



**CHINO BASIN
DESALTER
AUTHORITY**

Meeting of the Finance Committee of the Board of Directors

February 25, 2021 • 2:00 p.m.

Video conference: Click on link: [Join Zoom Meeting](#)

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Teleconference: Dial-in #: (669) 900 6833 Meeting ID: 819 6293 4481 Passcode: 148345

**FINANCE COMMITTEE OF THE
BOARD OF DIRECTORS**

CHINO BASIN DESALTER AUTHORITY
3550 E. Philadelphia Street, Suite 170, Ontario, CA 91761

**February 25, 2021
2:00 p.m.**

*All documents available for public review are on file with the Authority's
Secretary located at 3550 E. Philadelphia Street, Suite 170, Ontario, CA 91761*

NOTICE AND AGENDA

According to the directives from the California Department of Public Health and Executive Order N-33-20 issued by Governor Gavin Newsom, members of the public are invited to participate via video or teleconference:

Video conference: Click on link: [Join Zoom Meeting](#)

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Teleconference: Dial-in #: [\(669\) 900 6833](#) [Meeting ID: 819 6293 4481](#) [Passcode: 148345](#)

CALL TO ORDER

ROLL CALL

PUBLIC COMMENT

Members of the public may address the Committee on any item that is within the jurisdiction of the Committee; 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 Committee on any matter, whether or not it appears on the agenda, are requested to submit their request to comment to the Executive Assistant no less than one hour prior to the start of the meeting at (909) 218-3230 or ccosta@chinodesalter.org. Comments will be limited to five minutes per speaker.

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.

ACTION ITEMS

Prior to action of the CDA Board, any member of the audience will have the opportunity to address the CDA Board on any item listed on the agenda, including those on any consent calendar. Please submit a comment card to the secretary with the agenda item number noted.

1. MINUTES OF JANUARY 28, 2021 FINANCE COMMITTEE MEETING

2. ADOPTION OF CHINO BASIN DESALTER AUTHORITY'S REVISED RESERVE POLICY
Report By: Thomas O'Neill, CDA General Manager/CEO

It is recommended that the Committee recommend the following action to the full Board at the 3/4/2021 Board Meeting:

1. Approve the Chino Basin Desalter Authority's Reserve Policy as submitted; and
2. Adopt Resolution 2021-03 approving the CDA's Revised Reserve Policy.

3. RECONCILIATION OF THE ALLOCATION OF COSTS FOR FISCAL YEAR 2019/20
Report By: Thomas O'Neill, CDA General Manager/CEO

It is recommended that the Committee recommend the following action to the full Board at the 3/4/2021 Board Meeting:

1. Approve the reconciliation of the allocation of costs for fiscal year 2019/20 per the attached Exhibit A; and
2. Approve the analysis of reserve balance at June 30, 2020 per the attached Exhibit B

INFORMATION ITEMS

4. MONTHLY CREDIT CARD REPORT FOR PERIOD ENDING FEBRUARY 6, 2021
Report by: Jose Garcia, CDA Principal Accountant

COMMITTEE MEMBER COMMENTS

STAFF COMMENTS

- i. CDA General Manager/CEO
- ii. CDA CFO/Treasurer

CLOSED SESSION

The Finance Committee may adjourn to a Closed Session to consider litigation matters, personnel matters, or other matters as provided for in the Ralph M. Brown Act (Section 54950 et seq., of the Government Code).

5. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Title: General Manager

ADJOURN

Any person with a disability who requires accommodations in order to participate in this meeting or for package materials in an alternative format should telephone the Executive Assistant at (909) 218-3730, at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation. Copies of records provided to Board Members which relate to any agenda item to be discussed in open session may be obtained from Chino Basin Desalter Authority at 3550 E. Philadelphia Street, Suite 170, Ontario, CA 91761.

Declaration of Posting

I, Casey Costa, Executive Assistant to the Chino Basin Desalter Authority, hereby certify that a copy of this agenda has been posted at the Chino Basin Desalter Authority's main office, 3550 E. Philadelphia Street, Suite 170, Ontario, CA by February 22, 2021 at 2:00 p.m.

Casey Costa, Executive Assistant



Finance Committee Meeting

Agenda Item

No. 1

**MINUTES OF THE FINANCE COMMITTEE OF THE
BOARD OF DIRECTORS**

CHINO BASIN DESALTER AUTHORITY

**JANUARY 28, 2021
2:00 p.m.**

The Meeting of the Finance Committee of the Chino Basin Desalter Authority (CDA) was held via audio/teleconference. The meeting was called to order at 2:00 p.m.

