



A STATE OF
CALIFORNIA
PUBLIC AGENCY

QUAIL VALLEY WATER DISTRICT

BOARD OF DIRECTORS

Mike Biglay
Jean Grodewald
Rita Leonard
Enrique Lopez
Joan Tyer

AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS OF QUAIL VALLEY WATER DISTRICT

To be held at 24750 Sand Canyon Road, Tehachapi, CA
Saturday, November 30, 2019 at 8:30 AM.

NOTE: To comply with the Americans with Disabilities Act, to participate in any Board meeting please contact Dawnette Boatman at 661-822-1923 at least 48 hours prior to a Board meeting to inform us of your needs and to determine if accommodation is feasible.

Agenda item materials are available for public review at the District's office, 24750 Sand Canyon Road, Tehachapi. Please contact Dawnette Boatman for public review of materials.

PUBLIC COMMENT GUIDELINES: The prescribed time limit per speaker is three minutes. Please refrain from public displays or outbursts such as unsolicited applause, comments, or cheering. Any disruptive activities that substantially interfere with the ability of the District to carry out its meetings will not be permitted and offenders will be requested to leave.

Each agenda item shall be deemed to include any appropriate motion, resolution, or ordinance to take action on any item.

The public shall have an opportunity to comment on non-agenda items at the beginning of the meeting. Public shall have an opportunity to comment on each agenda item prior to any action taken.

1. Roll Call.
2. Adoption of Agenda.
3. Public comments for NON-agenda items.
4. Consent Calendar:
 - 4.1. Approve minutes from Regular Meeting held 10/26/19.
5. Presentations:
 - 5.1. Update on Prop 84 project. (General Manager Hardenbrook)
 - 5.2. Update on wells, reservoirs and system status. (General Manager Hardenbrook)
 - 5.3. Update on Voluntary Rate Increase. (General Manager Hardenbrook)

5.4. Update on PVWC service area issues. (General Manger Hardenbrook)

6. Action Items:

6.1. Discussion of monthly financial statements and consideration and possible action to approve payments for October. (General Manager Hardenbrook)

6.2. Discussion and possible action approving expenses submitted for reimbursement by General Manager Hardenbrook.

6.3. Discussion and possible action regarding possible dispute of ownership of existing Montclair well (General Manager Hardenbrook)

6.4. Discussion and possible action to review and approve 2018 audit. (General Manager Hardenbrook)

6.5. Discussion and possible action waiving interest on past due water and connection fees. (General Manager Hardenbrook)

6.6. Discussion and possible action approving membership in California Special Districts Association (CSDA). (General Manager Hardenbrook)

6.7. Discussion and possible action rescheduling December regular meetings of the Board of Directors due to possible Holiday schedule conflicts. (General Manager Hardenbrook)

6.8. Discussion and possible action to establish a succession plan. (General Manager Hardenbrook)

7. Reports of Officers, Board Members and Standing Committees.

8. Report of General Manager.

9. Board Members' Requests for Future Agenda Items.

10. Adjournment.



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QUAIL VALLEY WATER DISTRICT

BOARD OF DIRECTORS

Mike Biglay
Jean Grodewald
Rita Leonard
Enrique Lopez
Joan Tyer

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF QUAIL VALLEY WATER DISTRICT

Held at 24750 Sand Canyon Road, Tehachapi, CA
Saturday, November 30, 2019 at 8:30 AM.

1. Roll Call.
*Meeting called to order at 8:36 AM. There were present, representing a quorum:
Director Grodewald;
Director Leonard;
Director Lopez;
Director Tyer.
Absent were Director Biglay.*
2. Adoption of Agenda.
Director Grodewald moved, seconded by Director Leonard, to adopt agenda. Motion approved by unanimous assent.
3. Public comments for NON-agenda items.
None
4. Consent Calendar:
 - 4.1. Approve minutes from Regular Meeting held 10/26/19.
Director Grodewald moved, seconded by Director Tyer, to approve minutes from the Regular Meeting of 10/26/19. Motion approved by unanimous assent.
5. Presentations:
 - 5.1. Update on Prop 84 project. (General Manager Hardenbrook)
General Manager Hardenbrook provided Board with written report and brief overview of report contents.
 - 5.2. Update on wells, reservoirs and system status. (General Manager Hardenbrook)
General Manager Hardenbrook provided Board with written report and brief overview of report contents.

5.3. Update on Voluntary Rate Increase. (General Manager Hardenbrook)

General Manager Hardenbrook provided Board with written report and brief overview of report contents.

5.4. Update on PVWC service area issues. (General Manager Hardenbrook)

General Manager Hardenbrook has spoken with PUC, however, this is not a PUC issue and for now no further action will be taken.

6. Action Items:

6.1. Discussion of monthly financial statements and consideration and possible action to approve payments for October. (General Manager Hardenbrook)

General Manager Hardenbrook led a review and explanation of financial statements. Director Grodewald moved, seconded by Director Leonard, to approve payments for October. Motion approved by unanimous assent.

6.2. Discussion and possible action approving expenses submitted for reimbursement by General Manager Hardenbrook. (General Manager Hardenbrook)

Consideration of reimbursing expenses in January when the District receives the property tax funds from Kern County. No action taken.

6.3. Discussion and possible action regarding possible dispute of ownership of existing Montclair well. (General Manager Hardenbrook)

General Manager Hardenbrook advised Board of conversation with District Council, who agrees the ownership of existing Montclair well belongs to the District. The District paid for the drilling of the Montclair well and there is a two acre easement on lot 20, where the well is located. A letter was received this morning from Mr. Smeed's attorney, which will be forwarded to the District's council. No action taken.

6.4. Discussion and possible action review and approve 2018 audit. (General Manager Hardenbrook)

General Manager Hardenbrook advised Board current audit is consistent with previous audits. The District currently provides Kern County with an annual audit, but we have requested approval to provide an audit every five years, approval pending. The current audit will be provided to Kern County. Director Leonard moved, seconded by Director Lopez, to approve 2018 audit. Motion approved by unanimous assent.

6.5. Discussion and possible action waiving interest on past due waiver and connections fees. (General Manager Hardenbrook)

General Manager Hardenbrook advised Board that the owner of Lot 2 of Map 5704 has contacted the District advising of financial hardship and requesting the District provide a reduction to the balance due on her account for connection fees and that she again wishes the District provide water service to her property. She also inferred that the District cannot impose late fees and finance charges as the District is a non-profit. The Board with provided an overview of what was purchased and payments received since June of 2011. Past practice has been to waive finance charges if balance paid in full. March 26, 2018 property owners with delinquent fees were offered three options to settle their accounts. The owner of Lot 2/25704 did not choose to accept offer at that time.

The three options offered were:

- 1. Immediate cash settlement for remaining principle balance, waiving interest and penalties.*
- 2. Abandon connection in lieu of payment. Principle previously paid will be credited to the then current connection fee if a connection is requested in the future.*
- 3. Terminate existing agreement and enter new agreement at current connection fee for 5-year term at 10% interest with previously paid principal credited to current connection fee.*

The third option is recommended, provided water service fees are also paid along with the connection fee. Further, it is recommend to waive the finance charges and fees assessed following termination of service. This option would settle all past due balances and re-establish water service to the subject property. This option would result in a total balance due of \$9,449.58. It would also be recommended to condition this offer on an acceptance and payment window of 90 days or less. Since a new meter will be required, it is expected that the installation necessary will take 2 to 4 weeks after acceptance and payment. Director Tyer moved, seconded by Director Leonard, to approve Option 3. Motion approved by unanimous assent.

- 6.6. Discussion and possible action approving membership in California Special Districts Association (CSDA). (General Manager Hardenbrook)
General Manager Hardenbrook advised Board of the many benefits offered as members of the CSDA. The District will be requesting a workers compensation quote in the near future for a price comparison. No action taken.
- 6.7. Discussion and possible action rescheduling December regular meetings of the Board of Directors due to possible Holiday schedule conflicts. (General Manager Hardenbrook)
General Manager Hardenbrook advised Board of date for regular meetings scheduled for December and on past practice of rescheduling meetings that conflict with Director's holiday schedule and that may have difficulty obtaining quorum. As Christmas and New Year holidays are both on Wednesdays and the December Board meeting is on the weekend in between, the Board agreed to hold the December meeting on Saturday, December 21, 2019 in lieu of Saturday, December 28, 2019. Director Leonard moved, seconded by Director Grodewald, to hold the December BOD Meeting on December 21, 2019. Motion approved by unanimous assent.
- 6.8. Discussion and possible action to establish a succession plan. (General Manager Hardenbrook)
No action taken.
7. Reports of Officers, Board Members and Standing Committees.
None.
8. Report of General Manager.
General Manager Hardenbrook provided a written report and a brief overview of activities through November 24th.
9. Board Members' Requests for Future Agenda Items.
None.

10. Adjournment.

There being no further business before the Board, Director Grodewald moved, seconded by Director Lopez, to adjourn at 9:28 AM. Motion approved by unanimous assent.

I attest this is a true and complete copy of the minutes of a regular meeting of the Board as read and approved by the Board of Directors of the Quail Valley Water District.



Dawnette Boatman, Secretary

Prop 84 Update

November 2019

Well Phase:

No change in well construction status. Further discussions with well contractor have resulted in a suggestion for a possible method for cleaning out debris from lower half of well. It has been discussed to install a 6" conductor casing using threaded pipe and couplers with a packer to completely seal off the perforated portion of the well and allow for circulation of drilling fluids to bring material to the surface. This method has a good chance of success if the 8" well casing is seated against rock, sealing the bottom of the casing. A brief discussion was had with Oscar in the Financial Unit and he was receptive to the idea. We are currently waiting for the drilling contractor to provide a proposal.

Reservoir Phase:

Cora Constructors is on-site and completing the solar heating installation. All three tanks were drained and Cora Constructors performed the grouting as per Paso Robles Tank instructions. The tanks have been refilled and bacteriological testing successfully performed. Permission has been received from WaterBoards to place the tanks in-service and the District is now operating the system with the 3 tanks.

REVE and QVWD are continuing to work with Cora to resolve all change orders and start preparing to close-out the Reservoir Phase.

Treatment Plant:

Additional submittals for treatment plant materials and design have been received and approved. All indications are that treatment plant assembly is progressing well.

District Construction Activities:

District staff has completed most Yard Piping at the Montclair site. The existing Montclair well is connected to the new piping to the treatment plant building, through a temporary by-pass line in the building, and to the new tanks. The new tanks are connected through the new Yard Piping to the new main on Quail Ridge Road. The existing Montclair tank is still connected to the water main and is "floating" with the new tanks, however, we anticipate disconnecting the existing reservoir from the system in the next week or two.

District staff has installed a new power pole and meter panel for the upgrade to a 200 amp electrical service. All conduit runs for electrical and SCADA are in but remain to be terminated at the ends once exact equipment locations are known and junction boxes are installed.

SCADA radio license has been received from FCC. Weather permitting, SCADA equipment installation should begin in December.

The propane tank for the treatment plant generator has been received and is on site awaiting the construction of a pad for installation.

The generator and transfer switch are expected on site in the second week of December.

WaterBoards:

District received a call from Oscar in the Financial Unit in Sacramento to discuss the extension of time for project completion that was requested over a year ago by the District. Discussed was our current progress and the anticipated completion dates for the remainder of the project tasks. Oscar did not provide a prospective new completion date but indicated that WaterBoards discussions indicated that it would be more than ample given our current progress and that the extension should be finalized soon.

Overall, a significant amount of progress was achieved in the past month!

SYSTEM STATUS

November 2019

- Montclair well and reservoir sole source for entire system.
- For the month of November to date (11/25/19), Montclair well is averaging 5.3 hours per day supplying an average of 10,398 gallons per day. Average pumping for October was 9,064 gallons per day. Approximately 50,000 gallons was used to refill new water tanks after being emptied for grouting. Deducting the 50,000 gallons used to fill the tanks from the 259,945 gallons pumped leaves 209,945 which is an average of 8,398 per day.
- In response to dirty water complaints and system maintenance, staff flushed at 5 locations a total of 1,865 gallons of water in the month of October. For the month of November to date (11/25/19), 5 locations have been flushed for a total of 3,153 gallons.
- Montclair well continues to function normally with no issues. With the decreased demand of cooler months, static and pumping water levels have stabilized.
- November monthly bacteriological samples were collected in compliance with the combined system BSSP, all samples were absent for bacteria.

October, 2019

Water Produced	280,971	100%
Water Sold	257,163	92%
Flushing	1,865	1%
Misc Use		0%
Lost	21,943	8%

Hackamore

Water Produced	6,007	100%
Water Sold	2,184	36%
Flushing		0%
Lost	3,823	64%

Year to Date (November 1)

Water Produced	4,298,861	100%
Water Sold	3,030,924	71%
Flushing	159,232	4%
Misc Use	60,000	2%
Lost	1,048,705	24%

Hackamore

Water Produced	82,662	100%
Water Sold	28,262	34%
Flushing		0%
Lost	54,400	66%

11/26/19

Voluntary Rate Increase Report:

A review of payments received that include the \$35.00 voluntary rate increase indicates that the number of customers that continue to pay the additional \$35.00 remains steady with 25 in September, 27 in October and 27 so far in November.

The current level of participation equates to \$945.00 per month.

Average billing for monthly meter charge and consumption per month in 2019 is \$9,181.00 and with the 10% increase for 2020, the average revenue increase is anticipated to be \$815.00.

The voluntary rate increase has raised a total of \$21,650.00 to date.

5.4

randy@qvwd.org

From: randy@qvwd.org
Sent: Tuesday, November 12, 2019 16:57
To: 'Ruth Muzzin'
Cc: 'Mark Fogelman'; 'Dan Raytis'
Subject: RE: CONFIDENTIAL re QVWD/PVWC

Thanks Ruth, I will keep you updated (and keep my fingers crossed!).

Randy Hardenbrook
General Manager
Quail Valley Water District
24750 Sand Canyon Road
Tehachapi, CA 93561
Office: (661) 822-1923
Cell: (661) 332-1547
www.qvwd.org

From: Ruth Muzzin <rmuzzin@friedmanspring.com>
Sent: Tuesday, November 12, 2019 10:49
To: randy@qvwd.org
Cc: Mark Fogelman <mfogelman@friedmanspring.com>
Subject: CONFIDENTIAL re QVWD/PVWC

Dear Randy-

For your information and for the District's records, please see the attached email correspondence sent to the CPUC's Water Division representatives today. I expect our communications with the CPUC regarding the matter are now concluded, but I will let you know if anything else comes up.

Please don't hesitate to call if you or the Board have any questions or concerns. Also, please keep us apprised if the District or its other counsel receives any further communication from Piñon Valley Water Company or Mr. Vierra concerning this matter.

All the best,

Ruth

Ruth Stoner Muzzin
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* Jane Springwater, Retired

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From: Ruth Muzzin <rmuzzin@friedmanspring.com>
Sent: Tuesday, November 12, 2019 10:43
To: Tsai, Wilson
Cc: DeBerry, Bruce; Mark Fogelman
Subject: RE: Quail Valley/Pinon Valley Dispute

Dear Wilson:

Thank you for your email message below. I've been out of the office for a portion of the last couple of weeks, so I am just now getting an opportunity to respond. Also, thank you again for providing us with a copy of Piñon Valley Water Company's Advice Letter (AL) 22, which Quail Valley Water District had not previously received.

As you and I discussed, now that Quail Valley has seen AL-22, Quail Valley does not believe modification or clarification is necessary. AL-22 states on page 1 that "This filing will not interfere with the operation of another public utility or the water system of a public agency." Therefore, Quail Valley will continue to operate its existing system in Kern County to provide service to its customers in Tract 3312 that were already receiving service from Quail Valley or had contracted for a service connection with Quail Valley prior to the date the Commission approved AL-22. Quail Valley does not and will not, without Piñon Valley's consent, provide service to any new customers in Tract 3312 following the Commission's approval of AL-22.

Quail Valley agrees with the Commission that, to the extent Piñon Valley Water Company takes issue with Quail Valley Water District's continued operation of its existing system within Tract 3312, the matter is outside of the Commission's jurisdiction.

We appreciate your assistance in working through and clarifying this matter.

Sincerely,

Ruth Stoner Muzzin

Friedman & Springwater LLP*

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** Jane Springwater, Retired*

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From: Tsai, Wilson <Wilson.Tsai@cpuc.ca.gov>
Sent: Wednesday, October 23, 2019 10:36 AM
To: Ruth Muzzin <rmuzzin@friedmanspring.com>
Cc: DeBerry, Bruce <bruce.deberry@cpuc.ca.gov>
Subject: Quail Valley/Pinon Valley Dispute

Hi Ruth,

I wanted to reiterate what we discussed over the phone on Monday. Regarding the dispute between Quail Valley Water District (QVWD) and Pinon Valley Water Company (PVWC) over Tract 3312, the Commission cannot provide the assurance QVWD requests as the dispute involves legal matters outside of the Commission's jurisdiction. In regards to PVWC Advice Letter 22 (AL-22), QVWD can request a Petition for Modification as defined in General Order 96-B, Section 8.2.

If you have any questions, please feel free to contact me. Thanks.

Regards,

Wilson Tsai

Senior Utilities Engineer, Specialist
California Public Utilities Commission
Water Division
(415) 703-1359
wilson.tsai@cpuc.ca.gov

List of Monthly Financial Reports

Regular Accounts

- 1. Balance Sheet
- 2. Cash Flow-Mo
- 3. Cash Flow-YTD
- 4. P&L-Mo
- 5. P&L-YTD
- 6. UBOC Register
- 7. UBOC Reconciliation
- 8. UBOC Statement
- 9. Kern Co Register
- 10. Kern Co Reconciliation
- 11. Kern Co Statement
- 12. UBOC Visa Register
- 13. UBOC Visa Reconciliation
- 14. UBOC Statement
- 15. CalCard Register
- 16. CalCard Reconciliation
- 17. CalCard Statement

Prop 84 Accounts

- 18. Balance Sheet
- 19. Cash Flow-Mo
- 20. Cash Flow-YTD
- 21. P&L-Mo
- 22. P&L-YTD
- 23. UBOC Register
- 24. UBOC Reconciliation
- 25. UBOC Statement
- 26. CoBank Register
- 27. CoBank Reconciliation
- 28. CoBank Statement

Quail Valley Water District
Balance Sheet
 As of October 31, 2019

Oct 31, 19

ASSETS		
Current Assets		
Checking/Savings		
131000 · Cash (Currency, coin, checks, money orders and banker's drafts on hand or on d...		
131002 · Cash-Kern County (Account held by Kern County Controller - Property tax Proc...		5,266.31
131003 · Union Bank		7,094.59
Total 131000 · Cash (Currency, coin, checks, money orders and banker's drafts on hand or...		12,360.90
Total Checking/Savings		12,360.90
Accounts Receivable		
137000 · Accounts Receivable (This account includes the amounts due from customers for...		
137121 · Accounts Receivable		36,496.65
137125 · Accounts Rec - Prop 84		68,517.82
137126 · Accounts Rec-Conn-Fees		190.65
137000 · Accounts Receivable (This account includes the amounts due from customers ...		18,010.03
Total 137000 · Accounts Receivable (This account includes the amounts due from custom...		123,215.15
Total Accounts Receivable		123,215.15
Other Current Assets		
12100 · Inventory Asset (Costs of inventory purchased for resale)		1,679.06
130000 · Undeposited Funds (Funds received, but not yet deposited to a bank account)		740.41
146000 · Inventory of Material and Suppl (This account includes the cost of all unapplied ...		36,777.08
Total Other Current Assets		39,196.55
Total Current Assets		174,772.60
Fixed Assets		
110000 · Property, Plant & Equipment		
111000 · Utility Plant In Service (This account accumulates accounts 111100-111999)		
111200 · Land (This account includes the cost of land owned by the district and includi...		31,216.96
111400 · Pumping Plant (This category covers the cost of plant and equipment in conne...		
1114151 · Tanganda Booster Relocation (Costs accumulated for relocation of Tangan...		6,252.21
1114161 · Country Cnyn Bstr Pump Replacem (Costs accumulated for Country Canyo...		1,692.83
111400 · Pumping Plant (This category covers the cost of plant and equipment in con...		22,379.86
Total 111400 · Pumping Plant (This category covers the cost of plant and equipment in ...		30,324.90
111500 · Water Treatment Plant (This category covers all costs of plant and equipment ...		2,975.22
111600 · Transmission & Distribution Pla (This category covers all cost of plant and equ...		287,466.16
111700 · General Plant (This category covers all costs of plant and equipment used for ...		
1117100 · Vehicles and Equipment (VEHICLES AND EQUIPMENT)		
1117161 · Trencher (Ditch Witch 3500 Trencher)		3,783.24
Total 1117100 · Vehicles and Equipment (VEHICLES AND EQUIPMENT)		3,783.24
111700 · General Plant (This category covers all costs of plant and equipment used f...		74,707.90
Total 111700 · General Plant (This category covers all costs of plant and equipment use...		78,491.14
Total 111000 · Utility Plant In Service (This account accumulates accounts 111100-111999)		430,474.38
112000 · Construction in Progress (This category covers labor, materials, overhead amoun...		
1121420 · Equestrian Main		
1121425 · Labor		350.00
1121420 · Equestrian Main - Other		-350.00
Total 1121420 · Equestrian Main		0.00
112300 · Const In Progress-111300 (Source of Supply Plant)		836.73
112700 · Const In Progress-111700 (General Plant)		
1127161 · Office Building Remodel-ADA (Costs accumulated for office building repair...		15,761.40
Total 112700 · Const In Progress-111700 (General Plant)		15,761.40

