



**BEAUMONT CHERRY VALLEY WATER DISTRICT**  
**SPECIAL MEETING**  
**AGENDA FOR THE**  
**BUDGET AND FINANCE WORKSHOP**  
**Saturday, January 31, 2009 at 9:00 AM**  
**560 Magnolia Avenue, Beaumont, CA 92223**

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**CALL TO ORDER, PLEDGE OF ALLEGIANCE, INVOCATION AND ROLL CALL,  
PRESIDENT BALL**

**PUBLIC INPUT**

**PUBLIC COMMENT:** Anyone wishing to address the Board of Directors on any matter not on the agenda of this meeting may do so now. Anyone wishing to speak on an item on the agenda may do so at the time the Board considers that item. All persons wishing to speak must fill out a "Request to Speak" form and give it to the Secretary at the beginning of the meeting. The forms are available on the table at the back of the room. There is a three (3) minute limit on public comments. Sharing or passing time to another speaker is not permitted. Please do not repeat what was said by a previous speaker except to note agreement with that speaker. Thank you for your cooperation.

**ACTION ITEMS**

- 1. Adoption and Confirmation of Agenda**
- 2. Open Workshop**
  - a. 2009 Budget Report\*\*
- 3. Continuance of Special Meeting**
  - a. Adoption of the 2009 Budget

|       |   |   |   |   |
|-------|---|---|---|---|
| DOPP  | M | S | A | N |
| ROSS  | M | S | A | N |
| PARKS | M | S | A | N |
| WOLL  | M | S | A | N |
| BALL  | M | S | A | N |

**ADJOURNMENT**

\*\* Information included in the agenda packet

**Assistance for the Disabled:** If you are disabled in any way and need accommodation to participate in the meeting, please call Blanca Marin Executive Assistant, at (951) 845-9581 Ext. 23 for assistance so the necessary arrangements can be made.

The agenda material for this meeting is available to the public at the District's Administrative Office which is located at 560 Magnolia Avenue, Beaumont, CA 92223. If any additional material related to an open session agenda item is distributed to all or a majority of the board of directors after this agenda is posted, such material will be made available for immediate inspection at the same location.



# Budget Report

Calendar Year 2009

Beaumont Cherry Valley Water District

January 31, 2009

# Beaumont Cherry Valley Water District 2009 Budget

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## Introduction Section

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## Forward

Honorable Board of Directors:

We are pleased to present the CY 2009 Annual Budget for the Beaumont Cherry Valley Water District. We wish to thank the Board of Directors for the opportunity to make this presentation, and all of the employees of the District for their contributions during the budget process.

The CY 2009 budget reflects revenues and expenses for CY 2008, along side the CY 2008 adopted budget and the projected operating revenues and expenses for CY 2009. Operating revenue is the projected income from the fees and charges related to domestic, commercial, construction and irrigation water sales. Forecasted operating expenses represent the costs, broken down by department, for the operation and maintenance of the District.

We would be remiss if we did not acknowledge the slow down in residential development, local and national economy and the increase in home foreclosures. These factors have had some impact on the District's operation and were accounted for when preparing the CY 2009 Budget. For these and many other reasons, the budget should be viewed as a tool for estimating and planning District sources and uses of revenue. Budgets can also be used for comparative purposes to identify unusual or unexpected trends. Categories such as water sales can be particularly difficult to forecast due to uncontrollable variables such as growth rates, and weather conditions. Actual revenues and expenses may vary significantly from the approved budget, especially in the water sales and source of supply categories.

## Organization of this Budget Document

This document has been organized into sections, with the intent of providing the reader with an overall understanding of the District's operations, and the sources and uses of revenue to carry out those operations.

**Introduction Section** – This section provides the District's background, identifies its service area, lists our Board of Directors and executive staff, and gives an overview of the organizational structures.

**Budget by Department** – This section provides an overview of the proposed 2009 Budget, broken down by department, along with narration explaining how staff arrived at the projections.

**Capital Budget** – This section provides a review of projects completed in CY 2008 as well as anticipated projects (and funding) for CY 2009.

**Appendices** – The three appendices present the CY 2008 Year End Report (unaudited) by month, a listing of all General Ledger accounts along with a brief description of activities associated with the GL account, the Budget Needs and Concerns for Engineering (memorandum) and lastly, a copy of the executed agreement between the City of Banning and the Beaumont Cherry Valley Water District (joint financing agreement).

## Background

The Beaumont Irrigation District was formed in March of 1919 under the Wright Act of 1897. Over the years, both the name and the mission of the District have changed. The newly appointed Board of Directors is taking the District in a new direction, reviewing and updating policies and procedures and developing a mission statement and strategic plan.

Prior to 2006, the District water supply had been groundwater wells located in the Beaumont Storage Unit and the Canyons. In late 2006, the District took its first delivery of State Project Water to be recharged at the District's Runoff/Recharge Recreational Facility. To date, the District has recharged 10,374 ac-ft of State Water Project Water.

| <b>San Geronio Pass</b>          |               |
|----------------------------------|---------------|
| <b>Water Agency</b>              |               |
| <b>Water Deliveries to BCVWD</b> |               |
| 2006                             | 3,501         |
| 2007                             | 4,501         |
| 2008                             | 2,372         |
| <b>Total</b>                     | <b>10,374</b> |

The District's service area is approximately 28 square miles with a majority of the area within Beaumont and Cherry Valley. The water system encompasses around 100 miles of potable water lines and just about 28 miles of reclaimed water lines (including trunk and distribution lines). Over the past five years the District has completed water system facilities capital improvements worth approximately 80 million dollars. These facilities include five new wells, bringing the active wells total to 23 with a production capacity of over 20 million gallons per day. The District has built several new reservoirs over the last few years bringing an additional 16 million gallons in storage capacity.

There are currently 32 full time employees and one part time employee. Two additional part time positions are being recommended, though the employment of these positions is dependent on the State grant and loan for the development and completion of the District's recycled water system.

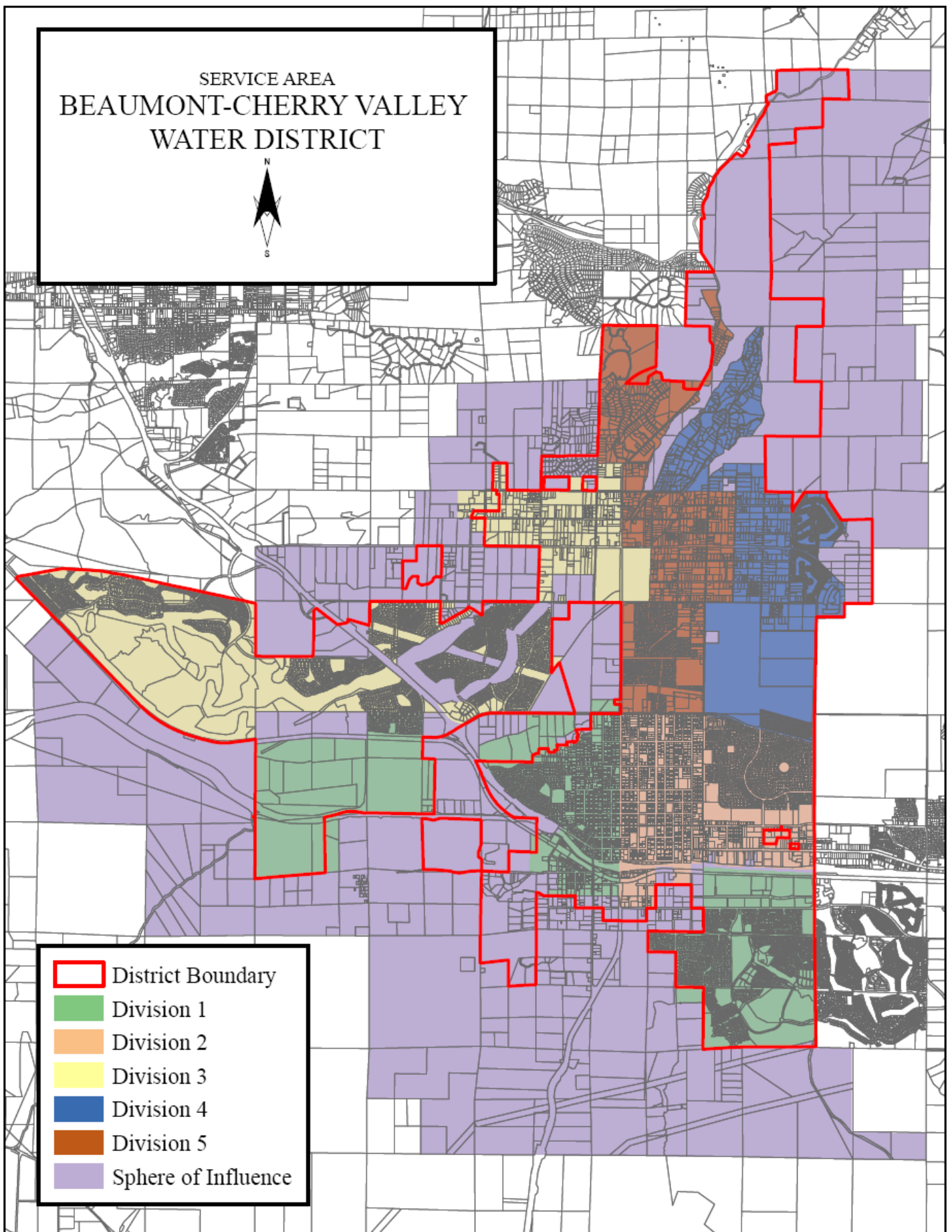
## Board of Directors and Executive Staff








|  | <i>Years of Service</i>       | <i>Term Expiration</i> |
|--|-------------------------------|------------------------|
| <b>ELECTED BOARD OF DIRECTORS</b>        | <i>as of December 1, 2008</i> | <i>December</i>        |
| Dr. Blair Ball, Division 5, President    | 8 years                       | 2010                   |
| Stella Parks, Division 4, Vice President | 8 years                       | 2010                   |
| Marquel Dopp, Division 3                 | 2 years                       | 2010                   |
| Kenneth Ross, Division 1                 |                               | 2012                   |
| Ryan Woll, Division 2                    |                               | 2012                   |

### DISTRICT EXECUTIVE STAFF

|                                       |             |
|---------------------------------------|-------------|
| C.J. Butcher, General Manager         | 27 years    |
| Anthony Lara, Asst. General Manager   | 18 years    |
| Julie Salinas, Business Manager       | 9-1/2 years |
| Joseph Reichenberger, Engineer        | 28 years    |
| Knute Dahlstrom, Field Superintendent | 6 years     |

SERVICE AREA  
BEAUMONT-CHERRY VALLEY  
WATER DISTRICT



-  District Boundary
-  Division 1
-  Division 2
-  Division 3
-  Division 4
-  Division 5
-  Sphere of Influence





Board President  
Dr. Blair Ball  
Director, Division 5



Board Vice President  
Stella Parks  
Director, Division 4



Treasurer  
Kenneth Ross  
Director, Division 1



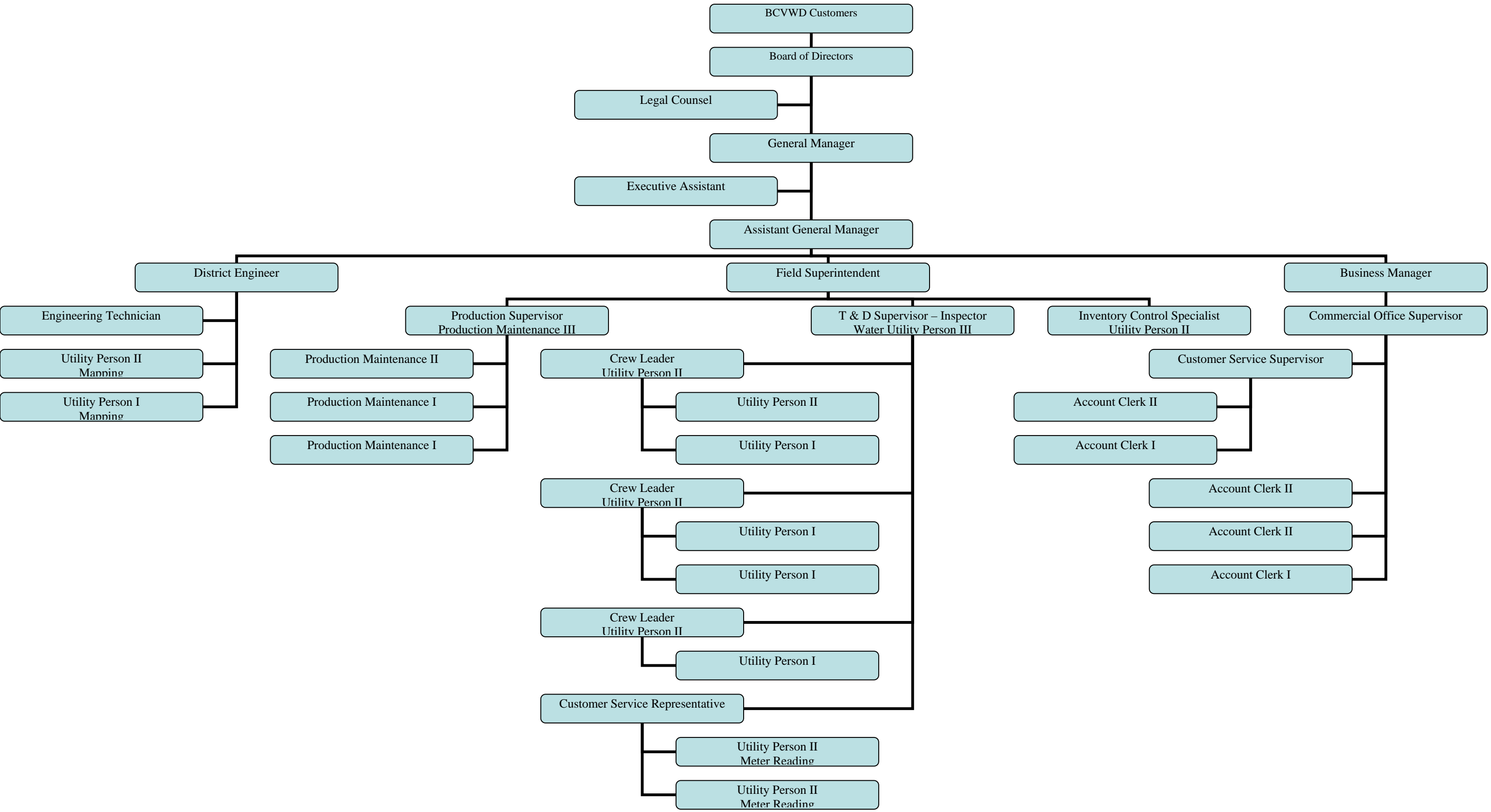
Secretary  
Ryan Woll  
Director, Division 2



Marquel Dopp  
Director, Division 3

# Beaumont Cherry Valley Water District

## Organizational Chart



## **Financial Section**

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### **Budget by Departments**

## Financial Summary

### Overview

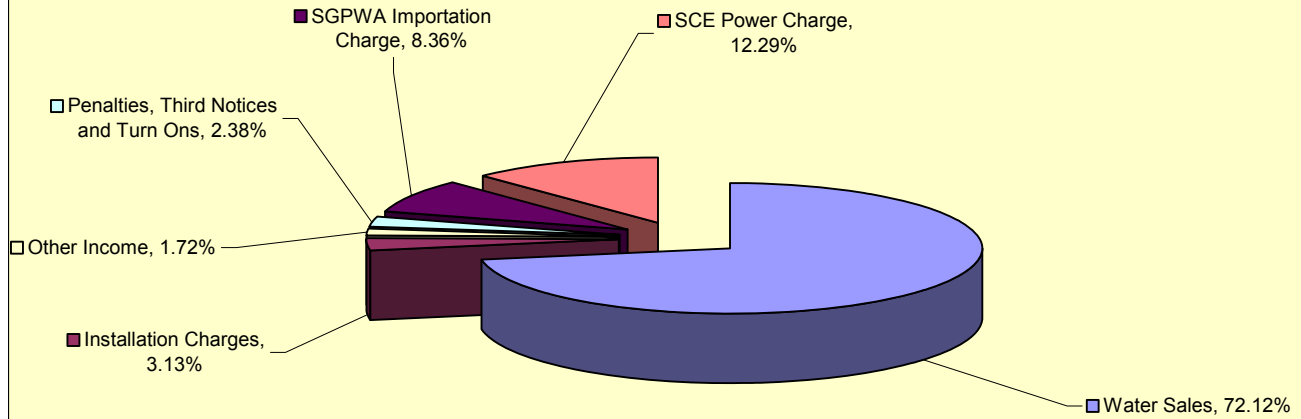
The District utilizes the accrual basis for budget and accounting, recognizing revenues and expenses in the period in which they are earned and incurred, respectively. The District reports its activities on an enterprise basis, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise. The intent of the District is that the costs (including replacement cost of existing assets) of providing goods or services to the general public on a continuing basis, be financed or recovered primarily through user charges.

The CY 2009 Proposed Operating and Maintenance Budget forecast the operating revenues to be \$8,997,686, down \$1,534,014 from last year's budget. The operating expenses have been projected to be \$7,989,846, down \$104,263 from the 2008 budget.

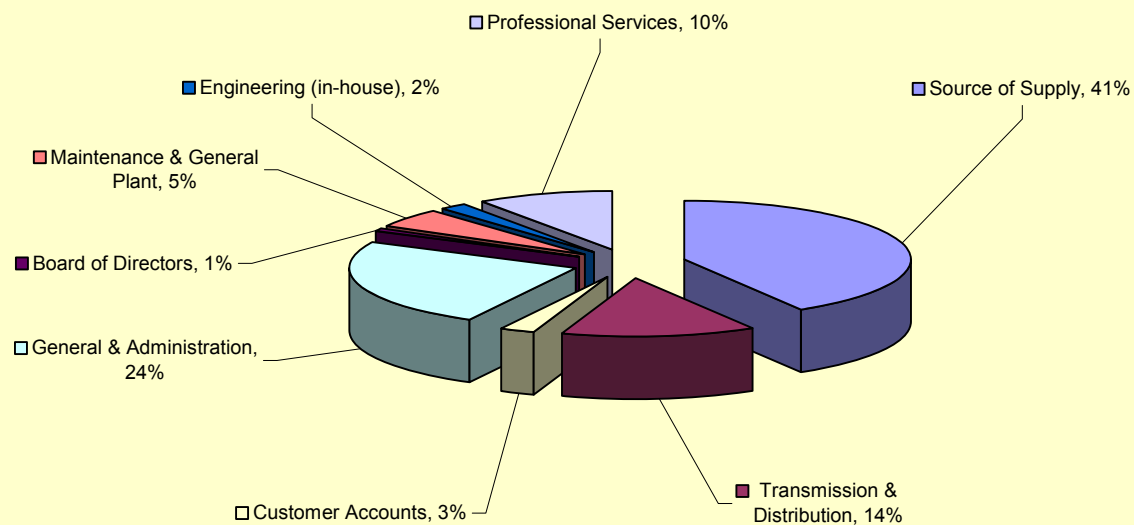
### Summary of Budget Revenues and Expenses

|                                       | 2008 Budget            | 2009 Budget           | Increase/<br>(Decrease) |
|---------------------------------------|------------------------|-----------------------|-------------------------|
| <b>Operating Revenues</b>             |                        |                       |                         |
| Water Sales                           | (6,945,000.00)         | (6,464,918.00)        | (480,082.00)            |
| Installation Charges                  | (1,115,000.00)         | (280,251.00)          | (834,749.00)            |
| Other Income                          | (71,700.00)            | (188,474.00)          | 116,774.00              |
| Penalties, Third Notices and Turn Ons | -                      | (213,500.00)          | 213,500.00              |
| SGPWA Importation Charge              | (1,250,000.00)         | (749,029.00)          | (500,971.00)            |
| SCE Power Charge                      | (1,150,000.00)         | (1,101,514.00)        | (48,486.00)             |
|                                       |                        |                       | -                       |
| <b>Total Operating Revenues</b>       | <b>(10,531,700.00)</b> | <b>(8,997,686.00)</b> | <b>(1,534,014.00)</b>   |
| <b>Operating Expenses</b>             |                        |                       |                         |
| Source of Supply                      | 3,611,596.00           | 3,308,670.00          | (302,926.00)            |
| Transmission & Distribution           | 1,179,754.00           | 1,115,580.00          | (64,174.00)             |
| Customer Accounts                     | 163,342.00             | 201,640.00            | 38,298.00               |
| General & Administration              | 1,782,712.00           | 1,937,050.00          | 154,338.00              |
| Board of Directors                    | 100,875.00             | 63,500.00             | (37,375.00)             |
| Maintenance & General Plant           | 396,300.00             | 436,830.00            | 40,530.00               |
| Engineering (in-house)                | 180,730.00             | 160,312.00            | (20,418.00)             |
| Professional Services                 | 678,800.00             | 766,264.00            | 87,464.00               |
| <b>Total Operating Expenses</b>       | <b>8,094,109.00</b>    | <b>7,989,846.00</b>   | <b>(104,263.00)</b>     |

**CY 2009 Projected Operating Revenue  
Budget - \$8,997,686**



**CY 2009 Projected Operating Expenses  
Budget - \$7,989,846**



## Operating Revenues and Expenditures

### Operating Revenue

As of December 31, 2008, the District reported 14,552 service connections (active and inactive). Over the past year, the District saw a drop in new service installations and this year, the District will face the challenges of a slowdown in both the local and national economy and in increase in home foreclosures.

The 2008 Operating Revenue Budget was based on accounts receivable whereas this year, the 2009 Operating Revenue Budget is based on water sales, resulting in a higher level of details: including irrigation and construction water sales as well as income from penalties, third notice and turn on charges and return check fees.

We have also added a GL account number for income received for the recharge of imported water from San Geronio Pass Water Agency for the City of Banning. The San Geronio Pass Water Agency currently has 2,800 ac-ft of water available for purchase for the CY 2009. Beaumont Cherry Valley Water District and the City of Banning will be splitting the water 50/50. The City of Banning has requested that BCVWD recharge this water for them at the agreed rate of \$61.14/ac-ft.

While various customer and developer deposits were previously shown as revenue, they have been recoded to be shown as liabilities and as can be seen from the following table, removed for the operating revenue budget in 2009.

| Operating Revenue               |                                   | 2008 Actual<br>(thru 1/22/09) | 2008<br>Adopted<br>Budget | 2009 Proposed<br>Budget |
|---------------------------------|-----------------------------------|-------------------------------|---------------------------|-------------------------|
| 1-4-4010-401                    | DOMESTIC WATER SALES              | (5,955,916.96)                | (6,945,000.00)            | (6,325,918.00)          |
| 1-4-4010-402                    | IRRIGATION WATER SALES            | (24,388.93)                   | -                         | (30,000.00)             |
| 1-4-4010-403                    | CONSTRUCTION WATER SALES          | (236,281.98)                  | -                         | (109,000.00)            |
| 1-4-4010-404                    | INSTALLATION CHARGES              | (340,349.04)                  | (1,115,000.00)            | (280,251.00)            |
| 1-4-4010-407                    | REIMB. CUST. DAMAGES/UPGRADES     | (29,729.85)                   | (45,000.00)               | (34,752.00)             |
| 1-4-4010-408                    | BACKFLOW DEVICES                  | (20,620.45)                   | (500.00)                  | (17,522.00)             |
| 1-4-4010-410                    | RETURNED CHECK FEES               | (4,720.00)                    | -                         | (6,000.00)              |
| 1-4-4010-411                    | MISCELLANEOUS INCOME              | (142,032.34)                  | (25,000.00)               | (10,000.00)             |
| 1-4-4010-412                    | RENTAL INCOME                     | (1,200.00)                    | (1,200.00)                | (1,200.00)              |
| 1-4-4010-414                    | RECHARGE INCOME (CITY OF BANNING) | -                             | -                         | (85,000.00)             |
| 1-4-4010-441                    | TURN ONS                          | (43,185.00)                   | -                         | (47,500.00)             |
| 1-4-4010-442                    | THIRD NOTICE CHARGE               | (76,694.00)                   | -                         | (81,000.00)             |
| 1-4-4010-443                    | PENALTIES                         | (88,500.00)                   | -                         | (85,000.00)             |
| 1-4-4010-444                    | SGPWA IMPORTATION CHARGE          | (1,360,785.40)                | (1,250,000.00)            | (749,029.00)            |
| 1-4-4010-445                    | SCE POWER CHARGE                  | (1,062,011.07)                | (1,150,000.00)            | (1,101,514.00)          |
| 1-4-4020-446                    | BONITA VISTA REPAYMENT            |                               |                           | (34,000.00)             |
| <b>Total Operating Revenues</b> |                                   | <b>(9,386,415.02)</b>         | <b>(10,531,700.00)</b>    | <b>(8,997,686.00)</b>   |

## Operating Expenses

### Operating Expenses

With the District performing payroll in-house, we have the ability to set up each employee with a "home" department. Sick leave, vacation and holidays will be recorded to the employees "home" department, however, benefits such as retirement and life insurance are allocated based on timesheets and job assignments. For example, if an employee belonging to department 5300 works 8 hours under new service installations (2-1-0001), that employee's life insurance, employer taxes, retirement, etc. will be calculated and recorded under that GL account. This makes projecting labor and benefits for each department extremely difficult.