COMMITTEE MEMBERS PRESENT

Ken McLaughlin, Jurupa Community Services District
Peter Rogers, City of Chino Hills
Eunice Ulloa, City of Chino

OTHERS PRESENT

Thomas O'Neill, CDA General Manager/CEO
Jose Garcia, CDA Principal Accountant
Michael Chung, CDA CFO/Treasurer
Casey Costa, CDA Executive Assistant
Dave Crosley, City of Chino
Steven Popelar, Jurupa Community Services District
Todd Minten, Santa Ana River Water Company
Ben Armel, Santa Ana River Water Company
John Lopez, Santa Ana River Water Company
Rod LeMond, Western Municipal Water District
Cindy Miller, Hazen & Sawyer

PUBLIC COMMENT

There was no public comment.

ADDITIONS TO THE AGENDA

There were no additions to the agenda.

ACTION ITEMS

1. MINUTES OF DECEMBER 17, 2020 FINANCE COMMITTEE MEETING

It was moved by Director Rogers/City of Chino Hills and seconded by Director McLaughlin/Jurupa Community Services District to approve Action Item 1. Director Ulloa/City of Chino was not present.

2. AMENDMENT 2 TO ACCO ENGINEERED SYSTEMS, INC. MAINTENANCE SERVICES AGREEMENT FOR HVAC PREVENTIVE MAINTENANCE AND REPAIR SERVICES

It is recommended that the Committee recommend the following action to the full Board at the 2/4/2021 Board Meeting:

1. Approve Amendment 2 to ACCO Engineered Systems, Inc. Maintenance Services Agreement for HVAC Preventive Maintenance and Repair Services in the amount of \$100,000.
2. Authorize the General Manager/CEO to finalize and execute the amendment with a not-to-exceed total of \$200,000.

General Manager O'Neill reviewed the recommendation to approve Amendment 2 the Maintenance Services Agreement with ACCO Engineered Systems, Inc. He reported that CDA advertised a Request for Proposal for HVAC Preventative Maintenance Services for 59 units at Chino I and Chino II facilities. Six proposals were received, with ACCO Engineered Systems, Inc. being the lowest responsive and responsible bidder, CDA entered into a Maintenance Service Agreement for regularly scheduled preventive maintenance services in the amount of \$3,425 per month for all units. An amendment to the agreement was subsequently issued to include repair services for a not-to-exceed total of \$100,000. Expenditures for maintenance and repairs at Chino I and Chino II facilities are \$99,000 to date. Monthly Preventive Maintenance for the remainder of the contract term amounts to \$20,000 and staff is requesting \$80,000 for potential system repair services. The not-to-exceed total of the agreement would be \$200,000.

Motion: It was moved by Director Rogers/City of Chino Hills and seconded by Director McLaughlin/Jurupa Community Services District to approve Action Item 2. Director Ulloa/City of Chino was not present.

3. SOUTH ARCHIBALD PLUME PROJECT: AMENDMENT NO. 3 TO VALI COOPER/TRC'S AGREEMENT FOR PROGRAM MANAGEMENT SERVICES

It is recommended that the Committee recommend the following action to the full Board at the 2/4/2021 Board Meeting:

1. Approve an amendment to the professional services agreement with Vali Cooper & Associates / TRC for construction management and inspection services in the not-to-exceed amount of \$492,823.39; and
2. Authorize the General Manager/CEO to finalize and execute the amendment, with subsequent authorizations up to a not-to-exceed total of \$2,667,242.

Program Manager Miller reviewed the recommendation to approve an amendment to the Professional Services Agreement with Vali Cooper/TRC (TRC) for Construction Management and Inspection Services. She reviewed that In December 2018, CDA entered into an agreement with TRC in the amount of \$1,783,264. In March 2020, CDA Board approved Amendment No. 1 in the amount of \$217,143.38 for additional CM and inspection services for the Remington Pipeline and added utilities in the Public Utilities Easement. In November 2020, the General Manager/CEO authorized Amendment No. 2 in the amount of

\$47,000 for additional soils testing budget under his authorization limit, bringing TRC's revised contract total to date is \$2,047,407.38.

