



## **SPECIAL NOTICE REGARDING CORONAVIRUS DISEASE 2019 (COVID-19) AND PARTICIPATION IN PUBLIC MEETINGS**

On March 4, 2020, Governor Newsom declared a State of Emergency resulting from the threat of COVID-19. On September 16, 2021, Governor Newsom signed Assembly Bill No. 361 into law. Assembly Bill No. 361 amends Government Code section 54953(e) by adding provisions for remote teleconferencing participation in meetings by members of a legislative body, without the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions. The San Bernardino Valley Municipal Water District adopted a resolution determining, by majority vote, that, as a result of the declared State of Emergency, a meeting in person would present imminent risks to the health or safety of attendees. Accordingly, it has been determined that all Board and Workshop meetings of the San Bernardino Valley Municipal Water District will be held pursuant to the Brown Act and will be conducted via teleconference. There will be no public access to the meeting venue.

### **REGULAR MEETING OF THE BOARD OF DIRECTORS TUESDAY, DECEMBER 20, 2022 – 2:00 P.M.**

#### **PUBLIC PARTICIPATION**

Public participation is welcome and encouraged. You may participate in the December 20, 2022, meeting of the San Bernardino Valley Municipal Water District online and by telephone as follows:

**Dial-in Info: (877) 853 5247 US Toll-free**

**Meeting ID: 684 456 030**

**PASSCODE: 3802020**

**<https://sbvmwd.zoom.us/j/684456030>**

If you are unable to participate online or by telephone, you may also submit your comments and questions in writing for the District's consideration by sending them to [comments@sbvmwd.com](mailto:comments@sbvmwd.com) with the subject line "Public Comment Item #" (insert the agenda item number relevant to your comment) or "Public Comment Non-Agenda Item". Submit your written comments by 6:00 p.m. on Monday, December 19, 2022. All public comments will be provided to the President and may be read into the record or compiled as part of the record.

**IMPORTANT PRIVACY NOTE: Participation in the meeting via the Zoom app is strongly encouraged. Online participants MUST log in with a Zoom account. The Zoom app is a free download. Please keep in mind: (1) This is a public meeting; as such, the virtual meeting information is published on the World Wide Web and available to everyone. (2) Should you participate remotely via telephone, your telephone number will be your "identifier" during the meeting and available to all meeting participants; there is no way to protect your privacy if you elect to call in to the meeting.**



**SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT**  
380 E. Vanderbilt Way, San Bernardino, CA 92408

**REGULAR MEETING OF THE BOARD OF DIRECTORS**

**AGENDA**

**2:00 PM Tuesday, December 20, 2022**

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**CALL TO ORDER/PLEDGE OF ALLEGIANCE/ROLL CALL**

**1) PUBLIC COMMENT**

Members of the public may address the Board regarding any item within the subject matter jurisdiction of the Board; however, no action may be taken on off-agenda items except as authorized by law. Each speaker is limited to a maximum of three (3) minutes.

**2) CONSENT CALENDAR**

2.1 Approve Minutes of the Board of Directors' Workshop Branding - November 16, 2022 (Page 3)  
[Staff Recommendation - Approve Minutes of the Board of Directors' Workshop - Branding 111622](#)

**3) DISCUSSION AND POSSIBLE ACTION ITEMS**

3.1 Receive and File the Annual Audit Report for the Fiscal Year Ending June 30, 2022 (Page 7)  
[Staff Memo Receive and File the Annual Audit Report for the Fiscal Year June 30, 2022](#)  
[Annual Audit Report for the Fiscal Year Ending June 30, 2022](#)

**4) REPORTS (Discussion and Possible Action)**

4.1 State Water Project Report (Page 71)  
[Staff Memo - SWP Report](#)  
[How Will the Delta Conveyance Project Help Adapt to Climate Change?](#)  
[November Sites Reservoir Project Status Report](#)

4.2 Directors' Report of Activities and Travel Requests in accordance with Resolution 1100 (Page 76)  
[SBVMWD Director Fees and Expenses paid in November 2022](#)  
[Director Botello Activity Report - November](#)  
[Director Harrison Activity Report - November](#)  
[Director Hayes Activity Report - November](#)

Director Kielhold Activity Report - November  
Director Longville Activity Report - November

4.3 General Counsel Report

4.4 SAWPA Meeting Report

4.5 Operation's Report(Page 82)  
[Staff Memo - Operations Report](#)  
[SBVMWD Deliveries as of November](#)

4.6 Treasurer's Report(Page 86)  
[Treasurer's Report - November 2022](#)

5) **FUTURE BUSINESS**

6) **ANNOUNCEMENTS**

6.1 List of Announcements(Page 97)  
[List of Announcements 122022](#)

7) **CLOSED SESSION**

7.1 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Pursuant to Government Code Section 54956.9(a),(d)(1) - Endangered Habitats League et al. v. U.S. Army Corps of Engineers - Case No. 2:16-CV-09178 (U.S. District Court, Central District of California)

8) **ADJOURNMENT**

PLEASE NOTE:

Materials related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available for public inspection in the District's office located at 380 E. Vanderbilt Way, San Bernardino, during normal business hours. Also, such documents are available on the District's website at [www.sbvmd.com](http://www.sbvmd.com) subject to staff's ability to post the documents before the meeting. The District recognizes its obligation to provide equal access to those individuals with disabilities. Please contact Melissa Zoba at (909) 387-9228 two working days prior to the meeting with any special requests for reasonable accommodation.

**MINUTES  
OF  
THE  
BOARD OF DIRECTORS WORKSHOP – BRANDING  
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT**

**November 16, 2022**

**Directors Present:** Gil J. Botello, T. Milford Harrison, June Hayes, Paul R. Kielhold, and Susan Longville

**Directors Absent:** None.

**Staff Present:**

Heather Dyer, MS, MBA – Chief Executive Officer/General Manager  
Jose Macedo, ML, CPT-P (USA Retired) –Chief of Staff/Clerk of the Board  
Melissa Zoba, MBA, MPA – Chief Information Officer

Kristeen Farlow, MPA – Strategic Communications Manager  
Leo Ferrando, PE – Assistant Chief Engineer  
Anthony Flordelis – Business Systems Analyst  
Yvonne Garcia – Senior Administrative Assistant  
David McArthur – Water Operations Manager  
Matthew Olivo – Senior Accountant  
Anel Perez, MBA – Administrative Specialist  
Karen Resendez, MAOL – Human Resources/Risk Manager  
Shavonne Turner, MPA – Water Conservation Program Manager

**Members of the Public in Attendance:**

Betsy Miller, San Bernardino Valley Water Conservation District  
James Morales, East Valley Water District

The Branding Workshop of the Board of Directors was called to order by President Kielhold at 9:30 a.m. A quorum was noted present by roll call.

**Agenda Item 1. Introductions.**

Staff and audience members introduced themselves.

**Agenda Item 2. Public Comment**

President Kielhold invited public comment. There was none.

### **Agenda Item 3. Discussion and Possible Action Items.**

**3.1) Approve Branding: New District Logo, Tagline, Look.** Chief Executive Officer / General Manager Heather Dyer introduced the item and noted that this effort has been underway for about a year and a half.

Chief Information Officer Melissa Zoba provided some history on the agency's past accomplishments, previous logos, and transitions over her more than 20 years with the District. She explained the current process was started in June 2021 and kicked off with the Strategic Communications and Engagement Plan. The exercise has evolved with discussion about how the brand should reflect and capture the essence of how the District would like to be recognized.

Ms. Zoba summarized the branding workshops since June 2021 and recapped the determinations of the Board and staff.

Ms. Dyer noted the agency is evolving as an organization. The Board, the staff, and the relationship to and within the watershed are very different than 15 years ago, she pointed out. With the completion of the Strategic Plan, the agency has focused aspirations on addressing the complex challenges of the water future in a way that is open, collaborative, and innovative while recognizing the connection to the water systems, and how the water is connected to the communities, she said. The forethought and innovation of the District's leaders have defined the agency as forward-thinking stewards of the watershed, and the proposed logo conveys that and more, she stated.

Ms. Zoba commented on the representation of the District's large service area and the need to tell the story of the District. She presented the proposed logo and shared a video presentation. Ms. Dyer described the intended concepts, significance, and communication of the logo. She shared a letter of support from Western Municipal Water District regarding the importance of branding and recognition.

Vice President Hayes said she liked that the logo is brighter and in variations of blue. Director Longville said it captures the local and imported nature of the District's work. Director Botello said he could identify the representations of mountains and groundwater and commented on regional collaboration.

Director Harrison reminded that he had pushed to remove the word "Valley" from the name and would have liked to have seen that, but the most important aspect is the regional nature. When he inquired of other agencies, all acknowledged that Valley is a regional agency. He said he liked the dropping of the word "District" and addition of "Agency".

President Kielhold said he liked the logo and tagline, and elimination of the phrase, "water district." Although it does not accomplish everything discussed, that is not a realistic expectation. A big part of moving forward will be differentiating San Bernardino Valley from other districts, he noted.

Director Harrison and Vice President Hayes concurred with President Kielhold on the use of “agency.” Director Longville commented on the elimination of “municipal,” and Director Botello supported the inclusion of “regional.”

Ms. Dyer described the logo color palette and style guide and presented some collateral materials. Ms. Zoba described District logo wear and commented on brand recognition in the field, including branding agency trucks.

Ms. Dyer presented a proposed 70<sup>th</sup> year commemorative logo and ideas for celebration. Director Longville suggested a 10k event along the Santa Ana River Trail.

Vice President Hayes suggested the letterhead include contact information for not just the agency, but for the specific person or director, such as a personal or District email address. Director Harrison suggested that should be on the website. Director Longville pointed to the State of California directory as an example. Ms. Dyer indicated that updating the website is on the task list, and a directory will be included.

Director Hayes also recommended producing a more formal logo wear for attending meetings and other events.

Directors supported branding District vehicles with the new logo and welcomed the opportunity to see the District’s brand represented in the field.

Director Harrison asked the other agency representatives for comment. James Morales of East Valley Water District noted that branding efforts had been of benefit to that agency.

Director Botello noted the feel of the collateral invites the reader to dig deeper and look at content. He supported the production of a “challenge coin” and suggested the flip side feature milestones such as the Waterman hydroelectric plant. Director Longville agreed it would be useful to help the public get a sense of the District’s assets and for what they pay.

Vice President Hayes pointed out that the logo will help the public identify who to call in the event of a leak or other incident.

In response to Director Longville, Ms. Dyer explained that all examples, mock-ups and collateral were included in the branding cost, and there is budget remaining.

Strategic Communications Manager Kristeen Farlow explained that staff is already considering what a brand launch would look like. Staff has been identifying elements that will need to be updated from signage to giveaway items and more, she said.

Ms. Farlow described a celebratory event envisioned for February for the official roll out of the brand and further efforts to demonstrate the value that Valley District brings to the region. Director Botello suggested advertising in local community newspapers. Director Longville recommended a Sunday from noon until 6 p.m. and suggested use of the parking lot and inclusion of food trucks and giveaways.

Vice President Hayes indicated enthusiasm and complimented staff.

**Action Item(s):** The Board of Directors approved the logo, tagline, and branding material as presented by the following roll-call vote:

MOVED: Harrison	SECONDED: Botello	APPROVED: 5-0
AYES:	Botello, Harrison, Hayes, Kielhold, Longville	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

*The video was shown a second time.*

**Agenda Item 5. Adjournment**

The meeting was adjourned by President Kielhold at 10:30 a.m.

<p>APPROVAL CERTIFICATION</p> <p>I hereby certify to approval of the foregoing Minutes of San Bernardino Valley Municipal Water District.</p>  <p>_____</p> <p><b>Secretary</b></p> <p>Date _____</p>
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Respectfully submitted,

Lynda J. Kerney  
Contract Assistant



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**DATE:** December 20, 2022

**TO:** Board of Directors

**FROM:** Heather Dyer, CEO / General Manager  
Cindy Saks, CFO / Deputy General Manager

**SUBJECT:** Receive and File the Annual Audit Report for the Fiscal Year Ending June 30, 2022

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**Staff Recommendation**

Receive and File the Annual Audit Report for the Fiscal Year Ending June 30, 2022.

**Background**

The firm of Rogers, Anderson, Malody and Scott, (RAMS) CPA's has concluded the District's financial statement audit for the fiscal year ended June 30, 2022. The auditors have given a clean or unmodified opinion on the District's financial statements, which means that the District's financial condition, position, and operations are fairly presented in the financial statements. This is the highest level of opinion available. District staff and representatives from RAMS will present the financial statements and audit report at the Board meeting and be prepared to answer any questions.

**District Strategic Plan Application**

The completion of the annual financial audit report reinforces the district's commitment to transparency and communication, supported by district strategy # 4 – Build trust by being a collaborative and resourceful partner through effective communication and engagement.

**Attachment**

- 1) Annual Audit Report for the Fiscal Year Ending June 30, 2022



**SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT**

San Bernardino, California

Basic Financial Statements and Supplementary Information

For the Year Ended June 30, 2022



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ROGERS, ANDERSON, MALODY & SCOTT, LLP  
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Jenny W. Liu, CPA, MST  
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#### **MANAGERS / STAFF**

Gardenya Duran, CPA, CGMA  
Brianna Schultz, CPA, CGMA  
Seong-Hyea Lee, CPA, MBA  
Evelyn Morentin-Barcena, CPA  
Veronica Hernandez, CPA  
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Julia Rodriguez Fuentes, CPA, MSA  
Demi Hite, CPA  
Jeffrey McKennan, CPA

#### **MEMBERS**

American Institute of  
Certified Public Accountants

*PCPS The AICPA Alliance  
for CPA Firms*

*Governmental Audit  
Quality Center*

*Employee Benefit Plan  
Audit Quality Center*

California Society of  
Certified Public Accountants



### *Independent Auditor's Report*

**Board of Directors  
San Bernardino Valley Municipal Water District  
San Bernardino, California**

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of the San Bernardino Valley Municipal Water District (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and 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*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Other Matters***

As discussed in Note 1 to the financial statements, in the year ended June 30, 2022, the District adopted new accounting guidance under Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, we:

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

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

### ***Required Supplementary Information***

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 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 solely 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 the effectiveness of 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.

*Rogers, Anderson, Malody & Scott, LLP.*

San Bernardino, California  
December 7, 2022

**San Bernardino Valley Municipal Water District  
Management's Discussion and Analysis  
June 30, 2022**

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San Bernardino Valley Municipal Water District (District) was formed on February 17, 1954, under the Municipal Water District Act of 1911. The District is one of 29 contractors to the California State Water Project, which delivers water from Northern California to various parts of the state. A major function of the District is to import and deliver water into its service area through participation in the State Water Project and to manage groundwater storage within its boundaries. The District's service area encompasses approximately 353 square miles in southwestern San Bernardino County and a portion of Riverside County. It spans the eastern two-thirds of the San Bernardino Valley, the Crafton Hills, and a portion of the Yucaipa Valley and includes the cities and communities of San Bernardino, Colton, Loma Linda, Redlands, Rialto, Bloomington, Highland, East Highland, Mentone, Grand Terrace, and Yucaipa. The District is governed by a five member board, representing five geographical divisions within the District, which is elected by the citizens in a general popular election.

In 1960, the District entered into a contract with the State Department of Water Resources to receive an annual allotment of up to 102,600 acre-feet of water from the State Water Project. The District has been importing water from the State Water Project since 1972.

**Overview of the Basic Financial Statements**

San Bernardino Valley Municipal Water District is a special purpose governmental district (Special District) engaged only in activities that support themselves through tax levies and user fees. Accordingly, the accompanying financial statements are presented in the format prescribed for proprietary funds by the Governmental Accounting Standards Board.

These financial statements consist of three interrelated statements designed to provide the reader with relevant, understandable data about the District's financial condition and operating results. They are the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows.

The Statement of Net Position presents the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. The Statement of Revenues, Expenses and Changes in Net Position describes the financial results of the District's operations for the years reported. These results, or changes in net position, are the increases or decreases in the bottom line of the Statement of Net Position.

The Statement of Cash Flows conveys to financial statement users how the District managed cash resources during the year. This statement converts the income or loss from operations presented on the Statement of Revenues, Expenses and Changes in Net Position into actual cash provided by or used for operations. The Statement of Cash Flows also details how the District obtains cash through financing and investing activities and, conversely, how cash is spent for these purposes.

**San Bernardino Valley Municipal Water District  
Management's Discussion and Analysis  
June 30, 2022**

**Summary Financial Information and Analysis**

**Condensed Statement of Net Assets**

in millions

	2022	2021	Change
<b>Assets:</b>			
Current and other Noncurrent Assets	\$ 87.70	\$ 156.17	\$ (68.47)
Restricted Assets	466.31	432.22	34.09
Capital assets - net	521.74	440.01	81.73
Total Assets	1,075.75	1,028.40	47.35
<b>Deferred Outflows of Resources</b>	2.77	2.78	(0.01)
<b>Liabilities:</b>			
Current Liabilities	18.29	11.42	6.87
Payable from Restricted Assets	0.83	1.01	(0.18)
Non-Current Liabilities	8.44	13.31	(4.87)
Total Liabilities	27.56	25.74	1.82
<b>Deferred Inflows of Resources</b>	5.12	4.42	0.70
<b>Net Position</b>			
Net Investment in Capital Assets	514.91	432.95	81.96
Restricted	465.12	430.84	34.28
Unrestricted	65.81	137.23	(71.42)
Total Net Position	\$ 1,045.84	\$ 1,001.02	\$ 44.82

**Condensed Statement of Revenues, Expenses and Changes in Net Assets**

in millions

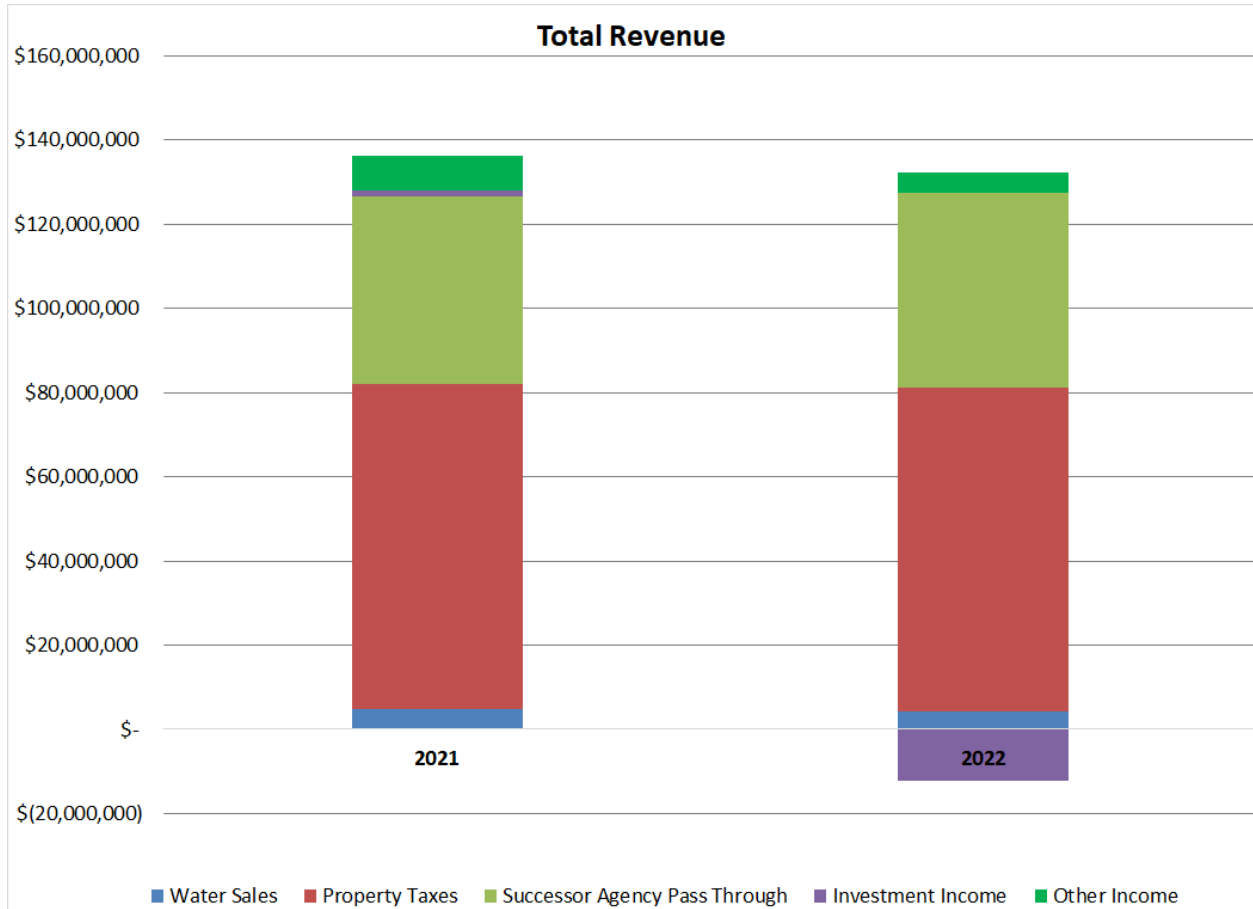
	2022	2021	Change
<b>Operating Revenues</b>	\$ 7.49	\$ 9.67	\$ (2.18)
<b>Operating Expenses</b>	75.40	76.20	(0.80)
<b>Nonoperating Revenues (Expenses)</b>	112.23	124.25	(12.02)
<b>Contributions in aid of Construction</b>	0.50	0.50	-
<b>Change in Net Position</b>	44.82	58.22	(13.40)
<b>Net Position, Beginning of Year</b>	1,001.02	942.80	58.22
<b>Net Position, End of Year</b>	\$ 1,045.84	\$ 1,001.02	\$ 44.82

