CRESCENTA VALLEY WATER DISTRICT

2700 FOOTHILL BOULEVARD
LA CRESCENTA, CALIFORNIA

Agenda for the Meeting of the Finance Committee
of the Crescenta Valley Water District

To be held March 16, 2017 at 8:00 a.m.

Posted: March 15, 2017 at 1:00 p.m.

Call to Order

Adoption of Agenda

Action Items

1) Review draft of FY 2017-18 Water budget.
2) Review draft of FY 2017-18 Wastewater budget.
3) Review of proposals for audit services.

Committee Member's Request for Future Agenda Items

Adjournment

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Table Water Budget WB - 1 Projected Water Customers - FY 17/18 - Draft V.01

	2	1			1	2	3	4	5
Water Meter Size	**Recorded FY 2014-15**	**Recorded FY 2015-16**	Budget FY 2016-17	**Projected FY 2016-17**	**Budget FY 2017-18**	**Forecast FY 2018-19**	**Forecast FY 2019-20**	**Forecast FY 2020-21**	**Forecast FY 2021-22**
3/4 inch	**6,921**	**6,919**	6,926	**6,917**	**6,917**	6,917	6,917	6,917	6,917
1 inch	**814**	**815**	818	**854**	**894**	897	900	903	906
1-1/2 inch	**145**	**146**	147	**147**	**149**	150	151	152	153
2 inch	**64**	**64**	65	**64**	**67**	68	69	70	71
3 inch	**28**	**28**	29	**28**	**28**	28	28	28	28
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	7,974	7,974	7,987	8,012	8,057	8,062	8,067	8,072	8,077
Projected No. of Account Annual Increase	5	0	13	38	45	5	5	5	5
Projected Percent of Account Annual Increase	0.06%	0.00%	0.16%	0.48%	0.56%	0.06%	0.06%	0.06%	0.06%

Table Water Budget - WB-2 Water Production and Costs - FY 17/18 - Draft V.01

	2	1			1	2	3	4	5
Description	**Recorded FY 2014-15**	**Recorded FY 2015-16**	Budget FY 2016-17	**Projected FY 2016-17**	**Budget FY 2017-18**	**Forecast FY 2018-19**	**Forecast FY 2019-20**	**Forecast FY 2020-21**	**Forecast FY 2021-22**
Well Production (Verdugo Basin)	2,146	1,761	1,950	1,445	1,600	1,800	1,950	2,100	2,250
Well Production (GWP)	0	169	555	370	450	505	600	600	600
Foothill MWD Purchases[4]	1,875	1,573	1,195	2,000	2,000	1,910	1,880	1,955	2,050
Total Production [(1)(2)]	4,021	3,503	3,700	3,815	4,050	4,215	4,430	4,655	4,900
Shrinkage (percent)[3]	8%	8%	8%	8%	8%	8%	8%	8%	8%
Less Shrinkage (ac-ft)	322	280	296	305	324	337	354	372	392
Total billable consumption (sales)	3,699	3,223	3,404	3,510	3,726	3,878	4,076	4,283	4,508
FMWD Purchased Water	1,875	1,573	1,195	2,000	2,000	1,910	1,880	1,955	2,050
FMWD Unit Charge ($/ac-ft)	$1,461	$1,560	$1,757	$1,482	$1,542	$1,684	$1,693	$1,736	$1,784
FMWD Cost	$ 2,742,335	$ 2,454,524	$2,099,400	$2,963,900	$3,084,100	$3,217,300	$3,182,800	$3,394,700	$3,658,000
Cost Increase/Decrease from FMWD Unit Charge	$153	$99	$196	-$78	$60	$142	$9	$43	$48
Percent FMWD Cost Increase/Decrease	11.72%	6.80%	12.59%	-5.03%	4.06%	9.23%	0.51%	2.57%	2.76%
Well Production (GWP)	0	169	555	370	450	505	600	600	600
GWP Unit Charge ($/ac-ft)	$0	$290	$417	$417	$460	$460	$462	$449	$475
GWP Cost	$ -	$ 49,036	$231,435	$154,290	$207,000	$232,300	$277,200	$269,400	$285,000

Notes:

1. All quantities are in acre-feet (ac-ft).
2. Projected Total Production for FY 17/18 at 4,050 ac-ft due to relaxation of water conservation alert.
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 dated 6/20/16

Water Budget Table WB-3 Sources of Water Funds - FY 17/18 - Draft V.01

Description	Recorded FY 2014-15	Recorded FY 2015-16	Budget FY 2016-17	Projected FY 2016-17	Budget FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21	Forecast FY 2021-22
	2	1			1	2	3	4	5
Sources of Funds - Variable Sources									
Water Sales - Consumers	**$ 6,594,471**	**$ 5,952,066**	*$ 6,953,000*	**$ 6,998,600**	$ 8,157,000	$ 9,121,000	$ 10,303,000	$ 11,580,000	$ 12,190,000
Water Sales - Irrigation									
Water Sales - CVWD	$ 4,162,173	**$ 5,952,066**	*$ 6,953,000*	$ 6,998,600	$ 8,157,000	$ 9,121,000	$ 10,303,000	$ 11,580,000	$ 12,190,000
Water Sale - FMWD	$ 2,432,299		*$ -*		$ -	$ -	$ -	$ -	$ -
Interest Earned - Water	**$ 91,782**	**$ 188,668**	*$ 107,000*	**$ 119,059**	$ 114,000	$ 90,000	$ 87,000	$ 95,000	$ 105,000
Gain/Loss on Sale of Investments	**$ 94,125**	**$ 83,806**	*$ 56,000*	**$ 48,549**	$ 66,000	$ 57,000	$ 56,000	$ 60,000	$ 67,000
Fair Value Adjustment	**$ (122,475)**	**$ 362,379**	*$ -*		$ -	$ -	$ -	$ -	$ -
Interest Earned - MTBE Reserve Fund	**$ 103,498**		*$ 77,000*	**$ 115,000**	$ 74,000	$ 76,000	$ 78,000	$ 80,000	$ 82,000
Gain/Loss on Sale of Assets *(deleted)*	**$ -**								
Subtotal variable sources	$ 6,761,401	$ 6,586,919	*$ 7,193,000*	*$ 7,281,209*	*$ 8,411,000*	*$ 9,344,000*	*$ 10,524,000*	*$ 11,815,000*	*$ 12,444,000*
Sources of Funds - Stable Sources									
Water Sales - Service Charge	**$ 1,828,481**	**$ 1,949,220**	*$ 2,247,000*	**$ 2,283,849**	$ 2,433,000	$ 2,618,000	$ 2,817,000	$ 3,017,000	$ 3,020,000
Fire Service Meter Charge	**$ 33,300**	**$ 36,773**	*$ 38,000*	**$ 64,307**	$ 41,000	$ 44,000	$ 48,000	$ 48,000	$ 52,000
Late Fees/Fire Hydrant Flow/Backflow Tests	**$ 71,455**	**$ 62,897**	*$ 80,000*	**$ 65,733**	$ 68,733	$ 71,733	$ 74,733	$ 77,733	$ 80,733
Other Income - Water	**$ -**	**$ 54,024**	*$ 5,000*	**$ 45,000**	**$ 5,000**	$ 5,000	$ 5,000	$ 5,000	$ 5,000
Rental Property Income	**$ 22,200**	**$ 21,263**	*$ 23,000*	**$ 22,950**	$ 22,950	$ 22,950	$ 22,950	$ 26,000	$ 26,000
Subtotal - Stable Sources	$ 1,955,436	$ 2,124,176	*$ 2,393,000*	$ 2,481,840	$ 2,570,683	$ 2,761,683	$ 2,967,683	$ 3,173,733	$ 3,183,733
Sources of Funds - CIP Sources									
Water Systems Connect Fee	**$ 40,212**	**$ 36,551**	*$ 45,000*	**$ 202,500**	**$ 45,000**	$ 50,000	$ 55,000	$ 60,000	$ 60,000
Meter Installation/Hydrant Charges	**$ 148,150**	**$ 40,690**	*$ 30,000*	**$ 30,000**	**$ 30,000**	$ 60,000	$ 70,000	$ 80,000	$ 90,000
Grant Revenue	**$ 49,273**	**$ 574,983**	*$ 1,150,250*	**$ 900,000**	**$ 690,000**	$ 620,475	$ 285,300	$ 250,000	$ 250,000
Glendale Capital Contribution (GWP)		**$ 214,346**		**$ -**	**$ -**				
Gain/Loss on Sale of Assets	**$ 664**	**$ 5,401**	*$ -*	**$ -**	**$ -**	$ -	$ -	$ -	$ -
Interest Earned - COP Bonds (not included in subtotal or total)	**$ 162**	**$ 222**	*$ 200*	**$ 845**	**$ 845**	$ -	$ -	$ -	$ -
Subtotal CIP Sources	$ 238,461	$ 872,193	*$ 1,225,450*	$ 1,133,345	$ 765,845	$ 730,475	$ 410,300	$ 390,000	$ 400,000
TOTAL SOURCE OF FUNDS	$ 8,955,298	$ 9,583,288	*$ 10,811,450*	$ 10,896,393	$ 11,747,528	$ 12,836,158	$ 13,901,983	$ 15,378,733	$ 16,027,733

Water Budget Table WB-4 - Summary of Water O & M Expenses - FY 17/18 - Draft V.01

