

## TABLE OF CONTENTS

- I. TABLE OF CONTENTS**
  - Executive Summary
  - Strategic Goals and Objectives
  - Expenditure Authority
  - Organizational Chart
  
- II. OPERATIONS SUMMARY**
  - Operating Budget Summary
  - Water Operations Summary for FY 2016/2017
  - Wastewater Operations Summary for FY 2016/2017
  - Recycled Operations Summary for FY 2016/2017
  
- III. WATER DEPARTMENT OPERATIONS**
  - Budget Summary
  
  - 1. Revenue
  - 2. Production
  - 3. Customer Service & Billing
  - 4. Distribution
  
- IV. WASTEWATER DEPARTMENT OPERATIONS**
  - Budget Summary
  
  - 5. Revenue
  - 6. Collection
  - 7. Treatment
  - 8. Disposal & Regulatory Compliance
  - 9. Debt Service
  
- V. RECYCLED WATER DEPARTMENT OPERATIONS**
  - Budget Summary
  
  - 10. Revenue
  - 11. Production
  - 12. Distribution
  - 13. Debt Service
  
- VI. ADMINISTRATION DEPARTMENT OPERATIONS**
  - Budget Summary
  
  - 14. Administration & Financial Management
  - 15. Engineering
  - 16. Community Relations
  - 17. Personnel Support
  - 18. Warehouse & Equipment Support
  - 19. Fringe Benefits Summary
  
- VII. NON-OPERATING REVENUE**
  
- VIII. CAPITAL**
  - Capital Project Summary for FY 2016/2017
  - Capital Project Completion Summary for FY 2015/2016
  - Capital Summary
  
  - 20. Water Department
  - 21. Wastewater Department
  - 22. Recycled Water Department
  - 23. Administration Department

**IX.**

**DEBT SERVICE**

Budget Summary

- 24. Debt Service
- 25. Debt Service – QECB Solar Project Financing
- 26. Red Mountain State Revolving Fund
- 27. Santa Margarita Conjunctive Use Project
- 28. CalPERS Unfunded Actuarial Liability and CalPERS Side Fund Liability

## Fallbrook Public Utility District

2016-17 Final

### Executive Summary

The total budget of \$34,530,961 for the fiscal year ending June 30, 2017 contains \$26,458,796 in Operating expenses, \$5,966,925 in Capital expenditures, and \$2,105,240 in Debt Service expenses. The operating department budgets for Water, Wastewater, Recycled Water, and Administration & Finance are presented in both a summary and detailed format. Funding is provided for 68 staff positions, up one from FY 15-16.

#### Fallbrook Public Utility District

At the end of FY 13-14 the Board of Directors voted to pay off the District's CalPERS side fund in the amount of \$3,154,895. This payoff resulted in a decrease of the Employer Contribution rate beginning in FY 15-16, and into future years, by 11.765%, or approximately \$585,000 per year. The Board voted to take the funds from District reserves and create a liability in each of the three operating funds; water, wastewater and recycled. This year, \$485,000 will be paid back into reserves, over a five year period. FY 16-17 is the third of five. The payback is budgeted in Tab 19, Fringe Benefits. As of July 1, 2015 the balance due on this borrowing from reserves is \$2,058,848.33.

Beginning in FY 16-17 the Board will vote to establish a sinking fund of \$100k for FY 16-17 to be used to mitigate future CalPERS rate spikes. The sinking fund is budgeted in Tab 19, Fringe Benefits.

#### Water

- On June 1, 2016, Shortage Level 2 was reduced to Shortage Level 1. The District is budgeting for Shortage Level 1 to be in place for the entire FY 16-17. Details and pricing structures for the different Shortage Levels 1-4 are found in Article 26 of the District's Administrative Code, "Water Shortage Response Plan."
- CWA (San Diego County Water Authority) approved rates and charges for Calendar Year 2017 in June 2016. Rates as calculated for January 2017 through December 2017 are based on an 8% increase in the commodity component of the wholesale cost of water. Increases to the fixed component of the wholesale cost of water were also provided by CWA as estimates in May and were approved in June. In March 2015 CWA approved the extension of the Transitional SAWR (Special Agricultural Water Rate) to 12/31/20.
- At the current Shortage Level 1, the first 5 units of water will continue to be sold to all domestic M&I (Municipal & Industrial) customers at Tier 1 regardless of monthly consumption. Tier 1 is set at 90% of Base (Tier 2) and Tier 3 is set at 110% of Base.
- For the period of July through December 2016, water rates will remain at current levels, SAWR at \$3.28, Commercial Ag customers at \$4.76 and M&I Base rate at \$5.13. Statistical analysis shows that due to conservation efforts, only 12% of our Domestic customers purchase Tier 3 water.
- The RTS charge (Readiness to Serve) and IAC (Infrastructure Access Charge) are direct "pass throughs" from MWD and CWA. Additionally, CWA has increased the IAC and that increase has been passed on in the new rates.

- The District's revenue policy recovers 80% of fixed operating costs through a monthly operations charge. The remaining 20% of fixed costs are added to the commodity rate which will increase January 1, 2017. Covering 80% of the District's fixed costs through the monthly operations charges provides a smooth revenue stream in the face of water sales uncertainty. Fixed monthly operating charges are proposed to increase by 6% for agricultural customers and M&I customers.
- The District is budgeting to receive 100% of expected property tax revenue. The current budget allocates 100% of property tax revenues to cover water and wastewater capital improvements and debt service.

### Wastewater

- In FY 09-10 a new wastewater rate methodology was implemented with the goal of charging customers more equitably than a simple flat rate. This structure is meant to encourage our customers to reduce winter outdoor usage during the rainy season. For single family residences, the methodology began by finding each customer's lowest monthly water usage during the previous year's winter period of November through April. It is assumed that 90% of this lowest month winter water use is returned to the sewer system. For FY 16-17 a single family residence will have a fixed monthly wastewater bill based on 90% of the lowest month of winter water usage from November 2015 through March 2016. The District-wide median usage during this period was reduced from 5 to 4. Customers who reduced flow to a 4 will see a reduction in their monthly bill to \$47.69, a savings of \$3.49. If a customer remains at a flow of 5, their bill will increase by \$4.40 to \$55.58 per month, or 8.6%. A cap of 18 units of water usage will continue to apply.
- Volume and strength of sewage was integrated into the model in order to calculate a commodity charge. Commodity charges will increase over FY 15-16 with low strength proposed to increase \$.56 per unit to \$8.77 per unit from \$8.21 per unit. An increase to the fixed charge of \$1.89 is proposed, to \$16.12 for a ¾" meter. This was calculated recognizing that fixed costs to collect, treat and dispose of wastewater exists regardless of the volume treated.
- All other customers (primarily commercial) will be charged a fluctuating amount based upon the water sold to that customer each month. Different Return to Sewer (RTS) percentages have been set up to accommodate appeals made by those who do not typically return 90% of water sold to the sewer system (i.e. those who irrigate outdoors or who use water in a business process, such as in a beverage bottling plant).
- Commercial customers have been classified as low, medium or high strength based upon industry standards and SIC codes. As the strength increases, so does the cost to treat the sewage. The commodity rate based on strength is proposed to increase by \$.56 to \$8.77 per unit returned to the sewer for low strength, increase by \$.92 to \$13.27 per unit for medium strength and by \$1.65 to \$22.28 for high strength.
- 

### Recycled

- The Eastline recycled line was completed during FY 15-16. The District has added three new customers and estimates to sell an additional 150 AF for FY 16-17.

## Capital Projects

- The total capital budget is \$5.9 million, \$4.2 million of which is allocated to water department projects, primarily pipeline projects, the Santa Margarita Conjunctive Use (CUP) project and a meter replacement program to replace existing Automatic Meter Reading (AMR) with Advanced Metering Infrastructure (AMI) to provide for real time data collection and alerts.
- The completion of the environmental permitting, water rights permitting and completion of the settlement agreement with Camp Pendleton are anticipated to be completed for the Santa Margarita Conjunctive Use Project. Construction of the project is budgeted to begin in FY 17-18.
- The Water Capital Improvement charge is proposed to increase an additional \$.39 to be allocated to pipeline replacement, bringing the annual expenditure to \$1.8 million. The additional charge reduces the replacement cycle. This charge will be increased annually to 2033 by a factor of Engineering News Record Construction Cost Index plus 3%.
- The wastewater and recycled capital budgets of \$1.1 million consist of replacement of sewer piping which has capacity and condition concerns, repairs to older Treatment Plant equipment and facilities which were not included in the rehabilitation and replacement of drain and air/vacuum valves to the Oceanside Outfall.
- The Wastewater Capital Improvement charge is proposed to increase an additional \$.14 to be allocated to replacement of sewer piping.

## Debt Service

- Wastewater Treatment Plant State Revolving Fund (SRF)-Semiannual principal and interest payments are \$1.7M. During FY 16-17 one semiannual payment of \$850k is due. Funding sources are the Wastewater 1% property taxes and a portion of the Wastewater Capital Improvement Charge.
- Red Mountain SRF-Annual Principal and Interest payments of \$395k per year are funded by the Water 1% property taxes.
- Qualified Energy Conservation Bond (QECB) Solar Loan-During the first five years of repayment, the loan was ramped up to match the receipt of California Solar Initiative (CSI) rebates. FY 16-17 is year six with semiannual principal and interest payments decreasing to \$350k per year. Funding sources are the remaining CSI rebate and sewer charge transfers.
- CalPERS side fund liability-Side fund of \$3.1M was paid off in June 2014 using reserves. In the Board action, the reserves were to be paid back over a five year period
- CalPERS Unfunded Actuarial Liability- Beginning in FY 14-15, CalPERS began to separate the Unfunded Actuarial Liability from the Employer contribution. In FY 14-15 the amount of UAL was \$8,653,397. Due to a lump sum payment during that FY of \$388,153, coupled with better than predicted CalPERS investment returns, the UAL as of July 1, 2016 is \$7,271,931 with a lump sum payment of \$476,386 due prior to August 1, 2016.



## **2016-2017 STRATEGIC GOALS AND OBJECTIVES**

### **Operations and Engineering**

#### **Planning, Engineering and Capital Program**

##### **Goal**

Develop a diverse water supply portfolio by maximizing available local water resources. Implement a long-term sustainable infrastructure replacement program to ensure reliability of the Districts assets.

##### **Objectives**

- Double existing recycled water use to a total of 1200 AFY by 2020
- Complete the Santa Margarita Conjunctive Use project to begin delivery of an average of 3,100 AFY of local water by 2020.
- Complete capital projects in accordance with 10 year capital budget. Increase utilization of District construction resources on proactive capital replacements versus repairs.
- Complete comprehensive update to Asset Management Plan by end of FY 2017.

### **Water System Operations**

##### **Goal**

Provide reliable water that meets or exceeds all regulatory requirements while reducing water use and waste.

##### **Objectives**

- Maintain zero water system regulatory compliance violations.
- Complete replacement of District AMR meters with AMI meters in Fallbrook Service Area to allow real time monitoring of water use for customers by end of FY 2019/20.
- Complete exercising of all valves on a three year cycle and replace inoperable valves to reduce water loss and service interruptions during leaks.
- Begin to track and reduce unplanned service interruptions.

### **Wastewater and Recycled Water Operations**

##### **Goal**

Optimize wastewater collections and treatment to produce reliable recycled water supplies for the community without any regulatory compliance violations.

### Objectives

- Maintain 100% recycled water production
  - Metric: number of potable water augmentations annually
- Reduce power and chemical use by 10% by optimizing operation.
- Achieve zero NPDES and WDR permit compliance violations.
- Continue CCTV, flushing programs, pipe replacements and relining to achieve less than 2 Sanitary Spill Overflow Events per 100 miles of collections piping annually.

### Safety and Risk Management

#### Goal

Maintain and develop policies, practices and procedures to maintain a safe work environment. Provide necessary training and procedure to ensure reliable District response to emergencies.

#### Objectives

- Maintain an Experience Modification Factor as defined by California OSHA under 1.1
- Maintain an OSHA incident rate less than 7%
- Complete 7 hours per employee of annual emergency response training

### Human Resources 2016-2017

#### Process Improvements

##### Goal

Develop a procurement card process for more cards to managers, supervisors and assigned staff.

##### Objectives

- Decrease the cost of paper checks being cut to vendors.
- Increase the payment time to vendors and create a better relationship.
- Decrease the number of invoices and processing time for finance.

- Increase the response time on certain purchases for emergencies.
- Increase the efficiency and ease of educational scheduling for departments.

## **Recruitment and Selection**

### Goal

Implement an online application tracking system. (NeoGov)

### Objectives

- Streamline the application process.
- Speed up the review and screening process.
- Decrease the amount of paper and printed material.
- Offer a more convenient accessible process to the public and greater outreach ability to candidates.
- Provide a more professional look for the recruitment process and attracting more talent.

## **Training and Development**

### Goal

Develop an in house intern program partnering with the local high school.

### Objectives

- Increase public knowledge of work provided by FPUD.
- Exposure of students to help them look at future career opportunities and set goals.
- Retain and attract locals for potential positions.
- Increase public knowledge of issues facing FPUD and other water agencies across the state.

### Goal

Develop a framework for succession planning to prepare for anticipated leadership vacancies.

### Objectives

- Keep employees growing and engaged in their work.
- Help with retention of positions for career growth.
- Increase of overall staff knowledge and productivity.
- Decrease recruitment cost with retention.



- Increase attraction of potential new candidates for employment due to growth opportunities.

## **Administrative and Finance Department**

### **Goal**

Implement and install hardware and software using the latest technology so that all District Information Systems are integrated and District customers can monitor water usage.

### **Objective**

- Complete the Springbrook software conversion so that GIS and Advanced Metering Infrastructure (AMI) link to Utility Billing.

### **Goal**

Ensure organizational efficiency and manage financial resources to provide maximum value to our customers.

### **Objectives**

- Staff the Administrative and Finance Department with a knowledgeable, cross trained team which can provide support throughout the department, at all times.
- Continue to anticipate and adapt to changing water use conditions while demonstrating a stable and sustainable revenue stream.

## **Public Affairs**

### **Goals**

FPUD will communicate with their customers important organizational messages. These messages are:

1. Value and Service. FPUD's commitment to ratepayers goes beyond providing its services as affordably as possible; the District strives to elevate the level of service and value it provides to each and every customer.

2. Reliability and Dependability. FPUD's customers have a provider that they can depend on for a reliable supply of healthy water now and in the future, regardless of emergency, drought, or other challenges.

3. Conservation and Stewardship. FPUD is dedicated to ensuring that the community's precious water resources are available for future generations; a critical part of this effort is educating its customers about how to use water as efficiently as possible.

4. Fiscal Responsibility. FPUD's desire to use financial resources as efficiently as possible influences all aspects of District decisions; stewardship of ratepayer dollars is treated with the utmost respect and care.

5. Efficient and Effective Governance. FPUD works consistently to set a high standard for public agency effectiveness by creating a culture that embraces hard work, innovation, new technology, efficiency and accountability.

6. Community Partnership. FPUD is a community-centered organization that is devoted to building a close relationship with its community by communicating frequently and providing a partnership that helps local businesses and residents succeed and thrive.

### Objectives

- A dynamic, visual, frequently updated and easy to use website communicating the personality of the District while serving as a resource for customers. Key objectives:
  - Incorporate new look, brand, tagline, etc.
  - Develop framework/protocol for inter-departmental web content sharing
  - Ensure active and consistent web updates for all District messaging (releases, video, etc.)
  - Review other agencies' websites for best practices. Work with FPUD management team for additional ideas. Design will be outsourced to a vendor familiar with water/wastewater district operations and needs.

### Objective

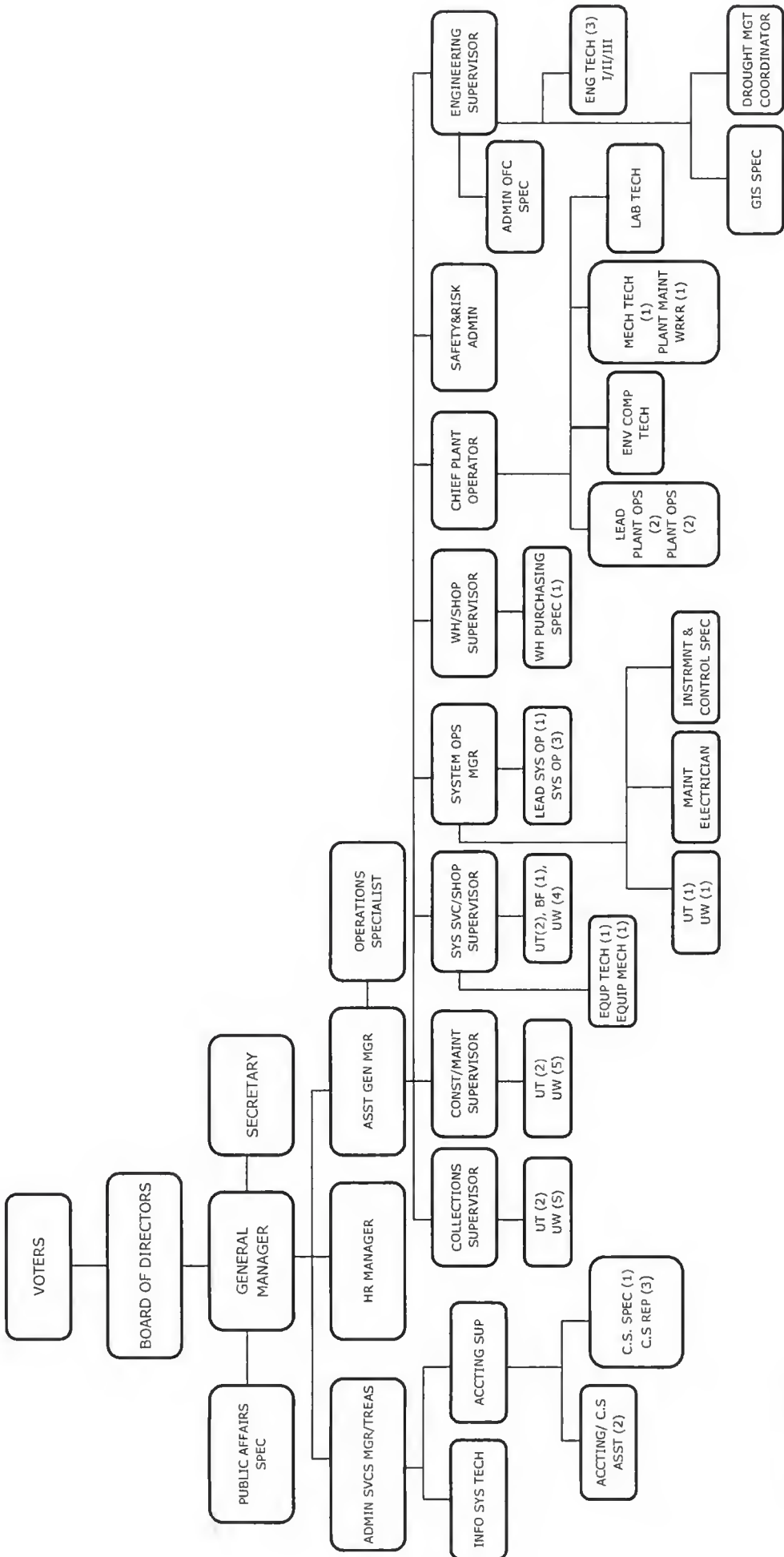
- Facilitate the launch and customer use of the new WaterSmart software program (in progress- rollout complete by summer 2016).

### Objective

- Boy Scout and/or Girl Scout water-related patch program (conceptual).

Fairbrook Public Utility District		OPERATIONS		CAPITAL			2011	2011	SRF	
Budget Requirements FY16-17		Water Fund	Wastewater Fund	Recycled Water Fund	Construction Water & Admin	Construction Wastewater	Construction Recycled	Red Mtn SRF	Solar QECB	WWTP Loan
Total										
Cost of Water	14,330,827	13,769,497		561,330						
Treatment	842,693		842,693							
Collection	996,761		996,761							
Disposal	979,210		979,210							
Customer Service & Billing	1,290,347	1,290,347		119,360						
Distribution	2,047,562	1,928,202		310,968						
Administrative & General	5,182,800	2,591,400	2,280,432	310,968						
Debt Service	788,598		694,350	94,248						
Water Supply Facilities	70,000				70,000					
Meters & Services	530,702				520,702		10,000			
Santa Margarita Project	439,630				439,630					
Computer/Telemetry Upgrades	299,570				299,570					
Distinct Financed Pipelines	1,785,401				1,785,401					
Developer Financed Pipelines	50,000				0	50,000				
Collection System Improvements	679,173				38,000	679,173	70,000			
Treatment Works Improvements	568,000				100,000	460,000				
DLSA Capital Improvements	100,000				733,950					
Reservoir & Pump Station Improvements	733,950				317,000					
Yard Improvements/Vulnerability Assessment	317,000				543,500					
Equipment Replacement	543,500									
Solar Project/WWTP Rehab	0									
Debt Repayment, Principal & Interest	1,628,855							395,893	340,024	883,938
Equity Requirements	17,085,771	4,155,290	1,524,774	247,914	7,167,184	2,106,754	255,000	395,893	349,024	883,938
Total Budget Requirements	51,290,350	23,734,736	7,318,220	1,333,820	12,014,937	3,295,927	335,000	791,786	698,048	1,767,876
<b>Means of Financing</b>										
Fund Balances	19,647,050	3,532,467	2,207,091	212,818	9,528,070	1,450,301	335,000	395,893	600,382	1,385,028
Monthly Service Charges	11,143,163	5,268,977	5,804,379	69,807						
Water Sales	14,854,447	13,862,004		992,443						
Sundry	514,100	300,000	1,100	153,000	60,000					
MWD RTS	398,232	398,232								
CWA IAC	398,056	398,056								
Interest	175,000				175,000					
Private Developer Construction	70,000				20,000	50,000				
New Connection Fees	107,315				74,440	32,875				
Water Availability Charges	203,000				203,000					
Interfund Transfer	0	(25,000)	(694,350)	(94,248)						
Facility Rents	185,000				185,000					
Capital Improvement Charge	2,282,000				1,189,000	1,093,000				
CSI Rebate/SDG&E Offset	0					308,084				
Prop 50 & 84 Revenue	0									
SRF Financing	0									
Total Financing Other than Current Property Taxes	49,977,363	23,734,736	7,318,220	1,333,820	11,459,510	2,934,260	335,000	395,893	698,048	1,767,876
Amount to be Raised by Property Taxes	1,312,987	0	0	0	555,427	361,667	0	395,893	0	0

# FALLBROOK PUBLIC UTILITY DISTRICT July 2016



**69 Total Positions**  
 68 Positions allocated to District Operations.  
 1 Position allocated to Water Master.

\* FPU provides an employee to the Water Master.

