

# Beaumont-Cherry Valley Water District

## 2016 Operating Budget



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## Introduction Section



## Executive Summary

### **Honorable Board of Directors:**

Staff is pleased to present the Beaumont-Cherry Valley Water District Fiscal Year 2016 Operating Budget to the Board of Directors for consideration. Major goals for the District are to issue the District's Water Masterplan for infrastructure improvements, to comply with state mandates for water conservation, to create opportunities for the use of recycled water, and to remain fiscally responsible as a result of reduced water sales from citizen conservation efforts. 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 mandated water conservation measures and encouraging, but slow economic recovery.

### **Revenues**

The revenue numbers presented assume a conservative estimate of approximately 8,700 acre feet of both potable and non-potable water delivered to our 16,799 active accounts through 16,985 connections. This projection is based on 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 increased since the economic down-turn, development associated revenue estimates are proposed to be conservatively less from the prior years since those revenues do not impact operations. Development related revenue is used as the funding basis for capital improvement projects necessary 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 0.2% cost of living increase based on the October 2014 to October 2015 CPI in accordance with the employee association MOU. Also included are the appropriate changes in health insurance which are increasing by approximately 9% and retirement costs are increasing by approximately 1% above the 2015 rate. The maintenance & repair cost of pumping equipment in 2016 is being reduced by approximately \$300,000 due to unusually high cost incurred in 2015.

The proposed budget funds \$1,871,002 in depreciation for future capital replacement (down from \$2.468 million in 2015, \$2.1 million in 2013 and up from \$1.85 million in 2012).

## Summary

In summary, staff is proposing a balanced budget that has an estimated total revenue of \$12,306,450, which includes \$10,190,830 of operating revenue, \$91,220 of non-operating revenue, and facility fees of \$2,024,400. The operating and non-operating revenue of \$10,282,050 is equaled to the operating expenses and provides for a contribution of \$1,871,002 of capital replacement reserves. The budgeted expenses include changes in insurance, power, benefits, COLA, and postage costs, etc. The fiscal year 2016 budget utilizes the same assumptions as the 2015 budget with actuals.

The District continues to be debt free.

The District staff is currently researching, in conjunction with the District's independent auditing firm, the effects of implementing GASB Statement No. 68. GASB 68 is a new Accounting Pronouncement, which relates to amended financial statement presentation of pension related costs. The impact on the District's financial statements for 2015 and beyond is not known at this time.

### Cash Position Report As of October 31, 2015

#### Cash Balance Per Account

Account Name	Account Ending #	October 31, 2015	December 31, 2014
<b>Wells Fargo</b>			
Accounts Payable	9810	0	0
Payroll	4160	0	0
General Fund	4152	7,403,652.16	5,361,047.88
<b>Total Cash</b>		<b><u>\$ 7,403,652.16</u></b>	<b><u>\$ 5,361,047.88</u></b>

#### Investment Summary

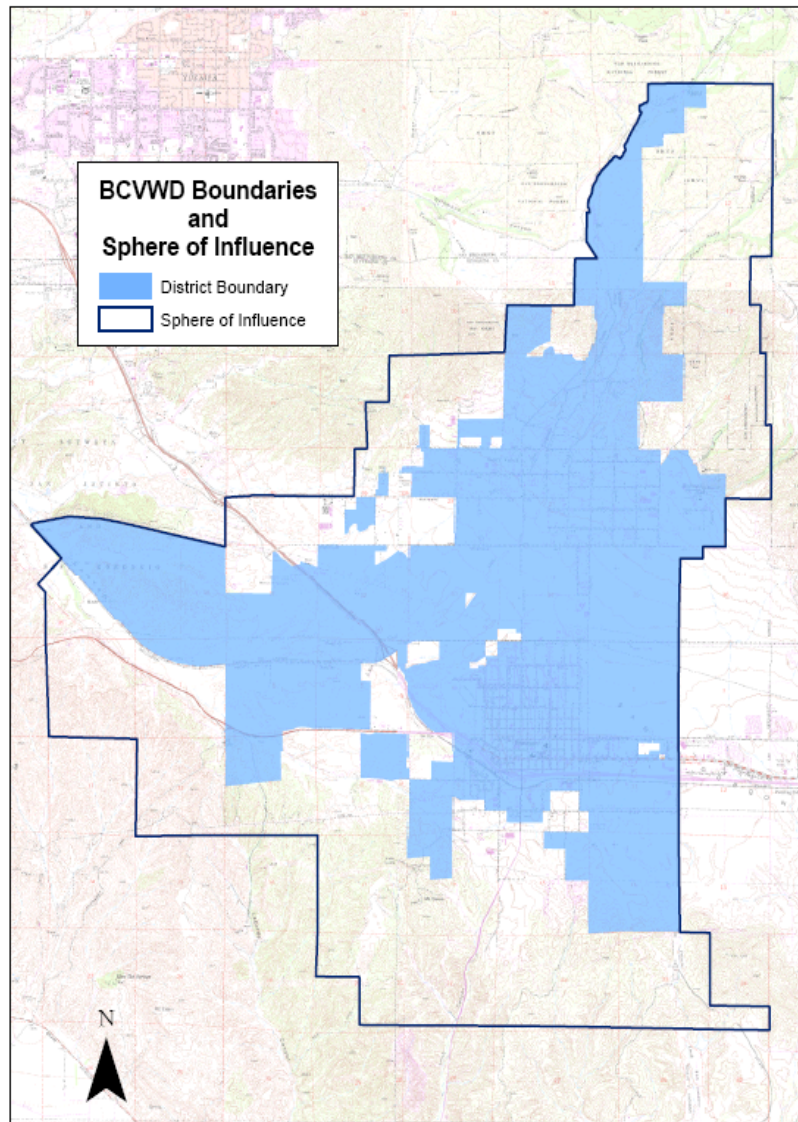
Account Name	October 31, 2015	December 31, 2014	Balance
Ca. State Treasurer's Office: Local Agency Investment Fund	16,839,845.45	10,807,672.62	
<b>Total Investments</b>	<b><u>\$ 16,839,845.45</u></b>	<b><u>\$ 10,807,672.62</u></b>	
<b>Total Cash &amp; Investments</b>	<b><u>\$ 24,243,497.61</u></b>	<b><u>\$ 16,168,720.50</u></b>	<b><u>\$ 8,074,777.11</u></b>

## Background

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

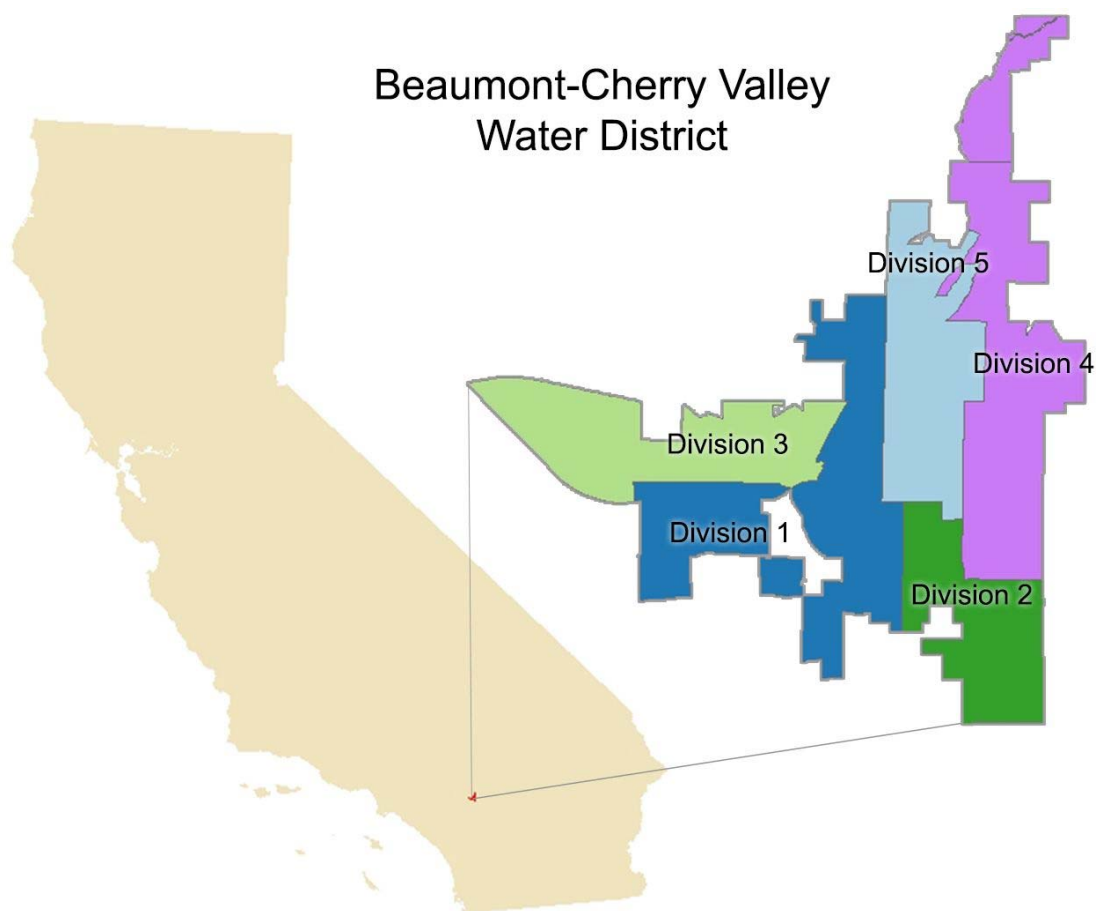
Over many decades, the water system of the Beaumont-Cherry Valley Water District has evolved from a small privately owned company to the system today that serves over 40,000 residents in both the City of Beaumont and the Community of Cherry Valley.

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.