Description	Account No.	Recorded FY 2014-15	Recorded FY 2015-16	Budget FY 2016-17	Projected FY 2016-17	Budget FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21	Forecast FY 2021-22
		2	1			1	2	3	4	5
EXPENSE										
COMPENSATION AND BENEFITS										
Director Fees	451-99	$ 9,225	$ 8,370	$ 9,000	$ 8,000	$ 9,500	$ 9,500	$ 9,500	$ 9,500	$ 9,500
Compensation										
Officer Salaries	441-99	$ 150,010	$ 163,897	$ 170,000	$ 170,679	$ 173,000	$ 176,000	$ 179,000	$ 182,000	$ 185,000
Administrative Services Labor	452-98/99	$ 332,408	$ 349,000	$ 366,000	$ 359,369	$ 363,000	$ 371,000	$ 379,000	$ 387,000	$ 395,000
Administrative Services Labor - OT		$ 3,209	$ 3,493	$ 3,000	$ 4,397	$ 3,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000
Engineering Department Labor	473-98/99	$ 291,255	$ 279,073	$ 298,000	$ 337,714	$ 328,000	$ 301,000	$ 308,000	$ 313,000	$ 317,000
Engineering Department Labor-OT		$ 2,627	$ 6,039	$ 4,000	$ 2,743	$ 4,000	$ 4,000	$ 4,000	$ 5,000	$ 5,000
Plant - Office Labor	447-98/99	$ 202,521	$ 135,448	$ 221,000	$ 184,619	$ 220,000	$ 223,000	$ 225,000	$ 228,000	$ 243,000
Plant - Office Labor-OT		$ 352	$ 271	$ -	$ 705	$ -	$ -	$ -	$ -	$ -
System Operators Labor	403-98/99	$ 274,129	$ 282,916	$ 298,000	$ 313,034	$ 314,000	$ 301,000	$ 304,000	$ 307,000	$ 310,000
System Operators Labor-OT		$ 24,973	$ 16,649	$ 22,000	$ 14,054	$ 15,000	$ 22,000	$ 22,000	$ 23,000	$ 23,000
Utility Workers Labor	425-98/99	$ 325,943	$ 346,303	$ 345,000	$ 363,281	$ 366,000	$ 356,000	$ 364,000	$ 374,000	$ 398,000
Utility Workers Labor-OT		$ 51,582	$ 38,487	$ 52,000	$ 35,983	$ 52,000	$ 52,000	$ 52,000	$ 53,000	$ 54,000
Standby Pay		$ 41,038	$ 43,125	$ 43,000	$ 45,140	$ 46,000	$ 46,000	$ 46,000	$ 46,000	$ 46,000
Auto Allowance		$ 9,075	$ 10,200	$ 10,000	$ 10,200	$ 10,200	$ 10,200	$ 10,200	$ 10,200	$ 10,200
Labor Transfer to Capital				$ -	$ -	$ -	*combined with Engineering Dept. Labor*			$ -
Compensation Total		$ 1,718,347	$ 1,683,271	$ 1,841,000	$ 1,849,917	$ 1,903,700	$ 1,874,700	$ 1,905,700	$ 1,940,700	$ 1,998,700
Sick and Vacation - Office	439-01	$ 133,363	$ 101,616	$ 112,000	$ 105,634	$ 113,000	$ 114,000	$ 116,000	$ 118,000	$ 120,000
Sick and Vacation - Plant	439-02	$ 88,909	$ 67,744	$ 74,000	$ 70,423	$ 75,000	$ 76,000	$ 78,000	$ 80,000	$ 82,000
Taxes - Payroll (Total Employees)	459-00	$ 130,866	$ 130,768	$ 139,000	$ 131,807	$ 138,000	$ 140,000	$ 142,000	$ 144,000	$ 146,000
PERS Retirement (Total Employees)	469-00	$ 274,681	$ 275,500	$ 315,000	$ 296,835	$ 341,000	$ 342,000	$ 367,000	$ 392,000	$ 404,000
Workers' Compensation - Office	487-01	$ 13,221	$ 19,387	$ 21,000	$ 20,276	$ 17,000	$ 16,500	$ 16,000	$ 13,000	$ 13,000
Workers' Compensation - Plant	487-02	$ 56,460	$ 79,614	$ 90,000	$ 81,629	$ 73,000	$ 72,000	$ 71,000	$ 57,000	$ 58,000
Health and Dental and Vision - Office	464-01	$ 136,220	$ 129,880	$ 128,000	$ 134,601	$ 139,000	$ 140,000	$ 141,000	$ 142,000	$ 143,000
Life & Disability Insurance - Office & Plant		$ 9,497	$ 9,959	$ 10,000	$ 9,933	$ 10,000	$ 10,000	$ 10,000	$ 11,000	$ 12,000
Health and Dental and Vision - Plant	464-02	$ 140,649	$ 132,772	$ 140,000	$ 132,007	$ 147,000	$ 148,000	$ 149,000	$ 150,000	$ 151,000
Self Insurance		$ 9,301	$ 7,468	$ 13,000	$ 7,000	$ 13,000	$ 13,000	$ 13,000	$ 13,000	$ 13,000
Retiree - Health Care Expense	464-55	$ 74,635	$ 70,387	$ 74,000	$ 74,411	$ 85,000	$ 86,000	$ 87,000	$ 88,000	$ 89,000
Benefits Total		$ 1,067,802	$ 1,025,201	$ 1,116,000	$ 1,064,556	$ 1,151,000	$ 1,157,500	$ 1,190,000	$ 1,208,000	$ 1,231,000
TOTAL COMPENSATION AND BENEFITS		$ 2,786,149	$ 2,708,472	$ 2,957,000	$ 2,914,473	$ 3,054,700	$ 3,032,200	$ 3,095,700	$ 3,148,700	$ 3,229,700
PLANT - WATER OPERATION										
Utilities	404-00									
Taxes - Property	413-00	$ 12,302	$ 12,502	$ 13,300	$ 12,767	$ 13,300	$ 13,500	$ 13,700	$ 13,900	$ 14,100
Glenwood - Plant Maintenance	405-02	$ 35,332	$ 17,036	$ 23,000	$ 18,972	$ 23,000	$ 23,500	$ 24,000	$ 24,500	$ 25,000
Glenwood - Landscape	406-02	$ 5,460	$ 4,950	$ 5,500	$ 7,503	$ 7,500	$ 7,500	$ 7,500	$ 7,500	$ 7,500
Office Supplies & Misc Expenses - Plant		$ 9,369	$ 7,784	$ 7,000	$ 13,240	$ 7,000	$ 7,500	$ 8,000	$ 8,000	$ 8,000
Glenwood - Utilities	404-02	$ 17,368	$ 12,119	$ 16,000	$ 13,236	$ 16,000	$ 17,000	$ 18,000	$ 19,000	$ 20,000
Glenwood - Enterprise Communications - Move to Office	443-02	$ 42,352	$ -	$ -	$ -	$ -	*combined 01-01-5225*		$ -	$ -
Training - Plant	407-02	$ 6,307	$ 6,731	$ 7,000	$ 5,569	$ 7,000	$ 7,500	$ 8,000	$ 8,500	$ 8,700
Education Reimbursement/Certifications	475-00	$ 3,707	$ 5,532	$ 4,000	$ 3,677	$ 4,000	$ 4,000	$ 5,000	$ 5,000	$ 5,000

Water Budget Table WB-4 - Summary of Water O & M Expenses - FY 17/18 - Draft V.01

		2	1			1	2	3	4	5
Description	**Account No.**	**Recorded FY 2014-15**	**Recorded FY 2015-16**	*Budget FY 2016-17*	**Projected FY 2016-17**	**Budget FY 2017-18**	**Forecast FY 2018-19**	**Forecast FY 2019-20**	**Forecast FY 2020-21**	**Forecast FY 2021-22**
Glenwood - Safety and Security System	409-02	$ 16,888	$ 21,511	$ 17,000	$ 21,000	$ 20,000	$ 20,500	$ 21,000	$ 21,500	$ 22,000
Glenwood - Uniforms	427-02	$ 9,865	$ 11,264	$ 9,000	$ 10,474	$ 9,500	$ 10,000	$ 10,500	$ 11,000	$ 11,500
Permit & Assessment Fees	446-00	$ 1,230	$ 1,973	$ 1,500	$ 1,500	$ 1,500	$ 2,000	$ 2,000	$ 2,000	$ 2,000
Tools and Equipment Maintenance	455-02	$ 14,961	$ 14,125	$ 16,000	$ 14,575	$ 16,000	$ 17,000	$ 18,000	$ 19,000	$ 20,000
Nitrate Plant Maintenance	430-00	$ 49,440	$ 60,134	$ 70,000	$ 64,515	$ 70,000	$ 75,000	$ 77,000	$ 79,000	$ 81,000
Inventory Disposal	409-00		$ 1,276		$ 338					
Inventory Shrinkage/(Overage)		$ -	$ 7,952		$ -					
SCADA - Telemetering & Signal	445-00	$ 7,687	$ 3,619	$ 10,000	$ 4,095	$ 10,000	$ 12,000	$ 13,000	$ 14,000	$ 15,000
SCADA Hardware	445-14	$ 11,182	$ 1,832	$ 6,000	$ 692	$ 6,000	$ 8,000	$ 9,000	$ 10,000	$ 11,000
SCADA Software	445-15	$ -	$ 16,522	$ 13,000	$ -	$ 13,000	$ 13,000	$ 13,000	$ 13,000	$ 13,000
SCADA - Communications	445-16	$ 1,431	$ 1,505	$ 2,500	$ 1,321	$ 2,500	$ 3,000	$ 3,500	$ 4,000	$ 4,500
Lab & Sampling	428-00	$ 93,575	$ 51,649	$ 65,000	$ 55,811	$ 90,000	$ 140,000	$ 69,000	$ 71,000	$ 73,000
Chlorine & Treatment	429-00	$ 72,859	$ 66,968	$ 71,000	$ 58,701	$ 65,000	$ 67,000	$ 69,000	$ 78,000	$ 80,000
TOTAL PLANT WATER OPERATION		$ 421,450	$ 326,987	$ 356,800	$ 307,987	$ 381,300	$ 448,000	$ 389,200	$ 408,900	$ 421,300
DISTRIBUTION SYSTEM EXPENSES										
Backflow Expense	410-00	$ 331	$ 460	$ 500	$ 907	$ 500	$ 500	$ 500	$ 500	$ 500
Pipelines - Maintenance	423-00	$ 55,643	$ 28,705	$ 51,000	$ 8,607	$ 52,000	$ 53,000	$ 54,000	$ 55,000	$ 56,000
Pipelines - Paving	423-07	$ 19,030	$ 22,074	$ 20,000	$ 20,783	$ 20,000	$ 21,000	$ 22,000	$ 23,000	$ 24,000
Pipelines - Fire Hydrant & Fire Service Repair/Replace	423-08	$ 9,939	$ 17,298	$ 13,000	$ 13,829	$ 14,000	$ 15,000	$ 16,000	$ 17,000	$ 18,000
Pipelines - Leak Detection/Leak Repair	423-09	$ 550	$ 2,673	$ 25,000	$ 1,730	$ 25,000	$ 5,000	$ 5,000	$ 5,000	$ 6,000
Pipelines - Trench Plate Rentals	423-10	$ 4,373	$ 2,008	$ 2,500	$ 703	$ 2,500	$ 2,500	$ 2,500	$ 2,500	$ 2,000
Pipelines - Water Sampling Stations	423-11	$ 1,252	$ -	$ 500	$ -	$ 500	$ 500	$ 500	$ 500	$ 500
Pipelines - Valves	423-12	$ -	$ 1,750	$ 4,000	$ -	$ 5,000	$ 6,000	$ 7,000	$ 8,000	$ 9,000
Reservoir - Maintenance	424-00	$ 73,564	$ 58,220	$ 80,000	$ 90,667	$ 83,000	$ 86,000	$ 89,000	$ 92,000	$ 95,000
Reservoir - Landscape	424-06	$ 14,752	$ 25,600	$ 17,000	$ 17,000	$ 30,000	$ 31,000	$ 32,000	$ 33,000	$ 34,000
Meters - Maintenance	425-00	$ 265,372	$ 277,558	$ 250,000	$ 225,000	$ 250,000	$ 225,000	$ 185,000	$ 185,000	$ 185,000
Meters - Paving	425-07	$ 186,142	$ 254,427	$ 230,000	$ 200,000	$ 230,000	$ 230,000	$ 235,000	$ 240,000	$ 240,000
Meters - Repair/Replacement/Upgrade	425-08	$ 4,823	$ 731	$ 10,000	$ 851	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Meters - Lateral Leaks	425-09	$ 58,875	$ 45,285	$ 76,000	$ 38,643	$ 65,000	$ 65,000	$ 66,000	$ 67,000	$ 68,000
Meters - Trench Plate Rentals	425-10	$ 3,420	$ 1,855	$ 2,000	$ 10,993	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Meters - D-jobs		$ 101,219	$ 12,286	$ 8,000	$ 36,126	$ 8,000	$ 8,000	$ 9,000	$ 9,000	$ 10,000
Wells - Maintenance	432-00	$ 54,389	$ 5,688	$ 45,000	$ 72,855	$ 45,000	$ 48,000	$ 51,000	$ 54,000	$ 57,000
Wells - Landscape	432-06	$ 3,360	$ 7,832	$ 5,000	$ 3,017	$ 5,000	$ 5,000	$ 6,000	$ 6,000	$ 6,000
Wells - Rent	432-07	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300
GWP - Land Lease			$ 15,036		$ 15,036	$ 15,726	$ 16,000	$ 16,000	$ 16,000	$ 16,000
Booster Pump - Maintenance	433-00	$ 18,453	$ 54,365	$ 57,000	$ 97,932	$ 62,000	$ 67,000	$ 72,000	$ 77,000	$ 82,000
Emergency Generators	434-00	$ 21,348	$ 15,154	$ 22,500	$ 15,271	$ 22,500	$ 23,000	$ 23,500	$ 24,000	$ 24,500
Auto/Truck - Maintenance	426-00	$ 72,212	$ 68,051	$ 55,000	$ 70,009	$ 70,000	$ 72,000	$ 74,000	$ 76,000	$ 77,000
Auto/Truck - Gas	426-15	$ 21,008	$ 14,955	$ 20,000	$ 15,340	$ 20,000	$ 20,500	$ 21,000	$ 21,500	$ 22,000
Auto/Truck - Diesel	426-16	$ 18,566	$ 15,055	$ 18,000	$ 14,655	$ 18,500	$ 19,000	$ 19,500	$ 20,000	$ 20,500
TOTAL DISTRIBUTION SYSTEM EXPENSES		$ 1,008,921	$ 947,366	$ 1,012,300	$ 970,254	$ 1,064,526	$ 1,039,300	$ 1,026,800	$ 1,052,300	$ 1,073,300

