NOTICE OF MEETING

OF THE

REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE

OF THE



WILL BE HELD ON

THURSDAY, APRIL 6, 2017 4:30 P.M.

EVENT ROOM – BUILDING B AT THE OFFICE OF THE AGENCY 6075 KIMBALL AVENUE, BUILDING A CHINO, CA 91710



Regional Sewerage Program Policy Committee Meeting

AGENDA Thursday, April 6, 2017 4:30 p.m.

Location

Inland Empire Utilities Agency Event Room – Building B 6075 Kimball Avenue Chino, CA 91710

Call to Order and Roll Call

Pledge of Allegiance

Public Comment

Changes/Additions/Deletions to the Agenda

- 1. Technical Committee Report (Oral)
- 2. Action Item
 - A. Approval of the March 2, 2017 Meeting Minutes
- 3. Informational Items
 - A. Regional Contract Update/Renewal (Oral)
 - B. Septic to Sewer Feasibility Study Update
 - C. Budget Workshop
- 4. Receive and File
 - A. 2016/17 Second Quarter Budget Variance
 - B. Building Activity Update
 - C. Recycled Water Distribution Operations Summary
- 5. Other Business
 - A. IEUA General Manager's Update
 - B. Committee Member Requested Agenda Items for Next Meeting
 - C. Committee Member Comments
 - D. Next Meeting April 6, 2017

Regional Sewerage Program Policy Committee Meeting Agenda April 6, 2017 Page 2 of 2

6. Adjournment

DECLARATION OF POSTING

I, Laura Mantilla, Executive Assistant of the Inland Empire Utilities Agency, A Municipal Water District, hereby certify that a copy of this agenda has been posted by 5:30 p.m. in the foyer at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA on Monday, April 3, 2017.

Laura Mantilla

ACTION ITEM **2A**

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Regional Sewerage Program Policy Committee Meeting

MINUTES OF MARCH 2, 2017 MEETING

CALL TO ORDER

A meeting of the IEUA/Regional Sewerage Program – Policy Committee was held on Thursday, March 2, 2017, at the Inland Empire Utilities Agency located at 6075 Kimball Avenue, Chino, California. Chairman Armendarez, City of Fontana, called the meeting to order at 4:30 p.m.

ATTENDANCE

Committee Members:

Earl Elrod	City of Chino	
Peter Rogers	City of Chino Hills	
Luis Cetina	Cucamonga Valley Water District	
Jesse Armendarez	City of Fontana	
Jim Bowman	City of Ontario	
Debbie Stone	City of Upland	
Kati Parker	Inland Empire Utilities Agency	

Others Present:

Patricia Martinez	City of Montclair	
Chuck Hays	City of Fontana	
Katie Gienger	City of Ontario	
Jesus Plasencia	City of Chino	
Braden Yu	Cucamonga Valley Water District	
Joseph Grindstaff	Inland Empire Utilities Agency	
Christina Valencia	Inland Empire Utilities Agency	
Chris Berch	Inland Empire Utilities Agency	
Sylvie Lee	Inland Empire Utilities Agency	
Shaun Stone	Inland Empire Utilities Agency	

PLEDGE OF ALLEGIANCE

Committee Member Jim Bowman led those present in the pledge of allegiance to the flag. A quorum was present.

PUBLIC COMMENTS

There were no public comments.

1. TECHNICAL COMMITTEE REPORT

Chuck Hays/IEUA stated that the Technical Committee met on February 23, 2017. He reported that the only action item was the approval of the minutes.

2. ACTION ITEMS

A. <u>Approval of Minutes of November 3 and December 6, 2016 Regional Policy Committee</u> Meeting

<u>Motion</u>: By Debbie Stone/ City of Upland and seconded by Jim Bowman/ City of Ontario to approve the minutes of the November 3 and December 6, 2016 Regional Policy Committee meetings.

<u>Motion carried:</u> Unanimously, with Chair Armendarez/City of Fontana and Peter Rogers/City of Chino Hills abstaining.

3. INFORMATIONAL ITEMS

A. RP-5 Expansion Preliminary Design Report (PDR)

Shaun Stone/IEUA gave a presentation on the RP-5 Expansion Preliminary Design (PDR). He reviewed the RP-1 and RP-5 expansion schedule and stated that the predesign will be completed in March 2017. IEUA will be moving forward with the design contract in April 2017. The RP-5 expansion will begin in May 2019. The design phase for RP-1 will start in July 2023 then the construction phase in January 2026.

He reported that at February's IEUA Board Workshop meeting three objectives were presented: RP-1 liquids treatment alternatives for recovering capacity, RP-1 solids treatment and advanced water treatment. For the liquids treatment expansion, Mr. Stone went over the four alternatives cost analysis and informed the Committee that IEUA selected alternative four — MBR retrofit without additional train. Mr. Stone then gave an overview of the solids and liquids project cost of RP-1. The estimated total expansion cost is \$230 million. The project is expected to start in six years and to be completed in 2029.

Mr. Stone stated that IEUA looked at several advanced water treatment alternatives. The projected cost for constructing the advanced water treatment at RP-5 is \$40 million and \$65 million for RP-1, noting that it does not include price for pipelines or injection wells. He indicated the next steps is to finalize the PDR which is scheduled for Board adoption in March and IEUA will be working through the final design scope of work with Parsons. Mr. Stone explained the following advantages of amending the Parsons contract: it is consistent with 2015 request for proposal; Parsons intrinsic knowledge of PDR and maintained to the project schedule. The requirements of the amendment is to get the final PDR. Parsons will provide the design scope fee which will be in the range of \$13M - \$15 million. IEUA is validating by conducting survey of

design fees of similar projects. Mr. Stone further stated that IEUA would like member agencies to be part of the process and to let him know if they are interested in participating. Joseph Grindstaff/IEUA stated that the plan is to do the projects in phases. If the President is successful in getting an infrastructure program in place, that would allow IEUA to obtain grants to subsidize the cost of RP-1.

B. Regional Contract Update/Renewal Update

Chuck Hays/City of Fontana informed the Committee that IEUA and member agencies entered into a Regional Contract, which will expire in 2023. Due to the major projects that are coming up, IEUA and member agencies agreed to start moving forward with the renewal. The first step in the schedule was for member agencies to submit a draft term sheet to IEUA in March and an update in April.

C. 2017A Refunding Bond Update

Christina Valencia/IEUA gave an update on the refinancing of the 2008A Bonds (now 2017A Bonds). She stated that this item was presented to the Committee on December 16, 2016 in which she reviewed the various scenarios and financing options that IEUA had evaluated, including the recommendation from the city of Ontario; doing a full refinancing. Ms. Valencia stated that market conditions favored staff's recommended combination of refinancing and early repayment. She reported that the realized savings well over exceeded what was estimated, resulting in gross savings of \$129 million; net present value savings close to \$37 million and all-in interest rate cost of 2.82%. She highlighted the significant reductions achieved: a reduction in outstanding debt of \$57.4 million; reduction of \$185.3 million in total debt service costs over the life of the bonds and reduced repayment term by five years.

D. Fund Overview

Christina Valencia/IEUA gave a brief overview of the Agency program funds. She stated that IEUA uses fund accounting to track program activities, revenues and cost. She indicated that most funds track operation expenses, capital cost and debt service cost. The exception is Regional Wastewater Program which is comprised of the Operations and Maintenance Fund and the Capital Improvement Fund, consistent with the Regional Sewerage Service Contract. She reviewed the following funds: Administrative Services Fund, Groundwater Recharge, Recycled Water, Water Resources, Regional Wastewater Capital, Regional Wastewater Operations and Maintenance and Non-Reclaimable Wastewater.

4. RECEIVE AND FILE

A. Operations Summary Update

The Operations Summary Update was received and filed by the Committee

B. Building Activity Report – YTD Fiscal Year 2016/17

The Building Activity Report (YTD) was received and filed by the Committee.

C. Recycled Water Distribution - Operations Summary

The Recycled Water Distribution Operations Summary was received and filed by the Committee.

5. OTHER BUSINESS

A. IEUA General Manager's Update

Joseph Grindstaff introduced board director Kati Parker to the Committee. He stated that she will be the representative for IEUA Regional Policy Committee.

B. Committee Member Requested Agenda Items for Next Meeting

None.

C. Committee Member Comments

• Earl Elrod asked IEUA if the Committee for a list of the Regional Policy Committee.

D. Next Meeting - April 6, 2017

Chairman Armendarez stated that he will not be attending the meeting on April 6 – meeting will be led by Vice Chair, City of Montclair.

6. ADJOURNMENT – Meeting was adjourned at 5:20 p.m.

Transcribed by:		
	Laura Mantilla	
	Executive Assistant, IEUA	

INFORMATION ITEM

3B

Septic to Sewer Feasibility Study Update



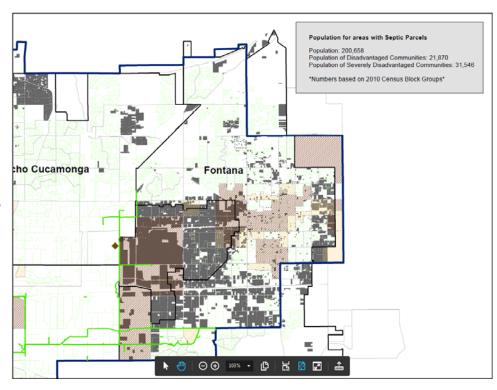






Feasibility Study Project Goals

- Feasibility Study Goal Conversion of septic users to sewer service
 - Cost Effectiveness ranked based on grant funding
 - Groundwater quality benefits
 - Sewer Capacity Analysis
 - Analysis of Associated Costs
 - Low Impact Development Considerations
 - Overall Benefits to the Region
 - IEUA Recycled Water Program Impacts





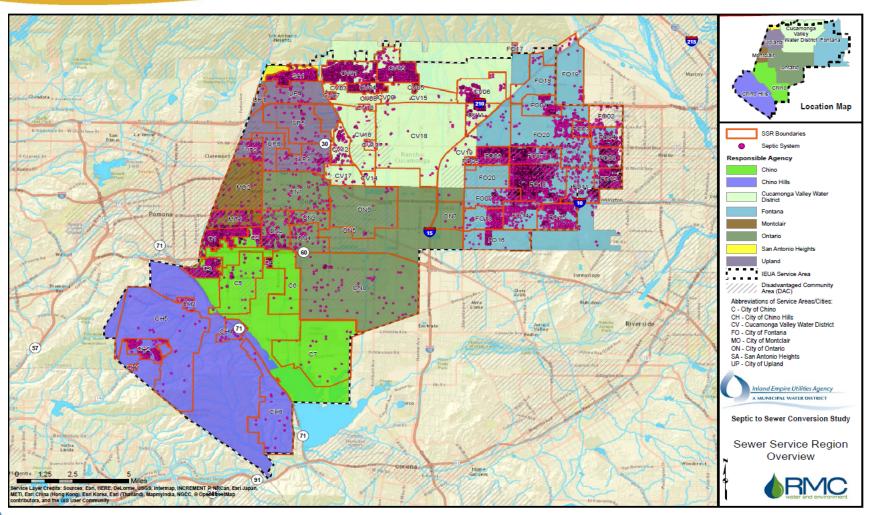
Feasibility Study Progress Update

Parcel Screening for Septic Systems

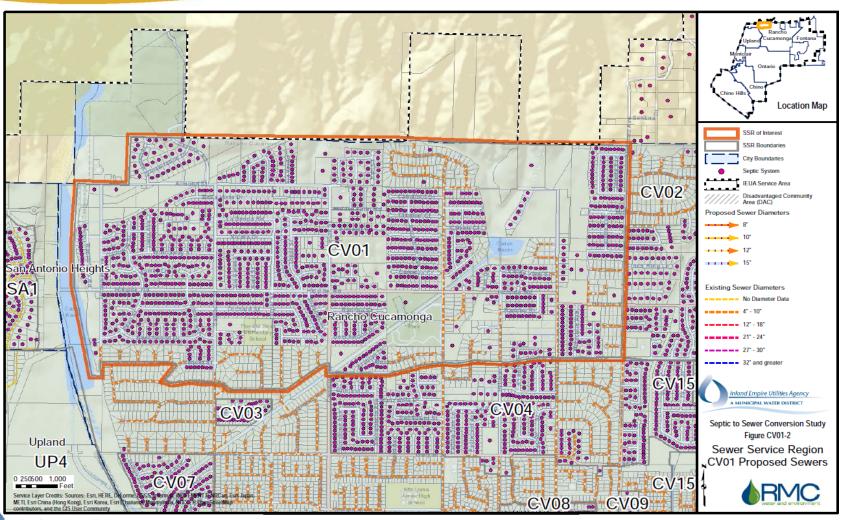
- Reviewed by IEUA and Contracting Agencies
- ~15% of the parcels identified needed additional confirmation as located adjacent to known sewer lines.
- ~21,000 septic system parcels in service area
- RMC established Sewer Service Regions (SSRs)
 - Comments on SSRs requested from all Contracting Agencies
 - Four of seven Contracting Agencies provided comments
- Planning grant through State Water Resources Control Board in process
 - Disadvantaged and severely disadvantaged communities
 - Opportunities to incorporate stormwater management & low-impact development
 - \$500,000 max/city
 - Fontana service area submitted, others to follow



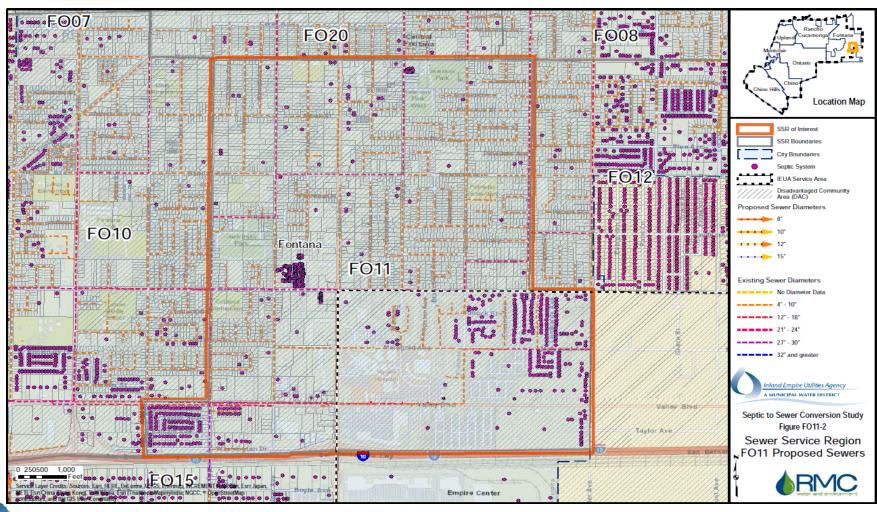
Feasibility Study Progress Update



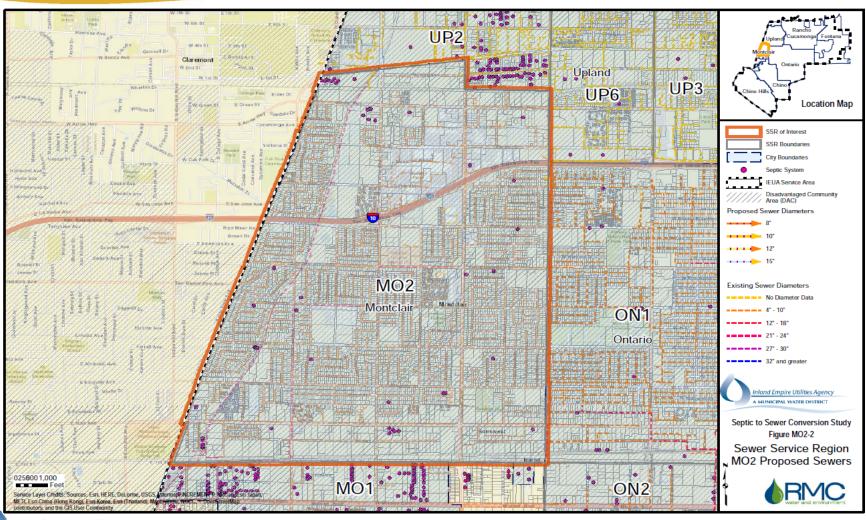
CVWD SSR Example



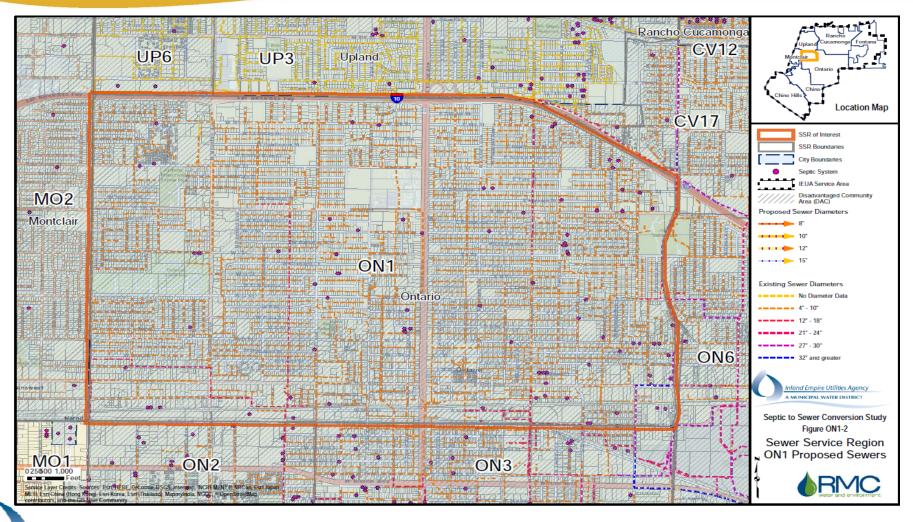
Fontana SSR Example



Montclair SSR Example



Ontario SSR Example



Next Steps

- Assessment of current sewer system capacity for SSRs (Feb. May 2017)
 - Contracting Agency and IEUA Collection Systems
- Development of master sewer layout for SSRs & estimation of costs (Feb. May 2017)
- SSRs prioritization based on information from Contracting Agencies (May June 2017)
 - Cost
 - Disadvantaged communities
 - Groundwater impacts
 - Proximity to existing sewers
 - Multiple benefits (stormwater/recycled water)
- Draft & final feasibility study (May July 2017)
 - Contracting Agency representatives have opportunity to comment on draft





Septic to Sewer Feasibility Study Update



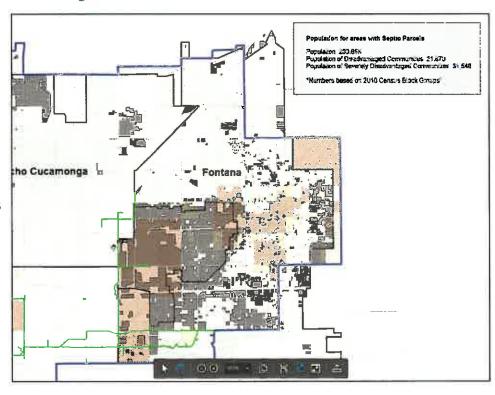






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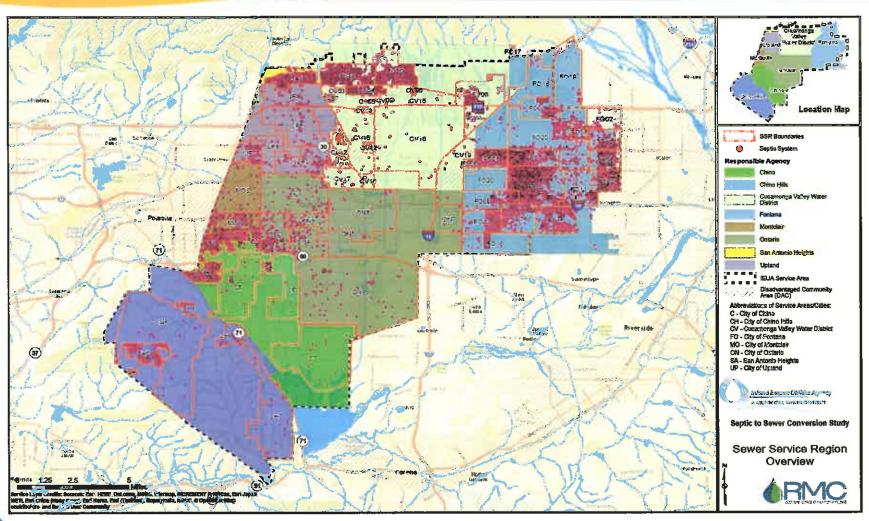
Feasibility Study Progress Update

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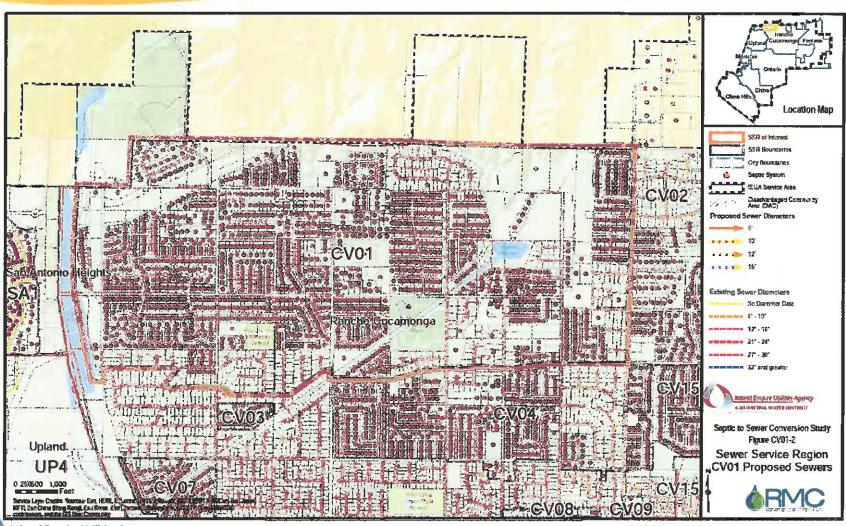
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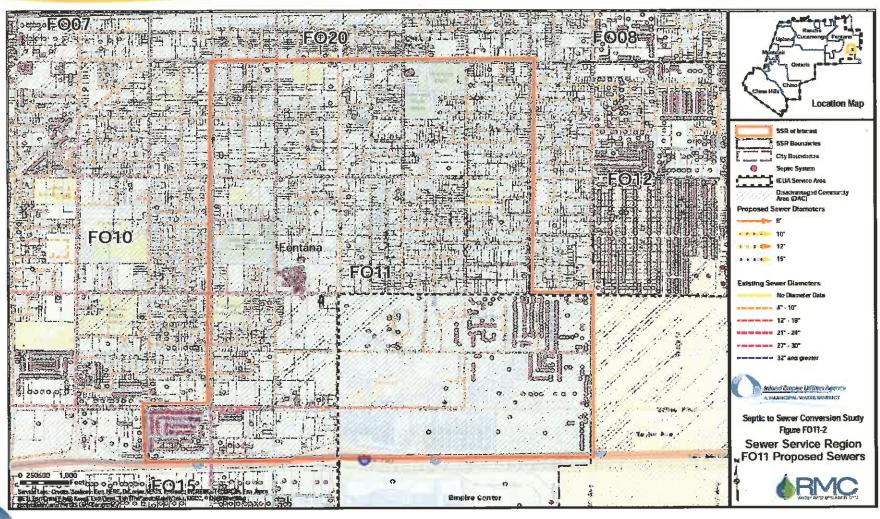
Feasibility Study Progress Update



