

CHINO BASIN WATERMASTER



NOTICE OF MEETING

Thursday, January 25, 2024

11:00 a.m. – Watermaster Board Meeting

**CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING**

11:00 a.m. – January 25, 2024

Mr. Jim Curatalo, 2023 Chair

Mr. Jeff Pierson, 2023 Vice-Chair

At The Offices Of

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER

FLAG SALUTE

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

INTRODUCTIONS – CALENDAR YEAR 2024 WATERMASTER BOARD MEMBERS

Appropriative Pool	Scott Burton (City of Ontario)
Appropriative Pool	Jim Curatalo (Cucamonga Valley Water District)
Appropriative Pool	Bill Velto (City of Upland)
Overlying (Non-Ag) Pool	Bob Bowcock (CalMat Co.)
Overlying (Ag) Pool	Jimmy Medrano (State of California)
Overlying (Ag) Pool	Jeff Pierson (Crops)
Municipal	Steve Elie (Inland Empire Utilities Agency)
Municipal	Mike Gardner (Western Municipal Water District)
Municipal	Bob Kuhn (Three Valleys Municipal Water District)

I. CALENDAR YEAR 2024 OFFICERS – ACTION

A. ELECTION OF OFFICERS

Chair	_____
Vice-Chair	_____
Secretary/Treasurer	_____

II. 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:

1. Minutes of the Watermaster Board Meeting held November 16, 2023 (*Page 1*)
2. Minutes of the Watermaster Board Special Meeting held December 22, 2023 (*Page 11*)

B. FINANCIAL REPORTS

Receive and file as presented:

Monthly Financial Reports for the Reporting Periods Ended October and November 2023. (*Page 13*)

C. CHINO BASIN WATERMASTER 2024 INVESTMENT POLICY – RESOLUTION NO. 2024-01

Adopt Resolution 2024-01 – Resolution of the Chino Basin Watermaster, San Bernardino County, California, Re-Authorizing the Watermaster’s Investment Policy. (*Page 45*)

D. CHINO BASIN WATERMASTER 46TH ANNUAL REPORT (FISCAL YEAR 2022/23)

Adopt the 46th Annual Report, along with filing a copy with the Court, subject to any necessary non-substantive changes. (*Page 53*)

E. NOTICE OF INTENT TO CHANGE THE OPERATING SAFE YIELD OF THE CHINO GROUNDWATER BASIN (*Page 221*)

F. 2024 HEARING OFFICER PANEL APPOINTMENT

Approve and appoint the recommended panel of five to serve in calendar year 2024, to be reconsidered periodically and no less frequently than annually. (*Page 222*)

III. BUSINESS ITEMS

A. PROFESSIONAL SERVICES AGREEMENT BETWEEN WELL TEC SERVICES AND CHINO BASIN WATERMASTER

Approve and authorize the Acting General Manager to execute the contract on behalf of Watermaster subject to any non-substantive changes. (*Page 224*)

IV. REPORTS/UPDATES

A. LEGAL COUNSEL

1. December 1, 2023 Court Hearing (OBMP Semi-Annual Status Report and 2023 Recharge Master Plan Update)
2. February 2, 2024 Court Hearing (Watermaster Board Reappointment and GLMP Annual Report)
3. Court of Appeal Case No. E079052 (City of Chino, MVIC, MVWD, City of Ontario appeal re OAP Expenses and Attorney Fees)
4. Court of Appeal Consolidated Cases No. E080457 and E082127 (City of Ontario appeal re 2021- 22 and 2022-23 Assessment Packages)
5. Court of Appeal Case No. E080533 (Cities of Chino, Ontario appeal re 2022-23 Watermaster budget expenses to support CEQA analysis)
6. Kaiser Permanente Lawsuit

B. ENGINEER

1. Safe Yield Court Order Implementation
2. Storage and Recovery Master Plan
3. Water Quality Committee
4. Updated Schedules on Watermaster Website

C. GENERAL MANAGER

1. CBWM Newsletter
2. Fiscal Year 2023/24 Exhibit "G" Physical Solution Transfers
3. DYY Deliveries
4. OBMP Update CEQA
5. New Employee Introduction
6. Other

V. BOARD MEMBER COMMENTS

VI. OTHER BUSINESS

VII. 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.

1. CONFERENCE WITH LEGAL COUNSEL – PERSONNEL MATTERS
2. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION:
 - a) Chino Basin Municipal Water District v. City of Ontario et al., 4th District Court of Appeal Case No. E0790523
 - b) Kaiser Foundation Health Plan, et al. v. Chino Basin Water Conservation District, et al., San Bernardino County Superior Court Case No: CIV DS 1933655

VIII. FUTURE MEETINGS AT WATERMASTER

01/25/24	Thu	9:30 a.m.	Watermaster Orientation*
01/25/24	Thu	11:00 a.m.	Watermaster Board
01/31/24	Wed	11:00 a.m.	Water Quality Committee
02/08/24	Thu	9:00 a.m.	Appropriative Pool Committee
02/08/24	Thu	11:00 a.m.	Non-Agricultural Pool Committee
02/08/24	Thu	1:30 p.m.	Agricultural Pool Committee
02/15/24	Thu	9:00 a.m.	Advisory Committee
02/22/24	Thu	9:30 a.m.	Watermaster Orientation*
02/22/24	Thu	11:00 a.m.	Watermaster Board
02/27/24	Tue	9:00 a.m.	Groundwater Recharge Coordinating Committee (GRCC)

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

ADJOURNMENT

DRAFT MINUTES
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING

November 16, 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 November 16, 2023.

WATERMASTER BOARD MEMBERS PRESENT AT WATERMASTER

James Curatalo, Chair	Appropriative Pool – Minor Representative
Jeff Pierson, Vice Chair	Agricultural Pool – Crops
Bob Kuhn, Secretary/Treasurer	Three Valleys Municipal Water District
Bob Bowcock	Non-Agricultural Pool – CalMat Co.
Scott Burton	City of Ontario
Steve Elie	Inland Empire Utilities Agency
Paul Hofer	Agricultural Pool – Dairy
Mike Gardner	Western Municipal Water District
Manny Martinez	Monte Vista Water District

WATERMASTER STAFF PRESENT

Edgar Tellez Foster	Acting General Manager
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
Rudy Nunez	Office Specialist/Receptionist
Alonso Jurado	Water Resources Associate
Jordan Garcia	Senior Field Operations Specialist
Erik Vides	Field Operations Specialist

WATERMASTER CONSULTANTS PRESENT AT WATERMASTER

Brad Herrema	Brownstein Hyatt Farber Schreck, LLP
Scott Slater	Brownstein Hyatt Farber Schreck, LLP
Andy Malone	West Yost
Garrett Rapp	West Yost

WATERMASTER CONSULTANTS PRESENT ON ZOOM

Scott Nelsen	Eide Bailly, LLP
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OTHERS PRESENT AT WATERMASTER

Bob Feenstra	Agricultural Pool - Dairy
Tariq Awan	Agricultural Pool – State of CA
Jimmy Medrano	Agricultural Pool – State of CA
Brian Geye	California Speedway Corporation
Kati Parker	Chino Basin Water Conservation District
Natalie Avila	City of Chino
Dave Crosley	City of Chino
Hye Jin Lee	City of Chino
Ron Craig	City of Chino Hills
Debra Dorst Porada	City of Ontario
Melissa Cansino	City of Pomona
Chris Diggs	City of Pomona
Amanda Coker	Cucamonga Valley Water District
Eduardo Espinoza	Cucamonga Valley Water District

Mikayla Coleman
Cris Fealy
Oscar Ramos
Marty Zvirbulis
Bryan Smith
Justin Scott-Coe
Justin Scott-Coe
Marty Zvirbulis
Alyssa Coronado
Laura Roughton
Richard Rees

CV Strategies
Fontana Water Company
Fontana Union Water Company
Fontana Union Water Company
Jurupa Community Services District
Monte Vista Irrigation Company
Monte Vista Water District
Nicholson Family Trust
Santa Ana River Water Company
Western Municipal Water District
WSP USA

OTHERS PRESENT ON ZOOM

Gino Filippi
Carol Boyd
Diana Frederick
Gregor Larabee
Marilyn Levin
Steven Raughley
Eunice Ulloa
Alexis Mascarinas
Courtney Jones
Nicole deMoet
Braden Yu
Mark Gibboney
Rob Hills
Randall Reed
Peter Dopulos
Ben Lewis
Christiana Daisy
Shivaji Deshmukh
Eddie Lin
Cathy Pieroni
Jesse Pompa
Stephanie Reimer
Stephanie Reimer
John Lopez
Jennifer Farrel
David De Jesus
Nicole deMoet
Braden Yu
Mallory O'Connor

Agricultural Pool – Crops
Agricultural Pool – State of CA
Agricultural Pool – State of CA
Agricultural Pool – State of CA
Agricultural Pool – State of CA
Agricultural Pool – County of San Bernardino
City of Chino
City of Ontario
City of Ontario
City of Upland
City of Upland
Cucamonga Valley Water District
Cucamonga Valley Water District
Cucamonga Valley Water District
Egoscue Law Group, Inc.
Golden State Water Company
Inland Empire Utilities Agency
Inland Empire Utilities Agency
Inland Empire Utilities Agency
Inland Empire Utilities Agency
Jurupa Community Services District
Monte Vista Irrigation Company
Monte Vista Water District
Santa Ana River Water Company
State of CA - CDCR
Three Valleys Municipal Water District
West End Consolidated Water Co.
West End Consolidated Water Co.
Western Municipal Water District

CALL TO ORDER

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

FLAG SALUTE

Chair Curatalo led the Board in the flag salute.

ROLL CALL

(00:00:52) Ms. Moore conducted the roll call and announced that a quorum was present.

PUBLIC COMMENTS

(00:02:00) Ms. Kati Parker representing CBWCD presented the District's 75th anniversary event burying a time-capsule and will be digging it up in another 75 years, she stated that Watermaster can bring a small item to be buried. She also gifted the Board with its 2024 calendar.

AGENDA – ADDITIONS/REORDER

(00:05:58) Vice-Chair Pierson requested Business Item II.E. is deferred to an indefinite time until parties have had the chance to fully review the document.

(00:06:36)

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

Moved to approve the Agenda – Addition/Reorder as shown above.

11:05 a.m. Mr. Martinez arrived during the roll call vote for the agenda addition/reorder item removing Business Item II.E.

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:

1. Minutes of the Watermaster Board Meeting held October 26, 2023
2. Minutes of the Watermaster Board Special Meeting held November 2, 2023

B. FINANCIAL REPORTS

Receive and file as presented:

Monthly Financial Report for the Reporting Period Ended September 30, 2023.

C. 2022/23 ANNUAL REPORT OF THE GROUND-LEVEL MONITORING PROGRAM

Approve the 2022/23 Annual Report of the Ground-Level Monitoring Program, and direct staff to file a copy with the Court.

D. APPLICATION: RECHARGE – FONTANA WATER COMPANY

Recommend to the Board to approve Fontana Water Company's application for recharge and direct staff to account for this recharge.

(00:11:20)

Motion by Mr. Mike Gardner, seconded by Mr. Steve Elie, there being no dissent, the item passed unanimously.

Moved to approve the Consent Calendar as presented.

II. BUSINESS ITEMS

A. WATERMASTER REAPPOINTMENT

Recommend future Watermaster appointment and direct Legal Counsel to prepare and file a motion with the Court.

(00:11:46) Mr. Tellez Foster gave a report. A discussion ensued.

(00:16:01)

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

Moved to approve a five-year Watermaster reappointment (Business Item II.A.) as presented.

B. FISCAL YEAR 2023/24 ASSESSMENT PACKAGE

Approve the Fiscal Year 2023/24 Assessment Package as presented.

(00:16:42) Mr. Tellez Foster invited Mr. Yoo to give a presentation. A discussion ensued.

(00:28:15)

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 Fiscal Year 2023/24 Assessment Package (Business Item II.B.) as presented.

C. RESOLUTION 2023-07 TO LEVY REPLENISHMENT AND ADMINISTRATIVE ASSESSMENTS FOR FISCAL YEAR 2023/24, BASED ON PRODUCTION YEAR 2022/23

Adopt Resolution 2023-07 as presented.

(00:28:48) Mr. Yoo gave a report.

(00:29:07)

Motion by Mr. Steve Elie, seconded by Mr. Scott Burton, there being no dissent, the item passed unanimously.

Moved to approve Resolution 2023-07 To Levy Replenishment and Administrative Assessments for Fiscal Year 2023/24, Based on Production Year 2022/23 (Business Item II.C.) as presented.

D. PROFESSIONAL SERVICES AGREEMENT BETWEEN WAVE HR SOLUTIONS AND CHINO BASIN WATERMASTER

Approve and authorize the Acting General Manager to execute the contract on behalf of Watermaster.

(00:29:33) Mr. Tellez Foster invited Ms. Nelson to give a report. A discussion ensued.

(00:33:59)

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

Moved to approve Watermaster Reappointment (Business Item II.D.) as presented.

E. CHINO BASIN WATERMASTER NOVEMBER 2023 REVISED EMPLOYEE MANUAL

Adopt the updated Chino Basin Watermaster Employee Manual.

(00:34:06) Vice-Chair Pierson requested this item to be pulled from the agenda as shown under Agenda Additions/Reorders above.

III. **REPORTS/UPDATES**

A. **WATERMASTER LEGAL COUNSEL**

1. December 1, 2023 Court Hearing (OBMP 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

(00:35:18) Mr. Slater gave a report. A discussion ensued.

B. **ENGINEER**

1. Water Quality Committee
2. 2025 Safe Yield Reevaluation
3. Storage and Recovery Master Plan

(00:40:54) Mr. Rapp gave a report.

C. **GENERAL MANAGER**

1. OBMPU CEQA Process
2. Annual Finding of Substantial Compliance with the Recharge Master Plan
3. December Meeting Schedule
4. Other

(00:45:18) Mr. Tellez Foster reported on item 1 informing the stakeholders that the comment period for the OBMP CEQA process has ended; IEUA has received all comments and will review and consider. For item 2, this is generally presented annually except for calendar year 2023 due to Watermaster having recently updated the Recharge Master Plan and the Board approved Resolution 2022-10 in November 2022, and thus Watermaster is currently in compliance. For Item 3, he mentioned that Watermaster plans to be dark for the month of December and staff stands ready to assist with any special meetings as needed. He invited Mr. Nakano to give an update on basin recharge. A discussion ensued.

IV. **BOARD MEMBER COMMENTS**

(00:54:08) Mr. Burton raised questions about recharge projects and stated that perhaps Watermaster could partner more with the CBWCD to achieve recharge goals.

(00:55:59) Mr. Feenstra commented about the OAP's finances and will be working with counsel to separate and control its own monies.

(0:58:33) Chair Curatalo commended Mr. Tellez Foster and congratulated him on role as Acting General Manager. Mr. Tellez Foster thanked the Board for having confidence in him.

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.

The Board convened into confidential session at 12:00 p.m. to discuss the following:

1. Personnel Matters

Confidential session concluded at 1:40 p.m. with the reportable action:

Mr. Slater reported that the Board met in closed session to deliberate and authorized Counsel to extend a proposal on the General Manager position.

ADJOURNMENT

Chair Curatalo adjourned the Watermaster Board meeting at 1:42 p.m.

Secretary: _____

Approved: _____

Attachments:

1. 20231116 Roll Call Vote Outcome for Business Item II.A.
2. 20231116 Roll Call Vote Outcome for Business Item II.B.
3. 20231116 Roll Call Vote Outcome for Business Item II.D.
4. 20231116 Roll Call Vote Outcome for Business Item II.E.

November 16, 2023 Watermaster Board Meeting Roll Call Vote Outcome

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

November 16, 2023 Watermaster Board Meeting Roll Call Vote Outcome

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

November 16, 2023 Watermaster Board Meeting Roll Call Vote Outcome

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

November 16, 2023 Watermaster Board Meeting Roll Call Vote Outcome

Member	Alternate	Removal of II.E. from the Agenda
Burton, Scott		Yes
Bowcock, Bob		Yes
Elie, Steve		Yes
Gardner, Mike		Yes
Hofer, Paul		Yes
Kuhn, Bob, Secretary/Treasurer		Yes
Martinez, Manny		Yes
Pierson, Jeff, Vice-Chair		Yes
Curatalo, James, Chair		Yes
	OUTCOME:	Passed Unanimously

DRAFT MINUTES
CHINO BASIN WATERMASTER
WATERMASTER BOARD – SPECIAL MEETING

December 22, 2023

The Watermaster Board special 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 December 22, 2023.

WATERMASTER BOARD MEMBERS PRESENT AT WATERMASTER

James Curatalo, Chair	Appropriative Pool – Minor Representative
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
Bob Feenstra for Paul Hofer	Agricultural Pool – Dairy
Mike Gardner	Western Municipal Water District
Michael G. Milhiser for Manny Martinez	Monte Vista Water District

WATERMASTER BOARD MEMBERS PRESENT ON ZOOM

Jeff Pierson, Vice Chair	Agricultural Pool – Crops
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WATERMASTER BOARD MEMBERS ABSENT

Paul Hofer	Agricultural Pool – Crops
Bob Bowcock	CalMat Co.
Manny Martinez	Monte Vista Water District

WATERMASTER CONSULTANTS PRESENT ON ZOOM

Scott Slater	Brownstein Hyatt Farber Schreck, LLP
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OTHERS PRESENT ON ZOOM

David De Jesus	Three Valleys Municipal Water District
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CALL TO ORDER

Chair Curatalo called the Watermaster Board special meeting to order at 8:10 a.m.

FLAG SALUTE

Chair Curatalo led the Board in the flag salute.

ROLL CALL

(00:00:03) Ms. Moore conducted the roll call and announced that a quorum was present.

(00:00:36) Vice-Chair Jeff Pierson requested to attend the Board meeting remotely.

Motion by Mr. Mike Gardner, Seconded by Mr. Steve Elie, there being no dissent, the item passed unanimously.

Moved to approve Vice-Chair Jeff Pierson to participate in this Watermaster Board meeting virtually.

(00:02:50) Alternate Member, Mr. David De Jesus requested to attend the Board meeting remotely.

Motion by Mr. Scott Burton, Seconded by Mr. Mike Gardner, there being no dissent, the item passed unanimously.

Moved to approve Alternate Member, Mr. David De Jesus to participate in this Watermaster Board meeting virtually.

PUBLIC COMMENTS

None

AGENDA – ADDITIONS/REORDER

None

I. 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.

The Board convened into confidential session at 8:16 a.m. to discuss the following:

1. CONFERENCE WITH LEGAL COUNSEL – PERSONNEL MATTERS

Confidential session concluded at 10:30 a.m. with no reportable action.

ADJOURNMENT

Chair Curatalo adjourned the Watermaster Board special meeting at 10:31 a.m.

Secretary: _____

Approved: _____



CHINO BASIN WATERMASTER

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

EDGAR TELLEZ FOSTER, PhD
Acting General Manager

STAFF REPORT

DATE: January 2024
TO: Watermaster Committees and Board Members
SUBJECT: Monthly Financial Reports (For the Reporting Periods Ended October 31 and November 30, 2023) (Consent Calendar Item II.B.)

SUMMARY

Issue: Record of Monthly Financial Reports for the reporting periods ended October 31 and November 30, 2023) [Normal Course of Business]

Recommendation: Receive and file Monthly Financials Reports for the reporting periods ended October 31 and November 30, 2023) as presented.

Financial Impact: None.

Future Consideration

Watermaster Board – January 25, 2024: Receive and File

ACTIONS:

Appropriative Pool – January 11, 2024: Received and filed
Non-Agricultural Pool – January 11, 2024: Received and filed
Agricultural Pool – January 11, 2024: Received and filed
Advisory Committee – January 18, 2024: Received and filed
Watermaster Board – January 25, 2024:

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 activity. 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 & 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 & 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

Detailed explanation of major variances and other additional information can be found on the “Monthly Variance Report & Supplemental Schedules.”

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

ATTACHMENTS

1. Monthly Financial Reports (October 31, 2023)
2. Monthly Financial Reports (November 30, 2023)



**Chino Basin Watermaster
Cash Disbursements
October 2023**

Date	Number	Vendor Name	Description	Amount
10/04/2023	ACH 10/4/23	CALPERS	1394905143	\$ 13,234.49
10/04/2023	ACH 10/4/23	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	19,804.00
10/06/2023	24360	APPLIED COMPUTER TECHNOLOGIES	Invoice 35871	4,250.00
10/06/2023	24361	BURRTEC WASTE INDUSTRIES, INC.	Customer 136525395	160.73
10/06/2023	24362	EGOSCUE LAW GROUP, INC.	8467	10,950.00
10/06/2023	24363	EMPOWER LAB	Invoice 2918	500.00
10/06/2023	24364	FIRST LEGAL NETWORK LLC	Invoice 40079285	350.29
10/06/2023	24365	TALENT ADVISERS, LLC	6013	6,400.00
10/06/2023	24366	USAFACT, INC.	Invoice 3093068	76.06
10/06/2023	24367	VANGUARD CLEANING SYSTEMS	Invoice 125703	915.00
10/06/2023	24368	WEST YOST	August Services	275,143.01
10/12/2023	24369	NELSON, ANNA	CalPERS Conference reimbursements	1,272.23
10/18/2023	24370	ACWA	2024 Annual Agency Dues	23,240.00
10/18/2023	24371	CALIFORNIA BANK & TRUST	Account ending 6198	8,174.78
10/18/2023	24372	CORELOGIC INFORMATION SOLUTIONS	Invoice 82188823	125.00
10/18/2023	24373	EIDE BAILLY LLP	Inv. EI01562468	10,367.61
10/18/2023	24374	GRAINGER	Inv. 9839765006, Inv. 9841607816	393.89
10/18/2023	24375	PETTY CASH	Re. 2991-3014	485.74
10/18/2023	24376	PITNEY BOWES GLOBAL FINANCIAL SVCS.	Inv. 3106328155	454.87
10/18/2023	24377	PRINTING RESOURCES	Invoice 68483	116.85
10/18/2023	24378	SOCALGAS	Acct. 065 523 7677 1	432.29
10/18/2023	24379	SOUTHERN CALIFORNIA EDISON	6023	3,108.31
10/18/2023	24380	SPECTRUM ENTERPRISE	6053	1,106.73
10/18/2023	24381	STATE COMPENSATION INSURANCE FUND	Inv. 1001628331	2,768.91
10/18/2023	24382	UNION 76	7076-2245-3035-5049	537.06
10/18/2023	24383	VERIZON WIRELESS	Acct: 470810953-00002	310.80
10/18/2023	24384	VISION SERVICE PLAN	No. 818840985	135.12
10/19/2023	24385	BROWNSTEIN HYATT FARBER SCHRECK	August Services	129,513.81
10/20/2023	24386	CONCENTRA	Invoice 80744803	181.00
10/20/2023	24387	CUCAMONGA VALLEY WATER DISTRICT - UTILITY	6023	183.74
10/20/2023	24388	DAILY BULLETIN	Acct. 900421820	95.95
10/20/2023	24389	DE BOOM, NATHAN	Meeting Stipends	125.00
10/20/2023	24390	FAVELA QUINTERO, RUBY	Reimbursement	54.50
10/20/2023	24391	FILIPPI, GINO	Meeting Stipends	375.00
10/20/2023	24392	FRONTIER COMMUNICATIONS	909-484-3890-050914-5	234.55
10/20/2023	24393	INLAND EMPIRE UTILITIES AGENCY	Inv. 1800005176	46,060.40
10/20/2023	24394	LAW OFFICE OF ALLEN W. HUBSCH	Invoice 146	1,265.00
10/20/2023	24395	LEGAL SHIELD	Group# 111802	161.40
10/20/2023	24396	READY REFRESH	0023230253	115.03
10/20/2023	24397	SOCALGAS	Acct. 065 523 7677 1	49.55
10/20/2023	24398	UNITED HEALTHCARE	Inv. 052580199440	889.90
10/20/2023	24399	VERIZON WIRELESS	Acct: 642073270-00002	38.01
10/31/2023	24400	CUCAMONGA VALLEY WATER DISTRICT	11/2023 Lease	11,727.00
10/31/2023	24401	GREAT AMERICA LEASING CORP.	Inv. 35089719	1,464.61
10/31/2023	24402	OFFICE & ERGONOMIC SOLUTIONS, INC.	VOID: Proposal #4355 Final Payment	-
10/31/2023	24403	SOUTHERN CALIFORNIA EDISON	6023	102.11
10/31/2023	24404	STANDARD INSURANCE CO.	Policy # 00-649299-0009	850.30
10/31/2023	24405	UNITED HEALTHCARE	Inv. 052587612832	950.95
10/31/2023	24406	VISION SERVICE PLAN	No. 819053142	126.36
Total for Month \$				579,377.94



Chino Basin Watermaster

Credit Card Expense Detail

October 2023

Date	Number	Expense Account	Description	Amount
10/18/2023	24371	CALIFORNIA BANK & TRUST		
		6042 - Postage - General	FedEx check	(43.07)
		6054 - Computer Software	Vison Plan 2	(0.90)
		6062 - Audit Services	CBWM Audit 2023	(110.77)
		6042 - Postage - General	Advisory Package - Pierson	(28.39)
		6042 - Postage - General	Advisory Package - Hofer	(28.40)
		6193.2 - Conference - Registration Fee	CalPERS Conference - P. Kavounas	(461.01)
		6193.2 - Conference - Registration Fee	ACWA Conference Registration - P. Kavounas	(752.94)
		6191 - Conferences - General	CalPERS Conference - P. Kavounas Hotel	(297.93)
		6140 - WM Admin Expenses	Meeting with C. Diggs and P. Kavounas	(31.23)
		6141 - Meeting Expenses	Staff lunch meeting	(70.10)
		6173 - Airfare/Mileage	Airfare- P. Kavounas CGICAW	(201.36)
		6141 - Meeting Expenses	OPS Meeting Breakfast	(118.02)
		6193.2 - Conference - Registration Fee	ACWA Conference - E. Tellez Foster	(752.94)
		6193.2 - Conference - Registration Fee	ACWA Conference -J. Nakano	(438.82)
		6170 - Travel & Transportation	F. Yoo CA Water Data Conference parking	(5.02)
		6170 - Travel & Transportation	F. Yoo CA Water Data Conference parking	(5.02)
		6170 - Travel & Transportation	E. Tellez Foster CA Water Data Conference parking	(5.02)
		6031.7 - Other Office Supplies	Basin Tour Charger	(8.02)
		6170 - Travel & Transportation	E. Tellez Foster CA Water Data Conference parking	(44.35)
		6031.7 - Other Office Supplies	Misc. Office Supplies	(10.06)
		6170 - Travel & Transportation	E. Tellez Foster CA Water Data Conference rental	(79.94)
		6036 - Minor Office Furniture	E. Tellez Foster office Chair	(496.73)
		6036 - Minor Office Furniture	E. Tellez Foster office Chair fee	(14.90)
		6036 - Minor Office Furniture	E. Tellez Foster office furniture	(156.90)
		6141 - Meeting Expenses	OPS meeting	(162.61)
		6036 - Minor Office Furniture	Misc. Office Supplies	(248.30)
		6031.7 - Other Office Supplies	Misc. Office Supplies	(19.91)
		6031.7 - Other Office Supplies	Misc. Office Supplies	(118.63)
		6031.7 - Other Office Supplies	Misc. Office Supplies	(159.04)
		6193 - Employee Training	K. Hills Training	(119.18)
		6016 - New Employee Search Costs	CVI - Erik Vides	(46.16)
		6141 - Meeting Expenses	Culture Meeting lunch	(141.95)
		6193 - Employee Training	A. Nelson - HR Training	(138.59)
		6193 - Employee Training	A. Nelson - HR Training fee	(4.16)
		6031.7 - Other Office Supplies	Misc. Office Supplies	(18.16)
		6061.2 - Bamboo HR Consultant	Payroll System	(210.25)
		6154 - Uniforms	J. Garcia Uniform	(117.32)
		6141 - Meeting Expenses	Basin Tour lunch	(120.11)
		6141 - Meeting Expenses	Basin Tour lunch	(13.66)
		6031.7 - Other Office Supplies	Misc. Office Supplies	(26.85)
		6031.7 - Other Office Supplies	Misc. Office Supplies	(108.95)
		6031.7 - Other Office Supplies	Misc. Office Supplies	(87.49)
		6031.7 - Other Office Supplies	Misc. Office Supplies	(289.89)
		6031.7 - Other Office Supplies	Misc. Office Supplies	(132.15)
		6031.7 - Other Office Supplies	Misc. Office Supplies	(23.64)
		6038 - Other Office Equipment	Misc. Office Supplies	(339.45)
		6193 - Employee Training	A. Moore Training Skillpath	(276.22)
		6193.2 - Conference - Registration Fee	CalPERS Registration Anna Chavez	(461.00)
		6031.7 - Other Office Supplies	Misc. Office Supplies	(55.86)
		6031.7 - Other Office Supplies	Misc. Office Supplies	(136.56)
		6031.7 - Other Office Supplies	Misc. Office Supplies	(12.90)
		6177 - Vehicle Repairs & Maintenance	Misc. Office Supplies Vehicle Screen Displays	(150.28)



Chino Basin Watermaster

Credit Card Expense Detail

October 2023

Date	Number	Expense Account	Description	Amount
	6141.3	Admin Meetings	Admin Lunch meeting	(82.14)
	6031.7	Other Office Supplies	Office Supplies Staples	(167.21)
	6031.7	Other Office Supplies	Misc. Office Supplies	(24.32)
Total for Month				\$ (8,174.78)



Chino Basin Watermaster

Combining Schedule of Revenues, Expenses & Changes in Net Assets

For the Period of July 1, 2023 through October 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	\$ -	\$ -	\$ -	\$ 646,000	\$ -	\$ -	\$ -	\$ 646,000	\$ 9,314,915
Interest Revenue	-	116,185	116,185	459	16,606	698	21,099	155,047	312,500
Mutual Agency Project Revenue	186,412	-	186,412	-	-	-	-	186,412	186,412
Miscellaneous Income	-	-	-	-	-	-	-	-	-
Total Administrative Revenues	186,412	116,185	302,598	646,459	16,606	698	21,099	987,460	9,813,827
Administrative & Project Expenditures:									
Watermaster Administration	1,186,003	-	1,186,003	-	-	-	-	1,186,003	2,993,430
Watermaster Board-Advisory Committee	84,839	-	84,839	-	-	-	-	84,839	366,923
Optimum Basin Mgmt Administration	-	337,766	337,766	-	-	-	-	337,766	1,215,309
OBMP Project Costs	-	731,571	731,571	-	-	-	-	731,571	5,409,723
Pool Legal Services	-	-	-	-	27,700	6,617	-	34,317	98,642
Pool Meeting Compensation	-	-	-	-	7,375	1,125	-	8,500	14,820
Pool Special Projects	-	-	-	-	-	-	-	-	10,994
Pool Administration	-	-	-	-	-	-	-	-	329,067
Debt Service	-	-	-	-	-	-	-	-	1,665,475
Agricultural Expense Transfer ¹	-	-	-	35,075	(35,075)	-	-	-	-
Total Administrative Expenses	1,270,841	1,069,337	2,340,179	35,075	-	7,742	-	2,382,996	12,104,382
Net Ordinary Income	(1,084,429)	(953,152)	(2,037,581)	611,384	16,606	(7,044)	21,099	(1,395,536)	(2,290,555)
Other Income/(Expense)									
Replenishment Water Assessments	-	-	-	-	-	-	(46,060)	(46,060)	-
RTS Charges from IEUA	-	-	-	-	-	-	-	-	-
Refund-Basin O&M Expenses	-	-	-	-	-	-	-	-	-
Refund-Recharge Debt Service	-	-	-	-	-	-	-	-	-
Net Other Income/(Expense)	-	-	-	-	-	-	(46,060)	(46,060)	-
Net Transfers To/(From) Reserves	\$ (1,084,429)	\$ (953,152)	\$ (2,037,581)	\$ 611,384	\$ 16,606	\$ (7,044)	\$ (24,962)	\$ (1,441,596)	\$ (2,290,555)
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			7,730,518	652,589	1,359,832	50,797	1,690,325	11,484,060	
Pool Assessments Outstanding ²				(646,000)	(731,123)				
Pool Fund Balance				\$ 6,589	\$ 628,710				

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

² Outstanding balance of Pool Special Assessments



Chino Basin Watermaster

Treasurer's Report

October 2023

	Type	Monthly Yield	Cost	Market	% Total
Cash & Investments					
Local Agency Investment Fund (LAIF) *	Investment	3.53%	\$ 7,553,516	\$ 7,450,092	65.6%
CA CLASS Prime Fund **	Investment	5.48%	3,462,417	3,462,186	30.5%
Bank of America	Checking		447,716	447,716	3.9%
Bank of America	Payroll		-	-	0.0%
Total Cash & Investments			\$ 11,463,649	\$ 11,359,993	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 October 31, 2023

	October 2023	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	646,000	646,000	8,886,165	(8,240,165)	7%
4 Admin Assessments-Non-Ag Pool	-	-	428,750	(428,750)	0%
5 Admin Assessments-Agricultural Pool	-	-	-	-	N/A
6 Total Administration Revenue	646,000	832,412	9,501,327	(8,668,915)	9%
7 Other Revenue					
8 Appropriative Pool-Replenishment	-	-	-	-	N/A
9 Non-Ag Pool-Replenishment	-	-	-	-	N/A
10 Interest Income	87,890	155,047	312,500	(157,453)	50%
11 Miscellaneous Income	-	-	-	-	N/A
12 Total Other Revenue	87,890	155,047	312,500	(157,453)	50%
13 Total Revenue	733,890	987,460	9,813,827	(8,826,367)	10%
14 Judgment Administration Expense					
15 Judgment Administration	25,182	125,004	721,698	(596,694)	17%
16 Admin. Salary/Benefit Costs	100,327	581,882	1,413,610	(831,728)	41%
17 Office Building Expense	17,989	75,624	208,510	(132,886)	36%
18 Office Supplies & Equip.	7,625	26,703	49,438	(22,735)	54%
19 Postage & Printing Costs	2,218	8,782	33,806	(25,024)	26%
20 Information Services	11,845	47,014	199,818	(152,804)	24%
21 Contract Services	11,781	29,092	60,200	(31,108)	48%
22 Watermaster Legal Services	66,318	232,446	565,964	(333,518)	41%
23 Insurance	-	46,256	50,468	(4,212)	92%
24 Dues and Subscriptions	11,435	28,567	40,027	(11,460)	71%
25 Watermaster Administrative Expenses	2,369	3,676	7,550	(3,874)	49%
26 Field Supplies	264	583	3,200	(2,617)	18%
27 Travel & Transportation	3,380	10,314	29,570	(19,256)	35%
28 Training, Conferences, Seminars	5,760	11,844	50,400	(38,556)	24%
29 Advisory Committee Expenses	7,298	21,133	105,823	(84,690)	20%
30 Watermaster Board Expenses	28,367	63,706	261,100	(197,394)	24%
31 ONAP - WM & Administration	3,821	7,995	108,194	(100,199)	7%
32 OAP - WM & Administration	5,298	12,752	108,700	(95,948)	12%
33 Appropriative Pool- WM & Administration	15,966	28,561	112,173	(83,612)	25%
34 Allocated G&A Expenditures	(23,942)	(91,093)	(440,829)	349,736	21%
35 Total Judgment Administration Expense	303,301	1,270,841	3,689,420	(2,418,578)	34%
36 Optimum Basin Management Plan (OBMP)					
37 Optimum Basin Management Plan	90,563	337,766	1,215,309	(877,544)	28%
38 Groundwater Level Monitoring	28,279	104,926	459,625	(354,699)	23%
39 Program Element (PE)2- Comp Recharge	9,015	67,405	1,672,577	(1,605,172)	4%
40 PE3&5-Water Supply/Desalte	4,527	6,011	105,677	(99,666)	6%
41 PE4- Management Plan	54,719	108,843	817,643	(708,799)	13%
42 PE6&7-CoopEfforts/SaltMgmt	76,205	175,320	1,117,623	(942,304)	16%
43 PE8&9-StorageMgmt/Conj Use	52,605	177,973	795,750	(617,776)	22%
44 Recharge Improvements	-	-	1,665,475	(1,665,475)	0%
45 Administration Expenses Allocated-OBMP	11,346	46,795	222,160	(175,365)	21%
46 Administration Expenses Allocated-PE 1-9	12,597	44,299	218,669	(174,371)	20%
47 Total OBMP Expense	339,855	1,069,337	8,290,508	(7,221,170)	13%
48 Pool Administration					
49 Appropriative Pool-Legal Services	-	-	-	-	N/A
50 OAP Legal & Technical Services	10,950	27,700	41,676	(13,976)	66%
51 OAP Meeting Compensation	3,250	7,375	11,945	(4,570)	62%
52 OAP Expense - Special Projects	-	-	10,994	(10,994)	0%
53 ONAP - Legal Services	1,265	6,617	56,966	(50,349)	12%
53 ONAP - Meeting Compensation	-	1,125	2,875	(1,750)	39%
54 Total Pool Administration	15,465	42,817	124,455	(81,638)	34%
56 Other Expense					
57 Groundwater Replenishment	46,060	46,060	-	46,060	N/A
58 Refund-Recharge Debt-Approp.	-	-	-	-	N/A
59 Total Other Expense	46,060	46,060	-	46,060	N/A
60 Total Expenses	704,681	2,429,056	12,104,382	(9,675,326)	20%
61 Increase / (Decrease) to Reserves	\$ 29,209	(1,441,596)	\$ (2,290,555)	\$ 848,959	



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023 to October 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 October 31st, the target budget percentage is generally 33%.

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 4-5 Administrative Assessments for the Agricultural and Non-Agricultural 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 18 Office Supplies and Equipment includes office supplies, minor office furniture, and other miscellaneous office items including bank fees. YTD is at 54% due to timing of office furniture purchases and timing of shredding services.
- Line 21 Contract Services includes outside services for the annual audit report, HR consulting, court filings, and accounting consulting. YTD is at 48% due to timing of audit services, and increased consulting services not anticipated in the budget.
- 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 43% of budget due to timing of annual dues for ACWA and CA Groundwater Coalition.
- Line 25 Watermaster Administrative Expenses including meeting expenses and supplies for admin, committee and other meetings. YTD is at 49% due to increased meeting activity in the first half of the fiscal year.

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 October 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 October 31, 2023 (continued next page):

Fund Balance For Non-Agricultural Pool Account 8567 - Legal Services		Fund Balance For Appropriate 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	697.84	Interest Earnings	458.98
Pool Invoices issued	-	Outstanding invoice payments received	-
Subtotal Additions:	697.84	Subtotal Additions:	458.98
Reductions:		Reductions:	
Invoices paid July 2023 - September 2023	(6,617.00)	Invoices paid July 2023 - September 2023	-
Budget Transfers	(2,000.00)	Subtotal Reductions:	-
Subtotal Reductions:	(8,617.00)		
Available Fund Balance as of October 31, 2023	\$ 49,046.74	Available Fund Balance as of October 31, 2023	\$ (11,956.38) *

*Negative due to accrued portion of legal services for June 2023

Fund Balance For Non-Agricultural Pool Account 8511 - Meeting Compensation	
Beginning Balance July 1, 2020:	\$ 875.00
Additions:	
Budget Transfers	\$ 2,000.00
Subtotal Additions:	2,000.00
Reductions:	
Compensation paid July 2023 - September 2023	(1,125.00)
Subtotal Reductions:	(1,125.00)
Available Fund Balance as of October 31, 2023	\$ 1,750.00



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

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

Pool Services Fund Accounting – Cont.

Fund Balance for Agricultural Pool Account 8467 - Legal Services

Beginning Balance July 1, 2023:	\$ 41,675.63
Additions:	
Ag Pool Legal invoices issued FY23/24	-
Total Additions:	<u>-</u>
Reductions:	
Invoices paid July 2023 - September 2023	<u>(27,700.00)</u>
Subtotal Reductions:	<u>(27,700.00)</u>
Available Fund Balance as of October 31, 2023	<u>\$ 13,975.63</u>

Agricultural Pool Reserve Funds As shown on the Combining Schedules

Beginning Balance July 1, 2023:	\$ 612,103.32
Additions:	
YTD Interest earned on Ag Pool Funds FY 24	16,606.18
Transfer of Funds from AP to Special Fund for Legal Service Invoices	<u>27,700.00</u>
Total Additions:	<u>44,306.18</u>
Reductions:	
Invoices paid July 2023 - September 2023	<u>(27,700.00)</u>
Total Reductions	<u>(27,700.00)</u>
Available Fund Balance as of October 31, 2023	<u>\$ 628,709.50</u>

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 ¹	<u>10,993.67</u>
Subtotal Additions:	<u>10,993.67</u>
Reductions:	
Compensation paid July 2023 - September 2023	<u>(7,375.00)</u>
Subtotal Reductions:	<u>(7,375.00)</u>
Available Fund Balance as of October 31, 2023	<u>\$ 4,569.65</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	<u>-</u>
Subtotal Additions:	<u>-</u>
Reductions:	
Invoices paid July 2023 - September 2023	-
Budget Transfers ¹	<u>(10,993.67)</u>
Subtotal Reductions:	<u>(10,993.67)</u>
Available Fund Balance as of October 31, 2023	<u>\$ -</u>

¹Per action taken at September pool committee meeting.

¹Per action taken at September pool committee meeting.



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

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

Watermaster Salary Expenses

The following table details the Year-To-Date (YTD) Actual Watermaster burdened 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 October 31st, the target budget percentage is generally 33%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
WM Salary Expense				
5901.1 · Judgment Admin - Doc. Review	13,403	82,794	(69,391)	16.2%
5901.3 · Judgment Admin - Field Work	2,314	7,760	(5,446)	29.8%
5901.5 · Judgment Admin - General	20,957	60,129	(39,172)	34.9%
5901.7 · Judgment Admin - Meeting	4,313	2,633	1,680	163.8%
5901.9 · Judgment Admin - Reporting	-	31,033	(31,033)	0.0%
5910 · Judgment Admin - Court Coord./Attendance	8,774	19,098	(10,324)	45.9%
5911 · Judgment Admin - Exhibit G	-	2,370	(2,370)	0.0%
5921 · Judgment Admin - Production Monitoring	2,892	11,322	(8,430)	25.5%
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	612	26,330	(25,718)	2.3%
5971 · Judgment Admin - Storage Agreements	-	4,739	(4,739)	0.0%
5981 · Judgment Admin - Water Accounting/Datab	48,111	109,793	(61,682)	43.8%
5991 · Judgment Admin - Water Transactions	1,102	8,688	(7,586)	12.7%
6011.11 · WM Staff - Overtime	5,998	15,000	(9,002)	40.0%
6011.4 · 457(f) NQDC Plan	15,801	55,467	(39,666)	28.5%
6011.10 · Admin - Accounting	80,836	367,685	(286,849)	22.0%
6011.15 · Admin - Building Admin	1,399	18,359	(16,960)	7.6%
6011.20 · Admin - Conference/Seminars	10,048	57,083	(47,035)	17.6%
6011.25 · Admin - Document Review	531	6,846	(6,315)	7.8%
6011.50 · Admin - General	189,006	569,850	(380,844)	33.2%
6011.60 · Admin - HR	48,764	43,489	5,275	112.1%
6011.70 · Admin - IT	17,360	53,975	(36,615)	32.2%
6011.80 · Admin - Meeting	17,041	90,440	(73,399)	18.8%
6011.90 · Admin - Team Building	2,761	41,304	(38,543)	6.7%
6011.95 · Admin - Training (Give/Receive)	6,754	34,312	(27,558)	19.7%
6017 · Temporary Services	-	24,000	(24,000)	0.0%
6201 · Advisory Committee	18,030	55,149	(37,119)	32.7%
6301 · Watermaster Board	29,330	61,818	(32,488)	47.4%
8301 · Appropriative Pool	17,816	53,761	(35,945)	33.1%
8401 · Agricultural Pool	4,382	51,549	(47,167)	8.5%
8501 · Non-Agricultural Pool	2,574	50,443	(47,869)	5.1%
6901.1 · OBMP - Document Review	24,290	89,136	(64,846)	27.3%
6901.3 · OBMP - Field Work	643	7,003	(6,360)	9.2%
6901.5 · OBMP - General	27,804	124,049	(96,245)	22.4%
6901.7 · OBMP - Meeting	12,821	57,589	(44,768)	22.3%
6901.9 · OBMP - Reporting	3,226	2,370	856	136.1%
7104.1 · PE1 - Monitoring Program	45,356	171,515	(126,159)	26.4%
7201 · PE2 - Comprehensive Recharge	14,114	57,925	(43,811)	24.4%
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	802	13,055	(12,253)	6.1%
7501 · PE6 - Coop. Programs/Salt Mgmt.	3,140	8,027	(4,887)	39.1%
7501.1 · PE 7 - Salt Nutrient Mgmt. Plan	459	6,582	(6,123)	7.0%
7601 · PE8&9 - Storage Mgmt./Recovery	1,377	11,217	(9,840)	12.3%
Subtotal WM Staff Costs	704,940	2,591,787	(1,886,847)	27%
60184.1 · Administrative Leave	1,423	6,799	(5,376)	20.9%
60185 · Vacation	74,219	119,130	(44,911)	62.3%
60185.1 · Comp Time	1,194	-	1,194	100.0%
60186 · Sick Leave	6,112	83,123	(77,011)	7.4%
60187 · Holidays	-	-	-	0.0%
Subtotal WM Paid Leaves	82,948	209,052	(126,104)	40%
Total WM Salary Costs	787,888	2,800,839	(2,012,951)	28.1%



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Engineering

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 October 31st, the target budget percentage is generally 33%.

	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	11,075	126,204	(115,129)	8.8%
5906.72 · Judgment Admin - Data Requests-Non-CBWM Staff	146	42,832	(42,686)	0.3%
5925 · Judgment Admin - Ag Production & Estimation	7,165	34,376	(27,212)	20.8%
5935 · Judgment Admin - Mat'l Physical Injury Requests	2,357	36,072	(33,715)	6.5%
5945 · Judgment Admin - WM Annual Report Preparation	932	15,416	(14,484)	6.0%
5965 · Judgment Admin - Support Data Collection & Mgmt Process	852	36,336	(35,485)	2.3%
6206 · Advisory Committee Meetings-WY Staff	1,965	23,466	(21,501)	8.4%
6306 · Watermaster Board Meetings-WY Staff	9,191	23,466	(14,275)	39.2%
8306 · Appropriative Pool Meetings-WY Staff	8,520	23,467	(14,947)	36.3%
8406 · Agricultural Pool Meetings-WY Staff	6,146	23,466	(17,320)	26.2%
8506 · Non-Agricultural Pool Meetings-WY Staff	3,196	23,466	(20,270)	13.6%
6901.8 · OBMP - Meetings-WY Staff	22,610	45,096	(22,486)	50.1%
6901.95 · OBMP - Reporting-WY Staff	19,889	57,316	(37,427)	34.7%
6906 · OBMP Engineering Services - Other	13,083	46,992	(33,909)	27.8%
6906.26 · 2020 OBMP Update	2,594	24,016	(21,423)	10.8%
7104.3 · Grdwtr Level-Engineering	57,560	256,445	(198,885)	22.4%
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	1,642	29,084	(27,443)	5.6%
7202.2 · PE2-Comp Recharge-Engineering Services	13,882	202,362	(188,480)	6.9%
7208 · SB88 Specs-Compliance-50% IEUA	-	54,012	(54,012)	0.0%
7210 · OBMP - 2023 RMPU	37,768	94,328	(56,561)	40.0%
7220 · Integrated Model Mtg./Tech. Review-50% IEUA	-	24,618	(24,618)	0.0%
7302 · PE3&5-PBHSP Monitoring Program	1,740	69,121	(67,381)	2.5%
7303 · PE3&5-Engineering - Other	635	15,632	(14,998)	4.1%
7306 · PE3&5-Engineering - Outside Professionals	3,637	6,500	(2,863)	56.0%
7402 · PE4-Engineering	54,008	262,544	(208,535)	20.6%
7402.10 · PE4-Northwest MZ1 Area Project	32,619	271,703	(239,085)	12.0%
7403 · PE4-Eng. Services-Contracted Services-InSar	21,365	175,000	(153,635)	12.2%
7406 · PE4-Engineering Services-Outside Professionals	-	76,552	(76,552)	0.0%
7408 · PE4-Engineering Services-Network Equipment	50	14,081	(14,031)	0.4%
7502 · PE6&7-Engineering	110,822	384,163	(273,341)	28.8%
7505 · PE6&7-Laboratory Services	25,811	49,164	(23,353)	52.5%
7508 · HC Mitigation Plan-50% IEUA (TO #6)	10,651	10,703	(53)	99.5%
7510 · PE6&7-IEUA Salinity Mgmt. Plan	651	34,631	(33,980)	1.9%
7511 · PE6&7-SAWBMP Task Force-50% IEUA	9,181	24,610	(15,430)	37.3%
7517 · Surface Water Monitoring Plan-Chino Creek - 50% IEUA	809	69,821	(69,012)	1.2%
7520 · Preparation of Water Quality Mgmt. Plan	8,498	157,692	(149,194)	5.4%
7610 · PE8&9-Support 2020 Mgmt. Plan	8,087	69,306	(61,219)	11.7%
7614 · PE8&9-Support Imp. Safe Yield Court Order	168,510	663,747	(495,238)	25.4%
7620 · OBMP - Evaluation of Extreme Future Planning Scenarios	-	51,130	(51,130)	0.0%
Total Engineering Services Costs	\$ 677,640	\$ 3,755,182	\$ (3,077,542)	18.0%

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



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Legal

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 October 31st, the target budget percentage is generally 33%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
6070 · Watermaster Legal Services				
6071 · BHFS Legal - Court Coordination	\$ 117,530	\$ 171,260	\$ (53,730)	68.6%
6072 · BHFS Legal - Rules & Regulations	-	92,900	(92,900)	0.0%
6073 · BHFS Legal - Personnel Matters	36,696	10,820	25,876	339.1%
6074 · BHFS Legal - Interagency Issues	-	43,704	(43,704)	0.0%
6077 · BHFS Legal - Party Status Maintenance	1,205	13,730	(12,525)	8.8%
6078 · BHFS Legal - Miscellaneous (Note 1)	59,500	233,550	(174,050)	25.5%
Total 6070 · Watermaster Legal Services	214,931	565,964	(351,033)	38.0%
6275 · BHFS Legal - Advisory Committee	1,139	26,708	(25,570)	4.3%
6375 · BHFS Legal - Board Meeting	18,257	85,272	(67,015)	21.4%
6375.1 · BHFS Legal - Board Workshop(s)	-	18,499	(18,499)	0.0%
8375 · BHFS Legal - Appropriative Pool	2,225	33,385	(31,160)	6.7%
8475 · BHFS Legal - Agricultural Pool	2,225	33,385	(31,160)	6.7%
8575 · BHFS Legal - Non-Ag Pool	2,225	33,385	(31,160)	6.7%
Total BHFS Legal Services	26,071	230,634	(204,563)	11.3%
6907.3 · WM Legal Counsel				
6907.31 · Archibald South Plume	-	12,085	(12,085)	0.0%
6907.32 · Chino Airport Plume	720	12,085	(11,365)	6.0%
6907.33 · Desalter/Hydraulic Control	-	37,200	(37,200)	0.0%
6907.34 · Santa Ana River Water Rights	311	20,595	(20,285)	1.5%
6907.36 · Santa Ana River Habitat	-	30,090	(30,090)	0.0%
6907.38 · Reg. Water Quality Cntrl Board	414	30,090	(29,676)	1.4%
6907.39 · Recharge Master Plan	29,570	30,495	(926)	97.0%
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	102,735	172,880	(70,145)	59.4%
6907.47 · 2020 Safe Yield Reset	5,120	33,920	(28,800)	15.1%
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	138,869	579,635	(440,766)	24.0%
Total Brownstein, Hyatt, Farber, Schreck Costs	\$ 379,871	\$ 1,376,233	\$ (996,362)	27.6%



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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 October 31st, the target budget percentage is generally 33%.