Quail Valley Water District
Balance Sheet
 As of October 31, 2019

	Oct 31, 19
1128400 · Prop 84 Construction Project (All costs advanced by district for Prop 84 const...)	
1128401 · 1. Construction of Facilities	558.04
1128402 · 2. Construction Management	90.77
1128404 · 4. Easement Recording	-1,595.00
1128407 · 7. Prop 218 Rate study	-660.00
1128400 · Prop 84 Construction Project (All costs advanced by district for Prop 84 co...)	1,000.00
Total 1128400 · Prop 84 Construction Project (All costs advanced by district for Prop 84 ...)	-606.19
112000 · Construction in Progress (This category covers labor, materials, overhead am...)	69,168.64
Total 112000 · Construction in Progress (This category covers labor, materials, overhead a...)	85,160.58
115000 · Accumulated Depreciation and Am (This account accumulates accounts 115100-1...)	
115100 · Depreciation, Plant In Service (The cumulative depreciation and amortization c...)	
115130 · Depreciation, Source of Supply (The cumulative depreciation and amortizati...)	-4,174.10
115140 · Depreciation, Pumping Plant In (The cumulative depreciation and amortizati...)	-10,304.38
115150 · Depreciation, Treatment Plant (The cumulative depreciation and amortizatio...)	-247.94
115160 · Depreciation, Distribution Plan (The cumulative depreciation and amortizati...)	-34,374.85
115170 · Depreciation, General Plant In (The cumulative depreciation and amortizatio...)	-11,548.92
115100 · Depreciation, Plant In Service (The cumulative depreciation and amortizatio...)	-99,784.00
Total 115100 · Depreciation, Plant In Service (The cumulative depreciation and amortiza...)	-160,434.19
115300 · Depreciation, Other Physical Pr (The cumulative depreciation and amortization...)	-6,953.27
Total 115000 · Accumulated Depreciation and Am (This account accumulates accounts 115...)	-167,387.46
Total 110000 · Property, Plant & Equipment	348,247.50
Total Fixed Assets	348,247.50
Other Assets	
120000 · Investments, Restricted Assets (Investments, Restricted Assets, & Other Long -Term...)	
125000 · Other Long-Term Assets (This category covers assets not properly includible in a...)	
125100 · A/R Connection Fees	
125101 · Anderson, M.	4,882.95
125103 · Giesregen, J.	9,500.00
125105 · Hilade, Fe	2,118.69
125106 · Lozano, M.	5,165.57
125107 · Miller, J.	8,839.19
125108 · Miller, L.	5,596.54
125111 · Stancliff R.	2,647.64
125113 · Villasenor, D.	6,365.15
125100 · A/R Connection Fees - Other	-6,011.82
Total 125100 · A/R Connection Fees	39,103.91
Total 125000 · Other Long-Term Assets (This category covers assets not properly includibl...)	39,103.91
Total 120000 · Investments, Restricted Assets (Investments, Restricted Assets, & Other Long ...)	39,103.91
150000 · Deferred Charges	
151000 · Preliminary Survey & Investigat (This account includes all costs for preliminary s...)	
151100 · Prop 84 Feasibility Study	442,500.32
Total 151000 · Preliminary Survey & Investigat (This account includes all costs for prelimin...)	442,500.32
Total 150000 · Deferred Charges	442,500.32
Total Other Assets	481,604.23
TOTAL ASSETS	1,004,624.33
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
222000 · Accounts Payable (Amounts owed on open account to private persons or orga...)	59,816.67
Total Accounts Payable	59,816.67

Quail Valley Water District
Balance Sheet
As of October 31, 2019

Oct 31, 19

Credit Cards	
222100 · Acc Payable -Visa Cards	
222104 · 3542 - Acc Payable-FNBO-Randy	155.46
222100 · Acc Payable -Visa Cards - Other	-64.33
Total 222100 · Acc Payable -Visa Cards	91.13
222200 · Acc Payable - Cal Cards	
222201 · Acc Payable-CalCard-Randy	2,125.07
222204 · Acc Payable-CalCard-Rich	47.69
222206 · Acc Payable-CalCard-Dan	592.21
222200 · Acc Payable - Cal Cards - Other	-2,304.31
Total 222200 · Acc Payable - Cal Cards	460.66
Total Credit Cards	551.79
Other Current Liabilities	
229000 · Taxes Accrued (This account covers obligations to pay taxes (income, propert...	
229331 · 331 - Federal Taxes	1,794.77
229333 · 333 - Calif State Taxes	58.94
Total 229000 · Taxes Accrued (This account covers obligations to pay taxes (income, pr...	1,853.71
230000 · Other Current Liabilities (This account covers miscellaneous obligations of the...	
230101 · Loan-Hardenbrook (Loan-Hardenbrook)	11,600.00
230102 · May 2018 Voluntary Rate Increas	21,055.00
Total 230000 · Other Current Liabilities (This account covers miscellaneous obligations ...	32,655.00
Total Other Current Liabilities	34,508.71
Total Current Liabilities	94,877.17
Long Term Liabilities	
212000 · Due To Other Gov Agencies	
212100 · Due To Other State Agencies (This account includes long-term debt, other than...	-25.00
Total 212000 · Due To Other Gov Agencies	-25.00
Total Long Term Liabilities	-25.00
Total Liabilities	94,852.17
Equity	
250000 · Contributed Capital	
251000 · Contrib In Aid Of Cons-Plant (This account includes amounts received, in the for...	
251100 · ContributionsInAid-Plant-State	600,258.63
251400 · ContributionsInAid-Plant-Other	76,666.67
Total 251000 · Contrib In Aid Of Cons-Plant (This account includes amounts received, in th...	676,925.30
Total 250000 · Contributed Capital	676,925.30
263000 · Retained Earnings-Unreserved (This account includes the amount of accumulated e...	-248,001.33
30000 · Opening Balance Equity (Opening balances during setup post to this account. The ba...	490,052.67
Net Income	-9,204.48
Total Equity	909,772.16
TOTAL LIABILITIES & EQUITY	1,004,624.33

2

Quail Valley Water District
Statement of Cash Flows
 October 2019

	Oct 19
OPERATING ACTIVITIES	
Net Income	-11,372.44
Adjustments to reconcile Net Income to net cash provided by operations:	
137000 · Accounts Receivable	-5,501.11
137000 · Accounts Receivable:137121 · Accounts Receivable	-217.94
137000 · Accounts Receivable:137125 · Accounts Rec - Prop 84	10,119.29
137000 · Accounts Receivable:137126 · Accounts Rec-Conn-Fees	17.56
12100 · Inventory Asset	-485.65
146000 · Inventory of Material and Suppl	-1,938.08
222000 · Accounts Payable	1,771.15
222100 · Acc Payable -Visa Cards	-229.84
222200 · Acc Payable - Cal Cards	-890.07
222200 · Acc Payable - Cal Cards:222201 · Acc Payable-CalCard-Randy	683.24
222200 · Acc Payable - Cal Cards:222206 · Acc Payable-CalCard-Dan	460.66
229000 · Taxes Accrued:229331 · 331 - Federal Taxes	129.51
229000 · Taxes Accrued:229333 · 333 - Calif State Taxes	-10.09
230000 · Other Current Liabilities:230102 · May 2018 Voluntary Rate Increas	595.00
Net cash provided by Operating Activities	-6,868.81
INVESTING ACTIVITIES	
120000 · Investments, Restricted Assets:125000 · Other Long-Term Assets:125100 · ...	237.59
Net cash provided by Investing Activities	237.59
FINANCING ACTIVITIES	
250000 · Contributed Capital:251000 · Contrib In Aid Of Cons-Plant:251100 · Contri...	5,191.06
Net cash provided by Financing Activities	5,191.06
Net cash increase for period	-1,440.16
Cash at beginning of period	14,541.47
Cash at end of period	13,101.31

Quail Valley Water District
Statement of Cash Flows
 July 1 through November 29, 2019

3

	Jul 1 - Nov 29, 19
OPERATING ACTIVITIES	
Net Income	-15,384.89
Adjustments to reconcile Net Income to net cash provided by operations:	
137000 · Accounts Receivable	-4,698.86
137000 · Accounts Receivable:137121 · Accounts Receivable	-6,476.19
137000 · Accounts Receivable:137125 · Accounts Rec - Prop 84	11,059.46
137000 · Accounts Receivable:137126 · Accounts Rec-Conn-Fees	6,810.02
12100 · Inventory Asset	-4,272.74
146000 · Inventory of Material and Suppl	-12,576.74
222000 · Accounts Payable	4,132.45
222100 · Acc Payable -Visa Cards	429.97
222100 · Acc Payable -Visa Cards:222104 · 354? - Acc Payable-FNBO-Randy	273.17
222200 · Acc Payable - Cal Cards	-2,516.72
222200 · Acc Payable - Cal Cards:222201 · Acc Payable-CalCard-Randy	6,221.57
222200 · Acc Payable - Cal Cards:222206 · Acc Payable-CalCard-Dan	977.78
2110 · Direct Deposit Liabilities	-2,920.63
229000 · Taxes Accrued:229331 · 331 - Federal Taxes	247.00
229000 · Taxes Accrued:229333 · 333 - Calif State Taxes	1.83
230000 · Other Current Liabilities:230102 · May 2018 Voluntary Rate Increas	3,500.00
240000 · Deferred Credits:242000 · Other Deferred Credits	12.36
Net cash provided by Operating Activities	-15,181.16
INVESTING ACTIVITIES	
120000 · Investments, Restricted Assets:125000 · Other Long-Term Assets:125100 · ...	-5,493.75
Net cash provided by Investing Activities	-5,493.75
FINANCING ACTIVITIES	
250000 · Contributed Capital:251000 · Contrib In Aid Of Cons-Plant:251100 · Contri...	16,828.83
250000 · Contributed Capital:251000 · Contrib In Aid Of Cons-Plant:251400 · Contri...	7,000.00
Net cash provided by Financing Activities	23,828.83
Net cash increase for period	3,153.92
Cash at beginning of period	4,275.89
Cash at end of period	7,429.81

Quail Valley Water District
Profit & Loss
 October 2019

4

Oct 19

Ordinary Income/Expense

Income

410000 · Operating Revenues (Revenue related to District operations)	
411000 · Water Sales (This account accumulates all costs in accounts 401110-4011799.)	
411100 · Water Sales - Residential (This account includes revenues earned from wat...)	8,756.47
Total 411000 · Water Sales (This account accumulates all costs in accounts 401110-401...)	8,756.47
421000 · Water Services (This account accumulates all costs in accounts 402110-40215...)	
421500 · Water Services-Other (This account includes billings for customer installati...)	
421550 · Late Fees	188.56
Total 421500 · Water Services-Other (This account includes billings for customer in...)	188.56
Total 421000 · Water Services (This account accumulates all costs in accounts 402110-...)	188.56
Total 410000 · Operating Revenues (Revenue related to District operations)	8,945.03
490000 · Non-Operating Revenues (This account accumulates all costs from accounts 409...)	
492000 · Non-Operating - Interest Revenu (This account includes interest revenues on ...)	360.35
493000 · Taxes and Assessments (This account accumulates all charges from account...)	
493050 · Property Taxes-Current Secured (All taxes apportioned as a result of levies ...)	118.79
493100 · Property Taxes-Current Unsecured (All taxes apportioned as a result of levie...)	387.61
493200 · Property Taxes-Prior Unsecured (All taxes apportioned as a result of levies ...)	17.22
493450 · Penalties and Costs On Delinque (Include all amounts apportioned as a res...)	1.31
493500 · Supplemental Property Taxes-Cur (Property tax revenues(secured and uns...)	25.29
493600 · Supplemental-Prior Taxes & Pena (Prior year supplemental roll property tax...)	4.70
Total 493000 · Taxes and Assessments (This account accumulates all charges from ac...)	554.92
Total 490000 · Non-Operating Revenues (This account accumulates all costs from accoun...)	915.27

Total Income

9,860.30

Cost of Goods Sold

50000 · Cost of Goods Sold (Costs of items purchased and then sold to customers)	66.22
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Total COGS

66.22

Gross Profit

9,794.08

Expense

Merchant deposit fees	62.84
500000 · Operating Expenses	
510000 · Source of Supply	
511000 · Supervision, Labor & Expense (This account includes the cost of labor and ...)	0.00
512000 · Maintenance-Structure & Improve (This account includes the cost of labor ...)	0.00
Total 510000 · Source of Supply	0.00
520000 · Pumping (521000-Operation of pumping plant. 522000-Operation & maintenanc...)	
521000 · Supervision, Labor & Expense (This account includes the cost of labor and...)	0.00
522000 · Maintenance-Structures & Improv (This account includes the costs of labor...)	
522661 · Wages-Maintenance, Pumping (Wages and salaries related to maintenanc...)	0.00
Total 522000 · Maintenance-Structures & Improv (This account includes the costs of...)	0.00
523000 · Fuel or Power Purchased-Pumping (This account includes the cost of fuel ...)	
523108 · SCE Tangan/Bloemfontein	12.00
523111 · SCE Hackamore	20.52
523273 · SCE Country CynBooster	11.05
Total 523000 · Fuel or Power Purchased-Pumping (This account includes the cost of...)	43.57
Total 520000 · Pumping (521000-Operation of pumping plant. 522000-Operation & maint...)	43.57

Quail Valley Water District
Profit & Loss
October 2019

4

	Oct 19
530000 · Water Treatment (531000-Operation of Water Treatment Plant (includes sampli...	
531000 · Supervision, Labor & Expense (This account includes the cost of labor and...	
531100 · Chemicals-Water Quality	23.96
531200 · Water Quality Testing	130.00
531000 · Supervision, Labor & Expense (This account includes the cost of labor a...	0.00
Total 531000 · Supervision, Labor & Expense (This account includes the cost of lab...	153.96
532000 · Maintenance-Structrures & impro (This account includes the costs of labor...	0.00
Total 530000 · Water Treatment (531000-Operation of Water Treatment Plant (includes s...	153.96
540000 · Transmission & Distribution (541000-Operation of Distribution Plant 542000-Re...	
541000 · Supervision, Labor & Expense (This account includes the cost of labor and...	
541661 · Wages, Transmission & Distribut (Wages and salaries related to supervi...	0.00
Total 541000 · Supervision, Labor & Expense (This account includes the cost of lab...	0.00
542000 · Maintenance-Structures & Improv (This account includes the cost of labor ...	
542661 · Wages, Transmission & Distribut (Wages and salaries related to the mai...	
5426611 · FLUSHING	120.07
542661 · Wages, Transmission & Distribut (Wages and salaries related to the ...	2,240.01
Total 542661 · Wages, Transmission & Distribut (Wages and salaries related to th...	2,360.08
Total 542000 · Maintenance-Structures & Improv (This account includes the cost of l...	2,360.08
Total 540000 · Transmission & Distribution (541000-Operation of Distribution Plant 5420...	2,360.08
550000 · Customer Accounts (551000-meter reading, billing, maintaining customer acc...	
551000 · Supervision, Meter Reading & Ot (This account includes the costs of labor ...	
551661 · Wages, Customer Accounts (Wages and salaries related to maintenace ...	0.00
Total 551000 · Supervision, Meter Reading & Ot (This account includes the costs of l...	0.00
Total 550000 · Customer Accounts (551000-meter reading, billing, maintaining custome...	0.00
560000 · Administrative & General	
561000 · Salaries (This account includes salaries and other considerations (but not ...	
561661 · Wages, Administration (Wages and salaries related to general administr...	679.86
561000 · Salaries (This account includes salaries and other considerations (but n...	685.00
Total 561000 · Salaries (This account includes salaries and other considerations (bu...	1,364.86
562000 · Office Supplies & Other Expense (This account includes office supplies an...	
562710 · Postage	-7.35
562740 · Freight	136.81
562760 · Com-Telephone-Internet	213.19
562770 · Utilities-Office	
562771 · SCE Office	20.19
562772 · Propane Office	149.78
Total 562770 · Utilities-Office	169.97
562780 · Dues & Subscriptions	40.00
Total 562000 · Office Supplies & Other Expense (This account includes office suppli...	552.62
563000 · Contractural Services (This account includes the fees and expenses of prof...	1,465.00
564000 · Property Insurance, Injuries & (This account includes the cost of insurance...	315.75
565000 · Employee Retirement & Benefits (This account includes charges to provide...	
565663 · Employee Reimbursement	0.00
565664 · Wokers Comp Insurance	1,144.00
565000 · Employee Retirement & Benefits (This account includes charges to prov...	480.26
Total 565000 · Employee Retirement & Benefits (This account includes charges to pr...	1,624.26
568000 · Maintenance-General Plant (This account includes the costs assignable to ...	
568100 · Building Maintenance	0.00

Quail Valley Water District
Profit & Loss
 October 2019

4

	Oct 19
568640 · Op Expenses Auto	
568642 · Small Tools & Supplies	6,695.12
568646 · Fuel - Auto	630.29
568640 · Op Expenses Auto - Other	196.04
Total 568640 · Op Expenses Auto	7,521.45
Total 568000 · Maintenance-General Plant (This account includes the costs assigna...	7,521.45
Total 560000 · Administrative & General	12,843.94
570000 · Other Operating Expenses	
572000 · Taxes (This account includes the amount of federal, state, county, municip...	734.13
Total 570000 · Other Operating Expenses	734.13
Total 500000 · Operating Expenses	16,135.68
660000 · Payroll Expenses (Payroll expenses)	4,968.00
Total Expense	21,166.52
Net Ordinary Income	-11,372.44
Net Income	-11,372.44

Quail Valley Water District
Profit & Loss
 July 1 through November 29, 2019

5

Jul 1 - Nov 29, 19

Ordinary Income/Expense

Income

410000 · Operating Revenues (Revenue related to District operations)

411000 · Water Sales (This account accumulates all costs in accounts 401110-4011799.)

411100 · Water Sales - Residential (This account includes revenues earned from wat...

45,011.45

Total 411000 · Water Sales (This account accumulates all costs in accounts 401110-401...

45,011.45

421000 · Water Services (This account accumulates all costs in accounts 402110-40215...

421500 · Water Services-Other (This account includes billings for customer installati...

421511 · 511 - Connection Fee

2,500.00

421550 · Late Fees

638.84

421570 · Returned Check Charges

30.00

Total 421500 · Water Services-Other (This account includes billings for customer in...

3,168.84

421515 · 515 - Account Transfer Fee

600.00

Total 421000 · Water Services (This account accumulates all costs in accounts 402110-...

3,768.84

Total 410000 · Operating Revenues (Revenue related to District operations)

48,780.29

490000 · Non-Operating Revenues (This account accumulates all costs from accounts 409...

491000 · Non-Operating Revenue - Rents (This account includes all rent revenues from...

100.00

492000 · Non-Operating - Interest Revenue (This account includes interest revenues on ...

2,629.58

493000 · Taxes and Assessments (This account accumulates all charges from account...

493050 · Property Taxes-Current Secured (All taxes apportioned as a result of levies ...

84.15

493100 · Property Taxes-Current Unsecured (All taxes apportioned as a result of levie...

3,147.70

493200 · Property Taxes-Prior Unsecured (All taxes apportioned as a result of levies ...

29.55

493450 · Penalties and Costs On Delinque (Include all amounts apportioned as a res...

14.74

493500 · Supplemental Property Taxes-Cur (Property tax revenues(secured and uns...

206.05

493600 · Supplemental-Prior Taxes & Pena (Prior year supplemental roll property tax...

57.63

Total 493000 · Taxes and Assessments (This account accumulates all charges from ac...

3,539.82

498000 · Other Non-Operating Revenues (This account includes all non-operating reve...

498530 · 530 - Miscellaneous

163.41

Total 498000 · Other Non-Operating Revenues (This account includes all non-operating...

163.41

Total 490000 · Non-Operating Revenues (This account accumulates all costs from accoun...

6,432.81

49900 · Uncategorized Income (Income not categorized elsewhere)

1,272.29

Total Income

56,485.39

Cost of Goods Sold

50000 · Cost of Goods Sold (Costs of items purchased and then sold to customers)

1,230.14

Total COGS

1,230.14

Gross Profit

55,255.25

Expense

Merchant deposit fees

485.87

500000 · Operating Expenses

510000 · Source of Supply

511000 · Supervision, Labor & Expense (This account includes the cost of labor and ...

0.00

512000 · Maintenance-Structure & Improve (This account includes the cost of labor ...

0.00

Total 510000 · Source of Supply

0.00

520000 · Pumping (521000-Operation of pumping plant. 522000-Operation & maintenanc...

521000 · Supervision, Labor & Expense (This account includes the cost of labor and...

0.00

522000 · Maintenance-Structures & Improv (This account includes the costs of labor...

522661 · Wages-Maintenance, Pumping (Wages and salaries related to maintenanc...

585.97

522000 · Maintenance-Structures & Improv (This account includes the costs of la...

152.85

Total 522000 · Maintenance-Structures & Improv (This account includes the costs of...