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

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### Budget Summary and Detail by Department

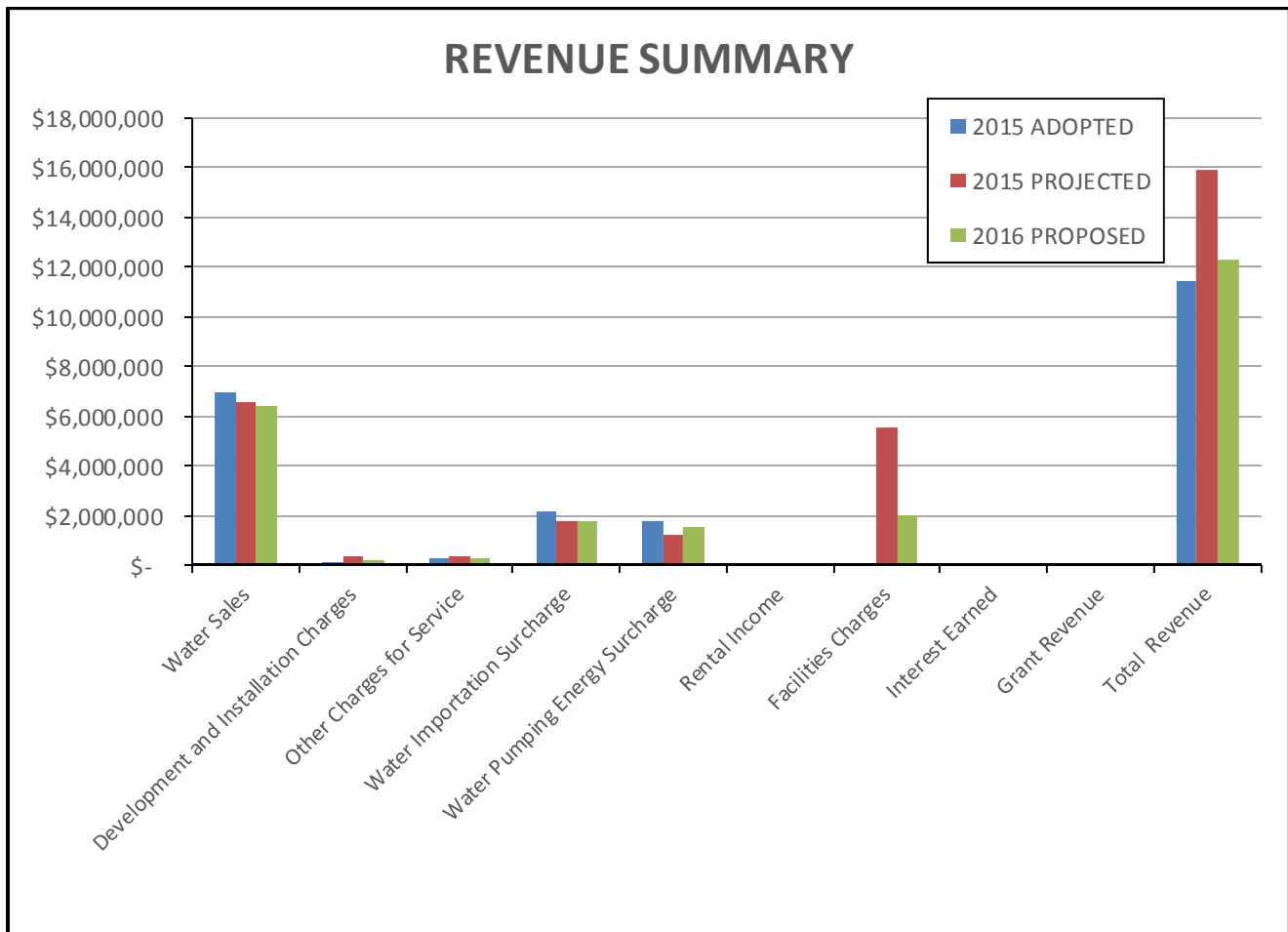


## Financial Summary

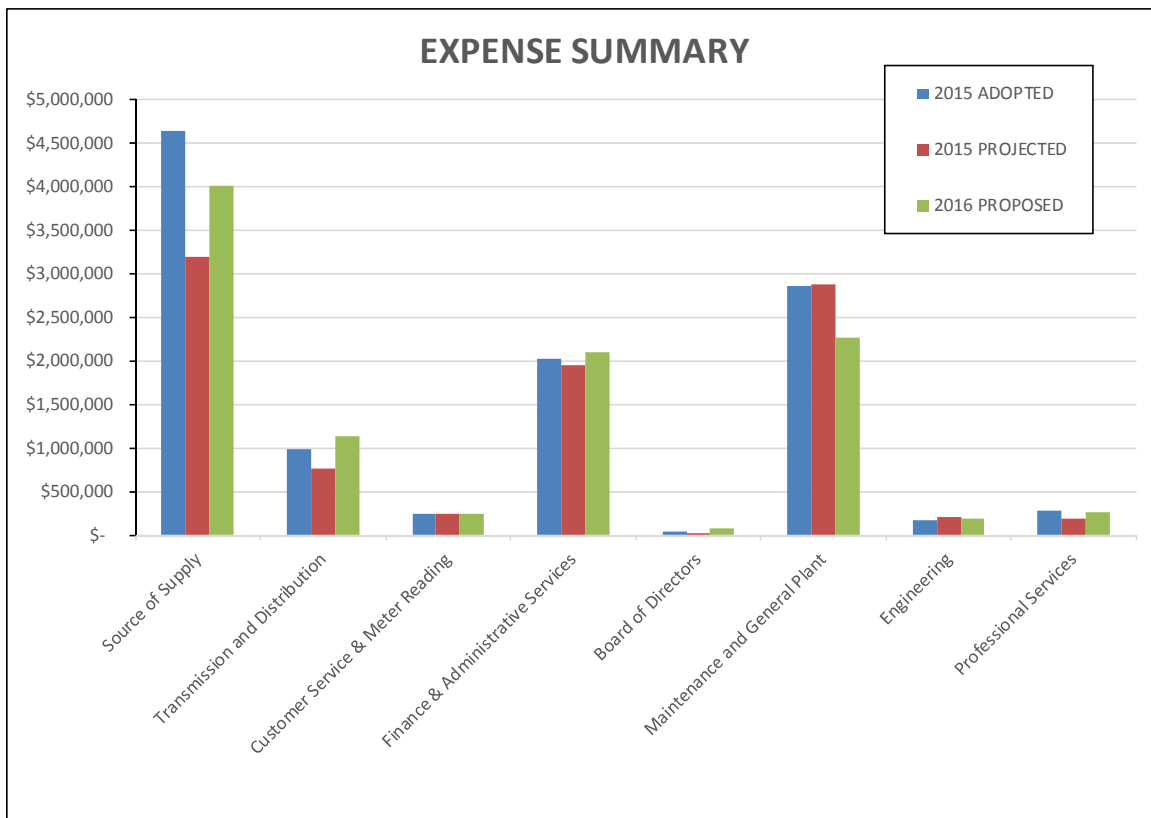
### Overview

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

	2015 ADOPTED	2015 PROJECTED	2016 PROPOSED	Increase/ (Decrease)
<b>Operating Revenue</b>				
Water Sales	\$ 6,988,238	\$ 6,546,830	\$ 6,393,500	\$ (594,738)
Development and Installation Charges	125,000	337,417	180,000	55,000
Other Charges for Service	301,330	360,561	317,330	16,000
Water Importation Surcharge	2,176,000	1,753,558	1,750,000	(426,000)
Water Pumping Energy Surcharge	1,764,000	1,257,987	1,550,000	(214,000)
<b>Total Operating Revenue</b>	<b>\$ 11,354,568</b>	<b>\$ 10,256,353</b>	<b>\$ 10,190,830</b>	<b>\$ (1,163,738)</b>
<b>Non-Operating Revenue</b>				
Rental Income	\$ 20,980	\$ 20,246	\$ 18,420	\$ (2,560)
Facilities Charges	26,700	5,584,607	2,024,400	1,997,700
Interest Earned	63,300	78,272	72,800	9,500
Grant Revenue	0	0	0	0
<b>Total Non-Operating Revenue</b>	<b>\$ 110,980</b>	<b>\$ 5,683,125</b>	<b>\$ 2,115,620</b>	<b>\$ 2,004,640</b>
<b>Total Revenue</b>	<b>\$ 11,465,548</b>	<b>\$ 15,939,477</b>	<b>\$ 12,306,450</b>	<b>\$ 840,902</b>

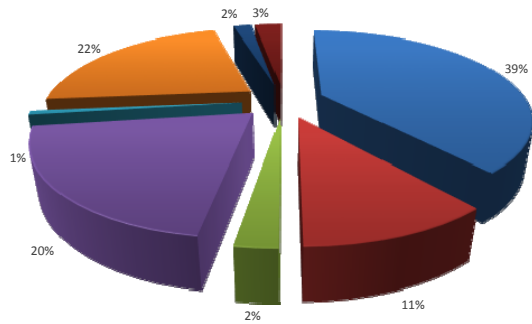


	2015 ADOPTED	2015 PROJECTED	2016 PROPOSED	Increase/ (Decrease)
<b>Operating Expenses</b>				
Source of Supply	\$ 4,633,205	\$ 3,192,942	\$ 4,006,633	\$ (626,572)
Transmission and Distribution	980,562	767,689	1,137,208	156,646
Customer Service & Meter Reading	252,597	252,041	248,227	(4,371)
Finance & Administrative Services	2,016,384	1,941,557	2,091,989	75,605
Board of Directors	45,050	22,895	75,050	30,000
Maintenance and General Plant	2,857,835	2,869,657	2,270,272	(587,563)
Engineering	177,716	198,807	183,671	5,955
Professional Services	288,364	188,204	269,000	(19,364)
<b>Total Operating Expenses</b>	<b>\$ 11,251,713</b>	<b>\$ 9,433,791</b>	<b>\$ 10,282,050</b>	<b>\$ (969,663)</b>
 Total Revenue	 \$ 11,465,548	 \$ 15,939,477	 \$ 12,306,450	 \$ 840,902
Total Expenses	\$ 11,251,713	\$ 9,433,791	\$ 10,282,050	\$ (969,663)
<b>Net Increase/(loss)</b>	<b>\$ 213,835</b>	<b>\$ 6,505,686</b>	<b>\$ 2,024,400</b>	<b>\$ 1,810,565</b>



