WALNUT VALLEY WATER DISTRICT

271 South Brea Canyon Road • Walnut, CA 91789-3002 (909) 595-7554 • (626) 964-6551 www.wvwd.com • Fax: (909) 444-5521



REGULAR BOARD MEETING MONDAY, DECEMBER 12, 2022 5:00 P.M.

Pursuant to the provisions of Government Code Section 54953(e), as amended by AB 361, any Board member and any member of the public who desires to participate in the open session items of this meeting may do so by accessing the Webex link below without otherwise complying with the Brown Act's teleconference requirements:

https://walnutvalley.webex.com/meet/bmeeting

(Computer and Telephone Audio Accessible)

Any member of the public wishing to make any comments to the Board may do so by accessing the above-referenced link where they may select the option to join via webcam or teleconference. The meeting Chair will acknowledge such individual(s) at the appropriate time in the meeting prior to making his or her comment. Members of the public will be disconnected from the meeting prior to the Closed Session.

Each item on the agenda shall be deemed to include any appropriate motion, resolution, or ordinance, to take action on any item.

Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review during regular business hours at the District office, located at: 271 S. Brea Canyon Road, Walnut, CA.

1.	Flag Salute
2.	Roll Call: Dr. Hayakawa Mr. Hilden Ms. Kwong Ms. Lee Mr. Tang
3.	Public Comment President Tang
	The Presiding Officer of the Board of Directors may impose reasonable limitations on public comments to assure an orderly and timely meeting.

- A. **Agenda Items -** Any person desiring to address the Board of Directors on any Agenda item may do so at the time the item is considered on the Agenda by requesting the privilege of doing so at this time and stating the Agenda item to be addressed. At the time the item is discussed, those requesting to speak will be called to do so.
- B. **Non-Agenda Items -** At this time, the public shall have an opportunity to comment on any non-agenda item relevant to the jurisdiction of the District. Reasonable time limits on each topic and on each speaker are imposed in accordance with Board policy.

4. Agenda Changes/Addition

President Tang

In accordance with Section 54954.2 of the Government Code, additions to the agenda require a two-thirds vote of the legislative body, or if less than two-thirds of the members are present, a unanimous vote of those members present. It shall be determined that there is a need to take immediate action and that the need for action came to the attention of the local agency after the posting of the agenda.

A. Discussion

B. Action Taken

5. Reorder of Agenda

President Tang

A. Discussion

B. Action Taken

6. Consider Approval of Consent Calendar (Items A-E)

Consent Calendar Notice:

The items listed under the Consent Calendar are considered routine business and will be voted on together by one motion unless a Board Member, staff member, or member of the public requests separate action.

- A. Minutes of the Regular Board Meeting held November 14, 2022
- B. Minutes of the Special Board Meeting held November 17, 2022
- C. Check Register
- D. Employee Expense Reimbursement Report
- E. Community Outreach Update (Information Only)
- 7. Consider Approval of Director Expense Reports

Provided are Expense Reports disclosing per diem requests for Director meeting attendance and an itemization of expenses incurred by the District on behalf of each Director.

(1) Discussion

(2) Action Taken

- 8. Treasurer's Report
 - A. Financial Dashboard as of October 31, 2022
 - B. District Statement of Revenues, Expenses, and Change in Net Positions as of October 31,2022
 - C. District Statement of Net Positions as of October 31, 2022
 - D. Summary of Cash and Investments as of October 31, 2022
 - (1) Discussion (2) Action Taken

COMMITTEE REPORTS

Standing Committee Reports (The Chair of each committee that has met will report to the full Board)

9. Engineering and Special Projects

Director Hayakawa

- A. Emergency Booster Pump Station
 - (1) Discussion

- (2) Action Taken
- B. Operations Report (Information Only)
- 10. Personnel Committee

Director Kwong

There are no items to come before the Board at this time

15. Puente Basin Water Agency

Director Lee

16. Spadra Basin Groundwater Sustainability Agency

Director Tang

Mr. Hitchman

- 17. General Manager's Report
 - A. District Activities Calendars for January, February, March 2023
 - B. ACWA/JPIA Leadership Essentials for Water Industry Program Graduates; Sherry Shaw and Joshua Byerrum
 - C. ACWA/JPIA President's Special Recognition Award
 - D. ACWA/JPIA H.R. LaBounty Safety Awards Program, Award Certificates and Checks for: Nick Nazaroff, Alex Cabrera, David Lias, and Carmen Fleming
 - E. Other Items
- 18. Water Supply and Conservation

Mr. Hitchman

- A. District Water Supply and Conservation Update
- B. Statewide Water Supply Conditions
- 19. Directors' Oral Reports

All Directors

- 20. Legal Reports Mr. Ciampa
 - Report on matters of interest or affecting the District
- 21. Board members and staff will be given an opportunity to request and suggest subjects for discussion at a future meeting

22. Board of Directors Business

President Tang

A. Proposed Amendment to General Manager's Employment Contract

(1) Discussion

(2) Action Taken

B. Proposed 2023 Board and Workshop Meeting Dates

(1) Discussion

(2) Action Taken

C. Dr. Hayakawa's Resignation

(1) Discussion

(2) Action Taken

D. Consideration of Annual Board Reorganization / Appointments of Officers / Committee Selections for Calendar Year 2023

(1) Discussion

(2) Action Taken

E. Consider Adoption of Subsequent Resolution No. 12-22-715 Authorizing Remote Teleconference Meetings for the Period December 12, 2022 to January 12, 2023

(1) Discussion

(2) Action Taken

F. 2023 Key Conferences/Events (Information Only)

Adjournment

Pursuant to the Americans with Disabilities Act, persons with a disability who require a disability-related modification or accommodation to participate in a meeting may request such modification or accommodation from the District's General Manager's Office at (909) 595-1268 Ext. 201. Notification forty-eight (48) hours prior to the meeting will enable District staff to make reasonable arrangements to assure accessibility to the meeting.

I, Lucie Cazares, CMC, Walnut Valley Water District, do hereby certify, under penalty of perjury under the laws of the State of California that a full and correct copy of this agenda was posted pursuant to Government Code Section 54950 et. seq., at 271 S. Brea Canyon Road, Walnut, CA., and uploaded to the Walnut Valley Water District website www.wvwd.com/board-meetings.

MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF WALNUT VALLEY WATER DISTRICT

November 14, 2022 MEETING CONDUCTED VIA WEBEX AT:

https://walnutvalley.webex.com/meet/bmeeting

DIRECTORS PRESENT: STAFF PRESENT:

Kevin Hayakawa Erik Hitchman, General Manager/Chief Engineer
Theresa Lee Jared Macias, Assistant General Manager
Jerry Tang Josh Byerrum, Director of Finance
Edwin Hilden Lily Lopez, Director of External Affairs
Scarlett Kwong Thomas Monk, Director of Operations

Sherry Shaw, Director of Engineering & Planning
DIRECTORS ABSENT: Alanna Diaz, Director of Administrative Services

None Lucie Cazares, Executive Secretary

Alexandra Cortez, Administrative Assistant

Jim Ciampa, Legal Counsel

Ron Woodruff, Information Systems Manager (Host)

The meeting was called to order at 5:00 p.m. with President Tang presiding. All Board meeting participants and guests joined the meeting via the Webex link: https://walnutvalley.webex.com/meet/bmeeting.

Guests and others in attendance: Three Valleys Municipal Water District (TVMWD) Directors Mike Ti, Jody Roberto, and General Manager Matt Litchfield. Also, in attendance was Mr. Jayson Schmitt of Chandler Asset Management.

Item 3: Public Comment

♦ There was no public comment. (Item 3)

Item 4: Additions to the Agenda

◆ There were no requests for additions to the agenda. (Item 4)

Item 5: Reorder of the Agenda

♦ There were no requests for reorder of the agenda. (Item 5)

<u>Item 6: Review of District Investment Activities by Mr. Jayson Schmitt, Representative of Chandler Asset Management</u>

 Mr. Jayson Schmitt of Chandler Asset Management presented an update on the firm's investment activities on behalf of the District. The Board was then asked to receive and file the investment report. (Item 6)

Motion No. 22-11-1856: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Lee, and unanimously carried (5-0) by the roll call vote noted below, to receive and file the District's investment report for the period ending October 31, 2022. (Item 6)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang

Noes: None Absent: None Abstain: None

President Tang indicated Motion No. 22-11-1856 was approved by a (5-0) roll call vote

Item 7: Consider Approval of Consent Calendar

◆ The Board was asked to approve the Consent Calendar, consisting of the minutes of the Regular Board meeting held October 17, 2022, the minutes of the Special Board meeting held October 20, 2022, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 7 – A, B, C, D, E)

Motion No. 22-11-1857: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Hilden, and unanimously carried (5-0) by the roll call vote noted below, to approve the Consent Calendar, consisting of the minutes of the Regular Board meeting held October 17, 2022, the minutes of the Special Board meeting held October 20, 2022, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 7 – A, B, C, D, E)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang

Noes: None Absent: None Abstain: None

President Tang indicated Motion No. 22-11-1857 was approved by a (5-0) roll call vote

Item 8: Director Expense Reports

♦ The Board was asked to receive, approve, and file the Board member expense reports indicating per diem requests for meeting attendance and individual reports of additional expenses incurred by the District on behalf of each Director for events occurring during the month of October 2022. (Item 8)

Motion No. 22-11-1858: Upon consideration thereof, it was moved by Director Hayakawa, seconded by Director Hilden, and unanimously carried (5-0) by the roll call vote noted below, to receive, approve, and file the Board member expense reports for meeting attendance and additional expenses incurred by the District on behalf of each Director for events occurring during the month of October 2022. (Item 8)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang

Noes: None Absent: None Abstain: None

President Tang indicated Motion No. 22-11-1858 was approved by a (5-0) roll call vote

Item 9: Treasurer's Reports

Mr. Byerrum presented the Financial Dashboard as of September 30, 2022, the District Statement of Revenue, Expenses, and Change in Net Position as of September 30, 2022, the District Statement of Net Position as of September 30, 2022, and Summary of Cash and Investments as of September 30, 2022. (Items 9-A, B, C, D)

Motion No. 22-11-1859: Upon consideration thereof, it was moved by Director Lee, seconded by Director Hilden, and unanimously carried (5-0) by the roll call vote noted below, to receive, approve, and file the Financial Dashboard as of September 30, 2022, the District Statement of Revenue, Expenses, and Change in Net Position as of September 30, 2022, the District Statement of Net Position as of September 30, 2022, and Summary of Cash and Investments as of September 30, 2022. (Items 9-A, B, C, D)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang

Noes: None Absent: None Abstain: None

President Tang indicated Motion No. 22-11-1859, approved by a (5-0) roll call vote

Committee Chair Reports

Item 10: Engineering Committee - Director Hayakawa

◆ The Board was asked to accept the work as installed for the IBC Recycled Water Reservoir (P.N. 14-3373RES) and to authorize the filing of Notice of Completion for the subject project. (Item 10-A)

Motion No. 22-11-1860: Upon consideration thereof, it was moved by Director Hayakawa, seconded by Director Hilden, and unanimously carried (5-0) by the roll call vote noted below, to accept the work as installed for the IBC Recycled Water Reservoir (P.N. 14-3373RES) and to authorize the filing of Notice of Completion for the subject project. (Item 10-A)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang

Noes: None Absent: None Abstain: None

President Tang indicated Motion No. 22-11-1860, approved by a (5-0) roll call vote

♦ Mr. Monk reviewed the Operations Report included in the Board Packet. No action was taken by the Board. (Item 10-B)

<u>Item 11: Personnel Committee – Director Kwong</u>

 There were no Personnel Committee matters to come before the Board at this time. (Item 11)

<u>Item 12: Finance Committee – Director Lee</u>

◆ The Board was asked to approve staff's recommendation for FY 2021-22 Source and Application of Funds, to transfer the following from the District's general account: \$178,600 to the Operating Reserve; \$250,000 to the Capital Improvement Reserve; \$5,573,379 to the Reserve for Replacement; \$254,100 to the Stored Water Reserve; \$750,000 to the Employees Liabilities Reserve related to the Employer OPEB liability and authorize the transfer of these funds to the OPEB Trust; \$1,102,200 to the PERS Unfunded fund. (Item 12-A)

Motion No. 22-11-1861: Upon consideration thereof, it was moved by Director Lee, seconded by Director Tang, and unanimously carried (5-0) by the roll call vote noted below, to approve staff's recommendation for the FY 2021-22 Source and Application of Funds, to transfer the following from the District's general account: \$178,600 to the Operating Reserve; \$250,000 to the Capital Improvement Reserve; \$5,573,379 to the Reserve for Replacement; \$254,100 to the Stored Water Reserve; \$750,000 to the Employees Liabilities Reserve related to the Employer OPEB liability and authorize the transfer of these funds to the OPEB Trust; \$1,102,200 to the PERS Unfunded fund. (Item 12-A)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang

Noes: None Absent: None Abstain: None

President Tang indicated Motion No. 22-11-1861, approved by a (5-0) roll call vote

◆ The Board was asked to review the District's Cash Reserve Policy and then to receive, approve, and file that policy, as amended. (Item 12-B)

Motion No. 22-11-1862: Upon consideration thereof, it was moved by Director Lee, seconded by Director Hayakawa, and unanimously carried (5-0) by the roll call vote noted below, to receive, approve, and file the District's Cash Reserve Policy, as amended. (Item 12-B)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang

Noes: None Absent: None Abstain: None

President Tang indicated Motion No. 22-11-1862, approved by a (5-0) roll call vote

♦ The Board was asked to approve adjustments to the District's Wholesale Potable Water Rates, effective January 1, 2023. (Item 12-C)

Motion No. 22-11-1863: Upon consideration thereof, it was moved by Director Lee, seconded by Director Hayakawa, and unanimously carried (5-0) by the roll call vote noted below, to approve adjustments to the District's Wholesale Potable Water Rates, effective January 1, 2023, as follows:

Suburban Water Systems (Badillo Grand Line)

- a. Monthly Base Rate \$12,469
- b. Commodity Rate Tier I \$1,226 Tier II \$1,435

Golden State Water Company (Grand Avenue Connection)

- a. Monthly Base Rate \$1,554
- b. Commodity Rate Tier I \$1,357 Tier II \$1,566

(Item 12-C)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang

Noes: None Absent: None Abstain: None

President Tang indicated Motion No. 22-11-1863, approved by a (5-0) roll call vote

♦ The Board was asked to receive, approve, and file the District's Consolidated Investment Transactions Report month ending October 31, 2022. (Item 12-D)

<u>Motion No. 22-11-1864:</u> Upon consideration thereof, it was moved by Director Lee, seconded by Director Tang, and unanimously carried (5-0) by the roll call vote noted below, to receive and file the District's Consolidated Investment Transactions Report for the month ending October 31, 2022. (Item 12-D)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang

Noes: None Absent: None Abstain: None

President Tang indicated Motion No. 22-11-1864, approved by a (5-0) roll call vote

 ◆ As a matter of information only, the Board received a Revenue Bond Funds Held in Trust report. (Item 12-E)

<u>Item 13: Public Information/Community Relations/Legislative Action Committee – Director Tang</u>

◆ There were no Public Information/ Community Relations/ Legislative Action Committee matters to come before the Board at this time. (Item 13)

Item 14: TVMWD/MWD

 Updates on TVMWD and MWD business matters were provided by TVMWD General Manager Matt Litchfield. (Item 14)

Item 15: The P-W-R Joint Water Line Commission

◆ Mr. Monk indicated that the report for October 2022 will be presented at the December Board meeting. (Item 15)

Item 16: Puente Basin Water Agency (PBWA)

♦ Director Lee reported no meeting occurred for the Puente Basin Water Agency. (Item 16)

Item 17: Spadra Basin Groundwater Sustainability Agency

◆ Director Tang reported on the November 7, 2022, Spadra Basin GSA Advisory Committee meeting. (Item 17)

Item 18: General Manager's Report

◆ The Board received the District's activities calendars for December 2022, and January and February 2023. (Item 18-A)

Item 19: Water Supply and Conservation

- ♦ The Board received reports and graphs of the following items: District potable and recycled water use, Calendar Year 2022 purchased water estimate, conservation goal summary, climate summary, and 2022 monthly water consumption versus the 2013 and 2020 baseline years. The report noted that the District's water usage for October 2022 was 18% lower than usage in October 2020 and 27% lower than usage in October 2013. (Item 19-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of November 6, 2022. (Item 19-B)

Item 20: Directors' Oral Reports

(NOTE: Board meeting minutes provide written reports of Board meeting activities and committee meeting reports are given during the course of regular Board meeting activities. Directors include reports of their participation in non-expense/per diem paid community events as a matter of information.) (Item 20)

- Director Hayakawa reported that during the month of October he attended the District's regular and special Board meetings, all District committee meetings, both of TVMWD's Regular Board meetings, the Walnut Family Festival, and the Buckboard Days Parade.
- ◆ Director Hilden reported that during the month of October he attended the District's Regular and Special Board Meetings, Public Information Committee Meeting, Finance Committee Meeting, Personnel Committee Meeting, both of TVMWD's Regular Board Meetings, the Diamond Bar Women's Club Casino Night, TVMWD's Leadership Breakfast, P-W-R Committee Meeting, Coffee with Director Kwong, a Firescaping Workshop, and the District Employee BBQ. He also attended the Diamond Bar State of the City, Red Ribbon Event at Diamond Bar High School, and a celebration for Walnut Council Member Bob Pacheco's Retirement.
- Director Kwong report the following for the month of October events/meetings: PBWA Commission Meeting, Walnut Family Festival, RCCSGV Meeting, Personnel Committee, PWR JWL Commission Meeting, Rowland Heights Buckboard Parade and Festival, District's Board Meeting, Diamond Bar State of the City, and District's Special Board workshop.
- Director Lee reported on her participation in the District's Regular and Special Board Meetings, Finance Committee Meeting, Engineering Committee Meeting, Rowland Heights Woman's Club, PBWA Board Meeting, Walnut Family Festival, TVMWD Leadership Breakfast, Rowland Heights Buckboard Days Parade, District's Employee Appreciation BBQ, Diamond Bar State of the City, and DBCEA Halloween Spooktacular Party
- Director Tang advised that he attended the District's Regular and Special Board Meetings in addition to participating in all District Committee Meetings, Diamond Bar Women's Club Fundraising Event, Walnut Family Festival, Coffee with a Board Member, a Firescaping Workshop, and Walnut City Council Meeting,

Item 21: Legal Reports

Mr. Ciampa did not have a report. (Item 21)

Item 22: Items for Future Discussion

 Director Lee requested a Special Workshop Meeting in January 2023 for a progress update on the meter conversion project. (Item 22)

Item 23: Board of Directors Business

◆ The Board was asked to adopt WVWD Resolution No. 11-22-712, authorizing remote teleconference meetings for the period November 14, 2022 to December 14, 2022. (Item 23-A)

Motion No. 22-11-1865: Upon consideration thereof, it was moved by Director Lee, seconded by Director Kwong, and carried (5-0) by the roll call vote noted below, to adopt WVWD Resolution No. 11-22-712 authorizing remote teleconference meetings for the period November 14, 2022 to December 14, 2022. (Item 23-A)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang

Noes: None Absent: None Abstain: None

President Tang indicated Motion No. 22-11-1865, adopting Resolution No. 11-22-712, was approved by a (5-0) roll call vote

- ◆ The Board received notice of the ACWA's General Session Membership Meeting to be held on November 30, 2022. As Director Kwong and Director Tang are attending the meeting, Director Kwong will be the Delegate, and Director Tang will be the Alternate. (23-B)
- ◆ As a matter of information only, the Board received a Statement of Proceedings from the L.A. County Board of Supervisors. (23-C)

Adjourn to Closed Session- 6:11 P.M.

Item 24: Closed Session

◆ The Board met in closed session in accordance with Government Code (§54957) to conduct the annual performance evaluation for the General Manager. (Item 24)

<u>Item 25: Reconvene in Open Session/ Report of Action Taken in Closed Session - 6:31</u> P.M.

- ♦ The Board met in closed session in accordance with Government Code (§54957) to conduct a performance evaluation for the General Manager. That evaluation occurred, and no reportable action under the Brown Act was taken on this item. (Item 25-A)
- ◆ Following discussion of the General Manager's overall performance, the Board was asked to consider at its discretion a salary or compensation adjustment to be effective January 1, 2023. Ms. Diaz noted that the General Manager's contract allows him to join the other District employees with the Cost of Living Adjustments (COLA) previously approved, and any further salary adjustment in the Board's discretion. (Item 25-B)

<u>Motion No. 22-11-1866:</u> Upon consideration thereof, it was moved by Director Lee, seconded by Director Hilden, and carried (4-1) by the roll call vote noted below, to approve a 3% merit increase for the General Manager, along with the Cost of Living Adjustment given to all other District employees stipulated in the Terms and Conditions of Employment effective January 1, 2023 (Item 25-B)

Ayes: Hayakawa, Hilden, Lee, Tang

Noes: Kwong Absent: None Abstain: None

President Tang indicated Motion No. 22-11-1866, approved by a (4-1) roll call vote

Adjournment at 6:52 p.m.

MINUTES OF SPECIAL MEETING OF THE BOARD OF DIRECTORS OF WALNUT VALLEY WATER DISTRICT

November 17, 2022 MEETING CONDUCTED VIA WEBEX AT:

https://walnutvalley.webex.com/meet/bmeeting

DIRECTORS PRESENT: STAFF PRESENT:

Kevin Hayakawa Erik Hitchman, General Manager/Chief Engineer
Edwin Hilden Jared Macias, Assistant General Manager
Scarlett Kwong Josh Byerrum, Director of Finance (Host)
Jerry Tang Lily Lopez, Director of External Affairs
Thomas Monk, Director of Operations

Sherry Shaw, Director of Engineering & Planning

DIRECTORS ABSENT:Lucie Cazares, Executive Secretary
None
Alexandra Cortez, Administrative Assistant

Jim Ciampa, Legal Counsel

The meeting was called to order at 4:00 p.m. with President Tang presiding. All Board meeting participants and guests joined the meeting via the Webex link: https://walnutvalley.webex.com/meet/bmeeting.

Guests and others in attendance: None

Item 3: Public Comment

♦ There was no public comment. (Item 3)

<u>Item 4: Consider Presenting a District Resolution to Diamond Bar City Council Member, Nancy Lyons</u>

◆ The Board was asked to adopt WVWD Resolution No. 11-22-713, a resolution honoring Diamond Bar City Council Member, Nancy Lyons, on the occasion of her retirement from public service. (Item 4)

Motion No. 22-10-1867: Upon consideration thereof, it was moved by Director Hilden seconded by Doctor Hayakawa and carried (4-0-1) by the roll call vote noted below with Director Lee abstaining, to adopt WVWD Resolution No. 11-22-713, a resolution honoring Diamond Bar City Council Member, Nancy Lyons, on the occasion of her retirement from public service. (Item 4)

Ayes: Hayakawa, Hilden, Kwong, Tang

Noes: None Absent: None Abstain: Lee

President Tang indicated Motion No. 22-11-1867, adopting Resolution No. 11-22-713, was approved by a (4-0) roll call vote, with Director Lee abstaining

<u>Item 5: Consider Presenting a District Resolution to Three Valley Municipal Water District Director, Brian Bowcock</u>

 The Board was asked to adopt WVWD Resolution No. 11-22-714, a resolution honoring Brian Bowcock on his 20 years of dedicated service to Three Valleys Municipal Water District. (Item 5)

Motion No. 22-10-1868: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Lee, and unanimously carried (5-0) by the roll call vote noted below, to adopt WVWD Resolution No. 11-22-714, a resolution honoring Brian Bowcock on his 20 years of dedicated service to Three Valleys Municipal Water District. (Item 5)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang

Noes: None Absent: None Abstain: None

President Tang indicated Motion No. 22-10-1868, adopting Resolution No. 11-22-714, was approved by a (5-0) roll call vote

Item 6: Other

 Mr. Hitchman reported that the District will be purchasing 1250-acre feet of water from MWD/TVMWD through the Reverse Cyclic Storage Program that will be put it in the Six Basins. (Item 6)

Adjournment at 4:16 p.m.

CHECK NUMBER	DATE	PAYEE	AMOUNT
7180	7/21/2022	Hayakawa, Kevin - VOIDED	\$ (238.96
7576	10/21/2022	Coastline Equipment - VOIDED	\$ (46,163.74
7632	11/4/2022	ACWA	\$ 24,655.00
7633	11/4/2022	Airgas USA, LLC	\$ 305.13
7634	11/4/2022	Badger Meter, Inc.	\$ 107,666.85
7635	11/4/2022	City of Walnut	\$ 840.00
7636	11/4/2022	Geiger West Monrovia	\$ 2,004.64
7637	11/4/2022	Industrial Shoeworks	\$ 200.00
7638	11/4/2022	McMaster-Carr Supply Company	\$ 153.78
7639	11/4/2022	Underground Service Alert	\$ 503.50
7640	11/4/2022	Ewing Irrigation Products Inc.	\$ 824.74
7641	11/4/2022	Dunn Edwards Corporation	\$ 1,412.53
7642	11/4/2022	Armorcast Products Company	\$ 13,436.96
7643	11/4/2022	InfoSend, Inc.	\$ 15,836.73
7644	11/4/2022	Applied Technology Group, Inc.	\$ 483.60
7645	11/4/2022	Ferguson Waterworks - Santa Ana	\$ 11,075.35
7646	11/4/2022	Sheakley Pension Administration, Inc.	\$ 156.15
7647	11/4/2022	Western Exterminator Company	\$ 88.00
7648	11/4/2022	DLT Solutions, LLC	\$ 3,913.80
7649	11/4/2022	State Water Resources Ctrl Bd - Cert Rnw	\$ 80.00
7650	11/4/2022	Veritiv Operating Company	\$ 1,561.39
7651	11/4/2022	Echologics, LLC	\$ 772.50
7652	11/4/2022	ConvergeOne, Inc.	\$ 55,597.82
7653	11/4/2022	Holliday Rock Co. Inc.	\$ 1,178.79
7654	11/4/2022	Premier Family Medicine Associates, Inc.	\$ 647.00
7655	11/4/2022	HASA, Inc.	\$ 2,389.74
7656	11/4/2022	Diaz, Alanna	\$ 193.53
7657	11/4/2022	Global Environmental Network, Inc.	\$ 2,903.09
7658	11/4/2022	lland Internet Solutions Corp	\$ 316.93
7659	11/4/2022	Paper Recycling & Shredding Specialists, Inc.	\$ 100.00
7660	11/4/2022	Interstate Battery System of Inland Valley	\$ 481.62
7661	11/4/2022	Thermal Concepts, Inc.	\$ 1,666.25
7662	11/4/2022	Day & Nite Publishing	\$ 394.20
7663	11/4/2022	Backgrounds Online	\$ 135.53
7664	11/4/2022	Elite Signs and Graphics	\$ 5,849.57
7665	11/4/2022	Concord Utility Services	\$ 16,835.00

CHECK NUMBER	DATE	PAYEE	AMOUNT
7666	11/14/2022	ACWA Services Corporation	\$ 135,967.9
7667	11/14/2022	Azteca Landscape	\$ 14,250.00
7668	11/14/2022	McMaster-Carr Supply Company	\$ 267.65
7669	11/14/2022	Underground Service Alert	\$ 412.50
7670	11/14/2022	Cintas Corporation #150	\$ 373.70
7671	11/14/2022	Rowland Water District	\$ 452.40
7672	11/14/2022	Chandler Asset Management, Inc.	\$ 2,931.54
7673	11/14/2022	Applied Technology Group, Inc.	\$ 612.00
7674	11/14/2022	The Bank of New York Mellon	\$ 300.00
7675	11/14/2022	State Water Resources Ctrl Bd - Cert Rnw	\$ 80.00
7676	11/14/2022	Frontier Communications	\$ 366.68
7677	11/14/2022	Everbrite West LLC	\$ 316.91
7678	11/14/2022	TelePacific Corp.	\$ 952.99
7679	11/14/2022	ConvergeOne, Inc.	\$ 1,080.46
7680	11/14/2022	HASA, Inc.	\$ 1,803.40
7681	11/14/2022	ALS Group USA, Corp.	\$ 530.00
7682	11/14/2022	Board of Certified Safety Professionals	\$ 180.00
7683	11/14/2022	Verizon Wireless	\$ 603.70
7684	11/14/2022	Central Communications	\$ 811.47
7685	11/14/2022	Valley Vista Services, Inc.	\$ 2,305.37
7686	11/14/2022	Bare Bees Inc.	\$ 200.00
7687	11/14/2022	Graybar Electric Company, Inc.	\$ 153.18
7688	11/14/2022	Hach Company	\$ 1,233.19
7689	11/14/2022	Tucker Tire Company, Inc.	\$ 27.00
7690	11/14/2022	G M Sager Construction Co., Inc.	\$ 8,400.00
7691	11/14/2022	Genesis Computer Systems, Inc.	\$ 2,734.09
7692	11/14/2022	Tri County Pump Company	\$ 22,455.00
7693	11/14/2022	West Yost & Associates, Inc.	\$ 27,447.85
7694	11/14/2022	Concord Utility Services	\$ 24,292.50
7695	11/14/2022	La Canada Design Group, Inc.	\$ 1,287.00
7696	11/14/2022	Morrow-Meadows Corporation	\$ 2,806.62
7697	11/16/2022	Home Depot Credit Services	\$ 1,354.71
7698	11/16/2022	East West Bank - Visa	\$ 17,202.81
7699	11/16/2022	State Water Resources Ctrl Bd - Cert Rnw	\$ 105.00
7700	11/16/2022	GNA - Brook Fire Protection, Inc.	\$ 50.00
7701	11/16/2022	Aqua Backflow, Inc	\$ 5,624.00

CHECK NUMBER	DATE	PAYEE	AMOUNT
7702	11/16/2022	Gilbarco Veeder-Root	\$ 926.3
7703	11/16/2022	Ekos	\$ 1,015.00
7704	11/23/2022	Badger Meter, Inc.	\$ 188,859.83
7705	11/23/2022	Cogsdale Corporation	\$ 3,412.50
7706	11/23/2022	García, Cielito	\$ 200.00
7707	11/23/2022	Graybar Electric Company, Inc.	\$ 1,061.96
7708	11/23/2022	Hach Company	\$ 2,382.64
7709	11/23/2022	McMaster-Carr Supply Company	\$ 668.19
7710	11/23/2022	Pomona City Clerk	\$ 2,016.82
7711	11/23/2022	Southern California Edison Company	\$ 105,436.34
7712	11/23/2022	Tucker Tire Company, Inc.	\$ 6.00
7713	11/23/2022	United Rentals Northwest, Inc.	\$ 4,626.38
7714	11/23/2022	Vulcan Materials Company	\$ 1,380.76
7715	11/23/2022	Western Water Works	\$ 16,924.97
7716	11/23/2022	Grainger	\$ 80.18
7717	11/23/2022	Cintas Corporation #150	\$ 186.85
7718	11/23/2022	Ewing Irrigation Products Inc.	\$ 1,231.89
7719	11/23/2022	Coastline Equipment	\$ 46,163.74
7720	11/23/2022	InfoSend, Inc.	\$ 12,592.11
7721	11/23/2022	Genesis Computer Systems, Inc.	\$ 1,219.65
7722	11/23/2022	Ferguson Waterworks - Santa Ana	\$ 56,815.78
7723	11/23/2022	Online Information Services, Inc.	\$ 398.00
7724	11/23/2022	BAVCO	\$ 118.70
7725	11/23/2022	Azusa Land Reclamation, Inc.	\$ 3,685.73
7726	11/23/2022	Frontier Communications	\$ 1,065.98
7727	11/23/2022	ConvergeOne, Inc.	\$ 4,532.94
7728	11/23/2022	HASA, Inc.	\$ 1,428.91
7729	11/23/2022	Canon Solutions America, Inc.	\$ 2,090.82
7730	11/23/2022	Healthequity, Inc.	\$ 5.90
7731	11/23/2022	Autonovation Mobile Auto Repair	\$ 1,135.81
7732	11/23/2022	Right of Way, Inc.	\$ 7,505.38
7733	11/23/2022	Thermal Edge, Inc.	\$ 1,406.24
7734	11/23/2022	West Yost & Associates, Inc.	\$ 33,051.72
7735	11/23/2022	Audiochecks Mobile Hearing and Respiratory Testing, LLC	\$ 1,785.00
7736	11/23/2022	Pascal & Ludwig Constructors, Inc.	\$ 102,280.42
7737	11/23/2022	Hayakawa, Kevin	\$ 238.96

CHECK NUMBER	DATE	PAYEE	AMOUNT
7738	11/23/2022	Yellow Jacket Drilling Services, LLC	\$ 193,171.10
7739	11/23/2022	SoCal Fitness and Massage Therapy	\$ 975.00
7740	11/23/2022	Total Uptime Technologies LLC	\$ 276.00
7741	11/23/2022	Man, Jennifer	\$ 522.24
7742	11/23/2022	Xuejun Zhou	\$ 10,405.97
7743	11/23/2022	Shiyue Xiong	\$ 7,177.50
7744	11/23/2022	Sunny Yang Wong	\$ 1,257.16
7745	11/23/2022	Grandway UsDev I-B, LLC	\$ 1,046.70
7746	11/23/2022	Sammy Elbastawesy	\$ 2,111.60
7747	11/23/2022	Hui Li Peng	\$ 1,807.60
7748	11/23/2022	Paul Kaitz	\$ 683.46
7749	11/23/2022	Jia Siang Development LLC	\$ 2,547.37
7750	11/23/2022	MLC Construction Inc.	\$ 2,174.42
7751	11/23/2022	Liu Company, LLC	\$ 9,465.00
7752	11/23/2022	CHANG, KOTA	\$ 1,556.77
7753	11/23/2022	Li, XueBing	\$ 2,364.05
7754	11/28/2022	American Water Works Association	\$ 7,488.00
7755	11/28/2022	Southern Calif Gas Company	\$ 157.36
7756	11/28/2022	Southern California Edison Company	\$ 305.37
7757	11/28/2022	Verizon Wireless	\$ 963.79
7758	11/28/2022	Cintas Corporation #150	\$ 186.85
7759	11/28/2022	L.A. County Department of Public Works	\$ 1,218.15
7760	11/28/2022	Industry Public Utility Commission	\$ 2,473.24
7761	11/28/2022	Lift Safety	\$ 292.65
7762	11/28/2022	OPARC, Inc.	\$ 5,501.48
7763	11/28/2022	D & M Manufacturing, Inc.	\$ 3,376.98
7764	11/28/2022	Pascal & Ludwig Constructors, Inc.	\$ 5,383.18
7765	11/28/2022	Concord Utility Services	\$ 26,472.50
7766	11/28/2022	Z-World Realty LLC	\$ 5,463.16
FT000000000710	11/7/2022	Doty Bros Equipment Co, Inc.	\$ 9,416.40
FT000000000711	11/7/2022	U.S. Bank National Association	\$ 138,701.95
FT000000000712	11/8/2022	Puente Basin Water Agency	\$ 1,354,297.06
FT000000000713	11/8/2022	Pomona-Walnut-Rowland JWL Commission	\$ 772,898.36
FT000000000714	11/15/2022	Quest Building Services	\$ 3,490.00
FT00000000715	11/15/2022	Green Shades Software, LLC	\$ 854.00
FT000000000716	11/18/2022	Puente Basin Water Agency	\$ 43,934.10
FT000000000717	11/18/2022	Amazon Capital Services, Inc.	\$ 2,710.12
FT000000000718	11/25/2022	Doty Bros Equipment Co, Inc.	\$ 117,833.35
FT000000000719	11/25/2022	Puente Basin Water Agency	\$ 108,693.33

CHECK NUMBER	DATE	PAYEE	AMOUNT
EFT000000000720	11/25/2022	SpryPoint Services, Inc.	\$ 9,100.00
EFT000000000721	11/25/2022	Public Agency Retirement Services	\$ 150,000.00
EFT000000000722	11/25/2022	Amazon Capital Services, Inc.	\$ 30.15
XFR000007148	11/3/2022	PAYROLL	\$ 248,624.55
XFR000007151	11/8/2022	CUSTODIAL ACCT	\$ 1,500,000.00
XFR000007156	11/18/2022	PAYROLL	\$ 395,958.78
XFR000007167	11/28/2022	WATER REFUND	\$ 6,672.31
XFR000007171	11/30/2022	CREDIT CARDS	\$ 411.76
		TOTAL	\$ 6,276,618.04

Reviewed by:

12/7/2022

WVWD Regular Meeting, December 12, 2022 Page 17

Walnut Valley Water District Monthly Employee Expense Reimbursements Exceeding the Amount of \$100.00 For the Month of November 30, 2022



Date	Check Number	Employee Name	Description	Amount
11/4/2022	7656	Alanna Diaz	Educational Reimbursement	\$ 193.53
11/23/2022	7706	Cielito Garcia	Work Boot Reimbursement	\$ 200.00
11/23/2022	7741	Jennifer Man	Educational Reimbursement	\$ 464.99

In accordance with California Government Code Section 53065.5, the District shall, at least annually, disclose all reimbursements paid to any employee for an individual charge that is at least one hundred dollars (\$100).

WVWD - Staff Report



TO: Board of Directors **FROM:** General Manager

SUBMITTED BY: Director of External Affairs, Sustainability & External Affairs Coordinator

DATE: December 12, 2022

SUBJECT: Community Outreach Update

☐ Action/Discussion ☐ Fiscal Impact ☐ Resolution ☑ Information Only

RECOMMENDATION

For information only.

BACKGROUND INFORMATION:

Conservation and Education Outreach Update

1. December Bill Insert

District customers received the insert noted below (front/back) with their monthly bill statement.

Insert FRONT



The WVWD Board of Directors has approved rate increases effective January 1, 2023. Changes in your monthly water bill will be reflected in your February 2023 statement.

The Board of Directors approved a Rate Study in January of 2020. Since then, WVWD has worked to mitigate costs while meeting necessary investment in the pipes, pumps, and plants that keep clean water flowing to your home.



Visit <u>www.wvwd.com/conservation</u> for rebates and tips to save water.

A Message to Our Valued Customers:

Notice of Rate Increase Effective January 1, 2023

COMMODITY R	ATES	
Residential	Current Charge (per unit)	Approved Rate
Tier l (0-9 units)	\$3.22	\$3.42
Tier II (10-40 units)	\$4.30	\$4.56
Tier III (41+ units)	\$4.94	\$5.24
Multi-Family	\$3.68	\$3.90
Non-Residential	\$3.90	\$4.13
Industrial	\$3.90	\$4.13
Recycled	\$2.07	\$2.18

- One unit of water = 748 gallons of water
- Commodity rates cover the rate of purchased water imported from the District's wholesaler and costs to deliver drinking water directly to your tap.
- Recycled commodity rates were approved at a 5% increase.

Walnut Valley Water District 271 S Brea Canyon Rd., Walnut, CA 91789 (909) 595-7554 | www.wwwd.com | **f** ☑ **y**@WVWDH2O

Insert BACK



A Message to Our Valued Customers:

Notice of Rate Increase Effective January 1, 2023

METER CHAP	RGE		
Meter Size	Current Charge	Approved Rate	
5/8" or 3/4"	\$22.58	\$23.94	
1"	\$35.60	\$37.75	
1 1/2"	\$68.16	\$72.28	
2"	\$107.22	\$113.69	
3"	\$211.42	\$224.18	
4"	\$328.64	\$348.46	
6"	\$654.24	\$693.69	
8"	\$1,044.96	\$1,107.96	

 Meter charges are used to cover expenses associated with billing, collection, service calls, meter reading, and regular maintenance.

PUMP ZONE CHARGE						
Zone	Current Charge	Approved Rate				
Zone 1	\$0.00	\$0.00				
Zone 2	\$0.27	\$0.30				
Zone 3	\$0.49	\$0.53				

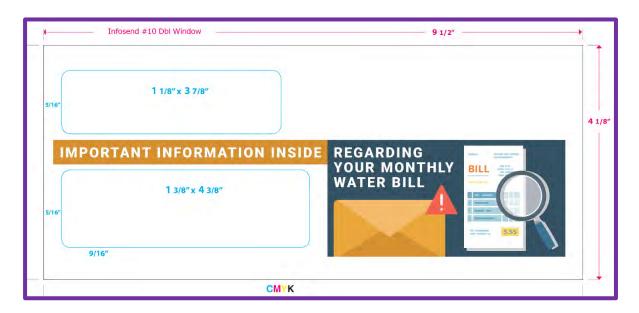
FIRE PROTECTION RATE				
Size	Current Charge	Approved Rate		
1"	\$9.94	\$10.54		
1 1/2"	\$10.67 \$11.31 \$11.93 \$12.66			
2"				
4"	\$24.33	\$25.80		
6"	\$52.50	\$55.67		
8"	\$101.08	\$107.17		
10"	\$174.15	\$184.66		
Private Hydrant	\$52.50	\$55.67		

- These charges do not apply to most customers.
- Based on connection size for private fire services and hydrants.

Walnut Valley Water District 271 S Brea Canyon Rd., Walnut, CA 91789 (909) 595-7554 | www.wwwd.com | **f** ☑ **y**@WVWDH2O

2. December Bill Snipe

District customers received the bill snipe design noted below (front/back) with their monthly bill statement.