738.82

Quail Valley Water District
Profit & Loss
 July 1 through November 29, 2019

5

	Jul 1 - Nov 29, 19
523000 · Fuel or Power Purchased-Pumping (This account includes the cost of fuel ...	
523103 · SCE Montclair 1	1,346.50
523108 · SCE Tangan/Bloemfontein	51.31
523111 · SCE Hackamore	127.14
523273 · SCE Country CynBooster	48.38
<u>Total 523000 · Fuel or Power Purchased-Pumping (This account includes the cost of...</u>	<u>1,573.33</u>
Total 520000 · Pumping (521000-Operation of pumping plant. 522000-Operation & maint...	2,312.15
530000 · Water Treatment (531000-Operation of Water Treatment Plant (includes sampli...	
531000 · Supervision, Labor & Expense (This account includes the cost of labor and...	
531100 · Chemicals-Water Quality	266.16
531200 · Water Quality Testing	1,112.12
531000 · Supervision, Labor & Expense (This account includes the cost of labor a...	0.00
<u>Total 531000 · Supervision, Labor & Expense (This account includes the cost of lab...</u>	<u>1,378.28</u>
532000 · Maintenance-Structrures & impro (This account includes the costs of labor...	0.00
<u>Total 530000 · Water Treatment (531000-Operation of Water Treatment Plant (includes s...</u>	<u>1,378.28</u>
540000 · Transmission & Distribution (541000-Operation of Distribution Plant 542000-Re...	
541000 · Supervision, Labor & Expense (This account includes the cost of labor and...	
541661 · Wages, Transmission & Distribut (Wages and salaries related to supervi...	0.00
<u>Total 541000 · Supervision, Labor & Expense (This account includes the cost of lab...</u>	<u>0.00</u>
542000 · Maintenance-Structures & Improv (This account includes the cost of labor ...	
542661 · Wages, Transmission & Distribut (Wages and salaries related to the mai...	2,345.28
5426611 · FLUSHING	8,468.47
542661 · Wages, Transmission & Distribut (Wages and salaries related to the ...	
<u>Total 542661 · Wages, Transmission & Distribut (Wages and salaries related to th...</u>	<u>10,813.75</u>
542000 · Maintenance-Structures & Improv (This account includes the cost of lab...	100.00
<u>Total 542000 · Maintenance-Structures & Improv (This account includes the cost of l...</u>	<u>10,913.75</u>
Total 540000 · Transmission & Distribution (541000-Operation of Distribution Plant 5420...	10,913.75
550000 · Customer Accounts (551000-meter reading, billing, maintaining customer acc...	
551000 · Supervision, Meter Reading & Ot (This account includes the costs of labor ...	
551661 · Wages, Customer Accounts (Wages and salaries related to maintenace ...	0.00
<u>Total 551000 · Supervision, Meter Reading & Ot (This account includes the costs of l...</u>	<u>0.00</u>
Total 550000 · Customer Accounts (551000-meter reading, billing, maintaining custome...	0.00
560000 · Administrative & General	
561000 · Salaries (This account includes salaries and other considerations (but not ...	
561661 · Wages, Administration (Wages and salaries related to general administr...	3,384.28
561000 · Salaries (This account includes salaries and other considerations (but n...	3,103.85
<u>Total 561000 · Salaries (This account includes salaries and other considerations (bu...</u>	<u>6,488.13</u>
562000 · Office Supplies & Other Expense (This account includes office supplies an...	
562710 · Postage	0.00
562720 · Bank Charges	60.00
562730 · Office Supplies	383.33
562740 · Freight	499.88
562760 · Com-Telephone-Internet	993.36
562770 · Utilities-Office	
562771 · SCE Office	246.94
562772 · Propane Office	281.04
<u>Total 562770 · Utilities-Office</u>	<u>527.98</u>
562780 · Dues & Subscriptions	350.00
<u>Total 562000 · Office Supplies & Other Expense (This account includes office suppli...</u>	<u>2,814.55</u>
563000 · Contractural Services (This account includes the fees and expenses of prof...	11,467.00
564000 · Property Insurance, Injuries & (This account includes the cost of insurance...	1,578.75

Quail Valley Water District
Profit & Loss
 July 1 through November 29, 2019



	Jul 1 - Nov 29, 19
565000 · Employee Retirement & Benefits (This account includes charges to provide...	
565663 · Employee Reimbursement	0.00
565664 · Workers Comp Insurance	-1,126.94
565000 · Employee Retirement & Benefits (This account includes charges to prov...	1,488.18
Total 565000 · Employee Retirement & Benefits (This account includes charges to pr...	361.24
568000 · Maintenance-General Plant (This account includes the costs assignable to ...	
568100 · Building Maintenance	924.69
568640 · Op Expenses Auto	
568641 · Repair & Main-Auto	19.99
568642 · Small Tools & Supplies	1,485.78
568645 · Repair & Main-Equip	286.77
568646 · Fuel - Auto	1,172.92
568640 · Op Expenses Auto - Other	1,254.54
Total 568640 · Op Expenses Auto	4,220.00
Total 568000 · Maintenance-General Plant (This account includes the costs assigna...	5,144.69
Total 560000 · Administrative & General	27,854.36
570000 · Other Operating Expenses	
572000 · Taxes (This account includes the amount of federal, state, county, municip...	1,669.51
573000 · Other Operating Expense (This account includes all operating expenses no...	88.31
Total 570000 · Other Operating Expenses	1,757.82
Total 500000 · Operating Expenses	44,216.36
600000 · Nonoperating Expenses	
602000 · Other Interest (This account includes all interest charges not provided for els...	-4.79
604000 · Other Nonoperating Expenses (This account includes all nonoperating expen...	217.75
Total 600000 · Nonoperating Expenses	212.96
660000 · Payroll Expenses (Payroll expenses)	25,695.95
660010 · Bank Service Charges	29.00
Total Expense	70,640.14
Net Ordinary Income	-15,384.89
Net Income	-15,384.89

Quail Valley Water District

11/26/2019 11:31 AM

Register: 131000 · Cash:131003 · Union Bank

From 10/01/2019 through 10/31/2019

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
10/01/2019			130000 · Undeposited ...	Deposit		X	10,119.29	19,215.19
10/01/2019	PKYVT-...	B C Laboratories, Inc.	222000 · Accounts Pay...		130.00	X		19,085.19
10/01/2019	PKYVT-...	BSK Associates	222000 · Accounts Pay...		358.00	X		18,727.19
10/01/2019	PKYVT-...	Mountain Valley Ass...	222000 · Accounts Pay...	Assessment for...	144.00	X		18,583.19
10/01/2019	PKYVT-...	CORE & MAIN	222000 · Accounts Pay...	232086	10,464.90	X		8,118.29
10/03/2019			-split-	Deposit		X	2,321.66	10,439.95
10/03/2019			500000 · Operating Ex...	Deposit		X	1.09	10,441.04
10/04/2019		QuickBooks Payroll ...	2110 · Direct Deposit ...	Created by Pay...	2,390.99	X		8,050.05
10/07/2019	CCADJ		Merchant deposit fees	Batch Fee ID=...	9.85	X		8,040.20
10/07/2019	DD1256	Dan L Casteel	-split-	Direct Deposit		X		8,040.20
10/07/2019	DD1257	Randy D Hardenbrook	-split-	Direct Deposit		X		8,040.20
10/07/2019	10632	Gabriel Hernandez	-split-		174.18			7,866.02
10/07/2019	10634	Axel I Inzunza	-split-		57.29	X		7,808.73
10/07/2019	10635	Dawnette Boatman	-split-		318.60	X		7,490.13
10/07/2019	10637	Jeffrey R Buck	-split-		243.84	X		7,246.29
10/08/2019			130000 · Undeposited ..	Deposit		X	272.88	7,519.17
10/08/2019	CCADJ		Merchant deposit fees	Batch Fee ID=...	7.02	X		7,512.15
10/08/2019	E-pay	UNITED STATES T...	-split-	77-0328828 Q...	1,642.34	X		5,869.81
10/08/2019	E-pay	EMPLOYMENT DE...	-split-	698-1692-4 Q...	20.96	X		5,848.85
10/08/2019	E-pay	EMPLOYMENT DE...	229000 · Taxes Acc... 2...	698-1692-4 Q...	245.60	X		5,603.25
10/09/2019			-split-	Deposit		X	183.32	5,786.57
10/09/2019		Southern Calif Edison	222000 · Accounts Pay...		148.21	X		5,638.36
10/10/2019	CCADJ		Merchant deposit fees	Batch Fee ID=...	1.00	X		5,637.36
10/11/2019			130000 · Undeposited ...	Deposit		X	93.96	5,731.32
10/11/2019	CCADJ		Merchant deposit fees	Batch Fee ID=...	4.43	X		5,726.89
10/11/2019	PKYWY...	CALNET3	222000 · Accounts Pay...	8/6 - 9/5/19	90.11	X		5,636.78
10/12/2019			130000 · Undeposited ...	Deposit		X	118.12	5,754.90
10/16/2019	CCADJ		Merchant deposit fees	Batch Fee ID=...	4.86	X		5,750.04
10/17/2019			-split-	Deposit		X	2,139.56	7,889.60
10/17/2019			130000 · Undeposited ...	Deposit		X	130.20	8,019.80
10/17/2019	CCADJ		Merchant deposit fees	Batch Fee ID=...	5.13	X		8,014.67
10/18/2019			130000 · Undeposited	Deposit		X	138.11	8,152.78
10/18/2019		QuickBooks Payroll ...	2110 · Direct Deposit ...	Created by Pay...	2,552.41	X		5,600.37
10/21/2019	CCADJ		Merchant deposit fees	Batch Fee ID=...	1.00	X		5,599.37
10/21/2019	DD1258	Dan L Casteel	-split-	Direct Deposit		X		5,599.37
10/21/2019	DD1259	Randy D Hardenbrook	-split-	Direct Deposit		X		5,599.37
10/21/2019	10634	Axel I Inzunza	-split-		64.47	X		5,534.90
10/21/2019	10635	Dawnette Boatman	-split-		313.99	X		5,220.91
10/21/2019	10636	Gabriel Hernandez	-split-		464.26			4,756.65
10/21/2019	10637	Jeffrey R Buck	-split-		450.27	X		4,306.38

Quail Valley Water District

11/26/2019 11:31 AM

Register: 131000 · Cash:131003 · Union Bank

From 10/01/2019 through 10/31/2019

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
10/22/2019			-split-	Deposit		X	1,663.68	5,970.06
10/22/2019			130000 · Undeposited ...	Deposit		X	166.44	6,136.50
10/22/2019	CCADJ		Merchant deposit fees	Batch Fee ID=...	17.93	X		6,118.57
10/22/2019	PN2WG-...	State Compensation I...	222000 · Accounts Pay...		1,144.00	X		4,974.57
10/23/2019			130000 · Undeposited ...	Deposit		X	503.75	5,478.32
10/24/2019	CCADJ		Merchant deposit fees	Batch Fee ID=...	7.61	X		5,470.71
10/25/2019			130000 · Undeposited ...	Deposit		X	208.72	5,679.43
10/28/2019	0005304...	Union Bank - Visa	222000 · Accounts Pay...		320.97	X		5,358.46
10/28/2019	10644	Axel I Inzunza	-split-		114.58			5,243.88
10/29/2019			-split-	Deposit		X	1,748.68	6,992.56
10/29/2019	CCADJ		Merchant deposit fees	Batch Fee ID=...	4.01	X		6,988.55
10/30/2019			130000 · Undeposited ...	Deposit		X	106.04	7,094.59

9:32 AM

11/25/19

Quail Valley Water District
Reconciliation Summary

131003 · Union Bank, Period Ending 10/31/2019

	Oct 31, 19
Beginning Balance	8,838.30
Cleared Transactions	
Checks and Payments - 32 items	-21,646.94
Deposits and Credits - 28 items	20,181.94
Total Cleared Transactions	-1,464.00
Cleared Balance	<u>7,374.30</u>
Uncleared Transactions	
Checks and Payments - 3 items	-753.02
Deposits and Credits - 1 item	1.09
Total Uncleared Transactions	-751.93
Register Balance as of 10/31/2019	<u>6,622.37</u>
New Transactions	
Checks and Payments - 22 items	-24,983.46
Deposits and Credits - 5 items	22,264.18
Total New Transactions	-2,719.28
Ending Balance	<u>3,903.09</u>



STATEMENT OF ACCOUNTS

Page 1 of 2

Statement Number: 2740026359

10/01/19 - 10/31/19

UNION BANK
TEHACHAPI 0985
PO BOX 512380
LOS ANGELES CA 90051-0380

Telephone Banking
For 24-hour Automated Direct Service
800-238-4486
800-826-7345(TDD)
Representatives are available
Monday through Saturday

To open additional accounts,
or apply for loans, call your
banking office at 681-822-2500

You may also access your account online
at unionbank.com

Thank you for banking with us
since 2014

QUAIL VALLEY WATER DISTRICT
24750 SAND CANYON RD
TEHACHAPI CA 93561-8115

- Did you know Union Bank offers same-business-day merchant funding? Learn more by contacting a Business Advisor at 1-888-228-0756, Mon - Fri 9:00 am to 5:00 pm P.T.

Account Number: 2740026359

Business Essentials Checking Summary

Days in statement period: 31

Balance on 10/1	\$		8,838.30
Additions			20,181.94
Subtractions			-21,645.94
		Checks	-12,277.47
		Payments	-9,368.47
Balance on 10/31	\$		7,374.30
Statement Average Ledger Balance			9,324.62

We waived your service charge this statement period.

Additions

Date	Description/Location	Reference	Amount
10/1	UB CHECKING TRANSFER 191001 XXXXXX7029 0101	62741976	10,118.20
10/1	INTUIT PYMT SOLN DEPOSIT CCD 524771992259814	58570450	266.44
10/1	OFFICE DEPOSIT	86614309	1.09
10/3	OFFICE DEPOSIT	86614279	2,321.66
10/3	OFFICE DEPOSIT	57893285	272.88
10/9	INTUIT PYMT SOLN DEPOSIT CCD 524771992259814	59156871	183.32
10/10	INTUIT PYMT SOLN DEPOSIT CCD 524771992259814	52506935	93.96
10/15	INTUIT PYMT SOLN DEPOSIT CCD 524771992259814	52542090	118.12
10/15	INTUIT PYMT SOLN DEPOSIT CCD 524771992259814	85803766	2,139.56
10/17	OFFICE DEPOSIT	57274611	130.20
10/18	INTUIT PYMT SOLN DEPOSIT CCD 524771992259814	58951026	138.11
10/21	INTUIT PYMT SOLN DEPOSIT CCD 524771992259814	85796068	1,663.68
10/22	OFFICE DEPOSIT	51397547	166.44
10/23	INTUIT PYMT SOLN DEPOSIT CCD 524771992259814	52731632	503.75
10/24	INTUIT PYMT SOLN DEPOSIT CCD 524771992259814	55197275	208.72
10/28	INTUIT PYMT SOLN DEPOSIT CCD 524771992259814	86571931	1,748.68
10/29	OFFICE DEPOSIT	50060926	106.04
10/31	INTUIT PYMT SOLN DEPOSIT CCD 524771992259814		
Total			\$ 20,181.94

Checks

Number	Date	Reference	Amount	Number	Date	Reference	Amount
8675	10/8	24503062	130.00	10631	10/9	06798158	318.60
8677*	10/8	08317460	10,464.90	10633*	10/10	08251976	243.84
8678	10/18	85814866	144.00	10634	10/29	08314038	64.47
8679	10/11	06833130	90.11	10635	10/23	06797502	313.99
10630*	10/8	07571756	57.29	10637*	10/24	06000894	450.27
Total							\$ 12,277.47

* Checks missing in sequence. Out of sequence check numbers may also be located in the Payments section of your statement.

Payments online and electronic banking

Date	Description/Location	Reference	Amount
10/1	INTUIT PYMT SOLN TRAN FEE CCD 58569906		\$ 9.93
	524771992259814		358.00
10/4	BSK ASSOCIATES ONLINE PMT CCD 52478288		
	UN1330586897POS		2,390.99
10/4	INTUIT PAYROLL S QUICKBOOKS CCD 770328828	53328970	9.85
10/9	INTUIT PYMT SOLN TRAN FEE CCD 57893550		
	524771992259814		7.02
10/10	INTUIT PYMT SOLN TRAN FEE CCD 59155907		
	524771992259814		10.58
10/10	SO CAL EDISON CO BILL PAYMT WEB 334806411	59306697	20.96
10/10	EMPLOYMENT DEVEL EDD EFTPMT CCD 58858700		
	1273916096		28.72
10/10	SO CAL EDISON CO BILL PAYMT WEB 025420514	59306689	39.31
10/10	SO CAL EDISON CO BILL PAYMT WEB 025415910	59306701	69.60
10/10	SO CAL EDISON CO BILL PAYMT WEB 339224719	59306699	245.60
10/10	EMPLOYMENT DEV'L EDD EFTPMT CCD 58870501		
	875522752		1,642.34
10/10	IRS USATAXPYMT CCD 275968320248785	58444673	1.00
10/15	INTUIT PYMT SOLN TRAN FEE CCD 52507247		
	524771992259814		4.43
10/15	INTUIT PYMT SOLN TRAN FEE CCD 52542493		
	524771992259814		4.86
10/18	INTUIT PYMT SOLN TRAN FEE CCD 57273539		
	524771992259814		2,562.41
10/18	INTUIT PAYROLL S QUICKBOOKS CCD 770328828	57406780	5.13
10/21	INTUIT PYMT SOLN TRAN FEE CCD 58952702		
	524771992259814		472.22
10/22	MCMASTER CARR SU ONLINE PMT CCD 59410798		
	UN1330586897POS		1.00
10/23	INTUIT PYMT SOLN TRAN FEE CCD 51395872		
	524771992259814		17.93
10/24	INTUIT PYMT SOLN TRAN FEE CCD 52733730		
	524771992259814		1,144.00
10/25	STATE COMP INS ONLINE PMT CCD 53284686		
	UN1330586897POS		7.61
10/28	INTUIT PYMT SOLN TRAN FEE CCD 55197906		
	524771992259814		320.97
10/28	1ST BANKCARD CTR ONLINE PMT CCD 55104041		
	CC0005304500		4.01
10/31	INTUIT PYMT SOLN TRAN FEE CCD 50018958		
	524771992259814		
Total			\$ 9,368.47

Quail Valley Water District

11/29/2019 6:47 PM 9

Register: 131000 · Cash:131002 · Cash-Kern County

From 10/01/2019 through 11/29/2019

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment C	Deposit	Balance
10/31/2019			-split-	Deposit	X	569.05	5,266.31
11/04/2019			131000 · Cash:131003 ...	Funds Transfer	4,000.00 X		1,266.31

6:46 PM

11/29/19

**Quail Valley Water District
Reconciliation Summary**
131002 · Cash-Kern County, Period Ending 10/31/2019

10

	Oct 31, 19
Beginning Balance	4,697.26
Cleared Transactions	
Checks and Payments - 1 item	-4,000.00
Deposits and Credits - 1 item	569.05
Total Cleared Transactions	-3,430.95
Cleared Balance	<u>1,266.31</u>
Register Balance as of 10/31/2019	1,266.31
Ending Balance	1,266.31

**COUNTY OF KERN
MONTHLY CASH BALANCE**

11

As of Date: 10/31/2019

FUND	FUND NAME	AS OF DATE	TREASURERS CASH	WARRANTS PAYABLE	AUDITORS CASH
60085	QUAIL VALLEY WATER DISTRICT	10/31/2019	\$5,266.31	\$4,000.00	\$1,266.31
			\$5,266.31	\$4,000.00	\$1,266.31

Quail Valley Water District

12

11/26/2019 11:35 AM

Register: 222100 - Acc Payable - Visa Cards

From 10/01/2019 through 10/31/2019

Sorted by: Date, Type, Number/Ref

Date	Ref.	Payee	Account	Memo	Charge	C	Payment	Balance
10/07/2019		Loves	500000	Operating Ex...	25.18	X		346.15
10/20/2019		WWW.IANDI.COM	500000	Operating Ex...	2.99	X		349.14
10/20/2019		Union Bank - Visa	222000	Accounts Pay...		X	320.97	28.17
10/22/2019		Karl's Hardware		-split-	55.61			83.78
10/24/2019		USPS	50000	Cost of Goods ...	7.35			91.13
				Postage for Cla...				

11:23 AM

11/25/19

Quail Valley Water District
Reconciliation Summary

13

222100 - Acc Payable - Visa Cards, Period Ending 10/31/2019

	Oct 31, 19
Beginning Balance	320.97
Cleared Transactions	
Charges and Cash Advances - 2 items	-28.17
Payments and Credits - 1 item	320.97
Total Cleared Transactions	292.80
Cleared Balance	28.17
Uncleared Transactions	
Charges and Cash Advances - 2 items	-62.96
Total Uncleared Transactions	-62.96
Register Balance as of 10/31/2019	91.13
New Transactions	
Charges and Cash Advances - 3 items	-692.21
Payments and Credits - 1 item	28.17
Total New Transactions	-664.04
Ending Balance	755.17



Account Number: 4031 5299 5526 9769
 New Balance: \$28.17
 Minimum Payment Due: \$7.00
 Payment Due Date: November 25, 2019

14

2253
 QUAIL VALLEY WD
 BILLING ACCOUNT
 ATTN: RANDY CANTRELL
 24750 SAND CANYON RD
 TEHACHAPI CA 93561-8115

First Bankcard
 P.O. Box 2818
 Omaha, NE 68103-2818

PS10
 3101

Make checks payable to First Bankcard
 Amount of Payment Enclosed

\$

Change of Address? If yes, please
 complete reverse side.



4031529955269769 0000000000700 0000000002817

PLEASE DETACH HERE AND RETURN TOP PORTION WITH YOUR PAYMENT

Union Bank VOX® Business Visa®

Account Number:
 4031 5299 5526 9769
 Page 001 of 001



Account Summary

Previous Balance \$320.97
 Payments -\$320.97
 Other Credits -\$0.00
 Purchases +\$28.17
 Balance Transfers +\$0.00
 Cash Advances +\$0.00
 Fees Charged +\$0.00
 Interest Charged +\$0.00
New Balance \$28.17
 Statement Closing Date 10/31/19
 Days in Billing Cycle 31



Payment Information

New Balance \$28.17
 Minimum Payment Due \$7.00
 Past Due Amount \$0.00
 Payment Due Date **November 25, 2019**

Manage your business expenses with convenient
 online access.



- Make secure online payments
- Access current and historical statements, up to 7 years old
- Monitor monthly expenses

Login today to explore all the online possibilities!



Customer Service

Call: Toll Free 1-800-819 4249

(TDD Telecommunications Device for the Deaf: 1-800-925-2833)

Save Time and Stamps
 by Paying Online!

Visit: www.firstbankcard.com/unionbank

Remit to: First Bankcard, P.O. Box 2818, Omaha, NE 68103-2818



Transaction Detail

Trans Date	Post Date	Reference Number	Transaction Description	Credits (CR) and Debits
10-25	10-25	74418009298007296020361	ONLINE PAYMENT THANK YOU!	\$320.97 (CR)
RANDY HARDENBROOK				3542 Credit Limit \$20,000 Net Balance \$28.17

Your Annual Percentage Rate (APR) is the annual interest rate on your account. (v) Variable Rate (f) Fixed Rate

Charge Summary	Annual Percentage Rate (APR)	Special Offer or Eligible Purchase APR Expiration Date	Balance Subject to Interest Rate	Days Used	Interest Charge
Purchases	15.24% (v)	N/A	\$272.18	31	\$0.00
Cash Advance	27.49% (v)	N/A	\$0.00	31	\$0.00

2019 Total Year-to-Date

Total fees charged in 2019 \$0.00
 Total interest charged in 2019 \$8.75



Account Number: 4031 5291 0738 3542
 New Balance: \$0.00
 Minimum Payment Due: \$0.00
 Payment Due Date: November 25, 2019

14

Make checks payable to First Bankcard
 Amount of Payment Enclosed

\$

Change of Address? If yes, please complete reverse side.

2253/0

First Bankcard
 P.O. Box 2818
 Omaha, NE 68103-2818

QUAIL VALLEY WD
 RANDY HARDENBROOK
 24750 SAND CANYON RD
 TEHACHAPI CA 93561-8115

P310
 12203



4031529107383542 00000000000000 00000000000000

PLEASE DETACH HERE AND RETURN TOP PORTION WITH YOUR PAYMENT

Union Bank VOX® Business Visa®

Account Number:
 4031 5291 0738 3542
 Page 001 of 001



Account Summary

Previous Balance \$0.00
 Payments -\$0.00
 Other Credits -\$0.00
 Purchases +\$28.17
 Balance Transfers +\$0.00
 Cash Advances +\$0.00
 Fees Charged +\$0.00
 Interest Charged +\$0.00
New Balance \$0.00

Statement Closing Date 10/31/19
 Days in Billing Cycle 31

Total Credit Limit \$20,000.00
 Available Credit \$20,000.00
 Cash Limit \$0.00
 Available Cash \$0.00



Payment Information

New Balance \$0.00
 Minimum Payment Due \$0.00
 Past Due Amount \$0.00
 Payment Due Date November 25, 2019

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- Access current and historical statements, up to 7 years old
- Monitor monthly expenses

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Customer Service

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 by Paying Online!

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Visit: www.firstbankcard.com/unionbank

Remit to: First Bankcard, P.O. Box 2818, Omaha, NE 68103-2818

Important Information Regarding Your Account

This is a zero balance statement for your information only. No payment is required.