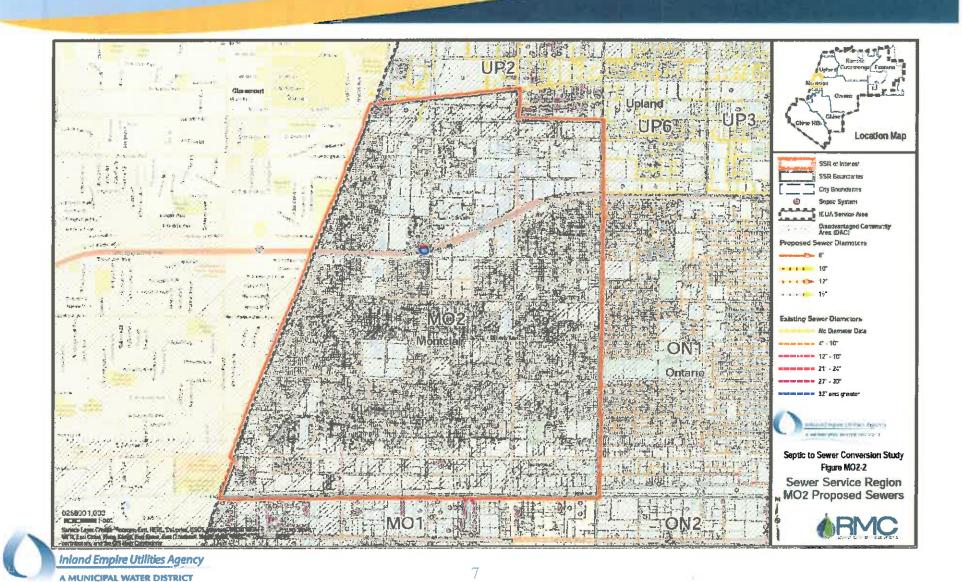
CVWD SSR Example



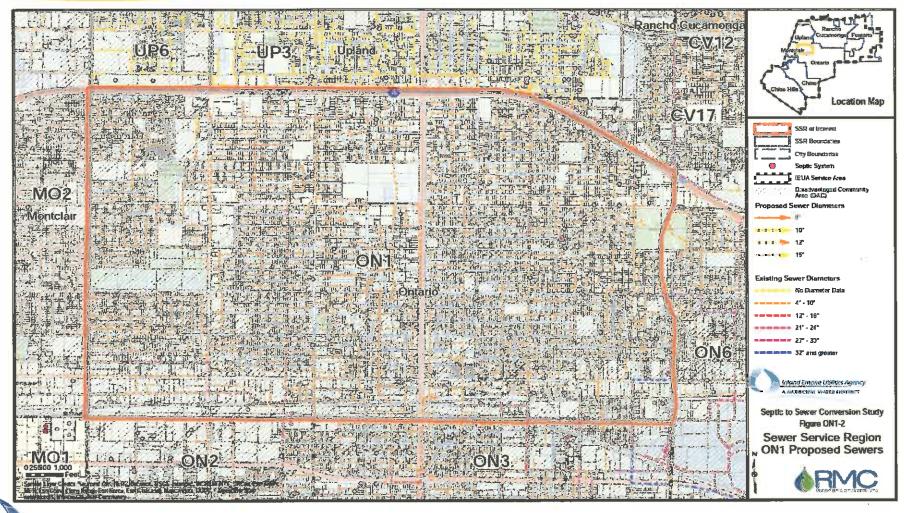
Fontana SSR Example



Montclair SSR Example



Ontario SSR Example



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INFORMATION ITEM

3C



Date:

March 30, 2017/April 6, 2017

To:

Regional Committees

From:

Inland Empire Utilities Agency

Ch

Subject:

Budget Workshop

RECOMMENDATION

This is an information item for the Regional Committees to review.

BACKGROUND

This item was presented at the IEUA Board of Directors meeting on March 15, 2017.

Budget Workshop

Board Meeting









Biennial Budget

- Adoption of two "one-year" budgets, beginning FY 2015/16 and FY 2016/17
- Appropriation limited to a single year
- •Mid-cycle review to identify significant adjustments needed for the second year budget

Improve goal-setting and budgetary process

- Realistic timeframes for completing goals
- Produce a more policy-oriented budget process
- Focus on mid and long term planning
- Reduce staff time and effort in preparing annual budget, with shorter budget preparation/revision time in the second year
- Provide certainty, stability, and transparency





Business Outreach Program

- IEUA received >\$429M in State & Federal funding
 - Applied for an additional \$396M in State & Federal funding
- IEUA's Current Ten Year Capital Improvement Plan (TYCIP) is approximately \$735M
 - Includes 28 projects with potential partial or full State/Federal funding
 - Approximately \$396M or 54% of all TYCIP projects
- Opportunity to enhance and grow IEUA's Program
 - All Goods & Services
 - Materials, Supplies, Service providers, Consultants, Construction



Business Outreach Program

Ensure opportunity and encourage participation by Disadvantaged Business Enterprises (DBEs) in Procurement under EPA Financial Assistance Agreements

- Strict EPA Guidelines to ensure opportunity
 - √ Fair Share Objectives
 - √ Six Good Faith Efforts
 - New Contract Administration Requirements
 - Record Keeping & Reporting
 - Bidders List
- Bidders must meet or exceed EPA DBE Certifications
- Non-Compliance means potential loss of all awarded funds for project and potential restrictions from additional funding opportunities



Proposed Business Outreach Program

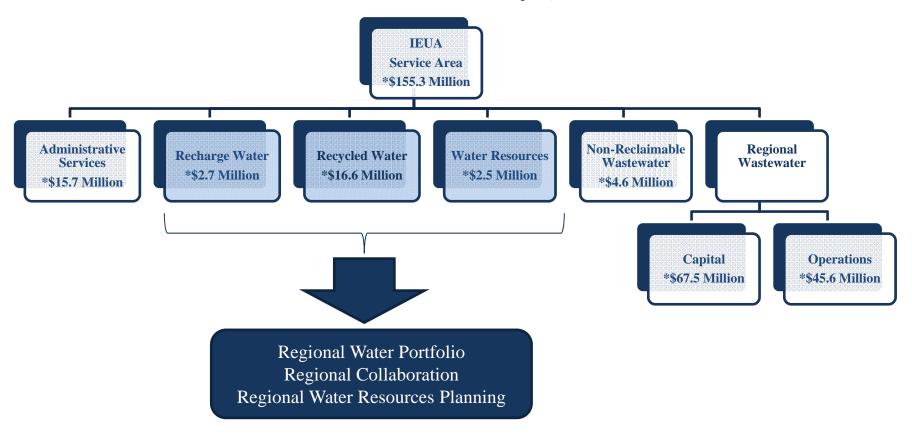
- Model after Metropolitan Water District
 - Market, outreach, and train DBEs and local businesses
 - Specify incentives in solicitations
 - Initial participation goal of 3%

Program Requirement	Preference Points on Proposals	Preference in Bid Reduction
Certified DBE	5 points	5%
Local Business	5 points	5%
		*Maximum \$\$ value subject to scale of project.



Agency Funds

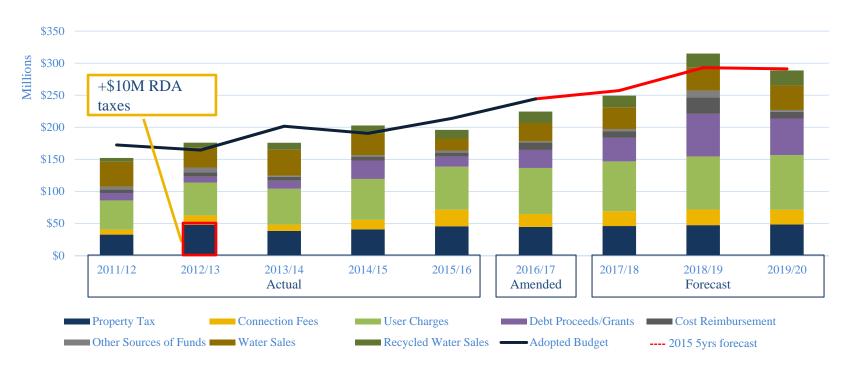
* FY 2016/17 Amended Fund Balances as of the July 1, 2016





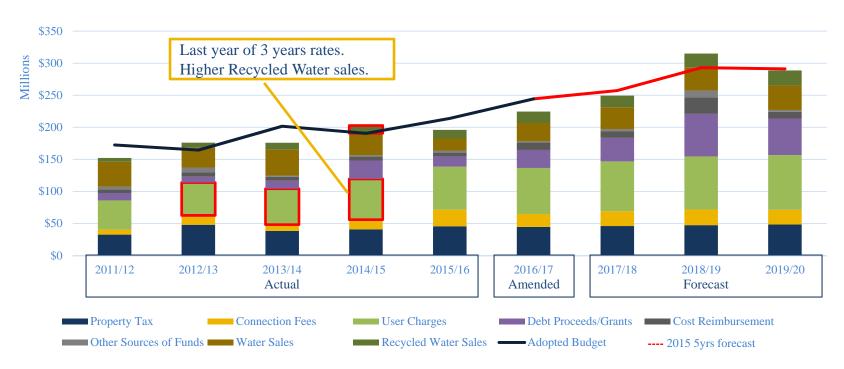
Consolidated Trends – All Funds

Sources of Funds "Where monies come from"



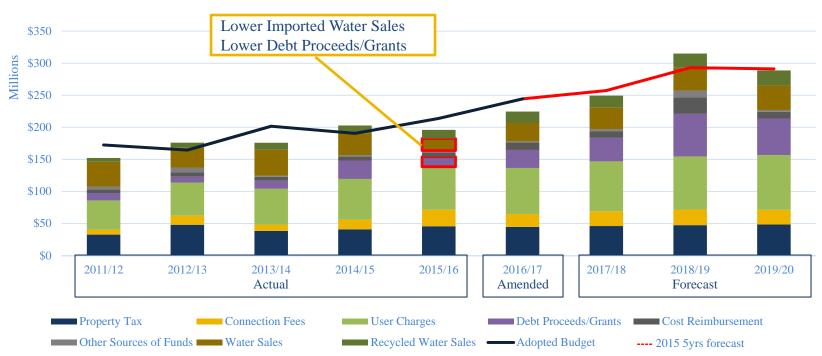


Sources of Funds "Where monies come from"



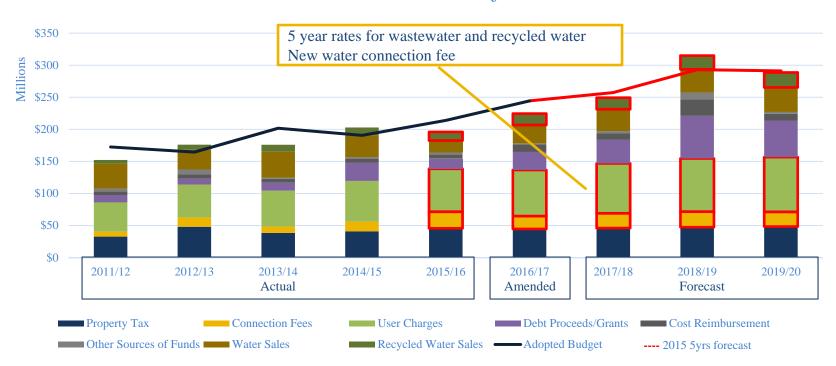


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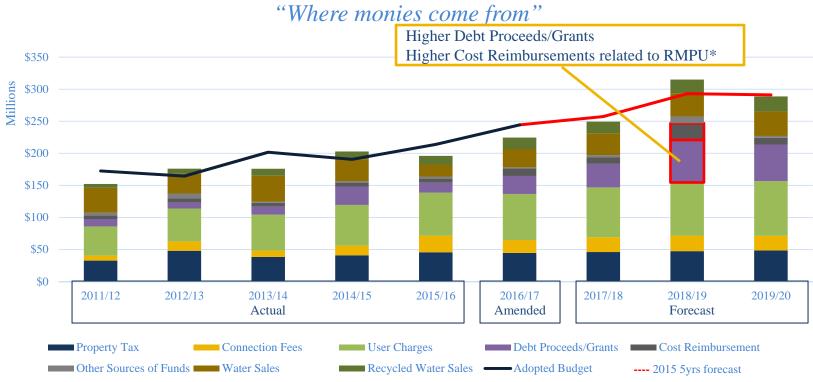


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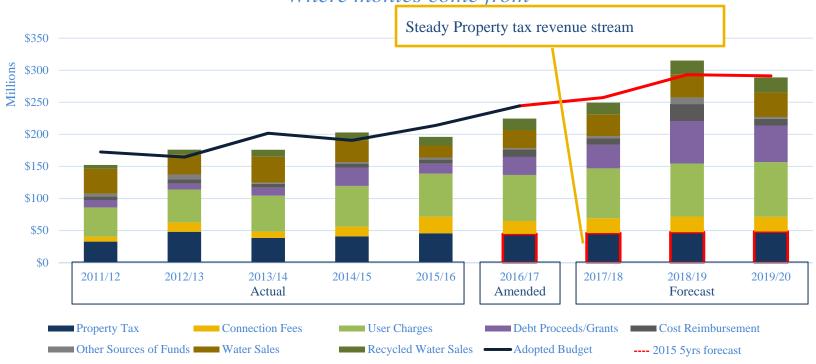






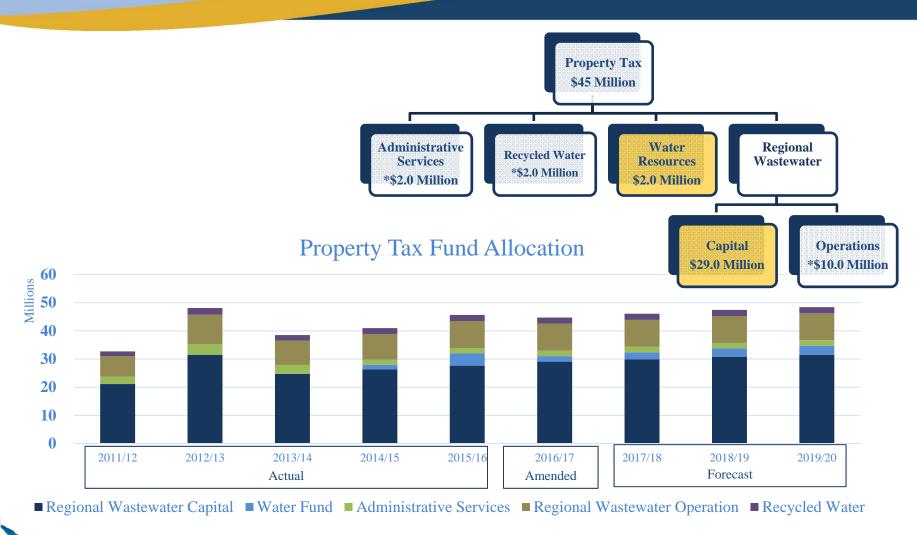








Property Tax Fund Allocation





Property Tax Fund Allocation

- 65% allocated to Regional Wastewater Capital fund.
- 35% allocated to other funds.

Willions **50**

40

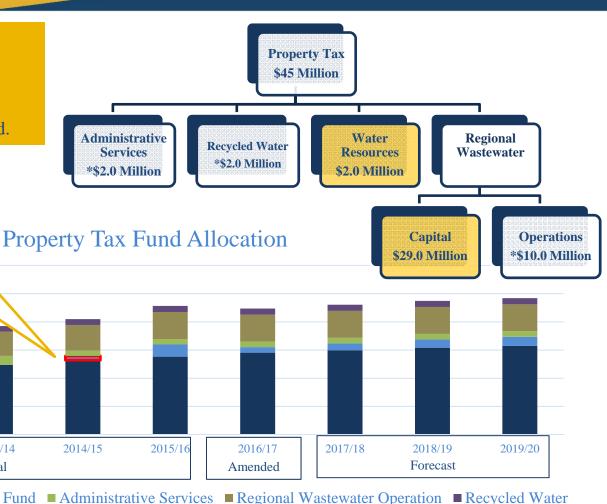
30

20

10

- Fixed amount as shown
- Balance to Water Resources fund.

Beginning allocation to Water Resources fund from Administrative Services fund



■ Regional Wastewater Capital ■ Water Fund ■ Administrative Services ■ Regional Wastewater Operation ■ Recycled Water

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A MUNICIPAL WATER DISTRICT

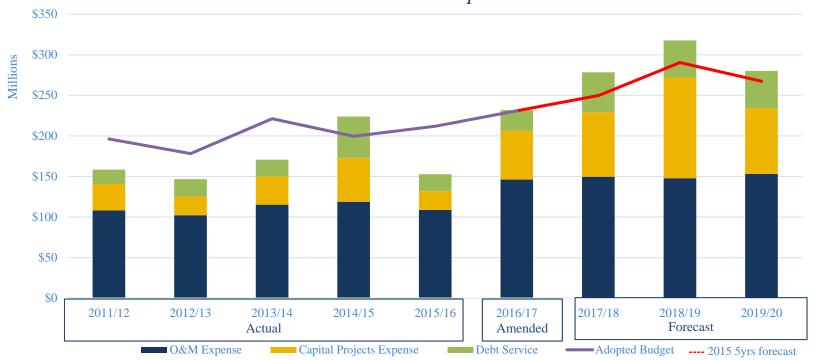
2011/12

2012/13

2013/14

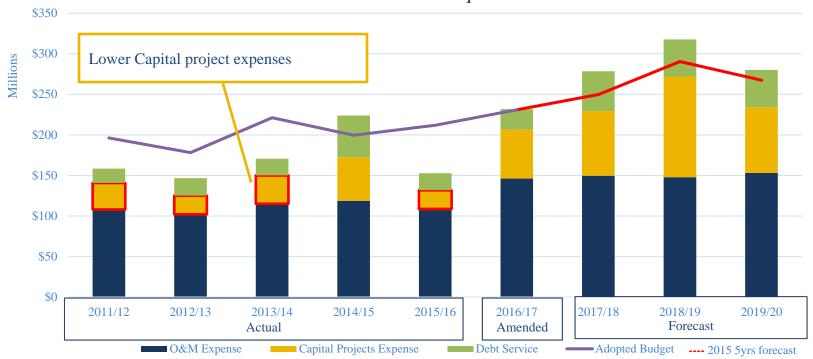
Actual





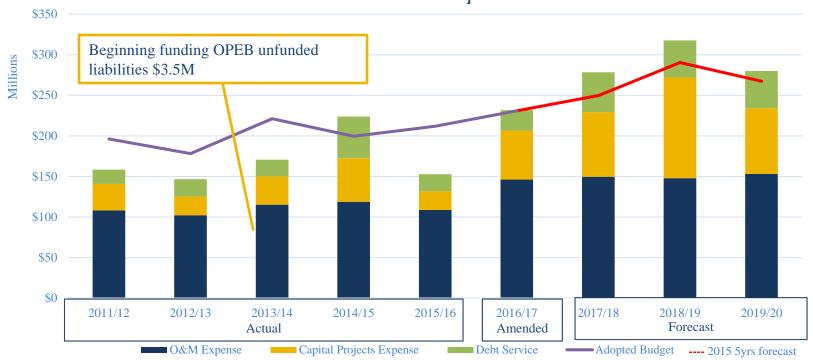


Uses of Funds "How monies are spent"





Uses of Funds "How monies are spent"



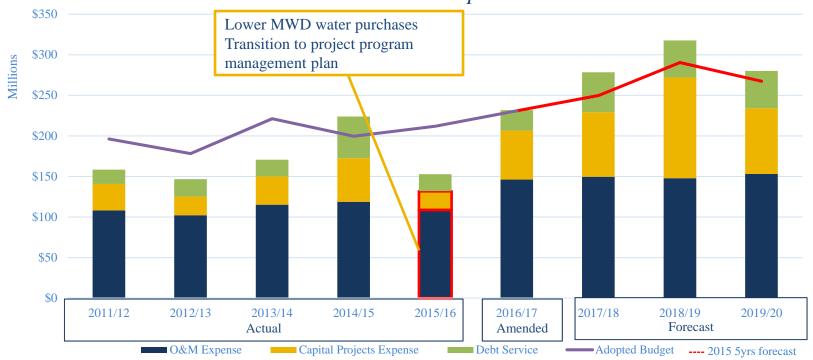


Uses of Funds "How monies are spent"



