




Date: March 26, 2019

To: **Finance and Administration Committee**
Dan Mortensen, Chair
B. J. Atkins
Ed Colley
Robert DiPrimio
Maria Gutzeit
R. J. Kelly

From: Eric Campbell 
Chief Financial and Administrative Officer

A special meeting of the **Finance and Administration Committee** is scheduled to meet on **Wednesday, April 3 2019 at 6:00 PM** at **Rio Vista Water Treatment Plant** located at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350 in the Training Room.

SPECIAL MEETING AGENDA

<u>ITEM</u>		<u>PAGE</u>
1.	Public Comments	
2. *	Recommend Approval of an Emergency Preparedness and Safety Coordinator Classification	3
3. *	Recommend Approval of a Resolution to Enter into a Contract with Lance, Soll & Lunghard, LLP (LSL) for Audit Services for FY 2018/19 through FY 2020/21 With an Option for FY 2021/22 and FY 2022/23	15
4. *	Recommend Approval of a Proposed Salary Adjustment for FY 2019/20	51
5. *	Review Draft Operating FY 2019/20 and FY 2020/21 Biennial Budget	57
6. *	Committee Planning Calendar	77
7.	General Report on Finance and Administration Activities	
8.	Adjournment	

- * Indicates attachments
- To be distributed

NOTICES:

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning (661) 297-1600, or writing to Santa Clarita Valley Water Agency at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the Agency to provide the requested accommodation.

Pursuant to Government Code Section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Santa Clarita Valley Water Agency, located at 27234 Bouquet Canyon Road, Santa Clarita, California 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Website, accessible at <http://www.yourscvwater.com>.

Posted on March 27, 2019.



COMMITTEE MEMORANDUM

DATE: March 26, 2019

TO: Finance and Administration Committee

FROM: Rochelle Patterson *RP*
Director of Administrative Services

SUBJECT: Recommend Approval of an Emergency Preparedness and Safety Coordinator Classification

SUMMARY

As part of the merger, the need for a new classification of Emergency Preparedness and Safety Coordinator was identified. The Board approved the new organizational structure in January 2018, which identified this position as a future need. At this time, staff is recommending that the attached proposed classification of Emergency Preparedness and Safety Coordinator be approved to reflect the needs of the Agency.

DISCUSSION

To continue with a strong safety culture and to align functions previously organized across the separate entities, the Emergency Preparedness and Safety Coordinator position has been created to meet operational needs. The incumbent in this position will be reporting to the Safety Officer and will perform duties associated with the Agency's emergency preparedness and response needs, as well as other safety related functions. The Emergency Preparedness and Safety Coordinator proposed classification specifications are described in Attachment 1.

Staff conducted a brief salary survey of similar types of positions and recommends the Emergency Preparedness and Safety Coordinator to be classified at Range 29, as highlighted in Attachment 2, the revised Classification Plan. This position is aligned three steps below the supervisor. There is no increase to the count of authorized positions as this position replaces one of the eliminated positions. The November 2016 Formation Study looked at long-term staffing levels and recognized the need for additional staff due to growth and regulatory requirements.

FINANCIAL CONSIDERATIONS

The creation of the proposed classification does not have a financial impact. The position repurposes one of the eliminated positions and has been authorized in the Budget for FY 2018/19.

RECOMMENDATION

That the Finance and Administration Committee recommends the Board of Directors approve the new classification of Emergency Preparedness and Safety Coordinator and assign it to Range 29.

RP/am

Attachments

M65

[This page intentionally left blank.]

ATTACHMENT 1

SANTA CLARITA VALLEY WATER AGENCY CLASSIFICATION PLAN EFFECTIVE APRIL 2019

Position	Range	Monthly Salary Range*	
		Bottom	Top
General Manager	n/a	\$ -	\$ 21,167
Assistant General Manager	48	15,638	19,053
Chief Financial and Administrative Officer	47	14,893	18,146
Chief Operating Officer	47	14,893	18,146
Chief Engineer	46	14,184	17,282
Director of Finance and Administration	45	13,508	16,458
Director of Operations and Maintenance	45	13,508	16,458
Director of Technology Services	45	13,508	16,458
Director of Water Resources	45	13,508	16,458
Assistant Retail Manager	42	11,671	14,220
Principal Engineer	41	11,114	13,541
Principal Water Resources Planner	41	11,114	13,541
Controller	40	10,583	12,895
Human Resources/Risk Management Supervisor	40	10,583	12,895
Operations and Maintenance Superintendent	40	10,583	12,895
Public Information Officer	39	10,082	12,284
Operations Superintendent	38	9,600	11,696
Retail Administrative Officer	38	9,600	11,696
Senior Engineer	38	9,600	11,696
Senior Water Resources Planner	38	9,600	11,696
Laboratory and Regulatory Affairs Supervisor	37	9,143	11,139
Civil Engineer	36	8,709	10,611
Customer Service Manager	36	8,709	10,611
Inspector Supervisor	36	8,709	10,611
Resource Conservation Manager	36	8,709	10,611
Senior Management Analyst	36	8,709	10,611
Water Resources Planner	36	8,709	10,611
Water Conservation Supervisor	36	8,709	10,611
Distribution Mechanical Supervisor	35	8,293	10,104
Electrical/Instrumentation Supervisor	35	8,293	10,104
Operations Supervisor	35	8,293	10,104
Production Supervisor	35	8,293	10,104
Senior Financial Analyst	35	8,293	10,104
Utility Maintenance Supervisor	35	8,293	10,104
Water Quality/Reg Compliance Supervisor	35	8,293	10,104

**SANTA CLARITA VALLEY WATER AGENCY
CLASSIFICATION PLAN
EFFECTIVE APRIL 2019**

Position	Range	Monthly Salary Range*	
		Bottom	Top
Accounting Manager	34	7,898	9,623
Associate Engineer	34	7,898	9,623
Associate Water Resources Planner	34	7,898	9,623
Board Secretary	34	7,898	9,623
Information Technology Administrator	34	7,898	9,623
Public Affairs Specialist III	34	7,898	9,623
Senior Inspector	34	7,898	9,623
GIS Supervisor/Planner	33	7,523	9,167
Management Analyst	33	7,523	9,167
Senior Treatment Plant Operator - 80 hour shift	33	7,523	9,167
Senior Treatment Plant Operator - 84 hour shift	33	7,900	9,625
Water Conservation Specialist III	33	7,523	9,167
Financial Analyst	32	7,165	8,729
Safety Officer	32	7,165	8,729
Water Quality Scientist II	32	7,165	8,729
Assistant Engineer	31	6,822	8,312
Buildings and Grounds Supervisor	31	6,822	8,312
Public Affairs Specialist II	31	6,822	8,312
Senior Accountant	31	6,822	8,312
Senior Distribution/Mechanical Technician	31	6,822	8,312
Senior Electrical Technician	31	6,822	8,312
Senior Instrumentation Technician	31	6,822	8,312
Treatment Plant Operator II - 80 hour shift	31	6,822	8,312
Treatment Plant Operator II - 84 hour shift	31	7,163	8,727
Administrative Analyst	30	6,497	7,916
Customer Service Supervisor	30	6,497	7,916
Human Resources Analyst	30	6,497	7,916
Senior Engineering Technician	30	6,497	7,916
Senior Information Technology Technician	30	6,497	7,916
Water Conservation Specialist II	30	6,497	7,916
Water Utility Foreman	30	6,497	7,916
Executive Assistant	29	6,190	7,542
Inspector	29	6,190	7,542
Senior Production Operator	29	6,190	7,542
Water Quality Scientist I	29	6,190	7,542
Emergency Preparedness and Safety Coordinator	29	6,190	7,542

**SANTA CLARITA VALLEY WATER AGENCY
CLASSIFICATION PLAN
EFFECTIVE APRIL 2019**

Position	Range	Monthly Salary Range*	
		Bottom	Top
Accountant	28	5,893	7,181
Distribution/Mechanical Technician II	28	5,893	7,181
Electrical/Instrumentation Technician	28	5,893	7,181
Lead Water Conservation Education Specialist	28	5,893	7,181
Public Affairs Specialist I	28	5,893	7,181
Treatment Plant Operator I - 80 hour shift	28	5,893	7,181
Treatment Plant Operator I - 84 hour shift	28	6,188	7,540
Water Quality Specialist	28	5,893	7,181
Assistant Customer Service Supervisor	27	5,613	6,839
Engineering Technician II	27	5,613	6,839
GIS/CAD Technician II	27	5,613	6,839
Information Technology Technician	27	5,613	6,839
Senior Facilities Maintenance Technician	27	5,613	6,839
Senior Field Customer Service Representative	27	5,613	6,839
Senior Utility Worker	27	5,613	6,839
Water Conservation Specialist I	27	5,613	6,839
Event Coordinator	26	5,347	6,515
Production Operator II	26	5,347	6,515
Purchasing Coordinator	26	5,347	6,515
Senior Accounting Technician	26	5,347	6,515
Water Conservation Education Specialist	26	5,347	6,515
Administrative Technician	25	5,092	6,204
Distribution/Mechanical Technician I	25	5,092	6,204
Water Quality Technician	25	5,092	6,204
Customer Service Representative II	24	4,849	5,908
GIS/CAD Technician I	24	4,849	5,908
Engineering Technician I	24	4,849	5,908
Facilities Maintenance Technician II	24	4,849	5,908
Field Customer Service Representative II	24	4,849	5,908
Utility Worker II	24	4,849	5,908
Accounting Technician II	23	4,619	5,627
Administrative Assistant	23	4,619	5,627
Production Operator I	23	4,619	5,627
Purchasing Technician	23	4,619	5,627
Warehouse Technician	23	4,619	5,627
Water Quality Distribution Technician	23	4,619	5,627

**SANTA CLARITA VALLEY WATER AGENCY
CLASSIFICATION PLAN
EFFECTIVE APRIL 2019**

Position	Range	Monthly Salary Range*	
		Bottom	Top
Accounting Technician I	21	4,188	5,103
Cross Connection Control Specialist I	21	4,188	5,103
Customer Service Representative I	21	4,188	5,103
Facilities Maintenance Technician I	21	4,188	5,103
Field Customer Service Representative I	21	4,188	5,103
Safety Specialist I	21	4,188	5,103
Utility Worker I	21	4,188	5,103
Office Assistant II	20	3,990	4,862
Office Assistant I	17	3,446	4,198
Directors	\$228.15 per meeting, up to 10 meetings per month		
Shift Differential	5% or 10% (field employees) of compensation is applied to the rate for employees who are routinely and consistently scheduled to work other than a standard "daytime" shift, e.g. graveyard shift, swing shift, shift change, rotating shift, split shift, or weekends.		
On Call Pay	\$151.00 per day		

*Salary Ranges are rounded to the nearest dollar.



ATTACHMENT 2

SANTA CLARITA VALLEY WATER AGENCY Proposed Class Specification

EMERGENCY PREPAREDNESS and SAFETY COORDINATOR FLSA: Non-Exempt Class Range: 29

*Class specifications are only intended to present a descriptive summary of the range of duties and responsibilities associated with specified positions. Therefore, specifications **may not include all** duties performed by individuals within a classification. In addition, specifications are intended to outline the **minimum** qualifications necessary for entry into the class and do not necessarily convey the qualifications of incumbents within the position.*

DEFINITION

Under immediate and general supervision of the Safety Officer, an Emergency Preparedness and Safety Coordinator (EPSC) provides support to the Safety Officer in all activities related to emergency preparedness, response/recovery and health and safety related to the Agency's Safety Program. An EPSC assists with the development and maintenance of the Agency's Emergency Response Plan and coordinates the Agency's Vulnerability Assessment, tracks the After Action Report/Improvement Plan (AAR/IP) items, and provides training and various other safety-related support. While this is not a supervisory level position, an EPSC may be given the responsibility and authority to direct and lead staff during emergency preparedness and response activities.

DISTINGUISHING CHARACTERISTICS

The Emergency Preparedness and Safety Coordinator is a journey level classification in the safety series. Incumbents at this level are capable of performing complex emergency-related activities, including preparation, planning, training, and compliance with industry standard health and safety regulations.

SUPERVISION RECEIVED/EXERCISED

Receives general direction from the Safety Officer.

EXAMPLES OF ESSENTIAL FUNCTIONS (Illustrative Only)

Management reserves the rights to add, modify, change, or rescind the work assignments of different positions and to make reasonable accommodations so that qualified employees can perform the essential functions of the job.

- Researches, develops, prepares, implements and maintains the Agency's Division of Drinking Water Emergency Response Plan and various, Vulnerability Assessment, America's Water Infrastructure Act documentation and supporting documentation such as incident and emergency preparedness specific plans, EOC procedures, Incident Command System (ICS) position checklists, and EOC call-out lists.
- Maintains and tests emergency communication systems, including but not limited to 800 MHz and low-band VHF radios, police scanners, satellite phones, and other forms of emergency communications (i.e. GETS, Nixle, Alert Media).

SANTA CLARITA VALLEY WATER AGENCY
Proposed Class Specification

EMERGENCY PREPAREDNESS and SAFETY COORDINATOR
FLSA: Non-Exempt Class Range: 29

- Serves as a liaison with other Agency departments, divisions, and outside agencies, such as Cal-WARN, Los Angeles County Disaster Area Management Coordinators (DMAC), Water Emergency Response of Orange County (WEROC), City of Santa Clarita; LA County Fire Department; attends meetings; provides staff support to commissions, committees and task forces, negotiates and resolves significant and controversial issues as necessary.
- Prepares written or statistical reports using computer software (including tables, charts, and graphs) to disseminate, interpret, or explain information to Agency staff, governmental agencies, customers, and/or the public.
- Participates in the development and implementation of goals, objectives, policies and priorities for assigned programs within the Safety Department.
- Provides input in the development and administration of program budgets.
- Attends, tracks, coordinates and plans emergency preparedness training, drills (including but not limited to active shooter, earthquake, and fire), and tabletop exercises for Agency Staff on an on-going basis.
- Assists with developing, conducting, and implementing site-specific emergency preparedness plans, compliance documents (e.g. Business Emergency Plans) and safety-related inspections.
- Assists with Agency compliance related to fire and life safety laws, codes and ordinances.
- Confers with a variety of agencies, vendors, subject matter experts, and the public in acquiring information about disaster preparedness, emergency operations and emergency-related safety programs; provides information regarding assigned programs.
- Plans, provides for, and/or personally attends emergency management skills trainings to ensure compliance with Standardized Emergency Management System (SEMS) and National Incident Management System (NIMS).
- As part of the EOC, provides technical and functional direction to assigned emergency response staff; trains staff on use of tools and equipment, and relevant emergency response precautions.
- Assists in developing work plans, procedures, and schedules; coordinates personnel, equipment and other resources needed to maintain emergency preparedness; and requests supplies and equipment for work projects.
- Attends and actively participates in group meetings related to areas of job performance; stays abreast of new trends and innovations in the field of emergency preparedness and safety; researches emerging products and enhancements and their applicability to Agency needs.

**SANTA CLARITA VALLEY WATER AGENCY
Proposed Class Specification**

**EMERGENCY PREPAREDNESS and SAFETY COORDINATOR
FLSA: Non-Exempt Class Range: 29**

- Provides input for staff and Agency reports related to assigned activities and preparedness; assists with presentations of reports to Agency leadership, the Board of Directors, and outside agencies.
- Reviews and performs a variety of studies related to area of expertise.
- Manages contractors associated with safety projects and emergency preparedness plan preparation on an as-needed basis.
- Assist Safety Officer in safety-related projects and tasks as assigned.

PHYSICAL, MENTAL AND ENVIRONMENTAL WORKING CONDITIONS

This position is primarily an office position, but requires periods of work outdoors and may require:

- This position requires both indoor and outdoor responsibilities.
- Prolonged sitting, standing, walking, reaching, twisting, turning, kneeling, bending, squatting, and stooping in the performance of daily activities.
- Reaching, grasping, repetitive hand movement and fine coordination is required.
- Ability to work in all weather conditions including, but not limited to heat, rain, and cold.
- Work in and around road traffic, mechanical and electrical hazards, and in confined spaces on occasion.
- Near and far vision when inspecting work, operating assigned equipment, reading and writing reports and other work-related documents.
- Ability to lift, drag and push materials, supplies and equipment weighing up to 50 pounds may be required.
- Ability to speak and hear at normal conversational levels in-person and over the telephone.
- Requires fine coordination in preparing reports using a computer keyboard, mouse and mobile devices.
- Walk on uneven and slippery surfaces.

Some of these requirements may be accommodated for otherwise qualified individuals requiring and requesting such accommodations.

QUALIFICATIONS *(The following are minimal qualifications necessary for entry into the classification.)*

Any combination of education and experience that has provided the knowledge, skills, and abilities necessary for an Emergency Preparedness and Safety Coordinator. A typical way of obtaining the required qualifications is to possess the equivalent of:

**SANTA CLARITA VALLEY WATER AGENCY
Proposed Class Specification**

**EMERGENCY PREPAREDNESS and SAFETY COORDINATOR
FLSA: Non-Exempt Class Range: 29**

Education and/or Experience

Five (5) years of increasingly responsible experience in emergency preparedness and response, general safety coordination and program administration in a public works or Water distribution environment, or a related field. Prior experience in ICS or EOC structures in a real-world disaster scenario is preferred.

Bachelor's degree in emergency planning / management, water science, environmental science or another related field is required. Completion of ICS 100, 200, 700, and 800 are required.

Advanced college-level coursework or specialized training in environmental science, natural resources, safety management, emergency preparedness and response, and occupational safety is highly desirable.

Licenses and Certifications

Possession of a valid Class C California driver's license is required. State Water Resources Control Board certification in water distribution and treatment is desirable. Possession of a Community Emergency Response Team (CERT), Certified Hazardous Materials Management (CHMM) certification is recommended.

KNOWLEDGE/SKILLS/ABILITIES (KSAs) *(The following are a representative sample of the KSAs necessary to perform essential duties of the position.)*

Knowledge of:

- Principles and practices of safety and emergency management program administration.
- Applicable Federal and State laws and regulations relating to emergency preparedness and safety.
- Emergency and natural disaster hazards that may affect the emergency planning needs of a water agency.
- Staffing and operating emergency operations and incident command systems such as National Incident Management System (NIMS) and Standardized Emergency Management System (SEMS).
- Emergency response plans, the Bioterrorism Act of 2002, and America's Water Infrastructure Act of 2018.
- Principles and practices used in dealing with the public, public officials, and regulatory agencies.
- Modern office practices, methods, and computer equipment.
- Basic mathematical principles.
- Principles of business letter writing, basic report preparation, spelling, vocabulary, grammar, and punctuation.
- Safe driving principles and practices.

**SANTA CLARITA VALLEY WATER AGENCY
Proposed Class Specification**

**EMERGENCY PREPAREDNESS and SAFETY COORDINATOR
FLSA: Non-Exempt Class Range: 29**

Ability to:

- Read, analyze, and comprehend regulations, laws, policies, reports, and related technical and administrative information and data.
- Perform responsible and difficult technical and administrative work involving the use of independent judgment with accuracy and speed.
- Respond to requests and inquiries for information regarding emergency and safety management policies and procedures.
- Prepare and maintain accurate and complete records.
- Collect, compile, and analyze data and information.
- Develop programs, plans, reports, and training material related to emergency preparedness, response, health, and safety.
- Independently compose correspondence and memoranda.
- Maintain and prepare clear and concise complex, extensive, and confidential records and reports.
- Use common office equipment, software, tools and equipment.
- Keep accurate records.
- Communicate clearly and concisely, both orally and in writing.
- Respond to requests and inquiries from the general public.
- Meet and deal tactfully and effectively with the public and regulatory agencies.
- Establish, maintain, and foster positive and harmonious working relationships with those contacted in the course of work.

BOARD APPROVED: April 2019

[This page intentionally left blank.]



COMMITTEE MEMORANDUM

DATE: March 26, 2019

TO: Finance and Administration Committee

FROM: Rochelle Patterson *[Signature]*
Director of Finance and Administration

SUBJECT: Recommend Approval of a Resolution to Enter into a Contract with Lance, Soll & Lunghard, LLP (LSL) for Audit Services for FY 2018/19 through FY 2020/21 With an Option for FY 2021/22 and FY 2022/23

SUMMARY AND DISCUSSION

As a newly formed Agency, SCV Water is committed to best-in-class. It is practice to review our current contracts on a regular cycle, and it was determined that SCV Water’s prior auditor was engaged for an extended time. Therefore, the Agency put out a Request for Proposal (RFP) on February 6, 2019 for new financial audit services.

