



**FINANCE AND ADMINISTRATION
COMMITTEE MEETING
OF THE BOARD OF DIRECTORS
INLAND EMPIRE UTILITIES AGENCY*
AGENCY HEADQUARTERS, CHINO, CALIFORNIA**

**WEDNESDAY, MARCH 8, 2017
10:30 A.M.**

*Or immediately following the
Engineering, Operations, &
Water Resources Committee Meeting*

CALL TO ORDER

PUBLIC COMMENT

Members of the public may address the Board on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) of Section 54954.2 of the Government Code. Those persons wishing to address the Board on any matter, whether or not it appears on the agenda, are requested to complete and submit to the Board Secretary a "Request to Speak" form which is available on the table in the Board Room. Comments will be limited to five minutes per speaker. Thank you.

ADDITIONS TO THE AGENDA

In accordance with Section 54954.2 of the Government Code (Brown Act), additions to the agenda require two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted.

1. CONSENT ITEMS

A. MINUTES

The Committee will be asked to approve the Finance and Administration Committee meeting minutes of February 8, 2017.

B. REPORT ON GENERAL DISBURSEMENTS

It is recommended that the Committee/Board approve the total disbursements for the month of January 2017, in the amount of \$11,104,791.62.

2. ACTION ITEMS

A. RP-1 GAS SYSTEM DESIGN-BUILD CONTRACT AWARD

It is recommended that the Committee/Board:

1. Award a design-build contract for the RP-1 Iron Sponges Installation, Project No. EN17059, to W.A. Rasic in the amount of \$319,900;
2. Approve a total project budget amendment in the amount of \$200,000 for Project No. EN17059; and
3. Authorize the General Manager to execute the design-build contract and budget amendment.

B. FISCAL YEAR (FY) 2015/16 SINGLE AUDIT REPORT FOR FEDERAL GRANT PROGRAMS

It is recommended that the Committee/Board:

1. Approve the Single Audit Report for FY 2015/16; and
2. Direct staff to distribute the report, as appropriate, to the State Controller's Officer, the Federal Audit Clearing House, and other interested parties.

3. INFORMATIONAL ITEMS

A. FY 2016/17 SECOND QUARTER BUDGET VARIANCE, PERFORMANCE GOALS UPDATES, AND BUDGET TRANSFERS (WRITTEN/POWERPOINT)

B. FISCAL YEARS 2017/18 – 2018/19 BIENNIAL BUDGET OVERVIEW (POWERPOINT)

RECEIVE AND FILE INFORMATION ITEMS

C. TREASURER'S REPORT OF FINANCIAL AFFAIRS (WRITTEN)


4. GENERAL MANAGER'S COMMENTS

5. COMMITTEE MEMBER COMMENTS

6. COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

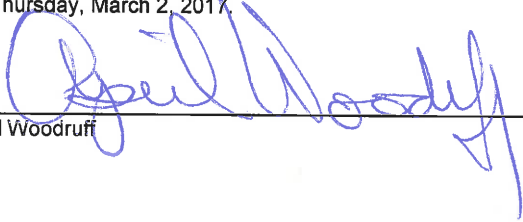
7. ADJOURN

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Secretary (909-993-1736), 48 hours prior to the scheduled meeting so that the Agency can make reasonable arrangements.

Proofed by: 

DECLARATION OF POSTING

I, April Woodruff, Board Secretary/Office Manager of the Inland Empire Utilities Agency, A Municipal Water District, hereby certify that a copy of the agenda has been posted by 5:30 p.m. in the foyer at the Agency's main office, 6075 Kimball Ave., Building A, Chino, CA on Thursday, March 2, 2017.



April Woodruff

CONSENT

ITEM

1A

MINUTES

FINANCE AND ADMINISTRATION COMMITTEE MEETING INLAND EMPIRE UTILITIES AGENCY* AGENCY HEADQUARTERS, CHINO, CA

WEDNESDAY, FEBRUARY 8, 2017
9:00 A.M.

COMMITTEE MEMBERS PRESENT

Jasmin A. Hall, Chair
Paul Hofer

STAFF PRESENT

Kati Parker, Director
Chris Berch, Executive Manager of Engineering/AGM
Christina Valencia, Chief Financial Officer/AGM
Randy Lee, Executive Manager of Operations/AGM
Adham Almasri, Senior Engineer
Jerry Burke, Deputy Manager of Engineering
Tina Cheng, Budget Officer
Sylvie Lee, Manager of Planning & Environmental Resources
Jason Gu, Grants Officer
Jason Pivovaroff, Senior Engineer
Javier Chagoyen-Lazaro, Manager of Finance and Accounting
Jesse Pompa, Senior Engineer
Shaun Stone, Manager of Engineering
Al VanBreukelen, Deputy Manager of Maintenance
Teresa Velarde, Manager of Internal Audit
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT

None

The meeting was called to order at 9:05 a.m. There were no public comments received or additions to the agenda.

CONSENT CALENDAR ITEMS

The Committee:

- ◆ Approved the Finance, Legal, and Administration Committee meeting minutes of December 14, 2016, with Director Hall abstaining.
- ◆ Recommended that the Board approve the total disbursements for the month of December 2016, in the amount of \$21,746,279.50.

ACTION ITEMS

The Committee:

- ◆ Recommended that the Board:
 1. Award a construction contract for the RP-4 Disinfection Facility Improvements, Project No. EN14018, to W.A. Rasic in the amount of \$1,839,400;

2. Approve a total project budget amendment in the amount of \$284,400 for Project No. EN14018; and
3. Authorize the General Manager to execute the construction contract and budget amendment.

as a Consent Calendar Item on the February 15, 2017 Board meeting agenda.

◆ Recommended that the Board:

1. Award a design-build contract for the RP-2 Microturbine Installation Project No. EN17065, to Geveden Industrial in the amount of \$1,876,809;
2. Approve a ten-year service agreement with Cal Microturbine in the amount of \$752,460 for Project No. EN17065;
3. Approve a total project budget in the amount of \$2,210,000 and FY budget in the amount of \$850,000 for project No. EN17065; and
4. Authorize the General Manager to execute the budget amendment and the construction contract and maintenance service agreement subject to non-substantive changes;

Discussion ensued regarding return on investment, 5 year forecast of gas and electrical cost, alternative technologies, incentives, costs to operate, capital costs detail, and AQMD regulations.

Director Hofer stated that the City of Ontario has questions on this project and has contacted him. He stated City of Ontario indicated that they would like more details regarding this project. He noted to staff that he would like a presentation including more detail on this project at the February 15 Board meeting.

as an Action Item on the February 15, 2017 Board meeting agenda.

◆ Recommended that the Board:

1. Adopt Resolution Nos. 2017-2-1, 2017-2-2, and 2017-2-3, authorizing IEUA to enter financial assistance agreements with the U.S. Department of Interior, Bureau of Reclamation (USBR) for three grant applications; Drought Resiliency, CALFED Water Use Efficiency, and Agricultural Water Conservation Grant Programs; and
2. Authorize the General Manager to execute the financial assistance agreements, and amendments and related documents thereto;

as an Action Item on the February 15, 2017 Board meeting agenda.

◆ Recommended that the Board:

1. Adopt Resolution No. 2017-2-4, authorizing the General Manger to execute an amendment to the Proposition 50 Grant Funding Agreement No. 50124B01 between IEUA and SWRCB for the CDA II Expansion Project; and

2. Authorize the General Manager to execute and documents related thereto;

as an Action Item on the February 15, 2017 Board meeting agenda.

INFORMATION ITEMS

The following information items were presented, or received and filed by the Committee:

- ◆ P-5 Expansion Design Contract Update
- ◆ Unfunded Liabilities for Pension and Other Post-Employments Benefits Update
- ◆ 2017A Refunding Revenue Bonds Update
- ◆ Agency's Program Funds Review
- ◆ Treasurer's Report of Financial Affairs

GENERAL MANAGER'S COMMENTS

There were no General Manager's comments.

COMMITTEE MEMBER COMMENTS

There were no additional Committee Member comments.

COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

There were no Committee Member requests for future agenda items.

With no further business, Director Elie adjourned the meeting at 10:55 a.m.

Respectfully submitted,

April Woodruff
Board Secretary/Office Manager

*A Municipal Water District

APPROVED: MARCH 8, 2017

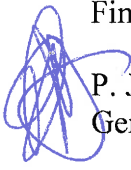
**CONSENT
ITEM
1B**






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: Report on General Disbursements

RECOMMENDATION

It is recommended that the Board of Directors approve the total disbursements for the month of January 2017, in the amount of \$11,104,791.62.

BACKGROUND

January disbursement activity includes vendor payments (check numbers 217319-217677) of \$2,354,945.89 and worker's compensation payments (check numbers 04688-04699) of \$3,747.25. The total amount of ACH and wire transfer payments is \$8,736,123.05, which includes payroll taxes in the amount of \$817,167.86. The total employee pay was \$1,484,678.64. The total pay for the Board of Directors was \$3,742.27.

Payment Type		Transactions	Total Amount
Check	Vendors	358	2,354,945.89
	Workers-Comp	12	3,747.25
	Payroll-Directors'	2	1,831.38
	Payroll-Others	3	8,144.05
Subtotal Check		375	\$2,368,668.57
ACH		158	\$4,733,836.46
Wire Transfer	Payroll-Net Pay	2	1,476,534.59
	Payroll-Directors'	2	1,910.89
	Others	19	2,523,841.11
Subtotal Wires		23	\$4,002,286.59
TOTAL		556	\$11,104,791.62

Report on General Disbursements

March 15, 2017

Page 2

Payments to vendors this month above \$500,000 include:

Vendor	Amount	Description
CDA	2,737,678.00	Chino II Expansion Project-Pass Through
MWD	849,921.56	11/2016 Water Purchase
PERS	843,163.57	1/17 Health Ins, P/R 1,2,Dir 1 Deferred Comp
KEMP BROTHERS	830,926.01	EN15008-New Laboratory 12/2016 Pay Est 4
IRS	683,253.75	P/R 1, 2, DIR01 Taxes

The report on general disbursements is consistent with the Agency's Business Goal of Fiscal Responsibility in providing financial reporting that accounts for general disbursements associated with operating requirements.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

The cash held by the Agency's various funds, including the Administrative Services (GG) Fund, is reduced as a result of paying the Agency's authorized expenditures.

Bank	CBB	CITIZENS BUSINESS BANK	ONTARIO CA	917610000			
Bank Key	122234149						
Acct number	CHECK	231167641					
Check							
Check number	from to	Payment	Prnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
217319		2200079925	01/04/2017	USD	5,989.05	SO CALIF EDISON ROSEMEAD CA	01/09/2017
217320		2200079940	01/05/2017	USD	358.08	AIRGAS WEST INC PASADENA CA	01/10/2017
217321		2200080021	01/05/2017	USD	239.14	AMERICAN HERITAGE LIFE INSURANCE DALLAS TX	01/17/2017
217322		2200079983	01/05/2017	USD	1,240.00	AMP MECHANICAL INC COSTA MESA CA	01/10/2017
217323		2200079951	01/05/2017	USD	5,784.48	ANDKTER INC DALLAS TX	01/11/2017
217324		2200079968	01/05/2017	USD	35.00	ASECSD HESPERIA CA	01/12/2017
217325		2200079996	01/05/2017	USD	836.22	AUTOZONE INC ATLANTA GA	01/11/2017
217326		2200079956	01/05/2017	USD	428.07	BEN MEADOWS CO CHICAGO IL	01/11/2017
217327		2200079999	01/05/2017	USD	1,089.99	BERLIN PACKAGING LLC CHICAGO IL	01/10/2017
217328		2200080047	01/05/2017	USD	216.54	BOUGHAN, ARIN CHINO HILLS CA	01/10/2017
217329		2200079963	01/05/2017	USD	848.00	BRAGG CRANE SERVICE LONG BEACH CA	01/10/2017
217330		2200080001	01/05/2017	USD	16,918.83	BRIGHTVIEW LANDSCAPE SERVICES LOS ANGELES CA	01/09/2017
217331		2200079981	01/05/2017	USD	680.00	BUILDING BLOCK ENTERTAINMENT WOODLAND HILLS CA	01/11/2017
217332		2200079952	01/05/2017	USD	533.00	CALIF WATER ENVIRONMENT ASSOC OAKLAND CA	01/20/2017
217333		2200080002	01/05/2017	USD	14,770.18	CALIFORNIA WATER TECHNOLOGIES PASADENA CA	01/11/2017
217334		2200080045	01/05/2017	USD	187.43	CMACHO, MICHAEL CHINO HILLS CA	01/12/2017
217335		2200080038	01/05/2017	USD	147.63	CARL H TAYLOR III CRYSTAL RIVER FL	01/10/2017
217336		2200079960	01/05/2017	USD	2,257.95	CAROLLO ENGINEERS INC SALT LAKE CITY UT	01/13/2017
217337		2200079953	01/05/2017	USD	8,698.00	CHINO BASIN WATER CONSERVATION WOODLAND HILLS CA	01/11/2017
217338		2200079949	01/05/2017	USD	25,562.45	CHINO BASIN WATERMASTER RANCHO CUCUMONCA CA	01/11/2017
217339		2200080035	01/05/2017	USD	415.00	CITY EMPLOYEES ASSOCIATES LONG BEACH CA	01/10/2017
217340		2200080014	01/05/2017	USD	4,056.17	CITY OF CHINO CHINO CA	01/09/2017
217341		2200079931	01/05/2017	USD	324.88	CITY RENTALS INC ONTARIO CA	01/11/2017
217342		2200079932	01/05/2017	USD	223.09	COLE FARMER INSURMENT CO CHICAGO IL	01/10/2017
217343		2200080030	01/05/2017	USD	572.55	COLONIAL LIFE & ACCIDENT INSURANCE COLUMBIA SC	01/11/2017
217344		2200079977	01/05/2017	USD	5,822.32	CS-AWSCO HUNTINGTON BEACH CA	01/13/2017
217345		2200080015	01/05/2017	USD	55.20	CUCUMONCA VALLEY WATER DISTRICTS LOS ANGELES CA	01/10/2017
217346		2200079948	01/05/2017	USD	11,512.02	DELL MARKETING L P PASADENA CA	01/09/2017
217347		2200079994	01/05/2017	USD	526.39	ELECTRO-CHEMICAL DEVICES, INC ANAHEIM CA	01/10/2017
217348		2200080046	01/05/2017	USD	47.68	ELIJE, STEVE CHINO HILLS CA	01/12/2017
217349		2200079995	01/05/2017	USD	1,550.00	EPI-USE AMERICA INC ATLANTA GA	01/17/2017
217350		2200080006	01/05/2017	USD	54,491.38	FERRERA COASTAL CONSTRUCTION BRANCHBURG NJ	01/10/2017
217351		2200080037	01/05/2017	USD	2,193.85	FIDELITY SECURITY LIFE INSURANCE CINCINNATI OH	01/12/2017
217352		2200079933	01/05/2017	USD	1,185.40	FISHER SCIENTIFIC LOS ANGELES CA	01/09/2017
217353		2200079962	01/05/2017	USD	375.46	FLORENCE FILIER CORP COMPTON CA	01/17/2017
217354		2200079991	01/05/2017	USD	795.00	FLOWPOINT ENVIRONMENTAL SYSTEMS DENVER CO	01/17/2017
217355		2200079958	01/05/2017	USD	400.00	FONTANA AREA CHAMBER OF COMMERCE FONTANA CA	01/20/2017
217356		2200080019	01/05/2017	USD	868.28	FONTANA WATER COMPANY FONTANA CA	01/12/2017
217357		2200080041	01/05/2017	USD	154.93	FRAZIER, JAMES M CHINO HILLS CA	01/12/2017
217358		2200080043	01/05/2017	USD	209.52	FRESQUEZ, ADRIAN CHINO HILLS CA	01/12/2017
217359		2200080020	01/05/2017	USD	2,961.50	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	01/11/2017
217360		2200079945	01/05/2017	USD	981.81	FRANZGER PALATINE IL	01/10/2017
217361		2200080042	01/05/2017	USD	442.87	GU, JASON CHINO HILLS CA	01/18/2017
217362		2200079934	01/05/2017	USD	401.32	HARRINGTON INDUSTRIAL ELASTICS CHINO CA	01/10/2017

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217364	2200080044	01/05/2017	USD	148.69	IGNACIO, JOEL CHINO HILLS CA	01/19/2017	
217365	2200079965	01/05/2017	USD	127.46	INDUSTRIAL SUPPLY COMPANY ONTARIO CA	01/10/2017	
217366	2200080025	01/05/2017	USD	66.00	INLAND EMPIRE UNITED WAY RANCHO CUCAMONGA CA	01/10/2017	
217367	2200079976	01/05/2017	USD	100.00	INLAND VALLEY APPRAISERS SAN BERNARDINO CA	01/18/2017	
217368	2200080005	01/05/2017	USD	3,952.50	KALZEN INFOSOURCE LLC PALO ALTO CA	01/12/2017	
217369	2200079990	01/05/2017	USD	455.00	KIM'S MASTER AUTO REPAIR CHINO CA	01/10/2017	
217370	2200079955	01/05/2017	USD	291.61	KONICA MINOLTA PASADENA CA	01/10/2017	
217371	2200079954	01/05/2017	USD	3,429.33	KONICA MINOLTA BUSINESS SOLUTIONS PASADENA CA	01/11/2017	
217372	2200080034	01/05/2017	USD	306.90	LEGALSHIELD ADA OK	01/11/2017	
217373	2200080039	01/05/2017	USD	288.00	MARIA FRESQUEZ LAS VEGAS NV	01/11/2017	
217374	2200079987	01/05/2017	USD	903.66	MARS ENVIRONMENTAL INC YOREA LINDA CA	01/11/2017	
217375	2200079961	01/05/2017	USD	298.03	MCMASTER-CARR SUPPLY CO CHICAGO IL	01/12/2017	
217376	2200080040	01/05/2017	USD	52.92	MEDEIROS, SHAWN CHINO HILLS CA	01/10/2017	
217377	2200079997	01/05/2017	USD	3,317.05	MICROAGE HOENIX AZ	02/06/2017	
217378	2200079964	01/05/2017	USD	246.27	MIDPOINT HEARING ONTARIO CA	01/10/2017	
217379	2200079941	01/05/2017	USD	1,554.84	MISSION REPROGRAPHICS RIVERSIDE CA	01/09/2017	
217380	2200079947	01/05/2017	USD	2,016.61	MOTION INDUSTRIES INC LOS ANGELES CA	01/10/2017	
217381	2200080004	01/05/2017	USD	3,920.00	MTO TECHNOLOGIES INC THOUSAND OAKS CA	01/09/2017	
217382	2200079979	01/05/2017	USD	211.60	NATIONAL CONSTRUCTION RENTALS PACOIMA CA	01/23/2017	
217383	2200079969	01/05/2017	USD	180.00	PALM AUTO DETAIL INC COLTON CA	01/10/2017	
217384	2200079993	01/05/2017	USD	48,737.40	PANCO MACHINE WORKS INC RANCHO CUCAMONGA CA	01/13/2017	
217385	2200080048	01/05/2017	USD	41.31	PARKER, KATI CHINO HILLS CA	01/11/2017	
217386	2200080036	01/05/2017	USD	430.50	PATRICK W HUNTER PHELAN CA	01/13/2017	
217387	2200080033	01/05/2017	USD	193.08	PERS LONG TERM CARE PROGRAM PASADENA CA	01/11/2017	
217388	2200079942	01/05/2017	USD	1,737.67	PEITE'S ROAD SERVICE FULLERTON CA	01/18/2017	
217389	2200079943	01/05/2017	USD	489.34	PEITY CASH EXPENDITURES CHINO CA	01/11/2017	
217390	2200080000	01/05/2017	USD	699.64	PWC ENGINEERING LLC DANBURY CT	01/17/2017	
217391	2200080010	01/05/2017	USD	14,879.00	PRIORITY BUILDING SERVICES LLC ORANGE CA	01/10/2017	
217392	2200080008	01/05/2017	USD	75.00	PUBLIC AGENCY SAFETY ORANGE CA	01/11/2017	
217393	2200079966	01/05/2017	USD	2,525.00	REGIONAL WATER QUALITY CONTROL RIVERSIDE CA	01/10/2017	
217394	2200079936	01/05/2017	USD	6,250.07	ROYAL WHOLESALE ELECTRIC ORANGE CA	01/10/2017	
217395	2200079984	01/05/2017	USD	332.00	RUDAN & TUCKER LLP COSTA MESA CA	01/10/2017	
217396	2200079992	01/05/2017	USD	7,601.14	SCHWEEL ENGINEERING LLC ANAHEIM CA	01/09/2017	
217397	2200079985	01/05/2017	USD	25.00	SCWA-HR LOS ANGELES CA	01/10/2017	
217398	2200079944	01/05/2017	USD	626.37	STANLEY PUMP & EQUIPMENT INC ARLINGTON HEIGHTS IL	01/10/2017	
217399	2200080016	01/05/2017	USD	44,544.79	SO CALIF EDISON ROSEMEAD CA	01/13/2017	
217400	2200080017	01/05/2017	USD	14,641.26	SO CALIF EDISON ROSEMEAD CA	01/10/2017	
217401	2200080018	01/05/2017	USD	988.02	SO CALIF GAS MONTEREY PARK CA	01/19/2017	
217402	2200080013	01/05/2017	USD	3,507.48	SOAR TECHNOLOGIES INC REDMOND WA	01/17/2017	
217403	2200079978	01/05/2017	USD	10,189.68	STANTEC CONSULTING INC CHICAGO IL	01/10/2017	
217404	2200080007	01/05/2017	USD	10,422.11	SUPERIOR ELECTRIC MOTOR SERVICE VERNON CA	01/18/2017	
217405	2200079970	01/05/2017	USD	3,691.02	SYSTEMS SOURCE INC IRVINE CA	01/10/2017	
217406	2200080009	01/05/2017	USD	30.00	THE SHREDDERS LOS ANGELES CA	01/18/2017	

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217408	2200080011	01/05/2017	USD	300.00	TRIBOLOGK CORPORATION HAMMOND IN	01/24/2017
217409	2200080003	01/05/2017	USD	1,839.00	TRIPLET SMITH AND ASSOCIATES, IRVINE CA	01/17/2017
217410	2200079967	01/05/2017	USD	348.19	U S HOSE INC ONTARIO CA	01/10/2017
217411	2200079959	01/05/2017	USD	160.95	ULTRA SCIENTIFIC NORTH KINGSTOWN RI	01/11/2017
217412	2200079988	01/05/2017	USD	8,402.16	UNIVERSAL PROTECTION SERVICE PASADENA CA	01/10/2017
217413	2200079957	01/05/2017	USD	160.00	UPLAND CHAMBER OF COMMERCE UPLAND CA	01/19/2017
217414	2200079989	01/05/2017	USD	5,049.00	UFS PROTECTION INC ANAHEIM CA	01/11/2017
217415	2200079975	01/05/2017	USD	108.00	URPAGE BLOOMINGTON CA	01/10/2017
217416	2200080029	01/05/2017	USD	243.33	US DEPARTMENT OF EDUCATION ATLANTA GA	01/10/2017
217417	2200079998	01/05/2017	USD	10,208.33	UTILIQUEST LLC MILANIA GA	01/12/2017
217418	2200079950	01/05/2017	USD	1,815.00	WATER EDUCATION FOUNDATION SACRAMENTO CA	01/10/2017
217419	2200079946	01/05/2017	USD	312.00	WATER ENVIRONMENT FEDERATION BOSTON MA	01/23/2017
217420	2200079938	01/05/2017	USD	87.93	WAXIE SANITARY SUPPLY LOS ANGELES CA	01/17/2017
217421	2200079939	01/05/2017	USD	6,661.43	WEST VALLEY MOSQUITO AND ONTARIO CA	01/11/2017
217422	2200080026	01/05/2017	USD	2,859.50	WESTERN DENTAL PLAN ORANGE CA	01/24/2017
217423	2200079972	01/05/2017	USD	51.84	WESTERN WATER WORKS SUPPLY CO CHINO HILLS CA	01/17/2017
217424	2200079974	01/05/2017	USD	1,288.08	WORLDWIDE EXPRESS ALBANY NY	01/17/2017
217425	2200080084	01/12/2017	USD	450.00	A & R TAPPAULINS INC FONTANA CA	01/19/2017
217426	2200080126	01/12/2017	USD	2,000.00	ADAMS, JASON FONTANA CA	01/12/2017
217427	2200080105	01/12/2017	USD	500.00	ADVANCED RIGGERS & MILLWRIGHTS RIVERSIDE CA	01/17/2017
217428	2200080070	01/12/2017	USD	598.07	AIRGAS WEST INC PASADENA CA	01/23/2017
217429	2200080096	01/12/2017	USD	837.30	ALTA FOODCRAFT COFFEE ORANGE CA	01/17/2017
217430	2200080090	01/12/2017	USD	497.15	AMERICAN PAYROLL ASSOCIATION SAN ANTONIO TX	01/18/2017
217431	2200080093	01/12/2017	USD	2,260.00	AME MECHANICAL INC COSTA MESA CA	01/18/2017
217432	2200080074	01/12/2017	USD	792.61	ARIZONA INSTRUMENT LLC CHANDLER AZ	01/19/2017
217433	2200080101	01/12/2017	USD	100.00	BENNETT, ARTHUR E. CHINO HILLS CA	01/18/2017
217434	2200080089	01/12/2017	USD	100.00	BOWMAN, JIM W ONTARIO CA	01/17/2017
217435	2200080107	01/12/2017	USD	17,822.36	BUSINESS CARD WILLINGTON DE	01/17/2017
217436	2200080092	01/12/2017	USD	8,000.00	CALIFORNIA STRATEGIES LLC SACRAMENTO CA	01/18/2017
217437	2200080104	01/12/2017	USD	3,582.08	CALIFORNIA WATER TECHNOLOGIES, PASADENA CA	01/20/2017
217438	2200080079	01/12/2017	USD	358.92	CALOLIMPIC SAFETY CORONA CA	01/18/2017
217439	2200080066	01/12/2017	USD	65.52	CARL WARREN & COMPANY SANTA ANA CA	01/17/2017
217440	2200080080	01/12/2017	USD	18,991.06	CAROLLO ENGINEERS INC SALT LAKE CITY UT	01/27/2017
217441	2200080077	01/12/2017	USD	8,788.50	CHAMPION NEWSPAPERS CHINO CA	01/19/2017
217442	2200080113	01/12/2017	USD	3,074.81	CITY OF CHINO CHINO CA	01/17/2017
217443	2200080067	01/12/2017	USD	324.88	CITY RENTALS INC ONTARIO CA	01/17/2017
217444	2200080098	01/12/2017	USD	12,327.61	CONSERV CONSTRUCTION INC MURRIETA CA	01/18/2017
217445	2200080094	01/12/2017	USD	210.00	CONSTRUCTION MANAGEMENT LONG BEACH CA	01/17/2017
217446	2200080127	01/12/2017	USD	300.00	COOK, KATHERINE CHINO HILLS CA	01/17/2017
217447	2200080119	01/12/2017	USD	168.93	DAVIS, MARTHA CHINO HILLS CA	01/19/2017
217448	2200080078	01/12/2017	USD	115.00	DEPT OF CONSUMER AFFAIRS SACRAMENTO CA	01/17/2017
217449	2200080085	01/12/2017	USD	133.55	DESERT PUMPS AND PARTS INC BELLA VISTA AR	01/18/2017
217450	2200080073	01/12/2017	USD	151.87	DME INC SANTA FE SPRINGS CA	01/18/2017

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217452	2200080097	01/12/2017	USD	5,054.40	DOWNES ENERGY CORONA CA	01/18/2017
217453	2200080110	01/12/2017	USD	366.01	DKP ENTERPRISES INC HOUSTON TX	01/20/2017
217454	2200080099	01/12/2017	USD	6,931.39	ELECTRO-CHEMICAL DEVICES, INC ANAHEIM CA	01/18/2017
217455	2200080068	01/12/2017	USD	2,824.57	FISHER SCIENTIFIC LOS ANGELES CA	01/17/2017
217456	2200080118	01/12/2017	USD	2,750.57	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	01/19/2017
217457	2200080123	01/12/2017	USD	64.32	GIBSON, CONNIE CHINO HILLS CA	01/18/2017
217458	2200080111	01/12/2017	USD	31,350.00	GP STRATEGIES CORPORATION COLUMBIA MD	01/23/2017
217459	2200080072	01/12/2017	USD	1,083.87	GRAINER PALATINE IL	01/17/2017
217460	2200080125	01/12/2017	USD	145.21	HALL, JASMIN CHINO HILLS CA	01/23/2017
217461	2200080069	01/12/2017	USD	1,825.63	HOME DEPOT CREDIT SERVICES DES MOINES IA	01/23/2017
217462	2200080120	01/12/2017	USD	705.56	IGNACIO, JOEL CHINO HILLS CA	01/19/2017
217463	2200080116	01/12/2017	USD	55,811.87	INLAND BIOENERGY LLC FONTANA CA	01/27/2017
217464	2200080087	01/12/2017	USD	8,000.00	INNOVATIVE FEDERAL STRATEGIES WASHINGTON DC	01/20/2017
217465	2200080108	01/12/2017	USD	59,240.16	KWS MANUFACTURING COMPANY LTD BURLESON TX	01/23/2017
217466	2200080117	01/12/2017	USD	873.02	LEVEL 3 COMMUNICATIONS LLC DENVER CO	01/18/2017
217467	2200080122	01/12/2017	USD	129.60	LITTLETON, DANNY CHINO HILLS CA	01/18/2017
217468	2200080095	01/12/2017	USD	777.62	MAIFINANCE INC DALLAS TX	01/18/2017
217469	2200080109	01/12/2017	USD	442.32	MANGLED MOBILE INC PLACENTIA CA	01/20/2017
217470	2200080121	01/12/2017	USD	54.71	MELNDEZ, MATTHEW CHINO HILLS CA	01/18/2017
217471	2200080076	01/12/2017	USD	375.00	METTLER-TOLEDO PASADENA CA	02/08/2017
217472	2200080081	01/12/2017	USD	699.75	MIDPOINT HEARING ONTARIO CA	01/17/2017
217473	2200080114	01/12/2017	USD	298.00	ONTARIO MUNICIPAL UTILITIES COONTARIO CA	01/17/2017
217474	2200080071	01/12/2017	USD	186.52	PETTY CASH EXPENDITURES CHINO CA	01/17/2017
217475	2200080124	01/12/2017	USD	75.49	PIVVAROFF, JASON CHINO HILLS CA	01/17/2017
217476	2200080091	01/12/2017	USD	231.28	PRIORITY NEOPROST TERRANCE CA	01/19/2017
217477	2200080082	01/12/2017	USD	1,675.00	SAN BERNARDINO COUNTY SAN BERNARDINO CA	01/19/2017
217478	2200080106	01/12/2017	USD	100.00	SANDOVAL, JESUS L FONTANA CA	01/17/2017
217479	2200080115	01/12/2017	USD	985.11	SO CALIF EDISON ROSEMEAD CA	01/17/2017
217480	2200080102	01/12/2017	USD	1,200.00	STAFFING NETWORK LLC CAROL STREAM IL	01/18/2017
217481	2200080103	01/12/2017	USD	100.00	STONE, DEBRA KAYE UPLAND CA	02/10/2017
217482	2200080088	01/12/2017	USD	62,728.00	THE AUSTIN COMPANY CLEVELAND OH	01/18/2017
217483	2200080100	01/12/2017	USD	100.00	TIBBS, KATHLEEN ALMA LOWA CA	02/07/2017
217484	2200080083	01/12/2017	USD	1,019.14	U S HEALTHWORKS MEDICAL GROUP LOS ANGELES CA	01/17/2017
217485	2200080075	01/12/2017	USD	235.00	WATER ENVIRONMENT FEDERATION BOSTON MA	01/23/2017
217486	2200080086	01/12/2017	USD	217.00	WORLDWIDE EXPRESS ALBANY NY	01/18/2017
217487	2200080141	01/12/2017	USD	23,029.18	U S BANK ST LOUIS MO	01/16/2017
217488	2200080179	01/19/2017	USD	446.04	ATKINS WEST INC PASADENA CA	01/23/2017
217489	2200080246	01/19/2017	USD	109.75	ARGUELLES, ALEX CHINO HILLS CA	01/30/2017
217490	2200080208	01/19/2017	USD	2,005.92	ASAP INDUSTRIAL SUPPLY FONTANA CA	01/24/2017
217491	2200080288	01/19/2017	USD	167.95	ASPRER, KEVIN CHINO HILLS CA	01/24/2017
217492	2200080211	01/19/2017	USD	1,323.88	AUTOZONE INC ATLANTA GA	01/26/2017
217493	2200080193	01/19/2017	USD	270.00	BARCOCK LABORATORIES, INC RIVERSIDE CA	01/25/2017
217494	2200080221	01/19/2017	USD	43,732.95	BANNER BANK SACRAMENTO CA	01/25/2017