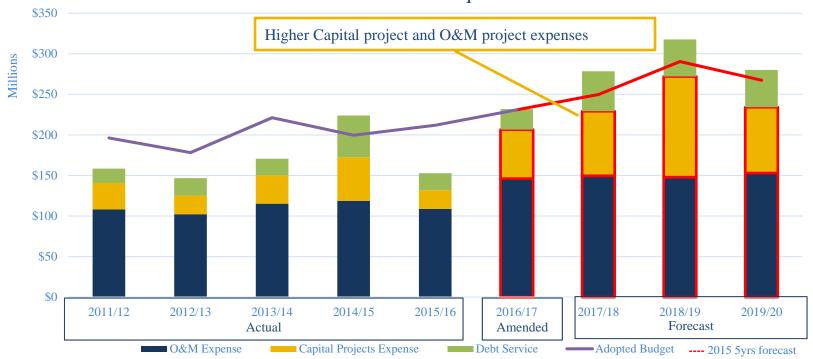




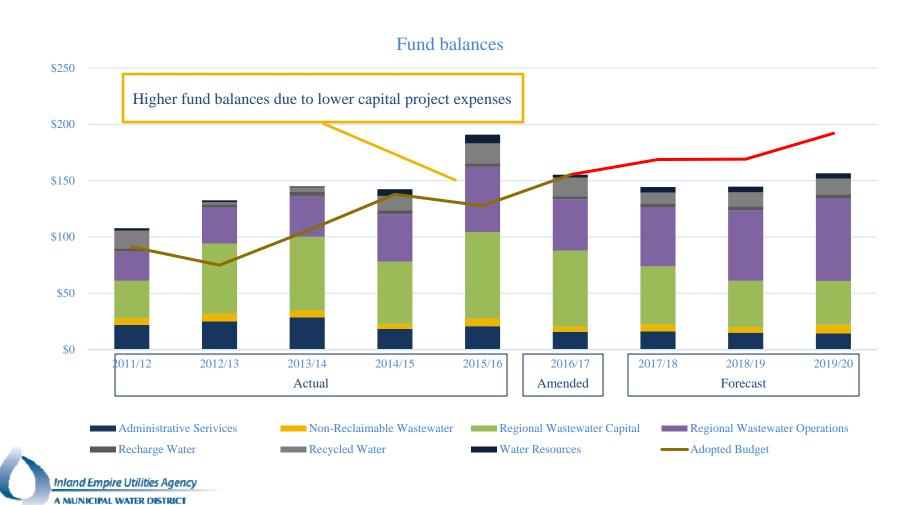


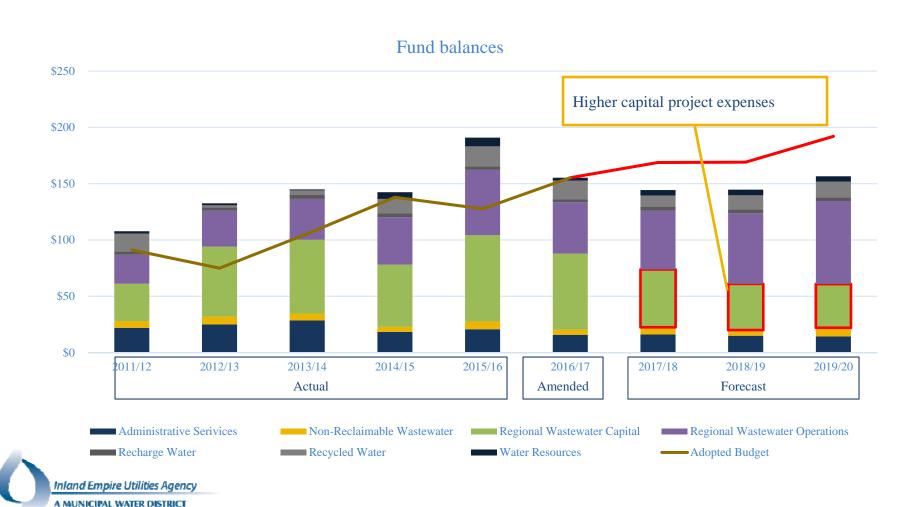


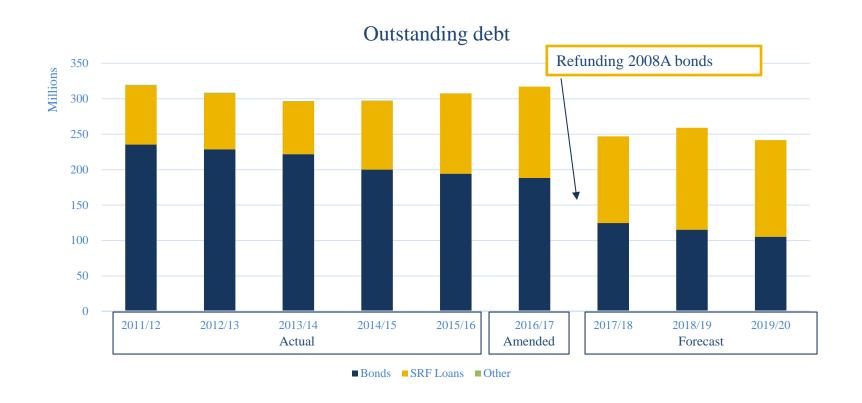














Administrative Services Fund

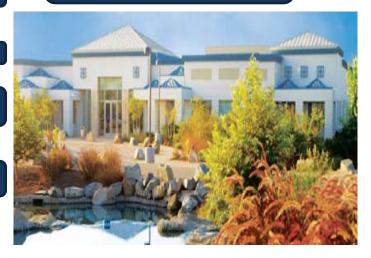
Staffing

Agency-wide Costs

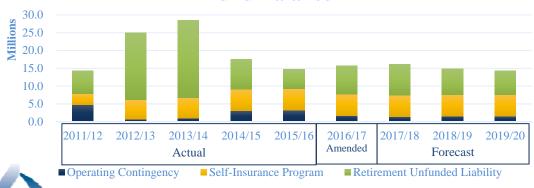
Benefits

Support Services

Cost Allocations



Fund Balance



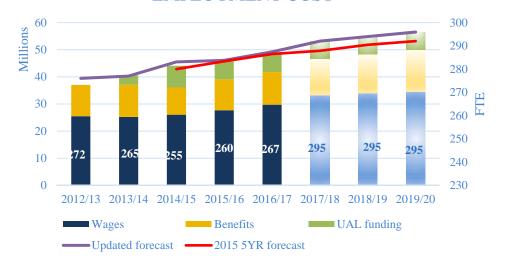
Inland Empire Utilities Agency
A MUNICIPAL WATER DISTRICT

FY 2016/17 Amended Budget as adopted June 15, 2016

\$1	Million
Uses of Funds	\$64.1
Employment costs	\$49.2
Capital improvement projects (CIP)	2.9
Operations & maintenance (O&M)	10.0
Transfers Out	2.0
Sources of Funds	\$61.8
Cost Allocations	\$55.4
Property tax	2.0
Contract cost reimbursements	1.5
Transfers In	2.9
Fund Balance	\$15.7
Operating Contingency	\$1.7
Self-insurance & Other	6.0
Retirement Unfunded Liabilities	8.0
Retrement Offunded Endoffities	0.0

Administrative Services Fund

EMPLOYMENT COST



FTE, full time equivalent employee

UAL, unfunded accrued liabilities (employee retirement)

- 2015 5YR forecast for FY 2017/18 to FY 2019/20 assumed 290 FTEs, with a vacancy factor of 3% for a total of 281 active FTEs.
- FY 2017/18 Elimination of vacancy factor and creation of a pooled bank to support succession planning.

Employment cost allocated by	Program
Program	Allocation
Regional Wastewater Operations	60.0%
Regional Wastewater Capital	7.0%
Recycled Water	8.0%
Non-Reclaimable Wastewater	5.0%
Recharge Water	2.0%
Water Resources	4.0%
Regional Composting Authority	8.0%
Chino Basin Desalter Authority	3.0%
Administrative Services	3.0%
TOTAL	100%

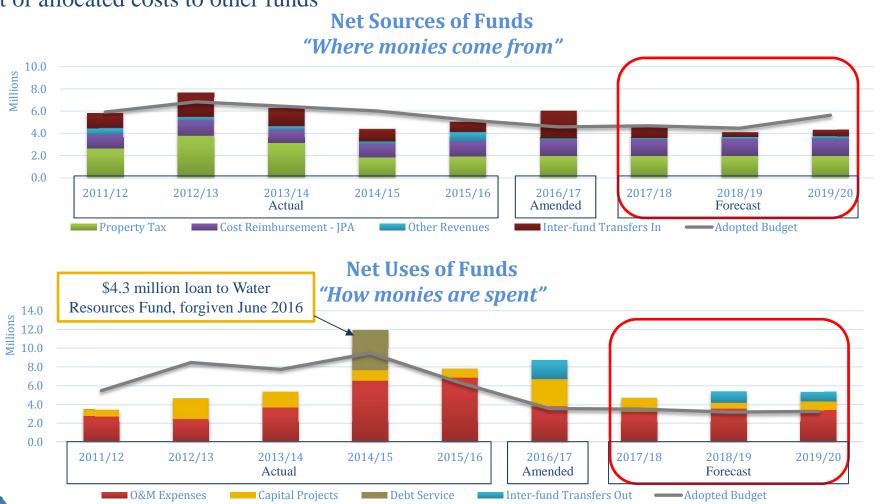


Administrative Services Fund Trends

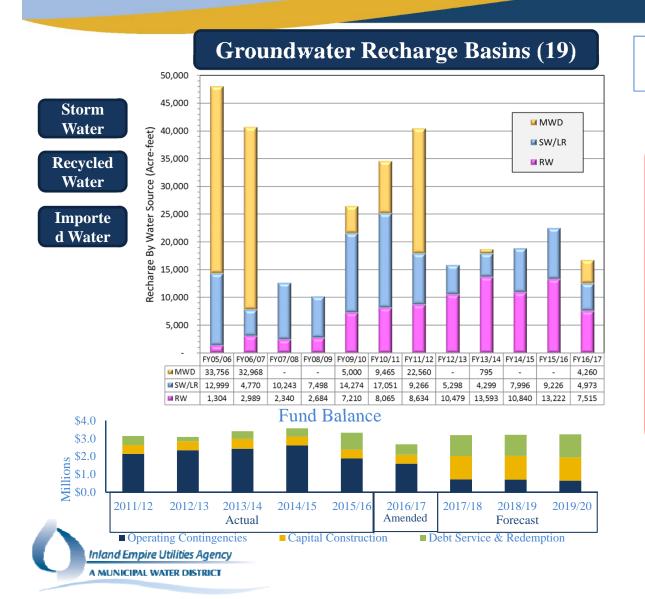
Net of allocated costs to other funds

Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT



Recharge Water Fund



FY 2016/17 Amended Budget as adopted June 15, 2016

\$ Million

Uses of Funds

\$7.3

Operations & Maintenance (O&M) \$1.8 Capital improvement projects (CIP) 4.6 Debt service

Sources of Funds

\$7.1

Contributions

Watermaster

\$5.4

IEUA

1.7

- Recycled water surcharge
- Property tax

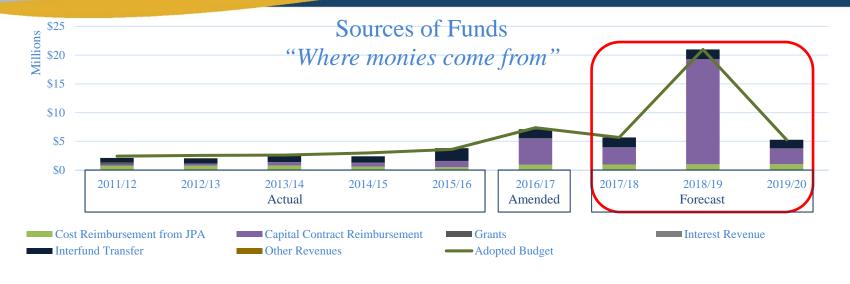
Fund Balance

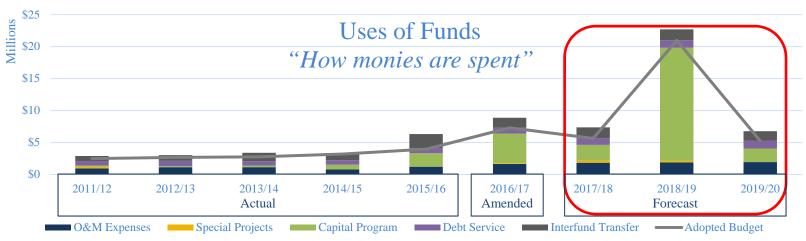
\$2.7

Operating Contingency Capital Construction 0.5 Debt Service Reserve 0.6

Recharge Water Fund Trends

Inland Empire Utilities Agency
A MUNICIPAL WATER DISTRICT



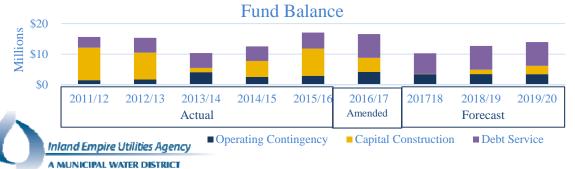


Recycled Water Fund



Regional Recycled Water Distribution System

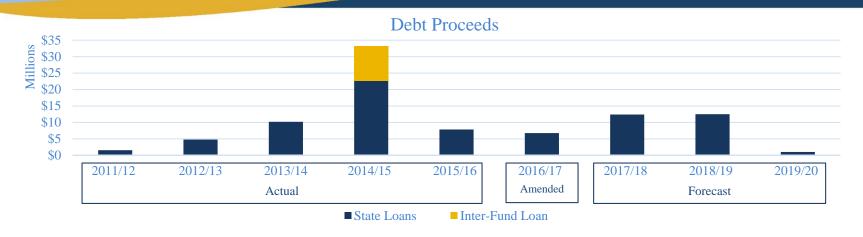




FY 2016/17 Amended Budget as adopted June 15, 2016

	\$ Million
Uses of Funds	\$34.0
Operations & Maintenance (O&	M) \$12.6
Capital improvement projects (C	CIP) 11.9
Debt service	6.7
Transfers Out	2.8
Sources of Funds	\$38.6
Recycled Water Sales	\$17.9
Direct use	
Groundwater recharge	
MWD LPP rebate	
Water Connection fees	2.9
Property tax	2.2
Contract Reimbursements	1.1
Debt Proceeds/Grants	13.0
Transfer In	1.5
Fund Balance	\$16.5
Operating Contingency	\$4.2
Construction	6.1
Debt Service	6.2

Recycled Water Fund



Fiscal Year	Inter Fund Loans Due from Recycled Water Fund to:	Inter-Fund Loans \$ Million	Repayment Plan (Approved June 2014)
2007/08	Non-Reclaimable Wastewater Fund	\$9.0	2020-2024
2007/08	Regional Wastewater Capital Improvement Fund	3.0	2023-2025
2009/10	Non-Reclaimable Wastewater Fund	6.0	2024-2026
2014/15	Regional Wastewater Capital Improvement Fund	10.5	2023-2025
	Total	\$28.5	



Recycled Water Fund

Five year rates adopted June 2015 for Fiscal Years 2015/16 – 2019/20.

	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
Effective Date		10/01/15	7/01/16	7/01/17	7/01/18	7/01/19
Direct Delivery/AF	\$290	\$350	\$410	\$470	\$480	\$490
Groundwater Recharge/AF	\$335	\$410	\$470	\$530	\$540	\$550

(AF) acre foot

Cost of service was the key driver for adopted rates.

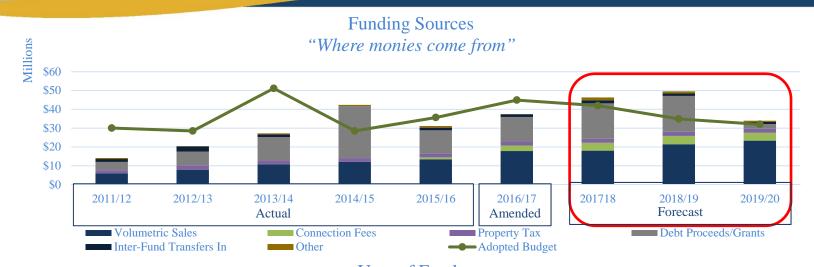
Water Connection Fee

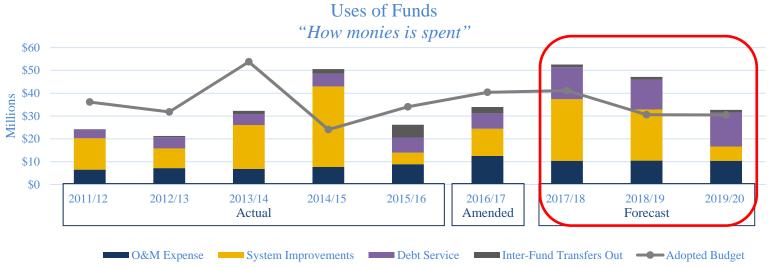
	(FY	FY	FY
	FY 2014/15	FY 2015/16	FY 2	016/17	2017/18	2018/19	2019/20
Effective Date		1/01/16	7/01/16	01/01/17	7/01/17	7/01/18	7/01/19
Water Connection Fee /MEU	N/A	\$693	\$693	\$1,455	\$1,527	\$1,604	\$1,684

Phased implementation, assumes annual 5% increases beginning 1/1/17.



Recycled Water Fund Trends







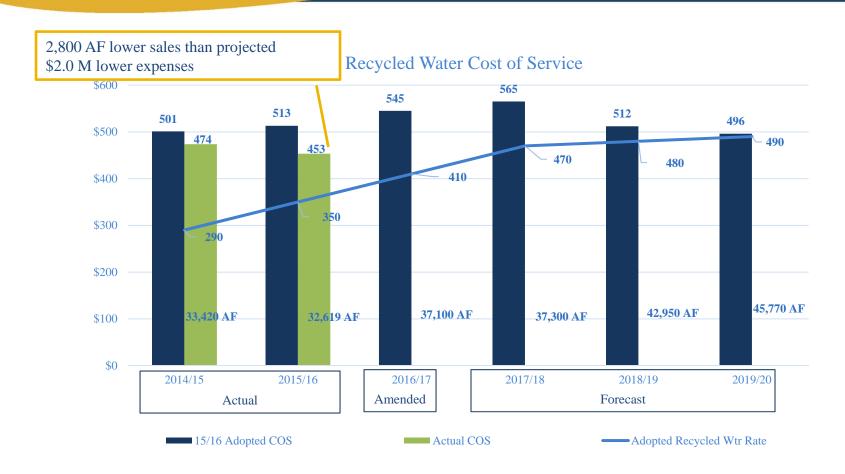
Recycled Water Cost of Service





Adopted Budget FY 2015/16 as adopted June 17, 2015

Recycled Water Cost of Service





Adopted Budget FY 2015/16 as adopted June 17, 2015

Water Resources Fund



Regional Water Resources

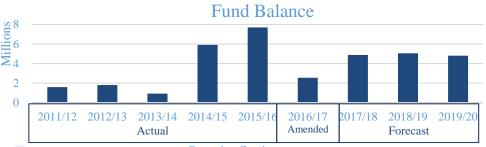
Imported Water

Water Use Efficiency

Water Resources Planning

> Water Bank





■ Operating Contingency

Inland Empire Utilities Agency
A MUNICIPAL WATER DISTRICT

FY 2016/17 Amended Budget as adopted June 15, 2016

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- (1)	IVI		

	\$ Million
Uses of Funds	\$45.1
Imported water purchases	\$31.9
MWD Readiness to serve fee (RTS)	3.2
Water use efficiency projects	5.7
Program support	2.3
Santa Ana River Watershed Projects	2.0
Sources of Funds	\$41.0
Imported water sales	\$28.7
MWD RTS pass through	0.5
Meter equivalent charges	3.9
Water connection fees	0.3
Property tax	2.0
Grants/rebates	2.4
Inter fund loan	3.2
Fund Balance	\$2.5

Water Resources Fund Adopted Rates

Water rates effective October 1, 2016 approved on June 15, 2016. At the request of water member agencies, the Board approved;

- 7 year phase-in of RTS to be supported by property taxes, estimated at \$16 million
- Forgiveness of \$4.3 million inter-fund loan due to Administrative Services fund
- Use property taxes to support future purchases of supplemental water

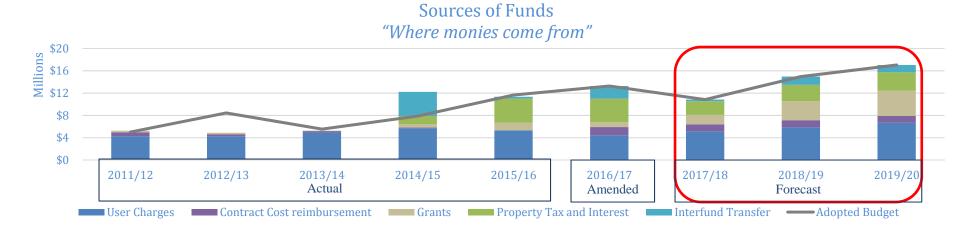
	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
RTS TYRA 7YR Phase In (Estimated rate per AF)	15% ~\$7.82	30% ~\$16.02	45% ~\$24.69	60% ~\$34.75	75% ~\$46.95	90% ~\$59.26	100% ~\$67.45
MEU rate: \$/MEU	\$0.90	\$0.95	\$0.99	\$1.04	Adjust	ments base	d on CPI

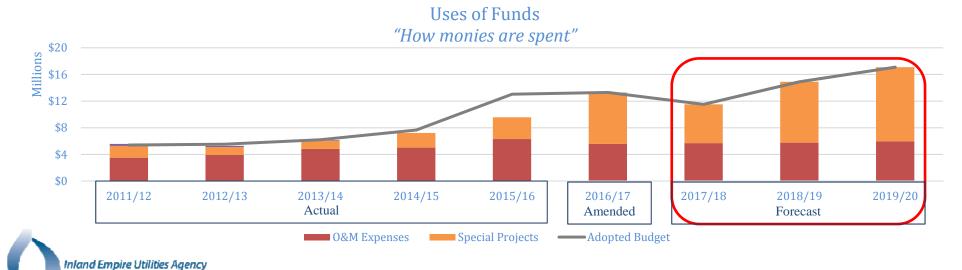
RTS TYRA – Readiness to Serve Ten Year Rolling Average consistent with MWD cost allocation methodology.



Water Resources Fund Trends

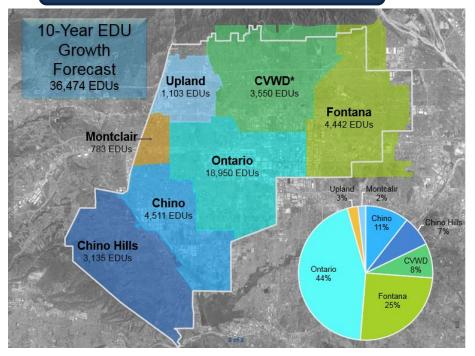
A MUNICIPAL WATER DISTRICT





Regional Wastewater Capital Improvement Fund

Support growth in service area



A MUNICIPAL WATER DISTRICT

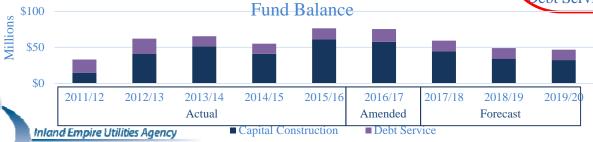
FY 2016/17 Amended Budget as adopted June 15, 2016

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Uses of Funds	\$51.5
Capital improvement projects (CIP)	\$20.0
Debt service	13.5
Program support	9.5
Transfers Out	8.5

Sources of Funds	\$49. 2
Property tax	\$29.1
Connection fees	17.2
Debt Proceeds/Grants	2.9

Fund Balance	\$67.5
Construction	\$19.7
CCRA held by member agencies	32.6
Debt Service	15.2





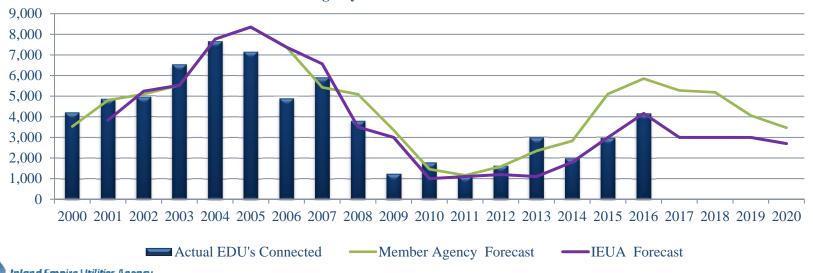
Regional Wastewater Capital Improvement Fund

Five year rates adopted June 2015 for Fiscal Years 2015/16 – 2019/20.

