

Date: April 21, 2019
To: WWD Board of Directors
From: Tim Taschler
RE: Operations and Financial Report
2nd Fiscal Quarter 2019 (calendar October-November-December 2018)
3rd Fiscal Quarter 2019 (calendar January-February-March 2019)

As we did not have a meeting in January, the April 27th meeting will cover both the 2nd and 3rd fiscal quarters.

Please find attached PDFs containing:

- Balance Sheet
- P&L year-to-date
- P&L year-to-date actual vs. budget
- P&L year-to-date 2019 vs 2018
- Bank reconciliations for October, November and December 2018, both summary and detail with bank statements
- Bank reconciliations for January, February and March 2019, both summary and detail with bank statements
- Well 11 fence summation of costs
- Draft Minutes from 10/10/18 BOD meeting
- Draft Agenda for 4-27-19 meeting

If you would like more detail or supporting documentation, a printed copy, or have questions, please let me know.

SUMMARY and HIGHLIGHTS

OPERATIONS

- Well 11 is, after 2 years of work, finally fenced.
- State Water Board is done with investigations. Summary: WWD failed to have a licensed water operator for most of 2007 through 2012. WWD operated in violation of its water permit. Any further action will come from DEH for permit violations.
- Operations: there was a problem with well 2 (out of service for many years) and issues related to valve exercising that must be done (turning them off and on to make sure they operate as they should). This needs to be done prior to flushing (if a hydrant is problematic, operator must be able to close valves and know they work).
- JPIA now offers insurance for water mains. WWD is unable to get a quote at this time as there has never been a valve exercise program, a consistent flushing program, nor any discussions of water mains in BOD minutes. Once we implement valve exercise and flushing, JPIA will reconsider us for insurance in 12 months.
- Wells are operating within historical norms and water depths are good.

FINANCIAL

- Well 11 total cost (legal and fence) \$56,387.
- Total Revenue for the first 3 quarters was \$82,101, with the new rate going into 1/1/19.
- Expenses for the period totaled \$83,898 for a loss of \$1,784.
 - Of the \$83,898:
 - \$6,081 was well 11 fence installation.
 - \$40,426 was legal related to well 11.
- Cash on hand (with AR) as of 4/20/19 is \$144,000.

Wynola Water District
Profit & Loss
 July 2018 through March 2019

	Jul '18 - Mar 19
Ordinary Income/Expense	
Income	
Returned Check Charges	12.00
Income	
Interest Income	24.90
Water System Mnt Fees	22,693.50
County of San Diego	15,533.96
New Meter Fees	5,000.00
Water Sales	38,249.34
Income - Other	600.00
Total Income	82,101.70
Total Income	82,113.70
Gross Profit	82,113.70
Expense	
Bank Service Charges	12.00
Reconciliation Discrepancies	36.00
Expenses	
General & Administrative	
Audit	4,000.00
Insurance	3,901.93
Legal	40,425.78
Office Expenses	4,624.37
Total General & Administrative	52,952.08
Water Service Operations	
Cert. Water Ops. Contractor	5,721.60
Water and Well Testing	1,193.16
Electric Service	6,957.75
Minor Repairs & Maintenance	4,119.74
Permits	3,381.00
Capital Replacements/Improvements	7,445.74
Telephone	2,078.86
Total Water Service Operations	30,897.85
Total Expenses	83,849.93
Total Expense	83,897.93
Net Ordinary Income	-1,784.23
Net Income	<u>-1,784.23</u>

Wynola Water District
Profit & Loss Prev Year Comparison
July 2018 through March 2019

	Jul '18 - Mar 19	Jul '17 - Mar 18	\$ Change
Ordinary Income/Expense			
Income			
Returned Check Charges	12.00	0.00	12.00
Income			
Interest Income	24.90	0.00	24.90
Water System Mnt Fees	22,693.50	14,049.95	8,643.55
County of San Diego	15,533.96	16,288.40	-754.44
New Meter Fees	5,000.00	0.00	5,000.00
Water Sales	38,249.34	19,753.80	18,495.54
Income - Other	600.00	900.00	-300.00
Total Income	82,101.70	50,992.15	31,109.55
Total Income	82,113.70	50,992.15	31,121.55
Gross Profit	82,113.70	50,992.15	31,121.55
Expense			
Bank Service Charges	12.00	0.00	12.00
Reconciliation Discrepancies	36.00	0.00	36.00
Expenses			
General & Administrative			
Audit	4,000.00	4,000.00	0.00
Insurance	3,901.93	3,709.32	192.61
Legal	40,425.78	1,561.91	38,863.87
Office Expenses	4,624.37	2,498.90	2,125.47
Total General & Administrative	52,952.08	11,770.13	41,181.95
Water Service Operations			
Cert. Water Ops. Contractor	5,721.60	500.00	5,221.60
Water and Well Testing	1,193.16	7,975.00	-6,781.84
Electric Service	6,957.75	9,244.47	-2,286.72
Minor Repairs & Maintenance	4,119.74	2,840.25	1,279.49
Permits	3,381.00	2,579.00	802.00
Capital Replacements/Improvemts	7,445.74	1,250.00	6,195.74
Telephone	2,078.86	2,031.71	47.15
Total Water Service Operations	30,897.85	26,420.43	4,477.42
Total Expenses	83,849.93	38,190.56	45,659.37
Total Expense	83,897.93	38,190.56	45,707.37
Net Ordinary Income	-1,784.23	12,801.59	-14,585.82
Net Income	-1,784.23	12,801.59	-14,585.82