Water Budget Table WB-4 - Summary of Water O & M Expenses - FY 17/18 - Draft V.01

		2	1			1	2	3	4	5
Description	**Account No.**	**Recorded FY 2014-15**	**Recorded FY 2015-16**	*Budget FY 2016-17*	**Projected FY 2016-17**	**Budget FY 2017-18**	**Forecast FY 2018-19**	**Forecast FY 2019-20**	**Forecast FY 2020-21**	**Forecast FY 2021-22**
GENERAL AND ADMINISTRATIVE EXPENSES			-							
General Liability Insurance	472-00	$ 44,131	$ 50,444	$ 56,000	$ 52,925	$ 53,000	$ 56,000	$ 59,000	$ 62,000	$ 65,000
Accounting - Audit	458-00	$ 11,515	$ 10,940	$ 13,000	$ 12,000	$ 11,000	$ 11,000	$ 12,000	$ 12,500	$ 13,000
Legal Consulting Fees	457-00	$ 85,614	$ 75,684	$ 47,000	$ 46,350	$ 49,000	$ 51,000	$ 53,000	$ 55,000	$ 57,000
Administrative Consultants	470-00	$ 73,932	$ 81,820	$ 130,000	$ 49,094	$ 161,500	$ 150,000	$ 150,000	$ 150,000	$ 150,000
Election Expense	460-00	$ -	$ 41	$ -	$ -	$ -	$ 45,000	$ -	$ 50,000	$ -
Office Maintenance	405-01	$ 9,652	$ 9,263	$ 12,000	$ 12,981	$ 12,000	$ 12,000	$ 13,000	$ 14,000	$ 15,000
Landscape Maintenance - Office	406-01	$ 6,631	$ 4,541	$ 7,500	$ 5,759	$ 7,500	$ 8,000	$ 8,500	$ 9,000	$ 9,500
Office Supplies & Misc Expenses - Office	455-01	$ 5,041	$ 5,287	$ 5,500	$ 4,364	$ 5,500	$ 6,000	$ 6,000	$ 6,000	$ 6,500
Computers & Network *(previously Computer Hardware)*	453-01	$ 24,719	$ 23,480	$ 25,000	$ 25,000	$ 25,000	$ 26,000	$ 27,000	$ 28,000	$ 29,000
Computer Software, Maintenance, Licenses		$ 19,353	$ 65,578	$ 50,000	$ 50,000	$ 53,000	$ 53,000	$ 54,000	$ 55,000	$ 56,000
Utilities - Office	404-01	$ 19,978	$ 21,381	$ 21,000	$ 19,068	$ 21,000	$ 21,500	$ 22,000	$ 22,500	$ 23,000
Enterprise Voice Communications	443-01	$ 25,463	$ 40,395	$ 40,000	$ 42,382	$ 40,000	$ 41,000	$ 42,000	$ 43,000	$ 44,000
Data Communications - Fiber Lines/Internet		$ -	$ 47,963	$ 49,000	$ 50,023	$ 49,000	$ 50,000	$ 51,000	$ 52,000	$ 53,000
Wireless Voice & Data Communications-cell	444-01	$ 5,670	$ 13,802	$ 14,000	$ 15,841	$ 14,000	$ 15,000	$ 15,500	$ 16,000	$ 16,500
Printing, Postage, Stationery, Copier Maint.	456-01	$ 43,423	$ 40,413	$ 37,500	$ 35,937	$ 36,000	$ 36,500	$ 37,000	$ 38,000	$ 39,000
Uncollectible Accounts-Water	463-00	$ 9,312	$ 4,503	$ 3,500	$ 3,926	$ 4,000	$ 3,500	$ 3,500	$ 3,500	$ 3,500
Water System Fees (DHS, RWQCB, LAFCO, Misc)	465-00	$ 46,503	$ 49,690	$ 50,000	$ 37,308	$ 50,000	$ 51,000	$ 52,000	$ 53,000	$ 54,000
Engineering Department	473-00	$ 10,660	$ 10,012	$ 11,000	$ 10,291	$ 11,000	$ 12,000	$ 13,000	$ 14,000	$ 15,000
Water Conservation	481-00	$ 22,848	$ 31,855	$ 30,000	$ 18,898	$ 30,000	$ 31,000	$ 32,000	$ 33,000	$ 34,000
Pipeline/Advertising - Water Conservation	481-30	$ 1,309	$ 2,733	$ 2,500	$ 2,124	$ 2,500	$ 2,500	$ 2,500	$ 2,500	$ 2,500
Turf Rebates - Water Conservation	481-31	$ 109,470	$ 33,450	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Device Rebates - Water Conservation	481-33	$ 3,775	$ 1,820	$ 5,000	$ -	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
Community Outreach		$ 534	$ 7,745	$ 12,000	$ 4,234	$ 12,000	$ 12,000	$ 12,000	$ 12,000	$ 12,000
Training - Office	407-01	$ 3,271	$ 3,189	$ 3,500	$ 3,178	$ 4,000	$ 4,500	$ 5,000	$ 5,500	$ 6,000
Conferences and Seminars - Office	408-01	$ 7,518	$ 7,377	$ 9,000	$ 7,846	$ 8,500	$ 9,500	$ 10,500	$ 11,500	$ 12,500
Board of Directors - Conferences and Seminars	408-05	$ 2,265	$ 7,179	$ 5,000	$ 2,285	$ 5,000	$ 5,000	$ 5,500	$ 6,000	$ 6,500
Misc Administration - Office	461-01	$ 5,292	$ 3,662	$ 5,000	$ 6,271	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
Board of Directors - Misc Administration	461-05	$ 1,758	$ 1,158	$ 2,000	$ 2,208	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000
Membership Renewals/Subscriptions		$ 22,893	$ 19,708	$ 22,000	$ 22,300	$ 23,000	$ 24,000	$ 25,000	$ 26,000	$ 27,000
Bank Charges	485-00	$ 14,971	$ 20,271	$ 21,500	$ 22,409	$ 23,000	$ 24,000	$ 25,000	$ 26,000	$ 27,000
Rental Property		$ 2,314	$ 1,689	$ 2,500	$ 8,000	$ 3,500	$ 3,500	$ 3,500	$ 3,500	$ 3,500
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES		$ 667,780	$ 697,387	$ 692,000	$ 573,001	$ 726,000	$ 776,500	$ 751,500	$ 821,500	$ 792,000
Emergency Operations	7	$ -	$ 276	$ 2,000	$ -	$ 2,000	$ 2,000	$ 3,000	$ 3,000	$ 3,000
EMERGENCY OPERATIONS		$ -	$ 276	$ 2,000	$ -	$ 2,000	$ 2,000	$ 3,000	$ 3,000	$ 3,000
TOTAL EXPENSE		$ 4,884,300	$ 4,680,487	$ 5,020,100	$ 4,765,714	$ 5,228,526	$ 5,298,000	$ 5,266,200	$ 5,434,400	$ 5,519,300
Total O & M Expense (w/o Labor & Benefits)		$ 2,098,151	$ 1,972,016	$ 2,063,100	$ 1,851,242	$ 2,173,826	$ 2,265,800	$ 2,170,500	$ 2,285,700	$ 2,289,600

