CRESCENTA VALLEY WATER DISTRICT

2700 Foothill Boulevard
La Crescenta, California

Agenda for the
Regular Meeting of the Board of Directors
of the Crescenta Valley Water District
to be held on April 5, 2016 at 6:00 p.m.

Posted: April 1, 2016 at 3:00 p.m.

Any written materials distributed to the Board in connection with this agenda will be made available at the same time for public inspection at the District office located at the above address.

Call to Order and Determination of Quorum

Pledge of Allegiance

Public Workshop – This will be a workshop to provide the public information on the status of the Cost of Service study for Water and Wastewater services, outline rate structure alternatives and give the public an opportunity to provide comments for the Board of Director's consideration.

Adoption of Agenda

Public Comments

At this time the public shall have an opportunity to comment on any non-agenda item relevant to the subject matter jurisdiction of the Board. This opportunity is non-transferable and speakers are limited to one three (3) minute comment.

Foothill Municipal Water District Report

1. Report on activities at Foothill Municipal Water District.

Consent Calendar

1. Consideration and approval of the Minutes of the Adjourned Regular Meeting on March 15, 2016.
2. Consideration and approval of the Minutes of the Special Board Meeting on March 22, 2016.

Action Calendar

The public shall have an opportunity to comment on any action item as each item is considered by the Board prior to action being taken. This opportunity is non-transferable and speakers are limited to one two (2) minute comment.

1. **Audit Services for FY 2016-2018** – Consideration and motion to accept the proposal from Fedak & Brown LLP to perform the District's annual audit services for FY 2016-2018 with an option for FY 2019-20 per the proposal dated March 28, 2016.

2. **Water and Wastewater Cost of Service Study, Project M-958** – Discussion of Water and Wastewater Cost of Service Study.

3. **FY 2016/17 Water and Wastewater Budgets** – Discussion regarding the preliminary FY 2016/17 Water and Wastewater Budgets.

Information Items

Written Communications to District

Staff Reports

- **Secretary-Treasurer**
- **General Manager**
- **District Engineer**
- **Program Specialist**
- **Information Technology**

Attorney Report

Reports of Committees

- **Engineering Committee**
- **Finance Committee**
- **Employee Relations Committee**
- **Policy Committee**
- **Community Relations/Water Conservation Committee**
- **Emergency Planning Committee**

Director's Oral Reports

Report on issues, meetings, or activities attended by Directors.

Closed Session

- **Conference with Legal Counsel**
  - Existing litigation pursuant to paragraph (1) of subdivision (d) of Section 54956.9: Crescenta Valley Water District vs. City of Glendale, et al., Los Angeles Superior Court case no. BC595199.
- **Conference with Labor Negotiators (§54957.6)**
  - District negotiators: Thomas Love and Ron Mitchell
  - Employee organization: AFSCME
- **Conference with Labor Negotiators (§54957.6)**
  - District negotiators: Thomas Love
  - Employee organization: Management Unit

Board Members' Request for Future Agenda Items

Adjournment

g:\management\agenda\regular\15-16\04052016ra.doc

CRESCENTA VALLEY WATER DISTRICT

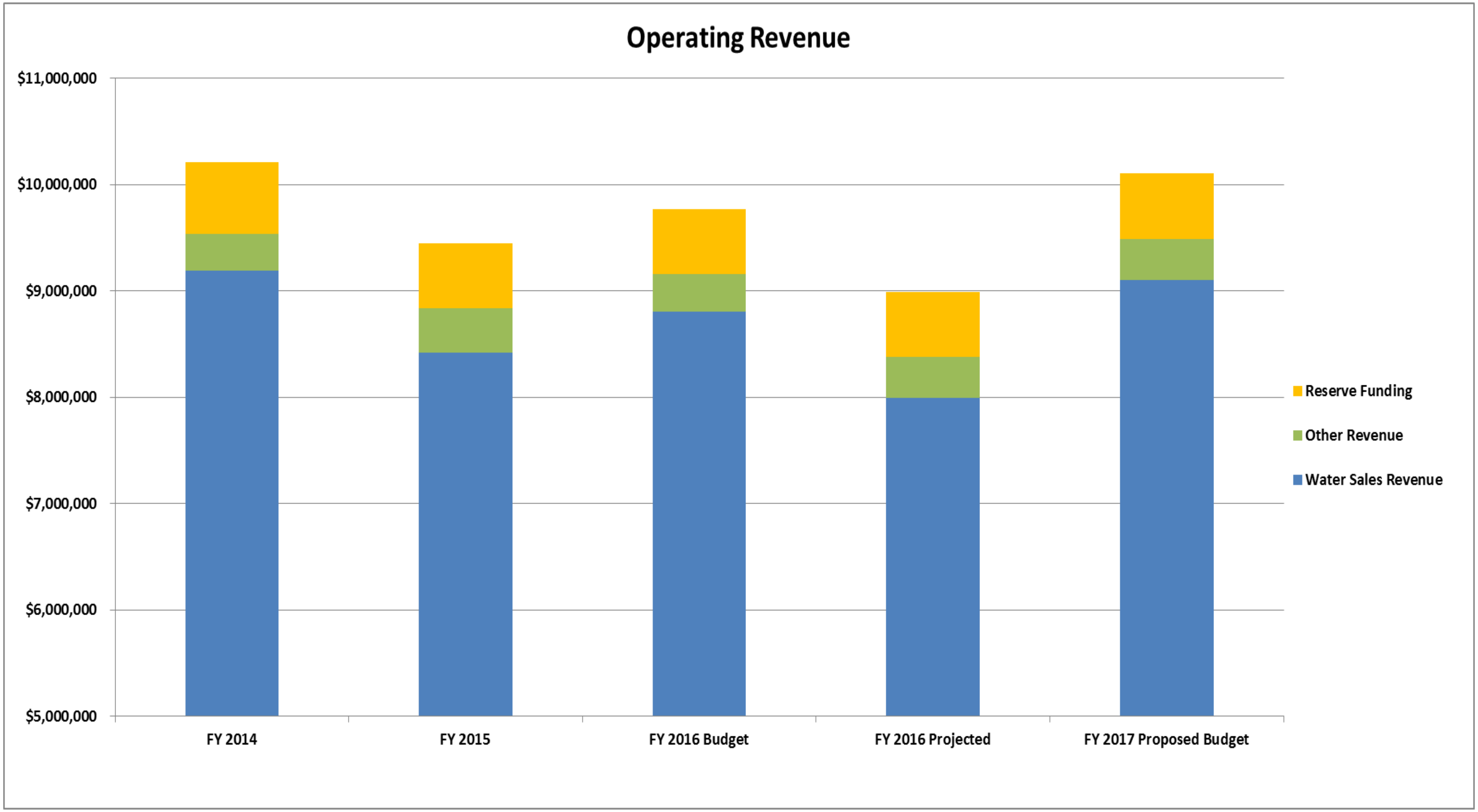
Water & Wastewater Cost of Service Study

BOARD MEETING & PUBLIC RATE WORKSHOP / April 5, 2016

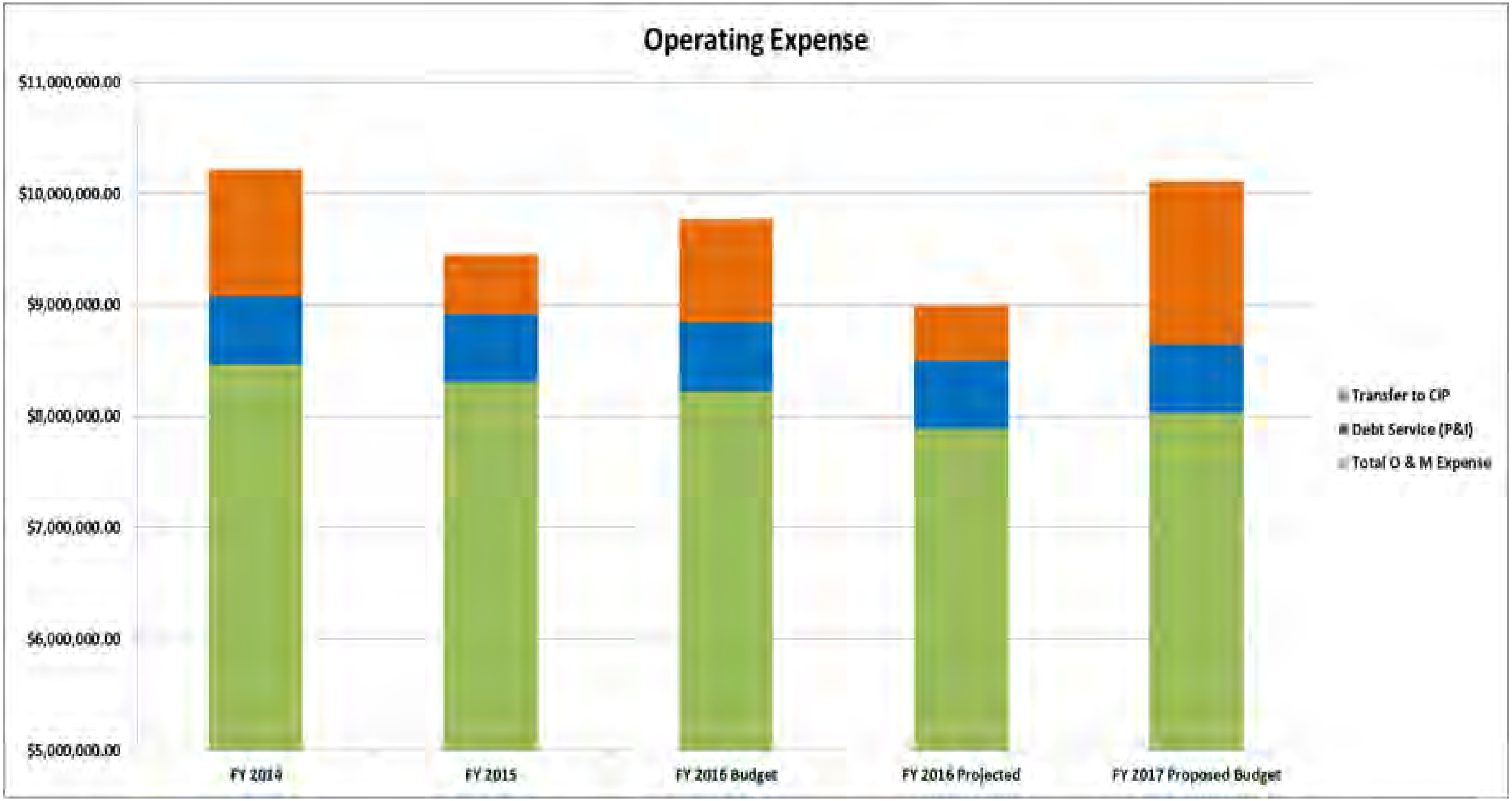
AGENDA

- Water & Wastewater Budget Overview
- Water & Wastewater Cost of Service Study
  - Project Approach
  - Project Status
    - Proposed Financial Plans
    - Alternative Rate Structures Evaluation
- Next Steps
- Questions and Answers

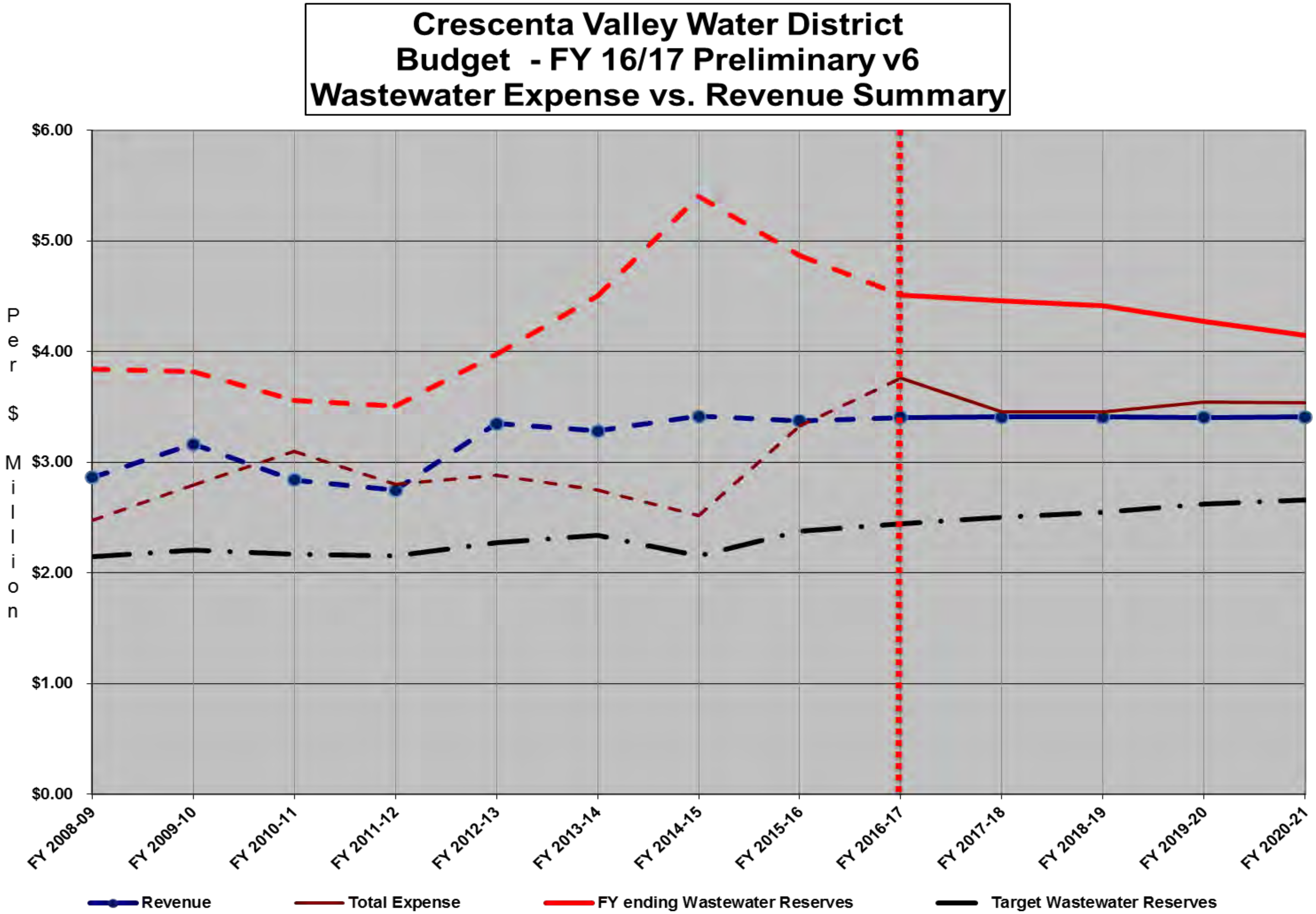
WATER FUND SUMMARY



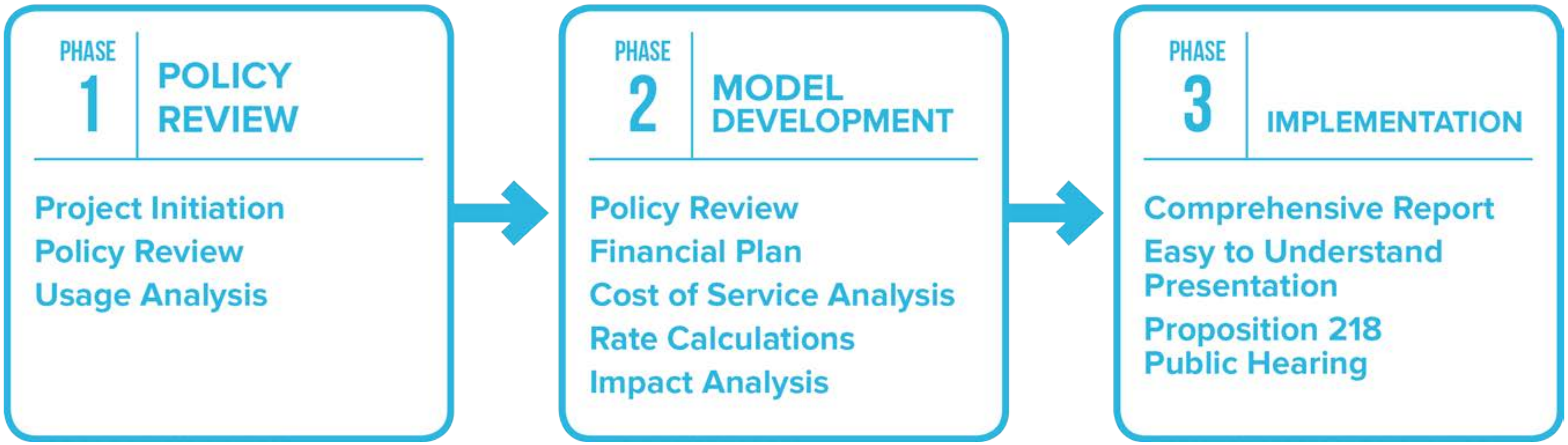
WATER FUND SUMMARY



WASTEWATER BUDGET SUMMARY



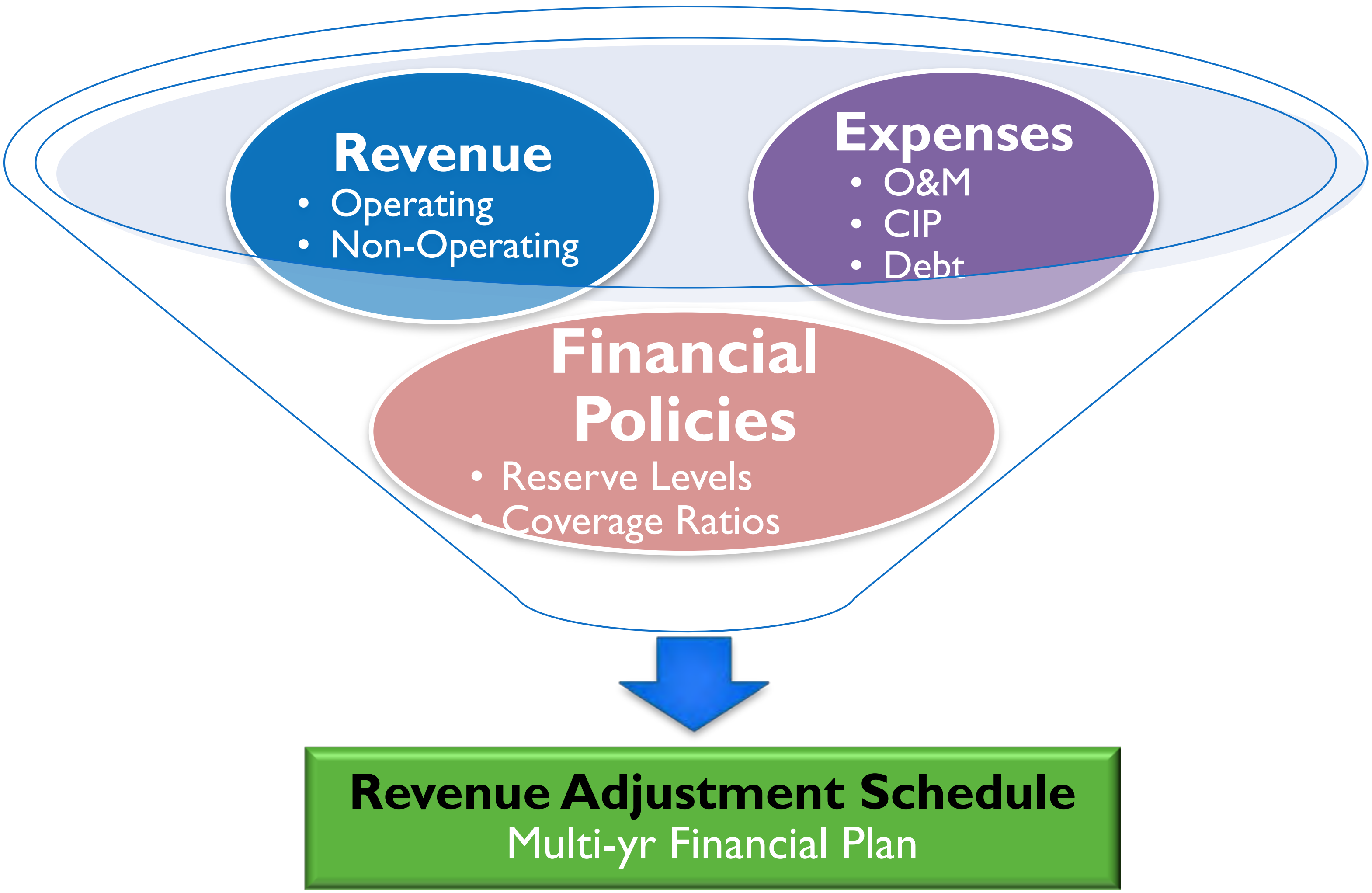
PROJECT APPROACH



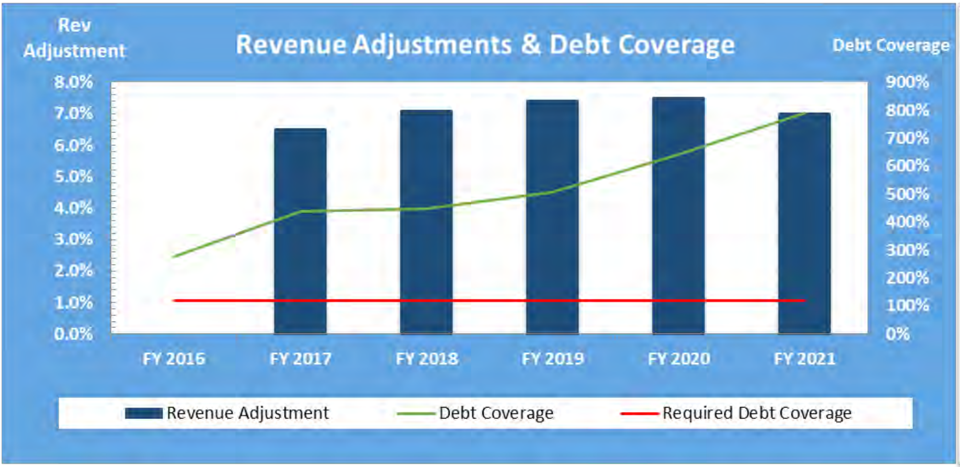
PROPOSITION 218

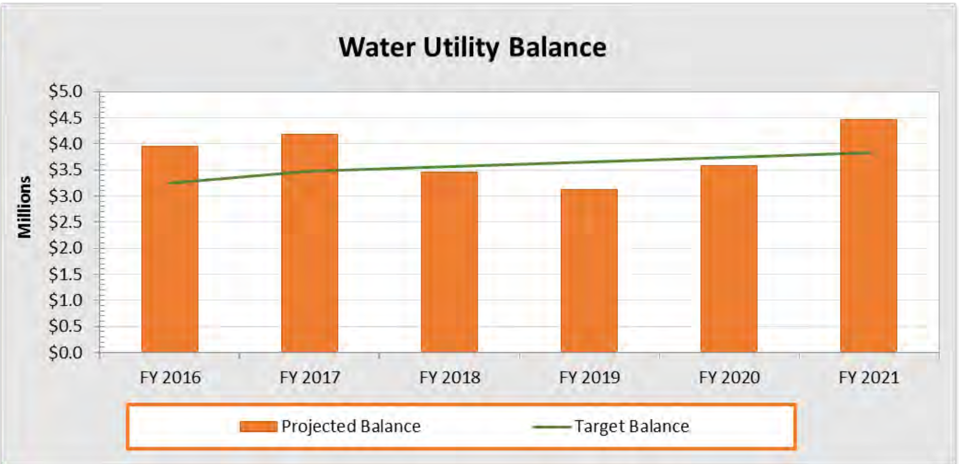
1. An agency cannot collect revenue beyond what is necessary to provide service
2. Revenues derived by the charge shall not be used for any other purpose other than that for which the charge was imposed
3. The amount of the fee may not exceed the proportional cost of service for the parcel
4. No charge may be imposed for a service unless that service is actually used or immediately available to the owner of property
5. A written notice of the proposed charge shall be mailed to the record owner of each parcel at least 45 days prior to the public hearing

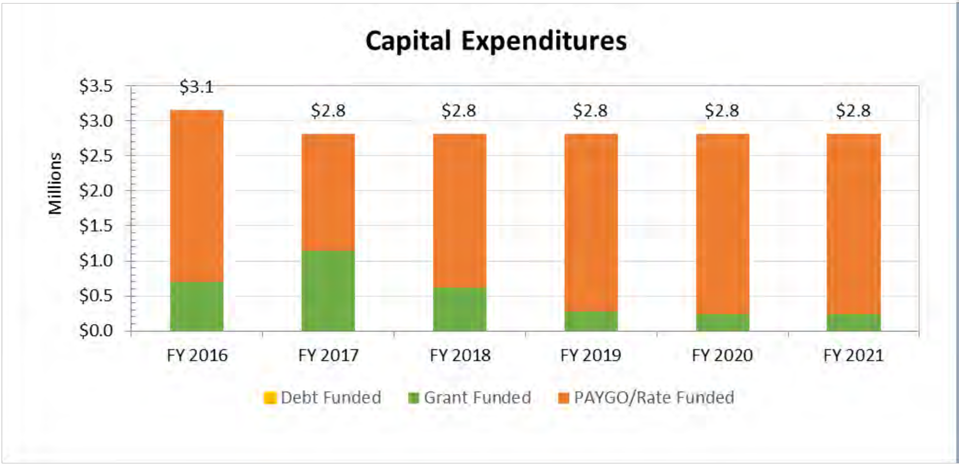
FINANCIAL PLAN

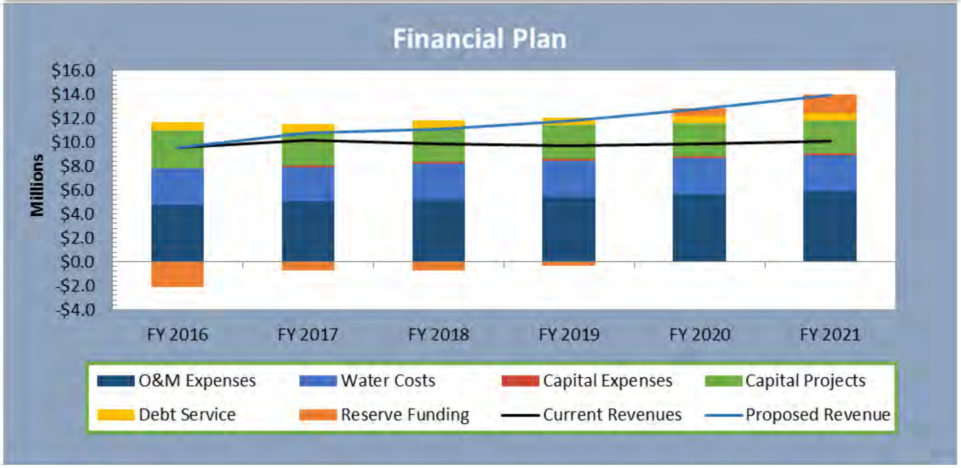


PROPOSED FINANCIAL PLAN - WATER

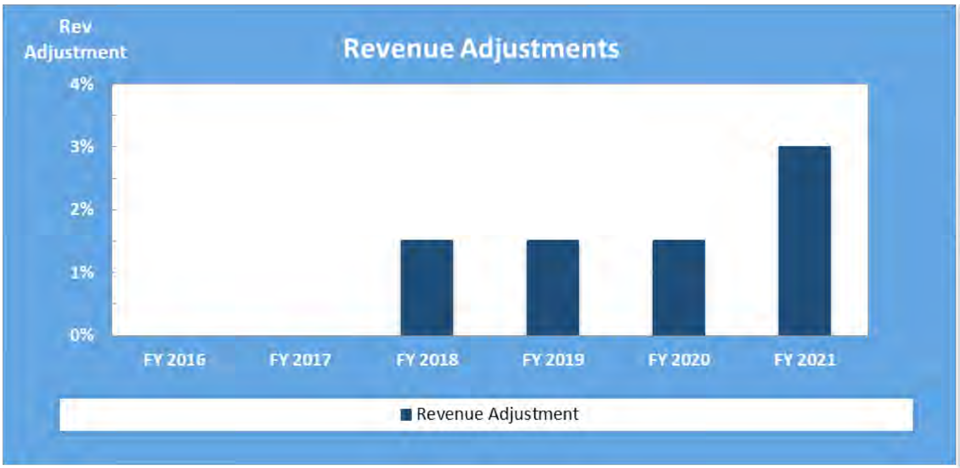


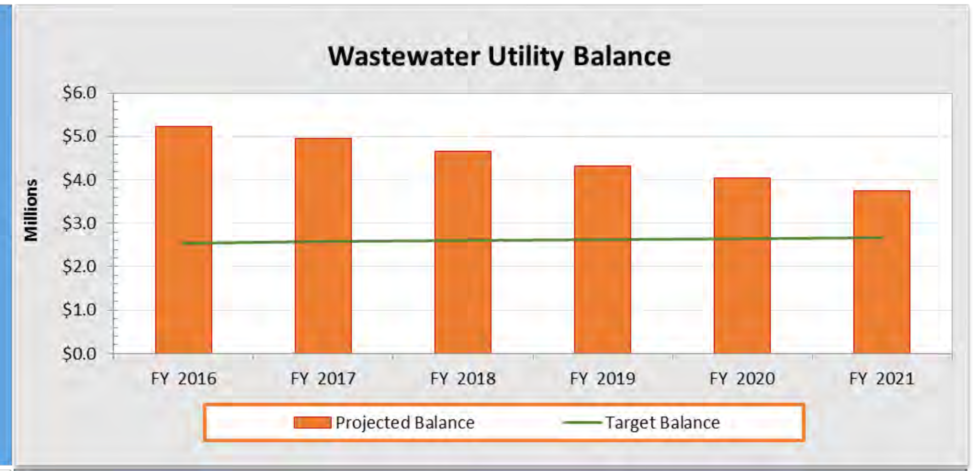


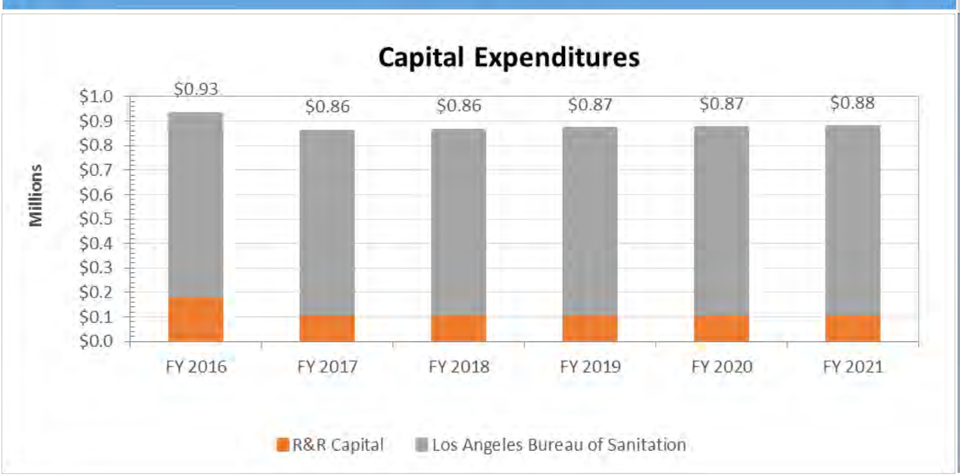


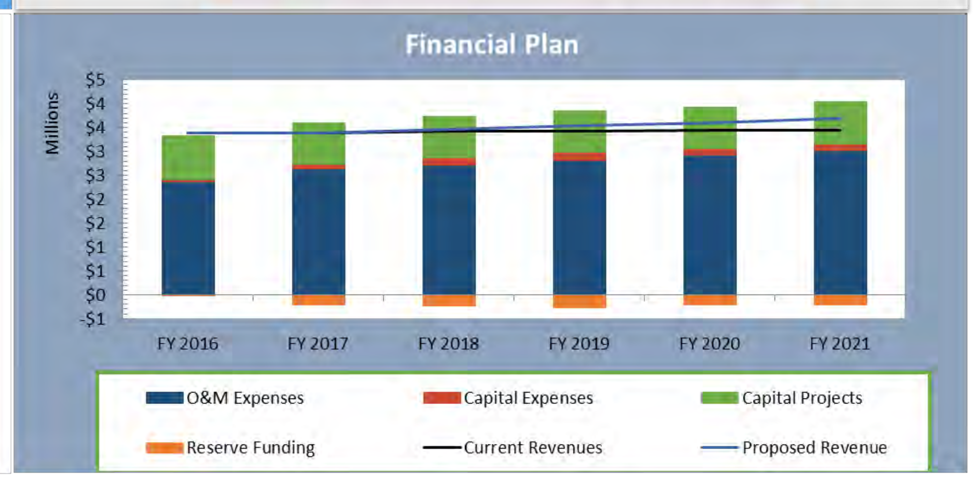


PROPOSED FINANCIAL PLAN - WASTEWATER

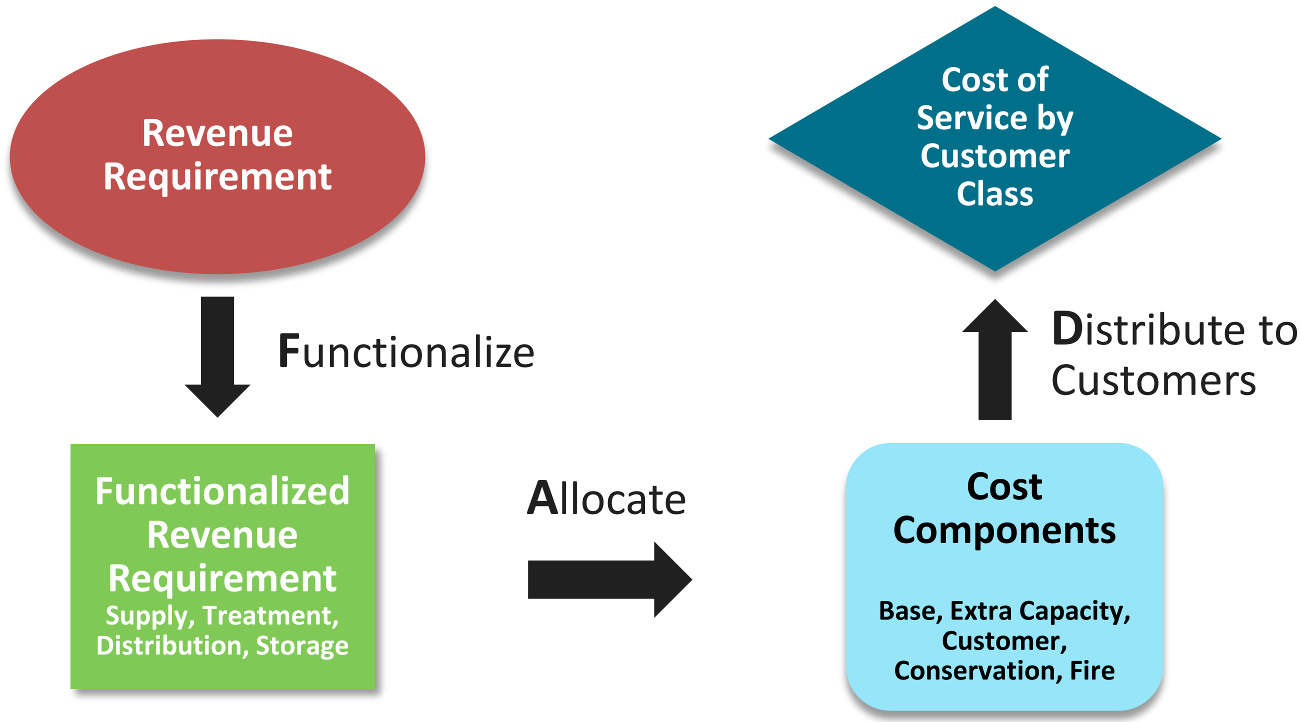








COST OF SERVICE



» Cost of Service is the process by which we convert revenue requirements in to costs for different customer classes, and develop fair and equitable rates.

