

Beaumont-Cherry Valley Water District

2017 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 2017 Operating Budget to the Board of Directors. Major goals for the District during this period are to adopt the 10 Year Capital Improvement Program (CIP) for infrastructure improvements, commence design and construction activities related to the 10 Year CIP, complete and adopt a revised fee program based on the Facilities Fee Study currently underway, comply with state mandates for water conservation, create opportunities for the use of non-potable and 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 realistic, value-based expenditures.

The Capital Improvement Budget will be presented, as a separate budget, at the January 2017 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 including well pumping facilities and pipelines.

The budget was prepared after considering major policy issues that impact District revenue such as reasonable water conservation efforts and changes in the local rate of development.

Revenues

The revenue numbers presented assume a conservative estimate of approximately 9,660 acre feet of both potable and non-potable water delivered to our 17,340 connections. This projection is based on the continuation of reasonable conservation efforts. Should further declines in consumption occur, a rate adjustment may be necessary in future years to accommodate operating expenses due to a corresponding reduction in sales revenue. 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 1.5% cost of living increase based on the October 2015 to October 2016 CPI in accordance with the employee association MOU. As in previous years, to provide equity to all staff, the CPI adjustment has been applied to the entire salary schedule for Board consideration. Also included are the appropriate changes in health insurance which are increasing by approximately 18% and retirement costs are increasing by approximately 3% above the 2016 rate. State Project Water Purchases in 2017 are being increased by approximately \$250,000 in anticipation of additional water availability to make up for recent year limitations due to drought.

The proposed budget fully funds \$2,504,276 in depreciation for future capital replacement. Increased revenue following drought restrictions being relaxed are anticipated to result in depreciation related capital replacement reserves to be fully funded for 2016 (up from the anticipated \$1.8 million in 2016, similar to the \$2.5 million in 2015, and up from \$2.1 million in 2014).

Summary

In summary, staff is proposing a balanced budget that has an estimated total revenue of \$13,542,685, which includes \$11,414,865 of operating revenue, \$2,026,900 of facility fees, and \$100,920 of other non-operating revenue. The estimated total operating expense of \$11,515,785 is balanced with operating revenue and other non-operating revenue, which provides for a contribution of \$2,504,276 to capital replacement reserves. The budgeted expenses include changes in insurance, power, benefits, COLA, and postage costs, etc. The fiscal year 2017 budget utilizes the same assumptions as the 2016 budget including actuals from the prior period as a basis.

The District continues to be debt free.

Cash Position Report As of October 31, 2016

Cash Balance Per Account

Account Name	Account Ending #	October 31, 2016	December 31, 2015
Wells Fargo			
Accounts Payable	9810	0	0
Payroll	4160	0	0
General Fund	4152	11,293,239.81	9,582,551.26
Total Cash		<u>\$ 11,293,239.81</u>	<u>\$ 9,582,551.26</u>

Investment Summary

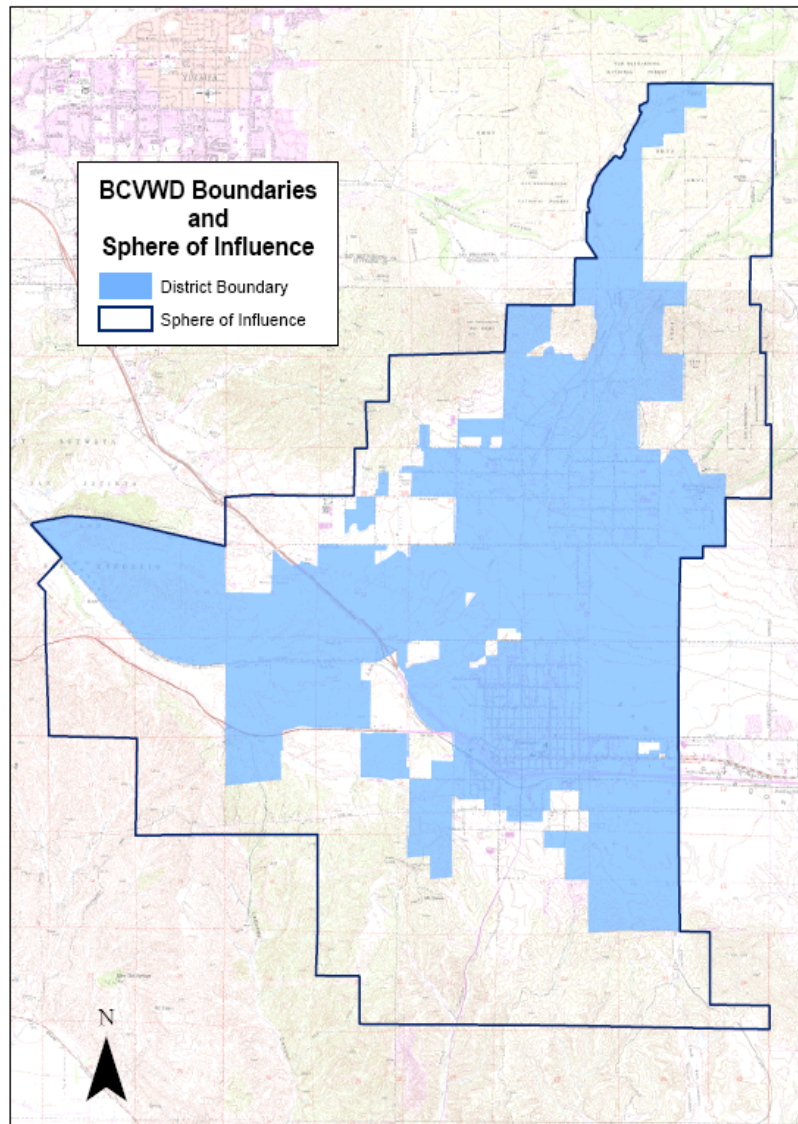
Account Name	October 31, 2016	December 31, 2015	Balance
Ca. State Treasurer's Office: Local Agency Investment Fund	23,927,221.72	16,839,845.45	
Total Investments	<u>\$ 23,927,221.72</u>	<u>\$ 16,839,845.45</u>	
Total Cash and Investments	<u>\$ 35,220,461.53</u>	<u>\$ 26,422,396.71</u>	<u>\$ 8,798,064.82</u>

Background

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

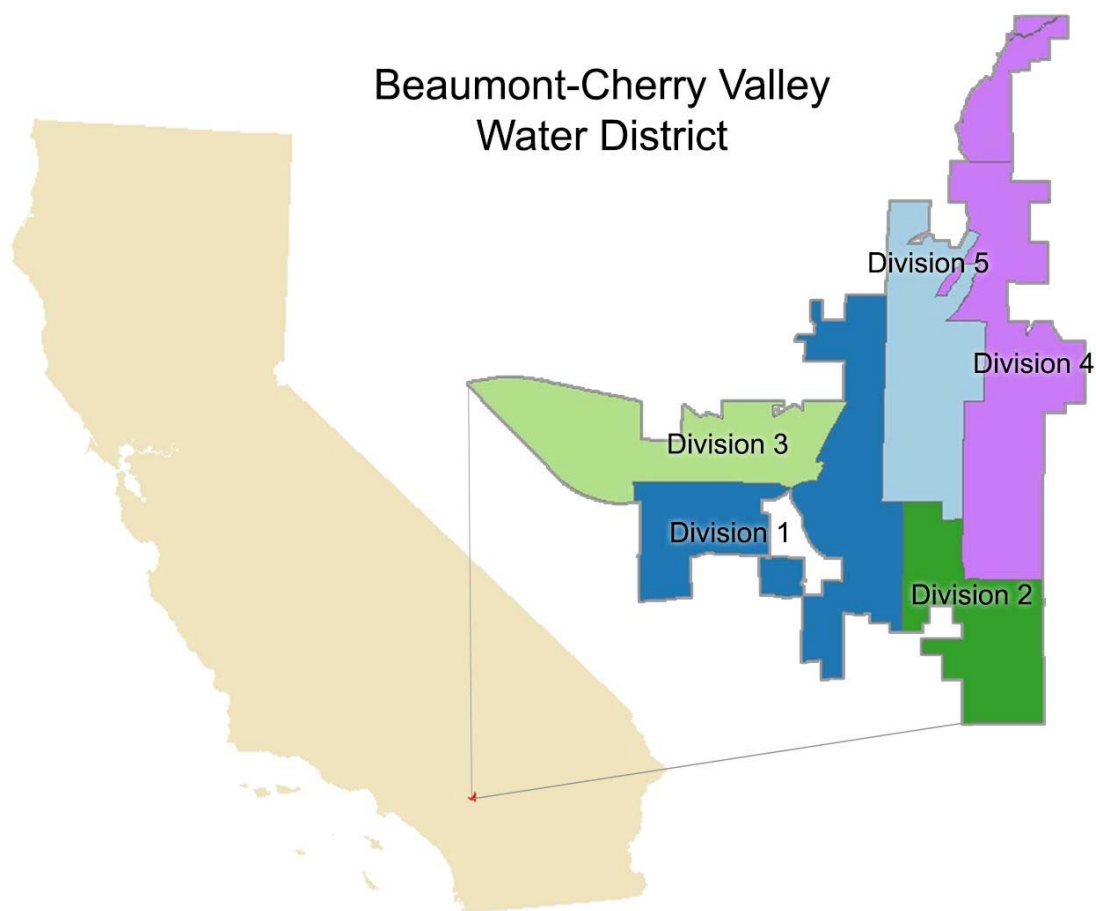
Over many decades, the water system of the Beaumont-Cherry Valley Water District has evolved from a small privately owned company to the system today that serves over 48,000 residents in both the City of Beaumont and the Community of Cherry Valley.

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 22.85 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 40 miles of non-potable water lines (including transmission and distribution lines) from 2 to 36 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 the Operations Policies and Procedures Manual, Section 1(F), Emergency Preparedness Authorization during District Emergencies.