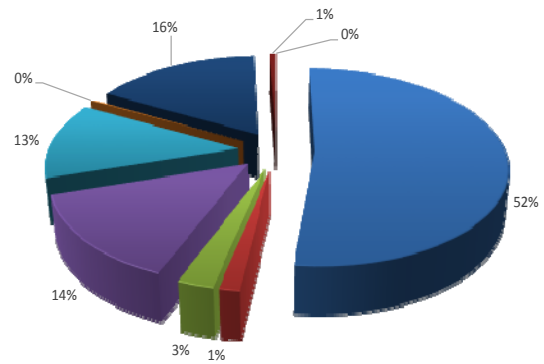
### 2016 PROPOSED EXPENSES

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



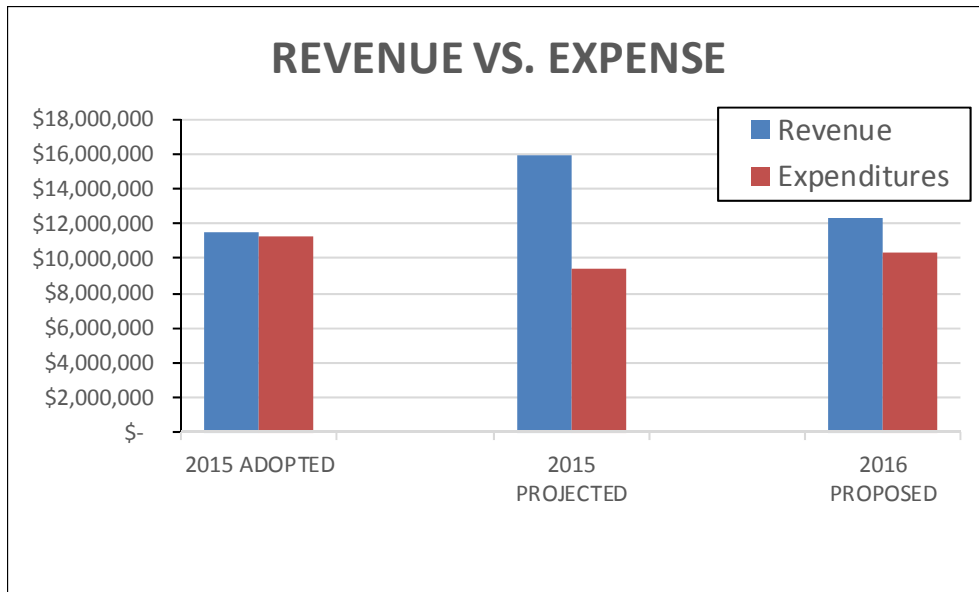
### 2016 PROPOSED REVENUE

- 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





	<b>2015 ADOPTED</b>	<b>2015 PROJECTED</b>	<b>2016 PROPOSED</b>
Revenue	\$ 11,465,548	\$ 15,939,477	\$ 12,306,450
Expenditures	\$ 11,251,713	\$ 9,433,791	\$ 10,282,050



## Operating Revenues and Expenses

### Revenue Detail

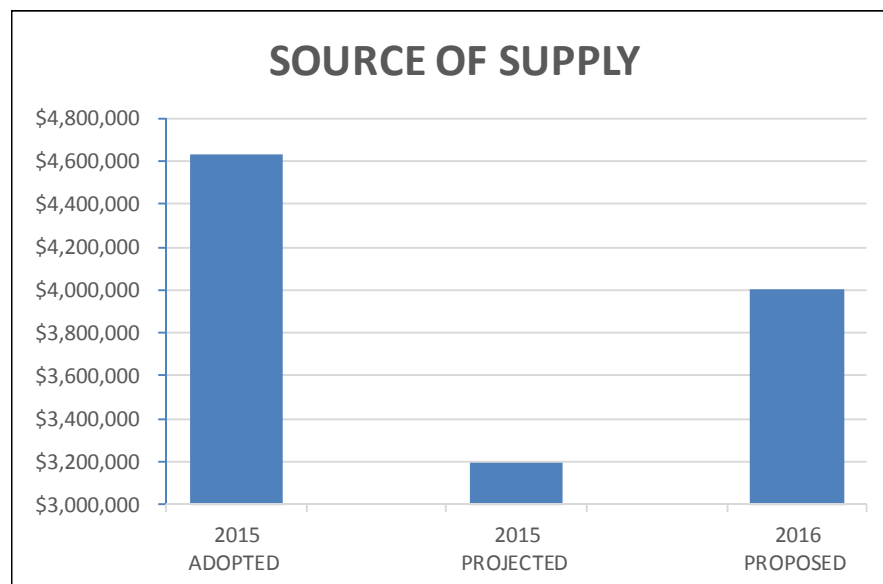
		2015	2015	2016	
		<u>ADOPTED</u>	<u>PROJECTED</u>	<u>PROPOSED</u>	<u>CHANGE</u>
<b>OPERATING REVENUE</b>					
<b>Water Sales</b>					
01-50-510-413011	Fixed Meter Charges	\$ 2,550,000	\$ 2,679,138	\$ 2,600,000	\$ 50,000
01-50-510-410100	Sales	4,364,000	3,755,923	3,700,000	(664,000)
01-50-510-410151	Agricultural Irrigation Sales	25,500	22,194	25,500	0
01-50-510-410171	Construction Sales	48,738	89,575	68,000	19,262
		<u>6,988,238</u>	<u>6,546,830</u>	<u>6,393,500</u>	<u>(594,738)</u>
<b>Development and Installation Charges</b>					
01-50-510-413021	Meter Fees	75,000	195,574	95,000	20,000
01-50-510-419011	Development Income	50,000	141,843	85,000	35,000
		<u>125,000</u>	<u>337,417</u>	<u>180,000</u>	<u>55,000</u>
<b>Other Charges for Service</b>					
01-50-510-417061	Custmr Damages/Upgrade Charges	8,000	29,399	8,000	0
01-50-510-413001	Backflow Admin Charges	24,000	34,325	30,000	6,000
01-50-510-417051	Returned Check Fees	2,000	3,105	2,000	0
01-50-510-419061	Miscellaneous Income	250	3,644	250	0
01-50-510-419021	Recharge Income	35,000	44,571	35,000	0
01-50-510-417071	After Hours Call Out Charges	600	900	600	0
01-50-510-417031	Lien Processing Fees	2,800	6,500	3,800	1,000
01-50-510-417021	Account Reinstatement Fees	75,000	75,400	75,000	0
01-50-510-417011	3rd Notice Charges	32,000	30,340	32,000	0
01-50-510-417001	2nd Notice Penalties	90,000	88,740	90,000	0
01-50-510-417041	Credit Check Processing Fees	7,500	10,410	7,500	0
01-50-510-417091	Credit Card Processing Fees	24,000	33,017	33,000	9,000
01-50-510-417081	Bench Test Fees	180	210	180	0
		<u>301,330</u>	<u>360,561</u>	<u>317,330</u>	<u>16,000</u>
<b>Water Importation Surcharge</b>					
01-50-510-415001	SGPWA Importation Charges	2,176,000	1,753,558	1,750,000	(426,000)
<b>Water Pumping Energy Surcharge</b>					
01-50-510-415011	SCE Power Charges	1,764,000	1,257,987	1,550,000	(214,000)
	<b>Total Operating Revenues</b>	<u>11,354,568</u>	<u>10,256,353</u>	<u>10,190,830</u>	<u>(1,163,738)</u>
<b>NON-OPERATING REVENUE</b>					
<b>Rental Income</b>					
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	2,400	2,400	0
01-50-510-471101	Util - 12303 Oak Glen	3,380	2,495	2,320	(1,060)
01-50-510-471111	Util - 13695 Oak Glen	2,200	2,216	1,400	(800)
01-50-510-471121	Util - 13697 Oak Glen	2,400	3,568	2,800	400
01-50-510-471131	Util - 9781 Avenida Miravilla	3,400	2,366	2,300	(1,100)
		<u>20,980</u>	<u>20,246</u>	<u>18,420</u>	<u>(2,560)</u>
<b>Facilities Charges</b>					
01-50-510-485001	Front Footage Fees	0	0	0	0
01-50-510-481001	Fac Fees-Wells	5,000	1,077,871	387,200	382,200
01-50-510-481006	Fac Fees-Water Rights (SWP)	3,300	603,638	245,000	241,700
01-50-510-481012	Fac Fees-Water Treatment Plant	2,400	512,768	184,200	181,800
01-50-510-481018	Fac Fees-Local Water Resources	1,200	238,991	97,000	95,800
01-50-510-481024	Fac Fees-Recycld Wtr Facilities	3,700	839,149	280,400	276,700
01-50-510-481030	Fac Fees-Transmission (16")	4,000	872,987	313,600	309,600
01-50-510-481036	Fac Fees-Storage	5,400	1,117,957	401,600	396,200
01-50-510-481042	Fac Fees-Booster	300	77,388	27,800	27,500
01-50-510-481048	Fac Fees-Pressure Reducng Stns	200	39,529	14,200	14,000
01-50-510-481054	Fac Fees-Misc Projects	200	34,519	12,400	12,200
01-50-510-481060	Fac Fees-Financing Costs	1,000	169,809	61,000	60,000
01-50-510-488001	Contributed Capital	0	0	0	0
		<u>26,700</u>	<u>5,584,607</u>	<u>2,024,400</u>	<u>1,997,700</u>
<b>Interest Earned</b>					
01-50-510-490021	Interest Income - General	9,500	25,550	20,000	10,500
01-50-510-490011	Interest Income-Fairway Canyon	51,000	50,082	50,000	(1,000)
01-50-510-490001	Interest Income - Bonita Vista	2,800	2,640	2,800	0
		<u>63,300</u>	<u>78,272</u>	<u>72,800</u>	<u>9,500</u>
<b>Grant Revenue</b>					
01-50-510-419051	Grant Revenue	0	0	0	0
	<b>Total Non-Operating Revenues</b>	<u>110,980</u>	<u>5,683,125</u>	<u>2,115,620</u>	<u>2,004,640</u>
	<b>Total Revenues</b>	<u>\$ 11,465,548</u>	<u>\$ 15,939,477</u>	<u>\$ 12,306,450</u>	<u>\$ 840,902</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		2015	2015	2016	CHANGE
		ADOPTED	PROJECTED	PROPOSED	
01-40-410-500105	Labor	\$ 280,784	\$ 160,522	\$ 239,658	\$ (41,126)
01-40-410-500110	Overtime	13,476	12,694	13,476	0
01-40-410-500111	Double Time	100	122	200	100
01-40-410-500125	Health Insurance	84,052	51,271	81,728	(2,324)
01-40-410-500155	Retirement/CalPERS	55,342	41,218	44,846	(10,496)
01-40-410-500140	Life Insurance	1,272	768	1,539	267
01-40-410-500165	Uniforms & Employee Benefits	1,000	130	1,000	0
01-40-410-500170	Education Expenses	1,400	791	1,400	0
01-40-410-500115	Social Security	17,843	11,670	14,859	(2,984)
01-40-410-500120	Medicare	4,173	2,886	3,475	(698)
01-40-410-500145	Workers' Compensation	20,624	13,029	19,748	(876)
01-40-410-510011	Treatment & Chemicals	80,100	36,635	75,000	(5,100)
01-40-410-510021	Lab Testing	95,000	33,580	90,000	(5,000)
01-40-410-520061	Maint & Rpr-Pumping Equipment	100,000	418,255	100,000	0
01-40-410-501201	Gas - Wells	225	119	225	0
01-40-410-501101	Electricity - Wells	1,692,915	1,448,293	1,550,000	(142,915)
01-40-410-520021	Maint & Rpr-Telemetry Equip	6,500	8,611	15,000	8,500
01-40-410-500175	Seminar & Travel Expenses	500	126	500	0
01-40-410-510031	Small Tools, Parts & Maint	1,000	630	3,280	2,280
01-40-410-520031	Maint & Rpr-General Equipment	100	0	100	0
01-40-410-550066	Subscriptions	600	249	400	(200)
01-40-410-550024	Employment Testing	200	0	200	0
01-40-410-500501	State Project Water Purchases	2,176,000	951,342	1,750,000	(426,000)
01-40-410-500511	Ground Water Purchases	0	0	0	0
		<u>\$ 4,633,205</u>	<u>\$ 3,192,942</u>	<u>\$ 4,006,633</u>	<u>\$ (626,572)</u>

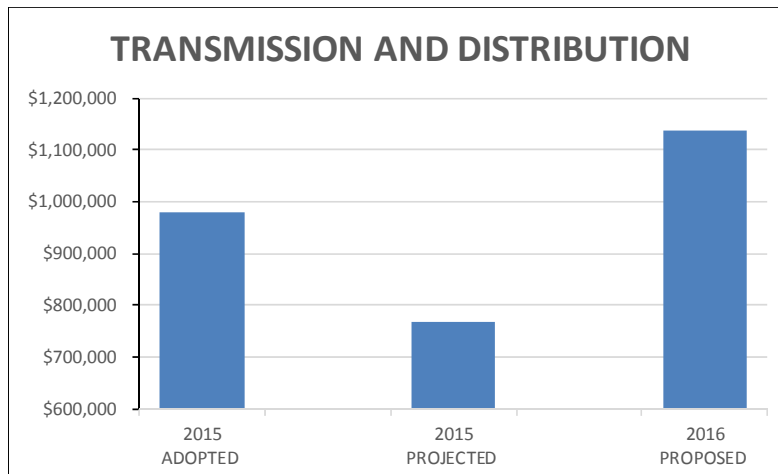


## Transmission & Distribution

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.