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217496	2200080240			01/19/2017	USD	224.95	BAUNGVALAQUE, CHARLIE L CHINO HILLS CA	01/26/2017
217497	2200080187			01/19/2017	USD	88.00	CALIF WATER ENVIRONMENT ASSOC OAKLAND CA	01/31/2017
217498	2200080188			01/19/2017	USD	542.26	CALIFORNIA CHAMBER OF COMMERCE SAN FRANCISCO CA	01/23/2017
217499	2200080214			01/19/2017	USD	21,746.37	CALIFORNIA WATER TECHNOLOGIES, PASADENA CA	01/25/2017
217500	2200080261			01/19/2017	USD	161.98	CAMBIASO, PIETRO CHINO HILLS CA	01/26/2017
217501	2200080237			01/19/2017	USD	147.63	CARL H TAYLOR III CRYSTAL RIVER FL	01/24/2017
217502	2200080272			01/19/2017	USD	350.00	CATALAN, JOSE L CHINO HILLS CA	
217503	2200080275			01/19/2017	USD	350.00	CATALAN, MARIA CHINO HILLS CA	
217504	2200080222			01/19/2017	USD	49,500.00	CER MANAGEMENT CONSULTANTS LLC ANN ARBOR MI	
217505	2200080269			01/19/2017	USD	210.00	CHAVEZ, NESTOR C CHINO HILLS CA	01/26/2017
217506	2200080259			01/19/2017	USD	350.00	CHEN, TING CHINO HILLS CA	01/27/2017
217507	2200080245			01/19/2017	USD	54.00	CHENG, TINA CHINO HILLS CA	02/01/2017
217508	2200080202			01/19/2017	USD	4,799.01	CINTAS CORPORATION LOC#150 PHOENIX AZ	01/31/2017
217509	2200080235			01/19/2017	USD	446.50	CITY EMPLOYEES ASSOCIATES LONG BEACH CA	01/24/2017
217510	2200080181			01/19/2017	USD	702.00	CITY OF CHINO CHINO CA	01/23/2017
217511	2200080173			01/19/2017	USD	37.45	CITY REVITALS INC ONTARIO CA	01/26/2017
217512	2200080209			01/19/2017	USD	7,219.00	CIVIC PUBLICATIONS INC LA VERNE CA	01/25/2017
217513	2200080174			01/19/2017	USD	944.19	COLE PARKER INSTRUMENT CO CHICAGO IL	01/24/2017
217514	2200080255			01/19/2017	USD	299.95	CUNNINGHAM, RICHARD CHINO HILLS CA	01/25/2017
217515	2200080200			01/19/2017	USD	4,227.50	DAVIS ELECTRIC INC YUCAIPA CA	01/24/2017
217516	2200080266			01/19/2017	USD	350.00	ELEBY, CRYSTAL CHINO HILLS CA	01/25/2017
217517	2200080210			01/19/2017	USD	526.02	ELECTRO-CHEMICAL DEVICES, INC ANAHEIM CA	01/30/2017
217518	2200080224			01/19/2017	USD	21,840.16	ERSHUIS INC DALLAS TX	01/26/2017
217519	2200080217			01/19/2017	USD	142,540.35	FERRERA COASTAL CONSTRUCTION BRANCHEURG NJ	01/24/2017
217520	2200080220			01/19/2017	USD	4,741.00	FIREHAWK FIRE & SAFETY SAN DIEGO CA	01/24/2017
217521	2200080175			01/19/2017	USD	2,530.60	FISHER SCIENTIFIC LOS ANGELES CA	02/02/2017
217522	2200080254			01/19/2017	USD	350.00	FLORIO, JONATHAN D CHINO HILLS CA	01/30/2017
217523	2200080184			01/19/2017	USD	181.00	FONTANA HERALD NEWS FONTANA CA	01/25/2017
217524	2200080267			01/19/2017	USD	62.98	FRANCONE, LEO CHINO HILLS CA	01/30/2017
217525	2200080231			01/19/2017	USD	3,084.56	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	01/24/2017
217526	2200080243			01/19/2017	USD	350.00	GARCIA, PAUL CHINO HILLS CA	01/30/2017
217527	2200080180			01/19/2017	USD	104.50	GRAINGER PALATINE IL	01/30/2017
217528	2200080260			01/19/2017	USD	350.00	GU, JASON CHINO HILLS CA	01/25/2017
217529	2200080268			01/19/2017	USD	350.00	HANSON, MATTHEW CHINO HILLS CA	01/24/2017
217530	2200080251			01/19/2017	USD	149.95	HEIN, DAVID CHINO HILLS CA	01/30/2017
217531	2200080250			01/19/2017	USD	350.00	HOLLIHAN, JESSE D CHINO HILLS CA	01/30/2017
217532	2200080257			01/19/2017	USD	139.20	HUGHAN, ROGER CHINO HILLS CA	01/26/2017
217533	2200080283			01/19/2017	USD	96.00	HULL, KURT CHINO HILLS CA	01/25/2017
217534	2200080198			01/19/2017	USD	795.00	INLAND EMPIRE MAGAZINE RIVERSIDE CA	01/25/2017
217535	2200080233			01/19/2017	USD	66.00	INLAND EMPIRE UNITED WAY RANCHO CUCAMONGA CA	01/26/2017
217536	2200080206			01/19/2017	USD	200.00	INSTITUTE OF CERTIFIED NORTH SYRACUSE NY	01/24/2017
217537	2200080189			01/19/2017	USD	290,312.21	J F SHEA CONSTRUCTION INC WALNUT CA	01/24/2017
217538	2200080176			01/19/2017	USD	15,125.32	J R FILANC CONSTRUCTION CO. INCESCONDIDO CA	01/25/2017

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217540		2200080274	01/19/2017	USD	51.19	KING, JUSTIN CHINO HILLS CA	01/20/2017
217541		2200080253	01/19/2017	USD	350.00	KLING, WANDA CHINO HILLS CA	01/25/2017
217542		2200080249	01/19/2017	USD	350.00	KREIMYER, CARL CHINO HILLS CA	01/30/2017
217543		2200080225	01/19/2017	USD	3,750.00	LOCAL GOVERNMENT COMMISSION SACRAMENTO CA	01/31/2017
217544		2200080286	01/19/2017	USD	180.00	LUCAS, LARRY CHINO HILLS CA	01/19/2017
217545		2200080287	01/19/2017	USD		voided by SHEATH - Wrong Payee	01/19/2017
217546		2200080219	01/19/2017	USD	237.00	MANAGED MOBILE INC PLACENTIA CA	01/24/2017
217547		2200080238	01/19/2017	USD	288.00	MARIA FRESQUEZ LAS VEGAS NV	01/25/2017
217548		2200080281	01/19/2017	USD	350.00	MOORWELL, GREGORY CHINO HILLS CA	01/25/2017
217549		2200080239	01/19/2017	USD	350.00	MELTON, DANIEL CHINO HILLS CA	02/02/2017
217550		2200080205	01/19/2017	USD	7,942.45	MEYERS NAVE OAKLAND CA	02/06/2017
217551		2200080213	01/19/2017	USD	4,925.00	MICROMAGE PHOENIX AZ	01/24/2017
217552		2200080191	01/19/2017	USD	296.94	MIDPOINT BEARING ONTARIO CA	01/23/2017
217553		2200080185	01/19/2017	USD	1,137.04	MISCO WATER FOOTHILL RANCH CA	01/30/2017
217554		2200080201	01/19/2017	USD	62,452.45	MONIE VISTA WATER DISTRICT MONTECLAIR CA	02/06/2017
217555		2200080271	01/19/2017	USD	350.00	MORGAN-PERALES, LISA CHINO HILLS CA	01/30/2017
217556		2200080282	01/19/2017	USD	350.00	MROCHEK, STEVEN CHINO HILLS CA	01/30/2017
217557		2200080285	01/19/2017	USD	198.00	NANGIA, SAPNA CHINO HILLS CA	01/30/2017
217558		2200080204	01/19/2017	USD	2,485.00	NATIONAL CINEMEDIA LLC CENTENNIAL CO	01/30/2017
217559		2200080203	01/19/2017	USD	744.46	NESTLE WATERS NORTH AMERICA LOUISVILLE KY	01/27/2017
217560		2200080223	01/19/2017	USD	225,923.61	NEW MILLENNIUM CONSTRUCTION CHINO HILLS CA	01/25/2017
217561		2200080279	01/19/2017	USD	179.94	NGUYEN, ROSE CHINO HILLS CA	01/31/2017
217562		2200080278	01/19/2017	USD	274.95	NOH, BRIAN CHINO HILLS CA	02/01/2017
217563		2200080218	01/19/2017	USD	9,306.00	O C VACKUM INC LONG BEACH CA	01/25/2017
217564		2200080277	01/19/2017	USD	302.40	O'ERIEEN, MICHELLE CHINO HILLS CA	02/06/2017
217565		2200080263	01/19/2017	USD	149.75	OLAGUNJU, TUTILAYO CHINO HILLS CA	01/27/2017
217566		2200080190	01/19/2017	USD	395.00	ONTARIO CHAMBER OF COMMERCE ONTARIO CA	02/08/2017
217567		2200080226	01/19/2017	USD	5,734.76	ONTARIO MUNICIPAL UTILITIES COONTARIO CA	01/23/2017
217568		2200080236	01/19/2017	USD	430.50	PATRICK W HUNTER PHELAN CA	01/24/2017
217569		2200080215	01/19/2017	USD	285.12	PHOTO ART INDUSTRIES CHINO CA	01/27/2017
217570		2200080280	01/19/2017	USD	350.00	POESKE, MATTHEW CHINO HILLS CA	01/24/2017
217571		2200080216	01/19/2017	USD	350.00	POWEA, JESSE CHINO HILLS CA	01/25/2017
217572		2200080216	01/19/2017	USD	8,916.96	PREMIUM PROMOTIONALS UPLAND CA	01/26/2017
217573		2200080177	01/19/2017	USD	2,065.17	RAMONA TIRE & SERVICE CENTERS HEMET CA	01/25/2017
217574		2200080265	01/19/2017	USD	154.45	RESECK-FRANCIS, CHEYANNE CHINO HILLS CA	01/26/2017
217575		2200080262	01/19/2017	USD	179.94	REVES, RAYMOND CHINO HILLS CA	01/25/2017
217576		2200080242	01/19/2017	USD	120.96	ROSALES, TIMOTEO CHINO HILLS CA	01/30/2017
217577		2200080270	01/19/2017	USD	350.00	RUSSO, BERRAIN CHINO HILLS CA	02/06/2017
217578		2200080276	01/19/2017	USD	249.90	SCHERCK, JOHN CHINO HILLS CA	02/02/2017
217579		2200080232	01/19/2017	USD	40.12	SHERIFF'S COURT SERVICES SAN BERNARDINO CA	02/09/2017
217580		2200080178	01/19/2017	USD	501.73	SMART & FINAL LOS ANGELES CA	01/26/2017
217581		2200080264	01/19/2017	USD	57.00	SMITH, STEVEN CHINO HILLS CA	01/25/2017
217582		2200080290	01/19/2017	USD	350.00	SNIDER, LISA CHINO HILLS CA	01/25/2017

Bank	CBSB	CITIZENS BUSINESS BANK	ONTARIO CA	917610000		
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Check						
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217585	2200080229	01/19/2017	USD	948.87	SO CALIF GAS MONTEREY PARK CA	01/30/2017
217586	2200080182	01/19/2017	USD	479.21	SOUTH COAST AQWD DIAMOND BAR CA	01/30/2017
217587	2200080186	01/19/2017	USD	1,000.00	SOUTHERN CALIFORNIA WATER COMMONTARIO CA	
217588	2200080244	01/19/2017	USD	65.00	SPAETH, ERIC CHINO HILLS CA	
217589	2200080212	01/19/2017	USD	900.00	STAFFING NETWORK LLC CAROL STREAM IL	01/24/2017
217590	2200080241	01/19/2017	USD	345.59	STONE, VICTORIA CHINO HILLS CA	01/26/2017
217591	2200080273	01/19/2017	USD	350.00	SUN, SUNNY YUE CHINO HILLS CA	01/20/2017
217592	2200080284	01/19/2017	USD	25.92	TRAN, TIFFANY CHINO HILLS CA	
217593	2200080197	01/19/2017	USD	38,384.04	TRIDAX SYSTEMS INC BREA CA	01/24/2017
217594	2200080192	01/19/2017	USD	2,387.00	U S HEALTHWORKS MEDICAL GROUP LOS ANGELES CA	01/23/2017
217595	2200080207	01/19/2017	USD	7,828.47	US BANK VOYAGER FLEET SYSTEMS KANSAS CITY MO	01/24/2017
217596	2200080234	01/19/2017	USD	243.33	US DEPARTMENT OF EDUCATION ATLANTA GA	01/27/2017
217597	2200080252	01/19/2017	USD	100.00	VALENZIA, CRISTINA CHINO HILLS CA	01/25/2017
217598	2200080230	01/19/2017	USD	442.85	VERIZON BUSINESS ALBANY NY	01/24/2017
217599	2200080183	01/19/2017	USD	235.00	WATER ENVIRONMENT FEDERATION BOSTON MA	01/24/2017
217600	2200080258	01/19/2017	USD	179.94	WITTE, ANGELA CHINO HILLS CA	01/24/2017
217601	2200080289	01/19/2017	USD	249.75	WOWACK, ASHLEY CHINO HILLS CA	01/25/2017
217602	2200080199	01/19/2017	USD	714.01	WORLDWIDE EXPRESS ALBANY NY	01/24/2017
217606	2200080292	01/19/2017	USD	3,138.36	KONICA MINOLTA PASADENA CA	01/25/2017
217607	2200080293	01/19/2017	USD	249.94	PARKER, STEPHEN CHINO HILLS CA	01/25/2017
217608	2200080355	01/26/2017	USD	2,281.97	ACE REAL TIME SOLUTIONS LLC CHESTERFIELD VA	01/31/2017
217609	2200080344	01/26/2017	USD	445.00	ADVANCED CHEMICAL TECHNOLOGY IRANCHO CUCAMONGA CA	02/01/2017
217610	2200080318	01/26/2017	USD	395.28	AIRGAS WEST INC PASADENA CA	01/30/2017
217611	2200080322	01/26/2017	USD	1,014.00	APPELONE EMPLOYMENT SERVICES GLENDALE CA	01/31/2017
217612	2200080349	01/26/2017	USD	58.67	AUTOZONE INC ATLANTA GA	01/31/2017
217613	2200080345	01/26/2017	USD	1,136.44	BAW GRAPHICS N LAS VEGAS NV	01/31/2017
217614	2200080364	01/26/2017	USD	200.00	BEJANT, SHARMEEN CHINO HILLS CA	
217615	2200080334	01/26/2017	USD	738.44	BOOT BARN INC IRVINE CA	01/31/2017
217616	2200080351	01/26/2017	USD	14,650.95	BRIGHTVIEW LANDSCAPE SERVICES LOS ANGELES CA	01/30/2017
217617	2200080352	01/26/2017	USD	3,576.63	CALIFORNIA WATER TECHNOLOGIES, PASADENA CA	01/31/2017
217618	2200080363	01/26/2017	USD	291.60	CAMEOS, JESSE CHINO HILLS CA	02/01/2017
217619	2200080342	01/26/2017	USD	4,939.04	CINTAS CORPORATION LOC#150 PHOENIX AZ	02/08/2017
217620	2200080332	01/26/2017	USD	1,075.19	CIVITAS FIRST AID & SAFETY LOCCINCINNATI OH	02/02/2017
217621	2200080324	01/26/2017	USD	376.00	CITY OF RANCHO CUCAMONGA RANCHO CUCAMONGA CA	02/01/2017
217622	2200080343	01/26/2017	USD	1,200.00	CONSTRUCTION MANAGEMENT BALTIMORE MD	02/03/2017
217623	2200080357	01/26/2017	USD	681.33	CUCAMONGA VALLEY WATER DISTRICTLOS ANGELES CA	01/31/2017
217624	2200080346	01/26/2017	USD	2,461.88	DAVID WHEELER'S PEST CONTROL, NORCO CA	02/01/2017
217625	2200080336	01/26/2017	USD	10,610.00	DUDEK & ASSOCIATES INC ENCINITAS CA	02/01/2017
217626	2200080348	01/26/2017	USD	1,695.54	ELECTRO-CHEMICAL DEVICES, INC ANAHEIM CA	01/31/2017
217627	2200080350	01/26/2017	USD	963.05	ENVIRONMENTAL SCIENCE ASSOCIATION FRANCISCO CA	02/01/2017
217628	2200080333	01/26/2017	USD	756.00	ENVIRONMENTAL SYSTEMS RESEARCHLOS ANGELES CA	01/30/2017
217629	2200080314	01/26/2017	USD	231.99	FISHER SCIENTIFIC LOS ANGELES CA	01/30/2017

Bank	CBS	CITIZENS BUSINESS BANK	ONTARIO CA	917610000		
Bank Key	122234149					
Acct number	CHECK	231167641				
Check						
Check number from to	Payment	Prnt date	Crry	Amount paid (FC)	Recipient/void reason code	Enca./void
217630	2200080359	01/26/2017	USD	3,121.07	FOUNDATION HA ENERGY GENERATION SAN FRANCISCO CA	02/01/2017
217631	2200080360	01/26/2017	USD	629.98	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	01/31/2017
217632	2200080337	01/26/2017	USD	116.00	GILLTRADING.COM INC BEAVERTON OR	01/30/2017
217633	2200080339	01/26/2017	USD	280.50	GOLDEN STATE LABOR COMPLIANCE PALMDALE CA	01/31/2017
217634	2200080319	01/26/2017	USD	13,755.56	GRAINGER PALMATEL IL	02/01/2017
217635	2200080315	01/26/2017	USD	584.90	HAKER EQUIPMENT COMPANY IA VERNE CA	01/30/2017
217636	2200080338	01/26/2017	USD	3,825.06	HACH COMPANY CHICAGO IL	01/31/2017
217637	2200080316	01/26/2017	USD	4,970.36	HARRINGTON INDUSTRIAL PLASTICS CHINO CA	01/31/2017
217638	2200080335	01/26/2017	USD	1,527.71	HOERBIGER SERVICE INC CHICAGO IL	02/01/2017
217639	2200080317	01/26/2017	USD	3,117.45	HOME DEPOT CREDIT SERVICES DES MOINES IA	01/31/2017
217640	2200080354	01/26/2017	USD	3,148.22	IDEXX DISTRIBUTION INC WESTBROOK ME	01/31/2017
217641	2200080323	01/26/2017	USD	837.55	INGERSOLL RAND COMPANY CHICAGO IL	01/30/2017
217642	2200080320	01/26/2017	USD	99,997.20	JWC ENVIRONMENTAL LOS ANGELES CA	01/31/2017
217643	2200080325	01/26/2017	USD	2,963.22	KONICA MINOLTA BUSINESS SOLUTIONS PASADENA CA	02/01/2017
217644	2200080353	01/26/2017	USD	63.00	LITTLE SISTER'S TRUCK WASH, INBONSALL CA	02/01/2017
217645	2200080331	01/26/2017	USD	677.04	LOCKMASTERS USA INC PANAMA CITY FL	01/31/2017
217646	2200080321	01/26/2017	USD	184.68	MAJESTIC TROPHY CO ONTARIO CA	01/30/2017
217647	2200080326	01/26/2017	USD	239.18	MILPOINT BEARING ONTARIO CA	02/02/2017
217648	2200080362	01/26/2017	USD	54.00	MILLANEY, JOHN CHINO HILLS CA	01/31/2017
217649	2200080340	01/26/2017	USD	81.00	NOEL, STEVE CHINO HILLS CA	01/31/2017
217650	2200080361	01/26/2017	USD	59.40	ONTARIO MUNICIPAL UTILITIES COONTARIO CA	01/30/2017
217651	2200080356	01/26/2017	USD	225.00	RED WING SHOE STORE CORONA CA	01/31/2017
217652	2200080329	01/26/2017	USD	1,149.00	REGIONAL WATER QUALITY CONTROL RIVERSIDE CA	02/02/2017
217653	2200080330	01/26/2017	USD	10,465.40	SCW CONTRACTING CORPORATION FALLBROOK CA	02/09/2017
217654	2200080341	01/26/2017	USD	15,761.81	SINNOTT, PUEBLA, CAMPAGNE & CULOS ANGELES CA	02/06/2017
217655	2200080347	01/26/2017	USD	528.45	SO CALIF EDISON ROSEMEAD CA	02/03/2017
217656	2200080358	01/26/2017	USD	40.00	THREE VALLEYS MUD CLAREMONT CA	02/01/2017
217657	2200080327	01/26/2017	USD	5,303.19	U S BANK NA ST PAUL MN	02/03/2017
217658	2200080328	01/26/2017	USD	239.14	AMERICAN HERITAGE LIFE INSURANCE DALLAS TX	02/03/2017
217659	2200080479	01/26/2017	USD	172.48	BEREIG, ANNA VICTORVILLE CA	02/01/2017
217660	2200080475	01/26/2017	USD	423.22	COLONIAL LIFE & ACCIDENT INSURANCE COLUMBIA SC	02/01/2017
217661	2200080481	01/26/2017	USD	25.00	CONSECO LIFE INSURANCE COMPANY ATLANTA GA	02/03/2017
217662	2200080483	01/26/2017	USD	2,261.70	FIDELITY SECURITY LIFE INSURANCE CINCINNATI OH	02/01/2017
217663	2200080485	01/26/2017	USD	472.96	HOBBS, DIANA APPLE VALLEY CA	02/02/2017
217664	2200080478	01/26/2017	USD	472.96	HORNE, WILLIAM YUCCA VALLEY CA	01/31/2017
217665	2200080476	01/26/2017	USD	90.00	INDUSTRIAL HEARING & PULMONARY UPLAND CA	02/03/2017
217666	2200080471	01/26/2017	USD	281.00	LEGALSHIELD AIA OK	02/01/2017
217667	2200080484	01/26/2017	USD	116.98	LOS ANGELES TIMES PHOENIX AZ	02/01/2017
217668	2200080470	01/26/2017	USD	3,057.30	MALEKI, NASRIN CHINO HILLS CA	02/01/2017
217669	2200080486	01/26/2017	USD	746.37	MILLER, ELMER L BLUE JAY CA	02/01/2017
217670	2200080477	01/26/2017	USD	96.54	PEBS LONG TERM CARE PROGRAM PASADENA CA	02/03/2017
217671	2200080482	01/26/2017	USD	1,095.24	REM LOCK & KEY ONTARIO CA	02/06/2017
217672	2200080468	01/26/2017	USD	829.69	SO CALIF GAS MONTEREY PARK CA	
217673	2200080474	01/26/2017	USD			

Bank		CITIZENS BUSINESS BANK		ONTARIO CA 917610000			
Bank Key	122234149	Payment	Prnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
Acct number	CHECK						
217674	2200080469	01/26/2017	USD	32.00	STATE BOARD OF EQUALIZATION SACRAMENTO CA	02/06/2017	
217675	2200080473	01/26/2017	USD	1,709.81	WESTERBERG & ASSOCIATES CORP LIBERTY LAKE WA	02/01/2017	
217676	2200080480	01/26/2017	USD	2,847.55	WESTERN DENTAL PLAN ORANGE CA	02/01/2017	
217677	2200080472	01/26/2017	USD	4,149.00	WILLDMAN ENGINEERING ANAHEIM CA	01/31/2017	
* Payment method Check				USD	2,353,895.89		

Bank		CITIZENS BUSINESS BANK		ONTARIO CA 917610000			
Bank Key	122234149						
Acct number	CHECK	231167641					
Separate Check							
Check number	from to	Payment	Pmt date	Ctry	Amount paid (FC)	Recipient./void reason code	Enca./void
217603		2200080194	01/19/2017	USD	350.00	AMERICAN ACADEMY OF ENVIRONMENTALPOLIS MD	02/10/2017
217604		2200080195	01/19/2017	USD	350.00	AMERICAN ACADEMY OF ENVIRONMENTALPOLIS MD	02/10/2017
217605		2200080196	01/19/2017	USD	350.00	AMERICAN ACADEMY OF ENVIRONMENTALPOLIS MD	02/10/2017
* Payment method Separate Check					1,050.00		

Total of all entries

Check Register

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Check number from to	Payment	Pmt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
**			USD	2,354,945.89		

Bank		CITIZENS BUSINESS BANK		ONTARIO CA 917610000			
Bank Key	CBK	12234149					
Acct number	WOMP	231159290					
Checks created manually							
Check number	from to	Payment	Pmt date	Crcy	Amount paid (FC)	Recipient/void reason code	Exca./void
04688		2200080058	01/04/2017	USD	112.10	YORK RISK SERVICES GROUP RANCHO CUCAMONCA CA	01/09/2017
04689		2200080611	01/11/2017	USD	390.00	YORK RISK SERVICES GROUP INC RANCHO CUCAMONCA CA	01/18/2017
04690		2200080612	01/11/2017	USD	15.13	YORK RISK SERVICES GROUP INC RANCHO CUCAMONCA CA	01/24/2017
04691		2200080613	01/11/2017	USD	69.81	YORK RISK SERVICES GROUP INC RANCHO CUCAMONCA CA	01/23/2017
04692		2200080614	01/11/2017	USD	189.81	YORK RISK SERVICES GROUP INC RANCHO CUCAMONCA CA	01/23/2017
04693		2200080615	01/11/2017	USD	48.00	YORK RISK SERVICES GROUP INC RANCHO CUCAMONCA CA	01/23/2017
04694		2200080616	01/18/2017	USD	98.47	YORK RISK SERVICES GROUP INC RANCHO CUCAMONCA CA	01/18/2017
04695		2200080617	01/18/2017	USD	680.94	YORK RISK SERVICES GROUP INC RANCHO CUCAMONCA CA	01/24/2017
04696		2200080618	01/18/2017	USD	144.20	YORK RISK SERVICES GROUP INC RANCHO CUCAMONCA CA	01/24/2017
04697		2200080619	01/25/2017	USD	1,641.04	YORK RISK SERVICES GROUP INC RANCHO CUCAMONCA CA	01/31/2017
04698		2200080620	01/31/2017	USD	259.28	YORK RISK SERVICES GROUP INC RANCHO CUCAMONCA CA	01/31/2017
04699		2200080621	01/31/2017	USD	98.47	YORK RISK SERVICES GROUP INC RANCHO CUCAMONCA CA	01/31/2017
* Payment method Checks created manually				USD	3,747.25		

Total of all entries

Check Register

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User: SHEATH
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Check number	from to	Payment	Print date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
**				USD	3,747.25		

