

**San Gabriel County Water District  
Regular Meeting of the Board of Directors  
8366 Grand Ave  
Rosemead, CA 91770**

**June 27, 2023**

**4:00 P.M.**

**AGENDA**

**Call to Order**

**1. Pledge of Allegiance**

- 2. Roll Call**
- |                             |       |
|-----------------------------|-------|
| <b>Director Cammarano</b>   | _____ |
| <b>Director DeLaTorre</b>   | _____ |
| <b>Director Taylor</b>      | _____ |
| <b>Director Saucedo</b>     | _____ |
| <b>Director Mamdapurkar</b> | _____ |

**3. Additions, Re-order and Adoption of the Agenda:**

**Motion:**

**Second:**

**Action:**

**4. Public Comment on Agenda and Non-Agenda items**

**Anyone wishing to discuss items on and not on the agenda may do so at this time**

**5. Minutes of a Regular Meeting of the Board of Directors held June 13, 2023**

**Motion:**

**Second:**

**Action:**

**6. List of Demands on the General Account**

**a. Revolving/Payroll Account Reimbursement**

**Motion:**

**Second:**

**Action:**

**7. District Counsel**

**8. Action Items**

- a. Consideration and Action on opening a CLASS account for General Capital Reserve Account**

**Motion:  
Second:  
Action:**

**9. Miscellaneous Information Items**

- a. Receive and File: May 2023 Banking & Investment Report**
- b. Receive and File: 2022 Audited Financial Statement**
- c. Receive and File: January Monthly Revenue & Expenditure Report  
February Monthly Revenue & Expenditure Report  
March Monthly Revenue & Expenditure Report  
April Monthly Revenue & Expenditure Report  
May Monthly Revenue & Expenditure Report**

**10. General Manager Report**

**11. Future Agenda Items**

**12. Director Comments**

**13. Adjournment**

**Motion:  
Second:  
Action:**

Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the District office, located at 8366 Grand Ave., Rosemead, CA 91770.

If you have special needs because of a disability which make it difficult for you to access or participate in the meeting, please contact the District Finance & Administration Manager, (626) 287-0341, by at least noon on the Monday preceding the meeting. The District will attempt to make arrangements to accommodate your attendance.

**MINUTES OF A REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF  
SAN GABRIEL COUNTY WATER DISTRICT  
HELD ON JUNE 13, 2023**

- CALL TO ORDER** A regular meeting of the Board of Directors of the San Gabriel County Water District was called to order on Tuesday, June 13, 2023, at 8366 Grand Avenue, Rosemead, California at the hour of 4:00 p.m.
- ROLL CALL** Present at the District office were General Manager Jim Prior, Carmen Corona, Casey Feilen, Directors Cammarano, DeLaTorre, Saucedo and Mamdapurkar and District Counsel Koczanowicz. Director Taylor was absent.
- AGENDA** Upon motion by Director DeLaTorre and seconded by Director Saucedo, the Board voted unanimously to adopt the agenda as presented. Motion passed 4-0.
- PUBLIC COMMENT** None
- MINUTES** Upon motion by Director Saucedo and seconded by Director DeLaTorre, the Board voted to approve the minutes for the meeting of the Board of Directors held on May 23, 2023. Motion passed 4-0.
- DEMANDS** Director DeLaTorre motioned to authorize payments from the General Account in the amount of \$262,312.76 (chk#22593-22647) and an electronic funds transfer from the general account to the revolving account in the amount of \$103,625.75 (chk#13251-13287). The motion was seconded by Director Mamdapurkar. Staff answered questions to the satisfaction of the Board relating among others to check numbers 22610 (developer work by Doty Bros), 22619 cost of a 3" meter, 22604 promotional materials, 22635 (developer's job) and 22644 (various paving jobs). Board also asked about well monitoring expenses. Motion passed on a 4-0 vote.
- DISTRICT COUNSEL REPORT** District Counsel briefed the Board on a 9<sup>th</sup> Circuit opinion in Ybarra v. Gittere, where the court upheld a lower court's decision to deny relief from death penalty sentence based on "intellectual disability" finding that the death row inmate did not establish required conditions for such relief. A brief discussion on the status of death penalty sentencing in California was held.
- ACTION ITEMS** none were agendized
- ADDED ITEM** General Manager requested that an item be added to the agenda for a nomination of a District's voting representative for ACWA.  
**ACWA Voting Rep**

District Counsel informed the Board that the necessary findings for an addition to the agenda could be made by the Board. The request for the nomination was received after the posting of the agenda, the response was due prior to the next Board meeting and the urgency existed to take action as the District does need an ACWA voting representative for the upcoming year.

