

The District's Reserve Fund Policy was developed to clearly identify specific designated reserve funds and govern how they will be managed. It is the intent of the Reserve Fund Policy to clearly identify types of reserve funds as well as define the purpose, target balance, use and funding mechanism of each fund. The adequacy of the target reserve year-end balance ranges and/or annual contributions will be reviewed annually during the budgeting process and may be revised accordingly as necessary. The Board of Directors has established the following reserve funds and policy objectives.

8.1 SEWER OPERATIONS AND MAINTENANCE (O&M) EMERGENCY RESERVE FUND

- 8.1.1 Fund Type: Assigned Fund (GASB 54) - The District's Assigned Fund balance classification reflects a fund that the Board of Directors intends to be used for specific purposes but is subject to neither the restricted nor committed levels of constraint bound by legislation or formal Board action. As an Assigned Fund, this lower level of constraint provides for more flexibility by the General Manager to access and utilize this fund as emergencies arise.
- 8.1.2 Purpose: To ensure cash resources are available to fund the daily administration, operation and maintenance activities necessary to provide District services in the event of unplanned major maintenance or equipment failure.
- 8.1.3 Target Balance: A minimum of three (3) months of O&M expenses to fund the District's operational expenditures during a potential emergency.
- 8.1.4 Methodology/Rationale: The District is required to have sufficient cash flow to meet the next three months of budgeted District expenditures (Government Code Section 53646(b)(3)). In addition to holding enough cash for 3 months of operating expenses, industry standards also suggest setting aside sufficient cash in anticipation of an emergency system failure to replace the most vulnerable component of your system or one that would cause the greatest disruption of service.
- 8.1.5 Use of Funds: This fund will be used to pay for unplanned, emergency O&M expenditures determined necessary by the Board and/or the General Manager.
- 8.1.6 Funding: Annual contributions will vary depending on the current balance of the fund and current year regular and emergency expenditures. The 5-year O&M expense average is approximately \$600,000 suggesting an O&M emergency fund balance of a minimum of \$150,000. The Agency will strive to fully fund this Reserve every year based on excess cash flow as available.

8.2 SEWER CAPITAL IMPROVEMENT PROGRAM (CIP) RESERVE FUND

- 8.2.1. Fund Type: Committed Fund (GASB 54) - The District's Committed Fund balance classification is subject to internal constraints self-imposed by formal action of the District's Board of Directors. For committed fund balances, formal action of the Board is required to establish (and modify or rescind) a commitment of fund balance.
- 8.2.2. Purpose: Fees are collected for the future replacement of existing facilities and major equipment.

- 8.2.3. Target Balance: The target balance will comprise an amount determined by the Board of Directors which considers both the District's 5-Year Capital Improvement Program (CIP) and the current total aggregate asset value as reflected in the most current depreciation schedule. The District records depreciation using the straight-line method over the estimated useful lives of facilities and equipment. The 5-Year CIP assumes replacement of capital equipment equivalent to the depreciation schedule. At a minimum, the Board should allocate to the fund enough each fiscal year to adequately fund the 5-Year CIP.
- 8.2.4. Methodology/Rationale: The Capital Improvement Program (CIP) reserve fund is for system rehabilitation, long term equipment replacement and equipment and component purchases that meet the District's Capital Assets Policy. The fee is collected through ratepayer service fees to replace District facilities and equipment as they reach the end of their useful life and also to handle unanticipated repairs during the life-cycle. A key objective for accumulating capital reserves is to minimize external borrowing and interest expenses.
- 8.2.5. Use of Funds: The CIP Reserve Fund will be used to replace facilities and equipment as necessary to continue reliable and efficient delivery of District services. The Board of Directors will authorize use of planned capital reserves during the budget process. Capital reserves are also available for unplanned (unbudgeted) capital replacement projects.
- 8.2.6. Funding: At a minimum, the target annual funding amount of the CIP Fund should reflect the approved annual budgeted depreciation amount in conjunction with the approved 5-Year CIP Plan. However, by vote of the Board of Directors, this reserve fund balance may be fully funded either at once or incrementally to provide for capital reserves sufficient to cover the District's total depreciated fixed asset position.

8.3 SEWER SYSTEM CAPACITY CHARGE RESERVE FUND

- 8.3.1. Fund Type: Restricted Fund (GASB 54) - The District's Restricted Fund balance classification reflects a fund subject to externally imposed and legally enforceable constraints which limit the District's Board to redirecting these funds to other uses or funds. The California Water Code explicitly limits public water agencies use of capacity funds collected from new customers to expanding system capacity.
- 8.3.2. Purpose: Government Code Section 66013(b)(3) does not allow us to charge new or existing customers an arbitrary amount to fund a future, undefined capacity expansion project. On the other hand, we are permitted to charge a new customer a fee that reflects an appropriate share of the historic cost of the established capacity. The amount of this fee is periodically calculated and adjusted through an engineering report that is subject to board approval. This "capacity" fee is collected from new customers and is required by law to be reserved for future capacity expansion, even if no expansion plan is in place at that time.
- 8.3.3. Target Balance: The target balance shall be set as a function of any board approved capacity enhancement plans. In the absence of any such approved plans, no specific target shall be set, but the funds shall accrue as available. At the time the District may need to expand capacity in the system, the target balance will be set at the amount as determined by the District Engineer.

- 8.3.4. Methodology/Rationale: Capacity charges are based on the capacity of the District's wastewater system to provide service to customers. Capacity charges are determined by an engineering report that establishes the basis for the charge and how it was calculated. All applicants for new or additional sewer service to the District's Sewer System shall pay a Capacity Charge as defined by Government Code Section 66013(b)(3) and District Ordinance 71 prior to issuance of a permit by the District. Capacity Charges represent the property owner's proportional capital costs associated with existing system capacity for a new sewer connection at the time of the connection. The current capacity fee calculation reflects the recommended cost for each equivalent dwelling unit (EDU) served until such time as the District reaches its current system capacity.
- 8.3.5. Use of Funds: The funds shall be used only for system capacity expansion/enhancement projects which ensure the property owner's proportional share of capacity in the system is associated with the specific capital cost for a new sewer connection at the time of the connection.
- 8.3.6. Funding: This fee is collected with each service application from a vacant parcel with the intent to connect to the wastewater system. In addition, the per new connection value of treatment and distribution capacity will be charged to all new land development projects and deposited into this account. Interest earnings will be accrued on and added to fund balance, using the District's earnings rate on investments.

9. IDENTITY THEFT PREVENTION PROGRAM (RED FLAG RULES)

Procedures for Customer Credit Security in Accordance with the Fair & Accurate Credit Transactions Act of 2003.

9.1. PURPOSE

This document was created in order to ensure the District's compliance with regulations ("Red Flag Rules") issued by the Federal Trade Commissions (FTC) as part of the implementation of the Fair and Accurate Credit Transaction Act of 2003 (FACTA). FACTA requires financial institutions and creditors to implement written programs that provide for identification, detection, and response to patterns, practices or specific activities that could indicate identity theft ("Red Flags"). The District must comply with the Red Flag Rules because it is considered a creditor; it receives payments for sewer service provided to its customers before the service is rendered.

The FTC regulations require that the program must:

1. Identify relevant Red Flags and incorporate them into the program.
2. Identify ways to detect Red Flags.
3. Describe appropriate responses to Red Flags.
4. Detail a plan for program updates.
5. Include a process for administration and oversight of the program.

This program shall, as appropriate, incorporate existing District policies and procedures that control reasonably foreseeable risks related to the protection of customer information.

9.2. ASSESSMENT OF EXISTING BUSINESS PRACTICES

Part 1 of the Identity Theft Prevention Program is used to identify areas of potential risk within the District's standard Customer Service business practices. The District has selected specific business processes associated with offering or maintaining accounts or engaging in other activities that could raise "red flags" indicating the potential for identity theft.

- 9.2.1. The District provides Customer Service personnel with the ability to request and review a customer's personal identifying information when engaging in any of the following activities:

- Open new accounts
- Access existing accounts
- Modify existing accounts
- Close existing accounts

Also, if the District has identified a past occurrence of identity theft that was linked to a customer's utility account (an unauthorized opening, modifying or closing of an account), then they must perform the actions set forth in the following Program.

9.3. IDENTIFICATION OF RED FLAGS

Part II of the Identity Theft Prevention Program assists the District in identifying Red Flags that may arise during routine handling of new and/or existing accounts. The District has identified the following items as potential Red Flag sources or categories that might indicate an instance of identity theft.