Check	Payee / Description			Amount
Wire	BANK OF AMERICA NT&SA P/R 1 1/6/17 EFT Direct Deposit	010617		771,881.21
	BANK OF AMERICA NT&SA		\$	771,881.21
Wire	EMPLOYMENT DEVELOPMENT DEPARTM P/R 1 1/6/17 Taxes	HR	0049500	56,603.33
	P/R 1 1/6/17 Taxes	HR	0049500	11,679.53
	EMPLOYMENT DEVELOPMENT DEPARTM\$			68,282.86
Wire	INTERNAL REVENUE SERVICE P/R 1 1/6/17 Taxes	HR	0049500	356,408.58
	INTERNAL REVENUE SERVICE		\$	356,408.58
Wire	EMPLOYMENT DEVELOPMENT DEPARTM P/R 101 1/9/17 Taxes	HR	0049600	4,519.31
	P/R 101 1/9/17 Taxes	HR	0049600	142.52
	EMPLOYMENT DEVELOPMENT DEPARTM\$			4,661.83
Wire	INTERNAL REVENUE SERVICE P/R 101 1/9/17 Taxes	HR	0049600	17,666.41
	INTERNAL REVENUE SERVICE		\$	17,666.41
Wire	EMPLOYMENT DEVELOPMENT DEPARTM P/R DIR 01 1/6/17 Taxes	HR	0049700	7.78
	P/R DIR 01 1/6/17 Taxes	HR	0049700	341.22
	EMPLOYMENT DEVELOPMENT DEPARTM\$			349.00
Wire	INTERNAL REVENUE SERVICE P/R DIR 01 1/6/17 Taxes	HR	0049700	1,866.75
	INTERNAL REVENUE SERVICE		\$	1,866.75
Wire	BANK OF AMERICA NT&SA P/R 01 DIR 1/6/17 EFT Direct Deposit	010617 DIR		1,910.89
	BANK OF AMERICA NT&SA		\$	1,910.89
Wire	BANK OF AMERICA NT&SA P/R 101 1/6/17 EFT Direct Deposit	010617 101		21,567.11
	BANK OF AMERICA NT&SA		\$	21,567.11
Wire	EMPLOYMENT DEVELOPMENT DEPARTM P/R 2 1/20 Taxes	HR	0049800	50,243.25
	P/R 2 1/20 Taxes	HR	0049800	10,049.31
	EMPLOYMENT DEVELOPMENT DEPARTM\$			60,292.56
Wire	EMPLOYMENT DEVELOPMENT DEPARTM P/R 2 1/20 Taxes	P/R 2 1/20 AD		327.86
	EMPLOYMENT DEVELOPMENT DEPARTM\$			327.86

Check Payee / Description	Amount
---------------------------	--------

Wire INTERNAL REVENUE SERVICE P/R 2 1/20 Taxes	HR 0049800 305,756.77 ----- INTERNAL REVENUE SERVICE \$ 305,756.77
Wire INTERNAL REVENUE SERVICE P/R 2 1/20 Taxes	P/R 2 1/20 AD 1,555.24 ----- INTERNAL REVENUE SERVICE \$ 1,555.24
Wire BANK OF AMERICA NT&SA P/R 2 1/20/17 EFT Direct Deposit	012017 683,086.27 ----- BANK OF AMERICA NT&SA \$ 683,086.27
Wire PUBLIC EMPLOYEES' RETIREMENT S 1/17 Health Ins-Retirees, Board, Employees 2186 1/17	253,843.97 ----- PUBLIC EMPLOYEES' RETIREMENT S\$ 253,843.97
Wire PUBLIC EMPLOYEE'S RETIREMENT S P/R 1 1/6/17 Deferred Comp	HR 0049500 21,702.03 ----- PUBLIC EMPLOYEE'S RETIREMENT S\$ 21,702.03
Wire STATE DISBURSEMENT UNIT P/R 1 1/6/17 P/R 1 1/6/17	HR 0049500 198.00 HR 0049500 1,145.06 ----- STATE DISBURSEMENT UNIT \$ 1,343.06
Wire PUBLIC EMPLOYEES RETIREMENT SY P/R 1 1/6/17 Empr PERS Match Contributio P/R 1 ADJ P/R 1 1/6/17 PERS	557.32- HR 0049500 277,640.17 ----- PUBLIC EMPLOYEES RETIREMENT SY\$ 277,082.85
Wire STATE BOARD OF EQUALIZATION 12/16 Sales Tax Deposit	23784561 12/1 10,902.00 ----- STATE BOARD OF EQUALIZATION \$ 10,902.00
Wire PUBLIC EMPLOYEE'S RETIREMENT S P/R 2 1/20 Deferred Comp Ded P/R 2 1/20 Deferred Comp Ded	HR 0049800 20,739.95 P/R 2 1/20 AD 568.08 ----- PUBLIC EMPLOYEE'S RETIREMENT S\$ 21,308.03
Wire PUBLIC EMPLOYEES RETIREMENT SY P/R 2 1/20 PERS Adj P/R 2 1/20 PERS P/R 2 1/20 PERS	P/R 2 1/20 CR 22.54- HR 0049800 267,614.73 P/R 2 1/20 AD 1,634.50 ----- PUBLIC EMPLOYEES RETIREMENT SY\$ 269,226.69
Wire STATE DISBURSEMENT UNIT P/R 2 1/20 P/R 2 1/20	HR 0049800 1,145.06 HR 0049800 198.00

	Check Payee / Description		Amount
	STATE DISBURSEMENT UNIT	\$	----- 1,343.06
Wire	METROPOLITAN WATER DISTRICT November 2016 Water Purchase	8866	849,921.56
	METROPOLITAN WATER DISTRICT	\$	----- 849,921.56

Grand Total Payment Amount: \$ 4,002,286.59

Check Payee / Description Amount

ACH	ICMA RETIREMENT TRUST 457 P/R 1 1/6/17 Deferred Comp	HR	0049500	15,603.34
	ICMA RETIREMENT TRUST 457		\$	15,603.34
ACH	LINCOLN NATIONAL LIFE INS CO P/R 1 1/6/17 Deferred Comp	HR	0049500	23,206.71
	LINCOLN NATIONAL LIFE INS CO		\$	23,206.71
ACH	ICMA RETIREMENT TRUST 401 P/R 1 1/6/17 Exec Deferred Comp	HR	0049500	62,360.76
	ICMA RETIREMENT TRUST 401		\$	62,360.76
ACH	AQUA BEN CORPORATION RP1-18,400 Lbs Polymer 750A	35268		24,752.56
	AQUA BEN CORPORATION		\$	24,752.56
ACH	SANTA ANA WATERSHED November 2016 Truck Discharge	8960		2,321.16
	SANTA ANA WATERSHED		\$	2,321.16
ACH	ALFA LAVAL INC Belt Short Bottom	276067123		2,047.81
	ALFA LAVAL INC		\$	2,047.81
ACH	PARSONS WATER & INFRASTRUCTURE EN16028/EN16025-10/8-11/4 Prof Svcs	1611A885		147,961.44
	PARSONS WATER & INFRASTRUCTURE\$			147,961.44
ACH	PEST OPTIONS INC November 2016 Weed Abatement Services	268030		2,920.48
	PEST OPTIONS INC		\$	2,920.48
ACH	OLIN CORP TP1-4,974 Gals Sodium Hypochlorite	2264074		2,835.18
	TP1-4,888 Gals Sodium Hypochlorite	2269178		2,786.16
	TP1-4,920 Gals Sodium Hypochlorite	2265635		2,804.40
	RP4-1,986 Gals Sodium Hypochlorite	2265110		1,132.02
	TP1-4,964 Gals Sodium Hypochlorite	2265111		2,829.48
	RP5-4,894 Gals Sodium Hypochlorite	2265109		2,789.58
	RP1-3,006 Gals Sodium Hypochlorite	2265636		1,713.42
	CCWRP-2,998 Gals Sodium Hypochlorite	2264590		1,708.86
	TP1-4,918 Gals Sodium Hypochlorite	2264589		2,803.26
	OLIN CORP		\$	21,402.36
ACH	JC LAW FIRM 11/16 Regional Contract	00125		2,070.00
	11/16 IEUA vs Mwembu	00116		90.00
	11/16 IEUA vs Martin	00117		1,080.00
	11/16 Watermaster	00119		390.00

Check	Payee / Description		Amount
	11/16 IEUA vs RP1 Ontario Airport Plume	00120	870.00
	11/16 RCA Legal	00121	1,020.00
	11/16 General Legal	00122	46,470.00
	11/16 Santa Ana River	00123	120.00
	11/16 IEUA vs SAWPA SARCCUP	00124	1,830.00

	JC LAW FIRM	\$	53,940.00
ACH	IEUA EMPLOYEES' ASSOCIATION		
	P/R 1 1/6/17 Employee Ded	HR 0049500	189.00

	IEUA EMPLOYEES' ASSOCIATION	\$	189.00
ACH	IEUA SUPERVISORS UNION ASSOCIA		
	P/R 1 1/6/17 Employee Ded	HR 0049500	390.00

	IEUA SUPERVISORS UNION ASSOCIA\$		390.00
ACH	IEUA GENERAL EMPLOYEES ASSOCIA		
	P/R 1 1/6/17 Employee Ded	HR 0049500	1,144.10

	IEUA GENERAL EMPLOYEES ASSOCIA\$		1,144.10
ACH	PREFERRED BENEFIT INSURANCE		
	12/16 Agency Dental Plan	EIA19361	14,898.50

	PREFERRED BENEFIT INSURANCE	\$	14,898.50
ACH	IEUA PROFESSIONAL EMPLOYEES AS		
	P/R 1 1/6/17 Employee Ded	HR 0049500	440.00

	IEUA PROFESSIONAL EMPLOYEES AS\$		440.00
ACH	DISCOVERY BENEFITS INC		
	P/R 1 1/6/17 Cafeteria Plan	HR 0049500	3,016.99

	DISCOVERY BENEFITS INC	\$	3,016.99
ACH	DISCOVERY BENEFITS INC		
	P/R 24 & 23 November Admin Fees	0000706328-IN	152.00

	DISCOVERY BENEFITS INC	\$	152.00
ACH	AQUA BEN CORPORATION		
	RP1-20,700 Lbs Polymer 750A	35280	27,846.63
	RP2-18,400 Lbs Polymer 748E	35283	16,295.04

	AQUA BEN CORPORATION	\$	44,141.67
ACH	SANTA ANA WATERSHED		
	November 2016 Service	8966	143,832.05

	SANTA ANA WATERSHED	\$	143,832.05
ACH	MCMASTER-CARR SUPPLY CO		
	Cable Cutter, Sump Pump	94929157	432.03
	Shaft Collar, Drill Bit	96196148	127.63

	MCMASTER-CARR SUPPLY CO	\$	559.66

Check	Payee / Description		Amount
ACH	OLIN CORP		
	TP1-4,994 Gals Sodium Hypochlorite	2268707	2,846.58
	CCWRP-3,000 Gals Sodium Hypochlorite	2269179	1,710.00
	TP1-4,992 Gals Sodium Hypochlorite	2269442	2,845.44
	RP4-2,568 Gals Sodium Hypochlorite	2269443	1,463.76
			- - - - -
	OLIN CORP	\$	8,865.78
ACH	DAVE'S PLUMBING		
	11/16-Replace PRV, Adjustment PRV	5118	1,125.00
	2 Water Softener Removal-12/2016	5120	500.00
	WR16017-12/2016 Replace PRV, Adjustment	5119	6,925.00
			- - - - -
	DAVE'S PLUMBING	\$	8,550.00
ACH	ADVANCED ENVIRONMENTAL COMPLIA		
	4th Qtr 2016 Odor Study	7139	985.00
			- - - - -
	ADVANCED ENVIRONMENTAL COMPLIA\$		985.00
ACH	SHELL ENERGY NORTH AMERICA LP		
	11/16 Gas Cmmnty-Core,9/16 Adj	1100002880311	471.53
	11/16 Gas Commodity-Non Core	2867174	2,550.78
	9/16 Adj Gas Commodity-Non Core	2860724	121.30
			- - - - -
	SHELL ENERGY NORTH AMERICA LP	\$	3,143.61
ACH	SOLAR STAR CALIFORNIA V LLC		
	CCWRP/TP/RWPS-11/1-11/30 14950 Telephone	M0613-1007783	10,301.62
	RP5/TP5/HQA/B-11/1-11/30 6075 Kimball Av	M0614-1007784	16,543.35
	RP1-11/1-11/30 2450 Phila St	M0615-1007785	13,787.95
	RP1-11/1-11/30 2450 Phila St	M0616-1007786	2,501.09
			- - - - -
	SOLAR STAR CALIFORNIA V LLC	\$	43,134.01
ACH	IEUA EMPLOYEES' ASSOCIATION		
	P/R DIR 01 Employee Ded	HR 0049700	12.00
			- - - - -
	IEUA EMPLOYEES' ASSOCIATION	\$	12.00
ACH	STONE, SHAUN		
	Reim-12/22/16 New Hire Lunch SS,JS,MR	12/22/16 LUNC	65.00
			- - - - -
	STONE, SHAUN	\$	65.00
ACH	ICMA RETIREMENT TRUST 457		
	P/R 2 1/20 Deferred Comp Ded	HR 0049800	15,557.57
			- - - - -
	ICMA RETIREMENT TRUST 457	\$	15,557.57
ACH	LINCOLN NATIONAL LIFE INS CO		
	P/R 2 1/20 Deferred Comp Ded	HR 0049800	22,913.08
			- - - - -
	LINCOLN NATIONAL LIFE INS CO	\$	22,913.08
ACH	ICMA RETIREMENT TRUST 401		
	P/R 2 1/20 Exec Deferred Comp	HR 0049800	8,360.76
			- - - - -

Check	Payee / Description		Amount
	ICMA RETIREMENT TRUST 401	\$	8,360.76
ACH	AQUA BEN CORPORATION		
	RP1-18,400 Lbs Polymer 750A	35295	24,752.56
	RP1-20,700 Lbs Polymer 750A	35078	27,515.76
	RP1-18,400 Lbs Polymer 750A	35202	24,752.56
	AQUA BEN CORPORATION	\$	77,020.88
ACH	GENESIS CONSTRUCTION		
	EN16132-12/16 Pay Est 4	PE 4-EN16132	35,150.00
	GENESIS CONSTRUCTION	\$	35,150.00
ACH	MCMaster-CARR SUPPLY CO		
	Nipples, Pipe Fittings	96949166	230.78
	SS Open Flow Hose Couplings	96877120	49.50
	SS Pipe Fitting, SS Pipe Nipple	97097288	330.56
	Machine Tool Taps	97374020	57.00
	MCMaster-CARR SUPPLY CO	\$	667.84
ACH	AGRICULTURAL RESOURCES		
	2/17 Wtr Quality Consult	2/17 WTR QLTY	3,500.00
	AGRICULTURAL RESOURCES	\$	3,500.00
ACH	AMERICAN MICROIMAGING		
	Records Management CPP Course	47675	100.00
	AMERICAN MICROIMAGING	\$	100.00
ACH	SAP PUBLIC SERVICES INC		
	1/17-12/17 mySAP Business Suite Enterpri	6065032779	130,555.79
	7 SSO Licenses, MS SQL Server Enterprise	6065032413	19,845.00
	1/17-12/17 SAP BusObj Enterprise Support	6065032783	16,839.90
	1/17-12/17 SAP BusObj Enterprise Support	6065032782	20,838.61
	1/17-12/17 BSI US Payroll Tax Maint Supp	6065032781	5,443.20
	SAP PUBLIC SERVICES INC	\$	193,522.50
ACH	OLIN CORP		
	CCWRP-3,006 Gals Sodium Hypochlorite	2270627	1,713.42
	OLIN CORP	\$	1,713.42
ACH	EPI-USE LABS LLC		
	12/23/16-12/22/17 HCM Annual Maintenance	INV-US3471	2,175.77
	EPI-USE LABS LLC	\$	2,175.77
ACH	KEMP BROS CONSTRUCTION INC		
	EN15008-12/16 Pay Est 4	PE 4-EN15008	830,926.01
	KEMP BROS CONSTRUCTION INC	\$	830,926.01
ACH	IEUA EMPLOYEES' ASSOCIATION		
	P/R 2 1/20 Employee Ded	HR 0049800	186.00

Check	Payee / Description	Amount
	IEUA EMPLOYEES' ASSOCIATION \$	186.00
ACH	IEUA SUPERVISORS UNION ASSOCIA P/R 2 1/20 Employee Ded HR 0049800	390.00
	IEUA SUPERVISORS UNION ASSOCIAS	390.00
ACH	IEUA GENERAL EMPLOYEES ASSOCIA P/R 2 1/20 Employee Ded HR 0049800	1,144.10
	IEUA GENERAL EMPLOYEES ASSOCIAS	1,144.10
ACH	IEUA PROFESSIONAL EMPLOYEES AS P/R 2 1/20 Employee Ded 012017 10.00 P/R 2 1/20 Employee Ded HR 0049800 430.00	440.00
	IEUA PROFESSIONAL EMPLOYEES ASS	440.00
ACH	DISCOVERY BENEFITS INC P/R 2 1/20 Cafeteria Plan HR 0049800	2,808.71
	DISCOVERY BENEFITS INC \$	2,808.71
ACH	Inland Empire Reg. Composting Reim-EnerNOC Rebate Check Sent to IEUA 4-9/16 ENERNO	28,941.48
	Inland Empire Reg. Composting \$	28,941.48
ACH	CHINO BASIN DESALTER AUTHORITY CDPH-Chino III Expnasion Prjcts Inv#11-G 301-R	2,737,678.00
	CHINO BASIN DESALTER AUTHORITY\$	2,737,678.00
ACH	AQUA BEN CORPORATION RP1-20,700 Lbs Polymer 750A 35314	27,846.63
	AQUA BEN CORPORATION \$	27,846.63
ACH	NAPA GENUINE PARTS COMPANY Dexviatf,5W20 Synthetic Oil,Bfluid Dot 211752	34.81
	NAPA GENUINE PARTS COMPANY \$	34.81
ACH	MARK IV COMMUNICATIONS INC Install Cable Ladder,Split Tubing,Chase 21360	1,700.79
	MARK IV COMMUNICATIONS INC \$	1,700.79
ACH	GENESIS CONSTRUCTION EN16132-Ret Rls 1-Final EN16132-RET R	15,889.68
	GENESIS CONSTRUCTION \$	15,889.68
ACH	AMERICAN MICROIMAGING IS15003-Change Order #1 47701	34,920.00
	AMERICAN MICROIMAGING \$	34,920.00
ACH	INLAND EMPIRE REGIONAL	

Check	Payee / Description	Amount
	RCA-SCE-Calif Solar Incentive Agrmnt SA# SA#3013233596	10,069.72
	INLAND EMPIRE REGIONAL \$	10,069.72
ACH	SAP PUBLIC SERVICES INC 1/17-12/17 SSO License Maint Enterprise 6065032414	4,365.90
	SAP PUBLIC SERVICES INC \$	4,365.90
ACH	EVOQUA WATER TECHNOLOGIES LLC 1/1/17-3/31/2017 DI Tank Rental 902927329	99.29
	EVOQUA WATER TECHNOLOGIES LLC \$	99.29
ACH	PREFERRED BENEFIT INSURANCE 1/17 Agency Dental Plan EIA19633	15,687.20
	PREFERRED BENEFIT INSURANCE \$	15,687.20
ACH	Inland Empire Reg. Composting 11/16 O&M Expenses SAP1116-IEUAO	2,265.00
	Inland Empire Reg. Composting \$	2,265.00
ACH	ESTRADA, JIMMIE J Reim Monthly Health Prem HEALTH PREM	472.96
	ESTRADA, JIMMIE J \$	472.96
ACH	LICHTI, ALICE Reim Monthly Health Prem HEALTH PREM	172.48
	LICHTI, ALICE \$	172.48
ACH	MORASSE, EDNA Reim Monthly Health Prem HEALTH PREM	172.48
	MORASSE, EDNA \$	172.48
ACH	NOWAK, THEO T Reim Monthly Health Prem HEALTH PREM	472.96
	NOWAK, THEO T \$	472.96
ACH	SONNENBURG, ILSE Reim Monthly Health Prem HEALTH PREM	172.48
	SONNENBURG, ILSE \$	172.48
ACH	DYKSTRA, BETTY Reim Monthly Health Prem HEALTH PREM	172.48
	DYKSTRA, BETTY \$	172.48
ACH	MUELLER, CAROLYN Reim Monthly Health Prem HEALTH PREM	172.48
	MUELLER, CAROLYN \$	172.48

Check	Payee / Description	Amount
ACH	GRIFFIN, GEORGE Reim Monthly Health Prem HEALTH PREM	172.48
	GRIFFIN, GEORGE \$	172.48
ACH	CANADA, ANGELA Reim Monthly Health Prem HEALTH PREM	172.48
	CANADA, ANGELA \$	172.48
ACH	CUPERSMITH, LEIZAR Reim Monthly Health Prem HEALTH PREM	172.48
	CUPERSMITH, LEIZAR \$	172.48
ACH	DELGADO-ORAMAS JR, JOSE Reim Monthly Health Prem HEALTH PREM	300.48
	DELGADO-ORAMAS JR, JOSE \$	300.48
ACH	GRANGER, BRANDON Reim Monthly Health Prem HEALTH PREM	150.24
	GRANGER, BRANDON \$	150.24
ACH	GADDY, CHARLES L Reim Monthly Health Prem HEALTH PREM	150.24
	GADDY, CHARLES L \$	150.24
ACH	BAKER, CHRIS Reim Monthly Health Prem HEALTH PREM	22.24
	BAKER, CHRIS \$	22.24
ACH	WEBB, DANNY C Reim Monthly Health Prem HEALTH PREM	128.00
	WEBB, DANNY C \$	128.00
ACH	HUMPHREYS, DEBORAH E Reim Monthly Health Prem HEALTH PREM	150.24
	HUMPHREYS, DEBORAH E \$	150.24
ACH	MOUAT, FREDERICK W Reim Monthly Health Prem HEALTH PREM	150.24
	MOUAT, FREDERICK W \$	150.24
ACH	MORGAN, GARTH W Reim Monthly Health Prem HEALTH PREM	128.00
	MORGAN, GARTH W \$	128.00
ACH	ALLINGHAM, JACK Reim Monthly Health Prem HEALTH PREM	22.24
	ALLINGHAM, JACK \$	22.24

Check	Payee / Description		Amount
ACH	MAZUR, JOHN Reim Monthly Health Prem	HEALTH PREM	437.19
	MAZUR, JOHN	\$	437.19
ACH	RUDDER, LARRY Reim Monthly Health Prem	HEALTH PREM	22.24
	RUDDER, LARRY	\$	22.24
ACH	INTERLICCHIA, RANDY Reim Monthly Health Prem	HEALTH PREM	128.00
	INTERLICCHIA, RANDY	\$	128.00
ACH	HAMILTON, MARIA Reim Monthly Health Prem	HEALTH PREM	128.00
	HAMILTON, MARIA	\$	128.00
ACH	PICENO, TONY Reim Monthly Health Prem	HEALTH PREM	172.48
	PICENO, TONY	\$	172.48
ACH	RAMOS, CAROL Reim Monthly Health Prem	HEALTH PREM	22.24
	RAMOS, CAROL	\$	22.24
ACH	FISHER, JAY Reim Monthly Health Prem	HEALTH PREM	128.00
	FISHER, JAY	\$	128.00
ACH	KING, PATRICK Reim Monthly Health Prem	HEALTH PREM	22.24
	KING, PATRICK	\$	22.24
ACH	HOWARD, ROBERT JAMES Reim Monthly Health Prem	HEALTH PREM	22.24
	HOWARD, ROBERT JAMES	\$	22.24
ACH	DIETZ, JUDY Reim Monthly Health Prem	HEALTH PREM	128.00
	DIETZ, JUDY	\$	128.00
ACH	DAVIS, GEORGE Reim Monthly Health Prem	HEALTH PREM	150.24
	DAVIS, GEORGE	\$	150.24
ACH	MONZAVI, TAGHI Reim Monthly Health Prem	HEALTH PREM	22.24

Check	Payee / Description	Amount
	MONZAVI, TAGHI	\$ 22.24
ACH	PETERSEN, KENNETH Reim Monthly Health Prem	HEALTH PREM 172.48
	PETERSEN, KENNETH	\$ 172.48
ACH	TRAUTERMAN, HELEN Reim Monthly Health Prem	HEALTH PREM 172.48
	TRAUTERMAN, HELEN	\$ 172.48
ACH	TIEGS, KATHLEEN Reim Monthly Health Prem	HEALTH PREM 874.37
	TIEGS, KATHLEEN	\$ 874.37
ACH	DIGGS, GEORGE Reim Monthly Health Prem	HEALTH PREM 772.02
	DIGGS, GEORGE	\$ 772.02
ACH	HAYES, KENNETH Reim Monthly Health Prem	HEALTH PREM 472.96
	HAYES, KENNETH	\$ 472.96
ACH	HUNTON, STEVE Reim Monthly Health Prem	HEALTH PREM 150.24
	HUNTON, STEVE	\$ 150.24
ACH	RODRIGUEZ, LOUIS Reim Monthly Health Prem	HEALTH PREM 150.24
	RODRIGUEZ, LOUIS	\$ 150.24
ACH	VARBEL, VAN Reim Monthly Health Prem	HEALTH PREM 573.89
	VARBEL, VAN	\$ 573.89
ACH	CLIFTON, NEIL Reim Monthly Health Prem	HEALTH PREM 445.89
	CLIFTON, NEIL	\$ 445.89
ACH	DELGADO, FRANCOIS Reim Monthly Health Prem	HEALTH PREM 128.00
	DELGADO, FRANCOIS	\$ 128.00
ACH	WELLMAN, JOHN THOMAS Reim Monthly Health Prem	HEALTH PREM 573.89
	WELLMAN, JOHN THOMAS	\$ 573.89
ACH	SPEARS, SUSAN Reim Monthly Health Prem	HEALTH PREM 20.62

Check	Payee / Description	Amount
	SPEARS, SUSAN	\$ 20.62
ACH	TROXEL, WYATT Reim Monthly Health Prem	HEALTH PREM 172.48
	TROXEL, WYATT	\$ 172.48
ACH	CORLEY, WILLIAM Reim Monthly Health Prem	HEALTH PREM 437.19
	CORLEY, WILLIAM	\$ 437.19
ACH	CALLAHAN, CHARLES Reim Monthly Health Prem	HEALTH PREM 342.34
	CALLAHAN, CHARLES	\$ 342.34
ACH	LESNIAKOWSKI, NORBERT Reim Monthly Health Prem	HEALTH PREM 172.48
	LESNIAKOWSKI, NORBERT	\$ 172.48
ACH	VER STEEG, ALLEN J Reim Monthly Health Prem	HEALTH PREM 470.34
	VER STEEG, ALLEN J	\$ 470.34
ACH	HACKNEY, GARY Reim Monthly Health Prem	HEALTH PREM 437.19
	HACKNEY, GARY	\$ 437.19
ACH	CAREL, LARRY Reim Monthly Health Prem	HEALTH PREM 22.24
	CAREL, LARRY	\$ 22.24
ACH	TOL, HAROLD Reim Monthly Health Prem	HEALTH PREM 322.01
	TOL, HAROLD	\$ 322.01
ACH	BANKSTON, GARY Reim Monthly Health Prem	HEALTH PREM 471.54
	BANKSTON, GARY	\$ 471.54
ACH	ATWATER, RICHARD Reim Monthly Health Prem	HEALTH PREM 128.00
	ATWATER, RICHARD	\$ 128.00
ACH	FIESTA, PATRICIA Reim Monthly Health Prem	HEALTH PREM 450.01
	FIESTA, PATRICIA	\$ 450.01
ACH	DIGGS, JANET	

Check	Payee / Description	Amount
	Reim Monthly Health Prem	HEALTH PREM 900.02
	DIGGS, JANET	\$ 900.02
ACH	CARAZA, TERESA Reim Monthly Health Prem	HEALTH PREM 158.95
	CARAZA, TERESA	\$ 158.95
ACH	ANDERSON, JOHN Reim Monthly Health Prem	HEALTH PREM 472.96
	ANDERSON, JOHN	\$ 472.96
ACH	SANTA CRUZ, JACQUELYN Reim Monthly Health Prem	HEALTH PREM 779.40
	SANTA CRUZ, JACQUELYN	\$ 779.40
ACH	HECK, ROSELYN Reim Monthly Health Prem	HEALTH PREM 22.24
	HECK, ROSELYN	\$ 22.24
ACH	SOPICKI, LEO Reim Monthly Health Prem	HEALTH PREM 300.48
	SOPICKI, LEO	\$ 300.48
ACH	HERNANDEZ, BENJAMIN Reim Monthly Health Prem	HEALTH PREM 322.01
	HERNANDEZ, BENJAMIN	\$ 322.01
ACH	GOSE, ROSEMARY Reim Monthly Health Prem	HEALTH PREM 128.00
	GOSE, ROSEMARY	\$ 128.00
ACH	KEHL, BARRETT Reim Monthly Health Prem	HEALTH PREM 128.00
	KEHL, BARRETT	\$ 128.00
ACH	RITCHIE, JANN Reim Monthly Health Prem	HEALTH PREM 128.00
	RITCHIE, JANN	\$ 128.00
ACH	LONG, ROCKWELL DEE Reim Monthly Health Prem	HEALTH PREM 445.89
	LONG, ROCKWELL DEE	\$ 445.89
ACH	FATTAHI, MIR Reim Monthly Health Prem	HEALTH PREM 128.00
	FATTAHI, MIR	\$ 128.00

Check	Payee / Description	Amount
ACH	VERGARA, FLORENTINO Reim Monthly Health Prem	HEALTH PREM 300.48
	VERGARA, FLORENTINO	\$ 300.48
ACH	WARMAN, RALPH Reim Monthly Health Prem	HEALTH PREM 172.48
	WARMAN, RALPH	\$ 172.48
ACH	ROGERS, SHIRLEY Reim Monthly Health Prem	HEALTH PREM 175.48
	ROGERS, SHIRLEY	\$ 175.48
ACH	WALL, DAVID Reim Monthly Health Prem	HEALTH PREM 286.95
	WALL, DAVID	\$ 286.95
ACH	CHUNG, MICHAEL Reim Monthly Health Prem	HEALTH PREM 150.24
	CHUNG, MICHAEL	\$ 150.24
ACH	ADAMS, PAMELA Reim Monthly Health Prem	HEALTH PREM 172.48
	ADAMS, PAMELA	\$ 172.48
ACH	BLASINGAME, MARY Reim Monthly Health Prem	HEALTH PREM 1,019.78
	BLASINGAME, MARY	\$ 1,019.78
ACH	ANDERSON, KENNETH Reim Monthly Health Prem	HEALTH PREM 22.24
	ANDERSON, KENNETH	\$ 22.24
ACH	MOE, JAMES Reim Monthly Health Prem	HEALTH PREM 22.24
	MOE, JAMES	\$ 22.24
ACH	POLACEK, KEVIN Reim Monthly Health Prem	HEALTH PREM 746.06
	POLACEK, KEVIN	\$ 746.06
ACH	ELROD, SONDRAL Reim Monthly Health Prem	HEALTH PREM 286.95
	ELROD, SONDRAL	\$ 286.95
ACH	FRAZIER, JACK Reim Monthly Health Prem	HEALTH PREM 171.77
	FRAZIER, JACK	\$ 171.77