» Recovers costs from customer classes in proportion to the demands they place on the system, recognizing the impact of each customer class on costs to run system facilities

» Cost of Service is the fundamental methodology used to establish utility rates in the United States

» Methodology is consistent with industry standards

COST OF SERVICE

SUPPLY
Use or Accounts

BASE/ DELIVERY COSTS
Same for All Classes

CONSERVATION
Distributed to High Vol Users

EXTRA CAPACITY (PEAKING)
Peaking Factors or Meter Cap Ratios

METER MAINTENANCE
Meter Size

CUSTOMER SERVICE
# of Cust Bills

CUSTOMER CLASSES (Cost to Serve Each Class)
(Single Family, Multi-Family/Commercial, Irrigation)

12

RATE STRUCTURES EVALUATED

- Uniform Rate – Same rate for all classes and users irrespective of use
- Inclining Tiers (3 or 4 Tiers)
- Water Budget Allocations (3 or 4 Tiers)

INCLINING TIER RATE STRUCTURE

Rate = Supply + Delivery + Peaking + Conservation + Offset

Single Family Residential (SFR) Tiers:

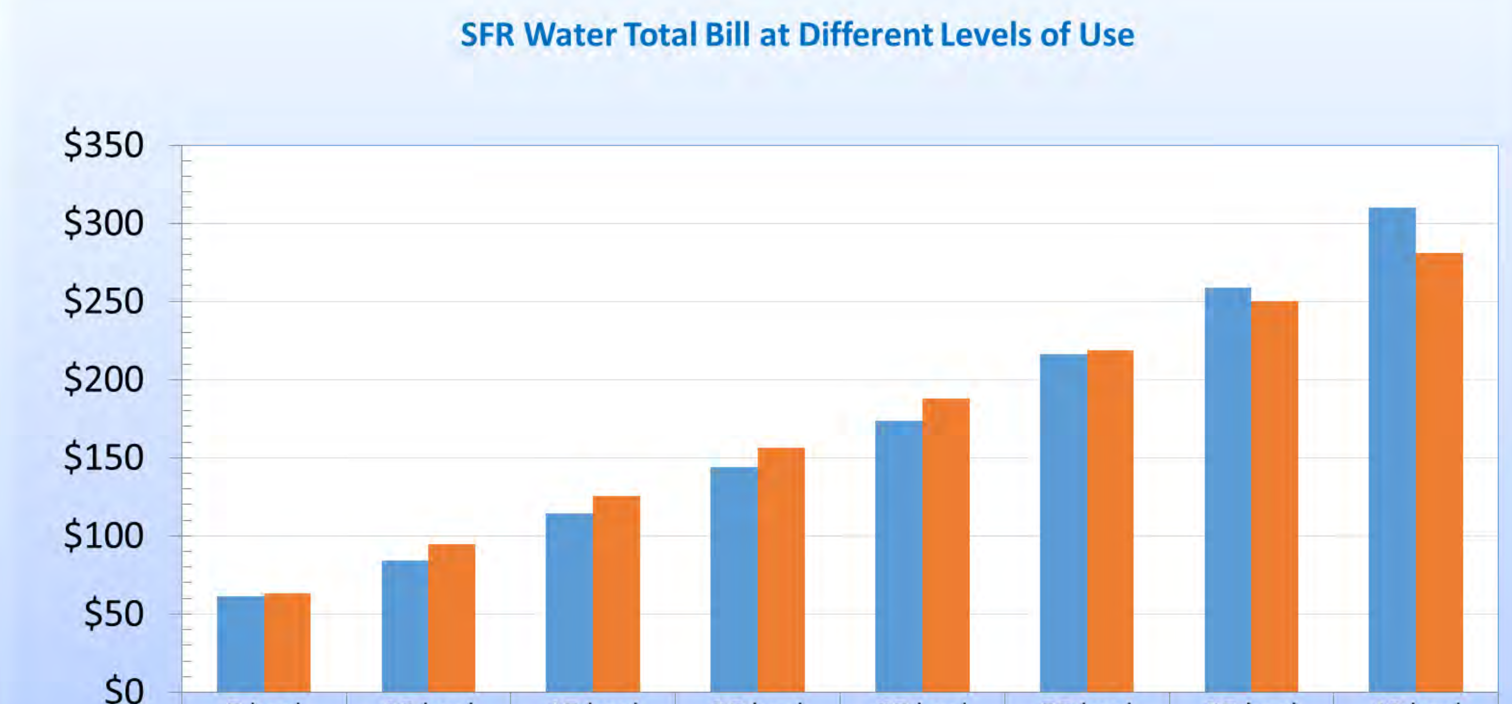
- Tier 1: Based on domestic usage for 3-person household at 55 gallons per capita per day (gpcd) = 10 kgal / billing period
- Tier 2 = Average annual usage for SFR = 20 kgal
- Tier 3 = Average summer usage for SFR = 26 kgal
- Tier 4 > 26 kgal

WATER BUDGET RATE STRUCTURE

- Tier 1: Indoor Water Budget (IWB)
  - Household size X gpcd* X days of service
- Tier 2: Outdoor Water Budget (OWB)
  - Evapotranspiration X landscape area X ETAF**
- Tier 3: Greater than Total Water Budget (IWB + OWB)
  - 50% of the sum of IWB+OWB
- Tier 4: Greater than Block 3

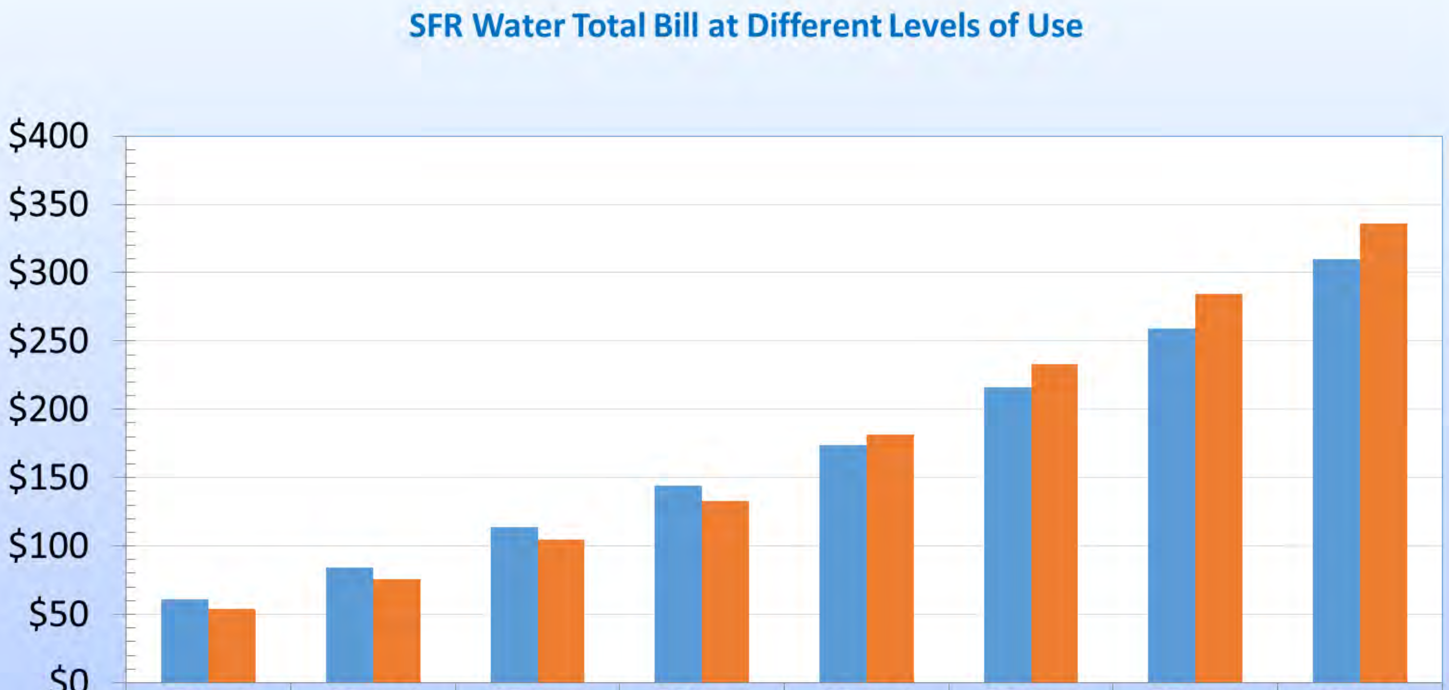
*gpcd = gallons per capita per day. The state target is 55 gallons per person per day
**ETAF = evapotranspiration adjustment factor. Set to turf grass (80% of total evapotranspiration)

IMPACTS – UNIFORM RATE



	5 kgal	10 kgal	15 kgal	20 kgal	25 kgal	30 kgal	35 kgal	40 kgal
Current	$61.29	$84.34	$114.14	$143.94	$173.74	$216.24	$258.74	$309.91
Proposed	$63.28	$94.38	$125.48	$156.58	$187.68	$218.78	$249.88	$280.98
$ Change	$1.99	$10.04	$11.34	$12.64	$13.94	$2.54	-$8.86	-$28.93
% Change	3%	12%	10%	9%	8%	1%	-3%	-9%

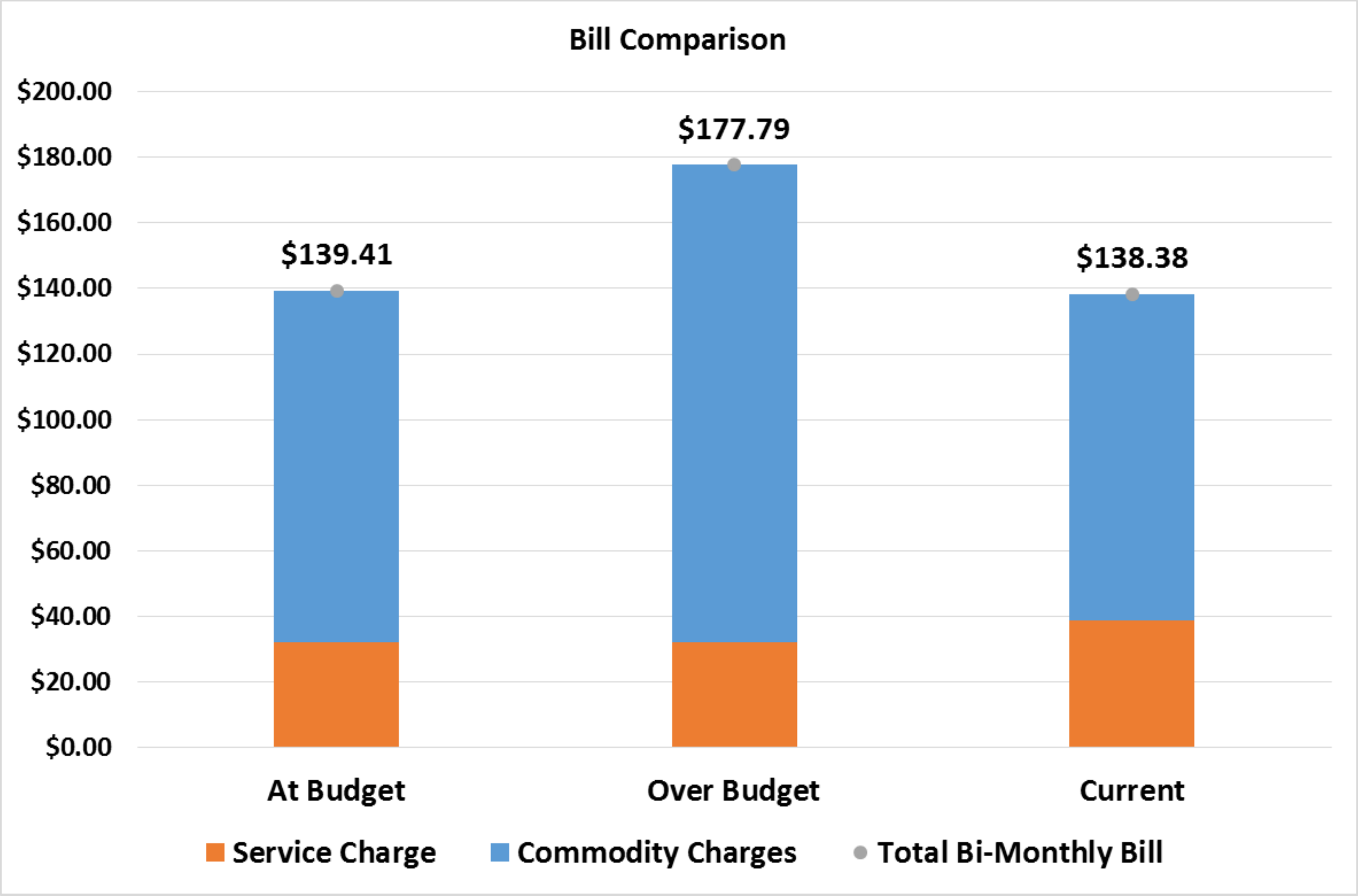
IMPACTS – INCLINING TIER



	5 kgal	10 kgal	15 kgal	20 kgal	25 kgal	30 kgal	35 kgal	40 kgal
Current	$61.29	$84.34	$114.14	$143.94	$173.74	$216.24	$258.74	$309.91
Proposed	$53.93	$75.68	$104.33	$132.98	$181.73	$232.84	$284.54	$336.24
$ Change	-$7.36	-$8.66	-$9.81	-$10.96	$7.99	$16.60	$25.80	$26.33

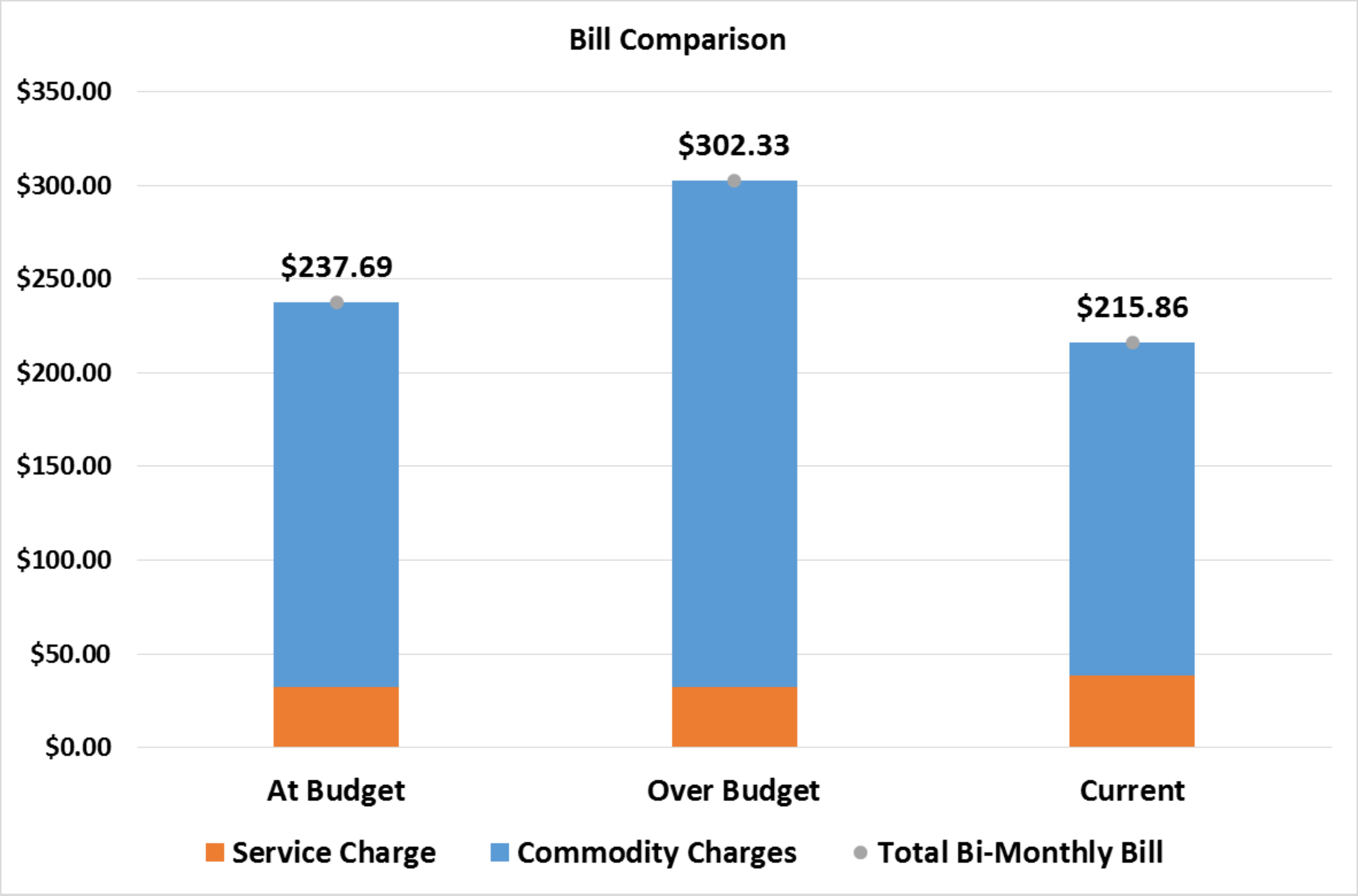
IMPACTS – WATER BUDGET (SMALL LOT)

- *3 persons, 4,500 sq ft lot/ 1,400 sq ft Landscape Area, Sept-Oct billing Period*



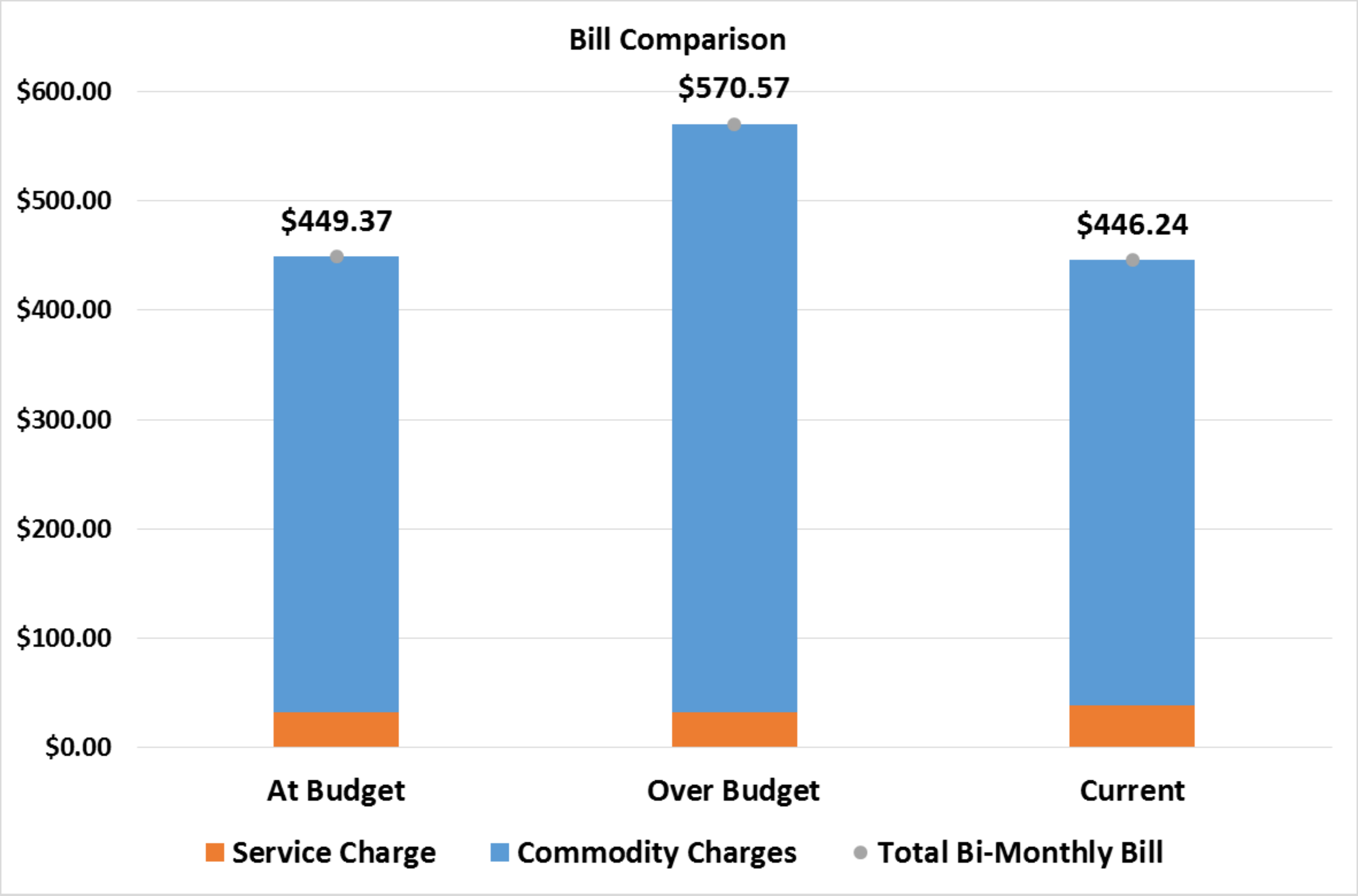
IMPACTS – WATER BUDGET (AVERAGE LOT)

- *3 persons, 7,500 sq ft lot/ 3,600 sq ft Landscape Area, Sept-Oct billing Period*

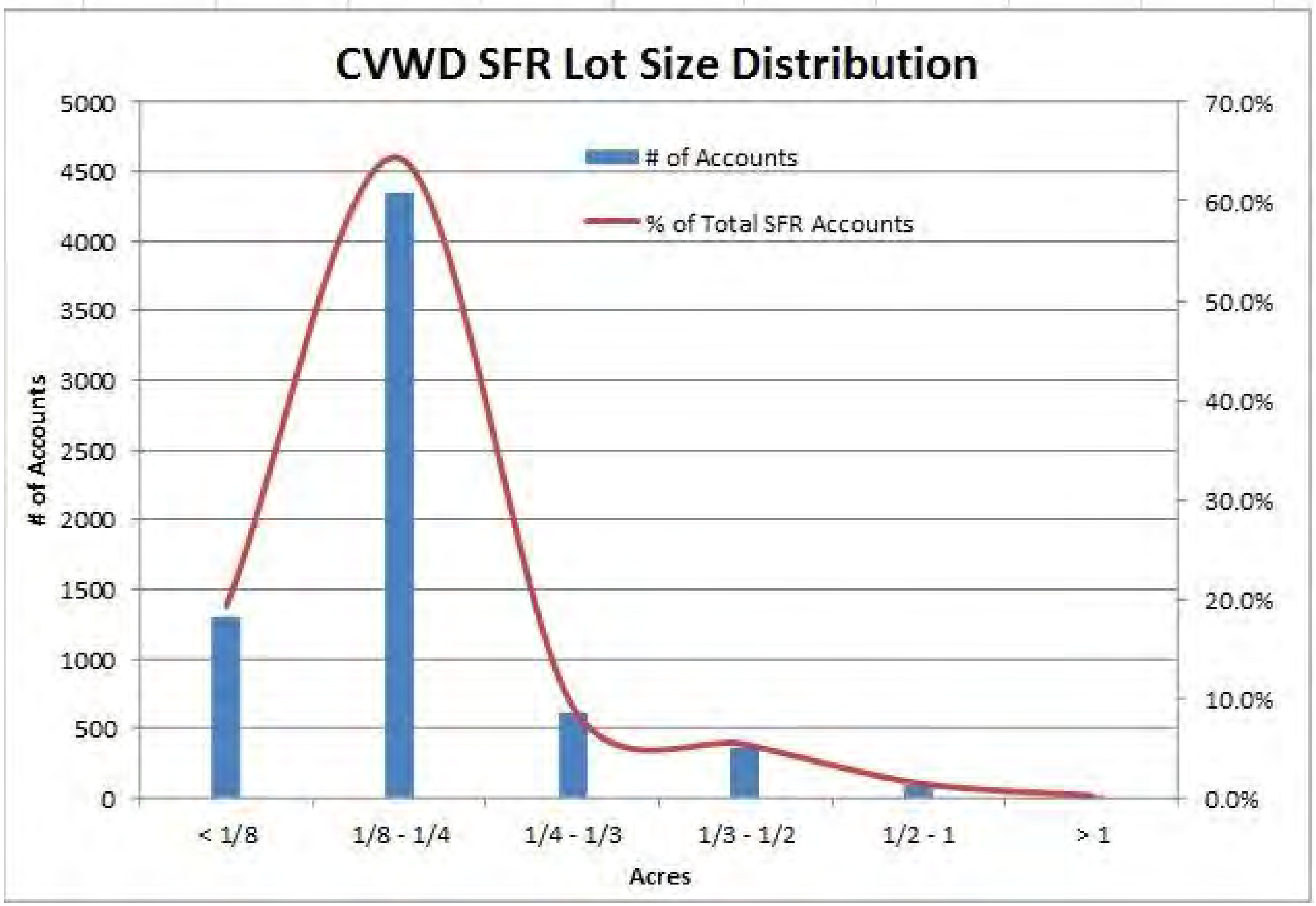


IMPACTS – WATER BUDGET (LARGE LOT)

- *3 persons, 15,000 sq ft lot/ 8,500 sq ft Landscape Area, Sept-Oct billing*



LOT SIZE DISTRIBUTION



BI-MONTHLY METER CHARGES

Meter Size	Meter Component	Customer Component	Proposed Charges	Current Charges
3/4"	$21.95	$10.23	$32.18	$38.24
1"	$36.58	$10.23	$46.81	$46.96
1 1/2"	$73.16	$10.23	$83.39	$68.56
2"	$117.05	$10.23	$127.28	$86.72
3"	$256.05	$10.23	$266.28	$94.56
4"	$460.88	$10.23	$471.11	$242.94

-Compares current rates to 2016 cost of service rates

WASTEWATER RATE OPTIONS

- Retain current rate structure
  - Fixed charges for SFR/MFR customers
  - Variable rates for non-residential customers
- Implement fixed plus variable for residential customers
  - SFR/MFR rates will be based on winter water usage, so constant each billing period
  - Non-residential customers will be 100% variable, subject to a minimum equal to the MFR fixed charge
  - Fixed charge for SFR/MFR will be based on recovering a portion of the collection system costs

FIXED RESIDENTIAL WASTEWATER RATES (CURRENT STRUCTURE)

		Current Rates	2016 (COS)
Wastewater Service Charge			
Single Family	EDU	$67.50	$73.95
Multi Family	EDU	$67.50	$48.39
Commercial/Institutional (Mini	Minimum Charge	$67.50	$48.39
Wastewater Customer Charge			
Primary School	Account	$2.10	$0.00
Middle School	Account	N/A	$0.00
Secondary School	Account	$2.10	$0.00
Commercial/Institutional	Account	$2.10	$0.00
Wastewater Use Charge			
Primary School	100 ADA	$81.00	$81.45
Middle School	100 ADA	N/A	$162.90
Secondary School	100 ADA	$162.10	$244.35
Commercial/Institutional	kgal	$5.50	$4.89

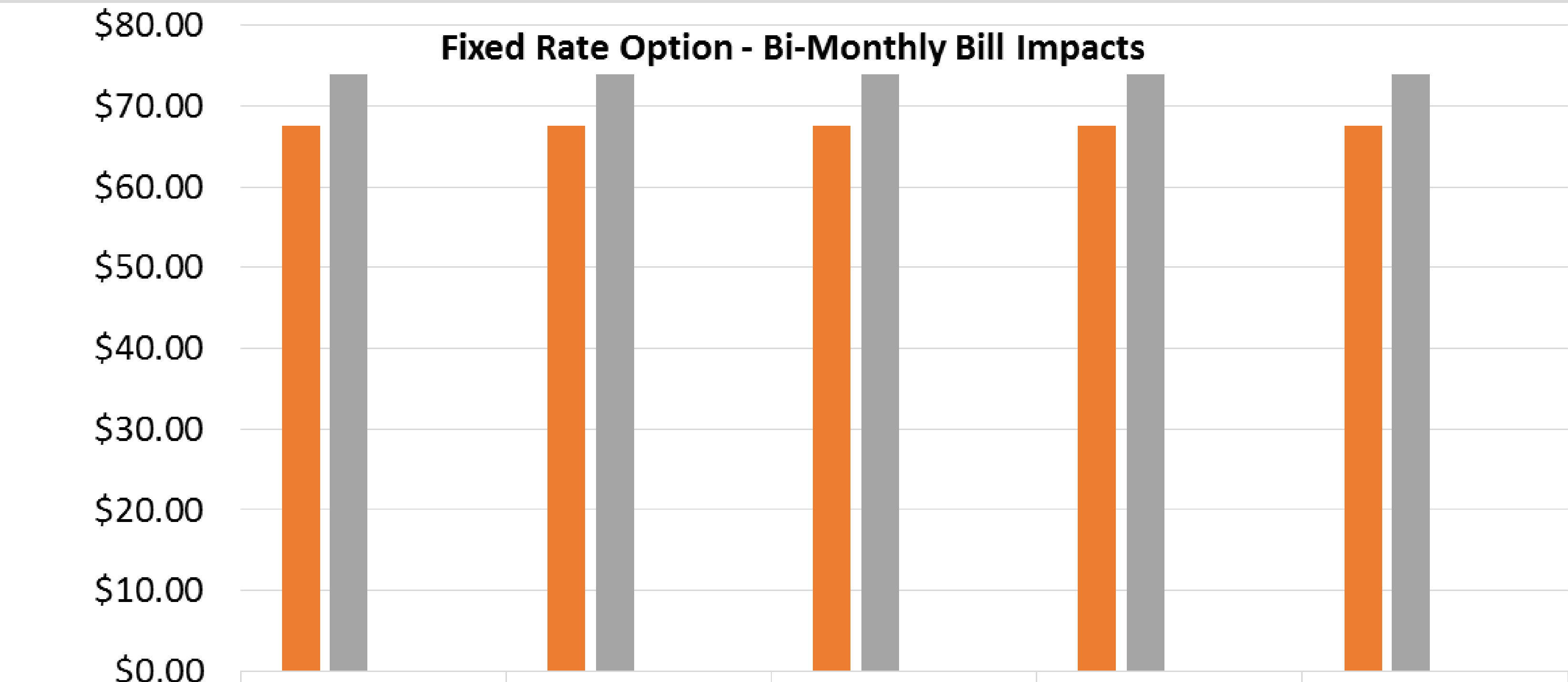
- Recommending removal of fixed charge for commercial users and schools

FIXED + VARIABLE RESIDENTIAL WASTEWATER RATES

Wastewater Service Charge			
Single Family	EDU	$67.50	$47.88
Multi Family	EDU	$67.50	$31.33
Commercial/Institutional (Mini	Minimum Charge	$67.50	$31.33
Wastewater Customer Charge			
Primary School	Account	$2.10	$0.00
Middle School	Account	N/A	$0.00
Secondary School	Account	$2.10	$0.00
Commercial/Institutional			$0.00
Wastewater Use Charge			
Single Family			$1.72
Multi Family			$1.91
Primary School	100 ADA	$81.00	$81.45
Middle School	100 ADA	N/A	$162.90
Secondary School	100 ADA	$162.10	$244.35
Commercial/Institutional			$4.89

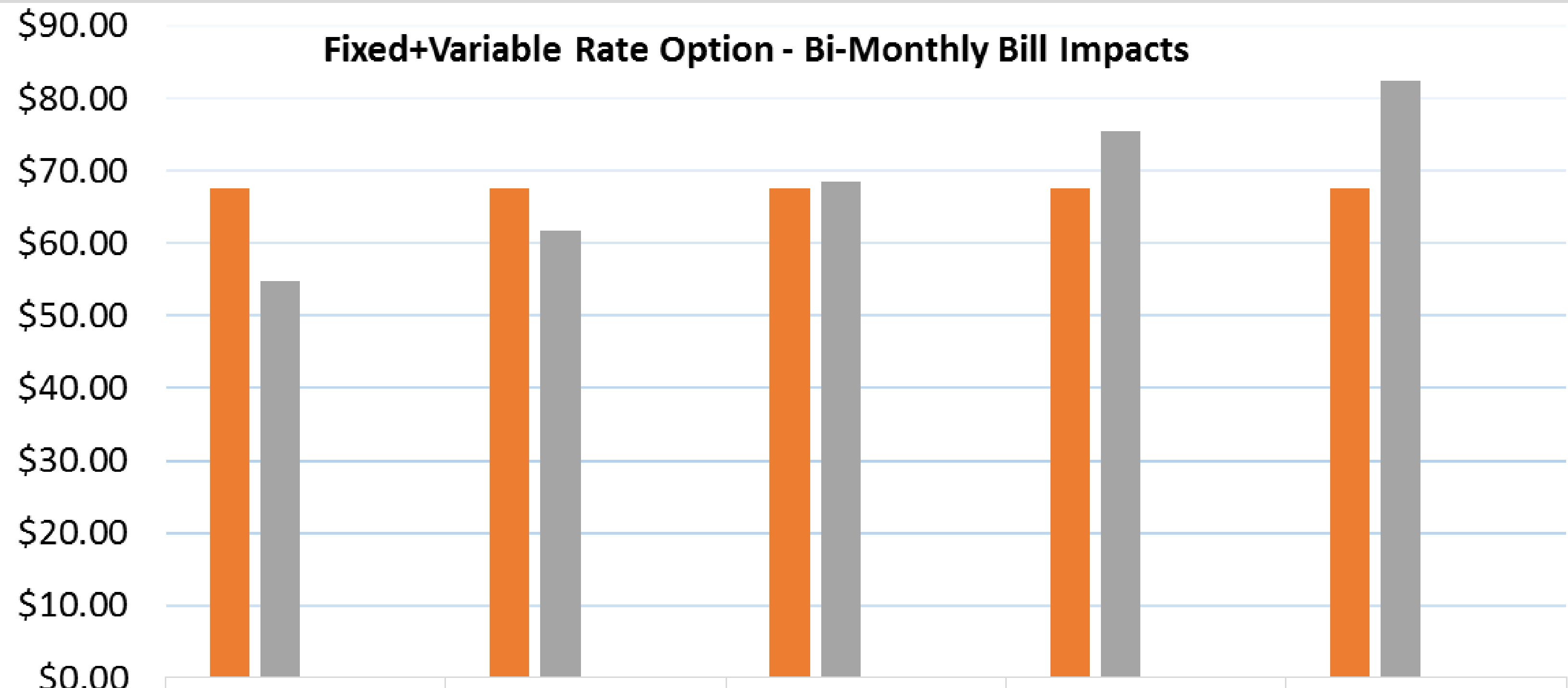
- Recommending removal of fixed charge for commercial users and schools

CUSTOMER IMPACTS – FIXED RESIDENTIAL



	4 kgal/period	8 kgal/period	12 kgal/period	16 kgal/period	20 kgal/period
Current	$67.50	$67.50	$67.50	$67.50	$67.50
Proposed	$73.95	$73.95	$73.95	$73.95	$73.95
$ Change	$6.45	$6.45	$6.45	$6.45	$6.45
% Change	10%	10%	10%	10%	10%

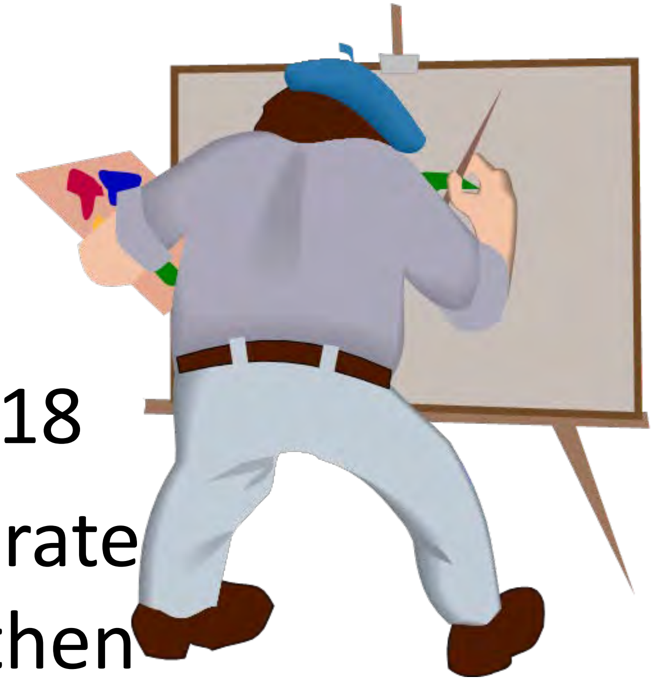
CUSTOMER IMPACTS – FIXED + VARIABLE RESIDENTIAL



	4 kgal/period	8 kgal/period	12 kgal/period	16 kgal/period	20 kgal/period
Current	$67.50	$67.50	$67.50	$67.50	$67.50
Proposed	$54.77	$61.67	$68.57	$75.46	$82.36
$ Change	-$12.73	-$5.83	$1.07	$7.96	$14.86
% Change	-19%	-9%	2%	12%	22%

NEXT STEPS

- Finalize Financial Plans
- Finalize Rate Structures/Rates
- Draft Study Report
- Board to authorize notice in accordance with Proposition 218
- New rates and any changes to rate structures to be adopted and then implemented July 1, 2016



Q&A

CRESCENTA VALLEY WATER DISTRICT
ADJOURNED REGULAR MEETING, BOARD OF DIRECTORS
March 15, 2016

Pursuant to the order of the Board of Directors of the Crescenta Valley Water District, made at the Regular Meeting of February 2, 2016, an Adjourned Regular Meeting was held on February 16, 2016, at 7:00 p.m. at the District office at 2700 Foothill Blvd., La Crescenta, California, with President Kerry D. Erickson presiding.

At roll call, the following Directors and staff members were present:

Directors:	**James D. Bodnar** **Michael L. Claessens** **Kerry D. Erickson** **Kenneth R. Putnam** **Judy L. Tejeda**
Attorney:	**Thomas S. Bunn**
General Manager:	**Thomas A. Love**
Secretary-Treasurer:	**Ron L. Mitchell**
District Engineer:	**David S. Gould**
Others Present:	**Wendy Holloway, Customer Accounts Supervisor** **Richard Atwater, FMWD Board of Director** **Sudir Pardiwala, Raftelis Financial Consultants** **Kevin Kostiuk, Raftelis Financial Consultants** **E.G. "Jerry" Gladbach, ACWA/JPIA**

PLEDGE OF ALLEGIANCE
President Erickson opened the meeting by asking Director Claessens to lead the Board and staff in reciting the Pledge of Allegiance.

ADOPTION OF AGENDA
It was moved by Director Tejeda, seconded by Director Bodnar and carried by a 5-0 vote that the Agenda for the Adjourned Regular Meeting of March 15, 2016 be adopted as presented.

PUBLIC COMMENT – None

SPECIAL PRESENTATION – ACWA/JPIA Executive Committee Chairman Mr. E.G. "Jerry" Gladbach presented an insurance premium refund check in the amount of $26,668.00 to the District.

FOOTHILL MUNICIPAL WATER DISTRICT REPORT – Richard Atwater reported that the draft of the UWMP is almost complete. He also congratulated District staff and their participation in the table tops exercises. FMWD is working on the budget for the FY 2016/17.

MWD acquired four Delta islands and are investing in the habitat restoration. MWD's is going to adopt their 2 year budget in April with a 4% rate increase for each year. Also discussed is the CVWD Nitrate Removal Plant.

CONSENT CALENDAR

It was moved by Director Bodnar, seconded by Director Tejeda and carried by a 5-0 vote to approve the Minutes of the Regular Board Meeting held on March 1, 2016 and to ratify the disbursements for February 2016 which consisted of:

Payment of demands against the Crescenta Valley Water District on or before February 29, 2016 the same having been approved by the General Manager, Thomas A. Love, and heretofore paid, be ratified and approved subject to audit, in the aggregate sum of Four Hundred Seventy One Thousand Seven Hundred One Dollars and Twenty cents (471,701.20), which is composed of the individual items set forth herein.

ACTION CALENDAR

Water and Wastewater Cost of Service Study, Project M-958 – Mr. Love gave an introduction regarding the Cost of Service Study stating that this is complex and there is a lot of variables, parameters, and financial analyzes that goes into this cost of service. Mr. Sudir Pardiwala from Raftelis Financial Consultants, (RFC) gave a presentation that covered Water Cost of Service Methodology, Results and Wastewater Cost of Service Methodology, Rate Design, Rate Alternatives and Customer Impacts, Wastewater Cost of Service Analysis and Rates. He also discussed Proposition 218,especially regarding the amount of the fee may not exceed the proportional cost of service for the parcel. He gave a presentation on the allocation of revenue requirements by function/activity, allocation to cost causation components, distribute cost causation components to customer classes. He discussed the cost of service for wasterwater which included the determination of flow and strength of each customer class, determine how much O&M and capital is flow or strength related, revenue required for flow and strength, customer class characteristics and unit cost, and the distribution of costs to customer classes.

FY 2016-/17 Water and Wastewater Budgets – Mr. Love discussed the summary of the preliminary FY 2016/17 Water and Wastewater Budgets and options to mitigate water rate increases. Staff discussed budget modifications with the Finance Committee and presented mitigation options to include; defer capital improvements, use of additional grant funding, issuing debt, and inter-fund loans of additional MTBE funds. The Board directed staff to review the capital improvement projects, update the preliminary water budget using an inter-fund loan from the MTBE funds with the objective of reducing the annual rate increase and would like an action item on a future agenda for the Board to consider postponement of the previously approved sewer rate increase.

INFORMATION ITEMS – LA Times: Latest storms are filling reservoirs and brining hope of a "March Miracle".

WRITTEN COMMUNICATIONS TO DISTRICT – CV Chamber of Commerce Relay for Life has requested the use of a District generator for the event in April.

REPORTS OF PERSONNEL

SECRETARY-TREASURER – Mr. Mitchell provided the Summary of Cash and Investment report which contained the following items:

Investment Portfolio Summary – as of March 15, 2016:

Cash Accounts	$394,592
Great Pacific Securities	
Bond Debt Service Fund Acct	$382,193
Local Agency Investment Fund	$3,735,782
Transfer from MTBE Reserve	$2,000,000
Federal Farm Credit (78) CALLED	
Federal Farm Credit (83)	$500,365
Federal Farm Credit (86)	$998,110
Federal Farm Credit (87)	$499,990
Federal Farm Credit (96)	$983,950

MTBE Contingency Funds

Local Agency Investment Fund	$3,493,304
Great Pacific Securities	$51,937
Transfer to Water Reserve	($2,000,000)
Federal Farm Credit (M-44) NEW	$1,145,730
Federal Farm Credit (M-45) NEW	$1,004,010
Federal Farm Credit (M-46) NEW	$992,890
Federal Farm Credit (M-47) NEW	$1,022,320
US Treasury (M-48) NEW	$997,350

Fund Balances

Water	$12,085,308.78
Wastewater	$4,564,184.82

GENERAL MANAGER – Mr. Love reported on March 10, 2016 the State Water Resources Control Board released revised water conservation targets with climate adjustments to account for evapotranspiration rates which vary by region. The District is in Zone 9 and the conservation goal has been reduced from 24% to 22%.

This month there are seven employee anniversaries: Wendy Holloway – 34 years, Raymond Dodge and Cory Whitman – 23 years, Pam Leddy – 14 years, Christy Scott – 13 years, Mark Hass – 10 years, and Tom Love - 1 year. As of February 29th the District has worked 630 days without a lost time accident.

DISTRICT ENGINEER

Water Production – For the period of March 1 through March 11, 2016, water production was 90.3 million gallons for the period, which is **11.8% less** than the daily average production of the same period in 2015. This is **18.7% less** from the daily average production of the previous five years. SWRCB Conservation – 20.7% less than June 2013- February 2014 period.

Rainfall: March 2016	**2.81”**
Season-to-date:	**11.15”**

Administrative and Field Operations – Mr. Gould provided a memorandum and discussed the following:

Rainfall Update – 2.81” for March 2016. Rainfall total for 2015-16 is at 11.15”.

Report on Engineering:

CIP Projects – Ocean View Chlorination Project – Building – Under construction. Pipeline & Building – Construction on 3900 Park Place to start March 14, 2016. Well 16 – Pipeline & Building – Building and Facilities – Final Project Close Out. Put into service on March 3, 2016. Dedication Ceremony – March 18, 2016 at 9:00 a.m. Pickens Canyon Slope Repair – complete.

Water and Wastewater Cost of Service – Discussion at Board Meeting.

Nitrate Removal Treatment Facility at Well 2 Project – 50% technical memorandum by March 18, 2016.

Crescenta Valley County Park Stormwater Recharge Facility Study – No report.

ULARA – No Report.

La Canada Flintridge – Water Committee – No Report.

Water Meter Replacement Program: FY 15/16 Water Meter Replacement Program – replaced 570 meters to date.

Report on Administrative and Field Operations:

Well Status – Well production capacity – Averaging 2.05 MGD for March with Well 16 in service. Well 16 pumping at 250 gpm and will slowly ramp up to 400 gpm.

Field Maintenance and Operations update for February 29 – March 12, 2016

Reservoir Site Maintenance – No Report.

Water lateral leaks & repairs

- 5443 Pinecone
- 2845 Adams
- 2905 Stevens
- 2900 Franklin

Fire Hydrant Leak – No Report.

Developer Job – No Report.

Water Main Leaks – No Report.

Reservoir Maintenance – No Report.

Sewer Maintenance – 4100 Block of Ramsdell. 3000 – 3100 Blocks of Montrose. 2600 – 2700 Blocks of Montrose. 2600 – 2800 Blocks of Fairway. 4000 – 4100 Blocks of

Pennsylvania. 2800 – 3100 Blocks of Prospect. 2600 – 2800 Blocks of Mayfield. 2800 Block of Alta Terrace.

PROGRAM SPECIALIST – No Report

INFORMATION TECHNOLOGY – No Report

ATTORNEY – No Report

REPORTS OF COMMITTEES

Engineering Committee – Director Bodnar reported that the Committee had not met; however a meeting will be scheduled as needed.

Finance Committee – Director Erickson reported that the Committee met on March 8, 2016 at 1:00 p.m. and discussed the 2016/17 Fiscal Year Water & Wastewater Budgets, and Rates.

Employee Relations Committee – Director Tejeda reported that the Committee met on March 10, 2016 at 4:00 p.m. in closed session.

Policy Committee – Director Claessens reported that the Committee had not met; however a meeting will be scheduled as needed.

Community Relations/Water Conservation Committee – Director Putnam reported that the Committee will meet on February 23, 2016 at 8:00 a.m.

Emergency Planning Committee – Director Claessens reported that the Committee had not met; however a meeting will be scheduled as needed.

DIRECTORS ORAL REPORTS

Director Claessens – No Report

Director Putnam – No Report

Director Tejeda – No Report

Director Bodnar reported on March 9th he attended the ACWA Legislative Symposium and discussed two issues. One was on a constitutional amendment that will allow retailers to adjust their rates to accommodate low water users, and to also allow for conservation tiered rates. Also there is legislation related to water transfers to develop a data base for customers to understand transfers between water agencies.

Director Erickson reported he attended the Glendale Mayor Prayer Breakfast last week and Jim Fox was the keynote speaker where he talked about leadership and trust in your team. He gave a talk to the Girl Scouts regarding water conservation.

CLOSED SESSION – No Reportable Action

ADJOURNMENT

There being no other business to come before the Board at 10:45 p.m., it was moved by Director Bodnar, seconded by Director Tejeda and carried that the meeting be adjourned to April 5, 2016 at 7:00 p.m.

APPROVED

Kerry D. Erickson	Ron L. Mitchell
President	Secretary-Treasurer

CRESCENTA VALLEY WATER DISTRICT

SPECIAL MEETING, BOARD OF DIRECTORS

March 22, 2016

Pursuant to the order of the Board of Directors, a Special Meeting was held on March 22, 2016, at 6:00 p.m. at the District office at 2700 Foothill Blvd., La Crescenta, California, with President Kerry D. Erickson presiding.

At roll call, the following Directors and staff members were present:

Directors:	**James D. Bodnar** **Michael L. Claessens** **Kerry D. Erickson** **Kenneth R. Putnam (Arrived at 6:40 p.m.)** **Judy L. Tejeda**
Attorney:	**Thomas S. Bunn III**
General Manager:	**Thomas A. Love**
Secretary-Treasurer:	**Ron L. Mitchell**
District Engineer:	**David S. Gould (Absent)**
Others Present:	**Mark Hass, IT Manager** **Sudir Pardiwala, Raftelis Financial Consultants** **Kevin Kostiuk, Raftelis Financial Consultants**

PLEDGE OF ALLEGIANCE

President Erickson opened the meeting by leading the Board and staff in reciting the Pledge of Allegiance.