**San Bernardino Valley Municipal Water District  
Management's Discussion and Analysis  
June 30, 2022**

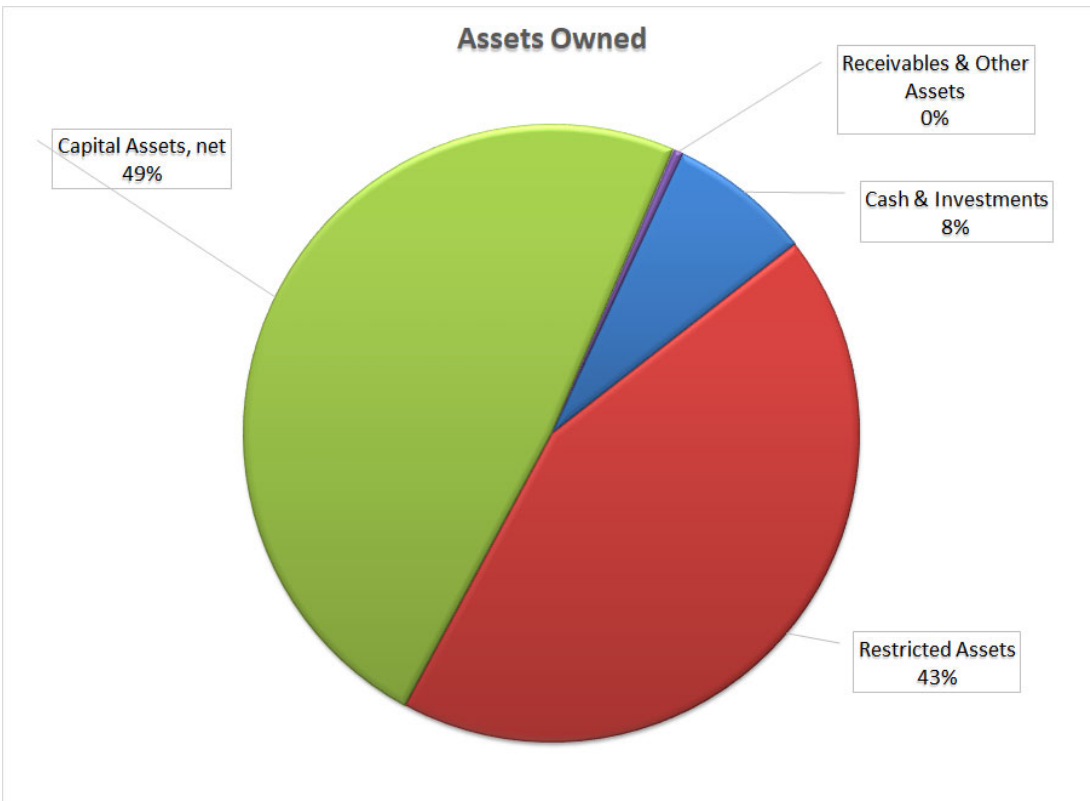
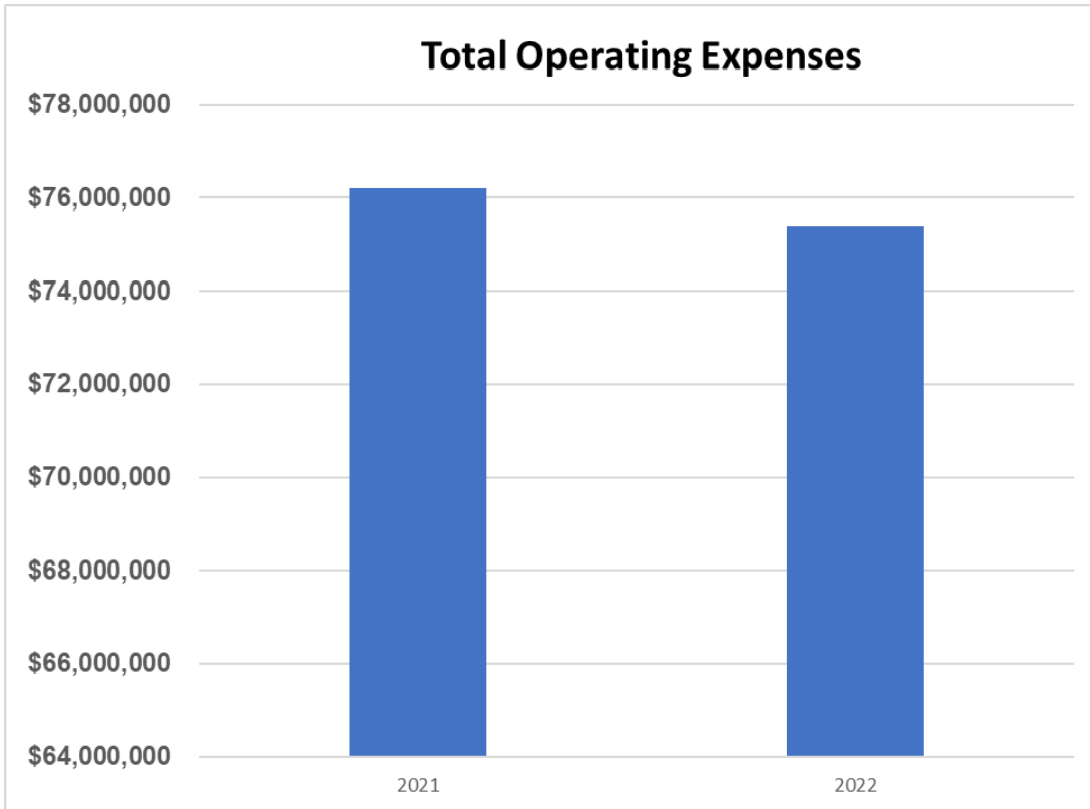
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The decrease from fiscal year June 30, 2021 to June 30, 2022 in investment income is due a significant decline in investment interest rates and adjusting the portfolio to market at year end. The significant changes in operating expense from fiscal year June 30, 2021 to 2022 pertains to an increase in source of supply which contains payments to the Department of Water Resources and local resources investment program, wages and benefits due to adding additional staff and consultants and adjustments for changes in the accrual of CalPERS pension plan obligations.

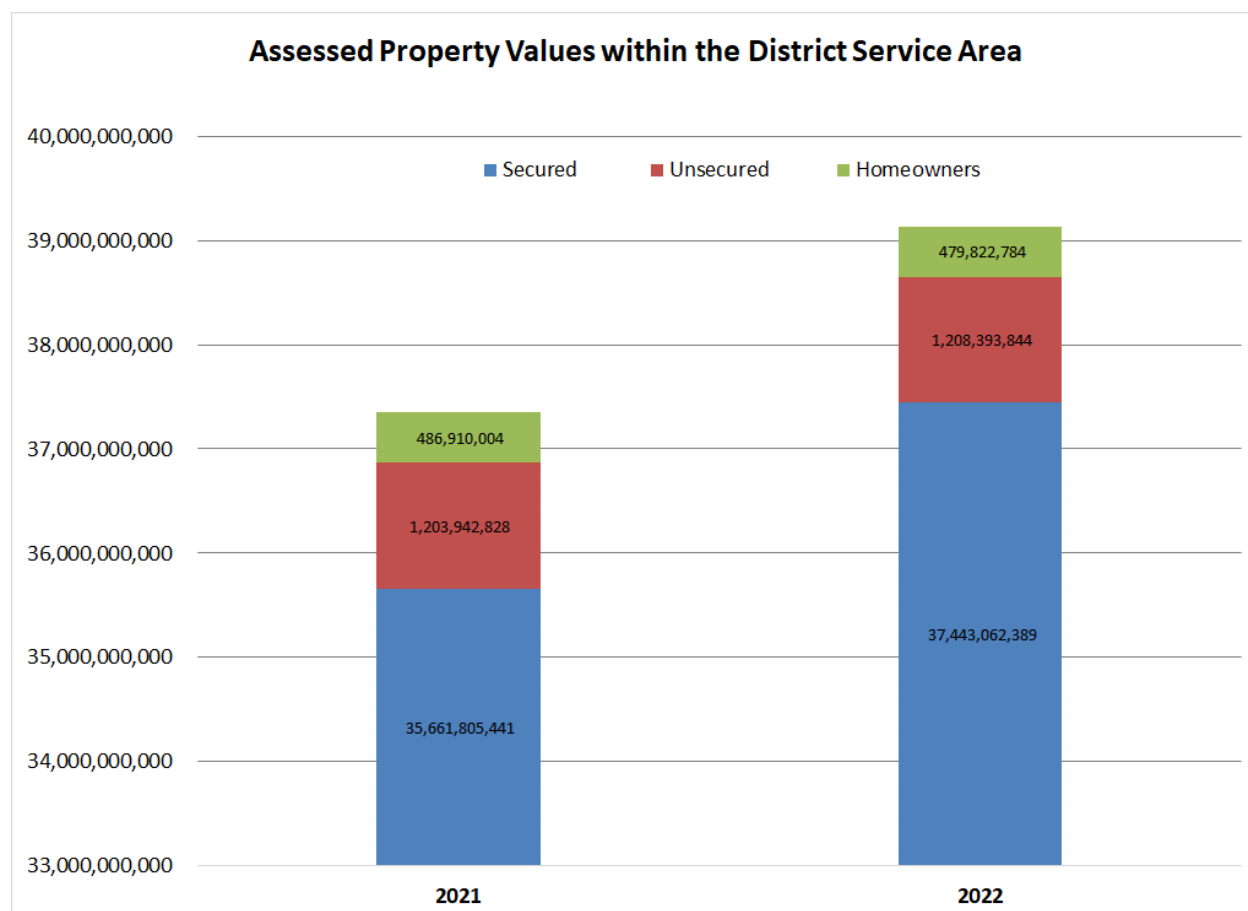
Below is a comparison of Revenue and Operating Expenses over the past two fiscal years:







**San Bernardino Valley Municipal Water District  
Management's Discussion and Analysis  
June 30, 2022**



The increase in Net Position included an operating loss of \$67.90 million. This is due in part to the District being required by the California State Controller's office to report property taxes as nonoperating revenue. However, the majority of the property tax revenues are used for State Water Project expenditures which are included in operating expenses.

Total Nonoperating revenues decreased by \$14.07 million over the prior year. Total property taxes received decreased by \$0.31 million due to a decrease in the State Water Contract tax rate in fiscal year 2021 by \$.0125 cents. The assessed values within the District's service area experienced a 5.6% increase over the prior year and the Board voted to reduce the State Water Project debt service tax rate to \$0.13/\$100 of assessed value. Successor Agency pass through payments increased by \$1.95 million over the prior year. Interest income decreased over the prior year by \$13.68 million and grant income decreased by \$2.08 million over the prior year.

**Categories of Net Position**

The District is required to present its net position in three categories: Net investment in Capital Assets, Restricted, and Unrestricted.

Net Investment in Capital Assets

At June 30, 2022, the amount the District had invested in capital assets, net of related debt was \$514.91 million. This balance was obtained by combining Construction in Progress of \$33.65 million with Capital Assets in Service, net of Accumulated Depreciation and Amortization of \$488.09 million and minus the Certificates of Participation of \$6.83 million.

**San Bernardino Valley Municipal Water District  
Management's Discussion and Analysis  
June 30, 2022**

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Restricted Net Position – Debt Service

The District has restricted Net Position of \$465.12 million, which consists of tax proceeds that were levied for State Water Project payments plus interest on investments less State Water Project related expenditures. The Board of Directors has designated \$30 million of this amount to be retained for the purpose of Maintenance and Repairs on the State Water Project distribution pipelines, pump stations and reservoirs. The balance of restricted Net Position of \$435.12 million is to be used for future expenses related to the State Water Project.

The District's future commitment for State Water Project costs over the years 2022 to 2035, according to a payment schedule dated June 30, 2022 is estimated to total \$980.52 million.

Unrestricted Net Position

The District had unrestricted Net Position of \$65.81 million at June 30, 2022. The District has an extensive future capital improvement plan which consists of many projects which include Enhanced Santa Ana River Spreading, Santa Ana River Tributary / Storm Water Capture, Recycled Water Systems and Conjunctive Use Well Projects.

Construction in Progress (CIP)

The projects still in progress on June 30, 2022 included Riverside Groundwater Aquifer Storage Project, Design and Construction of Waterman Hydroelectric Plant, the Enhanced Recharge Project 1B, the Regional Recycled Water Pipeline, and several pipeline turnouts.

Capital Assets

The District made payments to the Department of Water Resources during the year totaling \$55.43 million net of credits and refunds for participation rights in the State Water Project. This was a decrease of \$2.41 million over the prior year mainly attributable to the variable energy cost component during the fiscal year June 30, 2022. Additional information on capital assets can be found in the notes to the financial statements.

Certificates of Participation

The District issued \$8.57 million in Certificates of Participation (COP) bonds during the fiscal year ending June 30, 2012. The District received an AAA bond rating from Standard and Poors which was reaffirmed in August 2017. Bond proceeds were used to build the Baseline Feeder Well Replacement Project. Additional information on the Certificate can be found in the notes to the financial statements.

Net Pension and Other Post-Employment Benefits Liability

During fiscal year ended June 30, 2022 the District recorded a Net Pension Asset in the amount of \$150 thousand. During fiscal year ended June 30, 2022 the District recorded a Net Other Post-Employment Benefits Liability in the amount of \$1.99 million.

Contacting the District's Financial Management

This financial report is designed to provide our customers, investors, and creditors with an overview of the District's financial operations and condition. If you have questions about this report or need additional information, you may contact the District at (909) 387-9200 or 380 E. Vanderbilt Way, San Bernardino, CA 92408.

*San Bernardino Valley Municipal Water District*

**Statement of Net Position  
June 30, 2022**

**ASSETS**

Current assets:

Cash and cash equivalents	\$ 2,742,268
Investments	78,343,494
Property taxes receivable	225,771
Accounts receivable	1,045,788
Leases receivable	1,220,861
Accrued interest receivable	122,252
Current portion of other receivable	6,854
Current portion of notes receivable	761,100
Prepaid expenses	563
Total current assets - unrestricted	<u>84,468,951</u>

Restricted assets:

Cash and cash equivalents	75,971,077
Investments	387,340,047
Total restricted cash and investments	<u>463,311,124</u>
Property taxes receivable	1,442,766
Accrued interest receivable	733,074
Water bank inventory	824,614
Total restricted assets	<u>466,311,578</u>

Noncurrent assets:

Capital assets:

Capital assets in service	323,694,976
Accumulated depreciation	<u>(71,731,036)</u>
Capital assets, net	<u>251,963,940</u>
Participation rights in State Water Project facilities (at cost)	446,283,734
Accumulated amortization	<u>(210,149,872)</u>
Participation rights in State Water Project facilities - net	<u>236,133,862</u>
Total capital assets, net of accumulated depreciation and amortization	488,097,802
Construction in progress	<u>33,646,067</u>
Total capital assets, net	<u>521,743,869</u>

Other noncurrent assets:

Other receivables, net of current portion	204,888
Notes receivable, net of current portion	2,938,110
Water stock	<u>88,500</u>
Total noncurrent assets	<u>524,975,367</u>
Total assets	<u>1,075,755,896</u>

**DEFERRED OUTFLOWS OF RESOURCES**

Pension related	1,858,236
Other post-employment benefits related	<u>912,222</u>
Total deferred outflows of resources	<u>2,770,458</u>

The accompanying notes are an integral part of these financial statements.

*San Bernardino Valley Municipal Water District*

**Statement of Net Position, (Continued)**  
**June 30, 2022**

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**LIABILITIES**

Current liabilities:

Payables from current assets - unrestricted:

Accounts payable	\$ 1,645,139
Accrued employee benefits	988,701
Accrued interest payable	141,622
Unearned revenue	15,032,931
Deposits	257,827
Certificates of participation, current portion	225,000
Total payables from current assets - unrestricted	18,291,220

Payable from restricted assets:

Accounts payable	446,450
Santa Ana River restoration/recovery trust fund	379,917
Total payables from current assets - restricted	826,367

Non-current liabilities:

Certificates of participation, non-current portion	6,510,000
Premium on certificates of participation, net	98,045
Net pension liability (asset)	(150,148)
Net other post-employment benefits liability	1,985,297
Total non-current liabilities	8,443,194
Total liabilities	27,560,781

**DEFERRED INFLOWS OF RESOURCES**

Pension related	854,961
Other post-employment benefits related	3,079,346
Leases related	1,190,475
Total deferred inflows of resources	5,124,782

**NET POSITION**

Net investment in capital assets	514,910,824
Restricted:	
Debt service - State Water Project	459,810,089
Debt service - Devil Canyon-Castaic	5,308,500
Unrestricted	65,811,378
Total net position	\$ 1,045,840,791

The accompanying notes are an integral part of these financial statements.

*San Bernardino Valley Municipal Water District*

**Statement of Revenues, Expenses and Changes in Net Position  
For the Year Ended June 30, 2022**

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**OPERATING REVENUES**

Water sales	\$	4,161,008
Other operating revenues		<u>3,331,027</u>
Total operating revenues		<u>7,492,035</u>

**OPERATING EXPENSES**

Source of supply:		
Operations, maintenance, power and replacement		28,452,169
Purchased water		7,138,273
Local resources investment program		<u>1,780,158</u>
		<u>37,370,600</u>
Administrative and general:		
Salaries		4,511,671
Retirement and benefits		2,683,331
Retirement and benefits - pension and OPEB adjustments		(5,112,522)
Payroll taxes		299,814
Consultants		6,485,282
Legal and accounting		1,127,727
Office supplies and expense		267,954
Dues and subscriptions		495,850
Water conservation, public education and information		154,209
Field improvements		339,719
Maintenance and repair		1,077,546
Utilities		1,133,369
Inland Empire Brine Line fees		1,984,068
Insurance		208,432
Auto and travel		122,853
Lodging and meals		36,827
Taxes and licenses		134,507
Tax collection fee		<u>379,684</u>
		<u>16,330,321</u>
Other operating expenses:		
Depreciation and amortization		<u>21,695,987</u>
Total operating expenses		<u>75,396,908</u>

**OPERATING LOSS** (67,904,873)

The accompanying notes are an integral part of these financial statements.

*San Bernardino Valley Municipal Water District*

**Statement of Revenues, Expenses and Changes in Net Position, (Continued)  
For the Year Ended June 30, 2022**

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**NONOPERATING REVENUES**

Revenues:

Property taxes:

Debt service	\$ 65,151,166
General purpose distribution	11,817,868
Successor Agency pass through	46,279,648
Investment income	(12,164,054)
Lease revenue	55,210
Grants and other revenues	1,068,962
Gain (loss) on disposal of capital assets	297,176

112,505,976

Expenses:

Interest expense

278,084

278,084

Total nonoperating revenues

112,227,892

Income before contributions

44,323,019

Contributions in aid of construction

499,598

Change in net position

44,822,617

Net position - beginning of year, as restated (note 15)

1,001,018,174

Net position - end of year

\$ 1,045,840,791

The accompanying notes are an integral part of these financial statements.

*San Bernardino Valley Municipal Water District*

**Statement of Cash Flows  
For the Year Ended June 30, 2022**

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<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from water sales	\$ 11,955,399
Cash received from other operating activities	3,251,871
Cash paid for source of supply	(37,370,600)
Cash paid to other suppliers	(14,505,710)
Cash paid for employees' wages, taxes and benefits	(7,350,989)
	<hr/>
Net cash used for operating activities	(44,020,029)
 <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Property taxes received - general purpose distribution	11,675,312
Successor Agency pass through received	46,279,648
Grants and other revenues received	1,068,962
	<hr/>
Net cash provided by noncapital financing activities	59,023,922
 <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Property taxes received - debt service	64,724,176
Proceeds from sale of capital assets	591,509
Proceeds from contribution in aid of construction	499,598
Proceeds from collection of notes receivable	774,404
Acquisition of capital assets	(78,845,212)
Payments for construction in progress	(24,871,123)
Payments on lease receivable	24,824
Principal payments on debt	(215,000)
Interest paid	(287,544)
	<hr/>
Net cash used for capital and related financing activities	(37,604,368)
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchase of investments	(143,465,049)
Redemption of investments	140,952,739
Investment income	21,535,260
	<hr/>
Net cash provided by investing activities	19,022,950
 <b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	
	(3,577,525)
 <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	
	<hr/> 82,290,870
 <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	
	<hr/> <hr/> \$ 78,713,345

The accompanying notes are an integral part of these financial statements.



*San Bernardino Valley Municipal Water District*

**Statement of Cash Flows, (Continued)  
For the Year Ended June 30, 2022**

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**RECONCILIATION TO STATEMENTS OF NET POSITION**

Current assets:	
Cash and cash equivalents - current	\$ 2,742,268
Cash and cash equivalents - restricted	<u>75,971,077</u>
 Total cash and cash equivalents	 <u>\$ 78,713,345</u>

**RECONCILIATION OF OPERATING LOSS TO NET  
CASH USED FOR OPERATING ACTIVITIES**

Operating loss	\$ (67,904,873)
 Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation and amortization	21,695,987
 Changes in assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	705,853
Other receivable	(74,656)
Prepaid expenses	(563)
Deferred outflows of resources	
Pension related	(137,775)
Other post-employment benefits related	151,103
Increase (decrease) in:	
Accounts payable	(596,720)
Accrued employee benefits	143,827
Unearned revenue	7,084,038
Deposits	39,600
Net pension liability	(3,822,399)
Net other post-employment benefits liability	(814,544)
Deferred inflows of resources	
Pension related	34,534
Other post-employment benefits related	<u>(523,441)</u>
 Net cash used for operating activities	 <u>\$ (44,020,029)</u>

**SCHEDULE OF NONCASH INVESTING, CAPITAL AND RELATED  
FINANCING ACTIVITIES**

Construction in progress additions included in accounts payable	\$ 12,693
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The accompanying notes are an integral part of these financial statements.

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 1: Reporting Entity and Summary of Significant Accounting Policies**

***Organization and operations of the reporting entity***

San Bernardino Valley Municipal Water District (the District) was formed on February 17, 1954, under the Municipal Water District Act of 1911. The District is one of 29 contractors to the California State Water Project, which delivers water from Northern California to various parts of the state. The purpose of the District is to import and deliver water into its service area through participation in the State Water Project and to manage groundwater storage within its boundaries. The District's service area encompasses approximately 352 square miles in southwestern San Bernardino County. It spans the eastern two-thirds of the San Bernardino Valley, the Crafton Hills, and a portion of the Yucaipa Valley, and includes portions of the cities of San Bernardino, Colton, Loma Linda, Redlands, Rialto, Bloomington, Highland, Grand Terrace, and Yucaipa. The District is governed by a five member board, representing five geographical divisions within the District, which is elected by the citizens in a general popular election.

The San Bernardino Valley Municipal Water District Financing Corporation (the Corporation) was created in May of 2011 by a joint exercise of powers agreement for the purpose of acquiring, constructing, rehabilitating, financing and refinancing, or providing for the sale or leasing of public capital improvements. It is governed by a Board of Directors comprised of the District's Board of Directors. The Corporation has issued debt which is secured solely from installment payments payable under an installment purchase agreement entered into by the District and the Corporation. All accounts or funds created and established pursuant to any instrument or agreement to which the Corporation is a party, and any interest earned or accrued thereon, shall incur to the benefit of the District. Separate financial statements are not prepared for the Corporation. It is reported as a blended component unit.

***Measurement focus, basis of accounting and financial statement presentation***

The District's financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting, in conformity with generally accepted accounting principles (GAAP) and the Uniform Systems of Accounts for Water Utility Districts as prescribed by the Controller of the State of California. Under this basis, revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The District has elected to follow all pronouncements of the Governmental Accounting Standards Board (GASB).

***Use of estimates***

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

***Cash and cash equivalents***

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash on hand, demand deposits at financial institutions, investments in money market funds and government securities that are highly liquid and readily available with an original maturity of three months or less, and deposits in the State of California Local Agency Investment Fund (LAIF). Deposits in the LAIF can be withdrawn at any time without penalty.

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 1: Reporting Entity and Summary of Significant Accounting Policies, (Continued)**

***Investments***

Investments are stated at fair value (the value at which financial instruments could be exchanged in a current transaction between willing parties, other than in a forced liquidation sale). 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.

***Allowance for doubtful accounts***

Notes and accounts receivable are reported net of an allowance for uncollectible accounts. Allowances are reported when notes and accounts are proven to be uncollectible. There were no allowances for uncollectible accounts to be netted with accounts or notes receivable for 2022. Refer to Note 6 for details of the notes receivable.

***Prepaid expenses***

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

***Inventories***

Inventories are valued at purchase cost using the weighted average cost of consumption method. Refer to Note 4 for more information regarding inventory.

***Capital assets***

Capital assets are stated at original cost. District policy has set the capitalization threshold for reporting capital assets at \$5,000. Upon retirement or other disposition of capital assets, the cost and related accumulated depreciation are removed from the respective balances and any gains or losses are recognized. The cost of maintenance is charged to operating expense. Land, right of ways, pipeline capacity, and construction in progress are not depreciated. Other tangible property, plant and equipment of the District are depreciated using the straight line method over the following estimated useful lives:

<u>Capital asset classes</u>	<u>Useful Lives</u>
Buildings	30-40
Furniture, fixtures and equipment	5-50
Vehicles	5-10
Water transportation and distributions lines	10-100

The capital cost component of the transportation charges and the Delta water charge the District pays for participation rights in the State Water Project are being capitalized as paid and amortized using the straight-line method over the remaining life of the State Water Contract, which expires in 2035.

