

## Bighorn-Desert View Water Agency

### Board of Directors

Judy Corl-Lorono, President  
J. Dennis Staley, Vice President  
Terry Burkhart, Secretary  
Michael McBride, Director  
J. Larry Coulombe, Director



Agency Office  
622 S. Jemez Trail  
Yucca Valley, CA 92284-1440

760/364-2315 Phone  
760/364-3412 Fax

Marina D West, P.G., General Manager

A Public Agency

[www.bdvwa.org](http://www.bdvwa.org)

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## Finance/Public Relations/Education And Personnel Standing Committee Meeting Agenda

Board Meeting Office  
1720 N. Cherokee Trail, Landers, CA 92285  
March 18, 2015 - 9:00 a.m.

### Committee Members: Director McBride & Director Coulombe

The BDVWA Finance/Public Relations/Education & Personnel Committee meeting will be conducted in strict compliance with the Brown Act. Members of the Board not assigned to this Committee who attend may do so only as observers and may not participate in the meeting.

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Approval of the Agenda

**Discussion and Action Items** - The Committee and Staff will discuss the following items and provide direction to staff, if so inclined.

The Public is invited to comment on any item on the agenda during discussion of that item.

When giving your public comment, please have your information prepared. If you wish to be identified for the record then please state your name. Due to time constraints, each member of the public will be allotted three-minutes to provide their public comment.

5. **Consider Continuation of Audit Services with Mayer Hoffman McCann P.C. for an Additional Three (3) Years ending June 30, 2015, 2016, and 2017**
6. **CSA 70 W-1 Annexation Update**
7. **Agency Fiscal Indicators as Calculated by the Local Agency Formation Commission**
8. **Review Draft Budget Fiscal Year 2015/16.**
9. **Proposed Employee Funded Post-Retirement Health Insurance Program**
10. **Review ACWA/JPIA Membership Benefits**
11. **Consent Items** - The following is expected to be routine and non-controversial and will be acted on by the Committee members at one time without discussion, unless a member of the Public or a Committee member requests that an item be held for discussion or further action.
  - a. Special FPREP Committee Meeting Report, July 16, 2014

## **12. Public Comment Period**

Any person may address the Committee on any matter within the Agency's jurisdiction on items not appearing on this agenda.

When giving your public comment, please have your information prepared. If you wish to be identified for the record then please state your name. Due to time constraints, each member of the public will be allotted three-minutes to provide their public comment. State Law prohibits the Committee from discussing or taking action on items not included on the agenda.

## **13. Verbal Reports**

- a. Committee Member Comments/Reports
- b. General Manager Report

## **14. Items for Next Agenda**

## **15. Adjournment**

In accordance with the requirements of California Government Code Section 54954.2, this agenda has been posted in the main lobby of the Bighorn-Desert View Water Agency, 622 S. Jemez Trail, Yucca Valley, CA not less than 72 hours if prior to a Regular meeting, date and time above; or in accordance with California Government Code Section 54956 this agenda has been posted not less than 24 hours if prior to a Special meeting, date and time above.

As a general rule, agenda reports or other written documentation has been prepared or organized with respect to each item of business listed on the agenda.

Copies of these materials and other discloseable public records in connection with an open session agenda item, are also on file with and available for inspection at the Office of the

Agency Secretary, 622 S. Jemez Trail, Yucca Valley, California, during regular business hours, 8:00 A.M. to 4:30 P.M., Monday through Friday. If such writings are distributed to members of the Board of Directors on the day of a Board meeting, the writings will be available at the entrance to the Board of Directors meeting room at the Bighorn-Desert View Water Agency.

Internet: Once uploaded, agenda materials can also be viewed at [www.bdvwa.org](http://www.bdvwa.org).

Public Comments: You may wish to submit your comments in writing to assure that you are able to express yourself adequately.

Per Government Code Section 54954.2, any person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in the meeting, should contact the Board's Secretary at 760-364-2315 during Agency business hours.

## AGENDA ITEM # 5

**BIGHORN DESERT VIEW WATER AGENCY STANDING COMMITTEE  
FINANCE/PUBLIC RELATIONS/EDUCATION/PERSONNEL  
AGENDA ITEM SUBMITTAL**

**Meeting Date:** March 18, 2015

**To:** Financial/PR/Education/Personnel Comm.  
Board of Directors

**Budgeted:** N/A  
**Budgeted Amount:** N/A  
**Cost:** N/A

**From:** Marina D. West

**General Counsel Approval:** N/A  
**CEQA Compliance:** N/A

**Subject:** Consider Continuation of Audit Services with Mayer Hoffman McCann P.C. for an Additional Three (3) Years ending June 30, 2015, 2016, and 2017.

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**SUMMARY**

Staff requested and received the attached proposal from Mayer Hoffman McCann P.C. to perform the annual audit for the years ended June 30, 2015, 2016 and 2017. The annual cost to perform the audit is \$29,918 which represents no change from the prior year.

Should the Committee agree with staff's recommendation then the contract will be brought to the full Board for further consideration.

**RECOMMENDATION**

Staff is seeking direction from the FPREP Committee on how to proceed.

**BACKGROUND/ANALYSIS**

Staff requested a proposal from the Agency's auditor, Mayer Hoffman McCann P.C. (MHM) for continuation of audit services for the years ended June 30, 2015, 2016 and 2017. There is no statutory requirement to change auditors however generally accepted practice is to change periodically.

Staff is recommending that the Agency continue with MHM for a few reasons as follows:

- During the course of our audit history with MHM, the on-site audit team has always been different. Therefore, staff argues that there is sufficient oversight change to allow for differing "viewpoints" during an audit. One argument in favor of changing is complacency.
- During each audit cycle, MHM develops a different set of audit "tests". Thus staff is never able to "predict" what the auditor will seek to "test" in subsequent years.
- The Agency is optimistic that the annexation of County Service Area 70/W-1 will be successful. To that end, MHM was involved in the review of the LAFCO Resolution specifying requirements for financial reserves. With all the coming

adjustments/changes anticipated with the annexation, staff feels that retaining the existing auditor is crucial to the transition to insure that we are following the LAFCO Resolution.

**PRIOR RELEVANT BOARD ACTION(S)**

**1/24/2012 M12-011** Authorize staff to execute the January 2, 2012 Engagement Letter with Mayer Hoffman McCann P.C. outlining the nature, terms and objectives of an engagement to audit the financial statements for the years ended June 30, 2012, 2013 and 2014 at an annual cost of \$29,918; and appoint Mayer Hoffman McCann P.C. as the Agency's Auditor.



**Mayer Hoffman McCann P.C.**  
An Independent CPA Firm

2301 Dupont Drive, Suite 200 ■ Irvine, California 92612  
Main: 949.474.2020 ■ Fax: 949.263.5520 ■ [www.mhmcpa.com](http://www.mhmcpa.com)

March 6, 2015

Marina D. West, PG  
General Manager  
Bighorn-Desert View Water Agency  
622 S. Jemez Trail  
Yucca Valley, California 92284

Dear Ms. West:

This letter sets forth the nature, terms, and objectives of our engagement to audit the financial statements of the **Bighorn-Desert View Water Agency** ("the Entity" or "the Agency" below) for the years ended June 30, 2015, 2016, and 2017. This letter, which incorporates the attached Terms and Conditions, constitutes the entire agreement between the parties with respect to Mayer Hoffman McCann P.C.'s performance of the professional services described herein.

We will perform our audit for a fee of **\$29,918** per year with no fee increase over the next three years. Our client service model includes unlimited telephone consultations at no extra charge. We believe that we have demonstrated that we are a good fit to meet your Agency's accounting and auditing needs as circumstances necessitating our expertise arise throughout the fiscal year.

Our fees contemplate no substantive changes in the nature, scope, and extent of the audit work to be performed from those of prior years, including changes necessitated by new or revised audit, accounting, and regulatory requirements. The Agency will provide at the start of the audit trial balances reflecting all necessary year-end adjustments, reconciliations, schedules supporting asset and liability balances, and provide assistance in the pulling of documents and the typing of confirmation requests. Should assistance be required for our firm to prepare year end journal entries or resolve reconciliation issues, we would perform the same at the hourly rates indicated herein.

Should the Agency require additional services, including the preparation of year-end adjustments or analyses, or should the audit be impacted by new or revised audit, accounting, and regulatory requirements, we will bill you the additional hours resulting from those circumstances at the following rates:

**Classification**

Shareholder	\$155
Manager	145
Senior Associate	115
Associate	110

**ENGAGEMENT OBJECTIVES**

We will audit the financial statements of the **Bighorn-Desert View Water Agency** for the years ended June 30, 2015, 2016, and 2017.

U. S. generally accepted accounting principles provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Entity's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement,



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we will apply certain limited procedures to the Entity's RSI in accordance with U. S. generally accepted auditing standards. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. As provided by professional standards, we are not permitted to opine on or provide assurance on the information in the introductory section and the statistical section.

### **OUR RESPONSIBILITIES**

The objective of our audit is the expression of an opinion as to whether the financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information referred to above when considered in relation to the financial statements taken as a whole. The objective also includes reporting on:

- Internal controls related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal controls related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The reports on internal control and compliance will each include a statement that the report is intended for the information and use of the audit committee, management, specific legislative or regulatory bodies, federal awarding agencies, and if applicable, pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

### **Audit**

Our audit will be conducted in accordance with U.S. generally accepted auditing standards; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the Single Audit Act Amendments of 1996 (the Act); and the provisions of OMB Circular A-133 (the Circular). Our audit will include tests of accounting records, a determination of major program(s) in accordance with the Circular, and other procedures we consider necessary to enable us to express such an opinion and to render the required reports. If our opinion on the financial statements or the Single Audit compliance opinion is other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to



the Entity or to acts by management or employees acting on behalf of the Entity. As required by the Act and the Circular, our audit will include test of transactions related to major federal award programs for compliance with applicable laws and regulations and the provisions of contracts and agreements.