ADOPTION OF AGENDA

It was moved by Director Bodnar, seconded by Director Claessens and carried by a 4-0 vote that the Agenda for the Special Meeting of March 22, 2016, be adopted as presented.

ACTION CALENDAR

Water and Wastewater Cost of Service Study, Project M-958 – Mr. Love started the meeting off with a review of the cash flow model for the draft budget with changes that have been made from the Board's direction of the last meeting. Following the budget discussion, Sudir Pardiwala from Raftelis Financial Consultants (RFC) gave a presentation on the Cost of Service Study which included discussion of the Water Financial Plan, Alternative Water Rate Structures with corresponding customer impacts, such as Uniform Rates, Inclining 4-Tier/3-Tier Blocks (Water Supply), Inclining 4-Tier/3-Tier Blocks (Use Characteristics), and Water Budget Allocation. Mr. Pardiwala also discussed the Wastewater Financial Plan. After the presentation, Mr. Love said staff will work on the water rate structure and rates for both water and wastewater, and continuing working with RFC on finalizing the Financial Plan to prepare for the Public Workshop on April 5, 2016.

ADJOURNMENT

There being no other business to come before the Board, at 9:00 p.m. it was moved by Director Bodnar, seconded by Director Claessens, and carried by a 5-0 vote that the meeting be adjourned.

APPROVED:

Kerry D. Erickson	Ron L. Mitchell
President	Secretary-Treasurer

CRESCENTA VALLEY WATER DISTRICT
BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 1
April 5, 2016

To: Honorable President and Members of the Board of Directors

From: Ron L. Mitchell – Secretary-Treasurer

Subject: **Audit Services for Fiscal Years 2016-2018**

ACTION ITEM:

Audit Services for Fiscal Years 2016-2018 – Consideration and motion to accept the proposal from Fedak & Brown LLP (Fedak) to perform the District's annual audit services for Fiscal Years 2016-2018 with an option for Fiscal Years 2019-2020.

DISCUSSION:

Fedak & Brown LLP, formerly Charles Z. Fedak & CO., have performed the District's annual audit services for the last seven years. The cost for their services has ranged from $21,500 for FY 2008/09 to $23,800 for the most recent FY 2015/16.

Recently, they have undergone a reorganization to the current Fedak & Brown LLP and have been able to significantly reduce their overhead costs by eliminating a couple of high cost employees. As a result they have submitted a proposal to perform the District's audit services for the next three years at a reduced cost. The costs to perform the audit services are $19,000 for FYE 2016, $19,437 for FYE 2017, and $21,160 for FYE 2018. The cost for the last year is higher due to more time required to implement new GASB 75 regulations in that year. They have also given the District the option to have them perform our audit services for FYE 2019 at a cost of $20,336 and FYE 2020 for a cost of $20,773.

Government Code section 12410.6. (b) indicates that commencing with the 2013-14 fiscal year, a local agency shall not employ a public accounting firm to provide audit services to a local agency if the lead audit partner or coordinating audit partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has performed audit services for that local agency for six consecutive fiscal years. For purposes of calculating the six consecutive fiscal years, the local agency shall not take into account any time that a public accounting firm was employed by that local agency prior to the 2013-14 fiscal year. Therefore, as long as the District requires the rotation of the Fedak's audit partner every five years, then the District is in compliance with the State Government Code section 12410.6.(b). For the previous seven fiscal years that the District has used Fedak, Charles Z. Fedak has been the audit partner. Beginning with FYE 2016 our audit partner will be Chris Brown so we will be in compliance with the government code cited above if we accept their proposal. Staff has met and discussed this proposal with the Finance Committee and they have been very pleased with the audit services provided by Fedak and are in support of continuing our relationship with them for our audit services.

RECOMMENDATION:

It is the recommendation of the Finance Committee and staff to accept the proposal from Fedak & Brown LLP to perform the District's audit services for the next three years with an option for an additional two years per the attached proposal.

Prepared by:	Submitted by:
______________________	______________________
Ron L. Mitchell	Thomas A. Love
Secretary-Treasurer	General Manager

Attachments:

g:\management\board meeting staff reports\2016\4-05-16 board memo - Audit Services.docx

Cost Proposal
Independent Auditor Services
For The

Crescenta Valley Water District

Fedak & Brown LLP
Certified Public Accountants

Charles Z. Fedak, CPA, MBA
Christopher J. Brown, CPA, CGMA
Jonathan P. Abadesco, CPA

Fedak & Brown LLP

Certified Public Accountants

Cypress Office:
6081 Orange Avenue
Cypress, California 90630
(657) 214-2307
FAX (714) 527-9154

Riverside Office:
4204 Riverwalk Pkwy. Ste. 390
Riverside, California 92505
(951) 977-9888

March 28, 2016

Mr. Ron Mitchell, Administrative Services Manager
Crescenta Valley Water District
2700 Foothill Blvd.
La Crescenta, CA 91214

Re: Request for Proposal for Independent Auditor Services

Dear Mr. Mitchell:

Based on our understanding of the Crescenta Valley Water District's (District) requirements, our fee for audit services at our discounted rates for the fiscal years ending June 30, 2016 and 2017 will be **$17,300** and **$17,712**, respectively. This fee is based on our understanding of the District's audit requirements.

In fiscal year 2018, the District will be implementing the provisions of Governmental Accounting Standards Board No. 75 – *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our fee for services reflects additional audit hours required in association with the new standards implementation. Assuming there are no additional charges in the District's activities and operations, our fee for audit services for the fiscal year ending June 30, 2018 will be **$19,410**.

Assuming there is no substantial change in the District's activities and operations, our fee for audit services for the optional fiscal years ending June 30, 2019 and 2020 will be **$18,536** and **$18,948**, respectively.

Our estimate for out-of-pocket expenses is a separate estimate and may not be utilized in total to the amount estimated. Again, these fees are based on the estimated costs to complete the audit. The components of this audit services fee proposal and out-of-pocket costs for the years ending June 30, 2016 through 2020 are itemized in the attached Exhibits.

Also, we have included the cost to prepare the District's State Controller's Report as an optional item, if desired, to be prepared for the District. This cost is itemized in the attached Exhibits.

Our not-to-exceed fee proposal is contingent upon our understanding of your requirements and the assistance we require as noted in our original audit technical proposal.

Additional services not included in this proposal will be based on our discounted billing rates based on the level of experience required. We would execute a separate contract for these services, if they are requested by the District.

I am authorized to make representations for Fedak & Brown LLP, and am duly authorized to sign a contract with the District.

Christopher J Brown
____________________________ March 28, 2016_______________

Christopher J. Brown, CPA CGMA Date

Exhibit I – Proposed Hours and Our Fees

Proposed Hours and Our Fees

We anticipate that, for the years ending June 30, 2016 through 2020, the audit of the District will approximate 170 and 180 audit hours. These hours, by major area, are summarized as follows:

	Fiscal Years - 2016, 2017, 2019, & 2020				Fiscal Year - 2018 *			
Audit Steps	**Partner**	**Manager/ Supervisor**	**Staff**	**Total**	**Partner**	**Manager/ Supervisor**	**Staff**	**Total**
Planning	2	2	8	**12**	2	2	8	**12**
Controls Testwork	4	8	24	**36**	4	8	24	**36**
Substantive Testwork	6	24	48	**78**	8	26	50	**84**
Reporting	12	14	18	**44**	14	16	18	**48**
	24	48	98	**170**	28	52	100	**180**

* Includes additional audit hours for the implementation of GASB 75 in fiscal year 2018.

As shown above, we expect approximately 42% of engagement hours to come from the Partners, Managers and Supervisors assigned to the engagement.

Working on the premise that we will be provided with a year-end trial balance, along with an audit package of reconciled balances and supporting schedules of all balance sheet accounts, we expect to perform the audit of the District at fees as stated in the attached Schedule of Professional Fees on Page 3 for the years ending June 30, 2016 through 2018, and optional years 2019 through 2020, respectively.

Our fees are based on the product of the time spent on the engagement and the billing rates of the individuals assigned, plus out-of-pocket costs (such as, report reproductions, typing, postage, travel, copies, telephone, etc.). We will obtain the assistance of the District's personnel to the extent possible and otherwise endeavor to keep these charges to a minimum. We will submit progress billings monthly to your office as our work progresses, which will be due and payable thirty days from the date of the invoice.

Based upon the present size and scope of the activities of the District, we expect to perform the services enumerated above at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to the audits. We have provided a breakdown of our current hourly rates, which would apply to this engagement on the attached Schedule of Professional Fees by Hours on Pages 4 and 5 of this cost proposal.

In accordance with your request for proposal and the Office of Management and Budget Circular A-128 and State requirements, we will maintain our work papers for at least seven years and make them available to the District, state agencies, the General Accounting Office, and other parties upon the direction of the District.

We want the Board to understand that we will provide **any** assistance and answer **any** questions that the District's staff or members of the Board may have when they arise for the entire duration of our contract. We find it important to stay abreast of the District's activities and accounting issues during the entire engagement.

We would like to thank you and the Board for the opportunity to submit a proposal for the auditing services of the District. Because of our experience in special districts and our interest in the District, we will provide you with assistance in your operations as well as meet the audit needs of the organization. We will also continually make recommendations on these and other matters that come to our attention. We are proud of the professional services we provide and encourage you to make inquiries to any of our clients about their satisfaction with our services and the quality of our staff.

Exhibit II – Schedule of Professional Fees

Engagement Fees By Fiscal Year		Audit Service Fees*	Not-to-Exceed Estimate of Out of Pocket Costs**	Total Audit Fee	Optional State Controller's Report Preparation	Total Engagement
Fiscal Year 2016	$	17,300	1,700	19,000	500	19,500
Fiscal Year 2017		17,712	1,725	19,437	500	19,937
Fiscal Year 2018* **		19,410	1,750	21,160	500	21,660
Total Three Year Contract	$	54,422	5,175	59,597	1,500	61,097
Optional Years						
Fiscal Year 2019	$	18,536	1,800	20,336	500	20,836
Fiscal Year 2020	$	18,948	1,825	20,773	500	21,273

* Professional audit services fees – labor only.

** Estimate of out-of-pocket costs consist of: travel, mileage, postage and printing costs – may not be fully utilized.

*** Includes additional audit hours for the implementation of GASB 75 in fiscal year 2018.

Please note that any additional services requested by the District during the audit period shall be negotiated at the stated hourly rates per year as noted in the following schedules per year.

See Our Personnel Hourly Rates and Hours Estimated per Engagement on the following page.

Exhibit III – Schedule of Fees by Hours

FISCAL YEAR 2016

Breakdown of Fees by Hours

Fiscal Year 2016 Audit of:	**Hours**		**Hourly Rates**		**Total**
District's Basic Financial Statements					
Partner - Engagement	20	$	145	**$**	2,900
Partner - Technical	4		140		560
Manager/Supervisor	48		125		6,000
Staff	98		80		7,840
Total Financial Statement Audit for 2016	**170**				**17,300**
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)					1,700
Total Maximum				**$**	**19,000**
Other Optional Item Prepared, If Requested	Hours		Rate		Total
Preparation of the District's Annual State Controller's Report	5		100	$	500
Total Maximum for 2016 Audit With Optional Item				**$**	**19,500**

FISCAL YEAR 2017

Breakdown of Fees by Hours

Fiscal Year 2017 Audit of:	**Hours**		**Hourly Rates**		**Total**
District's Basic Financial Statements					
Partner - Engagement	20	$	148	**$**	2,960
Partner - Technical	4		143		572
Manager/Supervisor	48		128		6,144
Staff	98		82		8,036
Total Financial Statement Audit for 2017	**170**				**17,712**
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)					1,725
Total Maximum				**$**	**19,437**
Other Optional Item Prepared, If Requested	Hours		Rate		Total
Preparation of the District's Annual State Controller's Report	5		100	$	500
Total Maximum for 2017 Audit With Optional Item				**$**	**19,937**

FISCAL YEAR 2018*

Breakdown of Fees by Hours

Fiscal Year 2018 Audit of:	**Hours**		**Hourly Rates**		**Total**
District's Basic Financial Statements					
Partner - Engagement	22	$	151	**$**	3,322
Partner - Technical	6		146		876
Manager/Supervisor	52		131		6,812
Staff	100		84		8,400
Total Financial Statement Audit for 2018	**180**	*			**19,410**
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)					1,750
Total Maximum				**$**	**21,160**
Other Optional Item Prepared, If Requested	Hours		Rate		Total
Preparation of the District's Annual State Controller's Report	5		100	$	500
Total Maximum for 2018 Audit With Optional Item				**$**	**21,660**

*** Additional Audit Hours Related to the Implementation of GASB 75 in Fiscal Year 2018.**

Exhibit III – Schedule of Fees by Hours, continued

OPTIONAL – FISCAL YEAR 2019

Breakdown of Fees by Hours

Fiscal Year 2019 Audit of:	**Hours**		**Hourly Rates**		**Total**
District's Basic Financial Statements					
Partner - Engagement	20	$	154	**$**	3,080
Partner - Technical	4		149		596
Manager/Supervisor	48		134		6,432
Staff	98		86		8,428
Total Financial Statement Audit for 2019	**170**				**18,536**
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)					1,800
Total Maximum				**$**	**20,336**
Other Optional Item Prepared, If Requested	Hours		Rate		Total
Preparation of the District's Annual State Controller's Report	5		100	$	500
Total Maximum for 2019 Audit With Optional Item				**$**	**20,836**

OPTIONAL – FISCAL YEAR 2020

Breakdown of Fees by Hours

Fiscal Year 2020 Audit of:	**Hours**		**Hourly Rates**		**Total**
District's Basic Financial Statements					
Partner - Engagement	20	$	157	**$**	3,140
Partner - Technical	4		152		608
Manager/Supervisor	48		137		6,576
Staff	98		88		8,624
Total Financial Statement Audit for 2020	**170**				**18,948**
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)					1,825
Total Maximum				**$**	**20,773**
Other Optional Item Prepared, If Requested	Hours		Rate		Total
Preparation of the District's Annual State Controller's Report	5		100	$	500
Total Maximum for 2020 Audit With Optional Item				**$**	**21,273**

Please note that any additional services requested by the District during the audit period shall be negotiated at the stated hourly rates per year as noted in the following schedules per year.

Audit Cost History for
Fedak & Brown LLP
(Formerly Charles Z. Fedak & Co.)

Fiscal Year Ending	Audit Hours Anticipated	Audit Cost	Out of Pocket Expense	Total Audit Cost
2009	142	$19,600	$1,900	$21,500
2010	142	$20,310	$1,915	$22,225
2011	142	$21,020	$1,930	$22,950
2012	142	$21,020	$1,930	$22,950
2013	142	$21,020	$1,930	$22,950
2014	142	$21,020	$1,930	$22,950
2015	142	$21,800	$2,000	$23,800

NEW 5-YEAR COST PROPOSAL				
**2016	170	$17,300	$1,700	$19,000
2017	170	$17,712	$1,725	$19,437
2018	180*	$19,410	$1,750	$21,160
2019	170	$18,536	$1,800	$20,336
2020	170	$18,948	$1,825	$20,773

*** Additional audit hours related to the implementation of GASB 75 in Fiscal Year 2018**

**** New audit partner to be used beginning FY 2016**

CRESCENTA VALLEY WATER DISTRICT
BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 2
April 5, 2016

To: Honorable President and Members of the Board of Directors

From: David S. Gould. P.E. – District Engineer

Subject: **Water and Wastewater Rate Study, Project M-958**

ACTION ITEM:

Water and Wastewater Cost of Service Study, Project M-958 – Discussion of alternative water and wastewater rate structures as part of the Water and Wastewater Cost of Service Study

BACKGROUND:

CVWD's staff is working with Raftelis Financial Consultants (RFC) on the preparation of a new water and wastewater cost of service study. RFC was directed to evaluate water rate structure alternatives including a tiered rate structure, a tiered rate structure based on allotment of groundwater and imported water, and a water budget based tiered rate structure. RFC was also directed to evaluate the wastewater rate structure alternatives including the existing fixed fee wastewater rate structure and a fixed fee rate structure with a variable rate component based on water usage.

- October 8, 2015 - Staff held a kick-off meeting with RFC to discuss the parameters of the study and outline the data needs from CVWD. Key issues discussed were community participation, fixed/variable revenue recovery, conservation incentives versus revenue impact, variable wastewater charges, allocation of lowest cost water, sensitivity about existing rates, and Proposition 218.

- November 3, 2015 - RFC gave a presentation on preparing a simplified "Water Budgets 101", which gave the Directors an understanding of a water budget based rate structure.

- November 18, 2015 - A public workshop was held which presented CVWD's operations, budget, reserve policy, the water and wastewater cost of service study, and alternative rate structures.

- January 19, 2016 - Staff discussed alternative water rate structures such as uniform rate, tier rate, and a water budget based rate. The Board asked staff to provide additional detailed information and a project schedule for further discussion.

- February 2, 2016 - Staff discussed the project schedule regarding the completion of the Cost of Service Study and preparing the FY 16/17 budget for approval by June 28, 2016.

- February 16, 2016 - Staff and RFC discussed the preliminary Financial Plan for the water and wastewater budgets including key assumptions, water production estimates, capital improvement projects, and other rate setting requirements. RFC also discussed CVWD's fixed costs vs variable costs relative to CVWD's service (fixed) charge. RFC discussed the water reserves policy with respect to including a capital improvement component. The Board agreed that CVWD's water reserves policy should not include a capital improvement component. RFC discussed the next steps toward finalizing the cost of service study which includes finalizing the financial plan, cost of service analysis, alternate water rate structures, and proposed water and wastewater rates. The Board directed staff to provide an updated project schedule which will include another public work shop, prepare the FY 16/17 water and wastewater budget for review, and to complete the study.

- March 1, 2016 - Staff reviewed the project schedule with the goal of completing the cost of service analysis by April 5, 2016 and approving the FY 16/17 budget by June 28, 2016. Staff recommended Special Board meetings on March 22, 2016 and April 26, 2016. Staff recommended a Public Workshop on April 5, 2016 to review the cost of service analysis and the alternate water rate structures. Staff also recommended at least four (4) Finance Committee meetings to review the water and wastewater budget and the Proposition 218 notice. The Board agreed to the project schedule and the additional meetings.

RFC presented the revised financial plan model and discussed how the model can be a useful tool in evaluating various scenarios and the impact on projected revenues, expenditures, debt, and other financial factors.

Staff stated that the FY 16/17 budget is being prepared using the current cash flow model and the new financial plan model concurrently. Staff presented the preliminary FY 16/17 water and wastewater budgets at the March 8, 2016 Finance Committee meeting for review and comments.

- March 15, 2016 – Staff presented a summary of the preliminary FY 2016-17 Water and Wastewater Budgets and options to mitigate water rate increases. Mitigation options presented included: deferment of capital improvements, reduction of expenses, use of additional grant funding, issuing debt, and inter-fund loans. The Board provided direction to review the capital improvement projects and update the preliminary water budget using an inter-fund loan from the MTBE reserve fund with the objective of reducing required annual rate increases within 6% to 7%. The Board also directed staff to include an action item on a future agenda for the Board to consider postponement of the previously approved sewer rate increase.

Staff introduced a presentation on the cost of service evaluation. RFC presented the concepts and parameters used in a cost of service evaluation. Cost of service parameters include revenue requirements which are allocated to functional areas (supply, treatment, distribution, etc.), cost components (base demand, capacity and peaking factors, customer classes, etc.). RFC also reviewed the analytical methodology used to allocate costs to customer classes in proportion to the demands those classes place on the system.

- March 22, 2016 - RFC made a presentation discussing alternative water rate structures and corresponding rates including:
    - Uniform Water Rates
    - Inclining 4-Tier Water Rates (Based on Use Characteristics, which is the existing rate structure)
    - Inclining 4-Tier (Based on Water Supply)
    - Water Budget Allocations

RFC provided examples of customer impacts for each alternative rate for a low user, average user, and a large user. Staff also discussed the cost impacts to CVWD and staff relative to implementing each of the alternative water rate structures. RFC revised the cost of service analysis and the alternative water rate structures for the Public Workshop on April 5, 2016.

<u>DISCUSSION:</u>

RFC has continued with the wastewater cost of service analysis and proposed wastewater rate structures, which was discussed as part of the Public Workshop. A key element from the wastewater cost of service analysis was that the proportion cost per classification has shifted to the single family classification as shown in the table below:

			Bi-Monthly Charges				
		Current Rates	**2016 (COS)**	**FY 2017**	**FY 2018**	**FY 2019**	**FY 2020**
Wastewater Service Charge							
Single Family	EDU	*$67.50*	**$73.95**	$73.95	$75.06	$76.19	$77.34
Multi Family	EDU	*$67.50*	**$48.39**	$48.39	$49.12	$49.86	$50.61
Commercial/Institutional (Minimum Charge)	Minimum Charge	*$67.50*	**$48.39**	$48.39	$49.12	$49.86	$50.61

For a Single Family, the wastewater base charge will increase by $6.45 or 9.6% per billing period and the multi-family (a sewer lateral service 2 or more dwelling units) will see a decrease of $19.11 or -28.3% per dwelling unit.

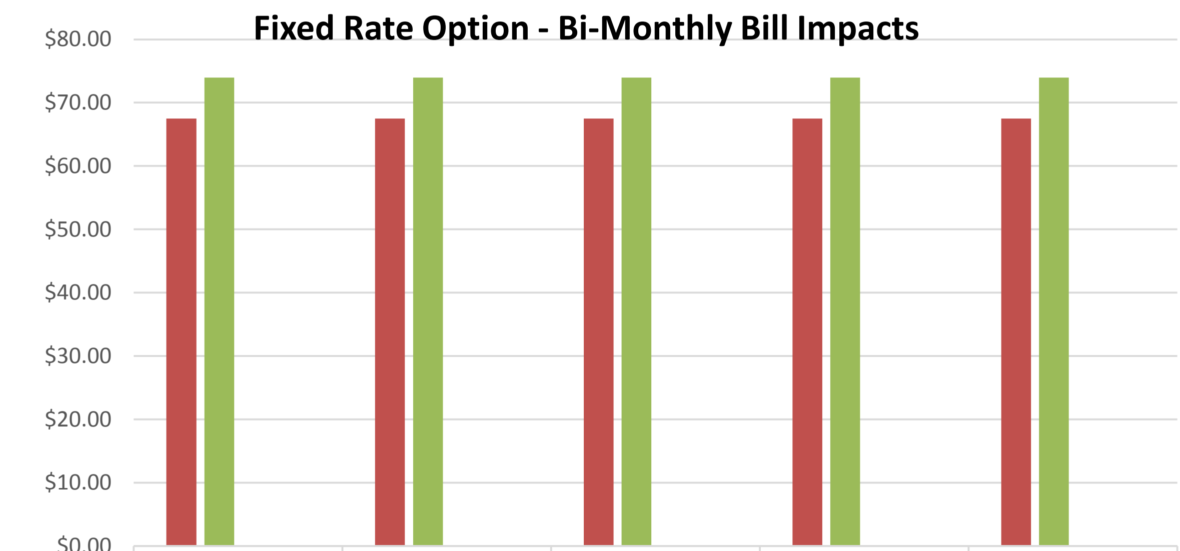
RFC has provided an alternative wastewater rate structure based on a fixed charge and a variable charge for winter water use which will reduce the Single Family, low water user amount, and maintain the required revenues for the Wastewater Budget.

<u>A proposed Single Family Bi-Monthly Bill</u>

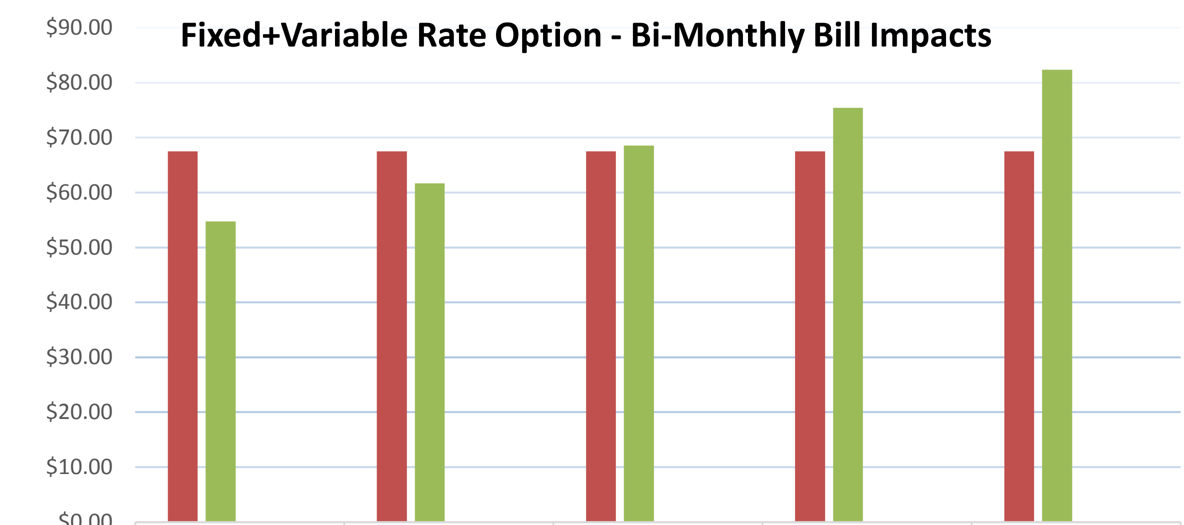
Bi-monthly Bill = Fix Cost ($47.88) + Water Use (Max 20 Units per billing period) * Variable Rate ($1.72)

Bi-monthly Bill = $47.88 + 8 units *$1.72/Unit = $61.67

See tables below for additional information.



	4 kgal/period	8 kgal/period	12 kgal/period	16 kgal/period	20 kgal/period
Current	$67.50	$67.50	$67.50	$67.50	$67.50
Proposed	$73.95	$73.95	$73.95	$73.95	$73.95
$ Change	$6.45	$6.45	$6.45	$6.45	$6.45
% Change	10%	10%	10%	10%	10%



	4 kgal/period	8 kgal/period	12 kgal/period	16 kgal/period	20 kgal/period
Current	$67.50	$67.50	$67.50	$67.50	$67.50
Proposed	$54.77	$61.67	$68.57	$75.46	$82.36
$ Change	-$12.73	-$5.83	$1.07	$7.96	$14.86
% Change	-19%	-9%	2%	12%	22%

RFC will have further discussion at the Board Meeting on the method and procedure for the variable + fixed wastewater rate structure for multi-family accounts as shown the example below.

A proposed Multi-Family Bi-Monthly Bill with 4 units

Bi-monthly Bill = Fix Cost ($31.33) + Water Use (Max 20 Units per billing period) * Variable Rate ($1.91)

Bi-monthly Bill = $47.88 + 20 units *$1.91/Unit = $69.62 * 4 units = $278.47.

Staff also included an updated project schedule (see attached) which includes the starting time and dates for each meeting.

The next step is to complete the Water and Wastewater Cost of Service study including the proposed rate structures for final approval from the Board of Directors. The information provided from the Water and Wastewater Cost of Service will be used for the upcoming Proposition 218 notice.

Prepared by:	Submitted by:
David S. Gould, P.E.	Thomas A. Love
District Engineer	General Manager

Attachments:

CRESCENTA VALLEY WATER DISTRICT
BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 3
April 5, 2016

To: Honorable President and Members of the Board of Directors

From: David S. Gould. P.E. – District Engineer

Subject: **FY 2016/17 Preliminary Water and Wastewater Budget Review**

ACTION ITEM:

FY 2016/17 Water and Wastewater Budgets – Discussion regarding the preliminary FY 2016/17 Water and Wastewater Budgets

BACKGROUND

The preliminary budgets for FY 2016/17 for the Water and Wastewater funds have been prepared by staff and previously presented to the Finance Committee and Board of Directors for review and discussion.

At the March 22, 2016 Board meeting, the Board directed staff to review the FY 2016/17 Water budget and identify any additional operations & maintenance and/or general administrative expense that could be reduced and to eliminate the transfer of additional funds from the MTBE fund for discussion at the Finance Committee meeting on March 29, 2016.

DISCUSSION:

Fiscal Year 2016/17 Water Budget

A revised Preliminary Water Budget for Fiscal Year 2016/17 (Version 7) was presented to the Finance Committee that reflects the Board's direction. The following summarizes the revisions to the preliminary budget (Version 6-1) that was presented at the March 22nd meeting.

- Compensation and benefits have been updated to reflect the February 2016 CPI-W, which was 2.7% and per the MOU, the Cost of Living Adjustment (COLA) for employees is 90% of the February 2016 CPI-W or 2.07%. There were other changes to compensation and benefits such as reduction in CVWD's Health Dental & Vision plans are included which partially offset the increase due to the CPI update. Net change $40,000 increase.
- Plant water operation expense has been reduced by $58,700.
- Distribution system expense has been reduced by $111,750.
- General and administrative expense has been reduced by $47,100.

Total expense reduction as shown on the attached "Table WB-4, Expense Reduction" was reduced by $169,300 or 8% from the proposed budget presented on March 22, 2016 and $218,800 from the preliminary water budget presented on March 1, 2016. Also attached is "Table WB-4 – Operations & Maintenance Expenses", which reflect the adjustments as shown in the previous table.

As discussed with the Finance Committee, with the proposed expense reductions and the elimination of the $1,000,000 transfer from the MTBE Fund, there still will be a require a rate increase of 7.4% in FY 16/17 and greater rate increases in following years. At the water rates proposed in the cashflow model, CVWD's reserves would fall below its target level by up to $2M and reduce its rate stabilization fund.

It was recommended by the Finance Committee to include the $1,000,000 transfer from the MTBE Fund and reducing the preliminary rate increase to 6.5%, which is shown on the attached "Table WB-9". Also attached is the Water Expense vs. Revenue Summary for review.

Fiscal Year 2016/17 Wastewater Budget

The Preliminary Wastewater Budget for Fiscal Year 2016/17 (Version 6) is included with this staff report that reflects the adjustment in the "Table WWB-4 – Operations & Maintenance Expenses" that was discussed above.

As shown on the attached "Table WWB-9", there is no proposed rate increase as part of the FY 2016/17 Wastewater Budget. However, the Wastewater Cost of Service Study shows an increase of the base charge for Single Family accounts from \$67.50 to \$73.95or 9.6% per bi-monthly period and a decrease in the base charge for Multi-Family accounts from \$67.50 to \$48.39 or -28.3% per bi-monthly period. The Wastewater Cost of Service Study also shows a proposed volume based wastewater rate structure that could reduce the costs to Single Family and Multi-Family accounts. This issue will be discussed further during the Wastewater Cost of Service Study presentation.

Prepared by:

David S. Gould, P.E.
District Engineer

Submitted by:

Thomas A. Love
General Manager

Attachments:

Water Budget Table WB-4 - Expense Reductions	Projected FY 15/16	v7 4/5/16	v6.1 3/22/16	v5 3/1/16	Budget FY 15/16
Description	Projected FY 2015-16	Budget FY 2016-17	Budget FY 2016-17	Budget FY 2016-17	Budget FY 2015-16
COMPENSATION AND BENEFITS					
Director Fees	$ 10,800	$ 9,000	$ 9,000	$ 9,000	$ 8,000
Compensation					
Officer Salaries	$ 164,500	$ 170,000	$ 168,000	$ 168,000	$ 164,500
Administrative Services Labor	$ 355,000	$ 366,000	$ 361,000	$ 361,000	$ 360,000
Administrative Services Labor - OT	$ 3,300	$ 3,000	$ 3,000	$ 3,000	$ 3,000
Engineering Department Labor	$ 290,000	$ 298,000	$ 291,000	$ 291,000	$ 436,000
Engineering Department Labor-OT	$ 4,300	$ 4,000	$ 4,000	$ 4,000	$ 2,000
Plant - Office Labor	$ 158,800	$ 221,000	$ 218,000	$ 218,000	$ 236,000
Plant - Office Labor-OT	$ 400	$ -	$ -	$ -	$ 400
System Operators Labor	$ 277,000	$ 298,000	$ 293,000	$ 293,000	$ 324,000
System Operators Labor-OT	$ 21,900	$ 22,000	$ 22,000	$ 22,000	$ 27,000
Utility Workers Labor	$ 334,000	$ 345,000	$ 339,000	$ 339,000	$ 372,000
Utility Workers Labor-OT	$ 50,600	$ 52,000	$ 51,000	$ 51,000	$ 45,000
Standby Pay	$ 43,300	$ 43,000	$ 43,000	$ 43,000	$ 41,000
Auto Allowance	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Labor Transfer to Capital	$ -	$ -	$ -	$ -	$ (150,000)
Compensation Total	$ 1,723,900	$ 1,841,000	$ 1,812,000	$ 1,812,000	$ 1,878,900
Sick and Vacation - Office	$ 99,800	$ 112,000	$ 110,000	$ 110,000	$ 107,000
Sick and Vacation - Plant	$ 66,500	$ 74,000	$ 73,000	$ 73,000	$ 71,000
Taxes - Payroll (Total Employees)	$ 132,700	$ 139,000	$ 137,000	$ 137,000	$ 136,000
PERS Retirement (Total Employees)	$ 275,000	$ 315,000	$ 311,000	$ 311,000	$ 291,000
Workers' Compensation - Office	$ 19,800	$ 21,000	$ 20,000	$ 20,000	$ 16,000
Workers' Compensation - Plant	$ 80,300	$ 90,000	$ 89,000	$ 89,000	$ 74,000
Health and Dental and Vision - Office	$ 130,700	$ 128,000	$ 128,000	$ 128,000	$ 137,000
Life & Disability Insurance - Office & Plant	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Health and Dental and Vision - Plant	$ 136,300	$ 140,000	$ 140,000	$ 140,000	$ 152,000
Self Insurance	$ 6,600	$ 13,000	$ 13,000	$ 13,000	$ 13,000
Retiree - Health Care Expense	$ 72,100	$ 74,000	$ 74,000	$ 74,000	$ 79,000
Benefits Total	$ 1,029,800	$ 1,116,000	$ 1,105,000	$ 1,105,000	$ 1,086,000
TOTAL COMPENSATION AND BENEFITS	$ 2,753,700	$ 2,957,000	$ 2,917,000	$ 2,917,000	$ 2,964,900
PLANT - WATER OPERATION					
Taxes - Property	$ 12,800	$ 13,300	$ 13,300	$ 13,300	$ 12,800
Glenwood - Plant Maintenance	$ 25,000	$ 23,000	$ 26,000	$ 26,000	$ 25,000
Glenwood - Landscape	$ 5,900	$ 5,500	$ 7,500	$ 7,500	$ 7,500
Office Supplies & Misc Expenses - Plant	$ 6,000	$ 7,000	$ 7,000	$ 7,000	$ 6,000
Glenwood - Utilities	$ 14,000	$ 16,000	$ 16,000	$ 16,000	$ 14,000
Glenwood - Enterprise Communications - Move to Office	$ -	$ -	$ -	$ -	$ 6,350

Water Budget Table WB-4 - Expense Reductions	Projected FY 15/16	v7 4/5/16	v6.1 3/22/16	v5 3/1/16	Budget FY 15/16
Description	**Projected FY 2015-16**	**Budget FY 2016-17**	**Budget FY 2016-17**	**Budget FY 2016-17**	**Budget FY 2015-16**
Glenwood - Data Communications	$ -	$ -	$ -	$ -	$ 18,350
Glenwood - Wireless Voice & Data Communications	$ -	$ -	$ -	$ -	$ 12,500
Training - Plant	$ 7,000	$ 7,000	$ 7,500	$ 7,500	$ 7,000
Education Reimbursement/Certifications	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Glenwood - Safety and Security System	$ 17,000	$ 17,000	$ 17,500	$ 17,500	$ 17,000
Glenwood - Uniforms	$ 9,000	$ 9,000	$ 9,000	$ 9,000	$ 8,500
Permit & Assessment Fees	$ 1,500	$ 1,500	$ 2,000	$ 2,000	$ 1,500
Tools and Equipment Maintenance	$ 14,500	$ 16,000	$ 16,000	$ 16,000	$ 20,000
Nitrate Plant Maintenance	$ 56,500	$ 70,000	$ 85,000	$ 85,000	$ 80,000
SCADA - Telemetering & Signal	$ 6,000	$ 10,000	$ 15,000	$ 15,000	$ 13,500
SCADA Hardware	$ 3,500	$ 6,000	$ 9,000	$ 9,000	$ 6,000
SCADA Software	$ 12,000	$ 13,000	$ 13,000	$ 13,000	$ 12,000
SCADA - Communications	$ 2,500	$ 2,500	$ 2,500	$ 2,500	$ 3,500
Lab & Sampling	$ 60,000	$ 65,000	$ 67,000	$ 67,000	$ 65,000
Chlorine & Treatment	$ 70,000	$ 71,000	$ 77,000	$ 77,000	$ 75,000
TOTAL PLANT WATER OPERATION	$ 327,200	$ 356,800	$ 394,300	$ 394,300	$ 415,500
DISTRIBUTION SYSTEM EXPENSES					
Backflow Expense	$ 250	$ 500	$ 500	$ 500	$ 250
Pipelines - Maintenance	$ 40,000	$ 51,000	$ 51,000	$ 51,000	$ 50,000
Pipelines - Paving	$ 19,000	$ 20,000	$ 20,000	$ 20,000	$ 17,000
Pipelines - Fire Hydrant & Fire Service Repair/Replace	$ 15,500	$ 13,000	$ 13,000	$ 13,000	$ 12,000
Pipelines - Leak Detection/Leak Repair	$ 3,200	$ 25,000	$ 25,000	$ 25,000	$ 3,000
Pipelines - Trench Plate Rentals	$ 3,400	$ 2,500	$ 2,500	$ 2,500	$ 1,500
Pipelines - Water Sampling Stations	$ 250	$ 500	$ 500	$ 500	$ 500
Pipelines - Valves	$ 3,400	$ 4,000	$ 4,000	$ 4,000	$ 3,000
Reservoir - Maintenance	$ 97,000	$ 73,000	$ 83,000	$ 83,000	$ 80,000
Reservoir - Landscape	$ 17,000	$ 17,000	$ 23,000	$ 23,000	$ 22,000
Meters - Maintenance	$ 220,000	$ 250,000	$ 250,000	$ 250,000	$ 275,000
Meters - Paving	$ 231,000	$ 230,000	$ 250,000	$ 250,000	$ 275,000
Meters - Repair/Replacement/Upgrade	$ 12,000	$ 10,000	$ 16,000	$ 16,000	$ 15,000
Meters - Lateral Leaks	$ 88,000	$ 76,000	$ 150,000	$ 150,000	$ 150,000
Meters - Trench Plate Rentals	$ 1,500	$ 2,000	$ 2,000	$ 2,000	$ 2,000
Meters - D-jobs	$ 8,000	$ 8,000	$ 8,000	$ 8,000	$ 8,000
Wells - Maintenance	$ 16,200	$ 45,000	$ 33,000	$ 33,000	$ 32,000
Wells - Landscape	$ 3,500	$ 5,000	$ 4,000	$ 4,000	$ 3,500
Wells - Rent	$ 300	$ 300	$ 300	$ 300	$ 300
Booster Pump - Maintenance	$ 55,000	$ 57,000	$ 65,000	$ 65,000	$ 60,000
Emergency Generators	$ 18,000	$ 22,500	$ 22,500	$ 22,500	$ 22,000

Water Budget Table WB-4 - Expense Reductions	Projected FY 15/16	v7 4/5/16	v6.1 3/22/16	v5 3/1/16	Budget FY 15/16
Description	Projected FY 2015-16	Budget FY 2016-17	Budget FY 2016-17	Budget FY 2016-17	Budget FY 2015-16
Auto/Truck - Maintenance	$ 60,000	$ 55,000	$ 55,000	$ 55,000	$ 50,000
Auto/Truck - Gas	$ 17,500	$ 20,000	$ 20,000	$ 20,000	$ 17,500
Auto/Truck - Diesel	$ 16,500	$ 18,000	$ 18,000	$ 18,000	$ 17,500
TOTAL DISTRIBUTION SYSTEM EXPENSES	$ 946,500	$ 1,005,300	$ 1,116,300	$ 1,116,300	$ 1,117,050
GENERAL AND ADMINISTRATIVE EXPENSES					
General Liability Insurance	$ 53,000	$ 56,000	$ 56,000	$ 56,000	$ 53,000
Accounting - Audit	$ 13,000	$ 13,000	$ 13,000	$ 13,000	$ 13,000
Legal Consulting Fees	$ 51,000	$ 47,000	$ 47,000	$ 47,000	$ 45,000
Administrative Consultants	$ 90,000	$ 130,000	$ 130,000	$ 130,000	$ 120,000
Election Expense	$ -	$ -	$ -	$ -	$ 40,000
Office Maintenance	$ 12,000	$ 12,000	$ 12,000	$ 12,000	$ 12,000
Landscape Maintenance - Office	$ 6,500	$ 7,500	$ 7,500	$ 7,500	$ 7,500
Office Supplies & Misc Expenses - Office	$ 5,500	$ 5,500	$ 5,500	$ 5,500	$ 5,500
Computer Hardware	$ 27,000	$ 25,000	$ 25,000	$ 25,000	$ 27,000
Computer Software	$ -	$ -	$ -	$ -	$ 40,000
Computer Software, Maintenance, Licenses	$ 45,000	$ 50,000	$ 50,000	$ 50,000	$ 20,000
Utilities - Office	$ 23,000	$ 21,000	$ 21,000	$ 21,000	$ 20,000
Enterprise Voice Communications	$ 38,200	$ 40,000	$ 43,800	$ 43,800	$ 6,400
Data Communications - Fiber Lines/Internet	$ 47,500	$ 49,000	$ 49,000	$ 49,000	$ 16,500
Wireless Voice & Data Communications-cell	$ 14,000	$ 14,000	$ 14,000	$ 14,000	$ 17,000
Printing, Postage, Stationery, Copier Maint.	$ 35,000	$ 37,500	$ 37,500	$ 37,500	$ 37,000
Uncollectible Accounts-Water	$ 4,400	$ 3,500	$ 3,500	$ 3,500	$ 3,000
Water System Fees (DHS, RWQCB, LAFCO, Misc)	$ 46,000	$ 50,000	$ 50,000	$ 50,000	$ 60,000
Engineering Department	$ 10,800	$ 11,000	$ 11,000	$ 11,000	$ 9,900
Water Conservation	$ 26,000	$ 30,000	$ 40,000	$ 44,500	$ 45,000
Pipeline/Advertising - Water Conservation	$ 2,000	$ 2,500	$ 2,500	$ 2,500	$ 5,000
Turf Rebates - Water Conservation	$ 35,000	$ -	$ -	$ 35,000	$ 35,000
Device Rebates - Water Conservation	$ 3,500	$ 5,000	$ 10,000	$ 20,000	$ 5,000
Community Outreach	$ 9,200	$ 12,000	$ 12,000	$ 12,000	$ 12,000
Training - Office	$ 2,900	$ 3,500	$ 3,500	$ 3,500	$ 3,000
Conferences and Seminars - Office	$ 8,000	$ 9,000	$ 9,000	$ 9,000	$ 10,000
Board of Directors - Conferences and Seminars	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 2,300
Misc Administration - Office	$ 4,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
Board of Directors - Misc Administration	$ 1,500	$ 2,000	$ 2,000	$ 2,000	$ 2,000
Membership Renewals/Subscriptions	$ 22,000	$ 22,000	$ 23,000	$ 23,000	$ 26,000
Bank Charges	$ 16,500	$ 18,000	$ 18,000	$ 18,000	$ 15,500
Rental Property Maintenance	$ 3,100	$ 2,500	$ 3,500	$ 3,500	$ 3,100
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	$ 660,600	$ 688,500	$ 709,300	$ 758,800	$ 735,600

