

Beaumont-Cherry Valley Water District

2015 Operating Budget



TABLE OF CONTENTS

Introduction Section	1
Executive Summary	2
Background	4
Organization	5
Basis of Budgeting & Accounting	6
Budget Control & Amendment.....	6
Financial Section	7
Financial Summary.....	8
Operating Revenues and Expenses: Revenue Detail	11
Operating Expenses	12
Source of Supply	12
Transmission & Distribution.....	13
Customer Service & Meter Reading	14
Finance & Administrative Services	15
Board of Directors.....	16
Maintenance & General Plant.....	17
Engineering	18
Professional Services	19
Appendix A Budget Detail.....	20
Revenues: 2014 Adopted Budget versus 2014 Projected Actuals versus 2015 Proposed Budget.....	21
Expenses: 2014 Adopted Budget versus 2014 Projected Actuals versus 2015 Proposed Budget.....	22
Appendix B Summary of Account Descriptions	25
Appendix C Organization Overview	33
2015 Organizational Chart	34
2015 Salary Schedule	35

Introduction Section



Executive Summary

Honorable Board of Directors:

Staff is pleased to present the Beaumont-Cherry Valley Water District Fiscal Year 2015 Operating Budget to the Board of Directors for consideration. Major goals for the District are to continue to evaluate and plan infrastructure improvements and continue to provide accurate accounting of all business operations. As in the past few years, the fundamental theme of the document is to present a balanced budget with conservative estimates for revenue and cost-saving focused expenses.

The Capital Improvement Budget will be presented, as a separate budget, at a future Board Meeting. The focus of the Capital Improvement Budget will be on master-planned facilities, non-potable/recycled water implementation, improved information technology/telemetry systems, and the replacement of aging infrastructure.

The budget was prepared after considering major policy issues that impact District revenue such as recent mandated water conservation measures and local economic conditions.

Revenues

The revenue numbers presented assume a conservative estimate of approximately 11,000 acre feet of water delivered to 16,141 active accounts through 16,577 metered connections. This assumes a fifteen-percent reduction from the actual amount water delivered in 2014. This projection is based on recent data showing a fifteen-percent reduction over the same period in 2013 due to the implementation of mandatory conservation efforts. Should further declines in consumption continue, a rate adjustment may be necessary in future years to accommodate operating expenses with lower sales volume. Although development has significantly increased since the economic down-turn, development associated revenue estimates are proposed to be flat from the prior year since those revenues do not impact operations. Development related revenue is used as the cost center for capital improvement projects necessitated to meet new demand. As in prior years, SGPWA and Southern California Edison (SCE) pass-through revenues are essentially equal to the projected expenses; however, Edison rates were not fully recovered in prior years and are planned to be adjusted during this budget cycle to balance the prior deficiencies.

Expenses

The labor and benefit costs presented include a 1.7% cost of living increase based on the October 2013 to October 2014 CPI in accordance with the employee association MOU. Also included are the appropriate changes in health insurance and retirement costs. Currently the District has a CalPERS Side Fund Obligation of approximately \$1,142,426 and an Unfunded Liability Balance of \$722,419 plus interest as of June 30, 2014. This obligation is amortized at a current rate of 7.5%. With District funds only earning an investment return of approximately 0.25%, the retirement of these liabilities are in the best interest of the District and do not impact the cash reserves necessary to ensure District operations. The annualized savings of retiring the Side Fund are estimated to be over \$300,000 annually. Approval of this proposed budget includes authorization of retiring the Side Fund obligation. Staff will further evaluate and pursue the reduction or elimination of the Unfunded Liability utilizing unallocated reserves in net position. Staff will report the progress of those actions to the Board upon completion.

With the implantation of recycled water system operations on the near horizon, a new classification titled Recycled Water Supervisor is included in this budget. This classification would be responsible for the maintenance and operations of the recycled water system including all regulatory compliance. This position would also be responsible for administration of the District's cross-connection control, environmental compliance and safety programs. The position is comparable to the Production Supervisor and Transmission and Distribution Supervisor classifications and provides a redundancy for those positions as needed.

The proposed budget also fully funds \$2,468,440 in depreciation (up from \$2.255 million in 2014, \$2.1 million in 2013 and \$1.85 million in 2012).

Summary

In summary, staff is proposing a budget that has estimated revenue of \$11,465,548 with expenses at \$11,251,713. This yields a net unallocated amount of \$213,835 that can be used as a contingency or contribution to one of the Board Designated Reserves established in the Board's Reserve Policy. It also allows for unexpected expenses such as increases in pension or CalPERS rates, fuel expenses and power charges. The budgeted expenses include changes in insurance costs, power, benefits, COLA, postage, etc. The fiscal year 2015 budget utilizes the same assumptions as the 2014 budget with actuals.

The District continues to be debt free with the exception of the CalPERS obligations identified above and targeted for retirement as a part of this budget.

Cash Position Report As of October 31, 2014

Cash Balance Per Account

Account Name	Account Ending #	October 31, 2014	December 31, 2013
Bank of Hemet			
Accounts Payable	8701	0	0
Customer Refunds	2501	0	0
Payroll	9101	0	0
General Fund	9501	0	0
Wells Fargo			
Accounts Payable	9810	0	0
Payroll	4160	0	0
General Fund	4152	5,540,230.50	5,106,695.86
Total Cash		\$ 5,540,230.50	\$ 5,106,695.86

Investment Summary

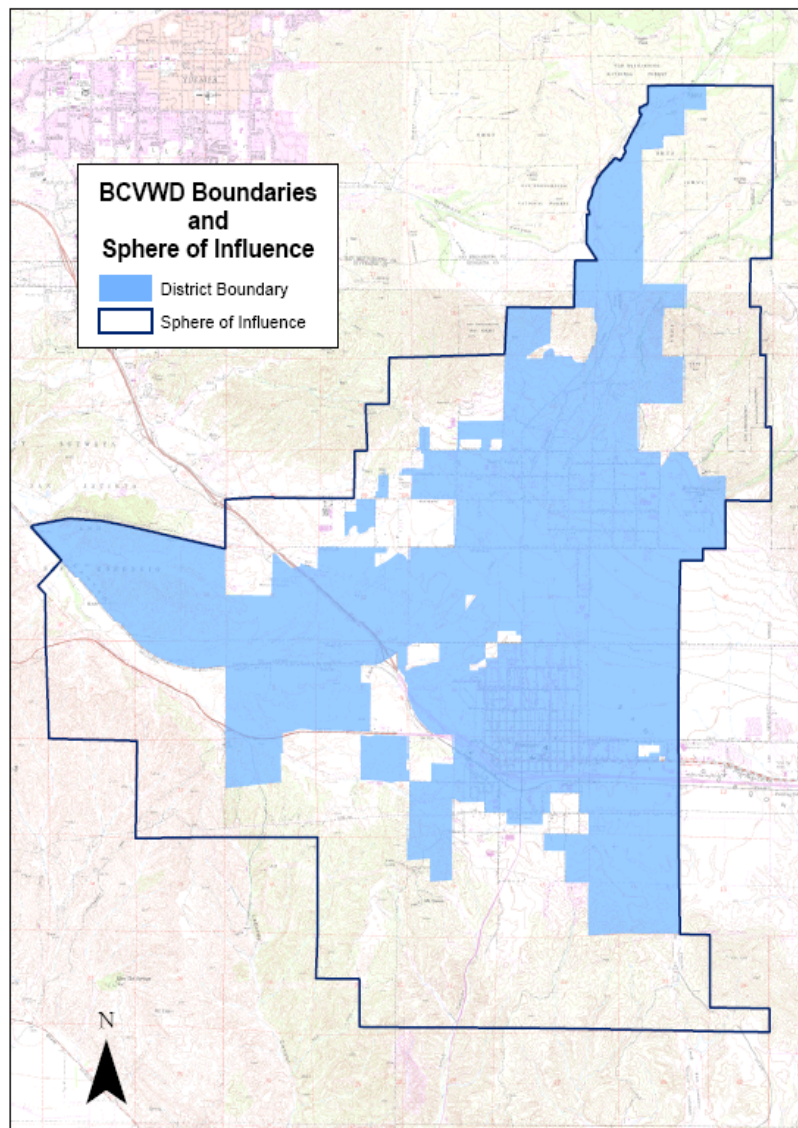
Account Name	October 31, 2014	December 31, 2013	Balance
Ca. State Treasurer's Office: Local Agency Investment Fund	10,807,672.62	4,543,371.52	
Total Investments	\$ 10,807,672.62	\$ 4,543,371.52	
Total Cash & Investments	\$ 16,347,903.12	\$ 9,650,067.38	\$ 6,697,835.74

Background

The Beaumont Irrigation District was formed in March of 1919 under the Wright Act of 1897.

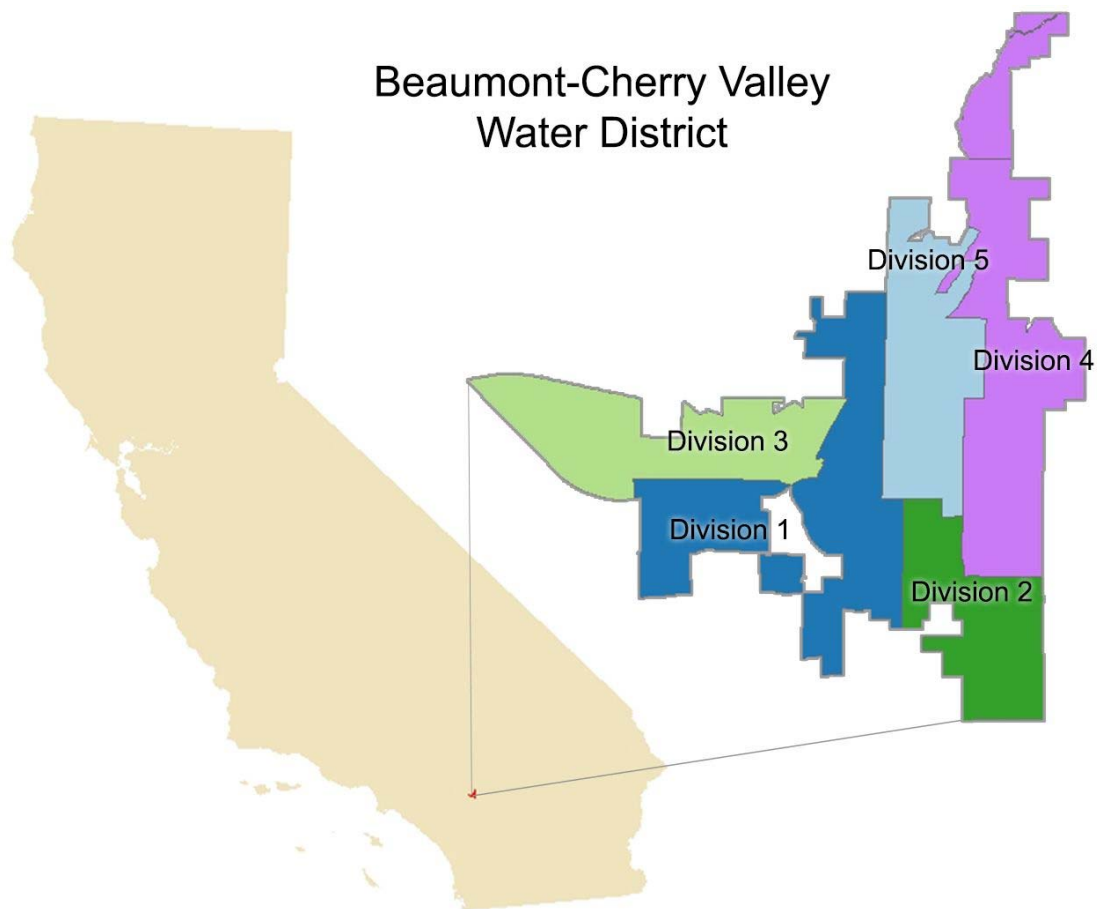
Over many decades, the water system of the Beaumont-Cherry Valley Water District has evolved from a small privately owned company to the system today that serves over 40,000 residents in both the City of Beaumont and the Community of Cherry Valley.

The District's service area is approximately 28 square miles with a majority of the area within the communities of Beaumont and Cherry Valley. The system is served exclusively by ground water using 23 wells. Recharge of the basin is accomplished using imported State Project Water at the District's recharge facilities. A total of 30 million gallons of potable and 2 million gallons of non-potable water storage provide peak demand and fire protection reserves. The water distribution system is comprised of over 100 miles of potable water lines and about 28 miles of non-potable water lines (including transmission and distribution lines) from 2 to 30 inches in diameter.



Organization

Constituents of the District are represented by a five member Board of Directors from five separate divisions. Members of the community vote for all District Directors regardless of where they live in the District. The Board of Directors meets monthly on the second Wednesday. Each year the Board of Directors adopts an operating budget prior to the new fiscal year. The budget authorizes and provides the basis for reporting and control of financial operation and accountability for District funds.



Basis of Budgeting and Accounting

The District reports its activities as an Enterprise Fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise. It is the intention of the District to recover the full-costs of providing goods and/or services through the collection of user charges. Thus, user charges are commensurate with the cost to provide service.

Budgeted and actual revenues and expenses reported in this document are recognized on the accrual basis of accounting in conformity with Generally Accepted Accounting Principles (GAAP). Consequently, revenues are recognized in the accounting period in which they are earned and expenses are recognized in the accounting period incurred.

Budget Control and Amendment

The General Manager is responsible for keeping the expenses within budget allocations and may adopt budget policies necessary to carry out that responsibility. No expenditure of funds shall be authorized unless sufficient funds have been appropriated by the Board or reallocated by the General Manager as described in this budget.

The General Manager may exercise discretion in the administration of the Budget to respond to changed circumstances, provided that any single modification in excess of \$50,000 shall require approval by the Board. All budget transfers are documented and tracked in the District's computerized financial system and reported to the Finance and Audit committee at their regular meetings on the first Thursday of each month.