A total of ten (10) proposals were received, with costs ranging from \$77,140 to \$150,000 for the first year, FY 2018/19, and staff narrowed the selection from 10 firms down to 3. The lowest cost proposals were eliminated due to the proposed number of hours to complete the audit, as well as those firms whose experience was not commensurate with the complexities of the Agency.

The top three firms were analyzed and rated using an Audit Proposal Evaluation Matrix (Attachment 1). The audit firm Lance, Soll, & Lunghard, LLP (LSL) earned the highest score. LSL’s proposal (Attachment 2) illustrates the firm’s commitment to provide quality auditing services by voluntarily adhering to higher audit standards, while proposing mid-range fees. LSL’s proposal includes quotes for three years (FY 2018/19 through FY 2020/21) for a total of \$278,678, with an option to extend the contract for FY 2021/22 for \$96,631 and FY 2022/23 for \$98,565.

Staff contacted the several references provided by LSL and all provided favorable feedback.

FINANCIAL CONSIDERATIONS

The total estimated cost for financial audit services for FY 2018/19 through FY 2020/21 is not to exceed \$278,678. The fees are inclusive of any out-of-pocket expenses incurred by the audit firm.

RECOMMENDATION

That the Finance and Administration Committee recommends the Board of Directors approve the attached resolution (Attachment 3) authorizing the General Manager to enter into a contract with Lance, Soll & Lunghard, LLP to provide audit services for FY 2018/19 through FY 2020/21, with the option to extend the contract for FY 2021/2022 and FY 2022/23.

RP

Attachments

[This page intentionally left blank.]

Audit Proposal Evaluation Matrix



The Santa Clarita Valley Water Agency (SCV Water) and its associated entities are requested proposals from qualified certified public accountant firms to audit its financial statements for the three fiscal years beginning with the fiscal year ending June 30, 2019 (FY 2018/19), with the option of auditing its financial statements for each of the two (2) subsequent fiscal years, in addition to performing other financial audits and reviews as specified.

This tool will assist in evaluating the various proposals from CPA firms interested in performing our audit engagement. Keep in mind that low cost should not overshadow value and audit quality.

Step 1: Grade the various criteria outlined in the proposal. Assign points based on the range recommended.

Proposal Criteria		Points	Roger	LSL	PUN
Approach to Audit Quality		25 points max			
	The proposal outlines an audit approach that is tailored based on obtaining an understanding of the organization's activities, operating systems, personnel and special needs.	0-5	5	5	5
	The proposal indicates an audit approach that is tailored based on the firm's advanced understanding of the organization.	0-5	4	4	4
	The proposal outlines the firm's processes for ensuring an efficient and effective audit process.	0-5	5	5	5
	The proposal showcases the firm's commitment to providing quality audit services by voluntarily adhering to higher standards of audit quality, i.e. sharing their current unqualified peer review report resulting from the American Institute of CPAs external peer review process.	0-5	5	5	5
	The proposal states that the audit will be conducted in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller of the United States.	0-5	5	5	5
Team Knowledge and Experience		25 points max			
	The proposal highlights the firms commitment to professional training and staff continuity.	0-5	5	5	5
	The proposal outlines qualifications, industry experience, licenses and strengths for all partners.	0-5	5	5	4
	The proposal specifies the strengths of assigned team members as well as their years of prior experience in the particular industry and type of engagement.	0-5	4	5	4
	The proposal provides the firm's background, client base, licensing information and years in business.	0-5	5	5	5
	The proposal should identify relevant experience in performing audits for other government agencies and specify that the firm has the applicable expertise/specialty to perform the audit.	0-5	4	4.5	4
Unique Qualifications		5 points max			
	The proposal conveys a positive and confident feeling derived from the firm's business beliefs, communication practices and unique qualifications of which lays the foundation for a trusted relationship.	0-5	5	5	5
Value Added Services		10 points max			
	The proposal provides a listing of additional value added services the firm provides beyond the audit engagement. (e.g. proactively monitor and communicate topics relevant to financial and business operations all year long that may impact future success)	0-5	4	4.5	5
	It is evident that the firm understands our business and our challenges. The firm is committed to being our business advisor, beyond the audit engagement	0-5	3	3	4
Scope and Pricing of the Engagement		35 points max			
	The proposal clearly provides a framework for the scope, timing, steps and resources to complete the engagement.	0-5	5	5	5
	The proposal specifies the price for the engagement and how it will be billed.	0-5	5	5	5
	The proposal specifies level of staff and number of hours to be assigned.	0-5	5	5	5
	The proposal specifies the approach to be taken to gain and document an understanding of SCV Water's internal control structure	0-5	5	5	5
	The proposal addresses the ability to meet our deadlines	0-5	5	5	5
	The proposal addresses all items requested by us whether verbally or in the RFP	0-5	5	5	5
	The proposed fee is reasonable based on the experience, unique value and knowledge the firm brings to the engagement.	0-5	4.5	4.5	4
Total Points		100	93.5	95.5	94

Step 2: Based on the above grading, document your decision to award the engagement to the proposal with the highest points.

The committee of Eric Campbell, Chief Financial and Administrative Officer; Rochelle Patterson, Director of Finance and Administration; and, Amy Aguero, Controller recommend LSL as the lowest responsive bidder.

[This page intentionally left blank.]

ATTACHMENT 2



PREPARED BY:

Lance, Soll & Lunghard, LLP
Certified Public Accountants
203 N. Brea Blvd., Suite 203
Brea, CA 92821
(714) 672-0022

Cost Proposal Presented to

SANTA CLARITA VALLEY WATER AGENCY

REQUEST FOR PROPOSAL
AUDIT SERVICES
RFP 1819-AS-10587

CONTACT PERSON:

Bryan S. Gruber, CPA, Partner
Bryan.Gruber@slcpas.com
(714) 672-0022

February 28, 2019

Focused
on YOU





LANCE, SOLL, & LUNGHARD, LLP

COST PROPOSAL

Schedule of Professional Fees and Expenses

SERVICE	2018/19	2019/20	2020/21	Option Year 2021/2022	Option Year 2022/23
SCV Water*	\$ 76,490	\$ 78,020	\$ 79,580	\$ 81,172	\$ 82,795
Devil's Den	\$ 2,665	\$ 2,718	\$ 2,772	\$ 2,827	\$ 2,884
Upper SCVJPA	\$ 2,665	\$ 2,718	\$ 2,772	\$ 2,827	\$ 2,884
GSA	\$ 2,665	\$ 2,718	\$ 2,772	\$ 2,827	\$ 2,884
GANN Limit AUP	\$ 595	\$ 607	\$ 619	\$ 631	\$ 644
State Controller Reports	\$ 2,490	\$ 2,540	\$ 2,591	\$ 2,643	\$ 2,696
Single Audit (if applicable)**	\$ 3,490	\$ 3,560	\$ 3,631	\$ 3,704	\$ 3,778
Total All Inclusive Maxmium Price	\$ 91,060	\$ 92,881	\$ 94,737	\$ 96,631	\$ 98,565

*SCV Water includes Regional Division (wholesale), Newhall Water Division, Santa Clarita Water Division and Valencia Water Division (retail)

**Price includes one major program. Each additional program is \$1,500.

Auditor's Standard Billing Rates

POSITION	2018/19	2019/20	2020/21	Option Year 2021/2022	Option Year 2022/23
Partner	\$ 280	\$ 286	\$ 292	\$ 298	\$ 304
Manager	\$ 170	\$ 173	\$ 176	\$ 180	\$ 184
Supervisor	\$ 150	\$ 153	\$ 156	\$ 159	\$ 162
Senior Accountant	\$ 125	\$ 128	\$ 131	\$ 134	\$ 137
Staff Accountant	\$ 100	\$ 102	\$ 104	\$ 106	\$ 108
Clerical	\$ 60	\$ 61	\$ 62	\$ 63	\$ 64

Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's proposal. Interim billings shall cover a period of not less than a calendar month.



PREPARED BY:

Lance, Soll & Lunghard, LLP
Certified Public Accountants
203 N. Brea Blvd., Suite 203
Brea, CA 92821
(714) 672-0022

Proposal Presented to

**SANTA CLARITA VALLEY
WATER AGENCY**

**REQUEST FOR PROPOSAL
AUDIT SERVICES
RFP 1819-AS-10587**

CONTACT PERSON:

Bryan S. Gruber, CPA, Partner
Bryan.Gruber@slcpas.com
(714) 672-0022

February 28, 2019

Focused
on YOU

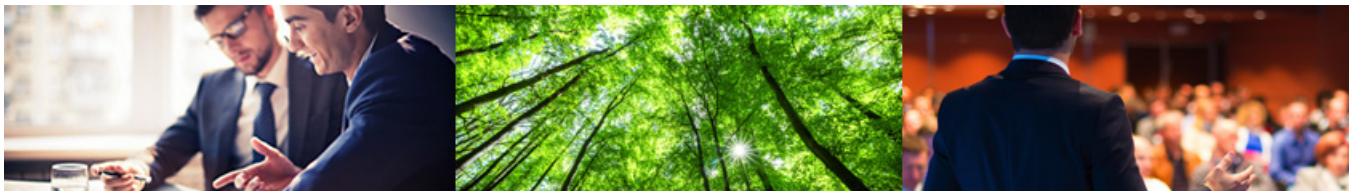


TABLE OF CONTENTS

TRANSMITTAL LETTER..... 1

ADDITIONAL BENEFITS TO WORKING WITH LSL..... 3

LICENSE TO PRACTICE IN CALIFORNIA..... 4

INDEPENDENCE 4

FIRM QUALIFICATIONS AND EXPERIENCE 4

- Size of the Firm 4
- Location of Offices..... 4
- GFOA Award Program 4
- Number of Professional Staff to be Employed on the Engagement..... 4
- External Quality Control Reviews..... 4
- Desk Reviews/Disciplinary Action 4
- LSL Listing of Current Government Audit Clients 5
- Peer Review 6

PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE..... 7

- Key Personnel and Respective Responsibilities 7
- Continuing Education 7
- Resumes 8

SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENT ENTITIES 14

SPECIFIC AUDIT APPROACH 15

- Proposed Segmentation of the Engagement 15
- Propose Audit Schedule..... 18
- Level of Staff and Number of Hours to be Assigned 19
- Provided by Client (PBC) List..... 20

IDENTIFICATION OF ANTICIPATED POTENTIAL AUDIT PROBLEMS 24

ACKNOWLEDGEMENT RECEIPT OF ADDENDA..... 25





TRANSMITTAL LETTER

February 28, 2019

Santa Clarita Valley Water Agency
Attention: Rochelle Patterson
Director of Finance and Administration
27234 Bouquet Canyon Road
Santa Clarita, CA 91350

LANCE, SOLL & LUNGHARD, LLP (LSL) is pleased to respond to your request for proposal for audit services. As a leader in the field of governmental accounting and auditing, we appreciate this opportunity to present our professional qualifications. Because of our extensive California District government experience, excellence and determination to retain the brightest talent, we hope you find that LSL is the most qualified accounting firm to provide professional audit services to the Santa Clarita Valley Water Agency (SCV Water).

ANNUAL SERVICES

The Santa Clarita Valley Water Agency (SCV Water) will receive the following for three fiscal years beginning with the fiscal year ending June 30, 2019, with the option for each of the two (2) subsequent fiscal years:

- Perform an audit of all funds of SCV Water and other entities. The audit will be conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller of the United States. **SCV Water's Comprehensive Annual Financial Report (CAFR) will be prepared and word processed by LSL.** The CAFR will be in full compliance with all GASB statements. LSL will render their auditors' report on the basic financial statements which will include and Fund Financial Statements. LSL will also apply limited audit procedures to Management's Discussion and Analysis (MD&A) and required supplementary information pertaining to the General Fund and each major fund of SCV Water. The CAFR will be submitted GFOA to obtain the Certificate of Achievement for Excellence in Financial Reporting.
- Perform the Single Audit (if applicable) on the expenditures of federal grants in accordance with OMB Super Circular and render the appropriate audit reports on Internal Control over Financial Reporting based upon the audit of SCV Water's financial statements in accordance with *Government Auditing Standards* and the appropriate reports on compliance with Requirements Applicable to each Major Program, Internal Control over Compliance and on the Schedule of Expenditures of Federal Awards. The single audit report will include an appropriate schedule of expenditures of federal awards, footnotes, findings and questioned costs, including reportable conditions and material weaknesses, and follow up on prior audit findings where required.
- Review or perform agreed-upon auditing procedures pertaining to SCV Water's GANN Limit (Appropriations Limit) and render a report annually to SCV Water regarding compliance.
- Issue a separate management letter that includes recommendations and disclosures of material and non-material weakness for improvements in SCV Water's financial operations.



- Issue a separate report on internal controls over compliance and other matters based on an audit of the financial statements performed in accordance with *Government Auditing Standards*.
- Issue reports to and communication with those charged with governance, as required by auditing standards.
- Annually prepare and submit the State Controller's Report for SCV Water and related entities.
- Perform an analysis of the swap valuation in compliance with GASB Statement No. 53.
- Issue any other reports that may become required as a result of a change in accounting standards or new pronouncements that become effective during the term of the engagement.

We are committed to providing the services discussed above in accordance with the timetable specified in your request for proposal. This proposal is a firm and irrevocable offer for a minimum of 90 days. We agree to use and comply with the terms and conditions of SCV Water's standard Professional Services Agreement as provided in Attachment 2 of the RFP. For purposes of this proposal, Bryan S. Gruber, CPA, Partner, is authorized to make representations for our firm. I can be reached at the address below or by phone at (714) 672-0022, or through email at Bryan.Gruber@lslcpas.com.

A handwritten signature in blue ink, appearing to read 'B. Gruber', is positioned above the typed name.

Bryan S. Gruber, CPA
Engagement Partner
203 N. Brea Blvd., Suite 203
Brea, California 92821



ADDITIONAL BENEFITS TO WORKING WITH LSL

In today's environment, keeping up with the numerous accounting and regulatory changes can seem unmanageable. Finance departments are facing more complexity, risk, and change than ever before, and with less resources. As the industry continues to evolve, a strategic relationship with LSL, can help you better manage these changes and better understand the industries best management practices.

1) Annual Governmental Accounting Update

Annually, we hold a half day seminar providing an update to new accounting and regulatory standards impacting local governments. The goal is to provide useful relevant information that impacts your organization.

2) Annual Onsite Client Specific Training

Tailored training for your organization on topics that are most relevant and needed for you and your team. Topics may include fraud risk management, internal controls, accounting pronouncements, governmental accounting, and CAFR preparation.

3) Focused Topic Specific Webinars and Ongoing News & Alerts

Important topics effecting local governments sometimes need more attention and explanation. In addition to our annual update, our webinars and news offer a short focused approach to these critical areas.

4) Meetings with Councils & Committees

We believe communication is the key to a successful relationship and offer two annual meetings with your Board of Directors or Committees. Both meetings encourage dialogue between LSL and Board of Directors during the preliminary and concluding segments of the audit.

5) Best Practices

Best practices for government agencies include the consideration of changing auditors at least every 5 years through and RFP process. Change can ensure independence and objectivity. At LSL we understand that changing auditors can be challenging. This often requires a broad learning curve resulting in unmet expectations. LSL takes pride in open and consistent communication to seamlessly transition a new client and close the expectations gap. We bring the tough issues to the discussion table immediately in order to eliminate the element of surprise

LICENSE TO PRACTICE IN CALIFORNIA

LSL is a limited liability partnership and is not a wholly owned subsidiary of a parent company. LSL is a public accounting firm licensed by the State of California, Department of Consumer Affairs, as a Public Accounting Partnership. As a firm, we are members of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants. All key staff to be assigned to this engagement are or will be licensed by the State of California to practice as Certified Public Accountants.

INDEPENDENCE

We meet the independence requirements as defined by *Government Auditing Standards* for the Santa Clarita Valley Water Agency and the other entities. Our partners do not own any other business organization that has in the past, or will in the future, be providing services, supplies, materials or equipment to the Santa Clarita Valley Water Agency. We haven't had any professional relationship with SCV Water, any of its agencies or component units within the past five years. LSL will provide written notice of any reportable professional relationship entered into during the period of the proposed agreement.

FIRM QUALIFICATIONS AND EXPERIENCE

SIZE OF THE FIRM

Our firm has approximately 110 employees including 18 partners and professional staff. Governmental staff consists of four partners, two senior managers, four managers, five supervisors, and ten seniors. All professional staff assigned to the proposed engagement work on a full-time basis.

LOCATION OF OFFICES

The audit for the Santa Clarita Valley Water Agency will be staffed from our local Brea office which is open during regular business hours. LSL has two other offices in Sacramento and Santa Ana, California. LSL is a full service accounting firm that provides audit, tax, accounting/bookkeeping and consulting services to a wide array of clients in the government and commercial industries.

GFOA AWARD PROGRAM

We prepare the financial statements and footnote disclosures for most of our clients that have received the GFOA award. All of our governmental partners, managers and seniors have been closely involved in the preparation of these reports.

NUMBER OF PROFESSIONAL STAFF TO BE EMPLOYED ON THE ENGAGEMENT

The personnel assigned to this engagement will include an engagement partner (field partner), a concurring partner (quality control), audit senior manager (technical manager), audit manager (field manager), and a senior in-charge and two to three additional staff. All professional staff assigned to the proposed engagement work on a full-time basis.

EXTERNAL QUALITY CONTROL REVIEWS

We have participated in the peer review program since its inception. The most recent peer reviews was conducted by Sikich. All peer reviews covered governmental engagements. Our most recent peer review is included on page 6.

DESK REVIEWS/DISCIPLINARY ACTION

There have been no disciplinary actions against our organization since its inception. All our Single Audit reports are desk reviewed either by the Federal cognizant agency or the State Controller's Office acting as the Oversight Agency. We have never had a report rejected by any of these agencies. In fact, we are highly regarded and recognized by the staff of the State Controller's Office for top quality reports.