Because an audit is designed to provide reasonable, but not absolute assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or to major programs. However, we will inform you of any material errors that come to our attention and we will inform you of any fraudulent financial reporting or misappropriation of assets that comes to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

#### **Internal Control**

Our audit will include obtaining an understanding of the Entity and its environment, including internal controls sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures to be performed.

We will obtain an understanding of the design of the relevant controls and whether they have been placed in operation, and we will assess control risk. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Tests of controls relative to the financial statements are required only if control risk is assessed below the maximum level. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Circular, we will perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Circular.

An audit is not designed to provide assurance on internal control or to identify control deficiencies. However, we will inform those charged with governance of any matters involving internal controls and its operation that we consider to be significant deficiencies or material weaknesses under standards established by the American Institute of Certified Public Accountants. Material weaknesses involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgment, could adversely affect the Entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. In addition, we will inform you of any other control deficiencies or other matters involving internal control, if any, as required by *Government Auditing Standards* and OMB Circular A-133.

#### **Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Entity's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of the applicable procedures described in the OMB Circular A-133 *Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Entity's major programs. The purpose of those procedures will be to express an opinion on the Entity's compliance with requirements applicable to major programs in our report on compliance issued pursuant to OMB Circular A-133.

The services described above do not relieve management or those charged with governance of their responsibilities.

#### **THOSE CHARGED WITH GOVERNANCE**

As defined by U.S. generally accepted auditing standards, you are responsible for overseeing the strategic direction of the Entity and obligations related to the accountability of the Entity. These responsibilities include, but are not limited to, overseeing the financial reporting process, resolving disagreements between management and us regarding financial reporting, appointing us to perform the services incorporated in this letter and informing us about all known or suspected fraud involving the Entity. In turn, we will provide you with any communications as required by U.S. generally accepted auditing standards.

#### **MANAGEMENT'S RESPONSIBILITIES**

You are responsible for management decisions and functions, and for designating an individual who possesses suitable skill, knowledge, and/or experience, preferably within senior management to oversee any bookkeeping services, tax services, or other services we or our associated company CBIZ MHM, LLC provides. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for the results of such services.

You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities and compliance with the provisions of contracts, agreements, and grants. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of the controls. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorizations and recorded properly to permit the preparation of financial statements in accordance with U. S. generally accepted accounting principles, and that federal award programs are managed in compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

You are responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. We understand that you will provide us with such information required for our audit and that you are responsible for the accuracy and completeness of that information. We will advise you about appropriate accounting principles and their application and may assist in the preparation of your financial statements, but the responsibility for the financial statements, including the schedule of expenditures of federal awards and the related notes remains with you. As part of our engagement we may propose standard, adjusting, or correcting journal entries to your financial statements. You are responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on the financial statements. Further, you are responsible for designating a qualified management-level individual to be responsible and accountable for overseeing these services.

This responsibility includes the establishment and maintenance of adequate records and effective internal control over financial reporting and compliance, the selection and application of accounting principles, and the

safeguarding of assets. You are responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Entity involving (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud could have a material effect on the financial statements. You are also responsible for informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Entity received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the Entity complies with applicable laws and regulations. Additionally, as required by the Circular, it is your responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan.

During the course of our engagement, we will request information and explanations from management regarding the Entity's operations, internal controls, future plans, specific transactions, and accounting systems and procedures. At the conclusion of our engagement, we will require, as a precondition to the issuance of our report, that management provide certain representations in a written representation letter, including acknowledging that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes and accept full responsibility for them. The procedures we will perform in our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the written and oral representations that we receive from management. In view of the foregoing, the Entity agrees to release our firm, its shareholders and other personnel from any liability and costs relating to our services under this letter resulting from false or misleading representations made to us by any member of the Entity's management.

We will complete the appropriate sections of the Data Collection Form, upload a PDF version of the financial statements, perform the online auditor certification, submit this information to the Federal Clearinghouse, and notify you once this is complete. You will receive notification via email from the Federal Audit Clearinghouse with a signature code to certify the Data Collection Form is complete and accurate. We will provide copies of our reports to you; however, it is management's responsibility to electronically certify the Data Collection Form using the new e-filing system. The Data Collection Form and the reporting package must be electronically certified within the earlier of 30 days after receipt of our reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency.

If you intend to include these financial statements and our report in an offering or other document at some future date, you agree to seek our prior written consent to do so at that time. You agree to provide reasonable notice to allow sufficient time for us to perform certain additional procedures. Any time you intend to publish or otherwise reproduce these financial statements and our report and make reference to our Firm name in any manner in connection therewith, you agree to provide us with printer's proofs or masters for our review and approval before printing or other reproduction. You will also provide us with a copy of the final reproduced material for our approval before it is distributed. Our fees for such services are in addition to those discussed elsewhere in this letter.

As a result of our prior or future services to you, we might be requested to provide information or documents to you or a third party in a legal, administrative, or arbitration or similar proceeding in which we are not a party. If this occurs, our efforts in complying with such requests will be deemed billable to you as a separate engagement. We shall be entitled to compensation for our time and reasonable reimbursement for our expenses (including legal fees) in complying with the request. For all requests, we will observe the confidentiality requirements of our profession and will notify you promptly of the request.

March 6, 2015  
Bighorn-Desert View Water Agency  
Page 6

Invoices will be submitted as the work progresses and a final invoice will be submitted upon completion of the services. Invoices are payable upon receipt.

This letter and the attached Terms and Conditions set forth the rights and responsibilities of the parties with respect to the services to be provided. The attachment is an integral part of this agreement. This engagement is being undertaken solely for the benefit of the parties to this agreement, and no other person shall be entitled to enforce the terms of this agreement.

Enclosed, as required by *Government Auditing Standards*, is a copy of the report on the most recent peer review of our firm.

The workpapers for this engagement will be retained in accordance with our firm policy. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the workpapers.

Ken Al-Imam is the engagement shareholder responsible for supervising the engagement and signing the report.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign a copy of this letter where indicated below and return it to my attention.

Sincerely,

MAYER HOFFMAN MCCANN P.C.



Ken Al-Imam, C.P.A.  
Shareholder

\* \* \* \* \*

ACCEPTED:

Member of Management:

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Member of Board of Directors:

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Mayer Hoffman McCann P.C.  
Engagement Letter  
Terms and Conditions**

**A. Services.** These Terms and Conditions and the engagement letter (the "Engagement Letter") to which these Terms and Conditions are attached (these Terms and Conditions, the Engagement Letter are collectively referred to as the "Agreement") constitute the entire agreement between the entity identified in the accompanying Engagement Letter (the "Client" or "you") and Mayer Hoffman McCann P.C. ("MHM"), regarding the services described in the Engagement Letter ("Services"). MHM's acceptance of this engagement is conditioned on confirming that it is independent under applicable standards. You will be informed promptly if MHM determines it is not independent.

**B. Ownership.** Client shall own the copyright in all written material originated and prepared for and delivered to the Client under this Agreement. However, MHM's workpapers, files, and MHM Confidential Information (as defined below) belong exclusively to MHM. The ideas, concepts, know-how, techniques, inventions, discoveries, and improvements developed during the course of this Agreement by MHM personnel, alone or in conjunction with Client personnel, may be used by MHM in any way it deems appropriate, including without limitation by or for its clients or customers, without any obligation to account, notwithstanding any provision in this Agreement to the contrary. MHM is in the business of providing attestation services for a wide variety of clients, and the Client understands that MHM will continue these activities. Accordingly, nothing in this Agreement shall preclude or limit MHM from providing attestation services, consulting services, and/or developing software or materials for itself or other clients, irrespective of the possible similarity of materials that might be delivered to the Client.

**C. Confidentiality.** MHM agrees that all financial, statistical, marketing, and personnel data relating to the Client's business, and other information identified as confidential by the Client, are confidential information of the Client ("Client Confidential Information"). The Client agrees that MHM's proprietary software, tools, and other methodologies and any other information identified as confidential by MHM are confidential information of MHM ("MHM Confidential Information"). Client Confidential Information and MHM Confidential Information are collectively referred to as "Confidential Information." Each party shall use Confidential Information of the other party only for the purposes of this Agreement and shall not disclose such Confidential Information to any third party without the other party's prior written consent, other than to MHM subcontractors hired in connection with this engagement, if any, and to each other's employees on a need-to-know basis in connection with this engagement. Each party agrees to take measures to protect the confidentiality of the other party's Confidential Information that, in the aggregate, are no less protective than those measures it uses to protect the confidentiality of its own Confidential Information, but at a minimum, each party shall take reasonable steps to advise their employees (and, in the case of MHM, its subcontractors, if any) of the confidential nature of the Confidential Information and of the prohibitions on copying or revealing such Confidential Information contained herein. MHM and the Client each agree to require that the other party's Confidential Information be kept in a reasonably secure location.

Neither party shall be obligated to treat as confidential, or otherwise be subject to the restrictions on use, disclosure, or treatment contained in this Agreement for any information disclosed by the other party (the "Disclosing Party") that: (i) otherwise has been or becomes publicly available (including, without limitation, any information filed with any governmental agency and available to the public) other than as the result of a disclosure in breach hereof, (ii) is disclosed by the Disclosing Party to a third party without substantially the same restrictions as set forth herein, (iii) becomes available to the non-Disclosing Party on a non-confidential

basis from a source other than the Disclosing Party, which the non-Disclosing Party does not believe is prohibited from disclosing such information, (iv) is known by the non-Disclosing Party prior to its receipt from the Disclosing Party without any obligation of confidentiality with respect thereto, or (v) is developed by the non-Disclosing Party independently of any disclosures of such information made by the Disclosing Party to the non-Disclosing Party.

Neither party will be liable to the other for inadvertent or accidental disclosure of Confidential Information if the disclosure occurs notwithstanding the party's exercise of the same level of protection and care that such party customarily uses in safeguarding its own confidential information. Notwithstanding the foregoing, either party will be entitled to disclose Confidential Information of the other to a third party to the extent required by valid legal or regulatory process, provided that (and without breaching any legal or regulatory requirement) the party to which the request is made provides the Disclosing Party with prompt written notice and allows the Disclosing Party to seek a restraining order or other appropriate relief.