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 1: Reporting Entity and Summary of Significant Accounting Policies, (Continued)**

***Employee benefits***

District employees earn vacation and sick leave days based on length of service. Employees may accumulate vacation time not to exceed two annual vacation periods, as determined by length of service, and unused sick leave to a maximum of 1,280 hours. Upon termination, the District is obligated to compensate employees for 100% of the accrued unused vacation time, and 25% of the accrued unused sick leave. Compensated absences are presented in the current liabilities section of the statement of net position.

The District provides a Health and Dependent Care Reimbursement Plan to employees eligible under the District's plan. Any unused benefits under this plan carry over to following years to a maximum of \$25,000. The accrued medical reimbursement plan liability is presented in the current liabilities section of the statement of net position.

The District provides a deferred compensation plan to employees on a voluntary basis. Employees may elect to have a portion of their current earnings withheld and invested with Voya Financial and Annuity Company or PERS deferred compensation plan. Benefits are generally available upon the employee's death, disability, retirement, severe hardship, or termination of employment.

***Restricted resources***

When both restricted and unrestricted resources are available for use, the District uses restricted resources first, then unrestricted resources as they are needed, in accordance with its Reserve Policy.

***Net position***

Net position is categorized as follows:

- *Net investment in capital assets* – This component of net position consists of capital assets, net of accumulated depreciation and reduced by any outstanding debt against the acquisition, construction or improvement of those assets.
- *Restricted net position* – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted net position* – This component of net position consists of net position that does not meet the definition of *restricted* or *net investment in capital assets*.

***Operating and nonoperating activities***

Revenues and expenses are distinguished between operating and nonoperating items. Operating revenues generally result from providing services in connection with the District's principal ongoing operations. The principal operating revenues of the District are water sales.

Operating expenses include costs associated with the purchasing, pumping, and distribution of water, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 1: Reporting Entity and Summary of Significant Accounting Policies, (Continued)**

***Property taxes***

Property taxes are attached as an enforceable lien on property as of March 1. Taxes are levied on July 1 and are due in two installments. The first installment is due on November 1 and is payable through December 10 without penalty. The second installment is due on February 1 and becomes delinquent on April 10. Property taxes are remitted to the District from the County of San Bernardino and County of Riverside at various times throughout the year.

***Contributions***

Contributions in aid of construction represent cash and capital assets contributed to the District by other governmental agencies for the acquisition, construction or improvement of District capital assets.

***Pension plans***

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently 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 (VD)	June 30, 2020
Measurement Date (MD)	June 30, 2021
Measurement Period (MP)	July 1, 2020 to June 30, 2021

***Other post-employment benefits (OPEB)***

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

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 (VD)	June 30, 2020
Measurement Date (MD)	June 30, 2021
Measurement Period (MP)	July 1, 2020 to June 30, 2021

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 1: Reporting Entity and Summary of Significant Accounting Policies, (Continued)**

***Deferred outflows/inflows of resources***

In addition to assets, 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 a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expenses) until then. The District currently has pension and other post-employment benefits related deferred outflows of resources.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District currently has pension, other post-employment benefits, and leases related deferred inflows of resources.

***Accounting Changes***

During the fiscal year ended June 30, 2022, the District implemented the following accounting standards:

In June 2017, GASB issued Statement No. 87, *Leases* (GASB Statement No. 87), 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 also establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. GASB Statement No. 87 is effective for the District's fiscal year ending June 30, 2022. The District's beginning net position was restated as a result of implementing GASB Statement No. 87 (see note 15).

*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 2: Cash, Cash Equivalents, and Investments**

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

Statement of Net Position:

Current assets:

Cash in bank and on hand	\$ 1,444,366
Cash in Local Agency Investment Fund	1,297,902
Total cash and cash equivalents	<u>2,742,268</u>
Investments	78,343,494
Total unrestricted	<u>81,085,762</u>

Restricted:

Cash in bank	2,848,831
Cash in Local Agency Investment Fund	72,375,707
Cash held by trustee	366,622
Cash held in trust	379,917
Total cash and cash equivalents	<u>75,971,077</u>
Investments	387,335,047
Department of Water Resources bonds	5,000
Total investments	<u>387,340,047</u>
Total restricted	<u>463,311,124</u>

Total cash and cash equivalents and investments \$ 544,396,886

Cash, cash equivalents, and investments as of June 30, 2022 consisted of the following:

Cash on hand	\$ 350
Deposits with financial institutions	5,039,386
Cash in Local Agency Investment Fund	73,673,609
Investments	<u>465,683,541</u>
Total cash and cash equivalents and investments	<u>\$ 544,396,886</u>

*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 2: Cash, Cash Equivalents, 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 by the District in accordance with Section 53601 of 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, and concentration of credit risk.

Authorized investment type	Maximum maturity	Maximum percentage of portfolio	Maximum investment in one issuer
U.S. Treasury Bills, Notes and Bonds	5 years	None	None
Federal Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
California Local Agency Investment Fund	N/A	None	\$ 75,000,000
JPA Pools/CAMP	N/A	None	None
Medium-Term Notes	5 years	30%	None
Money Market Funds	N/A	20%	None
Collateralized Bank Deposits	None	25%	None
Municipal Bonds	5 years	30%	None

***Interest rate risk***

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



*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

**Note 2: Cash, Cash Equivalents, and Investments, (Continued)**

***Interest rate risk, (Continued)***

As of June 30, 2022, the District had the following investments and maturities:

Investment type	Amount	Remaining maturity (in months)			
		12 or less	13 to 24	25 to 36	More than 36
Federal Agency Securities	\$ 66,629,148	\$ 26,605,900	\$ 40,023,248	\$ -	\$ -
JPA Pools/CAMP	110,580,737	110,580,737	-	-	-
Municipal Bonds	10,887,733	2,125,040	7,185,354	711,900	865,439
U.S. Treasury Bills, Notes and Bonds	194,648,418	37,537,438	64,883,113	92,227,867	-
Negotiable Certificates of Deposit	3,890,828	3,890,828	-	-	-
Medium-Term Notes	78,362,942	9,969,752	23,979,371	38,956,006	5,457,813
Money Market Funds	683,735	683,735	-	-	-
<b>Total investments</b>	<b>\$ 465,683,541</b>	<b>\$ 191,393,430</b>	<b>\$ 136,071,086</b>	<b>\$ 131,895,773</b>	<b>\$ 6,323,252</b>

***Disclosures relating to credit risk***

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

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

Investment type	Amount	Minimum legal rating	Rating as of year end			
			AAA	AA	A	Not rated
Federal Agency Securities	\$ 66,629,148	N/A	\$ -	\$ 66,629,148	\$ -	\$ -
JPA Pools/CAMP	110,580,737	N/A	110,580,737	-	-	-
Municipal Bonds	10,887,733	N/A	2,637,304	6,884,479	198,214	1,167,736
U.S. Treasury Bills, Notes and Bonds	194,648,418	N/A	-	194,648,418	-	-
Negotiable Certificates of Deposit	3,890,828	A	-	1,121,915	2,768,913	-
Medium-Term Notes	78,362,942	A	-	17,557,456	60,805,486	-
Money Market Funds	683,735	AAA	683,735	-	-	-
<b>Total investments</b>	<b>\$ 465,683,541</b>		<b>\$ 113,901,776</b>	<b>\$ 286,841,416</b>	<b>\$ 63,772,613</b>	<b>\$ 1,167,736</b>

*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 2: Cash, Cash Equivalents, and Investments, (Continued)**

***Concentration of credit risk***

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. The District's investment policy is to apply the prudent investor standard as set forth in the California Government Code: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

The District's investment policy limits certain investments to minimum credit ratings issued by nationally recognized statistical rating organizations. The District's investments in commercial paper, medium-term notes, and money market funds at June 30, 2022, met their respective minimum credit ratings requirements.

Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of the total District's investments are as follows:

<u>Issuer</u>	<u>Investment type</u>	<u>Reported amount</u>	<u>Percentage of Portfolio</u>
Federal Home Loan Mortgage Corp.	Federal Agency Securities	\$ 50,395,221	9.37%

***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 to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. 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.

As of June 30, 2022, demand deposits with financial institutions in excess of federal depository insurance limits of \$250,000 were fully collateralized by securities in a separate account held by the same institution.

## *San Bernardino Valley Municipal Water District*

### **Notes to the Basic Financial Statements For the Year Ended June 30, 2022**

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#### **Note 2: Cash, Cash Equivalents, and Investments, (Continued)**

##### ***Investment in State Investment Pool***

The District is a voluntary participant in the Local Agency Investment Fund (LAIF), which is part of the Pooled Money Investment Account 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 LAIF is 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), which was \$73,673,609 as of June 30, 2022. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. The District may invest up to \$75,000,000 in the LAIF fund. Investments in LAIF are highly liquid, as deposits can be converted to cash within 24 hours without loss of interest. All investments with LAIF are secured by the full faith and credit of the State of California. Separate LAIF financial statements are available from the California State Treasurer's Office on the internet at [www.treasurer.ca.gov](http://www.treasurer.ca.gov).

##### ***Investment in California Asset Management Program***

The District is a voluntary participant in the California Asset Management Program (CAMP), which was established as a nontaxable investment portfolio under provisions of the California Joint Exercise of Powers Act to provide California Public Agencies with comprehensive investment management services. There are no minimum deposit requirements or limits on deposits and withdrawals. Dividends from net investment income are declared on a daily basis and paid on the last day of the month. Dividends paid are automatically reinvested in each account by the purchase of additional shares. The contract creating the program specifies the types of investments that can be made by the investment portfolio with available cash: U.S. Government securities, securities of federally sponsored agencies, repurchase agreements, banker's acceptances, negotiable certificates of deposit and commercial paper. 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 CAMP which was \$110,580,737 as of June 30, 2022.

##### ***Investments with fair values highly sensitive to interest rate fluctuations***

At June 30, 2022, the District did not hold investments that were highly sensitive to interest rate fluctuations beyond that already indicated in the information provided above.

##### ***Fair value measurements***

GASB Statement No. 72, *Fair Value Measurements and Application*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of quoted prices (unadjusted) for identical assets and liabilities in active markets that a government can access at the measurement date, Level 2 inputs that are observable for an asset or liability, either directly or indirectly, and Level 3 inputs have the lowest priority and consist of unobservable inputs for an asset or liability.

Investments in the Local Agency Investment Fund are not subject to the fair value hierarchy.

*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

**Note 2: Cash, Cash Equivalents, and Investments, (Continued)**

***Fair value measurements, (Continued)***

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

Investments by Fair Value Level	Total	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
U.S. Treasury Bills, Notes and Bonds	\$ 194,648,418	\$ 194,648,418	\$ -	\$ -
Federal Agency Securities	66,629,148	-	66,629,148	-
Municipal Bonds	10,887,733	-	10,887,733	-
Negotiable Certificates of Deposit	3,890,828	-	3,890,828	-
Medium-Term Notes	78,362,942	-	78,362,942	-
<b>Total investments by fair value level</b>	<b>354,419,069</b>	<b>\$ 194,648,418</b>	<b>\$ 159,770,651</b>	<b>\$ -</b>
Investments not subject to the fair value hierarchy:				
JPA Pools/CAMP	110,580,737			
Money market mutual funds	683,735			
<b>Total</b>	<b>\$ 465,683,541</b>			

The District's investment in the Local Agency Investment Fund of \$73,673,609 is measured at amortized cost which approximated fair value.

The District's investment in the California Asset Management Program of \$110,580,737 is measured at amortized cost which approximated fair value.

**Note 3: Leases Receivable**

On July 1, 2020, the District entered into a 295-month lease as lessor for the use of cell towers on the District's land. An initial lease receivable was recorded in the amount of \$711,951. As of June 30, 2022, the value of the lease receivable is \$700,324. The lessee is required to make monthly variable principal and interest payments of \$2,500, based on annual CPI increases. The lease has an implied interest rate of 2.6%. The value of the deferred inflow of resources as of June 30, 2022 was \$682,990, and the District recognized lease revenue of \$28,961.

On July 1, 2020, the District entered into a 244-month lease as lessor for the use of cell towers on the District's land. An initial lease receivable was recorded in the amount of \$533,734. As of June 30, 2022, the value of the lease receivable is \$520,537. The lessee is required to make monthly variable principal and interest payments of \$2,300, based on annual CPI increases. The lease has an implied interest rate of 2.5%. The value of the deferred inflow of resources as of June 30, 2022 was \$507,485, and the District recognized lease revenue of \$26,249.

*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 3: Leases Receivable (Continued)**

The following is a summary of the leases receivable and related lease revenue for the year ended June 30, 2022:

	Initial Receivable	Remaining Receivable	Deferred Inflows of Resources	Lease Revenue
Lease 1	\$ 711,951	\$ 700,324	\$ 682,990	\$ 28,961
Lease 2	533,734	520,537	507,485	26,249
Total	<u>\$ 1,245,685</u>	<u>\$ 1,220,861</u>	<u>\$ 1,190,475</u>	<u>\$ 55,210</u>

**Note 4: Water Bank Inventory**

The Metropolitan Water District of Southern California, a State Water Project Contractor, has allowed the District to utilize capacity in the Kern Delta Water Bank, for the purpose of increasing water supply in a dry year. The District has stored 6,300 acre-feet and is able to call on a maximum of 5,000 acre-feet per year of this stored water. This stored water is classified as a restricted asset and is valued at cost.

The following is a summary of the water bank inventory for the year ended June 30, 2022:

	Acre-feet	Inventory cost
Balance at June 30, 2021	6,300	\$ 824,614
Reductions	-	-
Balance at June 30, 2022	<u>6,300</u>	<u>\$ 824,614</u>

*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

**Note 5: Capital Assets**

Summaries of changes in capital assets in service for the year ended June 30, 2022 were as follows:

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022
Capital assets, not being depreciated:				
Land, right of ways, and pipeline capacity	\$ 49,276,258	\$ 56,754,501	\$ 294,333	\$ 105,736,426
Construction in progress	10,558,014	23,088,053	-	33,646,067
Total capital assets, not being depreciated	<u>59,834,272</u>	<u>79,842,554</u>	<u>294,333</u>	<u>139,382,493</u>
Capital assets, being depreciated:				
Buildings	6,958,811	-	-	6,958,811
Distribution lines	196,434,633	1,795,763	-	198,230,396
Brine line	7,121,795	-	-	7,121,795
Furniture, fixtures and equipment	1,647,513	179,061	471,011	1,355,563
Vehicles	529,503	92,768	28,524	593,747
Yucaipa Dam	3,698,238	-	-	3,698,238
Total capital assets, being depreciated	<u>216,390,493</u>	<u>2,067,592</u>	<u>499,535</u>	<u>217,958,550</u>
Less accumulated depreciation	<u>(67,246,735)</u>	<u>(4,983,836)</u>	<u>(499,535)</u>	<u>(71,731,036)</u>
Total capital assets, being depreciated, net	<u>149,143,758</u>	<u>(2,916,244)</u>	<u>-</u>	<u>146,227,514</u>
Participation rights in State Water Project Facilities	424,464,852	21,818,882	-	446,283,734
Less accumulated amortization	<u>(193,437,721)</u>	<u>(16,712,151)</u>	<u>-</u>	<u>(210,149,872)</u>
Participation rights in State Water Project Facilities, net	<u>231,027,131</u>	<u>5,106,731</u>	<u>-</u>	<u>236,133,862</u>
Total capital assets, net	<u>\$ 440,005,161</u>	<u>\$ 82,033,041</u>	<u>\$ 294,333</u>	<u>\$ 521,743,869</u>

Depreciation and amortization expense for the year ended June 30, 2022 was \$21,695,987.

*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 6: Notes Receivable**

Notes receivable at June 30, 2022 consisted of the following:

The District entered into a loan agreement with East Valley Water District in January 2015 for the amount of approximately \$4 million for the construction, operation and maintenance of the city creek turnout and the plant 134 Hydroelectric Station. Interest shall accrue monthly on the unpaid and outstanding balance of the costs commencing from the effective date and continuing until repayment in full at the Local Agency Investment Fund interest rate, with accrued but unpaid interest also bearing interest. The term is eleven years, or until the date on which the debt incurred by the District in financing the project is paid in full, including interest or other charges, whichever occurs later.

\$ 1,708,363

The District entered into a loan agreement with West Valley Water District in December 2016 for the amount of approximately \$4.36 million for the construction, operation and maintenance of the Lytle Creek Turnout and the Roemer Hydroelectric Station. Interest is accrued monthly on the unpaid and outstanding balance of the costs commencing from the effective date and continuing until repayment in full at the Local Agency Investment Fund interest rate, with accrued but unpaid interest also bearing interest. The term is eleven years, or until the date on which the debt incurred by the District in financing the project is paid in full, including interest or other charges, whichever occurs later.

1,990,847

Less current portion of notes receivable 3,699,210  
(761,100)

Total notes receivable, net of current portion \$ 2,938,110

**Note 7: Unearned Revenue**

The District receives cash advances from various water purveyors in exchange for commitments of future water deliveries. As of June 30, 2022, total unearned revenue amounted to \$15,032,931.

**Note 8: Certificates of Participation**

**Project Finance Agreements (direct placement)**

The District issued Revenue Certificates of Participation, Series 2011A on July 7, 2011, in the amount of \$8,565,000, to fund capital improvements to the Baseline Feeder Project. The certificates are secured by the District's annual net revenues, meaning the revenues for any given fiscal year, excluding property taxes levied for the State Water Project, less the operation and maintenance costs for that fiscal year. Principal and interest are due in semiannual installments beginning on July 1, 2012 and ending on July 1, 2041. Interest rates range from 2.00% to 4.25%. Certificates are subject to extraordinary prepayment prior to their respective stated maturities at a prepayment price equal to the principal amount thereof plus accrued interest without a premium or penalty.

*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

**Note 8: Certificates of Participation (continued)**

**Project Finance Agreements (direct placement) (continued)**

In May 2012, the District executed a Restated and Amended Agreement for the Construction, Operation and Maintenance of the New Baseline Feeder System with the District of Rialto, Riverside Highland Water Company and the West Valley Water District. The agreement requires annual capital payments by Rialto, Riverside Highland and West Valley to reimburse the District for the Debt Service on the 2011A Certificates of Participation. The District receives 100% reimbursement from the above mentioned entities and pays the annual principal and interest payable on the bonds to the bond trustee. Construction activities funded by the 2011A Certificates of Participation were completed as of June 30, 2013.

The following is a summary of bonds payable for the year ended June 30, 2022:

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022	Due within one year
2011A Certificates of Participation	\$ 6,950,000	\$ -	\$ (215,000)	\$ 6,735,000	\$ 225,000
Premium on certificates of participation	103,205	-	(5,160)	98,045	-
Total certificates of participation, net	<u>\$ 7,053,205</u>	<u>\$ -</u>	<u>\$ (220,160)</u>	<u>\$ 6,833,045</u>	<u>\$ 225,000</u>

The aggregate principal and interest debt to maturity payments for certificates of participation are summarized as follows:

Year ending June 30,	Principal	Interest	Total
2023	\$ 225,000	\$ 278,744	\$ 503,744
2024	230,000	269,644	499,644
2025	240,000	260,244	500,244
2026	250,000	250,444	500,444
2027	260,000	240,244	500,244
2028 - 2032	1,475,000	1,032,320	2,507,320
2033 - 2037	1,805,000	692,990	2,497,990
2038 - 2042	<u>2,250,000</u>	<u>254,841</u>	<u>2,504,841</u>
Totals	<u>\$ 6,735,000</u>	<u>\$ 3,279,471</u>	<u>\$ 10,014,471</u>

The District repaid \$498,242 during the year ended June 30, 2022, of which \$215,000 related to principal payments and \$283,242 related to imputed interest.

In the event of default or termination, the District has agreed, upon demand, to immediately repay the Trustee or the Owners of not less than a majority in aggregate principal amount of Certificates at the time Outstanding will be entitled an amount equal to unpaid installment payments, including accrued interest thereon, and all penalty assessments due. In the event of default or termination, interest shall accrue at the rate or rates applicable to the installment payments.



*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 9: Defined Benefit Pension Plans (PERS)**

**A. General information about the pension plan**

***Plan description***

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The District sponsors three miscellaneous rate plans. Benefit provisions under the Plan are established by State statute and District 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, at [www.calpers.ca.gov](http://www.calpers.ca.gov).

***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 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

The Plan's provisions and benefits in effect at June 30, 2022 are summarized as follows:

Hire date	Prior to January 1, 2011	On or after January 1, 2011 and prior to January 1, 2013	On or after January 1, 2013
Benefit formula	3.0% @ 60	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-60	50-60	52-62
Monthly benefits, as a % of eligible compensation	2.0%-3.0%	1.92%-2.0%	1.0%-2.0%
Required employee contribution rates	8.0%	7.0%	7.5%
Required employer contribution rates	17.200%	10.470%	8.090%

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 9: Defined Benefit Pension Plans (PERS), (Continued)**

**A. General information about the pension plan, (Continued)**

***Contributions***

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer Contributions to the Plan for the fiscal year ended June 30, 2022 were \$778,783. The actual employer payments of \$627,920 made to CalPERS by the District during the measurement period ended June 30, 2021 differed from the District's proportionate share of the employer's contributions of \$1,288,593 by \$660,673, which is being amortized over the expected average remaining service lifetime in the Public Agency Cost-Sharing Multiple Employer Plan.

**B. Net pension liability**

The District's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2021, using an annual actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 9: Defined Benefit Pension Plans (PERS), (Continued)**

**B. Net pension liability, (Continued)**

***Actuarial methods and assumptions used to determine total pension liability***

All other actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website, at [www.calpers.ca.gov](http://www.calpers.ca.gov).

	<b>Miscellaneous</b>
Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table <sup>(1)</sup>	Derived using CALPERS' membership data for all Funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.50% until purchasing power protection allowance floor on purchasing power applies, 2.50% thereafter.

(1) The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

***Long-term expected rate of return***

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

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

# San Bernardino Valley Municipal Water District

## Notes to the Basic Financial Statements For the Year Ended June 30, 2022

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### Note 9: Defined Benefit Pension Plans (PERS), (Continued)

#### B. Net pension liability, (Continued)

The expected real rates of return by asset class are as follows:

<b>Asset Class<sup>1</sup></b>	<b>Current Target Allocation</b>	<b>Real Return Years 1 - 10<sup>2</sup></b>	<b>Real Return Years 11+<sup>3</sup></b>
Public Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	-	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	-	(0.92%)

<sup>1</sup> In the System's ACFR, fixed income is included in global debt securities; liquidity is included in short-term investments; inflation assets are included in both global equity securities and global debt securities.

<sup>2</sup> An expected inflation of 2.0% used for this period

<sup>3</sup> An expected inflation of 2.92% used for this period

#### **Change of assumptions**

There were no change of assumptions for measurement date June 30, 2021.

#### **Discount rate**

The discount rate used to measure the total pension liability for PERF C was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

#### **Subsequent Events**

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 9: Defined Benefit Pension Plans (PERS), (Continued)**

**B. Net pension liability, (Continued)**

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

***Pension plan fiduciary net position***

Information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS' audited financial statements, which are publicly available reports that can be obtained at CalPERS' website, at [www.calpers.ca.gov](http://www.calpers.ca.gov). The plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

**C. Proportionate share of net pension liability**

The following table shows the Plan's proportionate share of the net position liability over the measurement period.

