



Metro Finance Committee
(Finance Advisory Committee to Metro JPA)

TO: Finance Committee Members and Metro Commissioners

DATE: Wednesday, April 26, 2017

TIME: 9:00 a.m.

LOCATION: MWWD, 9192 Topaz Way, (Conf. Room 2C – Second Floor) – Breakfast will be provided

THIS NOTICE HAS BEEN DISTRIBUTED TO THE METRO COMMISSIONERS AND FINANCE COMMITTEE MEMBERS.

1. Roll Call and Committee Member Introductions
2. Public Comments
Persons speaking during Public Comment may address the Metro Finance Committee on any subject matter within the jurisdiction of the Metro Finance Committee that is not listed as an agenda item. Comments are limited to three (3) minutes. Please complete a Speaker Slip and submit it prior to the meeting.
3. Approval of Minutes from the August, 31, 2016 Finance Committee Meeting (**Attachment**)
4. **ACTION:** - Consideration and Possible Action to Select and Appoint Committee Chair and Vice-Chair (Paula de Sousa Mills)
5. **ACTION** – Consideration and Possible Action to Establish Meeting Schedule and Determine Meeting Location (Paula de Sousa Mills)
6. **ACTION:** - Consideration and Possible Action to Approve Social Media Policy and Budget (Mike Obermiller/Alex Heide) (**Attachment**)
7. **ACTION:** - Review and Consideration and Possible Action to Recommend the Metro Commission/Metro Wastewater JPA Approve the JPA Mid-Year Budget Review (Karen Jassoy) (**Attachment**)
8. **DISCUSSION:** - FYE 2018 JPA Budget Process and Annual Agreement Approval Process (Karen Jassoy/Karyn Keese) (**Attachment**)
9. **DISCUSSION:** - Financial Update – FYE 2015 and FYE 2016 Audits (Standing Item) (Karyn Keese)
10. Review of Items to be Brought Forward to the Metro Commission/Metro JPA

11. Other Business of the Finance Committee

12. Adjournment

The Metro Finance Committee may take action on any item listed on the Agenda whether or not it is listed "for action".

Materials provided to the Metro Finance Committee related to any open-session item on this agenda are available for public review by contacting Karyn Keese (619) 733-8876 during normal business hours.

Finance Committee 2017 Meeting Schedule

January 25	May 31	September 27
February 22	June 28	October 25
March 29	July 26	November 29
April 26	August 30	December 27

***In compliance with the
AMERICANS WITH DISABILITIES ACT***

The Metro Finance Committee requests individuals who require alternative agenda format or special accommodations to access, attend, and/or participate in the Metro Finance Committee meetings, contact Margaret O'Donnell at (619)525.1354, at least forty-eight hours in advance of the meetings.

Attachment 3
Action Minutes of
August 31, 2016

Metro Finance Committee

Meeting Minutes

DATE OF MEETING: August 31, 2016
TIME: 8:30 AM
LOCATION: MOC II, Conference Room 2C

MEETING ATTENDANCE:

Commissioners:

John Mullin, Chair, City of Poway
Jim Peasley, Vice Chair
Jerry Jones, Lemon Grove
Jose Lopez, Otay
Steve Miesen, Chula Vista

Lori Peoples, Board Secretary
Al Lau, Metro TAC Vice Chair
Edgar Patino, City of San Diego
Seth Gates, City of San Diego
Karyn Keese, TKG (Via phone)
Steve Martin, BBK
Kevin Starkey, MGO
Miyuki Freeman, MGO

Staff:

Karen Jassoy, Treasurer

1. Roll Call

Meeting attendance is noted above. There was a quorum for the meeting at 8:35AM. Vice Chair Peasley and Al Lau joined the meeting at 8:56AM. As there were several new people at the meeting introductions were made.

2. Public Comments

There were no public attendees and no comments.

3. ACTION: Consideration and Possible Action to Approve the Minutes of the May 25, 2015 Regular Meeting

On a motion by Jerry Jones, seconded by Steve Miesen the minutes were approved unanimously.