## OPERATING BUDGET SUMMARY

Budget Year 2016-17

	Water Dept	Wastewater Dept	Recycled Dept	Total
<b>Revenues</b>				
Water Sales	14,658,292		992,443	15,650,735
Service Charges	5,268,977	5,804,379	69,807	11,143,163
MWD/CWA Incentives			148,000	148,000
Sundry	300,000	1,100	5,000	306,100
<b>Total Revenues</b>	<b>20,227,269</b>	<b>5,805,479</b>	<b>1,215,250</b>	<b>27,247,998</b>
<b>Expenses</b>				
Water Costs	13,060,217			13,060,217
Other Production Costs	709,280		561,330	1,270,610
Customer Service	1,290,347			1,290,347
Treatment		842,693		842,693
Distribution	1,928,202		119,360	2,047,562
Collection		996,761		996,761
Allocated Admin Expenses	2,591,400	2,280,432	310,968	5,182,800
Disposal		979,210		979,210
Debt Service Transfer		694,350	94,248	788,598
<b>Total Expenses</b>	<b>19,579,445</b>	<b>5,793,445</b>	<b>1,085,906</b>	<b>26,458,796</b>
<b>Net Revenue/(Expense)</b>	<b>647,824</b>	<b>12,033</b>	<b>129,345</b>	<b>789,202</b>
Beginning Fund Balance	1,228,611	(1,934,950)	148,908	(557,430)
Ending Fund Balance	1,876,435	(1,922,916)	278,253	231,772
<b>EQUITY REQUIREMENTS</b>				
Water Reserve	1,575,036	-		1,575,036
Working Capital	1,629,807	1,274,774	247,914	3,152,495
Repair	750,000	250,000		1,000,000
Rate Stabilization	200,447			200,447
<b>Total Minimum Equity</b>	<b>4,155,290</b>	<b>1,524,774</b>	<b>247,914</b>	<b>5,927,978</b>
<b>Unappropriated Funds</b>	<b>(2,278,854)</b>	<b>(3,447,690)</b>	<b>30,339</b>	<b>(5,696,206) *</b>

\*Based on GASB 68 entry made 6/30/15 for pension liability in the amount of \$6.8M

## Water Operations Summary for FY 2016/2017

### Budgeting Assumptions:

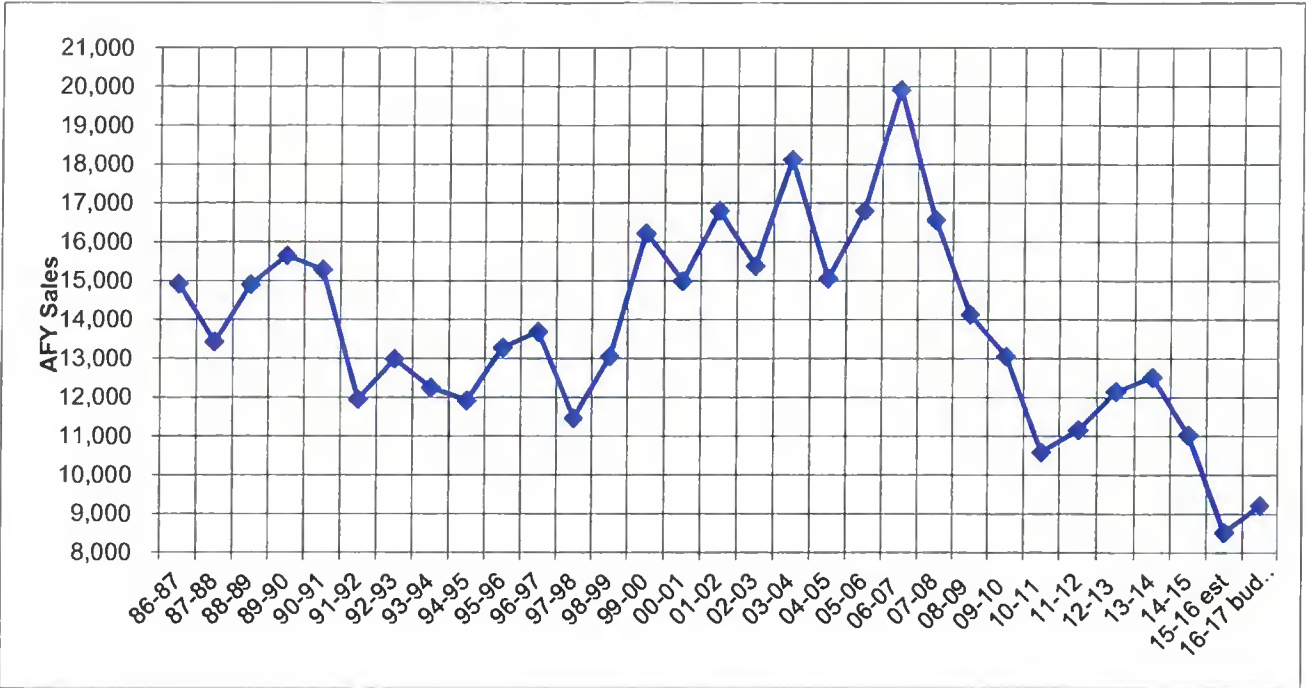
1. Total District staffing at 68 employees, up 1 from last year.  
Rationale: Accounting/Finance needs to add staff due to Springbrook conversion and coverage for Customer Service as needed. \$58,000 of the position was funded by changes to pay for six Utility Workers plus new hires at Environmental Compliance Tech, Lead Plant Operator, Maintenance Tech and Admin Office Specialist at rates lower than former employees were being paid. Remaining \$10,000 funded from reductions in Customer Service contract wages budgeted.
2. In FY 16-17 create a Sinking Fund to mitigate future CalPERS rate spikes. Fund \$100,000 in FY 16-17 with the Board establishing a policy to determine future funding. Funds for FY 16-17 to come from the \$565,000 currently budgeted to pay back the CalPERS Side Fund liability. The balance of this liability as of 7/1/15 is \$2,058,848.33. For FY 16-17 \$465,000 will pay back the Side Fund Liability and \$100,000 allocated to create a Sinking Fund. Staff to review various 115 Trusts to hold this Sinking Fund money.
3. State and regional water restrictions will be relaxed allowing return to default Level 1 Water Shortage-Watch Condition and to a 3 tier rate structure without tier 4 and 5 penalty rates.
4. CY 2016 rates will not cover entire 20% of fixed costs allocated because original sales estimates budgeted in June 2015 to sell 10,700 AF of water, actuals are projected to be 8,500 AF.
5. CY 2017 rates will be approved by San Diego County Water Authority in June 2016. We are estimating their rates to increase by 8%.
6. Estimated sales for FY 2016/17 are 9,000 AF. Estimated Purchases 9,700 AF using 7.0% loss factor.
7.
  - a. M&I customers to purchase 5,220 AF.
  - b. SAWR and Commercial Agricultural customers to purchase 3,780 AF.
  - c. Approximately 62% of water sold July through December.
  - d. Approximately 38% of water sold January through June.
8. 80% of M&I's fixed costs are collected through Monthly Operations charges and 20% through the mark up of water in Tiers 2 and 3.
  - a. All customers are given the first 5 units at Tier 1, or baseline use.
9. 100% of Ag's fixed costs are collected through Monthly Operations Charges. No markup of water.



10. District passes through all wholesale increases in MWD and CWA cost of water.
11. SAWR is sold for exactly the price FPUD pays for it from SDCWA.
12. Commercial Ag water is sold for exactly the price FPUD pays for it from SDCWA.
13. We forecast positive net revenues of \$231k in FY 2015/16 and positive net revenues of \$647k FY 2016/17 despite the lowest sales on record.

#### **Proposed Rate Changes for FY 16-17**

1. Drought Level 1 is expected throughout FY 2016/17 which results in a 3-Tier rate structure.
2. Increase Tier 1 water \$.59 from \$4.62 to \$5.21.
3. Increase Tier 2 water \$.61 from \$5.13 to \$5.74.
4. Increase Tier 3 water \$.67 from \$5.65 to \$6.32.
5. Increase Monthly Operations Charges by 6% for M&I. \$2.35 for a ¾" meter.
6. Increase SAWR water \$.37 from \$3.28 to \$3.65
7. Increase Commercial Ag water \$.21 from \$4.76 to \$4.97
8. Increase Monthly Operations Charges by 6% for Ag. \$2.77 for a ¾" meter.
9. Pass through the MWD Readiness-to-Serve.
10. Pass through the CWA Infrastructure Access Charge.
11. No change to \$.33 per kGal pumping charge to Toyon and DeLuz High zones.
12. No change to \$.10 per kGal charge to Toyon and DeLuz High for capital improvements to pumping facilities in those two zones.
11. Maintain 10% between tiers.
  - a. Tier 1 is 90% of Base
  - b. Tier 2 is Base
  - c. Tier 3 is 110% of Base



Below is a sample bill for a customer who uses 15 kGal, or 15,000 gallons per month.

**CY 17 Customer Impact**

**Domestic 3/4" meter using 15 units/month  
(5 units winter use)**

	Current	Proposed
Service Chg	39.24	41.59
1st 5 kgal (Tier 1)	23.10	26.05
Tier 2 usage	51.30	57.40
Tier 3	-	-
RTS	4.00	4.00
IAC	2.77	2.82
Capital Improvement	9.06	9.45
	129.47	141.31

<b>Total Water Bill Impact</b>	<b>\$ 11.84</b>
<b>% Impact</b>	<b>9.1%</b>

# Wastewater Operations Summary for FY 2016/2017

## Budgeting Assumptions:

### 1. Single Family Residences:

- a. Rate based on lowest monthly water usage from November 2015 through March 2016.
- b. Model assumes 90% of lowest monthly use is returned to the sewer.
- c. Service territory median usage went down to 4 units (1,000 gal/unit) during winter of 2015/16, down from 5 units for winter of 2014/15. Median had been 5 units for seven years prior.
- d. Customers who reduced their usage from a 5 (or greater) to 4 will see their bill decrease.

Fallbrook, CA  
Sample Bill Calculations

Cap Currently set at 18

Single Family - FY 15-16 (prior FY)							Single Family - FY 16-17 (current year)					
Consumption (1,000 gal)	RTS	Sewer Flow	Fixed Charge	Commodity Rate	Consumption Chg	Total Bill	Fixed Charge	Commodity Rate	Consumption Chg	Total Bill	% Increase	
0	90%	0.0	\$ 14.23	\$ 8.21	\$ -	\$ 14.23	\$ 16.12	\$ 8.77	\$ -	\$ 16.12	13.3%	
1	90%	0.9	\$ 14.23	\$ 8.21	\$ 7.39	\$ 21.62	\$ 16.12	\$ 8.77	\$ 7.89	\$ 24.01	11.1%	
2	90%	1.8	\$ 14.23	\$ 8.21	\$ 14.78	\$ 29.01	\$ 16.12	\$ 8.77	\$ 15.78	\$ 31.90	10.0%	
3	90%	2.7	\$ 14.23	\$ 8.21	\$ 22.17	\$ 36.40	\$ 16.12	\$ 8.77	\$ 23.67	\$ 39.80	9.3%	
4	90%	3.6	\$ 14.23	\$ 8.21	\$ 29.57	\$ 43.79	\$ 16.12	\$ 8.77	\$ 31.57	\$ 47.69	8.9%	
5	90%	4.5	\$ 14.23	\$ 8.21	\$ 36.96	\$ 51.18	\$ 16.12	\$ 8.77	\$ 39.46	\$ 55.58	8.6%	
6	90%	5.4	\$ 14.23	\$ 8.21	\$ 44.35	\$ 58.57	\$ 16.12	\$ 8.77	\$ 47.35	\$ 63.47	8.4%	
7	90%	6.3	\$ 14.23	\$ 8.21	\$ 51.74	\$ 65.97	\$ 16.12	\$ 8.77	\$ 55.24	\$ 71.36	8.2%	
8	90%	7.2	\$ 14.23	\$ 8.21	\$ 59.13	\$ 73.36	\$ 16.12	\$ 8.77	\$ 63.13	\$ 79.25	8.0%	
9	90%	8.1	\$ 14.23	\$ 8.21	\$ 66.52	\$ 80.75	\$ 16.12	\$ 8.77	\$ 71.02	\$ 87.14	7.9%	
10	90%	9.0	\$ 14.23	\$ 8.21	\$ 73.91	\$ 88.14	\$ 16.12	\$ 8.77	\$ 78.91	\$ 95.04	7.8%	
11	90%	9.9	\$ 14.23	\$ 8.21	\$ 81.31	\$ 95.53	\$ 16.12	\$ 8.77	\$ 86.81	\$ 102.93	7.7%	
12	90%	10.8	\$ 14.23	\$ 8.21	\$ 88.70	\$ 102.92	\$ 16.12	\$ 8.77	\$ 94.70	\$ 110.82	7.7%	
13	90%	11.7	\$ 14.23	\$ 8.21	\$ 96.09	\$ 110.31	\$ 16.12	\$ 8.77	\$ 102.59	\$ 118.71	7.6%	
14	90%	12.6	\$ 14.23	\$ 8.21	\$ 103.48	\$ 117.71	\$ 16.12	\$ 8.77	\$ 110.48	\$ 126.60	7.6%	
15	90%	13.5	\$ 14.23	\$ 8.21	\$ 110.87	\$ 125.10	\$ 16.12	\$ 8.77	\$ 118.37	\$ 134.49	7.5%	
16	90%	14.4	\$ 14.23	\$ 8.21	\$ 118.26	\$ 132.49	\$ 16.12	\$ 8.77	\$ 126.26	\$ 142.38	7.5%	
17	90%	15.3	\$ 14.23	\$ 8.21	\$ 125.65	\$ 139.88	\$ 16.12	\$ 8.77	\$ 134.15	\$ 150.28	7.4%	
18	90%	16.2	\$ 14.23	\$ 8.21	\$ 133.05	\$ 147.27	\$ 16.12	\$ 8.77	\$ 142.04	\$ 158.17	7.4%	
19	90%	17.1	\$ 14.23	\$ 8.21	\$ 133.05	\$ 147.27	\$ 16.12	\$ 8.77	\$ 142.04	\$ 158.17	7.4%	
20	90%	18.0	\$ 14.23	\$ 8.21	\$ 133.05	\$ 147.27	\$ 16.12	\$ 8.77	\$ 142.04	\$ 158.17	7.4%	
21	90%	18.9	\$ 14.23	\$ 8.21	\$ 133.05	\$ 147.27	\$ 16.12	\$ 8.77	\$ 142.04	\$ 158.17	7.4%	
22	90%	19.8	\$ 14.23	\$ 8.21	\$ 133.05	\$ 147.27	\$ 16.12	\$ 8.77	\$ 142.04	\$ 158.17	7.4%	
23	90%	20.7	\$ 14.23	\$ 8.21	\$ 133.05	\$ 147.27	\$ 16.12	\$ 8.77	\$ 142.04	\$ 158.17	7.4%	
24	90%	21.6	\$ 14.23	\$ 8.21	\$ 133.05	\$ 147.27	\$ 16.12	\$ 8.77	\$ 142.04	\$ 158.17	7.4%	
25	90%	22.5	\$ 14.23	\$ 8.21	\$ 133.05	\$ 147.27	\$ 16.12	\$ 8.77	\$ 142.04	\$ 158.17	7.4%	
26	90%	23.4	\$ 14.23	\$ 8.21	\$ 133.05	\$ 147.27	\$ 16.12	\$ 8.77	\$ 142.04	\$ 158.17	7.4%	
27	90%	24.3	\$ 14.23	\$ 8.21	\$ 133.05	\$ 147.27	\$ 16.12	\$ 8.77	\$ 142.04	\$ 158.17	7.4%	
28	90%	25.2	\$ 14.23	\$ 8.21	\$ 133.05	\$ 147.27	\$ 16.12	\$ 8.77	\$ 142.04	\$ 158.17	7.4%	
29	90%	26.1	\$ 14.23	\$ 8.21	\$ 133.05	\$ 147.27	\$ 16.12	\$ 8.77	\$ 142.04	\$ 158.17	7.4%	
30	90%	27.0	\$ 14.23	\$ 8.21	\$ 133.05	\$ 147.27	\$ 16.12	\$ 8.77	\$ 142.04	\$ 158.17	7.4%	
31	90%	27.9	\$ 14.23	\$ 8.21	\$ 133.05	\$ 147.27	\$ 16.12	\$ 8.77	\$ 142.04	\$ 158.17	7.4%	

### 2. Commercial Users:

- a. Volume is based on actual month-to-month water usage.
- b. Strength classifications are based on SIC code. Strength appeals are available.
- c. RTS (Return to Sewer) percentages vary based on business type and outdoor irrigation.

d. RTS categories are set at 10% intervals. RTS appeals are available.

3. Multi family & other users such as schools, churches and government:

- a. Volume based on actual month-to-month water usage.
- b. RTS percentages will vary. Appeals are also available.

**Proposed Rate Changes for FY 2016/17**

- 1. Increase Fixed Charge by \$1.89 from \$14.23 to \$16.12 for all Domestic and ¾" customers.
- 2. Increase Commodity Charge \$.56 from \$8.21 to \$8.77 for Low strength sewage.
- 3. Increase Commodity Charge \$.92 from \$12.35 to \$13.77 for Medium strength sewage.
- 4. Increase Commodity Charge \$1.65 from \$20.63 to \$22.28 for High strength sewage.
- 5. Increase Wastewater Capital Improvement Charge \$.14 from \$10.70 to \$10.84.

Below is a sample bill for a customer who has reduced lowest winter monthly usage from 5 units to 4 units. This example represents water usage of 15 kGal per month, or 15,000 gallons.

**CY 17 Customer Impact**

**Domestic 3/4" meter using 15 units/month  
(4 units winter use)**

	<b>Current</b>	<b>Proposed</b>
Service Chg	39.24	41.59
1st 5 kgal (Tier 1)	23.10	26.05
Tier 2 usage	51.30	57.40
Tier 3	-	-
RTS	4.00	4.00
IAC	2.77	2.82
Capital Improvement	9.06	9.45
	129.47	141.31

**Total Water Bill Impact** **\$ 11.84**  
**% Impact** **9.1%**

	<b>Current</b>	<b>Proposed</b>
Sewer Svc	51.18	47.69
Capital Improvement Chg	10.70	10.84
Tax Takeaway	0.00	0.00
<b>Total Sewer</b>	<b>61.88</b>	<b>58.53</b>

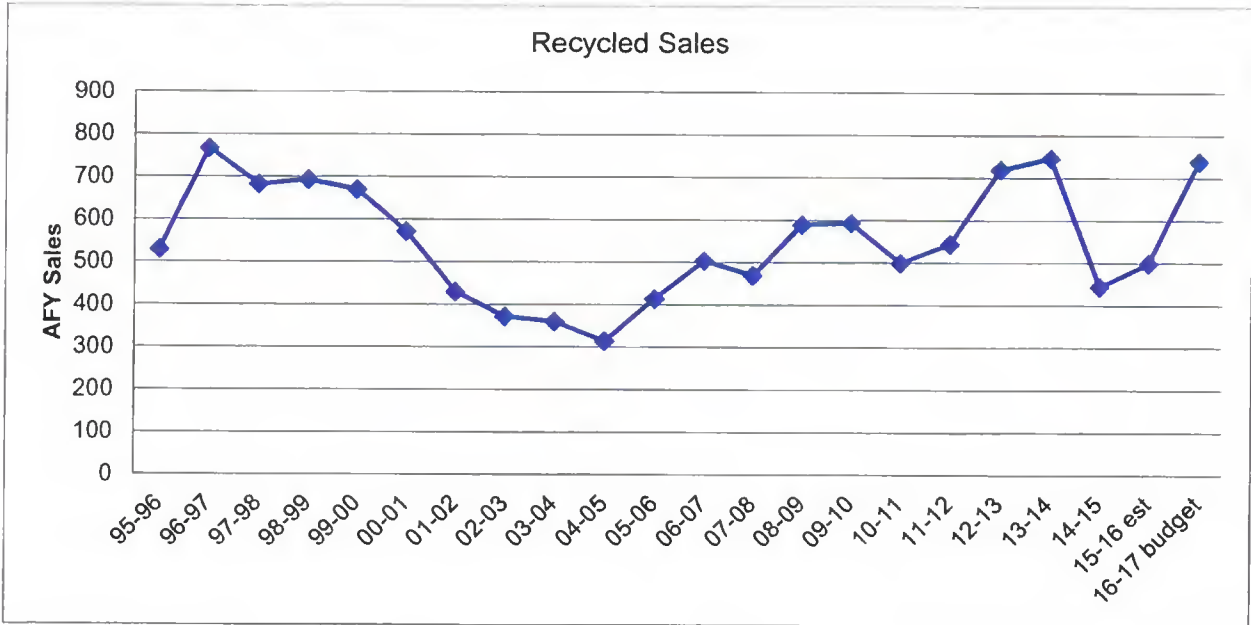
**Sewer Bill Impact** **\$ (3.35)**

**Combined Impact** **\$8.49**  
**Impact as a percentage** **4.4%**

# Recycled Operations Summary for FY 2016/2017

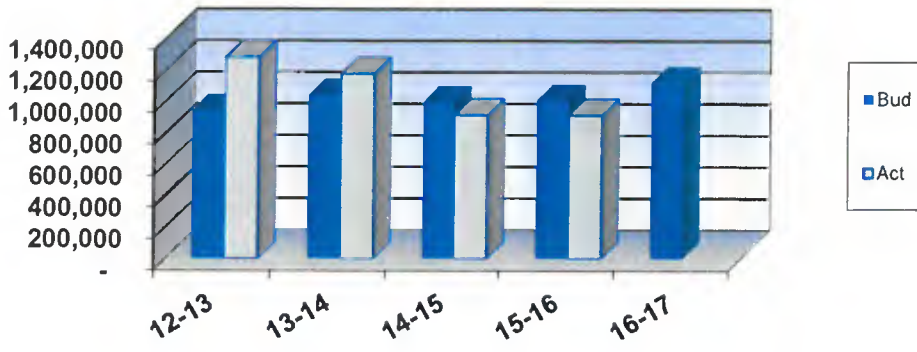
## Budgeting Assumptions:

1. The East Line extension was completed in FY 2015/16. Recycled water sales are projected to increase by 150AF during FY 2016/17 to 740 AF.
  - a. Three new nurseries currently online with another two in the future
2. Rates are established at the greater of 85% of Tier 1 rates or 80% of the average Tier 1 and Tier 2 rates.
3. CY 2016 rate for recycled water is \$3.96 per kGal.
4. Rates will change on January 1, 2017 with potable water rates. Based upon projected water rates for 2017, recycled water rate will be \$4.43.
5. FY 2015/16 sales are projected to be 571 AF.
6. The District is eligible for CWA rebates for FY 2016/17 at \$200 per AF for eligible sales. Contract was signed in March 2008 for a period of 25 years.