	FY 2014/15	FY 20)15/16	FY 20	016/17	FY 2017/18	FY 2018/19	FY 2019/20
Effective Date		7/01/15	1/01/16	7/01/16	01/01/17	7/01/17	7/01/18	7/01/19
Wastewater Connection Fee/EDU	\$5,107	\$5,107	\$5,415	\$5,415	\$6,009	\$6,309	\$6,624	\$6,955

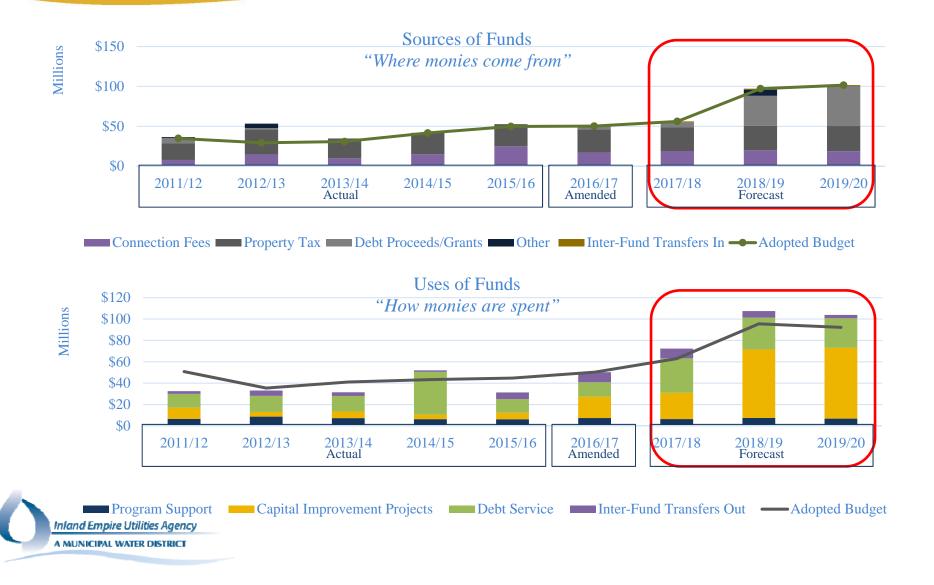
Phased implementation, assumes annual 5% increases beginning 1/1/17 for both connection fees.

New EDU Connection Comparative of Member Agency and Agency Forecasts to Actual Units





Regional Wastewater Capital Fund Trends



Regional Wastewater Operations and Maintenance Fund

Wastewater Collection

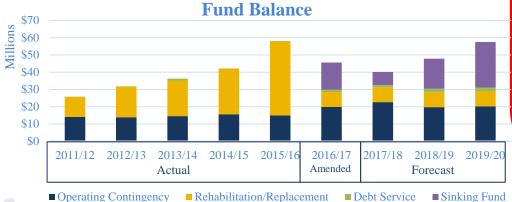
Regional Water Recycling Plants and Facilities

Wastewater Treatment

Bio Solids Disposal

Renewal Energy





FY 2016/17 Amended Budget as adopted June 15, 2016

	\$ Million
Uses of Funds	<u>\$89.7</u>
Operations & Maintenance (O&M)	\$62.5
Rehabilitation & Replacement (R&R)	19.3
IERCA Labor	3.5
Debt Service/Inter Fund Loan	3.4
Transfer Out	1.0
Sources of Funds	\$87.8
EDU volumetric	\$56.3
Property tax	9.6
IERCA Reimbursements	3.5
Debt Proceeds/Grants	12.3
Transfers Out	6.1
Fund Balance	\$45.6
Operating Contingency	\$19.8
Capital Replacement	24.5
Debt Service	1.3

A MUNICIPAL WATER DISTRICT

Regional Wastewater O&M Fund Adopted Rates

• Five year rates adopted March, 2015 for Fiscal Years 2015/16 – 2019/20.

	FY	FY	FY	FY	FY	FY
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Monthly EDU Rate	\$14.39	\$15.89	\$17.14	\$18.39	\$19.59	\$20.00

(EDU) Equivalent Dwelling Unit

Contracting Agency	EDU Billing Units (5 Year Average)
Chino	11%
Chino Hills	9%
Cucamonga Valley Water District (CVWD)	24%
Fontana	19%
Montclair	5%
Ontario	22%
Upland	10%
Total	100%

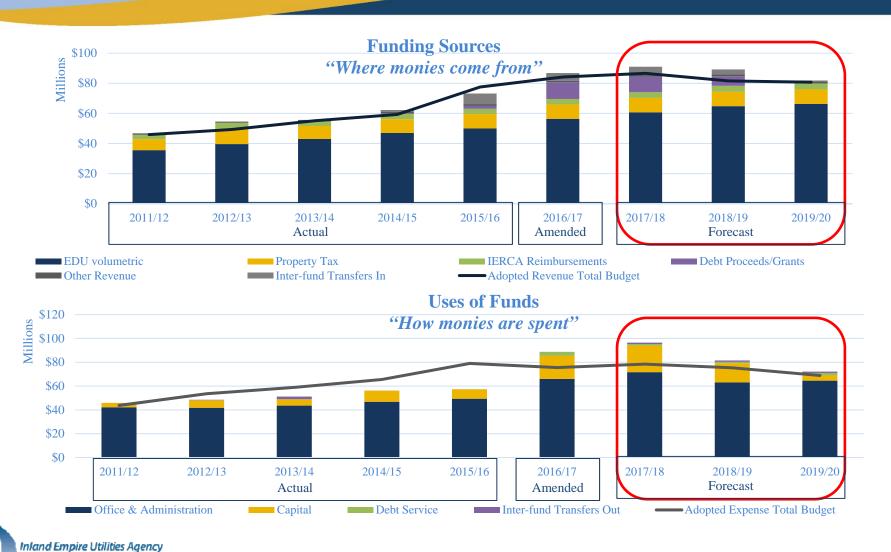


Regional Wastewater Operations & Maintenance Cost of Service





Regional Wastewater Operations Trends



A MUNICIPAL WATER DISTRICT

Non Reclaimable Wastewater

inland Empire Utilities Agency

Sanitation District of Los Angeles County – North System Santa Ana Watershed Project Authority – South System

Exports export high-salinity industrial wastewater for treatment and discharge to the **Pacific Ocean**

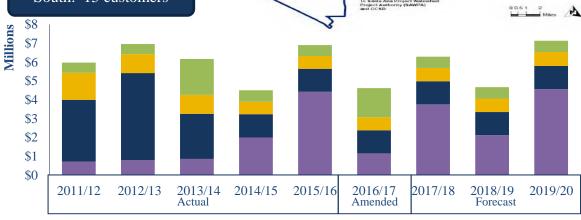
North: 39 customers

South: 15 customers

■ Capital / Operation Contingencies

CSDLAC Prepayment

Inland Empire Utilities Agency A MUNICIPAL WATER DISTRICT



■ Capital Construction

■ Debt Service & Redemption

NON-RECLAIMABLE WASTEWATER SYSTEM AND DISCHARGES

FY 2016/17 Amended Budget as adopted June 15, 2016

\$ Million

Uses of Funds	\$11.9
Operating Fees	\$6.1
Operations & Maintenance	3.4
System improvements	1.7
Debt	0.6
Transfers Out	0.1

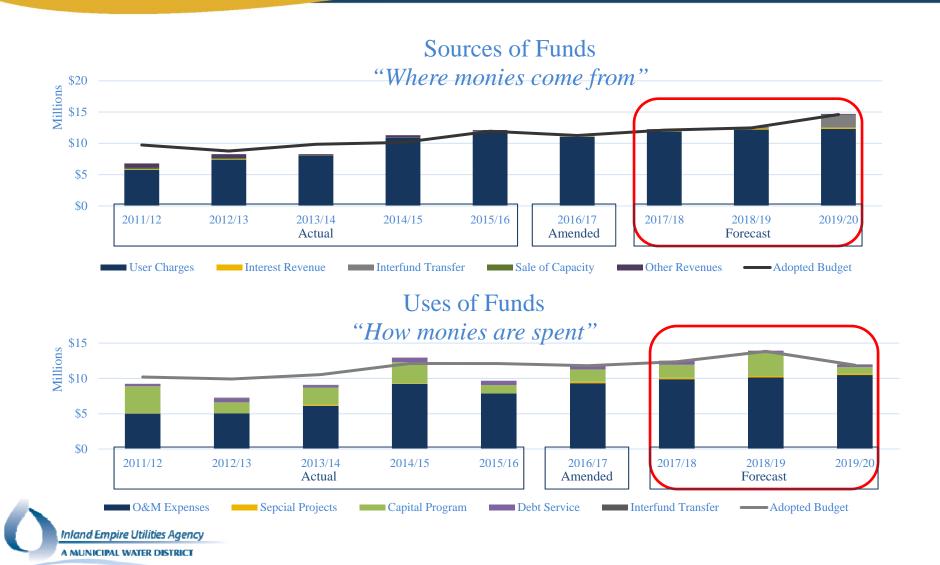
Sources of Funds \$11.1

Operating Fees Pass Thru \$6.3 **Agency Programs Charges** 4.8

Fund Balance \$4.6 Operating Contingency \$1.1

Capital Construction 1.6 Debt Service Reserve 1.9

Non Reclaimable Wastewater Trends



Next Step

Timeline in 2017	Event
March 8	IEUA Finance Committee review of Wastewater, Recycled Water, and Water Resources proposed biennial budget (FY 2017/18 and FY 2018/19)
March 15	IEUA board review proposed biennial budget of the above programs.
March 23	Regional Technical Committee review proposed biennial budget of the above programs
April 6	Regional Policy Committee review proposed biennial budget of the above programs
April 12/ April 19	IEUA Finance Committee/Board review proposed biennial budget of Non-reclaimable Wastewater, Recharge Water, and Administrative Services programs
May	Final presentation to IEUA Finance Committee and Board of Directors. Final presentation to Regional Technical Committee.
June	Final presentation to Regional Policy Committee. Approval by IEUA Board of Directors



RECEIVE AND FILE 4A



Date:

March 30, 2017/April 6, 2017

To:

Regional Committees

From:

Inland Empire Utilities Agency

Subject:

Fiscal Year 2016/17 2nd Quarter Budget Variance

RECOMMENDATION

This is an information item for the Regional Committees to receive and file.

BACKGROUND

This item was presented at the IEUA Board of Directors meeting on March 15, 2017.

Date:

March 15, 2017

To:

The Honorable Board of Directors

Through:

Finance and Administration Committee (3/8/17)

From

P. Joseph Grindstaff General Manager

Submitted by:

Christina Valencia

Chief Financial Officer/Assistant General Manager

Javier Chagoyen-Lazaro
Manager of Finance and Accounting

Subject:

FY 2016/17 Second Quarter Budget Variance, Performance Goals

Updates, and Budget Transfers

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

The Budget Variance report presents the Agency's financial performance through the second quarter ending December 31, 2016, includes various analyses in the following attachments:

- Exhibit A provides a comparison of actual revenues and expenses against the current FY 2016/17 amended budget including a discussion of major categories with the most significant variances.
- Exhibit B provides a progress status of Division and Department Goals and Objectives as established in the FY 2016/17 amended budget.
- Exhibit C-1 presents a summary of Operations and Maintenance (O&M) budget transfers approved by management during the second quarter.
- Exhibit C-2 presents a summary of the GM contingency account activity.
- Exhibit D lists Board approved budget amendments and management approved budget transfers for capital and O&M projects.
- Exhibit E provides a FY 2016/17 financial overview of each of the Agency's programs.

Budget Variance and Performance Goals Updates for the Second Quarter Ending December 31, 2016 March 15, 2017 Page 2 of 6

TOTAL REVENUES AND OTHER FUNDING SOURCES

Overall, the Agency received total revenues and other funding sources during the second quarter of FY 2016/17 of \$107.6 million, or 47.7% of the amended budget (Exhibit A detail). The following section highlights key variances:

- Recycled Water Sales Recycled water sales at the end of second quarter were \$9.3 million, or 58.8% of the amended budget. Direct sales were \$5.7 million at 12,812 acre feet (AF) and groundwater recharge sales were \$3.6 million at 6,237 AF. Total year to date deliveries of 19,049 AF compared to the 37,100 AF projected for the fiscal year accounts for the favorable variance. Sales demand for direct use and groundwater recharge varies depending on weather pattern, water use conservation efforts, reuse supply, and basin availability.
- MWD Imported Water Sales Total MWD pass-through imported water revenue was \$16.2 million or 56.6% of amended budget. A total of 23,149 AF of pass through water was delivered compared to 50,000 AF budgeted for the fiscal year. This exceeds last year's sales through December of 15,345 AF when sales were low due to water use reduction efforts in response to the drought.
- MWD LPP Rebate Direct recycled water sales in excess of 3,500 AF and up to 17,000 AF are eligible for the Metropolitan Water District (MWD) Local Project Program (LPP) rebate at a rate of \$154/AF, for a maximum amount of \$2.1 million per fiscal year. Rebate receipts for the first half of the fiscal year totaled \$1.5 million for delivery of 9,593 AF. The MWD LPP rebate is set to expire at the end of June 2017.
- Property Taxes Property tax receipts of \$16.4 million, or 36.7% of amended budget were collected beginning in November 2016 through the end of the second quarter. This includes \$16.1 million of general ad-valorem property tax from San Bernardino County and \$358,000 received from pass through agreements with former redevelopment agencies. Cumulative taxes received from the county through the second quarter are 5% higher compared to taxes received through December last year.
- Wastewater/ Water Connection Fees Total connection fee receipts were \$13.3 million, or 66.1% of the amended budget. This category includes \$11.5 million for 2,024 new EDU connections through December 2016, compared to the 3,000 new EDU budgeted for the fiscal year. New EDU connections reflect 38% of the member agencies' forecast of 5,277 EDUs for FY 16/17. This category also includes water connection fees implemented January 1, 2016. The amount received through the second quarter was \$1.8 million for 2,805 new water connections. Water connection fees are a one-time fee paid directly to the Agency for any new or upsized water meter connection to the Agency's regional water distribution system.
- Grants & Loans Grant and loan receipts through December were \$10.2 million, or 36.5% of the amended budget. \$10.1 million of the receipts are pass-through receipts to Chino

Budget Variance and Performance Goals Updates for the Second Quarter Ending December 31, 2016
March 15, 2017
Page 3 of 6

Basin Desalter Authority for the TCE Plume Cleanup project. The amended budget is comprised of \$10.7 million of grants and \$17.3 million of State Revolving Fund (SRF) loan proceeds. Grants and loans proceeds are primarily reimbursable in nature thus are dependent on related projects expenditures.

Other Revenues – Total other revenues were \$1.4 million, or 17.6% of the \$8.2 million amended budget. The receipts include \$0.4 million from lease revenue and energy rebates, and \$1.0 million in project reimbursements. Project reimbursement receipts account for 11.9% of the budget. Delays in the reimbursable projects from recycled water and water resources programs accounted for the lower revenue.

TOTAL EXPENSES AND USES OF FUNDS

The Agency's total expenses and uses of funds through the second quarter were \$88.4 million, or 36.7% of the amended budget.

The amended budget includes \$12.5 million of encumbrances and commitments carried forward from FY 2015/16 comprised of \$1.5 million for O&M expenses, \$6.5 million for special projects (non-capital), and \$4.5 million for capital projects. In accordance with Agency Policy A-81 (Fiscal Year-End Carry Forward of Encumbrances and Related Budget), carry forward encumbrances, commitments and related budget not expended by December 31 are subject to cancellation unless otherwise approved by Executive Management. At the end of the second quarter, unspent carry forward was \$8.4 million of which \$7.6 million was extended, and \$0.8 million was returned, as shown in Table 1.

Table 1: FY 2015/17 Encumbrance Carry Forward Status

	Capital & Special Projects	0&M	Total
Carried Forward - September 2016	\$11,031,817	\$1,479,671	\$12,511,488
Remaining Carry Forward subject to Reversal	\$7,714,192	\$708,006	\$8,422,198
Carry Forward Requested for Extension	\$7,239,742	\$402,655	\$7,642,397
Encumbrance Returned – January 2017	\$474,450	\$305,351	\$779,801

Key expense variance highlights are:

• Employment Expenses – Employment expenses were \$22.2 million or 52.2% of the amended budget. This slightly unfavorable variance reflects higher O&M labor expense due to lower capital and special project related labor costs. The category also includes \$3.5 million of expense for other post-employment benefits and retirement unfunded accrued liability, budgeted at \$7 million. In addition, the Agency currently employs 18 limited term employees, compared to the adopted staffing plan of 16 limited term positions. The cost of these additional positions in the Engineering, Planning, & Science Division is offset by a higher than anticipated vacancy factor of 8%, equivalent to 24 full-time (FTE) positions, compared to budgeted vacancy rate of 2% (6 FTEs). Recruitment of key positions as part of the Agency's succession planning effort will lower the vacancy factor going forward.

Budget Variance and Performance Goals Updates for the Second Quarter Ending December 31, 2016 March 15, 2017 Page 4 of 6

- Professional Fees & Services Total expenses were \$3.1 million, or 27.2% of the
 amended budget. The positive variance can be attributed to the timing of contracts and
 services that were deferred and which are anticipated to be spent in the remaining quarters
 for services associated with work performed by outside contractors such as the annual
 financial audit, annual software maintenance, financial advisor and bond counsel, and dig
 alert notifications.
- Utilities Expenses in this category were \$4.2 million or 36.4% of the amended budget. Electricity expense showed an unfavorable variance of 57.5% of the amended budget, or \$3.6 million of expenses. Usage was 35.9 million kWh through the end of the second quarter compared to the annual Agency average of 70.0 million kWh. Electricity usage is higher than budgeted because the fuel cell has been offline since July 2016, and electricity has been pulled from Southern California Edison to make up for the loss in fuel cell production; however, natural gas usage was lower, partially offsetting the higher electricity costs. Natural gas usage was 42,794 therms through the end of the second quarter, at a winter rate of \$0.832/therm, compared to expected annual usage of 1.2 million therms and budgeted rate of \$0.80/therm.
- O&M (Non-capital) Projects O&M project costs were \$10.2 million or 30% of the amended budget. The favorable variance is mainly due to lower spending in Agency-wide aeration projects, Santa Ana River Conservation & Conjunction Use Program (SARCCUP), various planning documents, and recycled water intertie projects budgeted at \$8.4 million or 25% of the category's amended budget, of which only \$636 thousand has been spent year-to-date.
- Capital Projects Total capital project expenditures were \$10.0 million or 16.7% of the amended budget of \$59.7 million, which includes \$4.5 million carry forward from the prior fiscal year. Favorable variances in spending are largely driven by changes in project schedules. Capital project costs and budget related to the Regional Wastewater Program through the second quarter were \$7.4 million and \$36.2 million, respectively. Recycled water capital projects accounted for \$1.6 million of expenditures, compared to \$13.5 million budget.
- **Debt Service** Total principal, interest, and financial expenses for the second quarter were \$10.1 million or 45.7% of the amended budget. Actual costs included \$5.6 million in principal payment (\$4.1 million for the 2010A Bonds) and \$4.5 million in interest and other financial administration fees.

A detailed explanation of significant revenue and expenses are included in the attached Exhibit A.

Budget Variance and Performance Goals Updates for the Second Quarter Ending December 31, 2016 March 15, 2017 Page 5 of 6

FUND BALANCES AND RESERVES

The net result through the end of the second quarter indicated an increase of \$19.2 million in total fund balance, resulting in an ending fund balance of \$204.0 million. Changes in scope and schedule of key capital and O&M projects account for the favorable variance. Table 3 provides an overview of the second quarter budget variance in revenue, expense, and fund balance.

Table 3: Second Quarter Revent	ies, Expenses, an	d Fund Balanc	e (\$Millions)
Operating	FV 2016/17 Amended Budget	Second Quarter Ended 12/31/16	Actual % of Amended Budget
Operating Revenue	\$126.8	\$67.0	52.8%
Operating Expense	\$159.0	\$68.0	42.8%
Operating Net Increase/(Decrease)	(\$32.2)	(\$1.0)	
Non- Operating			
Non-Operating Revenue	\$99.0	\$40.6	41.0%
Non-Operating Expense	\$82.0	\$20.4	24.8%
Non-Operating Net Increase/(Decrease)	\$17.0	\$20.2	
Consolidated	FY 2016/17 Amended Budget	Second Quarter Ended 12/31/16	Actual % of Amended Budget
Total Sources of Funds	\$225.8	\$107.6	47.7%
Total Uses of Funds	\$241.0	\$88.4	36.7%
Total Net Increase/(Decrease)	(\$15.2)	\$19.2	
Beginning Fund Balance	\$184.8	\$184.8	
Ending Fund Balance	\$169.6	\$204.0	

GOALS AND OBJECTIVES

Exhibit B provides information on Division and related Department Goals and Objectives and the status of each through the end of the first quarter. The goals and objective indicators are used to track the volume and complexity of work by type and to track the effort invested to accomplish that work. Staff will use the indicators to track productivity and to justify current resource allocations, re-allocation and requests for additional staff.

Budget Variance and Performance Goals Updates for the Second Quarter Ending December 31, 2016 March 15, 2017 Page 6 of 6

BUDGET TRANSFERS AND AMENDMENTS

O&M budget transfers for this quarter accounted for \$63,000 as detailed in Exhibit C-1.

General Manager (GM) Contingency Account adopted budget of \$700,000 included \$400,000 in the Regional Wastewater Operations & Maintenance (RO) Fund and \$300,000 in the Administrative Services (GG) Fund. At the end of the second quarter, \$110,000 from RO Fund and \$12,600 from the GG Fund was utilized to support the unexpected and necessary expenses as listed in Exhibit C-2.

Capital and O&M projects annual and total project budget transfers accounted for approximately \$1.4 million during the second quarter as listed in Exhibit D.

The budget variance analysis report is consistent with the Agency's business goal of Fiscal Responsibility: to demonstrate the Agency appropriately funded operational, maintenance, and capital costs.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

The net change in total revenues over total expenses in the amount of \$19.2 million resulted in a total estimated fund balance of \$204.0 million, for the second quarter ended December 31, 2016.