	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	\$ 24,290	\$ 89,136	\$ (64,846)	27.3%
6901.3 · OBMP - Field Work-WM Staff	643	7,003	(6,360)	9.2%
6901.5 · OBMP - General-WM Staff	27,804	124,049	(96,245)	22.4%
6901.7 · OBMP - Meeting-WM Staff	12,821	57,589	(44,768)	22.3%
6901.8 · OBMP - Meeting-West Yost	22,610	45,096	(22,486)	50.1%
6901.9 · OBMP - Reporting-WM Staff	3,226	2,370	856	136.1%
6901.95 · OBMP - Reporting-West Yost	19,889	57,316	(37,427)	34.7%
Total 6901 · OBMP WM and West Yost Staff	111,282	382,559	(271,277)	29.1%
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	18,760	41,235	(22,475)	45.5%
6906.15 · Integrated Model Mtgs. - IEUA Costs	-	-	-	0.0%
6906.21 · State of the Basin Report	-	-	-	0.0%
6906.26 · 2020 OBMP Update	2,594	24,016	(21,423)	10.8%
6906.71 · OBMP - Data Requests - CBWM Staff	-	-	-	0.0%
6906.72 · OBMP - Data Requests - Non CBWM	-	-	-	0.0%
6906 · OBMP Engineering Services - Other	13,083	46,992	(33,909)	27.8%
Total 6906 · OBMP Engineering Services	34,437	112,243	(77,806)	30.7%
6907 · OBMP Legal Fees				
6907.31 · Archibald South Plume	-	12,085	(12,085)	0.0%
6907.32 · Chino Airport Plume	720	12,085	(11,365)	6.0%
6907.33 · Desalter/Hydraulic Control	-	37,200	(37,200)	0.0%
6907.34 · Santa Ana River Water Rights	311	20,595	(20,285)	1.5%
6907.36 · Santa Ana River Habitat	-	30,090	(30,090)	0.0%
6907.38 · Reg. Water Quality Cntrl Board	414	30,090	(29,676)	1.4%
6907.39 · Recharge Master Plan	29,570	30,495	(926)	97.0%
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	102,735	172,880	(70,145)	59.4%
6907.47 · 2020 Safe Yield Reset	5,120	33,920	(28,800)	15.1%
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	138,869	579,635	(440,766)	24.0%
6908 · OBMP Updates				
6908.1 · 2020 OBMP Update-Dodson & Assoc.	29,107	107,578	(78,470)	27.1%
Total 6908 · OBMP Updates	29,107	107,578	(78,470)	27.1%
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	\$ 337,766	\$ 1,215,309	\$ (877,544)	27.8%



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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 October 31st, the target budget percentage is generally 33%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
5901 · Admin-WM Staff				
5901.1 · Admin-Doc. Review-WM Staff	\$ 13,403	\$ 82,794	\$ (69,391)	16.2%
5901.3 · Admin-Field Work-WM Staff	2,314	7,760	(5,446)	29.8%
5901.5 · Admin-General-WM Staff	20,957	60,129	(39,172)	34.9%
5901.7 · Admin-Meeting-WM Staff	4,313	2,633	1,680	163.8%
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	40,987	229,446	(188,459)	17.9%
5900 · Judgment Admin Other Expenses				
5906.71 · Admin-Data Req-CBWM Staff	11,075	126,204	(115,129)	8.8%
5906.72 · Admin-Data Req-Non CBWM Staff	146	42,832	(42,686)	0.3%
5910 · Court Coordination/Attend-WM	8,774	19,098	(10,324)	45.9%
5911 · Exhibit G-WM Staff	-	2,370	(2,370)	0.0%
5921 · Production Monitoring-WM Staff	2,892	11,322	(8,430)	25.5%
5925 · Ag Prod & Estimation-West Yost	7,165	34,376	(27,212)	20.8%
5931 · Recharge Applications-WM Staff	-	4,634	(4,634)	0.0%
5935 · Admin-Mat'l Phy Inj Requests	2,357	36,072	(33,715)	6.5%
5941 · Reporting-WM Staff	-	1,316	(1,316)	0.0%
5945 · WM Annual Report Prep-West Yost	932	15,416	(14,484)	6.0%
5951 · Rules & Regs-WM Staff	-	12,726	(12,726)	0.0%
5961 · Safe Yield-WM Staff	612	26,330	(25,718)	2.3%
5965 · Support Data Collect-West Yost	852	36,336	(35,485)	2.3%
5971 · Storage Agreements-WM Staff	-	4,739	(4,739)	0.0%
5981 · Water Acct/Database-WM Staff	48,111	109,793	(61,682)	43.8%
5991 · Water Transactions-WM Staff	1,102	8,688	(7,586)	12.7%
Total 5900 · Judgment Admin Other Expenses	84,017	492,252	(408,235)	17.1%
Total 5900 · Judgment Administration	\$ 125,004	\$ 721,698	\$ (596,694)	17.3%



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“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
November 2023**

Date	Number	Vendor Name	Description	Amount
11/02/2023	ACH11/2/23	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	\$ 9,902.00
11/02/2023	ACH 11/2/23	CALPERS	1394905143	13,544.73
11/03/2023	24407	APPLIED COMPUTER TECHNOLOGIES	Invoice 35881	4,250.00
11/03/2023	24408	CURATALO, JAMES		750.00
11/03/2023	24409	ELIE, STEVEN	Board Member Compensation	125.00
11/03/2023	24410	EMPOWER LAB	Invoice 2956	500.00
11/03/2023	24411	FAVELA QUINTERO, RUBY	Reimbursement	57.12
11/03/2023	24412	FEENSTRA, BOB		2,750.00
11/03/2023	24413	FIRST LEGAL NETWORK LLC	Invoice 40080408	487.91
11/03/2023	24414	GEYE, BRIAN		125.00
11/03/2023	24415	KUHN, BOB		875.00
11/03/2023	24416	PRINTING RESOURCES	Invoice 68517	60.71
11/03/2023	24417	R&D PEST SERVICES	Invoice 351222	100.00
11/03/2023	24418	STATE COMPENSATION INSURANCE FUND	Inv. 1001628332	2,768.91
11/03/2023	24419	UNION 76	7076-2245-3035-5049	388.05
11/03/2023	24420	USAFACT, INC.	Invoice 3103170	17.50
11/03/2023	24421	VANGUARD CLEANING SYSTEMS	Invoice 126539	915.00
11/03/2023	24422	VC3, INC.	Invoice. 159839	6,487.79
11/07/2023	24423	ACWA JOINT POWERS INSURANCE AUTHORITY	Invoice 0701070	33.54
11/07/2023	24424	BURRTEC WASTE INDUSTRIES, INC.	Customer 136525395	160.73
11/07/2023	24425	CALIFORNIA BANK & TRUST	Account ending 6198	5,448.60
11/07/2023	24426	TALENT ADVISERS, LLC	6013	4,800.00
11/07/2023	24427	VANGUARD CLEANING SYSTEMS	Invoice 127106	440.00
11/08/2023	24428	BOWCOCK, ROBERT		625.00
11/08/2023	24429	CURATALO, JAMES		1,000.00
11/08/2023	24430	DE BOOM, NATHAN		125.00
11/08/2023	24431	ELIE, STEVEN		250.00
11/08/2023	24432	FEENSTRA, BOB		1,375.00
11/08/2023	24433	FILIPPI, GINO		375.00
11/08/2023	24434	WEST YOST		248,347.96
11/08/2023	24435	WESTERN MUNICIPAL WATER DISTRICT		375.00
11/08/2023	24436	C.J. BROWN & COMPANY, CPAs	October 2023 Services	3,559.00
11/08/2023	24437	EGOSCUA LAW GROUP, INC.	8467	15,600.00
11/08/2023	24438	OFFICE & ERGONOMIC SOLUTIONS, INC.	Invoice 7395 Proposal #4355 Final Payment	1,077.07
11/08/2023	24439	SAN DIEGO HUMAN RESOURCES CONSULTING, INC	6193	750.00
11/08/2023	24440	SOUTHERN CALIFORNIA EDISON	6023	1,586.23
11/15/2023	24441	CORELOGIC INFORMATION SOLUTIONS	Invoice 82192113	125.00
11/15/2023	24442	DE HAAN, HENRY		375.00
11/15/2023	24443	KUHN, BOB		875.00
11/15/2023	24444	NELSON, ANNA	To Reissue check #242.08	323.23
11/15/2023	24445	PIERSON, JEFFREY		2,375.00
11/15/2023	24446	VANGUARD CLEANING SYSTEMS	Invoice 127135	440.00
11/15/2023	24447	VERIZON WIRELESS	Acct: 470810953-00002	266.15
11/17/2023	24448	CUCAMONGA VALLEY WATER DISTRICT		11,727.00
11/17/2023	24449	GREAT AMERICA LEASING CORP.	Invoice 35306908	1,464.61
11/17/2023	24450	LAW OFFICE OF ALLEN W. HUBSCH	Invoice #153	1,815.00
11/17/2023	24451	LEGAL SHIELD	Group# 111802	161.40
11/17/2023	24452	OFFICE & ERGONOMIC SOLUTIONS, INC.	Invoice 7493	204.73
11/17/2023	24453	ULTIMATE STAFFING SERVICES	Invoice 16088777	885.36
11/17/2023	24454	SOCALGAS	Acct. 065 523 7677 1	57.16
11/17/2023	24455	UNITED HEALTHCARE	Inv. 052580484620	828.89
11/22/2023	24456	CUCAMONGA VALLEY WATER DISTRICT - UTILITY	6023	30.13
11/22/2023	24457	FRONTIER COMMUNICATIONS	909-484-3890-050914-5	234.53
11/22/2023	24458	RAUCH COMMUNICATION CONSULTANTS, INC.	Inv. 09/10-2023-03	1,117.50
11/22/2023	24459	READY REFRESH	0023230253	153.90
11/22/2023	24460	STANDARD INSURANCE CO.	Policy # 00-649299-0009	\$ 818.30



Chino Basin Watermaster

Cash Disbursements

November 2023

Date	Number	Vendor Name	Description	Amount
11/22/2023	24461	ULTIMATE STAFFING SERVICES	Invoice 16091304	\$ 1,208.15
11/22/2023	24462	VERIZON WIRELESS	Acct: 642073270-00002	38.01
11/29/2023	24463	CUCAMONGA VALLEY WATER DISTRICT - UTILITY	6023	151.89
11/29/2023	24464	EIDE BAILLY LLP	Inv. EI01594068	19,628.10
11/29/2023	24465	FAVELA QUINTERO, RUBY	Reimbursement	129.92
11/29/2023	24466	PRINTING RESOURCES	Invoice 68582	64.11
11/29/2023	24467	SAN DIEGO HUMAN RESOURCES CONSULTING, INC	6193	675.00
11/29/2023	24468	SOUTHERN CALIFORNIA EDISON	6023	303.64
11/29/2023	24469	TOM DODSON & ASSOCIATES	Invoice CB271 23-10	4,005.00
11/29/2023	24470	ULTIMATE STAFFING SERVICES	Invoice 16092246	1,475.60
11/30/2023	ACH11/30/23	CALPERS	1946207465	12,648.36
Total for Month \$				394,638.52



Chino Basin Watermaster

Credit Card Expense Detail

November 2023

Date	Number	Expense Account	Description	Amount
11/07/2023	24425	CALIFORNIA BANK & TRUST		
		6042 · Postage - General	FedEx Pierson and Hofer Board packet	(55.38)
		6141 · Meeting Expenses	CalPERS breakfast P. Kavounas	(34.50)
		6141 · Meeting Expenses	CalPERS dinner- P. Kavounas, A. Nelson, A. Chavez	(117.04)
		6191 · Conferences - General	CalPERS hotel - P. Kavounas	(45.96)
		6141 · Meeting Expenses	Meeting - C. Berch and P. Kavounas	(20.01)
		6141 · Meeting Expenses	Erik welcome lunch - Management and Staff	(139.88)
		6141 · Meeting Expenses	Breakfast meeting - P. Kavounas and Don Pierro	(31.73)
		6141 · Meeting Expenses	Meeting - S. Elie and P. Kavounas	(33.76)
		6172 · Vehicle Lease	Chino Basin Tour rental	(439.86)
		6141 · Meeting Expenses	OPS meeting breakfast	(125.20)
		6031.7 · Other Office Supplies	REV max starter subscription	(25.19)
		6031.7 · Other Office Supplies	Board Workshop supply	(13.57)
		6192 · Seminars - General	HR Webinar - A. Nelson	(133.53)
		6141 · Meeting Expenses	Basin Tour Staff lunch	(96.76)
		6141 · Meeting Expenses	Basin Tour Staff lunch	(9.06)
		6141 · Meeting Expenses	Basin Tour lunch for Judge	(9.06)
		6141 · Meeting Expenses	Basin Tour Staff lunch	(11.16)
		6016 · New Employee Search Costs	CVI - Erik Vides school verification	(41.95)
		6031.7 · Other Office Supplies	Misc. Office Supplies- toner	(100.34)
		6031.7 · Other Office Supplies	Misc. Office Supplies- toner	(27.77)
		6141 · Meeting Expenses	Admin lunch	(47.03)
		6013 · Human Resources Services	Year end Employee Benefit Statements	(251.11)
		6312 · Meeting Expenses	Lunch meeting - CBWM Board and P. Kavounas	(68.03)
		6061.2 · Bamboo HR Consultant	BambooHR	(191.14)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(112.19)
		6193 · Employee Training	HR Webinar - A. Nelson and E. Tellez Foster	(142.78)
		6031.7 · Other Office Supplies	Misc. Office Supplies- toner	(90.26)
		6141 · Meeting Expenses	Admin lunch - Year end meeting	(48.61)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(78.23)
		6031.7 · Other Office Supplies	Misc. Office Supplies- toner	(168.86)
		6031.7 · Other Office Supplies	Misc. Office Supplies- toner	(245.58)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(37.61)
		6031.7 · Other Office Supplies	Misc. Supplies	(51.57)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(40.29)
		6042 · Postage - General	Hofer Pools Package	(22.78)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(39.81)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(33.48)
		6042 · Postage - General	Pierson Pools Package	(22.78)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(12.48)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(141.54)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(25.51)
		6154 · Uniforms	Lands End uniform - Erik Vides	(114.77)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(19.60)
		6031.7 · Other Office Supplies	Alonso's 5 year anniversary at CBWM	(10.48)
		6031.7 · Other Office Supplies	Alonso's 5 year anniversary at CBWM	(1.14)
		6031.7 · Other Office Supplies	Misc. Office Supplies	(40.88)
		6031.7 · Other Office Supplies	CBWM employee pictures	(419.93)
		6141 · Meeting Expenses	Alonso's 5 year anniversary at CBWM lunch	(147.23)
		6141 · Meeting Expenses	Water Professional's Celebratory staff lunch	(307.12)
		6042 · Postage - General	LAIF form	(39.80)
		6312 · Meeting Expenses	Board Workshop supply	(36.74)
		6312 · Meeting Expenses	Board Workshop supply	(21.83)
		6191 · Conferences - General	CalPERS Conf. hotel - Anna Chavez	(860.52)
		6042 · Postage - General	Pierson and Hofer Board packets	(45.18)
				(5,448.60)

Total for Month \$ (5,448.60)



Chino Basin Watermaster

Combining Schedule of Revenues, Expenses & Changes in Net Assets

For the Period of July 1, 2023 through November 30, 2023

	TOTAL			POOL ADMINISTRATION & SPECIAL PROJECTS			GROUND WATER REPLENISH.	GRAND TOTALS	ADOPTED BUDGET 2023-2024
	JUDGMENT ADMIN.	OPTIMUM BASIN MGMT.	JUDGMENT ADMIN & OBMP	AP POOL	OAP POOL	ONAP POOL			
Administrative Revenues:									
Administrative Assessments	\$ 5,636,711	\$ 3,678,686	\$ 9,315,397	\$ 646,000	\$ -	\$ 31,000	\$ -	\$ 9,992,397	\$ 9,314,915
Interest Revenue	-	126,255	126,255	1,283	18,322	762	23,232	169,854	312,500
Groundwater Replenishment	-	-	-	-	-	-	349,825	349,825	-
Mutual Agency Project Revenue	186,412	-	186,412	-	-	-	-	186,412	186,412
Miscellaneous Income	-	-	-	-	-	-	-	-	-
Total Administrative Revenues	5,823,123	3,804,941	9,628,064	647,283	18,322	31,762	373,057	10,698,488	9,813,827
Administrative & Project Expenditures:									
Watermaster Administration	1,640,040	-	1,640,040	-	-	-	-	1,640,040	2,993,430
Watermaster Board-Advisory Committee	106,700	-	106,700	-	-	-	-	106,700	366,923
Optimum Basin Mgmt Administration	-	386,123	386,123	-	-	-	-	386,123	1,215,309
OBMP Project Costs	-	951,259	951,259	-	-	-	-	951,259	5,409,723
Pool Legal Services	-	-	-	-	43,300	8,432	-	51,732	235,530
Pool Meeting Compensation	-	-	-	-	11,625	2,375	-	14,000	44,597
Pool Special Projects	-	-	-	-	-	-	-	-	-
Pool Administration	-	-	-	-	-	-	-	-	327,067
Debt Service	-	-	-	-	-	-	-	-	1,665,475
Agricultural Expense Transfer ¹	-	-	-	54,925	(54,925)	-	-	-	-
Total Administrative Expenses	1,746,739	1,337,382	3,084,121	54,925	-	10,807	-	3,149,853	12,258,054
Net Ordinary Income	4,076,384	2,467,559	6,543,943	592,358	18,322	20,955	373,057	7,548,635	(2,444,227)
Other Income/(Expense)									
Replenishment Water Assessments	-	-	-	-	-	-	(46,060)	(46,060)	-
Refund-Basin O&M Expenses	(1,542,183)	-	(1,542,183)	-	-	-	-	(1,542,183)	-
Refund-Recharge Debt Service	-	-	-	-	-	-	-	-	-
Net Other Income/(Expense)	(1,542,183)	-	(1,542,183)	-	-	-	(46,060)	(1,588,243)	-
Net Transfers To/(From) Reserves	\$ 2,534,201	\$ 2,467,559	\$ 5,001,760	\$ 592,358	\$ 18,322	\$ 20,955	\$ 326,997	\$ 5,960,392	\$ (2,444,227)
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			14,769,859	633,562	1,361,549	78,796	2,042,283	18,886,048	
Pool Assessments Outstanding ²				(256,469)	(731,123)	(31,000)			
Pool Fund Balance				\$ 377,093	\$ 630,426	\$ 47,796			

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

² Outstanding balance of Pool Special Assessments



Chino Basin Watermaster

Treasurer's Report

November 2023

	Type	Monthly Yield	Cost	Market	% Total
Cash & Investments					
Local Agency Investment Fund (LAIF) *	Investment	3.53%	\$ 7,553,516	\$ 7,450,092	59.2%
CA CLASS Prime Fund **	Investment	5.48%	3,077,223	3,077,019	24.5%
Bank of America	Checking		2,054,214	2,054,214	16.3%
Bank of America	Payroll		-	-	0.0%
Total Cash & Investments			\$ 12,684,954	\$ 12,581,325	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 November 30, 2023

	November 2023	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	9,023,482	9,669,482	8,886,165	783,317	109%
4 Admin Assessments-Non-Ag Pool	322,914	322,914	428,750	(105,836)	75%
5 Total Administration Revenue	9,346,397	10,178,809	9,501,327	677,482	107%
6 Other Revenue					
7 Appropriative Pool-Replenishment	335,840	335,840	-	335,840	N/A
8 Non-Ag Pool-Replenishment	13,985	13,985	-	13,985	N/A
9 Interest Income	14,807	169,854	312,500	(142,646)	54%
10 Miscellaneous Income	-	-	-	-	N/A
11 Total Other Revenue	364,632	519,679	312,500	207,179	166%
12 Total Revenue	9,711,028	10,698,488	9,813,827	884,661	109%
13 Judgment Administration Expense					
14 Judgment Administration	24,280	149,284	721,698	(572,414)	21%
15 Admin. Salary/Benefit Costs	255,686	837,568	1,413,610	(576,042)	59%
16 Office Building Expense	16,468	92,092	208,510	(116,418)	44%
17 Office Supplies & Equip.	3,133	29,835	49,438	(19,603)	60%
18 Postage & Printing Costs	1,706	10,488	33,806	(23,318)	31%
19 Information Services	13,367	60,381	199,818	(139,437)	30%
20 Contract Services	24,532	53,625	60,200	(6,576)	89%
21 Watermaster Legal Services	113,420	345,865	565,964	(220,099)	61%
22 Insurance	-	46,256	50,468	(4,212)	92%
23 Dues and Subscriptions	30	28,597	40,027	(11,430)	71%
24 Watermaster Administrative Expenses	571	4,247	7,550	(3,303)	56%
25 Field Supplies	-	583	3,200	(2,617)	18%
26 Travel & Transportation	1,134	11,447	29,570	(18,123)	39%
27 Training, Conferences, Seminars	2,145	13,989	50,400	(36,411)	28%
28 Advisory Committee Expenses	1,779	22,912	105,823	(82,911)	22%
29 Watermaster Board Expenses	20,082	83,788	261,100	(177,312)	32%
30 ONAP - WM & Administration	4,023	12,018	106,194	(94,176)	11%
31 OAP - WM & Administration	4,910	17,662	108,700	(91,038)	16%
32 Appropriative Pool- WM & Administration	6,273	34,834	112,173	(77,339)	31%
33 Allocated G&A Expenditures	(17,639)	(108,733)	(440,829)	332,096	25%
34 Total Judgment Administration Expense	475,898	1,746,739	3,687,420	(1,940,680)	47%
35 Optimum Basin Management Plan (OBMP)					
36 Optimum Basin Management Plan	48,357	386,123	1,215,309	(829,186)	32%
37 Groundwater Level Monitoring	32,336	137,261	459,625	(322,364)	30%
38 Program Element (PE)2- Comp Recharge	7,913	75,318	1,672,577	(1,597,259)	5%
39 PE3&5-Water Supply/Desalte	(1,280)	4,731	105,677	(100,946)	4%
40 PE4- Management Plan	28,025	136,869	817,643	(680,774)	17%
41 PE6&7-CoopEfforts/SaltMgmt	37,309	212,629	1,117,623	(904,995)	19%
42 PE8&9-StorageMgmt/Conj Use	97,745	275,718	795,750	(520,031)	35%
43 Recharge Improvements	-	-	1,665,475	(1,665,475)	0%
44 Administration Expenses Allocated-OBMP	6,989	53,783	222,160	(168,377)	24%
45 Administration Expenses Allocated-PE 1-9	10,651	54,949	218,669	(163,720)	25%
46 Total OBMP Expense	268,044	1,337,382	8,290,508	(6,953,126)	16%
47 Pool Administration					
48 Appropriative Pool-Legal Services	-	-	-	-	N/A
49 OAP Legal & Technical Services	15,600	43,300	180,564	(137,264)	24%
50 OAP Meeting Compensation	4,250	11,625	39,722	(28,097)	29%
51 OAP Expense - Special Projects	-	-	-	-	N/A
52 ONAP - Legal Services	1,815	8,432	54,966	(46,534)	15%
52 ONAP - Meeting Compensation	1,250	2,375	4,875	(2,500)	49%
53 Total Pool Administration	22,915	65,732	280,127	(214,395)	23%
55 Other Expense					
56 Groundwater Replenishment	-	46,060	-	46,060	N/A
57 Reserve Refunds	1,542,183	1,542,183	-	1,542,183	N/A
58 Total Other Expense	1,542,183	1,588,243	-	1,588,243	N/A
59 Total Expenses	2,309,040	4,738,096	12,258,054	(7,519,958)	39%
60 Increase / (Decrease) to Reserves	\$ 7,401,988	\$ 5,960,392	\$ (2,444,227)	\$ 8,404,619	



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023 to November 30, 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 November 30th, the target budget percentage is generally 42%.

Revenues

Lines 1-5 Administration Revenue – Includes local agency subsidies and administrative assessment for the appropriative, 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 4-5 Administrative Assessments for the Agricultural and Non-Agricultural pools include annual assessment invoices issued in November of each year, as well as special assessments issued at the direction of the respective pools. The Appropriative pool line is over budget due to changes in actual versus projected production, and special assessments issued.

Lines 6-11 Other Revenue – Includes pool replenishment assessments, interest income and other miscellaneous income.

Expenses

Lines 13-34 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 15 Admin Salary/Benefit Costs includes wages and benefits for Watermaster administrative staff. YTD is at 59% of budget due to vacation, sick time, and severance payouts.
- Line 17 Office Supplies and Equipment includes office supplies, minor office furniture, and other miscellaneous office items including bank fees. YTD is at 60% due to timing of office furniture purchases and timing of shredding services.
- Line 20 Contract Services includes outside services for the annual audit report, HR consulting, court filings, and accounting consulting. YTD is at 89% due to timing of audit services, and increased consulting services not anticipated in the budget. These increased consulting service costs should be offset by a savings in administrative salaries and benefits.
- Line 22 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 71% of budget due to timing of annual dues for ACWA and CA Groundwater Coalition.
- Line 24 Watermaster Administrative Expenses including meeting expenses and supplies for admin, committee and other meetings. YTD is at 56% due to increased meeting activity in the first half of the fiscal year.

Lines 35-46 Optimum Basin Management Plan (OBMP) Expense – Includes legal, engineering, groundwater level monitoring, allocated administrative expenses, and other expenses.



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023 to November 30, 2023

Lines 47-53 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 55-58 Other Expense – Includes groundwater replenishment, and various refunds as appropriate. YTD activity includes refunds for prior year recharge basin O&M expenses and excess reserves.

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. The AP also has an account 8368 relating to the Tom Harder contract. 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 November 30, 2023 (continued next page):

<table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2">Fund Balance For Non-Agricultural Pool</td> </tr> <tr> <td colspan="2">Account 8567 - Legal Services</td> </tr> <tr> <td style="border-top: 1px solid black;">Beginning Balance July 1, 2023:</td> <td style="text-align: right;">\$ 56,965.90</td> </tr> <tr> <td>Additions:</td> <td></td> </tr> <tr> <td>Interest Earnings</td> <td style="text-align: right;">761.95</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; border-top: 1px solid black; border-bottom: 3px double black;">761.95</td> </tr> <tr> <td>Reductions:</td> <td></td> </tr> <tr> <td>Invoices paid July 2023 - November 2023</td> <td style="text-align: right;">(8,432.00)</td> </tr> <tr> <td>Budget Transfers</td> <td style="text-align: right;">(2,000.00)</td> </tr> <tr> <td>Subtotal Reductions:</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">(10,432.00)</td> </tr> <tr> <td>Available Fund Balance as of November 30, 2023</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$ 47,295.85</td> </tr> </table>	Fund Balance For Non-Agricultural Pool		Account 8567 - Legal Services		Beginning Balance July 1, 2023:	\$ 56,965.90	Additions:		Interest Earnings	761.95	 Pool Invoices issued	-	Subtotal Additions:	761.95	Reductions:		Invoices paid July 2023 - November 2023	(8,432.00)	Budget Transfers	(2,000.00)	Subtotal Reductions:	(10,432.00)	Available Fund Balance as of November 30, 2023	\$ 47,295.85	<table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2">Fund Balance For Appropriative Pool</td> </tr> <tr> <td colspan="2">Account 8367 - Legal Services</td> </tr> <tr> <td style="border-top: 1px solid black;">Beginning Balance July 1, 2023:</td> <td style="text-align: right;">\$ (12,415.36)</td> </tr> <tr> <td>Additions:</td> <td></td> </tr> <tr> <td>Interest Earnings</td> <td style="text-align: right;">1,282.57</td> </tr> <tr> <td> Payments received on AP Pool Assessment invoices issued 10/30/23</td> <td style="text-align: right;">169,250.21</td> </tr> <tr> <td>Subtotal Additions:</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">170,532.78</td> </tr> <tr> <td>Reductions:</td> <td></td> </tr> <tr> <td>Invoices paid July 2023 - November 2023</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Subtotal Reductions:</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">-</td> </tr> <tr> <td>Available Fund Balance as of November 30, 2023</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$ 158,117.42</td> </tr> </table>	Fund Balance For Appropriative Pool		Account 8367 - Legal Services		Beginning Balance July 1, 2023:	\$ (12,415.36)	Additions:		Interest Earnings	1,282.57	 Payments received on AP Pool Assessment invoices issued 10/30/23	169,250.21	Subtotal Additions:	170,532.78	Reductions:		Invoices paid July 2023 - November 2023	-	Subtotal Reductions:	-	Available Fund Balance as of November 30, 2023	\$ 158,117.42
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Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023 to November 30, 2023

Pool Services Fund Accounting – Cont.

**Fund Balance for Agricultural Pool
Account 8467 - Legal Services**

Beginning Balance July 1, 2023:	\$ 41,675.63
Additions:	
Payments received on AP Pool Assessment invoices issued 10/30/23	<u>138,888.14</u>
Total Additions:	<u>138,888.14</u>
Reductions:	
Invoices paid July 2023 - November 2023	<u>(43,300.00)</u>
Subtotal Reductions:	<u>(43,300.00)</u>
Available Fund Balance as of November 30, 2023	<u>\$ 137,263.77</u>

**Agricultural Pool Reserve Funds
As shown on the Combining Schedules**

Beginning Balance July 1, 2023:	\$ 612,103.32
Additions:	
YTD Interest earned on Ag Pool Funds FY 24	18,322.34
Transfer of Funds from AP to Special Fund for Legal Service Invoices	<u>43,300.00</u>
Total Additions:	<u>61,622.34</u>
Reductions:	
Invoices paid July 2023 - November 2023	<u>(43,300.00)</u>
Total Reductions	<u>(43,300.00)</u>
Agricultural Pool Reserve Funds Balance as of Nov. 30, 2023:	<u>\$ 630,425.66</u>

**Fund Balance For Agricultural Pool
Account 8470 - Meeting Compensation**

Beginning Balance July 1, 2023:	\$ 950.98
Additions:	
Payments received on AP Pool Assessment invoices issued 10/30/23	27,777.63
Budget Transfers ¹	<u>10,993.67</u>
Subtotal Additions:	<u>38,771.30</u>
Reductions:	
Compensation paid July 2023 - November 2023	<u>(11,625.00)</u>
Subtotal Reductions:	<u>(11,625.00)</u>
Available Fund Balance as of November 30, 2023	<u>\$ 28,097.28</u>

**Fund Balance For Agricultural Pool
Account 8471 - Special Projects**

Beginning Balance July 1, 2023:	\$ 10,993.67
Additions:	
Payments received on AP Pool Assessment invoices issued 10/30/23	<u>33,888.71</u>
Subtotal Additions:	<u>33,888.71</u>
Reductions:	
Invoices paid July 2023 - November 2023	-
Budget Transfers ¹	<u>(10,993.67)</u>
Subtotal Reductions:	<u>(10,993.67)</u>
Available Fund Balance as of November 30, 2023	<u>\$ 33,888.71</u>

¹Per action taken at September pool committee meeting.

¹Per action taken at September pool committee meeting.



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023 to November 30, 2023

Watermaster Salary Expenses

The following table details the Year-To-Date (YTD) Actual Watermaster burdened 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 November 30th, the target budget percentage is generally 42%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
WM Salary Expense				
5901.1 · Judgment Admin - Doc. Review	16,996	82,794	(65,798)	20.5%
5901.3 · Judgment Admin - Field Work	2,314	7,760	(5,446)	29.8%
5901.5 · Judgment Admin - General	26,418	60,129	(33,711)	43.9%
5901.7 · Judgment Admin - Meeting	4,313	2,633	1,680	163.8%
5901.9 · Judgment Admin - Reporting	-	31,033	(31,033)	0.0%
5910 · Judgment Admin - Court Coord./Attendance	8,774	19,098	(10,324)	45.9%
5911 · Judgment Admin - Exhibit G	-	2,370	(2,370)	0.0%
5921 · Judgment Admin - Production Monitoring	2,892	11,322	(8,430)	25.5%
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	612	26,330	(25,718)	2.3%
5971 · Judgment Admin - Storage Agreements	-	4,739	(4,739)	0.0%
5981 · Judgment Admin - Water Accounting/Datab	54,532	109,793	(55,261)	49.7%
5991 · Judgment Admin - Water Transactions	1,102	8,688	(7,586)	12.7%
6011.11 · WM Staff - Overtime	7,054	15,000	(7,946)	47.0%
6011.4 · 457(f) NQDC Plan	18,494	55,467	(36,973)	33.3%
6011.10 · Admin - Accounting	87,661	367,685	(280,024)	23.8%
6011.15 · Admin - Building Admin	2,076	18,359	(16,283)	11.3%
6011.20 · Admin - Conference/Seminars	10,048	57,083	(47,035)	17.6%
6011.25 · Admin - Document Review	531	6,846	(6,315)	7.8%
6011.50 · Admin - General	245,188	569,850	(324,662)	43.0%
6011.60 · Admin - HR	50,965	43,489	7,476	117.2%
6011.70 · Admin - IT	21,645	53,975	(32,330)	40.1%
6011.80 · Admin - Meeting	19,600	90,440	(70,840)	21.7%
6011.90 · Admin - Team Building	3,260	41,304	(38,044)	7.9%
6011.95 · Admin - Training (Give/Receive)	7,140	34,312	(27,172)	20.8%
6017 · Temporary Services	3,569	24,000	(20,431)	14.9%
6201 · Advisory Committee	18,980	55,149	(36,169)	34.4%
6301 · Watermaster Board	36,026	61,818	(25,792)	58.3%
8301 · Appropriative Pool	20,019	53,761	(33,742)	37.2%
8401 · Agricultural Pool	5,339	51,549	(46,210)	10.4%
8501 · Non-Agricultural Pool	3,284	50,443	(47,159)	6.5%
6901.1 · OBMP - Document Review	24,675	89,136	(64,461)	27.7%
6901.3 · OBMP - Field Work	643	7,003	(6,360)	9.2%
6901.5 · OBMP - General	35,928	124,049	(88,121)	29.0%
6901.7 · OBMP - Meeting	14,614	57,589	(42,975)	25.4%
6901.9 · OBMP - Reporting	3,226	2,370	856	136.1%
7104.1 · PE1 - Monitoring Program	57,223	171,515	(114,292)	33.4%
7201 · PE2 - Comprehensive Recharge	17,950	57,925	(39,975)	31.0%
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	802	13,055	(12,253)	6.1%
7501 · PE6 - Coop. Programs/Salt Mgmt.	3,140	8,027	(4,887)	39.1%
7501.1 · PE 7 - Salt Nutrient Mgmt. Plan	459	6,582	(6,123)	7.0%
7601 · PE8&9 - Storage Mgmt./Recovery	1,377	11,217	(9,840)	12.3%
Subtotal WM Staff Costs	838,869	2,591,787	(1,752,918)	32%
60184.1 · Administrative Leave	15,428	6,799	8,629	226.9%
60185 · Vacation	140,559	119,130	21,429	118.0%
60185.1 · Comp Time	1,194	-	1,194	100.0%
60186 · Sick Leave	6,875	83,123	(76,248)	8.3%
60187 · Holidays	-	-	-	0.0%
Subtotal WM Paid Leaves	164,056	209,052	(44,996)	78%
Total WM Salary Costs	1,002,925	2,800,839	(1,797,914)	35.8%



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023 to November 30, 2023

Engineering

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 November 30th, the target budget percentage is generally 42%.

	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	12,520	126,204	(113,684)	9.9%
5906.72 · Judgment Admin - Data Requests-Non-CBWM Staff	1,199	42,832	(41,633)	2.8%
5925 · Judgment Admin - Ag Production & Estimation	11,861	34,376	(22,515)	34.5%
5935 · Judgment Admin - Mat'l Physical Injury Requests	2,551	36,072	(33,521)	7.1%
5945 · Judgment Admin - WM Annual Report Preparation	932	15,416	(14,484)	6.0%
5965 · Judgment Admin - Support Data Collection & Mgmt Process	2,268	36,336	(34,068)	6.2%
6206 · Advisory Committee Meetings-WY Staff	2,380	23,466	(21,086)	10.1%
6306 · Watermaster Board Meetings-WY Staff	11,469	23,466	(11,997)	48.9%
8306 · Appropriative Pool Meetings-WY Staff	10,895	23,467	(12,572)	46.4%
8406 · Agricultural Pool Meetings-WY Staff	8,403	23,466	(15,063)	35.8%
8506 · Non-Agricultural Pool Meetings-WY Staff	4,814	23,466	(18,652)	20.5%
6901.8 · OBMP - Meetings-WY Staff	25,903	45,096	(19,193)	57.4%
6901.95 · OBMP - Reporting-WY Staff	20,469	57,316	(36,847)	35.7%
6906 · OBMP Engineering Services - Other	17,103	46,992	(29,889)	36.4%
6906.26 · 2020 OBMP Update	2,594	24,016	(21,423)	10.8%
7104.3 · Grdwtr Level-Engineering	78,028	256,445	(178,417)	30.4%
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	1,642	29,084	(27,443)	5.6%
7202.2 · PE2-Comp Recharge-Engineering Services	17,959	202,362	(184,403)	8.9%
7208 · SB88 Specs-Compliance-50% IEUA	-	54,012	(54,012)	0.0%
7210 · OBMP - 2023 RMPU	37,768	94,328	(56,561)	40.0%
7220 · Integrated Model Mtg./Tech. Review-50% IEUA	-	24,618	(24,618)	0.0%
7302 · PE3&5-PBHSP Monitoring Program	2,817	69,121	(66,304)	4.1%
7303 · PE3&5-Engineering - Other	635	15,632	(14,998)	4.1%
7306 · PE3&5-Engineering - Outside Professionals	1,280	6,500	(5,220)	19.7%
7402 · PE4-Engineering	79,819	262,544	(182,725)	30.4%
7402.10 · PE4-Northwest MZ1 Area Project	34,669	271,703	(237,035)	12.8%
7403 · PE4-Eng. Services-Contracted Services-InSar	21,365	175,000	(153,635)	12.2%
7406 · PE4-Engineering Services-Outside Professionals	-	76,552	(76,552)	0.0%
7408 · PE4-Engineering Services-Network Equipment	215	14,081	(13,866)	1.5%
7502 · PE6&7-Engineering	131,643	384,163	(252,520)	34.3%
7505 · PE6&7-Laboratory Services	25,811	49,164	(23,353)	52.5%
7508 · HC Mitigation Plan-50% IEUA (TO #6)	6,210	10,703	(4,493)	58.0%
7510 · PE6&7-IEUA Salinity Mgmt. Plan	1,521	34,631	(33,110)	4.4%
7511 · PE6&7-SAWBMP Task Force-50% IEUA	9,488	24,610	(15,122)	38.6%
7517 · Surface Water Monitoring Plan-Chino Creek - 50% IEUA	2,758	69,821	(67,063)	4.0%
7520 · Preparation of Water Quality Mgmt. Plan	25,747	157,692	(131,945)	16.3%
7610 · PE8&9-Support 2020 Mgmt. Plan	8,704	69,306	(60,602)	12.6%
7614 · PE8&9-Support Imp. Safe Yield Court Order	265,637	663,747	(398,110)	40.0%
7620 · OBMP - Evaluation of Extreme Future Planning Scenarios	-	51,130	(51,130)	0.0%
Total Engineering Services Costs	\$ 889,073	\$ 3,755,182	\$ (2,866,110)	23.7%

* 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 November 30, 2023

Legal

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 November 30th, the target budget percentage is generally 42%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
6070 · Watermaster Legal Services				
6071 · BHFS Legal - Court Coordination	\$ 130,645	\$ 171,260	\$ (40,615)	76.3%
6072 · BHFS Legal - Rules & Regulations	-	92,900	(92,900)	0.0%
6073 · BHFS Legal - Personnel Matters	103,508	10,820	92,688	956.6%
6074 · BHFS Legal - Interagency Issues	-	43,704	(43,704)	0.0%
6077 · BHFS Legal - Party Status Maintenance	1,205	13,730	(12,525)	8.8%
6078 · BHFS Legal - Miscellaneous (Note 1)	88,273	233,550	(145,277)	37.8%
Total 6070 · Watermaster Legal Services	323,631	565,964	(242,333)	57.2%
6275 · BHFS Legal - Advisory Committee	1,553	26,708	(25,156)	5.8%
6375 · BHFS Legal - Board Meeting	22,365	85,272	(62,907)	26.2%
6375.1 · BHFS Legal - Board Workshop(s)	-	18,499	(18,499)	0.0%
8375 · BHFS Legal - Appropriative Pool	3,920	33,385	(29,465)	11.7%
8475 · BHFS Legal - Agricultural Pool	3,920	33,385	(29,465)	11.7%
8575 · BHFS Legal - Non-Ag Pool	3,920	33,385	(29,465)	11.7%
Total BHFS Legal Services	35,679	230,634	(194,955)	15.5%
6907.3 · WM Legal Counsel				
6907.31 · Archibald South Plume	-	12,085	(12,085)	0.0%
6907.32 · Chino Airport Plume	720	12,085	(11,365)	6.0%
6907.33 · Desalter/Hydraulic Control	1,151	37,200	(36,049)	3.1%
6907.34 · Santa Ana River Water Rights	311	20,595	(20,285)	1.5%
6907.36 · Santa Ana River Habitat	-	30,090	(30,090)	0.0%
6907.38 · Reg. Water Quality Cntrl Board	725	30,090	(29,366)	2.4%
6907.39 · Recharge Master Plan	31,536	30,495	1,041	103.4%
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	120,100	172,880	(52,780)	69.5%
6907.47 · 2020 Safe Yield Reset	10,354	33,920	(23,566)	30.5%
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	164,895	579,635	(414,740)	28.4%
Total Brownstein, Hyatt, Farber, Schreck Costs	\$ 524,205	\$ 1,376,233	\$ (852,028)	38.1%



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023 to November 30, 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 November 30th, the target budget percentage is generally 42%.

	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	\$ 24,675	\$ 89,136	\$ (64,461)	27.7%
6901.3 · OBMP - Field Work-WM Staff	643	7,003	(6,360)	9.2%
6901.5 · OBMP - General-WM Staff	35,928	124,049	(88,121)	29.0%
6901.7 · OBMP - Meeting-WM Staff	14,614	57,589	(42,975)	25.4%
6901.8 · OBMP - Meeting-West Yost	25,903	45,096	(19,193)	57.4%
6901.9 · OBMP - Reporting-WM Staff	3,226	2,370	856	136.1%
6901.95 · OBMP - Reporting-West Yost	20,469	57,316	(36,847)	35.7%
Total 6901 · OBMP WM and West Yost Staff	125,459	382,559	(257,100)	32.8%
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	18,889	41,235	(22,346)	45.8%
6906.15 · Integrated Model Mtgs. - IEUA Costs	-	-	-	0.0%
6906.21 · State of the Basin Report	-	-	-	0.0%
6906.26 · 2020 OBMP Update	2,594	24,016	(21,423)	10.8%
6906.71 · OBMP - Data Requests - CBWM Staff	-	-	-	0.0%
6906.72 · OBMP - Data Requests - Non CBWM	-	-	-	0.0%
6906 · OBMP Engineering Services - Other	17,103	46,992	(29,889)	36.4%
Total 6906 · OBMP Engineering Services	38,586	112,243	(73,657)	34.4%
6907 · OBMP Legal Fees				
6907.31 · Archibald South Plume	-	12,085	(12,085)	0.0%
6907.32 · Chino Airport Plume	720	12,085	(11,365)	6.0%
6907.33 · Desalter/Hydraulic Control	1,151	37,200	(36,049)	3.1%
6907.34 · Santa Ana River Water Rights	311	20,595	(20,285)	1.5%
6907.36 · Santa Ana River Habitat	-	30,090	(30,090)	0.0%
6907.38 · Reg. Water Quality Cntrl Board	725	30,090	(29,366)	2.4%
6907.39 · Recharge Master Plan	31,536	30,495	1,041	103.4%
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	120,100	172,880	(52,780)	69.5%
6907.47 · 2020 Safe Yield Reset	10,354	33,920	(23,566)	30.5%
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	164,895	579,635	(414,740)	28.4%
6908 · OBMP Updates				
6908.1 · 2020 OBMP Update-Dodson & Assoc.	33,112	107,578	(74,465)	30.8%
Total 6908 · OBMP Updates	33,112	107,578	(74,465)	30.8%
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	\$ 386,123	\$ 1,215,309	\$ (829,186)	31.8%



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023 to November 30, 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 November 30th, the target budget percentage is generally 42%.

	Year to Date Actual	FY 23-24 Budget	\$ Over / (Under) Budget	% of Budget
5901 · Admin-WM Staff				
5901.1 · Admin-Doc. Review-WM Staff	\$ 16,996	\$ 82,794	\$ (65,798)	20.5%
5901.3 · Admin-Field Work-WM Staff	2,314	7,760	(5,446)	29.8%
5901.5 · Admin-General-WM Staff	26,418	60,129	(33,711)	43.9%
5901.7 · Admin-Meeting-WM Staff	4,313	2,633	1,680	163.8%
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	50,041	229,446	(179,405)	21.8%
5900 · Judgment Admin Other Expenses				
5906.71 · Admin-Data Req-CBWM Staff	12,520	126,204	(113,684)	9.9%
5906.72 · Admin-Data Req-Non CBWM Staff	1,199	42,832	(41,633)	2.8%
5910 · Court Coordination/Attend-WM	8,774	19,098	(10,324)	45.9%
5911 · Exhibit G-WM Staff	-	2,370	(2,370)	0.0%
5921 · Production Monitoring-WM Staff	2,892	11,322	(8,430)	25.5%
5925 · Ag Prod & Estimation-West Yost	11,861	34,376	(22,515)	34.5%
5931 · Recharge Applications-WM Staff	-	4,634	(4,634)	0.0%
5935 · Admin-Mat'l Phy Inj Requests	2,551	36,072	(33,521)	7.1%
5941 · Reporting-WM Staff	-	1,316	(1,316)	0.0%
5945 · WM Annual Report Prep-West Yost	932	15,416	(14,484)	6.0%
5951 · Rules & Regs-WM Staff	-	12,726	(12,726)	0.0%
5961 · Safe Yield-WM Staff	612	26,330	(25,718)	2.3%
5965 · Support Data Collect-West Yost	2,268	36,336	(34,068)	6.2%
5971 · Storage Agreements-WM Staff	-	4,739	(4,739)	0.0%
5981 · Water Acct/Database-WM Staff	54,532	109,793	(55,261)	49.7%
5991 · Water Transactions-WM Staff	1,102	8,688	(7,586)	12.7%
Total 5900 · Judgment Admin Other Expenses	99,243	492,252	(393,009)	20.2%
Total 5900 · Judgment Administration	\$ 149,284	\$ 721,698	\$ (572,414)	20.7%



Chino Basin Watermaster

Monthly Variance Report & Supplemental Schedules

For the period July 1, 2023 to November 30, 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

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EDGAR TELLEZ FOSTER, PhD
Acting General Manager

STAFF REPORT

DATE: January 25, 2024
TO: Board Members
SUBJECT: Chino Basin Watermaster 2024 Investment Policy – Resolution No. 2024-01
(Consent Calendar Item II.C.)

SUMMARY

Issue: An annual investment policy needs to be adopted by the Watermaster Board. [Normal Course of Business]

Recommendation: Adopt Resolution 2024-01 – Resolution of the Chino Basin Watermaster, San Bernardino County, California, Re-Authorizing the Watermaster’s Investment Policy.

Financial Impact: None.

Future Consideration
Watermaster Board – January 25, 2024: Adoption

ACTIONS:
Appropriative Pool – January 11, 2024: No advice or assistance was provided.
Non-Agricultural Pool – January 11, 2024: No advice or assistance was provided.
Agricultural Pool – January 11, 2024: No advice or assistance was provided.
Advisory Committee – January 18, 2024: Recommend Board adoption.
Watermaster Board – January 25, 2024:

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

Pursuant to the Restated Judgment Paragraph 23 (Investment of Funds), "Watermaster may hold and invest any and all Watermaster funds in investments authorized from time to time for public agencies of the State of California."

DISCUSSION

In order for Watermaster to maintain its investments as set forth in paragraph 23 of the Restated Judgment, a Resolution and the annual investment policy needs to be adopted by the Watermaster Board each year.

Resolution 2024-01, Resolution of the Chino Basin Watermaster, San Bernardino County, California, Establishing a Watermaster Investment Policy has been drafted (Attachment 1), and if adopted would rescind Resolution 2023-01 in its entirety. The 2024 Chino Basin Watermaster Investment Policy has also been drafted (Attachment 2).

The item was presented to the three Pool Committees at their January 2024 meetings where no advice or assistance was offered. The item was then presented to the Advisory Committee at its January 18, 2024 meeting where it was unanimously recommended to the Watermaster Board for adoption.

ATTACHMENTS

1. Resolution 2024-01 Establishing a Watermaster Investment Policy (DRAFT)
2. Chino Basin Watermaster 2024 Investment Policy (DRAFT)

RESOLUTION 2024-01

**RESOLUTION OF THE CHINO BASIN WATERMASTER,
SAN BERNARDINO COUNTY, CALIFORNIA,
ESTABLISHING
A WATERMASTER INVESTMENT POLICY**

WHEREAS, the normal and prudent operation of the Watermaster’s daily business generates cash balances, operating and fund reserves; and

WHEREAS, the cash management system is designed to accurately monitor and forecast expenditures and revenues on behalf of Watermaster, thus enabling the Watermaster to invest funds to the fullest extent possible; and

WHEREAS, the cash funds are to be placed in investments authorized for public agencies of the State of California (Judgment Paragraph 23); and

WHEREAS, Watermaster deems it to be in the best interests of the parties to the Judgment to delegate the authority to invest and reinvest the funds of Watermaster to the Watermaster General Manager subject to the provisions of its Investment Policy and the ongoing review and control of Watermaster and the Watermaster Advisory Committee.

WHEREAS, it is the Watermaster's policy to annually review, update, and adopt an investment policy;

NOW, THEREFORE, BE IT RESOLVED, by the Chino Basin Watermaster that:

Section 1. The Chino Basin Watermaster 2024 Investment Policy, as attached, is adopted.

Section 2. The authority to invest and reinvest funds of Watermaster is hereby delegated to the Watermaster General Manager (and his/her designees) subject to the provisions of said Investment Policy and the ongoing review and control of Watermaster and the Watermaster Advisory Committee.

Section 3. This resolution shall take effect from and after its date of adoption and Resolution 2023-01 is rescinded in its entirety.

ADOPTED by the Watermaster Board on this 25th day of January 2024.

APPROVED:

By: _____
Chair, Watermaster Board

ATTEST:

By: _____
Board Secretary/Treasurer
Chino Basin Watermaster

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN BERNARDINO)

I, _____, Secretary/Treasurer of the Chino Basin Watermaster, DO
HEREBY CERTIFY that the foregoing Resolution being No. 2024-01, was adopted at a regular meeting of
the Chino Basin Watermaster Board on January 25, 2024 by the following vote:

AYES: 0
NOES: 0
ABSENT: 0
ABSTAIN: 0

CHINO BASIN WATERMASTER

Watermaster Secretary/Treasurer

Date: _____

CHINO BASIN WATERMASTER

2024 INVESTMENT POLICY

1.0 POLICY

WHEREAS; the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (Government Code (GC) § 53600.6 and § 53630.1); and

WHEREAS; the legislative body of a local agency may invest monies not required for the immediate necessities of the local agency (though Chino Basin Watermaster is not a local agency, it handles its investments in a similar manner) in accordance with the provisions of California Government Code Sections 5922 and 53601 et seq.; and

WHEREAS; the General Manager ("GM") of the Chino Basin Watermaster ("Watermaster") shall annually prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the Watermaster Board at a public meeting;

NOW THEREFORE, it shall be the policy of the Watermaster to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Watermaster and conforming to all statutes and judgments governing the investment of Watermaster funds as defined in GC §53600 et seq.

2.0 SCOPE

This investment policy applies to all financial assets of the Watermaster. These funds are accounted for in the annual Watermaster audit.