4. PRESENTATION AND POSSIBLE ACTION: FYE 2014 Schedule of Allocation for Billing to Metropolitan Wastewater Utility and Independent Auditor's Report

Kevin Starkey from MGO reviewed the draft of the FYE 2014 Auditor's Report. MGO has issued an unqualified opinion again this year. The audit is performed to insure that utility costs are allocated correctly between the City of San Diego's municipal wastewater and water systems and the Metro system in which the PAs participate per the Regional Disposal Agreement. He discussed that this audit is much more intensive than a normal government audit. A normal government audit would have a sample size of 40 while the Exhibit E audit has a sample size of 500 to insure compliance with the Regional Agreement. The scope of the audit has not changed from the FYE 2013 audit.

Mr. Starkey discussed that there were only four findings. He further reviewed the finding associated with MGO's auditing costs since 2008. It was discovered during the course of the FYE 2014 audit sample review that the enterprise funds (water, wastewater, etc.) had not been charged for the annual MGO audit since 2008. All audit expenses have been paid by the San Diego General Fund in error. The statute of limitations of four years capped the Metro expense at \$416,069 with San Diego Muni customers assuming the costs of the other years.

Mr. Starkey stated that starting with the FYE 2015 audit report that a footnote will be included summarizing each PAs year-end reserve balance which includes interest earnings on both the fund balance and the operations reserve balance as well as their contribution to the 45-day operations reserve requirement. He anticipates that the FYE 2015 audit report will be issued within the next two months and at that point all audits will be up to date.

Seth Gates reviewed the year-end reconciliation contained on Table B of budget versus actual costs. At the completion of the FYE 2014 audit the year end costs were reconciled with the requirements of the Administrative Protocol as discussed in Note 8 of the Auditor's Report and were audited by both MGO and Karyn Keese. It was determined that a contribution needed to be made to the operations reserve to maintain its required balance at 45 days of operating cash. The total contribution of \$440,536 was allocated proportionally to all PAs and either deducted from their refund or added to their additional billing for FYE 2014. Discussion centered on why the increase was needed. Edgar Patino stated that this has happened in the past in FYE 2010 and 2011 and is primarily due to slight increases in the PAs portion of the Metro Budget. Karyn Keese stated that this year the reason for the increase was two-fold. First as discussed in this items staff report the budget has increased slightly (\$1.8 million or .97% higher than FYE 2013). Also for FYE 2014 there was a change in the billing procedure as to how the SS and COD percentages were determined. This is per the agreed upon Brown & Caldwell (B&C) recommendation from their 2013 Study and caused a slight shift in strength costs to the PAs from prior years.

On a motion by Jerry Jones and seconded by Steve Miesen, the Finance Committee unanimously accepted the FYE 2014 Auditors Report and recommended that it should be moved on to the Metro Commission/JPA for their review and potential acceptance.

5. Other Business of the Finance Committee

Vice Chair Peasley expressed his concerns regarding the potential financial impacts of agencies withdrawing their flows from the Metro system on the remaining participants in the system. It was agreed that this should be placed on the agenda for the October 2016 Metro Commission/JPA meeting for further discussion.

6. Review of Items to be Brought Forward to the next Metro Commission/Metro JPA Meeting

Item 4 will be brought forward to the Metro Commission at their September 1, 2016 meeting.

7. Adjournment

On a motion by Jerry Jones and seconded by Steve Miesen, the Finance Committee adjourned **to the next Regular Meeting, September 28, 2016.**

Attachment 6
Social Media
Policy & Budget

METRO JPA/TAC
Staff Report
Date: October 6, 2016

Project Title: Social Media Policy

Requested Action: Approval of policy, and provide direction to the Social Media Committee on scope of social media activities.

Recommendations: Approve the requested action

Metro TAC:	Recommendation of approval from the Metro Tac.
IROC:	N/A
Prior Actions: (Committee/Commission, Date, Result)	N/A

Fiscal Impact:

Is this projected budgeted? Yes ___ No ___	
Cost breakdown between Metro & Muni:	N/A
Fiscal impact to the Metro JPA:	N/A

Capital Improvement Program:

New Project? Yes ___ No ___ N/A ___X_	
Existing Project? Yes ___ No ___ Upgrade/addition ___ Change ___	

Previous TAC/JPA Action:

Additional/Future Action:

N/A

City Council Action:

N/A

Background:

In June 2016, the TAC formed a social media committee. The Social Media Committee, at the direction of the Commissioners, was requested to create a social media policy.