Amendment 3 will provide for continued CM and Inspection services required through project closeout. The original budget, based on the best schedule information available two years ago, estimated a construction completion date of February 2021 and project closeout completion of March 31, 2021. Since that time, construction schedule start dates and durations have changed, with a revised completion date of June 2021 and project closeout at the end of July 2021. Additionally, overlap of construction contracts were decreased, resulting in reduced opportunity for resource efficiencies assumed in TRC's original scope and budget. There were no questions or comments.

Motion: It was moved by Director Rogers/City of Chino Hills and seconded by Director McLaughlin/Jurupa Community Services District to approve Action Item 3. Director Ulloa/City of Chino was not present.

4. SOUTH ARCHIBALD PLUME PROJECT: APPROVAL OF RESOLUTION NO. 2021-02 FOR PROP 68 GROUNDWATER OPERATIONS AND MAINTENANCE GRANT

It is recommended that the Committee recommend the following action to the full Board at the 2/4/2021 Board Meeting:

1. Adopt Resolution No. 2021-02, authorizing the CDA to enter into an Operations and Maintenance Grant Agreement with the State Water Resources Control Board (SWRCB) as a co-signer with the Inland Empire Utilities Agency (IEUA) to support the Chino Basin Improvement and Groundwater Clean-up Operations and Maintenance Project (Project) and authorizing the CDA General Manager/CEO to execute the agreement.

General Manager O'Neill reviewed the recommendation to adopt Resolution No. 2021-02, which will authorize the CDA to enter into a Grant Agreement with SWRCB as a cosigner with IEUA. In January 2020, IEUA submitted a grant application for Proposition 68 Groundwater Treatment and Remediation Grant Program, in the amount of \$1,000,096. These grant funds will help cover costs associated with the South Archibald Plume Project operations and maintenance, including power costs, chemicals, and staff time. IEUA will administer all compliance requirements of the grant. There were no questions or comments.

Motion: It was moved by Director Rogers/City of Chino Hills and seconded by Director McLaughlin/Jurupa Community Services District to approve Action Item 4. Director Ulloa/City of Chino was not present.

5. APPOINTMENT OF REPRESENTATIVE ON THE ACWA/JPIA BOARD OF DIRECTORS

It is recommended that the Committee recommend the following action to the full Board at the 2/4/2021 Board Meeting:

1. Appoint a Representative on the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA) Board of Directors.

General Manager O'Neill reviewed that this item will be agendaized on the upcoming Board of Directors Meeting agenda. No action was taken.

6. COST OF LIVING ADJUSTMENT – CDA EMPLOYEES

It is recommended that the Committee recommend the following action to the full Board at the 2/4/2021 Board Meeting:

1. Approve a Cost-of-Living Adjustment (COLA) of 2.1% for CDA employees, with the exception of the General Manager/CEO, effective Pay Period 1 of 2021.

Treasurer Chung reviewed the recommendation to approve a cost-of-living increase of 2.1% for CDA employees, with the exception of the General Manager/CEO according to previous years' practice of using the November to November increase in the Consumer Price Index for the Urban Wage Earners in the San Bernardino-Riverside area. There were no questions or comments.

Motion: It was moved by Director Rogers/City of Chino Hills and seconded by Director McLaughlin/Jurupa Community Services District to approve Action Item 6. Director Ulloa/City of Chino was not present.

7. CHANGE TO EMPLOYEE BENEFIT PACKAGE FOR CDA EMPLOYEES

It is recommended that the Committee recommend the following action to the full Board at the 2/4/2021 Board Meeting:

1. Approve an increase of \$200 per month in the health insurance contribution for CDA fulltime employees (excluding the General Manager/CEO), effective Pay Period #1 of 2021.

Director Ulloa joined the meeting at this time.

Treasurer Chung reviewed the recommendation to approve and increase of \$200 per month in the health insurance contribution for CDA full time employees. The current allowance for health insurance is \$1,500 per month per employee, and the recommended allowance is \$1,700 per month per employee. The latest premium increase effective January 2021 is 8%.

Motion: It was moved by Director Ulloa/City of Chino and seconded by Director Rogers/City of Chino Hills to approve Action Item 7.

INFORMATION ITEMS

8. MONTHLY CREDIT CARD REPORT FOR PERIODS ENDING JANUARY 6, 2021

Report by: Jose Garcia, CDA Principal Accountant

Principal Accountant Garcia reviewed Information Item 8.

ADJOURN

There being no further business, the meeting was adjourned at 2:39 p.m.