Transaction Detail

Trans Date	Post Date	Reference Number	Transaction Description	Credits (CR) and Debits
0-07	10-10	24164079281111382304922	LOVE S COUNTRY00003921 TEHACHAPI CA	\$25.18
-18	10-22	240552292910472819283117	WWW.TANDI.COM CHESTERBROOK PA	\$2.99

Your Annual Percentage Rate (APR) is the annual interest rate on your account. (v) Variable Rate (f) Fixed Rate

Charge Summary	Annual Percentage Rate (APR)	Special Offer or Eligible Purchase APR Expiration Date	Balance Subject to Interest Rate	Days Rate Used	Interest Charge
Purchases	15.24% (v)	N/A	\$0.00	31	\$0.00
Cash Advance	27.49% (v)	N/A	\$0.00	31	\$0.00



Account Number: 4031 5298 7521 1206

New Balance: \$0.00

Minimum Payment Due: \$0.00

Payment Due Date: November 25, 2019

14

Make checks payable to First Bankcard

Reward Point Summary - Do Not Pay



Change of Address? If yes, please complete reverse side.

2253

QUAIL VALLEY WD
RANDY RPS-HARDENBROOK
24750 SAND CANYON RD
TEHACHAPI CA 93561-8115

First Bankcard
P.O. Box 2818
Omaha, NE 68103-2818

P310
12024



4031529875211206 00000000000000 00000000000000

PLEASE DETACH HERE AND RETURN TOP PORTION WITH YOUR PAYMENT

Union Bank VOX® Business Visa®

Account Number:
4031 5298 7521 1206
Page 001 of 002



Account Summary

Previous Balance	\$0.00
Payments	-\$0.00
Other Credits	-\$0.00
Purchases	+\$0.00
Balance Transfers	+\$0.00
Cash Advances	+\$0.00
Fees Charged	+\$0.00
Interest Charged	+\$0.00
New Balance	\$0.00

Statement Closing Date 10/31/19
Days in Billing Cycle 31

Total Credit Limit
Available Credit
Cash Limit
Available Cash



Payment Information

New Balance	\$0.00
Minimum Payment Due	\$0.00
Past Due Amount	\$0.00
Payment Due Date	November 25, 2019

Manage your business expenses with convenient online access.



- Make secure online payments
- Access current and historical statements, up to 7 years old
- Monitor monthly expenses

Login today to explore all the online possibilities!



Customer Service

Call: Toll Free 1-800-819-7249

(TDD Telecommunications Device for the Deaf: 1-800-925-2833)

Save Time and Stamps
by Paying Online!

Visit: www.firstbankcard.com/unionbank

Remit to: First Bankcard, P.O. Box 2818, Omaha, NE 68103-2818

REWARDS SUMMARY

Remember... keep using your card to increase your rewards total - the more you charge, the more rewards you earn!

Total points earned this month	29
Bonus points earned this month	0
Total points redeemed this month	0
Accumulated point total	2,871
Points expiring next month	0
Current point balance	2,871

Points expiring on your next statement closing date0

(Points earned expire on or after 3 years from the date they are awarded. To avoid expiring your points, please redeem them before your due date listed on this statement.)

Redeem your points for travel, gift cards, merchandise, cash back as a statement credit to the designated

Quail Valley Water District

11/26/2019 11:23 AM

Register: 222200 · Acc Payable - Cal Cards

From 10/01/2019 through 10/31/2019

15

Sorted by: Date, Type, Number/Ref

Date	Ref.	Payee	Account	Memo	Charge	C	Payment	Balance
10/01/2019	20191719	Kern Data	500000 · Operating Ex...		40.00	X		246.83
10/07/2019		Speedy Fuel	500000 · Operating Ex...		205.41	X		452.24
10/09/2019	WATQUA	Kern River Propane	-split-		160.64	X		612.88
10/12/2019		Microsoft	500000 · Operating Ex...		8.25	X		621.13
10/12/2019	33582	Leslie's Pool Supplies	-split-		26.24	X		647.37
10/13/2019		Home Depot	-split-		199.56	X		846.93
10/15/2019		Home Depot	-split-		77.63	X		924.56
10/17/2019		Home Depot	-split-		123.98	X		1,048.54
10/20/2019		Amazon MktPlace	500000 · Operating Ex...		21.44	X		1,069.98
10/21/2019		Hughes Net	500000 · Operating Ex...	9/20 - 10/20/19...	114.18	X		1,184.16
10/21/2019		U. S. Bank - Cal Card	222000 · Accounts Pay...				1,184.16	0.00
10/25/2019		Home Depot	-split-	Insulation, Liq...	60.96			60.96
10/31/2019		The Barn	500000 · Operating Ex...		199.70			260.66
10/31/2019		The Barn	500000 · Operating Ex...		200.00			460.66

10:21 AM

11/25/19

Quail Valley Water District
Reconciliation Summary

16

222200 · Acc Payable - Cal Cards, Period Ending 10/22/2019

	Oct 22, 19
Beginning Balance	1,626.65
Cleared Transactions	
Charges and Cash Advances - 12 items	-1,184.16
Total Cleared Transactions	-1,184.16
Cleared Balance	<u>2,810.81</u>
Uncleared Transactions	
Payments and Credits - 2 items	2,810.81
Total Uncleared Transactions	2,810.81
Register Balance as of 10/22/2019	<u>0.00</u>
New Transactions	
Charges and Cash Advances - 17 items	-5,503.51
Total New Transactions	-5,503.51
Ending Balance	<u>5,503.51</u>



P.O. BOX 6343
FARGO ND 58125-6343

ACCOUNT NUMBER 4246 0445 5573 8586
STATEMENT DATE 10-21-2019
AMOUNT DUE \$2,810.81
NEW BALANCE \$2,810.81
PAYMENT DUE ON RECEIPT

17

000000053 01 SP 0.560 106481082024138 P

QUAIL VALLEY WATER DIST
ATTN RICHARD CANTRELL
24750 SAND CANYON ROAD
TEHACHAPI CA 93561-8115

AMOUNT ENCLOSED
\$

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

*1/20/19 Paid - \$2,810.81
Confirmation # Prow-67350
Seth, Seth & Oct. bills paid together*

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

4246044555738586 000281081 000281081

Please tear payment coupon at perforation.

CORPORATE ACCOUNT SUMMARY									
QUAIL VALLEY WATER D 4246 0445 5573 8586	Previous Balance	Purchases And Other Charges	Cash Advances	Cash Advance Fees	Late Payment Charges	Credits	Payments	New Balance	
Company Total	\$1,626.65	\$1,184.16	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,810.81	

NEW ACTIVITY					
RANDY HARDENBROOK 4246-0402-8026-4344	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
	\$0.00	\$1,184.16	\$0.00	\$1,184.16	

Post Date	Tran Date	Reference Number	Transaction Description	Amount
09-23	09-20	24493989263200299200796	LD PRODUCTS 888-321-2552 CA	154.36
09-23	09-20	24692169264100385376079	LESLIES POOL SPLY LANCASTER CA	52.47
10-01	09-30	24692169273100161382460	HNS*HUGHESNET.COM 866-347-3292 MD	114.18
10-02	10-01	24275399274900013080258	KERN DATA 888-8717205 CA	40.00
10-08	10-07	24801979281286277800273	SPEEDY FUEL TEHACHAPI CA	205.41
10-14	10-10	24207859284167100728504	KERN RIVER PROPANE 760-3796259 CA	160.64
10-14	10-12	24430999285400818144090	MSFT * E05009F335 800-642-7676 WA	8.25
10-14	10-12	24692169286100167232486	LESLIES POOL SPLY LANCASTER CA	26.24
10-15	10-13	24610439287010201901258	THE HOME DEPOT #6835 TEHACHAPI CA	199.56
10-17	10-15	24610439289010178289735	THE HOME DEPOT #6835 TEHACHAPI CA	77.63
10-21	10-17	24610439291010177050951	THE HOME DEPOT #6835 TEHACHAPI CA	123.98
10-21	10-20	24692169293100837172923	AMZN MKTP US*T178G7XH3 AMZN.COM/BILL WA	21.44

CUSTOMER SERVICE CALL 800-344-5696	ACCOUNT NUMBER 4246-0445-5573-8586		ACCOUNT SUMMARY	
	STATEMENT DATE 10/21/19	DISPUTED AMOUNT .00	PREVIOUS BALANCE PURCHASES & OTHER CHARGES	1,626.65 1,184.16
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		AMOUNT DUE 2,810.81		CASH ADVANCES CASH ADVANCE FEES LATE PAYMENT CHARGES CREDITS PAYMENTS ACCOUNT BALANCE
				.00 .00 .00 .00 .00 2,810.81

Quail Valley Water District
Balance Sheet
 As of October 31, 2019

18

	Oct 31, 19
ASSETS	
Current Assets	
Checking/Savings	
Prop 84 Checking Account	149,827.23
Total Checking/Savings	149,827.23
Accounts Receivable	
Accounts Receivable	624,226.03
Total Accounts Receivable	624,226.03
Total Current Assets	774,053.26
TOTAL ASSETS	774,053.26
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	106,918.57
Total Accounts Payable	106,918.57
Credit Cards	
CoBank LOC	729,062.62
Total Credit Cards	729,062.62
Total Current Liabilities	835,981.19
Total Liabilities	835,981.19
Equity	
Opening Balance Equity	1,000.00
Retained Earnings	-141,325.04
Net Income	78,397.11
Total Equity	-61,927.93
TOTAL LIABILITIES & EQUITY	774,053.26

6:44 PM
11/29/19

Quail Valley Water District
Statement of Cash Flows
October 2019

19

	<u>Oct 19</u>
OPERATING ACTIVITIES	
Net Income	249,491.14
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	-267,312.82
Accounts Payable	5,225.58
Net cash provided by Operating Activities	<u>-12,596.10</u>
Net cash increase for period	-12,596.10
Cash at beginning of period	<u>162,423.33</u>
Cash at end of period	<u><u>149,827.23</u></u>

6:44 PM
11/29/19

Quail Valley Water District
Statement of Cash Flows
July 1 through November 29, 2019

20

	<u>Jul 1 - Nov 29, 19</u>
OPERATING ACTIVITIES	
Net Income	75,827.40
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	-14,919.96
Accounts Payable	-122,821.07
CoBank LOC	122,548.13
Net cash provided by Operating Activities	<u>60,634.50</u>
Net cash increase for period	60,634.50
Cash at beginning of period	<u>7,457.78</u>
Cash at end of period	<u><u>68,092.28</u></u>

6:44 PM
11/29/19
Accrual Basis

Quail Valley Water District
Profit & Loss
October 2019

21

	Oct 19
Ordinary Income/Expense	
Expense	
Non Reimbursable Expense	
Bank Charges	15.00
Interest	2,461.81
Total Non Reimbursable Expense	2,476.81
Total Budget	
1-Construction of Facilities	-238,458.40
2-Construction Management, Insp	-13,509.55
Total Total Budget	-251,967.95
Total Expense	-249,491.14
Net Ordinary Income	249,491.14
Net Income	249,491.14

6:44 PM
11/29/19
Accrual Basis

Quail Valley Water District
Profit & Loss
July 1 through November 29, 2019

22

	Jul 1 - Nov 29, 19
Ordinary Income/Expense	
Expense	
Non Reimbursable Expense	
Bank Charges	45.00
Interest	14,877.08
Non Reimbursable Expense - Other	30.00
Total Non Reimbursable Expense	14,952.08
Total Budget	
1-Construction of Facilities	-88,239.48
2-Construction Management, Insp	-2,540.00
Total Total Budget	-90,779.48
Total Expense	-75,827.40
Net Ordinary Income	75,827.40
Other Income/Expense	
Other Expense	
Ask My Accountant	0.00
Total Other Expense	0.00
Net Other Income	0.00
Net Income	75,827.40

Quail Valley Water District

11/26/2019 11:46 AM

23

Register: Prop 84 Checking Account
 From 10/01/2019 through 10/31/2019
 Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
10/01/2019	To Print	QVWD	Accounts Payable	May, June, July...	10,119.29	X		152,304.04
10/22/2019	PKGFL-...	CoBank	CoBank LOC		2,461.81	X		149,842.23
10/31/2019			Non Reimbursable Ex...	Service Charge	15.00	X		149,827.23

11:45 AM
 11/26/19

Quail Valley Water District
Reconciliation Summary
 Prop 84 Checking Account, Period Ending 10/31/2019

24

	Oct 31, 19
Beginning Balance	370,177.97
Cleared Transactions	
Checks and Payments - 6 items	-205,280.10
Total Cleared Transactions	-205,280.10
Cleared Balance	164,897.87
Uncleared Transactions	
Checks and Payments - 1 item	-15,070.64
Total Uncleared Transactions	-15,070.64
Register Balance as of 10/31/2019	149,827.23
New Transactions	
Checks and Payments - 6 items	-81,734.95
Total New Transactions	-81,734.95
Ending Balance	68,092.28



STATEMENT OF ACCOUNTS

Page 1 of 1
Statement Number: 2740027029
10/01/19 - 10/31/19

25

UNION BANK
TEHACHAPI 0985
PO BOX 512380
LOS ANGELES CA 90051-0380

Telephone Banking
For 24-hour Automated Direct Service
800-238-4486
800-826-7345(TDD)
Representatives are available
Monday through Saturday

To open additional accounts,
or apply for loans, call your
banking office at 661-822-2500

You may also access your account online
at unionbank.com

Thank you for banking with us
since 2014

QUAIL VALLEY WATER DISTRICT
PROP 84
24750 SAND CANYON RD
TEHACHAPI CA 93561-8115

- Did you know Union Bank offers same-business-day merchant funding? Learn more by contacting a Business Advisor at 1-888-228-0756, Mon - Fri 9:00 am to 5:00 pm P.T.

Business Essentials Checking Summary

Account Number: 2740027029

Days in statement period: 31

Balance on 10/1	\$	370,177.97
Additions		0.00
Subtractions		-205,280.10
Checks		-192,684.00
Payments		-12,581.10
Other Withdrawals		-15.00
Balance on 10/31	\$	164,897.87
Statement Average Ledger Balance		228,717.94

We waived your service charge this statement period.

Checks

Number	Date	Reference	Amount	Number	Date	Reference	Amount
5145	10/11	07603136	103,400.00	84005*	10/25	08290160	6,090.00
5146	10/7	06233700	23,194.00				
Total							\$ 192,684.00

* Checks missing in sequence. Out of sequence check numbers may also be located in the Payments section of your statement.

Payments *online and electronic banking*

Date	Description/Location	Reference	Amount
10/1	CHECKING TRANSFER 191001 XXXXXX6359	62741970	\$ 10,119.29
	0000		
10/25	COBANK ONLINE PMT WEB UN1330586897POS	53280798	2,461.81
Total			\$ 12,581.10

Other Withdrawals *including fees and adjustments*

Date	Description/Location	Reference	Amount
10/2	WIRE TRANSFER MONTHLY FEE/WEB (WTM)	90251844	\$ 15.00

Quail Valley Water District

11/26/2019 12:16 PM

Register: CoBank LOC

From 10/01/2019 through 10/31/2019

26

Sorted by: Date, Type, Number/Ref

Date	Ref.	Payee	Account	Memo	Charge C	Payment	Balance
10/22/2019		CoBank	Non Reimbursable Ex...	Interest 9/1-9/3...	2,461.81		731,524.43
10/22/2019	PKGFL-...	CoBank	Prop 84 Checking Acc...			2,461.81	729,062.62

12:18 PM

11/26/19

Quail Valley Water District
Reconciliation Summary
 CoBank LOC, Period Ending 10/31/2019

27

	Oct 31, 19
Beginning Balance	729,062.62
Cleared Transactions	
Charges and Cash Advances - 1 item	-2,461.81
Payments and Credits - 1 item	2,461.81
Total Cleared Transactions	0.00
Cleared Balance	729,062.62
Register Balance as of 10/31/2019	729,062.62
New Transactions	
Payments and Credits - 1 item	2,451.87
Total New Transactions	2,451.87
Ending Balance	726,610.75



6340 S. Fiddlers Green Circle
Greenwood Village, CO 80111

28

Customer Billing Statement

Customer Number 00103319
Statement Date 10/31/2019
Payment Due Date 11/20/2019
Page 1 of 3

Customer Service Information

- Customer Service**
(800) 255-6190
- CoBank National Office**
6340 S. Fiddlers Green Circle
Greenwood Village, CO 80111
- Visit Us Online**
www.cobank.com

00000576 TCBL29851 01 001000
QUAIL VALLEY WATER DISTRICT
24750 SAND CANYON ROAD
TEHACHAPI, CA 93561

BILLING SUMMARY

Amounts in USD

Agreement	Facility Fee/Loan Number	Fee/Balance Description	Balance Due	Total Amount Due
S01-A	01 002989625	INTEREST OWING	2,451.87	
S01-A	01 002989625	LOAN AMOUNT DUE		2,451.87
Grand Total Due:				2,451.87

Balances Due Summary

Total Principal	Total Interest	Total Fees	Total Other	Grand Total Due
0.00	2,451.87	0.00	0.00	\$2,451.87

11/19/19 Paid
Confirmation # PQXV4-3RQTB (\$2,451.87)

Please wire transfer your payment to CoBank:

ABA Number: 307088754
Account Number: 00103319

Or return with your check payable to:



PO BOX 910167
DENVER, CO 80291-0167

Customer Number 00103319
Statement Date 10/31/2019
Payment Due Date 11/20/2019
Grand Total Due (USD) 2,451.87

Amount Enclosed: _____

00000576-0001151-0001-0003-TCBL2985111-01-L



6340 S. Fiddlers Green Circle
Greenwood Village, CO 80111

26

Customer Billing Statement

Customer Number 00103319
Statement Date 10/31/2019
Payment Due Date 11/20/2019
Page 3 of 3

FACILITY STATEMENT OF ACTIVITY

No activity for Facility Fees billed during this period

LOAN STATEMENT OF ACTIVITY

AGREEMENT S01-A FACILITY 01 0000290791 LOAN 01 002989625 Currency: USD

Accrual INT01 LOAN INTEREST				From 10/01/2019 To 11/01/2019		
From	To	No. of Days	Accruing Balance	Accruing Rate	Amount Accrued	
10/01/2019	10/07/2019	6	729,062.62	4.020000	488.47	
10/07/2019	10/15/2019	8	729,062.62	3.950000	639.95	
10/15/2019	10/21/2019	6	729,062.62	3.890000	472.68	
10/21/2019	10/28/2019	7	729,062.62	3.830000	542.95	
10/28/2019	10/29/2019	1	729,062.62	3.800000	76.95	
10/29/2019	11/01/2019	3	729,062.62	3.800000	230.87	

Transaction Activity Since Last Statement

Date	Transaction Description	Transaction Value
10/29/2019	INTEREST PAYMENT	2,461.81

00000576-0001152-0003-0003-TCBL2985111-01-1

28



6340 S. Fiddlers Green Circle
Greenwood Village, CO 80111

Customer Billing Statement

Customer Number 00103319
Statement Date 10/31/2019
Payment Due Date 11/20/2019
Page 2 of 3

LOAN BILLING DETAIL

Amounts in USD

AGREEMENT S01-A FACILITY 01 0000290791 LOAN 01 002989625

Loan Information

Effective Date 08/11/2016
Maturity Date 12/31/2019
Interest Rate Maturity Date
Currency USD
Principal Balance 729,062.62

Balances Due

Balance	Description	From	To	Current Due	Past Due	Total Due
INT	INTEREST OWING	10/01/2019	11/01/2019	2,451.87	0.00	2,451.87

00000576-0001152-0002-0003-TCRI 2006111.01.11



Quail Valley Water District Vendor QuickReport

November 1 - 28, 2019

Date	Num	Memo	Split	Amount
11/01/2019	10/12/19	Copy Paper	562730 · Office Supplies	-32.83
11/01/2019		October District Travel Mileage Reimbursement	568640 · Op Expenses Auto	-251.72
11/01/2019		October Prop 84 Mileage Reimbursement	50000 · Cost of Goods Sold (Costs of items purchased and then sold to cust)	-157.76
11/01/2019	10/20/19	Mirror, Envelopes, Gauges	-SPLIT-	-94.63
11/01/2019	11/21/19	Reagent	531100 · Chemicals-Water Quality	-26.56
			Prop 84 Mileage	-157.76
			District Travel	-251.72
			Purchases	-154.02
			October Total	-563.50
10/01/2019		September Prop 84 mileage	50000 · Cost of Goods Sold (Costs of items purchased and then sold to cust)	-70.76
10/01/2019	9/24/19	Amazon 9/24/2019	-SPLIT-	-58.97
10/01/2019	9/16/19	Pipeline marking Tape	568642 · Small Tools & Supplies	-93.94
10/01/2019	9/22/19	Fire hose caps	568642 · Small Tools & Supplies	-64.95
10/01/2019		September mileage	568640 · Op Expenses Auto	-196.04
			Prop 84 Mileage	-70.76
			District Travel	-196.04
			Purchases	-217.86
			September Total	-484.66
09/01/2019		August Prop 84 mileage	50000 · Cost of Goods Sold (Costs of items purchased and then sold to cust)	-95.70
09/01/2019		Mileage reimbursement	568640 · Op Expenses Auto	-309.14
09/01/2019	8/10/19	Envelopes	562730 · Office Supplies	-16.95
09/01/2019	8/24/19	Staplers	562730 · Office Supplies	-15.74
09/01/2019	8/22/19	PVC Pipe Nipples	-SPLIT-	-174.42
09/01/2019	8/16/19	Murphy Switchgag	12100 · Inventory Asset (Costs of inventory purchased for resale)	-120.00
			Prop 84 Mileage	-95.70
			District Travel	-309.14
			Purchases	-327.11
			August Total	-731.95
08/01/2019		Prop 84 Mileage for July, 2019	50000 · Cost of Goods Sold (Costs of items purchased and then sold to cust)	-178.64

Quail Valley Water District
Vendor ClickReport

November 1 - 28, 2019

08/01/2019	Mileage reimbursement for District travel July, 2019	568640 · Op Expenses Auto	-158.92
		Prop 84 Mileage	-178.64
		District Travel	-158.92
		Purchases	0.00
		July Total	-337.56
07/01/2019	Mileage Reimbursement for District travel.	568640 · Op Expenses Auto	-338.72
07/01/2019	Mileage reimbursement for Prop 84 related travel.	50000 · Cost of Goods Sold (Costs of items purchased and then sold to cust	-201.26
07/03/2019	Road signs for construction traffic	568642 · Small Tools & Supplies	-38.98
		Prop 84 Mileage	-201.26
		District Travel	-338.72
		Purchases	-38.98
		June Total	-578.96
06/01/2019	Mileage reimbursement for Prop 84 related travel expense 50000 · Cost of Goods Sold (Costs of items purchased and then sold to cust		-102.66
06/01/2019	Mileage reimbursement for District travel.	568640 · Op Expenses Auto	-184.44
06/16/2019	Office supplies	562730 · Office Supplies	-91.94
06/28/2019	Water quality test supplies	531100 · Chemicals-Water Quality	-57.65
		Prop 84 Mileage	-102.66
		District Travel	-184.44
		Purchases	-149.59
		May Total	-436.69
05/01/2019	Mileage for District travel	568640 · Op Expenses Auto	-189.08
05/01/2019	Mileage for April Prop84 related travel	568640 · Op Expenses Auto	-121.80
05/06/2019	Chlorine	531100 · Chemicals-Water Quality	-26.24
		Prop 84 Mileage	-121.80
		District Travel	-189.08
		Purchases	-26.24
		April Total	-337.12
04/01/2019	Chlorine	531100 · Chemicals-Water Quality	-26.24
04/01/2019	Mileage for District travel.	568640 · Op Expenses Auto	-153.12
04/01/2019	March mileage reimbursement for Prop 84 related travel.	50000 · Cost of Goods Sold (Costs of items purchased and then sold to cust	-248.82

Quail Valley Water District Vendor QuickReport November 1 - 28, 2019

Prop 84 Mileage	-248.82
District Travel	-153.12
Purchases	-26.24
March Total	-428.18

03/04/2019	February Prop 84 related mileage expense.	50000 - Cost of Goods Sold (Costs of items purchased and then sold to cust	-42.34
03/04/2019	February mileage reimbursement for District travel	568640 - Op Expenses Auto	-375.26
		Prop 84 Mileage	-42.34
		District Travel	-375.26
		Purchases	0.00
		February Total	-417.60

02/01/2019	P-touch label maker.	562730 - Office Supplies	-21.72
02/01/2019	Oil for service truck, ratchet.	-SPLIT-	-84.70
02/02/2019	January 2019 Prop 84 related travel.	50000 - Cost of Goods Sold (Costs of items purchased and then sold to cust	-122.38
02/02/2019	January mileage reimbursement for District travel.	565663 - Employee Reimbursement	-223.88
		Prop 84 Mileage	-122.38
		District Travel	-223.88
		Purchases	-106.42
		January Total	-452.68

2019 Prop 84 Mileage Total	-1,342.12
2019 District Travel Total	-2,380.32
2019 Purchases Total	-1,046.46
2019 Total Expenses	-4,768.90



A STATE OF
CALIFORNIA
PUBLIC AGENCY

QUAIL VALLEY WATER DISTRICT

6r3
BOARD OF DIRECTORS

Mike Biglay
Jean Grodewald
Rita Leonard
Enrique Lopez
Joan Tyer

BOARD MEMO

Re: Montclair Well
Date: 11/29/19
By: Randy Hardenbrook
Subject: Montclair Well Ownership

Mr. & Mrs. Smeed contacted the District requesting information on the progress installing the new well at Montclair and advising that the existing well was only loaned to the District until such time as the new well was completed and expressing dissatisfaction with the efforts to complete the new well and informed the District that the delay in returning the well was causing an issue with the sale of Lot 20 as the purchaser expects the well to convey with the property. I informed the Smeeds that I had no knowledge of any such agreement that the well was "loaned" to the District and that it was my understanding that the well was owned by the District. Mr. Smeed indicated that he drilled all the wells and they all belonged to him. He also indicated that the water tank at Montclair was his.