3. Facebook, Twitter, Instagram, and YouTube

The District regularly posts updates and promotions of external affairs/sustainability activities, conservation tips, and education materials on Facebook, Twitter, Instagram, and YouTube. During the month of October, the District shared the following:

- Edible Gardening & Seed-Starting Workshop IG Reels
- Giving Life to Your Scraps Workshop IG Stories
- "Water is Life" Art Contest
- World Toilet Day: Toilet Rebate IG Reels
- Operation Holiday Salute IG Stories
- And more







External Affairs & Sustainability Activities (Upcoming & Current)

1. November Gardening Workshops

In partnership with The Real Hens of Orange County, the District hosted two new gardening workshops:

- Edible Gardening and Seed-Starting for Beginners workshop, held on November 1st. This workshop taught customers the basics of how to grow their own vegetable garden and start seeds with confidence.
- Giving Life to Your Scraps workshop, held on November 14th. This workshop taught customers how to regrow their vegetables from kitchen scraps during the holiday season.

2. CA Native Mini Christmas Tree Decorating Workshop

The District is hosting a holiday workshop where customers can decorate their own CA Native mini Christmas tree on Wednesday, December 14th at 6:00 PM. The workshop will be held at the District's Workshop Gallery. Customers can register at: https://www.dchristmastree.eventbrite.com.

3. Walnut Senior Center Holiday Craft Workshop

The District is sponsoring a holiday craft workshop for seniors on Tuesday, December 20th. The workshop will be held at the Walnut Senior Center. This workshop is exclusive for seniors who regularly patron the Walnut Senior Center.

4. Drought Messaging – Yard Signs

To further promote drought and conservation messaging, the District has placed yard signs at all District facilities. The yard signs are placed as close to the facility and within the public view as possible.

5. Drought Messaging – Trucks

To further expand on drought messaging, District vehicles were wrapped with a special graphic design and conservation message to remind community members to save water while District representatives are in the field. Messaging on the trucks highlights the promotion of "Too Good to Waste".

6. <u>Drought Messaging – Light Pole Banners</u>

The District collaborated with the cities of Walnut, Diamond Bar, Industry, and LA County to place drought messaging on light poles in high-traffic areas throughout the service area.

Upcoming Community Events

1. Walnut High School G.I.F.T Day

The District is hosting a booth for the SoCal chapter of the Women of AT&T's GIFT Day (Girls in Future Technologies) on Wednesday, December 14th from 1:00-3:00 PM at Walnut High School. GIFT Day is an event dedicated to introducing young girls, to the possibilities of pursuing STEM careers. In addition, our Director of Engineering, Sherry Shaw will be a guest speaker for the event.

2. Virtual Landscape Workshops

In partnership with the Metropolitan Water District of Southern California (MWD), the District will be offering virtual landscape workshops to District customers in English and Mandarin. Classes offered include:

- CA Friendly & Native Plant Landscaping
- Turf Removal
- Garden Design

- Sustainable Landscape Design
- Drip Irrigation: Maintenance & Troubleshooting
- Deciphering Your Irrigation Controller
- Rainwater Harvesting
- Composting for A Healthy Garden
- Irrigation & Water Use Efficiency
- Easy Steps to Lawn Conversion

District customers can visit www.wvwd.com/events/ to view class dates and to register.

Local Sponsorships (New & Ongoing)

1. Walnut High School G.I.F.T Day

As part of the District's sponsorship of the Women of AT&T's GIFT Day (Girls in Future Technologies) on Wednesday, December 14th at Walnut High School, 300 tote bags were donated that will be used as "swag bags" for each high school student that attends the event.

2. Life Steps Foundation Every Day is Earth Day 5K Sponsorship

The District is sponsoring Life Steps Foundation's Every Day is Earth Day 5K from December 7-11. Life Steps Foundation provides free in-home services to families who have children ages 0-3 with special needs by helping them with their development and providing parent education. The sponsorship includes recognition of the District on their electronic material.



NAME: Kevin Hayakawa DATE: November 2022

No	Date	Title of Meeting / Description	Per Diem	Mileage (as	ssumed as round t	rip unless	noted)	
			Request	From Location	To Location	Miles	Miles \$	
1	11/2/2022	TVMWD Regular Board Meeting	✓				\$ -	
2	11/6/2022	SCCAEPA Convention	✓				\$ -	
3	11/7/2022	Public Information Committee Meeting	✓				\$ -	
4	11/7/2022	Finance Committee Meeting					\$ -	
5	11/8/2022	Engineering Committee Meeting	✓				\$ -	
6	11/14/2022	WVWD Regular Board Meeting	✓				\$ -	
7	11/16/2022	TVMWD Regular Board Meeting	✓				\$ -	
8	11/17/2022	WVWD Special Board Meeting	V				\$ -	
9							\$ -	
10							\$ -	
11							\$ -	
12							\$ -	
13							\$ -	
					Total Number of Miles	: 0 X \$0.625	\$ -	
					Total Reimbursabl			
I certify th	he above is corre	ct and accurate to the best of my knowledge		Total Meeting C	ompensation 7 X \$150			
TOTAL \$								
Signature Date								
Sylidide Date								

^{*} Mileage is reimbursed at IRS Standard Business Mileage Rate \$0.625

^{**}Directors are eligible for seven meeting days per month at \$150 per day.



NAME: Edwin Hilden DATE: November 2022

No	Date	Title of Meeting / Description	Per Diem	Mileage (assumed as round trip unless noted)						
NO	Date	Title of Meeting / Description	Request	From Location	To Location	Miles	Miles \$			
1	11/1/2022	Rowland Unified School District State of the School	V				\$ -			
2	11/2/2022	TVMWD Board Meeting	V				\$ -			
3	11/7/2022	Public Info Committee Meeting	V				\$ -			
4	11/7/2022	Finance Committee Meeting					\$ -			
5	11/9/2022	DB Veterans Recognition Ceremony	V				\$ -			
6	11/14/2022	WVWD Board Meeting	V				\$ -			
7	11/16/2022	TVMWD Board Meeting	Ø.				\$ -			
8	11/17/2022	Board Workshop	2				\$ -			
9							\$ -			
10							\$ -			
11		-					\$ -			
12							\$ -			
13							\$ -			

Total Number of Miles: 0 X \$0.585 \$

νιιιου, ο γι φο,οοο

Total Reimbursable Expenses \$

Total Meeting Compensation 7 X \$150.00 per day \$

ay \$ 1,050.00

TOTAL \$

1,050.00

I certify the above is correct and accurate to the best of my knowledge

Signature

11-30-2022

^{*} Mileage is reimbursed at IRS Standard Business Mileage Rate \$0.585

^{**}Directors are eligible for seven meeting days per month at \$150 per day.



NAME: Scarlett Kwong DATE: November 2022

No	Date	Title of Meeting / Description	Per Diem	Mileage (as	ssumed as round t	rip unless	noted)
			Request	From Location	To Location	Miles	Miles \$
1	11/8/2022	Personnel Committee	✓				\$ -
2	11/14/2022	Board meeting	✓				\$ -
3	11/17/2022	Special Board Workshop	✓				\$ -
4	11/28/2022	ACWA Conference	✓				\$ -
5	11/29/2022	ACWA Conference	✓				\$ -
6	11/30/2022	ACWA Conference	✓				\$ -
7							\$ -
8							\$ -
9							\$ -
10							\$ -
11							\$ -
12							\$ -
13							\$ -
					Total Number of Miles	: 0 X \$0.625	\$.
					Total Reimbursabl		
I certify ti	he above is corre	ct and accurate to the best of my knowledge		Total Meeting C	ompensation 6 X \$150		
						TOTAL	\$ 1,677.5
			_				
Signatur	re			Date			

^{*} Mileage is reimbursed at IRS Standard Business Mileage Rate \$0.625

^{**}Directors are eligible for seven meeting days per month at \$150 per day.



NAME: Theresa Lee DATE: Nov. 2022

No	Date	Title of Meeting / Description	Per Diem Request	Mileage (assumed as round trip unless noted)					
			Request	From Location	To Location	Miles	Mil	es\$	
1	11/1/2022	Rowland Unified State of School	V				\$	-	
2	11/7/2022	Spadra Basin Executive Committee Meeting					\$	-	
3	11/7/2022	WVWD Finance Committee Meeting	✓				\$	-	
4	11/8/2022	Engineering Committee Meeting	V				\$	-	
5	11/14/2022	WVWD Board Meeting	✓				\$	-	
6	11/17/2022	WVWD Board Workshop	✓				\$	-	
7							\$	-	
8							\$	-	
9							\$	-	
10							\$	-	
11							\$	-	
12							\$	-	
13							\$	-	
_					Total Number of Miles:	: 0 X \$0.625	\$	-	
				-	Total Reimbursabl		_	-	
I certify th	ne above is corre	ct and accurate to the best of my knowledge		Total Meeting C	compensation 5 X \$150	0.00 per day TOTAL		750.00 750.00	
Signatur	re		-	Date					

^{*} Mileage is reimbursed at IRS Standard Business Mileage Rate \$0.625

 $^{^{\}star\star}\textsc{Directors}$ are eligible for seven meeting days per month at \$150 per day.



NAME: Jerry C. Tang **DATE: November 2022**

No	Date	Title of Meeting / Description	Per Diem Request	Mileage (assumed as round trip unless noted)					
			Request	From Location	To Location	Miles	Miles \$		
1	11/1/2022	Rowland Unified School District State of the School Event	V				\$ -		
2	11/7/2022	Spadra Basin Groundwater Sustainability Agency Executive Committee Meeting	V				\$ -		
3	11/7/2022	WVWD Public Information and Legistative Committee Meeting					\$ -		
4	11/7/2022	WVWD Finance Committee Meeting					\$ -		
5	11/8/2022	WVWD Engineering Committee Meeting					\$ -		
6	11/8/2022	WVWD Personnel Committee Meeting	V				\$ -		
7	11/9/2022	Chinese-American Association of Walnut (CAAW) Board Meeting	V				\$ -		
8	11/14/2022	WVWD Board Meeting	V				\$ -		
9	11/17/2022	WVWD Board Workshop	V				\$ -		
10	11/28/2022	ACWA Winter Conference	V	271 South Brea Canyon Road, Walnut, CA 91789	44600 Indian Wells Lane, Indian Wells, CA 92210	220.0	\$ 128.70		
11	11/29/2022	ACWA Winter Conference	V				\$ -		
12	11/30/2022	ACWA Winter Conference					\$ -		
13							\$ -		
				То	tal Number of Miles: 2	20 X \$0.585	\$ 128.70		

Total N	umbor	of	Miloc	ววก	v	¢Λ	EOE
TOTAL IV	umber	()	IVIIIes:	//()	А	JU.	.ກຕກ

Total Reimbursable Expenses \$

Total Meeting Compensation 7 X \$150.00 per day \$

1,960.14

781.44

1,050.00

I certify the above is correct and accurate to the best of my knowledge

Signature

December 1, 2022

 $^{^{\}star}$ Mileage is reimbursed at IRS Standard Business Mileage Rate \$0.585

^{**}Directors are eligible for seven meeting days per month at \$150 per day.

Revised October 2022 Expense Report

DIRECTOR EXPENSE FORM



NAME: Director Name DATE: October 2022

No	Date	Title of Meeting / Description	Per Diem Request	Mileage (assumed as round trip unless noted)					
			Request	From Location	To Location	Miles	Mi	les \$	
1	10/6/2022	PBWA Commission meeting	✓				\$	-	
2	10/8/2022	Walnut Family Festival					\$	-	
3	10/10/2022	RCCSGV Government Affairs Committee	✓				\$	-	
4	10/11/2022	Personnel Committee	V				\$	-	
5	10/13/2022	PWR-JWL Commission meeting	V				\$	-	
6	10/14/2022	Coffee with Director-Kwong					\$	-	
7	10/15/2022	RH Buckboard Day Parade					\$	-	
8	10/17/2022	Board meeting	V				\$	-	
9	10/18/2022	Employee BBQ					\$	-	
10	10/19/2022	DB State of the City	V				\$	-	
11	10/20/2022	Special Board workshop	V				\$	-	
12							\$	-	
13							\$	-	
					Total Number of Miles	: 0 X \$0.625	\$	-	
					Total Reimbursab	·		-	
I certify th	ne above is corre	ct and accurate to the best of my knowledge		Total Meeting C	compensation 7 X \$150	0.00 per day TOTAL		1,050.00 1,050.00	
Signatur	re e		-	Date					

^{*} Mileage is reimbursed at IRS Standard Business Mileage Rate \$0.625

^{**}Directors are eligible for seven meeting days per month at \$150 per day.

Monthly Board Expense Detail Edwin Hilden

November 30, 2022

Payment ate/Charge Date	Туре	Description	Conference/Meeting	Payment Type	Check Number	Payment	Reimbursed By Director	District Expense	GL Acct.
11/23/22	6	Meetings/Luncheons	Industry Business Council Executive Luncheon	VISA		100 00		100 00	10-5520-5720
								* .	
						1		-	
								3	
								*	
								-	
tal Districts	Charges					100.00		100.00	

		Ash Box	12/2/2022
Edwin M. Hilden	Date	Director of Finance	Date
fucie a	12/08/2022	the Human	Du. 7, 2022
xecutive Secretary	Date	General Manage	Date

Monthly Board Expense Detail Kevin Hayakawa November 30, 2022

Payment Date/Charge Date	Туре	Description	Conference/Meeting	Payment Type	Check Number	Payment	Reimbursed By Director	District Expense	GL Acct.
		No Activity							
				_					
			*					•	
								•	
	-								
	1.5							*	
					-				
								- :	
	-								
tal Districts Cha						-		0.00	

		Joh Bree	12/7/2022
Kevin Hayakawa	Date	Director of Finance	Date
Live Carry Carry	12/68/2022 Date	General Manager	Del. 7, 2022

Monthly Board Expense Detail Scarlett Kwong November 30, 2022

Payment Date/Charge Date	Type	Description	Conference/Meeting	Payment Type	Check Number	Payment	Reimbursed By Director	District Expense	GL Acct.
		No Activity						1.0	
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tal Districts	Charges							0.00	

		Director of Figure	12/7/2022
Scarlett Kwong	Date	Director of Finance	Date
Livine Can	12/08/2022	tde Alyman	Dec. 7, 2022
Executive Secretary	Date	General Manager	Date
4/			

Monthly Board Expense Detail Theresa Lee

November 30, 2022

Payment Date/Charge Date	Туре	Description	Conference/Meeting	Payment Type	Check Number	Payment	Reimbursed By Director	District Expense	GL Acct.
		No Activity							
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×=		Josh Ben	12/1/2022
Theresa Lee	Date	Director of Finance	Date
In in Carry	12/08/2022	File Hyman	Da. 7,2022
Executive Secretary	Date	General Manager	Date

Monthly Board Expense Detail

Jerry Tang November 30, 2022

Payment Date/Charge Date	Туре	Description	Conference/Meeting	Payment Type	Check Number	Payment	Reimbursed By Director	District Expense	GL Acct.
		No Activity							
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Jerry Tang		Date	Director of Finance	12/1/2022 Date
www.	any	12/08/2022 Date	Gane al Manager	Dec. 7, 2022



WALNUT VALLEY WATER DISTRICT TREASURER'S REPORT DECEMBER 12, 2022

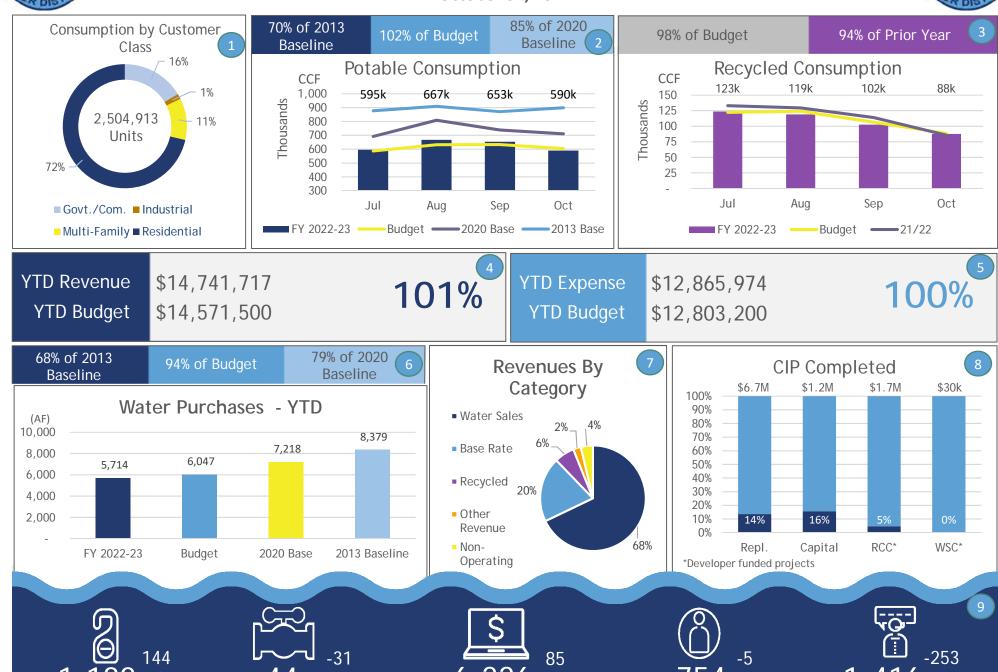
- 1) Financial Dashboard as of October 31, 2022
- District Statement of Revenues, Expenses, and Change in Net Position as of October 31, 2022
- 3) District Statement of Net Position as of October 31, 2022
- 4) Summary of Cash Investments as of October 31, 2022



Walnut Valley Water District Financial Dashboard



October 31, 2022



F-Bills - Customers

Afford. Rate/w@retomereting, December 2. Qalls addenthly

^{*} Consumption revenue and expense data excludes wholesale water

Walnut Valley Water District Statement of Revenues, Expenses & Changes in Net Position Summary by Division For the Four Months Ending Monday, October 31, 2022

	Actual	October Budget	% of Budget	YTD Actual	Ann Budget	wal % of Budget
Operating Revenues	Actual			Actual	Dudget	
Water Sales	\$3,508,344.23	\$3,287,300.00	106.72%	\$15,429,905.85	\$34,933,900.00	44.17%
Water Sales - Recycled	183,353.68	209,300.00	87.60%	939,128.85	2,205,400.00	42.58%
Hydroelectric Sales	2,347.11	3,300.00	71.12%	8,743.59	40,000.00	21.86%
Stand-by Charges	13,877.64	23,600.00	58.80%	39,402.45	825,000.00	4.78%
Total Operating Revenues	3,707,922.66	3,523,500.00	105.23%	16,417,180.74	38,004,300.00	43.20%
Operating Expenses						
Operations	431,516.94	502,600.00	85.86%	2,200,505.05	6,718,900.00	32.75%
Engineering	97,048.62	116,800.00	83.09%	476,431.61	1,604,600.00	29.69%
Finance	146,777.50	159,650.00	91.94%	637,846.01	2,120,100.00	30.09%
Board of Directors/GM Office	103,991.53	124,750.00	83.36%	450,878.39	1,706,000.00	26.43%
Administrative Services	306,199.88	258,600.00	118.41%	1,182,648.54	3,413,100.00	34.65%
General Administration	141,140.86	117,850.00	119.76%	452,241.76	1,242,000.00	36.41%
Total Operating Expenses	1,226,675.33	1,280,250.00	95.82%	5,400,551.36	16,804,700.00	32.14%
Purchased Water & Related	2,110,177.13	1,675,700.00	125.93%	9,140,886.27	18,458,200.00	49.52%
Total Expenses	3,336,852.46	2,955,950.00	112.89%	14,541,437.63	35,262,900.00	41.24%
Income (Loss) From Operations	371,070.20	567,550.00	65.38%	1,875,743.11	2,741,400.00	68.42%
Nonoperating Revenues/(Expenses)	10,751.15	73,100.00	14.71%	428,001.67	1,780,700.00	24.04%
Income (Loss) Before Res. Rev & Deprec.	381,821.35	640,650.00	59.60%	2,303,744.78	4,522,100.00	50.94%
Restricted/Desig Rev & Other Exp.	286,678.32	0.00	0.00%	401,800.55	0.00	0.00%
Income (Loss) Before Depreciation	668,499.67	640,650.00	104.35%	2,705,545.33	4,522,100.00	59.83%
Depreciation & Amortization	461,396.04	0.00	0.00%	1,852,330.78	0.00	0.00%
Income Before Capital Contributions	207,103.63	640,650.00	32.33%	853,214.55	4,522,100.00	18.87%
Capital Contributions	82,576.20	0.00	0.00%	777,498.53	0.00	0.00%
Net Increase (Decrease) in Net Position	289,679.83	640,650.00	45.22%	1,630,713.08	4,522,100.00	36.06%

ASSETS

CURRENT ASSETS:

Cash & Investments - Unrestricted	\$36,029,269.74	
Accounts Receivable:		
Water	4,425,414.18	
Taxes	60,472.48	
Accrued Interest	164,683.71	
Other	3,354,713.40	
Standby Charges	39,056.37	
Materials Inventory	843,272.78	
Prepaid Expenses	488,400.43	
TOTAL CURRENT ASSETS		45,405,283.09
RESTRICTED ASSETS		
Cash & Investments - Restricted	12,657,630.73	
Cash & Investments - Fiscal Agent	2,332,632.57	
Investment in Joint Venture	21,417,870.87	
TOTAL RESTRICTED ASSETS		36,408,134.17
OTHER ASSETS		
CAPITAL ASSETS		
Capital Assets	229,834,943.20	
Construction in Progress	9,106,999.16	
Less: Accumulated Depreciation	(127,146,037.68)	
NET CAPITAL ASSETS		111,795,904.68
TOTAL ASSETS		193,609,321.94

DEFERRED OUTLFOW OF RESOURCES

Deferred Pension Contributions	1,719,115.00
Deferred Outflow - Actuarial	1,174,093.00
Deferred Outflow - OPEB	1,528,058.00
TOTAL DEFERRED OUTFLOW OF RESOURCES	4,421,266.00

LIABILITIES & FUND EQUITY

CURRENT LIABILITIES

CURRENT LIABILITIES		
Accounts Payable	(5,749,859.27)	
Other Current Liabilities	247,061.03	
Interest Payable	(23,116.99)	
TOTAL CURRENT LIABILITES		(5,525,915.23)
RESTRICTED LIABILITIES		
Accounts Payable	(6,375.38)	
Deposits	(3,827,422.09)	

LONG TERM DEBT & RELATED

TOTAL RESTRICTED LIABILITIES

Construction Advances

Revenue Bonds	(15,380,000.00)	
Net Pension Liability	(9,390,716.00)	
Other Long-term Debt	(973,968.43)	
TOTAL LONG TERM DEBT & RELATED		(25,744,684.43)
TOTAL LIABILITIES		(41,195,437.24)

(6,091,040.11)

(9,924,837.58)

Walnut Valley Water District Statement of Net Position Monday, October 31, 2022

DEFERRED INFLOW OF RESOURCES

Deferred Inflow of Resources - Actuarial		(8,749,298.00)
Deferred Inflow of Resources - OPEB		(1,797,414.00)
TOTAL DEFERRED INFLOW OF RESOURCES		(10,546,712.00)
NET POSITION		
Invested in Capital Assets, Net of Related Debt	111,795,904.68	
Restricted	11,103,296.59	
Unrestricted	23,389,237.43	
TOTAL NET POSITION	146,288,438.70	
TOTAL NET POSITION		146,288,438.70

Walnut Valley Water District Summary of Cash and Investments 10/31/2022

CASH & CASH EQUIVALENTS

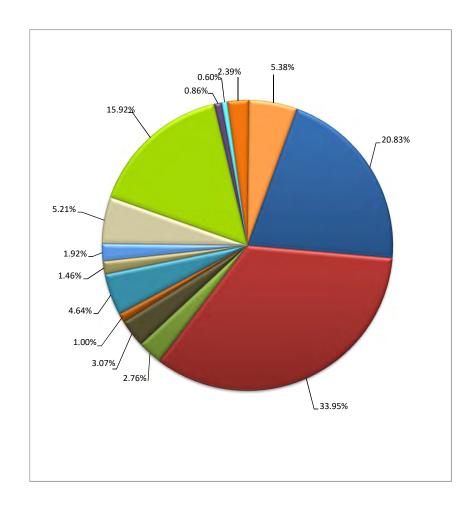
Cash on Hand		\$3,100.00	
Cash in Bank			
East West Bank - General	\$8,294,925.31		
East West Bank - Payroll	300,000.00		
East West Bank - Water Refund	28,327.69		
East West Bank - Revolving	28,475.51		
East West Bank - Credit Card	619,384.33		
East West Bank - Badillo Grand	300,926.55		
East West Bank - Payroll Reimbursement	26,167.94		
Total Cash in Bank		,9,598,207.33	
TOTAL CASH		ù—————————————————————————————————————	\$9,601,307.33
INVESTMENTS			
Certificates of Deposit		991,000.00	
Corporate Notes		8,800,000.00	
Supranational		1,100,000.00	
Local Agency Investment Fund (LAIF)		5,091,511.64	
BNY Mellon - Money Market (Sweep)		0.00	
US Agency		10,825,000.00	
US Treasury		13,840,000.00	
TOTAL INVESTMENTS		-	40,647,511.64
TOTAL CASH & INVESTMENTS			\$50,248,818.97

I certify that this report accurately reflects all investments of the Walnut Valley Water District and that all investments are in full compliance with State law and District's Investment Policy.

Jost Byerrum

Director of Finance

Walnut Valley Water District Summary of Cash and Investments by Reserve Fund October 31, 2022



ALLOCATION OF CASH AND INVESTMENTS				
Unres	tricted			
Category 1				
General Account	\$	10,463,093.46	20.82%	
_	\$	10,463,093.46	20.82%	
Desig	nated			
Category 2				
Operating Reserve	\$	2,618,700.00	5.21%	
Replacement	\$	17,051,282.91	33.93%	
Capital Improvement	\$	1,385,892.63	2.76%	
Rate Stabilization	\$	1,543,125.39	3.07%	
B/G Catastrophic Ins	\$	500,000.00	1.00%	
Employee Liabilities	\$	2,330,561.86	4.64%	
Stored Water	\$	731,300.00	1.46%	
Project Reserve	\$	967,231.99	1.92%	
<u>—</u>	\$	27,128,094.78	53.99%	

Restricted R	Restricted Reserves				
Customer/Developer Deposits	\$ \$	7,995,008.09 7,995,008.09	15.91% 15.91%		
Category 4 ASC Badillo/Grand-Maintenance RCC WSC Capacity Charge	\$ \$ \$ \$	433,830.73 300,926.55 1,200,099.15 2,703,391.42 24,374.79 4,662,622.64	0.86% 0.60% 2.39% 5.38% 0.05% 9.28%		
٦	Total \$	50,248,818.97	100.00%		

Category 1 - These are funds that accumulate from day-to-day operations and represent the net equity in the District's General Fund. All interest earned is retained in the General Fund.

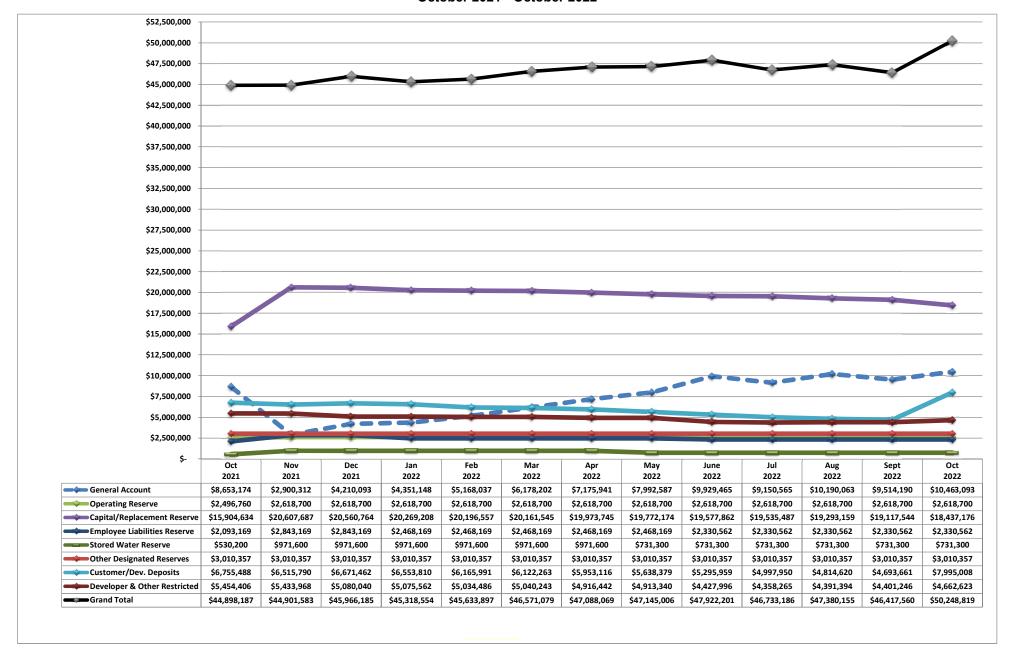
Category 2 - These funds, although not legally or externally restricted, have been reserved pursuant to the Board's desire to provide a stable and equitable rate structure. All interest earned related to these funds is retained by each designated fund.

Category 3 - These funds have legal or external restrictions. These Restricted Funds can only be used for the specific purposes established for the fund. All interest earned is retained in the General Fund.

Category 4 - These funds have legal or external restrictions. All interest earned must be retained by each Restricted Fund and can only be used for the specific purposes established for the fund.

Note: Effective 6/3W/Avribe Badilla Grand Catastrophic Insurance 222 Page 44 Fund was reclassified from a Restricted Fund to a Designated Fund.

Walnut Valley Water District Cash Balances October 2021 - October 2022



WVWD - Staff Report



TO: Board of Directors
FROM: General Manager
SUBMITTED BY: Director of Operations
DATE: December 12, 2022

SUBJECT: Emergency Booster Pump Station

Action/Discussion	☐ Fiscal Impact	☐ Resolution	☐ Information Only

Recommendation

Request the Board of Directors, authorize the General Manager to purchase one Atlas Copco PAC H64 JD 275HP FT4 Emergency Booster Pump at a total cost of \$129,976.55.

Background Information

Currently the District has 2 Emergency Booster Pumps. These units were purchased in 1994 and 1996. These pumps allow the District to continue to provide appropriate pressures and flows to the different pump zones in the District in emergency situations, providing a continuous uninterrupted water supply. Due to the age of these emergency pumps parts have become obsolete. In continuing efforts to improve resiliency and minimize outages and pressure issues throughout the District, it was identified that purchasing another emergency booster pump would greatly benefit the District in case of an emergency.

The District has solicited prices from several manufacturers, and after reviewing the pricing and booster pump features, the District has selected the Atlas Copco model based on reputation, efficiency, price and reliability. The District has used Sourcewell to get the best pricing available, which provided the District with a 35% savings.

Funds appropriated for this project (\$130,000) are included in the District's approved FY 2022-23 CIP budget.

OPERATIONS DEPARTMENT REPORT November 2022, Monthly Report

PROJECT NO.	PROJECT DESCRIPTION	STATUS
N/A	Watermain and water service repair	Repair Water Service Leaks: 23115 Bent Oak Road, 22709 Dry Creek Road, 705 Windwood Drive, 2135 S. Brea Canyon Road Diamond Bar. 20466 & 20455 Varsity Drive, Walnut. 1806 Pepperdale Drive, Rowland Heights. Water Valves: 608 Lemon Ave, Industry. Replaced Angle Meter Stops: None for month. Replaced Copper Setters: 3002 Quinnell Drive, West Covina. 100 Peppertree Court, Walnut. Water Main: Valley Blvd w/o Fairway Drive (10" SML&C Main). Water System/Miscellaneous Work: None for Month. Oparc completed Fire Hydrant Routes: 15-01 Spoils Hauled to Azusa Dump - 7 loads. Get Reads: C1/1, M1/271, R1/42, W1/49, W2/957, W3/731, W4/62 Turn off's: M1/16, R1/1, W1/57, W2/5, W3/34, W4/52
19-3592	CDMA-AMI Replacement Project	Concord Utility Services - Replaced 2,804 Endpoints in November.
22-3722	Terminal Storage Outflow Vic Coupling Repair	Perform Terminal Storage Test shutdown in preparation for work.
22-3765	Hydrant Guard Fire Hydrant Valves	Installed 14 Hydrant Guard Valves.
NA	Repair of sheared blowoffs, fire hydrants and air-vac assemblies	405 Camaritas Drive, Diamond Bar- Blowoff.
21-3692	Replaced copper setter	19901 Valley Blvd, Walnut. District crews replaced copper setter.
20-3664	Mixer/Analyzer Installations	Redwave Electric installation of Eldertree Mixer/Analyzers, Complete, waiting on I/O expansion parts.
19-3601	Terminal Storage Hydro Automation	Installation ongoing.
21-3717	RCS Mixing System Terminal Storage	Received Pump skids. Redwave Electric is assembling chlorine analyzer panels.
N/A	Production Facility Maintenance	Pump and Motor Maintenance: Tri County Pump reinstalled Fernhollow 1050 Zone Pump No.5 and Pathfinder 1200 Zone No.1 motors, and pulled Diamond Bar Pump Station 1050 Zone No.1 motor (motor rewind). Tri County pulled and reinstalled Pathfinder 1200 Zone No.3 motor (motor rewind). Pump Station Maintenance: None this month. Facility/Miscellaneous Work: PWR monthly inspection was completed. BGTM monthly inspection was completed.
N/A	Total trihalomethanes (TTHMs) Graph	Water quality meets all state and federal standards.

WVWD – Staff Report



TO: Board of Directors
FROM: General Manager
SUBMITTED BY: Director of Finance
DATE: December 12, 2022

SUBJECT: Annual Comprehensive Financial Report for the Fiscal Year Ending June 30,

2022

Recommendation

That the Board of Directors receive, approve, and file the Annual Comprehensive Financial Report for the Fiscal Year ending June 30, 2022.

Background Information

The Fiscal Year (FY) 2021/2022 District's audit comprises eight parts, which are provided as attachments:

- Introductory Section: An overview of the District providing readers with information on the District, the economy, and future initiatives.
- Independent Auditor's Report: An audit report cover letter from Fedak & Brown, LLP, outlining the auditor's professional responsibilities, accounting basis, and opinion on whether the financial statements comply with Generally Accepted Accounting Practices (GAAP).
- Management's Discussion and Analysis: This section summarizes the financial statements and explains any major changes from the prior fiscal year to the current fiscal year.
- Financial Statements: A depiction of the District's activities for FY 2021/2022.
- Notes to the Basic Financial Statements: The footnotes provide information in greater detail on the District's financial policies, accounting, retirement plan, and other financial matters.
- Statistical Section: Selected financial and demographic information, on a multi-year basis.
- Auditor Report on Internal Controls: A report identifying and disclosing any material weaknesses or significant deficiencies in internal controls.
- Debt Service Coverage Requirement Agreed Upon Procedures: A report ensuring the District meets its debt coverage ratio.

The auditor found the District's financial reporting to comply with Generally Accepted Accounting Principles, and as such, issued an Unqualified Opinion, the highest-level opinion an entity can receive. Additionally, the Report on Internal Controls noted that the District had no significant deficiencies or material weaknesses in internal controls. Further, the auditor noted no transactions that were both significant and unusual, and no misstatements were identified during the audit.

This is the third year that the District will apply for the Government Finance Officers Association's Certificate of Achievement for Excellence award, which encourages state and local governments to prepare and publish expanded financial reports in conformity with generally accepted accounting

principles (GAAP) and provides awards to recognize contributions to the practice of government finance that exemplify outstanding financial management. The awards stress practical, documented work that offers leadership to the profession and promotes improved public finance.

Attachments:

2020-21 Audited Annual Comprehensive Financial Report Report on Internal Controls and Compliance Summary of Audit Results Independent Accounts' Report on Applying Agreed-Upon Procedures



Walnut Valley Water District

Walnut, California



Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2022 Working Draft Subject to Approval



Our Mission Statement

"Dedicated to meeting the water supply needs of the communities we serve."

Walnut Valley Water District Board of Directors as of June 30, 2022



Jerry Tang President 2020-2024



Edwin M. Hilden 1st Vice President 2018-2022



Dr. Kevin Hayakawa 2nd Vice President 2020-2024



Theresa Lee Director 2018-2022



Scarlett P. Kwong Director 2020-2024

District Management

Erik Hitchman General Manger Chief Engineer Secretary Jared Macias Assistant General Manager

Walnut Valley Water District 271 S Brea Canyon Road Walnut, CA 91789 (909) 595-7554 | www.wvwd.com



Annual Comprehensive Financial Statement

Fiscal Years Ended June 30, 2022 and 2021

Prepared by: Finance Department

Walnut Valley Water District 271 S Brea Canyon Road Walnut, CA 91789

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Working Draft Subject to Amphoval

WALNUT VALLEY WATER DISTRICT

271 South Brea Canyon Road • Walnut, California 91789-3002 (909) 595-7554 • (626) 964-6551

www.wvwd.com · Fax: (909) 444-5521



BOARD OF DIRECTORS

Jerry Tang President Election Division I

Edwin M. Hilden First Vice President Election Division II

Kevin Hayakawa, Ph.D. Second Vice President Election Division IV

Theresa Lee Assistant Treasurer Election Division III

Scarlett P. Kwong Director Election Division V

STAFF

Erik Hitchman, P.E. General Manager Chief Engineer Secretary

Jared Macias Assistant General Manager

Sheryl L. Shaw, P.E. Director of Engineering

Lily Lopez
Director of External Affairs

Joshua Byerrum Director of Finance Treasurer

Alanna Diaz
Director of Administrative
Services

Thomas M. Monk
Director of Operations

Lucie Cazares, MPA Executive Secretary

LEGAL COUNSEL

James D. Ciampa

December 12, 2022

To the Honorable Board of Directors and Customers of Walnut Valley Water District:

It is our pleasure to submit Walnut Valley Water District's (WVWD or District) Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022. This report meets the requirements set forth by the Governmental Accounting Standards Board for an annual report prepared in accordance with accounting principles generally accepted in the United States and contains information to help readers gain a reasonable understanding of the District's financial position and activities.

The District is responsible for both the accuracy of the data and the completeness and fairness of its presentation, including all disclosures in this financial report. District staff certifies that the data presented to you in this report is accurate in all material respects.

Generally Accepted Accounting Principles (GAAP) require that District management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of a Management's Discussion and Analysis (MD&A) section. This letter of transmittal complements the MD&A and should be read in conjunction with it.

The District's financial statements have been audited by Fedak & Brown, LLC, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2022, are free of material misstatement.

The independent audit is a test basis examination of the evidence supporting the District's financial statements, an assessment of the accounting principles used by District management, and an evaluation of the overall financial statement presentation. The auditor's report is included as the first component of the financial section of this report. Based on the report's findings, it is concluded that there is a reasonable basis for rendering an unmodified opinion for the fiscal year ended June 30, 2022, and that the District's financial statements are fairly presented in conformity with GAAP.

Sincerely,

Erik Hitchman General Manager

Walnut Valley Water District



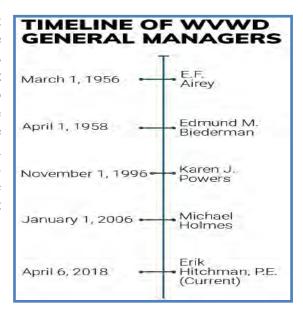
STRUCTURE AND LEADERSHIP PROFILE

Formed in 1952, Walnut Valley Water District (District), an independent special district, operates under the authority of Division 13 of the California Water Code. The District provides water service to customers in the City of Diamond Bar, portions of the cities of Industry, Pomona, Walnut, West Covina, and the easterly section of the unincorporated area of Rowland Heights. WVWD is governed by a five-member Board of Directors who are elected to overlapping four-year terms in even-numbered years. The District has five divisions, election separate represented by a Director residing in, and elected by the voters, of the division. The Board of Directors is responsible for setting District policy and establishing long-range goals and direction for the



District to ensure that its operations continue to run efficiently and effectively, both today and in the decades to come. The District's Board of Directors meets on the third Monday of each month, meetings are publicly noticed and citizens are encouraged to attend.

The Board of Directors oversees the appointment of the General Manager. As the Chief Executive Officer of the District, the General Manager is responsible for the daily operations of the District and works with the Board of Directors to develop long-range plans for the betterment of the District. The General Manager administers the day-to-day operations of the District in with policies accordance and procedures established by the Board of Directors. The General Manager oversees and manages District staff that includes up to 55 full-time employees.





STRATEGIC VISION

The goals, objectives, and activities of the Board and District staff are driven by its Mission Statement: "Dedicated to meeting the water supply needs of the communities we serve." In support of its mission, in June 2019, the Board of Directors adopted the District's first comprehensive Strategic Plan, which represented a disciplined effort to identify initiatives and tactics to advance the District's vision and address the ongoing water supply issues plaguing California. Initiatives laid out in the District's Strategic Vision are based on six core principles as outlined below.