The General Manager may authorize the hiring of full-time staff as necessary, as long as the position or classification has been authorized by the Board. In addition, the General Manager may authorize the hiring of temporary or part-time staff as needed.

In the event that the General Manager determines that an emergency exists requiring immediate action, the General Manager shall have the power, without prior Board action, to enter into contracts and agreements and expend funds on behalf of the District to ensure continuity of District operations per Operations Policies and Procedures Manual 1F Emergency Preparedness Authorization During District Emergencies.

Financial Section

Budget Summary and Detail by Department

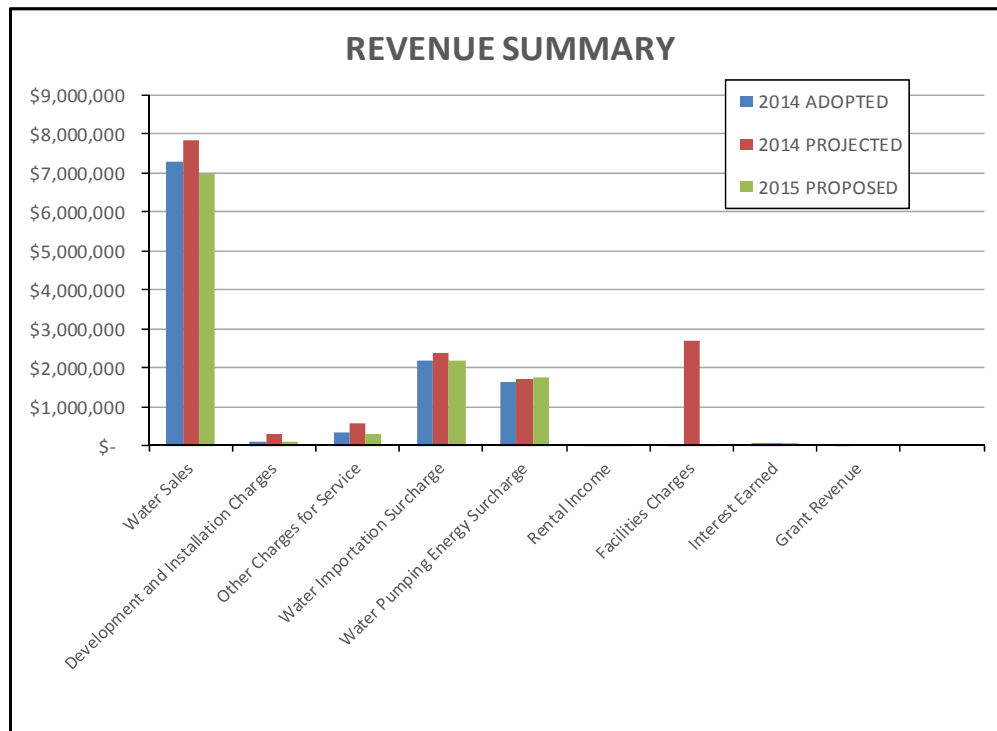


Financial Summary

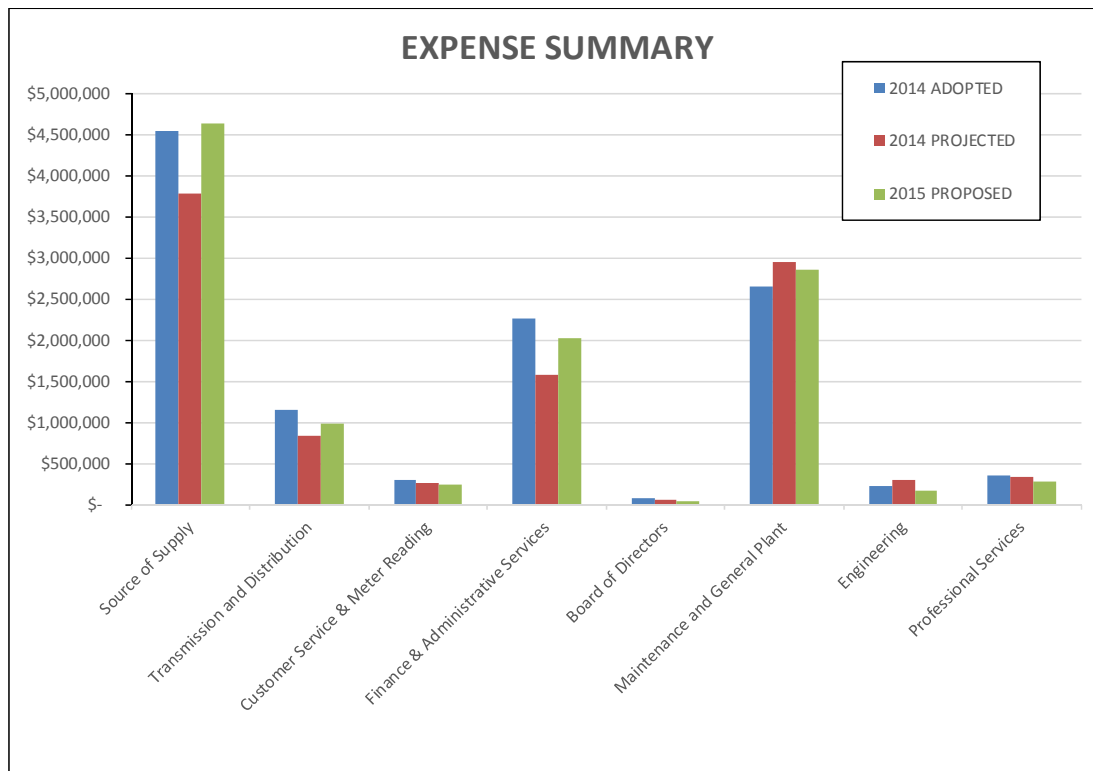
Overview

The District utilizes the accrual basis for budget and accounting, recognizing revenues and expenses in the period in which they are earned and incurred, respectively.

	2014 ADOPTED	2014 PROJECTED	2015 PROPOSED	Increase/ (Decrease)
Operating Revenue				
Water Sales	\$ 7,302,164	\$ 7,824,906	\$ 6,988,238	\$ (313,926)
Development and Installation Charges	105,875	298,462	125,000	19,125
Other Charges for Service	335,839	594,065	301,330	(34,509)
Water Importation Surcharge	2,176,000	2,378,023	2,176,000	0
Water Pumping Energy Surcharge	1,627,915	1,705,973	1,764,000	136,085
Total Operating Revenue	\$ 11,547,793	\$ 12,801,430	\$ 11,354,568	\$ (193,225)
Non-Operating Revenue				
Rental Income	\$ 20,980	\$ 21,259	\$ 20,980	\$ -
Facilities Charges	26,700	2,677,180	26,700	0
Interest Earned	63,500	59,186	63,300	(200)
Grant Revenue	20,642	0	0	(20,642)
Total Non-Operating Revenue	\$ 131,822	\$ 2,757,626	\$ 110,980	\$ (20,842)
Total Revenue	\$ 11,679,614	\$ 15,559,055	\$ 11,465,548	\$ (214,066)

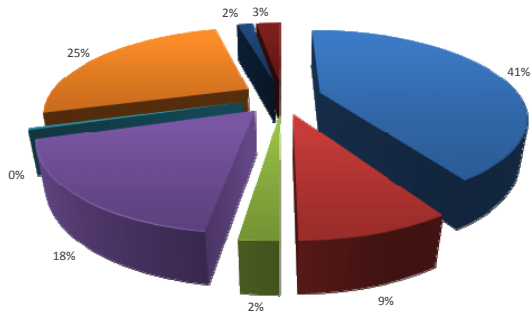


	2014 ADOPTED	2014 PROJECTED	2015 PROPOSED	Increase/ (Decrease)
Operating Expenses				
Source of Supply	\$ 4,551,067	\$ 3,792,263	\$ 4,635,305	\$ 84,238
Transmission and Distribution	1,149,350	839,373	986,062	(163,288)
Customer Service & Meter Reading	292,050	258,755	252,497	(39,553)
Finance & Administrative Services	2,265,784	1,579,413	2,017,884	(247,900)
Board of Directors	85,050	64,134	45,050	(40,000)
Maintenance and General Plant	2,651,495	2,958,947	2,857,835	206,340
Engineering	227,317	304,669	177,716	(49,601)
Professional Services	345,647	331,487	279,364	(66,283)
Total Operating Expenses	\$ 11,567,760	\$ 10,129,041	\$ 11,251,713	\$ (316,047)
 Total Revenue	 \$ 11,679,614	 \$ 15,559,055	 \$ 11,465,548	 \$ (214,066)
Total Expenses	\$ 11,567,760	\$ 10,129,041	\$ 11,251,713	\$ (316,047)
Net Increase/(loss)	\$ 111,854	\$ 5,430,014	\$ 213,835	\$ 101,981



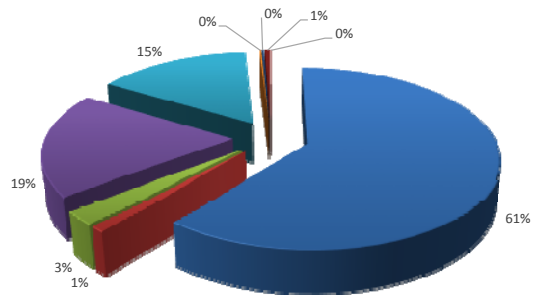
2015 PROPOSED EXPENSES

- Source of Supply
- Customer Service & Meter Reading
- Board of Directors
- Engineering
- Transmission and Distribution
- Finance & Administrative Services
- Maintenance and General Plant
- Professional Services

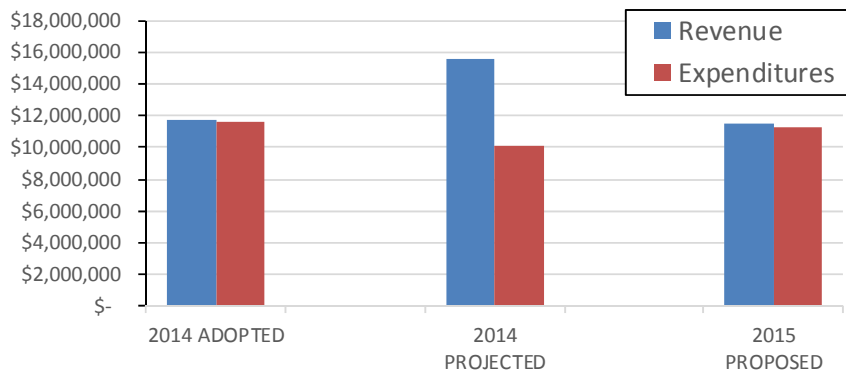


2015 PROPOSED REVENUE

- Water Sales
- Other Charges for Service
- Water Pumping Energy Surcharge
- Facilities Charges
- Grant Revenue
- Development and Installation Charges
- Water Importation Surcharge
- Rental Income
- Interest Earned