Water Budget Table WB-5 Water - Purchase Water & Power - FY 17/18 - Draft V.01

	2	1			1	2	3	4	5
Description	**Recorded FY 2014-15**	**Recorded FY 2015-16**	*Budget FY 2016-17*	**Projected FY 2016-17**	**Budget FY 2017-18**	**Forecast FY 2018-19**	**Forecast FY 2019-20**	**Forecast FY 2020-21**	**Forecast FY 2021-22**
Purchased Water - FWMD (ac-ft)	**1,875**	1,573	*1,195*	2,000	2,000	1,910	1,880	1,955	2,050
Projected FMWD Cost	**$ 2,741,033**	**$ 2,454,591**	*$ 2,099,400*	$ 2,963,900	$ 3,084,100	$ 3,217,300	$ 3,182,800	$ 3,394,700	$ 3,658,000
Purchased Water - GWP (ac-ft)	0	169	*555*	370	450	505	600	600	600
Projected GWP Cost	$ -	$ 49,036	*$ 231,435*	$ 154,290	$ 207,000	$ 232,300	$ 277,200	$ 269,400	$ 285,000
Purchased Power Cost	$ 682,044	$ 673,699	*$ 695,000*	$ 692,316	$ 692,000	$ 714,000	$ 735,000	$ 757,000	$ 776,000
SCE	*$ 296,387*	*$ 268,287*	*$ 265,000*	*$ 266,834*	*$ 266,834*	*$ 274,839*	*$ 283,084*	*$ 291,577*	*$ 298,866*
Glendale	*$ 388,734*	*$ 405,648*	*$ 430,000*	*$ 426,334*	*$ 426,334*	*$ 439,124*	*$ 452,297*	*$ 465,866*	*$ 477,513*
Constellation Credit	$ (3,077)	$ (235)	*$ (500)*	$ (852)	$ (852)	$ -	$ -	$ -	$ -
% Increase/Decrease - Import Water Cost	-13.0%	-10.5%	*-13.0%*	18.6%	4.1%	4.3%	-1.1%	6.7%	7.8%
% Increase/Decrease - Power Cost	1.4%	-1.2%	*3.1%*	2.7%	0.0%	3.0%	3.0%	3.0%	2.5%
Power cost/ac-ft	$170	$192	*$188*	$181	$171	$169	$166	$163	$158

Water Budget Table WB - 6 Water Capital Outlay & Equipment - FY 17/18 - Draft V.01

	2	1			1	2	3	4	5
Description	**Recorded FY 2014-15**	**Recorded FY 2015-16**	Budget FY 2016-17	**Projected FY 2016-17**	**Budget FY 2017-18**	**Forecast FY 2018-19**	**Forecast FY 2019-20**	**Forecast FY 2020-21**	**Forecast FY 2021-22**
Spring Brook Software - Fixed Assets			*$ 11,250*		**$ 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)									
Upgrade SCADA Equipment (SCADA 1A & 1B)									
Upgrade Computer Hardware & Security			*$ 30,000*	***$ 4,261***	**$ 30,000**	**$ 30,000**	**$ 30,000**	**$ 30,000**	**$ 20,000**
Main Office - Master Plan			*$ 15,000*		**$ 15,000**				
Main Office - Upgrades			*$ 20,000*			**$ -**	**$ -**	**$ 15,000**	**$ 15,000**
Misc.			*$ 3,750*		**$ 3,750**	**$ 6,250**	**$ 4,750**	**$ 5,000**	**$ 5,000**
CO Total	$ -	$ -	*$ 80,000*	*$ 4,261*	$ 60,000	$ 55,000	$ 61,000	$ 65,000	$ 55,000
Capital - Equipment									
Water Quality - 5 Chlorine Analyzers									
Pipe Tool	**$ 7,721**								
Portable Light Tower				***$ 8,077***					
Vehicle Replacement - Unit 5									
Vehicle Replacement - Unit 7									
Vehicle Replacement - Unit 12									
Vehicle Replacement - Unit 46	**$ 90,546**								
Vehicle Replacement - Unit 47	**$ 51,975**								
Vehicle Replacement - Unit 48		**$ 26,180**							
Vehicle Replacement - Unit 1			*$ 30,000*	***$ 30,000***					
Vehicle Replacement - Komatsu					**$ 60,000**	**$ 75,000**	**$ 75,000**	**$ 75,000**	**$ 75,000**
CE Total	$ 150,242	$ 26,180	*$ 30,000*	*$ 38,077*	$ 60,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000
CO & CE - Total	$ 150,242	$ 26,180	*$ 110,000*	*$ 42,338*	$ 120,000	$ 130,000	$ 136,000	$ 140,000	$ 130,000

Water Budget Table WB -7 Water - Capital Improvement Projects - FY 17/18 - Draft V.01

	2	1			1	2	3	4	5
Description	**Recorded FY 2014-15**	**Recorded FY 2015-16**	*Budget FY 2016-17*	***Projected FY 2016-17***	**Budget FY 2017-18**	**Forecast FY 2018-19**	**Forecast FY 2019-20**	**Forecast FY 2020-21**	**Forecast FY 2021-22**
Water Supply	**$ 545,588**	**$ 1,644,306**	*$ 840,000*	***$ 496,000***	**$ 1,184,000**	**$ 805,000**	**$ 600,000**	**$ 500,000**	**$ 500,000**
Water Storage	**$ 172,335**		*$ 320,000*	***$ -***	**$ 680,000**	**$ 320,000**	**$ 400,000**	**$ 400,000**	**$ 400,000**
Water Distribution	**$ 1,143,405**	**$ 819,708**	*$ 1,365,000*	***$ 1,382,900***	**$ 1,365,000**	**$ 1,395,000**	**$ 1,245,000**	**$ 1,350,000**	**$ 1,550,000**
Water Treatment	**$ -**	**$ 380,203**	*$ -*	***$ -***	**$ -**	**$ -**	**$ 50,000**	**$ 75,000**	**$ 75,000**
Technology	**$ 25,524**	**$ 96,879**	*$ 200,000*	***$ 200,000***	**$ 30,000**	**$ 30,000**	**$ 200,000**	**$ 450,000**	**$ 380,000**
Public Safety/Emergency Response	**$ 93,754**		*$ 75,000*	***$ 79,300***	**$ 75,000**	**$ 75,000**	**$ 75,000**	**$ -**	**$ -**
Facilities & Planning	**$ -**		*$ -*	***$ -***	**$ -**	**$ -**	**$ -**	**$ 125,000**	**$ 275,000**
Total CIP	**$ 1,980,606**	**$ 2,941,096**	*$ 2,800,000*	***$ 2,158,200***	**$ 3,334,000**	**$ 2,625,000**	**$ 2,570,000**	**$ 2,900,000**	**$ 3,180,000**

Water Budget Table WB - 8 Water Reserve Targets - FY 17/18 - Draft V.01

Description	Recorded FY 2014-15	Recorded FY 2015-16	Budget FY 2016-17	Projected FY 2016-17	Budget FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21	Forecast FY 2021-22
	2	1			1	2	3	4	5
Rate stabilization (a)	$ 1,649,000	$ 1,488,000	$ 1,565,000	$ 1,750,000	$ 2,039,000	$ 2,280,000	$ 2,576,000	$ 2,895,000	$ 3,048,000
Emergency fund (b)	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000
Labor & benefits	$ 2,786,149	$ 2,708,472	$ 2,957,000	$ 2,914,473	$ 3,054,700	$ 3,032,200	$ 3,095,700	$ 3,148,700	$ 3,229,700
Power	$ 682,044	$ 673,699	$ 695,000	$ 692,316	$ 692,000	$ 714,000	$ 735,000	$ 757,000	$ 776,000
Operating expenses	$ 2,098,151	$ 1,972,016	$ 2,072,600	$ 1,851,242	$ 2,173,826	$ 2,265,800	$ 2,170,500	$ 2,285,700	$ 2,289,600
O & M Costs	$ 5,566,344	$ 5,354,187	$ 5,724,600	$ 5,458,030	$ 5,920,526	$ 6,012,000	$ 6,001,200	$ 6,191,400	$ 6,295,300
Funded Future OPEB Liability									
Working cash (c)	$ 927,724	$ 892,364	$ 954,100	$ 909,672	$ 986,754	$ 1,002,000	$ 1,000,200	$ 1,031,900	$ 1,049,217
Total target cash reserves	$ 3,327,000	$ 3,130,000	$ 3,269,000	$ 3,410,000	$ 3,776,000	$ 4,032,000	$ 4,326,000	$ 4,677,000	$ 4,847,000

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 17/18 - Draft V.01

Description	Recorded FY 2014-15 (2)	Recorded FY 2015-16 (1)	Budget FY 2016-17	Projected FY 2016-17	Budget FY 2017-18 (1)	Forecast FY 2018-19 (2)	Forecast FY 2019-20 (3)	Forecast FY 2020-21 (4)	Forecast FY 2021-22 (5)
MTBE - Income									
MTBE Settlement	$ -	$ 6,390	$ -	$ 24,010	$ -	$ -	$ -	$ -	$ -
Repayment from CVWD General Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 750,000	$ 750,000
MTBE - Income from Sale of Investments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income	$ -	$ 6,390	$ -	$ 24,010	$ -	$ -	$ -	$ 750,000	$ 750,000
MTBE - Expense									
Transfer to CVWD General Fund	$ -	$ 2,000,000	$ 1,000,000	$ 1,000,000	$ -	$ -	$ -	$ -	$ -
Lab Expense	$ 43,798	$ 27,156	$ 35,000	$ 22,986	$ 35,000	$ 35,000	$ 35,000	$ 35,000	$ 25,000
Labor Expense	$ -	$ -	$ 8,000	$ -	$ 8,000	$ 8,000	$ 8,000	$ 8,000	$ 6,000
Administrative Consultant	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 75,000	$ -
Total Expense	$ 43,798	$ 2,027,156	$ 1,043,000	$ 1,022,986	$ 43,000	$ 43,000	$ 43,000	$ 118,000	$ 31,000
Increase (Decrease) to Fund	$ (43,798)	$ (2,020,766)	$ (1,043,000)	$ (998,976)	$ (43,000)	$ (43,000)	$ (43,000)	$ 632,000	$ 719,000
MTBE Reserve Fund									
FY Begin Available MTBE Reserve Funds	$ 8,880,019	$ 8,836,221	$ 6,815,455	$ 6,815,455	$ 5,816,479	$ 5,773,479	$ 5,730,479	$ 5,687,479	$ 6,319,479
FY End Available MTBE Reserve Funds	$ 8,836,221	$ 6,815,455	$ 5,772,455	$ 5,816,479	$ 5,773,479	$ 5,730,479	$ 5,687,479	$ 6,319,479	$ 7,038,479

Note:

