



NOTICE AND CALL OF RESCHEDULED MEETING

Notice is hereby given that I, Ken Petersen, Chair of the Finance and Administration Committee, have called a RESCHEDULED MEETING of the Agency's Finance and Administration Committee.

Said RESCHEDULED MEETING of the Committee to be held on:

MONDAY, JANUARY 23, 2023 AT 5:30 PM

**Santa Clarita Valley Water Agency
27234 Bouquet Canyon Road
Santa Clarita, CA 91350
Rio Vista Water Treatment Plant Boardroom**

OR

Join the meeting from your computer, tablet or smartphone by clicking the link below.

Zoom Webinar <https://scvwa.zoomgov.com/j/1613594992>

Or

**Call in using your phone
(833) 568-8864
Webinar ID: 161 359 4992**

Enclosed with and as part of this Notice and Call is an Agenda for the meeting.

Signed: Ken Petersen (by ED)
Ken Petersen

Date: 1-17-23

Posted on January 17, 2023

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RESCHEDULED FINANCE AND ADMINISTRATION COMMITTEE MEETING

**Monday, January 23, 2023
Meeting Begins at 5:30 PM**

Members of the public may attend by the following options:

In Person

SCV Water
Rio Vista Water Treatment Plant
Board Room
27234 Bouquet Canyon Road
Santa Clarita, CA 91350

By Phone

Toll Free:
1-(833)-568-8864
Webinar ID: 161 359 4992

Remotely

Please join the meeting from your
computer, tablet or smartphone:

<https://scvwa.zoomgov.com/j/1613594992>

Have a Public Comment?

Members of the public unable to attend this meeting may submit comments either in writing to edill@scvwa.org or by mail to **Erika Dill, Management Analyst II**, Santa Clarita Valley Water Agency, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. All written comments received before 3:00 PM the day of the meeting will be distributed to the Committee members and posted on the Santa Clarita Valley Water Agency website prior to the start of the meeting. Anything received after 3:00 PM the day of the meeting will be made available at the meeting, if practicable, and will be posted on the SCV Water website the following day. All correspondence with comments, including letters or emails, will be posted in their entirety. (Public comments take place during Item 2 of the Agenda and before each Item is considered. Please see the Agenda for details.)

This meeting will be recorded and the audio recording for all Committee meetings will be posted to yourscvwater.com within 3 business days from the date of the Committee meeting.


Disclaimer: Attendees should be aware that while the Agency is following all applicable requirements and guidelines regarding COVID-19, the Agency cannot ensure the health of anyone attending a Board meeting. Attendees should therefore use their own judgment with respect to protecting themselves from exposure to COVID-19.

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Date: January 17, 2023

To: **Finance and Administration Committee**
Ken Petersen, Chair
Kathye Armitage
Ed Colley
Maria Gutzeit

From: Rochelle Patterson 
Chief Financial and Administrative Officer

The **Finance and Administration Committee** is rescheduled for **Monday, January 23, 2023** at **5:30 PM** at **27234 Bouquet Canyon Road, Santa Clarita, CA 91350** in the **Board Room** and the **teleconference site listed below**. Members of the public may attend in person or virtually. To attend this meeting virtually, please see below.

IMPORTANT NOTICES

This meeting will be conducted in person at the address listed above. As a convenience to the public, members of the public may also participate virtually by using the **Agency's Call-In Number 1-(833)-568-8864, Webinar ID: 161 359 4992 or Zoom Webinar by clicking on the link <https://scvwa.zoomgov.com/j/1613594992>**. Any member of the public may listen to the meeting or make comments to the Committee using the call-in number or Zoom Webinar link above. However, in the event there is a disruption of service which prevents the Agency from broadcasting the meeting to members of the public using either the call-in option or internet-based service, this meeting will not be postponed or rescheduled but will continue without remote participation. The remote participation option is being provided as a convenience to the public and is not required. Members of the public are welcome to attend the meeting in person.

Attendees should be aware that while the Agency is following all applicable requirements and guidelines regarding COVID-19, the Agency cannot ensure the health of anyone attending a Committee meeting. Attendees should therefore use their own judgment with respect to protecting themselves from exposure to COVID-19.

Members of the public unable to attend this meeting may submit comments either in writing to edill@scvwa.org or by mail to Erika Dill, Management Analyst II, SCV Water, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. All written comments received before 3:00 PM the day of the meeting will be distributed to the Committee members and posted on the SCV Water website prior to the start of the meeting. Anything received after 3:00 PM the day of the meeting will be made available at the meeting, if practical, and will be posted on the SCV Water website the following day. All correspondence with comments, including letters or emails, will be posted in their entirety.

MEETING AGENDA

<u>ITEM</u>		<u>PAGE</u>
1.	<u>PLEDGE OF ALLEGIANCE</u>	
2. *	<u>PUBLIC COMMENTS</u> – Members of the public may comment as to items within the subject matter jurisdiction of the Agency that are not on the Agenda at this time. Members of the public wishing to comment on items covered in this Agenda may do so at the time each item is considered. (Comments may, at the discretion of the Committee Chair, be limited to three minutes for each speaker.)	
3. *	Recommend Approval of a Contract with S&S and Associated Costs for Meter Device Management System Project	9
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11.	Requests for Future Agenda Items	
12.	General Report on Finance and Administration Activities	
13.	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 **Erika Dill, Management Analyst II** at (661) 297-1600, or writing to SCV Water 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 Committee less than seventy-two (72) hours prior to the meeting will be available for public inspection at SCV Water, 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 January 17, 2023.

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COMMITTEE MEMORANDUM

DATE: January 17, 2023

TO: Finance and Administration Committee

FROM: Cris Pérez *[Signature]*
Director of Technology Services

SUBJECT: Recommend Approval of a Contract with S&S and Associated Costs for Meter Device Management System Project

SUMMARY

The Agency's Customer Care, Operations, and Technology Services departments meet monthly to coordinate efforts associated with the maintenance, development, and complete transition to Advanced Meter Infrastructure (AMI) technology. AMI technology allows for meters to be read remotely, either ad-hoc or at specific intervals. Approximately half of the Agency's meters are currently being read via AMI, and staff projects that all remaining meters will be converted by 2030. Although the Agency has many AMI meters currently deployed that send data back to the office to be used for monthly billing, it does not have a system that harnesses real-time usage data to present it in a useable and accessible format to customers through the Agency's online customer portal. Additionally, the Agency was awarded a \$2 million grant in support of its AMI meter change-outs, which includes a conditional requirement that SCV Water launch a Customer Engagement Portal in which customers can access their real-time usage.

The Meter Data Management System project (MDMS) provides that missing linkage: a connection between real-time usage and the customer. Similar to that of the new mobile work order solution the Agency implemented as part of its recent billing system conversion and upgrade project, Smartworks is an expansion to the Agency's current billing system platform. It integrates as a module within enQuesta and with the Agency's new online customer portal to provide meter data management functionality. In fact, backend configuration for the CIS and customer portal was executed to meet the specifications required for a Smartworks integration. Smartworks leverages existing technical tools and applications without the need to require additional customer application development and expanded programming, timeline and resources. This MDMS will help the Agency detect water leaks, improve operations, and enable customers the ability to monitor their usage in near real-time, as well as provide our internal staff access to geographical meter locations, which all lead to improved operational efficiencies, water conservation, and financial savings. The MDMS implementation will be completed by Systems and Software Inc. (S&S) as an expansion of the enQuesta customer service system with additional department support from Technology Services.

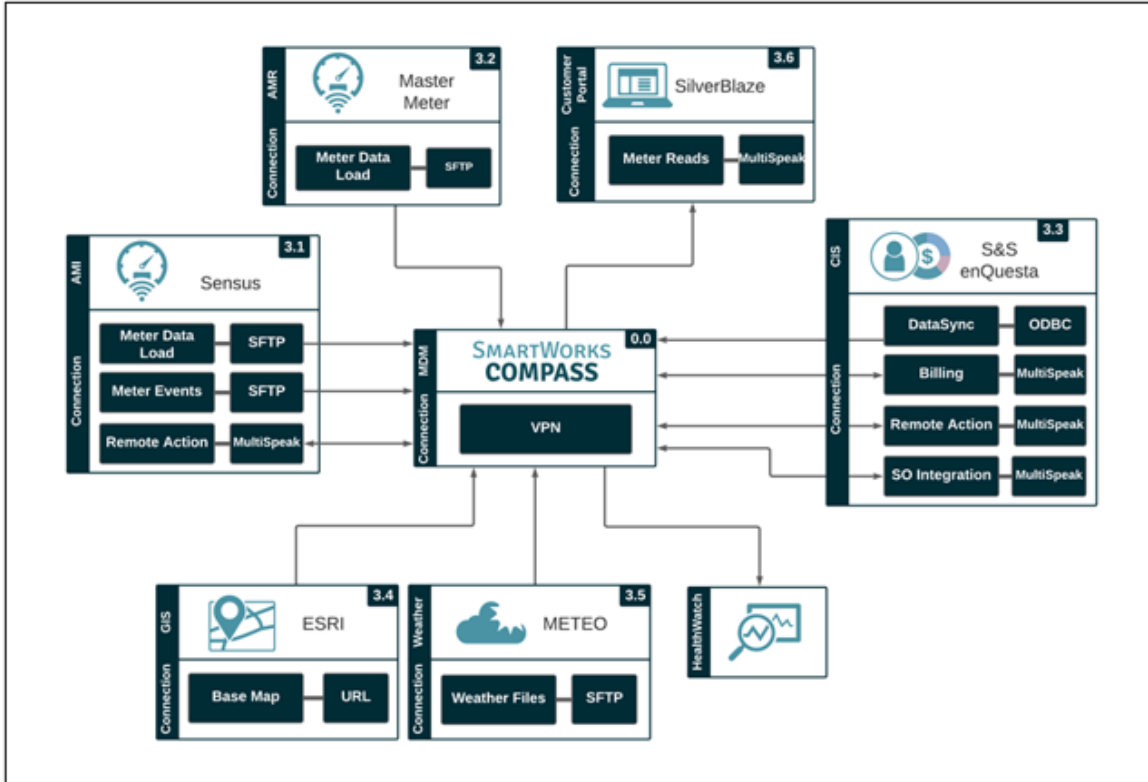
DISCUSSION

The Agency has spent the last two years upgrading the customer service system from a previous on-premise solution of enQuesta to a new cloud-based version. Although all customer information and reading systems have been migrated to the new platform and are serviced through one system, it lacks integration with the real-time meter reading data that is available using AMI technology. The real-time data will provide immediate cost, time, and other resource-

saving processes. Such as the timely identification of leaks, improved data integrity allowing for more efficient deployment of Agency technicians, customer access to real-time usage data, which can encourage behavioral changes to water use habits, reliable collection for billing irrespective of weather conditions (labor-saving benefit), and finally, geolocation of water meters to help Agency technicians locate hard to find meters.

Nearly half of the Agency's meters are AMI-read or AMI-ready, with the remainder projected to be changed out by 2030. To assist in this effort, the Agency acquired a \$2 million grant in September 2022 to support 20,000 AMI meter change-outs by June 2025. A conditional requirement of this grant is to provide customer access to their near real-time usage through a customer engagement portal, also by June 2025. The Agency has nearly completed the changeout of the first 5,000 meters. Completion of the MDMS project will make it possible to provide customers access to their real-time usage and comply with the conditions of the grant.

The MDMS project has a cross-departmental team, with Customer Care and Technology Services to work with the S&S technical implementation team. The project includes data and environment analysis, application development and configuration, testing, and deployment. In addition, there are milestone criteria to track project progression and success. The project will be completed over two budget years and is anticipated to take 8-10 months. The project requires the configuration and deployment of a clearinghouse database called SmartWorks. SmartWorks will connect and communicate with the two AMI meter systems the Agency currently uses (MasterMeter and Sensus) to receive AMI data, and connect to the ESRI (Environmental Systems Research Institute) GIS (Geographic Information System) mapping database to provide geolocation. Finally, it will feed usage data to the enQuesta system for billing and customer service querying and support, and to the customer-facing portal called SilverBlaze (Capricorn) (see graphic below). A project planning meeting has already taken place, including discussions related to security, GIS, and specifications on the cloud-hosted environment.



The following is a breakdown of the MDMS project costs:

MDMS	
Maintenance & SaaS	\$127,373
Professional Services	\$426,390
Software License	\$25,000
Project Contingency (18%)	\$104,177
Total	\$682,940

Project contingency will be used for internal personnel project hours as well as any additional project-related resource needs, such as database extractions or 3rd party consultations. In addition, after project completion, there will be recurring ongoing annual maintenance and software-as-a-service costs of \$127,373.

STRATEGIC PLAN NEXUS

This project helps meet SCV Water’s Strategic Plan Objective B.2.1.7: “Conduct Meter Replacement Program,” and Objective C 4.7: “Evaluate infrastructure technology (AMI/AMR) and operational strategies to better manage demands.”

FINANCIAL CONSIDERATIONS

The Meter Data Management System Project will take place over two budget years, FY 2022/23 and FY 2023/24. The project’s total estimated cost, including project contingency, is \$682,940. It

is anticipated that 70% of the costs will be expensed in FY 2022/23 and the remaining 30% in FY 2023/24. The FY 2022/2023 Tech Services Capital Budget had \$495,000 budgeted for year one of this project. Additional funds for the remaining 30% will be requested in the FY 2023/24 budget.

RECOMMENDATION

That the Finance and Administration Committee recommend the Board of Directors authorize the General Manager enter into a contract with S&S and to approve costs associated with the Meter Data Management System Project in an amount not to exceed \$682,940.

CP

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COMMITTEE MEMORANDUM

DATE: January 17, 2023

TO: Finance and Administration Committee

FROM: Rochelle Patterson *R. Patterson*
Chief Financial and Administrative Officer

SUBJECT: Recommend Approval of a Resolution Establishing a Health Reimbursement Arrangement (HRA) with IGOE for Retired Employees

SUMMARY

At its November 15, 2022, Board of Directors meeting, the revised Employee Manual Policy No. 18 – Other Benefits (Policy) was approved. The additions to the Policy included establishing a Health Reimbursement Arrangement (HRA) to be used for medical premium reimbursement and/or eligible medical expenses for Agency retirees, in lieu of employer-paid medical coverage through CalPERS.

DISCUSSION

An HRA is an employer-funded medical expense reimbursement arrangement from which retirees of the Agency are reimbursed tax-free for qualified medical premiums and/or medical expenses up to a certain dollar amount per year. The employer funds and owns the account. The employer sets aside a specific amount of pre-tax dollars for retirees to pay for medical premiums and/or medical expenses on an annual basis. The annual Agency contribution for each participant will vary based on the eligibility of the retiree as outlined in the Policy.

The Agency has the option to designate what happens with the unused HRA funds at the end of the coverage period (period of the current plan year in which the individual is an eligible employee, on or after his or her plan entry date options when establishing the HRA plan).

Options include:

- Unlimited rollover of remaining funds after the end of the coverage period, or
- Limit the rollover of remaining funds after the end of the coverage period, or
- Unused funds are forfeited at the end of the coverage period (grace period allowed for prior year expenses for 90 days)

After discussion with the 3rd party Administrator, IGOE, very few of their clients offer unlimited rollover, some offer limited rollover and a majority do not allow rollover of unused funds.

At staff's recommendation, the attached plan document (Attachment 2) does not allow for a rollover of unused funds. Any remaining funds in the HRA that are unspent after the grace period will be returned to the Agency.

The Agency's legal counsel has reviewed and provided comments to the plan document and resolution. Those changes have been incorporated into the Resolution (Attachment 1) and the Summary Plan Description (Attachment 2).

STRATEGIC PLAN NEXUS

This resolution helps to support SCV Water's Strategic Goal F: High Performance Team – Grow a culture of continuous improvement that fosters SCV Water's values.

FINANCIAL CONSIDERATIONS

As previously reported, the monthly cost to administer the HRA is \$3.90 per participant and it is unknown, out of the 66 current retirees, who will choose to participate in the Agency's Retiree HRA.

RECOMMENDATION

That the Finance and Administration Committee recommend the Board of Directors approve the resolution establishing the Agency's Health Reimbursement Arrangement for Agency retirees with IGOE and authorize the General Manager to execute the agreement.

RP

Attachments

RESOLUTION NO. ____

**A RESOLUTION
OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
ESTABLISHING A HEALTH REIMBURSEMENT ARRANGEMENT
(HRA) WITH IGOE FOR RETIRED EMPLOYEES**

The undersigned authorized representative of **Santa Clarita Valley Water Agency - AKA SCV Water** (the Employer) hereby certifies that the following resolutions were duly adopted by the governing body of the Employer on _____, and that such resolutions have not been modified or rescinded as of the date hereof:

RESOLVED, that the form of Welfare Benefit Plan, effective March 1, 2023, presented to this meeting (and a copy of which is attached hereto) is hereby approved and adopted, and that the proper agents of the Employer are hereby authorized and directed to execute and deliver to the Administrator of said Plan one or more counterparts of the Plan.

RESOLVED, that the Administrator shall be instructed to take such actions that the Administrator deems necessary and proper in order to implement the Plan, and to set up adequate accounting and administrative procedures for the provision of benefits under the Plan.

RESOLVED, that the proper agents of the Employer shall act as soon as possible to notify the employees of the Employer of the adoption of the Plan and to deliver to each employee a copy of the Summary Plan Description of the Plan, which Summary Plan Description is attached hereto and is hereby approved.

The undersigned further certifies that attached hereto as Exhibits, are true copies of Santa Clarita Valley Water Agency – AKA SCV Water's Benefit Plan Document and Summary Plan Description approved and adopted at this meeting.

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Santa Clarita Valley Water Agency - AKA SCV Water

Santa Clarita Valley Water Agency - AKA SCV Water
27234 Bouquet Canyon Road
Santa Clarita, CA 91350

Santa Clarita Valley Water Agency HRA Plan

Amended and Restated HRA Plan Document

Summary Plan Description Effective

March 01, 2023

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05. Type of Administration
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INTRODUCTION

This is the Summary Plan Description (the "SPD") for the Santa Clarita Valley Water Agency HRA Plan, a Health Reimbursement Arrangement (the "HRA"). This SPD summarizes your rights and obligations as a participant (or beneficiary) in the HRA.

Read this SPD carefully so that you understand the provisions of our HRA and the benefits you will receive. You should direct any questions you have to the Plan Administrator. There is a plan document on file, which you may review if you desire. In the event there is a conflict between this SPD and the plan document, the plan document will control.

I. ELIGIBILITY

01. What Are the Eligibility Requirements for this HRA?

You will be eligible to join the HRA once you meet the Employer's eligibility requirement:
The Retired Employee must have 5 years of service with the CalPERS (California Public Employees' Retirement System) and;
The Retired Employee must be at least 55 years old at the time of retirement

Your entry date is the date you satisfy the Employer's retirement eligibility requirements.

02. Are There Any Retired Employees Who Are Not Eligible?

Yes, current employees who are otherwise eligible but do not elect to retire on the dates set forth by the Employer are not eligible to join the HRA until the next period in which the Employer provides the opportunity to participate in the HRA. You will also cease to be eligible to continue participating in the Plan or receive further payment distributions at the point in which you become re-employed by the Employer at any time after your previous retirement. Payment may continue for such individual for any previously unpaid amounts at such point as that individual ceases any further employment with the Employer as of any date thereafter.

II. BENEFITS

01. **What Benefits Are Available?**

The HRA allows for reimbursement for expenses as described in the Appendices of this document. The expenses that qualify are those permitted by Section 213(d) of the Internal Revenue Code.

The amounts provided to the HRA by your employer will be made available pro rata on a monthly basis.

Expenses are considered "incurred" when the service is performed, not necessarily when it is paid for. Any amounts reimbursed under the HRA may not be claimed as a deduction on your personal income tax return or reimbursed by other health plan coverage.

If the maximum amount available for reimbursement for a Coverage Period is not utilized in its entirety, refer to Appendix A for information on how these funds will be handled.

02. **What is the "Plan Year"?**

The "Plan Year" begins January 01 and ends December 31.

03. **What is the "Coverage Period"?**

The period of the current "Coverage Period" in which the individual is an eligible employee on or after his or her plan entry date.

04. **How are payments made from the HRA?**

You may submit requests for reimbursement of expenses you have incurred during the course of a Coverage Period in accordance with the instructions of the Plan Administrator. We will also provide you with a debit or credit card to use to pay for Qualified Expenses as described in Appendix A. The Plan Administrator will provide you with further details. However, you must make your requests for reimbursements no later than 90 days after the end of the Coverage Period (that is, no later than 03/30). In addition, you must submit to the Plan Administrator, in accordance with the instructions of the Plan Administrator, proof of the expenses you have incurred and that they have not been paid by any other health plan coverage. If the request qualifies as a benefit or expense that the HRA has agreed to pay, you will receive a reimbursement payment soon thereafter.

Remember, reimbursements made from the HRA are generally not subject to federal income tax or withholding. Nor are they subject to Social Security taxes.

05. **Uniformed Services Employment and Reemployment Rights Act (USERRA)**

If you are going into or returning from military service, the Uniformed Services Employment and Reemployment Rights Act of 1994 may give you special rights to health care coverage under the HRA. If you may be affected by this law, ask your Plan Administrator for further details.

06. **What Happens If I Die?**

If you die before the entirety of all remaining balances under your HRA account have been paid or distributed, your remaining balance may continue to be used by your spouse or other qualifying dependent(s) under the same terms and conditions as would be applicable to you during your lifetime. If your spouse predeceases you, or there are no other remaining dependents who can be reasonably located for further use and distribution, any unpaid remaining balances will be forfeited and returned to the Plan.

III. GENERAL INFORMATION ABOUT OUR HRA

This Section contains certain general information, which you may need to know about the HRA.

01. **General HRA Information**

"Santa Clarita Valley Water Agency HRA Plan" is the name of the Plan.

Your Employer has assigned Plan Number 510 to your Plan.

The company has adopted this Plan effective January 01, 2023.

Your Plan's records are maintained on the basis of a period of time known as the "Plan Year." The Plan Year begins on January 01 and ends December 31 (the "Plan Year").

02. **Employer Information**

Your Employer's name, address, and identification number are:

Santa Clarita Valley Water Agency - AKA SCV Water
27234 Bouquet Canyon Road
Santa Clarita, CA 91350
EIN: 82-3720014

03. **Plan Administrator Information**

The name and address of your Plan Administrator are:

Santa Clarita Valley Water Agency - AKA SCV Water
27234 Bouquet Canyon Road
Santa Clarita, CA 91350

The Plan Administrator will also answer any questions you may have about our HRA. The Plan Administrator has the exclusive right to interpret the appropriate HRA provisions. Decisions of the Plan Administrator are conclusive and binding. You may contact the Plan Administrator for any further information about the HRA.

04. **Agent for Service of Legal Process**

Should it ever be necessary, you or your personal representative may serve legal process on the agent for service of legal process for the HRA. The HRA Agent of Service is:

Santa Clarita Valley Water Agency - AKA SCV Water
27234 Bouquet Canyon Road
Santa Clarita, CA 91350

Legal process may also be served on the Plan Administrator.

05. **Type of Administration**

The HRA is a health reimbursement arrangement. The HRA is not funded or insured. Benefits are paid from the general assets of the Employer.

06. **Claims Administrator Information**

The name and address of your Claims Administrator are:

IGOE Administrative Services
PO Box 501480
San Diego, CA 92150

The Claims Administrator keeps the claims records for the HRA and is responsible for the claims administration of the HRA. The Claims Administrator will also answer any claims-related questions you may have about the HRA.