- 1. **Thriving Workforce:** Foster a culture of employee empowerment and continuous innovation
- 2. Financial Strength: Agile fiscal management supporting District needs
- 3. System Resilience: Achieve system readiness under any circumstance
- 4. Supply Reliability: Transform the water supply portfolio
- 5. Collaborative Leadership: Match industry influence with regional relevance
- 6. Customer Engagement: Elevate the community conversation

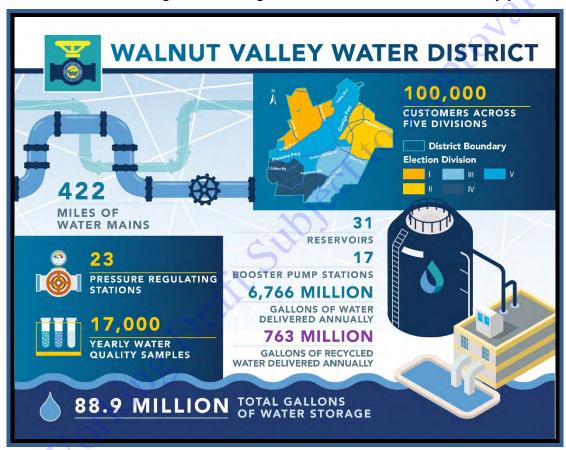




WATER SYSTEM OVERVIEW

The District is located about 20 miles east of Los Angeles in the San Gabriel Valley and encompasses an area of approximately 17,900 acres of land, comprising 29 square miles. The District serves a population of approximately 100,000 and currently provides service to 27,000 residential, multi-family, commercial, and industrial connections.

With seven decades of service to the community, the District operates and maintains two large imported water pipelines, 382 miles of distribution mains (ranging in size from 4 inches to 51 inches), 15 pump plants, and 28 reservoirs with a storage capacity of 89 million gallons of water. The District delivers an average of 5 billion gallons of water to its customers every year.



Recycled water, used for irrigation and to decrease reliance on imported water, is delivered through a separate distribution system comprised of approximately 42 miles of water mains, 5 production wells, 2 pump plants, and 3 reservoirs with a combined capacity of 5.2 million gallons.

The District's entire service area is monitored by a supervisory control and data acquisition (SCADA) system that records reservoir levels, system pressures, and pump operations. The District owns and operates a 182-kilowatt hydroelectric generating station. The power generated by this station is sold to Southern California Edison Company.



WATER SYSTEM OVERVIEW, continued

Potable Water Supply

Due to the limited availability of local groundwater sources, the District is almost 100% dependent on treated imported water obtained from the Metropolitan Water District of Southern California (MWD) through its member agency Three Valleys Municipal Water District (TVMWD). MWD's primary sources of water include imports from the Colorado River and the State Water Project. All the District's potable water is treated at either MWD's Weymouth Treatment Plant, or TVMWD's Miramar Treatment Plant. Annually the District purchases approximately 17,000 acre-feet of water from MWD/TVMWD.

Unlike other regional water districts, the District is unique in that it is nearly 100% reliant on imported water. Because of the demand and pressure placed on water systems throughout California, the District has invested in several water supply reliability projects to decrease our reliance on treated imported water. The District, along with Rowland Water District (RWD), through a joint powers agreement, formed the Puente Basin Water Agency (PBWA). Through the PBWA, the Districts identified, and have completed or are in the process of completing the La Habra



Heights Pipeline Project, California Domestic Water Project, and the Pomona Basin Project. In total these projects are expected to provide the District up to 4,000-acre feet of water per annum, decreasing the District's dependence on treated imported water supplies, and enhancing overall water supply reliability.

- La Habra Heights Project (Completed) The District in partnership with the Rowland Water District (RWD) entered into a project agreement to construct and operate the La Habra Heights County Water District Pipeline Project. The project is expected to yield up to 2,000-acre feet per year of potable water from the Central Basin. Water from the project is shared equally by the District and RWD.
- Cal Domestic Project/Pathfinder Pipeline Project (Completed) The Walnut Valley Water District (WVWD) in partnership with the RWD has entered into a Water Production and Delivery agreement with the California Domestic Water Company for the delivery of up to approximately 5,000-acre feet per year of potable water from the Main San Gabriel Basin. Water produced from the project is dependent on the agencies purchasing and storing untreated imported water in the basin. Water produced will be shared by the District and RWD.
- Pomona Basin Project (Scheduled Completion 2023) The Project involves the production of water from two groundwater wells in the Six Basins. Once completed, the project will provide approximately 1,250 acre-feet per year of local groundwater. Water produced from the project will be shared equally by the District and RWD.

WATER SYSTEM OVERVIEW, continued

Recycled Water Supply

The District operates a recycled water system that provides nearly three million gallons of water each day to irrigate landscape areas such as parks, medians, and school grounds. Investment in recycled water adds a low-cost water supply to our water portfolio and lessens our dependence on imported water. The District purchases recycled water from the Los Angeles County Sanitation District's Pomona Water Reclamation Plant. These supplies are augmented by groundwater



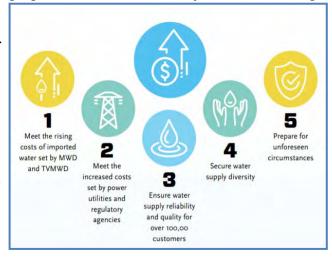
from the District's recycled water wells. On average the District delivers 2,300 acre-feet of recycled water per year, representing 12% of total water demand. The District continues to promote the use of recycled water and is committed to identifying further opportunities to expand the system.

WATER RATES & CHARGES

The District is dedicated to providing safe and reliable water and excellence in customer service under the guiding principles of affordability, customer fairness, and transparency. The rates customers are charged are impacted by several factors that include operation and maintenance expenses, infrastructure, expenditures, and administrative costs. In January 2020, the Board approved a detailed cost of service study and a proposed schedule of rate adjustments covering a

five-year period beginning February 2020. The average rate adjustment for the 5-year period is 5% per year. The Board of Directors approved a 6% rate increase in 2022 due to electing a 3% rate increase January 2021 instead of the proposed 5% in light of COVID-19 and the economic hardship caused by it.

Water rates are user charges imposed on customers for services and are the major source of revenue for the District. Water rates include a monthly meter charge, commodity charge, pump zone charge, and fire protection charge.





ECONOMIC CONDITIONS AND OUTLOOK

The information presented in the financial statements is best understood when it is considered from the broader perspective of the specific environment in which the District operates.

Economy/COVID-19 Pandemic

The COVID-19 Pandemic has had a profound impact on the national, state, and local economy. Consequently, a number of critical product supply chains have been affected, including electrical equipment, pipeline, fire hydrants, valves, and vehicles. These impacts have hindered scheduled Capital Improvement Projects and delayed development projects throughout the District. To compensate for longlead items and ensure continuity of service, the District maintains an adequate inventory of materials for immediate use and is working with a variety of vendors to procure product. Throughout the pandemic the District has maintained water service for all customers. avoiding interruption of service and maintaining the highest level of water quality and customer



service. With positive COVID-19 cases on the decline, California is slowly starting to experience economic recovery from the depths of the pandemic induced downturn.

As a result of the pandemic and increase in unemployment, Governor Newsom issued Executive Order N-42-20, which temporarily suspended the levy of all late charges and fees, and placed a moratorium on all service disconnections for residential and business customers. During that time, the District continued to work with its customers in managing their accounts, arranging payment extensions, or scheduling alternative payment arrangements. Since the executive order was lifted on December 31, 2021, the District has taken an active approach to recover outstanding balances, resulting in a reduced number of past due accounts.

Industry Outlook

California continues to face a decreasing water supply due to significantly dry conditions year over year. The hot and dry weather have not only contributed to a decrease in water supply, but also an increase in wildfires. Per the Metropolitan Water District of Southern California (MWD), the amount of California's Sierra Nevada Snowpack was measured at 38% of the April 1 average, when it is historically at its peak. California is now experiencing a third consecutive year of severe drought with January, February, and March 2022 being the driest on record dating back over 100 years.



ECONOMIC CONDITIONS AND OUTLOOK, continued

Along with looming drought conditions, California legislation has enacted Assembly Bill 1668 and Senate Bill 606, which will reduce the amount of water allocated to residents in California. The current standard to meet is 55 gallons per person per day (GPCD) through December 31, 2024. Subsequent legislation in Senate Bill 1157 reduces this standard to 47 GPCD on January 1, 2025 and 42 GPCD on January 1, 2030.

Water Use Efficiency

In 2016, Governor Brown issued an Executive Order calling for Californians to build on the actions taken during the recent statewide drought, and to "Make Conservation a Way of Life in California". In response, legislation requiring statewide long-term water use efficiency passed in 2018. As a result, the state will establish new long-term water efficiency objectives by June 30, 2022. The District has a long history of implementing cost-effective water efficiency programs and recently completed a comprehensive water use efficiency strategic plan to help ensure the District is well prepared to meet future efficiency standards.

Water Supply

California's water supply continues to pose many new and complex challenges for water agencies throughout the state. In recent years, the District has been an active participant and leader in addressing these concerns. Through coordination and planning with other local and regional water agencies, the District continues to engage in developing long-term solutions to the various water supply challenges, inclusive of drought resiliency efforts.

As a result of low precipitation and increased temperatures, deliveries from the State Water Project were reduced to 5% of requested supplies. This drastic cut prompted MWD to issue a Water Shortage Emergency Declaration and enact an Emergency Water Conservation Plan. Member agencies who primarily relied on supplies from the State Water Project were required to shift to Colorado River supplies or face severe conservation restrictions. The District was able to shift to Colorado River water; however, the Board of Directors proactively adopted a Stage 2 Water Shortage calling for a 20% reduction of water use. Although the District seeks to increase local water supplies, as evidenced by the District's water supply reliability projects, it remains heavily dependent upon MWD for its potable water. MWD continues to experience increases in the cost of acquiring water and delivering water to its member agencies. As a result, MWD's Tier 1 rate will increase from \$1,143 per acre-foot to \$1,209 per acre-foot on January 1, 2023, a 5.8% increase. Managing these costs and ensuring supply reliability remains a strategic focus of the District.

FISCAL MANAGEMENT & FINANCIAL POLICIES

Internal Control Structure

District management is responsible for the internal control structure established to protect its assets from theft or loss, ensure compliance with District policies, and allow for accurate and reliable financial statements. When establishing and implementing controls, management must consider the cost of the control and the value of the benefit derived. Management maintains only those controls for which value exceeds its costs.



FISCAL MANAGEMENT & FINANCIAL POLICIES, continued

Budgetary Control

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

Debt Administration

The District has one bonded indebtedness and additional obligations under three separate agreements. Additional information regarding these issues can be found in the District's audited financial statements and accompanying notes.

Description	Purpose
2021 Series A Water Revenue Bonds	Provided to finance certain capital facilities of the District.

Investment Policy

The investment policy is adopted annually and provides guiding objectives of safety, liquidity, and yield. The policy lists, in detail, the investment types, percentage of each type, and rating of the investment type. It applies to all cash and investment assets of the District, except those held in a non-revocable trust.

Reserve Policy

The policy states the purpose, source, minimum/maximum funding levels for each of its designated reserves. These reserves have been established to meet internal requirements and/or external legal requirements. These policy guidelines enable restricting funds for further infrastructure needs, replacement of aging facilities, bond compliance, and to mitigate unexpected occurrences.

Audit and Financial Reporting

State law and District bylaws require the District to obtain an annual audit of its financial statements by an independent certified public accountant. The accounting firm of Fedak & Brown, LLP, has conducted the audit of the District's financial statements. Their unmodified Independent Auditor's Report appears in the Financial Section.

Risk Management

The District is a member of the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA). The purpose of the ACWA/JPIA is to arrange and administer risk management programs for the pooling of self-insured losses and the purchase of excess insurance and workers' compensation coverage.



MAJOR INITIATIVES AND PROJECTS

Meter Replacement Program

The District's Advanced Metering Infrastructure (AMI) project started in FY 2015/2016 and is planned to be completed by FY 2024/2025. To date, approximately 54% of the District's 27,000



water meters have been replaced with automated "smart" meters. The goal of the project is to modernize existing infrastructure to increase water conservation through accurate and automated real-time meter readings that will further aid in leak detection and system loss reporting. AMI technology provides a link from the customer's meter to the District, allowing almost near real-time monitoring to occur. The technology eliminates the need to manually read water meters therefore reducing District costs and environmental impacts by minimizing mileage driven by District vehicles.

Asset Replacement & Refurbishment Plan

The District developed a 20-year ARR plan that addresses the need to repair and rehabilitate its water system infrastructure. The plan includes various programs totaling 81 million dollars over the next 20 years. Through proper long-term planning, the District can collect the necessary funding over time, avoiding significant financial fluctuations, while ensuring overall system reliability.

Drought Resources & Water Use Efficiency

In October of 2021, Governor Newsom issued a proclamation extending a statewide drought emergency to southern California with a call to action for agencies and Californians to step up their water conservation efforts. In March of 2022, the Governor also called on local water suppliers to move to Level 2 of their Water Shortage Contingency Plans which require locally-appropriate actions that will conserve water across all sectors and directed the State Water Resources Control Board to implement a ban on the watering of non-functional turf shortly after. In anticipation of these actions, WVWD's Board of Directors declared a Level 2 Water Shortage in January of 2022 which limits watering days to three times a week, restricts outdoor watering from 8 am to 5 pm, suspends excessive water flow/runoff, and includes additional efforts to help reduce water use by up to 20%.



MAJOR INITIATIVES AND PROJECTS, continued



The District is committed to providing its customers with the tools and resources they need to lead a water-efficient lifestyle. The District has been implementing water-efficient and demand management practices for decades. Details of the District's water use efficiency programs and activities can be found in the District's 2021 Strategic Communications Plan, 2020 Urban Water Management Plan, and 2020 Water Use Efficiency Strategic Plan.

The District manages a variety of water education and awareness activities through various mediums to further promote water use efficiency. Efforts include:

- Conservation messaging through social media platforms (Instagram, TikTok, YouTube, Twitter and Facebook).
- > Conservation messaging through targeted banner placement on city light poles and District vehicles
- Conservation messaging through e-newsletters, monthly bill inserts and snipes, flyers, fact sheets, and more.
- Conservation messaging at in-person community events via a conservation booth.
- Leak kit distributions to customers.
- Water use efficiency workshops virtual and in-person, offered in both English and Spanish.
- Direct purchase programs for water savings devices (Flume and Rachio).
- Rebate programs (premium high-efficiency toilets, urinals, sprinkler nozzles, weather-based irrigation controllers, pool covers, rain barrels, soil moisture sensors, and more.
- Landscape and garden design resources with a \$2 per square foot rebate on turf removal projects.

Public Education & Outreach

Walnut Valley Water District completed its 2021 Strategic Communications Plan with a detailed approach to revolutionizing water conservation programs and outreach in order to achieve a sustainable water future. The foundation of the District's communications efforts includes a focus on diverse, equitable, and inclusive practices. With an emphasis on serving the Asian-American and Pacific Islander (AAPI) community and Chinese and Mandarin-speaking communities as over 60% of the District's service area identifies with this demographic.



MAJOR INITIATIVES AND PROJECTS, continued

Programs to connect customers, students, and the local community with drought-resilient resources are ever-growing as water supply demand grows and water supply resources decrease. The District offers multiple programs through various mediums to customers, students, elected officials, and the public.

Education Programs

Education programs are available to students in grades 3 through 12 attending school within the WVWD service area. Utilizing the theme "Water is Life", students are given the

opportunity to demonstrate their artistic abilities while learning the value of water through an annual poster contest. Each year WVWD establishes a unique theme based on the current climate and state of water to host a high school digital and broadcast media contest. Classroom presentations are available to teachers throughout the service area which include audience participation and information on water distribution and treatment, the water cycle, and conservation techniques. Classroom



and community presentations are accompanied by water awareness goodie bags to bring the conservation conversation home.

Risk and Resiliency Plan/Emergency Response Plan

In early 2020 the District completed a Risk and Resilience Assessment (RRA) in accordance

with America's Water Infrastructure Act of 2018 (AWIA). The results of the RRA were used to review and update the District's Emergency Response Plan (ERP). With a rapidly changing climate, the District's service area is regularly faced with public safety power shutoff (PSPS) warnings, wildfires, extreme weather advisories, earthquakes, and other natural disasters. The District's commitment to reliable water service is unfaltering, these efforts ensure the District is adequately prepared to respond to any situation with minimal, to no disruption in service and quality. The District has also entered into a



regional emergency response effort further expanding on personnel and operations assistance should the need arise.

OTHER REFERENCES

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



AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to WVWD for its ACFR for the fiscal year ended June 30, 2021. This was the second year that WVWD has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS



The combined efforts of District staff accomplished the preparation of this report. We appreciate the dedicated efforts and professionalism that our staff members contribute to the District. We would also like to thank the members of the Board of Directors for their continued support in the planning and implementation of Walnut Valley Water District's fiscal policies.

Respectfully submitted,

Erik Hitchman

General Manager

Jared Macias

Assistant General Manager

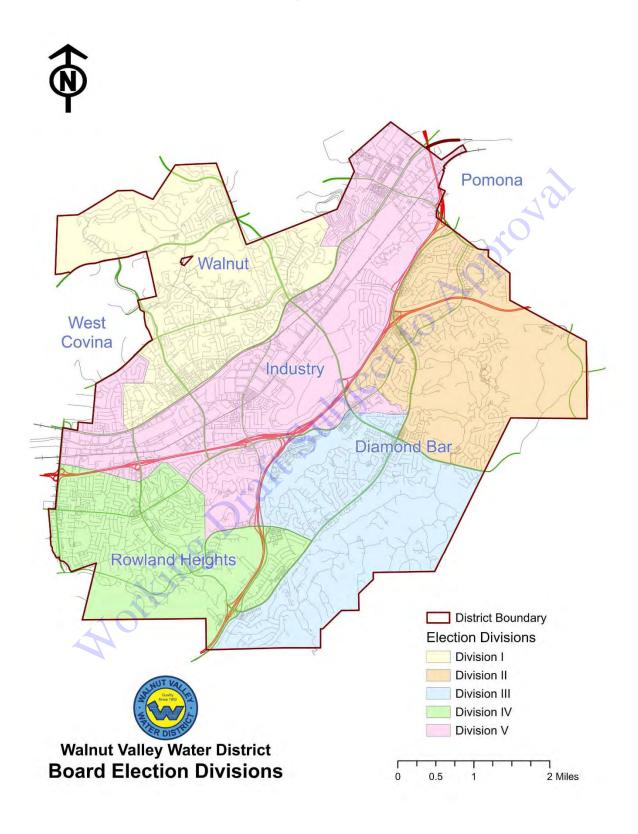
Walnut Valley Water District

Organizational Chart

As of June 30, 2022



Walnut Valley Water District District Service Area





Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Walnut Valley Water District California

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

Executive Director/CEO

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Independent Auditor's Report

Board of Directors Walnut Valley Water District Walnut, California

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the Walnut Valley Water District (District), which comprises the statements of net position as of June 30, 2022 and 2021, and the related statements of revenues, expenses, and changes in net position and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Walnut Valley Water District as of June 30, 2022 and 2021, and the changes in net position and cash flows 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform our audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities 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 controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 audits.
- 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 audits in order to design audit
 procedures that are appropriate in the circumstances, but not for the purpose of expressing an
 opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is
 expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Emphasis of Matter

As discussed in Note 1.C to the financial statements, in June 30, 2022, the District adopted new accounting guidance Governmental Accounting Standards Board Statement No. 87.

As part of our audit of the June 30, 2022, financial statements, we audited the adjustments described in Note 11 to the financial statements. Adjustments were recognized for the District's lessor and lessee agreements. As a result of the implementation for the District's lessor agreements, the District recorded leases receivable, a deferred lease inflows of resources, reclassified a portion of its rental income to interest income, and has recorded prior period adjustments to restate net position as of July 1, 2020 and 2021. Please see Note 4 for further information. As a result of the implementation for the District's lessee agreements, the District recorded a right to use asset included as part of capital assets, a lease payable, reclassified a portion of its equipment lease expense to interest expense, and has recorded prior period adjustments to restate net position as of July 1, 2020 and 2021. Please see Note 7 for further information. 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 20 through 27 and the required supplementary information on pages 80 through 83 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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.

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The introductory section on pages 1 through 13, and statistical section on pages 84 through 97, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance. This report can be found on pages 98 and 99.

Fedak & Brown LLP Cypress, California December 12, 2022

Walnut Valley Water District Management's Discussion and Analysis For the Fiscal Years Ended June 30, 2022 and 2021

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the Walnut Valley Water District (District) provides an introduction to the financial statements of the District for the fiscal years ended June 30, 2022 and 2021. We encourage readers to consider the information presented here in conjunction with the transmittal letter in the Introductory Section and with the basic financial statements and related notes, which follow this section.

Financial Highlights

- In fiscal year 2022, the District's net position increased 1.58% or \$2,255,951 to \$144,657,728, primarily due to a decrease of \$1,756,517 from ongoing operations and \$4,012,468 in capital contributions.
- Total revenues increased 1.79% or \$825,508 to \$46,877,175.
- Operating revenues increased 0.30% or \$130,724 to \$44,391,343.
- Non-operating revenues increased by 38.79% or \$694,784 to \$2,485,832.
- Total expenses including depreciation increased 5.07% or \$2,348,736 to \$48,633,692.
- Operating expenses before depreciation increased 2.24% or \$897,884 to \$40,962,957.
- Depreciation and amortization expense increased by 1.12% or \$61,522 to \$5,553,476.
- Non-operating expenses increased by 190.86% or \$1,389,330 to \$2,117,259.
- Capital contributions from developers increased 185.85% or \$2,608,748 to \$4,012,468.

Required Financial Statements

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

The Statements of Net Position includes all of the District's investments in resources (assets), deferred outflows of resources, the 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 District, and assessing the liquidity and financial flexibility of the District. All of the current year's revenues and expenses are accounted for in the Statements of Revenues, Expenses, and Changes in Net Position. This statement measures the success of the District's operations over the past year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate fiscal stability and credit worthiness. The final required financial statement is the Statements of Cash Flows, which provides information about the District's cash receipts and cash payments during the reporting period. The Statements 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.

Management's Discussion and Analysis, continued For the Fiscal Years Ended June 30, 2022 and 2021

Financial Analysis of the District

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Statements of Net Position and the Statements of Revenues, Expenses, and Changes in Net Position report information about the District in a way that helps answer this question. 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 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 District's *net position* and changes in it. One can think of the District's net position – the difference between assets plus deferred outflows of resources, less liabilities plus deferred inflows of resources – as a way to measure the District's financial health, or *financial position*. Over time, *increases or decreases* in the District's net position is one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth and new or changed government legislation, such as changes in Federal and State water quality standards.

Notes to the Basic Financial Statements

The notes to the basic financial statements 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 33 through 79.

Statements of Net Position

Condensed Statements of Net Position

		As Restated	
	2022	2021	Change
Assets:			
Current assets \$	27,863,119	27,193,330	669,789
Non-current assets	51,366,134	52,856,937	(1,490,803)
Capital assets, net	111,564,808	111,450,756	114,052
Total assets	190,794,061	191,501,023	(706,962)
Deferred outflows of resources	4,421,262	6,918,554	(2,497,292)
Liabilities:			
Current liabilities	12,639,166	16,976,691	(4,337,525)
Non-current liabilities	25,692,250	36,517,229	(10,824,979)
Total liabilities	38,331,416	53,493,920	(15,162,504)
Deferred inflows of resources:	12,226,179	2,523,880	9,702,299
Net position:			
Net investment in capital assets	96,182,741	103,734,121	(7,551,380)
Restricted	25,266,486	26,199,369	(932,883)
Unrestricted	23,208,501	12,468,287	10,740,214
Total net position \$	144,657,728	142,401,777	2,255,951

Walnut Valley Water District Management's Discussion and Analysis, continued For the Fiscal Years Ended June 30, 2022 and 2021

Statements of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources of the District exceeded liabilities and deferred inflows of the District by \$144,657,728 and \$142,401,777 as of June 30, 2022 and 2021, respectively.

Compared to the prior year, net position of the District increased 1.58% or \$2,255,951 to \$144,657,728, primarily due to a decrease of \$1,756,517 from ongoing operations and \$4,012,468 in capital contributions. The District's total net position is made-up of three components: (1) net investment in capital assets, (2) restricted net position and (2) unrestricted net position.

By far the largest portion of the District's net position (66% and 73% as of June 30, 2022 and 2021, respectively) reflects its investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets still outstanding. The District uses these capital assets to provide services to customers within the District's service area; consequently, these assets are *not* available for future spending.

Restricted net position represents assets restricted for use by statutory requirements or contractual agreements. At the end of fiscal years 2022 and 2021, the District showed a positive balance in its unrestricted net position of \$23,208,501 and \$12,468,287, respectively, which may be utilized in future years.

The Board of Directors has taken action to reserve aspects of the unrestricted net position for specified purposes such as asset replacement, growth accommodation and emergency reserves.

The District has committed to the following funds and objectives:

- Replacement Reserve Established for the funding of the replacement of capital assets when they reach the end of their useful lives.
- Capital Improvement Reserve Established for the funding of new capital assets necessary to improve or maintain the District's water infrastructure.
- Project Reserve Established to provide future funding derived from connection fees collected on new development resulting in increased service demand to the District's operating and distribution system.
- Badillo Grand Catastrophic Insurance Reserve Established to provide self-insurance for the funding emergency repair and maintenance of the Badillo Grand Line.
- Rate Stabilization Reserve Established for the purpose of funding the development, improvement, or acquisition of local water resource projects or efforts. This fund is designated by the Board to reduce the District's reliance on costly imported water. The District may use funds herein for either capital or operating purposes in accordance with Board approval.
- Stored Water Reserve Established for the purpose of obtaining stored water to offset the cost and availability of water reserves for the coming year.
- Operating Fund Reserve Established to cover temporary cash flow deficiencies that occur as a result of timing differences between the receipt of operating revenue and expenditure requirements and unexpected expenditures occurring as a result of doing business.
- Employee Liabilities Fund Reserve Established to accumulate funds for repayment of employee legacy liabilities such as pension benefits or other post-employment benefits.

Management's Discussion and Analysis, continued For the Fiscal Years Ended June 30, 2022 and 2021

Statements of Revenues, Expenses, and Changes in Net Position

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

		As Restated	
	2022	2021	Change
Revenues:			
Operating revenues \$	44,391,343	44,260,619	130,724
Non-operating revenues	2,485,832	1,791,048	694,784
Total revenues	46,877,175	46,051,667	825,508
Expenses:			10
Operating expenses	40,962,957	40,065,073	897,884
Depreciation and amortization	5,553,476	5,491,954	61,522
Non-operating expenses	2,117,259	727,929	1,389,330
Total expenses	48,633,692	46,284,956	2,348,736
Net loss before			
capital contributions	(1,756,517)	(233,289)	(1,523,228)
Capital contributions	4,012,468	1,403,720	2,608,748
Changes in net position	2,255,951	1,170,431	1,085,520
Net position, beginning of year	142,401,777	141,231,346	1,170,431
Prior period adjustment	<u> </u>	280,362	(280,362)
Net position, beginning of the year -	\sim		
as restated	142,401,777	141,511,708	890,069
Net position, end of year \$	144,657,728	142,682,139	1,975,589

The statements of revenues, expenses, and changes in net position show how the District's net position changed during the fiscal years. In the case of the District, net position increased 1.58% or \$2,225,951 to \$144,657,728, in fiscal year 2022, primarily due to a decrease of \$1,756,517 from ongoing operations, which was due primarily to the current year adjustments for the GASB 68 pension liability and related deferred outflows and inflows, and \$4,012,468 in capital contributions.

Financial Analysis for Fiscal Year 2022

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

In 2022, the District's total revenues increased 1.79% or \$825,508 to \$46,877,175. The District's operating revenues increased 0.30% or \$130,724 to \$44,391,343, primarily due to increases of \$352,653 in meter charges, \$162,732 in other water charges, which were offset by decreases of \$283,597 in water sales, \$48,828 in standby charges, and \$44,350 in recycled water sales as compared to the previous year.

In 2022, the District's non-operating revenues increased by 38.79% or \$694,784 to \$2,485,832 primarily due to increases of \$584,146 in other non-operating revenues, \$153,711 in gain on disposition of assets, \$42,206 in interest earnings from leases, and \$33,205 in property taxes, which were offset by decreases of \$63,284 in investment earnings, net of fair value and \$55,200 in rental income from cellular site leases as compared to the previous year.

Management's Discussion and Analysis, continued For the Fiscal Years Ended June 30, 2022 and 2021

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

Financial Analysis for Fiscal Year 2022, continued

In 2022, the District's total expenses including depreciation increased 5.07% or \$2,348,736 to \$48,633,692. The District's operating expenses before depreciation increased 2.24% or \$897,884 to \$40,962,957, due to increases of \$1,102,527 in transmission and distribution and \$407,212 in pumping expenses, which were offset by decreases of \$399,600 in operating expenses capitalized during the construction period, \$134,942 in general and administrative, \$56,205 in source of supply, and \$21,108 in consumer accounts as compared to the previous year.

In 2022, the District's depreciation and amortization expense increased by 1.12% or \$61,522 to \$5,553,476, due to the ongoing maturation on existing depreciable assets.

In 2022, the District's non-operating expenses increased by 190.86% or \$1,389,330 to \$2,117,259, primarily due to increases of \$1,600,045 in investment expense, net of fair value, \$188,885 in cost of issuance of debt related to the 2021 Series A Water Refunding bond issuance, \$46,345 in share of joint venture loss, which were offset by decreases of \$346,305 in interest expense related to long-term debt primarily due to the 2013 Series A Water Revenue bond defeasance and \$99,640 in loss on disposition of assets as compared to the previous year.

In 2022, the District's capital contributions increased by 185.85% or \$2,608,748 to \$4,012,468, primarily due to increases of \$2,438,796 in contributed capital from developers and \$182,897 in grant revenue as compared to the previous year.

Total District Revenues

		As Restated	
_	2022	2021	Change
Operating revenues:	X Y		
Water sales \$	31,953,010	32,236,607	(283,597)
Meter charges	8,759,271	8,406,618	352,653
Recycled water sales	2,155,578	2,199,928	(44,350)
Standby charges	718,171	766,999	(48,828)
Hydroelectric sales	31,455	39,341	(7,886)
Other water charges	773,858	611,126	162,732
Total operating revenues	44,391,343	44,260,619	130,724
Non-operating revenues:			
Property taxes	1,232,651	1,199,446	33,205
Rental income – cellular site leases	175,184	230,384	(55,200)
Interest earnings – leases	82,691	40,485	42,206
Investment earnings	-	63,284	(63,284)
Gain on disposition of capital assets	153,711	-	153,711
Other non-operating income	841,595	257,449	584,146
Total non-operating			
revenues	2,485,832	1,791,048	694,784
Total revenues \$ _	46,877,175	46,051,667	825,508

In 2022, total District revenues increased \$825,508 to \$46,877,175 as compared to the prior year.

Management's Discussion and Analysis, continued For the Fiscal Years Ended June 30, 2022 and 2021

Total District Expenses

	2022	As Restated 2021	Change
Operating expenses including			
depreciation expense:			
Source of supply \$	25,282,557	25,338,762	(56,205)
Pumping	2,226,536	1,819,324	407,212
Transmission and distribution	7,284,321	6,181,794	1,102,527
Consumer accounts	1,783,368	1,804,476	(21,108)
General and administrative	5,105,223	5,240,165	(134,942)
Operating expenses capitalized			
during construction period	(719,048)	(319,448)	(399,600)
Depreciation and amortization	5,553,476	5,491,954	61,522
Total operating expenses including depreciation and		20	\$
amortization expense	46,516,433	45,557,027	959,406
Non-operating expenses:		XO .	
Investment expense, net of fair value	1,600,045	-	1,600,045
Share of joint venture loss	87,374	41,029	46,345
Loss on disposition of capital assets	-,0	99,640	(99,640)
Interest expense – long-term debt	240,955	587,260	(346,305)
Bond issuance costs	188,885		188,885
Total non-operating			
expenses	2,117,259	727,929	1,389,330
Total expenses	48,633,692	46,284,956	2,348,736

In 2022, total District expenses increased \$2,348,736 to \$48,633,692 as compared to the prior year.

Capital Asset Administration

Changes in capital assets for 2022 were as follows:

Molita	-	As Restated Balance 2021	Additions	Transfers/ Deletions	Balance 2022
Capital assets:					
Non-depreciable assets	\$	8,032,776	5,722,500	(1,577,065)	12,178,211
Depreciable assets		223,308,565	1,577,080	(205,341)	224,680,304
Accumulated depreciation					
and amortization	_	(119,890,585)	(5,553,476)	150,354	(125,293,707)
Total capital assets, net	\$	111,450,756	1,746,104	(1,632,052)	111,564,808

Walnut Valley Water District Management's Discussion and Analysis, continued For the Fiscal Years Ended June 30, 2022 and 2021

Capital Asset Administration, continued

At the end of fiscal year 2022, the District's investment in capital assets amounted to \$111,564,808 (net of accumulated depreciation and amortization). This investment in capital assets includes terminal storage, pumping equipment, transmission and distribution systems, PWR capacity, hydroelectric system, recycled water system, general plant, and leased equipment. Major capital asset additions during the year include the acquisition of pumping equipment, transmission and distribution systems, recycled water systems, and general plant assets. Major capital asset transfers sourced from terminal storage, for the purpose of merging the terminal storage asset category into transmission and distribution. See Note 5 to the basic financial statements for further detailed information on the District's capital assets.

Changes in capital assets for 2021 were as follows:

	<u>-</u>	As Restated Balance 2020	Additions	Transfers/ Deletions	As Restated Balance 2021
Capital assets:					
Non-depreciable assets	\$	9,645,608	4,416,709	(6,029,541)	8,032,776
Depreciable assets		218,763,913	5,963,578	(1,418,926)	223,308,565
Accumulated depreciation			V O		
and amortization	-	(115,758,541)	(5,491,954)	1,359,910	(119,890,585)
Total capital assets, net	\$	112,650,980	4,888,333	(6,088,557)	111,450,756

At the end of fiscal year 2021, the District's investment in capital assets amounted to \$111,450,756 (net of accumulated depreciation and amortization). This investment in capital assets includes master plan, terminal storage, pumping equipment, transmission and distribution systems, PWR capacity, hydroelectric system, recycled water system, general plant, and leased equipment. Major capital asset additions during the year include the acquisition of pumping equipment, transmission and distribution systems, PWR capacity, recycled water systems, and general plant assets. See Note 5 to the basic financial statements for further detailed information on the District's capital assets.

Debt Administration

Changes in long-term debt amounts for 2022 were as follows:

Noth	_	As Restated Balance 2021	Additions/ Deletions	Principal Payments	Balance 2022
Long-term debt:					
Lease payable	\$	26,405	-	(24,338)	2,067
Bonds payable	_	15,702,036	(322,036)		15,380,000
Less: current portion	_	(559,338)	(322,036)	(24,338)	(4,134)
Non-current portion	\$	15,142,698			15,375,866

In 2022, long-term debt decreased by \$322,036 due to the defeasement of \$15,702,036 in 2012 Water Revenue bonds net of bond premium refinanced through the issuance of \$15,380,000 in 2021 Water Revenue bonds and due to \$24,338 in scheduled lease payments. See further detailed information in Note 7.

Management's Discussion and Analysis, continued For the Fiscal Years Ended June 30, 2022 and 2021

Debt Administration, continued

Changes in long-term debt amounts for 2021 were as follows:

	<u>-</u>	As Restated Balance 2020	Additions/ Deletions	Principal Payments	As Restated Balance 2021
Long-term debt:					
Lease payable	\$	49,905	-	(23,500)	26,405
Bonds payable	_	16,319,151		(617,115)	15,702,036
Less: current portion	_	(533,500)		(640,615)	(559,338)
Non-current portion	\$	15,785,651			15,142,698

In 2021, long-term debt decreased by \$640,615, due to scheduled principal bond and lease payments. See further detailed information in Note 7.

Conditions Affecting Current Financial Position

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

Requests for Information

This financial report is designed to provide the District's present users, including funding sources, customers, stakeholders, and other interested parties with a general overview of the District's finances and to demonstrate the District's accountability with an overview of the District'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 District's Finance Director, Josh Byerrum at Walnut Valley Water District at 271 South Brea Canyon Road, Walnut, California 91789 or (909) 595-7554.

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Walnut Valley Water District Statements of Net Position June 30, 2022 and 2021

	2022	As Restated 2021
Current assets:		
Cash and cash equivalents (note 2) \$	12,100,320	11,114,867
Restricted – cash and cash equivalents (note 2)	2,631,376	2,628,623
Investments (note 2)	4,034,966	2,869,465
Restricted – investments (note 2)	1,263,213	2,607,383
Accrued interest receivable	159,215	164,810
Restricted – accrued interest receivable	-	1,018
Accounts receivable – water sales and services	4,780,132	4,836,233
Accounts receivable – other	1,370,251	1,495,035
Leases receivable (note 4)	224,617	206,212
Property tax receivable	99,529	132,922
Prepaid expenses	352,646	411,840
Inventory – materials and supplies	846,854	724,922
Total current assets	27,863,119	27,193,330
Non-current assets:		
Investments (note 2)	20,513,106	19,534,762
Restricted – Investments (note 2)	8,160,067	10,459,213
Restricted – Investment in joint ventures (note 3)	20,856,432	20,801,816
Leases receivable (note 4)	1,836,529	2,061,146
Capital assets – not being depreciated (note 5)	12,178,211	8,032,776
Capital assets – being depreciated, net (note 5)	99,386,597	103,417,980
Total non-current assets	162,930,942	164,307,693
Total assets	190,794,061	191,501,023
Deferred outflows of resources:		
Deferred OPEB outflows (note 8)	1,528,058	3,705,955
Deferred pension outflows (note 9)	2,893,204	3,212,599
Total deferred outflows of resources \$	4,421,262	6,918,554

Continued on next page

See accompanying notes to the basic financial statements

Walnut Valley Water District Statements of Net Position, continued June 30, 2022 and 2021

	2022	As Restated 2021
Current liabilities:		
Accounts payable and accrued expenses	6,096,193	7,088,506
Accrued payroll and employee benefits	368,362	341,478
Customer and developer deposits	1,992,751	2,083,318
Construction advances	3,466,964	6,194,605
Unearned revenue	403,202	333,497
Accrued interest payable	23,117	57,875
Long-term liabilities – due in one year:		
Compensated absences (note 6)	286,510	318,074
Leases payable (note 7)	2,067	24,338
Bonds payable (note 7)		535,000
Total current liabilities	12,639,166	16,976,691
Non-current liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences (note 6)	859,528	954,222
Leases payable (note 7)	-	2,067
Bonds payable (note 7)	15,380,000	15,167,036
Net OPEB liability (note 8)	62,006	4,973,211
Net pension liability (note 9)	9,390,716	15,420,693
Total non-current liabilities	25,692,250	36,517,229
Total liabilities	38,331,416	53,493,920
Deferred inflows of resources:	=0	4.0.5
Deferred lease inflows (note 4)	1,679,466	1,867,031
Deferred OPEB inflows (note 8)	1,797,414	-
Deferred pension inflows (note 9)	8,749,299	656,849
Total deferred inflows of resources	12,226,179	2,523,880
Net position: (note 10)		
Net investment in capital assets	96,182,741	103,734,121
Restricted:		
Reservoir capacity charge	1,161,946	2,277,066
Acreage supply charge	360,056	340,513
Investment in joint venture – PBWA	20,731,923	20,737,091
Investment in joint venture – Spadra	124,509	64,725
Badillo Grand surcharge	282,733	283,076
Water supply charge	2,605,319	2,496,898
Unrestricted	23,208,501	12,468,287
Total net position	144,657,728	142,401,777

See accompanying notes to the basic financial statements

Walnut Valley Water District Statements of Revenues, Expenses and Changes in Net Position For the Fiscal Years Ended June 30, 2022 and 2021

	2022	As Restated 2021
Operating revenues:		
Water sales \$	31,953,010	32,236,607
Meter charges	8,759,271	8,406,618
Recycled water sales	2,155,578	2,199,928
Standby charges	718,171	766,999
Hydroelectric sales	31,455	39,341
Other water charges	773,858	611,126
Total operating revenues	44,391,343	44,260,619
Operating expenses:		7.00
Source of supply	25,282,557	25,338,762
Pumping	2,226,536	1,819,324
Transmission and distribution	7,284,321	6,181,794
Consumer accounts	1,783,368	1,804,476
General and administrative	5,105,223	5,240,165
Operating expenses capitalized during construction period	(719,048)	(319,448)
Total operating expenses	40,962,957	40,065,073
Operating income before depreciation and		
amortization expense	3,428,386	4,195,546
Depreciation and amortization expense	(5,553,476)	(5,491,954)
Operating loss	(2,125,090)	(1,296,408)
Non-operating revenue(expense):		
Property taxes	1,232,651	1,199,446
Rental income – cellular site leases	175,184	230,384
Interest earnings – leases	82,691	40,485
Investment earnings(expense), net of fair value	(1,600,045)	63,284
Share of joint venture (loss) income	(87,374)	(41,029)
Gain/(loss) on disposition of capital assets	153,711	(99,640)
Interest expense – long-term debt	(240,955)	(587,260)
Cost of issuance of debt	(188,885)	257.440
Other non-operating income	841,595	257,449
Total non-operating revenue, net	368,573	1,063,119
Net loss before capital contributions	(1,756,517)	(233,289)
Capital contributions:		
Developers and others	3,705,600	1,266,804
Capacity and supply charges	123,971	136,916
Capital grants – state and local	182,897	
Total capital contributions	4,012,468	1,403,720
Change in net position	2,255,951	1,170,431
Net position, beginning of the year	142,401,777	140,950,984
Prior period adjustment (note 13)	-	280,362
Net position, beginning of the year – as restated	142,401,777	141,231,346
Net position, end of year – as restated \$	144,657,728	142,401,777

Walnut Valley Water District Statements of Cash Flows For the Fiscal Years Ended June 30, 2022 and 2021

		2022	As Restated 2021
Cash flows from operating activities:			
Cash receipts from customers for sales and services	\$	45,392,961	44,954,009
Cash paid to vendors and suppliers		(34,363,606)	(28,830,722)
Cash paid to employees for salaries and wages		(5,932,802)	(5,826,722)
Cash paid to OPEB trust		(375,000)	(1,711,076)
Net cash provided by operating activities		4,721,553	8,585,489
Cash flows from non-capital financing activities:			
Proceeds from property taxes		1,266,044	1,199,425
Payments to joint ventures		(141,990)	(3,849,850)
Net cash provided by (used in) non-capital financing activities		1,124,054	(2,650,425)
Cash flows from capital and related financing activities:		07	
Acquisition and construction of capital assets		(5,788,477)	(4,416,708)
Proceeds from the sale of capital assets		153,711	-
Proceeds from capital contributions	O	1,284,827	202,075
Proceeds from principal issued on long-term debt		15,380,000	-
Payment of loan issuance costs		(188,885)	-
Principal paid on bonds payable and leases payable		(15,750,712)	(533,500)
Interest paid on bonds payable and leases payable		(275,713)	(638,085)
Net cash used in capital and related financing activities		(5,185,249)	(5,386,218)
Cash flows from investing activities:			
Interest and investment earnings, net of fair value		(1,593,432)	114,511
Purchase of securities		(8,048,000)	(9,390,000)
Proceeds from sale of securities		9,587,884	9,805,723
Principal received from leases receivable		381,396	200,388
Net cash provided by investing activities		327,848	730,622
Net increase in cash and cash equivalents		988,206	1,279,468
Cash and cash equivalents, beginning of year		13,743,490	12,464,022
Cash and cash equivalents, end of year	\$	14,731,696	13,743,490
Reconciliation of cash and cash equivalents to statement of net position	on:		
		2022	2021
Cash and cash equivalents	\$	12,100,320	11,114,867
Cash and cash equivalents – restricted		2,631,376	2,628,623
Total cash and cash equivalents	\$	14,731,696	13,743,490

Continued on next page

See accompanying notes to the basic financial statements

Walnut Valley Water District Statements of Cash Flows, continued For the Fiscal Years Ended June 30, 2022 and 2021

		2022	As Restated 2021
Reconciliation of operating loss to net cash			
provided by operating activities:			
Operating loss	\$	(2,125,090)	(1,296,408)
Adjustments to reconcile operating loss to net cash			
provided by operating activities:			
Depreciation and amortization expense		5,553,476	5,491,954
Other non-operating income		841,595	257,449
Change in assets, deferred outflows, liabilities, and deferred inflows:		.16	22
(Increase)Decrease in assets:			
Accounts receivable – water sales and services		56,101	(346,685)
Accounts receivable – other		124,784	341,204
Prepaid expenses and other deposits		59,194	13,083
Materials and supplies inventory	7	(121,932)	179,916
Water-in-storage inventory		_	3,575,180
(Increase)Decrease in deferred outflows of resources:			
Deferred OPEB outflows)	2,177,897	(1,509,976)
Deferred pension outflows		319,395	(213,934)
Increase(Decrease) in liabilities:			
Accounts payable and accrued expenses		(992,313)	863,467
Accrued payroll and employee benefits		26,884	(10,983)
Deposits for work-orders		(90,567)	300,612
Unearned revenues		69,705	140,810
Compensated absences		(126,258)	73,865
Net OPEB liability		(4,911,205)	(341,657)
Net pension liability		(6,029,977)	1,119,350
Increase(Decrease) in deferred inflows of resources:			
Deferred OPEB inflows		1,797,414	-
Deferred pension inflows		8,092,450	(51,758)
Total adjustments		6,846,643	9,881,897
Net cash provided by operating activities	\$	4,721,553	8,585,489
Non-cash investing, capital, and financing transaction:			
Changes in fair value of investments	\$	2,232,521	750,891

See accompanying notes to the basic financial statements

(1) Reporting Entity and Summary of Significant Accounting Policies

A. Organization and Operations of the Reporting Entity

The Walnut Valley Water District (District) is an independent special district formed in July 1952, which operates under the authority of Division 12 of the California Water Code. The District's service area includes the communities of Diamond Bar, portion of the cities of Walnut, Industry, West Covina and Pomona, as well as the easterly unincorporated area of Rowland Heights. The District is governed by a five-member Board of Directors who serve overlapping four-year terms in even-numbered years.

