

CHINO BASIN WATERMASTER



NOTICE OF MEETING

Thursday, October 26, 2023

11:00 a.m. – Watermaster Board Meeting

**CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING**

11:00 a.m. – October 26, 2023

Mr. Jim Curatalo, Chair

Mr. Jeff Pierson, Vice-Chair

Mr. Bob Kuhn, Secretary/Treasurer

At The Offices Of

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

AGENDA

FLAG SALUTE

CALL TO ORDER

ROLL CALL

PUBLIC COMMENTS

This is an opportunity for members of the public to address the Board on any short non-agenda items that are within the subject matter jurisdiction of the Chino Basin Watermaster. No discussion or action can be taken on matters not listed on the agenda, per the Brown Act. Each member of the public who wishes to comment shall be allotted three minutes, and no more than three individuals shall address the same subject.

AGENDA – ADDITIONS/REORDER

I. CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine and non-controversial and will be acted upon by one motion in the form listed below. There will be no separate discussion on these items prior to voting unless any members, staff, or the public requests specific items be discussed and/or removed from the Consent Calendar for separate action.

A. MINUTES

Approve as presented:

Minutes of the Watermaster Board Meeting held September 28, 2023 *(Page 1)*

B. FINANCIAL REPORTS

Receive and file as presented:

Monthly Financial Reports for the Reporting Periods Ended July 31, 2023 and August 31, 2023.
(Page 9)

C. WATER TRANSACTION – CITY OF UPLAND TO GOLDEN STATE WATER COMPANY

Approve the proposed transaction. *(Page 40)*

D. WATER TRANSACTION – WEST END CONSOLIDATED WATER COMPANY TO GOLDEN STATE WATER COMPANY

Approve the proposed transaction. *(Page 47)*

II. BUSINESS ITEMS

A. CHINO BASIN WATERMASTER ANNUAL FINANCIAL REPORT FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022; AND THE CHINO BASIN WATERMASTER MANAGEMENT REPORT FOR JUNE 30, 2023

Receive and file (1) the Chino Basin Watermaster Annual Financial Report for the Fiscal Years Ended June 30, 2023 and 2022 and (2) the Chino Basin Watermaster Management Report for June 30, 2023. (Page 54)

III. REPORTS/UPDATES

A. WATERMASTER LEGAL COUNSEL

1. December 1, 2023 Court Hearing (OMBP Semi-Annual Status Report and 2023 Recharge Master Plan Update)
2. Court of Appeal Case No. E079052 (City of Chino, MVIC, MVWD, City of Ontario appeal re OAP Expenses and Attorney Fees)
3. Court of Appeal Consolidated Cases No. E080457 and E082127 (City of Ontario appeal re 2021-22 and 2022-23 Assessment Packages)
4. Court of Appeal Case No. E080533 (Cities of Chino, Ontario appeal re 2022-23 Watermaster budget expenses to support CEQA analysis)
5. Kaiser Permanente Lawsuit

B. ENGINEER

1. GLMC Update
2. Long Term Studies, Analyses, and Planning
3. Mitigation Plan for the Temporary Loss of Hydraulic Control
4. Annual Streamflow Monitoring Report for Water Rights Permit 21225
5. Watermaster Model Application and Required Demonstrations
6. Annual Plumes Status Report

C. GENERAL MANAGER

1. Court Tour of Chino Basin
2. Possible Extension of Dry Year Yield Program
3. OBMPU CEQA Process
4. Fiscal Year 2023/24 Assessment Package
5. Watermaster Reappointment
6. Other

IV. BOARD MEMBER COMMENTS

V. OTHER BUSINESS

VI. CONFIDENTIAL SESSION – POSSIBLE ACTION

Pursuant to Article II, Section 2.6, of the Watermaster Rules & Regulations, a Confidential Session may be held during the Watermaster Board meeting for the purpose of discussion and possible action.

VII. FUTURE MEETINGS AT WATERMASTER

10/24/23	Tue	9:00 a.m.	2025 Safe Yield Reevaluation – Scenario Design #1
10/24/23	Tue	1:30 p.m.	FY 2023/24 Assessment Package – Workshop #1
10/26/23	Thu	9:30 a.m.	Watermaster Orientation*
10/26/23	Thu	11:00 a.m.	Watermaster Board
10/31/23	Tue	1:30 p.m.	FY 2023/24 Assessment Package – Workshop #2
11/09/23	Thu	9:00 a.m.	Appropriative Pool Committee
11/09/23	Thu	11:00 a.m.	Non-Agricultural Pool Committee
11/09/23	Thu	1:30 p.m.	Agricultural Pool Committee
11/15/23	Wed	1:00 p.m.	Storage and Recovery Master Plan Committee
11/16/23	Thu	9:00 a.m.	Advisory Committee
11/16/23	Thu	11:00 a.m.	Watermaster Board Meeting**

* The Watermaster Orientation sessions are held in person with no remote access.

** The Watermaster Board meeting is being advanced by a week due to the Thanksgiving Holiday. Watermaster will be dark in December and can assist with any special meetings as requested. All regularly scheduled meetings will resume in January 2024.

ADJOURNMENT

DRAFT MINUTES
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING

September 28, 2023

The Watermaster Board meeting was held at the offices of the Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA, and via Zoom (conference call and web meeting) On September 28, 2023.

WATERMASTER BOARD MEMBERS PRESENT AT WATERMASTER

James Curatalo, Chair	Appropriative Pool – Minor Representative
Jeff Pierson, Vice Chair	Agricultural Pool – Crops
David De Jesus for Bob Kuhn, Secretary/Treasurer	Three Valleys Municipal Water District
Brian Geye for Bob Bowcock	Non-Agricultural Pool – CA Speedway Corporation
Scott Burton	City of Ontario
Steve Elie	Inland Empire Utilities Agency
Paul Hofer	Agricultural Pool – Crops
Mike Gardner	Western Municipal Water District
Manny Martinez	Monte Vista Water District

WATERMASTER BOARD MEMBERS ABSENT

Bob Kuhn, Secretary/Treasurer	Three Valleys Municipal Water District
Bob Bowcock	Non-Agricultural Pool – CalMat Co.

WATERMASTER STAFF PRESENT

Peter Kavounas	General Manager
Edgar Tellez Foster	Water Resources Mgmt. & Planning Director
Anna Nelson	Director of Administration
Justin Nakano	Water Resources Technical Manager
Frank Yoo	Data Services and Judgment Reporting Mgr.
Alexandria Moore	Executive Assistant I/Board Clerk
Ruby Favela Quintero	Administrative Analyst
Kelli Hills	Office Specialist/Receptionist
Alonso Jurado	Water Resources Associate
Jordan Garcia	Senior Field Operations Specialist

WATERMASTER CONSULTANTS PRESENT AT WATERMASTER

Brad Herrema	Brownstein Hyatt Farber Schreck, LLP
Scott Slater	Brownstein Hyatt Farber Schreck, LLP
Lucy Hedley	West Yost
Andy Malone	West Yost
Carolina Sanchez	West Yost

WATERMASTER CONSULTANTS PRESENT ON ZOOM

Scott Nelsen	Eide Bailly
--------------	-------------

OTHERS PRESENT AT WATERMASTER

Bob Feenstra	Agricultural Pool – Dairy
Jimmy Medrano	Agricultural Pool – State of CA
Dave Crosley	City of Chino
Chris Diggs	City of Pomona
Jiwon Seung	Cucamonga Valley Water District
Mikayla Celeman	CV Strategies
John Russ	Inland Empire Utilities Agency
Bryan Smith	Jurupa Community Services District
Alyssa Coronado	Santa Ana River Water Company

OTHERS PRESENT ON ZOOM

Gino Filippi
Carol Boyd
Marilyn Levin
Hye Jin Lee
Ron Craig
Nicole deMoet
Braden Yu
Amanda Coker
Eduardo Espinoza
Mark Gibboney
Peter Dopulos
Derek Hoffman
Marty Zvirbulis
Ben Lewis
Christiana Daisy
Shivaji Deshmukh
Eddie Lin
Marty Zvirbulis
John Lopez
Nicole deMoet
Braden Yu
Joshua Aguilar
Richard Rees

Agricultural Pool – Crops
Agricultural Pool – State of CA
Agricultural Pool – State of CA
City of Chino
City of Chino Hills
City of Upland
City of Upland
Cucamonga Valley Water District
Cucamonga Valley Water District
Cucamonga Valley Water District
Egoscue Law Group, Inc.
Fennemore Law
Fontana Union Water Company
Golden State Water Company
Inland Empire Utilities Agency
Inland Empire Utilities Agency
Inland Empire Utilities Agency
Nicholson Family Trust
Santa Ana River Water Company
West End Consolidated Water Co.
West End Consolidated Water Co.
Western Municipal Water District
WSP USA

FLAG SALUTE

Chair Curatalo led the Board in the flag salute.

CALL TO ORDER

Chair Curatalo called the Watermaster Board meeting to order at 11:00 a.m.

ROLL CALL

(00:00:43) Ms. Moore conducted the roll call and announced that a quorum was present.

PUBLIC COMMENTS

None

AGENDA – ADDITIONS/REORDER

None

I. CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine and non-controversial and will be acted upon by one motion in the form listed below. There will be no separate discussion on these items prior to voting unless any members, staff, or the public requests specific items be discussed and/or removed from the Consent Calendar for separate action.

A. MINUTES

Approve as presented:
Minutes of the Watermaster Board Meeting held August 24, 2023

B. FINANCIAL REPORTS

The monthly financial reports are being redesigned and will be available next month.

C. OBMP SEMI-ANNUAL STATUS REPORT 2023-1

Adopt the Semi-Annual OBMP Status Report 2023-1, and direct staff to file a copy with the Court, subject to any necessary non-substantive changes.

(00:02:17)

Motion by Mr. Steve Elie, seconded by Vice-Chair Jeff Pierson, there being no dissent, the item passed unanimously.

Moved to approve the Consent Calendar as presented.

11:05 a.m. Mr. Burton arrived after Consent Calendar.

II. BUSINESS ITEMS

A. 2023 RECHARGE MASTER PLAN UPDATE AND RESOLUTION NO. 2023-06

Approve the 2023 RMPU as presented, adopt Resolution No. 2023–06, and direct staff to file with the Court.

(00:02:50) Mr. Kavounas prefaced the item and invited Ms. Sanchez of West Yost to give a presentation. A discussion ensued.

(00:31:04)

Motion by Mr. Steve Elie, seconded by Mr. Scott Burton, and passed unanimously by roll call vote as attached to these minutes.

Moved to approve 2023 Recharge Master Plan Update and Resolution No. 2023-06 (Business Item II.A.) as presented.

B. BOARD-REQUESTED RECHARGE PROJECT ANALYSIS

Approve staff moving forward with gathering necessary information and documentation for each project to be considered grant-ready and prepare the Work Plan.

(00:33:28) Mr. Kavounas introduced Ms. Sanchez to give a presentation. A discussion ensued.

(00:39:02)

Motion by Mr. Mike Gardner, seconded by Vice-Chair Jeff Pierson, and passed unanimously by roll call vote as attached to these minutes.

Moved to approve Board-Requested Recharge Project Analysis (Business Item II.B.) as presented.

C. INCREASE OF FY 2023/24 DRY YEAR YIELD PROGRAM DELIVERY

Approve an increase of the annual delivery limit from 25,000 acre-feet to 50,000 acre-feet for Fiscal Year 2023/24.

(00:40:06) Mr. Kavounas prefaced the item and introduced Mr. Nakano to give a presentation. A discussion ensued during which the Board, at the suggestion of Board Member Elie, gave direction to the GM to explore the potential for a five-year extension of the DYYP.

(00:41:50)

Motion by Mr. Mike Gardner, seconded by Mr. Steve Elie, and passed unanimously by roll call vote as attached to these minutes.

Moved to approve Increase of FY 2023/24 Dry Year Yield Program Delivery (Business Item II.C.) as presented.

III. REPORTS/UPDATES

A. WATERMASTER LEGAL COUNSEL

1. Court Tour of Chino Basin
2. Court of Appeal Case No. E079052 (City of Chino, MVIC, MVWD, City of Ontario appeal re OAP Expenses and Attorney Fees)
3. Court of Appeal Case No. E080457 (City of Ontario appeal re 2021-22 Assessment Package)
4. Court of Appeal Case No. E080533 (Cities of Chino, Ontario appeal re 2022-23 Watermaster budget expenses to support CEQA analysis)
5. Court of Appeal Case No. E082127 (City of Ontario appeal re Challenge to 2022-23 Assessment Package)
6. Kaiser Permanente Lawsuit

(00:46:35) Mr. Slater gave a report. A discussion ensued.

B. ENGINEER

1. 2025 Safe Yield Reevaluation
2. Model Update and Required Demonstrations
3. Ground-Level Monitoring Committee
4. 2022 State of the Basin Report

(01:00:16) Mr. Malone gave a report on items 1-3, he invited Ms. Hedley to give a presentation on item 4. A discussion ensued.

C. GENERAL MANAGER

1. Long Term Planning Efforts
2. New Staff Member Introduction
3. Other

(01:15:19) Mr. Kavounas gave a report on the Long Term Planning efforts indicating he aims to give a monthly update on each item as they progress. He invited Mr. Jurado to introduce Watermaster's new staff member, Mr. Jordan Garcia, the Senior Field Operations Specialist. Mr. Kavounas also mentioned the Fiscal Year 2023/24 Assessment Package is under way with two workshops scheduled as done in prior years to allow stakeholders to ask any questions.

IV. BOARD MEMBER COMMENTS

(1:25:55) Mr. Hofer raised a question regarding Chino Basin Water Conservation District purchasing water for their basins using their available funds, with the intention of being reimbursed to prevent the depletion of the basins. Watermaster staff has suggested that Chino Basin Water Conservation District give a presentation at one of the upcoming Board meetings to further discuss.

V. OTHER BUSINESS

None

VI. CONFIDENTIAL SESSION – POSSIBLE ACTION

Pursuant to Article II, Section 2.6, of the Watermaster Rules & Regulations, a Confidential Session may be held during the Watermaster Board meeting for the purpose of discussion and possible action.

None

ADJOURNMENT

Chair Curatalo adjourned the Watermaster Board meeting at 12:28 p.m.

Secretary: _____

Approved: _____

Attachments:

1. 20230928 Roll Call Vote Outcome for Business Item II.A.
2. 20230928 Roll Call Vote Outcome for Business Item II.B.
3. 20230928 Roll Call Vote Outcome for Business Item II.C.

September 28, 2023 Watermaster Board Meeting Roll Call Vote Outcome
--

Member	Alternate	II.A.
Burton, Scott		Yes
Brian Geye for Bowcock, Bob		Yes
Elie, Steve		Yes
Gardner, Mike		Yes
Hofer, Paul		Yes
David De Jesus for Kuhn, Bob, Secretary/Treasurer		Yes
Martinez, Manny		Yes
Pierson, Jeff, Vice-Chair		Yes
Curatalo, James, Chair		Yes
	OUTCOME:	Passed Unanimously

September 28, 2023 Watermaster Board Meeting Roll Call Vote Outcome
--

Member	Alternate	II.B.
Burton, Scott		Yes
Brian Geye for Bowcock, Bob		Yes
Elie, Steve		Yes
Gardner, Mike		Yes
Hofer, Paul		Yes
David De Jesus Kuhn, Bob, Secretary/Treasurer		Yes
Martinez, Manny		Yes
Pierson, Jeff, Vice-Chair		Yes
Curatalo, James, Chair		Yes
	OUTCOME:	Passed Unanimously

September 28, 2023 Watermaster Board Meeting Roll Call Vote Outcome
--

Member	Alternate	II.C.
Burton, Scott		Yes
Brian Geye for Bowcock, Bob		Yes
Elie, Steve		Yes
Gardner, Mike		Yes
Hofer, Paul		Yes
David De Jesus for Kuhn, Bob, Secretary/Treasurer		Yes
Martinez, Manny		Yes
Pierson, Jeff, Vice-Chair		Yes
Curatalo, James, Chair		Yes
	OUTCOME:	Passed Unanimously



CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, CA 91730
Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 2023
TO: Advisory Committee and Watermaster Board
SUBJECT: Monthly Financial Reports (For the reporting periods ended July 31, 2023 and August 31, 2023) (Consent Calendar Item I.B.)

SUMMARY

Issue: Record of Monthly Financial Reports for the reporting periods ended July 31, 2023 and August 31, 2023) [Normal Course of Business]

Recommendation: Receive and file as presented.

Financial Impact: None.

Future Consideration
Watermaster Board – October 26, 2023: Receive and File

ACTIONS:

Appropriative Pool – October 12, 2023: Received and filed
Non-Agricultural Pool – October 12, 2023: Received and filed
Agricultural Pool – October 12, 2023: Received and filed
Advisory Committee – October 19, 2023: Received and filed
Watermaster Board – October 26, 2023:

Watermaster's function is to administer and enforce provisions of the Judgment and subsequent orders of the Court, and to develop and implement an Optimum Basin Management Program

BACKGROUND

A monthly reporting packet is provided to keep all members apprised of Watermaster revenues, expenditures, and other financial activities. Monthly reports include the following:

1. Cash Disbursements – Summarized report of all payments made during the reporting month.
2. Credit Card Expense Detail – Detail report of all credit card activity during the reporting month.
3. Combining Schedule of Revenues, Expenses, and Changes in Net Assets – Detail report of all revenue and expense activity for the fiscal YTD, summarized by pool category.
4. Treasurer's Report – Summary of Watermaster investments holdings and anticipated earnings as of month end.
5. Budget to Actual Report – Detail report of actual revenue and expense activity, shown for reporting month and YTD, comparatively to the adopted budget.
6. Monthly Variance Report and Supplemental Schedules – Supporting schedule providing explanation for major budget variances. Also provides several additional tables detailing pool fund balance, salaries expense, legal expense, and engineering expense.

DISCUSSION

A detailed explanation of major variances and other additional information can be found on the "Monthly Variance Report and Supplemental Schedules."

Watermaster staff is happy to provide additional explanation or respond to any questions on these reports.

ATTACHMENTS:

1. Monthly Financial Reports (Period Ended July 31, 2023)
2. Monthly Financial Reports (Period Ended August 31, 2023)



Chino Basin Watermaster

Cash Disbursements

July 2023

Date	Number	Vendor Name	Description	Amount
07/03/2023	24212	ACCENT COMPUTER SOLUTIONS, INC.	Invoice 158298	\$ 2,258.81
07/03/2023	24213	GEYE, BRIAN	Meeting Compensation	375.00
07/03/2023	24214	KUHN, BOB	Meeting Compensation	500.00
07/03/2023	24215	UNION 76	7076-2245-3035-5049	274.19
07/03/2023	ACH 23/07/02	HEALTH EQUITY	Health Equity Invoice 5341622	620.00
07/05/2023	ACH 070523	CALPERS	1394905143	13,960.14
07/05/2023	ACH 23/07/03	HEALTH EQUITY	Health Equity Invoice 5356963	142.03
07/07/2023	24216	APPLIED COMPUTER TECHNOLOGIES	VOID: 35794	-
07/07/2023	24217	BURRTEC WASTE INDUSTRIES, INC.	Customer 136525395	160.73
07/07/2023	24218	CALIFORNIA BANK & TRUST		919.23
07/07/2023	24219	EMPOWER LAB	2803	500.00
07/07/2023	24220	IN-SITU, INC.	00162833	6,121.90
07/07/2023	24221	TALENT ADVISERS, LLC	6013	3,350.00
07/07/2023	24222	VANGUARD CLEANING SYSTEMS	123135	915.00
07/11/2023	ACH 23/07/04	HEALTH EQUITY	Health Equity Invoice 5388712	4.14
07/13/2023	ACH 23/07/06	ADP, LLC	Banking-Payroll and Taxes for 06/25/23-07/08/23	46,786.15
07/13/2023	ACH 23/07/06	ADP, LLC	Banking-Payroll and Taxes for 06/25/23-07/08/23	15,386.43
07/13/2023	ACH 23/07/06	MISSIONSQUARE RETIREMENT	Banking-Payroll and Taxes for 06/25/23-07/08/23	5,914.60
07/13/2023	ACH 23/07/06	MISSIONSQUARE RETIREMENT	Banking-Payroll and Taxes for 06/25/23-07/08/23	2,165.12
07/13/2023	ACH 071323	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	11,455.08
07/13/2023	24223	ACCENT COMPUTER SOLUTIONS, INC.		8,760.29
07/13/2023	24224	BOWCOCK, ROBERT		375.00
07/13/2023	24225	CORELOGIC INFORMATION SOLUTIONS	82180724	125.00
07/13/2023	24226	CURATALO, JAMES		875.00
07/13/2023	24227	DE BOOM, NATHAN		250.00
07/13/2023	24228	DE HAAN, HENRY		375.00
07/13/2023	24229	ELIE, STEVEN		250.00
07/13/2023	24230	ESRI	94500725	1,100.00
07/13/2023	24231	FILIPPI, GINO		500.00
07/13/2023	24232	HUITSING, JOHN		500.00
07/13/2023	24233	LAW OFFICE OF ALLEN W. HUBSCH	June 2023	3,850.00
07/13/2023	24234	STATE COMPENSATION INSURANCE FUND	1001628328	4,714.19
07/13/2023	24235	VANGUARD CLEANING SYSTEMS	123720	440.00
07/13/2023	24236	WESTERN MUNICIPAL WATER DISTRICT		375.00
07/14/2023	ACH 23/07/09	ADP, LLC	ADP Tax Service for 06/10/23-637304143	164.52
07/14/2023	ACH 23/07/09	ADP, LLC	ADP Tax Service for 06/24/23-637304143	190.16
07/14/2023	ACH 23/07/09	ADP, LLC	ADP Tax Service for 06/30/23-637304143	138.88
07/17/2023	ACH 07/17/2023	Bank of America	Service Charge	1,166.52
07/18/2023	ACH 23/07/12	HEALTH EQUITY	Health Equity Invoice 5411685	750.00
07/18/2023	24237	APPLIED COMPUTER TECHNOLOGIES	35794	4,050.00
07/20/2023	ACH 23/07/11	ADP, LLC	Banking-Special Payroll 07/23/2023	48,834.63
07/20/2023	ACH 23/07/11	ADP, LLC	Banking-Special Payroll 07/23/2023	24,252.87
07/20/2023	ACH 23/07/11	MISSIONSQUARE RETIREMENT	Banking-Special Payroll 07/23/2023	3,000.00
07/24/2023	ACH 23/07/18	HEALTH EQUITY	Health Equity Invoice 5317997	97.25
07/25/2023	ACH 072523	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	9,902.00
07/25/2023	ACH 23/07/21	HEALTH EQUITY	Health Equity Invoice 5431595	1,554.64
07/26/2023	24238	CUCAMONGA VALLEY WATER DISTRICT		8,218.70
07/26/2023	24239	LEGAL SHIELD	111802	203.25
07/26/2023	24240	MCCALL'S METER SALES & SERVICE	35961	4,808.43
07/26/2023	24241	PITNEY BOWES GLOBAL FINANCIAL SERVICES	8000-9090-0016-8851/ Acct# 0011526621	454.87
07/26/2023	24242	VERIZON WIRELESS	470810953-00002	388.10
07/27/2023	ACH 23/07/20	ADP, LLC	Banking-Payroll and Taxes for 07/11/23-07/22/23	36,443
07/27/2023	ACH 23/07/20	ADP, LLC	Banking-Payroll and Taxes for 07/11/23-07/22/23	12,816.46
07/27/2023	ACH 23/07/20	MISSIONSQUARE RETIREMENT	Banking-Payroll and Taxes for 07/11/23-07/22/23	6,265.35
07/27/2023	ACH 23/07/20	MISSIONSQUARE RETIREMENT	Banking-Payroll and Taxes for 07/11/23-07/22/23	2,077.88
07/27/2023	24243	BROWNSTEIN HYATT FARBER SCHRECK		133,863.57
07/27/2023	24244	EIDE BAILLY LLP	EI01538563	\$ 1,914.50



Chino Basin Watermaster

Cash Disbursements

July 2023

Date	Number	Vendor Name	Description	Amount
07/27/2023	24245	FRONTIER COMMUNICATIONS	909-484-3890-050914-5	\$ 220.76
07/27/2023	24246	GEYE, BRIAN		750.00
07/27/2023	24247	GREAT AMERICA LEASING CORP.	34468807	1,410.15
07/27/2023	24248	JOHN J. SCHATZ		27,658.68
07/27/2023	24249	R&D PEST SERVICES	345330	100.00
07/27/2023	24250	READY REFRESH	0023230253	85.65
07/27/2023	24251	STANDARD INSURANCE CO.	Policy # 00-649299-0009	909.00
07/27/2023	24252	TOM DODSON & ASSOCIATES	CB271 23-6	7,072.50
07/27/2023	24253	UNITED HEALTHCARE	052585286082	1,066.76
07/27/2023	24254	VANGUARD CLEANING SYSTEMS		1,135.00
07/27/2023	24255	VERIZON WIRELESS	642073270-00002	38.01
07/27/2023	24256	WEST YOST		283,856.14
07/27/2023	24257	VISION SERVICE PLAN	818402779	166.40
07/27/2023	ACH 072723	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	11,351.60
07/28/2023	24258	ALEXANDRIA MOORE	Reimbursement for Admin lunch with Alicia at CBWCD	71.54
07/28/2023	24259	PHILADELPHIA INSURANCE COMPANY	2005938302	18,081.28
Total for Month \$				789,826.64



Chino Basin Watermaster
Credit Card Expense Detail
July 2023

Date	Number	Vendor Name	Description	Amount
07/07/2023	24218	CALIFORNIA BANK & TRUST		
		6031.7 · Other Office Supplies	Misc. Office Supplies	(2.21)
		6024 · Building Repair & Maintenance	Misc. Office Supplies - Door locks	(60.79)
		6024 · Building Repair & Maintenance	Misc. Office Supplies - Unisex bathroom signs	(19.99)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(17.16)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(24.29)
		6031.7 · Other Office Supplies	Misc. Office Supplies- Costco	(61.55)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(11.43)
		6031.7 · Other Office Supplies	Nothing Bundt Cakes- Kelli Hills	(5.30)
		6055 · Computer Hardware	Misc. Office Supplies - SanDisk	(23.86)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(25.79)
		6055 · Computer Hardware	Large printer removal	(11.36)
		6054 · Computer Software	Visio Plan 2	(2.84)
		6055 · Computer Hardware	Wifi upgrade	(265.07)
		6031.7 · Other Office Supplies	Misc. Office Supplies- kitchen microwave's	(55.80)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(9.93)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(5.29)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(3.14)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(28.89)
		8312 · Meeting Expenses	Lunch- Peter Kavounas, Chris Diggs, Chris Berch	(9.74)
		6141.3 · Admin Meetings	OPS meeting breakfast- E. Tellez Foster, J. Nakano, A. Jurado, D. Huynh, F. Yoo	(24.07)
		6112 · Subscriptions/Publications	HBR yearly subscription - Anna Nelson	(7.56)
		6061.2 · Bamboo HR Consultant	Payroll System	(37.57)
		6141 · Meeting Expenses	BambooHR - Staff training	(42.67)
		6193.2 · Conference - Registration Fee	CalPERS Educational Forum 2023 - Anna Nelson	(85.00)
		6016 · New Employee Search Costs	Kelli Hills CVI Assessment	(9.45)
		6193 · Employee Training	ONLC- Alonso Jurado Excel training	(55.84)
		6147 · Other Admin Expenses	Thank you gift to EEC Environmental for CBWM/WY/BHFS Off-Site meeting	(12.64)
				(919.23)
Total for Month \$				(919.23)



Chino Basin Watermaster

Combining Schedule of Revenues, Expenses & Changes in Net Assets For the Period of July 1, 2023 through July 31, 2023

	JUDGMENT ADMIN.	OPTIMUM BASIN MGMT.	TOTAL JUDGMENT ADMIN & OBMP	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUND WATER REPLENISH.	GRAND TOTALS	ADOPTED BUDGET 2023-2024
				AP POOL	OAP POOL	ONAP POOL			
Administrative Revenues:									
Administrative Assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,314,915
Interest Revenue	-	17,244	17,244	73	2,371	102	3,028	22,818	312,500
Mutual Agency Project Revenue	186,412	-	186,412	-	-	-	-	186,412	186,412
Miscellaneous Income	-	-	-	-	-	-	-	-	-
Total Administrative Revenues	186,412	17,244	203,656	73	2,371	102	3,028	209,230	9,813,827
Administrative & Project Expenditures:									
Watermaster Administration	200,978	-	200,978	-	-	-	-	200,978	2,993,430
Watermaster Board-Advisory Committee	540	-	540	-	-	-	-	540	366,923
Optimum Basin Mgmt Administration	-	35,190	35,190	-	-	-	-	35,190	1,215,309
OBMP Project Costs	-	33,729	33,729	-	-	-	-	33,729	5,409,723
Pool Legal Services	-	-	-	-	-	-	-	-	98,642
Pool Meeting Compensation	-	-	-	-	-	-	-	-	951
Pool Special Projects	-	-	-	-	-	-	-	-	10,994
Pool Administration	-	-	-	-	-	-	-	-	329,067
Debt Service	-	-	-	-	-	-	-	-	1,665,475
Agricultural Expense Transfer ¹	-	-	-	-	-	-	-	-	-
Total Administrative Expenses	201,519	68,919	270,438	-	-	-	-	270,438	12,090,514
Net Ordinary Income	(15,106)	(51,675)	(66,781)	73	2,371	102	3,028	(61,207)	(2,276,687)
Other Income/(Expense)									
Replenishment Water Assessments	-	-	-	-	-	-	-	-	-
RTS Charges from IEUA	-	-	-	-	-	-	-	-	-
Refund-Basin O&M Expenses	-	-	-	-	-	-	-	-	-
Refund-Recharge Debt Service	-	-	-	-	-	-	-	-	-
Net Other Income/(Expense)	-	-	-	-	-	-	-	-	-
Net Transfers To/(From) Reserves	\$ (15,106)	\$ (51,675)	\$ (66,781)	\$ 73	\$ 2,371	\$ 102	\$ 3,028	\$ (61,207)	\$ (2,276,687)
Net Assets, July 1, 2023			9,768,099	41,205	1,343,226	57,841	1,715,286	12,925,657	
Net Assets, End of Period			9,701,317	41,278	1,345,597	57,943	1,718,314	12,864,450	
Ag Pool Assessments Outstanding ²					(731,123)				
Ag Pool Fund Balance					\$ 614,475				

¹ Fund balance transfer as agreed to in the Peace Agreement.