IV. ADDITIONAL HRA INFORMATION

01. How claims are submitted

When you have a Claim to submit for payment, you must:

1. File the claim in accordance with the instructions of the Plan Administrator.
2. Submit copies of all supporting receipts and/or Explanation of Benefits (EOB) from your insurance carrier for which you are requesting reimbursement.

A Claim is defined as any request for a HRA benefit, made by a claimant or by a representative of a claimant that complies with the HRA's reasonable procedure for making benefit Claims. The times listed are maximum times only. A period of time begins at the time the Claim is filed. Unless otherwise specified, decisions will be made within a reasonable period of time appropriate to the circumstances. "Days" means calendar days.

Notification of whether claim is accepted or denied	30 days
Extension due to matters beyond the control of the Plan	15 days

Insufficient information on the claim:

Notification of	15 days
Response by Participant	45 days
Review of claim denial	60 days

The Claims Administrator will provide written or electronic notification of any Claim denial. The notice will state:

1. Information sufficient to identify the claim involved, including the date of service, the health care provider, the claim amount (if applicable), the diagnosis code and its corresponding meaning, and the treatment code and its corresponding meaning.
2. The specific reason or reasons for the adverse determination.
3. Reference to the specific HRA provisions on which the determination is based.
4. A description of any additional material or information necessary to perfect the claim and an explanation of why such material or information is necessary.
5. A description of the HRA's internal review procedures and time limits applicable to such procedures, available external review procedures, as well as the claimant's right to bring a civil action following a final appeal.
6. Upon request and free of charge, a copy of any internal rule, guideline, protocol or other similar criterion that was relied upon in making the adverse determination regarding the claim, and an explanation of the scientific or clinical judgment for a determination that is based on a medical necessity, experimental treatment or other similar exclusion or limit.
7. In the case of a claim involving urgent care, a description of the expedited review process applicable to such claim.

When you receive a denial, you will have 180 days following receipt of the notification in which to appeal the decision to the Claims Administrator. You may submit written comments, documents, records, and other information relating to the Claim. If you request, you will be provided, free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claim.

The period of time within which a denial on review is required to be made will begin at the time an appeal is filed in accordance with the procedures of the HRA. This timing is without regard to whether all the necessary information accompanies the filing.

A document, record, or other information shall be considered relevant to a Claim if it:

1. was relied upon in making the Claim determination.
2. was submitted, considered, or generated in the course of making the Claim determination, without regard to whether it was relied upon in making the Claim determination.

3. demonstrated compliance with the administrative processes and safeguards designed to ensure and to verify that Claim determinations are made in accordance with HRA documents and HRA provisions have been applied consistently with respect to all claimants;
4. or constituted a statement of policy or guidance with respect to the HRA concerning the denied Claim.

The review will take into account all comments, documents, records, and other information submitted by the claimant relating to the Claim, without regard to whether such information was submitted or considered in the initial Claim determination. The review will not afford deference to the initial denial and will be conducted by a fiduciary of the HRA who is neither the individual who made the adverse determination nor a subordinate of that individual.

After receiving notice of an adverse benefit determination or a final internal adverse benefit determination, a claimant may file with the HRA a request for an external review. A claimant may request from the Plan Administrator additional information describing the HRA's external review procedure.

KEEP YOUR PLAN ADMINISTRATOR INFORMED OF ADDRESS CHANGES

In order to protect your family's rights, you should keep the Plan Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator or its designee.

Appendix A - HRA Plan Benefit

Santa Clarita Valley Water Agency Retiree Only Employed Prior to 1/1/2009 HRA Plan

Employee Class

- Retirees
Tier 1 - Any person who has retired from previous employment by SCV Water and from the CalPERS (California Public Employees' Retirement System) or such other qualification requirements as set forth by the Employer.

Qualified benefits

- All Expenses Under Section 213(d)
- Including Qualified Individual Insurance premiums

Reimbursement Schedule

- The HRA will pay \$283.25 per month of qualifying expenses up to a max benefit limit of \$893.33 based on the retirees qualifying plan.

Unused HRA Funds

- Unused benefits at the end of the coverage period shall be forfeited.

Appendix A - HRA Plan Benefit

Santa Clarita Valley Water Agency Retiree Plus Spouse Employed Prior to 1/1/2009 HRA Plan

Employee Class

- Retirees
Tier 1 - Any person who has retired from previous employment by SCV Water and from the CalPERS (California Public Employees' Retirement System) or such other qualification requirements as set forth by the Employer.

Qualified benefits

- All Expenses Under Section 213(d)
- Including Qualified Individual Insurance premiums

Reimbursement Schedule

- The HRA will pay \$566.50 per month of qualifying expenses up to a max benefit limit of \$1,786.66 based on the retirees qualifying plan.

Unused HRA Funds

- Unused benefits at the end of the coverage period shall be forfeited.

Appendix A - HRA Plan Benefit

Santa Clarita Valley Water Agency Retiree Plus Family Employed Prior to 1/1/2009 HRA Plan

Employee Class

- Retirees
Tier 1 - Any person who has retired from previous employment by SCV Water and from the CalPERS (California Public Employees' Retirement System) or such other qualification requirements as set forth by the Employer.

Qualified benefits

- All Expenses Under Section 213(d)
- Including Qualified Individual Insurance premiums

Reimbursement Schedule

- The HRA will pay \$849.75 per month of qualifying expenses up to a max benefit limit of \$2,322.66 based on the retirees qualifying plan.

Unused HRA Funds

- Unused benefits at the end of the coverage period shall be forfeited.

Appendix A - HRA Plan Benefit

Santa Clarita Valley Water Agency Retiree Only Employed On And After 1/1/2009 HRA Plan

Employee Class

- Retirees

Tier 2 - a retired employee who has at least five (5) years of CALPERS service credit accrued from the employer plus at least five (5) years of additional CALPERS service accrued with the employer or other CalPERS employer and who retires within 120 days of separation from SCV Water employment. This excludes retirement from disability, as determined by CalPERS, or if one retires with at least twenty (20) years of service with SCV Water.

Qualified benefits

- All Expenses Under Section 213(d)
- Including Qualified Individual Insurance premiums

Reimbursement Schedule

- The HRA will pay qualifying expenses up to a max benefit limit of \$883.00 per month, based on the retirees qualifying plan and SCV Water's vesting schedule below.

<u>Years of Service</u>	<u>% Of SCV Water Contribution</u>
10	50
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20 or more	100

Unused HRA Funds

- Unused benefits at the end of the coverage period shall be forfeited.

Appendix A - HRA Plan Benefit

Santa Clarita Valley Water Agency Retiree Plus Spouse Employed On And After 1/1/2009 HRA Plan

Employee Class

- Retirees

Tier 2 - a retired employee who has at least five (5) years of CALPERS service credit accrued from the employer plus at least five (5) years of additional CALPERS service accrued with the employer or other CalPERS employer and who retires within 120 days of separation from SCV Water employment. This excludes retirement from disability, as determined by CalPERS, or if one retires with at least twenty (20) years of service with SCV Water.

Qualified benefits

- All Expenses Under Section 213(d)
- Including Qualified Individual Insurance premiums

Reimbursement Schedule

- The HRA will pay qualifying expenses up to a max benefit limit of \$1,699.00, based on the retirees qualifying plan and SCV Water's vesting schedule below.

<u>Years of Service</u>	<u>% Of SCV Water Contribution</u>
10	50
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20 or more	100

Unused HRA Funds

- Unused benefits at the end of the coverage period shall be forfeited.

Appendix A - HRA Plan Benefit

Santa Clarita Valley Water Agency Retiree Plus Family Employed On And After 1/1/2009 HRA Plan

Employee Class

- Retirees

Tier 2 - a retired employee who has at least five (5) years of CALPERS service credit accrued from the employer plus at least five (5) years of additional CALPERS service accrued with the employer or other CalPERS employer and who retires within 120 days of separation from SCV Water employment. This excludes retirement from disability, as determined by CalPERS, or if one retires with at least twenty (20) years of service with SCV Water.

Qualified benefits

- All Expenses Under Section 213(d)
- Including Qualified Individual Insurance premiums

Reimbursement Schedule

- The HRA will pay qualifying expenses up to a max benefit limit of \$2,124.00 per month, based on the retirees qualifying plan and SCV Water's vesting schedule below.

<u>Years of Service</u>	<u>% Of SCV Water Contribution</u>
10	50
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20 or more	100

Unused HRA Funds

- Unused benefits at the end of the coverage period shall be forfeited.

SAMPLE NOTICE for Eligible Employees

Must be provided 90 days in advance of beginning of plan year to each eligible employee, or when newly eligible.

This notice is intended to inform you of the Health Reimbursement Arrangement provided by _____ for eligible employees as of the new benefit year, _____.

The Reimbursement Amount for the _____ benefit year is:

Employee	\$ _____
Employee & Spouse	\$ _____
Employee & Child(ren)	\$ _____
Family	\$ _____

A Participant must submit a claim and appropriate documentation (e.g. explanation of benefits, itemized bill) for out-of-pocket, Medical, Dental, Vision expenses before he/she can be reimbursed.

Pursuant to IRS regulations, a Participant/Employee must notify the Marketplace, Health Insurance exchange or state-based exchange for any employee applying for advance payment of premium assistance tax credit of this benefit information.

Details of this benefit will be included in the Employee's W-2 provided by the Employer and as required, will be reported to the IRS for each employee covered under the benefit.

Important Notice to Participants/Employees: If an employee is not covered under minimum essential coverage for any month during this benefit year, the participant may be subject to tax under Section 5000A of IRC, for such month and reimbursements under the HRA arrangement may be includible in gross income.

This benefit is subject to the terms of the Employer's Health Reimbursement Arrangement, as amended from time to time, shall be governed by and construed in accordance with applicable laws.

For more information about health insurance options available through the Health Insurance Marketplace, and to locate an assister in your area who you can talk to about the different options, visit www.HealthCare.gov.

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COMMITTEE MEMORANDUM

DATE: January 17, 2023
TO: Finance and Administration Committee
FROM: Rochelle Patterson *[Signature]*
Chief Financial and Administrative Officer
SUBJECT: Discuss Implementing a Credit Card Processing Fee

SUMMARY

At the December 12, 2022, Finance and Administration Committee meeting, staff presented an analysis of the Agency's bill pay options and the associated costs of each of those options, along with a survey of the Agency's benchmark agencies to compare Agency offerings to that of our benchmark agencies. Attachment 1 shows the results of the survey and Attachment 2 shows the analysis of cost.

The Agency currently pays the processing fees for all of the methods of payments received for their water bills, but at the December meeting, the Committee requested that staff do additional research regarding the possible charging of these credit card fees to customers. They asked staff to see if it was legal to require customers to pay the credit/debit card processing fee when paying their water bill – when other payment method fees such as those for PayNearMe or eCheck (electronic check) would still be covered by the Agency – and if so, what the convenience fee would be to the customer if the Agency no longer paid for card processing fees.

DISCUSSION

Staff reached out to general counsel regarding the legality of the Agency opting out of covering the cost of the credit card processing fee, while covering the costs of other payment methods. It is general counsels' opinion that it is not an issue if the Agency decides not to cover the processing fees for credit cards, as there are other payment methods to choose from that would not impose a fee to the customer. It is the customer's choice to pay by credit card.

Currently the Agency pays the processing fees for credit cards at a government rate (averages 1.924% of the transaction amount or \$1.83 per transaction). If the Agency opts out of covering the credit card processing fees, the customer would be charged a convenience fee at a non-government rate.

There are two convenience fee models, and the Agency would need to choose one if it were to move forward with the customer being responsible for the fee, as opposed to the Agency. For this discussion we will title them Model A and Model B. Model A would impose a fee of 2.95% of the transaction amount (for a maximum bill of \$125,000), with a \$1.95 minimum fee. Model B would impose a flat per transaction fee of \$2.95 (for a maximum bill of \$1,000).

Staff performed an analysis in the event that the Agency decided to opt out of covering the credit card fee to determine which Model might be more beneficial to a greater number of customers based on monthly transaction amounts. The table below shows the percentage of

transactions in monetary groups (in an average month) and the fee range for Model A and Model B options.

Transaction Amounts	Total Transactions	% of Total Transactions	Model A 2.95%	Model B \$2.95
> \$50	5,468	25.6%	\$0 - \$1.48	\$2.95
\$50 - \$75	6,913	32.4%	\$1.48 - \$2.22	\$2.95
\$75 - \$100	4,009	18.8%	\$2.22 - \$2.95	\$2.95
\$100 - \$150	2,669	12.5%	\$2.95 - \$4.43	\$2.95
\$150 - \$200	969	4.5%	\$4.43 - \$5.91	\$2.95
\$200 - \$300	712	3.3%	\$5.91 - \$8.85	\$2.95
\$300 - \$400	247	1.2%	\$8.85 - \$11.81	\$2.95
\$400 - \$500	115	0.5%	\$11.81 - \$14.75	\$2.95
\$500 - \$1,000	173	0.8%	\$14.75 - \$17.71	\$2.95
> \$1,000	52	0.2%	> \$29.50	> \$2.95

In the table above, 76.9% of monthly transactions fell below \$100. If the Agency were to choose Model A, 76.9% of credit card paying customers would be charged a fee that is \$2.95 or less, and 23.1% would be charged a fee of more than \$2.95. If the Agency were to choose Model B, all credit card paying customers would be charged the same fee of \$2.95 per transaction.

Process if the Agency were to opt out of covering credit card processing fees:

Staff would need a few months to get the message out to the customers. Notification for the change of existing process would be mentioned on the Agency website, customer water bills and the use of direct messaging. To-date, the Agency has 31,895 customers that use Autopay and of that number, XX are credit card transactions. Although those credit card Autopay customers would not need to re-enroll, they would need to be notified of the new business practice and be given adequate time to make adjustments to their default payment method. Staff would suggest if there were a change to current practice, that the new process would not be effective until July 2023.

Staff is projecting that there would be some shift of payment behavior if there is a change to the existing process. If customers were to shift from credit card payments to paying via check (to avoid the processing fee) there may be some adverse effects. Staff would anticipate a higher number of returned payments due to NSF (not sufficient funds). This would add an NSF fee to the customer’s account, and if the check were paying for a disconnected service, service would be disconnected again, along with additional reconnection fees.

Attachments 1 and 2 from the December 12, 2022 Committee item Overview and Discussion of Bill Pay Options has been included as a reference.

If the Committee and ultimately the Board of Directors opt to have the credit card processing fees paid by the customer and not the Agency, staff would need direction on which convenience fee model to implement: Model A with a fee of 2.95% of the transaction amount (for a maximum bill of \$125,000) or a \$1.95 minimum fee, or Model B with a flat per transaction fee of \$2.95 (maximum bill of \$1,000).

STRATEGIC NEXUS

This consideration supports SCV Water's Strategic Plan Objective A.1.2: "Standardize customer service procedures across SCV Water," F.1.2: "Standardize operating procedures and business processes across the organization," and F.1.3: "Update, develop and maintain clear and comprehensive policies for SCV Water."

FINANCIAL CONSIDERATIONS

None at this time.

RECOMMENDATION

That the Finance and Administration Committee discuss implementing a credit card processing fee.

RP

Attachments

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ATTACHMENT 1

Benchmark Agency Bill Pay Comparisons

Benchmark Agencies	Credit Card Fee	Credit Card Fee	Amex	Amex Fee	E-Check	E-Check Fee	Internal Autodraft	Internal Autodraft Fee	Online Payment Function	Additional Fee for Service	Phone Payment	Phone Payment Fee	Pay Near Me	Pay Near Me Fee	Additional Payment Methods
Burbank Water and Power	Yes	Yes ¹	Yes	Yes ¹	Yes	No	Yes	No	Yes	No	Yes	No	No	--	
Cucamonga Valley Water District	Yes	No	No	--	Yes ²	No	Yes	No	Yes	No	Yes ³	No	No	--	
Eastern Municipal Water District	Yes	No	No	--	Yes	No	Yes	No	Yes	No	Yes	No	No	--	
Glendale Water and Power	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	
Irvine Ranch Water District	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Paypal/Venmo
Las Virgenes Municipal Water District	Yes	No	No	--	Yes	No	Yes	No	Yes	No	Yes	No	No	--	
Los Angeles Dept of Water and Power	Yes	No	No	--	Yes	No	Yes	No	Yes	No	Yes	No	No	--	
Torrance Municipal Water	Yes	3%	No		Yes	No	Yes	No	Yes	No	Yes	No	No	--	

NOT A RETAILER

Calleguas Municipal Water District
Metropolitan Water District

¹ Fees are \$2.99 for payments less than \$500, > %500, 1.99% of balance

² Online Only

³ Credit Card Only

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ATTACHMENT 2

	AUGUST		SEPTEMBER		OCTOBER	
# ACTIVE AMORTIZATIONS	371		454		118	
# PAPERLESS CUSTOMERS	29,172		29,902		30,622	
PAYMENT TRANSACTIONS						
	# Trans	Revenue	# Trans	Revenue	# Trans	Revenue
WALK-INS (CASH)	3,478	\$ 866,846	2,640	\$ 778,886	2,986	\$ 864,181
PAY NEAR ME	853	\$ 63,634	559	\$ 45,414	716	\$ 49,541
ECS (IMPORT)	16,799	\$ 1,444,742	12,113	\$ 1,106,005	13,534	\$ 1,179,163
LOCKBOX	14,276	\$ 2,981,196	9,760	\$ 1,950,808	10,971	\$ 2,100,887
SUBTOTAL	35,406	5,356,419	25,072	3,881,113	28,207	4,193,772
3RD PARTY PAYMENT PROCESSOR						
	# Trans	Revenue	# Trans	Revenue	# Trans	Revenue
VISA	14,955	\$ 1,287,973	11,451	\$ 1,010,505	13,980	\$ 1,191,342
MASTERCARD	5,195	\$ 563,780	4,232	\$ 513,519	5,027	\$ 563,396
AMEX	1,751	\$ 177,790	1,209	\$ 135,882	1,556	\$ 167,158
DISCOVER	435	\$ 32,236	313	\$ 25,424	395	\$ 30,638
E-CHECK	23,665	\$ 2,644,051	16,178	\$ 2,057,403	20,470	\$ 2,644,051
SUBTOTAL	46,001	4,705,829	33,383	3,742,733	41,428	4,596,585
TOTAL TRANSACTIONS & REVENUE	81,407	10,062,248	58,455	7,623,845	69,635	8,790,357
THIRD PARTY PAYMENT PROCESSING FEES						
	# Trans	Expense	# Trans	Expense	# Trans	Expense
E-CHECK (INVOICE CLOUD)	23,665	\$ 11,833	16,178	\$ 8,089	20,470	\$ 10,235
CREDIT CARDS	22,336	\$ 36,613	17,205	\$ 34,346	20,958	\$ 38,697
PAY NEAR ME	853	\$ 1,697	559	\$ 1,112	716	\$ 1,425
TOTAL TRANSACTIONS & EXPENSE	46,854	\$ 50,143	33,942	\$ 43,547	42,144	\$ 50,357

% Total Fees/Total Revenue		0.50%		0.57%		0.57%
% Total Fees/Revenue from 3rd Party (CC)		1.78%		2.04%		1.98%

Cost per Transaction

E-CHECK (INVOICE CLOUD)		\$ 0.50		\$ 0.50		\$ 0.50
CREDIT CARDS		\$ 1.64		\$ 2.00		\$ 1.85
PAY NEAR ME		\$ 1.99		\$ 1.99		\$ 1.99

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COMMITTEE MEMORANDUM

DATE: January 17, 2023

TO: Finance and Administration Committee

FROM: Rochelle Patterson *[Signature]*
Chief Financial and Administrative Officer

SUBJECT: Continued Discussion of Ratepayer Assistance Programs

SUMMARY

In February 2022, the Finance and Administration Committee received a report and presentation on ratepayer assistance programs. At that time, the California Legislature was considering Senate Bill 222 (Dodd) which would have established a Water Rate Assistance Program and Water Rate Assistance Fund to provide water affordability assistance for drinking and wastewater services to low-income ratepayers. SB 222 passed at the end of session. Governor Newsom vetoed the bill because there was “no funding identified,” and because it would create “an ongoing program that would require all community water systems and wastewater systems to participate” and “would result in significant General Fund pressures in the billions of dollars to provide such assistance.”

As a result of the Governor’s veto, the Finance and Administration Committee recommended that staff update the presentation for Committee discussion. Staff has prepared a discussion and presentation of this topic for the Finance & Administration Committee. The following is a summary of the presentation.

DISCUSSION

A Ratepayer Assistance Program for a water customer provides bill payment assistance to the ratepayer. Eligibility is commonly based on household income. In Southern California, a common path for determining eligibility is the customer qualifying under the California Alternate Rates for Energy (“CARE”) program. Both Southern California Edison (SCE) and Southern California Gas Company (SoCalGas) use the CARE program to determine if a customer qualifies for their payment assistance programs.

Staff performed a search for water districts that adopted a low income or ratepayer assistance program, as well as contacted the Agency’s benchmark agencies to find out if those agencies had a program. Eight (8) of the Agency’s ten (10) benchmark agencies are retail agencies and of those eight (8), three (3) offer monthly assistance. There are six (6) other public agencies that staff found that offer monthly assistance as shown in Attachment 1. The amount of monthly assistance and the program eligibility vary by agency.

Current SCV Ratepayer Assistance

While SCV Water does not currently operate a ratepayer assistance program targeted to low-income residents, it does provide several measures to be of assistance to ratepayers. First,

customers who fall behind on their water bill receive a minimum of 45 days before a late fee will be assessed, and 71 days (from bill date) before a service is shut off. Also, SCV Water offers extended payment plans to help customers who have fallen behind on their water bills to catch up on their past due balance – up to 12 months – to avoid disruption of service.

In addition, SCV Water supports a limited term third-party Low-Income Household Water Assistance Program (LIHWAP) and promotes the program on its water bills and website. The LIHWAP is a federally funded program administered by the State designed to provide financial assistance to low-income Californians to help manage their residential water utility costs. This program offers a maximum of \$2,000 per qualifying household, for past due water and wastewater bills and participation requirements include that household income must be 60% or less than the State Median Income. In 2022, for a one-person household, the yearly income to qualify would be less than \$30,776.76. The California Department of Community Services and Development (CSD) administers the LIHWAP and funds are managed and distributed by Horn.

In November, the CSD held public meetings, proposing to expand program eligibility to households who do not have a past due balance and are seeking financial assistance to help offset the cost of their water or wastewater bill. Customers are only eligible to receive the aid one time. The changes are anticipated to take effect in January or February 2023. Although the Governor vetoed SB 222, the Legislature added an additional \$200 million to the LIHWAP in its 2022-23 budget. The LIHWAP ends in August 2023.

A simple estimate of program cost for SCV Water

Using the CARE income threshold as a starting point, Staff developed a rough estimate of eligibility to assess the potential cost and scale of implementing our own ratepayer assistance program. According to Santa Clarita Economic Development Corporation in 2022, 7.3% (21,807) of families in the Santa Clarita Valley, out of a population (298,731), lie below the poverty level. Assuming 4 residents per water account, (21,807 divided by 4), the Agency could expect up to 5,452 accounts with household income below the poverty level. This also assumes all customers below the poverty level are responsible for paying a water bill and opt to seek ratepayer assistance.

If the Agency offered assistance of \$10 per month off the fixed monthly charge customer accounts qualified to receive assistance, the monthly ratepayer assistance for 5,452 accounts would be \$54,520 per month, or \$654,240 per year. For example, a customer with a ¾ inch meter would receive \$10 off the current fixed monthly charge of \$20.85, reducing the charge to \$10.85.

Another option would be to assist a fixed number of eligible customers on a first come, first served or lottery basis up to an annual budgeted program cap. For example, if the Agency budgeted for \$200,000 annually for ratepayer assistance, then the first 1,667 eligible customers could receive \$10 per month in ratepayer assistance. If more than 1,667 customers applied, a lottery system could select 1,667 customers. Additional criteria could be used to prioritize selection (such as prioritizing senior citizens, disabled persons or veterans who fall below the poverty level).