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

Water Budget Table WB-9 - Total Sources - FY 17/18 - Draft V.01

	Recorded FY 2014-15	Recorded FY 2015-16	Budget FY 2016-17	Projected FY 2016-17	Budget FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21	Forecast FY 2021-22
REVENUE									
Service Readiness Charge Revenue	$ 1,828,481	$ 1,949,220	$ 2,247,000	$ 2,283,849	$ 2,433,000	$ 2,618,000	$ 2,817,000	$ 3,017,000	$ 3,020,000
Metered sales of water (CVWD Costs)	$ 4,162,173	$ 5,952,066	$ 6,953,000	$ 6,998,600	$ 8,157,000	$ 9,121,000	$ 10,303,000	$ 11,580,000	$ 12,190,000
Required metered sales of water (FMWD Costs)	$ 2,432,299	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Income - Water Reserves	$ 91,782	$ 188,668	$ 163,000	$ 167,609	$ 180,000	$ 147,000	$ 143,000	$ 155,000	$ 172,000
Interest Income - MTBE Reserves	$ 103,000	$ -	$ 77,000	$ 115,000	$ 74,000	$ 76,000	$ 78,000	$ 80,000	$ 82,000
Source of Funds - Other Sources	$ 221,080	$ 258,763	$ 146,000	$ 242,990	$ 142,683	$ 148,683	$ 155,683	$ 161,733	$ 168,733
Sources of Funds - CIP Sources	$ 238,461	$ 872,193	$ 1,225,450	$ 1,133,345	$ 765,845	$ 730,475	$ 410,300	$ 390,000	$ 400,000
Transfer from MTBE Fund for PERS Side Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transfer from Wastewater	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Drought Surcharge			$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL REVENUE	$ 9,077,276	$ 9,220,909	$ 10,811,450	$ 10,941,393	$ 11,752,528	$ 12,841,158	$ 13,906,983	$ 15,383,733	$ 16,032,733
OPERATIONS & MAINTENANCE (O & M) EXPENSE									
Labor & Benefits	$ 2,786,149	$ 2,708,472	$ 2,957,000	$ 2,914,473	$ 3,054,700	$ 3,032,200	$ 3,095,700	$ 3,148,700	$ 3,229,700
Purchased Water (FMWD)	$ 2,741,033	$ 2,454,591	$ 2,099,000	$ 2,963,900	$ 3,084,000	$ 3,217,000	$ 3,183,000	$ 3,395,000	$ 3,658,000
Purchased Water (GWP)	$ -	$ -	$ 231,000	$ 154,290	$ 207,000	$ 232,000	$ 277,000	$ 269,000	$ 285,000
Power	$ 682,044	$ 673,699	$ 695,000	$ 692,316	$ 692,000	$ 714,000	$ 735,000	$ 757,000	$ 776,000
Operating expenses	$ 2,098,151	$ 1,972,016	$ 2,063,100	$ 1,851,242	$ 2,173,826	$ 2,265,800	$ 2,170,500	$ 2,285,700	$ 2,289,600
Total O & M Expense	$ 8,307,377	$ 7,808,777	$ 8,045,100	$ 8,576,220	$ 9,211,526	$ 9,461,000	$ 9,461,200	$ 9,855,400	$ 10,238,300
Debt Service (principal & interest)	$ 612,454	$ 613,022	$ 614,000	$ 614,038	$ 613,838	$ 613,238	$ 612,238	$ 615,481	$ 613,106
Total O & M Expense + Debt Service	$ 8,919,831	$ 8,421,799	$ 8,659,100	$ 9,190,258	$ 9,825,364	$ 10,074,238	$ 10,073,438	$ 10,470,881	$ 10,851,406
Cash Available for Capital - [Revenue - (Total O & M Expense + Debt Service)]	$ 157,445	$ 799,110	$ 2,152,350	$ 1,751,135	$ 1,927,165	$ 2,766,921	$ 3,833,546	$ 4,912,852	$ 5,181,327
CAPITAL OUTLAY, LIABILITIES and CAPITAL PROJECTS									
Capital Outlay & Equipment	$ 150,242	$ 26,180	$ 110,000	$ 42,338	$ 120,000	$ 130,000	$ 136,000	$ 140,000	$ 130,000
Re-Payment to MTBE Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 750,000	$ 750,000
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)	$ 1,981,000	$ 2,941,000	$ 2,800,000	$ 2,158,200	$ 3,334,000	$ 2,625,000	$ 2,570,000	$ 2,900,000	$ 3,180,000
Total - Capital Outlay, CIP, CIP Fund & Future Liability	$ 2,291,609	$ 3,127,547	$ 3,010,000	$ 2,300,538	$ 3,554,000	$ 2,855,000	$ 2,806,000	$ 3,890,000	$ 4,160,000
INCREASE (DECREASE) TO CASH	$ (2,134,165)	$ (2,328,437)	$ (857,650)	$ (549,403)	$ (1,626,836)	$ (88,080)	$ 1,027,546	$ 1,022,852	$ 1,021,327
FY begin available Water Reserves	$ 5,512,136	$ 4,048,384	$ 3,719,947	$ 3,719,947	$ 4,170,545	$ 2,543,709	$ 2,455,630	$ 3,483,175	$ 4,506,027
Transfer In from MTBE Reserves		$ 2,000,000	$ 1,000,000	$ 1,000,000					
FY End Water Reserves	$ 3,377,971	$ 3,719,947	$ 3,862,298	$ 4,170,545	$ 2,543,709	$ 2,455,630	$ 3,483,175	$ 4,506,027	$ 5,527,354
Reconciliation	$ 670,413		$ -	$ -	$ -	$ -	$ -	$ -	$ -
FY End Water Reserves	$ 4,048,384	$ 3,719,947	$ 3,862,298	$ 4,170,545	$ 2,543,709	$ 2,455,630	$ 3,483,175	$ 4,506,027	$ 5,527,354
TOTAL TARGET WATER CASH RESERVES	$ 3,327,000	$ 3,130,000	$ 3,269,000	$ 3,410,000	$ 3,776,000	$ 4,032,000	$ 4,326,000	$ 4,677,000	$ 4,847,000
Above or (below) Target Reserves	$ 721,384	$ 589,947	$ 593,298	$ 760,545	$ (1,232,291)	$ (1,576,370)	$ (842,825)	$ (170,973)	$ 680,354
Effective date of water rates	7/1/14	7/1/15	7/1/16	7/1/16	7/1/17	7/1/18	7/1/19	7/1/20	7/1/21
Projected Rate Increase for Service Charge	5.8%	5.7%	7.5%	7.5%	7.2%	7.4%	7.5%	7.0%	0.0%
Service rates ($/month for 3/4" meter)	$18.10	$19.10	$20.53	$20.53	$22.00	$23.60	$25.40	$27.20	$27.20
Projected Rate Increase for Quantity Charge	5.8%	5.7%	5.2%	5.2%	7.2%	7.4%	7.5%	7.0%	0.0%
Quantity Charge: ($/kgal)	$5.64	$5.96	$6.27	$6.27	$6.72	$7.22	$7.76	$8.30	$8.30
FMWD Quantity Charge: ($/kgal)	$2.03								
CVWD Quantity Charge: ($/kgal)	$3.61	$5.96	$ 6.27	$6.27	$6.72	$7.22	$7.76	$8.30	$8.30

Legend

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

Wastewater Budget Table WWB-1 Projected Wastewater Accounts - FY 17/18 - Draft V.00

	2	1			1	2	3	4	5
Wastewater Accounts	**Recorded FY 2014-15**	**Recorded FY 2015-16**	Budget FY 2016-17	**Projected FY 2016-17**	**Budget FY 2017-18**	**Forecast FY 2018-19**	**Forecast FY 2019-20**	**Forecast FY 2020-21**	**Forecast FY 2021-22**
Residential Units - EDU[1]									
Single Family	**5,273**	**5,247**	5,252	**5,252**	**5,254**	**5,256**	**5,258**	**5,260**	**5,262**
Multi-family	**2,548**	***2,548***	2,550	**2,587**	**2,627**	**2,629**	**2,631**	**2,633**	**2,635**
Total Residential Units - EDU[1]	7,821	7,795	7,802	7,839	7,881	7,885	7,889	7,893	7,897
Total No. of Accounts - Commercial	**166**	**168**	166	**170**	**170**	**170**	**170**	**170**	**170**
Total No. of Accounts - School	**6**	**6**	6	**6**	**6**	**6**	**6**	**6**	**6**

Total EDUs	7,993	7,969	7,974	8,015	8,057	8,061	8,065	8,069	8,073
Projected No. of Account Annual Increase	4	**(24)**	5	**46**	**42**	4	4	4	4
Projected Percent of Account Annual Increase	0.05%	-0.30%	0.06%	0.58%	0.52%	0.05%	0.05%	0.05%	0.05%

Note:
1. EDU = Equivalent Dwelling Units

Wastewater Budget Table WWB-2 Revenues - FY 17/18 - Draft V.00

	2	1			1	2	3	4	5
	Recorded FY 2014-15	Recorded FY 2015-16	Budget FY 2016-17	Projected FY 2016-17	Budget FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21	Forecast FY 2021-22
Wastewater User and Standby Charge Revenues									
Single family dwelling unit	$ 3,341,597	$ 2,126,359	*$ 2,138,000*	$ 2,121,492	$ 2,405,498	$ 2,442,973	$ 2,481,095	$ 2,557,114	$ 2,634,439
Multiple family dwelling		$ 1,040,190	*$ 1,034,000*	$ 731,928	$ 766,881	$ 779,950	$ 793,189	$ 818,107	$ 843,050
Total School charges		$ 94,835	*$ 95,000*	$ 119,208	$ 61,126	$ 62,045	$ 62,978	$ 64,869	$ 66,815
Total Commercial user charges		$ 208,491	*$ 251,000*	$ 158,359	$ 195,460	$ 198,569	$ 201,689	$ 207,938	$ 214,176
Sewer Service Discount		$ (194,016)	*$ (150,000)*	$ (150,000)	$ (150,000)	$ (150,000)	$ (150,000)	$ (150,000)	$ (150,000)
Total user charge revenues	$ 3,341,597	$ 3,275,859	*$ 3,368,000*	$ 2,980,988	$ 3,278,965	$ 3,333,537	$ 3,388,951	$ 3,498,028	$ 3,608,481
Permit/Connection Fees/Misc.									
Sewer Permits	$ 6,000	$ -	*$ 4,000*	$ 1,500	$ 4,000	$ 4,000	$ 3,000	$ 2,000	$ 1,500
Sewer Connection Fee (CVWD)	$ 31,523	$ 21,463	*$ 20,000*	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 15,000	$ 15,000
Misc. Revenue	$ 27,577	$ 20,405	*$ 5,000*	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
Rental Properties Income	$ 7,400	$ 7,088	*$ 7,500*	$ 7,500	$ 7,500	$ 7,500	$ 7,500	$ 7,500	$ 7,500
Total Permit/Connection Fees/Misc.	$ 72,500	$ 48,956	*$ 36,500*	$ 34,000	$ 36,500	$ 36,500	$ 35,500	$ 29,500	$ 29,000
Interest Earned	$ 103	$ 196	*$ 500*	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500
Total Revenue	$ 3,414,200	$ 3,325,011	$ 3,405,000	$ 3,015,488	$ 3,315,965	$ 3,370,537	$ 3,424,951	$ 3,528,028	$ 3,637,981

Wastewater Budget Table WWB-3 City of Los Angeles O & M and Capital Expense - FY 17/18 - Draft V.00