In researching archived records in possession of the District, I located the attached documents related to the construction and ownership of the Montclair well and tank. Among the documents located is a letter requesting a permit to construct the well along with a copy of the check tendered as payment for the permit and the driller's log for the well, all indicating Quail Valley Water District as the well owner.

In addition, a report of bills payed dated December 19, 1989 was located that indicates payments to Boetsch Well Drilling for drilling several wells, including the Montclair well. Also found were minutes from 2/6/95 and 4/29/95 discussing the construction of water systems and the use of the Montclair well with no indication of the well not being owned by the District and minutes from 5/5/97 and 8/4/97 discussing the District purchase of a replacement water tank for the Montclair site.

An Easement for Water System was granted by Smeed Family Trust of 1984 to Quail Valley Water District, recorded 5/23/1996, describing an easement around an existing well, water tank and pipeline with no mention as to ownership of the well, tank or pipeline or of any "sunset" provision.

These documents were provided to counsel for the District and counsel has provided a written opinion for your review.

A STATE OF
CALIFORNIA
PUBLIC AGENCY

**QUAIL
VALLEY
WATER
DISTRICT**



24 July 1989

Environmental Health Services
2700 "M" Street
Bakersfield, CA 93301

Gentlemen:

Please issue a permit for a water well which we plan to drill on Lot 20 of Parcel Map 6717 which is located in Section 36 T31S R33E M.D.B. & M. A map of the proposed location of the well is attached.

Thank you for your courtesy.

Sincerely,

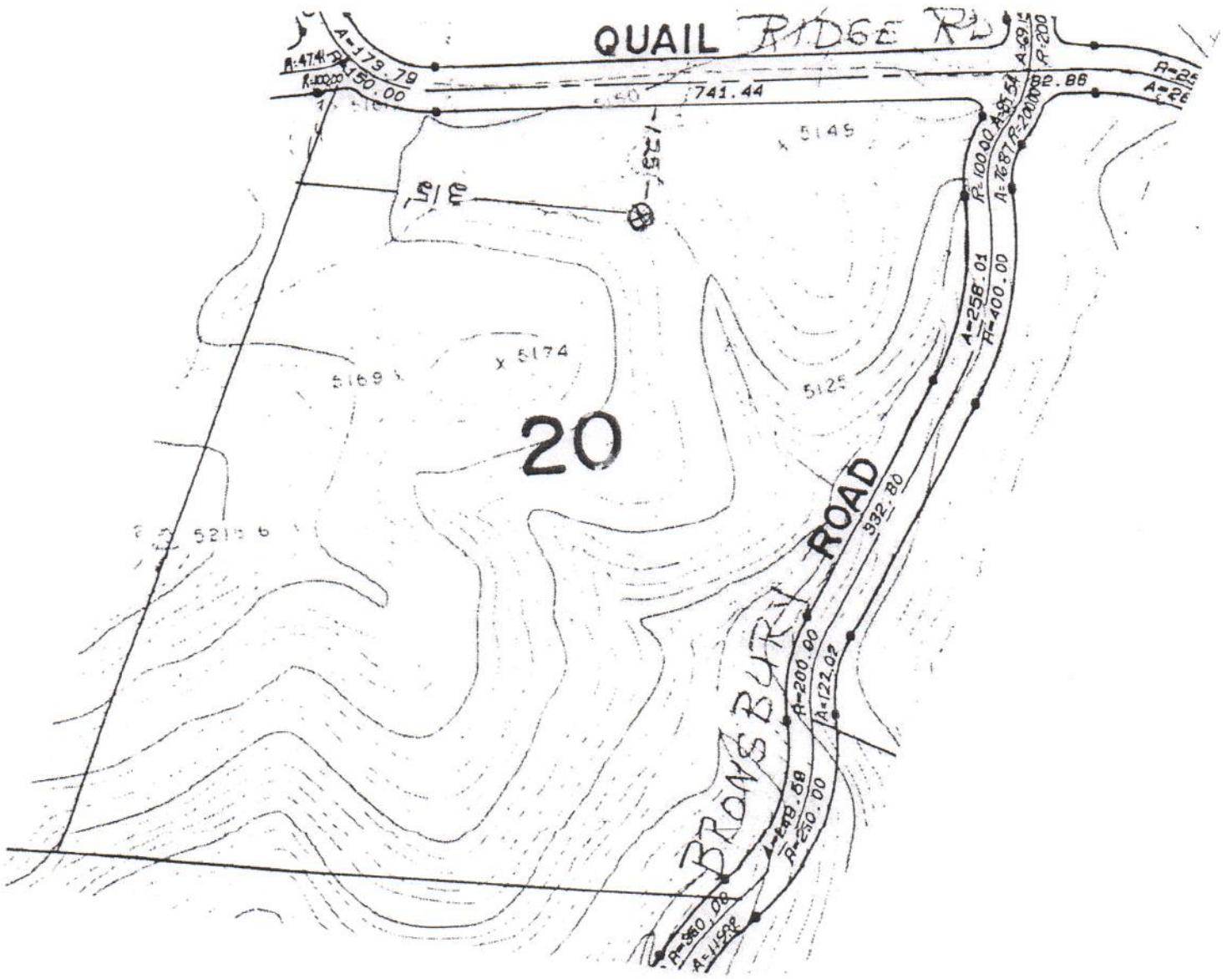
QUAIL VALLEY WATER DISTRICT

LeRoy M. Jackson / LMJ
LeRoy M. Jackson,
Vice President

LMJ/zh

A STATE OF
CALIFORNIA
PUBLIC AGENCY

QUAIL VALLEY WATER DISTRICT



Kern County
 Environmental Health Services Department
 2700 "M" Street, Suite 300
 Bakersfield, CA 93301
 (805) 861-3636



APPLICATION FOR A PERMIT TO CONSTRUCT,
 RECONSTRUCT, DEEPEN OR DESTROY A WELL

PERMIT NUMBER: _____
 CT: _____
 APN: _____

Aug. 1, 1989
 APPLICATION DATE

OWNERS NAME Quail Valley Water District HOME PHONE NO. _____

Aug. 30, 1989
 PROPOSED STARTING DATE

ADDRESS 3200 71st Street Suite 401 WORK PHONE NO. 322-4077
Bakersfield, Ca 93301

Sept 10, 1989
 PROPOSED COMPLETION DATE

CONTRACTOR Doc Harry's Pump & Well Service LICENSE NO. 513803
 ADDRESS 44316 Serrano Ave Lancaster PHONE NO. 805-949-1412
Ca

SUBCONTRACTOR _____ LICENSE NO. _____
 ADDRESS _____

JOB SITE: T 315 R 33E SEC. 36 40 ACRE SUB. _____

DIRECTIONS TO WELL SITE: Quail Ridge Rd west of Bronsbury approx. 350'

TYPE OF WORK DONE: (CHECK ONE)
 NEW WELL RECONSTRUCTION DEEPEN DESTRUCTION

INTENDED USE: DOMESTIC/PRIVATE (1 Connection)
 DOMESTIC/NONPUBLIC (2-4 Connections)
 DOMESTIC/PUBLIC (5 or more connections)
 AGRICULTURAL
 TEST HOLE
 MONITORING
 CATHODIC PROTECTION
 OTHER _____

CONSTRUCTION METHOD: REVERSE ROTARY
 ROTARY
 AIR ROTARY
 CABLE TOOL
 BORED
 OTHER _____

DEPTH TO WATER: _____

SEALING MATERIAL: (CHECK ONE)

NEAT CEMENT
 CEMENT GROUT
 CONCRETE
 PUDDLED CLAY
 OTHER _____

GRAVEL PACK: (CHECK ONE)

YES NO
 FROM 50 TO 500
 FROM _____ TO _____

PROPOSED CASING:

DIAMETER 6" TYPE PVC
 DEPTH 500'
 CONDUCTOR DEPTH _____ GAUGE/WALL 357R21-F46

PROPOSED WELL CONSTRUCTION (DEPTH):

MAX 600 FT MIN 300 FT

PROPOSED WELL DESTRUCTION:

WELL DEPTH _____ FT

PROPOSED PERFORATIONS OR SCREEN:

FROM 300 TO 600 FEET

FROM _____ TO _____ FEET

FROM _____ TO _____ FEET

FROM _____ TO _____ FEET

WELL CONSTRUCTION OR DESTRUCTION

PROPOSED SEALS/PLUG(S):

ANNULAR 9' Cement Grout

OTHER _____

FROM 0 TO 50 FEET

FROM _____ TO _____ FEET

Well Permit Application

Kern County
Environmental Health Services Department
2700 "M" Street, Suite 300
Bakersfield, CA 93301
(805) 861-3636

Parcel No. Lot 20 - Map 6719

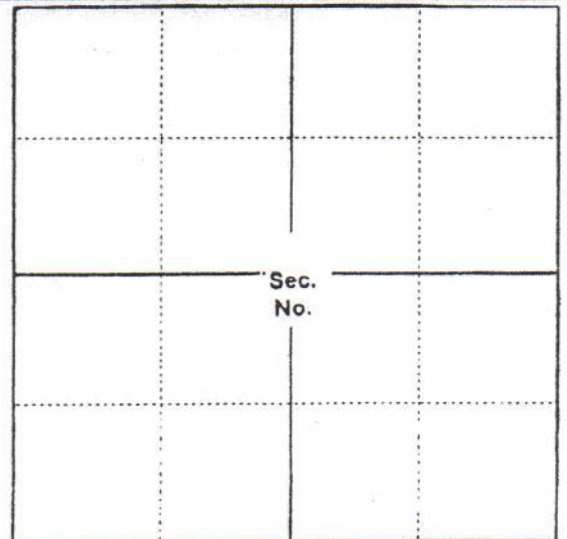
Assessor's Parcel No. _____

LOCATION

A. Indicate below the exact location of well with respect to the following items: property lines, water bodies or water courses, drainage pattern, roads, existing wells, structures, sewers and private disposal systems. Include dimensions.



B. LOCATION OF WELL WITHIN SECTION LINES. Locate well by measuring from proposed well site to two (2) section lines or 1/4 section lines if a road(s) borders the land. The measurement(s) should also be made from the center of the road.



← One Mile →

QUAIL VALLEY WATER DISTRICT

805-322-4027

3200 - 21ST STREET, SUITE 401
BAKERSFIELD, CA 93301

1028

16-49
1220

14 August 1989

**PAY TO THE
ORDER OF**

Kern County Health Department
Three Hundred Thirty-Five

335.00

DOLLARS

Union Bank

Kern County Regional Office
901 Tower Way, Suite 100
Bakersfield, CA 93309-1585

application to drill well - 1st 20,
FOR P/M 16717 - Sec 36. Paid under protest

Clair J. Sneed

⑈001028⑈ ⑆⑆122000496⑆38755⑈5008⑈

DEPARTMENT OF WATER RESOURCES
WATER WELL DRILLERS REPORT

No. 47149

No. of Intent No. _____

Local Permit No. or Date _____

State Well No. _____

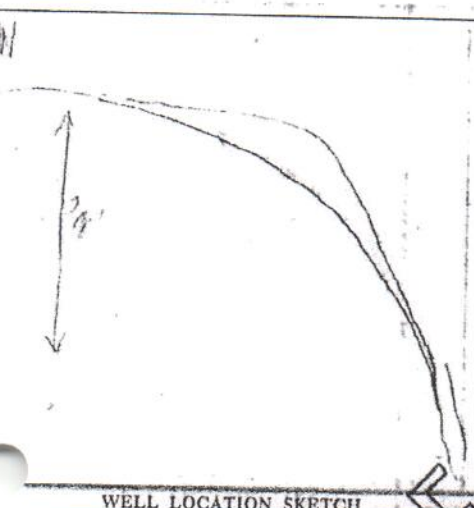
Other Well No. _____

(1) OWNER: Name Rural Valley Water District
Address 3700 21st St #401
City Bak South Ca Zip 93301

(12) WELL LOG: Total depth 330 ft. Depth of completed well 24 ft.
from ft. to ft. Formation (Describe by color, character, size or material)

(2) LOCATION OF WELL (See instructions):
County Kern Owner's Well Number Monchell
Well address if different from above 21st St 20
Township S15 Range 33E Section 25
Distance from cities, roads, railroads, fences, etc. 100 ft from rd

0	10	Hard
10	20	Hard
20	30	Hard
30	330	Hard



(3) TYPE OF WORK:

- New Well Deepening
- Reconstruction
- Reconditioning
- Horizontal Well
- Destruction (Describe destruction materials and procedures in Item 12)

(4) PROPOSED USE:

- Domestic
- Irrigation
- Industrial
- Test Well
- Stock
- Municipal
- Other

(5) EQUIPMENT:
Rotary Reverse
Cable Air
Other Bucket

(6) GRAVEL PACK:
Yes No Size _____
Diameter of bore 8 3/4
Packed from 50 to 350 ft.

(7) CASING INSTALLED:
Steel Plastic Concrete

(8) PERFORATIONS:
Type of perforation or size of screen

From ft.	To ft.	Dia. in.	Gage or Wall	From ft.	To ft.	Slot size
1	350	6	5.00/2.00	200	350	

(9) WELL SEAL:
Was surface sanitary seal provided? Yes No If yes, to depth 50 ft.
Were strata sealed against pollution? Yes No Interval _____ ft.
Method of sealing Concrete Cap

(10) WATER LEVELS:
Depth of first water, if known 150 ft.
Standing level after well completion 150 ft.

(11) WELL TESTS:
Was well test made? Yes No If yes, by whom? Well
Type of test Pump Bailer Air lift
Depth to water at start of test 150 ft. At end of test 200 ft.
Discharge 100 gal/min after 2 hours Water temperature 50
Chemical analysis made? Yes No If yes, by whom?
Electric log made? Yes No If yes, attach copy to this report

Work started 11/20 1987 Completed 11/10 1987

WELL DRILLER'S STATEMENT:
This well was drilled under my jurisdiction and this report is true to the best of my knowledge and belief.

SIGNED [Signature] (Well Driller)

NAME L. T. [Signature] (Person, firm, or corporation) (Typed or printed)

Address [Address]
City [City] Zip [Zip]

License No. 406671 Date of this report 12/31/87

**QUAIL
VALLEY
WATER
DISTRICT**



1 August 1994

TO WHOM IT MAY CONCERN:

RE: MONTCLAIRE ESTATES PROPERTY OWNERS
PARCEL MAP 6717

As you may be aware, the Quail Valley Water District has presently drilled three wells within Montclaime Estates (Parcel Map 6717).

We are prepared to service any of the lots within this Parcel Map upon application with the District, and as soon as contractual arrangements have been made with the District.

Sincerely,

QUAIL VALLEY WATER DISTRICT

Elana Bonaventura
ELANA BONAVENTURA
SECRETARY

EB/

PLEASE COMPLETE THIS INFORMATION

RECORDING REQUESTED BY:

QUAIL VALLEY WATER DISTRICT

WHEN RECORDED MAIL TO:

Quail Valley Water District
3200 - 21st Street, Suite 401
Bakersfield, CA 93301

James Maples, Assessor-Recorder
Kern County Official Records

PATTI
Pages: 6
5/23/1996
13:36:15

DOCUMENT #: 0196066159



0196066159

Fees....
Taxes...
Other...

Stat. Types: 1

TOTAL PAID...

THIS SPACE FOR RECORDER'S USE ONLY

THIS PAGE ADDED TO PROVIDE ADEQUATE SPACE FOR RECORDING INFORMATION
(Additional recording fee applies)

___	OR
___	MD
___	LN
___	RF
___	NA
___	ST

Smeed Family Trust of 1984, Grantor

Grants to

Quail Valley Water District, Grantee

TITLE OF DOCUMENT

EASEMENT FOR WATER SYSTEM

SMEED FAMILY TRUST OF 1984

J.R. Smeed, Trustee
Grantor

The Quail Valley Water District
hereby accepts the herein easement.

Olama Penaventura
Grantee Secretary

Dated: 08 January 1996

DOCUMENTARY TRANSFER TAX \$

Computed on full value of property conveyed, or
 Computed on full value less liens & encumbrances
remaining thereon at time of sale.

J.R. Smeed
Signature of declarant or agent determining tax, firm name



Well Site

A portion of Parcel 20 of Parcel Map 6717, as shown on Map recorded in Book 37 of Parcel Maps at Pages 146 thru 157 in the Office of the Recorder, County of Kern, State of California, being a 20.00 foot by 20.00 foot square, located about an existing well and being more particularly described as follows:

Commencing at the northeasterly property corner of above-described Parcel 20, thence along the northerly property line thereof North $87^{\circ} 39' 22''$ West, a distance of 525.95 feet.

Thence South $02^{\circ} 20' 38''$ West, a distance of 135.70 feet to the True Point of Beginning.

Thence North $87^{\circ} 39' 22''$ West, a distance of 20.00 feet.

Thence South $02^{\circ} 20' 38''$ West, a distance of 20.00 feet.

Thence South $87^{\circ} 39' 22''$ East, a distance of 20.00 feet.

Thence North $02^{\circ} 20' 38''$ East, a distance of 20.00 feet, to the True Point of Beginning.

Water Tank Site

A portion of Parcel 20 of Parcel Map 6717, as shown on Map recorded in Book 37 of Parcel Maps at Pages 146 thru 157 in the Office of the Recorder, County of Kern, State of California, being a 20.00 foot by 20.00 foot square of land, located about an existing 10.00 foot diameter Water Tank and being more particularly described as follows:

Commencing at the northeasterly property corner of above-described Parcel 20, thence along the northerly property line thereof North $87^{\circ} 39' 22''$ West, a distance of 525.95 feet.

Thence South $02^{\circ} 20' 38''$ West, a distance of 135.70 feet.

Thence North $87^{\circ} 39' 22''$ West, a distance of 20.00 feet.

Thence South $02^{\circ} 20' 38''$ West a distance of 17.82 feet.

Thence South $43^{\circ} 29' 31''$ West, a distance of 230.62 feet to a Point lying 20.00 feet North of the centerpoint of an existing 10.00 foot diameter Water Tank. Last said Point being the True Point to beginning.

Thence East 10.00 feet.

Thence South 20.00 feet.

Thence West 20.00 feet.

Thence North 20.00 feet.

Thence East 10.00 feet to the True Point of Beginning.

Water Pipeline

A portion of Parcel 20 of Parcel Map 6717, as shown on Map recorded in Book 37 of Parcel Maps at Pages 146 thru 157 in the Office of the Recorder, County of Kern, State of California, being a 10.00 foot wide strip of land located 5.00 feet on either side of an existing Water Line and the centerline of which is more particularly described as follows:

Commencing at the northeasterly property corner of above-described Parcel 20, thence along the northerly property line thereof North $87^{\circ} 39' 22''$ West, a distance of 525.95 feet.