We may be requested to make certain workpapers or files available to certain regulatory agencies pursuant to authority given to it by law or regulation. If requested, access to such workpapers will be provided under the supervision of MHM's personnel. Furthermore, upon request, we may provide photocopies of selected workpapers to certain regulatory agencies. Certain regulatory agencies may intend, or decide, to distribute the photocopies or information contained therein to others, including other government agencies.

**D. Client Responsibilities.** Client agrees to provide reasonable workspace, administrative support, computer facilities, and other support, which are necessary to perform the Services, including providing high-speed Internet access to our engagement team, if practicable, while working at the Client premises. Client agrees to perform those tasks in a timely fashion and provide the personnel agreed to by the parties. Client personnel assigned to work on matters related to this engagement will be qualified for the tasks for which they are assigned. MHM's performance is dependent on Client carrying out its responsibilities as set out in this Agreement. Client's failure to satisfy its responsibilities under this Agreement may lead to an increase in our fees, depending upon the extent to which we have to perform additional work or reschedule our commitments to deliver the Services, or our inability to provide the Services. Should Client fail to perform any of its obligations under this Agreement, MHM shall not be responsible for any delay or other consequences due to such failure.

**E. Fees and Payment.** Client shall pay MHM the fees set forth in the Engagement Letter. Client shall also be responsible for paying any taxes (such as applicable sales taxes, duties, or goods and services taxes) for which it is legally liable arising from this Agreement. Our invoices will be issued as set out in the Engagement Letter. All invoices will be due upon receipt unless stated otherwise in the Engagement Letter. Services rendered after the expiration of the term of the engagement or in addition to the scope contemplated herein and in the Engagement Letter, such as meetings, planning, etc., will be billed separately at our hourly rates.

**F. Term and Termination; Survival.** This Agreement is effective from the commencement date stated in the Engagement Letter, if any, or where no commencement date is specified, from the date of signature by both parties. If MHM commenced the performance of the Services prior to the execution of this Agreement, this Agreement shall nonetheless cover the performance of such Services. This Agreement will continue until the services and deliverables have been provided unless it is terminated earlier in accordance with the terms set out herein. MHM shall be under no duty to update or revise its opinion or report, once issued, unless expressly engaged to do so by the Client, and MHM shall be under no duty to accept any such engagement. If we accept such an engagement, we will be required to perform certain procedures required by professional standards.

Either party may terminate this Agreement upon written notice to the other party irrespective of whether MHM has completed the Services. Client will be responsible for fees and expenses incurred through the date the termination notice is received. Where Client terminates this Agreement, Client also will pay MHM for additional costs incurred as a result of the termination.

The following sections of this Agreement will survive completion of the Services or its earlier termination: Confidentiality, Ownership, and such other provisions of this Agreement which by their nature are intended to survive.

**G. General.** This Agreement forms the entire agreement between the parties relating to the Services, and replaces and supersedes any previous proposals, correspondence, understandings, and any other communications, whether written or oral. This agreement shall be binding on all transferees, successors, and assigns of both MHM and you. Neither party shall be liable to the other for any delay or failure to perform any of the services or obligations set forth in this Agreement due to causes beyond its reasonable control. Each party acknowledges that this was a negotiated contract, and as a result, no part of this contract shall be construed against either party based on drafting of the contract. If any provision of this Agreement is determined to be invalid under any applicable statute or rule of law, it is to that extent to be deemed omitted, and the balance of the Agreement shall remain enforceable. The section headings used herein are for reference and convenience only and shall not enter into the interpretation hereof.

No delay or omission by either party in exercising any right or power shall impair such right or power or be construed to be a waiver. A waiver by either party of any of the covenants to be performed by the other or any breach thereof shall not be construed to be a waiver of any succeeding breach or of any other covenant. No waiver or discharge shall be valid unless in writing and signed by an authorized representative of the party against whom such waiver or discharge is sought to be enforced.

It is common practice for professional service firms, in discussions with prospective clients to make reference to prior work, and we would like to have the opportunity to do so with respect to this engagement. On completion of this engagement, MHM will be entitled to use the Client's name, logo(s), and a brief description of the Services in MHM newsletters, publications, or other marketing materials, as well as discussions with prospective clients.

**H. Leased personnel.** In performing our engagement we will lease professional and administrative staff, both of which are employed by CBIZ MHM, LLC or its related entities. These individuals will be under the direct control and supervision of MHM, which is solely responsible for the professional performance of our engagement. Additionally, the professional staff is subject to the standards governing the accounting profession, including the requirement to maintain the confidentiality of client information, and MHM and CBIZ MHM, LLC and its related entities have contractual agreements requiring confidential treatment of all client information.

MHM will use all reasonable efforts to perform the Services in accordance with any agreed upon timeframe. MHM has every expectation that this engagement will be conducted by the professionals designated for this engagement. If for any reason any of those individuals are not able to complete this engagement, professionals with similar qualifications and experience will be assigned to the engagement. Where any changes are necessary, MHM will give Client reasonable notice of the changes.

**I. Independent Contractor.** It is understood and agreed that each of the parties hereto is an independent contractor and that neither party is, nor shall be considered to be, an agent, partner, joint venturer, or representative of the other. Neither party shall act or represent itself, directly or by implication, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.

**J. Employment offers to our personnel.** During the term of this Agreement and for a period of one year thereafter, the parties agree not to hire, solicit, or attempt to solicit, whether directly or indirectly, the services of any staff, employee, consultant, or subcontractor of the other party without the prior written consent of that party. Violation of this provision shall, in addition to other relief, require the breaching party to compensate the non-breaching party with 100 percent of the solicited person's annual compensation.

Professional standards require us to be independent with respect to the Company in the performance of our services. Any discussions that the Company has with personnel of MHM, CBIZ MHM, LLC, or related entities regarding potential employment with the Company could impair our independence with respect to this engagement. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence and objectivity. Employment offers to any staff member working on your engagement without our prior knowledge may require substantial additional procedures to ensure the independence and objectivity of our engagement. Any additional costs incurred due to these procedures will be fully billable in addition to our fee.

**K. Safe Environment.** You agree that in any circumstances wherein MHM personnel are required to work at any premises or location operated or controlled by you, you will take all actions and precautions necessary to ensure that Client premises are free from all known or reasonably foreseeable safety hazards, and all forms of harassment and discrimination.

**L. Property.** The workpapers and files that MHM generates in connection with this engagement are the property of MHM. Upon the termination of this engagement, upon request we will return your original records to you. All MHM workpapers and files will be retained, pursuant to MHM's document retention policy.

**M. Electronic Communication.** In the interest of facilitating our services to you, we may communicate by facsimile transmission or by sending electronic mail over the Internet. Such communications may include information that is confidential to you. Our firm employs measures in the use of facsimile machines and computer technology designed to maintain data security. While we will use our best efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, we have no control over the unauthorized interception of these communications once they have been sent.

With regard to the electronic dissemination of financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document. You agree that you shall bear the risk of any inconsistency between the electronic document and the original document.

**N. Governing Law and Severability.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of the MHM office issuing the Engagement Letter (without giving effect to the choice of law principles thereof), and all claims relating to or arising out of this Agreement or related to MHM's services, whether sounding in contract, tort, or otherwise, shall likewise be governed by the laws of that State (without giving effect to its choice of law principles). If any provision of this Agreement is found by a court of competent jurisdiction to be unenforceable, such provision shall not affect the other provisions, but such



unenforceable provision shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties set forth in this Agreement.

**O. Dispute Resolution.** Because there are inherent difficulties in recalling or preserving information as the period after an engagement increases, you agree that, notwithstanding any applicable statute of limitations, any claim based on this engagement must be filed within 24 months after performance of our service for continuing clients and 12 months for clients who discontinue their relationship with MHM, unless you have previously provided us with a written notice of a specific defect in our services that forms the basis of the claim.

If any dispute, controversy, or claim of any kind or type, whether based on contract, tort, statute, regulation, or otherwise, arises out of, or connected with, or relating in any way to this Agreement, or the relationship or the obligations of the parties, including without limitation any dispute as to the existence, validity, construction, interpretation, negotiation, performance, non-performance, breach, termination, or enforceability of this Agreement (the "Dispute"), and if (in the opinion of any party) the Dispute cannot be settled through direct discussions between the parties, the parties agree to first endeavor to resolve the Dispute through mediation under the Commercial Mediation Rules of the American Arbitration Association ("AAA"), before resorting to filing a lawsuit or to otherwise seek to enforce any party's rights. In both direct discussions and in mediation, the parties will exert their best efforts to discuss with each other in good faith their respective positions in an attempt to finally resolve the Dispute. The parties agree to share equally the costs and expenses of the mediation (which shall not include the costs incurred by each party for its own legal representation in connection with the mediation).

Each party may disclose any facts to the other party or to the mediator which it, in good faith, considers necessary to resolve the matter. All such discussions, however, will be for the purpose of assisting in settlement efforts and will not be admissible in any subsequent litigation against the disclosing party. Except as agreed by both parties, the mediator will keep confidential all information disclosed during negotiations. The mediator may not act as a witness for either party in any subsequent arbitration between the parties. The mediation proceedings will conclude within 60 days from receipt of the written notice unless extended or terminated sooner by mutual consent. Each party will be responsible for its own expenses. The fees and expenses of the mediator, if any, will be borne equally by the parties.

If the parties cannot resolve the Dispute through mediation, either party may pursue action in a court of competent jurisdiction as set forth in these Terms and Conditions. Each of the parties irrevocably waives any right to trial by jury in any such action or in any other proceeding arising out of or relating to the Dispute or this Agreement.

**P. Limitation on Damages.** Unless otherwise prohibited by law or applicable professional standard, you agree that MHM and its personnel shall not be liable to you for any claims, liabilities, or expenses relating to this engagement for an aggregate amount in excess of the fees paid by you to MHM pursuant to this engagement, except to the extent finally judicially determined to have resulted from the bad faith or intentional misconduct of MHM. Unless otherwise prohibited by law or applicable professional standard, in no event shall MHM or its personnel be liable for consequential, special, indirect, incidental, punitive, or exemplary losses or damages relating to this engagement. This limitation on liability provision shall apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), professional standard, or otherwise.