		2015 ADOPTED	2015 PROJECTED	2016 PROPOSED	CHANGE
<b>TRANSMISSION AND DISTRIBUTION</b>					
01-40-440-500105	Labor	\$ 477,194	\$ 307,756	\$ 514,533	\$ 37,339
01-40-440-500195	CIP Related Labor	(40,000)	(10,860)	(40,000)	0
01-40-440-500110	Overtime	10,000	22,292	20,000	10,000
01-40-440-500111	Double Time	500	1,471	1,500	1,000
01-40-440-500125	Health Insurance	180,245	143,686	214,535	34,290
01-40-440-500155	Retirement/CalPERS	73,613	70,837	87,253	13,640
01-40-440-500140	Life Insurance	1,955	1,465	3,303	1,349
01-40-440-500165	Uniforms & Employee Benefits	4,000	3,846	4,000	0
01-40-440-500170	Education Expenses	1,000	752	1,000	0
01-40-440-500115	Social Security	29,586	23,101	31,901	2,315
01-40-440-500120	Medicare	6,919	5,392	7,461	541
01-40-440-500145	Workers' Compensation	39,321	23,500	39,302	(19)
01-40-440-500175	Seminar & Travel Expenses	500	0	500	0
01-40-440-520071	Maint & Rpr-Pipelines&Hydrants	55,000	38,472	55,000	0
01-40-440-540036	Line Locates	3,500	2,144	3,500	0
01-40-440-540042	Meters Maintenance & Services	82,000	93,214	150,000	68,000
01-40-440-540001	Backflow Devices	1,800	1,973	2,500	700
01-40-440-540078	Reservoirs Maintenance	13,000	2,356	30,000	17,000
01-40-440-520081	Maint & Rpr-Pressure Regulatrs	5,000	1,710	7,500	2,500
01-40-440-540024	Inventory Adjustments	3,000	0	3,000	0
01-40-440-540026	Inventory Purchase Discounts	(5,000)	0	(5,000)	0
01-40-440-510031	Small Tools, Parts & Maint	400	0	4,920	4,520
01-40-440-550024	Employment Testing	200	155	200	0
01-40-450-500105	Labor	24,077	20,728	0	(24,077)
01-40-450-500110	Overtime	0	0	0	0
01-40-450-500125	Health Insurance	6,537	6,091	0	(6,537)
01-40-450-500155	Retirement/CalPERS	1,938	4,376	0	(1,938)
01-40-450-500140	Life Insurance	150	110	0	(150)
01-40-450-500165	Uniforms & Employee Benefits	300	130	300	0
01-40-450-500115	Social Security	1,493	1,327	0	(1,493)
01-40-450-500120	Medicare	349	314	0	(349)
01-40-450-500145	Workers' Compensation	1,984	1,349	0	(1,984)
		<b>\$ 980,562</b>	<b>\$ 767,689</b>	<b>\$ 1,137,208</b>	<b>\$ 156,646</b>

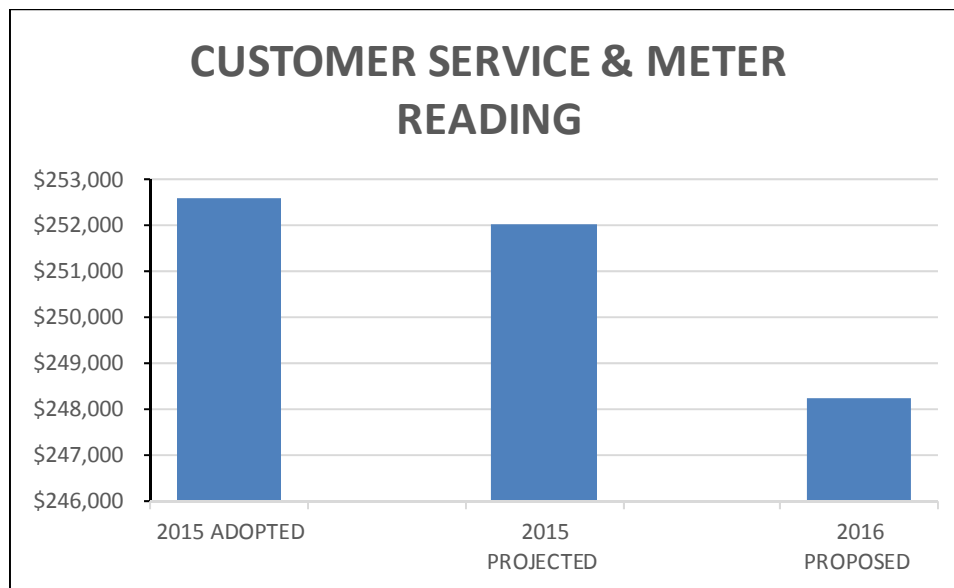




## Customer Service & Meter Reading

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

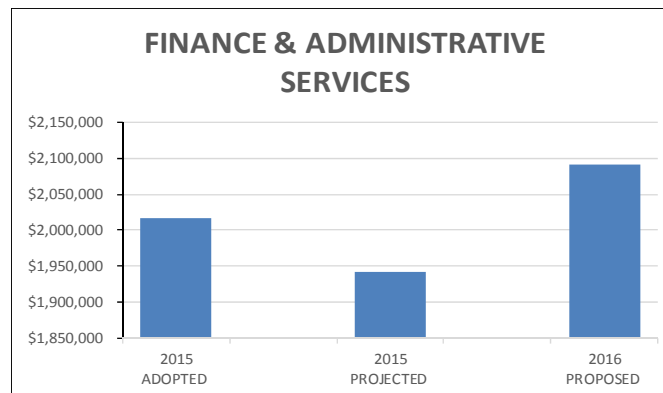
		2015	2015	2016	
<b>CUSTOMER SERVICE &amp; METER READING</b>		<b>ADOPTED</b>	<b>PROJECTED</b>	<b>PROPOSED</b>	<b>CHANGE</b>
01-40-460-500105	Labor	\$ 141,962	\$ 142,829	\$ 142,252	\$ 290
01-40-460-500110	Overtime	3,200	5,638	3,500	300
01-40-460-500111	Double Time	100	230	200	100
01-40-460-500125	Health Insurance	56,035	62,158	61,296	5,261
01-40-460-500155	Retirement/CalPERS	26,269	30,664	25,612	(657)
01-40-460-500140	Life Insurance	624	711	913	289
01-40-460-500165	Uniforms & Employee Benefits	750	0	750	0
01-40-460-500170	Education Expenses	500	953	500	0
01-40-460-500115	Social Security	8,802	9,432	8,820	18
01-40-460-500120	Medicare	2,058	2,236	2,063	4
01-40-460-500145	Workers' Compensation	11,698	10,599	11,722	24
01-40-460-500175	Seminar & Travel Expenses	300	0	300	0
01-40-460-500195	CIP Related Labor	0	(13,409)	(10,000)	(10,000)
01-40-460-550024	Employment Testing	300	0	300	0
		<b>\$ 252,597</b>	<b>\$ 252,041</b>	<b>\$ 248,227</b>	<b>\$ (4,371)</b>