	2	1			1	2	3	4	5
Description	**Recorded FY 2014-15**	**Recorded FY 2015-16**	*Budget FY 2016-17*	**Projected FY 2016-17**	**Budget FY 2017-18**	**Forecast FY 2018-19**	**Forecast FY 2019-20**	**Forecast FY 2020-21**	**Forecast FY 2021-22**
City of Los Angeles Projection O & M	**$ 346,710**	**$ 542,477**	$ 696,140	**$ 450,888**	$ 831,520	**$ 831,520**	**$ 831,520**	**$ 831,520**	**$ 831,520**
City of Los Angeles Projection Capital	**$ 328,303**	**$ 819,713**	$ 547,280	**$ 911,307**	$ 384,360	**$ 384,360**	**$ 384,360**	**$ 384,360**	**$ 384,360**
City of Los Angeles Projection Total	**$ 675,013**	**$ 1,362,190**	$ 1,243,420	**$ 1,362,195**	$ 1,215,880	**$ 1,215,880**	**$ 1,215,880**	**$ 1,215,880**	**$ 1,215,880**
City of Los Angeles Projections - March 2017 [1]					*FY 2017-18*	*FY 2018-19*	*FY 2019-20*	*FY 2020-21*	*FY 2021-22*
City of Los Angeles Projection O & M					$ 796,500	$ 810,500	$ 834,600	$ 850,100	$ 865,900
City of Los Angeles Projection Capital					$ 510,200	$ 567,500	$ 458,500	$ 244,600	$ 141,000
City of Los Angeles Projection Total					***$ 1,306,700***	***$ 1,378,000***	***$ 1,293,100***	***$ 1,094,700***	***$ 1,006,900***

Notes:

1. Source for FY 2017-18 City of Los Angeles - Amalgamated System Sewer Service Charges (ASSSC) include both capital and O&M charges dated 3/15/17
2. Projected FY 2016/17 does include City of LA Reconciliation Charge for FY 2015/16 of $XXXXXX
3. Budget 17/18 - 21/22 - Based on Average Cost from City of LA from 2017-2022

Wastewater Budget Table WWB - 4 Operation and Maintenance Expenses - FY 17/18 - Draft V.00

	2	1			1	2	3	4	5
Description	**Recorded FY 2014-15**	**Recorded FY 2015-16**	*Budget FY 2016-17*	**Projected FY 2016-17**	**Budget FY 2017-18**	**Forecast FY 2018-19**	**Forecast FY 2019-20**	**Forecast FY 2020-21**	**Forecast FY 2021-22**
TREATMENT AND DISPOSAL CHARGES									
Los Angeles ASSSC	$ 675,013	$ 1,362,190	$ 1,243,420	$ 1,362,195	$ 1,216,000	$ 1,216,000	$ 1,216,000	$ 1,216,000	$ 1,216,000
TOTAL TREATMENT AND DISPOSAL CHARGES	$ 675,013	$ 1,362,190	$ 1,243,420	$ 1,362,195	$ 1,216,000	$ 1,216,000	$ 1,216,000	$ 1,216,000	$ 1,216,000
COMPENSATION AND BENEFITS									
Director Fees	$ 9,225	$ 8,370	$ 9,000	$ 6,711	$ 9,000	$ 9,000	$ 9,000	$ 9,000	$ 9,000
Compensation									
Officer Salaries	$ 150,010	$ 164,628	$ 170,000	$ 165,678	$ 170,000	$ 171,000	$ 172,000	$ 174,000	$ 176,000
Administrative Services Labor	$ 261,192	$ 267,658	$ 283,000	$ 281,105	$ 283,000	$ 247,000	$ 251,000	$ 255,000	$ 256,600
Administrative Services Labor - OT	$ 3,923	$ 3,493	$ 3,000	$ 5,026	$ 3,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000
Engineering Department Labor	$ 91,208	$ 88,004	$ 111,000	$ 114,123	$ 111,000	$ 100,300	$ 102,600	$ 104,300	$ 105,700
Engineering Department Labor-OT	$ 876	$ 2,013	$ 1,000	$ 914	$ 1,000	$ 1,325	$ 1,350	$ 1,700	$ 1,700
Auto Allowance	$ 9,075	$ 10,200	$ 10,000	$ 10,200	$ 10,200	$ 10,200	$ 10,200	$ 10,200	$ 10,200
Plant - Office Labor	$ 56,639	$ 35,385	$ 74,000	$ 52,266	$ 74,000	$ 74,300	$ 75,000	$ 76,000	$ 81,000
Plant - Office Labor-OT	$ 117	$ 90	$ -	$ 235	$ -	$ -	$ -	$ -	$ -
Maintenance Workers Labor	$ 174,267	$ 184,136	$ 201,000	$ 138,757	$ 201,000	$ 213,000	$ 218,000	$ 220,000	$ 226,000
Maintenance Workers Labor-OT	$ 18,157	$ 17,511	$ 22,000	$ 13,344	$ 22,000	$ 22,000	$ 22,000	$ 22,000	$ 23,000
Standby Pay	$ 13,679	$ 14,375	$ 14,000	$ 15,047	$ 14,000	$ 14,600	$ 14,600	$ 15,000	$ 15,300
Labor Transfer to Capital	$ -	$ -	$ -	$ -	$ -	*combined with Engineering Dept. Labor*			
Compensation Total	$ 788,369	$ 795,863	$ 898,000	$ 803,408	$ 898,200	$ 864,725	$ 877,750	$ 889,200	$ 906,500
PERS Retirement (Total Employees)	$ 185,480	$ 184,189	$ 210,000	$ 191,643	$ 210,000	$ 228,000	$ 245,000	$ 262,000	$ 269,300
Taxes - Payroll (Total Employees)	$ 87,244	$ 87,179	$ 93,000	$ 87,871	$ 93,000	$ 94,000	$ 95,300	$ 96,600	$ 98,000
Sick and Vacation - Office	$ 44,454	$ 33,872	$ 37,000	$ 35,211	$ 37,000	$ 37,300	$ 37,600	$ 38,300	$ 38,600
Health and Dental and Vision - Office	$ 91,056	$ 86,590	$ 86,000	$ 87,652	$ 86,000	$ 87,300	$ 88,600	$ 90,600	$ 92,000
Retiree - Health Care Expense	$ 49,757	$ 47,114	$ 49,646	$ 48,000	$ 49,646	$ 50,000	$ 51,300	$ 52,000	$ 53,000
Life & Disability Insurance - Office and Plant	$ 6,331	$ 6,639	$ 7,000	$ 6,622	$ 7,000	$ 6,750	$ 6,750	$ 7,300	$ 8,000
Self Insurance	$ 6,201	$ 4,936	$ 8,000	$ 3,524	$ 8,000	$ 8,600	$ 8,600	$ 8,600	$ 8,600
Workers' Compensation - Office	$ 8,815	$ 12,925	$ 14,000	$ 11,585	$ 14,000	$ 12,000	$ 10,600	$ 8,600	$ 8,600
Sick and Vacation - Plant	$ 29,636	$ 22,581	$ 25,000	$ 23,474	$ 25,000	$ 24,600	$ 25,300	$ 25,600	$ 25,600
Health and Dental and Vision - Plant	$ 93,666	$ 88,143	$ 93,000	$ 85,919	$ 93,000	$ 94,700	$ 96,600	$ 98,600	$ 100,000
Workers' Compensation - Plant	$ 37,640	$ 53,076	$ 60,000	$ 46,645	$ 60,000	$ 54,675	$ 47,300	$ 38,000	$ 38,600
Benefits Total	$ 640,280	$ 627,244	$ 682,646	$ 628,146	$ 682,646	$ 697,925	$ 712,950	$ 726,200	$ 740,300
TOTAL COMPENSATION AND BENEFITS	$ 1,428,649	$ 1,423,107	$ 1,580,646	$ 1,431,554	$ 1,580,846	$ 1,562,650	$ 1,590,700	$ 1,615,400	$ 1,646,800
PLANT OPERATING EXPENSES									
Taxes - Property	$ 4,101	$ 4,167	$ 4,500	$ 3,648	$ 4,500	$ 4,600	$ 4,800	$ 4,900	$ 5,100
Glenwood - Plant Maintenance	$ 3,174	$ 5,684	$ 7,500	$ 6,324	$ 7,500	$ 8,000	$ 8,500	$ 8,600	$ 9,000
Landscaping Expense	$ 1,820	$ 1,650	$ 1,800	$ 2,501	$ 1,800	$ 2,000	$ 2,150	$ 2,300	$ 2,500
Office Supplies & Misc Expenses - Plant	$ 9,353	$ 8,071	$ 7,000	$ 13,658	$ 7,000	$ 7,500	$ 8,000	$ 8,000	$ 8,000
Glenwood - Utilities	$ 3,575	$ 2,912	$ 5,300	$ 2,975	$ 5,300	$ 5,700	$ 6,000	$ 6,300	$ 6,600
Glenwood - Voice Communications	$ 14,117		$ -	$ -	$ -	*combined 01-01-5225*		$ -	$ -

Wastewater Budget Table WWB - 4 Operation and Maintenance Expenses - FY 17/18 - Draft V.00