CliftonLarsonAllen

CliftonLarsonAllen LLP  
CLAconnect.com

## System Review Report

To the Shareholders of Mayer Hoffman McCann P.C.  
and the AICPA National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Mayer Hoffman McCann P.C. (the Firm), applicable to engagements not subject to PCAOB permanent inspection, in effect for the year ended April 30, 2014. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The Firm is responsible for designing a system of quality control and complying with it to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the Firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary).

As required by the standards, engagements selected for review included engagements performed under the *Government Auditing Standards*; audits of employee benefit plans, and examinations of service organizations [SOC 1<sup>SM</sup> and SOC 2<sup>SM</sup> engagements].

In our opinion, the system of quality control for the accounting and auditing practice of Mayer Hoffman McCann P.C., applicable to engagements not subject to PCAOB permanent inspection, in effect for the year April 30, 2014, has been suitably designed and complied with to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Mayer Hoffman McCann P.C. has received a peer review rating of *pass*.

*CliftonLarsonAllen LLP*

CliftonLarsonAllen LLP

Milwaukee, WI  
September 4, 2014



An independent member of Neta International

## AGENDA ITEM # 7

**BIGHORN DESERT VIEW WATER AGENCY  
AGENDA ITEM SUBMITTAL**

**Meeting Date:** January 27, 2015

**To:** Board of Directors

**Budgeted:** N/A

**Budgeted Amount:** N/A

**Cost:** N/A

**Funding Source:** N/A

**From:** Marina D. West

**General Counsel Approval:** N/A

**CEQA Compliance:** N/A

**Subject:** Bighorn-Desert View Water Agency Fiscal Indicators as Prepared by Local Agency Formation Commission

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**SUMMARY**

Attached are the Agency's Fiscal Indicators created by the Local Agency Formation Commission (LAFCO) for publication on their website. The purpose of the Fiscal Indicators program is to provide the public a mechanism for comparing the financial stability of governmental entities under the purview of LAFCO. In other words, a member of the public has an "apples-to-apples" fiscal comparison between any two or more entities.

Completed Fiscal Indicator Reports can be found at [www.sbclafco.org/FiscalIndicators.aspx](http://www.sbclafco.org/FiscalIndicators.aspx).

**RECOMMENDATION**

Information only – no action required

**BACKGROUND/ANALYSIS**

In 2014, Local Agency Formation Commission staff (LAFCO) contacted the Agency requesting audited financial statements for the period 2008 – 2012 as part of their effort to create a "fiscal indicators" review for all entities under their purview.

Attached are the seven (7) charts created by LAFCO from the audited financial statements submitted.

Staff's comments on each chart are as follows:

- Change in Assessed Value: This chart speaks for itself and the Agency has virtually no control over assessed values.
- Charges for Services: This chart shows a reasonable and consistent relationship between charges for services and operating expenses.
- Service Obligations: This chart shows a reasonable and consistent relationship between operating revenues and operating expenses.
- Liquidity: This chart demonstrates that the Agency is doing better over time as liquidity is increasing.

- Change in Cash and Cash Equivalents: The chart shows positive progress over time with the large influx of cash in 2010 related to the grants obtained for the Ames/Reche Groundwater Storage and Recovery Program.
- Debt Service: The chart reflects service flexibility by determining total expenses committed to annual debt service. While the Agency debt service remains constant, total expenses have varied through the years which accounts for the fluctuations across the reporting period.
- Pension Payments: The chart reflects the Agency share of pension costs as compared to revenues. The CalPERS employer funded pension share is rather stable. Fluctuations in the percentages are more related to staffing levels, pay scales and total revenues across the reporting period.

**PRIOR RELEVANT BOARD ACTION(S)**

none



## San Bernardino LAFCO Fiscal Indicators

1

### Bighorn-Desert View Water Agency

Report Created: 12/10/2014

The Bighorn-Desert View Water Agency is authorized by LAFCO to provide the following function: water. The agency reports its activities as a set of business-type funds. Other Post-Employment Benefits (OPEB) payments and obligations are not identified in the agency's audits. The agency serves the Johnson Valley, Landers, and Flamingo Heights areas of the Homestead Valley community.

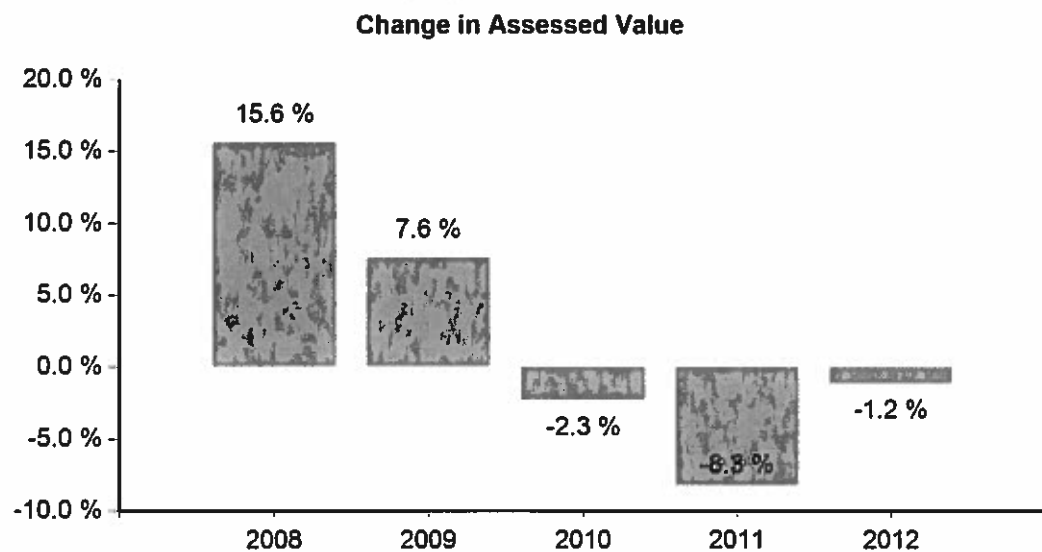
### Change in Assessed Value

#### Description

There is a correlation between assessed property value and the receipt of the general property tax levy.

**Formula:**  
change in tax roll  
value/beginning tax  
roll value

**Source:**  
County Auditor -  
Agency Net  
Valuations



2008	2009	2010	2011	2012
\$21,680,293	\$11,400,049	(\$3,409,488)	(\$11,179,378)	(\$1,542,225)
\$138,549,138	\$149,949,187	\$146,539,699	\$135,360,321	\$133,818,096
15.6%	7.6%	-2.3%	-8.3%	-1.2%

#### Agency Response



## Bighorn-Desert View Water Agency

Report Created:12/10/2014

### Charges for Service (business)

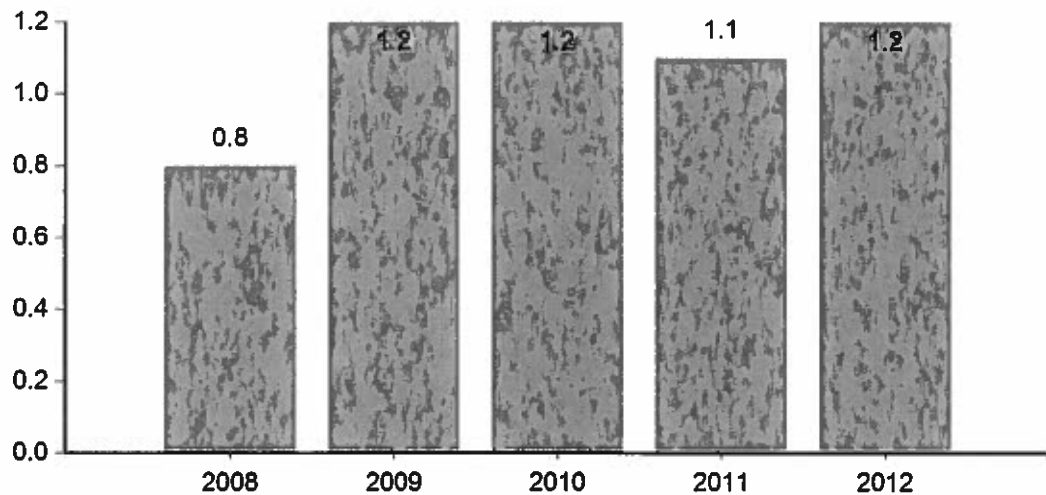
#### Description

Addresses the extent to which charges for service covered total expenses. A ratio of one or higher indicates that the service is self-supporting.

**Formula:**  
charges for  
service/operating  
expenses (minus  
depreciation)

**Source:**  
Statement of  
Activities; Statement  
of Cash Flows

Charges for Service (business)



2008	2009	2010	2011	2012
\$872,121	\$1,030,959	\$1,110,706	\$1,052,661	\$1,061,985
\$1,117,286	\$888,317	\$942,254	\$956,798	\$900,975
0.8	1.2	1.2	1.1	1.2

#### Agency Response



## Bighorn-Desert View Water Agency

Report Created: 12/10/2014

### Service Obligation (governmental)

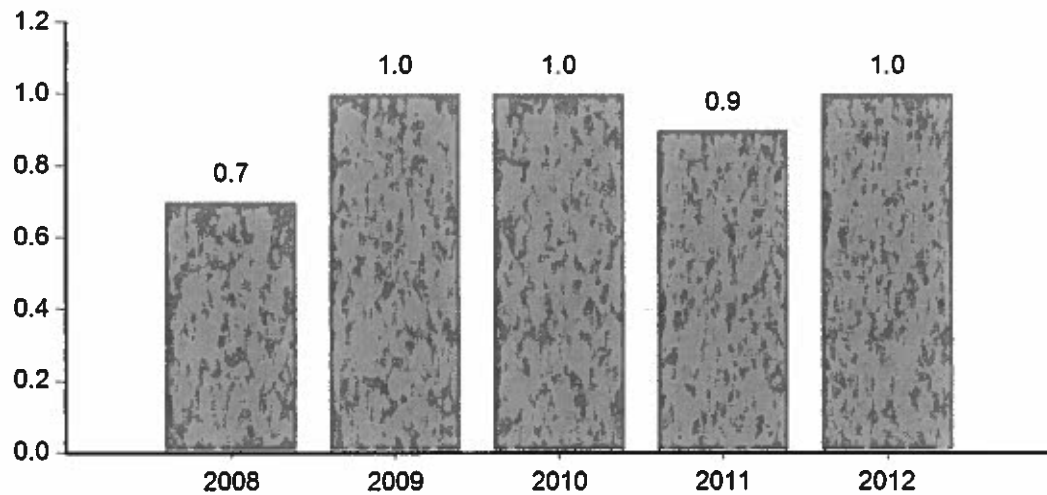
#### Description

Measures whether or not a government's annual revenues were sufficient to pay for annual operations. A ratio of one or higher indicates that a government lived within its annual revenues.