3.0 PRUDENCE

Investments shall be made with judgment and care, under circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the Watermaster, which persons of prudence, discretion, and intelligence, exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent investor" standard in the California Government Code (53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers (the GM and his/her designees) acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit

risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.0 OBJECTIVES

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

1. Safety: Safety of principal is the foremost objective of the investment program. Investments of the Watermaster shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

2. Liquidity: The investment portfolio will remain sufficiently liquid to enable the Watermaster to meet all operating requirements which might be reasonably anticipated.

3. Return on Investments: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

5.0 DELEGATION OF AUTHORITY

Authority to manage the investment program is derived from the Restated Judgment Paragraph 23, and from California Government Code 53600, et seq. Management responsibility for the investment program is hereby delegated to the Advisory Committee, who, with the GM, shall establish written procedures for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking service contracts, as appropriate. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and pursuant to Watermaster rules and regulations 2.16, derived from the Restated Judgment, Paragraph 23. The Board shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. Under the provisions of California Government Code 53600.3, the GM is a trustee and a fiduciary subject to the prudent investor standard.

6.0 ETHICS AND CONFLICTS OF INTEREST

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

7.0 AUTHORIZED AND SUITABLE INVESTMENTS

The Watermaster is empowered by California Government Code 53601 et seq. to invest in the following:

1. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association, or a federal association (as defined by Section 5102 of the Financial Code), or by a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed \$500,000 in any one Bank at a time.
2. Local Agency Investment Fund (LAIF) in Sacramento, CA.
3. Investment Trust of California (CalTRUST).
4. California Cooperative Liquid Assets Securities System (CLASS).
5. California Asset Management Program (CAMP).

Such investments shall be limited to securities that at the time of the investment have a term remaining to maturity of five years or less, or as provided above.

8.0 COLLATERALIZATION

All certificates of deposit must be collateralized. Collateral must be held by a third-party trustee and valued on a monthly basis.

9.0 DIVERSIFICATION

The Watermaster will diversify its investments by security type and institution. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific class of securities.

10.0 REPORTING

The Watermaster Director of Administration shall prepare Monthly Investment Reports which reflect investment transactions for review by the Pool Committees and the Advisory Committee prior to presentation to the Watermaster Board at its next regularly scheduled meeting.

Following formats used in prior years, said Investment Report will reflect the following information:

- a. Funds held in each Bank at the beginning and ending of the reporting period; and
- b. Investments deposited and/or redeemed by type and by Bank (including

interest rates, days invested and maturity yield rates) during the reporting period; and

- c. Investments outstanding at the close of the reporting period (including interest rates, days invested and maturity date); and
- d. Elements effecting the change in Watermaster's cash position; and
- e. A statement signed by the Director of Administration as to the ability of the cash on hand to meet foreseen expenditures during the next six months.

11.0 INVESTMENT POLICY ADOPTION

The Investment Policy shall be adopted by resolution of the Watermaster on an annual basis. The Policy Statement will be reviewed by each Pool Committee. Should any Pool Committee recommend revisions to the Policy Statement, it shall be amended prior to presentation to the Advisory Committee for its review and comment. If necessary, the Policy Statement will be further amended to reflect the comments of the Advisory Committee. The final Policy Statement will then be presented to the Watermaster Board for adoption at the next regularly scheduled meeting.



CHINO BASIN WATERMASTER

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EDGAR TELLEZ FOSTER, PhD
Acting General Manager

STAFF REPORT

DATE: January 25, 2024
TO: Board Members
SUBJECT: Chino Basin Watermaster 46th Annual Report (Fiscal Year 2022/23)
(Consent Calendar Item II.D.)

SUMMARY:

Issue: Watermaster is required annually to file an Annual Report with the Court. The 46th Annual report (Fiscal Year 2022/23) has been drafted. [Within WM Duties and Powers]

Recommendation: Adopt the 46th Annual Report, and direct staff to file a copy with the Court, subject to any necessary non-substantive changes.

Financial Impact: The costs of preparing the Annual Report and filing it with the Court are included in the Watermaster Fiscal Year 2023/24 budget as a cost compliance with the Restated Judgment.

Future Consideration

Watermaster Board – January 25, 2024: Adopt and direct staff to file a copy with the Court

ACTIONS:

Appropriative Pool – January 11, 2024: Unanimously recommended Advisory to recommend to the Watermaster Board to adopt

Non-Agricultural Pool – January 11, 2024: Unanimously recommended Advisory to recommend to the Watermaster Board to adopt, subject to changes they deem appropriate

Agricultural Pool – January 11, 2024: Unanimously recommended Advisory to recommend to the Watermaster Board to adopt

Advisory Committee – January 18, 2024: Unanimously recommended to the Watermaster Board to adopt

Watermaster Board – January 25, 2024:

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

Paragraph 48 of the Restated Judgment requires that Watermaster file an Annual Report with the Court by January 31st each year. The Restated Judgment states that the Report shall apply to the preceding fiscal years' operation, contain details as to operation of the Pools, contain a certified audit of assessments and expenditures pursuant to this Physical Solution, and a review of Watermaster activity.

DISCUSSION

The 46th Annual Report covering fiscal year 2022/23 has been drafted. The report summarizes Watermaster's activities during the fiscal year and includes the Assessment Package and the annual audit. Once adopted by the Board, the Annual Report will be filed with the Court.

At the January 11, 2024 Pool committee meetings, the item was presented to all three Pool Committees for their advice and assistance and none was received. The three Pools unanimously recommended Board approval of the Annual Report.

At the January 18, 2024 Advisory Committee meeting, the item was unanimously recommended for the Board to adopt.

ATTACHMENTS

1. Final Draft of the CBWM 46th Annual Report (Fiscal Year 2022/23)
Click on the link below to access:
https://cbwm.syncedtool.com/shares/folder/PaauzoQapiZ/?folder_id=5150704



CHINO BASIN WATERMASTER

46TH ANNUAL REPORT

FISCAL YEAR 2022-23

DRAFT

SUPPORTING MORE THAN FOUR DECADES OF
PARTNERSHIPS AND SOLUTIONS FOR A SUSTAINABLE FUTURE

WET 2023 WAS A WELCOME REPRIEVE FROM DROUGHT, BUT DRY CONDITIONS WILL RETURN.

Alternating periods of extreme drought and heavy rainfall are increasingly the norm. These climate extremes were illustrated by 2023's extremely wet winter following the driest 20-year period in the last 128 years since records have been kept.

The excellent water planning efforts developed through Watermaster and its partners are effectively ensuring reliable water supplies despite the extremes in hydrology.

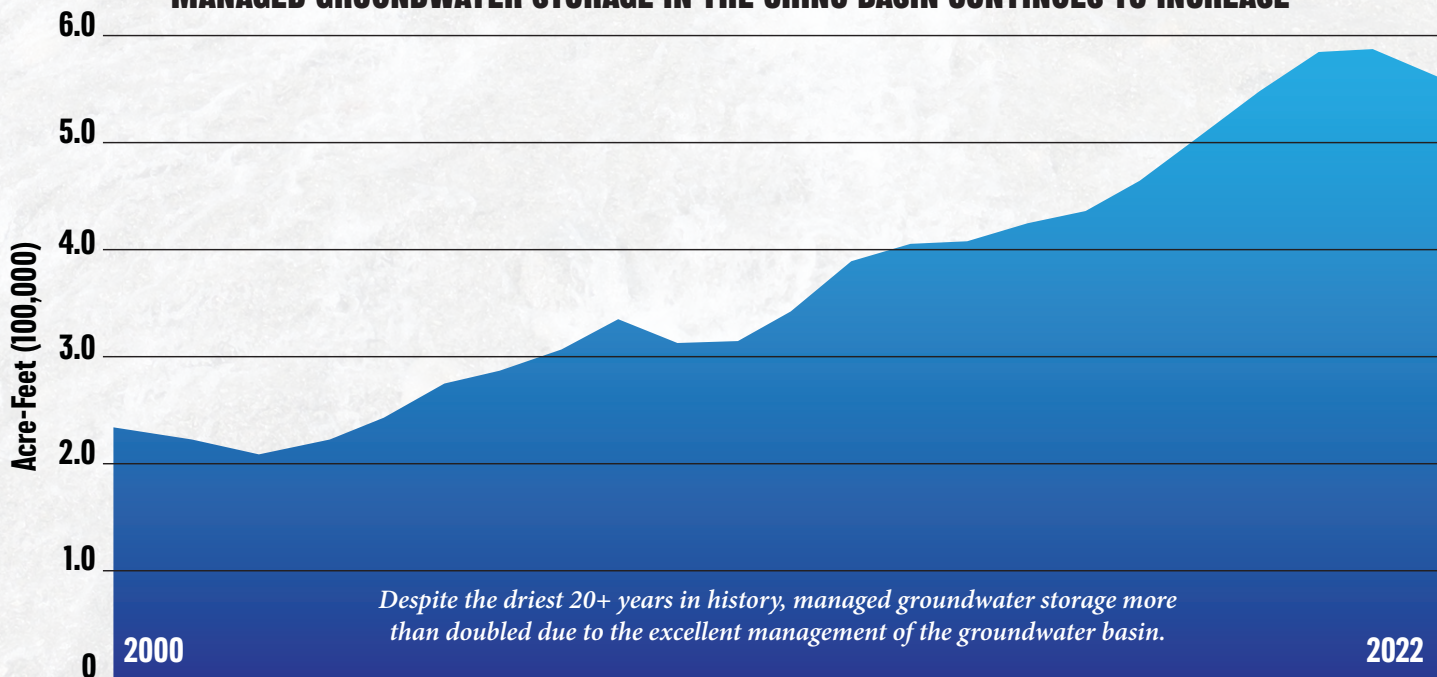
GROUNDWATER STORAGE CONTINUED TO INCREASE THROUGH THE DRIEST 20+ YEARS ON RECORD

Recharge and storage in the Basin grew steadily, despite the pressures of the driest 20+ years on record (1999–2022) thanks to robust recharge programs and excellent Basin management. The past 20+ years included:

7 of the **10 DRIEST** years on record

DRIEST consecutive 3-, 5-, and 10-year periods on record

MANAGED GROUNDWATER STORAGE IN THE CHINO BASIN CONTINUES TO INCREASE



ADAPTIVE MANAGEMENT IS WORKING TO ENSURE RELIABLE WATER SUPPLIES

A Message from Chino Basin Watermaster

The Basin and the state have been through the driest 20-year period in the past 128 years followed by one of the wettest winters on record in 2023. This whiplash between severe drought and heavy rainfall is becoming common.

Adaptive Management Strategies Have Helped Watermaster Increase Local Water Reserves.

Partly due to Watermaster's excellent water management, managed groundwater storage is more than twice what was available in 2000 despite the extreme drought over the past two decades. One key to this success is our increasing use of adaptive management.

Adaptive Management Ensures Evidence-Based Decision-Making. Prime examples of Watermaster's adaptive management approach are the Safe Yield Recalculation and the Annual Data Collection Process. These programs and others increasingly use a three-step adaptive management process: 1) make a projection, 2) collect data to compare to the projection, and 3) adapt as needed. This adaptive approach is possible because of faster processes. Where data gathering and analysis used to take years, sometimes a decade, today we collect data annually and monitor changes in hydrology and cultural conditions, allowing us to anticipate changes in Basin conditions.

The Chino Basin Is a Crucial Collective Resource. The oscillation between drought and extreme rainfall highlights the enormous significance of the Basin as the key resource for maintaining reliable water for the region. As we look to the future, it will be necessary to continue leveraging the vast amount of storage in the Basin to ensure the long-term reliability of this water supply for everyone who depends on it.

We want to recognize the Parties to the Judgment and our many partners around the region who continue to support science-based, creative, and forward-looking management of the Basin. Together, we are succeeding at providing the reliable, high-quality water our communities need.

We are looking forward to another productive year working together.

Chino Basin Watermaster Management

EMBRACING UNCERTAINTY AND IMPROVING GROUNDWATER MANAGEMENT

UPDATING THE SAFE YIELD RECALCULATION PROCESS IMPROVES UNDERSTANDING OF BASIN BEHAVIOR

Safe Yield Reset Methodology Updated to Respond to Party Comments. In 2022, Watermaster updated the Safe Yield Reset methodology to address comments received during the peer review of the 2020 Safe Yield Recalculation (2020 SYR), which was used to calculate the Safe Yield for 2021 through 2030. The 2022 Safe Yield Reset methodology was peer-reviewed and approved by the Court in December 2022.

2022 Safe Yield Reset Methodology Acknowledges the Inherent Uncertainty in Calculating the Safe Yield. Watermaster’s peer-reviewed groundwater model can simulate historical conditions very well but has some inherent uncertainty; it is impossible to fully and precisely capture the Chino Basin’s complexity. Predictions for conditions such as behavioral patterns (for example, conservation levels) and hydrology (for example, future droughts) are also inherently uncertain. The 2022 Safe Yield Reset methodology requires a robust analysis and discussion of the uncertainty in the model and requires the generation of multiple models to cover a range of possible future scenarios and aquifer structures. Simulating multiple models allows a more thorough understanding of Basin responses, data gaps, and management needs.

The 2025 Safe Yield Reevaluation Will Follow the Updated Methodology. The Court requires Watermaster to use the 2022 Safe Yield Reset methodology to reevaluate the Safe Yield for 2021 through 2030. This work must be completed by June 30, 2025. If the results of this effort indicate that the Safe Yield for 2021 through 2030 differs from the current Safe Yield (131,000 acre-feet per year) by more than 2.5 percent, Watermaster will seek the advice and recommendation of the Pool and Advisory Committees before making a recommendation to the Court regarding potential changes to the Safe Yield.

THE UPDATED 2022 SAFE YIELD RESET METHODOLOGY WILL ALLOW A MORE THOROUGH UNDERSTANDING OF BASIN RESPONSES, DATA GAPS, AND MANAGEMENT NEEDS.



IEUA recharged over 20,000 acre-feet of stormwater in 2022-23, the most stormwater recharge in one year since the inception of the Chino Basin’s recharge program.



ANNUAL DATA COLLECTION FACILITATES ADAPTIVE MANAGEMENT

In addition to the periodic Safe Yield recalculations, Watermaster collects and reviews data annually and compares the data to the projected conditions simulated in the most recent Safe Yield Recalculation. In fiscal year 2022–23, Watermaster collected data for the existing and projected cultural conditions (e.g., water use patterns, groundwater pumping, and recharge activities) through 2030. The process included conducting two peer review meetings to support the data collection and evaluation process in December 2022 and March 2023. The final report was completed in May 2023.

One key element of the report is determining whether “there has been or will be a material change from existing and projected conditions or threatened undesirable results” as compared to the conditions evaluated in the 2020 SYR. In that case, Watermaster’s engineer must undertake “a more significant evaluation” to model the impacts of the existing and projected cultural conditions on the Chino Basin. Watermaster gathers these data annually, compares the data to prior projections, identifies variances, and makes recommendations for future evaluations, data collection, or management actions.

The major conclusions and recommendations from the 2023 report were:

Pumping projections in 2023 are greater than those used in the 2020 SYR. This may increase the risk of land subsidence or pumping sustainability challenges. However, Watermaster has existing programs to address these challenges, such as the Ground Level Monitoring Committee and the Recharge Master Planning process.

The scenarios developed for the 2025 SYR should explore a wide range of possible future cultural conditions. Developing scenarios that assume many different behavioral patterns and other conditions will improve our understanding of the uncertainty in predictions of the Basin’s response to different possible futures.

WATERMASTER’S NEW THREE-STEP DATA ANALYSIS PROCESS INVOLVES: 1) MAKING A PROJECTION, 2) COLLECTING DATA TO COMPARE TO THE PROJECTION, AND 3) ADAPTING AS NEEDED.

EFFECTIVE LONG-TERM WATER SUPPLY AND QUALITY MANAGEMENT

WORKING WITH REGULATORS TO REFINE TDS AND NITRATE STANDARDS TO ALLOW MORE FLEXIBLE MANAGEMENT

BASIN PLAN UPDATE UNDERWAY

The Salt and Nutrient Management Plan (SNMP) Has Two Critical Elements: approaches to measuring compliance of Total Dissolved Solids (TDS) and nitrates in the recycled water and other water supplies, and actions to manage these contaminants.

Proactively Seeking a More Flexible and Adaptive Regulatory Approach. TDS and nitrate levels fluctuate for several reasons. For instance, during periods of drought the TDS concentrations in the imported water supplies increase, resulting in increases in the recycled water effluent that is discharged and used for groundwater recharge. Conservation also increases the TDS concentrations in the recycled water effluent. In addition, during periods of drought there are smaller proportions of low-TDS stormwater recharged to the groundwater basin. The resulting fluctuations in TDS and nitrates can threaten compliance for the IEUA recycled water discharge permit and the IEUA/Watermaster recharge permit. To provide flexibility, Watermaster and IEUA are asking regulators to amend the SNMP in the Basin Plan to average TDS and nitrates over a longer period to allow more time to manage these fluctuations during periods of drought.

Technical Work Approved. In July 2022, Watermaster and the IEUA presented the technical work to support this update to the Basin Plan and received approval from the Water Quality Control Board for the Santa Ana Region (Santa Ana Water Board) to amend the Basin Plan. The Watermaster, IEUA, and the Santa Ana Water Board have identified the appropriate regulatory compliance strategy for incorporating the longer-term averages, and work is underway to finalize the Basin Plan amendment.

AVERAGING TDS AND NITRATE OVER LONGER PERIODS OF TIME WILL IMPROVE SALINITY MANAGEMENT AND HELP ENSURE MAXIMUM BENEFICIAL USE BY ALL PARTIES.

MAXIMUM BENEFIT PROGRAM IS KEY TO OVERALL BASIN MANAGEMENT

Watermaster and IEUA continue to implement the Maximum Benefit Salt and Nutrient Management Plan, which includes the following strategies:

Operating the Chino Desalters — pumping at 40,000 acre-feet per year to help maintain hydraulic control.

Maintaining Hydraulic Control — ensuring contaminated groundwater does not flow out of the Basin into the Santa Ana River.

Managing recycled water quality and recharge.

Conducting ground & surface water monitoring to ensure compliance with the Plan.

Together these strategies benefit everyone in the region by:

- Maximizing beneficial reuse and recharge of recycled water.
- Protecting Santa Ana River quality.
- Improving water quality.
- Increasing local water supplies.
- Saving hundreds of millions in treatment costs.

2020 OBMP CEQA CERTIFICATION PROCESS CRITICAL TO LONG-TERM BASIN MANAGEMENT

Collaborating with IEUA. Watermaster is collaborating with IEUA to develop the Programmatic Environmental Impact Report (PEIR) documentation needed to implement the activities the Parties identified during the 2020 update to the Optimum Basin Management Program (OBMP).

Workshops Support Party Input into the Process. Watermaster and IEUA hosted three workshops in the second half of 2022 to solicit input from the Watermaster Parties on proposed changes to the OBMP Update's project descriptions and to discuss potential changes.

Developed 2023 Storage Framework Investigation to Characterize Impacts of Potential Storage and Recovery Programs. Using the latest version of Watermaster's groundwater model, Watermaster updated the findings of the 2018 Storage Framework Investigation to evaluate the impacts of potential future Storage and Recovery Programs that the 2020 OBMP facilitates. The findings of the 2023 Storage Framework Investigation are incorporated into the PEIR.

The draft PEIR is expected to be released for review in late 2023, with certification expected in 2024.



Watermaster conducted a regional workshop for the Parties.

RECHARGE CAPACITY IN THE BASIN CONTINUES INCREASING

BUILD-OUT OF THE 2013 RMPU CONTINUES

In 2018, following the update to the 2013 RMPU, the Parties agreed to complete existing selected projects and evaluate additional projects for consideration. The RMPU is currently being updated again and will be brought to the Watermaster Board in 2023-24.

Watermaster and the IEUA continue to construct projects from the 2013 Amendment to the 2010 Recharge Master Plan Update (2013 RMPU). The Lower Day project was finished this year and is pending a final systems test, and progress was made on construction of the Wineville/Jurupa/RP3 project. The permits and agreements required for the Montclair Basins project are being obtained. Construction on the Montclair Basins project should begin in summer 2024.

YEARS OF PREPARATION MADE AGILE RESPONSE TO HEAVY STORMS POSSIBLE

Since 1998, the comprehensive recharge program has been developed over time with the goal of increasing the recharge of local and supplemental waters in the Chino Basin. Watermaster has partnered with IEUA, San Bernardino County Flood Control District, and Chino Basin Water Conservation District to update planning and to construct or improve recharge facilities in the Chino Basin.

Adaptive Management in Action. The 2022-23 water year began as another in a series of extremely dry years, part of one of the driest periods in the historical record. Due to the very low imported water allocation and the profound drought, there was little imported water available.

By January 2023, Watermaster was working to capture as much stormwater as possible from the exceptional rainfall that was underway. The statewide deluge also meant more opportunities to import water during the rest of the year.

Wide-Ranging Actions and Agreements Made It Possible to Capture Water When It Came. The flexibility to adapt to these dramatic extremes was only possible because of years of planning and preparation with the Parties and because of the programs authorized under the Judgment:

- *The Court-approved Dry Year Yield Program* provided the institutional mechanisms needed to recharge the Basin with imported water when heavy rains began.
- *Watermaster's longstanding agreement with IEUA to use the Flood Control and Conservation District basins* provided immediate access to increased recharge capacity.
- *The Facilities Improvement Program*—which enhanced recharge facilities using grants and funding from the Metropolitan Water District of Southern California (MWD)—and the 2013 RMPU Projects also contributed to the ability to recharge large volumes of water when the rains came.

WATERMASTER IS PREPARED FOR THIS ERA OF UNPRECEDENTED EXTREMES AND CHANGES IN HYDROLOGY THANKS TO THE DECADES OF PREPARATION WITH OUR PARTNERS ACROSS THE BASIN.



The Santa Ana River is the largest river entirely within Southern California.

ASSET MANAGEMENT PROGRAM TO LOWER LONG-TERM COSTS AND INCREASE RELIABILITY

The Asset Management Program focuses on cost-effective approaches to improving the reliability, durability, and efficiency of assets such as recharge basins throughout the region. Proactively repairing and if needed replacing these assets ensures maximum recharge capacity, minimizing the need for expensive imported water purchases.

In other cases, replacement may be a more cost-effective long-term strategy. For example, repairs to aging trash booms like the one at Jurupa Basin can become more expensive over time. The Asset Management Program will help Watermaster and the IEUA identify the optimal time to repair or replace equipment and facilities.



BY ADAPTING MANAGEMENT STRATEGIES TO THE CIRCUMSTANCE, WATERMASTER CAN PROVIDE THE PARTIES WITH THE MOST COST-EFFECTIVE AND EFFICIENT STORAGE AND INFRASTRUCTURE OVER THE LONG TERM, ENSURING RESILIENCE TO UNEXPECTED CHANGES IN WEATHER AND CLIMATE.

TEST OF SPREADING STORMWATER ON AGRICULTURAL LAND SHOWS GOOD RESULTS

Innovative Test Shows Promise of Creative Collaborations for Groundwater Recharge. Fontana Water Company (FWC) partnered with Intex, a firm that leases land to a dry-farming grape grower, to assess the feasibility of using flood irrigation to capture stormwater that would otherwise be lost downstream. FWC and Intex set up a pilot test of Agricultural Managed Aquifer Recharge by diverting floodwater from Lytle Creek into a test field. The project successfully recharged 23 acre-feet of water, and FWC received full water rights credit for the recharge. Creative, forward-thinking projects like this show the promise of collaboration to identify new sources of supplemental water and raise the possibility of recovering additional stormwater or recycled water for beneficial use.

BOARD REQUESTS RECHARGE PROJECTS INVESTIGATION

Following the extremely heavy rain in late 2022 and early 2023, the Watermaster Board asked staff to reevaluate plans for previously deferred recharge projects to see if grants, project changes, or updated assumptions might make these projects cost-effective.

DRY YEAR YIELD PROGRAM RECHARGES 8,000 ACRE-FEET

The Dry Year Yield (DYY) agreement allows MWD to store up to 100,000 acre-feet of water in the Basin. Thanks to the heavy rainfall in early 2023, MWD has begun recharging 7,849 acre-feet of water into the Chino Basin.

CONTINUING EXTENSIVE MONITORING PROGRAMS

COMPREHENSIVE MONITORING SUPPORTS ALL MANAGEMENT AND REGULATORY PROGRAMS

GROUND LEVEL MONITORING PROGRAM CONTINUES TO EVOLVE UNDER THE GROUND LEVEL MONITORING COMMITTEE

The Ground Level Monitoring Committee continues its collaborative work with the Parties to analyze, understand, and recommend management practices to minimize or arrest the effects of vertical ground level movement. The committee conducted extensive annual collection, processing, and checking of groundwater level data, aquifer-system deformation data, and high-resolution water-level monitoring. In addition, the committee prepared a technical memorandum on construction and calibration of one-dimensional compaction models that will be used to explore subsidence management strategies and develop a subsidence management plan for Northwest MZ-1. Finally, the committee filed its Annual Report with the Court.

PRADO BASIN HABITAT NOT ADVERSELY IMPACTED THANKS TO CAREFUL MANAGEMENT

The Prado Basin Habitat Sustainability Committee delivered its seventh Annual Report, which found no need for any changes to the adaptive management plan or any mitigation measures in response to Peace II Implementation Activities.

Another Example of Adaptive Management. The objective of the Adaptive Management Plan of the Prado Basin Habitat Sustainability Program is to ensure that riparian habitat in the Prado Basin is not adversely impacted by the implementation of Peace II Activities. The Plan includes a wide range of ongoing monitoring and analysis to ensure the thriving habitat is protected:

- Groundwater Monitoring
- Surface Water Monitoring for temperature, levels, quality, electrical conductivity, and more
- Riparian Vegetation Monitoring
- Climatic Data Monitoring
- Ongoing Committee Engagement
- Annual Reporting

190 SITES

for Ground Level Monitoring

1,100 WELLS

for Groundwater Quality Monitoring

18 LOCATIONS

for Surface Water Monitoring

1,200 WELLS

for Groundwater Level Monitoring

519 WELLS

for Groundwater Production Monitoring

40 YEARS

of Prado Basin Vegetation Monitoring Data via Satellites

53 SAMPLE LOCATIONS

used for Groundwater Recharge Monitoring

PROTECTING WATER QUALITY



Vials containing water samples for quality testing.

PROACTIVE WATER QUALITY ACTIONS

Watermaster proactively monitors water quality and evolving regulations to ensure that the Basin is protected and that the Parties can pump their full water rights under the Judgment.

WATER QUALITY COMMITTEE TO DEVELOP LONG-TERM WATER QUALITY MANAGEMENT PROGRAM

Per- and polyfluoroalkyl substances (PFAS) are a group of chemicals that are emerging in regulatory focus and will soon have regulatory maximum contaminant levels set for drinking water, as will other chemicals. Watermaster is taking a proactive approach to these changes by reconvening the Water Quality Committee to oversee development of a Water Quality Management Program.

DELINEATED EXTENT OF THE VOLATILE ORGANIC COMPOUND (VOC) PLUMES

Watermaster updated the delineations of the extent of the VOC Plumes for the GE Test Cell, GE Flatiron, Milliken Landfill, and Pomona as part of the 2022 Chino Basin OBMP State of the Basin Report.

COMPUTED AMBIENT WATER QUALITY

This year, Watermaster and the IEUA participated in the Task Force effort to compute the 2021 ambient water quality, which covers the 20-year period from 2002 to 2021.

CONTINUED EXTENSIVE WATER QUALITY MONITORING

Water Quality Key Well Program. Approximately 125 wells are included in the water quality key well program. Watermaster analyzes samples from about 50 of these wells every year.

Comprehensive Groundwater Quality Monitoring Program. Watermaster performs monitoring and collects all available water quality data in the Chino Basin. These data are used for the biennial Chino Basin OBMP State of the Basin Report and the triennial ambient water quality computation. These data also help Watermaster demonstrate Hydraulic Control, monitor point and nonpoint contamination plumes, and assess the Basin's overall health.

Chino Basin Data Collection (CBDC). Watermaster routinely collects groundwater quality data from well owners including municipal and governmental agencies. Groundwater quality data are also obtained from special studies and monitoring required by orders of the Santa Ana Water Board—such as for landfills, groundwater quality investigations, and governmental agencies.

Watermaster Field Groundwater Quality Monitoring Programs. Watermaster monitors groundwater quality at privately owned wells and dedicated monitoring wells.

COLLABORATION, GOVERNANCE, AND ADMINISTRATION

CHINO BASIN DAY IMPROVES BASIN MANAGEMENT AND REGULATION

Chino Basin Day provides a yearly opportunity for in-depth discussions between the IEUA, the Chino Basin Desalter Authority, Watermaster, and the Santa Ana Water Board. Participants gather to thoroughly review management practices and regulations, identify opportunities for collaboration, and understand emerging requirements. The presentations and follow-up discussions also give regulators a holistic view of local needs and plans. This year, IEUA hosted Chino Basin Day.

WORKSHOPS BRING TOGETHER WATER AGENCIES FROM ACROSS THE REGION

Regional Reliability Workshop. As requested by the Watermaster Board, Staff held a Regional Reliability Workshop for the general managers from the three municipal water districts overlying the Chino Basin, MWD staff, and Watermaster. During the workshop, the attendees discussed the current state of California water resources and opportunities to improve regional reliability. One conclusion was that the Chino Basin could provide ample storage capacity for imported MWD water. Watermaster has budgeted funds for 2023-24 to conduct a regional reliability study that could outline opportunities for additional review.

CHINO BASIN ACADEMY SUPPORTS THE PARTIES

Watermaster Staff initiated the Chino Basin Watermaster Academy in 2023. These monthly meetings cover topics such as the 1978 Judgment and its historical context, the OBMP and its implementation, and Robert's Rules of Order. The Academy is open to all Watermaster Stakeholders.

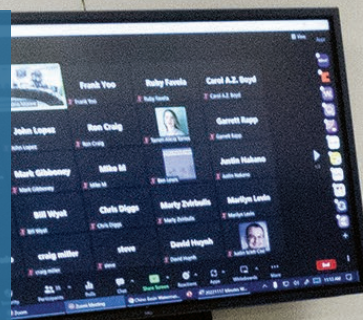
NEW METHOD BEING DEVELOPED TO ESTIMATE GROUNDWATER PUMPING

Some Agricultural Pool Parties cannot practically repair, replace, or install a meter to measure groundwater pumping. Staff is developing a water-duty-based estimation method for these Parties.

NEW PUBLIC AGENCY INVESTMENT VEHICLE SUBSTANTIALLY INCREASED INTEREST EARNED

Watermaster moved a substantial percentage of investments from Local Agency Investment Fund (LAIF) to California Class, a move that yields much higher interest. The additional interest pays for one full-time position.

RECORDING





A Watermaster Board meeting.

Watermaster Board

Agricultural Pool Representatives

REPRESENTATIVE	MEMBER ENTITY
Jeff Pierson , Vice-Chair	Crops
Alternate: Bob Feenstra	Dairy
Paul Hofer	Crops
Alternate: Ron Pietersma	Dairy

Non-Agricultural Pool Representatives

REPRESENTATIVE	MEMBER ENTITY
Bob Bowcock	CalMat Co.
Alternate: Brian Geye	California Speedway Corporation

Appropriative Pool Representatives

REPRESENTATIVE	MEMBER ENTITY
James Curatalo , Chair	Cucamonga Valley Water District
Alternate: Kati Parker	
Scott Burton	City of Ontario
Alternate: Debra Dorst-Porada	
Manny Martinez	Monte Vista Water District
Alternate: Michael G. Milhiser	

Municipal Water District Representatives

REPRESENTATIVE	MEMBER ENTITY
Bob Kuhn , Secretary/Treasurer	Three Valleys Municipal Water District
Alternate: David De Jesus	
Steve Elie	Inland Empire Utilities Agency
Alternate: Marco Tule	
Mike Gardner	Western Municipal Water District
Alternate: Laura Roughton	

Staff

Edgar Tellez Foster , PhD	Acting General Manager
Anna Nelson , CAP, OM, TA	Director of Administration
Justin Nakano , MPA	Water Resources Technical Manager
Frank Yoo	Data Services and Judgment Reporting Manager
Alonso Jurado	Water Resource Associate
Alexandria Moore	Executive Assistant I/Board Secretary
Ruby Favela	Administrative Analyst
Jordan Garcia	Senior Field Operation Specialist
Erik Vides	Field Operation Specialist

The representatives and their alternates shown on this page reflect the governance and membership in December 2023. Changes made during the calendar year are tracked by Watermaster and are available upon request.

Advisory Committee

Agricultural Pool Representatives

REPRESENTATIVE	MEMBER ENTITY
Jeff Pierson , Vice-Chair	Crops
Bob Feenstra , Ron LaBrucherie, Jr.	Crops
Nathan deBoom , Henry DeHaan , John Huitsing , Ron Pietersma	Dairy

Alternate to any Crops or Dairy Seat:

Gino Filippi , Ruben Llamas	Crops
Geoffrey Vanden Heuvel	Dairy

Tariq Awan, **Leon Kazandjian**, **Jimmy Medrano** State of California-CDCR

Alternates to any State Seat:

Noah Golden-Krasner , Gregor Larabee	State of California-CIM
Carol Boyd , Diana Frederick , Marilyn Levin	State of California-DOJ
Bradley Jensen , Steven Raughley	County of San Bernardino

Non-Agricultural Pool Representatives

REPRESENTATIVE	MEMBER ENTITY
Brian Geye , Chair	California Speedway Corporation
Alternate: Bob Bowcock	
Kathleen Brundage	CalMat Co.
Alternate: Alma Heustis	California Steel Industries, Inc.
Alexis Mascarinas	City of Ontario (Non-Ag)
Alternate: Courtney Jones	

Appropriative Pool Representatives

REPRESENTATIVE	MEMBER ENTITY
Chris Berch , Second Vice-Chair	Jurupa Community Services District
Dave Crosley	City of Chino
Alternates: Natalie Avila , Vivian Castro , Jimmy Gutierrez , Hye Jin Lee	
Ron Craig	City of Chino Hills
Alternate: Mark Wiley	
Eduardo Espinoza	Cucamonga Valley Water District
Alternates: John Bosler , Amanda Coker	
Marty Zvirbulis	Fontana Union Water Company
Alternates: Oscar Ramos , Eric Tarango	
Cris Fealy	Fontana Water Company
Alternates: Eric Tarango , Seth Zielke	
Justin Scott-Coe	Monte Vista Water District
Alternate: Stephanie Reimer	
Marty Zvirbulis	Nicholson Family Trust
Alternates: Eric Tarango , Oscar Ramos	
Courtney Jones	City of Ontario
Alternate: Alexis Mascarinas	
Chris Diggs	City of Pomona
Alternate: Nichole Horton	
Braden Yu	City of Upland
Alternate: Nicole deMoet , John Robles	
Braden Yu	West End Consolidated Water Co.
Alternates: Nicole deMoet , John Robles	

Agricultural Pool Committee

<i>REPRESENTATIVE</i>	<i>MEMBER ENTITY</i>
Bob Feenstra , Chair	Dairy
Jeff Pierson , Vice-Chair	Crops
Ron LaBrucherie, Jr.	Crops
Alternates to any Crop Seat:	
Gino Filippi, Ruben Llamas	Crops
Nathan deBoom	Dairy
Henry DeHaan	Dairy
John Huitsing	Dairy
Ron Pietersma	Dairy
Alternate to any Dairy Seat:	
Geoffrey Vanden Heuvel	Dairy
Steven Raughley	County of San Bernardino
Alternate: Bradley Jensen	
Tariq Awan, Leon Kazandjian “Kaz” Jimmy Medrano	State of California-CDCR
Alternates to any State of California Seat:	
Diana Frederick	State of California-CIM
Carol Boyd, Noah Golden-Krasner	State of California-DOJ
Gregor Larabee, Marilyn Levin	

Non-Agricultural Pool Committee

<i>REPRESENTATIVE</i>	<i>MEMBER ENTITY</i>
Brian Geye , Chair	California Speedway Corporation
Bob Bowcock , Vice-Chair	CalMat Co.
Alternate: Kevin Sage	
William Urena	9W Halo Western OpCo L.P.
Alternate: Adrian Gomez	
Sam Rubenstein	ANG II (Multi) LLC
Kathleen Brundage	California Steel Industries, Inc.
Alternate: Alma Heustis	
Edward Kolodziej	General Electric Company
Alternate: Paul Deutsch	
Natalie Costaglio	Hamner Park Associates
Alternate: Michael Adler	A California Limited Partnership
Jose Galindo	Linde, Inc.
Alternate: Mike Tran	
William A. Schwartz	Monte Vista Water District (Non-Ag)
Alternate: Justin Scott-Coe	
Alexis Mascarinas	City of Ontario (Non-Ag)
Alternates: Courtney Jones	
Steve Riboli	Riboli Family and San Antonio Winery, Inc.
Steven Raughley	County of San Bernardino (Non-Ag)
Alternate: Bradley Jensen	
Alyssa Jared	Space Center Mira Loma, Inc.
Alberto Mendoza	TAMCO
Alternate: Brad Bredesen	
—	West Venture Development Company

Appropriative Pool Committee

<i>REPRESENTATIVE</i>	<i>MEMBER ENTITY</i>
Chris Diggs , Chair	City of Pomona
Alternate: Nichole Horton	
Chris Berch , Vice-Chair	Jurupa Community Services District
Alternates: Bryan Smith, Jesse Pompa	
Kevin Sage	Blue Triton Brands, Inc., NCL. Co. LLC
Alternate: Bob Bowcock	
Kevin Sage	CalMat Co.
Alternate: Bob Bowcock	
Dave Crosley	City of Chino
Alternates: Natalie Avila, Vivian Castro, Jimmy Gutierrez, Hye Jin Lee	
Ron Craig	City of Chino Hills
Alternate: Mark Wiley	
Amanda Coker	Cucamonga Valley Water District
Alternates: John Bosler, Eduardo Espinoza	
Armando Martinez	City of Fontana
Marty Zvirbulis	Fontana Union Water Company
Alternates: Oscar Ramos, Eric Tarango	
Ben Lewis	Golden State Water Company
Alternate: Toby Moore	
Steven Andrews	Marygold Mutual Water Company
Alternate: Justin Brokaw	
Justin Scott-Coe	Monte Vista Irrigation Company
Alternate: Stephanie Reimer	
Justin Scott-Coe	Monte Vista Water District
Alternate: Stephanie Reimer	
Geoffrey Kamansky	Niagara Bottling, LLC
Alternate: Cassandra Hooks	
Marty Zvirbulis	Nicholson Family Trust
Alternates: Oscar Ramos, Eric Tarango	
Chad Blais	City of Norco
Alternate: Sam Nelson	
Courtney Jones	City of Ontario
Alternate: Alexis Mascarinas	
Brian Lee	San Antonio Water Company
Alternate: Teri Layton	
Steven Raughley	County of San Bernardino ^a
Alternate: Bradley Jensen	
John Lopez	Santa Ana River Water Company ^a
Alternate: Alyssa Coronado	
Braden Yu	City of Upland
Alternates: Nicole deMoet	
Braden Yu	West End Consolidated Water Co.
Alternates: Nicole deMoet	
John Thiel	West Valley Water District
Alternate: Joanne Chan	

^a Minor Producer.

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COURT HEARINGS AND ORDERS FISCAL YEAR 2022-23

During the fiscal year 2022-23, several hearings were held relating to administration of the Judgment and implementation of the Optimum Basin Management Program (OBMP). Hearings and orders were as follows:

Hearing/Order Date	Primary Subject Matter
May 12, 2023	<ul style="list-style-type: none"> • Order Granting Chino Basin Watermaster Motion for Court to Receive and File Watermaster Semi-Annual OBMP Status Report 2022-2 • Order to Show Cause re Basin Tour
May 12, 2023 Hearing	<ul style="list-style-type: none"> • Motion for Court to Receive and File Watermaster Semi-Annual OBMP Status Report 2022-2 • City of Ontario's Motion Challenging Watermaster's November 17, 2022 Actions/Decisions to Approve FY 2022/2023 Assessment Package • Request for Judicial Notice in Support of City of Ontario's Motion Challenging Watermaster's November 17, 2022 Actions Decision to Approve FY 2022 2023 Assessment Package • Request for Judicial Notice in Support of IEUA's Opposition to City of Ontario's Motion Challenging Watermaster's November 17, 2022 Decision to Approve the FY 2022/2023 Assessment Package • Request for Judicial Notice in Support of City of Ontario's Combined Reply to Oppositions to Motion Challenging Watermaster's November 17, 2022 Actions/Decision to Approve the FY 2022/2023 Assessment Package
March 17, 2023	<ul style="list-style-type: none"> • Order Granting Chino Basin Watermaster Request for Court to Receive and File Watermaster 45th Annual Report
March 17, 2023 Hearing	<ul style="list-style-type: none"> • Watermaster's Motion for Court to Receive and File Watermaster 45th Annual Report
January 20, 2023	<ul style="list-style-type: none"> • Order Granting Watermaster's Motion for Court to Receive and File the 2021/2022 Annual Report of the Ground Level Monitoring Committee
January 20, 2023 Hearing	<ul style="list-style-type: none"> • Chino Basin Watermaster's Motion for Court to Receive and File the 2021/2022 Annual Report of the Ground-Level Monitoring Committee
December 16, 2022	<ul style="list-style-type: none"> • Order Granting Chino Basin Watermaster's Motion Regarding the Update to Watermaster's Safe Yield Reset Methodology • Order Granting Chino Basin Watermaster Request for Court to Receive and File Watermaster Semi-Annual OBMP Status Report 2022-1
December 16, 2022 Hearing	<ul style="list-style-type: none"> • Chino Basin Watermaster's Motion for Court Approval of Update to Watermaster Safe Yield Reset Methodology • Chino Basin Watermaster's Request for Court to Receive and File Watermaster Semi-Annual OBMP Status Report 2022-1

November 18, 2022

- Order Denying City of Ontario, City of Chino, Monte Vista Water District, Monte Vista Irrigation Company Motion Challenging Watermaster's Budget Action to Fund Unauthorized CEQA Review
- Order Denying Chino Basin Watermaster's Motion to File Surreply and Surreply In Response to Moving Parties' Reply In Support of Motion Challenging Watermaster's Budget Action to Fund Unauthorized CEQA Review.

November 18, 2022
Hearing

- City of Ontario, City of Chino, Monte Vista Water District, Monte Vista Irrigation Company Motion Challenging Watermaster's Budget Action to Fund Unauthorized CEQA Review by and Between Chino Basin Watermaster, City of Ontario, Monte Vista Water District, Monte Vista Irrigation Company and City of Chino

November 3, 2022

- Order Denying City of Ontario's Application for an Order to Extend Time Under Judgment to Challenge Watermaster Action on November 18, 2021 to Approve the FY 2021/2022 Assessment Package. If Such Request is Denied, this Filing is the Challenge
- Order Granting Chino Basin Watermaster's Request for Court to Receive and File Watermaster Semiannual OBMP Status Reports 2021-1 and 2021-2

November 3, 2022
Hearing

- City of Ontario's Application for an Order to Extend Time Under Judgment to Challenge Watermaster Action on November 18, 2021 to Approve the FY 2021/2022 Assessment Package. If Such Request is Denied, this Filing is the Challenge
 - Chino Basin Watermaster's Request for Court to Receive and File Watermaster Semiannual OBMP Status Reports 2021-1 and 2021-2
-

RESOLUTIONS FISCAL YEAR 2022-2023

Adopted	Summary of Resolution
June 22, 2023	<p><i>Amending the Qualified 401(a) Mission Square Retirement (Formerly ICMA-RC) PLAN NO. 107757</i></p> <ul style="list-style-type: none">• Effective as of the date hereof, the Employer hereby amends and restates the qualified retirement plan ("Plan") as follows: The Employer will begin matching employee contributions effective July 1, 2023, and will provide a letter of intent and a vesting schedule to Mission Square Retirement for the same.• The assets of the Plan shall continue to be held in trust, with the Employer serving as trustee ("Trustee"), for the exclusive benefit of Plan participants and their beneficiaries, and the assets shall not be diverted to any other purpose. The Trustee's beneficial ownership of Plan assets held shall be held for the further exclusive benefit of the Plan participants and their beneficiaries.• The Employer hereby agrees to continue to serve as Trustee under the Plan.• Each of the officers of the Employer is hereby authorized to take all actions appropriate and desirable to implement the amendment and restatement of the Plan including but not limited to reviewing and revising the adoption agreement related to the Plan restatement in order to ensure that the adoption agreement reflects the current provisions of the Plan and administrative practice; signing the adoption agreement and other related Plan documents; and communicating the terms of the Plan restatement to participants and third party service providers.• The appropriate officers of the Employer be and each of them hereby are authorized and directed to take any action and execute any documents necessary or appropriate to effectuate the foregoing resolutions.
January 26, 2023	<p><i>Authorizing Remote Teleconference Meetings of the Chino Basin Watermaster Board for the Period January 26 – February 25, 2023</i></p> <ul style="list-style-type: none">• The Watermaster Board hereby considers the conditions of the state of emergency in the Chino Basin and finds that local emergency conditions persist throughout the Chino Basin, and due to the high transmission rate of the Omicron variant (and Subvariants), risk to unvaccinated and vaccinated individuals, greater risk of transmission at indoor gatherings, and although the County's number of COVID-19 cases have declined since February 2022, meeting in person could present risk to the health and safety of Board members and the public.• Shall conduct Watermaster Meetings with remote teleconference participation in the manner authorized by Government Code Section 54953, subdivision (e), and in compliance with the requirements to provide public access in Government Code Section 54953, subdivision (e)(2).• This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of February 25, 2023, or such time as Watermaster adopts a resolution in accordance with Government Code Section 54953, subdivision (e)(3) to extend the time during which meetings may continue to be held via remote teleconference in compliance with that section.
January 26, 2023	<p><i>Authorizing Investment of Monies in Local Agency Investment Fund</i></p> <ul style="list-style-type: none">• The Board of Directors does hereby authorize the deposit and withdrawal of Chino Basin Watermaster monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that record.• The following Chino Basin Watermaster officers and designated employees or their successors in office/position shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund.<ul style="list-style-type: none">○ James Curatalo, Board Chair○ Jeffrey Pierson, Board Vice-Chair○ Bob Kuhn, Board Secretary/Treasurer○ Peter Kavounas, General Manager○ Joseph S. Joswiak, Chief Financial Officer

January 26, 2023

Establishing A Watermaster Investment Policy

- The Chino Basin Watermaster 2023 Investment Policy is adopted.
- The authority to invest and reinvest funds of Watermaster is hereby delegated to the Watermaster General Manager (and his/her designees) subject to the provisions of said Investment Policy and the ongoing review and control of Watermaster and the Watermaster Advisory Committee.
- This resolution shall take effect from and after its date of adoption and Resolution 2022-01 is rescinded in its entirety.

November 17, 2022

Levying Administrative, Replenishment, and Special Project Assessments for Fiscal Year 2022-2023

- The Chino Basin Watermaster levies the respective assessments for each pool effective November 17, 2022, as shown on Exhibit "A".
- Pursuant to the Judgment, each party has thirty (30) days from the date of invoice to remit the amount of payment for assessments due. After that date, interest will accrue on that portion which was due as provided for in Section 55 (c) of the Restated Judgment.

October 27, 2022

Authorizing Remote Teleconference Meetings of the Chino Basin Watermaster Board for the Period October 27, 2022– November 26, 2022

- The Watermaster Board hereby considers the conditions of the state of emergency in the Chino Basin and finds that local emergency conditions persist throughout the Chino Basin, and due to the high transmission rate of the Omicron variant (and Subvariants), risk to unvaccinated and vaccinated individuals, greater risk of transmission at indoor gatherings, and although the County's number of COVID-19 cases have declined since February 2022, meeting in person could present risk to the health and safety of Board members and the public.
- Shall conduct Watermaster Meetings with remote teleconference participation in the manner authorized by Government Code Section 54953, subdivision (e), and in compliance with the requirements to provide public access in Government Code Section 54953, subdivision (e)(2).
- This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of November 26, 2022, or such time as Watermaster adopts a resolution in accordance with Government Code Section 54953, subdivision (e)(3) to extend the time during which meetings may continue to be held via remote teleconference in compliance with that section.

September 22, 2022

Authorizing Remote Teleconference Meetings of the Chino Basin Watermaster Board for the Period September 22, 2022– October 21, 2022

- The Watermaster Board hereby considers the conditions of the state of emergency in the Chino Basin and finds that local emergency conditions persist throughout the Chino Basin, and due to the high transmission rate of the Omicron variant (and Subvariants), risk to unvaccinated and vaccinated individuals, greater risk of transmission at indoor gatherings, and although the County's number of COVID-19 cases have declined since February 2022, meeting in person could present risk to the health and safety of Board members and the public.
- Shall conduct Watermaster Meetings with remote teleconference participation in the manner authorized by Government Code Section 54953, subdivision (e), and in compliance with the requirements to provide public access in Government Code Section 54953, subdivision (e)(2).
- This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of October 21, 2022, or such time as Watermaster adopts a resolution in accordance with Government Code Section 54953, subdivision (e)(3) to extend the time during which meetings may continue to be held via remote teleconference in compliance with that section.

July 28, 2022

Authorizing Remote Teleconference Meetings of the Chino Basin Watermaster Board for the Period July 28 – August 27, 2022

- The Watermaster Board hereby considers the conditions of the state of emergency in the Chino Basin and finds that local emergency conditions persist throughout the Chino
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Basin, and due to the high transmission rate of the Omicron variant, risk to unvaccinated and vaccinated individuals, greater risk of transmission at indoor gatherings, and although the County's number of COVID-19 cases have declined since February 2022, meeting in person could present risk to the health and safety of Board members and the public.

- Shall conduct Watermaster Meetings with remote teleconference participation in the manner authorized by Government Code Section 54953, subdivision (e), and in compliance with the requirements to provide public access in Government Code Section 54953, subdivision (e)(2).
 - This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of August 27, 2022, or such time as Watermaster adopts a resolution in accordance with Government Code Section 54953, subdivision (e)(3) to extend the time during which meetings may continue to be held via remote teleconference in compliance with that section.
-

**INTERVENTIONS AFTER JUDGMENT
PRODUCTION YEAR 2022-23¹**

Appropriative Pool ²	Non-Agricultural Pool	Agricultural Pool
None	None	None

A complete list of interventions after judgment may be found in Watermaster's History of Interventions After Judgment at the following link: www.cbwm.org/docs/legaldocs/WatermastersHistoryofInterventionsAfterJudgment.pdf

¹ Production Year is July 1 to June 30.

² Dates in parentheses are the dates of Court orders or notices of ruling relating to interventions. Reference is made to the order or notice of ruling for further information. The intervening party may have received a transfer of water rights on a date other than the date of the order or notice of ruling.

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**WATERMASTER'S "NOTICE OF INTENT" TO
CHANGE THE OPERATING SAFE YIELD OF THE
CHINO GROUNDWATER BASIN**

PLEASE TAKE NOTICE that on this 26th day of January 2023, the Chino Basin Watermaster hereby adopts this **"Notice of Intent"** to change the Operating Safe Yield of the Chino Groundwater Basin pursuant to the Judgment entered in Chino Basin Municipal Water District v. City of Chino, et al., San Bernardino Superior Court, Case No. RCVRS 51010 (formerly Case No. 164327) as Restated (Exhibit "I", Paragraph 3.(b), Page 73).