## 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.

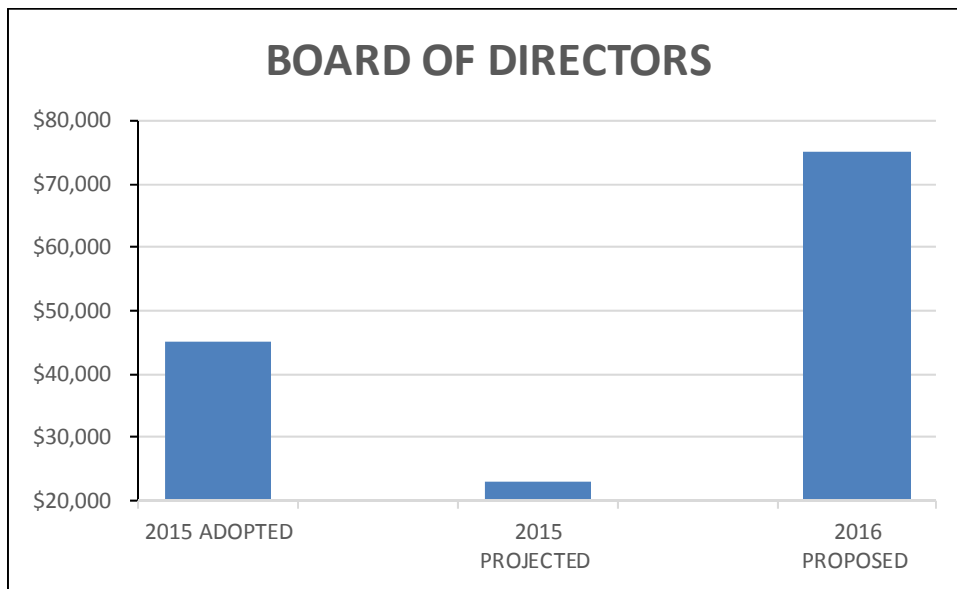
FINANCE & ADMINISTRATIVE SERVICES		2015 ADOPTED	2015 PROJECTED	2016 PROPOSED	CHANGE
01-30-310-500105	Labor	\$ 1,011,493	\$ 888,657	\$ 1,091,965	\$ 80,473
01-30-310-500195	CIP Related Labor	(25,000)	0	(25,000)	
01-30-310-500110	Overtime	1,500	8	500	(1,000)
01-30-310-500196	CIP Related Overtime	0	0	0	
01-30-310-500125	Health Insurance	177,443	155,121	234,967	57,524
01-30-310-500155	Retirement/CalPERS	156,308	137,542	154,821	(1,488)
01-30-310-500140	Life Insurance	4,608	3,911	6,806	2,198
01-30-310-500165	Uniforms & Employee Benefits	500	0	500	0
01-30-310-500170	Education Expenses	2,000	2,649	2,000	0
01-30-310-500115	Social Security	58,638	56,926	60,682	2,043
01-30-310-500120	Medicare	15,342	14,561	15,833	491
01-30-310-500145	Workers' Compensation	16,791	13,471	18,155	1,364
01-30-310-500150	Unemployment Insurance	12,760	1,087	74,709	61,949
01-30-310-500175	Seminar & Travel Expenses	8,000	8,117	16,000	8,000
01-30-310-550036	Notary & Lien Fees	1,500	828	1,000	(500)
01-30-310-500160	Post-Employment Health Expense	13,500	4,550	5,000	(8,500)
01-30-310-500130	CalPERS Health Admin Costs	2,000	1,664	2,000	0
01-30-310-550001	Bank Charges	30,000	32,265	33,000	3,000
01-30-310-500190	Temporary Labor	83,000	76,987	0	(83,000)
01-30-310-550042	Office Supplies	41,250	9,746	15,000	(26,250)
01-30-310-550046	Office Equipment	82,000	54,693	65,000	(17,000)
01-40-470-501691	Maint & Rpr- Bldgs (General)	5,000	1,852	5,000	0
01-30-310-550030	Membership Dues	30,500	35,234	35,000	4,500
01-30-310-520001	Maint & Rpr-Office Equipment	2,800	1,134	2,800	0
01-30-310-550048	Postage	58,800	48,272	58,800	0
01-30-310-550066	Subscriptions	11,000	6,570	10,000	(1,000)
01-50-510-550040	General Supplies	10,000	13,202	10,000	0
01-40-510-510031	Small Tools, Parts & Maint	7,300	10,316	500	(6,800)
01-30-310-550018	Employee Medical/First Aid	500	0	200	(300)
01-30-310-550024	Employment Testing	300	85	200	(100)
01-30-310-550054	Property, Auto& Gen Liab Insur	105,000	76,798	85,000	(20,000)
01-30-310-550072	Misc Operating Expenses	0	34,699	5,000	5,000
01-30-310-550078	Bad Debt Expense	0	0	5,000	5,000
01-40-410-540084	State Mandates & Tariffs	50,000	32,936	50,000	0
01-50-510-550072	Misc Operating Expenses	4,500	145,940	4,500	0
01-50-510-550060	Public Education	5,000	1,343	15,000	10,000
01-50-510-540066	Property Damages & Theft	2,000	13,734	2,000	0
01-30-310-580021	IT/Software Support	30,000	56,735	30,000	0
01-30-310-550006	Cashiering Shortages/Overages	50	(75)	50	0
01-30-310-550090	Principal Repayment	0	0	0	0
01-30-310-590001	Interest Expense	0	0	0	0
01-30-310-590011	Cost of Issuance Amortization	0	0	0	0
		\$ 2,016,384	\$ 1,941,557	\$ 2,091,989	\$ 75,605



## 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.

		2015	2015	2016	
<b>BOARD OF DIRECTORS</b>		<b>ADOPTED</b>	<b>PROJECTED</b>	<b>PROPOSED</b>	<b>CHANGE</b>
01-10-110-500101	Board of Directors Fees	\$ 30,800	\$ 20,664	\$ 30,800	\$ -
01-10-110-500115	Social Security	3,100	1,281	3,100	0
01-10-110-500120	Medicare	700	300	700	0
01-10-110-500145	Workers' Compensation	450	336	450	0
01-10-110-500175	Seminar & Travel Expenses	10,000	314	10,000	0
01-10-110-550012	Election Expenses	0	0	30,000	30,000
		<u>\$ 45,050</u>	<u>\$ 22,895</u>	<u>\$ 75,050</u>	<u>\$ 30,000</u>



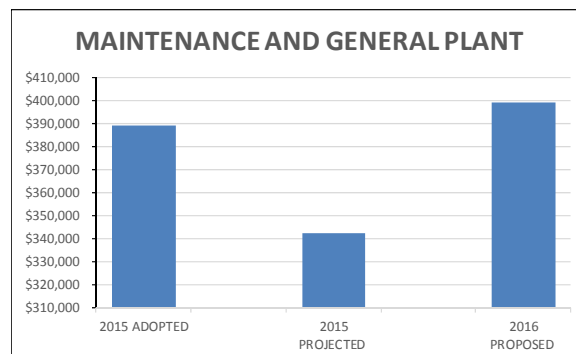
## Maintenance & General Plant

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.

		2015	2015	2016	
MAINTENANCE AND GENERAL PLANT		ADOPTED	PROJECTED	PROPOSED	CHANGE
01-40-470-501111	Electricity - 560 Magnolia	\$ 23,600	\$ 22,158	\$ 23,600	\$ -
01-40-470-501511	Phones - 560 Magnolia	25,000	19,595	20,000	(5,000)
01-40-470-501411	Sanitation - 560 Magnolia	1,800	1,489	1,800	0
01-40-470-501611	Maint & Repair- 560 Magnolia	16,000	21,863	16,000	0
01-40-470-501121	Electricity - 12303 Oak Glen	2,800	2,131	2,200	(600)
01-40-470-501621	Maint & Repair- 12303 Oak Glen	1,200	0	1,200	0
01-40-470-501321	Propane - 12303 Oak Glen	120	0	120	0
01-40-470-501131	Electricity - 13695 Oak Glen	1,500	610	800	(700)
01-40-470-501631	Maint & Repair- 13695 Oak Glen	1,000	0	1,000	0
01-40-470-501331	Propane - 13695 Oak Glen	1,100	514	600	(500)
01-40-470-501141	Electricity - 13697 Oak Glen	2,725	2,177	2,200	(525)
01-40-470-501641	Maint & Repair- 13697 Oak Glen	500	221	500	0
01-40-470-501341	Propane - 13697 Oak Glen	1,200	432	600	(600)
01-40-470-501151	Elec - 9781 Avenida Miravilla	2,200	1,707	1,800	(400)
01-40-470-501651	Maint & Rpr-9781 Ave Miravilla	1,500	0	1,500	0
01-40-470-501351	Propane-9781 Avenida Miravilla	1,200	361	500	(700)
01-40-470-501161	Electricity - 815 E. 12th	6,000	5,146	6,000	0
01-40-470-501561	Phones - 815 E. 12th	3,200	1,649	1,800	(1,400)
01-40-470-501461	Sanitation - 815 E. 12th	3,600	3,086	3,600	0
01-40-470-501661	Maint & Repair- 815 E. 12th	5,000	4,150	5,000	0
01-40-470-501471	Sanitation - 11083 Cherry Ave	3,200	2,924	3,200	0
01-40-470-500105	Labor	32,000	27,715	32,000	0
01-40-470-500125	Health Insurance	11,000	12,840	11,000	0
01-40-470-500155	Retirement/CalPERS	9,950	6,392	9,950	0
01-40-470-500140	Life Insurance	200	128	200	0
01-40-470-500115	Social Security	1,700	1,774	1,700	0
01-40-470-500120	Medicare	400	416	400	0
01-40-470-500145	Workers' Compensation	2,500	2,227	2,500	0
01-40-470-510001	Auto/Fuel	85,000	63,333	75,000	(10,000)
01-40-470-510002	CIP Related Fuel	(15,000)	0	(15,000)	0
01-40-470-520011	Maint & Rpr-Safety Equipment	5,500	1,325	15,000	9,500
01-40-470-520091	Maint & Rpr-Communicatn Equip	2,500	0	2,500	0
01-40-470-520031	Maint & Rpr-General Equipment	45,000	35,538	45,000	0
01-40-470-520041	Maint & Rpr-Fleet	64,200	77,827	85,000	20,800
01-40-470-501600	Property Maintenance & Repairs	5,000	0	5,000	0
01-40-470-540030	Landscape Maintenance	15,000	660	15,000	0
01-40-470-540072	Rechrg Facs, Cnyns&Ponds Maint	20,000	22,061	20,000	0
		\$ 389,395	\$ 342,451	\$ 399,270	\$ 9,875

NOTE: System Depreciation is omitted from the chart for clarity

01-30-310-550084	Depreciation	\$ 2,468,440	\$ 2,527,206	\$ 1,871,002	\$ (597,438)
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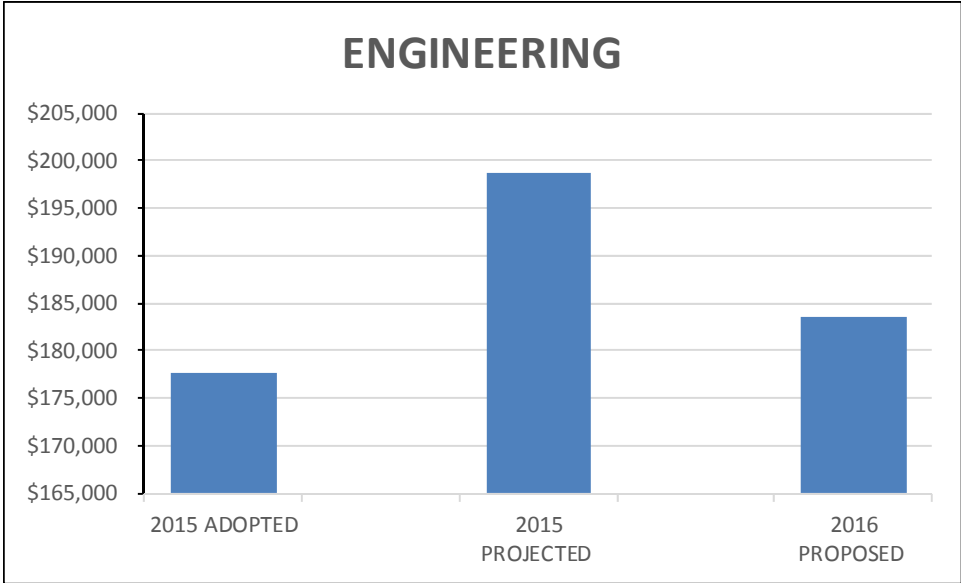