The criteria used in determining the scope of the financial reporting entity is based on the provisions of Governmental Accounting Statements No. 61, *The Financial Reporting Entity*. The District is the primary governmental unit based on the foundation of a separately elected governing board that is elected by the citizens in a general popular election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The District is financially accountable if it appoints a voting majority of the organization's governing body and: 1) It is able to impose its will on that organization, or 2) There is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

Complete financial statements for the Walnut Valley Water District are available at the District's office or upon request of the District's Director of Finance, Josh Byerrum at Walnut Valley Water District at 271 South Brea Canyon Road, Walnut, California 91789.

B. Basis of Accounting and Measurement Focus

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs of providing water to its customers on a continuing basis be financed or recovered primarily through user charges (water sales), capital grants, and similar funding. Revenues and expenses are recognized on the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Operating revenues and expenses, such as water sales along with water purchases, result from exchange transactions associated with the principal activity of the District. Exchange transactions are those in which each party receives and gives up essentially equal value. 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. Non-operating revenues and expenses, such as grant funding, investment income, and interest expense, result from non-exchange transactions, in which the District gives (receives) value without directly receiving (giving) value in exchange.

C. Financial Reporting

The District'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 District solely operates as a special-purpose government which means it is only engaged in business-type activities; accordingly, activities are reported in the District's proprietary fund.

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

C. Financial Reporting, continued

The District has adopted the following GASB pronouncement in the current year:

In June 2017, the GASB issued Statement No. 87 – Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statement were effective for reporting periods beginning after December 15, 2019; however, in light of the COVID-19 pandemic, the effective date has been postponed by 18 months. Earlier application is encouraged.

In June 2018, the GASB issued Statement No. 89 – Accounting for Interest Cost incurred Before the End of a Construction Period. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

The requirements of this Statement were effective for reporting periods beginning after December 15, 2019; however, in light of the COVID-19 pandemic, the effective date has been postponed by one year. Earlier application is encouraged. The requirements of this Statement should be applied prospectively.

In October 2021, the GASB issued Statement No. 98 – *The Annual Comprehensive Financial Report*. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of Annual Comprehensive Financial Report and its acronym in generally accepted accounting principles for state and local governments.

This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for Annual Comprehensive Financial Report sounds like a profoundly objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness.

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

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 of resources, liabilities, deferred inflows of resources, and disclosures of contingent assets and liabilities 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 of the District's cash is invested in interest-bearing accounts. The District considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents.

For purposes of the statement of cash flows, cash and cash equivalents have been defined as demand deposits, money market mutual funds, and external cash management pools (local agency investment fund).

3. Investments and Investment Policy

The District has adopted an investment policy directing the Assistant General Manager to deposit and invest funds in financial institutions in accordance with California Government Code section 53600. The investment policy applies to all financial assets and investment activities of the District.

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. Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

The hierarchy is based on valuation inputs used to measure the fair value of the asset, as follows:

- Level 1 Valuation is based on quoted prices in active markets for identical assets.
- Level 2 Valuation is based on directly observable and indirectly observable inputs. These inputs are derived principally from or corroborated by observable market data through correlation or market-corroborated inputs. The concept of market-corroborated inputs incorporates observable market data such as interest rates and yield curves that are observable at commonly quoted intervals.
- Level 3 Valuation is based on unobservable inputs where assumptions are made based on factors such as prepayment rates, probability of defaults, loss severity and other assumptions that are internally generated and cannot be observed in the market.

5. Restricted Assets

Restricted assets are financial resources generated for a specific purpose such as capital projects or debt service. These assets are for the benefit of a specified purpose and, as such, are legally or contractually restricted by an external third-party agreement.

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

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

6. Accounts Receivable and Allowance for doubtful accounts

The District extends credit to customers in the normal course of operations. Management evaluates all accounts receivable, and if determined that they are uncollectable, the District uses the allowance method for the reservation and write-off of those accounts.

7. Lease Receivable / Payable

Leases receivable / payable are measured at the present value of payments expected to be received during the lease term.

8. Materials and Supplies Inventory

Materials and supplies inventory consist primarily of water meters, pipe and pipefittings for construction and repair to the District's water transmission and distribution system. Inventory is valued at lower of cost or market. Inventory items are charged to expense at the time that individual items are withdrawn from inventory or consumed.

9. 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.

10. Property Taxes

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

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

Lien date January 1 Levy date July 1

Due dates November 10 and February 10 Collection dates December 10 and April 10

11. Capital Assets

Capital assets acquired and/or constructed are capitalized at historical cost. District policy has set the capitalization threshold for reporting capital assets at \$5,000. Donated assets are recorded at acquisition value rather than fair 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.

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

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

11. Capital Assets, continued

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

Wells	30 years
Terminal storage	30 years
Telemetering SCADA equipment	20 years
Pumping, transmission facilities and meters	20 - 60 years
PWR capacity	75 years
Recycled water system	30 years
General structures	30 years
Office equipment/GIS	5-7 years
Vehicles and equipment	7 years
Master plan	7 years

Leased equipment is amortized on a straight-line basis over the life of the lease.

12. Deferred Outflows of Resources

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

Post-Employment Benefits Other Than Pensions (OPEB)

- Deferred outflow which is equal to the employer contributions made after the measurement date of the net OPEB liability. This amount will be amortized-in-full against the net pension liability in the next fiscal year.
- Deferred outflow for the changes 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 OPEB through the Plan.
- Deferred outflow for the differences 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 OPEB through the Plan.
- Deferred outflow for the net difference in projected and actual earnings on investments of the OPEB plans fiduciary net position. This amount is amortized over a 5-year period.

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 differences 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.

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

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

12. Deferred Outflows of Resources, continued

Pensions, continued

• Deferred outflow for the net changes due to differences in 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.

13. Compensated Absences

The District's policy is to permit employees to accumulate a limited amount of earned vacation and sick leave. Accumulated vacation time is accrued at year-end to account for the District's obligation to the employees for the amount owed.

14. Postemployment Benefits Other than Pensions (OPEB)

For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB plan (Plan) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

GASB 75 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 Date: June 30, 2020

• Measurement Date: June 30, 2021

• Measurement Period: July 1, 2020 to June 30, 2021

15. 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 District'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.

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 Date: June 30, 2020

• Measurement Date: June 30, 2021

• Measurement Period: July 1, 2020 to June 30, 2021

16. Premium on Issued Debt

Premiums received on issued debt are amortized over the life of the respective debt service.

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

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

17. Deferred Inflows of Resources

The statement 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 resources applicable to future periods and therefore will not be recognized as an inflow of resources (revenue) until that time. The District has the following items that qualify for reporting in this category:

Post-Employment Benefits Other Than Pensions (OPEB)

- Deferred inflow for the differences 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 OPEB through the Plan.
- Deferred inflow for the net difference in projected and actual earnings on investments of the OPEB plans fiduciary net position. This amount is amortized over a 5-year period.

Pensions

- Deferred inflow for the net difference in projected and actual earnings on investments of the pension plans fiduciary net position. This amount is amortized over a 5-year period.
- Deferred inflow for the net difference in actual and proportionate share of employer contribution and net changes in proportion 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.

18. Water Sales

Water sales are billed on a monthly basis. Estimated unbilled water revenue through June 30 has been accrued at year-end.

19. Overhead Absorption

Certain operating expenses are allocated to capital assets using management's allocation of manpower and services estimates that are directly related to the construction of capital assets.

20. Capital Contributions

Capital contributions represent cash and capital asset additions contributed to the District by property owners, granting agencies, or real estate developers desiring services that require capital expenditures or capacity commitment.

21. Net Position

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

• Net Investment in Capital Assets Component of Net Position— This component of net position consists of capital assets, net of accumulated depreciation, and reduced by any debt outstanding against the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt is included in this component of net position

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

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

21. Net Position, continued

- Restricted Component of Net Position 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 Component of Net Position This component of net position is the net amount of the 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 component of net position.

22. Budgetary Policies

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

(2) Cash and Investments

Cash and investments as of June 30 are classified in the Statements of Net Position as follows:

<u></u>	2022	2021
Cash and cash equivalents \$	12,100,320	11,114,867
Restricted – cash and cash equivalents	2,631,376	2,628,623
Total cash and cash equivalents	14,731,696	13,743,490
Investments	4,034,966	2,869,465
Restricted – investments	1,263,213	2,607,383
Investments non-current	20,513,106	19,534,762
Restricted – Investments non-current	8,160,067	10,459,213
Total investments	33,971,352	35,470,823
Total cash and investments \$	48,703,048	49,214,313

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

	_	2022	2021
Cash and investments			
Cash on hand	\$	3,100	3,200
Deposits with financial institutions		7,398,337	5,061,667
Investments	_	41,301,611	44,149,446
Total cash and investments	\$_	48,703,048	49,214,313

(2) Cash and Investments, continued

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

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

		Maximum	Maximum
Authorized	Maximum	Percentage	Investment
Investment Type	<u> Maturity</u>	Of Portfolio *	in One Issuer
State and Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years**	None	None
U.S. Agency Securities	5 years**	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Non-negotiable Certificates of Deposit	1 year	30%	None
Negotiable Certificates of Deposit	5 years	30%	None
Medium-Term Notes	5 years	30%	None
Repurchase agreements	1 year	20%	None
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
Supranational Obliagtions	N/A	30%	None
County Pooled Investment Funds	N/A	None	None
California Local Agency Investment Fund (LAIF)	N/A	None	None

^{*} Excluding amounts held by bond trustee that are not subject to California Government Code.

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the District's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk and concentration of credit risk.

^{**} Except when authorized by the District's legislative body in accordance with Government Code Section 53601 N/A – Not Applicable

(2) Cash and Investments, continued

Authorized Investment Type	Maximum Maturity	Maximum Percentage Of Portfolio *	Maximum Investment in One Issuer
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
Banker's Acceptances	1 year	None	None
Commercial Paper	None	None	None
Investment Agreements	None	None	None
Local Agency Obligations	None	None	None
Non-negotiable Certificates of Deposit	None	None	None
Negotiable Certificates of Deposit	None	None	None
Medium-Term Notes	3 years	None	None
Repurchase agreements	30 days	None	None
Money Market Mutual Funds	None	None	None
Asset Backed Securities	5 years	None	None
Mortgage Backed Securities	5 years	20%	None
California Local Agency Investment Fund (LAIF)	None	None	None

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

The pool portfolio is invested in a manner that meets the maturity, quality, diversification and liquidity requirements set forth by GASB 79 for external investments 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.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits, or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. 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 District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit), and, the District's investment policy that requires no more than two-thirds of the District's deposits in a depository shall be collateralized by mortgage-backed securities, with the remainder to be secured by non-mortgage-backed securities.

(2) Cash and Investments, continued

Custodial Credit Risk, continued

The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Of the District's bank balances, up to \$250,000 is federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the District's name.

Interest Rate Risk

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

The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Of the bank balances, up to \$250,000 is federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the District's name.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity date:

Investment maturities as of June 30, 2022, were as follows:

				Remaining Maturity			
Y Y			12 Months	13 to 24	25-60		
Investment Type	_	Amount	Or Less	Months	Months		
California Local Agency Investment Fund	\$	4,999,557	4,999,557	-	-		
Certificates-of-deposit		937,628	-	-	937,628		
United States Government Sponsored							
Agency Securities		10,476,332	-	5,182,845	5,293,487		
United States Treasury notes		11,965,578	1,148,714	393,328	10,423,536		
Corporate obligations		9,081,539	3,649,801	1,799,239	3,632,499		
Supranational obligations		1,510,276	499,665	-	1,010,611		
Held by Bond Trustee:							
Money market mutual fund	_	2,330,701	2,330,701				
Total	\$	41,301,611	12,628,438	7,375,412	21,297,761		

(2) Cash and Investments, continued

Investment maturities as of June 30, 2021, were as follows:

		Remaining Maturity			
		12 Months	13 to 24	25-60	
Investment Type	Amount	Or Less	Months	Months	
California Local Agency Investment Fund	\$ 6,349,845	6,349,845	-	-	
Certificates-of-deposit	757,231	-	-	757,231	
United States Government Sponsored					
Agency Securities	14,392,958	2,219,061	980,989	11,192,908	
United States Treasury notes	9,937,457	1,845,695	1,179,299	6,912,463	
Corporate obligations	8,275,532	906,902	4,304,662	3,063,968	
Supranational obligations	2,107,645	505,190	509,415	1,093,040	
Held by Bond Trustee:					
Money market mutual fund	1,087,867	1,087,867	-	-	
California Local Agency Investment Fund	1,240,911	1,240,911	_		
Total	\$ 44,149,446	14,155,471	6,974,365	23,019,610	

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.

Per the District's investment policy, credit risk is mitigated by investing in safe securities, and diversifying the investment portfolio so the failure of one issuer would not materially affect the District's cash flow. Presented below is the minimum rating required by (where applicable) the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of yearend for each investment type.

Credit ratings of investments as of June 30, 2022, were as follows:

	Minimum			R	ating as of year-end	d
	Legal		A	Exempt from	AAAm/A-1+	A-1/A+/
Investment Type	Rating		Amount	Disclosure	AA/AA+/AA-	A/A
California Local Agency Investment Fund	N/A	\$	4,999,557	4,999,557	-	-
Certificates-of-deposit	N/A		937,628	937,628	-	-
Money market mutual funds	Aaa		2,330,701	-	2,330,701	-
United States Government Sponsored						
Agency Securities	N/A		10,476,332	-	10,476,332	-
United States Treasury notes	N/A		11,965,578	11,965,578	-	-
Corporate obligations	A		9,081,539	-	4,410,418	4,671,121
Supranational obligations	AA	_	1,510,276		1,510,276	
Total		\$_	41,301,611	17,902,763	18,727,727	4,671,121

(2) Cash and Investments, continued

Credit ratings of investments as of June 30, 2021, were as follows:

	Minimum		Rating as of year-end			
	Legal			Exempt from	AAAm/A-1+	A-1/A+/
Investment Type	Rating		Amount	Disclosure	AA/AA+/AA-	A/A-
California Local Agency Investment Fund	N/A	\$	7,590,756	7,590,756	-	-
Certificates-of-deposit	N/A		757,231	757,231	-	-
Money market mutual funds	Aaa		1,087,867	-	1,087,867	-
United States Government Sponsored						
Agency Securities	N/A		14,392,958	-	14,392,958	-
United States Treasury notes	N/A		9,937,457	9,937,457	(A)	-
Corporate obligations	A		8,275,532	-	2,701,419	5,574,113
Supranational obligations	AA	_	2,107,645		2,107,645	
Total		\$	44,149,446	18,285,444	20,289,889	5,574,113

Concentration of Credit Risk

The District's investment policy contains various limitations on the amounts that can be invested in any one governmental agency or non-governmental issuer as stipulated by the California Government Code. The District's deposit portfolio with governmental agencies, LAIF, is 12% and 17% as of June 30, 2022 and 2021, respectively, of the District's total depository and investment portfolio.

Instruments in any one issuer that represent 5% or more of the District's investments as of June 30, 2022 are as follows (excluding external investment pools and debt explicitly guaranteed by the U.S. government):

Investment	Issuer Type	 Fair Value Holdings	Percentage Holdings	
Federal National Mortgage Association	Government Sponsored	\$ 3,224,632	7.81%	
Federal Home Loan Bank	Government Sponsored	4,922,050	11.92%	

Instruments in any one issuer that represent 5% or more of the District's investments as of June 30, 2021 are as follows (excluding external investment pools and debt explicitly guaranteed by the U.S. government):

Investment	Issuer Type	 Fair Value Holdings	Percentage Holdings	
Federal National Mortgage Association	Government Sponsored	\$ 3,954,797	8.96%	
Federal Home Loan Bank	Government Sponsored	7,297,104	16.53%	
Federal Home Loan Mortgage Corporation	Government Sponsored	2,353,872	5.33%	

(2) Cash and Investments, continued

Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Investments measured at fair value on a recurring and non-recurring basis, are as follows:

			Fair Value Measurement at Reporting Date using:		
			Quoted Prices in	Significant	Significant
			Active Markets	Other Observable	Unobservable
		June 30,	for Identical Assets	Inputs	Inputs
Description		2022	(Level 1)	(Level 2)	(Level 3)
Certificates-of-deposit	\$	937,628	-	937,628	-
United States Government Sponsored					
Agency securities		10,476,332	-	10,476,332	-
United States Treasury notes		11,965,578	11,965,578	-	-
Corporate obligations		9,081,539	V (-)	9,081,539	-
Supranational obligations	_	1,510,276		1,510,276	
		33,971,353	11,965,578	21,068,147	
Investments not subject to fair value hiera	chy:				
Local Agency Investment Fund		4,999,557			
Money market mutual funds	_	2,330,701			
Total	\$ _	41,301,611			

The District has the following recurring fair value measurements as of June 30, 2022:

- Certificates-of-deposit of \$937,628 are valued using a matrix pricing model (Level 2 inputs).
- U.S. Governmental Sponsored Agency securities of \$10,476,332 are valued using a matrix pricing model (Level 2 inputs).
- U.S. Treasury securities of \$11,965,578 are valued using quoted market prices (Level 1 inputs).
- Corporate obligations of \$9,081,539 are valued using a matrix pricing model (Level 2 inputs).
- Supranational obligations of \$1,510,276 are valued using a matrix pricing model (Level 2 inputs).
- Local Agency Investment funds of \$4,999,557 are valued at amortized cost and are not subject to fair value hierarchy.
- Money Market Mutual funds of \$2,330,701 are not subject to fair value hierarchy.

(2) Cash and Investments, continued

Fair Value Measurements, continued

			Fair Value Measurement at Reporting Date using:			
			Quoted Prices in	Significant	Significant	
			Active Markets for (Other Observable	Unobservable	
		June 30,	Identical Assets	Inputs	Inputs	
Description	_	2021	(Level 1)	(Level 2)	(Level 3)	
Certificates-of-deposit	\$	757,231	-	757,231	-	
United States Government Sponsored				<i>A</i>		
Agency securities	\$	14,392,958	-	14,392,958	-	
United States Treasury notes		9,937,457	9,937,457	-1	<u> </u>	
Corporate obligations		8,275,532	-	8,275,532	-	
Supranational obligations	_	2,107,645		2,107,645		
Total		35,470,823	9,937,457	25,533,366	_	
Investments not subject to fair value hi	erarchy:			\mathcal{X}'		
Local Agency Investment Fund	•	7,590,756	X	·		
Money market mutual funds	_	1,087,867	×O ´			
Total	\$ _	44,149,446				

The District has the following recurring fair value measurements as of June 30, 2021:

- Certificates-of-deposit of \$757,231 are valued using a matrix pricing model (Level 2 inputs).
- U.S. Governmental Sponsored Agency securities of \$14,392,958 are valued using a matrix pricing model (Level 2 inputs).
- U.S. Treasury securities of \$9,937,457 are valued using quoted market prices (Level 1 inputs).
- Corporate obligations of \$8,275,532 are valued using a matrix pricing model (Level 2 inputs).
- Supranational obligations of \$2,107,645 are valued using a matrix pricing model (Level 2 inputs).
- Local Agency Investment funds of \$7,590,756 are valued at amortized cost and are not subject to fair value hierarchy.
- Money Market Mutual funds of \$1,087,867 are not subject to fair value hierarchy.

(3) Investment in Joint Ventures

Changes in investments in joint-powers-authorities for 2022 were as follows:

		Balance			Balance
	_	2021	Additions	Deletions	2022
Investment in joint-powers-authorities:					
Puente Basin Water Agency	\$	20,737,091	-	(5,168)	20,731,923
Spadra Basin Groundwater					
Sustainability Agency	_	64,725	59,784		124,509
Total investment in					
joint-powers-authorities	\$_	20,801,816	59,784	(5,168)	20,856,432

(3) Investment in Joint Ventures

Changes in investments in joint-powers-authorities for 2021 were as follows:

		Balance			Balance
	_	2020	Additions	Deletions	2021
Investment in joint-powers-authorities:					
Puente Basic Water Agency	\$	16,980,625	3,756,466	-	20,737,091
Spadra Basin Groundwater					
Sustainability Agency		12,370	52,355		64,725
Total investment in	_	_			
joint-powers-authorities	\$_	16,992,995	3,808,821		20,801,816

Puente Basin Water Agency

The District is a member of the Puente Basin Water Agency (the "Agency"). The Agency was created April 1, 1971 by the execution of a Joint Powers Agreement between Rowland Water District and Walnut Valley Water District. The agreement was made pursuant to Article 1, Chapter 5, Division 7, and Title 1 of the Government Code of the State of California. The Agency was organized for the purpose of protection and utilization of the local, imported, and recycled water supply within the Puente Basin. The Agency is governed by an appointed board of Commissioners consisting of four members. Since the Agency undertakes projects of interest to the District, an ongoing financial interest exists. Furthermore, the District has an ongoing financial responsibility because the Agency's continued existence depends on continued funding by the District. The District's equity in the Puente Basin Water Agency is reflected in the accompanying Statement of Net Position as an investment in joint venture.

The Rowland Water District performs the administration and operating functions of the Agency. The District purchased \$14,371,353 and \$12,851,527 in water from the Agency in the years ended June 30, 2022 and 2021, respectively. Complete financial statements may be obtained from the Puente Basin Water Agency, 3021 Fullerton Road, Rowland Heights, California.

Spadra Basin Groundwater Sustainability Agency

The District is a member of the Spadra Basin Groundwater Sustainability Agency (the "Spadra"). Spadra was created February 28, 2017, by the execution of an agreement between the City of Pomona and the Walnut Valley Water District. The agreement was made pursuant to the Sustainable Groundwater Management Act of 2014 of the Government Code of the State of California. Spadra was organized to provide groundwater management for the Spadra Basin, which was previously unmanaged. Spadra is governed by an appointed Executive Committee consisting of two members.

The Walnut Valley Water District performs the administration and operating functions of the Agency. Complete financial statements may be obtained from the Spadra Basin Groundwater Sustainability Agency, 271 S. Brea Canyon Road, Walnut, California.

Pomona-Walnut-Rowland Joint Water Line Commission

The District is also a member of the Pomona-Walnut-Rowland Joint Water Line Commission (the "Commission"). The Commission was formed under the Joint Powers Agreement of 1956 between the City of Pomona, the Walnut Valley Water District and the Rowland Water District for the purpose of constructing, operating, and managing a water transmission pipeline for the benefit of the three member agencies. On December 21, 2006, the Agreement was amended, and renewed for an additional twenty years, with three, ten-year extensions allowed upon the consent of each of the member agencies. The governing body of the Commission is comprised of three members, with one representative appointed by the governing body of each member agency.

(3) Investment in Joint Ventures, continued

Pomona-Walnut-Rowland Joint Water Line Commission, continued

The Commission purchases water for resale to the member agencies at a price sufficient to provide reserve funds for emergencies. In addition, the member agencies are billed for the cost of maintenance and operation of the pipeline.

Since the Commission undertakes projects of interest to the District, an ongoing financial interest exists. Furthermore, the District has an ongoing financial responsibility because the Commission's continued existence depends on continued funding by the District. The District's equity in the Pomona-Walnut-Rowland Joint Water Line Commission is reflected in the accompanying Statement of Net Position, within capital assets. In addition to its equity interest in the Commission, the District also has an undivided interest in certain capacity rights associated with the Water Line.

This undivided interest is reported in the accompanying financial statements as PWR capacity rights that are included as an intangible asset in the capital assets note of the accompanying financial statements. See note 5 for further information. The Walnut Valley Water District performs the administration and operating functions of the Commission. Complete financial statements may be obtained from the Pomona-Walnut-Rowland Joint Water Line Commission, 271 S. Brea Canyon Road, Walnut, California.

(4) Leases Receivable

Changes in leases receivable for the year ended June 30, were as follows:

		As Restated		• 0					
		Balance	Additions/	Principal	Balance	Current	Long-term		Deferred
	_	2021	Deletions	Payments	2022	Portion	Portion		Inflows
Leases receivable:									
CCMT2-T-Mobile - Bourdet	\$	138,004	-	(44,188)	93,816	47,448	46,368	\$	(52,547)
Cingular Wireless - Eastgate		241,479	- - .	(49,537)	191,942	55,458	136,484		(85,940)
Phoenix Tower - Eastgate		719,176	CK	(18,175)	701,001	19,949	681,052		(670,664)
Sprint PCS – Eastgate		97,746		(47,163)	50,583	50,583	-		(27,420)
APC Towers LLC - Parker Canyon		507,288		(22,334)	484,954	24,242	460,712		(399,263)
APC Towers LLC - Ridgeline	_	563,665	-	(24,815)	538,850	26,937	511,913	_	(443,632)
Total leases receivable	\$	2,267,358		(206,212)	2,061,146	224,617	1,836,529	\$	(1,679,466)

Changes in leases receivable for the year ended June 30, were as follows:

	As Restated			As Restated			
	Balance	Additions/	Principal	Balance	Current	Long-term	Deferred
4 (2020	Deletions	Payments	2021	Portion	Portion	Inflows
Leases receivable:	9						
CCMT2-T-Mobile – Bourdet	\$ 179,102	-	(41,098)	138,004	44,188	93,816	\$ (79,958)
Cingular Wireless - Eastgate	285,558	-	(44,079)	241,479	49,537	191,942	(113,814)
Phoenix Tower - Eastgate	747,153	-	(27,977)	719,176	18,175	701,001	(708,988)
Sprint PCS – Eastgate	141,664	-	(43,918)	97,746	47,163	50,583	(54,831)
APC Towers LLC - Parker Canyon	527,806	-	(20,518)	507,288	22,334	484,954	(430,784)
APC Towers LLC - Ridgeline	586,463		(22,798)	563,665	24,815	538,850	(478,656)
Total leases receivable	\$2,467,746_		(200,388)	2,267,358	206,212	2,061,146	\$ (1,867,031)

(4) Leases Receivable, continued

CCMT2-T-Mobile - Bourdet

On May 18, 2004, the District entered into a lease agreement with Cingular Wireless PCS, LLC, whereby ownership subsequently transferred to T-Mobile Wireless (T-Mobile). T-Mobile has agreed to pay the District for purpose of leasing communication tower space at the J.P. Bourdet Recycled Water Pump Station. The terms of the agreement require T-Mobile to pay the District in annual installments through May 2024 and is adjusted annually by a CPI rate of 3.00%.

Following the adoption implementation of *GASB Statement No.* 87, the District recorded a lease receivable and a deferred inflow at present value using a discount rate of 4.00%. The deferred inflow is amortized on a straight-line basis over the term of the lease. As of June 30, 2022 and 2021, deferred inflows were reported at \$52,547 and \$79,958, respectively.

Future payments to be received and deferred inflows as of June 30, 2022, are as follows:

Year	_	Principal	Interest	Total	Ŝ	Deferred Inflows
2023	\$	47,448	3,753	51,201	\$	(27,411)
2024	-	46,368	1,854	48,222	_	(25,136)
Total		93,816	5,607	99,423	\$	(52,547)
Current	_	(47,448)				
Non-current	\$	46,368				

Cingular Wireless – Eastgate

On August 15, 2005, the District entered into a lease agreement with Cingular Wireless, LLC, whereby ownership subsequently transferred to AT&T Wireless (AT&T). AT&T has agreed to pay the District for purpose of leasing communication tower space at the Eastgate Reservoir. The terms of the agreement require AT&T to pay the District in annual installments through August 2024 and is adjusted annually by a CPI rate of 4.14%.

Following the adoption implementation of *GASB Statement No.* 87, the District recorded a lease receivable and a deferred inflow at present value using a discount rate of 6.50%. The deferred inflow is amortized on a straight-line basis over the term of the lease. As of June 30, 2022 and 2021, deferred inflows were reported at \$85,940 and \$113,814, respectively.

Future payments to be received and deferred inflows as of June 30, 2022, are as follows:

					Deferred
Year		Principal	Interest	Total	 Inflows
2023	\$	55,458	12,476	67,934	\$ (27,874)
2024		61,876	8,871	70,747	(27,874)
2025		68,827	4,849	73,676	(27,874)
2026	_	5,781	376	6,157	 (2,318)
Total		191,942	26,572	218,514	\$ (85,940)
Current	_	(55,458)			
Non-current	\$_	136,484			

(4) Leases Receivable, continued

Phoenix Tower - Eastgate

On January 1, 2020, the District entered into a lease agreement with PTI US Towers II, LLC, (PTI). PTI has agreed to pay the District for purpose of leasing communication tower space at the Eastgate Reservoir. The terms of the agreement require PTI to pay the District in annual installments through January 2040 and is adjusted annually by a CPI rate of 3.00%.

Following the adoption implementation of *GASB Statement No.* 87, the District recorded a lease receivable and a deferred inflow at present value using a discount rate of 3.09%. The deferred inflow is amortized on a straight-line basis over the term of the lease. As of June 30, 2022 and 2021, deferred inflows were reported at \$670,664 and \$708,988 respectively.

Future payments to be received and deferred inflows as of June 30, 2022, are as follows:

Year		Principal	Interest	Total	Deferred Inflows
		ттистрит	Interest	1000	TIMIO WS
2023	\$	19,949	22,661	42,610 \$	(38,324)
2024		21,814	21,044	42,858	(38,324)
2025		23,774	20,371	44,145	(38,324)
2026		25,833	19,636	45,469	(38,324)
2027		27,996	18,837	46,833	(38,324)
2028-2032		176,349	79,757	256,106	(191,620)
2033-2037		248,648	48,251	296,899	(191,620)
2038-2040	_	156,638	8,842	165,480	(95,804)
Total		701,001	239,399	940,400 \$	(670,664)
Current	_	(19,949)			
Non-current	\$_	681,052			

Sprint PCS - Eastgate

On June 30, 2003, the District entered into a lease agreement with Sprint PCS, LLC, whereby ownership subsequently transferred to T-Mobile Wireless (T-Mobile). T-Mobile has agreed to pay the District for purpose of leasing communication tower space at the Eastgate Reservoir. The terms of the agreement require T-Mobile to pay the District in annual installments through June 2023 and is adjusted annually by a CPI rate of 3.00%.

Following the adoption implementation of GASB Statement No. 87, the District recorded a lease receivable and a deferred inflow at present value using a discount rate of 4.00%. The deferred inflow is amortized on a straight-line basis over the term of the lease. As of June 30, 2022 and 2021, deferred inflows were reported at \$24,420 and \$54,831 respectively.

Future payments to be received and deferred inflows as of June 30, 2022, are as follows:

Year		Principal	Interest	Total		Deferred Inflows
2023	\$_	50,583	2,023	52,606	\$_	(27,420)
Total		50,583	2,023	52,606	\$_	(27,420)
Current	_	(50,583)				
Non-current	\$_					

(4) Leases Receivable, continued

APC Towers LLC - Parker Canyon

On March 2, 2015, the District entered into a lease agreement with APC Towers, LLC, (APC). APC has agreed to pay the District for purpose of leasing communication tower space at the Parker Canyon Reservoir and Pump Station. The terms of the agreement require APC to pay the District in annual installments through March 2035 and is adjusted annually by a CPI rate of 3.00%.

Following the adoption implementation of *GASB Statement No.* 87, the District recorded a lease receivable and a deferred inflow at present value using a discount rate of 3.30%. The deferred inflow is amortized on a straight-line basis over the term of the lease. As of June 30, 2022 and 2021, deferred inflows were reported at \$399,263 and \$430,784 respectively.

Future payments to be received and deferred inflows as of June 30, 2022, are as follows:

					Deferred
Year	_	Principal	Interest	Total	Inflows
2023	\$	24,242	16,004	40,246 \$	(31,521)
2024		26,250	15,203	41,453	(31,521)
2025		28,360	14,337	42,697	(31,521)
2026		30,576	13,401	43,977	(31,521)
2027		32,904	12,392	45,296	(31,521)
2028-2032		203,697	44,000	247,697	(157,605)
2033-2035	_	138,925	8,745	147,670	(84,053)
Total		484,954	124,082	609,036 \$	(399,263)
Current	_	(24,242)	50		
Non-current	\$_	460,712			

Sprint Nextel - Ridgeline

On March 2, 2015, the District entered into a lease agreement with APC Towers, LLC, (APC). APC has agreed to pay the District for purpose of leasing communication tower space at the Ridge Line Reservoir. The terms of the agreement require APC to pay the District in annual installments through March 2035 and is adjusted annually by a CPI rate of 3.00%.

Following the adoption implementation of *GASB Statement No.* 87, the District recorded a lease receivable and a deferred inflow at present value using a discount rate of 3.30%. The deferred inflow is amortized on a straight-line basis over the term of the lease. As of June 30, 2022 and 2021, deferred inflows were reported at \$443,632 and \$478,656 respectively.

(4) Leases Receivable, continued

Sprint Nextel - Ridgeline, continued

Future payments to be received and deferred inflows as of June 30, 2022, are as follows:

	Year	P1	incipal	In	terest		Total		Deferred Inflows
	2023	\$	26,937		17,782		44,719	\$	(35,024)
	2024		29,167		16,894		46,061		(35,024)
	2025		31,511		15,930		47,441		(35,024)
	2026		33,974		14,891		48,865		(35,024)
	2027		36,561		13,769		50,330		(35,024)
	28-2032		226,338		48,891		275,229		(175,120)
20	33-2035		154,362		9,717		164,079	<	(93,392)
	Total		538,850		137,874		676,724	\$	(443,632)
(Current		(26,937)					\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	
No	n-current	\$	511,913				0		
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(5) Capital Assets

Changes in capital assets for 2022 were as follows:

	As Restated				
	Balance 2021	Additions/ Transfers	Additions/ Transfers	Deletions/ Transfers	Balance 2022
Non-depreciable assets:					
Land	\$ 5,148,000	-	-	-	5,148,000
Water rights	6,638	-	-	-	6,638
Construction-in-process	2,878,138		5,722,500	(1,577,065)	7,023,573
Total non-depreciable assets	8,032,776		5,722,500	(1,577,065)	12,178,211
Depreciable assets:				7.0	
Terminal storage	26,160,388	(26,160,388)	-	-	-
Pumping equipment	20,245,922	-	444,262	(117,000)	20,573,184
Transmission and distribution	132,439,627	26,160,388	772,845	-	159,372,860
PWR capacity	927,744	-	7	-	927,744
Hydroelectric	924,270	-		_	924,270
Recycled water system	29,955,559	-	17,561	-	29,973,120
General plant	12,605,934	-	342,412	(88,341)	12,860,005
Leased equipment	49,121		<u> </u>		49,121
Total depreciable assets	223,308,565		1,577,080	(205,341)	224,680,304
Accumulated depreciation:					
Terminal storage	(22,384,311)	22,384,311	-	-	-
Pumping equipment	(11,473,282)	101	(690,508)	62,012	(12,101,778)
Transmission and distribution	(67,156,510)	(22,384,311)	(3,616,992)	-	(93,157,813)
PWR capacity	(637,051)	_	(24,194)	-	(661,245)
Hydroelectric	(567,985)	-	(26,289)	-	(594,274)
Recycled water system	(11,736,932)	-	(575,313)	-	(12,312,245)
General plant	(5,910,934)	-	(596,600)	88,342	(6,419,192)
Leased equipment	(23,580)		(23,580)		(47,160)
Total accumulated depreciation	(119,890,585)		(5,553,476)	150,354	(125,293,707)
Total depreciable assets, net	103,417,980		(3,976,396)	(54,987)	99,386,597
Total capital assets, net	\$ 111,450,756		1,746,104	(1,632,052)	111,564,808

Major depreciable capital assets additions during the fiscal year ended 2022 consists of additions to the following categories: pumping equipment, transmission and distribution systems, recycled water system, and general plant assets. The District transferred \$1,577,065 from construction-in-process for completed projects constructed by the District and/or sub-contractors to depreciable assets.