² Outstanding balance of Agricultural Pool Special Assessments



Chino Basin Watermaster Treasurer's Report July 2023

	Type	Monthly Yield	Cost	Market	% Total
Cash & Investments					
Local Agency Investment Fund (LAIF) *	Investment	2.99%	\$ 7,484,062	\$ 7,370,517	56.5%
CA CLASS Prime Fund **	Investment	5.15%	5,099,642	5,098,868	39.1%
Bank of America	Checking		580,362	580,362	4.4%
Bank of America	Payroll		-	-	0.0%
Total Cash & Investments			\$ 13,164,065	\$ 13,049,747	100.0%

* The LAIF Market Value factor is updated quarterly in September, December, March, and June.

** The CLASS Prime Fund Net Asset Value factor is updated monthly.

Certification

I certify that (1) all investment actions executed since the last report have been made in full compliance with Chino Basin Watermaster's Investment Policy, and (2) Funds on hand are sufficient to meet all foreseen and planned administrative and project expenditures for the next six months.

Anna Nelson, Director of Administration

Prepared By:

Scott Nelsen, CGFM (Eide Bailly CPAs)



Chino Basin Watermaster

Budget to Actual

For the Period July 1, 2023 to July 31, 2023

	July 2024	YTD Actual	FY 24 Adopted Budget	\$ Over / (Under) Budget	% of Budget
1 Administration Revenue					
2 Local Agency Subsidies	\$ 186,412	\$ 186,412	\$ 186,412	\$ -	100%
3 Admin Assessments-Appropriative Pool	-	-	8,886,165	(8,886,165)	0%
4 Admin Assessments-Non-Ag Pool	-	-	428,750	(428,750)	0%
5 Admin Assessments-Agricultural Pool	-	-	-	-	N/A
6 Total Administration Revenue	186,412	186,412	9,501,327	(9,314,915)	2%
7 Other Revenue					
8 Appropriative Pool-Replenishment	-	-	-	-	N/A
9 Non-Ag Pool-Replenishment	-	-	-	-	N/A
10 Interest Income	22,818	22,818	312,500	(289,682)	7%
11 Miscellaneous Income	-	-	-	-	N/A
12 Total Other Revenue	22,818	22,818	312,500	(289,682)	7%
13 Total Revenue	209,230	209,230	9,813,827	(9,604,597)	2%
14 Judgment Administration Expense					
15 Judgment Administration	16,286	16,286	721,698	(705,412)	2%
16 Admin. Salary/Benefit Costs	112,242	112,242	1,413,610	(1,301,368)	8%
17 Office Building Expense	11,488	11,488	208,510	(197,022)	6%
18 Office Supplies & Equip.	2,387	2,387	49,438	(47,051)	5%
19 Postage & Printing Costs	1,865	1,865	33,806	(31,941)	6%
20 Information Services	11,325	11,325	199,818	(188,493)	6%
21 Contract Services	6,574	6,574	60,200	(53,626)	11%
22 Watermaster Legal Services	-	-	565,964	(565,964)	0%
23 Insurance	35,432	35,432	50,468	(15,036)	70%
24 Dues and Subscriptions	16,370	16,370	40,027	(23,657)	41%
25 Watermaster Administrative Expenses	564	564	7,550	(6,986)	7%
26 Field Supplies	191	191	3,200	(3,009)	6%
27 Travel & Transportation	1,995	1,995	29,570	(27,575)	7%
28 Training, Conferences, Seminars	500	500	50,400	(49,900)	1%
29 Advisory Committee Expenses	-	-	105,823	(105,823)	0%
30 Watermaster Board Expenses	540	540	261,100	(260,559)	0%
31 ONAP - WM & Administration	-	-	108,194	(108,194)	0%
32 OAP - WM & Administration	-	-	108,700	(108,700)	0%
33 Appropriative Pool- WM & Administration	-	-	112,173	(112,173)	0%
34 Allocated G&A Expenditures	(16,241)	(16,241)	(440,829)	424,588	4%
35 Total Judgment Administration Expense	224,337	224,337	4,001,920	(3,777,583)	6%
36 Optimum Basin Management Plan (OBMP)					
37 Optimum Basin Management Plan	35,190	35,190	1,215,309	(1,180,119)	3%
38 Groundwater Level Monitoring	7,729	7,729	459,625	(451,896)	2%
39 Program Element (PE)2- Comp Recharge	4,365	4,365	1,672,577	(1,668,212)	0%
40 PE3&5-Water Supply/Desalte	-	-	105,677	(105,677)	0%
41 PE4- Management Plan	-	-	817,643	(817,643)	0%
42 PE6&7-CoopEfforts/SaltMgmt	4,933	4,933	1,117,623	(1,112,690)	0%
43 PE8&9-StorageMgmt/Conj Use	459	459	795,750	(795,290)	0%
44 Recharge Improvements	-	-	1,665,475	(1,665,475)	0%
45 Administration Expenses Allocated-OBMP	7,684	7,684	222,160	(214,476)	3%
46 Administration Expenses Allocated-PE 1-9	8,558	8,558	218,669	(210,111)	4%
47 Total OBMP Expense	68,919	68,919	8,290,508	(8,221,589)	1%
48 Pool Administration					
49 Appropriative Pool-Legal Services	-	-	-	-	N/A
50 OAP Legal & Technical Services	-	-	41,676	(41,676)	0%
51 OAP Meeting Compensation	-	-	951	(951)	0%
52 OAP Expense - Special Projects	-	-	10,994	(10,994)	0%
53 ONAP - Legal Services	-	-	56,966	(56,966)	0%
53 ONAP - Meeting Compensation	-	-	875	(875)	0%
54 Total Pool Administration	-	-	111,461	(111,461)	0%
56 Other Expense					
57 Groundwater Replenishment	-	-	-	-	N/A
58 Refund-Recharge Debt-Approp.	-	-	-	-	N/A
59 Total Other Expense	-	-	-	-	N/A
60 Total Expenses	270,438	270,438	12,091,389	(11,820,951)	2%
61 Increase / (Decrease) to Reserves	\$ (61,207)	\$ (61,207)	\$ (2,277,562)	\$ 2,216,354	



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023 to July 31, 2023

Budget to Actual

The Budget to Actual report summarizes the operating and non-operating revenues and expenses of Chino Basin Watermaster for the fiscal year-to-date (YTD). Columns are included for current monthly and YTD activity shown comparatively to the FY 24 adopted budget. The final two columns indicate the amount over or under budget, and the YTD percentage of total budget used. As of July 31st, generally the target budget percentage is 8%.

Revenues

Lines 1-6 Administration Revenue – Includes local agency subsidies and administrative assessment for the appropriate, agricultural and non-agricultural pools. Below is a summary of notable account variances at month end:

- Line 2 Local Agency Subsidies is at 100% of budget due to annual administrative assessment received from Metropolitan Water District.
- Lines 3-5 Administrative Assessments for the three pools have no activity YTD due to timing of annual assessments. Assessments for all pools are prepared in November of each year.

Lines 7-12 Other Revenue – Includes pool replenishment assessments, interest income and other miscellaneous income.

Expenses

Lines 14-35 Judgment Administration Expense – Includes Watermaster general administrative expenses, contract services, insurance, office and other administrative expenses. Below is a summary of notable account variances at month end:

- Line 23 Insurance includes general liability insurance, directors and officers liability, municipalities coverage, environmental pollution liability and other various insurance policies. YTD is at 70% of budget due to timing of annual renewals for the directors and officers policy and municipalities coverage.
- Line 24 Dues and Subscriptions is at 41% of budget due to timing of annual dues for ACWA and CA Groundwater Coalition.

Lines 36-47 Optimum Basin Management Plan (OBMP) Expense – Includes legal, engineering, groundwater level monitoring, allocated administrative expenses, and other expenses.

Lines 48-54 Pool Administration Expenses – Includes expense activity relating to pool specific fund balances. These include legal services for each pool, Ag pool meeting compensation, and Ag pool special projects.

Lines 56-59 Other Expense – Includes groundwater replenishment, and various refunds as appropriate. YTD there has been no activity.



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023, to July 31, 2023

Pool Services Fund Accounting

Each Pool has a fund account created to pay their own legal service invoices. The legal services invoices are funded and paid using the fund accounts (8467 for the Overlying Agricultural Pool (OAP), 8567 for the Overlying Non-Agricultural Pool (ONAP), and 8367 for the Appropriate Pool (AP)). Along with the legal services fund account for the OAP (8467), the OAP also has two other fund accounts for Ag Pool Meeting Attendance expenses (8470), and Special Projects expenses (8471). The ONAP also have a meeting compensation fund account (8511) Additionally, the OAP has a reserve fund that is held by Watermaster and spent at the direction of the OAP. These fund accounts are replenished at the direction of each Pool, and the legal service invoices are approved by the Pool leadership and when paid by Watermaster, are deducted from the existing fund account balances. If the fund account for any pool reaches zero, no further payments can be paid from the fund and a replenishment action must be initiated by the pool.

The following tables detail the fund balance accounts as of July 31, 2023 (continued next page):

Fund Balance For Non-Agricultural Pool 8567 - Legal Services	Account	Fund Balance For Appropriative Pool Account 8367 - Legal Services	
Beginning Balance July 1, 2023:	\$ 56,965.90	Beginning Balance July 1, 2023:	\$ (12,415.36)
Additions:		Additions:	
Interest Earnings	102.11	Interest Earnings	72.74
Pool Invoices issued	-	Outstanding invoice payments received	-
Subtotal Additions:	102.11	Subtotal Additions:	72.74
Reductions:		Reductions:	
Invoices paid July 2023	-	Invoices paid July 2023	-
Subtotal Reductions:	-	Subtotal Reductions:	-
Ending Fund Balance as of July 31, 2023	\$ 57,068.01	Ending Fund Balance as of July 31, 2023	\$ (12,342.62) *
*Negative due to accrued portion of legal services for June 2023			
Fund Balance For Non-Agricultural Pool 8511 - Meeting Compensation	Account		
Beginning Balance July 1, 2020:	\$ 875.00		
Additions:			
Subtotal Additions:	-		
Reductions:			
Invoices paid July 2023	-		
Subtotal Reductions:	-		
Ending Fund Balance as of July 31, 2023	\$ 875.00		



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023, to July 31, 2023

Pool Services Fund Accounting – Cont.

Fund Balance for Agricultural Pool Account 8467 - Legal Services

Beginning Balance July 1, 2020:	\$ -
Additions:	
Ag Pool Legal invoices issued Nov. 19, 2020 for \$500,000 with outstanding balance of \$384,736.12	115,263.88
Admin Reserve used to cover shortfall *	102,557.12
Ag Pool Legal invoices issued Nov. 18, 2021 for \$500,000 with outstanding balance of \$410,135.61	89,864.39
Ag Pool Legal invoices issued Sep. 9, 2022 for \$250,000 with outstanding balance of \$102,245.10	147,754.90
Ag Pool Legal invoices issued Apr. 20, 2023 for \$100,000 with outstanding balance of \$42,025.61	57,974.39
Subtotal Additions:	513,414.68
Budget Transfer - From Other Ag Pool Account FY23	41,000.00
From Agricultural Pool Reserve Funds	415,397.25
Total Additions:	<u>969,811.93</u>
Reductions:	
Invoices paid July 2020 - November 2020	(217,821.00)
Invoices paid December 2020 - June 2021	(220,365.00)
Invoices paid July 2021 - June 2022	(284,896.64)
Invoices paid July 2022 - June 2023	(205,053.66)
Invoices paid July 2023	-
Subtotal Reductions:	<u>(928,136.30)</u>
Available Fund Balance as of July 31, 2023	<u>\$ 41,675.63</u>

* The Admin Reserve amount of \$102,557.12 will need to be refunded back to Watermaster.

Agricultural Pool Reserve Funds As shown on the B-8 Financial Report

Agricultural Pool Reserve Funds Balance as of June 30, 2020:	\$ 515,498.06
Additions:	
AP payments w/o Escrow instructions (\$165,694.75 - \$161,070.09)	4,624.66
Y-T-D Interest earned on Ag Pool Funds FY 21-24	39,713.24
Payments rec'd on Wellhead Production invoices issued Sep. 2021	78,495.78
Payments rec'd on FY 2021/22 Ag Pool invoices issued Nov. 18, 2021 ¹	169,652.03
Payments rec'd on FY 2022/23 Ag Pool invoices issued Sep. 9, 2022 ²	147,754.90
Payments rec'd on FY 2022/23 Ag Pool invoices issued Apr. 20, 2023 ³	57,974.39
Transfer of AP Settlement Funds of \$191,574.29 on 05/24/22	191,574.29
Transfer of AP Settlement Funds of \$75,868.59 on 08/15/22	75,868.59
Transfer of Funds from AP to Special Fund for Legal Service Invoices ⁴	217,778.66
Subtotal Additions:	<u>983,436.54</u>
Reductions:	
Actual vs. Budget Shortfall from FY 2019/20	(165,694.75)
Mediation invoice paid	(8,450.00)
Subtotal Reductions:	<u>(174,144.75)</u>
Invoices paid December 2020 - June 2021	(220,365.00)
Invoices paid July 2021 - June 2022	(284,896.64)
Invoices paid July 2022 - June 2023	(205,053.66)
Invoices paid July 2023	-
Total Reductions	<u>(884,460.05)</u>
Agricultural Pool Reserve Funds Balance as of July 31, 2023:	<u>\$ 614,474.55</u>

¹ FY 2021/22 Invoices for \$635,000 issued Nov. 18, 2021 with outstanding balance due of \$465,347.97 for Ag Pool Administration, Legal Services, and Special Projects.

² FY 2022/23 invoices for \$250,000 issued Sep. 9, 2022 with outstanding balance due of \$102,245.10 for Ag Pool Legal Services.

³ FY 2022/23 invoices for \$100,000 issued Apr. 20, 2023 with outstanding balance due of \$42,025.61 for Ag Pool Legal Services.

⁴ For May 2022 - May 2023 Egoscue invoices

Fund Balance For Agricultural Pool Account 8470 - Meeting Compensation

Beginning Balance July 1, 2023:	\$ 950.98
Additions:	
FY 2023/24 Budget - Not yet invoiced	-
Budget Transfers	-
Subtotal Additions:	<u>-</u>
Reductions:	
Compensation paid July 2023	-
Subtotal Reductions:	<u>-</u>
Ending Fund Balance as of July 31, 2023	<u>\$ 950.98</u>

Fund Balance For Agricultural Pool Account 8471 - Special Projects

Beginning Balance July 1, 2023:	\$ 10,993.67
Additions:	
FY 2023/24 Budget - Not yet invoiced	-
Subtotal Additions:	<u>-</u>
Reductions:	
Invoices paid July 2023	-
Budget Transfers	-
Subtotal Reductions:	<u>-</u>
Ending Fund Balance as of July 31, 2023	<u>\$ 10,993.67</u>



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023, to July 31, 2023

Watermaster Salary Expenses

The following table details the Year-To-Date (YTD) Actual Watermaster salary costs compared to the FY 24 adopted budget as of July 31, 2023. The "\$ Over Budget" and the "% of Budget" columns are a comparison of the YTD actual to the annual budget. As of July 31st, the target budget percentage is 8%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
WM Salary Expense				
5901.1 · Judgment Admin - Doc. Review	1,611	82,794	(81,183)	1.9%
5901.3 · Judgment Admin - Field Work	-	7,760	(7,760)	0.0%
5901.5 · Judgment Admin - General	2,393	60,129	(57,736)	4.0%
5901.7 · Judgment Admin - Meeting	-	2,633	(2,633)	0.0%
5901.9 · Judgment Admin - Reporting	-	31,033	(31,033)	0.0%
5910 · JAdmin - Court Coord./Attendance	-	19,098	(19,098)	0.0%
5911 · JAdmin - Exhibit G	-	2,370	(2,370)	0.0%
5921 · JAdmin - Production Monitoring	2,433	11,322	(8,889)	21.5%
5931 · JAdmin - Recharge Applications	-	4,634	(4,634)	0.0%
5941 · JAdmin - Reporting	-	1,316	(1,316)	0.0%
5951 · JAdmin - Rules & Regs	-	12,726	(12,726)	0.0%
5961 · JAdmin - Safe Yield	-	26,330	(26,330)	0.0%
5971 · JAdmin - Storage Agreements	-	4,739	(4,739)	0.0%
5981 · JAdmin - Water Accounting/Database	9,850	109,793	(99,943)	9.0%
5991 · JAdmin - Water Transactions	-	8,688	(8,688)	0.0%
6011.1 · WM Staff Salaries - Overtime	1,196	15,000	(13,804)	8.0%
6011.4 · 457(f) NGDC Plan	3,698	55,467	(51,769)	6.7%
6011.10 · Admin - Accounting	17,831	367,685	(349,854)	4.9%
6011.15 · Admin - Building Admin	371	18,359	(17,988)	2.0%
6011.20 · Admin - Conference/Seminars	-	57,083	(57,083)	0.0%
6011.25 · Admin - Document Review	531	6,846	(6,315)	7.8%
6011.30 · Admin - Field Work	-	-	-	0.0%
6011.50 · Admin - General	33,938	569,850	(535,912)	6.0%
6011.60 · Admin - HR	5,242	43,489	(38,247)	12.1%
6011.70 · Admin - IT	3,538	53,975	(50,437)	6.6%
6011.80 · Admin - Meeting	867	90,440	(89,573)	1.0%
6011.90 · Admin - Team Building	-	41,304	(41,304)	0.0%
6011.95 · Admin - Training (Give/Receive)	-	34,312	(34,312)	0.0%
6017 · Temporary Services	-	24,000	(24,000)	0.0%
6201 · Advisory Committee	-	55,149	(55,149)	0.0%
6301 · Watermaster Board	-	61,818	(61,818)	0.0%
8301 · Appropriative Pool	-	53,761	(53,761)	0.0%
8401 · Agricultural Pool	-	51,549	(51,549)	0.0%
8501 · Non-Agricultural Pool	-	50,443	(50,443)	0.0%
6901.1 · OBMP - Document Review	8,309	89,136	(80,827)	9.3%
6901.3 · OBMP - Field Work	-	7,003	(7,003)	0.0%
6901.5 · OBMP - General	265	124,049	(123,784)	0.2%
6901.7 · OBMP - Meeting	2,545	57,589	(55,044)	4.4%
6901.9 · OBMP - Reporting	-	2,370	(2,370)	0.0%
7104.1 · PE1 - Monitoring Program	7,729	171,515	(163,786)	4.5%
7201 · PE2 - Comprehensive Recharge	4,365	57,925	(53,560)	7.5%
7301 · PE3&5 - Water Supply/Desalter	-	4,791	(4,791)	0.0%
7301.1 · PE5 - Reg. Supply Water Prgm	-	2,633	(2,633)	0.0%
7401 · PE4 - MZ1 Subsidence Mgmt. Plan	-	13,055	(13,055)	0.0%
7501 · PE6 - Coop. Programs/Salt Mgmt.	-	8,027	(8,027)	0.0%
7501.1 · PE7 - Salt Nutrient Mgmt. Plan	-	6,582	(6,582)	0.0%
7601 · PE8&9 - Storage Mgmt./Recovery	459	11,217	(10,758)	4.1%
Subtotal WM Staff Costs	107,172	2,591,787	(2,484,615)	4%
60184.1 · Administrative Leave	-	6,799	(6,799)	0.0%
60185 · Vacation	17,609	119,130	(101,521)	14.8%
60185.1 · Comp Time	92	-	92	100.0%
60186 · Sick Leave	1,115	83,123	(82,008)	1.3%
60187 · Holidays	11,645	103,905	(92,260)	11.2%
Subtotal WM Paid Leaves	19,461	312,957	(282,497)	10%
Total WM Salary Costs	137,632	2,904,744	(2,767,112)	4.7%



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023, to July 31, 2023

Engineering

The following table details the Year-To-Date (YTD) Actual Engineering costs compared to the FY 24 adopted budget as of July 31, 2023. The “\$ Over Budget” and the “% of Budget” columns are a comparison of the YTD actual to the annual budget. As of July 31st, the target budget percentage is 8%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
Engineering Services Costs				
5901.8 · JAdmin - Meetings-Engineering Services	\$ -	\$ 45,097	\$ (45,097)	0.0%
5906.1 · JAdmin - Watermaster Model Update	-	41,235	(41,235)	0.0%
5906.71 · JAdmin - Data Requests-CBWM Staff	-	126,204	(126,204)	0.0%
5906.72 · JAdmin - Data Requests-Non-CBWM Staff	-	42,832	(42,832)	0.0%
5925 · JAdmin - Ag Production & Estimation	-	34,376	(34,376)	0.0%
5935 · JAdmin - Mat'l Physical Injury Requests	-	36,072	(36,072)	0.0%
5945 · JAdmin - WM Annual Report Preparation	-	15,416	(15,416)	0.0%
5965 · JAdmin - Support Data Collection & Mgmt Process	-	36,336	(36,336)	0.0%
6206 · Advisory Committee Meetings-WY Staff	-	23,466	(23,466)	0.0%
6306 · Watermaster Board Meetings-WY Staff	-	23,466	(23,466)	0.0%
8306 · Appropriative Pool Meetings-WY Staff	-	23,467	(23,467)	0.0%
8406 · Agricultural Pool Meetings-WY Staff	-	23,466	(23,466)	0.0%
8506 · Non-Agricultural Pool Meetings-WY Staff	-	23,466	(23,466)	0.0%
6901.8 · CBMP - Meetings-WY Staff	-	45,096	(45,096)	0.0%
6901.95 · CBMP - Reporting-WY Staff	-	57,316	(57,316)	0.0%
6906 · CBMP Engineering Services - Other	-	46,992	(46,992)	0.0%
6906.26 · 2020 CBMP Update	-	24,016	(24,016)	0.0%
7104.3 · Grdwtr Level-Engineering	-	256,445	(256,445)	0.0%
7104.8 · Grdwtr Level-Contracted Services	-	10,000	(10,000)	0.0%
7104.9 · Grdwtr Level-Capital Equipment	-	9,915	(9,915)	0.0%
7202 · PE2-Comp Recharge-Engineering Services	-	29,084	(29,084)	0.0%
7202.2 · PE2-Comp Recharge-Engineering Services	-	202,362	(202,362)	0.0%
7208 · SB88 Specs-Compliance-50% IEJA	-	54,012	(54,012)	0.0%
7210 · CBMP - 2023 RMPU	-	94,328	(94,328)	0.0%
7220 · Integrated Model Mtg./Tech. Review-50% IEJA	-	24,618	(24,618)	0.0%
7302 · PE3&5-PBHSF Monitoring Program	-	69,121	(69,121)	0.0%
7303 · PE3&5-Engineering - Other	-	15,632	(15,632)	0.0%
7306 · PE3&5-Engineering - Outside Professionals	-	6,500	(6,500)	0.0%
7402 · PE4-Engineering	-	262,544	(262,544)	0.0%
7402.10 · PE4-Northwest MZ1 Area Project	-	271,703	(271,703)	0.0%
7403 · PE4-Eng. Services-Contracted Services-InSar	-	175,000	(175,000)	0.0%
7406 · PE4-Engineering Services-Outside Professionals	-	76,552	(76,552)	0.0%
7408 · PE4-Engineering Services-Network Equipment	-	14,081	(14,081)	0.0%
7502 · PE6&7-Engineering	-	384,163	(384,163)	0.0%
7505 · PE6&7-Laboratory Services	-	49,164	(49,164)	0.0%
7508 · HC Mitigation Plan-50% IEJA (TO#6)	-	10,703	(10,703)	0.0%
7510 · PE6&7-IEJA Salinity Mgmt. Plan	-	34,631	(34,631)	0.0%
7511 · PE6&7-SAWBMP Task Force-50% IEJA	-	24,610	(24,610)	0.0%
7517 · Surface Water Monitoring Plan-Chino Creek - 50% IEJA	-	69,821	(69,821)	0.0%
7520 · Preparation of Water Quality Mgmt. Plan	-	157,692	(157,692)	0.0%
7610 · PE8&9-Support 2020 Mgmt. Plan	-	69,306	(69,306)	0.0%
7614 · PE8&9-Support Imp. Safe Yield Court Order	-	663,747	(663,747)	0.0%
7620 · CBMP - Evaluation of Extreme Future Planning Scenarios	-	51,130	(51,130)	0.0%
Total Engineering Services Costs	\$ -	\$ 3,755,182	\$ (3,755,182)	0.0%

* West Yost and Subcontractor Engineering Budget of \$2,884,956 plus Carryover Funds from FY 2022/23 of \$870,226