Water Budget Table WB-4 - Expense Reductions	Projected FY 15/16	v7 4/5/16	v6.1 3/22/16	v5 3/1/16	Budget FY 15/16
Description	Projected FY 2015-16	Budget FY 2016-17	Budget FY 2016-17	Budget FY 2016-17	Budget FY 2015-16
Emergency Operations	$ 1,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000
FIRE & DEBRIS RECOVERY	$ 1,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000
TOTAL EXPENSE	$ 4,689,000	$ 5,009,600	$ 5,138,900	$ 5,188,400	$ 5,235,050
Total O & M Expense (w/o Labor & Benefits)	$ 1,935,300	$ 2,052,600	$ 2,221,900	$ 2,271,400	$ 2,270,150

Legend

Magenta - Comp & Benefits adjsuted for Feb 16 COLA - 2.07%

Yellow - Expenses adjusted from V6.1 to V7 for FY 16/17

Green - Projected Expenses adjusted for FY 15/16

Savings v6.1 vs v7	$	(169,300)	-7.6%
Savings v5 vs v7	$	(218,800)	-9.6%

Water Budget Table WB-4 - Summary of Water O & M Expenses - FY 16/17 - Preliminary v8

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
COMPENSATION AND BENEFITS									
Director Fees	$ 8,370	$ 9,225	*$ 8,000*	$ 10,800	$ 9,000	$ 9,000	$ 9,000	$ 9,000	$ 9,000
Compensation									
Officer Salaries	$ 144,628	$ 150,010	*$ 164,500*	$ 164,500	$ 170,000	$ 171,000	$ 172,000	$ 174,000	$ 176,000
Administrative Services Labor	$ 312,017	$ 332,408	*$ 360,000*	$ 355,000	$ 366,000	$ 371,000	$ 376,000	$ 382,000	$ 385,000
Administrative Services Labor - OT	$ 6,127	$ 3,209	*$ 3,000*	$ 3,300	$ 3,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000
Engineering Department Labor	$ 301,033	$ 291,255	*$ 436,000*	$ 290,000	$ 298,000	$ 301,000	$ 308,000	$ 313,000	$ 317,000
Engineering Department Labor-OT	$ 2,164	$ 2,627	*$ 2,000*	$ 4,300	$ 4,000	$ 4,000	$ 4,000	$ 5,000	$ 5,000
Plant - Office Labor	$ 219,552	$ 202,521	*$ 236,000*	$ 158,800	$ 221,000	$ 223,000	$ 225,000	$ 228,000	$ 243,000
Plant - Office Labor-OT	$ 466	$ 352	*$ 400*	$ 400	$ -	$ -	$ -	$ -	$ -
System Operators Labor	$ 295,911	$ 274,129	*$ 324,000*	$ 277,000	$ 298,000	$ 301,000	$ 304,000	$ 307,000	$ 310,000
System Operators Labor-OT	$ 24,712	$ 24,973	*$ 27,000*	$ 21,900	$ 22,000	$ 22,000	$ 22,000	$ 23,000	$ 23,000
Utility Workers Labor	$ 294,955	$ 325,943	*$ 372,000*	$ 334,000	$ 345,000	$ 356,000	$ 364,000	$ 374,000	$ 398,000
Utility Workers Labor-OT	$ 42,065	$ 51,582	*$ 45,000*	$ 50,600	$ 52,000	$ 51,000	$ 52,000	$ 53,000	$ 54,000
Standby Pay	$ 42,002	$ 41,038	*$ 41,000*	$ 43,300	$ 43,000	$ 44,000	$ 44,000	$ 45,000	$ 46,000
Auto Allowance	$ 8,700	$ 9,075	*$ 10,000*	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Labor Transfer to Capital	$ (128,358)		*$ (150,000)*	$ -	$ -	*combined with Engineering Dept. Labor*			$ -
Compensation Total	$ 1,702,702	$ 1,718,347	*$ 1,878,900*	$ 1,723,900	$ 1,841,000	$ 1,866,000	$ 1,893,000	$ 1,926,000	$ 1,979,000
Sick and Vacation - Office	$ 67,986	$ 133,363	*$ 107,000*	$ 99,800	$ 112,000	$ 112,000	$ 113,000	$ 115,000	$ 116,000
Sick and Vacation - Plant	$ 45,324	$ 88,909	*$ 71,000*	$ 66,500	$ 74,000	$ 74,000	$ 76,000	$ 77,000	$ 77,000
Taxes - Payroll (Total Employees)	$ 126,904	$ 130,866	*$ 136,000*	$ 132,700	$ 139,000	$ 141,000	$ 143,000	$ 145,000	$ 147,000
PERS Retirement (Total Employees)	$ 264,073	$ 274,681	*$ 291,000*	$ 275,000	$ 315,000	$ 342,000	$ 367,000	$ 392,000	$ 404,000
Workers' Compensation - Office	$ 14,131	$ 13,221	*$ 16,000*	$ 19,800	$ 21,000	$ 18,000	$ 16,000	$ 13,000	$ 13,000
Workers' Compensation - Plant	$ 58,439	$ 56,460	*$ 74,000*	$ 80,300	$ 90,000	$ 82,000	$ 71,000	$ 57,000	$ 58,000
Health and Dental and Vision - Office	$ 124,616	$ 136,220	*$ 137,000*	$ 130,700	$ 128,000	$ 131,000	$ 133,000	$ 136,000	$ 138,000
Life & Disability Insurance - Office & Plant	$ 8,374	$ 9,497	*$ 10,000*	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 11,000	$ 12,000
Health and Dental and Vision - Plant	$ 132,108	$ 140,649	*$ 152,000*	$ 136,300	$ 140,000	$ 142,000	$ 145,000	$ 148,000	$ 150,000
Self Insurance	$ 11,286	$ 9,301	*$ 13,000*	$ 6,600	$ 13,000	$ 13,000	$ 13,000	$ 13,000	$ 13,000
Retiree - Health Care Expense	$ 86,345	$ 74,635	*$ 79,000*	$ 72,100	$ 74,000	$ 75,000	$ 77,000	$ 78,000	$ 80,000
Benefits Total	$ 939,586	$ 1,067,802	*$ 1,086,000*	$ 1,029,800	$ 1,116,000	$ 1,140,000	$ 1,164,000	$ 1,185,000	$ 1,208,000
TOTAL COMPENSATION AND BENEFITS	$ 2,642,288	$ 2,786,149	*$ 2,964,900*	$ 2,753,700	$ 2,957,000	$ 3,006,000	$ 3,057,000	$ 3,111,000	$ 3,187,000
PLANT - WATER OPERATION									
Taxes - Property	$ 12,030	$ 12,302	*$ 12,800*	$ 12,800	$ 13,300	$ 13,800	$ 14,300	$ 14,800	$ 15,300
Glenwood - Plant Maintenance	$ 10,417	$ 35,332	*$ 25,000*	$ 25,000	$ 23,000	$ 24,000	$ 25,000	$ 26,000	$ 27,000
Glenwood - Landscape	$ 4,716	$ 5,460	*$ 7,500*	$ 5,900	$ 5,500	$ 6,000	$ 6,500	$ 7,000	$ 7,500
Office Supplies & Misc Expenses - Plant	$ 8,880	$ 9,369	*$ 6,000*	$ 6,000	$ 7,000	$ 7,500	$ 8,000	$ 8,000	$ 8,000
Glenwood - Utilities	$ 16,329	$ 17,368	*$ 14,000*	$ 14,000	$ 16,000	$ 17,000	$ 18,000	$ 19,000	$ 20,000
Glenwood - Enterprise Communications - Move to Office	$ 37,923	$ 42,352	*$ -*	$ -	$ -	*combined 01-01-5225*		$ -	$ -
Glenwood - Wireless Voice & Data Communications	$ 8,159	$ 10,135	*$ -*	$ -	$ -	*combined 01-01-5226*		$ -	$ -
Training - Plant	$ 7,010	$ 6,307	*$ 7,000*	$ 7,000	$ 7,000	$ 7,500	$ 8,000	$ 8,500	$ 8,700
Education Reimbursement/Certifications	$ 5,675	$ 3,707	*$ 4,000*	$ 4,000	$ 4,000	$ 4,000	$ 5,000	$ 5,000	$ 5,000

Water Budget Table WB-4 - Summary of Water O & M Expenses - FY 16/17 - Preliminary v8

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
Glenwood - Safety and Security System	$ 25,889	$ 16,888	$ 17,000	$ 17,000	$ 17,000	$ 17,500	$ 18,000	$ 18,500	$ 19,000
Glenwood - Uniforms	$ 9,700	$ 9,865	$ 8,500	$ 9,000	$ 9,000	$ 9,500	$ 10,000	$ 10,500	$ 11,000
Permit & Assessment Fees	$ 1,198	$ 1,230	$ 1,500	$ 1,500	$ 1,500	$ 2,000	$ 2,000	$ 2,000	$ 2,000
Tools and Equipment Maintenance	$ 12,008	$ 14,961	$ 20,000	$ 14,500	$ 16,000	$ 17,000	$ 18,000	$ 19,000	$ 20,000
Nitrate Plant Maintenance	$ 39,189	$ 49,440	$ 80,000	$ 56,500	$ 70,000	$ 75,000	$ 77,000	$ 79,000	$ 81,000
SCADA - Telemetering & Signal	$ 8,241	$ 7,687	$ 13,500	$ 6,000	$ 10,000	$ 12,000	$ 13,000	$ 14,000	$ 15,000
SCADA Hardware	$ 2,861	$ 11,182	$ 6,000	$ 3,500	$ 6,000	$ 8,000	$ 9,000	$ 10,000	$ 11,000
SCADA Software	$ 204	$ -	$ 12,000	$ 12,000	$ 13,000	$ 14,000	$ 15,000	$ 16,000	$ 17,000
SCADA - Communications	$ 1,593	$ 1,431	$ 3,500	$ 2,500	$ 2,500	$ 3,000	$ 3,500	$ 4,000	$ 4,500
Lab & Sampling	$ 52,308	$ 93,575	$ 65,000	$ 60,000	$ 65,000	$ 67,000	$ 69,000	$ 71,000	$ 73,000
Chlorine & Treatment	$ 61,361	$ 72,859	$ 75,000	$ 70,000	$ 71,000	$ 73,000	$ 75,000	$ 78,000	$ 80,000
TOTAL PLANT WATER OPERATION	$ 325,691	$ 421,450	$ 415,500	$ 327,200	$ 356,800	$ 377,800	$ 394,300	$ 410,300	$ 425,000
DISTRIBUTION SYSTEM EXPENSES									
Backflow Expense	$ 389	$ 331	$ 250	$ 250	$ 500	$ 500	$ 500	$ 500	$ 500
Pipelines - Maintenance	$ 18,930	$ 55,643	$ 50,000	$ 40,000	$ 51,000	$ 52,000	$ 53,000	$ 54,000	$ 55,000
Pipelines - Paving	$ 12,908	$ 19,030	$ 17,000	$ 19,000	$ 20,000	$ 21,000	$ 22,000	$ 23,000	$ 24,000
Pipelines - Fire Hydrant & Fire Service Repair/Replace	$ 547	$ 9,939	$ 12,000	$ 15,500	$ 13,000	$ 14,000	$ 15,000	$ 16,000	$ 17,000
Pipelines - Leak Detection/Leak Repair	$ 330	$ 550	$ 3,000	$ 3,200	$ 25,000	$ 5,000	$ 25,000	$ 5,000	$ 6,000
Pipelines - Trench Plate Rentals	$ 1,229	$ 4,373	$ 1,500	$ 3,400	$ 2,500	$ 2,500	$ 2,500	$ 2,500	$ 2,000
Pipelines - Water Sampling Stations	$ 669	$ 1,252	$ 500	$ 250	$ 500	$ 500	$ 500	$ 500	$ 500
Pipelines - Valves	$ -	$ -	$ 3,000	$ 3,400	$ 4,000	$ 5,000	$ 6,000	$ 7,000	$ 8,000
Reservoir - Maintenance	$ 30,917	$ 73,564	$ 80,000	$ 97,000	$ 73,000	$ 77,000	$ 80,000	$ 83,000	$ 86,000
Reservoir - Landscape	$ 19,855	$ 14,752	$ 22,000	$ 17,000	$ 17,000	$ 18,000	$ 19,000	$ 20,000	$ 21,000
Meters - Maintenance	$ 328,235	$ 265,372	$ 275,000	$ 220,000	$ 250,000	$ 225,000	$ 185,000	$ 185,000	$ 185,000
Meters - Paving	$ 337,413	$ 186,142	$ 275,000	$ 231,000	$ 230,000	$ 230,000	$ 235,000	$ 240,000	$ 240,000
Meters - Repair/Replacement/Upgrade	$ 4,948	$ 4,823	$ 15,000	$ 12,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Meters - Lateral Leaks	$ 90,443	$ 58,875	$ 150,000	$ 88,000	$ 76,000	$ 75,000	$ 76,000	$ 77,000	$ 78,000
Meters - Trench Plate Rentals	$ 6,475	$ 3,420	$ 2,000	$ 1,500	$ 2,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Meters - D-jobs	$ 9,710	$ 101,219	$ 8,000	$ 8,000	$ 8,000	$ 8,000	$ 9,000	$ 9,000	$ 10,000
Wells - Maintenance	$ 27,331	$ 54,389	$ 32,000	$ 16,200	$ 45,000	$ 33,000	$ 37,000	$ 41,000	$ 44,000
Wells - Landscape	$ 7,581	$ 3,360	$ 3,500	$ 3,500	$ 5,000	$ 5,000	$ 6,000	$ 6,000	$ 6,000
Wells - Rent	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300
Booster Pump - Maintenance	$ 58,700	$ 18,453	$ 60,000	$ 55,000	$ 57,000	$ 63,000	$ 72,000	$ 77,000	$ 82,000
Emergency Generators	$ 11,712	$ 21,348	$ 22,000	$ 18,000	$ 22,500	$ 23,000	$ 23,500	$ 24,000	$ 24,500
Auto/Truck - Maintenance	$ 76,727	$ 72,212	$ 50,000	$ 60,000	$ 55,000	$ 57,000	$ 59,000	$ 61,000	$ 62,000
Auto/Truck - Gas	$ 25,875	$ 21,008	$ 17,500	$ 17,500	$ 20,000	$ 20,500	$ 21,000	$ 21,500	$ 22,000
Auto/Truck - Diesel	$ 17,042	$ 18,566	$ 17,500	$ 16,500	$ 18,000	$ 18,500	$ 19,000	$ 19,500	$ 20,000
TOTAL DISTRIBUTION SYSTEM EXPENSES	$ 1,112,362	$ 1,008,921	$ 1,117,050	$ 946,500	$ 1,005,300	$ 964,800	$ 977,300	$ 983,800	$ 1,004,800

Water Budget Table WB-4 - Summary of Water O & M Expenses - FY 16/17 - Preliminary v8

Description	Recorded FY 2013-14	Recorded FY 2014-15	*Budget FY 2015-16*	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
GENERAL AND ADMINISTRATIVE EXPENSES									
General Liability Insurance	$ 46,256	$ 44,131	*$ 53,000*	$ 53,000	$ 56,000	$ 59,000	$ 62,000	$ 65,000	$ 68,000
Accounting - Audit	$ 15,079	$ 11,515	*$ 13,000*	$ 13,000	$ 13,000	$ 14,500	$ 15,000	$ 15,500	$ 16,000
Legal Consulting Fees	$ 42,935	$ 85,614	*$ 45,000*	$ 51,000	$ 47,000	$ 49,000	$ 51,000	$ 53,000	$ 55,000
Administrative Consultants	$ 34,711	$ 73,932	*$ 120,000*	$ 90,000	$ 130,000	$ 130,000	$ 130,000	$ 130,000	$ 100,000
Election Expense	$ 36,751	$ -	*$ 40,000*	$ -	$ -	$ 45,000	$ -	$ 50,000	$ -
Office Maintenance	$ 10,135	$ 9,652	*$ 12,000*	$ 12,000	$ 12,000	$ 12,000	$ 13,000	$ 14,000	$ 15,000
Landscape Maintenance - Office	$ 5,129	$ 6,631	*$ 7,500*	$ 6,500	$ 7,500	$ 8,000	$ 8,500	$ 9,000	$ 9,500
Office Supplies & Misc Expenses - Office	$ 5,459	$ 5,041	*$ 5,500*	$ 5,500	$ 5,500	$ 6,000	$ 6,000	$ 6,000	$ 6,500
Computer Hardware	$ 21,660	$ 24,719	*$ 27,000*	$ 27,000	$ 25,000	$ 26,000	$ 27,000	$ 28,000	$ 29,000
Computer Software	$ 18,067	$ 27,965	*$ -*	$ -	$ -	*Combined with Computer Software, Maint. Lic*			
Computer Software, Maintenance, Licenses	$ 17,551	$ 19,353	*$ 60,000*	$ 45,000	$ 50,000	$ 50,000	$ 51,000	$ 52,000	$ 53,000
Utilities - Office	$ 17,698	$ 19,978	*$ 20,000*	$ 23,000	$ 21,000	$ 21,500	$ 22,000	$ 22,500	$ 23,000
Enterprise Voice Communications	$ 24,475	$ 25,463	*$ 12,750*	$ 38,200	$ 40,000	$ 41,000	$ 42,000	$ 43,000	$ 44,000
Data Communications - Fiber Lines/Internet	$ -	$ -	*$ 48,750*	$ 47,500	$ 49,000	$ 50,000	$ 51,000	$ 52,000	$ 53,000
Wireless Voice & Data Communications-cell	$ 15,078	$ 5,670	*$ 29,500*	$ 14,000	$ 14,000	$ 15,000	$ 15,500	$ 16,000	$ 16,500
Printing, Postage, Stationery, Copier Maint.	$ 41,638	$ 43,423	*$ 37,000*	$ 35,000	$ 37,500	$ 38,000	$ 38,500	$ 39,500	$ 40,500
Uncollectible Accounts-Water	$ 9,190	$ 9,312	*$ 3,000*	$ 4,400	$ 3,500	$ 3,500	$ 4,000	$ 4,000	$ 4,500
Water System Fees (DHS, RWQCB, LAFCO, Misc)	$ 47,454	$ 46,503	*$ 60,000*	$ 46,000	$ 50,000	$ 51,000	$ 52,000	$ 53,000	$ 54,000
Engineering Department	$ 10,511	$ 10,660	*$ 9,900*	$ 10,800	$ 11,000	$ 12,000	$ 13,000	$ 14,000	$ 15,000
Water Conservation	$ 31,208	$ 22,848	*$ 45,000*	$ 26,000	$ 30,000	$ 31,000	$ 32,000	$ 33,000	$ 34,000
Pipeline/Advertising - Water Conservation	$ -	$ 1,309	*$ 5,000*	$ 2,000	$ 2,500	$ 2,500	$ 2,500	$ 2,500	$ 2,500
Turf Rebates - Water Conservation	$ 51,061	$ 109,470	*$ 35,000*	$ 35,000	$ -	$ -	$ -	$ -	$ -
Device Rebates - Water Conservation	$ 50	$ 3,775	*$ 5,000*	$ 3,500	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
Community Outreach	$ -	$ 534	*$ 12,000*	$ 9,200	$ 12,000	$ 12,000	$ 12,000	$ 12,000	$ 12,000
Training - Office	$ 5,931	$ 3,271	*$ 3,000*	$ 2,900	$ 3,500	$ 4,000	$ 4,500	$ 5,000	$ 5,500
Conferences and Seminars - Office	$ 10,260	$ 7,518	*$ 10,000*	$ 8,000	$ 9,000	$ 10,000	$ 11,000	$ 12,000	$ 13,000
Board of Directors - Conferences and Seminars	$ 3,216	$ 2,265	*$ 2,300*	$ 5,000	$ 5,000	$ 5,000	$ 5,500	$ 6,000	$ 6,500
Misc Administration - Office	$ 2,598	$ 5,292	*$ 5,000*	$ 4,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
Board of Directors - Misc Administration	$ 1,286	$ 1,758	*$ 2,000*	$ 1,500	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000
Membership Renewals/Subscriptions	$ 23,501	$ 22,893	*$ 26,000*	$ 22,000	$ 22,000	$ 23,000	$ 24,000	$ 25,000	$ 26,000
Bank Charges	$ 12,818	$ 14,971	*$ 15,500*	$ 16,500	$ 18,000	$ 19,000	$ 20,000	$ 21,000	$ 22,000
Rental Property	$ -	$ 2,314	*$ 3,100*	$ 3,100	$ 2,500	$ 2,500	$ 2,500	$ 2,500	$ 2,500
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	$ 561,706	$ 667,780	*$ 735,600*	$ 660,600	$ 688,500	$ 752,500	$ 727,500	$ 797,500	$ 738,500
Emergency Operations	$ -	$ -	*$ 2,000*	$ 1,000	$ 2,000	$ 2,000	$ 3,000	$ 3,000	$ 3,000
EMERGENCY OPERATIONS	$ -	$ -	*$ 2,000*	$ 1,000	$ 2,000	$ 2,000	$ 3,000	$ 3,000	$ 3,000
TOTAL EXPENSE	$ 4,642,047	$ 4,884,300	*$ 5,235,050*	$ 4,689,000	$ 5,009,600	$ 5,103,100	$ 5,159,100	$ 5,305,600	$ 5,358,300
Total O & M Expense (w/o Labor & Benefits)	$ 1,999,759	$ 2,098,151	*$ 2,270,150*	$ 1,935,300	$ 2,052,600	$ 2,097,100	$ 2,102,100	$ 2,194,600	$ 2,171,300

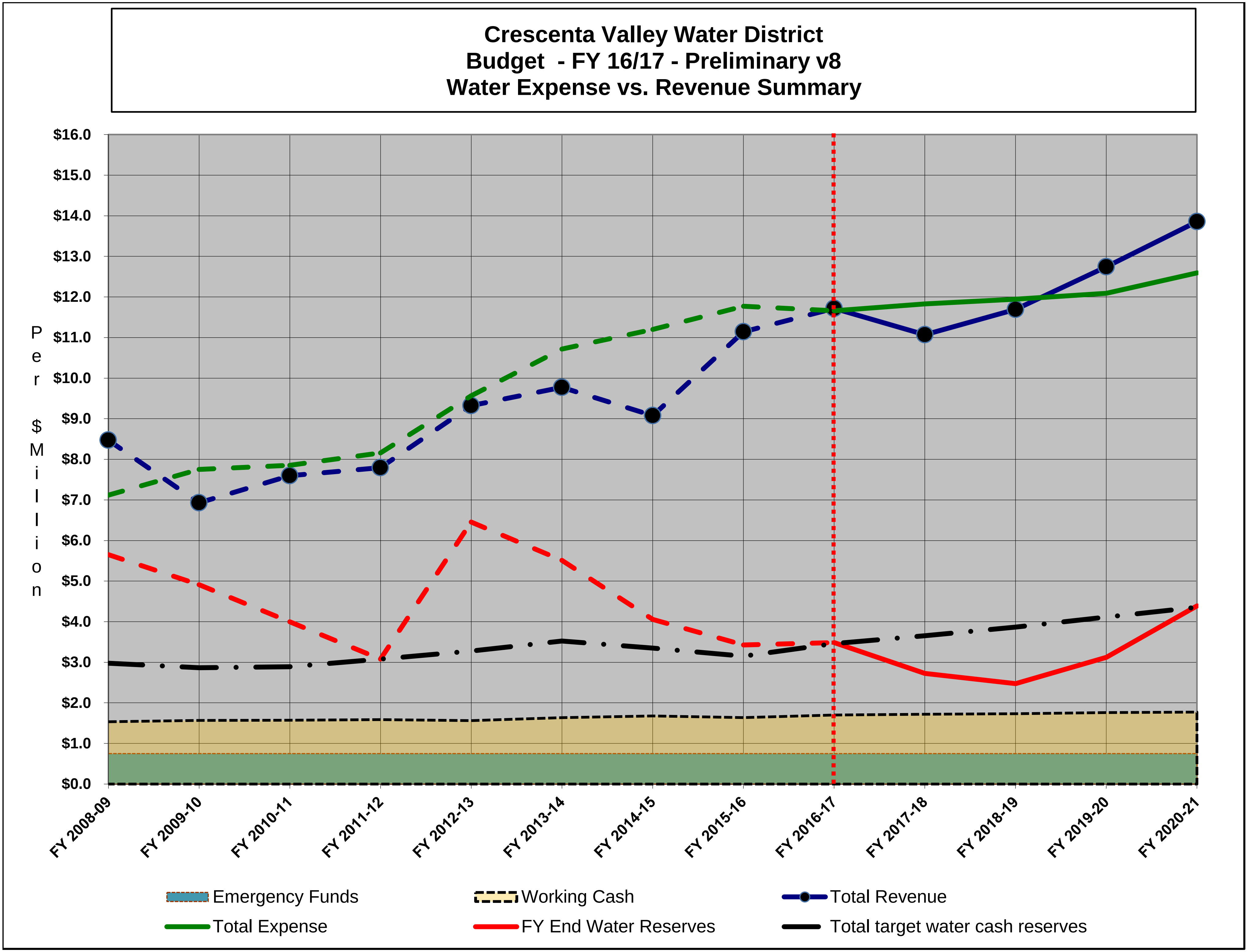
Water Budget Table WB-9 - Total Sources - FY 16/17 - Preliminary v8

	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
REVENUE									
Service Readiness Charge Revenue	$ 1,731,323	$ 1,828,481	$ 1,938,000	$ 1,936,000	$ 2,062,000	$ 2,211,000	$ 2,377,000	$ 2,559,000	$ 2,742,000
Metered sales of water (CVWD Costs)	$ 4,843,462	$ 4,162,173	$ 6,868,000	$ 6,058,000	$ 7,042,000	$ 7,745,000	$ 8,533,000	$ 9,411,000	$ 10,322,000
Required metered sales of water (FMWD Costs)	$ 2,619,953	$ 2,432,299	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Income - Water Reserves	$ 125,914	$ 91,782	$ 100,000	$ 140,000	$ 163,000	$ 149,000	$ 135,000	$ 129,000	$ 133,000
Interest Income - MTBE Reserves	$ 46,780	$ 103,000	$ 125,000	$ 110,000	$ 77,000	$ 79,000	$ 81,000	$ 83,000	$ 85,000
Source of Funds - Other Sources	$ 170,754	$ 221,080	$ 126,500	$ 136,000	$ 147,000	$ 153,000	$ 159,000	$ 169,000	$ 176,000
Sources of Funds - CIP Sources	$ 170,898	$ 238,461	$ 1,490,000	$ 761,225	$ 1,225,450	$ 730,475	$ 410,300	$ 390,000	$ 400,000
Transfer from MTBE Fund			$ 2,000,000	$ 2,000,000	$ 1,000,000	$ -	$ -	$ -	$ -
TOTAL REVENUE	$ 9,771,511	$ 9,077,276	$ 12,647,500	$ 11,141,225	$ 11,716,450	$ 11,067,475	$ 11,695,300	$ 12,741,000	$ 13,858,000
OPERATIONS & MAINTENANCE (O & M) EXPENSE									
Labor & Benefits	$ 2,642,288	$ 2,786,149	$ 2,964,900	$ 2,753,700	$ 2,957,000	$ 3,006,000	$ 3,057,000	$ 3,111,000	$ 3,187,000
Purchased Water (FMWD)	$ 3,151,636	$ 2,741,033	$ 2,093,000	$ 2,485,000	$ 2,099,000	$ 2,107,000	$ 2,116,000	$ 2,098,000	$ 2,028,000
Purchased Water (GWP)	$ -	$ -	$ 185,000	$ 78,585	$ 231,000	$ 240,000	$ 263,000	$ 274,000	$ 284,000
Power	$ 672,908	$ 682,044	$ 715,000	$ 634,200	$ 695,000	$ 716,000	$ 737,000	$ 759,000	$ 778,000
Operating expenses	$ 1,999,759	$ 2,098,151	$ 2,270,150	$ 1,935,300	$ 2,052,600	$ 2,097,100	$ 2,102,100	$ 2,194,600	$ 2,171,300
Total O & M Expense	$ 8,466,591	$ 8,307,377	$ 8,228,050	$ 7,886,785	$ 8,034,600	$ 8,166,100	$ 8,275,100	$ 8,436,600	$ 8,448,300
Debt Service (principal & interest)	$ 612,400	$ 612,454	$ 614,000	$ 614,000	$ 614,000	$ 614,000	$ 614,000	$ 614,000	$ 615,000
Bond Covenant	1.85	0.87	4.77	4.06	4.00	3.98	3.98	3.98	3.98
Total O & M Expense + Debt Service	$ 9,078,991	$ 8,919,831	$ 8,842,050	$ 8,500,785	$ 8,648,600	$ 8,780,100	$ 8,889,100	$ 9,050,600	$ 9,063,300
Cash Available for Capital - [Revenue - (Total O & M Expense + Debt Service)]	$ 692,520	$ 157,445	$ 3,805,450	$ 2,640,440	$ 3,067,850	$ 2,287,375	$ 2,806,200	$ 3,690,400	$ 4,794,700
CAPITAL OUTLAY, LIABILITIES and CAPITAL PROJECTS									
Capital Outlay & Equipment	$ 171,671	$ 140,870	$ 65,000	$ 22,000	$ 110,000	$ 150,000	$ 156,000	$ 140,000	$ 130,000
Re-Payment to MTBE Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 500,000
Future Liability (OPEB)	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000
Capital Improvements (pay-as-you-go)	$ 1,365,786	$ 1,981,000	$ 3,215,000	$ 3,147,606	$ 2,800,000	$ 2,800,000	$ 2,800,000	$ 2,800,000	$ 2,800,000
Total - Capital Outlay, CIP, CIP Fund & Future Liability	$ 1,637,457	$ 2,282,237	$ 3,380,000	$ 3,269,606	$ 3,010,000	$ 3,050,000	$ 3,056,000	$ 3,040,000	$ 3,530,000
INCREASE (DECREASE) TO CASH	$ (944,937)	$ (2,124,793)	$ 425,450	$ (629,166)	$ 57,850	$ (762,625)	$ (249,800)	$ 650,400	$ 1,264,700
FY begin available Water Reserves	$ 6,457,073	$ 5,512,136	$ 4,057,756	$ 4,057,756	$ 3,428,591	$ 3,486,441	$ 2,723,817	$ 2,474,017	$ 3,124,417
FY End Water Reserves	$ 5,512,136	$ 3,387,343	$ 4,483,207	$ 3,428,591	$ 3,486,441	$ 2,723,817	$ 2,474,017	$ 3,124,417	$ 4,389,117
Reconciliation	$ -	$ 670,413	$ -	$ -	$ -	$ -	$ -	$ -	$ -
FY End Water Reserves	$ 5,512,136	$ 4,057,756	$ 4,483,207	$ 3,428,591	$ 3,486,441	$ 2,723,817	$ 2,474,017	$ 3,124,417	$ 4,389,117
TOTAL TARGET WATER CASH RESERVES	$ 3,524,000	$ 3,348,000	$ 3,643,000	$ 3,152,000	$ 3,462,000	$ 3,656,000	$ 3,866,000	$ 4,114,000	$ 4,354,000
Above or (below) Target Reserves	$ 1,988,136	$ 709,756	$ 840,207	$ 276,591	$ 24,441	$ (932,183)	$ (1,391,983)	$ (989,583)	$ 35,117
Effective date of water rates	7/1/13	7/1/14	7/1/15	7/1/15	7/1/16	7/1/17	7/1/18	7/1/19	7/1/20
Projected Rate Increase for Service Charge	5.6%	5.8%	5.7%	5.7%	6.5%	7.1%	7.4%	7.5%	7.0%
Service rates ($/month for 3/4" meter)	$ 17.10	$ 15.30	$ 18.10	$ 18.10	$ 19.30	$ 20.70	$ 22.20	$ 23.90	$ 25.60
Projected Rate Increase for Quantity Charge	5.6%	5.8%	5.7%	5.7%	6.5%	7.1%	7.4%	7.5%	7.0%
Quantity Charge: ($/kgal)	$ 5.33	$ 5.64	$ 5.96	$ 5.96	$ 6.35	$ 6.80	$ 7.30	$ 7.85	$ 8.40

Legend

Blue - Recorded Revenues & Expenses
Brown - Previous Year Budget & Projected End of Year
Black - Budget Revenues & Expenses
Green - Forcast Revenues & Expenses

Expense - 3/22/16	$	2,221,900
Expense - 3/29/16	$	2,052,600
Reduction	$	(169,300)



Crescenta Valley Water District
Budget - FY 16/17 - Preliminary v8
Water Expense vs. Revenue Summary
Per $ Million
$16.0
$15.0
$14.0
$13.0
$12.0
$11.0
$10.0
$9.0
$8.0
$7.0
$6.0
$5.0
$4.0
$3.0
$2.0
$1.0
$0.0
FY 2008-09
FY 2009-10
FY 2010-11
FY 2011-12
FY 2012-13
FY 2013-14
FY 2014-15
FY 2015-16
FY 2016-17
FY 2017-18
FY 2018-19
FY 2019-20
FY 2020-21
Emergency Funds
Working Cash
Total Revenue
Total Expense
FY End Water Reserves
Total target water cash reserves

Wastewater Budget Table WWB - 4 Operation and Maintenance Expenses - FY 16/17 - Preliminary v6

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
TREATMENT AND DISPOSAL CHARGES									
Los Angeles ASSSC	$ 916,312	$ 675,013	$ 1,523,480	$ 1,195,872	$ 1,243,000	$ 1,243,000	$ 1,243,000	$ 1,243,000	$ 1,243,000
TOTAL TREATMENT AND DISPOSAL CHARGES	$ 951,312	$ 675,013	$ 1,523,480	$ 1,195,872	$ 1,243,000	$ 1,243,000	$ 1,243,000	$ 1,243,000	$ 1,243,000
COMPENSATION AND BENEFITS									
Director Fees	$ 8,370	$ 9,225	$ 8,000	$ 8,000	$ 9,000	$ 9,000	$ 9,000	$ 9,000	$ 9,000
Labor									
Officer Salaries	$ 144,628	$ 150,010	$ 164,500	$ 159,600	$ 170,000	$ 171,000	$ 172,000	$ 174,000	$ 176,000
Administrative Services Labor	$ 239,655	$ 261,192	$ 285,000	$ 283,800	$ 283,000	$ 247,000	$ 251,000	$ 255,000	$ 256,600
Administrative Services Labor - OT	$ 6,127	$ 3,923	$ 3,000	$ 3,000	$ 3,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000
Engineering Department Labor	$ 100,029	$ 91,208	$ 145,000	$ 100,000	$ 111,000	$ 100,300	$ 102,600	$ 104,300	$ 105,700
Engineering Department Labor-OT	$ 721	$ 876	$ 660	$ 1,200	$ 1,000	$ 1,325	$ 1,350	$ 1,700	$ 1,700
Auto Allowance	$ 8,700	$ 9,075	$ 10,000	$ 10,200	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Plant - Office Labor	$ 61,776	$ 56,639	$ 79,000	$ 60,000	$ 74,000	$ 74,300	$ 75,000	$ 76,000	$ 81,000
Plant - Office Labor-OT	$ 155	$ 117	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Maintenance Workers Labor	$ 153,163	$ 174,267	$ 199,000	$ 195,000	$ 201,000	$ 213,000	$ 218,000	$ 220,000	$ 226,000
Maintenance Workers Labor-OT	$ 27,434	$ 18,157	$ 22,000	$ 24,000	$ 22,000	$ 22,000	$ 22,000	$ 22,000	$ 23,000
Standby Pay	$ 14,000	$ 13,679	$ 14,000	$ 14,000	$ 14,000	$ 14,600	$ 14,600	$ 15,000	$ 15,300
Labor Transfer to Capital	$ (2,909)	$ -	$ (5,000)	$ -	$ -	*combined with Engineering Dept. Labor*			
Labor Total	$ 764,758	$ 788,369	$ 925,160	$ 858,800	$ 898,000	$ 864,525	$ 877,550	$ 889,000	$ 906,300
PERS Retirement (Total Employees)	$ 176,593	$ 185,480	$ 194,000	$ 185,000	$ 210,000	$ 228,000	$ 245,000	$ 262,000	$ 269,300
Taxes - Payroll (Total Employees)	$ 84,603	$ 87,244	$ 90,000	$ 89,000	$ 93,000	$ 94,000	$ 95,300	$ 96,600	$ 98,000
Sick and Vacation - Office	$ 22,662	$ 44,454	$ 36,000	$ 33,500	$ 37,000	$ 37,300	$ 37,600	$ 38,300	$ 38,600
Health and Dental and Vision - Office	$ 83,046	$ 91,056	$ 91,000	$ 87,500	$ 86,000	$ 87,300	$ 88,600	$ 90,600	$ 92,000
Retiree - Health Care Expense	$ 57,564	$ 49,757	$ 52,000	$ 48,000	$ 49,000	$ 50,000	$ 51,300	$ 52,000	$ 53,000
Life & Disability Insurance - Office and Plant	$ 5,583	$ 6,331	$ 6,600	$ 6,700	$ 7,000	$ 6,750	$ 6,750	$ 7,300	$ 8,000
Self Insurance	$ 6,894	$ 6,201	$ 8,800	$ 4,500	$ 8,000	$ 8,600	$ 8,600	$ 8,600	$ 8,600
Workers' Compensation - Office	$ 9,420	$ 8,815	$ 10,500	$ 13,000	$ 14,000	$ 12,000	$ 10,600	$ 8,600	$ 8,600
Sick and Vacation - Plant	$ 15,108	$ 29,636	$ 24,000	$ 24,000	$ 25,000	$ 24,600	$ 25,300	$ 25,600	$ 25,600
Health and Dental and Vision - Plant	$ 88,014	$ 93,666	$ 101,000	$ 95,000	$ 93,000	$ 94,700	$ 96,600	$ 98,600	$ 100,000
Workers' Compensation - Plant	$ 38,959	$ 37,640	$ 50,000	$ 52,000	$ 60,000	$ 54,675	$ 47,300	$ 38,000	$ 38,600
Compensation Total	$ 588,446	$ 640,280	$ 663,900	$ 638,200	$ 682,000	$ 697,925	$ 712,950	$ 726,200	$ 740,300
TOTAL COMPENSATION AND BENEFITS	$ 1,353,204	$ 1,428,649	$ 1,589,060	$ 1,497,000	$ 1,580,000	$ 1,562,450	$ 1,590,500	$ 1,615,200	$ 1,646,600
PLANT OPERATING EXPENSES									
Taxes - Property	$ 4,010	$ 4,101	$ 4,200	$ 4,200	$ 4,500	$ 4,600	$ 4,800	$ 4,900	$ 5,100
Glenwood - Plant Maintenance	$ 3,445	$ 3,174	$ 8,500	$ 8,500	$ 7,500	$ 8,000	$ 8,500	$ 8,600	$ 9,000
Landscaping Expense	$ 1,572	$ 1,820	$ 2,500	$ 2,500	$ 1,800	$ 2,000	$ 2,150	$ 2,300	$ 2,500
Office Supplies & Misc Expenses - Plant	$ 9,044	$ 9,353	$ 6,000	$ 6,000	$ 7,000	$ 7,500	$ 8,000	$ 8,000	$ 8,000
Glenwood - Utilities	$ 3,558	$ 3,575	$ 4,660	$ 3,200	$ 5,300	$ 5,700	$ 6,000	$ 6,300	$ 6,600
Glenwood - Voice Communications	$ 12,641	$ 14,117	$ -	$ -	$ -	*combined 01-01-5225*		$ -	$ -

Wastewater Budget Table WWB - 4 Operation and Maintenance Expenses - FY 16/17 - Preliminary v6