(5) Capital Assets, continued

Changes in capital assets for 2021 were as follows:

	_	As Restated Balance 2020	Additions/ Transfers	Deletions/ Transfers	As Restated Balance 2021
Non-depreciable assets:					
Land	\$	5,148,000	-	-	5,148,000
Water rights		6,638	-	-	6,638
Construction-in-process	_	4,490,970	4,416,709	(6,029,541)	2,878,138
Total non-depreciable assets	_	9,645,608	4,416,709	(6,029,541)	8,032,776
Depreciable assets:					10
Master plan		1,167,489	-	(1,167,489)	-
Terminal storage		26,160,388	-	-	26,160,388
Pumping equipment		19,213,128	1,032,794	√ -	20,245,922
Transmission and distribution		129,231,500	3,964,104	(755,977)	132,439,627
PWR capacity		927,744	-	-	927,744
Hydroelectric		924,270	-	-	924,270
Recycled water system		29,177,841	21,741	755,977	29,955,559
General plant		11,912,432	944,939	(251,437)	12,605,934
Leased equipment	_	49,121			49,121
Total depreciable assets	_	218,763,913	5,963,578	(1,418,926)	223,308,565
Accumulated depreciation:		^			
Master plan		(1,167,489)	_	1,167,489	-
Terminal storage		(21,811,370)	(572,941)	-	(22,384,311)
Pumping equipment		(10,827,882)	(645,400)	-	(11,473,282)
Transmission and distribution		(64,197,618)	(3,010,985)	52,093	(67,156,510)
PWR capacity		(607,978)	(29,073)	-	(637,051)
Hydroelectric		(541,696)	(26,289)	-	(567,985)
Recycled water system		(11,111,447)	(573,392)	(52,093)	(11,736,932)
General plant		(5,493,061)	(610,294)	192,421	(5,910,934)
Leased equipment	· -	-	(23,580)		(23,580)
Total accumulated depreciation	_	(115,758,541)	(5,491,954)	1,359,910	(119,890,585)
Total depreciable assets, net	_	103,005,372	471,624	(59,016)	103,417,980
Total capital assets, net	\$	112,650,980	4,888,333	(6,088,557)	111,450,756

Major depreciable capital assets additions during the fiscal year ended 2021 consists of additions to the following categories: pumping equipment, transmission and distribution systems, recycled water system, and general plant assets. The District transferred \$5,963,578 from construction-in-process for completed projects constructed by the District and/or sub-contractors to depreciable assets. The District expensed \$65,963 of its construction-in-process balance for costs deemed non-capitalizable.

(5) Capital Assets, continued

Construction-In-Process

The District has been involved in various construction projects throughout the year. The balance of the various construction projects that comprise the construction-in-process balances at year-end are as follows:

The balance at June 30 consists of the following projects:

_	2022	2021	2020
Construction-in-progress:			A
Developer projects \$	4,849,061	1,246,302	2,469,498
System modifications	805,394	549,089	516,221
General projects	1,247,180	916,885	1,379,019
Vehicles and equipment	-	142,132	112,146
Various small projects under \$100,000 _	121,938	23,730	14,086
Total construction-in-progress \$_	7,023,573	2,878,138	4,490,970

(6) Compensated Absences

Compensated absences comprise unpaid vacation leave and a limited amount of sick leave, which is accrued as earned based on the District's policy. The District's liability for compensated absences is determined annually and will be liquidated through the water fund.

The changes to compensated absences balances at June 30 were as follows:

	Balance			Balance	Current	Long-term
_	2021	Earned	Taken	2022	Portion	Portion
\$_	1,272,296	348,249	(474,507)	1,146,038	286,510	859,528

The changes to compensated absences balances at June 30 were as follows:

Balance 2020	Earned	Taken	Balance 2021	Current Portion	Long-term Portion
\$ 1,198,431	359,103	(285,238)	1,272,296	318,074	954,222

(7) Long-term Debt

Changes in long-term debt for the year ended June 30, were as follows:

	As Restated Balance 2021	Additions/ Deletions	Principal Payments	Balance 2022
Lease payable:				
Canon equipment lease	\$ 26,405		(24,338)	2,067
Subtotal lease payable	26,405		(24,338)	2,067
Bonds payable:				
2013 Series A Water Revenue Bonds	13,890,000	(13,890,000)	-, 1	-
Add: Unamortized premium	1,812,036	(1,812,036)		-
2021 Series A Water Revenue Bonds		15,380,000		15,380,000
Total lease and bonds payable	15,754,846	(322,036)	(48,676)	15,384,134
Current portion	(559,338)		N,	(4,134)
Non-current portion	\$ 15,195,508		X * '	15,380,000

Changes in long-term debt for the year ended June 30, were as follows:

	As Restated Balance 2020	Additions/ Deletions	Principal Payments	As Restated Balance 2021
Lease payable: Canon equipment lease	\$ 49,905	_	(23,500)	26,405
Bonds payable:			, ,	
2013 Series A Water Revenue Bonds	\$ 14,400,000	-	(510,000)	13,890,000
Add: Unamortized premium	1,919,151		(107,115)	1,812,036
Subtotal bonds payable	16,319,151		(617,115)	15,702,036
Total long-term debt	16,369,056		(640,615)	15,728,441
Current portion	(533,500)			(559,338)
Non-current portion	\$15,835,556			15,169,103

Canon Equipment Lease

On June 17, 2019, the District entered into an agreement with Canon Solutions America, (Canon), to lease copier equipment for use in the District's administrative office. Terms of the agreement commenced on August 1, 2019, for a period of 36 months, with rent due monthly at \$2,073 per month for the entire lease term.

(7) Long-term Debt, continued

Canon Equipment Lease, continued

Following the guidelines set forth by GASB Statement No. 87, the District has recorded a right-to-use asset and a lease payable at present value with an implicit rate of 3.50%. The right-to-use asset is amortized on a straight-line basis over the term of the lease.

Annual lease payments are as follows:

Year		Principal	Interest	Total
2023	\$_	2,067	6	2,073
Total		2,067	6	2,073
Current	_	(2,067)		
Non-current	\$	-		

2013 Series A Water Revenue Bonds

On March 1, 2013, the Puente Basin Water Agency ("Agency") issued \$17,300,000 of 2013 Series A Water Revenue Bonds. The Bonds will be used to finance certain capital facilities of the District, as well as the District's share of capital facilities to be owned by the Agency. Under terms of the Installment Purchase Contract associated with the Bonds, the District makes semiannual installment purchase payments that are equal in amount and timing to the principal and interest payments that are paid on a semiannual basis by the Agency to the holders of the Bonds. The bonds were issued at a premium of \$2,695,738 which will be amortized over the life of the debt service. Interest is payable on December 1st and June 1st of each year, and principal is payable June 1st of each year commencing June 1, 2014 with interest rates ranging from 1.0% to 5.0%. The Bonds are scheduled to mature on June 1, 2038. The rate covenants of the Installment Purchase Contract require that net revenues of the District for each fiscal year be equal to at least 125% of the annual debt service payments required for that fiscal year.

On August 19, 2021, the District issued \$15,380,000 in Water Revenue Refunding Bonds (Series 2021A Bonds). The Bonds were issued for the purpose of refunding the Series 2013A Bonds in full to take advantage of lower interest rates. At June 30, 2022, the Series 2013A Bonds were defeased in full.

2021 Series A Water Revenue Bonds

On August 19, 2021, the District issued \$15,380,000 of 2021 Series A Water Revenue Bonds. The Bonds will be used to reduce the interest rate on District's bond debt. Under terms of the Installment Purchase Contract associated with the Bonds, the District makes semiannual installment purchase payments that are equal in amount and timing to the principal and interest payments that are paid on a semiannual basis by the District to the holders of the Bonds. Interest is payable on December 1st and June 1st of each year, and principal is payable June 1st of each year commencing December 1, 2021 with interest rates ranging from 0.468% to 2.564%. The Bonds are scheduled to mature on June 1, 2038. The rate covenants of the Installment Purchase Contract require that net revenues of the District for each fiscal year be equal to at least 125% of the annual debt service payments required for that fiscal year.

(7) Long-term Debt, continued

2021 Series A Water Revenue Bonds

Future principal and interest obligations on the note as of June 30, are as follows:

Year	 Principal	Interest	Total
2023	\$ -	277,404	277,404
2024	630,000	277,404	907,404
2025	955,000	274,456	1,229,456
2026	965,000	267,178	1,232,178
2027	970,000	257,895	1,227,895
2028-2032	5,075,000	1,076,920	6,151,920
2033-2037	5,585,000	559,130	6,144,130
2038-2040	1,200,000	30,768	1,230,768
Total	15,380,000	3,021,155	18,401,155
Current	<u>-</u>		
Non-current	\$ 15,380,000	X _O	

(8) Other Post-Employment Benefits (OPEB) Plan

Plan Description

The District's defined benefit Other Post-Employment Benefit (OPEB) Plan (Plan) provides OPEB for all vested full-time employees with at least 5 years of service, 15 years of service if hired on or after July 1, 2005, with the District. The Plan is a single employer defined benefit OPEB plan administered by the District. The District's Board has the authority to establish and amend the benefit terms and financing requirements of the Plan. The District participates in Public Agency Retirement Services (PARS), a Prefunding Plan trust fund intended to perform an essential government function within the meaning of Section 115 of the Internal Revenue Code. Copies of CalPERS CERBT audited financial report may be obtained from their executive Office: 400 P Street, Sacramento, CA 95814.

Benefits Provided

The District offers post-employment medical and dental benefits to retired employees who satisfy the eligibility rules. Spouses and surviving spouses are also eligible to receive benefits. Retirees may enroll in any plan available through the District's medical and dental programs. The contribution requirements of Plan members and the District are established and may be amended by the Board of Directors.

The District's financial obligation varies based on an eligible retiree's date of hire. For eligible retirees hired prior to March 1, 1989, the District provides full coverage for medical, dental, vision and Medicare Part B premiums for the retiree and any covered spouse. For eligible retirees hired on or after March 1, 1989, the District provides full coverage for medical, dental vision and Medicare Part B premiums for the retiree only. Coverage for an eligible spouse is also available to these retirees but is subject to a vesting schedule which varies by employee group. In addition to health benefits, the District also provides some life insurance coverage for retired employees.

(8) Other Post-Employment Benefits (OPEB) Plan, continued

Employees Covered by Benefit Terms

Membership in the OPEB plan consisted of the following members as of June 30:

<u>-</u>	2022	2021
Inactive employees or beneficiaries currently		
receiving benefit payments	46	45
Active employees	53	56
Total plan membership	99	101

Contributions

The contribution requirements of plan members and the District are established and may be amended by the District, District's Board of Directors, and/or the employee associations. The District pays 100% of its share of the cost of health insurance for retirees under any group plan offered by Association of California Water Agencies (ACWA) Health Program, subject to certain restrictions as determined by the District. Currently, contributions are not required from plan members. The District has established a trust for the purpose of holding funds that have been irrevocably contributed by the District toward funding of its OPEB obligation. This trust is being administered by Public Agency Retirement Services (PARS). Annually, the Board of Directors determines the amount that the District will fund to this trust.

As of the fiscal year ended June 30, the contributions were as follows:

	2022	2021
Contributions premium payment – employer	\$ 655,709	711,454
Contributions to trust by – employer	375,000	1,711,076
Total employer paid contributions	\$ 1,030,709	2,422,530

As of June 30, 2022 and 2021, employer pension contributions of \$1,030,709 and \$2,422,530, respectively, were reported as deferred outflows of resources related to contributions subsequent to the measurement dates. Of the reported contributions \$655,709 and \$711,454 will be recognized as a reduction of the net OPEB liability in the fiscal year ended June 30, 2022 and 2021, respectively. The remaining balance of \$375,000 and \$1,711,076 at June 30, 2022 and 2021, will be/was recognized as a contribution towards the District's fiduciary net position at June 30, 2023 and 2022, respectively.

Actuarial Assumptions and Other Inputs

The net OPEB liability in the June 30, 2021 and 2020, actuarial valuations, which were measured at June 30, 2020 and 2019, respectively, were determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75 percent
Salary increases	3.25 percent, average, including inflation
Discount rate	6.25 percent
Healthcare cost trend rates	Medical premiums assumed to increase 5 percent per year. Dental and vision premiums are assumed to increase 4 percent per year.

(8) Other Post-Employment Benefits (OPEB) Plan, continued

Changes in the Net OPEB Liability

Changes in the net OPEB liability for the year ended June 30, were as follows:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2021	\$ 16,999,280	12,026,069	4,973,211
Changes for the year:			
Service cost	193,613	-	193,613
Interest	1,037,835	-	1,037,835
Differences between expected			.0
and actual experience	(1,979,697)	-	(1,979,697)
Employer contributions	-	2,498,929	(2,498,929)
Net investment income	-	1,664,027	(1,664,027)
Benefit payments	(787,853)	(787,853)	<u>-</u>
Net change	(1,536,102)	3,375,103	(4,911,205)
Balance at June 30, 2022	\$ 15,463,178	15,401,172	62,006

Changes in the net OPEB liability for the year ended June 30, were as follows:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2020	\$ 16,102,074	10,787,206	5,314,868
Changes for the year:			
Service cost	212,981	-	212,981
Interest	981,944	-	981,944
Differences between expected			
and actual experience	263,923	-	263,923
Changes in assumptions or			
other inputs	220,291	-	220,291
Employer contributions	-	1,532,902	(1,532,902)
Net investment income	-	487,894	(487,894)
Benefit payments	(781,933)	(781,933)	
Net change	897,206	1,238,863	(341,657)
Balance at June 30, 2021	\$ 16,999,280	12,026,069	4,973,211

(8) Other Post-Employment Benefits (OPEB) Plan, continued

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

The following presents the net OPEB liability of the District, as well as what the District's net 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:

As of June 30, 2022, the discount rate comparison was the following:

		Discount Rate	Valuation	Discount Rate
	,	1% Lower	Discount Rate	1% Higher
Net OPEB liability	\$	2,298,954	62,006	(1,766,804)

As of June 30, 2021, the discount rate comparison was the following:

		Discount Rate	Valuation	Discount Rate
	_	1% Lower	Discount Rate	1% Higher
Net OPEB liability	\$	7,469,223	4,973,211	2,942,140

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

The following presents the net OPEB liability of the District, as well as what the District'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:

As of June 30, 2022, the healthcare cost trend rate comparison was the following:

	SX.	Trend 1% Lower	Valuation Trend	Trend 1% Higher
Net OPEB liability	\$	(1,811,724)	62,006	2,376,393

As of June 30, 2021, the healthcare cost trend rate comparison was the following:

	Trend		Valuation	Trend	
	_	1% Lower	Trend	1% Higher	
Net OPEB liability	\$_	2,897,400	4,973,211	7,544,303	

For the year ended June 30, 2022 and 2021, the District recognized OPEB income and expense of \$935,894 and \$570,897, respectively.

(8) Other Post-Employment Benefits (OPEB) Plan, continued

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

As of June 30, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

		June 30, 2022		June 3	0, 2021
Description	_	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to the measurement date Change of assumptions	\$	1,030,709 497,349	- -	2,422,530 556,481	-
Difference between expected and actual experience		-	(1,304,024)	436,271	-
Net difference between projected and actual earnings on investments		<u> </u>	(493,390)	290,673	
Total	\$	1,528,058	(1,797,414)	3,705,955	

As of June 30, 2022 and 2021, employer OPEB contributions reported as deferred outflows of resources related to contributions subsequent to the measurement date of \$1,030,709 and \$2,422,530 will be/were recognized as a reduction of the net OPEB liability in the fiscal year ended June 30, 2023 and 2022, respectively.

As of June 30, 2022, 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, respectively. OPEB related amounts will be recognized as pension expense as follows.

Fiscal Year	0	Deferred Net	
Ending June 30,	Outflows(Inflows) of Resources		
1900	\$	(261,912)	
1901		(264,322)	
1902		(325,488)	
1903		(362,748)	
1904		(180,270)	
Thereafter		94,675	

Schedules of Changes in the District's Net OPEB Liability and Related Ratios Schedules of Other Post-Employment Benefits Plan Contributions

See pages 80 and 81 for the Required Supplementary Schedules.

(9) Defined Benefit Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the District's separate Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan is established by State statute and Local Government 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 or may be obtained from their executive office: 400 P Street, Sacramento, CA, 95814.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law. Classic Plan members are eligible for one-year final compensation and a 3.0% cost of living adjustment.

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 District's CalPERS 2.5% at 55 Risk Pool Retirement Plan to new employee entrants effective December 31, 2013. All employees hired after January 1, 2013, are eligible for the District's CalPERS 2.0% at 62 Retirement Plan under PEPRA.

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

	Classic	New Classic	PEPRA
Ot. O.		On or after January 1,	
Y • • • • • • • • • • • • • • • • • • •	Prior to	2010 and	On or after
	October 1,	before January	January 1,
Hire date	2010	1, 2013	2013
Benefit formula	2.7% @ 55	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 63	50 - 63	52 - 67
Monthly benefits, as a % of eligible			
compensation	2.0% to 2.7%	1.4% to 2.0%	1.0% to 2.0%
Required employee contribution rates	7.96%	6.91%	7.25%
Required employer contribution rates	15.02%	11.66%	7.70%

(9) Defined Benefit Pension Plan, continued

Contributions

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

For the fiscal years ended June 30, the contributions were as follows:

	2022	2021
Contributions – employer	\$ 1,719,115	1,623,306

Net Pension Liability

As of the fiscal year ended June 30, the District reported net pension liabilities for its proportionate share of the net pension liability of the Plan were as follows:

	2022	2021
Proportionate share of net pension		
liability	\$ 9,390,716	15,420,693

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2021 and 2020, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 and 2019, rolled forward to June 30, 2021 and 2020, respectively, using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The District's change in the proportionate share of the pension liability for the Plan as of the fiscal year end June 30, was as follows:

Droportionato

Y	Share
Proportion – June 30, 2021 Change in proportion	0.14173 % 0.03191
Proportion – June 30, 2022	0.17364 %
	Proportionate Share
Proportion – June 30, 2020 Change in proportion	•

(9) Defined Benefit Pension Plan, continued

Net Pension Liability

As a result of the implementation of the GASB 68 pronouncement at June 30, 2022 and 2021, the District recognized pension expense of \$2,344,165 and \$2,476,964, respectively.

Deferred Pension Outflows (Inflows) of Resources

At June 30, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	June 30, 2022		June 30, 2	2021	
Description		Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
		Resources	Resources	Resources	Resources
Pension contributions subsequent to measurement date at June 30	\$	1,719,115		1,623,306	-
Net, differences between actual and expected experience		1,053,068	KO	794,674	-
Net, changes in assumptions		-	-	-	(109,987)
Net, differences between projected and actual earnings on plan investments		· ~	(8,197,600)	458,096	-
Net, differences between actual contribution and proportionate share of contributions	n	311	(551,699)	-	(546,862)
Net, change due to differences in proportion of net pension liability	1	121,021		336,523	
Total	\$	2,893,204	(8,749,299)	3,212,599	(656,849)

As of June 30, 2022 and 2021, employer pension contributions reported as deferred outflows of resources related to contributions subsequent to the measurement date of \$1,623,306 and \$1,464,186 will be/were recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023 and 2022, respectively.

As a result of the implementation of the GASB 68 at June 30, 2022, the District recognized other amounts reported by the Plan actuarial as deferred outflows of resources and deferred inflows of resources related to the pension liability. Pension related amounts will be recognized as pension expense as follows.

Fiscal Year	Deferred Ne		
Ending	Outflows(Inflow		
December 31,		of Resources	
2022	\$	118,697	
2023		337,780	
2024		270,039	
2025		205,928	
2026		-	
Thereafter		-	

(9) Defined Benefit Pension Plan, continued

Actuarial Assumptions

The total pension liabilities were determined as of June 30, 2020 and 2019, which were rolled forward to June 30, 2021 and 2020, respectively, using the following actuarial assumptions:

Valuation dates June 30, 2020 and 2019 Measurement dates June 30, 2021 and 2020

Actuarial cost method Entry Age Normal in accordance with the requirements of

GASB Statement No. 68

Actuarial assumptions:

Discount rate 7.15%

Inflation 2021 and 2020 - 2.50%

Salary increase Varies by Entry Age and Service

Investment Rate of Return 7.15 % Net of Pension Plan Investment and Administrative

Expenses; includes inflation

Mortality Rate Table* Derived using CalPERS' Membership Data for all Funds

Period upon which actuarial

Experience Survey assumptions

were based 2021 and 2020 71997–2015

Post Retirement Benefit 2021 and 2020 – Contract COLA up to 2.50% until

Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

Discount Rate

The discount rate used to measure the total pension liability was 7.15% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, the amortization and smoothing periods recently adopted by CalPERS were utilized. The crossover test was performed for a miscellaneous agent plan and a safety agent plan selected as being more at risk of failing the crossover test and resulting in a discount rate that would be different from the long-term expected rate of return on pension investments.

Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Plan.

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

^{*} The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 Experience Study report. Further details of the Experience Study can be found on the CalPERS website.

(9) Defined Benefit Pension Plan, continued

Discount Rate, continued

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

As of June 30, 2022, the target allocation and the long-term expected real rate of return by asset class were as follows:

Asset Class	Target Allocation	Real Return Years 1-10	Real Return Years 11+
Global Equity	50.00 %	4.80 %	5.38 %
Global Fixed Income	28.00	1.00	2.62
Private Equity	8.00	6.30	7.23
Real Asset	13.00	3.75	4.93
Liquidity	1.00	0.00	(0.92)
Total	100.00 %		

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

The following tables presents the District's proportionate share of the net position liability for the Plan, calculated using the discount rate, as well as what the District'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, 2022, the discount rate comparison was the following:

	Current						
		Discount					
	Rate - 1%		Rate	Rate + 1%			
	_	6.15%	7.15%	8.15%			
District's net pension liability	\$_	17,345,993	9,390,716	2,814,202			

(9) Defined Benefit Pension Plan, continued

As of June 30, 2021, the discount rate comparison was the following:

			Current	
		Discount	Discount	Discount
		Rate - 1%	Rate	Rate + 1%
	_	6.15%	7.15%	8.15%
District's net pension liability	\$ _	23,111,714	15,420,693	9,065,845

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 82 and 83 for the Required Supplementary Schedules.

Payable to the Pension Plan

As of June 30, 2022 and 2021, the District reported no payables for the outstanding amount of contribution to the pension plan, respectively.

(10) Net Position

Calculation of net position as of June 30 was as follows:

	_	2022	As Restated 2021
Net investment in capital assets:			
Capital assets, net	\$	111,564,808	111,450,756
Lease payable, current		(2,067)	(24,338)
Lease payable, non-current		=	(2,067)
Bond payable, current		-	(535,000)
Bond payable, non-current		(15,380,000)	(13,355,000)
Bond premium		-	(1,812,036)
Less debt related to PBWA:			
Bond payable, current		-	272,978
Bond payable, non-current		- (6,814,255
Bond premium	_		924,573
Total investment in capital assets	_	96,182,741	103,734,121
Restricted net position:		×0 '	
Capital projects		2,330,701	1,808,954
Unspent capital project debt	`م	(2,330,701)	(1,808,954)
Reservoir capacity charge	>	1,161,946	2,277,066
Acreage supply charge		360,056	340,513
Investment in joint venture – PBWA		20,731,923	20,737,091
Investment in joint venture – Spadra		124,509	64,725
Badillo Grand surcharge		282,733	283,076
Water supply charge	_	2,605,319	2,496,898
Total restricted net position	_	25,266,486	26,199,369
Unrestricted net position:			
Operating reserve		(2,441,580)	(9,333,906)
Replacement		18,083,157	15,635,369
Capital improvements		1,494,705	533,098
Employee liabilities		2,330,562	2,093,169
Rate stabilization		1,543,125	1,543,125
Project reserve		967,232	967,232
Badillo Grand catastrophic insurance		500,000	500,000
Stored water	_	731,300	530,200
Total unrestricted net position	_	23,208,501	12,468,287
Total net position	\$	144,657,728	142,401,777

Restricted Net Position

The District's Investment in Joint Venture is restricted to the uses determined by the Board of Directors of the joint venture.

Unrestricted Net Position

Unrestricted assets, although not legally restricted, have been reserved pursuant to Board determined levels for various purposes. While these reserves may not be externally restricted, the Board adopted this policy in its desire to provide a stable and equitable rate structure.

(11) Adjustment to Net Position

In fiscal year 2022, the District implemented GASB pronouncement 87 to recognize its lessor and lessee arrangements. As a result of the implementation for the District's lessor arrangements, the District recognized leases receivable, deferred lease inflows of resources, interest income, and recorded prior period adjustments to net position, of \$281,146, an (increase), for the purpose of establishing beginning balances and \$56,931, a decrease, to record the effect of fiscal year 2021 transactions at June 30, 2022.

As a result of the implementation for the District's lessee arrangements, the District recognized the right-to-use asset (equipment lease), lease payable, interest expense, and recorded prior period adjustments to net position, of \$784 an (increase), for the purpose of establishing beginning balances and \$80, an increase, to record the effect of fiscal year 2021 transactions at June 30, 2022.

The adjustments to net position are as follows:

Net position at July 1, 2020, as previously stated	\$	140,950,984
Effect of adjustment to establish leases receivable and deferred lease inflows as a result of GASB 87 Effect of adjustment to establish equipment lease asset and liability balance as a result of GASB 87	-	281,146 (784)
Subtotal adjustments to restate beginning net position – 2020		280,362
Net position at July 1, 2020, as restated	-	141,231,346
Change in net position at June 30, 2021, as previously stated		1,227,442
Effect of adjustment for 2021 leases receivable and deferred inflows as a result of GASB 87 Effect of adjustment for 2021 equipment lease asset and liability balances as a result of GASB 87	-	(56,931) (80)
Subtotal adjustments through reporting restatement – 2021	_	(57,011)
Change in net position at June 30, 2021, as restated	_	1,170,431
Net position at June 30, 2021, as restated	\$_	142,401,777

(12) Deferred Compensation Savings Plan

For the benefit of its employees, the District 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 District is in compliance with this legislation. Therefore, these assets are not the legal property of the District and are not subject to claims of the District's general creditors. Market value of all plan assets held in trust by CalPERS and Mission Square at June 30, 2022 and 2021, amounted to \$8,235,990 and \$9,223,699, respectively.

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

(13) Risk Management

The Agency is a member of the Association of California Water Agencies Joint Powers Insurance Authority (JPIA).

Description of JPIA

JPIA is an intergovernmental risk-pooling self-insurance authority, created under provisions of California Government Code Sections 6500 et. seq. The purpose of JPIA is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage.

On June 30, 2022, the Agency's participation in the self-insurance programs of JPIA is as follows:

- General, Automobile, Employment Practices & Public Officials' Liability. Broad coverage against third-party claims for the Agency, its directors, employees and volunteers. Covered up to the following limits: the JPIA pools for first \$5 million and purchases excess coverage with limit up to \$55 million with aggregated policy limits.
- Property Loss: Scheduled property is covered up to replacement value with a \$5,000 deductible per occurrence on scheduled buildings, fixed equipment and contents, actual cash value on scheduled mobile equipment with a \$1,000 deductible per occurrence and actual cash value on scheduled vehicles with a \$500 deductible per occurrence. JPIA is self-insured up to \$10,000,000 per loss and has purchased re-insurance coverage up to a \$500,000,000 limit per occurrence. Scheduled fixed equipment is covered for Accidental Mechanical Breakdown up to sub-limit of \$100,000,000 with deductible \$25,000 to \$50,0000 depending on type of equipment.
- Workers' Compensation: Covered for statutory limits, and Employer's Liability is Covered up to \$2,000,000 per accident and \$2,000,000 per disease. JPIA is self-insured up to \$2,000,000 and excess insurance coverage has been purchased.

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

- Cyber Liability: Limit up to \$2,000,000 per occurrence and \$5,000,000 Aggregate Limit. Cyber Liability Deductible varies from \$10,000 to \$50,000 depending on Agency total scheduled values.
- Employee Dishonesty/Crime Coverage: Covered up to \$100,000 per occurrence with a \$1,000 deductible for employee dishonesty, forgery or alteration and computer fraud. The program covers all employees, the Board of Directors, and the Treasurer.
- Underground storage tank pollution liability program: Provides coverage for third-party claims arising from bodily injury and property damage caused by environmental incidents resulting from a UST. It also includes coverage for government mandated clean-up costs. This is a claims-made coverage. The JPIA pools for the first \$500,000 and has purchased excess insurance up to \$3 million. Deductible \$10,000.

Separate financial statements of JPIA can be obtained at 2100 Professional Drive, Roseville, CA 95661 or http://www.acwajpia.com/FinancialStatements.aspx.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years, and there were no reductions in the District's insurance coverage during the fiscal years ended June 30, 2022, 2021 and 2020. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred, but not reported (IBNR). There was no IBNR claims payable as of June 30, 2022, 2021 and 2020.

(14) Benefit Assessment District

Beginning with the tax year 1982-83, the District elected to levy a standby charge on all lands within the District. This standby charge is calculated on the size of each parcel, with a minimum of \$14 for any parcel one-quarter of an acre or less in size. The proceeds of this charge are used for the construction of the District's fire related storage requirements and its terminal storage facilities to procure alternate sources of supply, to defray the ordinary operation or maintenance expenses incurred in providing fire protection facilities, and for any other lawful District purpose.

(15) Capacity Fees

Every applicant that requests water service from any of the District's lines or works or requests a modification of service or change in land use, with respect to the land to be served, is assessed a capacity charge based on meter size.

Capacity fees are charged as a buy-in to the system. The current charges are:

Meter size	Capacity fee
3/4"	\$ 5,630
1"	9,384
1 1/2"	18,768
2"	30,029
3"	60,057
4"	93,840
6"	187,679
8"	300,287

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

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2022, that has effective dates that may impact future financial presentations.

Governmental Accounting Standards Board Statement No. 91

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.

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

Governmental Accounting Standards Board Statement No. 91, continued

The requirements of this Statement were effective for reporting periods beginning after December 15, 2020; however, in light of the COVID-19 pandemic, the effective date has been postponed by one year. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 92

In January 2020, the GASB issued Statement No. 92 – *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.

The requirements of this Statement were as follows: (1) The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance; (2) The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2020; (3) The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2020; and (4) The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2020; however, in light of the COVID-19 pandemic, the effective date has been postponed by one year. Earlier application is encouraged and is permitted by topic.

Governmental Accounting Standards Board Statement No. 93

In March 2020, the GASB issued Statement No. 93 – Replacement of Interbank Offered Rates. The objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an IBOR. This Statement achieves that objective by: (1) Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment; (2) Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate; (3) Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable; (4) Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap; (5) Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap; (6) Clarifying the definition of reference rate, as it is used in Statement 53, as amended; and (7) Providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend.

The requirements of this Statement were effective as follows: (1) The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021; and (2) All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020; however, in light of the COVID-19 pandemic, the effective dates have been postponed by one year. Earlier application is encouraged.

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

Governmental Accounting Standards Board Statement No. 94

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.

Governmental Accounting Standards Board Statement No. 96

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.

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

Governmental Accounting Standards Board Statement No. 97

In June 2020, the GASB issued Statement No. 97 – Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 41 and No. 84, and a supersession of GASB Statement No. 32. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021. Earlier application of those requirements is encouraged and permitted by requirement as specified within this Statement. The Board considered the effective dates for the requirements of this Statement in light of the COVID-19 pandemic and in concert with Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance.

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.

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

Governmental Accounting Standards Board Statement No. 99, continued

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

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.

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

Governmental Accounting Standards Board Statement No. 101, continued

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.

(17) Commitments and Contingencies

Construction Contracts

The District has a variety of agreements with private parties relating to the installation, improvement, or modification of water facilities and distribution systems and other District activities. The financing of such contracts is being provided primarily from the District's replacement reserves and advances for construction.

As of June 30, 2022, the District's open balance of construction contract commitments is \$2,384,318, shown as follows:

Funding Source / Project Purpose	Project Name		Approved Contract	Construction Costs to Date	to Complete
Developer	Recycled Reservoir	\$	3,632,620	(3,065,552)	567,068
Capital replacement	Diamond Bar pump rehabilitation	_	1,930,700	(113,450)	1,817,250
	Ox	\$_	5,563,320	(3,179,002)	2,384,318

Litigation

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

Grant Awards

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

(18) Subsequent Events

Events occurring after June 30, 2022, have been evaluated for possible adjustment to the financial statements or disclosure as of December 12, 2022, which is the date the financial statements were available to be issued.



ary Information And Andrews An **Required Supplementary Information**

Working Draft Subject to Amproval

Walnut Valley Water District Schedules of the Changes in Net OPEB Liability and Related Ratios As of June 30, 2022 Last Ten Years*

	Measurement Dates						
_	2021	2020	2019	2018	2017		
Total OPEB liability							
Service cost \$	193,613	212,981	206,277	207,344	200,817		
Interest	1,037,835	981,944	955,638	912,011	877,856		
Employer contributions	-	-	-	-	-		
Changes of benefit terms	-	-	-	-	-		
Difference between expected and actual	-	-	-	-	-		
experience	(1,979,697)	263,923	-	261,666	-		
Changes of assumptions or other inputs	-	220,291	-	479,432	-		
Benefit payments	(787,853)	(781,933)	(700,097)	(588,894)	(514,282)		
Net change in total OPEB liability	(1,536,102)	897,206	461,818	1,271,559	564,391		
Total OPEB liability – beginning	16,999,280	16,102,074	15,640,256	14,368,697	13,804,306		
Total OPEB liability – ending	15,463,178	16,999,280	16,102,074	15,640,256	14,368,697		
Plan fiduciary net position							
Contribution – employer	2,498,929	1,532,902	1,789,827	1,684,754	1,662,734		
Net investment income	1,664,027	487,894	282,591	494,962	625,506		
Benefit payments	(787,853)	(781,933)	(700,097)	(588,894)	(514,282)		
Administrative expense		<u> </u>	_				
Net change in plan fiduciary net position	3,375,103	1,238,863	1,372,321	1,590,822	1,773,958		
Plan fiduciary net position – beginning	12,026,069	10,787,206	9,414,885	7,824,063	6,050,105		
Plan fiduciary net position – ending	15,401,172	12,026,069	10,787,206	9,414,885	7,824,063		
Net OPEB liability \$	62,006	4,973,211	5,314,868	6,225,371	6,544,634		
Covered payroll \$_	5,445,491	5,291,282	5,203,041	4,900,008	5,313,725		
Total OPEB liability as a percentage of covered payroll	1.14%	93.99%	102.15%	127.05%	123.16%		

Notes:

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

Walnut Valley Water District Schedules of Other Post-Employment Benefits Plan Contributions As of June 30, 2022 Last Ten Years*

	_	Fiscal Years Ended							
Description		6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018			
Actuarially determined contribution	\$	2,498,929	1,532,902	1,789,827	1,684,754	1,662,734			
Contributions in relation to the actuarially determined contribution	-	(1,789,732)	(1,789,732)	(1,789,732)	(1,703,516)	(1,662,734)			
Contribution deficiency(excess)	\$	709,197	(256,830)	95	(18,762)				
District's covered payroll	\$	5,445,491	5,148,856	5,291,282	5,203,041	4,900,008			
Contribution's as a percentage of covered payroll		45.89%	29.77%	33.83%	32.38%	33.93%			

Note:

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

Walnut Valley Water District Schedules of the District's Proportionate Share of the Net Pension Liability As of June 30, 2022 Last Ten Years*

	Measurement Dates								
Description	<u>_</u>	une 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability		0.17364%	0.14173%	0.13957%	0.13653%	0.13506%	0.13391%	0.13080%	0.11033%
District's proportionate share of the net pension liability	\$	9,390,716	15,420,693	14,301,343	13,156,366	13,394,625	11,587,515	8,978,245	6,865,131
District's covered payroll	\$	5,128,701	5,148,856	4,884,068	5,168,829	4,856,448	4,868,910	4,653,252	4,450,158
District's proportionate share of the net pension liability as a									
percentage of its covered payroll		183.10%	299.50%	292.82%	254.53%	275.81%	237.99%	192.95%	154.27%
Plan's fiduciary net position as a percentage of the total pension liability	_	84.41%	73.32%	73.63%	74.67%	73.08%	74.36%	78.96%	83.03%

Notes to schedule:

There were no changes in benefits.

Changes in assumptions:

From fiscal year June 30, 2015 to June 30, 2016:

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses.

The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%

From fiscal year June 30, 2018 to June 30, 2019:

The inflation rate was reduced from 2.75% to 2.50%

From fiscal year June 30, 2019 to June 30, 2020:

There were no changes in assumptions.

From fiscal year June 30, 2020 to June 30, 2021:

There were no changes in assumptions.

From fiscal year June 30, 2021 to June 30, 2022:

There were no changes in assumptions.

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

Walnut Valley Water District Schedules of Pension Plan Contributions As of June 30, 2022 Last Ten Years*

	Fiscal Years Ended								
Description		June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Actuarially determined contribution	\$	1,897,790	1,719,003	1,630,495	1,411,486	1,165,468	1,097,578	989,754	790,287
Contributions in relation to the							7.0		
actuarially determined contribution		(1,719,115)	(1,623,306)	(1,464,186)	(1,307,070)	(1,163,663)	(1,120,609)	(989,754)	(790,287)
Contribution deficiency(excess)	\$	178,675	95,697	166,309	104,416	1,805	(23,031)		
District's covered payroll	\$	5,191,997	5,128,701	5,148,856	4,884,068	5,168,829	4,856,448	4,868,910	4,653,252
Contribution's as a percentage of									
covered payroll	-	36.55%	33.52%	31.67%	28.90%	22.55%	22.60%	20.33%	16.98%
Notes to schedule:					K				
Valuation date		June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Methods and assumptions used to determine contribution rates:				A	in the second				
Actuarial cost method		Entry Age							
Amortization method		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Asset valuation method		Market Value	15 year						
									Smoothed Market Method
Inflation		2.50%	2.50%	2.50%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases		(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Investment rate of return		7.15% (3)	7.00% (3)	7.25% (3)	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement age		(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Mortality		(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)

⁽¹⁾ Level of percentage payroll, closed.

⁽²⁾ Depending on age, service, and type of employment.

⁽³⁾ Net of pension plan investment expense, including inflation.

^{(4) 50} for all plans with exception of 52 for Miscellaneous 2% @ 62

⁽⁵⁾ Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study. adopted by the CalPERS Board.

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

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Walnut Valley Water District Statistical Section

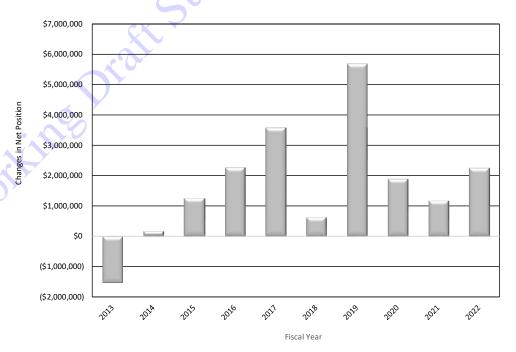
This part of the District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements and note disclosures says about the District's overall financial health.

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These schedules contain information to help the reader understand how the District's financial performance and well-being have changed over time.	,
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These schedules contain information to help the reader assess the District's most significant own-source revenue, water sales.	
Debt Capacity	93-94
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This schedule offers demographic indicators to help the reader understand the environment within which the District's financial activities take place.	
Operating Information	96-97
This schedule contains service and infrastructure data to help the reader understand how the information in the District's financial report relates to the service the District provides.	