Financial Section

Budget Summary and Detail by Department

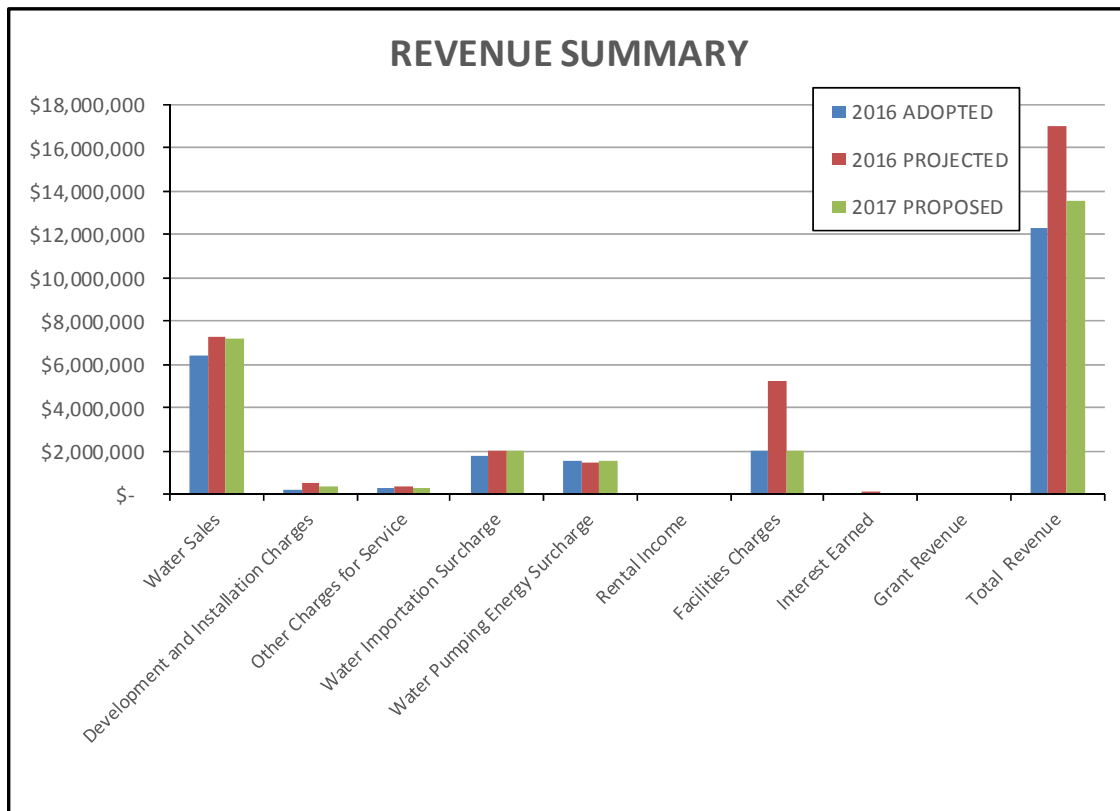


Financial Summary

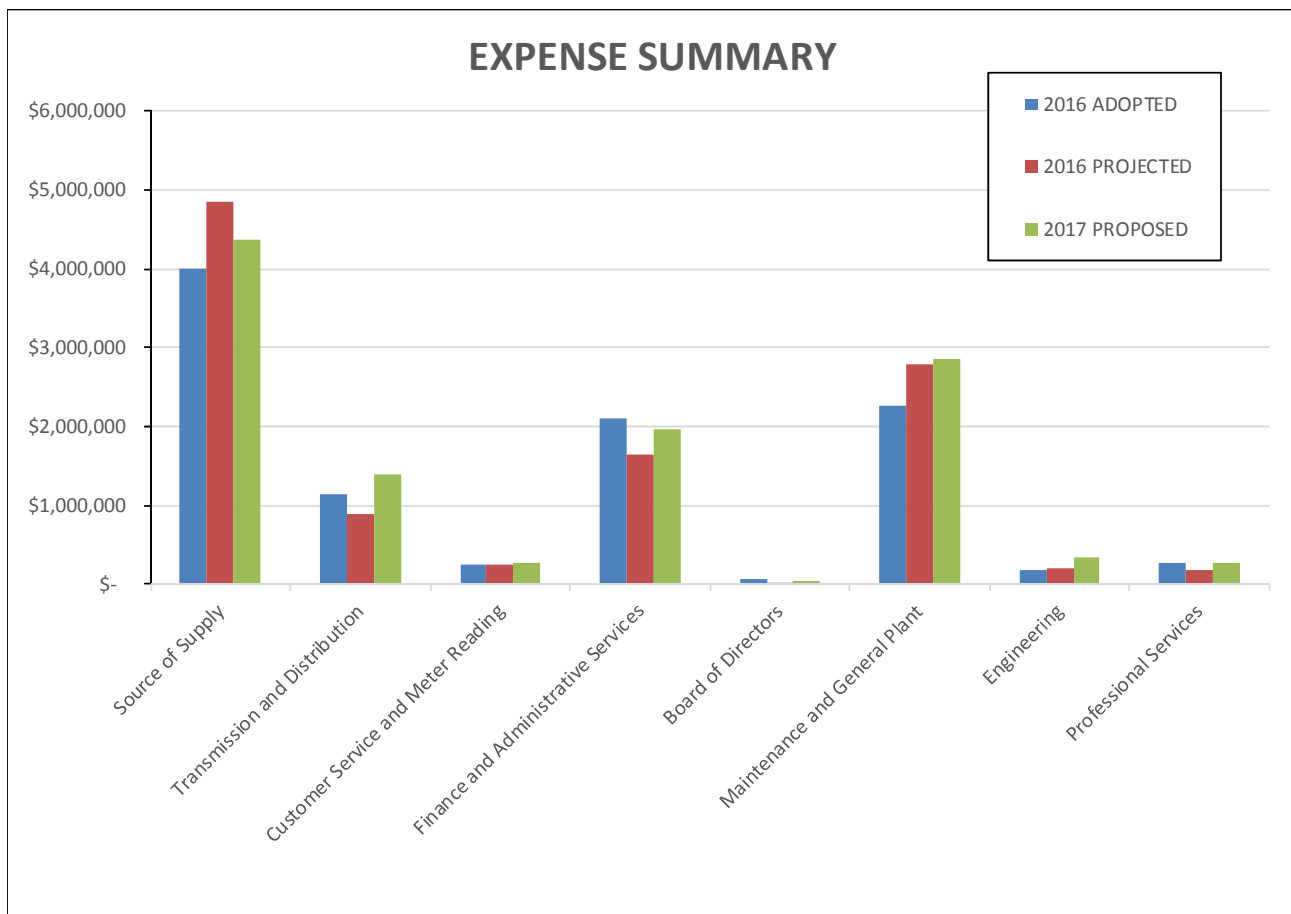
Overview

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

	2016 ADOPTED	2016 PROJECTED	2017 PROPOSED	Increase/ (Decrease)
Operating Revenue				
Water Sales	\$ 6,393,500	\$ 7,244,834	\$ 7,161,835	\$ 768,335
Development and Installation Charges	180,000	524,216	375,000	195,000
Other Charges for Service	317,330	365,610	328,030	10,700
Water Importation Surcharge	1,750,000	2,026,203	2,000,000	250,000
Water Pumping Energy Surcharge	1,550,000	1,453,594	1,550,000	0
Total Operating Revenue	\$ 10,190,830	\$ 11,614,457	\$ 11,414,865	\$ 1,224,035
Non-Operating Revenue				
Rental Income	\$ 18,420	\$ 20,538	\$ 18,520	\$ 100
Facilities Charges	2,024,400	5,250,707	2,026,900	2,500
Interest Earned	72,800	141,116	82,400	9,600
Grant Revenue	0	0	0	0
Total Non-Operating Revenue	\$ 2,115,620	\$ 5,412,361	\$ 2,127,820	\$ 12,200
Total Revenue	\$ 12,306,450	\$ 17,026,818	\$ 13,542,685	\$ 1,236,235

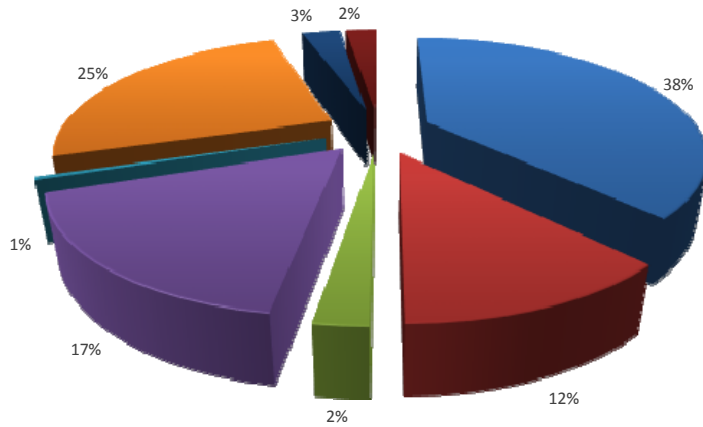


	2016 ADOPTED	2016 PROJECTED	2017 PROPOSED	Increase/ (Decrease)
Operating Expenses				
Source of Supply	\$ 4,006,634	\$ 4,842,640	\$ 4,374,025	\$ 367,391
Transmission and Distribution	1,137,208	879,119	1,395,148	257,940
Customer Service and Meter Reading	248,228	258,814	268,720	20,492
Finance and Administrative Services	2,091,988	1,636,856	1,976,028	(115,960)
Board of Directors	75,050	28,921	49,245	(25,805)
Maintenance and General Plant	2,270,272	2,793,935	2,859,246	588,974
Engineering	183,670	203,479	331,764	148,094
Professional Services	269,000	177,583	261,610	(7,390)
Total Operating Expenses	\$ 10,282,050	\$ 10,821,347	\$ 11,515,785	\$ 1,233,735
 Total Revenue	 \$ 12,306,450	 \$ 17,026,818	 \$ 13,542,685	 \$ 1,236,235
Total Expenses	\$ 10,282,050	\$ 10,821,347	\$ 11,515,785	\$ 1,233,735
Net Increase/(loss)	\$ 2,024,400	\$ 6,205,471	\$ 2,026,900	\$ 2,500



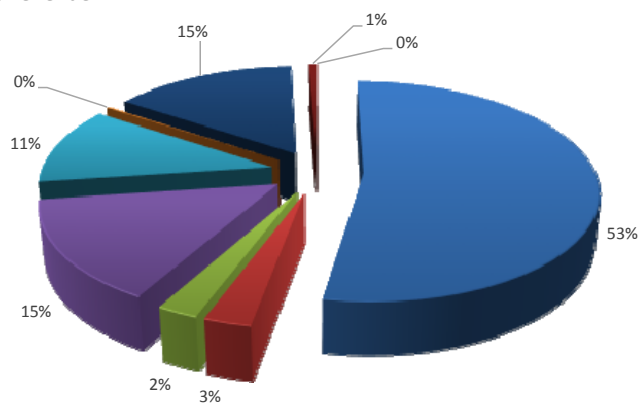
2017 PROPOSED EXPENSES

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

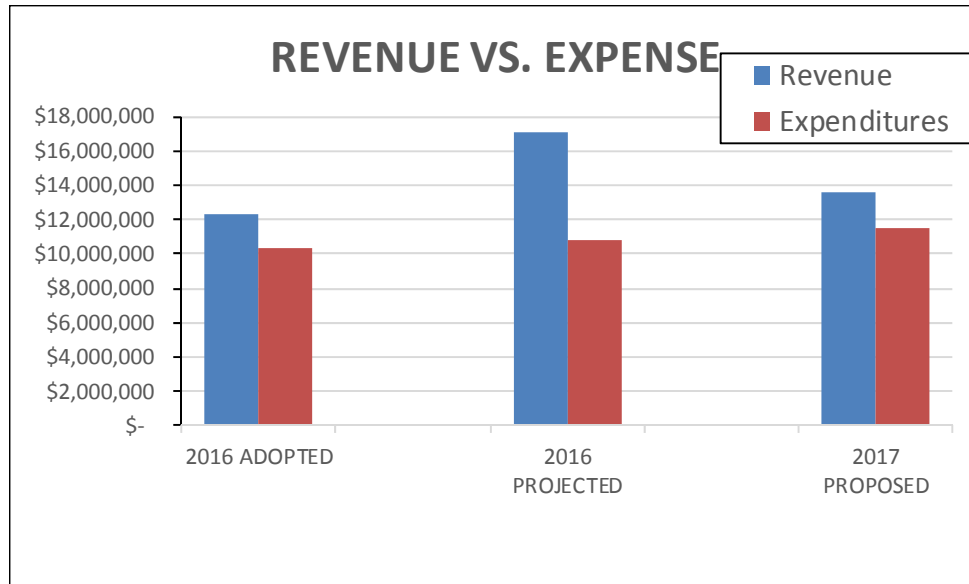


2017 PROPOSED REVENUE

- 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



	2016 ADOPTED	2016 PROJECTED	2017 PROPOSED
Revenue	\$ 12,306,450	\$ 17,026,818	\$ 13,542,685
Expenditures	\$ 10,282,050	\$ 10,821,347	\$ 11,515,785