Check	Payee / Description	Amount
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ACH	HOAK, JAMES Reim Monthly Health Prem	HEALTH PREM	128.00
	HOAK, JAMES	\$	128.00
ACH	DEZHAM, PARIVASH Reim Monthly Health Prem	HEALTH PREM	171.77
	DEZHAM, PARIVASH	\$	171.77
ACH	FOLEY III, DANIEL J. Reim Monthly Health Prem	HEALTH PREM	158.95
	FOLEY III, DANIEL J.	\$	158.95
ACH	CLEVELAND, JAMES Reim Monthly Health Prem	HEALTH PREM	128.00
	CLEVELAND, JAMES	\$	128.00
ACH	LANGNER, CAMERON Reim Monthly Health Prem	HEALTH PREM	238.70
	LANGNER, CAMERON	\$	238.70
ACH	HAMILTON, LEANNE Reim Monthly Health Prem	HEALTH PREM	158.95
	HAMILTON, LEANNE	\$	158.95
ACH	HOOSHMAND, RAY Reim Monthly Health Prem	HEALTH PREM	128.00
	HOOSHMAND, RAY	\$	128.00
ACH	SCHLAPKOHL, JACK Reim Monthly Health Prem	HEALTH PREM	128.00
	SCHLAPKOHL, JACK	\$	128.00
ACH	POOLE, PHILLIP Reim Monthly Health Prem	HEALTH PREM	171.77
	POOLE, PHILLIP	\$	171.77
ACH	ADAMS, BARBARA Reim Monthly Health Prem	HEALTH PREM	150.24
	ADAMS, BARBARA	\$	150.24
ACH	RUESCH, GENECE Reim Monthly Health Prem	HEALTH PREM	481.35
	RUESCH, GENECE	\$	481.35
ACH	VANDERPOOL, LARRY Reim Monthly Health Prem	HEALTH PREM	471.54

Check	Payee / Description	Amount
	VANDERPOOL, LARRY	\$ 471.54
ACH	AMBROSE, JEFFREY Reim Monthly Health Prem	HEALTH PREM 573.89
	AMBROSE, JEFFREY	\$ 573.89
ACH	MERRILL, DIANE Reim Monthly Health Prem	HEALTH PREM 286.95
	MERRILL, DIANE	\$ 286.95
ACH	HOUSER, ROD Reim Monthly Health Prem	HEALTH PREM 620.58
	HOUSER, ROD	\$ 620.58
ACH	RUSSO, VICKI Reim Monthly Health Prem	HEALTH PREM 158.95
	RUSSO, VICKI	\$ 158.95
ACH	HUSS, KERRY Reim Monthly Health Prem	HEALTH PREM 445.89
	HUSS, KERRY	\$ 445.89
ACH	BINGHAM, GREGG Reim Monthly Health Prem	HEALTH PREM 618.06
	BINGHAM, GREGG	\$ 618.06
ACH	CHARLES, DAVID Reim Monthly Health Prem	HEALTH PREM 128.00
	CHARLES, DAVID	\$ 128.00
ACH	YEBOAH, ERNEST Reim Monthly Health Prem	HEALTH PREM 128.00
	YEBOAH, ERNEST	\$ 128.00
ACH	ALVARADO, ROSEMARY Reim Monthly Health Prem	HEALTH PREM 185.89
	ALVARADO, ROSEMARY	\$ 185.89
ACH	BARELA, GEORGE Reim Monthly Health Prem	HEALTH PREM 128.00
	BARELA, GEORGE	\$ 128.00
ACH	FETZER, ROBERT Reim Monthly Health Prem	HEALTH PREM 1,492.11
	FETZER, ROBERT	\$ 1,492.11
ACH	SPAETH, ERIC Reim Monthly Health Prem	HEALTH PREM 158.95

Check	Payee / Description	\$	Amount
	SPAETH, ERIC		158.95

Grand Total Payment Amount: \$ 4,733,836.46

INLAND EMPIRE UTILITIES AGENCY

PAYROLL FOR JANUARY 6, 2017

PRESENTED AT BOARD MEETING ON FEBRUARY 15, 2017

GROSS PAYROLL COSTS			\$1,392,090.62
DEDUCTIONS			(\$598,642.30)
NET PAYROLL			<u>\$793,448.32</u>
NET PAYROLL BREAKDOWN	CHECKS	EFT	TOTAL
CHECKS USED	-		
TRANSACTION PROCESSED	0	358	358
AMOUNT	\$0.00	\$793,448.32	<u>\$793,448.32</u>

INLAND EMPIRE UTILITIES AGENCY

PAYROLL FOR JANUARY 20, 2017

PRESENTED AT BOARD MEETING ON FEBRUARY 15, 2017

GROSS PAYROLL COSTS			\$1,350,713.57
DEDUCTIONS			(\$659,483.25)
NET PAYROLL			\$691,230.32 <u> </u>
NET PAYROLL BREAKDOWN	CHECKS	EFT	TOTAL
CHECKS USED	105901 - 105903		
TRANSACTION PROCESSED	3	355	358
AMOUNT	\$8,144.05	\$683,086.27	<u>\$691,230.32</u>

INLAND EMPIRE UTILITIES AGENCY

RATIFICATION OF BOARD OF DIRECTORS

PAYROLL FOR JANUARY 13, 2017
PRESENTED AT BOARD MEETING ON FEBRUARY 15, 2017

DIRECTOR NAME	GROSS PAYROLL	NET PAYROLL
MICHAEL CAMACHO	\$3,874.97	\$1,319.64
STEVEN ELIE	\$3,190.25	\$511.74
JASMIN HALL	\$2,232.33	\$1,309.79
PAUL HOFER	\$0.00	\$0.00
KATHERINE PARKER	\$2,334.29	\$601.10
TOTALS	\$11,631.84	\$3,742.27

TOTAL EFTS PROCESSED	2
BEGINNING CHECK NO.	105899
ENDING CHECK NO.	105900
TOTAL CHECKS PROCESSED	2

IEUA DIRECTOR PAYSHEET

MICHAEL CAMACHO
 EMPLOYEE NO. 1140
 ACCOUNT NO. 10200 110100 100000 501010

DECEMBER 2016

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
12-01-16	ACWA Fall Conference (3 rd day)	Yes	\$225.00
12-05-16	Meeting with J. Curatalo re: LAFCO	Yes	\$225.00
12-07-16	IEUA Board Workshop	Yes	\$225.00
12-08-16	Southern Coalition/Inland Caucus Meeting	Yes	\$225.00
12-14-16	Public Affairs, Legislative & Water Resources Committee	Yes	\$225.00
12-14-16	Engineering, Operations and Biosolids Management Committee	Yes (same day)	\$-0-
12-20-16	Telecon Mtg. w/ O Gonzalez re: Agency Business	Yes	\$225.00
12-21-16	IEUA Board Meeting	Yes	\$225.00
12-21-16	IEUA Holiday Luncheon	Yes (same day)	\$-0-
TOTAL REIMBURSEMENT (Up to 10 days of service per month per Ordinance No. 83, including MWD meetings)			\$1,575.00
Total No. of Meetings Attended			9
Total No. of Meetings Paid			7

DIRECTOR
SIGNATURE



Approved by:


 Steven J. Elie
 Secretary/Treasurer, Board of Directors


**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE
ON MWD BOARD**

MICHAEL CAMACTIO
EMPLOYEE NO. 1140
ACCOUNT NO. 10200 110100 100000 501010

DECEMBER 2016

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
12-06-16	OP&T Committee Telecon Update	Yes	\$225.00
12-12-16	MWD Standing Committee Mtgs	Yes	\$225.00
12-13-16	MWD Standing Committee Meetings and Board Meeting	Yes	\$225.00
TOTAL REIMBURSEMENT (Up to 10 days of service per month per Ordinance No. 83)			\$675.00
Total No. of Meetings Attended			3
Total No. of Meetings Paid			3

DIRECTOR
SIGNATURE



Approved by:

Steven J. Elie
Secretary/Treasurer, Board of Directors

**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE
ON REGIONAL POLICY COMMITTEE (ALTERNATE)**

MICHAEL CAMACHO
EMPLOYEE NO. 1140
ACCOUNT NO. 10200 110100 100000 501010

DECEMBER 2016

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
12-06-16	Regional Policy Committee Mtg.	No	\$-0-
TOTAL REIMBURSEMENT			\$-0-
Up to 10 days of service per month per Ordinance No. 73. Section 1 (d) (i.e., \$125.00 – difference between Regional Policy Committee (\$100.00 and Agency meetings \$225.00) including Agency meetings			
Total No. of Meetings Attended			0
Total No. of Meetings Paid			0

**DIRECTOR
SIGNATURE**



Approved by:

Steven J. Elie
Secretary/Treasurer, Board of Directors

IFUA DIRECTOR PAYSHEET


STEVEN J. ELIE
 EMPLOYEE NO. 1175
 ACCOUNT NO. 10200 110100 100000 501010

DECEMBER 2016

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
12-06-16	Dinner Mtg. w/J Grindstaff re: Agency Business	Yes (staff)	\$-0-
12-06-16	City of Chino City Council Meeting Presentation	Yes	\$225.00
12-07-16	IFUA Board Workshop	Yes	\$225.00
12-08-16	SCWC Meeting	Yes	\$225.00
12-13-16	Meeting with M. Boccadoro, West Coast Advisor - Legislation	Yes	\$225.00
12-14-16	Public, Legislative Affairs and Water Resources Committee	Yes (same day)	\$-0-
12-14-16	Finance, Legal & Administration Committee	Yes	\$225.00
12-21-16	Board Meeting	Yes	\$225.00
12-21-16	IFUA Holiday Luncheon	Yes (same day)	\$-0-
TOTAL REIMBURSEMENT (Up to 10 days of service per month per Ordinance No. 83)			\$1,350.00
Total No. of Meetings Attended			9
Total No. of Meetings Paid			6

DIRECTOR
 SIGNATURE

Approved by:



 Michael Camacho
 Vice President, Board of Directors

**DIRECTOR PAYSHEET FOR IFUA
ON WATERMASTER BOARD**

STEVEN J. ELJE
EMPLOYEE NO. 1175
ACCOUNT NO. 10200 110100 100000 501010

DECEMBER 2016

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
12-02-16	CBWM Admin Meeting w/P Kavounas	Yes*	\$-0-

TOTAL REIMBURSEMENT Up to 10 days of service per month per Ordinance No. 83, Section 1 (d) (i.e., \$100.00 difference between Watermaster \$125.00 and District meetings \$225.00). including District meetings	\$-0-
Total No. of Watermaster Meetings Attended	1
Total No. of Watermaster Meetings Paid	0

*Decline IFUA portion

DIRECTOR
SIGNATURE

Approved by:



 Michael Camacho
 Vice President, Board of Directors

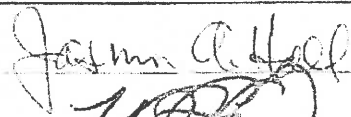
IEUA DIRECTOR PAYSHEET

JASMIN A. HALL
 EMPLOYEE NO. 1256
 ACCOUNT NO. 10200 110100 100000 501010

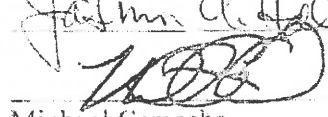
DECEMBER 2016

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
12-01-16	ACWA Fall Conference	Yes	\$225.00
12-07-16	IEUA Board Workshop	Yes	\$225.00
12-08-16	LAFCO Governance Training	Yes	\$225.00
12-10-16	Fontana Christmas Parade	Yes	\$225.00
12-13-16	Rialto City Council Meeting	Yes	\$225.00
12-14-16	Audit Committee Meeting	Yes	\$225.00
12-21-16	IEUA Board Meeting	Yes	\$225.00
TOTAL REIMBURSEMENT (Up to 10 days of service per month per Ordinance No. 83)			\$1,575.00
Total No. of Meetings Attended			7
Total No. of Meetings Paid			7

DIRECTOR
SIGNATURE



Approved by:




 Michael Camacho
 Vice President, Board of Directors

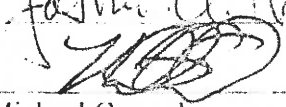
DIRECTOR PAYSHEET FOR IFUA
ON SAWPA COMMISSION (ALTERNATE)

JASMIN A. HALL
EMPLOYEE NO. 1256
ACCOUNT NO. 10200 110100 100000 501010

DECEMBER 2016

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
12-06-16	SAWPA Commission Workshop	Yes	\$27.18
12-20-16	SAWPA Commission Meeting	Yes	\$27.18
TOTAL REIMBURSEMENT			\$54.36
Up to 10 days of service per month per Ordinance No. 83.			
Section 1 (d) (i.e., \$27.18 – difference between SAWPA (\$197.82 <i>eff. 2-16-16</i>) and Agency meetings \$225.00 including Agency meetings			
Total No. of SAWPA Meetings Attended			2
Total No. of SAWPA Meetings Paid			2

DIRECTOR SIGNATURE 

Approved by: 
Michael Camacho
Vice President, Board of Directors

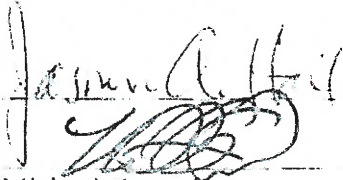
**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE
ON CHINO DESALTER AUTHORITY (ALTERNATE)**

JASMIN A. HALL
 EMPLOYEE NO. 1256
 ACCOUNT NO. 10200 110100 100000 501010

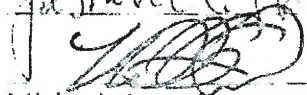
DECEMBER 2016

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
12-01-16	CDA Board Meeting	No	\$-0-
TOTAL REIMBURSEMENT			\$-0-
Up to 10 days of service per month per Ordinance No. 83, Section 1 (d) (i.e., \$75.00 difference between CDA (\$150.00 And Agency meetings \$225.00 excludes alternate) including Agency meetings			
Total No. of CDA Meetings Attended			0
Total No. of CDA Meetings Paid			0

DIRECTOR
SIGNATURE:



Approved by:


 Michael Camacho
 Vice President, Board of Directors

IEUA DIRECTOR PAYSHEET

PAUL HOFER
 EMPLOYEE NO. 1349
 ACCOUNT NO. 10200 110100 100000 501010

DECEMBER 2016

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
12-07-16	IEUA Board Workshop	Yes	\$-0-
12-14-16	Finance, Legal & Administration Committee	Yes	\$-0-
12-16-16	Introduction mtg. w/W. Dorgan	Yes	\$-0-
12-21-16	IEUA Board meeting	Yes	\$-0-
TOTAL REIMBURSEMENT (Up to 10 days of service per month per Ordinance No. 83)			\$-0-
Total No. of Meetings Attended			5
Total No. of Meetings Paid			0

DIRECTOR
 SIGNATURE

Approved by:



Michael Camacho
 Vice President, Board of Directors

Director Hofer has waived all stipend payments.

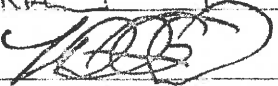
IEUA DIRECTOR PAYSHEET

KATI PARKER
 EMPLOYEE NO. 1362
 ACCOUNT NO. 10200 110100 100000 501010

DECEMBER 2016

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
12/07/16	IEUA Board Meeting	Yes	\$225.00
12/07/16	Business Goals Mtg. w/W Green	Yes (staff)	\$-0-
12/07/16	Introduction Mrg. w/C Valencia	Yes (staff)	\$-0-
12/14/16	Audit Committee	Yes	\$225.00
12/14/16	Engineering, Operations & Biosolids Mgmt Committee	Yes (same day)	\$-0-
12/21/16	IEUA Board Meeting	Yes	\$225.00
12/21/16	IEUA Holiday Luncheon	Yes (same day)	\$-0-
TOTAL REIMBURSEMENT			\$675.00
Up to 10 days of service per month per Ordinance No. 83.			
Section 1 (d) (i.e., \$27.18 – difference between SAWPA (\$197.82 <i>eff. 2/16/16</i>) and Agency meetings \$225.00 including Agency meetings			
Total No. of SAWPA Meetings Attended			7
Total No. of SAWPA Meetings Paid			3

DIRECTOR SIGNATURE: 

Approved by: 
 Michael Camacho
 Vice President, Board of Directors

ACTION


ITEM


2A


Date: March 15, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations, and Water Resources Committee (3/8/17)
Finance and Administration Committee (3/8/17)

From: P. Joseph Grindstaff 
General Manager

Submitted by: ~~for~~ Chris Berch 
Executive Manager of Engineering/Assistant General Manager

Shaun J. Stone 
Manager of Engineering

Subject: RP-1 Gas System Design-Build Contract Award

RECOMMENDATION

It is recommended that the Board of Directors:

1. Award a design-build contract for the RP-1 Iron Sponges Installation, Project No. EN17059, to W.A. Rasic in the amount of \$319,900;
2. Approve a total project budget amendment in the amount of \$200,000 for Project No. EN17059; and
3. Authorize the General Manager to execute the design-build contract and budget amendment.

BACKGROUND

The Regional Water Recycling Plant No. 1 (RP-1) has been in service for over 60 years. As part of the treatment process, the facility generates digester gas (DG). DG is produced within the digesters and conveyed via pipeline to processes within RP-1, such as hot water boilers and available power generation facilities. Major components of the RP-1 DG system include: one flare, seven digesters, control and relief valves, hydrogen sulfide removal system (iron sponges), SCADA/control instrument and devices, metering, miscellaneous piping, and auxiliary equipment.

South Coast Air Quality Management District (SCAQMD) requires that prior to flaring digester gas, its hydrogen sulfide (H₂S) concentration be reduced to allowable limits as stipulated by SCAQMD rules. Vessels are filled with media and used for hydrogen sulfide removal (Iron Sponges). Currently, there are two Iron Sponges serving the flare at the RP-1 facility. Neither of the Iron Sponges have a backup to maintain the desired gas quality when one is out for maintenance or service. The project is to provide redundant Iron Sponges to ensure continuous hydrogen sulfide removal and compliance with SCAQMD requirements.

In 2014, Inland Empire Utilities Agency's (IEUA) Maintenance Department procured two new Iron Sponges with accessories for \$150,000. In August 2016, the SCAQMD permit was secured for installation. IEUA staff prepared a request for proposal including a preliminary design, which will be used by the selected contractor as a guideline for designing and installing the Iron Sponges and necessary appurtenant facilities.

On January 19, 2017, IEUA advertised a request for bids to the prequalified contractors on the under \$2,000,000 list. Two contractors participated in the job walk on January 26, 2017. On February 14, 2017, the following bids were received:

Bidder's Name	Total Price
W.A. Rasic Construction	\$319,900
W.M. Lyles Co.	\$348,276
Engineer's Estimate	\$350,000

W.A. Rasic was the lowest responsive and responsible bidder with a bid price of \$319,900. In the past, W.A. Rasic has performed several successful projects for IEUA, showing good workmanship and responsiveness.

The following table is the anticipated project cost:

Description	Estimated Cost
Design	\$75,000
Construction Services (~ 15%)	\$50,000
Construction	\$319,900
Contingency (~ 15%)	\$50,000
Total Project Cost	\$494,900
Current Total Project Budget	\$300,000
Budget Amendment	\$200,000

Based on project final scope of work, bid results and the anticipated total project cost, staff is requesting a total project budget amendment in the amount of \$200,000 for the RP-1 Iron Sponges Installation, Project No. EN17059. The previously approved budget was estimated prior to the preliminary design phase of the project. Projected expenditures for Fiscal Year 2016/17 is within the current, approved fiscal year budget of \$300,000.

The following is the project schedule:

Project Milestone	Date
Construction Contract Award	March 2017
Construction Completion	January 2018

The RP-1 Iron Sponge Installation Project is consistent with *IEUA's Business Goals of Wastewater Management and Environmental Stewardship*, specifically the Water Quality and Regulatory Compliance objectives that IEUA will comply with all federal, state, local, and environmental laws and regulations to protect public health and the environment.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

If approved, the construction award for the RP-1 Iron Sponges Installation, Project No. EN17059, in the amount of \$319,900 will be supported by the revised total project budget of \$500,000 in the Regional Wastewater Capital (RC) Fund. An estimated amount of \$250,000 will be spent on the project this fiscal year, with the remaining project costs to be spent in the future fiscal year. The future year's funding will be re-appropriated accordingly during the Fiscal Year 2017/18 review of the Ten Year Capital Improvement Plan.

Attachments

1. Design-Build Contract

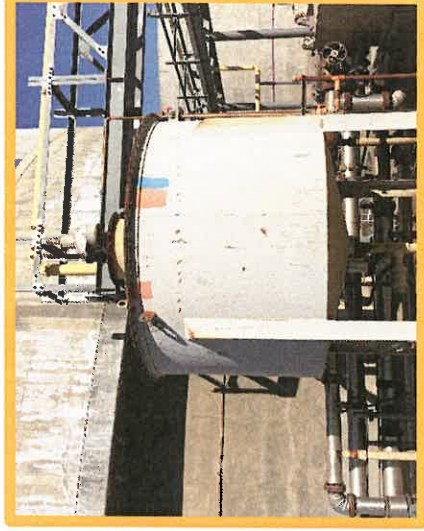
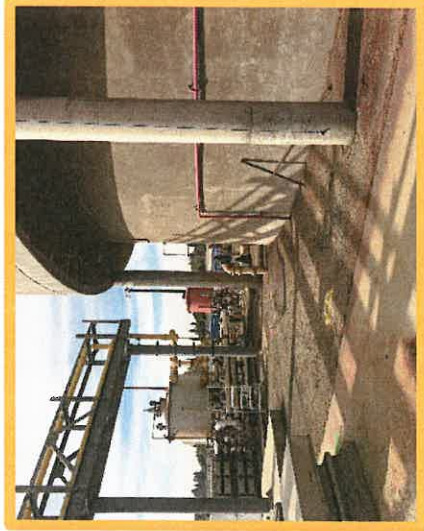
<https://www.dropbox.com/sh/usma0abtffuhcxv/AAAIN3BcbE9pyKmlVhJz8Aasa?dl=0>

PJG:CB:SS:jz

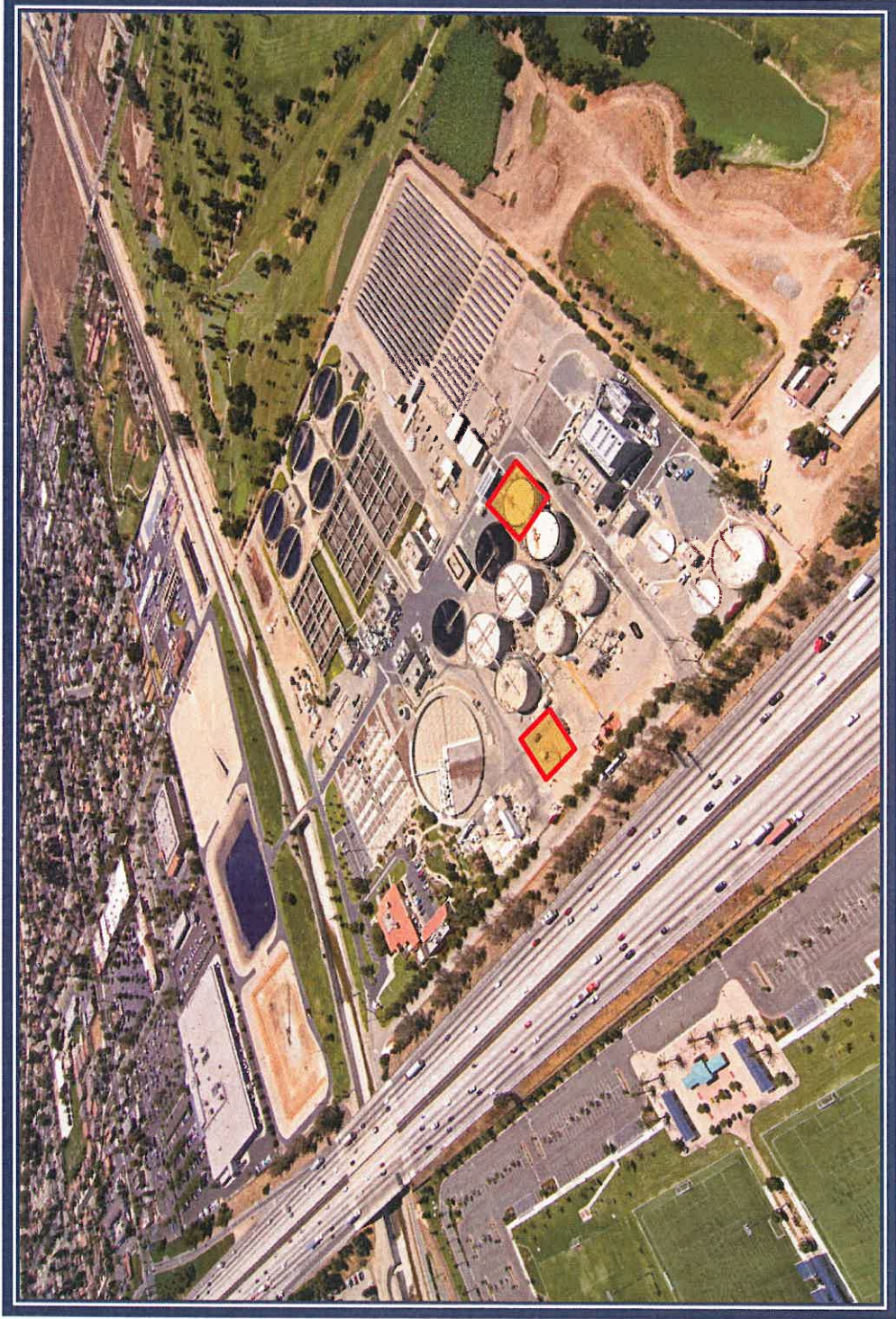


RP-1 Iron Sponge Design-Build Contract Award Project No. EN17059

Board Meeting



Regional Water Recycling Plant No. 1 Project Location



Project Background

- Hydrogen sulfide is currently removed via iron sponges
- Two existing iron sponges with no backup
- Potential hydrogen sulfide exceedance during maintenance or shutdown
- IEUA Maintenance staff purchased two backup iron sponges for installation



Flare Iron Sponge Location



Acid Phase Digester Iron Sponge

Project Scope

- Design-build project
- Install two complete iron sponge systems including:
 - Interconnecting piping, valves, pads
 - Gas safety equipment
 - Electrical work for flare sponge regeneration air blower
- Enhance reliability and compliance with backup iron sponges installed



Acid Phase Digester Iron Sponge



Flare Iron Sponge

Bid Summary

- Two (2) bids received on February 14, 2017:

Bids Received

Bidder's Name	Total Price
W.A. Rasic Construction	\$319,900
W.M. Lyles Co.	\$348,276
Engineer's Estimate	\$350,000

Project Budget and Schedule

Milestone	Date
Design	\$75,000
Construction Services (~15%)	\$50,000
Construction – Design build (bid price)	\$319,900
Contingency (~15%)	\$50,000
Total Project Cost	\$494,900
Current Total Project Budget	\$300,000
Requested Budget Amendment	\$200,000

Milestone	Date
Construction Contract Award	March 2017
Construction Completion	January 2018

Recommendation

- Award a design-build contract for the RP-1 Iron Sponge Installation, Project No. EN17059, to W.A. Basic Construction in the amount of \$319,900.
- Approve a total project budget amendment in the amount of \$200,000 for the RP-1 Iron Sponge Installation Project.
- Authorize the General Manager to execute the design-build contract and budget amendment.

The RP-1 Iron Sponge Installation project is consistent with **IEUA's Business Goals of Wastewater Management and Environmental Stewardship** specifically the Water Quality and Regulatory Compliance objectives that IEUA will comply with all federal, state, local, and environmental laws and regulations to protect public health and the environment.

**ACTION
ITEM
2B**





Date: March 15, 2017

To: The Honorable Board of Directors

Through: Audit Committee (3/6/17)
Finance and Administration Committee (3/8/17)

From: P. Joseph Grindstaff
General Manager

Submitted by: ^{for} Chris Berch 
Executive Manager of Engineering/Assistant General Manager

Jason Gu 
Grants Officer

Subject: Fiscal Year (FY) 2015/16 Single Audit Report for Federal Grant Programs

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve the Single Audit Report for FY 2015/16; and
2. Direct staff to distribute the report, as appropriate, to the State Controller's Office, the Federal Audit Clearing House, and other interested parties.

BACKGROUND

The Single Audit Act and Office of Management and Budget (OMB) Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, require each non-Federal entity that expends \$750,000 or more of Federal grants to undergo an annual independent audit.

The objectives of the Single Audit are to determine whether there are issues that could have a direct and material effect over:

1. Compliance for each major federal grant award program.
2. Internal control over compliance requirements of federal grant award programs.
3. Eligibility of federal grant award program expenditures.

In FY 2015/16, IEUA incurred \$6,306,549 in federal costs for the two federal programs listed in the table below. The Agency’s independent external audit firm, Lance, Soll & Lunghard, LLP (LSL), performed the annual single audit for fiscal year ended June 30, 2016.

Grantor	Program Title	Federal Expenditures
U.S. Department of the Interior - Bureau of Reclamation (USBR)	Title XVI Desalination Water Reuse Program – Drinking Water	\$6,090,965
United States Environmental Protection Agency (EPA)	Clean Water State Revolving Fund (SRF) Program Recycled Water	\$ 215,584
	TOTAL	\$6,306,549

The Single Audit Report for the FY 2015/16 expressed the following opinion over the Agency’s expense of federal funds:

1. IEUA is in compliance with each major federal grant award program.
2. No significant deficiencies in internal control over major federal award programs.
3. No findings or questioned costs to major federal award programs.
4. IEUA qualifies as a “Low-Risk Auditee”.

The IEUA FY 2015/16 Single Audit Report is consistent with the Agency’s Business Goal of fiscal responsibility in providing transparent communication regarding federal grant award programs.

PRIOR BOARD ACTION

On December 16, 2015, the Board reviewed the FY 2014/15 Single Audit Report presented to the Audit Committee on December 9, 2015.

On December 17, 2014, the Board reviewed the FY 2013/14 Single Audit Report presented to the Audit Committee on December 10, 2014.