REVENUE VS. EXPENSE



Operating Revenues and Expenses

Revenue Detail

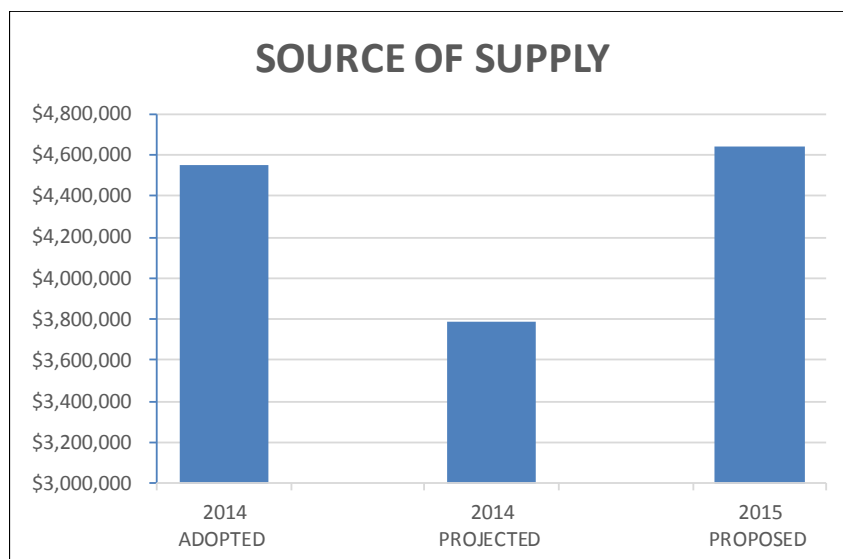
		2014 BUDGETED	2014 PROJECTED	2015 PROPOSED	CHANGE
OPERATING REVENUE					
Water Sales					
01-50-510-413011	Fixed Meter Charges	\$ 2,279,345	\$ 2,566,127	\$ 2,550,000	\$ 270,655
01-50-510-410100	Sales	4,935,480	5,134,688	4,364,000	(571,480)
01-50-510-410151	Agricultural Irrigation Sales	30,000	26,725	25,500	(4,500)
01-50-510-410171	Construction Sales	57,339	97,367	48,738	(8,601)
		<u>7,302,164</u>	<u>7,824,906</u>	<u>6,988,238</u>	<u>(313,926)</u>
Development and Installation Charges					
01-50-510-413021	Meter Fees	75,000	174,319	75,000	0
01-50-510-419011	Development Income	30,875	124,143	50,000	19,125
		<u>105,875</u>	<u>298,462</u>	<u>125,000</u>	<u>19,125</u>
Other Charges for Service					
01-50-510-417061	Custmr Damages/Upgrade Charges	10,500	8,774	8,000	(2,500)
01-50-510-413001	Backflow Admin Charges	24,000	29,177	24,000	0
01-50-510-417051	Returned Check Fees	2,000	3,235	2,000	0
01-50-510-419061	Miscellaneous Income	250	259,852	250	0
01-50-510-419021	Recharge Income	67,254	36,858	35,000	(32,254)
01-50-510-417071	After Hours Call Out Charges	600	550	600	0
01-50-510-417031	Lien Processing Fees	6,000	2,900	2,800	(3,200)
01-50-510-417021	Account Reinstatement Fees	75,000	87,010	75,000	0
01-50-510-417011	3rd Notice Charges	32,000	91,820	32,000	0
01-50-510-417001	2nd Notice Penalties	90,000	35,730	90,000	0
01-50-510-417041	Credit Check Processing Fees	7,434	9,100	7,500	66
01-50-510-417091	Credit Card Processing Fees	20,621	28,819	24,000	3,379
01-50-510-417081	Bench Test Fees	180	240	180	0
		<u>335,839</u>	<u>594,065</u>	<u>301,330</u>	<u>(34,509)</u>
Water Importation Surcharge					
01-50-510-415001	SGPWA Importation Charges	2,176,000	2,378,023	2,176,000	0
Water Pumping Energy Surcharge					
01-50-510-415011	SCE Power Charges	1,627,915	1,705,973	1,764,000	136,085
	Total Operating Revenues	<u>11,547,793</u>	<u>12,801,430</u>	<u>11,354,568</u>	<u>(193,225)</u>
NON-OPERATING REVENUE					
Rental Income					
01-50-510-471001	Rent - 12303 Oak Glen	2,400	2,400	2,400	0
01-50-510-471011	Rent - 13695 Oak Glen	2,400	2,400	2,400	0
01-50-510-471021	Rent - 13697 Oak Glen	2,400	2,400	2,400	0
01-50-510-471031	Rent - 9781 Avenida Miravilla	2,400	2,300	2,400	0
01-50-510-471101	Util - 12303 Oak Glen	3,380	2,779	3,380	0
01-50-510-471111	Util - 13695 Oak Glen	2,200	2,963	2,200	0
01-50-510-471121	Util - 13697 Oak Glen	2,400	3,838	2,400	0
01-50-510-471131	Util - 9781 Avenida Miravilla	3,400	2,179	3,400	0
		<u>20,980</u>	<u>21,259</u>	<u>20,980</u>	<u>0</u>
Facilities Charges					
01-50-510-485001	Front Footage Fees	0	13,652	0	0
01-50-510-481001	Fac Fees-Wells	5,000	503,341	5,000	0
01-50-510-481006	Fac Fees-Water Rights (SWP)	3,300	318,488	3,300	0
01-50-510-481012	Fac Fees-Water Treatment Plant	2,400	239,451	2,400	0
01-50-510-481018	Fac Fees-Local Water Resources	1,200	126,095	1,200	0
01-50-510-481024	Fac Fees-Recycld Wtr Facilities	3,700	396,416	3,700	0
01-50-510-481030	Fac Fees-Transmission (16")	4,000	407,664	4,000	0
01-50-510-481036	Fac Fees-Storage	5,400	522,060	5,400	0
01-50-510-481042	Fac Fees-Booster	300	36,139	300	0
01-50-510-481048	Fac Fees-Pressure Reducng Stns	200	18,459	200	0
01-50-510-481054	Fac Fees-Misc Projects	200	16,119	200	0
01-50-510-481060	Fac Fees-Financing Costs	1,000	79,297	1,000	0
01-50-510-488001	Contributed Capital	0	0	0	0
		<u>26,700</u>	<u>2,677,180</u>	<u>26,700</u>	<u>0</u>
Interest Earned					
01-50-510-490021	Interest Income - General	9,500	12,319	9,500	0
01-50-510-490011	Interest Income - Fairway Canyon	51,000	44,004	51,000	0
01-50-510-490001	Interest Income - Bonita Vista	3,000	2,864	2,800	(200)
		<u>63,500</u>	<u>59,186</u>	<u>63,300</u>	<u>(200)</u>
Grant Revenue					
01-50-510-419051	Grant Revenue	20,642	0	0	(20,642)
	Total Non-Operating Revenues	<u>131,822</u>	<u>2,757,626</u>	<u>110,980</u>	<u>(20,842)</u>
	Total Revenues	<u>\$ 11,679,614</u>	<u>\$ 15,559,055</u>	<u>\$ 11,465,548</u>	<u>\$ (214,066)</u>

Operating Expenses

Source of Supply

This category represents the projected costs related to the operation and maintenance of the 23 active wells, booster stations, storage facilities, State Water Project supply, supervisory control and data acquisition (SCADA) and water quality functions.

SOURCE OF SUPPLY		2014	2014	2015	CHANGE
		ADOPTED	PROJECTED	PROPOSED	
01-40-410-500105	Labor	\$ 217,400	\$ 181,692	\$ 287,784	\$ 70,384
01-40-410-500110	Overtime	13,476	15,234	13,476	0
01-40-410-500111	Double-time	100	386	100	0
01-40-410-500125	Health Insurance	69,400	55,369	84,052	14,652
01-40-410-500155	Retirement/CalPERS	87,500	64,111	55,342	(32,158)
01-40-410-500140	Life Insurance	1,300	945	1,272	(28)
01-40-410-500165	Uniforms & Employee Benefits	1,000	627	1,000	0
01-40-410-500170	Education Expenses	1,500	142	1,500	0
01-40-410-500115	Social Security	13,476	12,308	17,843	4,367
01-40-410-500120	Medicare	3,200	2,879	4,173	973
01-40-410-500145	Workers' Compensation	15,500	16,316	20,624	5,124
01-40-410-510011	Treatment & Chemicals	80,100	69,030	80,100	0
01-40-410-510021	Lab Testing	75,000	74,947	95,000	20,000
01-40-410-520061	Maint & Rpr-Pumping Equipment	100,000	92,450	100,000	0
01-40-410-501201	Gas - Wells	200	209	225	25
01-40-410-501101	Electricity - Wells	1,692,915	1,764,381	1,692,915	0
01-40-410-520021	Maint & Rpr-Telemetry Equip	1,500	5,490	1,500	0
01-40-410-500175	Seminar & Travel Expenses	500	0	500	0
01-40-410-510031	Small Tools, Parts & Maint	100	1,410	1,000	900
01-40-410-520031	Maint & Rpr-General Equipment	100	0	100	0
01-40-410-550066	Subscriptions	600	0	600	0
01-40-410-550024	Employment Testing	200	0	200	0
01-40-410-500501	State Project Water Purchases	2,176,000	1,434,312	2,176,000	0
01-40-410-500511	Groundwater Purchases	0	25	0	0
		<u>\$ 4,551,067</u>	<u>\$ 3,792,263</u>	<u>\$ 4,635,305</u>	<u>\$ 84,238</u>

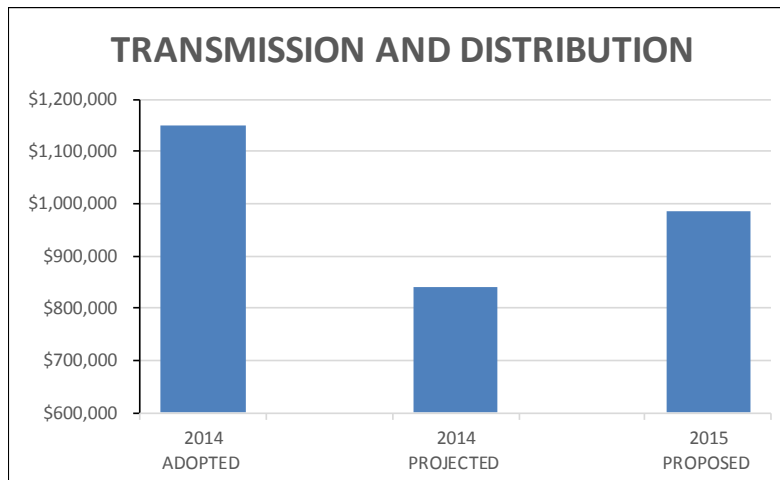


Transmission & Distribution

This department includes the maintenance of the distribution system, service connections, meters, reservoirs and pressure regulating stations that deliver water throughout the District.

This department also includes costs associated with new service requests, fire hydrants and fire services.

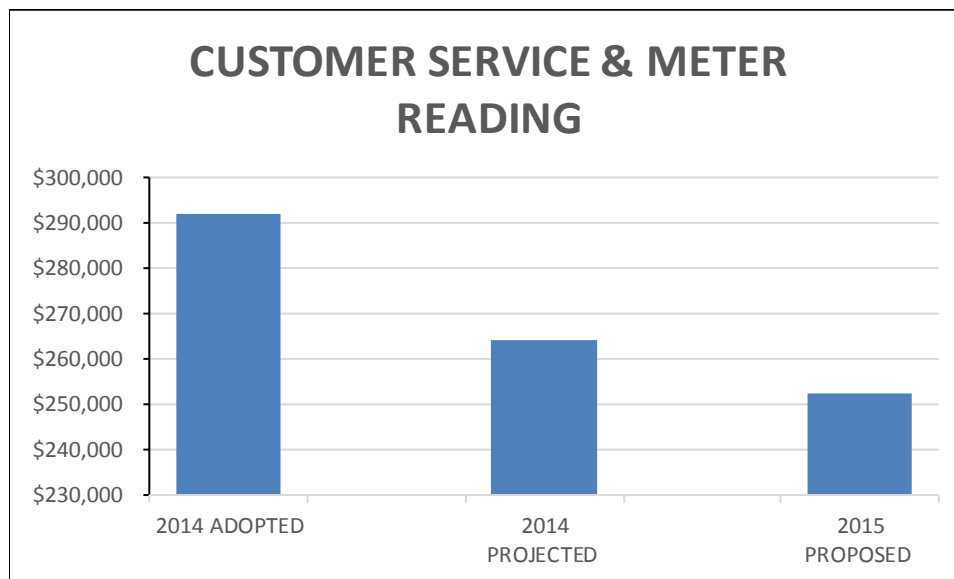
TRANSMISSION AND DISTRIBUTION		2014 ADOPTED	2014 PROJECTED	2015 PROPOSED	CHANGE
01-40-440-500105	Labor	\$ 521,000	\$ 428,914	\$ 477,194	\$ (43,806)
01-40-440-500195	CIP Related Labor	(40,000)	(31,196)	(40,000)	0
01-40-440-500110	Overtime	10,000	7,040	10,000	0
01-40-440-500111	Double-time	500	586	500	0
01-40-440-500125	Health Insurance	193,900	138,565	180,245	(13,655)
01-40-440-500155	Retirement/CalPERS	155,600	119,142	73,613	(81,987)
01-40-440-500140	Life Insurance	3,500	1,955	1,955	(1,545)
01-40-440-500165	Uniforms & Employee Benefits	5,500	3,924	4,500	(1,000)
01-40-440-500170	Education Expenses	1,000	1,739	1,000	0
01-40-440-500115	Social Security	32,500	24,078	29,586	(2,914)
01-40-440-500120	Medicare	7,400	5,631	6,919	(481)
01-40-440-500145	Workers' Compensation	46,300	29,471	39,321	(6,979)
01-40-440-500175	Seminar & Travel Expenses	800	0	500	(300)
01-40-440-520071	Maint & Rpr-Pipelines&Hydrants	65,000	17,804	55,000	(10,000)
01-40-440-540036	Line Locates	3,000	3,645	3,500	500
01-40-440-540042	Meters Maintenance & Services	82,000	37,807	82,000	0
01-40-440-540001	Backflow Devices	1,500	1,693	1,800	300
01-40-440-540078	Reservoirs Maintenance	12,000	16,981	18,000	6,000
01-40-440-520081	Maint & Rpr-Pressure Regulatrs	5,000	4,131	5,000	0
01-40-440-540024	Inventry Adjustments	3,000	3,665	3,000	0
01-40-440-540026	Inventry Purchase Discounts	(5,000)	(4,349)	(5,000)	0
01-40-440-510031	Small Tools, Parts & Maint	100	405	400	300
01-40-440-550024	Employment Testing	200	90	200	0
01-40-450-500105	Labor	24,000	15,190	24,077	77
01-40-450-500110	Overtime	0	0	0	0
01-40-450-500125	Health Insurance	7,200	4,574	6,537	(663)
01-40-450-500155	Retirement/CalPERS	9,000	5,449	1,938	(7,062)
01-40-450-500140	Life Insurance	150	91	150	0
01-40-450-500165	Uniforms & Employee Benefits	300	0	300	0
01-40-450-500115	Social Security	1,500	942	1,493	(7)
01-40-450-500120	Medicare	300	220	349	49
01-40-450-500145	Workers' Compensation	2,100	1,186	1,984	(116)
		\$ 1,149,350	\$ 839,373	\$ 986,062	\$ (163,288)



Customer Service & Meter Reading

This department conducts meter reading and field related customer service activities.

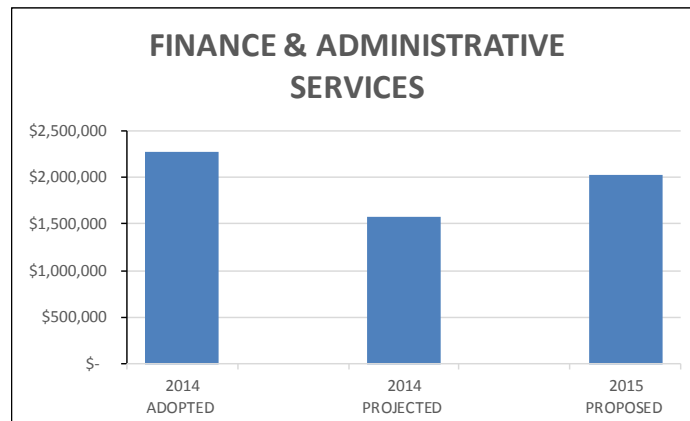
		2014	2014	2015	
CUSTOMER SERVICE & METER READING		ADOPTED	PROJECTED	PROPOSED	CHANGE
01-40-460-500105	Labor	\$ 140,100	\$ 134,146	\$ 141,962	\$ 1,862
01-40-460-500110	Overtime	3,700	2,966	3,200	(500)
01-40-460-500111	Double-time	100	323	100	0
01-40-460-500125	Health Insurance	70,000	52,000	56,035	(13,965)
01-40-460-500155	Retirement/CalPERS	50,500	45,596	26,269	(24,231)
01-40-460-500140	Life Insurance	1,000	686	624	(376)
01-40-460-500165	Uniforms & Employee Benefits	750	753	750	0
01-40-460-500170	Education Expenses	400	0	400	0
01-40-460-500115	Social Security	8,800	8,620	8,802	2
01-40-460-500120	Medicare	2,100	2,016	2,058	(42)
01-40-460-500145	Workers' Compensation	14,000	11,648	11,698	(2,302)
01-40-460-500175	Seminar & Travel Expenses	300	0	300	0
01-40-460-550024	Employment Testing	300	0	300	0
		\$ 292,050	\$ 258,755	\$ 252,497	\$ (39,553)



Finance & Administrative Services

This department includes all administrative salaries, employee benefits, operating supplies, property insurance and other expenses associated with the administrative, accounting and billing functions of the District.