Based on the findings Director Saucedo moved to add the item to the agenda. Motion was seconded by Director Mamdapurkar and it passed on a 4-0 vote.

Director Saucedo moved to nominate Jim Prior as the ACWA voting Representative for the District. Director DeLaTorre seconded and the motion passed unanimously.

**MISC  
INFORMATION**

Receive and File: Board received the Water Well report. Director Cammarano noted that well levels were the highest she's seen while on the Board. Director Mamdapurkar noted that San Luis Reservoir was at 100% first time in a very long while. Board also asked questions about San Gabriel and Coswell reservoirs that were emptied for clearing of the sludge by the County.

**GENERAL  
MANAGER  
COMMENTS**

The General Manager reported that the Upper District will cover the costs of a study for another potential MWD connection and that Sunnyslope WD was interested in participating, however their demand would affect the amount of water available to the District. General Manager also advised the Board that the mainline job will be before the Board for a bid award at the first meeting in July; that he's taking vacation next week and that Well 8 will be video logged in the near future. Mr. Prior also advised the Board that he will be having discussions regarding MWD water availability (6700AF) and the Raymond Basin status and ability to acquire that water. Lastly he informed the Board that the dry scape, once fully installed, in front of the District office will save the District 400,000 gallons of water a year.

**FUTURE  
AGENDA  
ITEMS**

None

**DIRECTOR  
COMMENTS**

Director Cammarano reminded the Board about Rosemead's State of the City address which will take place on 06.23.23 at 6:00 pm. Director Mamdapurkar asked if the office will be open on June 19<sup>th</sup>, 2023 and received an affirmative response.

**ADJOURNMENT**

Upon motion by Director Cammarano, seconded by Director Saucedo the Board voted unanimously to adjourn the meeting at 4:47 p.m.

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President

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Secretary

[SEAL]

**EFT-From the General Account for the Revolving Reimbursement**

	<b>Date Paid</b>	<b>Amount Paid</b>
Payroll	6/7/2023	\$ 80,840.54
Director's Payroll	6/13/2023	\$ 245.90
Payroll	6/21/2023	\$ 81,090.15
	<b>Total Amount to be Reimbursed:</b>	<b>\$ 162,176.59</b>

# MEMO

**TO: BOARD OF DIRECTORS**  
**FROM: GENERAL MANAGER**  
**SUBJECT: INVESTMENT STRATEGIES**  
**DATE JUNE 27,2023**

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## Background

District staff researched the newly formed California Cooperative Liquid Assets Securities System (CLASS), which is a JPA that functions similar to LAIF, but includes features that make it an attractive alternative. Similar to LAIF, CLASS investments are a stable net asset valuation, following California State Code Section 53601, offer same day withdrawals, and feature safe investments which is the primary goal of an investment policy.

The CLASS Prime fund is AAAM rated by S&P Global, which represents the highest rating for stability of principal. The asset holdings in this fund have a weighted average maturity of 61 days.

As of June 27, 2023, the Daily Effective Yield in the CLASS Prime Fund was near 5.18%, while the yield for LAIF was 2.99%. LAIF holds assets with an average maturity of 272 days and as a result LAIF has not been able to capitalize on quickly rising interest rates. While yield is not the primary concern of an investment strategy, if all other things are equal, which appears to be the case with LAIF and CLASS, then a higher yield is preferred.

The proposed action is consistent with policies adopted by the Board including the Investment Policy.

## Recommendation

Staff recommends that the District open the CLASS account and invest \$5,000,000.00 of funds held in LAIF in the CLASS account. As of June 27, 2023 the LAIF account balance was \$17,814,516.00.