# Engineering

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

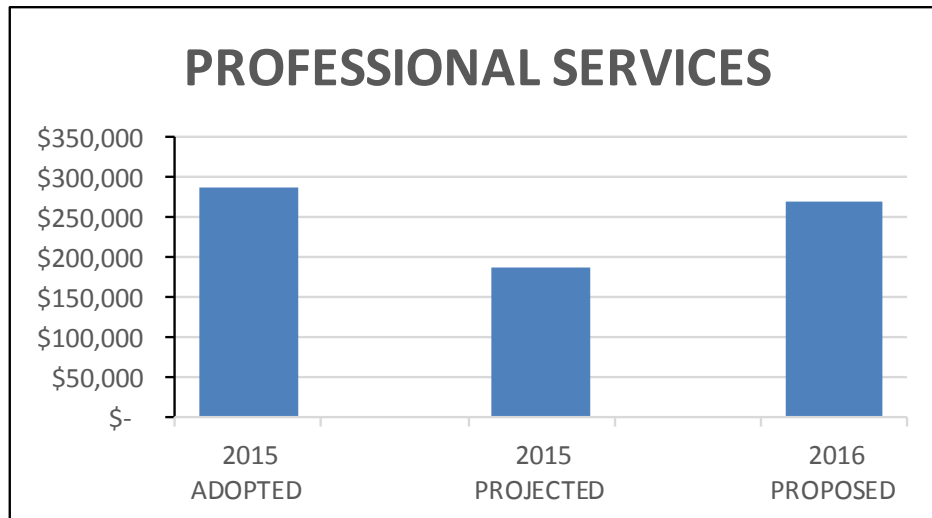
		2015	2015	2016	
ENGINEERING		ADOPTED	PROJECTED	PROPOSED	CHANGE
01-20-210-500105	Labor	\$ 212,221	\$ 207,897	\$ 208,929	\$ (3,292)
01-20-210-500195	CIP Related Labor	(121,158)	(82,032)	(121,158)	(0)
01-20-210-500125	Health Insurance	18,678	18,581	20,432	1,754
01-20-210-500155	Retirement/CalPERS	24,190	34,906	30,295	6,105
01-20-210-500140	Life Insurance	576	616	883	307
01-20-210-500165	Uniforms & Employee Benefits	50	0	50	0
01-20-210-500170	Education Expenses	2,500	0	2,500	0
01-20-210-500115	Social Security	11,993	12,563	11,772	(220)
01-20-210-500120	Medicare	3,077	2,962	3,029	(48)
01-20-210-500145	Workers' Compensation	2,588	3,252	3,938	1,350
01-20-210-500175	Seminar & Travel Expenses	500	63	500	0
01-20-210-550068	Software Maintenance	22,500	0	22,500	0
		\$ 177,716	\$ 198,807	\$ 183,671	\$ 5,955



## Professional Services

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

		2015	2015	2016	
PROFESSIONAL SERVICES		ADOPTED	PROJECTED	PROPOSED	CHANGE
01-30-310-580011	General Legal	\$ 150,000	\$ 93,698	\$ 150,000	\$ -
01-30-310-580001	Accounting & Audit	31,000	31,000	35,000	4,000
01-20-210-580031	Outside Engineering	50,000	0	60,000	10,000
01-20-210-580032	CIP Related Outside Engineering	(25,000)	0	(30,000)	(5,000)
01-20-210-540012	Dev Reimbursable Engineering	43,364	900	15,000	(28,364)
01-20-210-540048	Permits, Fees & Licensing	4,000	1,513	4,000	0
01-20-210-540018	Grant & Loan Procurement	0	10,000	0	0
01-50-510-550096	Beaumont Basin Watermaster	35,000	51,094	35,000	0
		\$ 288,364	\$ 188,204	\$ 269,000	\$ (19,364)



## Appendix A

### Budget Detail



**Revenues: 2015 Adopted Budget versus 2015 Projected Actuals versus 2016 Proposed Budget**

		<b>2015 ADOPTED</b>	<b>2015 PROJECTED</b>	<b>2016 PROPOSED</b>	<b>CHANGE</b>
<b>OPERATING REVENUE</b>					
<b>Water Sales</b>					
01-50-510-413011	Fixed Meter Charges	\$ 2,550,000	\$ 2,679,138	\$ 2,600,000	\$ 50,000
01-50-510-410100	Sales	4,364,000	3,755,923	3,700,000	(664,000)
01-50-510-410151	Agricultural Irrigation Sales	25,500	22,194	25,500	0
01-50-510-410171	Construction Sales	48,738	89,575	68,000	19,262
		<u>6,988,238</u>	<u>6,546,830</u>	<u>6,393,500</u>	<u>(594,738)</u>
<b>Development and Installation Charges</b>					
01-50-510-413021	Meter Fees	75,000	195,574	95,000	20,000
01-50-510-419011	Development Income	50,000	141,843	85,000	35,000
		<u>125,000</u>	<u>337,417</u>	<u>180,000</u>	<u>55,000</u>
<b>Other Charges for Service</b>					
01-50-510-417061	Custmr Damages/Upgrade Charges	8,000	29,399	8,000	0
01-50-510-413001	Backflow Admin Charges	24,000	34,325	30,000	6,000
01-50-510-417051	Returned Check Fees	2,000	3,105	2,000	0
01-50-510-419061	Miscellaneous Income	250	3,644	250	0
01-50-510-419021	Recharge Income	35,000	44,571	35,000	0
01-50-510-417071	After Hours Call Out Charges	600	900	600	0
01-50-510-417031	Lien Processing Fees	2,800	6,500	3,800	1,000
01-50-510-417021	Account Reinstatement Fees	75,000	75,400	75,000	0
01-50-510-417011	3rd Notice Charges	32,000	30,340	32,000	0
01-50-510-417001	2nd Notice Penalties	90,000	88,740	90,000	0
01-50-510-417041	Credit Check Processing Fees	7,500	10,410	7,500	0
01-50-510-417091	Credit Card Processing Fees	24,000	33,017	33,000	9,000
01-50-510-417081	Bench Test Fees	180	210	180	0
		<u>301,330</u>	<u>360,561</u>	<u>317,330</u>	<u>16,000</u>
<b>Water Importation Surcharge</b>					
01-50-510-415001	SGPWA Importation Charges	2,176,000	1,753,558	1,750,000	(426,000)
<b>Water Pumping Energy Surcharge</b>					
01-50-510-415011	SCE Power Charges	1,764,000	1,257,987	1,550,000	(214,000)
	<b>Total Operating Revenues</b>	<u>11,354,568</u>	<u>10,256,353</u>	<u>10,190,830</u>	<u>(1,163,738)</u>
<b>NON-OPERATING REVENUE</b>					
<b>Rental Income</b>					
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	2,400	2,400	0
01-50-510-471101	Util - 12303 Oak Glen	3,380	2,495	2,320	(1,060)
01-50-510-471111	Util - 13695 Oak Glen	2,200	2,216	1,400	(800)
01-50-510-471121	Util - 13697 Oak Glen	2,400	3,568	2,800	400
01-50-510-471131	Util - 9781 Avenida Miravilla	3,400	2,366	2,300	(1,100)
		<u>20,980</u>	<u>20,246</u>	<u>18,420</u>	<u>(2,560)</u>
<b>Facilities Charges</b>					
01-50-510-485001	Front Footage Fees	0	0	0	0
01-50-510-481001	Fac Fees-Wells	5,000	1,077,871	387,200	382,200
01-50-510-481006	Fac Fees-Water Rights (SWP)	3,300	603,638	245,000	241,700
01-50-510-481012	Fac Fees-Water Treatment Plant	2,400	512,768	184,200	181,800
01-50-510-481018	Fac Fees-Local Water Resources	1,200	238,991	97,000	95,800
01-50-510-481024	Fac Fees-Recycld Wtr Facilities	3,700	839,149	280,400	276,700
01-50-510-481030	Fac Fees-Transmission (16")	4,000	872,987	313,600	309,600
01-50-510-481036	Fac Fees-Storage	5,400	1,117,957	401,600	396,200
01-50-510-481042	Fac Fees-Booster	300	77,388	27,800	27,500
01-50-510-481048	Fac Fees-Pressure Reducng Stns	200	39,529	14,200	14,000
01-50-510-481054	Fac Fees-Misc Projects	200	34,519	12,400	12,200
01-50-510-481060	Fac Fees-Financing Costs	1,000	169,809	61,000	60,000
01-50-510-488001	Contributed Capital	0	0	0	0
		<u>26,700</u>	<u>5,584,607</u>	<u>2,024,400</u>	<u>1,997,700</u>
<b>Interest Earned</b>					
01-50-510-490021	Interest Income - General	9,500	25,550	20,000	10,500
01-50-510-490011	Interest Income-Fairway Canyon	51,000	50,082	50,000	(1,000)
01-50-510-490001	Interest Income - Bonita Vista	2,800	2,640	2,800	0
		<u>63,300</u>	<u>78,272</u>	<u>72,800</u>	<u>9,500</u>
<b>Grant Revenue</b>					
01-50-510-419051	Grant Revenue	0	0	0	0
	<b>Total Non-Operating Revenues</b>	<u>110,980</u>	<u>5,683,125</u>	<u>2,115,620</u>	<u>2,004,640</u>
	<b>Total Revenues</b>	<u>\$ 11,465,548</u>	<u>\$ 15,939,477</u>	<u>\$ 12,306,450</u>	<u>\$ 840,902</u>