- Documents provided for identification appear to have been altered or forged.
- Photograph, physical description and/or other information on identification is not consistent with the appearance of the person presenting the identification.
- Information on the identification is not consistent with readily accessible information that is on file with the District, such as property tax records.
- Social security number presented is the same or similar to that of another customer.
- Information provided is inconsistent when compared against external information sources (address does not match any address listed online, and/or social security number has not been issued or is associated with a deceased person).
- Information provided by the customer is inconsistent with other information provided by the customer.
- Information provided is associated with known fraudulent activity (address and/or phone number on application is the same as the address provided on a previous fraudulent application).
- Information provided is of a type commonly associated with fraudulent activity (address on an application is fictitious and/or phone number is invalid).
- Customer fails to provide all required personal identifying information on an application or in response to notification that the application is incomplete (however, by law social security numbers must not be required).
- Customer cannot provide authentication information beyond that which generally would be available from a wallet.
- Account used in a way that is not consistent with prior use (such as abnormally high-water usage).
- Mail sent to the customer is returned repeatedly as undeliverable although transactions continue to be conducted in connection with the customer's account.
- District is notified that the customer is not receiving paper account statements.
- District is notified that it has opened a fraudulent account for a person engaged in identity theft.

9.4. DETECTION OF RED FLAGS

Part III of the Identity Theft Prevention Program addresses the process of detecting Red Flags as related to possible identity theft during the District's routine handling of new and/or existing accounts. The following is a list of detection methods that the District uses to prevent identity theft.

Require customers to present government-issued identification information to open a new account. Types of necessary information include:

- Copy of certified Grant Deed on property
- Name
- Address (both physical and mailing address)

- Phone numbers
- Email Address
- Independently contact the customer (in case of phone setup of new utility accounts).
- When fielding a request to access and/or modify an existing account (such as a change in billing address), verify identity of customer by requesting specific pieces of personal identifying information (identification with the new billing address and/or documentation proving shift of financial liability).

9.5. PREVENTION AND MITIGATION

Part IV of the Identity Theft Prevention Program details response actions for District personnel if the personnel have observed a Red Flag associated with a new or existing utility account. One or more of the following actions will be taken by the District to rectify the situation.

- District will not open a new account (after review of the presented identifying information and discussion with General Manager).
- For an existing account, the District may discontinue the services associated with the account and/or:
- Continue to monitor the account for evidence of identity theft and contact the customer to discuss possible actions.
- Change the passwords, security codes, or other security devices that permit access to an existing account.
- Close an existing account.
- For all instance of suspected or confirmed identity theft, the District will notify local law enforcement and will provide them with all the relevant details associated with the identity theft event.

9.6. PROGRAM ADMINISTRATION

Program administration is an important part of the Identity Theft Prevention Program. This section details the training requirements, annual program review, approval and adoption process and annual reporting requirements that are associated with this Program.

9.6.1. Staff Training

Any employee with the ability to open a new account, or access/manage/close an existing account will receive training on identifying and detecting Red Flags. They will also be trained in the appropriate response actions in the event that an instance of identity theft is suspected. Key management personnel in appropriate departments will also receive training on the contents of this Program. As necessary, employees will be re-trained annually if the Program is updated to include new methods of identifying and detecting Red Flags, or if new response actions are implemented.

9.6.2. Program Review and Update

The District will review and update the Program annually to reflect changes in risks to customers from identity theft based on factors such as:

- Experiences of the District with identity theft.
- Changes in methods of identity theft.
- Changes in methods to detect, prevent, and mitigate identity theft.
- Changes in the types of accounts that the District offers or maintains.
- Changes in the business arrangements of the District, including mergers, acquisitions, alliances, joint ventures, and service provider arrangements.

9.6.3. Program Approval and Adoption

The Program has been reviewed and approved the Bear Valley Water District Board of Directors on a regular meeting of the Board of Directors.

The District's Board of Directors has assigned the Office Manager to be responsible for the oversight, development, implementation and administration of the Program. Annually, the designated staff member will develop the annual report as described in Section 8.6.4 that will address compliance of the District with this Program. The District's Board of Directors is responsible for reviewing this report and approving material changes to the Program as necessary to address changing identity theft risks.

9.6.4. Annual Reporting

The District will provide an annual report to the District's Board of Directors that details the District's compliance with the Federal Trade Commission's Red Flag Rule. The report will address matters related to the Program and address several topic areas including:

- Effectiveness of the policies and procedures of the District in addressing the risk of identity theft in connection with the opening of new accounts and with respect to the management of existing accounts;
- Service provider arrangements;
- Significant incidents involving identity theft and management's response; and
- Recommendations for material changes to the Program.

9.6.5. Service Provider Oversight

Whenever the District engages a service provider to perform an activity in connection with one or more of the customer accounts, the District will verify that the activity of the service provider is conducted in accordance with reasonable policies and procedures designed to detect, prevent, and mitigate the risk of identity theft. To accomplish this, the District will require the service provider by contract to have policies and procedures to detect relevant Red Flags that may arise in the performance of the service provider's activities, and either report the Red Flags to the District or to take appropriate steps to prevent or mitigate identity theft.

AGENDA ITEM

DATE: JUNE 25, 2022

TO: BVWD BOARD OF DIRECTORS

FROM: JEFF GOUVEIA, DISTRICT GENERAL MANAGER

RE: FY 2022 - 23 PRELIMINARY BUDGET

BACKGROUND & DISCUSSION:

Accompanying this memorandum is a preliminary budget proposal for fiscal year 2022-23, reflecting a comparison to the current adopted fiscal year budget (FY 21-22 – Year 0) as well as a projected budget forecasting out four (4) future fiscal cycles (Years 2 - 5) coinciding with both the District's 5-year NPDES permit cycle and the 5-year rate study process.

Below is a summary of highlights of the preliminary budget proposal:

Revenue

Residential Revenue

If the proposed 6 % rate increase is successful, monthly sewer service fees would increase from \$96.35 per month to \$102.13 per month effective July 1, 2022. Aggregate annual residential revenue for FY22-23 is expected to grow 6 % or \$37,800 over the current fiscal year for a **total of \$667,800 in residential service rate revenue in FY22-23**. Further, years 2 – 5 of the preliminary budget include annual CPI-U revenue increases of 3 % each year for planning purposes. Ultimately, as proposed, the Board will review the CPI-U in each year following publishing in January for the year ending December and determine what if any CPI-U related service rate increase it believes is warranted.

Commercial Revenue

Commercial service rate revenue is volumetric. As billable flow is tied to water use and water use can vary dramatically depending on the seasonal economy of many of the District's commercial customers, commercial revenue to the District remains variable as the Bear Valley economy and the climate change.

If the proposed 6 % rate increase is successful, the cost per gallon for commercial customers would increase from \$0.068 per gallon to \$0.072 per gallon with the minimum monthly rate for commercial customers increasing from \$85.81 per month to \$102.13 per month. Of the District's (20) commercial customers, approximately (6) do not generate sufficient volume and therefore are subject to the minimum monthly charge.

As of this writing, with the economy firmly reemerging from COVID related restrictions following strong levels of vaccination and lower rates of COVID infection, commercial wastewater volume collected by the District appears to have increased nearly 24% over the previous fiscal cycle which was impacted by COVID related business closures, reductions in visitors to the area and the widespread use of portable toilets. Current estimates suggest increased commercial wastewater flows will be in excess of 589,000 more billable gallons than FY21-22 or more than 2.4 MG total gallons for the year ending June 30, 2022 compared to just 1.8 MG for the year ending June 30, 2021.

If the current flow trend continues combined with successful passage of the proposed 6 % rate increase, **commercial revenue for FY22-23 is expected to increase approximately \$48,000 to an estimated total of nearly \$180,000.**

In summary, largely as a result of a broad based return to business as usual throughout Bear Valley together with the proposed 6 % increase in wastewater service fees for both residential and commercial customers to

tentatively become effective July 1, 2022, **total service rate revenue for FY 22-23 is forecasted to be \$847,800**, an increase of roughly **10.3 % or \$ 87,934** from the anticipated year end budget revenue in the current fiscal cycle.

Expenses

Operating expenses for fiscal year 2022-23 reflect a proposed budget increase of **approximately 6.1 % to \$692,190** over the current year adopted budget. This increase is largely confined to two specific areas including a modest increase in salaries, wages and benefits and a measurable increase in insurance premiums.

Below is a summary of the most notable expense areas that impact this preliminary budget projection for FY 23-23:

- Salaries, Wages and Benefits: **Salaries, wages and benefits area projected to increase +4.63 % for FY 22-23** when compared to the adopted fiscal year budget for this expense area in FY 21-22. This increase includes a 5 % wage increase for all of the District's staff as proposed in the *Wastewater Cost of Service Rate Study* prepared by Bartle Wells Associates (BWA) with support from District staff. This increase in wages was also generally supported by the rate study Ad Hoc committee. No increases to retirement or other benefits nor any increase in additional hours for part time staff are currently proposed in the preliminary budget as presented.
- Insurance: The District's current fiscal year combined aggregate (property, liability and worker's compensation) insurance premiums total approximately \$17,968. After years of aggressive Staff effort to reduce annual premiums, **aggregate insurance expenses for FY 22-23 are expected to rise by 38 % to \$29,038**. The basis for this increase is due largely to reinsurance loads for wildfire, increased litigation costs arising from inverse condemnation, employment practices, wrongful act/D&O claims as well as higher costs of settling property claims due to inflation. BVWD's assets exist in an area with severe wildfire risk with exposure scores ranking the area as high as it gets: 100/100 overall. Due to this, significant modifications to the base rate were apparently necessary. To be sure, the District cast a wide net in its efforts to secure more reasonable premiums. Insurers including Glatfelter, Grundy, Travelers and Liberty Mutual, who all underwrite in the public entity space, ultimately declined to even provide proposals based on the District's wildfire scoring. Generally, companies offer coverage if the wildfire score is 50 - 70 at the high end. Special District Risk Management Authority (SDRMA), who also administers the District's health benefits, was the only other agency to issue a proposal. However, there was only a modest savings of roughly \$500 compared to the JRPIMA proposal and SDRMA could not guarantee what their new rates would be on July 1 when their new rate structure is expected to be released.