Operating Revenues and Expenses

Revenue Detail

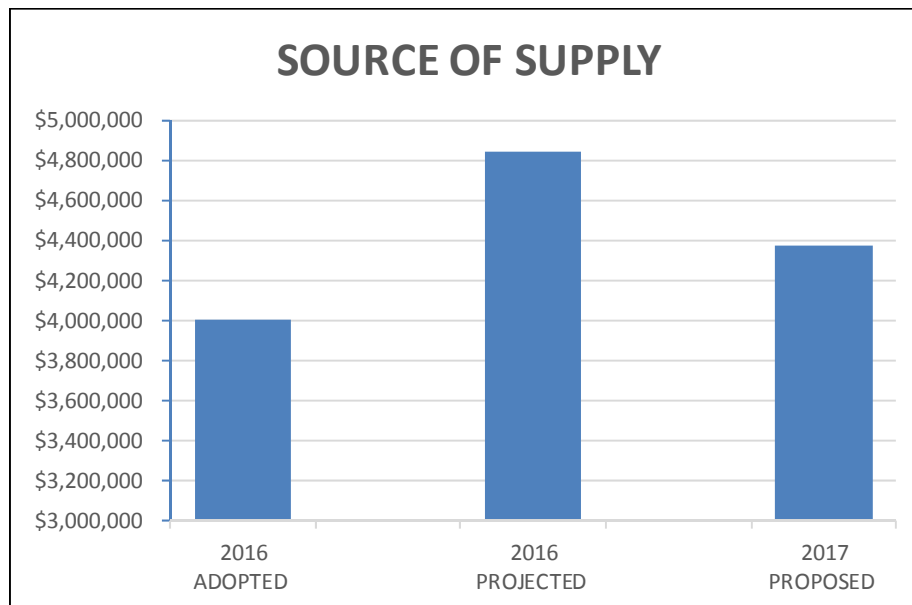
		2016	2016	2017	
		<u>ADOPTED</u>	<u>PROJECTED</u>	<u>PROPOSED</u>	<u>CHANGE</u>
OPERATING REVENUE					
Water Sales					
01-50-510-413011	Fixed Meter Charges	\$ 2,600,000	\$ 2,784,465	\$ 2,786,335	\$ 186,335
01-50-510-410100	Sales	3,700,000	4,238,169	4,200,000	500,000
01-50-510-410151	Agricultural Irrigation Sales	25,500	24,664	25,500	0
01-50-510-410171	Construction Sales	68,000	197,536	150,000	82,000
		<u>6,393,500</u>	<u>7,244,834</u>	<u>7,161,835</u>	<u>768,335</u>
Development and Installation Charges					
01-50-510-413021	Meter Fees	95,000	374,456	275,000	180,000
01-50-510-419011	Development Income	85,000	149,760	100,000	15,000
		<u>180,000</u>	<u>524,216</u>	<u>375,000</u>	<u>195,000</u>
Other Charges for Service					
01-50-510-417061	Custmr Damages/Upgrade Charges	8,000	16,460	15,000	7,000
01-50-510-413001	Backflow Admin Charges	30,000	37,494	30,000	0
01-50-510-417051	Returned Check Fees	2,000	2,325	2,000	0
01-50-510-419061	Miscellaneous Income	250	929	250	0
01-50-510-419021	Recharge Income	35,000	66,643	45,000	10,000
01-50-510-417071	After Hours Call Out Charges	600	1,000	600	0
01-50-510-417031	Lien Processing Fees	3,800	7,100	5,000	1,200
01-50-510-417021	Account Reinstatement Fees	75,000	66,200	65,000	(10,000)
01-50-510-417011	3rd Notice Charges	32,000	31,120	32,000	0
01-50-510-417001	2nd Notice Penalties	90,000	87,355	90,000	0
01-50-510-417041	Credit Check Processing Fees	7,500	10,425	8,000	500
01-50-510-417091	Credit Card Processing Fees	33,000	38,469	35,000	2,000
01-50-510-417081	Bench Test Fees	180	90	180	0
		<u>317,330</u>	<u>365,610</u>	<u>328,030</u>	<u>10,700</u>
Water Importation Surcharge					
01-50-510-415001	SGPWA Importation Charges	1,750,000	2,026,203	2,000,000	250,000
Water Pumping Energy Surcharge					
01-50-510-415011	SCE Power Charges	1,550,000	1,453,594	1,550,000	0
	Total Operating Revenues	<u>10,190,830</u>	<u>11,614,457</u>	<u>11,414,865</u>	<u>1,224,035</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	2,400	2,400	0
01-50-510-471101	Util - 12303 Oak Glen	2,320	2,186	2,320	0
01-50-510-471111	Util - 13695 Oak Glen	1,400	2,618	1,500	100
01-50-510-471121	Util - 13697 Oak Glen	2,800	3,143	2,800	0
01-50-510-471131	Util - 9781 Avenida Miravilla	2,300	2,991	2,300	0
		<u>18,420</u>	<u>20,538</u>	<u>18,520</u>	<u>100</u>
Facilities Charges					
01-50-510-485001	Front Footage Fees	0	6,883	2,500	2,500
01-50-510-481001	Fac Fees-Wells	387,200	987,805	387,200	0
01-50-510-481006	Fac Fees-Water Rights (SWP)	245,000	625,032	245,000	0
01-50-510-481012	Fac Fees-Water Treatment Plant	184,200	469,922	184,200	0
01-50-510-481018	Fac Fees-Local Water Resources	97,000	247,462	97,000	0
01-50-510-481024	Fac Fees-Recycld Wtr Facilities	280,400	792,340	280,400	0
01-50-510-481030	Fac Fees-Transmission (16")	313,600	800,041	313,600	0
01-50-510-481036	Fac Fees-Storage	401,600	1,024,542	401,600	0
01-50-510-481042	Fac Fees-Booster	27,800	70,922	27,800	0
01-50-510-481048	Fac Fees-Pressure Reducng Stns	14,200	36,226	14,200	0
01-50-510-481054	Fac Fees-Misc Projects	12,400	31,634	12,400	0
01-50-510-481060	Fac Fees-Financing Costs	61,000	157,898	61,000	0
01-50-510-488001	Contributed Capital	0	0	0	0
		<u>2,024,400</u>	<u>5,250,707</u>	<u>2,026,900</u>	<u>2,500</u>
Interest Earned					
01-50-510-490021	Interest Income - General	20,000	82,414	80,000	60,000
01-50-510-490011	Interest Income-Fairway Canyon	50,000	56,331	0	(50,000)
01-50-510-490001	Interest Income - Bonita Vista	2,800	2,371	2,400	(400)
		<u>72,800</u>	<u>141,116</u>	<u>82,400</u>	<u>9,600</u>
Grant Revenue					
01-50-510-419051	Grant Revenue	0	0	0	0
	Total Non-Operating Revenues	<u>2,115,620</u>	<u>5,412,361</u>	<u>2,127,820</u>	<u>12,200</u>
	Total Revenues	<u>\$ 12,306,450</u>	<u>\$ 17,026,818</u>	<u>\$ 13,542,685</u>	<u>\$ 1,236,235</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	2016	2016	2017	CHANGE
	ADOPTED	PROJECTED	PROPOSED	
01-40-410-500105 Labor	\$ 239,658	\$ 154,452	\$ 294,844	\$ 55,186
01-40-410-500110 Overtime	13,476	10,507	16,145	2,669
01-40-410-500111 Double Time	200	0	427	227
01-40-410-500125 Health Insurance	81,728	48,618	121,440	39,712
01-40-410-500155 Retirement/CalPERS	44,846	39,205	59,910	15,064
01-40-410-500140 Life Insurance	1,539	719	1,265	(274)
01-40-410-500165 Uniforms & Employee Benefits	1,000	679	1,000	0
01-40-410-500170 Education Expenses	1,400	60	1,000	(400)
01-40-410-500115 Social Security	14,859	10,752	18,283	3,424
01-40-410-500120 Medicare	3,475	2,515	4,278	803
01-40-410-500145 Workers' Compensation	19,748	9,732	20,808	1,060
01-40-410-510011 Treatment & Chemicals	75,000	59,989	75,000	0
01-40-410-510021 Lab Testing	90,000	46,805	90,000	0
01-40-410-520061 Maint & Rpr-Pumping Equipment	100,000	185,775	100,000	0
01-40-410-501201 Gas - Wells	225	196	225	0
01-40-410-501101 Electricity - Wells	1,550,000	1,478,564	1,550,000	0
01-40-410-520021 Maint & Rpr-Telemetry Equip	15,000	3,272	15,000	0
01-40-410-500175 Seminar & Travel Expenses	500	0	500	0
01-40-410-510031 Small Tools, Parts & Maint	3,280	3,099	3,200	(80)
01-40-410-520031 Maint & Rpr-General Equipment	100	0	100	0
01-40-410-550066 Subscriptions	400	3	400	0
01-40-410-550024 Employment Testing	200	0	200	0
01-40-410-500501 State Project Water Purchases	1,750,000	2,787,698	2,000,000	250,000
01-40-410-500511 Ground Water Purchases	0	0	0	0
	<u>\$ 4,006,634</u>	<u>\$ 4,842,640</u>	<u>\$ 4,374,025</u>	<u>\$ 367,391</u>

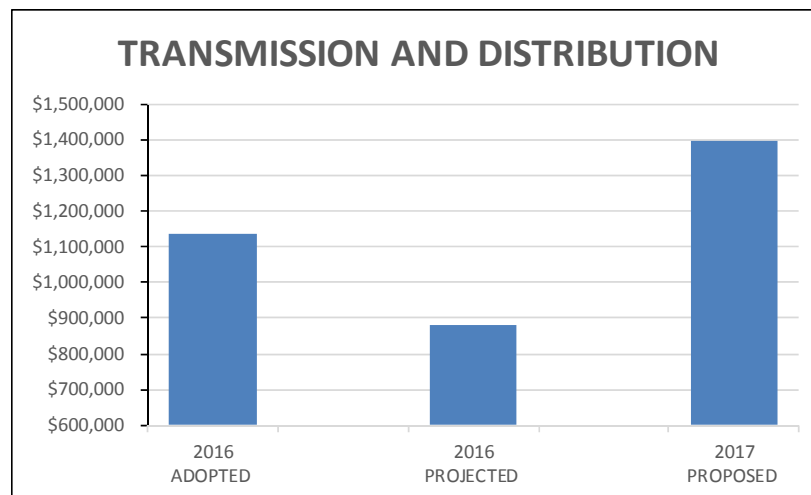


Transmission and Distribution

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.