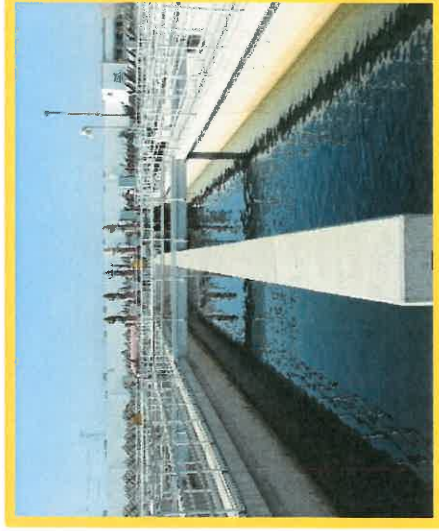
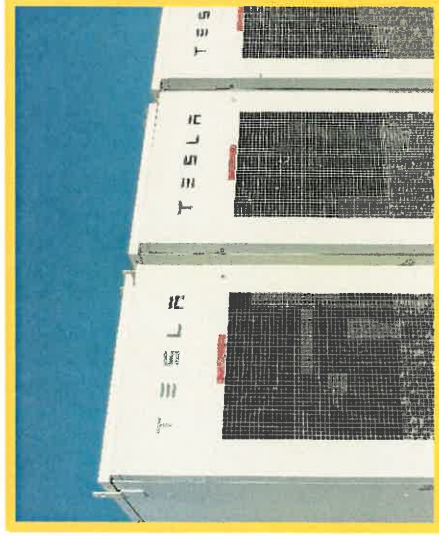
IMPACT ON BUDGET

The audit fee for the Single Audit Report is within the Agency’s FY 2016/17 budget in the Administrative Services (GG) fund (100000/111100/520110) under the professional fees and services category.



Federal Single Audit Report

Board Meeting

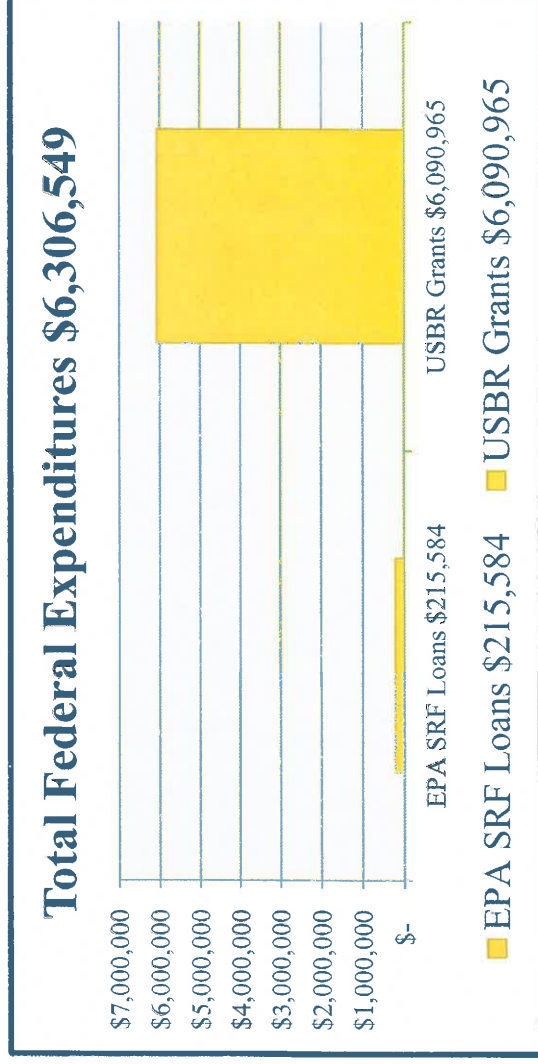


Single Audit Act Requirements

- Each non-federal agency
- Incurred \$750,000 or more in a year
- One audit covers all Federal grant contracts

Federal Cost Incurred FY15/16

- Total Federal Expenditures – \$6,306,549
- USBR Grants – \$6,090,965
- EPA SRF Loans – \$215,584



Single Audit Objectives

- Compliance of federal regulations
- Compliance of grant agreements
- Internal controls
- Grant cost eligibility

IEUA – Single Audit Results

- Unqualified audit opinion (Clean Audit Report)
 - IEUA complied with compliance requirements
 - No deficiencies in internal controls
 - No findings or questioned costs
 - Qualified as low-risk auditee
- Audit result will positively impact future grants

Recommendation

- Approve the FY2015/16 Single Audit Report;
- Direct staff to distribute the report to the State Controller's Office, the Federal Audit Clearing House, and other interested parties.



QUESTIONS?

INLAND EMPIRE UTILITIES AGENCY

SINGLE AUDIT REPORT

JUNE 30, 2016

INLAND EMPIRE UTILITIES AGENCY

SINGLE AUDIT REPORT

JUNE 30, 2016

INLAND EMPIRE UTILITIES AGENCY

SINGLE AUDIT REPORT

JUNE 30, 2016

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Inland Empire Utilities Agency
Chino, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund, and the aggregate remaining fund information of the Inland Empire Utilities Agency (the Agency), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated December 19, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.





CPAs AND ADVISORS

To the Board of Directors
Inland Empire Utilities Agency
Chino, California

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lance, Soll & Loughard, LLP

Brea, California
December 19, 2016



CPAs AND ADVISORS

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE

To the Board of Directors
Inland Empire Utilities Agency
Chino, California

Report on Compliance for Each Major Federal Program

We have audited the Inland Empire Utilities Agency (the Agency)'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Agency's major federal programs for the year ended June 30, 2016. The Agency's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Agency's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Agency's compliance.

Opinion on Each Major Federal Program

In our opinion, the Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.





To the Board of Directors
Inland Empire Utilities Agency
Chino, California

Report on Internal Control over Compliance

Management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Agency's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on the Schedule of Expenditures of Federal Awards Required by Uniform Guidance

We have audited the financial statements of each major fund, and the aggregate remaining fund information of the Inland Empire Utilities Agency, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements. We issued our report thereon dated December 19, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



CPAs AND ADVISORS

To the Board of Directors
Inland Empire Utilities Agency
Chino, California

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Lance, Soll & Lingham, LLP

Brea, California

February 24, 2017 (except for our report on the Schedule of Expenditures of Federal Awards, for which the date is December 19, 2016)

INLAND EMPIRE UTILITIES AGENCY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grant Identification Number</u>	<u>Federal Expenditures</u>	<u>Amount Provided to Subrecipients</u>
<u>U.S. Department of the Interior - Bureau of Reclamation</u>				
Direct Programs:				
Title XVI Water Reclamation and Reuse*	15.504	R11AC35306	\$ 171,195	\$ 171,195
Title XVI Water Reclamation and Reuse*	15.504	R12AC35339	31,368	31,368
Title XVI Water Reclamation and Reuse*	15.504	R14AC00049	964,475	964,475
Title XVI Water Reclamation and Reuse*	15.504	R15AC00059	4,923,927	4,923,927
Total U.S. Department of the Interior - Bureau of Reclamation			6,090,965	6,090,965
<u>U.S. Environmental Protection Agency</u>				
Passed through the State of California, State Water Resources Control Board:				
Capitalization Grants for Clean Water State Revolving Funds	66.458	C-06-7885-110	215,584	-
Total U.S. Environmental Protection Agency			215,584	-
Total Federal Expenditures			\$ 6,306,549	\$ 6,090,965

* Major Program

Note a: Refer to Note 1 to the schedule of expenditures of federal awards for a description of significant accounting policies used in preparing this schedule.

Note b: There were no federal awards expended in the form of noncash assistance and insurance in effect during the year.

INLAND EMPIRE UTILITIES AGENCY

**NOTE TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 1: Summary of Significant Accounting Policies Applicable to the Schedule of Expenditures of Federal Awards

a. Scope of Presentation

The accompanying schedule presents only the expenditures incurred by the Inland Empire Utilities Agency (the Agency), that are reimbursable under federal programs of federal financial assistance. For the purposes of this schedule, federal awards include both federal financial assistance received directly from a federal agency, as well as federal funds received indirectly by the Agency from a non-federal agency or other organization. Only the portion of program expenditures reimbursable with such federal funds is reported in the accompanying schedule. Program expenditures in excess of the maximum federal reimbursement authorized or the portion of the program expenditures that were funded with state, local or other non-federal funds are excluded from the accompanying schedule.

b. Basis of Accounting

The expenditures included in the accompanying schedule were reported on the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are incurred when the Agency becomes obligated for payment as a result of the receipt of the related goods and services. Expenditures reported included any property or equipment acquisitions incurred under the federal program. The Agency has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 2: Reconciliation of State Water Resource Control Board and GAAP Expenditure Reporting

For the year ended June 30, 2016, the following adjustments were necessary to reconcile the federal awards provided to the Agency for the Capitalization Grants for Clean Water State Revolving Funds federal awards program per the State Water Resource Control Board's records to the federal expenditures reported by the Agency under accounting principles generally accepted in the United States of America (GAAP).

Federal awards per the State Water Resource Control Board:	
C-06-5318-110	\$ 5,002,216
C-06-7885-110	<u>236,824</u>
Subtotal	<u>5,239,040</u>
Adjustment for expenditures reported in the prior fiscal period:	
C-06-5318-110	(5,002,216)
C-06-7885-110	<u>(21,240)</u>
Subtotal	<u>(5,023,456)</u>
Total Federal Expenditures of the Capitalization Grants for Clean Water State Revolving Funds Program (GAAP)	<u><u>\$ 215,584</u></u>

INLAND EMPIRE UTILITIES AGENCY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:

Unmodified Opinion

Internal control over financial reporting:

- Significant deficiencies identified? ___yes Xno
- Material weaknesses identified? ___yes Xnone reported

Noncompliance material to financial statements noted?

___yes Xno

Federal Awards

Internal control over major programs:

- Significant deficiencies identified? ___yes Xno
- Material weaknesses identified? ___yes Xnone reported

Type of auditors' report issued on compliance for major programs:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?

___Yes Xno

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

15.504

Title XVI Water Reclamation and Reuse

Dollar threshold used to distinguish between type A and type B program

\$750,000

Auditee qualified as low-risk auditee?

Xyes ___no

INLAND EMPIRE UTILITIES AGENCY

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2016**

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

INLAND EMPIRE UTILITIES AGENCY

**SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015**

SECTION IV - FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION V - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

INFORMATION

ITEM


3A





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.

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

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	O&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.

- **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.

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 Revenues, Expenses, and Fund Balance (\$Millions)

Operating	FY 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 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

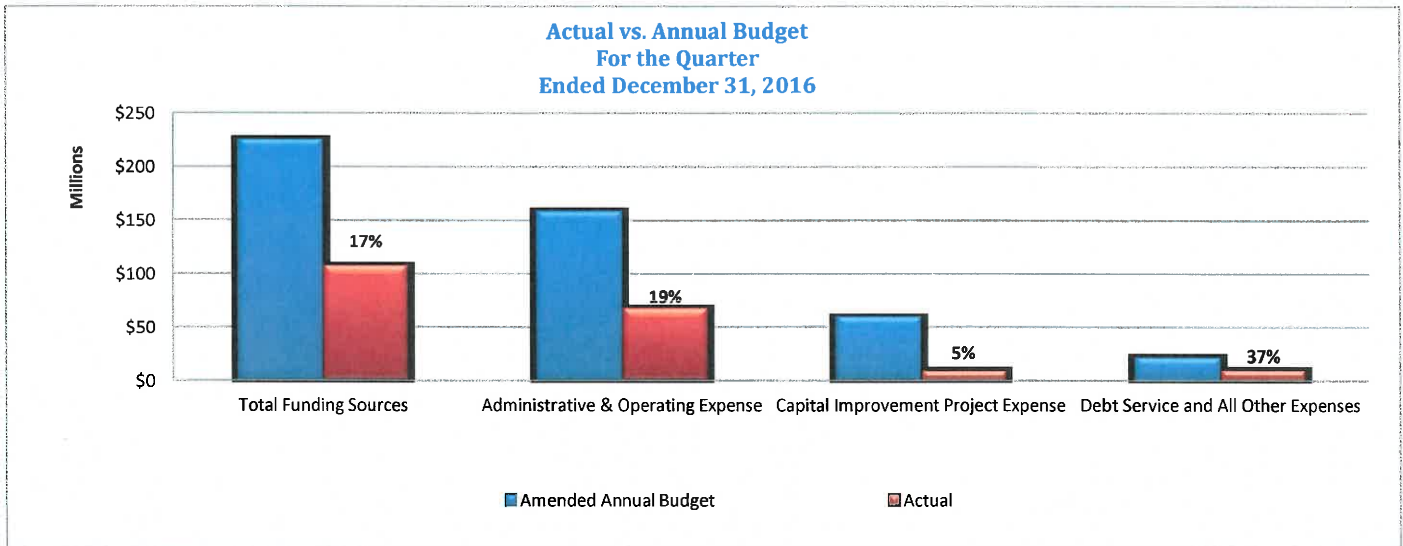
The net change in total revenues over total expenses in the amount of \$19.2 million resulted in a total estimated fund balance of \$204.0 million, for the second quarter ended December 31, 2016.

I. Actual vs. Budget Summary:

Second Quarter Ended December 31, 2016

% of the Year
Elapsed: 50%

	Adopted Annual Budget	Amended Annual Budget	Actual	Amended vs. Actual	% of Amended 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 Budget	Amended Annual Budget	Actual	Amended vs. Actual	% of Amended Budget
Operating 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%
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 & 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%
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%

- 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.

3. Actual Operating and Capital Expense vs. Budget:

Second Quarter Ended December 31, 2016				% of the Year Elapsed: 50%	
	Adopted Annual Budget	Amended Annual Budget	Actual	Amended vs. Actual	% of Amended Budget
Operating 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%
OPERATING EXPENSES	\$146,702,633	\$158,977,965	\$68,020,726	\$90,957,239	42.8%
Non-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%
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	\$88,387,944	\$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 O&M 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-to-serve 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.

Utilities , 36.4%

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 administration fees.

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 special project expenses and status as of December 31, 2016

Capital Projects		Amended FY 2016/17	YTD Expenditure	Budgeted Amount Remaining
EN15008	Water Quality Laboratory 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.	7,000,000	3,047,034	3,952,966
EN19006	RP-5 Solids Handling Facility 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.	3,125,000	-	3,125,000

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 & Reimbursable Projects		Amended FY 2016/17	YTD Expenditure	Budgeted Amount Remaining
EN16021	Chino Basin Groundwater Wells 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.	7,481,073	7,870,950	(389,877)
PA17006	Agency-Wide Aeration Panel Replacements 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.	2,200,000	-	2,200,000
WR16024	SAWPA Action SARCCUP 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.	1,854,492	168,959	1,685,533

INLAND EMPIRE UTILITIES AGENCY
Fiscal Year 2016/17
CONSOLIDATED BUDGET VARIANCE ANALYSIS REPORT
Second Quarter Ended December 31, 2016

	Adopted FY 2016/17 Annual Budget	Amended FY 2016/17 Annual Budget	YTD Actual	YTD Variance	YTD % Budget Used
<u>OPERATING REVENUES</u>					
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%
<u>NON-OPERATING REVENUES</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	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%
<u>ADMINISTRATIVE and OPERATING EXPENSES</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%

INLAND EMPIRE UTILITIES AGENCY
Fiscal Year 2016/17
CONSOLIDATED BUDGET VARIANCE ANALYSIS REPORT
Second Quarter Ended December 31, 2016

	Adopted FY 2016/17 Annual Budget	Amended FY 2016/17 Annual Budget	YTD Actual	YTD Variance	YTD % 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%
<u>NON-OPERATING EXPENSES</u>					
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	

Business Goals & Objectives Report By Department

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

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note	Month	Note	Year	Status	Complete	Notes	
Agency Management																	
217	FY 2016/17	Quarterly	Agency Management	C	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	February	2017	On Schedule			External Affairs is working with Board Secretary on the new board letter format.	
219	FY 2016/17	Quarterly	Agency Management	C	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	February	2017	On Schedule				External Affairs is working with Board Secretary on new board letter format.
220	FY 2016/17	Quarterly	Agency Management	C	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 two procedures per quarter until completed	April Woodruff	February	February	2017	On Schedule				This project was assigned to Executive Assistant. First draft to be completed on May 31, 2017
221	FY 2016/17	Quarterly	Agency Management	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Update and maintain "Duties and Annual Responsibilities" manual for the Board Secretary position	Completed by June 30, 2017	Update 25% per quarter	April Woodruff	February	February	2017	On Schedule				This project is on hold until department is fully staffed. Recruitment for additional Executive Assistant is scheduled.
222	FY 2016/17	Quarterly	Agency Management	C	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	April Woodruff	February	February	2017	On Schedule				Ongoing - Agency Management staff works to continually improve procedures within the department to further streamline processes.
Contracts and Facilities Services																	
172	FY 2015/16	Quarterly	Finance and Administration	A	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	February	2017	On Schedule				In support of the Agency's business operations, CAP conducts analysis and reviews in support of securing the best value to the Agency, as well as attempts cost saving measures on all purchases. 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.
173	FY 2016/17	Quarterly	Finance and Administration	B	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	February	2017	On Schedule				Staff reviews their ME5A multiple times 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.
174	FY 2016/17	Quarterly	Finance and Administration	C	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		Warren Green	February	February	2017	On Schedule				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.
175	FY 2016/17	Quarterly	Finance and Administration	C	Provide timely updates to the Regional Committees and the IEUA Board on long term planning needs	Identify and participate in the Agency's MV and key initiatives	Ongoing		Warren Green	February	February	2017	On Schedule				

EXHIBIT B

FY 2016/17

Business Goals & Objectives Report By Department

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Time Line	Department Goal	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
242	FY 2016/17	Quarterly	Finance and Administration	C	Replace the legacy Document Management System to ensure it meets Agency-wide and regulatory public records requirement and eliminates redundant archiving systems	Ongoing	Implement the new ECM System. Agency taxonomy project, and legal holds process	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	C	Replace the legacy Document Management System to ensure it meets Agency-wide and regulatory public records requirement and eliminates redundant archiving systems	Ongoing	Implement the new ECM System. Agency taxonomy project, and legal holds process	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. No update at this time.
243	FY 2016/17	Annual	Finance and Administration	C	Replace the legacy Document Management System to ensure it meets Agency-wide and regulatory public records requirement and eliminates redundant archiving systems	Ongoing	In collaboration with BIS, implement an email or Electronic Data Interchange (EDI) solution for purchase order transmission to the vendors.	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	C	Replace the legacy Document Management System to ensure it meets Agency-wide and regulatory public records requirement and eliminates redundant archiving systems	Ongoing	In collaboration with BIS, establish purchase requisition accessible Open Catalog Interface (OCI) catalogs for end user.	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	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Ongoing	Maintain average processing time within CFS's published service level objectives = 95%	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.
Engineering														
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	Ongoing	Perform evaluations to identify measures to improve recycled water quality and implement measures based on priority.	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 designs to complete more projects in a shorter timeframe by July 2022	Ongoing	Provide high quality project management design for Capital Improvement Projects.	In-House Design Engineer = 10%	Shaun Stone	January	2017	On Schedule		For projects that finish construction during or after FY16/17 the overall percentage is 14.75% 9 of 61 projects are in house design
215	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 designs to complete more projects in a shorter timeframe by July 2022	Ongoing	Provide high quality project management design for Capital Improvement Projects.	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	Ongoing	Review and evaluate all projects for best practices that can be applied to future projects.	10x/year > 90%	Shaun Stone	January	2017	On Schedule		Conducted 1 Lesson Learned; Montclair Splitter Box – Access Hatches in December 2016

EXHIBIT B

FY 2016/17

Business Goals & Objectives Report By Department

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
115	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.
156	FY 2016/17	Once 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.
External Affairs														
166	FY 2016/17	Quarterly	Agency Management	C	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	No	Presented to the Rancho Chino Rotary on the Chino Creek Wetlands & Educational Park.
167	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 significantly increased numbers of tours. Tour activities focus more on conservation. Increased social media posts to include appropriate messaging for winter.
168	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	FY 2016/17	Quarterly	Agency Management	B	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 activities including: creating collateral materials, employee newsletter, and posting to the IEUA website. Increase public recognition of Agency brand	By June 2016 and ongoing	Continue to update printed materials, newsletters, and website with current content	Kathryn Besser	February	2017	On Schedule	No	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	FY 2016/17	Monthly	Agency Management	C	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 media	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	No	Continuing meetings with department managers to ensure content remains accurate. Continue to switch out front page "sliders" on a timely basis to ensure current programs are being promoted.
228	FY 2016/17	Quarterly	Agency Management	C	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. Continue marketing campaigns and social media outreach. Present to community associations or organizations quarterly	Kathryn Besser	February	2017	On Schedule	No	Modified regional drought campaign to adjust to changing seasons and community perceptions. Also evaluated current media being used and eliminated areas that didn't receive much response.
229	FY 2016/17	Quarterly	Agency Management	D	Complete water softener 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	2017	On Schedule	No	Three remaining cities have not passed ordinance - will work with Planning Department to address new city councils beginning in Q3.

EXHIBIT B

FY 2016/17

Business Goals & Objectives Report By Department

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
230	FY 2016/17	Monthly	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.
Finance and Accounting														
184	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.
185	FY 2016/17	Quarterly	Finance and Administration	A	Continue to monitor market opportunities 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.
186	FY 2016/17	Quarterly	Finance and Administration	B	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.
258	FY 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.
Grants														
273	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.
274	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	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.
275	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	Find grants that match with Member and Regional Agencies capital and conservation programs	Ongoing	Continues as Federal and State grants are available	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.

EXHIBIT B

FY 2016/17

Business Goals & Objectives Report By Department

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note 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 loan opportunities that align with the Agency mission and financial goal. Several applications and pre-applications were submitted
182	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	Pursue new grant awards to diversify revenue	Ongoing		Jason Gu	January	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 award was received. Opportunities through the state Prop 1 grant program and Federal WaterSMART program are continually being reviewed for potential grants.
183	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.
Internal Audit														
231	FY 2016/17	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 recommendations for cost containment, effectiveness and efficiency in operations 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 the Board-approved Annual Audit Plan.
232	FY 2016/17	Monthly	Agency Management	A	Initiate discussions to revise and renew the Regional Sewerage Service Contract set to expire in 2023 by January 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 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 Exhibit J application, processes and procedures, supporting 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	Teresa Velarde	February	2017	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 improve the monthly sewer-billing, the connection fee billing, the business model of the Regional Contract. Various meetings, 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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Business Goals & Objectives Report By Department

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
235	FY 2016/17	Monthly	Agency Management	B	Uphold a strong internal control environment by conducting independent objective internal and external audits of Agency finances and operations	<p>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 Committees</p> <p>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 internal controls, effectiveness and efficiency in operations. 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 and safeguard Agency assets where the focus is identifying areas and providing recommendations to improve customer service that is effective and responsive Per direction 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 operations</p>	Ongoing and through approved audits as Annual Audit Plan	Completed audits. Comments from stakeholders and during Executive 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/units 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, 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. 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.

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Business Goals & Objectives Report By Department

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
236	FY 2016/17	Monthly	Agency Management	B	Prepare and implement a Disaster Preparedness Plan and conduct periodic emergency response drills by July 2017	Update and maintain 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 Audit Committee Advisor and Executive Management members as well as Executive Management	Teresa Velarde	February	2017	On Schedule		Complete. IA has SOP #006 "IA 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 preparedness plan.
241	FY 2016/17	Monthly	Agency Management	C	Leverage private/public partnership 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		Complete and Ongoing. Professional guidelines require all auditors be professional and are expected to achieve continuous professional development including 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 networks and provide any assistance or information necessary. This is achieved both internally with internal Agency staff, externally, with employees in outlying locations and non-Agency employees that are business professional peers and contacts.
Laboratory														
300	FY 2016/17	Quarterly	Engineering, Planning and Science	A	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 Groenewald	February	2017	On Schedule		Ongoing. Lab staff is responding to RFIs from the Construction management team.
302	FY 2016/17	Monthly	Engineering, Planning and Science	B	Promote a safer work environment by administering and monitoring required safety and regulatory trainings	Meet the bi-weekly safety fatigue meeting requirement	December 2016	Hold bi-weekly safety meetings	Nel Groenewald	February	2017	On Schedule		Lab staff completed all the required safety meetings for Calendar year 2016.
Maintenance														
308	FY 2016/17	Quarterly	Operations	B	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 one training session each quarter	Randy Lee	February	2017	On Schedule		Maintenance training continues through March.

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Business Goals & Objectives Report By Department

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note	Year	Status	Complete	Notes
246	FY 2016/17	Monthly	Operations	C	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. Received signage. Installation is on hold.
247	FY 2016/17	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		
Operations														
306	FY 2016/17	Quarterly	Operations	F	Strive for 100% use of Agency bi-products by 2021	Support the development and implementation of the Energy Management Plan to ensure 100% use of digester gas	By June 2016 Ongoing	Meet 100% of established implementation goals; on-going	Chander Letulle, 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	FY 2016/17	Monthly	Operations	F	Strive for 100% use of Agency bi-products by 2021	Maximize use of biosolids 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 biosolids have been sent to the IERCF, processed into compost and sold into landscape and agricultural markets.
80	FY 2016/17	Quarterly	Operations	D	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	2017	On Schedule		A project has been identified to convert the RP-1 centrifuge oil coolers from potable water to utility water.
198	FY 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	FY 2016/17	Quarterly	Operations	D	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		Weekly demand management meetings will be resumed in May after storm season ends in April 2017.
200	FY 2016/17	Quarterly	Operations	D	Develop and implement a communication plan to promote water use efficiency and the value of water by July 2015	Maintain pump station readiness	Ongoing through June 2016		Andy Campbell	February	2017	On Schedule		Pump station readiness is continuously monitored by RW staff. Any deficiencies of readiness are addressed and remedied.
201	FY 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	FY 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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Business Goals & Objectives Report By Department

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
203	FY 2016/17	Quarterly	Operations	D	Identify and protect the best recharge land sites 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 2016/17	Quarterly	Operations	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 Centrifuge cooling water system.
206	FY 2016/17	Quarterly	Operations	D	Conduct research to find new methods to safely recharge more water into Chino Basin by June 2016	Maintain basin readiness through basin cleanings	Completed by June 2016 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 IEDA in obtaining 50% RWC for most of its RW GWR basins.
Planning and Environmental Compliance														
190	FY 2016/17	Quarterly	Engineering, Planning and Science	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	To be Completed by June 2017		Sylvie Lee	January	2017	On Schedule	No	ACOE will submit the public notice by early February 2017
191	FY 2016/17	Quarterly	Engineering, Planning and Science	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	2017	On Schedule	No	Draft PEIR filed on 12/20/2016, public meeting on 1/25/2017, public review comment period ends 2/2/2017.
183	FY 2016/17	Quarterly	Engineering, Planning and Science	D	Identify and protect the best recharge land sites in the service region by June 2016	Evaluate new projects and programs to support regional water reliability	Continuous	Meet the schedule as defined by the IRP	Sylvie Lee	January	2017	On Schedule	No	Demonstrate Ag water use efficiency utilizing biosolid compost. Potential to reduce Ag water use by 25%, maintaining high basin levels.
185	FY 2016/17	Quarterly	Engineering, Planning and Science	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 recharge more water in to Chino Basin	Through June 2016 and Ongoing	Develop the plans	Sylvie Lee	January	2017	On Schedule	No	Reviewing research and information from the State Water Resources Control Board with regards to the development of regulations for direct potable reuse.
186	FY 2016/17	Quarterly	Engineering, Planning and Science	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	Sylvie Lee	January	2017	On Schedule	No	Seeking and applying for grants to support Agriculture and healthy soils via the increased use of biosolid compost.
89	FY 2016/17	Quarterly	Engineering, Planning and Science	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	2017	On Schedule	No	This is an ongoing process working with CBWM on the recharge master plan projects, and investigating projects as they arise from IRP and RW Program Strategy. SL

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Business Goals & Objectives Report By Department

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	Assigned To	Note Month	Note Year	Status	Complete	Notes
271	FY 2016/17	Monthly	Engineering, Planning and Science	A	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	Sylvie Lee	January	2017	On Schedule		CEQA Plus was prepared for the Pomona/MWWD/IEUA Recycled Water Initiative 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	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 diversity revenue.	Ongoing	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, vision, 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	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 region	Promote local initiatives; consider and recognize the business impacts when developing regulations, policies, and planning documents	Continuous	Sylvie 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 and IEUA Board on long term planning needs.	Continuous	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	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 2016	Optimize IEUA's use of potable and recycled water by completion of the recommended updates of the Recycled Water Program Strategy (RWPS).	June 2016 Ongoing	Sylvie Lee	February	2017	On Schedule		Complete. SL
289	FY 2016/17	Annual	Engineering, Planning and Science	D	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	Sylvie Lee	February	2017	On Schedule		Coordination with Member Agencies for RW demand management is ongoing and usually coordinated prior to summer months. SL

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Business Goals & Objectives Report By Department

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
285	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 performance monitoring. Assist Operations and External Affairs with odor complaint investigations and assist with mitigation. Actively participate in the legislative process through advice letters and comments	Continuous	Periodicals needed monitoring performed	Sylvie Lee	January	2017	On Schedule		Perform quarterly odor survey at all facilities.
286	FY 2016/17	Quarterly	Engineering, Planning and Science	F	Develop a communication plan to promote being a good neighbor	External Affairs with odor complaint investigations and assist with mitigation. Actively participate in the legislative process through advice letters and comments	Continuous	Provide support as needed	Sylvie Lee	January	2017	On Schedule		Perform odor monitoring, as needed to assist Operations, External Affairs during complaints investigation and mitigation.
297	FY 2016/17	Quarterly	Engineering, Planning and Science	F	Lead efforts to advocate for emerging trends and proposed changes to rules and regulations	Actively participate in the legislative process through advice letters and comments	Continuous	Actively participate and submit comments/letters as issues arise through ACWA, WaterReuse, SCAP.	Sylvie Lee	February	2017	On Schedule		Provided comments to External Affairs regarding P&ER's legislative priorities. Continuous. SL
299	FY 2016/17	Annual	Engineering, Planning and Science	F	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 projects.	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.