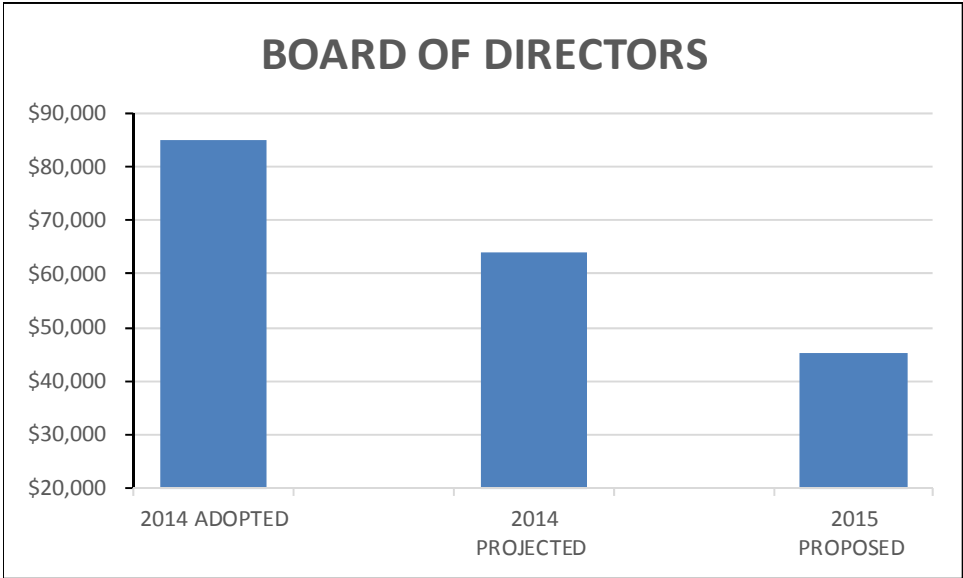
		2014	2014	2015	
FINANCE & ADMINISTRATIVE SERVICES		ADOPTED	PROJECTED	PROPOSED	CHANGE
01-30-310-500105	Labor	\$ 1,002,617	\$ 882,555	\$ 1,058,092	\$ 55,475
01-30-310-500195	CIP Related Labor	(25,000)	(227,395)	(25,000)	
01-30-310-500110	Overtime	0	1,673	1,500	1,500
01-30-310-500196	CIP Related Overtime	0	(606)	0	
01-30-310-500125	Health Insurance	350,000	118,305	177,443	(172,557)
01-30-310-500155	Retirement/CalPERS	285,800	215,329	156,308	(129,492)
01-30-310-500140	Life Insurance	5,600	3,610	4,608	(992)
01-30-310-500165	Uniforms & Employee Benefits	2,000	483	2,000	0
01-30-310-500170	Education Expenses	1,000	772	1,000	0
01-30-310-500115	Social Security	62,162	50,824	58,638	(3,524)
01-30-310-500120	Medicare	14,538	12,896	15,342	804
01-30-310-500145	Workers' Compensation	21,088	14,607	16,791	(4,297)
01-30-310-500150	Unemployment Insurance	12,760	8,653	12,760	0
01-30-310-500175	Seminar & Travel Expenses	15,500	4,495	7,500	(8,000)
01-30-310-550036	Notary & Lien Fees	4,500	1,145	1,500	(3,000)
01-30-310-500160	Post-Employment Health Expenses	8,500	11,589	13,500	5,000
01-30-310-500130	CalPERS Health Admin Costs	5,000	1,615	2,000	(3,000)
01-30-310-550001	Bank Charges	30,000	28,987	30,000	0
01-30-310-500190	Temporary Labor	36,400	120,285	36,400	0
01-30-310-550042	Office Supplies	42,250	18,457	42,250	0
01-30-310-550046	Office Equipment	82,000	45,090	82,000	0
01-40-470-501691	Maint & Rpr- Bldgs (General)	5,000	3,445	5,000	0
01-30-310-550030	Membership Dues	31,000	19,819	31,000	0
01-30-310-520001	Maint & Rpr-Office Equipment	2,800	309	2,800	0
01-30-310-550048	Postage	58,800	47,560	58,800	0
01-30-310-550066	Subscriptions	11,000	10,374	11,000	0
01-50-510-550040	General Supplies	10,000	13,500	10,000	0
01-40-510-510031	Small Tools, Parts & Maint	7,300	6,499	7,300	0
01-30-310-550018	Employee Medical/First Aid	500	1,000	500	0
01-30-310-550024	Employment Testing	300	0	300	0
01-30-310-550054	Property, Auto& Gen Liab Insur	105,000	80,138	105,000	0
01-40-410-540084	Permits, Fees & Licensing	33,000	49,609	50,000	17,000
01-50-510-550072	Misc Operating Expenses	4,500	(4)	4,500	0
01-50-510-550060	Public Education	10,000	600	5,000	(5,000)
01-50-510-540066	Property Damages & Theft	2,000	4,165	2,000	0
01-30-310-580021	IT/Software Support	27,819	28,985	30,000	2,181
01-30-310-550006	Cashiering Shortages/Overages	50	31	50	0
01-30-310-550090	Principal Repayment	0	0	0	0
01-30-310-590001	Interest Expense	0	14	0	0
01-30-310-590011	Cost of Issuance Amortization	0	0	0	0
		\$ 2,265,784	\$ 1,579,413	\$ 2,017,884	\$ (247,900)



Board of Directors

This department includes per diem paid to each Board member as well as the associated payroll tax expenses, election expenses and seminar/travel expenses.

		2014	2014	2015	
BOARD OF DIRECTORS		ADOPTED	PROJECTED	PROPOSED	CHANGE
01-10-110-500101	Board of Directors Fees	\$ 30,800	\$ 21,850	\$ 30,800	\$ -
01-10-110-500115	Social Security	3,100	1,355	3,100	0
01-10-110-500120	Medicare	700	317	700	0
01-10-110-500145	Workers' Compensation	450	392	450	0
01-10-110-500175	Seminar & Travel Expenses	10,000	220	10,000	0
01-10-110-550012	Election Expenses	40,000	40,000	0	(40,000)
		\$ 85,050	\$ 64,134	\$ 45,050	\$ (40,000)



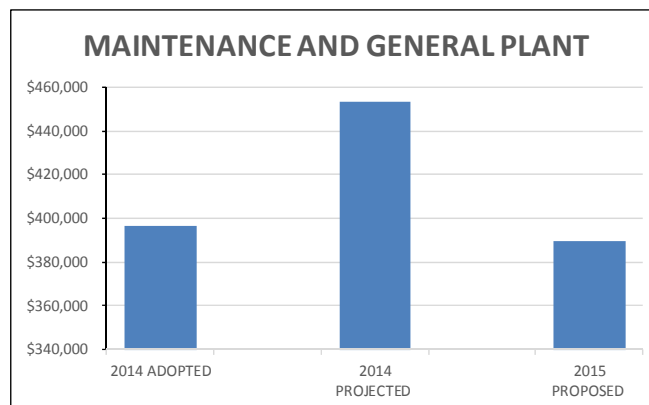
Maintenance & General Plant

This category includes utilities, auto/equipment fuel, maintenance and repairs for all residences and offices. It also includes all landscape maintenance related labor as well as general maintenance in the canyon areas, recharge basin system and the Noble Creek Recharge facility.

		2014	2014	2015	CHANGE
MAINTENANCE AND GENERAL PLANT		ADOPTED	PROJECTED	PROPOSED	
01-40-470-501111	Electricity - 560 Magnolia	\$ 23,600	\$ 21,246	\$ 23,600	\$ -
01-40-470-501511	Phones - 560 Magnolia	25,000	19,905	25,000	0
01-40-470-501411	Sanitation - 560 Magnolia	1,800	1,586	1,800	0
01-40-470-501611	Maint & Repair- 560 Magnolia	16,000	16,769	16,000	0
01-40-470-501121	Electricity - 12303 Oak Glen	3,300	2,410	2,800	(500)
01-40-470-501621	Maint & Repair- 12303 Oak Glen	1,200	0	1,200	0
01-40-470-501321	Propane - 12303 Oak Glen	120	53	120	0
01-40-470-501131	Electricity - 13695 Oak Glen	1,100	1,743	1,500	400
01-40-470-501631	Maint & Repair- 13695 Oak Glen	1,000	508	1,000	0
01-40-470-501331	Propane - 13695 Oak Glen	1,100	1,300	1,100	0
01-40-470-501141	Electricity - 13697 Oak Glen	2,725	2,572	2,725	0
01-40-470-501641	Maint & Repair- 13697 Oak Glen	500	424	500	0
01-40-470-501341	Propane - 13697 Oak Glen	1,200	892	1,200	0
01-40-470-501151	Elec - 9781 Avenida Miravilla	2,200	1,316	2,200	0
01-40-470-501651	Maint & Rpr-9781 Ave Miravilla	1,500	1,500	1,500	0
01-40-470-501351	Propane-9781 Avenida Miravilla	1,200	1,049	1,200	0
01-40-470-501161	Electricity - 815 E. 12th	7,300	4,402	6,000	(1,300)
01-40-470-501561	Phones - 815 E. 12th	3,000	3,276	3,200	200
01-40-470-501461	Sanitation - 815 E. 12th	3,000	3,523	3,600	600
01-40-470-501661	Maint & Repair- 815 E. 12th	5,000	3,479	5,000	0
01-40-470-501471	Sanitation - 11083 Cherry Ave	3,200	2,647	3,200	0
01-40-470-500105	Labor	32,000	78,270	32,000	0
01-40-470-500125	Health Insurance	11,000	30,827	11,000	0
01-40-470-500155	Retirement/CalPERS	9,950	26,351	9,950	0
01-40-470-500140	Life Insurance	200	481	200	0
01-40-470-500115	Social Security	1,700	4,956	1,700	0
01-40-470-500120	Medicare	400	1,159	400	0
01-40-470-500145	Workers' Compensation	2,500	6,750	2,500	0
01-40-470-510001	Auto/Fuel	100,000	74,039	85,000	(15,000)
01-40-470-510002	CIP Related Fuel	(15,000)	(10,878)	(15,000)	0
01-40-470-520011	Maint & Rpr-Safety Equipment	5,500	4,040	5,500	0
01-40-470-520091	Maint & Rpr-Communicatn Equip	2,500	22	2,500	0
01-40-470-520031	Maint & Rpr-General Equipment	45,000	23,297	45,000	0
01-40-470-520041	Maint & Rpr-Fleet	64,200	58,442	64,200	0
01-40-470-501600	Property Maintenance & Repairs	5,000	199	5,000	0
01-40-470-540030	Landscape Maintenance	6,500	13,918	15,000	8,500
01-40-470-540072	Rechrg Facs, Cnyns&Ponds Maint	20,000	50,495	20,000	0
		\$ 396,495	\$ 452,967	\$ 389,395	\$ (7,100)

NOTE: System Depreciation is omitted from the chart for clarity

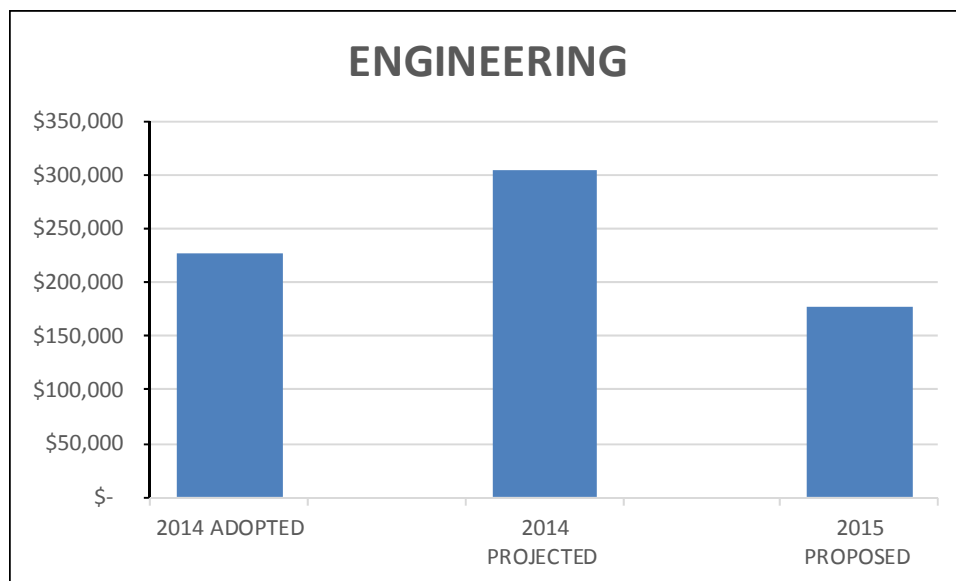
01-30-310-550084	Depreciation	\$ 2,255,000	\$ 2,505,981	\$ 2,468,440	\$ 213,440
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Engineering

This category includes the full time Director of Engineering and part-time engineering support staff.