There were no merit increases awarded in 2008. The Cost of Living Adjustment (COLA) for CY 2009 was 3.4%. It was incorporated into the labor and benefits projections.

### Source of Supply

This category represents the projected costs related to the operation and maintenance of the District wells (23 active wells), boosters, storage, telemetry and water quality.

|  |                                 | 2008 Actual<br>(thru 1/22/09) | 2008<br>Adopted<br>Budget | 2009 Proposed<br>Budget |
|--|---------------------------------|-------------------------------|---------------------------|-------------------------|
| <b>5200 - Source of Supply &amp; Water Treatment</b> |                                 |                               |                           |                         |
| 1-5-5200-237   | HEALTH INSURANCE                | 38,977.38                     | 35,000.00                 | 40,000.00               |
| 1-5-5200-243   | RETIREMENT/CALPERS              | 63,724.07                     | 60,000.00                 | 65,000.00               |
| 1-5-5200-501   | LABOR                           | 279,627.70                    | 335,340.00                | 230,000.00              |
| 1-5-5200-502   | BEREAVEMENT/SEMINAR/JURY DUTY   | 170.24                        | 1,600.00                  | 1,000.00                |
| 1-5-5200-503   | SICK LEAVE                      | 8,136.39                      | 4,150.00                  | 4,000.00                |
| 1-5-5200-504   | VACATION                        | 7,788.52                      | 9,150.00                  | 12,750.00               |
| 1-5-5200-505   | HOLIDAYS                        | 9,840.73                      | 5,030.00                  | 8,500.00                |
| 1-5-5200-507   | LIFE INSURANCE                  | 1,383.94                      | 1,250.00                  | 1,600.00                |
| 1-5-5200-508   | UNIFORMS, EMPLOYEE BENEFITS     | 479.13                        | 1,850.00                  | 1,270.00                |
| 1-5-5200-511   | TREATMENT & CHEMICALS           | 92,872.35                     | 78,500.00                 | 135,000.00              |
| 1-5-5200-512   | LAB TESTING                     | 35,707.78                     | 56,500.00                 | 95,000.00               |
| 1-5-5200-513   | MAINTENANCE EQUIPMENT (PUMPING) | 158,162.53                    | 125,000.00                | 125,000.00              |
| 1-5-5200-514   | UTILITIES - GAS                 | 10.85                         | 100.00                    | 50.00                   |
| 1-5-5200-515   | UTILITIES - ELECTRIC            | 1,464,495.66                  | 1,451,250.00              | 1,530,000.00            |
| 1-5-5200-517   | TELEMETRY MAINTENANCE           | 2,085.59                      | 6,000.00                  | 6,000.00                |
| 1-5-5200-518   | SEMINAR & TRAVEL EXPENSES       | 125.00                        | 600.00                    | 500.00                  |
| 1-5-5200-519   | EDUCATION EXPENSES              | -                             | 1,000.00                  | 1,000.00                |
| 1-5-5200-520   | WORKER'S COMPENSATION INSURANCE | 18,706.66                     | 19,292.00                 | 22,000.00               |
| 1-5-5200-620   | STATE PROJECT WATER PURCHASED   | 551,112.00                    | 1,149,984.00              | 480,000.00              |
| 1-5-5200-621   | GROUNDWATER PURCHASE (SMWC)     | 220,000.00                    | 270,000.00                | 550,000.00              |
| <b>Total Source of Supply</b>                        |                                 | <b>2,953,406.52</b>           | <b>3,611,596.00</b>       | <b>3,308,670.00</b>     |

The District has been advised that Southern California Edison is proposing an 18% rate increase; however, with the additions of Well 25, 26 & 29, the District will have the ability to operate more efficiently by taking advantage of off-peak pumping rates, consequently stabilizing the costs. Also included in the budgetary figure for 1-5-5200-515 Utilities, Electric is \$30,000 for diesel fuel for the emergency generators. Another factor to take into consideration when reviewing the electric budget is the joint financing agreement between the Beaumont Cherry Valley Water District and the City of Banning (Well 24, 25 & 26).

**1-5-5200-501 – Labor** – The year end figures for 2008 include salary for the former position of Production Superintendent as well as 4 part time employees performing weed abatement in the canyons (fire protection). District will be laying off the current weed abatement crew in March 2009. These are some of the factors contributing to the reduced budget allocation for this category.

We have projected an increase in expenses for the following GL accounts:

- 1-5-5200-511 – Treatment & Chemicals
- 1-5-5200-512 – Lab Testing
- 1-5-5200-621 – Groundwater Purchase (SMWC)

**1-5-5200-512 – Treatment and Chemicals** – With the addition of Well 26 (March 2008), Well 25 (September 2008) and Well 29 (spring 2009), staff projected an increase in this category to cover the cost of chlorine for these wells which will all be operational by spring 2009.

**1-5-5200-512 – Lab Testing** – As a result of the increase in population and service connections, the District is now mandated by the Department of Health Services to conduct 10 weekly bacteriological testing, up from 8 in 2008. Additionally, the District must fulfill the USEPA requirement of performing a second round of UCMR (Unregulated Contaminate Monitoring Requirement) testing in 2009. The District will also need to perform a round of lead and copper sampling in 2009 (performed every three years).

**1-5-5200-621 – Groundwater Purchase (SMWC)** – On January 14, 2009, the Board of Directors voted to purchased additional groundwater rights from South Mesa. The increase in this account represents the balance of payments for the 2008 purchase (to be paid off in April) in addition to the rights (2,000 ac-ft) purchased this year.

## Transmission & Distribution

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This department includes the maintenance of the pipeline grid, services, meters, reservoirs and pressure regulators that deliver water throughout the District. This department also includes costs associated with new service requests, fire hydrants and fire services.



|   |                                 | 2008 Actual<br>(thru 1/22/09) | 2008<br>Adopted<br>Budget | 2009 Proposed<br>Budget |
|---|---------------------------------|-------------------------------|---------------------------|-------------------------|
| <b>5300 - Transmission &amp; Distribution</b> |                                 |                               |                           |                         |
| 1-5-5300-237                                  | HEALTH INSURANCE                | 115,827.89                    | 125,000.00                | 145,000.00              |
| 1-5-5300-243                                  | RETIREMENT/CALPERS              | 108,997.46                    | 93,066.00                 | 140,000.00              |
| 1-5-5300-501                                  | LABOR                           | 361,278.58                    | 404,635.00                | 465,000.00              |
| 1-5-5300-502                                  | BEREAVEMENT/SEMINAR/JURY DUTY   | 2,409.00                      | 6,500.00                  | 6,500.00                |
| 1-5-5300-503                                  | SICK LEAVE                      | 26,570.43                     | 12,500.00                 | 18,000.00               |
| 1-5-5300-504                                  | VACATION                        | 19,522.72                     | 18,461.00                 | 24,000.00               |
| 1-5-5300-505                                  | HOLIDAYS                        | 23,605.48                     | 18,390.00                 | 20,000.00               |
| 1-5-5300-507                                  | LIFE INSURANCE                  | 3,039.29                      | 1,600.00                  | 3,400.00                |
| 1-5-5300-508                                  | UNIFORMS, EMPLOYEE BENEFITS     | 4,497.95                      | 3,000.00                  | 4,430.00                |
| 1-5-5300-518                                  | SEMINAR & TRAVEL EXPENSES       | -                             | 2,500.00                  | 1,000.00                |
| 1-5-5300-519                                  | EDUCATION EXPENSES              | 170.00                        | 2,000.00                  | 2,000.00                |
| 1-5-5300-520                                  | WORKER'S COMPENSATION INSURANCE | 35,306.14                     | 29,302.00                 | 38,000.00               |
| 1-5-5300-530                                  | MAINT PIPELINE/FIRE HYDRANT     | 88,945.28                     | 55,000.00                 | 82,500.00               |
| 1-5-5300-531                                  | LINE LOCATES                    | 1,834.48                      | 3,000.00                  | 2,000.00                |
| 1-5-5300-534                                  | MAINT METERS & SERVICES         | 95,223.62                     | 350,000.00                | 95,000.00               |
| 1-5-5300-535                                  | BACKFLOW DEVICES                | 525.07                        | 1,300.00                  | 750.00                  |
| 1-5-5300-536                                  | MAINTENANCE RESERVOIRS/TANKS    | 81.02                         | 1,000.00                  | 10,000.00               |
| 1-5-5300-537                                  | MAINTENANCE PRESSURE REGULATORS | 3,244.36                      | 2,500.00                  | 18,000.00               |
| 1-5-5300-538                                  | INSPECTIONS                     | 107,787.29                    | 50,000.00                 | 40,000.00               |
| <b>Total Transmission &amp; Distribution</b>  |                                 | <b>998,866.06</b>             | <b>1,179,754.00</b>       | <b>1,115,580.00</b>     |

Some of the more notable changes in this year's transmission and distribution budget include:

- 1-5-5300-534 – Maint Meters & Services
- 1-5-5300-536 – Maintenance Reservoirs/Tanks
- 1-5-5300-537 – Maintenance Pressure Regulators
- 1-5-5300-538 – Inspections

**1-5-5300-534 – Maint Meters & Services** – The District has not experienced much success with the radio read program and the provider and has put the project on hold for 2009. More research and evaluation will be required prior to moving forward with the retro-fitting of existing services.

**1-5-5300-536 – Maintenance Reservoirs/Tanks** - This year the District will be putting divers in the Hannon, Cherry III, Vineland III and Highland Springs reservoirs. Putting in divers to inspect and clean reservoirs allow the District to keep the reservoirs in service (during inspection).

**1-5-5300-537 – Maintenance Pressure Regulators** – The increase in this budgetary category is due to the District's 10 pressure regulating stations. Maintenance of these stations was previously allocated to the source of supply GL account 1-5-5200-513, Maintenance of Equipment.

**1-5-5300-538 – Inspections** – As previously reported, the District is no longer utilizing a third party to perform inspection on capital and development related projects. All inspections are now being performed by District staff. Inspection costs are funded from developer paid deposits.

## Customer Accounts

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This department includes one Customer Service Representative and two meter readers. This department was previously supervised by the General Superintendent, who retired on January 16, 2009. The position is not being filled and the department will now be supervised by the Field Superintendent.

|                                 |                               | 2008 Actual<br>(thru 1/22/09) | 2008<br>Adopted<br>Budget | 2009 Proposed<br>Budget |
|---------------------------------|-------------------------------|-------------------------------|---------------------------|-------------------------|
| <b>5400 - Customer Accounts</b> |                               |                               |                           |                         |
| 1-5-5400-237                    | HEALTH INSURANCE              | 26,377.59                     | 23,750.00                 | <b>42,000.00</b>        |
| 1-5-5400-238                    | RETIREMENT/CALPERS            | 29,767.19                     | 21,000.00                 | <b>40,000.00</b>        |
| 1-5-5400-501                    | LABOR                         | 91,618.84                     | 103,503.00                | <b>95,000.00</b>        |
| 1-5-5400-502                    | BEREAVEMENT/SEMINAR/JURY DUTY | 902.83                        | 500.00                    | <b>500.00</b>           |
| 1-5-5400-503                    | SICK LEAVE                    | 4,582.52                      | 1,265.00                  | <b>2,000.00</b>         |
| 1-5-5400-504                    | VACATION                      | 3,058.10                      | 1,824.00                  | <b>5,850.00</b>         |
| 1-5-5400-505                    | HOLIDAYS                      | 3,342.37                      | 2,550.00                  | <b>5,500.00</b>         |
| 1-5-5400-507                    | LIFE INSURANCE                | 706.98                        | 400.00                    | <b>900.00</b>           |
| 1-5-5400-508                    | UNIFORMS, EMPLOYEE BENEFITS   | 193.57                        | 800.00                    | <b>890.00</b>           |
| 1-5-5400-518                    | SEMINAR & TRAVEL EXPENSES     | 203.16                        | 250.00                    | -                       |
| 1-5-5400-519                    | EDUCATION EXPENSES            | 120.00                        | 550.00                    | <b>1,000.00</b>         |
| 1-5-5400-520                    | WORKER'S COMPENSATION         | 7,325.09                      | 6,950.00                  | <b>8,000.00</b>         |
| <b>Total Customer Accounts</b>  |                               | <b>168,198.24</b>             | <b>163,342.00</b>         | <b>201,640.00</b>       |

In 2008, Department 5400 was the “home” department of the Customer Service Representative only. The meter readers’ time spent meter reading was recorded under 5400-501, however, their “home” department being 5300, all of their sick, vacation, holidays and benefits were recorded in Department 5300. This year, we are looking to move the meter readers to this department. This means that not only will their time spent meter reading be recorded under 5400-501 but that all of their benefits and sick leave, vacation and holiday time will be recorded in this department as well.

## General Administration

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This department includes all administrative salaries, employee benefits, operating supplies, property insurance and other miscellaneous expenses. In a continuing effort to bring transparency to its financial reporting, several new GL accounts were created in this department, including: 1-5-5500-577 – Property Taxes, 1-5-5500-578 – Service Support (IT & Vadim) and 1-5-5500-630 – Accounts Receivable.

|                                      |  | 2008 Actual<br>(thru 1/22/09) | 2008<br>Adopted<br>Budget | 2009 Proposed<br>Budget |
|--------------------------------------|--|-------------------------------|---------------------------|-------------------------|
| <b>5500 - General Administration</b> |  |                               |                           |                         |
| 1-5-5500-237                         | HEALTH INSURANCE                         | 155,994.81                    | 96,950.00                 | 148,500.00              |
| 1-5-5500-243                         | RETIREMENT/CALPERS                       | 259,441.83                    | 159,000.00                | 275,000.00              |
| 1-5-5500-501                         | LABOR                                    | 931,486.34                    | 747,617.00                | 910,000.00              |
| 1-5-5500-502                         | BEREAVEMENT/SEMINAR/JURY DUTY            | 2,138.41                      | 4,500.00                  | 2,500.00                |
| 1-5-5500-503                         | SICK LEAVE                               | 22,978.40                     | 17,822.00                 | 20,000.00               |
| 1-5-5500-504                         | VACATION                                 | 29,804.02                     | 31,147.00                 | 38,000.00               |
| 1-5-5500-505                         | HOLIDAYS                                 | 40,831.72                     | 25,025.00                 | 40,000.00               |
| 1-5-5500-507                         | LIFE INSURANCE                           | 4,712.28                      | 3,000.00                  | 4,800.00                |
| 1-5-5500-508                         | UNIFORMS, EMPLOYEE BENEFITS              | 130.00                        | 375.00                    | -                       |
| 1-5-5500-518                         | SEMINAR & TRAVEL EXPENSES                | 12,792.37                     | 18,500.00                 | 6,000.00                |
| 1-5-5500-519                         | EDUCATION EXPENSES                       | 3,242.31                      | 4,000.00                  | 1,000.00                |
| 1-5-5500-520                         | WORKER'S COMPENSATION INSURANCE          | 23,618.36                     | 24,750.00                 | 25,000.00               |
| 1-5-5500-522                         | UNEMPLOYMENT INSURANCE                   | 6,376.00                      | -                         | -                       |
| 1-5-5500-549                         | BANK CHGS/MONEY MARKET/TRANS. FEES       | 16,456.94                     | -                         | 14,600.00               |
| 1-5-5500-553                         | TEMPORARY LABOR                          | 21,261.17                     | 2,500.00                  | 17,500.00               |
| 1-5-5500-555                         | OFFICE SUPPLIES                          | 56,404.10                     | 70,000.00                 | 55,000.00               |
| 1-5-5500-556                         | OFFICE EQUIPMENT/SERVICE AGREEMENTS      | 160,649.36                    | 135,000.00                | 60,000.00               |
| 1-5-5500-557                         | OFFICE MAINTENANCE                       | 21,258.46                     | 30,000.00                 | 20,000.00               |
| 1-5-5500-558                         | MEMBERSHIP DUES                          | 13,196.27                     | 35,000.00                 | 15,000.00               |
| 1-5-5500-559                         | ARMORED CAR                              | 4,699.65                      | 5,000.00                  | 5,000.00                |
| 1-5-5500-560                         | OFFICE EQUIP.MAINT. & REPAIRS            | 7,760.37                      | 3,200.00                  | 3,200.00                |
| 1-5-5500-561                         | POSTAGE                                  | 35,245.68                     | 55,916.00                 | 40,000.00               |
| 1-5-5500-562                         | SUBSCRIPTIONS                            | 3,021.15                      | 2,850.00                  | 2,850.00                |
| 1-5-5500-563                         | MISCELLANEOUS OPERATING SUPPLIES         | 14,263.09                     | 26,500.00                 | 15,000.00               |
| 1-5-5500-564                         | MISCELLANEOUS TOOLS/EQUIPMENT            | 16,234.97                     | 17,000.00                 | 15,000.00               |
| 1-5-5500-567                         | EMPLOYEE MEDICAL/FIRST AID               | 462.00                        | 600.00                    | 600.00                  |
| 1-5-5500-568                         | RANDOM DRUG TESTING                      | 150.00                        | 100.00                    | 500.00                  |
| 1-5-5500-570                         | PROPERTY/AUTO/GEN LIABILITY INSURANCE    | 80,280.77                     | 90,000.00                 | 90,000.00               |
| 1-5-5500-572                         | STATE MANDATES AND TARRIFFS              | 43,857.97                     | 20,360.00                 | 30,000.00               |
| 1-5-5500-573                         | MISCELLANEOUS EXPENSES                   | 6,890.85                      | 6,000.00                  | 1,000.00                |
| 1-5-5500-574                         | PUBLIC EDUCATION                         | 73,937.59                     | 150,000.00                | 10,000.00               |
| 1-5-5500-577                         | PROPERTY TAXES - OUT OF DISTRICT PARCELS | 25,491.45                     | -                         | 5,000.00                |
| 1-5-5500-578                         | SERVICE SUPPORT (IT & VADIM)             | -                             | -                         | 65,000.00               |
| 1-5-5500-630                         | ACCOUNTS RECEIVABLE                      | 15,124.37                     | -                         | 1,000.00                |
| <b>Total Administration</b>          |  | <b>2,110,193.06</b>           | <b>1,782,712.00</b>       | <b>1,937,050.00</b>     |

**1-5-5500-549 – Bank Charges/Transaction Fees** - The District has solicited local banks (Wells Fargo, Bank of Hemet and US Bank) for proposals. We hope to have the banks come before the Finance & Audit Committee to make a presentation. Ultimately, we would like to see our current charges reduced while retaining the same quality of service.

**1-5-5500-556 – Office Equipment/Service Agreements** – This account previously included Software support and IT support. For the CY 2009 Budget, staff created a new GL account for these costs (GL account 1-5-5500-578).

**1-5-5500-559 – Armored Car** – There has been much discussion regarding the need of the armored car service. On average, front counter staff will take in \$2,500 in cash payments daily and on some days may take in as much as \$4,000. Armored car services are usually provided by a third party and the District has been unsuccessful at finding a bank that can offer this service for free. Alternative solutions to this on-going issue would be to reduce the amount of weekly pickup from daily to twice weekly or to do away with the service all together. Switching to twice weekly pickup would mean the District would not have instant access to all of its funds.

Something else to keep in mind is that, should the District choose to leave Wells Fargo, office staff would have to arrange to drive a district vehicle to drop off the deposits and/or get change. Much time could be lost in the traveling back and forth. It has been extremely convenient to bank next door and should the District choose to stay with Wells Fargo, it may opt to have two employees walk over the deposit rather than having an armored car service pick it up.

**1-5-5500-561 – Postage** - Some time around October 2006, we began having problems with Pitney Bowes software. The software was not compatible with the newer version of adobe (used for bill printing). For the remainder of 2006 and through 2007, The District did not make use Pitney Bowes software. This means that every piece of mail was sent out non permit (regular price). The District also sent out several mailers in 2007 such as a survey in March (regarding providing sewer service to Cherry Valley) and mailers regarding Measure B. Staff used the 2007 expense record to project the 2008 budget.

Since early 2008, the District is once again utilizing the Pitney Bowes software in order to obtain mailing discounts. Very recently, the Post Office, with stricter guidelines, began rejecting the District's permit mail. Staff is working with Pitney Bowes, however, if history repeats itself, it could be a long drawn out battle, which is why staff has been shopping around and looking to buyout of the current lease.

**1-5-5500-563 – Miscellaneous Operating Supplies** – To help reduce costs in this category, the District has been purchasing in bulk frequently used items and stocking them in a roll away located at 815 E. 12<sup>th</sup> Street.

**1-5-5500-574 – Public Education** – The newly appointed Board is working ardently on policies and procedures and we believe that our attention, at this time, should be focused on the District. There are no known plans to work with any public relations' agencies at this time and the District has budgeted \$10,000 for this category for the Consumer Confident Report and participation in community events.

**1-5-5500-578 – Service Support (IT & Vadim)** – As previously stated, budgets can also be used for comparative purposes to identify unusual or unexpected trends. For this reason, we created this account to help identify, more accurately, IT and support services costs. The District is currently under contract for IT support with Hudec's Computer Consulting out of Yucaipa, California.

## Board of Directors

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With various committees working to bring organization and efficiency to the District operation and with the possibility of adding a second monthly meeting, Staff projected \$60,000 in director fees for 2009. The District will also be invoiced for the 2008 elections in the CY 2009. Staff did not project a cost at this time. Based on previous elections and invoicing, staff was unable to establish an estimated cost, as many of the elections consisted of appointment due to the incumbents being unopposed.

|                                  |                           | 2008 Actual<br>(thru 1/22/09) | 2008<br>Adopted<br>Budget | 2009 Proposed<br>Budget |
|----------------------------------|---------------------------|-------------------------------|---------------------------|-------------------------|
| <b>5510 - Board of Directors</b> |                           |                               |                           |                         |
| 1-5-5510-550                     | BOARD OF DIRECTOR FEES    | 36,077.00                     | 75,800.00                 | <b>60,000.00</b>        |
| 1-5-5510-551                     | SEMINAR & TRAVEL EXPENSES | 2,865.95                      | 2,500.00                  | <b>3,500.00</b>         |
| 1-5-5510-552                     | ELECTION EXPENSES         | 932.21                        | 22,575.00                 | -                       |
| <b>Total Board of Directors</b>  |                           | <b>39,875.16</b>              | <b>100,875.00</b>         | <b>63,500.00</b>        |

## Maintenance & General Plant

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This category includes all residences, office utilities and upkeep, auto/equipment fuel, upkeep and repairs. It also includes all landscape maintenance as well as general maintenance in the canyon areas and recharge basin system as well as the recharge/recreation facility.

**District Residences** – In anticipation that the current housing agreements may be reviewed, staff only project utilities costs for the first six months of the years.

The District residence located at 9781 Avenida Miravilla will be vacated at the end of February and plans are to demolish the residence. There are no plans to rebuild and/or replace the residence and the District will be left with 3 residences, one of which is currently vacant.

**Field Offices** – Again, to better identify costs related with the maintenance of our field office located at 815 E. 12<sup>th</sup> Street, we have created GL accounts to track utilities and maintenance costs for this facility.

