

**BOARD OF DIRECTORS
SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
REGULAR MEETING
1402 N. VOSBURG DR. AZUSA, CA 91702
MONDAY, FEBRUARY 13, 2023
8:00 AM – 10:00 AM (PDT)**

This meeting will be held in person at the District office, located at 1402 North Vosburg Drive, Azusa, California. While the Boardroom is open for public attendance, you are strongly encouraged to participate in the meeting virtually through the remote Zoom link provided below. If you attend the Board meeting in person, please maintain appropriate social distancing to the extent feasible (i.e., maintain a six-foot distance between yourself and other individuals). Face coverings are encouraged but not required for attendees. Lastly, if you are experiencing any COVID-19 symptoms, including fever or chills, cough, shortness of breath or difficulty breathing, fatigue, muscle or body aches, headache, new loss of taste or smell, sore throat, congestion or runny nose, nausea or vomiting or diarrhea, please do not attend the meeting in person.

Join Zoom Meeting

<https://us02web.zoom.us/j/89013306120?pwd=SUZJRzFFSDRXUVVTY0NhOXQ0c1I6QT09>

Meeting ID: 890 1330 6120

Passcode: 512838

Dial by your location

+1 669 444 9171 US

PLEDGE OF ALLEGIANCE

ROLL CALL: Eng, Knoles, Paulson, Placido, Prince

PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA

UPDATES FROM CITY REPRESENTATIVES

CONSENT CALENDAR: The following matters are expected to be routine and will be acted upon by a single motion with little discussion unless any Director or citizen requests a separate action:

Minutes of the Regular Board Meeting of January 23, 2023

Financial Statements of January 2023

Treasurers Investment Report Dated December 31, 2022

Disbursements of the Revolving Fund Dated January 26, 2023, Check Nos. 12221 – 12226, EFT, and Wires

Disbursements of the Revolving Fund Dated February 9, 2023, Check Nos. 12227 – 12235, EFT, and Wires

Disbursements of the Revolving Fund Dated February 13, 2023, Check Nos. 12236 – 12238, and Wires

Disbursements of the General Fund Dated January 24-26, 2023, EFTs

Disbursements of the General Fund Dated February 1 - 13, 2023, Check Nos. 43431 – 43478, and EFTs

Future Meeting Attendance Approval – Resolution No. 02-2023-819 Continuation of Virtual Meetings Of The Board of Directors

Retroactive CA SDA - Ratepayer Assistance Funding & Water Shut-Off Laws – January 30, Webinar

Retroactive CaDC Workshop February Workshop – February 9 In-Person, Laguna Hills, or Webinar

ACTION ITEMS

1. Approve 2021-2022 Audit and Travel Expense Report
2. Professional Services Agreement Bucknam and Associates
3. Resolution No. 02-2023-820 Grant Application for Recycled Water Feasibility Study
4. Future Board Meetings

INFORMATION ITEMS

External Affairs Update

UNFINISHED BUSINESS

1. Report on Basin Management
2. Report of WQA
3. Report of the Attorney
4. Report of General Manager/Assistant Manager
5. Report of the State Water Contractors

COMMITTEE MEETING REPORTS

DIRECTOR REPORTS ON EVENTS ATTENDED

DIRECTORS COMMENTS

ADJOURNMENT

THIS AGENDA WAS POSTED ON FEBRUARY 9, 2023 AT SGVMWD.
THE NEXT REGULAR BOARD MEETING WILL BE ON MARCH 13, 2023.

**MINUTES
BOARD OF DIRECTORS
SAN GABRIEL VALLEY MUNICIPAL
WATER DISTRICT
REGULAR BOARD MEETING
1402 N. VOSBURG DR. AZUSA, CA 91702
MONDAY, JANUARY 23, 2023
8:00 A.M.**

At 8:01 a.m. on January 23, 2023, the Board of Directors meeting was held in person at the District office, located at 1402 North Vosburg Drive, Azusa, California. While the Boardroom was open for public attendance, the District strongly encouraged attendees wanting to attend the meeting to participate in the meeting virtually through the remote Zoom link provided below. Attendees in person were asked to please maintain appropriate social distancing to the extent feasible (i.e., maintain a six-foot distance between yourself and other individuals). Face coverings were encouraged but not required for attendees.

Join Zoom Meeting

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Meeting ID: 890 1330 6120

Passcode: 512838

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A MOMENT OF SILENCE WAS OBSERVED FOR THE VICTIMS OF THE MONTEREY PARK TRAGEDY.

PLEDGE OF ALLEGIANCE

CALL TO ORDER:

President Paulson called the meeting to order at 8:01 a.m.

ROLL CALL:

Directors present at Roll Call: Eng, Knoles, Paulson, Placido, Prince

ALSO PRESENT:

Darin Kasamoto, General Manager; Steve Kiggins, Assistant General Manager; Linda Esquivel, Executive Assistant; Evelyn Reyes, External Affairs Manager; Jim Ciampa, Lagerlof LLP; Dave DePinto, DMCI

Via telephone/Zoom: Melissa Barbosa, City of Azusa; Kelly Gardner & Arrica Jimenez, Main San Gabriel Basin Watermaster; Albert Lu, San Gabriel Valley MWD; Bin Zeng - Moss, Levy, & Hartzheim, LLP

PUBLIC COMMENTS ON NON-AGENDA ITEMS

None

UPDATES FROM THE CITY REPRESENTATIVE

None.

CONSENT CALENDAR:

Minutes of the Regular Board Meeting of December 12, 2022
Financial Statements for December 2022

Disbursements of the Revolving Fund Dated:

December 15, 2022, Check Nos. 12191 – 12196, EFT, and Wires in the amount of \$52,971.16
December 29, 2022, Check No. 12197 - 12209, EFT, and Wires in the amount of \$54,629.98
January 12, 2023, Check Nos. 12210 – 12217, EFT, and Wires in the amount of \$56,578.95
January 23, 2023, Check Nos. 12218 – 12220, and Wires in the amount of \$1,529.50

Disbursements of the General Fund Dated:

December 13 – 27, 2022 Check Nos. 43325 – 43343, and EFTs in the amount of \$557,670.44
January 06 & 09, 2023, Check Nos. 43344 – 43364, and EFT in the amount of \$259,932.92
January 10 - 23, 2023, Check Nos. 43365 – 43397, and EFTs in the amount of \$1,970,253.00
Note: Voided Duplicate Printing Error on Check Nos. 43398 - 43430

Future Meeting Attendance Approval: Resolution No. 01-2023-816 Continuation of Virtual Meetings of The Board of Directors.

On the motion of Director Prince, seconded by Director Placido, and unanimously carried 5-0, the Consent Calendar was approved.

On motion of Director Prince, seconded by Director Placido, and unanimously carried 5-0, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT PROCLAIMING A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM, AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF THE SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT FOR THE PERIOD JANUARY 14, 2023 – FEBRUARY 13, 2023, PURSUANT TO BROWN ACT PROVISIONS, Resolution No. 01-2023-816 was approved.

Approved by the Board of Directors of the San Gabriel Valley Municipal Water District at its regular meeting held on January 23, 2023, by the following roll call vote:

Ayes: Eng, Knoles, Paulson, Placido, Prince
Noes: None
Absent: None
Abstain: None

ACTION AGENDA ITEM

Agenda Action Item No. 1 – 2021-2022 Draft Audit and Travel and Expense Report was deferred until representation from Moss, Levy, and Hartzheim could join the zoom meeting.

ELECTION OF OFFICERS AND COMMITTEE APPOINTMENTS

On motion of Director Knoles, seconded by Director Placido and unanimously carried 5-0, the District's 2023 Officers and Committee Assignments listed below were approved.

2023 Election of Officers

President	Mark R. Paulson
Vice-President	Steven T. Placido
Secretary	Miles L. Prince
Treasurer	Bruce H. Knoles
Deputy Secretary	Darin J. Kasamoto
Deputy Treasurer	Darin J. Kasamoto
Water Quality Authority	
Director	Mark R. Paulson (must be a Director)
Alternate	Steven T. Placido (must be a Director)
Main San Gabriel Basin Watermaster	
Director	Steven T. Placido, DDs (must be a Director) (No Provisions for Alternate)
ACWA/JPIA	
Director	Miles L. Prince (must be a Director)
Alternate	Darin J. Kasamoto
ACWA Region 8	
Delegate	Miles L. Prince
Alternate	Darin J. Kasamoto
San Gabriel Valley Protective Association	Darin J. Kasamoto
San Gabriel Valley Water Association	
Liaison	Bruce H. Knoles
State Water Project Contractors Authority	
Liaison	Darin J. Kasamoto
San Gabriel Valley Economic Partnership	Mike Eng

Independent Cities Association	Mark R. Paulson / Steven T. Placido, DDS / Miles L. Prince
San Gabriel Valley Council of Governments	Steven T. Placido, DDS
San Gabriel Valley Civic Alliance	Bruce H. Knoles

2023 District Committees

Engineering & Operations Committee	Steven T. Placido, DDS & Mark R. Paulson
External Affairs Committee	Miles L. Prince & Mike Eng
Administrative/Finance Committee	Bruce H. Knoles & Mike Eng

PER DIEM CONFERNCES FOR 2023

On motion of Director Placido, seconded by Director Knoles and unanimously carried 5-0, the District's 2023 Per-Diem Conferences listed below were approved.

<u>ACWA</u> acwa.com		
Spring	May 9 – 11	Monterey
Fall	Nov 28 – 30	Indian Wells
Legislative Symposium	Mar 23	Sacramento
DC Annual	Feb 28 – Mar 2	Washington D. C.
<u>AWWA</u> awwa.org		
ACE 23 Annual Conference	Jun. 11 – 14	Toronto, Canada
AWWA Water Infrastructure	Sep 10 – 13	Philadelphia, PA
<u>CA-NV Section</u> ca-nv-awwa.org		
Spring	Apr 2 – 5	San Diego
Fall	TBA	TBA

OTHERS

asce.org		
ASCE Pipeline Conference	Aug 12 - 16	San Antonio, TX

cawaterpolicy.org

CA Water Policy	TBA	TBA
csda.net CSDA Annual Conference	Aug 28 – 31	Monterey, Ca
AGWA-AGWT Annual Conf.	Feb 7 - 8	Ontario, Ca
socalwater.org So California Water Committee	Quarterly Meeting	Annual Meeting & Dinner TBA
Urban Water Institute Urbanwater.com Spring	Feb 22- 24	Palm Springs, CA
Annual Conference	TBA	TBA
San Gabriel Valley Economic Partnership	TBA	All Directors
San Gabriel Valley Water Association	Quarterly luncheon meetings, Annual BBQ	All Directors
San Gabriel Valley Civic Alliance Awards Lunch	TBA	TBA
CORO Water Conference	TBA	TBA
Orange County Water Summit	TBA	TBA
WELL 2023 Annual Conference (Water Education for Latino Leaders)	Mar 31 – Apr 1	Van Nuys, CA
WaterSmart Innovation Conference	Oct 3 - 5	Las Vegas, NV
Three Valleys Leadership Breakfast	Qtrly	Sheraton Hotel, Pomona
Council for Watershed Health	All Events	
Water Replenishment District	All Mtgs	
Intl. LGBTQ Leaders Conference	TBA	TBA
CA Water Data Collaborative	All Events	
Climate Resolve	TBA	TBA

SCAG 2023 Regional Conf Springs, Ca	May 4 – 5	JW Marriott Desert
Catalyst 2023	TBA	San Antonio, TX
CSDA: Special District Leadership Academy	Feb 26 – Mar 1	La Quinta, CA
	Oct 22 – 25	Santa Rosa, CA
CSDA: Special District Legislative Days	May 16 -17	Sacramento, CA

Approved By Minute Order

All travel expenses incurred by the General Manager, or his authorized staff representative to attend any Department of Water Resources (DWR) or State Water Contractors (SWC) meetings is considered part of his job description and is authorized by the Board of Directors.

APPROVE ANNUAL PROPOSAL FOR CALIFORNIA ADVOCATES

On motion of Director Placido, seconded by Director Knoles, and unanimously carried 5-0, California Advocates 2023 Consulting Agreement was approved.

RESOLUTION NO. 01-2023-817 MODIFYING ADMINISTRATIVE CODE ON TRAVEL POLICY

On the motion of Director Knoles, seconded by Director Placido, and unanimously carried 5-0, RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT AMEDNING DISTRICT ADMINISTRATIVE CODE, Resolution No. 01-2023-817, travel policy was passed, approved, and adopted.

Approved by the Board of Directors of the San Gabriel Valley Municipal Water District at its regular meeting held on January 23, 2023, by the following roll call vote:

Ayes: Eng, Knoles, Paulson, Placido, Prince
 Noes: None
 Absent: None
 Abstain: None

RESOLUTION NO. 01-2023-818 GRANT APPLICATION FOR DWR DROUGHT RELIEF FUNDING

On the motion of Director Knoles, seconded by Director Placido, and unanimously carried 5-0, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT AUTHORIZING THE GRANT APPLICATION, ACCEPTANCE, AND EXECUTION FOR THE SAN GABRIEL VALLEY MUNICIPAL WATER

DISTRICT REGIONAL DROUGHT RESILIENCY PROGRAM, Resolution No. 01-2023-818 was passed, approved, and adopted.

Approved by the Board of Directors of the San Gabriel Valley Municipal Water District at its regular meeting held on January 23, 2023, by the following roll call vote:

Ayes: Eng, Knoles, Paulson, Placido, Prince
Noes: None
Absent: None
Abstain: None

ALHAMBRA WATER CONSERVATION GRANT REQUEST

The General Manager reported the 2022-2023 Budget included \$50,000 for each city to help fund infrastructure improvements that would help conserve water. The City of Alhambra would like to use these funds to help with the city's AMI installation program.

On motion of Director Placido, seconded by Director Knoles, and unanimously carried 5-0, the request from the City of Alhambra to use the \$50,000 grant for AMI installation was approved and the District's legal counsel was directed to prepare a Grant Agreement for that funding.

PROPOSAL FROM STETSON ENGINEERS TO PREPARE A WHITE PAPER ON MWD USE OF DISTRICT PIPELINE FOR PURE WATER SOUTHERN CALIFORNIA PROJECT

The General Manager reported MWD has approached the District to potentially use the District's pipeline to deliver recycled water to its Weymouth Treatment Plant as part of the Pure Water Project. Preliminary engineering analysis indicates that this is feasible. To help analyze the pros and cons to the District of MWD's proposed use, Stetson Engineers, given its familiarity with the District and its facilities, was asked to develop a proposal to prepare a white paper on this concept.

On motion of Director Placido, seconded by Director Prince, and unanimously carried 5 – 0, the proposal from Stetson Engineers dated January 12, 2023, to prepare a "White Paper" regarding the potential use of the District's Devil Canyon-Azusa Pipeline (DCAP) by Metropolitan Water District of Southern California (MWD) in an amount not to exceed \$45,000 was approved.

2021-2022 DRAFT AUDIT AND TRAVEL AND EXPENSE REPORT

Bin Zeng from Moss Levy & Hartzheim presented to the Board a draft of the 2021-2022 Audit, which represented a "clean" audit of the District. One observation on the Agreed-Upon Procedures Related to Review of Travel and Conference Expense Report was that there was an expenditure that was paid for that was not within District policy. The error was rectified, monies were reimbursed to the District and the item was not considered a finding, just an observation. The 2021-2022 Audit will be considered for approval by the Board at the February Board meeting.

FUTURE BOARD MEETINGS

The General Manager reported Future Board Meetings will continue to be an agenda action item and the Board will re-visit procedures at these meetings as COVID-19 conditions dictate.

INFORMATION ITEMS

EXTERNAL AFFAIRS

External Affairs Report in Agenda Packet.

Ms. Reyes reported the District's Irrigation Direct Install Program numbers are in her report. The City of Alhambra Lunar New Year Event is Sunday, January 29 at 9:00 a.m. Ms. Reyes is working with Hazen and Sawyer to submit DWR's Urban Community Drought Relief Grant application to DWR before the January 31st deadline. Ms. Reyes will be reaching out to the Metropolitan Water District for a Pure Water L. A. – Carson Project tour.

Mr. DePinto offered condolences to the residents of Monterey Park for the tragedy that took place this past weekend.

UNFINISHED BUSINESS

REPORT ON BASIN MANAGEMENT

Director Placido reported the Watermaster Board celebrated 50 years.

Ms. Gardner commented that Los Angeles County is attempting to capture every ounce of stormwater possible, however, a significant amount of local rainfall is needed to recover from this drought.

REPORT OF WQA

Director Paulson reported the budget that was signed by President Biden in December included \$10 million in funding for the Main San Gabriel Basin. Thanks were given to our congressional delegation, Congresswoman Judy Chu and Congresswoman Grace Napolitano for fighting to get WQA the money.

REPORT OF THE ATTORNEY

No Report.

REPORT OF THE GENERAL MANAGER/ASSISTANT GENERAL MANAGER

The General Manager's written report is in the Agenda Packet.

The General Manager commended Ms. Reyes for her efforts in coordinating with the member cities in gathering the necessary documentation for the grant application.

John Robinson, Steve Bucknam, and the General Manager are meeting to discuss potential federal grant funding along with ongoing discussions to apply for funding for the Foothill Water Coalition through the Bureau of Reclamation.

The General Manager also pointed out that this is the third year for our current auditors. An RFP will be going out to potentially engage a new auditing firm.

The Assistant General Manager's written report is in the Agenda Packet.

The Assistant General Manager reported the January 2023 delivery forecast: A 6 CFS delivery to Covina Irrigating Company (CIC) on behalf of Three Valleys Municipal Water District (TVMWD) was initiated on January 17, 2023.

The DCAP SCH1 Modification for Pipeline Condition Assessment report has not been received.

REPORT OF THE STATE WATER CONTRACTORS

The General Manager's written report is on the Agenda Packet.

The General Manager reported he would echo Ms. Gardner's comment that we are far from this drought being over.

Handouts for current precipitation and snowpack were included in the General Manager's report.

COMMITTEE MEETING REPORTS

None.

DIRECTOR REPORTS ON EVENTS ATTENDED

None.

DIRECTOR COMMENTS

Director Eng thanked the staff for providing information and orientation. He looks forward to learning more about the District and its work as time goes on.

Director Prince welcomed Mr. Eng and expressed his condolences to everyone after this past weekend's tragedy.

Director Knoles also gave his condolences. He also wanted to bring up and introduce glyphosate into the environment if possible.

Director Placido welcomed Mr. Eng and was also saddened by the tragedy in Monterey Park.

Director Paulson welcomed Mr. Eng and looks forward to working with him.

The General Manager commented that one of the District's Retired Board Members, former colleague, and mentor, Joe Reichenberger suffered the loss of his wife early this month and would like to adjourn this board meeting in her memory.

In memory of Patricia Reichenberger, the meeting was adjourned.

ADJOURNED at 9:20 A.M.

There being no further business, upon motion made, seconded, and carried unanimously, the meeting was duly adjourned at 9:20 a.m. The next Regular Board Meeting of the San Gabriel Valley Municipal Water District will be on February 13, 2023, at 8:00 a.m.