Staff is requesting guidance from the Committee prior to developing a policy on these questions:

1. Is there interest in pursuing further development of a draft ratepayer assistance program?

2. What is the desired amount of monthly assistance per account?
3. What amount of funds would be desired or provided for the program on an annual basis? (Due to Proposition 218, legal counsel has advised the funds cannot come from SCV Water's water rate revenue, and other non-rate revenue sources would need to be identified.)

Staff recommends the following policy guidelines if there is a consensus to move forward:

1. Use the CARE program to determine income eligibility
2. Establish a priority for Seniors >62, veterans and the permanently disabled
3. Only residential, individually metered accounts will be eligible
4. Require that the eligibility account (SCE or SoCalGas) be in the same name as the SCV Water account holder
5. Require account holders to requalify each fiscal year

The Agency could also hold off from establishing a Ratepayer Assistance Program and wait to see if the new legislation is introduced which addresses the lack of identified funding in the vetoed SB 222. While a new bill has not been introduced yet, we were informed by Senator Dodd's office that he plans to reintroduce. The deadline for Senator Dodd to reintroduce a new bill this year is February 17, 2023.

STRATEGIC PLAN NEXUS

There is not a specific Strategic Plan Objective to implement a ratepayer assistance program. However, the Board, representing the Community, may determine such a program would uphold SCV Water Strategic Plan Goal A: "Implement and communicate policies supporting the social, quality of life, and environmental values of the community."

FINANCIAL CONSIDERATIONS

As noted, an Agency-funded Ratepayer Assistance Program offering \$10/month in fixed charge assistance could cost as much as \$650,000 per year. Alternatively, the funding could be capped at a specific dollar amount, and the assistance would be on a first come, first-serve basis. If the Agency were to allocate \$200,000 annually, approximately 1,667 accounts at \$10 per month could receive the assistance.

The Agency would have to fund a ratepayer assistance program using non-operating revenues to maintain compliance with Proposition 218. Examples of non-water rate revenue include communication tower lease revenue, property rental income, or unrestricted property taxes. Currently these revenue sources are utilized to reduce the revenue otherwise required from water rates to meet the Agency's cost of service.

RECOMMENDATION

That the Finance and Administration Committee review and discuss a Ratepayer Assistance Program and provide further direction to staff.

RP

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ATTACHMENT 1

Low Income/Rate Assistance Survey

Retail Benchmark Agencies	Assistance Program	Monthly Assistance	Program Eligibility	Annual Program Budget	Notes
Burbank Water and Power	No				Power Only
Cucamonga Valley Water District	Yes	\$10 reduction in SC	CARE	\$ 234,000	65% of Cell Tower Revenue, requalify annually
Eastern Municipal Water District	No				Will extend amortization plan beyond 12 months
Glendale Water and Power	No				Power Only
Irvine Ranch Water District	No				Amortization plan only
Las Virgenes Municipal Water District	No				
Los Angeles Dept of Water and Power	Yes	15% reduction in SC	CARE and other programs		Project Angel - Funded by DWP customers and employees to those who are not eligible for other aid
Torrance Municipal Water	Yes	Credit of User's Tax (currently 6%)	Income		Must be a Low income Senior >62 or permanently disabled, income less than \$33,970

Other Agencies	Assistance Program	Monthly Assistance	Program Eligibility	Annual Program Budget	Notes
Crescenta Valley Water District	Yes	20% reduction in SC	CARE	\$ 150,000	Low participation, CARE or other enrolled in another aid program.
Rowland Water District	Yes	\$10 reduction in SC	CARE	\$ 42,000	Requalify annually, "first come, first-served", \$42,000 budget for 13k customers - SCV Water equiv. \$210k
Contra Costa Water District	Yes	\$11 reduction in SC (50% of SC)	Income	\$ 80,000	Income schedule varies based on number in household, must be a low income Senior >62 or permanently disabled. \$80k budget for 63k customers - SCV Water equiv. \$95k
Elsinore Valley Municipal Water District	Yes		CARE		Must register for advanced meter program, schedule and complete a water evaluation and monthly usage must fall below guidelines
East Bay Municipal Water District	Yes	50% reduction in SC and 50% of the first 1,050 gallons	Income		Income schedule varies based on number in household, must be a low income Senior >62 or permanently disabled
Palmdale Water District	Yes	\$20 reduction in SC	CARE	\$ 160,000	700 customer in program, priority given to Seniors >62 and veterans, owners only, requalify annually


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COMMITTEE MEMORANDUM

DATE: January 17, 2023

TO: Finance and Administration Committee

FROM: Rochelle Patterson 
Chief Financial and Administrative Officer

SUBJECT: Review Financing Plan Options and Preliminary Financing Schedule
(Preliminary and Subject to Change)

SUMMARY

At its October 24, 2022, Finance and Administration Committee (F&A) meeting, staff presented four (4) financial scenarios, including rate impacts and reserve funding targets, to continue with its debt-funded capital improvement plan (CIP) and reach \$35 million annually from rates for the Agency's pay-go CIP projects. Staff is seeking policy guidance from the Committee to move forward with their preferred scenario presented below in order to continue with the financing plan.

DISCUSSION

As a refresher of the October 24, 2022 F&A meeting that identified four (4) scenarios, with the assistance of the Agency's Municipal Advisors, the Agency's retail rate model was updated to project future operating revenues, non-operating revenues, operating expenses, existing debt service as well as proposed debt service, level of reserve funds, and funds remaining that are used to fund the Agency CIP pay-go program.

It is important to note that each scenario forecast uses currently known information, but as with any forecast, there are both assumptions and unknown items. For example, while the Agency has a pending court judgement to recover significant costs of perchlorate and VOC (Volatile Organic Compounds) contamination, we have not assumed any of those funds contributing to the forecast. If they are realized in the future, the capital and operating expenses (and resulting forecasted water rates) in each scenario would be reduced accordingly. Similarly, future grant funding that may be awarded through various competitive or directed state or federal grant programs are not included as an assumption and would reduce the capital and rate requirements accordingly. Also not yet known are the results of the water system master plan that is under preparation.

At the October Committee meeting, Scenario 1 and Scenario 2 were eliminated as options, due to the adverse effect on rates and reduction of reserves. Scenario 3 and Scenario 4 include a loan through the Water Infrastructure Finance and Innovation Act (WIFIA) and were seen as more favorable. Before the Committee could decide on a financing plan, however, based on the scenarios that were presented, the Committee requested a presentation be given to the Board on the 10-year CIP debt-funded projects to include details, such as the project's importance to the water system, location of the projects, whether the projects are under contract and the consequences if the projects did not receive funding. This presentation was given to the Board of Directors on December 6, 2022.

In each of the scenarios, upfront financing (\$75 million (m) or \$60 million) would be required to continue with the debt-funded projects as planned while going through the WIFIA loan process, which could take up to 18 months to complete. Of the four scenarios presented, a majority of the Committee believed that Scenario 3 was the better option.

Below is an illustration of the different strategies and policy choices in financing future capital and pay-go expenditures that were presented on October 24 and summarized in Attachment 1.

Scenario #1 – Pay-go with upfront bond issuances

This scenario is intended to illustrate the concept of funding capital with pay-go generated from water rates (rather than with debt issued and repaid from water rates over a longer period of time). However, in this scenario, since there are no additional funding options until future rates start to generate enough revenue for the entire CIP, two bond issues are proposed in this scenario (\$75 m in 2023, \$100 m in 2025). After that, increased water rates would generate necessary funds for the capital program. This scenario also includes the idea of conducting and approving a new rate study one year earlier than planned.

- Would require \$295 million in additional revenue from FY 2025/26 to FY 2031/32 to fund all CIP through pay-go and recover uses of reserves
- Annual rate increases would range from 20% in FY 2025/26 down to 4% in FY 2031/32
- Reserves will drop to a low of 26% of the funding target in FY 2028/29
- The monthly bill for a customer with a ¾” meter using 18ccf’s per month would see an increase of \$13.51 in FY 2025/26
- Annual debt service payments would range from a high of \$43.5 million in FY 2027/28 to a low of \$23.2 million in FY 2031/32
- At the end of this period, the Agency’s outstanding debt would be reduced to approximately \$271 million

Scenario #2 – Status quo – all long-term bonds

This scenario illustrates the status quo (current forecast methodology) with four (4) bond issues through 2029 to fund approximately \$360 million of capital projects. This scenario does include future rate adjustments to increase pay-go funding (but not funding 100% of all capital through present rate revenues), and approving a rate study one year earlier than planned. Debt issuances are projected to be \$75 m in 2023, \$100 m in 2025, \$100 m in 2027, \$65 m in 2029. This scenario does not include WIFIA financing.

- Would require \$170 million in additional revenue from FY 2025/26 to FY 2031/32 to fund all CIP identified as pay-go and to recover uses of reserves
- Annual rate increases would range from 15% in FY 2025/26 down to 3% in FY 2031/32
- Reserves will drop to a low of 59% of the funding target in FY 2027/28
- The monthly bill for a customer with a ¾” meter using 18ccf’s per month would see an increase of \$10.13 in FY 2025/26
- Annual debt service payments would range from a high of \$48.5 million in FY 2027/28 from the current low of \$33.2 million in FY 2022/23
- At the end of this period in FY 2031/32, the Agency’s outstanding debt would be approximately \$433 million

Scenario #3 – WIFIA + upfront bond in 2023

This scenario assumes the Agency will be approved for the WIFIA loan program and approximately 30% (\$196 m) of the first draw to take place in 2025, along with a bond issue in 2023 for \$75 m. This scenario does not assume an early rate action.

- Would require \$84 million in additional revenue from FY 2026/27 to FY 2031/32 to fund all CIP and recover uses of reserves
- Annual rate increases would range from 11% in FY 2026/27 down to 4% by FY 2029/30
- Reserves will drop to 80% of the funding target in FY 2026/27
- The monthly bill for a customer with a ¾" meter using 18ccf's per month would see an increase of \$7.91 in FY 2026/27
- Annual debt service payments would range from a high of \$42.3 million in FY 2028/29 from the current low of \$33.2 million in FY 2022/23
- The Agency's outstanding debt in FY 2031/32 would be approximately \$530 million

Scenario #4 – WIFIA + upfront bonds in 2023, reduced by approximately \$15 million of reserves

This scenario assumes the Agency will be approved for the WIFIA loan program and approximately 30% (\$194 m) of the first draw to take place in 2025, a bond issue in 2023 for \$60 million, with \$15 million from reserves. No early rate action is included, and projects full recovery of funded reserves by FY 2031/32.

- Would require \$99 million in additional revenue from FY 2026/27 to FY 2031/32 to fund all CIP and recover uses of reserves
- Annual rate increases would range from 10% in FY 2026/27 down to 4% by FY 2030/31
- Reserves will drop to 70% of the funding target in FY 2026/27
- The monthly bill for a customer with a ¾" meter using 18ccf's per month would see an increase of \$7.19 in FY 2026/27
- Annual debt service payments would range from a high of \$41.5 million in FY 2028/29 from the current low of \$33.2 million in FY 2022/23
- The Agency's outstanding debt in FY 2031/32 would be approximately \$510 million

Based on comments received at the October 24 Committee meeting, placing emphasis on maintaining reserves at 80% funded and smoothing forecasted rate increases, staff has prepared Scenario 3A below.

Scenario #3A – WIFIA + upfront bond in 2023 (Attachment 2)

This scenario assumes the Agency will be approved for the WIFIA loan program and approximately 30% (\$196 m) of the first draw to take place in 2025, along with a bond issue in 2023 for \$75 m. This scenario assumes an early rate action. (**Bold** identifies changes from Scenario 3)

- Would require \$84 million in additional revenue from **FY 2025/26** to FY 2031/32 to fund all CIP and recover uses of reserves
- Annual rate increases would range from **9%** in **FY 2025/26** down to 4% by FY 2029/30
- Reserves will drop to **82%** of the funding target in FY 2026/27
- The monthly bill for a customer with a ¾" meter using 18ccf's per month would see an increase of **\$6.08** in **FY 2025/26**
- Annual debt service payments would range from a high of \$42.3 million in FY 2028/29 from the current low of \$33.2 million in FY 2022/23
- The Agency's outstanding debt in FY 2031/32 would be approximately \$530 million

The decision to utilize additional pay-go financing really has two levels to consider. First, increasing rate revenue to generate sufficient pay-go financing for the projects that have traditionally been financed on a pay-as-you-go basis (paid from present year rates), and second, additional revenue sufficient to pay cash for capital projects that would otherwise be debt-financed. The scenarios presented give an initial idea of how that might work and what the

various financial metrics such as rate changes, debt levels, and reserve levels would be over the forecast period through FY 2031/32.

Although these scenarios are preliminary and subject to change, staff is seeking direction and guidance. In each scenario, an upfront bond is needed to complete the debt-funded projects as presented to the Board of Directors on December 6, 2022. There are \$109 million of projects identified in FY 2022/23 and FY 2023/24, with approximately \$18 million of available funds from the previous bond issue that is projected to be fully expended by March 2023. If there is a consensus to begin the process of the upfront bond (approximately 4-6 months to get funded), staff is prepared to seek approval of a reimbursement resolution. With a reimbursement resolution in place (Attachment 3), the Agency can continue its debt-funded CIP, withdraw funds from reserves and then reimburse those funds once the bond proceeds are received.

Staff proposes the following strategy:

- 1) Move forward with a \$60 to \$75 million bond issuance for early 2023
- 2) Determine whether to utilize \$15 million in reserves or not, prior to going to market
- 3) Continue efforts to secure WIFIA financing
- 4) Revisit forecasts and scenarios with this Committee as assumptions or unknown items occur
- 5) Depending on the outcome of 1 and 2, consider timing of next rate case to generate sufficient revenue for financing objectives
- 6) Begin working with the Agency's Financial Advisors and Bond Counsel to develop procedural and legal documentation, including:
 - a. Installment Purchase Agreement
 - b. Indenture of Trust
 - c. Continuing Disclosure Certificate
 - d. Reimbursement Resolution
 - e. Preliminary Official Statement

A preliminary financing schedule (Attachment 4) has been developed for review. Dates and tasks are subject to change, but the schedule provides a step-by-step approach to ensure all tasks are completed.

STRATEGIC PLAN NEXUS

The evaluation of these financing options help meet SCV Water's objective and Strategic Plan Objective E.1: "Increase focus on forward looking financial information," and E.2: Establish a path toward uniform rates."

FINANCIAL CONSIDERATIONS

None at this time.

RECOMMENDATION

That the Finance and Administration Committee provide direction to staff to focus on a single financing plan scenario, receive consensus on beginning the process on a 2023 bond issuance and in what amount, and begin preparing legal documentation.

RP

Attachments

	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32
Scenario #1 - Pay-go with upfront bond issuances										
Since there is no available funding options until rates start to generate enough revenue for the entire CIP, two bond issues are proposed in this scenario (\$75 m 2023, \$100 m 2025) and approving a new rate study one year earlier than planned. The table below represents the additional funding needed from rates in order for all projects to be funded by rates after FY 2025.										
1	Rate Increase Required %	6.50%	6.50%	6.50%	15.00%	10.00%	10.00%	6.00%	6.00%	4.00%
2	Additional Revenue from New Rates Debt Issuance	\$ 75,000,000	\$ 100,000,000	\$ 100,000,000	26,245,086	35,750,399	46,695,506	52,561,561	58,870,209	62,400,384
3	Reserve Target Funded %	132%	95%	78%	28%	27%	26%	31%	56%	95%
4	Principal Debt Outstanding ¹	\$ 403,256,566	\$ 376,555,626	\$ 449,236,958	\$ 392,719,330	\$ 362,973,536	\$ 336,667,658	\$ 309,632,735	\$ 281,816,775	\$ 271,397,494
5	Prior to Rate Increase Debt Coverage Ratio	1.64	1.30	1.41	1.35	1.40	1.62	1.70	1.78	3.11
6	Debt Coverage Ratio	1.64	1.30	1.41	1.65	2.22	2.80	3.03	3.27	5.80
7	Pay-go Forecast	\$ 75,805,830	\$ 34,509,236	\$ 37,583,115	\$ 33,777,271	\$ 31,921,925	\$ 33,043,675	\$ 34,259,250	\$ 35,520,321	\$ 36,828,631
8	Debt Funded Project Forecast	\$ 41,981,000	\$ 66,961,000	\$ 41,590,000	\$ 41,540,000	\$ 21,675,000	\$ 38,250,000	\$ 34,401,000	\$ 8,001,000	\$ 2,701,000
9	Actual & Projected Annual Debt Service	\$ 33,214,071	\$ 37,540,749	\$ 37,685,430	\$ 42,967,711	\$ 43,521,286	\$ 39,448,632	\$ 39,436,249	\$ 39,416,463	\$ 23,208,574
10	Average Monthly Bill (3/4" Meter, 18ccfs) ²	\$ 59.54	\$ 63.41	\$ 67.53	\$ 81.04	\$ 102.51	\$ 112.76	\$ 119.53	\$ 126.70	\$ 131.77
11	Monthly Impact 3/4" Meter, 18ccfs (PY)		\$ 3.87	\$ 4.12	\$ 13.51	\$ 9.32	\$ 10.25	\$ 6.77	\$ 7.17	\$ 5.07
12	¹ Includes Accreted Interest (1999 CAB)									
	² Excluding Legacy Debt Charge									

	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32
Scenario #2 - Status quo - all long-term bonds										
This is the status quo with 4 bond issues through FY 2029 to fund large capital projects, future rate adjustments to increase Pay-go and approving a rate study one year earlier than planned. (\$75 m 2023, \$100 m 2025, \$100 m 2027, \$65 m 2029)										
1	Rate Increase Required %	6.50%	6.50%	6.50%	12.00%	8.00%	6.00%	5.00%	4.00%	3.00%
2	Additional Revenue from New Rates Debt Issuance	\$ 75,000,000	\$ 100,000,000	\$ 100,000,000	17,371,079	23,341,515	27,353,465	30,306,203	31,872,303	32,140,368
3	Reserve Target Funded %	132%	95%	80%	60%	59%	66%	72%	80%	97%
4	Principal Debt Outstanding ¹	\$ 403,256,566	\$ 376,555,626	\$ 449,236,958	\$ 492,719,330	\$ 462,973,536	\$ 501,667,658	\$ 474,632,735	\$ 446,816,775	\$ 433,309,717
5	Prior to Rate Increase Debt Coverage Ratio	1.64	1.30	1.41	1.35	1.25	1.43	1.40	1.47	2.08
6	Revised Debt Coverage Ratio	1.64	1.30	1.41	1.54	1.73	2.05	2.04	2.14	3.02
7	Pay-go Forecast	\$ 75,805,830	\$ 34,509,236	\$ 37,583,115	\$ 33,777,271	\$ 31,921,925	\$ 33,043,675	\$ 34,259,250	\$ 35,520,321	\$ 36,828,631
8	Debt Funded Project Forecast	\$ 41,981,000	\$ 66,961,000	\$ 41,590,000	\$ 41,540,000	\$ 21,675,000	\$ 38,250,000	\$ 34,401,000	\$ 8,001,000	\$ 2,701,000
9	Actual & Projected Annual Debt Service	\$ 33,214,071	\$ 37,540,749	\$ 37,685,430	\$ 42,967,711	\$ 48,548,786	\$ 44,476,132	\$ 47,335,999	\$ 47,716,213	\$ 34,596,100
10	Average Monthly Bill (3/4" Meter, 18ccfs) ²	\$ 59.54	\$ 63.41	\$ 67.53	\$ 77.66	\$ 93.94	\$ 99.58	\$ 104.55	\$ 108.74	\$ 112.00
11	Monthly Impact 3/4" Meter, 18ccfs (PY)		\$ 3.87	\$ 4.12	\$ 10.13	\$ 6.96	\$ 5.64	\$ 4.98	\$ 4.18	\$ 3.26
12	¹ Includes Accreted Interest (1999 CAB)									
	² Excluding Legacy Debt Charge									

Scenario #3 – WIFIA + upfront bond in FY 2023

This scenario assumes we will be approved for the WIFIA loan program and 30% (\$196 m) of the first draw to take place in FY 2023 for \$75 m. No early rate action.

	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32
1	6.50%	6.50%	6.50%	6.50%	11.00%	7.00%	7.00%	4.00%	4.00%	4.00%
2	Rate Increase Required %									
3	Additional Revenue from New Rates				7,161,147	11,012,825	15,363,940	16,191,278	17,027,998	18,081,682
4	Debt Issuance	\$ 75,000,000	\$ 196,360,275	\$ 196,360,275		\$ 125,291,276				
5	Reserve Target Funded %	132%	95%	88%	80%	84%	90%	97%	94%	98%
6	Principal Debt Outstanding ¹	\$ 403,256,566	\$ 376,555,626	\$ 414,147,986	\$ 445,146,110	\$ 511,286,435	\$ 538,896,571	\$ 562,694,663	\$ 543,624,726	\$ 530,350,783
7	Prior to Rate Increase Debt Coverage Ratio	1.64	1.30	1.41	1.53	1.53	1.51	1.58	1.65	1.90
8	Revised Debt Coverage Ratio	1.64	1.30	1.41	1.53	1.72	1.87	1.96	2.06	2.37
9	Pay-go Forecast	\$ 75,805,830	\$ 34,509,236	\$ 37,583,115	\$ 33,777,271	\$ 31,921,925	\$ 33,043,675	\$ 34,259,250	\$ 35,520,321	\$ 36,828,631
10	Debt Funded Project Forecast	\$ 41,981,000	\$ 66,961,000	\$ 41,590,000	\$ 41,540,000	\$ 21,675,000	\$ 38,250,000	\$ 34,401,000	\$ 8,001,000	\$ 2,701,000
11	Actual & Projected Annual Debt Service	\$ 33,214,071	\$ 37,540,749	\$ 37,685,430	\$ 37,784,344	\$ 37,940,211	\$ 42,328,222	\$ 42,315,839	\$ 42,296,053	\$ 38,043,207
12	Average Monthly Bill (3/4" Meter, 18ccfs) ²	\$ 59.54	\$ 63.41	\$ 67.53	\$ 71.92	\$ 79.83	\$ 91.40	\$ 95.06	\$ 98.86	\$ 102.81
	Monthly Impact 3/4" Meter, 18ccfs (PY)	\$	\$ 3.87	\$ 4.12	\$ 4.39	\$ 7.91	\$ 5.98	\$ 3.66	\$ 3.80	\$ 3.95

¹Includes Accreted Interest (1999 CAB)

² Excluding Legacy Debt Charge

Scenario #4 - WIFIA + upfront bonds in FY 2023, reduced by approximately \$15 m of reserves

This scenario assumes we will be approved for the WIFIA loan program and 30% (\$196 m) of the first draw to take place in FY 2023 for \$60 m, \$15 m from reserves. No early rate action, recovery of reserves by 2032.