The Social Media Policy was created by the committee to address the Best Management Practices for the use social media. The purpose of any social media site that the JPA may use is to disseminate information from the JPA, about the JPA, to members of the public. The goal of the JPA's use of social media sites is to serve as an online information source focused on JPA issues, projects, news, and events. The JPA's social media activities will act as one-way communication, and will not serve as a public forum. The Policy sets forth guidelines, procedures, general conditions, and restrictions for the use of social media.

Discussion:

In the creation of the social media policy, the research of the Social Media Committee found that several Joint Powers Authorities contract out the use of social media. The reason that these agencies typically contract out the use of social media is for the following reasons; (1) Ability to provide much more regularity to social media than a part-time employee; (2) More able to be

responsive to social media comments and questions; (3) Better ability to create content; (4) Ability to provide continuity of service and redundancy.

The anticipated cost of a contractor to provide social media related support is between \$900 - \$4,500 per month, depending on the level of service that is requested of a contractor

An example of possible activities of a \$900 per month contract are as follows:

1. Social Media Campaign
2. Content Creations
3. Social Media Monitoring
4. Social Media Engagement
5. Postings on both Facebook and Twitter at least five times per month.

The Social Media Committee is requesting direction on two main components:

1. Should the JPA contract out social media services?
2. What is the expected scope of activities that is expected on social media?

Bid Results: *If bidding was done provide bidding format and results*

PURPOSE

This Social Media Policy (“Policy”) establishes guidelines for the establishment and use by the Metro Wastewater Joint Powers Authority (“JPA”) through its authorized employees and/or contractors of social media sites. The purpose of using Metro JPA social media sites is to disseminate information from the JPA, about the JPA, to members of the public.

The goal of the JPA’s use of social media sites is to serve as an online information source focused on JPA issues, projects, news, and events. The JPA’s social media activities will act as one-way communication, and will not serve as a public forum.

The JPA has an overriding interest and expectation in deciding what is “spoken” on behalf of the JPA on JPA social media sites. Therefore, all postings should be in accordance with the guidelines set below.

DEFINITIONS

1. “Social media sites” means content created by individuals, using accessible, expandable, and upgradable publishing technologies, through and on the Internet. Examples of social media include, but are not limited to, Facebook, Twitter, Blogs, RSS, YouTube, LinkedIn, and Flickr.
2. “Board” means the appointed members of the Board of the Metro JPA.
3. “Employees” means authorized employees of the JPA member agencies, as the JPA has no employees of its own, and activities and services of the JPA are performed by the Board, authorized employees of the JPA member agencies and/or JPA contractors.
4. “JPA social media sites” means social media sites which the JPA establishes and maintains, and over which it has control over all postings, except for advertisements or hyperlinks by the social media site’s owners, vendors, or partners. JPA social media sites shall supplement, and not replace, the JPA’s required notices and standard methods of communication.
5. “Posts” or “posting” means information, articles, pictures, videos, or any other form of communication posted on a JPA social media site.
6. “Comments” include information, articles, pictures, videos, or any other form of communicative content posted on a JPA social media site.

POLICY

1. The JPA’s official website at <https://www.metrojpa.org> (or any other domain owned operated or maintained by the JPA) will remain the JPA’s primary means of internet communication.