A third facility located at 11083 Cherry Avenue houses an older building referred to as the “shop” which holds small inventory items for the maintenance of both mains and service laterals as well as the maintenance of meters and services. There is currently a large waste bin for which we have created a sanitation account.

|  |  | 2008 Actual<br>(thru 1/22/09) | 2008<br>Adopted<br>Budget | 2009 Proposed<br>Budget |
|--|--|-------------------------------|---------------------------|-------------------------|
| <b>5610 - 5700 - Maintenance &amp; General Plant</b> |  |                               |                           |                         |
| 1-5-5610-501   | LABOR - 560 MAGNOLIA AVE                 | -                             | 500.00                    | -                       |
| 1-5-5610-514   | GAS - 560 MAGNOLIA AVE                   | 110.12                        | 2,500.00                  | 150.00                  |
| 1-5-5610-515   | ELECTRIC - 560 MAGNOLIA AVE              | 27,400.54                     | 16,700.00                 | 22,000.00               |
| 1-5-5610-580   | TELEPHONE - 560 MAGNOLIA AVE             | 59,787.70                     | 71,000.00                 | 55,000.00               |
| 1-5-5610-581   | SANITATION - 560 MAGNOLIA AVE            | 7,623.78                      | 9,000.00                  | 2,400.00                |
| 1-5-5610-582   | MAINTENANCE - 560 MAGNOLIA AVE           | 12,294.02                     | 1,000.00                  | 3,500.00                |
| 1-5-5615-501   | LABOR - 12303 OAK GLEN RD                | -                             | 1,000.00                  | 1,000.00                |
| 1-5-5615-515   | ELECTRIC - 12303 OAK GLEN ROAD           | 2,046.30                      | 3,500.00                  | 1,500.00                |
| 1-5-5615-582   | MAINTENANCE/REPAIR - 12303 OAK GLEN ROAD | 10,627.85                     | 4,000.00                  | 3,000.00                |
| 1-5-5615-583   | PROPANE - 12303 OAK GLEN ROAD            | 2,114.73                      | 4,500.00                  | 1,500.00                |
| 1-5-5620-501   | LABOR - 13695 OAK GLEN ROAD              | -                             | 1,000.00                  | 1,000.00                |
| 1-5-5620-515   | ELECTRIC - 13695 OAK GLEN ROAD           | 1,046.19                      | 1,650.00                  | 1,000.00                |
| 1-5-5620-582   | MAINTENANCE/REPAIR - 13695 OAK GLEN ROAD | 904.91                        | 1,350.00                  | 3,000.00                |
| 1-5-5620-583   | PROPANE - 13695 OAK GLEN ROAD            | 1,781.13                      | 2,600.00                  | 1,500.00                |
| 1-5-5625-501   | LABOR - 13697 OAK GLEN ROAD              | -                             | 1,000.00                  | 1,000.00                |
| 1-5-5625-515   | ELECTRIC - 13697 OAK GLEN ROAD           | 2,523.31                      | 2,800.00                  | 1,500.00                |
| 1-5-5625-582   | MAINTENANCE/REPAIR - 13697 OAK GLEN ROAD | 893.24                        | 1,500.00                  | 3,000.00                |
| 1-5-5625-583   | PROPANE - 13697 OAK GLEN ROAD            | 2,415.38                      | 2,000.00                  | 1,500.00                |
| 1-5-5630-501   | LABOR - 9781 AVENIDA MIRAVILLA           | -                             | 1,000.00                  | 1,000.00                |
| 1-5-5630-515   | ELECTRIC - 9781 AVENIDA MIRAVILLA        | 1,585.25                      | 2,300.00                  | 300.00                  |
| 1-5-5630-582   | MAINTENANCE/REPAIR - 9781 AVENIDA MIRAVI | 1,437.78                      | 1,500.00                  | 8,000.00                |
| 1-5-5630-583   | PROPANE - 9781 AVENIDA MIRAVILLA         | 2,652.48                      | 1,700.00                  | -                       |
| 1-5-5635-515   | ELECTRIC - 815 E. 12TH STREET            | -                             | -                         | 9,000.00                |
| 1-5-5635-580   | TELEPHONE - 815 E. 12TH STREET           | -                             | -                         | 480.00                  |
| 1-5-5635-581   | SANITATION - 815 E. 12TH STREET          | -                             | -                         | 3,000.00                |
| 1-5-5635-582   | MAINTENANCE/REPAIR - 815 E. 12TH STREET  | -                             | -                         | 4,000.00                |
| 1-5-5640-581   | SANITATION - 11083 CHERRY AVE            | -                             | -                         | 500.00                  |
| 1-5-5700-589   | AUTO/FUEL                                | 121,919.52                    | 100,000.00                | 120,000.00              |
| 1-5-5700-590   | SAFETY EQUIPMENT                         | 1,918.86                      | 5,000.00                  | 3,000.00                |
| 1-5-5700-591   | COMMUNICATION MAINTENANCE                | 110.00                        | 1,000.00                  | 1,000.00                |
| 1-5-5700-592   | REPAIR & MAINT OF GEN EQUIPMENT          | 2,772.03                      | 200.00                    | 3,000.00                |
| 1-5-5700-593   | REPAIR VEHICLES AND TOOLS                | 23,965.23                     | 50,000.00                 | 30,000.00               |
| 1-5-5700-594   | LARGE EQUIPMENT MAINTENANCE              | 30,374.69                     | 30,000.00                 | 35,000.00               |
| 1-5-5700-595   | EQUIP. PREVENTATIVE MAINTENANCE          | 1,053.92                      | -                         | 1,000.00                |
| 1-5-5700-596   | AUTO/EQUIPMENT OPERATION                 | 24,372.24                     | 20,000.00                 | 20,000.00               |
| 1-5-5700-597   | MAINT GENERAL PLANT (BUILDINGS)          | 19,140.73                     | 10,000.00                 | 10,000.00               |
| 1-5-5700-598   | LANDSCAPE MAINTENANCE                    | 83,638.47                     | 35,000.00                 | 72,000.00               |
| 1-5-5700-601   | RECHARGE FAC, CANYON & POND MAINTENANCE  | 21,412.28                     | 11,000.00                 | 12,000.00               |
| <b>Total Maintenance &amp; General Plant</b>         |  | <b>467,922.68</b>             | <b>396,300.00</b>         | <b>436,830.00</b>       |

**1-5-5700-589 – Auto/Fuel** – Acknowledging that both Union 76 and Nino's Texaco have higher gas prices than other local gas stations, staff has completed an application for credit with ARCO/BP gas. Staff is also looking to replace some of its vehicles this year, Staff is recommending the purchase of vehicles with diesel engines and this was factored into the budget projection for auto fuel.

**1-5-5700-598 – Landscape Maintenance** – In 2008, the District undertook the landscape of Vineland Tank III (project completed in 2007) as well as landscape work done at Cherry Tank III (project completed in 2007). Additional expenses such as these are not anticipated in 2009. There are plans to send out a RFP in the coming months for the landscape maintenance of District yards and facilities. Staff has budgeted accordingly.

## Engineering (in-house)

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The category includes a part time Engineer and full time Engineering Technician. This category was first created in 2008 and as such, some of the projections for CY 2008 were higher and/or lower than the actual cost. With one year of history under our belt, we feel that the projection for 2009 more accurately reflect the anticipated activity.

|                                      |                               | 2008<br>Actual<br>(thru 1/22/09) | 2008<br>Adopted<br>Budget | 2009 Proposed<br>Budget |
|--------------------------------------|-------------------------------|----------------------------------|---------------------------|-------------------------|
| <b>5800 - Engineering - In-house</b> |                               |                                  |                           |                         |
| 1-5-5800-237                         | HEALTH INSURANCE              | 4,254.97                         | 4,230.00                  | <b>5,200.00</b>         |
| 1-5-5800-243                         | RETIREMENT/CALPERS            | 14,664.58                        | 22,000.00                 | <b>17,000.00</b>        |
| 1-5-5800-501                         | LABOR                         | 108,792.49                       | 139,400.00                | <b>120,000.00</b>       |
| 1-5-5800-502                         | BEREAVEMENT/SEMINAR/JURY DUTY | 458.40                           | 500.00                    | <b>500.00</b>           |
| 1-5-5800-503                         | SICK LEAVE                    | 2,122.89                         | 1,500.00                  | <b>2,000.00</b>         |
| 1-5-5800-504                         | VACATION                      | 536.40                           | 1,750.00                  | <b>3,200.00</b>         |
| 1-5-5800-505                         | HOLIDAY                       | 5,158.24                         | 3,000.00                  | <b>2,600.00</b>         |
| 1-5-5800-507                         | LIFE INSURANCE                | 285.43                           | 350.00                    | <b>312.00</b>           |
| 1-5-5800-508                         | UNIFORMS, EMPLOYEE BENEFITS   | -                                | 500.00                    | -                       |
| 1-5-5800-518                         | SEMINAR & TRAVEL EXPENSES     | 426.57                           | 500.00                    | <b>500.00</b>           |
| 1-5-5800-519                         | EDUCATION EXPENSE             | 4,231.08                         | 2,000.00                  | <b>5,000.00</b>         |
| 1-5-5800-520                         | WORKER'S COMPENSATION         | 3,968.61                         | 5,000.00                  | <b>4,000.00</b>         |
| <b>Total Engineering (in-house)</b>  |                               | <b>144,899.66</b>                | <b>180,730.00</b>         | <b>160,312.00</b>       |

## Professional Services

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This category includes professional services rendered from outfits such as Redwine and Sherrill for Legal Counsel, Parsons Engineering Science for Capital Improvement engineering and Mayer Hoffman McCann for auditing services.

District Engineer Reichenberger is recommending the addition of a Recycled Water Project Contract Administrator (1-5-5820-618). The Contract Administrator would be responsible for record keeping and invoicing related to the Grant & Loan (currently on hold).

Mr. Reichenberger is also recommending the addition of a Recycled Water Use Coordinator (1-5-5820-619) who will be responsible for interfacing with recycled water customers, conducting site inspections and overlooking the recycled water system and personnel and maintaining records.

Both positions are dependent upon State Grant & Loan being made available to the District.

|  |  | 2008 Actual<br>(thru 1/22/09) | 2008<br>Adopted<br>Budget | 2009 Proposed<br>Budget |
|--|--|-------------------------------|---------------------------|-------------------------|
| <b>5810 &amp; 5820 - Professional Services</b> |  |                               |                           |                         |
| 1-5-5810-611                                   | GENERAL LEGAL                          | 173,924.68                    | 150,000.00                | 125,000.00              |
| 1-5-5810-612                                   | DEVELOPMENT - REIMB. LEGAL             | 46.00                         | 1,000.00                  | 1,000.00                |
| 1-5-5810-614                                   | AUDIT                                  | 59,798.00                     | 50,000.00                 | 19,000.00               |
| 1-5-5810-615                                   | ACCOUNTING (NON AUDIT)                 | 36,797.00                     | -                         | 1,000.00                |
| 1-5-5820-611                                   | GENERAL ENGINEERING                    | 135,812.67                    | 45,000.00                 | 20,000.00               |
| 1-5-5820-612                                   | DEVELOPMENT - REIMB. ENGINEERING       | 122,078.79                    | 20,000.00                 | 40,000.00               |
| 1-5-5820-613                                   | SAN TIMOTEO WATERSHED MANAGEMENT AUTH. | 45,500.00                     | 78,000.00                 | 135,000.00              |
| 1-5-5820-614                                   | STWMA PROJECT COMMITTEE NO. 1          | -                             | 284,800.00                | 185,264.00              |
| 1-5-5820-615                                   | ENGINEERING - PERMITTING (REC WATER)   | 38,044.94                     | 50,000.00                 | 50,000.00               |
| 1-5-5820-617                                   | GRANT & LOAN PROCUREMENT (REC WATER)   | -                             | -                         | 35,000.00               |
| 1-5-5820-618                                   | RECYCLED WATER PROJECT CONTRACT ADMIN. |                               |                           | 45,000.00               |
| 1-5-5820-619                                   | RECYCLED WATER USE COORDINATOR         |                               |                           | 15,000.00               |
| 1-5-5820-622                                   | BEAUMONT BASIN WATERMASTER             |                               |                           | 95,000.00               |
| <b>Total Professional Services</b>             |  | <b>612,002.08</b>             | <b>678,800.00</b>         | <b>766,264.00</b>       |

**1-5-5810-611 – General Legal** – With several issues being resolved (i.e. Hal Hays lawsuit and City of Calimesa), staff is projecting lower costs for general legal.

**1-5-5820-611 & 1-5-5820-612 General & Dev Reimbursable Engineering** – With the slowdown in the local and national economy as well as the housing development and with plan checks and some general engineering being completed in-house, staff is projecting lower costs for these categories.



## SUMMARY

### Summary of Budget Revenues and Expenses

|                                       | 2008 Actual<br>(thru 1/22/09) | 2008 Budget            | 2009 Budget           |
|---------------------------------------|-------------------------------|------------------------|-----------------------|
| <b>Operating Revenues</b>             |                               |                        |                       |
| Water Sales                           | (6,216,587.87)                | (6,945,000.00)         | (6,464,918.00)        |
| Installation Charges                  | (340,349.04)                  | (1,115,000.00)         | (280,251.00)          |
| Other Income                          | (198,302.64)                  | (71,700.00)            | (188,474.00)          |
| Penalties, Third Notices and Turn Ons | (208,379.00)                  | -                      | (213,500.00)          |
| SGPWA Importation Charge              | (1,360,785.40)                | (1,250,000.00)         | (749,029.00)          |
| SCE Power Charge                      | (1,062,011.07)                | (1,150,000.00)         | (1,101,514.00)        |
| <b>Total Operating Revenues</b>       | <b>(9,386,415.02)</b>         | <b>(10,531,700.00)</b> | <b>(8,997,686.00)</b> |
| <b>Operating Expenses</b>             |                               |                        |                       |
| Source of Supply                      | 2,953,406.52                  | 3,611,596.00           | 3,308,670.00          |
| Transmission & Distribution           | 998,866.06                    | 1,179,754.00           | 1,115,580.00          |
| Customer Accounts                     | 168,198.24                    | 163,342.00             | 201,640.00            |
| General & Administration              | 2,110,193.06                  | 1,782,712.00           | 1,937,050.00          |
| Board of Directors                    | 39,875.16                     | 100,875.00             | 63,500.00             |
| Maintenance & General Plant           | 467,922.68                    | 396,300.00             | 436,830.00            |
| Engineering (in-house)                | 144,899.66                    | 180,730.00             | 160,312.00            |
| Professional Services                 | 612,002.08                    | 678,800.00             | 766,264.00            |
| <b>Total Operating Expenses</b>       | <b>7,495,363.46</b>           | <b>8,094,109.00</b>    | <b>7,989,846.00</b>   |
| <br>Total Operating Revenues          | <br>(9,386,415.02)            | <br>(10,531,700.00)    | <br>(8,997,686.00)    |
| Total Operating Expenses              | 7,495,363.46                  | 8,094,109.00           | 7,989,846.00          |
| <b>(Surplus)/Deficit</b>              | <b>(1,891,051.56)</b>         | <b>(2,437,591.00)</b>  | <b>(1,007,840.00)</b> |

## **Financial Section**

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### **Capital Improvement Projects & Budget**

# Capital Improvement Projects

## CY 2008 Year End Report

The projects listed in italic blue print represent projects and/or improvements completed in 2008 that will not be carrying over into 2009.

|              |  | 2008 Actual<br>(thru 1/22/09) | Since Inception      |
|--------------|--|-------------------------------|----------------------|
| 2-1-0001     | <i>NEW SERVICE INSTALLATIONS</i>               | 379,417.70                    | 380,453.14           |
| 2-1-0003     | ODA RUNOFF/CAPTURE/RECHARGE PARK               | 372,821.06                    | 15,169,240.18        |
| 2-1-0006     | WATER MASTER PLAN UPDATE                       | 3,476.30                      | 3,476.30             |
| 2-1-0302     | <i>GIS/GPS</i>                                 | 6,126.64                      | 222,867.92           |
| 2-1-0304     | RECYCLED WATER SYSTEM (Engineering/Parsons)    | 10,059.62                     | 12,299.62            |
| 2-1-0523     | <i>VADIM SOFTWARE</i>                          | -                             | 710.00               |
| 2-1-0526     | <i>DEEP WELL #26-JT VENTURE-BANNING</i>        | (206,517.62)                  | 1,044,612.53         |
| 2-1-0527     | <i>WELL #25</i>                                | (670,034.40)                  | 810,488.86           |
| 2-1-0536     | <i>DISTRICT OFFICE EXPANSION</i>               | 2,554,582.77                  | 6,422,539.53         |
| 2-1-0537     | PRODUCTION WELL #27                            | -                             | 19,051.58            |
|              | SUNNY CAL EGG RANCH WELL REHAB - WELL #29      |                               |                      |
| 2-1-0605     | (includes Land Purchase)                       | 676,078.65                    | 2,562,568.87         |
| 2-1-0616     | <i>WEB SITE RE-DESIGN</i>                      | 18,400.00                     | 32,916.54            |
| 2-1-0618     | <i>SEWERING</i>                                | 8,400.39                      | 403,337.52           |
| 2-1-0623     | <i>SEWERING CVCOI (SRF)</i>                    | 2,722.00                      | 414,037.91           |
| 2-1-0625     | <i>3900 ZONE TANK</i>                          | 121,328.81                    | 621,977.46           |
| 2-1-0627     | 24" BORES ACROSS NOBLE CREEK                   | 1,132.00                      | 7,351.50             |
| 2-1-0700     | SRF LOAN - RECYCLED WATER SYSTEM               | 9,369.66                      | 159,271.75           |
| 2-1-0703     | <i>SECOND STREET MARKETPLACE</i>               | -                             | 161,895.71           |
| 2-1-0705     | <i>LOWERING OF 12" LINE ON FIRST ST</i>        | (117,621.50)                  | (117,621.50)         |
| 2-1-0709     | <i>ODA RUNOFF/RECHARGE PHASE II</i>            | 5,448.38                      | 5,448.38             |
| 2-1-0710     | CV POLLUTION CONTROL PROJ BP WETLANDS          | 72,951.24                     | 83,265.24            |
| 2-1-0801     | <i>ADVANTAGE SEPTIC INSTALL 12303 OAK GLEN</i> | 31,447.92                     | 31,447.92            |
| 2-1-0802     | <i>2008 FORD F450</i>                          | 51,431.71                     | 51,431.71            |
| 2-1-0803     | <i>2008 FORD F250</i>                          | 25,039.17                     | 25,039.17            |
| 2-1-0804     | <i>2008 FORD F150</i>                          | 18,055.91                     | 18,055.91            |
| 2-1-0805     | <i>INGERSOLL RAND AIR COMPRESSOR</i>           | 21,694.39                     | 21,694.39            |
| 2-1-0806     | <i>RECHARGE FACILITY 2008 ODA</i>              | 59,277.50                     | 59,277.50            |
| 2-1-0807     | <i>HP DESIGN JET 500 PRINTER</i>               | 2,550.46                      | 2,550.46             |
| 2-1-0808     | <i>PIPELINE REPAIR @ KOHLER PROPERTY</i>       | 78.82                         | 78.82                |
| 2-1-0809     | 2800 ZONE RECYCLED WATER TANK PHASE 1          | 86,087.97                     | 132,982.81           |
| 2-1-0810     | 24" RECYCLED MAIN BROOKSIDE PHASE 2            | 27,980.47                     | 27,980.47            |
| 2-1-0811     | 1 MG RESERVOIR/BOOSTER STATION PHASE 3         | -                             | -                    |
| 2-1-0812     | 24" RECYCLED MAIN WESTERLY LOOP PHASE 4        | 284.68                        | 284.68               |
| 2-1-0813     | REC MAIN RING RANCH/OAK VALLEY PKWY PHASE 5    | 28,763.55                     | 28,763.55            |
| 2-1-0814     | <i>KOHLER 8" POTABLE MAIN REPLACEMENT</i>      | 23,376.73                     | 23,376.73            |
| 2-1-0815     | EDGAR 8" REPLACEMENT PIPELINE                  | -                             | -                    |
| 2-1-0816     | STATE WATER PIPELINE - PERMANENT CONNECTION    | 125,422.00                    | 125,422.00           |
| 2-1-0817     | <i>PARDEE/RVLAND (COMPACTION FAILURE)</i>      | 36,151.47                     | 36,151.47            |
| <b>Total</b> |  | <b>3,785,784.45</b>           | <b>29,004,726.63</b> |

## Completed Projects

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### January 2008

2-1-0703 – Second Street Marketplace pipeline job is completed.

### February 2008

2-1-0802 – District purchased new fleet vehicle (2008 Ford F450).

2-1-0803 – District purchased new fleet vehicle (2008 Ford F250).

2-1-0804 – District purchased new fleet vehicle (2008 Ford F150).

2-1-0705 – District invoices and receives payment from the City of Beaumont. City of Beaumont agreed to share the cost of lowering a 12" pipeline in First Street. Half of the project cost was \$117,621.50.

### March 2008

2-1-0616 – District website remodel is completed and new site is unveiled.

2-1-0625 – District completed the 3900 Zone tank and associated pipeline (in-house).

2-1-0801 – Advantex septic system is installed at the District house located at 12303 Oak Glen Rd.

2-1-0805 – District purchases an Ingersoll Rand air compressor

2-1-0806 (& 2-1-0709) – District crews complete pond and landscape maintenance at the District's Runoff/Recharge and Recreational facility located at Cherry Valley Blvd and Beaumont Avenue.

### April 2008

2-1-0526 – Deep Well #26 is completed and well is brought online. Well #26 is part of a joint venture with the City of Banning and upon receipt of invoices; the Beaumont Cherry Valley Water District invoices the City of Banning for their half of the cost. Through the same agreement, the City of Banning pays for their portion of the electrical and chlorination bills associated with this well.

2-1-0618 – District Staff terminate project. No additional costs incurred.

2-1-0623 – District staff terminate project. No additional costs incurred.

### June 2008

2-1-0536 – District staff moved in to the newly remodeled and expanded headquarters in April. Loose ends are tied up and project is officially completed in June 2008. January 2009 – President Ball appoints Ad-Hoc Committee to review the costs incurred in the completion of this project.

2-1-0817 – District crews work to repair failed compaction associated with pipeline projects located near Ryland Homes and Pardee Homes development, southwest of the I-10 Freeway.

### July 2008

2-1-0807 – Engineering department purchases plotter (HP DeskJet 500). Plotter is to be used for large format printing (i.e. water improvement plans).

## **September 2008**

2-1-0302 -Following some software updates and contractual obligations, the District completed this project. With the hardware and software in place, the Engineering staff is working diligently on developing the GIS system. The only projected costs for 2009 are for support. Engineering department is requesting the purchase of software to become independent of Trimble.

## **October 2008**

2-1-0527 –Well #25 is completed and well is brought online. Well #25 is part of a joint venture with the City of Banning and upon receipt of invoices; the Beaumont Cherry Valley Water District invoices the City of Banning for their half of the cost. Through the same agreement, the City of Banning pays for their portion of the electrical and chlorination bills associated with this well.

## **December 2008**

2-1-0001 – New service installations for the calendar year ending December 31, 2008 – District installed 654 services, 592 less than the previous calendar year.

## 2009 Capital Improvement Budget

| CIP #    | Project Description                             | Est. Cost  | Funding Source                       |
|----------|---|------------|--------------------------------------|
| 2-1-0003 | ODA RUNOFF/CAPTURE/RECHARGE PARK                | -          |                                      |
| 2-1-0006 | WATER MASTER PLAN UPDATE                        | 35,000     | General                              |
| 2-1-0304 | RECYCLED WATER SYSTEM                           | -          | Facility Fees - Well & Well Upgrades |
| 2-1-0537 | PRODUCTION WELL #27                             | -          | Facility Fees - Well & Well Upgrades |
| 2-1-0700 | SRF LOAN - RECYCLED WATER SYSTEM                | -          | Facility Fees - Recycled             |
| 2-1-0710 | CV POLLUTION CONTROL PROJ BP WETLANDS           | 100,000    |                                      |
| 2-1-0809 | 2800 ZONE RECYCLED WATER TANK PHASE 1           | 2,200,000  | Grant & Loan                         |
| 2-1-0810 | 24" RECYCLED MAIN BROOKSIDE PHASE 2             | 750,000    | Grant & Loan                         |
| 2-1-0811 | 1 MG RESERVOIR/BOOSTER STATION PHASE 3          | 1,300,000  | Grant & Loan                         |
| 2-1-0812 | 24" RECYCLED MAIN WESTERLY LOOP PHASE 4         | 5,000,000  | Grant & Loan                         |
| 2-1-0813 | REC MAIN RING RANCH/OAK VALLEY PKWY PHASE 5     | 1,700,000  | Grant & Loan                         |
| 2-1-0815 | EDGAR 8" REPLACEMENT PIPELINE                   | 150,000    | Depreciation/Facility Fees           |
| 2-1-0816 | STATE WATER PIPELINE - PERMANENT CONNECTION     | 400,000    |                                      |
| 2-1-0901 | 1 TON TRUCK W/UTILITY BED & LUMBER RACK         | 50,000     | General                              |
| 2-1-0902 | 1 TON TRUCK W/3-4 TON DUMP BED(W/DIESEL ENGINE) | 50,000     | General                              |
| 2-1-0903 | PIPELINE EXTENSION - 3RD STREET                 | -          | Developer Reimbursable               |
| 2-1-0904 | LOAN AMORTIZATION SOFTWARE (BONITA VISTA)       | 3,500      | General                              |
| 2-1-0905 | URBAN WATER MANAGEMENT PLAN UPDATE              | 30,000     | General                              |
| 2-1-0906 | GIS/GPS SOFTWARE PURCHASE                       | 65,000     | General                              |
|          |   | 11,833,500 |                                      |

### On Going Projects

**2-1-0003 - ODA Runoff/Capture/Recharge Park** – No work for this project has been planned for the CY 2009.

**2-1-0006 - Water Master Plan Update** – District Engineer Reichenberger is working on the District's Water Master Plan Update. The current Master Plan is dated September 1994. Parsons Engineering completed the last Water Master Plan. District anticipates keeping costs down by completing the project in-house. Staff has projected \$35,000 in engineering costs to complete this updated, \$5000 is being allocated to the purchase of GIS layers from Riverside County.

**2-1-0304 - Recycled Water System** – The work funded under this project has been primarily engineering work performed by Parsons Engineering Science.

**2-1-0537 - Production Well #27** – Project is currently on-hold.

**2-1-0700 - SRF Loan – Recycled Water System** – The consulting contract associated with this capital improvement project terminated in December 2008. With the State’s decision to freeze funding, no budget has been forecasted for this project.

**2-1-0710 - CV Pollution Control Project BP Wetlands** – In CY 2008, District committed \$50,000 to the Bureau of Reclamation for this project. Staff is projecting additional funding in the amount of \$100,000 for planning and feasibility studies in the CY 2009.

**2-1-0809 – 2-1-0813 - Reclaimed Water System (Phase 1 through 5)** – It was reported earlier this year that the State would be freezing all funding. In the event that funding comes through, \$10,950,000 for the design and construction of phases 1 through 5 has been budgeted.

**2-1-0815 - Edgar 8” Replacement Pipeline** – This project was presented to and approved by the Board in CY 2008. The capital improvement is currently in progress with an anticipated completion deadline of March 2009. The budget for this replacement project has been set at \$150,000. It should be noted that the project is being completed by District crews.

**2-1-0816 - State Water Pipeline – Permanent Connection** - In discussing the project with the San Geronio Pass Water Agency, it was reported that the permanent connection could be built as early as spring 2009. The anticipated cost for this project is approximately \$400,000.

## New Projects

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**2-1-0901 – 1 Ton Truck with Utility Bed & Lumber Rack** – With the retirement of Unit 7, the District is looking to purchase a new fleet vehicle to take its place. Quotes were obtained for both diesel and gas engines. It should be noted that gas engines are approximately \$5,000 less than diesel engines.