	Increase (Decrease)		
	Plan Total Pension Liability	Plan Fiduciary Net Position	Plan Net Pension Liability / (Asset)
Balance at: 6/30/2020 (VD)	\$ 31,765,523	\$ 28,093,272	\$ 3,672,251
Balance at: 6/30/2021 (MD)	32,612,164	32,762,312	(150,148)
Net changes during 2020-21	846,641	4,669,040	(3,822,399)
Valuation Date (VD), Measurement Date (MD)			

The District's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website, at [www.calpers.ca.gov](http://www.calpers.ca.gov). The District's proportionate share of the net pension liability for the miscellaneous Plan as of the June 30, 2020 and 2021 measurement dates was as follows:

Proportion - June 30, 2020	0.087060%
Proportion - June 30, 2021	(0.00791%)
Change - Increase (Decrease)	(0.09497%)

*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 9: Defined Benefit Pension Plans (PERS), (Continued)**

**C. Proportionate share of net pension liability, (Continued)**

***Sensitivity of the proportionate share of the net pension liability to changes in the discount rate***

The following presents the District's proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Miscellaneous Tier 1 Plan's Net Pension Liability (Asset)	\$ 4,155,665	\$ (150,148)	\$ (3,709,703)

***Amortization of Deferred Outflows and Deferred Inflows of Resources***

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on pension plan investments	5 year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lives (EARSL) of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period.

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the Public Agency Cost-Sharing Multiple-Employer Plan (PERF C).

The EARSL for PERF C for the measurement period ending June 30, 2021 is 3.7 years, which was obtained by dividing the total service years of 561,622 (the sum of remaining service lifetimes of the active employees) by 150,648 (the total number of participants: active, inactive, and retired) in PERF C. Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

**D. Pension expense and deferred outflows and deferred inflows of resources related to pensions**

As of the start of the measurement period (July 1, 2020), the District's net pension liability for the plan was \$3,672,251. For the measurement period ending June 30, 2021 (the measurement date), the District incurred a pension credit of \$3,146,857 for the Plan.

*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 9: Defined Benefit Pension Plans (PERS), (Continued)**

**D. Pension expense and deferred outflows and deferred inflows of resources related to pensions, (Continued)**

As of June 30, 2022, the District has deferred outflows and deferred inflows of resources related to pensions as follows:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ (16,838)	\$ -
Differences between Projected and Actual Investment Earnings	131,072	-
Differences between Employer's Contributions and Proportionate Share of Contributions	-	854,961
Change in Employer's Proportion	965,219	-
Pension Contributions made Subsequent to Measurement Date	778,783	-
	<u>\$ 1,858,236</u>	<u>\$ 854,961</u>

These amounts above are net of outflows and inflows recognized in the 2020-21 measurement period expense. Contributions subsequent to the measurement date of \$778,783 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

<b>Fiscal Year Ending June 30:</b>	<b>Deferred Outflows/(Inflows) of Resources, Net</b>
2023	\$ 46,650
2024	73,379
2025	68,241
2026	36,222
2027	-
Thereafter	-
	<u>\$ 224,492</u>

**E. Payable to the pension plan**

At June 30, 2022, the District reported a payable of \$-0- for the outstanding amount of contributions to the pension plan required for the year then ended.

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 10: Other-Post Employment Benefits (OPEB)**

***Plan description***

The District offers a health care plan to active and retired employees, as well as their qualified dependents. For employees hired prior to April 19, 2011, the District pays the entire cost of the monthly medical and dental insurance premiums for retired employees and their dependents who have reached at least age 50 with a minimum of 10 years' service. District-provided benefits continue for the life of the retiree and eligible family members. Benefits are also continued to surviving family members in the event of the death of an active eligible employee if age plus service at death equals 60 or more. For employees hired after April 19, 2011, who have reached at least age 60 with a minimum of 15 years of service, the District pays the entire cost of the monthly medical and dental insurance premiums for retired employees and their dependents until the employee reaches the age of Medicare eligibility as determined by the United States Department of Health and Human Services. The District participates in the ACWA medical program and Delta Dental of California. Retirees may enroll in any of the single-employer benefit plans offered by the District. The authority to establish and amend postemployment benefits resides with the District's Board of Directors.

The District intends to pre-fund its other postemployment benefits (OPEB) with CalPERS through the California Employers' Retiree Benefits Trust (CERBT) Fund. The CERBT is a trust fund that allows public employers to pre-fund the future cost of their retiree health insurance benefits and OPEB obligations for their covered employees or retirees. Employers that elect to participate in the CERBT make contributions into the trust fund. Participating employers use investment earnings to pay for retiree health benefits, similar to the CalPERS pension trust. CalPERS issues a publicly available annual financial report that includes financial statements and required supplementary information for the CERBT. That report may be obtained by writing to CalPERS Headquarters, Lincoln Plaza North, 400 Q Street, Sacramento, CA 95811, or on the internet at [www.calpers.ca.gov](http://www.calpers.ca.gov).

***Employees covered***

As of the June 30, 2021 actuarial valuation, the following current and former employees were covered by the benefit terms under the Plan:

Active employees	30
Inactive employees or beneficiaries currently receiving benefits	10
Total	<u>40</u>

***Contributions***

The Plan and its contribution requirements are established by Ordinance and may be amended by Board action to update the original ordinance. The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2022, the District's cash contributions were \$608,247 in payments to the CalPERS' California Employer's Retiree Benefit Trust (CERBT).



*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 10: Other-Post Employment Benefits (OPEB), (Continued)**

***Net OPEB liability***

The District's net OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2020, based on the following actuarial methods and assumptions:

Actuarial Assumptions:

Discount Rate	6.73%
Inflation	2.01%
Salary Increases	3.25% annual increases
Investment Rate of Return	6.73%
Mortality Rate	The mortality rates used in this valuation are those used in the CalPERS 2017 experience study.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term expected real rate of return</u>
Equity	44%	5.23%
Fixed Income	48%	1.15%
REIT's	8%	5.08%
Cash	0%	0.00%
Total	<u>100%</u>	

***Discount rate***

The discount rate used to measure the total OPEB liability was 6.73 percent. The projection of cash flows used to determine the discount rate assumed that District's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

**Note 10: Other-Post Employment Benefits (OPEB), (Continued)**

***Changes in the OPEB Liability***

The changes in the net OPEB liability for the Plan are as follows:

	<u>Total OPEB Liability (a)</u>	<u>Plan Fiduciary Net Position (B)</u>	<u>Net OPEB Liability (c)= (a) - (b)</u>
<b>Balance at June 30, 2021</b> (Measurement Date June 30, 2020)	\$ 6,317,174	\$ 3,517,333	\$ 2,799,841
<b>Changes recognized for the measurement period:</b>			
Service Cost	115,141	-	115,141
Interest	427,236	-	427,236
Difference between expected and actual experience	(11,779)	-	(11,779)
Contributions - employer	-	645,965	(645,965)
Net investment income	-	700,473	(700,473)
Benefit payments	(170,965)	(170,965)	-
Administrative expenses	-	(1,296)	1,296
<b>Net Changes</b>	<u>359,633</u>	<u>1,174,177</u>	<u>(814,544)</u>
<b>Balance at June 30, 2022</b> (Measurement Date June 30, 2021)	<u>\$ 6,676,807</u>	<u>\$ 4,691,510</u>	<u>\$ 1,985,297</u>

***Sensitivity of the Net OPEB Liability to changes in the discount rate***

The following presents the net OPEB liability of the District's if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

	<u>Discount Rate - 1%</u> <u>5.73%</u>	<u>Current Discount Rate</u> <u>6.73%</u>	<u>Discount Rate + 1%</u> <u>7.73%</u>
Net OPEB Liability	\$ 2,943,752	\$ 1,985,297	\$ 1,196,590

***Sensitivity of the Net OPEB Liability to changes in the health care cost trend rates***

The following presents the net OPEB liability of the District if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Net OPEB Liability	\$ 1,150,949	\$ 1,985,297	\$ 2,978,403

*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 10: Other-Post Employment Benefits (OPEB), (Continued)**

***OPEB plan fiduciary net position***

CalPERS issues a publicly available CERBT financial report that may be obtained from the CalPERS' website at [www.calpers.ca.gov](http://www.calpers.ca.gov).

***Recognition of deferred outflows and deferred inflows of resources***

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

The recognition period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on OPEB plan investments	5 years
All other amounts	For assumption changes and experience gains/losses, we assumed Average Future Working Lifetime, averages over all active and retirees (retirees are assumed to have no future working years)

***OPEB expense and deferred outflows/inflows of resources related to OPEB***

For the fiscal year ended June 30, 2022, the District recognized OPEB expense of \$578,635. As of fiscal year ended June 30, 2022, the District reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 608,247	\$ -
Changes of assumptions	-	(2,723,429)
Differences between expected and actual experience	303,975	(40,552)
Net difference between projected and actual earnings on OPEB plan investments	-	(315,365)
Total	<u>\$ 912,222</u>	<u>\$ (3,079,346)</u>

*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 10: Other-Post Employment Benefits (OPEB), (Continued)**

***OPEB expense and deferred outflows/inflows of resources related to OPEB, (Continued)***

The \$608,247 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2021 measurement date will be recognized as a reduction of the net OPEB liability in the upcoming year. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

<b>Fiscal Year Ended June 30:</b>	<b>Deferred Outflows/(Inflows) of Resources</b>
2023	\$ (869,524)
2024	(872,159)
2025	(821,501)
2026	(171,700)
2027	(19,476)
Thereafter	<u>(21,011)</u>
	<u><u>\$ (2,775,371)</u></u>

**Note 11: 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 within its service area. The financing of such construction contracts is being provided primarily from the District's replacement reserves. The District has committed to \$34,289,005 in open construction contracts as of June 30, 2022. These include:

<u>Project</u>	<u>Approved Contract</u>	<u>Payments To Date</u>	<u>Balance To Complete</u>
Cactus Basin Project	\$ 2,020,000	\$ 897,633	\$ 1,122,367
Waterman Turnout Hydroelectric Project	2,824,174	2,656,537	167,637
Enhanced Recharge Project Phase 1B	4,236,576	2,286,168	1,950,408
Enhanced Recharge Phase 1A, Basin Lining Improvements	94,025	84,133	9,892
Regional Recycled Water Pipeline	55,891,175	24,852,474	31,038,701
	<u>\$ 65,065,950</u>	<u>\$ 30,776,945</u>	<u>\$ 34,289,005</u>

***State of California Department of Water Resources***

On December 30, 1960, the District entered into a contract with the State of California, Department of Water Resources to receive an annual entitlement for water from the State Water Project. The District assumed a proportionate share of capital costs and minimum operations, maintenance, power and replacement costs of the State facilities, in addition to paying variable operations, maintenance, power and replacement costs on a per-acre-foot charge for water deliveries received.

*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

**Note 11: Commitments and Contingencies (Continued)**

***State of California Department of Water Resources, (Continued)***

The District's future commitment for State Water Project costs over the years 2022 to 2035, according to the payment schedule dated June 30, 2022, is estimated as follows:

Transportation charges:	
Capital cost component	\$ 52,075,423
Minimum operations, maintenance, power and replacement component	268,109,620
Variable operations, maintenance, power and replacement component	220,499,756
	<u>540,684,799</u>
Delta water charges	123,416,722
Water system revenue bond surcharge	38,346,874
Off Aqueduct power facilities charges	657,628
East branch extension capital cost	277,418,309
	<u>277,418,309</u>
 Total	 <u><u>\$ 980,524,332</u></u>

***Jointly governed organization***

The District participates in the following jointly governed organization with other districts and agencies for various water projects and operating facilities in Southern California:

Santa Ana Watershed Project Authority

The Santa Ana Watershed Project Authority (SAWPA) was formed under a joint exercise of power agreement for the purpose of undertaking projects for water quality control, protection, and pollution abatement in the Santa Ana River Watershed. SAWPA is composed of five member water agencies within the watershed area: Eastern Municipal Water District, Orange County Water District, San Bernardino Valley Municipal Water District, Western Municipal Water District, and the Inland Empire Utilities Agencies. Each participating agency appoints one commissioner and one alternate commissioner to form the Board of Commissioners, the governing body of SAWPA. Financial data for SAWPA is available online at [www.sawpa.org](http://www.sawpa.org).

Condensed financial information for the operation of SAWPA for the fiscal year ended June 30, 2021 is as follows:

	<u>2021</u>
Total assets	<u>\$ 176,898,456</u>
Total deferred outflows of resources	<u>\$ 2,820,019</u>
Total liabilities	<u>\$ 104,553,366</u>
Total deferred inflows of resources	<u>\$ 1,838,107</u>
Total net position	<u>\$ 73,327,002</u>
 Total revenues	 <u>\$ 32,024,564</u>
Total expenses	<u>\$ (32,022,668)</u>
Change in net position	<u>\$ 1,896</u>

*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 12: Funds Held in Trust**

The District is the administrator and custodian of funds held in trust on behalf of the California Department of Fish & Game (CDFG), as prescribed in the Memorandum of Agreement dated March 2007 (Agreement). The Agreement requires the District and Western Municipal Water District to deposit a combined sum of \$50,000 per year, from 2007 to 2017, into a segregated fund administered by the District. Accordingly, the segregated fund is presented as a restricted asset and liability in these financial statements. The CDFG shall direct the District on the disbursements from the fund as needed, in accordance with the Agreement. The balance of the Santa Ana River Restoration/Recovery Trust Fund as of June 30, 2022 was \$379,917.

**Note 13: Net Position**

The components of net position consist of the following on June 30, 2022:

Net investment in capital assets:	
Capital assets, net	\$ 251,963,940
Participation rights in State Water Project facilities - net	236,133,862
Construction in progress	33,646,067
Less:	
Certificates of participation	(6,735,000)
Premium on certificates of participation, net	<u>(98,045)</u>
Total net investment in capital assets	<u>514,910,824</u>
Restricted net position:	
Restricted for debt service - State Water Project	459,810,089
Restricted for debt service - Devil Canyon-Castaic	<u>5,308,500</u>
Total restricted net position	<u>465,118,589</u>
Unrestricted net position:	
Nonspendable net position:	
Prepaid expenses	563
Water bank inventory	<u>824,614</u>
	825,177
Spendable net position:	
Operating reserve	<u>64,986,201</u>
Total unrestricted net position	<u>65,811,378</u>
Total net position	<u>\$ 1,045,840,791</u>

*San Bernardino Valley Municipal Water District*

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2022**

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**Note 14: Risk Management**

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To help mitigate some of these risks, the District has purchased commercial insurance as follows:

Property loss - Insured up to \$100,000,000 per occurrence (total insurable value of \$73,028,872 as of June 20, 2019), with a \$5,000 deductible for buildings, personal property, fixed equipment, mobile equipment, and licensed vehicles.

Boiler and machinery - Insured up to \$100,000,000 per occurrence (total insurable value of \$73,028,872 as of June 20, 2019), with a \$10,000 deductible for boiler and machinery breakdown.

Auto liability - Insured up to \$1,000,000 per occurrence with no deductible for property damage.

Information security and privacy liability - Insured up to \$2,000,000 per occurrence with no deductible for security and privacy breaches.

Pollution liability - Insured up to \$2,000,000 per occurrence with no deductible for underground storage tanks.

The District has obtained liability, property and workers compensation insurance through Association of California Water Agencies (ACWA) Joint Power Insurance Authority (JPIA) beginning in July 2021.

The District pays annual premiums for these coverages. They are subject to retrospective adjustments based on claims experience. The nature and amounts of these adjustments cannot be estimated and are charged to expense as invoiced. There have been no significant reductions in insured liability coverage from coverage in the prior year, and there were no instances in the past three years where a settlement exceeded the District's coverage.

**Note 15: Prior Period Adjustment**

The District's net position was restated as follows due to the implementation of GASB Statement No. 87:

Beginning net position, as previously reported	\$ 1,001,022,674
Restatement due to change in accounting principle	<u>(4,500)</u>
Beginning net position, as restated	<u>\$ 1,001,018,174</u>

*San Bernardino Valley Municipal Water District*

**Required Supplementary Information  
 Schedule of District's Proportionate Share of the Plan's Net Pension Liability and  
 Related Ratios as of the Measurement Date  
 Last 10 Years\***

<u>Measurement Date</u>	<u>Employer's Proportion of the Collective Net Pension Liability (Asset)<sup>1</sup></u>	<u>Employer's Proportionate Share of the Collective Net Pension Liability (Asset)</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Collective Net Pension Liability (Asset) as a Percentage of the Employer's Covered Payroll</u>	<u>Pension's Plans Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)</u>
6/30/2014	0.089700%	\$ 5,587,972	\$ 2,166,220	258%	77%
6/30/2015	0.084587%	5,805,949	2,279,057	255%	77%
6/30/2016	0.072157%	6,243,808	2,210,568	282%	76%
6/30/2017	0.027173%	2,694,804	2,127,895	127%	90%
6/30/2018	0.023636%	2,277,589	2,252,665	101%	92%
6/30/2019	0.028612%	2,931,878	2,761,632	106%	90%
6/30/2020	0.033751%	3,672,251	2,907,350	126%	88%
6/30/2021	-0.002776%	(150,148)	3,422,597	-4%	100%

<sup>1</sup> Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 Survivors Risk Pool.

\* Historical information is required only for measurement periods for which GASB 68 is applicable. Future years' information will displayed up to 10 years as needed as information becomes available.



*San Bernardino Valley Municipal Water District*

**Required Supplementary Information  
Schedule of Plan Contributions  
Last 10 years\***

Fiscal Year	Contractually Determined Contributions	Contributions in Relation to the Contractually Determined Contributions	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
2014-15	\$ 654,436	\$ (654,436)	\$ -	\$ 2,279,057	28.72%
2015-16	1,563,043	(1,563,043)	-	2,210,568	70.71%
2016-17	4,308,248	(4,308,248)	-	2,127,895	202.47%
2017-18	380,370	(380,370)	-	2,252,665	16.89%
2018-19	601,348	(601,348)	-	2,761,632	21.78%
2019-20	709,684	(709,684)	-	2,907,350	24.41%
2020-21	627,920	(627,920)	-	3,422,597	18.35%
2021-22	778,783	(778,783)	-	4,119,491	18.90%

\* Historical information is required only for measurement periods for which GASB 68 is applicable. Future years' information will be displayed up to 10 years as needed as information becomes available.

**Notes to Schedule:**

**Changes in Benefit Terms:** There were no changes to benefit terms that applied to all members of the Public Agency Pool. Additionally, the figures above do not include any liability impact that may have resulted from Golden Handshakes that occurred after the June 30, 2020 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

**Changes in Assumptions:** There were no assumption changes for 2021. For 2020, the Plan adopted a new amortization policy effective with the 2019 actuarial valuation. The new amortization policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount. In addition, the new policy does not utilize a five-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy also does not utilize a five-year ramp-down on investment gains/losses. These changes apply only to new UAL bases established on or after June 30, 2019. There were no changes in assumptions in 2019. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate in 2019. In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes in the discount rate. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

*San Bernardino Valley Municipal Water District*

**Required Supplementary Information  
Schedule of Changes in the Net OPEB Liability and Related Ratios as of the Measurement Date  
Last 10 years\***

Measurement Period Ended June 30:	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Total OPEB Liability</b>					
Service Cost	\$ 415,185	\$ 153,033	\$ 117,741	\$ 123,628	\$ 115,141
Interest on the Total OPEB Liability	317,872	409,717	387,786	409,881	427,236
Actual and expected experience difference	(1,955)	87,576	(48,509)	345,803	(11,779)
Changes in assumptions	(5,400,852)	(802,057)	-	(461,236)	-
Benefit payments	(126,972)	(141,570)	(136,035)	(133,104)	(170,965)
<b>Net change in Total OPEB Liability</b>	<u>(4,796,722)</u>	<u>(293,301)</u>	<u>320,983</u>	<u>284,972</u>	<u>359,633</u>
<b>Total OPEB Liability - beginning</b>	<u>10,801,242</u>	<u>6,004,520</u>	<u>5,711,219</u>	<u>6,032,202</u>	<u>6,317,174</u>
<b>Total OPEB Liability - ending (a)</b>	<u>6,004,520</u>	<u>5,711,219</u>	<u>6,032,202</u>	<u>6,317,174</u>	<u>6,676,807</u>
<b>Plan Fiduciary Net Position</b>					
Contribution - employer	2,026,972	141,570	886,035	558,104	645,965
Net investment income	28,815	116,588	142,801	157,273	700,473
Benefit payments	(126,972)	(141,570)	(136,035)	(133,104)	(170,965)
Administrative expense	(135)	(1,014)	(444)	(1,551)	(1,296)
<b>Net change in Plan Fiduciary Net Position</b>	<u>1,928,680</u>	<u>115,574</u>	<u>892,357</u>	<u>580,722</u>	<u>1,174,177</u>
<b>Plan Fiduciary Net Position - beginning</b>	<u>-</u>	<u>1,928,680</u>	<u>2,044,254</u>	<u>2,936,611</u>	<u>3,517,333</u>
<b>Plan Fiduciary Net Position - ending (b)</b>	<u>1,928,680</u>	<u>2,044,254</u>	<u>2,936,611</u>	<u>3,517,333</u>	<u>4,691,510</u>
<b>Net OPEB Liability - ending (a) - (b)</b>	<u>\$ 4,075,840</u>	<u>\$ 3,666,965</u>	<u>\$ 3,095,591</u>	<u>\$ 2,799,841</u>	<u>\$ 1,985,297</u>
Plan fiduciary net position as a percentage of the total OPEB liability	32.12%	35.79%	48.68%	55.68%	70.27%
Covered-employee payroll <sup>(1)</sup>	\$ 2,127,895	\$ 2,252,665	\$ 2,763,767	\$ 2,894,400	\$ 3,414,697
Net OPEB liability as a percentage of covered-employee payroll <sup>(1)</sup>	191.54%	162.78%	112.01%	96.73%	58.14%

**Notes to schedule:**

(1) Covered-employee payroll represented above is based on covered-employee payroll provided by the employer. GASB 75 defines covered-employee payroll as the total payroll of employees that are provided OPEBs through the OPEB plan. Contributions are not based on a measure of pay, therefore, covered-employee payroll is used in this schedule.

Mortality Improvement: The mortality rates used in this valuation are those used in the 2017 CalPERS experience study.

\* Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

Fiscal Year 2017-18 was the first year of implementation.

*San Bernardino Valley Municipal Water District*

**Required Supplementary Information  
Schedule of OPEB Plan Contributions  
Last 10 years\***

Fiscal Year Ended June 30	2017	2018	2019	2020	2021	2022
Actuarially Determined Contributions (ADC) <sup>(2)</sup>	\$ 529,151	\$ 529,151	\$ 388,949	\$ 391,749	\$ 339,717	\$ 339,717
Contribution in relation to the ADC (Excess)/deficiency	<u>(2,026,972)</u>	<u>(141,570)</u>	<u>(886,035)</u>	<u>(558,104)</u>	<u>(645,965)</u>	<u>(608,247)</u>
	<u>\$ (1,497,821)</u>	<u>\$ 387,581</u>	<u>\$ (497,086)</u>	<u>\$ (166,355)</u>	<u>\$ (306,248)</u>	<u>\$ (268,530)</u>
Covered-employee payroll <sup>(3)</sup>	\$ 2,127,895	\$ 2,252,665	\$ 2,763,767	\$ 2,894,400	\$ 3,414,697	\$ 3,414,697
Contribution as a percentage of covered-employee payroll <sup>(3)</sup>	95.26%	6.28%	32.06%	19.28%	18.92%	17.81%

<sup>2</sup> Employers setting a discount rate based on the assumption that assets will be sufficient to cover all future benefit payments under the plan are assumed to annually make contributions equal to the actuarially determined contribution. Annual contributions made that are substantially less than the ADC would require additional support for use of a discount rate equal to the long-term expected return on trust assets.