Capital Investments

This preliminary budget proposes the following capital investments for FY22-23:

- 1) A new **2023 Chevrolet 2500/3500 Service Body** service vehicle to retire 1 – 2 service vehicles in the District's current fleet. The District's current fleet includes a 1993 Ford F-150 (82,470 miles, 29 years old), 1999 Dodge Ram BR1500 (138,676 miles, 22 years old) and a 2007 Chevrolet Silverado (126,897 miles, 15 years old). In addition to the high mileage, heavy wear and tear and increasing maintenance costs of these vehicles, importantly, the towing requirements for the District's hydro jetter are at the upper tolerance with any of the vehicles in the current fleet and this has been an ongoing safety issue since the jetter was commissioned. For both safety as well as efficiency and performance reasons, the District requires a vehicle with the proper gross towing capacity to more safely tow this equipment throughout the service area.

The cost of a 2023 Chevrolet 2500/3500 Service Body including taxes and fee is estimated at \$60,202.

- 2) A new **2023 Ski Doo Expedition UWT LE 24** to retire the current 2005 Ski Doo GTX 380 (9,372 miles, 17 years old) which was purchased from Bear Valley Snowmobile in December 2010 and had previously served as a rental snowmobile. Field staff have experienced increasing performance issues with the current snowmobile including several weeks without the machine this winter while sourcing parts and finding a technician to perform repairs. The proposed 2023 Expedition includes a 4-stroke engine, electric push button start and an ultra-wide track to make access to lift stations and the treatment facility easier during heavy snow cycles and easier to respond to emergencies when contract snow cats have not yet made it to the District's facilities. Note, Staff have placed a refundable \$500 deposit on this unit as reservations are taken only once per year if you want to receive the unit in the fall of the same year.

The cost of the 2023 Ski Doo Expedition UWT LE 24 including taxes and fees is estimated at \$16,857.

- 3) Per the District's NPDES permit, which was adopted on June 10, 2022 and will be effective August 1, 2022, priority pollutant and chronic toxicity testing are required once in the 5-year permit term during the first discharge to surface waters. It is too soon to know if the District will need to discharge to surface waters in the spring of 2023. However, budgeting for this required testing is included in the FY22-23 proposed budget in anticipation.

Priority pollutants analysis (\$9500) and chronic toxicity testing (\$9000) is estimated for a total of \$18,500.

- 4) **Paint the exterior of the District's administrative office building- \$5,000.**
- 5) **Complete the update of the District's Design and Improvement Standards - \$7,500.**

In summary, total proposed capital expenditures for FY 22-23 are \$108,000.

Wastewater Reserve Fund Discussion

The District maintains two unrestricted reserve funds with a current total unrestricted cash fund balance of \$575,000. Pursuant to the District's 2017 Reserve Policy, the O&M Emergency Reserve fund, with a current balance of \$150,000, requires a target balance of 3 months of O&M expenses. FY22-23 projected monthly expenses are anticipated to be \$57,682 or \$173,048 for 3 months. Under this preliminary budget proposal, the O&M Emergency Reserve Fund is currently under funded by - **\$23,048**.

The Sewer Capital Improvement Reserve Fund (CIP), with a current balance of \$425,000, requires a minimum balance " *to be determined by the Board of Directors*" tied to the District's current aggregate total asset value (\$3,267,468 as of June 30, 2021) with consideration of the District's 5-Year Capital Improvement Plan. With a current fund balance of \$425,000 and a 5-year CIP budget projection of \$453,500, this reserve fund is underfunded by - **\$28,500**. Note, Bartle Wells Associates recommended the CIP Reserve Fund be calculated annually as 3% of the total wastewater system asset value (\$3,267,468 as of June 30, 2021) or \$100,965 for FY22-23 and \$536,036 for the full 5-year CIP budget projection which would leave the fund underfunded by - **\$111,036**.

Under this draft preliminary budget proposal, the total reserve fund balance on July 1, 2022 is projected to increase to from \$575,000 to \$579,676, enjoying a modest \$4,676 from projected current year-end net cash flow.

For FY 22-23, this preliminary budget projects year end net cash flow as of June 30, 2023 to be \$1,098. The projected total reserve fund balance on June 30, 2023 would increase from \$579,676 to \$580,773 remaining above the current total target reserve fund balance of \$575,000.

For the current 5-year budget projection, the reserve fund balance is anticipated to continue to grow an additional \$57,000 by June 2027 even as the budget contemplates advanced loan allowance payments in years 2, 3, 4 and 5 totaling as much as \$53,000.

Table 1 below details the projected year-end total cash reserve fund position through 2027.

Table 1: Reserve Fund Balance

Wastewater Reserve Fund Balances	2021 -22	2022 - 23	2023 - 24	2024 - 25	2025-26	2026-27
Beginning Reserve Fund Balance	575,000	579,676	580,773	590,603	606,163	656,724
Increase / Decrease to Fund Balance	4,676	1,098	9,830	15,559	50,562	6,545
Ending Estimated Total Reserve Fund Balance	579,676	580,773	590,603	606,163	656,724	663,269

RECOMMENDATION

FY 22-23 net income is anticipated to be **\$63,010**.

FY 22-23 net cash flow is expected to be **\$ 1,098**.

Therefore, it is recommended that the Board vote to approve the preliminary FY 22-23 budget and 5-Year forecast projection as presented.

ACTION:

1. Motion to Accept the preliminary FY 22-23 budget proposal and 5-Year forecast projection as presented.

Attachments:

- FY 2022-23 Budget & 5-Year Budget Forecast Projection
- 5-Year Capital Improvement Program Budget
- Dublin Automotive Group 2023 Chevrolet 2500/3500 Service Body – Dated February 25, 2022
- Elk Grove Power Sports 2023 Ski Doo Expedition UWT LE 24 – Dated January 27, 2022

Bear Valley Water District
Financial Year 2022 -23 Budget
5 Year Budget Forecast

	<i>Projection Year Fiscal Year</i>	<i>0 2021 -22</i>	<i>1 2022 - 23</i>	<i>2 2023 - 24</i>	<i>3 2024 - 25</i>	<i>4 2025-26</i>	<i>5 2026-27</i>
OPERATING REVENUES							
Residential		630,000	667,800	687,834	708,469	729,723	751,615
Commercial		120,000	180,000	185,400	190,962	196,691	202,592
OPERATING REVENUE		750,000	847,800	873,234	899,431	926,414	954,206
OTHER REVENUE							
Interest Income - LAIF		1,500	800	800	800	800	800
Late Fees, Penalties & Interest		2,500	1,500	1,500	1,500	1,500	1,500
Expense Reimbursements - USFS		4,805	5,219	4,800	2,000	2,000	2,000
Expense Reimbursements - Concessionnaire		3,830	2,306	2,800	0	0	0
Misc Other Income		5,200	0	0	0	0	0
TOTAL OTHER REVENUE		17,835	9,825	9,900	4,300	4,300	4,300
TOTAL ALL REVENUES		767,835	857,625	883,134	903,731	930,714	958,506
OPERATING EXPENDITURES							
Salaries and Benefits		395,022	414,190	426,616	439,414	452,597	466,175
Director Expenses - Meetings, Elections, Training		2,000	2,000	2,000	2,000	2,000	2,000
Operator Education, Training & Certifications		1,000	1,000	1,030	1,061	1,093	1,126
Gas, Diesel, Oil & Filters		3,000	4,000	4,120	4,244	4,371	4,502
Insurance		18,000	29,000	29,870	30,766	31,689	32,640
Memberships		5,500	5,500	5,665	5,835	6,010	6,190
Office Expenses & Supplies		7,500	7,500	8,000	8,000	8,000	8,000
Field Expenses & Supplies		20,000	20,000	25,000	25,000	25,000	25,000
Grooming, Snow Removal & Vehicle Storage		3,500	3,500	3,500	3,500	3,500	3,500
General Engineering & Consulting		5,000	5,000	5,150	5,305	5,464	5,628
General Legal & Accounting		10,000	10,000	10,300	10,609	10,927	11,255
Equipment Rental		800	1,000	1,030	1,061	1,093	1,126
Repairs & Maintenance		60,000	60,000	61,800	63,654	65,564	67,531
Laboratory Fees		12,000	18,000	18,540	19,096	19,669	20,259
Regulatory Reporting & Compliance Projects		6,500	6,500	6,695	6,896	7,103	7,316
Taxes, Fees, Licenses & Assessments		45,000	47,000	48,410	49,862	51,358	52,899
Utilities		55,000	58,000	59,740	61,532	63,378	65,280
TOTAL ALL OPERATING EXPENDITURES		649,822	692,190	717,466	737,835	758,815	780,424
NET OPERATIONAL INCOME		118,013	165,435	165,668	165,896	171,899	178,082
OTHER EXPENSES							
Loan Interest		12,318	10,557	8,749	6,822	4,841	2,781
Depreciation		100,596	91,868	101,810	94,595	91,149	90,408
TOTAL OTHER EXPENSES		112,914	102,425	110,559	101,417	95,990	93,189
NET INCOME		5,099	63,010	55,109	64,479	75,909	84,893
NON-OPERATING EXPENSES							
Depreciation		100,596	91,868	101,810	94,595	91,149	90,408
Capital Improvements / Replacements		(57,000)	(108,000)	(74,500)	(76,000)	(55,000)	(115,000)
Loan Payments - Principal		(44,019)	(45,780)	(47,589)	(49,515)	(51,496)	(53,556)
Loan Allowance Payments		0	0	(25,000)	(18,000)	(10,000)	(200)
TOTAL ADDTL CASH EXPENDITURES		(423)	(61,912)	(45,279)	(48,920)	(25,347)	(78,348)
NET CASH FLOW		4,676	1,098	9,830	15,559	50,562	6,545
Wastewater Reserve Fund Balances							
O&M Reserve Fund	\$150,000						
CIP Reserve Fund	\$425,000						
Total Cash Reserve Fund Balance	\$575,000						
Beginning Reserve Fund Balance		575,000	579,676	580,773	590,603	606,163	656,724
Increase / Decrease to Fund Balance		4,676	1,098	9,830	15,559	50,562	6,545
Ending Estimated Total Reserve Fund Balance		579,676	580,773	590,603	606,163	656,724	663,269