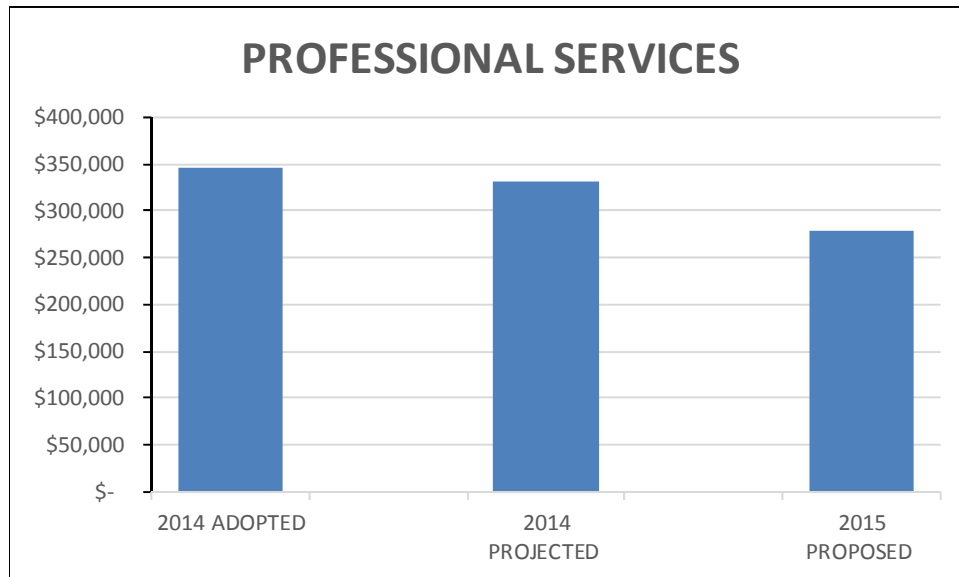
		2014	2014	2015	
ENGINEERING		ADOPTED	PROJECTED	PROPOSED	CHANGE
01-20-210-500105	Labor	\$ 225,342	\$ 232,315	\$ 212,221	\$ (13,121)
01-20-210-500195	CIP Related Labor	(126,850)	(37,265)	(121,158)	5,692
01-20-210-500125	Health Insurance	20,100	17,681	18,678	(1,422)
01-20-210-500155	Retirement/CalPERS	63,790	62,988	24,190	(39,600)
01-20-210-500140	Life Insurance	850	516	576	(274)
01-20-210-500165	Uniforms & Employee Benefits	50	24	50	0
01-20-210-500170	Education Expenses	2,500	90	2,500	0
01-20-210-500115	Social Security	12,185	11,424	11,993	(192)
01-20-210-500120	Medicare	2,850	2,898	3,077	227
01-20-210-500145	Workers' Compensation	3,500	3,864	2,588	(912)
01-20-210-500175	Seminar & Travel Expenses	500	135	500	0
01-20-210-550068	Software Maintenance	22,500	10,000	22,500	0
		\$ 227,317	\$ 304,669	\$ 177,716	\$ (49,601)



Professional Services

This category includes professional services from outside consultants for legal, engineering and auditing services.

		2014	2014	2015	
PROFESSIONAL SERVICES		ADOPTED	PROJECTED	PROPOSED	CHANGE
01-30-310-580011	General Legal	\$ 150,000	\$ 214,491	\$ 150,000	\$ -
01-30-310-580001	Accounting & Audit	22,000	21,500	22,000	0
01-20-210-580031	Outside Engineering	50,000	0	50,000	0
01-20-210-580032	CIP Related Outside Engineering	(25,000)	0	(25,000)	0
01-20-210-540012	Dev Reimbursable Engineering	43,364	48,852	43,364	0
01-20-210-540048	Permits, Fees & Licensing	4,000	2,155	4,000	0
01-20-210-540018	Grant & Loan Procurement	41,283	0	0	(41,283)
01-50-510-550096	Beaumont Basin Watermaster	60,000	44,489	35,000	(25,000)
		<u>\$ 345,647</u>	<u>\$ 331,487</u>	<u>\$ 279,364</u>	<u>\$ (66,283)</u>



Appendix A

Budget Detail



Revenues: 2014 Adopted Budget versus 2014 Projected Actuals versus 2015 Proposed Budget

Account No.	Account Name	2014 Adopted	2014 Projected	2015 Proposed	Change
REVENUE					
01-50-510-413011	Fixed Meter Charges	\$ 2,279,345	\$ 2,566,127	\$ 2,550,000	\$ 270,655
01-50-510-410100	Sales	4,935,480	5,134,688	4,364,000	(571,480)
01-50-510-410151	Agricultural Irrigation Sales	30,000	26,725	25,500	(4,500)
01-50-510-410171	Construction Sales	57,339	97,367	48,738	(8,601)
01-50-510-413021	Meter Fees	75,000	174,319	75,000	0
01-50-510-417061	Custmr Damages/Upgrade Charges	10,500	8,774	8,000	(2,500)
01-50-510-413001	Backflow Admin Charges	24,000	29,177	24,000	0
01-50-510-419001	Insurance Rebate	0	0	0	0
01-50-510-417051	Returned Check Fees	2,000	3,235	2,000	0
01-50-510-419061	Miscellaneous Income	250	259,852	250	0
01-50-510-419011	Development Income	30,875	124,143	50,000	19,125
01-50-510-419021	Recharge Income	67,254	36,858	35,000	(32,254)
01-50-510-417071	After Hours Call Out Charges	600	550	600	0
01-50-510-419031	Well Maintenance Reimbursemnt	0	0	0	0
01-50-510-417031	Lien Processing Fees	6,000	2,900	2,800	(3,200)
01-50-510-417021	Account Reinstatement Fees	75,000	87,010	75,000	0
01-50-510-417011	3rd Notice Charges	32,000	35,730	32,000	0
01-50-510-417001	2nd Notice Penalties	90,000	91,820	90,000	0
01-50-510-415001	SGPWA Importation Charges	2,176,000	2,378,023	2,176,000	0
01-50-510-415011	SCE Power Charges	1,627,915	1,705,973	1,764,000	136,085
01-50-510-490001	Interest Income - Bonita Vista	3,000	2,864	2,800	(200)
01-50-510-417041	Credit Check Processing Fees	7,434	9,100	7,500	66
01-50-510-417091	Credit Card Processing Fees	20,621	28,819	24,000	3,379
01-50-510-417081	Bench Test Fees	180	240	180	0
01-50-510-471001	Rent - 12303 Oak Glen	2,400	2,400	2,400	0
01-50-510-471011	Rent - 13695 Oak Glen	2,400	2,400	2,400	0
01-50-510-471021	Rent - 13697 Oak Glen	2,400	2,400	2,400	0
01-50-510-471031	Rent - 9781 Avenida Miravilla	2,400	2,300	2,400	0
01-50-510-471101	Util - 12303 Oak Glen	3,380	2,779	3,380	0
01-50-510-471111	Util - 13695 Oak Glen	2,200	2,963	2,200	0
01-50-510-471121	Util - 13697 Oak Glen	2,400	3,838	2,400	0
01-50-510-471131	Util - 9781 Avenida Miravilla	3,400	2,179	3,400	0
01-50-510-485001	Front Footage Fees	0	13,652	0	0
01-50-510-481001	Fac Fees-Wells	5,000	503,341	5,000	0
01-50-510-481006	Fac Fees-Water Rights (SWP)	3,300	318,488	3,300	0
01-50-510-481012	Fac Fees-Water Treatment Plant	2,400	239,451	2,400	0
01-50-510-481018	Fac Fees-Local Water Resources	1,200	126,095	1,200	0
01-50-510-481024	Fac Fees-Recycld Wtr Facilities	3,700	396,416	3,700	0
01-50-510-481030	Fac Fees-Transmission (16")	4,000	407,664	4,000	0
01-50-510-481036	Fac Fees-Storage	5,400	522,060	5,400	0
01-50-510-481042	Fac Fees-Booster	300	36,139	300	0
01-50-510-481048	Fac Fees-Pressure Reducng Stns	200	18,459	200	0
01-50-510-481054	Fac Fees-Misc Projects	200	16,119	200	0
01-50-510-481060	Fac Fees-Financing Costs	1,000	79,297	1,000	0
01-50-510-488001	Contributed Capital	0	0	0	0
01-50-510-490021	Interest Income - General	9,500	12,319	9,500	0
01-50-510-490011	Interest Income - Fairway Canyon	51,000	44,004	51,000	0
01-50-510-419051	Grant Revenue	20,642	0	0	(20,642)
		<u>\$ 11,679,614</u>	<u>\$ 15,559,055</u>	<u>\$ 11,465,548</u>	<u>\$ (214,066)</u>

Expenses: 2014 Adopted Budget versus 2014 Projected Actuals versus 2015 Proposed Budget

EXPENSES		2014	2014	2015	
SOURCE OF SUPPLY		BUDGET	PROJECTED	PROPOSED	CHANGE
01-40-410-500105	Labor	\$ 217,400	\$ 181,692	\$ 287,784	\$ 70,384
01-40-410-500110	Overtime	13,476	15,234	13,476	0
01-40-410-500111	Double-time	100	386	100	0
01-40-410-500125	Health Insurance	69,400	55,369	84,052	14,652
01-40-410-500155	Retirement/CalPERS	87,500	64,111	55,342	(32,158)
01-40-410-500140	Life Insurance	1,300	945	1,272	(28)
01-40-410-500165	Uniforms & Employee Benefits	1,000	627	1,000	0
01-40-410-500170	Education Expenses	1,500	142	1,500	0
01-40-410-500115	Social Security	13,476	12,308	17,843	4,367
01-40-410-500120	Medicare	3,200	2,879	4,173	973
01-40-410-500145	Workers' Compensation	15,500	16,316	20,624	5,124
01-40-410-510011	Treatment & Chemicals	80,100	69,030	80,100	0
01-40-410-510021	Lab Testing	75,000	74,947	95,000	20,000
01-40-410-520061	Maint & Rpr-Pumping Equipment	100,000	92,450	100,000	0
01-40-410-501201	Gas - Wells	200	209	225	25
01-40-410-501101	Electricity - Wells	1,692,915	1,764,381	1,692,915	0
01-40-410-520021	Maint & Rpr-Telemetry Equip	1,500	5,490	1,500	0
01-40-410-500175	Seminar & Travel Expenses	500	0	500	0
01-40-410-510031	Small Tools, Parts & Maint	100	1,410	1,000	900
01-40-410-520031	Maint & Rpr-General Equipment	100	0	100	0
01-40-410-550066	Subscriptions	600	0	600	0
01-40-410-550024	Employment Testing	200	0	200	0
01-40-410-500501	State Project Water Purchases	2,176,000	1,434,312	2,176,000	0
01-40-410-500511	Groundwater Purchases	0	25	0	0
		<u>4,551,067</u>	<u>3,792,263</u>	<u>4,635,305</u>	<u>84,238</u>
TRANSMISSION AND DISTRIBUTION					
01-40-440-500105	Labor	521,000	428,914	477,194	(43,806)
01-40-440-500195	CIP Related Labor	(40,000)	(31,196)	(40,000)	0
01-40-440-500110	Overtime	10,000	7,040	10,000	0
01-40-440-500111	Double-time	500	586	500	0
01-40-440-500125	Health Insurance	193,900	138,565	180,245	(13,655)
01-40-440-500155	Retirement/CalPERS	155,600	119,142	73,613	(81,987)
01-40-440-500140	Life Insurance	3,500	1,955	1,955	(1,545)
01-40-440-500165	Uniforms & Employee Benefits	5,500	3,924	4,500	(1,000)
01-40-440-500170	Education Expenses	1,000	1,739	1,000	0
01-40-440-500115	Social Security	32,500	24,078	29,586	(2,914)
01-40-440-500120	Medicare	7,400	5,631	6,919	(481)
01-40-440-500145	Workers' Compensation	46,300	29,471	39,321	(6,979)
01-40-440-500175	Seminar & Travel Expenses	800	0	500	(300)
01-40-440-520071	Maint & Rpr-Pipelines&Hydrants	65,000	17,804	55,000	(10,000)
01-40-440-540036	Line Locates	3,000	3,645	3,500	500
01-40-440-540042	Meters Maintenance & Services	82,000	37,807	82,000	0
01-40-440-540001	Backflow Devices	1,500	1,693	1,800	300
01-40-440-540078	Reservoirs Maintenance	12,000	16,981	18,000	6,000
01-40-440-520081	Maint & Rpr-Pressure Regulatrs	5,000	4,131	5,000	0
01-40-440-540024	Inventry Adjustments	3,000	3,665	3,000	0
01-40-440-540026	Inventry Purchase Discounts	(5,000)	(4,349)	(5,000)	0
01-40-440-510031	Small Tools, Parts & Maint	100	405	400	300
01-40-440-550024	Employment Testing	200	90	200	0
01-40-450-500105	Labor	24,000	15,190	24,077	77
01-40-450-500110	Overtime	0	0	0	0
01-40-450-500125	Health Insurance	7,200	4,574	6,537	(663)
01-40-450-500155	Retirement/CalPERS	9,000	5,449	1,938	(7,062)
01-40-450-500140	Life Insurance	150	91	150	0
01-40-450-500165	Uniforms & Employee Benefits	300	0	300	0
01-40-450-500115	Social Security	1,500	942	1,493	(7)
01-40-450-500120	Medicare	300	220	349	49
01-40-450-500145	Workers' Compensation	2,100	1,186	1,984	(116)
		<u>1,149,350</u>	<u>839,373</u>	<u>986,062</u>	<u>(163,288)</u>
CUSTOMER SERVICE & METER READING					
01-40-460-500105	Labor	140,100	134,146	141,962	1,862
01-40-460-500110	Overtime	3,700	2,966	3,200	(500)
01-40-460-500111	Double-time	100	323	100	0
01-40-460-500125	Health Insurance	70,000	52,000	56,035	(13,965)
01-40-460-500155	Retirement/CalPERS	50,500	45,596	26,269	(24,231)
01-40-460-500140	Life Insurance	1,000	686	624	(376)
01-40-460-500165	Uniforms & Employee Benefits	750	753	750	0
01-40-460-500170	Education Expenses	400	0	400	0
01-40-460-500115	Social Security	8,800	8,620	8,802	2
01-40-460-500120	Medicare	2,100	2,016	2,058	(42)
01-40-460-500145	Workers' Compensation	14,000	11,648	11,698	(2,302)
01-40-460-500175	Seminar & Travel Expenses	300	0	300	0
01-40-460-550024	Employment Testing	300	0	300	0
		<u>292,050</u>	<u>258,755</u>	<u>252,497</u>	<u>(39,553)</u>