<sup>3</sup> Covered-Employee Payroll represented above is based on covered-employee payroll provided by the employer. GASB 75 defines covered-employee payroll as the total payroll of employees that are provided benefits through the OPEB plan. Accordingly, if OPEB covered-employee payroll shown above is different than total earnings for covered-employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll-related ratios.

**Notes to Schedule:**

Actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2022 were from the June 30, 2021 actuarial valuation.

**Methods and assumptions used to determine contributions:**

Actuarial Cost Method	Entry Age Normal
Amortization Methodology	Straight-line amortization. For assumption changes and experience gains/losses: Average Future Working Lifetime averages over all actives and retirees (retirees are assumed to have no future working years). For asset gains and losses: 5 years.
Asset Valuation Method	Market value
Discount Rate	6.73%
Inflation	2.01%
Payroll Growth	3.25% per annum, in aggregate
Investment Rate of Return	6.73% per annum
Healthcare Trend Rates	6.90% initial, decreasing to 5.00% in 2028 and later
Retirement Age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2011.
Mortality	Pre-retirement mortality probability based on 2017 CalPERS 1997-2011 Experience Study covering CalPERS participants. Post-retirement mortality probability based on CalPERS Experience Study 2007-2011 covering participants in CalPERS.

\* Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.



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**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**

*Independent Auditor's Report*

Board of Directors  
San Bernardino Valley Municipal Water District  
San Bernardino, 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 accompanying financial statements of the business-type activities of San Bernardino Valley Municipal Water District (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise San Bernardino Valley Municipal Water District's basic financial statements, and have issued our report thereon dated December 7, 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) as a basis for designing 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### ***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*.

### **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.

*Rogers, Anderson, Malody & Scott, LLP.*

San Bernardino, California  
December 7, 2022



ROGERS, ANDERSON, MALODY & SCOTT, LLP  
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

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December 7, 2022

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To the Board of Directors  
San Bernardino Valley Municipal Water District  
380 E. Vanderbilt Way  
San Bernardino, California 92408

We have audited the financial statements of San Bernardino Valley Municipal Water District (the District) as of and for the year ended June 30, 2022, and have issued our report thereon dated December 7, 2022. Professional standards require that we advise you of the following matters relating to our audit.

**Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated July 5, 2022, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

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

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

### **Planned Scope and Timing of the Audit**

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

### **Compliance with All Ethics Requirements Regarding Independence**

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

### **Significant Risks Identified**

We have identified the possibility of the following significant risks:

*Management's override of internal controls over financial reporting* – Management override of internal controls is the intervention by management in handling financial information and making decisions contrary to internal control policy.

*Revenue recognition* – Revenue recognition is a generally accepted accounting principle that refers to the conditions under which an entity can recognize a transaction as revenue. Auditing standards indicate that recognizing revenue is a presumed fraud risk and usually classified as a significant risk in most audits.

These significant risks are presumptive in most audits and merit attention by the auditors due to the direct impact over financial reporting and internal control processes. Although identified as significant risks, we noted no matters of management override of controls or deviations from generally accepted accounting principles which caused us to modify our audit procedures or any related matters which are required to be communicated to those charged with governance due to these identified risks.

### **Qualitative Aspects of the Entity's Significant Accounting Practices**

#### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. The District adopted GASB Statement No. 87, *Leases*, during 2022. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

#### *Significant Accounting Estimates*

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

The most sensitive accounting estimates affecting the financial statements are:

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

Management's estimate of capital asset depreciation is based on historical estimates of each capitalized item's useful life. We evaluated the key factors and assumptions used to develop the estimated useful lives in determining that it is reasonable in relation to the financial statements as a whole.

Management's estimate of water inventory is based on current water levels at rates passed on to the District by the Kern Delta Water District. We evaluated the key factors and assumptions used to develop these amounts in determining that it is reasonable in relation to the financial statements as a whole.

Management's estimate of the net pension liability and related deferred inflows and outflows are based on actuarial reports provided by independent actuaries. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the liability for other post-employment benefits is based on actuarial reports provided by independent actuaries. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements as a whole.

#### *Financial Statement Disclosures*

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

The disclosure of fair value estimates in the notes to the financial statements represents amounts susceptible to market fluctuations.

The disclosure of accumulated depreciation in the notes to the financial statements is based on estimated useful lives which could differ from actual useful lives of each capitalized item.

The disclosure of net pension liability and related deferred inflows and outflows in the notes to the financial statements is based on actuarial assumptions. Actual future liabilities may vary from disclosed estimates.

The disclosure of the other post-employment benefits (OPEB) in the notes to the basic financial statements identifies the annual OPEB cost and the funded status of the actuarial accrued liability. The information disclosed is based on actuarial assumptions which could differ from actual costs.



### **Significant Difficulties Encountered during the Audit**

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

### **Uncorrected and Corrected Misstatements**

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

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

### **Disagreements with Management**

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

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter in a letter dated December 7, 2022.

### **Management's Consultations with Other Accountants**

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

### **Other Significant Matters, Findings, or Issues**

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

### **Other Information in Documents Containing Audited Financial Statements**

Pursuant to professional standards, our responsibility as auditors for other information in documents containing the District's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have applied certain limited procedures to Management's Discussion and Analysis, and those schedules as listed in the table of contents. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the Required Supplementary Information (RSI) and do not express an opinion or provide any assurance on the RSI.

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

This report is intended solely for the information and use of the Board of Directors and Management of the District and is not intended to be and should not be used by anyone other than these specified parties.

*Rogers, Anderson, Malody & Scott, LLP.*

San Bernardino, California

December 7, 2022

Rogers, Anderson, Malody & Scott, LLP  
735 E. Carnegie Drive, Suite 100  
San Bernardino, CA 92408

This representation letter is provided in connection with your audit of San Bernardino Valley Municipal Water District (the District) as of June 30, 2022 and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, of the business-type activities in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of December 7, 2022.

### Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated July 5, 2022, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.
- 2) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 4) We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- 5) We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- 6) We have a process to track the status of audit findings and recommendations.
- 7) We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

#### Board of Directors and Officers

JUNE HAYES  
Division 1

GIL BOTELLO  
Division 2

SUSAN LONGVILLE  
Division 3

T. MILFORD HARRISON  
Division 4

PAUL R. KIELHOLD  
Division 5

HEATHER P. DYER  
CEO / General Manager

- 8) Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- 9) Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- 10) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- 11) The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- 12) All funds and activities are properly classified.
- 13) All components of net position are properly classified and, if applicable, approved.
- 14) Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available is appropriately disclosed and net position is properly recognized under the policy.
- 15) All revenues and expenses within the statement of revenues, expenses and changes in net position have been properly classified.
- 16) All interfund and intra-entity transactions and balances have been properly classified and reported.
- 17) Deposit and investment risks have been properly and fully disclosed.
- 18) Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- 19) All required supplementary information is measured and presented within the prescribed guidelines.
- 20) With regard to investments and other instruments reported at fair value:
  - a. The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
  - b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
  - c. The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
  - d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
- 21) With regard to the preparation of the financial statement, we have performed the following:
  - a. Made all management decisions and performed all management functions;
  - b. Assigned a competent individual to oversee the services;
  - c. Evaluated the adequacy of the services performed;
  - d. Evaluated and accepted responsibility for the result of the service performed; and
  - e. Established and maintained internal controls, including monitoring ongoing activities.

## Information Provided

- 22) We have provided you with:
  - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the business-type activities, such as records, documentation, meeting minutes, and other matters;
  - b. Additional information that you have requested from us for the purpose of the audit; and
  - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- 23) All transactions have been recorded in the accounting records and are reflected in the financial statements.
- 24) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 25) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
  - a. Management;
  - b. Employees who have significant roles in internal control; or
  - c. Others where the fraud could have a material effect on the financial statements.
- 26) We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- 27) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 28) We have disclosed to you the identity of the District's related parties and all the related party relationships and transactions of which we are aware.
- 29) There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- 30) The District has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- 31) We have disclosed to you all guarantees, whether written or oral, under which the District is contingently liable.
- 32) We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.

- 33) We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- 34) There are no:
  - a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
  - b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
  - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62.
  - d. Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- 35) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- 36) We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

#### **Required Supplementary Information**

- 37) With respect to the required supplementary information, as listed in the table of contents, accompanying the financial statements:
  - a. We acknowledge our responsibility for the presentation of the required supplementary information in accordance with U.S. GAAP and any applicable Governmental Accounting Standards Board Statements.
  - b. We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with any applicable criteria.
  - c. The methods of measurement or presentation have not changed from those used in the prior period.

**Use of a Specialist**

- 38) An actuary has been used by the District to measure pension and other postemployment benefit liabilities and costs.
- a. We have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.
  - b. We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefit liabilities and costs for financial accounting purposes are appropriate in the circumstances.



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Cindy Saks

Chief Financial Officer / Deputy General Manager



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**DATE:** December 20, 2022  
**TO:** Board of Directors  
**FROM:** Bob Tincher, Chief Water Resources Officer/Deputy General Manager  
**SUBJECT:** State Water Project Report

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**Staff Recommendation**

Receive and file.

**Summary**

This month, the topics that staff would like to highlight for the Board are:

1. State Water Project
  - a. Valley District delivered its millionth acre-foot of State Water Project water this year!
  - b. The most recent storms provided near average precipitation in the watershed that feeds the State Water Project.
  - c. The Department of Water Resources released a new report on how the Delta Conveyance project will help overcome the anticipated effects of climate change (attached).
  - d. The comment period for the Delta Conveyance Environmental Impact Report closed December 16, 2022.
2. Sites Reservoir
  - a. The Sites Reservoir Project is on track. The most recent status report is attached for your information.



## **Attachments**

1. How Will the Delta Conveyance Project Help Adapt to Climate Change?
2. November Sites Reservoir Project Status Report

## Delta Conveyance Project



December 7, 2022

## How Will the Delta Conveyance Project Help Adapt to Climate Change?

The proposed Delta Conveyance Project would help ensure water supply reliability for the State Water Project in light of projected future changes in precipitation and seasonal flow patterns due to climate change.

Global climate models forecast a range of future scenarios, which show a variety of projected changes in annual runoff in the Central Valley (from -32% to +47%).

These climate models project:

- More precipitation will fall as rain instead of snow in the winter months
- More extreme climate events such as extreme drought and flood cycles
- Flashier storms, meaning pockets of intense precipitation scattered within dry stretches

These climate changes will directly affect water management in California. Existing water management facilities were designed to capture water in upstream reservoirs and in the Delta based on historic climate patterns. However, these climate patterns are changing.

Historically, winter precipitation came in the form of snow in the mountains and rain in the valley. The snowpack in the mountains has functioned as additional storage, delaying water from flowing into downstream reservoirs and into the Delta until late spring when it began to melt. This pattern of accumulating snowpack followed by slower snowmelt and more stable streamflow is the basis for historical water and flood management.

If climate change causes more precipitation to fall as rain instead of snow, the majority of the flow into reservoirs and the Delta is expected to occur in the winter months. This increased flow in the winter months cannot be captured to the historic extent in our upstream reservoirs or at the existing facilities in the south Delta.

State Water Project facilities are limited in their ability to store more water during the winter as our reservoirs have multiple purposes, including flood protection. A portion of space in reservoirs must be reserved to capture high flows to avoid flood events. The amount of this reserved storage capacity decreases starting April 1 when the chances of a major flood event decrease.

If climate change causes more precipitation to fall as rain in the winter months, reservoirs would not be able to capture as much water as they currently do when the runoff is spread out over both winter and spring. As flood protection space would still need to be reserved, water managers will be limited in their ability to store water from large, flashy winter rainstorms for later release.

In addition to not being able to store increased winter flows, water managers will also be limited in what can be captured in the Delta by physical and regulatory capacity limitations on existing State Water Project facilities located in the south Delta. The Delta Conveyance Project could help resolve this concern.

The proposed intakes for the Delta Conveyance Project would be in the north Delta and would not have the potential to affect fish in the same way as current diversions in the south Delta. The Delta Conveyance Project also proposes [state-of-the-art fish screens](#) and a set of operational criteria to avoid potentially significant effects to fish and water quality.

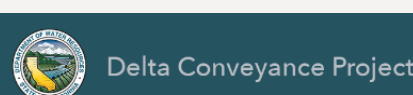
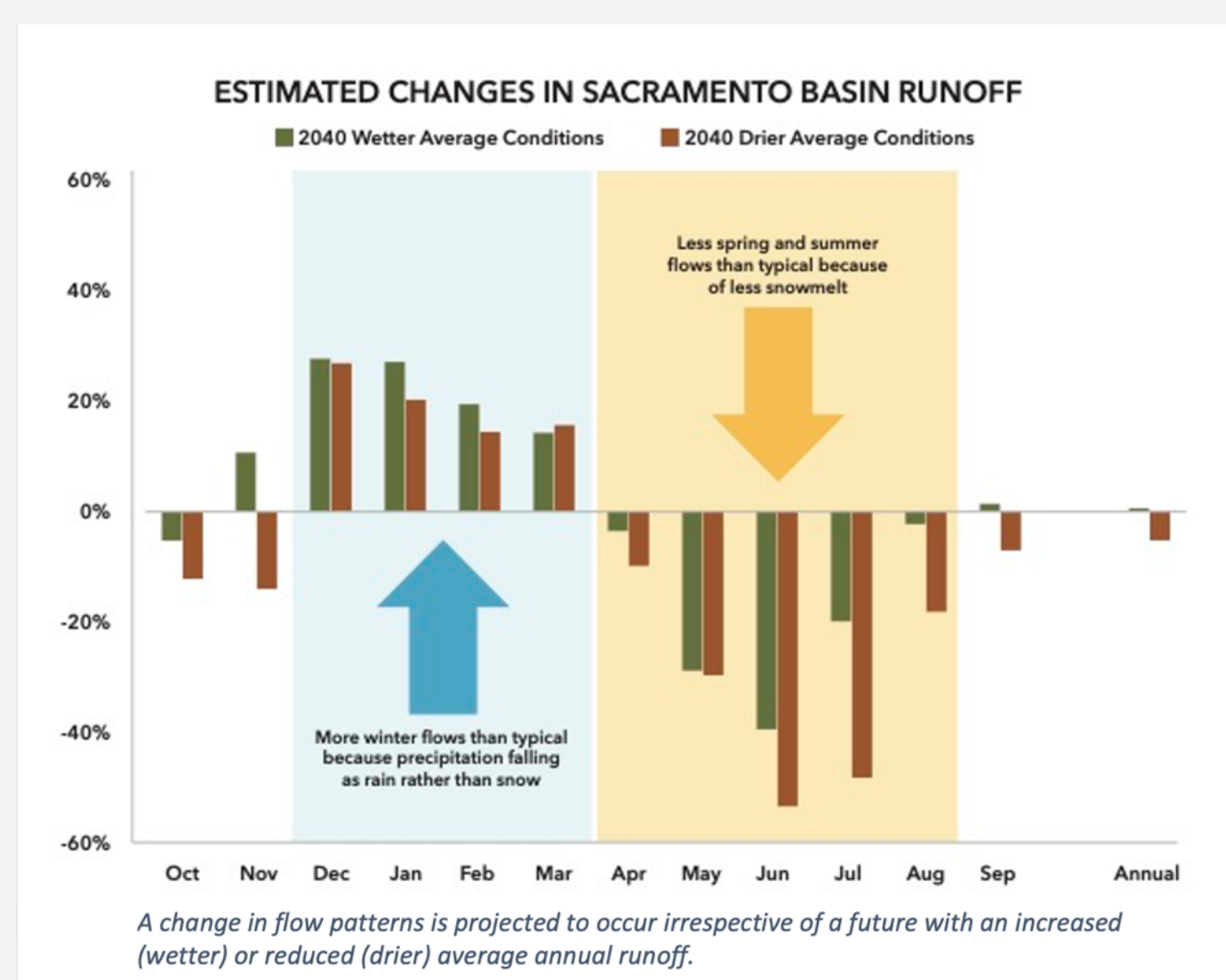
These criteria are different from those that apply in the south Delta because of the different diversion locations. The Delta Conveyance Project would add capacity to safely divert in the winter during high flow conditions while meeting water quality and sensitive species requirements. This increased diversion capability in the winter months is critical to capture projected increased winter flows caused by climate change.

Climate change is also expected to increase short-duration flashy winter rainstorms, resulting in short periods of high flows in the Delta. This could occur even during drought conditions, such as the events experienced in 2015 and 2021. Existing physical and regulatory constraints on the facilities in the south Delta limit our ability to capture this precious water supply when available. Thus, the Delta Conveyance Project would be especially valuable for providing operational flexibility and allow adaptation to the changing runoff patterns by capturing increased winter flows into the Delta, and high flows from flashy storm events in extended dry periods.

The [Delta Conveyance Project](#) would add new diversions in the north Delta to address these effects of climate change on Delta-conveyed water supplies. The State Water Project, with the proposed Delta Conveyance Project, would efficiently capture, move and store water during storm events and help ensure water supply reliability for 27 million Californians. In fact, [if the proposed project had been operational during the storm events at the end of 2021](#), the State Water Project could have captured about 236,000 acre-feet of water, enough water for over 2.5 million people, or nearly 850,000 households, for a full year.

As climate change places strain on our water resources, the state is taking proactive measures to respond to this challenge. Governor Gavin Newsom recently released "[California's Water Supply Strategy: Adapting to a Hotter, Drier Future](#)," which describes recent science indicating that California is moving towards drier future conditions and outlines a strategy to address these changes. The Delta Conveyance Project would be a critical part of this strategy as it would help capture, move, and store water when it is available. The Delta Conveyance Project would help address the shift in precipitation patterns regardless of the overall quantity of precipitation in the future.

Visit DWR's webpage to learn more about the [Delta Conveyance Project](#).



CALIFORNIA DEPARTMENT OF WATER RESOURCES  
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## Sites Reservoir Project Monthly Status Report

Report Period: **November 2022**

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### Monthly Status Summary:

The development of the Sites Project continues to make progress in the critical areas, including the following activities:

#### Engineering:

- Continued coordination and execution of geotechnical investigation Work Package 1 activities.
- Continued evaluation of construction phasing strategy and development of a baseline Program Schedule.
- Ongoing engagement and coordination with DWR DSOD.
- Initiated Preliminary Engineering efforts for reservoir and roadway features.

#### Coordination with Reclamation:

- Ongoing coordination with Reclamation on development of NEPA required components of the Final EIR/EIS.

#### Environmental Planning and Permitting:

- Ongoing development of Volume 3, Responses to Comments, of the administrative Final EIR/EIS.
- Ongoing development of Volumes 1 and 2 of the administrative Final EIR/EIS, including incorporating minor edits and clarifications to the text of the RDEIR/SDEIS in response to comments and minor changes to the Project.
- Continued AB52 consultation and outreach to Tribes.
- Submitted administrative draft Operations ITP application to CDFW for their initial review and input.
- Continued analysis and preparing a response to State Water Board's August letter requesting additional information on the Project's water right application.
- Continued development of the Master Lake and Streambed Alteration Agreement, Draft Reservoir Management Plan, Clean Water Act 404/401 permits, clear for construction schedule, and draft Aquatic Study Plan.

#### Operations:

- Continued Daily Operations Model development.

#### Stakeholder Engagement, Public Outreach & Real Estate:

- Conducted project site tour for members of the Local Community Working Group.
- Facilitated project presentation to the Northern California County Accessors Association.
- Ongoing coordination with landowners to discuss TROE for geotechnical, biological, environmental, and cultural field activities and other real estate actions.
- Ongoing development of the project's Right-of-Way Manual.

**Program Management & Administration:**

- Ongoing coordination with Prop 1 Roundtable.

**SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT  
 RECAP OF DIRECTORS FEES AND EXPENSE REIMBURSEMENT  
 PAID IN THE MONTH OF NOVEMBER 2022**

	GIL BOTELLO	MILFORD HARRISON	JUNE HAYES	PAUL KIELHOLD	SUSAN LONGVILLE
<b>DIRECTOR COMPENSATION - OCTOBER MEETINGS</b>	2,990.00	2,990.00	2,691.00	2,990.00	2,990.00
<b>EXPENDITURES / REIMBURSEMENTS</b>					
<b>EDUCATION</b>					
ASSOCIATION OF S.B. COUNTY SPECIAL DISTRICT ASSN - 11/21/22	35.00	35.00	35.00	35.00	35.00
STATE OF THE COUNTY OF SAN BERNARDINO CONFERENCE - ONTARIO					50.00
<b>TRAVEL</b>					
MILEAGE REIMBURSEMENT - MEETINGS OUTSIDE DISTRICT SERVICE AREA					
MILEAGE REIMBURSEMENT - MEETINGS WITHIN DISTRICT SERVICE AREA					
2022 WATER SUMMIT AND THE WATER LEADERS ALUMNI REUNION					538.72
2022 HCP NATIONAL CONFERENCE - AUSTIN TX				65.00	
<b>MEALS</b>					
2022 WATER SUMMIT AND THE WATER LEADERS ALUMNI REUNION					4.57
<b>LODGING</b>					
2022 HCP NATIONAL CONFERENCE - AUSTIN TX		660.80			
CALIFORNIA WOMEN H2O CONFERENCE					307.18
<b>MISCELLANEOUS</b>					

*THIS REPORT IS PROVIDED IN ACCORDANCE TO RESOLUTION 1100*

*EACH BOARD MEMBER SHALL BE PROVIDED WITH A MONTHLY REPORT SHOWING THE AMOUNT OF COMPENSATION OR REIMBURSEMENT REQUESTED BY EACH BOARD MEMBER.*



## Director's Activity Report

Director's Name **Gil J. Botello**

Month Reporting Activity **November 2022**

	Date	Meeting/Activity Description	Explanation	Max 10/month	Travel Cost Estimate (Staff)
1	11/01/2022	Valley District Board Mtg 1	Valley District Board of Director's meeting	\$299	
2	11/02/2022	Facilities Tour	9th Street Baseline Feeder Tesla Emergency Battery Launch	\$299	
3	11/03/2022	Workshop - Resources	Valley District	\$299	
4	11/07/2022	Other	The Climate Center - "The Real Impact of the Climate Crisis - Stories from the Frontlines"	\$299	
5	11/08/2022	Workshop - Engineering	Valley District	\$299	
6	11/10/2022	Workshop - Policy	Valley District	\$299	
7	11/11/2022	Other	City of Colton Veteran's Day Parade and Ceremony	\$299	
8	11/14/2022	Other	The Council for Watershed Headwaters - Bipartisan Infrastructure Law Funding: Better Together!	\$299	
9	11/15/2022	Valley District Board Mtg 2	Valley District	\$299	
10	11/16/2022	Conference with General Manager	Approved Branding: New District Logo, Tagline, Overall New Look	\$299	
11	11/21/2022	Other	Association of The San Bernardino County Special Districts	\$0	
12		Select from List		Per diem?	
13		Select from List		Per diem?	
14		Select from List		Per diem?	
15		Select from List		Per diem?	
<b>Total Requested Compensation</b>				<b>\$ 2,990.00</b>	

The undersigned certifies that the claims hereby stated are for authorized activities as described in the District's approved Resolution establishing rules and procedures for compensation of Directors.