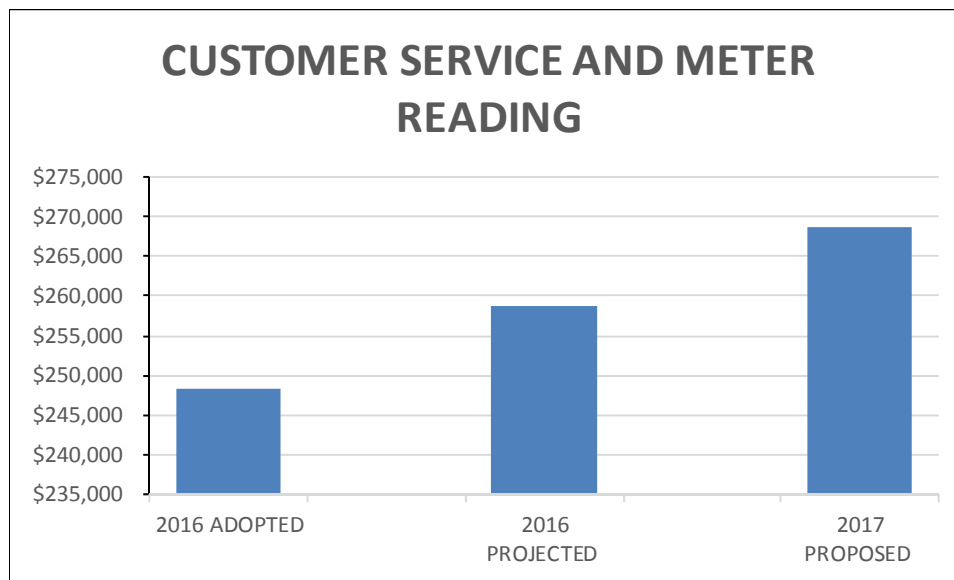
TRANSMISSION AND DISTRIBUTION		ADOPTED	PROJECTED	PROPOSED	CHANGE
01-40-440-500105	Labor	\$ 514,533	\$ 300,895	\$ 661,864	\$ 147,331
01-40-440-500195	CIP Related Labor	(40,000)	0	(40,000)	0
01-40-440-500110	Overtime	20,000	13,349	20,007	7
01-40-440-500111	Double Time	1,500	3,310	3,156	1,656
01-40-440-500125	Health Insurance	214,535	147,629	279,312	64,777
01-40-440-500155	Retirement/CalPERS	87,253	68,605	123,317	36,064
01-40-440-500140	Life Insurance	3,303	1,663	2,726	(577)
01-40-440-500165	Uniforms & Employee Benefits	4,000	1,507	4,000	0
01-40-440-500170	Education Expenses	1,000	173	1,000	0
01-40-440-500115	Social Security	31,901	21,643	40,273	8,372
01-40-440-500120	Medicare	7,461	5,062	9,603	2,142
01-40-440-500145	Workers' Compensation	39,302	17,964	36,190	(3,112)
01-40-440-500175	Seminar & Travel Expenses	500	0	500	0
01-40-440-520071	Maint & Rpr-Pipelines&Hydrants	55,000	95,497	55,000	0
01-40-440-540036	Line Locates	3,500	2,451	3,500	0
01-40-440-540042	Meters Maintenance & Services	150,000	157,870	150,000	0
01-40-440-540001	Backflow Devices	2,500	1,543	2,500	0
01-40-440-540078	Reservoirs Maintenance	30,000	2,029	30,000	0
01-40-440-520081	Maint & Rpr-Pressure Regulatrs	7,500	9,581	7,500	0
01-40-440-540024	Inventory Adjustments	3,000	(1,085)	3,000	0
01-40-440-540026	Inventory Purchase Discounts	(5,000)	0	(5,000)	0
01-40-440-510031	Small Tools, Parts & Maint	4,920	6,717	6,500	1,580
01-40-440-550024	Employment Testing	200	0	200	0
01-40-450-500105	Labor	0	13,644	0	0
01-40-450-500110	Overtime	0	0	0	0
01-40-450-500125	Health Insurance	0	4,284	0	0
01-40-450-500155	Retirement/CalPERS	0	2,896	0	0
01-40-450-500140	Life Insurance	0	61	0	0
01-40-450-500165	Uniforms & Employee Benefits	300	0	0	(300)
01-40-450-500115	Social Security	0	850	0	0
01-40-450-500120	Medicare	0	199	0	0
01-40-450-500145	Workers' Compensation	0	782	0	0
		\$ 1,137,208	\$ 879,119	\$ 1,395,148	\$ 257,940



Customer Service and Meter Reading

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

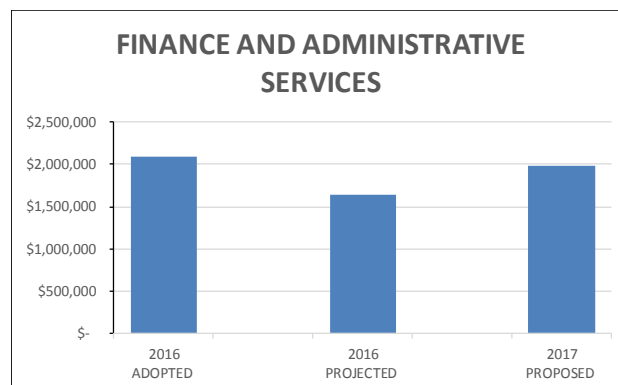
		2016 ADOPTED	2016 PROJECTED	2017 PROPOSED	CHANGE
CUSTOMER SERVICE AND METER READING					
01-40-460-500105	Labor	\$ 142,252	\$ 134,745	\$ 144,396	\$ 2,144
01-40-460-500110	Overtime	3,500	5,759	7,124	3,624
01-40-460-500111	Double Time	200	1,860	1,435	1,235
01-40-460-500125	Health Insurance	61,296	65,736	72,864	11,568
01-40-460-500155	Retirement/CalPERS	25,612	29,647	29,268	3,656
01-40-460-500140	Life Insurance	913	685	543	(370)
01-40-460-500165	Uniforms & Employee Benefits	750	260	750	0
01-40-460-500170	Education Expenses	500	0	500	0
01-40-460-500115	Social Security	8,820	9,378	8,954	134
01-40-460-500120	Medicare	2,063	2,193	2,096	33
01-40-460-500145	Workers' Compensation	11,722	8,551	10,190	(1,532)
01-40-460-500175	Seminar & Travel Expenses	300	0	300	0
01-40-460-500195	CIP Related Labor	(10,000)	0	(10,000)	0
01-40-460-550024	Employment Testing	300	0	300	0
		<u>\$ 248,228</u>	<u>\$ 258,814</u>	<u>\$ 268,720</u>	<u>\$ 20,492</u>



Finance and 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.

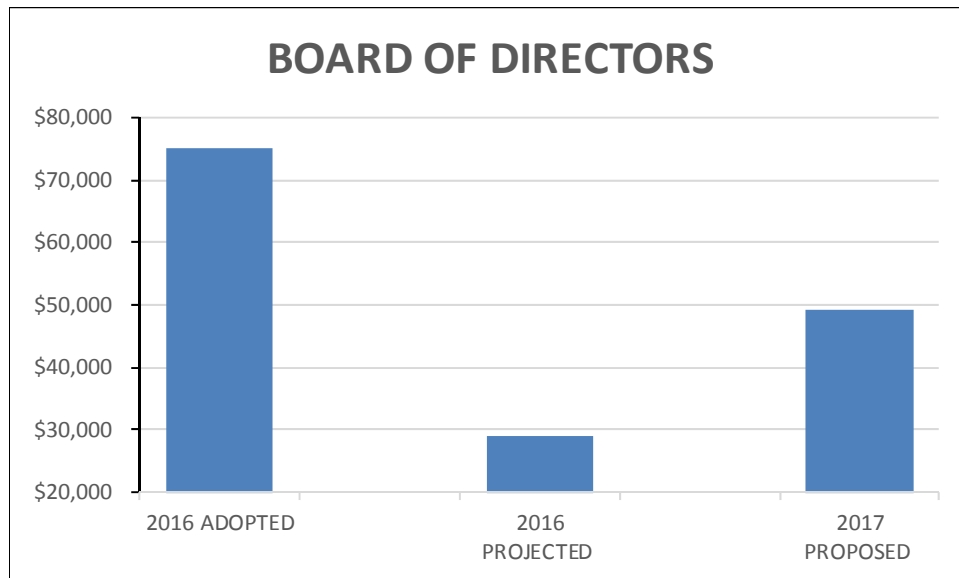
		2016	2016	2017	
FINANCE AND ADMINISTRATIVE SERVICES		ADOPTED	PROJECTED	PROPOSED	CHANGE
01-30-310-500105	Labor	\$ 1,091,965	\$ 875,850	\$ 968,732	\$ (123,233)
01-30-310-500195	CIP Related Labor	(25,000)	(1,231)	(25,000)	
01-30-310-500110	Overtime	500	0	622	122
01-30-310-500196	CIP Related Overtime	0	0	0	
01-30-310-500125	Health Insurance	234,967	183,237	255,024	20,057
01-30-310-500155	Retirement/CalPERS	154,821	130,397	157,481	2,660
01-30-310-500140	Life Insurance	6,806	4,071	3,746	(3,060)
01-30-310-500165	Uniforms & Employee Benefits	500	0	500	0
01-30-310-500170	Education Expenses	2,000	327	2,000	0
01-30-310-500115	Social Security	60,682	57,387	55,000	(5,682)
01-30-310-500120	Medicare	15,833	13,759	14,051	(1,782)
01-30-310-500145	Workers' Compensation	18,155	11,275	14,113	(4,042)
01-30-310-500150	Unemployment Insurance	74,709	1,344	74,709	0
01-30-310-500175	Seminar & Travel Expenses	16,000	10,751	11,000	(5,000)
01-30-310-550036	Notary & Lien Fees	1,000	2,645	2,000	1,000
01-30-310-500160	Post-Employment Health Expense	5,000	0	0	(5,000)
01-30-310-500130	CalPERS Health Admin Costs	2,000	1,605	2,000	0
01-30-310-550001	Bank Charges	33,000	32,468	33,000	0
01-30-310-500190	Temporary Labor	0	0	0	0
01-30-310-550042	Office Supplies	15,000	12,414	15,000	0
01-30-310-550046	Office Equipment	65,000	38,254	65,000	0
01-40-470-501691	Maint & Rpr- Bldgs (General)	5,000	1,452	5,000	0
01-30-310-550030	Membership Dues	35,000	32,909	35,000	0
01-30-310-520001	Maint & Rpr-Office Equipment	2,800	124	2,800	0
01-30-310-550048	Postage	58,800	51,936	58,800	0
01-30-310-550066	Subscriptions	10,000	6,377	10,000	0
01-50-510-550040	General Supplies	10,000	6,352	9,000	(1,000)
01-40-510-510031	Small Tools, Parts & Maint	500	1,583	1,500	1,000
01-30-310-550018	Employee Medical/First Aid	200	0	200	0
01-30-310-550024	Employment Testing	200	50	200	0
01-30-310-550054	Property, Auto& Gen Liab Insur	85,000	75,943	85,000	0
01-30-310-550072	Misc Operating Expenses	5,000	0	5,000	0
01-30-310-550078	Bad Debt Expense	5,000	0	5,000	0
01-40-410-540084	State Mandates & Tariffs	50,000	32,998	50,000	0
01-50-510-550072	Misc Operating Expenses	4,500	0	4,500	0
01-50-510-550060	Public Education	15,000	1,714	10,000	(5,000)
01-50-510-540066	Property Damages & Theft	2,000	21,343	15,000	13,000
01-30-310-580021	IT/Software Support	30,000	29,507	30,000	0
01-30-310-550006	Cashiering Shortages/Overages	50	15	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
		\$ 2,091,988	\$ 1,636,856	\$ 1,976,028	\$ (115,960)



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.