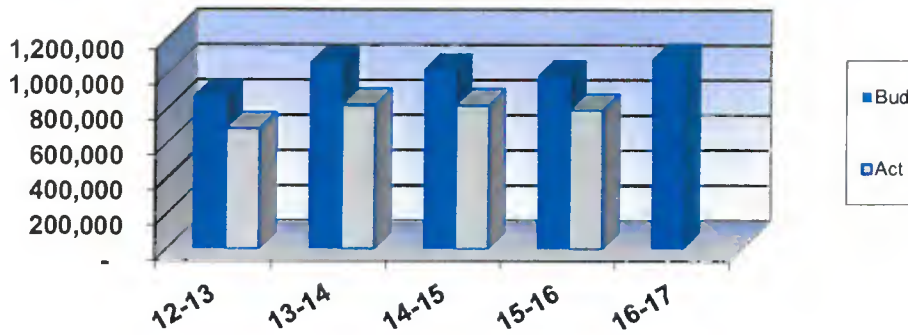




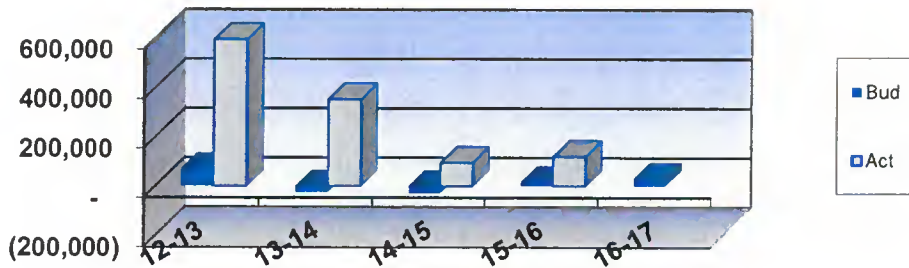
### Recycled Dept Revenues



### Recycled Dept Expenses

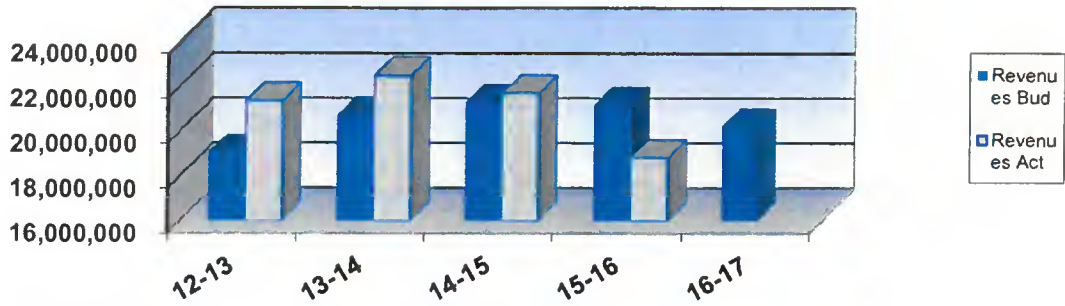


### Recycled Dept Net Revenues

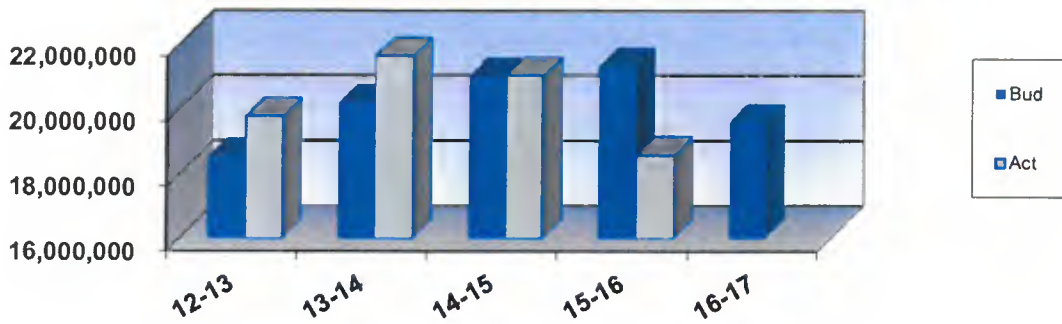




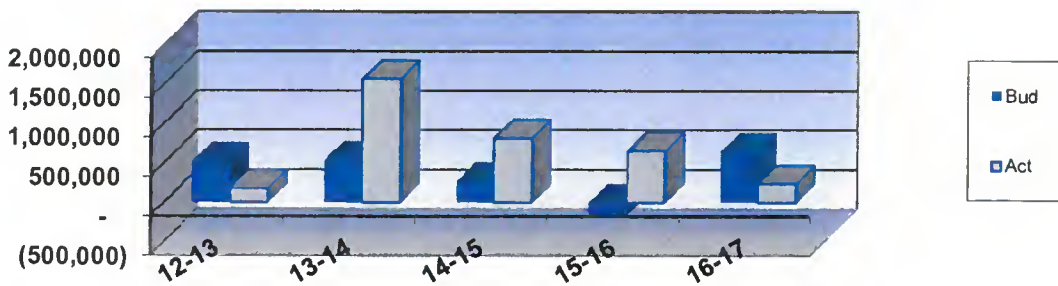
### Water Department Revenues



### Water Department Expenses



### Water Depart Net Revenues



## WATER DEPARTMENT

### Budget Summary

#### Department Mission

Provide a safe, reliable potable water supply to all customers throughout the District service area.

### WATER DEPARTMENT

	2015-16 Budget	2015-16 Projected	2016-17 Budget
<b>Revenues</b>			
Water Sales	15,022,220	12,571,731	13,862,004
Ag Penalties	-	60,286	-
Service Charges	4,981,619	4,993,599	5,268,977
MWD RTS Charge	449,649	508,325	398,232
SDCWA IAC Charge	387,090	390,627	398,056
Sundry	300,000	257,448	300,000 *
<b>Total Revenues</b>	<b>21,140,578</b>	<b>18,782,017</b>	<b>20,227,269</b>
<b>Expenses</b>			
Production	15,826,064	13,194,901	13,769,497
Customer Service	1,392,385	1,383,500	1,290,347
Distribution	1,693,738	1,403,334	1,928,202
Allocated Admin Expenses	2,398,956	2,568,339	2,591,400
Debt Service Transfer	-	-	-
<b>Total Expenses</b>	<b>21,311,143</b>	<b>18,550,074</b>	<b>19,579,445</b>
<b>Net Revenue/(Expense)</b>	<b>(170,565)</b>	<b>231,943</b>	<b>647,824</b>
<b>Beginning Fund Balance</b>	<b>4,672,373</b>	<b>996,668</b>	<b>1,228,611</b>
<b>Ending Fund Balance</b>	<b>4,501,808</b>	<b>1,228,611</b>	<b>1,876,435</b>
<b>EQUITY REQUIREMENTS</b>			
Water Reserve	1,487,748	1,487,748	1,575,036
Repair	750,000	750,000	750,000
Working Capital	1,538,135	1,538,135	1,629,807
Rate Stabilization	174,502	174,502	200,447
<b>Total Equity Required</b>	<b>3,950,385</b>	<b>3,950,385</b>	<b>4,155,290</b>
<b>Unappropriated Funds</b>	<b>551,423</b>	<b>(2,721,774) **</b>	<b>(2,278,854)</b>

\*\*Based on GASB 68 entry made 6/30/15 for pension liability

**WATER DIVISION  
Revenue Program**

**Program Purpose & Scope**

Develop sufficient revenue to pay for the operation and maintenance costs of the Department in a manner that ensures equity among all classes of service.

<b>Water Revenues-Prop 218 Rates</b>	2015-16 Budget	2015-16 Projected	2016-17 Budget
Water Sales	15,022,220	12,571,731	13,862,004
Service Charges	4,981,619	4,993,599	5,268,977
Ag Penalties	-	60,286	-
MWD RTS Charge	449,649	508,325	398,232
SDCWA IAC Charges	387,090	390,627	398,056
Sundry	300,000	257,448	300,000
<b>Total Revenues</b>	<b>21,140,578</b>	<b>18,782,016</b>	<b>20,227,269</b>

**Water Revenue Summary July-Dec '16**

Water Sales	Volume (AF)	Price/kgal	Price/AF	Revenue
Tier 1	779	4.62	1,505.33	1,172,652
Tier 2	2,169	5.13	1,671.50	3,625,484
Tier 3	278	5.65	1,840.93	511,779
Agriculture to 12/31/12	0	0.00	0.00	0
Commercial Ag/AgD	445	4.76	1,550.95	690,173
Pumping Charge	803	0.33	107.52	133,672
<b>Total July -Dec 2016</b>	<b>5,562</b>			<b>8,154,710</b>

**Water Revenue Summary Jan-June '17**

Water Sales	Volume (AF)	Price/kgal	Price/AF	Revenue
Tier 1	481	5.21	1,697.57	816,531
Tier 2	1,341	5.74	1,870.26	2,508,019
Tier 3	172	6.32	2,059.24	354,189
Agriculture to 12/31/12				
Commercial Ag/AgD	275	4.97	1,619.37	445,327
Pumping Charge	537	0.33	107.52	81,928
<b>Total Jan-July 2017</b>	<b>3,438</b>			<b>5,596,262</b>

**Total for FY 16-17**

**9,000**

**13,862,004**

**Service Charges**

M&I Service Charge	4,143,876
Agriculture Service Charge	650,688
Fire Service, Backflow, Unit Charges	474,413
<b>Total Service Charges</b>	<b>5,268,977</b>
MWD Ready-to-Serve Charge (RTS)	398,232
SDCWA Infrastructure Access Charge (IAC)	398,056
Sundry Revenues	300,000

**Total Operating Revenues**

**20,227,269**

**Changes as of June 1, 2016**

- Shortage Level 1 was declared by San Diego County Water Authority effective June 1, 2016. Cutbacks and allocations are no longer required; however, there is a permanent statewide ban on wasteful uses of water.
- CWA released preliminary rates and charges for 2017 in May but will not approve these rates until June 2016. Rates as calculated for Calendar Year 2017 are based on an 8% increase in the commodity and fixed charge component of our wholesale cost of water. CWA approved the extension of the Transitional SAWR (TSAWR) rate to 12/31/20.

**Revenue Objectives**

- Retain a three tiered rate structure for residential and commercial service to promote water conservation. Level 1 in the chart below reflects this change and will remain in place unless voluntary or mandatory cutbacks are required. As the drought level increases, the base rate multiplier increases for each block as the block width simultaneously decreases. See the chart below for Domestic customers.

Level 1		Level 2		Level 3		Level 4	
Use	Rate	Use	Rate	Use	Rate	Use	Rate
1-5	.90B	1-5	.90B	1-5	.90B	1-5	.90B
6-30	Base	6-27	Base	6-22	Base	6-15	Base
31-60	1.1xB	28-54	1.5xB	23-45	1.75xB	16-30	2.0xB
61-90	1.1xB	55-81	1.75xB	46-67	2.0xB	31-45	2.5xB
>90	1.1xB	>81	2.0xB	>67	2.5xB	>45	3.0xB

The drought model takes factors into consideration such as the elasticity of demand of water and the required level of customer conservation. The model was also built to remain as revenue neutral as possible while allowing collection of enough revenue to cover the expense of potential fines the District would have to pay should the mandatory cutback percentage not be reached. Any additional revenue generated would be used for conservation programs, community outreach and development of recycled water pipelines within the Fallbrook service area.

- Recover up to 80% of fixed operating expenses through a fixed service charge and 20% through the mark-up on the wholesale cost of water. As has been the case in past budget years and for FY 16-17, 80% of fixed operating expenses will be collected through the fixed service charge and 20% through water rates.
- Pass through any fixed costs levied by SDCWA and MWD. Beginning in FY 09-10 forward, pass through any increases in the wholesale cost of water. Water rates will be the only component of the District’s rates and charges which will be updated on the calendar year.
- The 1% Tax Takeaway surcharge was eliminated as of February 1, 2007 two years after its emergency implementation. Should the State of California permanently shift property taxes from the District, a budget amendment will be brought to the Board which will include reimplementing of the Tax Takeaway surcharge. 1% property taxes are used to pay for water capital improvements and water debt service.

## **Sundry Revenues**

- The District receives sundry revenues (those revenues which do not fall into the category of Water Sales or Service charges). For FY16-17, the budgeted Sundry Revenue has been estimated to be \$300,000 and is anticipated from the following sources: The Santa Margarita River Watermaster's reimbursement to FPUD for one employee who works directly for the Watermaster, plus accounting services provided by the District to the Watermaster. Fees charged and collected for processing of pre-lock notices and lock fees as well as NSF check fees. Fallbrook PUD purchases water on behalf of NWS and provides the delivery of water to NWS, for which a fee based on acre feet is charged. Other miscellaneous revenues include such items as recycling of scrap materials, and reimbursement for repairs that will be paid by others including insurance claims for damage to District property.

Per Generally Accepted Accounting Principles (GAAP), at the end of the fiscal year, any net revenues or net expenses roll into the Ending Equity/Fund Balance accounts separately and distinctly for each operating entity.

## **Water Sales**

- Water sales for FY 16-17 are budgeted to be 9,000 AF, based on FY 15-16's estimated sales of 8,700 and 300 AF sales based on the easing of water restrictions.
- 38% of the 10,700 AF of water will be sold to SAWR customers and the remaining 62% to M&I customers.
- For FY 16-17 3,060 AF of water is budgeted to be sold to SAWR customers.
- For FY 16-17 M&I sales estimate is 5,940 AF.

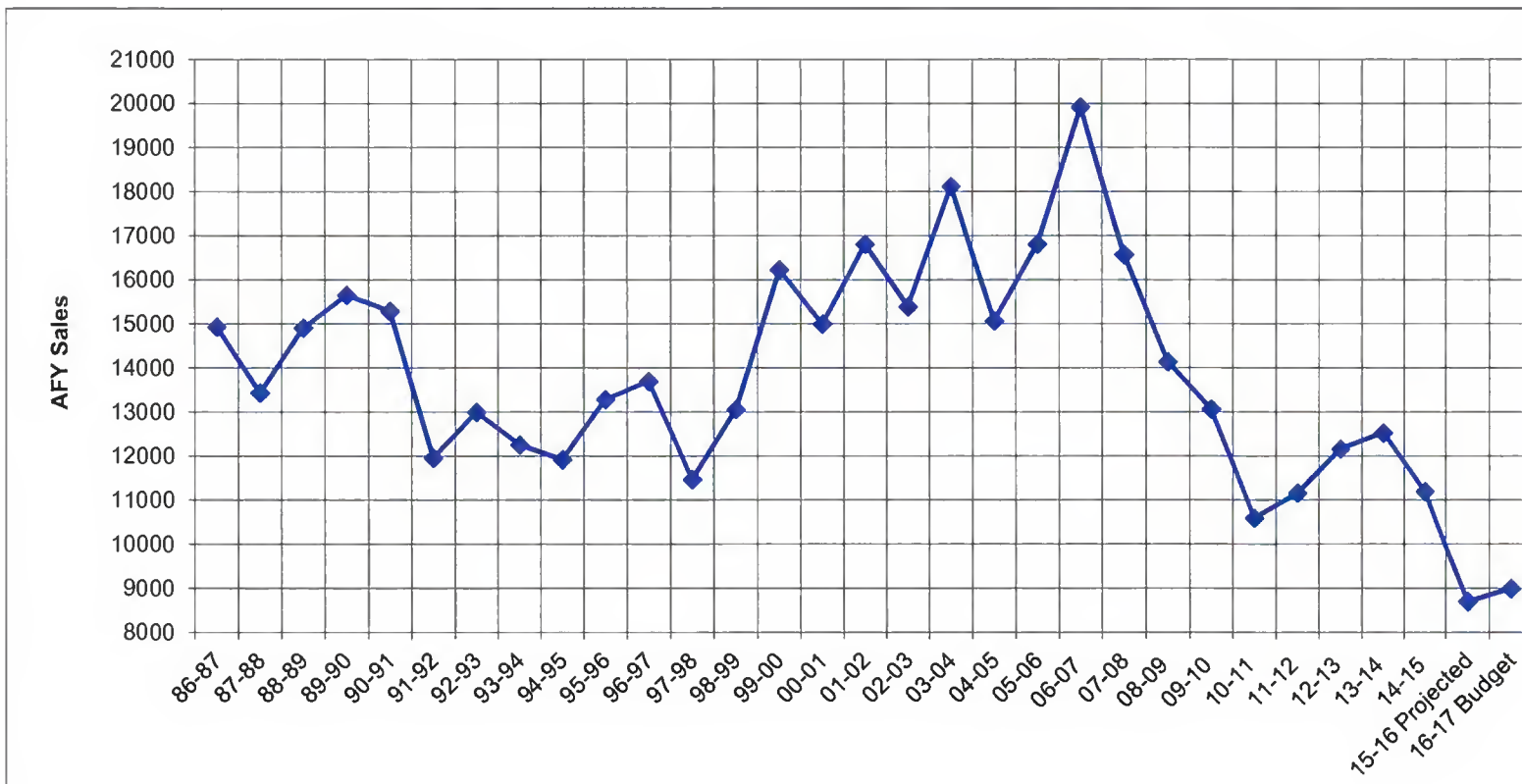
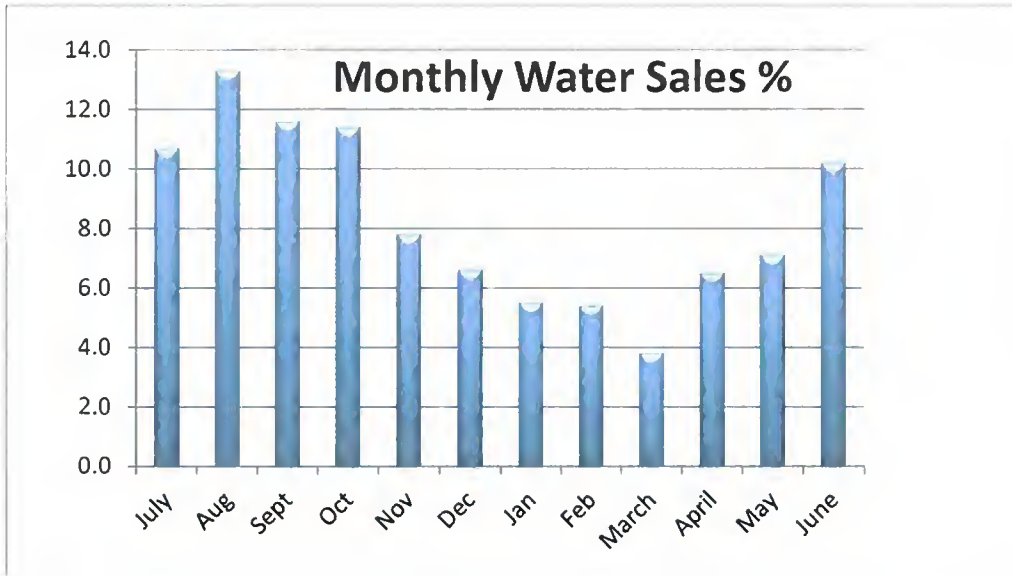
Eight new connections are being budgeted for FY 16-17 from previously issued water availability letters. Ten Equivalent Meter Units (EMU) have been sold as of May 2016.

The following table and graph show historical water production and sales history for the past 31 years as well as estimates for current and next fiscal year. The purchase of imported water from the San Diego County Water Authority accounts for over 99% of water production. One small local well makes up the remainder.

<u>Year</u>	<u>Production (AF)</u>	<u>Sales (AF)</u>
1986-87	15,726	14,940
1987-88	14,233	13,437
1988-89	15,938	14,913
1989-90	17,224	15,659
1990-91	16,434	15,292
1991-92	12,690	11,960
1992-93	13,612	13,003
1993-94	12,682	12,259
1994-95	12,174	11,927
1995-96	14,047	13,288
1996-97	13,477	13,699
1997-98	12,366	11,469
1998-99	13,124	13,060
1999-00	17,006	16,302
2000-01	15,348	15,004
2001-02	17,173	16,812
2002-03	16,409	15,392
2003-04	17,720	18,125
2004-05	15,825	15,070
2005-06	18,000	16,800
2006-07	20,750	19,025
2007-08	16,260	16,610
2008-09	15,500	14,200
2009-10	12,300	13,070
2010-11	12,000	10,700
2011-12	11,950	11,260
2012-13	12,500	12,200
2013-14	13,300	12,500
2014-15	12,400	11,200
2015-16 Projected	9,030	8,700
2016-17 Budgeted	9,700	9,000



Monthly projections are necessary to track budgeted revenue and expense. Historically, the District sells a percentage of total sales as follows:



## **Water Rates**

Both SDCWA and MWD have rate structures incorporate both fixed and variable components. The variable components are cost of supply and transportation. The fixed components are capacity reservation charges, customer service charges, storage service charges, supply reliability charges, readiness-to-serve charges, and infrastructure access charges. Beginning 7/1/14 the rates were based on a calendar year rather than a fiscal year. Water rates will be the only component of the District's rates and charges which will be updated on the calendar year. For CY 2017 the rates are proposed as follows: SAWR \$3.60/unit, Commercial Ag \$4.97, M&I Tier 1 \$5.21/unit, Tier 2 \$5.74/unit and Tier 3 \$6.32/unit. A sample bill will be provided on page 7.

## **Service Charges**

In 1983, the District adopted a philosophy and a water rate structure that relied on the monthly fixed service charges to generate up to 80% of the revenue to cover the District's fixed operating expenses. This was done to reflect the fact that over 80% of the fixed operating expenses are a function of the number of customers and have no relation to the volume of water sold. No changes in this approach are recommended for the coming year. For FY 16-17, fixed operating expenses are covered by the relationship of 80% Service Charges and 20% water rates. Since agricultural demand is not sensitive to discretionary use, as is M&I, all fixed operating costs attributable to agricultural sales are recovered on the service charge from those users who thus have a higher fixed meter service charge and were not subject to a tiered water rate. For the FY 16-17 it is proposed that monthly service charges for M&I customers and Agricultural customers increase by 6%.

## **Readiness-to-Serve Charge**

Commencing in FY 1995-96, MWD levied a fixed charge, labeled Readiness-To-Serve (RTS) on all its customers. MWD levies the charge on a flat basis each year; however, rather than collecting the entire amount through the water billing process, FPUD is granted a credit for that portion collected by MWD through its parcel charge levied in the FPUD service area which will be paid through the monthly billing process as a fixed charge. The District recently received draft rates for the RTS charge and the RTS draft rates decrease. Pending CWA's formal approval of rates, for FY 16-17 it is proposed that the RTS remain unchanged.

## **Infrastructure Access Charge**

In December 1997, the SDCWA adopted a plan that would enable the CWA to recover 25% of fixed costs through fixed revenue streams rather than relying on water rates alone. The result of this program is the implementation of the Infrastructure Access Charge (IAC).

The charge is imposed monthly based on meter size and includes only meters with usage. Draft rates for calendar year 2017 indicate the annualized fixed charge will increase by 2.2% subject to formal rate approval by CWA. Since the Board adopted a philosophy of "direct pass through" on this charge there was a need to increase the proposed IAC by \$.05 for 3/4" meters and by \$1.50 for 6" meters, to meet this additional levy.

## Water Capital Improvement Charge

During FY 12-13 the District Engineering staff began an Asset Management Program where it was determined that the currently pipeline replacement program was on a 260 year replacement cycle, a period of time well beyond the estimated life of water pipelines. For FY 13-14 the Capital Improvement Charge was increased \$8 per EMU which would raise an additional \$500,000 to be used for pipeline replacement program. The additional revenue decreases the replacement cycle to approximately 142 years. When the charge was raised to \$8.00 the Board approved an annual escalator of the Engineering News Report Construction Cost Index for February plus 3%. For FY 16-17 it is proposed that the fee be increased by 4.3% to \$9.45 per EMU.