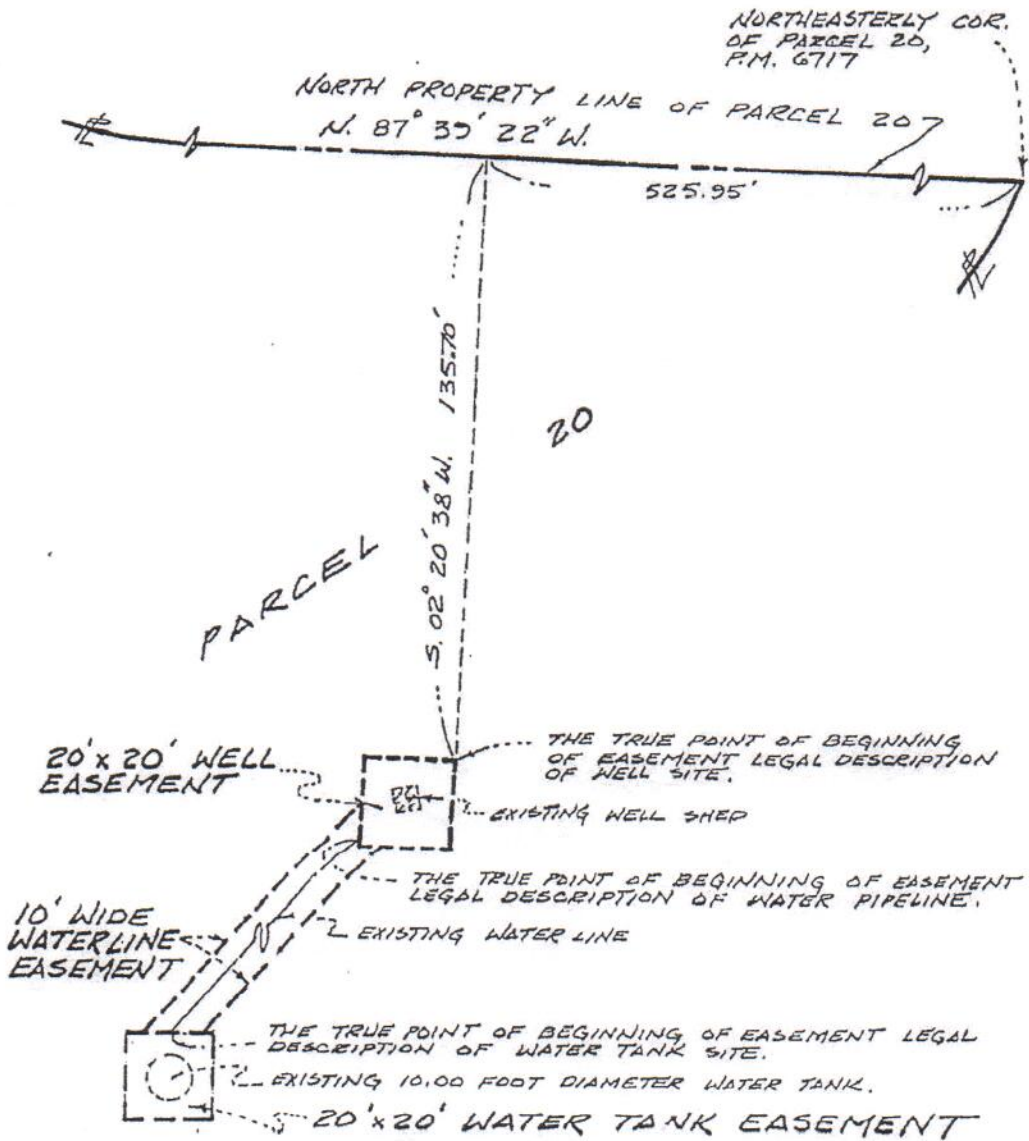
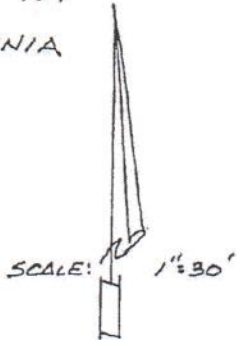
Thence South $02^{\circ} 20' 38''$ West, a distance of 135.70 feet..

Thence North $87^{\circ} 39' 22''$ West, a distance of 20.00 feet.

Thence South $02^{\circ} 20' 38''$ West a distance of 17.82 feet to the True Point of Beginning.

Thence South $43^{\circ} 29' 31''$ West, a distance of 230.62 feet to a point lying 20.00 feet North of the centerpoint of an existing 10.00 foot diameter Water Tank.

EASEMENT PLAT
 LOCATED ON A PORTION OF
PARCEL 20, P.M. 6717, RECORDED IN
 P.M. BK 37, PGS 146 THRU 157
 COUNTY OF KERN
 STATE OF CALIFORNIA



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Kern

On January 8, 1996 before me, Virginia Oliver, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared D.R. Smeed and ELANA BONAVENTURA
Name(s) of Signer(s)

personally known to me - OR - proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~ are subscribed to the within instrument and acknowledged to me that ~~he~~ they executed the same in ~~his~~ their authorized capacity(ies), and that by ~~his~~ her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Virginia Oliver
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Easement

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: D.R. Smeed

- Individual
- Corporate Officer
Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing:
Smeed Family Trust
of 1984

Signer's Name: ELANA BONAVENTURA

- Individual
- Corporate Officer
Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: Secretary



Signer Is Representing:
Quail Valley Water
District

Quail Valley Water District
401 Oak Park Tower
3200 21st Street
Bakersfield, CA 93301

19 December 1989

CASH ON HAND - COUNTY OF KERN --	\$14,411.42
CASH ON HAND - UNION BANK --	2,771.20
TOTAL OF ABOVE:	\$17,182.62

CHECKS WHICH WERE WRITTEN SINCE THE LAST BOARD MEETING: 10/20/89
(1040-1057)

MARIE CALLENDARS (Board meeting)	\$ 115.39
Boetsch Well Drilling (down pymt on Well 10t 20/6717)	4,000.00
Dick's Electric (26/5303 hook-up)	772.68
So. Calif. Edison	73.00
Bunker, Byrum (Community First Bank)	187.50
Gene McMurtrey (K.C.E.H.D. & Weaver)	935.00
DeWalt-Porter (water base map)	304.60
E. Bonaventura (Sec. & Bkping services)	226.35
Wallis Electric	693.07
Boetsch Well Drilling (bal. on Well #1, down on Well #2)	6,650.00
Boetsch Well Drilling (bal on Well #2, & Down on Well #3)	9,500.00
Boetsch Well Drilling (bal on Well #3)	3,600.00
E. Bonaventura (Sec. & Bkping services)	161.00
Westchester Flowers (Director Hansen)	52.21
Gene McMurtrey (K.C.E.H.D. & Weaver)	972.50
So. Calif. Edison	109.28
TOTAL:	<u>\$28,352.53</u>

PAGE 2

Quail Valley Water District
401 Oak Park Tower
3200 21st Street
Bakersfield, CA 93301

PENDING BILLS:

John Gaines -- Annual Report Preparation:	\$900.00
So. Calif. Edison	93.00

MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS
OF THE
QUAIL VALLEY WATER DISTRICT

6 FEBRUARY 1995

The regularly scheduled Meeting of the Board of Directors of the Quail Valley Water District was called to order at 5:15p.m. at Anton's Bar & Grill at the Airport, Bakersfield, California on Monday, 6 February 1995.

DIRECTORS PRESENT: J.R. Smeed
Claire J. Smeed
Elana Bonaventura
Roger Narinian

DIRECTORS ABSENT: Errol Shaw (excused)

OTHERS PRESENT: Randy Abbott

The Minutes of the Meeting for 7 November 1994 were read by Director Bonaventura. It was unanimously approved that the Minutes would stand as read.

Under "Old Business", regarding the Lot 109/3312 lawsuit, President Smeed stated that the lawsuit had been settled out of court. When the attorneys heard they had to come to Bakersfield for a settlement conference they offered to settle, and our counter-offer was accepted.

Regarding the Untali water system, the new line is now finished and President Smeed suggested that the Board might want to consider running this line into Pine Ridge (Parcel Map 7697) at some point in the future. We now have a four connection permit and Randy Abbott is presently working on the 14 connection permit. Over 14 connections constitutes a public system. The well at the field office can also be hooked into this system if necessary. Mr. Abbott stated that after the application for the 14 hook-ups has been made it should only take about 45 days to get the approval.

Director Bonaventura was then called upon for a report regarding the Section 10 Annexation Application. Director Bonaventura read the letter sent to the District from LAFCO, a copy of which is attached to these Minutes. Following a lengthy discussion it was the consensus of the Board that Attorney Gene McMurtrey and Randy Abbott set up a meeting to discuss whether the District as a public agency can adopt their own Environmental guidelines and prepare their own Environmental documents pursuant to CEQA. There will be a further report at the next meeting.

President Smeed asked the Board what they wished to do about Directors Insurance. Following discussion it was decided that President Smeed would make calls to to get quotes from several agencies and bring the information to the next Meeting.

Under "New Business", Director Bonaventura was called upon to present the current Accounts Payable. Upon presentation of the bills paid as well as statements pending, it was moved by Director Narinian, seconded by Director Claire Smeed, and unanimously approved to ratify all bills paid and pay all statements pending. The Financial Report was then presented with all water fees and hook-up fees acceptably current with the exception of Refugio Martinez on lot 198/3312.

MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS
OF THE
QUAIL VALLEY WATER DISTRICT

29 APRIL 1995

The Meeting of the Board of Directors of the Quail Valley Water District was called to order at 12:50p.m. at the Quail Valley Water District Field Office in Tehachapi, California on Saturday, 29 April 1995.

DIRECTORS PRESENT: J.R. Smeed
Claire J. Smeed
Elana Bonaventura
Roger Narinian
Errol Shaw

DIRECTORS ABSENT: None

OTHERS PRESENT: Attorney Gene McMurtrey

The Minutes of the Meeting for 6 March 1995 were read by Director Bonaventura. It was unanimously approved that the Minutes would stand as read.

Under "Old Business", regarding the Umtali and Montclair systems, President Smeed called upon Director Bonaventura to read the memo from Randy Abbott since he was unable to attend the meeting. Mr. Abbott stated that the non public water supply permit for four connections has been issued for the Umtali System. The Environmental Health Department has reviewed the draft of our application to increase this to a 14 connection system and the final permit application should be completed in the next few weeks. Regarding the Montclair System, Mr. Abbott submitted a list of information needed before applying for the four connection permit. President Smeed will begin putting together the information next week. There will be a further update at the next meeting.

Regarding the Section 10 Annexation application, President Smeed called upon Attorney McMurtrey for a report. Attorney McMurtrey requested approval from the Board for an updated initial study as required by CEQA. Following discussion it was moved by Director Narinian, seconded by Director Claire Smeed and unanimously approved to approve the initial study and proposal to adopt the Negative Declaration and instruct staff to post as required by law.

President Smeed then gave an update on other well installations. The well on Lot 5/7697 has been completed, the tank installed and we are awaiting hook-up by Southern California Edison. A second well is now being drilled and the water line is now being extended from the Pine Ridge well at the field office down to the Umtali line. 6,500 feet of pipe and trenching will be finished next week and a test will be run. There will be a further report at the next meeting.

Regarding Directors Insurance proposals, there was a lengthy discussion by the Board regarding the advisability of the insurance, and it was the consensus of the Board that this be deferred to the next meeting.


Under "New Business", Director Bonaventura was called upon to present the current Accounts Payable. Upon presentation of the bills paid as well as statements pending, it was moved by Director Shaw, seconded by Director Narinian, and unanimously approved to ratify all bills paid and pay all statements pending. The Financial Report was then presented with cash on hand at the County of Kern \$11,412.45 and cash on hand in the checking account \$10,551.00, for a total of \$21,964.33. Accounts Receivable hook-up fees total \$18,114.66 and Accounts Receivable water fees total \$351.81. Regarding the two lots owned by Tom Sullivan, being 2 and 5 of 7697, it was suggested that he be required to pay 20% down on his \$5,500 hook fee for each lot, or receive a \$500 discount for each lot should he pay in full. Following discussion it was moved by Director Shaw, seconded by Director Narinian, and unanimously approved.

QUAIL VALLEY WATER DISTRICT
MINUTES OF THE REGULAR MEETING
29 APRIL 1995
PAGE 2

The District has received a letter from the County of Kern Building Department regarding possible violations concerning the construction of the field office. Attorney McMurtrey and President Smeed drafted a letter to them and sent it along with a copy of the letter written by LeRoy Jackson when construction began years ago. We are now awaiting their response.

There being no further business, the meeting was adjourned at 2:15p.m. and the Directors were then taken on a tour of the new water systems and the water retention basin. The next meeting is scheduled for Monday, 5 June 1995.

Respectfully submitted,


ELANA BONAVENTURA, SECRETARY

ATTEST:

J.R. SMEED, PRESIDENT

MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS
OF THE
QUAIL VALLEY WATER DISTRICT

The regularly scheduled Meeting of the Board of Directors of the Quail Valley Water District was called to order at 5:10p.m. at Marie Callendar's Restaurant, Bakersfield, California on Monday, 5 May 1997.

DIRECTORS PRESENT: J.R. Smeed
Claire J. Smeed
Elana Bonaventura
Roger Narinian
Errol Shaw

DIRECTORS ABSENT: None

OTHERS PRESENT: Mark Horton

There being no Minutes from the previous meeting, there was also no Old Business to report.

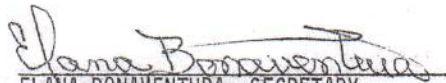
Under "New Business", President Smeed called on Director Bonaventura to present the current Accounts Payable. Upon presentation of the bills paid as well as statements pending, it was moved by Director Shaw, seconded by Director Claire Smeed, and unanimously approved to ratify all bills paid and pay all statements pending.

The Financial Statement was then presented by Director Bonaventura. Accounts Receivable hook-up fees total \$21,791.61. Accounts Receivable water fees total \$1,258.85. There is a new hook-up, property owner Klaus Koepfli on 8/4154 who made a down payment of \$1,100 and will be paying \$93.51 per month in hook-up payments. A meter will be installed on his property.

President Smeed then stated that the field office needs a 15,000 gallon storage tank according to the County of Kern. The tank that is now serving this area must be moved and replaced with a 15,000 gallon tank. The new tank will also need to be outfitted with a level indicator and a fire truck hook-up and automatic fill. A new 15,000 tank with all of the necessary additions will cost approximately \$5,600.00 delivered. No bid has yet been received on the cost of moving the tank currently on the site to another location, which would be lot 47/6717. Following discussion, it was moved by Director Shaw, seconded by Director Bonaventura, and unanimously approved to have the current 10,000 gallon water storage tank at the field office moved to lot 47/6717 and purchase a new 15,000 water storage tank for the field office location in compliance with the County of Kern requirements.

There being no further business, the Meeting was adjourned at 7:00p.m. on motion of Director Bonaventura, seconded by Director Claire Smeed, and unanimously approved.

Respectfully submitted,


ELANA BONAVENTURA, SECRETARY

ATTEST:

J.R. SMEED, PRESIDENT

MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS
OF THE
QUAIL VALLEY WATER DISTRICT

The regularly scheduled Meeting of the Board of Directors of the Quail Valley Water District was called to order at 5:15p.m. at Marie Callender's Restaurant, Bakersfield, California on Monday, 4 August 1997.

DIRECTORS PRESENT: J.R. Smeed
Claire J. Smeed
Elana Bonaventura
Roger Narinian
Errol Shaw

DIRECTORS ABSENT: None

OTHERS PRESENT: Mark Horton

The Minutes of the Meeting for 5 May 1997 were read by Director Bonaventura and were accepted as read with the exception of one spelling correction.


Under "Old Business", President Smeed gave a report on the storage tank replacement stating that there will be an extra charge for epoxy lining, etc., and it will cost more than the \$5,600 approved by the Board at the last meeting. The tank has not yet been delivered. It was moved by Director Shaw, seconded by Director Narinian and unanimously approved that the entire cost of the water tank be paid upon satisfactory delivery.

President Smeed then called on Director Bonaventura for a update on the Directors election. Director Bonaventura stated that as yet no one has filed to run against the two incumbent Directors. If no one files to run against them the appointment is automatic and has to be ratified by the Board of Supervisors.

Under "New Business", the Financial Report was then presented by Director Bonaventura. Upon presentation of the bills paid as well as statements pending, it was moved by Director Narinian, seconded by Director Shaw and unanimously approved to ratify all bills paid and pay all statements pending. Accounts Receivable hook-up fees total \$25,147.11. Accounts Receivable water fees total \$1,601.41. Director Bonaventura then passed out copies of the proposed 1997-1998 budget for ratification by the Directors. Following discussion, it was moved by Director Shaw, seconded by Director Claire Smeed and unanimously approved that the 1997-1998 Budget be adopted as presented.

There being no further business, the Meeting was adjourned at 7:00p.m. on motion of Director Narinian, seconded by Director Claire Smeed, and unanimously approved. The next Meeting is scheduled for Monday, 8 September 1997.

Respectfully submitted,


ELANA BONAVENTURA, SECRETARY

ATTEST:

J.R. SMEED, PRESIDENT

**MINUTES OF THE MEETING
QUAIL VALLEY WATER DISTRICT
BOARD OF DIRECTORS**

A scheduled Meeting of the Board of Directors of the Quail Valley Water District was called to order at 2:30p.m. on Saturday, 8 March 2008 at the temporary office on Transvaal Road in Tehachapi, California.

Directors Present:	J.R. Smeed Claire J. Smeed Elana Bonaventura Randy Hardenbrook Dan Casteel
Directors Absent:	None
Others Present:	None

The Minutes of the Meeting of 20 October 2007 were read by Director Bonaventura. The Minutes were approved as read by unanimous assent.

Under "Old Business" President Smeed called on Directors Hardenbrook and Bonaventura to give an update on the Grant application. Director Bonaventura stated that the Grant has been approved by the State and we are now moving on to the additional studies required. Director Hardenbrook stated that the proposal is for the two systems to be combined into one large system with the Montclair Well serving the entire system and the other wells would be used as back up and in case of emergencies. However, the Montclair Well has tested high in Turbidity, Manganese and Iron and these problems will have to be addressed. In a 24 hour pump test the Well only dropped ten feet with a three horse-power pump. A larger pump will be needed.

A Capital Improvement Plan and an Operations Plan will both need to be done and Director Hardenbrook is working on these. Meters will need to be installed at the wells and tanks to monitor usage. There will be a further report at the next Meeting.

Regarding the well, tank, and pump improvements, Director Hardenbrook purchased chemical test kits and other supplies needed to do the well testing. The improvements are slowly coming along, but no one really wants to work on tanks anymore so we have not been able to find a company to build the ladders and cages. Following discussion it was decided to wait until we get the Grant funds to make most of the improvements.

**QUAIL VALLEY WATER DISTRICT
MINUTES OF THE MEETING
8 MARCH 2008
PAGE 2**

Director Bonaventura stated that the answering service has now been activated. Our new telephone number is 869-3755. A letter will be sent to everyone notifying them of the new number. The charge for the service will be \$45 per month.

Under "New Business" Director Bonaventura gave the financial report. The account balance in the County of Kern is \$28,759.59, and the account balance in the checking account is \$19,664.42, for a total of \$48,424.01. Following presentation of the bills paid it was unanimously approved to ratify the bills paid and pay all statements pending.

Accounts Receivable Hook-Up fees total \$44,746.06, and Accounts Receivable Water fees total \$6,377.91.

Director Bonaventura then collected the signed Statements of Economic Interest from the Directors, and administered the Oaths of Office to Directors Claire J. Smeed, Randy Hardenbrook, and Dan Casteel.

The Board then discussed increasing the monthly water rate. Following discussion it was decided to table any discussion until the Capital Improvement Plan has been completed and we find out how much in Grant funds we will be receiving.

There being no further business, the Meeting was adjourned at 4:35p.m. The Directors will be notified as to the date, time and place of the next Meeting.

Respectfully submitted,



ELANA BONAVENTURA, Secretary

ATTEST:

J.R. SMEED, President



Dan N. Raytis
Dan@bbr.law

P.O. Box 9129 Bakersfield, CA 93389
p. 661.864.7826 | f. 661-878-9797

**CONFIDENTIAL MEMORANDUM - ATTORNEY WORK-PRODUCT &
ATTORNEY-CLIENT PRIVILEGES**

To: Randy Hardenbrook
From: Dan Raytis
Date: October 30, 2019
Re: Ownership of Montclair Well

BACKGROUND

J.R. & Claire Smeed have asserted that they are the individual owners of a well commonly referred to as the "Montclair" well that is located within the boundaries of the District and is used to provide water service to District customers. The Smeeds have indicated that they desire to sell the well along with their adjoining property to a third party. You have provided me with documentation regarding the well (described below) and we have had a conversation regarding the ownership of the well. You have requested that I provide my opinion as to the ownership of the "Montclair" well in the light of the facts that have been presented to me to date.

OPINION

Based upon my review of the documentation and our conversation, it is my opinion that the Montclair well is owned by the District. My conclusion in this regard is based upon the following documentation:

- July 24, 1989 – The District sent a letter to the Kern County Environmental Health Services Department requesting that the County issue a permit for a water well that "we plan to drill." The letter is on District letterhead and signed by the Vice-President of the District. The well is located on Lot 20 of Parcel Map 6717 (which the documentation indicates is the Montclair well).
- August 1, 1989 – Application for a Permit to Construct a Well was filed by the District with the County. The location of the proposed well is the same as was specified in the July 24 letter.
- August 14, 1989 – A District check was issued to the Kern County Health Department referencing the same well. The check was signed by Claire J. Smeed.
- November 1989 (day not legible) – A water well driller's report was prepared. The well number is listed as "Montclair" and the location is Lot 20, map 6717. The "Owner" is identified as "Quail Valley Water District."
- December 19, 1989 – The District's financial report included several checks to Boetsch Well Drilling. One included a down [payment] on Well #3 and another included the balance on Well #3. You have informed me that "Well #3" is the Montclair well.

- August 1, 1994 – The District sent a letter regarding “Montclair Estates Property Owners – Parcel Map 6717” advising interested persons that the “Quail Valley Water District has presently drilled three well within Montclair Estates.” The letter further states, “We are prepared to service any lots within this Parcel Map upon application with the District, as soon as contractual arrangements have been made with the District.”
- February 6, 1995 – Minutes of the Board of the District – There is reference to a “well at the field office” that could be “hooked into the system.” There is also reference to an application for 14 hookups.
- April 29, 1995 – Minutes of the Board of Directors – There is reference to the “Montclair system.” There is also reference to an application to increase the system to a 14-connection system. It appears that this increase included the “Montclair” system.
- January 8, 1996 (recorded May 23, 1996) – The Smeed Family Trust of 1984 granted an “Easement for Water System” to the District. The easement was signed by J.R. Smeed and accepted by the District (executed by Elana Buenaventura, Secretary). The easement included a 20x20 “well site” as well as a “water pipeline” site and a “water tank” site. The easement plat includes reference to an “Existing Well Shed” within the well site. There is no reservation of any easement (or other ownership interest) by the grantor (or otherwise). You have explained to me that the easement was required by the County of Kern as part of the process for permitting 14 hookups that is referenced in the minutes of February and April, 1995.
- March 8, 2008 – Minutes of the Board of Directors – There was a discussion of a grant application. The proposal under the grant was for the “two systems to be combined into one large system with the Montclair Well serving the entire system....”