		2016 ADOPTED	2016 PROJECTED	2017 PROPOSED	CHANGE
BOARD OF DIRECTORS					
01-10-110-500101	Board of Directors Fees	\$ 30,800	\$ 26,600	\$ 36,000	\$ 5,200
01-10-110-500115	Social Security	3,100	1,649	2,235	(865)
01-10-110-500120	Medicare	700	386	525	(175)
01-10-110-500145	Workers' Compensation	450	286	485	35
01-10-110-500175	Seminar & Travel Expenses	10,000	0	10,000	0
01-10-110-550012	Election Expenses	30,000	0	0	(30,000)
		<u>\$ 75,050</u>	<u>\$ 28,921</u>	<u>\$ 49,245</u>	<u>\$ (25,805)</u>



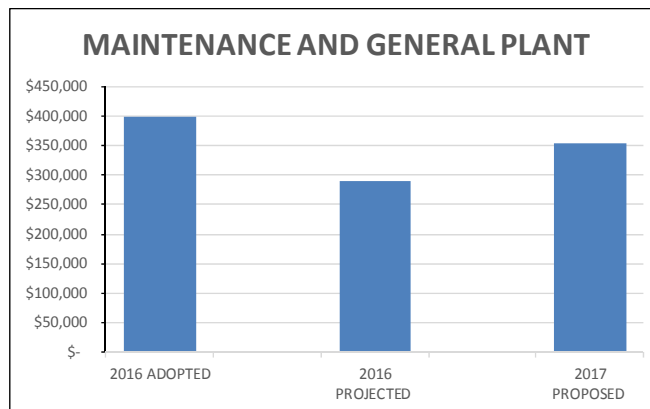
Maintenance and General Plant

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.

		2016	2016	2017	
MAINTENANCE AND GENERAL PLANT		ADOPTED	PROJECTED	PROPOSED	CHANGE
01-40-470-501111	Electricity - 560 Magnolia	\$ 23,600	\$ 20,607	\$ 23,600	\$ -
01-40-470-501511	Phones - 560 Magnolia	20,000	20,369	20,000	0
01-40-470-501411	Sanitation - 560 Magnolia	1,800	1,499	1,800	0
01-40-470-501611	Maint & Repair- 560 Magnolia	16,000	25,192	16,000	0
01-40-470-501121	Electricity - 12303 Oak Glen	2,200	2,303	2,200	0
01-40-470-501621	Maint & Repair- 12303 Oak Glen	1,200	53	1,200	0
01-40-470-501321	Propane - 12303 Oak Glen	120	0	120	0
01-40-470-501131	Electricity - 13695 Oak Glen	800	1,565	1,500	700
01-40-470-501631	Maint & Repair- 13695 Oak Glen	1,000	0	1,000	0
01-40-470-501331	Propane - 13695 Oak Glen	600	754	600	0
01-40-470-501141	Electricity - 13697 Oak Glen	2,200	2,118	2,200	0
01-40-470-501641	Maint & Repair- 13697 Oak Glen	500	0	500	0
01-40-470-501341	Propane - 13697 Oak Glen	600	668	600	0
01-40-470-501151	Elec - 9781 Avenida Miravilla	1,800	1,701	1,800	0
01-40-470-501651	Maint & Rpr-9781 Ave Miravilla	1,500	1,377	1,500	0
01-40-470-501351	Propane-9781 Avenida Miravilla	500	1,021	500	0
01-40-470-501161	Electricity - 815 E. 12th	6,000	5,642	6,000	0
01-40-470-501561	Phones - 815 E. 12th	1,800	3,449	1,800	0
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	2,618	5,000	0
01-40-470-501471	Sanitation - 11083 Cherry Ave	3,200	2,963	3,200	0
01-40-470-500105	Labor	32,000	8,919	32,000	0
01-40-470-500125	Health Insurance	11,000	3,856	11,000	0
01-40-470-500155	Retirement/CalPERS	9,950	2,198	9,950	0
01-40-470-500140	Life Insurance	200	31	200	0
01-40-470-500115	Social Security	1,700	569	1,700	0
01-40-470-500120	Medicare	400	133	400	0
01-40-470-500145	Workers' Compensation	2,500	533	2,500	0
01-40-470-510001	Auto/Fuel	75,000	51,191	75,000	0
01-40-470-510002	CIP Related Fuel	(15,000)	0	(15,000)	0
01-40-470-520011	Maint & Rpr-Safety Equipment	15,000	986	5,000	(10,000)
01-40-470-520091	Maint & Rpr-Communicatn Equip	2,500	0	2,500	0
01-40-470-520031	Maint & Rpr-General Equipment	45,000	37,404	40,000	(5,000)
01-40-470-520041	Maint & Rpr-Fleet	85,000	48,011	55,000	(30,000)
01-40-470-501600	Property Maintenance & Repairs	5,000	0	5,000	0
01-40-470-540030	Landscape Maintenance	15,000	8,161	15,000	0
01-40-470-540072	Rechrg Facs, Cnyns&Ponds Maint	20,000	30,682	20,000	0
		\$ 399,270	\$ 289,659	\$ 354,970	\$ (44,300)

NOTE: System Depreciation is omitted from the chart for clarity

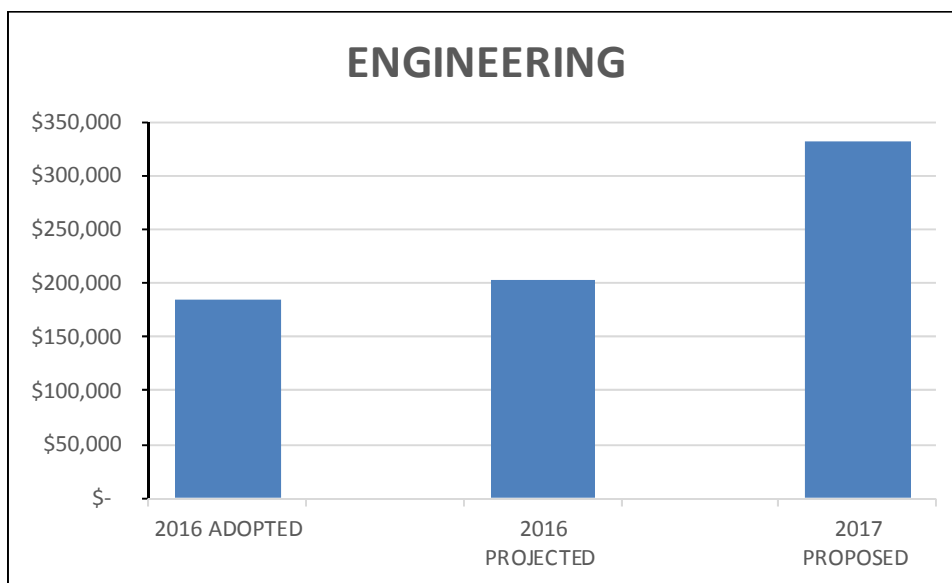
01-30-310-550084	Depreciation	\$ 1,871,002	\$ 2,504,276	\$ 2,504,276	\$ 633,274
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Engineering

This category includes the full-time Director of Engineering and Engineering Staff.

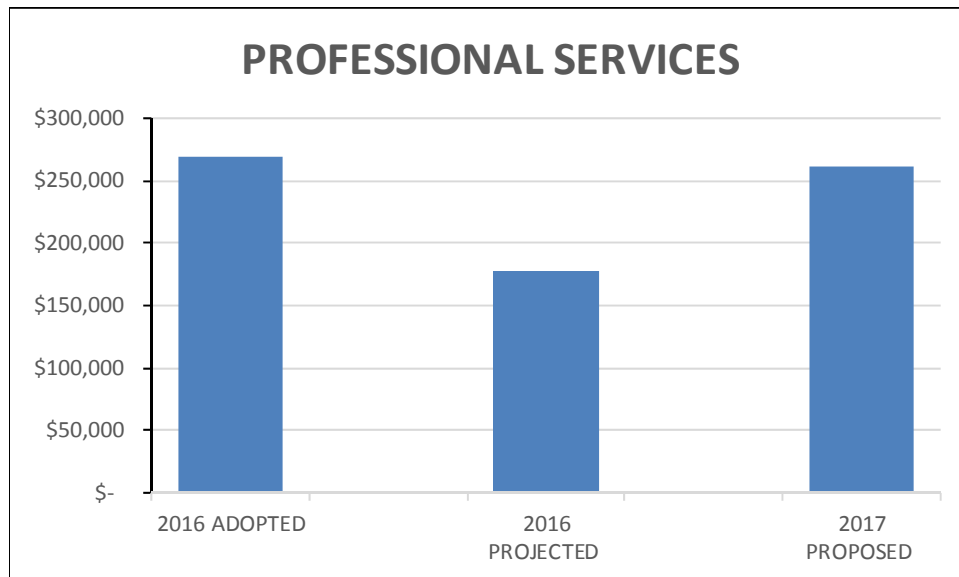
		2016 ADOPTED	2016 PROJECTED	2017 PROPOSED	CHANGE
ENGINEERING					
01-20-210-500105	Labor	\$ 208,929	\$ 200,822	\$ 300,701	\$ 91,772
01-20-210-500195	CIP Related Labor	(121,158)	(77,909)	(121,158)	(0)
01-20-210-500125	Health Insurance	20,432	20,007	48,576	28,144
01-20-210-500155	Retirement/CalPERS	30,295	31,515	50,409	20,114
01-20-210-500140	Life Insurance	883	563	956	73
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	11,772	12,907	17,876	6,104
01-20-210-500120	Medicare	3,029	3,019	4,363	1,334
01-20-210-500145	Workers' Compensation	3,938	2,555	4,491	553
01-20-210-500175	Seminar & Travel Expenses	500	0	500	0
01-20-210-550068	Software Maintenance	22,500	10,000	22,500	0
		<u>\$ 183,670</u>	<u>\$ 203,479</u>	<u>\$ 331,764</u>	<u>\$ 148,094</u>



Professional Services

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

		2016 ADOPTED	2016 PROJECTED	2017 PROPOSED	CHANGE
PROFESSIONAL SERVICES					
01-30-310-580011	General Legal	\$ 150,000	\$ 59,857	\$ 150,000	\$ -
01-30-310-580001	Accounting & Audit	35,000	28,595	36,000	1,000
01-20-210-580031	Outside Engineering	60,000	38,307	50,000	(10,000)
01-20-210-580032	CIP Related Outside Engineering	(30,000)	0	(30,000)	0
01-20-210-540012	Dev Reimbursable Engineering	15,000	22,680	15,000	0
01-20-210-540048	Permits, Fees & Licensing	4,000	0	4,000	0
01-20-210-540018	Grant & Loan Procurement	0	0	0	0
01-50-510-550096	Beaumont Basin Watermaster	35,000	28,144	36,610	1,610
		<u>\$ 269,000</u>	<u>\$ 177,583</u>	<u>\$ 261,610</u>	<u>\$ (7,390)</u>