Bear Valley Water District
Financial Year 2022 -23 Budget
5 Year Capital Improvement Plan

<i>Projection Year</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
<i>Fiscal Year</i>	<i>2022-23</i>	<i>2023-24</i>	<i>2024-25</i>	<i>2025-26</i>	<i>2026-27</i>

Capital Improvement Plan

Collections

Grinder Replacement		60,000			
Replace Prog Cavity Pumps & Motors					
Prelim Eng Cost Estimate - Replace AC pipe			6,000		

Treatment

Replace Freeboard Pressure Transducer		7,500			
Stairs to Treatment Lagoon					

Disposal & Capacity

Irrigation Pump 2 Replacement					
Land Application Flow Meter Telemetry				15,000	
Install Additional Background Groundwater Monitoring Well(s)					
Pole Mount Solar Array					

Admin

GIS Data Migration to ESRI Utility Network				10,000	
Paint Admin Office Exterior	5,000				
Re-Carpet Office		7,000			
Pave Parking Lot					90,000

Vehicles

2023 Chevrolet 2500/3500 Service Body	60,000		70,000		
2023 Ski Doo Expedition UWT LE 24	17,000				

Intangible Assets - Regulatory Compliance, Permits

Rate Study - Every 5 Years					20,000
NPDES Permit Renewal & Project Mgt				30,000	
Priority Pollutant Testing	9,500				
Chronic Toxicity Testing	9,000				
Salinity Evaluation and Minimization Plan, Progress Report					5,000
Design & Improvement Standards	7500				
SSMP Update - New WDR					

TOTAL CIP PROJECTS	\$108,000	\$74,500	\$76,000	\$55,000	\$115,000
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Proposed CIP Funding

Bank Loans					
Grants					
Cash Funding	\$108,000	\$74,500	\$76,000	\$55,000	\$115,000
TOTAL CIP PROJECTS	\$108,000	\$74,500	\$76,000	\$55,000	\$115,000

Schedule of Capital Improvements

As of May 31 2022

Date	Invoice #	Vendor	Total
Budgeted			
7/15/2021	481	U-Rock Utility Equip (Sewer Cam)	11,851.13
9/8/2021	34278	Franklin Miller (Grinder)	23,786.22
10/12/2021	1843098	Stantec (NPDES Permit)	11,101.25
10/31/2021	13622	TNT Industrial Contractors (Grinder Install)	10,069.20
Sub Total:			56,807.80
Powerpack Project			
8/18/2021	21044-5	Mike Smith Engineering	1,155.00
8/23/2021	August	Card Services	50.00
9/15/2021	44454	John T. Watts Construction (Cal OES Grant to cover \$34,710)	38,559.64
10/21/2021	44490	John T. Watts Construction	54,790.37
Sub Total:			94,555.01
Cal OES Grant			
9/8/2021	31758	Aqua Sierra Control, Inc. (Radio Telemetry)	5,802.67
Sub Total:			5,802.67
Design Standards			
7/12/2021	8886	Weber Ghio & Associates	1,185.00
8/9/2021	8986	Weber Ghio & Associates	4,634.00
10/7/2021	9299	Weber Ghio & Associates	5,137.28
Sub Total:			10,956.28
NPDES Permit Renewal			
7/13/2021	1809879	Stantec (NPDES Permit)	85.00
9/3/2021	1829425	Stantec (NPDES Permit)	3,347.75
3/18/2022	1900676	Stantec (NPDES Permit)	2,152.50
4/22/2022	1914375	Stantec (NPDES Permit)	2,108.25
5/23/2022	1924499	Stantec (NPDES Permit)	1,327.50
Sub Total:			9,021.00
Rate Study			
5/9/2022	1424	Bartle Wells Associates	12,870.00
Sub Total:			12,870.00
TOTAL			\$ 190,012.76



DUBLIN AUTOMOTIVE GROUP
CHEVROLET GMC BUSINESS ELITE DEPT
GM FLEET & COMMERCIAL
QUOTE

BEAR VALLEY WATER DIST

2023 CHEVROLET 3500 CREW CAB 4X4 SERVICE BODY

STOCK #TBD

MSRP	\$61,591.50
BID ASSISTANCE	-\$6,400
SALE PRICE	\$55,191.50

TAX & DMV	<u>\$5010.29</u>
-----------	------------------

TOTAL DUE \$60,201.79

QUOTED BY: CHRIS SIMS, FLEET&COMMERCIAL SALES MGR
925-330-9115 , CSIMS@CACARGROUP.COM

Pricing includes special local business discount!

Elk Grove Power Sports

10297 E Stockton Blvd

Elk Grove Ca 95624

916-714-7223

MULTI-UNIT QUOTE

Bear Valley Water District

441 Creekside Dr
Bear Valley, CA 95223

H

W

C 209-753-2112

Email jeff.gouveia@BVWD.ca.gov

Date 01/27/2022

Deal No. 4000330

Salesperson James Nau

Lienholder None

I hereby agree to purchase the following unit(s) from you under the terms and conditions specified. Delivery is to be made as soon as possible. It is agreed, however, that neither you nor the manufacturer will be liable for failure to make delivery.

Unit Information

New/U	Year	Make	Model	Serial No.	Stock No.	Price (Incl factory options)
New	2023	Ski-Doo	Expedition LE 24		SPRING CHE	\$14,149.00

Options:

Dealer Unit Price	\$14,149.00
Factory Options	\$0.00
Added Accessories	\$0.00
Freight	\$505.00
Dealer Prep	\$499.00
Manufacture Surcharge	\$400.00
Document or Administration Fees	\$85.00
Subtotal	\$15,638.00
Sales Tax	\$1,133.76

Notes:

Trade Information

MVSC	\$30.00
Battery Fee	\$1.00
Cash Price	\$16,802.76
Trade Allowance	\$0.00
Payoff	\$0.00
Net Trade	\$0.00
Net Sale (Cash Price - Net Trade)	\$16,802.76
Title/License/Registration Fees	\$54.00
Sub Total	\$16,856.76
Cash Down Payment	\$500.00
Amount to Pay/Finance	\$16,356.76

NOTICE TO BUYER: (1) Do not sign this agreement before you read it or if it contains any blank spaces to be filled in. (2) You are entitled to a completely filled in copy of this agreement. (3) If you default in the performance of your obligations under this agreement, the vehicle may be repossessed and you may be subject to suit and liability for the unpaid indebtedness evidenced by this agreement.

TRADE-IN NOTICE: Customer represents that all trade in units described above are free of all liens and encumbrances except as noted.

*With Approved Credit. Interest rates and monthly payment are approximate and may vary from those determined by the lender.

A 4% processing fee will be added to credit card transactions.

Thank You for Choosing Elk Grove Power Sports, Northern California's Premiere Powersports Dealership. This is a Purchase Agreement.

By signing below, you agree to purchase the products above at the listed price. All deposits are non-refundable.