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023, to July 31, 2023

Legal

The following table details the YTD Brownstein Hyatt Farber Schreck (BHFS) expenses costs compared to the FY 24 adopted budget as of July 31, 2023. The “\$ Over Budget” and the “% of Budget” columns are a comparison of the YTD actual to the annual budget. As of July 31st, the target budget percentage is 8%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
6070 · Watermaster Legal Services				
6071 · BHFS Legal - Court Coordination	\$ -	\$ 171,260	\$ (171,260)	0.0%
6072 · BHFS Legal - Rules & Regulations	-	92,900	(92,900)	0.0%
6073 · BHFS Legal - Personnel Matters	-	10,820	(10,820)	0.0%
6074 · BHFS Legal - Interagency Issues	-	43,704	(43,704)	0.0%
6077 · BHFS Legal - Party Status Maintenance	-	13,730	(13,730)	0.0%
6078 · BHFS Legal - Miscellaneous (Note 1)	-	233,550	(233,550)	0.0%
Total 6070 · Watermaster Legal Services	-	565,964	(565,964)	0.0%
6275 · BHFS Legal - Advisory Committee				
6275 · BHFS Legal - Advisory Committee	-	26,708	(26,708)	0.0%
6375 · BHFS Legal - Board Meeting				
6375 · BHFS Legal - Board Meeting	-	85,272	(85,272)	0.0%
6375.1 · BHFS Legal - Board Workshop(s)				
6375.1 · BHFS Legal - Board Workshop(s)	-	18,499	(18,499)	0.0%
8375 · BHFS Legal - Appropriative Pool				
8375 · BHFS Legal - Appropriative Pool	-	33,385	(33,385)	0.0%
8475 · BHFS Legal - Agricultural Pool				
8475 · BHFS Legal - Agricultural Pool	-	33,385	(33,385)	0.0%
8575 · BHFS Legal - Non-Ag Pool				
8575 · BHFS Legal - Non-Ag Pool	-	33,385	(33,385)	0.0%
Total BHFS Legal Services	-	230,634	(230,634)	0.0%
6907.3 · WM Legal Counsel				
6907.31 · Archibald South Plume	-	12,085	(12,085)	0.0%
6907.32 · Chino Airport Plume	-	12,085	(12,085)	0.0%
6907.33 · Desalter/Hydraulic Control	-	37,200	(37,200)	0.0%
6907.34 · Santa Ana River Water Rights	-	20,595	(20,595)	0.0%
6907.36 · Santa Ana River Habitat	-	30,090	(30,090)	0.0%
6907.38 · Reg. Water Quality Cntrl Board	-	30,090	(30,090)	0.0%
6907.39 · Recharge Master Plan	-	30,495	(30,495)	0.0%
6907.40 · Storage Agreements	-	16,960	(16,960)	0.0%
6907.41 · Prado Basin Habitat Sustainability	-	9,900	(9,900)	0.0%
6907.44 · SGMA Compliance	-	9,900	(9,900)	0.0%
6907.45 · CBMP Update	-	172,880	(172,880)	0.0%
6907.47 · 2020 Safe Yield Reset	-	33,920	(33,920)	0.0%
6907.48 · Ely Basin Investigation	-	126,040	(126,040)	0.0%
6907.90 · WM Legal Counsel - Unanticipated	-	37,395	(37,395)	0.0%
Total 6907 · WM Legal Counsel	-	579,635	(579,635)	0.0%
Total Brownstein, Hyatt, Farber, Schreck Costs	\$ -	\$ 1,376,233	\$ (1,376,233)	0.0%



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023, to July 31, 2023

Optimum Basin Management Plan (OBMP)

The following table details the Year-To-Date (YTD) Actual OBMP costs compared to the FY 24 adopted budget as of July 31, 2023. The “\$ Over Budget” and the “% of Budget” columns are a comparison of the YTD actual to the annual budget. As of July 31st, the target budget percentage is 8%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
6900 · Optimum Basin Mgmt Plan				
6901.1 · OBMP - Document Review-WM Staff	\$ 8,309	\$ 89,136	\$ (80,827)	9.3%
6901.3 · OBMP - Field Work-WM Staff	-	7,003	(7,003)	0.0%
6901.5 · OBMP - General-WM Staff	265	124,049	(123,784)	0.2%
6901.7 · OBMP - Meeting-WM Staff	2,545	57,589	(55,044)	4.4%
6901.8 · OBMP - Meeting-West Yost	-	45,096	(45,096)	0.0%
6901.9 · OBMP - Reporting-WM Staff	-	2,370	(2,370)	0.0%
6901.95 · OBMP - Reporting-West Yost	-	57,316	(57,316)	0.0%
Total 6901 · OBMP WM and West Yost Staff	11,119	382,559	(371,440)	2.9%
6903 · OBMP - SAWPA				
6903 · OBMP - SAWPA Group	24,071	24,071	0	100.0%
Total 6903 · OBMP - SAWPA	24,071	24,071	0	100.0%
6906 · OBMP Engineering Services				
6906.1 · OBMP - Watermaster Model Update	-	41,235	(41,235)	0.0%
6906.15 · Integrated Model Mtgs. - IEUA Costs	-	-	-	0.0%
6906.21 · State of the Basin Report	-	-	-	0.0%
6906.26 · 2020 CBMP Update	-	24,016	(24,016)	0.0%
6906.71 · OBMP - Data Requests - CBWM Staff	-	-	-	0.0%
6906.72 · OBMP - Data Requests - Non CBWM	-	-	-	0.0%
6906 · OBMP Engineering Services - Other	-	46,992	(46,992)	0.0%
Total 6906 · OBMP Engineering Services	-	112,243	(112,243)	0.0%
6907 · OBMP Legal Fees				
6907.31 · Archibald South Plume	-	12,085	(12,085)	0.0%
6907.32 · Chino Airport Plume	-	12,085	(12,085)	0.0%
6907.33 · Desalter/Hydraulic Control	-	37,200	(37,200)	0.0%
6907.34 · Santa Ana River Water Rights	-	20,595	(20,595)	0.0%
6907.36 · Santa Ana River Habitat	-	30,090	(30,090)	0.0%
6907.38 · Reg. Water Quality Cntrl Board	-	30,090	(30,090)	0.0%
6907.39 · Recharge Master Plan	-	30,495	(30,495)	0.0%
6907.40 · Storage Agreements	-	16,960	(16,960)	0.0%
6907.41 · Prado Basin Habitat Sustainability	-	9,900	(9,900)	0.0%
6907.44 · SGMA Compliance	-	9,900	(9,900)	0.0%
6907.45 · OBMP Update	-	172,880	(172,880)	0.0%
6907.47 · 2020 Safe Yield Reset	-	33,920	(33,920)	0.0%
6907.48 · Ely Basin Investigation	-	126,040	(126,040)	0.0%
6907.90 · WM Legal Counsel - Unanticipated	-	-	-	0.0%
Total 6907 · OBMP Legal Fees	-	542,240	(542,240)	0.0%
6908 · OBMP Updates				
6908.1 · 2020 CBMP Update-Dodson & Assoc.	-	107,578	(107,578)	0.0%
Total 6908 · OBMP Updates	-	107,578	(107,578)	0.0%
6909 · OBMP Other Expenses				
6909.1 · OBMP Meetings	-	1,500	(1,500)	0.0%
6909.3 · Other OBMP Expenses	-	2,724	(2,724)	0.0%
6909.6 · OBMP Expenses - Miscellaneous	-	5,000	(5,000)	0.0%
6909 · OBMP Other Expenses - Other	-	9,224	(9,224)	0.0%
Total 6909 · OBMP Other Expenses	-	18,448	(18,448)	0.0%
Total 6900 · Optimum Basin Mgmt Plan	\$ 7,190	\$ 1,187,138	\$ (1,151,948)	3.0%



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023, to July 31, 2023

Judgment Administration

The following table details the Year-To-Date (YTD) Actual Judgment Administration costs compared to the FY 24 adopted budget as of July 31, 2023. The "\$ Over Budget" and the "% of Budget" columns are a comparison of the YTD actual to the annual budget. As of July 31st, the target budget percentage is 8%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
5901 - Admin-WM Staff				
5901.1 - Admin-Doc. Review-WM Staff	\$ 1,611	\$ 82,794	\$ (81,183)	1.9%
5901.3 - Admin-Field Work-WM Staff	-	7,760	(7,760)	0.0%
5901.5 - Admin-General-WM Staff	2,393	60,129	(57,736)	4.0%
5901.7 - Admin-Meeting-WM Staff	-	2,633	(2,633)	0.0%
5901.8 - Admin-Meeting - West Yost	-	45,097	(45,097)	0.0%
5901.9 - Admin-Reporting-WM Staff	-	31,033	(31,033)	0.0%
Total 5901 - Admin-WM Staff	4,004	229,446	(225,442)	1.7%
5900 - Judgment Admin Other Expenses				
5906.71 - Admin-Data Req-CBWM Staff	-	126,204	(126,204)	0.0%
5906.72 - Admin-Data Req-Non CBWM Staff	-	42,832	(42,832)	0.0%
5910 - Court Coordination/Attend-WM	-	19,098	(19,098)	0.0%
5911 - Exhibit G-WM Staff	-	2,370	(2,370)	0.0%
5921 - Production Monitoring-WM Staff	2,433	11,322	(8,889)	21.5%
5925 - Ag Prod & Estimation-West Yost	-	34,376	(34,376)	0.0%
5931 - Recharge Applications-WM Staff	-	4,634	(4,634)	0.0%
5935 - Admin-Mat'l Phy Inj Requests	-	36,072	(36,072)	0.0%
5941 - Reporting-WM Staff	-	1,316	(1,316)	0.0%
5945 - WM Annual Report Prep-West Yost	-	15,416	(15,416)	0.0%
5951 - Rules & Regs-WM Staff	-	12,726	(12,726)	0.0%
5961 - Safe Yield-WM Staff	-	26,330	(26,330)	0.0%
5965 - Support Data Collect-West Yost	-	36,336	(36,336)	0.0%
5971 - Storage Agreements-WM Staff	-	4,739	(4,739)	0.0%
5981 - Water Acct/Database-WM Staff	9,850	109,793	(99,943)	9.0%
5991 - Water Transactions-WM Staff	-	8,688	(8,688)	0.0%
Total 5900 - Judgment Admin Other Expenses	12,282	492,252	(479,970)	2.5%
Total 5900 - Judgment Administration	\$ 16,286	\$ 721,698	\$ (705,412)	2.3%



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023, to July 31, 2023

“Carry Over” Funding:

During the month of July 2023, the “Carry Over” funding was calculated. The Total “Carry Over” funding amount of \$2,277,561.54 has been posted to the general ledger accounts. The total amount consisted of \$870,226.24 from Engineering Services, \$816,709.78 from Capital Improvement Projects, \$464,627.66 from OBMP Activities, \$111,461.18 from Pool Funding Accounts, and \$14,536.68 from Administration Services. More detailed information is provided in the table below.

Carry Over Budget Detail - FY 23/24

Description	Amount	Account	Fiscal Year	Type
Other Office Equipment - Boardroom Upgrades	\$ 10,037.93	6038	FY 2020/21	ADMIN
Board Workshop Expenses - Misc.	4,498.75	6375.2	FY 2021/22	ADMIN
Meter Installation - New Meter Installation	175,400.00	7540	FY 2018/19	OBMP
Meter Installation - Calibration and Testing	181,650.00	7545	FY 2018/19	OBMP
2022 OBMP Update - Dodson & Asso.	107,577.66	6908.1	FY 2022/23	OBMP
Watermaster Model Update	34,206.75	5906.1	FY 2022/23	ENG
Groundwater Level Monitoring Program	2,700.00	7104.3	FY 2022/23	ENG
PE2 - Comprehensive Recharge - Eng. Services	27,943.64	7202.2	FY 2020/21	ENG
PE2 - Comprehensive Recharge - Eng. Services	18,441.85	7202.2	FY 2021/22	ENG
PE2 - Comprehensive Recharge - Eng. Services	72,788.26	7202.2	FY 2022/23	ENG
SB88-Specs-Ensure Compliance-50% IEUA	54,012.38	7208	FY 2020/21	ENG
OBMP - 2023 RMPU	60,000.00	7210	FY 2022/23	ENG
Integrated Model - Meetings - 50% IEUA Costs	24,617.63	7220	FY 2021/22	ENG
PBHSP - Monitoring, Data Analysis, Reporting	21,000.00	7302	FY 2022/23	ENG
OBMP - Engineering Services	65,208.75	7402	FY 2022/23	ENG
PE4 - Northwest MZ-1 Area Project	23,805.91	7402.1	FY 2021/22	ENG
PE4 - Northwest MZ-1 Area Project	126,194.09	7402.1	FY 2022/23	ENG
PE4/MZ-1: InSAR - Outside Pro	85,000.00	7403	FY 2022/23	ENG
Ground Level Monitoring - Capital Equipment	5,000.00	7408	FY 2022/23	ENG
PE6-7: Coop Efforts/Salt Management:	40,000.00	7502	FY 2022/23	ENG
Groundwater Quality Monitoring Program	16,194.00	7505	FY 2022/23	ENG
Hydraulic Control Mitigation Plan Update-50% IEUA	9,687.25	7508	FY 2021/22	ENG
Hydraulic Control Mitigation Plan Update-50% IEUA	1,016.00	7508	FY 2022/23	ENG
IEUA - Update Recycle Water Permit - Salinity	19,752.23	7510	FY 2021/22	ENG
PE8&9 - Support Imp. 2020 Storage Mgmt. Plan	42,657.50	7610	FY 2020/21	ENG
Support Implementation of the Safe Yield Court Order:	120,000.00	7614	FY 2022/23	ENG
Upper Santa Ana River HCP (TO #7)	15,062.88	7690.7	FY 2014/15	PROJ
Upper Santa Ana River HCP (TO #7)	5,000.00	7690.7	FY 2015/16	PROJ
Lower Day Basin RMPU (TO #2)	238,646.90	7690.8	FY 2016/17	PROJ
Jurupa Basin Berm & Trash Boom	358,000.00	7690.23	FY 2022/23	PROJ
Funds on Hold for Projects/Refund	200,000.00	7690.9	FY 2017/18	PROJ
Agricultural Pool - Legal Services	41,675.63	8467	FY 2022/23	AP
Agricultural Pool - Mtg. Attendance Compensation	950.98	8470	FY 2022/23	OAP
Agricultural Pool - Special Project Funding	10,993.67	8471	FY 2021/22	OAP
Non-Agricultural Pool - Meeting Compensation	875.00	8511	FY 2022/23	ONAP
Non-Agricultural Pool - Legal Services	56,965.90	8567	FY 2022/23	ONAP
Balance at 7/31/23	\$ 2,277,561.54			



Chino Basin Watermaster

Cash Disbursements

August 2023

Date	Number	Vendor Name	Description	Amount
08/01/2023	24260	ACWA JOINT POWERS INSURANCE AUTHORITY	0699986	\$ 525.77
08/01/2023	24261	APPLIED COMPUTER TECHNOLOGIES	35801	4,250.00
08/01/2023	24262	BURRTEC WASTE INDUSTRIES, INC.	Customer 136525395	160.73
08/01/2023	24263	C.J. BROWN & COMPANY, CPAs	July 2023 Services	5,890.00
08/01/2023	24264	CALIFORNIA BANK & TRUST	Account ending 6198	2,669.87
08/01/2023	24265	EGOSCUE LAW GROUP, INC.	8467	12,887.50
08/01/2023	24266	EMPOWER LAB	2839	500.00
08/01/2023	24267	FIRST LEGAL NETWORK LLC	40077080	457.84
08/01/2023	24268	OFFICE & ERGONOMIC SOLUTIONS, INC.	Proposal # 3429 Final Payment	9,071.06
08/01/2023	24269	ONLINE CONSULTING, INC.	361945	1,500.00
08/01/2023	24270	SAMANTHA ADAMS	6141	207.59
08/01/2023	24271	STAPLES		147.14
08/01/2023	24272	STATE COMPENSATION INSURANCE FUND	1001628329	2,768.91
08/01/2023	24273	UNION 76	7076-2245-3035-5049	195.45
08/01/2023	24274	VANGUARD CLEANING SYSTEMS	123987	915.00
08/02/2023	ACH 080223	MISSIONSQUARE RETIREMENT	401A ER Matching as of July 1, 2023	44,930.91
08/03/2023	ACH 080323	CALPERS	1394905143	13,958.74
08/03/2023	24275	ACCENT COMPUTER SOLUTIONS, INC.	Invoice 158734	6,058.48
08/03/2023	24276	VANGUARD CLEANING SYSTEMS	124552	440.00
08/03/2023	24277	WAXIE SANITARY SUPPLY	81880364	3,234.98
08/18/2023	24278	ABC LOCKSMITHS*	i69492	3,621.54
08/18/2023	24279	BROWNSTEIN HYATT FARBER SCHRECK	July Servcies	137,639.70
08/18/2023	24280	CHINO BASIN WATER CONSERVATION DISTRICT	Administrative Leadership Training	150.00
08/18/2023	24281	CONCENTRA	80076065	181.00
08/18/2023	24282	CORELOGIC INFORMATION SOLUTIONS	82184122	125.00
08/18/2023	24283	CUCAMONGA VALLEY WATER DISTRICT		8,218.70
08/18/2023	24284	CURATALO, JAMES		500.00
08/18/2023	24285	GREAT AMERICA LEASING CORP.	34679560	1,410.15
08/18/2023	24286	LEGAL SHIELD	111802	187.30
08/18/2023	24287	PIERSON, JEFFREY		2,250.00
08/18/2023	24288	PRINTING RESOURCES	68346	60.71
08/18/2023	24289	TALENT ADVISERS, LLC	6013	2,800.00
08/18/2023	24290	TOTAL COMPENSATION SYSTEMS, INC.	12328	1,350.00
08/18/2023	24291	VERIZON WIRELESS	470810953-00002	346.12
08/23/2023	24292	EGOSCUE LAW GROUP, INC.	8467	3,300.00
08/23/2023	24293	LAW OFFICE OF ALLEN W. HUBSCH	July 2023	1,942.00
08/23/2023	24294	PURCHASE POWER	8000-9090-0016-8851	500.00
08/23/2023	24295	SPECTRUM ENTERPRISE	8245 10 065 2031978	1,105.77
08/28/2023	24296	BANALES D.C.	02807	9,795.00
08/28/2023	24297	FRONTIER COMMUNICATIONS	909-484-3890-050914-5	220.76
08/28/2023	24298	POWERS ELECTRIC PRODUCTS CO.	7103.5	1,615.84
08/28/2023	24299	SANTA ANA WATERSHED PROJECT AUTHORITY	BMPPTF 2024-02	24,071.05
08/28/2023	24300	VERIZON WIRELESS	642073270.00002	38.01
08/28/2023	ACH 8.28.23	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	9,902.00
08/29/2023	ACH08/29/23	KESSLER ALAIR INSURANCE SERVICES, INC.	Environmental Pollution Liability Premium	12,989.21
Total for Month \$				335,089.83



Chino Basin Watermaster
Credit Card Expense Detail
August 2023

Date	Number	Vendor Name	Description	Amount
08/01/2023	24264	CALIFORNIA BANK & TRUST		
		6031.7 · Other Office Supplies	Misc. Office Supplies	(2.21)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(60.79)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(19.99)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(17.16)
		6054 · Computer Software	Visio Plan 2	(24.29)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(61.55)
		6141.3 · Admin Meetings	Nothing Bundt Cakes- Kelli Hills	(11.43)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(5.30)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(23.86)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(25.79)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(11.36)
		6312 · Meeting Expenses	Breakfast - Peter Kavounas and Steve Elie	(2.84)
		6141.3 · Admin Meetings	Lunch - A. Nelson, P. Kavounas and Ray	(265.07)
		6141.3 · Admin Meetings	Lunch- P. Kavounas, E. Tellez Foster, J. Nakano, J. Ross	(55.80)
		6141.3 · Admin Meetings	Lunch - E. Tellez Foster, J. Nakano, and Jordan Garcia	(9.93)
		6141.3 · Admin Meetings	OPS Meeting breakfast- E. Tellez Foster, J. Nakano, A. Jurado, D. Huynh & F. Yoo	(5.29)
		6141.3 · Admin Meetings	Admin Lunch - A. Nelson, R. Favela Quintero, A. Moore, K. Hills	(3.14)
		6061.2 · Bamboo HR Consultant	BambooHR payroll system	(28.89)
		6154 · Uniforms	Lands End clothing purchase	(9.74)
		6141.3 · Admin Meetings	Lunch - A. Nelson, A. Jurado, and Jordan Garcia	(24.07)
		6016 · New Employee Search Costs	Field Operations Specialist position	(7.56)
		6031.7 · Other Office Supplies	Employee Anniversary gifts	(37.57)
				(713.63)
Total for Month \$				(713.63)



Chino Basin Watermaster

Combining Schedule of Revenues, Expenses & Changes in Net Assets For the Period of July 1, 2023 through August 31, 2023

	JUDGMENT ADMIN.	OPTIMUM BASIN MGMT.	TOTAL JUDGMENT ADMIN & OBMP	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUND WATER REPLENISH.	GRAND TOTALS	ADOPTED BUDGET 2023-2024
				AP POOL	OAP POOL	ONAP POOL			
Administrative Revenues:									
Administrative Assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,314,915
Interest Revenue	-	40,836	40,836	73	2,371	102	3,028	46,410	312,500
Mutual Agency Project Revenue	186,412	-	186,412	-	-	-	-	186,412	186,412
Miscellaneous Income	-	-	-	-	-	-	-	-	-
Total Administrative Revenues	186,412	40,836	227,249	73	2,371	102	3,028	232,823	9,813,827
Administrative & Project Expenditures:									
Watermaster Administration	504,892	-	504,892	-	-	-	-	504,892	2,993,430
Watermaster Board-Advisory Committee	9,064	-	9,064	-	-	-	-	9,064	366,923
Optimum Basin Mgmt Administration	-	116,373	116,373	-	-	-	-	116,373	1,215,309
OBMP Project Costs	-	224,272	224,272	-	-	-	-	224,272	5,409,723
Pool Legal Services	-	-	-	-	3,300	1,942	-	5,242	98,642
Pool Meeting Compensation	-	-	-	-	1,500	-	-	1,500	1,826
Pool Special Projects	-	-	-	-	-	-	-	-	10,994
Pool Administration	-	-	-	-	-	-	-	-	329,067
Debt Service	-	-	-	-	-	-	-	-	1,665,475
Agricultural Expense Transfer ¹	-	-	-	4,800	(4,800)	-	-	-	-
Total Administrative Expenses	513,957	340,645	854,602	4,800	-	1,942	-	861,344	12,091,389
Net Ordinary Income	(327,544)	(299,809)	(627,353)	(4,727)	2,371	(1,840)	3,028	(628,521)	(2,277,562)
Other Income/(Expense)									
Replenishment Water Assessments	-	-	-	-	-	-	-	-	-
RTS Charges from IEUA	-	-	-	-	-	-	-	-	-
Refund-Basin O&M Expenses	-	-	-	-	-	-	-	-	-
Refund-Recharge Debt Service	-	-	-	-	-	-	-	-	-
Net Other Income/(Expense)	-	-	-	-	-	-	-	-	-
Net Transfers To/(From) Reserves	\$ (327,544)	\$ (299,809)	\$ (627,353)	\$ (4,727)	\$ 2,371	\$ (1,840)	\$ 3,028	\$ (628,521)	\$ (2,277,562)
Net Assets, July 1, 2023			9,768,099	41,205	1,343,226	57,841	1,715,286	12,925,657	
Net Assets, End of Period			9,140,745	36,478	1,345,597	56,001	1,718,314	12,297,135	
Ag Pool Assessments Outstanding ²					(731,123)				
Ag Pool Fund Balance					\$ 614,475				

¹ Fund balance transfer as agreed to in the Peace Agreement.

² Outstanding balance of Agricultural Pool Special Assessments



Chino Basin Watermaster

Treasurer's Report

August 2023

	Type	Monthly Yield	Cost	Market	% Total
Cash & Investments					
Local Agency Investment Fund (LAIF) *	Investment	2.99%	\$ 7,484,062	\$ 7,370,517	58.0%
CA CLASS Prime Fund **	Investment	5.15%	5,123,234	5,122,683	40.3%
Bank of America	Checking		222,840	222,840	1.8%
Bank of America	Payroll		-	-	0.0%
Total Cash & Investments			\$ 12,830,136	\$ 12,716,039	100.0%

* The LAIF Market Value factor is updated quarterly in September, December, March, and June.

** The CLASS Prime Fund Net Asset Value factor is updated monthly.

Certification

I certify that (1) all investment actions executed since the last report have been made in full compliance with Chino Basin Watermaster's Investment Policy, and (2) Funds on hand are sufficient to meet all foreseen and planned administrative and project expenditures for the next six months.