Expenses: 2014 Adopted Budget versus 2014 Projected Actuals versus 2015 Proposed Budget

EXPENSES		2014 BUDGET	2014 PROJECTED	2015 PROPOSED	CHANGE
FINANCE & ADMINISTRATIVE SERVICES					
01-30-310-500105	Labor	1,002,617	882,555	1,058,092	\$ 55,475
01-30-310-500195	CIP Related Labor	(25,000)	(227,395)	(25,000)	0
01-30-310-500110	Overtime	0	1,673	1,500	1,500
01-30-310-500196	CIP Related Overtime	0	(606)	0	0
01-30-310-500125	Health Insurance	350,000	118,305	177,443	(172,557)
01-30-310-500155	Retirement/CalPERS	285,800	215,329	156,308	(129,492)
01-30-310-500140	Life Insurance	5,600	3,610	4,608	(992)
01-30-310-500165	Uniforms & Employee Benefits	2,000	483	2,000	0
01-30-310-500170	Education Expenses	1,000	772	1,000	0
01-30-310-500115	Social Security	62,162	50,824	58,638	(3,524)
01-30-310-500120	Medicare	14,538	12,896	15,342	804
01-30-310-500145	Workers' Compensation	21,088	14,607	16,791	(4,297)
01-30-310-500150	Unemployment Insurance	12,760	8,653	12,760	0
01-30-310-500175	Seminar & Travel Expenses	15,500	4,495	7,500	(8,000)
01-30-310-550036	Notary & Lien Fees	4,500	1,145	1,500	(3,000)
01-30-310-500160	Post-Employment Health Expenses	8,500	11,589	13,500	5,000
01-30-310-500130	CalPERS Health Admin Costs	5,000	1,615	2,000	(3,000)
01-30-310-550001	Bank Charges	30,000	28,987	30,000	0
01-30-310-500190	Temporary Labor	36,400	120,285	36,400	0
01-30-310-550042	Office Supplies	42,250	18,457	42,250	0
01-30-310-550046	Office Equipment	82,000	45,090	82,000	0
01-40-470-501691	Maint & Rpr- Bldgs (General)	5,000	3,445	5,000	0
01-30-310-550030	Membership Dues	31,000	19,819	31,000	0
01-30-310-520001	Maint & Rpr-Office Equipment	2,800	309	2,800	0
01-30-310-550048	Postage	58,800	47,560	58,800	0
01-30-310-550066	Subscriptions	11,000	10,374	11,000	0
01-50-510-550040	General Supplies	10,000	13,500	10,000	0
01-40-510-510031	Small Tools, Parts & Maint	7,300	6,499	7,300	0
01-30-310-550018	Employee Medical/First Aid	500	1,000	500	0
01-30-310-550024	Employment Testing	300	0	300	0
01-30-310-550054	Property, Auto & Gen Liab Insur	105,000	80,138	105,000	0
01-40-410-540084	Permits, Fees & Licensing	33,000	49,609	50,000	17,000
01-50-510-550072	Misc Operating Expenses	4,500	(4)	4,500	0
01-50-510-550060	Public Education	10,000	600	5,000	(5,000)
01-50-510-540066	Property Damages & Theft	2,000	4,165	2,000	0
01-30-310-580021	IT/Software Support	27,819	28,985	30,000	2,181
01-30-310-550006	Cashiering Shortages/Overages	50	31	50	0
01-30-310-550090	Principal Repayment	0	0	0	0
01-30-310-590001	Interest Expense	0	14	0	0
01-30-310-590011	Cost of Issuance Amortization	0	0	0	0
		2,265,784	1,579,413	2,017,884	(247,900)
BOARD OF DIRECTORS					
01-10-110-500101	Board of Directors Fees	30,800	21,850	30,800	0
01-10-110-500115	Social Security	3,100	1,355	3,100	0
01-10-110-500120	Medicare	700	317	700	0
01-10-110-500145	Workers' Compensation	450	392	450	0
01-10-110-500175	Seminar & Travel Expenses	10,000	220	10,000	0
01-10-110-550012	Election Expenses	40,000	40,000	0	(40,000)
		85,050	64,134	45,050	(40,000)
MAINTENANCE AND GENERAL PLANT					
01-40-470-501111	Electricity - 560 Magnolia	23,600	21,246	23,600	0
01-40-470-501511	Phones - 560 Magnolia	25,000	19,905	25,000	0
01-40-470-501411	Sanitation - 560 Magnolia	1,800	1,586	1,800	0
01-40-470-501611	Maint & Repair- 560 Magnolia	16,000	16,769	16,000	0
01-40-470-501121	Electricity - 12303 Oak Glen	3,300	2,410	2,800	(500)
01-40-470-501621	Maint & Repair- 12303 Oak Glen	1,200	0	1,200	0
01-40-470-501321	Propane - 12303 Oak Glen	120	53	120	0
01-40-470-501131	Electricity - 13695 Oak Glen	1,100	1,743	1,500	400
01-40-470-501631	Maint & Repair- 13695 Oak Glen	1,000	508	1,000	0
01-40-470-501331	Propane - 13695 Oak Glen	1,100	1,300	1,100	0
01-40-470-501141	Electricity - 13697 Oak Glen	2,725	2,572	2,725	0
01-40-470-501641	Maint & Repair- 13697 Oak Glen	500	424	500	0
01-40-470-501341	Propane - 13697 Oak Glen	1,200	892	1,200	0
01-40-470-501151	Elec - 9781 Avenida Miravilla	2,200	1,316	2,200	0
01-40-470-501651	Maint & Rpr-9781 Ave Miravilla	1,500	1,500	1,500	0
01-40-470-501351	Propane-9781 Avenida Miravilla	1,200	1,049	1,200	0
01-40-470-501161	Electricity - 815 E. 12th	7,300	4,402	6,000	(1,300)
01-40-470-501561	Phones - 815 E. 12th	3,000	3,276	3,200	200
01-40-470-501461	Sanitation - 815 E. 12th	3,000	3,523	3,600	600
01-40-470-501661	Maint & Repair- 815 E. 12th	5,000	3,479	5,000	0
01-40-470-501471	Sanitation - 11083 Cherry Ave	3,200	2,647	3,200	0
01-40-470-500105	Labor	32,000	78,270	32,000	0
01-40-470-500125	Health Insurance	11,000	30,827	11,000	0

Expenses: 2014 Adopted Budget versus 2014 Projected Actuals versus 2015 Proposed Budget

EXPENSES		2014	2014	2015	
MAINTENANCE AND GENERAL PLANT (cont.)		BUDGET	PROJECTED	PROPOSED	CHANGE
01-40-470-500155	Retirement/CalPERS	9,950	26,351	9,950	0
01-40-470-500140	Life Insurance	200	481	200	0
01-40-470-500115	Social Security	1,700	4,956	1,700	0
01-40-470-500120	Medicare	400	1,159	400	0
01-40-470-500145	Workers' Compensation	2,500	6,750	2,500	\$ -
01-40-470-510001	Auto/Fuel	100,000	74,039	85,000	(15,000)
01-40-470-510002	CIP Related Fuel	(15,000)	(10,878)	(15,000)	0
01-40-470-520011	Maint & Rpr-Safety Equipment	5,500	4,040	5,500	0
01-40-470-520091	Maint & Rpr-Communicatn Equip	2,500	22	2,500	0
01-40-470-520031	Maint & Rpr-General Equipment	45,000	23,297	45,000	0
01-40-470-520041	Maint & Rpr-Fleet	64,200	58,442	64,200	0
01-40-470-501600	Property Maintenance & Repairs	5,000	199	5,000	0
01-40-470-540030	Landscape Maintenance	6,500	13,918	15,000	8,500
01-30-310-550084	Depreciation	2,255,000	2,505,981	2,468,440	213,440
01-40-470-540072	Rechrg Facs, Cnyns&Ponds Maint	20,000	50,495	20,000	0
		<u>2,651,495</u>	<u>2,958,947</u>	<u>2,857,835</u>	<u>206,340</u>
ENGINEERING					
01-20-210-500105	Labor	225,342	232,315	212,221	(13,121)
01-20-210-500195	CIP Related Labor	(126,850)	(37,265)	(121,158)	5,692
01-20-210-500125	Health Insurance	20,100	17,681	18,678	(1,422)
01-20-210-500155	Retirement/CalPERS	63,790	62,988	24,190	(39,600)
01-20-210-500140	Life Insurance	850	516	576	(274)
01-20-210-500165	Uniforms & Employee Benefits	50	24	50	0
01-20-210-500170	Education Expenses	2,500	90	2,500	0
01-20-210-500115	Social Security	12,185	11,424	11,993	(192)
01-20-210-500120	Medicare	2,850	2,898	3,077	227
01-20-210-500145	Workers' Compensation	3,500	3,864	2,588	(912)
01-20-210-500175	Seminar & Travel Expenses	500	135	500	0
01-20-210-550068	Software Maintenance	22,500	10,000	22,500	0
		<u>227,317</u>	<u>304,669</u>	<u>177,716</u>	<u>(49,601)</u>
PROFESSIONAL SERVICES					
01-30-310-580011	General Legal	150,000	214,491	150,000	0
01-30-310-580001	Accounting & Audit	22,000	21,500	22,000	0
01-20-210-580031	Outside Engineering	50,000	0	50,000	0
01-20-210-580032	CIP Related Outside Engineering	(25,000)	0	(25,000)	0
01-20-210-540012	Dev Reimbursable Engineering	43,364	48,852	43,364	0
01-20-210-540048	Permits, Fees & Licensing	4,000	2,155	4,000	0
01-20-210-540018	Grant & Loan Procurement	41,283	0	0	(41,283)
01-50-510-550096	Beaumont Basin Watermaster	60,000	44,489	35,000	(25,000)
		<u>\$ 345,647</u>	<u>\$ 331,487</u>	<u>\$ 279,364</u>	<u>\$ (66,283)</u>
		<u>\$ 11,567,760.01</u>	<u>\$ 10,129,041.09</u>	<u>\$ 11,251,712.87</u>	<u>\$ (316,047)</u>

Appendix B

Summary of Account Descriptions



OPERATING REVENUE

- 01-50-510-413011 — **Fixed Meter Charges** — Fixed service charges for meters.
- 01-50-510-410100 — **Sales** — Commodity charges for commercial, residential and landscape irrigation water usage.
- 01-50-510-410151 — **Agricultural Irrigation Sales** — Commodity charges for irrigation water usage.
- 01-50-510-410171 — **Construction Sales** — Commodity charges for water used for new construction and other purposes through portable fire hydrant meters.
- 01-50-510-413021 — **Meter Fees** — Charges for new service installations.
- 01-50-510-417061 — **Customer Damages/Upgrade Charges** — Reimbursements for work performed when customers/developers cause damage to District property or customer requested changes such as meter relocation charges.
- 01-50-510-413001 — **Backflow Administration Charges** — Administrative charge for required annual backflow program administration.
- 01-50-510-419001 — **Insurance Rebate** — Reimbursement from the joint-powers insurance agency of any rate stabilization refunds due to its members.
- 01-50-510-417051 — **Returned Check Fees** — Charges for payments returned by the bank as unpaid.
- 01-50-510-419061 — **Miscellaneous Income** — Receipts for miscellaneous, non-recurring revenues.
- 01-50-510-471000 — **Rental Income** — Charges for use of District properties.
- 01-50-510-419011 — **Development Income** — Revenue earned and charged to deposits that were collected to cover engineering, legal and administrative costs associated with new development.
- 01-50-510-419021 — **Recharge Income** — Income received for the recharge of imported water from San Geronio Pass Water Agency (SGPWA) for the City of Banning.
- 01-50-510-417071 — **After-Hours Call Out Charge** — Reimbursement charge for after-hours services provided.
- 01-50-510-419031 — **Well Maintenance Reimbursement** — Reimbursement charges for well maintenance to the City of Banning when they take delivery of water from these jointly owned wells (Wells 24, 25, 26).
- 01-50-510-417031 — **Lien Processing Fees** — Fees associated with filing liens on delinquent accounts.
- 01-50-510-417021 — **Account Reinstatement Fees** — Fees associated with the restoration of service when disconnected due to non-payment.
- 01-50-510-417011 — **Third Notice Charges** — Fee associated with disconnection notices sent on delinquent accounts.
- 01-50-510-417001 — **Second Notice Penalties** — Late fee assessed on delinquent accounts and lien processing fees.
- 01-50-510-415001 — **SGPWA Importation Charges** — Pass through charge to cover the cost of purchasing imported water.
- 01-50-510-415011 — **SCE Power Charges** — Pass through charge to cover the cost of electricity used for pumping water from wells and through the system.
- 01-50-510-490001 — **Interest Income - Bonita Vista** — Interest income on Bonita Vista loans receivable.
- 01-50-510-417041 — **Credit Check Processing Fees** — Pass through charge to cover the cost of performing a credit check.
- 01-50-510-417091 — **Credit Card Processing Fees** — Pass-through charge to cover the bank fees charged to the District for credit card processing.
- 01-50-510-417081 — **Bench Test Fees** — Fees for pulling a meter and bench testing it.

RENT & UTILITIES REVENUE

- 01-50-510-471001 — **Rent — 12303 Oak Glen Road** — Rental of District residential property.
- 01-50-510-471011 — **Rent — 13695 Oak Glen Road** — Rental of District residential property.
- 01-50-510-471021 — **Rent — 13697 Oak Glen Road** — Rental of District residential property.
- 01-50-510-471031 — **Rent — 9781 Avenida Miravilla** — Rental of District residential property.
- 01-50-510-471101 — **Utilities — 12303 Oak Glen Road** — Utility payments for District residential property.
- 01-50-510-471111 — **Utilities — 13695 Oak Glen Road** — Utility payments for District residential property.
- 01-50-510-471121 — **Utilities — 13697 Oak Glen Road** — Utility payments for District residential property.
- 01-50-510-471131 — **Utilities — 9781 Avenida Miravilla** — Utility payments for District residential property.