Finance Committee Meeting

Agenda Item

No. 2



SUBJECT: ADOPTION OF CHINO BASIN DESALTER AUTHORITY’S REVISED RESERVE POLICY

RECOMMENDATION:

1. Approve the Chino Basin Desalter Authority’s Reserve Policy; and
2. Adopt Resolution 2021-03 approving the CDA’s Revised Reserve Policy.

BACKGROUND:

The current reserve policy was revised and adopted by the Board on September 6, 2019. According to the policy, staff is to periodically review each reserve item to determine if any modification is necessary.

ISSUES AND ANALYSIS

The purpose of having a reserve is to set aside financial resources for unplanned events. It serves as a contingency fund in case of emergency. The last adopted revised policy reflects a significant change in Operating Contingency Reserve where the Authority revised the calculation from 3 months of total operating revenue to two months. Now that the Authority is on track to produce water at the entitlement level, the adopted FY2020/21 adopted budget reflects a higher total operating revenue, resulting in a higher amount of operating reserve contingency amount.

Based on the adopted budget for FY2020/21, the level of reserves should be modified accordingly. The following table denotes the proposed level of each reserve addressed in the policy. Total Operations & Maintenance revenue per the adopted budget for FY2020/21 is \$26.6m. Therefore, the calculated reserve for this line item would be \$4.43 for two months. The overall summary reveals an increase of \$0.61m to the total reserve amount. This increase would be offset by the overage of reserve of \$.63m at the end of June 30, 2020.

(\$ in millions)

Reserve	Current Level	Proposed Level	Change
Infrastructure Maint/Replacement	\$2.38	\$2.38	\$0
Operating Contingency	\$3.82	\$4.43	\$0.61
Rate Stabilization	\$0	\$0	\$0
Membrane Reserve	\$ 0.41	\$0.41	\$0
Capital Construction	Per Project	Per Project	\$0
Total	\$6.61	\$7.22	\$0.61

Prepared by: Michael Chung, CDA CFO/Treasurer

Page 1 of 2

Board of Directors: Approved Continued Denied

CDA GM/CEO Acknowledgement: _____ **Date:** _____

The proposed revisions have been reviewed by Finance Directors of CDA member agencies, reviewed/approved by the Technical Advisory Committee on February 9, 2021 and the Finance Committee on February 25, 2021.

IMPACT ON BUDGET

There is no impact on current fiscal year's budget.

ATTACHMENTS:

- Resolution 2021-03
- Proposed Reserve Policy

Prepared by: Michael Chung, CDA CFO/Treasurer

Page 2 of 2

Board of Directors: Approved Continued Denied

CDA GM/CEO Acknowledgement: _____ **Date:** _____

RESOLUTION NO. 2021-03

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CHINO BASIN DESALTER AUTHORITY, ESTABLISHING THE ATTACHED RESERVE POLICY

WHEREAS, the Board of Directors of the Chino Basin Desalter Authority is authorized to adopt a reserve policy; and

WHEREAS, the existing policy has been reviewed in order to provide for operational flexibility without sacrificing internal controls or increasing financial risk to the Authority.

NOW, THEREFORE, BE IT RESOLVED, that the CDA Board of Directors, assembled this 4th day of March 2021, does hereby adopt Resolution No. 2021-03, establishing the "Reserve Policy" as set forth in the Attachment.

BE IT FURTHER RESOLVED, that the effective date of this Resolution No. 2021-03 is March 4, 2021.

ADOPTED AND APPROVED this 4th day of March 2021.

Ken McLaughlin, Chairperson
Chino Basin Desalter Authority

ATTEST:

Casey Costa, Secretary

STATE OF CALIFORNIA)
) SS
COUNTY OF SAN BERNARDINO)

I, Casey Costa, Secretary of the Chino Basin Desalter Authority, DO HEREBY CERTIFY that the foregoing Resolution No. 2021-03 was duly adopted by the Board of Directors on the 4th day of March, 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Casey Costa, Secretary



RESERVE POLICY

Unforeseen events, emergencies, accelerated growth, supplemental budget requirements, are among the factors that can result in unplanned expenses. In addition to unplanned activities, the Authority has extensive investments in public infrastructure, operating plants, and other related facilities and equipment that require ongoing repair, maintenance, replacement, refurbishment, and expansion. The Authority must also be prepared for planning and implementation of new facilities if the need arises. The Authority is moving forward with formalizing past practice with establishment of appropriate reserves and associated target levels.