Anna Nelson, Director of Administration

Prepared By:

Scott Nelsen, CGFM (Eide Bailly CPAs)



Chino Basin Watermaster

Budget to Actual

For the Period July 1, 2023 to August 31, 2023

	August 2024	YTD Actual	FY 24 Adopted Budget	\$ Over / (Under) Budget	% of Budget
1 Administration Revenue					
2 Local Agency Subsidies	\$ -	\$ 186,412	\$ 186,412	\$ -	100%
3 Admin Assessments-Appropriative Pool	-	-	8,886,165	(8,886,165)	0%
4 Admin Assessments-Non-Ag Pool	-	-	428,750	(428,750)	0%
5 Admin Assessments-Agricultural Pool	-	-	-	-	N/A
6 Total Administration Revenue	-	186,412	9,501,327	(9,314,915)	2%
7 Other Revenue					
8 Appropriative Pool-Replenishment	-	-	-	-	N/A
9 Non-Ag Pool-Replenishment	-	-	-	-	N/A
10 Interest Income	23,592	46,410	312,500	(266,090)	15%
11 Miscellaneous Income	-	-	-	-	N/A
12 Total Other Revenue	23,592	46,410	312,500	(266,090)	15%
13 Total Revenue	23,592	232,823	9,813,827	(9,581,004)	2%
14 Judgment Administration Expense					
15 Judgment Administration	24,168	40,454	721,698	(681,244)	6%
16 Admin. Salary/Benefit Costs	152,810	265,052	1,413,610	(1,148,558)	19%
17 Office Building Expense	28,150	39,638	208,510	(168,872)	19%
18 Office Supplies & Equip.	7,064	9,451	49,438	(39,987)	19%
19 Postage & Printing Costs	1,410	3,275	33,806	(30,531)	10%
20 Information Services	7,164	18,489	199,818	(181,329)	9%
21 Contract Services	1,350	7,924	60,200	(52,276)	13%
22 Watermaster Legal Services	80,594	80,594	565,964	(485,370)	14%
23 Insurance	10,824	46,256	50,468	(4,212)	92%
24 Dues and Subscriptions	-	16,370	40,027	(23,657)	41%
25 Watermaster Administrative Expenses	208	772	7,550	(6,778)	10%
26 Field Supplies	-	191	3,200	(3,009)	6%
27 Travel & Transportation	1,900	3,895	29,570	(25,675)	13%
28 Training, Conferences, Seminars	650	1,150	50,400	(49,250)	2%
29 Advisory Committee Expenses	5,386	5,386	105,823	(100,437)	5%
30 Watermaster Board Expenses	3,138	3,678	261,100	(257,422)	1%
31 ONAP - WM & Administration	773	773	108,194	(107,421)	1%
32 OAP - WM & Administration	1,433	1,433	108,700	(107,267)	1%
33 Appropriative Pool- WM & Administration	5,056	5,056	112,173	(107,117)	5%
34 Allocated G&A Expenditures	(19,640)	(35,881)	(440,829)	404,948	8%
35 Total Judgment Administration Expense	312,438	513,957	3,689,420	(3,175,463)	14%
36 Optimum Basin Management Plan (OBMP)					
37 Optimum Basin Management Plan	81,183	116,373	1,215,309	(1,098,936)	10%
38 Groundwater Level Monitoring	28,925	36,654	459,625	(422,971)	8%
39 Program Element (PE)2- Comp Recharge	29,681	34,046	1,672,577	(1,638,531)	2%
40 PE3&5-Water Supply/Desalte	635	635	105,677	(105,043)	1%
41 PE4- Management Plan	20,885	20,885	817,643	(796,758)	3%
42 PE6&7-CoopEfforts/SaltMgmt	30,338	35,272	1,117,623	(1,082,352)	3%
43 PE8&9-StorageMgmt/Conj Use	60,441	60,900	795,750	(734,849)	8%
44 Recharge Improvements	-	-	1,665,475	(1,665,475)	0%
45 Administration Expenses Allocated-OBMP	9,266	16,949	222,160	(205,211)	8%
46 Administration Expenses Allocated-PE 1-9	10,374	18,932	218,669	(199,737)	9%
47 Total OBMP Expense	271,727	340,645	8,290,508	(7,949,862)	4%
48 Pool Administration					
49 Appropriative Pool-Legal Services	-	-	-	-	N/A
50 OAP Legal & Technical Services	3,300	3,300	41,676	(38,376)	8%
51 OAP Meeting Compensation	1,500	1,500	951	549	158%
52 OAP Expense - Special Projects	-	-	10,994	(10,994)	0%
53 ONAP - Legal Services	1,942	1,942	56,966	(55,024)	3%
53 ONAP - Meeting Compensation	-	-	875	(875)	0%
54 Total Pool Administration	6,742	6,742	111,461	(104,719)	6%
56 Other Expense					
57 Groundwater Replenishment	-	-	-	-	N/A
58 Refund-Recharge Debt-Approp.	-	-	-	-	N/A
59 Total Other Expense	-	-	-	-	N/A
60 Total Expenses	590,907	861,344	12,091,389	(11,230,044)	7%
61 Increase / (Decrease) to Reserves	\$ (567,314)	\$ (628,521)	\$ (2,277,562)	\$ 1,649,040	



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023, to August 31, 2023

Budget to Actual

The Budget to Actual report summarizes the operating and non-operating revenues and expenses of Chino Basin Watermaster for the fiscal year-to-date (YTD). Columns are included for current monthly and YTD activity shown comparatively to the FY 24 adopted budget. The final two columns indicate the amount over or under budget, and the YTD percentage of total budget used. As of August 31st, the target budget percentage is generally 17%.

Revenues

Lines 1-6 Administration Revenue – Includes local agency subsidies and administrative assessment for the appropriate, agricultural and non-agricultural pools. Below is a summary of notable account variances at month end:

- Line 2 Local Agency Subsidies is at 100% of budget due to annual administrative assessment received from Metropolitan Water District.
- Lines 3-5 Administrative Assessments for the three pools have no activity YTD due to timing of annual assessments. Assessments for all pools are prepared in November of each year.

Lines 7-12 Other Revenue – Includes pool replenishment assessments, interest income and other miscellaneous income.

Expenses

Lines 14-35 Judgment Administration Expense – Includes Watermaster general administrative expenses, contract services, insurance, office and other administrative expenses. Below is a summary of notable account variances at month end:

- Line 23 Insurance includes general liability insurance, directors and officers liability, municipalities coverage, environmental pollution liability and other various insurance policies. YTD is at 92% of budget due to timing of annual renewals for the directors' and officers' policy and municipalities coverage.
- Line 24 Dues and Subscriptions is at 41% of budget due to timing of annual dues for ACWA and CA Groundwater Coalition.

Lines 36-47 Optimum Basin Management Plan (OBMP) Expense – Includes legal, engineering, groundwater level monitoring, allocated administrative expenses, and other expenses.

Lines 48-54 Pool Administration Expenses – Includes expense activity relating to pool specific fund balances. These include legal services for each pool, Ag pool meeting compensation, and Ag pool special projects.

Lines 56-59 Other Expense – Includes groundwater replenishment, and various refunds as appropriate. YTD there has been no activity.



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023, to August 31, 2023

Pool Services Fund Accounting

Each Pool has a fund account created to pay their own legal service invoices. The legal services invoices are funded and paid using the fund accounts (8467 for the Overlying Agricultural Pool (OAP), 8567 for the Overlying Non-Agricultural Pool (ONAP), and 8367 for the Appropriate Pool (AP)). Along with the legal services fund account for the OAP (8467), the OAP also has two other fund accounts for Ag Pool Meeting Attendance expenses (8470), and Special Projects expenses (8471). The ONAP also have a meeting compensation fund account (8511) Additionally, the OAP has a reserve fund that is held by Watermaster and spent at the direction of the OAP. These fund accounts are replenished at the direction of each Pool, and the legal service invoices are approved by the Pool leadership and when paid by Watermaster, are deducted from the existing fund account balances. If the fund account for any pool reaches zero, no further payments can be paid from the fund and a replenishment action must be initiated by the pool.

The following tables detail the fund balance accounts as of August 31,2023 (continued next page):

<p>Fund Balance For Non-Agricultural Pool Account 8567 - Legal Services</p> <hr/> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Beginning Balance July 1, 2023:</td> <td style="text-align: right;">\$ 56,965.90</td> </tr> <tr> <td colspan="2">Additions:</td> </tr> <tr> <td>Interest Earnings</td> <td style="text-align: right;">102.11</td> </tr> <tr> <td>Pool Invoices issued</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Subtotal Additions:</td> <td style="text-align: right;"><u>102.11</u></td> </tr> <tr> <td colspan="2">Reductions:</td> </tr> <tr> <td>Invoices paid July 2023 - August 2023</td> <td style="text-align: right;"><u>(1,942.00)</u></td> </tr> <tr> <td>Subtotal Reductions:</td> <td style="text-align: right;"><u>(1,942.00)</u></td> </tr> <tr> <td>Available Fund Balance as of August 31, 2023</td> <td style="text-align: right;"><u>\$ 55,126.01</u></td> </tr> </table>	Beginning Balance July 1, 2023:	\$ 56,965.90	Additions:		Interest Earnings	102.11	Pool Invoices issued	-	Subtotal Additions:	<u>102.11</u>	Reductions:		Invoices paid July 2023 - August 2023	<u>(1,942.00)</u>	Subtotal Reductions:	<u>(1,942.00)</u>	Available Fund Balance as of August 31, 2023	<u>\$ 55,126.01</u>	<p>Fund Balance For Appropriate Pool Account 8367 - Legal Services</p> <hr/> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Beginning Balance July 1, 2023:</td> <td style="text-align: right;">\$ (12,415.36)</td> </tr> <tr> <td colspan="2">Additions:</td> </tr> <tr> <td>Interest Earnings</td> <td style="text-align: right;">72.74</td> </tr> <tr> <td>Outstanding invoice payments received</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Subtotal Additions:</td> <td style="text-align: right;"><u>72.74</u></td> </tr> <tr> <td colspan="2">Reductions:</td> </tr> <tr> <td>Invoices paid July 2023 - August 2023</td> <td style="text-align: right;"><u>-</u></td> </tr> <tr> <td>Subtotal Reductions:</td> <td style="text-align: right;"><u>-</u></td> </tr> <tr> <td>Available Fund Balance as of August 31, 2023</td> <td style="text-align: right;"><u>\$ (12,342.62) *</u></td> </tr> </table> <p style="font-size: small;">*Negative due to accrued portion of legal services for June 2023</p>	Beginning Balance July 1, 2023:	\$ (12,415.36)	Additions:		Interest Earnings	72.74	Outstanding invoice payments received	-	Subtotal Additions:	<u>72.74</u>	Reductions:		Invoices paid July 2023 - August 2023	<u>-</u>	Subtotal Reductions:	<u>-</u>	Available Fund Balance as of August 31, 2023	<u>\$ (12,342.62) *</u>
Beginning Balance July 1, 2023:	\$ 56,965.90																																				
Additions:																																					
Interest Earnings	102.11																																				
Pool Invoices issued	-																																				
Subtotal Additions:	<u>102.11</u>																																				
Reductions:																																					
Invoices paid July 2023 - August 2023	<u>(1,942.00)</u>																																				
Subtotal Reductions:	<u>(1,942.00)</u>																																				
Available Fund Balance as of August 31, 2023	<u>\$ 55,126.01</u>																																				
Beginning Balance July 1, 2023:	\$ (12,415.36)																																				
Additions:																																					
Interest Earnings	72.74																																				
Outstanding invoice payments received	-																																				
Subtotal Additions:	<u>72.74</u>																																				
Reductions:																																					
Invoices paid July 2023 - August 2023	<u>-</u>																																				
Subtotal Reductions:	<u>-</u>																																				
Available Fund Balance as of August 31, 2023	<u>\$ (12,342.62) *</u>																																				
<p>Fund Balance For Non-Agricultural Pool Account 8511 - Meeting Compensation</p> <hr/> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Beginning Balance July 1, 2020:</td> <td style="text-align: right;">\$ 875.00</td> </tr> <tr> <td colspan="2">Additions:</td> </tr> <tr> <td>Subtotal Additions:</td> <td style="text-align: right;"><u>-</u></td> </tr> <tr> <td colspan="2">Reductions:</td> </tr> <tr> <td>Compensation paid July 2023 - August 2023</td> <td style="text-align: right;"><u>-</u></td> </tr> <tr> <td>Subtotal Reductions:</td> <td style="text-align: right;"><u>-</u></td> </tr> <tr> <td>Available Fund Balance as of August 31, 2023</td> <td style="text-align: right;"><u>\$ 875.00</u></td> </tr> </table>	Beginning Balance July 1, 2020:	\$ 875.00	Additions:		Subtotal Additions:	<u>-</u>	Reductions:		Compensation paid July 2023 - August 2023	<u>-</u>	Subtotal Reductions:	<u>-</u>	Available Fund Balance as of August 31, 2023	<u>\$ 875.00</u>																							
Beginning Balance July 1, 2020:	\$ 875.00																																				
Additions:																																					
Subtotal Additions:	<u>-</u>																																				
Reductions:																																					
Compensation paid July 2023 - August 2023	<u>-</u>																																				
Subtotal Reductions:	<u>-</u>																																				
Available Fund Balance as of August 31, 2023	<u>\$ 875.00</u>																																				



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023, to August 31, 2023

Pool Services Fund Accounting – Cont.

Fund Balance for Agricultural Pool Account 8467 - Legal Services

Beginning Balance July 1, 2020:	\$ -
Additions:	
Ag Pool Legal invoices issued Nov. 19, 2020 for \$500,000 with outstanding balance of \$384,736.12	115,263.88
Admin Reserve used to cover shortfall *	102,557.12
Ag Pool Legal invoices issued Nov. 18, 2021 for \$500,000 with outstanding balance of \$410,135.61	89,864.39
Ag Pool Legal invoices issued Sep. 9, 2022 for \$250,000 with outstanding balance of \$102,245.10	147,754.90
Ag Pool Legal invoices issued Apr. 20, 2023 for \$100,000 with outstanding balance of \$42,025.61	57,974.39
Subtotal Additions:	513,414.68
Budget Transfer - From Other Ag Pool Account FY23	41,000.00
From Agricultural Pool Reserve Funds	415,397.25
Total Additions:	<u>969,811.93</u>
Reductions:	
Invoices paid July 2020 - November 2020	(217,821.00)
Invoices paid December 2020 - June 2021	(220,365.00)
Invoices paid July 2021 - June 2022	(284,896.64)
Invoices paid July 2022 - June 2023	(205,053.66)
Invoices paid July 2023 - August 2023	(3,300.00)
Subtotal Reductions:	<u>(931,436.30)</u>
Available Fund Balance as of August 31, 2023	<u>\$ 38,375.63</u>

* The Admin Reserve amount of \$102,557.12 will need to be refunded back to Watermaster.

Agricultural Pool Reserve Funds As shown on the B-8 Financial Report

Agricultural Pool Reserve Funds Balance as of June 30, 2020:	\$ 515,498.06
Additions:	
AP payments w/o Escrow instructions (\$165,694.75 - \$161,070.09)	4,624.66
Y-T-D Interest earned on Ag Pool Funds FY 21-24	39,713.24
Payments rec'd on Wellhead Production invoices issued Sep. 2021	78,495.78
Payments rec'd on FY 2021/22 Ag Pool invoices issued Nov. 18, 2021 ¹	169,652.03
Payments rec'd on FY 2022/23 Ag Pool invoices issued Sep. 9, 2022 ²	147,754.90
Payments rec'd on FY 2022/23 Ag Pool invoices issued Apr. 20, 2023 ³	57,974.39
Transfer of AP Settlement Funds of \$191,574.29 on 05/24/22	191,574.29
Transfer of AP Settlement Funds of \$75,868.59 on 08/15/22	75,868.59
Transfer of Funds from AP to Special Fund for Legal Service Invoices ⁴	217,778.66
Subtotal Additions:	<u>983,436.54</u>
Reductions:	
Actual vs. Budget Shortfall from FY 2019/20	(165,694.75)
Mediation invoice paid	(8,450.00)
Subtotal Reductions:	<u>(174,144.75)</u>
Invoices paid December 2020 - June 2021	(220,365.00)
Invoices paid July 2021 - June 2022	(284,896.64)
Invoices paid July 2022 - June 2023	(205,053.66)
Invoices paid July 2023 - August 2023	-
Total Reductions	<u>(884,460.05)</u>
Agricultural Pool Reserve Funds Balance as of Aug. 31, 2023:	<u>\$ 614,474.55</u>

¹ FY 2021/22 Invoices for \$635,000 issued Nov. 18, 2021 with outstanding balance due of \$465,347.97 for Ag Pool Administration, Legal Services, and Special Projects.

² FY 2022/23 invoices for \$250,000 issued Sep. 9, 2022 with outstanding balance due of \$102,245.10 for Ag Pool Legal Services.

³ FY 2022/23 invoices for \$100,000 issued Apr. 20, 2023 with outstanding balance due of \$42,025.61 for Ag Pool Legal Services.

⁴ For May 2022 - May 2023 Egoscue invoices

Fund Balance For Agricultural Pool Account 8470 - Meeting Compensation

Beginning Balance July 1, 2023:	\$ 950.98
Additions:	
FY 2023/24 Budget - Not yet invoiced	-
Budget Transfers	-
Subtotal Additions:	<u>-</u>
Reductions:	
Compensation paid July 2023 - August 2023	(1,500.00)
Subtotal Reductions:	<u>(1,500.00)</u>
Available Fund Balance as of August 31, 2023	<u>\$ (549.02)</u>

Fund Balance For Agricultural Pool Account 8471 - Special Projects

Beginning Balance July 1, 2023:	\$ 10,993.67
Additions:	
FY 2023/24 Budget - Not yet invoiced	-
Subtotal Additions:	<u>-</u>
Reductions:	
Invoices paid July 2023 - August 2023	-
Budget Transfers	-
Subtotal Reductions:	<u>-</u>
Available Fund Balance as of August 31, 2023	<u>\$ 10,993.67</u>

Watermaster Salary Expenses



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023, to August 31, 2023

The following table details the Year-To-Date (YTD) Actual Watermaster salary costs compared to the FY 24 adopted budget. The “\$ Over Budget” and the “% of Budget” columns are a comparison of the YTD actual to the annual budget. As of August 31st, the target budget percentage is generally 17%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
WM Salary Expense				
5901.1 · Judgment Admin - Doc. Review	5,927	82,794	(76,867)	7.2%
5901.3 · Judgment Admin - Field Work	-	7,760	(7,760)	0.0%
5901.5 · Judgment Admin - General	3,323	60,129	(56,806)	5.5%
5901.7 · Judgment Admin - Meeting	539	2,633	(2,094)	20.5%
5901.9 · Judgment Admin - Reporting	-	31,033	(31,033)	0.0%
5910 · Judgment Admin - Court Coord./Attendance	969	19,098	(18,129)	5.1%
5911 · Judgment Admin - Exhibit G	-	2,370	(2,370)	0.0%
5921 · Judgment Admin - Production Monitoring	2,433	11,322	(8,889)	21.5%
5931 · Judgment Admin - Recharge Applications	-	4,634	(4,634)	0.0%
5941 · Judgment Admin - Reporting	-	1,316	(1,316)	0.0%
5951 · Judgment Admin - Rules & Regs	-	12,726	(12,726)	0.0%
5961 · Judgment Admin - Safe Yield	-	26,330	(26,330)	0.0%
5971 · Judgment Admin - Storage Agreements	-	4,739	(4,739)	0.0%
5981 · Judgment Admin - Water Accounting/Datab	16,216	109,793	(93,577)	14.8%
5991 · Judgment Admin - Water Transactions	979	8,688	(7,709)	11.3%
6011.1 · WM Staff Salaries - Overtime	-	-	-	0.0%
6011.4 · 457(f) NQDC Plan	7,074	55,467	(48,393)	12.8%
6011.10 · Admin - Accounting	61,619	367,685	(306,066)	16.8%
6011.15 · Admin - Building Admin	665	18,359	(17,694)	3.6%
6011.20 · Admin - Conference/Seminars	2,663	57,083	(54,420)	4.7%
6011.25 · Admin - Document Review	531	6,846	(6,315)	7.8%
6011.30 · Admin - Field Work	-	-	-	0.0%
6011.50 · Admin - General	85,572	569,850	(484,278)	15.0%
6011.60 · Admin - HR	15,064	43,489	(28,425)	34.6%
6011.70 · Admin - IT	9,432	53,975	(44,543)	17.5%
6011.80 · Admin - Meeting	6,497	90,440	(83,943)	7.2%
6011.90 · Admin - Team Building	153	41,304	(41,151)	0.4%
6011.95 · Admin - Training (Give/Receive)	3,471	34,312	(30,841)	10.1%
6017 · Temporary Services	-	24,000	(24,000)	0.0%
6201 · Advisory Committee	5,386	55,149	(49,763)	9.8%
6301 · Watermaster Board	2,388	61,818	(59,430)	3.9%
8301 · Appropriative Pool	5,056	53,761	(48,705)	9.4%
8401 · Agricultural Pool	1,433	51,549	(50,116)	2.8%
8501 · Non-Agricultural Pool	773	50,443	(49,670)	1.5%
6901.1 · OBMP - Document Review	17,883	89,136	(71,253)	20.1%
6901.3 · OBMP - Field Work	-	7,003	(7,003)	0.0%
6901.5 · OBMP - General	1,707	124,049	(122,342)	1.4%
6901.7 · OBMP - Meeting	4,290	57,589	(53,299)	7.4%
6901.9 · OBMP - Reporting	900	2,370	(1,470)	38.0%
7104.1 · PE1 - Monitoring Program	17,295	171,515	(154,220)	10.1%
7201 · PE2 - Comprehensive Recharge	7,187	57,925	(50,738)	12.4%
7301 · PE3&5 - Water Supply/Desalter	-	4,791	(4,791)	0.0%
7301.1 · PE5 - Reg. Supply Water Prgm.	-	2,633	(2,633)	0.0%
7401 · PE4 - MZ1 Subsidence Mgmt. Plan	-	13,055	(13,055)	0.0%
7501 · PE6 - Coop. Programs/Salt Mgmt.	1,990	8,027	(6,037)	24.8%
7501.1 · PE 7 - Salt Nutrient Mgmt. Plan	459	6,582	(6,123)	7.0%
7601 · PE8&9 - Storage Mgmt./Recovery	918	11,217	(10,299)	8.2%
Subtotal WM Staff Costs	290,791	2,576,787	(2,285,996)	11%
60184.1 · Administrative Leave	-	6,799	(6,799)	0.0%
60185 · Vacation	61,771	119,130	(57,359)	51.9%
60185.1 · Comp Time	1,194	-	1,194	100.0%
60186 · Sick Leave	2,283	83,123	(80,841)	2.7%
60187 · Holidays	-	-	-	0.0%
Subtotal WM Paid Leaves	65,247	209,052	(143,805)	31%
Total WM Salary Costs	356,038	2,785,839	(2,429,801)	12.8%



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023, to August 31, 2023

The following table details the Year-To-Date (YTD) Actual Engineering costs compared to the FY 24 adopted budget. The “\$ Over Budget” and the “% of Budget” columns are a comparison of the YTD actual to the annual budget. As of August 31st, the target budget percentage is 17%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
Engineering Services Costs				
5901.8 · Judgment Admin - Meetings-Engineering Services	\$ -	\$ 45,097	\$ (45,097)	0.0%
5906.1 · Judgment Admin - Watermaster Model Update	-	41,235	(41,235)	0.0%
5906.71 · Judgment Admin - Data Requests-CBWM Staff	2,914	126,204	(123,290)	2.3%
5906.72 · Judgment Admin - Data Requests-Non-CBWM Staff	-	42,832	(42,832)	0.0%
5925 · Judgment Admin - Ag Production & Estimation	6,088	34,376	(28,289)	17.7%
5935 · Judgment Admin - Mat'l Physical Injury Requests	929	36,072	(35,143)	2.6%
5945 · Judgment Admin - WM Annual Report Preparation	137	15,416	(15,279)	0.9%
5965 · Judgment Admin - Support Data Collection & Mgmt Process	-	36,336	(36,336)	0.0%
6206 · Advisory Committee Meetings-WY Staff	-	23,466	(23,466)	0.0%
6306 · Watermaster Board Meetings-WY Staff	-	23,466	(23,466)	0.0%
8306 · Appropriative Pool Meetings-WY Staff	-	23,467	(23,467)	0.0%
8406 · Agricultural Pool Meetings-WY Staff	-	23,466	(23,466)	0.0%
8506 · Non-Agricultural Pool Meetings-WY Staff	-	23,466	(23,466)	0.0%
6901.8 · OBMP - Meetings-WY Staff	1,518	45,096	(43,579)	3.4%
6901.95 · OBMP - Reporting-WY Staff	601	57,316	(56,716)	1.0%
6906 · OBMP Engineering Services - Other	8,358	46,992	(38,634)	17.8%
6906.26 · 2020 OBMP Update	-	24,016	(24,016)	0.0%
7104.3 · Grdwtr Level-Engineering	17,744	256,445	(238,701)	6.9%
7104.8 · Grdwtr Level-Contracted Services	-	10,000	(10,000)	0.0%
7104.9 · Grdwtr Level-Capital Equipment	-	9,915	(9,915)	0.0%
7202 · PE2-Comp Recharge-Engineering Services	-	29,084	(29,084)	0.0%
7202.2 · PE2-Comp Recharge-Engineering Services	5,029	202,362	(197,332)	2.5%
7208 · SB88 Specs-Compliance-50% IEUA	-	54,012	(54,012)	0.0%
7210 · OBMP - 2023 RMPU	21,829	94,328	(72,499)	23.1%
7220 · Integrated Model Mtg./Tech. Review-50% IEUA	-	24,618	(24,618)	0.0%
7302 · PE3&5-PBHSP Monitoring Program	-	69,121	(69,121)	0.0%
7303 · PE3&5-Engineering - Other	635	15,632	(14,998)	4.1%
7306 · PE3&5-Engineering - Outside Professionals	-	6,500	(6,500)	0.0%
7402 · PE4-Engineering	5,606	262,544	(256,938)	2.1%
7402.10 · PE4-Northwest MZ1 Area Project	4,914	271,703	(266,790)	1.8%
7403 · PE4-Eng. Services-Contracted Services-InSar	10,365	175,000	(164,635)	5.9%
7406 · PE4-Engineering Services-Outside Professionals	-	76,552	(76,552)	0.0%
7408 · PE4-Engineering Services-Network Equipment	-	14,081	(14,081)	0.0%
7502 · PE6&7-Engineering	25,562	384,163	(358,601)	6.7%
7505 · PE6&7-Laboratory Services	480	49,164	(48,684)	1.0%
7508 · HC Mitigation Plan-50% IEUA (TO #6)	479	10,703	(10,225)	4.5%
7510 · PE6&7-IEUA Salinity Mgmt. Plan	408	34,631	(34,223)	1.2%
7511 · PE6&7-SAWBMP Task Force-50% IEUA	923	24,610	(23,688)	3.7%
7517 · Surface Water Monitoring Plan-Chino Creek - 50% IEUA	-	69,821	(69,821)	0.0%
7520 · Preparation of Water Quality Mgmt. Plan	-	157,692	(157,692)	0.0%
7610 · PE8&9-Support 2020 Mgmt. Plan	-	69,306	(69,306)	0.0%
7614 · PE8&9-Support Imp. Safe Yield Court Order	59,982	663,747	(603,765)	9.0%
7620 · OBMP - Evaluation of Extreme Future Planning Scenarios	-	51,130	(51,130)	0.0%
Total Engineering Services Costs	\$ 174,499	\$ 3,755,182	\$ (3,580,683)	4.6%

* West Yost and Subcontractor Engineering Budget of \$2,884,956 plus Carryover Funds from FY 2022/23 of \$870,226



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023, to August 31, 2023

The following table details the YTD Brownstein Hyatt Farber Schreck (BHFS) expenses costs compared to the FY 24 adopted budget. The “\$ Over Budget” and the “% of Budget” columns are a comparison of the YTD actual to the annual budget. As of August 31st, the target budget percentage is 17%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
6070 · Watermaster Legal Services				
6071 · BHFS Legal - Court Coordination	\$ 66,050	\$ 171,260	\$ (105,210)	38.6%
6072 · BHFS Legal - Rules & Regulations	-	92,900	(92,900)	0.0%
6073 · BHFS Legal - Personnel Matters	7,344	10,820	(3,476)	67.9%
6074 · BHFS Legal - Interagency Issues	-	43,704	(43,704)	0.0%
6077 · BHFS Legal - Party Status Maintenance	362	13,730	(13,368)	2.6%
6078 · BHFS Legal - Miscellaneous (Note 1)	5,439	233,550	(228,111)	2.3%
Total 6070 · Watermaster Legal Services	79,195	565,964	(486,769)	14.0%
6275 · BHFS Legal - Advisory Committee	-	26,708	(26,708)	0.0%
6375 · BHFS Legal - Board Meeting	-	85,272	(85,272)	0.0%
6375.1 · BHFS Legal - Board Workshop(s)	-	18,499	(18,499)	0.0%
8375 · BHFS Legal - Appropriative Pool	-	33,385	(33,385)	0.0%
8475 · BHFS Legal - Agricultural Pool	-	33,385	(33,385)	0.0%
8575 · BHFS Legal - Non-Ag Pool	-	33,385	(33,385)	0.0%
Total BHFS Legal Services	-	230,634	(230,634)	0.0%
6907.3 · WM Legal Counsel				
6907.31 · Archibald South Plume	-	12,085	(12,085)	0.0%
6907.32 · Chino Airport Plume	-	12,085	(12,085)	0.0%
6907.33 · Desalter/Hydraulic Control	-	37,200	(37,200)	0.0%
6907.34 · Santa Ana River Water Rights	-	20,595	(20,595)	0.0%
6907.36 · Santa Ana River Habitat	-	30,090	(30,090)	0.0%
6907.38 · Reg. Water Quality Cntrl Board	-	30,090	(30,090)	0.0%
6907.39 · Recharge Master Plan	8,120	30,495	(22,375)	26.6%
6907.40 · Storage Agreements	-	16,960	(16,960)	0.0%
6907.41 · Prado Basin Habitat Sustainability	-	9,900	(9,900)	0.0%
6907.44 · SGMA Compliance	-	9,900	(9,900)	0.0%
6907.45 · OBMP Update	48,926	172,880	(123,954)	28.3%
6907.47 · 2020 Safe Yield Reset	-	33,920	(33,920)	0.0%
6907.48 · Ely Basin Investigation	-	126,040	(126,040)	0.0%
6907.90 · WM Legal Counsel - Unanticipated	-	37,395	(37,395)	0.0%
Total 6907 · WM Legal Counsel	57,046	579,635	(522,589)	9.8%
Total Brownstein, Hyatt, Farber, Schreck Costs	\$ 136,241	\$ 1,376,233	\$ (1,239,992)	9.9%