CPAs AND ADVISORS

LSL LISTING OF CURRENT GOVERNMENT AUDIT CLIENTS

Client	Contact Person	Service Code	Year	Telephone
Agoura Hills	Ms. C. Pinuelas, Finance Manager	F	5	818-597-7319
American Water Works Association	Ms. S. Ramakrishnan, Asst. Exec. Director	F	5	909-291-2114
Banning	Ms. R. Clayton, Deputy City Manager	F, S	18	951-922-3148
Big Bear Lake	Ms. K. Ent, Director of Admin. Services	F, S	19	909-866-5831
Burbank	Ms. C. L. Giraldo, Financial Services Dir	I	6	818-238-5487
* Camarillo	Ms. G. Wilson, Finance Director	F, S	2	805-388-5320
Canyon Lake	Mr. T. Shea, Finance Director	F	21	909-244-2955
* Cathedral City	Mr. K. Biersack, Fiscal Officer	F, S	7	760-770-0378
* Chino Hills	Ms. C. Buhagiar, Finance Director	F, S	19	909-364-2600
* Chula Vista	Mr. D. Bilby, Director of Finance	F, S	5	619-691-5250
Coachella Valley Association of Governments	Mr. G. Leong, Director of Administrative Services	F	3	760-346-1127
* Coachella Valley Water District	Ms. K. Godbey, Finance Director	F, S, U	5	760-398-2661
Community Development Commission of the County of Los Angeles	Ms. K. Telford, Finance Director	F, S	2	626-586-1890
* Corona	Ms. K. Eden, Finance Director	F, S, U	6	951-736-2315
Covered California	Ms. D. Mejia, CFO	F, S	2	916-228-8223
* Cypress	Ms. D. Mullally, Asst. Finance Director	F, S	2	714-229-6700
* Diamond Bar	Ms. D. Honeywell, Finance Director	F, S	6	909-839-7051
Dinuba	Ms. M. Moreno, Admin. Services Director	F	2	559-591-5900
Dixon	Ms. J. Michaels-Aguilar, Finance Director	F, S	3	707-678-7000 x108
* Downey	Mr. A. Gandhi, Finance Director	F, S	4	562-904-7265
* Emeryville	Ms. S. Hsieh, Finance Director	F, S	13	510-596-4352
* Fullerton	Ms. K. Saldana, Fiscal Services Manager	F, S	6	714-738-3133
Galt	Ms. V. Whittenburg, Accounting Manager	F	1	209-366-7150
Georgetown Divide Public Utility District	Ms. C. Cross, Management Analyst	F	1	530-333-4356
Grand Terrace	Ms. C. Fortune, Finance Director	F	4	909-824-6621
Greater Los Angeles Vector Control	Mr. T. Dever, District Manager	F	7	562-758-6501
* Indio	Mr. Rob Rockwell, Assistant City Manager/Director of Finance	F, S	3	760-391-4029
* Inland Empire Utilities Agency	Ms. Christina Valencia, Chief Financial Officer	F, S, U	3	909-993-1600
Imperial Beach	Ms. E. Cortez, Deputy City Manager	F	13	619-423-8617
Inglewood	Ms. S. Koike, Assistant Finance Director	F, S	2	310-412-8724
* Irwindale	Ms. E. Carreon, Finance Director	F	21	626-430-2221
* Lake Elsinore	Ms. Shannon Buckley, Finance Manager	F, S	2	951-674-3124
Lawndale	Mr. K. Louie, Director of Finance/City Treasurer	F	3	310-973-3246
* Live Oak	Mr. J. Aguilar, Finance Director	F, S	2	530-695-2112
* Los Alamitos	Ms. ML Valdez, Administrative Director/Treasurer	F	3	562-431-3538 x222
* Malibu	Ms. R. Feldman, Finance Director	F	13	310-456-2489
* Manhattan Beach	Mr. S. Charelian, Finance Director	F	15	310-802-5553
* Monrovia	Mr. B. Bullis, Director of Admin. Services	F, S	16	626-932-5510
Monterey One Water	Ms. T. Hannah, Chief Financial Officer	F, U	4	831-645-4623
Moorpark	Mr. R. Ahlers, Finance Director	F, S	1	805-517-6249
* Oceanside	Ms. J. McPherson, Finance Director	F, S	8	760-435-3839
Ontario International Airport	Mr. N. Bottini, Finance Director	F, S	2	714-595-3619
* Palm Desert	Mr. J. Espinoza, Asst. Finance Director	F	2	760-346-0611
* Palm Springs	Mrs. M. Pendleton, Acting Finance Director	F, S	7	760-323-8229
* Pasadena	Mr. R. Ridley, Controller	F, S, U	3	626-744-7497
* Rancho Cucamonga	Ms. T. Layne, Finance Officer	F, S, U	39	909-989-1851
* Redondo Beach	Ms. M. Ruhland, Assistant Finance Director	F, S	2	310-318-0683
Rolling Hills	Mr. T. Shea, Finance Director	F	11	310-377-1521
Rosemead	Ms. P. Lieu, Finance Director	F, S	1	626-569-2146
San Clemente	Mr. J. Rahn, Finance Director	F	1	949-361-8360
San Dimas	Mr. M. O'Brien, Finance Director	F, S	56	909-394-6200
San Marino	Mr. Josh Betta, Finance Director	F	24	626-300-0700
* Santa Barbara	Mr. B. Samario, Finance Director	F, S	6	805-897-1978
* Santa Fe Springs	Mr. T. Hickey, Director of Finance and Administrative Services	F, S	3	562-409-7522
* Santa Monica	Ms. G. Decavalles-Hughes, Finance Director	F, S	3	310-458-8281
Six Basins Watermaster	Mr. L. Stahlhoefer, Controller	F	6	949-420-3030
* Three Valleys Water District	Mr. J. Linthicum, CFO	F, U	9	909-621-5568
* Union Sanitary District	Ms. L. Brenner, FS Coach	F, U	2	510-477-7647

Service Codes:

F - Financial Audit

S - Single Audit

I - Internal Audit

U - Utility Agency

* - Participated in the GFOA Award Programs and has received or anticipates receiving outstanding awards



1735 Merriman Road
Akron, OH 44313

330.864-6661 // www.sikich.com
Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

SYSTEM REVIEW REPORT

October 26, 2016

To the Partners of Lance, Soll & Lunghard, LLP
and the Peer Review Committee of the California Society of CPA's:

We have reviewed the system of quality control for the accounting and auditing practice of Lance, Soll & Lunghard, LLP (the Firm) in effect for the year ended May 31, 2016. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The Firm is responsible for designing a system of quality control and complying with it to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under Government Auditing Standards and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Lance, Soll & Lunghard, LLP in effect for the year ended May 31, 2016 has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Lance, Soll & Lunghard, LLP has received a peer review rating of *pass*.

Sikich LLP



Bryan S. Gruber, CPA
Engagement Partner



Deborah A. Harper, CPA
Quality Assurance Partner



Brandon T. Young, CPA
Assurance Senior Manager



Jocelyn Esparza, CPA
Assurance Manager (Field Manager)

ENGAGEMENT PARTNER, MANAGER/SUPERVISOR AND STAFF QUALIFICATIONS AND EXPERIENCE

KEY PERSONNEL AND RESPECTIVE RESPONSIBILITIES

The individuals assigned have experience in performing the tasks for which they are responsible, as well as familiarity with all municipal accounting operations. In addition, each has developed extensive skills in a variety of other complementary subjects through their work with clients in other industries. Thus, the experience gained on previous assignments can be applied and tailored to the unique needs of your organization. **LSL will not be subcontracting any portion of the audits of the Santa Clarita Valley Water Agency.**

The partners at LSL are routinely an integral part of the audit process and will be overseeing and supervising staff personnel in the field. Resumes of the key personnel assigned are included on the following pages and list their governmental auditing experience, applicable continuing professional education for the past three years, and memberships in professional organizations relevant to the performance of the audit of the Santa Clarita Valley Water Agency. Any changes in personnel at the in-charge level or above will be approved by the Santa Clarita Valley Water Agency. LSL's philosophy is to provide **quality audit services with minimal disruption to SCV Water staff.** Our focused efforts to obtain and retain quality staff have further enabled us to provide high level of services to our clients.

CONTINUING EDUCATION

As a firm policy, all professional government staff meet the requirement of 40 hours of continuing education every year, with at least 24 hours in governmental accounting and auditing in a two-year period. Our educational programs include training from CalCPA, AICPA, Government Audit Quality Center, and GFOA.



BRYAN S. GRUBER, CPA
ENGAGEMENT PARTNER

ACHIEVEMENTS

Bryan has made numerous presentations for CSMFO on current accounting and auditing material. He also currently serves as a technical reviewer for the Government Finance Officers Association (GFOA). Bryan has been involved with teaching current audit and accounting related material at Lance, Soll & Lunghard, LLP's in-house training seminars. He serves as firm IT Specialist for his involvement in IT related controls, data mining and analysis, and auditing software.

LICENSE

Certified Public Accountant - California 2008

CONTINUING EDUCATION

Total hours were 132 in last three years of which **74 were in governmental accounting and auditing subjects.** Bryan has met the Governmental Auditing Standards requirement for governmental CPE.

MEMBERSHIPS

California Society of Certified Public Accountants (CalCPA)
American Institute of Certified Public Accountants (AICPA)
California Society of Municipal Finance Officers, Associate Member (CSMFO)
Government Finance Officers Association, Associate Member (GFOA)
Association of Local Government Auditors

EXPERIENCE

Over fifteen years of experience in governmental audits including CAFR audits, component-unit audits and Single Audits. Bryan has also made numerous presentations to City Councils, Boards of Directors and Audit Committees. He has been involved in the following municipal engagements:



Bryan S. Gruber, CPA, Partner (Continued)

City of Agoura Hills
City of Cathedral City
City of Burbank
San Diego County Water Authority
City of Emeryville
City of Santa Barbara
City of Moorpark
Monterey One Water

Orange County Water District
Three Valleys Municipal Water District
City of Oceanside
City of Palm Springs
Orange County Fire Authority
City of Solana Beach
Union Sanitary District
City of Vista
Ontario International Airport

This work entailed:

- The preparation of the Comprehensive Annual Financial Report for those entities involved in the award programs of the Government Finance Officers Association of the United States and Canada.
- Review the audit of these entities provide and technical assistance throughout the year to provide the most up to date information with current GASB pronouncement.
- Present the overall audit results to audit committees or other Board Members.

EDUCATION

Bachelor of Arts Degree in Business Administration with an emphasis in Accounting –
California State University, Fullerton 2004



DEBORAH A. HARPER, CPA
QUALITY ASSURANCE PARTNER

ACHIEVEMENTS

Deborah was accepted as a 2015 and 2016 **executive committee member of the AICPA Government Audit Quality Center**, which is a national division for governments. As an executive board member, Deborah participates in the development, review, and first-hand discussion of new standards and guidance published in the AICPA Audit Guides which is provided to audit firms across the country.

In 2017, Deborah also accepted participation in the **GASB Research Note Disclosure Reexamination Roundtable**.

Deborah leads the Lance, Soll & Lunghard, LLP training program and serves as the firm Learning Director.

LICENSE

Certified Public Accountant - California 2005

CONTINUING EDUCATION

Total hours were 132 in last three years of which **68 were in governmental accounting and auditing subjects**. Deborah has met the Governmental Auditing Standards requirement for governmental CPE.

MEMBERSHIPS

California Society of Certified Public Accountants (CalCPA)
American Institute of Certified Public Accountants (AICPA)
California Society of Municipal Finance Officers, Associate Member (CSMFO)
Government Finance Officers Association, Associate Member (GFOA)
Governmental Accounting and Auditing Committee
AICPA Government Audit Quality Center



Deborah A. Harper, CPA, Partner (Continued)

EXPERIENCE

Over eighteen years of experience in governmental audits. During her time with the firm, Deborah has performed all phases of our government audits and made numerous presentations to Boards of Directors and Audit Committees.

She has been involved on the following similar engagements:

- | | |
|---------------------------------|-----------------------|
| Cucamonga Valley Water District | City of Glendora |
| Coachella Valley Water District | City of Simi Valley |
| Inland Empire Utilities Agency | City of Thousand Oaks |
| City of Irvine | City of Corona |
| City of Aliso Viejo | City of Diamond Bar |
| City of Laguna Niguel | City of Banning |
| City of Monrovia | City of Claremont |
| City of Orange | City of Brea |
| City of Seal Beach | City of Fullerton |
| City of Chino Hills | |

This work entailed:

- The preparation of the Comprehensive Annual Financial Report for those entities involved in the award programs of the California Society of Municipal Finance Officers and the Government Finance Officers Association of the United States and Canada.
- Review the audit of these entities and provide technical assistance throughout the year to deliver the most up to date information with current GASB pronouncement.
- Present the overall audit results to audit committees or other Board Members.

EDUCATION

Bachelor of Arts Degree in Business Administration with an emphasis in Accounting – California State University, Fullerton 2000



BRANDON T. YOUNG, CPA
ASSURANCE SENIOR MANAGER

LICENSE

Certified Public Accountant - California 2014

CONTINUING EDUCATION

Total hours were 125 in last three years of which **74 were in governmental accounting and auditing subjects**. Brandon has met the Governmental Auditing Standards requirement for governmental CPE.

MEMBERSHIPS

California Society of Certified Public Accountants (CalCPA)
American Institute of Certified Public Accountants (AICPA)
CalCPA State Governmental Accounting & Auditing Committee (GAA)
California Society of Municipal Finance Officers (CSMFO)

EXPERIENCE

Brandon has quickly become a leader in our government department in his 7+ years with the firm. Brandon has performed and managed all phases of our government audits, including cities, special districts, CAFR audits, successor agency audits and Single Audits, as well as REAC Submissions and Reporting. He is also very involved in the firm training and mentorship program. He has been involved in the following governmental engagements:

City of Chula Vista	City of Santa Barbara
City of Emeryville	City of Yorba Linda
City of Coronado	City of Manhattan Beach
City of Rancho Cucamonga	City of Orange
City of Santa Monica	Cucamonga Valley Water District
City of Dixon	Orange County Water District
City of Santa Fe Springs	San Diego County Water Authority
City of Irvine	Coachella Valley Water District
City of Pasadena	Inland Empire Utilities Agency
City of Laguna Niguel	Union Sanitary District
City of Galt	Three Valleys Municipal Water District
City of Indian Wells	Orange County Fire Authority
City of Brea	Covered California

EDUCATION

Bachelor of Arts Degree in Accounting – Magna Cum Laude – Vanguard University, 2012



JOCELYN ESPARZA, CPA
ASSURANCE MANAGER (Field Manager)

LICENSE

Certified Public Accountant – California 2017

CONTINUING EDUCATION

Total hours were 132 in last three years of which **82 were in governmental accounting and auditing subjects**. Jocelyn has met the Governmental Auditing Standards requirement for governmental CPE.

EXPERIENCE

Jocelyn has progressed in an outstanding manner. During her time with the firm, Jocelyn has performed all phases of our government audits, including water districts, other special districts, CAFR audits, successor agency audits and Single Audits. She has been involved in the following municipal engagements:

City of Pomona
City of Dixon
City of Thousand Oaks
City of Downey
City of Cathedral City
City of Live Oak
City of Santa Fe Springs
City of Pasadena
City of Bell
City of Malibu
City of Brea
City of Rolling Hills
City of Duarte
City of Emeryville

City of Inglewood
City of San Dimas
City of Diamond Bar
City of Manhattan Beach
Cucamonga Valley Water District
Monterey Regional Water Pollution Control Agency
Coachella Valley Water District
San Juan Water District
Three Valleys Municipal Water District
Union Sanitary District
Covered California

EDUCATION

Bachelor of Arts Degree in Business Administration, Concentrations in Accounting & Information Systems – California State University, Fullerton, 2013



CPAs AND ADVISORS

SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENT ENTITIES

Our activities overall cover auditing and attestation, business advisory, taxes and planning, and accounting and financial services. **Approximately 30% of our practice deals with the government sector** and related services. Generally, our government sector services break down into the following major classifications: compliance, performance, strategic planning and tax services.

Orange County Water District - Audit of Comprehensive Annual Financial Report (CAFR) which receives the GFOA award in addition to variance compliance and single audits. These services have been provided for over 6 years from the Brea office. Last audit performed was for June 30, 2016. Engagement partner was: Mr. Bryan S. Gruber

Audit Firm: Lance, Soll & Lunghard LLP

Contact person: Mr. Randy Fick, Chief Financial Officer

Phone: (714) 378-3271

Email: rfick@ocwd.com

Three Valleys Municipal Water District - Audit of Comprehensive Annual Financial Report (CAFR) which receives the GFOA award. These services have been provided for over 8 years from the Brea office. Last audit performed was for June 30, 2018. Engagement partner is: Mr. Bryan S. Gruber

Audit Firm: Lance, Soll & Lunghard LLP

Contact person: Mr. James Linthicum, CPA, CFO

Phone: (909) 621-5568

Email: jlinthicum@TVMWD.com

Inland Empire Utilities Agency - Audit of a Comprehensive Annual Financial Report (CAFR) which receives the GFOA award in addition to a single audit. These services have been provided for over 6 years from the Brea office. Last audit performed was for June 30, 2018. Engagement partner is: Ms. Deborah A. Harper

Audit Firm: Lance, Soll & Lunghard LLP

Contact person: Ms. Christina Valencia, Chief Financial Officer

Phone: (909) 993-1600

Email: cvalencia@ieua.org

Coachella Valley Water District - Audit of Comprehensive Annual Financial Report (CAFR) which receives the GFOA award in addition to variance compliance and single audits. These services have been provided for over 6 years from the Brea office. Last audit performed was for June 30, 2018. Engagement partner was: Ms. Deborah A. Harper

Audit Firm: Lance, Soll & Lunghard LLP

Contact person: Mr. Geoffrey Kiehl, Finance Director

Phone: (760) 398-2661

Email: GKiehl@cvwd.org

Union Sanitary District - Audit of Comprehensive Annual Financial Report (CAFR) which receives the GFOA award. These services have been provided for one year from the Sacramento office. Last audit performed was for June 30, 2018. Engagement partner is: Mr. Bryan S. Gruber

Audit Firm: Lance, Soll & Lunghard LLP

Contact person: Ms. Laurie Brenner, Chief Financial Officer

Phone: (510) 477-7647

Email: lauireb@unionsanitary.ca.gov

SPECIFIC AUDIT APPROACH

PROPOSED SEGMENTATION OF THE ENGAGEMENT

The services will be divided into three segments.

Segment 1 - Planning and Obtaining an Understanding:

LSL will provide an annual audit communication letter, engagement letter, and Government Audit Quality Center Information letter. The audit communication letter is to be provided to the Governing Board. In addition, this can be communicated orally to the Governing Board or sub-committee, if requested. This communication will discuss the planning stages, the responsibilities of the Governing Board, Auditors, and Management, and provide an opportunity for communication with us as the auditors.

LSL's audit team will meet prior to our initial on-site visit to brainstorm and discuss economic conditions, industry elements, and new standards that will affect the Santa Clarita Valley Water Agency. A trial balance is requested for our planning meeting to assist the LSL team in obtaining knowledge and preparing expectations for the audit year. We will compile a list of "Prepared by Client" ("PBC") items based on our review of prior year financial statements and information gathered. This will be provided to the Santa Clarita Valley Water Agency one month prior to our visit or earlier if requested. We operate on a paperless software system and provide a secured cloud-based portal for all clients. The Santa Clarita Valley Water Agency will have its own folder which can be customized to organize, and upload requested schedules, support documents, etc.

Segment 2 - Financial Audit Testing:

Based on the information gathered each year thus far, we will utilize a customized audit program based on the risk assessment developed during our assessment of the Agency's internal controls and government auditing standards. The primary benefit of a tailored program is a focused set of procedures to address relevant areas. We believe that this approach will be the most effective and efficient by linking financial statement assertions, audit objectives, and procedures that are basic to most governmental audit engagements and critical to the compliance with other material laws and regulations. We will annually compile another customized "Prepared by Client" (PBC) list for the year-end on-site visit provide at least one month prior or earlier if requested. We will request a trial balance for our analytical review to be provided one week prior to our arrival. Yearend fieldwork will include testing of the balance sheet, revenue and expenditures accounts, confirmation of selected balances, analytical procedures, evaluation of the internal controls and preparation of reports and letters.

Segment 3 - Conclusion:

Based on our year-end exit meeting we will schedule a plan to finalize the CAFR in the timetable of the Agency. We will schedule dates for the initial and final drafts including time for the Agency review and approval of the financial statements. In addition, this will account for the review of the engagement partner and quality assurance partner. After the review and receipt of the signed Representation Letter from the Agency, we will provide the final Reports by December 27th each year.

SAMPLE SIZE

Our approach may be to utilize statistical sampling in the areas of receipts, disbursements, utility billing and payroll. Here we develop a statistical conclusion based upon an initial computer selected random sample which is based on the population and other risk factors identified. If errors are noted in the sample, the sample size will be expanded. We believe that a random selection can be efficient, while providing each item in the population an equal chance of being selected. Additionally, we may select a stratified sample of all transactions over a specified dollar limit for review. This allows us to cover all high dollar value transactions not otherwise selected in the random sample. Our samples are selected randomly utilizing IDEA data analysis software.

ANALYTICAL PROCEDURES

For the audits of the financial statements, we will use analytical procedures as an overall review of the financial information in the preliminary and final stages of the audits. These procedures are designed to assist us in planning our audits and in assessing the propriety of the conclusions reached, and in the evaluation of the overall financial statement presentation. The procedures to be utilized consist of determining expectations for changes to significant revenue, expenditure and balance sheet accounts, reading the financial statements and related notes, reviewing the budget and related material, and focusing on overall relationships within the financial statements. Once determined, these are reviewed to evaluate if the changes appear reasonable or require further analysis. For all significant differences, explanations are obtained as to why the situation occurred and additional substantive procedures may be applied and related evidence gathered to resolve concerns and questions.

If the Santa Clarita Valley Water Agency can provide a check register electronically for July 1st forward (period after the audit year), then we can pre-select our sample for accounts payable cut-off test work and provide that information ahead of time. Our PBC list will detail out schedules we would like provided, which is directed straight from the audit report. Support requested and sampling for these schedules will be assessed each year based on the strengths and weaknesses of the internal control processes of the Agency, and the materiality level of the account. We will discuss our analytical variances with the Agency and obtain documentation that provides support for the accounts.