Approved by:

**CHINO BASIN WATERMASTER
BOARD OF DIRECTORS CHAIR**

Signature: /s/ James V. Curatalo

Attest:

**CHINO BASIN WATERMASTER
BOARD OF DIRECTORS SECRETARY/TREASURER**

Signature: /s/ Bob G. Kuhn

APPROPRIATIVE RIGHTS

As shown on Exhibit E of Judgment entered January 27, 1978

<u>Party</u>	<u>Appropriative Right (Acre-Feet)</u>	<u>Share of Operating Safe Yield (Percent)</u>	<u>Share of Operating Safe Yield (Acre-Feet)</u>
City of Chino	5,271.7	6.693	3,670.067
City of Norco	289.5	0.368	201.545
City of Ontario	16,337.4	20.742	11,373.816
City of Pomona	16,110.5	20.454	11,215.852
City of Upland	4,097.2	5.202	2,852.401
Cucamonga County Water District	4,431.0	5.626	3,084.786
Jurupa Community Services District	1,104.1	1.402	768.655
Monte Vista County Water District	5,958.7	7.565	4,148.344
West San Bernardino County Water District	925.5	1.175	644.317
Etiwanda Water Company	768.0	0.975	534.668
Feldspar Gardens Mutual Water Company	68.3	0.087	47.549
Fontana Union Water Company	9,188.3	11.666	6,396.736
Marygold Mutual Water Company	941.3	1.195	655.317
Mira Loma Water Company	1,116.0	1.417	776.940
Monte Vista Irrigation Company	972.1	1.234	676.759
Mutual Water Company of Glen Avon Heights	672.2	0.853	467.974
Park Water Company	236.1	0.300	164.369
Pomona Valley Water Company	3,106.3	3.944	2,162.553
San Antonio Water Company	2,164.5	2.748	1,506.888
Santa Ana River Water Company	1,869.3	2.373	1,301.374
Southern California Water Company	1,774.5	2.253	1,235.376
West End Consolidated Water Company	1,361.3	1.728	947.714
Total	78,763.8	100.000	54,834.000

As of June 30, 2023

City of Chino	5,794.25	7.357	3,004.157
City of Chino Hills	3,032.86	3.851	1,572.517
City of Norco	289.50	0.368	150.269
City of Ontario	16,337.40	20.742	8,469.788
City of Pomona	16,110.50	20.454	8,352.186
City of Upland	4,097.20	5.202	2,124.185
Cucamonga Valley Water District	5,199.00	6.601	2,695.452
Jurupa Community Services District	2,960.60	3.759	1,534.950
Monte Vista Water District	6,929.15	8.797	3,592.167
West Valley Water District	925.50	1.175	479.800
Fontana Union Water Company	9,181.12	11.657	4,760.019
Fontana Water Company	1.44	0.002	0.817
Marygold Mutual Water Company	941.30	1.195	487.966
Monte Vista Irrigation Company	972.10	1.234	503.892
Niagara Bottling, LLC	0	0	0
Nicholson Family Trust	5.75	0.007	2.858
San Antonio Water Company	2,164.50	2.748	1,122.118
Santa Ana River Water Company	1,869.30	2.373	968.991
Golden State Water Company	591.05	0.750	306.255
West End Consolidated Water Company	1,361.30	1.728	705.612
San Bernardino County (Shooting Park)	0	0	0
BlueTriton Brands, Inc.	0	0	0
City of Fontana	0	0	0
Calmat Co.	0	0	0
NCL Co., LLC	0	0	0
Total	78,763.82	100.000	40,834.000

DISPOSITION OF ORIGINAL APPROPRIATIVE RIGHTS¹

Original Party and Quantities	Current Party(s) as of June 30, 2023 and Original Quantities ³
City of Chino (3,670.067 AF)	City of Chino (3,670.067 AF)
City of Norco (201.545 AF)	City of Norco (201.545 AF)
City of Ontario (11,373.816 AF)	City of Ontario (11,373.816 AF)
City of Pomona (11,215.852 AF)	City of Pomona (11,215.852 AF)
City of Upland (2,852.401 AF)	City of Upland (2,852.401 AF)
Cucamonga County Water District (3,084.786 AF)	Cucamonga Valley Water District (3,084.786 AF)
Jurupa Community Services District (768.655 AF)	Jurupa Community Services District (768.655 AF)
Monte Vista County Water District (4,148.344 AF)	Monte Vista Water District (4,148.344 AF)
West San Bernardino County Water District (644.317 AF)	West Valley Water District (644.317 AF)
Etiwanda Water Company (534.668 AF)	Cucamonga Valley Water District (534.668 AF)
Feldspar Gardens Mutual Water Company (47.549 AF)	Jurupa Community Services District (47.549 AF)
Fontana Union Water Company (6,396.736 AF)	Fontana Union Water Company (6,391.736 AF); Fontana Water Company (1.000 AF); Nicholson Family Trust (4.00 AF)
Marygold Mutual Water Company (655.317 AF)	Marygold Mutual Water Company (655.317 AF)
Mira Loma Water Company (776.940 AF)	Jurupa Community Services District (776.940 AF)
Monte Vista Irrigation Company (676.759 AF)	Monte Vista Irrigation Company (676.759 AF)
Mutual Water Company of Glen Avon Heights (467.974 AF)	Jurupa Community Services District (467.974 AF)
Park Water Company (164.369 AF)	City of Chino/City of Chino Hills/Monte Vista Water District (164.369 AF) ²
Pomona Valley Water Company (2,162.553 AF)	City of Chino/City of Chino Hills/Monte Vista Water District (2,162.553 AF) ²
San Antonio Water Company (1,506.888 AF)	San Antonio Water Company (1,506.888 AF)
Santa Ana River Water Company (1,301.374 AF)	Santa Ana River Water Company (1,301.374 AF)
Southern California Water Company (1,235.376 AF)	Golden State Water Company (411.476 AF); City of Chino/City of Chino Hills/Monte Vista Water District (823.900 AF) ²
West End Consolidated Water Company (947.714 AF)	West End Consolidated Water Company (947.714 AF)

¹ A detailed history of the transactions/assignments that led to the current allocation of Appropriative Rights under the Judgment is contained in the History of Appropriative Rights at the following link: www.cbwm.org/docs/legaldocs/HistoryofAppropriativeRights.pdf

² The joint listing of parties separated by a “/” does not indicate any joint interest in the right indicated but indicates that these parties each have succeeded to a portion of the original right decreed in the 1978 Judgment. For additional information, see the History of Appropriative Rights.

³ The amounts shown in this column are reflective of the original shares in the Operating Safe Yield (OSY) that was apportioned under the 1978 Judgment and do not include the 5,000 acre-foot decrease in OSY that occurred in FY 2017-18 after the exhaustion of the 200,000 AF controlled overdraft. For information as to each Party’s current rights in OSY, see Appendix E-1 Appropriative Rights.

**NON-AGRICULTURAL RIGHTS
(AS SHOWN ON EXHIBIT D OF JUDGMENT ENTERED JANUARY 27, 1978)**

<u>Party</u>	<u>Total Overlying Non-Agricultural Rights (Acre-Feet)</u>	<u>Share of Safe Yield (Acre-Feet)</u>
Ameron Steel Producers, Inc.	125	97.858
Carlsberg Mobile Home Properties, Ltd '73	593	464.240
Conrock Company	406	317.844
County of San Bernardino	171	133.870
Kaiser Steel Corporation	3,743	2,930.274
Quaker Chemical Co.	0	0
Red Star Fertilizer	20	15.657
Southern California Edison Co.	1,255	982.499
Southern Service Co. dba Blue Seal Linen	24	18.789
Space Center, Mira Loma	133	104.121
Sunkist Growers, Inc.	2,393	1,873.402
Union Carbide Corporation	546	427.446
Total	9,409	7,366.000

**NON-AGRICULTURAL RIGHTS¹
(AS OF JUNE 30, 2023)**

9W Halo Western OpCo L.P.	18.789
ANG II (Multi) LLC	0 ²
California Speedway Corporation	1,000.000
California Steel Industries, Inc.	1,615.137
CalMat Co.	0
CCG Ontario, LLC	0
City of Ontario (Non-Ag)	3,920.567
County of San Bernardino (Non-Ag)	133.870
General Electric Company	0
Hamner Park Associates, a California Limited Partnership	464.240
Linde Inc.	1.000
Monte Vista Water District (Non-Ag)	50.000
Riboli Family and San Antonio Winery, Inc.	0
Space Center Mira Loma, Inc.	104.121
TAMCO	42.619
West Venture Development Company (Pending Court Disposition)	15.657
Total	7,366.000

¹This list identifies the names of the members of the Non-Agricultural Pool according to the records of the Non-Agricultural Pool Committee. This list is not reflective of all "Active Parties" of the Non-Agricultural Pool, as that term is used in Paragraph 58 of the Restated Judgment.

² Per notice from ANG II (Multi) LLC to Watermaster staff dated January 2, 2020, 9W Halo Western OpCo L.P. holds its rights under a temporary lease between ANG II (Multi) LLC, as lessor, and 9W Halo Western OpCo L.P., as lessee, expiring on January 31, 2030.

**DISPOSITION OF ORIGINAL
NON-AGRICULTURAL RIGHTS¹**

Original Party and Quantities	Current Party(s) and Quantities as of June 30, 2023
Ameron Steel Producers (97.858 AF)	TAMCO (42.619 AF), City of Ontario (Non-Ag) (55.239 AF)
Carlsberg Mobile Home Properties, Ltd '73 (464.240 AF)	Hamner Park Associates, a California Limited Partnership (464.240 AF)
Conrock Company (317.844 AF)	City of Ontario (Non-Ag) (317.844 AF)
County of San Bernardino (133.870 AF)	County of San Bernardino (Non-Ag) (133.870 AF)
Kaiser Steel Corporation (2930.274 AF)	California Speedway Corporation (1000.000 AF), California Steel Industries, Inc. (1615.137 AF), City of Ontario (Non-Ag) (265.137 AF), Monte Vista Water District (Non-Ag) (50.000 AF)
Red Star Fertilizer (15.657 AF)	West Venture Development Company (Pending Court Disposition) (15.657 AF)
Southern California Edison Co. (982.499 AF)	City of Ontario (Non-Ag) (982.499 AF)
Southern Service Co. dba Blue Seal Linen (18.789 AF)	9W Halo Western OpCo L.P. (18.789 AF)
Space Center, Mira Loma (104.121 AF)	Space Center Mira Loma, Inc. (104.121 AF)
Sunkist Growers, Inc. (1,873.402 AF)	City of Ontario (Non-Ag) (1,873.402 AF)
Union Carbide Corporation (427.446 AF)	City of Ontario (Non-Ag) (426.446 AF), Linde Inc. (1.000 AF)

¹ A detailed history of the transactions/assignments that led to the current allocation of Non-Agricultural Rights under the Judgment is contained in the History of Non-Agricultural Rights website link: www.cbwm.org/docs/legaldocs/HistoryofNonAgriculturalRights.pdf

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HISTORY OF REALLOCATION OF UNPRODUCED AG POOL SAFE YIELD¹ (ACRE-FEET)

Production Year	Calculation of Water Rights Available for Reallocation due to Ag Pool Underproduction of Safe Yield ⁵		Claims to Underproduced Ag Pool Safe Yield			Rights Available for Reallocation less Claimed Rights ^{9,11}	Total Reallocation of Unproduced Ag Pool Safe Yield ¹⁰
	Assessable Ag Pool Production	Water Rights Available for Reallocation	Claims Resulting from Land Use Conversions ⁶	Early Transfer Claims ^{5,8,11}	Total Claims		
	A	B	C	D	E = C + D	F = B - E	G = B
83-84 ²	59,033	n/a ⁵	593	n/a	593	n/a	26,355
84-85	55,543	n/a	593	n/a	593	n/a	19,136
85-86	52,061	n/a	811	n/a	811	n/a	21,902
86-87	59,847	n/a	811	n/a	811	n/a	37,159
87-88	57,865	n/a	4,056	n/a	4,056	n/a	78,489
88-89 ³	46,762	24,935	811	n/a	811	24,124	24,935
89-90	48,420	36,038	811	n/a	811	35,227	36,038
90-91	48,085	34,380	811	n/a	811	33,569	34,380
91-92	44,682	34,715	811	n/a	811	33,904	34,715
92-93	44,092	38,118	811	n/a	811	37,307	38,118
93-94	44,298	38,708	811	n/a	811	37,897	38,708
94-95	55,022	38,502	3,652	n/a	3,652	34,850	38,502
95-96	43,639	27,778	11,711	n/a	11,711	16,067	27,778
96-97	44,809	39,161	12,620	n/a	12,620	26,541	39,161
97-98	43,345	37,991	14,426	n/a	14,426	23,565	37,991
98-99	47,538	39,455	17,022	n/a	17,022	22,433	39,455
99-00 ⁴	44,401	38,399	10,471	32,800	43,271	-4,872	38,399
00-01	39,954	42,846	13,920	32,800	46,720	-3,874	42,846
01-02	39,495	43,306	14,133	32,800	46,933	-3,627	43,306
02-03	37,457	45,343	16,480	32,800	49,280	-3,937	45,343
03-04	41,978	40,822	17,510	32,800	50,310	-9,488	40,822
04-05	34,450	48,350	19,013	32,800	51,813	-3,464	48,350
05-06	33,900	48,900	20,370	32,800	53,170	-4,270	48,900
06-07	37,295	45,505	22,158	32,800	54,958	-9,454	45,505
07-08	30,910	51,890	22,461	32,800	55,261	-3,371	51,890
08-09	32,143	50,657	22,730	32,800	55,530	-4,873	50,657
09-10	31,855	50,945	22,943	32,800	55,743	-4,798	50,945
10-11	31,342	51,458	23,033	32,800	55,833	-4,375	51,458
11-12	34,353	48,447	23,237	32,800	56,037	-7,590	48,447
12-13	34,458	48,342	23,773	32,800	56,573	-8,231	48,342
13-14	33,639	49,161	26,162	32,800	58,962	-9,801	49,161
14-15	28,521	54,279	26,768	22,511	49,279	5,000	54,279
15-16	26,167	56,633	27,450	24,183	51,633	5,000	56,633
16-17	26,863	55,937	28,296	22,642	50,937	5,000	55,937
17-18	28,461	54,339	29,031	20,308	49,339	5,000	54,339
18-19	21,786	61,014	29,972	26,042	56,014	5,000	61,014
19-20	21,841	60,959	30,997	24,962	55,959	5,000	60,959
20-21	21,485	61,315	31,717	20,599	52,315	9,000	61,315
21-22	21,304	61,496	32,898	19,598	52,496	9,000	61,496
22-23	17,082	65,718	33,726	22,992	56,718	9,000	65,718

¹ Source: Watermaster Annual Reports and Assessment Packages.

² Fiscal year 83-84 was the first-year that reallocation occurred under the Judgment.

³ During fiscal year 87-88 the Appropriators agree to pay Ag Pool assessments and the reallocation procedure changed by agreement. Effective FY 88-89, the Ag Pool's unused water rights from the prior year are made available for reallocation to the Appropriative Pool in the following year (i.e. 82,800 AF less the total assessable production).

⁴ During fiscal year 99-00 the Peace Agreement is signed. The Appropriators agree to pay the Ag Pool assessments for the life of the Peace Agreement and the reallocation procedure is changed by agreement. The Ag Pool's unused water rights (i.e. 82,800 AF less the total assessable production) are made available for reallocation to the Appropriative Pool in the current year.

⁵ n/a indicates the information is not applicable for the given year.

⁶ When land is converted from agricultural to urban uses, water rights are permanently transferred to the appropriative pool. This column represents the sum of the cumulative transfers that have resulted from land use changes over time. For example, in 85-86 land use conversions resulted in 218 acre-feet of conversions. Thus the total claims for 85-86 were 811: the sum of the conversions from prior years plus the new conversions for 85-86 (811 = 593 + 218).

⁷ After a duplication of conversion areas was identified, Jurupa's Pre-Peace Agreement acres were adjusted to 337.6 acres and the Post-Peace Agreement acres were adjusted to 846.4 acres.

⁸ During fiscal year 99-00 the Peace Agreement is signed and establishes that each year 32,800 acre-feet of Ag Pool rights will be pre-emptively transferred to the Appropriative Pool and the transfer will be distributed proportional to each member's share of the Operating Safe

⁹ If the total claims to underproduced Ag Pool Safe Yield (C + D) are greater than the water rights available for reallocation (B) then the reallocation is limited to the amount of rights available. The reduction is distributed among the Parties in proportion to their share of the

¹⁰ For production years 83-84 through 87-88, the allocation was computed in a different manner and so the generalized formula does not apply for these years.

HISTORY OF TOTAL ANNUAL GROUNDWATER PRODUCTION FROM THE CHINO BASIN (ACRE-FEET)*

Production Year	Appropriative Pool ¹³	Agricultural Pool ¹³	Non-Agricultural Pool ¹³	Chino Basin Desalters ¹⁴	Department of Toxic Substances Control ¹⁵	Total Production ¹⁶
77-78	62,408	91,714	10,102 ¹	-	-	164,224
78-79	61,372	81,479	7,263	-	-	150,114
79-80	65,371	70,050	7,541	-	-	142,961
80-81	71,443	67,726	5,777	-	-	144,945
81-82	66,844	64,032	5,801	-	-	136,676
82-83	63,557	56,858	2,448	-	-	122,864
83-84	70,544	60,076	3,258	-	-	133,877
84-85	76,903	54,248	2,446	-	-	133,598
85-86	80,885	50,611	3,255	-	-	134,751
86-87	84,662	57,964	2,696	-	-	145,322
87-88	91,579 ²	55,949	3,018	-	-	150,545
88-89	93,617 ³	45,683	3,692	-	-	142,992
89-90	101,344 ⁴	47,358	4,927	-	-	153,629
90-91	86,513 ⁵	47,011	5,479	-	-	139,003
91-92	91,736 ⁶	43,456	4,900	-	-	140,092
92-93	86,584 ⁷	44,300	5,226	-	-	136,110
93-94	80,934 ⁸	44,492	4,322	-	45	129,793
94-95	93,608 ⁹	55,415	4,091	-	45	153,159
95-96	103,729 ¹⁰	43,639	3,240	-	60	150,668
96-97	112,205	44,923	3,779	-	76	160,983
97-98	99,810 ¹¹	43,370	3,274 ¹²	-	83	146,537
98-99	111,048	47,792	3,734	-	81	162,655
99-00	128,892	44,242	5,605	-	82	178,821
00-01	116,204	39,285	5,991	7,989	100	169,570
01-02	123,531	38,196	4,150	9,458	81	175,416
02-03	121,748	35,168	3,979	10,439	79	171,413
03-04	125,320	38,192	2,057	10,605	79	176,253
04-05	118,030	31,505	2,246	9,854	81	161,715
05-06	107,249	30,253	2,641	16,542	80	156,765
06-07	119,438	29,653	3,251	27,077	79	179,498
07-08	120,650	23,539	3,421	30,121	81	177,813
08-09	134,119	23,277	2,420	29,012	83	188,910
09-10	117,299	21,043	2,039	28,857	85	169,323
10-11	99,172	21,030	1,986	29,043	87	151,319
11-12	93,615	22,319 ¹⁷	3,162	28,411	89	147,595
12-13	109,294	23,718 ¹⁷	3,686	27,098	87	163,883
13-14	113,976	21,796 ¹⁷	3,834	29,282	85	168,973
14-15	97,842	17,118 ¹⁷	3,371	30,022	84	148,436
15-16	100,297	17,109 ¹⁷	2,670	28,191	85	148,352
16-17	93,699	17,715 ¹⁷	3,636	28,284	104	143,438
17-18	88,740	18,827	2,919	30,088	83	140,656
18-19	83,280	15,478	3,204	31,233	80	133,275
19-20	95,418	15,722	2,350	35,630	72	149,190
20-21	105,040	14,929	2,795	40,156	77	162,998
21-22	107,529	14,077	1,767	40,566	82	164,021
22-23	74,412	11,270	2,168	39,844	72	127,766

*Total Production adjusted from prior annual reports to include previously omitted production from wells that have become non-active over time.

1 Includes 3,945 AF of mined water pumped by Edison as agent for IEUA.

2 Does not include 7,674.3 AF exchanged with MWDSC.

3 Does not include 6,423.6 AF exchanged with MWDSC.

4 Does not include 16,377.1 AF exchanged with MWDSC.

5 Does not include 14,929.1 AF exchanged with MWDSC.

6 Does not include 12,202.4 AF exchanged with MWDSC.

7 Does not include 13,657.3 AF exchanged with MWDSC.

8 Does not include 20,194.7 AF exchanged with MWDSC.

9 Does not include 4,221.9 AF exchanged with MWDSC.

10 Does not include 6,167.2 AF exchanged with MWDSC.

11 Does not include 4,275.4 AF exchanged with MWDSC.

12 Does not include 216.5 AF exchanged with MWDSC.

13 Represents total physical production by Pools, not assessed production.

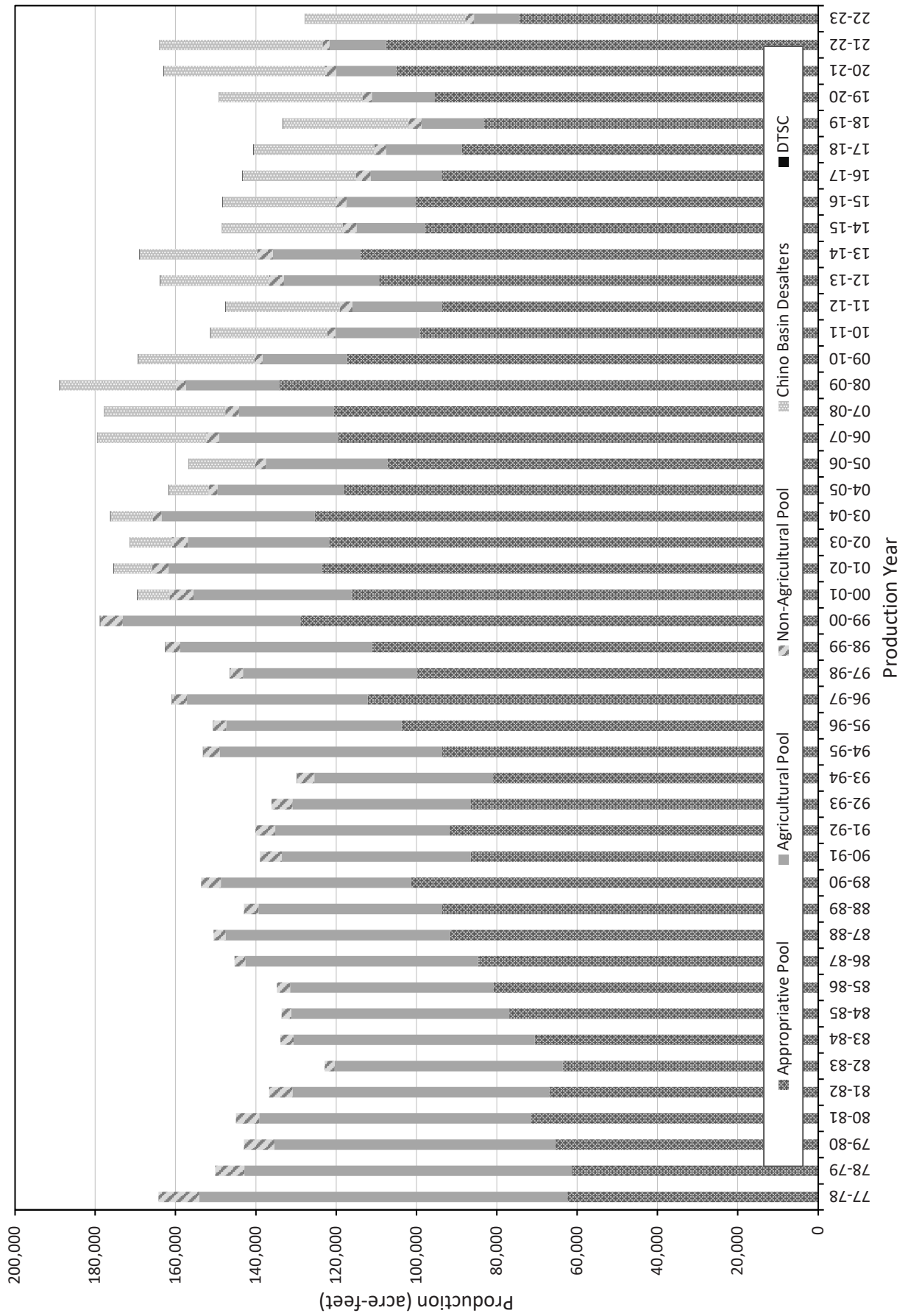
14 Production by the Chino Basin Desalters is not considered assessable production; Desalter replenishment obligation account shown in the Assessment Package

15 Production by DTSC is accounted separately, by agreement, such that the production is not assessed by Watermaster.

16 Total reflects physical production by pumpers and does not account for any adjustments or exchanges that are made in the Assessment Packages.

17 Total Agricultural Pool production revised due to incorrect multiplier used on an irrigation well meter.

HISTORY OF TOTAL ANNUAL GROUNDWATER PRODUCTION FROM THE CHINO BASIN (ACRE-FEET)



**SUMMARY OF SUPPLEMENTAL SUPPLIES
USED BY THE CHINO BASIN PARTIES¹
FISCAL YEAR 2022-23
(ACRE-FEET)**

Parties	Other Groundwater Basins	Surface Diversions	Imported Water Deliveries			Recycled Water ²	Total	
			SBVMWD	MWDC				
				IEUA	TVMWD			WMWD
Chino, City of	-	-	-	3,521	-	-	3,984	7,505
Chino Hills, City of	-	-	-	1,275	-	-	1,272	2,547
Cucamonga Valley Water District ³	6,280	3,528	-	13,515	-	-	999	24,322
Inland Empire Utilities Agency	-	-	-	-	-	-	145	145
Fontana Water Company ⁴	13,599	4,255	-	8,499	-	-	294	26,648
Golden State Water Company ⁵	3,223	-	-	-	2,609	-	-	5,832
Jurupa Community Services District ⁶	1,436	-	-	-	-	-	-	1,436
Marygold Mutual Water Company ⁷	-	-	373	-	-	-	-	373
Monte Vista Water District	-	-	-	4,517	-	-	290	4,807
Norco, City of ⁸	4,909	-	-	-	-	-	-	4,909
Ontario, City of	-	-	-	4,056	-	-	8,758	12,814
Pomona, City of ⁹	2,075	1,029	-	-	2,949	-	1,543	7,596
San Antonio Water Company ¹⁰	5,000	8,431	-	-	-	-	-	13,431
San Bernardino, County of	-	-	-	-	-	-	49	49
Santa Ana River Water Company ¹¹	0	-	-	-	-	-	-	-
State of California, CIM ¹²	-	-	-	-	-	-	0	-
Upland, City of ¹³	6,425	2,157	-	3,445	-	-	563	12,590
West End Consolidated Water Company ¹⁴	2,003	-	-	-	-	-	-	2,003
West Valley Water District ¹⁵	10,497	3,774	2,031	-	-	-	-	16,302
Total	55,447	23,174	2,404	38,828	5,558	-	17,897	143,308

¹ The values reported herein represent the total supplemental water supply used by each Party within its entire service area. Some Parties have service area boundaries which extend outside the adjudicated Chino Basin boundary.

² Recycled water is supplied by IEUA unless stated otherwise.

³ Other groundwater is produced from Cucamonga Basin. Surface water diversions are from Lloyd Michaels, Royer-Nesbit, and Arthur H. Bridge WTPs, and Deer Canyon.

⁴ Other groundwater is produced from Colton/Rialto, Lytle, and "unnamed" Basins. Surface water diversions are from Lytle Creek.

⁵ Other groundwater is produced from Six Basins.

⁶ Other groundwater is produced from Riverside Basins.

⁷ Treated water is delivered by West Valley Water District (WVWD), and represents a blend of multiple water sources available to WVWD, including imported water from SBVMWD and Lytle Creek Water.

⁸ Other groundwater is produced from Arlington and Temescal Basins and a portion of the hydrologic Chino Basin that is outside the adjudicated boundary.

⁹ Other groundwater is produced from Six Basins and Spadra Basin. Surface water diversions are from San Antonio Creek. Recycled water is served from the Pomona Water Reclamation Plant.

¹⁰ Other groundwater is produced from Six Basins and Cucamonga Basin. Surface water diversions are from San Antonio Creek. Supplemental supplies shown herein do not include sales to the City of Upland - these supplies are shown as part of Upland's supply within this table.

¹¹ Other groundwater is produced from the portion of the hydrologic Chino Basin that is outside the adjudicated boundary.

¹² Recycled water includes water treated by CIM and discharged to ponds then reused on location for irrigation purposes.

¹³ Other groundwater is produced from Six Basins and Cucamonga Basin. Supplemental supplies shown herein do not include sales to Golden State Water Company (GSWC) - these supplies are shown as part of GSWC's supply within this table.

¹⁴ Other groundwater is produced from Six Basins and Cucamonga Basin.

¹⁵ Other groundwater is produced from Rialto and Riverside Basins. Surface water diversions are from Lytle Creek.

**SUMMARY OF IMPORTED WATER DELIVERIES FROM
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
TO THE CHINO BASIN PARTIES FOR FISCAL YEAR 2022-23
(ACRE-FEET)¹**

Month	Water Facilities Authority - CB-12						Reliant
	Upland	MVWD	Ontario	Chino	Chino Hills ²	Sub-Total	CB-01
July	489	407	518	374	170	1,957	-
August	636	528	522	428	170	2,284	-
September	530	733	501	429	85	2,278	-
October	350	578	439	340	85	1,791	-
November	232	260	241	209	85	1,028	-
December	211	148	225	276	85	944	-
January	95	338	97	196	85	811	-
February	122	286	142	181	85	815	-
March	138	281	219	240	85	963	-
April	152	268	278	212	85	994	-
May	207	292	384	325	85	1,293	-
June	285	399	490	311	170	1,655	-
Total	3,445	4,517	4,056	3,521	1,275	16,814	-

Month	Fontana Water Co.	Cucamonga Valley Water District			Three Valleys MWD to Pomona	Three Valleys MWD to GSWC	Western MWD to Norco	Total
	CB-19	CB-07	CB-16	Sub-Total				
July	796	-	935	935	585	343	-	4,617
August	868	-	1,406	1,406	723	340	-	5,621
September	979	-	1,874	1,874	481	256	-	5,867
October	1,110	-	1,813	1,813	324	231	-	5,269
November	868	-	1,911	1,911	119	146	-	4,070
December	1,021	-	1,627	1,627	164	124	-	3,879
January	0	-	94	94	145	129	-	1,179
February	530	-	-	-	36	135	-	1,517
March	805	-	948	948	11	116	-	2,843
April	455	-	940	940	86	185	-	2,661
May	478	-	971	971	86	271	-	3,099
June	589	-	996	996	191	334	-	3,764
Total	8,499	-	13,515	13,515	2,949	2,609	-	44,387

¹ Does not include Dry Year Yield activity ("puts" or "takes").

² Total includes water delivered directly from WFA and from WFA through MVWD by agreement.

**TOTAL WATER CONSUMPTION BY THE CHINO BASIN PARTIES¹
(ACRE-FEET)**

Year	Chino Basin Extractions ²	Supplemental Supplies ³	Total
77-78	164,224	61,567	225,791
78-79	150,114	75,864	225,978
79-80	142,961	70,727	213,688
80-81	144,945	77,765	222,710
81-82	136,676	67,491	204,167
82-83	122,864	76,000	198,864
83-84	133,877	99,257	233,134
84-85	133,598	92,952	226,550
85-86	134,751	114,624	249,375
86-87	145,322	126,493	271,815
87-88	150,545	116,175	266,720
88-89	142,992	128,167	271,159
89-90	153,629	139,004	292,633
90-91	139,003	116,493	255,496
91-92	140,092	104,480	244,572
92-93	136,110	117,205	253,315
93-94	129,793	136,038	265,831
94-95	153,159	116,797	269,956
95-96	150,668	130,494	281,162
96-97	160,983	115,031	276,014
97-98	146,537	106,360	252,897
98-99	162,655	113,040	275,695
99-00	178,821	129,208	308,029
00-01	169,570	128,596	298,166
01-02	175,416	140,907	316,323
02-03	171,413	134,154	305,567
03-04	176,253	143,989	320,242
04-05	161,715	145,644	307,359
05-06	156,765	171,896	328,661
06-07	179,498	176,807	356,305
07-08	177,813	162,465	340,278
08-09	188,910	131,819	320,729
09-10	169,323	144,354	313,677
10-11	151,319	154,760	306,079
11-12	147,595	171,808	319,403
12-13	163,883	154,870	318,753
13-14	168,973	183,699	352,672
14-15	148,436	162,477 ¹	310,913
15-16	148,352	114,780 ¹	263,132
16-17	143,438	147,767 ¹	291,205
17-18	140,656	185,964 ¹	326,620
18-19	133,275	153,828 ¹	287,103
19-20	149,190	130,142 ¹	279,332
20-21	163,014	156,808 ¹	319,822
21-22	164,021	145,733	309,754
22-23	127,694	143,308	271,002

¹ The values reported herein are intended to represent the supplemental water supply used by each Party within its entire service area. Some Parties have service area boundaries which extend outside the adjudicated Chino Basin boundary. During the preparation of the FY14/15 Annual Report, it was determined that the collection and reporting of supplemental water supplies has been inconsistent over time, such that some parties reported estimates of water used within the boundary of Chino Basin and others provided the entire service area use, and some agencies varied their reporting methods over time. In many years, the reported data also excluded some Watermaster Parties. And, in some cases, the supplemental supplies included recharge water volumes. The values reported for the noted years are representative of total water consumption by the Chino Basin parties and are not directly comparable to values reported for prior years. Watermaster staff will be working with the Parties to update the historical information for consistency in future annual reports.

² Represents the total groundwater extraction values reported in Appendix H-1.

³ Total does not include cyclic deliveries, water delivered by exchange, or water from direct spreading that was used for replenishment.

SUMMARY OF CONJUNCTIVE USE, REPLENISHMENT, AND CYCLIC ACTIVITIES FISCAL YEAR 2022-23 (ACRE-FEET)

Conjunctive Use Resulting from Storage and Recovery Programs in the Chino Basin	DYY Holding Account Summary:												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Direct	-	-	-	-	-	-	-	-	-	-	-	-	-
Monte Vista Water District	-	-	-	-	-	-	-	-	-	-	-	-	-
In-Lieu	-	-	-	-	-	-	-	-	-	-	-	-	-
Chino Basin Watermaster	-	-	-	-	-	-	-	-	-	-	-	-	-
Chino, City of	-	-	-	-	-	-	-	-	-	-	-	-	-
Chino Hills, City of	-	-	-	-	-	-	-	-	-	-	-	-	-
Cucamonga Valley Water District	-	-	-	-	-	-	-	-	-	-	-	-	-
Fontana Water Company	-	-	-	-	-	-	-	-	-	-	-	-	-
Jurupa Community Services District	-	-	-	-	-	-	-	-	-	-	-	-	-
Monte Vista Water District	-	-	-	-	-	-	-	-	-	-	-	-	-
Ontario, City of	-	-	-	-	-	-	-	-	-	-	-	-	-
Pomona, City of	-	-	-	-	-	-	-	-	-	-	-	-	-
Upland, City of	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Storage / (Withdrawals)	-	-	-	-	-	-	-	-	-	-	-	-	-

Replenishment (and Preemptive Replenishment) Deliveries	Watermaster's Replenishment Obligations:												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Direct*	-	-	-	-	-	-	-	-	-	-	-	-	-
ASR (Monte Vista Water District)	-	-	-	-	-	-	-	-	-	-	-	-	-
CB-11 (Deer Creek)	-	-	-	-	-	-	-	-	-	-	-	-	-
CB-13 (San Sevaine)	-	-	-	-	-	-	-	-	-	-	-	-	-
CB-14 (Etiwanda)	-	-	-	-	-	-	-	-	-	-	-	-	-
CB-15 (Day Creek)	-	-	-	-	-	-	-	-	-	-	-	-	-
CB-18 (Etiwanda Inter-ffe)	-	-	-	-	-	-	-	-	-	-	-	-	-
CB-20 (West Cucamonga)	-	-	-	-	-	-	-	-	-	-	-	-	-
OC-59 (San Antonio)	-	-	-	-	-	-	-	-	-	-	-	-	-
In-Lieu	-	-	-	-	-	-	-	-	-	-	-	-	-
Service Connections	-	-	-	-	-	-	-	-	-	-	-	-	-
CB-12	-	-	-	-	-	-	-	-	-	-	-	-	-
CB-16	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchased from Parties	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchased from Cyclic Account	-	-	-	-	-	-	-	-	-	-	-	-	-
Pre-Purchased Previous Year(s)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Replenishment	-	-	-	-	-	-	-	-	-	-	-	-	-

Watermaster's Upcoming Replenishment Obligations:	DYY Holding Account Summary:												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Cumulative Unmet Replenishment Obligation (CURO)	-	-	-	-	-	-	-	-	-	-	-	-	-
Desalter Replenishment Obligation (DRO)	-	-	-	-	-	-	-	-	-	-	-	-	-
Fiscal Year 2021/22 Overproduction	-	-	-	-	-	-	-	-	-	-	-	-	-
Fiscal Year 2022/23 CURO	2,077.8	-	-	-	-	-	-	-	-	-	-	-	2,077.8
Fiscal Year 2022/23 DRO	245.9	-	-	-	-	-	-	-	-	-	-	-	245.9
Fiscal Year 2022/23 Overproduction	45.9	-	-	-	-	-	-	-	-	-	-	-	45.9
Total	2,369.6	-	-	-	-	-	-	-	-	-	-	-	2,369.6

**STORM AND SUPPLEMENTAL WATER RECHARGE
BY BASIN FISCAL YEAR 2022-23
(ACRE-FEET)**

	JULY			AUGUST			SEPTEMBER			OCTOBER			NOVEMBER			DECEMBER		
	ST	IMP	RC	ST	IMP	RC	ST	IMP	RC	ST	IMP	RC	ST	IMP	RC	ST	IMP	RC
MZ 1																		
Aquifer Storage & Recovery (ASR)																		
MVWD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Chino Hills	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
San Antonio Channel																		
Upland	0	0	0	0	0	0	15	0	0	7	0	0	107	0	0	97	0	0
College Heights	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0
Montclair 1, 2 3 & 4	0	0	0	0	0	0	41	0	0	25	0	0	314	0	0	252	0	0
Brooks	0	0	0	0	0	0	6	0	189	21	0	162	67	0	81	69	0	111
West Cucamonga Channel																		
15th Street	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8th Street	9	0	177	6	0	139	49	0	15	48	0	124	177	0	32	229	0	4
7th Street	0	0	132	0	0	30	27	0	2	2	0	71	35	0	25	55	0	0
	9	0	309	6	0	169	138	0	206	103	0	357	701	0	138	703	0	115
MZ 2																		
Cucamonga /Deer Creek Channels																		
Turner 1 & 2	9	0	19	11	0	0	22	0	0	78	0	16	130	0	0	191	0	0
Turner 3 & 4	16	0	47	17	0	60	60	0	0	6	0	0	102	0	0	98	0	0
Day Creek Channel																		
Lower Day	0	0	0	2	0	0	32	0	0	7	0	0	101	0	0	73	0	0
Etiwanda Channel																		
Etiwanda Debris Basin	0	0	0	0	0	0	0	0	0	0	0	0	37	0	0	76	0	0
Victoria	0	0	62	2	0	0	28	0	0	8	0	53	89	0	153	106	0	85
Managed Aquifer Recharge (MAR)																		
Intex Property	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Minor Drainage																		
Grove	1	0	0	2	0	0	1	0	0	5	0	0	70	0	0	76	0	0
San Sevaine Channel																		
San Sevaine 1, 2, 3 & 4	0	0	450	3	0	408	41	0	384	5	0	408	196	0	229	214	0	112
San Sevaine 5	0	0	0	0	0	0	2	0	0	3	0	0	27	0	0	59	0	0
West Cucamonga Channel																		
Ely 1, 2 & 3	8	0	105	3	0	0	34	0	0	25	0	0	123	0	26	286	0	0
West Fontana Channel																		
Hickory	0	0	31	0	0	56	29	0	6	2	0	0	65	0	24	10	0	0
	35	0	715	40	0	523	247	0	390	138	0	478	939	0	432	1,189	0	197
MZ 3																		
Day Creek Channel																		
Wineville	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Riverside	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DeClez Channel																		
DeClez	4	0	0	5	0	0	17	0	0	58	0	26	128	0	2	206	0	3
RP3 Cell 1, 3, & 4	0	0	217	0	0	531	0	0	666	0	0	731	28	0	686	55	0	1,034
RP3 Cell 2	1	0	82	0	0	69	2	0	66	16	0	49	25	0	38	44	0	20
Etiwanda Channel																		
Etiwanda Conservation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
San Sevaine Channel																		
Jurupa	0	0	0	0	0	0	0	0	0	9	0	0	56	0	0	95	0	0
West Fontana Channel																		
Banana	0	0	0	0	0	95	1	0	283	1	0	144	64	0	50	96	0	0
	5	0	298	5	0	695	20	0	1,014	84	0	950	302	0	776	496	0	1,057
Total	49	0	1,322	51	0	1,387	405	0	1,610	325	0	1,785	1,942	0	1,346	2,388	0	1,369

Evaporative losses are applied to Imported and Recycled Water (1.5% November - March, 4.2% April - October).

ST = stormwater
 IMP = imported water
 RC = recycled water

JANUARY			FEBRUARY			MARCH			APRIL			MAY			JUNE			TOTAL			
ST	IMP	RC	ST	IMP	RC	ST	IMP	RC	ST	IMP	RC	ST	IMP	RC	ST	IMP	RC	ST	IMP	RC	ALL
0	0	0	0	0	0	0	0	0	0	0	0	54	0	0	88	0	0	142	0	142	
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
168	0	0	131	0	0	320	0	0	0	0	0	25	0	0	1	281	0	869	281	0	1,150
0	0	0	19	95	0	21	70	0	1	119	0	7	341	0	0	872	0	50	1,498	0	1,548
537	0	0	431	0	0	726	0	0	7	0	0	48	1,584	0	0	1,335	0	2,381	2,920	0	5,300
311	0	45	86	0	71	236	0	0	4	0	54	39	0	63	2	0	115	841	0	890	1,731
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
110	0	3	125	0	8	164	0	0	10	0	81	91	0	93	15	0	161	1,033	0	837	1,869
64	0	0	85	0	0	65	0	0	0	0	0	0	0	0	0	0	0	333	0	259	592
1,190	0	47	875	95	79	1,532	70	0	23	119	135	210	1,980	156	17	2,575	276	5,507	4,840	1,986	12,333
205	0	0	106	58	0	247	52	0	11	79	0	16	74	0	8	30	0	1,035	293	36	1,365
155	0	0	29	0	0	28	0	0	0	0	0	2	0	0	0	0	0	513	0	107	620
543	0	0	246	0	0	1,120	0	0	91	0	0	13	402	0	1	517	0	2,227	919	0	3,145
318	0	0	76	0	0	356	0	0	274	0	0	82	274	0	0	425	0	1,219	699	0	1,918
375	0	22	120	0	120	429	0	2	108	0	111	34	9	208	1	0	275	1,298	9	1,090	2,397
0	0	0	0	0	0	0	0	0	0	3	0	9	0	0	10	0	0	0	22	0	22
54	0	0	58	0	0	72	0	0	0	0	0	26	0	0	1	0	0	365	0	0	365
408	0	2	235	0	82	465	0	0	254	0	49	54	758	0	0	871	99	1,874	1,629	2,223	5,726
18	0	0	120	0	0	164	0	0	0	0	0	5	0	0	0	132	0	396	132	0	528
711	0	0	310	0	0	483	0	0	11	0	0	100	0	0	2	0	0	2,095	0	132	2,227
65	0	0	41	0	0	37	0	0	0	0	0	0	0	0	0	0	0	249	0	116	365
2,851	0	24	1,342	58	202	3,399	52	2	749	82	160	332	1,526	208	11	1,985	374	11,272	3,703	3,704	18,678
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
86	0	0	194	0	0	176	0	0	8	0	0	78	0	69	9	0	199	969	0	298	1,267
288	0	505	82	0	790	274	0	263	42	0	407	2	69	721	3	135	621	774	203	7,171	8,148
93	0	0	67	0	15	107	0	6	0	0	65	5	0	66	0	0	63	361	0	538	899
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
65	0	0	211	0	0	216	0	0	44	0	0	34	150	0	17	275	0	748	425	0	1,173
66	0	0	74	0	3	59	0	0	0	0	0	23	0	0	0	0	21	385	0	596	980
598	0	505	628	0	807	832	0	269	95	0	472	143	218	856	29	410	904	3,236	628	8,603	12,467
4,639	0	577	2,845	153	1,088	5,763	123	271	866	202	766	685	3,724	1,220	57	4,970	1,554	20,015	9,171	14,293	43,478

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CHINO BASIN WATERMASTER

APPROVED

**2023/2024 ASSESSMENT PACKAGE
(PRODUCTION YEAR 2022/2023)**

NOVEMBER 16, 2023



Chino Basin Watermaster Assessment Package

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Assessment Year 2023-2024 (Production Year 2022-2023)

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Assessment Year 2023-2024 (Production Year 2022-2023)

Water Production Overview

AGRICULTURAL POOL SUMMARY IN ACRE FEET

Agricultural Pool Safe Yield	82,800.0
Agricultural Total Pool Production	(17,082.2)
	65,717.8
<hr/>	
Safe Yield Reduction (Backfill)	(9,000.0)
Total Conversions	(33,725.6)
	(42,725.6)
<hr/>	
Early Transfer:	22,992.2

Well County	Physical Production	Voluntary Agreements	Total Ag Pool Production
Los Angeles County	135.0	0.0	135.0
Riverside County	1,914.5	0.0	1,914.5
San Bernardino County	9,293.0	5,739.7	15,032.7
	11,342.5	5,739.7	17,082.2



Assessment Year 2023-2024 (Production Year 2022-2023)
Assessment Fee Summary

	AF Production	Non-Agricultural Pool		Replenishment Assessments		CURO Adjmnt	RTS Charges	Other Adjmnts	Total Assmnts Due
		\$42.39 AF/Admin	\$55.08 AF/OBMP	AF Over Annual Right	\$872.00 Per AF				
9W Halo Western OpCo L.P.	25.8	1,094.43	1,422.06	8.9	7,767.78	887.71	505.72	0.00	11,677.70
ANG II (Multi) LLC	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
Aqua Capital Management LP	0.0	0.00	0.00	0.0	0.00	0.00	382.93	0.00	382.93
California Speedway Corporation	274.2	11,621.94	15,101.12	0.0	0.00	0.00	0.00	0.00	26,723.06
California Steel Industries, Inc.	1,057.5	44,827.98	58,247.82	0.0	0.00	0.00	0.00	0.00	103,075.80
CalMat Co.	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
CCG Ontario, LLC	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
City of Ontario (Non-Ag)	1,151.3	48,804.45	63,414.71	0.0	0.00	0.00	0.00	0.00	112,219.16
County of San Bernardino (Non-Ag)	75.5	3,199.64	4,157.49	0.0	0.00	0.00	0.00	0.00	7,357.13
General Electric Company	0.0	0.00	0.00	0.0	0.00	0.00	0.41	0.00	0.41
Hamner Park Associates, a California Limited Partnership	299.2	12,681.10	16,477.35	0.0	0.00	0.00	0.00	0.00	29,158.45
Linde Inc.	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
Monte Vista Water District (Non- Ag)	15.9	674.89	876.93	0.0	0.00	0.00	0.00	0.00	1,551.82
Riboli Family and San Antonio Winery, Inc.	1.8	77.79	101.07	1.8	1,600.12	2,344.59	253.36	0.00	4,376.93
Space Center Mira Loma, Inc.	93.7	3,972.28	5,161.44	0.0	0.00	0.00	0.00	0.00	9,133.72
TAMCO	0.0	0.00	0.00	0.0	0.00	0.00	242.28	0.00	242.28
West Venture Development Company	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
	2,994.9	126,954.50	164,959.99	10.7	9,367.90	3,232.30	1,384.70	0.00	305,899.38
	2A	2B	2C	2D	2E	2F	2G	2H	2I

Notes:



Assessment Year 2023-2024 (Production Year 2022-2023)
Water Production Overview

	Physical Production	Assignments	Other Adjustments	Actual FY Production (Assmnt Pkg Column 4H)
9W Halo Western OpCo L.P.	25.8	0.0	0.0	25.8
ANG II (Multi) LLC	0.0	0.0	0.0	0.0
Aqua Capital Management LP	0.0	0.0	0.0	0.0
California Speedway Corporation	274.2	0.0	0.0	274.2
California Steel Industries, Inc.	1,057.5	0.0	0.0	1,057.5
CalMat Co.	0.0	0.0	0.0	0.0
CCG Ontario, LLC	0.0	0.0	0.0	0.0
City of Ontario (Non-Ag)	0.0	1,151.3	0.0	1,151.3
County of San Bernardino (Non-Ag)	0.0	75.5	0.0	75.5
General Electric Company	808.6	0.0	(808.6)	0.0
Hamner Park Associates, a California Limited Partnership	0.0	299.2	0.0	299.2
Linde Inc.	0.0	0.0	0.0	0.0
Monte Vista Water District (Non-Ag)	0.0	15.9	0.0	15.9
Riboli Family and San Antonio Winery, Inc.	1.8	0.0	0.0	1.8
Space Center Mira Loma, Inc.	0.0	93.7	0.0	93.7
TAMCO	0.0	0.0	0.0	0.0
West Venture Development Company	0.0	0.0	0.0	0.0
	2,167.9	1,635.6	(808.6)	2,994.9

3A
3B
3C
3D

Notes:

Other Adj:

1) General Electric Company extracted and subsequently injected 808.570 AF of water during the fiscal year.



Assessment Year 2023-2024 (Production Year 2022-2023)

Water Production Summary

	<i>Percent of Safe Yield</i>	<i>Carryover Beginning Balance</i>	<i>Prior Year Adjustments</i>	<i>Assigned Share of Safe Yield (AF)</i>
9W Halo Western OpCo L.P.	0.256%	0.0	0.0	18.8
ANG II (Multi) LLC	0.000%	0.0	0.0	0.0
Aqua Capital Management LP	0.000%	0.0	0.0	0.0
California Speedway Corporation	13.605%	1,000.0	0.0	1,000.0
California Steel Industries, Inc.	21.974%	1,615.1	0.0	1,615.1
CalMat Co.	0.000%	0.0	0.0	0.0
CCG Ontario, LLC	0.000%	0.0	0.0	0.0
City of Ontario (Non-Ag)	53.338%	2,396.5	0.0	3,920.6
County of San Bernardino (Non-Ag)	1.821%	133.9	0.0	133.9
General Electric Company	0.000%	0.0	0.0	0.0
Hamner Park Associates, a California Limited Partnership	6.316%	464.2	0.0	464.2
Linde Inc.	0.014%	1.0	0.0	1.0
Monte Vista Water District (Non-Ag)	0.680%	50.0	0.0	50.0
Riboli Family and San Antonio Winery, Inc.	0.000%	0.0	0.0	0.0
Space Center Mira Loma, Inc.	1.417%	0.0	0.0	104.1
TAMCO	0.579%	42.6	0.0	42.6
West Venture Development Company	0.000%	0.0	0.0	0.0
	100.00%	5,703.3	0.0	7,350.3
	4A	4B	4C	4D

Notes:

1) City of Ontario (Non-Ag) dedicated 2,396.5 AF of Carryover water, and 2,377.2 AF of Annual Share of Operating Safe Yield, to satisfy City of Ontario's 2023/24

POOL 2

Water Transaction Activity	Other Adjustments	Annual Production Right	Actual Fiscal Year Production	Net Over Production	Under Production Balances		
					Total Under-Produced	Carryover: Next Year Begin Bal	To Excess Carryover Account
(1.9)	0.0	16.9	25.8	8.9	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(100.0)	0.0	1,900.0	274.2	0.0	1,625.8	1,000.0	625.8
(161.5)	0.0	3,068.8	1,057.5	0.0	2,011.2	1,615.1	396.1
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(5,165.7)	0.0	1,151.3	1,151.3	0.0	0.0	0.0	0.0
(13.4)	0.0	254.4	75.5	0.0	178.9	133.9	45.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(46.4)	0.0	882.1	299.2	0.0	582.9	464.2	118.7
(0.1)	0.0	1.9	0.0	0.0	1.9	1.0	0.9
(5.0)	0.0	95.0	15.9	0.0	79.1	50.0	29.1
0.0	0.0	0.0	1.8	1.8	0.0	0.0	0.0
(10.4)	0.0	93.7	93.7	0.0	0.0	0.0	0.0
(4.3)	0.0	81.0	0.0	0.0	81.0	42.6	38.4
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(5,508.7)	0.0	7,545.0	2,994.9	10.7	4,560.8	3,306.9	1,253.9
4E	4F	4G	4H	4I	4J	4K	4L

DRO pursuant to an Exhibit "G" Section 10 Form A.