### CY 17 Customer Impact Domestic 3/4" meter using 15 units/month

	Current	Proposed
Service Chg	39.24	41.59
1st 5 kgal (Tier 1)	23.10	26.05
Tier 2 usage	51.30	57.40
Tier 3	-	-
RTS	4.00	4.00
IAC	2.77	2.82
Capital Improvement	9.06	9.45
	<u>129.47</u>	<u>141.31</u>
<b>Total Water Bill Impact</b>		<b>\$ 11.84</b>
<b>% Impact</b>		<b>9.1%</b>

**WATER DEPARTMENT**  
Production Program

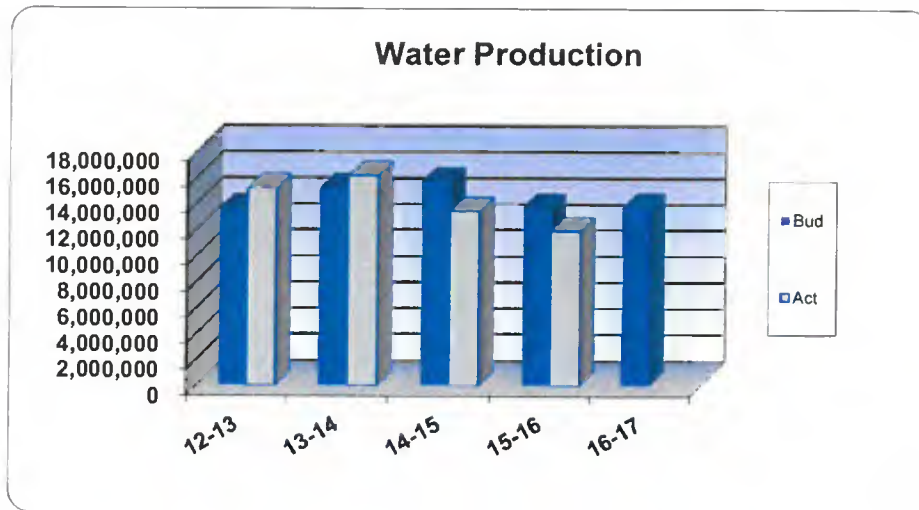
**Program Purpose & Scope:** Program provides imported and locally developed potable water supply to meet demand for agricultural, residential, commercial, and government uses. Program provides for operation of local District wells, daily ordering of imported water from the SDCWA, monitoring and testing for water quality, and energy required for pumping to higher elevations.

**Level of Service Standards:**

- Comply with applicable Federal, State and local standards for drinking water quality.
- Production to meet daily peak demands.
- Retain adequate storage in Red Mountain Reservoir to meet system demands for at least 10 day aqueduct shutdowns.

**PROGRAM BUDGET**

	<u>2015-16</u> <u>Budget</u>	<u>2015-16</u> <u>Projected</u>	<u>2016-17</u> <u>Budget</u>
<b>Expenses</b>			
Labor & Fringe	244,597	266,294	250,080
Services, Materials & Supplies	15,580,266	12,928,606	13,519,417
<b>TOTAL EXPENSES</b>	<b>15,824,863</b>	<b>13,194,901</b>	<b>13,769,497</b>



**WATER DEPARTMENT**  
Production Program  
Job Detail

**TITLE:** Purchased Water Expense

**JOB #:** Acct 30-54010

**DESCRIPTION:** All payments made to SDCWA for purchased water. Includes MWD Readiness-to-Serve charges and SDCWA Infrastructure Access Charges

**WORKLOAD:**

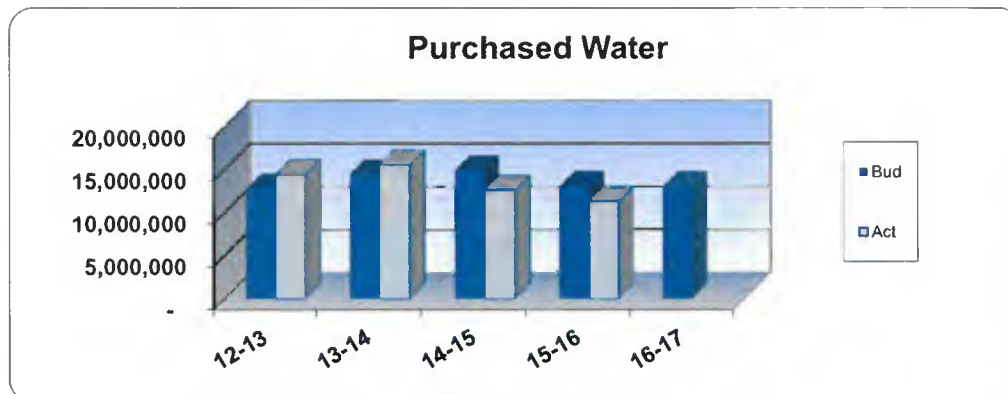
**EFFECTIVENESS:**

**PROGRAM BUDGET**

	2015-16 <u>Budget</u>	2015-16 <u>Projected</u>	2016-17 <u>Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	-	-
Services, Materials & Supplies	15,158,603	12,598,891	13,060,217
<b>TOTAL EXPENSES</b>	<b>15,158,603</b>	<b>12,598,891</b>	<b>13,060,217</b>

**Materials/Supplies/Contract Services**

<b>M &amp; I</b>	5,685 AF	10,434,031	8,042,098
<b>Comm Ag</b>	326 AF	-	460,994
<b>SAWR</b>	3,680	3,890,181	3,766,139
<b>Water Costs</b>	9,691 AF	14,324,212	12,269,231
<b>CWA planned shutdown</b>			
<b>IAC</b>		387,090	392,754
<b>RTS</b>		447,301	398,232
<b>Total</b>		<b>15,158,603</b>	<b>12,598,891</b>
		<b>13,060,217</b>	



**WATER DEPARTMENT**  
 Production Program  
 Job Detail

**TITLE:** Pumping Costs, DeLuz & Toyon Heights Service Area

**JOB #:** 30-30-400-53002

**DESCRIPTION:** All electricity costs to operate the DLSA & Toyon Heights pumps.

**WORKLOAD:**

**EFFECTIVENESS:**

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	-	-
Services, Materials & Supplies	197,963	185,535	215,600
<b>TOTAL EXPENSES</b>	<b>197,963</b>	<b>185,535</b>	<b>215,600</b>

\* 30-54030 & 105-62 combined

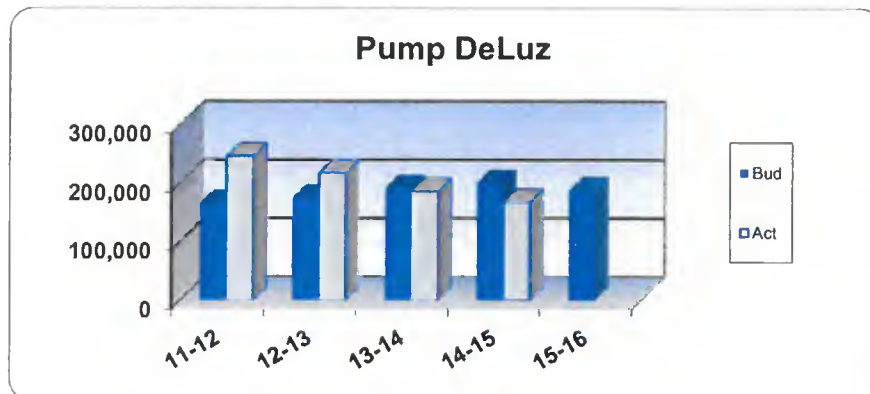
**Materials/Supplies/Contract Services**

DeLuz Power	1225 AF	\$ 0.33 kgal	206,000
P/S Maint	1225 AF	\$0.10 kgal	
Toyon Power	75 AF	\$ 0.33 kgal	9,600
P/S Maint	75 AF	\$0.10 kgal	
Other			

CWA planned shutdown

Total

215,600





**WATER DEPARTMENT**  
Production Program  
Job Detail

**TITLE:** Water Quality and Treatment

**JOB #:** 101

**DESCRIPTION:** L&M to monitor, treat, and maintain the potable drinking water supply. Includes laboratory analysis and County and State permits.

**WORKLOAD:** Somewhat predictable unless there are water quality complaints.

**EFFECTIVENESS:** Rapid response to water quality complaints and regular gathering, monitoring, and testing of the potable water supply.

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	133,459	163,948	111,120
Services, Materials & Supplies	100,500	68,175	108,100
<b>TOTAL EXPENSES</b>	<b>233,959</b>	<b>232,123</b>	<b>219,220</b>

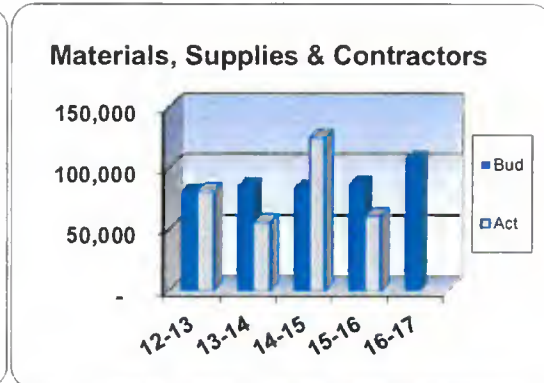
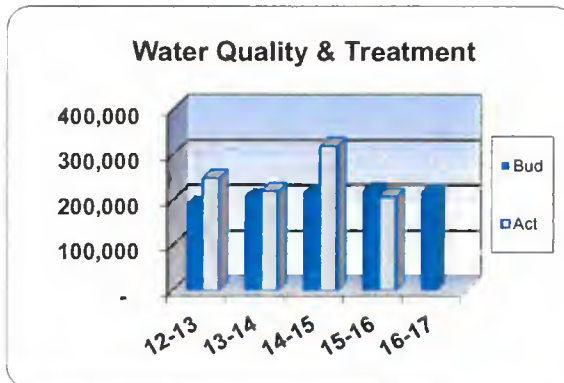
\*Merged Jobs 101 & 320

**Materials/Supplies/Contract Services**

Laboratory Analysis	21,000	22,000
Treatment Chemicals	29,000	32,000
Test Equipment & Support	9,900	10,000
Permits	20,500	23,000
CWA planned shutdown	15,000	15,000
Equipment Service, Maint., & Repair	-	1,000
Materials & Misc.	4,000	4,000
Temp.	1,100	1,100

Total

100,500	-	108,100
---------	---	---------



**WATER DEPARTMENT**  
**Production Program**  
**Job Detail**

**TITLE:** Red Mountain UV Plant Operations & Maintenance

**JOB #:** 325

**DESCRIPTION:** L&M to monitor, treat, and maintain the portable drinking water supply. Includes pumps, motors, chemical injection and storage equipment, water quality monitoring equipment, metering equipment, reporting, UV reactors, etc.

**WORKLOAD:**

**EFFECTIVENESS:**

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	111,138	102,347	138,960
Services, Materials & Supplies	123,200	76,006	135,500
<b>TOTAL EXPENSES</b>	<b>234,338</b>	<b>178,353</b>	<b>274,460</b>

\*Merged Jobs 325 & 330

**Materials/Supplies/Contract Services**

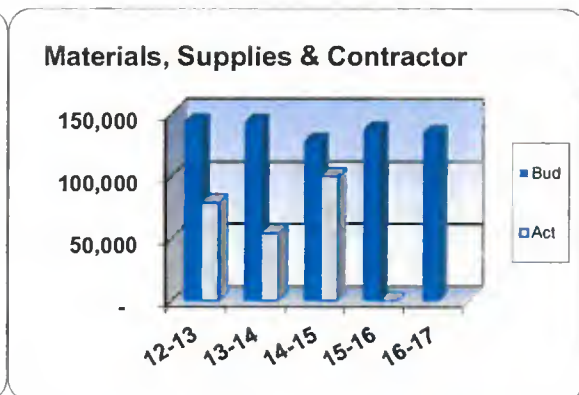
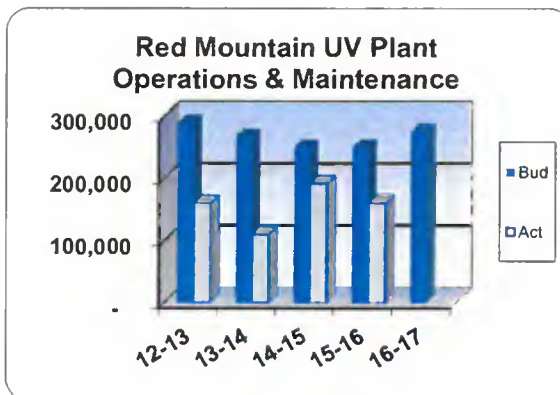
Chemical Equip. Service, Repair, & Maint.	4,700	5,000
UV Equip. Service, Repair, & Maint.	17,000	17,000
Materials & Misc.	8,500	8,500
Treatment Chemicals	50,000	55,000
Power	43,000	50,000

Total

123,200

-

135,500



**WATER DEPARTMENT**  
Customer Service & Billing Program

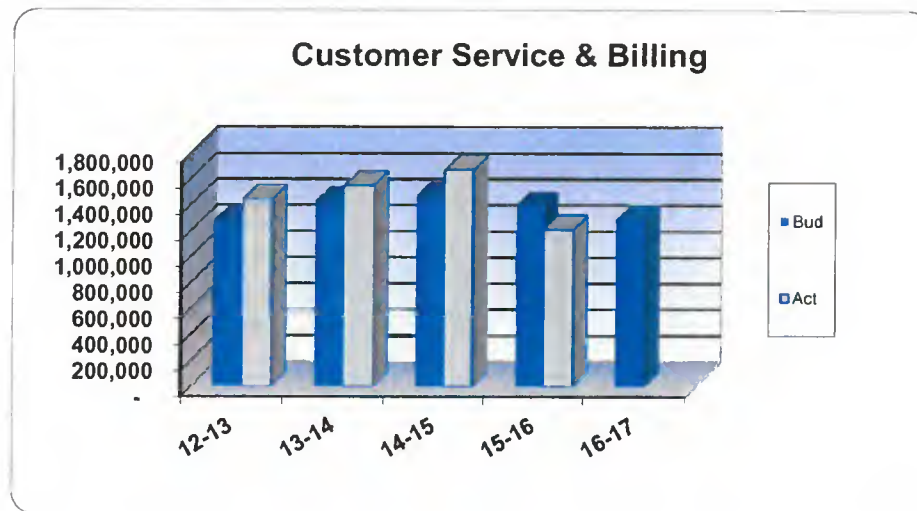
**Program Purpose & Scope** Program provides all customer service and billing functions, including establishing water service accounts, responding to customer complaints and requests, meter reading, pursuing payment on delinquent accounts, meter calibration and replacement, repair of service lines and meter boxes, inspection and testing of backflow devices, and standby pay for after hours duty personnel.

**Level of Service Standards:**

- Comply with applicable State and local standards for backflow prevention to protect the drinking water quality in the District's distribution system
- Respond to customer requests for water and sewer service in a timely manner
- Respond to customer complaints about water quality and pressure problems
- Reduce unaccounted water loss by maintaining a scheduled meter calibration and replacement program
- Collect delinquent accounts
- Provide standby personnel for after hours calls

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	985,315	1,021,266	892,827
Services, Materials & Supplies	407,070	362,234	397,520
<b>TOTAL EXPENSES</b>	<b>1,392,385</b>	<b>1,383,500</b>	<b>1,290,347</b>



**WATER DEPARTMENT**  
Customer Service & Billing Program  
Job Detail

**TITLE:** Meter Repairs & Radio Read Troubleshooting

**JOB #:** 416

**DESCRIPTION:** Material required to repair/replace meters found to be defective during routine meter reading or scheduled testing or customer call-in resulting in a repair. Bench testing, meter overhauling, new meter testing, etc. Troubleshooting radio reads

**WORKLOAD:** Meters or dials are repaired or replaced during scheduled cycles.

**EFFECTIVENESS:**

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	85,361	37,417	39,391
Services, Materials & Supplies	144,500	71,354	58,000
<b>TOTAL EXPENSES</b>	<b>229,861</b>	<b>108,771</b>	<b>97,391</b>

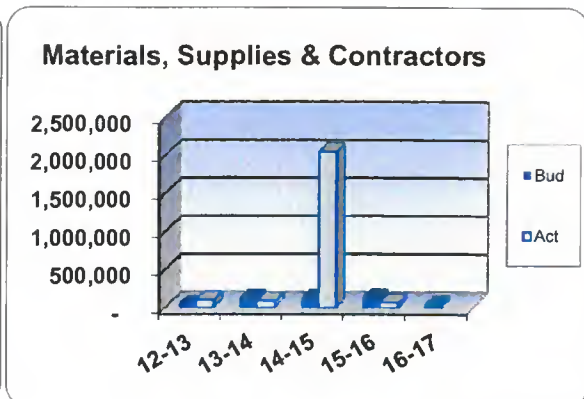
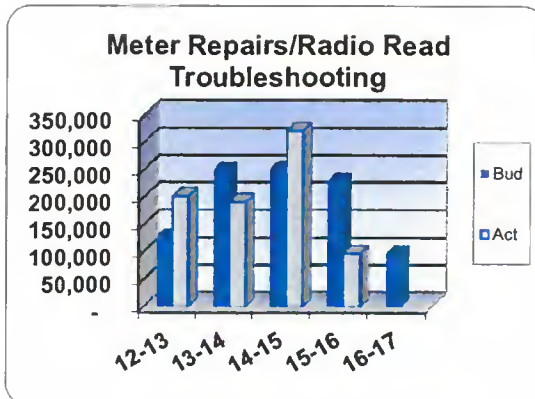
\*Merged Jobs 416 & 422

**Materials/Supplies/Contract Services**

Meters/ERT	59,500	55,000
Inventory Items	82,000	-
Shipping	3,000	3,000

Total

144,500      -      58,000



**WATER DEPARTMENT**  
Customer Service & Billing Program  
Job Detail

**TITLE:** Backflow Inspection

**JOB #:** 424

**DESCRIPTION:** L&M, annual program to test and repair double check valves, backflow inspection & repair prevention devices.

**WORKLOAD:** Each backflow device is checked on an annual basis

**EFFECTIVENESS:** Repairs are made to those that do not pass the inspection parameters.

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	104,434	74,290	84,963
Services, Materials & Supplies	43,600	35,798	41,300
<b>TOTAL EXPENSES</b>	<b>148,034</b>	<b>110,088</b>	<b>126,263</b>

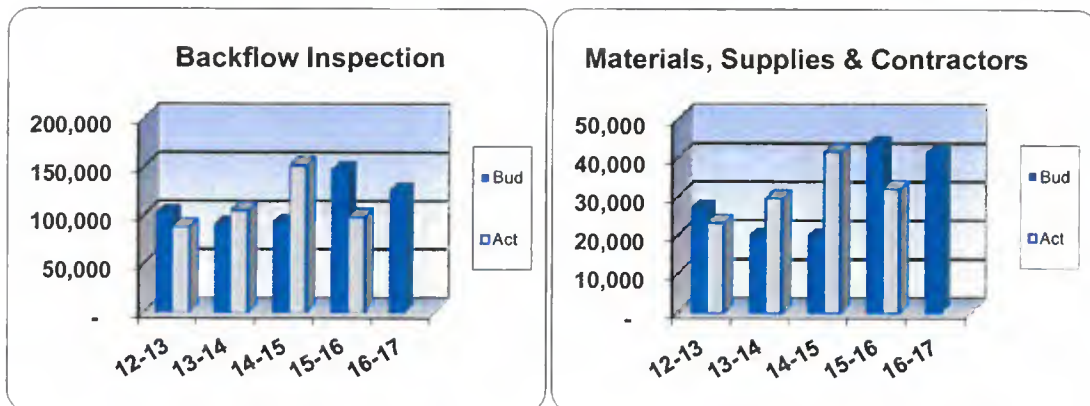
\*Merged Jobs 424 & 431

**Materials/Supplies/Contract Services**

Repair Kits	21,000	21,000
Inventory	22,000	20,000
Tester Calibration	600	300

Total

43,600      -      41,300



**WATER DEPARTMENT**  
Customer Service & Billing Program  
**Job Detail**

**TITLE:** Detector Check Maintenance

**JOB #:** 425

**DESCRIPTION:** L&M required to inspect, test, repair, repaint, repair fencing, etc., on all fire service connections in the District.

**WORKLOAD:**

**EFFECTIVENESS:**

**PROGRAM BUDGET**

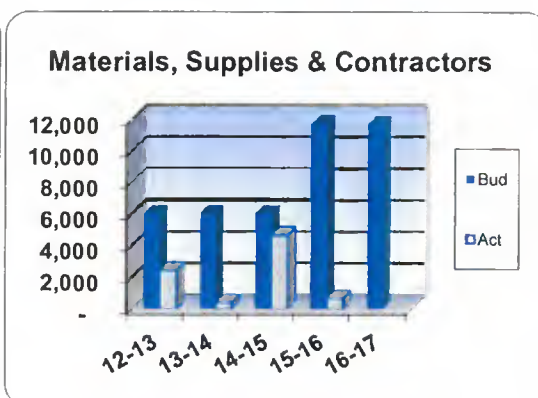
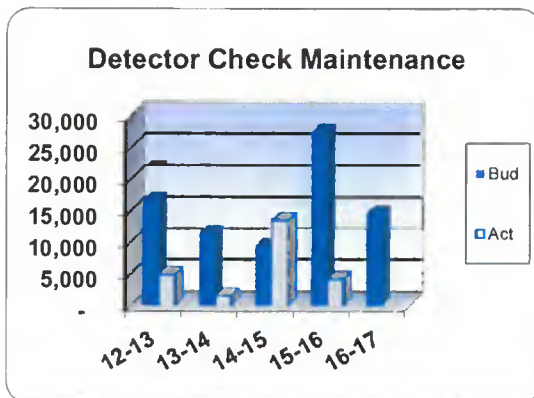
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	15,828	3,932	3,002
Services, Materials & Supplies	11,750	746	11,700
<b>TOTAL EXPENSES</b>	<b>27,578</b>	<b>4,677</b>	<b>14,702</b>

**Materials/Supplies/Contract Services**

Inventory	3,000	3,000
Materials and Supplies	8,750	8,700

Total

11,750      -      11,700





**WATER DEPARTMENT**  
Customer Service & Billing Program  
**Job Detail**

**TITLE:** Meter Service Repair

**JOB #:** 428

**DESCRIPTION:** L&M to repair meter service lines, angle cocks, upgrading or replacing meter boxes, leaky meter gaskets, customer valves, etc.  
Refer to Job #422 for internal meter repairs.