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023, to August 31, 2023

Optimum Basin Management Plan (OBMP)

The following table details the Year-To-Date (YTD) Actual OBMP costs compared to the FY 24 adopted budget. The “\$ Over Budget” and the “% of Budget” columns are a comparison of the YTD actual to the annual budget. As of August 31st, the target budget percentage is 17%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
6900 · Optimum Basin Mgmt Plan				
6901.1 · OBMP - Document Review-WM Staff	\$ 17,883	\$ 89,136	\$ (71,253)	20.1%
6901.3 · OBMP - Field Work-WM Staff	-	7,003	(7,003)	0.0%
6901.5 · OBMP - General-WM Staff	1,707	124,049	(122,342)	1.4%
6901.7 · OBMP - Meeting-WM Staff	4,290	57,589	(53,299)	7.4%
6901.8 · OBMP - Meeting-West Yost	1,518	45,096	(43,579)	3.4%
6901.9 · OBMP - Reporting-WM Staff	900	2,370	(1,470)	38.0%
6901.95 · OBMP - Reporting-West Yost	601	57,316	(56,716)	1.0%
Total 6901 · OBMP WM and West Yost Staff	26,898	382,559	(355,661)	7.0%
6903 · OBMP - SAWPA				
6903 · OBMP - SAWPA Group	24,071	24,071	0	100.0%
Total 6903 · OBMP - SAWPA	24,071	24,071	0	100.0%
6906 · OBMP Engineering Services				
6906.1 · OBMP - Watermaster Model Update	-	41,235	(41,235)	0.0%
6906.15 · Integrated Model Mtgs. - IEUA Costs	-	-	-	0.0%
6906.21 · State of the Basin Report	-	-	-	0.0%
6906.26 · 2020 OBMP Update	-	24,016	(24,016)	0.0%
6906.71 · OBMP - Data Requests - CBWM Staff	-	-	-	0.0%
6906.72 · OBMP - Data Requests - Non CBWM	-	-	-	0.0%
6906 · OBMP Engineering Services - Other	8,358	46,992	(38,634)	17.8%
Total 6906 · OBMP Engineering Services	8,358	112,243	(103,885)	7.4%
6907 · OBMP Legal Fees				
6907.31 · Archibald South Plume	-	12,085	(12,085)	0.0%
6907.32 · Chino Airport Plume	-	12,085	(12,085)	0.0%
6907.33 · Desalter/Hydraulic Control	-	37,200	(37,200)	0.0%
6907.34 · Santa Ana River Water Rights	-	20,595	(20,595)	0.0%
6907.36 · Santa Ana River Habitat	-	30,090	(30,090)	0.0%
6907.38 · Reg. Water Quality Cntrl Board	-	30,090	(30,090)	0.0%
6907.39 · Recharge Master Plan	8,120	30,495	(22,375)	26.6%
6907.40 · Storage Agreements	-	16,960	(16,960)	0.0%
6907.41 · Prado Basin Habitat Sustainability	-	9,900	(9,900)	0.0%
6907.44 · SGMA Compliance	-	9,900	(9,900)	0.0%
6907.45 · OBMP Update	48,926	172,880	(123,954)	28.3%
6907.47 · 2020 Safe Yield Reset	-	33,920	(33,920)	0.0%
6907.48 · Ely Basin Investigation	-	126,040	(126,040)	0.0%
6907.90 · WM Legal Counsel - Unanticipated	-	37,395	(37,395)	0.0%
Total 6907 · OBMP Legal Fees	57,046	579,635	(522,589)	9.8%
6908 · OBMP Updates				
6908.1 · 2020 OBMP Update-Dodson & Assoc.	-	107,578	(107,578)	0.0%
Total 6908 · OBMP Updates	-	107,578	(107,578)	0.0%
6909 · OBMP Other Expenses				
6909.1 · OBMP Meetings	-	1,500	(1,500)	0.0%
6909.3 · Other OBMP Expenses	-	2,724	(2,724)	0.0%
6909.6 · OBMP Expenses - Miscellaneous	-	5,000	(5,000)	0.0%
Total 6909 · OBMP Other Expenses	-	9,224	(9,224)	0.0%
Total 6900 · Optimum Basin Mgmt Plan	\$ 116,373	\$ 1,215,309	\$ (1,098,936)	9.6%



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023, to August 31, 2023

Judgment Administration

The following table details the Year-To-Date (YTD) Actual Judgment Administration costs compared to the FY 24 adopted budget. The “\$ Over Budget” and the “% of Budget” columns are a comparison of the YTD actual to the annual budget. As of August 31st, the target budget percentage is 17%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
5901 · Admin-WM Staff				
5901.1 · Admin-Doc. Review-WM Staff	\$ 5,927	\$ 82,794	\$ (76,867)	7.2%
5901.3 · Admin-Field Work-WM Staff	-	7,760	(7,760)	0.0%
5901.5 · Admin-General-WM Staff	3,323	60,129	(56,806)	5.5%
5901.7 · Admin-Meeting-WM Staff	539	2,633	(2,094)	20.5%
5901.8 · Admin-Meeting - West Yost	-	45,097	(45,097)	0.0%
5901.9 · Admin-Reporting-WM Staff	-	31,033	(31,033)	0.0%
Total 5901 · Admin-WM Staff	9,789	229,446	(219,657)	4.3%
5900 · Judgment Admin Other Expenses				
5906.71 · Admin-Data Req-CBWM Staff	2,914	126,204	(123,290)	2.3%
5906.72 · Admin-Data Req-Non CBWM Staff	-	42,832	(42,832)	0.0%
5910 · Court Coordination/Attend-WM	969	19,098	(18,129)	5.1%
5911 · Exhibit G-WM Staff	-	2,370	(2,370)	0.0%
5921 · Production Monitoring-WM Staff	2,433	11,322	(8,889)	21.5%
5925 · Ag Prod & Estimation-West Yost	6,088	34,376	(28,289)	17.7%
5931 · Recharge Applications-WM Staff	-	4,634	(4,634)	0.0%
5935 · Admin-Mat'l Phy Inj Requests	929	36,072	(35,143)	2.6%
5941 · Reporting-WM Staff	-	1,316	(1,316)	0.0%
5945 · WM Annual Report Prep-West Yost	137	15,416	(15,279)	0.9%
5951 · Rules & Regs-WM Staff	-	12,726	(12,726)	0.0%
5961 · Safe Yield-WM Staff	-	26,330	(26,330)	0.0%
5965 · Support Data Collect-West Yost	-	36,336	(36,336)	0.0%
5971 · Storage Agreements-WM Staff	-	4,739	(4,739)	0.0%
5981 · Water Acct/Database-WM Staff	16,216	109,793	(93,577)	14.8%
5991 · Water Transactions-WM Staff	979	8,688	(7,709)	11.3%
Total 5900 · Judgment Admin Other Expenses	30,665	492,252	(461,587)	6.2%
Total 5900 · Judgment Administration	\$ 40,454	\$ 721,698	\$ (681,244)	5.6%



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023, to August 31, 2023

“Carry Over” Funding:

During the month of July 2023, the “Carry Over” funding was calculated. The Total “Carry Over” funding amount of \$2,277,561.54 has been posted to the general ledger accounts. The total amount consisted of \$870,226.24 from Engineering Services, \$816,709.78 from Capital Improvement Projects, \$464,627.66 from OBMP Activities, \$111,461.18 from Pool Funding Accounts, and \$14,536.68 from Administration Services. More detailed information is provided in the table below.

Carry Over Budget Detail - FY 23/24

Description	Amount	Account	Fiscal Year	Type
Other Office Equipment - Boardroom Upgrades	\$ 10,037.93	6038	FY 2020/21	ADMIN
Board Workshop Expenses - Misc.	4,498.75	6375.2	FY 2021/22	ADMIN
Meter Installation - New Meter Installation	175,400.00	7540	FY 2018/19	OBMP
Meter Installation - Calibration and Testing	181,650.00	7545	FY 2018/19	OBMP
2022 OBMP Update - Dodson & Asso.	107,577.66	6908.1	FY 2022/23	OBMP
Watermaster Model Update	34,206.75	5906.1	FY 2022/23	ENG
Groundwater Level Monitoring Program	2,700.00	7104.3	FY 2022/23	ENG
PE2 - Comprehensive Recharge - Eng. Services	27,943.64	7202.2	FY 2020/21	ENG
PE2 - Comprehensive Recharge - Eng. Services	18,441.85	7202.2	FY 2021/22	ENG
PE2 - Comprehensive Recharge - Eng. Services	72,788.26	7202.2	FY 2022/23	ENG
SB88-Specs-Ensure Compliance-50% IEUA	54,012.38	7208	FY 2020/21	ENG
OBMP - 2023 RMPU	60,000.00	7210	FY 2022/23	ENG
Integrated Model - Meetings - 50% IEUA Costs	24,617.63	7220	FY 2021/22	ENG
PBHSP - Monitoring, Data Analysis, Reporting	21,000.00	7302	FY 2022/23	ENG
OBMP - Engineering Services	65,208.75	7402	FY 2022/23	ENG
PE4 - Northwest MZ-1 Area Project	23,805.91	7402.1	FY 2021/22	ENG
PE4 - Northwest MZ-1 Area Project	126,194.09	7402.1	FY 2022/23	ENG
PE4/MZ-1: InSAR - Outside Pro	85,000.00	7403	FY 2022/23	ENG
Ground Level Monitoring - Capital Equipment	5,000.00	7408	FY 2022/23	ENG
PE6-7: Coop Efforts/Salt Management:	40,000.00	7502	FY 2022/23	ENG
Groundwater Quality Monitoring Program	16,194.00	7505	FY 2022/23	ENG
Hydraulic Control Mitigation Plan Update-50% IEUA	9,687.25	7508	FY 2021/22	ENG
Hydraulic Control Mitigation Plan Update-50% IEUA	1,016.00	7508	FY 2022/23	ENG
IEUA - Update Recycle Water Permit - Salinity	19,752.23	7510	FY 2021/22	ENG
PE8&9 - Support Imp. 2020 Storage Mgmt. Plan	42,657.50	7610	FY 2020/21	ENG
Support Implementation of the Safe Yield Court Order:	120,000.00	7614	FY 2022/23	ENG
Upper Santa Ana River HCP (TO #7)	15,062.88	7690.7	FY 2014/15	PROJ
Upper Santa Ana River HCP (TO #7)	5,000.00	7690.7	FY 2015/16	PROJ
Lower Day Basin RMPU (TO #2)	238,646.90	7690.8	FY 2016/17	PROJ
Jurupa Basin Berm & Trash Boom	358,000.00	7690.23	FY 2022/23	PROJ
Funds on Hold for Projects/Refund	200,000.00	7690.9	FY 2017/18	PROJ
Agricultural Pool - Legal Services	41,675.63	8467	FY 2022/23	AP
Agricultural Pool - Mtg. Attendance Compensation	950.98	8470	FY 2022/23	OAP
Agricultural Pool - Special Project Funding	10,993.67	8471	FY 2021/22	OAP
Non-Agricultural Pool - Meeting Compensation	875.00	8511	FY 2022/23	ONAP
Non-Agricultural Pool - Legal Services	56,965.90	8567	FY 2022/23	ONAP
Balance at 7/31/23	\$ 2,277,561.54			



CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, CA 91730
Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 26, 2023

TO: Board Members

SUBJECT: Application: Water Transaction – City of Upland to Golden State Water Company
(Consent Calendar Item I.C.)

SUMMARY:

Issue: The Purchase of 300.0 acre-feet of water from City of Upland by Golden State Water Company. This purchase is made from City of Upland's Annual Production Rights. [Within WM Duties and Powers]

Recommendation: Approve the proposed transaction.

Financial Impact: None

Future Consideration

Watermaster Board – October 26, 2023: Approval.

ACTIONS:

Appropriative Pool – August 10, 2023: Unanimously recommended Advisory Committee to recommend Watermaster Board approval.

Non-Agricultural Pool – August 10, 2023: Unanimously recommended its representatives to support at Advisory Committee and Watermaster Board subject to changes they deem appropriate.

Agricultural Pool – August 10, 2023: Unanimously recommended Advisory Committee to recommend Watermaster Board approval.

Advisory Committee – October 19, 2023: Unanimously recommended Watermaster Board to approve.

Watermaster Board – October 26, 2023:

Watermaster's function is to administer and enforce provisions of the Judgment and subsequent orders of the Court, and to develop and implement an Optimum Basin Management Program

BACKGROUND

On July 13, 2000 the Court approved the Peace Agreement, the Implementation Plan, and the goals and objectives identified in the OBMP Phase I Report and ordered Watermaster to proceed in a manner consistent with the Peace Agreement. Under the Peace Agreement, Watermaster approval is required for applications to store, recapture, recharge, or transfer water, as well as for applications for credits or reimbursements, and storage and recover programs.

Where there is no material physical injury, Watermaster must approve the transaction. Where the request for Watermaster approval is submitted by a Party to the Judgment, there is a rebuttable presumption that most of the transactions do not result in material physical injury to a Party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

The date of this application is June 8, 2023. Notice of the transaction along with the materials submitted by the requestors was transmitted to stakeholders electronically on August 4, 2023.

DISCUSSION

Beyond confirmation of the source of the water to be transferred (Supplemental Water or Excess Carryover), Watermaster will evaluate the eventual disposition of the transferred water (e.g., production, storage, etc.) at the end of the production year and account for the same consistent with the Watermaster Guidance Documents.

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by West Yost pursuant to the Peace Agreement and the Rules & Regulations. There is no indication that additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, measurement of groundwater levels and ground level changes are ongoing, and based on current data, we cannot conclude that the proposed water transaction will cause material physical injury to a Party to the Judgment, or to the Basin.

At the Pool Committee meetings held on August 10, 2023, the Appropriative and Overlying (Agricultural) Pools unanimously recommended Advisory Committee to recommend to the Watermaster Board to approve the proposed transaction; the Overlying (Non-Agricultural) Pool unanimously recommended its representatives to support at Advisory Committee and Watermaster Board subject to changes they deem appropriate.

On October 19, 2023, the proposed transaction was presented to the Advisory Committee for consideration. The Advisory Committee unanimously recommended Watermaster Board to approve the proposed transaction.

ATTACHMENTS

1. Consolidated Forms 3, 4, & 5
2. Notice Forms

**CONSOLIDATED WATER TRANSFER FORMS:
 FORM 3: APPLICATION FOR SALE OR TRANSFER OF RIGHT TO PRODUCE WATER FROM STORAGE
 FORM 4: APPLICATION OR AMENDMENT TO APPLICATION TO RECAPTURE WATER IN STORAGE
 FORM 5: APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD**

FISCAL YEAR 2022 - 2023

DATE REQUESTED: June 8, 2023

AMOUNT REQUESTED: 300 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR):	TRANSFER TO (BUYER / TRANSFEREE):
<u>City of Upland</u>	<u>Golden State Water Company</u>
Name of Party	Name of Party
<u>1370 North Benson Avenue</u>	<u>630 East Foothill Boulevard</u>
Street Address	Street Address
<u>Upland</u> <u>CA</u> <u>91786</u>	<u>San Dimas</u> <u>CA</u> <u>91733</u>
City State Zip Code	City State Zip Code
<u>(909) 291-2931</u>	<u>(909) 394-3600</u>
Telephone	Telephone
Facsimile	Facsimile

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?

Yes No

PURPOSE OF TRANSFER:

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain _____

WATER IS TO BE TRANSFERRED FROM:

- Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool)
- Storage
- Annual Production Right / Operating Safe Yield first, then any additional from Storage
- Other, explain _____

WATER IS TO BE TRANSFERRED TO:

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain _____

IS THE 85/15 RULE EXPECTED TO APPLY? (If yes, all answers below must be "yes.") Yes No

Is the Buyer an 85/15 Party? Yes No

Is the purpose of the transfer to meet a current demand over and above production right? Yes No

Is the water being placed into the Buyer's Annual Account? Yes No

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

Projected Rate of Recapture _____

Projected Duration of Recapture _____

METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):

Pum in

PLACE OF USE OF WATER TO BE RECAPTURED:

Margarita well

LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):

WATER QUALITY AND WATER LEVELS

Are the Parties aware of any water quality issues that exist in the area? Yes No

If yes, please explain:

What are the existing water levels in the areas that are likely to be affected?

MATERIAL PHYSICAL INJURY

Are any of the recapture wells located within Management Zone 1? Yes No

Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes No

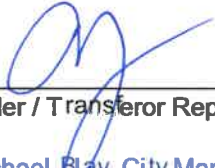
If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

SAID TRANSFER SHALL BE CONDITIONED UPON:

- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
- (2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
- (3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
- (4) Any Transferee not already a party must Intervene and become a party to the Judgment.

ADDITIONAL INFORMATION ATTACHED

Yes No



Seller / Transferor Representative Signature

Buyer / Transferee Representative Signature

Michael Blay, City Manager

Seller / Transferor Representative Name (Printed)

Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

DATE OF WATERMASTER NOTICE: August 4, 2023

DATE OF APPROVAL FROM APPROPRIATIVE POOL: August 10, 2023

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: August 10, 2023

DATE OF APPROVAL FROM AGRICULTURAL POOL: August 10, 2023

HEARING DATE, IF ANY: N/A

DATE OF ADVISORY COMMITTEE APPROVAL: October 19, 2023

DATE OF BOARD APPROVAL: _____



CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

TRANSFER OF WATER

Date of Notice:

August 4, 2023

This notice is to advise interested persons that the attached application(s) will come before the Watermaster Board on or after 30 days from the date of this notice.

APPLICATION FOR TRANSFER OF WATER

The attached staff report will be included in the meeting package at the time the transfer begins the Watermaster process.

NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **June 8, 2023**

Date of this notice: **August 4, 2023**

Please take notice that the following Application has been received by Watermaster:

- Notice of Sale or Transfer – The purchase of 300.0 acre-feet of water from City of Upland by Golden State Water Company. This purchase is made from City of Upland’s annual production rights.

This **Application** will first be considered by each of the respective pool committees on the following dates:

Appropriative Pool:	August 10, 2023
Non-Agricultural Pool:	August 10, 2023
Agricultural Pool:	August 10, 2023

This **Application** will be scheduled for consideration by the Advisory Committee **no earlier than thirty days from the date of this notice and a minimum of twenty-one calendar days** after the last pool committee reviews it.

After consideration by the Advisory Committee, the **Application** will be considered by the Board.

Unless the **Application** is amended, as **Contests** must be submitted a minimum of fourteen (14) days prior to the Advisory Committee’s consideration of an **Application**, parties to the Judgment may file **Contests** to the **Application** with Watermaster **within seven calendar days** of when the last pool committee considers it. Any **Contest** must be in writing and state the basis of the **Contest**.

Watermaster address:

Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Tel: (909) 484-3888
Fax: (909) 484-3890



CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, CA 91730
Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 26, 2023

TO: Board Members

SUBJECT: Application: Water Transaction – West End Consolidated Water Company to Golden State Water Company (Consent Calendar Item I.D.)

SUMMARY:

Issue: The Purchase of 66.4 acre-feet of water from West End Consolidated Water Company by Golden State Water Company. This purchase is made from West End Consolidated Water Company's Annual Production Rights. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares. [Within WM Duties and Powers]

Recommendation: Approve the proposed transaction.

Financial Impact: None

Future Consideration

Watermaster Board – October 26, 2023: Approval.

ACTIONS:

Appropriative Pool – August 10, 2023: Unanimously recommended Advisory Committee to recommend Watermaster Board approval.

Non-Agricultural Pool – August 10, 2023: Unanimously recommended its representatives to support at Advisory Committee and Watermaster Board subject to changes they deem appropriate.

Agricultural Pool – August 10, 2023: Unanimously recommended Advisory Committee to recommend Watermaster Board approval.

Advisory Committee – October 19, 2023: Unanimously recommended Watermaster Board to approve.

Watermaster Board – October 26, 2023:

Watermaster's function is to administer and enforce provisions of the Judgment and subsequent orders of the Court, and to develop and implement an Optimum Basin Management Program

BACKGROUND

On July 13, 2000 the Court approved the Peace Agreement, the Implementation Plan, and the goals and objectives identified in the OBMP Phase I Report and ordered Watermaster to proceed in a manner consistent with the Peace Agreement. Under the Peace Agreement, Watermaster approval is required for applications to store, recapture, recharge, or transfer water, as well as for applications for credits or reimbursements, and storage and recover programs.

Where there is no material physical injury, Watermaster must approve the transaction. Where the request for Watermaster approval is submitted by a Party to the Judgment, there is a rebuttable presumption that most of the transactions do not result in material physical injury to a Party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

The date of this application is June 8, 2023. Notice of the transaction along with the materials submitted by the requestors was transmitted to stakeholders electronically on August 4, 2023.

DISCUSSION

Beyond confirmation of the source of the water to be transferred (Supplemental Water or Excess Carryover), Watermaster will evaluate the eventual disposition of the transferred water (e.g., production, storage, etc.) at the end of the production year and account for the same consistent with the Watermaster Guidance Documents.

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by West Yost pursuant to the Peace Agreement and the Rules & Regulations. There is no indication that additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, measurement of groundwater levels and ground level changes are ongoing, and based on current data, we cannot conclude that the proposed water transaction will cause material physical injury to a Party to the Judgment, or to the Basin.

At the Pool Committee meetings held on August 10, 2023, the Appropriative and Overlying (Agricultural) Pools unanimously recommended Advisory Committee to recommend to the Watermaster Board to approve the proposed transaction; the Overlying (Non-Agricultural) Pool unanimously recommended its representatives to support at Advisory Committee and Watermaster Board subject to changes they deem appropriate.

On October 19, 2023, the proposed transaction was presented to the Advisory Committee for consideration. The Advisory Committee unanimously recommended Watermaster Board to approve the proposed transaction.

ATTACHMENTS

1. Consolidated Forms 3, 4, & 5
2. Notice Forms

Consolidated Forms 3, 4 & 5

**CONSOLIDATED WATER TRANSFER FORMS:
 FORM 3: APPLICATION FOR SALE OR TRANSFER OF RIGHT TO PRODUCE WATER FROM STORAGE
 FORM 4: APPLICATION OR AMENDMENT TO APPLICATION TO RECAPTURE WATER IN STORAGE
 FORM 5: APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD**

FISCAL YEAR 2022 - 2023

DATE REQUESTED: June 8, 2023

AMOUNT REQUESTED: 66.4 Acre-Feet

<p>TRANSFER FROM (SELLER / TRANSFEROR):</p> <p><u>West End Consolidated Water Company</u> Name of Party</p> <p><u>1370 North Benson Avenue</u> Street Address</p> <p><u>Upland</u> <u>CA</u> <u>91786</u> City State Zip Code</p> <p><u>(909) 291-2931</u> Telephone</p> <p>_____ Facsimile</p>	<p>TRANSFER TO (BUYER / TRANSFEREE):</p> <p><u>Golden State Water Company</u> Name of Party</p> <p><u>630 East Foothill Boulevard</u> Street Address</p> <p><u>San Dimas</u> <u>CA</u> <u>91733</u> City State Zip Code</p> <p><u>(909) 394-3600</u> Telephone</p> <p>_____ Facsimile</p>
--	--

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year? Yes No

PURPOSE OF TRANSFER:

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain _____

WATER IS TO BE TRANSFERRED FROM:

- Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool)
- Storage
- Annual Production Right / Operating Safe Yield first, then any additional from Storage
- Other, explain _____

WATER IS TO BE TRANSFERRED TO:

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain _____

IS THE 85/15 RULE EXPECTED TO APPLY? (If yes, all answers below must be "yes.") Yes No
Is the Buyer an 85/15 Party? Yes No
Is the purpose of the transfer to meet a current demand over and above production right? Yes No
Is the water being placed into the Buyer's Annual Account? Yes No

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

Projected Rate of Recapture

Projected Duration of Recapture

METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):

Pumping

PLACE OF USE OF WATER TO BE RECAPTURED:

Margarita well

LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):

WATER QUALITY AND WATER LEVELS

Are the Parties aware of any water quality issues that exist in the area? Yes No

If yes, please explain:

What are the existing water levels in the areas that are likely to be affected?

MATERIAL PHYSICAL INJURY

Are any of the recapture wells located within Management Zone 1? Yes No

Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes No

If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

SAID TRANSFER SHALL BE CONDITIONED UPON:

- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
- (2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
- (3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
- (4) Any Transferee not already a party must Intervene and become a party to the Judgment.

ADDITIONAL INFORMATION ATTACHED

Yes No



Seller / Transferor Representative Signature

Buyer / Transferee Representative Signature

Braden Yu, General Manager

Seller / Transferor Representative Name (Printed)

Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

DATE OF WATERMASTER NOTICE: August 4, 2023

DATE OF APPROVAL FROM APPROPRIATIVE POOL: August 10, 2023

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: August 10, 2023

DATE OF APPROVAL FROM AGRICULTURAL POOL: August 10, 2023

HEARING DATE, IF ANY: N/A

DATE OF ADVISORY COMMITTEE APPROVAL: October 19, 2023

DATE OF BOARD APPROVAL: _____



CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

TRANSFER OF WATER

Date of Notice:

August 4, 2023

This notice is to advise interested persons that the attached application(s) will come before the Watermaster Board on or after 30 days from the date of this notice.

APPLICATION FOR TRANSFER OF WATER

The attached staff report will be included in the meeting package at the time the transfer begins the Watermaster process.

NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **June 8, 2023**

Date of this notice: **August 4, 2023**

Please take notice that the following Application has been received by Watermaster:

- Notice of Sale or Transfer – The purchase of 66.4 acre-feet of water from West End Consolidated Water Company by Golden State Water Company. This purchase is made from West End Consolidated Water Company’s annual production rights. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares.

This **Application** will first be considered by each of the respective pool committees on the following dates:

Appropriative Pool:	August 10, 2023
Non-Agricultural Pool:	August 10, 2023
Agricultural Pool:	August 10, 2023

This **Application** will be scheduled for consideration by the Advisory Committee **no earlier than thirty days from the date of this notice and a minimum of twenty-one calendar days** after the last pool committee reviews it.

After consideration by the Advisory Committee, the **Application** will be considered by the Board.

Unless the **Application** is amended, as **Contests** must be submitted a minimum of fourteen (14) days prior to the Advisory Committee’s consideration of an **Application**, parties to the Judgment may file **Contests** to the **Application** with Watermaster **within seven calendar days** of when the last pool committee considers it. Any **Contest** must be in writing and state the basis of the **Contest**.