UNDERSTANDING OF THE AGENCY'S INTERNAL CONTROL STRUCTURE OVER FINANCIAL REPORTING

To gain an understanding of the internal control structure over the financial statements, we will perform procedures as required by SAS 122-125. This will include review of internal controls in the areas of financial reporting; cash; revenues and receivables; expenditures and accounts payable; payroll; capital assets; long-term debt; or grant reporting, as applicable.

Based on the result of our review, we will issue a management letter (SAS 115 Letter) that will identify any significant deficiencies and/or material weaknesses noted. This report is required by the *Government Auditing Standards* issued by the Comptroller General of the United States. Auditing Standards require auditors to obtain an understanding of the Entity and its Environment along with Assessing the Risks of Material Misstatements. LSL obtains an understanding through a variety of ways all throughout the year, but the most pertinent time each year is during our interim on-site visit. We

will conduct interviews with management of finance along with each audit section responsible party (e.g. cashier, accounts payable clerk, payroll clerk, etc.) to review the processes and controls through observation and discussions. Based on our observations, we will sample as we observe a “walk-through” to verify the system of control is working in accordance with policies and procedures.

We will provide a list each year of randomly selected employees of the Santa Clarita Valley Water Agency to interview for fraud interviews (SAS 99), which will consist of all levels of the Agency across all departments.

After our interim on-site visit, we will have an exit meeting to discuss potential weaknesses, if any, and provide any feedback for improvements or valuable information we have gathered from our outside clientele that would benefit the Santa Clarita Valley Water Agency.

***DETERMINING LAWS AND REGULATIONS
SUBJECT TO AUDIT TEST WORK***

The Laws and Regulations that will be subject to audit test work are determined from the applicable laws, regulations, contracts, and grant agreements which we identify through the understanding we obtain of the Santa Clarita Valley Water Agency and our extensive experience with governmental entities.

***USE OF COMPUTER SOFTWARE IN THE
ENGAGEMENT***

We use specialized auditing software to perform our audit in addition to Data Analysis Software to perform audit testing. We also use secure web portals to communicate information.

DRAWING AUDIT SAMPLES

For tests of controls, we use audit sampling. Tests of controls are procedures directed towards determining the effectiveness of the design or operation of an internal structure policy or procedures. Normally, audit sampling is used for tests of controls and tests of compliance that involve inspection of documents and reports indicating performance of the applicable policy or procedures and compliance with the applicable laws and regulations. These sampling procedures test the operating effectiveness of an internal control structure policy or procedures by determining how the policy or procedure was applied, the consistency with which it was applied during the audit period, and by whom it was applied. To achieve this goal, we will draw samples for disbursements, receipts and payroll when applicable. Each document selected will be tested for various attributes that are designed to verify compliance with different aspects of internal controls and applicable laws and regulations. Additionally, each sample item will be tested for coding to the proper accounts and posting to the general ledger. Sample sizes vary based on the population and risk based calculations.

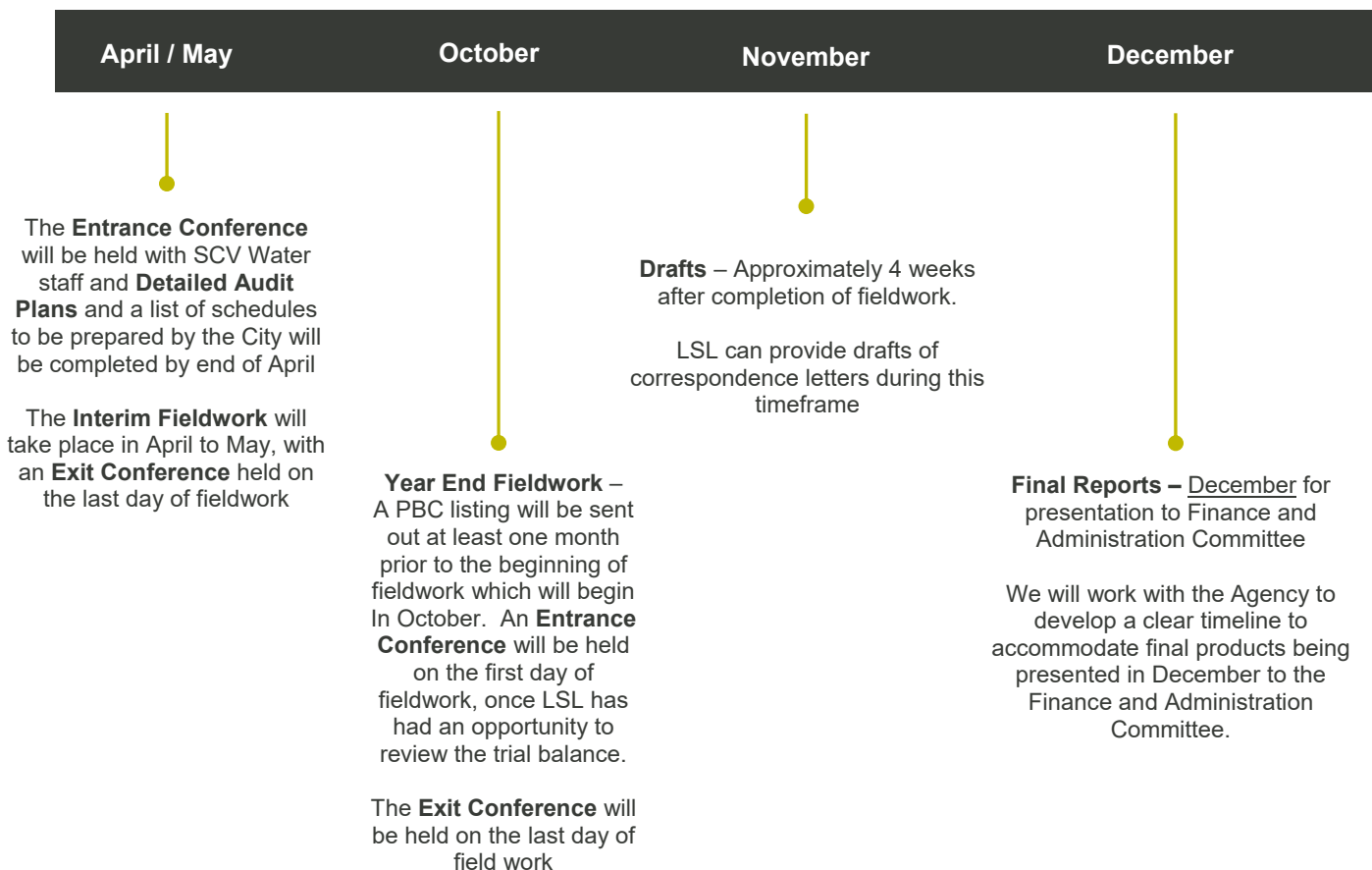
***QUALITY ASSURANCE POLICY AND
PROCEDURES***

LSL has established strict review procedures to ensure quality reporting in accordance with the standards. These procedures are designed to maximize adherence to quality.



PROPOSED AUDIT SCHEDULE

Our proposed schedule for the annual audit is as follows:



LEVEL OF STAFF AND NUMBER OF HOURS TO BE ASSIGNED

The level of staff assigned and the number of hours estimated to be spent on each proposed segment is as follows:

Segment/Task	Total Proposed Hours				
	Partners	Manager	Senior	Staff	Total
SCV Water & Related Reports					
Planning and Internal Control Evaluation	4	15	45	165	229
Financial Audit Testing	2	25	60	235	322
Conclusion	14	24	51	30	119
Subtotal	20	64	156	430	670
Single Audit & Related Reports * (If Required)					
Planning	1	1	2	2	6
Compliance Testwork	-	1	7	8	16
Report Preparation/Review/Supervision	1	2	1	-	4
Subtotal	2	4	10	10	26
GANN Limit Review Report					
Testwork	-	-	-	2	2
Report Preparation/Review/Supervision	-	1	1	1	3
Subtotal	-	1	1	3	5
Other Entity Audits & Reports (Devil's Den, Upper SCVJPA, GSA)					
Testwork	-	-	5	20	25
Report Preparation/Review/Supervision	6	12	10	4	32
Subtotal	6	12	15	24	57
Total Proposed Hours	28	81	182	467	758

PROVIDED BY CLIENT LIST – INTERIM FIELDWORK

SANTA CLARITA VALLEY WATER AGENCY		
INTERIM AUDIT PBC LIST		
YEAR ENDED JUNE 30, 2019		
Item #	Audit Area	Description
1	General	Fiscal year ended June 30, 2018 trial balance in excel format along with CAFR mappings/groupings
2	General	Trial balance as of March 31, 2019 in excel format, or most recently reconciled trial balance
3	General	Original budget in excel format for year ended June 30, 2019
4	General	Detail of manual journal entries recorded from July 1, 2018 through date of fieldwork (please include account number, DR/CR)
5	General	Adopted budget in detail by budgetary control levels for the fiscal year June 30, 2019
6	General	Access to meeting Minutes for the period July 1, 2018 through date of fieldwork (please provide copies of transcripts for board minutes that have not been published)
7	General	General ledger detail in PDF format from July 1, 2018 through most recent trial balance date
8	General	General ledger detail in PDF format specific to all Legal Expenditures in the current fiscal year
9	General	Access to all Statements of Economic Interest Forms (Form 700s) - preferably in electronic format
10	General	2018 GFOA Comments, if received
11	General	A Detail list of all Agency Departments, off site locations, and addresses
12	General	A Detail list of all Agency Related Parties. Please include all Service Organizations and Service Concession Arrangements
13	General	Copy of the Agency's Financial Close checklist/Policy and Procedures, if applicable
14	General	Copy of all Joint Power Agreements and all joint venture agreements
15	General	Agency's General Fund five-year financial plan
16	General	Changes in Reporting Entity (i.e. GASB 61 changes in blended and discretely presented component units)
17	General	Listing of all blended and discretely presented component units.
18	General	Detail of New Funds and disposal of funds during FY17/18
19	General	Please identify any government activities or departments that were discontinued during the fiscal year.
20	General	Access to Agency Board Members AB 1234 Ethics certifications
21	General	Location of Data Center(s) and in charge IT personnel contact information
22	General	High level schematic of IT resources and type of environment used (mainframe / client - server, internet / cloud) for each major resource.
23	General	Policies and procedures for physical and logical access to IT resources, data backup and warehousing policies and procedures.
24	General	Please complete confirmation log identifying all legal counsel, cash and debt arrangements, notes receivable, & insurance policies
25	Cash	Copy of the Agency Investment Policy
26	Cash	Copy of the Agency's latest Treasurer's Report
27	Cash	Copy of all Agency policies surrounding cash transfers and wires, and cash handling procedures
28	Cash	Detail listing of all Agency cash and investment accounts, please include account number, type of account, and signors for each account
29	Cash	Copies of the last three (3) Bank reconciliations performed for each cash and investment account
30	Cash	Copy of the Agency's latest interest allocation worksheet
31	Cash	Listing of all locations where cash is collected
32	Cash	Listing of bank accounts and the authorized signers for each.
33	Capital Assets	Capital Assets Policy/Manual for Fixed Asset Management
34	Capital Assets	Most up-to-date capital asset rollforward and listing.
35	Capital Assets	Most up-to-date Land held for resale schedule that includes current year purchases and disposals
36	Payroll	Copies of All Memorandum's of Understanding and/or Employee Union Agreements
37	Payroll	Copies of Employment Contract with Contracted Employees
38	Payroll	Listing of Employees that include position and department as of March 31, 2019 (please identify employees that were hired/terminated during FY17/18)
39	Payroll	Copy of employee handbook
40	Payroll	Copy of employee termination checklist
41	Payroll	Copy of the Agency Compensated Absences, Deferred Compensation (i.e. termination benefits, pension) Policies, etc.
42	Payroll	Copies of any updated pension plan agreements and/or amendments to contracts between the Agency and CalPERS.
43	Payroll	Most recent Actuarial Study for Pension & OPEB
44	Payroll	Documentation of any on-behalf payments are made between Agency entities (debt, fringe benefits, other items.)
45	Payroll	PERS submission reports for fiscal year 7/1/2018 through 3/31/19 (electronically). **
46	Payroll	Listing of payroll dates occurring FY 16/17 (We will be selecting a sample of 3 pay periods and 25 employees and requesting additional items)
47	Payroll	Quarterly DE-9s and 941s
48	GASB 68	Census data for fiscal year 7/1/2016 through 6/30/17 (this should include sex of employee, hire date, birth date, termination date and PERSable salaries amount).

PROVIDED BY CLIENT LIST – INTERIM FIELDWORK (Continued)

49	GASB 68	Last 2 payroll registers for fiscal year ended 6/30/17 (electronic format preferred)
50	GASB 75	Name of actuary used for valuation and information provided to actuary (i.e. census date, valuation date)
51	Purchasing/AP	Copy of the Agency's Purchasing Policy (as amended)
52	Purchasing/AP	Copy of the Agency's Delegation of Authority Matrix for each department (as amended)
53	Purchasing/AP	Copy of the Agency's credit card/purchasing card policy (as amended), and a listing of all purchasing card holders
54	Purchasing/AP	A listing of the top 10 Vendors to date for the current year, along with amount spent for FY18/19
55	Debt	Copies of any updated operating and capital lease agreements. Also include schedules of future minimum payments on all operating leases
56	Debt	Copy of all official statements and debt amortization schedules for debt
57	Debt	Details on all recorded pollution remediation obligations including copies of any settlement agreements, if any
58	Debt	Listing of any debt with compliance or covenant requirements and most recent calculation of those requirements, if any
59	Fund Equity	Please provide details on restatements recorded to date in the current year
60	Fund Equity	Please provide copies of all GASB 54 related resolutions for committed fund balances carried forward from previous years
61	Revenue	Any agreements/resolutions related to restrictions of NAPA Market revenue pursuant to AB 3773
62	Revenue	Details on all operating lease arrangements in which the Agency is the lessor
63	Receivables	Detail list of Loans Receivable as of most recent trial balance date
64	Insurance	Copy of the Agency's Pooled Insurance Policy and Procedures, if applicable
65	Insurance	Any actuarials relating to the Agency's pooled insurance program
66	Insurance	Copies of the Agency excess insurance coverage policies
67	GANN	Agency worksheets used in developing the fiscal year 2018-2019 appropriations limit (Include the source document used in developing the allowable property tax administration fee charged by the County).
68	GANN	Agency Board Resolution establishing the Agency appropriations limit for fiscal year 2018-2019
69	GANN	Letter from State of California, Department of Finance presenting the price and population information for the Agency for fiscal year 2018-2019
70	Grants/Single Audit	Schedule of Expenditures of Federal and State Awards for the fiscal year through March 31, 2019
71	Grants/Single Audit	Corrective action plan status update on Financial Statement Findings for June 30, 2018 Single Audit, if any
72	Grants/Single Audit	Copy of agreements for all federal and state grants in excess of \$50,000
73	Grants/Single Audit	Please provide contact information for the Agency employees responsible for compliance of each grant. Also, provide the Funding Source Grant Manager Contact information
74	Internal Controls	Provide and fill out 'Internal Controls Interviews' on 2nd tab with times available for each transaction cycle listed
75	GASB 68	PAF's for sampled employees that include pay rate, DOH, DOB, Gender (once sample selection is provided and selected by LSL)
76	GASB 68	PERS reports/contribution reports for FY 16/17, electronically
77	GASB 68	PERS reported member summary report for FY 16/17
78	GASB 68	CalPERS Access**
79	GASB 75	OPEB Actuarial in compliance with GASB 75
80	GASB 75	OPEB Plan Documents
81	GASB 75	Census data provided to actuary
82	GASB 75	PAF's for sampled employees that include date of hire, date of birth and gender (once sample selection is provided and selected by LSL)
83	Purchasing/AP	Listing of all disbursements made in FY18/19, in electronic format (We will be selecting a sample of 20-25 disbursements and requesting additional items)

** To assist in obtaining CalPERS info, we suggest providing us read-only access to the CalPERS website. Please contact your HR administrator for business partner login access.

PROVIDED BY CLIENT LIST – YEAR-END FIELDWORK

SANTA CLARITA VALLEY WATER AGENCY		
YEAR-END AUDIT PBC LIST		
YEAR ENDED JUNE 30, 2019		
Item #	Audit Area	Description
1	General	Final Trial Balance, Revenue & Expenditure Summary Reports in excel
2	General	GL Detail from 7/1/18-6/30/19
3	General	Final amended budget in excel
4	General	Please return signed Confirmations on the Agency's letterhead once received
5	Cash	Copy of your latest investment policy, if a new one has been adopted since our interim fieldwork.
6	Cash	Bank, investment and fiscal agent account reconciliations and statements for June of the current audit year and July of the following fiscal year.
7	Cash	Copy of your GASB 31 adjustment (i.e., investments booked to fair value) and supporting schedules, if applicable.
8	Cash	Provide support for the classes of the investments in accordance with GASB 72 (Levels 1, 2, 3). For footnote purposes, we will need to disclose the inputs used to determine what Level the investment should be categorized in. You may need to inquire with your custodian(s).
9A	Revenue & Receivables	Accounts receivable reconciliation/schedule for all funds.
9B	Revenue & Receivables	Accrued interest receivable reconciliation/schedule for all funds.
9C	Revenue & Receivables	Taxes receivable reconciliation/schedule for all funds.
9D	Revenue & Receivables	Grants receivable reconciliation/schedule for all funds (if one is prepared separate from accounts receivable)
9E	Revenue & Receivables	Notes and Loans receivable reconciliation/schedule for all funds
9F	Revenue & Receivables	Unavailable Revenue reconciliation/schedule
9G	Revenue & Receivables	Property tax analysis/reconciliation that ties to GL.
9H	Revenue & Receivables	Sales tax analysis/reconciliation that ties to GL.
10	Revenue & Receivables	Number of business licenses issued for the current audit year.
11	Revenue & Receivables	Number of building permits issued for the current audit year.
12	Revenue & Receivables	Copy of Gas Tax Annual Confirmation from State used in preparing the Street Report
13	Utility Billing	Adjustment report for the current audit year (reflects all manual adjustments made to customer accounts for the current year)
14	Utility Billing	Reconciliation of Utility Billing Accounts Receivable to the General Ledger for the month of June.
15	Utility Billing	Unbilled receivable analysis/reconciliation: If done by the system automatically, provide a detail description of the methodology used to calculate this accrual. If manually prepared, provide schedule with supporting documentation of accrual, such as billing registers and journal entry.
16	Utility Billing	Utility Deposits reconciliation from the utility billing software
17	Utility Billing	# of Total Utility Billing Customers
18	Utility Billing	AR aging report as of June 30
19	Prepaid Expenses	Prepaid reconciliation/schedule for all funds.
20	Inventory	Provide us with access to an inventory listing as of fiscal year end showing quantity on hand, unit costs and total inventory valuation. If the listing does not agree to the general ledger, please provide us with an explanation of the variances.
21	Capital Assets	Capital asset listing for year end. (Similar to the footnote; The listing should be sub-totaled by asset type and by governmental and proprietary funds.)
22	Capital Assets	Listing of capital asset additions and access to supporting documentation (e.g., invoices, calculations, etc.), subtotaled same as above.
23	Capital Assets	Listing of capital asset deletions and any adjustments; and access to supporting documentation (e.g., listing of surplus equipment, board minutes, information regarding sales proceeds, costs, accumulated depreciation, any gain or loss, etc.), subtotaled same as above. (If CIP deletions include transfers out to capitalized assets, please identify total transfer amounts)
24	Capital Assets	Depreciation reports showing depreciation expense for the year (by function) and the accumulated depreciation at year end (by asset type), subtotaled same as above.
25	Capital Assets	Listing of fully depreciated assets, with original cost of asset, as of 7/1/18 (or 6/30/18)
26	Capital Assets	Listing of construction in progress additions and deletions. Please include date purchased and fund recorded in.
27	Payroll	Payroll registers: last pay period in FY17/18 & first pay period in FY18/19
28	Payroll	Leave benefits registers that support your compensated absences accrual calculations. Provide short and long term allocation for compensated absences. Identify which functions (e.g., general government, public safety, etc.) the change in compensated absences should be recorded to on the government-wide statements.
29	Payroll	PERS - # of covered employees for PERS, by plan (safety, misc., etc), if Agency has different plans. This is per Agency's payroll/benefits records NOT the actuarial.
30	Payroll	Total pension expense by employee portion AND employer portion paid as of June 30 th .
31	Payroll	List of terminated employees for the current audit year and date of termination.
32	Payroll	941(Federal) and DE-9(State) quarterly reports, and any applicable reconciliation to the G/L.
33	GASB 68	Pension expense by plan (employee vs. employer) & # of employees by plan
34	GASB 68	Covered/Pensionable Payroll for FY16/17, FY17/18, FY 18/19