Signed: \_\_\_\_\_

Date: 11/21/2022



# Director Request for Compensation & Public Disclosure Form

Director's Name **T. Milford Harrison**

Month Reporting Activity **NOVEMBER 2022**

Date	Meeting/Activity Description	Explanation	Max 10/month	Travel Cost Estimate (Staff)
1 11/01/2022	Valley District Board Mtg 1	Provide description of the meeting or activity and brief explanation on the benefits to the District and work of the Board by your attendance. (Not required for Valley District meetings) PUBLISHED AGENDA	\$299	
2 11/02/2022	Facilities Tour	TESLA TOUR	\$299	
3 11/03/2022	Workshop - Resources	PUBLISHED AGENDA	\$299	
4 11/08/2022	Workshop - Engineering	PUBLISHED AGENDA	\$299	
5 11/10/2022	Workshop - Policy	PUBLISHED AGENDA	\$299	
6 11/14/2022	CSDA Mtg	ASBCSD BOARD MEETING-PUBLISHED AGENDA	\$299	
7 11/15/2022	Valley District Board Mtg 2	PUBLISHED AGENDA	\$299	
8 11/16/2022	Assigned Committee Mtg	BRANDING WORKSHOP -- PUBLISHED AGENDA	\$299	
9 11/21/2022	CSDA Mtg	MONTHLY BOARD MEETING --PUBLISHED AGENDA	\$299	
10 11/27/2022	CSDA Mtg	MONTHLY DINNER MEETING	\$299	
11 11/28/2022	ACWA Mtg	STATWIDE SEMI-ANNUAL CONFERENCE	\$0	
12 11/29/2022	ACWA Mtg	STATEWIDE SEMI-ANNUA CONFERENCE	Per diem?	
13 11/30/2022	ACWA Mtg	STATEWIDE SEMI-ANNUAL CONFERENCE	Per diem?	
14	Select from List		Per diem?	
15	Select from List		Per diem?	
<b>Total Requested Compensation</b>			<b>\$ 2,990.00</b>	<b>\$ 0.00</b>

The undersigned certifies that the claims hereby stated are for authorized activities as described in the District's approved Resolution establishing rules and procedures for compensation of Directors.

Signed: **T. MILFORD HARRISON** Digitally signed by T. MILFORD HARRISON  
Date: 2022.12.08 15:39:27 -08'00'

Date: **12/08/2022**



## Director's Activity Report

Director's Name June Hayes

Month Reporting Activity November 2022

	Date	Meeting/Activity Description	Explanation Provide description of the meeting or activity and brief explanation on the benefits to the District and work of the Board by your attendance. <i>(Not required for Valley District meetings)</i>	Max 10/month	Travel Cost Estimate <i>(Staff)</i>
1	11/01/2022	Valley District Board Mitg 1		\$299	
2	11/03/2022	Workshop - Resources		\$299	
3	11/03/2022	WWWD meeting		\$0	
4	11/04/2022	WACO		\$299	
5	11/08/2022	Workshop - Engineering		\$299	
6	11/09/2022	SBV Water Conservation District Mitg		\$299	
7	11/10/2022	Workshop - Policy		\$299	
8	11/15/2022	Valley District Board Mitg 2		\$299	
9	11/16/2022	Branding workshop		\$299	
10	11/17/2022	WWWD meeting		\$299	
11	11/21/2022	CSDA Mitg		\$299	
12	11/09/2022	Presentation	Rialto Water Subcommittee	\$0	
13		Select from List		Per diem?	
14		Select from List		Per diem?	
15		Select from List		Per diem?	
<b>Total Requested Compensation</b>				<b>\$ 2,990.00</b>	

*The undersigned certifies that the claims hereby stated are for authorized activities as described in the District's approved Resolution establishing rules and procedures for compensation of Directors.*

Digitally signed by June D Hayes  
Date: 2022.11.29 09:11:15 -08'00'

Signed: June D Hayes

Date: 11/29/2022





# Director's Activity Report

## Month Reporting Activity November 2022

Director's Name **Paul Kielhold**

	Date	Meeting/Activity Description	Provide description of the meeting or activity and brief explanation on the benefits to the District and work of the Board by your attendance. <i>(Not required for Valley District meetings)</i>	Explanation	Max 10/month	Travel Cost Estimate (Staff)
1	11/01/2022	Valley District Board Mtg 1			\$299	
2	11/03/2022	Workshop - Resources			\$299	
3	11/08/2022	ARTP Policy Committee			\$299	
4	11/08/2022	Workshop - Engineering	MWD Intertie		\$0	
5	11/09/2022	SBV Water Conservation District Mtg			\$299	
6	11/09/2022	Mutual or Local Water Co. Shareholder	South Mesa WC BOD		\$0	
7	11/10/2022	Workshop - Policy			\$299	
8	11/15/2022	Valley District Board Mtg 2			\$299	
9	11/16/2022	Other	Branding Workshop		\$299	
10	11/28/2022	San Geronimo Pass Water Agency Mtg			\$299	
11	11/29/2022	ACWA Mtg	Annual Conf		\$0	
12	11/30/2022	ACWA Mtg	Annual Conf		\$0	
13					\$0	
14					\$0	
15					\$0	
<b>Total Requested Compensation</b>					<b>\$ 2,392.00</b>	<b>\$ 0.00</b>

The undersigned certifies that the claims hereby stated are for authorized activities as described in the District's approved Resolution establishing rules and procedures for compensation of Directors.

Signed: Paul Kielhold

Date: 12/04/2022



# Director Request for Compensation & Public Disclosure Form

Director's Name **Susan Longville**



Month Reporting Activity **11/30/22**

Date	Meeting/Activity Description	Explanation	Max 10/month	Travel Cost Estimate (Staff)
1 11/01/2022	Valley District Board Mtg 1	Provide description of the meeting or activity and brief explanation on the benefits to the District and work of the Board by your attendance. (Not required for Valley District meetings)	\$299	
2 11/01/2022	Other	LWW Water Equity, Affordability and Climate Change in California Webinar Presentation & Discussion	\$0	
3 11/03/2022	Workshop - Resources		\$299	
4 11/08/2022	Assigned Committee Mtg	ARTP Policy Committee Meeting	\$0	
5 11/08/2022	Workshop - Engineering		\$299	
6 11/10/2022	Workshop - Policy		\$299	
7 11/15/2022	Valley District Board Mtg 2		\$299	
8 11/16/2022	Assigned Committee Mtg	SBVMWD Branding Workshop	\$299	
9 11/17/2022	Assigned Committee Mtg	Headwaters Resiliency Partnership Monthly Meeting	\$299	
10 11/18/2022	Other	Surplus and Shortage: California's Balancing Act Webinar	\$299	
11 11/21/2022	CSDA Mtg	Monthly ASBCSD Meeting at YVWD's Crystal Creek Facility, 35477 Oak Glen Road, Yucaipa CA 92399	\$299	
12 11/30/2022	ACWA Mtg	AWCA Fall Conference, 44600 Indian Wells Land, Indian Wells CA 92210	\$299	
13	Select from List		Per diem?	
14	Select from List		Per diem?	
15	Select from List		Per diem?	
<b>Total Requested Compensation</b>			<b>2,990.00</b>	

The undersigned certifies that the claims hereby stated are for authorized activities as described in the District's approved Resolution establishing rules and procedures for Compensation of Directors.

Signed:

Date: **12-5-22**



**DATE:** December 20, 2022  
**TO:** Board of Directors  
**FROM:** Bob Tincher, Chief Water Resources Officer/Deputy General Manager  
**SUBJECT:** Operations Report for November 2022

**ANNUAL SUPPLIES AND DELIVERIES AS OF NOVEMBER 2022 (Acre-Feet)**

<i>SUPPLY</i>	<i>AMOUNT (Acre-Feet)</i>	<i>2022 DELIVERIES</i>	<i>BALANCE</i>
Carryover	5,950	5,950	0
Table A	5,130	3,213	1,917
Kern-Delta	5,000	3,294	1,706
<b>TOTAL</b>	<b>16,080</b>	<b>12,457</b>	<b>3,624</b>

**MONTHLY DELIVERIES FOR NOVEMBER 2022 (Acre-Feet)**

<i>CUSTOMER</i>	<i>DELIVERY POINT</i>	<i>AMOUNT (Acre-Feet)</i>
West Valley Water District	Lytle Creek	237.3
Metropolitan Water District	Lytle Creek for WVWD (water will be returned)	4.4
Marygold Mutual Water Company	Lytle Creek	17.1
Fontana Water Company	Lytle Creek	472.5
Fontana Water Company - CEMEX	Lytle Creek	77.0
Yucaipa Valley Water District	Yucaipa / Wilson	424.6
Bear Valley Mutual Water Company	Newport/ZT/Tres Lagos /BB/ SARC	
Crafton Water Company	Unger Lane	
SB County Regional Parks	Yucaipa Regional Park	9.7
Greenspot Mutual Water Company	Newport Turnout/ Tres Lagos	
Big Bear Agreement	EVWD, Tres Lagos, BVMWC	85.9
Big Bear Agreement	Bear Valley Mutual Water Company	
Storage	Local SWP Storage, Citrus/Crafton Reservoirs	24.0
<b>Valley District</b>		<b>1,352.5</b>

**San Bernardino Basin Wells**

Valley District pumped 81.8 acre-feet to the City of Redlands from the San Bernardino Avenue Well per its obligations under the Big Bear Agreement. Valley District extracted 536.7 acre-feet of groundwater from the San Bernardino Basin at the Baseline Feeder Replacement wells for delivery to West Valley Water District and City of Rialto.



San Bernardino Valley Municipal Water District

Delivery of Water For Calendar Year 2022 -- Acre Feet

Measurement / Delivery Point	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
<b>IMPORTED WATER SUPPLIES</b>													
<u>STATE WATER PROJECT DELIVERY CATEGORIES</u>													
Yuba Accord Water (14-819)													
Article-21													
Kern Delta Water Bank (11-015)						1,888	2,776						4,664
Carryover and Table A	57	71	475	188	1,040		91	2,232	2,173	1,611			7,938
SWP (DWR Meters)	57	71	475	188	1,040	1,888	2,867	2,232	2,173	1,611			12,602
SWP (Valley District Meters)	56	70	474	187	1,054	1,091	1,645	2,473	2,336	1,719	1,352		12,457

<u>RECHARGE DELIVERIES</u>													
<b>Glen Helen Turnout</b>													
<b>Sweetwater</b>													
Sweetwater - SBB GC													
Sweetwater - Valley District	2												2
<b>Badger</b>													
Badger - SBB GC													
<b>Waterman</b>													
Waterman - SBB GC													
Waterman - BLF Obligation - RHWC													
Waterman - BLF Obligation - Rialto													
Waterman - BLF Obligation - WVWD													
Waterman - Valley District													
<b>Patton</b>													
<b>Santa Ana Low</b>													
Santa Ana Low - EVWD In-Lieu													
Santa Ana Low - SBB GC													
Santa Ana Low - BVMWC													
Santa Ana Low - Redlands													
Santa Ana Low - Valley District													
<b>Plunge Creek - Valley District</b>													
<b>Mill Creek Spreading</b>													
Mill Creek Spreading - Redlands													
Mill Creek Spreading - Valley District													
Lower Mill Creek - SBB GC													
Mill Creek Spreading - SBB GC													
<b>Zanja East Weir to WCD - Valley District</b>													
<b>Wilson Creek</b>													
Wilson Creek - YVWD													
Wilson Basin - Valley District													
<b>Oak Glen Basin - Valley District</b>													
<i>Sub-total Recharge</i>	2												2

DIRECT DELIVERIES

Delivery of Water For Calendar Year 2022 -- Acre Feet

Measurement / Delivery Point	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
<b>Lytle Creek</b>													
Lytle Creek - WVWD TP							336	414	358	287	237		1,633
Lytle Creek - WVWD (MWVWD/IEUA)						109	108	101	109	46	4		478
Rubidox Community Services District - (Western/MWVWD)													
Lytle Creek - Marygold Mutual							25	29	28	29	17		128
Lytle Creek - RHWC						32							32
Lytle Creek - Fontana Water Company									301	495	473		1,268
Lytle Creek - Fontana Water Company - CEMEX									55	85	77		218
<b>SALES/RETURNS/BANKING</b>													
MWVWD Transfer								39					39
CLAWA Sale (#07-025)													
CLAWA Exchange (08-063)													
CLAWA Exchange (09-079)													
<b>EVWD Plant 134</b>													
EVWD Plant 134 In-Lieu											84		84
EVWD Plant 134 - BVMWC (for EVWD)													
EVWD Plant 134 - SBB GC - EVWD													
EVWD Plant 134 - EVWD	23	68	191	187	272	183	254	393	167				1,737
<b>Northfork</b>													
Northfork - EVWD													
Northfork - EVWD - In-Lieu							20	5	226	136			387
Northfork - BVMWC (for EVWD)													
Edwards Canal Pump - In-Lieu								31	30				61
<b>S.A.R.C.</b>													
S.A.R.C. - Valley District													
S.A.R.C. to Redlands Aqueduct - Redlands													
S.A.R.C. to Redlands Aqueduct - In-Lieu							51	490	80				621
S.A.R.C. to Redlands Aqueduct - BVMWC (for Redlands)		1			15								16
S.A.R.C. to Redlands Aqueduct Recharge													
<b>East Valley W.D. Greenspot Road</b>													
<b>Bear Valley Highline Connector</b>													
<b>SB County Flood Control Grove</b>													
<b>Newport Ave.</b>													
Newport Ave. - Greenspot Mutual					2								2
Newport Ave. - BVMWC		5	6	9	17								38
Newport Ave. - In-Lieu						22	43	42	34	0			142
<b>Tres Lagos</b>													
Tres Lagos - Greenspot Mutual													
Tres Lagos - BVMWC		11	13	16	25								66
Tres Lagos - In-Lieu						22	25	23	14	0	1		85
<b>Unger Lane to Zanja</b>													
Unger Lane to Zanja - Crafton - BVMWC In-Lieu						50	51	87	56				243
Unger Lane to Zanja - Crafton - BVMWC			90		48								138
<b>Boullion Box</b>													
Boullion Box to Zanja													
Boullion Box to Highline In-Lieu								92	107	10	1		209
Boullion Box to Highline - BVMWC	13	1			65								78

Delivery of Water For Calendar Year 2022 -- Acre Feet

Measurement / Delivery Point	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
<b>City of Redlands</b>													
City of Redlands - Tate Treatment In-Lieu													
City of Redlands - Tate Treatment													
<b>Yucaipa Regional Park</b>	3	19		3	23	33	26	9	16	18	10		159
<b>Yucaipa Valley Water District T.O.</b>	52				527	587	621	668	673	582	425		4,135
<b>Western Heights via YVWD T.O.</b>													
<i>Sub-total Direct Delivery</i>	91	105	301	216	992	1,038	1,559	2,423	2,254	1,689	1,329		11,995
<b>STORAGE</b>													
<b>Storage (CH Tank + Citrus + CH Reservoir)</b>	(36)	(36)	173	(29)	62	53	86	49	83	31	24		460
<b>Sub-total SBVMWD Imported Water</b>	56	70	474	187	1,054	1,091	1,645	2,473	2,336	1,719	1,352		12,457

Other SWP Deliveries

Little San Gorgonio Creek Turnout													
Noble Creek Turnout			382							308	1,121		1,811
Lytle Creek - (MWDSC/IEUA) from WVWD	26	22	20	38	46	45	108	101	109	46	4		567
<i>Sub-total Other SWP Deliveries</i>	26	22	403	38	46	45	108	101	109	355	1,125		2,378
<b>Total Imported Water in Valley District Facilities</b>	82	92	877	225	1,100	1,136	1,753	2,574	2,445	2,074	2,478		14,835

**SAN BERNARDINO BASIN PUMPING**

<b>Baseline Feeder</b>													
Ninth Street North Replacement Well							68	205	163		225		661
Ninth Street South Replacement Well	348	307	337	325	337	237	330	239	245		312		3,017
<i>Sub-total Baseline Feeder</i>	348	307	337	325	337	237	398	444	408		537		3,677
San Bernardino Avenue Well No. 1 - Redlands													
San Bernardino Avenue Well No. 1 - In Lieu										131	82		212
Redlands Pump Station													
De-watering Well # 1													
De-watering Well # 2													
<b>Total San Bernardino Basin Pumping</b>	348	307	337	325	337	237	398	444	408	131	619		3,890
<b>TOTAL Water in SBVMWD Facilities</b>	430	398	1,214	550	1,437	1,373	2,151	3,018	2,853	2,204	3,096		18,724



---

**SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT  
TREASURER'S REPORT  
FOR THE MONTH OF NOVEMBER 2022**

RECOMMENDATION:  
APPROVE THE EXPENSES FOR THE MONTH OF NOVEMBER 2022  
FOR THE FOLLOWING FUNDS:

STATE WATER CONTRACT FUND	\$	2,029,757.00
DEVIL CANYON / CASTAIC FUND	\$	113,551.00
GENERAL FUND	\$	2,159,028.49

# STATE WATER CONTRACT FUND

## Profit & Loss

November 2022

---

	<u>Nov 22</u>
<b>Income</b>	
4920 · INVESTMENT INCOME	2,261,130.30
4966 · PROPERTY TAXES	9,235,076.74
	<hr/>
<b>Total Income</b>	11,496,207.04
<b>Expense</b>	
6380 · AUDIT FEES	6,985.00
6610 · MINIMUM OMP&R TRANSPORTATION	1,587,774.00
6615 · MINIMUM OMP&R DELTA	497,869.00
6620 · VARIABLE	(85,562.00)
6630 · OFF AQUEDUCT VARIABLE	4,740.00
6635 · EAST BRANCH ENLARGEMENT	17,951.00
	<hr/>
<b>Total Expense</b>	2,029,757.00
	<hr/>
<b>Net Income</b>	<b>9,466,450.04</b>



**STATE WATER CONTRACT FUND**  
**Profit & Loss Budget vs. Actual**  
 July through November 2022

	Jul - Nov 22	Budget	\$ Over Budget	% of Budget
<b>Income</b>				
4920 · INVESTMENT INCOME	85,447.25	1,000,000.00	(914,552.75)	8.5%
4950 · RETURN OF RESERVES/BOND COV...	3,040,224.00	3,040,500.00	(276.00)	100.0%
4966 · PROPERTY TAXES	10,629,404.04	10,630,000.00	(595.96)	100.0%
<b>Total Income</b>	13,755,075.29	14,670,500.00	(915,424.71)	93.8%
<b>Expense</b>				
6380 · AUDIT FEES	24,448.00	24,500.00	(52.00)	99.8%
6410 · STATE WATER CONTRACTOR FEES	246,743.00	250,000.00	(3,257.00)	98.7%
6435 · ADMINISTRATIVE FEE	3,295,000.00	3,130,000.00	165,000.00	105.3%
6601 · CAPITAL COST DELTA	2,063,167.00	2,063,167.00	0.00	100.0%
6605 · CAPITAL COST TRANSPORTATION	896,040.00	896,040.00	0.00	100.0%
6610 · MINIMUM OMP&R TRANSPORTATION	7,938,874.00	7,938,874.00	0.00	100.0%
6615 · MINIMUM OMP&R DELTA	2,489,345.00	2,489,345.00	0.00	100.0%
6620 · VARIABLE	2,328,941.00	2,329,000.00	(59.00)	100.0%
6625 · WATER SYSTEM REVENUE BOND	1,458,572.00	1,458,572.00	0.00	100.0%
6630 · OFF AQUEDUCT VARIABLE	23,702.00	23,702.00	0.00	100.0%
6635 · EAST BRANCH ENLARGEMENT	89,755.00	89,755.00	0.00	100.0%
6640 · EAST BRANCH EXTENSION	14,905,968.00	14,905,968.00	0.00	100.0%
6645 · TEHACHAPI 2ND AFTERBAY	130,917.00	130,917.00	0.00	100.0%
<b>Total Expense</b>	35,891,472.00	35,729,840.00	161,632.00	100.5%
<b>Net Income</b>	<b>(22,136,396.71)</b>	<b>(21,059,340.00)</b>	<b>(1,077,056.71)</b>	<b>105.1%</b>

**DEVIL CANYON/CASTAIC**  
**Profit & Loss**  
November 2022

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	<u>Nov 22</u>
Expense	
6601 · OMP&R	113,551.00
Total Expense	113,551.00
Net Income	<u><u>-113,551.00</u></u>

**DEVIL CANYON/CASTAIC**  
**Profit & Loss Budget vs. Actual**  
 July through November 2022

	Jul - Nov 22	Budget	\$ Over Budget	% of Budget
<b>Income</b>				
<b>4920 · INVESTMENT INCOME</b>	83,520.92	12,500.00	71,020.92	668.2%
<b>4966 · PROPERTY TAXES</b>	43,123.52	0.00	43,123.52	100.0%
<b>Total Income</b>	126,644.44	12,500.00	114,144.44	1,013.2%
<b>Gross Profit</b>	126,644.44	12,500.00	114,144.44	1,013.2%
<b>Expense</b>				
<b>6601 · OMP&amp;R</b>	567,755.00	567,755.00	0.00	100.0%
<b>6610 · DEBT SERVICE</b>	307,599.00	307,599.00	0.00	100.0%
<b>Total Expense</b>	875,354.00	875,354.00	0.00	100.0%
<b>Net Income</b>	<b>(748,709.56)</b>	<b>(862,854.00)</b>	<b>114,144.44</b>	<b>86.8%</b>

**SAN BERNARDINO VALLEY MWD GENERAL FUND**

**Profit & Loss**

November 2022

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	<u>Nov 22</u>
<b>Income</b>	
4900 · WATER SALES	478,298.43
4920 · INVESTMENT INCOME	316,722.55
4929 · BASELINE FEEDER CAP. CONTRIB.	41,204.35
4940 · SUCCESSOR AGENCY PASS THROUGH	73,844.74
4950 · OTHER INCOME	405,030.96
4966 · S.B. CO TAXES	2,171,608.72
4977 · RIVERSIDE CO TAXES	1,600.13
	<hr/>
<b>Total Income</b>	3,488,309.88
<b>Expense</b>	
6100 · SALARIES	390,627.95
6110 · OVERTIME	8,277.16
6120 · DIRECTORS FEES	14,651.00
6130 · PERS RETIREMENT	66,553.78
6140 · PAYROLL TAXES	22,640.96
6150 · HEALTH INSURANCE	69,138.05
6160 · DENTAL INSURANCE	5,161.44
6170 · VISION, DISABILITY AND LIFE INS	3,733.47
6200 · HEALTH/DEPENDENT CARE PLAN	6,944.12
6240 · PIPELINE CONTROL SYSTEM	600.00
6250 · OFFICE EQUIPMENT	29,403.92
6280 · FIELD IMPROVEMENTS	117,104.62
6295 · PURCHASED WATER	149,417.21
6320 · HOUSE COUNSEL	20,986.90
6330 · SPECIAL COUNSEL	15,523.40
6360 · CONSULTANTS	230,774.92
6380 · DISTRICT AUDIT	19,750.00
6390 · SAWPA	131,030.95
6400 · VEHICLE EXPENSE	10,625.77
6410 · TRAVEL	2,040.57
6420 · MEALS & LODGING	5,420.15
6430 · LIABILITY INS	116,153.00
6450 · WATERSTOCK ASSESSMENT	43.27
6460 · UTILITIES/COMMUNICATIONS	132,134.26
6470 · MAINTENANCE & REPAIRS	9,239.06
6480 · OFFICE EXPENSE	3,962.95
6490 · FIELD SUPPLIES	6,130.27
6500 · EDUCATION AND TRAINING	2,835.00
6570 · POSTAGE	770.58
6580 · DUES & SUBSCRIPTIONS	2,345.46
6600 · TAXES & LICENSES	-259.00
6610 · SPREADING GROUNDS MAINTENANCE	464,628.62
6640 · WATER CONSERVATION & EDUCATION	8,775.00
6642 · SPONSORSHIPS	2,500.00
6645 · EXTERNAL AFFAIRS/STRATEGIC COMM	2,138.87
6760 · LAND / PROPERTY PURCHASE	4,322.50
6780 · ENVIRONMENTAL / HCP	68,444.17
	<hr/>
<b>Total Expense</b>	2,144,570.35
<b>Net Income</b>	<hr/> <b>1,343,739.53</b> <hr/>