Description	Recorded FY 2014-15	Recorded FY 2015-16	Budget FY 2016-17	Projected FY 2016-17	Budget FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21	Forecast FY 2021-22
	2	1			1	2	3	4	5
Glenwood - Wireless Voice & Data Communications	$ 3,378	$ -	$ -	$ -	$ -	*combined 01-01-5226*		$ -	$ -
Training - Plant	$ 3,222	$ 1,861	$ 2,375	$ 1,348	$ 2,375	$ 2,500	$ 2,650	$ 2,800	$ 2,900
Education Reimbursement/Cert. - WW	$ 252		$ 1,000	$ 750	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Glenwood - Safety and Security System	$ 5,820	$ 8,583	$ 5,750	$ 7,100	$ 5,750	$ 5,800	$ 6,000	$ 6,200	$ 6,300
Glenwood - Uniforms	$ 3,288	$ 3,755	$ 3,000	$ 3,491	$ 3,000	$ 3,250	$ 3,350	$ 3,500	$ 3,700
Tools and Equipment Maintenance	$ 17,375	$ 15,409	$ 16,000	$ 16,322	$ 16,000	$ 17,000	$ 18,000	$ 19,000	$ 20,000
Power - Lift Station	$ 723	$ 646	$ 750	$ 589	$ 750	$ 800	$ 800	$ 800	$ 800
Telemetering & Signal System	$ 2,680	$ 1,038	$ 3,300	$ 3,300	$ 3,300	$ 4,000	$ 4,300	$ 4,700	$ 5,000
SCADA Hardware	$ -	$ -	$ 2,000	$ 2,000	$ 2,000	$ 2,700	$ 3,000	$ 3,300	$ 3,700
SCADA Software	$ -	$ -	$ 4,400	$ 4,400	$ 4,400	$ 4,700	$ 5,000	$ 5,300	$ 5,600
SCADA Phone Lines & Radio	$ -	$ -	$ 850	$ 850	$ 850	$ 1,000	$ 1,150	$ 1,300	$ 1,500
TOTAL PLANT OPERATING EXPENSES	$ 72,878	$ 53,774	$ 65,525	$ 69,256	$ 65,525	$ 70,550	$ 74,700	$ 78,000	$ 81,700
COLLECTION SYSTEM EXPENSE									
Pipelines - Maintenance	$ 4,746	$ 14,171	$ 5,000	$ 650	$ 5,000	$ 6,000	$ 7,000	$ 8,000	$ 8,000
Auto/Truck - Maintenance	$ 34,676	$ 43,421	$ 18,300	$ 27,447	$ 18,300	$ 19,000	$ 19,700	$ 20,300	$ 21,000
Auto/Truck - Gas	$ 7,003	$ 4,985	$ 6,600	$ 5,113	$ 6,600	$ 6,800	$ 7,000	$ 7,200	$ 7,300
Auto/Truck - Diesel	$ 6,189	$ 5,018	$ 6,000	$ 4,885	$ 6,000	$ 6,200	$ 6,300	$ 6,500	$ 6,600
Sewer Flow Monitoring Expense	$ 12,860	$ 14,000	$ 12,500	$ 14,109	$ 14,109	$ 14,609	$ 15,109	$ 26,500	$ 26,500
Sewer Camera Van Inspection	$ 3,091	$ 2,557	$ 3,000	$ 99	$ 3,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000
Sewer Interceptor - Maintenance	$ 1,360	$ 3,126	$ 4,000		$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Sewer Lift Station - Maintenance	$ 4,275	$ 2,704	$ 3,500	$ 2,584	$ 2,584	$ 3,084	$ 3,584	$ 4,084	$ 4,584
TOTAL COLLECTION SYSTEM EXPENSE	$ 74,200	$ 89,983	$ 58,900	$ 54,887	$ 59,593	$ 62,693	$ 65,693	$ 79,584	$ 80,984
GENERAL AND ADMINISTRATIVE EXPENSES									
General Insurance (General Liability, Property, Fidelity)	$ 44,131	$ 50,444	$ 56,000	$ 45,364	$ 56,000	$ 59,000	$ 62,000	$ 65,000	$ 68,000
Accounting - Audit	$ 11,515	$ 10,940	$ 13,000	$ 9,012	$ 13,000	$ 14,500	$ 15,000	$ 15,500	$ 16,000
Legal Consulting Fees	$ 16,163	$ 15,503	$ 15,600	$ 13,812	$ 15,600	$ 16,600	$ 17,000	$ 17,600	$ 18,300
Administrative Consultants	$ 27,706	$ 69,512	$ 44,000	$ 27,575	$ 44,000	$ 42,500	$ 42,500	$ 43,300	$ 33,000
Election Expense	$ -	$ 41		$ -	$ -	$ 45,000	$ -	$ 50,000	$ -
Office Maintenance	$ 3,217	$ 3,088	$ 4,000	$ 4,327	$ 4,000	$ 4,000	$ 4,300	$ 4,700	$ 5,000
Landscape Maintenance - Office	$ 2,210	$ 1,514	$ 2,500	$ 1,920	$ 2,500	$ 2,650	$ 2,800	$ 3,000	$ 3,100
Office Supplies & Misc Expenses	$ 5,008	$ 5,262	$ 5,500	$ 4,363	$ 5,500	$ 6,000	$ 6,000	$ 6,000	$ 6,500
Computers Hardware	$ 6,837	$ 7,827	$ 8,500	$ 6,999	$ 8,500	$ 8,600	$ 9,000	$ 9,300	$ 9,700
Computer Software	$ 9,322		$ -	$ -	$ -	*Combined with computer software, maint, licnc.*			
Computer Software, Maintenance, License	$ 6,241	$ 19,418	$ 17,000	$ 11,058	$ 17,000	$ 17,000	$ 17,000	$ 17,300	$ 17,600
Utilities - Office	$ 6,294	$ 6,848	$ 7,200	$ 7,079	$ 7,200	$ 7,200	$ 7,300	$ 7,500	$ 7,700
Enterprise Voice Communications - land line phones	$ 8,488	$ 13,465	$ 13,600	$ 14,128	$ 13,600	$ 13,600	$ 14,000	$ 14,300	$ 14,700
Data Communications: Fiber Lines/Internet	$ -	$ 15,988	$ 16,000	$ 16,675	$ 16,000	$ 17,000	$ 17,000	$ 17,000	$ 17,700
Wireless Voice & Data Communications - cell	$ 1,890	$ 4,601	$ 4,750	$ 5,280	$ 4,750	$ 5,000	$ 5,200	$ 5,300	$ 5,500
Printing, Postage, Stationery, Copier Maintenance	$ 43,425	$ 36,718	$ 37,500	$ 29,431	$ 37,500	$ 38,000	$ 38,500	$ 39,500	$ 40,500
Uncollectible Accounts	$ 1,975	$ 1,355	$ 1,150	$ 1,497	$ 1,150	$ 1,150	$ 1,300	$ 1,300	$ 1,500
Engineering Department	$ 3,500	$ 3,337	$ 3,600	$ 3,431	$ 3,600	$ 4,000	$ 4,300	$ 4,700	$ 5,000

Wastewater Budget Table WWB - 4 Operation and Maintenance Expenses - FY 17/18 - Draft V.00

Description	Recorded FY 2014-15 (2)	Recorded FY 2015-16 (1)	Budget FY 2016-17	Projected FY 2016-17	Budget FY 2017-18 (1)	Forecast FY 2018-19 (2)	Forecast FY 2019-20 (3)	Forecast FY 2020-21 (4)	Forecast FY 2021-22 (5)
Training - Office	$ 938	$ 1,077	$ 1,150	$ 780	$ 1,150	$ 1,350	$ 1,500	$ 1,700	$ 1,800
Conferences and Seminars - Office	$ 2,298	$ 2,311	$ 3,000	$ 2,615	$ 3,000	$ 3,300	$ 3,600	$ 4,000	$ 4,300
Board of Directors - Conferences and Seminars	$ 755	$ 2,393	$ 1,675	$ 762	$ 1,675	$ 1,675	$ 1,800	$ 2,000	$ 2,150
Misc Administration - Office	$ 1,758	$ 1,079	$ 1,675	$ 2,091	$ 1,675	$ 1,675	$ 1,700	$ 1,700	$ 1,700
Board of Directors - Misc Administration	$ 590	$ 362	$ 650	$ 736	$ 650	$ 650	$ 650	$ 650	$ 650
Membership Renewals/Subscriptions	$ 7,376	$ 6,585	$ 7,500	$ 10,976	$ 7,500	$ 7,600	$ 8,000	$ 8,300	$ 8,600
Bank Charges	$ 13,347	$ 18,624	$ 18,000	$ 22,420	$ 18,000	$ 19,000	$ 20,000	$ 21,000	$ 22,000
Rental Properties Expense	$ 580	$ 563	$ 1,050	$ 1,050	$ 850	$ 850	$ 850	$ 850	$ 850
GENERAL AND ADMINISTRATIVE EXPENSES	$ 225,562	$ 298,854	$ 284,600	$ 243,381	$ 284,400	$ 337,900	$ 301,300	$ 361,500	$ 311,850

TOTAL WASTEWATER SYSTEM EXPENSE (w/o LA Treatment Costs)	$ 1,801,288	$ 1,865,718	$ 1,989,671	$ 1,799,078	$ 1,990,364	$ 2,033,793	$ 2,032,393	$ 2,134,484	$ 2,121,334
TOTAL WASTEWATER SYSTEM EXPENSE (w/o LA Treatment & Labor Costs)	$ 372,639	$ 442,611	$ 409,025	$ 367,524	$ 409,518	$ 471,143	$ 441,693	$ 519,084	$ 474,534

Wastewater Budget Table WWB - 5 Reserve Targets - FY 17/18 - Draft V.00

	2	1			1	2	3	4	5
Description	**Recorded FY 2014-15**	**Recorded FY 2015-16**	*Budget FY 2015-16*	**Projected FY 2015-16**	**Budget FY 2017-18**	**Forecast FY 2018-19**	**Forecast FY 2019-20**	**Forecast FY 2020-21**	**Forecast FY 2021-22**
Rate stabilization (a)	$ 512,100	$ 498,750	$ 496,350	$ 452,250	$ 497,400	$ 505,650	$ 513,750	$ 529,200	$ 545,700
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)	$ 850,000	$ 850,000	$ 850,000	$ 850,000	$ 900,000	$ 950,000	$ 1,000,000	$ 1,050,000	$ 1,100,000
Working cash (c)	$ 300,000	$ 310,000	$ 330,000	$ 300,000	$ 330,000	$ 340,000	$ 340,000	$ 360,000	$ 350,000
Total Target WW Reserves	$ 2,412,100	$ 2,408,750	$ 2,426,350	$ 2,352,250	$ 2,477,400	$ 2,545,650	$ 2,603,750	$ 2,689,200	$ 2,745,700

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 750000.

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

Wastewater Budget Table WWB-6 CIP & Capital Outlay - FY 17/18 - Draft V.00

	2	1			1	2	3	4	5
Description	**Recorded FY 2014-15**	**Recorded FY 2015-16**	*Budget FY 2016-17*	**Projected FY 2016-17**	**Budget FY 2017-18**	**Forecast FY 2017-18**	**Forecast FY 2018-19**	**Forecast FY 2019-20**	**Forecast FY 2020-21**
1. Collections Systems	$ 8,112	$ 8,112	*$ 75,000*	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000
2. Interceptor System	$ 1,109	$ 1,109	*$ 2,000*	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000
3. Lift Station			*$ 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	$ 9,221	$ 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	$ 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*	$ 300,000					
Annual Vehicle Replacement (1 vehicle)	$ 24,208	$ 24,208	*$ 75,000*	$ 50,388	$ 55,000	$ 40,000	$ 40,000	$ 40,000	$ 40,000
Total CO Projects	$ 32,801	$ 32,801	*$ 392,000*	$ 362,388	$ 75,000	$ 62,000	$ 64,000	$ 57,000	$ 57,000
Total CIP & CO Projects	$ 42,022	$ 42,022	*$ 577,000*	$ 507,388	$ 222,000	$ 172,000	$ 174,000	$ 167,000	$ 167,000

Wastewater Budget Table WWB - 7 Sources and Applications of Funds - FY 17/18 - Draft V.00