**WORKLOAD:** Equipment allocation adjusted to 35% per history

**EFFECTIVENESS:**

**PROGRAM BUDGET**

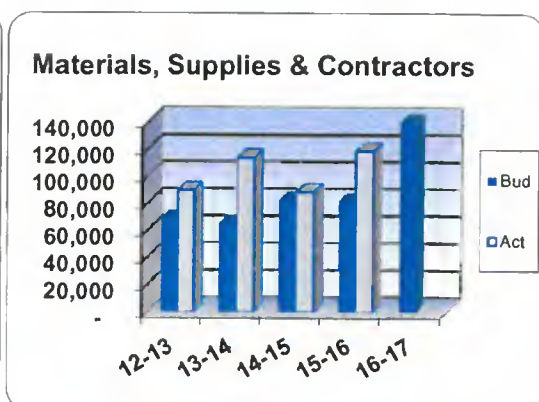
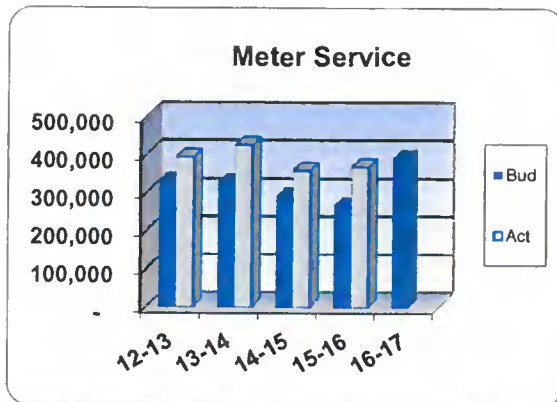
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	187,321	279,491	254,142
Services, Materials & Supplies	82,000	133,179	140,000
<b>TOTAL EXPENSES</b>	<b>269,321</b>	<b>412,670</b>	<b>394,142</b>

**Materials/Supplies/Contract Services**

Paving & Inspections	30,000	25,000
Inventory	35,000	80,000
Non Inventory/Stock		27,000
Concrete/Sand/Gravel/Cold mix	8,000	8,000
Materials/Supplies	9,000	-

Total

82,000      -      140,000



**WATER DEPARTMENT**  
Customer Service & Billing Program  
**Job Detail**

**TITLE:** Meter Reading

**JOB #:** 510

**DESCRIPTION:** Labor to read District meters for monthly cycle, read for closing and re-reads.

**WORKLOAD:**

**EFFECTIVENESS:**

**PROGRAM BUDGET**

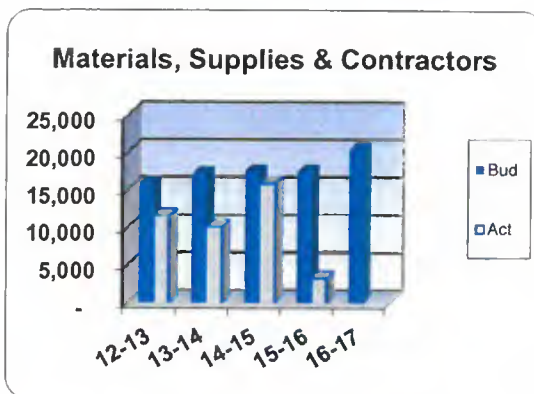
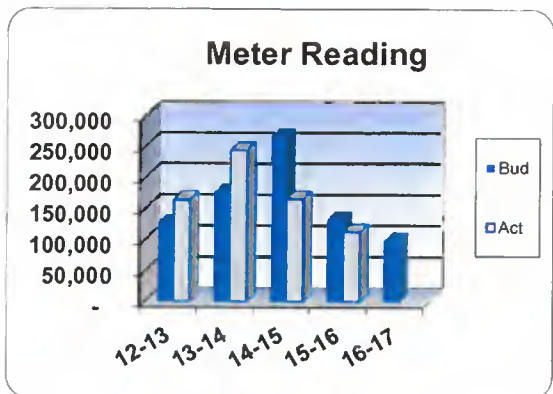
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	115,846	122,840	79,211
Services, Materials & Supplies	17,500	3,682	20,500
<b>TOTAL EXPENSES</b>	<b>133,346</b>	<b>126,522</b>	<b>99,711</b>

**Materials/Supplies/Contract Services**

Bee Removal	4,000	4,000
Radio Read Software Maintenance	11,000	9,000
Other-Shipping	2,500	2,500
Fixed Network Hosting/Cost		5,000

Total

17,500      -      20,500



**Water Department**  
**Customer Service & Billing Program**  
**Job Detail**

**TITLE:** Standby

**JOB #:** 511

**DESCRIPTION:** Used for the Water & Wastewater standby personnel for standby pay. Actual work performed during emergency standby callout is allocated to the job being worked on.

**WORKLOAD:**

**EFFECTIVENESS:**

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	58,060	58,060	60,160
Services, Materials & Supplies	-	-	-
<b>TOTAL EXPENSES</b>	<b>58,060</b>	<b>58,060</b>	<b>60,160</b>

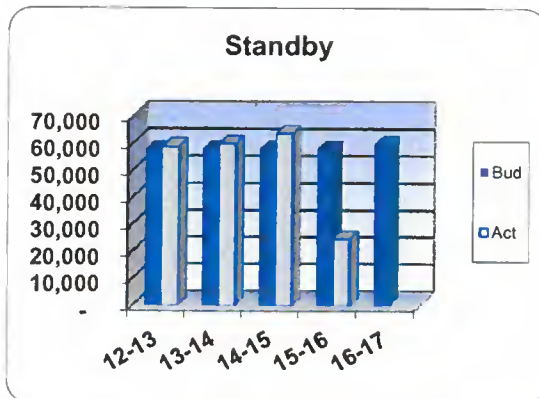
**Materials/Supplies/Contract Services**

Total

---



---



**WATER DEPARTMENT**  
Customer Service & Billing Program  
**Job Detail**

**TITLE:** Customer Requests

**JOB #:** 512

**DESCRIPTION:** L&M for account maintenance and customer service, responding to customer complaints of low & high pressures, standby service, dirty or bad water, R/W flow check, sewer smells. leaks, USA service alert line locations.

**WORKLOAD:**

**EFFECTIVENESS:**

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	242,241	259,167	240,523
Services, Materials & Supplies	6,300	18,354	6,300
<b>TOTAL EXPENSES</b>	<b>248,541</b>	<b>277,521</b>	<b>246,823</b>

**Materials/Supplies/Contract Services**

Temporary Labor		
Materials- Notices	1,500	1,500
Valve Cap Locator	1,000	1,000
USA Charges	3,000	3,000
Line Locator Repair	800	800

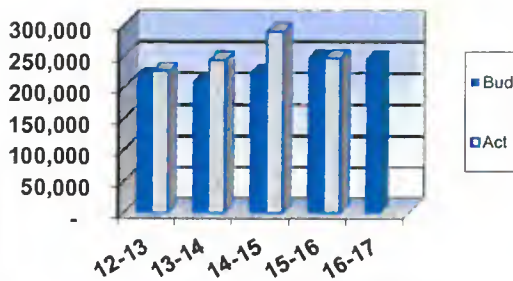
Total

6,300

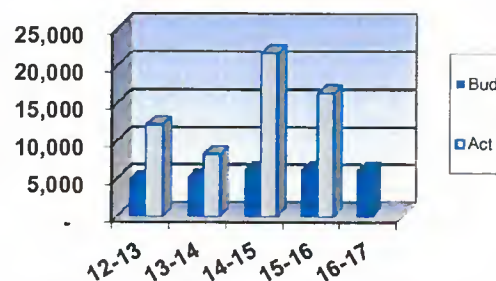
-

6,300

**Customer Requests**



**Materials, Supplies & Contractors**



**WATER DEPARTMENT**  
Customer Service & Billing Program  
**Job Detail**

**TITLE:** Delinquent Accounts

**JOB #:** 515

**DESCRIPTION:** L&M to lock, unlock and re-lock delinquent accounts.

**WORKLOAD:** Lock notices are sent after due date and prior to next billing. Only 2% are locked.

**EFFECTIVENESS:** There are no accounts written off.

**PROGRAM BUDGET**

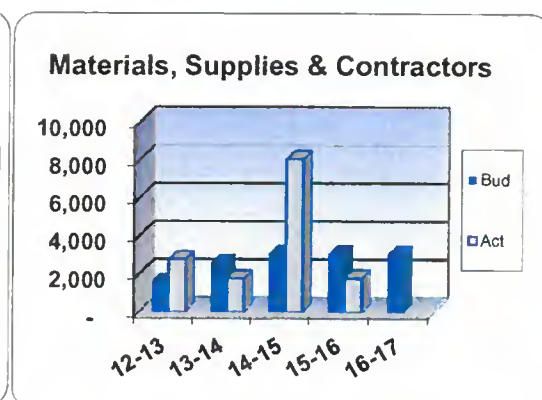
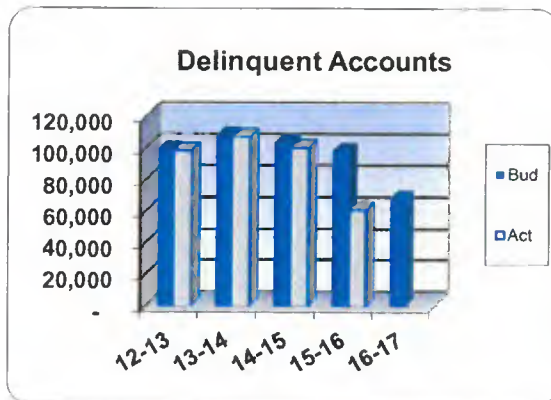
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	95,810	66,539	65,896
Services, Materials & Supplies	3,100	2,014	3,100
<b>TOTAL EXPENSES</b>	<b>98,910</b>	<b>68,552</b>	<b>68,996</b>

**Materials/Supplies/Contract Services**

Door Hangers, etc	1,000	1,000
Locks	1,100	1,100
Supplies	1,000	1,000

Total

3,100      -      3,100



**WATER DEPARTMENT**  
Customer Service & Billing Program  
Job Detail

**TITLE:** Billing

**JOB #:** 611

**DESCRIPTION:** Customer Service Representative's labor to prepare monthly bills, uncollectable accounts, answering service, billing postage and supplies. General & Specialty programming to respond to as needed for allocations.

**WORKLOAD:**

**EFFECTIVENESS:**

**PROGRAM BUDGET**

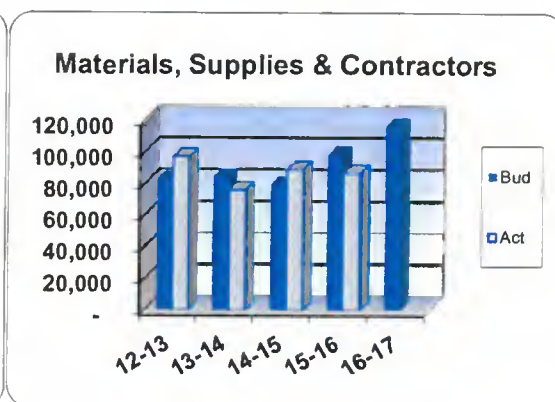
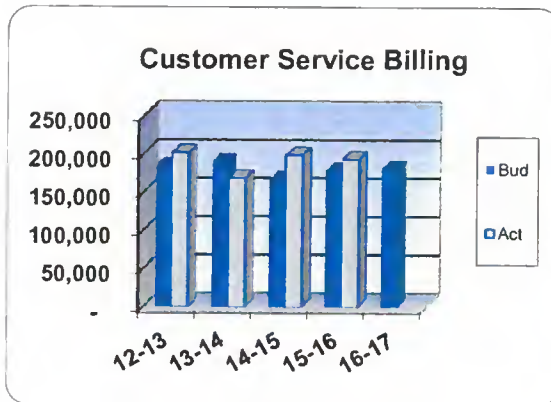
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	80,413	119,531	65,538
Services, Materials & Supplies	98,320	97,108	116,620
<b>TOTAL EXPENSES</b>	<b>178,733</b>	<b>216,639</b>	<b>182,158</b>

**Materials/Supplies/Contract Services**

Answering Service	5,800	5,800
Bill Stock/envelopes	-	
Programming (general & allocation)	25,000	25,000
Billing Postage	47,000	48,000
Outsource (Bill Printing)	15,000	32,000
HP Maintenance Agreement	3,120	3,120
Armored Car	2,400	2,700

Total

98,320      -      116,620





**WATER DEPARTMENT**  
Distribution Program

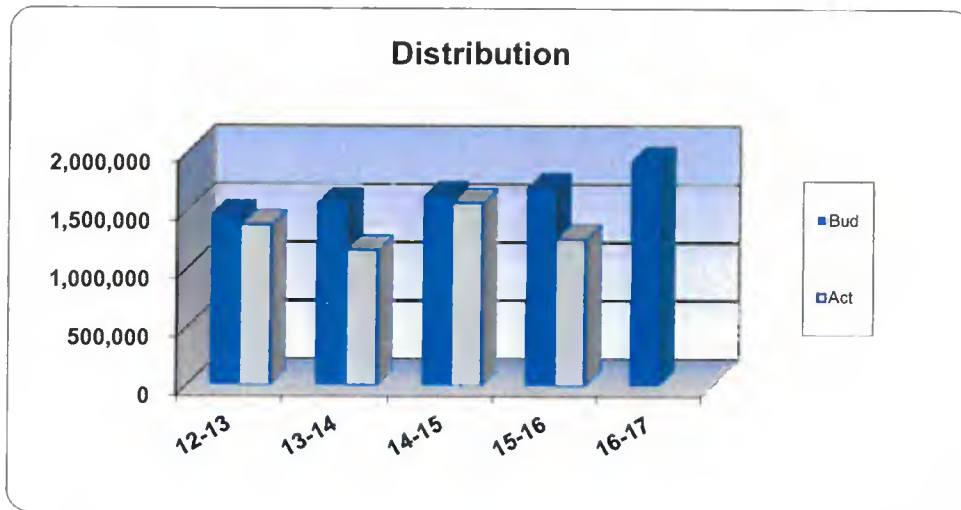
**Program Purpose & Scope:** Program provides distribution of drinking water to 12 regulating reservoirs and 8900 metered customer services; maintenance and repair of pipelines, valves, control facilities, reservoirs, pump stations, and rights-of-way; overall supervision and scheduling of the water departments crews and equipment; maintenance of telemetry system for both water and wastewater; and maintenance of interconnections with neighboring districts.

**Level of Service Standards:**

- Comply with applicable State and local standards for protection of the drinking water quality in the District's distribution system when making repairs.
- Minimize number of inconvenienced customers when effecting repairs.
- Provide crews to respond to customer complaints about water quality and pressure.
- Maintain rights-of-way to protect district facilities.
- Conduct regular inspection of reservoirs to ensure adequacy of coatings and cathodic protection systems.
- Repair fire hydrants as required.

**PROGRAM BUDGET**

	<u>2015-16</u> <u>Budget</u>	<u>2015-16</u> <u>Projected</u>	<u>2016-17</u> <u>Budget</u>
<b>Expenses</b>			
Labor & Fringe	1,414,388	1,113,018	1,611,152
Services, Materials & Supplies	280,550	290,315	317,050
<b>TOTAL EXPENSES</b>	<b>1,694,938</b>	<b>1,403,334</b>	<b>1,928,202</b>



**WATER DEPARTMENT**

Distribution Program

**Job Detail**

**TITLE:** Fallbrook Systems Area Operation

**JOB #:** 100

**DESCRIPTION:** All of the functions necessary to provide an adequate supply of potable water based upon daily demand.

**WORKLOAD:** Predictable with very few exceptions.

**EFFECTIVENESS:** Provide water through the District at adequate pressures and flows as required by the District and the Department of Drinking Water.

**PROGRAM BUDGET**

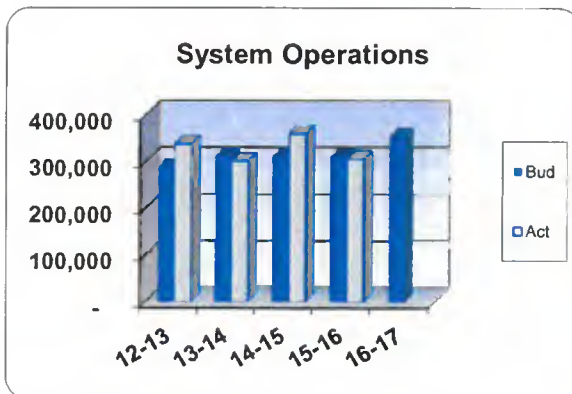
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	305,532	337,682	352,407
Services, Materials & Supplies	5,800	5,694	4,500
<b>TOTAL EXPENSES</b>	<b>311,332</b>	<b>343,376</b>	<b>356,907</b>

**Materials/Supplies/Contract Services**

Equipment & Materials	3,700	2,400
Temp	2,100	2,100

Total

5,800      -      4,500



**WATER DEPARTMENT**

Distribution Program

**Job Detail**

**TITLE:** DeLuz Service Area Operations

**JOB #:** 102

**DESCRIPTION:** All of the functions necessary to provide an adequate supply of potable water based upon daily demand in the DeLuz area.

**WORKLOAD:** Fairly predictable with some exceptions based on system capacity.

**EFFECTIVENESS:** Rapid response to pressure problems that develop due to usage.

**PROGRAM BUDGET**

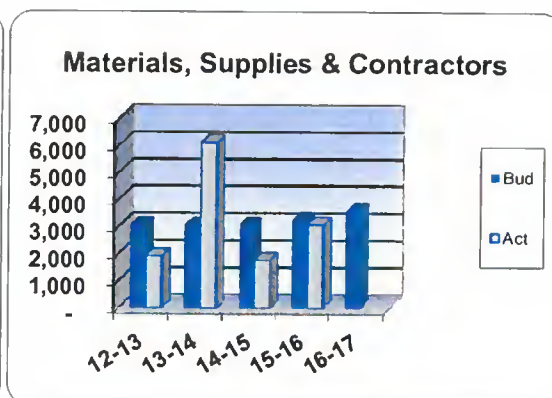
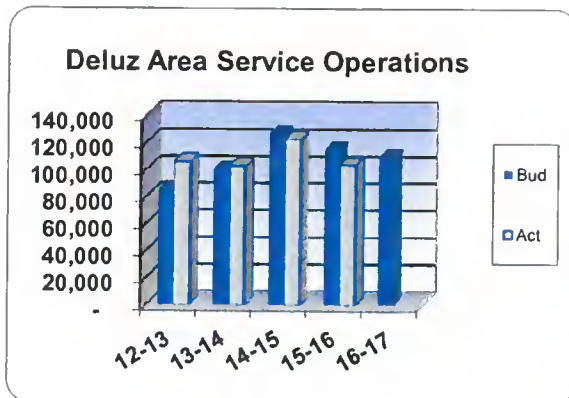
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	112,017	112,815	106,971
Services, Materials & Supplies	3,300	3,454	3,600
<b>TOTAL EXPENSES</b>	<b>115,317</b>	<b>116,269</b>	<b>110,571</b>

**Materials/Supplies/Contract Services**

Temp	2,100	2,100
Equipment & Materials	1,200	1,500

Total

3,300      -      3,600



**WATER DEPARTMENT**  
Distribution Program

**Job Detail**

**TITLE:** O&M Scheduling

**JOB #:** 110

**DESCRIPTION:** Wages & benefits for the Operations Manager duties in the operations scheduling office.

**WORKLOAD:** This position was eliminated 15/16.

**EFFECTIVENESS:**

**PROGRAM BUDGET**

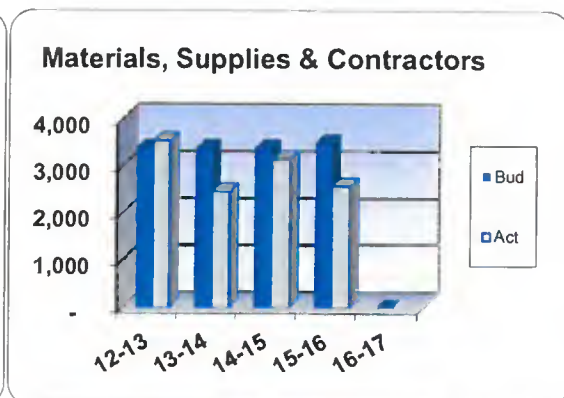
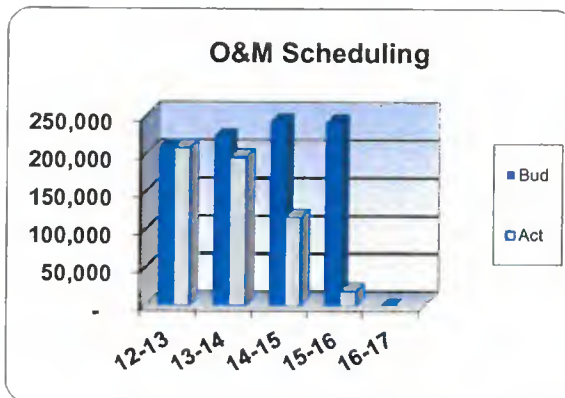
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	238,448	17,912	-
Services, Materials & Supplies	3,500	2,871	-
<b>TOTAL EXPENSES</b>	<b>241,948</b>	<b>20,783</b>	<b>-</b>

**Materials/Supplies/Contract Services**

NWS Access Fees 3,500

Total

3,500      -      -



**WATER DEPARTMENT**

Distribution Program

**Job Detail**

**TITLE:** Exercise Valves

**JOB #:** 410

**DESCRIPTION:** Annual program to exercise valves (air release, blow off, distribution and transmission), raise riser valve boxes, paint riser covers, flush dead end mains. Includes additional costs to meet new permit requirements for dechlorination and increased valve repairs

**WORKLOAD:** Annual program which is scheduled and predictable.  
Equipment allocation adjusted to 45% per history

**EFFECTIVENESS:** Valves are exercised so when emergencies occur, mains can be shut down quickly and prevent water loss and property damage.

**PROGRAM BUDGET**

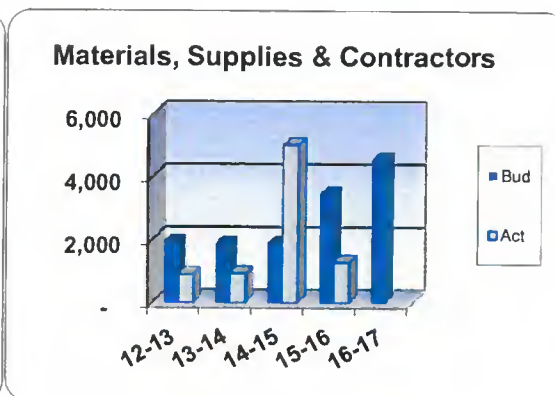
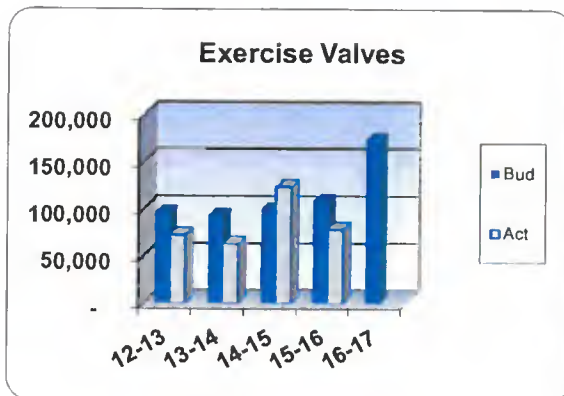
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	105,557	86,482	169,681
Services, Materials & Supplies	3,500	1,443	4,600
<b>TOTAL EXPENSES</b>	<b>109,057</b>	<b>87,925</b>	<b>174,281</b>

**Materials/Supplies/Contract Services**

Dechlor Tabs	600	600
Line Purge Dechlor & hose	-	500
15' Hose LPD-250		-
Valve cans & slip collars	400	800
Materials/Other	500	600
Spray paint	1,000	1,000
Software and Service Charges	1,000	1,100

Total

3,500	-	4,600
-------	---	-------



**WATER DEPARTMENT**

Distribution Program

**Job Detail**

**TITLE:** Valve Maintenance

**JOB #:** 411

**DESCRIPTION:** Replacement or repair of valves in the water distribution system.

**WORKLOAD:** As needed.

**EFFECTIVENESS:** Provide a rapid response to broken valve problems and make repairs to restore service as soon as possible.