2. JPA social media sites should make clear that they are maintained by the JPA and that they follow the JPA's Social Media Policy.
3. Each JPA social media site shall include an introductory statement which clearly specifies the purpose and topical scope of the social network site. Where possible, social media sites should link back to the official JPA website for forms, documents and other information.
4. The JPA shall use social media sites as regularly as possible and in conjunction with other established JPA communication tools.
5. JPA social media sites shall comply with usage rules and regulations required by the site provider, including privacy policies.
6. JPA social media sites shall be managed consistent with the Brown Act, the Political Reform Act, and the California Elections Code. Board Members shall not respond to any published postings, or use any JPA sponsored social media site to respond to, blog or engage in serial meetings, or otherwise discuss, deliberate, or express opinions on any issue within the subject matter jurisdiction of the JPA, or for any political purpose. Board members must keep their social media presence separate from the JPA and other Board members' sites. Posts from JPA social media sites not pertaining to the subject matter jurisdiction of the body may be shared on their personal social media sites but no comments from Board officials are permitted on JPA owned, maintained, or operated social media sites.
7. All JPA social media sites shall adhere to applicable local, state, and federal laws regulations and policies. This includes adherence to established laws and policies regarding copyright, records retention, First Amendment, privacy laws, nondiscrimination and harassment laws, acceptable use of JPA owned or controlled digital equipment, internet access, and information security policies established by the JPA.
8. JPA social media sites are subject to the California Public Records Act. Any content maintained in a social media format that is related to JPA business, including a list of subscribers, posted communication, and communication submitted for posting, may be a public record subject to public disclosure.
9. Employees and/or contractors representing the JPA via JPA social media sites must conduct themselves at all times as a representative of the JPA and in accordance with all JPA policies.
10. All JPA social media sites shall utilize authorized JPA contact information for account set-up, monitoring, and access. The use of personal email accounts or phone numbers by any employee and/or contractors are not allowed for the purpose of setting-up, monitoring, or accessing a JPA social media site. Employees should use the official email and contact information of their employing member agency.

11. JPA social media sites may contain content, including but not limited to, advertisements or hyperlinks over which the JPA has no control. The JPA does not endorse any hyperlink or advertisement placed on JPA social media sites by the social media site's owners, vendors, or partners.
12. If a social media site allows the administrator to limit the type of advertising that will appear on the JPA's page, this feature should be enabled.
13. The Board reserves the right to change, modify, or amend all or part of this policy at any time.
14. The JPA reserves the right to terminate any JPA social media site at any time without notice.

PROCEDURE

1. The establishment and use of social media sites are subject to approval by the Board. Upon approval, JPA social media sites shall bear the name and/or official logo of the JPA. The Board has the authority to establish and/or terminate social media accounts and pages.
2. The Board Secretary shall maintain a list of all JPA social media sites, including login and password information, to allow for the immediate alteration or removal of content that is inappropriate or inconsistent with JPA policy.
3. A coordinator, as designated by the Board, will monitor content on JPA social media sites to ensure adherence to both the JPA's Social Media Policy and the interest and goals of the JPA.
4. JPA social media sites shall be established using only an authorized e-mail address of a JPA member agency.
5. Employees and/or contractors representing the JPA on social media sites shall conduct themselves at all times as a professional representative of the JPA and shall comply with all JPA policies.
6. Employees and/or contractors authorized to post to the JPA's social media sites shall not share personal information about himself or herself, or any other employee or contractor.
7. JPA social media sites shall clearly state that such sites are maintained by the JPA and that the sites comply with the JPA's Social Media Policy. Where possible, this Policy shall be displayed to users on each social media site or made available by hyperlink.
8. JPA social media passwords shall not be shared with anyone not authorized to moderate the site.

9. Any employee and/or contractor who violates this Policy shall be denied access to all JPA social media sites and may be subject to additional punitive action.