Watermaster address:

Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Tel: (909) 484-3888
Fax: (909) 484-3890



CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, CA 91730
Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

PETER KAVOUNAS, P.E.
General Manager

STAFF REPORT

DATE: October 26, 2023

TO: Board Members

SUBJECT: Chino Basin Watermaster Annual Financial Report for the Fiscal Years Ended June 30, 2023 and 2022; and the Chino Basin Watermaster Management Report for June 30, 2023 (Business Item II.A.)

SUMMARY:

Issue: Two reports (Annual Financial Report for the Fiscal Years Ended June 30, 2023 and 2022; and Management Report for June 30, 2022) have been prepared. [Normal Course of Business]

Recommendation: Receive and file (1) the Chino Basin Watermaster Annual Financial Report for the Fiscal Years Ended June 30, 2023 and 2022; and (2) the Chino Basin Watermaster Management Report for June 30, 2023.

Financial Impact: There is no financial impact.

Future Consideration

Watermaster Board – October 26, 2023: Receive and file

ACTIONS:

Watermaster Board – October 26, 2023:

Watermaster's function is to administer and enforce provisions of the Judgment and subsequent orders of the Court, and to develop and implement an Optimum Basin Management Program

BACKGROUND

Chino Basin Watermaster is required to have an annual audit performed every year.

DISCUSSION

Attached is the Chino Basin Watermaster Annual Financial Report for the Fiscal Years Ended June 30, 2023 and 2022; and the Chino Basin Watermaster Management Report for June 30, 2023. Please note that these reports are in draft format and the final version will be distributed several weeks after the Board has received and filed the draft reports. Watermaster does not foresee any material changes between the draft and final versions. Both the Annual Financial Report and the Management Report were issued by the audit firm of C.J. Brown & Company CPAs, Watermaster's auditor.

The Independent Auditor's Report is detailed on pages 4-7 of the Annual Financial Report. C.J. Brown & Company CPAs audited the financial statements of Chino Basin Watermaster as of and for the years ended June 30, 2023 and 2022. In the opinion of C.J. Brown & Company CPAs, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Watermaster, as of June 30, 2023 and 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Furthermore, C.J. Brown & Company CPAs made the following comments with respect to the audit:

1. Did not identify any deficiencies in internal control to be material weaknesses.
2. Performed the audit according to the planned scope and timing requirements as previously communicated to the Watermaster and management as stated in the Audit Engagement letter dated May 11, 2023.
3. Significant accounting policies used by the Watermaster are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during fiscal year 2023.
4. Noted no transactions entered into by the Watermaster during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.
5. Noted no issues with Management's Judgments, Accounting Estimates and Financial Disclosures.
6. Encountered no significant difficulties in dealing with management in performing and completing the audit processes and test work.
7. No disagreements with Watermaster management arose during the course of the audit of Watermaster.
8. Watermaster did not consult with other accountants about auditing and accounting matters.
9. There were no other audit findings or issues.
10. Noted five audit adjustments and or reclassifying journal entries recorded to adjust the original trial balance presented to the auditors at the start of the audit.
 - a. An audit adjusting journal entry to adjust net pension liability and related accounts as of June 30, 2023 per the CalPERS Actuarial Report.
 - b. An audit adjusting journal entry to adjust net OPEB Obligation and related accounts as of June 30, 2023 per the GASB 75 Actuarial Report.
 - c. Two audit adjusting journal entry to adjust lease amortization of the leased office building as of June 30, 2023 and to adjust lease obligation as of June 30, 2023 for the office building and copier leases pursuant to GASB 87.

- d. An adjusting journal entry to reconcile general checking account as of June 30, 2023 to the general ledger.

ATTACHMENTS

1. The Chino Basin Watermaster Annual Financial Report for the Fiscal Years Ended June 30, 2023 and 2022
2. The Chino Basin Watermaster Management Report for June 30, 2023



Chino Basin Watermaster

Annual Financial Report

For the Fiscal Years Ended June 30, 2023 and 2022

Our Mission Statement

“To manage the Chino Groundwater Basin in the most beneficial manner and to equitably administer and enforce the provisions of the Chino Basin Watermaster Judgment”

**Chino Basin Watermaster
Board of Directors as of June 30, 2023**

<u>Represents</u>	<u>Name</u>	<u>Title</u>
Agricultural	Paul Hofer	Member
Agricultural	Jeff Pierson	Vice-Chair
Non-Agricultural	Robert Bowcock	Member
Appropriative	James Curatalo	Chair
Appropriative	Manny Martinez	Member
Appropriative	Scott Burton	Member
Municipal	Steve Elie	Member
Municipal	Mike Gardner	Member
Municipal	Bob Kuhn	Secretary/Treasurer

The Watermaster Board serves at the direction of the San Bernardino County Superior Court (Case No. RCVRS 51010) and was re-appointed for a five-year term, effective January 2019 through January 25, 2024 (Court Order issued on January 2, 2019).

**Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, California 91730
(909) 484-3888
www.cbwm.org**

Chino Basin Watermaster

Annual Financial Report

For the Fiscal Years Ended June 30, 2023 and 2022

**Chino Basin Watermaster
Annual Financial Report
For the Fiscal Years Ended June 30, 2023 and 2022**

Table of Contents

	<u>Page No.</u>
Table of Contents	i
Introductory Section	
Letter of Transmittal	1-3
Financial Section	
Independent Auditor’s Report	4-7
Management’s Discussion and Analysis	8-12
Basic Financial Statements:	
Statements of Net Position	13
Statements of Revenues, Expenses, and Changes in Net Position	14
Statements of Cash Flows	15-16
Notes to the Basic Financial Statements	17-43
Required Supplementary Information	
Schedules of Changes in Watermaster’s Total OPEB Liability and Related Ratios	44
Schedules of the Watermaster’s Proportionate Share of the Net Pension Liability	45-46
Schedules of Pension Plan Contributions	47
Supplemental Information Section	
Combining Schedule of Revenue, Expenses, and Changes in Net Position for the Fiscal Year Ended June 30, 2023	48
Combining Schedule of Revenue, Expenses, and Changes in Net Position for the Fiscal Year Ended June 30, 2022	49
Report on Compliance and Internal Controls	
Independent Auditor’s Report on Compliance on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on An Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	50-51

Introductory Section

DRAFT

DRAFT



October 26, 2023

Chino Basin Watermaster Board

Introduction

It is our pleasure to submit the Annual Financial Report for the Chino Basin Watermaster (Watermaster) for the fiscal years ended June 30, 2023 and 2022, following guidelines set forth by the Governmental Accounting Standards Board. The Watermaster 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 necessary to enhance your understanding of the Watermaster's financial position and activities.

This report is organized into three sections: (1) Introductory, (2) Financial, and (3) Supplemental. The Introductory section offers general information about the Watermaster's organization and current Watermaster activities and reports on a summary of significant financial results. The Financial section includes the Independent Auditor's Report, Management's Discussion and Analysis of the Watermaster's basic financial statements, and the Watermaster's audited basic financial statements with accompanying Notes. The Supplemental section includes combining revenue and expense schedules.

Generally Accepted Accounting Principles (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 Watermaster's MD&A can be found immediately after the Independent Auditor's Report.

Watermaster Structure and Leadership

The Chino Basin Watermaster ("Watermaster") was established under a judgment entered in Superior Court of the State of California for the County of San Bernardino as a result of Case No. RCVRS 51010 (formerly Case No. SCV 164327) entitled "Chino Basin Municipal Water District v. City of Chino, et al.", signed by the Honorable Judge Howard B. Weiner on January 27, 1978. The effective date of this Judgment for accounting and operations was July 1, 1977. Under the Judgment, three Pool committees were formed: (1) Overlying (Agricultural) Pool which includes the State of California and all producers of water for overlying uses other than industrial or commercial purposes; (2) Overlying (Non-Agricultural) Pool which represents producers of water for overlying industrial or commercial purposes; and (3) Appropriative Pool which represents cities, special districts, other public or private entities and utilities. The three Pools act together to form the "Advisory Committee". Pursuant to the Judgment, the Chino Basin Municipal Water District (CBMWD) five-member Watermaster Board Members was initially appointed as "Watermaster". Pursuant to a recommendation of the Advisory Committee, the Honorable J. Michael Gunn appointed a nine-member board as Watermaster on February 19, 1998.

Watermaster Structure and Leadership, continued

The General Manager administers the day-to-day operations of the Watermaster in accordance with policies and procedures established by the Board. The Watermaster staff includes eleven regular, full-time employees. Each of the Watermaster's three Pools, the Advisory Committee, and the Board meet monthly.

Watermaster Mission and Services

Chino Basin Watermaster's mission is "To manage the Chino Groundwater Basin in the most beneficial manner and to equitably administer and enforce the provisions of the Chino Basin Watermaster Judgment", Case No. RCVRS 51010 (formerly Case No. SCV 164327). The Watermaster provides the Chino Groundwater Basin service area with services which primarily include: accounting for water appropriations and components of acre footage of stored water by agency, purchase of replenishment water, groundwater monitoring and implementation of special projects. The Watermaster is progressively and actively implementing the Basin's Optimum Basin Management Program Update (OBMPU) which includes extensive monitoring, further developing recharge capabilities, storage and recovery programs, managing salt loads, developing new yield such as reclaimed and storm water recharge and continuing to work with other agencies and entities to enhance this significant natural resource. In 2019, Watermaster started to update the OBMP which was originally adopted in 2000. The updated OBMP will provide a foundation for the next 20 years to enhance Basin water supplies, to protect and enhance water quality, and enhance Basin management. After an intensive stakeholder engagement process, the Watermaster Board adopted the 2020 OBMP on October 22, 2020. Work is presently under way to complete the subsequent Environmental Impact Report (EIR) for which our partner, the Inland Empire Utilities Agency (IEUA), is the lead agency. The final document is expected to be finalized in late 2023.

Watermaster expenditures are allocated to the pools based on the prior year's production volume (or the same percentage used to set the annual assessments).

Economic Condition and Outlook

The Watermaster's office is located in the City of Rancho Cucamonga in San Bernardino County which has experienced tempered economic growth within the region. The economic outlook for the Southern California region is one of cautious growth.

Internal Control Structure

Watermaster management is responsible for the establishment and maintenance of the internal control structure that ensures the assets of the Watermaster are protected from loss, theft or misuse. The internal control structure also ensures adequate accounting data that is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The Watermaster'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 Advisory Committee annually approves, and the Board annually adopts an operating 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 Watermaster's enterprise operations. The budget and reporting treatment applied to the Watermaster is consistent with the accrual basis of accounting and the financial statement basis.

Investment Policy

The Board has adopted an investment policy that conforms to state law, Watermaster's ordinance and resolutions, prudent money management, and the "prudent person" standards. The objectives of the Investment Policy are safety, liquidity and yield. Watermaster funds are invested in the State Treasurer's Local Agency Investment Fund and an institutional checking account.

Water Rates and Watermaster Revenues

The Judgment prescribes Watermaster's authority and specifies classes of water production assessments to be used to fund certain activities. Those assessment categories are: Administration, Optimum Basin Management Program, Special Projects, and Replenishment. Each class of assessment has a prescribed purpose and water production base. Assessment revenue is Watermaster's principal source of income.

Audit and Financial Reporting

State Law requires the Watermaster to obtain an annual audit of its financial statements by an independent certified public accountant. The accounting firm of C.J. Brown & Company CPAs – An Accountancy Corporation, has conducted the audit of the Watermaster's financial statements. Their unmodified Independent Auditor's Report appears in the Financial Section.

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 Watermaster staff. We appreciate the dedicated efforts and professionalism that these staff members contribute to the Watermaster. We would also like to thank the members of the Board for their continued support in planning and implementation of the Chino Basin Watermaster's fiscal policies.

Respectfully submitted,

Peter Kavounas, P.E.
General Manager

Anna T. Nelson
Director of Administration

< Page Intentionally Left Blank >

DRAFT

Financial Section

DRAFT

DRAFT

Independent Auditor's Report

Watermaster Board Members
Chino Basin Watermaster
Rancho Cucamonga, California

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the Chino Basin Watermaster (Watermaster) as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Watermaster's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Watermaster, as of June 30, 2023 and 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Financial Statements

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

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 Watermaster'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.

Independent Auditor's Report, continued

Auditor's Responsibilities for the Audits 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 opinion. 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 GAAS 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 GAAS 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 Watermaster'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 Watermaster'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.

Emphasis-of-Matter

Adjustments of Net Position

As discussed in Note 10 to the financial statements, the Watermaster has adopted the provisions of GASB Statement No. 87 – Leases. As a result, the Watermaster has restated its net position to reflect the effects of the change in accounting policy. Our opinion is not modified with respect to this matter.

Independent Auditor's Report, continued

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 8 through 12 and the required supplementary information on pages 44 through 47 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 audits 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.

Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Watermaster's basic financial statements. The combining schedules of revenue, expenses, and changes in net position on pages 48 and 49, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits 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 combining schedules of revenue, expenses, and changes in net position are fairly stated in all material respects in relation to the basic 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 on pages 1 through 3 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.

Independent Auditor's Report, continued

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2023, on our consideration of the Watermaster'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 Watermaster's internal control over financial reporting and compliance. This report can be found on pages 50 and 51.

C.J. Brown & Company CPAs
Cypress, California
October 26, 2023

Chino Basin Watermaster
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2023 and 2022

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the Chino Basin Watermaster (Watermaster) provides an introduction to the financial statements of the Watermaster for the fiscal years ended June 30, 2023 and 2022. We encourage readers to consider the information presented here with additional information that we have furnished in conjunction with the transmittal letter in the Introductory Section and with the accompanying basic financial statements and related notes, which follow this section.

Financial Highlights

- In 2023, the Watermaster's net position increased by 22.07% or \$2,354,561 to \$13,024,484 as a result of ongoing operations. In 2022, the Watermaster's net position increased by 18.50% or \$1,665,936 to \$10,669,923 as a result of ongoing operations. Please see Note 10 for further discussion.
- In 2023, the Watermaster's operating revenues decreased by 2.79% or \$307,737 to \$10,732,003. The Watermaster's operating revenues increased by 0.62% or \$68,127 to \$11,039,740 in 2022.
- In 2023, the Watermaster's non-operating revenues increased by 100.00% or \$340,969 to \$340,969. The Watermaster's non-operating revenues decreased by 100.00% or \$7,700 to \$0 in 2022.
- In 2023, the Watermaster's operating expenses decreased by 3.09% or \$267,312 to \$8,396,569. The Watermaster's operating expenses decreased by 9.96% or \$958,099 to \$8,663,881 in 2022.
- In 2023, the Watermaster's non-operating expenses decreased 68.69% or \$390,566 to \$178,000. The Watermaster's non-operating expenses increased 129.75% or \$321,099 to \$568,566 in 2022.

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 Watermaster using accounting methods similar to those used by private sector companies.

The Statement of Net Position includes all of the Watermaster's investments in resources (assets), deferred outflows of resources, obligations to creditors (liabilities), and deferred inflows of resources. It also provides the basis for computing a rate of return, evaluating the capital structure of the Watermaster and assessing the liquidity and financial flexibility of the Watermaster. All of the current 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 Watermaster's operations over the past year and can be used to determine if the Watermaster 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 Watermaster'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 operations, 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 Watermaster

One of the most important questions asked about the Watermaster's finances is, "Is the Watermaster better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the Watermaster in a way that helps answer this question.

Chino Basin Watermaster
Management's Discussion and Analysis, continued
For the Fiscal Years Ended June 30, 2023 and 2022

Financial Analysis of the Watermaster, continued

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

These two statements report the Watermaster's *net position* and changes in it. You can think of the Watermaster's net position – assets and deferred outflow of resources, less liabilities and deferred inflows of resources – as one way to measure the Watermaster's financial health, or *financial position*. Over time, *increases or decreases* in an organization's net position is one indicator of whether its *financial health* is improving or deteriorating. However, one will need to 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. The Watermaster is funded on a year-by-year basis through a court-mandated process.

Notes to the Basic 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 basic financial statements can be found on pages 17 through 43.

Statements of Net Position

Condensed Statements of Net Position

	<u>2023</u>	<u>2022</u>	<u>Change</u>	<u>As Restated 2021</u>	<u>Change</u>
Assets:					
Current assets	\$ 15,417,627	13,281,715	2,135,912	11,455,581	1,826,134
Capital assets, net	196,878	323,330	(126,452)	377,248	(53,918)
Total assets	<u>15,614,505</u>	<u>13,605,045</u>	<u>2,009,460</u>	<u>11,832,829</u>	<u>1,772,216</u>
Deferred outflows of resources	<u>863,919</u>	<u>431,688</u>	<u>432,231</u>	<u>471,937</u>	<u>(40,249)</u>
Liabilities:					
Current liabilities	702,349	1,018,738	(316,389)	931,421	87,317
Non-current liabilities	2,617,335	1,669,164	948,171	2,333,374	(664,210)
Total liabilities	<u>3,319,684</u>	<u>2,687,902</u>	<u>631,782</u>	<u>3,264,795</u>	<u>(576,893)</u>
Deferred inflows of resources	<u>134,256</u>	<u>678,908</u>	<u>(544,652)</u>	<u>9,861</u>	<u>669,047</u>
Net position:					
Net investment in capital assets	196,878	323,330	(126,452)	377,248	(53,918)
Unrestricted	12,827,606	10,346,593	2,481,013	8,625,894	1,720,699
Total net position	<u>\$ 13,024,484</u>	<u>10,669,923</u>	<u>2,354,561</u>	<u>9,003,987</u>	<u>1,665,936</u>

As noted earlier, net position may serve over time as a useful indicator of an organization's financial position. In the case of the Watermaster, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$13,024,484 and \$10,669,923 as of June 30, 2023 and 2022, respectively.

Compared to prior year, net position of the Watermaster increased 22.07% or \$2,354,561. The Watermaster's total net position is made up of three components: (1) net investment in capital assets, (2) restricted, and (3) unrestricted.

Chino Basin Watermaster
Management's Discussion and Analysis, continued
For the Fiscal Years Ended June 30, 2023 and 2022

Statements of Net Position, continued

A portion of the Watermaster's net position, 1.51% and 3.03%, as of June 30, 2023 and 2022, respectively, reflects the Watermaster's investment in capital assets (net of accumulated depreciation) less any related debt (where applicable) used to acquire those assets that is still outstanding. The Watermaster uses these capital assets to provide services to customers within the Watermaster's service area; consequently, these assets are not available for future spending.

At the end of fiscal years 2023 and 2022, the Watermaster reflected a positive balance in its unrestricted net position of \$12,827,606 and \$10,346,593, respectively, that may be utilized in future years. See note 11 for further discussion.

Statements of Revenues, Expenses, and Changes in Net Position

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	<u>2023</u>	<u>2022</u>	<u>Change</u>	<u>As Restated 2021</u>	<u>Change</u>
Revenues:					
Operating revenues	\$ 10,732,003	11,039,740	(307,737)	10,971,613	68,127
Non-operating revenues	340,969	-	340,969	7,700	(7,700)
Total revenues	<u>11,072,972</u>	<u>11,039,740</u>	<u>33,232</u>	<u>10,979,313</u>	<u>60,427</u>
Expenses:					
Operating expense	8,396,569	8,663,881	(267,312)	9,621,980	(958,099)
Depreciation	143,842	141,357	2,485	128,867	12,490
Non-operating expense	178,000	568,566	(390,566)	247,467	321,099
Total expenses	<u>8,718,411</u>	<u>9,373,804</u>	<u>(655,393)</u>	<u>9,998,314</u>	<u>(624,510)</u>
Changes in net position	2,354,561	1,665,936	688,625	980,999	684,937
Net position, beginning of period	<u>10,669,923</u>	<u>9,003,987</u>	<u>1,665,936</u>	<u>8,022,988</u>	<u>980,999</u>
Net position, end of period	<u>\$ 13,024,484</u>	<u>10,669,923</u>	<u>2,354,561</u>	<u>9,003,987</u>	<u>1,665,936</u>

The statements of revenues, expenses, and changes of net position show how the Watermaster's net position changed during the fiscal years. In the case of the Watermaster, net position increased by 22.07% or \$2,354,561 to \$13,024,484 as a result of ongoing operations for the year ended June 30, 2023; and net position increased by 18.50% or \$1,665,936 to \$10,669,923 as a result of ongoing operations for the year ended June 30, 2022. In 2022, net position was restated due to the implementation of *GASB Statement No. 87*.

A closer examination of the sources of changes in net position reveals that:

In 2023, the Watermaster's total revenues increased 0.30% or \$33,232 to \$11,072,972. The Watermaster's operating revenues decreased by 2.79% or \$307,737 to \$10,732,003, due primarily to a decrease of \$1,376,213 in replenishment water revenue, which was offset by an increase of \$1,056,511 in administrative assessments. The Watermaster's non-operating revenues increased by 100.00% or \$340,969 to \$340,969, due to an increase in investment earnings, net of a year-end fair value adjustment for LAIF in the amount \$123,794.

Chino Basin Watermaster
Management's Discussion and Analysis, continued
For the Fiscal Years Ended June 30, 2023 and 2022

Statements of Revenues, Expenses, and Changes in Net Position, continued

In 2022, the Watermaster's total revenues increased 0.55% or \$60,427 to \$11,039,740. The Watermaster's operating revenues increased 0.62% or \$68,127 to \$11,039,740, due primarily to an increase of \$198,139 in replenishment water revenue, offset by a decrease of \$134,842 in administrative assessments. The Watermaster's non-operating revenues decreased by 100.00% or \$7,700 to \$0.

In 2023, the Watermaster's total expenses decreased 6.99% or \$655,393 to \$8,718,411. The Watermaster's operating expenses decreased by 3.09% or \$267,312 to \$8,396,569, due primarily to a decrease of \$1,213,781 in optimum basin management plan, which was offset by increases of \$687,022 in Watermaster administration, and \$278,982 in groundwater replenishment and other water purchases. The Watermaster's non-operating expenses decreased 68.69% or \$390,566 to \$178,000, primarily due to decreases of \$285,334 in reserve distribution expense.

In 2022, the Watermaster's total expenses decreased 6.25% or \$624,510 to \$9,373,804. The Watermaster's operating expenses decreased by 9.96% or \$958,099 to \$8,663,881, due primarily to decreases of \$1,476,332 in groundwater replenishment and other water purchases, \$299,501 in pool, advisory, and board administration and \$37,515 in Watermaster administration, which were offset by an increase of \$855,249 in optimum basin management plan. The Watermaster's non-operating expenses increased 129.75% or \$321,099 to \$568,566, primarily due to increases of \$222,883 in reserve distribution expense and \$108,290 in investment expense, net due to year-end fair value adjustments as compared to the prior year in the amount of \$143,111.

Capital Asset Administration

At the end of fiscal years 2023 and 2022, the Watermaster's investment in capital assets amounted to \$196,878 and \$323,330 (net of accumulated depreciation and amortization), respectively. This investment in capital assets includes leasehold improvements, office equipment, vehicles, leased building, and leased equipment. The capital assets of the Watermaster are more fully analyzed in note 3 to the basic financial statements.

Changes in capital assets in 2023 were as follows:

	<u>Balance 2022</u>	<u>Additions</u>	<u>Disposals/ Transfers</u>	<u>Balance 2023</u>
Capital assets:				
Depreciable assets	\$ 843,801	17,390	-	861,191
Accumulated depreciation	<u>(520,471)</u>	<u>(143,842)</u>	<u>-</u>	<u>(664,313)</u>
Total capital assets	<u>\$ 323,330</u>	<u>(126,452)</u>	<u>-</u>	<u>196,878</u>

Chino Basin Watermaster
Management's Discussion and Analysis, continued
For the Fiscal Years Ended June 30, 2023 and 2022

Capital Asset Administration, continued

Changes in capital assets in 2022 were as follows:

	<u>As Restated Balance 2021</u>	<u>Additions</u>	<u>Disposals/ Transfers</u>	<u>As Restated Balance 2022</u>
Capital assets:				
Depreciable assets	\$ 756,362	87,439	-	843,801
Accumulated depreciation	<u>(379,114)</u>	<u>(141,357)</u>	<u>-</u>	<u>(520,471)</u>
Total capital assets	<u>\$ 377,248</u>	<u>(53,918)</u>	<u>-</u>	<u>323,330</u>

Conditions Affecting Current Financial Position

Management is unaware of any conditions, which could have a significant impact on the Watermaster's current financial position, net position, or operating results in terms of past, present, and future.

Requests for Information

This financial report is designed to provide the Watermaster's present users, including funding sources, customers, stakeholders, and other interested parties with a general overview of the Watermaster's finances and to demonstrate Watermaster's accountability with an overview of Watermaster's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the Watermaster's Director of Administration, Anna Nelson, at Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA 91730 or (909) 484-3888.

Basic Financial Statements

DRAFT

Chino Basin Watermaster
Statements of Net Position
June 30, 2023 and 2022

	2023	2022
Current assets:		
Cash and cash equivalents (note 2)	\$ 13,717,687	11,742,546
Accounts receivable	1,573,756	1,489,462
Accrued interest receivable	74,400	22,493
Prepaid expenses and other current assets	51,784	27,214
Total current assets	15,417,627	13,281,715
Non-current assets:		
Capital assets, net (note 3)	196,878	323,330
Total non-current assets	196,878	323,330
Total assets	15,614,505	13,605,045
Deferred outflows of resources:		
Deferred OPEB outflows (note 6)	77,612	27,713
Deferred pension outflows (note 7)	786,307	403,975
Total deferred outflows of resources	863,919	431,688
Current liabilities:		
Accounts payable and accrued expenses	544,336	773,061
Accrued salaries and benefits	33,003	24,988
Long-term liabilities – due within one year:		
Compensated absences (note 4)	108,890	109,610
Leases payable (note 5)	16,120	111,079
Total current liabilities	702,349	1,018,738
Non-current liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences (note 4)	202,224	203,561
Leases payable (note 5)	35,689	51,809
Net OPEB liability (note 6)	269,751	327,097
Net pension liability (note 7)	1,720,196	776,209
Employee compensation plan (note 8)	389,475	310,488
Total non-current liabilities	2,617,335	1,669,164
Total liabilities	3,319,684	2,687,902
Deferred inflows of resources:		
Deferred OPEB inflows (note 6)	124,530	1,316
Deferred pension inflows (note 7)	9,726	677,592
Total deferred inflows of resources	134,256	678,908
Net position: (note 11)		
Net investment in capital assets	196,878	323,330
Unrestricted	12,827,606	10,346,593
Total net position	\$ 13,024,484	10,669,923

See accompanying notes to the basic financial statements

Chino Basin Watermaster
Statements of Revenues, Expenses, and Changes in Net Position
For the Fiscal Years Ended June 30, 2023 and 2022

	2023	2022
Operating revenues:		
Administrative assessments	\$ 10,224,632	9,168,121
Replenishment water revenue	317,476	1,693,689
Other revenue	189,895	177,930
Total operating revenue	10,732,003	11,039,740
Operating expenses:		
Groundwater replenishment and other water purchases	314,012	35,030
Optimum basin management plan	4,132,948	5,346,729
Watermaster administration	3,123,736	2,436,714
Pool, advisory, and board administration	825,873	845,408
Total operating expense	8,396,569	8,663,881
Operating income before depreciation	2,335,434	2,375,859
Depreciation expense	(143,842)	(141,357)
Operating income	2,191,592	2,234,502
Non-operating revenue (expense):		
Reserve distribution	(177,379)	(462,713)
Interest expense	(621)	(5,263)
Investment returns	340,969	(100,590)
Total non-operating revenue (expense), net	162,969	(568,566)
Changes in net position	2,354,561	1,665,936
Net position, beginning of period (note 10)	10,669,923	9,003,987
Net position, end of period	\$ 13,024,484	10,669,923

See accompanying notes to the basic financial statements

**Chino Basin Watermaster
Statements of Cash Flows
For the Fiscal Years Ended June 30, 2023 and 2022**

	2023	2022
Cash flows from operating activities:		
Receipts from stakeholders	\$ 10,647,709	10,114,093
Payments to employees for salaries and wages	(1,743,601)	(1,398,422)
Payments to vendors for materials and services	(6,911,560)	(7,043,611)
Net cash provided by operating activities	1,992,548	1,672,060
Cash flows from non-capital financing activities:		
Payments for non-operating expenses	(177,379)	(462,713)
Net cash used in non-capital financing activities	(177,379)	(462,713)
Cash flows from capital financing activities:		
Acquisition of capital assets	(17,390)	(87,439)
Principal paid on capital lease payables	(111,079)	(102,830)
Interest paid on capital lease payables	(621)	(5,263)
Net cash used in capital financing activities	(129,090)	(195,532)
Cash flows from investing activities:		
Investment returns	289,062	(114,114)
Net cash provided by (used in) investing activities	289,062	(114,114)
Net increase in cash and cash equivalents	1,975,141	899,701
Cash and cash equivalents, beginning of year	11,742,546	10,842,845
Cash and cash equivalents, end of year	\$ 13,717,687	11,742,546

Continued on next page

See accompanying notes to the basic financial statements

Chino Basin Watermaster
Statements of Cash Flows, continued
For the Fiscal Years Ended June 30, 2023 and 2022

	2023	2022
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 2,191,592	2,234,502
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	143,842	141,357
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:		
(Increase) decrease in assets and deferred outflows of resources:		
Accounts receivable	(84,294)	(925,647)
Prepaid expenses and other current assets	(24,570)	12,738
Deferred outflows of resources	(432,231)	40,249
Increase (decrease) in liabilities and deferred inflows of resources:		
Accounts payable and accrued expense	(228,725)	103,027
Accrued salaries and benefits	8,015	(39,455)
Compensated absences	(2,057)	44,275
Total OPEB liability	(57,346)	10,118
Net pension liability	943,987	(655,148)
Employee compensation plan	78,987	63,120
Deferred inflows of resources	(544,652)	642,924
Total adjustments	(199,044)	(562,442)
Net cash provided by operating activities	\$ 1,992,548	1,672,060

See accompanying notes to the basic financial statements

**Chino Basin Watermaster
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2023 and 2022**

(1) Reporting Entity and Summary of Significant Accounting Policies

A. Organization and Operations of the Reporting Entity

The Chino Basin Watermaster (“Watermaster”) was established under a judgment entered in the Superior Court of the State of California for the County of San Bernardino as a result of Case No. RCV 51010 (formerly Case No. SCV 164327) entitled “Chino Basin Municipal Water District v. City of Chino, et al.”, signed by the Honorable Judge Howard B. Weiner on January 27, 1978. The effective date of this Judgment for accounting and operations was July 1, 1977.