Customer(s) Signature _____ Dealer Signature _____

AGENDA ITEM

DATE: JUNE 25, 2022

TO: BVWD BOARD OF DIRECTORS

FROM: JEFF GOUVEIA, DISTRICT GENERAL MANAGER

RE: MANAGER'S REPORT

1. Water Balance - Update
 - a. Influent Flows & Effluent Transfers
 - a. Effluent in Storage, Current Storage Capacity & Land / Surface Disposal Update
2. Permit Compliance & Monitoring & Reporting Programs (MRPs) - Update
 - a. WDR MRP - Land Discharge Permit – Compliance & Reporting Update
 - i. Reporting Status Matrix – No Certified Violations, All Reporting Submitted On-Time
 - b. NPDES MRP – Surface Water Discharge Permit – Compliance & Reporting Update
 - i. Reporting Status Matrix – No Certified Violations, All Reporting Submitted On-Time
 - ii. New Order Adopted at Regional Board Meeting June 10 – Effective August 1, 2022
 - iii. 5-Year NPDES Compliance Inspection – Performed June 20, 2022
3. Other
 - a. PGE-SGIP-2020-3656 – WWTF Powerpack Project – Update
 - b. Cal OES Community Power Resiliency Allocation - Update
 - c. 2022 SDLF Special District Technology Grant – Update
 - d. Prop 218 Public Hearing Agenda

Board Meeting 6-25-22

- Influent Flows (MG) – Total of ALL Wastewater Received / % change previous year**

<u>March 2022</u>	<u>March 2021</u>	<u>March 2020</u>
3.131 / 286.5%	1.093 / 54.2%	2.015 / 88.6%
<u>April, 2022</u>	<u>April, 2021</u>	<u>April 2020</u>
3.108 / 89.3%	3.481 / 90.1%	3.864 / 73.9%
<u>May 2022</u>	<u>May 2021</u>	<u>May 2020</u>
2.019 / 91.6%	2.204 / 63.1%	3.494 / 68.2%
<u>June 1-18, 2022</u>	<u>June 2021</u>	<u>June, 2020</u>
0.730	1.214 / 73.3%	1.656 / 41.2%

- Transferred to PR (MG) - Volume of Water Moved from Treatment to Storage / % change previous year**

<u>March 2022</u>	<u>March 2021</u>	<u>March 2020</u>
3.563 / 240.6%	1.481 / 63.8%	2.322 / 63.8%
<u>April, 2022</u>	<u>April, 2021</u>	<u>April 2020</u>
3.643 / 93.4%	3.902 / 97.9%	3.984 / 68.3%
<u>May 2022</u>	<u>May 2021</u>	<u>May 2020</u>
2.430 / 98.6%	2.465 / 51.1%	4.820 / 97.9%
<u>June 1-18, 2022</u>	<u>June, 2021</u>	<u>June, 2020</u>
0.688	1.024 / 42.8%	2.395 / 91.6%

- Land Application - Annual Totals – MG Applied / % change previous year**

<u>May 27-June 17, 2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
7.67	23.788 / 77.6%	30.639 / 158.8%	19.293 / 83.1%	23.215 / 144.6%

2022 Land App Began May 27. 2021 Began May 24. 2020 Began June 2. 2019 Began July 12

- Surface Discharge - Effluent Flow Discharge Totals – MG - NO EFFLUENT WAS DISCHARGED IN 2020, 2021, 2022**

<u>March 2019</u>	<u>April 2019</u>	<u>May 2019</u>	<u>June 2019</u>	<u>Total 2019 Discharge</u>
0.0	0.0	29.5	26.9	56.5
<u>March 2018</u>	<u>April 2018</u>	<u>May 2018</u>	<u>June 2018</u>	<u>Total 2018 Discharge</u>
0.0	11.9	11.7	0.0	23.6
<u>March 2017</u>	<u>April 2017</u>	<u>May 2017</u>	<u>June 2017</u>	<u>Total 2017 Discharge</u>
15.8	29.9	29.7	16.9	92.3

- Storage Reservoir Elevations and Volumes (based on 10/6/15 pressure chart):**

- Empty (minimum pool) = 7063.0' = 0 MG = 0'
- Total Depth (w/2' Freeboard) = 7086.3' = 76.45 MG = 23.3'
- Total Depth (spillway) = 7088.3' = 85.86 MG = 25.3'
- Permitted Full Reservoir (2' Freeboard) = 7086.3' = 76.45 MG = 100%
 - Highest Level 2022 – 5/26/22 = 7078.3' = 43.50 MG = 56.9%
 - Highest Level 2021 – 5/13/21 = 7073.3' = 25.17 MG = 32.9%
 - Highest Level 2020 – 5/28/20 = 7075.6' = 33.01 MG = 43.2%
 - Highest Level 2019 – 5/1/19 = 7079.8' = 48.68 MG = 63.7%
 - Highest Level 2018 – 4/20/18 = 7078.3' = 42.88 MG = 56.1%
 - Highest Level 2017 – 3/8/17 = 7083.9' = 65.67 MG = 85.9%
 - **Current Storage Volume = 7076.3' = 35.49 MG = 46.4% (6/17/2022)**
 - Storage Volume 1 Year Ago = 7071.2' = 18.14 MG = 23.7% (6/17/2021)

- Collection System**

- **2021** Jet 11,692', % change previous year: 68%. Video 9,980', % change previous year: 88%.
- **2020:** Jet 17,194', % change previous year: 266%. Video 11,367', % change previous year: 196%
- **2019:** Jet 6,468', % change previous year: 93%. Video 5,800' % change previous year: 249%
- **2018:** Jet 6,990', % change previous year: 230%. Video 2,330', % change previous year: 173%
- **2017** Jet 3030' Video 1350'

**SMR / DMR Reporting**

Facility Name: Bear Valley WWTF

Water Board Office: Region 5S - Sacramento

Reporting Level: Level II

Order Number: R5-2016-0045

Case Worker: Mohammad Farhad

All Electronic Date: 08/01/2016

To review or submit a report, select it from the list below. To change the list of reports, check the status types and/or enter start and end dates.

Show reports that meet these criteria

Status:

- ☒ Submitted - report was already submitted to water board
- ☒ In-Progress - report has been edited but not submitted
- ☒ Past Due - report deadline has passed and report has not been submitted
- ☒ Future - report due date is in the future
- ☒ Withdrawn - report has been withdrawn

Show Report Due Between: and

Search results:

[Export to Excel](#) Show: Previous Next

ID	Report Name	Type	Frequency	Reporting Period	Due Date	Status	Date Received	Date Reviewed	Certified Violations	Report	Withdrawal
2582871	June 2022	MONNPDES	Monthly	06/01/2022 - 06/30/2022	08/01/2022	Future			No		
2593444	July 2022	MONNPDES	Monthly	07/01/2022 - 07/31/2022	09/01/2022	Future			No		
2606859	August 2022	MONNPDES	Monthly	08/01/2022 - 08/31/2022	10/01/2022	Future			No		
2518258	November 2021	MONNPDES	Monthly	11/01/2021 - 11/30/2021	01/01/2022	Submitted	12/21/2021	12/23/2021	No	Download Report	
2416789	2021	MONNPDES	Annual	01/01/2021 - 12/31/2021	02/01/2022	Submitted	01/27/2022		No	Download Report	
2524124	December 2021	MONNPDES	Monthly	12/01/2021 - 12/31/2021	02/01/2022	Submitted	01/24/2022		No	Download Report	
2554820	January 2022	MONNPDES	Monthly	01/01/2022 - 01/31/2022	03/01/2022	Submitted	02/19/2022		No	Download Report	
2554821	February 2022	MONNPDES	Monthly	02/01/2022 - 02/28/2022	04/01/2022	Submitted	03/21/2022		No	Download Report	
2554822	March 2022	MONNPDES	Monthly	03/01/2022 - 03/31/2022	05/01/2022	Submitted	04/19/2022		No	Download Report	
2566433	April 2022	MONNPDES	Monthly	04/01/2022 - 04/30/2022	06/01/2022	Submitted	05/16/2022		No	Download Report	
2574411	May 2022	MONNPDES	Monthly	05/01/2022 - 05/31/2022	07/01/2022	Submitted	06/23/2022		No	Download Report	

**SMR / DMR Reporting**

Facility Name: Bear Valley WWTF

Water Board Office: Region 5S - Sacramento

Reporting Level: Level I

Order Number: 5-01-208

Case Worker: Kenny Croyle

To review or submit a report, select it from the list below. To change the list of reports, check the status types and/or enter start and end dates.