**2-1-0902 – 1 Ton Truck with 3-4 Ton dump Bed** – The District field operation is looking to replace the existing dump truck this calendar year. Quotes were obtained for both diesel and gas engines. It should be noted that gas engines are approximately \$5,000 less than diesel engines.

**2-1-0903 – Pipeline Extension Euclid** - DeAngelo’s, a commercial development located on Euclid between 2<sup>nd</sup> and 3<sup>rd</sup> Street has approached the District in performing the work for the extension of the existing pipeline (500 ft). All materials will be provided by DeAngelo’s and all labor and equipment will be billed to the developer for reimbursement.

**2-1-0904 - Loan Amortization Software (Bonita Vista)** – Staff is looking to purchase loan amortization software to help keep the Bonita Vista billing accurate. At this time, staff is restricted with its municipal software and is keeping track of all loan through individual excel spreadsheets. The software will enable staff to more easily keep track of delinquent accounts as well as recalculating those accounts making extra payments, etc.

**2-1-0905 – Urban Water Management Plan Update (2010)** – The State mandates that Urban Water Management Plans (UWMP) be updated every five years. This year, the work will be performed by District Engineer Reichenberger. Staff has budgeted \$30,000 for the completion of this task, \$5000 is being allocated to the purchase of GIS layers from Riverside County.

**2-1-0906 – GIS/GPS Software Purchase** – Purchase of this software will assist staff in moving into GIS to better manager our assets and keep up to date with the use area maps showing where the recycled water is used, etc and to become independent reducing Trimble's role to support.



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**Appendix A**  
**2008 Year End Report**

Beaumont Cherry Valley Water District  
Draft Year End Report  
for the Calendar Year Ended 12/31/08

|                                  |   |                     |                     |                     |                     |                     |                     |                     |                       |                     |                       |                     |                       |                       |                        |
|----------------------------------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|---------------------|-----------------------|---------------------|-----------------------|-----------------------|------------------------|
| Operating Revenue                |   | January             | February            | March               | April               | May                 | June                | July                | August                | September           | October               | November            | December              | Year to Date          | 2008 Budget            |
| 144010401                        | DOMESTIC WATER SALES                                      | (279,425.05)        | (366,480.48)        | (300,693.57)        | (463,265.24)        | (448,777.89)        | (567,473.90)        | (464,683.35)        | (690,651.69)          | (597,750.86)        | (677,113.87)          | (505,198.84)        | (594,402.22)          | (5,955,916.96)        | (6,945,000.00)         |
| 144010402                        | IRRIGATION WATER SALES                                    | (1,776.60)          | -                   | (1,386.76)          | (100.00)            | (5,318.07)          | -                   | (5,166.76)          | -                     | (6,391.06)          | (150.00)              | (4,099.68)          | -                     | (24,388.93)           | -                      |
| 144010403                        | CONSTRUCTION WATER SALES                                  | (26,800.02)         | (9,766.94)          | (10,505.78)         | (17,679.21)         | (18,886.14)         | (18,241.57)         | (13,479.31)         | (21,245.87)           | (14,080.55)         | (33,366.50)           | (31,578.01)         | (20,652.08)           | (236,281.98)          | -                      |
| 144010404                        | INSTALLATION CHARGES                                      | (7,370.00)          | (13,190.00)         | (16,174.00)         | (7,647.00)          | (2,416.00)          | (107,179.27)        | (7,061.00)          | (69,491.19)           | (3,015.00)          | (102,883.58)          | (1,912.00)          | (2,010.00)            | (340,349.04)          | (1,115,000.00)         |
| 144010405                        | CONST. METER RENTAL DEPOSIT                               | 4,554.62            | 750.00              | -                   | -                   | -                   | -                   | -                   | (750.00)              | -                   | -                     | -                   | -                     | 4,554.62              | (40,000.00)            |
| 144010406                        | FIRE SERVICE  | -                   | (150.24)            | -                   | (345.00)            | -                   | (172.50)            | -                   | -                     | -                   | -                     | -                   | -                     | (667.74)              | -                      |
| 144010407                        | REIMB. CUST. DAMAGES/UPGRADES                             | (248.14)            | (4,385.48)          | (25.00)             | 2,364.44            | 32,810.91           | (1,606.66)          | (1,107.38)          | (158.26)              | (12,741.96)         | (28,066.65)           | (1,398.18)          | (15,167.49)           | (29,729.85)           | (45,000.00)            |
| 144010408                        | BACKFLOW DEVICES  | (933.43)            | (2,569.75)          | (824.08)            | (2,557.06)          | (840.28)            | (2,539.32)          | (1,003.32)          | (2,457.20)            | (884.93)            | (2,568.16)            | (888.89)            | (2,554.03)            | (20,620.45)           | (500.00)               |
| 144010410                        | RETURNED CHECK FEES                                       | (500.00)            | (340.00)            | (220.00)            | (620.00)            | (100.00)            | (340.00)            | (160.00)            | (560.00)              | (520.00)            | (680.00)              | (320.00)            | (360.00)              | (4,720.00)            | -                      |
| 144010411                        | MISCELLANEOUS INCOME                                      | (600.60)            | (1,839.96)          | (948.85)            | (4,430.48)          | (4,819.43)          | (2,538.41)          | (36,859.11)         | (16,659.92)           | (7,644.27)          | (46,602.63)           | 1,526.65            | (20,615.33)           | (142,032.34)          | (25,000.00)            |
| 144010412                        | RENTAL INCOME   | (100.00)            | (200.00)            | -                   | (100.00)            | -                   | (200.00)            | (100.00)            | (100.00)              | (100.00)            | (100.00)              | (100.00)            | (100.00)              | (1,200.00)            | (1,200.00)             |
| 144010413                        | DEVEL. PLAN CHECK DEPOSIT                                 | (67,473.38)         | (10,136.00)         | (11,500.00)         | (5,000.00)          | (219.31)            | 91,794.26           | 320.71              | -                     | -                   | -                     | -                   | -                     | (2,213.72)            | (95,000.00)            |
| 144010440                        | INSPECTION DEPOSIT  | -                   | (1,000.00)          | (6,325.00)          | -                   | (150.00)            | (12,000.00)         | -                   | -                     | 10,921.48           | -                     | -                   | 1,673.66              | (6,879.86)            | (125,000.00)           |
| 144010441                        | TURN ONS  | (3,915.00)          | (3,205.00)          | (2,600.00)          | (3,520.00)          | (3,440.00)          | (4,360.00)          | (2,920.00)          | (4,520.00)            | (2,960.00)          | (4,160.00)            | (4,240.00)          | (3,345.00)            | (43,185.00)           | -                      |
| 144010442                        | THIRD NOTICE CHARGE                                       | (5,760.00)          | (6,180.00)          | (4,575.00)          | (5,565.00)          | (6,330.00)          | (6,915.00)          | (5,775.00)          | (8,805.00)            | (9,089.00)          | (5,730.00)            | (5,835.00)          | (6,135.00)            | (76,694.00)           | -                      |
| 144010443                        | PENALTIES   | (13,075.00)         | (2,720.00)          | (8,480.00)          | (7,165.00)          | (5,145.00)          | (4,085.00)          | (10,755.00)         | (6,850.00)            | (8,240.00)          | (5,710.00)            | (6,925.00)          | (9,350.00)            | (88,500.00)           | -                      |
| 144010444                        | SGPWA IMPORTATION CHARGE                                  | (47,399.13)         | (62,711.67)         | (50,131.13)         | (91,270.17)         | (96,273.60)         | (120,070.80)        | (99,031.47)         | (155,098.48)          | (136,178.30)        | (151,008.25)          | (114,522.91)        | (237,089.49)          | (1,360,785.40)        | (1,250,000.00)         |
| 144010445                        | SCP POWER CHARGE  | (35,127.80)         | (45,531.25)         | (22,349.77)         | (72,227.08)         | (73,875.27)         | (87,197.82)         | (70,176.91)         | (110,845.00)          | (102,608.49)        | (122,700.43)          | (92,473.47)         | (226,897.78)          | (1,062,011.07)        | (1,150,000.00)         |
|                                  | <b>Total Operating Revenue</b>                            | <b>(485,949.53)</b> | <b>(529,656.77)</b> | <b>(436,738.94)</b> | <b>(679,126.80)</b> | <b>(633,780.08)</b> | <b>(843,125.99)</b> | <b>(717,957.90)</b> | <b>(1,088,192.61)</b> | <b>(891,282.94)</b> | <b>(1,180,840.07)</b> | <b>(767,965.33)</b> | <b>(1,137,004.76)</b> | <b>(9,391,621.72)</b> | <b>(10,791,700.00)</b> |
|                                  |   |                     |                     |                     |                     |                     |                     |                     |                       |                     |                       |                     |                       |                       |                        |
| Expense                          |   |                     |                     |                     |                     |                     |                     |                     |                       |                     |                       |                     |                       |                       |                        |
| 5200                             | Source of Supply & Water Treatment Wells                  | January             | February            | March               | April               | May                 | June                | July                | August                | September           | October               | November            | December              | Year to Date          | 2008 Budget            |
| 155200237                        | HEALTH INSURANCE  | 4,238.84            | 2,913.94            | 3,071.63            | 3,299.56            | 3,509.94            | 4,271.68            | 3,044.48            | 3,525.32              | 1,529.48            | 3,043.41              | 3,084.55            | 3,444.55              | 38,977.38             | 35,000.00              |
| 155200243                        | RETIREMENT/CALPERS  | 7,303.51            | 4,612.79            | 4,695.16            | 4,679.57            | 7,089.31            | 4,946.37            | 5,503.59            | 5,856.77              | 2,767.47            | 7,309.98              | 4,343.02            | 4,616.53              | 63,724.07             | 60,000.00              |
| 155200501                        | LABOR   | 21,277.38           | 16,892.71           | 15,409.88           | 15,851.13           | 25,370.42           | 19,640.06           | 26,211.55           | 36,383.04             | 11,753.92           | 37,484.73             | 22,743.05           | 30,609.83             | 279,627.70            | 335,340.00             |
| 155200502                        | BEREAVEMENT/SEMINAR/JURY DUTY                             | -                   | -                   | 170.24              | -                   | -                   | -                   | -                   | -                     | -                   | -                     | -                   | -                     | 170.24                | 1,600.00               |
| 155200503                        | SICK LEAVE  | 684.06              | 228.38              | 555.58              | 720.58              | 340.86              | 227.91              | 172.37              | 75.37                 | -                   | 249.08                | 168.72              | 4,713.48              | 8,136.39              | 4,150.00               |
| 155200504                        | VACATION  | 232.52              | 867.52              | 143.50              | 596.19              | 1,311.69            | 475.90              | -                   | 839.80                | 154.91              | 628.32                | 178.77              | 2,359.40              | 7,788.52              | 9,150.00               |
| 155200505                        | HOLIDAYS  | 4,329.77            | 727.88              | 811.75              | -                   | -                   | 865.90              | 994.30              | -                     | 757.06              | 388.43                | 940.14              | 25.50                 | 9,840.73              | 5,030.00               |
| 155200507                        | LIFE INSURANCE  | 261.57              | 98.69               | 98.39               | 99.90               | 101.64              | 101.44              | 97.76               | 147.12                | 52.14               | 103.25                | 107.14              | 114.90                | 1,383.94              | 1,250.00               |
| 155200508                        | UNIFORMS, EMPLOYEE BENEFITS                               | 30.14               | -                   | 270.81              | 75.59               | -                   | -                   | -                   | -                     | -                   | -                     | 102.59              | -                     | 479.13                | 1,850.00               |
| 155200510                        | DIESEL FUEL FOR BACKUP GENERATORS                         | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                     | -                   | -                     | -                   | -                     | -                     | -                      |
| 155200511                        | TREATMENT & CHEMICALS                                     | 2,731.12            | 45,045.02           | 1,894.80            | 1,537.52            | 88.94               | 5,733.37            | 3,810.52            | 8,411.44              | 4,114.01            | 9,512.66              | 3,218.82            | 6,774.13              | 92,872.35             | 78,500.00              |
| 155200512                        | LAB TESTING   | 1,230.08            | 655.70              | 1,820.00            | 1,960.00            | 9,908.00            | 1,971.00            | 2,394.00            | 1,937.00              | 4,663.00            | 3,487.00              | 2,252.00            | 3,430.00              | 35,707.78             | 56,500.00              |
| 155200513                        | MAINTENANCE EQUIPMENT (PUMPING)                           | 4,490.51            | 12,353.94           | 13,461.10           | 18,191.12           | 57,823.29           | 4,246.30            | 475.74              | 16,033.33             | 11,744.48           | 10,121.84             | 5,697.74            | 3,523.14              | 158,162.53            | 125,000.00             |
| 155200514                        | UTILITIES - GAS   | -                   | 10.85               | -                   | -                   | -                   | -                   | -                   | -                     | -                   | -                     | -                   | -                     | 10.85                 | 100.00                 |
| 155200515                        | UTILITIES - ELECTRIC                                      | 30,524.91           | 61,848.13           | 65,415.65           | 85,822.94           | 63,630.24           | 130,731.21          | 139,136.28          | 268,611.39            | 185,531.26          | 97,796.67             | 139,907.98          | 195,539.00            | 1,464,495.66          | 1,451,250.00           |
| 155200516                        | LEASE LINES   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                     | -                   | -                     | -                   | -                     | -                     | 6.00                   |
| 155200517                        | TELEMETRY MAINTENANCE                                     | 8.72                | 6.99                | 971.90              | 2,674.87            | (2,674.87)          | 677.74              | 420.24              | -                     | -                   | -                     | -                   | -                     | 2,085.59              | 6,000.00               |
| 155200518                        | SEMINAR & TRAVEL EXPENSES                                 | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                     | -                   | -                     | -                   | 125.00                | 125.00                | 600.00                 |
| 155200519                        | EDUCATION EXPENSES  | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                     | -                   | -                     | -                   | -                     | -                     | 1,000.00               |
| 155200520                        | WORKER'S COMPENSATION INSURANCE                           | 1,692.25            | 1,545.40            | 1,410.01            | 1,416.65            | 1,466.45            | 1,524.02            | 1,757.35            | 2,386.22              | 829.29              | 1,538.27              | 1,541.42            | 1,599.33              | 18,706.66             | 19,292.00              |
| 155200523                        | OIL FOR WELLS   | -                   | -                   | -                   | -                   | -                   | -                   | 513.77              | -                     | -                   | -                     | -                   | -                     | -                     | -                      |
| 155200620                        | STATE PROJECT WATER PURCHASED                             | -                   | 74,272.00           | 62,245.00           | 49,163.00           | 85,455.00           | 82,079.00           | 82,501.00           | -                     | 44,923.00           | -                     | 6,963.00            | 63,511.00             | 551,112.00            | 1,149,984.00           |
| 155200621                        | GROUNDWATER PURCHASE (SMWC)                               | -                   | -                   | -                   | -                   | -                   | 50,000.00           | 50,000.00           | 50,000.00             | 50,000.00           | -                     | 20,000.00           | -                     | 220,000.00            | 270,000.00             |
|                                  | <b>Total Source of Supply &amp; Water Treatment Wells</b> | <b>79,035.38</b>    | <b>222,079.94</b>   | <b>172,445.40</b>   | <b>186,088.62</b>   | <b>253,420.91</b>   | <b>307,491.90</b>   | <b>317,032.95</b>   | <b>394,206.80</b>     | <b>318,820.02</b>   | <b>171,663.64</b>     | <b>211,248.94</b>   | <b>320,385.79</b>     | <b>2,953,406.52</b>   | <b>3,611,602.00</b>    |
|                                  |   |                     |                     |                     |                     |                     |                     |                     |                       |                     |                       |                     |                       |                       |                        |
| 5300 Transmission & Distribution |   | January             | February            | March               | April               | May                 | June                | July                | August                | September           | October               | November            | December              | Year to Date          | 2008 Budget            |
| 155300237                        | HEALTH INSURANCE  | 10,369.23           | 9,157.20            | 9,246.08            | 8,923.20            | 9,640.23            | 13,850.57           | 10,039.62           | 12,046.30             | 4,343.85            | 9,452.73              | 9,831.59            | 8,927.29              | 115,827.89            | 125,000.00             |
| 155300243                        | RETIREMENT/CALPERS  | 9,392.29            | 7,763.80            | 7,703.96            | 7,785.01            | 11,932.36           | 9,367.57            | 8,359.85            | 10,365.11             | 4,434.12            | 14,027.87             | 9,382.18            | 8,483.34              | 108,997.46            | 93,066.00              |
| 155300501                        | LABOR   | 22,288.98           | 24,017.50           | 23,345.40           | 25,657.44           | 39,375.23           | 31,558.68           | 28,039.99           | 46,896.77             | 11,795.88           | 47,774.84             | 27,778.63           | 32,749.24             | 361,278.58            | 404,635.00             |
| 155300502                        | BEREAVEMENT/SEMINAR/JURY DUTY                             | -                   | 157.68              | 385.62              | -                   | -                   | -                   | 560.18              | -                     | -                   | 839.17                | -                   | 466.35                | 2,409.00              | 6,500.00               |
| 155300503                        | SICK LEAVE  | 2,400.74            | 2,220.03            | 1,659.01            | 920.53              | 1,916.08            | 1,186.73            | 1,259.11            | 1,602.06              | 1,073.92            | 1,972.09              | 3,754.46            | 6,605.67              | 26,570.43             | 12,500.00              |
| 155300504                        | VACATION  | 2,501.48            | 1,983.81            | 306.00              | 979.82              | 2,664.75            | 843.93              | 784.76              | 1,729.39              | 1,125.36            | 2,181.72              | 956.67              | 3,465.03              | 19,522.72             | 18,461.00              |
| 155300505                        | HOLIDAYS  | 8,886.47            | 1,775.43            | 1,638.11            | 185.84              | 179.98              | 2,131.48            | 2,050.16            | -                     | 2,091.82            | 165.96                | 2,114.65            | 2,385.58              | 23,605.48             | 18,390.00              |
| 155300507                        | LIFE INSURANCE  | 241.78              | 268.14              | 262.52              | 280.26              | 308.77              | 308.81              | 313.17              | 251.19                | 78.82               | 247.65                | 250.09              | 228.09                | 3,039.29              | 1,600.00               |

Beaumont Cherry Valley Water District  
Draft Year End Report  
for the Calendar Year Ended 12/31/08