Appendix A

Budget Detail



Revenues: 2016 Adopted Budget versus 2016 Projected Actuals versus 2017 Proposed Budget

		2016 ADOPTED	2016 PROJECTED	2017 PROPOSED	CHANGE
OPERATING REVENUE					
Water Sales					
01-50-510-413011	Fixed Meter Charges	\$ 2,600,000	\$ 2,784,465	\$ 2,786,335	\$ 186,335
01-50-510-410100	Sales	3,700,000	4,238,169	4,200,000	500,000
01-50-510-410151	Agricultural Irrigation Sales	25,500	24,664	25,500	0
01-50-510-410171	Construction Sales	68,000	197,536	150,000	82,000
		<u>6,393,500</u>	<u>7,244,834</u>	<u>7,161,835</u>	<u>768,335</u>
Development and Installation Charges					
01-50-510-413021	Meter Fees	95,000	374,456	275,000	180,000
01-50-510-419011	Development Income	85,000	149,760	100,000	15,000
		<u>180,000</u>	<u>524,216</u>	<u>375,000</u>	<u>195,000</u>
Other Charges for Service					
01-50-510-417061	Custmr Damages/Upgrade Charges	8,000	16,460	15,000	7,000
01-50-510-413001	Backflow Admin Charges	30,000	37,494	30,000	0
01-50-510-417051	Returned Check Fees	2,000	2,325	2,000	0
01-50-510-419061	Miscellaneous Income	250	929	250	0
01-50-510-419021	Recharge Income	35,000	66,643	45,000	10,000
01-50-510-417071	After Hours Call Out Charges	600	1,000	600	0
01-50-510-417031	Lien Processing Fees	3,800	7,100	5,000	1,200
01-50-510-417021	Account Reinstatement Fees	75,000	66,200	65,000	(10,000)
01-50-510-417011	3rd Notice Charges	32,000	31,120	32,000	0
01-50-510-417001	2nd Notice Penalties	90,000	87,355	90,000	0
01-50-510-417041	Credit Check Processing Fees	7,500	10,425	8,000	500
01-50-510-417091	Credit Card Processing Fees	33,000	38,469	35,000	2,000
01-50-510-417081	Bench Test Fees	180	90	180	0
		<u>317,330</u>	<u>365,610</u>	<u>328,030</u>	<u>10,700</u>
Water Importation Surcharge					
01-50-510-415001	SGPWA Importation Charges	1,750,000	2,026,203	2,000,000	250,000
Water Pumping Energy Surcharge					
01-50-510-415011	SCE Power Charges	1,550,000	1,453,594	1,550,000	0
	Total Operating Revenues	<u>10,190,830</u>	<u>11,614,457</u>	<u>11,414,865</u>	<u>1,224,035</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	2,400	2,400	0
01-50-510-471101	Util - 12303 Oak Glen	2,320	2,186	2,320	0
01-50-510-471111	Util - 13695 Oak Glen	1,400	2,618	1,500	100
01-50-510-471121	Util - 13697 Oak Glen	2,800	3,143	2,800	0
01-50-510-471131	Util - 9781 Avenida Miravilla	2,300	2,991	2,300	0
		<u>18,420</u>	<u>20,538</u>	<u>18,520</u>	<u>100</u>
Facilities Charges					
01-50-510-485001	Front Footage Fees	0	6,883	2,500	2,500
01-50-510-481001	Fac Fees-Wells	387,200	987,805	387,200	0
01-50-510-481006	Fac Fees-Water Rights (SWP)	245,000	625,032	245,000	0
01-50-510-481012	Fac Fees-Water Treatment Plant	184,200	469,922	184,200	0
01-50-510-481018	Fac Fees-Local Water Resources	97,000	247,462	97,000	0
01-50-510-481024	Fac Fees-Recycld Wtr Facilities	280,400	792,340	280,400	0
01-50-510-481030	Fac Fees-Transmission (16")	313,600	800,041	313,600	0
01-50-510-481036	Fac Fees-Storage	401,600	1,024,542	401,600	0
01-50-510-481042	Fac Fees-Booster	27,800	70,922	27,800	0
01-50-510-481048	Fac Fees-Pressure Reducng Stns	14,200	36,226	14,200	0
01-50-510-481054	Fac Fees-Misc Projects	12,400	31,634	12,400	0
01-50-510-481060	Fac Fees-Financing Costs	61,000	157,898	61,000	0
01-50-510-488001	Contributed Capital	0	0	0	0
		<u>2,024,400</u>	<u>5,250,707</u>	<u>2,026,900</u>	<u>2,500</u>
Interest Earned					
01-50-510-490021	Interest Income - General	20,000	82,414	80,000	60,000
01-50-510-490011	Interest Income-Fairway Canyon	50,000	56,331	0	(50,000)
01-50-510-490001	Interest Income - Bonita Vista	2,800	2,371	2,400	(400)
		<u>72,800</u>	<u>141,116</u>	<u>82,400</u>	<u>9,600</u>
Grant Revenue					
01-50-510-419051	Grant Revenue	0	0	0	0
	Total Non-Operating Revenues	<u>2,115,620</u>	<u>5,412,361</u>	<u>2,127,820</u>	<u>12,200</u>
	Total Revenues	<u>\$ 12,306,450</u>	<u>\$ 17,026,818</u>	<u>\$ 13,542,685</u>	<u>\$ 1,236,235</u>

Expenses: 2016 Adopted Budget versus 2016 Projected Actuals versus 2017 Proposed Budget

EXPENSES		2016	2016	2017	
		ADOPTED	PROJECTED	PROPOSED	CHANGE
SOURCE OF SUPPLY					
01-40-410-500105	Labor	\$ 239,658	\$ 154,452	\$ 294,844	\$ 55,186
01-40-410-500110	Overtime	13,476	10,507	16,145	2,669
01-40-410-500111	Double Time	200	0	427	227
01-40-410-500125	Health Insurance	81,728	48,618	121,440	39,712
01-40-410-500155	Retirement/CalPERS	44,846	39,205	59,910	15,064
01-40-410-500140	Life Insurance	1,539	719	1,265	(274)
01-40-410-500165	Uniforms & Employee Benefits	1,000	679	1,000	0
01-40-410-500170	Education Expenses	1,400	60	1,000	(400)
01-40-410-500115	Social Security	14,859	10,752	18,283	3,424
01-40-410-500120	Medicare	3,475	2,515	4,278	803
01-40-410-500145	Workers' Compensation	19,748	9,732	20,808	1,060
01-40-410-510011	Treatment & Chemicals	75,000	59,989	75,000	0
01-40-410-510021	Lab Testing	90,000	46,805	90,000	0
01-40-410-520061	Maint & Rpr-Pumping Equipment	100,000	185,775	100,000	0
01-40-410-501201	Gas - Wells	225	196	225	0
01-40-410-501101	Electricity - Wells	1,550,000	1,478,564	1,550,000	0
01-40-410-520021	Maint & Rpr-Telemetry Equip	15,000	3,272	15,000	0
01-40-410-500175	Seminar & Travel Expenses	500	0	500	0
01-40-410-510031	Small Tools, Parts & Maint	3,280	3,099	3,200	(80)
01-40-410-520031	Maint & Rpr-General Equipment	100	0	100	0
01-40-410-550066	Subscriptions	400	3	400	0
01-40-410-550024	Employment Testing	200	0	200	0
01-40-410-500501	State Project Water Purchases	1,750,000	2,787,698	2,000,000	250,000
01-40-410-500511	Ground Water Purchases	0	0	0	0
		4,006,634	4,842,640	4,374,025	367,391
TRANSMISSION AND DISTRIBUTION					
01-40-440-500105	Labor	514,533	300,895	661,864	147,331
01-40-440-500195	CIP Related Labor	(40,000)	0	(40,000)	0
01-40-440-500110	Overtime	20,000	13,349	20,007	7
01-40-440-500111	Double Time	1,500	3,310	3,156	1,656
01-40-440-500125	Health Insurance	214,535	147,629	279,312	64,777
01-40-440-500155	Retirement/CalPERS	87,253	68,605	123,317	36,064
01-40-440-500140	Life Insurance	3,303	1,663	2,726	(577)
01-40-440-500165	Uniforms & Employee Benefits	4,000	1,507	4,000	0
01-40-440-500170	Education Expenses	1,000	173	1,000	0
01-40-440-500115	Social Security	31,901	21,643	40,273	8,372
01-40-440-500120	Medicare	7,461	5,062	9,603	2,142
01-40-440-500145	Workers' Compensation	39,302	17,964	36,190	(3,112)
01-40-440-500175	Seminar & Travel Expenses	500	0	500	0
01-40-440-520071	Maint & Rpr-Pipelines&Hydrants	55,000	95,497	55,000	0
01-40-440-540036	Line Locates	3,500	2,451	3,500	0
01-40-440-540042	Meters Maintenance & Services	150,000	157,870	150,000	0
01-40-440-540001	Backflow Devices	2,500	1,543	2,500	0
01-40-440-540078	Reservoirs Maintenance	30,000	2,029	30,000	0
01-40-440-520081	Maint & Rpr-Pressure Regulatr	7,500	9,581	7,500	0
01-40-440-540024	Inventory Adjustments	3,000	(1,085)	3,000	0
01-40-440-540026	Inventory Purchase Discounts	(5,000)	0	(5,000)	0
01-40-440-510031	Small Tools, Parts & Maint	4,920	6,717	6,500	1,580
01-40-440-550024	Employment Testing	200	0	200	0
01-40-450-500105	Labor	0	13,644	0	0
01-40-450-500110	Overtime	0	0	0	0
01-40-450-500125	Health Insurance	0	4,284	0	0
01-40-450-500155	Retirement/CalPERS	0	2,896	0	0
01-40-450-500140	Life Insurance	0	61	0	0
01-40-450-500165	Uniforms & Employee Benefits	300	0	0	(300)
01-40-450-500115	Social Security	0	850	0	0
01-40-450-500120	Medicare	0	199	0	0
01-40-450-500145	Workers' Compensation	0	782	0	0
		1,137,208	879,119	1,395,148	257,940
CUSTOMER SERVICE AND METER READING					
01-40-460-500105	Labor	142,252	134,745	144,396	2,144
01-40-460-500110	Overtime	3,500	5,759	7,124	3,624
01-40-460-500111	Double Time	200	1,860	1,435	1,235
01-40-460-500125	Health Insurance	61,296	65,736	72,864	11,568
01-40-460-500155	Retirement/CalPERS	25,612	29,647	29,268	3,656
01-40-460-500140	Life Insurance	913	685	543	(370)
01-40-460-500165	Uniforms & Employee Benefits	750	260	750	0
01-40-460-500170	Education Expenses	500	0	500	0
01-40-460-500115	Social Security	8,820	9,378	8,954	134
01-40-460-500120	Medicare	2,063	2,193	2,096	33
01-40-460-500145	Workers' Compensation	11,722	8,551	10,190	(1,532)
01-40-460-500175	Seminar & Travel Expenses	300	0	300	0
01-40-460-500195	CIP Related Labor	(10,000)	0	(10,000)	0
01-40-460-550024	Employment Testing	300	0	300	0
		248,228	258,814	268,720	20,492