**Formula:**  
operating  
revenue/operating  
expenditures

**Source:**  
Statement of  
Revenues,  
Expenditures and  
Changes in Fund  
Balance

Service Obligation (governmental)



2008	2009	2010	2011	2012
\$901,719	\$1,066,200	\$1,144,587	\$1,102,914	\$1,102,119
\$1,337,090	\$1,107,924	\$1,172,020	\$1,196,140	\$1,149,305
0.7	1.0	1.0	0.9	1.0

#### Agency Response





## Bighorn-Desert View Water Agency

Report Created: 12/10/2014

### Liquidity

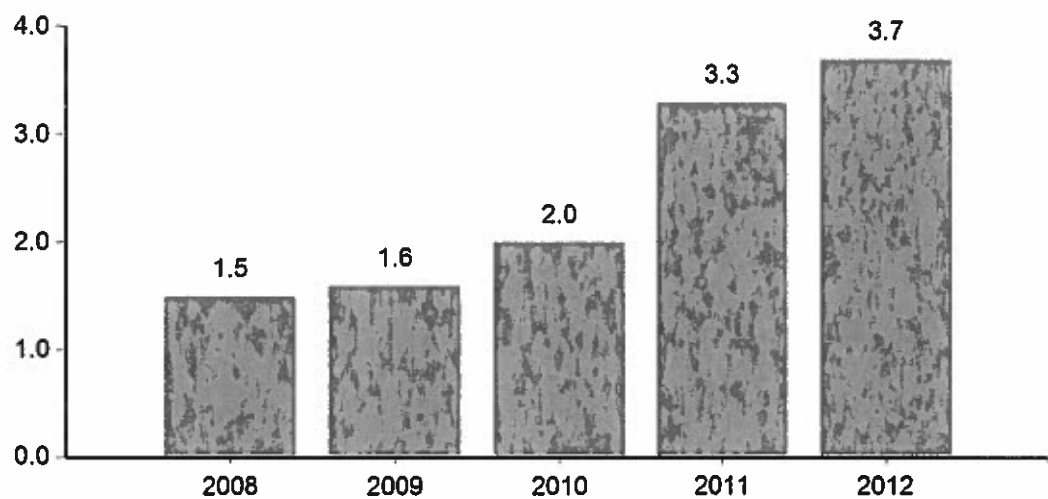
#### Description

Measures a government's ability to meet its short-term obligations. A high ratio suggests a government is able to meet its short-term obligations.

**Formula:**  
cash & investments  
(does not include  
fiscal agents,  
restricted, or  
fiduciary)/current  
liabilities

**Source:**  
Statement of Net  
Assets

Liquidity



2008	2009	2010	2011	2012
\$458,166	\$389,496	\$704,401	\$762,219	\$882,481
\$310,710	\$248,593	\$347,420	\$227,942	\$236,175
1.5	1.6	2.0	3.3	3.7

#### Agency Response



## Bighorn-Desert View Water Agency

Report Created:12/10/2014

### Change in Cash and Cash Equivalents (business)

#### Description

Cash and cash equivalents are the most liquid assets of an agency's assets and can be readily converted into cash. A positive percent change indicates that a government's cash position has improved.

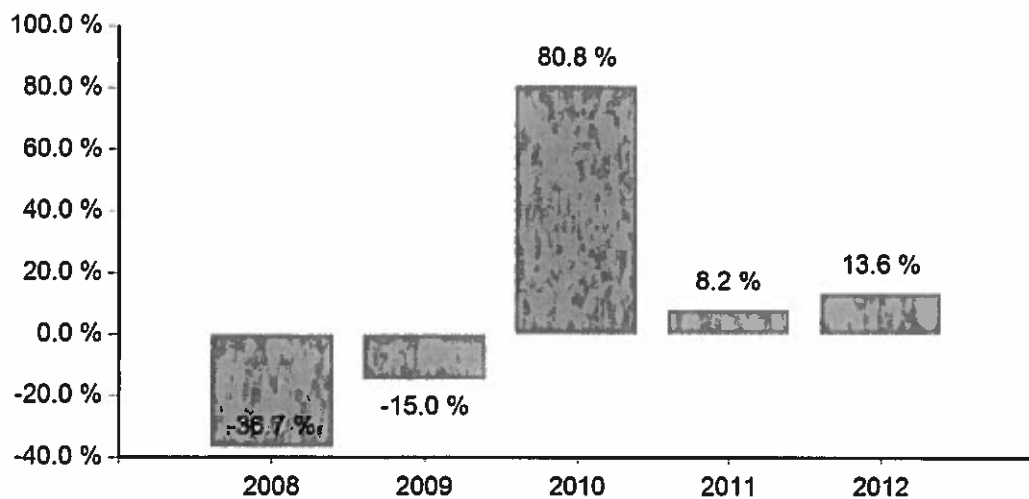
#### Formula:

$$\frac{\text{change in cash \& cash equivalents}}{\text{begin cash \& cash equivalents}}$$

#### Source:

Statement of Cash Flows

Change in Cash and Cash Equivalents (business)



2008	2009	2010	2011	2012
(\$265,902)	(\$68,670)	\$314,905	\$57,818	\$120,262
\$724,068	\$458,166	\$389,496	\$704,401	\$882,481
-36.7%	-15.0%	80.8%	8.2%	13.6%

#### Agency Response



## Bighorn-Desert View Water Agency

Report Created:12/10/2014

### Debt Service (business)

#### Description

Looks at service flexibility by determining the amount of total expenses committed to annual debt service. Service flexibility decreases as more resources are committed to annual debt service.

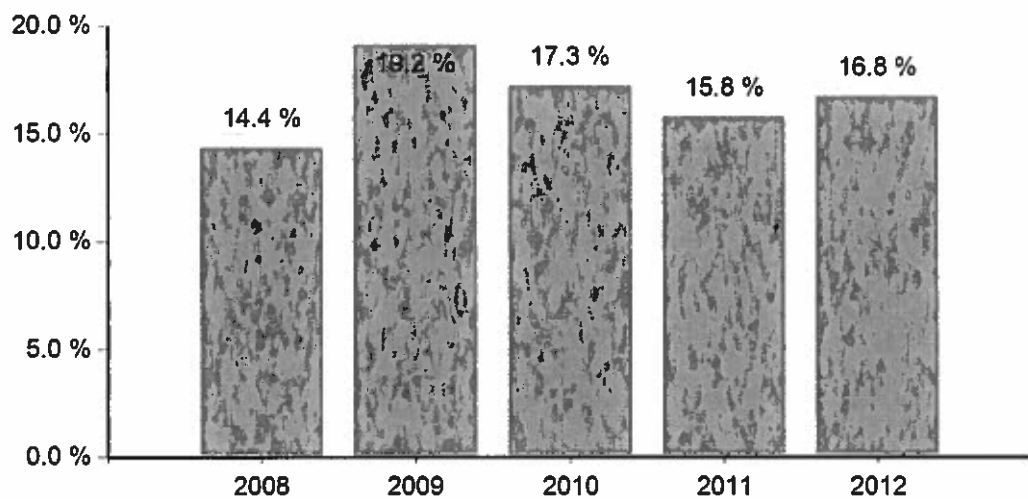
#### Formula:

debt  
service/operating  
expenses (minus  
depreciation)

#### Source:

Statement of Cash  
Flows; Statement of  
Activities

Debt Service (business)



2008	2009	2010	2011	2012
\$161,036	\$170,273	\$162,786	\$151,545	\$151,369
\$1,117,286	\$888,317	\$942,254	\$956,798	\$900,975
14.4%	19.2%	17.3%	15.8%	16.8%

#### Agency Response



## Bighorn-Desert View Water Agency

Report Created:12/10/2014

### Pension Payments

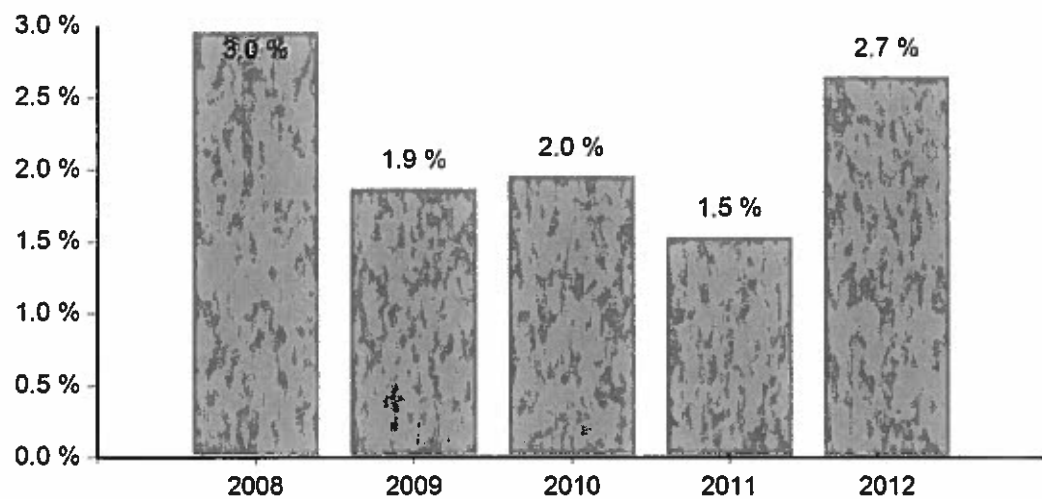
#### Description

This indicator depicts the relationship between the pension payments as a percentage of an agency's revenues.