|           |  |                  |                  |                  |                  |                  |                   |                  |                  |                  |                   |                  |                  |                     |                     |
|-----------|--|------------------|------------------|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|-------------------|------------------|------------------|---------------------|---------------------|
| 155300508 | UNIFORMS, EMPLOYEE BENEFITS                  | 210.99           | 107.99           | 136.73           | 1,009.59         | -                | -                 | -                | 190.28           | 2,684.02         | -                 | -                | 158.35           | 4,497.95            | 3,000.00            |
| 155300518 | SEMINAR & TRAVEL EXPENSES                    | -                | -                | -                | -                | -                | -                 | -                | -                | -                | -                 | -                | -                | -                   | 2,500.00            |
| 155300519 | EDUCATION EXPENSES                           | -                | -                | 90.00            | -                | -                | -                 | -                | -                | -                | 80.00             | -                | -                | 170.00              | 2,000.00            |
| 155300520 | WORKER'S COMPENSATION INSURANCE              | 3,240.42         | 2,753.54         | 2,631.42         | 2,549.00         | 2,640.65         | 3,252.33          | 2,979.53         | 4,683.64         | 1,463.32         | 3,188.28          | 3,117.47         | 2,806.54         | 35,306.14           | 29,302.00           |
| 155300530 | MAINT PIPELINE/FIRE HYDRANT                  | 18,724.74        | 2,111.62         | 4,190.20         | 2,596.02         | 3,414.59         | 22,406.32         | 2,007.70         | 7,176.05         | 3,227.31         | 16,225.47         | 4,987.96         | 1,877.30         | 88,945.28           | 55,000.00           |
| 155300531 | LINE LOCATES                                 | 96.00            | 111.69           | 183.28           | 175.78           | 108.00           | 130.50            | 133.50           | 133.50           | 138.00           | 190.73            | 187.50           | 246.00           | 1,834.48            | 3,000.00            |
| 155300534 | MAINT METERS & SERVICES                      | 262.91           | 465.39           | 3,893.33         | 17,804.31        | 363.50           | 12,706.95         | 4,882.65         | 5,707.19         | 7,488.27         | 23,269.88         | 6,755.36         | 11,623.88        | 95,223.62           | 350,000.00          |
| 155300535 | BACKFLOW DEVICES                             | -                | 45.98            | 45.52            | 22.86            | 22.78            | 251.42            | 136.51           | -                | -                | -                 | -                | -                | 525.07              | 1,300.00            |
| 155300536 | MAINTENANCE RESERVOIRS/TANKS                 | -                | 71.13            | -                | -                | -                | 9.89              | -                | -                | -                | -                 | -                | -                | 81.02               | 1,000.00            |
| 155300537 | MAINTENANCE PRESSURE REGULATORS              | -                | 47.18            | 118.45           | -                | -                | 950.00            | 20.78            | -                | -                | 19.73             | 2,066.11         | 22.11            | 3,244.36            | 2,500.00            |
| 155300538 | INSPECTIONS                                  | 2,728.45         | 29,098.52        | 30,162.70        | 13,204.41        | 5,055.35         | 3,646.13          | 3,338.17         | 6,641.90         | 1,713.56         | 5,706.02          | 3,327.62         | 3,164.46         | 107,787.29          | 50,000.00           |
|           | <b>Total Transmission &amp; Distribution</b> | <b>81,344.48</b> | <b>82,156.63</b> | <b>85,998.33</b> | <b>82,094.07</b> | <b>77,622.27</b> | <b>102,601.31</b> | <b>64,905.68</b> | <b>97,423.38</b> | <b>41,658.25</b> | <b>125,342.14</b> | <b>74,510.29</b> | <b>83,209.23</b> | <b>998,866.06</b>   | <b>1,179,754.00</b> |
|           |  |                  |                  |                  |                  |                  |                   |                  |                  |                  |                   |                  |                  |                     |                     |
|           |  |                  |                  |                  |                  |                  |                   |                  |                  |                  |                   |                  |                  |                     |                     |
|           | <b>5400 Meter Reading/Customer Service</b>   | <b>January</b>   | <b>February</b>  | <b>March</b>     | <b>April</b>     | <b>May</b>       | <b>June</b>       | <b>July</b>      | <b>August</b>    | <b>September</b> | <b>October</b>    | <b>November</b>  | <b>December</b>  | <b>Year to Date</b> | <b>2008 Budget</b>  |
| 155400237 | HEALTH INSURANCE                             | 2,252.97         | 2,027.21         | 2,052.31         | 2,031.66         | 2,656.52         | 2,995.73          | 2,496.10         | 2,199.00         | 1,421.89         | 1,979.51          | 2,131.99         | 2,132.70         | 26,377.59           | 23,750.00           |
| 155400243 | RETIREMENT/CALPERS                           | 3,164.00         | 5,623.56         | 1,840.61         | 1,800.56         | 3,337.10         | 1,917.10          | 2,152.74         | 2,094.09         | 1,295.51         | 2,617.57          | 1,959.22         | 1,965.13         | 29,767.19           | 21,000.00           |
| 155400501 | LABOR  | 7,693.58         | 7,213.04         | 6,343.01         | 6,438.70         | 11,410.08        | 7,218.18          | 7,190.57         | 9,525.52         | 4,568.04         | 9,911.38          | 7,148.46         | 6,958.28         | 91,618.84           | 103,503.00          |
| 155400502 | BEREAVEMENT/SEMINAR/JURY DUTY                | -                | 183.89           | -                | -                | -                | -                 | 363.43           | -                | -                | -                 | -                | 355.51           | 902.83              | 500.00              |
| 155400503 | SICK LEAVE                                   | 378.23           | -                | -                | -                | -                | -                 | 545.14           | -                | -                | -                 | -                | 3,659.15         | 4,582.52            | 1,265.00            |
| 155400504 | VACATION                                     | 1,283.63         | -                | 183.05           | -                | 911.94           | -                 | 182.31           | 549.14           | 183.16           | -                 | 183.89           | (419.02)         | 3,058.10            | 1,824.00            |
| 155400505 | HOLIDAYS                                     | 2,170.62         | 183.89           | 183.04           | -                | 183.18           | 182.43            | 181.71           | -                | 183.18           | -                 | 183.89           | (109.57)         | 3,342.37            | 2,550.00            |
| 155400507 | LIFE INSURANCE                               | 45.02            | 78.35            | 76.64            | 76.80            | 76.96            | 76.32             | 79.41            | 39.07            | 12.72            | 46.25             | 49.65            | 49.79            | 706.98              | 400.00              |
| 155400508 | UNIFORMS, EMPLOYEE BENEFITS                  | -                | -                | -                | -                | -                | -                 | -                | -                | -                | -                 | -                | 193.57           | 193.57              | 800.00              |
| 155400518 | SEMINAR & TRAVEL EXPENSES                    | -                | -                | -                | -                | -                | -                 | -                | -                | -                | -                 | 203.16           | -                | 203.16              | 250.00              |
| 155400519 | EDUCATION EXPENSES                           | -                | -                | -                | -                | -                | -                 | -                | -                | -                | -                 | -                | 120.00           | 120.00              | 550.00              |
| 155400520 | WORKER'S COMPENSATION                        | 534.66           | 627.11           | 552.77           | 530.95           | 631.18           | 615.19            | 715.98           | 834.70           | 413.47           | 593.02            | 642.45           | 633.61           | 7,325.09            | 6,950.00            |
|           | <b>Total Meter Reading/Customer Service</b>  | <b>17,522.71</b> | <b>15,937.05</b> | <b>11,231.43</b> | <b>10,878.67</b> | <b>19,206.96</b> | <b>13,004.95</b>  | <b>13,907.39</b> | <b>15,241.52</b> | <b>8,077.97</b>  | <b>15,147.73</b>  | <b>12,502.71</b> | <b>15,539.15</b> | <b>168,198.24</b>   | <b>163,342.00</b>   |
|           |  |                  |                  |                  |                  |                  |                   |                  |                  |                  |                   |                  |                  |                     |                     |
|           |  |                  |                  |                  |                  |                  |                   |                  |                  |                  |                   |                  |                  |                     |                     |
|           | <b>5500 Administration</b>                   | <b>January</b>   | <b>February</b>  | <b>March</b>     | <b>April</b>     | <b>May</b>       | <b>June</b>       | <b>July</b>      | <b>August</b>    | <b>September</b> | <b>October</b>    | <b>November</b>  | <b>December</b>  | <b>Year to Date</b> | <b>2008 Budget</b>  |
| 155500237 | HEALTH INSURANCE                             | 9,969.76         | 12,000.72        | 13,117.37        | 13,607.57        | 16,215.30        | 18,606.73         | 13,262.73        | 15,239.30        | 5,958.31         | 12,527.46         | 13,035.96        | 12,453.60        | 155,994.81          | 96,950.00           |
| 155500241 | MEDICARE                                     | -                | -                | -                | -                | -                | -                 | -                | -                | -                | -                 | -                | -                | -                   | 26,175.00           |
| 155500243 | RETIREMENT/CALPERS                           | 13,058.90        | 19,421.86        | 20,994.29        | 21,211.31        | 32,316.74        | 20,613.58         | 20,311.64        | 24,092.09        | 10,486.25        | 32,860.02         | 22,219.27        | 21,855.88        | 259,441.83          | 159,000.00          |
| 155500501 | LABOR  | 39,288.09        | 70,046.59        | 70,804.78        | 74,094.37        | 106,440.02       | 74,838.24         | 71,631.24        | 108,746.82       | 34,640.53        | 115,832.53        | 77,647.93        | 87,475.20        | 931,486.34          | 747,617.00          |
| 155500502 | BEREAVEMENT/SEMINAR/JURY DUTY                | -                | -                | -                | 283.68           | -                | -                 | -                | 1,213.09         | -                | 445.71            | 195.93           | -                | 2,138.41            | 4,500.00            |
| 155500503 | SICK LEAVE                                   | 952.70           | 638.14           | 2,453.98         | 1,205.56         | 3,884.29         | 1,096.71          | 1,041.39         | 2,765.02         | 312.53           | 2,738.48          | 1,808.08         | 4,081.52         | 22,978.40           | 17,822.00           |
| 155500504 | VACATION                                     | 164.04           | 1,510.28         | 324.51           | 2,930.95         | 7,477.94         | 932.77            | 2,837.51         | 4,237.68         | 189.12           | 1,890.25          | 541.68           | 6,767.29         | 29,804.02           | 31,147.00           |
| 155500505 | HOLIDAYS                                     | 9,969.42         | 3,607.86         | 4,248.05         | -                | -                | 4,238.13          | 3,934.45         | 412.35           | 3,907.27         | 378.23            | 4,369.18         | 5,766.78         | 40,831.72           | 25,025.00           |
| 155500507 | LIFE INSURANCE                               | 341.37           | 345.85           | 358.65           | 503.80           | 400.66           | 374.19            | 368.94           | 417.03           | 135.98           | 486.10            | 495.44           | 484.27           | 4,712.28            | 3,000.00            |
| 155500508 | UNIFORMS, EMPLOYEE BENEFITS                  | 130.00           | -                | -                | -                | -                | -                 | -                | -                | -                | -                 | -                | -                | 130.00              | 375.00              |
| 155500518 | SEMINAR & TRAVEL EXPENSES                    | 40.00            | 13.50            | 1,020.18         | 708.52           | 5,003.39         | 17.96             | 1,093.56         | 1,742.97         | 107.39           | 1,723.44          | 442.89           | 878.57           | 12,792.37           | 18,500.00           |
| 155500519 | EDUCATION EXPENSES                           | 135.25           | 105.00           | -                | -                | 210.00           | 1,664.13          | -                | -                | 1,127.93         | -                 | -                | -                | 3,242.31            | 4,000.00            |
| 155500520 | WORKER'S COMPENSATION INSURANCE              | 1,057.65         | 1,949.35         | 1,988.75         | 1,989.69         | 2,075.82         | 2,065.43          | 2,051.83         | 3,127.42         | 1,037.93         | 2,098.28          | 2,082.68         | 2,093.53         | 23,618.36           | 24,750.00           |
| 155500521 | SOCIAL SECURITY                              | -                | -                | -                | -                | -                | -                 | -                | -                | -                | -                 | -                | -                | -                   | 104,775.00          |
| 155500522 | UNEMPLOYMENT INSURANCE                       | -                | 623.00           | -                | -                | -                | -                 | -                | -                | -                | -                 | -                | 5,753.00         | 6,376.00            | -                   |
| 155500549 | BANK CHGS/MONEY MARKET/TRANS. FEES           | 620.06           | 989.28           | 1,254.37         | 1,127.86         | 1,596.32         | 1,511.29          | 1,187.87         | 2,049.75         | 1,925.32         | 1,817.53          | 2,377.29         | -                | 16,456.94           | -                   |
| 155500553 | TEMPORARY LABOR                              | -                | -                | -                | -                | -                | 1,308.02          | 3,839.33         | 2,862.72         | 5,635.98         | 2,086.25          | 1,628.54         | 3,900.33         | 21,261.17           | 2,500.00            |
| 155500555 | OFFICE SUPPLIES                              | 2,580.29         | 7,020.48         | 3,624.91         | 3,774.97         | 3,859.95         | 6,966.51          | 5,587.96         | 2,890.06         | 4,047.25         | 6,298.74          | 3,697.98         | 6,055.00         | 56,404.10           | 70,000.00           |
| 155500556 | OFFICE EQUIPMENT/SERVICE AGREEMENTS          | 11,167.28        | 6,456.13         | 8,923.88         | 22,984.21        | 9,979.56         | 4,096.50          | 18,959.92        | 8,188.89         | 10,838.75        | 14,767.08         | 9,429.46         | 34,857.70        | 160,649.36          | 135,000.00          |
| 155500557 | OFFICE MAINTENANCE                           | 873.50           | 1,214.50         | 1,144.15         | 1,338.41         | 983.50           | 2,117.77          | 3,264.17         | 2,069.54         | 2,470.58         | 2,085.34          | 2,155.38         | 1,541.62         | 21,258.46           | 30,000.00           |
| 155500558 | MEMBERSHIP DUES                              | -                | -                | 55.00            | 931.00           | 369.00           | -                 | -                | -                | -                | 14,585.00         | 4,088.00         | (6,831.73)       | 13,196.27           | 35,000.00           |
| 155500559 | ARMORED CAR                                  | 384.67           | 389.21           | 389.21           | 389.21           | 394.67           | 393.76            | 398.31           | 401.03           | 401.03           | 391.94            | 385.58           | 381.03           | 4,699.65            | 5,000.00            |
| 155500560 | OFFICE EQUIP.MAINT. & REPAIRS                | -                | 135.00           | -                | 1,719.00         | 539.00           | -                 | 3,676.34         | 130.00           | 237.19           | -                 | 1,129.90         | 193.94           | 7,760.37            | 3,200.00            |
| 155500561 | POSTAGE                                      | -                | 18.66            | 44.62            | 14,065.82        | -                | 2,012.10          | 10,000.00        | -                | 2,180.00         | 2,554.17          | 283.23           | 4,087.08         | 35,245.68           | 55,916.00           |
| 155500562 | SUBSCRIPTIONS                                | 838.00           | 217.50           | 45.50            | 45.50            | 403.34           | 386.19            | 45.50            | 455.00           | 161.87           | 49.25             | -                | 373.50           | 3,021.15            | 2,850.00            |
| 155500563 | MISCELLANEOUS OPERATING SUPPLIES             | 871.79           | 1,506.64         | 1,137.16         | 965.51           | 885.05           | 1,123.90          | 1,030.58         | 862.80           | 1,344.10         | 1,743.32          | 1,439.47         | 1,352.77         | 14,263.09           | 26,500.00           |
| 155500564 | MISCELLANEOUS TOOLS/EQUIPMENT                | 745.09           | 363.83           | 395.28           | 926.37           | 2,691.01         | 746.35            | 310.03           | 2,294.98         | 2,568.78         | 637.62            | 198.43           | 4,357.20         | 16,234.97           | 17,000.00           |
| 155500567 | EMPLOYEE MEDICAL/FIRST AID                   | -                | -                | -                | 462.00           | -                | -                 | -                | -                | -                | -                 | -                | -                | 462.00              | 600.00              |

Beaumont Cherry Valley Water District  
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|           |  |                  |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                     |                     |
|-----------|--|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|
| 155500568 | RANDOM DRUG TESTING                          | -                | -                 | -                 | 125.00            | 25.00             | -                 | -                 | -                 | -                 | -                 | -                 | -                 | 150.00              | 100.00              |
| 155500570 | PROPERTY/AUTO/GEN LIABILITY INSURANCE        | -                | -                 | 17,306.00         | -                 | -                 | -                 | -                 | 53,446.00         | -                 | -                 | -                 | 9,528.77          | 80,280.77           | 90,000.00           |
| 155500572 | STATE MANDATES AND TARRIFFS                  | -                | 632.19            | 1,445.00          | 6,274.89          | -                 | 801.00            | 11,433.38         | 5,117.97          | 1,769.84          | 13,239.87         | 402.21            | 2,741.62          | 43,857.97           | 20,360.00           |
| 155500573 | MISCELLANEOUS EXPENSES                       | 256.17           | 513.32            | 3,303.52          | 425.85            | 383.11            | 815.11            | 566.16            | 188.83            | 172.40            | -                 | 96.53             | 169.85            | 6,890.85            | 6,000.00            |
| 155500574 | PUBLIC EDUCATION                             | -                | -                 | -                 | 15,000.00         | 11,821.67         | 13,898.44         | 11,796.53         | 10,027.15         | 2,450.32          | 7,614.11          | 1,329.37          | -                 | 73,937.59           | 150,000.00          |
| 155500577 | PROPERTY TAXES - OUT OF DISTRICT PARCELS     | -                | -                 | -                 | -                 | -                 | -                 | -                 | -                 | 19,720.85         | 5,770.60          | -                 | -                 | 25,491.45           | -                   |
| 155500630 | ACCOUNTS RECEIVABLE                          | -                | -                 | -                 | -                 | -                 | -                 | 11.18             | -                 | 14,427.57         | -                 | 609.51            | 76.11             | 15,124.37           | -                   |
|           | <b>Total Administration</b>                  | <b>93,444.03</b> | <b>129,718.89</b> | <b>154,379.16</b> | <b>187,091.05</b> | <b>207,955.34</b> | <b>160,624.81</b> | <b>188,640.55</b> | <b>252,978.49</b> | <b>128,255.07</b> | <b>244,621.32</b> | <b>152,089.92</b> | <b>210,394.43</b> | <b>2,110,193.06</b> | <b>1,913,662.00</b> |
|           |  |                  |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                     |                     |
|           |  |                  |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                     |                     |
|           | <b>5510 Board of Directors</b>               | <b>January</b>   | <b>February</b>   | <b>March</b>      | <b>April</b>      | <b>May</b>        | <b>June</b>       | <b>July</b>       | <b>August</b>     | <b>September</b>  | <b>October</b>    | <b>November</b>   | <b>December</b>   | <b>Year to Date</b> | <b>2008 Budget</b>  |
| 155510550 | BOARD OF DIRECTOR FEES                       | 3,600.00         | 3,000.00          | 3,000.00          | 2,800.00          | 2,600.00          | 2,200.00          | 400.00            | 3,600.00          | 4,000.00          | 2,200.00          | 4,400.00          | 4,277.00          | 36,077.00           | 75,800.00           |
| 155510551 | SEMINAR & TRAVEL EXPENSES                    | 20.00            | 95.00             | 1,114.32          | 595.00            | 25.00             | -                 | 1,016.63          | -                 | -                 | -                 | -                 | -                 | 2,865.95            | 2,500.00            |
| 155510552 | ELECTION EXPENSES                            | -                | -                 | -                 | -                 | -                 | -                 | 932.21            | -                 | -                 | -                 | -                 | -                 | 932.21              | 22,575.00           |
|           | <b>Total Board of Directors</b>              | <b>3,620.00</b>  | <b>3,095.00</b>   | <b>4,114.32</b>   | <b>3,395.00</b>   | <b>2,625.00</b>   | <b>2,200.00</b>   | <b>2,348.84</b>   | <b>3,600.00</b>   | <b>4,000.00</b>   | <b>2,200.00</b>   | <b>4,400.00</b>   | <b>4,277.00</b>   | <b>39,875.16</b>    | <b>100,875.00</b>   |
|           |  |                  |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                     |                     |
|           |  |                  |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                     |                     |
|           | <b>Maintenance &amp; General Plant</b>       | <b>January</b>   | <b>February</b>   | <b>March</b>      | <b>April</b>      | <b>May</b>        | <b>June</b>       | <b>July</b>       | <b>August</b>     | <b>September</b>  | <b>October</b>    | <b>November</b>   | <b>December</b>   | <b>Year to Date</b> | <b>2008 Budget</b>  |
| 155610501 | LABOR - 560 MAGNOLIA AVE                     | -                | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                   | 500.00              |
| 155610514 | GAS - 560 MAGNOLIA AVE                       | -                | -                 | 9.86              | 9.21              | 10.52             | 9.86              | 9.53              | 9.53              | 10.52             | 9.86              | 9.53              | 21.70             | 110.12              | 2,500.00            |
| 155610515 | ELECTRIC - 560 MAGNOLIA AVE                  | 1,330.56         | 1,306.65          | 1,364.54          | 1,405.63          | 2,608.67          | 2,742.06          | 2,862.84          | 3,454.11          | 3,683.95          | 2,852.63          | 1,854.97          | 1,933.93          | 27,400.54           | 16,700.00           |
| 155610580 | TELEPHONE - 560 MAGNOLIA AVE                 | 3,735.01         | 5,495.48          | 2,832.35          | 7,977.26          | 4,507.64          | 7,086.12          | 5,301.59          | 4,600.23          | 4,161.57          | 3,785.40          | 3,680.20          | 6,624.85          | 59,787.70           | 71,000.00           |
| 155610581 | SANITATION - 560 MAGNOLIA AVE                | 593.10           | 639.96            | 640.64            | 593.10            | 607.63            | 593.10            | 674.43            | 626.89            | 674.43            | 679.18            | 626.89            | 674.43            | 7,623.78            | 9,000.00            |
| 155610582 | MAINTENANCE - 560 MAGNOLIA AVE               | -                | -                 | -                 | -                 | 497.22            | -                 | 1,316.71          | 4,415.92          | 2,009.93          | 311.64            | 3,308.36          | 434.24            | 12,294.02           | 1,000.00            |
| 155615501 | LABOR - 12303 OAK GLEN ROAD                  | -                | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                   | 1,000.00            |
| 155615515 | ELECTRIC - 12303 OAK GLEN ROAD               | 319.56           | 281.82            | 188.96            | 258.04            | 148.19            | 84.42             | 47.96             | -                 | 87.03             | 200.78            | 164.42            | 265.12            | 2,046.30            | 3,500.00            |
| 155615582 | MAINTENANCE/REPAIR - 12303 OAK GLEN ROAD     | 225.00           | 75.67             | 237.88            | 317.09            | 526.66            | -                 | 48.40             | 44.08             | 5,287.97          | 3,313.92          | 85.05             | 466.13            | 10,627.85           | 4,000.00            |
| 155615583 | PROPANE - 12303 OAK GLEN ROAD                | -                | -                 | -                 | 652.92            | -                 | -                 | -                 | -                 | 634.57            | -                 | -                 | 827.24            | 2,114.73            | 4,500.00            |
| 155620501 | LABOR - 13695 OAK GLEN ROAD                  | -                | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                   | 1,000.00            |
| 155620515 | ELECTRIC - 13695 OAK GLEN ROAD               | 119.98           | 81.20             | 75.89             | 89.67             | 79.34             | 86.25             | 148.44            | -                 | 277.73            | 87.69             | -                 | 93.00             | 1,139.19            | 1,650.00            |
| 155620582 | MAINTENANCE/REPAIR - 13695 OAK GLEN ROAD     | -                | 89.67             | 256.73            | 90.32             | -                 | -                 | 90.00             | -                 | 106.16            | 159.00            | 20.03             | -                 | 811.91              | 1,350.00            |
| 155620583 | PROPANE - 13695 OAK GLEN ROAD                | -                | -                 | -                 | 850.22            | -                 | -                 | -                 | -                 | 930.91            | -                 | -                 | -                 | 1,781.13            | 2,600.00            |
| 155625501 | LABOR - 13697 OAK GLEN ROAD                  | -                | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                   | 1,000.00            |
| 155625515 | ELECTRIC - 13697 OAK GLEN ROAD               | 278.76           | 186.09            | 178.75            | 172.46            | 152.90            | 162.33            | 308.86            | -                 | 500.11            | 246.10            | 145.01            | 191.94            | 2,523.31            | 2,800.00            |
| 155625582 | MAINTENANCE/REPAIR - 13697 OAK GLEN ROAD     | -                | 89.67             | 74.23             | 89.34             | -                 | -                 | 86.00             | -                 | 90.00             | 374.00            | -                 | 90.00             | 893.24              | 1,500.00            |
| 155625583 | PROPANE - 13697 OAK GLEN ROAD                | -                | -                 | -                 | 843.10            | -                 | -                 | -                 | -                 | 951.91            | -                 | -                 | 620.37            | 2,415.38            | 2,000.00            |
| 155630501 | LABOR - 9781 AVENIDA MIRAVILLA               | -                | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                   | 1,000.00            |
| 155630515 | ELECTRIC - 9781 AVENIDA MIRAVILLA            | 114.76           | -                 | 96.79             | 197.38            | -                 | 107.16            | 135.02            | 228.75            | 374.69            | -                 | 141.80            | 188.90            | 1,585.25            | 2,300.00            |
| 155630582 | MAINTENANCE/REPAIR - 9781 AVENIDA MIRAVI     | -                | 89.00             | -                 | 579.05            | -                 | -                 | 89.00             | 16.67             | -                 | 89.00             | 4.82              | 570.24            | 1,437.78            | 1,500.00            |
| 155630583 | PROPANE - 9781 AVENIDA MIRAVILLA             | -                | 717.75            | -                 | 726.82            | -                 | -                 | -                 | 845.56            | 26.40             | -                 | -                 | 335.95            | 2,652.48            | 1,700.00            |
| 155700589 | AUTO/FUEL                                    | 1,553.44         | 3,659.54          | 14,836.98         | 10,468.13         | 5,595.79          | 21099.81          | 3,099.67          | 24,222.15         | 7,747.06          | 5,401.44          | 14,746.77         | 9,488.74          | 121,919.52          | 100,000.00          |
| 155700590 | SAFETY EQUIPMENT                             | -                | 958.81            | 636.78            | -                 | 323.27            | -                 | -                 | -                 | -                 | -                 | -                 | -                 | 1,918.86            | 5,000.00            |
| 155700591 | COMMUNICATION MAINTENANCE                    | -                | -                 | -                 | -                 | -                 | -                 | -                 | 110.00            | -                 | -                 | -                 | -                 | 110.00              | 1,000.00            |
| 155700592 | REPAIR & MAINT OF GEN EQUIPMENT              | -                | 356.18            | 824.25            | 700.64            | 331.48            | 4.62              | 216.39            | 290.95            | 41.45             | 2.84              | 3.23              | -                 | 2,772.03            | 200.00              |
| 155700593 | REPAIR VEHICLES AND TOOLS                    | 1,120.89         | 2,594.93          | 1,558.12          | 833.08            | 1,213.13          | 2,886.85          | 277.27            | 3,770.85          | 3,615.90          | 1,725.28          | 2,274.38          | 2,094.55          | 23,965.23           | 50,000.00           |
| 155700594 | LARGE EQUIPMENT MAINTENANCE                  | 2,285.51         | 1,306.92          | 2,312.47          | 289.53            | 1,352.50          | 7,348.09          | 2,830.11          | 7,216.70          | 156.22            | 1,873.28          | 2,530.94          | 872.42            | 30,374.69           | 30,000.00           |
| 155700595 | EQUIP. PREVENTATIVE MAINTENANCE              | -                | 1,010.93          | -                 | 42.99             | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | 1,053.92            | -                   |
| 155700596 | AUTO/EQUIPMENT OPERATION                     | 1,292.28         | 2,057.19          | 1,406.88          | 615.39            | 2,134.78          | 1,659.70          | 1,358.48          | 302.72            | 2,623.92          | 5,447.04          | 1,112.36          | 4,361.50          | 24,372.24           | 20,000.00           |
| 155700597 | MAINT GENERAL PLANT (BUILDINGS)              | 2,312.29         | 6,390.61          | (124.04)          | -                 | 49.62             | 6,750.00          | 326.78            | 2,482.38          | -                 | 84.57             | -                 | 868.52            | 19,140.73           | 10,000.00           |
| 155700598 | LANDSCAPE MAINTENANCE                        | 2,950.00         | 2,950.00          | 30,662.00         | 2,999.62          | 14,630.38         | (2,234.89)        | 3,600.00          | 5,200.00          | 5,701.36          | 3,950.00          | 5,050.00          | 8,180.00          | 83,638.47           | 35,000.00           |
| 155700601 | RECHARGE FAC, CANYON & POND MAINTENANC       | 1,260.00         | 192.93            | 1,414.98          | 11,651.11         | 285.01            | 1,223.97          | 560.00            | 2,991.20          | 677.85            | 817.57            | 781.12            | (443.46)          | 21,412.28           | 11,000.00           |
|           | <b>Total Maintenance &amp; General Plant</b> | <b>19,491.14</b> | <b>30,531.00</b>  | <b>59,485.04</b>  | <b>42,452.10</b>  | <b>35,054.73</b>  | <b>49,609.45</b>  | <b>23,387.48</b>  | <b>60,828.69</b>  | <b>40,371.64</b>  | <b>31,411.22</b>  | <b>36,539.88</b>  | <b>38,760.31</b>  | <b>467,922.68</b>   | <b>396,300.00</b>   |
|           |  |                  |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                     |                     |
|           |  |                  |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                     |                     |