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.	2
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		

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

Exhibit C-2

Date	Description	Account/Project No.	Requestor	GM Contingency		
				Budget	Transfers	Balance
7/1/2016	FY 2016/17 Adopted budget	10800-112100-501000-519010		\$400,000		\$400,000
9/27/2016	Transfer to cover unforeseen clean-up and abatement fees	10800-112100-501000-520210	A. Woodruff		\$20,000	\$380,000
10/17/2016	Transfer to cover unforeseen clean-up and abatement fees	10800-112100-501000-520210	A. Woodruff		\$30,000	\$350,000
11/10/2016	Transfer to cover unforeseen clean-up and abatement fees	10800-112100-501000-520210	A. Woodruff		\$60,000	\$290,000
	RO Fund GM Contingency			\$400,000	\$110,000	\$290,000
7/1/2016	FY 2016/17 Adopted budget	10200-112100-100000-519010		\$300,000		\$300,000
8/31/2016	Transfer to cover the purchase of computers for new staff in External Affairs	10200-146100-105000-980000	K. Besser		\$3,700	\$296,300
12/15/2016	Transfer to cover the purchase of IEUA shirts for employees	10200-120100-100000-511310	S. Bhojani		\$8,900	\$287,400
	GG Fund GM Contingency			\$300,000	\$12,600	\$287,400
GM CONTINGENCY GRAND TOTAL				\$700,000	\$122,600	\$577,400

cc: Joe Grindstaff, Christina Valencia

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 Budget Change (Y/N)?	Annual Proj Budget Change (Y/N)?	New Proj? (Y/N)	Project Number	Project Title	Adopted Total Project (TP) Budget	Prior TP Changes in Current 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/(From)	Justification
10200	Capital	10/18/16	Yes	Yes	Yes	EN15052 IS17027	Primavera Enhancements New PC Workstations	\$193,400 \$0	\$0 \$0	\$193,400 \$0	(\$15,000) \$15,000	\$178,400 \$15,000	\$72,447 \$0	(\$15,000) \$15,000	\$57,447 \$15,000	IS17027 (EN15052)	Transfer from EN15052 to create new project IS17027 to fund the acquisition of new PC workstations for the Civic Spunk fellows in the Planning department.
Capital		11/17/16	Yes	Yes	No	IS16020 IS17025	SAP User Interface Improvements New Workstations - External Affairs	\$142,070 \$0	\$0 \$3,700	\$142,070 \$3,700	(\$1,000) \$1,000	\$141,070 \$4,700	\$142,070 \$3,700	(\$1,000) \$1,000	\$141,070 \$4,700	IS17025 (IS16020)	Transfer from IS16020 to IS17025 to purchase equipment to allow GWR interns to access the GWR SCADA.
Capital		11/22/16	Yes	Yes	Yes	IS16015 IS17030	FY15/16 Workstation Replacement Raines Conference Room AV Upgrade	\$159,200 \$0	\$0 \$0	\$159,200 \$0	(\$4,850) \$4,850	\$154,350 \$4,850	\$13,908 \$0	(\$4,850) \$4,850	\$9,058 \$4,850	IS17030 (IS16015)	Transfer to create new project, IS17030, to fund the purchase of a new TV, cable management, and TV bracket needed to upgrade the Raines Conference Room AV system.
Capital		11/9/16	Yes	Yes	No	RW15002 RW15001	Upper Santa Ana River Long-Term Basin-Wide	\$494,670 \$150,000	\$0 \$0	\$160,000 \$150,000	(\$11,000) \$11,000	\$149,000 \$161,000	\$498,970 \$310,000	(\$11,000) \$11,000	\$344,674 \$128,567	RW15001 (RW15002)	Transfer from RW15002 to RW15001 due to re-categorization of project type from the staffing at the Regional Board.
Capital		11/2/16	Yes	Yes	Yes	EN15065 EN17060	1630 E&W Recycled Water Pump Station 1299 Recycled Water Pumps Replacement	\$1,590,000 \$0	\$0 \$0	\$1,590,000 \$0	(\$100,000) \$100,000	\$1,490,000 \$100,000	\$1,340,000 \$0	(\$100,000) \$100,000	\$1,240,000 \$100,000	EN17060 (EN15065)	Transfer to create new project, EN17060, to replace a pump case and an impeller for two 1299 pumps at RP-4 that have damage likely due to material incompatibility with chlorine in the effluent.
Capital		12/21/16	Yes	Yes	Yes	EN13001 EN17067	San Seavaine Basin Improvements Declerz Basin RW Compliance Monitoring Wells	\$6,460,000 \$0	\$0 \$0	\$6,460,000 \$0	(\$165,000) \$165,000	\$6,295,000 \$165,000	\$3,250,000 \$0	(\$165,000) \$165,000	\$3,085,000 \$165,000	EN17067 (EN13001)	Transfer to create new project, EN17067, to build a new groundwater monitoring well at the Declerz Basin as required by the California Recycled Water Recharge Regulation.
Capital		10/20/16	Yes	Yes	Yes	EN16070 EN17069	Agency-wide Sewage Pump Efficiency RP-1 Iron Sponges Installation	\$1,275,000 \$0	(\$625,000) \$0	\$650,000 \$0	(\$300,000) \$300,000	\$350,000 \$300,000	\$635,000 \$0	(\$300,000) \$300,000	\$335,000 \$300,000	EN17059 (EN16070)	Transfer from EN16070 to create new project, EN17059, to fund the installation of two previously purchased from sponges at RP-1 that will serve as backup to the existing iron sponges.
Capital		11/22/16	Yes	Yes	Yes	IS15020 IS17033	Process Automation and Control IT Improvement SCADA Network Firewall	\$500,000 \$0	\$0 \$0	\$500,000 \$0	(\$8,000) \$8,000	\$492,000 \$8,000	\$500,000 \$0	\$0 \$0	\$500,000 \$0	IS17033 (IS15020)	Transfer from IS15020 to create new project, IS17033, to implement a firewall to segment the wastewater network from the GWR/RW network.

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 Budget Change (Y/N)?	Annual Proj Budget Change (Y/N)?	New Proj? (Y/N)	Project Number	Project Title	Adopted Total Project (TP) Budget	Prior TP Changes in Current 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/(From)	Justification	
Capital		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	IS17085	Transfer from IS15020 to create new project, IS17085, to fill gaps identified in the cyber security assessment report and help comply with the NIST cyber security framework.	
						IS17095	SCADA Network Switch Replacement	\$0	\$0	\$0	\$48,000	\$48,000	\$0	\$0	\$0	(IS15020)		
Capital		11/22/16	Yes	Yes	Yes	IS15020	Process Automation and Control IT Improvement	\$500,000	(\$56,000)	\$444,000	(\$17,000)	\$427,000	\$500,000	\$0	\$500,000	IS17081	Transfer from IS15020 to create new project, IS17081, to fund the purchase of a Dell server required to host a Vulnerability Scanner and Intrusion detection system software for the SCADA network.	
						IS17091	Server for Cyber Security Services	\$0	\$0	\$0	\$17,000	\$17,000	\$0	\$0	\$0	(IS15020)		
Capital		11/22/16	Yes	Yes	Yes	IS15020	Process Automation and Control IT Improvement	\$500,000	(\$73,000)	\$427,000	(\$61,000)	\$366,000	\$500,000	\$0	\$500,000	IS17082	Transfer from IS15020 to create new project, IS17082, to prevent extended downtime at RP-4 that would result in the case of a fire at the Data Center.	
						IS17092	Inergen Fire Suppression System - RP-4	\$0	\$0	\$0	\$61,000	\$61,000	\$0	\$0	\$0	(IS15020)		
Capital		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 compliance-related services.	
						IS17029	3PAR Storage Area Network/SAN	\$0	\$0	\$0	\$130,000	\$130,000	\$0	\$0	\$0	(IS15020)		
Subtotal Regional Operations (RO):								\$3,775,000		\$2,879,000		\$3,135,000		\$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)		
Subtotal Regional Capital (RC):								\$10,500,000		\$10,500,000		\$10,500,000		\$1,500,000		\$1,500,000		
								Capital Total Project Budget		Current		Adopted		Amended		Adopted		Amended
								\$23,129,670		\$22,237,370		\$9,930,366		\$9,930,366		\$9,930,366		
10700	O&M Proj	10/25/16	Yes	Yes	Yes	WR16025	WM 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 from the United States Bureau of Reclamation.	
						WR17023	Chino Basin Drought Contingency Plan	\$0	\$0	\$0	\$400,831	\$400,831	\$0	\$400,831	\$400,831	(WR16025)		
Subtotal Water Resources (WM):								\$1,000,000		\$1,000,000		\$1,000,000		\$999,362		\$999,362		

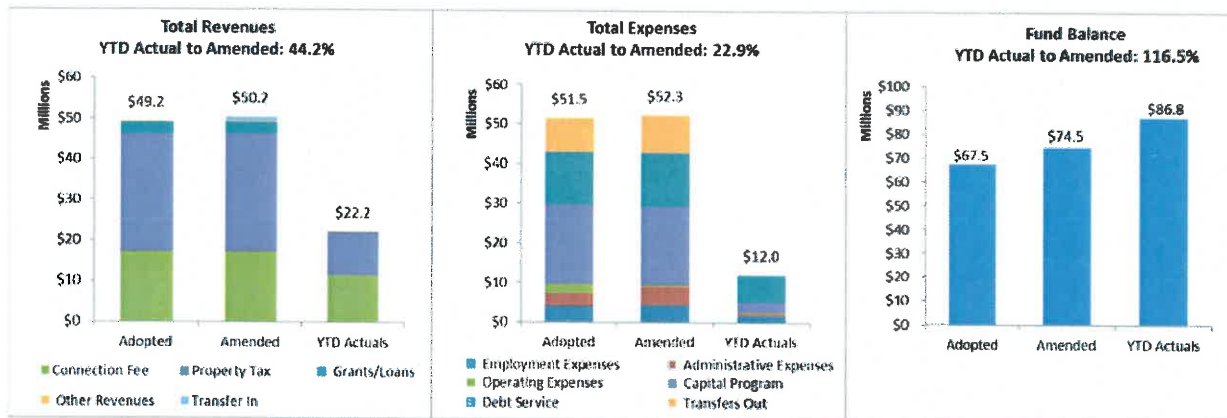
Inland Empire Utilities Agency
 Changes in Total Project Budgets: Inter-Departmental/Division Transfers FY 2016/17

Fund	Capital or Spec Proj?	Request Date	Total Proj Budget Change (Y/N)?	Annual Proj Budget Change (Y/N)?	New Proj? (Y/N)	Project Number	Project Title	Adopted Total Project (TP) Budget	Prior TP Changes in Current 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/(From)	Justification		
10600	O&M Proj	11/2/16	Yes	Yes	Yes	PL17001 PL17004	RO Planning Documents. Wastewater Flow and Loading Study	\$250,000 \$0	\$0 \$0	\$250,000 \$0	(\$50,000) \$50,000	\$200,000 \$50,000	\$250,000 \$0	(\$50,000) \$50,000	\$200,000 \$50,000	PL17004 (PL17001)	Transfer to create new project, PL17004, to fund the Wastewater Flow and Loading Study, which is coordinated by the California Association of Sanitation Agencies (CASA).		
	O&M Proj	12/1/16	Yes	Yes	No	EN17019 EN16019	FY 16/17 RO Emergency O&M FY 15/16 RO Emergency O&M	\$600,000 \$600,000	\$0 \$0	\$600,000 \$600,000	(\$20,000) \$20,000	\$580,000 \$620,000	\$600,000 \$85,000	(\$20,000) \$20,000	\$560,000 \$105,000	EN16019 (EN17019)	Transfer to pay the final change orders owed to the contractors for subproject EN16019.08, RP-1, Dewatering Non-Adhering Surface Coating Removal.		
Subtotal Regional Operations (RO):																			
								O&M Total Project Budget Adopted			O&M Total Project Budget Current			Total Annual O&M Project Budget Adopted					
								\$1,450,000			\$2,450,000			\$1,450,000			\$1,934,362		
<p>Total Capital and O&M Project Transfers Total Project Budget Change - Capital: \$0 Total Project Budget Change - O&M Proj: \$0 Total Project Budget - Net Change: \$0</p>																			

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

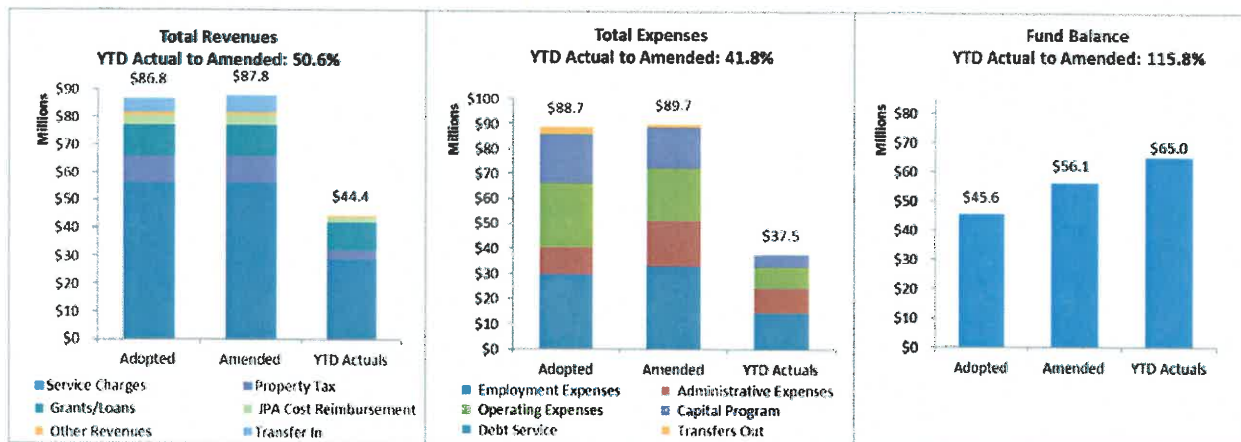
Regional Wastewater Capital Improvement (RC) Fund

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.



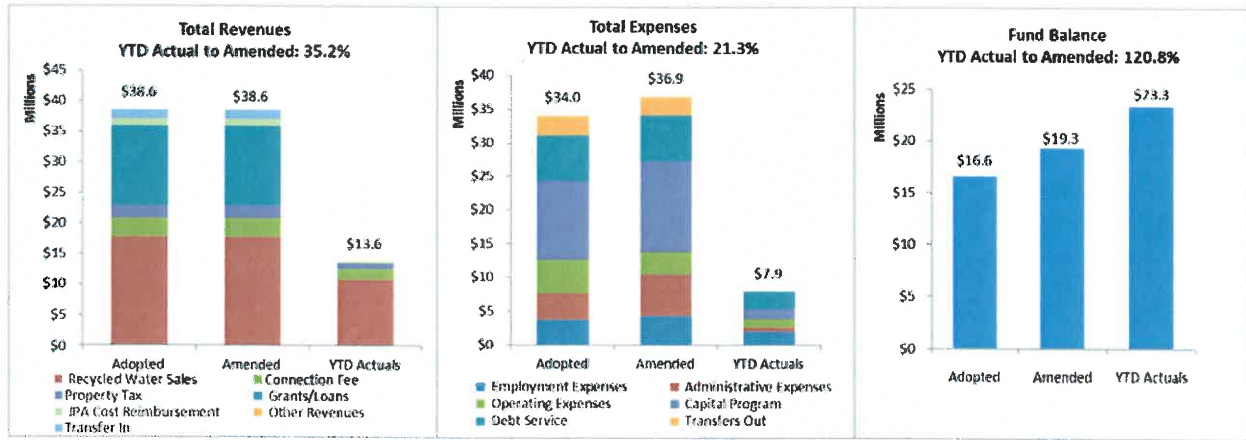
Regional Wastewater Operations and Maintenance (RO) Fund

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.



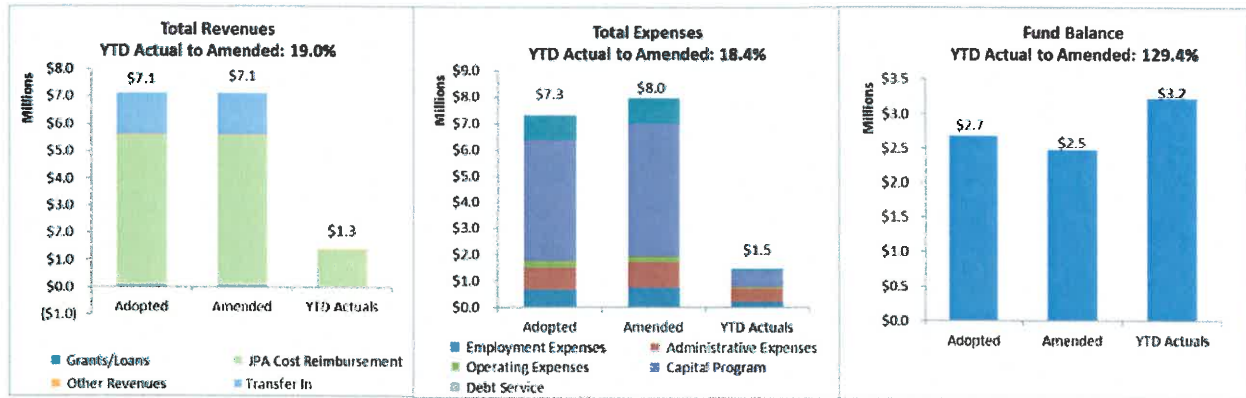
Recycled Water (WC) Fund

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.



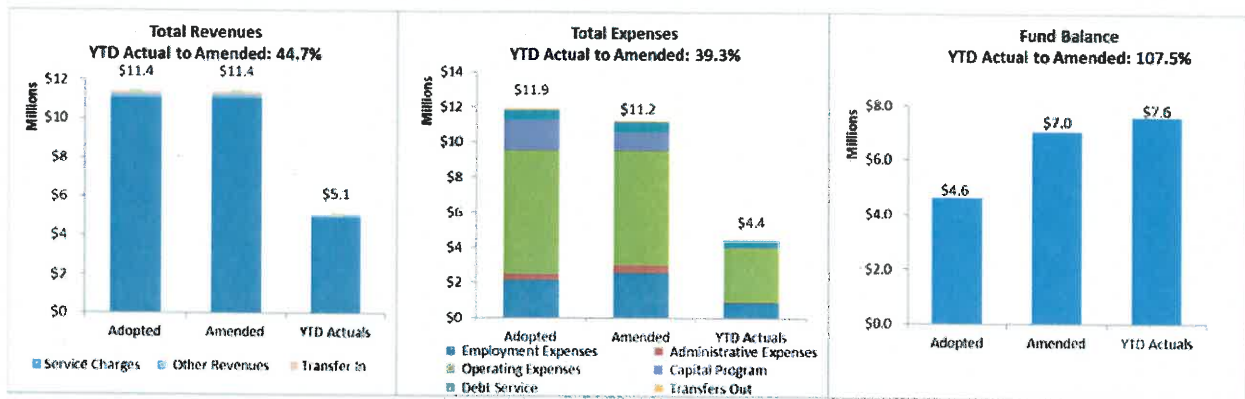
Recharge Water (RW) Fund

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.



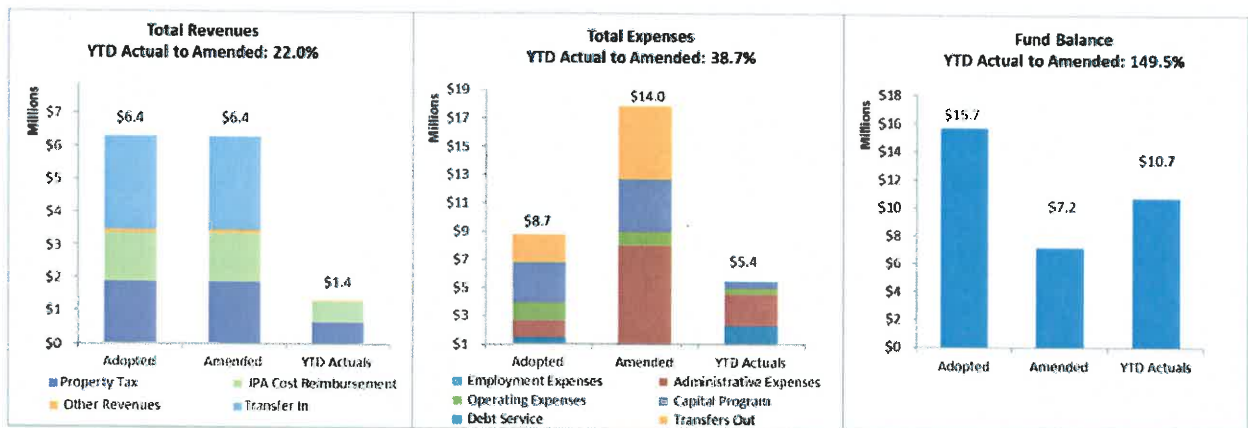
Non-Reclaimable Wastewater (NRW) Fund

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.



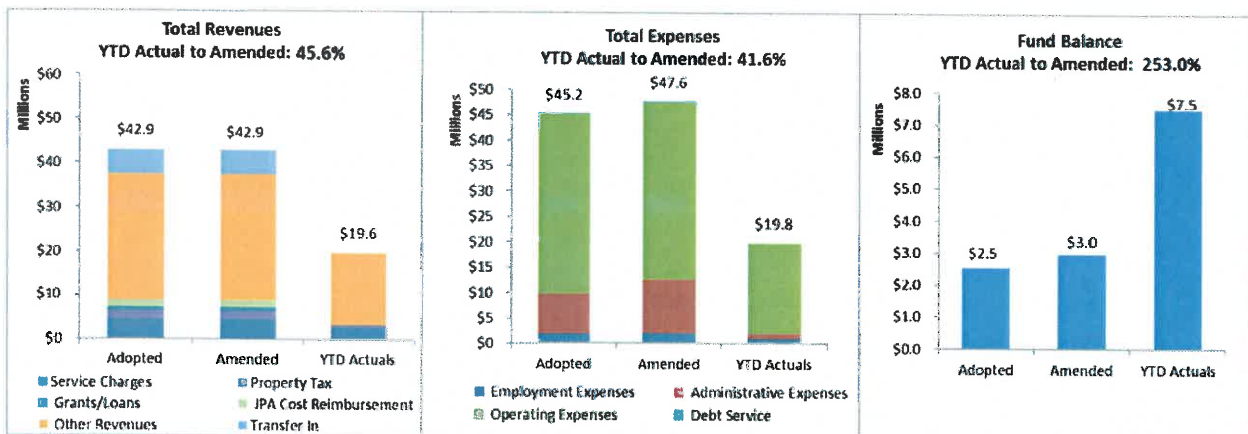
Administrative Services (GG) Fund

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.



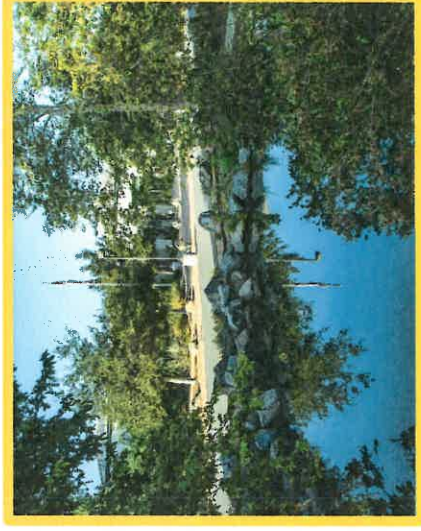
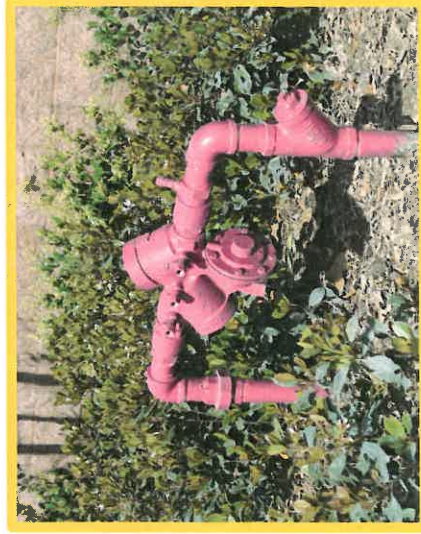
Water Resources (WW) Fund

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



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
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			
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	



Questions?



The budget variance analysis report is consistent with the Agency's business goal of fiscal responsibility

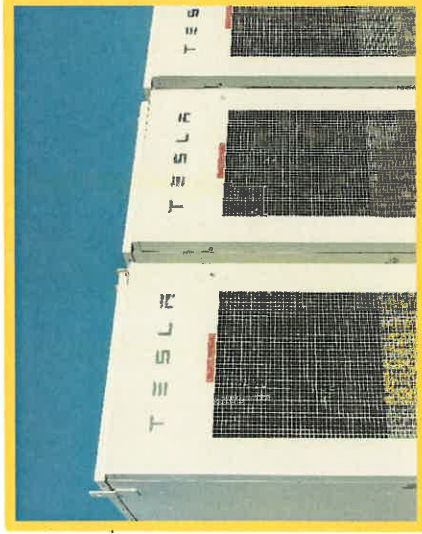
INFORMATION

ITEM

3B

Fiscal Years 2017/18 – 2018/19 Biennial Budget Overview

Board Meeting

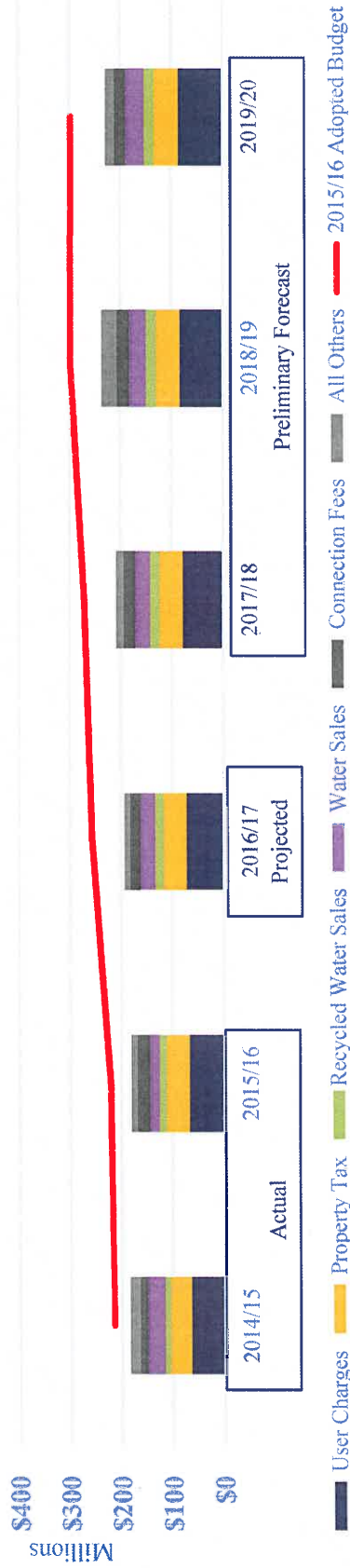


Focus Over the Next 2 Years

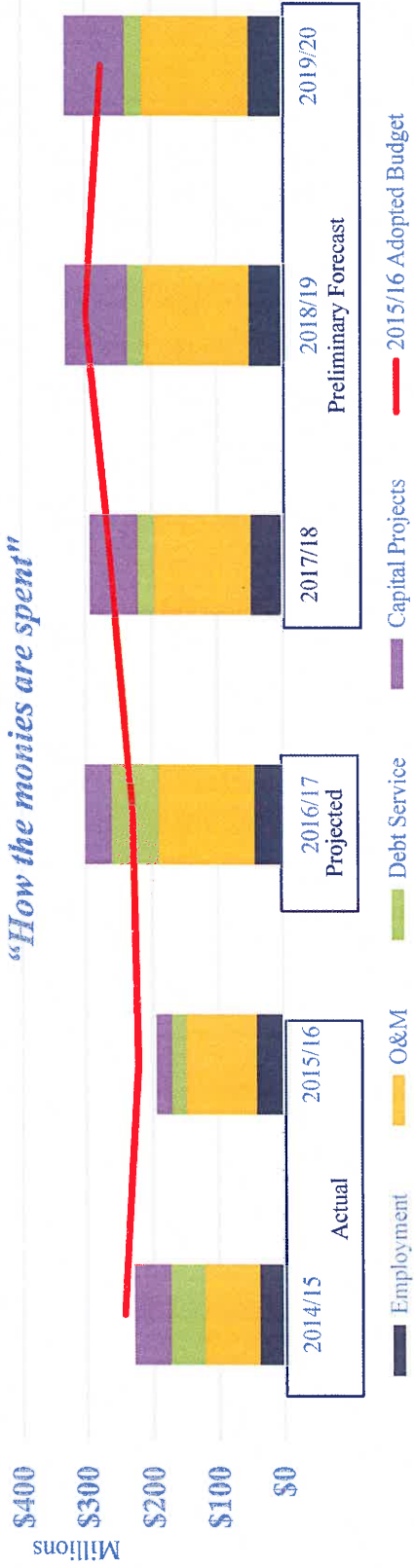
- **“Ramp-Up” succession planning**
- **Transition from corrective to preventive maintenance**
- **Optimize grants and low interest debt to support capital expansion and improvements**
- **Upkeep of Agency assets to ensure level of service delivery**
- **Continued commitment to cost containment**

Are We on Track with 2015 Forecasts?