GENERAL CONDITIONS AND RESTRICTIONS

1. All messages posted on social media website accounts on behalf of the JPA must:
 - Present the JPA in a positive light
 - Contain information that is freely available to the public and not confidential as defined by any JPA policy or local, state or federal law
 - Refrain from including personal information, with the exception of employees and/or contractors whose job duties include being a public contact
 - Comply with local, state and federal laws
2. When posting on behalf of the JPA to social media sites, employees and/or contractors shall only “endorse, like, follow or pin” (depending on the method of endorsement utilized by the social media application) the following: civic affiliated or other government related organizations, events sponsored/approved by the JPA and non-profit organizations that are partners with the JPA.
3. When posting on behalf of the JPA to social media sites, employees and/or contractors shall NOT “endorse, like, follow or pin”: any political groups or figures, political campaign pages, businesses or any pages unrelated to the business of the JPA.
4. JPA social networking content and comments containing any of the following forms of content shall be deleted or hidden:
 - Comments not topically related to JPA business
 - Profane language or content
 - Content that promotes, fosters or perpetuates discrimination on the basis of sex (including pregnancy, childbirth, breastfeeding or related medical conditions), race, religion (including religious dress and grooming practices), color, gender (including gender identity and gender expression), national origin (including language use restrictions and possession of a driver’s license issued under Vehicle Code section 12801.9), ancestry, physical or mental disability, medical condition, genetic information, marital status, registered domestic partner status, age, sexual orientation, military and veteran status or any other basis protected by federal, state or local law or ordinance or regulation.
 - Sexual content or links to sexual content, including nudity
 - Solicitations of commerce
 - Conduct or encouragement of illegal activity

- Information that may tend to compromise the safety or security of the public or public systems
- Content that violates a legal ownership interest of any other party
- Potentially libelous comments
- Private or personal information published without consent
- Personal attacks, insults or threatening language (Users may use the site to express their dissatisfaction with a JPA program, event or customer service experience. This type of post is acceptable as long as it is not considered offensive material as previously provided)
- Commercial promotions or spam
- Hyperlinks to material that is not directly related to the discussion
- Repetitive posts copied and pasted by multiple users
- Information affiliated with or promoting political campaigns
- Images which may result in copyright infringement

**Metro Wastewater JPA
Agency Cost Allocations FY '17**

		FY '17 Budget Allocation	
		Commission Flow Distribution	Total Agency Billings
Approved Budget		%	
Chula Vista		31.48%	\$ 3,778
Coronado		3.10%	\$ 372
County of SD *		15.05%	\$ 1,807
Del Mar		1.11%	\$ 133
El Cajon		14.48%	\$ 1,737
Imperial Beach		4.31%	\$ 517
La Mesa		8.74%	\$ 1,049
Lemon Grove		4.15%	\$ 498
National City		7.89%	\$ 946
Otay Water District		0.42%	\$ 50
Padre Dam MWD		4.15%	\$ 498
Poway		5.13%	\$ 615
Total Flow		100.00%	\$ 12,000
Total Required Agency Billings from P&L			\$ 12,000

* County of SD includes East Otay Mesa, Lakeside/Alpine, Spring Valley and Wintergardens



**Regular Meeting of the Metro Commission
and Metro Wastewater JPA**

**9192 Topaz Way (MOC II) Auditorium
San Diego, California**

**October 6, 2016
DRAFT Minutes**

Chairman Peasley called the meeting to order at 12:05 p.m. A quorum of the Metro Wastewater JPA and Metro Commission was declared, and the following representatives were present:

1. ROLL CALL

<u>Agencies</u>	<u>Representatives</u>		<u>Alternate</u>
City of Chula Vista	Steven Miesen		
City of Coronado	Bill Sandke		
City of Del Mar	Sherryl Parks		
City of El Cajon	Tony Ambrose	X	Dennis Davies
City of Imperial Beach	Brian Patrick Bilbray		
City of La Mesa	Bill Baber	X	
Lemon Grove Sanitation District	Jerry Jones	X	
City of National City	Jerry Cano		Albert Mendivil
City of Poway	John Mullin	X	
County of San Diego	Dianne Jacob		Dan Brogadir
Otay Water District	Jose Lopez	X	
Padre Dam MWD	Jim Peasley	X	
Metro TAC Chair	Greg Humora	X	

Others present: Metro JPA General Counsel Paula de Sousa Mills; Metro JPA Secretary Lori Anne Peoples; Scott Tulloch – Atkins Global; Roberto Yano – City of Chula Vista; Ed Walton – City of Coronado; Eric Minicilli – City of Del Mar; Yazmin Arellano, Dennis Davies – City of El Cajon; Al Law - Padre Dam MWD; Alexander Heide and Mike Obermiller – City of Poway; Halla Razak, John Helminski, Lee Ann Jones-Santos, Edgar Patino, Tung Phung - City of San Diego Public Utilities; Tom Zeleny – Deputy City Attorney - City of San Diego

2. PLEDGE OF ALLEGIANCE TO THE FLAG

Vice Chair Jones led the pledge.