**Attachment(s)**: CLASS Information Statement, CLASS Features and Benefits, CLASS Registration Packet.

<https://californiaclass.com/>



**SAN GABRIEL COUNTY WATER DISTRICT  
BANKING & INVESTMENT REPORT  
May 2023**

<b>Cash &amp; Investments</b>	
LAIF Investment	\$ 17,814,516
<i>LAIF Interest Rate</i>	2.993%
Time-Value Investment	\$ 1,436,875
Citizens Bank - General	\$ 3,354,867
Citizens Bank - Revolving	\$ 96,751
Citizens-Bank - Safety Lunches	\$ 28,934
Xpress Bill Pay Holding (Online)	\$ 40,256
Citizens Bank - General/Revolving & Other	<u>\$ 3,520,808</u>

*\*I hereby certify that the forgoing is true and correct and in accordance with the District's Investment Policy.*

**Date: 5/27/2023**

\_\_\_\_\_  
*Treasurer*

	<u>May-22</u>	<u>YTD May-22</u>	<u>May-23</u>	<u>YTD May-23</u>
<b>Cash Receipts</b>	\$ 843,784	\$ 4,369,297	\$ 807,604	\$ 4,467,321
<b>Disbursements</b>	\$ 710,766	\$ 3,209,521	\$ 449,474	\$ 3,237,295
<b>Water Sales</b>	\$ 726,156	\$ 3,682,401	\$ 662,968	\$ 3,126,497
<b>Water Payments</b>	676,281			
<b>A/R Payments</b>	20,932	<i>Meter Charges</i>	\$ 277,611	
<b>LAIF Interest</b>	115,082	<i>Water Charges</i>	<u>\$ 385,358</u>	
<b>Time Value Interest</b>	(2,826)	<i>Total Billed</i>	<u>\$ 662,968</u>	
<b>Safety Lunches</b>	<u>(1,864)</u>			
	<u>\$ 807,604</u>			



**SAN GABRIEL COUNTY WATER DISTRICT  
REVENUE AND EXPENDITURE DISTRIBUTION**

**January 2023  
Year-To-Date Percent  
8%**

Acct. #	Description	Budget	Receipts & Expenditures Jan-23	Total YTD	Balance	YTD %
	<b>Total Revenues</b>	\$ 9,904,297	\$ 640,181	\$ 640,181	\$ (9,264,116)	6%
	<b>Operational Expense</b>					
	Production & Supply	2,251,638	87,996	87,996	(2,163,642)	4%
	Transmission & Distribution	680,123	36,374	36,374	(643,749)	5%
	Customer Service	380,433	27,930	27,930	(352,503)	7%
	General & Administrative	4,019,392	197,695	197,695	(3,821,697)	5%
	<b>Total Operational Expense</b>	<b>7,331,586</b>	<b>349,994</b>	<b>349,994</b>	<b>(6,981,592)</b>	<b>5%</b>
	<b>Gain/(Loss) before Capital</b>	<b>2,572,711</b>	<b>290,187</b>	<b>290,187</b>	<b>(2,282,524)</b>	<b>11%</b>
	Capital Expenditures	2,572,000	160,878	160,878	(2,411,122)	6%
	<b>Gain/(Loss)</b>	<b>\$ 711</b>	<b>\$ 129,310</b>	<b>\$ 129,310</b>	<b>\$ 128,599</b>	

**SAN GABRIEL COUNTY WATER DISTRICT  
REVENUE AND EXPENDITURE DISTRIBUTION**

**February 2023  
Year-To-Date Percent  
17%**

Acct. #	Description	Budget	Receipts & Expenditures Feb-23	Total YTD	Balance	YTD %
	<b>Total Revenues</b>	\$ 9,904,297	\$ 658,542	\$ 1,298,723	\$ (8,605,574)	13%
	<b>Operational Expense</b>					
	Production & Supply	2,251,638	80,716	168,712	(2,082,926)	7%
	Transmission & Distribution	680,123	50,397	86,770	(593,353)	13%
	Customer Service	380,433	29,083	57,012	(323,421)	15%
	General & Administrative	4,019,392	180,177	377,872	(3,641,520)	9%
	<b>Total Operational Expense</b>	<b>7,331,586</b>	<b>340,373</b>	<b>690,367</b>	<b>(6,641,219)</b>	<b>9%</b>
	<b>Gain/(Loss) before Capital</b>	<b>2,572,711</b>	<b>318,169</b>	<b>608,357</b>	<b>(1,964,354)</b>	<b>24%</b>
	Capital Expenditures	2,572,000	172,328	333,206	(2,238,794)	13%
	<b>Gain/(Loss)</b>	<b>\$ 711</b>	<b>\$ 145,841</b>	<b>\$ 275,151</b>	<b>\$ 274,440</b>	