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
Glenwood - Wireless Voice & Data Communications	$ 2,720	$ 3,378	$ -	$ -	$ -	combined 01-01-5226		$ -	$ -
Training - Plant	$ 1,987	$ 3,222	$ 2,300	$ 2,100	$ 2,375	$ 2,500	$ 2,650	$ 2,800	$ 2,900
Education Reimbursement/Cert. - WW	$ 622	$ 252	$ 1,000	$ 750	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Glenwood - Safety and Security System	$ 8,020	$ 5,820	$ 5,800	$ 5,800	$ 5,750	$ 5,800	$ 6,000	$ 6,200	$ 6,300
Glenwood - Uniforms	$ 3,233	$ 3,288	$ 2,830	$ 3,400	$ 3,000	$ 3,250	$ 3,350	$ 3,500	$ 3,700
Tools and Equipment Maintenance	$ 18,098	$ 17,375	$ 20,000	$ 15,000	$ 16,000	$ 17,000	$ 18,000	$ 19,000	$ 20,000
Power - Lift Station	$ 691	$ 723	$ 750	$ 750	$ 750	$ 800	$ 800	$ 800	$ 800
Telemetering & Signal System	$ 2,641	$ 2,680	$ 4,500	$ 2,000	$ 3,300	$ 4,000	$ 4,300	$ 4,700	$ 5,000
SCADA Hardware	$ -	$ -	$ 2,000	$ 1,500	$ 2,000	$ 2,700	$ 3,000	$ 3,300	$ 3,700
SCADA Software	$ -	$ -	$ 4,000	$ 2,000	$ 4,400	$ 4,700	$ 5,000	$ 5,300	$ 5,600
SCADA Phone Lines & Radio	$ -	$ -	$ 1,160	$ 900	$ 850	$ 1,000	$ 1,150	$ 1,300	$ 1,500
TOTAL PLANT OPERATING EXPENSES	$ 72,282	$ 72,878	$ 70,200	$ 58,600	$ 65,525	$ 70,550	$ 74,700	$ 78,000	$ 81,700
COLLECTION SYSTEM EXPENSE									
Pipelines - Maintenance	$ 22,552	$ 4,746	$ 5,000	$ 4,000	$ 5,000	$ 6,000	$ 7,000	$ 8,000	$ 8,000
Auto/Truck - Maintenance	$ 46,232	$ 34,676	$ 16,600	$ 18,700	$ 18,300	$ 19,000	$ 19,700	$ 20,300	$ 21,000
Auto/Truck - Gas	$ 8,026	$ 7,003	$ 5,800	$ 5,700	$ 6,600	$ 6,800	$ 7,000	$ 7,200	$ 7,300
Auto/Truck - Diesel	$ 5,681	$ 6,189	$ 5,800	$ 5,200	$ 6,000	$ 6,200	$ 6,300	$ 6,500	$ 6,600
Sewer Flow Monitoring Expense	$ 14,555	$ 12,860	$ 25,000	$ 20,000	$ 20,000	$ 20,500	$ 21,000	$ 26,500	$ 26,500
Sewer Camera Van Inspection	$ 3,248	$ 3,091	$ 3,500	$ 2,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000
Sewer Interceptor - Maintenance	$ 1,243	$ 1,360	$ 4,000	$ 3,500	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Sewer Lift Station - Maintenance	$ 4,338	$ 4,275	$ 6,000	$ 5,250	$ 5,250	$ 5,750	$ 6,250	$ 6,750	$ 7,250
TOTAL COLLECTION SYSTEM EXPENSE	$ 105,875	$ 74,200	$ 71,700	$ 64,350	$ 68,150	$ 71,250	$ 74,250	$ 82,250	$ 83,650
GENERAL AND ADMINISTRATIVE EXPENSES									
General Insurance (General Liability, Property, Fidelity)	$ 46,256	$ 44,131	$ 53,000	$ 50,000	$ 56,000	$ 59,000	$ 62,000	$ 65,000	$ 68,000
Accounting - Audit	$ 15,079	$ 11,515	$ 13,000	$ 13,000	$ 13,000	$ 14,500	$ 15,000	$ 15,500	$ 16,000
Legal Consulting Fees	$ 15,546	$ 16,163	$ 15,000	$ 14,000	$ 15,600	$ 16,600	$ 17,000	$ 17,600	$ 18,300
Administrative Consultants	$ 9,519	$ 27,706	$ 120,000	$ 85,000	$ 44,000	$ 42,500	$ 42,500	$ 43,300	$ 33,000
Election Expense	$ 36,751	$ -	$ 40,000	$ -	$ -	$ 45,000	$ -	$ 50,000	$ -
Office Maintenance	$ 3,378	$ 3,217	$ 4,000	$ 3,750	$ 4,000	$ 4,000	$ 4,300	$ 4,700	$ 5,000
Landscape Maintenance - Office	$ 1,710	$ 2,210	$ 2,500	$ 2,250	$ 2,500	$ 2,650	$ 2,800	$ 3,000	$ 3,100
Office Supplies & Misc Expenses	$ 5,442	$ 5,008	$ 1,800	$ 1,800	$ 5,500	$ 6,000	$ 6,000	$ 6,000	$ 6,500
Computers Hardware	$ 7,312	$ 6,837	$ 9,000	$ 6,500	$ 8,500	$ 8,600	$ 9,000	$ 9,300	$ 9,700
Computer Software	$ 6,022	$ 9,322	$ -	$ -	$ -	Combined with computer software, maint, licnc.			
Computer Software, Maintenance, License	$ 5,850	$ 6,241	$ 19,600	$ 15,000	$ 17,000	$ 17,000	$ 17,000	$ 17,300	$ 17,600
Utilities - Office	$ 5,522	$ 6,294	$ 6,500	$ 8,600	$ 7,200	$ 7,200	$ 7,300	$ 7,500	$ 7,700
Enterprise Voice Communications - land line phones	$ 8,158	$ 8,488	$ 4,200	$ 12,700	$ 13,600	$ 13,600	$ 14,000	$ 14,300	$ 14,700
Data Communications: Fiber Lines/Internet	$ -	$ -	$ 16,300	$ 15,600	$ 16,000	$ 17,000	$ 17,000	$ 17,000	$ 17,700
Wireless Voice & Data Communications - cell	$ 5,019	$ 1,890	$ 9,860	$ 5,000	$ 4,750	$ 5,000	$ 5,200	$ 5,300	$ 5,500
Printing, Postage, Stationery, Copier Maintenance	$ 41,406	$ 43,425	$ 36,000	$ 32,000	$ 37,500	$ 38,000	$ 38,500	$ 39,500	$ 40,500
Uncollectible Accounts	$ 3,327	$ 1,975	$ 1,000	$ 1,400	$ 1,150	$ 1,150	$ 1,300	$ 1,300	$ 1,500
Engineering Department	$ 3,504	$ 3,500	$ 3,300	$ 3,300	$ 3,600	$ 4,000	$ 4,300	$ 4,700	$ 5,000

Wastewater Budget Table WWB - 4 Operation and Maintenance Expenses - FY 16/17 - Preliminary v6

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
Training - Office	$ 1,172	$ 938	$ 3,000	$ 1,500	$ 1,150	$ 1,350	$ 1,500	$ 1,700	$ 1,800
Conferences and Seminars - Office	$ 3,166	$ 2,298	$ 3,400	$ 3,000	$ 3,000	$ 3,300	$ 3,600	$ 4,000	$ 4,300
Board of Directors - Conferences and Seminars	$ 1,072	$ 755	$ 500	$ 1,500	$ 1,675	$ 1,675	$ 1,800	$ 2,000	$ 2,150
Misc Administration - Office	$ 1,085	$ 1,758	$ 5,000	$ 2,200	$ 1,675	$ 1,675	$ 1,700	$ 1,700	$ 1,700
Board of Directors - Misc Administration	$ 444	$ 590	$ 650	$ 400	$ 650	$ 650	$ 650	$ 650	$ 650
Membership Renewals/Subscriptions	$ 7,591	$ 7,376	$ 8,800	$ 8,000	$ 7,500	$ 7,600	$ 8,000	$ 8,300	$ 8,600
Bank Charges	$ 11,092	$ 13,347	$ 15,500	$ 16,500	$ 18,000	$ 19,000	$ 20,000	$ 21,000	$ 22,000
Rental Properties Expense	$ 1,612	$ 580	$ 1,050	$ 1,050	$ 850	$ 850	$ 850	$ 850	$ 850
GENERAL AND ADMINISTRATIVE EXPENSES	$ 247,035	$ 225,562	$ 392,960	$ 304,050	$ 284,400	$ 337,900	$ 301,300	$ 361,500	$ 311,850
TOTAL WASTEWATER SYSTEM EXPENSE (w/o LA Treatment Costs)	$ 1,778,396	$ 1,801,288	$ 2,123,920	$ 1,924,000	$ 1,998,075	$ 2,042,150	$ 2,040,750	$ 2,136,950	$ 2,123,800
TOTAL WASTEWATER SYSTEM EXPENSE (w/o LA Treatment & Labor Costs)	$ 425,192	$ 372,639	$ 534,860	$ 427,000	$ 418,075	$ 479,700	$ 450,250	$ 521,750	$ 477,200

Wastewater Budget Table WWB - 7 Sources and Applications of Funds - FY 16/17 - Preliminary V6

Budget	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
REVENUE									
Projected user charges	$ 3,241,490	$ 3,341,597	$ 3,364,000	$ 3,344,600	$ 3,368,000	$ 3,422,000	$ 3,478,000	$ 3,534,000	$ 3,589,000
Total permit/connection fee	$ 38,006	$ 72,500	$ 29,000	$ 29,000	$ 36,500	$ 36,500	$ 35,500	$ 29,500	$ 29,000
Interest earnings	$ 207	$ 103	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500
TOTAL REVENUE	$ 3,280,000	$ 3,414,000	$ 3,394,000	$ 3,374,000	$ 3,405,000	$ 3,459,000	$ 3,514,000	$ 3,564,000	$ 3,619,000
EXPENSE									
City of LA Sewer Service Charges	$ 951,312	$ 675,013	$ 1,523,480	$ 1,195,872	$ 1,243,000	$ 1,243,000	$ 1,243,000	$ 1,243,000	$ 1,243,000
Sewer Labor & Benefits	$ 1,353,204	$ 1,428,649	$ 1,589,060	$ 1,497,000	$ 1,580,000	$ 1,562,450	$ 1,590,500	$ 1,615,200	$ 1,646,600
Sewer O & M Expense	$ 425,192	$ 372,639	$ 534,860	$ 427,000	$ 418,000	$ 480,000	$ 450,000	$ 522,000	$ 477,000
Sewer CIP & CO Expense	$ 19,082	$ 42,022	$ 277,000	$ 207,388	$ 522,000	$ 172,000	$ 174,000	$ 167,000	$ 167,000
Transfer to Water Reserves	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL EXPENSE	$ 2,748,790	$ 2,518,323	$ 3,924,400	$ 3,327,260	$ 3,763,000	$ 3,457,450	$ 3,457,500	$ 3,547,200	$ 3,533,600
Additions (reductions) to cash	$ 531,210	$ 895,677	$ (530,400)	$ 46,740	$ (358,000)	$ 1,550	$ 56,500	$ 16,800	$ 85,400
Effective date of Wastewater rates	7/1/13	7/1/14	7/1/15	7/1/15	7/1/16	7/1/17	7/1/18	7/1/19	7/1/20
Rate increase	8.4%	4.7%	0.0%	0.0%	0.0%	1.5%	1.5%	1.4%	1.4%
User Charge (monthly EDUs)	$ 32.25	$ 33.75	$ 33.75	$ 33.75	$ 33.75	$ 34.25	$ 34.75	$ 35.25	$ 35.75
Commercial - Monthly Cost	$ 2.00	$ 2.10	$ 2.10	$ 2.10	$ 2.10	$ 2.10	$ 2.10	$ 2.10	$ 2.10
Commercial - $/Unit	$ 5.30	$ 5.60	$ 5.60	$ 5.60	$ 5.60	$ 5.70	$ 5.80	$ 5.90	$ 6.00
Secondary School - Quantity Charge per 100 ADA	$ 154.90	$ 162.10	$ 162.10	$ 162.10	$ 162.10	$ 164.50	$ 166.90	$ 169.30	$ 171.70
Primary School - Quantity Charge per 100 ADA	$ 77.40	$ 81.00	$ 81.00	$ 81.00	$ 81.00	$ 82.20	$ 83.40	$ 84.60	$ 85.80
Customer Revenue EDUs									
FY beginning Wastewater Reserves	$ 3,973,320	$ 4,504,530	$ 4,823,229	$ 4,823,229	$ 4,869,969	$ 4,511,969	$ 4,513,519	$ 4,570,019	$ 4,586,819
Additions (reductions)	$ 531,210	$ 895,677	$ (530,400)	$ 46,740	$ (358,000)	$ 1,550	$ 56,500	$ 16,800	$ 85,400
FY ending Wastewater Reserves	$ 4,504,530	$ 5,400,207	$ 4,292,829	$ 4,869,969	$ 4,511,969	$ 4,513,519	$ 4,570,019	$ 4,586,819	$ 4,672,219
Reconciliation	$ -	$ (576,978)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
FY ending Wastewater Reserves	$ 4,504,530	$ 4,823,229	$ 4,292,829	$ 4,869,969	$ 4,511,969	$ 4,513,519	$ 4,570,019	$ 4,586,819	$ 4,672,219
TOTAL TARGET WASTERWATER CASH RESERVES	$ 2,342,000	$ 2,152,251	$ 2,359,100	$ 2,376,100	$ 2,440,750	$ 2,508,850	$ 2,567,100	$ 2,644,600	$ 2,692,850
Above (below) target	$ 2,162,530	$ 3,247,956	$ 1,933,729	$ 2,493,869	$ 2,071,219	$ 2,004,669	$ 2,002,919	$ 1,942,219	$ 1,979,369

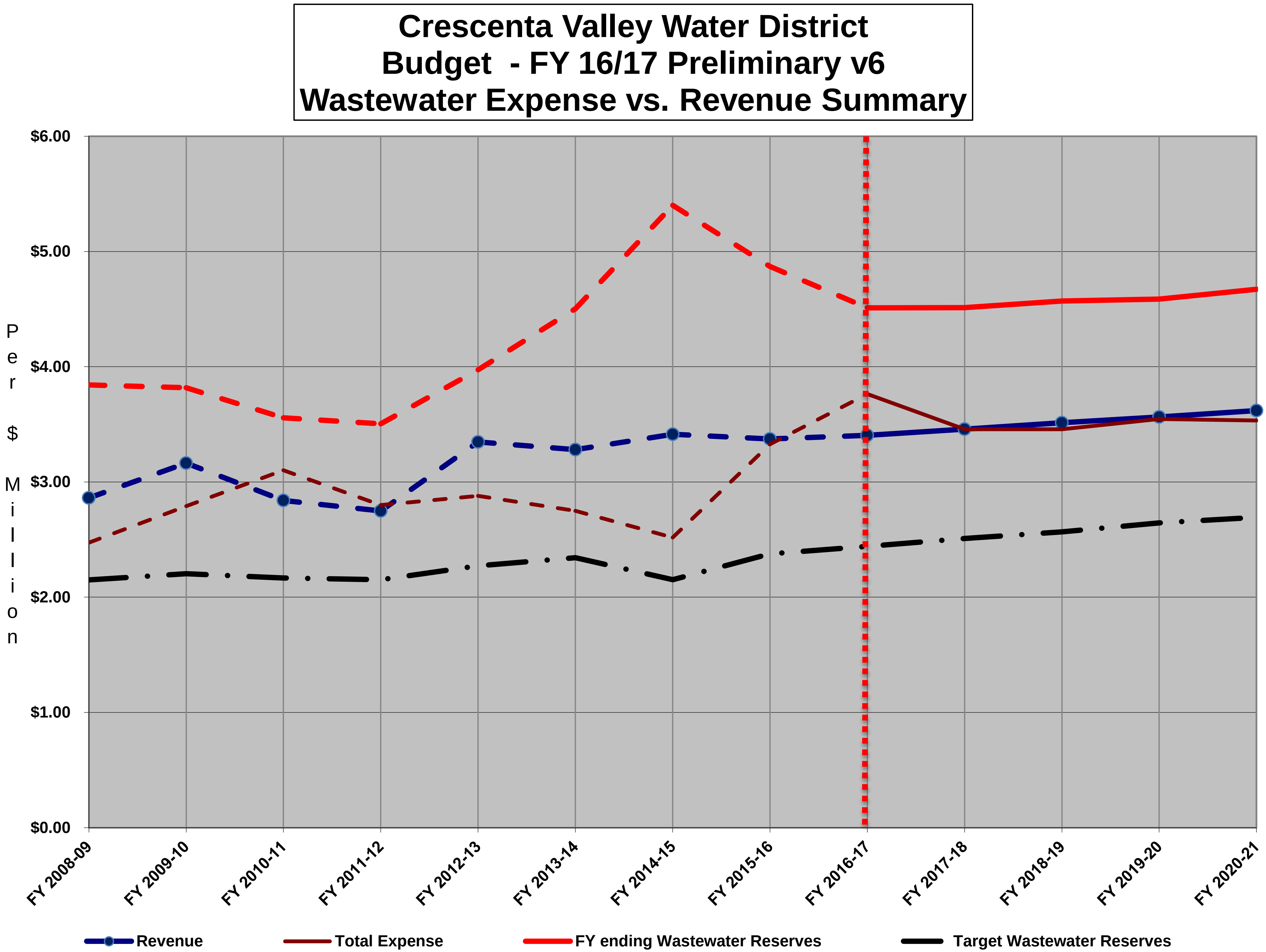
Legend

Blue - Recorded Revenues & Expenses

Brown - Previous Year Budget & Projected Revenues & Expenses

Black - Budget Revenues & Expenses

Green - Forcast Revenues & Expenses



Crescenta Valley Water District
Budget - FY 16/17 Preliminary v6
Wastewater Expense vs. Revenue Summary
Per $ Million
$6.00
$5.00
$4.00
$3.00
$2.00
$1.00
$0.00
FY 2008-09
FY 2009-10
FY 2010-11
FY 2011-12
FY 2012-13
FY 2013-14
FY 2014-15
FY 2015-16
FY 2016-17
FY 2017-18
FY 2018-19
FY 2019-20
FY 2020-21
Revenue
Total Expense
FY ending Wastewater Reserves
Target Wastewater Reserves

Date: 4/1/2016

Information

Crescenta Valley Water District dedicates well at Rockhaven

As the ribbon is cut by the Crescenta Valley City Council, Morgen Durose turns a valve to show the flow of water being pulled from the ground into the pumping station during the dedication at the former Rockhaven Sanitarium in Montrose on Friday, March 18, 2016.

The former Rockhaven Sanitarium is known for its place in Montrose history, but now it's also a major source of water for nearby residents.

The Crescenta Valley Water District on Friday held a ribbon-cutting ceremony for a new water well on a corner of the Rockhaven property that will pump about 400 gallons a minute, enough to serve 1,000 households, said Thomas Love, the utility's general manager.

"It's a significant supply for our area and, during the course of the California drought, it's even more important to develop a local water supply that meets the public's needs," he said.

However, the water that's pumped from 300 feet underground in the Verdugo Basin isn't immediately safe to drink. A pipe system more than 1,200 feet long will carry the water to the nearby Glenwood Plant, where nitrates will be removed before it's delivered to customers.

The location of the treatment plant is the reason why the water district gained control of the well. Rockhaven is owned by the city, which, in turn, made it the owner of the well. But the pumping site was too far for Glendale Water & Power to treat the water itself.

Crescenta Valley Water District employees push a housing structure out of the way to reveal the new pump station at the former Rockhaven Sanitarium in Montrose on Friday, March 18, 2016. The well is 350 feet deep, pumping 400 gallons of water per minute, and accounts for 10% of the water production for the Crescenta Valley Water District.

So, last year, the Glendale utility leased the site and water-pumping rights to the Crescenta Valley Water District for $140,000 a year.

"It's a win-win," Love said. "We get a new water supply. It's less expensive than our imported water."

Roughly 40% of what reaches Crescenta Valley District's taps is bought from the Los Angeles Metropolitan Water District.

The Rockhaven well will pump about 10% of the district's supply and costs 30% less than having to buy water, Love said.

"Water agencies having projects like this, and taking advantage of resources and working together makes a lot of sense," said Michael De Ghetto, assistant general manager of Glendale Water & Power.

The new well is the 16th for the Crescenta Valley Water District and the first since the 1950s, Love said.

It will pump water 24 hours a day and is enclosed in a shed, which is fenced off, to lower the amount of noise it generates.

It has a tile roof with a style that was intentionally chosen to reflect the architecture of Rockhaven property, Love said.

"We understand the historic significance of the site and wanted to make sure we took that into account," he said. "We don't want this [site] to look like an industrial site."

To that end, some members of the Crescenta Valley Town Council said they were pleased with the look of the project.

"The roof of the [shed] mimics the roofs of the buildings on the [Rockhaven] site," said Lisa Griffin, corresponding secretary for the council. "It really mimics the property well."

The former Rockhaven Sanitarium opened in 1923 and closed in 2006. It was purchased by the city of Glendale for $8.25 million in 2008.

Just this month, the City Council opened up the Rockhaven property to proposals to let the site operate as either a mental health facility again or as a boutique shopping center.

Information

Desert Sun – March 25, 2016

As long as the Desert Sunlight solar farm keeps cranking out electricity, it'll also help generate retirement funds for 1.7 million current and former California employees.

The California Public Employees' Retirement System said this week it would buy up to a 25 percent ownership stake in the 550-megawatt solar plant in eastern Riverside County, which was the world's largest solar project when it opened last year. Experts said CalPERS' investment is welcome news for the solar industry, since it could signify that large, institutional investors increasingly see clean energy projects as solid investments.

California lawmakers passed a bill last year requiring CalPERS — which manages about $300 billion — to divest from coal companies, part of the state's efforts to reduce the greenhouse gas emissions responsible for global warming. The pension fund said in a statement that investing in Desert Sunlight would allow it to "provide predictable returns with moderate long-term inflation protection" while also supporting clean energy, even though it isn't required to invest in renewables.

Buy Photo

Interior Secretary Sally Jewell, right, tours the 550-megawatt Desert Sunlight solar plant east of the Coachella Valley. (Photo: Jay Calderon/The Desert Sun)

CalPERS didn't say how much it would pay, but NRG Energy paid $285 million when it bought a 25 percent stake in Desert Sunlight from General Electric last year. The project's majority owner, NextEra Energy, holds the other 50 percent. NextEra owns Riverside County's three other large-scale solar projects, too: the 250-megawatt Genesis plant, the 250-megawatt McCoy plant and the 485-megawatt Blythe plant. McCoy and Blythe are under construction.

READ MORE: World's largest solar farm no longer in Riverside County

Nathan Serota, a senior analyst for the research firm Bloomberg New Energy Finance, said the CalPERS investment could be a sign of things to come.

Operating solar projects should be natural investment targets for large institutions like insurance companies and pension funds, Serota said, because they reliably churn out electricity over many years, generating consistent profits without much in the way of expenses. But even as the solar industry has grown, those institutions haven't invested in many projects, he said.

"Generally speaking, large institutions hesitate to invest directly in infrastructure, and that includes clean energy infrastructure," he said. "It requires in-house expertise, and they have...liquidity requirements."

But that could be changing. The solar industry is expected to keep growing rapidly over the next few years, especially now that Congress has extended a 30 percent investment tax credit for solar power. As more solar plants prove they can meet their performance targets, pension funds and other institutions could increasingly be willing to invest in them.

READ MORE: How the solar industry scored big wins in CA, Congress

There's another wrinkle: As more solar farms get built, Serota said, the few dozen tax-equity investors with enough taxable income to take advantage of the tax credit will probably "recycle" some of their solar financing, shifting money from existing projects to new projects. As they do that, there could be more opportunities for large institutions like CalPERS to invest in existing projects, and take advantage of the reliable returns.

"There are a growing number of bankers and other people in the finance community across the U.S. looking into a variety of different structures to provide institutional investors with exposure to clean energy infrastructure," Serota said. "There are a variety of different ways of doing it. Direct project investment is one way."

Sammy Roth writes about energy and the environment for The Desert Sun. He can be reached at sammy.roth@desertsun.com, (760) 778-4622 and @Sammy_Roth.

Sun

E COACHELLA VALLEY SINCE 1927

nt

Oregon ousts defending champ Duke, 82-68

SPORTS, 1C

From Judy T

JLNERABLE PAGE 1B

CVWD

Water rates could spike

Valley residents could see $6 a month increase

Sammy Roth | The Desert Sun

Faced with an expensive water-quality mandate and a strained groundwater aquifer, the Coachella Valley's largest water provider is considering its first residential rate hike since 2010.

Under the proposal from Coachella Valley Water District staff, homes that stay within their water budgets would see an average bill increase of about $6 per month starting this July. Excessive water users — including people who decide to keep their lawns covered in grass, despite the desert climate — could pay hundreds of dollars more per month.

Many water wasters are already paying temporary drought surcharges, designed to help the Coachella Valley meet

Water

Continued from 1A

Gov. Jerry Brown's 25 percent emergency conservation mandate. The permanent rate increases are designed to promote lasting conservation. The Coachella Valley pumps more water from its underground aquifer than it puts back in, which threatens the long-term sustainability of the desert's primary water source.

"We're hoping that because of the drought, a lot of behavior has changed, or at least people are more sensitive to the issue, that they need to conserve," Coachella Valley Water District general manager Jim Barrett told the Desert Sun's editorial board earlier this week. "And that's really what we're trying to promote with these revisions, is greater conservation so that ultimately we have better sustainability of the aquifer."

The rate hike would also help pay for the agency's costliest-ever infrastructure project: treatment plants to remove a carcinogen known chromium-6 from the region's groundwater. The plants are expected to cost $250 million up front and $8 million annually once built. Chromium-6, a heavy metal, was made famous by the 2000 film "Erin Brokovich," which chronicled groundwater contamination in the Mojave Desert town of Hinkley.

Coachella Valley water managers disputed the science behind California's 10-parts-per-billion chromium-6 standard, which state health officials adopted in 2014. They also argued it would be prohibitively expensive to remove the chemical from the local aquifer, where it occurs naturally. Their protests fell on deaf ears.

"We tried visits with legislators, visits with the governor's office, visits with the Department of Public Health," Barrett said. "We did everything we thought we could do, short of filing a lawsuit against the state, to say that the chromium-6 standard was not reasonable."

Complying with the regulation will be more expensive for the Coachella Valley than it will be for other parts of the state because of the abundance of chromium-6 here, said Jennifer Persike, a spo[illegible]sperson for the Association o[illegible] California Water Agencies. Bu[illegible]n general, rate hikes are bec[illegible]ming par for the course acros[illegible] the state, as water becomes more expensive

JAY CALDERON/THE DESERT SUN

rinklers douse a grassy area in Palm Springs. Excessive water users could pay hundreds of dollars a month more.

I recognize this isn't going to be popular. But there are a lot of hings that have brought us to this point, and we can't put it off ny longer."

M[ ]RETT Coachella Valley Water District general manager

ghts the need for conservan.

Climate change, meanwhile, expected to make future oughts longer and more sere. And the state's water inastructure isn't getting any unger.

"Some of the systems were ilt more than 100 years ago, if u can believe it," Persike said. Ve have to be vigilant to keep and maintain the system, to ake sure that the water qualy is both safe and reliable."

The rate hike would need to approved by the water disict's board of directors, which expected to vote in June. gency staff are proposing adtional rate hikes every year rough 2020, although the ard will only vote on the first ear of increases for now. The istrict is holding several worklops to get feedback from the ublic, the first of which was hur ay in Palm Desert. Anhe scheduled for Monday 5:30 p.m. in Coachella.

"I recognize this isn't going be popular. But there are a lot things that have brought us to is point, and we can't put it off ny longer," Barrett said at hursday's workshop, noting maintenance and infrastructure projects that have been delayed since the recession. Even with the hike, he said, most homes would still pay less for water than customers of every other local water agency, except the Myoma Dunes Mutual Water Company.

Several desert residents objected to the rate hikes at Thursday's workshop. One of them, Thousand Palms resident Gary Burns, called the proposal "outrageous."

"What are you going to do about people who are on fixed incomes?" he asked. "Where am I going to go? Am I going to go start collecting pop bottles? How is it going to go with my water bills?"

The biggest chunk of the rate hike would be an increase in the fixed charge that all homes pay, regardless of how much water they use. For the typical single-family home, the fixed charge would increase from $7 to $11.30 per month. For apartments and other multi-family residences, the charge would increase from $7 to $12.90. That money would mostly go toward the chromium-6 treatment plants.

The rate hike proposal would ter, with the goal of encouraging conservation, district officials say.

Homes currently pay for water in five tiers, with water getting more expensive as residents use more of it. Water use in the lowest tier — designed to cover indoor use — costs $1.01 per CCF, and water use in the highest tier costs $4.48 per CCF. Under the new rates, the cheapest water would get slightly cheaper ($0.95 per CCF) and the most expensive water would get more expensive ($6.13 per CCF). One CCF is equal to about 748 gallons.

The proposal would also reduce the amount of water homes can use before they end up in the higher tiers.

The district calculates a "water budget" for each home, which is supposed to cover indoor use and outdoor irrigation. Homes that live within their budgets stay within the first two cost tiers.

Right now, water budgets are calculated so that homes can cover their entire outdoor landscapes with grass, without leaving the first two tiers. The new budgets would allow for grass on just 50 percent of outdoor assumed to be covered by desert-friendly landscaping. Homes that keep all-grass lawns would move into the higher tiers much faster, and pay a lot more as a result.

"We're trying to send a message: Use what you need, but recognize you're going to pay for what you use," Barrett said. The district expects four-fifths of homes to be able to stay within their budgets, he added.

The Coachella Valley Water District has already been levying drought surcharges on excessive water users who exceed their budgets, or who haven't cut back substantially over the last year. The district's board raised those fees in November after homes and businesses consistently failed to meet the state's 36 percent cutback mandate for the area. Since the mandate took effect in June, the district's customers have cut back by 24.6 percent compared to the same months in 2013. It's unclear whether the water district's board will eliminate the drought surcharges if and when it raises rates.

The agency's sales are down about $10 million this fiscal year because people are using less water, although it's made up for that shortfall with $13.5 million in drought surcharges, Barrett said. Officials say the extra money has gone toward $6.7 million in spending to support conservation, including a popular grass removal rebate.

The State Water Resources Control Board fined the water district $61,000 in October, saying it was one of four water agencies statewide — out of more than 400 — that had consistently failed to promote conservation. But the district might not have to pay the fine. After months of negotiations with the state, Barrett said Thursday, it looks like the agency will be allowed to spend the money locally on "conservation education."

The Coachella Valley Water District serves 318,000 people, spread across Cathedral City, Rancho Mirage, Palm Desert, Indian Wells, La Quinta and some unincorporated areas. It's also in the process of considering rate or fee increases for commercial customers, large water users like golf courses that pump groundwater from private wells, and farmers who use Colorado River water.

Sammy Roth writes about energy and the environment for The Desert Sun. He can be reached at sammy.roth@desertsun.com, (760) 778-4622 and

NEWS FROM CVWD

Posted by Charly Shelton on Mar 31st, 2016 and filed under Viewpoints. You can follow any responses to this entry through the RSS 2.0. You can skip to the end and leave a response. Pinging is currently not allowed.

In September 2015, the Crescenta Valley Water District (CVWD) Board of Directors approved a contract with Raftelis Financial Consultants, Inc. (Raftelis) to evaluate water and wastewater rate structure alternatives. Elements of the rate study included: long term financial stability, equity for all service classes, revenue sensitivity related to water conservation and economic impact on the community. CVWD completed a similar rate study in 2007 that included development of a financial rate model. Adopted water and wastewater rates have been consistent with the 2007 rate study and financial rate model.

The public is encouraged to attend a workshop regarding the water and wastewater rate study held on Tuesday, April 5 at 6 p.m. at CVWD's Administrative Office located at 2700 Foothill Blvd. The workshop will cover various types of rate structures for both water and wastewater services. The Board is soliciting the public's input before reaching a final decision to adopt a rate structure. If you are unable to attend but would like to submit comments, please provide your written remarks to the District by April 5 at 4 p.m. Comments may be mailed or dropped off at the main office or sent to rates@cvwd.com. Presentation materials for this public workshop will be posted on the District's website www.cvwd.com by Friday, April 1 at close of business.

The information from the rate study will be used as a financial model by the Board of Directors to adopt the 2016-17 fiscal year budget, water and wastewater rate structures, and water and wastewater rates.
Extensive work has already been conducted on the 2016-17 fiscal budget. With challenges resulting from decreased revenue due to the state mandated water conservation and the continual need to make investments to improve and replace aging infrastructure, the District has tough choices to make. Many of the increasing costs associated with District expenses are not within the District's ability to reduce; such as maintenance of an aging delivery system, electricity for water production and distribution and the treatment and disposal of wastewater. Reductions to the proposed 2016-17 fiscal budget have been made in administrative and operations and maintenance expenses totaling $250,000. In addition the District will continue to prudently utilize rate stabilization reserve funds to mitigate customer rate impacts. Projects for sustaining and improving District facilities, infrastructure and supply reliability have been evaluated and prioritized to maximize the benefits for all of the District's customers.

The process of getting to a final budget and the development of water and wastewater rates is long and complicated. Customer participation is an integral part of that process. The District and the Board welcomes customer participation at all scheduled public meetings and workshops. A complete list of meetings through the end of June 2016 is as follows:

Tuesday, April 5 – Regularly scheduled board meeting
    Public Workshop at 6 p.m. Presentation of Rate Study
Tuesday, April 19 – Regularly scheduled board meeting
Tuesday, April 26 – Special board meeting at 6 p.m.
    (Regularly scheduled May 3 board meeting cancelled)
Tuesday, May 17 – Regularly scheduled board meeting
Tuesday, June 7 – Regularly scheduled board meeting
Tuesday, June 21 – Regularly scheduled board meeting
    Proposition 218 Public Hearing at 6 p.m.
Tuesday, June 28 – Special Board Meeting
    (Consideration of adoption of budget and rates).

Written Communication

Luis and Angela Gonzalez
2741 Mayfield Avenue
La Crescenta, CA 91214
(818)249-2827 Home

March 17, 2016

Crescenta Valley Water District
2700 Foothill Boulevard
La Crescenta, CA 91214

RE: Mr. Dennis Maxwell

Dear CV Water District General Manager,

We are at this time writing you this letter as a token of my sincere appreciation of the exemplary services provided by your employee, Mr. Dennis Maxwell.

We had the pleasure of meeting Mr. Maxwell ten years ago one month after moving into our residence from Florida following an issue in regard to our sewer line.

Please be advised that each and every time there has been a question or concern, Mr. Maxwell has gone the extra mile to assist us with our questions and/or concerns as it relates to issues involving the replacement of our sewer line, jetting of our sewer line, as well as, service provided to our sewer line by outside contractors.

Please note that Mr. Maxwell has always made himself available to assist us with our questions and concerns at any time as needed.

My family sincerely appreciates the service that Mr. Maxwell and his crew has provided over the last ten years on behalf of the CV water district.

We would like to let you know that he has represented your water district in the upmost professional manner.

Again, we are very proud to say that the services provided by Mr. Maxwell are greatly and sincerely appreciated. We would like to thank the CV Water District and especially Mr. Maxwell for all the help provided over the last ten years.

Respectfully,

Luis A. Gonzalez

Angela M. Gonzalez

CRESCENTA VALLEY WATER DISTRICT
INVESTMENT PORTFOLIO SUMMARY
April 1, 2016

INVESTMENT TYPE	ACCT/CUSIP I.D. NO.	PURCHASE DATE	*FACE VALUE	INVESTMENT COST	% OF TOTAL	**MARKET VALUE	MATURITY DATE	DATE CALLABLE	EARNED TO DATE	YIELD TO MATURITY	
GENERAL FUNDS											
GENERAL FUND-SWEEP ACCOUNT	0631-525246		$ 644,208	$ 644,208	3.77%	$ 644,208	none	n/a	$ 315	0.02%	
GREAT PACIFIC SECURITIES	GPC-804452		$ -	$ -	0.00%	$ -	none	n/a	$ 8	0.02%	
BOND DEBT SERVICE FUND	6948-331525		$ 382,193	$ 382,193	2.23%	$ 382,193	none	n/a	$ 93	0.06%	
LOCAL AGENCY INVESTMENT FUND	90-19-007		$ 3,735,782	$ 3,735,782	21.84%	$ 3,735,782	none	n/a	$ 4,912	0.37%	Dec 2015
TRANSFER FROM MTBE RESERVE			$ 2,000,000	$ 2,000,000	11.69%	$ 2,000,000					
FEDERAL FARM CREDIT (78) CALLED	3133EAZN1	7/17/2012	$ -	$ -	0.00%	$ -	7/24/2020	10/24/2012	$ 6,150	1.84%	
FEDERAL FARM CREDIT (83)	3133EAY28	10/9/2012	$ 500,000	$ 502,885	2.94%	$ 499,705	9/21/2017	n/a	$ 2,774	0.71%	
FEDERAL FARM CREDIT (86)	3133EC4L5	11/15/2012	$ 1,000,000	$ 1,002,300	5.86%	$ 1,005,600	11/23/2021	n/a	$ 10,763	1.58%	
FEDERAL FARM CREDIT (87)	3133EC4Y7	11/19/2012	$ 500,000	$ 500,000	2.92%	$ 499,960	11/27/2017	n/a	$ 3,108	0.93%	
FEDERAL FARM CREDIT (96)	3133EENM8	2/2/2015	$ 1,000,000	$ 1,001,790	5.86%	$ 1,006,230	2/6/2025	n/a	$ 14,439	2.14%	
			$ 9,762,183	**$ 9,769,158**		**$ 9,773,678**			**$ 42,562**		
CONSTRUCTION FUNDS											
COPS RESERVE FUND	108614000		$ 617,146	$ 617,146	3.61%	$ 617,146	none	n/a	$ 121	0.02%	
			$ 617,146	**$ 617,146**		**$ 617,146**			**$ 121**		
MTBE CONTINGENCY FUNDS											
LOCAL AGENCY INVESTMENT FUND	90-19-007		$ 3,493,304	$ 3,493,304	20.42%	$ 3,493,304	none	n/a	$ -	0.37%	Dec 2015
GREAT PACIFIC SECURITIES	GPC-003670		$ 51,937	$ 51,937	0.30%	$ 51,937	none	n/a	$ -	0.02%	
TRANSFER TO WATER RESERVE			$ (2,000,000)	$ (2,000,000)	-11.69%	$ (2,000,000)					
FEDERAL FARM CREDIT (M-44)	3133ECZR8	2/24/2016	$ 1,000,000	$ 1,145,730	6.70%	$ 1,137,210	9/12/2025	n/a	$ 533	2.19%	
FEDERAL FARM CREDIT (M-45)	3133ECN75	3/1/2016	$ 1,000,000	$ 1,004,010	5.87%	$ 1,004,010	6/3/2021	n/a	$ -	1.50%	
FEDERAL FARM CREDIT (M-46)	3133EFH91	3/3/2016	$ 1,000,000	$ 992,890	5.80%	$ 992,890	3/2/2026	n/a	$ -	2.30%	
FEDERAL FARM CREDIT (M-47)	3133EDVC3	3/10/2016	$ 1,000,000	$ 1,022,320	5.98%	$ 1,022,320	12/17/2019	n/a	$ -	1.33%	
US TREASURY (M-48)	912828P95	3/10/2016	$ 1,000,000	$ 997,350	5.83%	$ 997,350	3/15/2019	n/a	$ -	1.09%	
			$ 6,545,241	**$ 6,707,541**		**$ 6,699,021**			**$ 533**		
TOTAL INVESTMENTS			$ 16,924,571	$ 17,093,846		$ 17,089,846			$ 43,216		
CASH- PAYROLL ACCOUNT	0948-024724		$ 12,500	$ 12,500	0.07%	$ 12,500					
TOTAL CASH AND INVESTMENTS			**$ 16,937,071**	**$ 17,106,346**	**100%**	**$ 17,102,346**			**$ 43,216**	**0.97%**	
						$ (4,000)	***Unrealized Gain/(Loss) on Investments				

Yield on investments including LAIF but not cash accounts	1.36%
Yield on investments not including LAIF or cash accounts	1.56%

I certify that this report accurately reflects all pooled investments and is in compliance with California Government Code Sections 5922 & 53601 as amended on 1/1/97; are currently in conformity with the investment policy as stated in Resolution No. 728 adopted on December 8, 2015.
As Treasurer of the Crescenta Valley Water District, I, Ron L. Mitchell hereby certify that sufficient investment liquidity and anticipated revenues are available to meet one year of estimated expenditures for the operations of Crescenta Valley Water District.

*Value at investment maturity date.
***Reported in compliance with GASB Standard No. 31, effective July 1, 1997, the "fair value" adjustment necessary between cost and market value.