	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32
1	6.50%	6.50%	6.50%	6.50%	10.00%	9.00%	7.00%	6.00%	4.00%	4.00%
2	Rate Increase Required %									
3	Additional Revenue from New Rates				6,133,885	12,189,060	16,639,254	20,277,680	21,325,563	22,633,604
4	Debt Issuance	\$ 60,000,000	\$ 194,103,525	\$ 194,103,525		\$ 122,809,866				
5	Reserve Target Funded %	132%	82%	76%	71%	75%	82%	91%	92%	99%
6	Principal Debt Outstanding ¹	\$ 388,256,566	\$ 361,555,626	\$ 398,387,273	\$ 428,590,067	\$ 493,028,567	\$ 519,724,758	\$ 542,562,636	\$ 523,359,261	\$ 510,547,148
7	Prior to Rate Increase Debt Coverage Ratio	1.64	1.32	1.44	1.56	1.56	1.54	1.61	1.69	1.97
8	Revised Debt Coverage Ratio	1.64	1.32	1.44	1.56	1.73	1.94	2.10	2.20	2.59
9	Pay-go Forecast	\$ 75,805,830	\$ 34,509,236	\$ 37,583,115	\$ 33,777,271	\$ 31,921,925	\$ 33,043,675	\$ 34,259,250	\$ 35,520,321	\$ 36,828,631
10	Debt Funded Project Forecast	\$ 41,981,000	\$ 66,961,000	\$ 41,590,000	\$ 41,540,000	\$ 21,675,000	\$ 38,250,000	\$ 34,401,000	\$ 8,001,000	\$ 2,701,000
11	Actual & Projected Annual Debt Service	\$ 33,214,071	\$ 36,788,499	\$ 36,933,180	\$ 37,032,094	\$ 37,741,536	\$ 41,463,642	\$ 41,451,259	\$ 41,431,473	\$ 36,578,335
12	Average Monthly Bill (3/4" Meter, 18ccfs) ²	\$ 59.54	\$ 63.41	\$ 67.53	\$ 71.92	\$ 79.11	\$ 92.27	\$ 97.81	\$ 101.72	\$ 105.79
	Monthly Impact 3/4" Meter, 18ccfs (PY)	\$	\$ 3.87	\$ 4.12	\$ 4.39	\$ 7.12	\$ 5.54	\$ 3.91	\$ 3.80	\$ 4.07

¹Includes Accreted Interest (1999 CAB)

² Excluding Legacy Debt Charge

Scenario #3A – WIFIA + upfront bond in FY 2023

This scenario assumes we will be approved for the WIFIA loan program and 30% (\$196 m) of the first draw to take place in FY 2023, and a bond issue in FY 2023 for \$75 m. Early rate action.

	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32
1	6.50%	6.50%	6.50%	9.00%	8.00%	7.00%	7.00%	4.00%	4.00%	4.00%
2	Rate Increase Required %									
3	Additional Revenue from New Rates									
4	Debt Issuance	\$ 75,000,000	\$ 196,360,275	2,381,222	6,715,245	10,529,365	14,839,751	15,638,856	16,446,978	17,483,995
5	Reserve Target Funded %	132%	95%	83%	82%	85%	91%	97%	94%	98%
6	Principal Debt Outstanding ¹	\$ 403,256,566	\$ 376,555,626	\$ 445,146,110	\$ 499,877,587	\$ 511,286,435	\$ 538,896,571	\$ 562,694,663	\$ 543,624,726	\$ 530,350,783
7	Prior to Rate Increase Debt Coverage Ratio	1.64	1.30	1.53	1.53	1.58	1.51	1.58	1.65	1.90
8	Revised Debt Coverage Ratio	1.64	1.30	1.59	1.71	1.85	1.86	1.95	2.04	2.35
9	Pay-go Forecast	\$ 75,805,830	\$ 34,509,236	\$ 37,583,115	\$ 33,777,271	\$ 31,921,925	\$ 33,043,675	\$ 34,259,250	\$ 35,520,321	\$ 36,828,631
10	Debt Funded Project Forecast	\$ 41,981,000	\$ 66,961,000	\$ 41,590,000	\$ 62,320,000	\$ 21,675,000	\$ 38,250,000	\$ 34,401,000	\$ 8,001,000	\$ 2,701,000
11	Actual & Projected Annual Debt Service	\$ 33,214,071	\$ 37,540,749	\$ 37,685,430	\$ 37,940,211	\$ 38,493,786	\$ 42,328,222	\$ 42,315,839	\$ 42,296,053	\$ 38,043,207
12	Average Monthly Bill (3/4" Meter, 18ccfs) ²	\$ 59.54	\$ 63.41	\$ 67.53	\$ 73.61	\$ 85.07	\$ 91.03	\$ 94.67	\$ 98.46	\$ 102.40
	Monthly Impact 3/4" Meter, 18ccfs (PY)		\$ 3.87	\$ 4.12	\$ 6.08	\$ 5.57	\$ 5.96	\$ 3.64	\$ 3.79	\$ 3.94

¹ Includes Accreted Interest (1999 CAB)

² Excluding Legacy Debt Charge

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RESOLUTION NO.

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
UPPER SANTA CLARA VALLEY JOINT POWERS
AUTHORITY REGARDING ITS INTENTION TO ISSUE
TAX-EXEMPT OBLIGATIONS

WHEREAS, the Board of Directors of the Upper Santa Clara Valley Joint Powers Authority (the “Issuer”) has been requested to finance the costs of acquiring certain public facilities and improvements for the Santa Clarita Valley Water Agency (the “Agency”), as provided in Exhibit A attached hereto and incorporated herein (the “Project”);

WHEREAS, the Authority has agreed to finance the acquisition of the Project or portions of the Project on behalf of the Agency with the proceeds of the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (the “Obligations”); and

WHEREAS, prior to the issuance of the Obligations the Agency may incur certain expenditures with respect to the Project from available monies of the Agency which expenditures are desired to be reimbursed by the Agency from a portion of the proceeds of the sale of the Obligations;

NOW, THEREFORE, THE ISSUER HEREBY FINDS, DETERMINES, DECLARES AND RESOLVES AS FOLLOWS:

SECTION 1. The Issuer hereby states its intention and reasonably expects to reimburse Project costs to the Agency incurred prior to the issuance of the Obligations with proceeds of the Obligations. Exhibit A describes the general character, type, purpose, and function of the Project.

SECTION 2. The reasonably expected maximum principal amount of the Obligations is \$75,000,000. The reasonably expected maximum amount of proceeds of the Obligations to be allocated to reimburse original expenditures is \$75,000,000.

SECTION 3. This Resolution is being adopted by the Issuer not later than sixty (60) days after the date (the “Expenditures Date or Dates”) that the Agency expended monies on the portion of the Project to be reimbursed from proceeds of the Obligations.

SECTION 4. Except as described below, the expected date of issue of the Obligations will be within eighteen months of the later of the Expenditure Date or Dates and the date the Project is placed in service; provided, the reimbursement may not be made more than three years after the original expenditure is paid.

SECTION 5. Proceeds of the Obligations to be used to reimburse for Project costs are not expected to be used, within one year of reimbursement, directly or indirectly to pay debt service with respect to any obligation (other than to pay current debt service coming due within the next succeeding one year period on any tax-exempt obligation of the Issuer or the Agency (other than the Obligations)) or to be held as a reasonably required reserve or replacement fund with respect to an obligation of the Issuer, the Agency, or any entity related in any manner to the Issuer or the

Agency, or to reimburse any expenditure that was originally paid with the proceeds of any obligation, or to replace funds that are or will be used in such manner.

SECTION 6. This resolution is consistent with the budgetary and financial circumstances of the Issuer (or any related party), as of the date hereof. No monies from sources other than the Obligation issue are, or are reasonably expected to be reserved, allocated on a long-term basis, or otherwise set aside by the Issuer, the Agency (or any related party) pursuant to their budget or financial policies with respect to the Project costs. To the best of our knowledge, this Board of Directors is not aware of the previous adoption of official intents by the Issuer that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.

SECTION 7. The limitations described in Section 3 and Section 4 do not apply to (a) costs of issuance of the Obligations, (b) an amount not in excess of the lesser of \$100,000 or five percent (5%) of the proceeds of the Obligations, or (c) any preliminary expenditures, such as architectural, engineering, surveying, soil testing, and similar costs other than land acquisition, site preparation, and similar costs incident to commencement of construction, not in excess of twenty percent (20%) of the aggregate issue price of the Obligations that finances the Project for which the preliminary expenditures were incurred.

SECTION 8. This resolution is adopted as official action of the Issuer in order to comply with Treasury Regulation § 1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Issuer and/or Agency expenditures incurred prior to the date of issue of the Obligations, is part of the Issuer's official proceedings, and will be available for inspection by the general public at the main administrative office of the Issuer.

SECTION 9. All the recitals in this Resolution are true and correct and this Board of Directors so finds, determines and represents.

SECTION 10. This resolution shall take effect immediately.

I, the undersigned, hereby certify: That I am the duly appointed and acting Secretary of the Upper Santa Clara Valley Joint Powers Authority, and that at a regular meeting of the Board of Directors of said Issuer held on ____, 2023, the foregoing Resolution No. ____ was duly and regularly adopted by said Board, and that said resolution has not been rescinded or amended since the date of its adoption, and that it is now in full force and effect.

DATED: _____, 2023

Secretary

DRAFT

EXHIBIT A

DESCRIPTION OF PROJECT

The Project consists of water utility collection, storage, treatment and distribution property and related components and improvements, identified on the Agency's books and records as indicated below:

Castaic Conduit
ESFP Sludge Collection System
Honby Parallel
LARC Pipeline
Magic Mountain Pipeline No. 4
Magic Mountain Pipeline No. 5
Magic Mountain Pipeline No. 6
Magic Mountain Reservoir
Magic Mountain Reservoir 2
Mitchell 5A Well Replacement
New Water Banking Program (AVEK/Mid Valley/Rosedale)
Newhall Ave Railroad Crossing - Pipeline
PFAS Treatment - Additional Wells (T7, U4, U6) (includes S1&S2 Wells VOC Treatment & Flexextend)
PFAS Treatment - E Wells (E-14, E-15, E-16, E-17)
PFAS Treatment - S Wells (S6, S7 and S8)
PFAS Treatment - Santa Clara and Honby Wells
Recycled Water Fill Station
Recycled Water Program Phase II, 2A - Central Park
Recycled Water Program Phase II, 2B - Vista Canyon Backbone
Recycled Water Program Phase II, 2C - South End Backbone
Sand Canyon Reservoir Expansion
Saugus Dry Year Reliability Wells 5 & 6
Sites Reservoir
Southern Service Area Reservoir
Well 201 VOC Groundwater Treatment Improvements
Well E-14 Site Improvements
Well E-16 Site Improvements

SANTA CLARITA VALLEY WATER AGENCY
 Potential 2023 Revenue Bonds

Revised on:
Monday, January 9, 2023

I = Issuer - Santa Clarita Valley Water Agency
GC = Issuer Counsel - Best Best & Krieger LLP
BC = Bond Counsel - Stradling, Yocca, Carlson & Rauth
DC = Disclosure Counsel - Stradling, Yocca, Carlson & Rauth
MA = Municipal Advisor - Fieldman, Rolapp & Associates, Inc.
UW = Underwriter - TBD
UC = Underwriter's Counsel - TBD
T = Trustee - U.S. Bank

Date	Description	Responsible Parties	Status
Monday, January 23, 2023	<i>Finance and Administrative Committee reviews financial plan and Reimbursement Resolution</i>	<i>I, MA, BC</i>	
+/- Tuesday, January 24, 2023	Distribute UW RFP	MA	
Tuesday, January 31, 2023	Distribute 1 st draft of Agency section of Preliminary Official Statement ("POS ") to Agency for review	DC	
Thursday, February 02, 2023	Distribute 1 st draft of Installment Purchase Agreement, Indenture and Continuing Disclosure Certificate to Agency and Municipal Advisor	BC	
TBD Tuesday, February 07, 2023	Board Meeting to review finance plan	I, MA	
+/- Tuesday, February 07, 2023	Receive Underwriter responses	I, MA	
Wednesday, February 08, 2023	Conference Call @ TBD to discuss 1 st draft of legal documents	I, BC, MA	
Friday, February 10, 2023	Distribute revised legal documents to entire working group	BC	
Friday, February 17, 2023	Conference Call @ TBD to discuss legal documents	DC, UW, UC, MA	
Monday, February 20, 2023	HOLIDAY - PRESIDENT'S DAY	Information	
Tuesday, February 21, 2023	Agenda Deadline for February 27, 2023 Agency and Authority Board Meetings	All	
Monday, February 27, 2023	<i>Finance and Administrative Committee considers approval of the following legal documentation:</i> <i>a. Installment Purchase Agreement</i> <i>b. Indenture of Trust</i> <i>c. Continuing Disclosure Certificate</i>	All	
Friday, March 03, 2023	Comments due on Agency section of POS to Disclosure Counsel	I	
Friday, March 10, 2023	Distribute POS to Agency and Municipal Advisor	DC	
Tuesday, March 14, 2023	Agenda Deadline for March 21, 2023 Agency and Authority Board Meetings	All	
Friday, March 17, 2023	Conference Call @ TBD to discuss POS	I, DC, MA	

SANTA CLARITA VALLEY WATER AGENCY

Potential 2023 Revenue Bonds

Date	Description	Responsible Parties	Status
Tuesday, March 21, 2023	SCVWA and USCVJPA Board Meetings to consider approval of the following legal documentation: a. Installment Purchase Agreement b. Indenture of Trust c. Continuing Disclosure Certificate d. Reimbursement Resolution	All	
Friday, March 24, 2023	Distribute revised POS to entire working group	DC	
Friday, March 31, 2023	Conference Call @ TBD to discuss POS	DC, UW, UC, MA	
Monday, May 15, 2023	Send Rating Agency packet	MA	
Monday, May 15, 2023	<i>Finance and Administrative Committee considers approval of Preliminary Official Statement</i>	All	
Saturday, May 20, 2023	Validation period ends	Information	
Week of Monday, May 22, 2023	Rating agency presentation(s)	I, MA, UW, BC	
Monday, May 29, 2023	HOLIDAY - MEMORIAL DAY	Information	
Tuesday, May 30, 2023	Agenda Deadline for June 6, 2023 Agency and Authority Board Meetings	All	
+/- Monday, June 05, 2023	Due diligence call	All	
+/- Monday, June 05, 2023	Ratings received	I, UW, MA	
Tuesday, June 06, 2023	SCVWA and USCVJPA Board Meetings to consider approval of Preliminary Official Statement	All	
+/- Wednesday, June 07, 2023	Post Preliminary Official Statement	BC	
+/- Tuesday, June 13, 2023	Pre-pricing	All	
+/- Wednesday, June 14, 2023	Pricing Execute Bond Purchase Agreement	All	
Monday, June 19, 2023	HOLIDAY - JUNETEENTH	Information	
No Later Tuesday, June 20, 2023	Post Official Statement	All	
Tuesday, June 20, 2023	Pre-Closing	All	
Wednesday, June 21, 2023	Closing	All	
Monday, July 3, 2023	HOLIDAY - INDEPENDENCE DAY	Information	
No Later Wednesday, July 12, 2023	End of Underwriting Period Conference Call (TBD)	I, DC, MA	



CONFIDENTIAL BUSINESS INFORMATION



SANTA CLARITA VALLEY WATER AGENCY

Finance and Administration Committee Meeting

Preliminary, subject to change

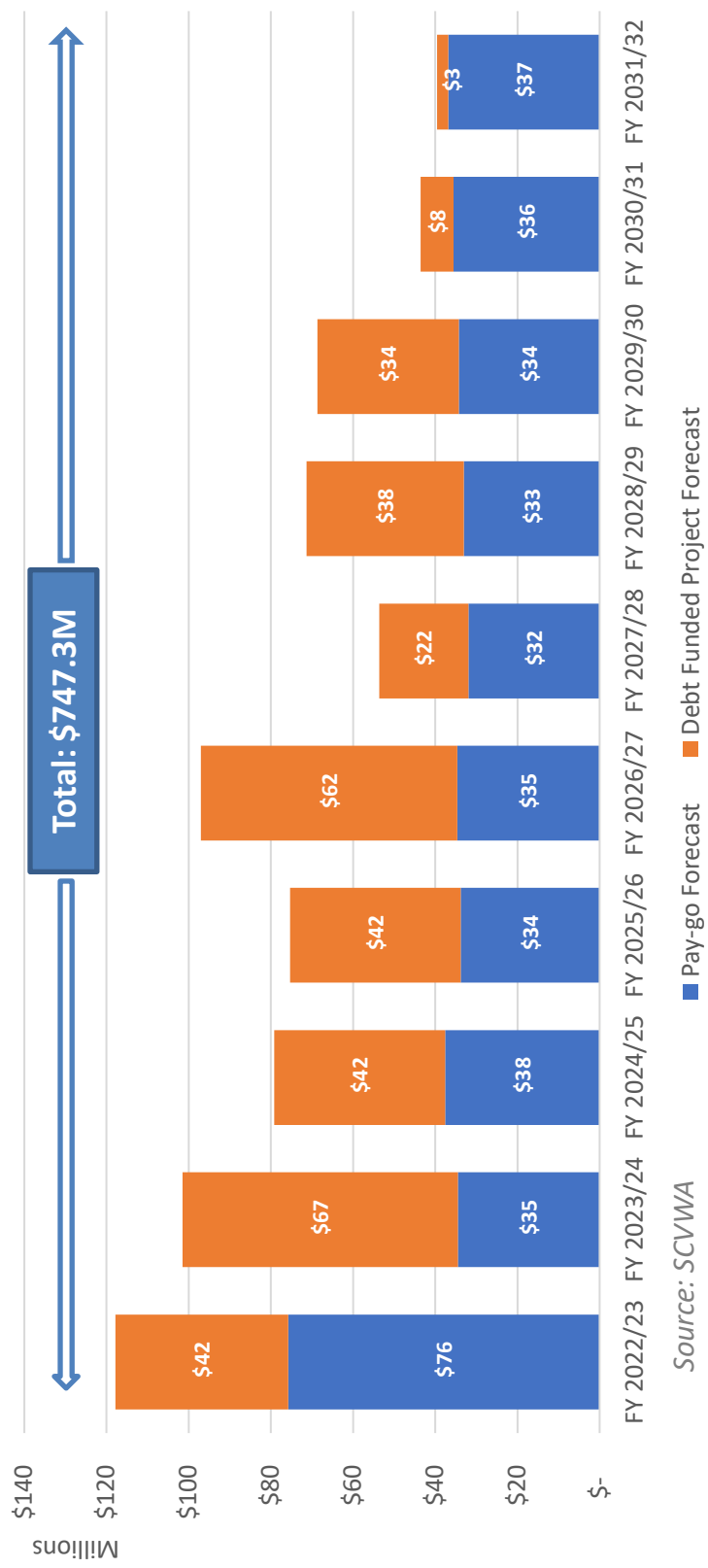
January 23, 2023

DISCLAIMER

- These materials include an assessment of current market conditions, and include Fieldman, Rolapp & Associates, Inc. assumptions about interest rates, execution costs, and other matters related to municipal securities issuance or municipal financial products. These assumptions may change at any time subsequent to the date these materials were provided. The scenarios presented herein are not intended to be inclusive of every feasible or suitable financing alternative.
- Fieldman, Rolapp & Associates, Inc. is an SEC-registered Municipal Advisor, undertaking a fiduciary duty in providing financial advice to public agencies. Compensation contingent on the completion of a financing or project is customary for municipal financial advisors. To the extent that our compensation for a transaction is contingent on successful completion of the transaction, a potential conflict of interest exists as we would have a potential incentive to recommend the completion of a transaction that might not be optimal for the public agency. However, Fieldman, Rolapp & Associates, Inc. undertakes a fiduciary duty in advising public agencies regardless of compensation structure.

OVERVIEW OF SCVWA PROJECT NEEDS

Projected CIP Needs*



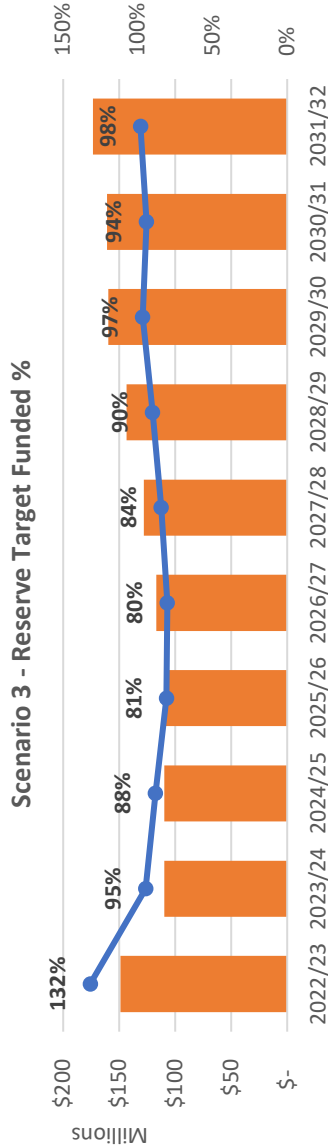
Assumptions:

1. Based upon Agency CIP from the revised FY 2022-23 Budget.
2. Debt-funded CIP project costs include inflationary adjustments from engineering and Pay-go funded CIP projects assumes 3.5% - 6.5% inflationary increases annually, following consultation with the Ratepayer Advocate.
3. CIP needs for FY 2030/31 and FY 2031/32 are subject to change based on engineering estimates from the Master Plan for additional debt-funded projects which are not included in the existing CIP.