Expenses: 2016 Adopted Budget versus 2016 Projected Actuals versus 2017 Proposed Budget

EXPENSES		2016 ADOPTED	2016 PROJECTED	2017 PROPOSED	CHANGE
FINANCE AND ADMINISTRATIVE SERVICES					
01-30-310-500105	Labor	1,091,965	875,850	968,732	\$ (123,233)
01-30-310-500195	CIP Related Labor	(25,000)	(1,231)	(25,000)	0
01-30-310-500110	Overtime	500	0	622	122
01-30-310-500196	CIP Related Overtime	0	0	0	0
01-30-310-500125	Health Insurance	234,967	183,237	255,024	20,057
01-30-310-500155	Retirement/CalPERS	154,821	130,397	157,481	2,660
01-30-310-500140	Life Insurance	6,806	4,071	3,746	(3,060)
01-30-310-500165	Uniforms & Employee Benefits	500	0	500	0
01-30-310-500170	Education Expenses	2,000	327	2,000	0
01-30-310-500115	Social Security	60,682	57,387	55,000	(5,682)
01-30-310-500120	Medicare	15,833	13,759	14,051	(1,782)
01-30-310-500145	Workers' Compensation	18,155	11,275	14,113	(4,042)
01-30-310-500150	Unemployment Insurance	74,709	1,344	74,709	0
01-30-310-500175	Seminar & Travel Expenses	16,000	10,751	11,000	(5,000)
01-30-310-550036	Notary & Lien Fees	1,000	2,645	2,000	1,000
01-30-310-500160	Post-Employment Health Expense	5,000	0	0	(5,000)
01-30-310-500130	CalPERS Health Admin Costs	2,000	1,605	2,000	0
01-30-310-550001	Bank Charges	33,000	32,468	33,000	0
01-30-310-500190	Temporary Labor	0	0	0	0
01-30-310-550042	Office Supplies	15,000	12,414	15,000	0
01-30-310-550046	Office Equipment	65,000	38,254	65,000	0
01-40-470-501691	Maint & Rpr- Bldgs (General)	5,000	1,452	5,000	0
01-30-310-550030	Membership Dues	35,000	32,909	35,000	0
01-30-310-520001	Maint & Rpr-Office Equipment	2,800	124	2,800	0
01-30-310-550048	Postage	58,800	51,936	58,800	0
01-30-310-550066	Subscriptions	10,000	6,377	10,000	0
01-50-510-550040	General Supplies	10,000	6,352	9,000	(1,000)
01-40-510-510031	Small Tools, Parts & Maint	500	1,583	1,500	1,000
01-30-310-550018	Employee Medical/First Aid	200	0	200	0
01-30-310-550024	Employment Testing	200	50	200	0
01-30-310-550054	Property, Auto& Gen Liab Insur	85,000	75,943	85,000	0
01-30-310-550072	Misc Operating Expenses	5,000	0	5,000	0
01-30-310-550078	Bad Debt Expense	5,000	0	5,000	0
01-40-410-540084	State Mandates & Tariffs	50,000	32,998	50,000	0
01-50-510-550072	Misc Operating Expenses	4,500	0	4,500	0
01-50-510-550060	Public Education	15,000	1,714	10,000	(5,000)
01-50-510-540066	Property Damages & Theft	2,000	21,343	15,000	13,000
01-30-310-580021	IT/Software Support	30,000	29,507	30,000	0
01-30-310-550006	Cashiering Shortages/Overages	50	15	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
		2,091,988	1,636,856	1,976,028	(115,960)
BOARD OF DIRECTORS					
01-10-110-500101	Board of Directors Fees	30,800	26,600	36,000	5,200
01-10-110-500115	Social Security	3,100	1,649	2,235	(865)
01-10-110-500120	Medicare	700	386	525	(175)
01-10-110-500145	Workers' Compensation	450	286	485	35
01-10-110-500175	Seminar & Travel Expenses	10,000	0	10,000	0
01-10-110-550012	Election Expenses	30,000	0	0	(30,000)
		75,050	28,921	49,245	(25,805)
MAINTENANCE AND GENERAL PLANT					
01-40-470-501111	Electricity - 560 Magnolia	23,600	20,607	23,600	0
01-40-470-501511	Phones - 560 Magnolia	20,000	20,369	20,000	0
01-40-470-501411	Sanitation - 560 Magnolia	1,800	1,499	1,800	0
01-40-470-501611	Maint & Repair- 560 Magnolia	16,000	25,192	16,000	0
01-40-470-501121	Electricity - 12303 Oak Glen	2,200	2,303	2,200	0
01-40-470-501621	Maint & Repair- 12303 Oak Glen	1,200	53	1,200	0
01-40-470-501321	Propane - 12303 Oak Glen	120	0	120	0
01-40-470-501131	Electricity - 13695 Oak Glen	800	1,565	1,500	700
01-40-470-501631	Maint & Repair- 13695 Oak Glen	1,000	0	1,000	0
01-40-470-501331	Propane - 13695 Oak Glen	600	754	600	0
01-40-470-501141	Electricity - 13697 Oak Glen	2,200	2,118	2,200	0
01-40-470-501641	Maint & Repair- 13697 Oak Glen	500	0	500	0
01-40-470-501341	Propane - 13697 Oak Glen	600	668	600	0
01-40-470-501151	Elec - 9781 Avenida Miravilla	1,800	1,701	1,800	0
01-40-470-501651	Maint & Rpr-9781 Ave Miravilla	1,500	1,377	1,500	0
01-40-470-501351	Propane-9781 Avenida Miravilla	500	1,021	500	0
01-40-470-501161	Electricity - 815 E. 12th	6,000	5,642	6,000	0
01-40-470-501561	Phones - 815 E. 12th	1,800	3,449	1,800	0
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	2,618	5,000	0
01-40-470-501471	Sanitation - 11083 Cherry Ave	3,200	2,963	3,200	0
01-40-470-500105	Labor	32,000	8,919	32,000	0
01-40-470-500125	Health Insurance	11,000	3,856	11,000	0

Expenses: 2016 Adopted Budget versus 2016 Projected Actuals versus 2017 Proposed Budget

EXPENSES		2016	2016	2017	
MAINTENANCE AND GENERAL PLANT (cont.)		ADOPTED	PROJECTED	PROPOSED	CHANGE
01-40-470-500155	Retirement/CalPERS	9,950	2,198	9,950	0
01-40-470-500140	Life Insurance	200	31	200	0
01-40-470-500115	Social Security	1,700	569	1,700	0
01-40-470-500120	Medicare	400	133	400	0
01-40-470-500145	Workers' Compensation	2,500	533	2,500	0
01-40-470-510001	Auto/Fuel	75,000	51,191	75,000	0
01-40-470-510002	CIP Related Fuel	(15,000)	0	(15,000)	0
01-40-470-520011	Maint & Rpr-Safety Equipment	15,000	986	5,000	(10,000)
01-40-470-520091	Maint & Rpr-Communicatn Equip	2,500	0	2,500	0
01-40-470-520031	Maint & Rpr-General Equipment	45,000	37,404	40,000	(5,000)
01-40-470-520041	Maint & Rpr-Fleet	85,000	48,011	55,000	(30,000)
01-40-470-501600	Property Maintenance & Repairs	5,000	0	5,000	0
01-40-470-540030	Landscape Maintenance	15,000	8,161	15,000	0
01-30-310-550084	Depreciation	1,871,002	2,504,276	2,504,276	633,274
01-40-470-540072	Rechrg Facs, Cnyns&Ponds Maint	20,000	30,682	20,000	0
		<u>2,270,272</u>	<u>2,793,935</u>	<u>2,859,246</u>	<u>588,974</u>
ENGINEERING					
01-20-210-500105	Labor	208,929	200,822	300,701	91,772
01-20-210-500195	CIP Related Labor	(121,158)	(77,909)	(121,158)	(0)
01-20-210-500125	Health Insurance	20,432	20,007	48,576	28,144
01-20-210-500155	Retirement/CalPERS	30,295	31,515	50,409	20,114
01-20-210-500140	Life Insurance	883	563	956	73
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	11,772	12,907	17,876	6,104
01-20-210-500120	Medicare	3,029	3,019	4,363	1,334
01-20-210-500145	Workers' Compensation	3,938	2,555	4,491	553
01-20-210-500175	Seminar & Travel Expenses	500	0	500	0
01-20-210-550068	Software Maintenance	22,500	10,000	22,500	0
		<u>183,670</u>	<u>203,479</u>	<u>331,764</u>	<u>148,094</u>
PROFESSIONAL SERVICES					
01-30-310-580011	General Legal	150,000	59,857	150,000	0
01-30-310-580001	Accounting & Audit	35,000	28,595	36,000	1,000
01-20-210-580031	Outside Engineering	60,000	38,307	50,000	(10,000)
01-20-210-580032	CIP Related Outside Engineering	(30,000)	0	(30,000)	0
01-20-210-540012	Dev Reimbursable Engineering	15,000	22,680	15,000	0
01-20-210-540048	Permits, Fees & Licensing	4,000	0	4,000	0
01-20-210-540018	Grant & Loan Procurement	0	0	0	0
01-50-510-550096	Beaumont Basin Watermaster	35,000	28,144	36,610	1,610
		<u>\$ 269,000</u>	<u>\$ 177,583</u>	<u>\$ 261,610</u>	<u>\$ (7,390)</u>
		<u><u>\$ 10,282,050</u></u>	<u><u>\$ 10,821,347</u></u>	<u><u>\$ 11,515,785</u></u>	<u><u>\$ 1,233,735</u></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.
- 01-50-510-413001 — **Backflow Administration Charges** — Administrative charge for required annual backflow program administration.
- 01-50-510-413021 — **Meter Fees** — Charges for new service installations.
- 01-50-510-417051 — **Returned Check Fees** — Charges for payments returned by the bank as unpaid.
- 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.
- 01-50-510-419001 — **Insurance Rebate** — Reimbursement from the joint-powers insurance agency of any rate stabilization refunds due to its members.
- 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.
- 01-50-510-419031 — **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).
- 01-50-510-419061 — **Miscellaneous Income** — Receipts for miscellaneous, non-recurring revenues.
- 01-50-510-417071 — **After-Hours Call Out Charge** — Reimbursement charge for after-hours services provided.
- 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.
- 01-50-510-471000 — **Rental Income** — Charges for use of District properties.
- 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.

NON-OPERATING REVENUE

RENT and 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.
- 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 and 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 and 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 and 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 and Repairs – Telemetry Equipment** — Costs associated with the maintenance and repair of the District's telemetry system.
- 01-40-410-500175 — Seminar and Travel Expense** — Cost associated with attendance to District approved seminars and conferences.
- 01-40-410-510031 — Small Tools, Parts and Maintenance** – Expenses in this category include minor repairs and small parts purchases.
- 01-40-410-540048 — State Mandates and Tariffs** – See 01-40-410-540084
- 01-40-410-520031 — Maintenance and 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 and 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 and Travel Expenses** — Costs associated with attendance to District approved seminars and conferences.
- 01-40-440-520071 — **Maintenance and Repair – Pipeline and 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 and 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 and 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 and 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 and 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.
- 01-40-460-500115 — **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.