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Assessment Year 2023-2024 (Production Year 2022-2023)

Local Storage Accounts Summary

	Local Excess Carry Over Storage Account (ECO)					Local Supplemental Storage Account				Combined
	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	From Under-Production	Ending Balance	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	Ending Balance	Ending Balance
9W Halo Western OpCo L.P.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ANG II (Multi) LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Aqua Capital Management LP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
California Speedway Corporation	2,394.3	(1.7)	0.0	625.8	3,018.5	0.0	0.0	0.0	0.0	3,018.5
California Steel Industries, Inc.	3,292.2	(2.3)	0.0	396.1	3,686.0	0.0	0.0	0.0	0.0	3,686.0
CalMat Co.	5.0	0.0	0.0	0.0	5.0	0.0	0.0	0.0	0.0	5.0
CCG Ontario, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
City of Ontario (Non-Ag)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
County of San Bernardino (Non-Ag)	297.0	(0.2)	0.0	45.0	341.8	0.0	0.0	0.0	0.0	341.8
General Electric Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Hamner Park Associates, a California Limited Partnership	1,800.7	(1.3)	0.0	118.7	1,918.1	0.0	0.0	0.0	0.0	1,918.1
Linde Inc.	65.2	0.0	0.0	0.9	66.0	0.0	0.0	0.0	0.0	66.0
Monte Vista Water District (Non-Ag)	145.2	(0.1)	0.0	29.1	174.2	0.0	0.0	0.0	0.0	174.2
Riboli Family and San Antonio Winery, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Space Center Mira Loma, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TAMCO	294.3	(0.2)	0.0	38.4	332.4	0.0	0.0	0.0	0.0	332.4
West Venture Development Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	8,293.9	(5.8)	0.0	1,253.9	9,542.0	0.0	0.0	0.0	0.0	9,542.0
	5A	5B	5C	5D	5E	5F	5G	5H	5I	5J

Notes:
1)



Assessment Year 2023-2024 (Production Year 2022-2023)

Water Transaction Summary

	Percent of Safe Yield	Assigned Share of Safe Yield (AF)	Water Transactions			Total Water Transactions
			10% of Operating Safe Yield ("Haircut")	Transfers (To) / From ECO Account	General Transfers / Exhibit G Water Sales	
9W Halo Western OpCo L.P.	0.256%	18.8	(1.9)	0.0	0.0	(1.9)
ANG II (Multi) LLC	0.000%	0.0	0.0	0.0	0.0	0.0
Aqua Capital Management LP	0.000%	0.0	0.0	0.0	0.0	0.0
California Speedway Corporation	13.605%	1,000.0	(100.0)	0.0	0.0	(100.0)
California Steel Industries, Inc.	21.974%	1,615.1	(161.5)	0.0	0.0	(161.5)
CalMat Co.	0.000%	0.0	0.0	0.0	0.0	0.0
CCG Ontario, LLC	0.000%	0.0	0.0	0.0	0.0	0.0
City of Ontario (Non-Ag)	53.338%	3,920.6	(392.1)	0.0	(4,773.7)	(5,165.7)
County of San Bernardino (Non-Ag)	1.821%	133.9	(13.4)	0.0	0.0	(13.4)
General Electric Company	0.000%	0.0	0.0	0.0	0.0	0.0
Hamner Park Associates, a California Limited Partnership	6.316%	464.2	(46.4)	0.0	0.0	(46.4)
Linde Inc.	0.014%	1.0	(0.1)	0.0	0.0	(0.1)
Monte Vista Water District (Non-Ag)	0.680%	50.0	(5.0)	0.0	0.0	(5.0)
Riboli Family and San Antonio Winery, Inc.	0.000%	0.0	0.0	0.0	0.0	0.0
Space Center Mira Loma, Inc.	1.417%	104.1	(10.4)	0.0	0.0	(10.4)
TAMCO	0.579%	42.6	(4.3)	0.0	0.0	(4.3)
West Venture Development Company	0.000%	0.0	0.0	0.0	0.0	0.0
	100.000%	7,350.3	(735.0)	0.0	(4,773.7)	(5,508.7)
	6A	6B	6C	6D	6E	6F

Notes:

1) City of Ontario (Non-Ag) dedicated 2,396.5 AF of Carryover water, and 2,377.2 AF of Annual Share of Operating Safe Yield, to satisfy City of Ontario's 2023/24 DRO pursuant to an Exhibit "G" Section 10 Form A.



Assessment Year 2023-2024 (Production Year 2022-2023)
Cumulative Unmet Replenishment Obligation (CURO)

Remaining Replenishment Obligation:		AF	Replenishment Rates	
Appropriative - 100		1,533.2	2023 Rate	\$872.00
Appropriative - 15/85		32.4	2022 Rate	\$811.00
Non-Agricultural - 100		70.8		
		1,636.4		

Pool 2 Non-Agricultural

Company	Outstanding Obligation (AF)	Fund Balance (\$)	Outstanding Obligation (\$)
9W Halo Western OpCo L.P.	19.2	\$15,881.72	\$887.71
ANG II (Multi) LLC	0.0	\$0.00	\$0.00
Aqua Capital Management LP	0.0	\$0.00	\$0.00
California Speedway Corporation	0.0	\$0.00	\$0.00
California Steel Industries, Inc.	0.0	\$0.00	\$0.00
CalMat Co.	0.0	\$0.00	\$0.00
CCG Ontario, LLC	0.0	\$0.00	\$0.00
City of Ontario (Non-Ag)	0.0	\$0.00	\$0.00
County of San Bernardino (Non-Ag)	0.0	\$0.00	\$0.00
General Electric Company	0.0	\$0.00	\$0.00
Hamner Park Associates, a California Limited Partnership	0.0	\$0.00	\$0.00
Linde Inc.	0.0	\$0.00	\$0.00
Monte Vista Water District (Non-Ag)	0.0	\$0.00	\$0.00
Riboli Family and San Antonio Winery, Inc.	51.6	\$42,662.82	\$2,344.59
Space Center Mira Loma, Inc.	0.0	\$0.00	\$0.00
TAMCO	0.0	\$0.00	\$0.00
West Venture Development Company	0.0	\$0.00	\$0.00
Pool 2 Non-Agricultural Total	70.8	\$58,544.54	\$3,232.30
	7A	7B	7C

Notes:
 1) The 2023 replenishment rate includes MWD's Full Service Untreated Tier 1 volumic cost of \$855/AF, a \$15/AF surcharge from Three Valleys Municipal Water District, and a \$2/AF connection fee from Orange County Water District.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Fee Summary

	AF Production and Exchanges	Appropriative Pool		Ag Pool SY Reallocation			Replenishment Assessments		
		\$42.39 AF/Admin	\$55.08 AF/OBMP	AF Total Realloc- ation	\$724,055 \$11.02 AF/Admin	\$940,831 \$14.32 AF/OBMP	\$130.80 AF/15%	\$741.20 AF/85%	\$872.00 AF/100%
BlueTriton Brands, Inc.	276.6	11,724.40	15,234.25	0.0	0.00	0.00	0.00	0.00	0.00
CalMat Co. (Appropriative)	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
Chino Hills, City Of	2,176.9	92,280.19	119,905.47	2,510.0	27,654.64	35,934.21	92.40	0.00	0.00
Chino, City Of	3,112.5	131,940.02	171,437.99	11,814.1	130,163.73	169,133.66	132.11	0.00	0.00
Cucamonga Valley Water District	13,514.7	572,888.98	744,390.78	2,710.2	29,859.64	38,799.37	573.61	0.00	0.00
Desalter Authority	39,815.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
Fontana Union Water Company	0.0	0.00	0.00	3,729.3	41,088.39	53,389.90	0.00	0.00	0.00
Fontana Water Company	8,721.0	369,684.55	480,354.44	834.6	9,195.77	11,948.90	370.15	0.00	0.00
Fontana, City Of	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
Golden State Water Company	921.7	39,072.09	50,768.83	239.9	2,643.58	3,435.05	39.12	0.00	0.00
Jurupa Community Services District	7,157.8	303,417.06	394,248.93	16,765.9	184,720.46	240,024.22	303.80	0.00	0.00
Marygold Mutual Water Company	559.7	23,727.59	30,830.75	382.3	4,212.11	5,473.18	0.00	0.00	0.00
Monte Vista Irrigation Company	0.0	0.00	0.00	394.8	4,349.58	5,651.81	0.00	0.00	0.00
Monte Vista Water District	5,165.5	218,963.93	284,513.65	2,920.0	32,171.13	41,802.90	219.24	0.00	0.00
NCL Co, LLC	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
Niagara Bottling, LLC	1,401.4	59,406.28	77,190.32	0.0	0.00	0.00	0.00	0.00	0.00
Nicholson Family Trust	0.0	0.00	0.00	2.2	24.67	32.05	0.00	0.00	0.00
Norco, City Of	0.0	0.00	0.00	117.7	1,297.12	1,685.46	0.00	0.00	0.00
Ontario, City Of	12,566.1	532,677.78	692,141.83	12,521.7	137,959.52	179,263.44	533.35	0.00	0.00
Pomona, City Of	10,197.4	432,267.19	561,672.02	6,543.7	72,095.89	93,680.80	0.00	0.00	0.00
San Antonio Water Company	459.0	19,454.98	25,279.08	879.1	9,686.11	12,586.05	19.48	0.00	0.00
San Bernardino, County of (Shooting Park)	17.6	747.63	971.45	0.0	0.00	0.00	0.75	13,072.54	0.00
Santa Ana River Water Company	0.0	0.00	0.00	759.2	8,364.31	10,868.51	0.00	0.00	0.00
Upland, City Of	540.0	22,892.68	29,745.90	1,664.2	18,335.92	23,825.53	22.92	0.00	0.00
West End Consolidated Water Co	0.0	0.00	0.00	552.8	6,090.82	7,914.36	0.00	0.00	0.00
West Valley Water District	0.0	0.00	0.00	375.9	4,141.62	5,381.59	0.00	0.00	0.00
	106,603.1	2,831,145.35	3,678,685.69	65,717.8	724,055.00	940,831.00	2,306.93	13,072.54	0.00
	8A	8B	8C	8D	8E	8F	8G	8H	8I

Notes:

- 1) IEUA is collecting the sixth of ten annual RTS charges for water purchased in FY 2016/17, and fifth of ten annual RTS charges for water purchased in FY 2017/18.
- 2) "Other Adjustments" (Column [8R]) includes adjustments from replenishment purchase for DRO. If water was not available for purchase in the previous year, this

POOL 3

85/15 Activity			ASSESSMENTS DUE							
15% Producer Credits	15% Pro-rated Debits	CURO Adjmt	Total Production Based	Pomona Credit	Recharge Debt Payment	Recharge Imprvmt Project	RTS Charges	Other Adjmts	DRO	Total Due
0.00	0.00	0.00	26,958.65	0.00	0.00	0.00	9,886.74	0.00	0.00	36,845.39
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	34,273.03	9.01	310,148.95	2,567.35	28,757.92	3,928.02	1.37	0.00	0.00	345,403.61
0.00	49,002.76	12.89	651,823.16	4,904.69	54,939.50	7,504.14	0.07	0.00	0.00	719,171.56
(126,965.64)	212,772.01	55.95	1,472,374.70	4,400.69	49,293.96	6,733.02	15.90	0.00	0.00	1,532,818.27
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	94,478.29	7,771.37	87,050.40	11,890.14	0.00	0.00	0.00	201,190.20
(708,741.18)	137,301.51	36.11	300,150.25	1.33	14.94	2.04	12.03	0.00	0.00	300,180.58
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(20,010.37)	14,511.45	3.82	90,463.57	500.00	5,600.74	765.00	0.66	0.00	0.00	97,329.98
0.00	112,689.65	29.63	1,235,433.75	2,506.01	28,070.90	3,834.18	7.64	0.00	0.00	1,269,852.48
0.00	0.00	0.00	64,243.63	796.67	8,923.84	1,218.90	1,005.25	0.00	0.00	76,188.29
0.00	0.00	0.00	10,001.39	822.67	9,215.08	1,258.68	0.00	0.00	0.00	21,297.82
0.00	81,323.60	21.39	659,015.84	5,864.70	65,692.92	8,972.94	6.40	0.00	0.00	739,552.80
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	68,399.52	204,996.12	0.00	0.00	0.00	31,471.59	19,986.10	183,374.62	439,828.43
0.00	0.00	0.00	56.72	4.67	52.27	7.14	0.00	0.00	0.00	120.80
0.00	0.00	0.00	2,982.58	245.33	2,748.10	375.36	0.00	0.00	0.00	6,351.37
0.00	197,837.50	52.03	1,740,465.45	13,828.07	154,894.00	21,156.84	14.80	0.00	0.00	1,930,359.16
0.00	0.00	0.00	1,159,715.90	(53,030.93)	152,743.31	20,863.08	0.00	0.00	0.00	1,280,291.36
0.00	7,225.61	1.90	74,253.21	1,832.01	20,521.10	2,802.96	0.74	0.00	0.00	99,410.02
0.00	277.67	1,275.23	16,345.27	0.00	0.00	0.00	356.08	216.18	2,308.18	19,225.71
0.00	0.00	0.00	19,232.82	1,582.01	17,720.73	2,420.46	1,268.28	0.00	0.00	42,224.30
0.00	8,502.38	2.24	103,327.57	3,468.02	38,846.72	5,306.04	1.82	0.00	0.00	150,950.17
0.00	0.00	0.00	14,005.18	1,152.01	12,904.10	1,762.56	0.00	0.00	0.00	29,823.85
0.00	0.00	0.00	9,523.21	783.34	8,774.49	1,198.50	626.34	0.00	0.00	20,905.88
(855,717.19)	855,717.17	69,899.72	8,259,996.21	0.01	746,765.02	102,000.00	44,675.70	20,202.28	185,682.80	9,359,322.02
8J	8K	8L	8M	8N	8O	8P	8Q	8R	8S	8T

adjustment is based on the previous year's obligation, multiplied by the current replenishment rate, minus the fund balance, similar to the CURO.

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Assessment Year 2023-2024 (Production Year 2022-2023)

Water Production Overview

	Physical Production	Voluntary Agreements (w/ Ag)	Assignments (w/ Non-Ag)	Other Adjustments	Actual FY Production (Assmnt Pkg Column 10I)
Blue Triton Brands, Inc.	276.6	0.0	0.0	0.0	276.6
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	2,218.1	(41.2)	0.0	0.0	2,176.9
Chino, City Of	5,568.9	(2,380.9)	(75.5)	0.0	3,112.5
Cucamonga Valley Water District	13,514.7	0.0	0.0	0.0	13,514.7
Desalter Authority	39,844.0	0.0	0.0	(29.0)	39,815.0
Fontana Union Water Company	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	8,721.0	0.0	0.0	0.0	8,721.0
Fontana, City Of	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	921.7	0.0	0.0	0.0	921.7
Jurupa Community Services District	7,521.6	0.0	(392.9)	29.0	7,157.8
Marygold Mutual Water Company	559.7	0.0	0.0	0.0	559.7
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Water District	5,293.0	(101.7)	(15.9)	(9.9)	5,165.5
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	1,401.4	0.0	0.0	0.0	1,401.4
Nicholson Family Trust	0.0	0.0	0.0	0.0	0.0
Norco, City Of	0.0	0.0	0.0	0.0	0.0
Ontario, City Of	16,933.4	(3,216.0)	(1,151.3)	0.0	12,566.1
Pomona, City Of	10,197.4	0.0	0.0	0.0	10,197.4
San Antonio Water Company	459.0	0.0	0.0	0.0	459.0
San Bernardino, County of (Shooting Park)	17.6	0.0	0.0	0.0	17.6
Santa Ana River Water Company	0.0	0.0	0.0	0.0	0.0
Upland, City Of	807.9	0.0	0.0	(267.8)	540.0
West End Consolidated Water Co	0.0	0.0	0.0	0.0	0.0
West Valley Water District	0.0	0.0	0.0	0.0	0.0
	114,256.1	(5,739.7)	(1,635.6)	(277.7)	106,603.1
Less Desalter Authority Production					(39,815.0)
Total Less Desalter Authority Production					66,788.0
	9A	9B	9C	9D	9E

Notes:

Other Adjustments:

- 1) CDA provided 28.968 AF to JCSD for irrigation at Orchard Park.
- 2) Monte Vista Water District received credit of 9.899 AF after evaporative losses due to Pump-to-Waste activities in which the water was recaptured into a recharge basin.
- 3) City of Upland received credit of 267.804 AF after evaporative losses due to Pump-to-Waste activities in which the water was recaptured into a recharge basin.



Assessment Year 2023-2024 (Production Year 2022-2023)

Water Production Summary

	Percent of Operating Safe Yield	Carryover Beginning Balance	Prior Year Adjustments	Assigned Share of Operating Safe Yield	Net Ag Pool Reallocation	Water Transaction Activity	Other Adjustments
BlueTriton Brands, Inc.	0.000%	0.0	0.0	0.0	0.0	276.6	0.0
CalMat Co. (Appropriative)	0.000%	0.0	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	3.851%	1,572.5	0.0	1,572.5	2,510.0	0.0	0.0
Chino, City Of	7.357%	3,004.2	0.0	3,004.2	11,814.1	0.0	0.0
Cucamonga Valley Water District	6.601%	0.0	0.0	2,695.5	2,710.2	14,687.3	0.0
Desalter Authority	0.000%	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	11.657%	0.0	0.0	4,760.0	3,729.3	(8,489.3)	0.0
Fontana Water Company	0.002%	0.8	0.0	0.8	834.6	20,003.5	0.0
Fontana, City Of	0.000%	0.0	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	0.750%	167.5	0.0	306.3	239.9	366.4	0.0
Jurupa Community Services District	3.759%	1,535.0	0.0	1,535.0	16,765.9	0.0	0.0
Marygold Mutual Water Company	1.195%	285.6	0.0	488.0	382.3	0.0	0.0
Monte Vista Irrigation Company	1.234%	503.9	0.0	503.9	394.8	0.0	0.0
Monte Vista Water District	8.797%	2,941.0	0.0	3,592.2	2,920.0	0.0	0.0
NCL Co, LLC	0.000%	0.0	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.000%	0.0	0.0	0.0	0.0	4,000.0	0.0
Nicholson Family Trust	0.007%	1.6	0.0	2.9	2.2	(4.5)	0.0
Norco, City Of	0.368%	150.3	0.0	150.3	117.7	0.0	0.0
Ontario, City Of	20.742%	8,469.8	0.0	8,469.8	12,521.7	0.0	0.0
Pomona, City Of	20.454%	8,352.2	0.0	8,352.2	6,543.7	0.0	0.0
San Antonio Water Company	2.748%	1,122.1	0.0	1,122.1	879.1	0.0	0.0
San Bernardino, County of (Shooting P	0.000%	0.0	0.0	0.0	0.0	0.0	0.0
Santa Ana River Water Company	2.373%	969.0	0.0	969.0	759.2	0.0	0.0
Upland, City Of	5.202%	2,124.2	0.0	2,124.2	1,664.2	408.3	0.0
West End Consolidated Water Co	1.728%	705.6	0.0	705.6	552.8	(66.4)	0.0
West Valley Water District	1.175%	479.8	0.0	479.8	375.9	0.0	0.0
	100.00%	32,384.9	0.0	40,834.0	65,717.8	31,181.8	0.0

Less Desalter Authority Production

Total Less Desalter Authority Production

10A

10B

10C

10D

10E

10F

10G

Notes:

1) BlueTriton Brands, Inc. transferred 276.6 AF out of their ECO account to offset their Production Year 2022/23 overproduction obligation.

POOL 3

Annual Production Right	Actual Fiscal Year Production	Storage and Recovery Program(s)	Total Production and Exchanges	Net Over-Production		Under Production Balances		
				85/15%	100%	Total Under-Produced	Carryover: Next Year Begin Bal	To Excess Carryover Account
276.6	276.6	0.0	276.6	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5,655.1	2,176.9	0.0	2,176.9	0.0	0.0	3,478.1	1,572.5	1,905.6
17,822.4	3,112.5	0.0	3,112.5	0.0	0.0	14,709.9	3,004.2	11,705.7
20,092.9	13,514.7	0.0	13,514.7	0.0	0.0	6,578.1	2,695.5	3,882.7
0.0	39,815.0	0.0	39,815.0	0.0	39,815.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
20,839.8	8,721.0	0.0	8,721.0	0.0	0.0	12,118.7	0.8	12,117.9
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1,080.1	921.7	0.0	921.7	0.0	0.0	158.3	158.3	0.0
19,835.8	7,157.8	0.0	7,157.8	0.0	0.0	12,678.0	1,535.0	11,143.1
1,155.9	559.7	0.0	559.7	0.0	0.0	596.1	488.0	108.2
1,402.6	0.0	0.0	0.0	0.0	0.0	1,402.6	503.9	898.7
9,453.1	5,165.5	0.0	5,165.5	0.0	0.0	4,287.6	3,592.2	695.5
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4,000.0	1,401.4	0.0	1,401.4	0.0	0.0	2,598.6	0.0	2,598.6
2.2	0.0	0.0	0.0	0.0	0.0	2.2	2.2	0.0
418.3	0.0	0.0	0.0	0.0	0.0	418.3	150.3	268.0
29,461.3	12,566.1	0.0	12,566.1	0.0	0.0	16,895.1	8,469.8	8,425.4
23,248.0	10,197.4	0.0	10,197.4	0.0	0.0	13,050.7	8,352.2	4,698.5
3,123.4	459.0	0.0	459.0	0.0	0.0	2,664.4	1,122.1	1,542.3
0.0	17.6	0.0	17.6	17.6	0.0	0.0	0.0	0.0
2,697.2	0.0	0.0	0.0	0.0	0.0	2,697.2	969.0	1,728.2
6,320.9	540.0	0.0	540.0	0.0	0.0	5,780.9	2,124.2	3,656.7
1,897.6	0.0	0.0	0.0	0.0	0.0	1,897.6	705.6	1,192.0
1,335.5	0.0	0.0	0.0	0.0	0.0	1,335.5	479.8	855.7
170,118.5	106,603.1	0.0	106,603.1	17.6	39,815.0	103,348.0	35,925.4	67,422.7
	(39,815.0)		(39,815.0)		(39,815.0)			
	66,788.0		66,788.0		0.0			
10H	10I	10J	10K	10L	10M	10N	10O	10P

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Assessment Year 2023-2024 (Production Year 2022-2023)

Local Excess Carry Over Storage Account Summary

	Excess Carry Over Account (ECO)					
	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	From Supplemental Storage	From Under-Production	Ending Balance
BlueTriton Brands, Inc.	1,154.1	(0.8)	(318.1)	0.0	0.0	835.2
CalMat Co. (Appropriative)	0.4	0.0	0.0	0.0	0.0	0.4
Chino Hills, City Of	14,545.1	(10.2)	0.0	0.0	1,905.6	16,440.5
Chino, City Of	127,116.0	(89.0)	(23,642.6)	0.0	11,705.7	115,090.2
Cucamonga Valley Water District	8,757.5	(6.1)	(3,020.1)	0.0	3,882.7	9,613.9
Desalter Authority	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	4,901.8	(3.4)	(1,346.0)	0.0	12,117.9	15,670.2
Fontana, City Of	0.0	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	0.0	0.0	0.0	0.0	0.0	0.0
Jurupa Community Services District	39,778.5	(27.8)	(2,316.1)	0.0	11,143.1	48,577.6
Marygold Mutual Water Company	317.2	(0.2)	(258.8)	0.0	108.2	166.3
Monte Vista Irrigation Company	11,534.1	(8.1)	(180.5)	0.0	898.7	12,244.2
Monte Vista Water District	3,636.7	(2.5)	(2,074.2)	0.0	695.5	2,255.4
NCL Co, LLC	4.0	0.0	0.0	0.0	0.0	4.0
Niagara Bottling, LLC	316.0	(0.2)	0.0	0.0	2,598.6	2,914.4
Nicholson Family Trust	0.0	0.0	0.0	0.0	0.0	0.0
Norco, City Of	2,795.2	(2.0)	(53.8)	0.0	268.0	3,007.4
Ontario, City Of	47,726.5	(33.4)	(649.1)	0.0	8,425.4	55,469.4
Pomona, City Of	26,548.7	(18.6)	(4,522.1)	0.0	4,698.5	26,706.5
San Antonio Water Company	5,289.2	(3.7)	(873.8)	0.0	1,542.3	5,953.9
San Bernardino, County of (Shooting Park)	0.0	0.0	0.0	0.0	0.0	0.0
Santa Ana River Water Company	5,836.4	(4.1)	(347.1)	0.0	1,728.2	7,213.4
Upland, City Of	22,320.5	(15.6)	(10,842.0)	0.0	3,656.7	15,119.6
West End Consolidated Water Co	5,722.0	(4.0)	(961.1)	0.0	1,192.0	5,949.0
West Valley Water District	8,663.8	(6.1)	(171.9)	0.0	855.7	9,341.6
	336,963.7	(235.9)	(51,577.3)	0.0	67,422.7	352,573.2
	11A	11B	11C	11D	11E	11F

Notes:

1) BlueTriton Brands, Inc. transferred 276.6 AF out of their ECO account to offset their Production Year 2022/23 overproduction obligation.



Assessment Year 2023-2024 (Production Year 2022-2023)

Local Supplemental Storage Account Summary

	Recharged Recycled Account					Beginning Balance
	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	Transfer to ECO Account	Ending Balance	
BlueTriton Brands, Inc.	0.0	0.0	0.0	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	13,930.3	(9.8)	1,242.2	0.0	15,162.8	3,786.1
Chino, City Of	8,496.7	(5.9)	1,586.7	0.0	10,077.5	1,050.3
Cucamonga Valley Water District	44,993.4	(31.5)	3,355.9	0.0	48,317.8	10,678.4
Desalter Authority	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	1,624.6	(1.1)	0.0	0.0	1,623.4	0.0
Fontana, City Of	44.0	0.0	0.0	0.0	43.9	0.0
Golden State Water Company	0.0	0.0	0.0	0.0	0.0	1,121.7
Jurupa Community Services District	4,825.7	(3.4)	0.0	0.0	4,822.3	0.0
Marygold Mutual Water Company	0.0	0.0	0.0	0.0	0.0	0.0
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0	5,442.4
Monte Vista Water District	0.0	0.0	585.9	0.0	585.9	3,371.8
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.0	0.0	0.0	0.0	0.0	0.0
Nicholson Family Trust	0.0	0.0	0.0	0.0	0.0	0.0
Norco, City Of	0.0	0.0	0.0	0.0	0.0	0.0
Ontario, City Of	53,146.7	(37.2)	6,523.0	0.0	59,632.5	8,038.8
Pomona, City Of	0.0	0.0	0.0	0.0	0.0	10,896.8
San Antonio Water Company	0.0	0.0	0.0	0.0	0.0	0.0
San Bernardino, County of (Shooting Park)	0.0	0.0	0.0	0.0	0.0	0.0
Santa Ana River Water Company	0.0	0.0	0.0	0.0	0.0	0.0
Upland, City Of	15,054.4	(10.5)	1,315.0	0.0	16,359.0	5,795.1
West End Consolidated Water Co	0.0	0.0	0.0	0.0	0.0	0.0
West Valley Water District	0.0	0.0	0.0	0.0	0.0	0.0
	142,115.7	(99.5)	14,608.7	0.0	156,624.9	50,181.3
	12A	12B	12C	12D	12E	12F

Notes:
1)

POOL 3

Quantified (Pre 7/1/2000) Account				New (Post 7/1/2000) Account					Combined
0.07% Storage Loss	Transfers To / (From)	Transfer to ECO Account	Ending Balance	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	Transfer to ECO Account	Ending Balance	Ending Balance
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(2.7)	(949.9)	0.0	2,833.5	0.0	0.0	0.0	0.0	0.0	17,996.3
(0.7)	0.0	0.0	1,049.6	1,923.9	(1.3)	0.0	0.0	1,922.6	13,049.6
(7.5)	0.0	0.0	10,670.9	892.0	(0.6)	293.4	0.0	1,184.8	60,173.5
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	309.6	(0.2)	22.3	0.0	331.8	1,955.2
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	43.9
(0.8)	(248.0)	0.0	872.9	0.0	0.0	0.0	0.0	0.0	872.9
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4,822.3
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(3.8)	0.0	0.0	5,438.6	0.0	0.0	0.0	0.0	0.0	5,438.6
(2.4)	0.0	0.0	3,369.4	0.0	0.0	0.0	0.0	0.0	3,955.3
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	96.2	(0.1)	0.0	0.0	96.2	96.2
(5.6)	0.0	0.0	8,033.2	0.0	0.0	0.0	0.0	0.0	67,665.7
(7.6)	0.0	0.0	10,889.2	1,557.7	(1.1)	0.0	0.0	1,556.6	12,445.7
0.0	0.0	0.0	0.0	4,648.4	(3.3)	916.2	0.0	5,561.4	5,561.4
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	480.4	(0.3)	0.0	0.0	480.1	480.1
(4.1)	0.0	0.0	5,791.0	0.0	0.0	0.0	0.0	0.0	22,150.0
0.0	0.0	0.0	0.0	451.9	(0.3)	0.0	0.0	451.6	451.6
0.0	0.0	0.0	0.0	307.3	(0.2)	0.0	0.0	307.1	307.1
(35.1)	(1,197.9)	0.0	48,948.3	10,667.5	(7.5)	1,232.0	0.0	11,892.0	217,465.2
12G	12H	12I	12J	12K	12L	12M	12N	12O	12P



Assessment Year 2023-2024 (Production Year 2022-2023)

Other Storage and Replenishment Accounts

DESALTER REPLENISHMENT

	Beginning Balance	Water Purchases	Transfers To	Transfers From	Ending Balance
CONTROLLED OVERDRAFT AND OFFSETS					
Re-Op Offset Pre-Peace II / CDA	1,286.7	.....	0.0	0.0	1,286.7
Re-Op Offset Peace II Expansion	62,500.0	.....	0.0	(12,500.0)	50,000.0
Non-Ag OBMP Special Assessment	0.0	.....	735.0	(735.0)	0.0
Non-Ag Dedication	0.0	.....	0.0	0.0	0.0
	63,786.7		735.0	(13,235.0)	51,286.7

DEDICATED REPLENISHMENT

BlueTriton Brands, Inc.	0.0	0.0	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	0.0	0.0	0.0	0.0	0.0
Chino, City Of	0.0	0.0	0.0	0.0	0.0
Cucamonga Valley Water District	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	0.0	0.0	1,705.1	(1,705.1)	0.0
Fontana Water Company	0.0	0.0	0.0	0.0	0.0
Fontana, City Of	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	0.0	0.0	0.0	0.0	0.0
Jurupa Community Services District	0.0	0.0	0.0	0.0	0.0
Marygold Mutual Water Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Water District	0.0	0.0	0.0	0.0	0.0
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.0	0.0	0.0	0.0	0.0
Nicholson Family Trust	0.0	0.0	1.0	(1.0)	0.0
Norco, City Of	0.0	0.0	0.0	0.0	0.0
Ontario, City Of	0.0	0.0	4,773.7	(4,773.7)	0.0
Pomona, City Of	0.0	0.0	0.0	0.0	0.0
San Antonio Water Company	0.0	0.0	0.0	0.0	0.0
San Bernardino, County of (Shooting Park)	0.0	0.0	0.0	0.0	0.0
Santa Ana River Water Company	0.0	0.0	0.0	0.0	0.0
Upland, City Of	0.0	0.0	0.0	0.0	0.0
West End Consolidated Water Co	0.0	0.0	0.0	0.0	0.0
West Valley Water District	0.0	0.0	0.0	0.0	0.0
	0.0	0.0	6,479.8	(6,479.8)	0.0

13A 13B 13C 13D 13E

STORAGE AND RECOVERY

	Beginning Balance	Storage Loss	Transfers To	Transfers From	Ending Balance
METROPOLITAN WATER DISTRICT					
Dry Year Yield / Conjunctive Use Program	0.0	0.0	7,939.1	0.0	7,939.1

13F 13G 13H 13I 13J

Notes:
1) A new DYY cycle of "puts" began May 2023.



Assessment Year 2023-2024 (Production Year 2022-2023)
Water Transaction Summary

	Water Transactions				Total Water Transactions
	Assigned Rights	General Transfer	Transfers (To) / From ECO Account	Transfers (To) Desalter Replenishment	
BlueTriton Brands, Inc.	0.0	0.0	276.6	0.0	276.6
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	0.0	0.0	0.0	0.0	0.0
Chino, City Of	(21,500.0)	0.0	21,500.0	0.0	0.0
Cucamonga Valley Water District	7,903.0	6,784.2	0.0	0.0	14,687.3
Desalter Authority	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	0.0	(6,784.2)	0.0	(1,705.1)	(8,489.3)
Fontana Water Company	20,003.5	0.0	0.0	0.0	20,003.5
Fontana, City Of	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	366.4	0.0	0.0	0.0	366.4
Jurupa Community Services District	0.0	0.0	0.0	0.0	0.0
Marygold Mutual Water Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Water District	0.0	0.0	0.0	0.0	0.0
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	4,000.0	0.0	0.0	0.0	4,000.0
Nicholson Family Trust	(3.5)	0.0	0.0	(1.0)	(4.5)
Norco, City Of	0.0	0.0	0.0	0.0	0.0
Ontario, City Of	0.0	4,773.7	0.0	(4,773.7)	0.0
Pomona, City Of	0.0	0.0	0.0	0.0	0.0
San Antonio Water Company	(403.0)	0.0	403.0	0.0	0.0
San Bernardino, County of (Shooting Park)	0.0	0.0	0.0	0.0	0.0
Santa Ana River Water Company	0.0	0.0	0.0	0.0	0.0
Upland, City Of	(9,591.7)	0.0	10,000.0	0.0	408.3
West End Consolidated Water Co	(774.7)	0.0	708.3	0.0	(66.4)
West Valley Water District	0.0	0.0	0.0	0.0	0.0
	0.0	4,773.7	32,887.9	(6,479.8)	31,181.8
	14A	14B	14C	14D	14E

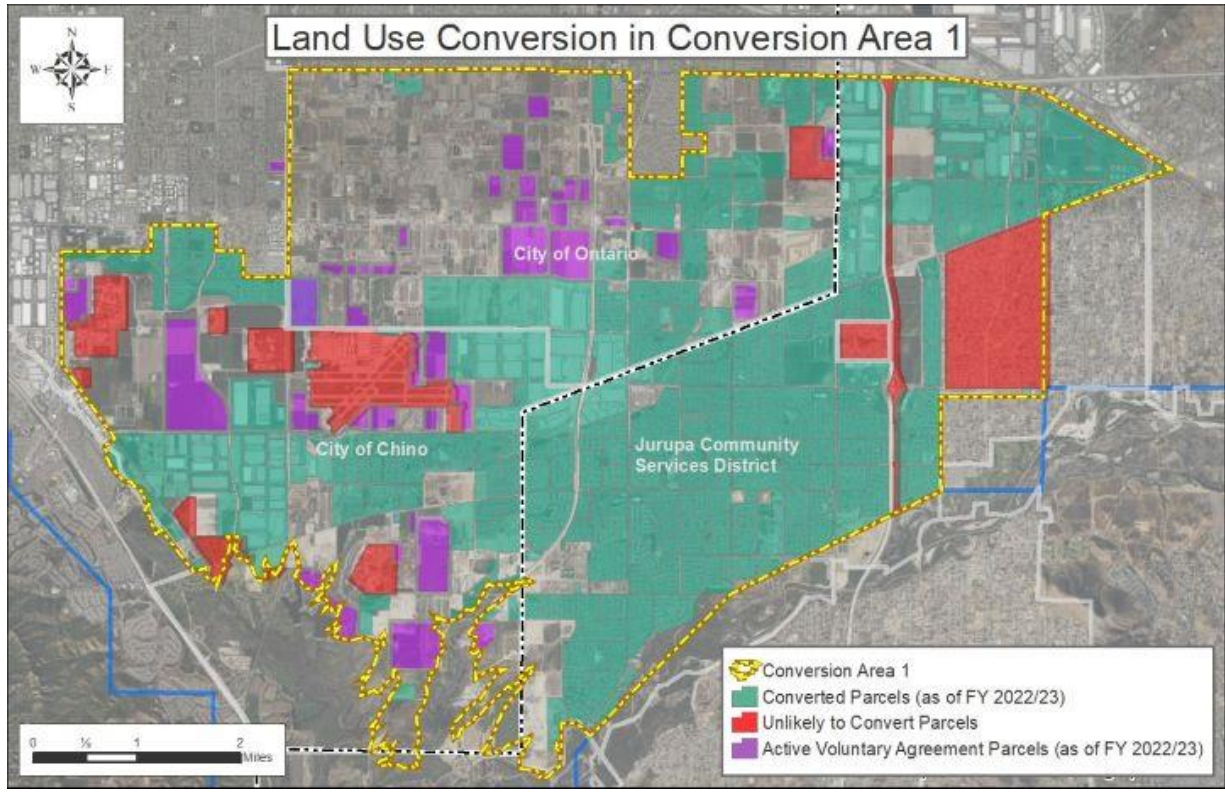
Notes:



Assessment Year 2023-2024 (Production Year 2022-2023)
Land Use Conversion Summary

	Prior Conversion	Conversion @ 1.3 af/ac		Total Prior to Peace Agrmt Converted AF	Conversion @ 2.0 af/ac		Total Land Use Conversion Acre-Feet
		Acres	Acre-Feet		Acres	Acre-Feet	
Chino Hills, City Of	0.0	670.266	871.3	871.3	203.334	406.7	1,278.0
Chino, City Of	196.2	1,434.750	1,865.2	2,061.4	3,699.522	7,399.0	9,460.5
Cucamonga Valley Water District	0.0	460.280	598.4	598.4	0.000	0.0	598.4
Fontana Water Company	0.0	0.000	0.0	0.0	417.000	834.0	834.0
Jurupa Community Services District	0.0	2,756.920	3,584.0	3,584.0	5,989.648	11,979.3	15,563.3
Monte Vista Water District	0.0	48.150	62.6	62.6	21.510	43.0	105.6
Ontario, City Of	209.4	527.044	685.2	894.6	2,495.660	4,991.3	5,885.9
	405.6	5,897.410	7,666.6	8,072.3	12,826.674	25,653.3	33,725.6

15A 15B 15C 15D 15E 15F 15G



Notes:



Assessment Year 2023-2024 (Production Year 2022-2023)

Agricultural Pool Reallocation Summary

	% Share of Operating Safe Yield	Reallocation of Agricultural Pool Safe Yield			
		Safe Yield Reduction ¹	Land Use Conversions	Early Transfer	Total AG Pool Reallocation
BlueTriton Brands, Inc.	0.000%	0.0	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.000%	0.0	0.0	0.0	0.0
Chino Hills, City Of	3.851%	346.6	1,278.0	885.4	2,510.0
Chino, City Of	7.357%	662.1	9,460.5	1,691.5	11,814.1
Cucamonga Valley Water District	6.601%	594.1	598.4	1,517.7	2,710.2
Desalter Authority	0.000%	0.0	0.0	0.0	0.0
Fontana Union Water Company	11.657%	1,049.1	0.0	2,680.2	3,729.3
Fontana Water Company	0.002%	0.2	834.0	0.5	834.6
Fontana, City Of	0.000%	0.0	0.0	0.0	0.0
Golden State Water Company	0.750%	67.5	0.0	172.4	239.9
Jurupa Community Services District	3.759%	338.3	15,563.3	864.3	16,765.9
Marygold Mutual Water Company	1.195%	107.6	0.0	274.8	382.3
Monte Vista Irrigation Company	1.234%	111.1	0.0	283.7	394.8
Monte Vista Water District	8.797%	791.7	105.6	2,022.6	2,920.0
NCL Co, LLC	0.000%	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.000%	0.0	0.0	0.0	0.0
Nicholson Family Trust	0.007%	0.6	0.0	1.6	2.2
Norco, City Of	0.368%	33.1	0.0	84.6	117.7
Ontario, City Of	20.742%	1,866.8	5,885.9	4,769.0	12,521.7
Pomona, City Of	20.454%	1,840.9	0.0	4,702.8	6,543.7
San Antonio Water Company	2.748%	247.3	0.0	631.8	879.1
San Bernardino, County of (Shooting Park)	0.000%	0.0	0.0	0.0	0.0
Santa Ana River Water Company	2.373%	213.6	0.0	545.6	759.2
Upland, City Of	5.202%	468.2	0.0	1,196.1	1,664.2
West End Consolidated Water Co	1.728%	155.5	0.0	397.3	552.8
West Valley Water District	1.175%	105.8	0.0	270.2	375.9

Agricultural Pool Safe Yield	82,800.0				
Agricultural Pool Production	(17,082.2)	16A	16B	16C	16E
Safe Yield Reduction ¹	(9,000.0)				
Land Use Conversions	(33,725.6)				
Early Transfer [16D]	22,992.2				

100% **9,000.0** **33,725.6** **22,992.2** **65,717.8**

Notes:

¹ Paragraph 10, Subdivision (a)(1) of Exhibit "H" of the Judgment states "to supplement, in the particular year, water available from Operating Safe Yield to compensate for any reduction in the Safe Yield by reason of recalculation thereof after the tenth year of operation hereunder."



Assessment Year 2023-2024 (Production Year 2022-2023)

Cumulative Unmet Replenishment Obligation (CURO)

Remaining Replenishment Obligation:		AF	Replenishment Rates	
Appropriative - 100		1,533.2	2023 Rate	\$872.00
Appropriative - 15/85		32.4	2022 Rate	\$811.00
Non-Agricultural - 100		70.8		
		1,636.4		

Pool 3 Appropriative

Company	Outstanding Obligation (AF)	Fund Balance (\$)	Outstanding Obligation (\$)	AF Production and Exchanges
BlueTriton Brands, Inc.	0.0	\$0.00	\$0.00	276.6
CalMat Co. (Appropriative)	0.0	\$0.00	\$0.00	0.0
Chino Hills, City Of	0.0	\$0.00	\$0.00	2,176.9
Chino, City Of	0.0	\$0.00	\$0.00	3,112.5
Cucamonga Valley Water District	0.0	\$0.00	\$0.00	13,514.7
Desalter Authority	0.0	\$0.00	\$0.00	39,815.0
Fontana Union Water Company	0.0	\$0.00	\$0.00	0.0
Fontana Water Company	0.0	\$0.00	\$0.00	8,721.0
Fontana, City Of	0.0	\$0.00	\$0.00	0.0
Golden State Water Company	0.0	\$0.00	\$0.00	921.7
Jurupa Community Services District	0.0	\$0.00	\$0.00	7,157.8
Marygold Mutual Water Company	0.0	\$0.00	\$0.00	559.7
Monte Vista Irrigation Company	0.0	\$0.00	\$0.00	0.0
Monte Vista Water District	0.0	\$0.00	\$0.00	5,165.5
NCL Co, LLC	0.0	\$0.00	\$0.00	0.0
Niagara Bottling, LLC	1,533.2	\$1,268,563.09	\$68,399.52	1,401.4
Nicholson Family Trust	0.0	\$0.00	\$0.00	0.0
Norco, City Of	0.0	\$0.00	\$0.00	0.0
Ontario, City Of	0.0	\$0.00	\$0.00	12,566.1
Pomona, City Of	0.0	\$0.00	\$0.00	10,197.4
San Antonio Water Company	0.0	\$0.00	\$0.00	459.0
San Bernardino, County of (Shooting Park)	32.4	\$26,735.17	\$1,500.19	17.6
Santa Ana River Water Company	0.0	\$0.00	\$0.00	0.0
Upland, City Of	0.0	\$0.00	\$0.00	540.0
West End Consolidated Water Co	0.0	\$0.00	\$0.00	0.0
West Valley Water District	0.0	\$0.00	\$0.00	0.0
Pool 3 Appropriative Total	1,565.6	\$1,295,298.26	\$69,899.71	106,603.1
	17A	17B	17C	17D

Notes:

1) The 2023 replenishment rate includes MWD's Full Service Untreated Tier 1 volumic cost of \$855/AF, a \$15/AF surcharge from Three Valleys Municipal Water District,

POOL 3

85/15 Producers	Percent	15%	85%	100%	Total
xxxxxxx	0.000%	xxxxxxx	xxxxxxx	\$0.00	\$0.00
xxxxxxx	0.000%	xxxxxxx	xxxxxxx	\$0.00	\$0.00
2,176.9	4.005%	\$9.01	\$0.00	xxxxxxx	\$9.01
3,112.5	5.727%	\$12.89	\$0.00	xxxxxxx	\$12.89
13,514.7	24.865%	\$55.95	\$0.00	xxxxxxx	\$55.95
xxxxxxx	0.000%	xxxxxxx	xxxxxxx	xxxxxxx	\$0.00
0.0	0.000%	\$0.00	\$0.00	xxxxxxx	\$0.00
8,721.0	16.045%	\$36.11	\$0.00	xxxxxxx	\$36.11
xxxxxxx	0.000%	xxxxxxx	xxxxxxx	\$0.00	\$0.00
921.7	1.696%	\$3.82	\$0.00	xxxxxxx	\$3.82
7,157.8	13.169%	\$29.63	\$0.00	xxxxxxx	\$29.63
xxxxxxx	0.000%	xxxxxxx	xxxxxxx	\$0.00	\$0.00
0.0	0.000%	\$0.00	\$0.00	xxxxxxx	\$0.00
5,165.5	9.504%	\$21.39	\$0.00	xxxxxxx	\$21.39
xxxxxxx	0.000%	xxxxxxx	xxxxxxx	\$0.00	\$0.00
xxxxxxx	0.000%	xxxxxxx	xxxxxxx	\$68,399.52	\$68,399.52
0.0	0.000%	\$0.00	\$0.00	xxxxxxx	\$0.00
0.0	0.000%	\$0.00	\$0.00	xxxxxxx	\$0.00
12,566.1	23.119%	\$52.03	\$0.00	xxxxxxx	\$52.03
xxxxxxx	0.000%	xxxxxxx	xxxxxxx	\$0.00	\$0.00
459.0	0.844%	\$1.90	\$0.00	xxxxxxx	\$1.90
17.6	0.032%	\$0.07	\$1,275.16	xxxxxxx	\$1,275.23
0.0	0.000%	\$0.00	\$0.00	xxxxxxx	\$0.00
540.0	0.994%	\$2.24	\$0.00	xxxxxxx	\$2.24
0.0	0.000%	\$0.00	\$0.00	xxxxxxx	\$0.00
0.0	0.000%	\$0.00	\$0.00	xxxxxxx	\$0.00
54,352.9	100.000%	\$225.04	\$1,275.16	\$68,399.52	\$69,899.72
17E	17F	17G	17H	17I	17J

and a \$2/AF connection fee from Orange County Water District.



Assessment Year 2023-2024 (Production Year 2022-2023)

Desalter Replenishment Accounting¹

Production Year	Desalter Production			Desalter (aka Kaiser) Account PIIA, 6.2 (a)(i)	Paragraph 31 Settlement Agreements Dedication ³ PIIA, 6.2(a)(ii)	"Leave Behind" Losses PIIA, 6.2(a)(iv)
	Pre-Peace II Desalter Production	Peace II Desalter Expansion Production ²	Total			
2000 / 2001	7,989.0	0.0	7,989.0	3,994.5	0.0	0.0
2001 / 2002	9,457.8	0.0	9,457.8	4,728.9	0.0	0.0
2002 / 2003	10,438.5	0.0	10,438.5	5,219.3	0.0	0.0
2003 / 2004	10,605.0	0.0	10,605.0	5,302.5	0.0	0.0
2004 / 2005	9,853.6	0.0	9,853.6	4,926.8	0.0	0.0
2005 / 2006	16,475.8	0.0	16,475.8	11,579.1	0.0	0.0
2006 / 2007	26,356.2	0.0	26,356.2	608.4	4,273.1	0.0
2007 / 2008	26,972.1	0.0	26,972.1	0.0	0.0	0.0
2008 / 2009	32,920.5	0.0	32,920.5	0.0	0.0	0.0
2009 / 2010	28,516.7	0.0	28,516.7	0.0	0.0	0.0
2010 / 2011	29,318.7	0.0	29,318.7	0.0	0.0	0.0
2011 / 2012	28,378.9	0.0	28,378.9	0.0	0.0	0.0
2012 / 2013	27,061.7	0.0	27,061.7	0.0	0.0	0.0
2013 / 2014	29,228.0	14.6	29,242.6	0.0	0.0	0.0
2014 / 2015	29,541.3	448.7	29,990.0	0.0	0.0	0.0
2015 / 2016	27,008.8	1,154.1	28,162.9	0.0	0.0	0.0
2016 / 2017	26,725.6	1,527.2	28,252.8	0.0	0.0	0.0
2017 / 2018	28,589.8	1,462.5	30,052.3	0.0	0.0	0.0
2018 / 2019	25,502.9	5,696.3	31,199.2	0.0	0.0	0.0
2019 / 2020	27,593.6	8,003.4	35,597.1	0.0	0.0	0.0
2020 / 2021	31,944.8	8,169.7	40,114.5	0.0	0.0	0.0
2021 / 2022	28,678.0	11,847.4	40,525.4	0.0	0.0	0.0
2022 / 2023	30,223.8	9,591.2	39,815.0	0.0	0.0	0.0
2023 / 2024	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0
2024 / 2025	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0
2025 / 2026	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0
2026 / 2027	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0
2027 / 2028	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0
2028 / 2029	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0
2029 / 2030	30,000.0	10,000.0	40,000.0	0.0	0.0	0.0
	759,381.2	117,915.1	877,296.3	36,359.6	4,273.1	0.0
	18A	18B	18C	18D	18E	18F

Notes:

- ¹ Original table format and content: WEI, Response to Condition Subsequent Number 7, November 2008. Table has since been revised as a result of the March 2009 Court Order.
- ² Peace II Desalter Expansion was anticipated to have an annual production of approximately 10,000 AF.
- ³ 3,956.877 acre-feet + 316.177 acre-feet added as Non-Ag dedicated stored water per Paragraph 31 Settlement Agreements. Per Agreements, the water is due to the Desalter.
- ⁴ Six years of Desalter tracking (Production Year 2000-2001 through Production Year 2005/2006) may have incorrectly assumed that a significant portion of Desalter Production Year 2008/2009.
- ⁵ Pursuant to section 7.2(e)(ii) of the Peace II Agreement, the initial schedule for the Peace II Desalter Expansion controlled overdraft of 175,000 acre-feet had by 2006/2007.
- ⁶ For the first 10 years following the Peace II Agreement (2006/2007 through 2015/2016), the Non-Ag "10% Haircut" water is apportioned among the specific sewer replenishment. However, to the extent there is no remaining desalter replenishment obligation in any year after applying the offsets set forth in 6.2(a), it will be due to production.
- ⁷ Per the Peace II Agreement, Section 6.2(b)(iii) (as amended by the March 15, 2019 Court Order), the Remaining Desalter Replenishment Obligation is to be as follows.
- ⁸ Due to the Re-Operation Schedule amendments in 2019, the Pre-Peace II Controlled Overdraft is left with a balance of 1,288.054 AF, which may be utilized at the discretion of the Basin Management Authority.