**Formula:**  
annual pension  
cost/operating  
revenue

**Source:**  
Notes; Statement of  
Revenues,  
Expenditures and  
Changes in Fund  
Balance

Pension Payments



2008	2009	2010	2011	2012
\$36,095	\$34,185	\$32,677	\$27,995	\$38,520
\$901,719	\$1,066,200	\$1,144,587	\$1,102,914	\$1,102,119
3.0%	1.9%	2.0%	1.5%	2.7%

#### Agency Response

## AGENDA ITEM # 8



**DRAFT FISCAL YEAR**

**2015/16 BUDGET**

**For the Combined Entities**

**BIGHORN-DESERT VIEW WATER AGENCY  
and  
CSA 70/Zone W-1 (Goat Mountain)**

FISCAL YEAR 2015/16  
DRAFT

SUMMARY									
	BDVWA Totals	W-1 Totals	Current FY Combined Base Projection	FY 2015/16 original projection	FY 2016/17 Future Est	FY 2017/18 Future Est	FY 2018/19 Future Est	FY 2019/20 Future Est	
<b>TOTAL REVENUE</b>	\$1,323,166	\$542,550	\$1,865,716	\$1,865,716	\$1,940,376	\$1,975,943	\$2,012,441	\$1,780,998	
<b>OPERATING REVENUE</b>	\$995,791	\$352,550	\$1,348,341	\$1,348,341	\$1,421,745	\$1,456,042	\$1,491,259	\$1,527,421	
ADMINISTRATION EXPENSE	\$623,175	92,864	\$649,285	\$737,443	\$750,735	\$779,072	\$796,434	\$825,105	
OPERATION EXPENSE	\$432,773	198,370	\$631,143	\$633,691	\$657,722	\$682,698	\$708,656	\$735,638	
NET Operating Revenue Projection	-\$60,158	61,316	\$67,912	-\$22,794	\$13,288	-\$5,727	-\$13,832	-\$33,322	
<b>NON-OPERATING REVENUE</b>	\$327,375	\$190,000	\$517,375	\$517,375	\$518,632	\$519,901	\$521,182	\$253,577	
DEBT EXPENSE BDVWA	\$223,200		\$223,200	\$220,972	\$221,822	\$220,372	\$221,622	\$35,149	
DEBT EXPENSE W-1		101,887	\$101,887	\$101,887	\$101,887	\$101,887	\$101,887	\$0	
NET Non-Operating Revenue Projection	\$104,175	\$88,113	\$192,288	\$194,516	\$194,923	\$197,642	\$197,673	\$218,428	
<b>ANNUAL PROJECTED NET REVENUE</b>	\$44,017	\$149,429	\$260,200	\$171,722	\$208,210	\$191,914	\$183,841	\$185,106	
Total Operating and Non-Operating Revenue	\$1,323,166	542,550	\$1,865,716	\$1,865,716	\$1,940,376	\$1,975,943	\$2,012,441	\$1,780,998	
Percentage Net Revenue after Expenses			13.9%	9.2%	10.7%	9.7%	9.1%	10.4%	

FISCAL YEAR 2015/16  
DRAFT

REVENUE SUMMARY									
Description	BDVWA Amount	W-1 Amount	Combined Base Projection	FY 2015/16 original projection	FY 2016/17 Future Est	FY 2017/18 Future Est	FY 2018/19 Future Est	FY 2019/20 Future Est	
<b>OPERATING REVENUE</b>									
Metered Water Sales	\$387,741	\$149,320	\$537,061	\$537,061	\$554,784	\$573,092	\$592,004	\$611,540	
Basic Service Charge	\$567,600	\$191,730	\$759,330	\$759,330	\$774,517	\$790,007	\$805,807	\$821,923	
Other Operating Income	\$37,950	\$11,500	\$49,450	\$49,450	\$49,945	\$50,444	\$50,948	\$51,458	
Interest Income Unrestricted	\$2,500	\$0	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	
Water Sales from Ames	-	-	-	-	40,000	40,000	40,000	40,000	
Grants and Funding Partners		-							
<b>Subtotal</b>	\$995,791	\$ 352,550	\$1,348,341	\$1,348,341	\$1,421,745	\$1,456,042	\$1,491,259	\$1,527,421	
<b>NON-OPERATING REVENUE</b>									
Stand-By Income W-1	0	\$74,000	\$74,000	\$74,000	\$74,000	\$74,000	\$74,000	\$74,000	
Debt Service BDVWA ID "1"	\$175,900		\$175,900	\$175,900	\$175,900	\$175,900	\$175,900	\$0	
Debt Service DV	\$48,825		\$48,825	\$48,825	\$48,825	\$48,825	\$48,825	\$48,825	
Debt Service W-1		\$93,000	\$93,000	\$93,000	\$93,000	\$93,000	\$93,000	\$0	
General Tax Income (portion of 1%)	\$102,650	\$23,000	\$125,650	\$125,650	\$126,907	\$128,176	\$129,457	\$130,752	
<b>Subtotal</b>	\$327,375	\$190,000	\$517,375	\$517,375	\$518,632	\$519,901	\$521,182	\$253,577	
<b>Total Revenue</b>	\$1,323,166	\$542,550	\$1,865,716	\$1,865,716	\$1,940,376	\$1,975,943	\$2,012,441	\$1,780,998	



FISCAL YEAR 2015/16  
DRAFT

ADMINISTRATIVE DEPARTMENT EXPENSE										
GL Account	Description	BDVWA Amount	FY2015/16		FY 2015/16 original projection	FY 2016/17 Future Est	FY 2017/18 Future Est	FY 2018/19 Future Est	FY 2019/20 Future Est	
			W-1 Amount	Combined Base Projection						
56001	Directors Fees	\$31,200	\$0	\$31,200	\$35,947	\$37,025	\$38,136	\$39,280	\$40,459	
56002	01 Director 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
56002	02 Director 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
56002	04 Director 3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
56002	05 Director 4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
56002	06 Director 5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
56003	Administrative Compensation	\$277,530	\$0	\$277,530	\$268,146	\$271,600	\$279,461	\$286,140	\$293,153	
56006	Contractual Services- Auditor	\$30,000	\$0	\$30,000	\$40,051	\$41,252	\$42,490	\$43,764	\$45,077	
56007	Contractual Services- Legal	\$15,000	\$0	\$15,000	\$20,600	\$21,218	\$21,855	\$22,510	\$23,185	
56008	PERS	\$60,115	\$13,680	\$73,795	\$61,244	\$63,081	\$64,974	\$66,923	\$68,930	
56009	Payroll Tax	\$11,335	\$2,205	\$13,540	\$15,088	\$15,541	\$16,007	\$16,488	\$16,982	
56011	Telephone & Fax	\$6,000	\$0	\$6,000	\$6,180	\$6,365	\$6,556	\$6,753	\$6,956	
56012	Mailing Expenses	\$450	\$0	\$450	\$1,468	\$1,512	\$1,557	\$1,604	\$1,652	
56014	Contractual Services- Other	\$31,600	\$3,500	\$35,100	\$41,475	\$43,549	\$45,726	\$48,012	\$50,413	
56016	Property/Liability Insurance	\$26,500	\$8,000	\$34,500	\$31,825	\$32,780	\$33,763	\$34,776	\$35,819	
56017	Workers Comp. Insurance	\$7,655	\$3,000	\$10,655	\$10,975	\$11,304	\$11,643	\$11,992	\$12,352	
56018	Dues & Subscriptions	\$10,600	\$2,800	\$13,400	\$13,880	\$14,297	\$14,726	\$15,167	\$15,622	
56020	Power- Office & Yards	\$4,500	\$1,500	\$6,000	\$7,858	\$8,173	\$8,499	\$8,839	\$9,193	
56022	Bad Debt Expense	\$1,000	\$500	\$1,500	\$1,388	\$1,430	\$1,473	\$1,517	\$1,563	
56025	Propane	\$1,000	\$0	\$1,000	\$1,854	\$1,910	\$1,967	\$2,026	\$2,087	
56030	Office Supplies	\$6,500	\$500	\$7,000	\$7,416	\$7,638	\$7,868	\$8,104	\$8,347	
56100	Employee Benefits Insurance	\$112,000	\$44,000	\$156,000	\$150,123	\$154,626	\$159,265	\$164,043	\$168,964	
56110	Employee Education	\$3,000	\$0	\$3,000	\$4,063	\$4,185	\$4,311	\$4,440	\$4,573	
56200	Office Equipment Expense	\$3,300	\$0	\$3,300	\$3,399	\$3,501	\$3,606	\$3,714	\$3,826	
56300	Customer Relations	\$5,000	\$1,500	\$6,500	\$7,404	\$7,626	\$7,855	\$8,090	\$8,333	
56400	Other Administrative Expenses	\$2,000	\$750	\$2,750	\$2,060	\$2,122	\$2,185	\$2,251	\$2,319	
58100	Elections Costs	\$3,000	\$1,000	\$4,000	\$5,000	\$0	\$5,150	\$0	\$5,300	
	<b>Total Administrative Expense</b>	<b>\$649,285</b>	<b>\$82,935</b>	<b>\$732,220</b>	<b>\$737,443</b>	<b>\$750,735</b>	<b>\$779,072</b>	<b>\$796,434</b>	<b>\$825,105</b>	