CIP FUNDING SCENARIOS

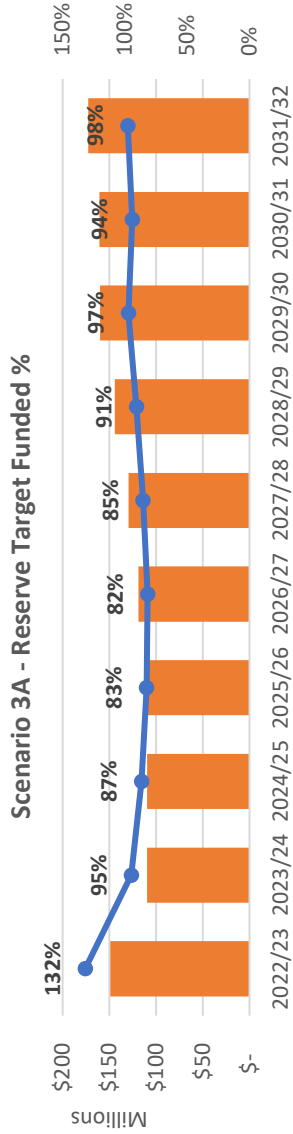
Scenario 3 – WIFIA + upfront bond in FY 2023

This scenario assumes Agency will be approved for the WIFIA loan program for current round of funding (\$196MM Loan in FY 2025 and \$125MM loan in FY 2028). Assumes a bond issue in FY 2023 for \$75M. No early rate action. New Debt: \$396MM; Pay-Go/Rates/Reserves: \$333MM*



Scenario 3A – WIFIA + upfront bond in FY 2023

This scenario assumes Agency will be approved for the WIFIA loan program for current round of funding (\$196MM Loan in FY 2025 and \$125MM loan in FY 2028). Assumes a bond issue in FY 2023 for \$75M. Revise rates in FY 2026. New Debt: \$396MM; Pay-Go/Rates/Reserves: \$333MM*

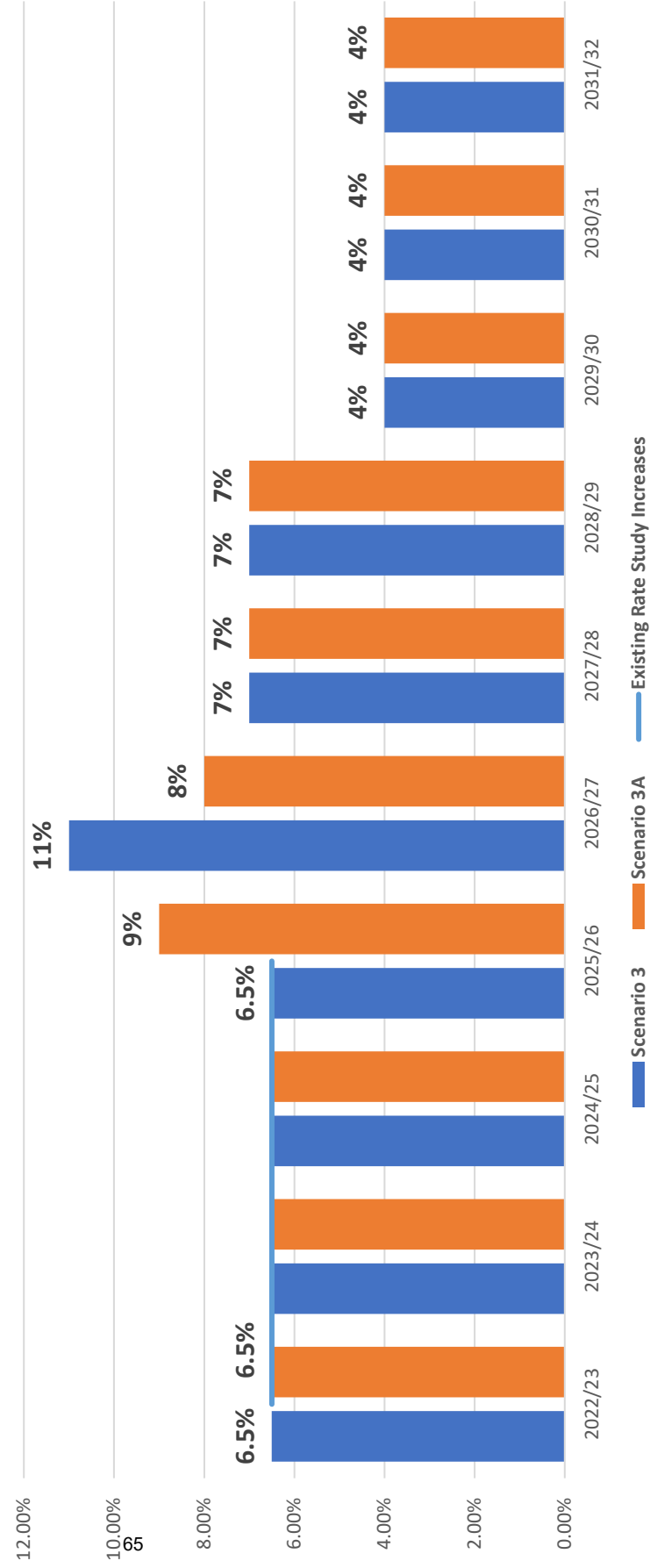


RATE SUMMARY ANALYSIS

Monthly Change to Customer Bill*

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Avg. Monthly Bill	Avg. Ann. % Rate Increase
Scenario 3	NA	\$3.87	\$4.12	\$4.39	\$7.91	\$5.59	\$5.98	\$3.66	\$3.80	\$3.95	\$4.81	6.21%
Scenario 3A	NA	\$3.87	\$4.12	\$6.08	\$5.89	\$5.57	\$5.96	\$3.64	\$3.79	\$3.94	\$4.76	6.14%

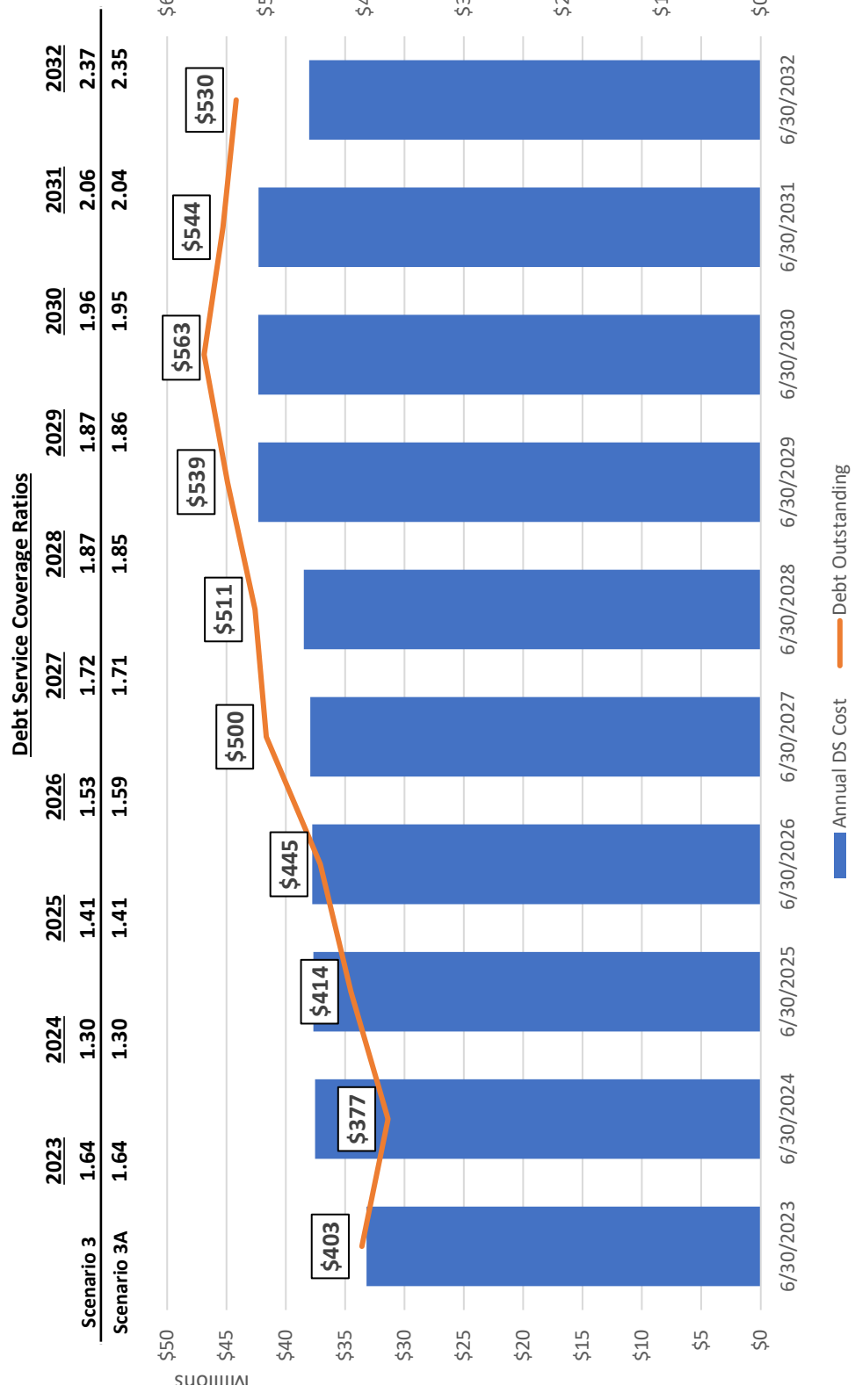
Rate Increases Per Scenario



*Reflects monthly increases in customer bills for 3/4" meters and usage of 18 ccf. See the Appendix for further details on assumptions.

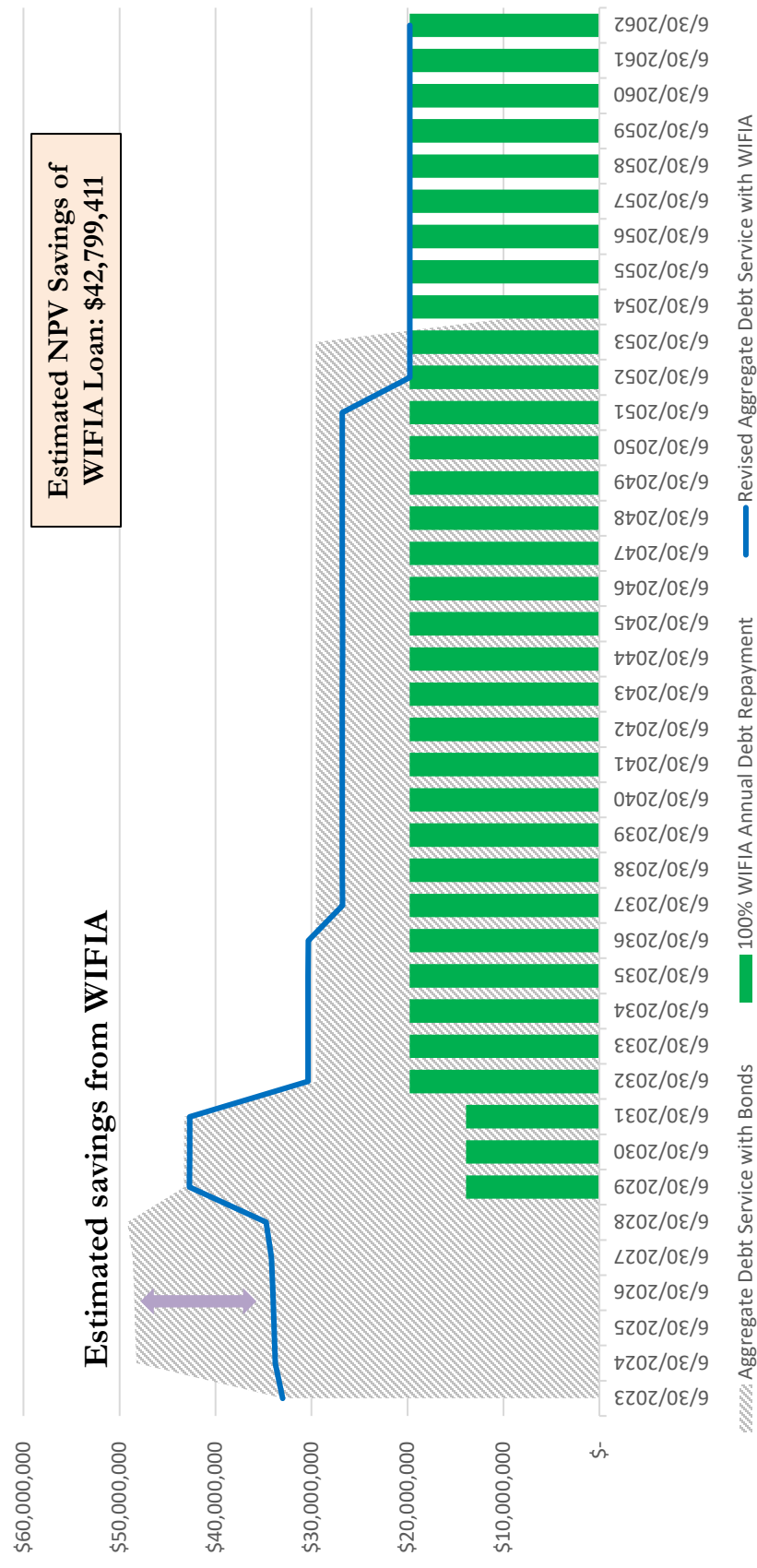
DEBT SUMMARY ANALYSIS*

WIFIA + upfront bonds in FY 2023



*Debt outstanding includes accreted interest on 1999 CABs. See the Appendix for further details on assumptions.

BONDS VS. WIFIA



Assumptions

- Assumes Market conditions as of December 27, 2022
- Assumes new debt service wrapped around existing debt
- WIFIA Loan: interest rate 4.00% over 35 year term
- Bond: All-in TIC 4.22% over 30 year term
- Estimated Project Needs: \$321 million (funded with either WIFIA or Bonds to analyze potential savings) and \$333 million pay-go; excludes \$75 million additional debt funding
- NPV savings discounted at 4.11%
- WIFIA Loan assumes three-year construction draw for the entire \$321 million financing need

RECOMMENDATION

- Proceed with Scenario 3 or 3A and begin necessary steps to complete a bond issuance and work to complete a WIFIA Loan with the EPA, if selected
 - Authorize staff to send out Underwriter RFP for bond issuance
 - Reimbursement Resolution and legal documents will go before the Agency and Authority Boards in March

QUESTIONS AND FURTHER DISCUSSION





APPENDIX

SCENARIOS OVERVIEW

Scenario #3 – WIFIA + upfront bond in FY 2023

	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32
Rate Increase Required %	6.50%	6.50%	6.50%	6.50%	11.00%	7.00%	7.00%	4.00%	4.00%	4.00%
Debt Issuance	\$ 75,000,000		\$ 196,360,275			\$ 125,291,276				
Reserve Target Funded %	132%	95%	88%	81%	80%	84%	90%	97%	94%	98%
Principal Debt Outstanding	\$ 403,256,566	\$ 376,555,626	\$ 414,147,986	\$ 445,146,110	\$ 499,877,581	\$ 511,286,435	\$ 538,896,571	\$ 562,694,663	\$ 543,624,726	\$ 530,350,783
Revised Debt Service Coverage	1.64	1.30	1.41	1.53	1.72	1.87	1.87	1.96	2.06	2.37
Actual & Projected Annual Debt Service	\$ 33,214,071	\$ 37,540,749	\$ 37,685,430	\$ 37,784,344	\$ 37,940,211	\$ 38,493,786	\$ 42,328,222	\$ 42,315,839	\$ 42,296,053	\$ 38,043,207
Monthly Impact 3/4" Meter, 18ccf's (PY)	\$	\$ 3.87	\$ 4.12	\$ 4.39	\$ 7.91	\$ 5.59	\$ 5.98	\$ 3.66	\$ 3.80	\$ 3.95
Average Monthly Bill (3/4" Meter, 18ccf's)²	\$ 59.54	\$ 63.41	\$ 67.53	\$ 71.92	\$ 79.83	\$ 85.42	\$ 91.40	\$ 95.06	\$ 98.86	\$ 102.81

² Excluding Legacy Debt Charge

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Scenario #3A – WIFIA + upfront bond in FY 2023

	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32
Rate Increase Required %	6.50%	6.50%	6.50%	9.00%	8.00%	7.00%	7.00%	4.00%	4.00%	4.00%
Debt Issuance	\$ 75,000,000		\$ 196,360,275			\$ 125,291,276				
Reserve Target Funded %	132%	95%	87%	83%	82%	85%	91%	97%	94%	98%
Principal Debt Outstanding	\$ 403,256,566	\$ 376,555,626	\$ 414,147,986	\$ 445,146,110	\$ 499,877,581	\$ 511,286,435	\$ 538,896,571	\$ 562,694,663	\$ 543,624,726	\$ 530,350,783
Revised Debt Service Coverage	1.64	1.30	1.41	1.59	1.71	1.85	1.86	1.95	2.04	2.35
Actual & Projected Annual Debt Service	\$ 33,214,071	\$ 37,540,749	\$ 37,685,430	\$ 37,784,344	\$ 37,940,211	\$ 38,493,786	\$ 42,328,222	\$ 42,315,839	\$ 42,296,053	\$ 38,043,207
Monthly Impact 3/4" Meter, 18ccf's (PY)	\$	\$ 3.87	\$ 4.12	\$ 6.08	\$ 5.88	\$ 5.57	\$ 5.96	\$ 3.64	\$ 3.79	\$ 3.94
Average Monthly Bill (3/4" Meter, 18ccf's)²	\$ 59.54	\$ 63.41	\$ 67.53	\$ 73.61	\$ 79.50	\$ 85.07	\$ 91.03	\$ 94.67	\$ 98.46	\$ 102.40

² Excluding Legacy Debt Charge

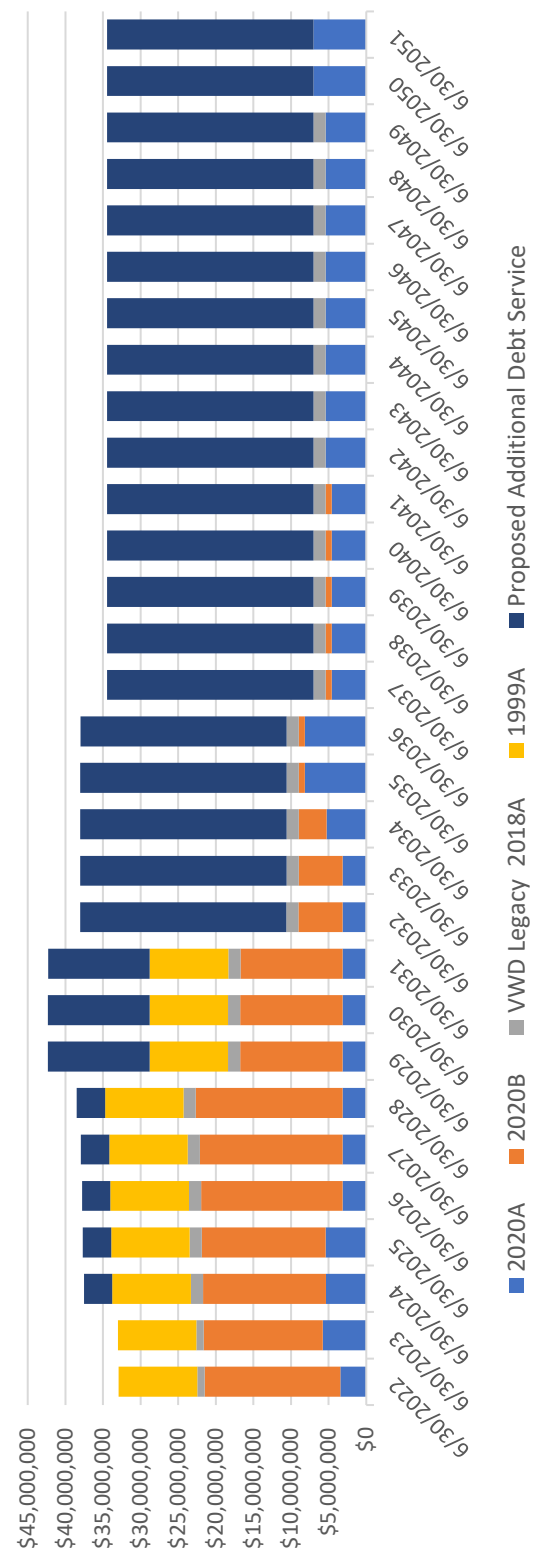
DEBT ISSUANCE ASSUMPTIONS

For planning purposes, all long-term public debt assumes traditional fixed rate bonds over 30-year terms. Additional structures are available to the Agency, including but not limited to variable bonds. Each bond issuance includes assumptions regarding underwriter fees and cost of issuance. The long-term forecast of revenues and expenses was provided by the Agency.

Scenarios 3 and 3A – WIFIA + upfront bond in FY 2023

- Bond Issuance #1: Issuance of \$75 million in proceeds at 5.0% in FY 2023 for a 30-year term (interest only thru FY 2031)
- WIFIA Loan #1: Issuance of \$196 million in proceeds at 4.5% in FY 2025 for a 35-year term
- WIFIA Loan #2: Issuance of \$125 million in proceeds at 5.0% in FY 2028 for a 35-year term

Debt Service Costs





Monthly Financial Report

OCTOBER 2022

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Statement of Revenues and Expenses

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SCV Water
Statement of Revenues and Expenses
For the 4th Period Ending 10.31.22

	(A)	(B)	(C)	(D)	Current Period			Year-to-Date		
					Actual	Budget	Variance	Percent	Actual	Budget
(1)	\$ 8,150,262	\$ 9,091,524	\$ (941,261)	(10%)	(a) Water Sales	\$ 33,939,568	\$ 40,911,858	\$ (6,972,289)	(17%)	(1)
(2)	24,362	24,448	(86)	(0%)	Water Sales - WWR	97,448	97,790	(342)	(0%)	(2)
(3)	38,496	39,051	(555)	(1%)	Water Sales - Recycled	167,299	156,204	11,095	7%	(3)
(4)	34,850	102,000	(67,150)	(66%)	Misc Fees and Charges	191,730	459,000	(267,270)	(58%)	(4)
(5)	\$ 8,247,970	\$ 9,257,023	\$ (1,009,052)	(11%)	Total Operating Revenues	\$ 34,396,045	\$ 41,624,852	\$ (7,228,806)	(17%)	(5)
					Operating Expenses					
(6)	\$ 361,872	\$ 497,913	\$ (136,041)	(27%)	(c) Management	\$ 1,284,725	\$ 1,907,514	\$ (622,789)	(33%)	(6)
(7)	1,588,120	1,906,439	(318,319)	(17%)	(d) Finance, Admin & IT	5,700,268	6,924,173	(1,223,905)	(18%)	(7)
(8)	301,889	279,318	22,571	8%	(e) Customer Care	912,048	936,895	(24,847)	(3%)	(8)
(9)	726,529	946,842	(220,313)	(23%)	(f) Trans & Distribution	3,405,783	3,532,588	(126,805)	(4%)	(9)
(10)	1,323,569	1,480,975	(157,407)	(11%)	(g) Pumping Wells & Storage	4,345,238	5,492,379	(1,147,141)	(21%)	(10)
(11)	544,540	902,478	(357,937)	(40%)	(h) Water Resources	1,895,773	3,192,464	(1,296,691)	(41%)	(11)
(12)	8,834	1,043,467	(1,034,632)	(99%)	(i) Source of Supply	888,105	4,170,517	(3,282,412)	(79%)	(12)
(13)	978,352	1,164,550	(186,198)	(16%)	(j) Water Quality, Treatment & Maintenance	4,021,710	3,872,212	149,498	4%	(13)
(14)	305,895	578,800	(272,905)	(47%)	(k) Engineering Services	1,179,038	1,780,787	(601,749)	(34%)	(14)
(15)	\$ 6,139,600	\$ 8,800,783	\$ (2,661,182)	(30%)	Total Operating Expenses	\$ 23,632,687	\$ 31,809,528	\$ (8,176,841)	(28%)	(15)
(16)	\$ 2,108,370	\$ 456,240	\$ 1,652,130	362%	Net Operating Revenues (Expenses)	\$ 10,763,359	\$ 9,815,324	\$ 948,035	10%	(16)
					Non-Operating Revenues and (Expenses)					
(17)	\$ 749,514	\$ 1,252,437	\$ (502,924)	(40%)	(l) Non-Operating Revenues ¹	\$ 2,925,200	\$ 4,776,643	\$ (1,851,443)	(39%)	(17)
(18)	(1,033,758)	(6,317,153)	5,283,394	(84%)	(m) Capital Improvement Projects - Pay Go	(4,379,590)	(25,268,610)	20,889,020	(83%)	(18)
(19)	1,748	-	1,748	0%	Debt Service	(20,288,269)	(29,909,652)	9,621,383	(32%)	(19)
(20)	\$ (282,497)	\$ (5,064,715)	\$ 4,782,218	(94%)	Net Non-Operating Revenues and (Expenses)	\$ (21,742,659)	\$ (50,401,618)	\$ 28,658,959	(57%)	(20)
(21)	\$ 1,825,873	\$ (4,608,475)	\$ 6,434,348	(140%)	Increase (Decrease) in Net Position	\$ (10,979,301)	\$ (40,586,295)	\$ 29,606,994	(73%)	(21)

Monthly Changes of more than 10% and \$20,000

- (a) Overall consumption was lower than anticipated due to conservation mandates.
- (b) Late Fees/Disconnects are lower than budgeted, in part due to the policy changes in the timing of late fees and service disconnections.
- (c) Perchlorate Litigation and Legal expenses lower than anticipated.
- (d) Payroll is lower than expected since we budgeted for three pay periods in October.
- (e) Outside Services higher than budgeted due to prior period Invoiced invoice.
- (f) Maintenance & repair expenses running lower than budget due to billing delays. However, overtime was higher than budgeted due to leaks and repairs
- (g) BMP lower than anticipated due to lower conservation participation and payroll is lower than expected since we budgeted for three pay periods in October.
- (h) Core Water Supplies paid in December and June of each year.
- (i) Timing of utility bills vary. YTD purchased power is over budget due to the reduced solar offset (solar operating at approx. 85%).
- (j) Engineering professional service expenses are lower than expected due to billing delays, i.e. Master Plan. Expected in December.
- (k) Non-Operating Revenues are lower than budgeted due to lower Facility Capacity Fees receipts and annexation reimbursements. Offset partially by an increase in investment revenue.
- (l) Timing of capital projects vary from month to month.