As of December 31, 2015

Water	$ 12,085,308.78
Wastewater	$ 4,564,184.82
Total Funds	$ 16,649,493.60

April 1, 2016

Ron L. Mitchell, Secretary-Treasurer, CVWD **Date**

CRESCENTA VALLEY WATER DISTRICT
BOARD OF DIRECTORS - STAFF REPORT

April 5, 2016
Staff Report

To: Honorable President and Members of the Board of Directors

From: David S. Gould. P.E. – District Engineer

Subject: **District Engineer – Staff Report**

---

1. Water Production Report

- March 1 – 31 – Water Production – 69%/ 31% split – 81.2 MG for the time period.
  Average use – 26.7% less than 2015 and 30.0% less than 5-yr average
  SWRCB Conservation – 28.6% less than March 2013 – October 2013 period

2. Rainfall Update

- 3.83” for March 2016
- Rainfall total for Rainfall Year 2015/16 – 12.17"

3. Report on Engineering

- **CIP Projects**
  - Ocean View Chloramination Project
    - Building – Complete
    - Electrical Work – Under Construction
    - Treatment System – to be installed by end of April
  - Pipeline Projects
    - Under Construction on 3900 Block of Park Pl.
    - Community Meeting on 2700 Block of Harmony – April 7, 2016
  - Well 16 – Pipeline & Building
    - Building & Facilities - Final Project Close Out
  - Pickens Canyon Slope Repair - Complete
- **Water and Wastewater Cost of Service Study**
  - Discussion at Board Meeting
- **Nitrate Removal Treatment Facility at Well 2 Project**
  - 50% technical memorandum by April 22, 2016
- **Crescenta Valley County Park Stormwater Recharge Facility Study**
  - No Report
- **ULARA**
  - No Report
- **La Canada Flintridge – Water Committee**
  - No Report
- **Water Meter Replacement Program**
  - FY 15/16 water meter replacement program – Replaced 630 meters to date

4. Report on Administrative and Field Operations

- **Wells - Status**
  - Well production capacity averaging 2.2 MGD for March with Well 16 in service
  - Well 16 pumping at 325 gpm and will slowly ramp up to 400 gpm

5. Field Maintenance & Operations – March 11 – March 31, 2016

- **Water Lateral Leaks & Repairs**
  - 2339 & 2340 Janet Lee
  - 2463 Montrose
  - 4451 Ramsdell
  - 2510 Countryside
  - 2763 Fairmount
  - 3130 Encinal
  - 4802 El Sereno
  - 3147 Encinal
- **Fire Hydrant Repair**
  - No Report
- **Developer Job**
  - No Report
- **Water Main Leaks**
  - No Report
- **Reservoir Maintenance**
  - No Report
- **Sewer Maintenance**
  - 2900 Block of Harmony
  - , 2800-2900 Blocks of Frances
  - 2800-2900 Blocks of Henrietta
  - 4900 - 5100 Blocks of Glenwood
  - 2800-2900 Blocks of Orange
  - 2800 – 2900 Blocks of Paraiso Way
  - 2800 – 2900 Blocks of Adams
  - 2800-2900 Blocks of Stevens
  - 2800 – 2900 Blocks of Santa Carlotta
  - 2800-2900 Blocks of Alabama
  - 2800-2900 Blocks of Los Olivos
  - 2800-2900 Blocks of Fairmount
  - 2800-2900 Blocks of Sanborn
  - 4500-4600 Blocks of Dyer

CRESCENTA VALLEY WATER DISTRICT

WATER PRODUCTION REPORT

March 1 - March 31, 2016

Well Production:	44,767,440	Gals		
GWP Production:	9,684,000	Gals		
Gravity Production:	1,530,046	Gals	% GW	69%
Purchased Water:				
FMWD:	23,195,250	Gals		
City of Glendale:	2,062,984	Gals	% Import	31%
TOTAL:	81,239,720	Gals		
	249.30	ac-ft		
Glenwood Nitrate Water Reclamation Plant:*	25,353,163	*Included in Well Production		

WATER DEMAND COMPARISON

	Average Daily Usage (gals)	Current Period Change	Average Daily Usage (gals)	Percentage Change
March 1, 2016 - March 31, 2016	2,608,158			
March 1, 2015 - March 31, 2015	3,558,846	-26.7%		
5-yr Average - March 2011 - 2015	3,724,119	-30.0%		
SWRCB CONSERVATION REGULATIONS March 1, 2016 through Oct 31, 2016			2,608,158	
BASELINE CONSERVATION March 1, 2013 through Oct 31, 2013			3,654,574	-28.6%

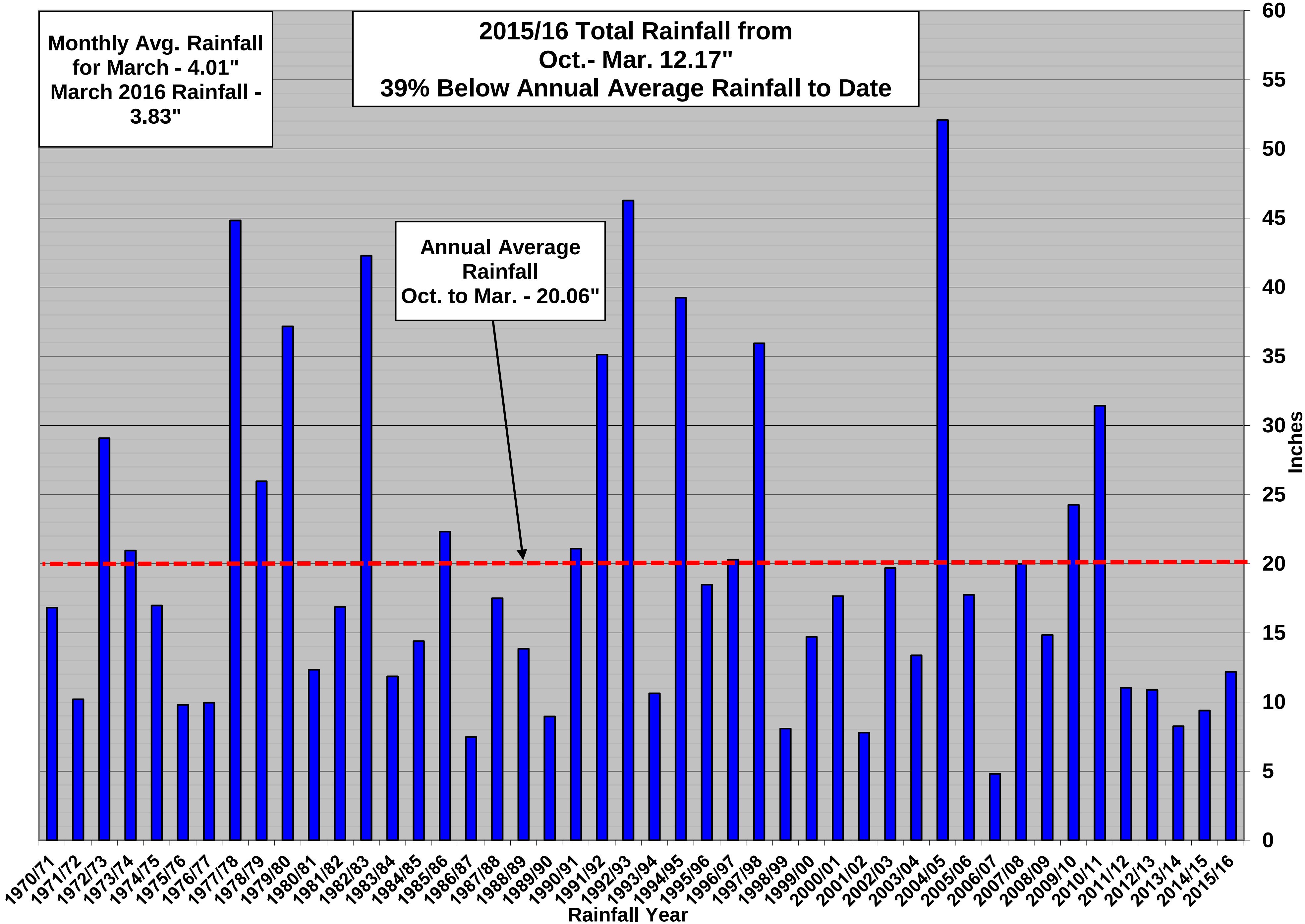
RAINFALL: March 1 - March 31, 2016	3.83"
Season-To-Date:	12.17"

2015/16 Fiscal Year Water Production			Groundwater Production Water Rights		GWP (Well 16) Water Production		Purchased Water Production Tier 2 Allocation	
Month	**Actual Total Water Production (ac-ft)**	**Projected Total Water Production (ac-ft)**	**Month**	**Well Production (ac-ft)**	**Month**	**Well Production (ac-ft)**	**Month**	**Imported Water Production (ac-ft)**
July	**315**	**380**	**October**	**143**	**January**	**0**	**January**	**108**
August	**344**	**360**	**November**	**149**	**February**	**0**	**February**	**100**
September	**296**	**345**	**December**	**145**	**March**	**30**	**March**	**78**
October	**301**	**315**	**January**	**140**	**April**		**April**	
November	**289**	**265**	**February**	**158**	**May**		**May**	
December	**281**	**265**	**March**	**142**	**June**		**June**	
January	**248**	**265**	**April**		**July**		**July**	
February	**258**	**265**	**May**		**August**		**August**	
March	**249**	**310**	**June**		**September**		**September**	
April		**335**	**July**		**October**		**October**	
May		**365**	**August**		**November**		**November**	
June		**375**	**September**		**December**		**December**	
Total to Date	2,581	2,770	Total to Date	877	Total to Date	30	Total to Date	286
Projected	3,717	3,845	Water Rights	3,294			Tier 2	2,154
% of Projected	67.1%	72.0%	% of Rights	27%			% of Allocation	13%
Remaining	1,264	1,075	Remaining	2,417			Remaining	1,868

NOTE:

1) Blue Numbers = Estimated Water Production

Monthly Rainfall - 1970/71 - 2015/16 (Oct.- Marc.)



Revised Date: 4/1/2016

CRESCENTA VALLEY WATER DISTRICT
BOARD OF DIRECTORS - STAFF REPORT

April 5, 2016
Staff Report

To: Honorable President and Members of the Board of Directors

From: Christy J. Scott

Subject: **Water Conservation Update / Regulatory Update**

Monitoring Report Submitted to State for March 2016:

***Production Numbers**

- Total Water Production March 2016: 249 AF
- Total Water Production March 2013: 351 AF
- Monthly Percent Reduction: 29 %
- Residential Gallons per Capita per Day (R-GPCD) March 2016: 72

***Compliance Reporting**

- Days of Outdoor Irrigation Allowed: 2
- Number of Water Waste Complaints: 14
- Number of Follow-ups: 14
- Number of Warnings: 14
- Number of Penalties: 0

***Mandatory Water Reduction Goal**

- Compliance Period: June 2015 – October 2016
- Compliance Goal (based on a 22% required reduction): 1530 AF
- Acre Feet Saved for February: 102 AF
- Acre Feet Saved to Date: 1032 AF
- Percentage of Goal Saved: 67.4 %
- Acre Feet Remaining to Reach Target: 498 AF

Mandatory Water Reduction Goal numbers have been updated to reflect the new compliance target as calculated to extend the State compliance period through October of 2016. The required reduction is being calculated at 22% which represents the required reduction calculated according to the State method less the 2% variance for Evapotranspiration (ETO) rate in Zone 9. The District did apply for an additional variance based on the ETO rate as calculated at the Glendale CIMIS station. However, the District does not anticipate being granted any further reduction. Communication with the State indicated that the final reduction numbers would be posted by approximately the second week in April.

The water savings for the month of March exceeds the expected amount by approximately 50 acre feet. This could possibly be due to the MWD imported water shutdown and the cooler weather and precipitation. Staff is monitoring water usage daily to ensure that the District will meet the final goal. The District still remains on track to reach the required reduction goal for the compliance period.

Staff will be monitoring production daily and reporting to the Board the status of the mandatory water reduction goal. Staff is also prepared to modify its existing outreach and enforcement actions, should that be necessary.

Urban Water Management Plan (UWMP):

The 2015 UWMP is due to the Department of Water Resources July 1, 2016.

The District has sent out 60-day notification letters to the required agencies and is tentatively planning on holding the required public hearing on Tuesday, May 17, 2016. A draft of the UWMP is being prepared by SA Associates and should be available for review at the end of next week. Staff will review the initial draft and deliver to the Board when corrected.

Regulatory Updates:

SB 814: See Attached for revisions

03/30/16	From committee with author's amendments. Read second time and amended. Re-referred to Com. on JUD.
03/29/16	From committee: Do pass and re-refer to Com. on JUD. (Ayes 7. Noes 2.) (March 29). Re-referred to Com. on JUD.
03/17/16	From committee with author's amendments. Read second time and amended. Re-referred to Com. on N.R. & W.
03/09/16	Set for hearing March 29.

<u>Event Calendar:</u>

April 16th – Center Circle Garden Plants Discussion – Descanso Gardens – 10:00 a.m.

April 16th – Sustainable Garden Design – Descanso Gardens – 10:00 a.m.

April 16th – Hometown Fair – CV Park – 10:00 a.m. to 6:00 p.m.

April 21st – 24th – Mt. Sac Plant Sale – Descanso Gardens – 9:00 a.m.

April 23rd – 24th - Earth Day Festival – Descanso Gardens

May 14th – 15th – Rose Festival – Descanso Gardens

<u>CVWD Board meeting schedule:</u>

Tuesday, April 5, 2016 – Regularly scheduled Board Meeting
<u>Public Workshop Presentation of Rate Study at 6:00 p.m.</u>

Tuesday, April 19, 2016 - Regularly scheduled Board Meeting, at 7:00 p.m.

Tuesday, April 26, 2016 - Special Board Meeting at <u>6:00 p.m.</u>
<u>(Regularly scheduled May 3, 2016 Board Meeting cancelled)</u>

Tuesday, May 17, 2016 - Regularly scheduled Board Meeting at 7:00 p.m.

Tuesday, June 7, 2016 - Regularly scheduled Board Meeting at 7:00 p.m.

Tuesday, June 21, 2016 – Regularly scheduled Board Meeting at 7:00 p.m.
<u>Proposition 218 Public Hearing at 6:00 p.m.</u>

Tuesday, June 28, 2016 - Special Board Meeting at 7:00 p.m.

<u>(Consideration of adoption of Budget and Rates)</u>

CRESCENTA VALLEY WATER DISTRICT
FINANCE COMMITTEE MINUTES

DATE: March 29, 2016

TO: Finance Committee Meeting Minutes

FROM: Ron Mitchell, Secretary-Treasurer

Following is a summary of the Finance Committee Meeting held at 9:00 a.m. on March 29, 2016, at the CVWD main office, and was attended by the following:

Director Kerry Erickson - Committee Chairperson	CVWD Board of Directors
Director Judy Tejeda - Committee Member	CVWD Board of Directors
Ron Mitchell	CVWD
David Gould	CVWD
Thomas Love	CVWD

Discussion on 2016/17 Fiscal Year Water & Wastewater Budgets – Mr. Mitchell provided the Committee with the updated Tables WB-4 (O & M Expenses) and WB-9 for the preliminary Water budget. Mr. Love provided the Committee with a memorandum that highlighted the changes to the O & M expenses that were requested at the March 22, 2016 Board meeting. These changes included an increase to Compensation and benefits of approximately $40,000 due to anticipated COLA adjustments of 2.07% based upon the February 2016 CPI-W of 2.3% (2.7% x 90% = 2.07%); a reduction of $38,000 in Plant Operations; a reduction of $110,000 in Distribution Expenses; and a reduction of $21,000 in General & Administrative Expenses. Total expenses have been reduced by $129,000 from the proposed budget presented at the March 22nd Board meeting and are $225,000 less than budgeted in FY 2015/16. The Committee expressed appreciation to staff for their work in identifying more cuts in expenses.

Discussion of Water and Wastewater Rates

Staff and the Committee then discussed the rate adjustments that would be necessary to support the proposed budgets. Table WB-9 of the Cash Flow Model shows that if we don't transfer any MTBE reserves that the water rates would need to increase by 7.4% in FY 2016/17 with additional increases of 7.8%, 7.2%, 6.8%, and 6.3% in FY 2017/18 through FY 2020/21. Even with these increases cash reserves will not equal target reserves by $570,000 at the end of the 5-year period. Staff added $1M from MTBE reserves and was able to lower the proposed water rate increase to 6.5% for FY 2016/17. The Committee supported this use of MTBE funds and is recommending this option to the full Board.

On the Wastewater rates, staff has adjusted for the new cost projections from the City of Los Angeles and is still showing that we will not need to raise rates over the next four years.

The meeting adjourned at 10:15 a.m.

CRESCENTA VALLEY WATER DISTRICT
BOARD OF DIRECTORS - STAFF REPORT

To: Finance Committee March 29, 2016
From: Thomas A. Love, General Manager
Subject: **FY 2016/17 Water Budget**

ACTION ITEM:

FY 2016/17 Water Budget – Discussion regarding preliminary Water Budget for FY 2016/17.

BACKGROUND

The Preliminary Budgets for Fiscal Year 2016/17 for the Water and Wastewater funds have been prepared by staff and presented to the Finance Committee and Board of Directors. At the March 22, 2016 Board meeting the Board directed staff to review the Water Budget and identify additional administrative and operations and maintenance expense reductions, reduce or eliminate transfer of additional funds from the MTBE fund and provide the Finance Committee with revised preliminary budgets. The attached revised Preliminary Water Budget for Fiscal Year 2016/17 reflects the Board's direction. The following summarizes the changes from the preliminary budget presented on March 22nd:

- Compensation and benefits have been updated to reflect the February 2016 CPI-W. Other changes to compensation and benefits have been included which partially offset the increase due to the CPI update. Net change $40,000 increase.
- Plant water operation expense has been reduced by $38,000.
- Distribution system expense has been reduced by $110,000.
- General and administrative expense has been reduced by $21,000.
- Total expense is $129,000 less than proposed on March 22nd; $225,000 less than budgeted in Fiscal Year 2015/16.

The $1,000,000 transfer from the MTBE Fund has been eliminated from the FY 2016/17 budget in Table WB-9 (the expense reductions described above have been included in Table WB-9). Staff has evaluated the revenue adjustment (rate increase) requirements, with the utilization of additional rate stabilization reserves and determined an average rate increase of 7.5% would be required over the next three years to avoid use of emergency and cash reserves.

Submitted by:

____

Thomas A. Love
General Manager

Water Budget Table WB-4 - Summary of Water O & M Expenses - FY 16/17 - Preliminary

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
COMPENSATION AND BENEFITS									
Director Fees	$ 8,370	$ 9,225	*$ 8,000*	$ 10,800	$ 9,000	$ 9,000	$ 9,000	$ 9,000	$ 9,000
Compensation									
Officer Salaries	$ 144,628	$ 150,010	*$ 164,500*	$ 164,500	$ 170,000	$ 171,000	$ 172,000	$ 174,000	$ 176,000
Administrative Services Labor	$ 312,017	$ 332,408	*$ 360,000*	$ 355,000	$ 366,000	$ 371,000	$ 376,000	$ 382,000	$ 385,000
Administrative Services Labor - OT	$ 6,127	$ 3,209	*$ 3,000*	$ 3,300	$ 3,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000
Engineering Department Labor	$ 301,033	$ 291,255	*$ 436,000*	$ 290,000	$ 298,000	$ 301,000	$ 308,000	$ 313,000	$ 317,000
Engineering Department Labor-OT	$ 2,164	$ 2,627	*$ 2,000*	$ 4,300	$ 4,000	$ 4,000	$ 4,000	$ 5,000	$ 5,000
Plant - Office Labor	$ 219,552	$ 202,521	*$ 236,000*	$ 158,800	$ 221,000	$ 223,000	$ 225,000	$ 228,000	$ 243,000
Plant - Office Labor-OT	$ 466	$ 352	*$ 400*	$ 400	$ -	$ -	$ -	$ -	$ -
System Operators Labor	$ 295,911	$ 274,129	*$ 324,000*	$ 277,000	$ 298,000	$ 301,000	$ 304,000	$ 307,000	$ 310,000
System Operators Labor-OT	$ 24,712	$ 24,973	*$ 27,000*	$ 21,900	$ 22,000	$ 22,000	$ 22,000	$ 23,000	$ 23,000
Utility Workers Labor	$ 294,955	$ 325,943	*$ 372,000*	$ 334,000	$ 345,000	$ 356,000	$ 364,000	$ 374,000	$ 398,000
Utility Workers Labor-OT	$ 42,065	$ 51,582	*$ 45,000*	$ 50,600	$ 52,000	$ 51,000	$ 52,000	$ 53,000	$ 54,000
Standby Pay	$ 42,002	$ 41,038	*$ 41,000*	$ 43,300	$ 43,000	$ 44,000	$ 44,000	$ 45,000	$ 46,000
Auto Allowance	$ 8,700	$ 9,075	*$ 10,000*	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Labor Transfer to Capital	$ (128,358)		*$ (150,000)*	$ -	$ -	$ -	$ -	$ -	$ -
Compensation Total	$ 1,702,702	$ 1,718,347	*$ 1,878,900*	$ 1,723,900	$ 1,841,000	$ 1,866,000	$ 1,893,000	$ 1,926,000	$ 1,979,000
Sick and Vacation - Office	$ 67,986	$ 133,363	*$ 107,000*	$ 99,800	$ 112,000	$ 112,000	$ 113,000	$ 115,000	$ 116,000
Sick and Vacation - Plant	$ 45,324	$ 88,909	*$ 71,000*	$ 66,500	$ 74,000	$ 74,000	$ 76,000	$ 77,000	$ 77,000
Taxes - Payroll (Total Employees)	$ 126,904	$ 130,866	*$ 136,000*	$ 132,700	$ 139,000	$ 141,000	$ 143,000	$ 145,000	$ 147,000
PERS Retirement (Total Employees)	$ 264,073	$ 274,681	*$ 291,000*	$ 275,000	$ 315,000	$ 342,000	$ 367,000	$ 392,000	$ 404,000
Workers' Compensation - Office	$ 14,131	$ 13,221	*$ 16,000*	$ 19,800	$ 21,000	$ 18,000	$ 16,000	$ 13,000	$ 13,000
Workers' Compensation - Plant	$ 58,439	$ 56,460	*$ 74,000*	$ 80,300	$ 90,000	$ 82,000	$ 71,000	$ 57,000	$ 58,000
Health and Dental and Vision - Office	$ 124,616	$ 136,220	*$ 137,000*	$ 130,700	$ 128,000	$ 131,000	$ 133,000	$ 136,000	$ 138,000
Life & Disability Insurance - Office & Plant	$ 8,374	$ 9,497	*$ 10,000*	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 11,000	$ 12,000
Health and Dental and Vision - Plant	$ 132,108	$ 140,649	*$ 152,000*	$ 136,300	$ 140,000	$ 142,000	$ 145,000	$ 148,000	$ 150,000
Self Insurance	$ 11,286	$ 9,301	*$ 13,000*	$ 6,600	$ 13,000	$ 13,000	$ 13,000	$ 13,000	$ 13,000
Retiree - Health Care Expense	$ 86,345	$ 74,635	*$ 79,000*	$ 72,100	$ 74,000	$ 75,000	$ 77,000	$ 78,000	$ 80,000
Benefits Total	$ 939,586	$ 1,067,802	*$ 1,086,000*	$ 1,029,800	$ 1,116,000	$ 1,140,000	$ 1,164,000	$ 1,185,000	$ 1,208,000
TOTAL COMPENSATION AND BENEFITS	$ 2,642,288	$ 2,786,149	*$ 2,964,900*	$ 2,753,700	$ 2,957,000	$ 3,006,000	$ 3,057,000	$ 3,111,000	$ 3,187,000
PLANT - WATER OPERATION									
Taxes - Property	$ 12,030	$ 12,302	*$ 12,800*	$ 12,800	$ 13,300	$ 13,800	$ 14,300	$ 14,800	$ 15,300
Glenwood - Plant Maintenance	$ 10,417	$ 35,332	*$ 25,000*	$ 25,000	$ 23,000	$ 24,000	$ 25,000	$ 26,000	$ 27,000
Glenwood - Landscape	$ 4,716	$ 5,460	*$ 7,500*	$ 5,900	$ 5,500	$ 6,000	$ 6,500	$ 7,000	$ 7,500
Office Supplies & Misc Expenses - Plant	$ 8,880	$ 9,369	*$ 6,000*	$ 6,000	$ 7,000	$ 7,500	$ 8,000	$ 8,000	$ 8,000
Glenwood - Utilities	$ 16,329	$ 17,368	*$ 14,000*	$ 14,000	$ 16,000	$ 17,000	$ 18,000	$ 19,000	$ 20,000
Glenwood - Enterprise Communications - Move to Office	$ 37,923	$ 42,352	*$ -*	$ -	$ -	*combined 01-01-5225*			
Glenwood - Wireless Voice & Data Communications	$ 8,159	$ 10,135	*$ -*	$ -	$ -	*combined 01-01-5226*			
Training - Plant	$ 7,010	$ 6,307	*$ 7,000*	$ 7,000	$ 7,000	$ 7,500	$ 8,000	$ 8,500	$ 8,700
Education Reimbursement/Certifications	$ 5,675	$ 3,707	*$ 4,000*	$ 4,000	$ 4,000	$ 4,000	$ 5,000	$ 5,000	$ 5,000

Water Budget Table WB-4 - Summary of Water O & M Expenses - FY 16/17 - Preliminary

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
Glenwood - Safety and Security System	$ 25,889	$ 16,888	*$ 17,000*	$ 17,000	$ 17,000	$ 17,500	$ 18,000	$ 18,500	$ 19,000
Glenwood - Uniforms	$ 9,700	$ 9,865	*$ 8,500*	$ 9,000	$ 9,000	$ 9,500	$ 10,000	$ 10,500	$ 11,000
Permit & Assessment Fees	$ 1,198	$ 1,230	*$ 1,500*	$ 1,500	$ 1,500	$ 2,000	$ 2,000	$ 2,000	$ 2,000
Tools and Equipment Maintenance	$ 12,008	$ 14,961	*$ 20,000*	$ 14,500	$ 16,000	$ 17,000	$ 18,000	$ 19,000	$ 20,000
Nitrate Plant Maintenance	$ 39,189	$ 49,440	*$ 80,000*	$ 56,500	$ 70,000	$ 75,000	$ 77,000	$ 79,000	$ 81,000
SCADA - Telemetering & Signal	$ 8,241	$ 7,687	*$ 13,500*	$ 6,000	$ 10,000	$ 12,000	$ 13,000	$ 14,000	$ 15,000
SCADA Hardware	$ 2,861	$ 11,182	*$ 6,000*	$ 3,500	$ 6,000	$ 8,000	$ 9,000	$ 10,000	$ 11,000
SCADA Software	$ 204	$ -	*$ 12,000*	$ 12,000	$ 13,000	$ 14,000	$ 15,000	$ 16,000	$ 17,000
SCADA - Communications	$ 1,593	$ 1,431	*$ 3,500*	$ 2,500	$ 2,500	$ 3,000	$ 3,500	$ 4,000	$ 4,500
Lab & Sampling	$ 52,308	$ 93,575	*$ 65,000*	$ 60,000	$ 65,000	$ 67,000	$ 69,000	$ 71,000	$ 73,000
Chlorine & Treatment	$ 61,361	$ 72,859	*$ 75,000*	$ 70,000	$ 71,000	$ 73,000	$ 75,000	$ 78,000	$ 80,000
TOTAL PLANT WATER OPERATION	$ 325,691	$ 430,250	*$ 415,500*	$ 327,200	$ 356,800	$ 377,800	$ 394,300	$ 410,300	$ 425,000
DISTRIBUTION SYSTEM EXPENSES									
Backflow Expense	$ 389	$ 331	*$ 250*	$ 250	$ 500	$ 500	$ 500	$ 500	$ 500
Pipelines - Maintenance	$ 18,930	$ 55,643	*$ 50,000*	$ 40,000	$ 51,000	$ 52,000	$ 53,000	$ 54,000	$ 55,000
Pipelines - Paving	$ 12,908	$ 19,030	*$ 17,000*	$ 19,000	$ 20,000	$ 21,000	$ 22,000	$ 23,000	$ 24,000
Pipelines - Fire Hydrant & Fire Service Repair/Replace	$ 547	$ 9,939	*$ 12,000*	$ 15,500	$ 13,000	$ 14,000	$ 15,000	$ 16,000	$ 17,000
Pipelines - Leak Detection/Leak Repair	$ 330	$ 550	*$ 3,000*	$ 3,200	$ 25,000	$ 5,000	$ 25,000	$ 5,000	$ 6,000
Pipelines - Trench Plate Rentals	$ 1,229	$ 4,373	*$ 1,500*	$ 3,400	$ 2,500	$ 2,500	$ 2,500	$ 2,500	$ 2,000
Pipelines - Water Sampling Stations	$ 669	$ 1,252	*$ 500*	$ 250	$ 500	$ 500	$ 500	$ 500	$ 500
Pipelines - Valves	$ -	$ -	*$ 3,000*	$ 3,400	$ 4,000	$ 5,000	$ 6,000	$ 7,000	$ 8,000
Reservoir - Maintenance	$ 30,917	$ 73,564	*$ 80,000*	$ 97,000	$ 73,000	$ 77,000	$ 80,000	$ 83,000	$ 86,000
Reservoir - Landscape	$ 19,855	$ 14,752	*$ 22,000*	$ 17,000	$ 17,000	$ 18,000	$ 19,000	$ 20,000	$ 21,000
Meters - Maintenance	$ 328,235	$ 265,372	*$ 275,000*	$ 220,000	$ 250,000	$ 225,000	$ 185,000	$ 185,000	$ 185,000
Meters - Paving	$ 337,413	$ 186,142	*$ 275,000*	$ 231,000	$ 230,000	$ 230,000	$ 235,000	$ 240,000	$ 240,000
Meters - Repair/Replacement/Upgrade	$ 4,948	$ 4,823	*$ 15,000*	$ 12,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Meters - Lateral Leaks	$ 90,443	$ 58,875	*$ 150,000*	$ 88,000	$ 76,000	$ 75,000	$ 76,000	$ 77,000	$ 78,000
Meters - Trench Plate Rentals	$ 6,475	$ 3,420	*$ 2,000*	$ 1,500	$ 2,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Meters - D-jobs	$ 9,710	$ 101,219	*$ 8,000*	$ 8,000	$ 8,000	$ 8,000	$ 9,000	$ 9,000	$ 10,000
Wells - Maintenance	$ 27,331	$ 54,389	*$ 32,000*	$ 16,200	$ 45,000	$ 33,000	$ 37,000	$ 41,000	$ 44,000
Wells - Landscape	$ 7,581	$ 3,360	*$ 3,500*	$ 3,500	$ 5,000	$ 5,000	$ 6,000	$ 6,000	$ 6,000
Wells - Rent	$ 300	$ 300	*$ 300*	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300
Booster Pump - Maintenance	$ 58,700	$ 18,453	*$ 60,000*	$ 55,000	$ 57,000	$ 63,000	$ 72,000	$ 77,000	$ 82,000
Emergency Generators	$ 11,712	$ 21,348	*$ 22,000*	$ 18,000	$ 22,500	$ 23,000	$ 23,500	$ 24,000	$ 24,500
Auto/Truck - Maintenance	$ 76,727	$ 72,212	*$ 50,000*	$ 60,000	$ 55,000	$ 57,000	$ 59,000	$ 61,000	$ 62,000
Auto/Truck - Gas	$ 25,875	$ 21,008	*$ 17,500*	$ 17,500	$ 20,000	$ 20,500	$ 21,000	$ 21,500	$ 22,000
Auto/Truck - Diesel	$ 17,042	$ 18,566	*$ 17,500*	$ 16,500	$ 18,000	$ 18,500	$ 19,000	$ 19,500	$ 20,000
TOTAL DISTRIBUTION SYSTEM EXPENSES	$ 1,112,362	$ 1,008,921	*$ 1,117,050*	$ 946,500	$ 1,005,300	$ 964,800	$ 977,300	$ 983,800	$ 1,004,800

Water Budget Table WB-4 - Summary of Water O & M Expenses - FY 16/17 - Preliminary

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
GENERAL AND ADMINISTRATIVE EXPENSES									
General Liability Insurance	$ 46,256	$ 44,131	$ 53,000	$ 53,000	$ 56,000	$ 59,000	$ 62,000	$ 65,000	$ 68,000
Accounting - Audit	$ 15,079	$ 11,515	$ 13,000	$ 13,000	$ 13,000	$ 14,500	$ 15,000	$ 15,500	$ 16,000
Legal Consulting Fees	$ 42,935	$ 85,614	$ 45,000	$ 51,000	$ 47,000	$ 49,000	$ 51,000	$ 53,000	$ 55,000
Administrative Consultants	$ 34,711	$ 73,932	$ 120,000	$ 90,000	$ 130,000	$ 130,000	$ 130,000	$ 130,000	$ 100,000
Election Expense	$ 36,751	$ -	$ 40,000	$ -	$ -	$ 45,000	$ -	$ 50,000	$ -
Office Maintenance	$ 10,135	$ 9,652	$ 12,000	$ 12,000	$ 12,000	$ 12,000	$ 13,000	$ 14,000	$ 15,000
Landscape Maintenance - Office	$ 5,129	$ 6,631	$ 7,500	$ 6,500	$ 7,500	$ 8,000	$ 8,500	$ 9,000	$ 9,500
Office Supplies & Misc Expenses - Office	$ 5,459	$ 5,041	$ 5,500	$ 5,500	$ 5,500	$ 6,000	$ 6,000	$ 6,000	$ 6,500
Computer Hardware	$ 21,660	$ 24,719	$ 27,000	$ 27,000	$ 25,000	$ 26,000	$ 27,000	$ 28,000	$ 29,000
Computer Software	$ 18,067	$ 27,965	$ -	$ -	$ -	*Combined with Computer Software, Maint. Lic*			
Computer Software, Maintenance, Licenses	$ 17,551	$ 19,353	$ 60,000	$ 45,000	$ 50,000	$ 50,000	$ 51,000	$ 52,000	$ 53,000
Utilities - Office	$ 17,698	$ 19,978	$ 20,000	$ 23,000	$ 21,000	$ 21,500	$ 22,000	$ 22,500	$ 23,000
Enterprise Voice Communications	$ 24,475	$ 25,463	$ 12,750	$ 38,200	$ 40,000	$ 41,000	$ 42,000	$ 43,000	$ 44,000
Data Communications - Fiber Lines/Internet	$ -	$ -	$ 48,750	$ 47,500	$ 49,000	$ 50,000	$ 51,000	$ 52,000	$ 53,000
Wireless Voice & Data Communications-cell	$ 15,078	$ 5,670	$ 29,500	$ 14,000	$ 14,000	$ 15,000	$ 15,500	$ 16,000	$ 16,500
Printing, Postage, Stationery, Copier Maint.	$ 41,638	$ 43,423	$ 37,000	$ 35,000	$ 37,500	$ 38,000	$ 38,500	$ 39,500	$ 40,500
Uncollectible Accounts-Water	$ 9,190	$ 9,312	$ 3,000	$ 4,400	$ 3,500	$ 3,500	$ 4,000	$ 4,000	$ 4,500
Water System Fees (DHS, RWQCB, LAFCO, Misc)	$ 47,454	$ 46,503	$ 60,000	$ 46,000	$ 50,000	$ 51,000	$ 52,000	$ 53,000	$ 54,000
Engineering Department	$ 10,511	$ 10,660	$ 9,900	$ 10,800	$ 11,000	$ 12,000	$ 13,000	$ 14,000	$ 15,000
Water Conservation	$ 31,208	$ 22,848	$ 45,000	$ 26,000	$ 30,000	$ 31,000	$ 32,000	$ 33,000	$ 34,000
Pipeline/Advertising - Water Conservation	$ -	$ 1,309	$ 5,000	$ 2,000	$ 2,500	$ 2,500	$ 2,500	$ 2,500	$ 2,500
Turf Rebates - Water Conservation	$ 51,061	$ 109,470	$ 35,000	$ 35,000	$ -	$ -	$ -	$ -	$ -
Device Rebates - Water Conservation	$ 50	$ 3,775	$ 5,000	$ 3,500	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
Community Outreach	$ -	$ 534	$ 12,000	$ 9,200	$ 12,000	$ 12,000	$ 12,000	$ 12,000	$ 15,000
Training - Office	$ 5,931	$ 3,271	$ 3,000	$ 2,900	$ 3,500	$ 4,000	$ 4,500	$ 5,000	$ 5,500
Conferences and Seminars - Office	$ 10,260	$ 7,518	$ 10,000	$ 8,000	$ 9,000	$ 10,000	$ 11,000	$ 12,000	$ 13,000
Board of Directors - Conferences and Seminars	$ 3,216	$ 2,265	$ 2,300	$ 5,000	$ 5,000	$ 5,000	$ 5,500	$ 6,000	$ 6,500
Misc Administration - Office	$ 2,598	$ 5,292	$ 5,000	$ 4,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
Board of Directors - Misc Administration	$ 1,286	$ 1,758	$ 2,000	$ 1,500	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000
Membership Renewals/Subscriptions	$ 23,501	$ 22,893	$ 26,000	$ 22,000	$ 22,000	$ 23,000	$ 24,000	$ 25,000	$ 26,000
Bank Charges	$ 12,818	$ 14,971	$ 15,500	$ 16,500	$ 18,000	$ 19,000	$ 20,000	$ 21,000	$ 22,000
Rental Property - should be a non-operating expense	$ -	$ 2,314	$ 3,100	$ 3,100	$ 2,500	$ 2,500	$ 2,500	$ 2,500	$ 2,500
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	$ 561,706	$ 667,780	$ 735,600	$ 660,600	$ 688,500	$ 752,500	$ 727,500	$ 797,500	$ 741,500
Emergency Operations	$ -	$ -	$ 2,000	$ 1,000	$ 2,000	$ 2,000	$ 3,000	$ 3,000	$ 3,000
FIRE & DEBRIS RECOVERY	$ -	$ -	$ 2,000	$ 1,000	$ 2,000	$ 2,000	$ 3,000	$ 3,000	$ 3,000
TOTAL EXPENSE	$ 4,642,047	$ 4,893,100	$ 5,235,050	$ 4,689,000	$ 5,009,600	$ 5,103,100	$ 5,159,100	$ 5,305,600	$ 5,361,300
Total O & M Expense (w/o Labor & Benefits)	$ 1,999,759	$ 2,106,951	$ 2,270,150	$ 1,935,300	$ 2,052,600	$ 2,097,100	$ 2,102,100	$ 2,194,600	$ 2,174,300

Water Budget Table WB-9 - Total Sources - FY 16/17 - Preliminary

	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
REVENUE									
Service Readiness Charge Revenue	$ 1,731,323	$ 1,828,481	$ 1,938,000	$ 1,936,000	$ 2,062,000	$ 2,244,000	$ 2,409,000	$ 2,575,000	$ 2,742,000
Metered sales of water (CVWD Costs)	$ 4,843,462	$ 4,162,173	$ 6,868,000	$ 6,058,000	$ 7,042,000	$ 7,859,000	$ 8,650,000	$ 9,471,000	$ 10,322,000
Required metered sales of water (FMWD Costs)	$ 2,619,953	$ 2,432,299	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Income - Water Reserves	$ 125,914	$ 91,782	$ 100,000	$ 140,000	$ 163,000	$ 149,000	$ 137,000	$ 134,000	$ 139,000
Interest Income - MTBE Reserves	$ 46,780	$ 103,000	$ 125,000	$ 110,000	$ 77,000	$ 79,000	$ 81,000	$ 83,000	$ 85,000
Source of Funds - Other Sources	$ 170,754	$ 221,080	$ 126,500	$ 136,000	$ 147,000	$ 153,000	$ 160,000	$ 169,000	$ 176,000
Sources of Funds - CIP Sources	$ 170,898	$ 238,461	$ 1,490,000	$ 761,225	$ 1,225,450	$ 730,475	$ 410,300	$ 390,000	$ 400,000
Transfer from MTBE Fund			$ 2,000,000	$ 2,000,000	$ 1,000,000	$ -	$ -	$ -	$ -
TOTAL REVENUE	$ 9,771,511	$ 9,077,276	$ 12,647,500	$ 11,141,225	$ 11,716,450	$ 11,214,475	$ 11,847,300	$ 12,822,000	$ 13,864,000
OPERATIONS & MAINTENANCE (O & M) EXPENSE									
Labor & Benefits	$ 2,642,288	$ 2,786,149	$ 2,964,900	$ 2,753,700	$ 2,957,000	$ 3,006,000	$ 3,057,000	$ 3,111,000	$ 3,187,000
Purchased Water (FMWD)	$ 3,151,636	$ 2,741,033	$ 2,093,000	$ 2,485,000	$ 2,099,000	$ 2,107,000	$ 2,116,000	$ 2,098,000	$ 2,028,000
Purchased Water (GWP)	$ -	$ -	$ 185,000	$ 78,585	$ 231,000	$ 240,000	$ 263,000	$ 274,000	$ 284,000
Power	$ 672,908	$ 682,044	$ 715,000	$ 634,200	$ 695,000	$ 716,000	$ 737,000	$ 759,000	$ 778,000
Operating expenses	$ 1,999,759	$ 2,106,951	$ 2,270,150	$ 1,935,300	$ 2,052,600	$ 2,097,100	$ 2,102,100	$ 2,194,600	$ 2,174,300
Total O & M Expense	$ 8,466,591	$ 8,316,177	$ 8,228,050	$ 7,886,785	$ 8,034,600	$ 8,166,100	$ 8,275,100	$ 8,436,600	$ 8,451,300
Debt Service (principal & interest)	$ 612,400	$ 612,454	$ 614,000	$ 614,000	$ 614,000	$ 614,000	$ 614,000	$ 614,000	$ 615,000
Bond Covenant	1.85	0.85	4.77	4.06	4.00	3.98	3.98	3.98	3.98
Total O & M Expense + Debt Service	$ 9,078,991	$ 8,928,631	$ 8,842,050	$ 8,500,785	$ 8,648,600	$ 8,780,100	$ 8,889,100	$ 9,050,600	$ 9,066,300
Cash Available for Capital - [Revenue - (Total O & M Expense + Debt Service)]	$ 692,520	$ 148,645	$ 3,805,450	$ 2,640,440	$ 3,067,850	$ 2,434,375	$ 2,958,200	$ 3,771,400	$ 4,797,700
CAPITAL OUTLAY, LIABILITIES and CAPITAL PROJECTS									
Capital Outlay & Equipment	$ 171,671	$ 140,870	$ 65,000	$ 22,000	$ 110,000	$ 150,000	$ 156,000	$ 140,000	$ 130,000
Re-Payment to MTBE Fund	$ -	$ -	$ -	$ -	$ -	$ -			$ 500,000
Future Liability (OPEB)	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000
Capital Improvements (pay-as-you-go)	$ 1,365,786	$ 1,981,000	$ 3,215,000	$ 3,147,606	$ 2,800,000	$ 2,800,000	$ 2,800,000	$ 2,800,000	$ 2,800,000
Total - Capital Outlay, CIP, CIP Fund & Future Liability	$ 1,637,457	$ 2,282,237	$ 3,380,000	$ 3,269,606	$ 3,010,000	$ 3,050,000	$ 3,056,000	$ 3,040,000	$ 3,530,000
INCREASE (DECREASE) TO CASH	$ (944,937)	$ (2,133,593)	$ 425,450	$ (629,166)	$ 57,850	$ (615,625)	$ (97,800)	$ 731,400	$ 1,267,700
FY begin available Water Reserves	$ 6,457,073	$ 5,512,136	$ 4,057,756	$ 4,057,756	$ 3,428,590	$ 3,486,441	$ 2,870,816	$ 2,773,017	$ 3,504,417
FY End Water Reserves	$ 5,512,136	$ 4,057,756	$ 4,483,206	$ 3,428,590	$ 3,486,441	$ 2,870,816	$ 2,773,017	$ 3,504,417	$ 4,772,117
TOTAL TARGET WATER CASH RESERVES	$ 3,524,000	$ 3,349,000	$ 3,643,000	$ 3,152,000	$ 3,462,000	$ 3,685,000	$ 3,896,000	$ 4,129,000	$ 4,354,000
Above or (below) Target Reserves	$ 1,988,136	$ 708,756	$ 840,206	$ 276,590	$ 24,441	$ (814,184)	$ (1,122,983)	$ (624,583)	$ 418,117
Effective date of water rates	7/1/13	7/1/14	7/1/15	7/1/15	7/1/16	7/1/17	7/1/18	7/1/19	7/1/20
Projected Rate Increase for Service Charge	5.6%	5.8%	5.7%	5.7%	6.5%	8.7%	7.2%	6.8%	6.3%
Service rates ($/month for 3/4" meter)	$ 17.10	$ 15.30	$ 18.10	$ 18.10	$ 19.30	$ 21.00	$ 22.50	$ 24.00	$ 25.50
Projected Rate Increase for Quantity Charge	5.6%	5.8%	5.7%	5.7%	6.5%	8.7%	7.2%	6.8%	6.3%
Quantity Charge: ($/kgal)	$ 5.33	$ 5.64	$ 5.96	$ 5.96	$ 6.35	$ 6.90	$ 7.40	$ 7.90	$ 8.40