The establishment of the following reserves will prudently position the Authority to address current and future risks, as well as stabilize its rates. The reserves are categorized according to one of the following:

Reserved and Designated Fund Balances:

Reserved fund balance: Reserves that are maintained based on externally-imposed restrictions from federal and state regulatory requirements, or conditions imposed by third parties (e.g., bondholders) through bond indentures or other legal documents.

Designated fund balance: Board imposed restrictions on funds for certain Authority purposes, such as infrastructure replacement or rate stabilization.

Unreserved and Undesignated Fund Balances:

Funds available for spending with no legal, regulatory, or Board imposed restrictions.

For each of the reserves the Authority has identified a purpose, target levels, conditions under which they are to be used, and review dates for determining continued need for the reserve and appropriate levels.

RESERVED AND DESIGNATED FUND BALANCES

Infrastructure Maintenance/Replacement Reserves \$2.38m

Purpose: Maintaining infrastructure at an adequate level and in an acceptable condition requires that funds be continually and readily available to support replacement, refurbishment, and construction. The service provided by the Authority is critically important to the health and welfare of the citizens within the Authority's service area. No service is more basic than meeting the need for clean water. Given the nature of the service, very few options exist, if any, for service reduction levels in the event of revenue shortfalls or other funding deficiencies.

Recognizing these realities, and consistent with best practices, the Authority has prudently established reserves to ensure that ongoing capital infrastructure needs will not be neglected.

Usage Requirements: The reserve will be accessed, as needed, to fund infrastructure replacement requirements based on the Authority's Capital Improvement Program. Replacement is defined as an expense which will extend, as opposed to maintain, an asset's useful life.

Target Balance: When needed, the Infrastructure Capital Maintenance and Replacement costs will be funded annually by CDA membership.

Review Date: The Infrastructure Maintenance/Replacement Reserve will be reviewed and adjusted, if needed, annually as part of the budget process.

Operating Contingency Reserve ~~\$3.82m~~ \$4.43m

Purpose: Unexpected expenditures typically occur in the dynamic environment in which the Authority operates. To accommodate unanticipated expenses, while maintaining reasonable budgetary restraint, a budgetary contingency reserve will be established.

Usage Requirements: This contingency is available to the Board to approve unexpected operating expenses which arise in the course of business during the

final year. It can only be accessed with Board approval and is subject to replenishment during the annual budget approval process. This serves as a guiding budgetary constraint, but does not prohibit the Board from approving capital projects which exceed the available contingency budget.

Target Level: The Contingency Reserve will be set at a level equal to two months of operating revenues of the most recently adopted budget

Review Date: Annually during the budget development and review process.

Membrane and Resin Reserve

\$41m

Purpose: To ensure adequate reserves in case of a complete failure of all trains in a Desalter facility.

Usage Requirements: The reserve is used to ensure periodic membrane replacement to sustain optimum operations of the desalters.

Target Level: The designated amount is set for total replacement of all four trains.

Review Date: The target level will be set and reviewed annually as part of the budget process.

Capital Construction Reserve

Per Project Award

Purpose: This reserve essentially is the encumbrance for all outstanding capital commitments, particularly for major engineering and construction projects.

Usage Requirements: The reserve is depleted as capital projects are completed.

Target Level: The target level will vary from year to year, based on capital project needs as identified in the Authority's Fiscal Budget and annual capital plan.

Review Date: The target level will be set and reviewed annually subsequent to the adoption of the annual budget or as needed based on Board actions.

Funding of Reserve

Funding: Any positive/negative changes of less than \$1.0m of the proposed total reserve will not be distributed/assessed to the members. In case of a need for funding of a deficiency in excess of \$1.0m, it will be incorporated in the next budget cycle.



Finance Committee Meeting

Agenda Item

No. 3



SUBJECT: RECONCILIATION OF THE ALLOCATION OF COSTS FOR FISCAL YEAR 2019/20

RECOMMENDATION:

Staff recommends that the Board:

- 1. Approve the reconciliation of the allocation of costs for fiscal year 2019/20; and
2. Approve the analysis of reserve balance at June 30, 2020

BACKGROUND:

Per the CDA Water Purchase Agreement, the CDA is to perform an annual reconciliation of the following cost components: 1) Fixed Project Costs; 2) Fixed Operations and Maintenance (O&M) Costs; 3) Variable O&M Costs; and 4) Administration Costs. Additionally, an analysis of reserve balance is to be performed.

ISSUES AND ANALYSIS:

The FY2019/20 budget was prepared using the expected delivery of 35,200 acre feet (af) of water among the CDA member agencies. The actual quantity of water delivered was 30,246.8 af.