President

ATTEST:

Secretary

San Gabriel Valley Municipal Water District
Balance Sheet
As of January 31, 2023

	Jan 31, 23
ASSETS	
Current Assets	
Checking/Savings	
1001 · General Fund Bank of America	5,173,195.18
1005 · Revolving Cash Fund	94,599.85
1008 · Petty Cash	442.00
1009 · LAIF	14,698,509.75
1009.01 · LAIF FMV Adjustment	-232,061.50
1011 · UBS Resource Management Account	
1012 · Cash with Broker	10,200.15
1013 · Certificates of Deposit	9,628,767.77
Total 1011 · UBS Resource Management Account	9,638,967.92
1014 · UBS Accrued Interest	-22,644.17
Total Checking/Savings	29,351,009.03
Accounts Receivable	
1603 · Accounts Receivable	8,951.85
Total Accounts Receivable	8,951.85
Other Current Assets	
1605 · Taxes Receivable	-0.34
1606 · Interest Receivable	9,636.35
1620 · Prepaid Expenses	179,491.90
1660 · Water Inventory	669,800.64
Total Other Current Assets	858,928.55
Total Current Assets	30,218,889.43
Fixed Assets	
1701 · State Water Project Engineering	156,789.28
1702 · State Water Prj Wtr Cntrct Pmts	5,627,376.00
1703 · Accum Ammort - State Water Proj	-4,587,167.25
1801 · Pipeline	26,742,615.16
1830 · Accum Depreciation - Pipeline	-16,838,127.48
1840 · SCADA Telemetry	49,492.08
1841 · Accum Depreciation -SCADA	-8,401.45
1750 · SCADA 2013	884,531.22
1851 · Accum Depreciaton - SCADA 13	-731,476.40
1901 · Land	735,931.46
1902 · Buildings	2,322,562.42
1903 · Accum Depr - Buildings	-2,313,615.49
1904 · Furniture and Fixtures	173,585.69
1905 · Accum Depr - Furn and Fixtures	-158,747.89
1907 · Vehicles	257,156.24
1908 · Accum Depr - Vehicles	-174,288.68
1910 · Pipeline Misc Equipment	225,581.49
1911 · Accum Depr - Pipeline Misc Equi	-89,976.89
1920 · Construction in Process	
1920.06 · Condition Assessment Project	1,117,449.53
1920.05 · HydroElectric Facility San Dima	1,455.40
1920.04 · Hydro Elec Generator Expansion	950,782.80
1920 · Construction in Process - Other	141,812.35
Total 1920 · Construction in Process	2,211,500.08
1921 · Capital Expenditures	
1921.07 · SanDimas Hydro Deflec Batteries	35,595.25
1921.05 · Computer	6,198.90
1921.03 · Roof	58,390.47
1921.04 · Repaving	3,950.00
Total 1921 · Capital Expenditures	104,134.62
1916 · A/D Computers	-3,960.69

San Gabriel Valley Municipal Water District
Balance Sheet
As of January 31, 2023

	Jan 31, 23
1917 · A/D Paving	-878.16
1918 · A/D San Dimas Hydro	-10,384.57
1922 · A/D Roof	-16,298.60
Total Fixed Assets	14,557,932.19
Other Assets	
1998.99 · Deferred Outflows -OPEB	201,703.00
1999.99 · 1999.Deferred Outflows of Res	618,162.00
1931 · City Of Monterey Park Loan 2021	4,000,000.00
1932 · City Of Sierra Madre 2020 Loan	2,499,937.00
Total Other Assets	7,319,802.00
TOTAL ASSETS	52,096,623.62
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2001 · Accounts Payable	113,864.82
Total Accounts Payable	113,864.82
Other Current Liabilities	
2010 · Accrued Payroll - V&SL	371,199.14
24000 · Payroll Liabilities	50.42
Total Other Current Liabilities	371,249.56
Total Current Liabilities	485,114.38
Long Term Liabilities	
1698.99 · Deferred Inflows- OPEB	746,998.00
2219.99 · Net Pension Liability	2,355,085.00
1699.99 · Deferred Inflow of Resources	298,520.00
2209 · Other Post-Employment Benefits	5,565,320.23
Total Long Term Liabilities	8,965,923.23
Total Liabilities	9,451,037.61
Equity	
2301 · Fund Balance	4,524,449.82
2302 · San Bernardino Contribution	1,781,730.83
2970 · Retained Earnings	34,917,680.88
2973 · Contribution Aid Capital	1,280,323.11
Net Income	141,401.37
Total Equity	42,645,586.01
TOTAL LIABILITIES & EQUITY	52,096,623.62

San Gabriel Valley Municipal Water District

Income Statement - Actual vs. Budget

January 2023

	Jan 23	Budget	Jul '22 - Jan 23	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
General Operations					
3002 · Property Tax Revenue	517,865.78	408,333.00	2,649,029.04	2,858,331.00	4,900,000.00
3003 · Water Sales	18,162.00	166,667.00	686,178.00	1,166,669.00	2,000,000.00
3004 · Interest Income	77,562.27	11,250.00	199,759.31	78,750.00	135,000.00
3005 · Ready to Serve Revenue	990.00	990.00	6,930.00	6,930.00	11,880.00
3006 · RDA Prop Tax Trust Fund Alloc	412,008.98	83,333.00	915,905.43	583,331.00	1,000,000.00
3008 · SBVMWD Pipeline Maintenance Rev	0.00	2,500.00	0.00	17,500.00	30,000.00
3016 · Unrealized Gain (Loss) on Inves	0.00		-80,838.90	0.00	0.00
Total General Operations	1,026,589.03	673,073.00	4,376,962.88	4,711,511.00	8,076,880.00
Restricted Revenue - SWP					
3306 · Tax Revenue - State Water Proje	983,945.12	766,667.00	4,993,514.42	5,366,669.00	9,200,000.00
Total Restricted Revenue - SWP	983,945.12	766,667.00	4,993,514.42	5,366,669.00	9,200,000.00
3401 · Grants-St Wtr Board&Reclamation	0.00		0.00	0.00	0.00
Total Income	2,010,534.15	1,439,740.00	9,370,477.30	10,078,180.00	17,276,880.00
Gross Profit	2,010,534.15	1,439,740.00	9,370,477.30	10,078,180.00	17,276,880.00
Expense					
Unrestricted G.O. Expenses					
4001 · Director Fees	1,400.00	2,917.00	11,200.00	20,419.00	35,000.00
4010 · Salaries- Administrative	23,371.20	24,822.00	166,800.80	173,754.00	297,864.00
4014 · Field Supervision	15,398.40	16,055.00	106,128.80	112,385.00	192,665.00
4020 · Salaries Office	17,196.20	18,265.00	122,740.47	127,855.00	219,180.00
4021 · External Affairs Wages	10,548.80	11,144.00	74,435.10	78,008.00	133,726.00
4022 · Part Time Employee	637.50	1,226.00	1,173.00	8,582.00	14,717.00
4027 · Office Supplies - Equipment Mai	999.18	3,667.00	17,085.71	25,669.00	44,000.00
4028 · Water Forum	0.00		99.99		
4029 · Election Expenses	0.00	10,322.00	0.00	72,254.00	123,864.00
4031 · Legal Services	1,610.00	4,167.00	13,160.00	29,169.00	50,000.00
4032 · State Water Contract Services	4,769.55	3,333.00	18,548.25	23,331.00	40,000.00
4033 · Public Relations	2,700.58	11,250.00	50,824.84	78,750.00	135,000.00
4034 · Governmental Relations Consulti	8,000.00	8,000.00	56,000.00	56,000.00	96,000.00
4035 · Consulting & Engineering Expens	5,426.50	187,667.00	205,761.80	1,313,669.00	2,252,000.00
4036 · Medicare Tax Expense	1,305.80	1,500.00	9,170.72	10,500.00	18,000.00
4039 · PERS - Retirement Expenses	27,203.55	70,833.00	694,024.92	495,831.00	850,000.00
4040 · Social Security Tax Expense	5,583.37	4,917.00	28,118.37	34,419.00	59,000.00
4041 · State Compensation Fund	492.33	1,500.00	11,603.02	10,500.00	18,000.00
4042 · State Unemployment Insurance Ta	816.60	134.00	879.56	938.00	1,605.00
4043 · Health Insurance Expense	28,731.98	32,000.00	215,167.09	224,000.00	384,000.00
4044 · Dental/ Vision Benefit Expense	9,775.74	7,667.00	42,647.94	53,669.00	92,000.00

San Gabriel Valley Municipal Water District

Income Statement - Actual vs. Budget

January 2023

	Jan 23	Budget	Jul '22 - Jan 23	YTD Budget	Annual Budget
4045 · Insurance - Liability, Casualty	3,206.61	3,750.00	39,452.35	26,250.00	45,000.00
4046 · Blue Cross Employee Reimburseme	14,994.89	6,667.00	72,197.24	46,669.00	80,000.00
4048 · Life Insurance	350.20	300.00	2,383.60	2,100.00	3,600.00
4050 · Dues and Associations	7,391.51	7,917.00	46,210.60	55,419.00	95,000.00
4051 · Travel and Conferences -Dir	112.18	2,083.00	2,759.82	14,581.00	25,000.00
4052 · Publications and Periodicals	0.00	25.00	69.95	175.00	300.00
4053 · State Water Contractors Audit	0.00	833.00	9,804.00	5,831.00	10,000.00
4054 · Financial Audit Expense	600.00	1,667.00	18,705.00	11,669.00	20,000.00
4055 · Travel & Conference -Staff	1,566.62	2,500.00	9,739.55	17,500.00	30,000.00
4057 · Taxes - Annual Fee	0.00	4,333.00	50,403.52	30,331.00	52,000.00
4058 · Tax Collection Fees	0.00	2,917.00	4,821.61	20,419.00	35,000.00
4059 · Property Tax Expense	0.00	54.00	608.67	378.00	650.00
4060 · Telephone Expense	3,526.78	3,333.00	23,648.07	23,331.00	40,000.00
4061 · Utilities - Gas, Electric, and	2,218.00	1,542.00	11,570.26	10,794.00	18,500.00
4063 · Safety Program	990.12	1,667.00	1,851.10	11,669.00	20,000.00
4065 · Water Conservation/Rebates Prog	16,047.00	20,833.00	109,823.53	145,831.00	250,000.00
4067 · OPEB -Other Post Employment Ben	23,333.33	40,000.00	363,333.31	280,000.00	480,000.00
4090 · SWP Transportation Cost	18,685.32	166,667.00	102,013.70	1,166,669.00	2,000,000.00
4093 · Uniform and Material Rentals	189.12	333.00	1,418.40	2,331.00	4,000.00
4095 · Vehicle Maintenance, Operating	1,921.26	2,083.00	18,774.79	14,581.00	25,000.00
4096 · Communication Expense	765.69	700.00	5,359.83	4,900.00	8,400.00
4099 · Facility Maintenance	2,341.47	2,500.00	16,079.38	17,500.00	30,000.00
4100 · Salaries - Field Workers	20,732.08	19,737.00	143,825.82	138,159.00	236,844.00
4108 · Grounds Maintenance and Materia	2,047.00	2,750.00	13,205.00	19,250.00	33,000.00
4112 · Depreciation Expense	38,992.00		275,956.00	0.00	0.00
4113 · Pipeline Maintenance & Material	813.31	4,167.00	29,223.06	29,169.00	50,000.00
4114 · SCADA Maintence	350.00	667.00	20,127.83	4,669.00	8,000.00
4120 · Grants	0.00	422,520.00	110,779.71	2,957,640.00	5,070,245.00
Total Unrestricted G.O. Expenses	327,141.77	1,143,931.00	3,349,716.08	8,007,517.00	13,727,160.00
Riverside Facility					
4300 · Salaries - Riverside	662.91	1,337.00	4,231.43	9,359.00	16,043.00
4301 · Riverside Maintenance and Mater	316.51	2,358.00	2,421.87	16,506.00	28,300.00
Total Riverside Facility	979.42	3,695.00	6,653.30	25,865.00	44,343.00
Hydro Expenses					
4402 · Salaries - Hydro	107.21	758.00	209.36	5,306.00	9,092.00
4403 · Hydro Maintenance Materials	0.00	1,125.00	1,440.00	7,875.00	13,500.00
4406 · Hydro So Cal Edison (8800)	529.55	433.00	2,619.79	3,031.00	5,200.00
Total Hydro Expenses	636.76	2,316.00	4,269.15	16,212.00	27,792.00
Restricted Expense					
4510 · State Project Expense	1,830,711.00	641,667.00	5,845,593.00	4,491,669.00	7,700,000.00
4511 · State Project Amortization	8,034.00	8,083.00	56,238.00	56,581.00	97,000.00

San Gabriel Valley Municipal Water District
Income Statement - Actual vs. Budget
January 2023

	Jan 23	Budget	Jul '22 - Jan 23	YTD Budget	Annual Budget
4591 · State Project Cost of Water Adj	0.00		-34,578.00	0.00	0.00
Total Restricted Expense	1,838,745.00	649,750.00	5,867,253.00	4,548,250.00	7,797,000.00
66000 · Payroll Expenses	0.00		0.00	0.00	0.00
Total Expense	2,167,502.95	1,799,692.00	9,227,891.53	12,597,844.00	21,596,295.00
Net Ordinary Income	-156,968.80	-359,952.00	142,585.77	-2,519,664.00	-4,319,415.00
Other Income/Expense					
Other Expense					
6001 · COVID-19 Expense	0.00		1,184.40	0.00	0.00
Total Other Expense	0.00		1,184.40	0.00	0.00
Net Other Income	0.00		-1,184.40	0.00	0.00
Net Income	-156,968.80	-359,952.00	141,401.37	-2,519,664.00	-4,319,415.00

San Gabriel Valley Municipal Water District

TREASURERS INVESTMENT REPORT
(Activity ending December 31, 2022)

Report Date December 31, 2022

Account EMO5573

CUSIP#	ACCT. NO.	QUANTITY PURCHASED	BANKING INSTITUTION	RATE	DATE OF PURCHASE	DATE OF MATURITY	RATE OF INTEREST	YIELD TO MATURITY	INTEREST REC'D TTD	QUANTITY PURCHASED
319141JC2	1013	\$240,000	FIRST BK-HIGHLAND IL US	Fixed Rate	11/01/2017	11/01/2022	2.150%	2.150%	\$ 23,212.93	MATURED
666613HQ0	1013	\$240,000	NORTHPOINTE BANK MI US	Fixed Rate	11/13/2020	11/14/2022	0.150%	0.150%	\$ 822.97	MATURED
38149MVT7	1013	\$240,000	GOLDMAN SACHS BANK UT US	Fixed Rate	04/21/2021	12/21/2022	0.150%	0.150%	\$ 600.72	MATURED
559582AU5	1013	\$240,000	MAGNOLIA BANK, INC KY US	Fixed Rate	12/23/2020	12/23/2022	0.200%	0.200%	\$ 960.02	MATURED
59013KLU8	1013	\$240,000	MERRICK BANK UT US	Fixed Rate	12/30/2020	12/30/2022	0.150%	0.150%	\$ 720.08	MATURED
70153RKN7	1013	\$240,000	PARKWAY B&T IL US	Fixed Rate	01/28/2021	01/30/2023	0.150%	0.150%	\$ 538.52	\$240,000
080515CH0	1013	\$240,000	BELMONT SVGS BK MA US	Fixed Rate	02/28/2018	02/28/2023	2.700%	2.700%	\$ 30,766.77	\$240,000
947547MR3	1013	\$240,000	WEBBANK UT US	Fixed Rate	03/29/2021	03/29/2023	0.200%	0.200%	\$ 721.97	\$240,000
56065GAM0	1013	\$240,000	MAINSTREET BK VA US	Fixed Rate	03/30/2021	03/30/2023	0.200%	0.200%	\$ 841.69	\$240,000
58404DJY8	1013	\$240,000	MEDALLION BK UT US	Fixed Rate	03/30/2021	03/30/2023	0.200%	0.200%	\$ 841.69	\$240,000
72345SKU4	1013	\$240,000	PINNACLE BANK TN US	Fixed Rate	05/08/2020	05/08/2023	0.700%	0.700%	\$ 3,360.00	\$240,000
27004PBQ5	1013	\$240,000	EAGLEMARK SVGS BK NV US	Fixed Rate	05/19/2021	05/19/2023	0.200%	0.200%	\$ 721.97	\$240,000
33847E3K1	1013	\$240,000	FLAGSTAR BANK MI US	Fixed Rate	05/29/2020	05/30/2023	0.450%	0.450%	\$ 2,160.00	\$240,000
81632NAV7	1013	\$240,000	SELF-HELP FED CRED NC US	Fixed Rate	06/28/2021	06/28/2023	0.200%	0.200%	\$ 720.66	\$240,000
433323EA6	1013	\$240,000	HINGHAM INSTITUTIO MA US	Fixed Rate	06/28/2021	06/28/2023	0.200%	0.200%	\$ 720.66	\$240,000
45780PAT2	1013	\$240,000	INSTITUTION FOR SV MA US	Fixed Rate	07/29/2021	07/31/2023	0.300%	0.300%	\$ 1,021.87	\$240,000
90352RBE4	1013	\$240,000	USALLIANCE FED CRE NY US	Fixed Rate	09/29/2020	09/29/2023	0.300%	0.300%	\$ 1,619.51	\$240,000
87164XB96	1013	\$240,000	SYNCHRONY BK UT US	Fixed Rate	09/30/2021	09/23/2023	0.400%	0.400%	\$ 960.00	\$240,000
05580AV87	1013	\$240,000	BMW BK OF NA NA UT US	Fixed Rate	02/28/2020	02/28/2024	1.650%	1.650%	\$ 9,894.58	\$240,000
07371CJ34	1013	\$240,000	BEALBANK NV US	Fixed Rate	03/02/2022	02/28/2024	1.500%	1.500%	\$ 1,814.79	\$240,000
87164DSF8	1013	\$200,000	SYNOVUS BK GA US	Fixed Rate	03/11/2021	03/11/2024	0.300%	0.300%	\$ 902.47	\$200,000
20033AS31	1013	\$240,000	COMENITY CAP BK UT US	Fixed Rate	03/15/2019	03/15/2024	2.950%	2.950%	\$ 25,992.23	\$240,000
981993C63	1013	\$200,000	COMENITY BANK DE US	Fixed Rate	06/13/2022	06/13/2024	2.950%	2.950%	\$ 2,654.25	\$200,000
9497635A0	1013	\$240,000	WELLS FARGO BK NA SD US	Fixed Rate	12/30/2022	07/01/2024	4.600%	4.600%	\$ -	\$240,000
06740KQY6	1013	\$240,000	BARCLAYS BK DE US	Fixed Rate	07/27/2022	07/29/2024	3.200%	3.200%	\$ -	\$240,000
88241TLV0	1013	\$240,000	TEXAS EXCHANGE BK TX US	Fixed Rate	08/13/2021	08/13/2024	0.500%	0.500%	\$ 1,601.11	\$240,000
8562832ES	1013	\$240,000	STATE BANK INDIA IL US	Fixed Rate	08/22/2022	08/22/2024	3.350%	3.350%	\$ -	\$240,000
69506YRY7	1013	\$240,000	PACIFIC WSTN BK CA US	Fixed Rate	09/30/2020	09/30/2024	0.400%	0.400%	\$ 1,920.00	\$240,000
795451CK7	1013	\$240,000	SALLIE MAE BANK UT US	Fixed Rate	11/18/2022	11/18/2024	4.950%	4.950%	\$ -	\$240,000
523744AW0	1013	\$240,000	LEA CNTY ST BK HOB NM US	Fixed Rate	12/10/2021	12/10/2024	0.750%	0.750%	\$ 1,800.04	\$240,000
02007GH55	1013	\$240,000	ALLY BANK UT US	Fixed Rate	12/22/2022	12/23/2024	4.700%	4.700%	\$ -	\$240,000
02589AB68	1013	\$240,000	AMER EXPRESS NATL UT US	Fixed Rate	03/31/2020	03/31/2025	1.550%	1.550%	\$ 9,305.10	\$240,000
81258PKJ1	1013	\$240,000	SEATTLE BANK WA US	Fixed Rate	06/02/2020	06/02/2025	0.750%	0.750%	\$ 4,349.69	\$240,000
12527CFH0	1013	\$240,000	CFG COMMUNITY BANK MD US	Fixed Rate	08/11/2022	06/11/2025	3.600%	3.600%	\$ -	\$240,000
29278TPN4	1013	\$240,000	ENERBANK UT US	Fixed Rate	06/19/2020	06/19/2025	0.650%	0.650%	\$ 3,641.38	\$240,000
37149CAY3	1013	\$240,000	GENERATIONS BK AR US	Fixed Rate	07/29/2022	07/29/2025	3.400%	3.400%	\$ 3,420.48	\$240,000
48128UNC9	1013	\$240,000	JPMORGAN CHASE & C DE US	Fixed Rate	09/30/2020	09/30/2025	0.400%	0.400%	\$ 1,920.01	\$240,000
67054NBD4	1013	\$240,000	NUMERICA CREDIT UN WA US	Fixed Rate	12/29/2022	12/29/2025	4.750%	4.750%	\$ -	\$240,000
90348JG53	1013	\$240,000	UBS BANK UT US	Fixed Rate	09/30/2020	09/30/2025	0.400%	0.400%	\$ 3,804.14	\$240,000