WATER DISTRIBUTION EXPENSE										
GL Account	Description	BDVWA Amount	FY2015/16		FY 2015/16 original projection	FY 2016/17 Future Est	FY 2017/18 Future Est	FY 2018/19 Future Est	FY 2019/20 Future Est	FY 2019/20 Future Est
			W-1 Amount	Combined Base Projection						
54102	Operations Staff Compensation	172,278	95,313	\$267,591	\$273,672	\$284,619	\$296,004	\$307,844	\$320,158	
54103	Uniforms	2,525	757	\$3,282	\$3,509	\$3,614	\$3,723	\$3,835	\$3,950	
54105	Auto Controls	720	-	\$720	\$3,521	\$3,626	\$3,735	\$3,847	\$3,962	
54106	Vehicle/Tractor/Equip Expense	9,000	2,700	\$11,700	\$12,551	\$12,927	\$13,315	\$13,714	\$14,126	
54107	Vehicle Expense- Fuel	21,000	6,300	\$27,300	\$28,509	\$29,365	\$30,246	\$31,153	\$32,088	
54109	Field Materials and Supplies	25,000	12,500	\$37,500	\$38,625	\$39,784	\$40,977	\$42,207	\$43,473	
54111	Water Testing	6,300	1,700	\$8,000	\$8,387	\$8,807	\$9,247	\$9,709	\$10,195	
54112	Contractual Services- Engineering	40,000	27,500	\$67,500	\$69,525	\$71,611	\$73,759	\$75,972	\$78,251	
54114	Water System Repairs	42,000	20,000	\$62,000	\$41,200	\$42,436	\$43,709	\$45,020	\$46,371	
54115	Building Maintenance/Repair	10,000	1,000	\$11,000	\$14,420	\$14,853	\$15,298	\$15,757	\$16,230	
54119	Communications Expense	2,400	500	\$2,900	\$2,430	\$2,503	\$2,578	\$2,655	\$2,735	
54121	Disinfection Expense	5,000	1,600	\$6,600	\$6,835	\$7,040	\$7,251	\$7,469	\$7,693	
54125	Power- Wells/Booster Pumps	75,000	25,000	\$100,000	\$105,788	\$111,077	\$116,631	\$122,462	\$128,585	
54130	Other Operations Expense	9,050	3,500	\$12,550	\$11,845	\$12,200	\$12,566	\$12,943	\$13,332	
55001	Bulk Pumping Plant Expense	7,500	-	\$7,500	\$7,725	\$7,957	\$8,195	\$8,441	\$8,695	
55002	Bulk Operations and Maintenance	5,000	-	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	
	<b>Total Operations Expense</b>	<b>432,773</b>	<b>198,370</b>	<b>\$631,143</b>	<b>\$633,691</b>	<b>\$657,722</b>	<b>\$682,698</b>	<b>\$708,656</b>	<b>\$735,638</b>	

FISCAL YEAR 2015/16  
DRAFT

DEBT EXPENSE		FY 2015/16 original projection	FY 2016/17 Future Est	FY 2017/18 Future Est	FY 2018/19 Future Est	FY 2019/20 Future Est
GL Account	Description	Current FY Combined Base Projection				
22300	BHM ID 1 Debt Principal*	\$85,000	\$94,000	\$98,000	\$104,000	\$0
57000	BHM ID 1 Debt Interest Payment	\$23,500	\$14,800	\$10,100	\$5,200	\$0
21101	DV Debt Principal	\$31,000	\$34,000	\$35,000	\$37,000	\$34,977
59100	DV Debt Interest Payment	\$10,400	\$5,722	\$3,972	\$2,122	\$172
57350	MWA Pipeline Debt	\$73,300	\$73,300	\$73,300	\$73,300	\$0
	<b>BDVWA Total Debt Expense</b>	<b>\$223,200</b>	<b>\$221,822</b>	<b>\$220,372</b>	<b>\$221,622</b>	<b>\$35,149</b>
	W1 Debt Principal + Interest **	\$93,750	\$93,750	\$93,750	\$93,750	\$0
	MWA Pipeline Debt	\$8,137	\$8,137	\$8,137	\$8,137	\$0
	<b>W-1 Total Debt Expense</b>	<b>\$101,887</b>	<b>\$101,887</b>	<b>\$101,887</b>	<b>\$101,887</b>	<b>\$0</b>
	<b>TOTAL</b>	<b>\$325,087</b>	<b>\$323,709</b>	<b>\$322,259</b>	<b>\$323,509</b>	<b>\$35,149</b>

\* Debt service payment for BDVWA from Debt Service schedules

\*\* Debt Service Payments for SDD can't be confirmed from SDD audits, used P+I for duration of debt service

## AGENDA ITEM # 9

**BIGHORN DESERT VIEW WATER AGENCY STANDING COMMITTEE  
FINANCE/PUBLIC RELATIONS/EDUCATION/PERSONNEL  
AGENDA ITEM SUBMITTAL**

**Meeting Date:** March 18, 2015

**To:** Financial/PR/Education/Personnel Comm.  
Board of Directors

**Budgeted:** N/A  
**Budgeted Amount:** N/A  
**Cost:** N/A

**From:** Marina D. West

**General Counsel Approval:** N/A  
**CEQA Compliance:** N/A

**Subject:** Proposed Employee Funded Post-Retirement Health Insurance Program

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**SUMMARY**

Staff is seeking the Committee's input on an offer to allow retiring employees to continue their health care insurance coverage at no cost to the Agency.

**RECOMMENDATION**

Staff is seeking direction from the FPREP Committee on how to proceed.

**BACKGROUND/ANALYSIS**

In 2009 the Agency changed its medical insurance provider from Association of California Water Agencies (ACWA) to Special Districts Risk Management Authority (SDRMA).

While monitoring the Agendas of other water agencies, staff discovered that our SDRMA health insurance plan may allow employees access to their health insurance plan following retirement. Apparently, this option is not available through ACWA and it was not brought to our attention in 2009 when we executed the plan documents.

Staff is seeking input from the Committee as to whether or not this program should be offered to employees. If this program is made available to retiring employees then they would have some assurances regarding premiums and would be able to take advantage of the larger participant pool at SDRMA with potentially a lower premium than could be obtained elsewhere in the health insurance market. Following age 65 the plan coverage would be coordinated with Medicare.

For the Committees consideration is a program with the following guidelines:

- The retired employee must pay 100% of the costs of the insurance (no liability for the Agency).
  - Since the plan requires the Agency to pay the invoices, retired employee must pay premiums two (2) months in advance to insure that if payment is not received in time the plan can be canceled to minimize Agency liability. For clarification, the Agency currently pays medical premiums in advance.
-

- Employee must have been with the Agency at least 10 years.
- Retirement age must be at least 55 years old.

If the Committee recommends the program be offered then staff would pursue approval through "underwriting". If "underwriting" approves then Staff would take this program to the full Board for further consideration and possible approval.

**PRIOR RELEVANT BOARD ACTION(S)**

10/27/2009 Motion to shift medical benefit providers from Association of California Water Agencies (ACWA) to SDRMA with a first year savings projection of \$11,000.

## AGENDA ITEM # 10



# ACWAFACTS

JANUARY 2013

ACWA is the largest statewide coalition of public water agencies in the country. A leader on California water issues and a respected voice for its members in both Sacramento and Washington, D.C., ACWA celebrated its centennial anniversary in 2010. For more than a century, the association has been a guiding force in California water policy and continues to help shape the laws and regulations that affect the state's water agencies and their customers.

ACWA's 440 public agency members are responsible for 90% of the water delivered to communities, farms and businesses in California. Together, they play an active role in managing the state's water resources and promoting investments in safe drinking water, water use efficiency, water recycling, above- and below-ground water storage and other strategies to meet California's water needs.



## A PROUD HISTORY, A CLEAR MISSION

ACWA was formed in 1910 when five irrigation districts came together to address common needs. First known as the Irrigation Districts Association (IDA), members voted in 1973 to rename the group the Association of California Water Agencies to better reflect its changing role in California. Today, ACWA's mission is to assist its members in promoting the development, improvement



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## DIVERSE MEMBERSHIP, ACTIVE LEADERS

ACWA's public agency members are special districts created to perform specific functions. Providing services ranging from water treatment and delivery to flood control to groundwater management to watershed protection, ACWA member agencies carry out highly specialized functions to protect public health, enhance local economies and maintain a high quality of life. ACWA members are locally funded through water rates and include irrigation districts, municipal water districts, county water agencies, community service districts, wholesalers and retailers, to name a few.

With state and federal budgets facing severe constraints, ACWA member agencies are playing an increasingly vital role in planning, building and maintaining the water projects and systems needed for their communities and regions. Over the past two decades local agencies have developed an estimated 2.4 million acre-feet of water through investments in recycling, conjunctive use of groundwater and surface water, conservation and desalination of brackish water.

Since California is a semi-arid state prone to weather extremes like droughts and flooding, ACWA member agencies have led the way in conservation and water recycling efforts to make the most of our limited resources. Many have built water recycling plants and implemented rate systems that reward conservation and discourage waste. They are also bringing new technologies on line to make drinking water even safer.

While the majority of ACWA's members are public water agencies, the association also includes a number of non-public organizations that promote or support ACWA member agencies through the products or services they provide. Known as "Friends of ACWA," these organizations are mutual water companies, private agencies, corporations, and other associations that support the activities of ACWA's public agency members.



## ADVANCING A SUSTAINABLE FUTURE

ACWA and its members support comprehensive solutions to California's water problems. In recent years, the association has worked to focus the statewide policy debate on the need to improve the sustainability of the statewide water system so it can meet the needs of the environment and the economy.

Building upon the association's 2005 landmark water policy document, "No Time to Waste: A Blueprint for California Water," ACWA's Board of Directors has adopted a series of policy principles that embrace environmental and economic sustainability as co-equal priorities for water management in California. They also call for expanded water conservation and identify ways to improve implementation of the Endangered Species Acts.

Most recently, ACWA issued a policy framework that calls on local water agencies throughout the state to implement groundwater management plans and strategies to meet sustainability objectives to protect this vital underground resource in the future.





With its diverse membership and long track record of success, ACWA occupies a unique niche in California water policy. ACWA engages on an array of legislative and regulatory issues to promote a more reliable and sustainable water system.