Pursuant to the Judgment, the Chino Basin Municipal Water District (CBMWD) five-member Board of Directors was initially appointed as “Watermaster”. Their term of appointment as Watermaster was for five years, and the Court, by subsequent orders, provided for successive terms, or for a successor Watermaster. Pursuant to a recommendation of the Advisory Committee, the Honorable J. Michael Gunn appointed a nine-member board as Watermaster on September 28, 2000.

Under the Judgment, three Pool committees were formed: (1) Overlying (Agricultural) Pool which includes the State of California and all producers of water for overlying uses other than industrial or commercial purposes; (2) Overlying (Non-Agricultural) Pool which represents producers of water for overlying industrial or commercial purposes; and (3) Appropriative Pool which represents cities, districts, other public or private entities, and utilities. The three Pool committees act together to form the “Advisory Committee.”

The Watermaster provides the Chino Groundwater Basin service area with services which primarily include: Accounting for water appropriations and components of acre-footage of stored water by agency, purchase of replenishment water, groundwater monitoring, and implementation of special projects.

Watermaster expenditures are allocated to the pools based on the prior year’s production volume (or the same percentage used to set the annual assessments). Allocations for fiscal year 2022-2023 expenses are based on the 2021-2022 production volume.

Production volume	Fiscal Year 2023		Fiscal Year 2022	
	Acre Feet	Percentage	Acre Feet	Percentage
Appropriative Pool	68,788	77.41%	75,398	75.61%
Agricultural Pool	17,082	19.22%	21,304	21.36%
Non-agricultural Pool	2,995	3.37%	3,014	3.02%
Total production volume	88,865	100.00%	99,716	100.00%

The Agricultural Pool members ratified an agreement with the Appropriative Pool at their meeting of June 16, 1988, wherein the Appropriative Pool assumes Agricultural Pool administrative expenses and special project cost allocations in exchange for an accelerated transfer of un-pumped agricultural water to the Appropriative Pool. In addition, the Agricultural Pool transferred all pool administrative reserves at June 30, 1988, to the Appropriative Pool effective July 1, 1988.

In July of 2000, the principal parties in the Basin signed an agreement, known as the Peace Agreement, which among other things formalized the commitment of the Basin parties to implement an Optimum Basin Management Program. The Peace Agreement was signed by all the parties, and the Court has approved the agreement and ordered the Watermaster to proceed in accordance with the terms of the agreement. The Court has approved revisions to the Chino Basin Watermaster Rules and Regulations.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

B. Basis of Accounting and Measurement Focus

The Watermaster 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 Watermaster is that the costs of providing water to its service area 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 replenishment water revenues and groundwater replenishment, result from exchange transactions associated with the principal activity of the Watermaster. 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 expenses not included in the above categories are reported as non-operating revenues and expenses.

C. Financial Reporting

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

The Watermaster has adopted the following GASB pronouncements in the current year:

In May 2019, the GASB issued Statement No. 91 – *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements.

This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

The requirements of this Statement were effective for reporting periods beginning after December 15, 2021; however, in light of the COVID-19 pandemic, the effective date has been postponed by one year. Earlier application is encouraged.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

C. Financial Reporting, continued

In March 2020, the GASB issued Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged.

In May 2020, the GASB issued Statement No. 96 – *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

1. Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, and deferred inflows, and disclosures of contingent assets, deferred outflows, liabilities, and deferred inflows at the date of the financial statements and the reported changes in net position during the reporting period. Actual results could differ from those estimates.

2. Cash and Cash Equivalents

Substantially all the Watermaster’s cash is invested in interest-bearing accounts. The Watermaster considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

3. Investments

The Watermaster has adopted an investment policy directing the General Manager to invest and reinvest funds subject to the provisions of the Watermaster's Investment Policy and the ongoing review and control of the Watermaster and the Watermaster Advisory Committee in accordance with California Government Code section 53600.

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.

4. Accounts Receivable and Allowance for Uncollectible Accounts

The Watermaster extends credit to customers in the normal course of operations. Management has determined that all amounts are considered collectable. As a result, the Watermaster has not recorded an allowance for doubtful accounts as of June 30, 2023 and 2022, respectively.

5. 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.

6. Capital Assets

Capital assets acquired and/or constructed are capitalized at historical cost. Donated assets are recorded at estimated fair market 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.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Computer equipment and software	5 years
Office furniture and fixtures	7 years
Leasehold improvements	10 years
Automotive equipment	7 years

Leased assets are amortized on a straight-line basis over the life of the lease term.

7. Deferred Outflows of Resources

The statements of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents the consumption of net assets applicable to future periods and, therefore, will not be recognized as an outflow of resources (expenditure) until that time. The Watermaster has the following items that qualify for reporting in this category:

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

7. Deferred Outflows of Resources, continued

Post-Employment Benefits Other Than Pensions (OPEB)

- Deferred outflow for the net change in assumptions which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with post-employment benefits through the Plan.
- Deferred outflow which is equal to the employer contributions made after the measurement date of the total OPEB liability. This amount will be amortized-in-full against the total OPEB liability in the next fiscal year.

Pensions

- Deferred outflow which is equal to the employer contributions made after the measurement date of the net pension liability. This amount will be amortized-in-full against the net pension liability in the next fiscal year.
- Deferred outflow for the net difference between the actual and expected experience which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.
- Deferred outflow for the net difference in actual and proportionate share of employer contribution which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.
- Deferred outflow for the net adjustment due to the changes in proportions of the net pension liability which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.

8. Compensated Absences

The Watermaster's policy is to permit eligible employees to accumulate earned vacation up to a total of 320 hours. Employees may receive pay in lieu of using vacation for up to one-half of their annual vacation accrual if: (1) within the prior twelve months, the employee has used vacation in an amount equal to at least half of their annual vacation accrual rate; and (2) the employee has a minimum remaining accrued vacation balance of at least 40 hours. Eligible employees accrue and accumulate sick leave based on Watermaster policy. Twice a year, employees may buy-back accrued sick leave at 50% of their current pay provided that at least 480 hours of accrued sick leave remain after the cash-out. Upon termination of employment, employees are paid all unused vacation. Unused sick time is paid out based on Watermaster policy.

9. Pensions

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 Watermaster's California Public Employees' Retirement System (CalPERS) plans (Plans) and addition to/deduction 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.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

9. Pensions, continued

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

- Valuation Dates: June 30, 2021 and 2020
- Measurement Dates: June 30, 2022 and 2021
- Measurement Periods: July 1, 2021 to June 30, 2022 and July 1, 2020 to June 30, 2021

10. Deferred Inflows of Resources

The statements of net position will sometimes report a separate section for deferred inflows of resources. This financial statement element, deferred inflows of resources, represents an acquisition of net assets applicable to future periods and, therefore, will not be recognized as an inflow of resources (revenue) until that time. The Watermaster has the following items that qualify for reporting in this category:

Post-Employment Benefits Other Than Pensions (OPEB)

- Deferred inflow for the net difference between the actual and expected experience which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with post-employment benefits through the Plan.

Pensions

- Deferred inflow for the net difference in projected and actual earnings on investments of the pension plan fiduciary net position. This amount is amortized over a 5-year period.

11. Water Production Assessments

Water Production Assessment categories include Administration, Optimum Basin Management Program, Special Projects, and Water Replenishment. Assessments are billed on a yearly basis.

12. Budgetary Policies

The Watermaster adopts an annual operational 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.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

13. Net Position

The financial statements utilize a net position presentation. Net position is categorized as follows:

- **Net investment in capital assets** – This component of net position consists of capital assets, net of accumulated depreciation and amortization, and reduced by outstanding balances of any debt, or other long-term borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- **Restricted** – This component of net position consists of assets that have restrictions placed upon their use by external constraints imposed either by creditors (debt covenants), grantors, contributors, or laws and regulations of other governments or constraints imposed by law through enabling legislation.
- **Unrestricted** – This component of net position consists of the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of the net *investment in capital assets* or *restricted* components of net position.

(2) Cash and Investments

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

	2022	2021
Cash and investments	\$ 13,717,687	11,742,546
Total cash and investments	\$ 13,717,687	11,742,546

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

	2022	2021
Cash on hand	\$ 500	500
Deposits with financial institutions	604,495	769,406
California CLASS Investment Pool	5,076,824	-
Local Agency Investment Fund (LAIF)	8,035,868	10,972,640
Total cash and investments	\$ 13,717,687	11,742,546

As of June 30, Watermaster’s authorized deposits had the following maturities:

	2022	2021
Deposits held with the California CLASS Investment Pool	76 days	-
Deposits held with the California Local Agency Investment Fund (LAIF)	260 days	311 days

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(2) Cash and Investments, continued

Investments Authorized by the California Government Code and the Watermaster's Investment Policy

The table below identifies the investment types that are authorized by the Watermaster in accordance with the California Government Code (or the Watermaster's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the Watermaster's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
State Obligations - CA and Others	5 years	None	None
CA Local Agency Obligations	5 years	None	None
U.S. Agency Obligations	5 years	None	None
Negotiable Certificates of Deposit	5 years	30%	None
Collateralize Bank Deposits	5 years	None	None
Corporate debt - Short and Long Term	5 years	None	None
Commercial Paper - Pooled Funds	270 days	40% of the	10%
Commercial Paper - Non-Pooled Funds	270 days	District's	
Repurchase agreements	1 year	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

Investment in California State Investment Pool

The Watermaster is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code Section 16429 and is under the management of the Treasurer of the State of California with oversight provided by the Local Agency Investment Advisory Board. The fair value of the Watermaster's investment in this pool is reported in the accompanying financial statements at amounts based upon the Watermaster's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Bank balances are secured by the pledging of a pool of eligible securities to collateralize the Watermaster's deposits with the bank in accordance with the Code.

The pool portfolio is invested in a manner that meets the maturity, quality, diversification, and liquidity requirements set forth by GASB 79 for external investment pools that elect to measure, for financial reporting purposes, investments at amortized cost. LAIF does not have any legally binding guarantees of share values. LAIF does not impose liquidity fees or redemption gates on participant withdrawals.

Investment in California CLASS

The Watermaster is a voluntary participant in the California CLASS (CLASS) that is regulated by the California Government Code Section 16429 and is a Joint Powers Authority investment pool that provides the opportunity to invest funds on a cooperative basis in rated pools that are managed in accordance with state law with the primary objectives of offering Participants safety, daily, and next day liquidity, and optimized returns.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(2) Cash and Investments, continued

Investment in California CLASS, continued

The fair value of the Watermaster's investment in this pool is reported in the accompanying financial statements at amounts based upon the Watermaster's pro-rata share of the fair value provided by CLASS for the entire CLASS portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the CLASS, which are recorded on an amortized cost basis. Bank balances are secured by the pledging of a pool of eligible securities to collateralize the Watermaster's deposits with the bank in accordance with the Code.

Custodial Credit Risk

The custodial credit risk for *deposits* is the risk that, in the event of 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 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. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

The California Government Code and the Watermaster'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 governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by public agencies. California law also allows financial institutions to secure Watermaster deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2023 and 2022, bank balances are federally insured up to \$250,000 and the remaining balance is collateralized in accordance with the Code.

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 Watermaster 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 matures or comes close to maturity evenly over time as necessary to provide for cash flow requirements and liquidity needed for operations.

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; however, LAIF is not rated.

Concentration of Credit Risk

The Watermaster's investment policy contains no limitations on the amounts that can be invested in any one issuer as beyond that stipulated by the California Government Code. There were no investments in any one issuer (other than for U.S. Treasury securities, mutual funds, and external investment pools) that represented 5% or more of total Watermaster's investment at June 30, 2023 and 2022.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(3) Capital Assets

Changes in capital assets for 2023 were as follows:

	<u>Balance 2022</u>	<u>Additions</u>	<u>Disposals/ Transfers</u>	<u>Balance 2023</u>
Depreciable and leased assets:				
Computer equipment	\$ 37,703	-	-	37,703
Furniture and fixtures	206,560	17,390	-	223,950
Leasehold improvements	23,443	-	-	23,443
Vehicles and equipment	114,668	-	-	114,668
Leased building	355,479	-	-	355,479
Leased equipment	105,948	-	-	105,948
Total depreciable and leased assets	<u>843,801</u>	<u>17,390</u>	<u>-</u>	<u>861,191</u>
Accumulated depreciation and amortization:				
Computer equipment	(37,704)	-	-	(37,704)
Furniture and fixtures	(71,597)	(29,909)	-	(101,506)
Leasehold improvements	(23,443)	-	-	(23,443)
Vehicles and equipment	(80,239)	(11,437)	-	(91,676)
Leased building	(255,945)	(85,315)	-	(341,260)
Leased equipment	(51,543)	(17,181)	-	(68,724)
Total accumulated depreciation and amortization	<u>(520,471)</u>	<u>(143,842)</u>	<u>-</u>	<u>(664,313)</u>
Total capital assets, net	<u>\$ 323,330</u>			<u>196,878</u>

In fiscal year 2023, major depreciable capital asset additions consist of furniture and fixtures.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(3) Capital Assets, continued

Changes in capital assets for 2022 were as follows:

	As Restated			
	Balance		Disposals/	Balance
	2021	Additions	Transfers	2022
Depreciable and leased assets:				
Computer equipment	\$ 37,703	-	-	37,703
Furniture and fixtures	119,121	87,439	-	206,560
Leasehold improvements	23,443	-	-	23,443
Vehicles and equipment	114,668	-	-	114,668
Leased building	355,479	-	-	355,479
Leased equipment	105,948	-	-	105,948
Total depreciable and leased assets	<u>756,362</u>	<u>87,439</u>	<u>-</u>	<u>843,801</u>
Accumulated depreciation and amortization:				
Computer equipment	(37,704)	-	-	(37,704)
Furniture and fixtures	(44,172)	(27,425)	-	(71,597)
Leasehold improvements	(23,443)	-	-	(23,443)
Vehicles and equipment	(68,803)	(11,436)	-	(80,239)
Leased building	(170,630)	(85,315)	-	(255,945)
Leased equipment	(34,362)	(17,181)	-	(51,543)
Total accumulated depreciation and amortization	<u>(379,114)</u>	<u>(141,357)</u>	<u>-</u>	<u>(520,471)</u>
Total capital assets, net	<u>\$ 377,248</u>			<u>323,330</u>

In fiscal year 2023, major depreciable capital asset additions consist of furniture and fixtures.

(4) Compensated Absences

Changes to compensated absences for 2023 were as follows:

Balance			Balance	Due Within	Due in more
2022	Additions	Deletions	2023	One Year	than one year
\$ 313,171	265,172	(267,229)	311,114	108,890	202,224

Changes to compensated absences for 2022 were as follows:

Balance			Balance	Due Within	Due in more
2021	Additions	Deletions	2022	One Year	than one year
\$ 268,896	239,604	(195,329)	313,171	109,610	203,561

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(5) Leases Payable

The change in leases payable for 2023 was as follows:

	<u>Balance 2022</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance 2023</u>	<u>Current Portion</u>	<u>Long Term Portion</u>
Leases payable:						
Cucamonga Valley Water District – Office Building	111,472	-	(95,084)	16,388	-	16,388
Advanced Office – Ricoh Copiers	51,416	-	(15,995)	35,421	16,120	19,301
Total leases payable	<u>162,888</u>	<u>-</u>	<u>(111,079)</u>	<u>51,809</u>	<u>16,120</u>	<u>35,689</u>

The change in leases payable for 2022 was as follows:

	<u>As Restated Balance 2021</u>	<u>Additions</u>	<u>Payments</u>	<u>As Restated Balance 2022</u>	<u>Current Portion</u>	<u>Long Term Portion</u>
Leases payable:						
Cucamonga Valley Water District – Office Building	197,603	-	(86,131)	111,472	95,084	16,388
Advanced Office – Ricoh Copiers	68,115	-	(16,699)	51,416	15,995	35,421
Total leases payable	<u>265,718</u>	<u>-</u>	<u>(102,830)</u>	<u>162,888</u>	<u>111,079</u>	<u>51,809</u>

Cucamonga Valley Water District – Office Building

In September 2003, the Watermaster entered into an agreement with Cucamonga Valley Water District to rent office building space for the purpose of providing an administrative headquarters location for the Watermaster. Terms of the agreement commenced on September 1, 2003 with an initial 10 year term with automatic extension for 3 periods of 5 years through August 30, 2023. Terms of the agreement include base rent is due monthly at \$4,900 per month due on the 1st of each month. Base rent is adjusted annually based on the Consumer Price Index for Riverside and San Bernardino County. As of June 30, 2023 and 2022, rental payments amounted to \$95,635 and \$89,941, respectively.

Following the guidelines of *GASB Statement No. 87*, the Watermaster recorded a right-to-use asset and a lease payable at present value using an interest rate of 2.40%. The right-to-use asset is amortized on a straight-line basis over the term of the lease.

Annual lease payments are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 16,388	49	16,437
Total	16,388	49	16,437
Current	(16,388)		
Long-term	\$ -		

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(5) Leases Payable, continued

Advanced Office – Ricoh Copiers

In October 2019, the Watermaster entered into an agreement with Advanced Office for the purpose of acquiring two Ricoh copy machines. Terms of the agreement commenced in July 2019 and matures in August 2025. As of June 30, 2023 and 2022, rental payments amounted to \$16,065 and \$18,152, respectively.

Following the guidelines of *GASB Statement No. 87*, the Watermaster recorded a right-to-use asset and a lease payable at present value using an interest rate of 2.40%. The right-to-use asset is amortized on a straight-line basis over the term of the lease.

Annual lease payments are as follows:

Year	Principal	Interest	Total
2024	\$ 16,120	674	16,794
2025	16,511	282	16,793
2026	2,790	8	2,798
Total	35,421	964	36,385
Current	(16,120)		
Long-term	\$ 19,301		

(6) Other Post-Employment Benefits Payable

Plan Description

The Watermaster’s defined benefit other post-employment benefit (OPEB) plan (Plan) provides OPEB for all permanent and vested full-time employees. The Plan is a single-employer defined benefit OPEB plan administered by the Watermaster. The Watermaster’s Board has the authority to establish and amend the benefit terms and financing requirements of the Plan. Watermaster participates in a CalPERS Health Program, a community-rated program for its medical coverage. Watermaster does not have an OPEB trust established and no assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

The Plan provides a contribution equal to 50% for eligible retirees and surviving spouses in receipt of a pension benefit from CalPERS. An employee is eligible for this employer contribution provided they are vested in their CalPERS pension benefit and commence payment of their pension benefit within 120 days of retirement from the Watermaster.

Vesting requires at least 5 years of CalPERS total service. The surviving spouse of an eligible retiree who elected spouse coverage under CalPERS is eligible for the employer contribution upon death of the retiree. Board members during or prior to 1994 are also eligible for Watermaster contribution at retirement.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(6) Other Post-Employment Benefits Payable, continued

Employee Covered by Benefit Terms

As of June 30, 2023 and 2022, the following employees were covered by the benefit terms:

	2023	2022
Active employees	10	10
Inactive employees or beneficiaries currently receiving benefit payments	2	2
Total plan membership	12	12

Total OPEB Liability

The Watermaster’s total OPEB liability of \$269,751 and \$327,097 was measured as of December 31, 2022 and 2021, respectively, and was determined by an actuarial valuation as of December 31, 2021.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2023 and 2022, actuarial valuation, which was measured at December 31, 2022 and 2021, respectively, was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation dates	December 31, 2021 and December 31, 2021
Measurement dates	December 31, 2022 and December 31, 2021
Actuarial cost method	Entry Age Normal cost method in accordance with the requirements of GASB Statement No. 75
Inflation	2023: 2.50% per annum 2022: 2.50% per annum
Salary increases	2023: 2.75% per annum, in aggregate 2022: 2.75% per annum, in aggregate
Discount rate	3.72% and 2.06% as of June 30, 2023 and 2022, respectively; the discount rate is based on the resulting rate using the average of 3-20 year municipal bond rate indices: S&P Municipal Bond 20-Year High Grade Rate Index, Bond Buyer Go 20 - Municipal Bond Index, Fidelity 20-year Go Municipal Bond Index
Healthcare cost trend rates	2023: 4.00% 2022: 4.00%

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(6) Other Post-Employment Benefits Payable, continued

Changes in the Total OPEB Liability

	Total OPEB Liability 2023	Total OPEB Liability 2022
Balance at beginning of year	\$ 327,097	316,979
Changes during the year:		
Service cost	22,310	23,695
Interest	6,834	6,925
Experience (gains)/losses	-	24,211
Changes in assumptions	(73,528)	(40,381)
Benefit payments	(12,962)	(4,332)
Net change	(57,346)	10,118
Balance at end of year	\$ 269,751	327,097

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

The following presents the total OPEB liability of the Watermaster as of June 30, 2023, as well as what the Watermaster's total OPEB 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 discount rate:

	Discount Rate - 1% 2.72%	Current Discount Rate 3.72%	Discount Rate + 1% 4.72%
Net OPEB liability \$	312,190	269,751	240,421

The following presents the total OPEB liability of the Watermaster as of June 30, 2022, as well as what the Watermaster's total OPEB 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 discount rate:

	Discount Rate - 1% 1.06%	Current Discount Rate 2.06%	Discount Rate + 1% 3.06%
Net OPEB liability \$	380,441	327,097	284,272

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(6) Other Post-Employment Benefits Payable, continued

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

The following presents the net OPEB liability of the Watermaster as of June 30, 2023, as well as what the Watermaster's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease Healthcare cost trend rates 3.00%	Current Healthcare cost trend rates 4.00%	1% Increase Healthcare cost trend rates 5.00%
Net OPEB liability \$	227,558	269,751	320,536

The following presents the net OPEB liability of the Watermaster as of June 30, 2022, as well as what the Watermaster's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease Healthcare cost trend rates 3.00%	Current Healthcare cost trend rates 4.00%	1% Increase Healthcare cost trend rates 5.00%
Net OPEB liability \$	274,662	327,097	395,569

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

For the fiscal years ended June 30, 2023 and 2022, the Watermaster recognized OPEB expense of \$15,969 and \$31,812, respectively. As of June 30, the Watermaster reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	2023		2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in assumptions	\$ 58,103	(20,580)	23,381	-
Difference between actual and expected experience	19,509	(103,950)	-	(1,316)
Contributions subsequent to measurement date	-	-	4,332	-
Total	\$ 77,612	(124,530)	27,713	(1,316)

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(6) Other Post-Employment Benefits Payable, continued

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

At June 30, 2023, there were amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB which are required to be recognized in OPEB expense over future periods. OPEB related amounts will be recognized as OPEB expense as follows:

Fiscal Year Ending June 30	Deferred Net Outflows/(Inflow) of Resources
2024	(4,548)
2025	(6,580)
2026	(4,070)
2027	(4,070)
2028	(4,070)
Thereafter	(23,580)

Schedule of Changes in the Watermaster’s Total OPEB Liability and Related Ratios
See page 44 for the Required Supplementary Schedule.

(7) Defined Benefit Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Watermaster’s Miscellaneous Employee Pension Plan, cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and Watermaster’s resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

Benefits Provided

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. Cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

On September 12, 2012, the California Governor signed the California Public Employees' Pension Reform Act of 2013 (PEPRA) into law. PEPRA took effect January 1, 2013. The new legislation closed the Watermaster’s CalPERS 2.5% at 55 Risk Pool Retirement Plan to new employee entrants effective December 31, 2012. All employees hired after January 1, 2013 are eligible for the Watermaster’s CalPERS 2.0% at 62 Retirement Plan under PEPRA.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(7) Defined Benefit Pension Plan, continued

Benefits provided, continued

The Watermaster participates in the Plan's miscellaneous risk pool. The provisions and benefits for the Plan's miscellaneous risk pool in effect at June 30, 2023 and 2022, are summarized as follows:

	Miscellaneous Plan	
	Classic	PEPRA
	Prior to	On or after
	January 1,	January 1,
Hire date	2013	2013
Benefit formula	2.5% @ 55	2.0% @ 62
Benefit vesting schedule	5 years of service	
Benefit payments	monthly for life	
Retirement age	50 - 55	52 - 67
Monthly benefits, as a percentage of eligible compensation	2.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates		
2023	7.96%	6.75%
2022	7.96%	6.75%
Required employer contribution rates		
2023	12.21%	7.47%
2022	12.20%	7.59%

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 July 1 following notice of the change in rate. Funding contributions for the Plan is 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 Watermaster is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the years ended June 30, the contributions recognized as part of pension expense for the Plan were as follows:

	Miscellaneous	
	2023	2022
Contributions – employer	\$ 282,363	258,881

Net Pension Liability

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

	2023	2022
Proportionate share of net pension liability	\$ 1,720,196	776,209

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(7) Defined Benefit Pension Plan, continued

Net Pension Liability, continued

The Watermaster’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, 2022 and 2021 (the measurement dates), 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, 2021 and 2020 (the valuation dates), rolled forward to June 30, 2022 and 2021, using standard update procedures.