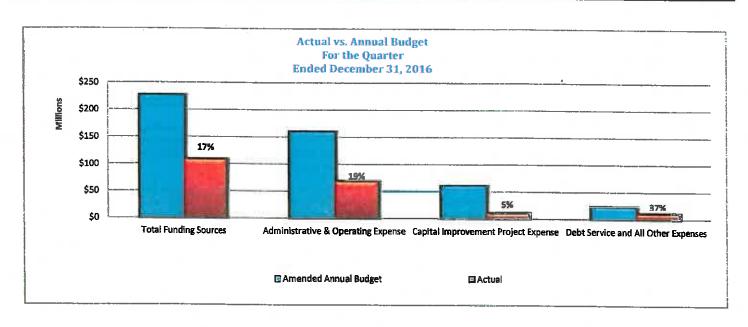


1. Actual vs. Budget Summary:

Second Quarter Ended December 31, 2016

% of the Year Elapsed: 50%

	Adopted Annual	Amended Annual			% of Amended
	Budget	Budget	Actual	Amended vs. Actual	Budget
Operating Revenues	\$126,854,961	\$126,851,978	\$67,031,285	(\$59,820,693)	52,8%
Non-Operating (Other Sources of Fund)	98,976,777	98,976,778	40,603,428	(58,373,350)	41.0%
TOTAL FUNDING SOURCES	225,831,738	225,828,756	107,634,713	(118,194,043)	47.7%
Administrative & Operating Expense	(146,702,633)	(158,977,965)	(68,020,725)	90,957,239	42.8%
Capital Improvement Project Expense	(60,387,558)	(59,707,635)	(9,965,254)	49,742,381	16.7%
Debt Service and All Other Expenses	(23,653,357)	(22,358,268)	(10,401,964)	11,956,304	46.5%
TOTAL USES OF FUNDS	(230,743,548)	(241,043,868)	(88,387,943)	152,655,924	36,7%
Surplus/(Deficit)	(\$4,911,810)	(\$15,215,112)	\$19,246,770	\$34,461,881	



2. Actual Revenue vs. Budget:

Second Quarter Ended December 31, 2016

% of the Year Elapsed: 50%

	Adopted				
	Annual	Amended Annual		-1	% of Amended
	Budget	Budget	Actual	Amended vs. Actual	Budget
perating Revenues:	·!·				
User Charges	\$71,875,415	\$71,872,436	\$35,917,639	\$35,954,797	50,0%
Recycled Water Sales	15,735,000	15,734,996	9,256,492	6,478,504	58.8%
MWD Water Sales	28,670,598	28,670,598	16,217,447	12,453,151	56.6%
MWD LPP Rebate	2,079,000	2,079,000	1,477,368	601,632	71.1%
Property Tax - O&M	1,972,200	1,972,200	723,846	1,248,354	36.7%
Cost Reimbursement	5,913,343	5,913,343	2,928,790	2,984,553	49.5%
Interest	609,405	609,405	509,703	99,702	83.6%
PERATING REVENUES	126,854,961	126,851,978	67,031,285	59,820,693	52.8%
lon-Operating Revenues:				<u> </u>	
Property Tax - Debt, Capital, Reserves	\$42,732,600	\$42,732,600	\$15,683,916	\$27,048,684	36.7%
Connection Fees	20,068,020	20,068,020	13,264,950	6,803,070	66.1%
Grants & Loans	28,008,654	28,008,655	10,219,403	17,789,252	36.5%
Other Revenue	8,167,503	8,167,503	1,435,159	6,732,344	17.6%
ON-OPERATING REVENUES	98,976,777	98,976,778	40,603,428	58,373,350	41.0%
otal Revenues	\$225,831,738	\$225,828,756	\$107,634,713	\$118,194,043	47.7%

User Charges, 50%

User charges were \$35.9 million, or 50.0% of the Amended Budget. The category includes equivalent dwelling unit (EDU) volumetric charges of \$28.3 million, \$2.8 million Non-Reclaimable wastewater fees paid by industrial and commercial users connected to the brine line system; \$2.6 million monthly meter charge (MEU) imposed on all potable water connections and water meter service charge to meet our Readiness-to-Serve obligation from MWD and water use efficiency programs.

Property Tax/ AdValorem, 36.7% The \$16.4 million in property tax receipts included \$16.1 million of general ad-valorem property tax from San Bernardino County and \$358 thousand from Redevelopment Agencies (RDA) "pass-through" incremental taxes. Cumulative taxes received from the county through the second quarter are 5% higher compared to taxes received through December of last year.

Recycled Water Sales, 58.8%

Recycled water actual direct and groundwater recharge sales were \$5.7 million (12,812AF) and \$3.6 million (6,237 AF) respectively, for a combined total \$9.3 million. Total year to date deliveries are 19,049 AF compared to the 37,100 AF (24,200 AF Direct and 12,900 AF Recharge) budgeted for the fiscal year. Sales demand for direct use and groundwater recharge varies depending on weather patterns, water use conservation efforts, reuse supply, and basin availability.

Interest income, 83.6%

Interest Income is \$0.5 million or 83.6% of the annual budget. Interest rates have been trending up which accounts for the positive variance. In December, the Local Agency Investment Fund (LAIF) reported a yield of 0.719%, and CalTrust had a yield of 0.990%.

MWD Water Sales, 56.6% Total MWD pass-through imported water revenue was \$16.2 million or 56.6% of amended budget. A total of 23,149 AF of pass through water was delivered at the end of the second quarter compared to 50,000 AF budgeted for FY 2016/17. This exceeds last year's sales through December of 15,345 AF when sales were low due to water use reduction efforts used in response to the drought.

MWD LPP Rebates, 71.1%

MWD LPP rebate is budgeted at \$2.1 million or \$154/AF for direct recycled water deliveries up to 17,000 AFY, excluding the initial 3,500 AFY. Rebate receipts through the end of the second quarter totaled \$1.5 million for delivery of 9,593 AF. The MWD LPP rebate is set to expire in June 2017.

Connection Fees, 66.1% Total connection fees were \$13.3 million, or 66.1% of the amended budget. This category includes \$11.5 million for 2,024 new EDU connections compared to the 3,000 budgeted for the fiscal year. New EDU connections reflect 38% of the member agencies' forecast of 5,277 EDUs for FY 16/17. This category also includes water connection fees implemented last fiscal year. Amount received through the second quarter was 2,805 new connections for \$1.8 million, or 60% of the \$2.9 million budget. Water connection fees are a one-time fee paid directly to the Agency for any new or upsized water meter connection to the Agency's regional water distribution system.

Grants and Loans, 36.5% Grant and loan receipts through the second quarter are \$10.2 million, or 36.5% of the Amended Budget. \$10.1 million of grant receipts are pass-through receipts to Chino Basin Desalter Authority for the TCE Plume Cleanup project. Grants and loans proceeds are primarily reimbursable in nature and thus are dependent on related capital projects expenditures and are reimbursable.

Cost Reimbursements JPA, 49.5%

Total cost reimbursements were \$2.9 million, or 49.5% of the amended budget. Category actuals include reimbursements of \$1.8 million from the Inland Empire Regional Composting Authority (IERCA) and \$0.6 million from Chino Basin Desalter Authority (CDA) for the Agency's operation & maintenance of the IERCA Composter and CDA Desalter facilities. Also included is \$0.5 million from Chino Basin Watermaster (CBWM) for operations & maintenance costs related to the groundwater recharge basins, net of the Agency's pro-rata share for the recycled water recharge costs. Total cost reimbursement budget of \$5.9 million includes: \$3.5 million from IERCA, \$1.5 million from CDA, and \$0.9 million from CBWM.

Other Revenues, 17.6% Total other revenues were \$1.4 million, or 17.6% of the \$8.2 million amended budget. Total other revenues include \$0.4 million from lease revenue and energy rebates, and \$1.0 million in project reimbursements. Project reimbursement receipts are 11.9% of the amended budget. Delays in the reimbursable projects from recycled water and water resources programs accounted for the lower revenue.

% of the Year

3. Actual Operating and Capital Expense vs. Budget:

Second Quarter Ended December 31, 2016	cond Quarter Ended December 31, 2016					
	Adopted Annual Budget	Amended Annual Budget	Actual	Amended vs. Actual	% of Amended Budget	
perating Expenses:						
Employment	\$43,326,017	\$42,601,461	\$22,223,487	\$20,377,974	52.2%	
Admin & Operating	103,376,616	116,376,504	45,797,238	\$70,579,266	39.4%	
PERATING EXPENSES	\$146,702,633	\$158,977,965	\$68,020,726	\$90,957,239	42.8%	
lon-Operating Expenses:						
Capital	60,387,558	59,707,635	9,965,254	\$49,742,381	16.7%	
Debt Service and All Other Expenses	23,653,357	22,358,268	10,401,964	\$11,956,304	46.5%	
ION-OPERATING EXPENSES	\$84,040,915	\$82,065,903	\$20,367,218	\$61,698,685	24.8%	
Total Expenses	\$230,743,548	\$241,043,868	\$88,387,944	\$152,655,924	36.7%	

Employment Expense

Employment, 52.2%

Employment expenses were \$22.2 million or 52.2% of the Amended Budget. This slightly unfavorable variance reflects higher OBM labor expense due to lower capital and special project spending than budgeted. The category also includes \$3.5 million of expense for other post employment benefits and retirement unfunded accrued liability, budgeted at \$7 million. In addition, the Agency currently employs 18 limited term employees, compared to the adopted staffing plan of 16 limited term positions. The cost of these additional positions in the Engineering, Planning, and Science Division is offset by a higher than anticipated vacancy factor of 8%, equivalent to 24 full-time (FTE) positions, compared to budgeted vacancy rate of 2% (6 FTEs). Recruitment of key positions as part of the Agency's succession planning effort will lower the vacancy factor going forward.

Administrative & Operating Expense

Office and Administrative, 29%

The favorable variance was due to the inclusion of \$577,400 (20% of category's budget) for the GM contingency, and election expense for \$300k (11% of budget). Also contributing to the favorable variance was the ads/newspaper budget in the amount of \$177,000. Contracts for ads and newspapers have been entered and spending is anticipated in the remaining two quarters.

Professional Fees & Services, 27.2%

Positive variance can be attributed to the timing of contracts and services that were deferred and which are anticipated to be spent in the remaining quarters for services associated with work performed by outside contractors such as the annual financial audit, annual software maintenance, financial advisor and bond counsel, and dig alert notifications.

Materials & Supplies/Leases/Contribution, 38.5%

This category includes spending of \$1.3 million, or 39% of the budget for materials and supplies, and \$25,000, or 27% of budget for leases and rental related expenses. The favorable variance was primarily due to staff's effort to monitor operational equipment usage to ensure maximum use from supplies. Accelerated spending is anticipated in this category in the following quarters of the fiscal year.

Biosolids Recycling, 40.1%

The favorable variance in this category is due to an increase in the utilization of the RP-2 solar pad to dry biosolids which causes a reduction in residual disposal costs. Total tonnage shipped to IERCA was 28,891 tons at \$55 per ton. Total tonnage hauled was 18,488 tons at a blended rate of \$5.80 per ton which is lower than the budgeted transportation blended cost of \$8.29 per ton.

Chemicals, 43.7%

Chemical expenses were \$2.0 million, or 44% of budget. The majority of the spending was for Polymer 750A and 748E and Sodium Hypochlorite. Usage of 462,300 lbs of Polymer 750A and 221,100 lbs of Polymer 748E accounted for \$790,000 of expenses in this category. Bypassed sewer flows caused a reduction in the amount of raw waste water treated due to the rehabilitation of critical aeration equipment.

Operating Fees - 49.8%

Spending in this category was on target particularly in the areas of waste volumetric fees, waste TSS charges, and waste BOD/COD charges, which account for a combined \$3.0 million of expenses. This category also includes \$1.6 million of expenses for readiness-toserve obligation collected by MWD budgeted at \$3.1 million.

MWD Water Purchases . 50.9%

Total MWD pass-through imported water purchases were \$16.2 million for 23,149 AF or 46% of 50,000 AF budgeted for the fiscal year.

Electricity expense showed an unfavorable variance of 57.5% of the amended budget, or \$3.6 million of expenses. Usage was 35.9 million kWh through the end of the second quarter compared to the annual Agency average of 70.0 million kWh. Electricity usage is higher than budgeted because the fuel cell has been offline since July 2016 and electricity has been pulled from Southern California Edison to make up for the loss in fuel cell production.

Natural gas usage was low, also due to the fuel cell, partially offsetting the higher electricity costs. Natural gas usage was 42,794 therms through the end of the second quarter, at a winter rate of \$0.832/Therm, compared to expected annual usage of 1.2 million Therms and budgeted rate of \$0.80/therm.

O&M and Reimbursable Projects, 30% and 42.8%

The combined O&M and reimbursable project costs were \$10.2 million or 30% of the amended budget. The favorable variance is mainly due to lower spending in Agency-wide aeration projects, SAWPA Action Santa Ana River Conservation & Conjunction Use Program (SARCCUP), various planning documents, and recycled water intertie projects budgeted at \$8.4 million or 25% of the category's amended budget, of which only \$636 thousand has been spent year-to-date. The table below provides a summary of the major projects and current status.

Financial Expense

Financial Expense, 16.7%

Total financial expenses were \$10.1 million or 45.7% compared to budget through the end of the second quarter. Actual costs included \$5.6 million in principal payments (\$4.1 million for 2010A Bond paid in August 2016) and \$4.5 million in interest, and other financial

Other Expenses

Other Expenses, 100.4%

Total other expenses were \$342 thousand or 100.4% compared to budget through the end of the second quarter. Unfavorable variance in this category is due to contributions-in-aid to the Santa Ana Watershed Project Authority of \$288 thousand which were paid in full for the fiscal year last July, and unforeseen reimbursements to FEMA for prior year grant receipts.

Capital Expense

Capital Costs, 16.7%

Capital expenditures through the end of second quarter were \$10.0 million or 16.7% when compared to the amended budget of \$59.7 million which includes encumbrances of \$4.5 million of capital project budget carried forward from FY 2015/16 budget. Favorable variances in spending are largely driven by changes in project schedules. Capital project costs and budget related to the regional wastewater program through the second quarter were \$8.0 million and \$34.1 million, respectively. Recycled water capital projects accounted for \$1.6 million of expenditures compared to \$13.5 million budget. Listed below is a brief status report for some of the major projects currently under construction.

Summary of major	capital and specia	l project expenses a	and status as of	December 31, 2016
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Capital Projects		Amended FY 2016/17	YTD Expenditure	Budgeted Amount Remaining
EN15008	Water Quality Laboratory	7,000,000	3.047.034	3.952.966

EN15008 **Water Quality Laboratory**

7,000,000

The scope of the project is the construction of a new, state of the art, 17,000 sq. laboratory and expand existing central plant to supply chilled water for the laboratory air conditioning and heating system. The project's fiscal year spending is on track with the budget. Engineering has completed the environmental biological survey in compliance with CEQA requirements, and issued the notice to proceed to the contractor for mobilization and commencement of the construction work. The installation of underground utilities has begun, and project control schedule update and solar system design coordination are underway.

EN19006

RP-5 Solids Handling Facility

3,125,000

3,125,000

This project includes the detailed design, permitting, and construction of the new solids handling facility at RP-5 to decommission the RP-2 facility. The schedule for RP-5 Expansion Preliminary Design Report (PDR), a prequel project to EN19006, has been extended from January 2017 to March 2017. The award of the design contract for EN19006 will follow the completion of the RP-5 Expansion PDR and has been scheduled for April 2017. Page 4

RW15003

Recharge Master Plan Update Projects

3,100,000

506,998

2,593,002

The scope for this project is to implement only the soft cost efforts **related to the** Recharge Master Plan such as: preliminary design, environmental review, permitting, and final design. The preliminary design phase of the project was completed at the end of the second quarter and the scope of the project was reduced as a result of the report. The projected design cost is now estimated at \$2.5 million.

EN13001

San Sevaine Basin Improvements

3,085,000

128,972

2,956,028

As part of the 2013 Amendment to the 2010 Recharge Master Plan Update (RMPU), this project will evaluate, design, and construct basin improvements needed to maximize infiltration and recharge capture at the San Sevaine basins. The final recommendation from the preliminary development report proposes to implement, a new storm water/recycled water pump station in Basin 5, directly tie it into all existing RW pipeline, place new pipelines and headwalls in Basins 1, 2 and 3, and install monitoring wells and lysimeters. The proposed improvements will add 642 AF per year of storm water and 4,100 AF per year of recycled water for groundwater recharge. Currently, the final design phase was delayed due to an extended permitting phase for regulatory permits, so spending through the end of the fiscal year is expected to be below budget.

O&M & Reimbur	sable Projects	Amended FY 2016/17	YTD Expenditure	Budgeted Amount Remaining
EN16021	Chino Basin Groundwater Wells	7,481,073	7,870,950	(389,877)

This project involves the remediation of the South Archibald Plume in conjunction with the Chino Basin Desalter Authority (CDA). The project requires payment to the Chino Basin Desalter Authority in full prior to the execution of the contracts. The full amount of the fiscal year budget was given to CDA in anticipation of forthcoming design and construction contracts. The project also received grant funding through USBR, which was also passed through to CDA.

PA17006 Agency-Wide Aeration Panel Replacements

2,200,000

2,200,000

The project scope of PA17006 involves the replacement of aeration panels at RP-1, RP-4, RP-5, and CCWRF. In the current fiscal year, funding has been allocated to complete the replacement at RP-1 in conjunction with EN16024, the RP-1 Mixed Liquor Return Pump project which is currently in construction.

WR16024

SAWPA Action SARCCUP

1,854,492

168.959

1,685,533

The Santa Ana River Conservation & Conjunctive Use Program is known as SARCCUP. It was created with various other water agencies to utilize funds from SAWPA Prop 84 grants to develop a watershed-scale conjunctive use program. IEUA cost sharing for the SARCCUP project has yet to be initiated.

INLAND EMPIRE UTILITIES AGENCY

Fiscal Year 2016/17

CONSOLIDATED BUDGET VARIANCE ANALYSIS REPORT

Second Quarter Ended December 31, 2016

	Adopted	Amended			YTD
	FY 2016/17	FY 2016/17			%
	Annual Budget	Annual Budget	YTD Actual	YTD Variance	Budget Used
OPERATING REVENUES					
User Charges	\$71,875,415	\$71,872,436	\$35,917,639	(\$35,954,797)	50.0%
Recycled Water	15,735,000	15,734,996	9,256,492	(6,478,504)	58.8%
MWD Water Sales	28,670,598	28,670,598	16,217,447	(12,453,151)	56.6%
MWD LPP Rebates	2,079,000	2,079,000	1,477,368	(601,632)	71.1%
Property Tax - O&M	1,972,200	1,972,200	723,846	(1,248,354)	36.7%
Cost Reimbursement from JPA	5,913,343	5,913,343	2,928,790	(2,984,553)	49.5%
Interest Revenue	609,405	609,405	509,703	(99,702)	83.6%
TOTAL OPERATING REVENUES	\$126,854,961	\$126,851,978	\$67,031,285	(\$59,820,693)	52.8%
NON-OPERATING REVENUES					
Property Tax - Debt, Capital, Reserves	\$42,732,600	\$42,732,600	\$15,683,916	(\$27,048,684)	36.7%
Connection Fees	20,068,020	20,068,020	13,264,950	(6,803,070)	66.1%
Grants	10,715,255	10,715,256	10,219,403	(495,853)	95.4%
SRF Loan Proceeds	17,293,399	17,293,399	0	(17,293,399)	0.0%
Project Reimbursements	7,292,963	7,292,963	971,335	(6,321,628)	13.3%
Other Revenue	874,540	874,540	463,824	(410,716)	53.0%
TOTAL NON OPERATING REVENUES	\$98,976,777	\$98,976,778	\$40,603,428	(\$58,373,350)	41.0%
TOTAL REVENUES	\$225,831,738	\$225,828,756	\$107,634,713	(\$118,194,043)	47.7%
ADMINISTRATIVE and OPERATING EXPENSE	<u>s</u>				
EMPLOYMENT EXPENSES					
Wages	\$23,690,863	\$22,966,307	\$13,160,942	\$9, 805,365	57.3%
Benefits	19,635,154	19,635,154	9,062,545	10,572,609	46.2%
TOTAL EMPLOYMENT EXPENSES	\$43,326,017	\$42,601,461	\$22,223,487	\$20,377,974	52.2%
ADMINISTRATIVE EXPENSES					
Office & Administrative	\$1,767,847	\$2,806,064	\$812,554	\$1,993, 510	29.0%
Insurance Expenses	840,500	840,498	357,993	482,505	42.6%
Professional Fees & Services	9,793,857	11,504,439	3,128,181	8,376,258	27.2%
O&M Projects	23,219,025	33,294,674	10,001,543	23,293,131	30.0%
Reimbursable Projects	490,272	490,272	210,052	280,220	42.8%
TOTAL ADMINISTRATIVE EXPENSES	\$36,111,501	\$48,935,947	\$14,510,323	\$34,425,624	29.7%

Exhibit A Detail

INLAND EMPIRE UTILITIES AGENCY

Fiscal Year 2016/17

CONSOLIDATED BUDGET VARIANCE ANALYSIS REPORT

Second Quarter Ended December 31, 2016

	Adopted FY 2016/17	Amended FY 2016/17			YTD %
	Annual Budget	Annual Budget	YTD Actual	YTD Variance	Budget Used
OPERATING EXPENSES					
Material & Supplies/Leases	\$2,866,883	\$3,516,528	\$1,355,497	\$2,161,031	38.5%
Biosolids Recycling	4,469,101	4,407,405	1,769,337	2,638,068	40.1%
Chemicals	4,674,015	4,674,015	2,043,405	2,630,610	43.7%
MWD Water Purchases	31,856,220	31,856,220	16,217,447	15,638,773	50.9%
Operating Fees/RTS Fees/Exp. Alloc.	11,790,850	11,438,343	5,696,537	5,741,806	49.8%
Utilities	11,608,046	11,548,046	4,204,692	7,343,354	36.4%
TOTAL OPERATING EXPENSES	\$67,265,115	\$67,440,557	\$31,286,915	\$36,153,642	46.4%
TOTAL ADMINISTRATIVE					
and OPERATING EXPENSES	\$146,702,633	\$158,977,965	\$68,020,725	\$90,957,240	42.8%
CAPITAL OUTLAY	\$60,387,558	\$59,707,635	\$9,965,254	\$49,742,381	16.7%
FINANCIAL EXPENSES					
Principal, Interest and Financial Expenditure	22,001,426	22,016,968	10,059,449	11,957,519	45.7%
OTHER NON OPERATING EXPENSES	1,651,931	341,300	342,515	(1,215)	100.4%
TOTAL NON-OPERATING EXPENSES	\$84,040,915	\$82,065,903	\$20,367,218	\$61,698,685	24.8%
TOTAL EXPENSES	\$230,743,548	\$241,043,868	\$88,387,943	\$152,655,925	36.7%
REVENUES IN EXCESS/					
(UNDER) EXPENSES	(\$4,911,810)	(\$15,215,112)	\$19,246,770	\$34,461,881	
FUND BALANCE SUMMARY					
Unaudited Beginning Balance, July 01	\$160,207,357	184,793,882	\$184,793,882	\$0	
Surplus/ (Deficit)	(4,911,810)	(15,215,112)	19,246,769	34,461,881	
ENDING BALANCE, June 30	\$155,295,547	\$169,578,770	\$204,040,651	\$34,461,881	

FY 2016/17

Business Goals & Objectives Report By Department

Department: ALL

Report Month: October, November, December: Year:2017

Go <u>II</u>		Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note _Month	Note Year	Status	Complete	Notes
Α.	епсу Мара	coment												
			Agency Management	С	Continue to apply Lean Management principles to streamline current business processes and systems and eliminate waste and redundancies	Develop and implement a standardized procedure for writing and processing committee/board letter	Completed by June 30, 2017	Implement two procedures per quarter until completed	April Woodruff	February	2017	On Schedule		External Affairs is working with Board Sacretary on the new board letter format
21	9 FY 2016/17	Quarterly	Agency Management	С	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Develop and implement a standardized procedure for writing and processing committee/board letter	Completed by June 30, 2017	Implement two procedures per quarter until completed	April Woodruff	February	2017	On Schedule		External Affairs is working with Board Secretary on new board letter format.
229	FY 2016/17	Quarterly	Agency Menagement	С	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Develop a standard operating procedure handbook for the Executive Management Department area	Completed by June 30, 2017	Implement (wo procedures per quarter until completed	April Woodruff	February	2017	On Schedule		This project was assigned to Executive Assistant. First draft to be completed on May 31, 2017
22	FY 2018/17	Quarterly	Agency Management	С	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Update and maintain "Duties and Annual Calendar or Responsibilities" manual for the Board Secretary position	Completed by June 30, 2017	Update 25% per quarter	April Woodruff	February	2017	On Schedule		This project is on hold until department is fully staffed. Recruitment for additional Executive Assistant is acheduled.
222	P FY 2016/17	Quarterly	Agency Management	С	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Increase the efficiency of the executive administrative group through streamlining processes	Ongoing	Review and improve two processes per quarter	Aprîl Woodruff	February	2017	On Schedule		Ongoing - Agency Management staff works to continually improve procedures within the department to further streamline processes.
Co	ntracts and	Facilities	Services											
172	FY 2015/16	Quarterly	Finance and Administration	Α	Continue commitment to cost containment for operating and capital costs	Implement new solicitation tool for expanded competition cost savings	Complete by Jan. 2016	Increase of 5% in cost savings	Warren Green	February	2017	On Schedule	No	In support of the Agency's business operations, CAP conducts enalysis and reviews in support of securing the bas value to the Agency, as well as attempts cost saving measures on all purchases.
173	FY 2016/17	Quarterly	Finance and Administration		Promote a safer work environment by administering and monitoring required safety and regulatory trainings	Conduct Agency training on department processes that are in line with the Agency's MVV	Ongoing		Warren Green	February	2017	On Schedule	No	Staff completes safety training topics on a regular basis in support of 100% compliance with the Agency's Safety Tailgate program. Additionally, staff provides process training to various departments.
47	FY 2016/17	Ouestarke	Finance and		Continue to apply Lean	Maintain average	Ongoing		Warren Green	February	2017	On	No	Staff reviews their ME5A multiple times
1/4	F	Quarterity	Administration	March 1	continue to appropriate to a management principles to streamline current business processes and systems and eliminate waste and redundancies	proceeding time within CFS's published service level objectives =95%				,		Schedule		during the day and supports urgent and emergency requisitions as appropriate. Additionally, staff meets with Maintenance and Operations every two weeks discuss what is PR's are pending and coming to the department.
175	FY 2016/17	Quarterly	Finance and Administration	-	Provide timely updates to the Regional Committees and the IEUA Board on long term planning needs	Identify and participate in organizations that advance the Agency MV and key initiatives	Ongoing		Warren Green	February	2017	On Schedule	No	Staff participates in CAPPO, NCMA, ARMA and various other organizations that promote the professional development of staff and are consistent with the Agency's MVV.