San Gabriel Valley Municipal Water District

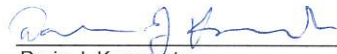
**TREASURERS INVESTMENT REPORT
(Activity ending December 31, 2022)**

Report Date December 31, 2022

SUMMARY	BALANCES
Local Agency Investment Fund - General Fund	\$ 14,698,509.75
UBS Certificates of Deposit Summary Total	\$ 9,525,000.00
UBS Select Treasury Notes	\$ 480,000.00
UBS Certificates of Deposit Interest Fiscal Year 2022-2023 At Date December 31, 2022	\$ 47,411.49
UBS Bank USA Deposit Account/UBS Select Treasury Institutional Fund	\$ 395.19
Money Balance Activities minus total dividend and interest income	\$ -
TOTAL INVESTMENTS	\$ 24,751,316.43
Cash Bank of America General Fund	\$5,473,900
Cash Bank of America Revolving Fund	\$69,657
Petty Cash Fund	\$300
GRAND TOTAL INVESTMENTS AND CASH LESS RESTRICTED FUNDS	\$ 30,295,173.22

I certify that this report accurately reflects all pooled investments and is in compliance with California Government Code Sections 53601(i), 53601.1, 53635(i) and 53646 and is in conformity with the San Gabriel Valley Municipal Water District's investment policy as stated in Resolution 10-95-489, dated 10/23/95.

As Treasurer of San Gabriel Valley Municipal Water District, I hereby certify that sufficient liquidity and anticipated revenues are available to meet the next six month's estimated expenditures.



Darin J. Kasamoto
Deputy Treasurer

2/1/2023

Date

Type of Investment with title held in the name of San Gabriel Valley Municipal Water District:

- CD'S Certificates of Deposit
- LAIF Local Agency Investment Fund
- MM Money Market Account



PMIA/LAIF Performance Report as of 01/18/23



PMIA Average Monthly Effective Yields⁽¹⁾

December	2.173
November	2.007
October	1.772

Quarterly Performance Quarter Ended 12/31/22

LAIF Apportionment Rate ⁽²⁾ :	2.07
LAIF Earnings Ratio ⁽²⁾ :	0.00005680946709337
LAIF Fair Value Factor ⁽¹⁾ :	0.981389258
PMIA Daily ⁽¹⁾ :	2.29
PMIA Quarter to Date ⁽¹⁾ :	1.98
PMIA Average Life ⁽¹⁾ :	287

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 12/31/22 \$199.6 billion

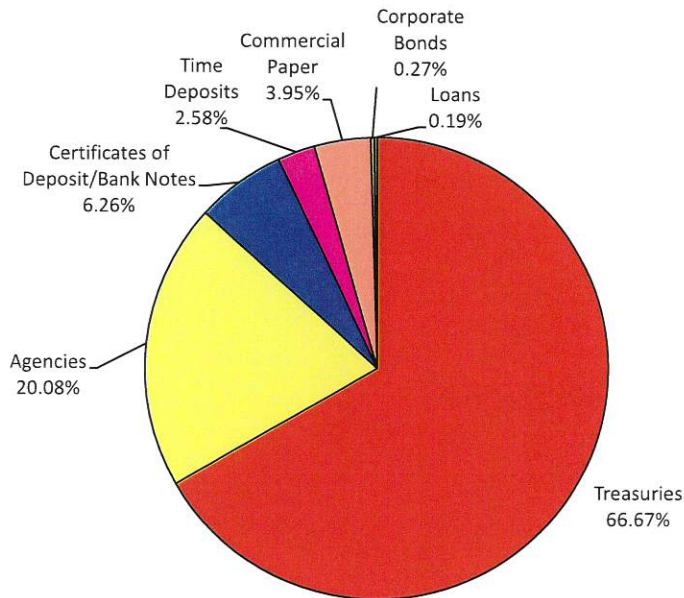


Chart does not include \$3,466,000.00 in mortgages, which equates to 0.002%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller



State of California Pooled Money Investment Account Market Valuation 12/31/2022

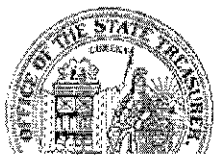
Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch. Amortized Cost		
United States Treasury:				
Bills	\$ 35,572,298,376.73	\$ 35,896,965,984.48	\$ 35,813,625,000.00	NA
Notes	\$ 96,336,543,012.97	\$ 96,327,058,254.86	\$ 93,171,299,000.00	\$ 287,620,426.50
Federal Agency:				
SBA	\$ 338,889,007.89	\$ 338,889,007.89	\$ 338,773,080.09	\$ 1,004,954.08
MBS-REMICs	\$ 3,465,697.68	\$ 3,465,697.68	\$ 3,425,155.69	\$ 15,470.20
Debentures	\$ 9,096,582,571.99	\$ 9,096,520,766.45	\$ 8,886,499,200.00	\$ 26,924,215.25
Debentures FR	\$ -	\$ -	\$ -	\$ -
Debentures CL	\$ 2,900,000,000.00	\$ 2,900,000,000.00	\$ 2,833,516,000.00	\$ 26,791,810.50
Discount Notes	\$ 25,325,736,041.68	\$ 25,562,614,902.86	\$ 25,510,373,000.00	NA
Supranational Debentures				
Supranational Debentures	\$ 2,426,390,203.78	\$ 2,425,759,648.22	\$ 2,338,151,100.00	\$ 7,376,541.50
Supranational Debentures FR	\$ -	\$ -	\$ -	\$ -
CDs and YCDs FR				
CDs and YCDs FR	\$ -	\$ -	\$ -	\$ -
Bank Notes	\$ 100,000,000.00	\$ 100,000,000.00	\$ 99,990,832.29	\$ 1,541,666.67
CDs and YCDs	\$ 12,400,000,000.00	\$ 12,400,000,000.00	\$ 12,382,893,375.51	\$ 124,083,166.66
Commercial Paper	\$ 7,895,772,944.44	\$ 7,975,413,013.94	\$ 7,970,181,986.08	NA
Corporate:				
Bonds FR	\$ -	\$ -	\$ -	\$ -
Bonds	\$ 530,321,150.56	\$ 530,164,414.45	\$ 503,140,960.00	\$ 4,279,027.65
Repurchase Agreements				
Repurchase Agreements	\$ -	\$ -	\$ -	\$ -
Reverse Repurchase				
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits				
Time Deposits	\$ 5,144,000,000.00	\$ 5,144,000,000.00	\$ 5,144,000,000.00	NA
PMIA & GF Loans	\$ 376,811,000.00	\$ 376,811,000.00	\$ 376,811,000.00	NA
TOTAL	\$ 198,446,810,007.72	\$ 199,077,662,690.83	\$ 195,372,679,689.66	\$ 479,637,279.01

Fair Value Including Accrued Interest

\$ 195,852,316,968.67

Repurchase Agreements, Time Deposits, PMIA & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (0.981389258). As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$19.627,785.16 or \$20,000,000.00 x 0.981389258.



California State Treasurer
Fiona Ma, CPA



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POOLED MONEY INVESTMENT ACCOUNT

PMIA Average Monthly Effective Yields

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1977	5.770	5.660	5.660	5.650	5.760	5.850	5.930	6.050	6.090	6.090	6.610	6.730
1978	6.920	7.050	7.140	7.270	7.386	7.569	7.652	7.821	7.871	8.110	8.286	8.769
1979	8.777	8.904	8.820	9.082	9.046	9.224	9.202	9.528	9.259	9.814	10.223	10.218
1980	10.980	11.251	11.490	11.480	12.017	11.798	10.206	9.870	9.945	10.056	10.428	10.961
1981	10.987	11.686	11.130	11.475	12.179	11.442	12.346	12.844	12.059	12.397	11.887	11.484
1982	11.683	12.044	11.835	11.773	12.270	11.994	12.235	11.909	11.151	11.111	10.704	10.401
1983	10.251	9.887	9.688	9.868	9.527	9.600	9.879	10.076	10.202	10.182	10.164	10.227
1984	10.312	10.280	10.382	10.594	10.843	11.119	11.355	11.557	11.597	11.681	11.474	11.024
1985	10.579	10.289	10.118	10.025	10.180	9.743	9.656	9.417	9.572	9.482	9.488	9.371
1986	9.252	9.090	8.958	8.621	8.369	8.225	8.141	7.844	7.512	7.586	7.432	7.439
1987	7.365	7.157	7.205	7.044	7.294	7.289	7.464	7.562	7.712	7.825	8.121	8.071
1988	8.078	8.050	7.945	7.940	7.815	7.929	8.089	8.245	8.341	8.397	8.467	8.563
1989	8.698	8.770	8.870	8.992	8.227	9.204	9.056	8.833	8.801	8.771	8.685	8.645
1990	8.571	8.538	8.506	8.497	8.531	8.538	8.517	8.382	8.333	8.321	8.269	8.279
1991	8.164	8.002	7.775	7.666	7.374	7.169	7.098	7.072	6.859	6.719	6.591	6.318
1992	6.122	5.863	5.680	5.692	5.379	5.323	5.235	4.958	4.760	4.730	4.659	4.647
1993	4.678	4.649	4.624	4.605	4.427	4.554	4.436	4.472	4.430	4.380	4.365	4.384
1994	4.359	4.176	4.248	4.333	4.434	4.623	4.823	4.989	5.108	5.243	5.380	5.528
1995	5.812	5.779	5.934	5.960	6.008	5.997	5.972	5.910	5.832	5.784	5.805	5.748
1996	5.698	5.643	5.557	5.538	5.502	5.548	5.587	5.566	5.601	5.601	5.599	5.574
1997	5.583	5.575	5.580	5.612	5.634	5.667	5.679	5.690	5.707	5.705	5.715	5.744
1998	5.742	5.720	5.680	5.672	5.673	5.671	5.652	5.652	5.639	5.557	5.492	5.374
1999	5.265	5.210	5.136	5.119	5.086	5.095	5.178	5.225	5.274	5.391	5.484	5.639
2000	5.760	5.824	5.851	6.014	6.190	6.349	6.443	6.506	6.502	6.517	6.538	6.535
2001	6.372	6.169	5.976	5.760	5.328	4.958	4.635	4.502	4.288	3.785	3.526	3.261
2002	3.068	2.987	2.861	2.845	2.740	2.687	2.714	2.594	2.604	2.487	2.301	2.201
2003	2.103	1.945	1.904	1.858	1.769	1.697	1.653	1.632	1.635	1.596	1.572	1.545
2004	1.528	1.440	1.474	1.445	1.426	1.469	1.604	1.672	1.771	1.890	2.003	2.134
2005	2.264	2.368	2.542	2.724	2.856	2.967	3.083	3.179	3.324	3.458	3.636	3.808
2006	3.955	4.043	4.142	4.305	4.563	4.700	4.849	4.946	5.023	5.098	5.125	5.129
2007	5.156	5.181	5.214	5.222	5.248	5.250	5.256	5.253	5.231	5.137	4.962	4.801
2008	4.620	4.161	3.777	3.400	3.072	2.894	2.787	2.779	2.774	2.709	2.568	2.353
2009	2.046	1.869	1.822	1.807	1.530	1.377	1.035	0.925	0.750	0.646	0.611	0.569
2010	0.558	0.577	0.547	0.588	0.560	0.528	0.531	0.513	0.500	0.480	0.454	0.462
2011	0.538	0.512	0.500	0.588	0.413	0.448	0.381	0.408	0.378	0.385	0.401	0.382
2012	0.385	0.389	0.383	0.367	0.363	0.358	0.363	0.377	0.348	0.340	0.324	0.326
2013	0.300	0.286	0.285	0.264	0.245	0.244	0.267	0.271	0.257	0.266	0.263	0.264
2014	0.244	0.236	0.236	0.233	0.228	0.228	0.244	0.260	0.246	0.261	0.261	0.267
2015	0.262	0.266	0.278	0.283	0.290	0.299	0.320	0.330	0.337	0.357	0.374	0.400
2016	0.446	0.467	0.506	0.625	0.562	0.576	0.588	0.614	0.634	0.654	0.678	0.719
2017	0.751	0.777	0.821	0.884	0.925	0.978	1.051	1.084	1.111	1.143	1.172	1.239
2018	1.350	1.412	1.524	1.661	1.755	1.854	1.944	1.998	2.063	2.144	2.208	2.291
2019	2.355	2.392	2.436	2.445	2.449	2.428	2.379	2.341	2.280	2.190	2.103	2.043
2020	1.967	1.912	1.787	1.648	1.363	1.217	0.920	0.784	0.685	0.620	0.576	0.540

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	0.458	0.407	0.357	0.339	0.315	0.262	0.221	0.221	0.206	0.203	0.203	0.212
2022	0.234	0.278	0.365	0.523	0.684	0.861	1.090	1.276	1.513	1.772	2.007	2.173

SAN GABRIEL MUNICIPAL WATER DISTRICT

REVOLVING FUND RECAP

January 26, 2023

Check No.	Date	Description	Amount
12221-12225	01/26/23	Payroll Expense	\$ 30,084.41
EFT	01/26/23	Payroll Expense - PERS	\$ 7,923.17
Wires	01/26/23	Federal & State Payroll Taxes	\$ 17,230.83
Wires	01/26/23	State Compensation Insurance	\$ 1,180.85
12226	01/26/23	SCE	\$ 529.55
<i>January 26, 2023 GRAND TOTAL DISBURSEMENTS.....</i>			<u>\$ 56,948.81</u>

REVOLVING FUND RECAP

February 09, 2023

Check No.	Date	Description	Amount
12227-12231	02/09/23	Payroll Expense	\$ 29,893.22
EFT	02/09/23	Payroll Expense - PERS	\$ 7,857.78
Wires	02/09/23	Federal & State Payroll Taxes	\$ 17,152.10
12232	02/09/23	Azusa Light & Water	\$ 98.82
12233	02/09/23	Frontier	\$ 446.18
12234	02/09/23	The Gas Company	\$ 253.39
12235	02/09/23	Verizon Wireless	\$ 360.37
<i>February 09, 2023 GRAND TOTAL DISBURSEMENTS.....</i>			<u>\$ 56,061.86</u>

REVOLVING FUND RECAP

February 13, 2023

Check No.	Date	Description	Amount
12236	02/13/23	Bruce H Knoles	\$ 365.80
12237	02/13/23	Mark R Paulson	\$ 914.50
12238	02/13/23	Michael F Eng	\$ 548.70
Wires	02/13/23	Federal & State Payroll Taxes	\$ 356.00
<i>February 13, 2023 GRAND TOTAL DISBURSEMENTS.....</i>			<u>\$ 2,185.00</u>

2:25 PM

02/09/23

Accrual Basis

San Gabriel Valley Municipal Water District
Transactions by Account
As of January 31, 2023

Type	Date	Num	Name	Amount
1001 - General Fund Bank of America				
Bill Pmt -Check	01/24/2023	EFT	BeniComp (Corp)	-158.01
Bill Pmt -Check	01/25/2023	EFT	BeniComp (Corp)	-5,493.18
Bill Pmt -Check	01/26/2023	EFT	BeniComp (Corp)	-1,966.81
Total 1001 - General Fund Bank of America				-7,618.00
TOTAL				-7,618.00

2:25 PM

San Gabriel Valley Municipal Water District
Transactions by Account
As of February 13, 2023