The combined total audited costs for the fiscal year were \$25,656,793, detailed as follows:

Table with 5 columns: Fixed Project, Fixed O&M, Variable O&M, Administrative, Total. Values: \$7,032,641, \$7,469,496, \$9,901,426, \$1,253,233, \$25,656,793

Total received assessments of \$30,400,780 result in an overpayment of \$4,743,987.

The reserve analysis revealed a surplus of \$629,366 and the members agreed that no action is necessary for this fiscal year.

On June 4, 2020, the CDA Board of Directors authorized short-term financing of the Chino I Desalter GAC Capital Project borrowing \$2.1 million from the CDA's current reserve. The repayment of the reserves is scheduled to occur in FY 2021/22 and FY 2022/23. Since the authorization, the project costs have increased and a total of \$3.1million is needed to complete the project.

Staff presented an additional option to the TAC for funding the Chino I Desalter GAC Project using the reconciliation funds instead of Reserves (see attached). Option 1 would allocate \$3,097,070 of the \$4,743,987 for the Chino I GAC Project and return \$1,646,917 to the members. Option 2 would return \$4,743,987 to the members with the Chino I GAC Project being funded with reserves.

This recommendation will be reviewed by the TAC on February 9, 2021 and the Finance Committee on February 25, 2021. An update will be provided to the Finance Committee on February 25, 2021, on the direction provided by the TAC.

IMPACT ON BUDGET:

The distribution of overage on allocated costs will decrease reserve balance.

Prepared by: Michael Chung, CFO/Treasurer

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Board of Directors: Approved Continued Denied

CDA GM/CEO Acknowledgement: _____ **Date:** _____

	A	B	C	D	E	F	G	H	I	J	L	M	N	O	P	Q	R	U	V	
1	CHINO BASIN DESALTER AUTHORITY																		Exhibit A	
2	Reconciliation of Allocated Costs																			
3	Fiscal Year 2019/20																			
4																				
5							(G)	(H)	(I)	(J)	(L)			(O)	(P)	(Q)	(O) - (Q)			
6							Actual	Administrative	Fixed Project	Fixed Project	Fixed O&M	Variable O&M		Allocation	Total	Amount			Cost/AF	
7							Water	Cost	Cost -	Cost -	Cost	Cost		per	Per Budget	Collected by CDA	Shortage/(over)		b-4 MWD Sub	
8		Entitlement	Entitlement	Budgeted	Allocation	Delivered	%		Debt Service	Capital			Actual Exp							
9		PER WPA	%	Commitment	%															
10																				
11	JCSD	11,733.0	33.332%	11,733.0	33.332%	10,206.9	33.745%	417,728	2,070,762	694,438	2,520,610	3,341,236	9,044,774	10,555,204	10,555,204	(1,510,430)			886	
12																				
13	Chino	5,000.0	14.205%	5,000.0	14.205%	4,340.9	14.352%	178,022	1,262,552	295,947	1,071,992	1,421,053	4,229,565	4,879,188	4,879,192	(649,627)			974	
14																				
15	Ontario	8,533.0	24.241%	8,533.0	24.241%	7,405.3	24.483%	303,796	-	505,037	1,828,751	2,424,166	5,061,750	6,167,035	6,167,036	(1,105,286)			684	
16																				
17	Chino Hills	4,200.0	11.932%	4,200.0	11.932%	3,669.3	12.131%	149,536	1,060,623	248,591	906,140	1,201,142	3,566,031	4,098,545	4,098,548	(532,517)			972	
18																				
19	Santa Ana River Water Co	1,200.0	3.409%	1,200.0	3.409%	1,089.2	3.601%	42,723	302,894	71,023	268,980	356,550	1,042,169	1,170,834	1,170,836	(128,667)			957	
20																				
21	Norco	1,000.0	2.841%	1,000.0	2.841%	896.4	2.964%	35,604	252,411	59,189	221,367	293,478	862,050	975,738	975,736	(113,686)			962	
22																				
23	Western MWD	3,534.0	10.040%	3,534.0	10.040%	2,638.8	8.724%	125,824	-	209,173	651,656	863,801	1,850,454	2,554,228	2,554,228	(703,774)			701	
24	Total	35,200.0	100.000%	35,200.0	100.000%	30,246.8	100.0%	1,253,233	4,949,242	2,083,399	7,469,496	9,901,426	25,656,793	30,400,772	30,400,780	(4,743,987)				
25	Actual Expenses																			
26																				
27																				
28																				
29																				
30																				
31		Entitlement	Entitlement	Allocated					Debt Obligation	Debt Service			Entitlement	Adopted	Allocation					
32		Per WPA	%	Admin Costs					%	2016A Bonds			%	Fixed Proj Cost	Cost					
33	JCSD	11,733	33.332%	417,728				JCSD	41.84%	2,070,762		JCSD	33.332%	694,438	694,438					
34	Chino	5,000	14.205%	178,022				Chino	25.51%	1,262,552		Chino	14.205%	295,947	295,947					
35	Ontario (a)	8,533	24.241%	303,796				Ontario (1)	0.00%	-		Ontario	24.241%	505,037	505,037					
36	Chino Hills	4,200	11.932%	149,536				Chino Hills	21.43%	1,060,623		Chino Hills	11.932%	248,591	248,591					
37	Santa Ana	1,200	3.409%	42,723				Santa Ana	6.12%	302,894		Santa Ana	3.409%	71,023	71,023					
38	Norco	1,000	2.841%	35,604				Norco	5.10%	252,411		Norco	2.841%	59,189	59,189					
39	WMWD	3,534	10.040%	125,825				WMWD	0.00%	-		WMWD	10.040%	209,173	209,173					
40	Total	35,200	100.000%	1,253,233				Total	100.00%	4,949,242		Total	100.000%	2,083,398	2,083,398					
41																				
42																				
43																				
44																				
45																				
46																				
47		Entitlement	Fixed O&M	Allocated																
48		Per WPA	%	Fixed O&M	Expenses															
49	JCSD	10,206.9	33.745%	2,520,610																
50	Chino	4,340.9	14.352%	1,071,992																
51	Ontario	7,405.3	24.483%	1,828,751																
52	Chino Hills	3,669.3	12.131%	906,140																
53	Santa Ana	1,089.2	3.601%	268,980																
54	Norco	896.4	2.964%	221,367																
55	WMWD	2,638.8	8.724%	651,656																
56	Total	30,246.8	100.000%	7,469,496																
57																				
58																				