FY 2016/17

Business Goals & Objectives Report By Department

Goal		Reporting		Bus.	Wrote Man	D	Time Line	KPI	Applement To	Note Month	Note Year	Status	Consulate	Notes
ID	Start	Required	DIVISION	Goar	Work Plan	Department Goal	IIII LIII	KCI	Assigned To	MANIA	1991	- Julius	Complete	Notes
242	FY 2016/17	Quarterly	Finance and Administration	С	Replace the legacy Document Management System to ensure it meets Agency-wide and regulatory public recors requirement and eliminates redundant arctiving systems	Implement the new ECM System, Agency taxonomy project, and legal holds process	Ongoing	Will conduct Inventory of both paper and electronic records by October 15, 2016	Linda Johnson	February	2017	On Schedule		Due to loss of RM staff, inventory was delayed. On task to complete by June 2017
242	FY 2016/17	Quarterly	Finance and Administration	С	Replace the legacy Document Management System to ensure it meets Agency-wide and the regulatory public records requirement and eliminates redundant archiving systems	Implement the new ECM System, Agency taxonomy project, and legal holds process	Ongoing	Will conduct inventory of both paper and electronic records by October 15, 2016	Linda Johnson	February	2017	Behind Schedule		The project was delayed as a result of changes in the File Structures for each department. Project staff worked with departments and the vendor to ensure we are implementing the system we want which pushed the project delivery date. The inventory project is underway.
243	FY 2016/17	Annual	Finance and Administration	С	Replace the legacy Document Management System to ensure it meets Agency-wide and regulatory public recors requirement and eliminates redundant archiving systems	In collaboration with BIS, implement an email or Electronic Data Interchange (EDI) solution for purchase order transmission to the vendors.	Ongoing	Transmission of purchase orders to vendors via direct email or EDI by January 2017.	Warren Green	February	2017	On Schedule		No update at this time.
244	FY 2016/17	Annual	Finance and Administration	С	Replace the legacy Document Management System to ensure it meets Agency-wide and regulatory public recore requirement and eliminates redundant archiving systems	In collaboration with BIS, establish purchase requisition accessible Open Catalog Interface (OCI) catalogs for end user.	Ongoing	Add two new OCI vendors, open for use by all staff through the PR process, by June 2017	Warren Green	February	2017	On Schedule		We have not added any additional vendors with OCI capabilities.
245	FY 2016/17	Quarterly	Finance and Administration	С	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Maintain average processing time within CFS's published service level objectives = 95%	Ongoing	Run quarterly staff and department service level reports and publish in the General Manager's quarterly report	Warren Green	February	2017	On Schedule		While we have not published the information in the GM report, we continue to evaluate the performance of the department on a regular basis; including PO's issued, Contracts issued, YTD \$, etc.
	<u>neering</u>											_		
208	FY 2016/17	Quarterly	Engineering, Planning and Science	D	Work with other agencies on the implementation of local regional programs to meet the region's goal of reaching 50,000 AFY of recycled water use by June 2022	Perform evaluations to identify measures to improve recycled water quality and implement measures based on priority.	Ongoing	Install recycle water screens at RP-1 and RP-5	Shaun Stone	February	2017	On Schedule	No	The project design is at 50% and currently on schedule.
214	FY 2016/17	Quarterly	Engineering, Planning and Science	E	Provide engineers training to understand business aspects of capital projects and increase engineering consultant design services in lieu of in-house	Provide high quality project management design for Capital Improvement Projects.	Ongoing	in-House Design Engineer = 10%	Shaun Stone	January	2017	On Schedule		For projects that finish construction during or after FY1617 the overall percentage is 14.75% 9 of 61 projects are in house design
52.7			EG 1000 IN	-	designs to complete more projects in a shorter timeframe by July 2022	121 121 120 1002		DOMESTICAL COL	- 10 - 6		0.000	000	000	0 = 100 = 11-00 1000 (302-303
215	FY 2016/17	Quarterly	Engineering, Planning and Science	ı E	Provide engineers training to understand business aspects of capital projects and increase engineering consultant design services in lieu of in-house designs to complete more projects in a shorter timeframe by July 2022	Provide high quality project management design for Capital Improvement Projects.	Ongoing	Fiscal Year Capital Spending = 90%	Shaun Stone	January	2017	On Schedule		FY Budget = \$64M; Projected spending = \$42M Overall projection = 66%. As of 12/31 Engineering had 6 projects representing \$7M in budget variance. Please see our November 2016 GM report for detail variances for the 6 projects.
216	FY 2016/17	Quarterly	Engineering, Planning and Science	E	Conduct Lesson's Learned sessions to evaluate key construction implementations	Review and evaluate all projects for best practices that can be applied to future projects.	Ongoing	10x/year > 90%	Shaun Stone	January	2017	On Schedule		Conducted 1 Lesson Learned; Montclair Splitter Box Access Hatches in December 2016

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FY 2016/17

Business Goals & Objectives Report By Department

Go	pai FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
11!	5 FY 2016/17	Semi- Annual	Engineering, Planning and Science	D [']	Develop plan to improve the quality of recycled water to meet customer's needs by June 2017	Perform evaluations to identify measures to improve recycled water quality and implement measures based on priority	Complete by June 2017	Install recycle water screens at RP-1 and RP-5	Shaun Stone	February	2017	On Schedule	No	Engineering is now leading this project. The project design is at 50% and currently on schedule.
	6 FY 2016/17	Complete	Engineering, Planning and Science	E	Evaluate advances in laboratory design for inclusion in the construction of the Water Quality Laboratory facility	Upon funding, design and construct latest technology lab	48 months after funding is received	Upon funding 12 months for design and 36 months to construct	Shaun Stone	January	2017	On Schedule	No	The consultant contract was awarded in May 2015 and the design was completed 9 months later in February 2016. The construction contract was awarded in May 2016. The construction work is scheduled to be completed in August 2018.
	S FY 2016/17		Agency Management	С	Promote regional projects and initiatives through presentations to community based organizations, service groups, and stakeholders	Cultivate positive relationships with local and regional media	Ongoing	Present to 6 associations /groups	Kathy Besser	February	2017	On Schedule	Na	Presented to the Rancho Chino Rotary on the Chino Creek Wettands & Educational Park.
16	7 FY 2016/17	Quarterly	Agency Management	D	Advocate strategies that help anticipate and mitigate the impacts of droughts and climate change on the region	Develop, support, promote, and participate in water education programs	Ongoing		Kathy Besser	January	2017	On Schedule	No	Conducted additional outreach for education programs, resulting in alguificantly increased numbers of tours. Tour activities focus more on conservation, increased social media poets to include appropriate messaging for winter.
161	FY 2016/17	Quarterly	Agency Management	F	Support legislation to reduce drugs in waterways through take back programs	Support legislation to reduce drugs in waterways through take back programs	Completed by FY 16/17		Kathy Besser	February	2017	On Schedule	No	No activity in Q2.
223	3 FY 2016/17	Quarterly	Agency Management	В	Ensure staff understands and upholds their role in achieving the Agency's Mission, Vision, and Values	Incorporate the Agency's Mission, Vision, and Values into all staff schittles including: creating collateral materials, employee newsletter, and posting to the IEUA websits. Increase public recognition of Agency brand	By June 2016 and ongoing	Continue to update printed materials, newaletters, and website with current content	Kathryn Besser	February	2017	On Schedule		Continued to assist with development of updated Agency business goals - with the focus now on Key Performance Indicators - to ensure mission, vision and values are included in long term planning. New Agency PowerPoint has been created to increase branding.
224	4 FY 2016/17		, , , , , , , , , , , , , , , , , , , ,	С	Update and maintain the Agency's website to clearly communicate key activities, Issues, policies, and key documents, and continue to optimize use of social network	Serve as the Agency Webmaster and provide current and timely Information	By June 2016 and ongoing	Review the website for accuracy on a continual basis	Kathryn Besser	February	2017	On Schedule	eren mere	Continuing meetings with department managers to ensure content remains accurate. Continue to switch out front page "silders" on a timely basis to ensure current programs are being promoted.
221	FY 2016/17		Agency Management		media Promote regional projects and initiatives through presentations to community based organizations, service groups, and stakeholders	Communicate the importance of regional/local water independence and conservation	By June 2016 and ongoing	Form a Drought Task Force with member agencies Confinue marketing campeigns and social media outreach, Present to associations or community organizations quarterly	Kathryn Besser	February	2017	On Schedule		Modified regional drought campaign to adjust to changing seasons and community perceptions. Also evaluated current media being used end eliminated areas that didn't receive much response.
229	FY 2016/17	Quarterly	Agency Management	D	Complete water softnere ordinance by December 2014 and continue to reduce salinity and nutrients in recycled water	Work with the cities of Chino, Chino Hills, and Ontario to pass the water softener ordinance	By June 2016 and ongoing	Remaining cities to pass ordinance by end of FY 2015/16	Kathryn Besser	February		On Schedule		Three remaining cities have not passed ordinance — will work with Planning Department to address new city councils beginning in Q3.

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Business Goals & Objectives Report By Department

		FY Start	Reporting Required	Division	Bus, Goal	Work Plan	Department Goal	Time Line	, KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes .
		2016/17		Agency Management	F	Develop a communication plan to promote being a good neighbor	Communicate the Agency-wide goals, services, and functions to our entire service area, including all community members, businesses, and stakeholders.	By June 2016 and ongoing	FY2015/16 will continue to increase number of events attended in order to reach the entire service area	Kathryn Besser	February	2017	On Schedule		Brochures and technical illustrations were delayed, with new expected printing date at the end of FY16/17. Continue to increase number of social media postings,
			ccounting	-									_		
1	84 FY	' 2016/17	Quarterly	Finance and Administration	A	Reinstate the Agency's long term credit rating to AAA and maintain a debt coverage ratio to support such rating	Reinstate the Agency's long term credit rating to AAA and maintain a debt coverage ratio to support such rating	Ongoing		Tina Cheng	January	2017	On Schedule	No	During the 2008A bond refinancing process, the Agency received upgraded credit ratings from rating agencies; Standard & Poor (S&P)had upgraded the Agency's credit rating from AA to AA+. Moody's rated the Agency from Aa1 to Aa2.
1	85 FY	2016/17	Quarterly	Finance and Administration	A	Continue to monitor market apportunities for retirement, refunding, or restructuring of outstanding debt to reduce costs.	Monitor market opportunities for retirement, refunding, or restructuring of outstanding debt to reduce costs.	Ongoing		Tina Cheng	January	2017	On Schedule	No	The Agency 2008A bond went through refinancing which is schedule to close on February 2, 2017. The refinancing of 2008A bonds (\$125 M) includes defeasance of \$50M, which will provide the Agency long term savings in debt service costs, as well as reduce payment period.
1	86 FY	′ 2016/17	Quarterly	Finance and Administration	В	Promote a safer work environment by administering and monitoring required safety and regulatory trainings.	Promote a safer work environment by administering and monitoring required safety and regulatory trainings,	Ongoing		Tina Cheng	January	2017	On Schedule	No	Attended required safety training each month.
		′ 2016/17	Quarterly	Finance and Administration	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments.	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments.	Ongoing	Review program fund allocations and adjust if necessary to meet program needs.	Tina Cheng	January	2017	On Schedule		Continue to monitor the property tax receipts and allocate among programs based on adopted budget.
	rants	-													
2	:73 FY	/ 2016/17	Semi- Annual	Engineering, Planning and Science	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments	Manage congressional grant authorizations for water desalination projects In the Chino Basin	Ongoing	Until completion of the \$26M congressional authorization	Jason Gu	January	2017	On Schedule		IEUA has received \$20.8 million out of the \$26M Congressional Grant Authorization. A \$5.2M Title XVI grant application was submitted during this quarter.
2	:74 FY	2016/17	Quarterly	Engineering, Planning and Science	A	Advocate for continued receipt of properly taxes and optimize grants and other funding sources to support Agency and regional investments	Collaborate with departments that have projects that need grant funding.	Öngoing	Collaborating with IEUA and member agencies on preparing, submitting and monitoring grant and SRF loan applications for eligible projects.	Jason Gu	January *	2017	On Schedule		Collaborating with Accounting & Fiscal Management, External Affairs, Planning, Engineering, Construction Management, and Operations on preparing, submitting and monitoring grant and SRF loan applications for eligible projects.
2	275 FY	2016/17	Quarterty	Engineering, Planning and Science	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments	Find grants that match with Member and Regional Agencies capital and conservation programs	Ongoing		Jason Gu	January	2017	On Schedule		Collaborated with CDA, CBWM, and member agencies on preparing, submitting grant and loan applications, and monitoring grant and SRF loan funded projects.

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Business Goals & Objectives Report By Department

Goal	FY	Reporting		Bus.	,,					Note	Note			
	Start	Required	Division		Work Plan	Department Goel	Time Line	KPI	Assigned To	<u> Month</u>	Year	Status	Complete	Notes
181	FY 2016/17	Quarterly	Engineering, Planning and Science	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments	Recommend potential grant opportunities that align with the Agency mission and financial goal	Ongoing		Jason Gu	January	2017	On Schedule	No	Recommended multiple State and Federal Grant and SRF foan opportunities that align with the Agency mission and financial goal. Several applications and pre-applications were submitted.
182	FY 2016/17	Quarterly	Engineering, Plansing and Science	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments	Pursue new grant awards to diversity revenue	Ongoing		Jason Gu	Jenuary	2017	On Schedule	No	Major new grant applications and pre-applications were submitted to the State Water Resources Control Board and USBR. A \$10M stormwater grant swerd was received. Opportunities through the state Prop 1 grant program and Federal WaterSMART program are continually being reviewed for potential grants.
	FY 2016/17	Quarterly	Engineering, Planning and Science	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments	Collaborate with departments that have projects that need grant funding	Ongoing		Jason Gu	January	2017	On Schedule	No	Collaborating with Accounting & Fiscal Management, External Affairs, Planning, Engineering, Construction Management, and Operations on preparing, submitting and monitoring grant and SRF loan applications for eligible projects.
	<u>naj Audit</u> FY 2018/17	Monthly	Agency Management	A	Continue commitment to cost containment for operating and capital costs.	Promote a strong control environment by conducting independent and objective audits of Agency operations where the focus and audit scope includes identifying areas and providing recommendations for cost containment, effectiveness and efficiency in operationa and opportunities to improve and areas of cost containment.	On-going and through the audits approved by the Audit Committee and the Board during the Annual Audit Plan presentation	Completed planned and scheduled audits approved through the Annual Audit Plan.Comments and discussions during Audit Committee Meetings and exit meeting	Teresa Velarde	February	2017	On Schedule		Completed and on-going. In this period, internal Audit completed two audits that promote a strong control environment - The Information Technology Accountability Follow-up Audit for Finance related recommendations and the Master Services Contract Audit for professional services. These audits were planned as part of IAs Board-approved Annual Audit Plan.
232	FY 2016/17		Agency Management		Initiate discussions to revise and renew the Regional Sewerage Service Contract set to expire in 2023 by Jenuary 2018	Close out and finalize the Regional Contract Review with recommendations to improve the consistent and fair application of the Regional Contract requirements among all. Regional Contract Agencies. Additionally, provide recommendations to Agency management to improve and clarify clauses and requirements of the contract to negotiate a new contract going forward. Complete the evaluation of the connection and monthly sewer rate calculations, as well as RCA's internal processes and procedures, aupporting documentation	On-going follow-up review or additional evaluation as needed or requested by Management or the Board	Completion. Comments and discussions during Executive Management Meetings, Audit Committee Meetings and exit meetings	Terees Velarde	February		On Schedule		Completed in October 2015. Completed the audits of the 7 member agencies, discussed the results with the contracting agencies and the Audit Committee and the IEUA Board of Directors as well as with Tech Committee. The Final Report for the Regional Contract Audit was completed in October of 2015. Over 20 recommendations were provided to evaluate, change and improves the monthly severe billing, the connection fee billing, the business model of the Regional Contract. Various meeting, discussions and presentations were provided by IAD. To-date, the Agency has been able to collect over \$600K in connection fees resulting from audit findings, IAD continues to stay involved with various discussions of moving forward with the recommendations provided, and resolving issues identified. IA continues to assist with analysis and

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Goal (D	FY Start	Reporting Required		Bus. Goal	Work Plan	Department Goal	Time Line	КРІ	Assigned To	Note Month	Note Year	Status	Complete Notes
						to determine if these meet the intent and requirements of the contract. And provide workshops for the Board of Directors and the Regional Policy and Technical Committees, and provide workshops for the Board of Directors and the Regional Policy and Technical Commit	ttees						information requests.
235	FY 2016/1	7 Monthly	Agency Management	В	Uphold a strong internal control environment by conducting independent objective internal and external audits of Agency finances and operations	Promote a strong control environment by conducting independent objective audits of Agency operations where the focus and audit scope includes identifying areas and providing recommendations for strong informations. Broaden, improve and expand knowledge, reliance and utilization of financial and information systems to gather, research, analyze, and examine different types, more detailed and larger scopes of data to evaluate and test during audit procedures for any type of audit or reviewed. Promote a strong control environment that preserve the public perception of the Agency assets where the focus is identifying areas and providing recommendations to improve customer service that is effective and responsive Per direction or	Ongoing and through approved audits as approved through the Annual Audit Plan	Completed audits.Comments and discussions from stakeholders and during Executive Management Meetings, Audit Committee Meetings and exit meetings	Teresa Velarde	February	2017	On Schedule	Completed and on-going. As described in the IAD Charter and as required by professional standards, IAs responsibilities includes to promote a strong control environment. IA continuously accomplishes this by conducting independent objective operational audits of Agency's business departments. Anits where the focus and audit scope includes identifying areas where controls can be made more effective or areas where costs can be contained and providing recommendations for strong internal controls, effectiveness and efficiency in operations and processes and procedures. Improve and expand knowledge, relisance and utilization of financial and Information systems to gather, research, analyze, and examine different types, more detailed and larger scopes of data to evaluate and test during audit procedures for any type of audit. Promote a strong control environment that preserve the public perception of the Agency and safeguard Agency assets where the focus is identifying areas and providing recommendations to assist the Agency in achieving organizational goals.
n 1			Senie 444 2040	÷ #30	an bug ar a .asa b	responsive re director or approval by the Audit Committee and Board, and through coordination with senior management, Internal Audit would Identify areas for audit where the goal and scope are to measure the performance of a program, a process, or a service or compare results to goals and Identify areas for improvement, make recommendations to improve efficiencies. Conduct independent objective audits of Agency or	perations	-0(0)4 (1)		100 1	1003	F063 F0	00 - 0054 46964 NEW 0 NEWS NE 28 00000 0

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Business Goals & Objectives Report By Department

Goal	FY	Reporting		Bus.	Work Plan	Decertment Goal	Time Line	КРІ	Assigned To	Note Month	Note Year	Status	Complete	Notes
<u>ID</u>	Start	Required	DIVISION	goal	TRYIN FMIII	Provide Paris	1 litters Physics	134.1	rasiunted 10	arvini.	1,94.0	5574000		1179-9
236	FY 2016/17	Monthly	Agency Management	-15	Prepare and implement a Disaster Preparedness Plan and conduct periodic emergency response drills by July 2017	Update and meintain the IAD's Disaster Preparedness Plan and submit to the Audit Committee for review and submittal to the Board	Annually as part of the review of all IAD procedures and Charter	Review with the Audits Committee Advisor and Audit Committee members as well as Executive Management	Teresa Velarde	February	2017	On Schedule		Complete. IA has SOP #006 "A Internal Audit Department Business Continuity and Disaster Recovery." the purpose of the SOP is to document the role and responsibility of IA. IAs role will be to assist in the continuance of critical activities and to help Agency Management minimize the impact of the incident to the Agency's core operations. Additionally, as part of the Agency's effort to implement a disaster plan in place, IA staff are placed on the Incident Organizational Chart. IA is committed to assisting other departments and the Agency document a disaster
241 F	Y 2016/17	Monthly	Agency Management		Leverage private/public partemship opportunities	Establish, maintain and strengthen audit-related private/public partnership opportunities to have network ties and associates where audit-related topics can be shared, discussed, and evaluated with the goal of continuous internal audit processes improvement	On-going	Feedback from auditees, senior/Executive Management, the Audit Committee Advisor, the Audit Committee and Board	Teresa Velarde	February	2017	On Schedule	jā l	preparedness plan. Complete and Ongoing. Professional guidelines require all auditors be professional and are expected to achieve continuous professional association networking, this goal is achieved through those requirements and participating in conference and training events. Additionally, this goal is achieved through every audit project as it becomes an opportunity to promote friendly, helpful customer service, build the business metworks and provide any assistance or information necessary. This is achieved both internally with internal Agency staff, extensilly, with employees in outlying locations and non-Agency employees that are business professional peers and contacts.
Labo i 300 F	atory Y 2016/17	Quarterly	Engineering, Planning and Science		Continue commitment to cost containment for operating and capital costs	Evaluate advances in laboratory design for inclusion in the construction of the new Water Quality Laboratory	December 2016	Support Engineering during design phase by participation in design review.	Nel Groenvald	February	2017	On Schedule		Ongoing, Lab staff is responding to RFIs from the Construction management team.
.302 F	Y.2016/17.		Engineering, Planning and Science		Promote a safer work, environment by administering and monitoring required safety and regulatory trainings	Meet the bil-wooldy safety tailgate meeting requirement	December 2016	Hold bl .weekly safety meetings	, Nei Groenveld.	February .	,2017 ,	On		Lab staff completed all the required
	<u>9nanca</u> Y 2016/17	Querterly	Operations		Establish a cross training program across departments and divisions to enhance understanding of Agency programs	Develop and implement a division-wide training program to enhance understanding by Agency staff of wastewater treatment process and compliance; modern maintenance practices; and recycled water maintenance.	By June 30, 2017	Hold are training session each quarter	Randy Lee	February		On Schedule		Maintenance training continues through March.