**Expenses: 2015 Adopted Budget versus 2015 Projected Actuals versus 2016 Proposed Budget**

EXPENSES		2015	2015	2016	
		ADOPTED	PROJECTED	PROPOSED	CHANGE
<b>SOURCE OF SUPPLY</b>					
01-40-410-500105	Labor	\$ 280,784	\$ 160,522	\$ 239,658	\$ (41,126)
01-40-410-500110	Overtime	13,476	12,694	13,476	0
01-40-410-500111	Double Time	100	122	200	0
01-40-410-500125	Health Insurance	84,052	51,271	81,728	(2,324)
01-40-410-500155	Retirement/CalPERS	55,342	41,218	44,846	(10,496)
01-40-410-500140	Life Insurance	1,272	768	1,539	267
01-40-410-500165	Uniforms & Employee Benefits	1,000	130	1,000	0
01-40-410-500170	Education Expenses	1,400	791	1,400	0
01-40-410-500115	Social Security	17,843	11,670	14,859	(2,984)
01-40-410-500120	Medicare	4,173	2,886	3,475	(698)
01-40-410-500145	Workers' Compensation	20,624	13,029	19,748	(876)
01-40-410-510011	Treatment & Chemicals	80,100	36,635	75,000	(5,100)
01-40-410-510021	Lab Testing	95,000	33,580	90,000	(5,000)
01-40-410-520061	Maint & Rpr-Pumping Equipment	100,000	418,255	100,000	0
01-40-410-501201	Gas - Wells	225	119	225	0
01-40-410-501101	Electricity - Wells	1,692,915	1,448,293	1,550,000	(142,915)
01-40-410-520021	Maint & Rpr-Telemetry Equip	6,500	8,611	15,000	8,500
01-40-410-500175	Seminar & Travel Expenses	500	126	500	0
01-40-410-510031	Small Tools, Parts & Maint	1,000	630	3,280	2,280
01-40-410-520031	Maint & Rpr-General Equipment	100	0	100	0
01-40-410-550066	Subscriptions	600	249	400	(200)
01-40-410-550024	Employment Testing	200	0	200	0
01-40-410-500501	State Project Water Purchases	2,176,000	951,342	1,750,000	(426,000)
01-40-410-500511	Ground Water Purchases	0	0	0	0
		<u>4,633,205</u>	<u>3,192,942</u>	<u>4,006,633</u>	<u>(626,572)</u>
<b>TRANSMISSION AND DISTRIBUTION</b>					
01-40-440-500105	Labor	477,194	307,756	514,533	37,339
01-40-440-500195	CIP Related Labor	(40,000)	(10,860)	(40,000)	0
01-40-440-500110	Overtime	10,000	22,292	20,000	10,000
01-40-440-500111	Double Time	500	1,471	1,500	0
01-40-440-500125	Health Insurance	180,245	143,686	214,535	34,290
01-40-440-500155	Retirement/CalPERS	73,613	70,837	87,253	13,640
01-40-440-500140	Life Insurance	1,955	1,465	3,303	1,349
01-40-440-500165	Uniforms & Employee Benefits	4,000	3,846	4,000	0
01-40-440-500170	Education Expenses	1,000	752	1,000	0
01-40-440-500115	Social Security	29,586	23,101	31,901	2,315
01-40-440-500120	Medicare	6,919	5,392	7,461	541
01-40-440-500145	Workers' Compensation	39,321	23,500	39,302	(19)
01-40-440-500175	Seminar & Travel Expenses	500	0	500	0
01-40-440-520071	Maint & Rpr-Pipelines&Hydrants	55,000	38,472	55,000	0
01-40-440-540036	Line Locates	3,500	2,144	3,500	0
01-40-440-540042	Meters Maintenance & Services	82,000	93,214	150,000	68,000
01-40-440-540001	Backflow Devices	1,800	1,973	2,500	700
01-40-440-540078	Reservoirs Maintenance	13,000	2,356	30,000	17,000
01-40-440-520081	Maint & Rpr-Pressure Regulatrs	5,000	1,710	7,500	2,500
01-40-440-540024	Inventory Adjustments	3,000	0	3,000	0
01-40-440-540026	Inventory Purchase Discounts	(5,000)	0	(5,000)	0
01-40-440-510031	Small Tools, Parts & Maint	400	0	4,920	4,520
01-40-440-550024	Employment Testing	200	155	200	0
01-40-450-500105	Labor	24,077	20,728	0	(24,077)
01-40-450-500110	Overtime	0	0	0	0
01-40-450-500125	Health Insurance	6,537	6,091	0	(6,537)
01-40-450-500155	Retirement/CalPERS	1,938	4,376	0	(1,938)
01-40-450-500140	Life Insurance	150	110	0	(150)
01-40-450-500165	Uniforms & Employee Benefits	300	130	300	0
01-40-450-500115	Social Security	1,493	1,327	0	(1,493)
01-40-450-500120	Medicare	349	314	0	(349)
01-40-450-500145	Workers' Compensation	1,984	1,349	0	(1,984)
		<u>980,562</u>	<u>767,689</u>	<u>1,137,208</u>	<u>156,646</u>
<b>CUSTOMER SERVICE &amp; METER READING</b>					
01-40-460-500105	Labor	141,962	142,829	142,252	290
01-40-460-500110	Overtime	3,200	5,638	3,500	300
01-40-460-500111	Double Time	100	230	200	0
01-40-460-500125	Health Insurance	56,035	62,158	61,296	5,261
01-40-460-500155	Retirement/CalPERS	26,269	30,664	25,612	(657)
01-40-460-500140	Life Insurance	624	711	913	289
01-40-460-500165	Uniforms & Employee Benefits	750	0	750	0
01-40-460-500170	Education Expenses	500	953	500	0
01-40-460-500115	Social Security	8,802	9,432	8,820	18
01-40-460-500120	Medicare	2,058	2,236	2,063	4
01-40-460-500145	Workers' Compensation	11,698	10,599	11,722	24
01-40-460-500175	Seminar & Travel Expenses	300	0	300	0
01-40-460-500195	CIP Related Labor	0	(13,409)	(10,000)	
01-40-460-550024	Employment Testing	300	0	300	0
		<u>252,597</u>	<u>252,041</u>	<u>248,227</u>	<u>(4,371)</u>

**Expenses: 2015 Adopted Budget versus 2015 Projected Actuals versus 2016 Proposed Budget**

<b>EXPENSES</b>		<b>2015 ADOPTED</b>	<b>2015 PROJECTED</b>	<b>2016 PROPOSED</b>	<b>CHANGE</b>
<b>FINANCE &amp; ADMINISTRATIVE SERVICES</b>					
01-30-310-500105	Labor	1,011,493	888,657	1,091,965	\$ 80,473
01-30-310-500195	CIP Related Labor	(25,000)	0	(25,000)	0
01-30-310-500110	Overtime	1,500	8	500	(1,000)
01-30-310-500196	CIP Related Overtime	0	0	0	0
01-30-310-500125	Health Insurance	177,443	155,121	234,967	57,524
01-30-310-500155	Retirement/CalPERS	156,308	137,542	154,821	(1,488)
01-30-310-500140	Life Insurance	4,608	3,911	6,806	2,198
01-30-310-500165	Uniforms & Employee Benefits	500	0	500	0
01-30-310-500170	Education Expenses	2,000	2,649	2,000	0
01-30-310-500115	Social Security	58,638	56,926	60,682	2,043
01-30-310-500120	Medicare	15,342	14,561	15,833	491
01-30-310-500145	Workers' Compensation	16,791	13,471	18,155	1,364
01-30-310-500150	Unemployment Insurance	12,760	1,087	74,709	61,949
01-30-310-500175	Seminar & Travel Expenses	8,000	8,117	16,000	8,000
01-30-310-550036	Notary & Lien Fees	1,500	828	1,000	(500)
01-30-310-500160	Post-Employment Health Expense	13,500	4,550	5,000	(8,500)
01-30-310-500130	CalPERS Health Admin Costs	2,000	1,664	2,000	0
01-30-310-550001	Bank Charges	30,000	32,265	33,000	3,000
01-30-310-500190	Temporary Labor	83,000	76,987	0	(83,000)
01-30-310-550042	Office Supplies	41,250	9,746	15,000	(26,250)
01-30-310-550046	Office Equipment	82,000	54,693	65,000	(17,000)
01-40-470-501691	Maint & Rpr- Bldgs (General)	5,000	1,852	5,000	0
01-30-310-550030	Membership Dues	30,500	35,234	35,000	4,500
01-30-310-520001	Maint & Rpr-Office Equipment	2,800	1,134	2,800	0
01-30-310-550048	Postage	58,800	48,272	58,800	0
01-30-310-550066	Subscriptions	11,000	6,570	10,000	(1,000)
01-50-510-550040	General Supplies	10,000	13,202	10,000	0
01-40-510-510031	Small Tools, Parts & Maint	7,300	10,316	500	(6,800)
01-30-310-550018	Employee Medical/First Aid	500	0	200	(300)
01-30-310-550024	Employment Testing	300	85	200	(100)
01-30-310-550054	Property, Auto& Gen Liab Insur	105,000	76,798	85,000	(20,000)
01-30-310-550072	Misc Operating Expenses	0	34,699	5,000	5,000
01-30-310-550078	Bad Debt Expense	0	0	5,000	5,000
01-40-410-540084	State Mandates & Tariffs	50,000	32,936	50,000	0
01-50-510-550072	Misc Operating Expenses	4,500	145,940	4,500	0
01-50-510-550060	Public Education	5,000	1,343	15,000	10,000
01-50-510-540066	Property Damages & Theft	2,000	13,734	2,000	0
01-30-310-580021	IT/Software Support	30,000	56,735	30,000	0
01-30-310-550006	Cashiering Shortages/Overages	50	(75)	50	0
01-30-310-550090	Principal Repayment	0	0	0	0
01-30-310-590001	Interest Expense	0	0	0	0
01-30-310-590011	Cost of Issuance Amortization	0	0	0	0
		<u>2,016,384</u>	<u>1,941,557</u>	<u>2,091,989</u>	<u>75,605</u>
<b>BOARD OF DIRECTORS</b>					
01-10-110-500101	Board of Directors Fees	30,800	20,664	30,800	0
01-10-110-500115	Social Security	3,100	1,281	3,100	0
01-10-110-500120	Medicare	700	300	700	0
01-10-110-500145	Workers' Compensation	450	336	450	0
01-10-110-500175	Seminar & Travel Expenses	10,000	314	10,000	0
01-10-110-550012	Election Expenses	0	0	30,000	30,000
		<u>45,050</u>	<u>22,895</u>	<u>75,050</u>	<u>30,000</u>
<b>MAINTENANCE AND GENERAL PLANT</b>					
01-40-470-501111	Electricity - 560 Magnolia	23,600	22,158	23,600	0
01-40-470-501511	Phones - 560 Magnolia	25,000	19,595	20,000	(5,000)
01-40-470-501411	Sanitation - 560 Magnolia	1,800	1,489	1,800	0
01-40-470-501611	Maint & Repair- 560 Magnolia	16,000	21,863	16,000	0
01-40-470-501121	Electricity - 12303 Oak Glen	2,800	2,131	2,200	(600)
01-40-470-501621	Maint & Repair- 12303 Oak Glen	1,200	0	1,200	0
01-40-470-501321	Propane - 12303 Oak Glen	120	0	120	0
01-40-470-501131	Electricity - 13695 Oak Glen	1,500	610	800	(700)
01-40-470-501631	Maint & Repair- 13695 Oak Glen	1,000	0	1,000	0
01-40-470-501331	Propane - 13695 Oak Glen	1,100	514	600	(500)
01-40-470-501141	Electricity - 13697 Oak Glen	2,725	2,177	2,200	(525)
01-40-470-501641	Maint & Repair- 13697 Oak Glen	500	221	500	0
01-40-470-501341	Propane - 13697 Oak Glen	1,200	432	600	(600)
01-40-470-501151	Elec - 9781 Avenida Miravilla	2,200	1,707	1,800	(400)
01-40-470-501651	Maint & Rpr-9781 Ave Miravilla	1,500	0	1,500	0
01-40-470-501351	Propane-9781 Avenida Miravilla	1,200	361	500	(700)
01-40-470-501161	Electricity - 815 E. 12th	6,000	5,146	6,000	0
01-40-470-501561	Phones - 815 E. 12th	3,200	1,649	1,800	(1,400)
01-40-470-501461	Sanitation - 815 E. 12th	3,600	3,086	3,600	0
01-40-470-501661	Maint & Repair- 815 E. 12th	5,000	4,150	5,000	0
01-40-470-501471	Sanitation - 11083 Cherry Ave	3,200	2,924	3,200	0
01-40-470-500105	Labor	32,000	27,715	32,000	0
01-40-470-500125	Health Insurance	11,000	12,840	11,000	0