POOL 3

Desalter Replenishment							Remaining Desalter Replenishment Obligation ^{4,7} PIIA, 6.2(b)(iii)
Safe Yield Contributed by Parties PIIA, 6.2(a)(v)	Controlled Overdraft / Re-Op, PIIA, 6.2(a)(vi)			Appropriative Pool DRO Contribution PIIA, 6.2(b)(ii)	Non-Ag OBMP Assessment (10% Haircut) ⁶ PIIA, 6.2(b)(i)		
	Allocation to Pre-Peace II Desalters ^{4, 8}	Allocation to All Desalters ⁵	Balance				
0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,994.5
0.0	0.0	0.0	0.0	0.0	0.0	0.0	4,728.9
0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,219.3
0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,302.5
0.0	0.0	0.0	0.0	0.0	0.0	0.0	4,926.8
0.0	0.0	0.0	400,000.0	0.0	0.0	0.0	4,896.7
0.0	21,474.7	0.0	378,525.3	0.0	0.0	0.0	0.0
0.0	26,972.1	0.0	351,553.2	0.0	0.0	0.0	0.0
0.0	61,989.1	0.0	289,564.1	0.0	0.0	0.0	(29,068.6)
0.0	28,516.7	0.0	261,047.4	0.0	0.0	0.0	0.0
0.0	29,318.7	0.0	231,728.7	0.0	0.0	0.0	0.0
0.0	28,378.9	0.0	203,349.7	0.0	0.0	0.0	0.0
0.0	27,061.7	0.0	176,288.1	0.0	0.0	0.0	0.0
0.0	0.0	12,500.0	163,788.1	10,000.0	0.0	0.0	6,742.6
0.0	0.0	12,500.0	151,288.1	10,000.0	0.0	0.0	7,490.0
0.0	0.0	12,500.0	138,788.1	10,000.0	0.0	0.0	5,662.9
0.0	0.0	12,500.0	126,288.1	10,000.0	735.0	735.0	5,017.8
0.0	0.0	12,500.0	113,788.1	10,000.0	735.0	735.0	6,817.3
0.0	0.0	12,500.0	101,288.1	10,000.0	735.0	735.0	7,964.2
0.0	0.0	12,500.0	88,788.1	10,000.0	735.0	735.0	12,362.0
0.0	0.0	12,500.0	76,288.1	10,000.0	735.0	735.0	16,879.4
0.0	0.0	12,500.0	63,788.1	10,000.0	735.0	735.0	17,290.4
0.0	0.0	12,500.0	51,288.1	10,000.0	735.0	735.0	16,580.0
0.0	0.0	12,500.0	38,788.1	10,000.0	735.0	735.0	16,765.0
0.0	0.0	12,500.0	26,288.1	10,000.0	735.0	735.0	16,765.0
0.0	0.0	5,000.0	21,288.1	10,000.0	735.0	735.0	24,265.0
0.0	0.0	5,000.0	16,288.1	10,000.0	735.0	735.0	24,265.0
0.0	0.0	5,000.0	11,288.1	10,000.0	735.0	735.0	24,265.0
0.0	0.0	5,000.0	6,288.1	10,000.0	735.0	735.0	24,265.0
0.0	0.0	5,000.0	1,288.1	10,000.0	735.0	735.0	24,265.0
0.0	223,711.9	175,000.0		170,000.0	10,290.5		257,661.5
18G	18H	18I	18J	18K	18L	18M	

15, 2019 Court Order.

med to have been dedicated as of June 30, 2007.

alter production was being offset by Desalter Induced Recharge. Condition Subsequent 7 included an adjustment of 29,070 AF against Desalter replenishment in

een amended to be allocated to Desalter replenishment over a 17-year period, beginning in 2013/14 and ending in 2029/30.

ren members of the Appropriative Pool, per PIIA 9.2(a). In the eleventh year and in each year thereafter, it is dedicated to Watermaster to further offset desalter sributed pro rata among the members of the Appropriative Pool based upon each Producer's combined total share of OSY and the previous year's actual

ssessed against the Appropriative Pool, pro-rata based on each Producer's combined total share of OSY and their Adjusted Physical Production.

a later date to offset a future Desalter Replenishment Obligation.

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Assessment Year 2023-2024 (Production Year 2022-2023)

Desalter Replenishment Obligation Contribution

	Percent of Operating Safe Yield	Land Use Conversions	Percent of Land Use Conversions	85% DROC Based on % OSY	15% DROC Based on % of LUC	Total DRO Contribution
BlueTriton Brands, Inc.	0.000%	0.0	0.000%	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.000%	0.0	0.000%	0.0	0.0	0.0
Chino Hills, City Of	3.851%	1,278.0	3.789%	327.3	56.8	384.2
Chino, City Of	7.357%	9,460.5	28.051%	625.3	420.8	1,046.1
Cucamonga Valley Water District	6.601%	598.4	1.774%	561.1	26.6	587.7
Fontana Union Water Company	11.657%	0.0	0.000%	990.8	0.0	990.8
Fontana Water Company	0.002%	834.0	2.473%	0.2	37.1	37.3
Fontana, City Of	0.000%	0.0	0.000%	0.0	0.0	0.0
Golden State Water Company	0.750%	0.0	0.000%	63.8	0.0	63.8
Jurupa Community Services District	3.759%	15,563.3	46.147%	319.5	692.2	1,011.7
Marygold Mutual Water Company	1.195%	0.0	0.000%	101.6	0.0	101.6
Monte Vista Irrigation Company	1.234%	0.0	0.000%	104.9	0.0	104.9
Monte Vista Water District	8.797%	105.6	0.313%	747.7	4.7	752.4
NCL Co, LLC	0.000%	0.0	0.000%	0.0	0.0	0.0
Niagara Bottling, LLC	0.000%	0.0	0.000%	0.0	0.0	0.0
Nicholson Family Trust	0.007%	0.0	0.000%	0.6	0.0	0.6
Norco, City Of	0.368%	0.0	0.000%	31.3	0.0	31.3
Ontario, City Of	20.742%	5,885.9	17.452%	1,763.1	261.8	2,024.9
Pomona, City Of	20.454%	0.0	0.000%	1,738.6	0.0	1,738.6
San Antonio Water Company	2.748%	0.0	0.000%	233.6	0.0	233.6
San Bernardino, County of (Shooting Park)	0.000%	0.0	0.000%	0.0	0.0	0.0
Santa Ana River Water Company	2.373%	0.0	0.000%	201.7	0.0	201.7
Upland, City Of	5.202%	0.0	0.000%	442.2	0.0	442.2
West End Consolidated Water Co	1.728%	0.0	0.000%	146.9	0.0	146.9
West Valley Water District	1.175%	0.0	0.000%	99.9	0.0	99.9
	100.000%	33,725.6	100.000%	8,500.0	1,500.0	10,000.0
	19A	19B	19C	19D	19E	19F

Notes:

Section 6.2(b)(ii) of the Peace II Agreement as the amendment is shown in the March 15, 2019 Court Order states: "The members of the Appropriative Pool will contribute a total of 10,000 afy toward Desalter replenishment, allocated among the Appropriative Pool members as follows: 1) 85% of the total (8,500 afy) will be allocated according to the Operating Safe Yield percentage of each Appropriative Pool members; and 2) 15% of the total (1,500 afy) will be allocated according to each land use conversion agency's percentage of the total land use conversion claims. The formula is to be adjusted annually based on the actual land use conversion allocations of the year."



Assessment Year 2023-2024 (Production Year 2022-2023)

Remaining Desalter Replenishment Obligation (RDRO)

	Assigned Share of Operating Safe Yield	CALCULATING THE ADJUSTED		
		Physical Production	50% of Voluntary Agreements with Ag	Assignments with Non-Ag
BlueTriton Brands, Inc.	0.0	276.6	0.0	0.0
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0
Chino Hills, City Of	1,572.5	2,218.1	(20.6)	0.0
Chino, City Of	3,004.2	5,568.9	(1,190.4)	(75.5)
Cucamonga Valley Water District	2,695.5	13,514.7	0.0	0.0
Fontana Union Water Company	4,760.0	0.0	0.0	0.0
Fontana Water Company	0.8	8,721.0	0.0	0.0
Fontana, City Of	0.0	0.0	0.0	0.0
Golden State Water Company	306.3	921.7	0.0	0.0
Jurupa Community Services District	1,535.0	7,521.6	0.0	(392.9)
Marygold Mutual Water Company	488.0	559.7	0.0	0.0
Monte Vista Irrigation Company	503.9	0.0	0.0	0.0
Monte Vista Water District	3,592.2	5,293.0	(50.8)	(15.9)
NCL Co, LLC	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.0	1,401.4	0.0	0.0
Nicholson Family Trust	2.9	0.0	0.0	0.0
Norco, City Of	150.3	0.0	0.0	0.0
Ontario, City Of	8,469.8	16,933.4	(1,608.0)	(1,151.3)
Pomona, City Of	8,352.2	10,197.4	0.0	0.0
San Antonio Water Company	1,122.1	459.0	0.0	0.0
San Bernardino, County of (Shooting Park)	0.0	17.6	0.0	0.0
Santa Ana River Water Company	969.0	0.0	0.0	0.0
Upland, City Of	2,124.2	807.9	0.0	0.0
West End Consolidated Water Co	705.6	0.0	0.0	0.0
West Valley Water District	479.8	0.0	0.0	0.0
	40,834.0	74,412.1	(2,869.8)	(1,635.6)
	20A	20B	20C	20D

Notes:

Section 6.2(b)(iii) of the Peace II Agreement as the amendment is shown in the March 15, 2019 Court Order states: "A Replenishment Assessment against the Appro member according to the combined total of the member's share of Operating Safe Yield and the member's Adjusted Physical Production."

POOL 3

PHYSICAL PRODUCTION			ALLOCATING THE RDRO		
Storage and Recovery Programs	Other Adjustments	Total Adjusted Physical Production	Total Production and OSY Basis (20A+20G)	Percentage (20H) / Sum(20H)	Total Remaining Desalter Replenishment Obligation
0.0	0.0	276.6	276.6	0.250%	41.5
0.0	0.0	0.0	0.0	0.000%	0.0
0.0	0.0	2,197.5	3,770.1	3.412%	565.7
0.0	0.0	4,303.0	7,307.1	6.613%	1,096.5
0.0	0.0	13,514.7	16,210.2	14.671%	2,432.4
0.0	0.0	0.0	4,760.0	4.308%	714.3
0.0	0.0	8,721.0	8,721.8	7.894%	1,308.8
0.0	0.0	0.0	0.0	0.000%	0.0
0.0	0.0	921.7	1,228.0	1.111%	184.3
0.0	29.0	7,157.8	8,692.7	7.867%	1,304.4
0.0	0.0	559.7	1,047.7	0.948%	157.2
0.0	0.0	0.0	503.9	0.456%	75.6
0.0	(9.9)	5,216.3	8,808.5	7.972%	1,321.8
0.0	0.0	0.0	0.0	0.000%	0.0
0.0	0.0	1,401.4	1,401.4	1.268%	210.3
0.0	0.0	0.0	2.9	0.003%	0.4
0.0	0.0	0.0	150.3	0.136%	22.5
0.0	0.0	14,174.1	22,643.9	20.494%	3,397.9
0.0	0.0	10,197.4	18,549.6	16.788%	2,783.5
0.0	0.0	459.0	1,581.1	1.431%	237.2
0.0	0.0	17.6	17.6	0.016%	2.6
0.0	0.0	0.0	969.0	0.877%	145.4
0.0	(267.8)	540.0	2,664.2	2.411%	399.8
0.0	0.0	0.0	705.6	0.639%	105.9
0.0	0.0	0.0	479.8	0.434%	72.0
0.0	(248.7)	69,657.9	110,491.9	100.000%	16,580.0
20E	20F	20G	20H	20I	20J

priative Pool for any remaining Desalter replenishment obligation after applying both 6(b)(i) and 6(b)(ii), allocated pro-rata to each Appropriate Pool



Assessment Year 2023-2024 (Production Year 2022-2023)

Desalter Replenishment Summary

	Desalter Replenishment Obligation in AF			Transfer from Dedicated Replenishment Account	Transfer from Excess Carry Over Storage Account
	Desalter Replenishment Obligation Contribution	Remaining Desalter Replenishment Obligation	Total Desalter Replenishment Obligation		
BlueTriton Brands, Inc.	0.0	(41.5)	(41.5)	0.0	41.5
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	(384.2)	(565.7)	(949.9)	0.0	0.0
Chino, City Of	(1,046.1)	(1,096.5)	(2,142.6)	0.0	2,142.6
Cucamonga Valley Water District	(587.7)	(2,432.4)	(3,020.1)	0.0	3,020.1
Fontana Union Water Company	(990.8)	(714.3)	(1,705.1)	1,705.1	0.0
Fontana Water Company	(37.3)	(1,308.8)	(1,346.0)	0.0	1,346.0
Fontana, City Of	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	(63.8)	(184.3)	(248.0)	0.0	0.0
Jurupa Community Services District	(1,011.7)	(1,304.4)	(2,316.1)	0.0	2,316.1
Marygold Mutual Water Company	(101.6)	(157.2)	(258.8)	0.0	258.8
Monte Vista Irrigation Company	(104.9)	(75.6)	(180.5)	0.0	180.5
Monte Vista Water District	(752.4)	(1,321.8)	(2,074.2)	0.0	2,074.2
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.0	(210.3)	(210.3)	0.0	0.0
Nicholson Family Trust	(0.6)	(0.4)	(1.0)	1.0	0.0
Norco, City Of	(31.3)	(22.5)	(53.8)	0.0	53.8
Ontario, City Of	(2,024.9)	(3,397.9)	(5,422.7)	4,773.7	649.1
Pomona, City Of	(1,738.6)	(2,783.5)	(4,522.1)	0.0	4,522.1
San Antonio Water Company	(233.6)	(237.2)	(470.8)	0.0	470.8
San Bernardino, County of (Shooting Park)	0.0	(2.6)	(2.6)	0.0	0.0
Santa Ana River Water Company	(201.7)	(145.4)	(347.1)	0.0	347.1
Upland, City Of	(442.2)	(399.8)	(842.0)	0.0	842.0
West End Consolidated Water Co	(146.9)	(105.9)	(252.8)	0.0	252.8
West Valley Water District	(99.9)	(72.0)	(171.9)	0.0	171.9
	(10,000.0)	(16,580.0)	(26,580.0)	6,479.8	18,689.3
	21A	21B	21C	21D	21E

Notes:

1) City of Ontario (Non-Ag) dedicated 2,396.5 AF of Carryover water, and 2,377.2 AF of Annual Share of Operating Safe Yield, to satisfy City of Ontario's 2023/24 DR

POOL 3

Total DRO Fulfillment Activity					Assessments	
Transfer from Recharged Recycled Storage Account	Transfer from Quantified Storage Account	Transfer from Post 7/1/2000 Storage Account	Replenishment Water Purchase	Total Transfers and Water Purchases	Residual DRO (AF)	Assessments Due On Residual DRO (\$)
0.0	0.0	0.0	0.0	41.5	0.0	0.00
0.0	0.0	0.0	0.0	0.0	0.0	0.00
0.0	949.9	0.0	0.0	949.9	0.0	0.00
0.0	0.0	0.0	0.0	2,142.6	0.0	0.00
0.0	0.0	0.0	0.0	3,020.1	0.0	0.00
0.0	0.0	0.0	0.0	1,705.1	0.0	0.00
0.0	0.0	0.0	0.0	1,346.0	0.0	0.00
0.0	0.0	0.0	0.0	0.0	0.0	0.00
0.0	248.0	0.0	0.0	248.0	0.0	0.00
0.0	0.0	0.0	0.0	2,316.1	0.0	0.00
0.0	0.0	0.0	0.0	258.8	0.0	0.00
0.0	0.0	0.0	0.0	180.5	0.0	0.00
0.0	0.0	0.0	0.0	2,074.2	0.0	0.00
0.0	0.0	0.0	0.0	0.0	0.0	0.00
0.0	0.0	0.0	0.0	0.0	(210.3)	183,374.62
0.0	0.0	0.0	0.0	1.0	0.0	0.00
0.0	0.0	0.0	0.0	53.8	0.0	0.00
0.0	0.0	0.0	0.0	5,422.7	0.0	0.00
0.0	0.0	0.0	0.0	4,522.1	0.0	0.00
0.0	0.0	0.0	0.0	470.8	0.0	0.00
0.0	0.0	0.0	0.0	0.0	(2.6)	2,308.18
0.0	0.0	0.0	0.0	347.1	0.0	0.00
0.0	0.0	0.0	0.0	842.0	0.0	0.00
0.0	0.0	0.0	0.0	252.8	0.0	0.00
0.0	0.0	0.0	0.0	171.9	0.0	0.00
0.0	1,197.9	0.0	0.0	26,367.1	(212.9)	185,682.80
21F	21G	21H	21I	21J	21K	21L

O pursuant to an Exhibit "G" Section 10 Form A.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Calculation - Projected (Includes "10% Judgment .

PRODUCTION BASIS

2021/2022 Production and Exchanges in Acre-Feet (Actuals)

2022/2023 Production and Exchanges in Acre-Feet (Actuals)¹

BUDGET

Judgment Administration ^{2,3}

OBMP & Program Elements 1-9 ²

Judgment Administration, OBMP & PE 1-9 Assessments

TOTAL BUDGET

Less: Budgeted Interest Income

Less: Contributions from Outside Agencies

Subtotal: CASH DEMAND

Add: OPERATING RESERVE

Judgment Administration (10%)

OBMP & PE 1-9 (15%)

Subtotal: OPERATING RESERVE

Less: Cash Balance on Hand Available for Assessments ⁴

FUNDS REQUIRED TO BE ASSESSED

FY 2022/23 Budget ⁵	FY 2023/24 Budget
\$3,334,108	\$3,681,911
\$5,526,566	\$5,283,151
\$8,860,674	\$8,965,062
(\$35,550)	(\$312,500)
(\$181,866)	(\$186,412)
\$8,643,258	\$8,466,150
\$333,411	\$368,191
\$828,985	\$792,473
\$1,162,396	\$1,160,664
(\$1,162,396)	(\$1,160,664)
\$8,643,258	\$8,466,150

Proposed Assessments

Judgment Administration, OBMP & PE 1-9 Assessments (Minimum \$5.00 Per Producer)

[A]

Grand Total

Prior Year Assessments, (Actuals) Information Only

[B]

Grand Total

Variance Between Proposed Assessments and Prior Year Assessments

[A] - [B]

Grand Total

Estimated Assessment as of "Approved" Budget August 25, 2023, Information Only

Grand Total

Notes:

- ¹ Due to the timing of when the Budget and the Assessment Package are prepared, actual production numbers on this page may differ from the Budget depending
- ² Total costs are allocated to Pools by actual production percentages. Does not include Recharge Debt Payment, Recharge Improvement Projects, Replenishment
- ³ Judgment Administration excludes OAP, AP, and ONAP specific legal services, meeting compensation, or Special Funds. These items invoiced separately on the
- ⁴ June 30th fund balance (estimated) less funds required for Operating Reserves, Agricultural Pool Reserves, and Carryover replenishment obligations.
- ⁵ The previous fiscal year's budget numbers are from the previously approved Assessment Package and does not reflect numbers from any amended budget that

Administration and 15% OBMP & Program Elements 1-9 Operating Reserves")

ASSESSMENT	APPROPRIATIVE POOL		AGRICULTURAL POOL		NON-AG POOL	
99,715.646	75,398.179	75.613%	21,304.032	21.365%	3,013.435	3.022%
86,865.190	66,788.048	76.887%	17,082.226	19.665%	2,994.916	3.448%
	Judgment Administration	OBMP & PE 1-9	Judgment Administration	OBMP & PE 1-9	Judgment Administration	OBMP & PE 1-9
\$3,681,911	\$2,830,911		\$724,055		\$126,944	
\$5,283,151		\$4,062,056		\$1,038,943		\$182,151
\$8,965,062	\$2,830,911	\$4,062,056	\$724,055	\$1,038,943	\$126,944	\$182,151
\$8,965,062	\$2,830,911	\$4,062,056	\$724,055	\$1,038,943	\$126,944	\$182,151
(\$312,500)		(\$240,272)		(\$61,454)		(\$10,774)
(\$186,412)		(\$143,327)		(\$36,658)		(\$6,427)
\$8,466,150	\$2,830,911	\$3,678,457	\$724,055	\$940,831	\$126,944	\$164,950
\$368,191	\$283,091		\$72,406		\$12,694	
\$792,473		\$609,309		\$155,842		\$27,323
\$1,160,664	\$283,091	\$609,309	\$72,406	\$155,842	\$12,694	\$27,323
(\$1,160,664)	(\$283,091)	(\$609,309)	(\$72,406)	(\$155,842)	(\$12,694)	(\$27,323)
\$8,466,150	\$2,830,911	\$3,678,457	\$724,055	\$940,831	\$126,944	\$164,950
Per Acre-Foot	\$42.39	\$55.08	\$42.39	\$55.08	\$42.39	\$55.08
		\$97.47		\$97.47		\$97.47
Per Acre-Foot	\$33.44	\$53.24	\$33.44	\$53.24	\$33.44	\$53.24
		\$86.68		\$86.68		\$86.68
	\$8.95	\$1.84	\$8.95	\$1.84	\$8.95	\$1.84
		\$10.79		\$10.79		\$10.79
	\$40.77	\$52.97	\$40.77	\$52.97	\$40.77	\$52.97
		\$93.74		\$93.74		\$93.74

on any last minute corrections during the Assessment Package preparation process.
 Water Purchases, or RTS charges.
 Assessment invoices.

may have followed.



Assessment Year 2023-2024 (Production Year 2022-2023)

Water Transaction Detail

Standard Transactions

To:	From:	Date of Submittal	Quantity	\$ / Acre Feet	Total \$	If 85/15 Rule Applies:			
						85%	15%	WM Pays	
Cucamonga Valley Water District	Chino, City Of Storage Account	1/3/2023	1,324.2	639.20	846,437.59	719,471.95	126,965.64	Cucamonga Valley Water District	
	Chino, City Of Storage Account	1/3/2023	6,175.8	639.20	3,947,562.41				
	San Antonio Water Company Storage Account	5/22/2023	403.0	N/A	N/A				
<i>85/15 Rule does not apply. Utilizing SAWCO shares.</i>									
Fontana Water Company	Upland, City Of Storage Account	11/8/2022	7,884.8	599.25	4,724,941.23	4,016,200.05	708,741.18	Fontana Water Company	
	Upland, City Of Storage Account	11/8/2022	2,115.2	599.25	1,267,558.77				
	Chino, City Of Storage Account	12/27/2022	10,000.0	639.20	6,392,000.00				
	Nicholson Family Trust Annual Account	5/3/2023	3.5	619.23	2,167.31				
Golden State Water Company	Upland, City Of Annual Account	6/8/2023	208.0	641.25	133,402.44	113,392.08	20,010.37	Golden State Water Company	
	Upland, City Of Annual Account	6/8/2023	92.0	641.25	58,972.56				
	West End Consolidated Water Co Annual Account	6/8/2023	66.4	49.00	3,253.60				
<i>85/15 Rule does not apply. Utilizing West End shares.</i>									
Niagara Bottling, LLC	Chino, City Of Storage Account	12/21/2022	4,000.0	N/A	N/A				
<i>85/15 Rule does not apply. Sale price was not disclosed.</i>									
Upland, City Of	West End Consolidated Water Co Storage Account	5/29/2023	708.3	49.00	34,706.70				
<i>85/15 Rule does not apply. Utilizing West End shares.</i>									
			32,981.2		17,411,002.61	4,849,064.07	855,717.19		
Total 15% Credits from all Transactions:							\$855,717.19		



Assessment Year 2023-2024 (Production Year 2022-2023)
Water Transaction Detail

Applied Recurring Transactions:

From:	To:	Quantity	\$ / Acre Feet	
Fontana Union Water Company Annual Account - Assigned Share of Operating Safe Yield	Cucamonga Valley Water District Annual Account - Transfer (To) / From	All	0.00	<i>Transfer FUWC Share of Safe Yield to CVWD.</i>
Fontana Union Water Company Annual Account - Stormwater New Yield	Cucamonga Valley Water District Annual Account - Transfer (To) / From	All	0.00	<i>Transfer FUWC New Yield to CVWD.</i>
Fontana Union Water Company Annual Account - Diff - Potential vs. Net	Cucamonga Valley Water District Annual Account - Transfer (To) / From	All	0.00	<i>Transfer FUWC Ag Pool Reallocation Difference (Potential vs. Net) to CVWD.</i>
Fontana Union Water Company Annual Account - Transfer (To) / From	Cucamonga Valley Water District Annual Account - Transfer (To) / From	All	0.00	<i>Transfer FUWC water transfer rights to CVWD.</i>
Fontana Union Water Company Annual Account - Assigned Rights	Cucamonga Valley Water District Annual Account - Assigned Rights	All	0.00	<i>Transfer FUWC water transfer rights to CVWD.</i>
Fontana Union Water Company Annual Account - Total AG SY Reallocation	Cucamonga Valley Water District Annual Account - Transfer (To) / From	All	0.00	<i>Transfer FUWC Total Ag SY to CVWD.</i>
Fontana Union Water Company Annual Account - Desalter Replenishment Obligation	Cucamonga Valley Water District Annual Account - Transfer (To) / From	All	0.00	<i>Transfer of FUWC DRO</i>

Notes:

- 1) The Water Transaction between City of Chino and Cucamonga Valley Water District submitted on 1/3/2023 for the amount of 7,500 AF had been split because the amount purchased exceeds what is required to satisfy overproduction; the 85/15 Rule only applies to the portion that satisfies overproduction per the direction of the Appropriate Pool on November 2, 2011.
- 2) The Water Transaction between City of Upland and Fontana Water Company submitted on 11/8/2022 for the amount of 10,000 AF had been split because the amount purchased exceeds what is required to satisfy overproduction; the 85/15 Rule only applies to the portion that satisfies overproduction per the direction of the Appropriate Pool on November 2, 2011.
- 3) The Water Transaction between City of Upland and Golden State Water Company submitted on 6/8/2023 for the amount of 300 AF had been split because the amount purchased exceeds what is required to satisfy overproduction; the 85/15 Rule only applies to the portion that satisfies overproduction per the direction of the Appropriate Pool on November 2, 2011.



Assessment Year 2023-2024 (Production Year 2022-2023)

Analysis of the 85/15 Rule Application to Water Transfers

To	(Over)/Under Production Excluding Water Transfer(s)	From	Date of Submittal	Transfer Quantity	Is Buyer an 85/15 Party?	Is Transfer Being Placed into Annual Account?	Is Purpose of Transfer to Utilize SAWCO or West End Shares?	Amount of Transfer Eligible for 85/15 Rule
Cucamonga Valley Water District	(1,324.9)	Chino, City Of Storage Account	1/3/2023	1,324.2	Yes	Yes	No	1,324.2
		Chino, City Of Storage Account	1/3/2023	6,175.8	Yes	Yes	No	0.0
		San Antonio Water Company Storage Account	5/22/2023	403.0	Yes	Yes	Yes	0.0
<i>85/15 Rule does not apply. Utilizing SAWCO shares.</i>								
Fontana Water Company	(7,884.8)	Upland, City Of Storage Account	11/8/2022	7,884.8	Yes	Yes	No	7,884.8
		Upland, City Of Storage Account	11/8/2022	2,115.2	Yes	Yes	No	0.0
		Chino, City Of Storage Account	12/27/2022	10,000.0	Yes	Yes	No	0.0
		Nicholson Family Trust Annual Account	5/3/2023	3.5	Yes	Yes	No	0.0
Golden State Water Company	(208.1)	Upland, City Of Annual Account	6/8/2023	208.0	Yes	Yes	No	208.0
		Upland, City Of Annual Account	6/8/2023	92.0	Yes	Yes	No	0.0
		West End Consolidated Water Co Annual Account	6/8/2023	66.4	Yes	Yes	Yes	0.0
<i>85/15 Rule does not apply. Utilizing West End shares.</i>								
Niagara Bottling, LLC	(1,401.4)	Chino, City Of Storage Account	12/21/2022	4,000.0	No	Yes	No	0.0
<i>85/15 Rule does not apply. Sale price was not disclosed.</i>								
Upland, City Of	5,372.6	West End Consolidated Water Co Storage Account	5/29/2023	708.3	Yes	Yes	Yes	0.0
<i>85/15 Rule does not apply. Utilizing West End shares.</i>								

Notes:

- 1) The Water Transaction between City of Chino and Cucamonga Valley Water District submitted on 1/3/2023 for the amount of 7,500 AF had been split because the amount purchased exceeds what is required to satisfy overproduction; the 85/15 Rule only applies to the portion that satisfies overproduction per the direction of the Appropriate Pool on November 2, 2011.
- 2) The Water Transaction between City of Upland and Fontana Water Company submitted on 11/8/2022 for the amount of 10,000 AF had been split because the amount purchased exceeds what is required to satisfy overproduction; the 85/15 Rule only applies to the portion that satisfies overproduction per the direction of the Appropriate Pool on November 2, 2011.
- 3) The Water Transaction between City of Upland and Golden State Water Company submitted on 6/8/2023 for the amount of 300 AF had been split because the amount purchased exceeds what is required to satisfy overproduction; the 85/15 Rule only applies to the portion that satisfies overproduction per the direction of the Appropriate Pool on November 2, 2011.



Assessment Year 2023-2024 (Production Year 2022-2023)
Watermaster Replenishment Calculation

Cost of Replenishment Water per acre foot:

Watermaster Replenishment Cost	\$855.00
Projected Spreading - OCWD Connection Fee	\$2.00
Projected Spreading - Delivery Surcharge	\$15.00
Pre-purchased Credit	\$0.00
Total Replenishment Cost per acre foot (see footnote)	\$872.00

Replenishment Obligation:	AF @ \$872.00	15%	85%	Total
Appropriative - 100	0.0			\$0.00
Appropriative - 15/85	17.6	\$2,306.92	\$13,072.54	\$15,379.46
Non-Agricultural - 100	10.7			\$9,367.90
	28.4			\$24,747.36

Company	AF Production and Exchanges	85/15 Producers	Percent of Total 85/15 Producers	15% Replenishment Assessment	15% Water Transaction Debits
BlueTriton Brands, Inc.	276.6			-	-
CalMat Co. (Appropriative)	0.0			-	-
Chino Hills, City Of	2,176.9	2,176.9	4.005%	\$92.40	\$34,273.03
Chino, City Of	3,112.5	3,112.5	5.727%	\$132.11	\$49,002.76
Cucamonga Valley Water District	13,514.7	13,514.7	24.865%	\$573.61	\$212,772.01
Desalter Authority	39,815.0			-	-
Fontana Union Water Company	0.0	0.0	0.000%	-	-
Fontana Water Company	8,721.0	8,721.0	16.045%	\$370.15	\$137,301.51
Fontana, City Of	0.0			-	-
Golden State Water Company	921.7	921.7	1.696%	\$39.12	\$14,511.45
Jurupa Community Services District	7,157.8	7,157.8	13.169%	\$303.80	\$112,689.65
Marygold Mutual Water Company	559.7			-	-
Monte Vista Irrigation Company	0.0	0.0	0.000%	-	-
Monte Vista Water District	5,165.5	5,165.5	9.504%	\$219.24	\$81,323.60
NCL Co, LLC	0.0			-	-
Niagara Bottling, LLC	1,401.4			-	-
Nicholson Family Trust	0.0	0.0	0.000%	-	-
Norco, City Of	0.0	0.0	0.000%	-	-
Ontario, City Of	12,566.1	12,566.1	23.119%	\$533.35	\$197,837.50
Pomona, City Of	10,197.4			-	-
San Antonio Water Company	459.0	459.0	0.844%	\$19.48	\$7,225.61
San Bernardino, County of (Shooting Park)	17.6	17.6	0.032%	\$0.75	\$277.67
Santa Ana River Water Company	0.0	0.0	0.000%	-	-
Upland, City Of	540.0	540.0	0.994%	\$22.92	\$8,502.38
West End Consolidated Water Co	0.0	0.0	0.000%	-	-
West Valley Water District	0.0	0.0	0.000%	-	-
** Fee assessment total is 15% of Appropriative 15/85 replenishment obligation	106,603.1	54,352.9	**	\$2,306.93	\$855,717.17

Transfers to
8G

Transfers to
8K

Notes: The 2023 rate includes a \$15 delivery surcharge from Three Valleys Municipal Water District.



Assessment Year 2023-2024 (Production Year 2022-2023)

Readiness to Serve (RTS) Charges

Appropriative or Non-Agricultural Pool Party	FY 2016/2017 Water Purchases						
	Purchased Water in AF						
	20160623		20161216	20170418	85/15 Breakdown		
	RO	DRO	DRO	RO	AF @ 100%	AF @ 85/15	AF Total
BlueTriton Brands, Inc.	1,135.3	8.9	4.0	335.7	1,483.8	0.0	1,483.8
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Chino, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cucamonga Valley Water District	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fontana, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Jurupa Community Services District	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Marygold Mutual Water Company	78.7	51.9	20.3	0.0	150.9	0.0	150.9
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Monte Vista Water District	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	2,567.5	35.5	0.0	1,174.3	3,777.3	0.0	3,777.3
Nicholson Family Trust	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Norco, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ontario, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pomona, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0
San Antonio Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0
San Bernardino, County of (Shooting Park)	38.8	0.3	0.1	9.4	0.4	48.2	48.6
Santa Ana River Water Company	0.0	48.0	23.7	0.0	71.7	0.0	71.7
Upland, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0
West End Consolidated Water Co	0.0	0.0	0.0	0.0	0.0	0.0	0.0
West Valley Water District	0.0	23.5	11.8	0.0	35.3	0.0	35.3
9W Halo Western OpCo L.P.	62.2	0.0	0.0	10.6	72.9	0.0	72.9
ANG II (Multi) LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Aqua Capital Management LP	57.5	0.0	0.0	0.0	57.5	0.0	57.5
California Speedway Corporation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
California Steel Industries, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CalMat Co.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CCG Ontario, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0
City of Ontario (Non-Ag)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
County of San Bernardino (Non-Ag)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
General Electric Company	0.0	0.0	0.0	0.1	0.1	0.0	0.1
Hamner Park Associates, a California Limited Partnershi	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Linde Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Monte Vista Water District (Non-Ag)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Riboli Family and San Antonio Winery, Inc.	28.8	0.0	0.0	4.0	32.8	0.0	32.8
Space Center Mira Loma, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TAMCO	19.8	0.0	0.0	16.5	36.4	0.0	36.4
West Venture Development Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	3,988.7	168.0	59.9	1,550.5	5,718.8	48.2	5,767.0
	26A	26B	26C	26D	26E	26F	26G

Notes:

1) This year's RTS includes the sixth of ten annual RTS charges for water purchased in FY 2016/17, and fifth of ten annual RTS charges for water purchased

ALL POOLS

Total Water Purchased: 6,912.9 AF Total RTS Charge: \$46,060.40 (\$6.66/AF)

2015/16 Prod & Exch From 85/15 Producers		Year 6 RTS Charges			FY 2017/2018 Water Purchase							TOTAL RTS CHARGES
		15% \$1.00	85% \$5.66	100% \$6.66	Purchased Water in AF 20171211		2016/17 Prod & Exch From 85/15 Producers		Year 5 RTS Charges			
					RO	DRO	Acre-Feet	Percent	15% \$1.00	85% \$5.66	100% \$6.66	
0.0	0.000%	0.00	0.00	9,886.14	0.1	0.0	0.0	0.000%	0.00	0.00	0.60	9,886.74
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
1,548.3	2.009%	0.97	0.00	0.00	0.0	0.0	2,152.0	3.002%	0.40	0.00	0.00	1.37
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	388.9	0.543%	0.07	0.00	0.00	0.07
20,534.7	26.648%	12.85	0.00	0.00	0.0	0.0	16,562.0	23.104%	3.06	0.00	0.00	15.90
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
15,317.2	19.877%	9.58	0.00	0.00	0.0	0.0	13,250.5	18.484%	2.45	0.00	0.00	12.03
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
807.4	1.048%	0.51	0.00	0.00	0.0	0.0	850.3	1.186%	0.16	0.00	0.00	0.66
8,952.8	11.618%	5.60	0.00	0.00	0.0	0.0	11,023.2	15.377%	2.03	0.00	0.00	7.64
0.0	0.000%	0.00	0.00	1,005.25	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	1,005.25
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
8,203.7	10.646%	5.13	0.00	0.00	0.0	0.0	6,865.0	9.577%	1.27	0.00	0.00	6.40
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	25,168.07	946.1	0.0	0.0	0.000%	0.00	0.00	6,303.53	31,471.59
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
18,053.8	23.429%	11.29	0.00	0.00	0.0	0.0	18,970.2	26.463%	3.50	0.00	0.00	14.80
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
1,030.8	1.338%	0.64	0.00	0.00	0.0	0.0	537.7	0.750%	0.10	0.00	0.00	0.74
9.4	0.012%	0.01	273.17	2.65	13.2	0.8	13.0	0.018%	0.00	74.97	5.28	356.08
0.0	0.000%	0.00	0.00	477.62	0.0	118.7	0.0	0.000%	0.00	0.00	790.66	1,268.28
2,600.7	3.375%	1.63	0.00	0.00	0.0	0.0	1,071.9	1.495%	0.20	0.00	0.00	1.82
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	234.88	0.0	58.8	0.0	0.000%	0.00	0.00	391.46	626.34
0.0	0.000%	0.00	0.00	485.55	3.0	0.0	0.0	0.000%	0.00	0.00	20.18	505.72
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	382.93	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	382.93
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.41	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.41
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	218.30	5.3	0.0	0.0	0.000%	0.00	0.00	35.07	253.36
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	242.25	0.0	0.0	0.0	0.000%	0.00	0.00	0.03	242.28
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
77,058.9	100.0%	48.21	273.17	38,104.03	967.7	178.2	71,684.9	100.0%	13.23	74.97	7,546.79	46,060.41
26H	26I	26J	26K	26L	26M	26N	26O	26P	26Q	26R	26S	26T

in FY 2017/18.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package Notes

Page	Note
All (a)	A change in a Party's name will be reflected in the Assessment Package for the production year in which the name change occurred. For example, if a Party changed its name on June 30, 2023, it will be reflected in the FY 2023/2024 Assessment Package (for Production Year 2022/2023). Additionally, if a Party changed its name on July 1, 2023, it will be reflected in the FY 2024/2025 Assessment Package (for Production Year 2023/2024).
All (b)	To avoid the possibility of being mistakenly identified as one of other similarly named organizations, the Chino Basin Desalter Authority is referred to as Desalter Authority.
pg01	"Agricultural Total Pool Production" includes Voluntary Agreements between Appropriators and Agricultural Pool Parties.
pg02-07	ANG II (Multi) LLC temporarily leased their rights to 9W Halo Western OpCo L.P. (as successor to Angelica) beginning on March 2010 through January 2030.
pg04 (a)	Transfers in Column [4E] include the annual transfer of 10% of the Non-Ag Safe Yield to be utilized to offset the overall Desalter Replenishment Obligation in accordance with the Peace II Agreement Section 6.2, and also the Exhibit "G" physical solution.
pg04 (b)	Column [4H], "Actual Fiscal Year Production," includes physical production and Assignments between Appropriators and Non-Ag Pool Parties.
pg04 (c)	"Net Over Production" does not include evaporative loss. Additional water will be purchased in order to adequately cover evaporative losses. The rates are 1.5% from November through March, 4.2% from April through October.
pg05 (a)	Hydraulic Control was achieved on February 1, 2016. Pursuant to Paragraph 7.4(b) of the Peace II Agreement, Storage Loss is now calculated at 0.07%.
pg05 (b)	When applicable, Column [5C] includes the Exhibit "G" physical solution transfers to the Appropriative Pool.
pg06	Transfers in Column [6C] is the annual transfer of 10 percent of the Non-Ag Safe Yield to be utilized to offset the overall Desalter Replenishment Obligation in accordance with the Peace II Agreement Section 6.2.
pg07 (a)	The financial Outstanding Obligations are reconciled on pages 7.1 and 17.1.
pg07 (b)	Fund Balance is maintained on a spreadsheet by Watermaster.
pg07 (c)	Outstanding Obligation (\$) is calculated by multiplying Outstanding Obligation (AF) by the current rate, reduced by the Fund Balance (\$).
pg07 (d)	Fund Balance is the money collected by Watermaster, Outstanding Obligation (\$) is the money owed by the Parties or credited to the Parties.
pg08 (a)	Recharge Debt Payment expenses [8O] and Recharge Improvement Project expenses [8P] are each allocated on % OSY, based on the approved budget.
pg08 (b)	Pursuant to Paragraph 5.4(b) of the Peace Agreement, the City of Pomona shall be allowed a credit of up to \$2 million against OBMP Assessments through 2030. This equates to \$66,667 per year. TVMWD elected to discontinue payment of the "Pomona Credit," effective FY 2012/2013. It is now paid by the Appropriative Pool Parties, allocated on % OSY (Column [8N]).
pg09 (a)	Other Adjustments [9D] include water provided to another Appropriator, pump-to-waste that has been captured in a recharge basin (as verified by IEUA), and other miscellaneous recharge / injection of native water.
pg09 (b)	Evaporative Losses will be applied to recharged water from Pump-to-Waste activities beginning in October 2017. (Evaporative Loss Rates: 1.5% Nov - Mar; 4.2% Apr - Oct)
pg10 (a)	The Restated Judgment allowed an accumulated overdraft of 200,000 AF over 40 years. The total Operating Safe Yield is now 40,834 AF, allocated by percentage of Operating Safe Yield.
pg10 (b)	Column [10I], "Actual Fiscal Year Production," includes physical production, Voluntary Agreements, Assignments, and, if applicable, other adjustments. A detailed breakdown can be found on Page 9.1.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package Notes

Page	Note
pg10 (c)	"Net Over Production" does not include evaporative loss. Additional water will be purchased in order to adequately cover evaporative losses. The rates are 1.5% from November through March, 4.2% from April through October.
pg11 (a)	The Assessment Package database is set up so that all water must go through the Party Annual Accounts on the way to or from ECO Storage Accounts, and through the ECO Storage Accounts on the way to or from Supplemental Storage Accounts (does not apply to water dedicated to offset the Desalter Replenishment Obligation).
pg11 (b)	Column [11C] includes transfers to the Desalter Replenishment Obligation.
pg12 (a)	The Assessment Package database is set up so that all water must go through the Party Annual Accounts on the way to or from ECO Storage Accounts, and through the ECO Storage Accounts on the way to or from Supplemental Storage Accounts (does not apply to water dedicated to offset the Desalter Replenishment Obligation).
pg12 (b)	Columns [12C], [12H], and [12M] include transfers to the Desalter Replenishment Obligation.
pg12 (c)	The first 3,000 AF of City of Fontana's recharged recycled water transfers to the City of Ontario, and all of the City of Montclair's recharged recycled water transfers to MVWD.
pg13 (a)	"Re-Operation Offset: Pre-Peace II Desalters" had an original beginning balance of 225,000.000 AF. The 29,070 AF correction required by Condition Subsequent 7 is included. (See Page 18.1)
pg13 (b)	"Re-Operation Offset: Peace II Expansion" had an original beginning balance of 175,000.000 AF. It will now be allocated to Desalter replenishment over a 17-year period, beginning in 2013/14 and ending in 2029/30, according to a schedule. (See Page 18.1)
pg13 (c)	There is no loss assessed on the native Basin water allocated to offset Desalter production as a result of Basin Reoperation as approved in the Peace II Agreement.
pg13 (d)	"Non-Ag Dedication" was used in a prior Assessment Package to indicate the Paragraph 31 Settlement Agreements Dedication.
pg13 (e)	The "Non-Ag" OBMP Special Assessment", also referred to as the "10% Haircut", will indicate the movement of water when it is being utilized to further offset the Desalter Replenishment Obligation. See [18L] on Page 18.1.
pg13 (f)	Columns [13C] and [13D] under "Dedicated Replenishment" include transfers of water from an Annual Account to DRO, including Party to Party transfers such as those executed with the Exhibit "G" Form A.
pg14	Transfers in Column [14A] include annual water transfers/leases between Appropriators and/or from Appropriators to Watermaster for replenishment purposes, and also the Exhibit "G" physical solution transfers from the Non-Ag Pool.
pg15 (a)	Most of the remaining eligible parcels for Land Use Conversion are within the Conversion Area 1 boundary.
pg15 (b)	"Unlikely to Convert Parcels" regardless of eligibility are not likely to convert due to pre-existing land use. Eligibility will be determined on a case by case basis.
pg16	Beginning with the 2015/16 Assessment Package, the Agricultural Pool Safe Yield Reallocation is now being calculated with a new formula in accordance with the March 15, 2019 Court Order.
pg17 (a)	The financial Outstanding Obligations are reconciled on pages 7.1 and 17.1.
pg17 (b)	Fund Balance is maintained on a spreadsheet by Watermaster.
pg17 (c)	Outstanding Obligation is calculated by multiplying Outstanding Obligation (AF) by the current rate, reduced by the Fund Balance.
pg17 (d)	Fund Balance is the money collected by Watermaster, Outstanding Obligation (\$) is the money owed by the Parties or credited to the Parties.
pg21 (a)	Any balance in a Dedicated Replenishment Account is utilized first to satisfy new or carried over Desalter Replenishment Obligation beginning with the fiscal year such water was made available. The balance, if any, can be found on page 13.1.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package Notes

Page	Note
pg21 (b)	Due to an agreement between CVWD and FUWC, all of FUWC's rights are automatically transferred to CVWD. A recurring transaction was created so that a portion of that water gets returned to FUWC to satisfy their share of DRO.
pg22	The table on this page is a replica of the table found in the Watermaster Budget.
pg24	The column titled "(Over)/Under Production Excluding Water Transfer(s)" excludes Exhibit "G" water sales and water transfers between Appropriators and to Watermaster (if any). ([10B] + [10C] + [10D] + [10E] + [14B] - [10K])
pg25 (a)	The "15% Water Transaction Debits" total is the "Total 15% Credits from all Transaction" from Page 23.1.
pg25 (b)	"Replenishment Obligation" does not include evaporative loss. Additional water will be purchased in order to adequately cover evaporative losses. The rates are 1.5% from November through March, 4.2% from April through October.
pg26 (a)	Beginning with fiscal year 2016/17, water purchased through the IEUA will be charged with an annual RTS fee over a ten year period commencing two years after the initial purchase. This fee will vary year to year based on a ten-year rolling average.
pg26 (b)	RTS will be allocated based on the total RTS charge for the year and not on the calculated cost per acre-foot.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title	Description
2A	AF Production	Actual fiscal year production by each Party. Copied from [4H].
2B	Non-Agricultural Pool - AF/Admin	Production [2A] <times> per acre-foot Admin fee.
2C	Non-Agricultural Pool - AF/OBMP	Production [2A] <times> per acre-foot OBMP fee.
2D	Replenishment Assessments - AF Exceeding Annual Right	Over-production for each Party beyond their annual production right. Copied from [4I].
2E	Replenishment Assessments - \$872 Per AF	Amount overproduced [2D] <times> the current replenishment rate.
2F	CURO Adjustment	Monetary amount needed (or to be credited) for each Party's Cumulative Unmet Replenishment Obligation (CURO). Calculated on Page 7.1.
2G	RTS Charges	Annual Readiness to Serve charges for water purchased in prior years.
2H	Other Adjustments	Used as necessary for any other monetary adjustments needed to the Assessment Package.
2I	Total Assessments Due	Total fees assessed based on Party production. [2B] + [2C] + [2E] + [2F] + [2G] + [2H].
3A	Physical Production	Fiscal year physical production by each Party.
3B	Assignments	Total of water received from an Appropriator by each Party.
3C	Other Adjustments	Any other adjustments that result in off-set of the fiscal year's production.
3D	Actual FY Production (Assmnt Pkg Column 4H)	Total adjusted production for the fiscal year. Also known as Assessable Production. [3A] + [3B] + [3C].
4A	Percent of Safe Yield	The Party's yearly percentage of Safe Yield.
4B	Carryover Beginning Balance	The beginning balance in each Annual Account. This number carries forward from the ending balance in the previous period Assessment Package.
4C	Prior Year Adjustments	This number reflects the adjusted production rights from a previous Assessment Package, in the event that corrections are needed.
4D	Assigned Share of Safe Yield (AF)	The Party's yearly volume of Safe Yield.
4E	Water Transaction Activity	Total of one-time water transfers between Parties for this period, including the annual transfer of 10 percent of the Non-Ag Safe Yield to be utilized to offset the overall Desalter Replenishment Obligation, as stated in the Peace II Agreement, and Exhibit "G" physical solution transfers to the Appropriative Pool.
4F	Other Adjustments	This number reflects adjusted production rights, in the event that corrections are needed.
4G	Annual Production Right	Current Year Production Right. [4B] + [4C] + [4D] + [4E] + [4F].



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title	Description
4H	Actual Fiscal Year Production	Fiscal year production, including Assignments, from CBWM's production system (as verified by each Party on their Water Activity Report). Also known as Assessable Production.
4I	Net Over Production	Over-production, if any, for each Party beyond their annual production right. $[4H] <minus> [4G]$, equaling more than zero.
4J	Under Production Balances - Total Under-Produced	Production rights $[4G] <minus>$ production $[4H]$, equaling more than zero.
4K	Under Production Balances - Carryover: Next Year Begin Bal	Either total under-produced $[4J]$ or share of Safe Yield $[4D]$, whichever is less.
4L	Under Production Balances - To Excess Carryover Account	Total under-produced $[4J] <minus>$ Carryover to next year $[4K]$, equaling more than zero.
5A	Local Excess Carry Over Storage Account (ECO) - Beginning Balance	The beginning balance in each ECO account. This number will carry forward from the ending balance in the previous period Assessment Package.
5B	Local Excess Carry Over Storage Account (ECO) - 0.07% Storage Loss	Beginning balance $[5A] <times> -0.0007$.
5C	Local Excess Carry Over Storage Account (ECO) - Transfers To / (From)	Total of water transferred to and from the ECO Account.
5D	Local Excess Carry Over Storage Account (ECO) - From Under-Production	Total of water transferred from the Annual Account due to under production. Copied from $[4L]$.
5E	Local Excess Carry Over Storage Account (ECO) - Ending Balance	The current balance in each ECO account. $[5A] + [5B] + [5C] + [5D]$.
5F	Local Supplemental Storage Account - Beginning Balance	The beginning balance in each Supplemental Account. This number will carry forward from the ending balance in the previous period Assessment Package.
5G	Local Supplemental Storage Account - 0.07% Storage Loss	Beginning balance $[5F] <times> -0.0007$.
5H	Local Supplemental Storage Account - Transfers To / (From)	Total of water transferred to and from the Annual and/or ECO Account.
5I	Local Supplemental Storage Account - Ending Balance	The current balance in each Supplemental Account. $[5F] + [5G] + [5H]$.
5J	Combined - Ending Balance	The combined amount in all local storage accounts. $[5E] + [5I]$.
6A	Percent of Safe Yield	The Party's yearly percentage of Operating Safe Yield.
6B	Assigned Share of Safe Yield (AF)	The Party's yearly volume of Operating Safe Yield.
6C	Water Transactions - 10% of Operating Safe Yield ("Haircut")	Operating Safe Yield $[6B] <times> -0.1$.
6D	Water Transactions - Transfers (To) / From ECO Account	Total of water transferred between the Annual Account and ECO Account.
6E	Water Transactions - General Transfers / Exhibit G Water Sales	Total of water transfers between Parties for this period including Exhibit G Water Sales.
6F	Water Transactions - Total Water Transactions	Total water transactions. $[6C] + [6D] + [6E]$. This column is used to populate $[4E]$.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title	Description
7A	Outstanding Obligation (AF)	The amount of obligation carried over from prior Assessment Package(s) that were not met due to various reason, including but not limited to MWD not having replenishment water available to purchase.
7B	Fund Balance (\$)	The amount of money collected or owed for replenishment assessments from prior Assessment Package(s).
7C	Outstanding Obligation (\$)	The amount of money that each Party owes or is credited based on current replenishment rate. $[7A] \times [CURRENT RATE] - [7B]$.
8A	AF Production and Exchanges	Total production and exchanges. Copied from [10K].
8B	Appropriative Pool - AF/Admin	Production and Exchanges [8A] \times per acre-foot Admin fee.
8C	Appropriative Pool - AF/OBMP	Production and Exchanges [8A] \times per acre-foot OBMP fee.
8D	Ag Pool SY Reallocation - AF Total Reallocation	Reallocation of Ag Pool Safe Yield. Copied from [10E] and [16E].
8E	Ag Pool SY Reallocation - AF/Admin	Party Ag Pool reallocation [8D] \div Total Ag Pool Reallocation [8D Total] \times total dollar amount needed for Ag Pool Administration.
8F	Ag Pool SY Reallocation - AF/OBMP	Party Ag Pool reallocation [8D] \div Total Ag Pool Reallocation [8D Total] \times total dollar amount needed for Ag Pool OBMP.
8G	Replenishment Assessments - AF/15%	For Parties participating in the 85/15 Rule: Percentage of total 85/15 participant production \times required credit amount. Copied from Page 25.1.
8H	Replenishment Assessments - AF/85%	For parties participating in the 85/15 Rule: Total volume overproduced [10L] \times 85% of the replenishment rate.
8I	Replenishment Assessments - AF/100%	For parties not participating in the 85/15 Rule: Total volume overproduced [10M] \times 100% of the replenishment rate.
8J	85/15 Water Transaction Activity - 15% Producer Credits	For parties participating in the 85/15 Rule: Credit amount equals 15% of the cost of the water purchased. Total to be credited copied from Page 23.1.
8K	85/15 Water Transaction Activity - 15% Pro-rated Debits	For parties participating in the 85/15 Rule: Percentage of total 85/15 participant production \times required credit amount. Copied from Page 25.1.
8L	CURO Adjustment	Monetary amount needed (or to be credited) for each Party's Cumulative Unmet Replenishment Obligation (CURO). Calculated on Page 17.1.
8M	ASSESSMENTS DUE - Total Production Based	Total fees assessed based on Party production. $[8B] + [8C] + [8E] + [8F] + [8G] + [8H] + [8I] + [8J] + [8K] + [8L]$.
8N	ASSESSMENTS DUE - Pomona Credit	Debit amount to Pomona $\times -1 \times$ percent share of Operating Safe Yield [10A].
8O	ASSESSMENTS DUE - Recharge Debt Payment	Total recharge debt payment \times percent share of Operating Safe Yield [10A].
8P	ASSESSMENTS DUE - Recharge Improvement Project	Total Recharge Improvement Project \times Percent Share of Operating Safe Yield [10A].