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•		FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	КРІ	Assigned To	Note Month	Note Year	Status	Complete	<u>Notes</u>
	246 F	Y 2016/17	Monthly	Operations	С	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Provide exceptional and responsive customer service.	Continuous	Increase facilities services response time for support services by 15%.	Lucia Diaz	February	2017	On Schedule		On-going Facilities continues to monitor the activities associated with the Track it system in response to the level of service. There are times where staff is dependent upon other departments for support.
	247 F	/ 2016 <i>/</i> 17	Quarterly	Operations	F	Ensure Agency programs promote environmental stewardship, sustainability, and preservation of heritage measures, utilizing green procurement and reuse of surplus materials, equipment, and parts when possible	Identify educational opportunities for environmentally friendly facilities and landscapes	Ongoing	Increase educational signage by 10% for Agency facilities that are accessible by the public.	Lucia Diaz	February	2017	On Schedule		Received signage. Installation is on hold.
	Opera	tions													
	306 F	Y 2016/17	Quarterly	Operations	F	Strive for 100% use of Agency bi-products by 2021	Support the development and implementation of the Energy Management Pian to ensure 100% use of digester gas	By June 2016 Ongoing	Meet 100% of established implementation goals; on-going	Chander Letuile, Matt	January	2017	On Schedule		Operations has supported all implementation goals, Due to equipment issues at RP-1 and RP-2 gas utilization is lower than expected.
	307 F	Y 2016/17	Monthly	Operations	F	Strive for 100% use of Agency bi-products by 2021	Maximize use of blosolids by sending 90% of organics to IERCF	By June 2016 Ongoing	Send 90% of organics to IERCF; on-going	Randy Lee	February	2017	On Schedule		All Agency blosolids have been sent to the IERCF, processed into compost and sold into landscape and agricultural markets.
	80 F	Y 2016/17	Quarterly	Operations	Ð	Optimize IEUA's use of potable and recycled water by July 2016	Identify projects necessary to reduce potable and recycled water usage.	FY 2016/17	One facility per quarter	Matt Melendrez	January	20 17	On Schedule		A project has been identified to convert the RP-1 centrifuge oil coolers from potable water to utility water.
	198 F	Y 2016/17	Quarterly	Operations	D	Develop and implement a communication plan to promote water use efficiency and the value of water by July 2015	Measure baseline usage of potable and recycled water usage.	Ongoing through June 2016		Matt Melendrez and	January	2017	On Schedule		Potable water usage data is collected and monitored for all sites. Recycled water usage data is collected and monitored at RP-5, CCWRF, RP-1 and RP-2. A project has been identified to add a meter at RP-4.
	199 F	Y 2016/17	Quarterly	Operations	Ø	Develop and implement a communication plan to promote water use efficiency and the value of water by July 2015	Maintain peak demand management readiness	Ongoing through June 2016		Andy Campbell	February	2017	On Schedule		Weeldy demand management meetings will be resumed in May after storm season ends in April 2017.
	200 F	Y 2016/17	Quarterly	Operations	D	Develop and implement a	Maintain pump station	Ongoing through June 2016		Andy	February	2017	On		Pump station readiness is continuously
٠					9	communication plan to promote , water use efficiency and the value of water by July 2015	readiness	1 1(1) = (1)2 ((1) (==> 4002 B	Çampbell .			.Schedule		monitored by RW staff, Any deficiency's, of readiness are addressed and remedied.
	201 F	Y 2016/17	Quarterly	Operations	D	Develop and implement a communication plan to promote water use efficiency and the value of water by July 2015	Continue weekly Peak Demand Management meetings with key operations staff for start of 2016 Peak Demand season.	Ongoing through June 2016		Andy Campbell	February	2017	On Schedule		Weekly demand management meetings will be resumed in May after storm season ends in April 2017.
	202 F	Y 2016/17	Quarterly	Operations	D	Develop plan to improve the quality of recycled water to meet customer's needs by June 2017	Prepare and submit to CDPH start-up reports for new basin as delivery mechanisms are completed	Completed by June 2016 and Ongoing		Andy Campbell	February	2017	On Schedule		Declez Basin start-up is complete; start-up report will be completed in third quarter.

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Gos	FY Start	Repor	ting red Divis	ion	Bus. Goal	Work Plan	Department Goal	Time Line	КРІ	Assigned To_	Note Month	Note Year	Status	Complete	Notes
100	- Quant	1,444													
203	FY 201	3/17 Quart	ariy Oper	ations	D	identify and protect the best recharge land siles in the service region by June 2016	Ensure all treatment standards are met to maximize availability of recycled water.	Completed by June 2016 and Ongoing		Matt Melendrez and	January	2017	On Schedule	No	According to Compliance's Incident Report Summary all facilities are meeting or exceeding standards.
204	FY 2010	3/17 Quart	erly Open	ations	D	Identify and protect the best recharge land sites in the service region by June 2016	Identify projects necessary to reduce potable and promote recycled water usage	Completed by June 2016 and Ongoing		Matt Melendrez and	January	2017	On Schedule	No	Projects have been identified to switch processes from potable to recycle water. Operations is working with Maintenance, and Engineering to complete these projects. For example San Bernardino Lift Station packing water system and the RP-1 Centrifuce cooling water system.
		3/17 Quarte			D	Conduct research to find new methods to safely recharge more water into Chino Basin by June 2016	Meintain basin readiness through basin cleanings	Completed by June 2018 and Ongoing		Andy Campbell	February	2017	On Schedule	No	Conducted 3DFEEM study with Jorg Drewes. Final report for study was completed February 2016. Study with other sampling results assisted IEUA in obtaining 50% RWC for most of its RW GWR basins.
				Compliance		B	A	To be Completed by June		Sylvie Lee	January	2017	On	No	ACOE will submit the public notice by
190	FY 2016	M7 Quarte		eering, Planning cience	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Apply LEAN management principles to streamline current practices and develop long-term strategy for permitting of the O&M activities of recharge basins	2017		7	January		Schedule		early February 2017
191	FY 2016	3/17 Quarte		eering, Planning cience	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Develop a regulatory permitting strategy to support the implementation of the regional water and wastewater programs as identified in the planning documents	To be Completed by June 2017		Sylvie Lee	January		On Schedule		Draft PEIR filed on 12/20/2016, public meeting on 1/25/2017, public review comment period ends 2/2/2017.
193	FY 2016	1/17 Quarte		eering, Planning clance	D	Identify and protect the best recharge land sites in the service region by June 2016	Evaluate new projects and programe to support regional water reliability	Continuous	Meet the achedule as defined by the IRP	Sytvia Lee	January		On Schedule		Demonstrate Ag water use efficiency utilizing biosolid compost. Potential to reduce Ag water use by 25%, maintaining high basin levels.
195	FY 2016	V17 Quarte		eering, Planning clence	D	Conduct research to find new methods to safely recharge more water into Chino Basin by June 2016	Complete the MWD Foundational Action Research Program and develop a tertiary injection research project plan to find new methods to safely	Through June 2016 and Ongoing	Develop the plans	Sylvie Lee	January		On Schedule		Reviewing research and information from the State Water Resources Control Board with regards to the development of regulations for direct potable reuse.
100	15.5	99-3590	15101	1000	1) (45) (0.000 -0.00 (0.000 Help)	recharge more water in to '	100 100 100 100 10	DESCRIPTION	757		11.			
196	FY 2016	V17 Quarte		eering, Planning clence	D	Accelerate implementation of capital projects where appropriate to "drought proof" regional water supplies and optimize use of available federal and state grants and low interest rate financing	Accelerate implementation of 'Drought Proof' projects to optimize use of federal and state grants and loans; develop the project list based on priority.	Continuous	Keep updated project list and be coordinated with member agencies	•	January		On Schedule		Seeking and applying for grants to aupport Agriculture and healthy soils via the increased use of blosofid compost.
89	FY 2016	/17 Quarte		eering, Planning cience	D	Identify and protect the best recharge land sites in the service region by June 2016	Implement the schedule consistent with the IRP	continuous	Meet the schedule as defined by the IRP	Sylvie Lee	February		On Schedule		This is an ongoing process working with CBVM, on the recharge master plan projects, and investigating projects as they arise from IRP and RW Program Strategy. St.

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Gos <u>JD</u>	FY Start	Reporting Required		Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status Com	olate Notes
271	FY 2018/17	Monthly	Engineering, Planning and Science	Α	Initiate discussions to revise and renew the Regional Sewerage Service Contract set to expire in 2023 by January 2018	Collaborate with the Member agencies, JPAs, and the regional leaders on projects that can be partially funded by grant or SRF loan programs	Ongoing	Collaborating with IEUA and member agencies on preparing, submitting and monitoring grant and SRF loan applications for eligible projects.	Sylvie Lee	January	2017	On Schedule	CEQA Plus was prepared for the Pomona/MVWD/IEUA Recycled Water Intertie Project. The grant application is being expanded to include recent forms provided by the State Water Resources Control Board. The Feasibility Study may be expanded to include evaluation of additional alternatives as well as further evaluation on any anticipated groundwater quality impacts to local wells.
272	FY 2016/17	Monthly	Engineering, Planning and Science	ı A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments	Recommend and pursue new grant awards/opportunities to diversify revenue.	Ongoing	Grants Opportunities announcements to Agency departments and member agencies.	Sylvie Lee	January	2017	On Schedule	Staff prepared a USBR Water Conservation Field Services Grant for IEUA's regional Residential Pressure Regulation Program and submitted it on Jan. 23, 2017.
278	FY 2016/17	' Annual	Engineering, Planning and Science	C	Identify and participate in organizations that advance the Agency's mission, viston, and key initiatives	Participate in local and regional meetings such as CASA, SCAP, Water Reuse, SCWC, CWEA, and ACWA, to advance the Agency's mission, vision and key initiatives.	Continuous	Attend at regular meetings	Sylvie Lee	January	2017	On Schedule	Staff is actively participating in meetings, workshops, conferences, task forces, and seminars regarding issues relating to the Agency's goals.
279	FY 2016/17	Quarterly	Engineering, Planning and Science	C	Promote regional projects and initiatives to boost business and industry relocations and promote economic development in the regions	Promote local initiatives; consider and recognize the business impacts when developing regulations, policies, and planning documents	Continuous	Maintain the schedules as established in the regulations, policies and planning documents	Sylv ie Lee	February	2017	On Schedule	Staff In process of evaluating the Exhibit J sewer fee calculation methodology, which will modernize the calculations. SL
280	FY 2016/17	Monthly	Engineering, Planning and Science	C	Provide timely updates to the Regional Committees and the IEUA Board on long term planning needs	Provide regular updates to the Regional Committees	Continuous	Provide monthly/ quarterly/annual updates as needed.	Sylvie Lee	February	2017	On Schedule	Updates have been provided on planning issues through the quarter. SL
283	FY 2016/17	Quarterly	Engineering, Planning and Science	D	Advocate for ordinances requiring use of permeable pavement in new parking lots	Work with member agencies to develop ordinances, programs, and initiatives to promote storm water capture.	June 2016 Ongoing	Ongoing development of programs, plans, and policies to support storm water capture	Sylvie Lee	January	2017	On Schedule	Internal discussions about the stormwater program have begun. Civic Spark Fellows are doing supporting research. Program to kick off in Spring 2017
284	FY 2016/17	Semi- Annual	Engineering, Planning and Science	D	Optimize IEUAs use of potable and recycled water by July 2018	Optimize IEUA's use of potable and recycled water by completion of the	June 2016 Ongoing	Adopt the RWPS	Sylvie Lee	February	2017	On Schedule	Complete. SL
	30 C HT	1.6	X 4 4 4 4 4 4 4	100		recommended updates of the Recycled Water Program Strategy (RWPS).		3 1 1 3 3 1 3 1 3	104 152	10000	1000	SPR PGS	es less estrates el sinta
289	FY 2016/17	' Annual	Engineering, Planning and Science	Д	Conduct research to find new methods to safely recharge more water into Chino Basin by June 2016	Develop and implement the Recycled Water Peak Demand Management Plan to optimize efficient use of recycled water. Work with member agencies to encourage new developments to connect to recycled water.	Continuous	Continuous dislogue with member agencies and through customers as needed to connect new customers and support demand management initiatives.	Sylvie Lee	February	2017	On Schedule	Coordination with Member Agencies for RW demand management is ongoing and usually coordinated prior to summer months. SL

FY 2016/17

Business Goals & Objectives Report By Department

Go ID		FY Start	Reporting Regulred	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
295	FY	2016/17	Quarterly	Engineering, Planning and Science	F	Develop a communication plan to promote being a good neighbor	Develop a communication plan to neighboring businesses of odor	Continuous	Periodic/as needed monitoring performed	Sylvie Lee	January	2017	On Schedule		Perform quarterly odor survey at all facilities.
296	FY	2016/17	Quarterly	Engineering, Planning and Science	F	Develop a communication plan to promote being a good neighbor	performance monitoring. Assist Operations and External Affairs with odor complaint investigations and assist with mitigation.	Continuous	Provide support as needed	Sylvie Lee	January	2017	On Schedule		Perform odor monitoring, as needed to assist Operations, External Affair during complaints investigation and mitigation.
297	FY	2016/17	Querterly	Engineering, Planning and Science	F	Lead efforts to advocate for emerging trands and proposed changes to rules and regulations	Actively pericipate in the legislative process through advice letters and comments	Continuous	Actively participate and submit comments/letters as issues arise through ACWA, WateReuse, SCAP.	Sylvia Lea	February	2017	On Schedule		Provided comments to External Affaira regarding P&ER's legislative priorities, Continuous. SL
299	FY	2016/17	Annual	Engineering, Planning and Science		Develop a regionally focused Comprehensive Mitigation Plan for construction projects by July 2016	Complete a Santa Ana River Multi Species Habitat Conservation Plan (SAR-MSHCP) and develop a long-term strategy for mitigation for other regional	June 2017	Adopt the SAR-MSHCP by June 2017	Sylvie Lee	January	2017	Behind Schedule		Project impacts assessment and mitigation discussions underway. Plan may be delayed until SAR model completed.

THE RESERVE OF COLUMN CONTROL OF THE RESERVE OF THE

Inland Empire Utilities Agency Inter-Departmental / Division Transfers FY 2016/2017 Budget Transfer

Fund	Date	O&M Transfer From	Category	Amt Transfer Out	O&M Transfer To	Category	Amount Transfer In	Description	QTR
10200	11/14/16	545230	Fuel Cell Power	\$60,000	511120	Employee Training	\$60,000	Transfer to cover additional training costs for the Maint. Dept. including Root Cause Analysis, Planning and Scheduling, and ISS Cyber Security Training.	
10800	12/8/16	521080	Other Contract Svcs	\$3,000	519310	Operating Permits & Lic	\$3,000	Transfer for certification application fee for the Magnolia Channel	2
			Total O&M Transfers Out	\$63,000		Total O&M Transfers In	\$63,000		

Exhibit C-2

Inland Empire Utilities Agency FY 2016/17 GM Contingecy Account Activity

GM	
ontingency	

Dodo	Depodelos		Account/Project No.	Pantiactan	Durdout	Transfers	Balance
Date	Description	RO Fund	10800-112100-501000-519010	Requestor	Budget \$400,000	ITANSIEIS	
7/1/2016	FY 2016/17 Adopted budget	RO Fund	10800-112100-501000-519010	A. Woodruff	\$400,000	600 000	\$400,000
9/27/2016	Transfer to cover unforeseen clean-up and abatement fees					\$20,000	\$380,000
10/17/2016	Transfer to cover unforeseen clean-up and abatement fees	RO Fund	10800-112100-501000-520210	A. Woodruff		\$30,000	\$350,000
11/10/2016	Transfer to cover unforeseen clean-up and abatement fees	RO Fund	10800-112100- 5 01000-520210	A. Woodruff		\$60,000	\$290,000
							\$290 ,000
	RO Fund GM Contingency				\$400,000	\$110,000	\$290,000
7/1/2016 8/31/2016 12/15/2016	FY 2016/17 Adopted budget Transfer to cover the purchase of computers for new staff in External Affairs Transfer to cover the purchase of IEUA shirts for employees	GG Fund GG Fund GG Fund	10200-112100-100000-519010 10200-146100-105000-960000 10200-120100-100000-511310	K. Besser S. Bhojani	\$300,000	\$3,700 \$8,900	\$300,000 \$296,300 \$287,400 \$287,400
	GG Fund GM Contingency				\$300,000	\$12,600	\$287,400 \$287,400
GM CONTEN	IGENCY GRAND TOTAL				\$700,000	\$122,600	\$577,400

cc: Joe Grindstaff, Christina Valencia

Inland Empire Utilitles Agency Changes in Total Project Budgets: Inter-Departmental/Division Transfers FY 2016/17

Find	Capital or Spac Proj?	Request Date	Total Proj Rudget C* inge (Y/N)?	Anotomi Proj Boripot Change (Y/NG)	Gree Proj? (Y/H)	Project Pumber	Project Title	Adopted Total Project (TP) Resigns	Prior TP Changite in Charcest FY	Current Total Project Budget	Amt. of Transfer in / (Out)	New TP Budget	Annual Project Budget	Annual Proj. Budget Change	New Annual Project Budget	Project Transferred To/(Troto)	Justification
		4-4-64-		16	Yes	EN15052	Primavera Enhancements	\$193,400	\$0	\$193,400	(\$15,000)	\$178,400	572,447	(\$15,000)	\$57,447	1517027	Transfer from EN15052 to create new project iS17027 to fund the acquisition
10200	Capital	10/18/16	Yes	Yes	18	IS17027	New PC Workstations	\$0	\$0	\$0	\$15,000	\$15,000	\$0	\$15,000	\$15,000	(EN15052)	of new PC workstations for the Civic Spark Fellows in the Planning department.
	Capital	11/17/16	Yes	Ves	No	IS16020	SAP User Interface Improvements	\$142,070	\$0	\$142,070	(\$1,000)	\$1.41,070	\$142,070	(\$1,000)	\$141,070	IS17025	Transfer from IS16020 to IS17025 to purchase equipment to allow GWR
			,,,		•	1517025	New Workstations - External Affairs	\$0	\$3,700	\$3,700	\$1,000	\$4,700	\$3,700	\$1,000	\$4,700	(1516020)	Interns to scoss the GWR SCADA.
	Cepital	11/22/16	Yes	Yes	Yes	IS16015	FY 15/16 Workstation Replacement	\$159,200	\$0	\$159,200	(\$4,850)	\$154,350	\$13,908	(\$4,850)	\$9,058	1517030	Transfer to create new project, IS17030, to fund the purchase of a new TV, cable management, and TV bracket needed to upgrade the Baines
						LS17030	Raines Conference Room AV Upgrade	\$0	\$0	\$0	\$4,850	\$4,850	\$0	\$4,850	\$4,850	(IS16015)	Conference Room AV system.
			Subtotal Adm	ilidata don	(6E)		TOOLIT NA CONTRACT	\$494,670				\$498,370	\$232,125		\$232,125		
				-		RW15002	Upper Santa Ann River	\$160,000	\$0	\$160,000	(\$11,000)	\$149,000	\$355,674	(\$11,000)	5344,674	RW15001	Transfer from RW15002 to RW15001 due to re-categorization of project type
10300	Capital	11/3/16	Yes	Yes	No	RW15001	Long-Term Beein-Wide	\$130,000	\$0	\$150,000	\$11,000	\$162,000	\$117,567	\$11,000	\$128,567	(RW15002)	from the staffing at the Regional Board.
			Subtatal Blo	understat B	adjunge (TOW)		\$310,000				\$810,000	\$478,241		\$473,241		
	o h-l	44 15 14 14	-	V		EN15055	1630 E&W Racycled Water Pump Station	\$1,590,000	\$0	\$1,590,000	(\$100,000)	\$1,490,000	\$1,340,000	(\$100,000)	\$1,240,000	EN17060	Transfer to create new project, EN17050, to replace a pump case and an
10500	Capital	11/2/16	Yes	Yes	Yes	EN17060	1299 Recycled Water Pumps Replacement	\$0	\$a	\$o .	\$100,000	\$100,000	\$a	\$100,000	\$100,000	(EN15055)	impeller for two 1299 pumps at RP-4 that have damage likely due to material incompatibility with chlorine in the effluent.
		 '															
						EN13001	Sen Sevelne Basin Improvements	\$6,460,000	\$0	\$6,460,000	(\$165,000)	\$6,295,000	\$3,250,000	(\$165,000)	\$3,085,000	EN17067	Transfer to create new project, EN17067, to build a new groundwater
	Capital	12/21/16	Yes	Yes	Yes	EN17067	Declez Besin RW Compliance	\$0	\$0	\$0	\$165,000	\$165,000	\$a	\$165,000	\$165,000	(EN13001)	monitoring well at the Declez Basin as required by the California Recycled Water Rechange Regulation,
			Subtabil Rec		Ser.		Monitoring Wells	\$8,050,400				\$8,050,000	\$4,590,000		\$4,580,000		
10800	Capital	10/20/16	Yes	Ves	Yes	EN16070	Agency-wide Sewage Pump Efficiency	\$1,275,000	(\$625,000)	\$650,000	(\$300,000)	\$350,000	\$635,000	(\$300,000)	\$335,000	EN17059	Transfer from EM15070 to create new project, EN17059, to fund the installation of two previously purchased iron sponges at RP-1 that will sen
201100	Capital.	24,24,25			_	EN17059	RP-1 from Sponges Installation	\$0	\$0	\$0	\$300,000	\$300,000	\$0	\$300,000	\$300,000	(EN16070)	as backup to the existing Iron sponges.
	•																
	Capital	11/22/16	Yes	Yes	Yes	is15020	Process Automation and Control IT Improvement	\$500,000	\$0	\$500,000	(\$8,000)	\$492,000	\$500,000	\$0	\$500,000	1517083	Transfer from IS15020 to create new project, IS17083, to implement a firewall to aggreent the wastewater network from the GWR/RW network.
						[51 7083	SCADA Network Firewall	\$0	\$0	\$0	\$8,000	\$8,000	\$0	\$0	\$0	(1515020)	_