Beaumont Cherry Valley Water District  
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| 5800 Engineering (in-house) |                                      | January      | February     | March        | April        | May          | June         | July         | August         | September    | October        | November     | December       | Year to Date   | 2008 Budget     |
|-----------------------------|--------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|--------------|----------------|--------------|----------------|----------------|-----------------|
| 155800237                   | HEALTH INSURANCE                     | 291.11       | 386.68       | 233.33       | 418.51       | 472.86       | 562.26       | 406.80       | 415.73         | 178.36       | 383.78         | 142.68       | 362.87         | 4,254.97       | 4,230.00        |
| 155800243                   | RETIREMENT/CALPERS                   | 2,147.27     | 1,865.79     | 896.60       | 1,446.44     | 2,596.96     | 794.35       | 858.30       | 900.72         | 466.65       | 1,346.41       | 379.64       | 965.45         | 14,664.58      | 22,000.00       |
| 155800501                   | LABOR                                | 8,360.72     | 9,740.85     | 4,445.80     | 7,313.67     | 13,786.95    | 6,336.80     | 11,723.23    | 17,686.56      | 5,174.75     | 8,760.70       | 3,444.36     | 12,018.10      | 108,792.49     | 139,400.00      |
| 155800502                   | BEREAVEMENT/SEMINAR/JURY DUTY        | -            | -            | -            | -            | -            | -            | -            | -              | -            | 458.40         | -            | -              | 458.40         | 500.00          |
| 155800503                   | SICK LEAVE                           | -            | -            | -            | -            | -            | -            | -            | -              | -            | -              | -            | 2,122.89       | 2,122.89       | 1,500.00        |
| 155800504                   | VACATION                             | -            | -            | -            | -            | -            | -            | -            | -              | -            | -              | -            | 536.40         | 536.40         | 1,750.00        |
| 155800505                   | HOLIDAY                              | 3,551.42     | 184.90       | 184.90       | -            | -            | 184.90       | 185.76       | -              | 207.36       | -              | 219.57       | 439.43         | 5,158.24       | 3,000.00        |
| 155800507                   | LIFE INSURANCE                       | 31.27        | 25.16        | 14.07        | 24.77        | 25.16        | 25.00        | 25.66        | 36.31          | 12.68        | 27.29          | 10.74        | 27.32          | 285.43         | 350.00          |
| 155800508                   | UNIFORMS, EMPLOYEE BENEFITS          | -            | -            | -            | -            | -            | -            | -            | -              | -            | -              | -            | -              | -              | 500.00          |
| 155800518                   | SEMINAR & TRAVEL EXPENSES            | -            | -            | -            | -            | -            | -            | 284.38       | 142.19         | -            | -              | -            | -              | 426.57         | 500.00          |
| 155800519                   | EDUCATION EXPENSE                    | -            | 139.23       | 809.21       | -            | 323.26       | 250.00       | 521.80       | 963.94         | 267.99       | -              | -            | 955.65         | 4,231.08       | 2,000.00        |
| 155800520                   | WORKER'S COMPENSATION                | 368.46       | 415.43       | 212.28       | 365.51       | 376.31       | 349.41       | 333.49       | 444.35         | 165.75       | 383.10         | 157.29       | 397.23         | 3,968.61       | 5,000.00        |
|                             | Total Engineering (in-house)         | 14,750.25    | 12,758.04    | 6,796.19     | 9,568.90     | 17,581.50    | 8,502.72     | 14,339.42    | 20,589.80      | 6,473.54     | 11,359.68      | 4,354.28     | 17,825.34      | 144,899.66     | 180,730.00      |
|                             |                                      |              |              |              |              |              |              |              |                |              |                |              |                |                |                 |
|                             |                                      |              |              |              |              |              |              |              |                |              |                |              |                |                |                 |
| Professional Services       |                                      | January      | February     | March        | April        | May          | June         | July         | August         | September    | October        | November     | December       | Year to Date   | 2008 Budget     |
| 155810611                   | GENERAL LEGAL                        | -            | 11,341.50    | 11,178.50    | 20,219.29    | 10,325.40    | 7,977.50     | 8,338.60     | 28,297.98      | 20,941.63    | 21,394.08      | 6,343.82     | 27,566.38      | 173,924.68     | 150,000.00      |
| 155810612                   | DEVELOPMENT - REIMB. LEGAL           | -            | -            | -            | -            | -            | -            | -            | 46.00          | -            | -              | -            | -              | 46.00          | 1,000.00        |
| 155810613                   | STWMA BASIN MANAGEMENT EXPENSE       | -            | -            | -            | -            | -            | -            | -            | -              | -            | 45,500.00      | -            | -              | 45,500.00      | -               |
| 155810614                   | AUDIT                                | -            | -            | -            | 36,265.00    | -            | -            | 5,173.00     | -              | 11,887.00    | -              | -            | 6,473.00       | 59,798.00      | 50,000.00       |
| 155810616                   | ACCOUNTING (NON AUDIT)               | -            | 29,314.00    | -            | 730.00       | -            | -            | -            | -              | 6,753.00     | -              | -            | -              | 36,797.00      | -               |
| 155820611                   | GENERAL ENGINEERING                  | 145.00       | 8,850.00     | 4,250.00     | 4,916.42     | 4,504.15     | 1,867.68     | 17,749.04    | 13,489.24      | 16,941.73    | 4,738.00       | 21,931.58    | 36,429.83      | 135,812.67     | 45,000.00       |
| 155820612                   | DEVELOPMENT - REIMB. ENGINEERING     | 539.05       | 16,792.10    | 22,747.59    | 17,484.73    | 14,310.11    | 31.04        | 446.67       | 26,910.89      | 7,919.48     | 1,522.34       | 535.04       | 12,839.75      | 122,078.79     | 20,000.00       |
| 155820613                   | STWMA BASIN MANAGEMENT EXPENSE       |              |              |              |              |              |              |              |                |              |                |              |                | -              | 78,000.00       |
| 155820614                   | STWMA - PROJECT COMMITTEE NO. 1      |              |              |              |              |              |              |              |                |              |                |              |                | -              | 284,800.00      |
| 155820615                   | ENGINEERING - PERMITTING (REC WATER) | -            | -            | -            | 1,978.69     | 6,012.90     | 7,362.36     | 2,570.00     | 5,554.01       | 2,490.00     | 1,755.00       | 2,925.00     | 7,396.98       | 38,044.94      | 50,000.00       |
| 155820617                   | GRANT & LOAN PROCUREMENT (REC WATER) |              |              |              |              |              |              |              |                |              |                |              | -              | -              | -               |
|                             | Total Professional Services          | 684.05       | 66,297.60    | 38,176.09    | 81,594.13    | 35,152.56    | 17,238.58    | 34,277.31    | 74,298.12      | 66,932.84    | 74,909.42      | 31,735.44    | 90,705.94      | 612,002.08     | 678,800.00      |
|                             |                                      |              |              |              |              |              |              |              |                |              |                |              |                |                |                 |
|                             |                                      |              |              |              |              |              |              |              |                |              |                |              |                |                |                 |
|                             | Total Operating Revenues             | (485,949.53) | (529,656.77) | (436,738.94) | (679,126.80) | (633,780.08) | (843,125.99) | (717,957.90) | (1,088,192.61) | (891,282.94) | (1,180,840.07) | (767,965.33) | (1,137,004.76) | (9,391,621.72) | (10,791,700.00) |
|                             | Total Operating Expenses             | 309,892.04   | 562,574.15   | 532,625.96   | 603,162.54   | 648,619.27   | 661,273.72   | 658,839.62   | 919,166.80     | 614,589.33   | 676,655.15     | 527,381.46   | 781,097.19     | 7,495,363.46   | 8,225,065.00    |
|                             | (Surplus)/Deficit                    | (176,057.49) | 32,917.38    | 95,887.02    | (75,964.26)  | 14,839.19    | (181,852.27) | (59,118.28)  | (169,025.81)   | (276,693.61) | (504,184.92)   | (240,583.87) | (355,907.57)   | (1,896,258.26) | (2,566,635.00)  |
|                             |                                      |              |              |              |              |              |              |              |                |              |                |              |                |                |                 |

Beaumont Cherry Valley Water District  
Draft Year End Report  
for the Calendar Year Ended 12/31/08

|                 |  | January            | February            | March             | April              | May                 | June                | July              | August             | September          | October            | November          | December          | Year to Date          |  |
|-----------------|--|--------------------|---------------------|-------------------|--------------------|---------------------|---------------------|-------------------|--------------------|--------------------|--------------------|-------------------|-------------------|-----------------------|--|
| <b>4020 Non</b> | <b>Operating Revenue</b>                 |                    |                     |                   |                    |                     |                     |                   |                    |                    |                    |                   |                   |                       |  |
| 144020421       | FRONT FOOTAGE & OTHER REIMB              | -                  | -                   | -                 | -                  | -                   | (165,550.00)        | -                 | -                  | -                  | -                  | -                 | -                 | (165,550.00)          |  |
| 144020422       | WELLS                                    |                    | (3,639.68)          | -                 | (174.24)           | (329.12)            | (77,343.20)         | -                 | (1,936.00)         | (16,688.32)        | (16,200.84)        | -                 | (329.12)          | (116,640.52)          |  |
| 144020423       | WATER RIGHST (SWP)                       |                    | (2,303.00)          | -                 | (110.25)           | (208.25)            | (240,907.44)        | -                 | (1,225.00)         | (10,559.50)        | (10,251.05)        | -                 | (208.25)          | (265,772.74)          |  |
| 144020424       | WATER TREATMENT PLANT                    |                    | (1,731.48)          | -                 | (82.89)            | (156.57)            | (36,793.95)         | -                 | (921.00)           | (7,939.02)         | (7,707.11)         | -                 | (156.57)          | (55,488.59)           |  |
| 144020425       | FF - LOCAL WATER RESOURCES               |                    | (911.80)            | -                 | (43.65)            | (82.45)             | (99,809.11)         | -                 | (485.00)           | (4,180.70)         | (4,058.58)         | -                 | (82.45)           | (109,653.74)          |  |
| 144020426       | FF - RECYCLED WATER FACILITIES           |                    | (2,635.76)          | -                 | (126.18)           | (500,238.34)        | (56,009.90)         | -                 | (1,402.00)         | (12,085.24)        | (11,732.22)        | -                 | (238.34)          | (584,467.98)          |  |
| 144020427       | FF - TRANSMISSION                        |                    | (2,947.84)          | -                 | (141.12)           | (266.56)            | (62,641.60)         | -                 | (1,568.00)         | (13,516.16)        | (13,121.34)        | -                 | (266.56)          | (94,469.18)           |  |
| 144020428       | FF - STORAGE                             |                    | (3,775.04)          | -                 | (180.72)           | (341.36)            | (80,219.60)         | -                 | (2,008.00)         | (17,308.96)        | (16,803.35)        | -                 | (341.36)          | (120,978.39)          |  |
| 144020429       | FF - BOOSTER                             |                    | (261.32)            | -                 | (12.51)            | (23.63)             | (5,553.05)          | -                 | (139.00)           | (1,198.18)         | (1,163.17)         | -                 | (23.63)           | (8,374.49)            |  |
| 144020430       | FACILITY FEES - PRESSURE REDUCING STATIO |                    | (133.48)            | -                 | (6.39)             | (12.07)             | (2,836.45)          | -                 | (71.00)            | (612.02)           | (594.13)           | -                 | (12.07)           | (4,277.61)            |  |
| 144020431       | FACILITY FEES - MISCELLANEOUS PROJECTS   |                    | (116.56)            | -                 | (5.58)             | (10.54)             | (2,476.90)          | -                 | (62.00)            | (534.44)           | (518.83)           | -                 | (10.54)           | (3,735.39)            |  |
| 144020432       | FACILITY FEES - FINANCING COSTS          |                    | (573.40)            | -                 | (27.45)            | (51.85)             | (12,184.75)         | -                 | (305.00)           | (2,629.10)         | (2,552.30)         | -                 | (51.85)           | (18,375.70)           |  |
| 144020435       | INTEREST INCOME                          | (55,997.90)        | -                   | -                 | (22,653.54)        | -                   | -                   | (9,579.65)        | -                  | -                  | -                  | -                 | -                 | (88,231.09)           |  |
|                 | <b>Total</b>                             | <b>(55,997.90)</b> | <b>(19,029.36)</b>  | <b>-</b>          | <b>(23,564.52)</b> | <b>(501,720.74)</b> | <b>(842,325.95)</b> | <b>(9,579.65)</b> | <b>(10,122.00)</b> | <b>(87,251.64)</b> | <b>(84,702.92)</b> | <b>-</b>          | <b>(1,720.74)</b> | <b>(1,636,015.42)</b> |  |
|                 |  |                    |                     |                   |                    |                     |                     |                   |                    |                    |                    |                   |                   |                       |  |
|                 |  |                    |                     |                   |                    |                     |                     |                   |                    |                    |                    |                   |                   |                       |  |
|                 |  | <b>January</b>     | <b>February</b>     | <b>March</b>      | <b>April</b>       | <b>May</b>          | <b>June</b>         | <b>July</b>       | <b>August</b>      | <b>September</b>   | <b>October</b>     | <b>November</b>   | <b>December</b>   | <b>Year to Date</b>   | <b>Project Total<br/>Since Inception</b> |
| 2-1-0001        | NEW SERVICE INSTALLATIONS                | 84,192.72          | 18,279.04           | 31,008.94         | 24,283.05          | 21,787.48           | 16,411.09           | 10,439.13         | 42,254.53          | 19,063.08          | 18,510.54          | 46,498.68         | 46,689.42         | 379,417.70            | 380,453.14                               |
| 2-1-0003        | ODA RUNOFF/CAPTURE/RECHARGE PARK         | 17,069.26          | 11,329.00           | 10,441.81         | 22,899.05          | 1,050.36            | 41.00               | 758.50            | 613.70             | 2,469.50           | 2,686.00           | 302,099.30        | 1,363.58          | 372,821.06            | 15,169,240.18                            |
| 2-1-0006        | WATER MASTER PLAN UPDATE                 | -                  | -                   | -                 | -                  | -                   | -                   | -                 | 2,850.00           | -                  | 626.30             | -                 | -                 | 3,476.30              | 3,476.30                                 |
| 2-1-0302        | GIS/GPS                                  | 2,743.78           | 214.00              | 399.02            | -                  | -                   | -                   | -                 | 217.06             | 2,552.78           | -                  | -                 | -                 | 6,126.64              | 222,867.92                               |
| 2-1-0304        | RECYCLED WATER SYSTEM                    | -                  | -                   | 82.86             | 14.30              | -                   | -                   | 660.53            | 1,970.00           | 12,694.88          | -                  | 4,304.98          | (9,667.93)        | 10,059.62             | 12,299.62                                |
| 2-1-0523        | VADIM SOFTWARE                           | -                  | -                   | -                 | -                  | -                   | -                   | -                 | -                  | -                  | -                  | -                 | -                 | -                     | 710.00                                   |
| 2-1-0526        | DEEP WELL #26-JT VENTURE-BANNING         | -                  | 3,569.04            | 42,940.78         | -                  | (261,154.82)        | 4,507.14            | 729.24            | 1,200.00           | -                  | -                  | 1,691.00          | -                 | (206,517.62)          | 1,044,612.53                             |
| 2-1-0527        | WELL #25                                 | 3,210.90           | 319,057.82          | (1,003,869.33)    | 94,841.85          | (107,124.84)        | 2,410.15            | 14,853.14         | 20,993.49          | 2,127.35           | (22,664.63)        | 4,002.35          | 2,127.35          | (670,034.40)          | 810,488.86                               |
| 2-1-0536        | DISTRICT OFFICE EXPANSION                | 70,601.24          | 631,340.76          | 547,236.16        | 686,716.89         | 51,295.90           | 7,211.17            | 543,952.74        | 124.06             | 16,162.13          | 76.61              | 1,380.00          | (1,514.89)        | 2,554,582.77          | 6,422,539.53                             |
| 2-1-0537        | PRODUCTION WELL #27                      | -                  | -                   | -                 | -                  | -                   | -                   | -                 | -                  | -                  | -                  | -                 | -                 | -                     | 19,051.58                                |
| 2-1-0605        | SUNNY CAL EGG RANCH WELL REHAB           | -                  | 133,110.97          | 369,150.27        | 81,284.66          | 7,874.04            | 3,842.72            | 6,221.87          | 24,462.98          | 33,218.97          | 16,912.17          | -                 | -                 | 676,078.65            | 2,562,568.87                             |
| 2-1-0616        | WEB SITE RE-DESIGN                       | -                  | 6,000.00            | 11,500.00         | 150.00             | 600.00              | -                   | -                 | -                  | -                  | -                  | 150.00            | -                 | 18,400.00             | 32,916.54                                |
| 2-1-0618        | SEWERING                                 | -                  | 3,574.28            | 4,431.73          | 394.38             | -                   | -                   | -                 | -                  | -                  | -                  | -                 | -                 | 8,400.39              | 403,337.52                               |
| 2-1-0623        | SEWERING CVCOI (SRF)                     | 1,800.00           | 308.00              | 72.00             | 542.00             | -                   | -                   | -                 | -                  | -                  | -                  | -                 | -                 | 2,722.00              | 414,037.91                               |
| 2-1-0625        | 3900 ZONE TANK                           | 680.97             | 27,698.83           | 44,889.83         | 11,698.14          | 11,907.14           | -                   | 20,937.50         | 3,346.40           | -                  | -                  | -                 | 170.00            | 121,328.81            | 621,977.46                               |
| 2-1-0627        | 24" BORES ACROSS NOBLE CREEK             | -                  | -                   | -                 | 1,132.00           | -                   | -                   | -                 | -                  | -                  | -                  | 4,201.31          | -                 | 5,333.31              | 7,351.50                                 |
| 2-1-0700        | SRF LOAN - RECYCLED WATER SYSTEM         | -                  | 10,074.56           | 9,125.75          | 5,869.54           | 5,650.42            | 4,403.89            | 5,253.54          | -                  | 9,555.35           | 7,920.66           | -                 | 7,314.64          | 65,168.35             | 159,271.75                               |
| 2-1-0703        | SECOND STREET MARKETPLACE                | -                  | -                   | -                 | -                  | -                   | -                   | -                 | -                  | -                  | -                  | -                 | -                 | -                     | 161,895.71                               |
| 2-1-0705        | LOWERING OF 12" LINE ON FIRST ST         | -                  | (117,621.50)        | -                 | -                  | -                   | -                   | -                 | -                  | -                  | -                  | -                 | -                 | (117,621.50)          | (117,621.50)                             |
| 2-1-0709        | ODA RUNOFF/RECHARGE PHASE II             | 33.38              | -                   | 5,415.00          | -                  | -                   | -                   | -                 | -                  | 6,314.25           | -                  | -                 | (6,314.25)        | 5,448.38              | 5,448.38                                 |
| 2-1-0710        | CV POLLUTION CONTROL PROJ BP WETLANDS    | -                  | 9,165.45            | 9,950.00          | 2,781.52           | 773.11              | -                   | -                 | 44.05              | 6,314.25           | 237.11             | 50,000.00         | (6,314.25)        | 72,951.24             | 83,265.24                                |
| 2-1-0801        | ADVANTAGE SEPTIC INSTALL 12303 OAK GLEN  | 15,895.39          | 10,271.92           | 5,280.61          | -                  | -                   | -                   | -                 | -                  | -                  | -                  | -                 | -                 | 31,447.92             | 31,447.92                                |
| 2-1-0802        | 2008 FORD F450                           | -                  | 42,369.48           | 2,542.27          | 6,519.96           | -                   | -                   | -                 | -                  | -                  | -                  | -                 | -                 | 51,431.71             | 51,431.71                                |
| 2-1-0803        | 2008 FORD F250                           | -                  | 21,595.24           | -                 | 3,175.63           | 268.30              | -                   | -                 | -                  | -                  | -                  | -                 | -                 | 25,039.17             | 25,039.17                                |
| 2-1-0804        | 2008 FORD F150                           | -                  | 15,225.96           | -                 | 2,561.65           | 268.30              | -                   | -                 | -                  | -                  | -                  | -                 | -                 | 18,055.91             | 18,055.91                                |
| 2-1-0805        | INGERSOLL RAND AIR COMPRESSON            | -                  | 6,945.00            | 21,694.39         | -                  | 16,462.16           | -                   | -                 | -                  | -                  | -                  | -                 | -                 | 45,101.55             | 21,694.39                                |
| 2-1-0806        | RECHARGE FACILITY 2008 ODA               | 25,375.00          | -                   | -                 | 7,332.53           | -                   | 3,024.88            | -                 | 137.93             | -                  | -                  | -                 | -                 | 35,870.34             | 59,277.50                                |
| 2-1-0807        | HP DESIGN JET 500 PRINTER                | -                  | -                   | -                 | -                  | -                   | -                   | 2,550.46          | -                  | -                  | -                  | -                 | -                 | 2,550.46              | 2,550.46                                 |
| 2-1-0808        | PIPELINE REPAIR @ KOHLER PROPERTY        | -                  | -                   | -                 | -                  | -                   | -                   | 78.82             | -                  | -                  | -                  | -                 | -                 | 78.82                 | 78.82                                    |
| 2-1-0809        | 2800 ZONE RECYCLED WATER TANK PHASE 1    | -                  | -                   | -                 | -                  | -                   | -                   | -                 | 14,743.21          | 33,140.00          | 7,290.38           | 18,121.86         | 12,792.52         | 86,087.97             | 132,982.81                               |
| 2-1-0810        | 24" RECYCLED MAIN BROOKSIDE PHASE 2      | -                  | -                   | -                 | -                  | -                   | -                   | -                 | -                  | -                  | 4,207.76           | 8,086.92          | 15,685.79         | 27,980.47             | 27,980.47                                |
| 2-1-0811        | 1 MG RESERVOIR/BOOSTER STATION PHASE 3   | -                  | -                   | -                 | -                  | -                   | -                   | -                 | -                  | -                  | -                  | -                 | -                 | -                     | -  |
| 2-1-0812        | 24" RECYCLED MAIN WESTERLY LOOP PHASE 4  | -                  | -                   | -                 | -                  | -                   | -                   | -                 | -                  | -                  | -                  | -                 | 284.68            | 284.68                | 284.68                                   |
| 2-1-0813        | REC MAIN RING RANCH/OAK VALLEY PKWY PHA  | -                  | -                   | -                 | -                  | -                   | -                   | -                 | -                  | -                  | -                  | -                 | 28,763.55         | 28,763.55             | 28,763.55                                |
| 2-1-0814        | KOHLER 8" POTABLE MAIN REPLACEMENT       | -                  | -                   | -                 | -                  | -                   | -                   | -                 | -                  | -                  | 526.03             | 3,177.35          | 19,673.35         | 23,376.73             | 23,376.73                                |
| 2-1-0815        | EDGAR 8" REPLACEMENT PIPELINE            | -                  | -                   | -                 | -                  | -                   | -                   | -                 | -                  | -                  | -                  | -                 | -                 | -                     | -  |
| 2-1-0816        | STATE WATER PIPELINE - PERMANENT CONNEC  | -                  | 3,127.50            | 13,905.00         | 13,715.00          | 9,217.50            | -                   | -                 | 85,032.00          | -                  | -                  | -                 | 425.00            | 125,422.00            | 125,422.00                               |
| 2-1-0817        | PARDEE/RYLAND (COMPACTION FAILURE)       | -                  | -                   | -                 | -                  | -                   | 19,032.58           | 14,702.32         | 2,416.57           | -                  | -                  | -                 | -                 | 36,151.47             | 36,151.47                                |
|                 | <b>Total</b>                             | <b>221,602.64</b>  | <b>1,155,635.35</b> | <b>126,197.09</b> | <b>965,912.15</b>  | <b>(241,124.95)</b> | <b>60,884.62</b>    | <b>621,137.79</b> | <b>200,405.98</b>  | <b>143,612.54</b>  | <b>36,328.93</b>   | <b>443,713.75</b> | <b>111,478.56</b> | <b>3,845,784.45</b>   | <b>29,004,726.63</b>                     |

## **Appendix B**

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### **GL Account Listing & Definitions**

**1-4-4010-401 – Domestic Water Sales** – Service charges and commodity charges for commercial, residential and landscape irrigation water sales make up this the total for this GL account. The last rate increase took effect in April 2007. The current rates are:

**Service Charges:**

|        |            |
|--------|------------|
| 5/8"   | \$12.00    |
| 3/4"   | \$17.25    |
| 1"     | \$28.00    |
| 1 1/2" | \$54.00    |
| 2"     | \$85.00    |
| 3"     | \$158.00   |
| 4"     | \$262.00   |
| 6"     | \$522.00   |
| 8"     | \$834.00   |
| 10"    | \$1,198.00 |
| 12"    | \$2,238.00 |

**Commodity Rates:**

|                            |                   |
|----------------------------|-------------------|
| Domestic Rate:             | .84 per 100 c.f.  |
| Scheduled Irrigation Rate: | .47 per 100 c.f.  |
| Multiple Family Rate:      | .84 per 100 c.f.  |
| Commercial Rate:           | .84 per 100 c.f.  |
| Multiple Commercial Rate:  | .84 per 100 c.f.  |
| Outside Service Rate:      | 1.68 per 100 c.f. |
| Construction Water Rate    | 1.61 per 100 c.f. |

**1-4-4010-402 – Irrigation Water Sales** – There are currently approximately 64 agricultural irrigation accounts which make up the sales figures for this GL account.

**1-4-4010-403 – Construction Water Sales** – The number of active service for this GL account vary greatly from month to month. With the slow down in development, staff is anticipating a decrease in revenue for this GL account.

**1-4-4010-404 – Installation Charges** – Installation charges include cost of fire meters for commercial developments. Many residential developers will pay for meters for the entire tract up front while other developers will pay for meters 3 to 10 at a time, as needed.

**1-4-4010-407 – Reimbursement Customers** - With the addition of the AR system, District staff is now able to issue invoices for reimbursable work performed. While a majority of reimbursable work is done for developers, some work is done for consumers.

**1-4-4010-408 – Backflow Devices** – The State mandates that each backflow device be tested on an annual basis. District staff is responsible for the administrative duties associated with notices and record keeping of test results. Each customer with a backflow device is charged a backflow administrative charge and this is where the revenue from these charges is recorded.



**1-4-4010-410 – Returned Check Fees** – The new utility software reverses the payment and applies the \$20 returned check fee directly to the customer's account, therefore, when the customer comes in to pay his/her outstanding fees, the returned check charges are lumped in with the water sales.

**1-4-4010-411 – Miscellaneous Income –**

**1-4-4010-412 – Cell Tower Site Rental** – Wholesale Airtime rents space in Bogart Park (antenna on top of water tank).

**1-4-4010-414 – Recharge Income (City of Banning)** – for income received for the recharge of imported water from San Geronio Pass Water Agency for the City of Banning. The San Geronio Pass Water Agency currently has 2,800 ac-ft of water available for purchase for the CY 2009. Beaumont Cherry Valley Water District and the City of Banning will be splitting the water 50/50. The City of Banning has requested that BCVWD recharge this water for them at the agreed rate of \$61.14/ac-ft.

**1-4-4010-441 – Turn ons** – Fee associated with the restoration of service when disconnected due to non payment. The current turn on charge is \$40.00

**1-4-4010-442 – Third Notice Charge** – Fee associated with delinquent accounts (past 45 days). The customer is notified by door tag that the account is delinquent and is assessed a \$15.00 charge.

**1-4-4010-443 – Penalties** – An account is considered delinquent on the 31<sup>st</sup> day (after the billing date) and is assessed a late penalty in the amount of \$5.00.

**1-4-4010-444 – SGPWA Importation Charge** - The cost to the end user (Rate Payer) for imported water supplies to offset existing groundwater overdraft not to exceed \$0.24 per 100 cubic feet. **NOTE:** Groundwater Overdraft occurs when more water is pumped out of the groundwater system than that that is naturally replaced.

**1-4-4010-445 – SCE Power Charge** - The cost of electricity to pump and deliver water to the end user (home owner/water user). It includes all SCE charges for operation of pumps and wells in the water system. Beaumont Cherry Valley Water District uses SCE Time of Use (off peak) rates to limit the cost to the water user not to exceed \$0.25 per 100 cubic feet.