02/09/23

Accrual Basis

Type	Date	Num	Name	Amount
1001 - General Fund Bank of America				
Bill Pmt -Check	02/03/2023	EFT	BeniComp (Corp)	-7,663.87
Bill Pmt -Check	02/01/2023	EFT	BeniComp (Corp)	-350.00
Bill Pmt -Check	02/10/2023	EFT	BeniComp (Corp)	-2,691.57
Bill Pmt -Check	02/13/2023	43431	ACWA JPIA Medical/Life	-28,363.10
Bill Pmt -Check	02/13/2023	43432	Albert Lu	-57.94
Bill Pmt -Check	02/13/2023	43433	Alhambra Chamber Commerce	-700.00
Bill Pmt -Check	02/13/2023	43434	Alhambra High School	-2,500.00
Bill Pmt -Check	02/13/2023	43435	Alliance Communication Services (Co...	-130.00
Bill Pmt -Check	02/13/2023	43436	America's Tire	-68.17
Bill Pmt -Check	02/13/2023	43437	Applied Technology Group, Inc.	-320.00
Bill Pmt -Check	02/13/2023	43438	Athens (Corporation)	-252.70
Bill Pmt -Check	02/13/2023	43439	ATT	-106.92
Bill Pmt -Check	02/13/2023	43440	Azusa Light & Water	-1,117.54
Bill Pmt -Check	02/13/2023	43441	Azusa Plumbing Supply (Corp)	-75.60
Bill Pmt -Check	02/13/2023	43442	Battery Sales Unlimited	-380.07
Bill Pmt -Check	02/13/2023	43443	BOA-Visa	-2,094.40
Bill Pmt -Check	02/13/2023	43444	Bob Stallings	-4,082.40
Bill Pmt -Check	02/13/2023	43445	Bucknam & Associates Inc. (Corp)	-1,490.00
Bill Pmt -Check	02/13/2023	43446	California Advocates, Inc. (Corp)	-8,000.00
Bill Pmt -Check	02/13/2023	43447	California Underground Facilities	-84.08
Bill Pmt -Check	02/13/2023	43448	Camfil USA	-625.78
Bill Pmt -Check	02/13/2023	43449	Cash Revolving Fund	-70,000.00
Bill Pmt -Check	02/13/2023	43450	Catalyst San Gabriel Valley	-7,500.00
Bill Pmt -Check	02/13/2023	43451	Cell Business Equipment	-285.91
Bill Pmt -Check	02/13/2023	43452	Cintas	-189.12
Bill Pmt -Check	02/13/2023	43453	City of Alhambra (Public Works)	-2,000.00
Bill Pmt -Check	02/13/2023	43454	CP Construction Company	-82,858.89
Bill Pmt -Check	02/13/2023	43455	D.H. Maintenance Services	-185.00
Bill Pmt -Check	02/13/2023	43456	DePinto Morales Communications, Inc.	-11,646.00
Bill Pmt -Check	02/13/2023	43457	DigAlert (Corporation)	-825.75
Bill Pmt -Check	02/13/2023	43458	Evelyn Reyes	-113.13
Bill Pmt -Check	02/13/2023	43459	ExxonMobil	-1,388.32
Bill Pmt -Check	02/13/2023	43460	Fish N Weeds (Corp)	-1,786.00
Bill Pmt -Check	02/13/2023	43461	Frontier	-686.41
Bill Pmt -Check	02/13/2023	43462	Grainger (Corp)	-33.34
Bill Pmt -Check	02/13/2023	43463	Jim Frei	-5,714.40
Bill Pmt -Check	02/13/2023	43464	John Robinson Consulting, Inc (Corp)	-5,400.00
Bill Pmt -Check	02/13/2023	43465	Maria Jarmin	-54.76
Bill Pmt -Check	02/13/2023	43466	Mark Paulson (Expense)	-44.54
Bill Pmt -Check	02/13/2023	43467	Michael F Eng (Expense)	-67.64
Bill Pmt -Check	02/13/2023	43468	Mission ACE Hardware (Corp)	-15.83
Bill Pmt -Check	02/13/2023	43469	Moss, Levy & Hartzheim LLP	-600.00
Bill Pmt -Check	02/13/2023	43470	Public Water Agencies Group (PWAG)	-1,927.50
Bill Pmt -Check	02/13/2023	43471	San Gabriel Valley Water Association	-100.00
Bill Pmt -Check	02/13/2023	43472	SCE	-692.90
Bill Pmt -Check	02/13/2023	43473	Spectrum Enterprise	-239.98
Bill Pmt -Check	02/13/2023	43474	Stetson Engineers, Inc.	-1,479.25
Bill Pmt -Check	02/13/2023	43475	The Gas Company	-55.35
Bill Pmt -Check	02/13/2023	43476	Thinking Green Consultants	-1,020.00
Bill Pmt -Check	02/13/2023	43477	Verizon Business Services	-590.48
Bill Pmt -Check	02/13/2023	43478	Western Pest Control Specialists, Inc.	-470.00
Total 1001 - General Fund Bank of America				-259,124.64
TOTAL				-259,124.64

RESOLUTION NO. 02-2023-819

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT PROCLAIMING A STATE OF EMERGENCY PERSISTS, RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM, AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF THE SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT FOR THE PERIOD FEBRUARY 14, 2023 TO MARCH 15, 2023 PURSUANT TO BROWN ACT PROVISIONS.

WHEREAS, the San Gabriel Valley Municipal Water District (the “District”) is committed to preserving and nurturing public access and participation in meetings of its Board of Directors; and

WHEREAS, all meetings of the District’s Board of Directors and its standing committees are open and public, as required by the Ralph M. Brown Act (California Government Code Sections 54950 – 54963), so that any member of the public may attend, participate, and watch those bodies conduct their business; and

WHEREAS, the Brown Act, in Government Code Section 54953(e), makes provision 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 for application of Section 54953(e) 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, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District’s boundaries, caused by natural, technological or human-caused disasters; and

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

WHEREAS, the Board of Directors previously adopted a Resolution, Resolution No. 10-2021-788 on October 11, 2021, finding that the requisite conditions exist for the District’s Board of Directors and standing committees to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of Section 54953; and

WHEREAS, as a condition of extending the use of the provisions found in Section 54953(e), the Board of Directors must reconsider the circumstances of the state of emergency that exists in the District, and the Board of Directors has done so; and

WHEREAS, emergency conditions persist in the District, specifically, COVID-19, and its Delta variant, remain highly contagious and, therefore, a threat to the health, safety and well-being of the District's employees, directors, vendors, contractors, customers and residents; and

WHEREAS, orders from the Los Angeles County Department of Public Health and regulations from the State of California impose limitations on gatherings and provide guidance on best practices with respect to actions to reduce the spread of COVID-19; and

WHEREAS, the District's Board of Directors does hereby find that a state of emergency continues to exist within the District's service area as a result of the continuing presence of COVID-19 and resulting local, state and federal orders and guidance, which has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and the Board of Directors desires to affirm a local emergency exists and re-ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency persisting, the Board of Directors does hereby find that the District's Board of Directors and all standing committees shall continue to conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code Section 54953, as authorized by subdivision (e) of Section 54953, and that such legislative bodies shall continue to 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

WHEREAS, the District will continue to provide proper notice to the public regarding all District of Board of Directors' and standing committee meetings, in accordance with Government Code Section 54953(e)(2)(A) and shall provide notice to the public of how they may access any such meeting via call-in number and/or internet link.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SAN GABRIEL VALLEY MUNICIPAL 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. Affirmation that Local Emergency Persists. The Board of Directors hereby considers the conditions of the state of emergency in the District and proclaims that a local emergency persists throughout the District, and that conducting District Board of Directors and standing committee meetings virtually will minimize the possible spread COVID-19 and any variant thereof.

Section 3. Re-ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency regarding COVID-19, dated March 4, 2020.

Section 4. Remote Teleconference Meetings. The District's General Manager, or his or her delegee, and the Board of Directors and standing committees of the District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, continuing to conduct 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 immediately upon its adoption and shall be effective until the earlier of (i) the expiration of thirty (30) days from the date this Resolution was adopted, as set forth below, or (ii) such time as the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Board of Directors and standing committees of the District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED, APPROVED, AND ADOPTED by the Board of Directors of the San Gabriel Valley Municipal Water District this 13th day of February 2023.

President

ATTEST:

Secretary



California Special Districts Association
Districts Stronger Together

Webinar: Ratepayer Assistance Funding & Water Shut-Off Laws

Ratepayer Assistance Funding and Water Shut-Off Laws, Regulations, and Executive Orders

Presenter: Derek Cole, Cole Huber LLP

This presentation will address the requirements water providers must follow before terminating water service for non-paying customers. The presentation will discuss the importance of having guidelines in place in advance for governing shutoffs and providing the notice, appeal rights, and ratepayer assistance the law requires. The presentation will also discuss the federal and state programs available to water providers, both related to indebtedness incurred during the Covid-19 pandemic and afterward. The presentation will discuss recent and likely legislation on this subject, and will describe practical measures water providers can implement to deal with the difficult subject of nonpayment of customer bills.

10:00 a.m. - 12:00 p.m.

Free CSDA Member

\$95 Non-member

CSDA webinars are offered at no charge to all Members in part through the generous support of the Special District Risk Management Authority.

When 1/30/2023 10:00 AM - 12:00 PM

Sign In

Username

Password

Keep me signed in

SIGN IN

[Forgot username?](#) |

[Forgot password?](#)

Linda Esquivel

From: Miles Prince <mprince@sgvmwd.com> on behalf of Miles Prince
Sent: Thursday, January 26, 2023 10:14 AM
To: Linda Esquivel
Subject: Fwd: Your invited! CaDC Workshop in person and online

----- Forwarded message -----

From: California Data Collaborative <info@californiadatacollaborative.com>
Date: Wed, Jan 25, 2023 at 12:14 PM
Subject: Your invited! CaDC Workshop in person and online
To: <mprince@sgvmwd.com>

The image is a promotional graphic for a CaDC Workshop. It has a dark, textured background with a circular inset on the right showing a man in a suit presenting to an audience. The text is in white and includes:

CaDC Workshop
In Person and Online

THURSDAY
Feb. 9th | 1PM

Moulton Niguel Water District
26161 Gordon Rd, Laguna Hills, CA 92653
OR Online

REGISTER NOW

bit.ly/cadc-workshop-feb23

CaDC February Workshop

Join the CaDC as we revive our popular workshop series featuring speakers from around the water sector discussing how they are leaning on data to implement strategies for addressing the state's toughest water challenges.

Topics for this upcoming workshop include:

- Development of a database to track non-functional turf in southern California
- Dashboards for tracking and estimating water efficiency of agencies across the state
- And more topics coming soon...

February's event will take place **in person** at Moulton Niguel Water District and will also be **livestreamed** via webinar for remote attendees.

Registration is **FREE** for CaDC member agencies and invited guests.

Registration is \$30 for other attendees from the water community.

[In-Person Registration](#)

[Webinar Registration](#)



AGENDA ACTION ITEM NO. 1

APPROVE 2021-2022 AUDIT AND TRAVEL EXPENSE REPORT

RECOMMENDED ACTION: Adopt Audit and Travel Expense Report.

BACKGROUND: The draft Audit was presented at the previous Board Meeting. Staff has reviewed the findings and recommend that the Audit and Travel Expense Report be adopted by the Board.

BUDGET IMPACT: N/A

PRIOR BOARD ACTION: N/A

**SAN GABRIEL VALLEY MUNICIPAL
WATER DISTRICT**

**Annual Financial Report
For the Fiscal Year Ended June 30, 2022**

SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT

Table of Contents

INTRODUCTORY SECTION

Table of Contents	i
Transmittal letter	1
Independent Auditor's Report	5
Management's Discussion and Analysis	9

FINANCIAL SECTION

Basic Financial Statements:

Statement of Net Position.....	13
Statement of Revenues, Expenses, and Changes in Net Position.....	14
Statement of Cash Flows.....	15

Notes to Basic Financial Statements.....	17
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Required Supplementary Information

Schedule of the District's Proportionate Share of the Net Pension Liability.....	33
Schedule of Pension Contributions.....	34
Schedule of Changes in Total OPEB Liability and Related Ratios.....	35
Schedule of OPEB Contributions.....	36

Note to Required Supplementary Information.....	37
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Other Supplementary Information

Schedule of Operating Expenses.....	39
Note to the Supplementary Information.....	40

December 1, 2022

Board of Directors
San Gabriel Valley Municipal Water District
Azusa, California

Introduction

It is our pleasure to submit the Annual Financial Report for the San Gabriel Valley Municipal Water District for the fiscal year ended June 30, 2022, following guidelines set forth by the Governmental Accounting Standards Board. District staff prepared this financial report. The District is ultimately responsible for both the accuracy of the data and the completeness and the fairness of presentation, including all disclosures in this financial report. We believe that the data presented is accurate in all material respects. This report is designed in a manner that we believe is necessary to enhance your understanding of the District's financial position and activities.

This report is organized into two sections: (1) Introductory and (2) Financial. The Introductory Section offers general information about the District's organization and current District activities, reports on a summary of significant financial results and includes the Management's Discussion and Analysis of the District's basic financial statements. The Independent Auditor's Report is a component of the Introductory Section. The Financial Section includes the District's audited basic financial statements with accompanying notes.

Accounting Principles General Accepted in the United States of America (US GAAP) requires that management provide a narrative introduction, overview and analysis to accompany the financial statements in the form of the Management's Discussion and Analysis (MD&A) section. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found on page 9.

District Structure and Leadership

The San Gabriel Valley Municipal Water District was organized in 1959. Included in the District are the cities of Alhambra, Azusa, Monterey Park, and Sierra Madre. The District imports water from the State Water Project through its pipeline which was completed in 1974. The pipeline begins at the Devil Canyon Powerplant on the East Branch of the State Water Project, County of San Bernardino, and terminates at the San Gabriel Canyon Spreading Grounds, County of Los Angeles. The District's operations include delivery of water through the Devil Canyon-Azusa Pipeline, as well as the generation of electricity at its San Dimas Hydroelectric Facility. Currently all energy produced is sold to the City of Azusa.

The imported water is spread in the Main San Gabriel Basin. The Main San Gabriel Basin Watermaster requires replacement water be spread in the Main San Gabriel Basin. The replacement water spread in the Main San Gabriel Basin is to replace water pumped by the four above mentioned cities in excess of their pumping rights. In addition, the District has an obligation under the Long Beach Judgment to ensure there is adequate water flowing through the Whittier Narrows into the Central Basin. This is a requirement of the San Gabriel River Watermaster.

The District is governed by a five-member Board of Directors representing five divisions. The General Manager administers the day-to-day operations of the District in accordance with policies and procedures established by the Board of Directors.

The District employs seven full-time employees and one part-time employee. The District's Board of Directors meet each month. Meetings are publicly noticed and citizens are encouraged to attend.

District Services

The District's customer is the Main San Gabriel Basin Watermaster acting on behalf of the cities of Alhambra, Azusa, Monterey Park, and Sierra Madre which consume 100% of the water annually delivered by the District. The District has a contract with the State of California Department of Water Resources for up to 28,800 acre-feet of water delivered annually from the State Water Project.

Economic Condition and Outlook

The District's offices are located in the City of Azusa in the County of Los Angeles. Development potential is limited due to lack of available land. The region's economy has experienced improvement, tempered by the slow recovery in labor market.

Internal Control Structure

District management is responsible for the establishment and maintenance of the internal control structure that ensures the assets of the District are protected from loss, theft, or misuse. The internal control structure also ensures adequate accounting data is compiled to allow for the preparation of financial statements in conformity with US GAAP. The District's internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Control

The District Board of Directors annually adopts an operating and capital budget prior to the new fiscal year. The budget authorizes and provides the basis for reporting and control of financial operations and accountability for the District's enterprise operations and capital projects. The budget and reporting treatment applied to the District is consistent with the accrual basis of accounting and the financial statement basis.

Investment Policy

The Board of Directors has adopted an investment policy that conforms to state law, District ordinance and resolutions, prudent money management, and the "prudent person" standards. The objective of the Investment Policy is safety, liquidity, and yield in that order. District funds are

invested in the State Treasurer's Local Agency Investment Fund and institutional savings and checking accounts.

Water Rates and District Revenues

District policy direction ensures that all revenues from water sales, property taxes, interest from investments, and hydro-electric sales must support all District operations including capital project funding. Accordingly, tax rates, water rates, and the investment policy are reviewed on an annual basis.

Audit and Financial Reporting

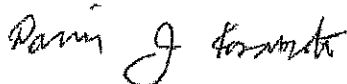
State law requires the District to obtain an annual audit of its financial statements by an independent certified public accountant. The accounting firm of Moss, Levy & Hartzheim LLP has conducted the fiscal year 2022 audit of the District's financial statements. Their unmodified Independent Auditor's Report is located on page 5.

Other References

More information is contained in the Management's Discussion and Analysis and the Notes to the Basic Financial Statements found in the Financial Section of the report.

Acknowledgements

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



Darin Kasamoto
General Manager

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MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS

CRAIG A HARTZHEIM, CPA
HADLEY Y HUI, CPA
ALEXANDER C HOM, CPA
ADAM V GUISE, CPA
TRAVIS J HOLE, CPA
WILSON LAM, CPA

COMMERCIAL ACCOUNTING & TAX SERVICES

9465 WILSHIRE BLVD., 3RD FLOOR
BEVERLY HILLS, CA 90212
TEL: 310.670.2745
FAX: 310.670.1689
www.mlhcpas.com

GOVERNMENTAL AUDIT SERVICES

5800 HANNUM AVE., SUITE E
CULVER CITY, CA 90230
TEL: 310.670.2745
FAX: 310.670.1689
www.mlhcpas.com

INDEPENDENT AUDITOR'S REPORT

The Members of the Board of Directors of
San Gabriel Valley Municipal Water District
Azusa, California

Opinions

We have audited the accompanying basic financial statements and major fund of the San Gabriel Valley Municipal Water District (District) as of and for the fiscal year ended June 30, 2022, and related notes to the financial statements as listed in the table of contents.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the District, as of June 30, 2022, and the changes in financial position and cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and those standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 9 through 12 and the required supplementary information on pages 33 through 36 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the District's basic financial statements. The introductory section and accompanying supplementary information, such as schedule of operating expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Moss, Levy & Hartzheim

Moss, Levy & Hartzheim, LLP
Culver City, California
December 3, 2022

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**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the San Gabriel Valley Municipal Water District (District) provides an introduction to the financial statements of the District for the fiscal year ended June 30, 2022. Readers should consider the information presented here in conjunction with the transmittal letter and with the basic financial statements and related notes, which follow this section.

Financial Highlights

- The District's net position increased 11.27% or \$4,433,053 without considering prior period adjustments in 2022 as a result of operations.
- The District's operating revenue decreased 64.65% or \$1,758,213, in fiscal year 2022, primarily due to a decrease in water sales.
- The District's operating expenses decreased 27.23% over the prior fiscal year due lack of State Water Project water for delivery. Non-operating expenses increased due to grants passed through the District, which had no effect on the District's new position.
- The District's non-operating revenue, mostly composed of property taxes, remained largely the same.

Required Financial Statements

This annual report consists of a series of financial statements. The Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The Statement of Net Position includes all of the District's investments in resources (assets and deferred outflows) and obligations (liabilities and deferred inflows). It also provides the basis for computing a rate of return, evaluating the capital structure of the District, and assessing the liquidity and financial flexibility of the District. All of the current fiscal year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the success of the District's operations over the past fiscal year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate profitability and credit worthiness.

The final required financial statement is the Statement of Cash Flows, which provides information about the District's cash receipts and cash payments during the reporting period. The Statement of Cash Flows reports cash receipts, cash payments and, net changes in cash resulting from operation investing, non-capital financing, and capital and related financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

Financial Analysis of the District

The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the District finances in the current fiscal year.

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting method used by most private sector companies. All of the current fiscal year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the District's net position and changes in it. The District's net position -- the difference between assets and deferred outflows less liabilities and deferred inflows -- is one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position is one indicator of whether its financial health is improving or deteriorating. Readers should consider other non-financial factors such as changes in economic conditions, population growth, zoning and new or changed government legislation, such as changes in Federal and State water quality standards.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the financial statements can be found beginning on page 17.