¹ Non-Operating Revenues include: Grants & Reimbursements, 1% Property Tax, Cell Sites, FCF, Lab Revenues, Interest Income

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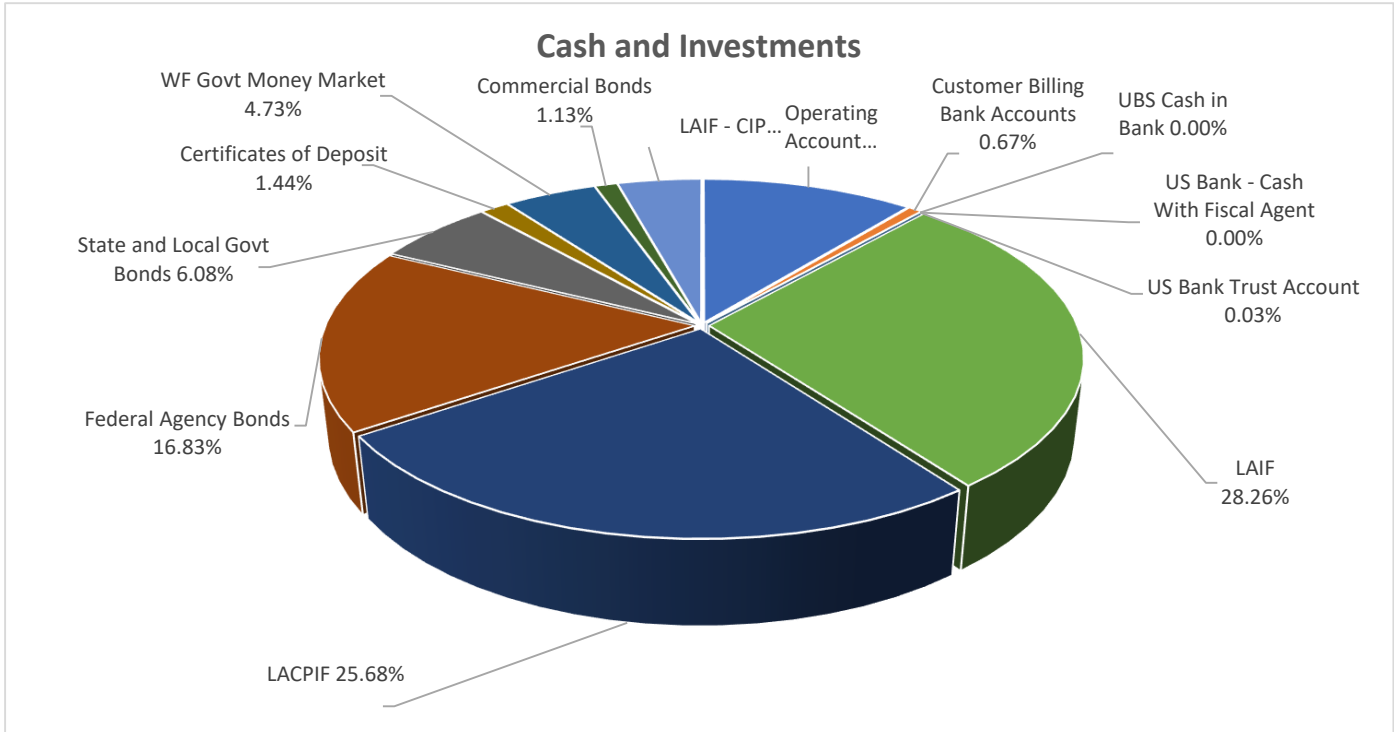
Investment Report

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Santa Clarita Valley Water Agency

Cash and Investment Summary

10/31/22



Operating Account-Incl FCF's, SWP & CIP	XXX-10101	\$	28,846,406	10.87%
Customer Billing Bank Accounts	101-10105		1,782,912	0.67%
UBS Cash in Bank	101-10109		1,298	0.00%
US Bank - Cash with Fiscal Agent	101-102XX		5,686	0.00%
US Bank Trust Account (1% Prop Tax)	101-10202		73,297	0.03%
LAIF - Operating	101-11061		74,982,415	28.26%
LAC Pooled Investment Fund	101-11062		68,177,701	25.68%
Federal Agency Bonds	101-11064		44,684,835	16.83%
State and Local Government Bonds	101-11065		16,148,995	6.08%
Certificates of Deposit	101-11066		3,823,760	1.44%
WF Government Money Mkt Fund	101-11067		12,550,791	4.73%
Commercial Bonds	101-11068		3,000,000	1.13%
LAIF - CIP	220-11002		11,367,569	4.28%
		\$	265,445,664	100.00%

Estimated Refundable Developer Deposits:

\$ 7,475,499 Included in totals

Portfolio-wide Investments:

Average Yield 1.405%

Rochelle Patterson
Treasurer/Chief Financial & Administration Officer

Amy Aguer
Controller

All investment actions executed since the last report have been made in full compliance with the Investment Policy, and the Agency will meet its expenditure obligations for the next six months as required by Government Code Section 53646(b)(2) and (3), respectively.

SCV Water
Consolidated Cash & Investment Summary
10/31/2022

	<u>Note</u>	<u>Acct #</u>	<u>Balance</u>	<u>Total</u>	<u>% of Total</u>
<u>AGENCY FUNDS</u>					
Cash & Sweep Accounts					
Operating Account-Incl FCF's, SWP & CIP		XXX-10101	28,846,406		
Less: Restricted Cash (FCFs, SWP & CIP)	1	2XX-10101	(4,478,519)		
Customer Billing - Northstar Account		101-10105	451,573		
Customer Billing - enQuesta Account		101-10107	1,331,339		
US Bank - Cash with Fiscal Agent		101-102XX	5,686		
US Bank Trust Account (1% Prop Tax)		101/204-10202	73,297		
UBS Bank Cash		101-10109	1,298		
Less: Restricted Cash US Bank Accts -SWP	1	204-10202/10205	-		
Subtotal - Cash & Sweep Accounts Unrestricted			-	\$ 26,231,078	9.88%
Investments - Unrestricted					
Local Agency Investment Fund		101/202/204-11061	\$ 74,982,415		
LAC Pooled Investment Fund		101/204-11062	68,177,701		
Federal Agency Bonds		101-11064	44,684,835		
State and Local Government Bonds		101-11065	16,148,995		
Certificates of Deposit		101-11066	3,823,760		
WF Government Money Mkt Fund		101-11067	12,550,791		
Commercial Bonds		101-11068	3,000,000		
US Bank Investment Custody Account		101-10205	-		
Less: Restricted Investments - FCF	2	202-11061	(9,811,501)		
Less: Restricted Investments - SWP	3	204-11061/11062/10205	(79,729,463)		
Subtotal - Investments Unrestricted			-	\$ 133,827,532	50.42%
Cash and Investments - Restricted					
Facility Capacity Fee Fund - Cash	4	202-10101	\$ -		
Facility Capacity Fee Fund - Investments	5	202-11061	9,811,501		
State Water Project - Cash (WF & US Bank)	6	204-10XXX	48		
State Water Project - Investments	7	204-11061/11062	79,729,463		
Subtotal - Investments Restricted			-	89,541,012	33.73%
TOTAL AGENCY CASH & INVESTMENTS			-	\$ 249,599,623	
<u>CAPITAL IMPROVEMENT PROJECT FUNDS</u>					
Cash & Sweep Accounts	8	220-10101	\$ 4,478,472		
Local Agency Investment Fund - Restricted		220-11061	11,367,569		
TOTAL CAPITAL IMPROVEMENT PROJECT FUNDS			-	\$ 15,846,041	5.97%
TOTAL CASH AND INVESTMENTS			-	\$ 265,445,664	100.00%

Notes

- 1 Less: Restricted Cash - FCF's, SWP & CIP
- 2 Less: Restricted Investments - FCF's Legacy SCWD
- 3 Less: Restricted Investments - State Water Project
- 4 Restricted Cash - FCF's (Regional Legacy)
- 5 Restricted Investments - FCF's (SCWD Legacy)
- 6 Restricted Cash - SWP (State Water Project)
- 7 Restricted Investments - SWP (State Water Project)
- 8 Restricted Cash - CIP 2020A Bond Proceeds

10/31/22

Agency-wide General Funds Invested:

Description	Cost	Rate	Yield	Purchase Date	Maturity Date	Life Days	Rem. Days	Average Interest
1 Local Agency Investment Fund (LAIF)	74,982,415	1.772%	1.772%	Various	Liquid	N/A	N/A	110,724
1 LA County Pooled Invest Fund (LACPIF)	68,177,701	2.300%	2.300%	Various	Liquid	N/A	N/A	130,674
1 Wells Fargo Gov't Money Market	12,550,791	2.800%	2.800%	Various	Liquid	N/A	N/A	29,285
3	<u>\$ 155,710,906</u>		<u>0.174%</u>					<u>270,683</u>

**State and Local Agency Investment Portfolio
Wells Fargo records these at Par value**

1 San Bernardino Com College Dist Bonds	1,050,078.70	1.964%	1.964%	03/22/22	08/01/23	497	274	20,624
1 State of California GO Bonds	1,946,780	2.250%	2.862%	01/25/19	10/01/23	1710	335	43,803
1 Semitropic Improvement District	1,302,045	2.262%	2.262%	10/30/19	12/01/23	1493	396	29,452
1 State of California GO Bonds	3,098,130	3.000%	3.000%	05/28/19	04/01/24	1770	518	92,944
1 San Diego Successor Agency	1,147,938	3.000%	2.052%	10/23/19	09/01/24	1775	671	34,438
1 L.A. Cnty MET Transp BA Bonds	3,159,800.00	5.130%	5.130%	12/29/21	06/01/25	1,250	944	162,098
1 Univ of Cal Ca Revenues Txbl-Relief	1,270,703.25	3.063%	3.063%	12/29/21	07/01/25	1,280	974	38,922
1 Cal St Txbl-Various Purpose-Bid group	3,173,520.00	2.650%	2.650%	12/29/21	04/01/26	1,554	1248	84,098
8	<u>\$ 16,148,995</u>		<u>3.142%</u>				<u>5,360</u>	<u>506,378</u>

Avg Remaining Life 670 Days

Certificates of Deposit

1 Goldman Sachs Bank - UBS CD	200,000	2.290%	2.290%	10/24/17	11/01/22	1834	1	4,580
1 UBS Bank USA Salt LA UT- UBS CD	200,000	0.150%	0.150%	11/13/20	11/21/22	738	21	300
1 WEBBANK - WF CD	250,000	0.100%	0.100%	12/28/20	12/28/22	730	58	250
1 SYNCHRONY Bank - UBS CD	200,000	1.280%	1.280%	04/13/20	04/17/23	1099	168	2,560
1 BMW Bank North AME - UBS CD	200,000	0.250%	0.250%	11/13/20	05/22/23	920	203	500
1 Beal Bank USA - WF CD	250,000	0.600%	0.600%	01/05/22	01/03/24	728	429	1,500
1 First State Bank/NE - WF CD	250,000	0.500%	0.500%	01/12/22	01/12/24	730	438	1,250
1 TIAA FSB Florida - UBS CD	200,000	0.400%	0.400%	03/31/21	04/09/24	1105	526	800
1 American National Bk - UBS CD	244,388	0.250%	0.250%	06/08/21	05/21/24	1078	568	611
1 New York Cmnty Bk - UBS CD	245,000	0.350%	0.350%	06/08/21	06/03/24	1091	581	858
1 Leader Bank NA MA - UBS CD	244,373	0.250%	0.250%	06/08/21	06/03/24	1091	581	611
1 Greenstate Credit AI US - UBS CD	245,000	0.450%	0.450%	06/08/21	06/17/24	1105	595	1,103
1 LUANA Savings Bank- WF CD	250,000	0.250%	0.250%	12/30/20	07/01/24	1279	609	625
1 Texas Exchange Bank - UBS CD	200,000	0.500%	0.500%	07/22/21	07/30/24	1104	638	1,000
1 UBS Bank - UBS CD	200,000	0.700%	0.700%	10/14/20	10/28/24	1475	728	1,400
1 Morgan Stanley PRI NY - UBS CD	245,000	1.640%	1.640%	04/01/20	03/05/25	1799	856	4,018
1 Sallie Mae Bank - UBS CD	200,000	1.880%	1.880%	11/22/19	11/20/24	1825	751	3,760
#	<u>\$ 3,823,760</u>						<u>7751</u>	<u>25,725</u>

Weighted Avg Yield 0.673%

Avg Remaining Life 456 Days

Federal Government Agency Investment Portfolio
Wells Fargo records these at Par value

1 FFCB - WF	2,000,560	0.120%	0.120%	02/02/21	01/12/23	709	73	2,401
1 FFCB - WF	2,000,000	0.180%	0.180%	01/13/21	07/13/23	911	255	3,600
1 FHLB - UBS	3,000,000	1.250%	1.125%	04/12/22	10/12/23	548	346	37,500
1 FHLB - UBS	3,000,000	1.800%	1.800%	02/28/22	02/27/24	729	484	54,000
1 FHLB - WF	2,996,580	2.125%	2.125%	03/25/22	02/28/24	705	485	63,677
1 FHLB - UBS	2,000,000	1.875%	1.875%	03/14/22	03/14/24	731	500	37,500
1 FHLB - UBS	2,000,000	1.500%	1.500%	03/25/22	03/28/24	734	514	30,000
1 FFCB - WF	5,000,000	0.270%	0.270%	01/05/21	04/05/24	1186	522	13,500
1 FHLB - UBS	200,005	0.750%	0.750%	11/24/21	05/24/24	912	571	1,500
1 FHLB - UBS	235,000	1.350%	1.350%	02/24/22	05/24/24	820	571	3,173
1 FHLB - UBS	4,500,000	0.400%	0.400%	06/08/21	08/29/24	1178	668	18,000
1 FFCB - WF	1,997,700	0.875%	0.875%	11/18/21	11/18/24	1096	749	17,480
1 FHLB - WF	2,000,000	0.400%	0.400%	02/26/21	11/26/24	1369	757	8,000
1 FHLB - WF	996,470	3.063%	3.063%	01/03/22	01/13/25	1106	805	30,522
1 FHLB - WF	2,000,000	0.690%	0.690%	06/10/21	06/10/25	1461	953	13,800
1 FNMA - WF	3,985,680	0.500%	0.500%	11/12/20	11/07/25	1821	1103	19,928
1 FNMA - WF	1,992,840	0.500%	0.500%	11/12/20	11/07/25	1821	1103	9,964
1 FHLB - UBS	280,000	0.500%	5.000%	04/15/21	04/29/26	1840	1276	1,400
1 FHLB - UBS	1,500,000	0.600%	0.600%	06/09/21	06/30/26	1847	1338	9,000
1 FHLB - UBS	3,000,000	0.500%	0.500%	06/08/21	06/30/26	1848	1338	15,000
#	<u>\$ 44,684,835</u>						<u>14411</u>	<u>389,945</u>
	Weighted Avg Yield	<u>0.894%</u>		Avg Remaining Life	<u>721</u>	Days		

Commercial Bonds

1 JP Morgan Chase Financial	3,000,000	3.125%	3.125%	05/13/22	05/13/24	731	560	93,750
1	<u>\$ 3,000,000</u>						<u>560</u>	<u>93,750</u>
	Weighted Avg Yield	3.125%		Avg Remaining Life	<u>560</u>	Days		

Cost

Portfolio-wide Investment Yield

223,368,497

Weighted Avg Yield 0.581%

Liquid Investments - LAIF, LACPIF, WF MM	155,710,906		
State and Local Agencies	<u>16,148,995</u>		
Certificates of Deposit	<u>3,823,760</u>		
Subtotals by Agency			
FED AGENCY-FHLMC	0	0%	
FED AGENCY-FNMA	5,978,520	13%	
FED AGENCY-FFCB	10,998,260	25%	
FED AGENCY-FHLB	<u>27,708,055</u>	<u>62%</u>	
	<u>44,684,835</u>	<u>100%</u>	
Commercial Bonds	3,000,000		
Agency Account Total	<u>223,368,497</u>		84

Ten Largest Disbursements Check Register

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SCV Water
Ten Largest Disbursements
October 1, 2022 to October 31, 2022

No.	Date	Paymt #	Supplier_Name	Invoice_Description	Method	Payment_Amount
1	10-19-2022	13417	Nossaman, LLP	Perchlorate Legal Services - August 2022	SCV_ACH	148,148.13
				Perchlorate Insurance Issues - July 2022	SCV_ACH	4,444.65
				Perchlorate Legal Services - July 2022	SCV_ACH	303,853.79
				Perchlorate Insurance Issues - August 2022	SCV_ACH	1,392.30
			Nossaman, LLP			457,838.87
2	10-24-2022	13463	So. California Edison Co.	Acct-4924 10/18/22 Statement	AUTO_DEBIT	372,333.63
			So. California Edison Co.			372,333.63
3	10-19-2022	13459	Rosedale-Rio Bravo Water Storage District	Power and O&M Charges - August 2022	SCV_ACH	267,279.41
			Rosedale-Rio Bravo Water Storage District			267,279.41
4	10-24-2022	13469	So. California Edison Co.	Acct-2152 10/5/22 Statement	AUTO_DEBIT	256,490.85
			So. California Edison Co.			256,490.85
5	10-05-2022	13272	Ferreira Construction Co. Inc.	Vista Canyon Ph 2B Recycled Water Main Extension Payment Request No. 08 through 7/31/22	SCV_ACH	233,762.78
			Ferreira Construction Co. Inc.			233,762.78
6	10-24-2022	13468	So. California Edison Co.	Acct-2308 10/4/22 Statement	AUTO_DEBIT	146,190.74
			So. California Edison Co.			146,190.74
7	10-19-2022	53974	72 Hour LLC	2022 Ford Maverick Vin #86652	CHECK	28,628.46
				2022 Ford Maverick Vin #86698	CHECK	28,628.46
				Ford Maverick Vin #86690	CHECK	28,299.96
				2022 Ford Maverick Vin #86704	CHECK	28,628.46
				2022 Ford Maverick Vin #86513	CHECK	28,628.46
			72 Hour LLC			142,813.80
8	10-24-2022	13470	So. California Edison Co.	Acct-5589 10/5/22 Statement	AUTO_DEBIT	132,075.53
			So. California Edison Co.			132,075.53
9	10-26-2022	54002	Hazen and Sawyer, D.P.C.	Services through 8/31/22 T&U Wells PFAS Treatment, Saugus 1 & 2 VOC Treatment, and Chemical Facilities	CHECK	125,479.00
			Hazen and Sawyer, D.P.C.			125,479.00
10	10-12-2022	13350	Thirkettle Corporation	3/4 IN I-PEARL METER	SCV_ACH	31,371.66
				1 IN I-PEARL METER	SCV_ACH	23,530.84
				1-1/2 IN OMNI T2 METER	SCV_ACH	5,944.07
				3/4 IN and 1 IN I-PEARL METERS	SCV_ACH	62,582.18
				NICOR TO TR/PL CABLE 18"	SCV_ACH	304.32
			Thirkettle Corporation			123,733.07

Total	2,257,997.68
Total-All Disbursements Issued During October 2022	5,955,991.40
Largest Ten Vendor Payments as Compared to Total	38%

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Director Stipends

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DIRECTORS STIPENDS PAID IN OCTOBER 2022
For the Month of September 2022

Director Kathy Armitage

Date	Meeting	Amount
09/06/22	One-on-One Meeting with General Manager	\$239.00
09/06/22	Regular Board Meeting	\$0.00
09/14/22	Water Resources and Watershed Committee Meeting	\$239.00
09/19/22	ACWA Region 8 Program	\$239.00
09/19/22	Finance and Administration Committee Meeting	\$0.00
09/20/22	Regular Board Meeting	\$239.00
09/28/22	ACWA Local Government Committee Meeting	\$239.00
09/30/22	Special Board Meeting	\$239.00
	Stipend Total	\$1,434.00
	Total Paid Days	6
	Total Meetings	8

Director Beth Braunstein

Date	Meeting	Amount
09/15/22	Public Outreach and Legislation Committee Meeting	\$239.00
09/19/22	Finance and Administration Committee Meeting	\$239.00
09/20/22	Regular Board Meeting	\$239.00
09/30/22	Special Board Meeting	\$239.00
	Stipend Total	\$956.00
	Total Paid Days	4
	Total Meetings	4

Director Ed Colley

Date	Meeting	Amount
09/06/22	Regular Board Meeting	\$239.00
09/09/22	SCVEDC 2022 Economic Outlook Conference	\$239.00
09/14/22	Water Resources and Watershed Committee Meeting	\$239.00
09/15/22	27th Annual AWA Member & Policymakers Reception	\$239.00
09/19/22	Finance and Administration Committee Meeting	\$239.00
09/20/22	Regular Board Meeting	\$239.00
09/30/22	Special Board Meeting	\$239.00
	Stipend Total	\$1,673.00
	Total Paid Days	7
	Total Meetings	7

Director William Cooper

Date	Meeting	Amount
09/01/22	Engineering and Operations Committee Meeting	\$239.00
09/06/22	Regular Board Meeting	\$239.00
09/09/22	SCVEDC 2022 Economic Outlook Conference	\$239.00
09/14/22	Water Resources and Watershed Committee Meeting	\$239.00
09/19/22	ACWA Region 8 Program	\$239.00
09/20/22	Regular Board Meeting	\$239.00
09/22/22	ACWA Workshop	\$239.00
09/23/22	ACWA Board Meeting	\$239.00
09/26/22	Agenda Planning Meeting	\$239.00
09/30/22	Special Board Meeting	\$239.00
	Stipend Total	\$2,390.00
	Total Paid Days	10
	Total Meetings	10

Director Jeff Ford

Date	Meeting	Amount
09/01/22	Engineering and Operations Committee Meeting	\$239.00
09/06/22	Regular Board Meeting	\$239.00
09/09/22	SCVEDC 2022 Economic Outlook Conference	\$239.00
09/14/22	Water Resources and Watershed Committee Meeting	\$239.00
09/20/22	Regular Board Meeting	\$239.00
	Stipend Total	\$1,195.00
	Total Paid Days	5
	Total Meetings	5

Director Maria Gutzeit

Date	Meeting	Amount
09/06/22	Regular Board Meeting	\$239.00
09/09/22	SCVEDC 2022 Economic Outlook Conference	\$239.00
09/14/22	Water Resources and Watershed Committee Meeting	\$239.00
09/19/22	Finance and Administration Committee Meeting	\$239.00
09/20/22	Regular Board Meeting	\$239.00
	Stipend Total	\$1,195.00
	Total Paid Days	5
	Total Meetings	5

Director Reimbursements

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CA Govt. Code Section 53065.5

List of Reimbursement for "Individual Charges" = \$100 or more

Annual Disclosure for Fiscal Year 22/23 [AP Transactions Updated as of: 10/31/2022](#)

[P-Card \(VISA\) Transactions Updated as of: 11/30/22](#) *November PCard transactions affect December cash.