The Watermaster’s proportion of the net pension liability was based on a projection of the Watermaster’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The Watermaster’s proportionate share of the pension liability for the Plan’s miscellaneous risk pool as of the measurement date June 30, 2022 was as follows:

	<u>Miscellaneous</u>
Proportion – June 30, 2021	0.01435%
Increase in proportion	0.00054%
Proportion – June 30, 2022	0.01489%

The Watermaster’s proportionate share of the pension liability for the Plan’s miscellaneous risk pool as of the measurement date June 30, 2021 was as follows:

	<u>Miscellaneous</u>
Proportion – June 30, 2020	0.01316%
Increase in proportion	0.00120%
Proportion – June 30, 2021	0.01435%

Deferred Pension Outflows (Inflows) of Resources

For the fiscal years ended June 30, 2023 and 2022, the Watermaster recognized pension (credit) expense of \$(106,211) and 269,544, respectively.

At June 30, 2023, other amounts reported as deferred outflows and inflows of resources related to the pensions, which will be recognized as pension expense as follows:

Fiscal Year Ending June 30,	Deferred Net Outflows/(Inflows) of Resources
2024	\$ 138,125
2025	108,634
2026	54,736
2027	192,722

As of June 30, 2023 and 2022, employer pension contributions reported as deferred outflows of resources related to contributions subsequent to the measurement date of \$282,363 and \$258,881, respectively, and will be and were recognized as a reduction of the net pension liability in the fiscal years ended June 30, 2024 and 2023, respectively.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(7) Defined Benefit Pension Plan, continued

Deferred Pension Outflows (Inflows) of Resources, continued

As of June 30, 2023 and 2022, the Watermaster reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>2023</u>		<u>2022</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to the measurement date	\$ 282,363	-	258,881	-
Differences between actual and expected experience	11,408	-	87,044	-
Changes in assumptions	176,270	-	-	-
Net difference between projected and actual earnings on plan investments	315,094	-	-	(677,592)
Differences between actual contribution and proportionate share of contribution	-	(9,726)	10,051	-
Net adjustment due to differences in proportions of net pension liability	1,172	-	47,999	-
Total	<u>\$ 786,307</u>	<u>(9,726)</u>	<u>403,975</u>	<u>(677,592)</u>

Actuarial assumptions

The total pension liabilities in the June 30, 2021 and 2020, actuarial valuations were determined using the following actuarial assumptions and methods:

Valuation dates	June 30, 2020 and 2021
Measurement dates	June 30, 2021 and 2022
Actuarial cost method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial assumptions:	
Discount rate	2021: 7.15% and 2022: 6.90%
Inflation rate	2021: 2.50% and 2022: 2.30%
Salary increases	Varies by Entry Age and Service
Mortality Rate Table*	Derived using CalPERS' Membership Data for all Funds
Period Upon Which Actuarial Experience Survey Assumptions Were Based	1997-2015
Post Retirement Benefit Increase	Contract COLA up to 2.50% (2022) and 2.30% (2021) until Purchasing Power Protection Allowance Floor on Purchasing Power applies

* The mortality table used was developed based on CalPERS' specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvements using 80% of Scale MP 2020, published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study that can be found on the CalPERS website.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(7) Defined Benefit Pension Plan, continued

Discount Rate

The discount rate used to measure the total pension liability for PERF C was 6.90% and 7.15% in 2023 and 2022, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability. This discount rate is not adjusted for administrative expenses.

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

The table below reflects the expected real rates of return by asset class.

<u>Asset Class</u>	<u>Assumed Asset Classification</u>	<u>Real Return 1-10^{1,2}</u>
Global Equity - Cap-weighted	30.00%	4.54%
Global Equity Non-Cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%

¹ An expected inflation of 2.30% used for this period.

² Figures are based on the 2021-22 Asset Liability Management Study.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(7) Defined Benefit Pension Plan, continued

Sensitivity of the Proportionate Share of Net Pension Liability to Changes in the Discount Rate

The following table presents the Watermaster’s proportionate share of the net position liability for the Plan, calculated using the discount rate, as well as what the Watermaster’s proportional share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

As of June 30, 2023, the Watermaster’s net pension liability at the current discount rate, using a discount rate that is one-percentage point lower, and using a discount rate that is one-percentage point higher, is as follows:

	Discount Rate - 1% 5.90%	Current Discount Rate 6.90%	Discount Rate + 1% 7.90%
Net pension liability	\$ <u>2,692,428</u>	<u>1,720,196</u>	<u>920,289</u>

As of June 30, 2022, the Watermaster’s net pension liability at the current discount rate, using a discount rate that is one-percentage point lower, and using a discount rate that is one-percentage point higher, is as follows:

	Discount Rate - 1% 6.15%	Current Discount Rate 7.15%	Discount Rate + 1% 8.15%
Net pension liability	\$ <u>1,610,485</u>	<u>776,209</u>	<u>86,525</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in separately issued CalPERS financial reports. See pages 45 through 47 for the Required Supplementary Information.

(8) Nonqualified Employee Compensation Plan

Effective June 1, 2015, the Watermaster established a Nonqualified Deferred Compensation Plan (Plan). The purpose of this Plan is to provide deferred compensation for selected public employees to participate in the Plan. The Plan is intended to be an unfunded deferred compensation plan that complies with the requirements of Section 457(f) and 409A of the Internal Revenue Code of 1986. Each Plan Participant shall be entitled to elect and forego all or any portion, as either a dollar amount or a percentage, of the Participant’s salary and/or bonus that may become payable by the Employer for a Plan year after all applicable deductions and withholdings. Such election shall be evidenced by a deferral agreement.

During the fiscal years ended June 30, 2023 and 2022, the Watermaster made an employer contributions of \$78,988 and \$63,120, respectively, to the Plan for the benefit of its eligible employees.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(8) Nonqualified Employee Compensation Plan, continued

For each of Watermaster's regular payroll periods beginning on and after July 1, 2015 through the remainder of the employment term (from June 30, 2014 up to the expiration date of June 30, 2017), the Watermaster agreed to make an employer contributions to the Plan for the benefit of the eligible employee equal to 8% of the corresponding salary including any incentive compensation paid during that payroll period; provided that the eligible employee is still employed with Watermaster on the payday of that payroll period.

On June 22, 2017, Watermaster agreed to make an employer contribution to the Plan for the benefit of another eligible employee equal to 4% of the corresponding salary effective for payroll period following July 1, 2017; and shall continue to be provided on each paycheck date thereafter until the Board takes further action.

The balance of the Watermaster's Employee Compensation Plan as of June 30, 2023 and 2022 amounted to \$389,475 and \$310,488, respectively.

(9) Deferred Compensation Savings Plan

For the benefit of its employees, the Watermaster participates in a 457 Deferred Compensation Program (Program). The purpose of this Program is to provide deferred compensation for public employees that elect to participate in the Program. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the Watermaster is in compliance with this legislation. Therefore, these assets are not the legal property of the Watermaster, and are not subject to claims of the Watermaster's general creditors. Market value of all plan assets held in trust as of June 30, 2023 and 2022 was \$2,198,227 and \$2,017,380, respectively.

The Watermaster has implemented GASB Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. Since the Watermaster has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not shown on the statement of net position.

(10) Adjustments to Net Position

In fiscal year 2022, the Watermaster implemented *GASB Statement No. 87* to recognize its lessee arrangements. As a result of the implementation, the Watermaster recognized the lease right-to-use assets and lease payables and recorded prior period adjustments, a decrease to net position, of \$6,174 and \$3,109 at June 30, 2021 and 2020, respectively.

In fiscal year 2021, the Watermaster determined compensated absences were overstated. As a result, the Watermaster has recorded a prior period adjustment to restate compensated absences. The effect of the above change is summarized as follows:

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(10) Adjustments to Net Position, continued

	Net Position
Net position at July 1, 2018, as previously stated	\$ 9,767,437
Effect of 2019 compensated absence adjustment	120,725
Change in net position at June 30, 2019	(1,612,215)
Net position at June 30, 2019, as restated	8,275,947
Effect of 2020 compensated absence adjustment	12,273
Effect of 2020 <i>GASB Statement No. 87</i> lease adjustments	(3,109)
Change in net position at June 30, 2020	(262,123)
Net position at June 30, 2020, as restated	\$ 8,022,988
Effect of 2021 <i>GASB Statement No. 87</i> lease adjustments	(6,174)
Change in net position at June 30, 2021	987,173
Net position at June 30, 2021, as restated	\$ 9,003,987

(11) Net Position

Calculation of net position as of June 30, is as follows:

	2022	2021
Net investment in capital assets:		
Capital assets, net	\$ 196,878	323,330
Total net investment in capital assets	196,878	323,330
Restricted:		
Restricted – cash and cash equivalents	-	-
Total restricted	-	-
Unrestricted:		
Non-spendable net position:		
Prepaid expenses and deposits	51,784	27,214
Total non-spendable net position	51,784	27,214
Spendable net position:		
Undesignated net position reserve	12,775,822	10,319,379
Total spendable net position	12,775,822	10,319,379
Total unrestricted net position	12,827,606	10,346,593
Total net position	\$ 13,024,484	10,669,923

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(12) Risk Management

The Watermaster is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Watermaster is insured for a variety of potential exposures. The following is a summary of the insurance policies carried by the Watermaster as of June 30, 2023:

- Commercial General Liability: \$2,000,000 General Aggregate Limit (Other than Products/Completed Operations); \$2,000,000 Products/Completed Operations Aggregate Limit (Any One Person or Organization); \$1,000,000 Personal and Advertising Injury Limit; \$1,000,000 Each Occurrence Limit; \$300,000 Rented To You Limit; \$15,000 Medical Expenses Limit (Any One Person).
- Commercial Excess Liability: Limits of Liability are \$10,000 Retained Limit, \$8,000,000 Each Occurrence, \$8,000,000 General Aggregate Limit, \$8,000,000 Products/Completed Operations to Aggregate.
- Automobile: \$1,000,000 Combined Bodily Injury and Property Damage Single Limit (Each Accident); \$1,000,000 Uninsured Motorists Single Limit. \$1,000 deductible for Comprehensive and \$1,000 deductible for Collision.
- Property: \$525,000 with liability limits varying by property type with a \$1,000 deductible.
- Crime coverage: \$50,000 per claim with a \$1,000 deductible.
- Director & Officers Liability: \$1,000,000 Liability Coverage; Employment Practices Liability: \$1,000,000 Liability Coverage. Director and Officer/Crisis Management: \$25,000 to \$100,000 with liability limits varying by type of coverage.
- Workers' compensation: Total annual premium is \$8,607.

(13) Governmental Accounting Standards Board Statements Issued, Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2023, that have effective dates that may impact future financial presentations.

Governmental Accounting Standards Board Statement No. 99

In April 2022, the GASB issued Statement No. 99 – *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(13) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued

Governmental Accounting Standards Board Statement No. 100

In June 2022, the GASB issued Statement No. 100 – *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 101

In June 2022, the GASB issued Statement No. 101 – *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2023 and 2022

(14) Commitments and Contingencies

Grant Awards

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

Litigation

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

(15) Subsequent Events

Events occurring after June 30, 2023, have been evaluated for possible adjustment to the financial statements or disclosure as of October 26, 2023, which is the date the financial statements were available to be issued.

< Page Intentionally Left Blank >

DRAFT

Required Supplementary Information

DRAFT

DRAFT

Chino Basin Watermaster
Schedules of Changes in the Watermaster's Total OPEB Liability and Related Ratios
As of June 30, 2023
Last Ten Years*

Total OPEB liability	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Service cost	\$ 22,310	23,695	23,005	17,062	18,418	16,048
Interest	6,834	6,925	9,009	8,739	7,571	7,073
Change in assumptions	(73,528)	(40,381)	59,799	17,923	(17,582)	14,256
Experience (gains)/losses	-	24,211	(26,687)	-	-	-
Benefit payments	<u>(12,962)</u>	<u>(4,332)</u>	<u>(2,932)</u>	<u>(3,722)</u>	<u>(2,423)</u>	<u>(2,308)</u>
Net change in total OPEB liability	<u>(57,346)</u>	10,118	62,194	40,002	5,984	35,069
Total OPEB liability – beginning of year	<u>327,097</u>	<u>316,979</u>	<u>254,785</u>	<u>214,783</u>	<u>208,799</u>	<u>173,730</u>
Total OPEB liability – end of year	<u>\$ 269,751</u>	<u>327,097</u>	<u>316,979</u>	<u>254,785</u>	<u>214,783</u>	<u>208,799</u>
Covered payroll	1,311,262	1,246,404	1,198,184	1,091,719	1,031,755	860,266
Total OPEB liability as a percentage of covered payroll	<u>20.57%</u>	<u>26.24%</u>	<u>26.45%</u>	<u>23.34%</u>	<u>20.82%</u>	<u>24.27%</u>

Notes to schedule:

Changes in benefit terms: None noted.

Changes in assumptions: The changes in actuarial assumptions include changes in discount rates as follows:

- Fiscal year 2018: 3.38%
- Fiscal year 2019: 3.80%
- Fiscal year 2020: 3.26%
- Fiscal year 2021: 2.12%
- Fiscal year 2022: 2.06%
- Fiscal year 2023: 3.72%

* The Watermaster has presented information for those years for which information is available until a full 10-year trend is compiled.

Chino Basin Watermaster
Schedules of the Watermaster's Proportionate Share of the Net Pension Liability
As of June 30, 2023
Last Ten Years*

Description	Measurement Dates									
	06/30/22	06/30/21	06/30/20	06/30/19	06/30/18	06/30/17	06/30/16	06/30/15	06/30/14	06/30/13
Watermaster's proportion of the net pension liability	0.01489%	0.01435%	0.01316%	0.01277%	0.01233%	0.01221%	0.01206%	0.01182%	0.00988%	0.00988%
Watermaster's proportionate share of the net pension liability	\$ 1,720,196	776,209	1,431,357	1,308,658	1,188,162	1,210,470	1,043,862	811,437	599,803	599,803
Watermaster's covered-employee payroll	\$ 1,311,262	1,246,404	1,198,184	1,091,719	1,031,755	860,266	979,741	888,483	726,672	726,672
Watermaster's proportionate share of the net pension liability as a percentage of its covered-employee payroll	131.19%	62.28%	119.46%	119.87%	115.16%	140.71%	106.54%	91.33%	82.54%	82.54%
Plan's proportionate share of fiduciary net position as a percentage of total pension liability	76.68%	88.29%	75.10%	75.26%	75.26%	73.31%	74.06%	83.46%	78.40%	78.40%

Notes to the Schedules of the Watermaster's Proportionate Share of Net Pension Liability

Changes in Benefit Terms

Public agencies can make changes to their plan provisions, and such changes occur on an ongoing basis. A summary of the plan provisions that were used for a specific plan can be found in the plan's annual valuation report.

changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions.

In fiscal year 2021, there were no changes to actuarial assumptions or methods.

Change of Assumptions and Methods

In fiscal year 2022, the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were

The CalPERS Board of Administration adopted a new amortization policy effective with the June 30, 2019, actuarial valuation. The new policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount. In addition, the new policy does not utilize a five-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy also does not utilize a five-year ramp-down on investment gains/losses.

Chino Basin Watermaster
Schedules of the Watermaster's Proportionate Share of the Net Pension Liability, continued
As of June 30, 2023
Last Ten Years*

Notes to the Schedules of the Watermaster's Proportionate Share of Net Pension Liability, continued

Change of Assumptions and Methods, continued

These changes will apply only to new UAL bases established on or after June 30, 2019. In fiscal year 2020, no changes have occurred to the actuarial assumptions in relation to financial reporting.

In fiscal year 2020, CalPERS implemented a new actuarial valuation software system for the June 30, 2018 valuation. This new system has refined and improved calculation methodology.

In December 2017, the CalPERS Board adopted new mortality assumptions for plans participating in the PERF. The new mortality table was developed from the December 2017 experience study and includes 15 years of projected ongoing mortality improvement using 90% of scale MP 2016 published by the Society of Actuaries. The inflation assumption is reduced from 2.75% to 2.50%.

The assumptions for individual salary increases and overall payroll growth are reduced from 3.00% to 2.75%. These changes will be implemented in two steps commencing in the June 30, 2017 funding valuation. However, for financial reporting purposes, these assumption changes are fully reflected in the results for fiscal year 2018.

In fiscal year 2017, the financial reporting discount rate for the PERF C was lowered from 7.65% to 7.15%. In December 2016, the CalPERS Board approved lowering the funding discount rate used in the PERF C from 7.50% to 7.00%, which is to be phased in over a three-year period (7.50% to 7.375%, 7.375% to 7.25%, and 7.25% to 7.00%) beginning with the June 30, 2016, valuation reports. The funding discount rate includes a 15 basis-point reduction for administrative expenses, and the remaining decrease is consistent with the change in the financial reporting discount rate.

In fiscal year 2015, the financial reporting discount rate was increased from 7.50% to 7.65% resulting from eliminating the 15 basis-point reduction for administrative expenses. The funding discount rate remained at 7.50% during this period, and remained adjusted for administrative expenses.

* The Watermaster has presented information for those years for which information is available until a full 10- year trend is compiled.

**Chino Basin Watermaster
Schedules of Pension Plan Contributions
As of June 30, 2023
Last Ten Years***

Description	Fiscal Years Ended									
	06/30/23	06/30/22	06/30/21	06/30/20	06/30/19	06/30/18	06/30/17	06/30/16	06/30/15	
Actuarially determined contribution	\$ 267,270	245,656	220,388	192,849	155,931	151,169	110,292	97,178	97,178	
Contributions in relation to the actuarially determined contribution	<u>(267,270)</u>	<u>(245,656)</u>	<u>(220,388)</u>	<u>(192,849)</u>	<u>(155,931)</u>	<u>(151,169)</u>	<u>(132,932)</u>	<u>(110,292)</u>	<u>(97,178)</u>	
Contribution deficiency (excess)	\$ -	-	-	-	-	-	(22,640)	(13,114)	-	
Covered payroll	\$ 1,311,262	1,246,404	1,198,184	1,091,719	1,031,755	860,266	979,741	888,483	726,672	
Contributions as a percentage of covered-employee payroll	<u>20.38%</u>	<u>19.71%</u>	<u>18.39%</u>	<u>17.66%</u>	<u>15.11%</u>	<u>17.57%</u>	<u>13.57%</u>	<u>12.41%</u>	<u>13.37%</u>	

Notes to the Schedules of Pension Plan Contributions

* The Watermaster has presented information for those years for which information is available until a full 10- year trend is compiled.

< Page Intentionally Left Blank >

DRAFT

Supplemental Information Section

DRAFT

DRAFT

Report on Internal Controls and Compliance

DRAFT

DRAFT

**Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on Audits of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Chino Basin Watermaster Board
Rancho Cucamonga, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Chino Basin Watermaster (Watermaster) as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprises the Watermaster's basic financial statements, and have issued our report thereon dated October 26, 2023.

Internal Control Over Financial Reporting

In planning and performing our audits of the financial statements, we considered the Watermaster's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Watermaster's internal control. Accordingly, we do not express an opinion on the effectiveness of the Watermaster's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audits we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Watermaster's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Independent Auditor’s Report on Internal Controls Over Financial Reporting
and on Compliance and Other Matters Based on Audits of Financial Statements
Performed in Accordance with *Government Auditing Standards*, (continued)**

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Watermaster’s internal control or on compliance. This report is an integral part of audits performed in accordance with *Government Auditing Standards* in considering the Watermaster’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

C.J. Brown & Company CPAs
Cypress, California
October 26, 2023

DRAFT

Chino Basin Watermaster

Management Report

June 30, 2023

DRAFT

Chino Basin Watermaster

Management Report

Table of Contents

<u>Item</u>	<u>Page No.</u>
General Introduction	1
Current Year Comment and Recommendation	1-2
Prior Year Comment and Recommendation	2
Appendix:	
Audit/Finance Committee Letter	1-5
Schedule of Audit Adjusting Journal Entries	6

DRAFT

CONFIDENTIAL

Watermaster Board
Chino Basin Watermaster
Rancho Cucamonga, California

Dear Members of the Board:

In planning and performing our audit of the financial statements of the governmental, business-type activities, and each major fund of the Chino Basin Watermaster (Watermaster) as of and for the year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, we considered the Watermaster's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the Watermaster's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Current Year Comment and Recommendation

Disclosure of Adjustments and Reclassifications

As your external auditor, we assume that the books and records of the Watermaster are properly adjusted before the start of the audit. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the Watermaster's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Watermaster Board to gain a full and complete understanding and appreciation of the scope and extent of the audit process we have presented these reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the journal entries that were made and to provide the Watermaster Board with a better understanding of the scope of the audit.

Management's Response

We have reviewed and approved all of the adjusting and reclassification entries provided by the auditor and have entered those entries into the Watermaster's accounting system to close-out the Watermaster's year-end trial balance.

Prior Year Comment and Recommendation

Disclosure of Adjustments and Reclassifications

As your external auditor, we assume that the books and records of the Watermaster are properly adjusted before the start of the audit. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the Watermaster's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Watermaster Board to gain a full and complete understanding and appreciation of the scope and extent of the audit process we have presented these reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the journal entries that were made and to provide the Watermaster Board with a better understanding of the scope of the audit.

Management's Response

We have reviewed and approved all of the adjusting and reclassification entries provided by the auditor and have entered those entries into the Watermaster's accounting system to close-out the Watermaster's year-end trial balance.

* * * * *

This communication is intended solely for the information and use of management, the Watermaster Board, and others within the Watermaster, and is not intended to be, and should not be, used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

We appreciate the courtesy and cooperation extended to us during our examination. We would be pleased to discuss the contents of this letter with you at your convenience. Please do not hesitate to contact us.

C.J. Brown & Company CPAs
Cypress, California
October 26, 2023

APPENDIX

Chino Basin Watermaster

Audit/Finance Committee Letter

June 30, 2023

DRAFT

Watermaster Board
Chino Basin Watermaster
Rancho Cucamonga, California

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Chino Basin Watermaster (Watermaster) for the year ended June 30, 2023, and have issued our report thereon dated October 26, 2023.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 11, 2023, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Watermaster solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

If any, we have provided our findings regarding significant control deficiencies over financial reporting and material noncompliance, and other matters noted during our audit in a separate letter to you dated October 26, 2023.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

An auditor that is not involved in the engagement performed an independent review of the financial statements that was prepared by us based on the information provided by management. This safeguard reduces the threat of self-review risk to an acceptable level.

Required Risk Assessment Procedures per Auditing Standards

As auditors of the Watermaster, we are required per AU-C Section 240, “Consideration of Fraud in a Financial Statement Audit”, to “ordinarily” presume and consider the following risks in designing our audit procedures:

- Management override of controls
- Revenue recognition

Qualitative Aspects of the Entity’s Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Watermaster is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no other changes in significant accounting policies or their application during 2023. No other matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management’s current judgments. The most sensitive accounting estimates affecting the financial statements are as follows:

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

Management’s estimate of capital assets depreciation is based on historical estimates of each capitalized item’s useful life expectancy or cost recovery period. We evaluated the key factors and assumptions used to develop the capital asset depreciation calculations in determining that they are reasonable in relation to the financial statements taken as a whole.

Management’s estimate of the net other post-employment benefit (OPEB) liability is based on an actuarial valuation that was conducted by a third-party actuary. We evaluated the basis, methods, and assumptions used by the actuary in calculating the net OPEB liability, OPEB expense, and deferred OPEB outflows/inflows for the Watermaster to determine that they are reasonable in relation to the financial statements taken as a whole.

Management’s estimate of the defined benefit pension plan’s deferred outflows of resources, net pension liability, and deferred inflows of resources are based on an actuarial valuation of these amounts which was conducted by a third-party actuary. We evaluated the basis, actuarial methods and assumptions used by the actuary to calculate these amounts for the Watermaster to determine that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the Watermaster’s financial statements relate to:

Financial Statement Disclosures, continued

The disclosure of fair value of cash and cash equivalents in Note 2 to the basic financial statements represents amounts susceptible to market fluctuations.

The disclosure of capital assets, net in Note 3 to the basic financial statements is based on historical information which could differ from actual useful lives of each capitalized item.

The disclosure of the Watermaster's net OPEB liability in Note 6 to the basic financial statements is based on actuarial assumptions which could differ from actual costs.

The disclosure of the Watermaster's defined benefit pension plan in Note 7 to the basic financial statements is based on actuarial assumptions which could differ from actual costs.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. No significant unusual transactions were identified as a result of our audit procedures that were brought to the attention of management:

Identified or Suspected Fraud

We have not identified or have not obtained information that indicates that fraud may have occurred.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no uncorrected misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The attached schedule on page 5 presents the material journal entries that we identified as a result of our audit procedures and were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Watermaster's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. There were no circumstances that affect the form and content of the auditor's report.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated October 26, 2023.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Watermaster, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Watermaster's auditors.

Other Matters

We applied certain limited procedures to the Management Discussion and Analysis, Schedules of Changes in Watermaster's Total OPEB Liability and Related Ratios, Schedules of the Watermaster's Proportionate Share of the Net Pension Liability, and Schedules of Pension Plan Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

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

Other Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the Watermaster's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have read the information and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

Conclusion

We appreciate the cooperation extended to us by Peter Kavounas, General Manager, Anna Nelson, Director of Administration, and Joseph Joswiak, Former Chief Financial Officer, in the performance of our audit testwork.

We will be pleased to respond to any question you have about the foregoing. We appreciate the opportunity to continue to be of service to the Watermaster.

C.J. Brown & Company CPAs
Cypress, California
October 26, 2023

DRAFT

**Chino Basin Watermaster
Schedule of Audit Adjusting Journal Entries
For the Fiscal Year Ended June 30, 2023**

Adjusting Journal Entries JE # 1

To adjust net pension liability and related components as of June 30, 2023.

17250-000	Deferred Outflows-Pension	\$ 382,331.61	
27250-000	Deferred Inflows-Pension	667,866.04	
29650-000	Net Pension Liability		943,986.58
60180-000	Employers PERS Expense		106,211.07

Adjusting Journal Entries JE # 2

To adjust net OPEB Obligation and related components as of June 30, 2023

17350-000	Deferred Outflows-GASB 75 OPEB	49,899.00	
29510-000	Net OPEB Obligation	57,346.00	
60198-000	OPEB Expense - GASB 75	15,969.00	
27350-000	Deferred Inflows-GASB 75 OPEB		123,214.00

Adjusting Journal Entries JE # 3

To adjust lease amortization as of June 30, 2023

93000-000	Lease Amortization Expense	102,495.65	
17810-000	Equipment Lease Accum Amort		17,180.70
18310-000	Building Lease Accum Amort		85,314.95

Adjusting Journal Entries JE # 4

To adjust lease obligation as of June 30, 2023

28100-000	Lease Liability - Copiers	15,994.77	
28120-000	Lease Liability - Building	95,083.33	
92100-000	Interest Expense Leases	621.31	
60210-000	Office Lease		95,634.79
60430-100	Copy Machine Lease-Ricoh Lease Fee		16,064.62

Adjusting Journal Entries JE # 5

To reconcile general checking account as of June 30, 2023.

20000-000	Accounts Payable	750.00	
20000-000	Accounts Payable	147.14	
10120-000	Bank of America Gen'l Ckg		750.00
10120-000	Bank of America Gen'l Ckg	\$	147.14