Condensed Statement of Net Position

	<u>2022</u>	<u>2021</u>	<u>Change</u>
<u>Assets</u>			
Current and other assets	\$ 28,752,541	\$ 27,669,741	\$ 1,082,800
Non-current assets	9,188,131	6,984,595	2,203,536
Capital assets, net	<u>12,875,784</u>	<u>13,926,709</u>	<u>(1,050,925)</u>
Total Assets	<u>50,816,456</u>	<u>48,581,045</u>	<u>2,235,411</u>
<u>Deferred Outflows of Resources</u>			
Pension related	1,325,016	1,104,366	220,650
OPEB related	<u>755,039</u>	<u>839,996</u>	<u>(84,957)</u>
Total Def. Outflows	<u>2,080,055</u>	<u>1,944,362</u>	<u>135,693</u>
<u>Liabilities</u>			
Current liabilities	985,050	1,144,888	(159,838)
Non-current liabilities	<u>5,814,470</u>	<u>8,365,766</u>	<u>(2,551,296)</u>
Total Liabilities	<u>6,799,520</u>	<u>9,510,654</u>	<u>(2,711,134)</u>
<u>Deferred Inflows of Resources</u>			
Pension related	1,069,338	205,921	863,417
OPEB related	<u>1,242,581</u>	<u>506,030</u>	<u>736,551</u>
Total Def. Inflows	<u>2,311,919</u>	<u>711,951</u>	<u>1,599,968</u>
<u>Net Position</u>			
Net investment in capital assets	12,875,784	13,926,709	(1,050,925)
Unrestricted	<u>30,909,288</u>	<u>26,376,093</u>	<u>4,533,195</u>
Total Net Position	<u>\$ 43,785,072</u>	<u>\$ 40,302,802</u>	<u>\$ 3,482,270</u>

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of the District exceeded liabilities and deferred inflows by \$43,785,072 as of June 30, 2022, which is an increase of \$4,433,053 when compared to the prior fiscal year without taking prior period adjustments into consideration.

A large portion of the District's net position, 29.41% and 34.56%, as of June 30, 2022 and 2021 respectively, reflects the District investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to customers within the District's service area; consequently, these assets are not available for future spending.

At the end of fiscal years June 30, 2022 and 2021, the District showed a positive balance in its unrestricted net position of \$30,909,288 and \$26,376,093, respectively.

Condensed Statement of Revenues, Expenses and Changes in Net Position

	<u>2022</u>	<u>2021</u>	<u>Change</u>
Revenues			
Operating revenue	\$ 961,421	\$ 2,719,634	\$ (1,758,213)
Non-operating revenue	15,296,594	14,353,644	942,950
Total Revenues	<u>16,258,015</u>	<u>17,073,278</u>	<u>(815,263)</u>
Expenses			
Operating expenses	10,548,638	14,495,728	(3,947,090)
Depreciation	567,236	569,088	(1,852)
Non-operating expenses	709,088	563,227	145,861
Total Expenses	<u>11,824,962</u>	<u>15,628,043</u>	<u>(3,803,081)</u>
Change in Net Position	4,433,053	1,445,235	2,987,818
Beginning Net Position	<u>40,302,802</u>	<u>38,857,567</u>	<u>1,445,235</u>
Prior Period Adjustments	<u>(950,783)</u>	<u>-</u>	<u>(950,783)</u>
Beginning Net, Restated	<u>39,352,019</u>	<u>38,857,567</u>	<u>494,452</u>
Ending Net Position	<u>\$ 43,785,072</u>	<u>\$ 40,302,802</u>	<u>\$ 3,482,270</u>

The statement of revenues, expenses, and changes in net position shows how the District's net position changed during the fiscal years. In the case of the District, net position increased by \$4,433,053 for the fiscal year ended June 30, 2022 without taking prior period adjustments into consideration.

In 2022, the District's net position increased 11.27% or \$4,433,053 as a result of operations compared to 2021.

The District's operating revenue decreased 64.65% or \$1,758,213, in fiscal year 2022, primarily due to a decrease in water sales and a decrease in interest revenue.

The District's operating expenses decreased 27.23%, or \$3,947,090 primarily due to lack of State water supply and therefore lack of water delivery expenses. The District's non-operating expenditures also remained largely the same if passthrough grants are not taken into account.

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Capital Asset Administration

At the end of fiscal year 2022 and 2021, the District's investment in capital assets amounted to \$12,875,784, and \$13,926,709, respectively. This investment in capital assets includes land, pipelines and structures, equipment, vehicles and construction-in- process, etc. Major capital asset additions during the fiscal year included upgrades to the pipeline.

	Balance as of June 30, 2021	Additions	Deletions	Prior Period Adjustments	Balance as of June 30, 2022
Total non-depreciable capital assets	\$ 1,686,714	\$ 204,853	\$ -	(950,783)	\$ 940,784
Total depreciable capital assets	36,299,684	274,958	(32,576)	-	36,542,066
Total accumulated depreciation	(24,072,406)	(567,236)	32,576		(24,607,066)
Net depreciable capital assets	12,227,278	(292,278)	-	-	11,935,000
Net capital assets	\$ 13,913,992	\$ (87,425)	\$ -	\$ (950,783)	\$ 12,875,784

Conditions Affecting Current Financial Position and Outlook

Management is unaware of any conditions, which could have a significant impact on the District's current financial position, net assets, or operating results to terms of past, present and future. Covid-19 impacts are expected to be minimal because the District derives its tax revenue solely from property taxes.

Requests for Information

This financial report is designed to provide an overview of the District's financial operations and condition. Should the reader have questions regarding the information included in this report or wish to request additional information, please contact the District's General Manager at 1402 N. Vosburg Drive, PO Box 1299, Azusa, California 91702.

FINANCIAL SECTION

SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
STATEMENT OF NET POSITION
June 30, 2022

Assets	
Current Assets:	
Cash and cash equivalents	\$ 22,559,303
Investments	4,509,910
Accounts receivable, net	205,625
Interest receivable	19,946
Property taxes receivable	825,807
Water inventory	551,280
Prepaid expenses	80,670
Total current assets	<u>28,752,541</u>
Noncurrent Assets:	
Investments	5,188,131
Advances to other governments, net	4,000,000
Capital assets not being depreciated	940,784
Capital assets, net of accumulated depreciation	11,935,000
Total noncurrent assets	<u>22,063,915</u>
Deferred Outflows of Resources	
Pension related	1,325,016
OPEB related	755,039
Total deferred outflows of resources	<u>2,080,055</u>
Total assets and deferred outflows of resources	<u>52,896,511</u>
Liabilities	
Current Liabilities:	
Accounts payable	384,330
Accrued liabilities	23,824
Unearned revenue	503,896
Current portion of compensated absences	73,000
Total current liabilities	<u>985,050</u>
Noncurrent liabilities:	
Compensated absences	298,199
Net pension liability	824,291
Net OPEB liability	4,691,980
Total noncurrent liabilities	<u>5,814,470</u>
Total liabilities	<u>6,799,520</u>
Deferred Inflows of Resources	
Pension related	1,069,338
OPEB related	1,242,581
Total deferred inflows of resources	<u>2,311,919</u>
Total liabilities and deferred inflows of resources	<u>9,111,439</u>
Net Position	
Net investment in capital assets	12,875,784
Unrestricted	30,909,288
Total net position	<u>\$ 43,785,072</u>

See Notes to Basic Financial Statements

SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Fiscal Year Ended June 30, 2022

Operating Revenues:	
Water sales	\$ 943,485
Other services	17,936
	961,421
Operating Expenses:	
Source of supply - water deliveries	7,831,833
General and administrative expenses	2,716,805
	10,548,638
Operating income (loss) before depreciation	(9,587,217)
Depreciation expense	(567,236)
Operating income (loss)	(10,154,453)
Non-Operating Revenues (Expenses):	
Property taxes - ad valorem	6,090,169
Property taxes - voter approved	9,206,425
Grant funding to other agencies	(227,760)
Interest and investment earnings	(481,328)
	14,587,506
Change in net position	4,433,053
Total Net Position - beginning of fiscal year	40,302,802
Prior Period Adjustments	(950,783)
Total Net Position - beginning of fiscal year, restated	39,352,019
Total Net Position - end of fiscal year	\$ 43,785,072

See Notes to Basic Financial Statements

SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2022

Cash Flows from Operating Activities:	
Cash received from water sales	\$ 928,708
Cash payments to vendors and suppliers	(8,619,740)
Cash payments for employees and benefit programs	<u>(2,888,520)</u>
Net cash provided (used) by operating activities	<u>(10,579,552)</u>
Cash Flows from Non-capital Financing Activities:	
Cash received from property taxes	<u>14,662,878</u>
Net cash provided (used) by non-capital financing activities	<u>14,662,878</u>
Cash Flows from Capital and Related Activities:	
Cash received (payments) from (to) other governments	(227,760)
Purchase of capital assets	(479,811)
Advances to other governments	<u>(4,000,000)</u>
Net cash provided (used) by capital and related financing activities	<u>(4,707,571)</u>
Cash Flows from Investing Activities:	
Use of money and property	<u>(187,390)</u>
Net cash provided (used) by investing activities	<u>(187,390)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(811,635)
Cash and Cash Equivalents, Beginning of Fiscal Year	<u>23,370,938</u>
Cash and Cash Equivalents, End of Fiscal Year	<u>\$ 22,559,303</u>
Reconciliation to Statement of Net Position:	
Cash and investments	<u>\$ 22,559,303</u>
Cash and Cash Equivalents	<u>\$ 22,559,303</u>

(Continued)

See Notes to Basic Financial Statements

SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2022

(Continued)

Reconciliation of Operating Income (Loss) to Net Cash

Provided (Used) by Operating Activities:	
Operating income (loss)	<u>\$ (10,154,453)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	567,236
(Increase) decrease in accounts receivable	(32,713)
(Increase) decrease in inventory	201,059
(Increase) decrease in prepaid expenses	86,178
(Increase) decrease in deferred outflows of resources - pension and OPEB	(135,693)
Increase (decrease) in accounts payable and accrued expenses	(159,838)
Increase (decrease) in compensated absences	(58,395)
Increase (decrease) net pension liability	(1,754,681)
Increase (decrease) net OPEB liability	(738,220)
Increase (decrease) in deferred inflows of resources - pension and OPEB	<u>1,599,968</u>
 Total adjustments	 <u>(425,099)</u>
 Net cash provided by (used by) operating activities	 <u><u>\$ (10,579,552)</u></u>

See Notes to Basic Financial Statements

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the San Gabriel Valley Municipal Water District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below:

A. Financial Reporting Entity

The San Gabriel Valley Municipal Water District was organized in 1959. Included in the District are the cities of Alhambra, Azusa, Monterey Park and Sierra Madre. The District imports state water through its pipeline which was completed in 1975. The pipeline originates at the State Water Project located at Devil Canyon, County of San Bernardino, and terminates in the San Gabriel Canyon Spreading Grounds. The District maintains the pipeline and also generates electricity, which is sold to the City of Azusa at its San Dimas electrical generating plant.

The imported water is spread in the Main San Gabriel Basin and the Central Basin. The Main San Gabriel Basin Watermaster (Watermaster) requires that replacement water and cyclic storage be spread in the Main San Gabriel Basin. The water spread in the Main San Gabriel Basin is to replace water pumped by the four above mentioned cities in excess of their pumping rights. The Watermaster requires that make-up water be spread in the Central Basin to satisfy the terms of the Long Beach Judgment.

The District is governed by a five-member Board of Directors representing five divisions. The General Manager administers the day-to-day operations of the District in accordance with policies and procedures established by the Board of Directors. The District employs seven employees. The District's Board of Directors meets each month. Meetings are publicly noticed and citizens are encouraged to attend.

B. Basis of Accounting

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs of providing water to its service areas on a continuing basis be financed or recovered primarily through user charges (water sales), capital grants, and similar funding. Revenues and expenses are recognized on the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flows take place. Operating revenues and expenses, such as water sales and water deliveries result from exchange transaction associated with the principal activity of the District. Exchange transactions are those in which each party receives and gives up essentially equal values. Management, administration, and depreciation expenses are also considered operating expenses. Other revenues and expense not included in the above categories are reported as non-operating revenues and expenses.

C. Basis of Preparation

The District's basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (US GAAP), as applied to enterprise funds. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District solely operates as a special-purpose government which means it is only engaged in business-type activities; accordingly, activities are reported in the District's proprietary fund.

D. Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers cash and cash equivalents as short term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Cash equivalents have an original maturity date of three months or less from the date of purchase.

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash and Cash Equivalents (Continued)

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy as follows: Level 1 – Investments reflect prices quoted in active markets; Level 2 – Investments reflect prices that are based on similar observable asset either directly or indirectly, which may include inputs in markets that are not considered active; and Level 3 – Investments reflect prices based upon unobservable sources.

E. Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America, as prescribed by the GASB and the AICPA, require management to make assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

F. Investments and Investment Policy

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

G. Receivables

For customer accounts receivables, the District considers these receivables to be fully collectable and accordingly, no allowance for doubtful accounts has been provided. For tax revenue receivables, when management deems a tax receivable amount is uncollectable, the District uses the direct write off method for recording the bad debt. In 2022, the District wrote off \$84,495 of old receivables related to property tax revenues in prior fiscal year. The District believes the bad debt recorded under this method approximates the amount that would be recorded if the District used the allowance method.

H. Property Tax

The County of Los Angeles Assessor's Office assesses all real and personal property within the County each year. The County of Los Angeles Tax Collector's Office bills and collects the District's share of property taxes and assessments. The County of Los Angeles Treasurer's Office remits current and delinquent property tax collections to the District throughout the fiscal year. Property tax in California is levied in accordance with Article 13A of the State Constitution at one percent (1%) of countrywide assessed valuations.

Property taxes receivable at fiscal year-end are related to property taxes collected by the County of Los Angeles, which have not been credited to the District's cash balance as of June 30. The property tax calendar is as follows:

Lien date	March 1
Levy date	July 1
Due dates	November 1 and March 1
Collection dates	December 10 and April 10

I. Inventory

Water held in inventory is valued at cost using the first-in first-out method. The District holds minor supplies inventory for emergency repairs which is expensed as incurred.

J. Prepaid Expenses

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in the basic financial statements.

SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Capital Assets

Capital assets acquired and/or constructed are capitalized at historical costs. District policy has set the capitalization threshold for recording capital assets at \$1,000. Donated assets are recorded at acquisition value at the date of donation. Upon retirement or other disposition of capital assets, the cost and related accumulated depreciation are removed from the respective balances and any gains or losses are recognized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are also expensed in the current period.

L. Depreciation

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as shown herein.

<u>Description</u>	<u>Estimated Lives</u>
Pipeline	7 to 75 years
Telemetry Equipment	10 years
Building and Structures	7 to 30 years
Office Furniture and Equipment	5 to 15 years
Vehicles and Equipment	5 to 10 years
State Water Project	60 years

M. Compensated Absences

The District's policy is to permit employees to accumulate earned but unused vacation and sick time pay benefits. All vacation and sick time is accrued when incurred. Upon termination of employment, employees are paid all unused vacation and qualifying unused sick time up to a maximum of 960 hours.

N. Pensions

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

O. Other Post-Employment Benefits (OPEB)

The total OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense of the District's defined benefit OPEB plan of the CalPERS are measured on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. Deferred Outflows and Inflows of Resources

The District recognizes deferred outflows and inflows of resources in relation to full accrual, pension, and OPEB. Deferred outflow and inflow of resources are defined as a consumption or resource of net position by the government that is applicable to a future report period. Pursuant to GASB Statements 68 and 71, the District recognizes deferred outflows/inflows of resources related to pensions. Pursuant to GASB Statement 75, the District recognizes deferred outflows/inflows of resources related to OPEB.

Q. Water Sales

Water sales are billed when the Watermaster places an order for replacement water.

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Net Position and Fund Equity

Net position is reported in three categories under GASB Statement No. 34. These captions are described below.

Net Investment in Capital Assets describes the portion of net position which is represented by the current net book value of the District's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter.

Unrestricted describes the portion of net position which is not restricted as to use.

S. Fiscal Year

The fiscal year of the District begins on July 1 and ends on June 30.

T. Budgets and Budgetary Accounting

The District adopts an annual non-appropriated budget for planning, control and evaluation purposes. Budgetary control and evaluation are affected by comparisons of actual revenues and expenses with planned revenues and expenses for the period. Encumbrance accounting is not used to account for commitments related to unperformed contracts for construction and services.

U. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements.

The provisions for Statement Number 91 "*Conduit Debt Obligations*" are effective for fiscal years beginning after December 15, 2021.

The provisions for Statement Number 94 "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*" are effective for fiscal years beginning after June 15, 2022.

The provisions for Statement Number 96 "*Subscription-Based Information Technology Arrangements*" are effective for fiscal years beginning after June 15, 2022.

The provisions for GASB Statement Number 99, "Omnibus 2022" are effective for fiscal year beginning after June 15, 2022, and June 15, 2023.

The provisions of Statement Number 100 "Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62" are effective for fiscal years beginning after June 15, 2023.

The provisions of Statement Number 101 "*Compensated Absences*" are effective for fiscal years beginning after December 15, 2023.

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 2 – CASH AND INVESTMENTS

Cash and investments as of June 30, 2022 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and cash equivalents	\$ 22,559,303
Investments (current)	4,509,910
Investments (non-current)	5,188,131
Total cash and investments, Statement of Net Position	\$ 32,257,344

Cash and investments as of June 30, 2022 consist of the following:

Cash on hand	\$ 442
Deposits with financial institutions	4,762,572
Investments	27,494,330
Total cash and investments	\$ 32,257,344

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

The table below identifies the investment types that are authorized for the San Gabriel Valley Municipal Water District (District) by the California Government Code or the District's investment policy, where more restrictive. The table also identifies certain provisions of the California Government Code (or the District's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Government Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	80%	N/A
U.S. Government Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper, Prime Quality	5 years	15%	10%
Certificates of Deposit	5 years	30%	\$250,000
Negotiable Certificates of Deposit	5 years	30%	None
Medium-Term Notes	5 years	30%	None
Money Market Mutual Funds	N/A	15%	None
Local Agency Investment Fund (LAIF)	N/A	None	\$ 75 Million
Collateralized Bank Deposits	5 years	25%	None
Investment Trust of California (CalTRUST)	N/A	15%	N/A

B. Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the District's investment policy. The District does not currently hold any investments that are bound by debt agreements.

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

C. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District’s investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the District’s investments by maturity:

<u>Investment Type</u>	<u>Totals</u>	<u>Remaining maturity (in Months)</u>		
		<u>12 Months or Less</u>	<u>13 to 24 Months</u>	<u>25-60 Months</u>
Local Agency Investment Fund (LAIF)	\$ 17,792,712	\$ 17,792,712	\$ -	\$ -
Certificates of Deposit	9,701,618	4,509,910	2,021,371	3,170,337
	<u>\$ 27,494,330</u>	<u>\$ 22,302,622</u>	<u>\$ 2,021,371</u>	<u>\$ 3,170,337</u>

D. Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The District has no investments including investments held by bond trustees that are highly sensitive to interest rate fluctuations.

E. Disclosures Relating to Credit Risk

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

<u>Investment Type</u>	<u>Amount</u>	<u>Minimum Legal Rating</u>	<u>Rating as of Fiscal Year End</u>	
			<u>AAA</u>	<u>Not Rated</u>
Local Agency Investment Pool (LAIF)	\$ 17,792,712	N/A	\$ -	\$ 17,792,712
Certificates of Deposit	9,701,618	N/A	9,701,618	
Total	<u>\$ 27,494,330</u>		<u>\$ 9,701,618</u>	<u>\$ 17,792,712</u>

F. Concentration of Credit Risk

The investment policy of the District contains limitations on the amount that can be invested in any one issuer. There was no investment in any one issuer (other than external investment pools) that represents 5% or more of total District investments.

SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

G. Custodial Credit Risk

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

As of June 30, 2022, none of the District's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

H. Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California and operates in accordance with appropriate state laws and regulations. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The reported value of the pool is the same as the fair value of the pool shares. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Deposits and withdrawals are made on the basis of \$1 and not fair value.

I. Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy establish by generally accepted accounting principles. These principles recognize a three tiered fair value hierarchy as follows: Level 1 – Investments reflect prices quoted in active markets; Level 2 – Investments reflect prices that are based on similar observable asset either directly or indirectly, which may include inputs in markets that are not considered active; and Level 3 – Investments reflect prices based upon unobservable sources.

<u>Pooled investments by fair value hierarchy</u>	Total	FMV Measurement
		Level 2
Investments subject to fair value hierarchy:		
Negotiable Certificates of Deposit	\$ 9,701,618	\$ 9,701,618
Total Investments measured at fair value hierarchy	9,701,618	9,701,618
Investments measured using uncategorized inputs:		
State Investment Pool (LAIF)	17,792,712	
Total investments not subject at fair value hierarchy	17,792,712	
Total pooled investments	27,494,330	
Total investments	\$ 27,494,330	

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 – ADVANCES TO MEMBER CITIES RECEIVABLE

Advances to member cities activity for the fiscal year ended June 30, 2022 was as follows:

	Balance as of June 30, 2021	Additions	Reductions	Balance as of June 30, 2022
Notes receivable:				
City of Monterey Park	\$ -	\$ 4,000,000	\$ -	\$ 4,000,000
Total notes receivable	<u>\$ -</u>	<u>\$ 4,000,000</u>	<u>\$ -</u>	<u>\$ 4,000,000</u>

City of Monterey Park

On December 13, 2021, the City of Monterey Park was provided with \$4,000,000 in loan funding for the construction of a PFAS Treatment Plant. Terms of the loan agreement call for annual principal-only payments in the amount of \$400,000 at a zero percent, commencing one year after the filing of the Notice of Completion for the project. As of June 30, 2022, the city has yet to file the Notice of Completion.

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2022 was as follows:

	Balance as of June 30, 2021	Additions	Deletions	Prior Period Adjustments	Balance as of June 30, 2022
Nondepreciable capital assets					
Land	\$ 735,931	\$ -	\$ -	\$ -	\$ 735,931
Construction in progress	950,783	204,853	-	(950,783)	204,853
Total nondepreciable capital assets	<u>1,686,714</u>	<u>204,853</u>	<u>-</u>	<u>(950,783)</u>	<u>940,784</u>
Depreciable capital assets					
Pipeline	26,742,616	-	-	-	26,742,616
Telemetry equipment	885,581	48,442	-	-	934,023
Buildings and structures	2,350,182	-	(23,670)	-	2,326,512
Office furniture and equipment	179,790	-	-	-	179,790
Vehicles and equipment	298,960	226,516	(8,906)	-	516,570
State water project participation rights	5,784,165	-	-	-	5,784,165
Roof	58,390	-	-	-	58,390
Total depreciable capital assets	<u>36,299,684</u>	<u>274,958</u>	<u>(32,576)</u>	<u>-</u>	<u>36,542,066</u>
Less accumulated depreciation					
Pipeline	(16,290,108)	(346,118)	-	-	(16,636,226)
Telemetry equipment	(602,252)	(83,323)	-	-	(685,575)
Buildings and structures	(2,337,153)	(640)	23,670	-	(2,314,123)
Office furniture and equipment	(136,354)	(20,013)	-	-	(156,367)
Vehicles and equipment	(257,414)	(17,819)	8,906	-	(266,327)
State water project participation rights	(4,434,527)	(96,403)	-	-	(4,530,930)
Roof	(14,598)	(2,920)	-	-	(17,518)
Total accumulated depreciation	<u>(24,072,406)</u>	<u>(567,236)</u>	<u>32,576</u>	<u>-</u>	<u>(24,607,066)</u>
Net depreciable capital assets	<u>12,227,278</u>	<u>(292,278)</u>	<u>-</u>	<u>-</u>	<u>11,935,000</u>
Net capital assets	<u>\$ 13,913,992</u>	<u>\$ (87,425)</u>	<u>\$ -</u>	<u>\$ (950,783)</u>	<u>\$ 12,875,784</u>

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 –LONG-TERM LIABILITY

The following is a summary of long-term liability activity of the District’s activities for the fiscal year ended June 30, 2022:

	Balance as of June 30, 2021	Additions	Reductions	Balance as of June 30, 2022	Due Within One Year
Compensated absences	\$ 429,594	\$ 14,605	\$ (73,000)	\$ 371,199	\$ 73,000
Total long-term liability	<u>\$ 429,594</u>	<u>\$ 14,605</u>	<u>\$ (73,000)</u>	<u>\$ 371,199</u>	<u>\$ 73,000</u>

NOTE 6 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; inquiries to employees and natural disasters. The District is a member of the ACWA/Joint Powers Insurance Authority (JPIA), a risk sharing joint powers authority created to provide self-insurance programs for California water agencies. The purpose of the JPIA is to arrange and administer programs of self-insured losses and to purchase excess insurance coverage. At June 30, 2022, the District participated in the liability and property programs of the JPIA as follows:

- General and auto liability, public officials and employees’ errors and omissions: Total risk financing self-insurance limits of \$1,000,000 per occurrence. The JPIA purchased additional excess coverage layers: \$59,000,000 for general, auto and public officials liability, which increases the limits on the insurance coverage noted above.

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

- Public officials’ and Employee dishonesty coverage up to \$100,000 per loss includes public employee dishonesty, forgery or alteration, computer fraud coverage subject to a \$1,000 deductible per occurrence.
- Property loss is paid at the replacement cost for property on file, if replaced within two years after the loss, otherwise paid on an actual cash value basis, to a combined total of \$100 million per occurrence, subject to the following deductibles: \$1,000 per occurrence for buildings, fixed equipment, mobile equipment, and \$500 deductible per occurrence for licensed vehicles.
- Boiler and machinery coverage for the replacement cost up to \$100 million per occurrence, subject to various deductibles per occurrence on damage to scheduled items.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years. There were no reductions in insurance coverage in fiscal year 2022. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of June 30, 2022.

NOTE 7 – COMMITMENTS AND CONTINGENCIES

Grant Awards

Grant funds received by the District are subject to audit by the grantor agencies. Such audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. Management of the District believes that such disallowances, if any, would not be significant.

Litigation

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2022**

NOTE 7 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Participation in the State Water Project

The District has entered into a long-term water supply contract with the State of California, Department of Water Resources (DWR). Under the terms of the contract, the State will deliver specified amounts of water to the District through the year 2035. The District is obligated to pay to the State a portion of the capital and operations and maintenance costs of the State Water Project (SWP).

All of the SWP charges incurred prior to fiscal year 1976 were capitalized because the District’s pipeline was not operational until fiscal year 1976. These charges are amortized over the life of the contract. The yearly amortization of pre-fiscal year 1976 charges is \$96,403.

The District expenses all SWP charges incurred after fiscal year 1976 because of the uncertainty regarding projected future water deliveries and because the District’s contract with the State indicates that unused annual entitlements cannot be carried forward to future years.

In fiscal year 2022, charges of \$8,041,039 were expensed. The SWP charges are allocated between two components, capital charges and operating and maintenance charges. Capital charges totaled \$106,439 and operating and maintenance charges were \$7,934,600 before the application of \$755,245 in SWP credits which reduced the expenses to \$7,285,794. The credits comprised of bond costs, final adjustments, and interest credits on aqueduct payments. The credits comprised of bond costs, final adjustments, and interest credits on aqueduct payments.

NOTE 8 – PENSION PLAN

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

A. General Information about the Pension Plan

Plan Descriptions - All qualified employees are eligible to participate in the District’s Miscellaneous Plan, cost sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans’ provisions and benefits in effect at June 30, 2022, are summarized as follows:

	Misc. Plan	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date	2% @ 55	2% @ 62
Benefit formula	5 years service	5 years service
Benefit vesting schedule	monthly for life	monthly for life
Benefit payments	50-55	52-67
Retirement age	6.902%	7.250%
Required employee contribution rates	10.868%	7.072%
Required employer contribution rates		

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 8 – PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

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

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

As of June 30, 2022, the District reported net pension liabilities for its proportionate share of the net position liability of the Plan as follows:

Proportionate Share of Net Pension Liability
<u>Misc. Plan</u>
<u>\$ 824,291</u>

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2021, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for the Plan as of June 30, 2020 and 2021 was as follows:

Proportion - June 30, 2020	0.06114%
Proportion - June 30, 2021	0.04341%
Change - Increase (Decrease)	<u>-0.01773%</u>

For the fiscal year ended June 30, 2022, the District recognized pension expense of \$123,475 related to prior contributions. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 909,553	\$ -
Differences between projected and actual contributions	265,839	89,434
Differences between expected and actual experience	92,435	-
Changes in assumptions	-	-
Net Difference between projected and actual earnings on plan investments	-	719,563
Changes in proportion	57,189	260,341
Total	<u>\$ 1,325,016</u>	<u>\$ 1,069,338</u>

SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2022

NOTE 8 – PENSION PLAN (CONTINUED)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

\$909,553 reported as deferred outflows of resources related to contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and will be recognized as pension expense as follows:

Fiscal Year Ended	Amount
June 30,	
2023	\$ (150,791)
2024	(146,784)
2025	(157,450)
2026	(198,850)
Total	<u>\$ (653,875)</u>

The District's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions - The total pension liabilities in the June 30, 2020 actuarial valuations were determined using the following actuarial assumptions:

	Misc. Plan
Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	3%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.15%
Mortality	Derived using CalPERS' Membership Data for all Funds

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2019 valuation were based on the results of a December 2017 actuarial experience study. Further details of the Experience Study can found on the CalPERS' website.

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

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.15 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.15 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2022**

NOTE 8 – PENSION PLAN (CONTINUED)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound geometric returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated and adjusted to account for assumed administrative expenses.

The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The long-term expected real rate of return by asset class and the target allocation adopted by the CalPERS' Board effective on July 1, 2020, are as follows:

Asset Class	Assumed Asset Allocation	Real Return Year 1-10(a)	Real Return Year 11+(b)
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%

- a) An expected inflation of 2% used for this period
- b) An expected inflation of 2.92% used for this period

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

	Misc. Plan
1% Decrease	6.15%
Net Pension Liability	\$ 2,299,629
Current Discount Rate	7.15%
Net Pension Liability	\$ 824,291
1% Increase	8.15%
Net Pension Liability	\$ (395,349)

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

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 – OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Description

The District administers an Agent Multiple-Employer defined benefit postemployment healthcare plan. Dependents are eligible to enroll and benefits continue to surviving spouses. Retirees are eligible for medical benefits if they retire at age 55+ and have 5+ years of CalPERS service. The District pays 100% of the actual premium costs of the health insurance for retirees and dependents and also provides reimbursement for cost sharing under the plan offered by the District subject to restrictions as determined by the District.

Eligibility

The table below presents a summary of the basic participant information for the active and retired participants covered under the terms of the Plan.

Participant type	Count
Inactive participants currently receiving benefits	11
Inactive participants entitled to but not yet receiving benefit payments	-
Active employees	7
Total	18

Funding Policy

The District makes contributions based on projected pay-as-you-go financing requirements. As of June 30, 2022, the District has not established a plan or equivalent that contains an irrevocable transfer of assets dedicated to providing benefits to retirees in accordance with the terms of the Plan and that are legally protected from creditors.

Net OPEB Liability

The District’s net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021. Since the District has not established an irrevocable trust for the pre-funding of retiree healthcare benefits, the total OPEB Liability and Net OPEB Liability are both \$4,691,980.

Actuarial Method and Assumptions

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Actuarial Assumptions	
Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Inflation	2.50%
Salary Increases	2.80%
Discount Rate	1.92%
Health Care Trend Rate	5.75%
Mortality Rates	Based on CalPERS tables

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

The discount rate used to measure the total OPEB liability was 1.92 percent. The District's OPEB plan is an unfunded plan, therefore, the discount rate was set to the rate of tax-exempt, high-quality 20-year municipal bonds as of the valuation date. Since the most recent GASB 75 valuation, the following changes have been made:

- The discount rate and expected rate of return on assets was changed from 2.45 percent to 1.92 percent.
- The initial healthcare trend rate changed from 6.50 percent to 5.75 percent.
- The inflation rate changed from 0.75 percent to 2.50 percent.

Change in Total OPEB Liability

	<u>Total/Net OPEB Liability</u>
Balance for fiscal year ended June 30, 2021	\$ 5,430,200
Changes for the fiscal year:	
Service cost	218,142
Interest	135,574
Differences between expected and actual experience	(1,299,178)
Changes of assumptions	438,054
Benefits payments	(230,812)
Net changes	<u>(738,220)</u>
Balance for fiscal year ended June 30, 2022	<u>\$ 4,691,980</u>

There is sensitivity of the total OPEB liability due to changes in the discount rate and healthcare cost trend rates. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using the discount and trend rate that were 1 percentage point lower or 1 percentage point higher than the current discount and healthcare cost trend rates.

Sensitivity of the Total OPEB Liability to changes in the Discount Rate

	<u>Total OPEB Liability</u>
1% decrease in Discount Rate (1.45%)	\$ 5,397,926
Current Discount Rate (2.45%)	\$ 4,691,980
1% increase in Discount Rate (3.45%)	\$ 4,114,625

Sensitivity of the Total OPEB Liability to changes in the Healthcare Cost Trend Rates

	<u>Total OPEB Liability</u>
1% decrease in Healthcare Cost Trend Rates (5.50%)	\$ 4,071,541
Current Healthcare Cost Trend Rates (6.50%)	\$ 4,691,980
1% increase in Healthcare Cost Trend Rates (7.50%)	\$ 5,444,705

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2022**

NOTE 9 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2022, the District recognized OPEB expense of \$480,000. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Summary of Deferred Outflows/Inflows</u>	<u>Outflows</u>	<u>Inflows</u>
Change of assumptions	\$ 559,598	\$ (103,648)
Differences between expected and actual experience	12,810	(1,138,933)
Amounts paid subsequent to the measurement date	182,631	
 Total	 <u>\$ 755,039</u>	 <u>\$ (1,242,581)</u>

\$182,631 reported as deferred outflows of resources related to contributions subsequent to the measurement date and will be recognized as a reduction of the total OPEB liability in the fiscal year ended June 30, 2023.

Amounts reported as deferred outflows of resources related to OPEB will be recognized as OPEB expense as follows:

<u>Fiscal Year ended</u>	<u>Future recognition</u>
2023	\$ (343,257)
2024	(123,247)
2025	(203,669)
2026	
	<u>\$ (670,173)</u>

NOTE 10 – PRIOR PERIOD ADJUSTMENT

There was a prior period adjustment \$(950,783) of capital assets due to an overstatement of construction in progress in the prior fiscal year.

REQUIRED SUPPLEMENTARY INFORMATION

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
REQUIRED SUPPLEMENTAL INFORMATION
JUNE 30, 2022**

Cost Sharing Defined Benefit Pension Plan

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

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Proportion of the net pension liability	0.01524%	0.02370%	0.02298%	0.02209%
Proportionate share of the net pension liability	\$ 824,291	\$ 2,578,972	\$ 2,355,085	\$ 2,128,755
Covered payroll	\$ 1,036,057	\$ 974,580	\$ 892,605	\$ 796,000
Proportionate Share of the net pension liability as a percentage of covered payroll	79.56%	264.62%	263.84%	267.43%
Plan fiduciary net position as a percentage of total pension liability	92.62%	75.98%	77.12%	77.69%
	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Proportion of the net pension liability	0.02179%	0.02102%	0.01869%	0.01991%
Proportionate share of the net pension liability	\$ 2,161,060	\$ 1,819,051	\$ 1,283,170	\$ 1,238,997
Covered payroll	\$ 781,000	\$ 772,000	\$ 820,000	\$ 754,000
Proportionate Share of the net pension liability as a percentage of covered payroll	276.70%	235.63%	156.48%	164.32%
Plan fiduciary net position as a percentage of total pension liability	75.39%	79.58%	85.10%	83.03%

Notes to Schedule

Change in Assumptions: In the 2016 valuation, the accounting discount rate was reduced from 7.65 percent to 7.15 percent.

*Fiscal year 2015 was the 1st year of implementation, therefore only eight years are shown.

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
REQUIRED SUPPLEMENTAL INFORMATION
JUNE 30, 2022**

Cost Sharing Defined Benefit Pension Plan

Schedule of Contributions – Last 10 Years*

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Contractual required contribution (actuarially determined)	\$ 271,376	\$ 233,098	\$ 195,840	\$ 195,840
Contributions in relation to the actuarially determined contributions	<u>(271,376)</u>	<u>(233,098)</u>	<u>(195,840)</u>	<u>(195,840)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,036,057	\$ 974,580	\$ 892,605	\$ 835,000
Contributions as a percentage of covered payroll	26.19%	23.92%	21.94%	23.45%
	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Contractual required contribution (actuarially determined)	\$ 175,177	\$ 122,358	\$ 131,256	\$ 132,987
Contributions in relation to the actuarially determined contributions	<u>(175,177)</u>	<u>(122,358)</u>	<u>(131,256)</u>	<u>(132,987)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 796,000	\$ 781,000	\$ 772,000	\$ 820,000
Contributions as a percentage of covered payroll	22.01%	15.67%	17.00%	16.22%

Notes to Schedule

Valuation Date: June 30, 2020

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry-Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	Varies based on age, service, and type of employment
Investment Rate of Return	7.15%, net of pension plan investment and administrative Expenses; includes Inflation
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds

*Fiscal year 2015 was the 1st year of implementation, therefore only eight years are shown.

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
REQUIRED SUPPLEMENTAL INFORMATION
JUNE 30, 2022**

Schedule of Changes in Total OPEB Liability and Related Ratios - Last 10 Years*

	<u>Fiscal Year Ending 6/30/2022</u>	<u>Fiscal Year Ending 6/30/2021</u>	<u>Fiscal Year Ending 6/30/2020</u>
Total OPEB Liability			
Service cost	\$ 218,142	\$ 180,064	\$ 134,409
Interest	135,574	153,721	207,620
Diff. between expected and actual exp.	438,054	25,010	(613,323)
Changes of assumptions	(1,299,178)	451,114	(374,643)
Benefit payments	(230,812)	(198,939)	(196,854)
Implicit rate subsidy		(22,757)	(29,171)
Net change in total OPEB liability	<u>(738,220)</u>	<u>588,213</u>	<u>(871,962)</u>
Total OPEB Liability - beg. of fiscal year	<u>5,430,200</u>	<u>4,841,987</u>	<u>5,713,949</u>
Total OPEB Liability - end of fiscal year	<u>\$ 4,691,980</u>	<u>\$ 5,430,200</u>	<u>\$ 4,841,987</u>
Covered payroll	\$ 1,032,988	\$ 916,068	\$ 916,068
Total OPEB Liability as a % of eligible payroll	454.2%	592.8%	528.6%
	<u>Fiscal Year Ending 6/30/2019</u>	<u>Fiscal Year Ending 6/30/2018</u>	
Total OPEB Liability			
Service cost	\$ 184,425	\$ 179,271	
Interest	200,281	195,701	
Diff. between expected and actual exp.			
Changes of assumptions	(128,680)		
Benefit payments	(196,533)	(213,797)	
Implicit rate subsidy	(25,792)		
Net change in total OPEB liability	<u>33,701</u>	<u>161,175</u>	
Total OPEB Liability - beg. of fiscal year	<u>5,680,248</u>	<u>5,519,073</u>	
Total OPEB Liability - end of fiscal year	<u>\$ 5,713,949</u>	<u>\$ 5,680,248</u>	
Covered payroll	\$ 812,255	\$ 810,600	
Total OPEB Liability as a % of eligible payroll	703.5%	700.7%	

Notes to Schedule

Funding Policy: The District funds the benefits on a pay-as-you-go basis. No assets are accumulated in a trust.