**SAN BERNARDINO VALLEY MWD GENERAL FUND**  
**Profit & Loss Budget vs. Actual**  
 July through November 2022

	Jul - Nov 22	Budget	\$ Over Budget	% of Budget
<b>Income</b>				
4900 · WATER SALES	3,582,567.71	3,583,000.00	(432.29)	100.0%
4920 · INVESTMENT INCOME	(74,777.91)	155,000.00	(229,777.91)	(48.2)%
4929 · BASELINE FEEDER CAP. CONTRIB.	167,817.40	168,400.00	(582.60)	99.7%
4940 · SUCCESSOR AGENCY PASS THROUGH	107,634.41	110,000.00	(2,365.59)	97.8%
4950 · OTHER INCOME	1,016,823.07	1,017,300.00	(476.93)	100.0%
4952 · ADMINISTRATIVE INCOME	3,295,000.00	3,130,000.00	165,000.00	105.3%
4954 · GAIN (LOSS) ON SALE OF ASSETS	412,651.00	400,000.00	12,651.00	103.2%
4966 · S.B. CO TAXES	2,396,183.14	2,397,000.00	(816.86)	100.0%
4977 · RIVERSIDE CO TAXES	8,136.87	8,500.00	(363.13)	95.7%
<b>Total Income</b>	<b>10,912,035.69</b>	<b>10,969,200.00</b>	<b>(57,164.31)</b>	<b>99.5%</b>
<b>Expense</b>				
6100 · SALARIES	1,915,417.31	1,917,000.00	(1,582.69)	99.9%
6110 · OVERTIME	33,495.96	33,700.00	(204.04)	99.4%
6120 · DIRECTORS FEES	72,358.00	72,950.00	(592.00)	99.2%
6130 · PERS RETIREMENT	620,060.09	620,500.00	(439.91)	99.9%
6137 · DEFERRED COMPENSATION EXPENSE	19,500.00	19,500.00	0.00	100.0%
6140 · PAYROLL TAXES	129,870.43	130,000.00	(129.57)	99.9%
6150 · HEALTH INSURANCE	345,006.05	345,400.00	(393.95)	99.9%
6160 · DENTAL INSURANCE	25,760.97	26,500.00	(739.03)	97.2%
6170 · VISION, DISABILITY AND LIFE INS	19,126.37	19,625.00	(498.63)	97.5%
6180 · WORKERS COMP INS	22,663.24	23,500.00	(836.76)	96.4%
6200 · HEALTH/DEPENDENT CARE PLAN	35,735.41	35,800.00	(64.59)	99.8%
6240 · PIPELINE CONTROL SYSTEM	21,842.29	21,850.00	(7.71)	100.0%
6250 · OFFICE EQUIPMENT	42,972.80	43,250.00	(277.20)	99.4%
6280 · FIELD IMPROVEMENTS	556,864.77	557,000.00	(135.23)	100.0%
6295 · PURCHASED WATER	680,484.89	681,500.00	(1,015.11)	99.9%
6320 · HOUSE COUNSEL	96,048.65	96,250.00	(201.35)	99.8%
6330 · SPECIAL COUNSEL	270,669.84	271,000.00	(330.16)	99.9%
6340 · WATERMASTER	8,441.00	8,500.00	(59.00)	99.3%
6350 · USGS DATA	880,326.64	882,500.00	(2,173.36)	99.8%
6360 · CONSULTANTS	1,335,282.23	1,335,600.00	(317.77)	100.0%
6380 · DISTRICT AUDIT	19,750.00	19,750.00	0.00	100.0%
6390 · SAWPA	1,085,866.03	1,086,000.00	(133.97)	100.0%
6400 · VEHICLE EXPENSE	51,612.69	52,100.00	(487.31)	99.1%
6410 · TRAVEL	11,657.69	11,750.00	(92.31)	99.2%
6420 · MEALS & LODGING	21,803.33	22,200.00	(396.67)	98.2%
6430 · LIABILITY INS	178,902.06	179,000.00	(97.94)	99.9%
6450 · WATERSTOCK ASSESSMENT	179.11	200.00	(20.89)	89.6%
6460 · UTILITIES/COMMUNICATIONS	555,962.15	556,000.00	(37.85)	100.0%
6470 · MAINTENANCE & REPAIRS	144,067.88	145,000.00	(932.12)	99.4%
6480 · OFFICE EXPENSE	35,015.10	35,025.00	(9.90)	100.0%
6490 · FIELD SUPPLIES	47,532.35	47,750.00	(217.65)	99.5%
6500 · EDUCATION AND TRAINING	29,252.57	29,450.00	(197.43)	99.3%
6530 · BANK CHARGES-TRUSTEE FEES	5,770.00	5,900.00	(130.00)	97.8%
6540 · YUCAIPA LAKES	240.00	250.00	(10.00)	96.0%
6570 · POSTAGE	1,646.83	1,650.00	(3.17)	99.8%
6580 · DUES & SUBSCRIPTIONS	180,086.66	180,100.00	(13.34)	100.0%
6600 · TAXES & LICENSES	72,356.93	72,750.00	(393.07)	99.5%
6610 · SPREADING GROUNDS MAINTENANCE	464,628.62	465,000.00	(371.38)	99.9%
6620 · COOP WATER PROJECT PROJECT M...	30,000.00	0.00	30,000.00	100.0%
6640 · WATER CONSERVATION & EDUCATI...	52,052.97	52,100.00	(47.03)	99.9%
6642 · SPONSORSHIPS	11,000.00	11,000.00	0.00	100.0%
6645 · EXTERNAL AFFAIRS/STRATEGIC CO...	16,465.48	16,500.00	(34.52)	99.8%
6650 · PUBLIC NOTICES	1,141.25	1,200.00	(58.75)	95.1%
6760 · LAND / PROPERTY PURCHASE	99,305.24	99,350.00	(44.76)	100.0%
6780 · ENVIRONMENTAL / HCP	283,972.20	284,250.00	(277.80)	99.9%
6800 · LAFCO ANNUAL FUNDING SHARE	30,000.00	30,000.00	0.00	100.0%
6820 · SECURITY	21,230.14	20,000.00	1,230.14	106.2%
<b>Total Expense</b>	<b>10,583,424.22</b>	<b>10,566,200.00</b>	<b>17,224.22</b>	<b>100.2%</b>
<b>Net Income</b>	<b>328,611.47</b>	<b>403,000.00</b>	<b>(74,388.53)</b>	<b>81.5%</b>

**SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT  
INVESTMENT SUMMARY  
NOVEMBER 30, 2022**

INVESTMENT DESCRIPTION	INSTITUTION	MATURITY DATE	PAR VALUE	ISSUE DATE	PURCHASE PRICE	BOOK YIELD RATE	CUSIP
<b>STATE WATER CONTRACT FUND</b>							
DWR CVP REVENUE BOND	STATE	7/1/2022	5,000.00		3,940.16	5.250%	
AGENCY BONDS - FNMA NOTES	BNY MELLON	05/05/2023	4,400,000.00	05/05/2020	4,398,152.00	0.389%	3137EAER6
AGENCY BONDS - FNMA NOTES	BNY MELLON	05/22/2023	5,020,000.00	05/20/2020	5,004,889.80	0.351%	3135G04Q3
AGENCY BONDS - FNMA NOTES	BNY MELLON	06/26/2023	4,525,000.00	06/24/2020	4,511,787.00	0.348%	3137EAES4
AGENCY BONDS - FNMA NOTES	BNY MELLON	07/10/2023	4,465,000.00	07/08/2020	4,455,400.25	0.322%	3135G05G4
AGENCY BONDS - FNMA NOTES	BNY MELLON	07/10/2023	900,000.00	10/07/2020	899,793.00	0.258%	3135G05G4
AGENCY BONDS - FNMA NOTES	BNY MELLON	08/24/2023	4,700,000.00	08/19/2020	4,695,206.00	0.284%	3137EAEV7
AGENCY BONDS - FNMA NOTES	BNY MELLON	09/08/2023	4,300,000.00	09/02/2020	4,298,581.00	0.261%	3137EAEW5
AGENCY BONDS - FNMA NOTES	BNY MELLON	09/08/2023	3,235,000.00	09/02/2020	3,235,590.74	0.244%	3137EAEW5
AGENCY BONDS - FNMA NOTES	BNY MELLON	09/08/2023	900,000.00	10/07/2020	899,739.00	0.260%	3137EAEW5
AGENCY BONDS - FNMA NOTES	BNY MELLON	10/16/2023	1,475,000.00	10/14/2020	1,469,498.25	0.250%	3137EAEY1
AGENCY BONDS - FNMA NOTES	BNY MELLON	11/06/2023	5,695,000.00	11/03/2020	5,689,874.50	0.280%	3137EAEZ8
AGENCY BONDS - FNMA NOTES	BNY MELLON	11/27/2023	500,000.00	11/23/2020	499,430.00	0.288%	3135G06H1
AGENCY BONDS - FNMA NOTES	BNY MELLON	12/04/2023	4,400,000.00	12/02/2020	4,395,644.00	0.283%	3137EAF2
CERTIFICATE OF DEPOSIT	BNY MELLON	03/17/2023	1,935,000.00	03/19/2021	1,935,000.00	0.590%	22552G3C2
CERTIFICATE OF DEPOSIT	BNY MELLON	08/16/2024	2,175,000.00	08/17/2022	2,175,000.00	4.100%	22536AZR8
CERTIFICATE OF DEPOSIT	BNY MELLON	10/27/2025	2,850,000.00	10/27/2022	2,850,000.00	5.600%	89115B6K1
CERTIFICATE OF DEPOSIT	BNY MELLON	11/03/2025	2,850,000.00	11/02/2022	2,850,000.00	5.530%	65558UYF3
CORPORATE NOTE	BNY MELLON	02/14/2023	600,000.00	08/19/2019	597,714.00	1.864%	88579YBL4
CORPORATE NOTE	BNY MELLON	04/06/2023	410,000.00	04/06/2021	409,667.90	0.441%	89236TJD8
CORPORATE NOTE	BNY MELLON	06/08/2023	160,000.00	06/01/2020	159,777.60	0.847%	69371RQ82
CORPORATE NOTE	BNY MELLON	06/26/2023	750,000.00	06/09/2020	811,305.00	0.608%	931142EK5
CORPORATE NOTE	BNY MELLON	08/11/2023	175,000.00	08/04/2020	174,770.75	0.394%	69371RQ90
CORPORATE NOTE	BNY MELLON	09/14/2023	275,000.00	09/08/2020	274,648.00	0.418%	904764BJ5
CORPORATE NOTE	BNY MELLON	09/14/2023	500,000.00	09/09/2020	499,660.00	0.473%	14913R2F3
CORPORATE NOTE	BNY MELLON	11/13/2023	1,165,000.00	11/09/2020	1,165,000.00	0.537%	110122DT2
CORPORATE NOTE	BNY MELLON	01/10/2024	675,000.00	01/03/2022	674,892.00	0.958%	14913R2S5
CORPORATE NOTE	BNY MELLON	01/11/2024	1,200,000.00	01/06/2021	1,199,928.00	0.452%	89236THU2
CORPORATE NOTE	BNY MELLON	01/17/2024	480,000.00	03/01/2021	479,659.20	0.475%	24422EVN6
CORPORATE NOTE	BNY MELLON	02/08/2024	555,000.00	02/01/2021	554,617.05	0.373%	63743HEU2
CORPORATE NOTE	BNY MELLON	03/03/2024	300,000.00	01/21/2021	330,642.00	0.671%	38141GVM3
CORPORATE NOTE	BNY MELLON	03/05/2024	1,075,000.00	09/24/2020	1,144,079.50	0.878%	06051GHF9
CORPORATE NOTE	BNY MELLON	03/18/2024	795,000.00	03/16/2021	794,602.50	0.767%	808513BN4
CORPORATE NOTE	BNY MELLON	04/15/2024	575,000.00	05/07/2020	629,964.25	1.151%	20030NCR0
CORPORATE NOTE	BNY MELLON	05/12/2024	1,940,000.00	05/10/2021	1,937,167.60	0.499%	023135BW5
CORPORATE NOTE	BNY MELLON	05/15/2024	915,000.00	05/17/2021	914,048.40	0.585%	91324PEB4
CORPORATE NOTE	BNY MELLON	05/24/2024	2,145,000.00	05/17/2022	2,144,914.20	3.752%	40428HTA0
CORPORATE NOTE	BNY MELLON	05/28/2024	1,275,000.00	05/25/2021	1,274,885.25	0.703%	04636NAC7
CORPORATE NOTE	BNY MELLON	06/01/2024	500,000.00	05/19/2020	500,000.00	1.514%	46647PBQ8
CORPORATE NOTE	BNY MELLON	06/07/2024	420,000.00	06/07/2021	419,475.00	0.492%	24422EVQ9
CORPORATE NOTE	BNY MELLON	06/18/2024	750,000.00	06/15/2021	749,107.50	0.540%	89236TJH9
CORPORATE NOTE	BNY MELLON	07/30/2024	1,200,000.00	11/19/2021	1,242,960.00	1.099%	025816CG2
CORPORATE NOTE	BNY MELLON	08/09/2024	710,000.00	08/03/2021	709,616.60	0.518%	69371RR40
CORPORATE NOTE	BNY MELLON	08/09/2024	970,000.00	09/07/2021	969,359.80	0.773%	02665WDY4
CORPORATE NOTE	BNY MELLON	08/12/2024	600,000.00	08/09/2021	599,946.00	0.753%	05565EBU8
CORPORATE NOTE	BNY MELLON	08/12/2024	470,000.00	08/09/2021	470,000.00	0.626%	904764BN6
CORPORATE NOTE	BNY MELLON	08/22/2024	885,000.00	08/15/2022	884,592.90	3.899%	21688AAU6
CORPORATE NOTE	BNY MELLON	09/10/2024	285,000.00	09/07/2021	284,814.75	0.647%	24422EVU0
CORPORATE NOTE	BNY MELLON	09/14/2024	2,145,000.00	09/07/2021	2,145,000.00	0.606%	641062AU8
CORPORATE NOTE	BNY MELLON	09/16/2024	555,000.00	09/09/2020	555,000.00	0.653%	46647PBS4
CORPORATE NOTE	BNY MELLON	10/24/2024	1,000,000.00	10/16/2020	1,000,000.00	0.810%	06051GJH3
CORPORATE NOTE	BNY MELLON	10/25/2024	670,000.00	10/20/2021	669,564.50	0.872%	06406RAX5
CORPORATE NOTE	BNY MELLON	10/30/2024	1,000,000.00	10/23/2020	1,000,000.00	0.776%	172967MT5
CORPORATE NOTE	BNY MELLON	11/01/2024	1,265,000.00	10/28/2022	1,264,784.95	4.859%	438516CH7
CORPORATE NOTE	BNY MELLON	11/18/2024	310,000.00	11/15/2022	309,860.50	4.724%	882508BR4
CORPORATE NOTE	BNY MELLON	01/10/2025	480,000.00	01/04/2022	479,774.40	1.266%	24422EVY2
CORPORATE NOTE	BNY MELLON	01/13/2025	1,000,000.00	01/11/2022	999,210.00	1.527%	02665WEA5
CORPORATE NOTE	BNY MELLON	01/24/2025	1,050,000.00	01/19/2022	1,050,000.00	1.758%	38141GZH0
CORPORATE NOTE	BNY MELLON	02/04/2025	900,000.00	02/01/2022	900,000.00	1.844%	06051GKG3
CORPORATE NOTE	BNY MELLON	02/07/2025	405,000.00	01/31/2022	404,987.85	1.876%	63743HFC1
CORPORATE NOTE	BNY MELLON	02/10/2025	590,000.00	03/08/2021	628,468.00	0.937%	58933YAR6
CORPORATE NOTE	BNY MELLON	02/16/2025	405,000.00	02/09/2021	405,000.00	0.563%	46647PBY1
CORPORATE NOTE	BNY MELLON	03/04/2025	350,000.00	03/01/2022	349,646.50	2.285%	025816CQ0
CORPORATE NOTE	BNY MELLON	03/04/2025	500,000.00	03/02/2022	498,315.00	2.367%	025816CQ0
CORPORATE NOTE	BNY MELLON	03/07/2025	160,000.00	03/02/2022	159,931.20	2.140%	24422EWB1
CORPORATE NOTE	BNY MELLON	03/10/2025	3,760,000.00	03/03/2022	3,760,000.00	2.132%	771196BT8

**SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT  
INVESTMENT SUMMARY  
NOVEMBER 30, 2022**

INVESTMENT DESCRIPTION	INSTITUTION	MATURITY DATE	PAR VALUE	ISSUE DATE	PURCHASE PRICE	BOOK YIELD RATE	CUSIP
CORPORATE NOTE	BNY MELLON	04/01/2025	710,000.00	03/28/2022	709,332.60	3.283%	05565EBZ7
CORPORATE NOTE	BNY MELLON	04/07/2025	1,100,000.00	03/31/2022	1,099,714.00	2.859%	69371RR73
CORPORATE NOTE	BNY MELLON	04/13/2025	1,300,000.00	04/11/2022	1,297,933.00	3.056%	023135CE4
CORPORATE NOTE	BNY MELLON	04/15/2025	225,000.00	03/24/2022	224,606.25	2.760%	437076CM2
CORPORATE NOTE	BNY MELLON	04/17/2025	850,000.00	04/18/2022	850,000.00	3.623%	61747YEQ4
CORPORATE NOTE	BNY MELLON	04/24/2025	675,000.00	03/04/2021	694,210.50	0.882%	06406RAN7
CORPORATE NOTE	BNY MELLON	04/25/2025	2,900,000.00	04/19/2022	2,899,594.00	3.355%	06406RBC0
CORPORATE NOTE	BNY MELLON	05/01/2025	460,000.00	04/27/2021	460,000.00	0.981%	172967MX6
CORPORATE NOTE	BNY MELLON	05/01/2025	625,000.00	04/26/2022	624,862.50	3.458%	17252MAP5
CORPORATE NOTE	BNY MELLON	05/01/2025	1,155,000.00	05/23/2022	1,151,223.15	3.494%	90327QD89
CORPORATE NOTE	BNY MELLON	05/13/2025	655,000.00	05/10/2022	654,168.15	3.445%	14913R2V8
CORPORATE NOTE	BNY MELLON	06/01/2025	605,000.00	05/24/2021	605,000.00	0.824%	46647PCH7
CORPORATE NOTE	BNY MELLON	06/15/2025	255,000.00	04/27/2022	254,931.15	3.458%	63743HFE7
CORPORATE NOTE	BNY MELLON	06/23/2025	1,250,000.00	06/21/2021	1,250,000.00	0.969%	46647PCK0
CORPORATE NOTE	BNY MELLON	07/27/2025	2,130,000.00	07/20/2022	2,130,000.00	4.000%	459200KS9
CORPORATE NOTE	BNY MELLON	08/11/2025	1,100,000.00	08/03/2022	1,099,219.00	3.575%	69371RR99
CORPORATE NOTE	BNY MELLON	08/15/2025	470,000.00	08/01/2022	469,567.60	3.132%	194162AM5
CORPORATE NOTE	BNY MELLON	09/09/2025	1,125,000.00	09/06/2022	1,124,212.50	3.925%	931142EW9
CORPORATE NOTE	BNY MELLON	09/15/2025	305,000.00	09/12/2022	304,890.20	4.013%	437076CR1
CORPORATE NOTE	BNY MELLON	10/15/2025	475,000.00	10/19/2022	473,646.25	5.055%	539830BU2
CORPORATE NOTE	BNY MELLON	10/15/2025	325,000.00	10/25/2022	324,970.75	5.154%	91324PEN8
CORPORATE NOTE	BNY MELLON	10/28/2025	950,000.00	10/25/2022	950,000.00	5.677%	693475BH7
CORPORATE NOTE	BNY MELLON	10/30/2025	270,000.00	10/20/2022	269,638.20	5.499%	63743HFF4
CORPORATE NOTE	BNY MELLON	11/03/2025	445,000.00	10/27/2021	445,000.00	1.281%	172967ND9
CORPORATE NOTE	BNY MELLON	11/07/2025	290,000.00	10/31/2022	289,921.70	5.260%	20030NDZ1
CORPORATE NOTE	BNY MELLON	12/05/2025	2,125,000.00	11/28/2022	2,122,705.00	4.739%	53522KAB9
CORPORATE NOTE	BNY MELLON	12/06/2025	1,250,000.00	12/01/2021	1,250,000.00	1.530%	06051GKE8
CORPORATE NOTE	BNY MELLON	12/08/2025	1,215,000.00	11/29/2022	1,215,000.00	5.088%	05254JAA8
CORPORATE NOTE	BNY MELLON	02/06/2026	595,000.00	02/02/2022	595,000.00	1.746%	857477BR3
CORPORATE NOTE	BNY MELLON	02/18/2026	1,365,000.00	02/16/2022	1,365,000.00	2.631%	61747YEM3
CORPORATE NOTE	BNY MELLON	03/30/2026	1,000,000.00	02/17/2022	1,020,130.00	2.226%	857477BM4
CORPORATE NOTE	BNY MELLON	04/26/2026	600,000.00	04/19/2022	600,000.00	4.083%	46647PCZ7
CORPORATE NOTE	BNY MELLON	07/28/2026	935,000.00	07/25/2022	935,000.00	4.263%	89788MAH5
CORPORATE NOTE	BNY MELLON	10/28/2026	1,000,000.00	10/26/2022	1,000,000.00	5.905%	89788MAJ1
CORPORATE NOTE	BNY MELLON	11/04/2026	415,000.00	11/01/2022	415,000.00	5.756%	857477BX0
CORPORATE NOTE	BNY MELLON	01/10/2025	1,250,000.00	01/06/2022	1,246,175.00	1.480%	21688AAS1
CORPORATE NOTE	BNY MELLON	06/09/2025	1,555,000.00	05/31/2022	1,555,000.00	3.500%	63254ABD9
MUNICIPAL BOND / NOTE	BNY MELLON	12/01/2022	395,000.00	07/30/2020	395,000.00	0.349%	13067WQZ8
MUNICIPAL BOND / NOTE	BNY MELLON	07/01/2023	135,000.00	05/29/2020	135,805.95	1.798%	20772KJV2
MUNICIPAL BOND / NOTE	BNY MELLON	08/01/2023	465,000.00	10/30/2020	465,000.00	0.444%	54438CYH9
MUNICIPAL BOND / NOTE	BNY MELLON	11/01/2023	575,000.00	07/24/2020	575,000.00	0.422%	605581MY0
MUNICIPAL BOND / NOTE	BNY MELLON	11/01/2023	625,000.00	08/27/2020	625,000.00	0.475%	13077DMJ8
MUNICIPAL BOND / NOTE	BNY MELLON	12/01/2023	135,000.00	07/30/2020	135,000.00	0.414%	13067WRA2
MUNICIPAL BOND / NOTE	BNY MELLON	03/15/2024	1,710,000.00	12/16/2020	1,710,000.00	0.620%	650036DS2
MUNICIPAL BOND / NOTE	BNY MELLON	01/01/2025	520,000.00	01/22/2021	520,000.00	0.897%	646140DN0
MUNICIPAL BOND / NOTE	BNY MELLON	01/15/2025	1,565,000.00	08/17/2022	1,565,000.00	3.661%	576004GY5
MUNICIPAL BOND / NOTE	BNY MELLON	07/01/2025	630,000.00	09/03/2020	630,000.00	1.258%	341271AD6
US TREASURY NOTES	BNY MELLON	07/31/2023	1,775,000.00	05/03/2021	1,816,532.23	0.204%	912828S92
US TREASURY NOTES	BNY MELLON	09/30/2023	4,500,000.00	10/04/2021	4,497,714.84	0.276%	91282CDA6
US TREASURY NOTES	BNY MELLON	10/15/2023	3,000,000.00	10/08/2020	2,994,257.81	0.189%	91282CAP6
US TREASURY NOTES	BNY MELLON	10/31/2023	5,975,000.00	11/01/2021	5,957,961.91	0.519%	91282CDD0
US TREASURY NOTES	BNY MELLON	11/15/2023	5,065,000.00	12/01/2020	5,068,759.18	0.225%	91282CAW1
US TREASURY NOTES	BNY MELLON	12/15/2023	2,700,000.00	01/07/2021	2,693,144.53	0.212%	91282CBA8
US TREASURY NOTES	BNY MELLON	01/15/2024	1,500,000.00	02/02/2021	1,497,656.25	0.178%	91282CBE0
US TREASURY NOTES	BNY MELLON	02/15/2024	2,950,000.00	03/01/2021	2,937,208.98	0.272%	91282CBM2
US TREASURY NOTES	BNY MELLON	03/15/2024	3,500,000.00	03/11/2021	3,492,207.03	0.325%	91282CBR1
US TREASURY NOTES	BNY MELLON	03/15/2024	2,450,000.00	03/31/2021	2,443,970.70	0.334%	91282CBR1
US TREASURY NOTES	BNY MELLON	04/15/2024	2,500,000.00	04/22/2021	2,503,320.31	0.330%	91282CBV2
US TREASURY NOTES	BNY MELLON	04/15/2024	2,750,000.00	04/27/2021	2,752,041.02	0.350%	91282CBV2
US TREASURY NOTES	BNY MELLON	04/30/2024	4,500,000.00	04/05/2021	4,717,792.97	0.409%	912828X70
US TREASURY NOTES	BNY MELLON	06/15/2024	5,000,000.00	06/14/2021	4,987,304.69	0.335%	91282CCG4
US TREASURY NOTES	BNY MELLON	06/15/2024	3,450,000.00	06/28/2021	3,428,033.20	0.467%	91282CCG4
US TREASURY NOTES	BNY MELLON	06/15/2024	3,000,000.00	07/01/2021	2,980,546.88	0.472%	91282CCG4
US TREASURY NOTES	BNY MELLON	07/15/2024	6,000,000.00	08/04/2021	6,006,562.50	0.337%	91282CCL3
US TREASURY NOTES	BNY MELLON	07/15/2024	1,375,000.00	08/05/2021	1,374,838.87	0.379%	91282CCL3
US TREASURY NOTES	BNY MELLON	07/15/2024	1,400,000.00	08/10/2021	1,397,429.69	0.438%	91282CCL3
US TREASURY NOTES	BNY MELLON	08/15/2024	3,000,000.00	08/19/2021	2,995,195.31	0.429%	91282CCT6
US TREASURY NOTES	BNY MELLON	08/15/2024	6,000,000.00	09/01/2021	5,993,437.50	0.412%	91282CCT6
US TREASURY NOTES	BNY MELLON	08/31/2024	3,000,000.00	05/03/2021	3,081,328.13	0.428%	912828YE4
US TREASURY NOTES	BNY MELLON	09/15/2024	4,200,000.00	09/16/2021	4,189,335.94	0.461%	91282CCX7

**SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT  
INVESTMENT SUMMARY  
NOVEMBER 30, 2022**

INVESTMENT DESCRIPTION	INSTITUTION	MATURITY DATE	PAR VALUE	ISSUE DATE	PURCHASE PRICE	BOOK YIELD RATE	CUSIP
US TREASURY NOTES	BNY MELLON	09/15/2024	3,000,000.00	09/22/2021	2,992,382.81	0.461%	91282CCX7
US TREASURY NOTES	BNY MELLON	09/15/2024	3,000,000.00	10/04/2021	2,988,164.06	0.510%	91282CCX7
US TREASURY NOTES	BNY MELLON	10/15/2024	3,000,000.00	11/01/2021	2,985,234.38	0.794%	91282CDB4
US TREASURY NOTES	BNY MELLON	10/31/2024	2,750,000.00	05/04/2021	2,850,009.77	0.447%	912828YM6
US TREASURY NOTES	BNY MELLON	11/15/2024	6,000,000.00	12/02/2021	5,972,109.38	0.911%	91282CDH1
US TREASURY NOTES	BNY MELLON	11/15/2024	3,000,000.00	12/07/2021	2,982,070.31	0.957%	91282CDH1
US TREASURY NOTES	BNY MELLON	11/30/2024	2,625,000.00	06/02/2021	2,722,207.03	0.427%	912828YV6
US TREASURY NOTES	BNY MELLON	11/30/2024	2,750,000.00	06/03/2021	2,848,720.70	0.458%	912828YV6
US TREASURY NOTES	BNY MELLON	11/30/2024	5,000,000.00	06/14/2021	5,182,226.56	0.437%	912828YV6
US TREASURY NOTES	BNY MELLON	12/15/2024	2,000,000.00	12/22/2021	2,002,812.50	0.952%	91282CDN8
US TREASURY NOTES	BNY MELLON	12/15/2024	3,000,000.00	12/28/2021	3,002,578.13	0.970%	91282CDN8
US TREASURY NOTES	BNY MELLON	12/15/2024	2,950,000.00	01/03/2022	2,947,810.55	1.026%	91282CDN8
US TREASURY NOTES	BNY MELLON	02/15/2025	2,950,000.00	02/11/2022	2,922,343.75	1.823%	91282CDZ1
US TREASURY NOTES	BNY MELLON	03/15/2025	3,000,000.00	04/01/2022	2,926,523.44	2.621%	91282CED9
US TREASURY NOTES	BNY MELLON	04/30/2025	4,750,000.00	05/04/2022	4,733,115.23	3.000%	9128284M9
US TREASURY NOTES	BNY MELLON	04/30/2025	1,450,000.00	05/04/2022	1,445,525.39	2.984%	9128284M9
US TREASURY NOTES	BNY MELLON	05/15/2025	8,750,000.00	06/01/2022	8,723,339.84	2.858%	91282CEQ0
US TREASURY NOTES	BNY MELLON	06/15/2025	2,900,000.00	07/06/2022	2,896,261.72	2.921%	91282CEU1
US TREASURY NOTES	BNY MELLON	07/15/2025	3,000,000.00	08/03/2022	2,994,960.94	3.060%	91282CEY3
US TREASURY NOTES	BNY MELLON	07/15/2025	6,000,000.00	08/04/2022	6,007,265.63	2.956%	91282CEY3
US TREASURY NOTES	BNY MELLON	07/15/2025	5,100,000.00	08/08/2022	5,078,882.81	3.148%	91282CEY3
US TREASURY NOTES	BNY MELLON	08/15/2025	5,850,000.00	09/01/2022	5,782,130.86	3.544%	91282CFE6
US TREASURY NOTES	BNY MELLON	09/15/2025	4,250,000.00	10/06/2022	4,162,675.78	4.254%	91282CFK2
FIDELITY GOVERNMENT	BNY MELLON		1,648,710.74		1,648,710.74	0.050%	
LOCAL AGENCY INVESTMENT FUND	LAIF	DAILY	69,075,043.80		69,075,043.80	2.007%	AT 11/30/22
CAMP	CAMP	DAILY	77,824,134.45		77,824,134.45	3.900%	AT 11/30/22
			<u>449,552,888.99</u>		<u>450,084,162.84</u>		
<b><u>DEVIL CANYON / CASTAIC FUND</u></b>							
LOCAL AGENCY INVESTMENT FUND	LAIF	DAILY	<u>4,624,529.07</u>		<u>4,624,529.07</u>	2.007%	11/30/2022
<b><u>GENERAL FUND</u></b>							
AGENCY BONDS - FNMA NOTES	BNY MELLON	04/20/2023	140,000.00	04/17/2020	139,650.00	0.459%	3137EAEQ8
AGENCY BONDS - FNMA NOTES	BNY MELLON	05/05/2023	25,000.00	05/05/2020	24,989.50	0.389%	3137EAEQ8
AGENCY BONDS - FNMA NOTES	BNY MELLON	05/22/2023	2,345,000.00	05/20/2020	2,337,941.55	0.351%	3135G04Q3
AGENCY BONDS - FNMA NOTES	BNY MELLON	06/26/2023	2,125,000.00	06/24/2020	2,118,795.00	0.348%	3137EAEQ8
AGENCY BONDS - FNMA NOTES	BNY MELLON	07/10/2023	2,225,000.00	07/08/2020	2,220,216.25	0.322%	3135G05G4
AGENCY BONDS - FNMA NOTES	BNY MELLON	07/10/2023	600,000.00	10/07/2020	599,862.00	0.258%	3135G05G4
AGENCY BONDS - FNMA NOTES	BNY MELLON	08/24/2023	2,200,000.00	08/19/2020	2,197,756.00	0.284%	3137EAEV7
AGENCY BONDS - FNMA NOTES	BNY MELLON	10/16/2023	825,000.00	10/14/2020	821,922.75	0.250%	3137EAEY1
AGENCY BONDS - FNMA NOTES	BNY MELLON	11/06/2023	2,365,000.00	11/03/2020	2,362,871.50	0.280%	3137EAEZ8
AGENCY BONDS - FNMA NOTES	BNY MELLON	11/27/2023	300,000.00	11/23/2020	299,658.00	0.288%	3135G06H1
AGENCY BONDS - FNMA NOTES	BNY MELLON	12/04/2023	1,950,000.00	12/02/2020	1,948,069.50	0.283%	3137EAF2A
AGENCY BONDS - FNMA NOTES	BNY MELLON	08/01/2025	650,000.00	07/29/2022	650,000.00	3.60%	3134GXM35
CERTIFICATE OF DEPOSIT	BNY MELLON	03/17/2023	885,000.00	03/19/2021	885,000.00	0.590%	22552G3C2
CORPORATE NOTE	BNY MELLON	06/08/2023	115,000.00	06/01/2020	114,840.15	0.847%	69371RQ82
CORPORATE NOTE	BNY MELLON	08/11/2023	100,000.00	08/04/2020	99,869.00	0.394%	69371RQ90
CORPORATE NOTE	BNY MELLON	01/10/2024	170,000.00	01/03/2022	169,972.80	0.958%	14913R2S5
CORPORATE NOTE	BNY MELLON	01/11/2024	550,000.00	01/06/2021	549,967.00	0.452%	89236THU2
CORPORATE NOTE	BNY MELLON	01/17/2024	240,000.00	03/01/2021	239,829.60	0.475%	24422EVN6
CORPORATE NOTE	BNY MELLON	01/25/2024	675,000.00	01/20/2021	675,000.00	0.529%	6174468W2
CORPORATE NOTE	BNY MELLON	02/08/2024	255,000.00	02/01/2021	254,824.05	0.373%	63743HEU2
CORPORATE NOTE	BNY MELLON	03/05/2024	500,000.00	09/24/2020	532,130.00	0.878%	06051GHF9
CORPORATE NOTE	BNY MELLON	03/08/2024	465,000.00	03/03/2022	465,000.00	1.882%	771196BU5
CORPORATE NOTE	BNY MELLON	03/16/2024	400,000.00	03/09/2021	400,000.00	0.697%	46647PBZ8
CORPORATE NOTE	BNY MELLON	03/18/2024	360,000.00	03/16/2021	359,820.00	0.767%	808513BN4
CORPORATE NOTE	BNY MELLON	04/15/2024	275,000.00	05/07/2020	301,287.25	1.151%	20030NCR0
CORPORATE NOTE	BNY MELLON	05/12/2024	840,000.00	05/10/2021	838,773.60	0.499%	023135BW5
CORPORATE NOTE	BNY MELLON	05/15/2024	395,000.00	05/17/2021	394,589.20	0.585%	91324PEB4
CORPORATE NOTE	BNY MELLON	05/24/2024	490,000.00	05/17/2022	489,980.40	3.752%	40428HTA0
CORPORATE NOTE	BNY MELLON	05/28/2024	550,000.00	05/25/2021	549,950.50	0.703%	04636NAC7
CORPORATE NOTE	BNY MELLON	06/01/2024	250,000.00	05/19/2020	250,000.00	1.514%	46647PBQ8
CORPORATE NOTE	BNY MELLON	06/07/2024	185,000.00	06/07/2021	184,768.75	0.492%	24422EVQ9
CORPORATE NOTE	BNY MELLON	08/09/2024	210,000.00	08/03/2021	209,886.60	0.518%	69371RR40
CORPORATE NOTE	BNY MELLON	08/09/2024	385,000.00	09/07/2021	384,745.90	0.773%	02665WDY4



**SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT  
INVESTMENT SUMMARY  
NOVEMBER 30, 2022**

INVESTMENT DESCRIPTION	INSTITUTION	MATURITY DATE	PAR VALUE	ISSUE DATE	PURCHASE PRICE	BOOK YIELD RATE	CUSIP
CORPORATE NOTE	BNY MELLON	08/12/2024	240,000.00	08/09/2021	239,978.40	0.753%	05565EUB8
CORPORATE NOTE	BNY MELLON	08/12/2024	185,000.00	08/09/2021	185,000.00	0.626%	904764BN6
CORPORATE NOTE	BNY MELLON	09/10/2024	80,000.00	09/07/2021	79,948.00	0.647%	24422EVU0
CORPORATE NOTE	BNY MELLON	09/14/2024	850,000.00	09/07/2021	850,000.00	0.606%	641062AU8
CORPORATE NOTE	BNY MELLON	09/16/2024	355,000.00	09/09/2020	355,000.00	0.653%	46647PBS4
CORPORATE NOTE	BNY MELLON	10/24/2024	500,000.00	10/16/2020	500,000.00	0.810%	06051GJH3
CORPORATE NOTE	BNY MELLON	10/25/2024	310,000.00	10/20/2021	309,798.50	0.872%	06406RAX5
CORPORATE NOTE	BNY MELLON	10/30/2024	250,000.00	10/23/2020	250,000.00	0.776%	172967MT5
CORPORATE NOTE	BNY MELLON	01/10/2025	80,000.00	01/04/2022	79,962.40	1.266%	24422EYV2
CORPORATE NOTE	BNY MELLON	01/13/2025	250,000.00	01/11/2022	249,802.50	1.527%	02665WEA5
CORPORATE NOTE	BNY MELLON	02/10/2025	220,000.00	03/08/2021	234,344.00	0.937%	58933YAR6
CORPORATE NOTE	BNY MELLON	02/16/2025	120,000.00	02/09/2021	120,000.00	0.563%	46647PBY1
CORPORATE NOTE	BNY MELLON	03/04/2025	140,000.00	03/01/2022	139,858.60	2.285%	025816CQ0
CORPORATE NOTE	BNY MELLON	04/01/2025	120,000.00	03/28/2022	119,887.20	3.283%	05565EBZ7
CORPORATE NOTE	BNY MELLON	04/15/2025	50,000.00	03/24/2022	49,912.50	2.760%	437076CM2
CORPORATE NOTE	BNY MELLON	04/24/2025	325,000.00	03/04/2021	334,249.50	0.882%	06406RAN7
CORPORATE NOTE	BNY MELLON	05/01/2025	310,000.00	04/27/2021	310,000.00	0.981%	172967MX6
CORPORATE NOTE	BNY MELLON	06/01/2025	340,000.00	05/24/2021	340,000.00	0.824%	46647PCH7
CORPORATE NOTE	BNY MELLON	07/27/2025	485,000.00	07/20/2022	485,000.00	4.000%	459200KS9
CORPORATE NOTE	BNY MELLON	08/15/2025	70,000.00	08/01/2022	69,935.60	3.132%	194162AM5
CORPORATE NOTE	BNY MELLON	11/03/2025	205,000.00	10/27/2021	205,000.00	1.281%	172967ND9
CORPORATE NOTE	BNY MELLON	12/05/2025	340,000.00	11/28/2022	339,632.80	4.739%	53522KAB9
CORPORATE NOTE	BNY MELLON	02/06/2026	75,000.00	02/02/2022	75,000.00	1.746%	857477BR3
CORPORATE NOTE	BNY MELLON	03/30/2026	200,000.00	02/17/2022	204,026.00	2.226%	857477BM4
CORPORATE NOTE	BNY MELLON	07/28/2026	140,000.00	07/25/2022	140,000.00	4.263%	89788MAH5
CORPORATE NOTE	BNY MELLON	01/10/2025	375,000.00	01/06/2022	373,852.50	1.480%	21688AAS1
MUNICIPAL BOND / NOTE	BNY MELLON	12/01/2022	170,000.00	07/30/2020	170,000.00	0.349%	13067WQZ8
MUNICIPAL BOND / NOTE	BNY MELLON	03/15/2023	265,000.00	12/16/2020	265,000.00	0.480%	650036DR4
MUNICIPAL BOND / NOTE	BNY MELLON	07/01/2023	65,000.00	05/29/2020	65,388.05	1.798%	20772KJV2
MUNICIPAL BOND / NOTE	BNY MELLON	08/01/2023	435,000.00	10/16/2020	435,000.00	0.499%	798306WM4
MUNICIPAL BOND / NOTE	BNY MELLON	08/01/2023	220,000.00	10/30/2020	220,000.00	0.444%	54438CYH9
MUNICIPAL BOND / NOTE	BNY MELLON	11/01/2023	275,000.00	07/24/2020	275,000.00	0.422%	605581MY0
MUNICIPAL BOND / NOTE	BNY MELLON	12/01/2023	75,000.00	07/30/2020	75,000.00	0.414%	13067WRA2
MUNICIPAL BOND / NOTE	BNY MELLON	03/15/2024	800,000.00	12/16/2020	800,000.00	0.620%	650036DS2
MUNICIPAL BOND / NOTE	BNY MELLON	01/01/2025	240,000.00	01/22/2021	240,000.00	0.897%	646140DN0
MUNICIPAL BOND / NOTE	BNY MELLON	07/01/2025	295,000.00	09/03/2020	295,000.00	1.258%	341271AD6
US TREASURY NOTES	BNY MELLON	03/15/2024	1,850,000.00	03/11/2021	1,845,880.86	0.325%	91282CBR1
US TREASURY NOTES	BNY MELLON	04/15/2024	575,000.00	04/22/2021	575,763.67	0.330%	91282CBV2
US TREASURY NOTES	BNY MELLON	04/15/2024	850,000.00	04/27/2021	850,630.86	0.350%	91282CBV2
US TREASURY NOTES	BNY MELLON	08/15/2024	1,200,000.00	08/19/2021	1,198,078.13	0.429%	91282CCT6
US TREASURY NOTES	BNY MELLON	08/15/2024	2,375,000.00	09/01/2021	2,372,402.34	0.412%	91282CCT6
US TREASURY NOTES	BNY MELLON	10/31/2024	1,200,000.00	05/04/2021	1,243,640.63	0.447%	912828YM6
US TREASURY NOTES	BNY MELLON	11/15/2024	1,000,000.00	12/02/2021	995,351.56	0.911%	91282CDH1
US TREASURY NOTES	BNY MELLON	11/15/2024	900,000.00	12/07/2021	894,621.09	0.957%	91282CDH1
US TREASURY NOTES	BNY MELLON	11/30/2024	1,125,000.00	06/02/2021	1,166,660.16	0.427%	912828YV6
US TREASURY NOTES	BNY MELLON	11/30/2024	1,200,000.00	06/03/2021	1,243,078.13	0.458%	912828YV6
US TREASURY NOTES	BNY MELLON	12/15/2024	1,225,000.00	12/22/2021	1,226,722.66	0.952%	91282CDN8
US TREASURY NOTES	BNY MELLON	12/15/2024	875,000.00	01/03/2022	874,350.59	1.026%	91282CDN8
FIDELITY GOVERNMENT	BNY MELLON		534,603.06		534,603.06	0.050%	
LOCAL AGENCY INVESTMENT FUND	LAIF	DAILY	1,329,083.92		1,329,083.92	2.007%	AT 11/30/22
CAMP	CAMP	DAILY	23,295,326.38		23,295,326.38	3.900%	AT 11/30/22
			<u>73,034,013.36</u>		<u>73,198,737.44</u>		

ALL INVESTMENTS LISTED ON THIS MONTHLY INVESTMENT SUMMARY AND HELD BY SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT ARE IN COMPLIANCE WITH THE DISTRICT'S INVESTMENT POLICY.

THE DISTRICT CAN MEET ITS EXPENDITURE REQUIREMENTS FOR THE NEXT SIX MONTHS.

*Cindy Saks*  
CFO / DEPUTY GENERAL MANAGER



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**DATE:** December 20, 2022

**TO:** Board of Directors

**SUBJECT:** List of Announcements

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- A. December 21, 2022, 8:30 a.m. – Upper SAR WIFA by Teleconference (Cancelled)
- B. December 26 - December 30, 2022 – District closed
- C. December 28, 8:30 a.m. – Upper SAR WIFA Technical Advisory Committee - by  
Teleconference (Cancelled)
- D. January 2, 2023 – District closed for New Year’s Holiday
- E. January 3, 2023, 9:30 a.m. – SAWPA Commission Meeting (Cancelled)
- F. January 3, 2023, 10:00 a.m. – SAWPA PA 24 Committee Meeting (Cancelled)
- G. January 3, 2023, 2 p.m. – Regular Board Meeting by Teleconference
- H. January 4, 2023, 8:30 a.m. – Upper SAR WIFA by Teleconference
- I. January 5, 2023, 2 p.m. – Board of Directors Workshop – Resources by  
Teleconference
- J. January 10, 2023, 2 p.m. – Board Workshop – Engineering by Teleconference
- K. January 11, 2023, 8:30 a.m. – Upper SAR WIFA Technical Advisory Committee by  
Teleconference
- L. January 12, 2023, 2 p.m. – Board Workshop – Policy by Teleconference
- M. January 16, 2023 – District Closed in Observance of Martin Luther King, Jr.
- N. January 17, 2023, 9:30 a.m. – SAWPA Commission Meeting (Rotation of Officers and  
Commission Appointments)
- O. January 17, 2023, 2 p.m. – Regular Board Meeting by Teleconference

- P. January 19, 2023, 8:30 a.m. – Division I Forum @ Hilton Inn, Fontana
- Q. January 26, 2023, 8:00 a.m. – SAR Mayors' Breakfast
- R. January 25, 2023, 8:30 a.m. – Upper SAR WIFA Technical Advisory Committee by  
Teleconference
- S. January– SBVW Conservation District- None scheduled
- T. February 1, 2023, 8:30 a.m. – Upper SAR WIFA by Teleconference
- U. February 2, 2023, 2 p.m. – Board of Directors Workshop – Resources by  
Teleconference