Legend

Blue - Recorded Revenues & Expenses
Brown - Previous Year Budget & Projected End of Year
Black - Budget Revenues & Expenses
Green - Forcast Revenues & Expenses

Expense - 3/22/16	$	2,221,900
Expense - 3/29/16	$	2,052,600
Reduction	$	(169,300)

Wastewater Budget Table WWB-1 Projected Wastewater Accounts - FY 16/17 - Preliminary

Wastewater Accounts	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
Residential Units - EDU(1)									
Single Family	5,271	5,273	5,275	5,277	5,279	5,281	5,283	5,285	5,287
Multi-family	2,546	2,548	2,550	2,550	2,552	2,554	2,556	2,558	2,560
Total Residential Units - EDU(1)	7,817	7,821	7,825	7,827	7,831	7,835	7,839	7,843	7,847
Total No. of Accounts - Commercial	166	166	166	166	166	166	166	166	166
Total No. of Accounts - School	6	6	6	6	6	6	6	6	6
Total EDUs	7,989	7,993	7,997	7,999	8,003	8,007	8,011	8,015	8,019
Projected No. of Account Annual Increase	9	9	4	6	4	4	4	4	4
Projected Percent of Account Annual Increase	0.11%	0.11%	0.05%	0.08%	0.05%	0.05%	0.05%	0.05%	0.05%

Note:
1. EDU = Equivalent Dwelling Units

Wastewater Budget Table WWB-2 Revenues - FY 16/17 - Preliminary

	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
Wastewater User and Standby Charge Revenues									
Single family dwelling unit	$ 3,241,490	$ 3,341,597	$ 2,136,000	$ 2,126,600	$ 2,138,000	$ 2,170,000	$ 2,203,000	$ 2,236,000	$ 2,268,000
Multiple family dwelling			$ 1,032,000	$ 987,000	$ 1,034,000	$ 1,050,000	$ 1,066,000	$ 1,082,000	$ 1,098,000
Total School charges			$ 96,000	$ 91,000	$ 95,000	$ 97,000	$ 100,000	$ 102,000	$ 105,000
Total Commercial user charges			$ 251,000	$ 240,000	$ 251,000	$ 255,000	$ 259,000	$ 264,000	$ 268,000
Sewer Service Discount			$ (150,000)	$ (100,000)	$ (150,000)	$ (150,000)	$ (150,000)	$ (150,000)	$ (150,000)
Total user charge revenues	$ 3,241,490	$ 3,341,597	$ 3,364,000	$ 3,344,600	$ 3,368,000	$ 3,422,000	$ 3,478,000	$ 3,534,000	$ 3,589,000
Permit/Connection Fees/Misc.									
Sewer Permits	$ 1,000	$ 6,000	$ 1,500	$ 1,500	$ 4,000	$ 4,000	$ 3,000	$ 2,000	$ 1,500
Sewer Connection Fee (CVWD)	$ 29,815	$ 31,523	$ 15,000	$ 15,000	$ 20,000	$ 20,000	$ 20,000	$ 15,000	$ 15,000
Misc. Revenue	$ -	$ 27,577	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
Rental Properties Income	$ 7,191	$ 7,400	$ 7,500	$ 7,500	$ 7,500	$ 7,500	$ 7,500	$ 7,500	$ 7,500
Total Permit/Connection Fees/Misc.	$ 38,006	$ 72,500	$ 29,000	$ 29,000	$ 36,500	$ 36,500	$ 35,500	$ 29,500	$ 29,000
Interest Earned	$ 207	$ 103	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500
Total Revenue	$ 3,279,703	$ 3,414,200	$ 3,393,500	$ 3,374,100	$ 3,405,000	$ 3,459,000	$ 3,514,000	$ 3,564,000	$ 3,618,500

Wastewater Budget Table WWB-3 City of Los Angeles O & M and Capital Expense - FY 16/17 - Preliminary

Description	Recorded FY 2013-14	Recorded FY 2014-15	*Budget FY 2015-16*	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21	
City of Los Angeles Projection O & M	**$ 453,778**	**$ 346,710**	$ 667,760	**$ 450,888**	**$ 696,140**	**$ 696,140**	**$ 696,140**	**$ 696,140**	**$ 696,140**	
City of Los Angeles Projection Capital	**$ 462,534**	**$ 328,303**	$ 855,720	**$ 744,984**	**$ 547,280**	**$ 547,280**	**$ 547,280**	**$ 547,280**	**$ 547,280**	
City of Los Angeles Projection Total	**$ 916,312**	**$ 675,013**	$ 1,523,480	**$ 1,195,872**	**$ 1,243,420**	**$ 1,243,420**	**$ 1,243,420**	**$ 1,243,420**	**$ 1,243,420**	
City of Los Angeles Projections - March 2016					*FY 2016-17*	*FY 2017-18*	*FY 2018-19*	*FY 2019-20*	*FY 2020-21*	***5 - Yr Avg***
City of Los Angeles Projection O & M					$ 671,100	$ 683,800	$ 695,900	$ 708,500	$ 721,400	***$ 696,140***
City of Los Angeles Projection Capital					$ 579,000	$ 702,800	$ 522,100	$ 836,600	$ 95,900	***$ 547,280***
City of Los Angeles Projection Total					***$ 1,250,100***	***$ 1,386,600***	***$ 1,218,000***	***$ 1,545,100***	***$ 817,300***	***$ 1,243,420***

Notes:

1. Source for FY 2016-17 City of Los Angeles - Amalgamated System Sewer Service Charges (ASSSC) include both capital and O&M charges dated 3/9/16
2. Projected FY 2015/16 does not includes any City of LA Reconciliation Charge for FY 2014/15
3. Budget 16/17 - 20/21 - Based on Average Cost from City of LA from 2016-2021

Wastewater Budget Table WWB - 4 Operation and Maintenance Expenses - FY 16/17 - Preliminary v6

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
TREATMENT AND DISPOSAL CHARGES									
Los Angeles ASSSC	$ 916,312	$ 675,013	$ 1,523,480	$ 1,195,872	$ 1,243,000	$ 1,243,000	$ 1,243,000	$ 1,243,000	$ 1,243,000
TOTAL TREATMENT AND DISPOSAL CHARGES	$ 951,312	$ 675,013	$ 1,523,480	$ 1,195,872	$ 1,243,000	$ 1,243,000	$ 1,243,000	$ 1,243,000	$ 1,243,000
COMPENSATION AND BENEFITS									
Director Fees	$ 8,370	$ 9,225	$ 8,000	$ 8,000	$ 9,000	$ 9,000	$ 9,000	$ 9,000	$ 9,000
Labor									
Officer Salaries	$ 144,628	$ 150,010	$ 164,500	$ 159,600	$ 170,000	$ 171,000	$ 172,000	$ 174,000	$ 176,000
Administrative Services Labor	$ 239,655	$ 261,192	$ 285,000	$ 283,800	$ 283,000	$ 247,000	$ 251,000	$ 255,000	$ 256,600
Administrative Services Labor - OT	$ 6,127	$ 3,923	$ 3,000	$ 3,000	$ 3,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000
Engineering Department Labor	$ 100,029	$ 91,208	$ 145,000	$ 100,000	$ 111,000	$ 100,300	$ 102,600	$ 104,300	$ 105,700
Engineering Department Labor-OT	$ 721	$ 876	$ 660	$ 1,200	$ 1,000	$ 1,325	$ 1,350	$ 1,700	$ 1,700
Auto Allowance	$ 8,700	$ 9,075	$ 10,000	$ 10,200	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Plant - Office Labor	$ 61,776	$ 56,639	$ 79,000	$ 60,000	$ 74,000	$ 74,300	$ 75,000	$ 76,000	$ 81,000
Plant - Office Labor-OT	$ 155	$ 117	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Maintenance Workers Labor	$ 153,163	$ 174,267	$ 199,000	$ 195,000	$ 201,000	$ 213,000	$ 218,000	$ 220,000	$ 226,000
Maintenance Workers Labor-OT	$ 27,434	$ 18,157	$ 22,000	$ 24,000	$ 22,000	$ 22,000	$ 22,000	$ 22,000	$ 23,000
Standby Pay	$ 14,000	$ 13,679	$ 14,000	$ 14,000	$ 14,000	$ 14,600	$ 14,600	$ 15,000	$ 15,300
Labor Transfer to Capital	$ (2,909)	$ -	$ (5,000)	$ -	$ -	*combined with Engineering Dept. Labor*			
Labor Total	$ 764,758	$ 788,369	$ 925,160	$ 858,800	$ 898,000	$ 864,525	$ 877,550	$ 889,000	$ 906,300
PERS Retirement (Total Employees)	$ 176,593	$ 185,480	$ 194,000	$ 185,000	$ 210,000	$ 228,000	$ 245,000	$ 262,000	$ 269,300
Taxes - Payroll (Total Employees)	$ 84,603	$ 87,244	$ 90,000	$ 89,000	$ 93,000	$ 94,000	$ 95,300	$ 96,600	$ 98,000
Sick and Vacation - Office	$ 22,662	$ 44,454	$ 36,000	$ 33,500	$ 37,000	$ 37,300	$ 37,600	$ 38,300	$ 38,600
Health and Dental and Vision - Office	$ 83,046	$ 91,056	$ 91,000	$ 87,500	$ 86,000	$ 87,300	$ 88,600	$ 90,600	$ 92,000
Retiree - Health Care Expense	$ 57,564	$ 49,757	$ 52,000	$ 48,000	$ 49,000	$ 50,000	$ 51,300	$ 52,000	$ 53,000
Life & Disability Insurance - Office and Plant	$ 5,583	$ 6,331	$ 6,600	$ 6,700	$ 7,000	$ 6,750	$ 6,750	$ 7,300	$ 8,000
Self Insurance	$ 6,894	$ 6,201	$ 8,800	$ 4,500	$ 8,000	$ 8,600	$ 8,600	$ 8,600	$ 8,600
Workers' Compensation - Office	$ 9,420	$ 8,815	$ 10,500	$ 13,000	$ 14,000	$ 12,000	$ 10,600	$ 8,600	$ 8,600
Sick and Vacation - Plant	$ 15,108	$ 29,636	$ 24,000	$ 24,000	$ 25,000	$ 24,600	$ 25,300	$ 25,600	$ 25,600
Health and Dental and Vision - Plant	$ 88,014	$ 93,666	$ 101,000	$ 95,000	$ 93,000	$ 94,700	$ 96,600	$ 98,600	$ 100,000
Workers' Compensation - Plant	$ 38,959	$ 37,640	$ 50,000	$ 52,000	$ 60,000	$ 54,675	$ 47,300	$ 38,000	$ 38,600
Compensation Total	$ 588,446	$ 640,280	$ 663,900	$ 638,200	$ 682,000	$ 697,925	$ 712,950	$ 726,200	$ 740,300
TOTAL COMPENSATION AND BENEFITS	$ 1,353,204	$ 1,428,649	$ 1,589,060	$ 1,497,000	$ 1,580,000	$ 1,562,450	$ 1,590,500	$ 1,615,200	$ 1,646,600
PLANT OPERATING EXPENSES									
Taxes - Property	$ 4,010	$ 4,101	$ 4,200	$ 4,200	$ 4,500	$ 4,600	$ 4,800	$ 4,900	$ 5,100
Glenwood - Plant Maintenance	$ 3,445	$ 3,174	$ 8,500	$ 8,500	$ 7,500	$ 8,000	$ 8,500	$ 8,600	$ 9,000
Landscaping Expense	$ 1,572	$ 1,820	$ 2,500	$ 2,500	$ 1,800	$ 2,000	$ 2,150	$ 2,300	$ 2,500
Office Supplies & Misc Expenses - Plant	$ 9,044	$ 9,353	$ 6,000	$ 6,000	$ 7,000	$ 7,500	$ 8,000	$ 8,000	$ 8,000
Glenwood - Utilities	$ 3,558	$ 3,575	$ 4,660	$ 3,200	$ 5,300	$ 5,700	$ 6,000	$ 6,300	$ 6,600
Glenwood - Voice Communications	$ 12,641	$ 14,117	$ -	$ -	$ -	*combined 01-01-5225*		$ -	$ -

Wastewater Budget Table WWB - 4 Operation and Maintenance Expenses - FY 16/17 - Preliminary v6

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
Glenwood - Wireless Voice & Data Communications	$ 2,720	$ 3,378	$ -	$ -	$ -	*combined 01-01-5226*		$ -	$ -
Training - Plant	$ 1,987	$ 3,222	$ 2,300	$ 2,100	$ 2,375	$ 2,500	$ 2,650	$ 2,800	$ 2,900
Education Reimbursement/Cert. - WW	$ 622	$ 252	$ 1,000	$ 750	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Glenwood - Safety and Security System	$ 8,020	$ 5,820	$ 5,800	$ 5,800	$ 5,750	$ 5,800	$ 6,000	$ 6,200	$ 6,300
Glenwood - Uniforms	$ 3,233	$ 3,288	$ 2,830	$ 3,400	$ 3,000	$ 3,250	$ 3,350	$ 3,500	$ 3,700
Tools and Equipment Maintenance	$ 18,098	$ 17,375	$ 20,000	$ 15,000	$ 16,000	$ 17,000	$ 18,000	$ 19,000	$ 20,000
Power - Lift Station	$ 691	$ 723	$ 750	$ 750	$ 750	$ 800	$ 800	$ 800	$ 800
Telemetering & Signal System	$ 2,641	$ 2,680	$ 4,500	$ 2,000	$ 3,300	$ 4,000	$ 4,300	$ 4,700	$ 5,000
SCADA Hardware	$ -	$ -	$ 2,000	$ 1,500	$ 2,000	$ 2,700	$ 3,000	$ 3,300	$ 3,700
SCADA Software	$ -	$ -	$ 4,000	$ 2,000	$ 4,400	$ 4,700	$ 5,000	$ 5,300	$ 5,600
SCADA Phone Lines & Radio	$ -	$ -	$ 1,160	$ 900	$ 850	$ 1,000	$ 1,150	$ 1,300	$ 1,500
TOTAL PLANT OPERATING EXPENSES	$ 72,282	$ 72,878	$ 70,200	$ 58,600	$ 65,525	$ 70,550	$ 74,700	$ 78,000	$ 81,700
COLLECTION SYSTEM EXPENSE									
Pipelines - Maintenance	$ 22,552	$ 4,746	$ 5,000	$ 4,000	$ 5,000	$ 6,000	$ 7,000	$ 8,000	$ 8,000
Auto/Truck - Maintenance	$ 46,232	$ 34,676	$ 16,600	$ 18,700	$ 18,300	$ 19,000	$ 19,700	$ 20,300	$ 21,000
Auto/Truck - Gas	$ 8,026	$ 7,003	$ 5,800	$ 5,700	$ 6,600	$ 6,800	$ 7,000	$ 7,200	$ 7,300
Auto/Truck - Diesel	$ 5,681	$ 6,189	$ 5,800	$ 5,200	$ 6,000	$ 6,200	$ 6,300	$ 6,500	$ 6,600
Sewer Flow Monitoring Expense	$ 14,555	$ 12,860	$ 25,000	$ 20,000	$ 20,000	$ 20,500	$ 21,000	$ 26,500	$ 26,500
Sewer Camera Van Inspection	$ 3,248	$ 3,091	$ 3,500	$ 2,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000
Sewer Interceptor - Maintenance	$ 1,243	$ 1,360	$ 4,000	$ 3,500	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Sewer Lift Station - Maintenance	$ 4,338	$ 4,275	$ 6,000	$ 5,250	$ 5,250	$ 5,750	$ 6,250	$ 6,750	$ 7,250
TOTAL COLLECTION SYSTEM EXPENSE	$ 105,875	$ 74,200	$ 71,700	$ 64,350	$ 68,150	$ 71,250	$ 74,250	$ 82,250	$ 83,650
GENERAL AND ADMINISTRATIVE EXPENSES									
General Insurance (General Liability, Property, Fidelity)	$ 46,256	$ 44,131	$ 53,000	$ 50,000	$ 56,000	$ 59,000	$ 62,000	$ 65,000	$ 68,000
Accounting - Audit	$ 15,079	$ 11,515	$ 13,000	$ 13,000	$ 13,000	$ 14,500	$ 15,000	$ 15,500	$ 16,000
Legal Consulting Fees	$ 15,546	$ 16,163	$ 15,000	$ 14,000	$ 15,600	$ 16,600	$ 17,000	$ 17,600	$ 18,300
Administrative Consultants	$ 9,519	$ 27,706	$ 120,000	$ 85,000	$ 44,000	$ 42,500	$ 42,500	$ 43,300	$ 33,000
Election Expense	$ 36,751	$ -	$ 40,000	$ -	$ -	$ 45,000	$ -	$ 50,000	$ -
Office Maintenance	$ 3,378	$ 3,217	$ 4,000	$ 3,750	$ 4,000	$ 4,000	$ 4,300	$ 4,700	$ 5,000
Landscape Maintenance - Office	$ 1,710	$ 2,210	$ 2,500	$ 2,250	$ 2,500	$ 2,650	$ 2,800	$ 3,000	$ 3,100
Office Supplies & Misc Expenses	$ 5,442	$ 5,008	$ 1,800	$ 1,800	$ 5,500	$ 6,000	$ 6,000	$ 6,000	$ 6,500
Computers Hardware	$ 7,312	$ 6,837	$ 9,000	$ 6,500	$ 8,500	$ 8,600	$ 9,000	$ 9,300	$ 9,700
Computer Software	$ 6,022	$ 9,322	$ -	$ -	$ -	*Combined with computer software, maint, licnc.*			
Computer Software, Maintenance, License	$ 5,850	$ 6,241	$ 19,600	$ 15,000	$ 17,000	$ 17,000	$ 17,000	$ 17,300	$ 17,600
Utilities - Office	$ 5,522	$ 6,294	$ 6,500	$ 8,600	$ 7,200	$ 7,200	$ 7,300	$ 7,500	$ 7,700
Enterprise Voice Communications - land line phones	$ 8,158	$ 8,488	$ 4,200	$ 12,700	$ 13,600	$ 13,600	$ 14,000	$ 14,300	$ 14,700
Data Communications: Fiber Lines/Internet	$ -	$ -	$ 16,300	$ 15,600	$ 16,000	$ 17,000	$ 17,000	$ 17,000	$ 17,700
Wireless Voice & Data Communications - cell	$ 5,019	$ 1,890	$ 9,860	$ 5,000	$ 4,750	$ 5,000	$ 5,200	$ 5,300	$ 5,500
Printing, Postage, Stationery, Copier Maintenance	$ 41,406	$ 43,425	$ 36,000	$ 32,000	$ 37,500	$ 38,000	$ 38,500	$ 39,500	$ 40,500
Uncollectible Accounts	$ 3,327	$ 1,975	$ 1,000	$ 1,400	$ 1,150	$ 1,150	$ 1,300	$ 1,300	$ 1,500
Engineering Department	$ 3,504	$ 3,500	$ 3,300	$ 3,300	$ 3,600	$ 4,000	$ 4,300	$ 4,700	$ 5,000

Wastewater Budget Table WWB - 4 Operation and Maintenance Expenses - FY 16/17 - Preliminary v6

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
Training - Office	$ 1,172	$ 938	$ 3,000	$ 1,500	$ 1,150	$ 1,350	$ 1,500	$ 1,700	$ 1,800
Conferences and Seminars - Office	$ 3,166	$ 2,298	$ 3,400	$ 3,000	$ 3,000	$ 3,300	$ 3,600	$ 4,000	$ 4,300
Board of Directors - Conferences and Seminars	$ 1,072	$ 755	$ 500	$ 1,500	$ 1,675	$ 1,675	$ 1,800	$ 2,000	$ 2,150
Misc Administration - Office	$ 1,085	$ 1,758	$ 5,000	$ 2,200	$ 1,675	$ 1,675	$ 1,700	$ 1,700	$ 1,700
Board of Directors - Misc Administration	$ 444	$ 590	$ 650	$ 400	$ 650	$ 650	$ 650	$ 650	$ 650
Membership Renewals/Subscriptions	$ 7,591	$ 7,376	$ 8,800	$ 8,000	$ 7,500	$ 7,600	$ 8,000	$ 8,300	$ 8,600
Bank Charges	$ 11,092	$ 13,347	$ 15,500	$ 16,500	$ 18,000	$ 19,000	$ 20,000	$ 21,000	$ 22,000
Rental Properties Expense	$ 1,612	$ 580	$ 1,050	$ 1,050	$ 850	$ 850	$ 850	$ 850	$ 850
GENERAL AND ADMINISTRATIVE EXPENSES	$ 247,035	$ 225,562	$ 392,960	$ 304,050	$ 284,400	$ 337,900	$ 301,300	$ 361,500	$ 311,850
TOTAL WASTEWATER SYSTEM EXPENSE (w/o LA Treatment Costs)	$ 1,778,396	$ 1,801,288	$ 2,123,920	$ 1,924,000	$ 1,998,075	$ 2,042,150	$ 2,040,750	$ 2,136,950	$ 2,123,800
TOTAL WASTEWATER SYSTEM EXPENSE (w/o LA Treatment & Labor Costs)	$ 425,192	$ 372,639	$ 534,860	$ 427,000	$ 418,075	$ 479,700	$ 450,250	$ 521,750	$ 477,200

Wastewater Budget Table WWB - 5 Reserve Targets - FY 16/17 - Preliminary

Description	Recorded FY 2013-14	Recorded FY 2014-15	*Budget FY 2015-16*	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
Rate stabilization (a)	$ 492,000	$ 506,100	$ 509,100	$ 506,100	$ 510,750	$ 518,850	$ 527,100	$ 534,600	$ 542,850
Emergency reserves (b)	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000
Depreciation (reserves for replacements)	$ 800,000	$ 850,000	$ 750,000	$ 800,000	$ 850,000	$ 900,000	$ 950,000	$ 1,000,000	$ 1,050,000
Working cash (c)	$ 300,000	$ 300,000	$ 350,000	$ 320,000	$ 330,000	$ 340,000	$ 340,000	$ 360,000	$ 350,000
Total Target WW Reserves	$ 2,342,000	$ 2,406,100	$ 2,359,100	$ 2,376,100	$ 2,440,750	$ 2,508,850	$ 2,567,100	$ 2,644,600	$ 2,692,850

Note:

Cash reserves target is per 6/30/03 policy in Annual Financial Statement

a. Rate stabilization reserve target equals 15 percent of sewer sales

b. The emergency reserve is set at $750,000.

c. The working cash level is set at two months of O&M expenses.

Wastewater Budget Table WWB-6 CIP & Capital Outlay - FY 16/17 - Preliminary

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
1. Collections Systems	$ 13,011	$ 8,112	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000
2. Interceptor System	$ -	$ 1,109	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000
3. Lift Station	$ 6,071		$ 75,000	$ 35,000	$ 40,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000
4. Technology (Sewer Projects Only)	$ -		$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
5. Public Safety/Emergency Response	$ -		$ -	$ -	$ -	$ -	$ -	$ -	$ -
6. Facilities & Planning	$ -		$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 20,000
7. Misc. Sewer Projects	$ -		$ 8,000	$ 8,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
Total CIP Projects	$ 19,082	$ 9,221	$ 185,000	$ 145,000	$ 147,000	$ 110,000	$ 110,000	$ 110,000	$ 110,000
Capital Outlay									
Software (Spring Brook) - Fixed Assets	$ -				$ 3,750				
Spring Brook Software - Payroll Module						$ 6,250			
Spring Brook Software - Work Order Module							$ 8,750		
Spring Brook Software - Project Management Module								$ 5,000	
Spring Brook Software - Extend Budget Module									$ 5,000
Upgrade Computer Hardware & Security	$ -		$ 8,000	$ 8,000	$ 10,000	$ 10,000	$ 10,000	$ 6,600	$ 6,600
Main Office - Upgrades	$ -		$ 3,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000
Misc	$ -	$ 8,593	$ 1,000	$ 1,000	$ 3,250	$ 2,750	$ 2,250	$ 2,400	$ 2,400
Equipment Outlay									
Sewer Cover Transmitter	$ -		$ 5,000	$ -					
Sewer Vactor Truck					$ 300,000				
Annual Vehicle Replacement (1 vehicle)		$ 24,208	$ 75,000	$ 50,388	$ 55,000	$ 40,000	$ 40,000	$ 40,000	$ 40,000
Total CO Projects	$ -	$ 32,801	$ 92,000	$ 62,388	$ 375,000	$ 62,000	$ 64,000	$ 57,000	$ 57,000
Total CIP & CO Projects	$ 19,082	$ 42,022	$ 277,000	$ 207,388	$ 522,000	$ 172,000	$ 174,000	$ 167,000	$ 167,000

Wastewater Budget Table WWB - 7 Sources and Applications of Funds - FY 16/17 - Preliminary V6

Budget	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
REVENUE									
Projected user charges	$ 3,241,490	$ 3,341,597	*$ 3,364,000*	$ 3,344,600	$ 3,368,000	$ 3,422,000	$ 3,478,000	$ 3,534,000	$ 3,589,000
Total permit/connection fee	$ 38,006	$ 72,500	*$ 29,000*	$ 29,000	$ 36,500	$ 36,500	$ 35,500	$ 29,500	$ 29,000
Interest earnings	$ 207	$ 103	*$ 500*	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500
TOTAL REVENUE	$ 3,280,000	$ 3,414,000	*$ 3,394,000*	$ 3,374,000	$ 3,405,000	$ 3,459,000	$ 3,514,000	$ 3,564,000	$ 3,619,000
EXPENSE									
City of LA Sewer Service Charges	$ 951,312	$ 675,013	*$ 1,523,480*	$ 1,195,872	$ 1,243,000	$ 1,243,000	$ 1,243,000	$ 1,243,000	$ 1,243,000
Sewer Labor & Benefits	$ 1,353,204	$ 1,428,649	*$ 1,589,060*	$ 1,497,000	$ 1,580,000	$ 1,562,450	$ 1,590,500	$ 1,615,200	$ 1,646,600
Sewer O & M Expense	$ 425,192	$ 372,639	*$ 534,860*	$ 427,000	$ 418,000	$ 480,000	$ 450,000	$ 522,000	$ 477,000
Sewer CIP & CO Expense	$ 19,082	$ 42,022	*$ 277,000*	$ 207,388	$ 522,000	$ 172,000	$ 174,000	$ 167,000	$ 167,000
Transfer to Water Reserves	$ -	$ -	*$ -*	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL EXPENSE	$ 2,748,790	$ 2,518,323	*$ 3,924,400*	$ 3,327,260	$ 3,763,000	$ 3,457,450	$ 3,457,500	$ 3,547,200	$ 3,533,600
Additions (reductions) to cash	$ 531,210	$ 895,677	*$ (530,400)*	$ 46,740	$ (358,000)	$ 1,550	$ 56,500	$ 16,800	$ 85,400
Effective date of Wastewater rates	7/1/13	7/1/14	*7/1/15*	7/1/15	7/1/16	7/1/17	7/1/18	7/1/19	7/1/20
Rate increase	8.4%	4.7%	*0.0%*	0.0%	0.0%	1.5%	1.5%	1.4%	1.4%
User Charge (monthly EDUs)	$ 32.25	$ 33.75	*$ 33.75*	$ 33.75	$ 33.75	$ 34.25	$ 34.75	$ 35.25	$ 35.75
Commercial - Monthly Cost	$ 2.00	$ 2.10	*$ 2.10*	*$ 2.10*	$ 2.10	$ 2.10	$ 2.10	$ 2.10	$ 2.10
Commercial - $/Unit	$ 5.30	$ 5.60	*$ 5.60*	*$ 5.60*	$ 5.60	$ 5.70	$ 5.80	$ 5.90	$ 6.00
Secondary School - Quantity Charge per 100 ADA	$ 154.90	$ 162.10	*$ 162.10*	*$ 162.10*	$ 162.10	$ 164.50	$ 166.90	$ 169.30	$ 171.70
Primary School - Quantity Charge per 100 ADA	$ 77.40	$ 81.00	*$ 81.00*	*$ 81.00*	$ 81.00	$ 82.20	$ 83.40	$ 84.60	$ 85.80
Customer Revenue EDUs									
FY beginning Wastewater Reserves	$ 3,973,320	$ 4,504,530	*$ 4,823,229*	$ 4,823,229	$ 4,869,969	$ 4,511,969	$ 4,513,519	$ 4,570,019	$ 4,586,819
Additions (reductions)	$ 531,210	$ 895,677	*$ (530,400)*	$ 46,740	$ (358,000)	$ 1,550	$ 56,500	$ 16,800	$ 85,400
FY ending Wastewater Reserves	$ 4,504,530	$ 5,400,207	*$ 4,292,829*	$ 4,869,969	$ 4,511,969	$ 4,513,519	$ 4,570,019	$ 4,586,819	$ 4,672,219
Reconciliation	$ -	$ (576,978)	*$ -*	$ -	$ -	$ -	$ -	$ -	$ -
FY ending Wastewater Reserves	$ 4,504,530	$ 4,823,229	*$ 4,292,829*	$ 4,869,969	$ 4,511,969	$ 4,513,519	$ 4,570,019	$ 4,586,819	$ 4,672,219
TOTAL TARGET WASTERWATER CASH RESERVES	$ 2,342,000	$ 2,152,251	*$ 2,359,100*	$ 2,376,100	$ 2,440,750	$ 2,508,850	$ 2,567,100	$ 2,644,600	$ 2,692,850
Above (below) target	$ 2,162,530	$ 3,247,956	*$ 1,933,729*	$ 2,493,869	$ 2,071,219	$ 2,004,669	$ 2,002,919	$ 1,942,219	$ 1,979,369

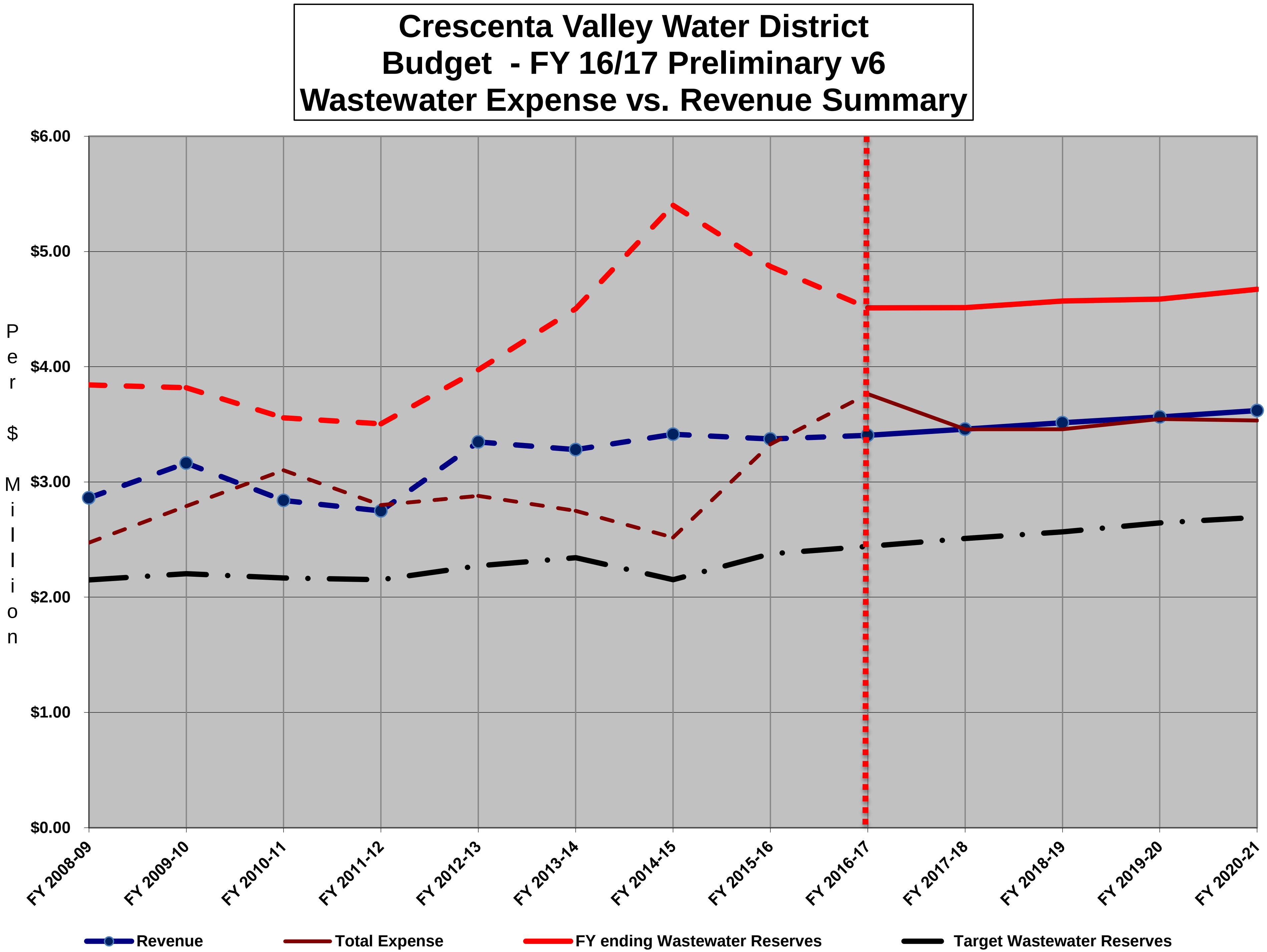
Legend

Blue - Recorded Revenues & Expenses

Brown - Previous Year Budget & Projected Revenues & Expenses

Black - Budget Revenues & Expenses

Green - Forcast Revenues & Expenses


Crescenta Valley Water District
Budget - FY 16/17 Preliminary v6
Wastewater Expense vs. Revenue Summary
Per $ Million
$6.00
$5.00
$4.00
$3.00
$2.00
$1.00
$0.00
FY 2008-09
FY 2009-10
FY 2010-11
FY 2011-12
FY 2012-13
FY 2013-14
FY 2014-15
FY 2015-16
FY 2016-17
FY 2017-18
FY 2018-19
FY 2019-20
FY 2020-21
Revenue
Total Expense
FY ending Wastewater Reserves
Target Wastewater Reserves

Date: 4/1/2016

Table Water Budget WB - 1 Projected Water Customers - FY 16/17 - Preliminary

Water Meter Size	Recorded FY 2013-14	Recorded FY 2014-15		*Budget FY 2015-16*	Projected FY 2015-16		Budget FY 2016-17		Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
3/4 inch	6,925	6,921		*6,932*	6,923		6,926		6,929	6,932	6,935	6,938
1 inch	810	814		*815*	815		818		821	824	827	830
1-1/2 inch	144	145		*145*	146		147		148	149	150	151
2 inch	64	64		*64*	64		65		66	67	68	69
3 inch	24	28		*24*	29		29		29	29	29	29
4 inch	2	2		*2*	2		2		2	2	2	2
6 inch	0	0		*0*	0		0		0	0	0	0
8 inch	0	0		*0*	0		0		0	0	0	0
10 inch	0	0		*0*	0		0		0	0	0	0
Total water services	7,969	7,974		*7,982*	7,979		7,987		7,995	8,003	8,011	8,019
Projected No. of Account Annual Increase	4	5		*8*	5		8		8	8	8	8
Projected Percent of Account Annual Increase	0.05%	0.06%		*0.10%*	0.06%		0.10%		0.10%	0.10%	0.10%	0.10%

Table Water Budget - WB-2 Water Production and Costs - FY 16/17 - Preliminary

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
Well Production (Verdugo Basin)	2,372	2,146	2,190	1,820	1,950	2,100	2,220	2,400	2,620
Well Production (GWP)	0	0	410	195	555	555	600	600	600
Foothill MWD Purchases(4)	2,410	1,875	1,245	1,600	1,195	1,145	1,080	1,000	880
Total Production (1)(2)	4,782	4,021	3,845	3,615	3,700	3,800	3,900	4,000	4,100
Shrinkage (percent)(3)	8%	8%	8%	8%	8%	8%	8%	8%	8%
Less Shrinkage (ac-ft)	383	322	308	289	296	304	312	320	328
Total billable consumption (sales)	4,399	3,699	3,537	3,326	3,404	3,496	3,588	3,680	3,772
FMWD Purchased Water	2,410	1,875	1,245	1,600	1,195	1,145	1,080	1,000	880
FMWD Unit Charge ($/ac-ft)	$ 1,308	$ 1,461	$ 1,681	$ 1,553	$ 1,756	$ 1,841	$ 1,959	$ 2,098	$ 2,305
FMWD Cost	$ 3,151,636	$ 2,742,335	$2,093,000	$2,484,674	$2,098,800	$2,107,400	$2,116,000	$2,097,600	$2,028,000
Cost Increase/Decrease from FMWD Unit Charge	$ (104)	$ 153	$ 220	$ 92	$ 203	$ 84	$ 119	$ 138	$ 207
Percent FMWD Cost Increase/Decrease	-7.38%	11.72%	15.04%	6.29%	13.10%	4.79%	6.45%	7.06%	9.87%
Well Production (GWP)			410	195	555	555	600	600	600
GWP Unit Charge ($/ac-ft)			$ 403	$ 403	$ 416	$ 432	$ 439	$ 456	$ 473
GWP Cost			$165,230	$78,585	$230,880	$239,760	$263,400	$273,600	$283,800

Notes:

1. All quantities are in acre-feet (ac-ft).
2. Projected Total Production for FY 16/17 at 3,700 ac-ft due to Governor's order to reduce demand to Oct. 2016
3. Shrinkage (water loss) anticipated to be 8% as part of the continuation of the water meter replacement program
4. FMWD Cost based on FMWD's Preliminary Budget for FY 16/17

Water Budget Table WB-3 Sources of Water Funds - FY 16/17 - Preliminary

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
Sources of Funds - Variable Sources									
Water Sales - Consumers	$ 7,463,415	$ 6,594,471	$ 6,868,000	$ 6,058,000	$ 7,042,000	$ 7,745,000	$ 8,533,000	$ 9,411,000	$ 10,322,000
Water Sales - CVWD	$ 4,843,462	$ 4,162,173	$ 6,868,000	$ 6,058,000	$ 7,042,000	$ 7,745,000	$ 8,533,000	$ 9,411,000	$ 10,322,000
Water Sale - FMWD	$ 2,619,953	$ 2,432,299	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Earned - Water	$ 125,914	$ 91,782	$ 100,000	$ 100,000	$ 107,000	$ 98,000	$ 87,000	$ 83,000	$ 85,000
Gain/Loss on Sale of Investments	$ 47,243	$ 94,125	$ -	$ 40,000	$ 56,000	$ 51,000	$ 48,000	$ 46,000	$ 48,000
Fair Value Adjustment	$ 202,439	$ (122,475)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Earned - MTBE Reserve Fund	$ 46,780	$ 103,498	$ 125,000	$ 110,000	$ 77,000	$ 79,000	$ 81,000	$ 83,000	$ 85,000
Subtotal variable sources	$ 7,885,791	$ 6,761,401	$ 7,093,000	$ 6,308,000	$ 7,282,000	$ 7,973,000	$ 8,749,000	$ 9,623,000	$ 10,540,000
Sources of Funds - Stable Sources									
Water Sales - Service Charge	$ 1,731,323	$ 1,828,481	$ 1,938,000	$ 1,936,000	$ 2,062,000	$ 2,211,000	$ 2,377,000	$ 2,559,000	$ 2,742,000
Fire Service Meter Charge	$ 31,667	$ 33,300	$ 34,000	$ 33,000	$ 39,000	$ 42,000	$ 45,000	$ 49,000	$ 53,000
Late Fees/Fire Hydrant Flow/Backflow Tests	$ 70,271	$ 71,455	$ 70,000	$ 77,000	$ 80,000	$ 83,000	$ 86,000	$ 89,000	$ 92,000
Other Income - Water	$ -	$ -	$ 7,000	$ 3,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
Rental Property Income	$ 21,573	$ 22,200	$ 22,500	$ 23,000	$ 23,000	$ 23,000	$ 23,000	$ 26,000	$ 26,000
Subtotal - Stable Sources	$ 1,854,834	$ 1,955,436	$ 2,071,500	$ 2,072,000	$ 2,209,000	$ 2,364,000	$ 2,536,000	$ 2,728,000	$ 2,918,000
Sources of Funds - CIP Sources									
Water Systems Connect Fee	$ 62,660	$ 40,212	$ 39,800	$ 33,000	$ 45,000	$ 50,000	$ 55,000	$ 60,000	$ 60,000
Meter Installation/Hydrant Charges	$ 24,883	$ 148,150	$ 50,000	$ 30,000	$ 30,000	$ 60,000	$ 70,000	$ 80,000	$ 90,000
Grant Revenue	$ 78,772	$ 49,273	$ 1,400,000	$ 698,025	$ 1,150,250	$ 620,475	$ 285,300	$ 250,000	$ 250,000
Gain/Loss on Sale of Assets	$ 4,360	$ 664	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Earned - COP Bonds (not included in subtotal or total)	$ 223	$ 162	$ 200	$ 200	$ 200	$ -	$ -	$ -	$ -
Subtotal CIP Sources	$ 170,898	$ 238,461	$ 1,490,000	$ 761,225	$ 1,225,450	$ 730,475	$ 410,300	$ 390,000	$ 400,000
TOTAL SOURCE OF FUNDS	$ 9,911,523	$ 8,955,298	$ 10,654,500	$ 9,141,225	$ 10,716,450	$ 11,067,475	$ 11,695,300	$ 12,741,000	$ 13,858,000