	2	1			1	2	3	4	5
Budget	**Recorded FY 2014-15**	**Recorded FY 2015-16**	*Budget FY 2016-17*	**Projected FY 2016-17**	**Budget FY 2017-18**	**Forecast FY 2018-19**	**Forecast FY 2019-20**	**Forecast FY 2020-21**	**Forecast FY 2021-22**
REVENUE									
Projected user charges	$ 3,341,597	$ 3,275,859	*$ 3,368,000*	$ 2,980,988	$ 3,279,000	$ 3,333,537	$ 3,388,951	$ 3,498,028	$ 3,608,481
Total permit/connection fee	$ 72,500	$ 48,956	*$ 36,500*	$ 34,000	$ 36,500	$ 36,500	$ 35,500	$ 29,500	$ 29,000
Interest earnings	$ 103	$ 196	*$ 500*	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500
TOTAL REVENUE	$ 3,414,000	$ 3,325,000	*$ 3,405,000*	$ 3,015,000	$ 3,316,000	$ 3,371,000	$ 3,425,000	$ 3,528,000	$ 3,638,000
EXPENSE									
City of LA Sewer Service Charges	$ 675,013	$ 1,362,190	*$ 1,243,000*	$ 1,362,195	$ 1,216,000	$ 1,216,000	$ 1,216,000	$ 1,216,000	$ 1,216,000
Sewer Labor & Benefits	$ 1,428,649	$ 1,423,107	*$ 1,580,000*	$ 1,431,554	$ 1,580,846	$ 1,562,650	$ 1,590,700	$ 1,615,400	$ 1,646,800
Sewer O & M Expense	$ 372,639	$ 442,611	*$ 409,000*	$ 367,524	$ 410,000	$ 471,000	$ 442,000	$ 519,000	$ 475,000
Sewer CIP & CO Expense	$ 42,022	$ 42,022	*$ 522,000*	$ 507,388	$ 222,000	$ 172,000	$ 174,000	$ 167,000	$ 167,000
Transfer to Water Reserves	$ -	$ -	*$ -*	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL EXPENSE	$ 2,518,323	$ 3,269,930	*$ 3,754,000*	$ 3,668,661	$ 3,428,846	$ 3,421,650	$ 3,422,700	$ 3,517,400	$ 3,504,800
Additions (reductions) to cash	$ 895,677	$ 55,070	*$ (349,000)*	$ (653,661)	$ (112,846)	$ (50,650)	$ 2,300	$ 10,600	$ 133,200
Effective date of Wastewater rates	7/1/14	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	4.7%	0.0%	*0.0%*	0.0%	0.0%	0.0%	1.5%	1.5%	1.4%
FY beginning Wastewater Reserves	$ 4,504,530	$ 4,823,229	*$ 4,878,298*	$ 4,878,298	$ 4,224,638	$ 4,111,792	$ 4,061,142	$ 4,063,442	$ 4,074,042
Additions (reductions)	$ 895,677	$ 55,070	*$ (349,000)*	$ (653,661)	$ (112,846)	$ (50,650)	$ 2,300	$ 10,600	$ 133,200
FY ending Wastewater Reserves	$ 5,400,207	$ 4,878,298	*$ 4,529,298*	$ 4,224,638	$ 4,111,792	$ 4,061,142	$ 4,063,442	$ 4,074,042	$ 4,207,242
Reconciliation	$ (576,978)	$ (576,978)	*$ -*	$ -	$ -	$ -	$ -	$ -	$ -
FY ending Wastewater Reserves	$ 4,823,229	$ 4,301,320	*$ 4,482,896*	$ 4,224,638	$ 4,111,792	$ 4,061,142	$ 4,063,442	$ 4,074,042	$ 4,207,242
TOTAL TARGET WASTERWATER CASH RESERVES	$ 2,152,251	$ 2,272,087	*$ 2,456,350*	$ 2,352,250	$ 2,477,400	$ 2,545,650	$ 2,603,750	$ 2,689,200	$ 2,745,700
Above (below) target	$ 3,247,956	$ 2,606,211	*$ 2,072,948*	$ 1,872,388	$ 1,634,392	$ 1,515,492	$ 1,459,692	$ 1,384,842	$ 1,461,542

Legend

Blue - Recorded Revenues & Expenses

Brown - Previous Year Budget & Projected Revenues & Expenses

Black - Budget Revenues & Expenses

Green - Forcast Revenues & Expenses

CRESCENTA VALLEY WATER DISTRICT
BOARD OF DIRECTORS - STAFF REPORT

To: Finance Committee March 16, 2017

From: Ron L. Mitchell, Secretary-Treasurer

Subject: **FY 2017 Audit Proposals**

BACKGROUND

Per previous direction from the Board, staff prepared and issued a Request for Proposals (RFP) to perform the District's audit services for the three years beginning with FYE 2017 through FYE 2019 to six accounting firms. The deadline for submittal was March 3, 2017 and proposals were received from five firms. Some proposals showed the base audit fee plus a not-to-exceed cost for out-of-pocket expenses such as travel, meals, lodging, copy service, etc., while others showed an all-inclusive cost for the audit services. The chart below shows the cost breakdown from each firm:

Firm	FYE 2017	FYE 2018	FYE 2019
Vicenti, Lloyd & Stutzman	$ 13,300	$ 13,600	$ 13,900
Fedak & Brown	$ 18,950	$ 19,432	$ 19,914
Moss. Levy & Hartzheim	$ 19,361	$ 19,827	$ 20,486
The Pun Group	$ 22,000	$ 22,440	$ 22,889
White, Nelson, Diehl, and Evans	$ 32,720	$ 33,700	$ 34,710

Staff has reviewed all the proposals for compliance with the mandatory elements and technical quality required in the RFP. The mandatory elements include audit team qualifications, no conflict of interest in relations to the District or any employee, adherence to the instructions in the RFP, and submittal of a copy of their last external quality control review report. The technical quality areas included expertise and experience in performing audits comparable to the District's, presenting a thorough understanding of the objectives and scope of the audit requested, adequacy of staffing plan for the audit, timeliness of completing the audit, and references. All five firms showed that they are capable of performing the audit services requested in a satisfactory manner.

Staff did have questions related to the very low cost submittal from Vicenti, Lloyd & Stutzman (Vicenti) and had a lengthy conversation with Renee Graves related to the cost proposal, the number of hours allocated to the audit, and misstatements in the proposal involving turnover of staff and having no previous experience with CVWD. Staff reminded Ms. Graves that Vicenti had performed the District's audit services from 2000-2008 and that the relationship ending badly with the District being informed in March 2009 that Vicenti did not have the staff to perform our audit any longer and that we would need to find a new firm. That is when the District chose Fedak & Brown (formerly Charles Z. Fedak & Co.) to perform our audit services which they have done until now.

Ms. Graves apologized for that mistake saying she was unaware that the District was one of the clients that was affected by a decision of a former partner to step away from audits of special districts and focus more on educational institutions. She said that if she and the other partners were aware of that decision then, other resources would have been allocated to continue performing the District's audits. She also addressed the low cost of her proposal saying that Vicenti has purposely priced their proposal low to regain a presence in the area of special district audits that was lost under the previous partner.

As mentioned above, all five firms are qualified to perform the audit services required for the District and staff is recommending the Committee consider Vicenti, Lloyd & Stutzman or Fedak & Brown to award the contract for audit services for FYE 2017-2019. Vicenti offers the lowest cost, but does not have the extensive experience in special districts that other firms possess. They are willing to help staff produce the necessary journal entries related to GASB 68 and the upcoming GASB 75 disclosure requirements. Vicenti did previously perform the District's audit services, but has changed its lead partner since they were retained.

Fedak & Brown are the second least costly proposal and they have extensive experience performing audits for special districts. This firm has been performing the District's audits for the last 8 years and has done a great job in gathering the necessary information, working with staff, issuing the financial statements in a timely manner, and providing other accounting services, such as journal entries required by GASB pronouncements, that staff does not have the expertise to do on our own. With the upcoming GASB 75 implementation in the FYE 2018 audit, this type of help is invaluable to staff.

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

Enclosures

Analysis of Audit Proposals - 2017

		FYE 2017		FYE 2018		FYE 2019	
Vicenti, Lloyd & Stutzman							
Base Fee	$	13,000	$	13,300	$	13,600	Cost includes schedules necessary to prepare the MD&A. Includes comprehensive financial
Out of Pocket Expenses	$	300	$	300	$	300	statements, footnotes to the statements, and the journal entries to implement GASB 68
Subtotal	$	13,300	$	13,600	$	13,900	& 75 entries for inflows/outlflows, footnote disclosures and supplementary info.
Hours expected		128		128		128	Available to answer questions during the year.
Fedak & Brown							
Base Fee	$	17,850	$	18,282	$	18,714	Includes preparation of the MD&A, GASB 68 entries related to OPEB liabilities,
Out of Pocket Expenses	$	1,100	$	1,150	$	1,200	GASB 75 entries related to retirement liabilities, preparation of the financial
Subtotal	$	18,950	$	19,432	$	19,914	statements & footnotes, and help with any issues during the entire year.
Hours expected		170		170		170	
Moss. Levy & Hartzheim							
Base Fee	$	19,361	$	19,827	$	20,486	Cost does not include preparation of the MD&A-they will review and tie figures
Out of Pocket Expenses	$	-	$	-	$	-	to graphs. Will assist staff in preparation of GASB 68 & 75 entries. Only large projects
Subtotal	$	19,361	$	19,827	$	20,486	would be billed separately - no charge to answer questions during the FY.
Hours expected		222		222		222	
The Pun Group							
Base Fee	$	22,000	$	22,440	$	22,889	Cost does not include preparation of the MD&A-they will review and tie figures.
Out of Pocket Expenses	$	-	$	-	$	-	They have developed worksheets on GASB 68 & 75 & have step-by-step entries
Subtotal	$	22,000	$	22,440	$	22,889	to assist staff in booking inflows/outflows related to these areas and required
Hours expected		205		205		205	footnotes. No charge to answer questions (all inclusive).
White, Nelson, Diehl, and Evans							
Base Fee	$	31,220	$	32,200	$	33,210	Cost does not include preparation of the MD&A-they will review and tie figures
Out of Pocket Expenses	$	1,500	$	1,500	$	1,500	to graphs. Will assist staff in preparation of GASB 68 & 75 entries. Only large projects
Subtotal	$	32,720	$	33,700	$	34,710	would be billed separately - no charge to answer questions during the FY.
Hours expected		224		224		224	

Most recent audit information

		FYE 2016
Fedak & Brown		
Base Fee	$	17,300
Out of Pocket Expenses	$	1,700
Subtotal	$	19,000
Hours expected		170

	Fedak & Brown	Vicenti, Lloyd & Stutzman	Moss. Levy & Hartzheim	The Pun Group	White, Nelson, Diehl, and Evans
Mandatory Elements					
Audit team qualifications	X	X	X	X	X
No conflict of interest	X	X	X	X	X
Adhere to instructions in RFP	X	X	X	X	X
Experience with GAAP & GAS	X	X	X	X	X
Submit copy of last external quality control review report	X	X	X	X	X
Technical Quality					
Expertise and experience in performing audits comparable to the District's	X+	X-	X	X	X
Presented a thorough understanding of objectives, scope	X	X	X	X	X
Adequacy of staffing plan	X	X	X	X	X
Timeliness of audit	X	X	X	X	X
References	X	X	X	X	X