(2) For consistency purpose, CDA will round the % of allocation to 3 digits after the decimal under entitlement of 35,200 acre feet

<i>Actual expenses per annual financials</i>	
<i>Fixed and Variable O&M</i>	17,370,921
<i>Administration Costs</i>	1,253,233
	<u>18,624,154</u>
<i>Budgeted non-debt related CIPs</i>	
<i>CIP</i>	2,083,398
<i>CIP Special Assessment</i>	-
	<u>2,083,398</u>

	X	Y	Z	AA	AB	AC	AD
28		Chino Basin Desalter Authority				Exhibit B	
29		Analysis of Unrestricted Reserve					
30		FY2019/20					
31		Current Reserve Policy:					
32		Infrastructure		2,380,000			
34		Operating Contingency		3,820,000			
35		Rate Stabilization		-			
36		Membranes/Resin		410,000			
37		Total Required Reserve		<u>6,610,000</u>			
38		Restricted Reserves:					
39		For Capital Projects:					
40		Non-debt related CIPs Commitments		2,722,595			
41		Capital Replacement/Emergency Reserve		250,000			
42				<u>2,972,595</u>			
43							
44							
45							
46							
47		Total Reserve per Audited Financials 6/30/2020		14,955,948			
48		Less: reconciliation costs refund - FY2019/20		(4,743,987)			
49		restricted reserves		<u>(2,972,595)</u>			
50		Adjusted Unrestricted at June 30, 2020		7,239,366			
51		Required Unrestricted Reserve		<u>6,610,000</u>			
52		Unrestricted Reserve Overage		<u><u>629,366</u></u>			
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Option to Finance Chino I GAC Project with FY 2019/20 using Reconciliation Funds

Chino I GAC Project Cost	
Design	\$ 488,070.00
Construction/CM	\$ 3,459,000.00
Total	\$ 3,947,070.00
Existing Funds	\$ (850,000.00)
	<u>\$ 3,097,070.00</u>