Sources of Funds
"Where the monies come from"



Uses of Funds
"How the monies are spent"



~30% of Workforce May Retire Over the Next 5 Years

- “2015 5YR forecast” assumed 290 FTEs and a vacancy factor of 3%
- Ramp-up succession planning beginning FY 2017/18;
 - Eliminate the 3% vacancy factor, and
 - Establish a Succession Planning pool of 10 FTE positions

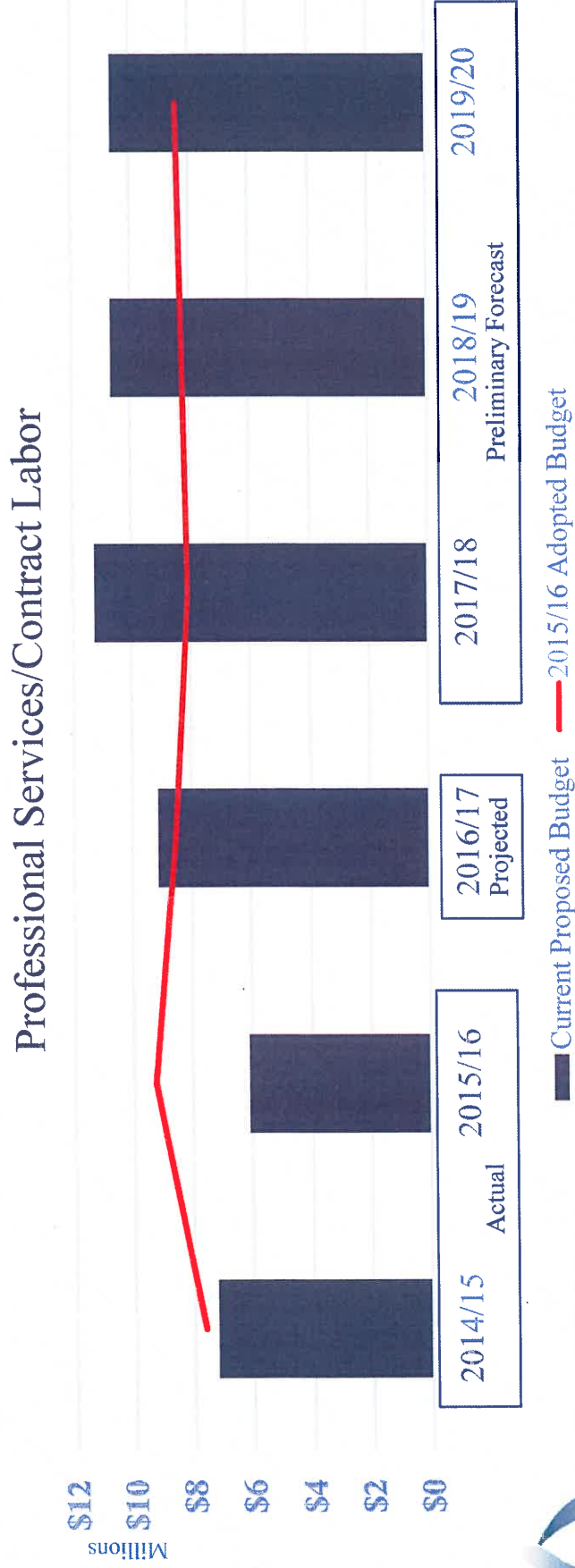


FTE, full time equivalent employee **UAL, unfunded accrued liabilities for employee retirement benefits**

Cost Effective Maintenance Approach

Leverage outside contractors to support;

- Achieve 70% preventive/predictive maintenance
 - Currently 70% corrective and 30% preventive
- Skill development and knowledge transfer

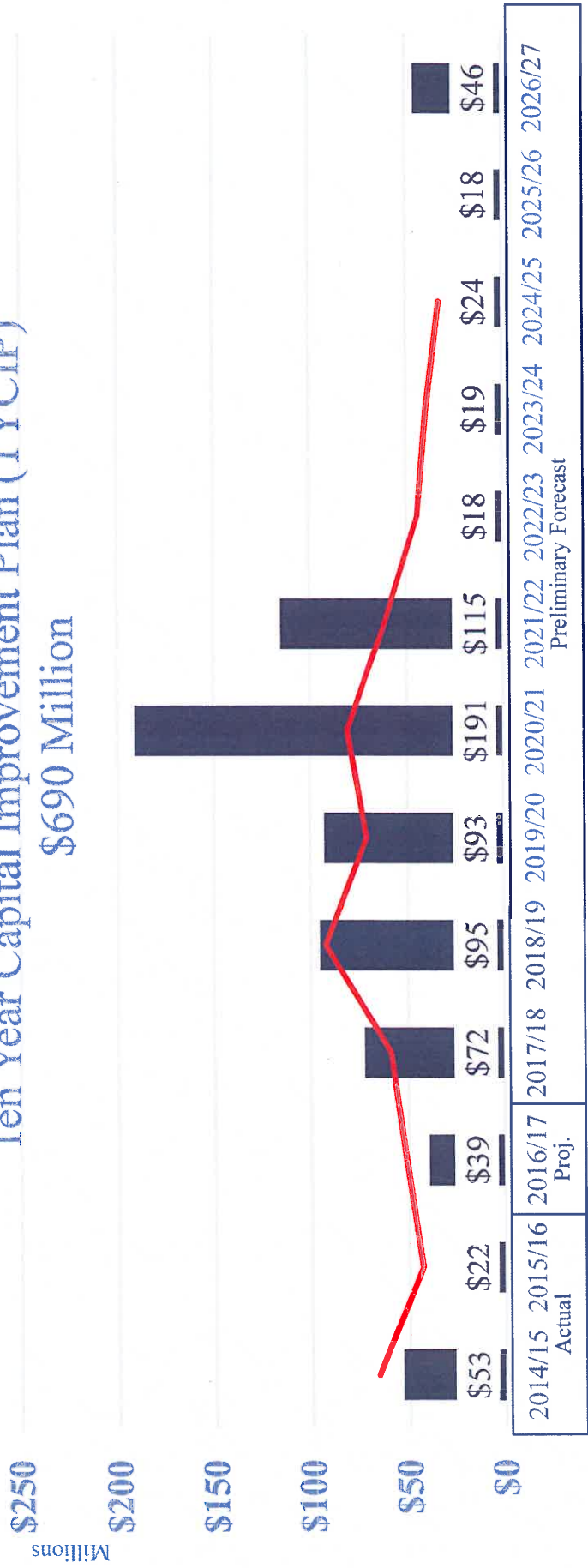


Continued Focus on Expansion and Upkeep

~\$110 Million higher than FY 2015/16 TYCIP;

- RP-5 Expansion from 15 MGD to 30 MGD
- RP-1 Rehabilitation and Improvement

Ten Year Capital Improvement Plan (TYCIP)
\$690 Million



MGD, million gallon per day

■ Capital

— FY 2015/16 Adopted TYCIP Budget

Estimated Impact to Fund Balance All Funds



Next Steps

Biennial Budget for Fiscal Years 2017/18 and 2018/19	IEUA Finance Committee/Board	Regional Technical/Policy Committees
Review of proposed O&M budget for Regional Wastewater, Recycled Water, and Recharge Water programs and Ten Year Capital Improvement Plan (TYCIP) FYs 2018-2027	March 8 March 15	March 30 April 6
Review proposed O&M of Non-reclaimable Wastewater, Water Resources, and Administrative Services programs	April 12 April 19	April 28 May 4
Final review of proposed O&M budget for all programs and TYCIP	May 10 May 17	May 25 June 1
Final approval and adoption	June 7 June 4	

The Biennial Budget Overview is consistent with the Agency's business goal of fiscal responsibility and prudent financial planning.


**INFORMATION
ITEM**


3C



Date: March 15, 2017

To: The Honorable Board of Directors

Through: Finance and Administration Committee (03/8/17)

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: Treasurer's Report of Financial Affairs

RECOMMENDATION

The Treasurer's Report of Financial Affairs for the month ended January 31, 2017, is an informational item for the Board of Director's review.

BACKGROUND

The Treasurer's Report of Financial Affairs for the month ended January 31, 2017, is submitted in a format consistent with State requirements. The monthly report denotes investment transactions that have been executed in accordance with the criteria stated in the Agency's Investment Policy (Resolution No. 2016-5-1).

Total cash, investments, and restricted deposits of \$153,973,856 reflects a decrease of \$40,676,027 compared to the total reported for December 2016. The decrease can be attributed to the payment of \$51.6 million for the re-funding of the 2008A bonds, offset by property tax receipts and Capital Capacity Reimbursement Account (CCRA) receipts for new wastewater connection fees collected by the contract agencies on behalf of the Agency. The average days of cash on hand for the month ended January 31, 2017, increased to 293 days from 287 days as reported in December 2016. The increase is attributable to the increase in unrestricted cash and cash equivalents due to property tax receipts in the month of January of \$8.4 million. Average days of cash on hand is calculated using the monthly ending balance of unrestricted cash and cash equivalents divided by disbursements associated with operating expenses, debt service, and capital expenditures as recorded in the Agency's cash flow. New connection fees collected and held by member agencies are excluded from the days of cash on hand calculation.

Treasurer's Report of Financial Affairs

February 15, 2017

Page 2 of 2

The Agency's investment portfolio average rate of return in January 2017 was 0.876%, an increase of 0.065% compared to the average yield of 0.811% reported in December 2016. The increase can be attributed to an increase in yield of the Agency's sweep account with Citizens Business Bank from 0.40% to 0.50% and a steady increase in the yield of the California Asset Management Program (CAMP) account from 0.72% in December to 0.85% in January.

The Financial Affairs report is consistent with the Agency's Business Goal of Fiscal Responsibility in providing financial reporting that accounts for cash and investment activities to fund operating requirements and to optimize investment earnings.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

The interest earned on the Agency's investment portfolio increases the Agency's reserves.

Attachment: January 2017 Treasurer's Report of Financial Affairs

TREASURER'S REPORT OF FINANCIAL AFFAIRS

For the Month Ended January 31, 2017



All investment transactions have been executed in accordance with the criteria stated in the Agency's Investment Policy (Resolution No. 2016-5-1) adopted by the Inland Empire Utilities Agency's Board of Directors during its regular meeting held on May 18, 2016.

The funds anticipated to be available during the next six-month period are expected to be sufficient to meet all foreseen expenditures during the period.

* A Municipal Water District

INLAND EMPIRE UTILITIES AGENCY
Cash and Investment Summary

Month Ended
January 31, 2017

	January	December
Cash, Bank Deposits, and Bank Investment Accounts	\$2,410,616	\$1,415,663
Investments		
Citizens Business Bank (CBB) Repurchase (Sweep)	\$29,081,493	\$35,206,744
Local Agency Investment Fund (LAIF)	24,053,985	25,584,481
CalTrust	16,073,333	16,067,404
California Asset Management Program (CAMP)	18,099,004	8,053,427
Certificates of Deposit	2,900,000	3,630,000
Medium Term Notes	10,599,913	9,596,177
U.S. Government Sponsored Entities	21,430,106	22,429,797
Total Investments	\$122,237,834	\$120,568,030
Total Cash and Investments Available to the Agency	\$124,648,450	\$121,983,693
Restricted Deposits		
Restricted Bank Investment Deposits	\$4,000,000	\$54,000,000
Debt Service Accounts	\$3,096,409	\$2,544,825
CCRA Deposits Held by Member Agencies	12,696,306	6,728,925
OPEB (CERBT) Account	9,371,793	9,275,291
Escrow Deposits	160,898	117,149
Total Restricted Deposits	\$29,325,406	\$72,666,190
Total Cash, Investments, and Restricted Deposits	\$153,973,856	\$194,649,883

INLAND EMPIRE UTILITIES AGENCY
Cash and Investment Summary

Month Ended
 January 31, 2017

Cash, Bank Deposits, and Bank Investment Accounts

CBB Demand Account (Offset by CBB Sweep Balance)	\$1,159,647
CBB Workers' Compensation Account	73,992
Bank of America (BoFA) Payroll Account	27,284
BoFA Payroll Taxes Account	28,565
Subtotal Demand Deposits	\$1,289,488
Other Cash and Bank Accounts	
Petty Cash	\$2,250
Subtotal Other Cash	\$2,250
US Bank Pre-Investment Money Market Account	\$1,118,878
Total Cash and Bank Accounts	\$2,410,616

Investments

CBB Repurchase (Sweep) Investments	
Fannie Mae	\$14,342,083
Freddie Mac	14,739,410
Subtotal CBB Repurchase (Sweep)	\$29,081,493
Local Agency Investment Fund (LAIF)	
LAIF Non-Restricted Fund	\$24,053,985
Subtotal Local Agency Investment Fund	\$24,053,985
CalTrust	
Short Term	\$10,122,366
Medium Term - Restricted	5,950,967
Subtotal CalTrust	\$16,073,333
California Asset Management Program (CAMP)	
Pool	\$18,099,004
Subtotal CAMP	\$18,099,004

INLAND EMPIRE UTILITIES AGENCY
Cash and Investment Summary

Month Ended
 January 31, 2017

<u>Investments Continued</u>	
Certificates of Deposit	\$2,900,000
Brokered Certificates of Deposit	
Subtotal Certificates of Deposit	\$2,900,000
Medium Term Notes	
John Deere Capital Corp.	\$1,000,575
Toyota Motor Credit Corp.	2,000,000
JP Morgan Chase & Co.	999,548
Johnson & Johnson	2,017,715
Microsoft	2,067,215
Exxon Mobil	1,005,720
Wells Fargo Bank N.A.	1,509,140
Subtotal Medium Term Notes	\$10,599,913
U.S. Government Sponsored Entities	
Fannie Mae Bank	\$3,749,569
Freddie Mac Bank	6,482,964
Federal Farm Credit Bank	10,197,196
Federal Home Loan Bank	1,000,377
Subtotal U.S. Government Sponsored Entities	\$21,430,106
<u>Total Investments</u>	\$122,237,834
<u>Restricted Deposits</u>	
Bank Investment Deposits	4,000,000
LAIF-Sinking Fund Reserves 2008A Bond	
Subtotal Bank Investment Deposits	\$4,000,000
Debt Service Reserves	
08B Debt Service Accounts	\$2,544,734
10A Debt Service Accounts	551,675
Subtotal Debt Service Reserves	\$3,096,409

INLAND EMPIRE UTILITIES AGENCY
Cash and Investment Summary

Month Ended
 January 31, 2017

CCRA Deposits Held by Member Agencies

City of Chino	\$2,390,571
Cucamonga Valley Water District	2,598,186
City of Fontana	1,368,368
City of Montclair	458,541
City of Ontario	3,145,959
City of Chino Hills	2,278,659
City of Upland	456,022
Subtotal CCRA Deposits Held by Member Agencies	<u>\$12,696,306</u>

CalPERS

OPEB (CERBT) Account	<u>\$9,371,793</u>
Subtotal CalPERS Accounts	<u>\$9,371,793</u>

Escrow Deposits

Kemp Brothers Construction	<u>\$160,898</u>
Subtotal Escrow Deposits	<u>\$160,898</u>

Total Restricted Deposits

Total Cash, Investments, and Restricted Deposits as of January 31, 2017

\$153,973,856

Total Cash, Investments, and Restricted Deposits as of 1/31/17

\$153,973,856

Less: Total Cash, Investments, and Restricted Deposits as of 12/31/16

194,649,883

Total Monthly Increase (Decrease)

(\$40,676,027)

INLAND EMPIRE UTILITIES AGENCY

Cash and Investment Summary

Month Ended
January 31, 2017

	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par Amount	Cost Basis Amount	Term (Days)	January Amortization	January Value	% Coupon	% Yield to Maturity	Maturity Date	Market Value
	S&P	Moody's	S&P	Moody's									
Cash, Bank Deposits, and Bank Investment Accounts													
Citizens Business Bank (CBB)													
Demand Account*					\$1,159,647	\$1,159,647	N/A	N/A	\$1,159,647		N/A	N/A	\$1,159,647
Workers' Compensation Account					73,992	73,992	N/A	N/A	73,992		N/A	N/A	73,992
Subtotal CBB Accounts					\$1,233,639	\$1,233,639			\$1,233,639				\$1,233,639
Bank of America (BoFA)													
Payroll Checking					\$27,284	\$27,284	N/A	N/A	\$27,284		N/A	N/A	\$27,284
Payroll Tax Checking					28,565	28,565	N/A	N/A	28,565		N/A	N/A	28,565
Subtotal B of A Accounts					\$55,849	\$55,849			\$55,849				\$55,849
US Bank (USB)													
Federated Automated MMA					\$1,118,878	\$1,118,878	N/A	N/A	\$1,118,878		0.02%	N/A	\$1,118,878
Subtotal USB Account					\$1,118,878	\$1,118,878			\$1,118,878		0.02%		\$1,118,878
Petty Cash					\$2,250	\$2,250	N/A	N/A	\$2,250		N/A	N/A	\$2,250
Total Cash, Bank Deposits and Bank Investment Accounts					\$1,291,738	\$2,410,616			\$2,410,616				\$2,410,616

*Negative demand checking balance is offset by the Daily Repurchase (Sweep) Account balance

Investments

CBB Daily Repurchase (Sweep) Accounts

Fannie Mae	\$14,342,083	\$14,342,083	N/A	N/A	\$14,342,083	\$14,342,083	N/A	N/A	\$14,342,083		0.50%	N/A	\$14,342,083
Freddie Mac	14,739,410	14,739,410	N/A	N/A	14,739,410	14,739,410	N/A	N/A	14,739,410		0.50%	N/A	14,739,410
Subtotal CBB Repurchase Accounts	\$29,081,493	\$29,081,493			\$29,081,493	\$29,081,493			\$29,081,493		0.50%		\$29,081,493

LAIF Accounts

Non-Restricted Funds	\$24,053,985	\$24,053,985	N/A	N/A	\$24,053,985	\$24,053,985	N/A	N/A	\$24,053,985		0.751%	N/A	\$24,053,985
Subtotal LAIF Accounts	\$24,053,985	\$24,053,985			\$24,053,985	\$24,053,985			\$24,053,985		0.751%		\$24,053,985

CALTRUST Accounts

Short-Term	\$10,122,366	\$10,122,366	N/A	N/A	\$10,122,366	\$10,122,366	N/A	N/A	\$10,122,366		0.94%	N/A	\$10,122,366
Medium-Term (Self Insurance Reserves)	5,950,967	5,950,967	N/A	N/A	5,950,967	5,950,967	N/A	N/A	5,950,967		1.14%	N/A	5,950,967
Subtotal CalTrust Accounts	\$16,073,333	\$16,073,333			\$16,073,333	\$16,073,333			\$16,073,333		1.014%		\$16,073,333

CAMP Accounts

Short-Term	\$18,099,004	\$18,099,004	N/A	N/A	\$18,099,004	\$18,099,004	N/A	N/A	\$18,099,004		0.85%	N/A	\$18,099,004
Subtotal CAMP Accounts	\$18,099,004	\$18,099,004			\$18,099,004	\$18,099,004			\$18,099,004		0.85%		\$18,099,004

INLAND EMPIRE UTILITIES AGENCY

Cash and Investment Summary

Month Ended
January 31, 2017

	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par Amount	Cost Basis Amount	Term (Days)	January Amortization	January Value	% Coupon	% Yield to Maturity	Maturity Date	Market Value
	S&P	Moody's	S&P	Moody's									
Investments (continued)													
Brokered Certificates of Deposit (CDs)													
Comenity Capital Bank	N/A				\$240,000	\$240,000	731		\$240,000	1.15%	1.15%	07/13/17	\$240,348
Discover Bank	N/A				240,000	240,000	552		240,000	1.15%	1.15%	07/17/17	240,521
Medallion Bank	N/A				240,000	240,000	733		240,000	1.20%	1.20%	07/17/17	240,346
Sallie Mae Bank	N/A				248,000	248,000	743		248,000	1.15%	1.15%	11/06/17	248,670
Key Bank National Association	N/A				248,000	248,000	732		248,000	1.10%	1.10%	11/13/17	248,667
Capital One Bank	N/A				240,000	240,000	916		240,000	1.35%	1.35%	01/16/18	240,826
Goldman Sachs Bank USA	N/A				240,000	240,000	916		240,000	1.40%	1.40%	01/16/18	240,941
BMW Bank of North America	N/A				240,000	240,000	915		240,000	1.40%	1.40%	01/17/18	240,938
American Express Bank	N/A				240,000	240,000	1097		240,000	1.70%	1.70%	07/16/18	241,090
American Express Centurion	N/A				240,000	240,000	1097		240,000	1.70%	1.70%	07/16/18	241,090
HSBC Bank USA, NA Step	N/A				244,000	244,000	1827		244,000	1.25%	2.51%	07/29/20	244,522
Synchrony Bank	N/A				240,000	240,000	1827		240,000	2.25%	2.25%	10/02/20	244,267
Subtotal Brokered CDs					\$2,900,000	\$2,900,000		\$0	\$2,900,000		1.504%		\$2,912,226
U.S. Government Sponsored Entities													
Federal Farm Credit Bank (Sinking Fund Reserves)	AA+	AAA			\$5,195,000	\$5,199,431	447	(303)	\$5,197,196	0.75%	0.68%	09/13/17	\$5,194,117
Federal Home Loan Bank	AA+	Aaa			1,000,000	1,000,380	713	(3)	1,000,377	1.25%	1.23%	01/18/19	999,560
Federal Farm Credit Bank	AA+	AAA			3,000,000	3,000,000	1,079		3,000,000	1.15%	1.15%	02/22/19	2,987,100
Freddie Mac Bond	AA+	AAA			1,000,000	1,003,132	1,023	(95)	1,002,367	1.25%	1.14%	03/15/19	998,390
Federal Farm Credit Bank	AA+	AAA			2,000,000	2,000,000	1,460		2,000,000	1.52%	1.52%	06/24/19	2,006,160
Freddie Mac Bond	AA+	AAA			1,500,000	1,500,000	1,080		1,500,000	1.15%	1.15%	07/26/19	1,478,055
Fannie Mae Step Bond	AA+	AAA			1,500,000	1,500,000	1,080		1,500,000	0.88%	1.33%	07/26/19	1,485,750
Fannie Mae Bond	AA+	AAA			900,000	899,460	1,153	14	899,569	1.25%	1.25%	08/23/19	891,927
Fannie Mae Bond	AA+	AAA			1,350,000	1,350,000	1,157		1,350,000	1.25%	1.25%	08/26/19	1,338,080
Freddie Mac Bond	AA+	AAA			3,000,000	2,972,928	1,359	618	2,980,597	1.25%	1.50%	10/02/19	2,982,570
Freddie Mac Bond	AA+	Aaaa			1,000,000	1,000,000	1,093		1,000,000	1.63%	1.63%	01/28/20	998,650
Subtotal U.S. Gov't Sponsored Entities (As of August 2011, all US GSE's have been downgraded to AA+ Rating by S&P)					\$21,445,000	\$21,425,331		\$231	\$21,430,106		1.168%		\$21,360,359

INLAND EMPIRE UTILITIES AGENCY

Cash and Investment Summary

Month Ended
January 31, 2017

	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par Amount	Cost Basis Amount	Term (Days)	January Amortization	January Value	% Coupon	% Yield to Maturity	Maturity Date	Market Value
	S&P	Moody's	S&P	Moody's									
Medium Term Notes													
John Deere Capital Corp	A	A2			\$1,000,000	\$1,004,000	1,754	(71)	\$1,000,575	1.20%	1.11%	10/10/17	\$1,000,300
Toyota Motor Credit Corp	AA-	AA3			2,000,000	2,000,000	1,045		2,000,000	1.10%	1.10%	04/25/18	1,983,680
JP Morgan Chase & Co	A-	A3			1,000,000	999,000	1,037	30	999,548	1.63%	1.66%	05/15/18	999,070
Johnson & Johnson	AAA	AAA			2,000,000	2,027,480	1,044	(816)	2,017,715	1.65%	1.16%	12/05/18	2,008,940
Microsoft	AAA	AAA			2,050,000	2,076,691	1,045	(792)	2,067,215	1.63%	1.16%	12/06/18	2,059,430
Exxon Mobil	AA+	Aaaa			1,000,000	1,005,750	763	(30)	1,005,720	1.71%	1.43%	05/24/19	1,002,200
Wells Fargo Bank	AA-	Aa2			1,500,000	1,511,655	1,061	(336)	1,509,140	1.75%	1.48%	05/24/19	1,494,075
Subtotal Medium Term Notes					\$10,550,000	\$10,624,576		(\$2,015)	\$10,599,913		1.26%		\$10,547,695
Total Investments					\$122,202,815	\$122,257,722			\$122,237,834				\$122,128,095
<i>(Source of Investment Market Value: US Bank)</i>													
Restricted Deposits													
Bank Investment Deposits													
LAIIF-Sinking Fund Reserves 2008A Bond						4,000,000			4,000,000		0.751%		4,000,000
Total Bank Investment Deposit Accounts						\$4,000,000			\$4,000,000		0.75%		\$4,000,000
Debt Service and Arbitrage Accounts													
08B Debt Service Accounts					\$2,544,734	\$2,544,734	N/A	N/A	\$2,544,734		0.23%		\$2,544,734
10A Debt Service Accounts					551,675	551,675	N/A	N/A	551,675		0.10%		551,675
Total Debt Service Accounts					\$3,096,409	\$3,096,409			\$3,096,409		0.21%		\$3,096,409
CCRA Deposits Held by Member Agencies													
City of Chino					\$2,390,571	\$2,390,571	N/A	N/A	\$2,390,571		N/A	N/A	\$2,390,571
Cucamonga Valley Water District					2,598,186	2,598,186	N/A	N/A	2,598,186		N/A	N/A	2,598,186
City of Fontana					1,368,368	1,368,368	N/A	N/A	1,368,368		N/A	N/A	1,368,368
City of Montclair					458,541	458,541	N/A	N/A	458,541		N/A	N/A	458,541
City of Ontario					3,145,959	3,145,959	N/A	N/A	3,145,959		N/A	N/A	3,145,959
City of Chino Hills					2,278,659	2,278,659	N/A	N/A	2,278,659		N/A	N/A	2,278,659
City of Upland					456,022	456,022	N/A	N/A	456,022		N/A	N/A	456,022
Subtotal CCRA Deposits Held by Member Agencies					\$12,696,306	\$12,696,306			\$12,696,306				\$12,696,306
Reported total as of December 31, 2016 - net of received Capital Call proceeds.													
CalPERS Deposits													
OPEB (CERBT) Account					\$9,000,000	\$9,000,000	N/A	N/A	\$9,371,793		N/A	N/A	\$9,371,793
Subtotal CalPERS Deposits					\$9,000,000	\$9,000,000			\$9,371,793				\$9,371,793
Escrow Deposits													
Kemp Brothers Construction Escrow					160,898	\$160,898	N/A	N/A	\$160,898		N/A	N/A	\$160,898
Subtotal Escrow Deposits					\$160,898	\$160,898			\$160,898				\$160,898
Total Restricted Deposits					\$28,953,613	\$28,953,613			\$29,325,406				\$29,325,406
Total Cash, Investments, and Restricted Deposits as of January 31, 2017					\$152,448,166	\$153,624,951			\$153,973,856				\$153,864,117

INLAND EMPIRE UTILITIES AGENCY
Cash and Investment Summary

Month Ended
 January 31, 2017

January Purchases

No.	Date	Transaction	Investment Security	Par Amount Purchased	Investment Yield
1	01/25/17	Purchase	Federal Home Loan Bank	\$ 1,000,000	1.230%
2	01/27/17	Purchase	Exxon Mobil Medium Term Note	\$ 1,000,000	1.430%
3	01/30/17	Purchase	Freddie Mac Bond	\$ 1,000,000	1.630%
Total Purchases				\$ 3,000,000	

January Investment Maturities, Calls & Sales

No.	Date	Transaction	Investment Security	Par Amount Matured/Sold	Investment Yield to Maturity
1	01/17/17	Maturity	Ally Bank Brokered Certificate of Deposit (CD)	\$ 245,000	0.800%
2	01/17/17	Maturity	Capital One National Association Brokered CD	240,000	0.800%
3	01/17/17	Maturity	Compass Bank	245,000	0.850%
4	01/26/17	Full Call	Federal Home Loan Bank	3,000,000	1.500%
Total Maturities, Calls & Sales				\$ 3,730,000	

INLAND EMPIRE UTILITIES AGENCY

Cash and Investment Summary

Month Ended
January 31, 2017

<u>Directed Investment Category</u>	<u>Amount Invested</u>	<u>Yield</u>
CBB Repurchase (Sweep)	\$29,081,493	0.500%
LAIF	24,053,985	0.751%
CalTrust	16,073,333	1.014%
CAMP	18,099,004	0.850%
Medium Term Notes	10,599,913	1.263%
U.S. Government Sponsored Entities	21,430,106	1.168%
	\$119,337,834	0.861%
Bank Deposit and Investment Accounts		
Various Banks - Brokered Certificates of Deposit	\$2,900,000	1.504%
	\$2,900,000	1.504%

Total Investment Portfolio
Investment Portfolio Rate of Return **0.876%**

<u>Restricted/Transitory/Other Demand Accounts</u>	<u>Amount Invested</u>	<u>Yield</u>
CCRA Deposits Held by Member Agencies	\$12,696,306	N/A
CalPERS OPEB (CERBT) Account	9,371,793	N/A
Bank Investment Deposits	4,000,000	0.751%
US Bank - 2008B Debt Service Accounts	2,544,734	0.230%
US Bank - 2010A Debt Service Accounts	551,675	0.100%
US Bank - Pre-Investment Money Market Account	1,118,878	0.020%
Citizens Business Bank - Demand Account	1,159,647	N/A
Citizens Business Bank - Workers' Compensation Account	73,992	N/A
Other Accounts*	58,099	N/A
	\$31,575,124	0.446%
Total Other Accounts <i>Average Yield of Other Accounts</i>		
	\$153,812,958	

* Note: Bank of America Payroll Deposits used as compensating balances for bank services.