NON-OPERATING REVENUE

- 01-50-510-485001 — **Front Footage Fees** — Charged to cover the cost of pipelines traveling along the frontage of properties requesting service.
- 01-50-510-481001 through 01-50-510-481060 — **Facility Fees** - These fees are paid per EDU by individual homeowners, as well as residential and commercial developers.
- 01-50-510-488001 — **Contributed Capital** — Fees and infrastructure contributed to enhance District facilities.
- 01-50-510-490011 — **Interest Income- Fairway Canyon** — Interest earned on the Fairway Canyon note receivable.
- 01-50-510-490021 — **Interest Income- General** — Interest earned on bank deposits.
- 01-50-510-419051 — **Grant Revenue** — Grant funding received.

OPERATING EXPENSES

SOURCE OF SUPPLY

The three digit department number 410 seen in this section of the General Ledger refers to the expenses incurred for the operation and maintenance of wells, tanks, purchase and extraction of water.

- 01-40-410-500105 — **Labor** — Wage expenses for this department.
- 01-40-410-500110 — **Overtime** — Overtime expenses for this department.
- 01-40-410-500111 — **Double-time** — Double-time expenses for this department.
- 01-40-410-500125 — **Health Insurance** — Cost of providing health benefits for employees in this department.
- 01-40-410-500155 — **Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-40-410-500140 — **Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-40-410-500165 — **Uniforms & Employee Benefits** — Annual purchase of uniforms and boot allowance.
- 01-40-410-500170 — **Education Expense** — Education expense reimbursement.
- 01-40-410-500115 — **Social Security** — This category reflects the District's portion of Social Security (FICA).
- 01-40-410-500120 — **Medicare** — This category reflects the District's portion of Medicare.
- 01-40-410-500145 — **Workers' Compensation** — This category includes standard charges paid for employees in this department to the District's insurance carrier.
- 01-40-410-510011 — **Treatment & Chemicals** — Costs associated with the purchase of water treatment chemicals such as chlorine.
- 01-40-410-510021 — **Lab Testing** — Costs associated with water sample analysis conducted by outside laboratories.
- 01-40-410-520061 — **Maintenance & Repair- Pumping Equipment** — The maintenance cost of pumping equipment, wells, booster and chlorination equipment.
- 01-40-410-501201 — **Gas - Wells** — Natural gas purchased for the operation of an emergency booster pump.
- 01-40-410-501101 — **Electricity - Wells** — Charges for power purchased from Southern California Edison to operate District pumping facilities.
- 01-40-410-520021 — **Maintenance & Repairs – Telemetry Equipment** — Costs associated with the maintenance and repair of the District's telemetry system.
- 01-40-410-500175 — **Seminar & Travel Expense** — Cost associated with attendance to District approved seminars and conferences.
- 01-40-410-510031 — **Small Tools, Parts & Maintenance** – Expenses in this category include minor repairs and small parts purchases.
- 01-40-410-540048 — **State Mandates & Tariffs** – See 01-40-410-540084
- 01-40-410-520031 — **Maintenance & Repair – General Equipment** — Costs associated with the equipment, maintenance and repair incurred for the operation and maintenance of wells, tanks, purchase and extraction of water.
- 01-40-410-550066 — **Subscriptions** — Costs of subscriptions for regulatory and technical updates.
- 01-40-410-550024 — **Employment Testing** — Costs associated with pre-employment and random drug testing.
- 01-40-410-500501 — **State Project Water Purchased** — Costs associated with the purchase of imported water from the SGPWA.
- 01-40-410-500511 — **Groundwater Purchases** — Costs associated with the purchase of groundwater rights from South Mesa Mutual.

TRANSMISSION AND DISTRIBUTION

The three digit departmental number 440 seen in this section of the General Ledger refers to the expenses incurred for the operation and maintenance of the infrastructure used to bring water from wells to storage tanks and from storage tanks to the consumers.

- 01-40-440-500105 — **Labor** — Wage expenses for this department.
- 01-40-440-500195 — **CIP Related Labor** — Wage expenses for a Capital Improvement Project in this department.
- 01-40-440-500110 — **Overtime** — Overtime expenses for this department.
- 01-40-440-500111 — **Double-time** — Double-time expenses for this department.
- 01-40-440-500125 — **Health Insurance** — Cost of providing health benefits for employees in this department.
- 01-40-440-500155 — **Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-40-440-500140 — **Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-40-440-500165 — **Uniforms & Employee Benefits** — Annual purchase of uniforms and boot allowance.

- 01-40-440-500170 — Education Expenses** — Education expense reimbursement.
- 01-40-440-500115 — Social Security** — This category reflects the District's portion of Social Security (FICA).
- 01-40-440-500120 — Medicare** — This category reflects the District's portion of Medicare.
- 01-40-440-500145 — Workers' Compensation** — This category includes standard charges paid for employees in this department to the District's insurance carrier.
- 01-40-440-500175 — Seminar & Travel Expenses** — Costs associated with attendance to District approved seminars and conferences.
- 01-40-440-520071 — Maintenance & Repair – Pipeline & Hydrants** — Expenses in this category include the maintenance and repair of pipelines and fire hydrants.
- 01-40-440-540036 — Line Locates** — Cost associated with the locating and marking of underground facilities.
- 01-40-440-540042 — Meters Maintenance & Services** — Costs associated with repair and maintenance of existing meters and services, in accordance with the District's meter change out program.
- 01-40-440-540001 — Backflow Devices** — Expenses in this category reflect maintenance done to District owned and operated backflow devices, as well as costs for the annual required testing of these devices.
- 01-40-440-540078 — Reservoirs Maintenance** — Costs associated with the repair and maintenance of storage reservoirs and tanks.
- 01-40-440-520081 — Maintenance & Repair - Pressure Regulators** — Costs associated with the repair and maintenance of pressure reducing valves (PRV's).
- 01-40-440-540024 — Inventory Adjustment** — Costs associated with change in market value on inventory using an average-cost valuation method or costs associated with removing obsolete or damaged items from inventory.
- 01-40-440-540026 — Inventory Purchase Discounts** — Discounts taken on inventory purchases.
- 01-40-440-510031 — Small Tools, Parts & Maintenance** — Expenses in this category include minor repairs and small parts purchases.
- 01-40-440-550024 — Employment Testing** — Costs associated with pre-employment and random drug testing.

INSPECTIONS

The three digit departmental number 450 seen in this section of the General Ledger refers to the expenses incurred for the labor of the inspectors. These costs are typically recovered through inspection fees and development charges.

- 01-40-450-500105 — Labor** — Wage expenses for this department.
- 01-40-450-500110 — Overtime** — Overtime expenses for this department.
- 01-40-450-500125 — Health Insurance** — Cost of providing health insurance to employees in this department.
- 01-40-450-500155 — Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-40-450-500140 — Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-40-450-500165 — Uniforms & Employee Benefits** — Annual purchase of uniforms and boot allowance.
- 01-40-450-500115 — Social Security** — This category reflects the District's portion of Social Security (FICA).
- 01-40-450-500120 — Medicare** — This category reflects the District's portion of Medicare.
- 01-40-450-500145 — Workers' Compensation** — This category includes standard charges paid for employees in this department to the District's insurance carrier.

CUSTOMER SERVICE AND METER READING

The three digit departmental number 460 seen in this section of the General Ledger refers to the expenses incurred for the labor of the meter readers and the field customer service representative.

- 01-40-460-500105 — Labor** — Wage expenses for this department.
- 01-40-460-500110 — Overtime** — Overtime expenses for this department.
- 01-40-460-500111 — Double-time** — Double-time expenses for this department.
- 01-40-460-500125 — Health Insurance** — Cost of providing health benefits for employees in this department.
- 01-40-460-500155 — Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-40-460-500140 — Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-40-460-500165 — Uniforms & Employee Benefits** — Annual purchase of uniforms and boot allowance.
- 01-40-460-500170 — Education Expenses** — Education expense reimbursement.
- 01-40-460-500115 — Social Security** — This category reflects the District's portion of Social Security – (FICA).
- 01-40-460-500120 — Medicare** — This category reflects the District's portion of Medicare.

- 01-40-460-500145 — Workers' Compensation** — This category includes standard charges paid for employees in this department to the District's insurance carrier.
- 01-40-460-500175 — Seminar & Travel Expense** — Costs associated with attendance to District approved seminars and conferences.
- 01-40-460-550024 — Employment Testing** — Costs associated with pre-employment and random drug testing.

FINANCE AND ADMINISTRATIVE SERVICES EXPENSES

The three digit departmental number 310 seen in this section of the General Ledger refers to the expenses incurred for Finance and Administrative Services as well as General District expenses.

- 01-30-310-500105 — Labor** — Wage expenses for this department.
- 01-30-310-500195 — CIP Related Labor** — Wage expenses for a Capital Improvement Project in this department.
- 01-30-310-500110 — Overtime** — Overtime expenses for this department.
- 01-30-310-500196 — CIP Related Overtime** — Overtime expenses for a Capital Improvement Project in this department.
- 01-30-310-500125 — Health Insurance** — Cost of providing health benefits to employees in this department.
- 01-30-310-500155 — Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-30-310-500140 — Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-30-310-500165 — Uniforms & Employee Benefits** — Annual purchase of uniforms and boot allowance.
- 01-30-310-500170 — Education Expenses** — Education expense reimbursement.
- 01-30-310-500115 — Social Security** — This category reflects the District's portion of Social Security – (FICA).
- 01-30-310-500120 — Medicare** — This category reflects the District's portion of Medicare.
- 01-30-310-500145 — Workers' Compensation** — This category includes standard charges paid for employees in this department to the District's insurance carrier.
- 01-30-310-500150 — Unemployment Insurance** — This category reflects District paid unemployment insurance for all District employees.
- 01-30-310-500175 — Seminar & Travel Expenses** — Costs associated with attendance to District approved seminars and conferences.
- 01-30-310-550036 — Notary & Lien Fees** — Fees associated with filing and releasing liens on delinquent accounts.
- 01-30-310-500160 — Post-Employment Health Expenses** — Costs associated with retiree medical benefits.
- 01-30-310-500130 — CalPERS Health Administration Costs** — Administrative fees charged for CalPERS health insurance.
- 01-30-310-550001 — Bank Charges** — Fees associated with District bank accounts.
- 01-30-310-500190 — Temporary Labor** — Labor expenses for the use of temporary employees.
- 01-30-310-550042 — Office Supplies** — Cost of miscellaneous office supplies.
- 01-30-310-550046 — Office Equipment** — This category includes service and/or lease agreements for the phone system and postage & billing equipment.
- 01-40-470-501691 — Maintenance & Repair – Buildings (general)** — This category includes items such as the cleaning service who cleans all District offices and routine maintenance such as A/C repairs and plumbing problems.
- 01-30-310-550030 — Membership Dues** — Membership dues for associations including the Beaumont Chamber of Commerce, Cherry Valley Chamber of Commerce and the California Special District Association, ACWA, AWWA and finance related associations.
- 01-30-310-520001 — Maintenance & Repair – Office Equipment** — This category includes funds allocated to the repair and maintenance of various office equipment including the phone system, computers, mailing equipment and copier machines.
- 01-30-310-550048 — Postage** — Postage expenses include the costs of postage for regular and delinquent utility bills as well as daily correspondence.
- 01-30-310-550066 — Subscriptions** — Costs associated with subscriptions to regulatory and technical materials. Also includes cost for accessing credit verification information.
- 01-50-510-550040 — General Supplies** — Cost of general supplies used for District operations not specifically associated with anyone project.
- 01-40-510-510031 — Small Tools, Parts & Maintenance** — Cost of general tools used for District operations not specifically associated with anyone project.
- 01-30-310-550018 — Employee Medical/First Aid** — Purchases in this category include supplies for First Aid kits located in District Offices.

- 01-30-310-550024 — Employment Testing** — Cost associated with pre-employment and random drug testing.
- 01-30-310-550054 — Property, Auto & General Liability Insurance** — Annual insurance premiums covering District properties and facilities.
- 01-40-410-540084 — State Mandates & Tariffs** — Expenses in this category include NPDES permit fees and water system fees to the California Department of Public Health as well as all permits and annual reports mandated by other Regulatory Agencies.
- 01-50-510-550072 — Miscellaneous Operating Expenses** — Miscellaneous expenses include expenses which do not fall directly under another general ledger account.
- 01-50-510-550060 — Public Education** — Includes costs such as the mandated Annual Consumer Confidence Report (Water Quality Report).
- 01-50-510-540066 — Property Damage & Theft** — Expenses in this category include small claims on the District for property damage.
- 01-30-310-580021 — IT/ Software Support** — The District also pays an annual support fee for its municipal software which is allocated to this category.
- 01-30-310-550006 — Cashiering Shortages/Overages** — This account was created to account for cash shortages and overages at the three cashiering windows.
- 01-30-310-550090 — Principal Repayment** — Principal payment expense for the note payable to Bank of America.
- 01-30-310-590001 — Interest Expense** — Interest expense for the note payable to Bank of America.
- 01-30-310-590011 — Cost of Issuance Amortization** — Allocation of cost of issuance expenses for the note payable to Bank of America.

BOARD OF DIRECTORS EXPENSES

- 01-10-110-500101 — Board of Director Fees** — Each Director can be paid per diem for attendance at meetings/days of service.
- 01-10-110-500115 — Social Security** — This category reflects the District's portion of Social Security – (FICA).
- 01-10-110-500120 — Medicare** — This category reflects the District's portion of Medicare.
- 01-10-110-500145 — Workers' Compensation** — This category includes standard charges paid for employees in this department.
- 01-10-110-500175 — Seminar & Travel Expenses** — Costs associated with the Directors attending and being reimbursed for Seminars and Conferences.
- 01-10-110-550012 — Election Expenses** — Costs associated with directorial elections.