DIRECTORS

Date	Recipient of Reimbursement	Reason for Reimbursement	Amount
10/01/22	Braunstein, Beth	P-CARD (VISA) - ACWA 2022 Fall Conference 11/29/22-12/01/22 - Registration	775.00
10/01/22	Colley, Edward	P-CARD (VISA) - ACWA 2022 Fall Conference 11/29/22-12/01/22 - Registration	775.00
10/01/22	Colley, Edward	P-CARD (VISA) - 2022 Economic Outlook Forecast - 09/09/22 - Registration	125.00
10/01/22	Ford, Jeff	P-CARD (VISA) - ACWA 2022 Fall Conference 11/29/22-12/01/22 - Registration	775.00
10/01/22	Martin, Gary	P-CARD (VISA) - ACWA 2022 Fall Conference 11/29/22-12/01/22 - Registration	775.00
10/01/22	Orzechowski, Piotr	P-CARD (VISA) - 7th Annual CA Water Data Summit 08/17/22-08/18/22 - Registration	213.80
10/01/22	Orzechowski, Piotr	P-CARD (VISA) - VIA Bash Morocco 11/04/22 - Registration	150.00
10/01/22	Plambeck, Lynne	P-CARD (VISA) - ACWA 2022 Fall Conference - 11/29/22-12/01/22 - Registration	620.00
			4,208.80

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Monthly Financial Report

NOVEMBER 2022

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Statement of Revenues and Expenses

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SCV Water
Statement of Revenues and Expenses
For the 5th Period Ending 11.30.22

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
	Current Period			Year-to-Date				
	Actual	Budget	Variance	Percent	Actual	Budget	Variance	Percent
(1)	\$ 7,097,679	\$ 8,182,372	\$ (1,084,692)	(13%)	\$ 41,037,248	\$ 49,094,229	\$ (8,056,981)	(16%)
(2)	24,362	24,448	(86)	(0%)	121,810	122,238	(428)	(0%)
(3)	36,862	39,051	(2,189)	(6%)	204,161	195,255	8,906	5%
(4)	45,370	91,800	(46,430)	(51%)	237,100	550,800	(313,700)	(57%)
(5)	\$ 7,204,273	\$ 8,337,670	\$ (1,133,397)	(14%)	\$ 41,600,319	\$ 49,962,522	\$ (8,362,203)	(17%)
(6)	\$ 301,692	\$ 469,867	\$ (168,175)	(36%)	\$ 1,586,416	\$ 2,377,380	\$ (790,964)	(33%)
(7)	1,461,100	1,670,211	(209,111)	(13%)	7,161,368	8,594,384	(1,433,015)	(17%)
(8)	223,177	219,192	3,985	2%	1,135,225	1,156,087	(20,863)	(2%)
(9)	749,176	862,015	(112,839)	(13%)	4,154,960	4,394,604	(239,644)	(6%)
(10)	1,230,669	1,261,235	(30,565)	(2%)	5,575,908	6,753,614	(1,177,706)	(17%)
(11)	672,934	763,662	(90,728)	(12%)	2,568,707	3,956,126	(1,387,420)	(35%)
(12)	276,112	1,043,467	(767,355)	(74%)	1,164,217	5,213,983	(4,049,767)	(78%)
(13)	1,206,913	910,850	296,063	33%	5,228,622	4,783,061	445,561	9%
(14)	308,483	400,662	(92,179)	(23%)	1,487,521	2,181,449	(693,928)	(32%)
(15)	\$ 6,430,256	\$ 7,601,161	\$ (1,170,905)	(15%)	\$ 30,062,943	\$ 39,410,689	\$ (9,347,746)	(24%)
(16)	\$ 774,017	\$ 736,509	\$ 37,508	5%	\$ 11,537,375	\$ 10,551,833	\$ 985,543	9%
(17)	\$ 796,344	\$ 1,866,228	\$ (1,069,884)	(57%)	\$ 3,721,544	\$ 6,642,871	\$ (2,921,327)	(44%)
(18)	(1,270,540)	(6,317,153)	5,046,613	(80%)	(5,650,130)	(31,585,763)	25,935,632	(82%)
(19)	(166)	-	(166)	0%	(20,288,435)	(29,909,652)	9,621,217	(32%)
(20)	\$ (474,361)	\$ (4,450,924)	\$ 3,976,563	(89%)	\$ (22,217,020)	\$ (54,852,543)	\$ 32,635,522	(60%)
(21)	\$ 299,656	\$ (3,714,415)	\$ 4,014,071	(108%)	\$ (10,679,645)	\$ (44,300,710)	\$ 33,621,065	(76%)

Monthly Changes of more than 10% and \$20,000

- (a) Overall consumption was lower than anticipated due to conservation mandates.
- (b) Late Fees/Disconnects are lower than budgeted, in part due to the policy changes in the timing of late fees and service disconnections.
- (c) Perchlorate Litigation and Legal expenses lower than anticipated.
- (d) Outside Services are lower than budgeted due to timing of billing services.
- (e) Maintenance & repair expenses running lower than budget.
- (f) Professional consultant services lower than budgeted.
- (g) Core Water Supplies paid in December and June of each year (budgeted monthly).
- (h) Timing of utility bills vary. YTD purchased power is over budget due to the reduced solar offset (solar operating at approx. 85%).
- (i) Engineering professional service expenses are lower than expected due to billing delays. i.e. Master Plan. Expected in December.
- (j) Non-Operating Revenues are lower than budgeted due to lower Facility Capacity Fees receipts and annexation reimbursements. FCF refund of \$242,961 issued in November.
- (k) Timing of capital projects vary from month to month

¹ Non-Operating Revenues include: Grants & Reimbursements, 1% Property Tax, Cell Sites, FCF, Lab Revenues, Interest Income

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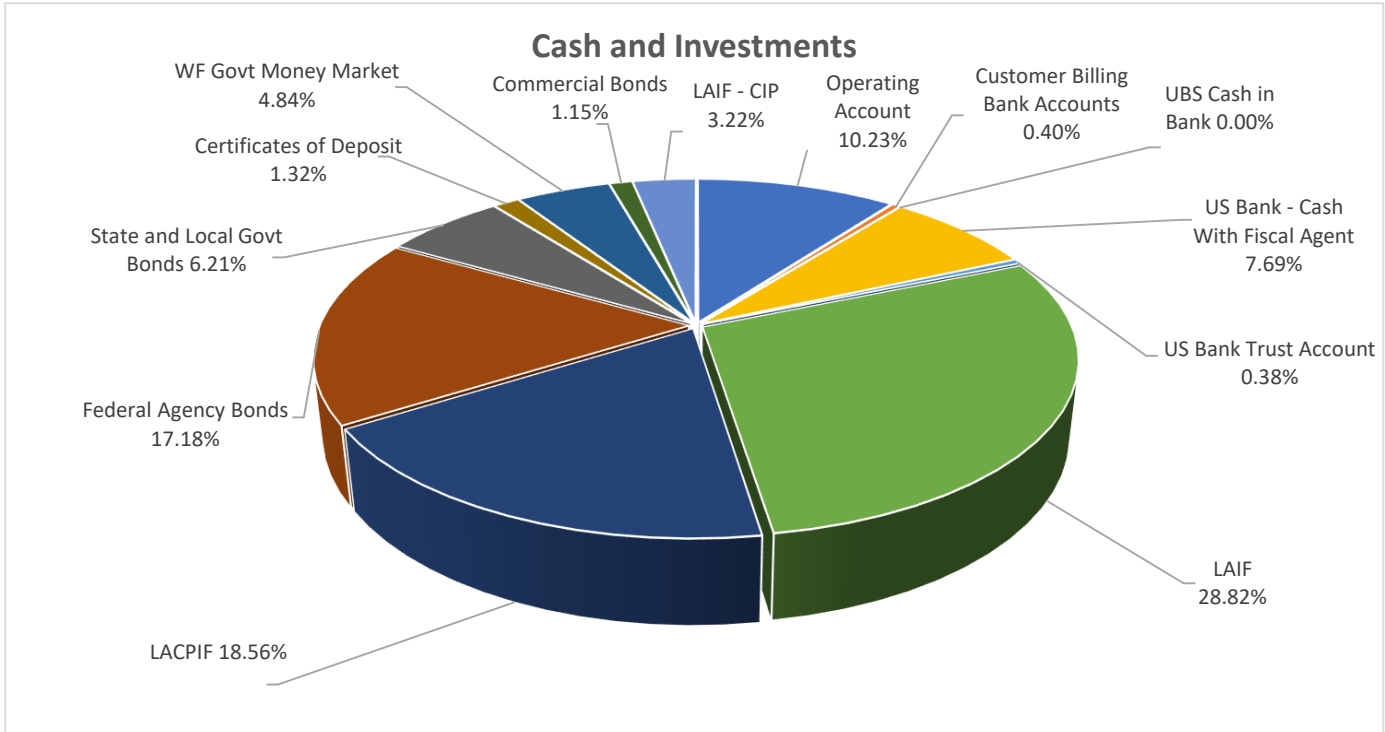
Investment Report

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Santa Clarita Valley Water Agency

Cash and Investment Summary

11/30/22



Operating Account-Incl FCF's, SWP & CIP	XXX-10101	\$	26,623,314	10.23%
Customer Billing Bank Accounts	101-10105		1,033,001	0.40%
UBS Cash in Bank	101-10109		955	0.00%
US Bank - Cash with Fiscal Agent	101-10205-21		20,007,719	7.69%
US Bank Trust Account (1% Prop Tax)	101-10202		997,646	0.38%
LAIF - Operating	101-11061		74,982,415	28.82%
LAC Pooled Investment Fund	101-11062		48,282,938	18.56%
Federal Agency Bonds	101-11064		44,684,835	17.18%
State and Local Government Bonds	101-11065		16,148,995	6.21%
Certificates of Deposit	101-11066		3,423,760	1.32%
WF Government Money Mkt Fund	101-11067		12,580,615	4.84%
Commercial Bonds	101-11068		3,000,000	1.15%
LAIF - CIP	220-11002		8,367,569	3.22%
		\$	260,133,763	100.00%

Estimated Refundable Developer Deposits:

\$ 7,486,887 Included in totals

Portfolio-wide Investments:

Average Yield 1.442%

Rochelle Patterson
Treasurer/Chief Financial & Administrative Officer

Amy Aguer
Controller

All investment actions executed since the last report have been made in full compliance with the Investment Policy, and the Agency will meet its expenditure obligations for the next six months as required by Government Code Section 53646(b)(2) and (3), respectively.

SCV Water
Consolidated Cash & Investment Summary
11/30/2022

	<u>Note</u>	<u>Acct #</u>	<u>Balance</u>	<u>Total</u>	<u>% of Total</u>
<u>AGENCY FUNDS</u>					
Cash & Sweep Accounts					
Operating Account-Incl FCF's, SWP & CIP		XXX-10101	26,623,314		
Less: Restricted Cash (FCFs, SWP & CIP)	1	2XX-10101	(3,813,716)		
Customer Billing - Northstar Account		101-10105	327,953		
Customer Billing - enQuesta Account		101-10107	705,048		
US Bank - Cash with Fiscal Agent		101-102XX	5,698		
US Bank Trust Account (1% Prop Tax)		101/204-10202	997,646		
UBS Bank Cash		101-10109	955		
Less: Restricted Cash US Bank Accts -SWP	1	204-10202	(477,250)		
Subtotal - Cash & Sweep Accounts Unrestricted			\$	24,369,648	9.37%
Investments - Unrestricted					
Local Agency Investment Fund		101/202/204-11061	\$ 74,982,415		
LAC Pooled Investment Fund		101/204-11062	48,282,938		
Federal Agency Bonds		101-11064	44,684,835		
State and Local Government Bonds		101-11065	16,148,995		
Certificates of Deposit		101-11066	3,423,760		
WF Government Money Mkt Fund		101-11067	12,580,615		
Commercial Bonds		101-11068	3,000,000		
US Bank Investment Custody Account		101-10205	20,002,021		
Less: Restricted Investments - FCF	2	202-11061	(9,811,501)		
Less: Restricted Investments - SWP	3	204-11061/11062/10205	(77,609,363)		
Subtotal - Investments Unrestricted			\$	135,684,715	52.16%
Cash and Investments - Restricted					
Facility Capacity Fee Fund - Cash	4	202-10101	\$ (177,676)		
Facility Capacity Fee Fund - Investments	5	202-11061	9,811,501		
State Water Project - Cash (WF & US Bank)	6	204-10XXX	477,279		
State Water Project - Investments	7	204-11061/11062/10205	77,609,363		
Subtotal - Investments Restricted			\$	87,720,467	33.72%
TOTAL AGENCY CASH & INVESTMENTS			\$	247,774,830	
<u>CAPITAL IMPROVEMENT PROJECT FUNDS</u>					
Cash & Sweep Accounts	8	220-10101	\$ 3,991,364		
Local Agency Investment Fund - Restricted		220-11061	8,367,569		
TOTAL CAPITAL IMPROVEMENT PROJECT FUNDS			\$	12,358,933	4.75%
TOTAL CASH AND INVESTMENTS			\$	260,133,763	100.00%

Notes

- 1 Less: Restricted Cash - FCF's, SWP & CIP
- 2 Less: Restricted Investments - FCF's Legacy SCWD
- 3 Less: Restricted Investments - State Water Project
- 4 Restricted Cash - FCF's (Regional Legacy)
- 5 Restricted Investments - FCF's (SCWD Legacy)
- 6 Restricted Cash - SWP (State Water Project)
- 7 Restricted Investments - SWP (State Water Project)
- 8 Restricted Cash - CIP 2020A Bond Proceeds

11/30/22

Agency-wide General Funds Invested:

Description	Cost	Rate	Yield	Purchase Date	Maturity Date	Life Days	Rem. Days	Average Interest
1 Local Agency Investment Fund (LAIF)	74,982,415	2.007%	2.007%	Various	Liquid	N/A	N/A	125,408
1 LA County Pooled Invest Fund (LACPIF)	48,282,938	2.740%	2.740%	Various	Liquid	N/A	N/A	110,246
1 Wells Fargo Gov't Money Market	12,580,615	3.470%	3.470%	Various	Liquid	N/A	N/A	36,379
3	<u>\$ 135,845,968</u>		<u>0.200%</u>					<u>272,033</u>

**State and Local Agency Investment Portfolio
Wells Fargo records these at Par value**

1 San Bernardino Com College Dist Bonds	1,050,078.70	1.964%	1.964%	03/22/22	08/01/23	497	244	20,624
1 State of California GO Bonds	1,946,780	2.250%	2.862%	01/25/19	10/01/23	1710	305	43,803
1 Semitropic Improvement District	1,302,045	2.262%	2.262%	10/30/19	12/01/23	1493	366	29,452
1 State of California GO Bonds	3,098,130	3.000%	3.000%	05/28/19	04/01/24	1770	488	92,944
1 San Diego Successor Agency	1,147,938	3.000%	2.052%	10/23/19	09/01/24	1775	641	34,438
1 L.A. Cnty MET Transp BA Bonds	3,159,800.00	5.130%	5.130%	12/29/21	06/01/25	1,250	914	162,098
1 Univ of Cal Ca Revenues Txbl-Relief	1,270,703.25	3.063%	3.063%	12/29/21	07/01/25	1,280	944	38,922
1 Cal St Txbl-Various Purpose-Bid group	3,173,520.00	2.650%	2.650%	12/29/21	04/01/26	1,554	1218	84,098
8	<u>\$ 16,148,995</u>		<u>3.142%</u>				<u>5,120</u>	<u>506,378</u>

Avg Remaining Life 640 Days

Certificates of Deposit

1 WEBBANK - WF CD	250,000	0.100%	0.100%	12/28/20	12/28/22	730	28	250
1 SYNCHRONY Bank - UBS CD	200,000	1.280%	1.280%	04/13/20	04/17/23	1099	138	2,560
1 BMW Bank North AME - UBS CD	200,000	0.250%	0.250%	11/13/20	05/22/23	920	173	500
1 Beal Bank USA - WF CD	250,000	0.600%	0.600%	01/05/22	01/03/24	728	399	1,500
1 First State Bank/NE - WF CD	250,000	0.500%	0.500%	01/12/22	01/12/24	730	408	1,250
1 TIAA FSB Florida - UBS CD	200,000	0.400%	0.400%	03/31/21	04/09/24	1105	496	800
1 American National Bk - UBS CD	244,388	0.250%	0.250%	06/08/21	05/21/24	1078	538	611
1 New York Cmnty Bk - UBS CD	245,000	0.350%	0.350%	06/08/21	06/03/24	1091	551	858
1 Leader Bank NA MA - UBS CD	244,373	0.250%	0.250%	06/08/21	06/03/24	1091	551	611
1 Greenstate Credit AI US - UBS CD	245,000	0.450%	0.450%	06/08/21	06/17/24	1105	565	1,103
1 LUANA Savings Bank- WF CD	250,000	0.250%	0.250%	12/30/20	07/01/24	1279	579	625
1 Texas Exchange Bank - UBS CD	200,000	0.500%	0.500%	07/22/21	07/30/24	1104	608	1,000
1 UBS Bank - UBS CD	200,000	0.700%	0.700%	10/14/20	10/28/24	1475	698	1,400
1 Morgan Stanley PRI NY - UBS CD	245,000	1.640%	1.640%	04/01/20	03/05/25	1799	826	4,018
1 Sallie Mae Bank - UBS CD	200,000	1.880%	1.880%	11/22/19	11/20/24	1825	721	3,760
15	<u>\$ 3,423,760</u>						<u>7279</u>	<u>20,845</u>

Weighted Avg Yield 0.609%

Avg Remaining Life 485 Days

Federal Government Agency Investment Portfolio
Wells Fargo records these at Par value

1 FFCB - WF	2,000,560	0.120%	0.120%	02/02/21	01/12/23	709	43	2,401
1 FFCB - WF	2,000,000	0.180%	0.180%	01/13/21	07/13/23	911	225	3,600
1 FHLB - UBS	3,000,000	1.250%	1.125%	04/12/22	10/12/23	548	316	37,500
1 FHLB - UBS	3,000,000	1.800%	1.800%	02/28/22	02/27/24	729	454	54,000
1 FHLB - WF	2,996,580	2.125%	2.125%	03/25/22	02/28/24	705	455	63,677
1 FHLB - UBS	2,000,000	1.875%	1.875%	03/14/22	03/14/24	731	470	37,500
1 FHLB - UBS	2,000,000	1.500%	1.500%	03/25/22	03/28/24	734	484	30,000
1 FFCB - WF	5,000,000	0.270%	0.270%	01/05/21	04/05/24	1186	492	13,500
1 FHLB - UBS	200,005	0.750%	0.750%	11/24/21	05/24/24	912	541	1,500
1 FHLB - UBS	235,000	1.350%	1.350%	02/24/22	05/24/24	820	541	3,173
1 FHLB - UBS	4,500,000	0.400%	0.400%	06/08/21	08/29/24	1178	638	18,000
1 FFCB - WF	1,997,700	0.875%	0.875%	11/18/21	11/18/24	1096	719	17,480
1 FHLB - WF	2,000,000	0.400%	0.400%	02/26/21	11/26/24	1369	727	8,000
1 FHLB - WF	996,470	3.063%	3.063%	01/03/22	01/13/25	1106	775	30,522
1 FHLB - WF	2,000,000	0.690%	0.690%	06/10/21	06/10/25	1461	923	13,800
1 FNMA - WF	3,985,680	0.500%	0.500%	11/12/20	11/07/25	1821	1073	19,928
1 FNMA - WF	1,992,840	0.500%	0.500%	11/12/20	11/07/25	1821	1073	9,964
1 FHLB - UBS	280,000	0.500%	5.000%	04/15/21	04/29/26	1840	1246	1,400
1 FHLB - UBS	1,500,000	0.600%	0.600%	06/09/21	06/30/26	1847	1308	9,000
1 FHLB - UBS	3,000,000	0.500%	0.500%	06/08/21	06/30/26	1848	1308	15,000

20 \$ 44,684,835 13811 389,945

Weighted Avg Yield 0.894% Avg Remaining Life 691 Days

1 JP Morgan Chase Financial 3,000,000 3.125% 3.125% 05/13/22 05/13/24 731 530 93,750

1 \$ 3,000,000 530 93,750

Weighted Avg Yield 3.125% Avg Remaining Life 530 Days

Cost

Portfolio-wide Investment Yield 203,103,558

Weighted Avg Yield 0.637%

Liquid Investments - LAIF, LACPIF, WF MM	135,845,968		
State and Local Agencies	<u>16,148,995</u>		
Certificates of Deposit	<u>3,423,760</u>		
Subtotals by Agency			
FED AGENCY-FHLMC	0	0%	
FED AGENCY-FNMA	5,978,520	13%	
FED AGENCY-FFCB	10,998,260	25%	
FED AGENCY-FHLB	<u>27,708,055</u>	<u>62%</u>	
	<u>44,684,835</u>	<u>100%</u>	
Commercial Bonds	3,000,000		
Agency Account Total	<u>203,103,558</u>		

3-Month Cashflow

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SANTA CLARITA VALLEY WATER AGENCY
3 - Month Cash Flow Projection

Cash Flow for January FY23 to March FY23

DESCRIPTION	UNRESTRICTED		RESTRICTED		
	Checking	Investments	CIP Fund	SWC	Capacity Fees
Beginning Balance (estimated):	\$ 29,900,000	\$ 135,683,000	\$ 10,631,000	\$ 91,608,000	\$ 9,933,000
January					
Cash Provided from:					
Water Sales	5,480,096	-	-	-	-
Water Sales Misc ¹	61,200	-	-	-	-
Recycled Water Sales	39,051	-	-	-	-
Non Operating Income:					
Property Taxes	9,980,699	-	-	6,077,488	-
Capacity Fees	-	-	-	-	466,667
Interest Earned	54,167	-	-	35,833	-
Communication/Rental	62,681	-	-	-	-
Grants	1,833,598	-	-	-	-
Reimbursements ²	1,331,971	-	-	-	-
Bond/Loan Proceeds	-	-	-	-	-
Other ³	1,917	-	-	-	-
Cash Used/Added to/for:					
Monthly Expenses	(7,241,226)	-	-	(216,445)	-
DWR Payments	-	-	-	(660,000)	-
Misc. Water Purchases	-	-	-	(5,313,046)	-
Debt Service	(3,304,419)	-	-	-	-
CIP	(6,317,153)	-	(3,498,417)	-	-
CalPERS UAL	-	-	-	-	-
Txfr to/from Investments	-	-	-	-	-
Projected Ending Balance Jan	\$ 31,882,582	\$ 135,683,000	\$ 7,132,583	\$ 91,531,831	\$ 10,399,667
February					
Cash Provided from:					
Water Sales	4,570,943	-	-	-	-
Water Sales Misc ¹	51,000	-	-	-	-
Recycled Water Sales	39,051	-	-	-	-
Non Operating Income:					
Property Taxes	3,387,389	-	-	2,062,663	-
Capacity Fees	-	-	-	-	466,667
Interest Earned	54,167	-	-	35,833	-
Communication/Rental	62,681	-	-	-	-
Grants	1,833,598	-	-	-	-
Reimbursements ²	1,331,971	-	-	-	-
Bond/Loan Proceeds	-	-	-	-	-
Other ³	1,917	-	-	-	-
Cash Used/Added to/for:					
Monthly Expenses	(7,106,586)	-	-	(216,445)	-
DWR Payments	-	-	-	(550,000)	-
Misc. Water Purchases	-	-	-	(1,477,570)	-
Debt Service	-	-	-	-	-
CIP	(6,317,153)	-	(3,498,417)	-	-
Txfr to/from Investments	-	-	-	-	-
Projected Ending Balance. Feb	\$ 29,791,561	\$ 135,683,000	\$ 3,634,167	\$ 91,386,312	\$ 10,866,333