- 01-40-460-500125 — Health Insurance** — Cost of providing health benefits for employees in this department.
- 01-40-460-500140 — Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 01-40-460-500145 — Workers' Compensation** — This category includes standard charges paid for employees in this department to the District's insurance carrier.
- 01-40-460-500155 — Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-40-460-500165 — Uniforms and Employee Benefits** — Annual purchase of uniforms and boot allowance.
- 01-40-460-500170 — Education Expenses** — Education expense reimbursement.
- 01-40-460-500175 — Seminar and 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.
- 01-30-310-500110 — Overtime** — Overtime expenses for this department.
- 01-30-310-500195 — CIP Related Labor** — Wage expenses for a Capital Improvement Project in this department.
- 01-30-310-500196 — CIP Related Overtime** — Overtime expenses for a Capital Improvement Project in this department.
- 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.
- 01-30-310-500125 — Health Insurance** — Cost of providing health benefits to employees in this department.
- 01-30-310-500130 — CalPERS Health Administration Costs** — Administrative fees charged for CalPERS health insurance
- 01-30-310-500140 — Life Insurance** — Life insurance premiums paid on behalf of employees in this department.
- 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.
- 01-30-310-500155 — Retirement/CalPERS** — Retirement contributions paid on behalf of employees in this department.
- 01-30-310-500160 — Post-Employment Health Expenses** — Costs associated with retiree medical benefits
- 01-30-310-500165 — Uniforms and Employee Benefits** — Annual purchase of uniforms and boot allowance.
- 01-30-310-500170 — Education Expenses** — Education expense reimbursement.
- 01-30-310-500175 — Seminar and Travel Expenses** — Costs associated with attendance to District approved seminars and conferences.
- 01-30-310-500190 — Temporary Labor** — Labor expenses for the use of temporary employees.
- 01-30-310-520001 — Maintenance and 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.
- 01-30-310-550001 — Bank Charges** — Fees associated with District bank accounts.
- 01-30-310-550006 — Cashiering Shortages/Overages** — This account was created to account for cash shortages and overages at the three cashiering windows.
- 01-30-310-550018 — 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.
- 01-30-310-550030 — 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.
- 01-30-310-550036 — Notary and Lien Fees** — Fees associated with filing and releasing liens on delinquent accounts.
- 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 and billing equipment.
- 01-30-310-550048 — Postage** — Postage expenses include the costs of postage for regular and delinquent utility bills as well as daily correspondence.

- 01-30-310-550054 — Property, Auto and General Liability Insurance** — Annual insurance premiums covering District properties and facilities.
- 01-30-310-550066 — Subscriptions** — Costs associated with subscriptions to regulatory and technical materials. Also includes cost for accessing credit verification information.
- 01-30-310-550090 — Principal Repayment** — Principal payment expense for the note payable to Bank of America.
- 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.
- 01-30-310-590001 — 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.
- 01-40-410-540084 — State Mandates and 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
- 01-40-470-501691 — Maintenance and 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.
- 01-40-510-510031 — Small Tools, Parts and Maintenance** — Cost of general tools used for District operations not specifically associated with anyone project.
- 01-50-510-540066 — Property Damage and Theft** — Expenses in this category include small claims on the District for property damage.
- 01-50-510-550040 — General Supplies** — Cost of general supplies used for District operations not specifically associated with anyone project.
- 01-50-510-550060 — Public Education** — Includes costs such as the mandated Annual Consumer Confidence Report (Water Quality Report).
- 01-50-510-550072 — Miscellaneous Operating Expenses** — Miscellaneous expenses include expenses which do not fall directly under another general ledger account.

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 and 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 and 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 and 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 and 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 and 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 and 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 and 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 and 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 and 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 and Repair - Communication Equipment** — Cost of repair and maintenance of District radio equipment.
- 01-40-470-520031 — Maintenance and Repair - General Equipment** — This category applies to the preventative maintenance performed on District equipment.
- 01-40-470-520041 — Maintenance and 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 and 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 and 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 and 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 and 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 and 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 and Licensing — This includes all engineering costs associated with non-potable water.

01-20-210-540018 — Grant and Loan Procurement — This section includes all procurement costs for grants and loans.

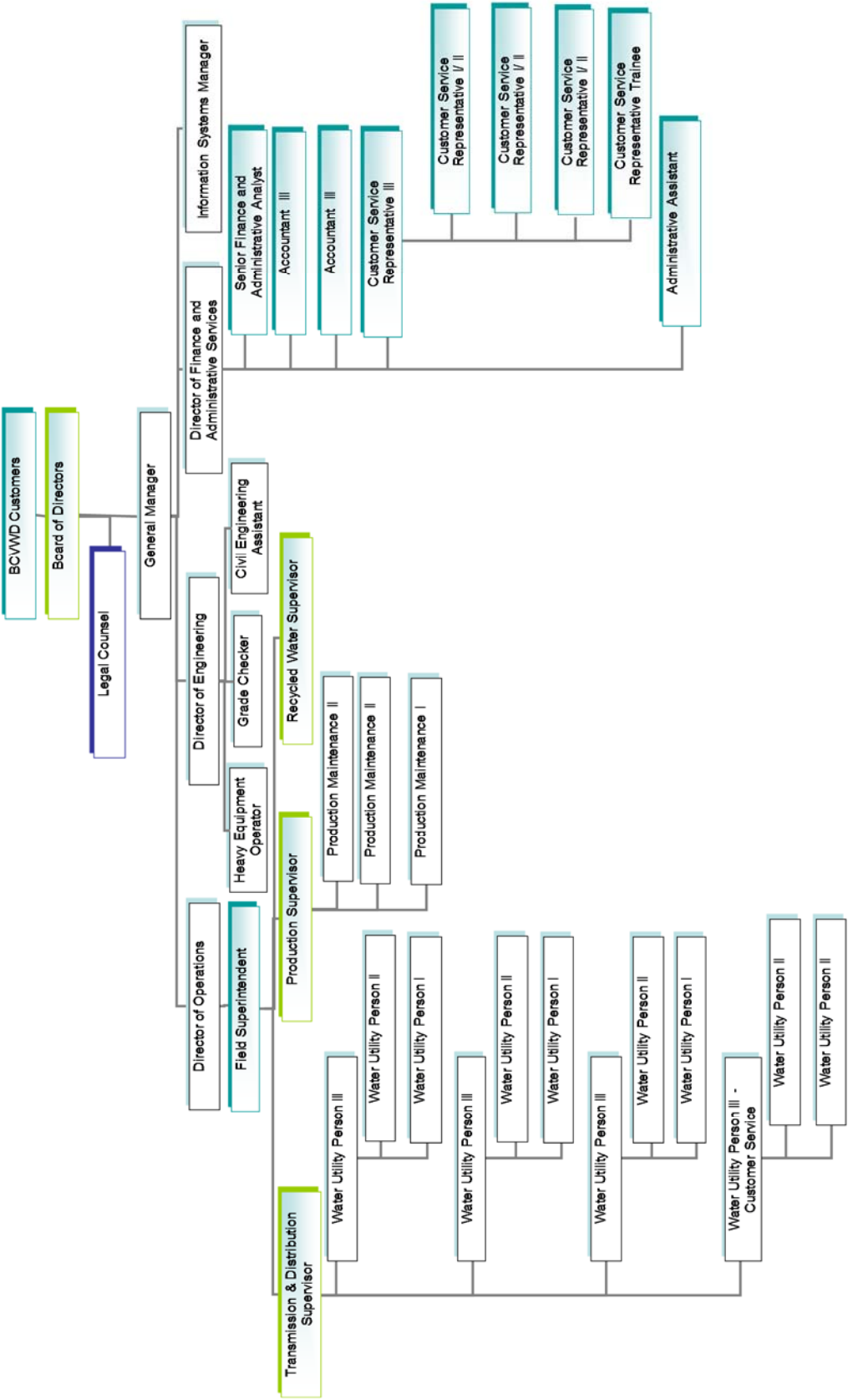
01-50-510-550096 — Beaumont Basin Watermaster — This section accounts for the District's cost of participation in the Beaumont Basin Watermaster.

Appendix C

Organization Overview



2017 Organizational Chart



2017 Salary Schedule

Beaumont-Cherry Valley Water District Salary Schedule							
Effective: January 1, 2017	Hourly Rates					Annual Range	
Classification	1	2	3	4	5		
Customer Service Representative Trainee	10.50	11.05	11.63	12.24	12.88	21,840.00	26,790.40
Water Utility Person I	15.06	15.85	16.69	17.57	18.49	31,324.80	38,459.20
Customer Service Representative I	15.57	16.39	17.26	18.16	19.11	32,385.60	39,748.80
Production Maintenance I	18.16	19.11	20.12	21.17	22.29	37,772.80	46,363.20
Water Utility Person II	18.16	19.11	20.12	21.17	22.29	37,772.80	46,363.20
Customer Service Representative II	18.49	19.47	20.49	21.57	22.71	38,459.20	47,236.80
Administrative Assistant	18.49	19.47	20.49	21.57	22.71	38,459.20	47,236.80
Production Maintenance II	20.24	21.30	22.42	23.60	24.84	42,099.20	51,667.20
Water Utility Person III	20.24	21.30	22.42	23.60	24.84	42,099.20	51,667.20
Customer Service Representative III	24.19	25.46	26.80	28.21	29.69	50,315.20	61,755.20
Transmission & Distribution Supervisor	27.39	28.84	30.36	31.96	33.64	56,971.20	69,971.20
Recycled Water Supervisor	27.39	28.84	30.36	31.95	33.64	56,971.20	69,971.20
Production Supervisor	27.39	28.84	30.36	31.95	33.64	56,971.20	69,971.20
Grade Checker (1000 HR)	28.57	30.07	31.65	33.32	35.07	59,425.60	72,945.60
Civil Engineering Assistant	29.01	30.54	32.16	33.85	35.63	60,340.80	74,110.40
Heavy Equipment Operator (1000 HR)	31.02	32.65	34.37	36.18	38.08	64,521.60	79,206.40
Accountant III	32.40	34.10	35.90	37.79	39.78	67,392.00	82,742.40
Information Systems Manager	42.12	44.34	46.67	49.13	51.71	87,609.60	107,556.80
Sr. Finance and Administrative Analyst	37.91	39.91	42.01	44.22	46.55	78,852.80	96,824.00
Field Superintendent	38.73	40.77	42.91	45.17	47.54	80,558.40	98,883.20
Director of Operations	54.68	57.55	60.58	63.76	67.12	113,734.40	139,609.60
Director of Engineering	54.68	57.55	60.58	63.76	67.12	113,734.40	139,609.60
Director of Finance and Administrative Services	54.68	57.55	60.58	63.76	67.12	113,734.40	139,609.60
General Manager	76.97	81.02	85.28	89.77	94.49	160,097.60	196,539.20
Board of Directors	\$200 per diem for meeting attendance in accordance with District rules						