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title	Description
8Q	ASSESSMENTS DUE - RTS Charges	Annual Readiness to Serve charges for water purchased in prior years.
8R	ASSESSMENTS DUE - Other Adjustments	Used as necessary for any other monetary adjustments needed to the Assessment Package.
8S	ASSESSMENTS DUE - DRO	Total assessments due for Desalter Replenishment. Copied from [21L].
8T	ASSESSMENTS DUE - Total Due	Total assessments. [8M] + [8N] + [8O] + [8P] + [8Q] + [8R] + [8S].
9A	Physical Production	Fiscal year physical production by each Party.
9B	Voluntary Agreements (w/ Ag)	Total of water provided to Agricultural Pool Parties.
9C	Assignments (w / Non-Ag)	Total of water provided to Non-Agricultural Pool Parties.
9D	Other Adjustments	Total of water received from, or provided to, another Appropriator. Also includes production off-sets.
9E	Actual FY Production (Assmnt Pkg Column 10I)	Total adjusted production for the fiscal year. [9A] + [9B] + [9C] + [9D].
10A	Percent of Operating Safe Yield	The Party's yearly percentage of Operating Safe Yield.
10B	Carryover Beginning Balance	The beginning balance in each Annual Account. This number carries forward from the ending balance in the previous period Assessment Package.
10C	Prior Year Adjustments	This number reflects the adjusted production rights from a previous Assessment Package, in the event that corrections are needed.
10D	Assigned Share of Operating Safe Yield	The Party's yearly volume of Operating Safe Yield.
10E	Net Ag Pool Reallocation	Reallocation of Ag Pool Safe Yield. Copied from [16E]. The calculations that lead to this are made on Page 16.1.
10F	Water Transaction Activity	Water transactions. Copied from [14E]. The calculations that lead to this are made on Page 14.1.
10G	Other Adjustments	This number reflects adjusted production rights, in the event that corrections are needed.
10H	Annual Production Right	Current Year Production Right. [10B] + [10C] + [10D] + [10E] + [10F] + [10G].
10I	Actual Fiscal Year Production	Fiscal year production, including Assignments and Voluntary Agreements, from CBWM's production system (as verified by each Party on their Water Activity Report). Includes a sub note subtracting Desalter production.
10J	Storage and Recover Program(s)	Total exchanges for the period (July 1 - June 30) including MZ1 forbearance and DYY deliveries (as reported to CBWM by IEUA and TVMWD and as verified by each Party on their Water Activity Report). A DYY in-lieu "put" is shown as a positive number and a DYY "take" is shown as a negative number.
10K	Total Production and Exchanges	Actual production [10I] <plus> Storage and Recovery exchanges [10J]. Includes a sub note subtracting Desalter production. Also known as Assessable Production.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title	Description
10L	Net Over-Production - 85/15%	For 85/15 Rule participants: Production rights [10H] <minus> total production and exchanges [10K], equaling less than zero.
10M	Net Over-Production - 100%	For non-85/15 Rule participants: Production rights [10H] <minus> total production and exchanges [10K], equaling less than zero. Includes a sub note subtracting Desalter production.
10N	Under Production Balances - Total Under-Produced	Production rights [10H] <minus> total production and exchanges [10K], equaling more than zero.
10O	Under Production Balances - Carryover: Next Year Begin Bal	Either total under-produced [10N] or share of Operating Safe Yield [10D], whichever is less.
10P	Under Production Balances - To Excess Carryover Account	Total under produced [10N] <minus> Carryover to next year [10O], equaling more than zero.
11A	Excess Carry Over Account (ECO) - Beginning Balance	The beginning balance in each ECO account. This carries forward from the ending balance in the previous period Assessment Package.
11B	Excess Carry Over Account (ECO) - 0.07% Storage Loss	Beginning balance [11A] <times> -0.0007.
11C	Excess Carry Over Account (ECO) - Transfers To / (From)	Total of water transferred to and from ECO and the Annual Account. Also includes Desalter Replenishment Obligation transfers.
11D	Excess Carry Over Account (ECO) - From Supplemental Storage	Total of water transferred to and from Local Supplemental Storage accounts, as shown on Page 12.1.
11E	Excess Carry Over Account (ECO) - From Under-Production	Total of water transferred from the Annual Account due to under production. Copied from [10P].
11F	Excess Carry Over Account (ECO) - Ending Balance	The current balance in each ECO account. [11A] + [11B] + [11C] + [11D] + [11E].
12A	Recharged Recycled Account - Beginning Balance	The beginning balance in each Recharged Recycled Account. This number carries forward from the ending balance in the previous period Assessment Package.
12B	Recharged Recycled Account - 0.07% Storage Loss	Beginning balance [12A] <times> -0.0007.
12C	Recharged Recycled Account - Transfers To / (From)	Total recharged recycled water credited to each Party for the year, as provided by IEUA. Also includes Desalter Replenishment Obligation transfers.
12D	Recharged Recycled Account - Transfer to ECO Account	Total of water transferred to the ECO Account, as shown on Page 11.1.
12E	Recharged Recycled Account - Ending Balance	The current balance in each Recharged Recycled account. [12A] + [12B] + [12C] + [12D].
12F	Quantified (Pre 7/1/2000) Account - Beginning Balance	The beginning balance in each Quantified Supplemental Account. This number carries forward from the ending balance in the previous period Assessment Package.
12G	Quantified (Pre 7/1/2000) Account - 0.07% Storage Loss	Beginning balance [12F] <times> -0.0007.
12H	Quantified (Pre 7/1/2000) Account - Transfers To / (From)	Total of water transferred to and from the Annual Account. Also includes Desalter Replenishment Obligation transfers.
12I	Quantified (Pre 7/1/2000) Account - Transfer to ECO Account	Total of water transferred to the ECO Account, as shown on Page 11.1.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title	Description
12J	Quantified (Pre 7/1/2000) Account - Ending Balance	The current balance in each Quantified Supplemental account. [12F] + [12G] + [12H] + [12I].
12K	New (Post 7/1/2000) Account - Beginning Balance	The beginning balance in each New Supplemental Account. This number carries forward from the ending balance in the previous period Assessment Package.
12L	New (Post 7/1/2000) Account - 0.07% Storage Loss	Beginning balance [12K] <times> -0.0007.
12M	New (Post 7/1/2000) Account - Transfers To / (From)	Total of water transferred to and from the Annual Account. Also includes Desalter Replenishment Obligation transfers.
12N	New (Post 7/1/2000) Account - Transfer to ECO Account	Total of water transferred to the ECO Account, as shown on Page 11.1.
12O	New (Post 7/1/2000) Account - Ending Balance	The current balance in each New Supplemental Account. [12K] + [12L] + [12M] + [12N].
12P	Combined - Ending Balance	The combined amount in all supplemental storage accounts [12E] + [12J] + [12O].
13A	Dedicated Replenishment - Beginning Balance	The beginning balances in each Dedicated Replenishment account. These numbers carry forward from the ending balances in the previous period Assessment Package.
13B	Dedicated Replenishment - Water Purchases	Where applicable, the total of water purchased by each Dedicated Replenishment account.
13C	Dedicated Replenishment - Transfers To	Where applicable, the total of water transferred to each Dedicated Replenishment account. Includes transfers from Exhibit "G" Section 10 Form A, and transfers from the Annual Account.
13D	Dedicated Replenishment - Transfers From	Total of water transferred from each Dedicated Replenishment account. The inverse amounts in this column goes to column [21D] on page 21.1.
13E	Dedicated Replenishment - Ending Balance	The current balances in each Dedicated Replenishment account. [13A] + [13B] + [13C] + [13D].
13F	Storage and Recovery - Beginning Balance	The beginning balance in the Storage and Recovery (DYY) Account. This number carries forward from the ending balance in the previous period Assessment Package.
13G	Storage and Recovery - Storage Loss	Beginning balance [13F] <times> -0.0007.
13H	Storage and Recovery - Transfers To	Total of water transferred to the Storage and Recovery Account ("puts").
13I	Storage and Recovery - Transfers From	Total of water transferred from the Storage and Recovery Account ("takes").
13J	Storage and Recovery - Ending Balance	The current balance in the Storage and Recovery Account. [13F] + [13G] + [13H] + [13I].
14A	Water Transactions - Assigned Rights	Total of assigned transactions for this period, including annual water transfers/leases between Appropriators and/or from Appropriators to Watermaster for replenishment purposes, and also the Exhibit "G" physical solution transfers from the Non-Ag Pool.
14B	Water Transactions - General Transfer	Total of water transfers between Parties for this period.
14C	Water Transactions - Transfers (To) / From ECO Account	Total of water transferred between the Annual Account and ECO Account.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title	Description
14D	Water Transactions - Transfers (To) Desalter Replenishment	Total of water transferred from the ECO Account to the Desalter Replenishment Account.
14E	Water Transactions - Total Water Transactions	Total water transactions. [14A]+ [14B] + [14C] + [14D]. This column is used to populate [10F].
15A	Prior Conversion	Prior Land Use Conversion in acre-feet.
15B	Conversion @ 1.3 af/ac - Acres	Converted parcels in acres at 1.3 acre-feet per acre.
15C	Conversion @ 1.3 af/ac - Acre-Feet	Converted parcels in acre-feet at 1.3 acre-feet per acre. [15B] <times> 1.3.
15D	Total Prior to Peace Agrmt Converted AF	Total Land Use Conversion in acre-feet prior to the Peace Agreement. [15A] + [15C].
15E	Conversion @ 2.0 af/ac - Acres	Converted parcels in acres at 2.0 acre-feet per acre.
15F	Conversion @ 2.0 af/ac - Acre-Feet	Converted parcels in acre-feet at 2.0 acre-feet per acre. [15E] <times> 2.0.
15G	Total Land Use Conversion Acre-Feet	Total Land Use Conversion in acre-feet for each Party. [15D] + [15F].
16A	% Share of Operating Safe Yield	The Party's yearly percentage of Operating Safe Yield. Copied from [10A].
16B	Reallocation of Agricultural Pool Safe Yield - Safe Yield Reduction	The Party's percent share of Operating Safe Yield [16A] multiplied by 9,000.
16C	Reallocation of Agricultural Pool Safe Yield - Land Use Conversions	Total land use conversions claimed on Page 15.1 (as verified by each Party on their Water Activity Report). Copied from [15G].
16D	Reallocation of Agricultural Pool Safe Yield - Early Transfer	The remaining Agricultural Pool Safe Yield (82,800 <minus> Agricultural Pool Production <minus> Safe Yield Reduction <minus> Land Use Conversion) multiplied by percent share of Operating Safe Yield [16A].
16E	Reallocation of Agricultural Pool Safe Yield - Total Ag Pool Reallocation	Each Party's Agricultural Pool Reallocation. [16B] + [16C] + [16D]. This column is used to populate [10E].
17A	Outstanding Obligation (AF)	The amount of obligation carried over from prior Assessment Package(s) that were not met due to various reasons, including but not limited to MWD not having replenishment water available to purchase.
17B	Fund Balance (\$)	The amount of money collected or owed for replenishment assessments from prior Assessment Packages(s).
17C	Outstanding Obligation (\$)	The amount of money that each Party owes or is credited based on current replenishment rate. [17A] <times> [CURRENT RATE] <minus> [17B].
17D	AF Production and Exchanges	Each Party's total production and exchanges. Copied from [10K].
17E	85/15 Producers	The total production and exchanges of 85/15 Producers only.
17F	Percent	The percentage of each 85/15 Producer's total production and exchanges [17E] divided by the sum of [17E].



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title	Description
17G	15%	If an 85/15 Producer, then the 85/15 Producers' total Outstanding Obligation (\$) at 15%, multiplied by their production and exchanges percentage. [17C] total of 85/15 Producers <times> 15% <times> [17F].
17H	85%	If an 85/15 Producer, then the Outstanding Obligation (\$) at 85%.
17I	100%	If not an 85/15 Producer, then the Outstanding Obligation (\$) at 100%.
17J	Total	The total CURO for the year. [17G] + [17H] + [17I].
18A	Desalter Production - Pre-Peace II Desalter Production	Production from the Pre-Peace II Desalter Wells.
18B	Desalter Production - Peace II Desalter Expansion Production	Production from the Peace II Desalter Expansion Wells.
18C	Desalter Production - Total	The combined production from all Desalter Wells. [18A] + [18B].
18D	Desalter Replenishment - Desalter (aka Kaiser) Account PIIA, 6.2 (a)(i)	Credit applied to the total Desalter Production from the Kaiser account.
18E	Desalter Replenishment - Paragraph 31 Settlement Agreements Dedication PIIA, 6.2(a)(ii)	Credit applied to the total Desalter Production from "dedication of water from the Overlying (Non-Agricultural) Pool Storage Account or from any contribution arising from an annual authorized Physical Solution Transfer in accordance with amended Exhibit G.
18F	Desalter Replenishment - "Leave Behind" Losses PIIA, 6.2(a)(iv)	Credit applied to the total Desalter Production from "any declared losses from storage in excess of actual losses enforced as a "Leave Behind".
18G	Desalter Replenishment - Safe Yield Contributed by Parties PIIA, 6.2(a)(v)	Credit applied to the total Desalter Production from "Safe Yield that may be contributed by the parties."
18H	Desalter Replenishment - Controlled Overdraft / Re-Op, PIIA, 6.2(a)(vi) - Allocation to Pre-Peace II Desalters	The 225,000 AF portion of the 400,000 AF Controlled Overdraft that was originally allocated to the Pre-Peace II Desalter production.
18I	Desalter Replenishment - Controlled Overdraft / Re-Op, PIIA, 6.2(a)(vi) - Allocation to All Desalters	The 175,000 AF portion of the 400,000 AF Controlled Overdraft that was originally allocated to the Peace II Desalter Expansion production but is now allocated to all Desalter production per set schedule.
18J	Desalter Replenishment - Controlled Overdraft / Re-Op, PIIA, 6.2(a)(vi) - Balance	The remaining balance of the 400,000 AF Controlled Overdraft.
18K	Desalter Replenishment - Appropriate Pool DRO Contribution PIIA, 6.2(b)(ii)	The 10,000 AF contribution to the Desalter Replenishment Obligation by the Appropriate Pool.
18L	Desalter Replenishment - Non-Ag OBMP Assessment (10% Haircut) PIIA, 6.2(b)(i)	The 10% of the Non-Agricultural Pool Safe Yield used to offset the total Desalter Replenishment Obligation beginning with production year 2016/2017.
18M	Remaining Desalter Replenishment Obligation PIIA, 6.2(b)(iii)	Total Desalter Production minus Desalter Replenishment. [18C] - [18D] - [18E] - [18F] - [18G] - [18H] - [18I] - [18K] - [18L].
19A	Percent of Operating Safe Yield	The Party's yearly percentage of Operating Safe Yield. Copied from [10A].
19B	Land Use Conversions	Total Land Use Conversion in acre-feet for each Party. Copied from [15G].
19C	Percent of Land Use Conversions	Each Party's pro rata share of Land Use Conversions [19B] from the total of [19B].



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title	Description
19D	85% DROC Based on Percent OSY	Each Party's share of the 10,000 AF Desalter Replenishment Obligation based on OSY. $10,000 \times 0.85$ [19A].
19E	15% DROC Based on Percent of LUC	Each Party's share of the 10,000 AF Desalter Replenishment Obligation based on Percent of Land Use Conversions. $10,000 \times 0.15$ [19C].
19F	Total Desalter Replenishment	Each Party's share of the 10,000 AF Desalter Replenishment Obligation. [19D] + [19E].
20A	Assigned Share of Operating Safe Yield	The Party's yearly volume of Operating Safe Yield. Copied from [10D].
20B	Physical Production Adjustment Calculation - Physical Production	Fiscal year physical production by each Party. Copied from [9A].
20C	Physical Production Adjustment Calculation - 50% of Voluntary Agreements with Ag	Total of water provided to Agricultural Pool Parties multiplied by 50%. [9B] $\times 0.50$.
20D	Physical Production Adjustment Calculation - Assignments with Non-Ag	Total of water provided to Non-Agricultural Pool Parties. Copied from [9C].
20E	Physical Production Adjustment Calculation - Storage and Recovery Programs	Total exchanges for the period (July 1 - June 30) including MZ1 forbearance and DYY deliveries (as reported to CBWM by IEUA and TVMWD and as verified by each Party on their Water Activity Report). Copied from [10J].
20F	Physical Production Adjustment Calculation - Other Adjustments	Total of water received from, or provided to, another Appropriator. Also includes production off-sets. Copied from [9D] but does not include production adjustments to prevent a negative annual production to a Party.
20G	Physical Production Adjustment Calculation - Total Adjusted Production	Each Party's Adjusted Physical Production. [20B] + [20C] + [20D] + [20E] + [20F].
20H	RDRO Calculation - Total Production and OSY Basis	The sum of each Party's Adjusted Physical Production and Assigned Share of Operating Safe Yield. [20A] + [20G].
20I	RDRO Calculation - Percentage	The percentage of each Party's Adjusted Physical Production and Assigned Share of Operating Safe Yield basis. [20H] divided by the sum of [20H].
20J	RDRO Calculation - Individual Party RDRO	Each Party's pro rata share of the Remaining Desalter Replenishment Obligation. [20I] \times Total RDRO.
21A	Desalter Replenishment Obligation in AF - Desalter Replenishment Obligation Contribution (DROC)	Each Party's share of the 10,000 AF Desalter Replenishment Obligation Contribution. Copied from [19F].
21B	Desalter Replenishment Obligation in AF - Remaining Desalter Replenishment Obligation (RDRO)	Each Party's pro rata share of the Remaining Desalter Replenishment Obligation. Copied from [20J].
21C	Desalter Replenishment Obligation in AF - Total Desalter Replenishment Obligation	The sum of Desalter Replenishment Obligation Contribution, and Remaining Desalter Replenishment Obligation. [21A] + [21B].
21D	Total DRO Fulfillment Activity - Transfer from Dedicated Replenishment Account	Total of water transferred from Desalter Dedicated Replenishment Account to satisfy the desalter replenishment obligation.
21E	Total DRO Fulfillment Activity - Transfer from Excess Carry Over Storage Account	Total of water transferred from Excess Carry Over Storage Account to satisfy the desalter replenishment obligation.
21F	Total DRO Fulfillment Activity - Transfer from Recharged Recycled Storage Account	Total of water transferred from Recharged Recycle Storage Account to satisfy the desalter replenishment obligation.
21G	Total DRO Fulfillment Activity - Transfer from Quantified Storage Account	Total of water transferred from Quantified Storage Account to satisfy the desalter replenishment obligation.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title	Description
21H	Total DRO Fulfillment Activity - Transfer from Post 7/1/2000 Storage Account	Total of water transferred from Post 7/1/2000 Storage Account to satisfy the desalter replenishment obligation.
21I	Total DRO Fulfillment Activity - Replenishment Water Purchase	Total of water purchased to satisfy the desalter replenishment obligation.
21J	Total DRO Fulfillment Activity - Total Transfers and Water Purchases	The sum of all transfers and purchases to satisfy the desalter replenishment obligation. [21D] + [21E] + [21F] + [21G] + [21H] + [21I].
21K	Assessments - Residual DRO (AF)	Total residual Desalter Replenishment Obligation after transfers and purchases. [21C] + [21J].
21L	Assessments - Assessments Due On Residual DRO (\$)	Total assessments due for Desalter Replenishment. [21K] <times> [Current Replenishment Rate]. This column is used to populate [8S].
26A	FY 2016/2017 Water Purchases - Purchased Water in AF - 20160623 - RO	The amount of water purchased to satisfy the accumulated replenishment obligation through the end of production year 2014/15. Water was delivered in October 2016.
26B	FY 2016/2017 Water Purchases - Purchased Water in AF - 20160623 - DRO	The amount of water purchased to be used towards the Desalter Replenishment Obligation. Water was delivered in October 2016.
26C	FY 2016/2017 Water Purchases - Purchased Water in AF - 20161216 - DRO	The amount of water purchased to be used towards the Desalter Replenishment Obligation. Water was delivered in December 2016.
26D	FY 2016/2017 Water Purchases - Purchased Water in AF - 20170418 - RO	The amount of water purchased to satisfy production year 2015/16 replenishment obligation. Water was delivered in April 2018.
26E	FY 2016/2017 Water Purchases - Purchased Water in AF - 85/15 Breakdown - AF @ 100%	The amount of water purchased subject to 100% RTS rate. This applies to: DRO water; RO water of non-85/15 Pool 3 producers; and RO water of Pool 2 producers. 1) Pool 3, 85/15 Ineligible: [26A] + [26B] + [26C] + [26D]. 2) Pool 3, 85/15 Eligible: [26B] + [26C]. 3) Pool 2: [26A] + [26D].
26F	FY 2016/2017 Water Purchases - Purchased Water in AF - 85/15 Breakdown - AF @ 85/15	The amount of water purchased subject to the 85/15 Rule. This applies to RO water of 85/15 Pool 3 producers. 1) Pool 3, 85/15 Eligible: [26A] + [26D].
26G	FY 2016/2017 Water Purchases - Purchased Water in AF - 85/15 Breakdown - AF Total	Total water purchased by each Appropriate Pool or Non-Agricultural Pool Party. [26E] + [26F].
26H	FY 2016/2017 Water Purchases - 2015/16 Prod & Exch From 85/15 Producers - Acre-Feet	Total production and exchanges of 85/15 Producers from fiscal year 2015/16. This is the basis of the 85/15 Rule for water purchased in fiscal year 2016/17.
26I	FY 2016/2017 Water Purchases - 2015/16 Prod & Exch From 85/15 Producers - Percent	The percentage of each 85/15 Producer's total production and exchanges. [26H] divided by the sum of [26H].
26J	FY 2016/2017 Water Purchases - Year 6 RTS Charges - 15%	If an 85/15 Producer, then each 85/15 Producer's share of the total RTS charge of 85/15 eligible water. "Total RTS Charge" <divided by> "Total Water Purchased" <times> 0.15 <times> [26F] Total <times> [26I].
26K	FY 2016/2017 Water Purchases - Year 6 RTS Charges - 85%	If an 85/15 Producer, then their RTS charge of 85/15 eligible water at 85%. "Total RTS Charge" <divided by> "Total Water Purchased" <times> [26F] <times> 0.85.
26L	FY 2016/2017 Water Purchases - Year 6 RTS Charges - 100%	RTS charge on all water not subject to the 85/15 Rule. "Total RTS Charge" <divided by> "Total Water Purchased" <times> [26E].
26M	FY 2017/2018 Water Purchase - Purchased Water in AF - 20171211 - RO	The amount of water purchased to satisfy replenishment obligations through the end of production year 2014/15. Water was delivered in December 2017.



Assessment Year 2023-2024 (Production Year 2022-2023)

Assessment Package References and Definitions

Column	Title	Description
26N	FY 2017/2018 Water Purchase - Purchased Water in AF - 20171211 - DRO	The amount of water purchased to be used towards the Desalter Replenishment Obligation. Water was delivered in December 2017.
26O	FY 2017/2018 Water Purchase - 2016/17 Prod & Exch From 85/15 Producers - Acre-Feet	Total production and exchanges of 85/15 Producers from fiscal year 2016/17. This is the basis of the 85/15 Rule for water purchased in fiscal year 2017/18.
26P	FY 2017/2018 Water Purchase - 2016/17 Prod & Exch From 85/15 Producers - Percent	The percentage of each 85/15 Producer's total production and exchanges. [26O] divided by the sum of [26O].
26Q	FY 2017/2018 Water Purchase - Year 5 RTS Charges - 15%	If an 85/15 Producer, then each 85/15 Producer's share of the total RTS charge of 85/15 eligible water in [26M].
26R	FY 2017/2018 Water Purchase - Year 5 RTS Charges - 85%	If an 85/15 Producer, then their RTS charge of 85/15 eligible water in [26M] at 85%.
26S	FY 2017/2018 Water Purchase - Year 5 RTS Charges - 100%	RTS charge on all water in [26N] and water not subject to the 85/15 Rule in [26M].
26T	TOTAL RTS CHARGES	Total RTS Charge. [26J] + [26K] + [26L] + [26Q] + [26R] + [26S].

HISTORIC ASSESSMENTS PER ACRE-FOOT OF PRODUCTION

Assessment Year	Agricultural Pool ¹ (\$/AF)	Non-Ag Pool (\$/AF)	Appropriative Pool ² (\$/AF)	Gross Replenishment Water Rate (\$/AF)
77-78	0.29	0.32	0.42	
78-79	0.65	1.29	0.77	51.00
79-80	0.54	0.20	0.51	56.20
80-81	0.32	0.00	0.00	62.51
81-82	0.10	0.00	0.00	63.78
82-83	0.10	0.00	0.00	81.46
83-84	0.10	0.00	0.00	102.18
84-85	0.10	0.00	0.10	154.00
85-86	0.10	0.00	0.45	149.39
86-87	0.10	0.00	0.41	155.10
87-88	0.10	0.00	0.25	155.42
88-89	0.09	0.00	0.67	155.33
89-90	3.27	0.00	0.48	115.00
90-91	2.31	0.00	0.43	117.55
91-92	3.53	0.12	0.11	132.55
92-93	7.03	4.07	3.41	169.89
93-94	12.37	6.67	2.51	210.69
94-95	9.86	3.24	2.06	222.00
95-96	11.68	3.43	1.57	233.15
96-97	19.70	7.55	3.69	233.15
97-98	15.19	6.56	2.73	237.15
98-99	19.04	9.85	7.77	243.00
99-00	26.30	14.12	11.75	243.00
00-01	18.15	25.79	24.74	242.00
01-02	34.37	29.93	25.42	243.00
02-03	35.69	26.72	21.35	244.00
03-04	34.10	25.39	22.90	244.00
04-05	26.15	25.43	25.43	250.00
05-06	19.91	27.94	27.94	251.00
06-07	28.23	40.72	40.72	251.00
07-08	29.76	36.30	36.30	257.00
08-09	29.93	50.24	50.24	309.00
09-10	32.50	51.21	51.21	380.00
10-11	30.90	49.41	49.41	541.00
11-12	29.93	49.14	49.14	574.00
12-13	35.88	50.60	50.60	607.00
13-14	28.79	40.39	40.39	608.00
14-15	27.71	40.49	40.49	610.00
15-16	30.24	57.54	57.54	611.00
16-17	25.96	56.18	56.18	596.00
17-18	34.40	71.63	71.63	668.00
18-19	38.01	72.57	72.57	697.00
19-20	26.78	74.99	74.99	743.00
20-21	29.38	82.00	82.00	767.00
21-22	24.71	70.52	70.52	789.00
22-23	30.02	86.68	86.68	811.00
23-24	25.33	97.47	97.47	872.00

¹ \$/AF of water reallocated to the Appropriative Pool.

² Excludes amounts related to the debt service of the Recharge Improvement Project, and supplemental and replenishment water purchases.

SUMMARY BUDGET FISCAL YEAR 2022-23

	FY 2021/22 Approved Budget	FY 2021/22 Amended Budget	FY 2022/23 Approved Budget	FY 2022/23 Amended Budget	\$ Variance Amended vs. Amended
4000 Mutual Agency Revenue	\$ 177,430	\$ 177,430	\$ 181,866	\$ 181,866	\$ 4,436
4110 Appropriative Pool Assessments	6,758,475	7,222,032	9,029,425	9,733,346	2,511,314
4120 Non-Agricultural Pool Assessments	234,183	274,845	244,135	291,215	16,370
4730 Prorated Interest Income	106,125	106,125	35,550	35,550	(70,575)
4900 Miscellaneous Income	-	-	-	-	-
Total Income	7,276,213	7,780,432	9,490,976	10,241,976	2,461,544
Judgment Administration Expenses					
5900 Judgment Administration Costs	-	-	1,172,801	1,172,801	1,172,801
6010 Administration Salary Costs	1,208,557	1,208,557	644,096	644,096	(564,461)
6020 Office Building Expense	223,929	223,929	141,031	141,031	(82,898)
6030 Office Supplies & Equip.	36,350	36,350	42,950	42,950	6,600
6040 Postage & Printing Costs	37,460	37,460	38,255	38,255	795
6050 Information Services	173,398	173,398	177,624	177,624	4,226
6060 WM Special Contract Services	56,545	56,545	57,960	57,960	1,415
6070 Watermaster Legal Services	326,975	326,975	450,146	450,146	123,171
6080 Insurance Expense	46,797	46,797	48,743	48,743	1,946
6110 Dues and Subscriptions	38,815	38,815	41,475	41,475	2,660
6150 Field Supplies & Equipment	2,750	2,750	3,200	3,200	450
6170 Travel & Transportation	24,170	24,170	28,970	28,970	4,800
6190 Conferences & Seminars	40,800	40,800	42,678	42,678	1,878
6200 Advisory Committee Expenses	55,336	55,336	127,177	127,177	71,841
6300 Watermaster Board Expenses	190,149	190,149	281,328	281,328	91,179
8300 Appropriative Pool Administration	76,974	76,974	146,298	396,298	319,324
8400 Agricultural Pool Administration	69,411	69,411	145,438	395,438	326,027
8500 Non-Agricultural Pool Administration	57,746	57,746	134,930	175,930	118,184
9400 Depreciation Expense	-	-	-	-	-
9500 Allocated Administration Expenses	(465,442)	(465,442)	(390,992)	(390,992)	74,450
Total Judgment Administration Expenses	2,200,720	2,200,720	3,334,108	3,875,108	1,674,388
OBMP Expenses & Program Elements 1-9					
6900 Optimum Basin Mgmt Program	1,272,796	1,272,796	1,483,939	1,633,939	361,143
7101 Production Monitoring	102,740	102,740	-	-	(102,740)
7102 Meter Installation/Maintenance	16,567	16,567	-	-	(16,567)
7103 Groundwater Quality Monitoring	352,035	352,035	-	-	(352,035)
7104 Groundwater Level Monitoring	303,753	303,753	271,112	271,112	(32,641)
7105 Recharge Basin Water Quality Monitoring	-	-	-	-	-
7106 Water Level Sensors Install	-	-	-	-	-
7107 Ground Level Monitoring	258,038	258,038	-	-	(258,038)
7108 Hydraulic Control Monitoring Program	83,379	83,379	-	-	(83,379)
7109 Recharge & Well Monitoring Program	33,208	33,208	-	-	(33,208)
7110 Agriculture Production and Estimation	14,228	14,228	-	-	(14,228)
7111 Implementation of Data Collection and Management	20,158	20,158	-	-	(20,158)
7200 OBMP Pgm Element 2 - Comp Recharge	1,245,772	1,245,772	1,470,015	1,530,015	284,243
7300 OBMP Pgm Element 3 & 5 - Water Supply Plan-Desalter	47,793	47,793	157,553	157,553	109,760
7400 OBMP Pgm Element 4 - Mgmt Zone Strategies	153,612	300,643	536,624	536,624	235,981
7500 OBMP Pgm Element 6 & 7 - Coop Efforts/Salt Mgmt	151,389	223,389	502,681	502,681	279,292
7600 OBMP Pgm Element 8 & 9 Storage Mgmt/Conj Use	25,055	396,747	503,650	593,698	196,951
7700 Inactive Well Protection Program	500	500	-	-	(500)
7690 Recharge Improvement Debt & Projects	529,029	529,029	840,302	840,302	311,273
9501 Allocated Administration Expenses - OBMP	167,242	167,242	240,607	240,607	73,365
9502 Allocated Administration Expenses - PE 1-9	298,200	298,200	150,385	150,385	(147,815)
Total OBMP Expenses & Program Elements 1-9	5,075,493	5,666,216	6,156,868	6,456,916	790,699
Total Expenses	7,276,213	7,866,936	9,490,976	10,332,024	2,465,088
Net Ordinary Income	-	(86,504)	-	(90,048)	(3,544)
9900 To / (From) Reserves	-	(86,504)	-	(90,048)	(3,544)
Net Other Income	-	86,504	-	90,048	3,544
Net Income	\$ -	\$ -	\$ -	\$ -	\$ -

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Chino Basin Watermaster

Annual Financial Report

For the Fiscal Years Ended June 30, 2023 and 2022

“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
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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**

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Introductory Section



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

Financial Section



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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

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	<u>340,969</u>	<u>-</u>	<u>340,969</u>	<u>7,700</u>	<u>(7,700)</u>
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	<u>178,000</u>	<u>568,566</u>	<u>(390,566)</u>	<u>247,467</u>	<u>321,099</u>
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</u> <u>2022</u>	<u>Additions</u>	<u>Disposals/ Transfers</u>	<u>Balance</u> <u>2023</u>
Capital assets:				
Depreciable assets	\$ 843,801	17,390	-	861,191
Accumulated depreciation	(520,471)	(143,842)	-	(664,313)
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

**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

	<u>2023</u>	<u>2022</u>
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**

	<u>2023</u>	<u>2022</u>
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	<u>(6,911,560)</u>	<u>(7,043,611)</u>
Net cash provided by operating activities	<u>1,992,548</u>	<u>1,672,060</u>
Cash flows from non-capital financing activities:		
Payments for non-operating expenses	<u>(177,379)</u>	<u>(462,713)</u>
Net cash used in non-capital financing activities	<u>(177,379)</u>	<u>(462,713)</u>
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	<u>(621)</u>	<u>(5,263)</u>
Net cash used in capital financing activities	<u>(129,090)</u>	<u>(195,532)</u>
Cash flows from investing activities:		
Investment returns	<u>289,062</u>	<u>(114,114)</u>
Net cash provided by (used in) investing activities	<u>289,062</u>	<u>(114,114)</u>
Net increase in cash and cash equivalents	1,975,141	899,701
Cash and cash equivalents, beginning of year	<u>11,742,546</u>	<u>10,842,845</u>
Cash and cash equivalents, end of year	<u>\$ 13,717,687</u>	<u>11,742,546</u>

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	\$ <u>2,191,592</u>	<u>2,234,502</u>
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	<u>(544,652)</u>	<u>642,924</u>
Total adjustments	<u>(199,044)</u>	<u>(562,442)</u>
Net cash provided by operating activities	<u>\$ 1,992,548</u>	<u>1,672,060</u>

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.

<u>Production volume</u>	<u>Fiscal Year 2023</u>		<u>Fiscal Year 2022</u>	
	<u>Acre Feet</u>	<u>Percentage</u>	<u>Acre Feet</u>	<u>Percentage</u>
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	<u>88,865</u>	<u>100.00%</u>	<u>99,716</u>	<u>100.00%</u>

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</u> <u>2022</u>	<u>Additions</u>	<u>Disposals/ Transfers</u>	<u>Balance</u> <u>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 2021	Additions	Disposals/ Transfers	Balance 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 2022	Additions	Deletions	Balance 2023	Due Within One Year	Due in more 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 2021	Additions	Deletions	Balance 2022	Due Within One Year	Due in more 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	<u>51,416</u>	<u>-</u>	<u>(15,995)</u>	<u>35,421</u>	<u>16,120</u>	<u>19,301</u>
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	<u>68,115</u>	<u>-</u>	<u>(16,699)</u>	<u>51,416</u>	<u>15,995</u>	<u>35,421</u>
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	<u>16,437</u>
	Total	16,388	<u>49</u>	<u>16,437</u>
	Current	<u>(16,388)</u>		
	Long-term	<u>\$ -</u>		

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:

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

(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	Current	1% Increase
	Healthcare cost trend rates 3.00%	Healthcare cost trend rates 4.00%	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	Current	1% Increase
	Healthcare cost trend rates 3.00%	Healthcare cost trend rates 4.00%	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:

<u>Fiscal Year</u> <u>Ending</u> <u>June 30</u>	<u>Deferred Net</u> <u>Outflows/(Inflow)</u> <u>of Resources</u>
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 January 1, 2013	On or after January 1, 2013
Hire date		
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:

	Miscellaneous
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:

	Miscellaneous
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:

Description	2023		2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
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%	Current Discount Rate	Discount Rate + 1%
		<u>5.90%</u>	<u>6.90%</u>	<u>7.90%</u>
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%	Current Discount Rate	Discount Rate + 1%
		<u>6.15%</u>	<u>7.15%</u>	<u>8.15%</u>
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.

Required Supplementary Information

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

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB liability						
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	(12,962)	(4,332)	(2,932)	(3,722)	(2,423)	(2,308)
Net change in total OPEB liability	(57,346)	10,118	62,194	40,002	5,984	35,069
Total OPEB liability – beginning of year	327,097	316,979	254,785	214,783	208,799	173,730
Total OPEB liability – end of year	\$ 269,751	327,097	316,979	254,785	214,783	208,799
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	20.57%	26.24%	26.45%	23.34%	20.82%	24.27%

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	
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%	
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	
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	
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%	
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%	

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.

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 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.

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	(267,270)	(245,656)	(220,388)	(192,849)	(155,931)	(151,169)	(132,932)	(110,292)	(97,178)	
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	20.38%	19.71%	18.39%	17.66%	15.11%	17.57%	13.57%	12.41%	13.37%	

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.

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Supplemental Information Section

Chino Basin Watermaster Combining Schedule of Revenue, Expenses and Changes in Net Position For the Fiscal Year Ended June 30, 2023

WM ADMIN.	OPTIMUM BASIN MGMT.	AP POOL	AG POOL	NON-AG POOL	AP ESCROW ACCOUNT	GROUND WATER REPLENISH	LAIF FAIR MARKET VALUE ADJ.	GASB 75 BEG NET POSITION	GASB 87 BEG NET POSITION	OTHER BEG NET POSITION	GRAND TOTALS	AMENDED BUDGET 2022-2023
Administrative Revenues:												
Administrative Assessments		9,572,428	350,000	302,204							10,224,632	10,024,560
Interest Revenue		245,040	32,942	5,325							283,307	355,550
Mutual Agency Project Revenue											181,866	181,866
Miscellaneous Income											8,036	0
Total Revenues		9,817,469	382,942	307,529							10,697,841	10,241,976
Administrative & Project Expenditures:												
Watermaster Administration												
Watermaster Board-Advisory Committee												
Ag Pool Legal Services - Ag Fund ¹			205,054								245,027	2,933,044
Pool Administration		343,859	87,669	67,461							205,054	422,505
Optimum Basin Mgmt Administration												
OBMP Project Costs		993,729									498,989	1,113,095
Debt Service		2,889,575									993,729	1,676,058
Basin Recharge Improvements		482,303									2,889,575	4,769,952
Total Administrative/OBMP Expenses		4,365,608	87,669	67,461							482,303	482,302
Net Administrative/OBMP Expenses		(2,967,469)	(4,365,608)								(8,227,021)	(11,873,665)
Allocate Net Admin Expenses To Pools			570,426	100,009								
Allocate Net OBMP Expenses To Pools		3,005,957	746,473	130,874								
Allocate Debt Service to App Pool		482,303										
Allocate Basin Recharge to App Pool			(1,404,568)									
Agricultural Expense Transfer*		1,404,568										
Total Expenses		7,533,221	205,054	298,345							8,227,021	11,873,665
Net Administrative Income		2,283,247	177,888	9,184							2,470,820	(1,631,689)
Other Income/(Expense)												
Replenishment Water Assessments						317,476					317,476	
Desalter Replenishment Obligation												
Exhibit "C" Non-Ag Pool Water												
RTS Charges from IELA												
Interest Revenue												
MWD Water Purchases												
Non-Ag Stored Water Purchases												
Exhibit "C" Non-Ag Pool Water												
Groundwater Replenishment												
LAIF - Fair Market Value Adjustment							19,316				(274,133)	
Leased Interest Expense												
AP Reimbursement of Ag Pool Legal Services ²		(293,647)	293,647									
AP Escrow Account - Interest Earned					4						4	
AP Escrow Account - Refund to AP		377			(377)							
Refund-Basin O&M Expenses												
Refund-Recharge Debt Service												
Funding To/(From) Reserves		(177,379)									(177,379)	
Net Other Income/(Expense)		(470,649)	293,647		(374)		19,316				(116,259)	(90,048)
Net Transfers To/(From) Reserves		1,813,098	471,535	9,184	(374)	41,800	19,316				2,354,561	(1,541,641)
Net Assets, July 1, 2022		8,452,739	871,691	163,807	374	1,644,153	(443,111)	(443,445)	(9,283)	132,997	10,669,923	
Net Assets, End of Period		10,265,537	1,345,236	172,992	0	1,685,953	(233,794)	(443,445)	(9,283)	132,997	13,024,484	13,024,484
Ag Pool Assessments Outstanding ³			(731,123)									
Ag Pool Fund Balance			612,103									
2022/23 Assessable Production		68,788,048	17,082,226	2,994,916							88,865,190	
2022/23 Production Percentages		77.407%	19.223%	3.370%							100.000%	

* Fund balance transfers as agreed to in the Peace Agreement.

Note¹ - Agricultural Pool Legal Services for July 2022 through June 2023

Note² - Appropriate Pool has authorized payments for Agricultural Pool Legal Services for May 2022 through May 2023

Note³ - Outstanding balance of Agricultural Pool Special Assessments for \$200,000 is \$121,504.22; \$635,000 is \$465,347.97; \$250,000 is \$102,245.10; and \$100,000 is \$42,025.61

Chino Basin Watermaster Combining Schedule of Revenue, Expenses and Changes in Net Position For the Fiscal Year Ended June 30, 2022

WM ADMIN.	OPTIMUM BASIN MGMT.	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUND WATER REPLENISH	LAF FAIR MARKET VALUE ADJ.	GASB 75 BEG. NET POSITION	GASB 87 BEG. NET POSITION	OTHER BEG. NET POSITION	GRAND TOTALS	AMENDED BUDGET 2021-2022
		AP POOL	AG POOL	NON-AG POOL							
Administrative Revenues:											
Administrative Assessments		7,810,703	1,026,574	330,844						9,168,121	8,362,088
Interest Revenue		35,345	2,467	597						38,408	106,125
Mannual Agency Project Revenue										177,430	177,430
Miscellaneous Income										528	-
Total Revenues		7,846,047	1,029,041	331,441						9,384,487	8,645,643
Administrative & Project Expenditures:											
Watermaster Administration										2,454,178	1,846,194
Watermaster Board-Advisory Committee										212,151	245,485
Ag Pool Legal Services - Ag Fund 1		289,891	74,814	63,446						284,897	500,000
Pool Administration										428,151	776,909
Optimum Basin Mgmt Administration		667,873								667,873	1,480,696
OBMP Project Costs		4,371,307								4,371,307	4,604,371
Debt Service		351,650								351,650	529,029
Basin Recharge Improvements											1,693,292
Total Administrative/OBMP Expenses		5,390,830	74,814	63,446						8,770,207	11,675,976
Net Administrative/OBMP Expenses		(2,488,371)									
Allocate Net Admin Expenses To Pools		1,881,537	531,635	75,199							
Allocate Net OBMP Expenses To Pools		3,810,285	1,076,610	152,285							
Allocate Debt Service to App Pool		5,039,180									
Allocate Basin Recharge to App Pool		351,650									
Agricultural Expense Transfer*											
Total Expenses		1,683,059	(1,683,059)								
Net Administrative Income		8,016,421	284,897	290,931						8,770,207	11,675,976
		(170,374)	744,144	40,510						614,280	(3,030,333)
Other Income/(Expense)											
Replenishment Water Assessments					1,693,689					1,693,689	-
Desalter Replenishment Obligation											
Exhibit "G" Non-Ag Pool Water										(35,030)	-
RTS Charges from IELUA					4,766					4,766	-
Interest Revenue											
MWD Water Purchases											
Non-Ag Stored Water Purchases											
Exhibit "G" Non-Ag Pool Water											
Groundwater Replenishment											
LAF - Fair Market Value Adjustment						(143,940)				(143,940)	-
Leased Interest Expense											
AP Escrow Account - Re funds to AP				(159)						(159)	-
AP Escrow Account - Interest Earned											
Refund-Basin O&M Expenses		(139,913)								148	-
Refund-Recharge Debt Service		(156,259)		(5,471)						(145,384)	-
Funding To/(From) Reserves											
Net Other Income/(Expense)		(301,276)		(5,630)	1,663,425	(143,940)				1,051,657	(86,504)
Net Transfers To/(From) Reserves		1,665,937	744,144	34,880	1,663,425	(143,940)				1,665,937	(2,943,829)
Net Assets, July 1, 2021		8,924,389	127,547	128,927	161,296		829			9,005,986	
Net Assets, End of Period		8,452,739	871,691	163,807	374	1,644,153	(443,445)	(9,283)		10,669,923	10,669,923
Ag Pool Assessments Outstanding 2			(586,852)								
Ag Pool Fund Balance			284,839								
2122 Assessable Production		75,398	21,304	3,013						99,716	
2122 Production Percentages		75.613%	21.365%	3.022%						100.000%	

*Fund balance transfer as agreed to in the Peace Agreement.
 Note - Agricultural Pool Legal Services for July 2021 through June 2022
 Note - Outstanding balance of Agricultural Pool Special Assessments for \$200,000 is \$121,504.22 and \$635,000 invoicing is \$465,347.97

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Report on Internal Controls and Compliance



C.J. Brown & Company CPAs
An Accountancy Corporation

Christopher J. Brown, CPA, CGMA
Jonathan Abadesco, CPA
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**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

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

2022 STATE OF THE BASIN REPORT

The 2022 State of the Basin Report consists of detailed exhibits that characterize current Basin conditions as of the end of fiscal year 2021/22. The 2022 State of the Basin Report is publicly available on Chino Basin Watermaster's website at:

https://www.cbwm.org/docs/engdocs/State_of_the_Basin_Reports/SOB%202022/2022%20State%20of%20the%20Basin%20Report.pdf

WATERMASTER AND BASIN MILESTONES

1970s

Conflicts over water threaten supply reliability, water quality, and the regional economy. In 1973 a pump tax is enacted to raise money to implement recharge projects.

1978

Chino Basin is adjudicated and the Chino Basin Municipal Water District Board is appointed as Watermaster. Planning and funding are initiated to manage the Basin.

1998

The nine-member Watermaster Board is created and tasked with developing the Optimum Basin Management Program (OBMP).

1999

The first OBMP provides a detailed blueprint to ensure a reliable water supply and quality.

2000

Stakeholders enter into the Peace Agreement, advancing the OBMP Implementation Plan. Basin monitoring begins in earnest, as does the first desalter expansion.

2002

The Recharge Master Plan implementation and funding agreement advances the \$40 million Chino Basin Facilities Project, securing grant funding for approximately half the cost.

2004

RWQCB adopts the Max Benefit Salinity Management Program, enabling a massive recycled water and supplemental water recharge program and desalter expansion to achieve Hydraulic Control.

2007

Stakeholders enter into the Peace II Agreement for a second desalter expansion to meet the Maximum Benefit commitments, securing millions in grant funding and hundreds of millions in cost savings and benefits.

2013

The 2013 Amendment to the 2010 Recharge Master Plan Update (RMPU) reflects providers' revised Urban Water Management Plans, forming the foundation for cost-effective recharge using storm, imported, and recycled water to improve water quality and ensure reliable supply. Recharge improvement projects begin.

2016

The Chino Basin Desalter Authority demonstrates Hydraulic Control. Desalter expansion continues.

2018

Appeals to the first Safe Yield Reset Court Order conclude and the first Safe Yield Reset is adopted effective 2011; Safe Yield is set at 135,000 acre-feet per year.

2020

The 2020 OBMP is developed with stakeholder input and adopted by the Watermaster Board, updating the 20-year-old document. The Court orders a second Safe Yield Reset, setting the Safe Yield at 131,000 acre-feet per year.

2021

The Court approves an expansion of the current Storage Management Plan from 500,000 acre-feet to 700,000 acre-feet until 2030.





CHINO BASIN WATERMASTER STAFF 2023

9641 San Bernardino Road • Rancho Cucamonga, CA 91730

(909) 484-3888 • www.cbwm.org

NOTICE OF INTENT

Watermaster’s “Notice of Intent” to Change the Operating Safe Yield of the Chino Groundwater Basin

PLEASE TAKE NOTICE that on this 25th day of January 2024, the Chino Basin Watermaster hereby adopts this **“Notice of Intent”** to change the Operating Safe Yield of the Chino Groundwater Basin pursuant to the Judgment entered in Chino Basin Municipal Water District v. City of Chino, et al., San Bernardino Superior Court, Case No. RCVRS 51010 (formerly Case No. 164327) as Restated (Exhibit "I", Paragraph 3.(b), Page 73).

Approved by:

**CHINO BASIN WATERMASTER
BOARD OF DIRECTORS CHAIR**

Signature: _____

Attest:

**CHINO BASIN WATERMASTER
BOARD OF DIRECTORS SECRETARY/TREASURER**

Signature: _____



CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, CA 91730
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EDGAR TELLEZ FOSTER, PhD
Acting General Manager

STAFF REPORT

DATE: January 25, 2024

TO: Board Members

SUBJECT: 2024 Hearing Officer Panel Appointment (Consent Calendar Item II.F.)

SUMMARY:

Issue: According to Watermaster Rules and Regulations, Article X, Section 10.22, Watermaster needs to develop and maintain a panel of five individuals that have technical expertise and some familiarity with the Basin to serve as a pool from which a hearing officer can be selected should the need arise relating to applications, contests, and complaints.

Recommendation: Approve and appoint the recommended panel of five to serve in calendar year 2024, to be reconsidered periodically and no less frequently than annually.

Financial Impact: There is no financial impact associated with the recommendation.

Future Consideration

Watermaster Board – January 25, 2024: Approve.

ACTIONS:

Watermaster Board – January 25, 2024:

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

Parties may make an application to Watermaster for Recharge, Transfer, Storage Agreements, Recapture, or participation in a Storage and Recovery Program. The Watermaster Rules and Regulations provide a process for applications, including contesting an application by another party. The Watermaster Rules and Regulations also provide a process for complaints as to an action causing Material Physical Injury. In case a contest or complaint requires a hearing, the Watermaster Rules and Regulations provide:

10.22 Designation of Hearing Officer for Applications, Contests and Complaints. The Watermaster Board shall develop and maintain a panel of five individuals that have technical expertise and some familiarity with the Basin. The hearing officer shall be selected by the mutual agreement of each side. If mutual agreement cannot be reached, each side to any hearing on an Application or Complaint shall rank their preferred hearing officer from one (1) to five (5). The panel member receiving the highest total score shall be selected by the Watermaster Board as the Hearing Officer, unless he or she is unable to serve in which case the panel member receiving the next highest rank shall be selected. Ties shall be broken by vote of the Watermaster Board. Watermaster may add or remove new members to the five-member panel from time to time or as circumstances may warrant. There shall be only two sides in any hearing and intervenors shall be assigned to a side.