3. PUBLIC COMMENT

None.

4. ACTION: CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE MINUTES OF THE REGULAR MEETING OF September 1, 2016

ACTION: Upon motion by Commissioner Mendivil, seconded by Commissioner Ambrose, the minutes were approved by unanimous vote.

5. INFORMATION: LETTER SENT TO CITY OF SAN DIEGO FROM METRO WASTEWATER JPA REQUESTING TO BE ADDED TO THE MAILING LIST FOR ALL CEQA AND BROWN ACT MEETING NOTICES RELATED TO THE PURE WATER PROGRAM

Chair Peasley stated that he had signed the letter and it had been submitted to the City of San Diego. MetroTAC Chair Humora stated that this was just a formality to ensure the JPA is notified of all notices pertaining to the Pure Water Program.

6. ACTION: CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE SOCIAL MEDIA POLICY

Mike Obermiller, City of Poway provided a brief verbal overview of the staff report noting that on May 6, 2016, the JPA raised concerns resulting in the MetroTAC forming of a working group in June to review social media policies of the PA's and draft one specific to the JPA needs. The purpose of a social media site is to disseminate information from the JPA, about the JPA, to members of the public. The goal for the JPA's use of social media sites is to serve as an online information source focused on JPA issues, projects, news and events. The JPA's social media activities will act as on-way communication, and will not serve as a public forum. The proposed policy sets forth guidelines, procedures, general conditions, and restrictions for the use of social media. It was determined that several agencies contract out the use of social media for the ability to provide much more regularity to social media than a part-time employee; the ability to be more responsive to social media comments and questions; a better ability to create content and the ability to provide continuity of service and redundancy. The anticipated cost of a contractor to provide social media related support is between \$900 and \$4,500 per month, depending on the level of service that is requested of a contractor. An example of a \$900 per month contract would include: a social media campaign, content creations, social media monitoring, social media engagement and postings on both Face book and Twitter at least five times per month. The draft policy was reviewed by MetroTAC and approved for presentation to the JPA. The Social Media working group is requesting direction on whether the JPA should contract out the social media services and what is expected scope of activities that is expected on social media. Mr. Obermiller then introduced Alex Heide of Poway who did the majority of the work on the research and policy creation.

Commissioner Mullin stated he was fine with the policy but concerned with the costs of implementing the policy and inquired as to whether it was something that could be done on an as needed basis if the JPA finds there is an issue with the postings. Mr. Obermiller stated that it would depend on the scope of services and the contracting person would be responsible for posting on the site and monitoring the content to make sure they posts stayed within the policy. Mr. Heide added that what were being looked at were continuity and the ability to respond quickly to inquiries on the site. These are things that would not be possible on an as needed basis. Currently the JPA and community are not very engaged. General Counsel de Sousa Mills stated that from a legal perspective, part of the purpose for the policy was to provide rules of the game when members of the JPA or employee of JPA member agencies are posting on their own social media websites or accounts to make sure that there are some guidelines for what is appropriate for what is to be considered a JPA post or not.

Chair Peasley stated that with regard to how much the JPA should put into a social media presence; he was not sure and did not have a sense for what \$900 would be. He believed a professional presence was needed to become a known entity.

ACTION: Motion by Commissioner Mullin, seconded by Vice Chair Jones, to approve the policy and refer the monitoring and implementation/service levels back to the MetroTAC and Finance Committee for review of how much it would cost each entity and bring a recommendation back to the JPA at a future meeting. The motion was approved by unanimous vote.