Show reports that meet these criteria

Status:

- ☒ Submitted - report was already submitted to water board
- ☒ In-Progress - report has been edited but not submitted
- ☒ Past Due - report deadline has passed and report has not been submitted
- ☒ Future - report due date is in the future
- ☒ Withdrawn - report has been withdrawn

Show Report Due Between: and [Export to Excel](#) Show: [Previous](#) [Next](#)

ID	Report Name	Type	Frequency	Reporting Period	Due Date	Status	Date Received	Date Reviewed	Certified Violations
2574210	May 2022	MONRPT	Monthly	05/01/2022 - 05/31/2022	07/01/2022	Future			No
2582286	June 2022	MONRPT	Monthly	06/01/2022 - 06/30/2022	08/01/2022	Future			No
2551409	Q1 2022 (3 times per year)	GR_WATER	Quarterly	04/01/2022 - 07/31/2022	09/01/2022	Future			No
2593251	July 2022	MONRPT	Monthly	07/01/2022 - 07/31/2022	09/01/2022	Future			No
2606634	August 2022	MONRPT	Monthly	08/01/2022 - 08/31/2022	10/01/2022	Future			No
2593252	Q2 2022 (3 times per year)	GR_WATER	Quarterly	08/01/2022 - 09/30/2022	11/01/2022	Future			No
2516075	November 2021	MONRPT	Monthly	11/01/2021 - 11/30/2021	01/01/2022	Submitted	12/21/2021		No
2494376	Q3 2021 (3 times per year)	GR_WATER	Quarterly	10/01/2021 - 12/31/2021	02/01/2022	Submitted	01/24/2022		No
2413411	2021	MONRPT	Annual	01/01/2021 - 12/31/2021	02/01/2022	Submitted	01/27/2022		No
2523947	December 2021	MONRPT	Monthly	12/01/2021 - 12/31/2021	02/01/2022	Submitted	01/24/2022		No
2551405	January 2022	MONRPT	Monthly	01/01/2022 - 01/31/2022	03/01/2022	Submitted	02/14/2022		No
2551406	February 2022	MONRPT	Monthly	02/01/2022 - 02/28/2022	04/01/2022	Submitted	03/21/2022		No
2551407	March 2022	MONRPT	Monthly	03/01/2022 - 03/31/2022	05/01/2022	Submitted	04/19/2022		No
2566251	April 2022	MONRPT	Monthly	04/01/2022 - 04/30/2022	06/01/2022	Submitted	05/16/2022		No

**BEAR VALLEY WATER DISTRICT****BOARD MEETING****June 25, 2022 - 12 PM**

Perry Walther Community Center

325 Creekside Drive, Bear Valley, CA 95223

SPECIAL MEETING AGENDA***Public Hearing Regarding Proposed Sewer Service Rate Increases***

1. Roll Call – **Judi**
2. Public Comment – Public Comments on Items Not Appearing on the Agenda – **Jim**

NOTICE: Pursuant to Government Code § 594954.3(a), any member of the public shall be provided with the opportunity to directly address the Bear Valley Water District Board of Directors concerning any item that has been described in the notice for the meeting before or during consideration of that item. No other business shall be considered at these meetings by the legislative body. No action can be taken on items not appearing on the agenda.

Introduction of Staff and Guests - **Jim**

3. Purpose of the Hearing - **Dan**
4. Procedure for Objections - **Dan**
5. Rate Proposal – Overview - **Doug**
6. Public Hearing - **Jim**
7. Tally Objections Received - **Judi**
8. Board Member Summary Comments - **Jim**
9. Introduction and Adoption of Board Order No. 2022-01 Establishing Monthly Sewer Service Rates pursuant to Section 1 of Article II of Ordinance No. 1 following the Proposition 218 Rate Increase Public Hearing - **Dan**
10. Adjournment - **Jim**

Materials related to any item on this Agenda are available for public inspection in the District Office at 441 Creekside Drive, Bear Valley, CA 95223 during normal business hours. Information on materials in the agenda is also available on the Bear Valley Water District website at <http://www.bvwd.ca.gov>, subject to staff's ability to post the documents before the meeting. Any material provided to the legislative body at the meeting by agency staff or a member of the legislative body will be available at the public meeting, documents provided by others will be available right after the meeting.

This agenda shall be made available upon request in alternative formats to persons with a disability, as required by the Americans with Disabilities Act of 1990 (42USC, #12132) and the Ralph M. Brown Act, CA Government Code # 54954.2.

Any persons requesting a disability related modification or accommodation in order to participate in the meeting should contact Judi Silber at 209-753-2112, during regular business hours, at least 72 hours prior to the meetings.

	Prior Year July 1 - May 31	FY 20-21 Budget	FY 20-21 Budget	Current Year July 1 - May 31	FY 21-22 Budget	FY 21-22 Budget	Variance Explanation
REVENUES							
Residential	629,165	625,000	101%	628,852	630,000	100%	
Commercial	137,048	150,000	91%	131,014	120,000	109%	
Subtotal Operating Revenue	766,213	775,000	99%	759,866	750,000	101%	Revenue Target 100%
EXPENSES							
Salaries & Benefits	340,905	374,414	91%	344,437	395,022	87%	Yr End Est \$370,511 (94%) More Mtgs, Committees
Director Expenses	2000	2,000	100%	3100	2,000	155%	
Operator Training & Certs	450	1,500	30%	150	1,000	15%	
Gas, Diesel, Oil & Filters	1,681	3,500	48%	3219	3,000	107%	
Insurance	14,544	16,000	91%	16,137	18,000	90%	
Memberships & Conferences	5,241	4,600	114%	4,681	5,500	85%	
Office Expenses & Supplies	8,430	10,000	84%	7,808	7,500	104%	
Field Expenses & Supplies	14,329	25,000	57%	22,775	20,000	114%	
Grooming, Snow Removal & Vehicle Storage	3,268	3,500	93%	1617	3,500	46%	
Engineering & Consulting	6529	5,000	131%	626	5,000	13%	
Legal & Accounting	9,780	10,000	98%	7974	10,000	80%	
Equipment Rental	643	800	80%	665	800	83%	
Repairs & Maintenance	43,235	60,000	72%	59,895	60,000	100%	
Laboratory Fees	11,509	15,000	77%	9,919	12,000	83%	
Regulatory Reporting & Comp. Projects	6,242	7,000	89%	6321	6,500	97%	
Taxes, Fees, Licenses & Assessments	30,703	45,000	68%	45,843	45,000	102%	Yr End Est \$65,000 (118%)
Utilities	47,437	60,000	79%	58,113	55,000	106%	
Subtotal Operating Expenses	546,926	643,314	85%	593,280	649,822	91%	Expense Target - 92%
Net Operational Income	219,287	131,686	167%	166,586	100,178	166%	
OTHER REVENUE							
Interest Income - LAIF	1,569	6,000	26%	694	1,500	46%	Grant Expense
Late Fee, Penalties and Interest	2,682	2,000	134%	1,489	2,500	60%	
Expense Reimbursements - USFS Campground	16,413	8,375	196%	4,805	4,805	100%	
Expense Reimbursements - Concessionnaire	15,123	9,665	156%	3,830	3,830	100%	
Misc Other Income	10590	0		45,760	5200	UBD	
Subtotal Other Revenue	46,377	26,040	178%	56,578	17,835	317%	
OTHER EXPENSES							
Loan Interest	12,882	12,318	105%	11,312	12,318	92%	
Depreciation	106,904	106,825	100%	101,327	100,596	101%	
Misc Expense	30	0	UBD	7	0	UBD	
Subtotal Other Expenses	119,816	119,143	101%	112,646	112,914	100%	
Net Other Income	(73,439)	(93,103)	79%	(56,068)	(95,079)	59%	
NET INCOME	145,848	38,583	378%	110,518	5,099	2167%	
NON CASH EXPENDITURES (included in net							
Depreciation	106,904	106,825	100%	101,327	100,596	101%	UBD Battery, Grant Projs, Impr Standards, Rate Study
Cal OES Grant				254,544	300,000	UBD	
CSDA Grant				95,675	95,675	UBD	
Subtotal Non-Cash Expenses	106,904	106,825	100%	451,546	496,271	91%	
CASH EXPENDITURES (Not Included in net							
Capital Improvements / Replacements	(36,591)	(22,000)	94%	(190,013)	(57,000)	333%	
Loan Payments - Principal	(38,761)	(40,657)	95%	(40,331)	(44,019)	92%	
Subtotal Addl Cash Expenses	(75,352)	(62,657)	120%	(230,344)	(101,019)	228%	
NET CASH FLOW	177,400	82,751	214%	331,719	400,351	83%	