The duties of a hearing officer are also described in the Rules and Regulations:

10.23 Duty of the Hearing Officer. The hearing officer shall conduct the hearings in accordance with the provisions of this Article. It shall be the responsibility of the hearing officer to compile the record, develop proposed findings and recommendations supported by substantial evidence in the record within thirty days of the hearing and transmit the record to the Advisory Committee and thereafter the Watermaster Board for further action. The hearing officer shall have and shall exercise the power to regulate all proceedings in any matter before it, and to take and do all acts and measures necessary or proper for the efficient performance of its duties.

In January 2023, the Watermaster Board appointed five individuals to the panel. All five have been contacted and expressed willingness to continue to be considered as potential hearing officers in 2024.

DISCUSSION

The five individuals being recommended for appointment to the panel in 2024 are shown below:

1. Kurt Berchtold (Regional Water Quality Control Board – Executive Officer, Retired)
2. Anthony Brown (Aquilologic – CEO & Principal Hydrologist)
3. Behrooz Mortazavi, Ph.D., P.E. (Water Resources Engineers, Inc. – Principal)
4. Felicia Marcus (Attorney/consultant; former State Water Resources Control Board Chair)
5. Brian Brady (Brian J. Brady & Associates)

Staff also recommends a periodic evaluation of the members of the panel, no less frequently than annually, to maintain the panel's relevance.



CHINO BASIN WATERMASTER

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EDGAR TELLEZ FOSTER, PhD
Acting General Manager

STAFF REPORT

DATE: January 25, 2024

TO: Board Members

SUBJECT: Professional Services Agreement Between Well Tec Services and Chino Basin Watermaster (Business Item III.A.)

SUMMARY:

Issue: Watermaster seeks to enter into a contract with Well Tech Services to perform Ag Well meter test, repairs and new meter installations. [Normal Course of Business]

Recommendation: Approve and authorize the Acting General Manager to execute the contract on behalf of Watermaster subject to any non-substantive changes

Financial Impact: The contract expenses of \$168,875 are funded within the budget carryover of prior years. (which includes account number 7540 in the amount of \$175,400.00 and 7545 in the amount of \$181,650.00)

Future Consideration

Watermaster Board – January 25, 2024: Approve and authorize the Acting General Manager to execute the contract on behalf of Watermaster.

ACTIONS:

Watermaster Board – January 25, 2024:

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

Paragraph 21 of the Restated Judgment requires that Watermaster shall cause parties, pursuant to uniform rules, to install and maintain in good operating condition, at the cost of each party, such necessary measuring devices shall be inspected and tested as deemed necessary by Watermaster, and the cost thereof shall constitute a Watermaster expense.

Watermaster uses groundwater-production data to quantify and levy assessments pursuant to the Judgment. Estimates of production are also essential inputs to recalibrate Watermaster's groundwater flow model, which is used to inform the recalculation of Safe Yield, evaluate the state of Hydraulic Control, perform MPI evaluations, and support many other Watermaster initiatives. Members of the Appropriative and Overlying Non-Agricultural Pools and CDA record their own meter data and submit them to Watermaster. For Agricultural Pool wells, Watermaster performs a field program to install totalizing flow meters, repair or replace broken meters, and visit the wells quarterly to record the metered data. Watermaster has determined that for some Agricultural Pool wells it is necessary to repair, recalibrate, or in some cases replace existing meters or install new meters where necessary.

DISCUSSION

Watermaster requires the knowledge, skills, and expertise from Well Tec Services Inc. to test, calibrate, repair and if necessary, replace water meters at Agricultural Wells. The total process is anticipated to be a 2-year effort.

A formal contract between Well Tec Services and Watermaster (Attachment 1) will memorialize the scope of work, cost, and schedule, and provide legal protection should disputes arise. Additionally, it will aid in clearly identifying an annual budget cost.

ATTACHMENTS

1. Professional Services Agreement
2. Scope of Work

WATER METER CALIBRATION AGREEMENT

This Water Meter Calibration Agreement (“Agreement”) is entered into by and between the Chino Basin Watermaster (“Watermaster”) and Well Tec Services, Inc., a California corporation (“Contractor”), effective as of the 8th day of February, 2024 (“Effective Date”) at Rancho Cucamonga, California, with respect to the following facts and intentions:

- A. Watermaster requires the services of a highly qualified contractor with the requisite knowledge, skill, ability and expertise to test, calibrate, repair and, if necessary, replace water meters (“Services”);
- B. Contractor represents to Watermaster that it is fully qualified and available to perform the Services for and as requested by Watermaster; and,
- C. Watermaster and Contractor agree to enter into this Agreement for performance of the Services on the terms and conditions stated in this Agreement.

NOW, THEREFORE, the parties agree as follows:

1. **Term of Agreement.** This Agreement will become effective as of the date of this Agreement (“Effective Date”) and will terminate two (2) years from the Effective Date, upon the completion of the Services (as defined below) or as may be terminated earlier pursuant to the terms of this Agreement, whichever occurs first. The period during which this Agreement is in effect, including any extensions agreed upon by the parties, is referred to as the “Term”.

2. **Services.**

2.1. **Retention.** Watermaster retains Contractor to perform, and Contractor accepts, Watermaster's retention and agrees to perform, the Services as specified by Watermaster within the designated time frames. Contractor shall diligently perform the obligations and responsibilities required by this Agreement. The Services to be performed under this Agreement generally involve the planning, scheduling, testing, calibration, repair and, if necessary, replacement of one hundred eighty (180) water meters, at locations previously designated by Watermaster to Contractor, and described generally as follows:

(i) Complete ninety (90) onsite calibrations of existing flow meters of various manufacturers located within the Chino Basin;

(ii) Complete sixty (60) offsite calibrations of existing flow meters of various manufacturers located within the Chino Basin. This scenario includes the exchange of flow meters at each site with a calibrated model of similar size and quality;

(iii) Complete twenty (20) new flow meter installations, replacing existing flow meters found to be unserviceable. Each flow meter will be replaced with a comparable model and size found at each site; and,

(iv) Complete ten (10) new flow meter installations where no flow meter existed or significant reconfiguration of well site is necessary.

- 2.2 Procedures. The water meter testing, calibration, repair and replacement procedures are generally described in Attachment A, which is attached and incorporated by the reference.
- 2.3 Extra Services. Authorization by Watermaster for the Services may, at the discretion of Watermaster, include services in addition to the Services (“Extra Services”). The Extra Services are defined in Attachment A, section 2, and any other services not described in this Agreement. Prior to performing Extra Services, Contractor shall submit a written request for Extra Services and obtain the written approval of Watermaster. The request for Extra Services shall, at a minimum, include a description of the services/tasks to be performed, the reason why the Extra Services are needed or required, a schedule for completion of the proposed Extra Services and a cost (including all fees, costs and expenses, direct and indirect) for performance of the proposed Extra Services. Each approved Extra Services request shall be billed separately. Payment for Extra Services shall not be made unless the work is approved by Watermaster in writing prior to the Extra Services being performed.
- 2.4 Labor and Materials. Contractor shall furnish, at its own expense, all labor, materials, equipment, tools, transportation and services necessary for the successful completion of the Services. Contractor shall give its full attention and supervision to the fulfillment of the provisions of this Agreement by its employees and subcontractors and shall be responsible for the timely performance of the Services required by this Agreement.
- 2.5 Methods. Contractor shall have sole and absolute discretion in determining the methods, details and means of performing the Services. Watermaster shall not have any right to direct the methods, details and means of the Services. Watermaster shall have the right to approve the assignment, or any change of any assignment, of Contractor's project manager, key personnel, and the right to approve subcontractors and subcontractor agreements for the Services or materials under this Agreement.
- 2.6 Review. Contractor shall furnish Watermaster with reasonable opportunities from time to time to ascertain whether the Services of Contractor are being performed in accordance with this Agreement. All work done and materials furnished shall be subject to final review and approval by Watermaster. Watermaster's review and approval of the Services shall not, however, relieve Contractor of any of its obligations under this Agreement.
3. Schedule. Contractor shall perform the Services within two (2) years from the Effective Date with ninety (90) water meters replaced in each year, as more specifically described in Section 4, below. Contractor shall prepare a schedule for performance of the Services (“Schedule”) which shall be submitted to Watermaster for review and approval. Watermaster will work cooperatively with Contractor in preparation of the Schedule including any subsequent modifications requested by Watermaster. When the Schedule is acceptable, Watermaster will issue a notice to proceed to Contractor.

4. **Compensation.**

4.1 **Compensation.** Watermaster shall compensate Contractor for the Services as stated below. Any costs to repair or replace a water meter shall be invoiced as an Extra Service as provided in Attachment A:

Year One Cost of Services:

Forty-five (45) onsite meter calibrations	\$39,375
Thirty (30) offsite meter calibrations (pull existing, replace with calibrated meter)	\$30,750
Ten (10) new meter installations (no well site modifications)	\$55,000
Five (5) new meter installations (well site has to be modified)	\$43,750
<u>Year One Total Cost: \$168,875</u>	

Year Two Cost of Services:

Forty-five (45) onsite meter calibrations	\$39,375
Thirty (30) offsite meter calibrations (pull existing, replace with calibrated meter)	\$30,750
Ten (10) new meter installations (no well site modifications)	\$55,000
Five (5) new meter installations (well site has to be modified)	\$43,750
<u>Year Two Total Cost: \$168,875</u>	
Project Total Cost: \$337,750	

4.2 **Expenses.** Contractor will be responsible for any and all expenses that may be incurred in performing the Services, including all direct and indirect costs, insurance, fees and costs for business and professional licenses and credentialing, mileage and overhead, except as otherwise expressly agreed in writing by Watermaster in advance with respect to particular expenses (“Expenses”).

4.3 **Method of Payment.**

4.3.1 Contractor must submit monthly invoices to Watermaster for fees and Expenses incurred to that date. The monthly invoices must include an accurate and detailed summary of the Services performed and the hours spent on each task, itemization of any reimbursable Expenses, and documentation and receipts acceptable to Watermaster supporting any such Expenses or fees.

4.3.2 Watermaster will verify the Services, fees and Expenses detailed on the invoice and will confirm that the Services described therein have been satisfactorily completed and that appropriate documentation has been provided.

4.3.3 Watermaster will make a reasonable effort to pay undisputed invoiced amounts within thirty (30) calendar days. Watermaster will communicate with Contractor regarding any disputed amounts or amounts to which inadequate documentation has been provided by Contractor.

4.3.4 Watermaster reserves the right to withhold payment for fees and Expenses relating to Services that are not completed as scheduled, are completed unsatisfactorily, are behind schedule, are otherwise performed in an inadequate or untimely fashion, or are unsupported by documentation, each as determined by Watermaster, with such payments to be released and paid to Contractor promptly when the Services are determined by Watermaster to be satisfactorily completed and supported. Watermaster also reserves the right to withhold payment upon termination of this Agreement in the event Contractor threatens not to comply or fails to comply with its obligations (including post-termination obligations) and/or breaches or threatens to breach this Agreement in any material respect, as determined by Watermaster.

5. Affirmation of Independent Contractor Status.

5.1 Independent Contractor. Watermaster and Contractor each expressly understand, agree and intend that Contractor is an independent contractor in the performance of each and every part of this Agreement, and is solely responsible for all costs and expenses arising in connection with the performance of the Services, except as expressly set forth in this Agreement. Contractor is responsible for obtaining any business permits or licenses required to enable it to operate as an independent contractor and perform the Services. All Services are to be performed solely at the risk of Contractor, and Contractor agrees to take all precautions necessary for the proper performance of the Services. Contractor is solely responsible for any and all claims, liabilities, damages or debts of any type whatsoever that may arise on account of the activities of Contractor and its agents. Contractor has and retains control of, and supervision over, the performance of its obligations hereunder, including scheduling and day-to-day control over the performance of the Services, and except as expressly provided herein, Watermaster will have no right to exercise any control whatsoever over the activities or operations of Contractor. Notwithstanding the foregoing, however, Contractor may not subcontract all or any portion of the performance of the Services, assign performance of the Services to any entity(ies) or individual(s), or assign any former employee or contractor of Watermaster to perform the Services, unless, in any such case, Watermaster has provided its prior express written approval.

5.2 Taxes and Related Matters. Contractor will be solely responsible for all tax and other government-imposed responsibilities relating to the performance of the Services, including payment of all applicable federal, state, local and social security taxes, unemployment insurance, workers' compensation and self-employment or other business taxes and licensing fees. Contractor will be solely responsible for payment of all compensation owed to its agents with respect to the Services, including all applicable federal, state and local employment taxes, and will make deductions for all taxes and withholdings required by law. No federal, state or local taxes of any kind will be withheld or paid by Watermaster on behalf Contractor and/or its agents. Contractor acknowledges that the compensation paid pursuant to this Agreement will not be considered "wages" for purposes of the Federal Insurance Contributions Act ("FICA"), unemployment or other taxes. Watermaster will issue Contractor an IRS Form 1099 with respect to payments made under this Agreement, and Contractor must promptly provide to Watermaster a completed IRS Form W-9

and other documentation as may be needed from time to time by Watermaster. Contractor will be responsible for performing all payroll and record-keeping functions required by law. The compensation provided hereunder is not intended to constitute “nonqualified deferred compensation” within the meaning of Section 409A of the Internal Revenue Code of 1986, as it may be amended from time to time (“Section 409A”). No provision of this Agreement may be interpreted or construed to transfer any liability for failure to comply with any tax obligations, including failure to comply with the requirements of Section 409A, from Contractor to Watermaster.

5.3 No Employee Benefits from Watermaster. As an independent contractor, neither Contractor nor its agents will be eligible for benefits from Watermaster or any related entity, including workers’ compensation, unemployment insurance, expense reimbursement, health, dental, vision, life or disability insurance, paid holidays, paid sick leave, vacation or other paid time off, pension or 401(k) plans, educational assistance, continuing education reimbursement, or any other employee benefit that may be offered now or in the future.

5.4 No Third-Party Beneficiaries. This Agreement is between Watermaster and Contractor, and creates no individual rights for any agents of Contractor. No agent of Contractor will be deemed to be a third-party beneficiary hereunder, nor will any agent of Contractor be deemed to have any employment or contractual relationship with Watermaster as a result of this Agreement or his, her or its performance of services for Contractor. The parties acknowledge that all individuals performing Services on behalf of Contractor are solely the employees and/or agents of Contractor. Watermaster will not be responsible for payments due and owing to any subcontractors or other agents of Contractor; provided however, that in the event Contractor fails timely to pay any such subcontractors or agents, if Watermaster deems it appropriate to make payments directly to any such subcontractors or agents on behalf of Contractor, notwithstanding that it may have no legal obligation to do so, Contractor will reimburse Watermaster therefor, and Watermaster may offset any amounts due and owing to Contractor by any amounts it has paid to any such agents of Contractor.

6. Termination of Agreement. This Agreement will expire at the end of the Term, unless terminated earlier as follows:

6.1 Termination upon Written Notice. Either party may terminate this Agreement during the Term by providing the other party with thirty (30) days’ written notice of such termination or with any shorter notice period upon which the parties may agree. Watermaster may, in its sole discretion, provide compensation in lieu of all or a portion of the notice period, regardless of who initiates the termination, prorating the fees as appropriate. Payment in lieu of notice will be calculated by averaging the fees received during the prior three (3) month period (or such lesser number of months as this Agreement has been in effect) and pro-rating as appropriate.

6.2 Termination for Cause by Watermaster. Watermaster may terminate this Agreement immediately for “Cause.” Cause includes, but is not be limited to, the following, as determined in Watermaster’s sole discretion: (i) failure of Contractor or its agents to comply in any material respect with this Agreement, including

failure to perform the Services in a satisfactory manner, breach of any other agreement between the parties, or violation of any applicable Watermaster policy, procedure or guideline, including Watermaster's policy against harassment; (ii) serious personal or professional misconduct by Contractor or its agents (including dishonesty, fraud, misappropriation, criminal activity or gross or willful neglect of duty); (iii) breach or threatened breach of Contractor's duties to Watermaster (including theft or misuse of Watermaster property or time) by Contractor or its agents; (iv) conduct that threatens public health or safety, or threatens to do immediate or substantial harm to Watermaster's Business (as defined below), including potentially subjecting Watermaster to civil or criminal liability; (v) falsification by Contractor or its agents of any business-related document, including invoices, or the making of any materially false or misleading statement by Contractor or its agents to or in connection with Watermaster; (vi) an investigation that could have an adverse impact on Watermaster is commenced with respect to Contractor and/or its agents by a regulatory agency or governmental authority; (vii) failure or refusal of Contractor or its agents to submit to a legally-permissible drug screening, testing and/or medical examinations; (viii) the professional license(s), and/or qualifications of Contractor and/or its agents deemed necessary by Watermaster to perform the Services (if applicable) are not maintained or renewed, or are revoked or suspended by an authorized regulatory agency; or (ix) any other willful or substantial misconduct, deficiency, failure of performance, breach or default by Contractor or its agents, including failing to provide Services for any reason on multiple occasions when requested by Watermaster. Watermaster's exercise of its right to terminate for Cause will be without prejudice to any other remedy to which it may be entitled at law, in equity, or under this Agreement. In the event of termination for Cause by Watermaster, the only compensation due to Contractor will be payment of fees incurred up to the date of termination and outstanding reimbursable Expenses, less appropriate offsets and any applicable Penalty (as defined below). In the event Watermaster terminates this Agreement for Cause, it will be entitled to recover a penalty from Contractor in the amount of thirty (30) days' compensation (calculated as set forth below) (the "Penalty"), which Penalty may be deducted from and offset against outstanding compensation due to Contractor.

- 6.3 Penalty for Failure to Provide Notice. In the event either party fails to provide notice of termination as required under this Agreement, the other party will be entitled to recover a Penalty in the amount of the compensation that would have been due for the length of the notice period that was not provided. By way of example, if Contractor failed to provide any notice to Watermaster, then Watermaster would be entitled to recover a Penalty from Contractor in the amount of thirty (30) days' compensation. The Penalty amount will be calculated by averaging the fees received during the prior three (3) month period (or such lesser number of months as this Agreement has been in effect) and pro-rating as appropriate.

7. Obligations of Contractor.

- 7.1 Best Abilities; Good Workmanship; Time of the Essence. Contractor understands that time is of the essence with respect to the performance of the Services. Contractor will proceed with diligence and the Services will be performed in accordance with the highest professional workmanship, service and ethical standards in the field and to the satisfaction of Watermaster. If

Contractor's workmanship does not conform to these standards, in Watermaster's subjective judgment and discretion, and Watermaster so notifies Contractor, Contractor agrees immediately to take all action necessary to remedy the nonconformance. Any costs incurred by Contractor to correct such nonconformance will be at Contractor's sole expense. To the extent Contractor fails to correct such nonconformance to Watermaster's satisfaction, or Watermaster deems Contractor incapable of correcting such nonconformance to Watermaster's satisfaction, Watermaster may elect to have a third party (including a subcontractor of Contractor) correct such nonconformance at Contractor's sole expense.

7.2 Compliance with Law and Policies. Contractor and its agents will comply with all federal, state and local laws, rules and regulations applicable to it and its agents, including the Occupational Safety and Health Act ("OSHA"), non-discrimination laws, immigration law and work authorization requirements, tax and withholding obligations, and wage and hour requirements (including those related to classification of employees, and payment of minimum wage and overtime), in the performance of the Services. Contractor will be responsible for providing, at Contractor's expense, and in Contractor's name, all licenses and permits usual or necessary for conducting the Services. Contractor and its agents will comply with Watermaster's Code of Ethics as it may be amended from time to time, except to the extent that the Code of Ethics is inconsistent with this Agreement or with local law, rules and/or regulations. Contractor and its agents also will comply with other Watermaster policies that may be applicable to them, as they may be modified from time to time, including Watermaster's policies against harassment and discrimination.

7.3 Insurance. Contractor shall procure and maintain in full force and effect during the performance of the Services pursuant to this Agreement, the following insurance:

7.3.1 Commercial General Liability. Commercial general liability insurance for bodily injury (including death), personal injury, property damage, owned and non-owned equipment, blanket contractual liability, completed operations, explosion, collapse, underground excavation and removal of lateral support covering Contractor's performance of the Services under this Agreement, which coverage shall be at least as broad as Insurance Services Office (ISO) Occurrence form CG 0001, and with a limit in an amount of not less than Two Million Dollars (\$2,000,000). If insurance with a general aggregate limit or products-completed operations aggregate limit is used, either the general aggregate limit shall apply separately to the Task Order (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to Watermaster) or the general aggregate limit and products-completed operations aggregate limit shall be twice the required occurrence limit.

7.3.2 Workers' Compensation and Employer's Liability Insurance. Workers' compensation insurance covering its employees in performance of the Services under this Agreement in accordance with statutory requirements and employer's liability insurance with limits of not less than One Million Dollars (\$1,000,000) each accident, One Million Dollars (\$1,000,000)

disease policy limit, and One Million Dollars (\$1,000,000) disease each employee.

7.3.3 Automobile Liability. Automobile liability insurance for bodily injury and property damage which coverage shall be at least as broad as ISO Business Auto Coverage (Form CA 0001), covering Symbol 1 (any auto), and with a limit in an amount of not less than One Million Dollars (\$1,000,000) each accident.

7.3.5 General. The commercial general and automobile liability policies shall contain, or be endorsed to contain the following provisions: (1) Watermaster, its elected officials, officers, agents and employees shall be named as additional insureds; (2) Contractor's insurance shall be primary insurance as respects Watermaster, its elected officials, officers, agents and employees and any insurance, self-insurance or other coverage maintained by Watermaster, its elected officials, officers, agents and employees shall not contribute to it; (3) any failure to comply with the reporting or other provisions of the policies including breaches and warranties shall not affect coverage provided to Watermaster, its elected officials, officers, agents and employees; and (4) the Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Each insurance policy shall state, or be endorsed to state, that coverage shall not be canceled by the insurance carrier, except after thirty (30) days prior written notice has been given to Watermaster in accordance with the standard ISO Accord form. Contractor shall provide thirty (30) days written notice to Watermaster prior to the non-renewal of any policy or policies required by this Agreement. All insurance coverage, as initially provided and as modified or changed, shall be subject to reasonable approval by Watermaster. Any deductible or self-insured retention must be declared to and approved by Watermaster. Prior to the performance of the Services under this Agreement and at any subsequent time, upon request by Watermaster, Contractor shall provide Watermaster with Certificates of Insurance evidencing the above coverages. The Contractor shall, upon demand of Watermaster, make available for inspection by Watermaster certified copies of such policy or policies of insurance and the receipts for payment of premiums for all policies required to be furnished by Contractor. Contractor shall be responsible for requiring and confirming that each subcontractor meets the minimum insurance requirements specified above. The above insurance coverage shall not limit the indemnification obligations of Contractor as provided below and the failure to maintain the required coverages shall constitute a material breach of this Agreement.

7.4 Confidential Information. In connection with the performance of the Services, Contractor and its agents will have access to information that has been developed by, created by or provided to Watermaster (including without limitation, information created or developed by Contractor and/or its agents) that has commercial value to Watermaster's Business, and is not generally known to

the public or others, or is otherwise required to be kept confidential by Watermaster (all of which is referred to as “Confidential Information”).

7.4.1 Confidential Information includes any information (whether in paper or electronic form, or contained in the memory of Contractor and/or its agents, or otherwise stored or recorded) that is not generally known and relates to Watermaster’s Business, if such information has been expressly or implicitly protected by Watermaster from unrestricted use by persons not associated with Watermaster. Confidential Information includes, but is not limited to, information contained in or relating to: the manner and details of Watermaster’s operation, organization and management; passwords; concepts; programs; trade secrets; product designs; innovations; source codes and documentation; software; data; protocols; best practices; plans and proposals; processes and techniques; projects; the identities and contact information of, and details regarding Watermaster’s relationship with, actual and prospective stakeholders, contractors and vendors; fees and charges by Watermaster; pricing data and related information; applicant and employee personnel information; financial information; and legal and business strategies and plans, as well as any other information marked “confidential”, “proprietary”, “secret” or the like. Confidential Information also includes information of Watermaster’s affiliates, customers, vendors, Contractors, referral sources, contractors, partners, stakeholders, directors, officers, shareholders, investors, employees and other third parties that was disclosed or entrusted to Watermaster or to Contractor and/or its agents in the course of business and/or in the course of performing the Services with the expectation of confidentiality.

7.4.2 Contractor agrees that the Confidential Information made available to it and its agents will be used solely for the purpose of performing the Services and will be kept strictly confidential by Contractor and its agents. Contractor agrees that, unless authorized in writing by Watermaster’s General Manager, neither Contractor nor its agents will, directly or indirectly, disclose or use any Confidential Information for their own benefit or for the benefit of any individual or entity other than Watermaster, either during the Term or thereafter. In addition, without Watermaster’s prior written consent, Contractor will not modify, disassemble, reverse engineer or decompile any Confidential Information, or copy, retransmit or otherwise reproduce for, or distribute to third parties, any Confidential Information. Nothing contained in this Agreement will require Watermaster to transmit any Confidential Information to Contractor, or be construed as granting any license or any other rights with respect to Watermaster’s proprietary rights or Confidential Information.

7.4.3 If, during the Term or at any time thereafter, Contractor or its agents receive a request to disclose any Confidential Information, whether under the terms of a subpoena, court order, or other governmental order or otherwise, Contractor and/or its agents will notify Watermaster immediately of the details of the request (unless prohibited from doing so by applicable law), including providing a copy thereof, and will consult with Watermaster on the advisability of taking legally available steps to

resist or narrow such request. If disclosure of such Confidential Information is required to prevent Contractor and/or its agents from being held in contempt or subject to other penalty, Contractor and its agents will furnish only such portion of the Confidential Information as, in the written opinion of legal counsel satisfactory to Watermaster, Contractor and/or its agents are legally compelled to disclose, and Contractor and its agents will use their best efforts to assist Watermaster in obtaining an order or other reliable assurance that confidential treatment will be accorded to the disclosed Confidential Information.

- 7.5 Ownership, Return of Property and Duties upon Termination. All Confidential Information, reports, recommendations, documents, drawings, plans, presentations, specifications, technical data, databases, charts, files and other information developed by or provided to Contractor and/or its agents in connection with Contractor's affiliation with Watermaster are and will remain the property of Watermaster. Upon termination of this Agreement for any reason, or at such earlier time as Watermaster may request, Contractor and its agents will immediately: (i) discontinue any use of the name, logo, trademarks, or slogans of Watermaster; (ii) discontinue all representations or statements from which it might be inferred that any continuing relationship exists between Contractor and/or its agents and Watermaster; (iii) provide to Watermaster reproducible copies (including electronic versions if available, in native format and with all supporting materials such as fonts, graphics and attachments) of all work product prepared or modified by Contractor and/or its agents and not previously provided to Watermaster, whether completed or not; (iv) return to Watermaster all tangible and intangible Confidential Information, property, documents and other information of Watermaster, in whatever form or format, including originals and all copies of documents, drawings, computer printouts, notes, memoranda, specifications, hard drives, flash drives, disks or storage media of any kind, including all copies, summaries and compilations thereof, in the possession, custody or control of Contractor and/or its agents; (v) subject to record retention obligations, promptly and permanently delete any Confidential Information stored in the internal and/or personal email account(s), computer(s), electronic devices, voicemails, storage media and cloud-based storage (including external hard drives, flash drives, and discs) of Contractor and/or its agents, and certify the same to Watermaster; and (vi) provide Watermaster with any and all passwords, source codes, security codes, administrative access information and/or other information in the possession of Contractor and/or its agents necessary to enable Watermaster to get the benefit of the Services. All of the foregoing will be at the sole expense of Contractor. No failure of Watermaster to enforce the disposition of materials under this Section, or to enforce it fully or promptly, will constitute, or be interpreted or construed as, a waiver of any right of Watermaster under this Agreement, nor will it affect in any way the characterization of any material as Confidential Information or give Contractor any rights or license as to any such Confidential Information of Watermaster, whether by implication, estoppel, act of law, or any other theory or reason.
- 7.6 Cooperation. During the Term and thereafter, Contractor and its agents will fully cooperate in the investigation by Watermaster of any issues, and the defense of any claims by, against or otherwise involving Watermaster that might arise that could involve Contractor and/or its agents or information within their knowledge, regardless of whether Contractor and/or its agents personally are named in the

action, without additional compensation for such cooperation other than reimbursement of reasonable costs related to such cooperation. Contractor agrees to promptly advise Watermaster if it learns or suspects that current or former agents of Watermaster have violated or intend to violate their legal or contractual obligations to Watermaster, including misuse of Confidential Information.

7.7 Reasonable Restrictions. Contractor and its agents acknowledge and agree that the requirements set forth in this Section are reasonable in time and scope, and do not unduly burden Contractor and/or its agents.

8. **No Authority to Bind Watermaster.** Neither Contractor nor its agents have any authority, right or ability to bind or commit Watermaster in any way or incur any debts or liabilities in the name of or on behalf of Watermaster (including, without limitation, by entering into contracts or agreeing to contract terms) without the express prior written consent of Watermaster in each individual instance, and will not attempt to do so or imply that it may do so. Contractor and its agents agree not to advertise, promote or represent to any third party that Contractor or its agents are agents of Watermaster. Contractor and its agents may represent only that the parties have an independent contractor relationship pursuant to which Contractor has accepted an opportunity to provide Contractor's customary services to Watermaster. Contractor and its agents will refrain from using Watermaster's name in any advertisement, promotion, business card, website, or similar manner without Watermaster's prior written consent. Contractor and its agents will not add to, delete from or modify any documentation or forms provided by Watermaster, except with the prior written consent of Watermaster.

9. **Indemnification.** Contractor agrees to indemnify, defend (with counsel selected by Watermaster) and hold harmless Watermaster and its affiliates, successors, agents, employees, contractors, insurers, officers and directors ("Watermaster Indemnified Parties") from and against any and all claims, demands, damages, costs, losses, taxes, penalties, assessments, judgments, interest payments, and expenses of whatever kind and nature, to the fullest extent permitted by law, including attorneys' fees and expert witness costs, directly or indirectly arising out of or resulting from or on account of: (i) any claim, demand, and/or determination that Watermaster is the employer (whether sole, joint and/or common law) of any agent provided by Contractor to perform the Services and any statutory or common law claims brought by Contractor's agents arising from or relating to the employment relationship or other affiliation or termination thereof, such as claims under the California Fair Employment and Housing Act, the California Family Rights Act, the California Government Code, the California Business and Professions Code, the California Paid Sick Leave Law and related local laws, and the California Labor Code, or similar federal statutes, all as amended, for discrimination, harassment, workers' compensation, unemployment or unpaid compensation or benefits; misclassification or failure to make withholdings or is otherwise liable for obligations owed by Contractor to its agents (including under California Labor Code section 2810.3 if and to the extent applicable); (ii) any claim, demand or charge based upon acts or omissions of Contractor or its agents in relation to the Services (including failure to maintain appropriate credentials or insurance); (iii) any claim for negligence or misconduct against any of Watermaster Indemnified Parties in connection with the engagement of Contractor and/or arising under or relating to this Agreement, including without limitation any unauthorized effort by Contractor or its agents to bind Watermaster with respect to third parties or the failure of Contractor or its agents to comply with their obligations under this Agreement; (iv) any claim for injury to or death of any person or for

damage to or destruction of property resulting from any act or omission of Contractor or its agents arising under or relating to this Agreement, including any motor vehicle accident; and, (v) any misappropriation, misuse or theft of Confidential Information, unfair competition, breach of contract (including breach of this Agreement), or other acts or omissions of Contractor or its agents that harm or damage (or threaten to harm or damage) any of Watermaster Indemnified Parties or their business, goodwill or reputation. Such obligations will not be construed to negate, abridge, or otherwise reduce other rights or obligations of indemnity that would otherwise exist as to a Watermaster Indemnified Party, and do not limit Watermaster's rights under any applicable law to seek additional relief. The indemnification obligations of Contractor under this Section will not be subject to any limitation on amount or type of damages, compensation or benefits payable by or for Watermaster under workers' compensation laws, unemployment statutes, disability or other employee benefit acts, any applicable insurance policy, or any other federal, state or local law or regulation.

10. **Limitation of Liability.** Watermaster will not be liable to Contractor or its agents for any incidental, indirect, special, consequential, punitive or reliance damages of any nature whatsoever, regardless of the foreseeability thereof (including, but not limited to, any claim for loss of services, lost profits or lost revenues) arising under or related to this Agreement, whether based on breach of contract, tort, breach of warranty, negligence or any other theory of liability in law or in equity. Contractor's remedy, if any, for any breach of this Agreement, will be solely in damages, and Contractor may look solely to Watermaster for recovery of such damages. Contractor waives and relinquishes any right Contractor may otherwise have to obtain injunctive or equitable relief against any third party with respect to any dispute arising under this Agreement. Notwithstanding anything to the contrary in this Agreement, Watermaster's entire liability, and Contractor's ability to recover damages, at law or in equity with respect to any and/or all claims, damages, losses, costs or causes of action arising from or related to this Agreement (other than any action for payment of the Services and invoices related thereto) may not exceed the aggregate dollar amount paid by Watermaster to Contractor under this Agreement.

11. **General Provisions.**

11.1 **Entire Agreement.** This Agreement, along with other documents incorporated herein, constitutes the entire agreement between Watermaster and Contractor relating to the subject matter hereof and supersedes all prior oral and written understandings, communications and agreements relating to such subject matter, whether verbal or written, implied or otherwise. In the event of a conflict between any provisions appearing in any other writing and in this Agreement, the provisions of this Agreement will be controlling. Unless otherwise agreed by the parties, all services performed by Contractor for Watermaster during the Term of this Agreement will be governed by this Agreement.

11.2 **Assignment.** This Agreement is not assignable by Contractor, and any purported transfer or assignment is void. This Agreement, or Watermaster's interest in this Agreement, may be assigned and transferred by Watermaster, temporarily or permanently, whether expressly, by operation of law or otherwise, and Contractor agrees to perform the Services for the benefit of any such assignee.

11.3 **Nonexclusive Nature of Agreement.** This Agreement does not grant Contractor and/or its agents an exclusive privilege or right to supply Services to

Watermaster. Other than as expressly set forth in this Agreement, Watermaster makes no representations or warranties as to a minimum or maximum procurement of Services. Nothing in this Agreement will be construed as limiting in any manner the ability of Contractor and/or its agents to procure other engagements consistent with their obligations to Watermaster hereunder, including the post-Term obligations.

11.4 Use of Name, Likeness and Biography. Watermaster will have the right (but not the obligation) to make public announcements concerning the affiliation of Contractor and its agents with Watermaster. Watermaster will have the right (but not the obligation) to use, publish and broadcast, and to authorize others to do so, the name, likeness and biographical material of Contractor and its agents to advertise, publicize and promote the business of Watermaster.

11.5 Amendments; Waiver. This Agreement may not be amended except by a writing executed by all of the parties hereto. No delay or omission by Watermaster in exercising any right under this Agreement will operate as a waiver of that or any other right. No waiver by either party of a right or remedy hereunder will be deemed to be a waiver of any other right or remedy or of any subsequent right or remedy of the same kind.

11.6 Provisions Subject to Applicable Law; Modification; Severability. All provisions of this Agreement will be applicable only to the extent that they do not violate any applicable law. If any term, provision, covenant, paragraph or condition of this Agreement is held to be invalid, illegal, or unenforceable by any court or arbitrator of competent jurisdiction, as to such jurisdiction that provision will be limited ("blue-penciled") to the minimum extent necessary so this Agreement will otherwise remain enforceable in full force and effect. To the extent such provision cannot be so modified, the offending provision will, as to such jurisdiction, be deemed severable from the remainder of this Agreement, and the remaining provisions of this Agreement will be construed to preserve to the maximum permissible extent the intent of the parties and the purpose of this Agreement.

11.7 Notices. All notices, demands, consents, waivers, and other communications under this Agreement will be deemed to have been duly given when (i) delivered by hand; (ii) when received by the addressee, if sent by registered mail (return receipt requested), a nationally recognized overnight delivery service (signature requested) or electronic mail, in each case to the addresses or mail addresses set forth below (or to such other addresses as either party may designate upon written notice):

If to Contractor:

Well Tec Services, Inc.
Attn: Larry Lawrence
P.O. Box 3375
Beaumont, CA 92223
Email: larry@welltecservices.com

If to Watermaster:

Chino Basin Watermaster
Attn: Anna Nelson
9641 San Bernardino Road
Rancho Cucamonga, California 91730
Email: atruongnelson@cbwm.org

With a copy (which will not constitute notice) to:

Brownstein Hyatt Farber Schreck, LLP
1021 Anacapa Street, 2nd Floor
Santa Barbara, California 93101
Attention: Scott Slater
Email: sslater@bhfs.com

11.8 Construction. The Section headings in this Agreement are for convenience and reference only, and the words contained therein in no way will be held to explain, modify, amplify or aid in the interpretation, construction, or meaning of the provisions of this Agreement. The word “including” will mean “including but not limited to.” The word “agents” includes employees, contractors, subcontractors, agents, owners and other representatives. Both parties participated in the drafting of this Agreement, and each had the opportunity to consult with counsel of their own choosing in connection therewith. The rule that ambiguities in an agreement will be construed against the drafter does not apply to this Agreement.

11.9 Force Majeure. Each party’s obligations hereunder will be suspended during the duration of events beyond that party’s reasonable control (including labor strikes, lockouts, enactment of laws or regulations, civil unrest, pandemics, diseases, measures implemented by any governmental authority, and acts of God), provided such party makes reasonable efforts to perform and resumes performance at the earliest opportunity. If Contractor suspends the Services for a period in excess of five (5) calendar/business days, Watermaster may elect to terminate this Agreement immediately thereafter by providing written notice thereof, notwithstanding anything to the contrary in this Agreement.

11.10 Governing Law; Venue; Fees. This Agreement is entered into and will be governed by and construed and enforced in accordance with the laws of the State of California. Any action brought to enforce any right or obligation under this Agreement will be subject to the exclusive jurisdiction of the courts of the State of California and will be brought in the Court maintaining jurisdiction over the case *Chino Basin Municipal Water District v. City of Chino*, San Bernardino Superior Court Case No. RCV RS 51010. The parties irrevocably consent to the exclusive jurisdiction of such court (and of the appropriate appellate courts therefrom) in any such action, suit or proceeding. The substantially prevailing party in any action related to this Agreement, including the breach or enforcement hereof, will be entitled to recover its costs and reasonable attorneys’ fees and expenses, including expert witness fees, to the fullest extent permitted by applicable law.

11.11 Legal and Equitable Remedies. Because Contractor’s services are personal and unique, and because Contractor and its agents will have access to and become acquainted with the Confidential Information (as defined above), Watermaster will

have the right to enforce this Agreement and any of its provisions by injunction, specific performance or other equitable relief, without bond or other security, without prejudice to any other rights and remedies that Watermaster may have for a breach of this Agreement, and Contractor and its agents waive the claim or defense that Watermaster has an adequate remedy at law.

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11.12 Authority; Counterparts. Each party represents and warrants that it has full power and authority to enter into this Agreement. This Agreement may be executed in separate counterparts, each of which will be deemed an original, and both of which taken together will constitute one and the same instrument. A facsimile, pdf, DocuSigned or emailed signature will have the same force and effect as an original signature.

ACKNOWLEDGED AND AGREED:

Well Tec Services, Inc.

Chino Basin Watermaster

By: *Larry Lawrence*
Larry Lawrence

By: _____
Edgar Tellez Foster, PhD

Its: Vice President of Operations

Its: Acting General Manager

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Attachment A
To
Water Meter Calibration Agreement

1. **Introduction.** The work under this Agreement will include the furnishing of all labor, equipment, apparatus, meter parts and incidentals necessary for in-line testing, in-line repair, and in-line calibration of water meters, and replacement of water meters that cannot be repaired. All work must be accomplished during normal working hours, Monday through Friday between the hours of 8:00am and 5:00pm.

2. **Testing.** Contractor shall test each meter to determine accuracy and general condition. If meter test conforms to accuracy standards of American Water Works Association ("AWWA") for repaired meters, no further work shall be performed. However, condition of the meter will not be warranted, since no inspection has been made of the working parts.

If the meter tests to accuracy standards of the AWWA, but Watermaster specifies that the meter is to be examined, a test, repair and calibration charge will be invoiced as an Extra Service.

If the initial meter test does not conform to accuracy standards of the AWWA for repaired meters, the meter shall be repaired and recalibrated. Any work not specifically mentioned which is needed to make the repair complete within the intent of this specification shall be performed. The cost of repair and calibration charge will be invoiced as an Extra Service. All meters shall be tested before and after repairs.

If a meter cannot be repaired, Contractor shall submit the specifications for a new comparable meter for Watermaster's approval. The cost of purchasing and installing the new meter shall be invoiced as an Extra Service.

3. **Reports.** Contractor shall provide a written report on each meter tested, repaired and replaced, including but not limited to the following: location, make, model, reading, meter number, size, accuracy of meter before and after repairs for high, intermediate and low flow, itemized list of parts used for repair, and description of valves, bypass and pit condition.

Contractor shall provide Watermaster with a water meter field test report (hard copy and electronic copy) noting all parts used, price of each part and total labor cost for water meter repaired. The charges for parts will be at the manufacturer's list price.

4. **Crew and Employees.** The size of each crew shall be that which is necessary to do the work efficiently and in a professional manner and with at least one certified technician. Watermaster will provide one person to assist and certify the work performed by Contractor complies with AWWA standards.

Contractor shall utilize only personnel experienced with water meter testing and repairs. Contractor shall be solely responsible for conducting the Services in a safe manner so as not to endanger any personnel, equipment, or structures. Any damages resulting from the Services operation shall be the responsibility of Contractor, and any equipment or structures damaged shall be restored to their original condition at Contractor's expense.

5. **Test Meter.** Contractor shall provide all necessary testing apparatus to accurately determine the amount of water discharged. The test meter shall be of a turbine type, specifically designed and manufactured by a meter company for field testing. The test meter shall be designed to test all types of meters and sizes. Contractor may be required to provide proof of the test meters' accuracy as well as success of method employed.
6. **Materials.** All parts provided by Contractor shall be manufactured new parts purchased from the meter company manufacturing the meter. No rebuilt parts will be accepted. All parts shall be supplied by Contractor. Charges for all materials and parts shall be at the manufacture's printed price list plus a normal markup not to exceed ten percent (10%).
7. **Inspection.** Watermaster reserves the right to inspect all work. If the work is found unsatisfactory or in conflict with the provisions set forth in these specifications, Watermaster may withhold payment for work completed until Contractor has made the necessary correction.
8. **Flow of Water.** Contractor shall provide a proper water course for the flow of water being expended during the testing of the water meter so as to minimize the inconvenience to property owners, roadways and pedestrian traffic.
9. **Warranty.** Each meter repaired or converted to current model design under this Agreement are warranted to be free from defects in material and workmanship for a period of one (1) year from the date of the certified test report.

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November 16, 2023

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

Attention: Alonso Jurado (ajurado@cbwm.org)

Reference: Chino Basin Watermaster Well Calibration Project

Dear Sir,
 We are pleased to offer our quotation:

A. Services

1. Analyze, plan and schedule, with Chino Basin Watermaster (CBW) personnel, calibration of 180 well (water source) sites.
2. Complete Ninety (90) onsite calibrations of existing flow meters of various manufacturers located within the Chino Basin.
3. Complete Sixty (60) offsite calibrations of existing flow meters of various manufacturers located within the Chino Basin. This scenario includes the exchange of flow meters at each site with a calibrated model of similar size and quality.
4. Complete Twenty (20) new flow meter installations, replacing existing flow meters found to be unserviceable. Each flow meter will be replaced with a comparable model and size found at each site,
5. Complete Ten (10) new flow meter installations where no flow meter existed or significant reconfiguration of well site is necessary.

Each meter calibration will be documented with a service report and a certified meter calibration report.

Year One Estimate:

Forty-five (45) Onsite meter calibrations	\$39,375
Thirty (30) Offsite meter calibrations (pull existing, replace with calibrated meter)	\$30,750
Ten (10) New meter installations (no well site modifications)	\$55,000
Five (5) New Meter installations (well site has to be modified)	\$43,750

Year One Total: \$168,875

Year Two Estimate:

Forty-five (45) Onsite meter calibrations	\$39,375
Thirty (30) Offsite meter calibrations (pull existing, replace with calibrated meter)	\$30,750
Ten (10) New meter installations (no well site modifications)	\$55,000
Five (5) New Meter installations (well site has to be modified)	\$43,750

Year Two Total: \$168,875

Project Total: \$337,750

INVOICES. Invoices will be submitted once a month with payment due within 30 days of the invoice date. A late charge at the rate of 1½% per month, or the highest rate allowed by applicable law, whichever is lowest, will be added to all amounts outstanding after said 30 days. Purchaser agrees to pay any and all attorneys' fees and court costs should attorneys be utilized or court proceedings initiated to collect any past due amounts.

CHANGED CONDITIONS. The discovery of any hazardous waste, substance, pollutant, contaminant, underground obstruction, condition or utilities on or under the job site which were not brought to the attention of Well Tec Inc. prior to the date of this Work Order will constitute a materially different site condition entitling Well Tec Inc, at its option, to terminate this Work Order (and to receive payment for all work performed up to and including the date of such termination) or to receive an equitable adjustment in the contract price and time for performance. Well Tec Inc., however, shall only have the right to terminate if such different site condition(s) creates additional health and safety risks or requires Well Tec Inc to perform work outside the original scope or beyond its capabilities. In any event, Well Tec Inc. may terminate operations on a site, which it believes presents an unreasonable health or safety risk.

HEALTH AND SAFETY. If Purchaser is to provide health and safety compliance monitoring, such monitoring shall be done at mutually agreed intervals. The monitoring is to be documented and Well Tec Services Inc. ("Well Tec") will be provided with copies of the documentation upon request. If Well Tec Inc. employees observe that the monitoring is not being performed in strict compliance with the site-specific health and safety plan, applicable federal, state or local laws and/or any other agreement between Purchaser and Well Tec Inc., then Well Tec Inc. may cease operations and go on standby until monitoring is resumed. Well Tec Inc. shall be entitled to an equitable adjustment in its time for performance and to payment at its standby rate for any such standby time. In no event will this paragraph relieve Purchaser of its duties and responsibilities to perform all health and safety compliance monitoring required by law or this Work Order.

INFORMATION. It is recognized that Purchaser has superior knowledge of the job site, site history, access routes to the job site, known or suspected contaminants, surface and subsurface conditions, etc., and Purchaser is obligated to advise Well Tec Inc. of all or any conditions that may affect Well Tec's performance hereunder. Purchaser agrees to provide Well Tec Inc. with such specifications, plans, site history information, reports, studies or other information on surface and subsurface conditions as will be reasonably required by Well Tec Inc. for safe, proper and timely performance of the work. Purchaser shall obtain all necessary permits and rights-of-way and indemnify and hold Well Tec Inc. harmless for its failure to do so and for claims of trespass or damage to property, including underground utilities or structures, which arise out of performance of the work.

PERFORMANCE. Well Tec Inc. will exercise reasonable skill and judgment in performing the work. EXCEPT AS EXPRESSLY PROVIDED HEREIN, NO OTHER WARRANTIES (EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE) ARE GIVEN HEREUNDER. Well Tec Inc. does not warrant any specific results of any kind.

LIABILITY. *Neither party shall be liable to the other party for any special, indirect, incidental or consequential damages, whether based on contract, tort (including negligence), and strict liability or otherwise. Further, Purchaser agrees to indemnify and hold Well Tec Inc. harmless from and against any and all claims, demand, cases of action (including third party claims for contribution or indemnification), liability and costs (including attorneys' fees and other costs of defense) which result from (i) any release or threatened release of any substance (whether hazardous or not); (ii) any claim that Well Tec Inc. or any of its subcontractors was a "generator" or "transporter" of hazardous waste or an "operator" of the job site (as such terms are used or defined under local, state or federal laws or regulations); or (iii) any negligent or wrongful act or omission of Purchaser or others under Purchaser's control, except that this indemnification shall not apply to the extent any demand or cause of action results from Well Tec Inc. negligence or intentional misconduct.*

POLLUTION CLAIMS. *Well Tec's total liability to Purchaser resulting from any release or threatened release of any hazardous waste, substance, pollutant or contaminant, whether or not directly or indirectly generated from Well Tec's performance of the work hereunder (including any injury to persons or property or death resulting there from), shall not exceed the amount due Well Tec Inc. for services rendered hereunder. This limitation applies to all liabilities, including indemnification liabilities, whether based on contract, tort (including negligence), and strict liability or otherwise. This limitation of liability does not in any way limit or affect Purchaser's obligations to indemnify and hold Well Tec Inc. harmless. This limitation of liability shall not apply to the extent it is held that the loss or damage arose from Well Tec's gross negligence or intentional misconduct. In addition, Purchaser agrees to limit Well Tec's liability to the same extent that Purchaser's liability is limited pursuant to its contract with its client (if one exists).*

DISPOSAL. Well Tec Inc. is not, and has no authority to act as, a handler, generator, operator, treater, storer, transporter or disposer of hazardous waste, substances, pollutants or contaminants found or identified at the site. Well Tec Inc. shall have no responsibility for the transportation, storage, treatment or disposition of contaminated or potentially contaminated waste materials of any kind that are directly or

indirectly generated from Well Tec's performance of the work hereunder. Purchaser or its client shall be responsible for the disposal of any such waste materials.

DELAYS. Well Tec Inc. shall have no liability to Purchaser, or its clients, contractors or consultants for delays attributable to acts of God, acts of third parties, weather which is not reasonably anticipatable, intervention of public authorities, inability to obtain permits necessary to perform the work, work stoppages, changes in applicable laws or regulations after the date of commencement of performance hereunder, and any other conditions or events which are beyond the reasonable control of Well Tec Inc. shall be entitled to additional time to perform this Work Order equal to the time or any such delay.

MISCELLANEOUS. The terms and conditions set forth in this Work Order constitute the entire understanding of the parties relating to the work. All previous proposals, offers, and other communications relative to the work, oral or written, are hereby superseded. Any additional or conflicting provision(s) contained in any purchase order, acknowledgment, or other form of the Purchaser is hereby expressly objected to by Well Tec Inc. and shall not modify this Work Order.

INTERPRETATION. This Work Order shall be governed and construed in accordance with the laws of the state of the job site location. If any term, provision or condition contained herein shall, to any extent, be invalid or unenforceable, pursuant to state law or otherwise, the remainder of the terms, provisions, or conditions stated in this Work Order (or the application of such term, provision, or condition to persons or circumstances other than those in respect of which it is invalid or unenforceable) shall not be affected, and each term, provision and condition of the Work Order shall be valid and enforceable to the fullest extent permitted by law.

Special Conditions:

1. Payments terms on execution of contract- 50% for special order items,- work order due when services are completed.
2. Well Tec Services Inc. does not guarantee a specific amount of water or water quality in any way or form, we use information on wells that are nearby that may not produce the same quantities or qualities.

If you should require further information please contact our office. Thank you for choosing Well Tec Water Well & Pump Service, a full service pump, electrical and water well company.

Work Order

The undersigned Purchaser hereby instructs Well Tec Services to proceed with the work described with the understanding that the Terms and Conditions shown on the above are hereby incorporated as part of this work order. The Purchaser further understands that all Quotes or Estimates, if any, are based on the best information available prior to beginning work. As the scope, conditions or estimated quantities change, revised quotations or estimates will not be issued unless requested. All prices are subjected to Federal, State and local sales and use taxes.

Job site location: Chino Groundwater Basin

Services per project Estimate: 111623LALR2

Purchaser	Well Tec Services
By: _____	By: <u>Mike Rentz</u>
Title: _____	Title: <u>President</u>
Date: _____	Date: <u>November 16, 2023</u>