SANTA CLARITA VALLEY WATER AGENCY
3 - Month Cash Flow Projection

Cash Flow for January FY23 to March FY23

DESCRIPTION	UNRESTRICTED		RESTRICTED		
	Checking	Investments	CIP Fund	SWC	Capacity Fees
Beginning Balance (estimated):	\$ 29,900,000	\$ 135,683,000	\$ 10,631,000	\$ 91,608,000	\$ 9,933,000
March					
Cash Provided from:					
Water Sales	4,570,943	-	-	-	-
Water Sales Misc ¹	51,000	-	-	-	-
Recycled Water Sales	39,051	-	-	-	-
Non Operating Income:					
Property Taxes	241,956	-	-	147,333	-
Capacity Fees	-	-	-	-	466,667
Interest Earned	54,167	-	-	35,833	-
Communication/Rental	62,681	-	-	-	-
Grants	1,833,598	-	-	-	-
Reimbursements ²	1,331,971	-	-	-	-
Bond/Loan Proceeds	-	-	-	-	-
Other ³	1,917	-	-	-	-
Cash Used/Added to/for:					
Monthly Expenses	(7,190,946)	-	-	(216,445)	-
DWR Payments	-	-	-	(550,000)	-
Misc. Water Purchases	-	-	-	(1,477,570)	-
Debt Service	-	-	-	-	-
CIP	(6,317,153)	-	(3,498,417)	-	-
Txfr to/from Investments	-	-	-	-	-
Projected Ending Balance Mar	\$ 24,470,747	\$ 135,683,000	\$ 135,750	\$ 89,325,463	\$ 11,333,000

Notes:

¹ Water Sales Misc. includes Late Charges, Misc. Retail Charges, Rebates, Drought Offense Fee and Water Sales-One time

² Reimbursements include Annexation and PERCH Reimbursements - O&M & CIP

³ Other includes Laboratory Revenues and Other Non-Operating Revenue

Debt & Cash Position

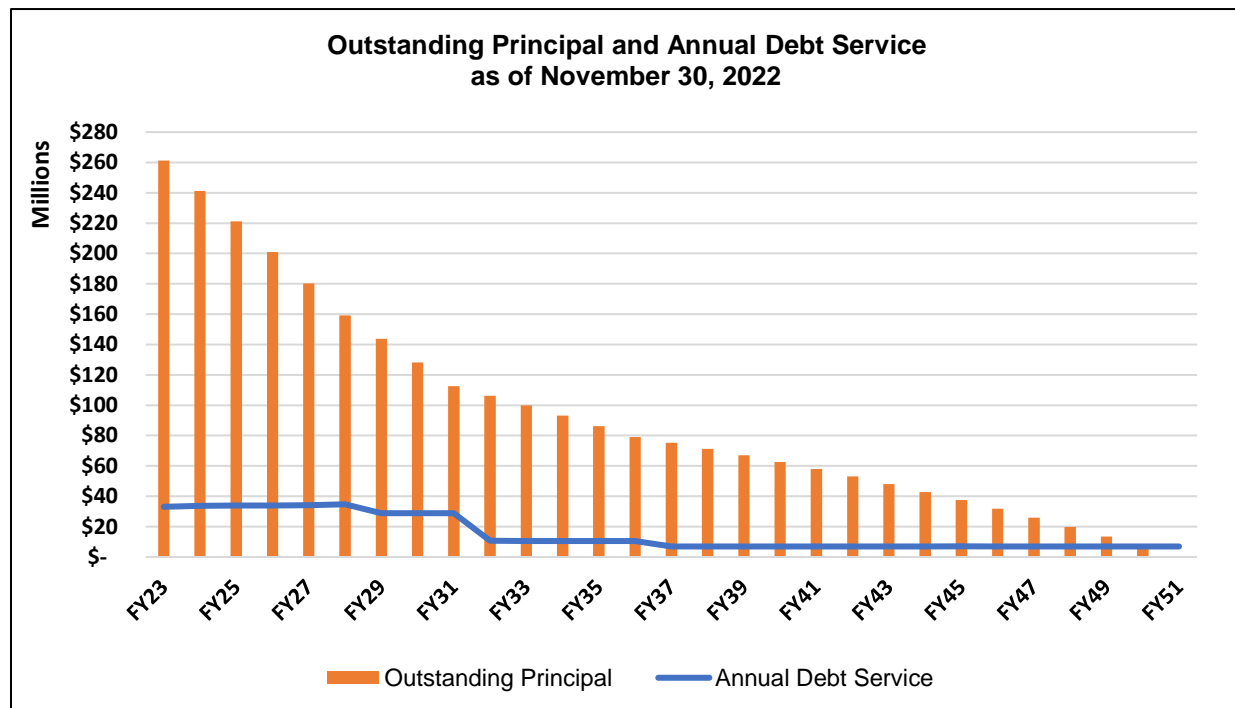
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This report reviews the Agency’s outstanding principal and debt service on an annual basis, cash balances of unrestricted, restricted, and reserve funds as of November 30, 2022, and the total current and non-current assets as of June 30, 2022.

DEBT SERVICE

The outstanding principal debt as of November 30, 2022, is \$261,195,488* with an annual debt service of \$32,214,070. The debt payments are due in August and February of each fiscal year.

The outstanding principal and annual debt service payments shown in the graph below consists of the current outstanding debt and associated payments. It does not include potential future debt which may be approved and issued to fund construction projects.



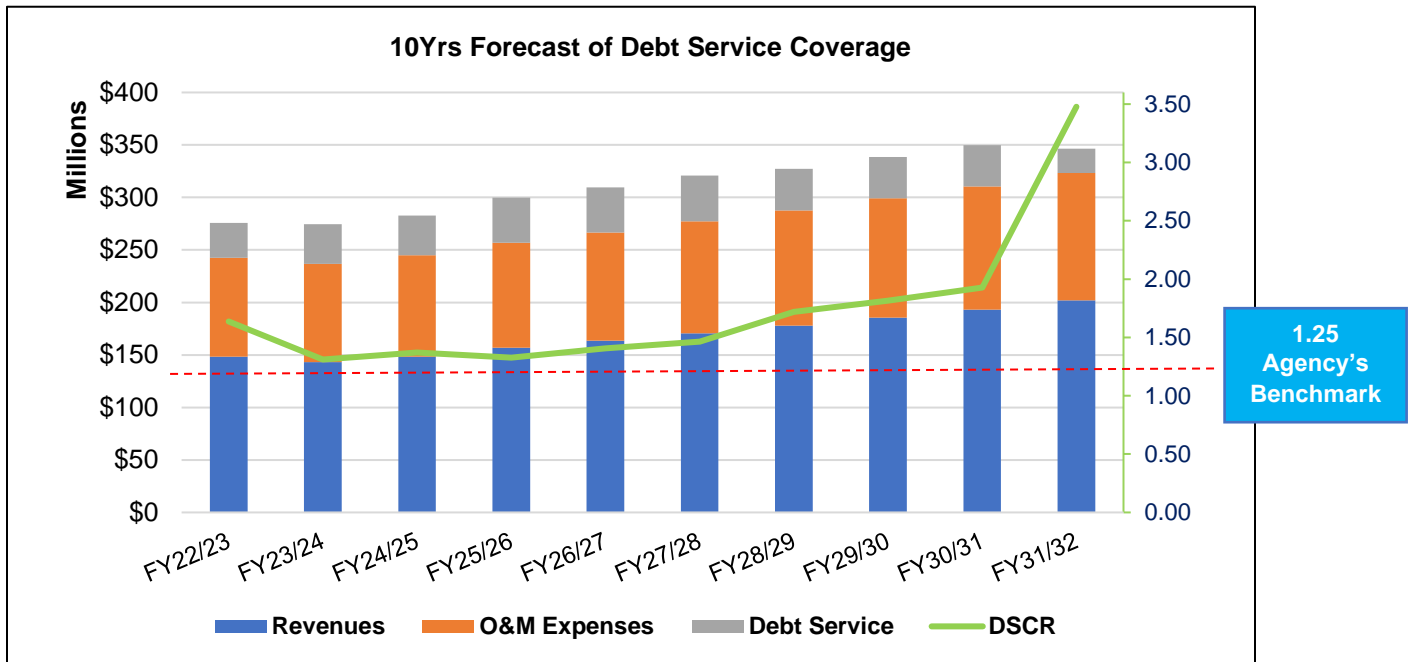
*The outstanding principal of VWD Acquisition Interfund Loan of \$64,634,523 and accreted interest from the 1999 CAB is excluded from the outstanding principal balances.

DEBT SERVICE COVERAGE RATIO

The debt-service coverage ratio (DSCR) is a measurement of the Agency's available cash flow to pay current debt obligations. The formula for the DSCR is:

$$DSCR = \text{Net Operating Income} \div \text{Total Debt Service}$$

A DSCR of less than 1 indicates negative cash flow, typically signifies that an agency will have to take on additional debt in order to satisfy current obligations. The Agency’s Debt Management Policy prohibits this action. Most businesses use a minimum DSCR ratio of 1.25 as a benchmark, which indicates that the borrower will be able to pay back the loan with some added cushion. The current bond covenants require a DSCR of 1.20.

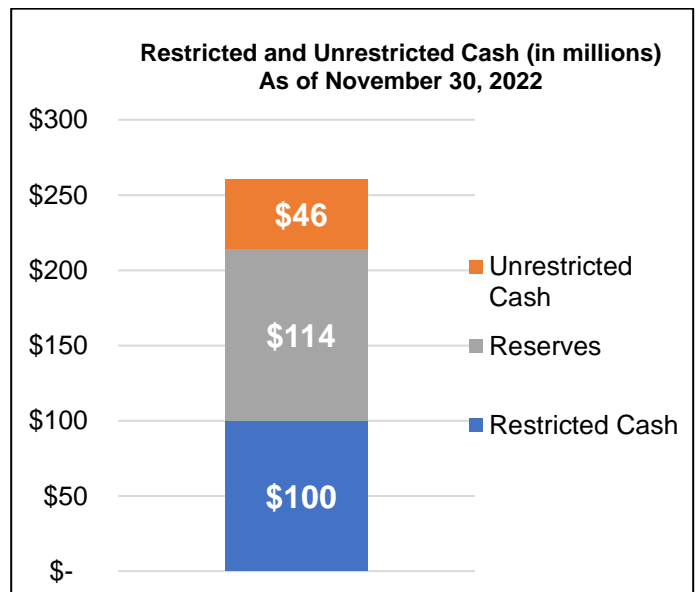


The DSCR listed above projects four (4) traditional bond financings to meet the capital needs of the Agency, estimated at \$375 million over the ten (10) year forecast. This is a forecast only and is subject to change.

CASH POSITION

As of November 30, 2022, the Agency has:

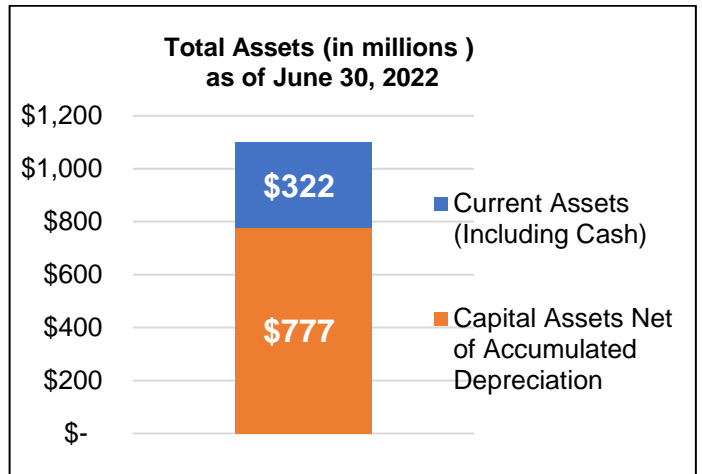
- Fully funded reserve balance of \$113,990,701 as per the agency policy, and
- Restricted cash of \$100,079,401 which includes the Facility/Retail Capacity Fee Funds, State Water Project Fund, and remaining Bond Proceeds, and
- Unrestricted cash of \$46,063,662 to meet the Agency's payment obligations such as operating expenses (including debt service), payroll expenses, insurance, CIP Pay-Go, etc.



TOTAL ASSETS

As of June 30, 2022 (audited), the total assets consist of:

- Current Assets including cash and restricted funds with a balance of \$321,682,870, and
- Capital Assets Net of Accumulated Depreciation with a balance of \$777,101,760 from FY2022 ACFR (See note 5)



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Ten Largest Disbursements Check Register

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SCV Water
Ten Largest Disbursements
November 1, 2022 to November 30, 2022

No.	Date	Paymt #	Supplier_Name	Invoice_Description	Method	Payment_Amount
1	11-02-2022	54065	Pacific Hydrotech Corporation	ESFP Washwater Return and Sludge Collection Project, Progress Payment through 9/20/22	CHECK	1,536,216.50
	Pacific Hydrotech Corporation					1,536,216.50
2	11-22-2022	54335	Pacific Hydrotech Corporation	ESFP Washwater Return and Sludge Collection Project, Progress Payment through 10/20/22	CHECK	1,433,521.50
	Pacific Hydrotech Corporation					1,433,521.50
3	11-16-2022	13745	Association Of California Water Agencies Joint Power Insurance Authority	Premium for 10/1/22 - 9/30/23 Policy Year Auto and General Liability	SCV_ACH	1,432,639.26
	Association Of California Water Agencies Joint Power Insurance					1,432,639.26
4	11-09-2022	54152	Department of Water Resources	Monthly Variable - SEP2022 Contract 160213	CHECK	856,141.00
	Department of Water Resources					856,141.00
5	11-29-2022	13841	So. California Edison Co.	Acct-2152 11/8/22 Statement	AUTO_DEBIT	495,056.66
	So. California Edison Co.					495,056.66
6	11-16-2022	13758	Vista Canyon Ranch, LLC	Facility Capacity Refunds for Vista Canyon	SCV_ACH	242,961.00
	Vista Canyon Ranch, LLC					242,961.00
7	11-23-2022	13786	Zim Industries, Inc.	Replacement (Saugus 3 & 4) Wells Construction Project, Progress Payment through 10/31/22	SCV_ACH	238,450.00
	Zim Industries, Inc.					238,450.00
8	11-29-2022	13844	So. California Edison Co.	Acct-4924 11/17/22 Statement	AUTO_DEBIT	222,413.09
	So. California Edison Co.					222,413.09
9	11-23-2022	13812	Evoqua Water Technologies, LLC.	Resin Exchange Fill of HP1220HF (W2T833650)Supply of 547cuft of PSR2 Plus for one (1) vessel	SCV_ACH	212,173.28
	Evoqua Water Technologies, LLC.					212,173.28
10	11-02-2022	13604	Semitropic Water Storage District	Water Withdrawal - Sep 2022	SCV_ACH	187,253.44
	Semitropic Water Storage District					187,253.44

Total 6,856,825.73

Total-All Disbursements Issued During November 2022 11,389,626.42

Largest Ten Vendor Payments as Compared to Total 60%

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Director Stipends

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Director Reimbursements

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CA Govt. Code Section 53065.5

List of Reimbursement for "Individual Charges" = \$100 or more

Annual Disclosure for Fiscal Year 22/23 AP Transactions Updated as of: 11/30/2022

P- Card (VISA) Transactions Updated as of: 11/30/22 *November PCard transactions affect December cash.

DIRECTORS

Date	Recipient of Reimbursement	Reason for Reimbursement	Amount
			7,786.15

Nothing to report for November

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**Finance and Administration Committee
Planning Calendar
FY 2022/23**

Item	July 5 Board	July 18 Comm	Aug 2 Board	Aug 15 Comm (Q4)	Sept 6 Board	Sept 19 Comm	Sept 20 Board	Oct 4 Board	Oct 24 RESCHED Comm	Nov 1 Board	Nov 15 Board	Nov 21 Comm (Q1)	Dec 6 Board	Dec 12 RESCHED Comm	Dec 20 Board	Jan 3 Board	Jan 23 RESCHED Comm	Feb 7 Board	Feb 27 RESCHED Comm (Q2)	Mar 7 Board	Mar 20 Comm	Mar 21 Board	April 4 Board	April 17 Comm	May 2 Board	May 15 Comm (Q3)	June 6 Board	June 19 Comm
1	Recommend Approval of Resolution Authorizing July 2022 Water Supply Contract Payment (consent)	C																										
2	Recommend Approval of Resolutions Setting Santa Clara Valley Water Agency Tax Rate for FY 2022/23 and Requesting Levy of Tax by Los Angeles County and Ventura County (consent)	C																										
3	Recommend Approval of Revised Agency Classification Plan and Position Control	C																										
4	Recommend Approval of Revised Capitalization Policy for Fixed Assets	C																										
5	Recommend Receiving and Filing of April 2022 Monthly Financial Report (consent)	C																										
6	Recommend Approval of a Resolution Authorizing FY 2022/23 Water Supply Contract Payments (consent)		C	C																								
7	Recommend Approval of a Contract Amendment with Robert D. Niehaus, Inc. for Ratepayer Advocate Services		C	C																								
8	Recommend Approval of a Contract with Chandler Asset Management, Inc. for As-Needed Investment Advisory Services		C	C																								
9	Recommend Receiving and Filing of May 2022 Monthly Financial Report (consent)		C	C																								

ITEM NO.
10

**Finance and Administration Committee
Planning Calendar
FY 2022/23**

Item	July 5 Board	July 18 Comm	Aug 2 Board	Aug 15 Comm (Q4)	Sept 6 Board	Sept 19 Comm	Sept 20 Board	Oct 4 Board	Oct 24 RESCHED Comm	Nov 1 Board	Nov 15 Board	Nov 21 Comm (Q1)	Dec 6 Board	Dec 12 RESCHED Comm	Dec 20 Board	Jan 3 Board	Jan 23 RESCHED Comm	Feb 7 Board	Feb 27 RESCHED Comm (Q2)	Mar 7 Board	Mar 20 Comm	Mar 21 Board	April 4 Board	April 17 Comm	May 2 Board	May 15 Comm (Q3)	June 6 Board	June 19 Comm
10				C	C																							
11				C	C																							
12				C	C																							
13				C	C																							
14				C																								
15				C																								
16				C	C																							
17						C		C																				
18						C		C																				
19						C		C																				
20						C																						
21						C		C																				
22							C																					
23								C																				

**Finance and Administration Committee
Planning Calendar
FY 2022/23**

Item	July 5 Board	July 18 Comm	Aug 2 Board	Aug 15 Comm (Q4)	Sept 6 Board	Sept 19 Comm	Sept 20 Board	Oct 4 Board	Oct 24 RESCHED Comm	Nov 1 Board	Nov 15 Board	Nov 21 Comm (Q1)	Dec 6 Board	Dec 12 RESCHED Comm	Dec 20 Board	Jan 3 Board	Jan 23 RESCHED Comm	Feb 7 Board	Feb 27 RESCHED Comm (Q2)	Mar 7 Board	Mar 20 Comm	Mar 21 Board	April 4 Board	April 17 Comm	May 2 Board	May 15 Comm (Q3)	June 6 Board	June 19 Comm	
24	Recommend Approval of a Revised Employee Manual Policy No. 18 - Other Benefits																												
25	Recommend Approval of Contract Renewal of Enterprise GIS Software License Agreement with ESRI							C	C	C	C																		
26	Discuss Pay-Go, Debt Projections and Future Rate Impact Scenarios							C	C																				
27	Recommend Receiving and Filing of August 2022 Monthly Financial Report (consent)							C	C	C	C																		
28	Recommend Approval of a Revised Employee Policy No. 40 - Flexible Workplace Program Policy											C	C																
29	Recommend Approval of a Revised Customer Service Policy											C	C																
30	Recommend Approval of a Contract Renewal with Systems & Software, Inc. for enQuesta Customer Service System Maintenance and Support											C	C																
31	Recommend Approval of Employee Manual No. 42 - Internship Program											C	C																
32	Fleet and Warehouse Update											C	C																
33	Recommend Receiving and Filing of September 2022 Monthly and FY 2022/23 First Quarter Financial Report (not consent)											C	C																
34	Recommend Receiving and Filing of SCV Water Annual Comprehensive Financial Report (ACFR) ended June 30, 2022													C	P														
35	Recommend Approval of Contract and Materials for Microwave Upgrade Project																												
36	Overview and Discussion of Bill Pay Options																												

**Finance and Administration Committee
Planning Calendar
FY 2022/23**

Item	July 5 Board	July 18 Comm	Aug 2 Board	Aug 15 Comm (Q4)	Sept 6 Board	Sept 19 Comm	Sept 20 Board	Oct 4 Board	Oct 24 RESCHED Comm	Nov 1 Board	Nov 15 Board	Nov 21 Comm (Q1)	Dec 6 Board	Dec 12 RESCHED Comm	Dec 20 Board	Jan 3 Board	Jan 23 RESCHED Comm	Feb 7 Board	Feb 27 RESCHED Comm (Q2)	Mar 7 Board	Mar 20 Comm	Mar 21 Board	April 4 Board	April 17 Comm	May 2 Board	May 15 Comm (Q3)	June 6 Board	June 19 Comm
37	Recommend Approval of a Contract with S&S and Associated Costs for Meter Device Management System Project																P	P										
38	Recommend Approval of a Resolution Establishing a Health Reimbursement Arrangement (HRA) with IGOE for Retired Employees																P	P										
39	Discuss Implementing a Credit Card Processing Fee																P											
40	Continued Discussion of Ratepayer Assistance Programs																P											
41	Review Financing Plan Options and Preliminary Financing Schedule (Preliminary and Subject to Change)																P	P										
42	Recommend Receiving and Filing of October 2022 Monthly Financial Report (consent)																P	P										
43	Recommend Receiving and Filing of November 2022 Monthly Financial Report (consent)																P	P										
44	Recommend Approval of Valencia Retail Capacity Fee																		P	P								
45	Recommend Approval of a Revised Debt Management Policy																		P	P								
46	Recommend Approval of a Reimbursement Resolution for Bond Financing and Other Various Related Actions																		P	P								
47	Review Budget Calendar																		P	P								
48	FY 2022/23 Mid-Year Budget Review																		P	P								
49	Technology Update																		P	P								
50	Fleet and Warehouse Update																		P	P								
51	Recommend Receiving and Filing of December 2022 and FY 2022/23 Second Quarter Financial Report (not consent)																		P	P								

**Finance and Administration Committee
Planning Calendar
FY 2022/23**

Item	July 5 Board	July 18 Comm	Aug 2 Board	Aug 15 Comm (Q4)	Sept 6 Board	Sept 19 Comm	Sept 20 Board	Oct 4 Board	Oct 24 RESCHED Comm	Nov 1 Board	Nov 15 Board	Nov 21 Comm (Q1)	Dec 6 Board	Dec 12 RESCHED Comm	Dec 20 Board	Jan 3 Board	Jan 23 RESCHED Comm	Feb 7 Board	Feb 27 RESCHED Comm (Q2)	Mar 7 Board	Mar 20 Comm	Mar 21 Board	April 4 Board	April 17 Comm	May 2 Board	May 15 Comm (Q3)	June 6 Board	June 19 Comm	
52	Recommend Approval of a Proposed Employee Salary Adjustment (COLA) for FY 2023/24																												
53	Review Annual List of Professional Services Contracts (consent)																												
53	Recommend Receiving and Filing of January 2023 Monthly Financial Report (consent)																												
54	Recommend Approval of a Resolution Adopting the FY 2023/24 and FY 2024/25 Biennial Budget																							P	P				
55	Recommend Receiving and Filing of February 2023 Monthly Financial Report (consent)																							P	P				
56	Approve a Resolution Adopting the Appropriation of All As-Yet Unappropriated Funds for FY 2022/23 (consent)																												
57	Approve a Resolution Adopting the Appropriation Limit for FY 2023/24 (consent)																												
58	Recommend Approval of a Reimbursement Resolution for Bond Financing and Other Various Related Actions																												
59	Technology Update																												
60	Fleet and Warehouse Update																												
61	Recommend Receiving and Filing of March 2022 and FY 2022/23 Third Quarter Financial Report (not consent)																												
62	Recommend Receiving and Filing of April 2022 Monthly Financial Report (consent)																												

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