*Fiscal year 2018 was the 1st year of implementation, therefore only five years are shown.

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
REQUIRED SUPPLEMENTAL INFORMATION
JUNE 30, 2022**

Schedule of OPEB Employer Contributions - Last 10 Years*

	Fiscal Year Ending 6/30/2022	Fiscal Year Ending 6/30/2021	Fiscal Year Ending 6/30/2020
Actuarially determined contribution (ADC) ¹	N/A	N/A	N/A
Contributions in relation to the ADC	N/A	N/A	N/A
Contribution deficiency (excess)	N/A	N/A	N/A
OPEB-eligible pr for reporting period (fiscal year)	\$ 1,032,988	\$ 810,600	\$ 812,255
Contributions as a percent of payroll	N/A	N/A	N/A
	Fiscal Year Ending 6/30/2019	Fiscal Year Ending 6/30/2018	
Actuarially determined contribution (ADC) ¹	N/A	N/A	
Contributions in relation to the ADC	N/A	N/A	
Contribution deficiency (excess)	N/A	N/A	
OPEB-eligible pr for reporting period (fiscal year)	\$ 916,068	\$ 916,068	
Contributions as a percent of payroll	N/A	N/A	

¹ Per GASB 75 paragraph 57c., these disclosures are only required if the employer calculates an Actuarially Determined Contribution (ADC). The District does not currently calculate an ADC.

*Fiscal year 2018 was the 1st year of implementation, therefore only five years are shown.

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022**

NOTE 1 - PURPOSE OF SCHEDULES

Schedule of Changes in Net OPEB Liability

The schedule is intended to show the funded status of the District's actuarially determined liability for postemployment benefits other than pensions. In the future, as data becomes available, 10 years of information will be presented.

Schedule of OPEB Employer Contributions

The schedule presents information on the District's required contribution, the amounts actually contributed and any excess or deficiency related to the required contribution. In the future, as data becomes available, 10 years of information will be presented.

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

The schedule presents information on the District's proportionate share of the net pension liability, the plan's fiduciary net position and, when applicable, the State's proportionate share of the net pension liability associated with the District. In the future, as data becomes available, 10 years of information will be presented.

Schedule of District's Pension Contributions

The schedule presents information on the District's required contribution, the amounts actually contributed and any excess or deficiency related to the required contribution. In the future, as data becomes available, 10 years of information will be presented.

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OTHER SUPPLEMENTARY INFORMATION

SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
SCHEDULE OF OPERATING EXPENSES
For the Fiscal Year Ended June 30, 2022

Operating Expenses:

Source of supply:	
Salaries and wages	\$ 317,004
Maintenance - plant and pipeline	30,197
Water sold	7,236,575
State water supply contract costs	233,083
Hydroelectric plant maintenance	14,974
Total source of supply	<u>7,831,833</u>
General and administrative:	
Salaries and wages	845,401
Employee benefits:	
Public employees' retirement benefits	(264,893)
Payroll taxes	83,504
Workers' compensation insurance	14,034
Group health, dental and life insurance	520,162
Other post-employment benefits	283,288
Uniforms	2,999
Insurance	44,508
Office supplies and expense	29,115
Membership dues, conferences, and travel	86,823
Public relations and water conservation program	189,894
Consulting and engineering fees	420,899
Government relations	90,000
Director fees	31,600
Legal and state water contractors fees	49,456
Accounting and audit fees	28,566
Telephone and communications	56,564
Utilities	18,076
Vehicle maintenance	28,466
Maintenance - buildings and grounds	73,250
Property tax	598
Bad debt expenses	84,495
Total general and administrative	<u>2,716,805</u>
Total operating expenses	<u>\$ 10,548,638</u>

See Notes to the Supplementary Information

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
NOTE TO SUPPLEMENTARY INFORMATION
JUNE 30, 2022**

NOTE 1 – PURPOSE OF SCHEDULE

Schedule of Operating Expenses

This schedule is to provide greater detail of operating expenses for the fiscal year ended June 30, 2022.

SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
AGREED-UPON PROCEDURES RELATED TO REVIEW OF
TRAVEL AND CONFERENCE EXPENSES

For the Fiscal Year Ended June 30, 2022



MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS

CRAIG A HARTZHEIM, CPA
HADLEY Y HUI, CPA
ALEXANDER C HOM, CPA
ADAM V GUISE, CPA
TRAVIS J HOLE, CPA
WILSON LAM, CPA

COMMERCIAL ACCOUNTING & TAX SERVICES

9465 WILSHIRE BLVD., 3RD FLOOR
BEVERLY HILLS, CA 90212
TEL: 310.670.2745
FAX: 310.670.1689
www.mlhcpas.com

GOVERNMENTAL AUDIT SERVICES

5800 HANNUM AVE., SUITE E
CULVER CITY, CA 90230
TEL: 310.670.2745
FAX: 310.670.1689
www.mlhcpas.com

Independent Accountant's Report On Applying Agreed-Upon Procedures

The Board of Directors and Management of
San Gabriel Valley Municipal Water District
Azusa, California

We have performed the procedures enumerated below, which were agreed to by the San Gabriel Valley Municipal Water District (the District) and the Board of Directors and Management, on the travel and conference expenses of the District as of and for the fiscal year ended June 30, 2022. The District's management is responsible for the travel and conference expenses. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purposes.

We obtained the Travel and Conference Expenses General Ledger for Account No. 4051-000 (Directors) and Account No. 4055-000 (Staff), and prepared a detailed list of individual charges to these accounts which are attached to this report.

The procedures and the associated findings are as follows:

1. We vouched all charges to supporting documentation such as invoices, credit card statements, expense reports, etc.
 - i. Exceptions- None
2. We verified that the Board of Directors approved all District checks that were issued for payment of travel and conference expenses by reviewing Board Agenda Packet for approval.
 - i. Exceptions- None
3. We verified authorization and/or approval of expenditures and that those expenditures were in compliance with the District's policies for travel and conference expenses by reviewing each employee's Statement of Expenditures for proper approvals and reviewed the expenses and back-up documentation to determine if the expenses are in compliance with the District's travel policies
 - i. Exceptions- See Current Year Recommendations on Page 3

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not conduct an examination or review, the objective of which would be an expression of an opinion or conclusion, respectively, on the travel and conference expenses. Accordingly, we do not express such an opinion or conclusion. Had we

performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the procedures and findings related to travel and conference expenses. Accordingly, this report is not suitable for any other purpose.

Moss, Levy & Hartzheim

Moss, Levy & Hartzheim, LLP
Culver City, California
December 2, 2022

CURRENT YEAR RECOMMENDATIONS

Travel Policy Compliance

2022-01 Observation – Lack of compliance with travel policy

During our performance of agreed-upon procedures, it was noted that lodging was paid for by the District for a conference that was less than 75 miles away from the District. The travel policy only allows for lodging when the destination is more than 75 miles away from the District.

Effect:

The District did not comply with its own travel policy.

Recommendation:

We recommend that the District review all travel reimbursements and requests prior to approval for conformance with District travel policies.

Management's Response:

Upon discovery of this lapse in conformance with the District's travel policy, the Board Member has since reimbursed the District for lodging costs.

	Date	Name	Memo	Amount	Procedures:		
					1	2	3
4051	Travel and Conferences -Dir						
	07/20/2021	BOA-Visa	MPaulson - 6/28/21 Independent Cities Conference	700.00	✓	✓	✓
	07/20/2021	BOA-Visa	TWong 6/29/21 Sixth Annual California Water Summit Conference	90.00	✓	✓	✓
	08/20/2021	BOA-Visa	MPrince - 8/2 ACWA 8/19 & 9/22 Conference \$70, 8/2 CA NV AWWA Wtr Education Seminar \$175.00, 8/	370.00	✓	✓	✓
	08/20/2021	BOA-Visa	MPrince - 8/3 ACWA Adj Conference	(35.00)	✓	✓	✓
	08/20/2021	BOA-Visa	TWong - 8/17 Asian Youth Center AYC 32nd Gala	207.25	✓	✓	✓
	09/20/2021	BOA-Visa	TWong - 9/13 Counsel for Watershed Virtual \$20.00, 9/14 MP Chamber Mid Autumn Festival Dinner \$60.00	80.00	✓	✓	✓
	09/20/2021	BOA-Visa	MPrince - 9/14 ACWA 2021 CLE Workshop	225.00	✓	✓	✓
	09/30/2021	Miles L Prince (E)	Travel, Hotel, Registration and parking expense reimbursement for September 2021, MPrince	2,230.41	✓	✓	✓
	10/20/2021	Independent Cities	MPaulson unable to attend the ICH Summer seminar - refund recd	(700.00)	✓	✓	✓
	10/31/2021	Miles L Prince (E)	Registration expense reimbursement 10/14/21, MPrince	15.00	✓	✓	✓
	11/20/2021	BOA-Visa	TWong - 11/2 ACWA Fall 2021 Conference	725.00	✓	✓	✓
	12/01/2021	Independent Cities	ICA Winter Seminar 2022 Registration - Mark Paulson	650.00	✓	✓	✓
	12/28/2021	Miles L Prince (E)	Travel, Hotel, Registration and parking expense reimbursement 12/01-12/04, 12/8, 12/9, 12/13, 12...	1,466.81	✓	✓	✓
	01/20/2022	BOA-Visa	MPrince - 1/13 Webinar CA-NV Section \$20.00, Spring Conference \$599.00	619.00	✓	✓	✓
	02/20/2022	BOA-Visa	TWong - 1/27 ACWA Webinars	155.00	✓	✓	✓
	03/20/2022	BOA-Visa	MPrince - ACWA 2022 Legislative Symposium registration	155.00	✓	✓	✓
	04/20/2022	BOA-Visa	TWong - 3/29 EBAnnual mayors reception	25.00	✓	✓	✓
	04/30/2022	Mark Paulson (Ex	Travel, Hotel, Parking expense reimbursement - 3/31, 4/1-3, 4/11, 4/20, 4/26 -MPaulson	1,347.86	✓	✓	✓
	04/30/2022	Miles L Prince (E)	Travel, Hotel, Parking expense reimbursement - 4/1-2, 4/3, 4/4, 4/10-13, 4/20, 4/23 -MPrince	1,825.44	1	1	1
	05/20/2022	BOA-Visa	4/26 MPrince - PENFamilies Sponsor \$250.00 / 5/16 TWong -Asian Youth Board Instillation dinner ...	582.65	✓	✓	✓
	06/20/2022	BOA-Visa	TWong - Baldy View Chapter 8/12/22 conference	99.00	✓	✓	✓
			1. Hotel stay was at a conference that is less than 75 miles away from District				

Date	Name	Memo	Amount	Procedures:		
				1	2	3
4055 - Travel & Conference - Staff						
07/31/2021	Maria Jarmin	Mileage expense reimbursement 07/01/21 - 0/29/21, GJ	52.42	✓	✓	✓
07/31/2021	Evelyn Reyes	Travel expense reimbursement 07/13, 07/19, 07/20, 07/28 -EReyes	38.58	✓	✓	✓
08/20/2021	BOA-Visa	EReyes - 8/18 California Data Collaborative 6th Annual Summit	125.00	✓	✓	✓
08/31/2021	Evelyn Reyes	Travel expense reimbursement Aug 3-4 , EReyes	42.22	✓	✓	✓
08/31/2021	L Esquivel	Mileage expense reimbursement Aug 24-26, LEsquivel	11.76	✓	✓	✓
08/31/2021	Maria Jarmin	Mileage expense reimbursement 8/2/21 - 8/31/21, GJ	43.01	✓	✓	✓
09/20/2021	BOA-Visa	SKiggins - 9/16 Ca Nv Section AWWA Virtual event 10/18-10/21	475.00	✓	✓	✓
09/30/2021	Maria Jarmin	Mileage reimbursement expense 09/01/21 -09/30/21, GJ	45.70	✓	✓	✓
10/20/2021	BOA-Visa	DK - SWC 10/20/21 Sacramento Airfare	317.96	✓	✓	✓
10/20/2021	BOA-Visa	TWhite - CA Nv Section AWWA -Virtual event 10/18-10/21	375.00	✓	✓	✓
10/31/2021	Maria Jarmin	Mileage expense reimbursement 10/4/21 - 10/28/21, GJ	44.02	✓	✓	✓
11/20/2021	BOA-Visa	DK - SWC 10/21/21 Gas, Parking, Meals \$144.44, Hotel \$190.46, Rental \$216.20	1,290.63	✓	✓	✓
12/02/2021	CAPO	EReyes Webinar Registration - Dec 9 Webinar	25.00	✓	✓	✓
12/13/2021	Maria Jarmin	Mileage expense reimbursement 11/01/21 - 11/30/21, GJ	68.54	✓	✓	✓
12/20/2021	BOA-Visa	DK - 11/18/21 SAC Hotel\$207.35, Parking \$26.00, Meal \$26.07	259.42	✓	✓	✓
12/31/2021	Evelyn Reyes	Travel expense reimbursement 12/7, 12/9, 12/21 -EReyes	55.66	✓	✓	✓
12/31/2021	Maria Jarmin	Mileage expense reimbursement 12/2/21-12/29/21, GJarmin	65.07	✓	✓	✓
01/20/2022	BOA-Visa	SKiggins - 12/29 AAWA,Org Webinars \$195, 1/19 SCWUA Annual Dues \$42.00	237.00	✓	✓	✓
01/31/2022	Maria Jarmin	Mileage expense reimbursement 1/3/22 - 1/27/22, GJarmin	88.59	✓	✓	✓
02/17/2022	ACWA	ACWA 2022 Virtual Legislative Symposium - EReyes	155.00	✓	✓	✓
02/28/2022	Maria Jarmin	Mileage expense reimbursement 02/01/22 - 02/28/22, GJarmin	66.86	✓	✓	✓
02/28/2022	Evelyn Reyes	Travel expense reimbursement 2/21, EReyes	22.05	✓	✓	✓
03/20/2022	BOA-Visa	SKiggins - SCWUA March Mtg 3/24/22	30.00	✓	✓	✓
03/20/2022	BOA-Visa	EReyes- SCWUA March mtg 3/24/22	30.00	✓	✓	✓
03/31/2022	Maria Jarmin	Mileage reimbursement expense 03/01/22 - 03/31/22, GJ	69.44	✓	✓	✓
03/31/2022	Evelyn Reyes	Travel expense reimbursement 3/30/22, EReyes	26.38	✓	✓	✓
04/20/2022	BOA-Visa	4/6 DK Southw est airlines to SWC Sac \$397.97, 4/18 Meetng w ith Direcotr Wong \$30.73 4/11 EReyes ...	1,179.24	✓	✓	✓
04/20/2022	BOA-Visa	4/6 DK Southw est airlines credit adj	(15.01)	✓	✓	✓
04/30/2022	Maria Jarmin	Mileage reimbursement 04/04/22 - 04/28/22, GJarmin	75.11	✓	✓	✓
04/30/2022	Evelyn Reyes	Travel expense reimbursement 04/12, 04/22 , EReyes	35.10	✓	✓	✓
05/20/2022	BOA-Visa	4/20 DK SWC/SAC 4/20-21 meals \$88.27, Hotle \$171.35 Rental \$383.69, Parking \$51.00	674.31	✓	✓	✓
05/31/2022	Evelyn Reyes	Travel expense reimbursement May 1-28, EReyes	76.34	✓	✓	✓
05/31/2022	L Esquivel	Mileage expense reimbursement May 9-26, LEsquivel	10.53	✓	✓	✓
05/31/2022	Maria Jarmin	Mileage expense reimbursement May 2 - 31, GJarmin	62.71	✓	✓	✓
06/30/2022	Evelyn Reyes	Travel expense reimbursement - Jun 8, 9, 27, 28, 29 EReyes	79.21	✓	✓	✓
06/30/2022	Maria Jarmin	Mileage expense reimbursement 06/01/22 - 06/30/22, GJarmin	104.01	✓	✓	✓
			Total	6,341.86		

AGENDA ACTION ITEM NO. 2

PROFESSIONAL SERVICES AGREEMENT FROM BUCKNAM & ASSOCIATES

RECOMMENDED ACTION: Approve the professional services agreement from Bucknam & Associates

BACKGROUND: Bucknam & Associates has been hired to monitor grant programs and match them to District and city needs. We have been successful in obtaining grants in the past for our toilet giveaway program, funding for a recycled water feasibility study from the state, federal funding for a hydroelectric generator design, and federal funding for AMR/AMI for our cities. Steve Bucknam has been instrumental in identifying these opportunities and there are currently many potential projects that may qualify for funding in the near future. His current agreement has pretty much expended all of its funds, and this current agreement will run from February 2023 until June 2024 with an estimated budget of \$59,305

BUDGET IMPACT: We will adjust the upcoming 2023-2024 budget for this.

PRIOR BOARD ACTION: The current agreement was entered into in October 2019 for the amount of \$40,000.

January 31, 2023

San Gabriel Valley Municipal Water District
725 N. Azusa Avenue
Azusa, CA 91702

Attn: Mr. Darin Kasamoto
General Manager

Subject: Proposal for Professional Services - Program Management Support
Water Resources Program Grant Support

Dear Darin: :

Thank you for the opportunity to present this proposal to provide consulting services to the District relating to federal and state grant support for its Water Resources Program (WRP). Based upon our recent discussions with you we are presenting the following Scope of Services for your consideration.

A. Scope of Services

1. Consultation in Conjunction with the Federal Requests for Federal FY 2023 & 2024

- Consultation with the General Manager relative to the Raymond Basin Management Board's Foothill Water Coalition's (FWC) Water Supply Reliability Program (WSRP), in terms of identifying opportunities for federally funded programs and projects in FY 2023 and 2024, to support the program's development and implementation.
- Provide consultation relative to the conceptual development of federal funding program proposals for the WRP including potential Authorizations and Appropriations under the U.S. Army Corps of Engineers,(Corps), Bureau of Reclamation (BUREC) and the Federal Emergency Management Agency Programs. Specific Assistance will be given to an Authorization request; under the Water Resources Development Act (WRDA) or under the BUREC's Authorized Water SMART Program for the Foothill Water Coalitions' Water Supply Reliability Program.
- Provide liaison, technical consultation and coordination with the District's potential Washington DC advocacy firm.
- Assist in tracking federal legislation and regulations potentially affecting the District's WRP. Provide technical write-ups and information relative to the applicability of specific programs for "earmarking" authorizations and appropriations under federal legislation.