Walnut Valley Water District Changes in Net Position and Net Position by Component Last Ten Fiscal Years

			Fiscal Year	
				As Restated
	-	2013	2014	2015
Changes in net position:				
Operating revenues (see Schedule 2)	\$	31,331,491	39,351,318	33,854,771
Operating expenses (see Schedule 3)		(30,275,622)	(36,219,892)	(30,261,703)
Depreciation and amortization	_	(4,274,258)	(4,484,973)	(5,303,916)
Operating income (loss)	_	(3,218,389)	(1,353,547)	(1,710,848)
Non-operating revenues (expenses)				
Property taxes		816,200	842,519	950,932
Rental income - cellular site leases		251,527	260,091	270,105
Interest earnings - cellular site leases		-	-	-
Investment earnings(expense), net of fair value		150,885	481,929	416,825
Share in investment in joint venture income (loss)		(37,518)	(28,086)	4,737
Amounts received for annexation		-	460	-
Gain (Loss) on disposition of assets		20,580	8,502	(66,950)
Contributions to other agencies		(596,632) (1)	(692,868)	-
Interest expense			(422,882) (2)	(422,504)
Cost of issuance of debt		-	-	-
Other revenue (expense), net	-	134,049	280,157	440,930
Total non-operating revenues (expenses), net	-	739,091	729,362	1,594,075
Net income (loss) before capital contributions		(2,479,298)	(624,185)	(116,773)
Capital contributions	_	955,821	780,994	1,373,775
Changes in net position	\$ _	(1,523,477)	156,809	1,257,002
XV. W. I				
Net position by component:	\$	102.750.462	100 251 576	100 001 614
Net investment in capital assets Restricted	Ф	102,759,463 6,490,227	102,351,576 8,361,253	100,091,614 14,950,173
Unrestricted		36,425,328	35,118,998	20,179,472
Officeriolect	-	30,423,320	33,110,770	20,1/7,4/2
Total net position	\$ _	145,675,018	145,831,827	135,221,259

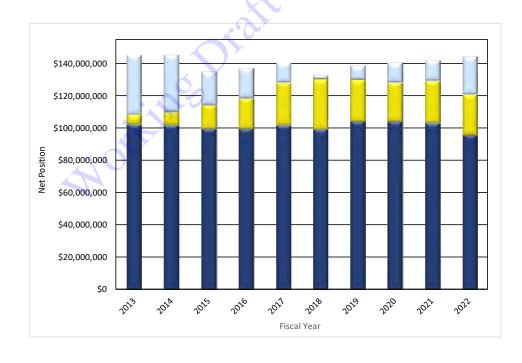


- (1) The decrease in Contributions to other agencies due to a contribution for joint capital project.
- (2) Started with FY 13/14 expenses included the 2013 Series A Water Revenue Bonds interest.
- (3) The increase in Contributions from other agency for joint venture due to a annexation fees related to large development in service area
- (4) The increase in loss on disposition of assets related to abandoned project

Walnut Valley Water District Changes in Net Position and Net Position by Component Last Ten Fiscal Years, Continued

Schedule 1

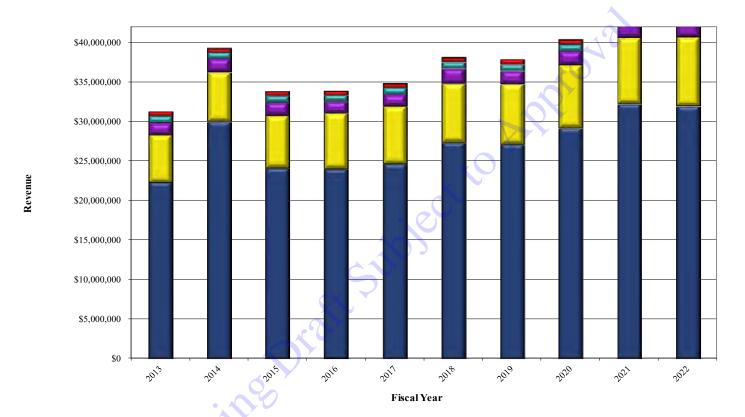
Fiscal Year										
		As Restated			As Restated					
2016	2017	2018	2019	2020	2021	2022				
33,924,726	34,916,303	38,210,311	37,912,508	40,456,434	44,260,619	44,391,343				
(30,721,847)	(31,827,660)	(35,341,232)	(34,149,759)	(38,205,724)	(40,065,073)	(40,962,957)				
(5,021,533)	(5,109,038)	(5,286,808)	(5,219,938)	(5,455,123)	(5,491,954)	(5,553,476)				
(1,818,654)	(2,020,395)	(2,417,729)	(1,457,189)	(3,204,413)	(1,296,408)	(2,125,090)				
943,033	985,113	999,707	1,098,378	1,162,465	1,199,446	1,232,651				
284,011	277,607	284,849	298,104	318,148	230,384	175,184				
-	-	-	-	-	40,485	82,691				
824,415	1,635	122,673	2,069,109	2,009,604	63,284	(1,600,045)				
315,763	(8,092)	(139,606)	874,098	180,329	(41,029)	(87,374)				
1,065,457 (3)	-	- (4)	-	=	-					
(129,390)	(85,825)	(798,859) (4)	18,098	(39,748)	(99,640)	153,711				
- (255.555)	(206.221)	- (676.051)	((50, (00))	- (625.242)	(505.260)	(210.055)				
(377,577)	(386,321)	(676,951)	(658,698)	(635,343)	(587,260)	(240,955)				
210,384	271,605	283,851	316,717	512,942	257,449	(188,885) 841,595				
3,136,096	1,055,722	75,664	4,015,806	3,508,397	1,063,119	368,573				
1,317,442	(964,673)	(2,342,065)	2,558,617	303,984	(233,289)	(1,756,517)				
946,623	4,545,716	2,950,904	3,116,814	1,574,591	1,403,720	4,012,468				
2,264,065	3,581,043	608,839	5,675,431	1,878,575	1,170,431	2,255,951				
				0						
100,096,835	102,444,898	99,730,658	104,543,390	104,609,392	103,734,121	96,182,741				
18,983,396	26,408,666	31,189,404	25,986,720	24,191,055	26,199,369	25,266,486				
18,405,093	12,212,803	2,476,916	8,542,299	12,150,537	12,468,287	23,208,501				
137,485,324	141,066,367	133,396,978	139,072,409	140,950,984	142,401,777	144,657,728				



Walnut Valley Water District Operating Revenue by Source Last Ten Fiscal Years

Schedule 2

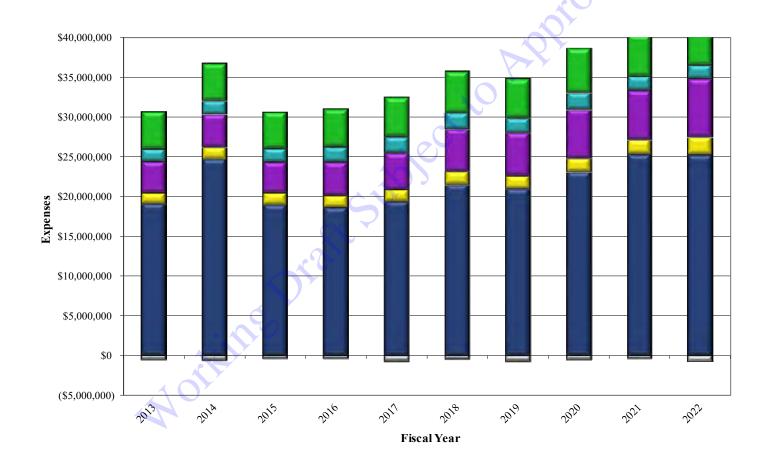
Fiscal Year	Water Consumption Fees	Monthly Water Service Charges	Recycled Water Sales	Standby Charges	Hydroelectric Sales	Other Water Service Charges	Total Operating Revenue
2013	\$ 22,316,359	6,096,414	1,555,051	832,977	20,936	509,754	31,331,491
2014	29,991,065	6,290,973	1,701,382	827,259	11,801	528,838	39,351,318
2015	24,155,800	6,676,754	1,632,666	825,584	31,916	532,051	33,854,771
2016	23,995,290	7,094,212	1,497,329	820,221	(10,000)	527,674	33,924,726
2017	24,649,066	7,285,380	1,609,661	815,294	10,534	546,368	34,916,303
2018	27,341,339	7,487,410	1,926,283	822,514	24,072	608,693	38,210,311
2019	27,111,901	7,701,303	1,634,443	837,186	22,250	605,425	37,912,508
2020	29,197,399	7,982,535	1,816,820	795,775	38,892	625,013	40,456,434
2021	32,236,607	8,406,618	2,199,928	766,999	39,341	611,126	44,260,619
2022	31,953,010	8,759,271	2,155,578	718,171	31,455	773,858	44,391,343



Walnut Valley Water District Operating Expenses by Activity Last Ten Fiscal Years

Schedule 3

Fiscal <u>Year</u>	Source of Supply	Pumping	Transmission and Distribution	Customer Accounts	General and Administrative	Operating Exp. Capitalized during Constr. Period	Total Operating Expenses
2013 \$	19,142,158	1,415,584	3,919,828	1,592,601	4,640,032	(434,581)	30,275,622
2014	24,716,865	1,522,225	4,148,061	1,713,168	4,644,398	(524,825)	36,219,892
2015	19,012,134	1,551,831	3,854,786	1,693,976	4,493,281	(344,305)	30,261,703
2016	18,694,558	1,507,275	4,167,820	1,967,633	4,682,473	(297,912)	30,721,847
2017	19,397,392	1,540,557	4,598,923	2,042,953	4,918,327	(670,492)	31,827,660
2018	21,505,419	1,712,649	5,280,765	2,091,767	5,165,828	(415,196)	35,341,232
2019	20,999,925	1,672,204	5,339,816	1,910,756	4,892,522	(665,464)	34,149,759
2020	23,156,600	1,703,819	6,118,670	2,111,048	5,535,032	(419,445)	38,205,724
2021	25,338,762	1,819,324	6,181,794	1,804,476	5,240,165	(319,448)	40,065,073
2022	25,282,557	2,226,536	7,284,321	1,783,368	5,105,223	(719,048)	40,962,957



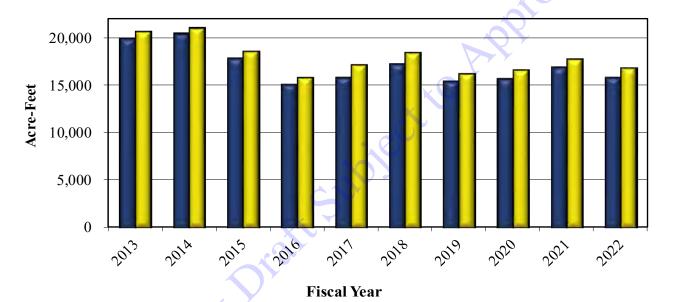
Note:

(1) Account groupings were revised in 2020 and regrouped for the prior two fiscal years

Walnut Valley Water District Revenue Base Last Ten Fiscal Years

Schedule 4

Fiscal	Water Sales	Water Produced
Year	(Acre Feet) (1)	(Acre Feet) (1)
2013	19,965	20,740
2014	20,541	21,137
2015	17,876	18,666
2016	15,111	15,905
2017	15,905	17,197
2018	17,245	18,485
2019	15,444	16,275
2020	15,751	16,630
2021	16,953	17,854
2022	15,859	16,844



Note: See Schedule 2 "Operating Revenue by Source" for information regarding water revenues.

(1) Excludes wholesale water sales and purchases

Walnut Valley Water District Revenue Rates⁽¹⁾ Last Ten Fiscal Years

Schedule 5

Commodity Rates Fiscal Year

	-	2013	2014	2015	2016	2017	2018	2019	2020	2021
Residential - Tier 1 (per HCF)	\$	2.16	2.46	2.69	2.85	2.97	3.16	3.27	2.94	3.03
Residential - Tier 2 (per HCF)		2.70	3.08	3.08	3.25	3.39	3.58	3.69	3.93	4.05
Residential - Tier 3 (per HCF)		2.70	3.08	3.08	3.25	3.39	3.58	3.69	4.52	4.66
Multi-Family (per HCF)		2.56	2.77	2.89	3.06	3.19	3.38	3.49	3.36	3.47
Non-Residential (per HCF)		2.61	2.81	2.95	3.12	3.25	3.44	3.55	3.56	3.67
Recycled (per HCF)		1.49	1.49	1.56	1.63	1.71	1.79	1.88	1.87	1.97
Pump Zone - Zone 1 (per HCF)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pump Zone - Zone 2 (per HCF)		0.18	0.19	0.19	0.19	0.20	0.21	0.22	0.24	0.25
Pump Zone - Zone 3 (per HCF)		0.34	0.35	0.36	0.37	0.39	0.34	0.42	0.44	0.46

Meter Charge per Month Fiscal Year

Meter Size	2013	2014	2015	2016	2017	2018	2019	2020	2021
All District Accounts:									
3/4" or smaller	\$ 16.33	17.08	18.29	18.87	19.43	20.00	20.54	20.67	21.30
1"	20.75	21.60	23.04	23.77	24.47	25.20	25.88	32.60	33.58
1 1/2"	44.64	46.18	54.43	56.17	57.82	59.53	61.14	62.42	64.30
2"	68.51	70.73	71.07	73.34	75.51	77.73	79.84	98.20	101.15
3"	125.12	128.92	145.53	150.17	154.60	159.17	163.48	193.64	199.45
4"	205.80	211.86	229.30	236.63	243.61	250.80	257.59	301.00	310.03
6"	402.72	414.54	435.87	449.79	463.07	476.74	489.65	599.22	617.20
8"	639.61	658.34	671.11	692.54	712.98	734.02	753.90	957.09	985.81

Notes:

(1) Rates as of June 30 of each fiscal year.

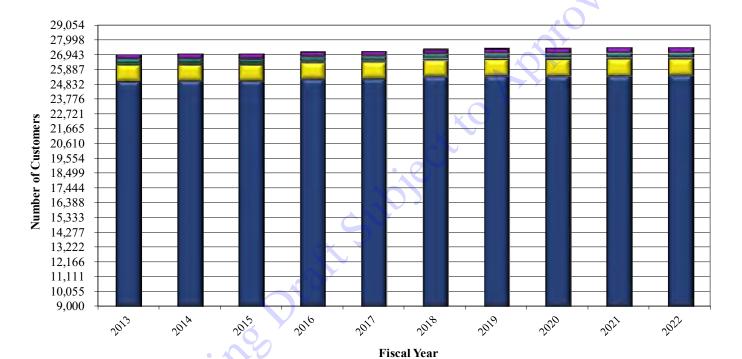
Source: Walnut Valley Water District Board of Directors approved rate ordinances and resolutions

Walnut Valley Water District Customers by Type Last Ten Fiscal Years

Schedule 6

Customer Type

Fiscal Year	Residential	Commercial/ Industrial	Multi-User	Government	Recycled	Total
2013	25,112	1,164	155	263	286	26,980
2014	25,139	1,159	155	266	291	27,011
2015	25,142	1,156	158	270	294	27,019
2016	25,258	1,154	161	268	290	27,131
2017	25,275	1,164	163	272	302	27,176
2018	25,415	1,174	163	276	302	27,330
2019	25,467	1,165	163	277	309	27,381
2020	25,474	1,166	163	276	332	27,411
2021	25,479	1,174	163	277	343	27,436
2022	25,486	1,175	163	277	345	27,446



Note: Number of customers as of June 30 of fiscal year.

Walnut Valley Water District **Principal Customers Current Fiscal Year and Ten Years Ago**

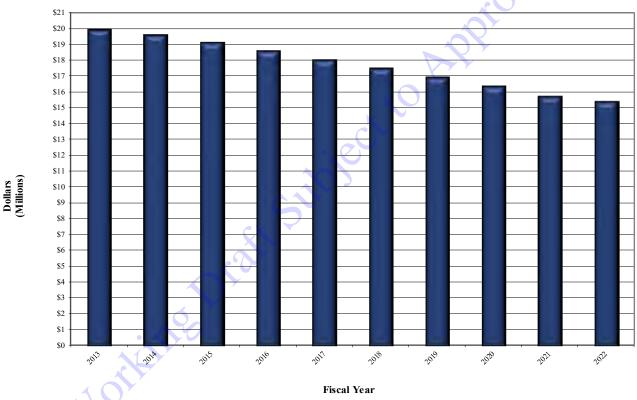
Schedule 7

	2022		2013				
	Water	Percentage		Water	Percentage		
Rank Customer	Consumed (AF)	of Total	Rank	Consumed (AF)	of Total		
1 City Of Walnut	455	2.5%	1	615	2.8%		
2 City of Diamond Bar	328	1.8%	2	394	1.8%		
3 Walnut Unified School Dist	269	1.5%	4	324	1.5%		
4 Montefino Homeowners Assoc	242	1.3%	5	283	1.3%		
5 American Golf Corp	224	1.2%	3	379	1.7%		
6 City Of Industry	221	1.2%			-		
7 Pomona Unified School Dist	166	0.9%	6	167	0.8%		
8 Diamond Bar Tennis Club HOA	138	0.8%	7	153	0.7%		
9 Rowland Unified School Dist	106	0.6%	8	108	0.5%		
10 Majestic Management	75	0.4%			-		
Muller Gateway LLC			9	100	0.5%		
Cal Trans D07			10	95	0.4%		
Total	2,224	12.29%		2,618	11.87%		
D. 4-11. C-1.							
Potable Sales	15,859			19,965			
Recycled Sales	2,237	100.000/		2,082	100.000/		
Total Water Consumed (AF)	18,096	100.00%		22,047	100.00%		
Source: Walnut Valley Water District Accounting	Department						

Walnut Valley Water District Ratio of Outstanding Debt Last Ten Fiscal Years

Schedule 8

Fiscal Year	_	Bonds Payable	Notes Payable	Capital <u>Lease</u>	TotalDebt	Per <u>Capita</u>	As a Share of Personal Income
2013	\$	19,968,959	_	-	19,968,959	196.21	0.44%
2014		19,611,843	=	=	19,611,843	191.90	0.40%
2015		19,099,727	_	_	19,099,727	186.12	0.36%
2016		18,577,613	_	_	18,577,613	180.29	0.33%
2017		18,040,497	_	_	18,040,497	174.36	0.31%
2018		17,488,382	_	_	17,488,382	168.33	0.27%
2019		16,916,266	_	_	16,916,266	160.39	0.25%
2020		16,319,151	_	_	16,319,151	153.65	0.24%
2021		15,703,036	_	_	15,703,036	156.91	0.23%
2022		15,380,000	_	_	15,380,000	153.30	0.23%



Walnut Valley Water District Debt Coverage Last Ten Fiscal Years

Schedule 9

		Net	Operating	Net Available		Debt Service		Coverage
Fiscal Year	_	Revenues ⁽¹⁾	Expenses ⁽²⁾	Revenues	Principal	Interest	Total	Ratio
2013	\$	32,479,508	(31,152,204)	1,327,304			-	0.00
2014		41,150,445	(35,355,496)	5,794,949	250,000	975,191	1,225,191	4.73
2015		35,900,112	(29,861,742)	6,038,370	405,000	827,450	1,232,450	4.90
2016		36,862,499	(30,321,989)	6,540,510	415,000	819,350	1,234,350	5.30
2017		36,914,828	(31,642,531)	5,272,297	430,000	802,750	1,232,750	4.28
2018		40,259,265	(34,156,423)	6,102,842	445,000	785,550	1,230,550	4.96
2019		40,383,991	(33,550,440)	6,833,551	465,000	767,750	1,232,750	5.54
2020		43,210,890	(36,868,845)	6,342,045	490,000	744,500	1,234,500	5.14
2021		46,759,072	(39,351,972)	7,407,100	510,000	720,000	1,230,000	6.02
2022		47,469,671	(39,330,873)	8,138,798	-	217,300	217,300	37.45

Note:

⁽¹⁾ Operating revenues excludes: unrealized gain (loss) on investment income Operating revenues includes property tax revenue, investment income, and other non-operating revenue.

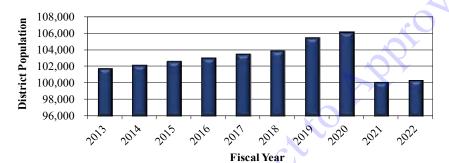
⁽²⁾ Operating expenses before depreciation excludes: GASB 68 pension expense, GASB 75 OPEB expense. Operating expenses before depreciation includes: overhead on capital construction expense.

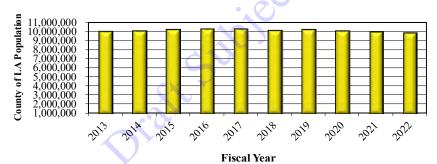
Walnut Valley Water District Demographic and Economic Statistics Last Ten Fiscal Years

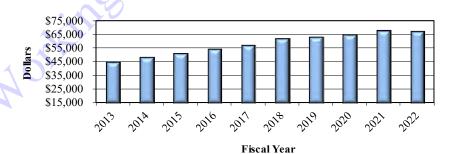
County of Los Angeles⁽¹⁾

Schedule 10

				Personal Income	Personal
Year	District Population	Une mployment Rate	Population	(thousands of dollars)	Income per Capita
2013	101,775	10.2%	10,019,000	451,100,000	45,024
2014	102,199	8.3%	10,069,000	487,900,000	48,456
2015	102,622	6.9%	10,192,000	521,900,000	51,207
2016	103,045	540.0%	10,240,000	557,382,000	54,432
2017	103,469	4.9%	10,278,000	585,515,000	56,968
2018	103,892	4.9%	10,106,000	628,809,000	62,221
2019	105,469	4.6%	10,184,000	646,400,000	63,472
2020	106,213	17.9%	10,039,107	653,482,910	65,094
2021	100,079	10.3%	9,943,046	678,829,092	68,272
2022	100,325	5.2%	9,861,224	665,931,339	67,530







Sources: Bureau of Labor Statistics

California Department of Finance, Bureau of Economic Analysis (BEA)

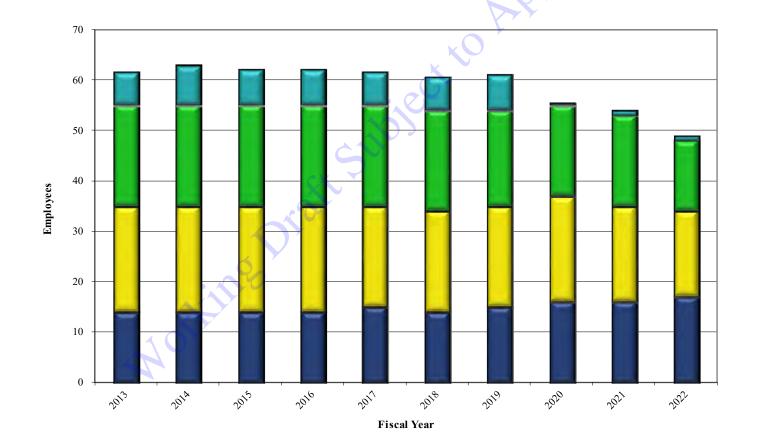
LAEDC Exonomic Forecast

Notes:

- (1) Only County data is updated annually. Therefore, the District has chose to use its data since the District believes that the County data is representative of the conditions and experience of the District.
- (2) Recalculated due to 2020 Census

Full-time Equivalent District Employees by Department

Fiscal Year	District Administration	Office and Engineering	Operations	Part-time/ Student Intern	Total
2013	14	21	20	6.5	61.5
2014	14	21	20	8.0	63.0
2015	14	21	20	7.0	62.0
2016	14	21	20	7.0	62.0
2017	15	20	20	6.5	61.5
2018	14	20	20	6.5	60.5
2019	15	20	19	7.0	61.0
2020	16	21	18	0.5	55.5
2021	16	19	18	1.0	54.0
2022	17	17	14	1.0	49.0



Walnut Valley Water District **Operating and Capacity Indicators Last Ten Fiscal Years**

Schedule 12

Other Operating and Capacity Indicators

			Other Operating	and Capacity Indicat	ors		
Fiscal Year	District Area (Square Miles)	Miles of Pipeline	Storage Capacity (MG)	Reservoirs	Booster Pump Stations	Pressure Regulating Stations	Fire Hydrants
2013	29	414	93.8	31	1.0	48.0	2,993
2014	29	415	93.8	31	18.0	48.0	3,008
2015	29	416	93.8	31	17.0	48.0	3,013
2016	29	417	93.8	31	17.0	48.0	3,031
2017	29	417	93.8	31	17.0	47.0	3,035
2017	29	418	93.8	31	17.0	45.0	3,050
2019	29	421	93.8	31	17.0	43.0	3,055
2020	29	421	93.8	31	18.0	42.0	3,055
2020	29	422	93.8	31	18.0	42.0	3,093
2022	29	433	93.8	31	18.0	41.0	3,094
MGD - Mill	ons of Gallons ions of Gallons per Day Inut Valley Water District	ALID	rtment	o di di sect			

and Con. Robbing Draft Subject to Approx Working Draft Subject to Approx And Con. Report on Internal Controls and Compliance

Working Draft Subject to Amproval

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

Board of Directors Walnut Valley Water District Walnut, 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 Walnut Valley Water District (District) as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprises the District's basic financial statements, and have issued our report thereon dated December 12, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 audit 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 District'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 audit, 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 Control over Financial Reporting and on Compliance and Other Matters Based on an Audit 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Working Draft Subject to Apr

Fedak & Brown LLP Cypress, California

December 12, 2022



Walnut Valley Water District Consolidated - Account #10076

MONTHLY ACCOUNT STATEMENT

NOVEMBER 1, 2022 THROUGH NOVEMBER 30, 2022

Chandler Team:

For questions about your account, please call (800) 317-4747, or contact operations@chandlerasset.com

Custodian

Bank of New York Mellon Trust Company Amy Kung (213) 630-6374

CHANDLER ASSET MANAGEMENT chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.

Portfolio Summary

Account #10076

As of November 30, 2022



PORTFOLIO CHARACTERISTICS	
Average Modified Duration	1.65
Average Coupon	1.60%
Average Purchase YTM	1.61%
Average Market YTM	3.36%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	1.74 yrs

1.69 yrs

ACCOUNT SUMMARY

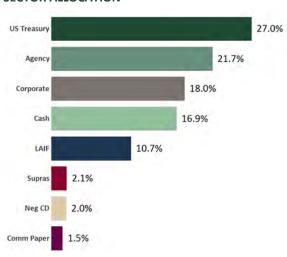
	Beg. Values as of 10/31/22	End Values as of 11/30/22
Market Value	47,867,036	47,342,233
Accrued Interest	164,684	187,292
Total Market Value	48,031,720	47,529,524
Income Earned Cont/WD	61,507	65,600
Par	50,248,819	49,426,156
Book Value	50,166,836	49,311,884
Cost Value	50,208,154	49,378,983

TOP ISSUERS

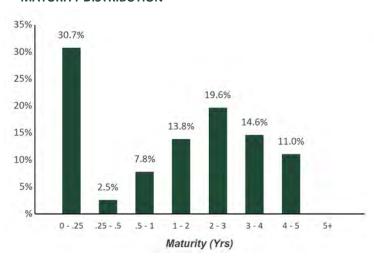
Government of United States	27.0%
Bank Cash Account	16.9%
Local Agency Investment Fund	10.7%
Federal Home Loan Bank	10.2%
Federal National Mortgage Assoc	6.7%
Federal Home Loan Mortgage Corp	3.3%
Federal Farm Credit Bank	1.5%
MUFG Bank Ltd/NY	1.5%
Total	77.9%

SECTOR ALLOCATION

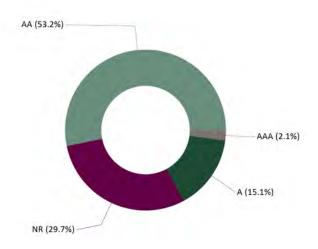
Average Life



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



Walnut Valley Water District

Portfolio Summary

Account #10074

As of November 30, 2022



PORTFOLIO CHARACTERISTICS	
Average Modified Duration	

Average Coupon 1.94%

Average Purchase YTM 1.95%

2.22

Average Market YTM 4.38%

Average S&P/Moody Rating AA/Aa1

Average Final Maturity 2.35 yrs

Average Life 2.32 yrs

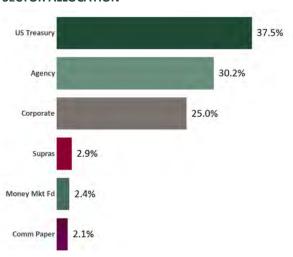
ACCOUNT SUMMARY

	Beg. Values as of 10/31/22	End Values as of 11/30/22
Market Value	32,215,785	34,088,583
Accrued Interest	153,251	168,844
Total Market Value	32,369,036	34,257,427
Income Earned	52,006	56,147
Cont/WD		1,502,438
Par	34,565,000	36,140,281
Book Value	34,483,017	36,026,009
Cost Value	34.524.335	36.093.107

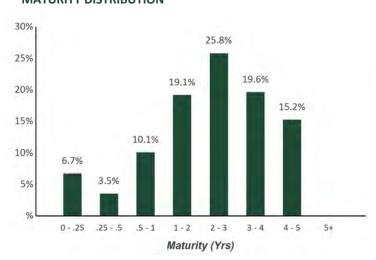
TOP ISSUERS

Government of United States	37.5%
Federal Home Loan Bank	14.2%
Federal National Mortgage Assoc	9.3%
Federal Home Loan Mortgage Corp	4.6%
Federated Govt Obligation Money	2.4%
Federal Farm Credit Bank	2.1%
MUFG Bank Ltd/NY	2.1%
Intl Bank Recon and Development	1.6%
Total	73.7%

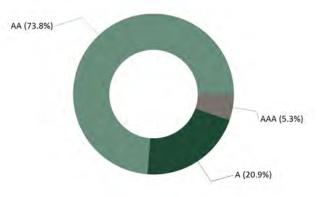
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

							Annualized		
TOTAL RATE OF RETURN	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	7/31/2009
Walnut Valley Water District	1.13%	-0.64%	-4.74%	-4.90%	-2.79%	-0.48%	0.89%	0.92%	1.27%
ICE BofA 1-5 Yr US Treasury & Agency Index*	1.07%	-0.84%	-5.31%	-5.57%	-3.19%	-0.76%	0.64%	0.70%	1.04%

^{*}ICE BofA 1-3 Yr US Treasury Index to 8/31/10

Holdings Report

Account #10076



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
313383YJ4	FHLB Note 3.375% Due 9/8/2023	625,000.00	09/28/2018 3.05%	634,237.50 626,440.48	98.86 4.89%	617,878.75 4,863.28	1.31% (8,561.73)	Aaa / AA+ NR	0.77 0.75
3135G0U43	FNMA Note 2.875% Due 9/12/2023	750,000.00	10/30/2018 3.04%	744,405.00 749,102.66	98.51 4.83%	738,826.50 4,731.77	1.56% (10,276.16)	Aaa / AA+ AAA	0.78 0.76
3130A0F70	FHLB Note 3.375% Due 12/8/2023	750,000.00	12/13/2018 2.93%	765,270.00 753,121.12	98.56 4.84%	739,178.25 12,164.06	1.58% (13,942.87)	Aaa / AA+ AAA	1.02 0.97
3135G0V34	FNMA Note 2.5% Due 2/5/2024	575,000.00	03/06/2019 2.60%	572,263.00 574,342.82	97.52 4.68%	560,720.45 4,631.94	1.19% (13,622.37)	Aaa / AA+ AAA	1.18 1.14
3130AFW94	FHLB Note 2.5% Due 2/13/2024	500,000.00	02/28/2019 2.61%	497,510.00 499,396.07	97.65 4.53%	488,249.50 3,750.00	1.04% (11,146.57)	Aaa / AA+ AAA	1.21 1.16
3130AB3H7	FHLB Note 2.375% Due 3/8/2024	600,000.00	05/01/2019 2.35%	600,600.00 600,156.77	97.04 4.80%	582,211.80 3,285.42	1.23% (17,944.97)	Aaa / AA+ NR	1.27 1.22
3133EKNX0	FFCB Note 2.16% Due 6/3/2024	750,000.00	07/02/2019 1.88%	759,847.50 753,013.98	96.62 4.50%	724,674.75 8,010.00	1.54% (28,339.23)	Aaa / AA+ AAA	1.51 1.44
3130A1XJ2	FHLB Note 2.875% Due 6/14/2024	650,000.00	06/26/2019 1.85%	681,427.50 659,719.31	97.28 4.73%	632,313.50 8,668.92	1.35% (27,405.81)	Aaa / AA+ NR	1.54 1.46
3130A3GE8	FHLB Note 2.75% Due 12/13/2024	700,000.00	12/23/2019 1.77%	732,445.00 713,274.58	96.64 4.50%	676,449.90 8,983.33	1.44% (36,824.68)	Aaa / AA+ NR	2.04 1.92
3135G0X24	FNMA Note 1.625% Due 1/7/2025	600,000.00	02/14/2020 1.48%	604,074.00 601,752.85	94.40 4.44%	566,410.80 3,900.00	1.20% (35,342.05)	Aaa / AA+ AAA	2.11 2.02
3137EAEP0	FHLMC Note 1.5% Due 2/12/2025	600,000.00	02/14/2020 1.48%	600,486.00 600,214.58	94.04 4.37%	564,242.40 2,725.00	1.19% (35,972.18)	Aaa / AA+ AAA	2.21 2.12
3135G03U5	FNMA Note 0.625% Due 4/22/2025	800,000.00	Various 0.53%	803,537.00 801,735.92	91.58 4.37%	732,662.40 541.67	1.54% (69,073.52)	Aaa / AA+ AAA	2.39 2.33
3130AJKW8	FHLB Note 0.5% Due 6/13/2025	600,000.00	06/10/2020 0.54%	598,866.00 599,424.92	91.15 4.21%	546,925.20 1,400.00	1.15% (52,499.72)	Aaa / AA+ AAA	2.54 2.46
3137EAEU9	FHLMC Note 0.375% Due 7/21/2025	400,000.00	08/12/2020 0.45%	398,456.00 399,175.33	90.53 4.20%	362,138.40 541.67	0.76% (37,036.93)	Aaa / AA+ AAA	2.64 2.57
3137EAEX3	FHLMC Note 0.375% Due 9/23/2025	700,000.00	10/07/2020 0.50%	695,758.00 697,594.40	89.98 4.18%	629,892.20 495.83	1.33% (67,702.20)	Aaa / AA+ AAA	2.82 2.74
3135G06G3	FNMA Note 0.5% Due 11/7/2025	625,000.00	11/18/2020 0.51%	624,775.00 624,867.03	89.87 4.20%	561,696.88 208.33	1.18% (63,170.15)	Aaa / AA+ AAA	2.94 2.86

Holdings Report

Account #10076



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3130AKFA9	FHLB Note 0.375% Due 12/12/2025	600,000.00	01/05/2021 0.42%	598,680.00 599,188.65	89.41 4.13%	536,443.20 1,056.25	1.13% (62,745.45)	Aaa / AA+ NR	3.04 2.95
Total Agency		10,825,000.00	1.67%	10,912,637.50 10,852,521.47	4.51%	10,260,914.88 69,957.47	21.74% (591,606.59)	Aaa / AA+ AAA	1.83 1.77
CASH									
90CASH\$00	Cash Custodial Cash Account	8,028,644.44	Various 0.00%	8,028,644.44 8,028,644.44	1.00 0.00%	8,028,644.44 0.00	16.89% 0.00	NR / NR NR	0.00
Total Cash		8,028,644.44	N/A	8,028,644.44 8,028,644.44	0.00%	8,028,644.44 0.00	16.89% 0.00	NR / NR NR	0.00 0.00
COMMERCIAL	PAPER								
62479MUE1	MUFG Bank Ltd/NY Discount CP 5.3% Due 7/14/2023	750,000.00	11/09/2022 5.54%	722,837.50 722,837.50	96.38 5.54%	722,837.50 2,318.75	1.53% 0.00	P-1 / A-1 NR	0.62 0.60
Total Commerc	cial Paper	750,000.00	5.54%	722,837.50 722,837.50	5.54%	722,837.50 2,318.75	1.53% 0.00	Aaa / AA NR	0.62 0.60
CORPORATE									
808513AT2	Charles Schwab Corp Callable Note Cont 12/25/2022 2.65% Due 1/25/2023	500,000.00	10/30/2018 3.51%	483,170.00 499,401.26	99.68 4.72%	498,400.00 4,637.50	1.06% (1,001.26)	A2 / A A	0.15 0.15
46625HJH4	JP Morgan Chase Note 3.2% Due 1/25/2023	500,000.00	08/06/2019 2.18%	516,975.00 500,737.46	99.81 4.43%	499,030.00 5,600.00	1.06% (1,707.46)	A1 / A- AA-	0.15 0.15
24422ERT8	John Deere Capital Corp Note 2.8% Due 1/27/2023	450,000.00	04/11/2018 3.17%	442,606.50 449,759.18	99.68 4.79%	448,558.65 4,340.00	0.95% (1,200.53)	A2 / A A	0.16 0.16
084670BR8	Berkshire Hathaway Callable Note Cont 1/15/2023 2.75% Due 3/15/2023	500,000.00	Various 3.04%	493,706.00 499,587.72	99.54 4.33%	497,688.00 2,902.78	1.05% (1,899.72)	Aa2 / AA A+	0.29 0.29

Holdings Report

Account #10076



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
CORPORATE									
911312BK1	UPS Callable Note Cont 3/1/2023 2.5% Due 4/1/2023	450,000.00	04/11/2018 3.11%	437,413.50 449,160.44	99.25 4.75%	446,622.30 1,875.00	0.94% (2,538.14)	A2 / A NR	0.33 0.33
58933YAF2	Merck & Co Note 2.8% Due 5/18/2023	250,000.00	08/06/2019 1.89%	258,235.00 251,003.25	99.07 4.82%	247,687.25 252.78	0.52% (3,316.00)	A1 / A+ A+	0.46 0.46
931142EK5	Wal-Mart Stores Callable Note Cont 5/26/2023 3.4% Due 6/26/2023	500,000.00	07/31/2018 3.26%	503,095.00 500,309.85	99.24 4.76%	496,194.50 7,319.44	1.06% (4,115.35)	Aa2 / AA AA	0.57 0.55
02665WCJ8	American Honda Finance Note 3.45% Due 7/14/2023	400,000.00	07/31/2018 3.38%	401,336.00 400,166.35	99.00 5.09%	396,012.80 5,251.67	0.84% (4,153.55)	A3 / A- A	0.62 0.60
89236TFN0	Toyota Motor Credit Corp Note 3.45% Due 9/20/2023	450,000.00	01/16/2019 3.38%	451,318.50 450,226.45	98.84 4.92%	444,800.25 3,061.88	0.94% (5,426.20)	A1 / A+ A+	0.81 0.78
91159HHV5	US Bancorp Callable Note Cont 1/5/2024 3.375% Due 2/5/2024	500,000.00	12/23/2019 2.11%	524,265.00 506,598.23	98.41 4.78%	492,025.00 5,437.50	1.05% (14,573.23)	A2 / A+ A+	1.18 1.13
06051GHF9	Bank of America Corp Callable Note 1X 3/5/2023 3.55% Due 3/5/2024	450,000.00	05/30/2019 2.98%	458,955.00 450,613.98	99.50 5.46%	447,746.85 3,816.25	0.95% (2,867.13)	A2 / A- AA-	1.26 0.26
14913R2L0	Caterpillar Financial Service Note 0.45% Due 5/17/2024	350,000.00	05/12/2021 0.51%	349,426.00 349,720.86	94.06 4.70%	329,193.90 61.25	0.69% (20,526.96)	A2 / A A	1.46 1.43
06367WB85	Bank of Montreal Note 1.85% Due 5/1/2025	400,000.00	02/15/2022 2.25%	395,048.00 396,263.76	93.45 4.75%	373,801.60 616.67	0.79% (22,462.16)	A2 / A- AA-	2.42 2.32
717081EX7	Pfizer Inc. Callable Note Cont 4/28/2025 0.8% Due 5/28/2025	400,000.00	05/26/2020 0.83%	399,376.00 399,689.37	92.23 4.11%	368,928.80 26.67	0.78% (30,760.57)	A1 / A+ A	2.49 2.42
78015K7H1	Royal Bank of Canada Note 1.15% Due 6/10/2025	400,000.00	05/20/2021 0.96%	403,072.00 401,916.36	91.60 4.71%	366,401.60 2,185.00	0.78% (35,514.76)	A1 / A AA-	2.53 2.43
89114TZD7	Toronto-Dominion Bank Note 1.2% Due 6/3/2026	400,000.00	08/11/2021 1.12%	401,416.00 401,032.75	88.33 4.86%	353,336.80 2,373.33	0.75% (47,695.95)	A1 / A AA-	3.51 3.34
87612EBM7	Target Corp Callable Note Cont 12/15/2026 1.95% Due 1/15/2027	500,000.00	01/24/2022 1.87%	501,865.00 501,541.97	91.42 4.24%	457,075.00 3,683.33	0.97% (44,466.97)	A2 / A A	4.13 3.86
06406RBA4	Bank of NY Mellon Corp Callable Note Cont 12/26/2026 2.05% Due 1/26/2027	500,000.00	01/26/2022 2.03%	500,400.00 500,331.51	90.18 4.68%	450,916.00 3,559.03	0.96% (49,415.51)	A1 / A AA-	4.16 3.87

Holdings Report

Account #10076



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
CORPORATE									
023135CF1	Amazon.com Inc Callable Note Cont 3/13/2027 3.3% Due 4/13/2027	400,000.00	04/26/2022 3.26%	400,788.00 400,691.93	95.87 4.35%	383,495.20 1,760.00	0.81% (17,196.73)	A1 / AA AA-	4.37 3.99
665859AW4	Northern Trust Company Callable Note Cont 4/10/2027 4% Due 5/10/2027	500,000.00	06/28/2022 4.00%	500,045.00 500,041.10	97.92 4.52%	489,614.00 1,166.67	1.03% (10,427.10)	A2 / A+ A+	4.44 4.01
Total Corporat	e	8,800,000.00	2.51%	8,822,511.50 8,808,793.78	4.68%	8,487,528.50 59,926.75	17.98% (321,265.28)	A1 / A+ A+	1.74 1.58
LAIF									
90LAIF\$00	Local Agency Investment Fund State Pool	5,091,511.64	Various 2.06%	5,091,511.64 5,091,511.64	1.00 2.06%	5,091,511.64 16,075.96	10.75% 0.00	NR / NR NR	0.00
Total LAIF		5,091,511.64	2.06%	5,091,511.64 5,091,511.64	2.06%	5,091,511.64 16,075.96	10.75% 0.00	NR / NR NR	0.00 0.00
NEGOTIABLE C	D								
14042TBL0	Capital One Bank USA NA Negotiable CD 2.2% Due 8/7/2023	247,000.00	08/06/2019 2.20%	247,000.00 247,000.00	100.00 2.20%	247,000.00 1,726.97	0.52% 0.00	NR / NR NR	0.68 0.67
7954506L4	Sallie Mae Bank Negotiable CD 0.85% Due 5/27/2025	248,000.00	05/27/2020 0.85%	248,000.00 248,000.00	100.00 0.85%	248,000.00 23.10	0.52% 0.00	NR / NR NR	2.49 2.46
856285TQ4	STATE BANK OF INDIA Negotiable CD 1.1% Due 5/28/2025	248,000.00	05/28/2020 1.10%	248,000.00 248,000.00	100.00 1.10%	248,000.00 22.42	0.52% 0.00	NR / NR NR	2.49 2.45
38149MZJ5	Goldman Sachs Bank USA Negotiable CD 1.05% Due 9/8/2026	248,000.00	08/25/2021 1.05%	248,000.00 248,000.00	87.01 4.86%	215,773.89 599.28	0.46% (32,226.11)	NR / NR NR	3.78 3.61
				991,000.00		958,773.89	2.02%	NR / NR	2.31
Total Negotiab	ole CD	991,000.00	1.30%	991,000.00	2.17%	2,371.77	(32,226.11)	NR	2.25
SUPRANATION	IAL								
459058JL8	Intl. Bank Recon & Development Note 0.5% Due 10/28/2025	600,000.00	12/14/2020 0.48%	600,516.00 600,308.38	89.98 4.19%	539,894.40 275.00	1.14% (60,413.98)	Aaa / AAA AAA	2.91 2.83