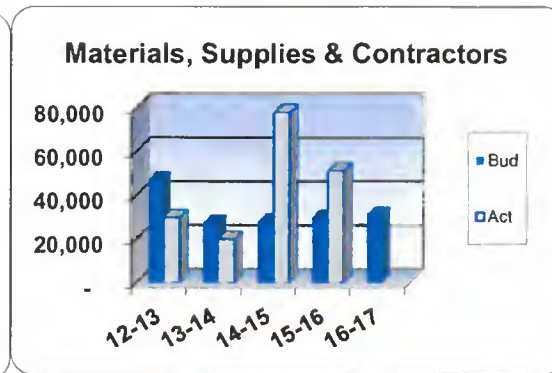
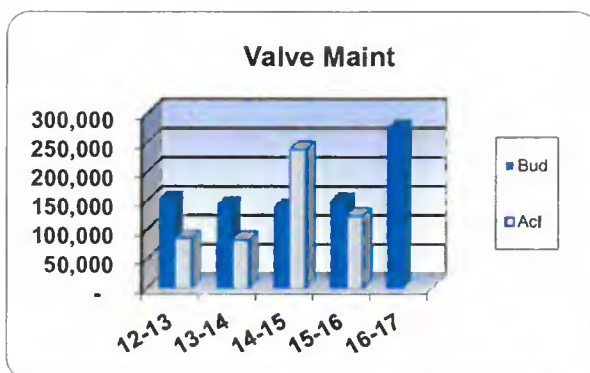
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	120,675	82,161	245,681
Services, Materials & Supplies	30,000	57,234	31,500
<b>TOTAL EXPENSES</b>	<b>150,675</b>	<b>139,394</b>	<b>277,181</b>

**Materials/Supplies/Contract Services**

Small valve replacement and repairs	20,000	10,000
Inspection	1,000	1,000
Paving	4,500	15,000
Compaction Tests	1,500	1,500
Materials/Other	1,000	2,000
Cold Mix and Class II Base	2,000	2,000

Total	<u>30,000</u>	-	<u>31,500</u>
-------	---------------	---	---------------





**WATER DEPARTMENT**  
Distribution Program  
Job Detail

**TITLE:** Control Valve Maintenance

**JOB #:** 413

**DESCRIPTION:** L&M required to maintain and repair the pressure/flow control facilities. Includes budget increase so the 5 year maintained cycle can be met

**WORKLOAD:** As needed repairs.  
Routine valve maintenance on a 2 to 5 year cycle.

**EFFECTIVENESS:** Ensures that pressure/flow control facilities operate reliably and safely. Routine maintenance reduces the number of control valve failures, thereby reducing the number of pipeline failures, and extends the life of the system.

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	3,704	6,011	9,646
Services, Materials & Supplies	21,000	22,468	27,000
<b>TOTAL EXPENSES</b>	<b>24,704</b>	<b>28,479</b>	<b>36,646</b>

**Materials/Supplies/Contract Services**

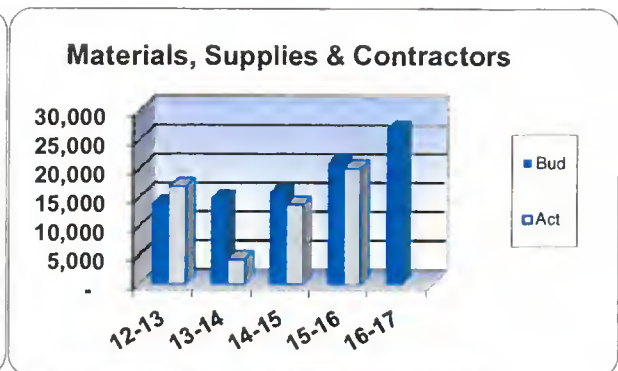
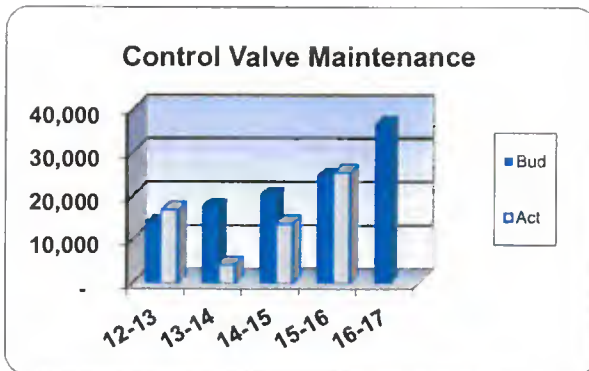
Cla Valve Service	20,000	25,000
Equipment & Materials	1,000	2,000

Total

21,000

-

27,000



**WATER DEPARTMENT**

Distribution Program

**Job Detail**

**TITLE:** Right-of-Way Maintenance

**JOB #:** 415

**DESCRIPTION:** Annual inspection and maintenance of unpaved easements. Includes culvert pipes, grading and weed abatement.

**WORKLOAD:** Somewhat predictable. Mostly effected by adverse weather conditions.

**EFFECTIVENESS:** Provide traversable right-of-ways for maintenance and repair of District pipelines and facilities.

**PROGRAM BUDGET**

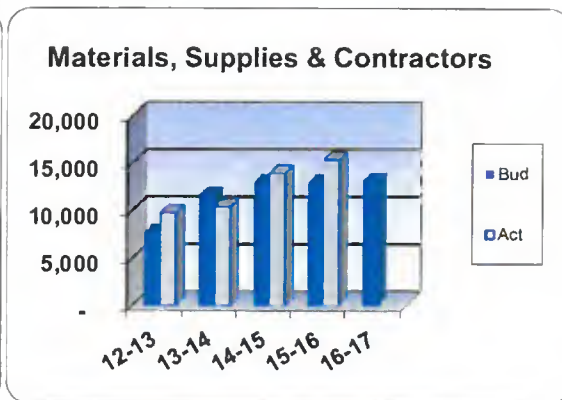
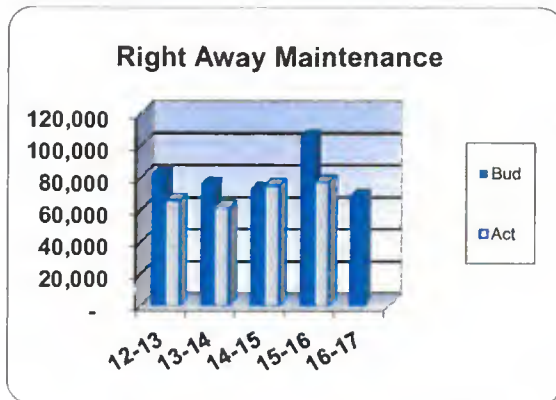
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	93,115	69,576	55,890
Services, Materials & Supplies	13,000	17,223	13,200
<b>TOTAL EXPENSES</b>	<b>106,115</b>	<b>86,800</b>	<b>69,090</b>

\*Merged Jobs 415 & 440

**Materials/Supplies/Contract Services**

Fencing Repairs	2,000	2,000
Gates/keys/fencing	1,500	1,500
Cold Mix/Concrete/Pave	2,000	2,000
Grass/Fertilizer/Straw	700	700
Equip Rental	1,000	1,000
Other/culverts	1,800	2,000
Right-of_Way	4,000	4,000

Total 13,000      -      13,200



**WATER DEPARTMENT**  
Distribution Program  
Job Detail

**TITLE:** Pipeline Repair

**JOB #:** 421

**DESCRIPTION:** L&M to repair leaks.

**WORKLOAD:** As needed.  
Equipment allocation adjusted to 30% per history

**EFFECTIVENESS:** Provide a rapid 24-hour day response to repair leaks, preventing property damage and water loss.

**PROGRAM BUDGET**

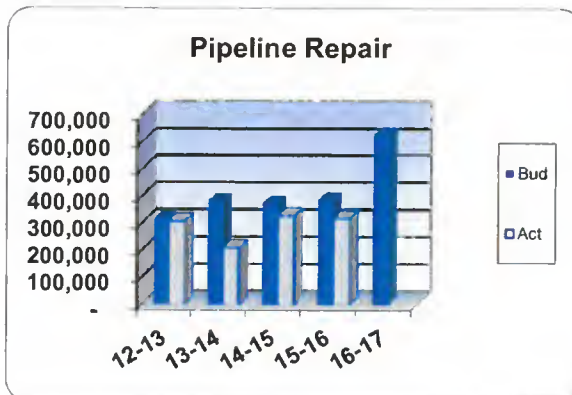
	<u>2015-16</u> <u>Budget</u>	<u>2015-16</u> <u>Projected</u>	<u>2016-17</u> <u>Budget</u>
<b>Expenses</b>			
Labor & Fringe	303,369	271,473	523,817
Services, Materials & Supplies	83,500	85,262	105,000
<b>TOTAL EXPENSES</b>	<b>386,869</b>	<b>356,735</b>	<b>628,817</b>

**Materials/Supplies/Contract Services**

Inventory items (Pipe line repair)	35,000	35,000
Paving/County Inspections & Permits	25,000	45,000
Materials/Supplies	23,500	25,000

Total

83,500      -      105,000



**WATER DEPARTMENT**  
Distribution Program  
Job Detail

**TITLE:** Water Supply & Storage Facilities

**JOB #:** 423

**DESCRIPTION:** L&M necessary to maintain pump stations, reservoirs and other facilities throughout the potable distribution system.; minor welding, screen & roof maintenance, landscape maintenance, pump and motor repair, and cathodic protection.

**WORKLOAD:** Predictable; daily inspections.

**EFFECTIVENESS:** Respond to maintain, inspect and repair as needed.

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	42,939	14,927	56,196
Services, Materials & Supplies	48,950	29,245	51,150
<b>TOTAL EXPENSES</b>	<b>91,889</b>	<b>44,173</b>	<b>107,346</b>

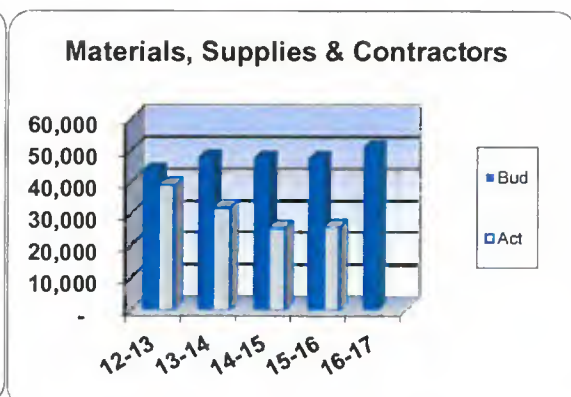
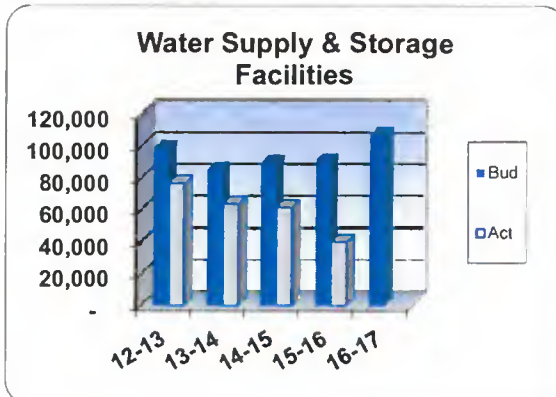
\*Merged Jobs 423 & 420

**Materials/Supplies/Contract Services**

DWR Dam Fees	16,000	17,000
Reservoir Service, Maint., & Repair	10,200	10,200
Reservoir Equipment, Materials, and Misc.	2,100	2,200
Pump Station Service, Maint., & Repair	17,700	18,500
Pump Station Equipment, Materials, & Misc.	1,750	1,750
Chemical Equip. Service, Maint., & Repair	200	300
Chemical Equipment Materials & Misc.	1,000	1,200

Total

48,950      -      51,150



**WATER DEPARTMENT**  
Distribution Program  
**Job Detail**

**TITLE:** Fire Hydrant Repairs

**JOB #:** 430

**DESCRIPTION:** L&M required to repair fire hydrants.

**WORKLOAD:** As needed.  
Equipment allocation adjusted to 30% per history

**EFFECTIVENESS:** Provide response to broken fire hydrant. Work with North County Fire Protection District (NCFPD) making timely repairs and restoring service as soon as possible.

**PROGRAM BUDGET**

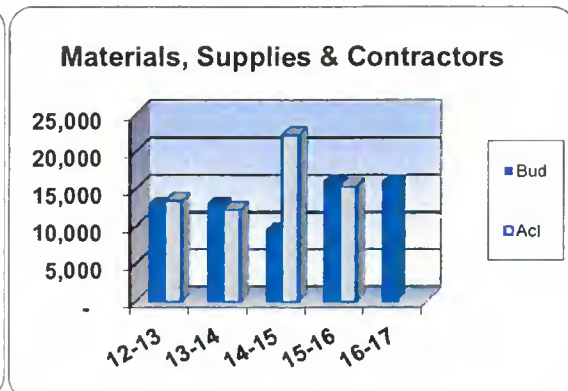
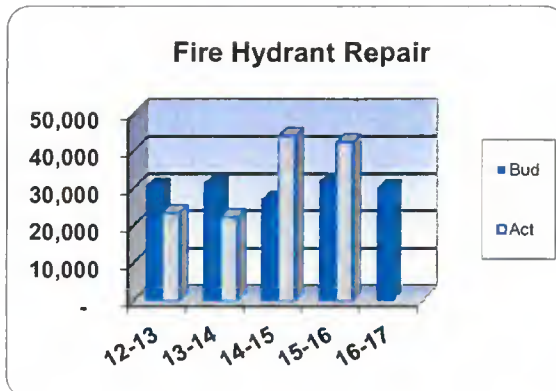
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	15,848	30,112	14,201
Services, Materials & Supplies	16,000	17,264	16,000
<b>TOTAL EXPENSES</b>	<b>31,848</b>	<b>47,377</b>	<b>30,201</b>

**Materials/Supplies/Contract Services**

Inventory Item Parts	7,000	7,000
Replace 2 FH Deluz	8,000	8,000
Paving & Concrete	1,000	1,000
Other		

Total

16,000      -      16,000



**WATER DEPARTMENT**  
Distribution Program  
Job Detail

**TITLE:** Telemetry & Base Radio Equipment

**JOB #:** 479

**DESCRIPTION:** Maintenance of Telemetry System and maintenance of radio equipment not mounted in vehicles.

**WORKLOAD:** As needed.

**EFFECTIVENESS:** Provide response to needed repairs and maintenance usually outside services.

**PROGRAM BUDGET**

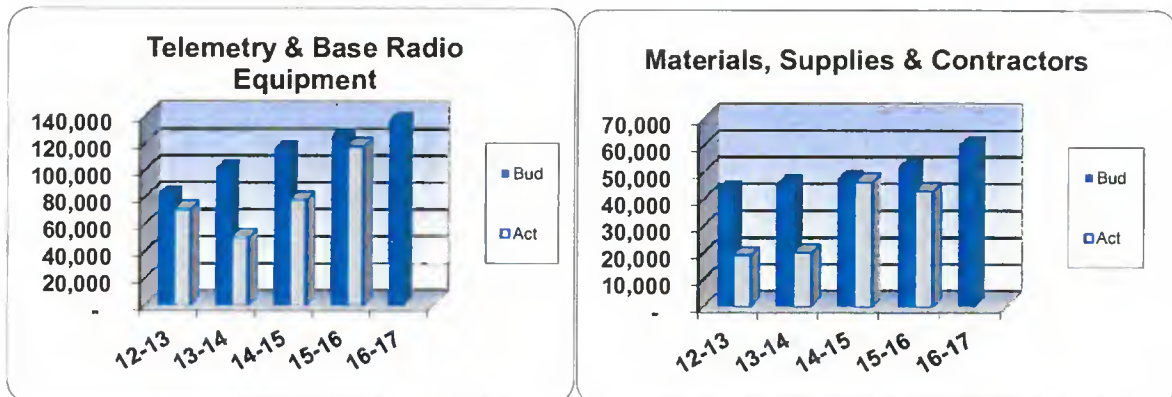
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	73,184	83,867	76,662
Services, Materials & Supplies	52,000	48,157	60,500
<b>TOTAL EXPENSES</b>	<b>125,184</b>	<b>132,024</b>	<b>137,162</b>

**Materials/Supplies/Contract Services**

Telemetry & SCADA Support/Software	30,000	30,000
Telemetry & SCADA Hardware	20,000	20,000
Removal of Signal Interferences	2,000	3,000
Cellular Monthly Fees		7,500

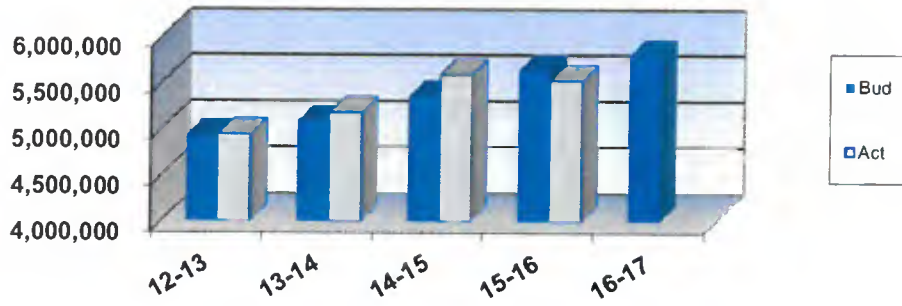
Total

52,000      -      60,500

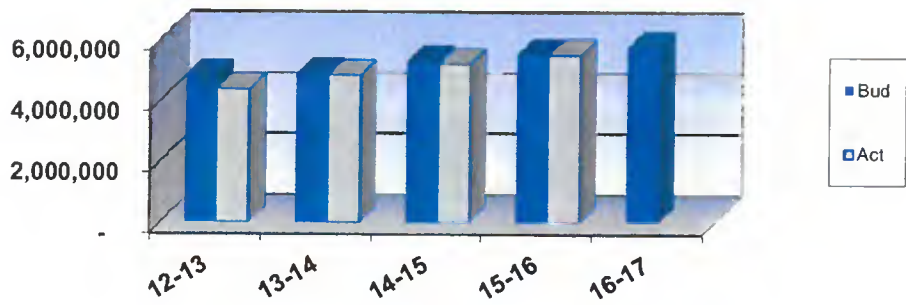




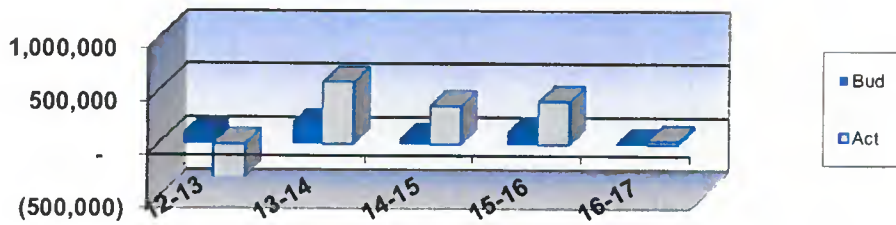
### Wastewater Dept Revenues



### Wastewater Dept Expenses



### Wastewater Net Revenues



## WASTEWATER DEPARTMENT

### Budget Summary

#### Department Mission

Collect, treat, and dispose of sewage within the established Fallbrook Improvement District "S" service area in compliance with permits issued by the Regional Water Quality Control Board.

#### Wastewater Dept. Budget Summary

	2015-16 Budget	2015-16 Projected	2016-17 Budget
<b>Revenues</b>			
Service Charges	5,634,832	5,499,684	5,804,379
Class A Biosolids Sales	100	100	100
Sundry	1,000	22,105	1,000
<b>Total Revenues</b>	<b>5,635,932</b>	<b>5,521,889</b>	<b>5,805,479</b>
<b>Expenses</b>			
Collection	1,032,724	1,026,670	996,761
Treatment	918,707	940,095	842,693
Disposal/Regulatory Compliance	944,576	806,517	979,210
Allocated Admin Expenses	1,937,618	2,035,288	2,280,432
Debt Service Transfer	682,528	682,528	694,350
<b>Total Expenses</b>	<b>5,516,153</b>	<b>5,491,097</b>	<b>5,793,445</b>
<b>Net Revenue/(Expense)</b>	<b>119,779</b>	<b>30,792</b>	<b>12,033</b>
Beginning Fund Balance	920,226	(1,965,742)	(1,934,950)
Ending Fund Balance	1,040,005	(1,934,950)	(1,922,916)
<b>EQUITY REQUIREMENTS</b>			
Working Capital	1,208,406	1,208,406	1,274,774
Emergency Repair	250,000	250,000	250,000
<b>Total Equity Required</b>	<b>1,458,406</b>	<b>1,458,406</b>	<b>1,524,774</b>
Unappropriated Funds	(418,401)	(3,393,356) **	(3,447,690)

\*\*Based on GASB 68 entry made 6/30/15 for pension liability

**WASTEWATER DEPARTMENT  
Revenue Program**

**Program Purpose & Scope**

Develop sufficient revenue to pay for the operation and maintenance costs of the Department in a manner that ensures equity among all classes of service.

**Revenue Objectives**

- \* Recover 100% of operating expenses through a fixed service charge.
- \* Transfer \$405,750 to the ID”S” debt service fund to pay for in-lieu energy produced by the solar plant based on equivalent cost to purchase power.
- \* Transfer \$288,600 to the SRF debt for the Wastewater Treatment Plant rehab
- \* Transfer any net revenues in excess of appropriated fund balance to capital fund to help fund needed capital improvements.

<b>Program Budget</b>	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Revenues</b>			
Service Charges	\$5,634,832	\$5,499,684	\$5,804,379
Class A Biosolids Sales	100	100	100
Other	<u>1,000</u>	<u>22,105</u>	<u>1,000</u>
Total Revenues	\$5,635,932	\$5,521,889	\$5,805,479

**Service Charges**

The imposition of increasingly stringent regulations coupled with court determined interpretations of permits during the past eight years demand that the collection program continue to meet the “no tolerance” attitude of the Regional Water Quality Control Board (RWQCB) and the court system with regard to sewer spills. The budget provides for continued effort to be expended in the collection system throughout the year, especially FOG, and increases in plant operation.

During FY 10-11 the District secured a QECCB, Qualified Energy Conservation Bond, to build a 1 megawatt solar facility at the wastewater treatment plant. The project is complete and operational as of July 2011. The district will transfer \$450,750 to the ID”S” debt service fund to pay for in-lieu energy produced by the solar plant based on equivalent cost to purchase power.