PROVIDED BY CLIENT LIST – YEAR-END FIELDWORK (Continued)

35	GASB 68	GASB 68 Accounting Valuation Report with a measurement date of 6/30/18
36	GASB 68	Does the Agency intend to terminate any of the pension plans?
37	GASB 68	Please provide any recent pension plan amendments
38	GASB 68	Does the Agency have a Replacement Benefit Plan (IRC 415 (b))? (Meaning, the employee's salary exceeds the maximum allowance of the plan, and the Entity is just paying a check for the benefits separately in addition to the normal plan costs)
39	GASB 68	Do you have any assets that are being held specifically for pension benefit payments that are NOT in an irrevocable trust fund? If so, where are they held? (i.e. special revenue funds, agency fund, etc.)
40	Purchasing/AP	Check registers processed after 7/1/19 broken out by fund (if electronic payments are included on a separate register, please provide this as well)
41A	Purchasing/AP	A/P reconciliation/schedule
41B	Purchasing/AP	Retentions Payable reconciliation/schedule (if applicable)
41C	Purchasing/AP	Deposit Payable reconciliation/schedule
41D	Purchasing/AP	Other Accrued Liabilities reconciliation/schedule
42	Purchasing/AP	Please provide us with your "cut-off" date used for recording your payables.
43	Encumbrances	Listing of open purchase orders at year end.
44	Debt	Schedule that identifies all long-term debt items with the account numbers that are used for the principal and interest payments for each debt item. Subtotaled by Governmental debt and Proprietary Funds .
45	Debt	Listing of new bond issuances, and any bond defeasances (Please also include Official Statements)
46	Debt	Lease agreements and amortization schedules for any new capital leases.
47	Debt	Agreements and amortization schedules for any new notes payable.
48	Debt	A schedule that identifies any debt for which the Agency is not obligated (e.g., special assessment debt, CFD debt, mortgage revenue bonds, etc.). Also provide us with the outstanding principal balances as of year end (for footnote disclosure).
49	Debt	A schedule that identifies any defeased bond debt and the outstanding principal balances as of year end (for footnote disclosure).
50	Debt	For GASB #34 purposes, for any new debt that is issued, provide us with a calculation that computes and amortizes issuance costs, premiums/discounts and gains/losses on defeasances during the current year.
51	Debt	Interest payable calculation
52	Fund Equity	Supporting documentation for any adjustments to opening fund balance, if applicable
53	Fund Equity	Fund balance schedule detailing unavailable, restricted, committed and assigned amounts
54	Fund Equity	For the Committed amounts, please provide the appropriate Resolutions from the Board
55	Fund Equity	For the assigned amounts, please have responsible official designated by Board sign the document indicating their approval.
56	Insurance	Footnote information specific to the Agency.
57	Grants/Single Audit	Completed SEFA (Federal and Non-Federal)
58	Grants/Single Audit	For all Federal grants received during the fiscal year, provide us with copies of the applicable sections of the grant agreement and/or award letter that identifies the grantor name, grant name, award amount and period covered.
59	Grants/Single Audit	Access to reimbursement requests, drawdowns and grant reconciliations.
60	Other Reconciliations and Analysis	Provide a reconciliation of all transfers for the fiscal year (With a description of purpose for all transfers that involve a major fund)
61	Other Reconciliations and Analysis	Provide a reconciliation of due to/due from other funds (With a description of purpose for all due to/from's that involve a major fund)
62	Other Reconciliations and Analysis	Provide a reconciliation of advances to/from other funds and their purpose. Provide agreements/resolutions for any new advances between component units and advances between funds.
63	Other Reconciliations and Analysis	Explanations for any significant changes in revenues and expenditures from budget and prior year.
64	Other Reconciliations and Analysis	Agency Funds - Schedule of Additions and Deletions
65	GASB #34 Related Information	If you prepare any GASB #34 related journal entries, provide us with copies of these entries and any supporting documentation.
66	GASB #34 Related Information	Provide us with an allocation of the internal service fund(s) excess surplus or deficit to governmental functions (e.g., general government, public safety, etc.) and business activities, as applicable.
67	Financial Statement Disclosures	Prior year GFOA comments, if applicable
68	Financial Statement Disclosures	Listing of all related party transactions (please indicate any new related parties this fiscal year)
69A	Financial Statement Disclosures	Please provide information on related party transactions that may include: Sale, purchase, exchange, or leasing of property.
69B	Financial Statement Disclosures	Please provide information on related party transactions that may include: Receiving or furnishing of goods, services, or facilities
69C	Financial Statement Disclosures	Please provide information on related party transactions that may include: Transfer or receipt of income or assets
69D	Financial Statement Disclosures	Please provide information on related party transactions that may include: Maintenance of bank balances as compensating balances for the benefit of another
70	Financial Statement Disclosures	Have any related parties been indebted to the Agency or had receivables from the Agency (not including advances with component units)?



IDENTIFICATION OF ANTICIPATED POTENTIAL AUDIT PROBLEMS

With our familiarity with similar governments, we do not anticipate unusual audit problems, except implementing GASB No 84, 86, and 87. We do anticipate some implementation challenges. To address these challenges, we offer training, experience with similar governments, and implementation experts within the firm and the team.



ACKNOWLEDGEMENT RECEIPT OF ADDENDA

Santa Clarita Valley Water Agency
RFP 1819-AS-10587

ATTACHMENT 3

Acknowledgement Receipt of Addenda

The undersigned Bidder hereby acknowledges receipt of the following Addenda:

If no addendums were issued, please check box below and submit with bid packet.

<u>Addendum Number</u>	<u>Dated</u>	<u>Acknowledge Receipt (Initial)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

No addenda were received:

Acknowledged for: Lance, Soll, & Lunghard, LLP
(Name of Bidder)

By: 
(Signature of Authorized Representative)

Name: Bryan S. Gruber, CPA
(Print or Type)

Title: Engagement Partner

Date: February 28, 2019

[This page intentionally left blank.]

ATTACHMENT 3

RESOLUTION NO. ____

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
TO ENTER INTO A CONTRACT WITH LANCE, SOLL & LUNGHARD, LLP (LSL)
TO PROVIDE AUDIT SERVICES FOR FY 2018/19 THROUGH FY 2020/21
AND AN OPTION FOR FY 2021/22 and FY 2022/23**

WHEREAS, the Board of Directors of the Santa Clarita Valley Water Agency directed that a proposal process be used to select a firm to provide audit services for FY 2018/19 through FY 2020/21; and

WHEREAS, staff conducted a proposal process and received and reviewed ten proposals; and

WHEREAS, the firm of Lance, Soll & Lunghard, LLP (LSL) has been determined to be the best-qualified respondent, having extensive audit experience, performing audit services for many water agencies and having experience with State Water Project contractors and retail water agencies.

NOW, THEREFORE, BE IT RESOLVED that the Santa Clarita Valley Water Agency is does authorize the General Manager to enter into a contract with Lance, Soll & Lunghard, LLP for audit services for FY 2018/19 through FY 2020/21, for an amount not-to-exceed \$278,678 and two options to renew at \$96,631 for the first year and \$98,565 for the second year.

DRAFT

[This page intentionally left blank.]



COMMITTEE MEMORANDUM

DATE: March 26, 2019
TO: Finance and Administration Committee
FROM: Matthew G. Stone
General Manager
SUBJECT: Recommend Approval of Proposed Employee Salary Adjustment for
FY 2019/20

SUMMARY

It is the Agency's practice to perform salary surveys every three to five years and administer a cost of living (COLA) increase every year to maintain salaries with the market. Based on Consumer Price Index (CPI) data, Management recommends a 3% to 3.5% general wage adjustment for FY 2019/20.

DISCUSSION

Attachment 1 shows the recent history of Agency general wage adjustments. Attachment 2 reflects CPI data from 2015 until present, illustrating the percentage change for each month from the same month in the prior year. Historically, the Agency has adjusted salaries based on the change in the CPI from December to December, which is then factored into the following year's budget. The CPI Index in year 2018 has been trending above 3% with an average change of 3.81%. The December to December change dipped to 3.24%.

Therefore, Management recommends adjusting the compensation structure to compensate Agency employees and recommends a general wage increase of 3% to 3.5% for FY 2019/20. This recommendation is based on:

- Striving to maintain Agency salaries in a competitive labor market
- Recognizing the Agency's excellent workforce

This is consistent with the Agency's Compensation Policy which states that "if fiscally prudent, it is the Agency's objective to compensate employees at the middle of the labor market as measured by the mean and/or median."

The recommendation for a general wage increase would be implemented with the first full pay period in July 2019. That is, all salary ranges would be increased by the approved COLA amount, except for the General Manager. Individual compensation adjustments within the salary range would be made in accordance with the appropriate personnel policies. If recommended by the Finance and Administration Committee, a revised Agency Pay Schedule would be forwarded to the Board of Directors at its regular April 16, 2019 meeting.

It should be noted that the Agency will conduct a comprehensive classification and compensation study in 2019 and the results would adjust salaries to market and job classifications in the 2020/21 fiscal year.

FINANCIAL CONSIDERATIONS

A 3% to 3.5% increase in salaries in FY 2019/20 would cost approximately \$563,000 - \$688,000 annually (salaries and benefits). Funds would be included in the SCV Water FY 2019/20 Budget.

RECOMMENDATION

That the Finance and Administration Committee recommends the Board of Directors approve an employee salary increase between 3% to 3.5% for FY 2019/20 for all employees except the General Manager.

MS/am

Attachments

M65

ATTACHMENT 1

RECENT COST OF LIVING ADJUSTMENT HISTORY

<u>Effective Date</u>	<u>Change in CPI December to December</u>	<u>Effective COLA</u>
<u>SCV WATER</u>		
July 1, 2019	3.24%	3% -3.5%
July 1, 2018	3.61%	3%
<u>CLWA</u>		
July 1, 2017	1.97%	2%
July 1, 2016	2.03%	2%
July 1, 2015	0.73%	0%

[This page intentionally left blank.]

ATTACHMENT 2

CONSUMER PRICE INDEX DATA
 U.S. DEPARTMENT OF LABOR
 BUREAU OF LABOR STATISTICS
 LOS ANGELES-LONG BEACH-ANAHEIM
 WITH BASE PERIOD 1984 =100
 ALL URBAN CONSUMERS

MONTH	INDEX		INDEX		INDEX		INDEX	
	2015	% Change from 2014	2016	% Change from 2015	2017	% Change from 2016	2018	% Change from 2017
January	239.724	-0.06%	247.155	3.10%	252.373	2.11%	261.235	3.51%
February	241.297	0.10%	247.113	2.41%	253.815	2.71%	263.012	3.62%
March	243.738	0.51%	247.873	1.70%	254.525	2.68%	264.158	3.78%
April	243.569	0.47%	248.368	1.97%	254.971	2.66%	265.095	3.97%
May	246.093	1.12%	249.554	1.41%	255.674	2.45%	266.148	4.10%
June	245.459	0.79%	249.789	1.76%	255.275	2.20%	265.522	4.01%
July	247.066	1.37%	249.784	1.10%	256.023	2.50%	266.007	3.90%
August	246.328	1.14%	249.700	1.37%	256.739	2.82%	266.665	3.87%
September	245.431	0.74%	250.145	1.92%	257.890	3.10%	268.032	3.93%
October	245.812	1.02%	251.098	2.15%	258.883	3.10%	269.482	4.09%
November	245.711	1.64%	250.185	1.82%	259.135	3.58%	268.560	3.64%
December	245.357	2.03%	250.189	1.97%	259.220	3.61%	267.631	3.24%

[This page intentionally left blank.]



COMMITTEE MEMORANDUM

DATE: March 26, 2019

TO: Finance and Administration Committee

FROM: Rochelle Patterson *[Signature]*
Director of Finance and Administration

SUBJECT: Review Draft Operating FY 2019/20 and FY 2020/2021 Biennial Budget

SUMMARY AND DISCUSSION

Management is pleased to present the draft Operating FY 2019/20 and FY 2020/21 Biennial Budget (budget) for the Santa Clarita Valley Water Agency, otherwise known as SCV Water. Staff is continuing to move towards the goal of a completely integrated budget by combining operating revenues and expenses Agency-wide.

This is the first presentation of the draft operating budget and reflects the reorganization that has taken place and economies of scale and savings that have already been identified. Additional components of the budget will be presented at future workshops, Committee and Board meetings.

SCV Water is seeking to become a “best-in-class” water agency. Staff is committed to the highest performance to equal or exceed current industry standards and has already achieved a significant amount of savings. Although SCV Water has identified savings, it has also identified new initiatives and processes in order to meet our goal of becoming a best-in-class water services provider.

Draft FY 2019/20 and FY 2020/21 Budget

The draft budget reflects planned activities to meet SCV Water’s mission statement and the strategic plan fundamental decisions developed by the Board of Directors. This draft budget document combines the financial presentations for all Divisions of SCV Water and represents the spending plan for the fiscal years beginning July 1, 2019 and July 1, 2020, and the revenues and resources available to fund the plan.

Organizational staffing and strategic planning information is presented by the functional areas of SCV Water (Management; Water Resources, Watersheds and Outreach; Operations and Maintenance; Engineering Services; and Finance and Administration). Financial information is provided by the following four divisions, in keeping with the enterprise accounting required by SB 634: Regional Division, Newhall Water Division, Santa Clarita Water Division, and Valencia Water Division.

Economies of Scale and Savings

Since SCV Water was formed on January 1, 2018, staff has identified savings that are currently occurring, as well as projected savings. The three-and-a-half year projection shown in the table below indicates savings of nearly \$20 million for the period, most of which are ongoing. Note that the savings from the former Valencia Water Company (VWC) no longer paying taxes, dividends or franchise fees are being used to pay for VWC legacy debt.

Projected Cost Savings

	FY 2017/18¹	FY 2018/19	FY 2019/20	FY 2020/21	Total
Salaries and Benefits	\$ 328,493	\$ 1,001,101	\$ 1,037,134	\$ 1,074,249	\$ 3,440,977
Insurance	291,667	816,000	887,630	909,909	\$ 2,905,206
Elections	-	552,000	-	40,000	\$ 592,000
Audit and Tax Consulting	167,755	172,788	177,971	183,310	\$ 701,824
Internal Repair Crews	90,000	180,000	180,000	180,000	\$ 630,000
Legislative Advocacy	29,000	78,000	80,340	82,750	\$ 270,090
Other	248,950	208,338	228,118	229,951	\$ 915,357
Subtotal	\$ 1,155,865	\$ 3,008,227	\$ 2,591,193	\$ 2,700,169	\$ 9,455,454
VWC Taxes & Fees	1,286,479	3,064,447	3,077,085	3,090,102	10,518,113
Total Projected Savings	\$ 2,442,344	\$ 6,072,674	\$ 5,668,278	\$ 5,790,271	\$ 19,973,567

¹6 Month Period (January - June 2018)

State Mandates, Key Initiatives and Activities

Specific projects or programs are being undertaken either due to state mandates or to achieve strategic objectives. SCV Water will comply with new state water mandates and pursue a number of initiatives over the next few years to achieve its strategic goals.

- **State Mandate** – Sustainable Groundwater Management Act (SGMA) – It is required by law to develop a Groundwater Sustainability Plan. SCV Water complied and has included approximately \$1 million each year in FY 2019/20 and FY 2020/21 to fund this mandate.
- **Watershed Permitting and Planning** - Staff is continuing the preparation of a program and budget, which would support playing a greater role in the stewardship of the Santa Clara River and its Watershed (River System) with a holistic or programmatic approach to the management of the River System. The budget includes \$450,000 of funding in FY 2019/20 and FY 2020/21.
- **Technology Services** – SCV Water is continuing to integrate four agencies into one and the goal is to upgrade and standardize our technology throughout. Hardware and software improvements need to be made to keep pace with the rapid adoption of internet connectivity, security and communication. In FY 2019/20, the SCV Water project list consists of improving mobile technology, network hardware replacements and an improved phone system for an estimated \$1 million.
- **Planning and Studies** – Salt and Nutrient Management Plan and the 2020 Urban Water Management Plan – The budget for these plans in FY 2019/20 is \$450,000 and in FY 2020/21 is \$500,000.

Operating Budget

For more than a year, SCV Water has focused on integrating the merged organizations. The Agency is committed to synchronizing business processes and functions, as well as cultures and objectives. The Operating Budget will have a slightly different look and presentation. As one Agency, we are moving towards the goal of having one enterprise fund. Essentially, all operating revenues and expenses will be reported together.

Water Production

SCV Water is working to achieve reductions in per capita water use in the Santa Clarita Valley to meet the twenty percent long-term reduction in per capita water usage (in compliance with SBX7-7). The decreased amount of water deliveries reflects anticipated conservation to meet the long-term goal.

Type	Adopted Budget FY 2019/20	Projected FY 2019/20	Proposed Budget FY 2020/21	Proposed Budget FY 2021/22
Wholesale Water	35,155	43,526	34,084	34,772
Saugus 1 & 2 Well Water	4,100	4,100	4,100	4,100
Recycled Water	450	342	419	424
Retail Water	23,280	16,699	23,163	23,455
Total	62,985	64,667	61,766	62,751

Water Sales Revenues

The FY 2019/20 projected water sales revenues of \$107.1 million is a slight decrease from the FY 2018/19 adopted budget at \$107.3 million. One-time water sales are not included in the FY 2019/20 budget due to no commitment at this time, but an agreement could come through before the beginning of the next fiscal year. SCV Water is expecting to add 849 connections in FY 2019/20 and 860 connections in FY 2020/21, with a total number of retail connections of 74,247 and 75,107, respectively.

Other Revenues

Other revenues consist of property taxes, communication/rental income, connection/facility capacity fees, grants and reimbursements, and investment revenues. In FY 2019/20 budgeted other revenues are projected at \$42.9 million, which is an increase from the FY 2018/19 adopted budget at \$38.0 million. The primary increases are \$2.3 million from connection/facility capacity fees and \$1.3 million of property tax revenue as a result of new development.

Operating Expenses

The FY 2019/20 projected operating expenses of \$152.7 million has increased approximately \$8 million from the FY 2018/19 adopted budget of \$144.7. Operating expenses include general operating expenses as well as the portion of the capital improvement projects that are funded by one percent property tax and water rates and SCV Water's annual debt service.

Significant capital and expense increases (exceeding prior year budgeted amounts) are attributable to:

- \$150,000 for the 2020 Urban Water Management Plan
- \$200,000 for Public Relations campaigns and messaging
- \$250,000 for the GSA
- \$300,000 for the Salt and Nutrient Management Plan
- \$400,000 for the RVWTP Chlorine Scrubber Replacement
- \$550,000 to recoat the recycled water tank
- \$550,000 for the 2019 election
- \$720,000 increase to the Buena Vista/Rosedale Rio Bravo supply transfer
- \$1.2 million for phone system and other Technology Services capital projects
- \$1.3 million for Technology Services professional services
- \$1.7 million for the first phase of the ERP implementation (accounting software)

Staffing

The Formation Study from November 2016 identified that there would be staff savings due to attrition, but there would also be the need to add future staff. It was projected that 11.9 positions would be eliminated within the first three years of SCV Water. At the time of the merger (January 2018), seven positions were eliminated. Management has identified an additional five positions that will be eliminated for FY 2019/20 but have also identified the need to add future staff. As a result, five positions will be repurposed:

- 2 Civil Engineers
- 1 Administrative Analyst (Engineering Services Section)
- 1 Emergency Response Specialist
- 1 Asset Management Coordinator

SCV Water has also underfilled several positions in the current fiscal year.

(5) Repurposed Positions (salary & benefits)	\$ 648,955
(5) Eliminated Positions (salary & benefits)	(547,000)
Underfilled current positions	<u>(310,000)</u>
Net Savings	\$ (208,000)

FINANCIAL CONSIDERATIONS

The draft budget is consistent with the current rate studies, rate structures and financial forecasts.