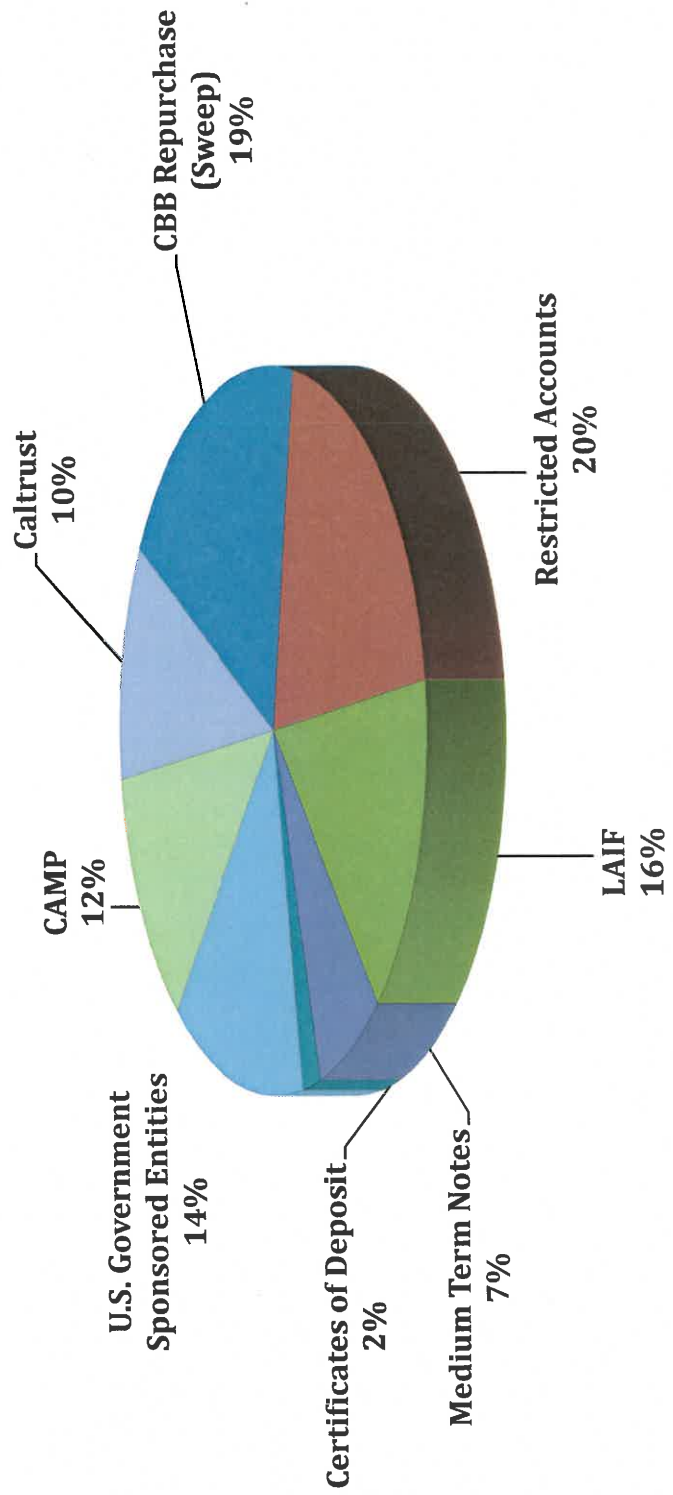
Inland Empire Utilities Agency

Treasurer's Report of Financial Affairs

For the Month Ended January 31, 2017

Agency Investment Portfolio (net of escrow accounts)

\$153,812,958



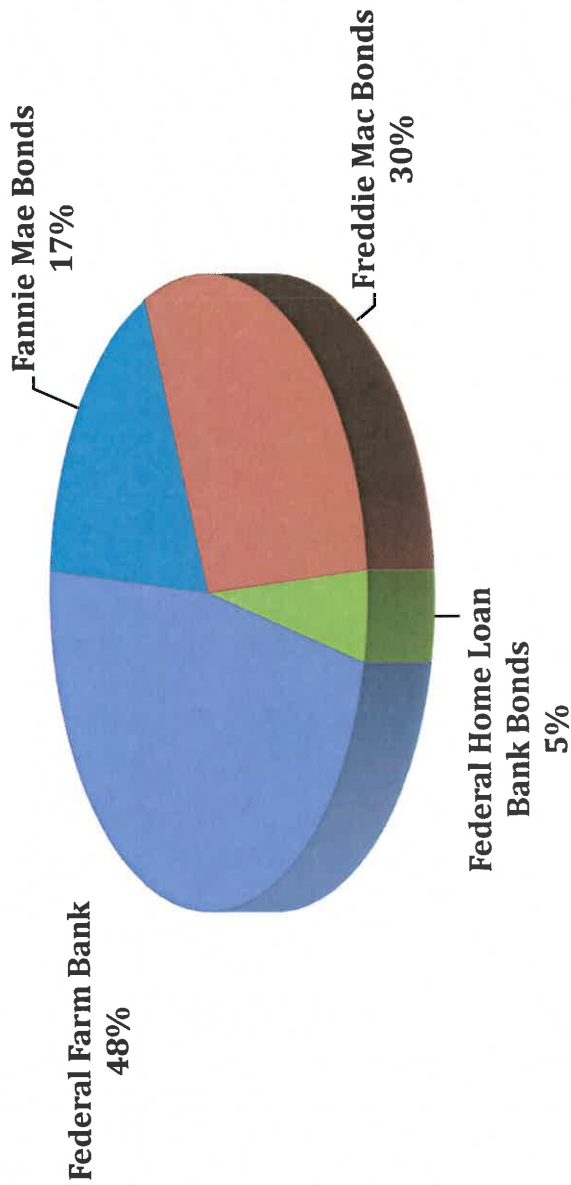
Inland Empire Utilities Agency

Treasurer's Report of Financial Affairs

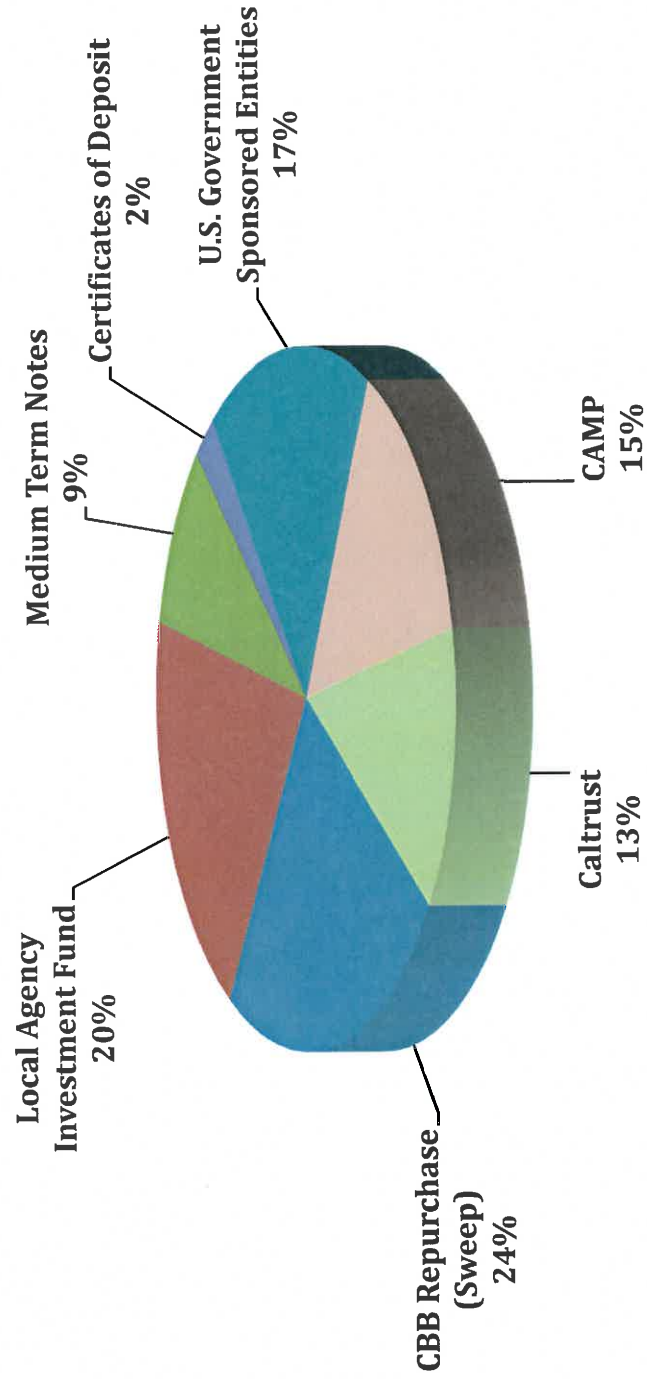
For the Month Ended January 31, 2017

U.S. Government Sponsored Entities Portfolio

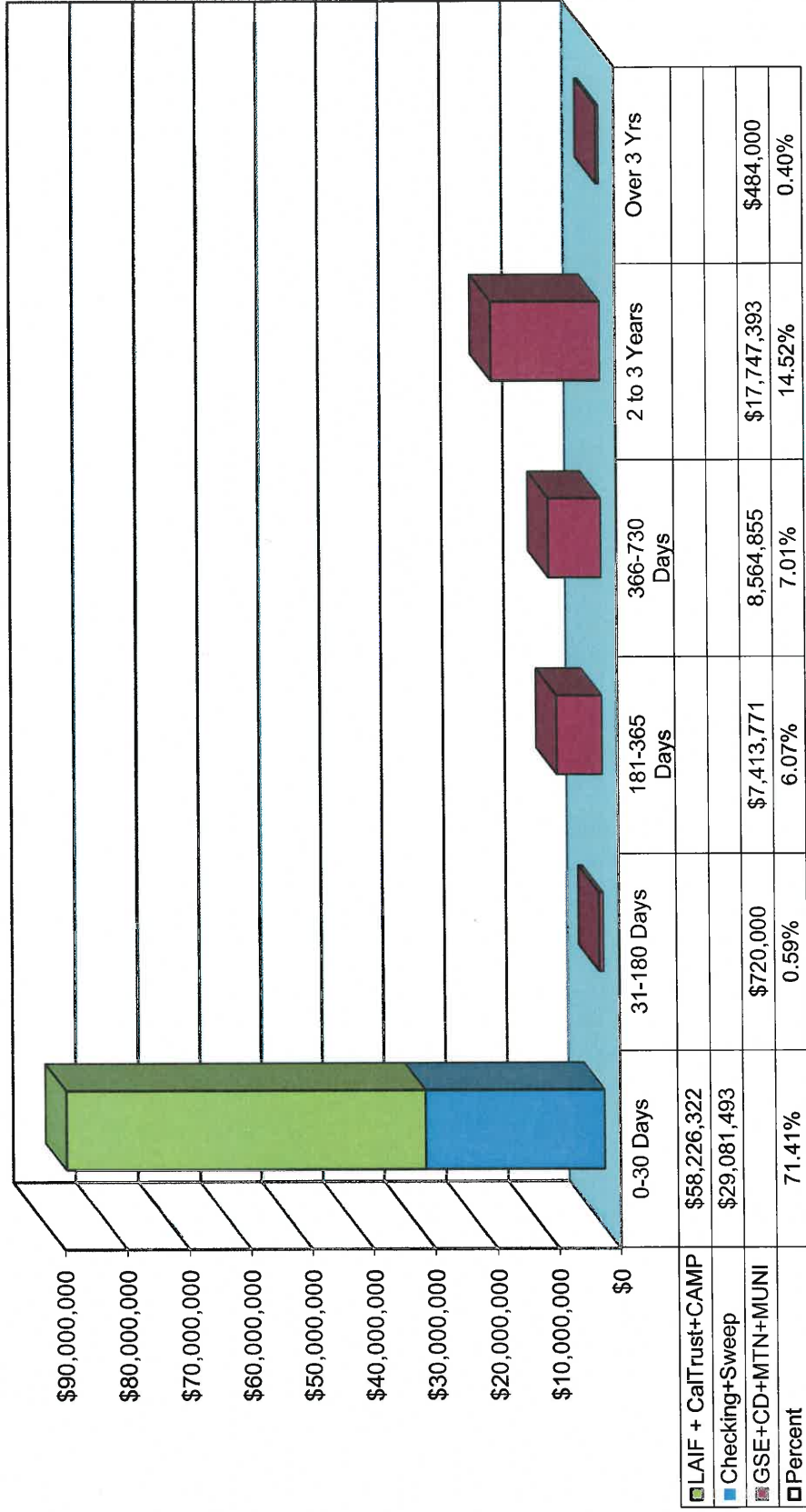
\$21,430,106



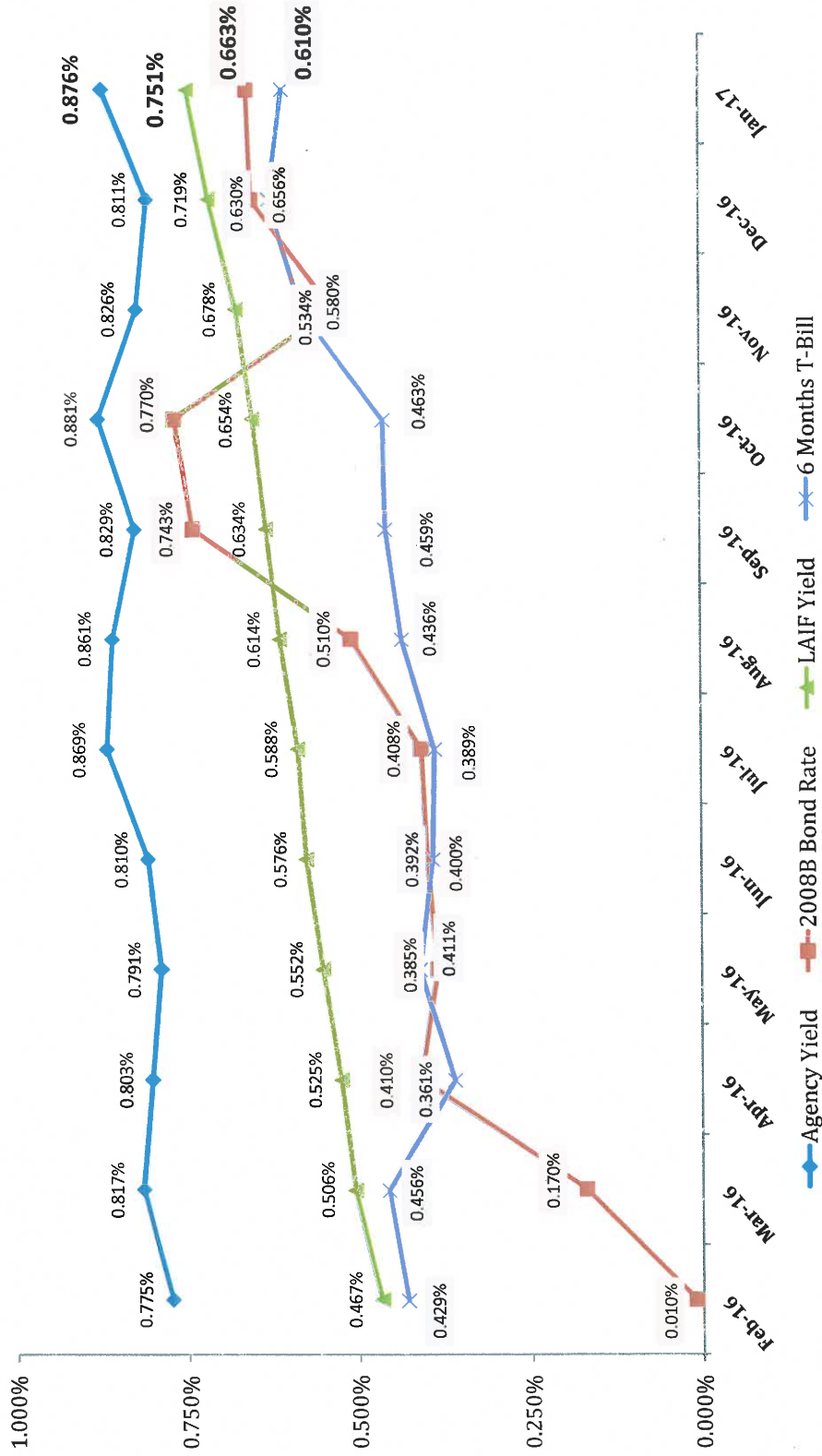
Inland Empire Utilities Agency
Treasurer's Report of Financial Affairs
For the Month Ended January 31, 2017
Unrestricted Agency Investment Portfolio
\$122,237,834



Inland Empire Utilities Agency
Treasurer's Report of Financial Affairs
 For the Month Ended January 31, 2017
 Agency Investment Portfolio Maturity Distribution
\$122,237,834

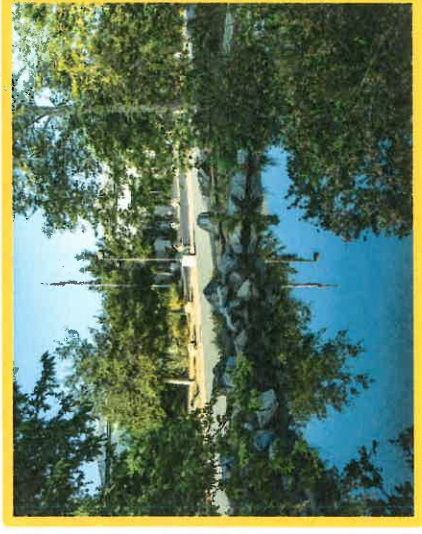
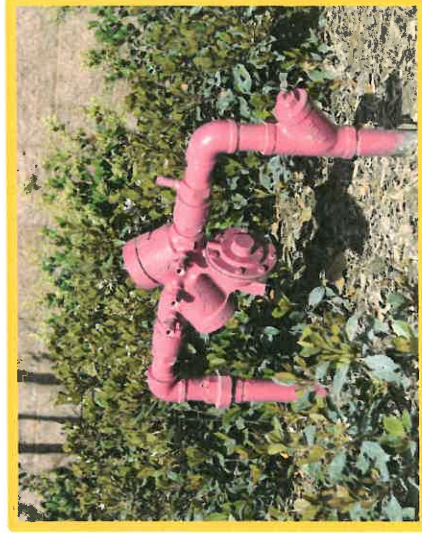


Inland Empire Utilities Agency
Treasurer's Report of Financial Affairs
For the Month Ended January 31, 2017
Agency Investment Portfolio Yield Comparison



Treasurer's Report of Financial Affairs for January 31, 2017

Board Meeting



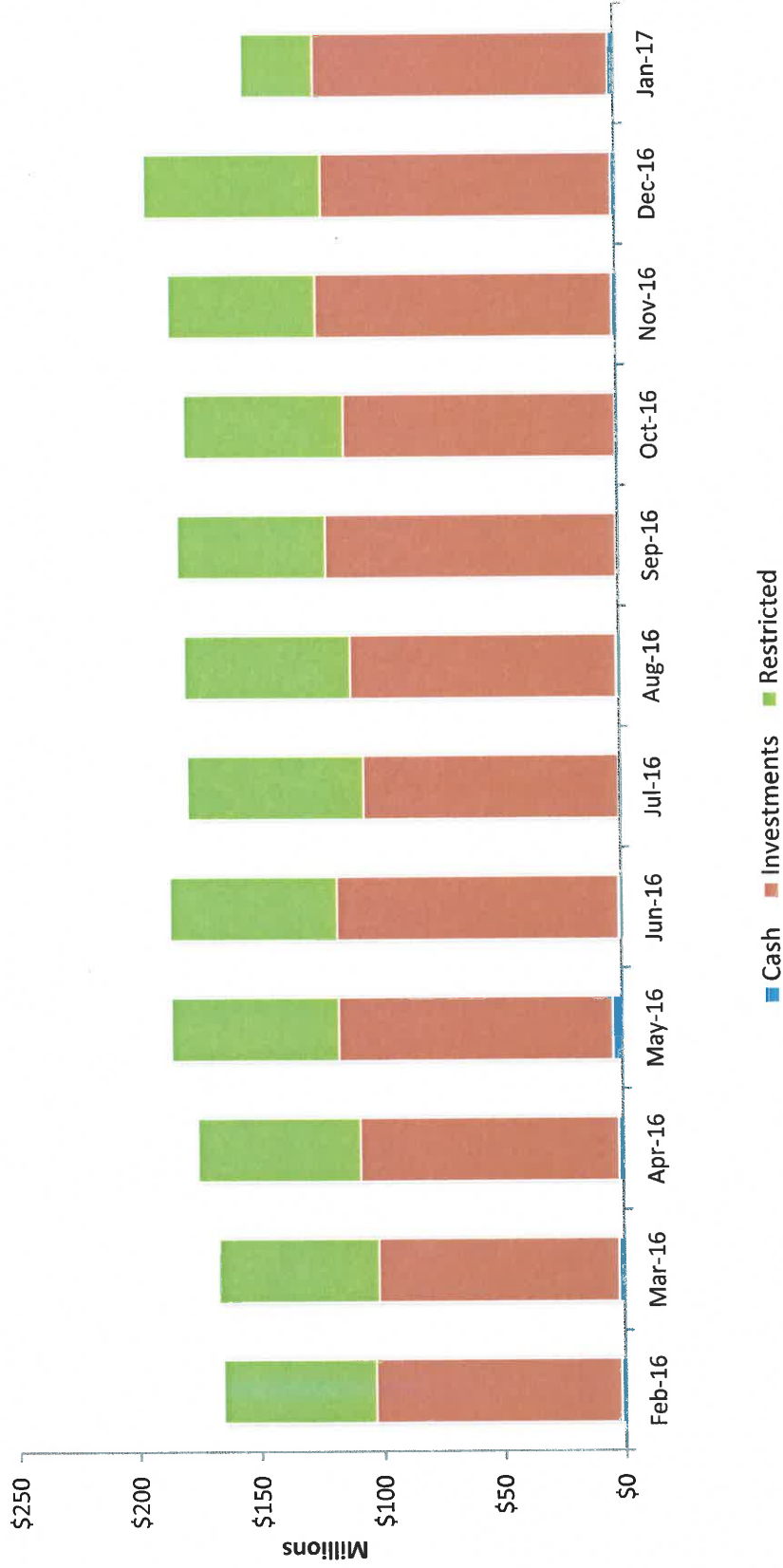
Report of Financial Affairs

Liquidity		January 2017 (\$ million)	December 2016 (\$ million)	Increase (Decrease) (\$ million)
Description				
Total Cash, Investments, and Restricted Deposits		\$154.0	\$194.6	(\$40.6)
Total Investment Portfolio		\$122.2	\$120.6	(\$1.6)
Investment Portfolio Yield		0.876%	0.811%	0.065%
Weighted Average Duration (years)		0.75	0.74	0.01
Average Cash on Hand (days)		293	287	6

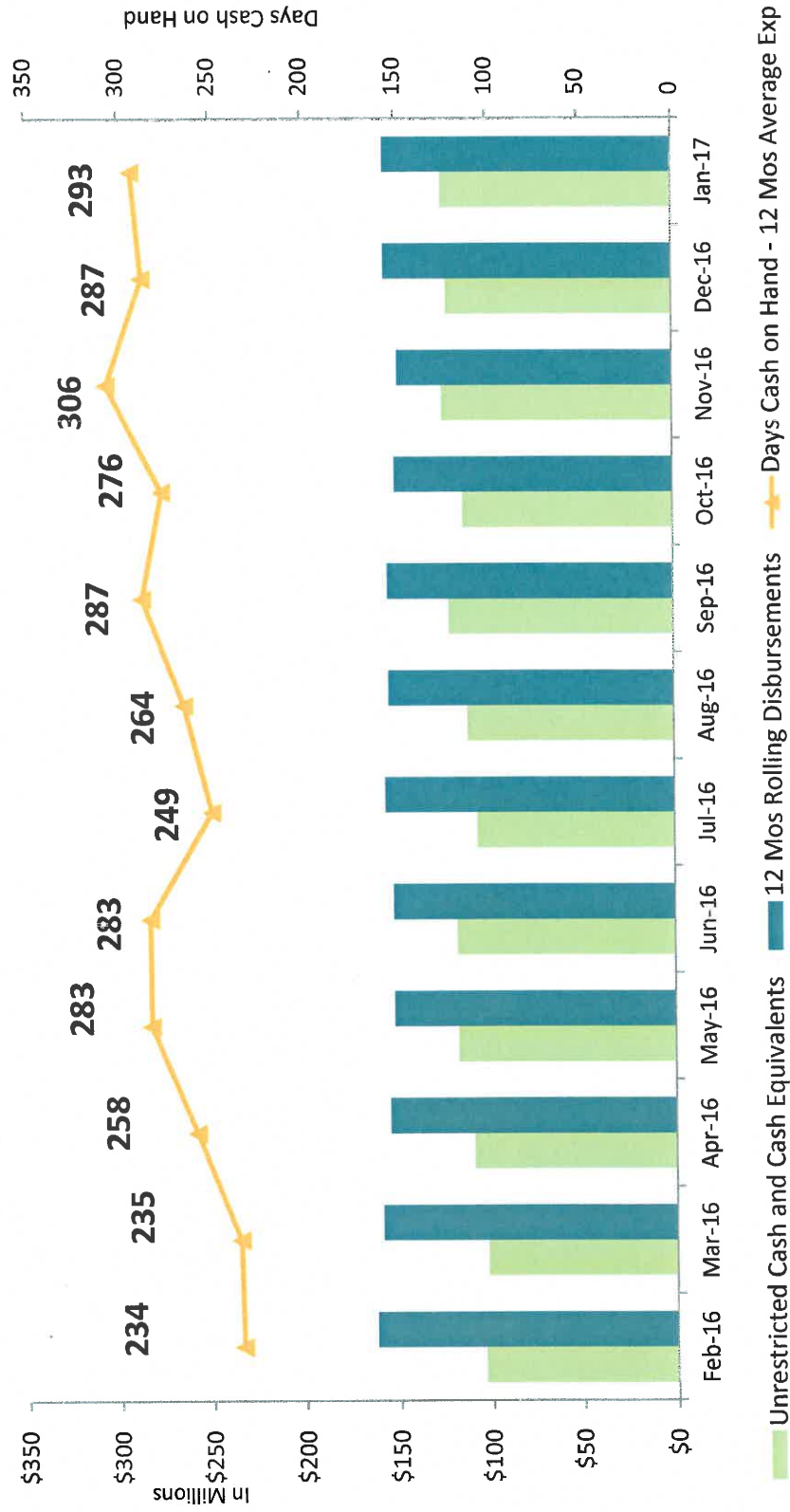
Portfolio		Description	Allowable Threshold (\$ million)	Investment Value (\$ million)	Yield	Current Portfolio %
Short Term, Under 1 Year:		LAIF	\$65	\$24.1	0.75%	19.7%
		CalTrust	\$20	\$16.1	1.01%	13.2%
		Citizens Business – Sweep	40%	\$29.1	0.50%	23.8%
		CAMP	\$20	\$18.1	0.85%	14.8%
		Brokered CD's	30%	\$1.9	1.24%	1.6%
		Medium Term Notes	10%	\$1.0	1.11%	0.8%
		US Government Securities	n/a	\$5.2	0.68%	4.2%
1 to 3 Years:		Brokered CDs	30%	\$0.5	1.70%	0.4%
		US Government Securities	n/a	\$16.2	1.31%	13.3%
		Medium Term Notes	10%	\$9.5	1.28%	7.8%
Over 3 Years:		Brokered CDs	30%	\$0.5	2.38%	0.4%

Cash, Investments, and Restricted Deposits

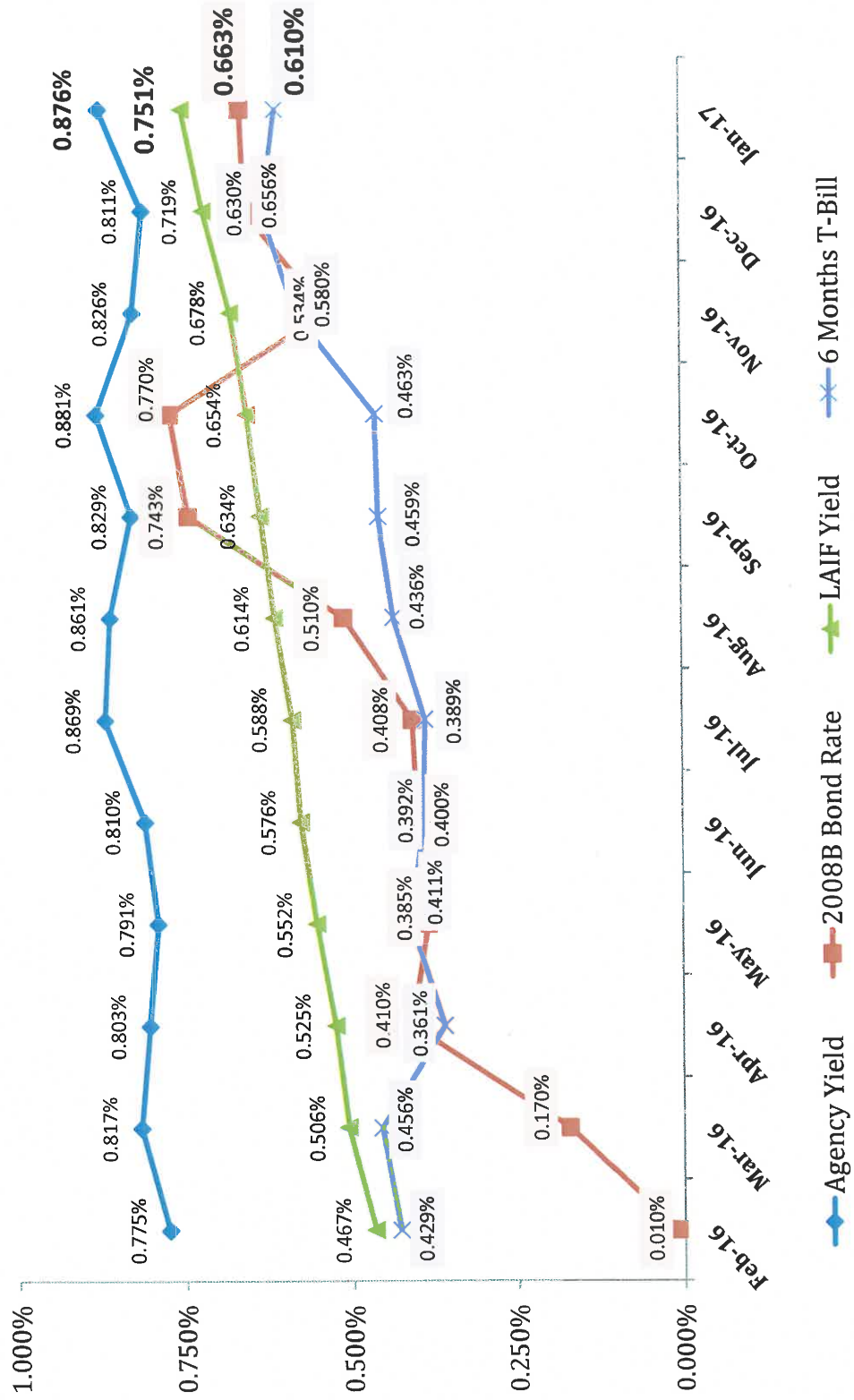
Cash, Investments and Restricted Deposits



Days Cash on Hand 12 Months Rolling Average



Month End Portfolio Yield Comparison





Questions?



The Treasurer's Report of Financial Affairs is consistent with the Agency's business goal of fiscal responsibility