Beginning FY 09-10 a new sewer rate methodology was implemented with the goal of charging customers more equitably than a simple flat rate. For single family residences, the methodology began with finding each customer’s lowest monthly water usage during the winter period of November through March. We have assumed that 90% of this winter water use is returned to the sewer system. For FY 16-17, a single family residence will have a fixed monthly wastewater bill based on 90% of the lowest month of winter water usage from November 2015 through March 2016. For winter of 2015-2016, the median minimum monthly water usage decreased by 1, to 4 units of water. For those customers at the median of 4, who were at last year’s median of 5, the monthly bill will decrease by \$3.49 to \$47.69. If the customer remains at a median of 5, the monthly bill will increase \$4.40, or 8.6%. A cap of 18 units of water usage will apply to recognize that with larger lot sizes more water is being used for outdoor irrigation and less water being returned to the sewer. Data indicates that customers with larger lots had a median usage of 4 units/month in the lowest winter

water month, down from a median of 5 for the past four years. Volume and strength of sewage was integrated into the model in order to calculate a commodity charge of \$8.77 per unit of sewage being returned to the system, an increase of \$.56 over FY 15-16. A fixed charge of \$16.12, an increase of \$1.89 was also calculated recognizing that fixed costs to collect, treat and dispose of wastewater exists regardless of the volume treated. The table below summarizes the impact to a single family customer based on winter minimum consumption. This structure is also meant to encourage our single family customers to reduce their winter consumption since that would directly reduce their following year's sewer charge.

Fallbrook, CA  
Sample Bill Calculations

Cap Currently set at 18

Single Family - FY 15-16 (prior FY)							Single Family - FY 16-17 (current year)				
Consumption (1,000 gal)	RTS	Sewer Flow	Fixed Charge	Commodity Rate	Consumption Chg	Total Bill	Fixed Charge	Commodity Rate	Consumption Chg	Total Bill	% Increase
0	90%	0.0	\$ 14.23	\$ 8.21	\$ -	\$ 14.23	\$ 16.12	\$ 8.77	\$ -	\$ 16.12	13.3%
1	90%	0.9	\$ 14.23	\$ 8.21	\$ 7.39	\$ 21.62	\$ 16.12	\$ 8.77	\$ 7.89	\$ 24.01	11.1%
2	90%	1.8	\$ 14.23	\$ 8.21	\$ 14.78	\$ 29.01	\$ 16.12	\$ 8.77	\$ 15.78	\$ 31.90	10.0%
3	90%	2.7	\$ 14.23	\$ 8.21	\$ 22.17	\$ 36.40	\$ 16.12	\$ 8.77	\$ 23.67	\$ 39.80	9.3%
4	90%	3.6	\$ 14.23	\$ 8.21	\$ 29.57	\$ 43.79	\$ 16.12	\$ 8.77	\$ 31.57	\$ 47.69	8.9%
5	90%	4.5	\$ 14.23	\$ 8.21	\$ 36.96	\$ 51.18	\$ 16.12	\$ 8.77	\$ 39.46	\$ 55.58	8.6%
6	90%	5.4	\$ 14.23	\$ 8.21	\$ 44.35	\$ 58.57	\$ 16.12	\$ 8.77	\$ 47.35	\$ 63.47	8.4%
7	90%	6.3	\$ 14.23	\$ 8.21	\$ 51.74	\$ 65.97	\$ 16.12	\$ 8.77	\$ 55.24	\$ 71.36	8.2%
8	90%	7.2	\$ 14.23	\$ 8.21	\$ 59.13	\$ 73.36	\$ 16.12	\$ 8.77	\$ 63.13	\$ 79.25	8.0%
9	90%	8.1	\$ 14.23	\$ 8.21	\$ 66.52	\$ 80.75	\$ 16.12	\$ 8.77	\$ 71.02	\$ 87.14	7.9%
10	90%	9.0	\$ 14.23	\$ 8.21	\$ 73.91	\$ 88.14	\$ 16.12	\$ 8.77	\$ 78.91	\$ 95.04	7.8%
11	90%	9.9	\$ 14.23	\$ 8.21	\$ 81.31	\$ 95.53	\$ 16.12	\$ 8.77	\$ 86.81	\$ 102.93	7.7%
12	90%	10.8	\$ 14.23	\$ 8.21	\$ 88.70	\$ 102.92	\$ 16.12	\$ 8.77	\$ 94.70	\$ 110.82	7.7%
13	90%	11.7	\$ 14.23	\$ 8.21	\$ 96.09	\$ 110.31	\$ 16.12	\$ 8.77	\$ 102.59	\$ 118.71	7.6%
14	90%	12.6	\$ 14.23	\$ 8.21	\$ 103.48	\$ 117.71	\$ 16.12	\$ 8.77	\$ 110.48	\$ 126.60	7.6%
15	90%	13.5	\$ 14.23	\$ 8.21	\$ 110.87	\$ 125.10	\$ 16.12	\$ 8.77	\$ 118.37	\$ 134.49	7.5%
16	90%	14.4	\$ 14.23	\$ 8.21	\$ 118.26	\$ 132.49	\$ 16.12	\$ 8.77	\$ 126.26	\$ 142.38	7.5%
17	90%	15.3	\$ 14.23	\$ 8.21	\$ 125.65	\$ 139.88	\$ 16.12	\$ 8.77	\$ 134.15	\$ 150.28	7.4%
18	90%	16.2	\$ 14.23	\$ 8.21	\$ 133.05	\$ 147.27	\$ 16.12	\$ 8.77	\$ 142.04	\$ 158.17	7.4%

All other customers (primarily commercial) will be charged a fluctuating rate based upon the water sold to that customer each month. Varying Return to Sewer (RTS) percentages have been set up to accommodate appeals made by those who do not typically return 90% of water sold to the sewer system (ie those who irrigate outdoors or who use water in a business process, such as a Coca Cola bottling plant). RTS categories are set at 10% intervals which will allow more customers to fall into a lower RTS especially with reduced outdoor watering. Additionally, commercial customers have been classified as low, medium or high strength based upon industry standards and SIC codes. Low strength is equivalent to the strength of wastewater discharged by a single family residence. High strength is reserved for stand alone restaurants. Strip malls which have food services are considered medium strength as the blending of high and low strength wastewater occurs. As the strength increases, so does the cost to treat the sewage. The commodity rate for low strength goes from \$8.21 per unit returned to the sewer to \$8.77 a \$.56 increase. Medium strength goes from \$12.35 to \$13.27 and high strength goes from \$20.63 to \$22.28 per unit.

8.8 Equivalent Dwelling Units (EDU's) were added to the system as of May 2016. We have budgeted for five connections to be added during the budget year due.

The 1% Tax Takeaway surcharge was eliminated as of February 1, 2007 two years after its emergency implementation. Should the State of California permanently shift property taxes from the District, a budget amendment will be brought to the Board which will include



reimplementation of the Tax Takeaway surcharge. 1% property taxes are used to pay wastewater debt service.

### Wastewater Capital Improvement Charge

The \$28M rehabilitation of the Wastewater Treatment Plant was completed in December 2015 and was operational throughout construction. The 20 year loan bears interest of 2.2% and has an annual debt service payment of \$1.767 million. Improvement District "S" 1% property taxes account for about one half of the required debt service. In order to pay debt service staff is recommending a FY 16-17 Wastewater Capital Improvement charge of \$10.84 per Equivalent Dwelling Unit (EDU), a \$.14 increase and will generate approximately \$1,093,000 to be pledged to pay the SRF debt service and sewer capital improvement charges.

### Sample Bill

For an average Domestic customer using 15 units (15,000) gallons of water and whose median usage decreased to 4 units, the overall bill is estimated to increase \$8.49 or 4.4%.

<b>CY 17 Customer Impact</b>		
<b>Domestic 3/4" meter using 15 units/month</b>		
<b>(From 5 units to 4 units winter use)</b>		
	<b>Current</b>	<b>Proposed</b>
Service Chg	39.24	41.59
1st 5 kgal (Tier 1)	23.10	26.05
Tier 2 usage	51.30	57.40
Tier 3	-	-
RTS	4.00	4.00
IAC	2.77	2.82
Capital Improvement	9.06	9.45
	<u>129.47</u>	<u>141.31</u>
<b>Total Water Bill Impact</b>		<b>\$ 11.84</b>
<b>% Impact</b>		<b>9.1%</b>
	<b>Current</b>	<b>Proposed</b>
Sewer Svc	51.18	47.69
Capital Improvement	10.70	10.84
Tax Takeaway	0.00	0.00
<b>Total Sewer</b>	<u>61.88</u>	<u>58.53</u>
<b>Sewer Bill Impact</b>		<b>\$ (3.35)</b>
<b>Combined Impact</b>		<b>\$8.49</b>
<b>Impact as a percentage</b>		<b>4.4%</b>

Per Generally Accepted Accounting Principles (GAAP), at the end of the fiscal year, any net revenues or net expenses roll into the Ending Equity/Fund Balance accounts separately and distinctly for each operating entity.

**WASTEWATER DEPARTMENT**  
Collection Program

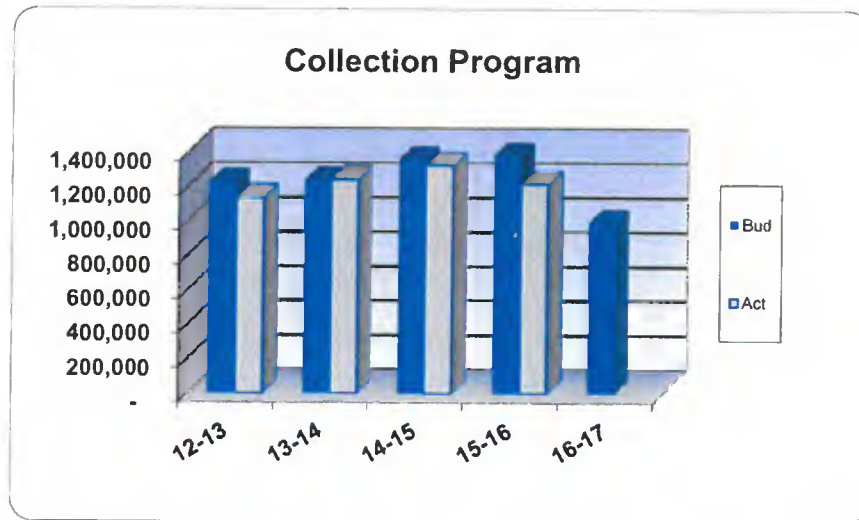
**Program Purpose & Scope:** Program provides collection of wastewater from residences & businesses throughout the 4500 acre sewer service area of the community of Fallbrook and, transportation to the Treatment Plant. Program includes all expenses related to routine maintenance and emergency repairs to the gravity collection system and six lift stations.

**Level of Service Standards:**

- Maintain unobstructed flow in the gravity collection system through a scheduled monitoring and flushing program.
- Provide preventive maintenance on the six lift stations to ensure reliable unattended operation
- Respond to emergencies to minimize raw sewage spills and restore system to proper operation.
- Maintain rights-of-way over and around district facilities.

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	770,394	824,146	731,931
Services, Materials & Supplies	262,330	202,524	264,830
<b>TOTAL EXPENSES</b>	<b>1,032,724</b>	<b>1,026,670</b>	<b>996,761</b>





**WASTEWATER DEPARTMENT**

Collection Program

**Job Detail**

**TITLE:** Collections System Mains/Video/Right-of-ways/Unscheduled Repairs

**JOB #:** 810

**DESCRIPTION:** All costs to maintain, clean, install, repair & replace mains varying in size from 4" to 24" using vitrified clay pipe, ductile iron and PVC. Includes applying root control chemicals excavation, repair, and cleaning . Includes monthly scheduled inspections, the repair and installation of new pipe and removal of stoppages. Updating video library, access problem areas to avoid overflows and fines.

**WORKLOAD:** Monthly cleaning and inspection of system mains, repair & emergency repair of mains repair and maintain right-of-way clearing brush & debris, grading for passage.

**EFFECTIVENESS:** Reduce unscheduled maintenance & repairs, avoid overflows and permit violations as well as maintain personnel & public health & safety.

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	195,611	188,989	158,984
Services, Materials & Supplies	70,430	60,267	70,430
<b>TOTAL EXPENSES</b>	<b>266,041</b>	<b>249,256</b>	<b>229,414</b>

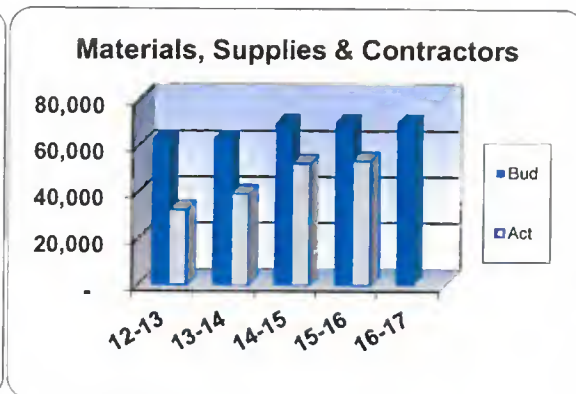
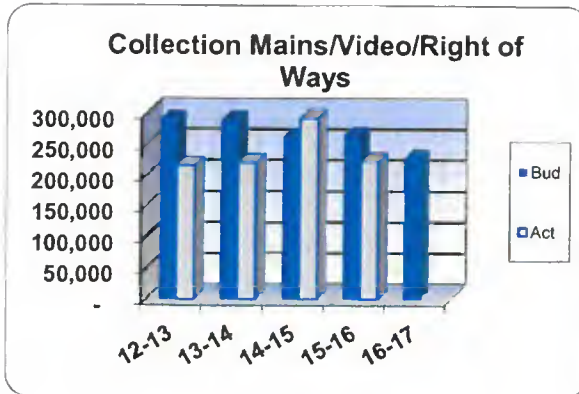
\*Merged Jobs 810, 815, 817 & 819

**Materials/Supplies/Contract Services**

Smart covers	24,900	24,900
Materials	23,730	23,730
Camera Maint.	11,800	11,800
Root Control	10,000	10,000

Total

70,430      -      70,430



**WASTEWATER DEPARTMENT**

Collection Program

Job Detail

**TITLE:** Collections System Manholes/Clean outs/Laterals

**JOB #:** 812

**DESCRIPTION:** All costs related to cleaning, vacuuming and installing cleanouts, making usual inspections for repairs, cleanouts, box replacements and pop offs. Respond to overflows, dig up and excavate cleanouts to remove problem areas. Excavate around manholes to remove roots and stop leak. Inspect laterals with lateral camera, maintain trouble spot laterals with small drain cleaning machine and root control chemicals.

**WORKLOAD:** Clear main line stoppages with combination truck, clear lateral with drain cleaning machine, adjust/repair manholes, respond to customer request.

**EFFECTIVENESS:** Prevent stoppages and eliminate odors.

**PROGRAM BUDGET**

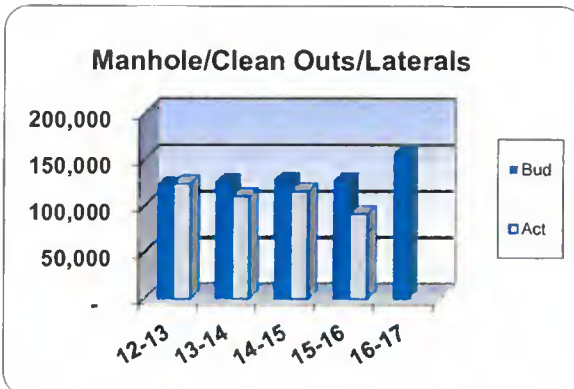
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	112,262	97,939	141,644
Services, Materials & Supplies	15,200	4,814	15,700
<b>TOTAL EXPENSES</b>	<b>127,462</b>	<b>102,754</b>	<b>157,344</b>

**Materials/Supplies/Contract Services**

Pave/Compact	2,500	2,500
Backflow	1,500	1,500
Underground Service Alerts	200	200
Lateral Root Control	2,500	2,500
Manhole Maintenance	8,500	9,000

Total

**15,200      -      15,700**



**WASTEWATER DEPARTMENT**

Collection Program

**Job Detail**

**TITLE:** Collections System Lift Station Operation & Maintenance

**JOB #:** 813

**DESCRIPTION:** All cost related to operation & maintenance of lift stations; Shady Lane, Hawthorne, Debby St., Anthony's Corner, Plant 2 and Green Canyon. Includes costs incurred in weekly & monthly lift station inspections, cleaning & repairs of wet wells, repair & replace controllers, motors, pumps, force mains, air vacs, order bioxide & other chemicals repairing electrical, hooking up back up generators, general cleaning & landscaping.

**WORKLOAD:** Check, inspect, clean & repair lift stations, force mains & air vacs.

**EFFECTIVENESS:** Provides continuous and efficient pumping of wastewater to treatment facilities. Prevent spills and avoid fines.

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	202,135	171,020	177,029
Services, Materials & Supplies	172,700	135,723	170,600
<b>TOTAL EXPENSES</b>	<b>374,835</b>	<b>306,742</b>	<b>347,629</b>

\*Merged Jobs 813 & 816

**Materials/Supplies/Contract Services**

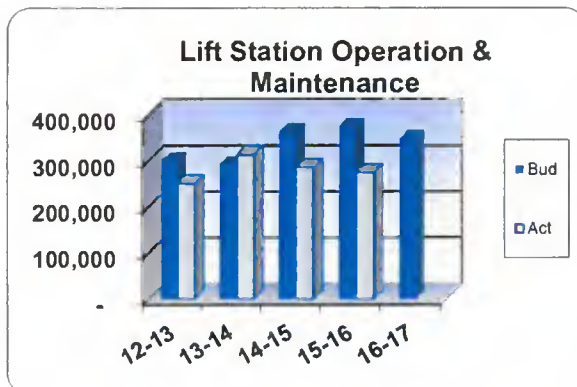
Power	95,000	95,000
Materials	2,200	100
Motor & Pump Repairs	46,500	46,500
Chemicals	29,000	29,000

Total

172,700

-

170,600



**WASTEWATER DEPARTMENT**

Collection Program

**Job Detail**

**TITLE:** Collection System Cleaning

**JOB #:** 814

**DESCRIPTION:** All cost related to cleaning District sewer mains and manholes. Completion of monthly cleaning goals and trouble spot cleaning.

**WORKLOAD:** Cleaning mainlines and all other facilities necessary. Checking trouble spots throughout collections system. Allows for 2-4 man crew on a flushing job at all times for proper traffic control. Equip allocation adj to 75% per

**EFFECTIVENESS:** Reduces problems with collections system and controls potential odors. Reduces emergency call-out overtime through proper preventative maint.

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	260,386	366,198	254,274
Services, Materials & Supplies	4,000	1,720	8,100
<b>TOTAL EXPENSES</b>	<b>264,386</b>	<b>367,918</b>	<b>262,374</b>

**Materials/Supplies/Contract Services**

Supplies		2,000
Nozzles	4,000	6,100

Total

4,000      -      8,100



**WASTEWATER DEPARTMENT**  
Treatment Program

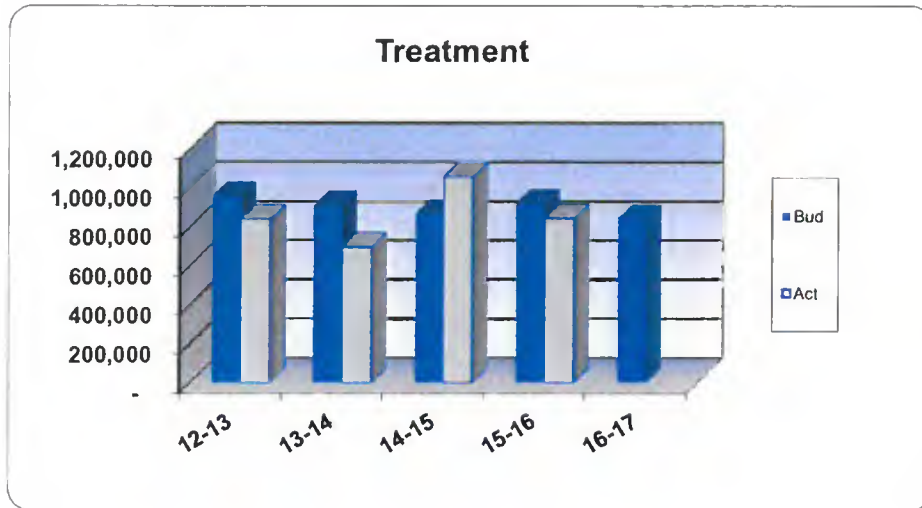
**Program Purpose & Scope:** Provides treatment of wastewater to secondary levels at Treatment Plant #1 off Alturis Street. Program includes all expenses related to routine operation, maintenance and repairs to the treatment plant; and laboratory testing to ensure the treatment process meets the discharge standards in the permit issued by the Regional Water Quality Control Board; and routine reporting to RWQCB.

**Level of Service Standards:**

- Operate the treatment plant to meet discharge standards established in the permits issued by the RWQCB.
- Provide technical training necessary to staff the plants to meet State standards.
- Respond to emergencies to minimize raw sewage spills and restore plants to proper operation.

**PROGRAM BUDGET**

	2015-16 <u>Budget</u>	2015-16 <u>Projected</u>	2016-17 <u>Budget</u>
<b>Expenses</b>			
Labor & Fringe	707,207	667,985	563,293
Services, Materials & Supplies	211,500	272,110	279,400
<b>TOTAL EXPENSES</b>	<b>918,707</b>	<b>940,095</b>	<b>842,693</b>



**WASTEWATER DEPARTMENT**

Treatment Program

**Job Detail**

**TITLE:** Main Plant Operations Scheduling

**JOB #:** 820

**DESCRIPTION:** All cost related to the operation & maintenance to the following areas and associated infrastructure including: lift station #5 pumps & motors, headworks grit & rag/debris removal system, air lift pumps/motors, Primary main drive, sludge/scum pumps system, IPS pumps/motors, activated/aeration basins (including aeration blowers) & secondary clarifiers main drive units, RAS pumps & motors, scum pumps & motors. This will include all controllers & electrical within these areas.

**WORKLOAD:** Includes operations technician and chief plant operator

**EFFECTIVENESS:** Scheduling of wastewater operations, maintenance and safety.

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	682,851	629,561	536,825
Services, Materials & Supplies	166,200	232,809	221,500
<b>TOTAL EXPENSES</b>	<b>849,051</b>	<b>862,370</b>	<b>758,325</b>

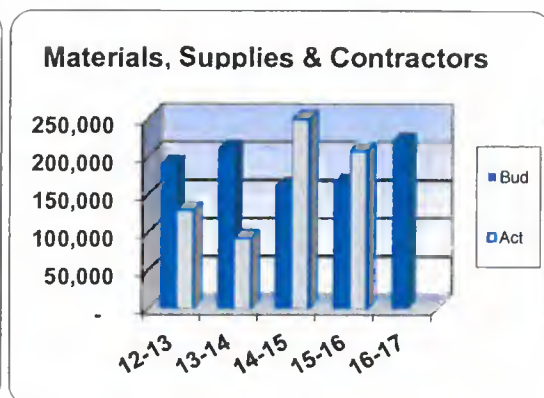
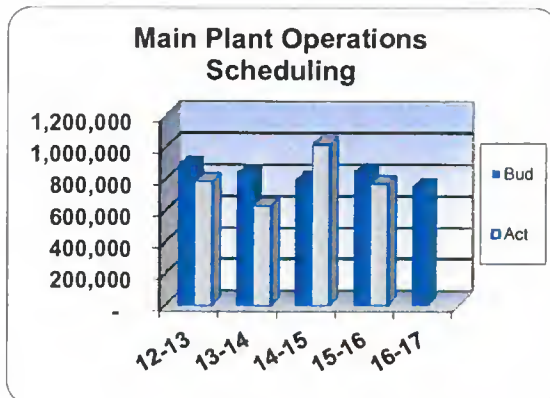
\*Merged Jobs 820, 821, 822, 823, 831, 832 & 833

**Materials/Supplies/Contract Services**

Power	97,200	142,500
Operations Support Services	10,000	30,000
Equipment Service Contracts		12,000
Site Maint./Mat/Parts/Supplies,Inv & Hauling	44,000	20,000
Unexpected Breakdowns & Repairs	15,000	5,000
Equipment Rehabilitation		8,000
Intern		4,000

Total

166,200      -      221,500





**WASTEWATER DEPARTMENT**

Treatment Program

**Job Detail**

**TITLE:** Solar Plant Maintenance

**JOB #:** 836

**DESCRIPTION:** Annual Costs for O&M agreement with Sun Power plus weed abatement and additional module cleaning for 10 years, escalated @ 3%/yr. Year one was FY 10-11. First year came from solar loan proceeds.