RECOMMENDATION

That the Finance and Administration Committee recommends the Board of Directors provide direction on the FY 2019/20 and FY 2020/21 Budget.

RP

Attachment

SCV WATER - OPERATING BUDGET - SUMMARY
FY 2019/20 and FY 2020/21

	Adopted Budget FY 2019	Projected 06/30/19 FY 2019	Proposed Budget FY 2020	% Change Over FY 2019	Proposed Budget FY 2021	% Change Over FY 2020	
OPERATING REVENUE SUMMARY							
Retail							
1	Service Charge	\$ 27,571,881	\$ 28,832,435	\$ 29,489,324	7.0%	\$ 31,330,310	6.2%
2	Water Usage Charge	53,167,916	52,160,424	51,912,788	-2.4%	53,325,793	2.7%
3	Misc Fees	1,316,186	1,513,185	1,383,596	5.1%	1,386,875	0.2%
4	Property Taxes	551,343	580,016	566,406	2.7%	572,070	1.0%
5	Communication/Rental Income	393,835	478,121	495,424	25.8%	499,688	0.9%
6	Interest Earnings	429,734	520,034	527,471	22.7%	530,344	0.5%
7	Miscellaneous Revenues	198,828	176,997	179,838	-9.6%	174,839	-2.8%
8	Connection Fees	1,000,000	895,000	2,821,500	182.2%	2,970,000	5.3%
9	Total Retail Operating Revenues	84,629,723	85,156,212	87,376,347	3.2%	90,789,920	3.9%
Regional							
11	Water Sales - Fixed Charges	15,107,100	15,107,100	15,484,539	2.5%	15,949,096	3.0%
12	Water Sales - Purveyors - Variable	7,933,900	9,432,600	7,892,900	-0.5%	8,293,700	0.0%
13	Water Sales - Recycled	270,000	211,800	256,428	-5.0%	264,678	0.0%
14	Water Sales - Saugus 1 and 2 Wells	627,300	666,250	705,200	12.4%	741,321	0.0%
15	One-time Water Sales (55%)	1,312,500	1,031,250	-	-100.0%	-	0.0%
16	One Percent Property Tax	25,446,900	24,442,000	26,724,000	5.0%	28,007,000	0.0%
17	Facility Capacity Fees	8,000,000	9,129,958	8,500,000	6.3%	9,000,000	0.0%
18	Laboratory Revenues	106,000	121,238	120,000	13.2%	120,000	0.0%
19	Communications Revenues	185,000	197,264	203,182	9.8%	209,278	3.0%
20	Reimbursement-Settlement Amt (O&M)	1,588,900	1,298,500	1,337,455	-15.8%	1,377,579	3.0%
21	Grants and Reimbursements	100,000	-	1,170,000	1070.0%	4,130,000	253.0%
22	Investment Revenues	120,000	183,775	185,000	54.2%	185,000	0.0%
23	Transfer from Reserves	-	-	-	0.0%	-	0.0%
24	Total Regional Operating Revenues	60,797,600	61,821,735	62,578,704	2.9%	68,277,652	9.1%
OPERATING EXPENSE SUMMARY							
Retail							
27	Source of Supply	24,811,488	25,431,809	27,024,360	8.9%	28,080,203	3.9%
28	Pumping Expense	8,120,496	7,703,604	8,031,802	-1.1%	8,245,102	2.7%
29	Water Treatment	2,795,627	2,188,813	2,550,679	-8.8%	2,634,320	3.3%
30	Transmission & Distribution	7,420,058	6,790,295	6,619,099	-10.8%	6,784,824	2.5%
31	Customer Accounts	3,235,038	2,608,998	3,205,659	-0.9%	3,327,594	3.8%
32	Engineering	1,601,313	1,179,952	1,422,343	-11.2%	1,467,293	3.2%
33	Administrative & General	9,685,564	8,968,342	9,752,574	0.7%	9,803,775	0.5%
34	Capital Improvement Projects	9,816,400	6,380,660	10,886,439	10.9%	9,678,526	-11.1%
35	Debt Service	11,457,316	11,457,316	11,550,657	0.8%	11,671,907	1.0%
36	Transfer to Reserves	949,077	1,056,171	973,742	2.6%	993,217	2.0%
37	Total Retail Operating Expenses	79,892,378	73,765,960	82,017,354	2.7%	82,686,761	0.8%
Regional							
39	Management	2,161,200	1,837,784	2,376,107	9.9%	1,958,098	-17.6%
40	Administration	5,011,000	5,480,700	5,729,904	14.3%	5,734,643	0.1%
41	Engineering	1,427,000	1,372,530	1,615,480	13.2%	1,634,846	1.2%
42	Maintenance	3,303,500	3,014,155	3,509,986	6.3%	3,545,176	1.0%
43	Water Quality & Regulatory Affairs	1,027,300	1,004,894	1,082,281	5.4%	1,096,237	1.3%
44	Water Resources	8,190,300	6,775,412	10,095,585	23.3%	10,834,957	7.3%
45	Water Treatment Operations	5,019,901	4,560,908	5,255,470	4.7%	5,448,981	3.7%
46	Capital Improvement Projects	13,820,100	8,983,065	17,011,819	23.1%	21,356,902	25.5%
47	Debt Service	24,866,981	24,866,981	23,977,434	-3.6%	27,917,503	16.4%
48	Total Regional Operating Expenses	64,827,282	57,896,429	70,654,066	9.0%	79,527,343	12.6%
49	TOTAL OPERATING EXPENSES	\$ 144,719,660	\$ 131,662,389	\$ 152,671,420	5.5%	\$ 162,214,104	6.3%
Total Operating Revenue							
		145,427,323	146,977,947	149,955,051	3.1%	159,067,572	6.1%
Total Operating Expense							
		(144,719,660)	(131,662,389)	(152,671,420)	5.5%	(162,214,104)	6.3%
		707,663	15,315,558	(2,716,369)	-483.9%	(3,146,532)	-13.7%
Total Operating Expenses							
		144,719,660	131,662,389	152,671,420	5.5%	162,214,104	6.3%
Total Salaries and Benefits							
		(28,917,929)	(26,462,742)	(28,869,499)	-0.2%	(29,604,012)	2.5%
Net Operating Expenses							
		115,801,731	105,199,647	123,801,921	6.9%	132,610,092	7.1%

SCV WATER - OPERATING REVENUE BUDGET - SUMMARY
FY 2019/20 and FY 2020/21

	Adopted Budget FY 2019	Projected 06/30/19 FY 2019	Proposed Budget FY 2020	% Change Over FY 2019	Proposed Budget FY 2021	% Change Over FY 2020	(1)
OPERATING REVENUE SUMMARY							
Retail							
Service Charge	\$ 27,571,881	\$ 28,832,435	\$ 29,489,324	7.0%	\$ 31,330,310	6.2%	
Water Usage Charge	53,167,916	52,160,424	51,912,788	-2.4%	53,325,793	2.7%	
Misc Fees	1,316,186	1,513,185	1,383,596	5.1%	1,386,875	0.2%	
Property Taxes	551,343	580,016	566,406	2.7%	572,070	1.0%	
Communication/Rental Income	393,835	478,121	495,424	25.8%	499,688	0.9%	(A)
Interest Earnings	429,734	520,034	527,471	22.7%	530,344	0.5%	(B)
Miscellaneous Revenues	198,828	176,997	179,838	-9.6%	174,839	-2.8%	
Connection Fees	1,000,000	895,000	2,821,500	182.2%	2,970,000	5.3%	(C)
Total Retail Operating Revenues	84,629,723	85,156,212	87,376,347	3.2%	90,789,920	3.9%	
Regional							
Water Sales - Fixed Charges	15,107,100	15,107,100	15,484,539	2.5%	15,949,096	3.0%	
Water Sales - Purveyors - Variable	7,933,900	9,432,600	7,892,900	-0.5%	9,293,700	0.0%	
Water Sales - Recycled	270,000	211,800	256,428	-5.0%	264,678	3.2%	
Water Sales - Saugus 1 and 2 Wells	627,300	666,250	705,200	12.4%	741,321	5.1%	(D)
One-time Water Sales (55%)	1,312,500	1,031,250	-	-100.0%	-	0.0%	(E)
One Percent Property Tax	25,446,900	24,442,000	26,724,000	5.0%	28,007,000	4.8%	
Facility Capacity Fees	8,000,000	9,129,958	8,500,000	6.3%	9,000,000	5.9%	
Laboratory Revenues	106,000	121,238	120,000	13.2%	120,000	0.0%	(F)
Communications Revenues	185,000	197,264	203,182	9.8%	209,278	3.0%	
Reimbursement - Settlement Amt (O&M)	1,588,900	1,298,500	1,337,455	-15.8%	1,377,579	3.0%	(G)
Grants and Reimbursements	100,000	-	1,170,000	1070.0%	4,130,000	253.0%	(H)
Investment Revenues	120,000	183,775	185,000	54.2%	185,000	0.0%	(B)
Total Regional Operating Revenues	60,797,600	61,821,735	62,578,704	2.9%	69,277,652	10.7%	
TOTAL OPERATING REVENUES	\$ 145,427,323	\$ 146,977,947	\$ 149,955,051	3.1%	\$ 160,067,572	6.7%	

(1) Significant Changes +/- 10%

- (A) Addition of communication lease, CPI increases on cell towers and rental income.
- (B) Projecting and increase in investment income due to increased rate of return.
- (c) Connection fee revenue increased based on projections from Engineering Services.
- (D) Rate increased for Saugus 1 & 2 Wells
- (E) There may be an opportunity for on-time water sales, but at this time there is no commitment.
- (F) Laboratory revenues increased due to increased sampling requirements.
- (G) Revenues and expenses are decreased for Settlement O&M. Treatment costs are reimbursable through the settlement agreement.
- (H) Replacement wells will be reimbursed by the settlement agreement.

SCV WATER - OPERATING EXPENSE BUDGET - SUMMARY
FY 2019/20 and FY 2020/21

	Adopted Budget FY 2019	Projected 06/30/19 FY 2019	Proposed Budget FY 2020	% Change Over FY 2019	Proposed Budget FY 2021	% Change Over FY 2020	(1)
OPERATING EXPENSE SUMMARY							
Retail							
Source of Supply	\$ 24,811,488	\$ 25,431,809	\$ 27,024,360	8.9%	\$ 28,080,203	3.9%	
Pumping Expense	8,120,496	7,703,604	8,031,802	-1.1%	8,245,102	2.7%	
Water Treatment	2,795,627	2,188,813	2,550,679	-8.8%	2,634,320	3.3%	
Transmission & Distribution	7,420,058	6,790,295	6,619,099	-10.8%	6,784,824	2.5%	(A)
Customer Accounts	3,235,038	2,608,998	3,205,659	-0.9%	3,327,594	3.8%	(A)
Engineering	1,601,313	1,179,952	1,422,343	-11.2%	1,467,293	3.2%	(A)
Administrative & General	9,685,564	8,968,342	9,752,574	0.7%	9,803,775	0.5%	
Capital Improvement Projects	9,816,400	6,380,660	10,886,439	10.9%	9,678,526	-11.1%	(B)
Debt Service	11,457,316	11,457,316	11,550,657	0.8%	11,671,907	1.0%	
Transfer to Reserves	949,077	1,056,171	973,742	2.6%	993,217	2.0%	
Total Retail Operating Expenses	79,892,378	73,765,960	82,017,354	2.7%	82,686,761	0.8%	
Regional							
Management	2,161,200	1,837,784	2,376,107	9.9%	1,958,098	-17.6%	
Administration	5,011,000	5,480,700	5,729,904	14.3%	5,734,643	0.1%	(A)
Engineering	1,427,000	1,372,530	1,615,480	13.2%	1,634,846	1.2%	(A)
Maintenance	3,303,500	3,014,155	3,509,986	6.3%	3,545,176	1.0%	
Water Quality & Regulatory Affairs	1,027,300	1,004,894	1,082,281	5.4%	1,096,237	1.3%	
Water Resources	8,190,300	6,775,412	10,095,585	23.3%	10,834,957	7.3%	(C)
Water Treatment Operations	5,019,901	4,560,908	5,255,470	4.7%	5,448,981	3.7%	
Capital Improvement Projects	13,820,100	8,983,065	17,011,819	23.1%	21,356,902	25.5%	(D)
Debt Service	24,866,981	24,866,981	23,977,434	-3.6%	27,917,503	16.4%	
Total Regional Operating Expenses	64,827,282	57,896,429	70,654,066	9.0%	79,527,343	12.6%	
TOTAL OPERATING EXPENSES	\$ 144,719,660	\$ 131,662,389	\$ 152,671,420	5.5%	\$ 162,214,104	6.3%	

(1) Significant Changes +/- 10%

(A) Fluctuations due to expenses being allocated among Divisions and Departments.

(B) Increase in Capital Improvement Projects is primarily due to the allocation of Technical Services and new financial software.

(C) Increase in Water Resources primarily due to fluctuations in allocated costs among Divisions and Departments, consultants for advances in groundwater spreading projects, the Water Supply Reliability Report, Groundwater Sustainability Agency and the commitment to transfer more costs to the operating fund for the Buena Vista/Rio Bravo supply.

(D) Increased to "pay-go" capital projects include construction of replacement wells. These costs are reimbursable and are included in the revenue section under Grants and Reimbursements.

**SCV WATER - EXPENSE BUDGET
FY 2019/20 and FY 2020/21 - RETAIL**

	Adopted Budget	Projected 06/30/19	Proposed Budget	% Change over	Proposed Budget	% Change over	(1)
	FY 2019	FY 2019	FY 2020	FY 2019	FY 2021	FY 2020	
SOURCE OF SUPPLY							
Purchased Water	\$ 23,501,445	\$ 24,367,204	\$ 23,953,131	1.9%	\$ 24,962,847	0.0%	
Maintenance & Services	230,557	145,606	1,725,204	648.3%	1,727,226	0.1%	(A)
Source of Supply - Salary	740,092	659,926	907,207	22.6%	939,060	3.5%	(B)
Burden & Benefits	339,395	259,073	438,818	29.3%	451,070	2.8%	(B)
TOTAL SOURCE OF SUPPLY	\$ 24,811,488	\$ 25,431,809	\$ 27,024,360	8.9%	\$ 28,080,203	3.9%	
PUMPING EXPENSES							
Power Purchased	\$ 5,180,168	\$ 4,613,346	\$ 5,033,498	-2.8%	\$ 5,153,992	2.4%	
Maintenance & Services	1,029,398	592,199	418,143	-59.4%	424,043	1.4%	(A)
Pumping Expenses - Salary	1,278,592	1,683,733	1,738,867	36.0%	1,799,775	3.5%	(B)
Burden & Benefits	632,338	814,326	841,294	33.0%	867,292	3.1%	(B)
TOTAL PUMPING EXPENSES	\$ 8,120,496	\$ 7,703,604	\$ 8,031,802	-1.1%	\$ 8,245,102	2.7%	
WATER TREATMENT EXPENSES							
Lab Expense	\$ 240,000	\$ 175,778	\$ 273,400	13.9%	\$ 247,500	-9.5%	(C)
Regulatory Fees	212,000	233,853	299,000	41.0%	303,000	1.3%	(D)
Chemicals	372,100	313,396	565,000	51.8%	578,000	2.3%	(E)
Maintenance & Services	725,220	362,294	271,743	-62.5%	325,643	19.8%	(A)
Water Treatment - Salary	817,413	747,698	758,132	-7.3%	784,760	3.5%	
Burden & Benefits	428,894	355,794	383,404	-10.6%	395,417	3.1%	(B)
TOTAL WATER TREATMENT	\$ 2,795,627	\$ 2,188,813	\$ 2,550,679	-8.8%	\$ 2,634,320	3.3%	
TRANSMISSION AND DISTRIBUTION							
Maintenance & Services	\$ 3,251,789	\$ 2,828,230	\$ 2,025,572	-37.7%	\$ 2,034,222	0.4%	(A)
Trans & Distribution - Salary	2,731,827	2,635,418	3,070,489	12.4%	3,178,080	3.5%	(B)
Burden & Benefits	1,436,442	1,326,647	1,523,038	6.0%	1,572,522	3.2%	
TOTAL TRANSMISSION & DISTRIBUTION	\$ 7,420,058	\$ 6,790,295	\$ 6,619,099	-10.8%	\$ 6,784,824	2.5%	
CUSTOMER ACCOUNTS							
Billing & Collecting	\$ 583,191	\$ 440,471	\$ 451,070	-22.7%	\$ 452,485	0.3%	(F)
Maintenance & Services	663,844	586,633	584,843	-11.9%	632,893	8.2%	(A)
Customer Accounts - Salary	1,321,544	1,027,274	1,449,132	9.7%	1,499,912	3.5%	
Burden & Benefits	666,459	554,620	720,614	8.1%	742,304	3.0%	
TOTAL CUSTOMER ACCOUNTS	\$ 3,235,038	\$ 2,608,998	\$ 3,205,659	-0.9%	\$ 3,327,594	3.8%	
ENGINEERING EXPENSES							
Maintenance & Services	\$ 853,813	\$ 519,952	\$ 618,443	-27.6%	\$ 635,093	2.7%	(A)
Other Operating Expense - Labor	501,100	450,000	543,200	8.4%	562,300	3.5%	
Burden & Benefits	246,400	210,000	260,700	5.8%	269,900	3.5%	
TOTAL ENGINEERING EXPENSES	\$ 1,601,313	\$ 1,179,952	\$ 1,422,343	-11.2%	\$ 1,467,293	3.2%	
ADMINISTRATIVE & GENERAL							
Maintenance & Services	\$ 2,079,516	\$ 1,639,808	\$ 1,927,202	-7.3%	\$ 1,822,161	-5.5%	
Insurance (non employee related)	1,040,145	1,191,387	895,300	-13.9%	930,700	4.0%	(G)
Professional Services	1,284,573	923,050	1,045,638	-18.6%	1,048,508	0.3%	(H)
Training & Education	324,663	186,659	232,282	-28.5%	234,945	1.1%	(B)
Water Use Efficiency	1,056,000	851,494	1,088,000	3.0%	1,111,370	2.1%	
Other	236,857	172,617	242,735	2.5%	246,650	1.6%	
Admin & General Transfer	(499,604)	(526,756)	(539,983)	8.1%	(552,609)	2.3%	
Admin & General - Salary	1,502,062	2,174,139	3,293,901	119.3%	3,355,786	1.9%	(B)
Shared Salary and Benefits	1,616,200	1,191,874	-	-100.0%	-	0.0%	(B)
Burden & Benefits	1,045,152	1,164,070	1,567,499	50.0%	1,606,264	2.5%	(B)
TOTAL ADMIN & GENERAL EXPENSES	\$ 9,685,564	\$ 8,968,342	\$ 9,752,574	0.7%	\$ 9,803,775	0.5%	
DEBT SERVICE	\$ 11,457,316	\$ 11,457,316	\$ 11,550,657	0.8%	\$ 11,671,907	1.0%	
CAPITAL IMPROVEMENT PROJECTS	\$ 9,816,400	\$ 6,380,660	\$ 10,886,439	10.9%	\$ 9,678,526	-11.1%	(I)
TRANSFER TO RESERVES	\$ 949,077	\$ 1,056,171	\$ 973,742	2.6%	\$ 993,217	2.0%	
TOTAL OPERATING EXPENSE-RETAIL	\$ 79,892,378	\$ 73,765,960	\$ 82,017,354	2.7%	\$ 82,686,761	0.8%	

**SCV WATER - EXPENSE BUDGET
FY 2019/20 and FY 2020/21 - RETAIL**

(1) Significant Changes +/- 10%

- (A) Maintenance and Services have been reclassified to other Departments. Overall, there is a 14% reduction.
- (B) Fluctuations due to expenses being allocated among Divisions and Departments
- (C) Increase in Lab Expense due to new USMR testing requirements
- (D) Increase attributable to additional extraction and diversion fees, SWRCB fees and annual W9 NPDES permit fees
- (E) Increase in Chemicals due to additional purchases of HACH handheld equipment, training and sample reagents
- (F) Reduction in Customer Accounts due to integration of similar processes for customer billing among the Retail Divisions
- (G) Reduction in General Liability Insurance due to combining all Divisions individual insurance policies into one carrier
- (H) Professional Services include legal and auditing services. Reduction is due to new lower contracts for these services as well as allocating costs to all Divisions.
- (I) Primary increase in Retail Capital is due to the purchase of a new ERP (accounting) system and shared Technology Services