MAINTENANCE & GENERAL PLANT EXPENSES

DISTRICT OFFICE – 560 MAGNOLIA AVE

- 01-40-470-501111 — Electricity - 560 Magnolia Avenue** — Electricity for the main District Office.
- 01-40-470-501511 — Phones - 560 Magnolia Ave** — Phone and communication services for office and field operation.
- 01-40-470-501411 — Sanitation - 560 Magnolia Ave** — Sewer and Refuse for the main District Office.
- 01-40-470-501611 — Maintenance & Repair - 560 Magnolia Ave** — Maintenance and repairs performed at the District Office. Routine maintenance to A/C unit and plumbing issues which arise make up the expenses in this category.

DISTRICT PROPERTY - 12303 OAK GLEN ROAD

- 01-40-470-501121 — Electricity - 12303 Oak Glen Rd** — Electricity for District residence.
- 01-40-470-501621 — Maintenance & Repair - 12303 Oak Glen Rd** — Maintenance and repairs performed at District residence.
- 01-40-470-501321 — Propane - 12303 Oak Glen Rd** — Propane purchased for District residence.

DISTRICT PROPERTY - 13695 OAK GLEN ROAD

- 01-40-470-501131 — Electricity - 13695 Oak Glen Rd** — Electricity for District residence.
- 01-40-470-501631 — Maintenance & Repair - 13695 Oak Glen Rd** — Maintenance and repairs performed at the District residence.
- 01-40-470-501331 — Propane - 13695 Oak Glen Rd** — Propane purchased for District residence.

DISTRICT PROPERTY - 13697 OAK GLEN ROAD

01-40-470-501141 — Electricity - 13697 Oak Glen Rd — Electricity for District residence.

01-40-470-501641 — Maintenance & Repair - 13697 Oak Glen Rd — Maintenance and repairs performed at the District residence.

01-40-470-501341 — Propane - 13697 Oak Glen Rd — Propane purchased for District residence.

DISTRICT PROPERTY - 9781 AVENIDA MIRAVILLA

01-40-470-501151 — Electricity - 9781 Avenida Miravilla — Electricity for District residence.

01-40-470-501651 — Maintenance & Repair - 9781 Avenida Miravilla — Maintenance and repairs performed at the District residence.

01-40-470-501351 — Propane - 9781 Avenida Miravilla — Propane purchased for District residence.

DISTRICT FIELD OFFICE - 815 E. 12TH STREET

01-40-470-501161 — Electricity - 815 E. 12th Street — Electricity for the field office.

01-40-470-501561 — Phones - 815 E. 12th Street — There are both internet services (telemetry and District network) and fax services at the field office.

01-40-470-501461 — Sanitation - 815 E. 12th Street — Sewer/Refuse and trash bin for field office.

01-40-470-501661 — Maintenance & Repair - 815 E. 12th Street — Maintenance and Repair performed at the field office, including monthly cleaning services.

DISTRICT PROPERTY - 11083 CHERRY AVENUE

01-40-470-501471 — Sanitation - 11083 Cherry Ave — Trash bin located at Cherry Yard.

MAINTENANCE AND GENERAL PLANT EXPENSES

01-40-470-500105 — Labor — Wage expenses for this department.

01-40-470-500125 — Health Insurance — Cost of providing health benefits to employees in this department.

01-40-470-500155 — Retirement/CalPERS — Retirement contributions paid on behalf of employees in this department.

01-40-470-500140 — Life Insurance — Life insurance premiums paid on behalf of employees in this department.

01-40-470-500115 — Social Security — This category reflects the District's portion of Social Security (FICA).

01-40-470-500120 — Medicare — This category reflects the District's portion of Medicare.

01-40-470-500145 — Workers' Compensation — This category includes standard charges paid for employees in this department to the District's insurance carrier.

01-40-470-510001 — Auto/Fuel — Fuel purchased for District fleet vehicles.

01-40-470-510002 — CIP Related Fuel — Fuel purchased for Capital Improvement Projects.

01-40-470-520011 — Maintenance & Repair - Safety Equipment — This would include barricades, safety vests, etc. District keeps on-hand inventory, purchases would be only to replenish worn out items.

01-40-470-520091 — Maintenance & Repair - Communication Equipment — Cost of repair and maintenance of District radio equipment.

01-40-470-520031 — Maintenance & Repair - General Equipment — This category applies to the preventative maintenance performed on District equipment.

01-40-470-520041 — Maintenance & Repair – Fleet — This includes all oil changes, preventative maintenance, etc. for all fleet vehicles, as well as the car cleaning service which cleans all District fleet vehicles.

01-40-470-501600 — Property Maintenance & Repairs — Maintenance work performed on the various District owned buildings (wells, pressure regulation stations, booster pumps, etc.).

01-40-470-540030 — Landscape Maintenance — This is the landscape maintenance performed at the various District facilities.

01-30-310-550084 — Depreciation — Annual depreciation expenses on capital assets.

01-40-470-540072 — Recharge Facility, Canyon & Pond Maintenance — This category includes the maintenance necessary for the basins at the recharge project and basins located in Edgar Canyon.

ENGINEERING EXPENSES

The three digit departmental number 210 seen in this section of the General Ledger refers to the expenses incurred for the labor of the Engineering staff.

01-20-210-500105 — Labor — Wage expenses for this department.

- 01-20-210-500195 — CIP Related Labor**— Wage expenses for a Capital Improvement Project in this department.
- 01-20-210-500125 — Health Insurance** — Cost of providing health benefits to employees in this department.
- 01-20-210-500155 — Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-20-210-500140 — Life Insurance** — District paid life insurance through Standard Life Insurance offered to each full time employee. This category total reflects activity for this department only.
- 01-20-210-500165 — Uniforms & Employee Benefits** — Yearly each employee is given a boot allowance of \$130 as well as seven uniforms to be cleaned, mended and maintained by employees. This category total reflects activity for this department only.
- 01-20-210-500170 — Education Expenses** — Education expense reimbursement.
- 01-20-210-500115 — Social Security**— This category reflects the District's portion of Social Security – (FICA).
- 01-20-210-500120 — Medicare** — This category reflects the District's portion of Medicare.
- 01-20-210-500145 — Workers' Compensation** — This category includes standard charges paid for employees in this department to the District's insurance carrier.
- 01-20-210-500175 — Seminar & Travel Expenses** — The District compensates employees who attend field related seminar/hands on training. This category total reflects activity for this department only.
- 01-20-210-550068 — Software Maintenance** — This category total reflects software licensing activity for this department only.

PROFESSIONAL SERVICES EXPENSES

The section of the General Ledger refers to the expenses incurred for Professional Expenses.

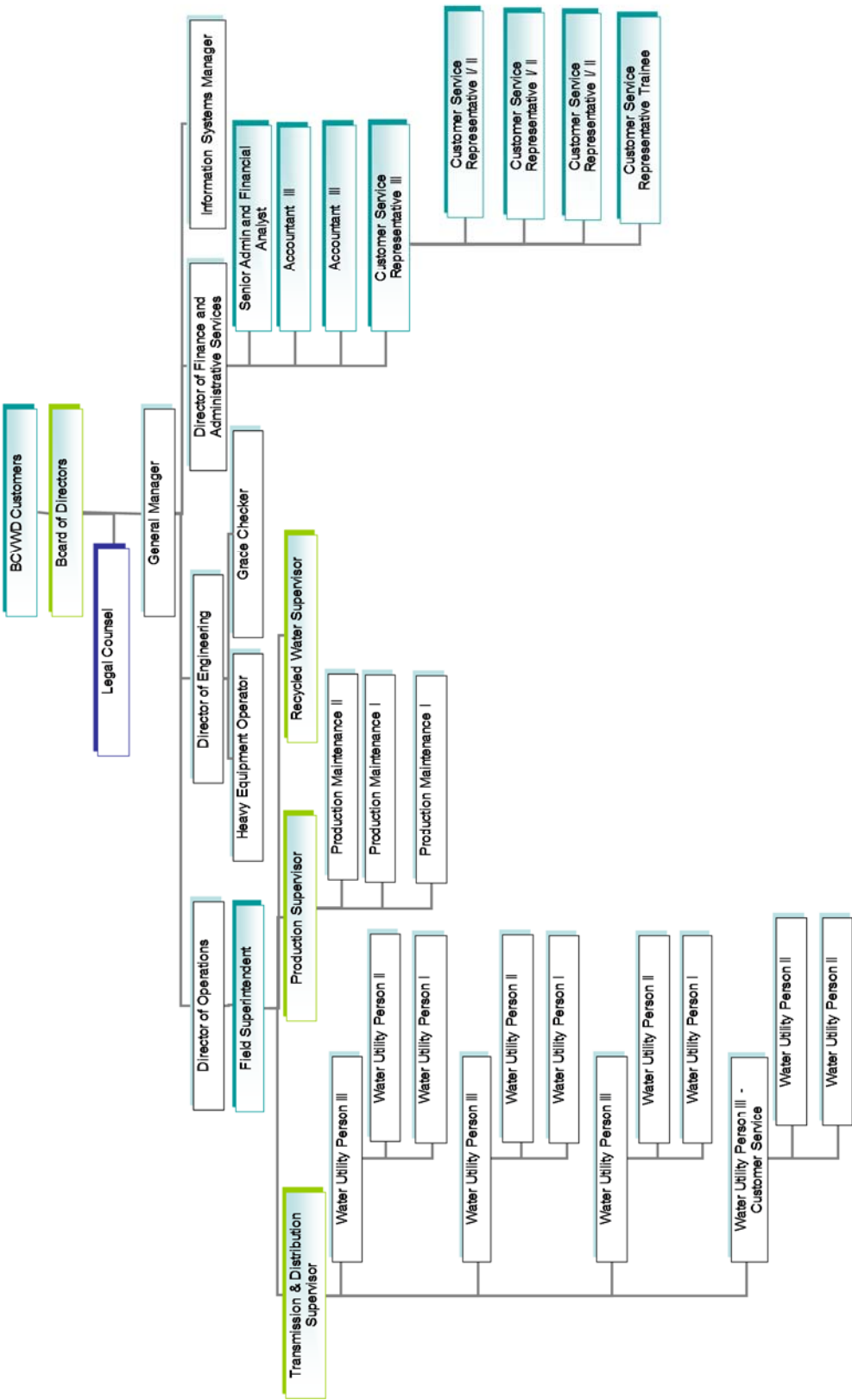
- 01-30-310-580011 — General Legal** — Costs associated with day to day operations may include litigation expenses not associated with Capital Improvements (property acquisitions etc.).
- 01-30-310-580001 — Accounting & Audit** — Includes costs associated with audits of District financials.
- 01-20-210-580031 — Outside Engineering** — This section includes any contract engineering work performed by outside vendors.
- 01-20-210-580032 — CIP Related General Engineering** — This section includes any contract engineering work performed by outside vendors on Capital Improvement Projects.
- 01-20-210-540012 — Development Reimbursable Engineering** — This section includes all engineering required to be reimbursed by development for plan checks and plan processing.
- 01-20-210-540048 — Permits, Fees & Licensing** — This includes all engineering costs associated with non-potable water.
- 01-20-210-540018 — Grant & Loan Procurement** — This section includes all procurement costs for grants and loans.
- 01-50-510-550096 — Beaumont Basin Watermaster** — This section accounts for the District's cost of participation in the Beaumont Basin Watermaster.

Appendix C

Organization Overview



2015 Organizational Chart



2015 Salary Schedule

Beaumont-Cherry Valley Water District Salary Schedule							
Effective: January 1, 2015	Hourly Rates					Annual Range	
Classification	1	2	3	4	5		
Customer Service Representative Trainee	9.49	9.99	10.34	10.89	11.46	19,748.02	23,840.11
Water Utility Person I	14.81	15.59	16.41	17.27	18.18	30,806.77	37,822.64
Customer Service Representative I	15.31	16.11	16.96	17.85	18.79	31,840.56	39,091.85
Production Maintenance I	17.85	18.79	19.78	20.82	21.92	37,130.09	45,586.01
Water Utility Person II	17.85	18.79	19.78	20.82	21.92	37,130.09	45,586.01
Customer Service Representative II	18.19	19.15	20.16	21.22	22.33	37,836.51	46,453.31
Production Maintenance II	19.89	20.94	22.04	23.20	24.42	41,368.60	50,789.79
Water Utility Person III	19.89	20.94	22.04	23.20	24.42	41,368.60	50,789.79
Customer Service Representative III	23.77	25.02	26.34	27.73	29.19	49,449.35	60,710.83
Transmission & Distribution Supervisor	26.94	28.36	29.85	31.42	33.07	56,031.11	68,791.51
Recycled Water Supervisor	26.94	28.36	29.85	31.42	33.07	56,031.11	68,791.51
Production Supervisor	26.94	28.36	29.85	31.42	33.07	56,031.11	68,791.51
Grade Checker (1000 HR)	28.51	30.01	31.59	33.25	35.00	59,296.06	72,800.00
Heavy Equipment Operator (1000 HR)	30.95	32.58	34.30	36.10	38.00	64,378.57	79,040.00
Accountant III	31.86	33.54	35.30	37.16	39.11	66,265.58	81,356.75
Information Systems Manager	41.42	43.60	45.89	48.31	50.85	86,148.70	105,768.00
Sr. Finance and Administrative Analyst	37.28	39.24	41.30	43.48	45.77	77,533.83	95,191.20
Field Superintendent	38.08	40.08	42.19	44.41	46.75	79,205.11	97,243.10
Director of Operations	53.76	56.59	59.57	62.70	66.00	111,821.01	137,286.86
Director of Engineering	53.76	56.59	59.57	62.70	66.00	111,821.01	137,286.86
Director of Finance and Administrative Services	53.76	56.59	59.57	62.70	66.00	111,821.01	137,286.86
General Manager	75.67	79.65	83.84	88.26	92.90	157,393.67	193,238.14
Board of Directors	\$200 stipend per meeting attended in accordance with District rules						