In addition to this documentation, you have advised me that the chapel located on Lot 20 of Tract 6717 has paid the District for water service in the past. You have also provided me with a summary of your recent meeting with the Smeeds, which indicates that the well was listed on a list of District assets that was provided to you when you were appointed to the Board. The summary also indicates that work on the well was included in the grant projects.

Based upon all of the foregoing, it is my opinion that the Montclair well is owned by the District. The following appears clear from the record: (1) the well was drilled, permitted, and paid for in the name (and with funds) of the District; (2) the grant of an easement for the well site does not include a reservation of any interest in the well by the grantor; and (3) the District has consistently treated the Montclair well (in letters and in minutes) as a District owned asset.¹ All of this information leads to the conclusion that the well is owned by the District. To date, you have not received any evidence supporting the Smeed’s contention other than their assertions of ownership (without any documentary support).

¹ It is important to note that all of the minutes of the Board meetings described above reflect that both J.R. & Claire were present.

6.4

QUAIL VALLEY WATER DISTRICT

**BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

Year Ended June 30, 2018

(With Independent Auditor's Report Thereon)

FIRST DRAFT COPY - FOR DISCUSSION PURPOSES ONLY

**Bill R. Walker
Certified Public Accountant**

**QUAIL VALLEY WATER DISTRICT
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FIRST DRAFT COPY - FOR DISCUSSION PURPOSES ONLY

BILL R. WALKER
Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Quail Valley Water District
Tehachapi, California

I have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Quail Valley Water District as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Quail Valley Water District, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3–8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental 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. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Quail Valley Water District's basic financial statements. The schedule of operating expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of operating expenses is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of operating expenses is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated November 12, 2019, on my consideration of Quail Valley Water District's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Quail Valley Water District's internal control over financial reporting and compliance.

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BILL R. WALKER CPA

Bill R. Walker

Bakersfield, California
November 12, 2019

QUAIL VALLEY WATER DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS

June 30, 2018

As management of the Quail Valley Water District (the District), we offer readers of the District's basic financial statements this narrative overview and analysis of the District's financial performance during the year ending June 30, 2018. Please read it in conjunction with the District's financial statements, which follow in this section.

Financial Highlights

The District's total net position decreased \$ 289,724 or 39.2% over the course of the year's operations. This decrease was primarily related to non-operating income decreasing 45.8%, non-operating expenses increasing 318.4% for the fiscal year ended June 30, 2018.

The District's total operational revenue increased \$45,203 or 60.9% during the year ended June 30, 2018. The components of the increase are as follows:

Increase in water sales	46,358
(Decrease) in water services	<u>(1,155)</u>
Increase in total operational revenue	<u>\$ 45,203</u>

The District's operating expenses decreased \$103,392 or 39.2% during the fiscal year ended June 30, 2018.

The District's capital assets, before accumulated depreciation decreased \$3,053 or .33% during the fiscal year ended June 30, 2018 as a result of adjustment of actual inventory of fixed assets.

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QUAIL VALLEY WATER DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS

DECEMBER 30, 2018

Overview of the Financial Statements

This annual report includes this management's discussion and analysis report, the independent auditor's report, the financial statements of the District and selected additional information. The financial statements also include notes that explain in more detail some of the information in the financial statements.

Required Financial Statements

The financial statements of the District report information of the District using accounting methods like those used by private sector companies. These statements offer short and long term financial information about its activities. The Statement of Net Position includes all of District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities). It also provides the basis for evaluating the capital structure of the District and for assessing the liquidity and financial flexibility of the District.

All the current year's revenues and expenses are accounted for in the Statement of Revenues and Expenses, and Changes in Net Position. These statements measure the success of the District's operations over the past year and can be used to determine whether the District has successfully recovered all of its costs through its contract revenue and contributions - other districts and other charges, as well as its profitability and credit worthiness.

The final required financial statement is the Statement of Cash Flows. This statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

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Financial Analysis of the District

One of the most important questions asked about the District's finances is, "Is the District as a whole better off or worse off because of the year's activities?" The Statement of Net Position, and the Statements of Revenues and Expenses, and Changes in Net Position report information about the District's activities in a way that will help answer this question. These three statements report the net position of the District and the changes in them. One can think of the District's net position, is one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, and new or changed government legislation.

QUAIL VALLEY WATER DISTRICT
 MANAGEMENT DISCUSSION AND ANALYSIS

JUNE 30, 2018

Net Position

To begin our analysis, a summary of the District's Statements of Net Position is presented in Table A-1

Table A - 1
 Condensed Statements of Net Position
 June 30, 2018 and 2017

	2018	2017	Dollar Change	Percent Change
Current Assets	\$ 507,360	\$ 441,026	\$ 66,334	15.0%
Capital Assets	912,903	931,601	(18,698)	-2.0%
Other Assets	34,582	39,440	(4,858)	-12.3%
Total Assets	1,454,845	1,412,067	42,778	3.0%
Current Liabilities	715,628	383,126	332,502	86.8%
Long- Term Debt	-	-	-	-
Other Liabilities	-	-	-	-
Total Liabilities	715,628	383,126	332,502	86.8%
Unrestricted Net Position (deficit)	(171,908)	103,543	(275,451)	-266.0%
Restricted Net Position - Proposition 84	552,718	566,991	(14,273)	0.0%
Invested in Capital Assets, net of Related Debt	358,407	358,407	-	0.0%
	\$ 739,217	\$ 1,028,941	\$ (289,724)	-28.2%

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As can be seen from the table above, total assets increased \$42,778 to \$1,454,845 at June 30, 2018 up from \$1,412,067 at June 30, 2017. The increase in total assets of the District was composed of three factors: current assets increased \$66,334, capital assets net of depreciation decreased \$18,698, and other assets decreased \$4,858.

QUAIL VALLEY WATER DISTRICT
 MANAGEMENT DISCUSSION AND ANALYSIS
 JUNE 30, 2018

Table A-2 Condensed Statements of Revenues and Expenses and
 Changes in Net Position
 Year Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>	<u>Dollar Change</u>	<u>Percentage Change</u>
Operating Revenues	\$ 119,367	\$ 74,164	\$ 45,203	61.0%
Non-operating Revenues	<u>50,312</u>	<u>92,893</u>	<u>(42,581)</u>	-45.8%
Total Revenues	<u>\$ 169,679</u>	<u>\$ 167,057</u>	<u>\$ 2,622</u>	<u>1.6%</u>
Operating Expenses	160,228	263,620	(103,392)	-39.2%
Non-operating Expenses	<u>230,909</u>	<u>55,189</u>	<u>175,720</u>	<u>0.0%</u>
Total Expenses	<u>\$ 391,137</u>	<u>\$ 318,809</u>	<u>\$ 72,328</u>	<u>22.7%</u>

The District's operating revenues increased \$45,203 to \$119,367 during the year ended June 30, 2018 from \$74,164 during the year ended June 30, 2017. The District's non-operating revenues decreased \$42,581 to \$50,312 during the year ended June 30, 2018 from \$92,893 during the year ended June 30, 2017. The District's operating expenses decreased \$103,392 to \$160,228 during the year ended June 30, 2018 from \$263,620 during the year ended June 30, 2017. The District's non-operating expenses increased \$175,720 to \$230,909 during the year ended June 30, 2018 from \$55,189 during the year ended June 30, 2017.

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QUAIL VALLEY WATER DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2018

Table A-3
Schedule of Capital Assets
Year Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>	<u>Dollar Change</u>	<u>Percentage Change</u>
<i><u>Capital Assets Being Depreciated</u></i>				
Transmission and Distribution Facilities	\$ 324,949	\$ 324,949	\$ -	0.0%
Pumping Plant	31,394	31,394	-	0.0%
General Plant	<u>150,780</u>	<u>150,780</u>	<u>-</u>	<u>0.0%</u>
Less, Accumulated Depreciation	<u>(167,388)</u>	<u>(151,743)</u>	<u>(15,645)</u>	<u>8.6%</u>
Depreciable Assets, Net of Accumulated Depreciation	<u>\$ 339,735</u>	<u>\$ 355,380</u>	<u>\$ (15,645)</u>	<u>-4.4%</u>
<i><u>Capital Assets Not Being Depreciated</u></i>				
Land	31,217	31,217	-	-
Construction in Progress	85,334	88,387	(3,053)	-3.5%
Proposition 84 Project	<u>456,617</u>	<u>456,617</u>	<u>-</u>	<u>0.0%</u>
Total Capital Assets not Being Depreciated	<u>573,168</u>	<u>576,221</u>	<u>(3,053)</u>	<u>-0.5%</u>
Total Capital Assets , Net of Accumulated Depreciation	<u>\$ 912,903</u>	<u>\$ 931,601</u>	<u>\$ (18,698)</u>	<u>-2.0%</u>

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QUAIL VALLEY WATER DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2018

Contacting District Management

This financial report is designed to provide our customers and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District at 27450 Sand Canyon Road, Tehachapi, California 93561.

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BASIC FINANCIAL STATEMENTS

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QUAIL VALLEY WATER DISTRICT
Statement of Net Position
June 30, 2018

	<u>Unrestricted- Enterprise Fund</u>	<u>Restricted - Proposition 84</u>	<u>Totals</u>
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 6,828	\$ 1,675	\$ 8,503
Accounts receivable, trade	373,236	112,738	485,974
Current portion of connection fees receivable	-	-	-
Inventory of materials and supplies	-	12,883	12,883
	<u>380,064</u>	<u>127,296</u>	<u>507,360</u>
Noncurrent Assets			
Capital assets, net of accumulated depreciation	<u>370,952</u>	<u>541,951</u>	<u>912,903</u>
Connection fees	<u>34,582</u>	<u>-</u>	<u>34,582</u>
Total other noncurrent assets	<u>34,582</u>	<u>-</u>	<u>34,582</u>
Total Assets	<u><u>\$ 785,598</u></u>	<u><u>\$ 669,247</u></u>	<u><u>\$ 1,454,845</u></u>
LIABILITIES AND NET POSITION			
Current Liabilities			
Accounts payable, trade	\$ 224,598	\$ 101,906	\$ 326,504
Credit cards payable	-	822	822
Taxes accrued	-	13,801	13,801
Line of credit COBANK	<u>374,501</u>	<u>-</u>	<u>374,501</u>
Total current liabilities	<u>599,099</u>	<u>116,529</u>	<u>715,628</u>
Total Liabilities	<u>599,099</u>	<u>116,529</u>	<u>715,628</u>
Net Position			
Invested in capital assets, net of related debt	358,497		358,497
Restricted for:			
Proposition 84	-	552,718	552,718
Unrestricted	<u>(171,908)</u>	<u>-</u>	<u>(171,908)</u>
Total net position	<u><u>\$ 186,499</u></u>	<u><u>\$ 552,718</u></u>	<u><u>\$ 739,217</u></u>

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The accompanying notes are an integral part of these financial statements

QUAIL VALLEY WATER DISTRICT
Statement of Revenue and Expenses
For the Year Ended June 30, 2018

	<u>Unrestricted Enterprise Fund</u>	<u>Restricted - Proposition 84</u>	<u>Totals</u>
Operating Revenue			
Water sales - residential	\$ 90,190	\$ -	\$ 90,190
Water sales - other	29,177	-	29,177
Total Water Sales	<u>119,367</u>	<u>-</u>	<u>119,367</u>
Water services:			
Account transfer fee		-	-
Late fees		-	-
Disconnect fees		-	-
Returned check charges		-	-
Total Water Services	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating Revenue	<u>119,367</u>	<u>-</u>	<u>119,367</u>
Operating Expenses			
Source of supply	125	-	125
Pumping expense	427	-	427
Materials and supplies			
Water treatment	9,193	-	9,193
Transmission and distribution	24,469	-	24,469
Customer accounts	4,543		4,543
Administrative and general	92,585	13,242	105,827
Depreciation expense	15,644	-	15,644
Total Operating Expenses	<u>146,986</u>	<u>13,242</u>	<u>160,228</u>
Operating (loss)	<u>(27,619)</u>	<u>(13,242)</u>	<u>(40,861)</u>
Non-operating Income			
Rent income	4,600	-	4,600
Interest income	7,744	-	7,744
Property taxes current - secured	33,518		33,518
Property taxes current - unsecured	3,677		3,677
Proposition 84 reimbursements			-
Home owners property tax relief	315	-	315
Miscellaneous income	458	-	458
Total Non-operating Income	<u>50,312</u>	<u>-</u>	<u>50,312</u>
Non-operating Expense			
Payroll expenses	73,296	-	73,296
Proposition 84	-	150,023	150,023
Other nonoperating expense	7,590		7,590
Total Non-operating Expense	<u>80,886</u>	<u>150,023</u>	<u>230,909</u>
Change in net position	<u>\$ (58,193)</u>	<u>\$ (163,265)</u>	<u>\$ (221,458)</u>

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The accompanying notes are an integral part of these financial statements

QUAIL VALLEY WATER DISTRICT
Statement of Changes in Net Position
the Year Ended June 30, 2018

	Unrestricted Enterprise Fund	Invested in Capital Assets (Net Of Related Debt)	Restricted - Proposition 84	Totals
Balances, June 30, 2017 restated - Note 9	\$ (113,715)	\$ 358,407	\$ 715,983	\$ 960,675
Change in net position	(58,193)	-	(163,265)	(221,458)
Contributions - Clean Water Act	-	-	-	-
Balances, June 30, 2018	<u>\$ (171,908)</u>	<u>\$ 358,407</u>	<u>\$ 552,718</u>	<u>\$ 739,217</u>

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The accompanying notes are an integral part of these financial statements

QUAIL VALLEY WATER DISTRICT
Statement of Cash Flows
For the Year Ended June 30, 2018

	Unrestricted - Enterprise Fund	Restricted - Proposition 84	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 90,190		\$ 90,190
Cash payments to suppliers for services	(29,646)	-	(29,646)
Cash payments to employees for services	(87,547)	-	(87,547)
Cash payments for general and administrative expenses	(92,585)	(13,242)	(105,827)
Net cash (used) by operating activities	(119,588)	(13,242)	(132,830)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		-	-
Funds expended on Proposition 84 site survey and feasibility studies	-	(150,023)	(150,023)
Interest received	7,744	-	7,744
Proceeds from disposal of investments	-	-	-
Net cash provided (used) by investing activities	7,744	(150,023)	(142,279)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
California grant income	-	-	-
Proceeds from Line of Credit	-	906,282	906,282
Payments on Line of Credit	-	(837,000)	(837,000)
Property taxes collected	37,510	-	37,510
Various income from nonoperative activities	64,350	14,187	78,537
Rent collected	4,600	-	4,600
Net cash provided by noncapital financing activities	106,460	83,469	189,929
Net (decrease) in cash	(5,384)	(79,796)	(85,180)
Cash beginning of year	12,212	81,471	93,683
Cash end of year	\$ 6,828	\$ 1,675	\$ 8,503
RECONCILIATION OF OPERATING (LOSS) TO NET CASH (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ (27,619)	\$ (13,242)	\$ (40,861)
Depreciation	15,644	-	15,644
(Increase) in accounts receivable - trade	(288,211)	(68,188)	(356,399)
Decrease in connection fees receivable	4,858	-	4,858
Decrease in inventory	7,535	-	7,535
Increase in accounts payable - trade	168,660	68,188	236,848
(Decrease) in credit cards payable	(455)	-	(455)
Net cash (used) by operating activities	\$ (119,588)	\$ (13,242)	\$ (132,830)

The accompanying notes are an integral part of these financial statements

QUAIL VALLEY WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS Year Ended June 30, 2018

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

The Quail Valley Water District (District) was formed on November 16, 1966. Quail Valley Water District is a Special District organized under California Water Code Section 29532. The District encompasses an area of 15,000 acres located Northwest of the City of Tehachapi in the County of Kern. The District was formed to obtain, develop, and to deliver domestic water within the District's boundaries. The District is governed by a five-member Board of Directors that are elected by landowners within the District boundaries for terms of four years.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied. The accompanying financial statements are prepared using the economic resource management focus and the accrual basis of accounting. Under the economic resource management focus all assets and liabilities (whether current or non-current) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenue) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Private-sector standards of accounting and reporting issued prior to December 1, 1989 are generally followed to the extent that those standards do not conflict with or contradict guidance of the Government Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities, subject to some limitations. The District has elected not to follow subsequent private-sector guidance.

An enterprise fund distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District's principal on-going operations. The principal on-going operating revenues of the District are charges to customers for water sales and services. The Board of Directors determines water rates. Operating expenses for the District include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then the unrestricted resources as they are needed.

QUAIL VALLEY WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2018

Budget

The District has not prepared an annual budget for the year ended June 30, 2018. However, the Board does plan to adopt an annual budget in the up-coming years.

Capital Assets

Premises and equipment are stated at cost, less accumulated depreciation. The depreciation charged is on the straight-line method over the estimated useful lives as follows:

Transmission and Distribution Facilities	25 Years
Pumping Plant	10 Years
General Plant Equipment	4 to 15 Years

Repairs and maintenance are recorded as an expense. Renewals and betterments greater than \$1,000 are capitalized, while costs less than \$1,000 are expensed. Gains and losses on dispositions are included in change in net assets in the year of disposition.

Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits with financial institutions, deposits in money market mutual funds and short-term investments with original maturities of twelve months or less from the date of acquisition. The short-term investments include the investment pooled cash with the Kern County Treasury. Investment pool deposits are carried at the District's proportionate share of the fair value of each pool's underlying portfolio.

Deposit and Investment Disclosures

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In accordance with GASB Statement Number 40, Deposit and Investment Disclosures

(Amendment of GASB Number 3), certain disclosures are required, if applicable, for Deposits and Investment Risks in the following areas:

- Interest Rate Risk
- Foreign Currency Risk
- Credit Risk
 - Overall
 - Custodial Credit Risk
 - Concentrations of Credit Risk

QUAIL VALLEY WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS Year Ended June 30, 2018

Deposit and Investment Risk Disclosures - continued

In addition, other disclosures are specified including the use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures.

Property Taxes

County property taxes attach as an enforceable lien on property as of March 1. Taxes are levied on July 1 and are due and payable in two installments on November 15 and March 15. Unsecured property taxes are payable in one installment on or before August 31. The County of Kern bills and collects the taxes as part of the 1% county-wide property tax levy and subsequently distributes a portion of the levy to the District. Property taxes are recognized as revenue when they are appropriated to the District by Kern County. Proper allowances are made for estimated uncollectible accounts.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the District to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk

Credit has and will be extended in the form of accounts receivable and service connection fees receivable to landowners and water users who are located primarily in the District's service area.

Net Position

The District utilizes a net position presentation in accordance with GASB Statement 34, Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments, as amended by GASB 63. Net position is categorized as invested in capital assets, net of related debt, restricted components of net position and unrestricted components of net position. These categories are defined as follows:

QUAIL VALLEY WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS Year Ended June 30, 2018

Net Position - continued

Invested in capital assets, net of related debt - The component of net position consists of capital assets, including restricted assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted components of net position - This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources (if any) related to restricted assets if the asset results from a resource flow that also results in the recognition of a liability will be liquidated with the restricted assets reported.

Unrestricted components of net position - This component of net position is the net amount of assets, deferred outflows of resources, liabilities (if any), and deferred inflows of resources (if any), that are not included in the determination of net investment in capital assets or the restricted component of net position.

Fund Accounting

The District utilizes accounting for enterprise entities that account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

QUAIL VALLEY WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2018

Subsequent Events

In preparing these financial statements, events and transactions were evaluated for potential recognition or disclosure through November 12, 2019, the date the financial statements were available to be issued.

There are no subsequent events considered material that would require disclosure in the financial statements.

Note 2 - Cash Deposits/Investments and Cash Equivalents

Cash and investments at June 30, 2018 are classified in the accompanying financial statements as follows:

	Enterprise Fund	Fiduciary Fund
Cash on hand	\$ -	\$ -
Deposits in financial institutions	5,562	1,675
Cash in County Pooled Investment Fund	1,266	-
Investments	-	-
	<hr/>	<hr/>
Total Cash and Cash Equivalents	<u>\$ 6,828</u>	<u>\$ 1,675</u>

Deposits are carried at cost plus accrued interest. The bank balances are protected by a combination of FDIC insurance and the bank's collateral pool, in accordance with the California Government Code.

For all cash on hand and on deposit at June 30, 2018, amortized cost approximates fair market value.

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QUAIL VALLEY WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2018

Investments Authorized by the California Government Code and the Agency's Investment Policy

The table below identifies the investment types that are authorized for the Agency by the California Government Code (or the Agency's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or Agency's investment policy, where more restrictive) that address interest rate risk, credit risk, and custodial risk,

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds	5 years	None	None
U. S. Treasury Obligations	5 years	None	None
State Obligations - CA and other	5 years	None	None
CA Local Agency Obligations	5 years	None	None
U. S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	None
Commercial Paper - Select Agencies	270 days	25% of the Agency's Money	A-1: if the issuer has issued log-term debt it must be rated "A" without regard to modifiers
Commercial Paper - Other Agencies	270 days	40% of the Agency's Money	A-1: if the issuer has issued log-term debt it must be rated "A" without regard to modifiers
Negotiable Certificates of Deposit	5 years	30%	None
CD Placement Service	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements and Securities Lending Agreements	92 days	20% of the value of the portfolio	None
Medium Term Notes	5 years	30%	"A" Rating
Mutual Funds & Money Market Funds	N/A	20%	Multiple
Collateralized Bank Deposits	5 years	None	None
Mortgage Pass - Through Securities	5 years	20%	"AA" Rating
Bank/Time Deposits	5 years	None	None
County Pooled Investment Funds	N/A	None	None
Joint Powers Authority Pool	N/A	None	None
Local Agency Investment (LAIF)	N/A	None	None
Voluntary Investment Program Fund	N/A	None	None

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QUAIL VALLEY WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2018

Disclosures Related to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Enterally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. All Agency investments are considered short-term investments with maturities of 12 months or less.

Disclosures Related to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District is required to disclose the rating for all investments. Cash invested in the local Agency Investment Fund (LAIF) and the Kern County Treasury are considered "exempt from disclosure" under GASB Number 40. The investments held in cash with fiscal agent are federal treasury obligations and rated AAA at June 30, 2018.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits.

The California Government Code requires that a financial institution secure deposits made by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the amount deposited by the public agencies.

GASB Statement Number 40 require that the following disclosure be made with respect to custodial credit risks relating to deposits and investments: none of the District's deposits with financial institutions in excess of federal depository insurance limits were held in unpolarized accounts.