Holdings Report

Account #10076



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
SUPRANATIO	NAL								
4581X0DV7	Inter-American Dev Bank Note 0.875% Due 4/20/2026	500,000.00	04/27/2021 0.94%	498,425.00 498,928.62	89.79 4.14%	448,930.50 498.26	0.95% (49,998.12)	Aaa / AAA AAA	3.39 3.27
Total Suprana	tional	1,100,000.00	0.69%	1,098,941.00 1,099,237.00	4.17%	988,824.90 773.26	2.08% (110,412.10)	Aaa / AAA AAA	3.13 3.03
US TREASURY	,								
912828X70	US Treasury Note 2% Due 4/30/2024	400,000.00	07/02/2019 1.78%	404,125.00 401,207.32	96.42 4.64%	385,687.60 685.08	0.81% (15,519.72)	Aaa / AA+ AAA	1.42 1.37
9128282U3	US Treasury Note 1.875% Due 8/31/2024	575,000.00	03/04/2020 0.72%	604,311.52 586,420.77	95.60 4.52%	549,709.20 2,739.99	1.16% (36,711.57)	Aaa / AA+ AAA	1.75 1.68
912828YM6	US Treasury Note 1.5% Due 10/31/2024	600,000.00	02/15/2022 1.74%	596,203.13 597,309.91	94.74 4.39%	568,453.20 770.72	1.20% (28,856.71)	Aaa / AA+ AAA	1.92 1.85
912828YV6	US Treasury Note 1.5% Due 11/30/2024	700,000.00	12/23/2019 1.72%	692,808.59 697,088.34	94.55 4.37%	661,882.90 28.85	1.39% (35,205.44)	Aaa / AA+ AAA	2.00 1.93
912828Z52	US Treasury Note 1.375% Due 1/31/2025	575,000.00	03/04/2020 0.71%	593,328.13 583,095.86	94.04 4.28%	540,724.82 2,642.58	1.14% (42,371.04)	Aaa / AA+ AAA	2.17 2.09
912828ZF0	US Treasury Note 0.5% Due 3/31/2025	750,000.00	03/26/2020 0.50%	749,912.11 749,959.02	91.88 4.19%	689,091.75 638.74	1.45% (60,867.27)	Aaa / AA+ AAA	2.33 2.27
91282CAT8	US Treasury Note 0.25% Due 10/31/2025	700,000.00	02/16/2021 0.51%	691,605.47 694,790.11	89.63 4.06%	627,375.00 149.86	1.32% (67,415.11)	Aaa / AA+ AAA	2.92 2.85
91282CBC4	US Treasury Note 0.375% Due 12/31/2025	700,000.00	01/12/2021 0.52%	694,968.75 696,875.24	89.53 4.02%	626,691.10 1,098.51	1.32% (70,184.14)	Aaa / AA+ AAA	3.09 3.00
91282CBH3	US Treasury Note 0.375% Due 1/31/2026	550,000.00	03/22/2021 0.85%	537,625.00 541,929.04	89.17 4.05%	490,424.00 689.37	1.03% (51,505.04)	Aaa / AA+ AAA	3.17 3.08
91282CBQ3	US Treasury Note 0.5% Due 2/28/2026	650,000.00	03/09/2021 0.83%	639,589.84 643,199.54	89.29 4.05%	580,353.80 825.97	1.22% (62,845.74)	Aaa / AA+ AAA	3.25 3.16
91282CBT7	US Treasury Note 0.75% Due 3/31/2026	440,000.00	03/29/2021 0.88%	437,301.56 438,203.01	89.93 4.01%	395,673.52 562.09	0.83% (42,529.49)	Aaa / AA+ AAA	3.33 3.23
91282CCF6	US Treasury Note 0.75% Due 5/31/2026	850,000.00	06/28/2021 0.88%	844,820.31 846,319.16	89.39 4.03%	759,820.10 17.51	1.60% (86,499.06)	Aaa / AA+ AAA	3.50 3.39

Holdings Report

Account #10076



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US TREASURY									
91282CCP4	US Treasury Note 0.625% Due 7/31/2026	750,000.00	10/08/2021 1.02%	736,171.88 739,445.51	88.59 4.00%	664,423.50 1,566.75	1.40% (75,022.01)	Aaa / AA+ AAA	3.67 3.55
91282CCW9	US Treasury Note 0.75% Due 8/31/2026	850,000.00	09/28/2021 1.00%	839,939.45 842,335.62	88.81 3.99%	754,906.25 1,620.17	1.59% (87,429.37)	Aaa / AA+ AAA	3.75 3.62
91282CCZ2	US Treasury Note 0.875% Due 9/30/2026	650,000.00	12/29/2021 1.26%	638,447.27 640,679.20	89.08 3.97%	579,033.00 968.75	1.22% (61,646.20)	Aaa / AA+ AAA	3.84 3.69
91282CDG3	US Treasury Note 1.125% Due 10/31/2026	575,000.00	11/29/2021 1.18%	573,472.66 573,783.91	89.80 3.96%	516,332.18 553.95	1.09% (57,451.73)	Aaa / AA+ AAA	3.92 3.76
91282CDK4	US Treasury Note 1.25% Due 11/30/2026	575,000.00	04/26/2022 2.76%	537,827.15 542,656.52	90.13 3.94%	518,263.60 19.75	1.09% (24,392.92)	Aaa / AA+ AAA	4.00 3.83
91282CEF4	US Treasury Note 2.5% Due 3/31/2027	700,000.00	06/13/2022 3.45%	670,878.91 673,706.20	94.43 3.91%	661,035.20 2,980.77	1.40% (12,671.00)	Aaa / AA+ AAA	4.33 4.03
91282CEW7	US Treasury Note 3.25% Due 6/30/2027	550,000.00	09/13/2022 3.61%	541,363.28 541,748.23	97.40 3.87%	535,691.20 7,480.30	1.14% (6,057.03)	Aaa / AA+ AAA	4.58 4.15
91282CFH9	US Treasury Note 3.125% Due 8/31/2027	550,000.00	09/08/2022 3.40%	543,232.42 543,530.88	96.95 3.83%	533,199.15 4,368.09	1.13% (10,331.73)	Aaa / AA+ AAA	4.75 4.33
91282CFM8	US Treasury Note 4.125% Due 9/30/2027	400,000.00	10/28/2022 4.19%	398,796.88 398,817.66	101.22 3.85%	404,875.20 2,810.44	0.86% 6,057.54	Aaa / AA+ AAA	4.84 4.32
91282CFU0	US Treasury Note 4.125% Due 10/31/2027	750,000.00	11/09/2022 4.30%	744,169.92 744,237.34	101.27 3.84%	759,550.50 2,649.34	1.60% 15,313.16	Aaa / AA+ AAA	4.92 4.40
Total US Treas	ury	13,840,000.00	1.65%	13,710,899.23 13,717,338.39	4.07%	12,803,196.77 35,867.58	27.01% (914,141.62)	Aaa / AA+ AAA	3.36 3.19
TOTAL PORTFO	DLIO	49,426,156.08	1.61%	49,378,982.81 49,311,884.22	3.36%	47,342,232.52 187,291.54	100.00% (1,969,651.70)	Aa1 / AA AAA	1.74 1.65
TOTAL MARKE	T VALUE PLUS ACCRUED					47,529,524.06			

Transaction Ledger

Account #10076



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	11/01/2022	60934N807	3,700.00	Federated Investors Govt Oblig Fund Inst.	1.000	2.67%	3,700.00	0.00	3,700.00	0.00
Purchase	11/02/2022	60934N807	23.56	Federated Investors Govt Oblig Fund Inst.	1.000	2.67%	23.56	0.00	23.56	0.00
Purchase	11/07/2022	60934N807	1,562.50	Federated Investors Govt Oblig Fund Inst.	1.000	2.67%	1,562.50	0.00	1,562.50	0.00
Purchase	11/10/2022	60934N807	10,000.00	Federated Investors Govt Oblig Fund Inst.	1.000	2.67%	10,000.00	0.00	10,000.00	0.00
Purchase	11/10/2022	62479MUE1	750,000.00	MUFG Bank Ltd/NY Discount CP 5.3% Due 7/14/2023	96.378	5.54%	722,837.50	0.00	722,837.50	0.00
Purchase	11/10/2022	91282CFU0	750,000.00	US Treasury Note 4.125% Due 10/31/2027	99.223	4.30%	744,169.92	854.63	745,024.55	0.00
Purchase	11/17/2022	60934N807	787.50	Federated Investors Govt Oblig Fund Inst.	1.000	2.67%	787.50	0.00	787.50	0.00
Purchase	11/18/2022	60934N807	3,500.00	Federated Investors Govt Oblig Fund Inst.	1.000	2.67%	3,500.00	0.00	3,500.00	0.00
Purchase	11/27/2022	90CASH\$00	1,062.66	Cash Custodial Cash Account	1.000		1,062.66	0.00	1,062.66	0.00
Purchase	11/28/2022	60934N807	1,600.00	Federated Investors Govt Oblig Fund Inst.	1.000	2.67%	1,600.00	0.00	1,600.00	0.00
Purchase	11/28/2022	90CASH\$00	1,375.21	Cash Custodial Cash Account	1.000		1,375.21	0.00	1,375.21	0.00
Purchase	11/30/2022	60934N807	750,000.00	Federated Investors Govt Oblig Fund Inst.	1.000	3.39%	750,000.00	0.00	750,000.00	0.00
Purchase	11/30/2022	60934N807	19,531.25	Federated Investors Govt Oblig Fund Inst.	1.000	3.39%	19,531.25	0.00	19,531.25	0.00
Subtotal			2,293,142.68				2,260,150.10	854.63	2,261,004.73	0.00
Security Contribution	11/08/2022	60934N807	1,500,000.00	Federated Investors Govt Oblig Fund Inst.	1.000		1,500,000.00	0.00	1,500,000.00	0.00
Security Contribution	11/27/2022	60934N807	1,062.66	Federated Investors Govt Oblig Fund Inst.	1.000		1,062.66	0.00	1,062.66	0.00

Transaction Ledger

Account #10076



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Security Contribution	11/28/2022	60934N807	1,375.21	Federated Investors Govt Oblig Fund Inst.	1.000		1,375.21	0.00	1,375.21	0.00
Subtotal			1,502,437.87				1,502,437.87	0.00	1,502,437.87	0.00
TOTAL ACQUIS	SITIONS		3,795,580.55				3,762,587.97	854.63	3,763,442.60	0.00
DISPOSITIONS										
Sale	11/10/2022	60934N807	1,467,862.05	Federated Investors Govt Oblig Fund Inst.	1.000	2.67%	1,467,862.05	0.00	1,467,862.05	0.00
Subtotal			1,467,862.05				1,467,862.05	0.00	1,467,862.05	0.00
Maturity	11/30/2022	912828M80	750,000.00	US Treasury Note 2% Due 11/30/2022	100.000		750,000.00	0.00	750,000.00	0.00
Subtotal			750,000.00				750,000.00	0.00	750,000.00	0.00
Security Withdrawal	11/27/2022	90CASH\$00	1,062.66	Cash Custodial Cash Account	1.000		1,062.66	0.00	1,062.66	0.00
Security Withdrawal	11/28/2022	90CASH\$00	1,375.21	Cash Custodial Cash Account	1.000		1,375.21	0.00	1,375.21	0.00
Security Withdrawal	11/30/2022	60934N807	825,280.63	Federated Investors Govt Oblig Fund Inst.	1.000		825,280.63	0.00	825,280.63	0.00
Security Withdrawal	11/30/2022	90CASH\$00	1,572,662.89	Cash Custodial Cash Account	1.000		1,572,662.89	0.00	1,572,662.89	0.00
Subtotal			2,400,381.39				2,400,381.39	0.00	2,400,381.39	0.00
TOTAL DISPOS	ITIONS		4,618,243.44				4,618,243.44	0.00	4,618,243.44	0.00

Transaction Ledger

Account #10076

As of November 30, 2022



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price "	'Disp Amount Yield	Interest Pur/Sold	Total Amount	Gain/Loss
OTHER TRANS	ACTIONS								
Interest	11/01/2022	06367WB85	400,000.00	Bank of Montreal Note 1.85% Due 5/1/2025	0.000	3,700.00	0.00	3,700.00	0.00
Interest	11/07/2022	3135G06G3	625,000.00	FNMA Note 0.5% Due 11/7/2025	0.000	1,562.50	0.00	1,562.50	0.00
Interest	11/10/2022	665859AW4	500,000.00	Northern Trust Company Callable Note Cont 4/10/2027 4% Due 5/10/2027	0.000	10,000.00	0.00	10,000.00	0.00
Interest	11/17/2022	14913R2L0	350,000.00	Caterpillar Financial Service Note 0.45% Due 5/17/2024	0.000	787.50	0.00	787.50	0.00
Interest	11/18/2022	58933YAF2	250,000.00	Merck & Co Note 2.8% Due 5/18/2023	0.000	3,500.00	0.00	3,500.00	0.00
Interest	11/27/2022	7954506L4	248,000.00	Sallie Mae Bank Negotiable CD 0.85% Due 5/27/2025	0.000	1,062.66	0.00	1,062.66	0.00
Interest	11/28/2022	717081EX7	400,000.00	Pfizer Inc. Callable Note Cont 4/28/2025 0.8% Due 5/28/2025	0.000	1,600.00	0.00	1,600.00	0.00
Interest	11/28/2022	856285TQ4	248,000.00	STATE BANK OF INDIA Negotiable CD 1.1% Due 5/28/2025	0.000	1,375.21	0.00	1,375.21	0.00
Interest	11/30/2022	912828M80	750,000.00	US Treasury Note 2% Due 11/30/2022	0.000	7,500.00	0.00	7,500.00	0.00
Interest	11/30/2022	912828YV6	700,000.00	US Treasury Note 1.5% Due 11/30/2024	0.000	5,250.00	0.00	5,250.00	0.00
Interest	11/30/2022	91282CCF6	850,000.00	US Treasury Note 0.75% Due 5/31/2026	0.000	3,187.50	0.00	3,187.50	0.00
Interest	11/30/2022	91282CDK4	575,000.00	US Treasury Note 1.25% Due 11/30/2026	0.000	3,593.75	0.00	3,593.75	0.00
Subtotal			5,896,000.00			43,119.12	0.00	43,119.12	0.00

Execution Time: 12/2/2022 1:05:09 PM

Transaction Ledger

Account #10076

As of November 30, 2022



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
OTHER TRANS	ACTIONS									
Dividend	11/02/2022	60934N807	3,700.00	Federated Investors Govt Oblig Fund Inst.	0.000		23.56	0.00	23.56	0.00
Subtotal			3,700.00				23.56	0.00	23.56	0.00
TOTAL OTHER	TRANSACTIONS		5,899,700.00				43,142.68	0.00	43,142.68	0.00

Execution Time: 12/2/2022 1:05:09 PM

Statement of Compliance

As of November 30, 2022



Walnut Valley Water District

Assets managed by Chandler Asset Management are in full compliance with state law and with the District's investment policy.

Category	Standard	Comment
U.S. Treasuries	No Limitation; US Treasury Bills, Notes, and Bonds	Complies
Federal Agencies	30% max per Agency/GSE issuer; 20% max callable agency securities; Federal agencies or U.S. government-sponsored enterprise obligations, participations, or other instruments, including those issued or fully guaranteed as to principal and interest by federal agencies or U.S. government sponsored enterprises.	Complies
Supranational Obligations	"AA" rating category or higher by a NRSRO; 30% max; 10% max per issuer; USD denominated senior unsecured unsubordinated obligations; Issued or unconditionally guaranteed by IBRD, IFC, or IADB	Complies
Municipal Securities	No Limitation; Bonds issued by the District; Registered state warrants or treasury notes or bonds issued by the State of California; Bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state, or by a department, board, agency, or authority of any of the other 49 states, in addition to California; Bonds, notes, warrants or other debt issued by a local agency within the State of California, including pooled investment accounts sponsored by the State of California, County Treasurers, or other local agencies or joint powers agencies.	Complies
Corporate Medium Term Notes	"A" rating category or higher by a NRSRO; 30% max; 5% max per issuer; Issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state and operating within the U.S.	Complies
Asset-Backed, Mortgage-Backed, Mortgage Pass-Through Securities, Collateralized Mortgage Obligations	"AA" rating category or better by a NRSRO; 20% max combined; From issuers other than the U.S. Treasury or a U.S. Federal Agency/GSE	Complies
Negotiable Certificates of Deposit (NCD)	30% max; 5% max per issuer; Issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally-licensed or state-licensed branch of a foreign bank	Complies
Certificate of Deposit Placement Service (CDARS)	50% max; Placement service deposits, including certificates of deposit, at a commercial bank, savings and loan association or credit union that uses a private sector entity that assist in the placement of deposits	Complies
Banker's Acceptances	40% max; 5% max per issuer/commercial bank; 180 days max maturity	Complies
Commercial Paper	"Prime quality of the highest rating or "A-1" rated or better by a NRSRO; Issued by an entity that is either: a. (i) organized and operating within the U.S. as a general corporation with assets > \$500 million; (ii) "A" rating or better by a NRSRO, if issuer has debt obligations; b. (i) organized within the U.S. as a special purpose corporation, trust, or limited liability company; (ii) have program-wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond; (iii) rated "A-1" or better by a NRSRO; 25% max; 5% max per issuer; 270 days maturity; 10% maximum of the outstanding commercial paper of any single issuer	Complies
Mutual Funds and Money Market Mutual Funds	i) Highest rating by two NRSROs; or (ii) Retained an investment adviser registered or exempt from SEC registration with > 5 years experience managing money market mutual funds with AUM >\$500 million; 20% max combined Money Market Mutual Funds and Mutual Funds; 20% max per Money Market Mutual Fund; 10% max per Mutual Fund; Mutual Fund maturity defined as the weighted average maturity; Money Market Mutual Funds must have an average maturity of 60 days or less	Complies
Local Agency Investment Fund (LAIF)	No Limit	Complies
Repurchase Agreements/ Reverse Repurchase Agreements	1 year max maturity; Subject to further limitation by California Government Code, which, if applicable, may limit to 92 days max maturity for Reverse repurchase agreements; 102% collateralized; Not used by Investment Adviser	Complies
Max Per Issuer	5% max per issuer, except the US Government, its Agencies and enterprises, LAIF, or unless otherwise specified in the investment policy	9С Бирреий д эег 12, 2022

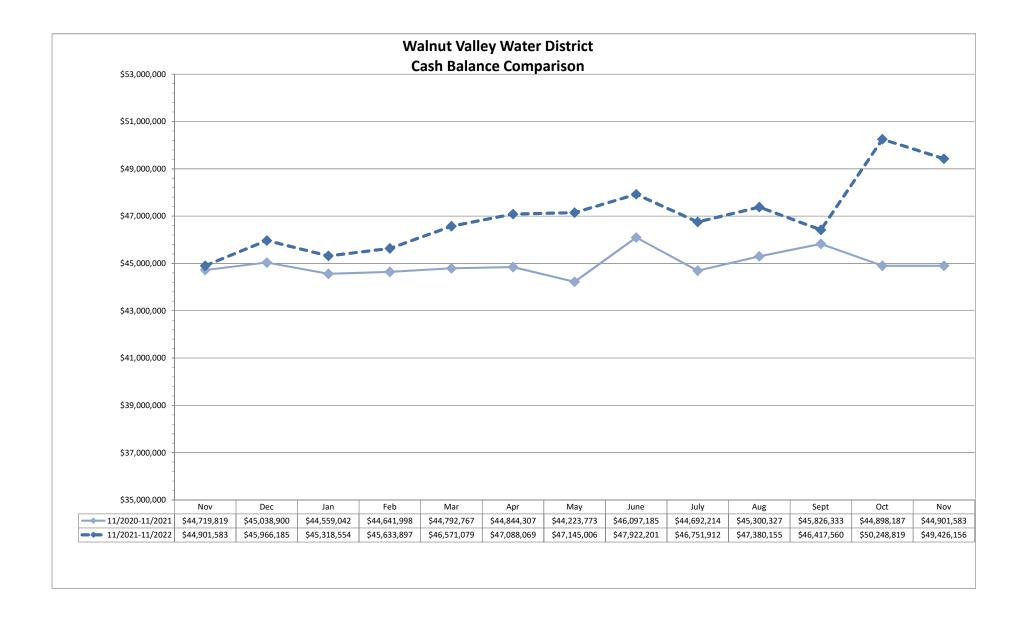
Maximum Maturity 5 years Complies

Net of Fees Performance Report

November 30, 2022



	Porfolio	Index
Period	Net of 10.9 bps annual fee	*ICE BofA 1-5 Yr US Government
1 month	1.13%	1.07%
3 months	-0.66%	-0.84%
Year to Date	-4.84%	-5.31%
Last 12 Months	-5.01%	-5.57%
Inception Date	7/31/2009	7/31/2009
Since Inception	16.67%	14.74%
Annualized Since Inception	1.16%	1.04%



Walnut Valley Water District Revenue Bond - East West Bank Life to Date November 30, 2022

Bond Proceeds \$ 19,940,487.80 Disbursements: Cost of Issuance (26,270.57)Fieldmann, Rolapp & Associates (Financial Advisors) \$ Hawkins, Delafield & Wood, LLP. (Bond Counsel) (45,000.00)Union Bank, N.A. (Trustee) (3,708.00)Standard & Poor's Rating Services (Credit Rating) (17,000.00)Image Master (Official Statement) (3,158.31)Hawkins Delafield & Wood (Bond Counsel) (1,743.31)(96,880.19)**Projects** Puente Basin Water Agency - Pomona Basin¹ (2,052,008.87)Puente Basin Water Agency - LHHCWD Project¹ (350,566.00)Puente Basin Water Agency - CDWC Project¹ (4,090,549.30)Puente Basin Water Agency - Pathfinder Project⁴ Administration Headquarters¹ (6,927,819.59)Water Rights - Central Basin (3,630,907.50)(17,051,851.26)Substitute Projects Ace Nogales Grade Separation (P#03-2820)² (706,545.61)Ridgeline Pump Station Modifications (P#12-3267)³ (221,195.68)30 kw Diesel Portable Generator (P#13-3290)³ (39,490.70)(967,231.99)Interest Income 508,779.24 **Ending Balance of Bond Funds** \$ 2,333,303.60

^{*} Transferred funds from US Bank to East West Bank 8/23/2021

Walnut Valley Water District Revenue Bond - East West Bank November 30, 2022

Beginning Balance of Bonds	\$ 2,332,632.57
Receipts:	
Interest Income	671.03
Disbursements:	
PBWA - Pomona Basin Project -	
PBWA - Cal Domestic Project -	
PBWA - Pathfinder Project -	
Administration Headquarters	
	\$ -
Ending Balance of Bond Funds	\$ 2,333,303.60







POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION WATER USE DISTRIBUTION & BILLING

OCTOBER 2022

0 0 1 10 0 11 1	CONSUMPTION PER AGENCY (Per PWR Meter Reads)												
	Water Consumption (Acre-feet)	Allocation %											
Pomona	329.500	22.616%											
Walnut	610.420	41.897%											
Rowland	517.032	35.487%											
LaVerne	-	0.000%											
TOTAL	1,456.952	100.000%											

WAT	ER PRODUC	TION
	(ACTUAL)	
	Water Consumption (Acre-feet)	Allocation %
MWD	1,462.90	100.000%
TVMWD	-	0.000%
LaVerne	-	0.000%
Total	1,462.900	100.000%
PWR	1,456.952	
Difference	5.948	

		CALCU	JLATION (OF AGENCY	Y WATER (CONSUMP	TION						
	(Wat	er consumption b	illed to each ago	ency based on a	mount of water p	purchased from	MWD & TVMV	VD)					
	Billing Difference Adj. Agency Consumption Water Water Purchased - Total												
					100.000%	0.000%	0.000%	100.000%					
Pomona	329.500	1.345	330.845	330.8	330.8	-	-	330.8					
Walnut	610.420	2.492	612.912	612.9	612.9	-	-	612.9					
Rowland	517.032	2.111	519.143	519.1	519.1	-	-	519.1					
LaVerne	-	-	-	-	-	-	-	-					
TOTAL	1,456.952	5.948	1,462.900	1,462.9	1,462.9	-	-	1,462.9					

					BILLIN	G	CHARG	ES	PER AG	El	NCY								
		MWD PM-15	TVMWD PM-21	MWD Capacity Reservation		TVMWD Connected Capacity			TVMWD Water Use Charge	Depreciation		R	eplacement	Admin Budget Assessment		MWD LRP Rebate Program]	Billing Total
	Cons. (AF)	330.8	-														-		
City of Pomona	Allocation %				30.43%		52.00%		21.91%		25.00%		25.00%		33.33%				
	Billing Rate	\$ 1,127.00	\$ 1,127.00	\$	29,813.50	\$	6,757.84	\$	6,492.69	\$	-	\$	-	\$	-	\$	(100.00)		
	Total	\$ 372,862.52	\$ -	\$	9,072.25	\$	3,514.08	\$	1,422.55	\$	-	\$	-	\$	-	\$	-	\$	386,871.40
	Cons. (AF)	612.9	-														-		
Walnut Valley	Allocation %				43.48%		28.00%		49.48%		25.00%		25.00%		33.33%				
Water District	Billing Rate	\$ 1,127.00	\$ 1,127.00	\$	29,813.50	\$	6,757.84	\$	6,492.69	\$	-	\$	-	\$	-	\$	(100.00)		
	Total	\$ 690,751.87	\$ -	\$	12,962.91	\$	1,892.20	\$	3,212.58	\$	-	\$	-	\$	-	\$	-	\$	708,819.56
	Cons. (AF)	519.1	-														-		
Rowland Water	Allocation %				26.09%		20.00%		28.61%		25.00%		25.00%		33.33%				
District	Billing Rate	\$ 1,127.00	\$ 1,127.00	\$	29,813.50	\$	6,757.84	\$	6,492.69	\$	-	\$	-	\$	-	\$	(100.00)		
	Total	\$ 585,073.90	\$ -	\$	7,778.34	\$	1,351.57	\$	1,857.56	\$	-	\$	-	\$	-	\$	-	\$	596,061.37
	Cons. (AF)	-	-														-		
City of LaVerne	Allocation %				0.00%		0.00%		0.00%		0.00%		0.00%		0.00%				
Lay of Lar eme	Billing Rate	\$ 1,127.00	\$ 1,127.00	\$	29,813.50	\$	6,757.84	\$	6,492.69	\$	-	\$	-	\$	-	\$	(100.00)		
	Total	\$ -	\$ -	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-

Total (A.F.)	1,462.9	-					1,462.9
Total (\$)	\$ 1.648.688.29 \$	s -	\$ 29.813.50 \$ 6.757.85 \$ 6.492.69 \$	- \$	- S	- \$	- \$ 1.691.752.33

January 2023



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3 6:30 PM Diamond Bar City Council Meeting	4 8AM TVMWD Board Meeting	5	6	7
8	4PM Public Info Committee 4:30 PM Finance Committee	4PM Engineering Committee 4:30 PM Personnel Committee	7PM Walnut City Council Meeting	12	13	14
15	Martin Luther King Jr. Day- District Closed	17 5PM WWWD Board Meeting 6:30 PM Diamond Bar City Council Meeting	18 8AM TVMWD Board Meeting	19 4PM WVWD Workshop Meeting	20	21
22	23	24	25 7PM Walnut City Council Meeting	26	27	28
29	30	31	1	2	3	4
5	6	Notes				

February 2023



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
29	30	31	1 8AM TVMWD Board Meeting	2	3	4
5	6	7 6:30 PM Diamond Bar City Council Meeting	8 7PM Walnut City Council Meeting	9	10	11
12	4PM Public Info Committee 4:30 PM Finance Committee	14 4PM Engineering Committee 4:30 PM Personnel Committee	15 8AM TVMWD Board Meeting	16	17	18
19	President's Day- District Closed	5PM WVWD Board Meeting 6:30 PM Diamond Bar City Council Meeting	22 7PM Walnut City Council Meeting	4PM WVWD Workshop Meeting	24	25
26	27	28	1	2	3	4
5	6	Notes				

March 2023



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26	27	28	1 8AM TVMWD Board Meeting	2	3	4
5	6	7 6:30 PM Diamond Bar City Council Meeting	8 7PM Walnut City Council Meeting	9	10	11
12	4PM Public Info Committee 4:30 PM Finance Committee	8:30 AM Puente Basin Watermaster 4 PM Engineering Comm 4:30 PM Personnel Comm	15 8AM TVMWD Board Meeting	16	17	18
19	5PM WVWD Board Meeting	6:30 PM Diamond Bar City Council Meeting	7PM Walnut City Council Meeting	4PM WVWD Workshop Meeting	24	25
26	27	28	29	30	31	1



November 10, 2022

Mr. Erik Hitchman, General Manager Walnut Valley WD 271 S. Brea Canyon Rd. Walnut, CA 91789-3049

ACWA JPIA

Re: Graduation of the JPIA Leadership Essentials for the Water **Industry Program**

P. O. Box 619082 Roseville, CA 95661-9082

Dear Mr. Hitchman:

phone 916.786.5742

800.231.5742

www.acwajpia.com

President E.G. "Jerry" Gladbach

Vice President Melody A. McDonald

Chief Executive Officer Walter "Andy" Sells

Executive Committee Fred Bockmiller David Drake E.G. "Jerry" Gladbach Cathy Green **Brent Hastey** Chris Kapheim Melody A. McDonald Randall Reed

Thank you for the financial and professional support of Sheryl Shaw's participation in the JPIA Leadership Essentials for the Water Industry Program from October 2021 to October 2022. This yearlong, highly immersive program requires a true commitment to professional growth on the part of the participants, attending 4 inperson sessions along with 12 conference calls and countless Backat-Work activities. While growing and developing leadership skills. Sheryl was also performing regular job duties at the agency, not an easy task.

I was personally impressed with Sheryl's involvement in the sessions and application of the theories learned. Sheryl has grown in self-awareness and leadership skills, and I hope you will recognize the accomplishment.

I am confident the application of learnings from this program will result in a more inspired and committed workforce at your agency, which leads to less employee-related issues and thus a positive impact on the JPIA pool. Thank you again for your support.

Sincerely,

Core Values

J. Bruce Rupp

• People Service

 Integrity • Innovation

Patricia Slaven, MBA, SPHR, IPMA-HR Director of Human Resources and Administration, JPIA

the Slave



November 10, 2022

Mr. Erik Hitchman, General Manager Walnut Valley WD 271 S. Brea Canyon Rd. Walnut, CA 91789-3049

ACWA JPIA

Re: Graduation of the JPIA Leadership Essentials for the Water Industry Program

P. O. Box 619082 Roseville, CA 95661-9082

Dear Mr. Hitchman:

phone 916.786.5742 800.231.5742

www.acwajpia.com

President E.G. "Jerry" Gladbach

Vice President Melody A. McDonald

Chief Executive Officer Walter "Andy" Sells

Executive Committee Fred Bockmiller David Drake E.G. "Jerry" Gladbach Cathy Green **Brent Hastey** Chris Kapheim Melody A. McDonald Randall Reed

Thank you for the financial and professional support of Josh Byerum's participation in the JPIA Leadership Essentials for the Water Industry Program from October 2021 to October 2022. This year-long, highly immersive program requires a true commitment to professional growth on the part of the participants, attending 4 inperson sessions along with 12 conference calls and countless Backat-Work activities. While growing and developing leadership skills, Josh was also performing regular job duties at the agency, not an easy task.

I was personally impressed with Josh's involvement in the sessions and application of the theories learned. Josh has grown in selfawareness and leadership skills, and I hope you will recognize the accomplishment.

I am confident the application of learnings from this program will result in a more inspired and committed workforce at your agency, which leads to less employee-related issues and thus a positive impact on the JPIA pool. Thank you again for your support.

Sincerely,

Core Values • People

J. Bruce Rupp

• Service

· Integrity

Innovation

Patricia Slaven, MBA, SPHR, IPMA-HR Director of Human Resources and Administration, JPIA

the Slave



11/28/2022

ACWA JPIA

P. O. Box 619082 Roseville, CA 95661-9082

> phone 916.786.5742 800.231.5742

www.acwajpia.com

President

E.G. "Jerry" Gladbach

Vice President Melody A. McDonald

Chief Executive Officer Walter "Andy" Sells

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Fred Bockmiller
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Melody A. McDonald
Randall Reed
J. Bruce Rupp

Core Values

• People

• Service

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• Innovation

Walnut Valley Water District (W001) 271 S. Brea Canyon Rd Walnut, CA 91789-3049

General Manager:

Each year at Fall Conference, the JPIA recognizes members that have a Loss Ratio of 20% or less in either of the Liability, Property or Workers' Compensation programs (loss ratio = total losses / total premiums).

The members with this distinction receive the "President's Special Recognition Award" certificate for each Program that they qualify in.

The JPIA is extremely pleased to present Walnut Valley Water District (W001) with this special recognition and commends the District on the hard work in reducing claims.

Congratulations to you, your staff, Board, and District. Keep up the good work!

The JPIA wishes you the best in 2023.

led McDonald

Sincerely,

Melody McDonald

President

Enclosure: President's Special Recognition Award(s)

President's Special Recognition Award

The President of the

ACWA IPIA

hereby gives Special Recognition to

Walnut Valley Water District

for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums" in the Property Program for the period 07/01/2018 - 06/30/2021 announced at the Board of Directors' Meeting in Indian Wells.

M. Ly M. Bould

Melody McDonald, President



November 28, 2022



The President of the

ACWA IPIA

hereby gives Special Recognition to

Walnut Valley Water District

for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums" in the Liability Program for the period 10/01/2018 - 09/30/2021 announced at the Board of Directors' Meeting in Indian Wells.

mly mik

Melody McDonald, President



November 28, 2022



November 28, 2022

ACWA JPIA

P. O. Box 619082 Roseville, CA 95661-9082

Mr. Erik Hitchman, General Manager Walnut Valley Water District 271 S Brea Canyon Road Walnut, CA 91789

phone 916.786.5742 800.231.5742

www.acwajpia.com

Re: H.R. LaBounty Safety Awards Program

Dear Mr. Hitchman:

President

E.G. "Jerry" Gladbach

On behalf of the ACWA JPIA, I am pleased to enclose checks, thank you letters, and award certificates for the following District employees:

Vice President

Melody A. McDonald

Nick Nazaroff, Instrumentation/Electrical Systems Tech. \$250 Alex Cabrera, General Services 125 225

Chief Executive Officer

Walter "Andy" Sells

David Lias, General Services Carmen Fleming, Executive Secretary

Executive Committee

Fred Bockmiller David Drake E.G. "Jerry" Gladbach Cathy Green **Brent Hastey** Chris Kapheim Melody A. McDonald Randall Reed

I am sure you will be proud to present these awards to these employees for their outstanding contributions to the District's health and safety programs.

The District's participation in this ongoing program is deeply appreciated. Continued involvement by Walnut Valley Water District's employees is always welcomed.

Sincerely,

Walter "Andy" Sells Chief Executive Officer

Core Values • People

J. Bruce Rupp

• Service

Integrity

• Innovation

1128:tl

Enc.

100



November 28, 2022

ACWA JPIA

P. O. Box 619082 Roseville, CA 95661-9082

Walnut Valley Water District 271 S Brea Canyon Road Walnut, CA 91789

phone 916.786.5742 800.231.5742

Re: H.R. LaBounty Safety Awards Program

Mr. Nick Nazaroff, Instrumentation/Eletrical Systems Tech

www.acwajpia.com

Dear Mr. Nazaroff:

President E.G. "Jerry" Gladbach

On behalf of the ACWA JPIA, we would like to thank you for your recent safety award submission.

We greatly appreciate that you contributed your time and efforts to

Vice President Melody A. McDonald

promote safe workplace behavior and improve existing operational practices. It is individuals like you who demonstrate safe behavior, take part in training, and participate in risk-reducing actions that foster a positive safety culture.

Chief Executive Officer Walter "Andy" Sells

Executive Committee
Fred Bockmiller

Executive Committee

Membership is successful because of individuals like you. Our Finance

Department encourages you to cash the enclosed check promptly.

Fred Bockmiller
David Drake
E.G. "Jerry" Gladbach
Cathy Green
Brent Hastey
Chris Kapheim
Melody A. McDonald
Randall Reed

Please continue your risk management practices. We look forward to future safety award submissions from you.

Sincerely,

Walter "Andy" Sells Chief Executive Officer

Core Values

J. Bruce Rupp

• People

• Service • Integrity

• Innovation

1128:tl

Enc. Certificate

The JPIA Proudly Presents the H.R. LaBounty Safety Award

to

Nick Nazaroff Walnut Valley WD

November 2022





November 28, 2022

ACWA JPIA

P. O. Box 619082 Roseville, CA 95661-9082

> phone 916.786.5742 800.231.5742

Mr. Alex Cabrera, General Services Walnut Valley Water District 271 S Brea Canyon Road Walnut, CA 91789

www.acwajpia.com

Re: H.R. LaBounty Safety Awards Program

Dear Mr. Cabrera:

President

E.G. "Jerry" Gladbach

On behalf of the ACWA JPIA, we would like to thank you for your recent safety award submission.

Vice President Melody A. McDonald

Chief Executive Officer Walter "Andy" Sells We greatly appreciate that you contributed your time and efforts to promote safe workplace behavior and improve existing operational practices. It is individuals like you who demonstrate safe behavior, take part in training, and participate in risk-reducing actions that foster a positive safety culture.

Executive Committee

Fred Bockmiller
David Drake
E.G. "Jerry" Gladbach
Cathy Green
Brent Hastey
Chris Kapheim
Melody A. McDonald
Randall Reed
J. Bruce Rupp

Enclosed is a certificate in honor of your achievement. The entire JPIA membership is successful because of individuals like you. *Our Finance Department encourages you to cash the enclosed check promptly.*

Please continue your risk management practices. We look forward to future safety award submissions from you.

Sincerely,

1128:tl

Walter "Andy" Sells Chief Executive Officer

Core Values
• People

PeopleServiceIntegrity

• Integrity
• Innovation

Enc. Certificate

The JPIA Proudly Presents the H.R. LaBounty Safety Award

to

Alex Cabrera Walnut Valley Water District

November 2022





November 28, 2022

ACWA JPIA

P. O. Box 619082 Roseville, CA 95661-9082

> phone 916.786.5742 800.231.5742

Mr. David Lias, General Services Walnut Valley Water District 271 S Brea Canyon Road Walnut, CA 91789

www.acwajpia.com

Re: H.R. LaBounty Safety Awards Program

Dear Mr. Lias:

President E.G. "Jerry" Gladbach

On behalf of the ACWA JPIA, we would like to thank you for your recent safety award submission.

Vice President Melody A. McDonald

Chief Executive Officer Walter "Andy" Sells We greatly appreciate that you contributed your time and efforts to promote safe workplace behavior and improve existing operational practices. It is individuals like you who demonstrate safe behavior, take part in training, and participate in risk-reducing actions that foster a positive safety culture.

Executive Committee
Fred Bockmiller
David Drake
E.G. "Jerry" Gladbach

Cathy Green Brent Hastey Chris Kapheim Melody A. McDonald Randall Reed J. Bruce Rupp Enclosed is a certificate in honor of your achievement. The entire JPIA membership is successful because of individuals like you. *Our Finance Department encourages you to cash the enclosed check promptly.*

Please continue your risk management practices. We look forward to future safety award submissions from you.

Sincerely,

Walter "Andy" Sells Chief Executive Officer

Core Values
• People

• Service • Integrity

• Integrity
• Innovation

1128:tl

Enc. Certificate

The JPIA Proudly Presents the H.R. LaBounty Safety Award

to

David Lias Walnut Valley Water District

November 2022





November 28, 2022

ACWA JPIA

P. O. Box 619082 Roseville, CA 95661-9082

> phone 916.786.5742 800.231.5742

Ms. Carmen Fleming, Executive Secretary Walnut Valley Water District 271 S Brea Canyon Road Walnut, CA 91789

www.acwajpia.com

Re: H.R. LaBounty Safety Awards Program

Dear Ms. Fleming:

President E.G. "Jerry" Gladbach

On behalf of the ACWA JPIA, we would like to thank you for your recent safety award submission.

Vice President Melody A. McDonald

Chief Executive Officer Walter "Andy" Sells We greatly appreciate that you contributed your time and efforts to promote safe workplace behavior and improve existing operational practices. It is individuals like you who demonstrate safe behavior, take part in training, and participate in risk-reducing actions that foster a positive safety culture.

Executive CommitteeFred Bockmiller

David Drake
E.G. "Jerry" Gladbach
Cathy Green
Brent Hastey
Chris Kapheim
Melody A. McDonald
Randall Reed

Enclosed is a certificate in honor of your achievement. The entire JPIA membership is successful because of individuals like you. *Our Finance Department encourages you to cash the enclosed check promptly.*

Please continue your risk management practices. We look forward to future safety award submissions from you.

Sincerely,

Walter "Andy" Sells Chief Executive Officer

Core Values
• People

J. Bruce Rupp

PeopleService

• Integrity
• Innovation

1128:1

Enc. Certificate

The JPIA Proudly Presents the H.R. LaBounty Safety Award

to

Carmen Fleming Walnut Valley Water District

November 2022



WALNUT VALLEY WATER DISTRICT WATER SUPPLY AND CONSERVATION UPDATE December 12, 2022



- A <u>Water Use</u> Water usage for November 2022 was 1,083 acre feet, a decrease of 21% compared to November 2020 and a decrease of 31% from October 2013. The average inflow into the system during the month was approximately 17.64 cfs (7,918 gallons per minute).
- B Recycled Water Use During the month of November the recycled water system delivered 1,103,898 G.P.D., a decrease of 39% compared to the use in November 2021. Of the recycled water delivered, 0.41% was from the District wells and no potable make-up water was used.