**Expenses: 2015 Adopted Budget versus 2015 Projected Actuals versus 2016 Proposed Budget**

<b>EXPENSES</b>		<b>2015</b>	<b>2015</b>	<b>2016</b>	
<b>MAINTENANCE AND GENERAL PLANT (cont.)</b>		<b>ADOPTED</b>	<b>PROJECTED</b>	<b>PROPOSED</b>	<b>CHANGE</b>
01-40-470-500155	Retirement/CalPERS	9,950	6,392	9,950	0
01-40-470-500140	Life Insurance	200	128	200	0
01-40-470-500115	Social Security	1,700	1,774	1,700	0
01-40-470-500120	Medicare	400	416	400	0
01-40-470-500145	Workers' Compensation	2,500	2,227	2,500	\$ -
01-40-470-510001	Auto/Fuel	85,000	63,333	75,000	(10,000)
01-40-470-510002	CIP Related Fuel	(15,000)	0	(15,000)	0
01-40-470-520011	Maint & Rpr-Safety Equipment	5,500	1,325	15,000	9,500
01-40-470-520091	Maint & Rpr-Communicatn Equip	2,500	0	2,500	0
01-40-470-520031	Maint & Rpr-General Equipment	45,000	35,538	45,000	0
01-40-470-520041	Maint & Rpr-Fleet	64,200	77,827	85,000	20,800
01-40-470-501600	Property Maintenance & Repairs	5,000	0	5,000	0
01-40-470-540030	Landscape Maintenance	15,000	660	15,000	0
01-30-310-550084	Depreciation	2,468,440	2,527,206	1,871,002	(597,438)
01-40-470-540072	Rechrg Facs, Cnyns&Ponds Maint	20,000	22,061	20,000	0
		<u>2,857,835</u>	<u>2,869,657</u>	<u>2,270,272</u>	<u>(587,563)</u>
<b>ENGINEERING</b>					
01-20-210-500105	Labor	212,221	207,897	208,929	(3,292)
01-20-210-500195	CIP Related Labor	(121,158)	(82,032)	(121,158)	(0)
01-20-210-500125	Health Insurance	18,678	18,581	20,432	1,754
01-20-210-500155	Retirement/CalPERS	24,190	34,906	30,295	6,105
01-20-210-500140	Life Insurance	576	616	883	307
01-20-210-500165	Uniforms & Employee Benefits	50	0	50	0
01-20-210-500170	Education Expenses	2,500	0	2,500	0
01-20-210-500115	Social Security	11,993	12,563	11,772	(220)
01-20-210-500120	Medicare	3,077	2,962	3,029	(48)
01-20-210-500145	Workers' Compensation	2,588	3,252	3,938	1,350
01-20-210-500175	Seminar & Travel Expenses	500	63	500	0
01-20-210-550068	Software Maintenance	22,500	0	22,500	0
		<u>177,716</u>	<u>198,807</u>	<u>183,671</u>	<u>5,955</u>
<b>PROFESSIONAL SERVICES</b>					
01-30-310-580011	General Legal	150,000	93,698	150,000	0
01-30-310-580001	Accounting & Audit	31,000	31,000	35,000	4,000
01-20-210-580031	Outside Engineering	50,000	0	60,000	10,000
01-20-210-580032	CIP Related Outside Engineering	(25,000)	0	(30,000)	(5,000)
01-20-210-540012	Dev Reimbursable Engineering	43,364	900	15,000	(28,364)
01-20-210-540048	Permits, Fees & Licensing	4,000	1,513	4,000	0
01-20-210-540018	Grant & Loan Procurement	0	10,000	0	0
01-50-510-550096	Beaumont Basin Watermaster	35,000	51,094	35,000	0
		<u>\$ 288,364</u>	<u>\$ 188,204</u>	<u>\$ 269,000</u>	<u>\$ (19,364)</u>
		<u>\$ 11,251,713</u>	<u>\$ 9,433,791</u>	<u>\$ 10,282,050</u>	<u>\$ (969,663)</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. 12<sup>TH</sup> STREET**

**01-40-470-501161 — Electricity - 815 E. 12<sup>th</sup> Street** — Electricity for the field office.

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

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

**01-40-470-501661 — Maintenance & Repair - 815 E. 12<sup>th</sup> 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.

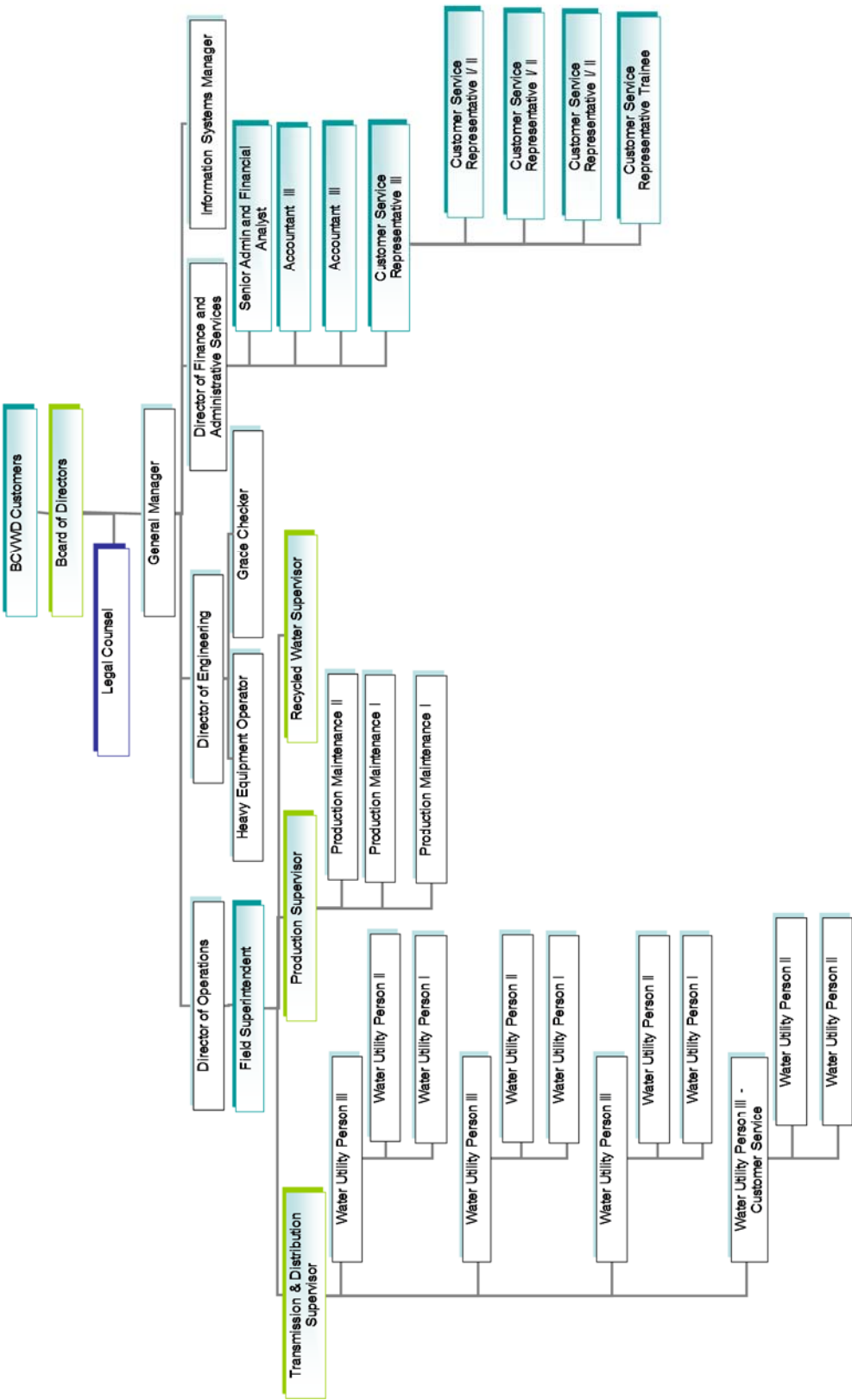
## Appendix C

### Organization Overview





2016 Organizational Chart



# 2016 Salary Schedule

Beaumont-Cherry Valley Water District Salary Schedule							
Effective: January 1, 2016 Classification	Hourly Rates					Annual Range	
	1	2	3	4	5		
Customer Service Representative Trainee	10.00	10.53	11.08	11.66	12.27	20,800.00	25,521.60
Water Utility Person I	14.84	15.62	16.44	17.31	18.22	30,867.20	37,897.60
Customer Service Representative I	15.34	16.15	17.00	17.89	18.83	31,907.20	39,166.40
Production Maintenance I	17.89	18.83	19.82	20.86	21.96	37,211.20	45,676.80
Water Utility Person II	17.89	18.83	19.82	20.86	21.96	37,211.20	45,676.80
Customer Service Representative II	18.22	19.18	20.19	21.25	22.37	37,897.60	46,529.60
Production Maintenance II	19.94	20.99	22.09	23.25	24.47	41,475.20	50,897.60
Water Utility Person III	19.94	20.99	22.09	23.25	24.47	41,475.20	50,897.60
Customer Service Representative III	23.83	25.08	26.40	27.79	29.25	49,566.40	60,840.00
Transmission & Distribution Supervisor	26.99	28.41	29.91	31.48	33.14	56,139.20	68,931.20
Recycled Water Supervisor	26.99	28.41	29.91	31.48	33.14	56,139.20	68,931.20
Production Supervisor	26.99	28.41	29.91	31.48	33.14	56,139.20	68,931.20
Grade Checker (1000 HR)	28.57	30.07	31.65	33.32	35.07	59,425.60	72,945.60
Heavy Equipment Operator (1000 HR)	31.02	32.65	34.37	36.18	38.08	64,521.60	79,206.40
Accountant III	31.92	33.60	35.37	37.23	39.19	66,393.60	81,515.20
Information Systems Manager	41.50	43.68	45.98	48.40	50.95	86,320.00	105,976.00
Sr. Finance and Administrative Analyst	37.35	39.32	41.39	43.57	45.86	77,688.00	95,388.80
Field Superintendent	38.16	40.17	42.28	44.50	46.84	79,372.80	97,427.20
Director of Operations	53.87	56.70	59.68	62.82	66.13	112,049.60	137,550.40
Director of Engineering	53.87	56.70	59.68	62.82	66.13	112,049.60	137,550.40
Director of Finance and Administrative Services	53.87	56.70	59.68	62.82	66.13	112,049.60	137,550.40
General Manager	75.83	79.82	84.02	88.44	93.09	157,726.40	193,627.20
Board of Directors	\$200 stipend per meeting attended in accordance with District rules						