BVWD
Balance Sheet Prev Year Comparison
As of May 31, 2022

	<u>May 31, 22</u>	<u>May 31, 21</u>	<u>\$ Change</u>	<u>% Change</u>
ASSETS				
Checking/Savings				
	709,262.02	773,891.68	-64,629.66	-8.35%
	320,272.93	319,381.21	891.72	0.28%
	50.00	50.00		
	<u>29,026.00</u>	<u>21,656.00</u>	<u>7,370.00</u>	<u>34.03%</u>
Total Checking/Savings	<u>1,058,610.95</u>	<u>1,114,978.89</u>	<u>-56,367.94</u>	<u>-5.06%</u>
Accounts Receivable				
	<u>-6,149.98</u>	<u>8,379.48</u>	<u>-14,529.46</u>	<u>-173.39%</u>
Total Accounts Receivable	<u>-6,149.98</u>	<u>8,379.48</u>	<u>-14,529.46</u>	<u>-173.39%</u>
Other Current Assets				
	10,165.46	9,488.41	677.05	7.14%
	19,401.79	10,088.83	9,312.96	92.31%
	<u>14,160.00</u>	<u>11,462.00</u>	<u>2,698.00</u>	<u>23.54%</u>
Total Other Current Assets	<u>43,727.25</u>	<u>31,039.24</u>	<u>12,688.01</u>	<u>40.88%</u>
	<u>1,096,188.22</u>	<u>1,154,397.61</u>	<u>-58,209.39</u>	<u>-5.04%</u>
12010 · Land	25,805.16	25,805.16		
12020 · SbSrfLine	1,196,893.29	1,196,893.29		
12040 · Col Facilities	497,047.95	485,584.50	11,463.45	2.36%
12041 · LA Facilities	166,428.79	166,428.79		
12050 · TRT Facilities	1,358,836.36	1,352,893.09	5,943.27	0.44%
12060 · DSP Facilities	1,264,402.01	1,264,402.01		
12080 · P & A (Plant & Admin)Facilities	482,118.91	482,118.91		
12100 · Accumulated Depreciation	-3,006,626.50	-2,898,426.38	-108,200.12	-3.73%
14030 · Work in Progress				
	4,722.05	4,722.05		
	11,851.13		11,851.13	100.0%
		11,463.45	-11,463.45	-100.0%
		5,943.27	-5,943.27	-100.0%
	47,317.25	26,855.00	20,462.25	76.2%
	104,090.21	21,376.20	82,714.01	386.94%
	500.00		500.00	100.0%
	15,700.00		15,700.00	100.0%
	35,720.38		35,720.38	100.0%
	33,856.14		33,856.14	100.0%
	10,956.28		10,956.28	100.0%
	4,867.90		4,867.90	100.0%
	4,867.90		4,867.90	100.0%
	<u>14,471.36</u>		<u>14,471.36</u>	<u>100.0%</u>
Total 14030 · Work in Progress	<u>288,920.60</u>	<u>70,359.97</u>	<u>218,560.63</u>	<u>310.63%</u>
	<u>2,273,826.57</u>	<u>2,146,059.34</u>	<u>127,767.23</u>	<u>5.95%</u>
TOTAL ASSETS	<u>3,370,014.79</u>	<u>3,300,456.95</u>	<u>69,557.84</u>	<u>2.11%</u>
LIABILITIES & EQUITY				

BVWD
Balance Sheet Prev Year Comparison
As of May 31, 2022

	<u>May 31, 22</u>	<u>May 31, 21</u>	<u>\$ Change</u>	<u>% Change</u>
Current Liabilities				
21021 · Accounts Payable	12,676.06	4,724.26	7,951.80	168.32%
	<u>12,676.06</u>	<u>4,724.26</u>	<u>7,951.80</u>	<u>168.32%</u>
21030 · Other Payable	-980.00		-980.00	-100.0%
21040 · Prepaid Revenue	232.97	232.97		
21090 · Payroll Liabilities	28,962.99	28,019.14	943.85	3.37%
2110 · Direct Deposit Liabilities	-8.18	-8.18		
22015 · Cal OES Unearned Income	254,543.82	300,000.00	-45,456.18	-15.15%
22018 · CSDA Grant/COVID19-Unearned Inc	95,675.00		95,675.00	100.0%
22021 · Accrued Vacation	17,633.86	19,603.05	-1,969.19	-10.05%
	<u>396,060.46</u>	<u>347,846.98</u>	<u>48,213.48</u>	<u>13.86%</u>
Total Current Liabilities	408,736.52	352,571.24	56,165.28	15.93%
Long Term Liabilities				
	293,118.55	337,019.50	-43,900.95	-13.03%
	<u>293,118.55</u>	<u>337,019.50</u>	<u>-43,900.95</u>	<u>-13.03%</u>
Total Long Term Liabilities	701,855.07	689,590.74	12,264.33	1.78%
29000 · Retained Earnings	1,953,615.45	1,868,361.83	85,253.62	4.56%
29100 · O & M Emergency Reserve Fund	150,000.00	150,000.00		
29200 · CIP Reserve Fund	425,000.00	425,000.00		
29300 · Capacity Fee Reserve Fund	29,026.00	21,656.00	7,370.00	34.03%
Net Income	110,518.27	145,848.38	-35,330.11	-24.22%
	<u>2,668,159.72</u>	<u>2,610,866.21</u>	<u>57,293.51</u>	<u>2.19%</u>
TOTAL LIABILITIES & EQUITY	<u><u>3,370,014.79</u></u>	<u><u>3,300,456.95</u></u>	<u><u>69,557.84</u></u>	<u><u>2.11%</u></u>

BVWD
A/P Aging Summary
As of March 31, 2022

Prepays March 2022	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL	Description
A.T.&T.	126.41					126.41	Telephone & U-Verse
Bank Adjustment	4.33					4.33	Ending Adj
Card Services	1603.97					1,603.97	Office, Field Supplies, Telephone, Payroll
Diane Lundquist	100					100.00	Regular Board Meeting March 22, 2022
E.D.D.	98.36					98.36	State Payroll Taxes
E.D.D.	164.17					164.17	State Payroll Taxes
E.D.D.	99.39					99.39	State Payroll Taxes
E.D.D.	168.07					168.07	State Payroll Taxes
F & M Bank	4694.8					4,694.80	Principal & Interest on Loan
Glenn S. Caldwell Insurance	20319					20,319.00	Prepaid Liability Insurance
Gunnar Thordarson	100					100.00	Regular Board Meeting March 22, 2022
I.R.S.	2234.64					2,234.64	Federal Payroll Taxes
I.R.S.	2260.06					2,260.06	Federal Payroll Taxes
Jim Bissell	100					100.00	Regular Board Meeting March 22, 2022
John Boyle	300					300.00	Regular Board Meeting March 22, 2022
Ken Brown	300					300.00	Regular Board Meeting March 22, 2022
Lake Alpine Water Co.	165.07					165.07	Water for Main Office
P.G.&E.	3210.63					3,210.63	Electricity for May 2022
SDRMA	2121.8					2,121.80	Health Insurance for Employees
SDRMA	537.84					537.84	Dental, Vision, LTD, Life Insurance
U.S.P.S.	116					116.00	Postage
U.S.P.S.	34.8					34.80	Postage
U.S.P.S.	34.8					34.80	Postage
Vantage Transfer	260.41					260.41	401K Retirement
Vantage Transfer	943.38					943.38	457 Retirement
Vantage Transfer	263.24					263.24	401K Retirement
Vantage Transfer	951.87					951.87	457 Retirement
TOTAL	41313.04					41,313.04	

BVWD
A/P Aging Summary
As of March 31, 2022

Accounts Payable March 2022	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL	Description
Alpha Analytical Laboratories Inc.		535.00				535.00	Laboratory Analysis
AT&T Business Service 2					-12.72	-12.72	Credit
Bear Valley Adventure Company		800.00				800.00	Snow Grooming in Meadow
California Water Environment Association		192.00				192.00	Certification for Steve Mikesell
CALNET		137.08				137.08	Telephone Bill
Dept. of Water Resources		14,160.00				14,160.00	Annual Dam Fees
EBBETTS PASS GAS CO. Inc.		478.90				478.90	Propane for Main Office
Ebbetts Pass Lumber Co. Inc.					48.87	48.87	Field Supplies
Gateway Press Inc.		182.33				182.33	Prop 218 Billing
Hach		1,143.54				1,143.54	Laboratory Supplies
Jim Bissell		100.00				100.00	Regular Meeting April 20, 2022
John Boyle		100.00				100.00	Regular Meeting April 20, 2022
Ken Brown		100.00				100.00	Regular Meeting April 20, 2022
Ken Grady Company, Inc.		769.14				769.14	Field Equipment
McCrometer, Inc.	1,083.48					1,083.48	Field Equipment
Neumiller and Beardslee		200.00				200.00	Legal Fees
Stantec Consulting Services Inc.		2,152.50				2,152.50	NPDES Permit Fees
State Water Resources Control Bd/OPERATOR	150.00					150.00	Certification for Steve Mikesell
TOTAL	1,233.48	21,050.49			36.15	22,320.12	

BVWD
A/P Aging Summary
As of April 30, 2022

Prepays April 2022	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL	Description
A.T.&T.	125.90					125.90	Telephone & U-Verse
Card Services	846.19					846.19	Office, Field Supplies, Telephone, PR
E.D.D.	97.48					97.48	State Payroll Taxes
E.D.D.	160.90					160.90	State Payroll Taxes
E.D.D.	91.69					91.69	State Payroll Taxes
E.D.D.	176.33					176.33	State Payroll Taxes
E.D.D.	83.33					83.33	State Payroll Taxes
E.D.D.	218.83					218.83	State Payroll Taxes
F&M Bank	4,694.80					4,694.80	Principal & Interest on Loan
I.R.S.	2,213.46					2,213.46	Federal Payroll Taxes
I.R.S.	2,045.80					2,045.80	Federal Payroll Taxes
I.R.S.	1,809.88					1,809.88	Federal Payroll Taxes
Lake Alpine Water Company	174.53					174.53	Water For Main Office
P.G.&E.	2,633.74					2,633.74	Electricity for April 2022
SDRMA	2,121.80					2,121.80	Health Insurance for Employees
SDRMA	537.84					537.84	Dental, Vision, LTD, Life Insurance
Vantage Transfer	258.04					258.04	401 Retirement
Vantage Transfer	936.26					936.26	457K Retirement
Vantage Transfer	242.24					242.24	401 Retirement
Vantage Transfer	864.06					864.06	457K Retirement
Vantage Transfer	666.36					666.36	457K Retirement
Vantage Transfer	185.29					185.29	401 Retirement
Vantage Transfer	34.19					34.19	401 Retirement
Vantage Transfer	68.38					68.38	457K Retirement
The Zenith	1,633.00					1,633.00	Workers Compensation Insurance
TOTAL	22,920.32					22,920.32	