## **NON-OPERATING REVENUE**

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**1-4-4020-421 Front Footage Fees-** This General Ledger Account is primarily for the collection of a fee for lots and parcels inside the District that have pipelines crossing the frontages along the traveled right of way that have not had service in the past.

**1-4-4020-422 through 1-4-4020-432 Facility Fees** – District reviewed and upgraded its facility fees effective February 2006. These fees are paid per EDU by individual homeowners as well as residential and commercial developers. Currently, the facility fee per EDU is \$10,122.

## **SOURCE OF SUPPLY & WATER TREATMENT**

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*The four digit departmental number 5200 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.*

**1-5-5200-237 – Health Insurance** - This health insurance category includes the employer cost of providing health benefit (through CalPERS) for employees in this department.

**1-5-5200-243 – Retirement** - This retirement category is the District/Employee paid pension plan offered through CalPERS. This category total reflects activity for this department only.

**1-5-5200-501 – Supervisor/Labor** - This labor category includes one supervisor and three production maintenance workers.

**1-5-5200-502 – Bereavement/Seminar/Jury Duty** – In accordance with the MOU, the District compensates employees who attend classes which are related to the employees' field and will help them perform their daily duties and further benefit the District. The District further compensates for Jury Duty and/or time off for the death of immediate family members. This category total reflects activity for this department only.

**1-5-5200-503 – Sick Leave** – Employees earn eight hours of sick leave for each full month that is worked. Employees may use sick time as needed or, in the event that no sick time is used for a 12 month period (consecutive), the employee may purchase their sick time at 50% of the cost. This category total reflects activity for this department only.

**1-5-5200-504 – Vacations** – All full time employees qualify for paid vacation time. In accordance with the MOU, an employee who has worked for more than a year and less than five earns two full weeks of vacation. After five years of service, employees earn three weeks of vacation and after fifteen years, four weeks. All unused vacation must be bought back by the employees during the first payroll period in December. This category total reflects activity for this department only.

**1-5-5200-505 – Holidays** – In accordance with the MOU, each employee receives eleven paid holiday days. This category total reflects activity for this department only.

**1-5-5200-507 – Life Insurance** – Life insurance is one of the benefits paid for by the District and offered to each full time employee. The life insurance is offered through Standard Life Insurance.

**1-5-5200-508 – Uniforms & 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.

**1-5-5200-511 – Treatment & Chemicals** -The State mandates the use of chlorine for water quality. All chemical purchases (chlorine tablets, etc) are placed in this category.

**1-5-5200-512 – Lab Testing** - The routine weekly sampling of well water as well as new wells and new pipelines are what make up the expenses in this category.

**1-5-5200-513 – Maintenance Equipment** - The maintenance cost of pumping equipment, wells, booster and chlorination equipment are some of the costs which make up this category.

**1-5-5200-514 – Natural Gas** – This standard expense reflects the cost of natural gas purchased for the operation of District Wells.

**1-5-5200-515 – Power Purchased** – This standard expense reflects the costs of power purchased from Southern California Edison (special rates for pumping during designated hours) to operate District Wells and pump water needed to serve all customers. Diesel gas purchased to run generators to ensure uninterrupted service to 12,000+ customers is also included in this category.

**1-5-5200-517 – Telemetry Maintenance** – The District well field and storage capacity is linked to Staff through a telemetry system which will alert standby staff of any failures and/or problems on the rise. The cost to keep this communication in working order is what makes up this expense category.

**1-5-5200-518 – Seminar & Travel Expense** – The District compensates employees who attend field related seminar/hands on training as well as the costs incurred for traveling and food. This category total reflects activity for this department only.

**1-5-5200-519 – Education Expense** – Similar to GL # 1-5-5200-502, cost of work related schooling can be expensed to this account. Whereas category 502 may be used for schooling attended during work hours, category 519 could be used to allocate funds dedicated to schooling outside of work hours as well as reimbursable school fees, textbooks and supporting class material. This category total reflects activity for this department only.

**1-5-5200-520 – Worker's compensation** – This category includes standard charges paid for employees in this department to the District Insurance carrier, Association of California Waterworks Agencies/Joint Powers Insurance Authority (ACWA/JPIA). It should be noted that the District has an excellent record of very few work related injuries.

**1-5-5200-620 – Purchase of State Project Water** – Costs associated with the purchase of State Water Project Water from the San Geronio Pass Water Agency.

**1-5-5200-621 – Groundwater Purchase** - On January 14, 2009, the Board of Directors voted to purchased additional groundwater rights from South Mesa. The increase in this account represents

the balance of payments for the 2008 purchase (to be paid off in April) in addition to the rights (2,000 ac-ft) purchased this year.

## TRANSMISSION AND DISTRIBUTION

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*The four digit departmental number 5300 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.*

**1-5-5300-237 – Health Insurance** - This health insurance category includes the employer cost of providing health benefit (through CalPERS) for employees in this department.

**1-5-5300-243 – Retirement** - This retirement category is the District/Employee paid pension plan offered through CalPERS. This category total reflects activity for this department only.

**1-5-5300-501 – Supervisor/Labor** - This labor category includes one supervisor, three crew leaders, and seven full time water utility persons.

**1-5-5300-502 – Bereavement/Seminar/Jury Duty** – In accordance with the MOU, the District compensates employees who attend classes which are related to the employees' field and will help them perform their daily duties and further benefit the District. The District further compensates for Jury Duty and/or time off for the death of immediate family members. This category total reflects activity for this department only.

**1-5-5300-503 – Sick Leave** – Employees earn eight hours of sick leave for each full month that is worked. Employees may use sick time as needed or, in the event that no sick time is used for a 12 month period (consecutive), the employee may purchase their sick time at 50% of the cost. This category total reflects activity for this department only.

**1-5-5300-504 – Vacations** – All full time employees qualify for paid vacation time. In accordance with the MOU, an employee who has worked for more than a year and less than five earns two full weeks of vacation. After five years of service, employees earn three weeks of vacation and after fifteen years, four weeks. All unused vacation must be bought back by the employees during the first payroll period in December. This category total reflects activity for this department only.

**1-5-5300-505 – Holidays** – In accordance with the MOU, each employee receives eleven paid holiday days. This category total reflects activity for this department only.

**1-5-5300-507 – Life Insurance** – Life insurance is one of the benefits paid for by the District and offered to each full time employee. The life insurance is offered through Standard Life Insurance.

**1-5-5300-508 – Uniforms & 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.

**1-5-5300-518 – Seminar & Travel Expense** – The District compensates employees who attend field related seminar/hands on training as well as the costs accrued for traveling and food. This category total reflects activity for this department only.

**1-5-5300-519 – Education Expense** – Similar to GL # 1-5-5300-502, cost of work related schooling can be expensed to this account. Whereas category 502 may be used for schooling attended during work hours, category 519 could be used to allocate funds dedicated to schooling outside of work hours as wells as reimbursable school fees, textbooks and supporting class material. This category total reflects activity for this department only.

**1-5-5300-520 – Worker’s compensation** – This category includes standard charges paid for employees in this department to the District Insurance carrier, Association of California Waterworks Agencies/Joint Powers Insurance Authority (ACWA/JPIA). It should be noted that the District has an excellent record of very few work related injuries.

**1-5-5300-530 – Maintenance Pipeline/Fire Hydrant** – Expenses in this category includes the maintenance and repair of pipelines and fire hydrants as well as all other associated costs such as blacktop/concrete repairs.

**1-5-5300-531 – Line Locates** – For all work to be done by District Contractor and/or District Crews, a service called “USA Dig-Alert” must by State Law be notified 48 hours prior to the start of a job. This one call service notifies all utilities and requires each of them to mark their utilities and identify any potential problems to help eliminate costly accidents. The standard notification period is 48-hour, however, in times of emergencies; emergency tickets may be called in. The monthly cost for this service is based on the number of “tickets” called in for that particular month.

**1-5-5300-534 – Maintenance Meters/Services** – This category houses expenses for the maintenance of existing meters and services and includes blacktop/concrete repairs. In some cases, costs will include repairs to customer properties (landscape, driveways, etc.).

**1-5-5300-535 – Backflow Devices** – Several years ago, the District began requiring the owner of the backflow devices to perform yearly testing and provide the District with a copy of the test results causing the expenses in this category to go way down. Expenses in this category now reflect maintenance done to District owned and operated backflow devices, which are relatively small.

**1-5-5300-536 – Maintenance Reservoirs/Tanks** – As the title implies, this category houses expenses performed on existing reservoirs. The majority of the activity for the Fiscal Year 2006 came in October when the District hired divers to explore, videotape and clean the interior of the reservoirs.

**1-5-5300-537 – Maintenance of Pressure Regulators** – While many District consumers have pressure regulators for which they are responsible for, this category pertains to pressure regulators found at pressure regulating stations, etc. The District’s extra activity in March resulted from Control Valve Systems performing routine maintenance on several District owned and operated pressure regulators and pump control valves.

**1-5-5300-538 – Inspections** – Upon the approval of water improvement plans, District Engineers determine the inspection deposit to be paid by the developer. This deposit is collected at the same time as Facility Fees are paid when the Main Extension Agreement is executed. Costs incurred for this category are credited to each development and therefore fully funded by Developers. Inspections are performed by three inspectors from Parsons Engineering Science who are supervised by the District Field Inspector.

## **CUSTOMER SERVICE AND METER READING**

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*The four digit departmental number 5400 seen in this section of the General Ledger refers to the expenses incurred for the labor of the meter readers and the customer service representative.*

**1-5-5400-237 – Health Insurance** - This health insurance category includes the employer cost of providing health benefit (through CalPERS) for employees in this department.

**1-5-5400-243 – Retirement** - This retirement category is the District/Employee paid pension plan offered through CalPERS. This category total reflects activity for this department only.

**1-5-5400-501 – Supervisor/Labor** - This labor category includes two meter readers and one customer service representative. From time to time, additional staff is scheduled to support/backup the meter readers and customer service representative.

**1-5-5400-502 – Bereavement/Seminar/Jury Duty** – In accordance with the MOU, the District compensates employees who attend classes which are related to the employee's field and will help them perform their daily duties and further benefit the District. The District further compensates for Jury Duty and time off for the death of immediate family members. This category total reflects activity for this department only.

**1-5-5400-503 – Sick Leave** – Employees earn eight hours of sick leave for each full month that is worked. Employees may use sick time as needed or, in the event that no sick time is used for a 12 month period (consecutive), the employee may purchase their sick time at 50% of the cost. This category total reflects activity for this department only.

**1-5-5400-504 – Vacations** – All full time employees qualify for paid vacation time. In accordance with the MOU, an employee who has worked for more than a year and less than five earns two full weeks of vacation. After five years of service, employees earn three weeks of vacation and after fifteen years, four weeks. All unused vacation must be bought back by the employees during the first payroll period in December. This category total reflects activity for this department only.

**1-5-5400-505 – Holidays** – In accordance with the MOU, each employee receives eleven paid holiday days. This category total reflects activity for this department only.

**1-5-5400-507 – Life Insurance** – Life insurance is one the benefits paid for by the District and offered to each full time employee. The life insurance is offered through Standard Life Insurance.



**1-5-5400-508 – Uniforms & Benefits** – Yearly each employee is given a boot allowance of \$130 as well as seven uniforms to be cleaned and mended by employees. This category total reflects activity for this department only.

**1-5-5400-518 – Seminar & Travel Expense** – The District compensates employees who attend field related seminar/hands on training as well as the costs incurred for traveling and food. This category total reflects activity for this department only.

**1-5-5400-519 – Education Expense** – Similar to GL # 1-5-5400-502, cost of work related schooling can be expensed to this account. Whereas category 502 may be used for schooling attended during work hours, category 519 could be used to allocate funds dedicated to schooling outside of work hours as well as reimbursable school fees textbooks and supporting class material. This category total reflects activity for this department only.

**1-5-5400-520 – Worker's compensation** – This category includes standard charges paid for employees in this department to the District Insurance carrier, Association of California Waterworks Agencies/Joint Powers Insurance Authority (ACWA/JPIA). It should be noted that the District has an excellent record of very few work related injuries.

## **ADMINISTRATIVE EXPENSES**

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*The four digit departmental number 5500 seen in this section of the General Ledger refers to the expenses incurred for the Commercial Office Operation.*

**1-5-5500-237 – Health Insurance** - This health insurance category includes the employer cost of providing health benefit (through CalPERS) for employees in this department.

**1-5-5500-241 – Medicare** – This category refers to the employer paid State Tax. This category encompasses cost incurred for all District departments including: source of supply, transmission and distribution, meter reading & customer service, and administrative.

**1-5-5500-243 \_ CalPERS Retirement \_** This retirement category is the District/Employee paid pension plan offered through CalPERS. This category total reflects activity for this department only.

**1-5-5500-501 – Supervisor/Labor** - This labor category includes salaried employees (General Manager, Assistant General Manager, Field Superintendent and Business Manager) and an administrative staff made up 8 full time employees and one inventory specialist.

**1-5-5500-502 – Bereavement/Seminar/Jury Duty** – In accordance with the MOU, the District compensates employees who attend classes which are related to the employees' field and will help them perform their daily duties and further benefit the District. The District further compensates for Jury Duty and time off for the death of immediate family members. This category total reflects activity for this department only.

**1-5-5500-503 – Sick Leave** – Employees earn eight hours of sick leave for each full month that is worked. Employees may use sick time as needed or, in the event that no sick time is used for a 12 month period (consecutive), the employee may purchase their sick time at 50% of the cost. This category total reflects activity for this department only.

**1-5-5500-504 – Vacations** – All full time employees qualify for paid vacation time. In accordance with the MOU, an employee who has worked for more than a year and less than five earns two full weeks of vacation. After five years of service, employees earn three weeks of vacation and after fifteen years, four weeks. All unused vacation must be bought back by the employees during the first payroll period in December. This category total reflects activity for this department only.

**1-5-5500-505 – Holidays** – In accordance with the MOU, each employee receives eleven paid holiday days. This category total reflects activity for this department only.

**1-5-5500-507 – Life Insurance** – Life insurance is one the benefits paid for by the District and offered to each full time employee. The life insurance is offered through Standard Life Insurance.

**1-5-5500-518 – Seminar & Travel Expense** – The District compensates employees who attend field related seminar/hands on training as well as the costs incurred for traveling and food. This category total reflects activity for this department only.

**1-5-5500-519 – Education Expense** – Similar to GL # 1-5-5500-502, cost of work related schooling can be expensed to this account. Whereas category 502 may be used for schooling attended during work hours, category 519 could be used to allocate funds dedicated to schooling outside of work hours as well as textbooks and supporting class material. This category total reflects activity for this department only.

**1-5-5500-520 – Worker's compensation** – This category includes standard charges paid for employees in this department to the District Insurance carrier, Association of California Waterworks Agencies/Joint Powers Insurance Authority (ACWA/JPIA). It should be noted that the District has an excellent record of very few work related injuries.

**1-5-5500-549 – Bank Charges/Money Market/Transaction Fees** – Fees associated with District Bank Accounts. Earning credits often offset banking fees, however at time, the credits earned do not offset the fees and as such result in charges to the District. The District is also assessed a fee from both Visa and MasterCard for the processing of credit card payments.

**1-5-5500-553 – Temporary Labor** – In an effort to save the District both time and money, the District utilized the services of Arrow Staffing employment agency to fill a vacancy in the front office. The District tried out several candidates and found a match. The District bought out the contract of the temporary employee in late October.

**1-5-5500-555 – Office Supplies** – This category encompasses both the field and commercial office operations. Supplies include toilet paper, paper towels, and ink and toner cartridges for printers,



copiers and fax machines, paper, pens and all material needed for bill printing (including laser statements, envelopes and remittance envelopes).

**1-5-5500-556 – Office Equipment/Service Agreements** – This category includes service and/or lease agreements for the phone system and postage & billing equipment.

**1-5-5500-557 – Office Maintenance** – 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.

**1-5-5500-558 – Membership Dues** – The District is a member of many associations including the Beaumont Chamber of Commerce, Cherry Valley Chamber of Commerce and Special District Association and the American Water Works Association to name a few.

**1-5-5500-559 – Armored Car** – With the increase operating revenue processed by the Commercial Office, the District hired an armored car to pick up the daily deposits. Previously, Staff members walked the deposit across the street to the Wells Fargo Bank.

**1-5-5500-560 – Office Equipment/Maintenance & Repair** – As the title would imply, this category houses funds allocated to the repair and maintenance to various office equipment including the phone system, computers, Pitney Bowes equipment and Xerox copier machine.

**1-5-5500-561 – Postage** – Postage expenses include the costs of postage for regular and delinquent utility bills as well as daily correspondence.

**1-5-5500-562 – Subscription** – The subscription category include magazine subscriptions as well as access to the California Chamber of Commerce website for HR support.

**1-5-5500-563 – Miscellaneous Operating Supplies** – This category is one of the largest in the GL, including cans of spray paint for delineating water lines to gloves, screws, etc. The District has accounts set up with both Action True Value in Cherry Valley and Beaumont Ace Hardware in Beaumont. These are supplies used by the Field Operation.

**1-5-5500-564 – Miscellaneous Tools/Equipment** - This category is very similar to category 563. The District has accounts set up with both Action True Value in Cherry Valley and Beaumont Ace Hardware in Beaumont where staff can purchase tools and equipment needed to complete jobs. These are tools and equipment used by the Field Operation.

**1-5-5500-567 – Employee Medical/First Aid** – As previously stated the District boasts an excellent safety record. Purchases in this category include supplies for First Aid kits located in District Offices.

**1-5-5500-568 – Random Drug Testing** – The District's current policy is to conduct pre-employment drug testing. The new policy will call for safety sensitive employees to be randomly tested.

**1-5-5500-570 – Property Insurance** – The District's Insurance carrier is ACWA/JPIA. Recent increases in property insurance include the addition of new wells, storage tanks and fleet vehicles.

**1-5-5500-572 – State Mandates and Tariffs** – Expenses in this category include NPDES permit fees and water system fees to the California Department of Health (annually) as well as all permits and annual reports mandated by State Regulatory Agencies.

**1-5-5500-573 – Miscellaneous Expenses** – Miscellaneous expenses include business lunches (meetings held at District for public officials) as well as expenses which may not fall directly under a general ledger account.

**1-5-5500-574 – Public Education** – As mandated by the State, the District puts together and distributes to each consumer in the District a Consumer Confidence Report (Water Quality Report).

**1-5-5500-577 – Property Taxes** – While BCVWD is exempt from property taxes for properties within its boundaries, the same cannot be said for parcels owned by the District outside of its boundaries. There is a group annexation currently underway and once complete; this GL will no longer be active.

**1-5-5500-578 – Service Support (IT & Vadim)** – The District contracts its IT support through Hudec's Computer Consulting out of Yucaipa, California. The District also pays an annual support fee for its municipal software which is allocated to this category.

**1-5-5500-630 – Accounts Receivable** – AR invoices and Utility Bills are often modified and/or adjusted. Once an accounting period and/or accounting year is closed, invoices and bills can no longer be modified and on rare occasions are written off (such as invoice for 0.12). This is where the write offs are recorded.

## **BOARD OF DIRECTORS**

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**1-5-5510-550 – Board of Director Fees** – Each Director can attend and be compensated for up to ten meetings or days of service per month.

**1-5-5510-551 – Seminar & Travel Expenses** – Directors can attend and be reimbursed for Seminars and Conferences.

**1-5-5510-552 – Election Expenses** – Costs associated with directorial elections.

## **MAINTENANCE AND GENERAL PLANT**

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**1-5-5610-501 – Labor @ 560 Magnolia Ave** – This is District staff's hours worked on office maintenance, from replacing light bulbs to moving file cabinets.

**1-5-5610-514 – Gas – 560 Magnolia Ave** – Gas for the Main Commercial Office Operation

**1-5-5610-515 – Electric 560 Magnolia Avenue** – Electric for the Main Commercial Office Operation.

**1-5-5610-580 – Telephone 560 Magnolia Ave** – This includes the phone service (AT & T Long Distance, Verizon and Nextel along with pager service) for commercial office and field operation.

**1-5-5610-581 –Sanitation 560 Magnolia Ave** – Sewer and Refuse for Commercial Office Operation.

**1-5-5610-582 – Maint/Repair 560 Magnolia Ave** – Maintenance and Repair performed at the District Office. Routine maintenance to A/C unit and plumbing issues which arise help make up the expenses in this category.

**1-5-5615-501 – Labor @ 12303 Oak Glen Rd** – This is employee labor for work performed at the District residences.

**1-5-5615-515 – Electric 12303 Oak Glen Rd** – Electric power for District Residence.

**1-5-5615-582 – Maint/Repair 12303 Oak Glen Rd** – In October the District hired help to fix a sewer line problem at the District Resident.

**1-5-5615-583 – Propane 12303 Oak Glen Rd** – Propane purchased for District Residence.

**1-5-5620-501 – Labor @ 13695 Oak Glen Rd** - This is employee labor for work performed at the District residences.

**1-5-5620-515 – Electric 13695 Oak Glen Rd** - Electric power for District Residence.

**1-5-5620-582 – Maint/Repair 13695 Oak Glen Rd** – Maintenance and Repairs performed at the District Residence.

**1-5-5620-583 – Propane 13695 Oak Glen Rd** - Propane purchased for District Residence.

**1-5-5625-501 – Labor @ 13697 Oak Glen Rd** - This is employee labor for work performed at the District residences.

**1-5-5625-515 – Electric 13697 Oak Glen Rd** - Electric power for District Residence.

**1-5-5625-582 – Maint/Repair 13697 Oak Glen Rd** – In August, the District replaced the A/C unit at this District Residence.

**1-5-5625-583 – Propane 13697 Oak Glen Rd** - Propane purchased for District Residence.

**1-5-5630-501 – Labor @ 9781 Avenida Miravilla** - This is employee labor for work performed at the District residences.

**1-5-5630-515 – Electric 9781 Avenida Miravilla** - Electric power for District Residence.

**1-5-5630-582 – Maint/Repair 9781 Avenida Miravilla** – Maintenance and Repairs performed at the District Residence.

**1-5-5630-583 – Propane 9781 Avenida Miravilla** - Propane purchased for District Residence.

**1-5-5635-515 – Electric 815 E. 12<sup>th</sup> Street** - Electric for the Field Office Operation

**1-5-5635-580 – Telephone 815 E. 12<sup>th</sup> Street** – There are both internet services (telemetry and District network) and fax services at the field office.

**1-5-5635-581 – Sanitation 815 E. 12<sup>th</sup> Street** – Sewer/Refuse and trash bin for Field Office Operation.

**1-5-5635-582 – Maint/Repair 815 E. 12<sup>th</sup> Street** - Maintenance and Repair performed at the Field Office, including monthly cleaning services.

**1-5-5640-581 – Sanitation 11083 Cherry Ave** - Trash bin located at Cherry Yard.

**1-5-5700-589 – Auto/Fuel** – Fuel purchased for District fleet vehicles. Gas is purchased mainly from Beaumont Union 76 Station located on the corner of 5<sup>th</sup> and Beaumont and Nino's Texaco (Shell Station) located on the Corner of Beaumont Avenue and Cherry Valley Blvd. This year, the District is looking to set up an account with ARCO/BP located on the corner of 6<sup>th</sup> Street and Beaumont Avenue.

**1-5-5700-590 – Safety Equipment** – This would include barricades, safety vests, etc. District keeps on-hand inventory, purchases would be only to replenish worn out items.

**1-5-5700-592 – Repair Maintenance & General Equipment** – Repair and Maintenance done to District Equipment such as backup generators and internal combustion engines used in power outages and emergency situations.

**1-5-5700-593 – Repair Vehicles and Tools** – A majority of the repairs done to District fleet are completed by Cherry Valley Automotive and Highland Springs Service.

**1-5-5700-594 – Large Equipment Maintenance** – This category applies to the maintenance of District tractors, etc.

**1-5-5700-595 – Equip Preventative Maintenance** – This category applies to the preventative maintenance performed on District equipment, in anticipation of keeping equipment in operation form.

**1-5-5700-596 – Auto/Equipment Operation** – This includes all oil changes for all fleet vehicles as well as the car cleaning service which cleans all District fleet vehicles weekly.

**1-5-5700-597 – Maintenance General Plant (Buildings)** – Maintenance work performed on the various district owner buildings (wells, pressure regulation stations, booster pumps, etc).

**1-5-5700-598 – Landscape Maintenance** – This is the landscape maintenance performed at the various District yards located throughout Beaumont and Cherry Valley. Also includes landscape maintenance of the drought tolerant display gardens and landscape at the new recharge facility.

**1-5-5700-601 – Recharge Facility, Canyon & Pond Maintenance** - This category includes the maintenance necessary for the basins at the new recharge project and basins located in Edgar Canyon. This work includes the excavation of basins to clear them of accumulated fine material that reduces the percolation rate caused by winds and other natural weather conditions

## **ENGINEERING – IN-HOUSE**

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*The four digit departmental number 5800 seen in this section of the General Ledger refers to the expenses incurred for the labor of the District Engineer (part-time) and the Engineering Technician.*

**1-5-5800-237 – Health Insurance** - This health insurance category includes the employer cost of providing health benefit (through CalPERS) for employees in this department.

**1-5-5800-243 – Retirement** - This retirement category is the District/Employee paid pension plan offered through CalPERS. This category total reflects activity for this department only.