Attachment 8
JPA Mid-Year
Budget



Metro Wastewater Joint Powers Authority
Treasurer's Report
Six months ending December 31, 2016

Metro Wastewater JPA
Treasurer's Report
Six months ending December 31, 2016
Unaudited

Beginning Cash Balance at July 1, 2016	\$ 231,585
Operating Results	
Membership Dues & Interest Income	56,855
Expenses	<u>(69,518)</u>
Change in Net Position	(12,663)
Net change in Receivables & Payables	<u>81,452</u>
Cash used in Operations	<u>68,789</u>
Ending Cash Balance at December 31, 2016	<u><u>\$ 300,374</u></u>

Submitted by:

Karen Jassoy, Treasurer, 3/9/17

Metro Wastewater JPA
Statement of Net Position

As of Dec 31, 2016 and Jun 30, 2016
Unaudited

	Dec 31, 2016	Jun 30, 2016	\$ Change
<u>ASSETS</u>			
Checking/Savings	\$ 300,374	\$ 231,585	\$ 68,789
Accounts Receivable	-	35,278	(35,278)
Total Assets	\$ 300,374	\$ 266,863	\$ 33,511
 <u>LIABILITIES</u>			
Accounts Payable	\$ 6,170	\$ 16,821	\$ (10,651)
Unearned Membership Billings	56,825	-	56,825
Total Liabilities	\$ 62,995	\$ 16,821	\$ 46,174
 <u>NET POSITION</u>			
Total Net Position at Beginning of Period	\$ 250,042	\$ 126,475	\$ 123,567
Change in Net Position	(12,663)	123,567	(136,231)
Total Net Position at End of Period	\$ 237,379	\$ 250,042	\$ (12,663)

<i>Net Position at 12/31/16</i>	\$ 237,379
<i>FY '17 JPA Required Operating Reserve</i>	
<i>(based on 4 months of Operating Expenses)</i>	75,783
<i>Over required reserve</i>	\$ 161,596

**Metro Wastewater JPA
Statement of Operations
Budget vs. Actual**

Six months ending December 31, 2016
Unaudited

	<u>Actual</u>	<u>Budget</u>	<u>Over (Under) Budget</u>
Income			
Membership Dues	\$ 56,825	\$ 56,838	\$ (13)
Interest Income	30	25	5
Total Income	<u>\$ 56,855</u>	<u>\$ 56,863</u>	<u>\$ (8)</u>
Expenses			
Administrative Assistant	\$ -	\$ 4,000	\$ (4,000)
Admin & Treasury Services-Padre	8,214	9,500	(1,286)
Bank Charges		100	
Dues & Subscriptions	-	300	(300)
JPA/TAC meeting expenses	2,732	2,500	232
Miscellaneous		125	(125)
Professional Services			
Engineering - Atkins	6,000	25,000	(19,000)
Audit - White Nelson Diehl Evans	-	6,000	(6,000)
Financial - Kese Group	24,560	32,500	(7,940)
Legal - BB&K	19,610	22,500	(2,890)
Per Diem - Agency	7,050	9,000	(1,950)
Postage	54	-	54
Printing	3	250	(247)
Telephone	-	700	(700)
Website Maintenance & Hosting	1,295	1,200	95
Total Expenses	<u>\$ 69,518</u>	<u>\$ 113,675</u>	<u>\$ (44,057)</u>
Change in Net Position	<u><u>\$ (12,663)</u></u>	<u><u>\$ (56,812)</u></u>	<u><u>\$ 44,149</u></u>

Metro Wastewater JPA
Statement of Cash Flows

Six months ending December 31, 2016
Unaudited

OPERATING ACTIVITIES

Change in Net Position	\$ (12,663)
Adjustments to reconcile Change in Net Position to net cash provided by operations:	
Accounts Receivable	35,278
Accounts Payable	(10,651)
Deferred Revenue	56,825
Net cash provided by Operations	<u>68,789</u>
Net cash increase for period	68,789
Cash at beginning of period	<u>231,585</u>
Cash at end of period	<u><u>\$ 300,374</u></u>

Metro Wastewater JPA
Vendor Accrual Summary
As of December 31, 2016

Atkins North America	\$	375	*
Best, Best and Krieger		1,055	*
Jerrold Jones		300	*
Keze Group		240	*
Padre Dam		4,000	*
Vision Internet Providers		<u>200</u>	
Total	\$	<u><u>6,170</u></u>	

**Accruals; bills received and paid after 12/31/16*