Inland Empire Utilities Agency Changes in Total Project Budgets: Inter-Departmental/Division Transfers FY 2016/17

Femal	Caprial or Spec Prof?	ituspust Oute	Total Proj Budget Change (Y/X)?	Proj Budget Charge (Y/N)?	Ceur Proj? Y/R()	Project Rumber	Project Title	Adopted Total Project (TP) Wadget	Prior TP Charges in Current Py	Content Total Project Budget	Amt. of Tr-mfor in / (Out)	Raw IP Budget	Ammail Project Sudjet	Annual Proj. Budgot Chango	New Annuel Project Budget	Project Transferred To/(Frend)	Jest#hantion
	Caspital	11/22/16	Yes	Yes	Yes	IS15020	Process Automation and Control IT Improvement	\$500,000	(\$8,000)	\$492,000	(\$48,000)	\$444,000	\$500,000	\$0	\$500,000	IS17095	Transfer from IS15020 to create new project, IS17035, to fill gaps identified In the cyber security assessment report and help comply with the NIST cyber
						IS17035	SCADA Network Switch Replacement	\$0	\$0	\$0	\$48,000	\$48,000	\$0	\$0	\$0	(iS15020)	security framework.
<u> </u>	Capital	11/22/16	Yes	Yes	Yes	1515020	Process Automation and Control IT Improvement	\$500,000	(\$56,000)	\$444,000	(\$17,000)	\$427,000	\$500,000	\$0 .	\$500,000	I\$17031	Transfer from IS15020 to create new project, IS17031, to fund the purchase of a Dell server required to host a Vulnerability Scenner and Intrusion
						IS17031	Server for Cyber Security Services	\$0	\$0	\$0	\$17,000	\$17,000	\$0	\$0	\$0	(1515020)	detection system software for the SCADA notwork.
								1									
	Capital	11/22/16	Yes	Yes	Yes	1515020	Process Automation and Control IT Improvement	\$500,000	(\$73,000)	\$427,000	(\$61,000)	\$366,000	\$500,000	\$0	\$500,000	IS17032	Transfer from IS 15020 to create new project, IS 17032, to prevent extended downtime at RP-4 that would result in the case of a fire at the Data Center.
						IS17032	inergen Fira Suppression System - RP-4	\$0	\$0	\$0	\$61,000	\$61,000	\$0	\$0	\$0	(1515020)	
<u>-</u>	Çapital	11/22/16	Yes	Yes	Yes	IS15020	Process Automation and Control IT improvement	\$500,000	(\$134,000)	\$366,000	(\$130,000)	\$236,000	\$500,000	\$0	\$500,000	IS17029	Transfer from IS15020 to create new project, IS17029, to provide hardware redundancy for non-SCADA compilance-related services.
						1517029	3PAR Storage Area Network/ SAN	\$0	\$0	\$0	\$130,000	\$130,000	\$0	\$0	\$0	(1515020)	
			Subtata Re	gional Open	tions (RC	1		\$3,778,000				\$1,879,000	93,185,800		\$3,135,000		
10900	Capital	11/16/16	Yes	Yes	Yes	EN14019	RP-1 Headworks Primary and Secondary Upgrades	\$10,500,000	\$0	\$10,500,000	(\$60,000)	\$10,440,000	\$1,500,000	(\$60,000)	\$1,440,000	EN17063	Transfer to create new project, EN17063, for replacement of cast Iron gates at RP-4 that have corrosion due to liquid environment. The new project will replace the gates with stainless steel gates.
						EN17063	RP-4 Anoxic Splitter Box Gates	\$0	\$0	\$0	\$60,000	\$60,000	\$0	\$60,000	\$60,000	(EN14019)	Tapasa ine gales with stainless steel gales.
			Subtotal Re	cional Capit	(AC)			\$10,500,000				\$10,500,000	\$1,300,000		\$1,500,000		
-	•							Capital T Adopted	otal Project B	Current	Capital Total	Project Budget Amended		Annual Capital Bi			
								\$23,129,670		\$22,237,370		\$22,237,370	Adopted \$9,930,366		Amended \$9,930,366		
						WR16025	WW Planning Documents	\$1,000,000	\$0	\$1,000,000	(\$400,831)	\$599,169	\$999,362	(\$400,831)	\$598,531	WR17023	Transfer from WR16025 to create new project, WR17023, funded by grants
10700	O&M Proj	10/25/16	Yes	Yes	Yes	WR17023	Chino Basin Drought Contingency Plan	\$0	\$0	\$0	\$400,831	\$400,831	\$0	\$400,831	\$400,831	(WR16025)	from the United States Bureau of Reclamation.
			Subtate VI	ter Resourc	es (WW)			\$1,000,000				\$1,000,000	\$999,362		5999,362		

Exhibit D

Inland Empire Utilities Agency Changes in Total Project Budgets: Inter-Departmental/Division Transfers FY 2016/17

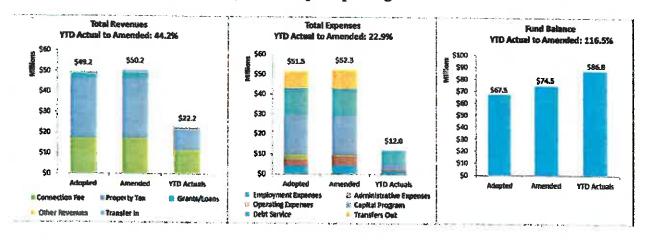
Fund	Capital or Spec Proj?	Request Date	Total Proj Bu-fgrt Change (Y/W)?	Annual Proj Staljet Change (Y/eli?	Mew Proft (Y/N)	Project Number	Project Title	Adopted Yotal Project (TP) Rudget	Prior TP Changes in Current FY	Current Total Project Budget	Amt of Transfer In / (Out)	New YP Budget	Annual Project Beriget	Annual Proj Budpet Change	New Aranual Project Budget	Project Transferred To/(From)	hustification
		44.00.00	Yes	Yes	Yes	PL17001	RO Planning Documents	\$250,000	\$0	\$250,000	(\$50,000)	\$200,000	\$250,000	(\$50,000)	\$200,000	PL17004	Transfer to create new project, PL17004, to fund the Wastawater Flow and
10800	OBM Proj	11/2/16	res	TES .	1 eta	Pl,17004	Wastewater Flow and Loading Study	\$0	\$0	\$0	\$50,000	\$50,000	\$0	\$50,000	\$50,000	(PL17001)	Sanitation Agencies (CASA),
												 1	· · · · · · · · · · · · · · · · · · ·				
	00000-1	12/1/16	Yes	Yes	No	EN17019	FY 16/17 RO Emergency O&M	\$600,800	\$0	\$600,000	(\$20,000)	\$580,000	\$600,000	(\$20,000)	\$580,000	EN16019	Transfer to pay the final change orders owed to the contractors for subproject EN16019.08, RP-1 Dewatering Non-Adhering Surface Coating
	O&M Proj	12/1/16	188	165	TWO	EN16019	FY 15/16 RO Emergency O&M	\$600,000	\$0	\$600,000	\$20,000	\$620,000	\$85,000	\$20,000	\$105,000	(EN17019)	Removal.
7			Subtotal Reg	one Oper	dejai (RO			\$1,450,000				\$1,450,000	\$933,000		\$996,000		
						O&M Total Project Budget			OSM Total Project Budget		Total Annual OSM Project Budget				- · · · · · · · · · · · · · · · · · · ·		
								Adopted		Current		Amended	Adopted		Amended		
								\$2,450,000		\$2,450,000		\$2,450,000	\$1,934,362		\$1,994,362		

Total Capital and OSM Project Transfers: \$1,391,65:
Total Project Distinct Change - Capital: \$1
Total Project Budget Change - OSM Proje
Total Project Budget - Net Change: \$2

Financial Overview of Agency's Programs FY 2016/17 quarter ended December 31, 2016 Total Revenues, Expenses, and Fund Balance

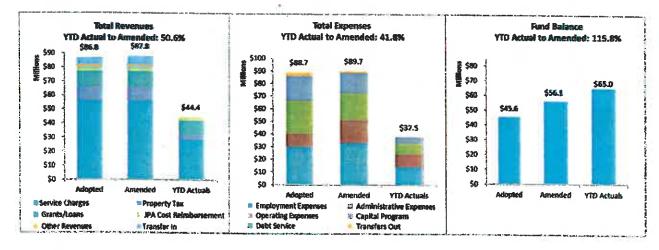
Regional Wastewater Capital Improvement (RC) Fund

The fund balance indicated an increase of \$12.2 million compared to the amended budget primarily due to favorable connection fee revenues, and low capital spending.



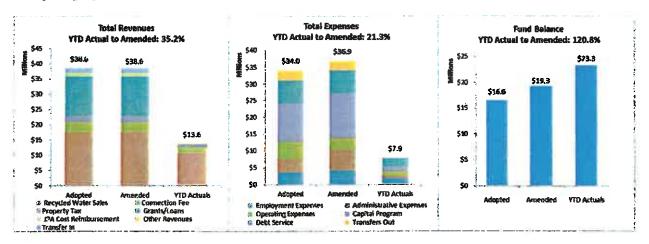
Regional Wastewater Operations and Maintenance (RO) Fund

The fund balance indicated an increase of \$9.1 million compared to the amended budget mainly due to the timing of execution of O&M and capital replacement and rehabilitation projects and lower than budgeted administrative expenses.



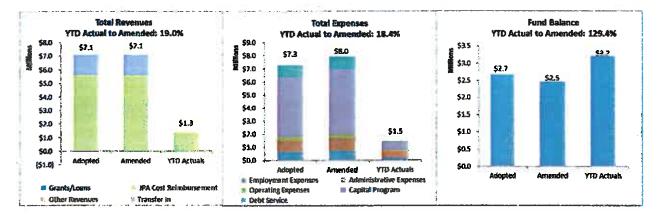
Recycled Water (WC) Fund

The fund balance indicated an increase of \$4.0 million compared to the amended budget primarily due to higher than anticipated recycled water sales, low administrative expenses, and timing in the execution of capital projects.



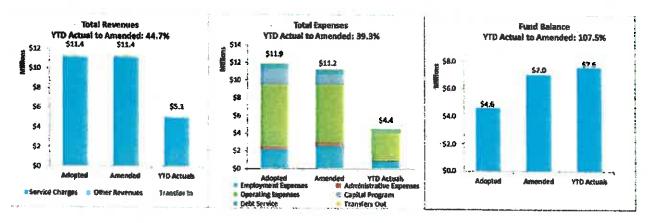
Recharge Water (RW) Fund

The fund balance shows an increase of \$0.7 million compared to the amended budget due to timing of operation spending & delays in capital project execution.



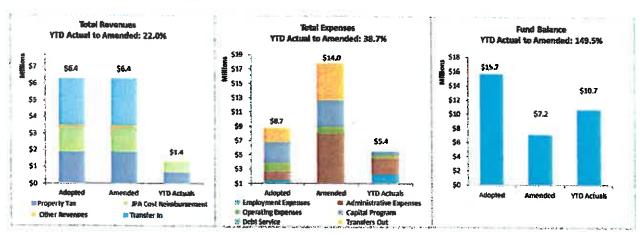
Non-Reclaimable Wastewater (NRW) Fund

The fund balance shows an increase of \$0.5 million compared to the amended budget due to favorable variance in employment expenses and capital project expenditures.



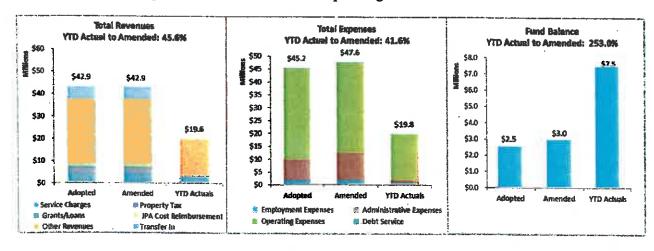
Administrative Services (GG) Fund

The fund balance indicated an increase of \$3.5 million compared to the amended budget due to lower capital spending and the timing of inter-fund loan activities.



Water Resources (WW) Fund

The fund balance indicates an increase of \$4.5 million compared to the amended budget due to collection of user charges and lower administrative spending.



FY 2016/17 Budget Variance Report 2nd Quarter ended Dec. 31, 2016

Board Meeting









Finance & Accounting
March 2017

Sources of Funds Highlights Actuals compared to Amended Budget

Favorable Variance

- Wastewater/Water Connection Fees: \$13.3M, 66.1%
 - 2,024 new EDU connections vs. 3,000 budgeted
 - 2,805 new Water connections vs. 2,730 budgeted
- Recycled Water Sales: \$9.3M, 58.8%
 - 19,049 AF actual year to date vs. 37,100 AFY budgeted

Unfavorable Variance

- Grants and Loans: \$10.2M, 36.5%
 - Delays in grant and loan reimbursable projects
- Property Tax: \$16.4M, 36.7%
 - Additional receipts anticipated in third quarter



Uses of Funds Highlights Actuals compared to Amended Budget

Favorable Variance:

- Capital Projects: \$10.0M, 16.7%
 - Delayed project execution primarily due to changes in project schedules
- Professional Fees & Services: \$3.1M, 27.2%
 - Delays in contract materials & other contractual service execution
- Office & Administration: \$0.8M, 29.0%
 - Included unspent GM contingency & delayed billings of election expenses

Unfavorable Variance

- Employment Expenses: \$22.2M, 52.2%
 - Includes \$3.5M contribution to other post-employment benefits and retirement unfunded accrued liability



Project Budget Updates

- Total Project Budget Change in Second Quarter
 - \$1,391,681 transferred between 30 projects within the same fund*
 - \$920,850 transferred between capital projects
 - \$470,831 transferred between O&M projects
 - No change in appropriated budget for FY 2016/17

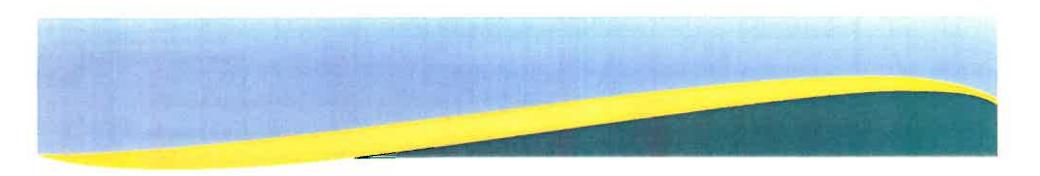
*Transfer details provided in Exhibit D.

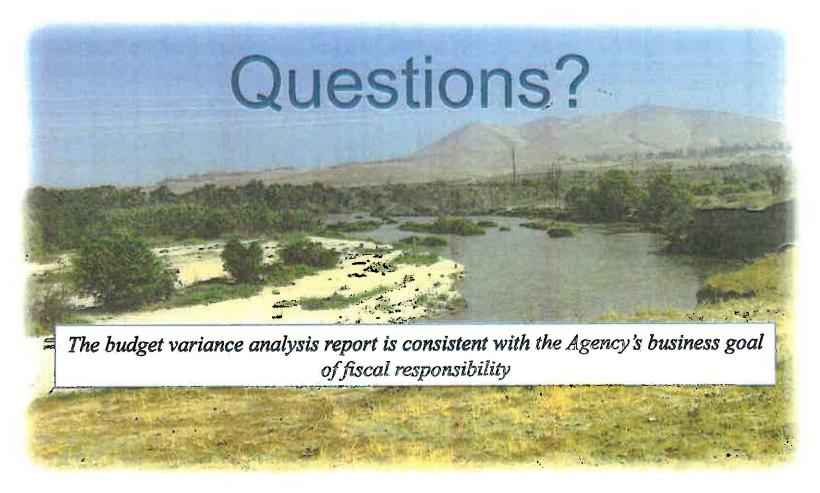


FY 2016/17 Q2 Consolidated Fund Balance

Operating	FY 2016/17 Amended Budget	Second Quarter Ended 12/31/16	Actual % of Amended Budget 52.8%	
Operating Revenue	\$126.8	\$67.0		
Operating Expense	\$159.0	\$68.0	42.8%	
Operating Net Increase/(Decrease)	(\$32.2)	(\$1.0)		
Non- Operating				
Non-Operating Revenue	\$99.0	\$40.6	41.0%	
Non-Operating Expense	\$82.0	\$20.4	24.8%	
Non-Operating Net Increase/(Decrease)	\$17.0	\$20.2		
Consolidated	FY 2016/17 Amended Budget	Second Quarter Ended 12/31/16	Actual % of Amended Budget	
Total Sources of Funds	\$225.8	\$107.6	47.7%	
Total Uses of Funds	\$241.0	\$88.4	36.7%	
Total Net Increase/(Decrease)	(\$15.2)	\$19.2		
Beginning Fund Balance	\$184.8	\$184.8		
Ending Fund Balance	\$169.6	\$169.6 \$204.0		

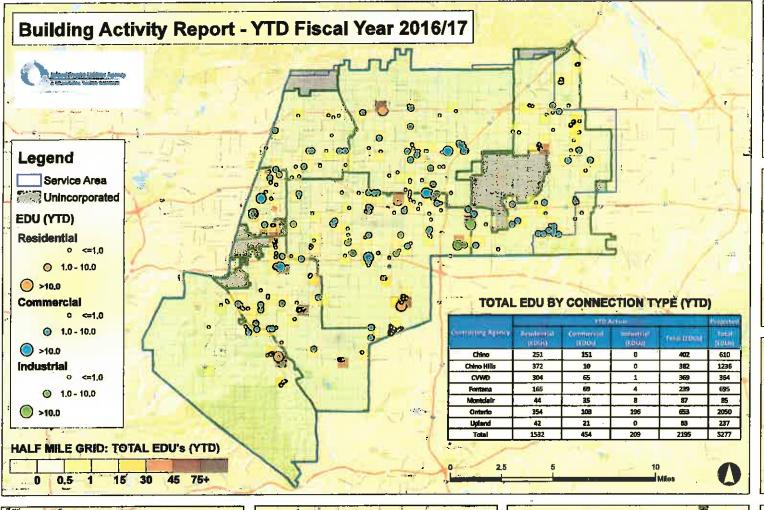




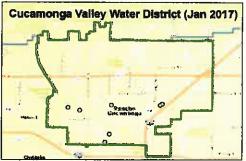




RECEIVE AND FILE 4B



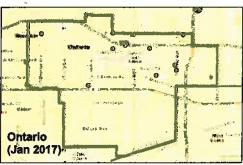








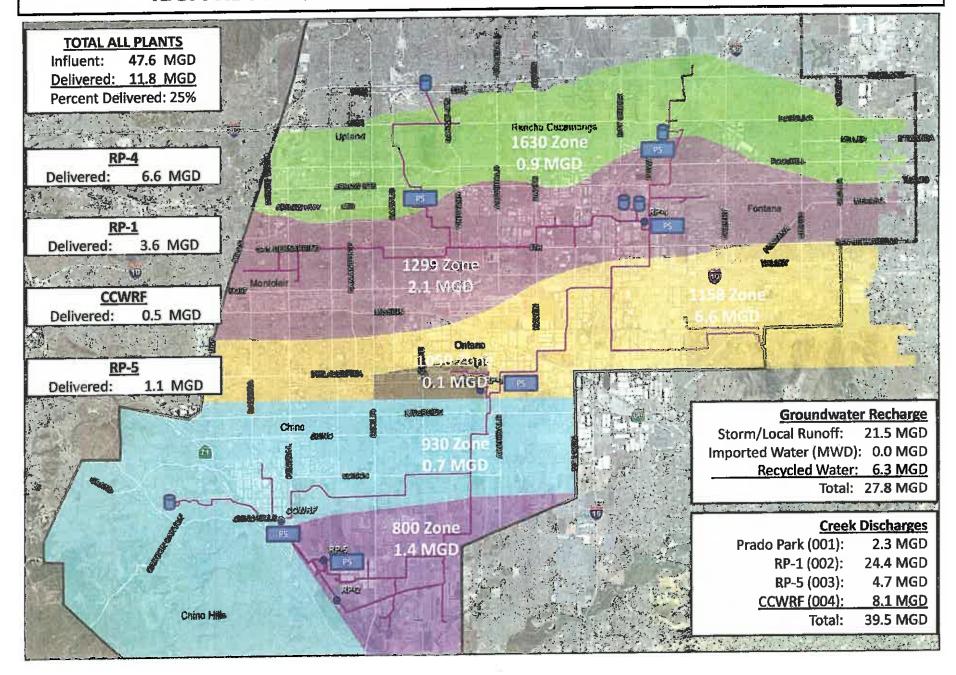






RECEIVE AND FILE

IEUA RECYCLED WATER DISTRIBUTION - FEBRUARY 2017



	Nacycles vestor resortings							
Basin	2/1-2/10	2/11-2/17	2/18-2/24	2/25-2/29	Month Actual	Month Plan	FY To Date Actual	
	0,0	0,0	0.0	0.0	0.0	200	779	
Ely		0.0	0.0	0,0	0.0	100	500	RW GWR for February impacted by Stormwater
Banana	0.0	0.0	0.0	0.0	0.0	150	136	Stormwater for all site February was 1,835 AF
Hickory	0.0			31.7	65.7	100		Stormwater for all sites January was 4,712 AF
Turner 1 & 2	0.0	8.2	25.9				442	
Turner 3 & 4	0.0	8.2	0.0	. 0.0	8.2	50		
8th Street	0.0	0.0	3.1	31,2	34.3	0	1443	
Brooks	0.0	0.0	0.0	0.0	0.0	100	293	
RP3	163.3	91.9	38,9	87.1	381.3	200	3379	
Declez	0.0	0.0	0.0	0.0	0.0	0	514	
Victoria	0.0	8.2	21,4	23.0	52.7	100	572	
	0.0	0.0	0.0	0.0	0.0	0	0	
San Sevaine					542.2	1000	8,058	8,391 AF, Previous FY End of Month Actual
Total	163.3	116.5	89.4	173.0	342,2	,,000	- 0,000	