SCV WATER - OPERATING EXPENSE BUDGET - SUMMARY
FY 2019/20 and FY 2020/21 - REGIONAL

	Adopted Budget FY 2019	Projected 06/30/19 FY 2019	Proposed Budget FY 2020	% Change Over FY 2019	Proposed Budget FY 2021	% Change Over FY 2020
MANAGEMENT						
Salary and Benefits	\$ 1,014,200	\$ 826,700	\$ 677,262	-33.2%	\$ 689,644	1.8%
Materials and Supplies	71,000	47,874	33,783	-52.4%	33,308	-1.4%
Outside Services	700,000	626,603	770,062	10.0%	900,146	16.9%
Election	-	-	550,000	100.0%	-	-100.0%
Directors Compensation and Expenses	376,000	336,607	345,000	-8.2%	335,000	-2.9%
TOTAL MANAGEMENT	\$ 2,161,200	\$ 1,837,784	\$ 2,376,107	9.9%	\$ 1,958,098	-17.6%
ADMINISTRATION						
Salary and Benefits	\$ 2,260,600	\$ 2,990,000	\$ 3,033,680	34.2%	\$ 3,089,399	1.8%
Materials and Supplies	830,400	204,816	225,773	-72.8%	225,063	-0.3%
Outside Services	1,191,000	1,438,788	1,546,748	29.9%	1,463,796	-5.4%
Utilities	70,000	76,137	73,736	5.3%	73,736	0.0%
Insurance	659,000	770,959	849,966	29.0%	882,649	3.8%
TOTAL ADMINISTRATION	\$ 5,011,000	\$ 5,480,700	\$ 5,729,904	14.3%	\$ 5,734,643	0.1%
ENGINEERING						
Salary and Benefits	\$ 847,000	\$ 1,022,500	\$ 1,111,270	31.2%	\$ 1,131,907	1.9%
Materials and Supplies	165,000	67,052	112,758	-31.7%	111,215	-1.4%
Outside Services	415,000	282,978	391,452	-5.7%	391,724	0.1%
TOTAL ENGINEERING	\$ 1,427,000	\$ 1,372,530	\$ 1,615,480	13.2%	\$ 1,634,846	1.2%
MAINTENANCE						
Salary and Benefits	\$ 2,539,500	\$ 2,064,000	\$ 2,075,787	-18.3%	\$ 2,112,933	1.8%
Materials and Supplies	349,000	383,704	608,888	74.5%	606,515	-0.4%
Outside Services	415,000	566,451	825,311	98.9%	825,729	0.1%
TOTAL MAINTENANCE	\$ 3,303,500	\$ 3,014,155	\$ 3,509,986	6.3%	\$ 3,545,176	1.0%
WATER QUALITY & REGULATORY AFFAIRS						
Salary and Benefits	\$ 821,700	\$ 825,350	\$ 777,139	-5.4%	\$ 791,585	1.9%
Materials and Supplies	127,600	126,618	168,814	32.3%	168,220	-0.4%
Outside Services	78,000	52,926	136,328	74.8%	136,432	0.1%
TOTAL WATER QUALITY & REG AFFAIRS	\$ 1,027,300	\$ 1,004,894	\$ 1,082,281	5.4%	\$ 1,096,237	1.3%
WATER RESOURCES						
Salary and Benefits	\$ 1,981,000	\$ 1,841,600	\$ 2,025,787	2.3%	\$ 2,062,933	1.8%
Materials and Supplies	324,000	354,800	484,233	49.5%	490,503	1.3%
Outside Services	3,022,000	2,263,820	3,904,313	29.2%	3,884,018	-0.5%
Utilities	-	-	100,000		100,000	0.0%
Source of Supply	2,863,300	2,315,192	3,581,253	25.1%	4,297,504	20.0%
TOTAL WATER RESOURCES	\$ 8,190,300	\$ 6,775,412	\$ 10,095,585	23.3%	\$ 10,834,957	7.3%
WATER TREATMENT OPERATIONS						
Salary and Benefits	\$ 1,411,900	\$ 1,638,000	\$ 1,672,279	18.4%	\$ 1,701,170	1.7%
Materials and Supplies	1,322,001	662,300	781,802	-40.9%	815,733	4.3%
Outside Services	26,000	24,400	128,390	393.8%	128,578	0.1%
Utilities	2,260,000	2,236,208	2,673,000	18.3%	2,803,500	4.9%
TOTAL WATER TREATMENT OPERATIONS	\$ 5,019,901	\$ 4,560,908	\$ 5,255,470	4.7%	\$ 5,448,981	3.7%
CAPITAL IMPROVEMENT PROJECTS (1%)	\$ 13,820,100	\$ 8,983,065	\$ 17,011,819	23.1%	\$ 21,356,902	25.5%
DEBT SERVICE	\$ 24,866,981	\$ 24,866,981	\$ 23,977,434	-3.6%	\$ 27,917,503	16.4%
TOTAL OPERATING EXPENSE-REGIONAL	\$ 64,827,282	\$ 57,896,429	\$ 70,654,066	9.0%	\$ 79,527,343	12.6%

**SCV WATER - EXPENSE BUDGET - MANAGEMENT
FY 2019/20 and FY 2020/21 - REGIONAL**

	Adopted Budget FY 2019	Projected 06/30/19 FY 2019	Proposed Budget FY 2020	% Change over FY2019	Proposed Budget FY 2021	% Change over FY2020	(1)
Salary and Benefits							
Salary	\$ 569,300	\$ 483,000	\$ 449,490	-21.0%	\$ 461,412	2.7%	(A)
Overtime	14,000	10,700	12,000	-14.3%	12,000	0.0%	
Burden and Benefits	430,900	333,000	215,772	-49.9%	216,232	0.2%	(A)
Materials and Supplies							
Employee Expense	17,000	13,000	3,597	-78.8%	3,694	2.7%	(B)
Employee Travel	14,000	7,623	4,387	-68.7%	4,475	2.0%	
Safety Training and Equipment	-	-	3,469	100.0%	3,469	0.0%	
Supplies and Services	30,000	18,318	9,692	-67.7%	9,341	-3.6%	(B)
Internal Relations	-	956	1,538	100.0%	1,538	0.0%	
Uniforms	-	2,315	2,813	100.0%	2,813	0.0%	
Office Equip Repair/Service	-	5,662	2,571	100.0%	2,571	0.0%	
Dues and Memberships	-	-	3,121	100.0%	3,121	0.0%	
Subscriptions	-	-	1,714	100.0%	1,407	-17.9%	
Telephone	-	-	879	100.0%	879	0.0%	
Outside Services							
Education/Seminars	10,000	5,337	5,095	-49.1%	4,913	-3.6%	
Outside Services	-	2,500	5,000	100.0%	5,000	0.0%	
Legal Consulting	300,000	269,511	280,000	-6.7%	280,000	0.0%	
Technology Services	-	-	38,649	100.0%	38,914	0.7%	(B)
Recruitment Expenses	-	-	1,319	100.0%	1,319	0.0%	
Professional Services/Consultants	100,000	79,255	140,000	40.0%	270,000	92.9%	(C)
Legislative Advocate Services	300,000	270,000	300,000	0.0%	300,000	0.0%	
Election							
Election	-	-	550,000	100.0%	-	-100.0%	(D)
Directors Compensation and Expenses							
Directors Compensation *	256,000	247,602	240,000	-6.3%	235,000	-2.1%	
Directors Expenses	60,000	45,401	25,000	-58.3%	25,000	0.0%	(E)
Directors Travel	25,000	23,000	50,000	100.0%	50,000	0.0%	(E)
Directors Training	35,000	20,604	30,000	-14.3%	25,000	-16.7%	
Total Management Expenditures	\$ 2,161,199	\$ 1,837,784	\$ 2,376,107	9.9%	\$ 1,958,098	-17.6%	

* Stipends only. Benefits are included in the Burden and Benefits line item.

(1) Changes of more than 10% and \$20,000

(A) Fluctuations due to expenses being allocated among Divisions and Departments.

(B) Total expenses are being allocated among all Regional Departments.

(C) Includes costs associated with the Ratepayer Advocate (Facility Capacity Fees in FY 2020 and Rates in FY 2021).

(D) Election expense occurs in even years.

(E) Director lodging reclassified into Director Travel expense account.

**SCV WATER - EXPENSE BUDGET - ADMINISTRATION
FY 2019/20 and FY 2020/21 - REGIONAL**

	Adopted Budget FY 2019	Projected 06/30/19 FY 2019	Proposed Budget FY 2020	% Change over FY2019	Proposed Budget FY 2021	% Change over FY2020	(1)
Salary and Benefits							
Salary	\$ 1,180,000	\$ 1,980,000	\$ 2,022,707	71.4%	\$ 2,076,355	2.7%	
Overtime	30,000	50,000	40,000	33.3%	40,000	0.0%	
Burden and Benefits	1,050,600	960,000	970,973	-7.6%	973,044	0.2%	
Materials and Supplies							
Employee Expense	15,000	13,757	15,287	1.9%	15,698	2.7%	
Employee Travel	15,000	3,860	18,644	24.3%	19,018	2.0%	
Safety Training and Equipment	85,000	36,000	14,744	-82.7%	14,744	0.0%	(A)
Supplies and Services	62,000	41,090	41,192	-33.6%	39,698	-3.6%	(A)
Internal Relations	35,000	30,000	6,538	-81.3%	6,538	0.0%	(A)
Janitorial Supplies	8,000	3,126	8,000	0.0%	8,000	0.0%	
Parts and Materials	120,000	75,000	120,000	0.0%	120,000	0.0%	
Gasoline	-	-	699	100.0%	699	0.0%	
Vehicle Maintenance	-	1,983	668	100.0%	668	0.0%	
Outside Services							
Education/Seminars	35,000	14,306	21,652	-38.1%	20,882	-3.6%	
Uniforms	5,000	1,200	11,956	139.1%	11,956	0.0%	
Outside Service/Contracting	491,000	420,000	490,000	-0.2%	490,000	0.0%	
Office Equipment/Repair and Service	30,000	14,724	10,929	-63.6%	10,929	0.0%	
Professional Services/Audit	77,000	90,622	63,800	-17.1%	63,800	0.0%	
Licenses/Fees	90,000	88,350	100,000	11.1%	100,000	0.0%	
Office and Storage Rent, HOA Dues	46,000	36,465	46,000	0.0%	46,000	0.0%	
Technology Services	303,000	266,907	164,258	-45.8%	165,383	0.7%	(A)
Recruitment Expenses	30,000	26,051	5,604	-81.3%	5,604	0.0%	(A)
Security/Alarm Services	150,000	141,000	150,000	0.0%	150,000	0.0%	
Agency Publications	12,000	9,145	12,000	0.0%	5,000	-58.3%	
Professional Services/Consultants	225,000	65,989	225,000	0.0%	150,000	-33.3%	
Temporary Personnel Services	100,000	173,457	225,000	125.0%	225,000	0.0%	(B)
Dues and Memberships	65,000	90,572	13,264	-79.6%	13,264	0.0%	(A)
Subscriptions	2,400	-	7,286	203.6%	5,978	-17.9%	
Utilities							
Telephone	20,000	16,137	3,736	-81.3%	3,736	0.0%	
Irrigation	15,000	12,000	15,000	0.0%	15,000	0.0%	
Refuse Disposal	20,000	15,000	20,000	0.0%	20,000	0.0%	
Natural Gas	35,000	33,000	35,000	0.0%	35,000	0.0%	
Insurance							
Retiree Medical Insurance	380,000	339,167	470,782	23.9%	484,905	3.0%	(C)
Unemployment Insurance	7,000	7,618	8,000	14.3%	8,000	0.0%	
Liability Insurance	272,000	424,174	371,184	36.5%	389,744	5.0%	(A)
Total Administration Expenditures	\$ 5,010,995	\$ 5,480,700	\$ 5,729,904	14.3%	\$ 5,734,643	0.1%	

(1) Changes of more than 10% and \$20,000

(A) Fluctuations due to expenses being allocated among Divisions and Departments

(B) Projecting increased temporary personnel to assist with Technology Services and the Accounting Department

(C) Addition to retirees in FY 2018/19 and costs being allocated among Divisions

**SCV WATER - EXPENSE BUDGET - ENGINEERING
FY 2019/20 and FY 2020/21 - REGIONAL**

	Adopted Budget FY 2019	Projected 06/30/19 FY 2019	Proposed Budget FY 2020	% Change over FY2019	Proposed Budget FY 2021	% Change over FY2020	(1)
Salary and Benefits							
Salary	\$ 619,900	\$ 730,000	\$ 749,151	20.9%	\$ 769,020	2.7%	(A)
Overtime	-	2,500	2,500	100.0%	2,500	0.0%	
Burden and Benefits	227,100	290,000	359,620	58.4%	360,387	0.2%	(A)
Materials and Supplies							
Employee Expense	10,000	10,560	11,690	16.9%	12,004	2.7%	
Employee Travel	4,500	2,050	14,257	216.8%	14,543	2.0%	
Safety Training and Equipment	-	-	11,275	100.0%	11,275	0.0%	
Supplies and Services	30,000	32,313	31,500	5.0%	30,357	-3.6%	
Internal Relations	-	-	5,000	100.0%	5,000	0.0%	
Gasoline	-	3,932	1,516	100.0%	1,516	0.0%	
Vehicle Maintenance	-	368	1,448	100.0%	1,448	0.0%	
Uniforms	-	-	9,143	100.0%	9,143	0.0%	
Office Equip Repair/Service	-	17,829	8,357	100.0%	8,357	0.0%	
Dues and Memberships	-	-	10,143	100.0%	10,143	0.0%	
Subscriptions	-	-	5,571	100.0%	4,571	-17.9%	
Telephone	-	-	2,857	100.0%	2,857	0.0%	
Outside Services							
Education/Seminars	13,000	14,259	16,557	27.4%	15,969	-3.6%	
Technology Services	107,500	107,000	125,609	16.8%	126,469	0.7%	
Recruitment Expenses	-	-	4,286	100.0%	4,286	0.0%	
Professional Services/Consulting	200,000	146,719	225,000	12.5%	225,000	0.0%	
Pipeline Inspection Program Services	195,000	-	-	-100.0%	-	0.0%	(B)
Temporary Personnel Service	20,000	15,000	20,000	0.0%	20,000	0.0%	
Total Engineering Expenditures	\$ 1,427,000	\$ 1,372,530	\$ 1,615,480	13.2%	\$ 1,634,846	1.2%	

(1) Changes of more than 10% and \$20,000

- (A) Additions of staff and fluctuations due to expenses being allocated among Divisions and Departments.
- (B) Pipeline Inspection has been reclassified under Technology Services.

**SCV WATER - EXPENSE BUDGET - MAINTENANCE
FY 2019/20 and FY 2020/21 - REGIONAL**

	Adopted Budget FY 2019	Projected 06/30/19 FY 2019	Proposed Budget FY 2020	% Change over FY2019	Proposed Budget FY 2021	% Change over FY2020	(1)
Salary and Benefits							
Salary	\$ 1,555,300	\$ 1,300,000	\$ 1,348,471	-13.3%	\$ 1,384,237	2.7%	(A)
Overtime	65,000	60,000	60,000	-7.7%	60,000	0.0%	
On Call Premium	23,000	20,000	20,000	-13.0%	20,000	0.0%	
Burden and Benefits	896,200	684,000	647,315	-27.8%	648,696	0.2%	(A)
Materials and Supplies							
Employee Expense	3,000	3,500	17,985	499.5%	18,468	2.7%	
Employee Travel	1,000	-	21,934	2093.4%	22,374	2.0%	(B)
Safety Training and Equipment	-	1,200	17,346	100.0%	17,346	0.0%	
Supplies and Services	8,000	3,000	48,462	505.8%	46,703	-3.6%	(B)
Internal Relations	-	-	7,692	100.0%	7,692	0.0%	
Parts and Materials	250,000	250,000	350,000	40.0%	350,000	0.0%	(C)
Small Tools	20,000	18,000	20,000	0.0%	20,000	0.0%	
Gasoline	32,000	41,378	30,678	-4.1%	30,678	0.0%	
Diesel	10,000	-	10,000	0.0%	10,000	0.0%	
Vehicle Maintenance	-	45,258	29,297	100.0%	29,297	0.0%	(A)
Uniforms	15,000	20,000	14,066	-6.2%	14,066	0.0%	
Office Equip Repair/Service	-	1,368	12,857	100.0%	12,857	0.0%	
Dues and Memberships	-	-	15,604	100.0%	15,604	0.0%	
Subscriptions	-	-	8,571	100.0%	7,033	-17.9%	
Telephone	-	-	4,396	100.0%	4,396	0.0%	
Outside Services							
Education/Seminars	10,000	750	25,473	154.7%	24,567	-3.6%	(A)
Outside Service/Contracting	350,000	550,000	550,000	57.1%	550,000	0.0%	(D)
Technology Services	-	-	193,245	100.0%	194,568	0.7%	(A)
Recruitment Expenses	-	-	6,593	100.0%	6,593	0.0%	
Hazardous Waste Disposal	40,000	13,944	40,000	0.0%	40,000	0.0%	
Tool Rental	25,000	1,757	10,000	-60.0%	10,000	0.0%	
Total Maintenance Expenditures	\$ 3,303,499	\$ 3,014,155	\$ 3,509,986	6.3%	\$ 3,545,176	1.0%	

(1) Changes of more than 10% and \$20,000

- (A) Fluctuations due to expenses being allocated among Divisions and Departments.
- (B) Total expenses are being allocated among all Regional Departments.
- (C) Increase due to change of the Asset Capitalization Policy. Tools and supplies under \$5,000 are now expensed.
- (D) Increase for possible recycled water main leaks.