Wynola Water District
Profit & Loss Prev Year Comparison
 July 2018 through March 2019

	% Change
Ordinary Income/Expense	
Income	
Returned Check Charges	100.0%
Income	
Interest Income	100.0%
Water System Mnt Fees	61.5%
County of San Diego	-4.6%
New Meter Fees	100.0%
Water Sales	93.6%
Income - Other	-33.3%
Total Income	61.0%
Total Income	61.0%
Gross Profit	61.0%
Expense	
Bank Service Charges	100.0%
Reconciliation Discrepancies	100.0%
Expenses	
General & Administrative	
Audit	0.0%
Insurance	5.2%
Legal	2,488.2%
Office Expenses	85.1%
Total General & Administrative	349.9%
Water Service Operations	
Cert. Water Ops. Contractor	1,044.3%
Water and Well Testing	-85.0%
Electric Service	-24.7%
Minor Repairs & Maintenance	45.1%
Permits	31.1%
Capital Replacements/Improvemts	495.7%
Telephone	2.3%
Total Water Service Operations	17.0%
Total Expenses	119.6%
Total Expense	119.7%
Net Ordinary Income	-113.9%
Net Income	-113.9%

Wynola Water District
Balance Sheet
As of March 31, 2019

		Mar 31, 19
ASSETS		
Current Assets		
Checking/Savings		
Cash and Investments		
Wells Fargo	128,916.37	
Total Cash and Investments		128,916.37
Total Checking/Savings		128,916.37
Accounts Receivable		
Accounts receivable		15,295.84
Total Accounts Receivable		15,295.84
Other Current Assets		
Undeposited Funds		878.49
Total Other Current Assets		878.49
Total Current Assets		145,090.70
Fixed Assets		
Net Fixed Assets		
Fixed Assets- Cost		
Pumps, Valves and Equipment	207,492.97	
Storage and Distribution system	135,613.65	
Land Improvements	14,265.50	
Well Sites	101,282.78	
Total Fixed Assets- Cost	458,654.90	
Accumulated depreciation		-349,823.00
Total Net Fixed Assets		108,831.90
Total Fixed Assets		108,831.90
TOTAL ASSETS		253,922.60
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Other Current Liabilities		
Accounts Payable - Other		6,132.71
Total Other Current Liabilities		6,132.71
Total Current Liabilities		6,132.71
Total Liabilities		6,132.71

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04/20/19

Accrual Basis

Wynola Water District
Balance Sheet
As of March 31, 2019

	Mar 31, 19
Equity	
*Retained Earnings	20,427.68
Retained earnings	229,146.44
Net Income	-1,784.23
Total Equity	247,789.89
TOTAL LIABILITIES & EQUITY	<u>253,922.60</u>

Well 11 Fence – TOTAL COST = \$56,386.81

LEGAL: \$49,558.49

	A	B	C	D	E	F	G	H	I	J
1		Type	Num	Date		Account		Amount		
2										
3		Bill Pmt -Check	1427	03/18/2019		Wells Fargo		-460.20		
4		Bill Pmt -Check	1422	02/24/2019		Wells Fargo		-738.05		
5		Bill Pmt -Check	1414	01/14/2019		Wells Fargo		-3,414.83		
6		Bill Pmt -Check	1409	12/12/2018		Wells Fargo		-12,932.74		
7		Bill Pmt -Check	1399	11/10/2018		Wells Fargo		-3,792.43		
8		Bill Pmt -Check	1392	10/13/2018		Wells Fargo		-7,851.88		
9		Bill Pmt -Check	1385	09/16/2018		Wells Fargo		-5,647.47		
10		Bill Pmt -Check	1380	08/19/2018		Wells Fargo		-5,416.68		
11		Bill Pmt -Check	1362	06/28/2018		Wells Fargo		-5,000.00		
12	Total							-45,254.28		
13										

	A	B	C	D	E	F
1		Type	Num	Date	Account	Amount
2						
3		Bill Pmt -Check	1316	01/08/2018	Wells Fargo	-70.46
4		Bill Pmt -Check	1279	09/11/2017	Wells Fargo	-157.50
5		Bill Pmt -Check	1243	08/10/2017	Wells Fargo	-500.00
6		Bill Pmt -Check	1235	07/10/2017	Wells Fargo	-78.75
7		Bill Pmt -Check	1225	06/03/2017	Wells Fargo	-2,000.00
8		Bill Pmt -Check	1215	05/01/2017	Wells Fargo	-1,497.50
9	Total					-4,304.21
10						

FENCE: \$6,828.32

	A	B	C	D	E	F
1		Type	Num	Date	Account	Amount
2						
3		Bill Pmt -Check	1431	03/27/2019	Wells Fargo	-6,080.77
4		Bill Pmt -Check	1361	06/26/2018	Wells Fargo	-747.55
5	Total					-6,828.32
6						
7						