Water Budget Table WB-4 - Summary of Water O & M Expenses - FY 16/17 - Preliminary v8

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
COMPENSATION AND BENEFITS									
Director Fees	$ 8,370	$ 9,225	$ 8,000	$ 10,800	$ 9,000	$ 9,000	$ 9,000	$ 9,000	$ 9,000
Compensation									
Officer Salaries	$ 144,628	$ 150,010	$ 164,500	$ 164,500	$ 170,000	$ 171,000	$ 172,000	$ 174,000	$ 176,000
Administrative Services Labor	$ 312,017	$ 332,408	$ 360,000	$ 355,000	$ 366,000	$ 371,000	$ 376,000	$ 382,000	$ 385,000
Administrative Services Labor - OT	$ 6,127	$ 3,209	$ 3,000	$ 3,300	$ 3,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000
Engineering Department Labor	$ 301,033	$ 291,255	$ 436,000	$ 290,000	$ 298,000	$ 301,000	$ 308,000	$ 313,000	$ 317,000
Engineering Department Labor-OT	$ 2,164	$ 2,627	$ 2,000	$ 4,300	$ 4,000	$ 4,000	$ 4,000	$ 5,000	$ 5,000
Plant - Office Labor	$ 219,552	$ 202,521	$ 236,000	$ 158,800	$ 221,000	$ 223,000	$ 225,000	$ 228,000	$ 243,000
Plant - Office Labor-OT	$ 466	$ 352	$ 400	$ 400	$ -	$ -	$ -	$ -	$ -
System Operators Labor	$ 295,911	$ 274,129	$ 324,000	$ 277,000	$ 298,000	$ 301,000	$ 304,000	$ 307,000	$ 310,000
System Operators Labor-OT	$ 24,712	$ 24,973	$ 27,000	$ 21,900	$ 22,000	$ 22,000	$ 22,000	$ 23,000	$ 23,000
Utility Workers Labor	$ 294,955	$ 325,943	$ 372,000	$ 334,000	$ 345,000	$ 356,000	$ 364,000	$ 374,000	$ 398,000
Utility Workers Labor-OT	$ 42,065	$ 51,582	$ 45,000	$ 50,600	$ 52,000	$ 51,000	$ 52,000	$ 53,000	$ 54,000
Standby Pay	$ 42,002	$ 41,038	$ 41,000	$ 43,300	$ 43,000	$ 44,000	$ 44,000	$ 45,000	$ 46,000
Auto Allowance	$ 8,700	$ 9,075	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Labor Transfer to Capital	$ (128,358)		$ (150,000)	$ -	$ -	*combined with Engineering Dept. Labor*			$ -
Compensation Total	$ 1,702,702	$ 1,718,347	$ 1,878,900	$ 1,723,900	$ 1,841,000	$ 1,866,000	$ 1,893,000	$ 1,926,000	$ 1,979,000
Sick and Vacation - Office	$ 67,986	$ 133,363	$ 107,000	$ 99,800	$ 112,000	$ 112,000	$ 113,000	$ 115,000	$ 116,000
Sick and Vacation - Plant	$ 45,324	$ 88,909	$ 71,000	$ 66,500	$ 74,000	$ 74,000	$ 76,000	$ 77,000	$ 77,000
Taxes - Payroll (Total Employees)	$ 126,904	$ 130,866	$ 136,000	$ 132,700	$ 139,000	$ 141,000	$ 143,000	$ 145,000	$ 147,000
PERS Retirement (Total Employees)	$ 264,073	$ 274,681	$ 291,000	$ 275,000	$ 315,000	$ 342,000	$ 367,000	$ 392,000	$ 404,000
Workers' Compensation - Office	$ 14,131	$ 13,221	$ 16,000	$ 19,800	$ 21,000	$ 18,000	$ 16,000	$ 13,000	$ 13,000
Workers' Compensation - Plant	$ 58,439	$ 56,460	$ 74,000	$ 80,300	$ 90,000	$ 82,000	$ 71,000	$ 57,000	$ 58,000
Health and Dental and Vision - Office	$ 124,616	$ 136,220	$ 137,000	$ 130,700	$ 128,000	$ 131,000	$ 133,000	$ 136,000	$ 138,000
Life & Disability Insurance - Office & Plant	$ 8,374	$ 9,497	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 11,000	$ 12,000
Health and Dental and Vision - Plant	$ 132,108	$ 140,649	$ 152,000	$ 136,300	$ 140,000	$ 142,000	$ 145,000	$ 148,000	$ 150,000
Self Insurance	$ 11,286	$ 9,301	$ 13,000	$ 6,600	$ 13,000	$ 13,000	$ 13,000	$ 13,000	$ 13,000
Retiree - Health Care Expense	$ 86,345	$ 74,635	$ 79,000	$ 72,100	$ 74,000	$ 75,000	$ 77,000	$ 78,000	$ 80,000
Benefits Total	$ 939,586	$ 1,067,802	$ 1,086,000	$ 1,029,800	$ 1,116,000	$ 1,140,000	$ 1,164,000	$ 1,185,000	$ 1,208,000
TOTAL COMPENSATION AND BENEFITS	$ 2,642,288	$ 2,786,149	$ 2,964,900	$ 2,753,700	$ 2,957,000	$ 3,006,000	$ 3,057,000	$ 3,111,000	$ 3,187,000
PLANT - WATER OPERATION									
Taxes - Property	$ 12,030	$ 12,302	$ 12,800	$ 12,800	$ 13,300	$ 13,800	$ 14,300	$ 14,800	$ 15,300
Glenwood - Plant Maintenance	$ 10,417	$ 35,332	$ 25,000	$ 25,000	$ 23,000	$ 24,000	$ 25,000	$ 26,000	$ 27,000
Glenwood - Landscape	$ 4,716	$ 5,460	$ 7,500	$ 5,900	$ 5,500	$ 6,000	$ 6,500	$ 7,000	$ 7,500
Office Supplies & Misc Expenses - Plant	$ 8,880	$ 9,369	$ 6,000	$ 6,000	$ 7,000	$ 7,500	$ 8,000	$ 8,000	$ 8,000
Glenwood - Utilities	$ 16,329	$ 17,368	$ 14,000	$ 14,000	$ 16,000	$ 17,000	$ 18,000	$ 19,000	$ 20,000
Glenwood - Enterprise Communications - Move to Office	$ 37,923	$ 42,352	$ -	$ -	$ -	*combined 01-01-5225*		$ -	$ -
Glenwood - Wireless Voice & Data Communications	$ 8,159	$ 10,135	$ -	$ -	$ -	*combined 01-01-5226*		$ -	$ -
Training - Plant	$ 7,010	$ 6,307	$ 7,000	$ 7,000	$ 7,000	$ 7,500	$ 8,000	$ 8,500	$ 8,700
Education Reimbursement/Certifications	$ 5,675	$ 3,707	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 5,000	$ 5,000	$ 5,000

Water Budget Table WB-4 - Summary of Water O & M Expenses - FY 16/17 - Preliminary v8

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
Glenwood - Safety and Security System	$ 25,889	$ 16,888	$ 17,000	$ 17,000	$ 17,000	$ 17,500	$ 18,000	$ 18,500	$ 19,000
Glenwood - Uniforms	$ 9,700	$ 9,865	$ 8,500	$ 9,000	$ 9,000	$ 9,500	$ 10,000	$ 10,500	$ 11,000
Permit & Assessment Fees	$ 1,198	$ 1,230	$ 1,500	$ 1,500	$ 1,500	$ 2,000	$ 2,000	$ 2,000	$ 2,000
Tools and Equipment Maintenance	$ 12,008	$ 14,961	$ 20,000	$ 14,500	$ 16,000	$ 17,000	$ 18,000	$ 19,000	$ 20,000
Nitrate Plant Maintenance	$ 39,189	$ 49,440	$ 80,000	$ 56,500	$ 70,000	$ 75,000	$ 77,000	$ 79,000	$ 81,000
SCADA - Telemetering & Signal	$ 8,241	$ 7,687	$ 13,500	$ 6,000	$ 10,000	$ 12,000	$ 13,000	$ 14,000	$ 15,000
SCADA Hardware	$ 2,861	$ 11,182	$ 6,000	$ 3,500	$ 6,000	$ 8,000	$ 9,000	$ 10,000	$ 11,000
SCADA Software	$ 204	$ -	$ 12,000	$ 12,000	$ 13,000	$ 14,000	$ 15,000	$ 16,000	$ 17,000
SCADA - Communications	$ 1,593	$ 1,431	$ 3,500	$ 2,500	$ 2,500	$ 3,000	$ 3,500	$ 4,000	$ 4,500
Lab & Sampling	$ 52,308	$ 93,575	$ 65,000	$ 60,000	$ 65,000	$ 67,000	$ 69,000	$ 71,000	$ 73,000
Chlorine & Treatment	$ 61,361	$ 72,859	$ 75,000	$ 70,000	$ 71,000	$ 73,000	$ 75,000	$ 78,000	$ 80,000
TOTAL PLANT WATER OPERATION	$ 325,691	$ 421,450	$ 415,500	$ 327,200	$ 356,800	$ 377,800	$ 394,300	$ 410,300	$ 425,000
DISTRIBUTION SYSTEM EXPENSES									
Backflow Expense	$ 389	$ 331	$ 250	$ 250	$ 500	$ 500	$ 500	$ 500	$ 500
Pipelines - Maintenance	$ 18,930	$ 55,643	$ 50,000	$ 40,000	$ 51,000	$ 52,000	$ 53,000	$ 54,000	$ 55,000
Pipelines - Paving	$ 12,908	$ 19,030	$ 17,000	$ 19,000	$ 20,000	$ 21,000	$ 22,000	$ 23,000	$ 24,000
Pipelines - Fire Hydrant & Fire Service Repair/Replace	$ 547	$ 9,939	$ 12,000	$ 15,500	$ 13,000	$ 14,000	$ 15,000	$ 16,000	$ 17,000
Pipelines - Leak Detection/Leak Repair	$ 330	$ 550	$ 3,000	$ 3,200	$ 25,000	$ 5,000	$ 25,000	$ 5,000	$ 6,000
Pipelines - Trench Plate Rentals	$ 1,229	$ 4,373	$ 1,500	$ 3,400	$ 2,500	$ 2,500	$ 2,500	$ 2,500	$ 2,000
Pipelines - Water Sampling Stations	$ 669	$ 1,252	$ 500	$ 250	$ 500	$ 500	$ 500	$ 500	$ 500
Pipelines - Valves	$ -	$ -	$ 3,000	$ 3,400	$ 4,000	$ 5,000	$ 6,000	$ 7,000	$ 8,000
Reservoir - Maintenance	$ 30,917	$ 73,564	$ 80,000	$ 97,000	$ 73,000	$ 77,000	$ 80,000	$ 83,000	$ 86,000
Reservoir - Landscape	$ 19,855	$ 14,752	$ 22,000	$ 17,000	$ 17,000	$ 18,000	$ 19,000	$ 20,000	$ 21,000
Meters - Maintenance	$ 328,235	$ 265,372	$ 275,000	$ 220,000	$ 250,000	$ 225,000	$ 185,000	$ 185,000	$ 185,000
Meters - Paving	$ 337,413	$ 186,142	$ 275,000	$ 231,000	$ 230,000	$ 230,000	$ 235,000	$ 240,000	$ 240,000
Meters - Repair/Replacement/Upgrade	$ 4,948	$ 4,823	$ 15,000	$ 12,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Meters - Lateral Leaks	$ 90,443	$ 58,875	$ 150,000	$ 88,000	$ 76,000	$ 75,000	$ 76,000	$ 77,000	$ 78,000
Meters - Trench Plate Rentals	$ 6,475	$ 3,420	$ 2,000	$ 1,500	$ 2,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Meters - D-jobs	$ 9,710	$ 101,219	$ 8,000	$ 8,000	$ 8,000	$ 8,000	$ 9,000	$ 9,000	$ 10,000
Wells - Maintenance	$ 27,331	$ 54,389	$ 32,000	$ 16,200	$ 45,000	$ 33,000	$ 37,000	$ 41,000	$ 44,000
Wells - Landscape	$ 7,581	$ 3,360	$ 3,500	$ 3,500	$ 5,000	$ 5,000	$ 6,000	$ 6,000	$ 6,000
Wells - Rent	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300
Booster Pump - Maintenance	$ 58,700	$ 18,453	$ 60,000	$ 55,000	$ 57,000	$ 63,000	$ 72,000	$ 77,000	$ 82,000
Emergency Generators	$ 11,712	$ 21,348	$ 22,000	$ 18,000	$ 22,500	$ 23,000	$ 23,500	$ 24,000	$ 24,500
Auto/Truck - Maintenance	$ 76,727	$ 72,212	$ 50,000	$ 60,000	$ 55,000	$ 57,000	$ 59,000	$ 61,000	$ 62,000
Auto/Truck - Gas	$ 25,875	$ 21,008	$ 17,500	$ 17,500	$ 20,000	$ 20,500	$ 21,000	$ 21,500	$ 22,000
Auto/Truck - Diesel	$ 17,042	$ 18,566	$ 17,500	$ 16,500	$ 18,000	$ 18,500	$ 19,000	$ 19,500	$ 20,000
TOTAL DISTRIBUTION SYSTEM EXPENSES	$ 1,112,362	$ 1,008,921	$ 1,117,050	$ 946,500	$ 1,005,300	$ 964,800	$ 977,300	$ 983,800	$ 1,004,800

Water Budget Table WB-4 - Summary of Water O & M Expenses - FY 16/17 - Preliminary v8

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
GENERAL AND ADMINISTRATIVE EXPENSES									
General Liability Insurance	$ 46,256	$ 44,131	$ 53,000	$ 53,000	$ 56,000	$ 59,000	$ 62,000	$ 65,000	$ 68,000
Accounting - Audit	$ 15,079	$ 11,515	$ 13,000	$ 13,000	$ 13,000	$ 14,500	$ 15,000	$ 15,500	$ 16,000
Legal Consulting Fees	$ 42,935	$ 85,614	$ 45,000	$ 51,000	$ 47,000	$ 49,000	$ 51,000	$ 53,000	$ 55,000
Administrative Consultants	$ 34,711	$ 73,932	$ 120,000	$ 90,000	$ 130,000	$ 130,000	$ 130,000	$ 130,000	$ 100,000
Election Expense	$ 36,751	$ -	$ 40,000	$ -	$ -	$ 45,000	$ -	$ 50,000	$ -
Office Maintenance	$ 10,135	$ 9,652	$ 12,000	$ 12,000	$ 12,000	$ 12,000	$ 13,000	$ 14,000	$ 15,000
Landscape Maintenance - Office	$ 5,129	$ 6,631	$ 7,500	$ 6,500	$ 7,500	$ 8,000	$ 8,500	$ 9,000	$ 9,500
Office Supplies & Misc Expenses - Office	$ 5,459	$ 5,041	$ 5,500	$ 5,500	$ 5,500	$ 6,000	$ 6,000	$ 6,000	$ 6,500
Computer Hardware	$ 21,660	$ 24,719	$ 27,000	$ 27,000	$ 25,000	$ 26,000	$ 27,000	$ 28,000	$ 29,000
Computer Software	$ 18,067	$ 27,965	$ -	$ -	$ -	*Combined with Computer Software, Maint. Lic*			
Computer Software, Maintenance, Licenses	$ 17,551	$ 19,353	$ 60,000	$ 45,000	$ 50,000	$ 50,000	$ 51,000	$ 52,000	$ 53,000
Utilities - Office	$ 17,698	$ 19,978	$ 20,000	$ 23,000	$ 21,000	$ 21,500	$ 22,000	$ 22,500	$ 23,000
Enterprise Voice Communications	$ 24,475	$ 25,463	$ 12,750	$ 38,200	$ 40,000	$ 41,000	$ 42,000	$ 43,000	$ 44,000
Data Communications - Fiber Lines/Internet	$ -	$ -	$ 48,750	$ 47,500	$ 49,000	$ 50,000	$ 51,000	$ 52,000	$ 53,000
Wireless Voice & Data Communications-cell	$ 15,078	$ 5,670	$ 29,500	$ 14,000	$ 14,000	$ 15,000	$ 15,500	$ 16,000	$ 16,500
Printing, Postage, Stationery, Copier Maint.	$ 41,638	$ 43,423	$ 37,000	$ 35,000	$ 37,500	$ 38,000	$ 38,500	$ 39,500	$ 40,500
Uncollectible Accounts-Water	$ 9,190	$ 9,312	$ 3,000	$ 4,400	$ 3,500	$ 3,500	$ 4,000	$ 4,000	$ 4,500
Water System Fees (DHS, RWQCB, LAFCO, Misc)	$ 47,454	$ 46,503	$ 60,000	$ 46,000	$ 50,000	$ 51,000	$ 52,000	$ 53,000	$ 54,000
Engineering Department	$ 10,511	$ 10,660	$ 9,900	$ 10,800	$ 11,000	$ 12,000	$ 13,000	$ 14,000	$ 15,000
Water Conservation	$ 31,208	$ 22,848	$ 45,000	$ 26,000	$ 30,000	$ 31,000	$ 32,000	$ 33,000	$ 34,000
Pipeline/Advertising - Water Conservation	$ -	$ 1,309	$ 5,000	$ 2,000	$ 2,500	$ 2,500	$ 2,500	$ 2,500	$ 2,500
Turf Rebates - Water Conservation	$ 51,061	$ 109,470	$ 35,000	$ 35,000	$ -	$ -	$ -	$ -	$ -
Device Rebates - Water Conservation	$ 50	$ 3,775	$ 5,000	$ 3,500	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
Community Outreach	$ -	$ 534	$ 12,000	$ 9,200	$ 12,000	$ 12,000	$ 12,000	$ 12,000	$ 12,000
Training - Office	$ 5,931	$ 3,271	$ 3,000	$ 2,900	$ 3,500	$ 4,000	$ 4,500	$ 5,000	$ 5,500
Conferences and Seminars - Office	$ 10,260	$ 7,518	$ 10,000	$ 8,000	$ 9,000	$ 10,000	$ 11,000	$ 12,000	$ 13,000
Board of Directors - Conferences and Seminars	$ 3,216	$ 2,265	$ 2,300	$ 5,000	$ 5,000	$ 5,000	$ 5,500	$ 6,000	$ 6,500
Misc Administration - Office	$ 2,598	$ 5,292	$ 5,000	$ 4,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
Board of Directors - Misc Administration	$ 1,286	$ 1,758	$ 2,000	$ 1,500	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000
Membership Renewals/Subscriptions	$ 23,501	$ 22,893	$ 26,000	$ 22,000	$ 22,000	$ 23,000	$ 24,000	$ 25,000	$ 26,000
Bank Charges	$ 12,818	$ 14,971	$ 15,500	$ 16,500	$ 18,000	$ 19,000	$ 20,000	$ 21,000	$ 22,000
Rental Property	$ -	$ 2,314	$ 3,100	$ 3,100	$ 2,500	$ 2,500	$ 2,500	$ 2,500	$ 2,500
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	$ 561,706	$ 667,780	$ 735,600	$ 660,600	$ 688,500	$ 752,500	$ 727,500	$ 797,500	$ 738,500
Emergency Operations	$ -	$ -	$ 2,000	$ 1,000	$ 2,000	$ 2,000	$ 3,000	$ 3,000	$ 3,000
EMERGENCY OPERATIONS	$ -	$ -	$ 2,000	$ 1,000	$ 2,000	$ 2,000	$ 3,000	$ 3,000	$ 3,000
TOTAL EXPENSE	$ 4,642,047	$ 4,884,300	$ 5,235,050	$ 4,689,000	$ 5,009,600	$ 5,103,100	$ 5,159,100	$ 5,305,600	$ 5,358,300
Total O & M Expense (w/o Labor & Benefits)	$ 1,999,759	$ 2,098,151	$ 2,270,150	$ 1,935,300	$ 2,052,600	$ 2,097,100	$ 2,102,100	$ 2,194,600	$ 2,171,300

Water Budget Table WB-5 Water - Purchase Water & Power - FY 16/17 - Preliminary

Description	Recorded FY 2013-14	Recorded FY 2014-15	*Budget FY 2015-16*	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
Purchased Water - FWMD (ac-ft)	**2,410**	**1,875**	*1,900*	**1,600**	**1,195**	**1,145**	**1,080**	**1,000**	**880**
Projected FMWD Cost	**$ 3,150,800**	**$ 2,741,033**	*$ 2,732,149*	**$ 2,484,674**	**$ 2,098,800**	**$ 2,107,400**	**$ 2,116,000**	**$ 2,097,600**	**$ 2,028,000**
Purchased Water - GWP (ac-ft)	**0**	**0**	*410*	**195**	**555**	**555**	**600**	**600**	**600**
Projected GWP Cost	**$ -**	**$ -**	*$ 165,230*	**$ 78,585**	**$ 230,880**	**$ 239,760**	**$ 263,400**	**$ 273,600**	**$ 283,800**
Purchased Power Cost	**$ 672,908**	**$ 682,044**	*$ 678,000*	**$ 634,200**	**$ 695,000**	**$ 716,000**	**$ 737,000**	**$ 759,000**	**$ 778,000**
SCE	$ 301,975	*$ 296,387*	*$ 294,000*	*$ 255,400*	*$ 265,000*	*$ 272,950*	*$ 281,139*	*$ 289,573*	*$ 296,812*
Glendale	$ 380,074	*$ 388,734*	*$ 389,000*	*$ 379,000*	*$ 430,000*	*$ 442,900*	*$ 456,187*	*$ 469,873*	*$ 481,619*
Constellation Credit	$ (9,141)	$ (3,077)	*$ (5,000)*	**$ (200)**	$ (500)	$ -	$ -	$ -	$ -
% Increase/Decrease - Import Water Cost	**41.1%**	**-13.0%**	*-0.3%*	**-9.4%**	**-15.5%**	**0.4%**	**0.4%**	**-0.9%**	**-3.3%**
% Increase/Decrease - Power Cost	**4.5%**	**1.4%**	*-0.6%*	**-7.0%**	**9.6%**	**3.0%**	**3.0%**	**3.0%**	**2.5%**
Power cost/ac-ft	**$141**	**$170**	*$176*	**$175**	**$188**	**$188**	**$189**	**$190**	**$190**

Water Budget Table WB - 6 Water Capital Outlay & Equipment - FY 16/17 - Preliminary

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
Spring Brook Software - Fixed Assets					$ 11,250				
Spring Brook Software - Payroll Module						$ 18,750			
Spring Brook Software - Work Order Module							$ 26,250		
Spring Brook Software - Project Management Module								$ 15,000	
Spring Brook Software - Extend Budget Module									$ 15,000
Software (Document/Billing Process Design)	$ 1,528								
Upgrade SCADA Equipment (SCADA 1A & 1B)	$ 29,255								
Upgrade Computer Hardware & Security	$ 14,952		$ 52,000	$ 20,000	$ 30,000	$ 30,000	$ 30,000	$ 30,000	$ 20,000
Main Office - Seismic Upgrades					$ 15,000				
Main Office - Upgrades			$ 10,000	$ -	$ 20,000	$ 20,000	$ 20,000	$ 15,000	$ 15,000
Misc.			$ 3,000	$ 2,000	$ 3,750	$ 6,250	$ 4,750	$ 5,000	$ 5,000
CO Total	$ 45,735	$ -	$ 65,000	$ 22,000	$ 80,000	$ 75,000	$ 81,000	$ 65,000	$ 55,000
Capital - Equipment									
Water Quality - 5 Chlorine Analyzers	$ 32,497								
Pipe Tool		$ 7,721							
Vehicle Replacement - Unit 5	$ 44,533								
Vehicle Replacement - Unit 7	$ 25,661								
Vehicle Replacement - Unit 12	$ 23,245								
Vehicle Replacement - Unit 46		$ 90,546							
Vehicle Replacement - Unit 47		$ 51,975							
Vehicle Replacement - Unit 1					$ 30,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000
CE Total	$ 125,936	$ 150,242	$ -	$ -	$ 30,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000
CO & CE - Total	$ 171,671	$ 150,242	$ 65,000	$ 22,000	$ 110,000	$ 150,000	$ 156,000	$ 140,000	$ 130,000

Water Budget Table WB -7 Water - Capital Improvement Projects - FY 16/17 - Preliminary

Description	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
Water Supply	$ 352,370	$ 545,588	$ 1,945,000	$ 2,278,754	$ 840,000	$ 805,000	$ 600,000	$ 500,000	$ 500,000
Water Storage	$ 350,043	$ 172,335	$ -	$ -	$ 320,000	$ 320,000	$ 400,000	$ 400,000	$ 400,000
Water Distribution	$ 641,526	$ 1,143,405	$ 880,000	$ 812,852	$ 1,365,000	$ 1,395,000	$ 1,245,000	$ 1,350,000	$ 1,550,000
Water Treatment	$ -	$ -	$ -	$ -	$ -	$ -	$ 50,000	$ 75,000	$ 75,000
Technology	$ 21,847	$ 25,524	$ 315,000	$ 56,000	$ 200,000	$ 205,000	$ 430,000	$ 350,000	$ -
Public Safety/Emergency Response	$ -	$ 93,754	$ 75,000	$ -	$ 75,000	$ 75,000	$ 75,000	$ -	$ -
Facilities & Planning	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 125,000	$ 275,000
Total CIP	$ 1,365,786	$ 1,980,606	$ 3,215,000	$ 3,147,606	$ 2,800,000	$ 2,800,000	$ 2,800,000	$ 2,800,000	$ 2,800,000

Water Budget Table WB - 8 Water Reserve Targets - FY 16/17 - Preliminary

Description	Recorded FY 2013-14	Recorded FY 2014-15	*Budget FY 2015-16*	***Projected FY 2015-16***	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
Rate stabilization (a)	**$ 1,888,000**	**$ 1,670,000**	*$ 1,902,000*	***$ 1,515,000***	**$ 1,761,000**	**$ 1,936,000**	**$ 2,133,000**	**$ 2,353,000**	**$ 2,581,000**
Emergency fund (b)	**$ 750,000**	**$ 750,000**	*$ 750,000*	***$ 750,000***	**$ 750,000**	**$ 750,000**	**$ 750,000**	**$ 750,000**	**$ 750,000**
Labor & benefits	*$ 2,642,288*	*$ 2,786,149*	*$ 2,961,000*	***$ 2,753,700***	*$ 2,957,000*	*$ 3,006,000*	*$ 3,057,000*	*$ 3,111,000*	*$ 3,187,000*
Power	*$ 672,908*	*$ 682,044*	*$ 678,000*	***$ 634,200***	*$ 695,000*	*$ 716,000*	*$ 737,000*	*$ 759,000*	*$ 778,000*
Operating expenses	*$ 1,999,759*	*$ 2,098,151*	*$ 2,306,800*	***$ 1,935,300***	*$ 2,052,600*	*$ 2,097,100*	*$ 2,102,100*	*$ 2,194,600*	*$ 2,171,300*
O & M Costs	*$ 5,314,955*	*$ 5,566,344*	*$ 5,945,800*	***$ 5,323,200***	*$ 5,704,600*	*$ 5,819,100*	*$ 5,896,100*	*$ 6,064,600*	*$ 6,136,300*
Working cash (c)	**$ 885,826**	**$ 927,724**	*$ 990,967*	***$ 887,200***	**$ 950,767**	**$ 969,850**	**$ 982,683**	**$ 1,010,767**	**$ 1,022,717**
Total target cash reserves	**$ 3,524,000**	**$ 3,348,000**	*$ 3,643,000*	***$ 3,152,000***	**$ 3,462,000**	**$ 3,656,000**	**$ 3,866,000**	**$ 4,114,000**	**$ 4,354,000**

Note:

a. Rate stabilization reserves are based on 25 percent of total water commodity sales

b. Emergency reserves equal $750,000.

c. Working cash is based on two months of O&M less purchased water

Water Budget Table WB - 8A MTBE Fund Reserve - FY 16/17 - Preliminary

Description	Recorded FY 2005-06	Recorded FY 2006-07	Recorded FY 2007-08	Recorded FY 2008-09	Recorded FY 2009-10	Recorded FY 2010-11	Recorded FY 2011-12	Recorded FY 2012-13	Recorded FY 2013-14	Recorded FY 2014-15	*Budget FY 2015-16*	***Projected FY 2015-16***	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
MTBE - Income																	
MTBE Settlement								$ 6,761,334	$ 6,845,647	$ -	$ -	$ 6,320	$ -	$ -	$ -	$ -	$ -
Repayment from CVWD General Fund								$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 500,000
MTBE - Income from Sale of Investments								$ -	$ 47,243	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income								$ 6,761,334	$ 6,892,890	$ -	$ -	$ 6,320	$ -	$ -	$ -	$ -	$ 500,000
MTBE - Expense																	
Transfer to CVWD General Fund								$ 3,920,253	$ -	$ -	$ 2,000,000	$ 2,000,000	$ 1,000,000	$ -	$ -	$ -	$ -
Lab Expense								$ 70,533	$ 62,427	$ 43,798	$ 50,000	$ 35,000	$ 35,000	$ 35,000	$ 35,000	$ 35,000	$ 25,000
Labor Expense								$ -	$ -	$ -	$ 12,000	$ -	$ 8,000	$ 8,000	$ 8,000	$ 8,000	$ 6,000
Administrative Consultant								$ -	$ -	$ -	$ 40,000	$ -	$ -	$ -	$ -	$ 75,000	$ -
Total Expense								$ 4,711,778	$ 62,427	$ 43,798	$ 2,102,000	$ 2,035,000	$ 1,043,000	$ 43,000	$ 43,000	$ 118,000	$ 31,000
Increase (Decrease) to Fund								$ 2,049,556	$ 6,830,463	$ (43,798)	$ (2,102,000)	$ (2,028,680)	$ (1,043,000)	$ (43,000)	$ (43,000)	$ (118,000)	$ 469,000
MTBE Reserve Fund																	
FY Begin Available MTBE Reserve Funds								$ 6,761,334	$ 2,049,556	$ 8,880,019	$ 8,836,221	$ 8,836,221	$ 6,807,541	$ 5,764,541	$ 5,721,541	$ 5,678,541	$ 5,560,541
FY End Available MTBE Reserve Funds								$ 2,049,556	$ 8,880,019	$ 8,836,221	$ 6,734,221	$ 6,807,541	$ 5,764,541	$ 5,721,541	$ 5,678,541	$ 5,560,541	$ 6,029,541

Note:

a. Interest Income based on 1% annual rate of return on investment

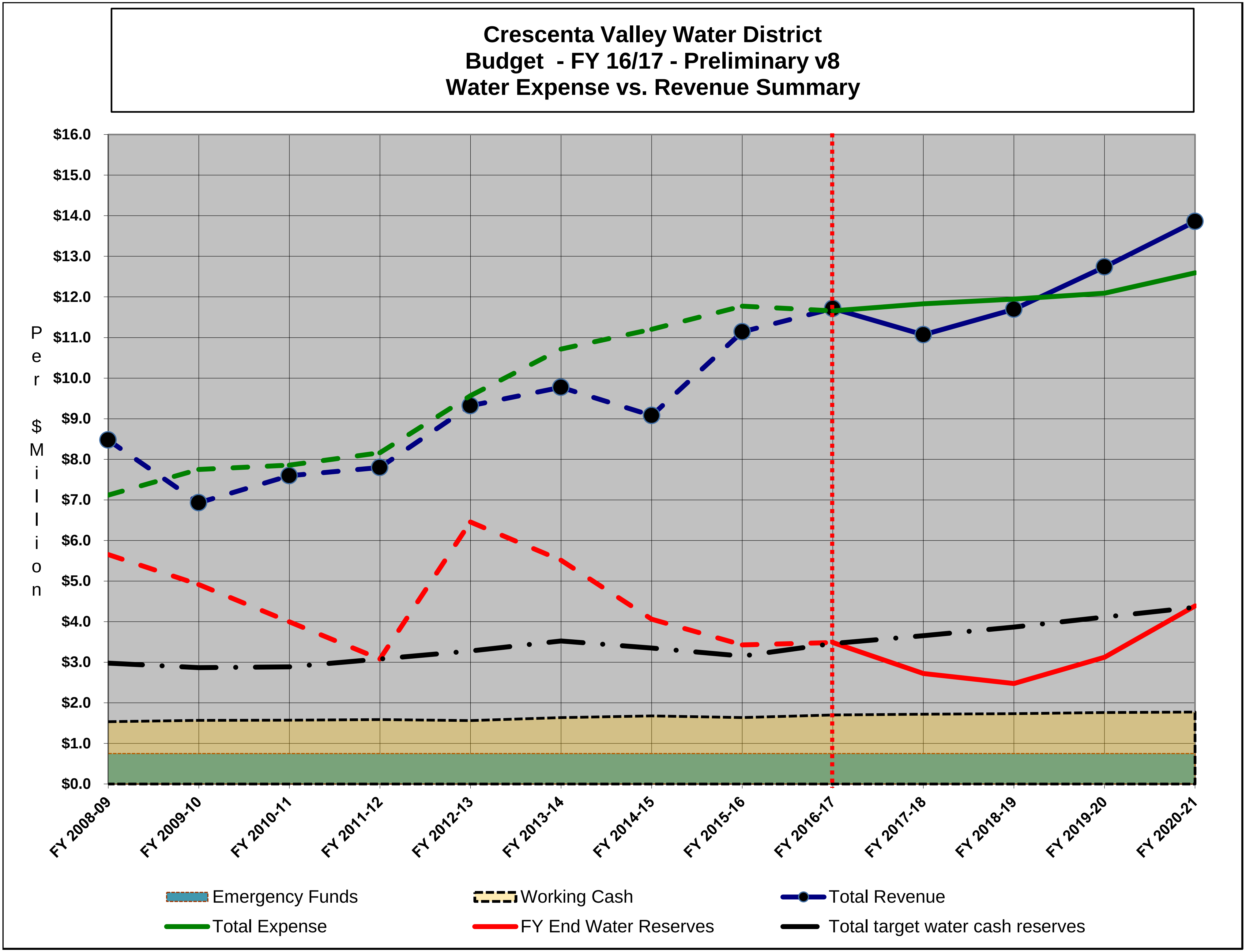
Water Budget Table WB-9 - Total Sources - FY 16/17 - Preliminary v8

	Recorded FY 2013-14	Recorded FY 2014-15	Budget FY 2015-16	Projected FY 2015-16	Budget FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21
REVENUE									
Service Readiness Charge Revenue	$ 1,731,323	$ 1,828,481	$ 1,938,000	$ 1,936,000	$ 2,062,000	$ 2,211,000	$ 2,377,000	$ 2,559,000	$ 2,742,000
Metered sales of water (CVWD Costs)	$ 4,843,462	$ 4,162,173	$ 6,868,000	$ 6,058,000	$ 7,042,000	$ 7,745,000	$ 8,533,000	$ 9,411,000	$ 10,322,000
Required metered sales of water (FMWD Costs)	$ 2,619,953	$ 2,432,299	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Income - Water Reserves	$ 125,914	$ 91,782	$ 100,000	$ 140,000	$ 163,000	$ 149,000	$ 135,000	$ 129,000	$ 133,000
Interest Income - MTBE Reserves	$ 46,780	$ 103,000	$ 125,000	$ 110,000	$ 77,000	$ 79,000	$ 81,000	$ 83,000	$ 85,000
Source of Funds - Other Sources	$ 170,754	$ 221,080	$ 126,500	$ 136,000	$ 147,000	$ 153,000	$ 159,000	$ 169,000	$ 176,000
Sources of Funds - CIP Sources	$ 170,898	$ 238,461	$ 1,490,000	$ 761,225	$ 1,225,450	$ 730,475	$ 410,300	$ 390,000	$ 400,000
Transfer from MTBE Fund			$ 2,000,000	$ 2,000,000	$ 1,000,000	$ -	$ -	$ -	$ -
TOTAL REVENUE	$ 9,771,511	$ 9,077,276	$ 12,647,500	$ 11,141,225	$ 11,716,450	$ 11,067,475	$ 11,695,300	$ 12,741,000	$ 13,858,000
OPERATIONS & MAINTENANCE (O & M) EXPENSE									
Labor & Benefits	$ 2,642,288	$ 2,786,149	$ 2,964,900	$ 2,753,700	$ 2,957,000	$ 3,006,000	$ 3,057,000	$ 3,111,000	$ 3,187,000
Purchased Water (FMWD)	$ 3,151,636	$ 2,741,033	$ 2,093,000	$ 2,485,000	$ 2,099,000	$ 2,107,000	$ 2,116,000	$ 2,098,000	$ 2,028,000
Purchased Water (GWP)	$ -	$ -	$ 185,000	$ 78,585	$ 231,000	$ 240,000	$ 263,000	$ 274,000	$ 284,000
Power	$ 672,908	$ 682,044	$ 715,000	$ 634,200	$ 695,000	$ 716,000	$ 737,000	$ 759,000	$ 778,000
Operating expenses	$ 1,999,759	$ 2,098,151	$ 2,270,150	$ 1,935,300	$ 2,052,600	$ 2,097,100	$ 2,102,100	$ 2,194,600	$ 2,171,300
Total O & M Expense	$ 8,466,591	$ 8,307,377	$ 8,228,050	$ 7,886,785	$ 8,034,600	$ 8,166,100	$ 8,275,100	$ 8,436,600	$ 8,448,300
Debt Service (principal & interest)	$ 612,400	$ 612,454	$ 614,000	$ 614,000	$ 614,000	$ 614,000	$ 614,000	$ 614,000	$ 615,000
Bond Covenant	1.85	0.87	4.77	4.06	4.00	3.98	3.98	3.98	3.98
Total O & M Expense + Debt Service	$ 9,078,991	$ 8,919,831	$ 8,842,050	$ 8,500,785	$ 8,648,600	$ 8,780,100	$ 8,889,100	$ 9,050,600	$ 9,063,300
Cash Available for Capital - [Revenue - (Total O & M Expense + Debt Service)]	$ 692,520	$ 157,445	$ 3,805,450	$ 2,640,440	$ 3,067,850	$ 2,287,375	$ 2,806,200	$ 3,690,400	$ 4,794,700
CAPITAL OUTLAY, LIABILITIES and CAPITAL PROJECTS									
Capital Outlay & Equipment	$ 171,671	$ 140,870	$ 65,000	$ 22,000	$ 110,000	$ 150,000	$ 156,000	$ 140,000	$ 130,000
Re-Payment to MTBE Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 500,000
Future Liability (OPEB)	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000
Capital Improvements (pay-as-you-go)	$ 1,365,786	$ 1,981,000	$ 3,215,000	$ 3,147,606	$ 2,800,000	$ 2,800,000	$ 2,800,000	$ 2,800,000	$ 2,800,000
Total - Capital Outlay, CIP, CIP Fund & Future Liability	$ 1,637,457	$ 2,282,237	$ 3,380,000	$ 3,269,606	$ 3,010,000	$ 3,050,000	$ 3,056,000	$ 3,040,000	$ 3,530,000
INCREASE (DECREASE) TO CASH	$ (944,937)	$ (2,124,793)	$ 425,450	$ (629,166)	$ 57,850	$ (762,625)	$ (249,800)	$ 650,400	$ 1,264,700
FY begin available Water Reserves	$ 6,457,073	$ 5,512,136	$ 4,057,756	$ 4,057,756	$ 3,428,591	$ 3,486,441	$ 2,723,817	$ 2,474,017	$ 3,124,417
FY End Water Reserves	$ 5,512,136	$ 3,387,343	$ 4,483,207	$ 3,428,591	$ 3,486,441	$ 2,723,817	$ 2,474,017	$ 3,124,417	$ 4,389,117
Reconciliation	$ -	$ 670,413	$ -	$ -	$ -	$ -	$ -	$ -	$ -
FY End Water Reserves	$ 5,512,136	$ 4,057,756	$ 4,483,207	$ 3,428,591	$ 3,486,441	$ 2,723,817	$ 2,474,017	$ 3,124,417	$ 4,389,117
TOTAL TARGET WATER CASH RESERVES	$ 3,524,000	$ 3,348,000	$ 3,643,000	$ 3,152,000	$ 3,462,000	$ 3,656,000	$ 3,866,000	$ 4,114,000	$ 4,354,000
Above or (below) Target Reserves	$ 1,988,136	$ 709,756	$ 840,207	$ 276,591	$ 24,441	$ (932,183)	$ (1,391,983)	$ (989,583)	$ 35,117
Effective date of water rates	7/1/13	7/1/14	7/1/15	7/1/15	7/1/16	7/1/17	7/1/18	7/1/19	7/1/20
Projected Rate Increase for Service Charge	5.6%	5.8%	5.7%	5.7%	6.5%	7.1%	7.4%	7.5%	7.0%
Service rates ($/month for 3/4" meter)	$ 17.10	$ 15.30	$ 18.10	$ 18.10	$ 19.30	$ 20.70	$ 22.20	$ 23.90	$ 25.60
Projected Rate Increase for Quantity Charge	5.6%	5.8%	5.7%	5.7%	6.5%	7.1%	7.4%	7.5%	7.0%
Quantity Charge: ($/kgal)	$ 5.33	$ 5.64	$ 5.96	$ 5.96	$ 6.35	$ 6.80	$ 7.30	$ 7.85	$ 8.40

Legend

Blue - Recorded Revenues & Expenses
Brown - Previous Year Budget & Projected End of Year
Black - Budget Revenues & Expenses
Green - Forcast Revenues & Expenses

Expense - 3/22/16	$	2,221,900
Expense - 3/29/16	$	2,052,600
Reduction	$	(169,300)


Crescenta Valley Water District
Budget - FY 16/17 - Preliminary v8
Water Expense vs. Revenue Summary
$16.0
$15.0
$14.0
$13.0
$12.0
$11.0
$10.0
$9.0
$8.0
$7.0
$6.0
$5.0
$4.0
$3.0
$2.0
$1.0
$0.0
Per $Million
FY 2008-09
FY 2009-10
FY 2010-11
FY 2011-12
FY 2012-13
FY 2013-14
FY 2014-15
FY 2015-16
FY 2016-17
FY 2017-18
FY 2018-19
FY 2019-20
FY 2020-21
Emergency Funds
Working Cash
Total Revenue
Total Expense
FY End Water Reserves
Total target water cash reserves