**1-5-5800-501 – Supervisor/Labor** - This labor category includes the District Engineer and Engineering Technician.

**1-5-5800-502 – Bereavement/Seminar/Jury Duty** – In accordance with the MOU, the District compensates employees who attend classes which are related to the employee's field and will help them perform their daily duties and further benefit the District. The District further compensates for Jury Duty and time off for the death of immediate family members. This category total reflects activity for this department only.

**1-5-5800-503 – Sick Leave** – Employees earn eight hours of sick leave for each full month that is worked. Employees may use sick time as needed or, in the event that no sick time is used for a 12 month period (consecutive), the employee may purchase their sick time at 50% of the cost. This category total reflects activity for this department only.

**1-5-5800-504 – Vacations** – All full time employees qualify for paid vacation time. In accordance with the MOU, an employee who has worked for more than a year and less than five earns two full weeks of vacation. After five years of service, employees earn three weeks of vacation and after fifteen years, four weeks. All unused vacation must be bought back by the employees during the first payroll period in December. This category total reflects activity for this department only.

**1-5-5800-505 – Holidays** – In accordance with the MOU, each employee receives eleven paid holiday days. This category total reflects activity for this department only.

**1-5-5800-507 – Life Insurance** – Life insurance is one the benefits paid for by the District and offered to each full time employee. The life insurance is offered through Standard Life Insurance.

**1-5-5800-518 – Seminar & Travel Expense** – The District compensates employees who attend field related seminar/hands on training as well as the costs incurred for traveling and food. This category total reflects activity for this department only.

**1-5-5800-519 – Education Expense** – Similar to GL # 1-5-5800-502, cost of work related schooling can be expensed to this account. Whereas category 502 may be used for schooling attended during work hours, category 519 could be used to allocate funds dedicated to schooling outside of work hours as well as reimbursable school fees textbooks and supporting class material. This category total reflects activity for this department only.

**1-5-5800-520 – Worker’s compensation** – This category includes standard charges paid for employees in this department to the District Insurance carrier, Association of California Waterworks Agencies/Joint Powers Insurance Authority (ACWA/JPIA). It should be noted that the District has an excellent record of very few work related injuries.

## **PROFESSIONAL SERVICES**

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*The four digit departmental number 5810 & 5820 seen in this section of the General Ledger refers to the expenses incurred for Professional Expenses. Also included in this section are the costs associated with the Watermaster, San Timoteo Watershed Management Authority (STWMA) and the STWMA Project Committee No. I (STWMA PC I).*

**1-5-5810-611 - Attorney (general)** - Costs associated with day to day operations may include litigation expenses not associated with Capital Improvements (property acquisitions etc).

**1-5-5810-612 - Development – Reimb. (Legal)** - This section includes costs associated with any legal costs that the District may have caused by the development of special conditions that may be contained in development agreements including annexation or Main Extension and Facility Construction Agreements.

**1-5-5810-614 - Audit** - Includes costs associated with audits of District financials.

**1-5-5820-611 - Engineering (General)** – This section includes any engineering associated with day to day operations.

**1-5-5820-612 - Development – Reimb. Engineering** – This section includes all engineering required to be reimbursed by development for plan checks and plan processing.

**1-5-5820-613 - San Timoteo Watershed Management Authority** – Member contributions determined by STWMA Commission.

**1-5-5820-614 – STWMA PC #1** – Member contributions determined by STWMA PC #1 Commission.

**1-5-5820-615 - Engineering for Recycled Water** - This section includes any engineering that the District may require related to development of a recycled water source.

**1-5-5820-617 - Grant & Loan Procurement** – Costs incurred in the procurement of grant funding and state revolving fund loans.

**1-5-5820-618 - Recycled Water Project Contract Administrator** – Costs associated with State Grant & Loan contract administration.

**1-5-5820-619 – Recycled Water Use Coordinator** – Costs associated with supervision and record keeping of recycled water system and personnel.

**1-5-5820-622 – Beaumont Basin Watermaster** – Member contributions determined by Beaumont Basin Watermaster

## **Appendix C**

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### **Budget Needs and Concerns for Engineering - Memorandum**



# BEAUMONT CHERRY VALLEY WATER DISTRICT

560 Magnolia Avenue

Beaumont, CA 92223

(951)-845-9581

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## MEMORANDUM

January 28, 2009

TO: Tony Lara  
Acting General Manager

FROM: J. Reichenberger   
District Engineer

SUBJECT: Budget Needs and Concerns for Engineering

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With the upcoming discussions on budgets for the District, I would like to make sure that you and the Board are aware of our needs for 2009.

### GIS/Mapping

Back in November I put together a memo to Chuck Butcher on the status of the GIS Mapping System. (See Attached) Over the last few years we have been using Spacient Technologies to set up the mapping/database system. They have done an excellent job. Spacient was bought out by Trimble, a large GPS/Surveying instrument manufacturer. So we are dealing with them now. It was Chuck's idea to "wean ourselves away from Trimble" and pass more of those responsibilities on to Bryan; particularly now that the development effort and subsequent plan checking has been greatly reduced.

Bryan has taken up the task and doing an excellent job of communicating with the developers and their engineers relative to making minor updates/corrections to the maps they submitted. As a result, our involvement with Trimble has been minimal the last 4 or 5 months. The November memo indicates and justifies the need for some software to make our GIS system available for update and use by District Staff in the office and in the field and for having Trimble on board for on-call services if we need them. The memo is self explanatory and it is my strong recommendation that this be included in the budget and approved by the Board as soon as possible.

Also as we get into our recycled water system, we will need to keep this system up to date with the use area maps showing where the recycled water is used, location of the facilities such as connections and sprinkler heads, potable water lines and backflow devices, and drinking fountains, etc.. We will not be able to deliver recycled water until these maps are completed. Our data acquisition crew must continue to mapping the existing system.

It is also important to remember that the District is collecting a deposit from each developer for monitoring and correcting the GIS data submitted with the as-built plans. If we do not continue with the GIS system, we will need to refund these developer deposits.

### ***Budgeting***

Our staff, a crew of 2, is doing the data collection. They should be on this full time, but they have had other commitments at times. For budgeting purposes, I recommend using  $\frac{3}{4}$  time for the crew for the year. I would also budget Bryan at  $\frac{1}{4}$  time to keep the system and the maps updated. This is over and above the Trimble Software and services in the attached memo.

The Trimble and Software Request in the attached memo is \$65,000

I have also requested Bryan to get approval to purchase some mapping data from Riverside County. These are GIS layers that are needed to facilitate the update of our Urban Water Management Plan and Water Master Plan which were authorized by the Board in September. This is about \$5,000. I would suggest increasing this to \$10,000 to cover any unforeseen software or mapping needs for 2009.

### ***Summary***

We have a tremendous investment in this system and it is not something that can “dropped” and picked up later. The purpose of the system was to ensure that we know where our lines are; where the isolating valves are, and when they were last exercised etc. Our permit with DPH requires we know where our lines are.

The mapping system we have has saved us a lot of time in the preparation of exhibits needed for reports as well as the use are maps that are needed for the recycled water system. It is interesting that most agencies are moving into GIS to better manage their assets. We were on the front lines with our system. It would be foolish to drop or defer this effort.

### **Recycled Water Use Coordinator**

There will be a need for a new position internally, a Recycled Water Coordinator, who will be responsible for interfacing with the recycled water customers, conducting periodic site inspections, working with the user’s site superintendents, ensuring they have the proper training and credentials, overseeing the system testing both initial and the on-going as required by the use permit, and maintaining all of the records related to the recycled water system. This individual should be on board and trained before the recycled water system is ready to be tested. This may be toward the end of 2009.

### ***Action***

Develop a job description for this individual and provide funds for training. Designate an employee to take over this function and add replacement staff.

### ***Budget***

For budgeting purposes this will be at least a full time position for the first 6 months of operation, thereafter probably  $\frac{1}{2}$  time. For 2009, I would recommend budgeting for one person, full time for 3 months. This will cover the training time. A budget for local travel and training should be included – say \$2500.

### **Recycled Water Project Contracts Administrator**

Once the money is released by the state and the District signs the agreement for the Loan/Grant, a Contracts Administrator will need to be on board. Attached is a list of activities that are required by the District as a condition of the Grant/Loan in terms of contract and project administration. Record keeping is very important as there a number of certifications that are required relative to prevailing wages, MBE/WBE certifications, change order controls etc. There will be at least 5 contractors working simultaneously on the project, plus Parsons and the District performing engineering and inspection. The contract administrator would be responsible for ensuring that all pay requests from the contractors and Parsons have the proper documentation and approvals; in-house time charging records are kept properly, and that all invoices to the state have the proper attachments. It will important to invoice the state properly to ensure no delays. The District will have to pay the contractors first then request reimbursement. If this is not done correctly this will affect the reimbursement from the state and impact the District's cash flow.

The State will audit the District at some point as part of its due diligence. This typically takes place several years after the project is completed. The records must be impeccable or there could be an issue with reimbursement.

#### ***Action***

Retain a contract administrator for the duration of the project. I recommend a temporary employee or a part time employee on a contract basis so that when the project is completed the position is easily eliminated. As an alternative, assign these duties to a current employee and retain temporary staff to take over the assigned individual's duties.

Set up a location for project files.

#### ***Budget***

I recommend a budget be established for an individual at  $\frac{3}{4}$  time for 2009, beginning in June and continuing through 2010 at  $\frac{1}{2}$  time.

#### **District Engineering**

Parsons provides the District with engineering services as requested including plan checks. Plan checks have decreased dramatically and can be handled by Bryan and the District Engineer. These plan checks are paid for by the developers through deposits.

#### ***Budget***

I do not know what was budgeted for this in years past, but my recommendation would be to budget about  $\frac{1}{3}$  of 2008 for 2009.

There will be some day to day, general engineering work performed by the District Engineer which is not associated with developer or District projects. The District Engineer worked just over 700 hours in 2008; the estimate for 2009 would be about 600 hours total. About 40% (240 hours) should be budgeted for "general engineering" for 2009. The rest of the engineering time would be budgeted against various capital improvement projects.

#### **Engineering Technician**

Bryan will be doing plan checks and the GIS management in addition to helping the District Engineer on Capital Projects and general engineering.

***Budget***

For general engineering I would recommend budgeting Bryan at 40% of his time. (He is budgeted at 1/3 of his time for GIS, so that would leave about 27% for capital projects and plan check.)

# BEAUMONT CHERRY VALLEY WATER DISTRICT

560 Magnolia Avenue  
Beaumont, CA 92223  
(951)-845-9581

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## MEMORANDUM

November 5, 2008

TO: Chuck Butcher  
General Manger

FROM: J. Reichenberger  
District Engineer

SUBJECT: GIS/GPS software and consulting needs

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The District has been trying to “wean” itself way from Trimble/Spacient Technologies who has been our GIS consultant for the past few years. We have relied on them to set up our GIS database and mapping, work with the District and Parsons to set up standards for electronic delivery of as-built plans from the developers as they are completed, and keep our server updated with the new maps. Earlier this year with the slow down in development, their GIS checking activities have been transferred to Bryan Wilfley, who has the qualifications and experience to do this. He has taken over essentially all of their checking activities. Bryan has also been overseeing the field data gather activities of our crews.

I requested a proposal from Trimble that would include a work scope and hardware/software that would allow the District to take it over completely.

Attached is their quote. The following is a brief description of the items.

**Trimble Fieldport Suite.** This is a suite of programs and a server (computer) that allows the field users to access the GIS information, view the information database, and do “redlining,” i.e., make corrections and additions etc. right in the field on the laptop. The software then allows everyone accessing the GIS information to see the corrections. The redline corrections would then be entered formally into the GIS in the office, by Bryan, at any convenient time. Capturing the field information, e.g, pothole data, location, etc. is quick and easy and much better than relying on the field crews to mark-up a “paper” map, which can easily get lost.

The quote includes professional services for configuration, setup, installation and training for the Mobile GIS software, the red-lining software, and the web-based GIS software.

There is also a quote for annual maintenance and technical support.

**As-needed Professional Services.** At my request they provided a quote for “on-call, as-needed” professional services. This allows us to contact them and have them help us with whatever may come up with the GIS/GPS implementation apart from the annual software support. These services would be controlled by the District and would be based on our

needs. I requested them to assume about 50 hours over the next year. This would be billed on a time and expense basis, as needed. If we don't need Trimble, we will not be charged.

Note that their original quote included a mobile laptop and mounting hardware. We already have this equipment in the District's truck and will not need to purchase this at this time.

**Summary of Cost:**

| Item   | Estimated Cost |
|--|----------------|
| Fieldport Software Suite and Server, including professional services for installation, configuration, setup etc. | \$51,000       |
| Annual Support and Maintenance for the Fieldport Suite   | \$5,000        |
| Subtotal   | \$56,000       |
| As-needed, on-call professional services, up to 50 hours on a time and expense basis                             | \$9,000        |
| Total  | \$65,000       |

**Recommendation:**

The Fieldport Suite is an essential part of our GIS/GPS system to make it fully functional with the operations the District desires to perform. It will extend the versatility of the system to the field. I recommend the District purchase this package from Trimble at a cost estimated to be approximately \$56,000 (not to exceed \$60,000) with optional on-call professional services not to exceed \$9,000.

Trimble/Spacient has been working with the District for the last several years and have set up our system and equipment thus far and are most familiar with it and our needs.

### SRF Loan Obligations Summary from Draft Agreement

1. Certified copy of the authorizing resolution must accompany any contract, the first payment request and other documents or requests. (§ 3)
2. One year after initiation of operation, BCVWD shall certify to the SWRCB whether or not, as of that date the Project meets the applicable design specs and effluent requirements. If not a corrective action plan is required. (§ 6)
3. Revenue program to Division at the time 90% of the disbursement of project costs. (§ 8)
4. User charge system shall be adopted complying with Section 204b1 of the federal clean water act. **[Section 204(b)(1)- Requires communities to develop user charge systems and to have the legal, institutional, managerial, and financial capability to construct, operate, and maintain the treatment works.] I am not sure this is applicable to recycled water project.** (§ 9)
5. BCVWD will need to procure and maintain insurance on the system. **Should be ok with ACWA.** (§ 10).
6. Need to award the prime construction contract within 180 days of the Agreement (§ 12)
7. Notify SWRCB of award of the construction contract and the completion date. **Need to deliver request for extension to SWRCB no less than 90 days prior to the completion date.** (§ 12)
8. Need to notify SWRCB of any substantial change in the project scope, cessation of construction, event that could delay the project by at least 90 days, discovery of archeological or historical resource, unexpected endangered species, completion of construction and project completion. (§ 13)
9. Need to establish a capital reserve fund for expansion, major repair or replacement and maintain for the term of the agreement. Need to submit a report 5 years after approval of the revenue program. Submit updates every 5 years thereafter. (§ 16)
10. Quarterly construction progress reports see agreement for requirements (§ 18)
11. **Need to establish an official project file, separate accounts to depict all amounts received and expended, income from assistance funds disbursed, project total costs including direct and indirect costs, accounts to assist state in meeting federal reporting requirements, force account to document all employee hours charged to the project and associated tasks performed by each employee (for construction only, not required for planning, design, construction engineering, or administration** (§ 19)
12. **Need to maintain records of each subcontractor who performed work for a minimum of 36 YEARS after project completion.** (§ 19B)
13. **Within 120 days of project completion, BCVWD needs to provide a final cost summary of the project.**
14. Need a 4x 8 x3/4 in plywood sign in a prominent location on the project site. (§ 22)
15. Add disclaimer (see Exhibit A of agreement) on any document, written report, or brochure prepared in part pursuant to this Agreement. **Need to find out if this applies to press releases** (§ 22)



16. Repayment begins 1 year after completion of construction. Annual payments are made thereafter. Prepayment is allowed without penalty but interest to the date of payment are to be paid.
17. When we execute and deliver the agreement, we can invoice for planning and design money through Disbursement Request Form 260. (Exhibit B §2.4)
18. BCVWD needs to establish an Enterprise Fund to receive all revenues (Exhibit B § 4.1)
19. BCVWD agrees to abide by federal single audit act of 1984 (PL98-502) and OMB circular A-133 (Exhibit B §5) ***Need to confirm with our auditor if this is a problem.***
20. Need to comply with Standards for Audit of Government Organizations, Programs, Activities and Functions [40CFR, 35.3135(l).] (Exhibit B §6) ***Need to confirm with our auditor if this is a problem.***
21. Need to expend 85% of the project funds within 3 years of the date of the agreement (Exhibit K §2)
22. BCVWD will indemnify the SWRCB for anything related to the project. (Exhibit M §4)
23. Need to report MBE/WBE utilization to the SWRCB within 10 days following each fiscal year quarter until notice of completion (Exhibit M §6) ***Contractors will be required to provide this***
24. Prevailing wage provisions apply. (Exhibit M §18) ***Does this apply to Force Account work?***

## **Appendix D**

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### **Joint Venture Agreement Between the City of Banning & BCVWD**

# ORIGINAL

## AGREEMENT

THIS AGREEMENT is by and between the City of Banning ("City") and the Beaumont-Cherry Valley Water District ("District"), sometimes jointly referred to as the "Parties."

## RECITALS

WHEREAS, the Parties are the agencies serving the largest number of domestic water users in the San Geronio Pass area and collectively rely in substantial part on the Beaumont Basin ("Basin") as a source of water; and

WHEREAS, the Parties desire to promote conjunctive use of the Basin and desire to jointly address issues concerning the long-term reliability of the Basin as a source of potable water, including the use of water recycling and the treatment and use of imported water.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

### I. PRODUCTION FACILITIES.

The Parties shall share the cost of constructing and operating three new production wells as follows:

#### A. Description.

The production wells shall be located west of Highland Springs Road at mutually agreed locations; shall be at least 1,500 feet deep' shall have minimum diameters of 18"; and each shall be capable of producing a minimum of 2,000 gallons per minute ("gpm").

#### B. Construction Costs.

The costs of constructing the production wells shall be shared equally between the Parties. The costs of constructing facilities to connect a Party's distribution system to any or all of said wells shall be borne by that Party.

#### C. Ownership.

The District and the City shall own and operate the wells jointly, on a 50-50 basis. District shall function as the lead operating agency with primary responsibility for the operation and maintenance of the joint facilities.

#### D. Operation, Maintenance, Repair and Replacement Costs.

(1). Operating and maintenance costs for each well shall be assessed to each Party on a per well basis. "Operating and maintenance costs" are defined as direct labor costs, electric costs, and costs of routine maintenance of the pumping facilities. "Repair and Replacement Cost: are defined as necessary costs of required repair or replacement of equipment and facilities. The District shall deliver the water to a tie-in point with City's water system at Highland Springs Avenue from the joint facilities at the Operating and maintenance costs of the water and without any wheeling cost.

(2). The cost shall be assessed based on the ratio of water supplied to that Party from a well/wells to the total water produced from that source.

(3). Each Party shall bear as its separate obligation those costs related to operation of facilities that it owns and that are used to deliver water to its distribution system.

(4). The District will submit the actual operation costs to operate the joint well/wells along with the necessary back up information on quarterly basis to the City. City will reimburse the District the said operation costs on quarterly basis subject to verification of such actual costs.

E. Production & Supply Pending Construction of Wells.

With respect to each production well, commencing on the date hereof and pending construction and development of the well to the point where total production from the well reaches 2,000 gpm, the District shall supply up to 1,000 gpm during Southern California Edison ("SCE") off peak hours to the City on an as-needed basis, at the District's cost of production. "Costs of production" are hereby defined as costs of electricity and direct labor costs required to bring the water to the surface and make it available to the City at the tie-in point.

F. Production & Supply Following Construction of Wells

(1). When the combined, total production from the three production wells reaches 6,000 gpm on a continuous basis, City shall be entitled to receive the greater of 3,000 gpm or 50% of the production at the District's Operating and Maintenance costs as defined above.

(2). The quantity of water delivered to City from the wells shall be charged to the City's total entitlement water from the Beaumont Basin set forth on Exhibit "Appropriators and Their Rights and Shares of Safe Yield and Operating Yield" of (Column number 6, "Operating Yield") the Stipulated Judgment in the Riverside County Superior Court case, San Timoteo Watershed Management Authority, etc. v. City of Banning, et al., Riverside County Superior Court case No. RIC 389197.

II. WATER TREATMENT PLANT.

A. Development of Joint Water Treatment Facilities.

The District has plans to build a water treatment facility for the treatment of state water project water on the District property located in Cherry Valley adjacent to District's Taylor reservoir. The Parties hereby express their intent to share the cost for design and construction of proposed treatment facilities. However, such agreement shall not prevent any party from unilaterally commencing the construction of the treatment plant. Should a Party elect to proceed with the design and construction of the treatment plant, it will not preclude the second party from constructing additions to the plant at a later date at the discretion of that Party. If construction on such water treatment plant has not commenced within 10 years of date hereof, Section II of this agreement "Water Treatment Plant" shall become void and of no further effect, unless otherwise mutually agreed by the Parties.

(1) Construction Costs.

Costs shall be shared based on percentage of participation in the total capacity of the plant: the City's percentage participation shall be determined by City, but shall not exceed 50% of rated plant capacity.

(2) Operation and Maintenance, Repair and Replacement Costs.

Operations and Maintenance shall be assessed on each Party according to its percentage of participation in the cost of operating and maintaining said water treatment facilities. "Repair and Replacement Cost" repair and replacement costs shall be assessed on each party according to its percentage of participation in the operation of the plant.

B. Treated Water Allocation.

Each party will be entitled to its prorata share of State Water Project water treated by the water treatment plant, based on its percentage of financial participation in the construction of the plant.

III. INTERCONNECTION OF SYSTEMS.

A. Connections.

City's and District's existing potable water distribution systems and recycled water systems (as the same are developed) shall be interconnected in order that each system will serve as a backup to the other. Connections will be at mutually agreed upon points between compatible pressure zones. Each connection shall be metered. Interconnection shall be established at such times and such places as are mutually agreed by the Parties in writing.

B. Cost Sharing.

(1) Construction Costs.

The costs of constructing/installing connections, meters and related facilities shall be borne equally by the Parties unless otherwise agreed in writing.

(2) Operation, Maintenance, Repair and Replacement

Each Party shall be responsible for operation, maintenance, repair and replacement of connections, meters, and related interconnection facilities assigned to it, as shown on Exhibit "A," attached hereto. Said exhibit may be amended from time to time. Each agency shall annually invoice the other for one-half of the total costs incurred for the operation and maintenance of said connections, etc.

C. Excess Deliveries Charges.

Water delivered to City by District shall be charged to City's entitlement to production from the wells as set forth in Paragraph 1(E) and 1(F) above. Deliveries by District to City in excess of said quantities shall be charged to City at District's lowest domestic water rate. Conversely, deliveries

by City to District shall be charged to District at City's lowest domestic water rate.

IV. RECYCLED WATER AND IN-LIEU WATER.

The District shall give the City first-take on any excess recycled water of the District. The decision to accept the water made available under this section shall be at the sole discretion of the City. The District and the City will work together to develop a system for deliveries to be made to the City under this subsection.

V. 1960, 1966 MEMORANDA OF UNDERSTANDING.

The 1960 and 1966 Memoranda of Understanding between the Parties are hereby modified to the extent necessary to allow for the construction and operation of the wells described in Paragraph 1 above, for the benefit of both parties. Consistent with those Memoranda of Understanding, either Party may, without consulting the other, develop additional water supplies within its boundaries, provided that it observes the one-half mile setback or buffer zone on each side of Highland Springs Road as created by said MOU's.

VI. Effective Date.

This MOU shall become effective when both Parties have executed this MOU and have executed the Stipulation for Judgment in the adjudication action, San Timoteo Watershed Management Authority v. City of Banning, et al., Riverside County Superior Court, Case No. RIC 389197.

VII. TERMINATION.

This Agreement may be terminated by written consent of both parties.

VIII. JOINT FUNDING EFFORT.

The Parties agree to work together to obtain Federal and State funding for projects that will jointly benefit both Parties, including the development of Supplemental Water Master Plans to include importation of State Water Project water, the capture and recharge of urban and storm runoff, recycled water systems, interconnection of domestic water systems, and State Water Project water treatment facilities. In addition, the Parties hereby agree to work with the California Department of Water Resources, the San Geronio Pass Water Agency ("Pass") and others, to develop supplemental water and recycled water supplies and will work closely with Pass to obtain access to and storage and distribution of State Water Project water.

IX. AMENDMENT.

This Agreement may be amended only by written amendment signed by the Parties.

X. SEVERABILITY.

In the event a portion of this Agreement is illegal or unenforceable, the remaining provisions will be given effect in order to preserve the original intent of the Parties.

XI. NOTICES.

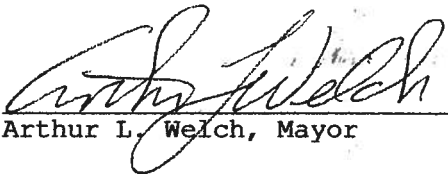
Notices shall be sent as follows:

City of Banning:

Beaumont-Cherry Valley Water District:

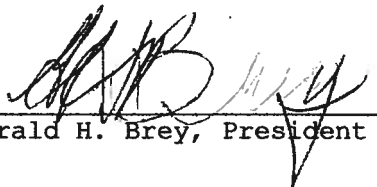
DATED, 12/23/ 2003 CITY OF BANNING

By

  
Arthur L. Welch, Mayor

DATED, 2003 BEAUMONT-CHERRY VALLEY WATER DISTRICT

By

  
Gerald H. Brey, President