Production Report – attached are:

Purchased Water Projections (Two total)

Climate Summary

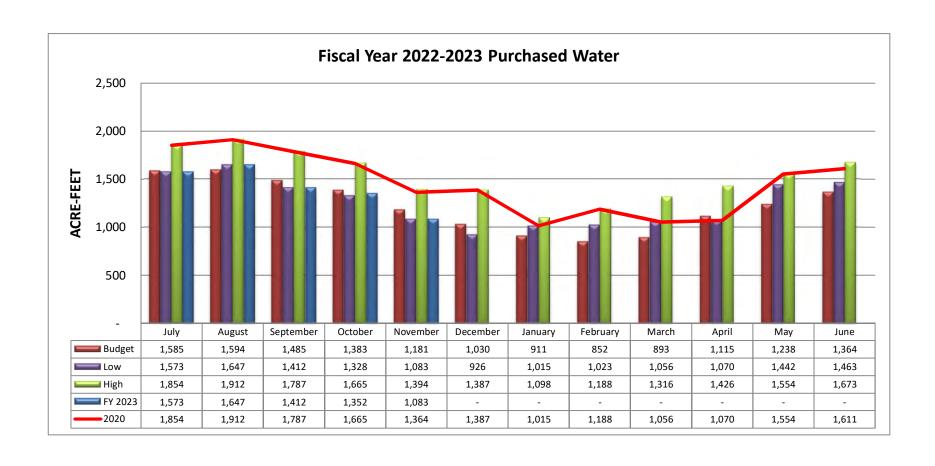
С

Monthly Consumption Versus the 2013 and 2020 Baseline Years (Two total)

Exhibits

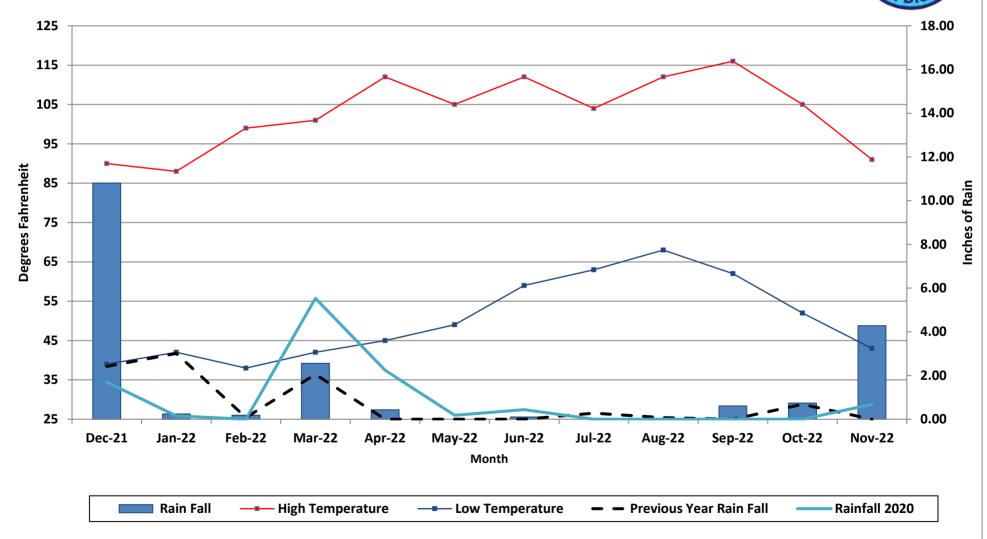
WALNUT VALLEY WATER DISTRICT Fiscal Year 2022-2023 Purchased Water Estimate

Actual Purchases (AF)		F	Projected Pu	rchases (AF)		Baseline Yea	Baseline Year Purchases			
Month	Total	Budget	Low	High	Average	2013	2020			
July	1,573	1,585	1,573	1,854	1,749	2,149	1,854			
August	1,647	1,594	1,647	1,912	1,779	2,309	1,912			
September	1,412	1,485	1,412	1,787	1,616	2,064	1,787			
October	1,352	1,383	1,328	1,665	1,471	1,858	1,665			
November	1,083	1,181	1,083	1,394	1,280	1,569	1,364			
December	-	1,030	926	1,387	1,117	1,401	1,387			
January	-	911	1,015	1,098	1,063	1,156	1,015			
February	-	852	1,023	1,188	1,122	1,123	1,188			
March	-	893	1,056	1,316	1,167	1,496	1,056			
April	-	1,115	1,070	1,426	1,263	1,700	1,070			
May	-	1,238	1,442	1,554	1,510	1,904	1,554			
June	-	1,364	1,463	1,673	1,582	2,082	1,611			
Total	7,066	14,630	15,035	18,253	16,719	20,810	17,461			
Remaining Projected Purchases		7,402	7,993	9,641	8,824					
Total Projected Purchases		14,468	15,059	16,707	15,890					

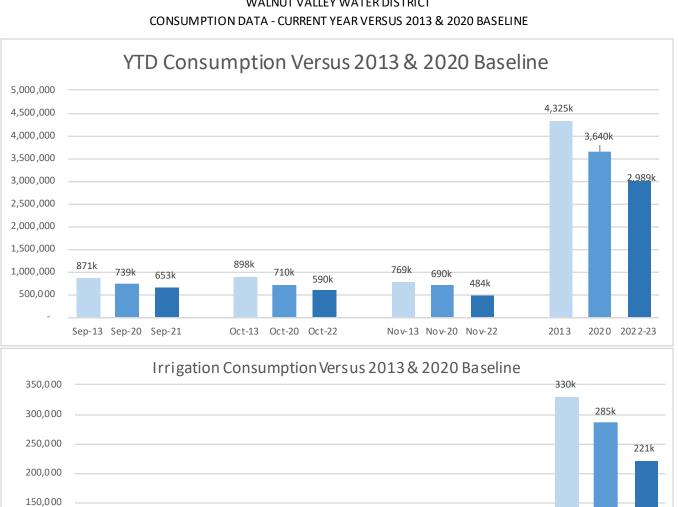


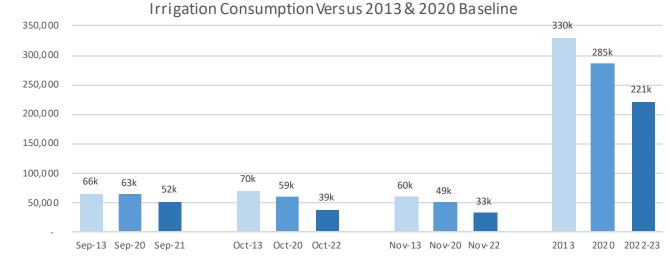


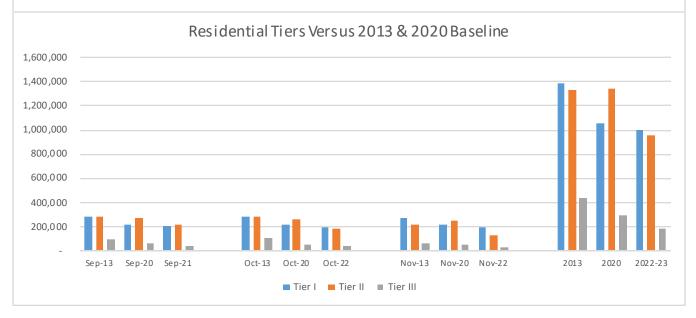




WALNUT VALLEY WATER DISTRICT







Walnut Valley Water District Monthly Consumption Versus 2013 and 2020 Baseline Years

Consumption/Wate	r Sales																				
			September					October					November			YTD (FY 22-23)					
				% Change	% Change				% Change	% Change									% Change	% Change	
User Class	Sep-13	<u>Sep-20</u>	<u>Sep-22</u>	2013	<u>2020</u>	Oct-13	Oct-20	Oct-22	2013	<u>2020</u>	Nov-13	Nov-20	<u>Nov-22</u>	<u>Change</u>	% Change	2013 YTD	2020 YTD	FY 22-23	2013	<u>2020</u>	
COG	50,686	43,268	42,848	-15%	-1%	54,851	40,245	28,501	-48%	-29%	45,006	30,560	27,363	(17,643)	-39%	253,543	187,530	172,540	-32%		
СОМ	90,136	72,076	68,620	-24%	-5%	95,658	71,070	64,669	-32%	-9%	89,223	70,581	54,412	(34,811)	-39%	470,203	350,374	317,755	-32%		
IND	12,479	10,304	9,376	-25%	-9%	13,214	11,587	8,147	-38%	-30%	13,714	10,071	7,156	(6,558)	-48%	65,568	51,672	42,260	-36%	-18%	
MUL	76,841	74,435	74,068	-4%	0%	80,692	74,198	66,264	-18%	-11%	75,248	73,966	58,813	(16,435)	-22%	395,869	373,803	330,256	-17%		
RES	640,601	538,828	457,910	<u>-29%</u>	<u>-15%</u>	654,001	513,332	422,167	<u>-35%</u>	<u>-18%</u>	546,052	504,668	335,859	(210,193)	<u>-38%</u>	3,140,011	2,676,592	2,125,705	-32%	-21%	
	870,743	738,911	652,822	-25%	-12%	898,416	710,432	589,748	-34%	-17%	769,243	689,846	483,603	(285,640)	-37%	4,325,194	3,639,971	2,988,516	-31%	-18%	
			IRRIGATION			IRRIGATION						IRRIGATION				YTD IRRIGATION					
				% Change	% Change				% Change	% Change									% Change	% Change	
User Class	<u>Sep-13</u>	<u>Sep-20</u>	<u>Sep-22</u>	2013	<u>2020</u>	Oct-13	Oct-20	Oct-22	2013	2020	<u>Nov-13</u>	<u>Nov-20</u>	Nov-22	Change	% Change	2013 YTD	2020 YTD	FY 22-23	2013	<u>2020</u>	
COG	32,995	31,574	27,796	-16%	-12%	33,685	28,134	16,747	-50%	-40%	28,767	21,607	16,732	(12,035)	-42%	164,019	135,119	111,563	-32%	-17%	
СОМ	30,298	29,340	22,687	-25%	-23%	33,660	28,832	20,732	-38%	-28%	28,388	27,214	14,812	(13,576)	-48%	154,104	141,496	102,942	-33%	-27%	
IND	2,089	1,962	1,597	-24%	-19%	2,072	2,042	927	-55%	-55%	2,204	145	854	(1,350)	-61%	10,684	7,121	5,979	-44%		
RES	324	152	152	- <u>53</u> %	<u>0%</u>	321	216	153	- <u>52</u> %	-29%	271	85	103	(168)	<u>-62%</u>	1,519	790	711	-53%	-10%	
	65,706	63,028	52,232	-21%	-17%	69,738	59,224	38,559	-45%	-35%	59,630	49,051	32,501	(27,129)	-45%	330,326	284,526	221,195	-33%	-22%	
			RESIDENTIAL					RESIDENTIAL					RESIDENTIAL				Y	TD RESIDENTIA	L		
Residential	Tier I	Tier II	Tier III	Total		Tier I	Tier II	Tier III	Total		Tier I	Tier II	Tier III	Total		Tier I	Tier II	Tier III	Total		
2013	277,208	275,700	87,693	640,601		277,665	277,554	98,782	654,001		267,823	216,199	62,030	546,052		1,378,427	1,328,102	433,482	3,140,011		
2020	209,651	270,505	58,672	538,828		208,520	252,498	52,314	513,332		208,727	244,479	51,462	504,668		1,049,277	1,338,913	288,402	2,676,592		
FY 22-23	203,095	212,831	41,984	457,910		196,151	183,202	42,814	422,167		186,886	127,715	21,258	335,859		991,327	950,309	184,069	2,125,705		
% Change 2013	-27%	-23%	-52%	-29%		-29%	-34%	-57%	-35%		-30%	-41%	-66%	-38%		-28%	-28%	-58%	-32%		
% Change 2020	-3%	-21%	-28%	-15%		-6%	-27%	-18%	-18%		-10%	-48%	-59%	-33%		-6%	-29%	-36%	-21%		

Water Purchases						
	July	August	September	October	November	Total
2013	2,148.67	2,308.73	2,063.59	1,858.07	1,569.13	8,379.06
2020	1,853.69	1,912.15	1,786.74	1,665.24	1,363.83	7,217.82
FY 22-23	1,572.75	1,646.57	1,411.50	1,328.23	1,082.78	5,959.04
% Change 2013	-27%	-29%	-32%	-29%	-31%	-29%
% Change 2020	-15%	-14%	-21%	-20%	-21%	-17%

State Water Project Resources

SWP Table A - 5% - 95,575 AF

WATER SUPPLY CONDITIONS REPORT

Water Year 2021-2022

As of: December 01, 2022

Colorado River Resources

Projected CRA Diversions – 1,136,000 AF

Upper

86% (% of normal)

UT

Colorado River Basin

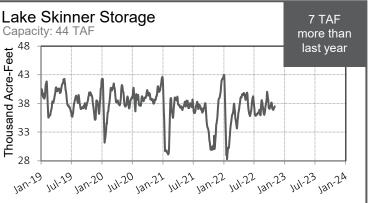
% of normal

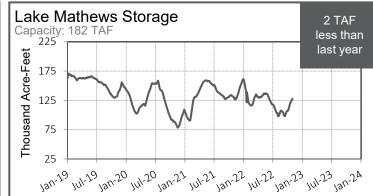
23% Powell

5.71 MAF

3.527.89 ft

Metropolitan Resources

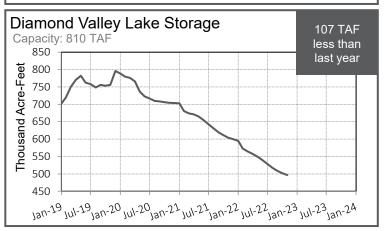




MWD WSDM Storage

Calendar Year 2022

	Net Projected Take
Colorado River Aqueduct Delivery System	68 TAF
State Water Project System	159 TAF
In-Region Supplies and WSDM Actions	109 TAF
Other Programs	11 TAF
Total WSDM Projected Storage Take	347 TAF



Highlights

- Initial State Water Project allocation for calendar year 2023 is 5% of Table A plus Human Health and Safety Supplies
- For more information on the current drought, including the Emergency Conservation Program tracking:
 - https://www.mwdh2o.com/how-we-plan/drought/



This report is produced by the Water Resource Management Group and contains information from various federal, state, and local agencies.

The Metropolitan Water District of Southern California cannot guarantee the accuracy or completeness of this information.

Readers should refer to the relevant state, federal, and local agencies for additional or for the most up to date water supply information.

Reservoirs, lakes, aqueducts, maps, watersheds, and all other visual representations on this report are not drawn to scale.

Questions? Email mferreira@mwdh2o.com

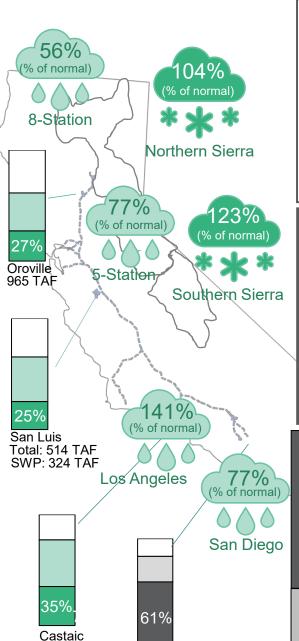
WVWD Regular Meeting, December 12, 2022 Page 210

27%

Mead

7.18 MAF

1,042.89 ft



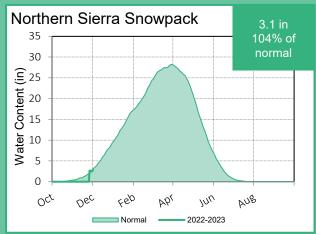
Diamond Valley

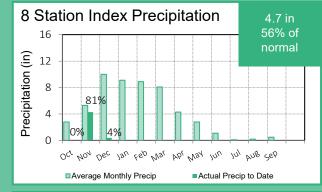
497 TAF

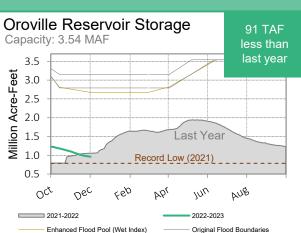
114 TAF

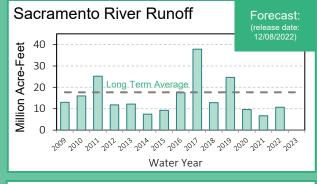
State Water Project Resources

As of: 12/01/2022

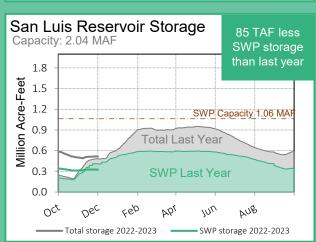


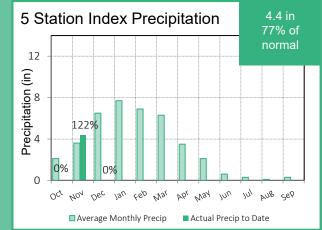






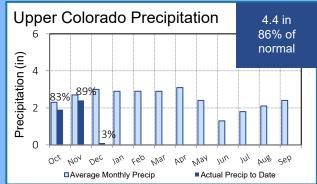




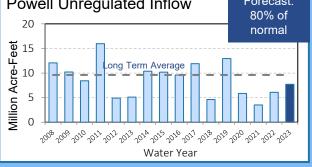


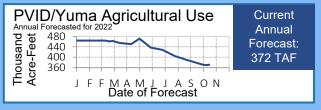
Colorado River Resources

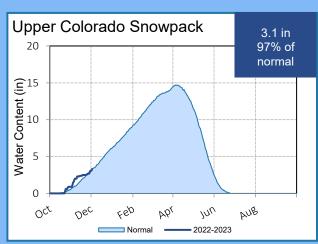
As of: 12/01/2022

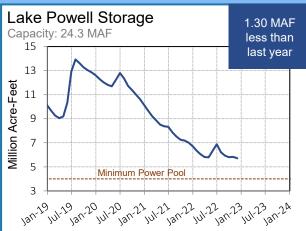












Projected Lake Mead ICS

Calendar Year 2022

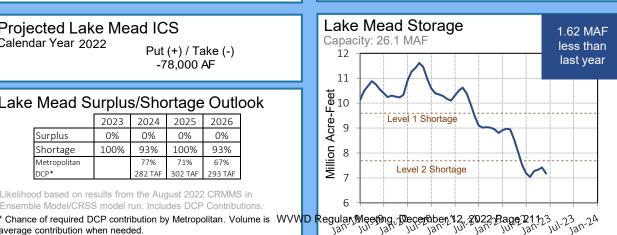
Put (+) / Take (-) -78,000 AF

Lake Mead Surplus/Shortage Outlook

			J	_
	2023	2024	2025	2026
Surplus	0%	0%	0%	0%
Shortage	100%	93%	100%	93%
Metropolitan		77%	71%	67%
DCP*		282 TAF	302 TAF	293 TAF

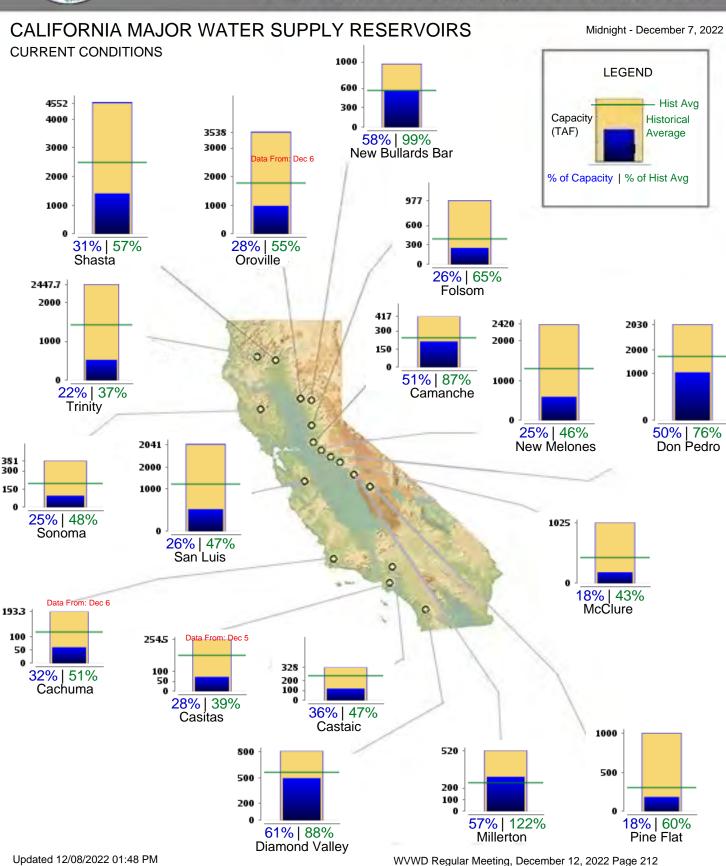
Likelihood based on results from the August 2022 CRMMS in Ensemble Model/CRSS model run. Includes DCP Contributions

average contribution when needed.





CURRENT RESERVOIR CONDITIONS



WVWD – Staff Report



TO: Board of Directors **FROM:** General Manager

SUBMITTED BY: Director of Administrative Services

DATE: December 12, 2022

SUBJECT: Proposed Amendment to General Manager's Employment Contract

✓ Action/Discussion ✓ Fiscal Impact ☐ Resolution ☐ Information Only

Recommendation

That the Board of Directors approve the General Manager's Fifth Contract Amendment as drafted by Legal Counsel.

Background Information

The Board of Directors conducted a performance evaluation of the General Manager on November 14, 2022, and authorized the General Manager to receive a three percent salary merit adjustment effective January 1, 2023, in addition to the two and a half percent cost of living adjustment provided to all District employees in the Terms and Conditions of Employment for 2020-2023, and directed Legal Counsel to prepare the contract amendment to reflect the changes. The Board is now asked to consider approval of the attached Fifth Amendment to the General Manager's Employment Contract.

Attachment as noted

AMENDMENT NO. 5 TO EMPLOYMENT CONTRACT FOR GENERAL MANAGER OF WALNUT VALLEY WATER DISTRICT

This Amendment No. 5 to Employment Contract is made and entered into at Walnut, California, by and between WALNUT VALLEY WATER DISTRICT, a California Water District organized and existing under the California Water District Act (hereinafter "DISTRICT") and ERIK J. HITCHMAN (hereinafter "HITCHMAN" or "GENERAL MANAGER"), effective as of January 1, 2023.

RECITALS:

- A. HITCHMAN is currently serving as the General Manager of the DISTRICT under an Employment Contract dated April 6, 2018, as previously amended, and which is set to expire on December 31, 2022.
- B. The Employment Contract provides for an annual evaluation of the General Manager's performance and a possible adjustment of compensation effective January 1st of each year. Adjustments are within the sole discretion of the Board of Directors.
- C. The Board of Directors of the DISTRICT conducted an evaluation of HITCHMAN's performance on November 14, 2022 and, by action taken on December 12, 2022, determined to make an adjustment in HITCHMAN's compensation in accordance with the provisions of this Amendment, and to extend the Employment Contract for three (3) years.

AGREEMENTS:

NOW THEREFORE, the parties agree as follows:

1. <u>COMPENSATION</u>

Effective January 1, 2023, GENERAL MANAGER's annual base salary shall be increased to \$303,206.71, payable in 26 bi-weekly installments of \$11,661.80, which amount

includes a three percent (3%) merit increase and two and one-half percent (2.5%) cost-of-living increase as provided to all District employees.

2. <u>EXTENSION OF TERM</u>

The Employment Contact is extended for three (3) years, with the new expiration date revised to December 31, 2025.

3. NO OTHER AMENDMENTS

Except as amended herein, the Employment Contract dated April 6, 2018, as previously amended, shall remain in full force and effect.

Executed on December 12, 2022 at Walnut, California.

ERIK J. HITCHMAN
"GENERAL MANAGER"
WALNUT VALLEY WATER DISTRICT
By:
Its President
"DISTRICT"

WVWD - Staff Report



TO: Board of Directors
FROM: General Manager
SUBMITTED BY: Executive Secretary
DATE: December 12, 2022

SUBJECT: Proposed 2023 Board and Workshop Meeting Dates

Action/Discussion	☐ Fiscal Impact	☐ Resolution	☐ Information Only

Recommendation

That the Board of Directors consider approval of the following proposed list of 2023 Board meeting and Workshop dates.

Month	Board Meeting Date	Workshop Date
January	Tuesday, January 17	Thursday, January 19
February	Tuesday, February 21	Thursday, February 23
March	Monday, March 20	Thursday, March 23
April	Monday, April 17	Thursday, April 20
May	Monday, May 15	Thursday, May 18
June	Monday, June 19	Thursday, June 22
July	Monday, July 24	None scheduled
August	Monday, August 21	Thursday, August 24
eptember	Monday, September 18	Thursday, September 21
October	Monday, October 16	Thursday, October 19
November	Monday, November 13	Thursday, November 16
December	Monday, December 11	To be Determined

Please note that this schedule is subject to change at the Board's discretion and in accordance with the Brown Act.

Regular Board meetings are scheduled to commence at 5:00 p.m., and Workshops generally start at 4:00 p.m., unless otherwise specified.

December 5, 2022

Mr. Erik Hitchman, P.E. General Manager Walnut Valley Water District 271 S. Brea Rd Walnut, CA 91789

Dear Mr. Hitchman,

I am proud to inform you that the voters of Trustee Area 5 in the Rowland Unified School District (RUSD) have recently elected me to the RUSD Board of Education in the November 2022 General Election. I am scheduled to be sworn in to the RUSD Board of Education at the Tuesday, December 20, 2022 board meeting. With the school district being a major customer of the water district, I would likely be violating the doctrine of incompatible offices if I simultaneously held both elected positions. Contingent upon certification of election results by the Los Angeles County Registrar-Recorder, please accept my resignation from the Walnut Valley Water District (WVWD) Board of Directors, Division IV, effective Monday, December 19, 2022.

It has been a pleasure and an honor to work with you, staff, and the entire Board of Directors for the past 2+ years. I am incredibly proud of the accomplishments we made together, including saving our ratepayers \$10 million through creative bond refinancing, reaching the governor's mandatory conservation goals through education and outreach, and constructing a new reservoir to increase WVWD's capacity for recycled water.

Sincerely,

Kevin Hayakawa

Kevin Hayakawa, Ph.D. Director, Division IV





MEMORANDUM

To: Board of Directors, Walnut Valley Water District

From: Jim Ciampa

Date: December 12, 2022

Re: Filling of Board Vacancy

As you are now aware, Director Kevin Hayakawa will be resigning from his position as a director at the District effective December 19, 2022. The vacancy created by Director Hayakawa's resignation must be filled in the manner provided in Government Code Section 1780.

Following is an outline of the required procedures under Government Code Section 1780 that must be followed to fill this vacancy.

- 1. <u>Effective Date of Vacancy (Govt. Code Section 1770)</u> As applicable here, under Govt. Code Section 1770(c)(1), Director Hayakawa's position as a director will become vacant upon the effective date set forth in his letter of resignation (i.e., December 19, 2022).
- 2. Notify County Clerk of Vacancy (Govt. Code Section 1780(b)) The District must notify the Los Angeles County Clerk of the vacancy within 15 days after the later of: (i) the date on which the Board is notified of the vacancy, or (ii) the effective date of the vacancy. Here, because the effective date of the vacancy is after the notification date, that 15 day period begins to run on December 19 and the County Clerk must be notified by January 3, 2023 (the 15th day is January 2, which is an observed holiday).
- 3. **Board Action to Fill Vacancy (Govt. Code Section 1780(c) &(d))** The remaining Board members may fill the vacancy by appointment (Govt. Code Section 1780; Water Code Sections 34707 and 34707.5). An appointment to fill the vacancy must be made within 60 days immediately after the later of: (i) the date on which the Board is notified of the vacancy, or (ii) the effective date of the vacancy (alternatively, within that 60 day period, the Board may

call for an election instead of filling the vacancy by appointment). As discussed in Item 2, above, that 60 day period would begin to run December 19, the effective date of the vacancy, and would end on February 16, 2023.

4. Process of Fill Vacancy (Govt. Code Section 1780(d)(1) – The Board has much flexibility in determining the process by which it will fill the vacancy. The only statutory requirement is that a notice of the vacancy must be posted in 3 or more conspicuous places in the District at least 15 days before the appointment is made. The District must notify the L.A. County Clerk of the appointment within 15 days after the appointment is made.

If the vacancy is not filled within the 60 day period (i.e., by February 16), or if the Board has not called for an election to fill the vacancy within that 60 day period, then the Los Angeles County Board of Supervisors may fill the vacancy within 90 days after the later of: (i) the date on which the District's Board is notified of the vacancy, or (ii) the effective date of the vacancy, or the Board of Supervisors can order the District to call an election to fill the vacancy.

5. Length of Term to Fill Vacancy (Govt. Code Section 1780(d)(3)) —
Because the vacancy occurred during the second half of Director Hayakawa's term of office, if the Board appoints someone to fill the vacancy, that person will fill the balance of Director Hayakawa's unexpired term; i.e., through the November 2024 election. Thus, the person appointed to fill Director Hayakawa's seat would need to run for election in November in connection with the new term for that seat.

Please let me know if you have any questions about this process.

WVWD – Staff Report



TO: Board of Directors
FROM: General Manager
DATE: December 12, 2022

SUBJECT: Consideration of Annual Board Reorganization / Appointments of Officers /

Committee Selections for Calendar Year 2023

✓ Action/Discussion ☐ Fiscal Impact ☐ Resolution ☐ Information Only	Action/Discussion	☐ Fiscal Impact	Resolution	☐ Information Only
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Recommendation

A. Members of the Board will make any appropriate notifications related to "Exception No. 3" of the Board Rotation Policy (attached);

- B. Rotate their positions in accordance with the "Board Reorganization Rotation Policy;"
- C. Make appointments to the offices of:
 - 1. Secretary
 - 2. Treasurer
 - 3. Assistant Secretary
 - 4. Second Assistant Treasurer
- D. Select Chair/Member/Alternate positions in accordance with the District's *Standing Committee Selection Process* (attached) for the following standing committees noted below.
 - 1. Engineering and Special Projects
 - 2. Personnel
 - 3. Finance
 - 4. Public Information and Community Relations/Legislative Action,

All changes, following approval, would be effective at the conclusion of the December 12, 2022, Regular Board Meeting.

Background Information

Attached for your information and review is a roster showing the current composition of the District Officer and Standing Committee assignments.

- The Board will rotate positions that will become effective following the December 12, 2022, Board meeting.
- At the annual reorganization meeting, the Board of Directors makes appointments, typically amongst staff members, to the offices of Secretary, Treasurer, Assistant Secretary, and Second Assistant Treasurer. The individuals currently holding those positions are shown on the attached roster.
- Standing committee (Finance, Engineering and Special Projects, Personnel, Public Information
 and Community Relations/Legislative Action) chair, member, and alternate positions may be
 selected by Board members at the December Board meeting on a "chain-of-command" basis in
 accordance with the District's Standing Committee Selection Process policy.

WALNUT VALLEY WATER DISTRICT Board Reorganization Process

Rotation Policy

The District's Bylaws state that District officers shall be a President, Vice-President(s), Secretary, and Treasurer, and such other officers as may be elected and appointed by the Board from time-to-time. The Bylaws further state that, at the December meeting of the Board in each calendar year, the Board shall organize and elect a President and Vice-President from among its own members and shall appoint a Secretary and a Treasurer who shall not be members of the Board. Interim reorganization may be undertaken by the Board as deemed necessary.

The Board of Directors, at its November 17, 2008, meeting, approved the implementation of a policy for the annual Board reorganization process to include an automatic rotation of Board members to serve as president, excepting that no member with less than two years' service may serve as president of the Board. Subject to the exceptions noted below, the new Board President rotation procedure will be as follows:

- The first vice president becomes president
- The second vice president becomes first vice president
- The assistant treasurer becomes second vice president
- The "director" member becomes assistant treasurer
- The president moves to the "director" position

Exception No. 1

No director with less than two years' service on the Board may become president

Exception No. 2

Newly elected/appointed officials shall hold the "director" position during their first year. When two or more new directors are elected at the same time, the Director receiving the highest percentage of votes will have seniority, or, if an equal percentage of votes is received, seniority will be determined by coin toss.

Exception No. 3

On a one-year basis, the first vice president may forego his or her ascension to the presidency and may remain as the first vice president, with the second vice president then ascending to president, and the other directors moving to their next positions in accordance with the rotation specified above. If the existing first vice president, in a second consecutive year, does not desire to ascend to president, then for the next year, the existing first vice president will rotate to the "director" position, the existing president will rotate to assistant treasurer, the existing second vice president will rotate to president, the existing assistant treasurer will rotate to first vice president and the existing "director" member will rotate to second vice president.

WALNUT VALLEY WATER DISTRICT Standing Committee Selection Process

The Standing Committee Selection Process shall include the following provisions:

1. After the annual reorganization of officers, Board Members shall select their preferred standing committee assignments in the following order:

President
1st Vice President
2nd Vice President
Assistant Treasurer
Director

Newly elected or appointed directors shall not serve as chair of a committee during his/her first year in office, unless this provision is waived by the Board of Directors.

2. The process to be observed for filling standing committee assignments:

The incoming President will select a committee position, with each member following suit in a rotational order as identified under Section 1 above. Thereafter, until all positions are filled, the process will continue. Each Board member may select any open position, chair, committee member, or alternate, based on preference, subject to the exception for new directors during the first year of their service on the Board. If a Board member does not wish to select any position that remains when it is his/her turn, that Board member may pass and the choice moves to the next Board member in order of rotation until all the positions are filled. Any positions not filled through this process shall be appointed by the incoming President.

In the event that two of the three members that constitute a particular committee cannot attend the monthly meeting(s), the Board President may contact other Board members to appoint them on an as-needed basis.

Any committee vacancy created as a result of a Director resigning from the committee or leaving office shall be filled in the following manner:

- a. If the chair position is vacated, the Director filling the committee member position will ascend to the chair position, subject to the exception for new directors during the first year of their service on the Board (unless waived by the Board of Directors). If neither member is eligible, then the position of "chair" will be appointed by the president.
- b. If the committee member position is vacated, the alternate Director will ascend to the member position.
- c. If the alternate committee member position is vacated, the President shall appoint a replacement alternate committee member.
- 3. The following committee oversight responsibilities to be updated in the next revision of the District's Policy Guidelines:

Engineering and Special Projects – Operation, protection and maintenance of District facilities. Initiation of construction programs. Long-range planning.

Finance – Annual budget, quarterly budget reports, fiscal master plan, audits, investments, risk management, insurance, revenues and expenses.

Personnel – Staffing and organizational issues, employment related policies, Terms and Conditions of Employment, and Board Policies and Ethics issues.

Public Information/Community Relations and Legislative Action – Public information goals, objectives and methods, community relations programs, and Best Management Practices; and District liaison for legislative activities relating to the water industry.

4. Consistent with long-standing District practice, committee meetings will be scheduled by District staff during regular working hours whenever possible, with consideration given to the committee chair's schedule.

This Standing Committee Selection Process shall be reviewed by the Personnel Committee on an annual basis.

Walnut Valley Water District



Board of Directors

July-December 2022

2022 Elected Offices

President Jerry Tang
First Vice President Edwin M. Hilden
Second Vice President Kevin Hayakawa
Assistant Treasurer Theresa Lee
Director Scarlett P. Kwong

2022 Board Appointments

Secretary Erik Hitchman
Treasurer Josh Byerrum
Assistant Secretary Lucie Cazares
Second Assistant Treasurer Jared Macias

2022 Standing Committees

Public Information/Community Relations/Legislative Action			
Jerry Tang, Chair			
Edwin M. Hilden			
Kevin Hayakawa, Alternate			

Finance			
Theresa Lee, Chair			
Edwin Hilden			
Scarlett P. Kwong, Alternate			

Engineering and Special Projects			
Kevin Hayakawa, Chair			
Theresa Lee			
Jerry Tang, Alternate			

Personnel			
Scarlett P. Kwong, Chair			
Jerry Tang			
Edwin M. Hilden, Alternate			



Board of Directors

January-December 2022

Elected Offices	Term Expires	Years on Board	Date First Elected/Appointed*	Div.	
President	12/06/24	4**	2/15/19	_	Jerry Tang
First Vice President	12/04/26	20	08/20/02	=	Edwin M. Hilden
Second Vice President	12/06/24	2**	12/04/20	IV	Dr. Kevin Hayakawa
Assistant Treasurer	12/04/26	7**	01/19/16	===	Theresa Lee
Director	12/06/24	15	12/07/07	V	Scarlett P. Kwong

^{**}On anniversary date

WVWD - Staff Report



TO: Board of Directors
FROM: General Manager
DATE: December 12, 2022

SUBJECT: Consider Adoption of Subsequent Resolution No. 12-22-715 Authorizing

Remote Teleconference Meetings for the Period December 12, 2022 to

January 12, 2023

✓ Action/Discussion ☐ Fiscal Impact ✓ Resolution ☐ Information Only

Recommendation

That the Board of Directors adopt the resolution in the form provided making certain findings and determinations under AB 361 allowing the District's legislative bodies to continue to hold virtual Brown Act meetings in consideration of the COVID-19 pandemic.

Background Information

The District's Board of Directors find that a state of emergency continues to exist within the District's service area as a result of the continuing presence of COVID-19 and resulting local, state and federal orders and guidance, which has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District. The Board of Directors desire to affirm a local emergency exists and reratify the proclamation of state of emergency by the Governor of the State of California, and as a consequence of the local emergency persisting, the Board of Directors find that the District's Board of Directors and all standing committees shall continue to conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code Section 54953, as authorized by subdivision (e) of Section 54953, and that such legislative bodies shall continue to comply with the requirements to provide the public with access to the meetings.

The District's General Manager, or his or her delegee, and the Board of Directors and standing committees of the District are authorized and directed to take all actions necessary to carry out the intent and purpose of the resolution including, continuing to conduct open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act. The resolution shall take effect immediately upon its adoption and shall be effective until the earlier of the expiration of thirty (30) days from the date the resolution is adopted.

Attachments

Resolution No. 11-22-715

RESOLUTION NO. 12-22-715

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WALNUT VALLEY WATER DISTRICT PROCLAIMING A STATE OF EMERGENCY PERSISTS, RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM, AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF WALNUT VALLEY WATER DISTRICT FOR THE PERIOD DECEMBER 12, 2022 TO JANUARY 12, 2023 PURSUANT TO BROWN ACT PROVISIONS.

WHEREAS, the Walnut Valley Water District (the "District") is committed to preserving and nurturing public access and participation in meetings of its Board of Directors; and

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

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

WHEREAS, a required condition for application of Section 54953(e) is that a state of emergency is declared by the Governor pursuant to Government Code Section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code Section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District's boundaries, caused by natural, technological or human-caused disasters; and

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

WHEREAS, the Board of Directors previously adopted a Resolution, Resolution No. 10-21-686 on October 18, 2021, and subsequent resolutions, finding that the requisite conditions exist for the District's Board of Directors and standing committees to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of Section 54953; and

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

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

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

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

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

such legislative bodies shall continue to comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of Section 54953; and

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

NOW, **THEREFORE**, THE BOARD OF DIRECTORS OF WALNUT VALLEY WATER DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

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

Section 2. <u>Affirmation that Local Emergency Persists</u>. The Board of Directors hereby considers the conditions of the state of emergency in the District and proclaims that a local emergency persists throughout the District, and that conducting District Board of Directors and standing committee meetings virtually will minimize the possible spread COVID-19 and any variant thereof.

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

Section 4. <u>Remote Teleconference Meetings</u>. The District's General Manager, or his or her delegee, and the Board of Directors and standing committees of the District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, continuing to conduct open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) the expiration of thirty (30) days from the date this Resolution was adopted, as set forth below, or (ii) such time as the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Board of Directors and standing committees of the District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the Board of Directors of Walnut Valley Water District this 12TH day of December 2022, by the following vote:

AYES: NOES: ABSENT: ABSTAIN:	None None None	
		Jerry Tang President, Board of Directors
ATTEST:		
Erik Hitchman Secretary, Bo	n pard of Directors	_

WVWD - Staff Report



TO: Board of Directors
FROM: General Manager
DATE: December 12, 2022

SUBJECT: 2023 Key Conferences/Events

☐ Action/Discussion	☐ Fiscal Impact	Resolution	✓ Information Only
Recommendation			

For information only.

Background

The following conference dates are provided as a matter of information only.

Please advise staff of your intent to attend as early as possible so that we may secure your conference registration and hotel reservation at reduced conference rates, when available.

American Water Works Association (AWWA)	Date
ACE23 – Toronto, Canada (In-Person)	June 11 - 14, 2023

Association of California Water Agencies	s (ACWA) and JPIA	Date
Spring Conference – Monterey, CA		
	JPIA	May 8 - 9, 2023
	ACWA	May 9 - 11, 2023
Fall Conference – Indian Wells, CA		
	JPIA	November 27 - 28, 2023
	ACWA	November 28 - November 30, 2023