BUCKNAM & ASSOCIATES INC.

30131 Town Center Drive, Suite 268, Laguna Niguel, California 92677
T.949.363.6461 F.949.363.6505 www.bucknam.net info@bucknam.net

2. General Consultation on WRP FY 2023 & FY 2024 Federally Funded Programs

- Provide consultation and advisement to the General Manager; regarding the administration and monitoring of WRP federally funded program projects for FY 2023 and FY 2024..
- Provide coordination and liaison with the Foothill Water Coalition members in the (WSRP) including the SGVMWD ,Raymond Basin Management Board, Main San Gabriel Basin Watermaster, San Gabriel Valley Water Association, San Gabriel Valley Municipal Water District, Upper San Gabriel Valley Municipal Water District, Foothill Municipal Water District, Three Valleys Municipal Water District, Inland Empire Utilities Agency, Chino Basin Watermaster and Metropolitan Water District of Southern California (MET), relative to seeking Federal and State water resources grant programs from the Corps of Engineers (Corps) or the Bureau of Reclamation (BUREC).
- Provide program management services to the Foothill Water Coalition for its Water Supply Reliability Project (WSRP), and consultation and liaison with the Corps on WRDA authorizations and or appropriations programs or the BUREC authorizations and or appropriations programs for 2023 & 2024.. Services would include assistance in project scoping, consultant selection, coordination with the FWC Technical Advisory Committee, milestone reviews of consultant work products and preparation of progress reports as required. Provide Program Management services
- Support and consultation relative to the preparation of the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA) documents for federally funded WRP programs and projects as requested. Review of initial studies, environmental checklists, and draft and final documentation for Categorical Exemptions, Negative Declarations, EIR's/EIS's under CEQA and NEPA respectively.
- Provide assistance to the General Manager and staff in the review and preparation of the WRP's annual budget issues as they relate to federally funded WRP projects and programs.
- Perform special assignments and prepare reports for General Manager upon request.

It is suggested that contract performance reviews with the General Manager or their representative be conducted on a monthly basis throughout the duration of the consulting assignment, to assure that both performance and fiscal goals are met. Written status reports can be prepared on a monthly basis and submitted with monthly invoices for the program services delivered.

B. Water Resources Program Team

These services will be provided under the leadership of C. Stephen Bucknam Jr., P. E. who will serve as Water Resources Program Manager. Mr. Bucknam, a former Deputy City Manager, City Engineer and Chief Engineer of Utilities has over 50 years of experience, 16 of which were in the public sector in responsible management positions. Consulting assignments have included: Water Resources grant support contracts for the Raymond Basin Management Board (RBMB), SGVMWD Board and for the Cities of Norwalk, Inglewood, Arcadia, Huntington Beach, Newport Beach, Whittier, Sierra Madre, Santa Monica, Pasadena, Bellflower, Big Horn Desert View Water Agency, South Montebello Irrigation District, La Habra, Mission Springs Water District and the Twentynine Palms Water District. Other services have included development of a Water Division Program Plan for the City of Whittier, a Financial and Infrastructure Management Plan for the City of Glendale, a Water Systems Operations Plan for the City of Huntington Beach, a Water Resources Program Plan for the City of Westminster, Program Planning for Development Services for the cities of Huntington Beach and Newport Beach as well as Public Works, Maintenance planning for the City of Rancho Cucamonga.

Mr. Bucknam was instrumental in assisting in the formation of and served as the past chair, while Deputy City Manager of Norwalk, California, of the Technical Advisory Committee of the Southeast Water Advisory Coalition (SEWAC), a Joint Powers Agency (JPA) in the Central Basin area of Los Angeles County

Support services will be made available to the Board through key Bucknam & Associates staff and subconsultants, in functional areas of administration, grant program support with the firm Hazen & Sawyer, financial, institutional, legislative liaison practice and technical support. These support services would be provided on an on-call basis; where appropriate and only if pre-approved by the District. Detailed resumes can be provided upon request.

C. Fee Estimate

The work efforts described above can be accomplished on a time and materials, not-to-exceed basis in accordance with the standard hourly rate schedule, attached. An anticipated Base Fee through the end of June 2024 for Tasks 1 through 2 would be **\$59,305**. The breakdown of the fee by Task Item is estimated as follows:

Baseline Services

1. Consultation in Conjunction with the Federal Requests for FY 2023 & 2024 \$19,310
2. General Consultation on WRP FY 2023 & 2024 Federally Funded Programs **\$39,995**

Total Estimated Fee \$59,305

Should the Board desire to increase the service level above the hours outlined above for the Task items 1 through 2 or require other services not described herein, a fee adjustment would be negotiated and mutually agreed upon by both parties. Please note that we consider the level of work efforts described above and compensation for same to be fully negotiable.

BUCKNAM & ASSOCIATES INC.

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I would be glad to meet with you to discuss the specifics of this proposal at your convenience. Thank you for considering our services, we look forward to providing consulting services to the Board on its water resources programs. Please call or email me if you have any questions in regard to this proposal at (949) 363-6461; steve@bucknam.net;

Very truly yours,



C. Stephen Bucknam Jr., P.E.
President

Encl.:

cc: T. Zampiello, Raymond Basin Management Board
J. Bucknam, Bucknam & Associates
C. Miller, Hazen

San Gabriel Valley Municipal Water District				
Activity	Hours	Position	Hourly Cost	Cost
Fee Estimate Water Resources Program				
Task 1. - Consultation Federal Requests for FY 2023 & 2024				
	36	Program Manager	\$305.	\$ 10,980.00
	4	Management Analyst	\$150.	\$ 600.00
	2	Clerical	\$90.	\$ 180.00
Subtotal	42			
Subtotal Labor - Phase 1				\$11,760.00
Subconsultant - Hazen & Sawyer				\$6,500.00
Reimbursables				\$150.00
Mileage				\$900.00
Total - Phase 1				\$19,310.00
Task 2. - General Consultation on WRP FY 2023 & FY 2024				
	80	Program Manager	\$305.	\$ 24,400.00
	3.5	Management Analyst	\$150.	\$ 525.00
	1	Clerical	\$90.	\$ 90.00
Subtotal	84.5			
Subtotal Labor - Phase 2				\$25,015.00
Subconsultant - Hazen & Sawyer				\$13,000.00
Reimbursables				\$480.00
Mileage				\$1,500.00
Total Phase 2				\$39,995.00

AGENDA ACTION ITEM NO. 3

RESOLUTION NO. 02-2023-820 GRANT APPLICATION FOR RECYCLED WATER FEASIBILITY STUDY

RECOMMENDED ACTION: Adopt Resolution No.02-2023-820.

BACKGROUND: The District is in the process of applying for a Bureau of Reclamation Grant to do a feasibility study for recycled water in Monterey Park and Alhambra. In order to be eligible for design and construction money from Federal sources, a feasibility study must first be performed. Grants are available to help pay for the cost of the study. This grant application seeks 50% of the cost to do the study. As part of the grant application, a Resolution from the Board is required. The application is due on February 28, 2023.

BUDGET IMPACT: N/A

PRIOR BOARD ACTION: N/A

RESOLUTION NO. 02-2023-820

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT AUTHORIZING THE GRANT APPLICATION, ACCEPTANCE, AND EXECUTION FOR THE MONTEREY PARK-ALHAMBRA RECYCLED WATER FEASIBILITY STUDY

WHEREAS, the San Gabriel Valley Municipal Water District proposes to implement the Monterey Park-Alhambra Recycled Water Feasibility Study;

WHEREAS, the San Gabriel Valley Municipal Water District has the legal authority and is authorized to enter into a funding agreement with the United States Bureau of Reclamation; and

WHEREAS, the San Gabriel Valley Municipal Water District intends to apply for grant funding from the United States Bureau of Reclamation for the Monterey Park-Alhambra Recycled Water Feasibility Study;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT AS FOLLOWS:

1. That pursuant and subject to all of the terms and provisions of Budget Act of 2021 (Stats. 2021, ch. 240, § 80) as amended (Stats. 2022, ch. 44, § 25), the General Manager (the "Authorized Representative") or designee is hereby authorized and directed to prepare and file an application for funding with the Bureau of Reclamation and take such other actions necessary or appropriate to obtain grant funding.
2. The Authorized Representative, or designee is hereby authorized and directed to execute the funding agreement with the Bureau of Reclamation and any amendments thereto, subject to review and approval by the District's legal counsel.
3. The Authorized Representative, or designee is hereby authorized and directed to submit any required documents, invoices, and reports required to obtain grant funding.

CERTIFICATION, I hereby certify that the foregoing Resolution was duly and regularly adopted by the Board of Directors of the San Gabriel Valley Municipal Water District at the meeting held on February 13, 2023, motion passed by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

President

ATTEST:

Secretary

ACTION AGENDA ITEM NO. 4

FUTURE BOARD MEETINGS

RECOMMENDED ACTION: None.

BACKGROUND: This is a placeholder to allow for any modifications due to COVID-19 requirements.

Memorandum

To: San Gabriel Valley Municipal Water District Board of Directors

Cc: Darin Kasamoto, General Manager

From: Evelyn Reyes, External Affairs Manager

Date: February 8, 2023

Subject: External Affairs Report

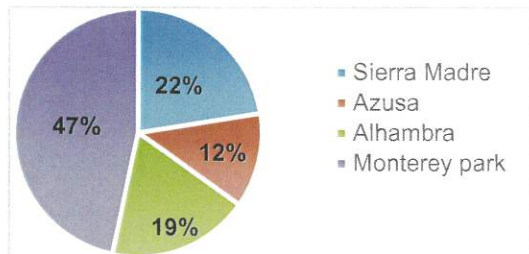
Rebates:

	Rain Barrel	Washing Machines	High-Efficiency Toilets	Waterless Urinals	Smart Controllers	Sprinkler Nozzles	Soil Sensor	Flow Meter Monitor
	\$35	\$85	\$40	\$150	Up to \$80	\$2 – Min. 30	Up to \$80	Up to \$100
Monthly Total	9	6	2	0	0	0	0	0
FY 22/23 Total	33	29	27	0	11	30	1	3

Irrigation Direct Install Program:

Assessed Properties	257
Waiting Install	1
Total Installed	215

Avg. cost per property \$1,135.54



DWR’s Urban Community Drought Relief Grant Program:

Hazen and Sawyer submitted the grant application on January 21, 2023.

Meetings/events attended:

- San Gabriel Basin Watermaster Meeting
- SGV COG Water Policy Committee Meeting
- PWAG Community Engagement Committee Meeting
- Meeting with California Advocates
- San Gabriel Valley Economic Partnership Legislative Committee Meeting
- Meeting with CV Strategies
- Southern California Water Utilities Association Luncheon
- Southern California Water Coalition Quarterly Meeting
- City of Alhambra Lunar New Year Event

**A REGULAR MEETING OF
THE MAIN SAN GABRIEL BASIN WATERMASTER
729 NORTH AZUSA AVENUE, AZUSA, CALIFORNIA
FEBRUARY 1, 2023 AT 2:30 O'CLOCK P.M.**

<u>Agenda</u>	<u>Action/Notes</u>
1. CALL TO ORDER	
2. PLEDGE OF ALLEGIANCE	
3. ROLL CALL OF WATERMASTER MEMBERS	
4. ADOPTION OF AGENDA [1]	
5. TIME RESERVED FOR PUBLIC COMMENT	
6. ITEMS REMOVED FROM CONSENT CALENDAR [1]	
7. CONSENT CALENDAR [1] All items on Consent Calendar may be approved with single action.	
a) Minutes of a Public Hearing and Regular Meeting of Watermaster held January 4, 2023	
b) Lists of Demands	
c) Financial Statements, January 2023	
d) Authorization to attend Association of California Water Agencies Spring Conference, May 9-11, 2023	
8. REPORT FROM ADMINISTRATIVE COMMITTEE [1]	
a) Recommendation of 2023 Watermaster Committee Assignments and Representatives to Outside Organizations	
9. REPORT FROM BASIN WATER MANAGEMENT COMMITTEE [2]	
10. ATTORNEY'S REPORT [2]	
11. ENGINEER'S REPORT [2]	
12. EXECUTIVE OFFICER'S REPORT [2]	
13. REPORT FROM RESPONSIBLE AGENCIES [2]	
14. OUTSIDE COMMITTEE LIAISONS [2]	

15. INFORMATION ITEMS [2]

- a) Temporary assignment or lease of 4,925.76 acre-feet of Production Right from Co-Tenancy of Laurence R. Pellissier Irrevocable Trust, et al to California Domestic Water Company for FY 2022-23
- b) Temporary assignment or lease of 172.95 acre-feet of Production Right from Bank of America N.A. Trustee of the William Knight Living Trust UTD 05/11/2000 to California Domestic Water Company for FY 2022-23
- c) Temporary assignment or lease of 488.18 acre-feet of Production Right from Cadway, Inc. to California Domestic Water Company for FY 2022-23
- d) San Gabriel Valley Municipal Water District Water Projections for the Next Five Years
- e) San Gabriel Valley Municipal Water District transmittal of monthly report for December 2022

16. COMMENTS FROM WATERMASTER MEMBERS [2]

17. FUTURE AGENDA ITEMS [1]

- a) Consideration of Extension Agreement for City of South Pasadena for Producer Cyclic Storage

18. CLOSED SESSION [1]

A closed session may be called to discuss pending or potential litigation.

19. ADJOURNMENT

LEGEND [1] INDICATES ACTION ANTICIPATED BY WATERMASTER ON THIS ITEM
[2] INDICATES INFORMATION ITEM - NO WATERMASTER ACTION ANTICIPATED

Chair Lynda Noriega Presiding

Memorandum

To: San Gabriel Valley Municipal Water District Board of Directors

From: Darin Kasamoto General Manager

Date: Feb. 9, 2023

Subject: General Manager's Report

1. SWP UPDATE

The Delta Conveyance Project (DCP) Public Draft EIR Comment period has ended. The EIR process should be completed by the end of 2023.

On Jan. 26 the State Water Project allocation was increased from 5% to 30%. This allocation was based on up-to-date reservoir storage levels and the January 1, 2023 snowpack levels. On February 1, the last snow survey showed that snowpack was 205% of normal for the date. Because of the large amount of snowfall in January, it is probable that this allocation should increase, even with little to no additional precipitation moving forward.

2. MAIN SAN GABRIEL BASIN UPDATE

As February 3, 2023, the Key Well is at 180.8 feet which is 1.9 feet higher than the level on January 13, 2023, due to releases from the San Gabriel canyon reservoirs. The historic low is 169.4 feet.

3. GRANT PROGRAM UPDATES

Steve Bucknam is continuously evaluating grant opportunities. There is potential to apply for funding for the Foothill Water Coalition through the Bureau of Reclamation. Funding for District and member cities' projects could also be incorporated into the Foothill Water Coalition project list.

The Bureau of Reclamation has completed review of the State approved Recycled Water Feasibility Study prepared by John Robinson. It was hoped that with minor modifications to the existing study, the District would be eligible for federal grant money for future recycled water design and construction costs. The Bureau has advised that this study does not meet all of the requirements. A grant was identified which could fund up to 50% of the cost to complete a Federally compliant feasibility study which would allow us to apply for federal grant funds in the future for design and construction. The grant is due on February 28, so because of the time constraints I approved a proposal of \$15,000 from Hazen and Sawyer to complete the application.

The District has applied for a State Grant through DWR for Turf Replacement, supplement existing rebate programs, supplement direct install program, education programs. The grant application also included some well projects from the four cities. The application was submitted on January 31, 2023, and sought about \$5 million for the various projects. DWR has said that there were some issues with the submittal which we are trying to get clarification on.

4. MANAGEMENT ISSUES

The Letter of Intent for the Regional Recycled Water Project has been approved by all parties. I have had a follow-up with MWD on next steps, and they want to look into use of SGVMWD existing infrastructure to add flexibility to the project. We have sent all of information requested by MWD for them to begin this analysis. The preliminary analysis performed by MWD indicates that it is

physically possible to use our pipeline to get water to the treatment plant in La Verne. Stetson Engineers has been hired to analyze the benefits and potential downside of this proposal. The study should be ready for review in April 2023.

The Auditors have completed their 3 year engagement, so we will be developing an RFP for the next three year audit engagement.

We will work with California Advocates to plan a trip to Sacramento to meet with our state legislators.

Memorandum

To: San Gabriel Valley Municipal Water District Board of Directors

From: Steve Kiggins, Assistant General Manager

Cc: Darin Kasamoto, General Manager

Date: February 9, 2023

Subject: Assistant General Manager's Report

1. Total water delivered in January 2022: 178 AF. SGVMWD delivered 178 AF on behalf of Three Valleys Municipal Water District (TVMWD) to Covina Irrigating Company's surface water treatment facility. SGVMWD's allocation for CY 2023 is 8,640 AF (30% of 28,800 AF); SGVMWD has 8,640 AF available for delivery.
2. Total deliveries to cyclic storage CY 2023: 0 AF. Cyclic storage balance as of December 31, 2022: 3,104.45 AF. Amount of water banked on behalf of Dudley Ridge Water District: 14,209 AF.
3. February 2023 delivery forecast: 6 CFS delivery to Covina Irrigating Company (CIC) on behalf of Three Valleys Municipal Water District (TVMWD) is expected to continue due to high surface water turbidity in the San Gabriel River.
4. Project Updates:
 - A. DCAP SCH I MODIFICATIONS FOR PIPELINE CONDITION ASSESSMENT: The structural assessment report has been received and a follow up meeting has been scheduled to discuss the failure risk analysis and repair prioritization recommendations.
 - B. HYDROELECTRIC FACILITY 24" BUTTERFLY VALVE REPLACEMENT: (No change) The contractor is waiting for the replacement valve and actuator. The Pratt Valve distributor has not been able to secure a firm delivery date.
 - C. SAN GABRIEL FLOW CONTROL STRUCTURE 30" BALL VALVE REPLACEMENT: (No change) The valve has been released for production, but the Pratt Valve distributor has not been able to secure a firm delivery date. When ordered, delivery was expected in March / April 2023.
5. Assistant General Manager meetings and activities:
 - A. Attended weekly SWC/DWR Operations Update meetings
 - B. Attended San Gabriel River Water Committee meeting
 - C. Attended Public Water Agencies Group meeting
 - D. Attended meeting with MWD / SBVMWD / WVWD / IEUA for 2022 wrap-up discussion of the West Valley Water District – Azusa Pipeline Transfer Procedures

- E. Attended Groundwater Replenishment Coordinating Group meeting
- F. Attended Main San Gabriel Basin Watermaster meeting
- G. Attended 2023 Annual AGWT-AGWA California Groundwater Issues Conference
- H. Reviewed SGH structural assessment and met with Civiltec to discuss prior to PICA Corporation and SGH Engineering follow-up meeting