**SCV WATER - EXPENSE BUDGET - WATER QUALITY AND REGULATORY AFFAIRS
FY 2019/20 and FY 2020/21 - REGIONAL**

	Adopted Budget FY 2019	Projected 06/30/19 FY 2019	Proposed Budget FY 2020	% Change over FY2019	Proposed Budget FY 2021	% Change over FY2020	(1)
Salary and Benefits							
Salary	\$ 521,200	\$ 550,000	\$ 524,406	0.6%	\$ 538,314	2.7%	
Overtime	1,500	350	1,000	-33.3%	1,000	0.0%	
Burden and Benefits	299,000	275,000	251,734	-15.8%	252,271	0.2%	(A)
Materials and Supplies							
Employee Expense	3,000	4,835	4,496	49.9%	4,617	2.7%	
Employee Travel	4,000	1,594	5,484	37.1%	5,593	2.0%	
Safety Training and Equipment	-	-	4,337	100.0%	4,337	0.0%	
Supplies and Services	7,000	807	12,115	73.1%	11,676	-3.6%	
Internal Relations	-	-	1,923	100.0%	1,923	0.0%	
Laboratory Supplies	50,000	64,713	70,000	40.0%	70,000	0.0%	(B)
Microbiological Samples	35,000	32,432	35,000	0.0%	35,000	0.0%	
Performance Testing Samples/Standards	15,000	12,226	15,000	0.0%	15,000	0.0%	
Gases	8,000	5,000	5,000	-37.5%	5,000	0.0%	
Gasoline	-	2,311	811	100.0%	811	0.0%	
Vehicle Maintenance	-	-	775	100.0%	775	0.0%	
Uniforms	2,100	1,700	3,516	67.5%	3,516	0.0%	
Office Equip Repair/Service	-	1,000	3,214	100.0%	3,214	0.0%	
Dues and Memberships	-	-	3,901	100.0%	3,901	0.0%	
Subscriptions	-	-	2,143	100.0%	1,758	-17.9%	
Telephone	-	-	1,099	100.0%	1,099	0.0%	
Outside Services							
Education/Seminars	3,500	3,500	6,368	81.9%	6,142	-3.6%	
Outside Service/Contracting	48,000	48,000	50,000	4.2%	50,000	0.0%	
Commercial Services/Repairs	30,000	1,426	30,000	0.0%	30,000	0.0%	
Technology Services	-	-	48,311	100.0%	48,642	0.7%	(A)
Recruitment Expenses	-	-	1,648	100.0%	1,648	0.0%	
Total Water Quality And Reg. Expenditures	\$ 1,027,300	\$ 1,004,894	\$ 1,082,281	7.7%	\$ 1,096,237	1.3%	

(1) Changes of more than 10% and \$20,000

(A) Fluctuations due to expenses being allocated among Divisions and Departments

(B) Costs for lab supplies continue to increase

**SCV WATER - EXPENSE BUDGET - WATER RESOURCES
FY 2019/20 and FY 2020/21 - REGIONAL**

	Adopted Budget FY 2019	Projected 06/30/19 FY 2019	Proposed Budget FY 2020	% Change over FY2019	Proposed Budget FY 2021	% Change over FY2020	(1)
Salary and Benefits							
Salary	\$ 1,365,000	\$ 1,335,000	\$ 1,348,471	-1.2%	\$ 1,384,237	2.7%	
Overtime	35,000	27,600	30,000	-14.3%	30,000	0.0%	
Burden and Benefits	581,000	479,000	647,315	11.4%	648,696	0.2%	(A)
Materials and Supplies							
Employee Expense	15,000	20,000	20,682	37.9%	21,238	2.7%	
Employee Travel	25,000	32,500	25,224	0.9%	25,730	2.0%	
Safety Training and Equipment	-	-	19,948	100.0%	19,948	0.0%	
Supplies and Services	35,000	30,000	55,731	59.2%	53,709	-3.6%	(A)
Internal Relations	-	300	8,846	100.0%	8,846	0.0%	
Community Relations Promotions	65,000	65,000	67,000	3.1%	69,000	3.0%	
DD Landowner Expenditures	100,000	145,000	158,500	58.5%	163,500	3.2%	(B)
Materials and Services - Education	69,000	62,000	64,000	-7.2%	66,000	3.1%	
Gasoline	-	-	247	100.0%	247	0.0%	
Vehicle Maintenance	-	-	236	100.0%	236	0.0%	
Uniforms	-	-	16,176	100.0%	16,176	0.0%	
Office Equipment Repair/Service	-	-	14,786	100.0%	14,786	0.0%	
Dues and Memberships	-	-	17,945	100.0%	17,945	0.0%	
Subscriptions	-	-	9,857	100.0%	8,088	-17.9%	
Telephone	-	-	5,055	100.0%	5,055	0.0%	
Outside Services							
Education/Seminars	15,000	15,000	29,293	95.3%	28,252	-3.6%	
Technology Services	-	-	222,232	100.0%	223,753	0.7%	(A)
Recruitment Expenses	-	-	7,582	100.0%	7,582	0.0%	
Agency Publications	30,000	23,000	27,000	-10.0%	27,000	0.0%	
BMP Implementation	1,800,000	1,372,280	1,800,000	0.0%	1,800,000	0.0%	
Public Outreach Activities	32,000	32,000	59,000	84.4%	35,000	-40.7%	(C)
Public Relations Consulting	160,000	70,300	81,815	-48.9%	81,000	-1.0%	(D)
Professional Services/Consultants	250,000	250,000	475,000	90.0%	475,000	0.0%	(E)
Groundwater Sustainability Agency	750,000	501,240	998,520	33.1%	1,005,460	0.7%	(F)
Website Online Presence	-	-	29,870	100.0%	26,970	-9.7%	(G)
Campaigns and Messaging	-	-	174,000	100.0%	174,000	0.0%	(H)
Utilities							
DD Variable DWR Charges	-	-	100,000	100.0%	100,000	0.0%	(I)
Source of Supply							
Buena Vista/Rosedale Rio Bravo Supply	2,863,300	2,315,192	3,581,253	25.1%	4,297,504	20.0%	(J)
Total Water Resources Expenditures	\$ 8,190,299	\$ 6,775,412	\$ 10,095,585	23.3%	\$ 10,834,957	7.3%	

(1) Changes of more than 10% and \$20,000

- (A) Fluctuations due to expenses being allocated among Divisions and Departments
- (B) Additional repairs to aging infrastructure and tax increases
- (C) Addition of 'water summit' or 'state of the Agency' type of event and expansion of the annual Open House
- (D) Some public relations expenses being reclassified to Campaigns and Messaging
- (E) Advances groundwater spreading projects on East side of SCV and along Castaic Creek. Updating Water Supply Reliability Report.
- (F) Increase of consultant proposals along with inclusion of additional scoped work for a groundwater model peer review and consultant contingency funds. Staff costs also have been included.
- (G) New account, allocated among Divisions, to provide funds to increase website online presence.
- (H) New account, allocated among Divisions, to provide general messaging of critical water issues.
- (I) Water available to Devil's Den per the lease agreement for costs associated with delivering water per the agreement
- (J) Cost projected to increase by 5%. Over the course of thirty years, a larger percentage of the agreement will be shifted from one percent property tax funds to the general operating account.

**SCV WATER - EXPENSE BUDGET - WATER TREATMENT OPERATIONS
FY 2019/20 and FY 2020/21 - REGIONAL**

	Adopted Budget FY 2019	Projected 06/30/19 FY 2019	Proposed Budget FY 2020	% Change over FY2019	Proposed Budget FY 2021	% Change over FY2020	(1)
Salary and Benefits							
Salary	\$ 809,800	\$ 1,050,000	\$ 1,048,811	29.5%	\$ 1,076,628	2.7%	(A)
Overtime	120,000	131,000	120,000	0.0%	120,000	0.0%	
Burden and Benefits	482,100	457,000	503,467	4.4%	504,541	0.2%	
Materials and Supplies				100.0%			
Employee Expense	-	1,751	8,093	100.0%	8,311	2.7%	
Employee Travel	1,000	1,518	9,870	887.0%	10,068	2.0%	
Safety Training and Equip	-	-	7,806	100.0%	7,806	0.0%	
Supplies and Services	8,000	692	21,808	172.6%	21,016	-3.6%	
Internal Relations	-	-	3,462	100.0%	3,462	0.0%	
Chemicals	1,150,000	650,000	700,000	-39.1%	735,000	5.0%	(B)
Gasoline	-	4,512	2,962	100.0%	2,962	0.0%	
Vehicle Maintenance	-	3,827	2,829	100.0%	2,829	0.0%	
Uniforms	5,000	-	6,330	26.6%	6,330	0.0%	
Office Equip Repair/Service	-	-	5,786	100.0%	5,786	0.0%	
Dues and Memberships	-	-	7,022	100.0%	7,022	0.0%	
Subscriptions	-	-	3,857	100.0%	3,165	-17.9%	
Telephone	-	-	1,978	100.0%	1,978	0.0%	
Outside Services							
Education/Seminars	3,000	1,400	11,463	282.1%	11,055	-3.6%	
Technology Services	-	-	86,960	100.0%	87,556	0.7%	
Recruitment Expenses	-	-	2,967	100.0%	2,967	0.0%	
DDW Large Water System Fee	24,000	23,000	27,000	12.5%	27,000	0.0%	
Utilities							
Electricity - Pumping	1,680,000	1,700,000	1,900,000	13.1%	2,000,000	5.3%	(A)
Electricity - Treatment Plants	367,500	273,722	400,000	8.8%	420,000	5.0%	
Electricity - Other	52,500	45,744	50,000	-4.8%	52,500	5.0%	
Electricity - Wells	147,000	153,742	160,000	8.8%	168,000	5.0%	
Recycled Water Purchase	155,000	50,000	150,000	-3.2%	150,000	0.0%	
Telemetry	13,000	13,000	13,000	0.0%	13,000	0.0%	
Total Operations Expenditures	\$ 5,017,900	\$ 4,560,908	\$ 5,255,470	4.7%	\$ 5,448,981	3.7%	

(1) Changes of more than 10%

(A) Fluctuations due to expenses being allocated among Divisions and Departments

(B) Total expenses are being allocated among all Regional Departments

**SCV WATER - POSITION CONTROL
FY 2019/20**

Authorized Positions by Department

SCVWA Position	No.
Management	
General Manager	1
Assistant General Manager	1
Chief Financial and Administrative Officer	1
Board Secretary	1
Administrative Technician	1
Subtotal Management	5
Engineering Services	
Chief Engineer	1
Principal Engineer	3
Senior Engineer	2
Civil Engineer	3
Engineering Technician II	4
Engineering Technician I	1
Administrative Analyst	3
Administrative Technician	2
Inspector Supervisor	1
Senior Inspector	1
Inspector	3
Cross Connection Specialist	1
Laboratory/Regulatory Affairs Supervisor	1
Water Quality Scientist II	3
Water Quality Technician	1
Subtotal Engineering Services	30
Finance and Administration	
Director of Finance and Administration	1
Controller	1
Retail Administrative Officer	1
Human Resources Supervisor	1
Senior Management Analyst	2
Management Analyst	1
Financial Analyst	2
Human Resources Analyst	2
Human Resources Analyst	
Senior Accountant	2
Accountant	3
Senior Accounting Technician	2
Accounting Technician II	3
Customer Service Manager	1
Customer Service Supervisor	2
Purchasing Coordinator	1
Administrative Technician	4
Customer Service Representative II	6
Customer Service Representative I	4

**SCV WATER - POSITION CONTROL
FY 2019/20**

Authorized Positions by Department

SCVWA Position	No.
Office Assistant II	1
Director of Technology Services	1
Asset Management Coordinator	1
GIS Supervisor/Planner	1
Senior Information Technology Technician	2
Information Technology Technician	2
GIS/CAD Technician II	2
GIS/CAD Technician	1
Subtotal Finance and Administration	50
Operations and Maintenance	
Chief Operating Officer	1
Director of Operations and Maintenance	1
Safety Officer	1
Safety and Security Specialist	1
Emergency Response Specialist	1
Buildings and Grounds Supervisor	1
Senior Facilities Maintenance Technician	1
Facilities Maintenance Technician II	2
Operations and Maintenance Superintendent	1
Electrical/Instrumentation Supervisor	1
Distribution/Mechanical Supervisor	1
Senior Electrical Technician	2
Senior Instrumentation Technician	3
Senior Distribution/Mechanical Technician	3
Distribution and Mechanical Technician II	3
Electrical and Instrumentation Technician II	1
Senior Treatment Plant Operator	6
Treatment Plant Operator II	3
Executive Assistant	1
Administrative Technician	2
Water Utility Foreman (Operations)	1
Water Utility Foreman (Maintenance)	2
Senior Utility Worker	7
Utility Worker II	11
Utility Worker I	14
Production Supervisor	2
Senior Production Operator	4
Production Operator II	9
Production Operator I	2
Operations Supervisor	2
Senior Field Customer Service Representative	2
Field Customer Service Representative II	4
Field Customer Service Representative I	1
Warehouse Technician	3
Water Quality/Compliance Supervisor	1
Water Quality Specialist	2

**SCV WATER - POSITION CONTROL
FY 2019/20**

Authorized Positions by Department

SCVWA Position	No.
Water Quality Technician	4
Subtotal Operations and Maintenance	107
Water Resources, Watersheds and Outreach	
Director of Water Resources	1
Principal Water Resources Planner	2
Senior Water Resources Planner	2
Public Information Officer	1
Public Affairs Specialist II	1
Event Coordinator	2
Lead Water Conservation Education Specialist	1
Water Conservation Education Specialist (part-time)	8
Resource Conservation Manager	1
Water Conservation Specialist II	2
Water Conservation Specialist I	1
Administrative Analyst	2
Adminstrative Analyst	
Subtotal Water Resources, Watersheds and Outreach	24
Total	216

Finance and Administration Committee Planning Calendar FY 2018/19

Item	Author	PowerPoint Presentation (Y/N/Length)	July 3 Board CANCELLED	July 16 Comm	Aug 7 Board	Aug 20 Comm	Sept 4 Board	Sept 17 Comm	Oct 2 Board	Oct 15 Comm	Oct 16 Board	Oct 22 SPECIA Comm	Nov 6 Board	Nov 19 Comm	Dec 4 Board	Dec 17 Comm	Jan 7 SPECIAL Board	Jan 14 SPECIAL Board	Feb 5 Board	Feb 11 SPECIAL	March 5 Board	March 18 Comm	April 2 Board	April 3 SPECIAL	April 16 Board	April 30 SPECIAL Board	May 1 SPECIAL Comm	May 21 Board	June 4 Board	June 17 Comm	July 2 Board
1	Monthly Planning Calendar	None		C																											
2	Recommend Approval of a Resolution Authorizing FY 2018/19 Water Supply Contract Payments (consent)	None		C																											
3	Recommend Approval of an Employee Travel and Expense Reimbursement Policy (consent)	None		C																											
4	Discuss Development of Rate-setting Process Incorporating an Independent Ratepayer Advocate Function	Yes - 15 min		C		C		C		C																					
5	April 2018 Monthly Financial Report (consent)	None		C																											
6	May 2018 Monthly Financial Report (consent)	None		C																											
7	Approve Resolutions Establishing Banking Authority with City National Bank	None		C																											
8	Recommend Approval of a Claims Policy (consent)	None				C	C																								
9	Recommend Approval of a Surplus Inventory and Equipment Policy (consent)	None				C	C																								
10	Review, Discuss and Recommend an Option for Revising Employer's Contributions to PERS Medical Insurance	None				C	C																								
11	Recommend Receiving and Filing of June 2018 Monthly Financial Report (consent)	None				C	C																								
12	Recommend Approval of an Emergency Response Specialist Classification	None						C	P																						
13	Recommend Approval of a Safety Incentive Plan and Positions	None						C	P										C												
14	Review and Discuss New Agency Recruitments	None						C																							
15	Recommend Receiving and Filing of July 2018 Monthly Financial Report (consent)	None						C	C																						
16	Discuss USCVAJPA Intent to Issue Tax Exempt Obligations	None								C																					
17	Recommend Approval of Resolution Authorizing Professional Services Agreement with AAC Utility Partners for Selection Services for New Financial Management System	None								C									C												
18	Recommend Approval of a Resolution Adopting a Records Retention Policy and Schedule (consent)	None								C																					
19	Discuss Reserve Fund Policy	None								C																					
20	Review Valencia Water Company January 22, 2018 and December 31, 2017 Financial Statements (consent)	None								C																					
21	Recommend Receiving and Filing of August 2018 Monthly Financial Report (consent)	None								C																					
22	Approve a Resolution Appointing Treasurer for SCV Water	None									C																				
23	Approve Resolutions Establishing Banking Authority	None									C																				
24	Approve a Resolution of Intention for SCV Water to Enter into a Retirement Contract with CalPERS to Provide for a Merger of the Contracts of the Former Castaic Lake Water Agency and Newhall County Water District	None																													
25	Recommend Receiving and Filing NCWD December 31, 2017 Financial Statements (consent)	None																													

ITEM NO.
6

**Finance and Administration Committee
Planning Calendar
FY 2018/19**

Item	Author	PowerPoint Presentation (Y/N/Length)	July 3 Board CANCELLED	July 16 Comm	Aug 7 Board	Aug 20 Comm	Sept 4 Board	Sept 17 Comm	Oct 2 Board	Oct 15 Comm	Oct 16 Board	Oct 22 SPECIA Comm	Nov 6 Board	Nov 19 Comm	Dec 4 Board	Dec 17 Comm	Jan 7 SPECIAL Board	Jan 14 SPECIAL Board	Feb 5 Board	Feb 11 SPECIAL	March 5 Board	March 18 Comm	April 2 Board	April 3 SPECIAL	April 16 Board	April 30 SPECIAL Board	May 1 SPECIAL Comm	May 21 Board	June 4 Board	June 17 Comm	July 2 Board
26	EC	None																													
27	EC	None																													
28	RP	None																													
29	RP	None																													
30	RP	None																													
31	CP	None																													
32	EC	None																													
33	EC	None																													
34	RP	None																													
35	RP	None																													
36	RP	None																													
37	RP	None																													
38	RP	None																													
39	EC	Yes - 15 min																													
40	RP	None																													
41	EC	Yes - 15 min																													
42	RP	None																													
43	RP	None																													
44	RP	None																													
45	RP	None																													
46	RP	None																													
47	RP	None																													
48	RP	None																													
49	RP	None																													
50	RP	None																													

**Finance and Administration Committee
Planning Calendar
FY 2018/19**

Item	Author	PowerPoint Presentation (Y/N/Length)	July 3 Board CANCELLED	July 16 Comm	Aug 7 Board	Aug 20 Comm	Sept 4 Board	Sept 17 Comm	Oct 2 Board	Oct 15 Comm	Oct 16 Board	Oct 22 SPECIA Comm	Nov 6 Board	Nov 19 Comm	Dec 4 Board	Dec 17 Comm	Jan 7 SPECIAL Board	Jan 14 SPECIAL Board	Feb 5 Board SPECIAL	Feb 11 SPECIAL	March 5 Board	March 18 Comm	April 2 Board	April 3 SPECIAL	April 16 Board	April 30 SPECIAL Board	May 1 SPECIAL Comm	May 21 Board	June 4 Board	June 17 Comm	July 2 Board
51	Recommend Receiving and Filing of CLWA and SCWD December 31, 2017 Financial Statements (consent)	RP	None																												
52	Recommend Receiving and Filing of SCV Water June 30, 2018 Financial Statement (consent)	RP	None																												
53	Recommend Receiving and Filing of FY 2018/19 Midyear Budget Report (consent)	RP	None																												
54	Recommend Receiving and Filing of January 2019 Monthly Financial Report (consent)	RP	None																												
55	Recommend Approval of an Emergency Preparedness & Safety Coordinator Classification	RP	None																												
56	Recommend Approval of a Resolution to Enter into a Contract with Lance, Soll & Lunghard, LLP (LSL) for Audit Services for FY 2018/19 through FY 2020/21 with an option for FY 2021/22 and FY 2022/23	RP	None																												
57	Recommend Approval of a Proposed Employee Salary Adjustment for FY 2019/20	RP	None																												
58	Review Draft Operating FY 2019/20 and 2020/21 Biennial Budget	RP	Yes - 30 min																												
59	Recommend Approval of a Customer Service Policy	RP	None																												
60	Recommend Approval of a Resolution Engaging (Insert Company Here) for Classification and Compensation Study	RP	None																												
61	Recommend Approval of a Resolution Approving an Official Statement and Authorizing Certain Other Documents and Actions in Connection with the Issuance of the Series 2019A Revenue Bonds	EC	None																												
62	Recommend Approval of a Resolution Adopting the FY 2019/20 - 20/21 Biennial Budget	RP	None																												
63	Approve a Resolution Adopting the Appropriation of All As-Yet Unappropriated Funds for FY 2018/19	RP	None																												
64	Approve a Resolution Adopting the Appropriation Limit for FY 2019/20	RP	None																												
65	Recommend Receiving and Filing of February 2019 Monthly Financial Report (consent)	RP	None																												
66	Santa Clarita Valley Water Agency Tax Rate for FY 2019/20 and Requesting Levy of Tax by Los Angeles County and Ventura County	RP	None																												
67	Recommend Approval of Resolution Authorizing July 2019 Water Supply Contract Payment	RP	None																												
68	Recommend Approval of a Resolution Amending the Agency's Letter of Credit Reimbursement Agreement with Wells Fargo Bank	RP	None																												
69	Review RFP for Enterprise Resource Planning (ERP for Finance and Accounting Software)	RP																													
70	Recommend Adopting a Policy for Community Facility Districts (CFDs)	EC																													
71	Recommend Receiving and Filing of March 2019 Monthly Financial Report (consent)	RP	None																												

**Finance and Administration Committee
Planning Calendar
FY 2018/19**

72	Item	Author	PowerPoint Presentation (Y/N/Length)	July 3 Board	July 16 Comm	Aug 7 Board	Aug 20 Comm	Sept 4 Board	Sept 17 Comm	Oct 2 Board	Oct 15 Comm	Oct 16 Board	Oct 22 SPECIA Comm	Nov 6 Board	Nov 19 Comm	Dec 4 Board	Dec 17 Comm	Jan 7 SPECIAL Board	Jan 14 SPECIAL	Feb 5 Board	Feb 11 SPECIAL	March 5 Board	March 18 Comm	April 2 Board	April 3 SPECIAL	April 16 Board	April 30 SPECIAL Board	May 1 SPECIAL Comm	May 21 Board	June 4 Board	June 17 Comm	July 2 Board	
	Recommend Receiving and Filing of April 2019 Monthly Financial Report (consent)	RP	None	CANCELLED																													