Accounts Payable April 2022	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL	Description
Alpha Analytical Laboratories Inc.		562.00				562.00	Laboratory Analysis
Alpine County Public Works		2,666.40				2,666.40	Unleaded & Diesel Fuel

BVWD
A/P Aging Summary
As of April 30, 2022

Accounts Payable April 2022	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL	Description
AT&T Business Service 2					-12.72	-12.72	Credit for Closed Account
Columbia Communications Inc.		39.00				39.00	Pager for Field Staff
DMV		108.00				108.00	Registration
EBBETTS PASS GAS CO. Inc.		426.89				426.89	Propane for Main Office
Hach		-1,143.54				-1,143.54	Credit
McCrometer, Inc.		297.00				297.00	Field Supplies
Neumiller and Beardslee		1,601.36				1,601.36	Legal Fees
Sol Rebel Power Systems	400.00					400.00	Engineering & Consulting
Stantec Consulting Services Inc.		2,108.25				2,108.25	NPDES Permit
SUSP Engineering		12,870.00				12,870.00	Prop 218 Wastewater Study
TOTAL	400.00	19,535.36			-12.72	19,922.64	

BVWD
A/P Aging Summary
As of May 31, 2022

Prepays May 2022	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL	Description
A.T.&T.	125.90					125.90	Telephone & U-Verse for Main Office
Bear Valley Snowmobile	6.07					6.07	Parts for Snowmobile
Card Services	465.34					465.34	Office, Field Supplies, PR, Telephone
Deluxe Business Checks	385.55					385.55	Checks
E.D.D.	95.62					95.62	State Payroll Taxes
E.D.D.	292.75					292.75	State Payroll Taxes
E.D.D.	93.22					93.22	State Payroll Taxes
E.D.D.	290.13					290.13	State Payroll Taxes
F & M Bank	4,694.80					4,694.80	Principal & Interest on Loan
I.R.S.	2,032.26					2,032.26	Federal Payroll Taxes
I.R.S.	2,020.26					2,020.26	Federal Payroll Taxes
Lake Alpine Water Company	171.93					171.93	Water for Main Office
P.G.&E.	2,717.54					2,717.54	Electricity for May 2022
SDRMA	2,121.80					2,121.80	Health Insurance
SDRMA	537.84					537.84	Dental, Vision, LTD, Life Insurance
Swell Services, Inc.	9,735.80					9,735.80	Power Walls for Bee Gulch & Main Office
Steve Mikesell	80.56					80.56	Reimbursement for Mileage
Vantage Transfer	239.30					239.30	401 Retirement
Vantage Transfer	753.68					753.68	457 Retirement
Vantage Transfer	225.78					225.78	401 Retirement
Vantage Transfer	814.91					814.91	457K Retirement
TOTAL	27,901.04					27,901.04	

Payables May 2022	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL	Description
Alpha Analytical Laboratories Inc.		535.00				535.00	Laboratory Analysis
Alpine County Public Works		68.80				68.80	Fuel
AT&T Business Service 2					-12.72	-12.72	Credit for Closed Account
CALNET		40.66				40.66	Telephone
Diane Lundquist		100.00				100.00	Regular Board Meeting April 2022
EBBETTS PASS GAS CO. Inc.		426.89				426.89	Propane for Main Office

BVWD
A/P Aging Summary
As of May 31, 2022

Payables May 2022	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL	Description
El Dorado Septic Service, Inc.		262.76				262.76	Porta Potty Rental
Hach			-1,143.54			-1,143.54	Credit on Account
Jim Bissell		100.00				100.00	Regular Board Meeting April 2022
John Boyle		100.00				100.00	Regular Board Meeting April 2022
Ken Brown		100.00				100.00	Regular Board Meeting April 2022
Neumiller and Beardslee		150.00				150.00	Legal Fees
Stantec Consulting Services Inc.		1,327.50				1,327.50	NPDES Permit
Telstar Instruments Inc.		208.04				208.04	Laboratory Supplies
Thatcher Company of California		10,186.42				10,186.42	Chlorine
Weber Ghio and Associates, Inc		226.25				226.25	General Engineering
TOTAL		13,832.32	-1,143.54		-12.72	12,676.06	

BVWD
A/R Aging Summary
As of June 23, 2022

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
TM011				289.05	-1,092.56	-803.51
TM014					35.88	35.88
TM015					35.88	35.88
TM016				289.05	-289.05	
TM017					-0.66	-0.66
TM018						
TM020		28.91		289.05		317.96
TOTAL	<u>-13.71</u>	<u>6,994.71</u>	<u>-893.03</u>	<u>24,586.78</u>	<u>-49,568.09</u>	<u>-18,893.34</u>
TOTAL CREDITS	-13.71	(408.33)	-893.03	-351.90	-54,992.71	-56,659.68
TOTAL DEBITS	0	7403.04	0	24,938.68	5424.62	37766.34
TOTAL	<u>-13.71</u>	<u>6,994.71</u>	<u>-893.03</u>	<u>24,586.78</u>	<u>-49,568.09</u>	<u>-18,893.34</u>

BVWD
A/R Aging Summary
As of June 23, 2021

TOTAL	<u>0.00</u>	<u>309.77</u>	<u>1,131.09</u>	<u>17,514.18</u>	<u>-45,491.75</u>	<u>-26,536.71</u>
TOTAL CREDITS	0.00	-395.32	-914.90	-1,468.55	-54,213.61	-56,992.38
TOTAL DEBITS	0.00	705.09	2,045.99	18,982.73	8,621.86	30,355.67
TOTAL	<u>0.00</u>	<u>309.77</u>	<u>1,131.09</u>	<u>17,514.18</u>	<u>-45,591.75</u>	<u>-26,636.71</u>

**BEAR VALLEY WATER DISTRICT
RESOLUTION 2022 - 505
AB 361**

**RESOLUTION OF THE GOVERNING BOARD OF THE BEAR VALLEY WATER DISTRICT ("BVWD")
DETERMINING TO CONDUCT MEETINGS USING TELECONFERENCING PURSUANT TO
GOVERNMENT CODE 54953 AS AMENDED BY AB 361 FOR THE PERIOD JUNE 25, 2022 TO
JULY 25, 2022**

WHEREAS, BVWD is committed to preserving and nurturing public access and participation in its meetings; and

WHEREAS, all meetings of the BVWD Board of Directors are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the BVWD Board of Directors conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), as amended by AB 361 (2021), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the Board meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, on March 4, 2020, the Governor proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

WHEREAS, Cal-OSHA adopted emergency regulations (Section 3205) imposing requirements on California employers, including measures to promote social distancing; and

WHEREAS, Alpine County remains under a Local Health Emergency due to the COVID-19 pandemic, acknowledging that close contact to other persons increases the risk of transmission; and

WHEREAS, currently the dominant strain of COVID-19 in the country is more transmissible than prior variants of the virus, may cause more severe illness, and that even fully vaccinated individuals can spread the virus to others resulting in rapid and alarming rates of COVID-19 cases and hospitalizations, therefore, meeting in person would present imminent risks to the health or safety of attendees.

WHEREAS, on June 16, 2022, the BVWD Board of Directors held a special meeting remotely by teleconference/video conference in accordance with Government Code Section 54953(e) and hereby desires to adopt this resolution in order to continue to use remote teleconference/videoconference for the 30 days thereafter.

NOW, THEREFORE, THE BEAR VALLEY WATER DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Finding of Imminent Risk to Health or Safety of Attendees. The BVWD Board does hereby find that the current dominant strain of COVID-19 in the country is more transmissible than prior variants of the virus, may cause more severe illness, and that even fully vaccinated individuals can spread the virus to others resulting in rapid and alarming rates of COVID-19 cases and hospitalizations has caused, and will continue to cause, conditions of peril to the safety of persons, thereby presenting an imminent risk to health and/or safety to SJJPA's employees and other representatives, and attendees of SJJPA's public meetings; and

Section 3. Teleconference Meetings. The Members of the BVWD Board of Directors do hereby determine as a result of the State of Emergency proclaimed by the Governor, and the recommended measures to promote social distancing made by State and Local officials that BVWD may conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e)(1)(A) and (B) of section 54953, and shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

Section 4. Direction to Staff. The General Manager and BVWD staff are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect June 25, 2022 and cover the period through July 25, 2022.

PASSED AND ADOPTED, by the BVWD this 25TH day of June 2022, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

BEAR VALLEY WATER DISTRICT:

JUDI SILBER, Secretary

JIM BISSELL, President