It also works hard to assist its members as they implement local resource programs and respond to challenges such as climate change. In addition, ACWA undertakes focused policy initiatives aimed at protecting members' pocketbooks, promoting local management of groundwater basins, protecting water rights and promoting regulatory decisions that facilitate member interests.

ACWA is actively working on these priority issues:

- Implementing comprehensive legislation enacted in 2009 to improve water supply reliability and restore the Sacramento-San Joaquin Delta. The historic package of bills includes an \$11.14 billion water bond for the November 2012 ballot to help fund Delta restoration, local water resources development and new surface and groundwater storage.
- Advancing Delta solutions that improve the sustainability of our water system and help meet the co-equal goals of water supply reliability and ecosystem health.
- Promoting investments in local resource development programs such as water use efficiency, water recycling, groundwater storage and management, and technologies such as desalination.
- Protecting member agencies' funding sources.
- Educating the public on the value of water and the need for investments in our water infrastructure system.
- Providing leadership on federal water issues and regulations.





## VALUABLE PROGRAMS AND SERVICES

ACWA gets results for members on the issues that matter most and provides specialized services to meet their needs.

- **State Legislation** – ACWA advocates on behalf of its members on an array of issues, tracking and acting on hundreds of bills each year.
- **Federal Affairs** – Through its Washington, D.C., office, ACWA monitors and weighs in on federal legislation that affects California water. It also represents its members before the Administration and federal agencies and coordinates on policy with other Western states.
- **Regulatory Affairs** – ACWA provides input to state and federal agencies, and helps facilitate decisions that are consistent with members' interests.
- **Communications and Outreach** – ACWA's award-winning communications and outreach efforts support and advance the association's legislative, regulatory, and policy agenda, and reach key audiences such as the Legislature, the media and the public through a variety of tools.
- **Meetings and Membership** – The association plans and executes two major annual conferences for the water community, arranges numerous topic-specific workshops each year, and offers other professional development programs to meet member needs.
- **Preferred Provider Program** – Through the ACWA Preferred Provider Program, ACWA members have access to a variety of value-added programs and services, from discounts on solar panels to grant writing.
- **Benefits and Insurance** – ACWA members have access to a number of benefit programs, including health, dental, vision, life, and long-term disability, as well as property, liability and workers' compensation coverage through the ACWA Joint Powers Insurance Authority.

## STATEWIDE VOICE & GOVERNANCE

ACWA's regional structure is designed to engage members at the local level and provide geographic balance on the association's Board of Directors. ACWA's 10 regions also help facilitate local outreach to advance legislative and regulatory priorities, and provide a forum to educate members on issues of local and statewide concern.

The chair and vice chair of each region serve on the statewide ACWA Board of Directors. In addition, the chairs of ACWA's 13 committees also provide statewide representation on the board. From Communications to Water Quality to Local Government to Legal Affairs, ACWA's committees provide key technical and policy input and bring together expertise and perspectives from across the state.



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[www.acwa.com](http://www.acwa.com)

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### **Washington, D.C.**

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Washington, D.C. 20001  
202.434.4760 fax 202.434.4763





## Advancing Statewide Solutions, Serving ACWA Members

With California locked in drought and public concern about water at an all-time high, 2014 is a pivotal year for water — and for ACWA. From leadership to advocacy to information and sterling member service, ACWA is out of the gate with key initiatives to advance solutions and assist members in 2014.

Here is a look at core objectives and priorities identified by ACWA's Board of Directors.

### Leadership

ACWA will serve as the driving force in advancing comprehensive solutions that improve water supply reliability for all regions of the state.

- **Statewide Water Action Plan:** Provide leadership to advance key elements of ACWA's Statewide Water Action Plan, including water storage, water transfers and integrated regional water management, and work with the Brown Administration to ensure statewide water actions are consistent with ACWA's plan
- **Water Bond:** Lead effort to craft and build support for a 2014 water bond and carry out education and research through Clean Water and Jobs for California to maximize success
- **Groundwater Management:** Advance legislative and administrative changes to improve groundwater sustainability in basins throughout California
- **Headwaters:** Finalize a Headwaters Framework and advance recommendations to improve management of California's headwaters

- **Drought Response:** Identify and advance actions to combat drought impacts and get water to the state's economy in 2015; lead high-level interagency group to coordinate messaging, organize events and produce tools to communicate impacts and local response actions.

### Advocacy and Public Policy

ACWA will be an effective voice on legislative and regulatory issues in Sacramento and Washington, D.C.

- **Chromium-6 Maximum Contaminant Level (MCL):** Advocate for a reasonable compliance framework for nation's first drinking water standard for chromium-6
- **Water/Energy Nexus:** Support opportunities for members to secure financial incentives
- **Drinking Water:** Engage proactively in the transfer of the state's drinking water program to the State Water Resources Control Board and promote solutions for disadvantaged communities that lack safe drinking water
- **Federal Endangered Species Act (ESA):** Engage in ESA implementation and reform





## External Affairs and Information

ACWA will serve as the pre-eminent voice for the California water industry, enhancing ACWA's image and brand while providing outreach and communications support to its members and establishing coalitions to coordinate efforts.

- **Communications Products and Programs:** Produce top-notch print and electronic communication vehicles to inform members and carry out programs to educate key audiences



- **Save Our Water:** Lead Save Our Water partnership with California Department of Water Resources to educate Californians on the need to reduce water use



- **Value of Water:** Research and provide new resources and tools for ACWA members to use at the local level



- **Grassroots Outreach:** Carry out effective grassroots program to help members engage on targeted issues

## Member Services Development & Education

ACWA will continue to be the premier membership organization for California's public water agencies.

**Member Retention:** Continue to strengthen relationships with members and promote their active participation in ACWA activities

**Education and Events:** Facilitate multiple conferences, events and webinars to address current industry trends, policy and operational issues; provide technical instruction programs for continuing education credits and continue to work with Region Boards to host meetings, programs and tours

## Organizational Governance & Stewardship

ACWA will maintain an effective governance and internal structure, while ensuring the long-term financial stability of the Association.

- **Efficiencies:** Ensure the Association is operated in a cost-effective manner and continue to identify savings and efficiencies wherever possible
- **Business Development:** Support existing non-dues revenue programs and identify new opportunities through ACWA's Preferred Provider program and other avenues



## AGENDA ITEM # 11

## Bighorn-Desert View Water Agency

### Board of Directors

Judy Corl-Lorono, President  
J. Dennis Staley, Vice President  
Terry Burkhart, Secretary  
Michael McBride, Director  
J. Larry Coulombe, Director



Agency Office  
622 S. Jemez Trail  
Yucca Valley, CA 92284-1440

760/364-2315 Phone  
760/364-3412 Fax

Marina D West, P.G., General Manager

A Public Agency

[www.bdvwa.org](http://www.bdvwa.org)

## Finance/Public Relations/Education and Personnel Committee Special Meeting Report

Board Meeting Office  
1720 N. Cherokee Trail, Landers, CA 92285  
Wednesday, July 16, 2014 - 9:00 a.m.

Committee Members: Michael McBride & Larry Coulombe

### Call to Order

Director McBride called the meeting to order at 9:00 a.m.

### Pledge of Allegiance

Led by General Manager Marina West

### Roll Call

Directors: Director McBride  
Director Coulombe

Staff: Marina West  
Michelle Corbin

### Approval of the Agenda

Director McBride and Director Coulombe approved the agenda as presented.

### Long Term Capital Improvement Plan

General Manager West gave a brief report on the Long Term Capital Improvement Plan. West noted several of the items on this "Long Term Capital Improvement Plan" are also within the Integrated Regional Water Management Plan. The Annexation of W-1 to the agency and the Hazard Mitigation Plan are already in progress and the upgrade to Springbrook Software is currently under review today with the FPREP Committee. West also discussed a recent mainline break. Other items included emergency preparedness, the drought and vehicle replacement.

Public comment:

Anonymous commented on the water meter replacement program and how it pertains to the age of the water system.

#### **Financial Utility Billing Software Upgrade**

General Manager West gave an overview of the current software system the agency uses. West stated the server the currently used is very old and its days are numbered. An upgrade is needed before it quits working altogether.

The "DataStream" company is planning to soon merge with a new software company called SpringBrook.

The owners of DataStream feel SpringBrook is the most compatible system for their customers. Bighorn-Desert View Water Agency must soon decide to continue with DataStream's recommendations or seek out an entirely new software billing company. West has interviewed other water agencies and has determined that moving over to SpringBrook is the better decision.

West also reported on a two day seminar she recently attended on the SpringBrook Company as well as the call interactions between herself and representatives of both DataStream and SpringBrook. Discussions included costs and software needs for the Agency operations.

No public comment.

Adjourned for a Break at 9:17 a.m. - Reconvened from Break at 9:28 a.m.

#### **Update on the Integrated Regional Water Management Plan**

General Manager West reported the 2014 Integrated Regional Water Management Plan (IRWMP) is complete and was recently adopted by the Mojave Water Agency and the Morongo Basin Pipeline Committee. She said the plan will be before the Bighorn-Desert View Water Agency Board of Directors soon for adoption by resolution.

West is serving as the co-chair of the Small Water Systems Subcommittee under the IRWMP. West reviewed standards small water systems must now adhere to. West also discussed how private small water systems will face issues with obtaining "public moneys" to fund improvements for their private water systems.

No public comment.

#### **Update on the Dissolution of CSA 70/W-1 and Annexation to BDVWA**

General Manager West reported the Department Review Committee (DRC) meeting is scheduled for the end of July 2014. West also reviewed the process of dissolution and annexation with the Committee.

No public comment.

#### **Consent Items**

- a. Special FPREP Meeting Report, March 19, 2014

No public comment.



Director Coulombe and Director McBride approved the report.

**Public Comment Period**

No public comment.

**Verbal Reports**

Committee Member Comments/Reports

No Committee Member reports.

**GENERAL MANAGER'S REPORT**

General Manager West reported on the pending audit for 2014.

**Items for Next Agenda - None**

**Adjournment -** Director McBride adjourned the meeting at 9:47 a.m.

Pending Committee Approval