		Members Allocation of Project Cost (Option 1)	Amount Return to Members (Option 1)	Amount Returned to Members (Option 2)
Western	10.040%	\$ 310,938.79	\$ 392,835.21	\$ 703,774.00
SARWC	3.409%	\$ 105,581.93	\$ 23,085.07	\$ 128,667.00
Ontario	24.241%	\$ 750,775.52	\$ 354,510.48	\$ 1,105,286.00
Norco	2.841%	\$ 87,984.94	\$ 25,701.06	\$ 113,686.00
JCSD	33.332%	\$ 1,032,327.34	\$ 478,102.66	\$ 1,510,430.00
Chino Hills	11.932%	\$ 369,536.76	\$ 162,980.24	\$ 532,517.00
Chino	14.205%	\$ 439,924.72	\$ 209,702.28	\$ 649,627.00
		\$ 3,097,070.00	\$ 1,646,917.00	\$ 4,743,987.00

Option 1: CDA retain \$3,097,070 for Chino I GAC Project and return \$1,646,917 to members

Option 2: Return \$4,743,987 to the members and fund Chino I GAC Project with reserves



Finance Committee Meeting

Agenda Item

No. 4



SUBJECT: MONTHLY CREDIT CARD ACTIVITY REPORT

This credit card activity report covers the period ending February 6, 2021. Purchases during this period totaled \$109.98.

IMPACT ON BUDGET:

The credit card expenditures were made against the adopted budget for FY 20/21.

Prepared by: Jose Garcia, CDA Principal Accountant

Page 1 of 1

Board of Directors: Approved Continued Denied

CDA GM/CEO Acknowledgement: _____ **Date:** _____



MONTHLY LOG OF CREDIT CARD TRANSACTION:

Card No. xxxx xxxx xxxx 6812

Cardholder's Name: Chino Basin Desalter

Period Ending: February 6, 2021

Date	User Name	Site	Vendor	Description	Amount
1/21/2021	Casey Costa	Admin	Elephant Drive	Cloud Backup Software	\$ 80.00
1/27/2021	Casey Costa	Admin	Zoom.us	Video Conference Software	\$ 29.98
TOTAL RECEIPTS					\$ 109.98



P.O. BOX 6343
FARGO ND 58125-6343



ACCOUNT NUMBER xxxx 7348
STATEMENT DATE 02-08-2021
AMOUNT DUE \$109.98
NEW BALANCE \$109.98
PAYMENT DUE ON RECEIPT

000000215 01 SP 0.560 106481302048915 P
CHINO BASIN DESALTER
ATTN JOSE GARCIA
3550 E PHILADEPHIA ST. SUITE 170
ONTARIO CA 91761-2963

AMOUNT ENCLOSED
\$

Please make check payable to "U.S. Bank"

U.S. BANK CORPORATE PAYMENT SYSTEMS
P.O. BOX 790428
ST. LOUIS, MO 63179-0428

4866914555517348 000010998 000010998

Please tear payment coupon at perforation.

CORPORATE ACCOUNT SUMMARY

CHINO BASIN DESALTER xxxx 7348	Previous Balance	Purchases And Other + Charges	Cash Advances +	Cash Advance Fees +	Late Payment Charges	- Credits	- Payments	New = Balance
Company Total	\$359.98	\$109.98	\$0.00	\$0.00	\$0.00	\$0.00	\$359.98	\$109.98

CORPORATE ACCOUNT ACTIVITY

CHINO BASIN DESALTER xxxx-7348				TOTAL CORPORATE ACTIVITY \$359.98 CR
Post Date	Tran Date	Reference Number	Transaction Description	Amount
01-07	01-07		AUTO PAYMENT DEDUCTION	359.98 CR

NEW ACTIVITY

CHINO BASIN DESALTER		CREDITS \$0.00	PURCHASES \$109.98	CASH ADV \$0.00	TOTAL ACTIVITY \$109.98
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
01-21	01-19	24388941020630152876790	2COCOM*ELEPHANTDRIVE.C 888-2471614 GA	80.00	
01-27	01-26	24492151027637153347921	ZOOM.US 888-799-9666 WWW.ZOOM.US CA	29.98	

CUSTOMER SERVICE CALL

800-344-5696

ACCOUNT NUMBER

xxxx-7348

STATEMENT DATE

02/08/21

DISPUTED AMOUNT

.00

ACCOUNT SUMMARY

PREVIOUS BALANCE	359.98
PURCHASES & OTHER CHARGES	109.98
CASH ADVANCES	.00
CASH ADVANCE FEES	.00
LATE PAYMENT CHARGES	.00
CREDITS	.00
PAYMENTS	359.98
ACCOUNT BALANCE	109.98

AMOUNT DUE

109.98

SEND BILLING INQUIRIES TO:

U.S. Bank National Association
C/O U.S. Bancorp Purchasing Card Program
P.O. Box 6335
Fargo, ND 58125-6335