QUAIL VALLEY WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2018

Investments in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to amount of the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Note3 - Property, Plant and Equipment

	Assets - at Cost			
	Balances June 30, 2017	Additions	Disposals	Balances June 30, 2018
<u>Capital Assets Being Depreciated</u>				
Transmission and Distribution Facilities	\$ 324,949	\$ -	\$ -	\$ 324,949
Pumping Plant	31,394	-	-	31,394
General Plant	150,780	-	-	150,780
Less, Accumulated Depreciation	(151,743)	(15,645)	-	(167,388)
Depreciable Assets, Net of Accumulated Depreciation	<u>355,380</u>	<u>15,645</u>	<u>-</u>	<u>339,735</u>
<u>Capital Assets Not Being Depreciated</u>				
Land	31,217	-	-	31,217
Construction in Progress	88,387	-	3,053	85,334
Proposition 84 Site Surveys - Feasibility Studies	<u>456,617</u>	<u>-</u>	<u>-</u>	<u>456,617</u>
Total Capital Assets not Being Depreciated	<u>576,221</u>	<u>-</u>	<u>3,053</u>	<u>573,168</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>\$ 931,601</u>	<u>\$ 15,645</u>	<u>\$ 3,053</u>	<u>\$ 912,903</u>

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QUAIL VALLEY WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS Year Ended June 30, 2018

Note 4 - Water Connection Receivable

The Board of Directors issued a Resolution in July 2017 offering a reduction in the current connection and capital improvement fees to the owners of property immediately adjacent to the proposed new pipeline. The connection and capital fee charges and discounts are scheduled as follows:

Connection fee	\$ 2,500
Capital improvement fee	\$ 7,000
Cash discount - connection fee	\$ (500)
Cash discount - capital improvement fee	\$ (500)
Construction discount - connection fee	\$ (500)
Construction discount - capital improvement fee	\$ (1,500)

All of the connections purchased in year ended June 30, 2018 were paid in full and received all discounts; each purchaser paid a total of \$6,500 (net of discounts).

Connection fees receivable were \$34,582 at June 30, 2018.

Note 5 - Risk Management

The District is exposed to various risks of loss related to torts, damage, theft, and destruction of assets, errors and omissions, job-related illnesses or injuries to employees, and natural disasters. The District purchases workers' compensation insurance and commercial general liability insurance as follows:

Limitations:

Each occurrence	\$ 1,000,000
Damage to rented premises	\$ 1,000,000
Medical expense	\$ 10,000
Personal and Adv. Injury	\$ 1,000,000
General aggregate	\$ 3,000,000
Products - Comp/OP AGG	\$ 3,000,000

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QUAIL VALLEY WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2018

Note 6 - Commitments and Contingencies

Water Supply

The local aquifer is the primary source of water supply to the District. Also, the District is 100 percent dependent upon pumping of groundwater as its water supply for delivery to its customers. The annual water supply and ability to pump is determined by the rain and snowfall within the local water drainage system. Currently the District does not purchase water for storage or delivery.

Note 7 - Water Grant

The District has entered into a funding agreement with the California State Water Resources Control Board under the provisions of the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, under Public Resources Code, Section 75022.

The purpose of the funding is to assist in financing a project which will enable the District to meet safe drinking water standards (the Project).

The District is responsible for the design, construction, operation, and maintenance of the Project; and for all persons or entities engaged in such work, including but not limited to contractors, subcontractors, suppliers, and providers of services. Review or approval of plans, specifications, bid documents or other construction documents by the State is solely for the purpose of proper administration of the funds by the State and shall not be deemed to relieve or restrict the District's responsibility.

The State will provide funding to the District in an amount not to exceed \$5,814,576.

The District expended funds for site surveys and feasibility studies related to the Grant from the California Department of Public Health (the Project). The funds expended on the Proposition 84 project have been classified as a "Capital Asset not Being Depreciated" in Property, Plant and Equipment until the related clean water project is completed and functioning. The funds expended on the site survey and feasibility studies were \$456,617 at June 30, 2018.

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Note 8 - Assessed Valuation

The assessed valuations for the 2017-2018 year as confirmed by the Kern County Auditor Controller were as follows:

	<u>Operations</u>
Net Secured Roll	\$ 21,687,125
Net Unsecured Roll	<u>-</u>
Total	<u><u>\$ 21,687,125</u></u>

QUAIL VALLEY WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2017

Note 9 - Prior Period Adjustments

Management adjusted/ reclassified net assets after the release date of the audited financial statements for the year ended June 30, 2017 as follows:

Net assets - Unrestricted Enterprise Fund were reduced for reclassification of \$148,992 of net assets to Net Assets - Restricted - Proposition 84 due to reclassification errors, and \$68,266 due to prior liabilities not being properly recorded.

Net assets - Restricted - Proposition 84 was increased \$148,992 due to the afore-mentioned reclassification corrections that reduced Net Assets - Unrestricted Enterprise Fund by \$148,992.

	Unrestricted Enterprise Fund	Invested in Capital Assets (Net of Related Debt)	Restricted Proposition 84	Totals
Assets, Balance June 30, 2017 - as previously reported	\$ 103,543	\$ 358,407	\$ 566,991	\$ 1,028,941
Prior period adjustments as per above descriptions	(217,258)	-	148,992	(68,266)
Net Assets, Balance June 30, 2017 - adjusted	<u>\$ (113,715)</u>	<u>\$ 358,407</u>	<u>\$ 715,983</u>	<u>\$ 960,675</u>

Note 10 - Line of Credit - COBANK *FIRST DRAFT COPY - FOR DISCUSSION PURPOSES ONLY*

Revolving Credit Promissory Note, entered into February 17, 2017. with COBANK, ACB. Revolving Credit Commitment not to exceed \$1,000,000 for the purpose interim financing capital expenditures as approved by the California Safe Water Resources Control Board. The term of the Commitment will be up to and including July 31, 2017 or such later date as the Lender may, in its sole discretion, authorize in writing. The interest rate is based upon the One Month LIBOR Index Rate.

Balance due at June 30, 2018 is \$374,501.

QUAIL VALLEY WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS Year Ended June 30, 2018

Note 11 - Related Party Transactions

The District is governed by a five-member Board of Directors, all of whom are landowners. The District currently employs two part-time employees and one full-time employee. The one full-time employee serves as the General Manager, operates the water system, reads water meters and performs maintenance and repairs. One part-time employee performs clerical and customer service duties, and one part-time employee assists the General Manager performing system maintenance repairs.

The General Manager loaned the District \$10,500 during the year ended June 30, 2017. The District fully repaid the General Manager \$10,500 during the year ended June 30, 2017.

The General Manager loaned the District \$11,600 during the year ended June 30, 2018 at 0% interest. The loan remains outstanding at June 30, 2018.

The General Manager rents a backhoe to the District at a rate of \$30 per hour, which is an arms-length transaction at a lower than market hourly rental rate for equivalent equipment. This transaction provides the District access to needed equipment at a lower than market rental rate. Total rental for 2018 was \$6,003.

The General Manager submits fully-documented reimbursement claims to the district for supplies purchased, travel expenses, and mileage costs expended on District business. All reimbursement claims are approved by the Board of Directors prior to payment. The balance of the unpaid reimbursement claims posted to accounts payable to the year ended June 30, 2018 is \$36,909, that includes \$6,003 backhoe rental.

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Bill R. Walker Certified Public Accountant

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Board of Directors
Quail Valley Water District
Bakersfield, California

I have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Quail Valley Water District (District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued my report thereon dated November 12, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Bill R. Walker

Bill R. Walker
Certified Public Accountant
Bakersfield, California

November 12, 2019

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SUPPLEMENTARY INFORMATION

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QUAIL VALLEY WATER DISTRICT
Schedule of Operating Expenses
Year Ended June 30, 2018

	Unrestricted - Enterprise Fund	Restricted - Proposition 84	Totals
Expenses			
Source of Supply:			
Supervision - labor and expense	\$ -	\$ -	\$ -
Maintenance - structure and improvements	125	-	125
Total - Source of Supply	<u>125</u>	<u>-</u>	<u>125</u>
Pumping Expense:			
Supervision - labor and expense	175	-	175
Maintenance - structure and improvements	252	-	252
Fuel or power purchased	6,188	-	6,188
Total - Pumping Expense	<u>6,615</u>	<u>-</u>	<u>6,615</u>
Water Treatment:			
Water quality testing	8,576	-	8,576
Maintenance - structure and improvements	617	-	617
Total - Water Treatment	<u>9,193</u>	<u>-</u>	<u>9,193</u>
Transmission and Distribution:			
Supervision - labor and expense	519	-	519
Wages - system maintenance	13,557	-	13,557
System maintenance	9,403	-	9,403
Maintenance - structure and improvements	990	-	990
Total - Transmission and Distribution	<u>24,469</u>	<u>-</u>	<u>24,469</u>
Customer Accounts:			
Wages - meter reading	-	-	-
Customer accounts - supervision	4,543	-	4,543
Meter reading	-	-	-
Total - Customer Accounts	<u>4,543</u>	<u>-</u>	<u>4,543</u>

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QUAIL VALLEY WATER DISTRICT
Schedule of Operating Expenses
Year Ended June 30, 2018

	<u>Unrestricted - Enterprise Fund</u>	<u>Restricted - Proposition 84</u>	<u>Totals</u>
Expenses			
Administrative and General:			
Wages - office		-	-
Contract labor - office	-	-	-
Salaries	26,738	-	26,738
Office - postage	550	-	550
Non-reimbursable expense - bank charges	5	-	5
Office supplies	1,413	-	1,413
Freight	1,498	-	1,498
Answering service	1,155	-	1,155
Com-telephone - internet	2,744	-	2,744
Utilities	3,001	-	3,001
Dues and subscriptions	994	-	994
Office supplies	164	-	164
Contractual services	5,049	-	5,049
Property insurance	3,471	-	3,471
Employee retirement and benefits	2,649	-	2,649
Workers Compensation insurance	12,296	-	12,296
Employee reimbursement	5,911	-	5,911
Building maintenance	5,097	-	5,097
Equipment rental	6,003	-	6,003
Administrative and general - other	1,503	-	1,503
Non-reimbursable expense - other	-	9,337	9,337
Other operating expense	55	8,905	3,905
Grounds maintenance - office	55	-	55
Automobile expense	12,289	-	12,289
	<u>12,289</u>	<u>-</u>	<u>-</u>
Total Administrative and General	<u>\$ 92,585</u>	<u>\$ 13,242</u>	<u>\$ 105,827</u>
Depreciation expense	<u>\$ 15,645</u>	<u>\$ -</u>	<u>\$ 15,645</u>

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QUAIL VALLEY WATER DISTRICT

6.5
BOARD OF DIRECTORS

Mike Biglay
Jean Grodewald
Rita Leonard
Enrique Lopez
Joan Tyer

BOARD MEMO

Re: 2/5704
Date: 11/29/19
By: Randy Hardenbrook

Subject: Request for special dispensation for connection fee.

The Owner of Lot 2 of Map 5704 has contacted the District advising of financial hardship and requesting the District provide a reduction to the balance due on her account for connection fees and that she again wishes the District provide water service to her property. She also inferred that the District cannot impose late fees and finance charges as the District is a non-profit.

In 2011, the property owner purchased a water service connection and a water storage tank from the District for a total of \$12,000.00. In June of 2011, a down payment of \$2,500.00 was received.

Two payments were received in 2011 totaling \$1,050.00. One payment of \$220.00 was received in 2012 and three payments totaling \$573.50 were received in 2013. No further payments have been received against the connection fees due.

As of November 1, 2019, the principal balance is \$8,839.19 and interest accrued is \$6,204.25. In addition to connection fees, fees for water service remain unpaid totaling \$1,373.48, including finance charges. The last record of payment for water fees was on 1/15/16. Water service was turned off and locked on April 4, 2016 and as a result of construction on Umtali Road, the water service line and meter have since been removed.

In regards to the water fees, District practices have allowed for the waiver of finance charges for payment in full of past due balances. Additionally, prior to re-establishing water service, a reconnection fee of \$250.00 is assessed. These fees would be due and payable in advance. It would also be consistent with past practices to waive fees for water service after service was terminated. Waiver of finance charges and fees for service after termination would result in a balance of \$360.39 plus the \$250.00 reconnection fee.

In regards to connection fees, an offer was made on March 26, 2018 to property owners with delinquent fees with three options to settle the accounts. The owner of Lot 2/5704 did not choose to accept this offer at the time.

The three options offered were:

- Immediate cash settlement for remaining principle balance, waiving interest and penalties.
- Abandon connection in lieu of payment. Principal previously paid will be credited to the then current connection fee if a connection is requested in the future.
- Terminate existing agreement and enter new agreement at current connection fee for 5-year term at 10% interest with previously paid principal credited to current connection fee.

If the Board desired to extend this offer, the first option would result in a balance due of \$8,839.19 for an immediate cash payment. The second option would leave a credit of \$3,160.81 against a future connection for Lot 2/5704. Since the current connection fee has not increased, the third option would result in a new connection fee payment agreement for \$9,500.00 plus \$2,500 for the water tank purchased, less \$3,160.81 prior principal paid for a balance of \$8,839.19.

Recommendations:

In review of account history, it would be my opinion that acceptance of the third option for settlement of connection fees will not be successful and the likely result would be a return to the current situation and is therefore not recommended.

The second option would not provide for water service to the subject property and is therefore not a solution in regards to the current request although it would provide a satisfactory resolution of the past due connection fees owed to the District and, provided a satisfactory resolution of past due water service fees was also consummated, would be a recommended option from the District's perspective.

The third option is recommended, provided water service fees are also paid along with the reconnection fee. Further, it would be recommended to waive the finance charges and fees assessed following termination of service. This option would settle all past due balances and re-establish water service to the subject property. This option would result in a total balance due of \$9,449.58. It would also be recommended to condition this offer on an acceptance and payment window of 90 days or less.

NOTE:

Since a new meter will be required, it is expected that the installation necessary will take 2 to 4 weeks after acceptance and payment.



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QUAIL VALLEY WATER DISTRICT

BOARD OF DIRECTORS

Jim Boatman

Matt Daggett

Rita Leonard

Enrique Lopez

Dick Sims

BOARD MEMO

Re: Unpaid connection fees

Date: 3-26-18

By: Randy Hardenbrook

Subject:

5 properties have connection fees dating from 1999 through 2012 that remain unpaid and are in default with a total remaining principle due of \$23,720.94. Total interest due is \$11,469.78. Liens for unpaid connection fees can be filed but the process to collect the lien takes in excess of 3 years and involves costs for legal fees which can be substantial if the lien is contested.

After reviewing the defaulted accounts and related documents, staff recommends that the Board entertain an alternative approach to propose a settlement with parties in default as follows:

- Immediate cash settlement for remaining principle balance, waiving interest and penalties.
- Abandon connection in lieu of payment. Principal previously paid will be credited to then current connection fee if a connection is requested in the future.
- Terminate existing agreement and enter new agreement at current connection fee for 5-year term at 10% interest with previously paid principal credited to current connection fee.

One property owner recently contacted the District requesting to abandon their connection as they cannot afford to make the payments and apparently no longer have any development plans for the property requiring water.

No outlay of District funds (other than a small amount of staff time and postage) would be required for this option and the probable outcome would be increased cash flow as it is expected that some property owners will choose to pay the balance or enter into a new agreement. If all property owners were to abandon connections, there would be no cost to the District and no change to cash flow, only a reduction in non-current accounts receivable.

The District would still be able to file liens for any remaining agreements that are not settled.



California Website Compliance Checklist

Use this checklist to keep your district's website compliant with State and Federal requirements.

Public Records Act

SB 929

Our district has created and maintains a website

Passed in 2018, all independent special districts must have a website that includes contact information (and all other requirements) by Jan. 2020

SB 272

Our Enterprise System Catalog is posted on our website

All local agencies must publish a catalog listing all software that meets specific requirements—free tool at getstreamline.com/sb272

AB 2853 (optional):

We post public records to our website

This bill allows you to refer PRA requests to your site, if the content is displayed there, potentially saving time, money, and trees

The Brown Act

AB 392:

Agendas are posted to our website at least 72 hours in advance of regular meetings, 24 hours in advance of special meetings

This 2011 update to the Act, originally created in 1953, added the online posting requirement

AB 2257:

A link to the most recent agenda is on our home page, and agendas are searchable, machine-readable and platform independent

Required by Jan. 2019—text-based PDFs meet this requirement, Microsoft Word docs do not

State Controller Reports

Financial Transaction Report:

A link to the Controller's "By the Numbers" website is posted on our website

Report must be submitted within seven months after the close of the fiscal year—you can add the report to your site annually, but posting a link is easier

Compensation Report:

A link to the Controller's PublicPay website is posted in a conspicuous location on our website

Report must be submitted by April 30 of each year—you can also add the report to your site annually, but posting a link is easier

Healthcare District Websites

AB 2019:

If we're a healthcare district, we maintain a website that includes all items above, plus additional requirements

Including budget, board members, Municipal Service Review, grant policy and recipients, and audits

Open Data

AB 169:

Anything posted on our website that we call "open data" meets the requirements for open data

Defined as "retrievable, downloadable, indexable, and electronically searchable; platform independent and machine readable" among other things

Section 508 ADA Compliance

CA gov code 7405:

State governmental entities shall comply with the accessibility requirements of Section 508 of the federal Rehabilitation Act of 1973

Requirements were updated in 2018—if you aren't sure, you can test your site for accessibility at achecker.ca



California Special Districts Association
Districts Stronger Together



SDLF



SPECIAL DISTRICT LEADERSHIP FOUNDATION

Special District Leadership Foundation
2020 Special District Website Scholarship Application

The goal of this fund is to provide scholarships to cover the cost of a special district website for 15 months and increase transparency and accountability among some of California's smallest special districts.

Districts may receive no more than \$1,500 in SDLF scholarship funds per calendar year.

Name:		Title:	
District:			
District General Manager:			
Address:			
City:	State:	Zip:	
Email:			
If you are not the District General Manager, is the District General Manager aware of your scholarship application? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Important Information			
<p>DETAILS/QUALIFICATIONS:</p> <ul style="list-style-type: none"> • District budget of \$500,000 or less. • District must not currently have a compliant website. • District must commit in writing to: <ul style="list-style-type: none"> o Meet the basic website requirements as outlined in the SDLF Transparency Certificate of Excellence checklist. o Generally, keep the website current. 			
<p>REQUIREMENT:</p> <p>Is your district budget under \$500,000? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>District annual budget = \$</p> <p>Is your district willing/able to meet the basic website requirements as outlined in the SDLF Transparency Certificate of Excellence checklist? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Is your district willing/able to keep the website current? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>			
<p>Important Scholarship Payment Details:</p> <p>If awarded, the website will be on the Streamline platform. After receiving notification of the award from SDLF, scholarship recipients will be connected with a Streamline representative. The first three months of service are provided at no charge by Streamline, and 12 months paid by SDLF scholarship for a total of 15 months of service. SDLF will confirm with Streamline – one month after issuance of scholarship that the district is fully participating in website construction before issuing the first six payments for website development and hosting. SDLF will confirm that district has met website requirements and is generally keeping their website current, six months after scholarship is issued.</p>			
<p>Applications will be reviewed by a three-member sub-committee of the SDLF Board of Directors and awarded on a case-by-case basis. A rolling deadline is the 15th of each month and award notification will be made by the 30th of each month as funds are available.</p>			

Please complete the above and return this application to:

SDLF, 1112 I Street, Suite 200, Sacramento, CA 95814, fax: 916.442.7889, or email: info@sdlf.org.

If you have any questions, please contact SDLF at (916) 231-2909 or info@sdlf.org.

Report of General Manager

October 25 through November 24, 2019

- Monitor and operate Montclaire well and chlorination equipment.
- Monitor chlorine residuals in water system.
- Respond to 2 locate ticket requests.
- Drain both new Montclaire tanks to allow for grouting.
- Meet with JR & Claire Smeed to discuss ownership of Montclaire well, draft notes of meeting. Email meeting notes, related documents to counsel for review and opinion.
- Meet with Anders (REVE) and Shawn (PRT) to discuss continued tank leaks and plan for resolution.
- Continue work with REVE to finalize treatment plant equipment location, review submittals.
- Meet technician from Overhead Dorr and provide site access for repairs.
- Continue excavating and installing Montclaire yard piping and conduit.
- Transport fuel trailer to Tehachapi for fuel. Deliver fuel trailer to Montclaire site to fuel equipment.
- Read water meters, inspect PRV stations for proper operation.
- Found Nyamazi vault filled with water, unable to pump water from vault-pump failed. Travel to Tehachapi, purchase new pump. Pump out vault and repair leak in control line at Nyamazi PRV.
- Meet with Cora crew grouting new tanks, inspect grouting activities.
- Received notice from Cora that tanks can be refilled. Manually operate valving, well to fill tanks. Check chlorine residuals after filling tanks.
- Research and order electrical panel, power pole and wire for Montclaire site electrical.
- Collect monthly bacteriological samples in accordance with combined system bacteriological site sampling plan. Collect bacteriological samples from new tanks in preparation for placing tanks in-service. Package and deliver samples to lab.
- Install 2 used tires and wheels on service truck to replace flat tire.
- Discuss possible solution for new Montclaire well completion with Loren (Abundant), call Anders (REVE) to discuss.
- Pick up power pole, propane tank, wire and electrical panel from Bakersfield, transport to Montclaire site.
- Received results from new tank Bac-T tests. Received permission from WaterBoards to place new tanks in service. Install foam plugs in gauge lines to correct deficiency noted in WaterBoard's inspection of tanks. Manually operate valves to place tanks in-service, monitor operation of system and chlorine residuals.
- Monitor tank leaks with grouting installed and tanks in-service.
- Install power pole and new meter panel at Montclaire site, relocate conduit and electrical cable to new panel, install jumper from old panel to provide temporary power.

- Install temporary treatment plant bypass line and connect Montclair yard piping to existing well to allow filling of new tanks through tank inlet lines.
- Prepare sites for winter weather, place heaters in buildings.
- Cora crew on-site, installing solar heating system at treatment plant building.

Upcoming:

- Install blow-off at east and west ends of Umtali to facilitate flushing Umtali line.
- Oversee well construction and re-hab. (In Process)
- Oversee reservoir and treatment plant building construction. (Near Completion)
- Oversee treatment plant installation.
- Cleanup along Umtali (complete services, install valve boxes, backfill, etc.).
- Finish well house repairs-Dan.
- Finish Building remodel-Dan.
- Replace door on garage-Dan.
- Install vault for Transvaal air-vac.
- Install cross and valves at Umtali and Roper for service on Roper and Inyanga.
- ~~Install water main from Montclair tanks to Quail Ridge Road, from WTP building to tanks, from building to Quail Ridge. (In Process)~~
- Insulate Country Canyon booster building, Tanganda water lines. Winterize all facilities. (Near Completion)
- Complete installation of HOA switch, hour meter and pilot light at Tanganda well.
- ~~Place new tanks in service as soon as possible after grouting, move Montclair well controls into treatment plant building to prevent freezing of sensing line. (In Process)~~