**SAN GABRIEL COUNTY WATER DISTRICT  
REVENUE AND EXPENDITURE DISTRIBUTION**

**March 2023  
Year-To-Date Percent  
25%**

<u>Acct. #</u>	<u>Description</u>	<u>Budget</u>	<u>Receipts &amp; Expenditures Mar-23</u>	<u>Total YTD</u>	<u>Balance</u>	<u>YTD %</u>
	<b>Total Revenues</b>	\$ 9,904,297	\$ 677,380	\$ 1,976,103	\$ (7,928,194)	20%
	<b>Operational Expense</b>					
	Production & Supply	2,251,638	105,432	274,144	(1,977,494)	12%
	Transmission & Distribution	680,123	63,151	149,922	(530,201)	22%
	Customer Service	380,433	38,752	95,764	(284,669)	25%
	General & Administrative	4,019,392	238,873	616,745	(3,402,647)	15%
	<b>Total Operational Expense</b>	<u>7,331,586</u>	<u>446,208</u>	<u>1,136,574</u>	<u>(6,195,012)</u>	<u>16%</u>
	<b>Gain/(Loss) before Capital</b>	<u>2,572,711</u>	<u>231,173</u>	<u>839,529</u>	<u>(1,733,182)</u>	<u>33%</u>
	Capital Expenditures	2,572,000	225,081	558,287	(2,013,713)	22%
	<b>Gain/(Loss)</b>	<u>\$ 711</u>	<u>\$ 6,091</u>	<u>\$ 281,242</u>	<u>\$ 280,531</u>	

**SAN GABRIEL COUNTY WATER DISTRICT  
REVENUE AND EXPENDITURE DISTRIBUTION**

**April 2023  
Year-To-Date Percent  
33%**

Acct. #	Description	Budget	Receipts & Expenditures Apr-23	Total YTD	Balance	YTD %
	<b>Total Revenues</b>	\$ 9,904,297	\$ 921,959	\$ 2,898,062	\$ (7,006,235)	29%
	<b>Operational Expense</b>					
	Production & Supply	2,251,638	119,750	393,894	(1,857,744)	17%
	Transmission & Distribution	680,123	49,825	199,747	(480,376)	29%
	Customer Service	380,433	29,117	124,881	(255,552)	33%
	General & Administrative	4,019,392	175,775	792,520	(3,226,872)	20%
	<b>Total Operational Expense</b>	<b>7,331,586</b>	<b>374,467</b>	<b>1,511,041</b>	<b>(5,820,545)</b>	<b>21%</b>
	<b>Gain/(Loss) before Capital</b>	<b>2,572,711</b>	<b>547,492</b>	<b>1,387,021</b>	<b>(1,185,690)</b>	<b>54%</b>
	Capital Expenditures	2,572,000	86,005	644,292	(1,927,708)	25%
	<b>Gain/(Loss)</b>	<b>\$ 711</b>	<b>\$ 461,486</b>	<b>\$ 742,728</b>	<b>\$ 742,017</b>	

**SAN GABRIEL COUNTY WATER DISTRICT  
REVENUE AND EXPENDITURE DISTRIBUTION**

**May 2023  
Year-To-Date Percent  
42%**

Acct. #	Description	Budget	Receipts & Expenditures May-23	Total YTD	Balance	YTD %
	<b>Total Revenues</b>	\$ 9,904,297	\$ 794,454	\$ 3,692,516	\$ (6,211,781)	37%
	<b>Operational Expense</b>					
	Production & Supply	2,251,638	86,990	480,884	(1,770,754)	21%
	Transmission & Distribution	680,123	46,336	246,082	(434,041)	36%
	Customer Service	380,433	29,005	153,885	(226,548)	40%
	General & Administrative	4,019,392	203,678	996,198	(3,023,194)	25%
	<b>Total Operational Expense</b>	<b>7,331,586</b>	<b>366,008</b>	<b>1,877,050</b>	<b>(5,454,536)</b>	<b>26%</b>
	<b>Gain/(Loss) before Capital</b>	<b>2,572,711</b>	<b>428,446</b>	<b>1,815,467</b>	<b>(757,244)</b>	<b>71%</b>
	Capital Expenditures	2,572,000	52,846	697,138	(1,874,862)	27%
	<b>Gain/(Loss)</b>	<b>\$ 711</b>	<b>\$ 375,600</b>	<b>\$ 1,118,328</b>	<b>\$ 1,117,617</b>	