**WORKLOAD:**

**EFFECTIVENESS:**

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	76	2,903
Services, Materials & Supplies	37,500	31,101	37,500
<b>TOTAL EXPENSES</b>	<b>37,500</b>	<b>31,177</b>	<b>40,403</b>

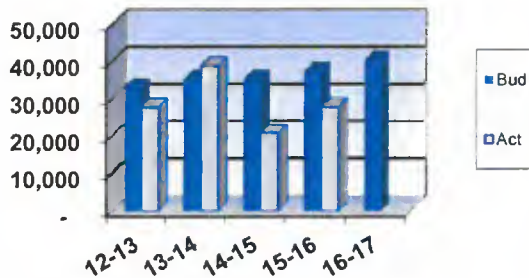
**Materials/Supplies/Contract Services**

O&M Contract Annual Payment	28,500	28,500
Weed Abatement	5,000	5,000
Additional Module Cleaning	2,000	2,000
REC Registration	2,000	2,000

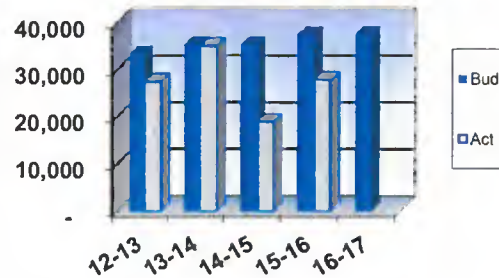
Total

37,500      -      37,500

**Solar Plant Maintenance**



**Materials, Supplies & Contractors**



**WASTEWATER DEPARTMENT**

Treatment Program

**Job Detail**

**TITLE:** Wastewater Telemetry

**JOB #:** 879

**DESCRIPTION:**

All costs related to maintenance and repair of the Wastewater Telemetry system. Includes new annual software maintenance costs for the upgraded WRP SCADA system

**WORKLOAD:**

**EFFECTIVENESS:**

**PROGRAM BUDGET**

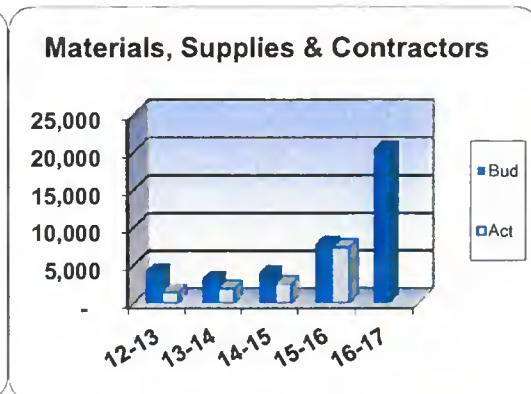
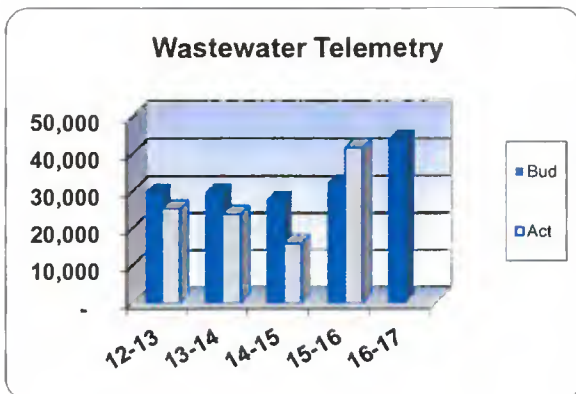
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	24,355	38,348	23,565
Services, Materials & Supplies	7,800	8,200	20,400
<b>TOTAL EXPENSES</b>	<b>32,155</b>	<b>46,548</b>	<b>43,965</b>

**Materials/Supplies/Contract Services**

Telemetry & SCADA Support/Software	2,400	15,000
Telemetry & SCADA Hardware	5,400	5,400

Total

7,800      -      20,400



**WASTEWATER DEPARTMENT**  
Disposal & Regulatory Compliance Program

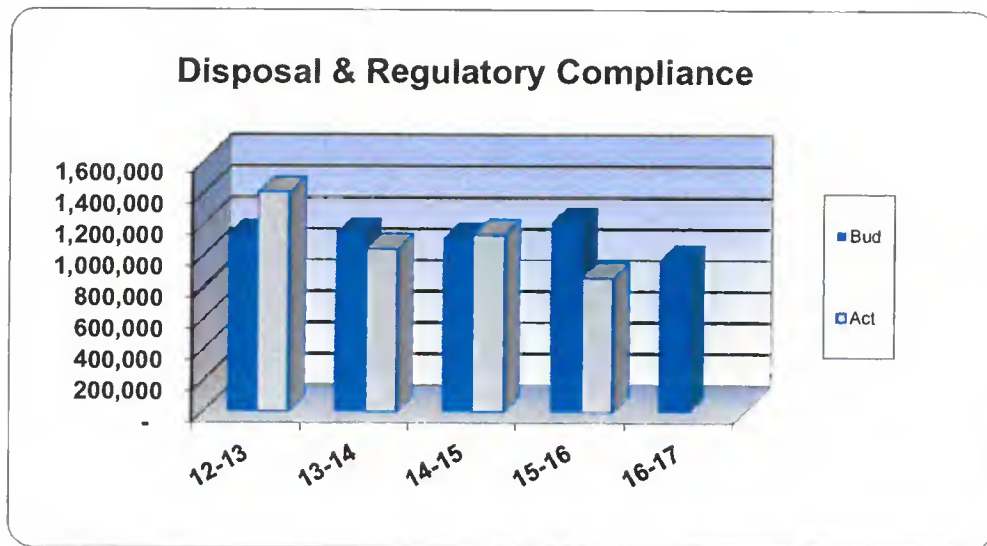
**Program Purpose & Scope:** Provides landfill disposal of sludge from the treatment of wastewater and ocean disposal of recycled water that is not sold. Program includes all expenses related to sludge processing and disposal, grit processing and disposal, maintenance of the 14 mile land outfall that delivers unused water to the Oceanside outfall, and lab testing to ensure the treatment process meets RWQCB requirements.

**Level of Service Standards:**

- Operate the treatment plant to meet discharge standards established in the permits issued by the RWQCB.
- Monitor sludge disposal after it leaves the plant to ensure disposal contractor complies with permit conditions.
- Respond to emergencies to minimize raw sewage spills on the outfall line and restore line to normal operation.
- Contribute to maintenance and repair of City of Oceanside's outfall line.
- Monitor local industries to insure compliance with industrial pre-treatment requirements.

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	454,026	363,668	509,510
Services, Material & Supplies	490,550	442,849	469,700
<b>TOTAL EXPENSES</b>	<b>944,576</b>	<b>806,517</b>	<b>979,210</b>



**WASTEWATER DEPARTMENT**  
 Disposal & Regulatory Compliance Program  
 Job Detail

**TITLE:** Laboratory Services & Process Control

**JOB #:** 801

**DESCRIPTION:** Laboratory equipment, calibration, reagents, sampling & analysis costs. Lab certification, quality assurance, quality control & contract laboratory. Includes all internal laboratory Costs not associated with recycled water production and compliance costs.

**EFFECTIVENESS:**

Laboratory services and process control

**PROGRAM BUDGET**

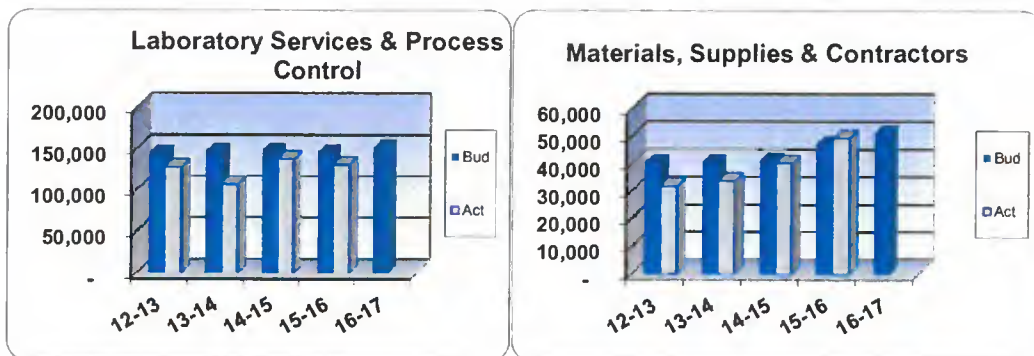
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	99,096	91,759	101,096
Services, Material & Supplies	47,150	55,358	51,200
<b>TOTAL EXPENSES</b>	<b>146,246</b>	<b>147,117</b>	<b>152,296</b>

**Materials/Supplies/Contract Services**

City of Oceanside Ocean Sample Analysis	25,000	25,000
Lab Inventory & Supplies	9,000	9,450
Equipment Service Contracts	5,800	8,000
Lab Equip. & Samplers - Repairs/Calibrate	2,600	2,700
Laboratory Cert. & Sampling & Testing	5,750	6,050

Total

47,150      -      51,200



**WASTEWATER DEPARTMENT**  
 Disposal & Regulatory Compliance Program  
 Job Detail

**TITLE:** FOG Program

**JOB #:** 804

**DESCRIPTION:** All costs related to the annual FOG inspection, testing and enforcement of the requirements of the Administrative Code.

**WORKLOAD:** Annually to determine and document compliance

**EFFECTIVENESS:** To avoid overflows and permit violations as well as maintain personal and public health & safety

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
Expenses			
Labor & Fringe	1,200	1,760	14,497
Services, Material & Supplies	7,300	159	7,300
<b>TOTAL EXPENSES</b>	<b>8,500</b>	<b>1,919</b>	<b>21,797</b>

**Materials/Supplies/Contract Services**

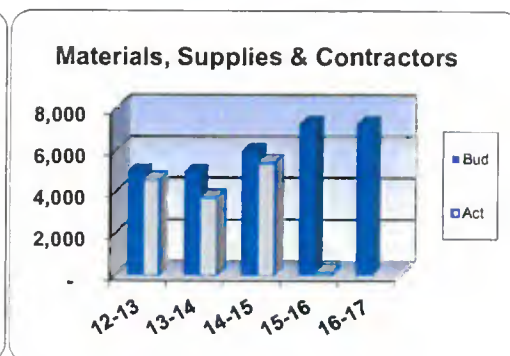
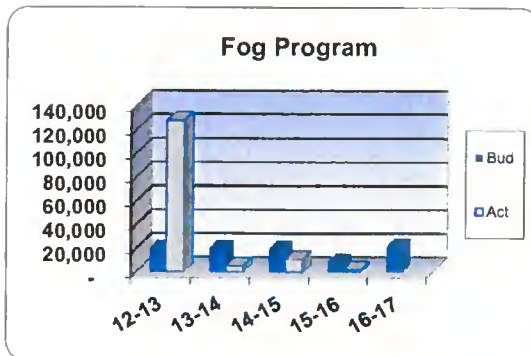
Outside Lab Analysis	5,500	5,500
Lab materials		
Hach		
Supplies	1,800	1,800
Other/FOG		

Total

7,300

-

7,300



**WASTEWATER DEPARTMENT**  
 Disposal & Regulatory Compliance Program  
 Job Detail

**TITLE:** Regulatory Compliance & Monitoring

**JOB #:** 805

**DESCRIPTION:** All costs related to regulatory & NPDES permit compliance for Treatment Plant 1 including all NPDES, storm water, APCD permit monitoring and reporting. Also, costs related to the Districts Sewer Overflow Response Plan and Hazardous Material Business Plan. Biosolids monitoring and reporting is included as well, The SWCB Annual outfall fees, sanitary sewer spill monitoring and outside laboratory analysis fees will be included.

**WORKLOAD:** All costs related to Regulatory Compliance as required by permits and regulatory requirements of the SWRCB, EPA, DOHS and APCD.

**EFFECTIVENESS:** Assure compliance with all permits and requirements of the various regulatory agencies.

**PROGRAM BUDGET**

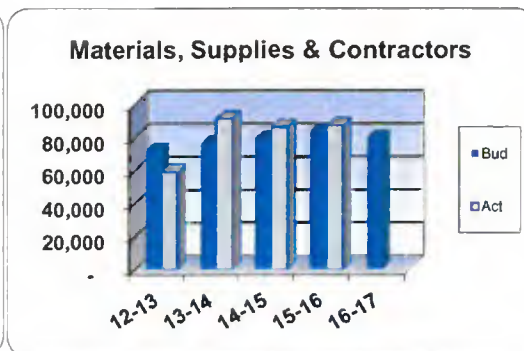
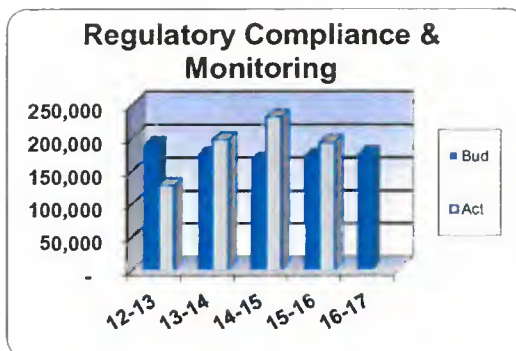
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	88,475	119,016	96,080
Services, Material & Supplies	84,650	97,575	80,000
<b>TOTAL EXPENSES</b>	<b>173,125</b>	<b>216,590</b>	<b>176,080</b>

**Materials/Supplies/Contract Services**

Plant Permit Fees	47,150	49,500
Outside Lab Analysis & Spill Monitoring	19,000	25,000
Annual Kelp Bed Study	5,500	5,500
Fines	10,000	-

Total

84,650      -      80,000





**WASTEWATER DEPARTMENT**  
 Disposal & Regulatory Compliance Program  
 Job Detail

**TITLE:** Outfall Right-of-Way Maintenance

**JOB #:** 807

**DESCRIPTION:** All cost related to maintaining access, schedule or emergency repairs, maintaining right-of-ways, air & vacs, blow-offs, isolation valves and inspection of the outfall line.

**WORKLOAD:** Monthly Maintenance including- grading & inspection of right-of-ways, weed control, inspection of pipe line, air vacs and blow-offs, scheduled & emergency repairs of pipe line, blow-offers, isolation valves, pipe line location and exercising valves.

**EFFECTIVENESS:** Maintain outfall line, prevent leaks or spills and avoid violations and fines.

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	82,608	53,254	95,922
Services, Material & Supplies	20,100	22,908	27,100
<b>TOTAL EXPENSES</b>	<b>102,708</b>	<b>76,162</b>	<b>123,022</b>

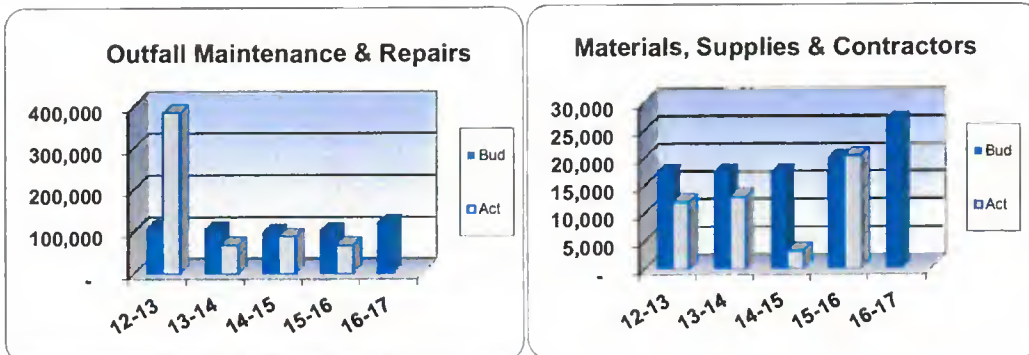
\*Merged Jobs 807, 808 & 809

**Materials/Supplies/Contract Services**

Rock	500	500
Air vacs & materials	13,300	20,300
Emergency Repairs	6,300	6,300

Total

20,100      -      27,100



**WASTEWATER DEPARTMENT**  
 Disposal & Regulatory Compliance Program  
 Job Detail

**TITLE:** Main Plant Solids Handling

**JOB #:** 825

**DESCRIPTION:** All costs related to O&M of the solids handling infrastructure including blowers, chemical systems, centrifuge & thickening operation, aerobic digesters, related pumps, sludge drying equipment added in fiscal year 07-08. Includes extensive record keeping/annual reporting to EPA and the SWRCB. This will include all controllers and electrical within these areas.

**WORKLOAD:** Operation, monitoring and analysis of aerobic digesters. Operation, monitoring of sludge thickener, centrifuge and sludge dryer.

**EFFECTIVENESS:** Further treats solids previously removed from primary and secondary processes. Provides further biological treatment, produces a Class A biosolid which can be sold as fertilizer.

**PROGRAM BUDGET**

	<u>2015-16</u> <u>Budget</u>	<u>2015-16</u> <u>Projected</u>	<u>2016-17</u> <u>Budget</u>
<b>Expenses</b>			
Labor & Fringe	182,646	97,879	201,914
Services, Material & Supplies	331,350	266,850	304,100
<b>TOTAL EXPENSES</b>	<b>513,996</b>	<b>364,729</b>	<b>506,014</b>

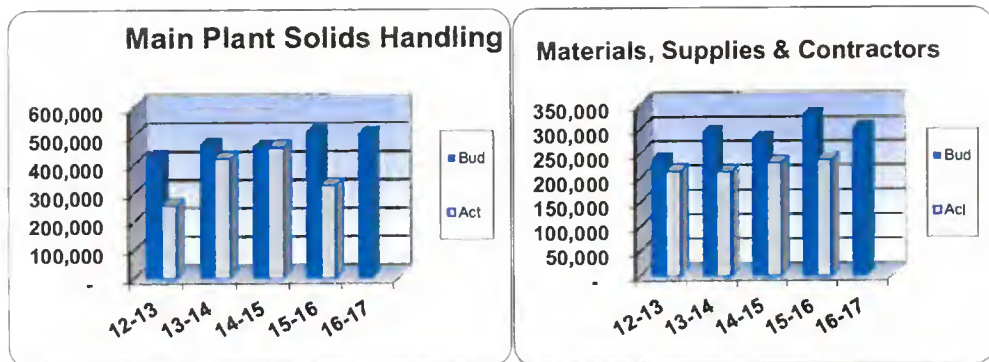
\*Merged Jobs 825 & 835

**Materials/Supplies/Contract Services**

Power	99,000	90,000
Chemical Inventory	77,000	80,000
Natural Gas	44,100	44,100
Sludge Disposal	30,000	30,000
Equipment Service Contracts	25,000	25,000
Site Maint./Mat./Parts/Supplies & Inv.	46,250	30,000
Unexpected Breakdown/Repairs	10,000	5,000

Total

331,350      -      304,100



**WASTEWATER DEPARTMENT**  
Debt Service Program

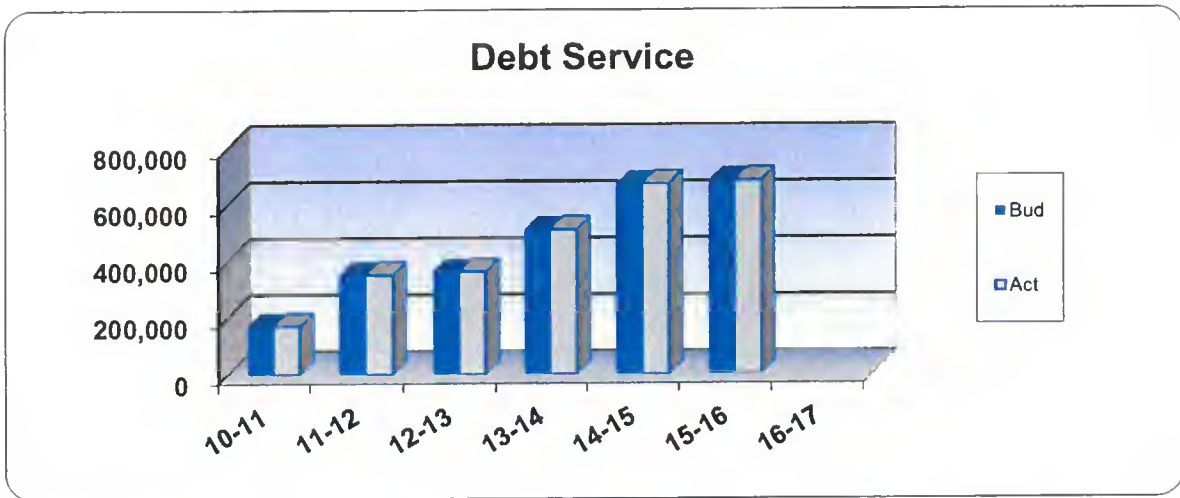
**Program Purpose & Scope** Program provides revenue from wastewater operations to offset a portion of the annual debt service payments for the '11 solar project. Revenue is realized from the generation of solar power which offsets the charges paid to SDG&E. Program also provides revenue from wastewater ops to offset a portion of the SRF loan in the amount of \$28M for the wastewater treatment plant rehab.

**Level of Service Standards:**

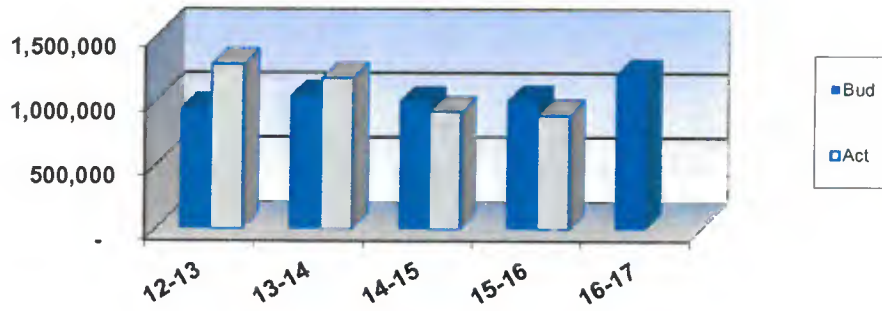
- Transfer \$350,000 to per year beginning FY 11-12 to the ID"S" debt service fund to pay the solar debt, to increase by 3%/yr or actual SDG&E rate increases
- Beginning in 12-13 when WWTP rehab loan was secured, Wastewater Ops & Recyc ops will begin to contribute the difference between 1% property taxes received and the WW component of the loan.

**PROGRAM BUDGET**

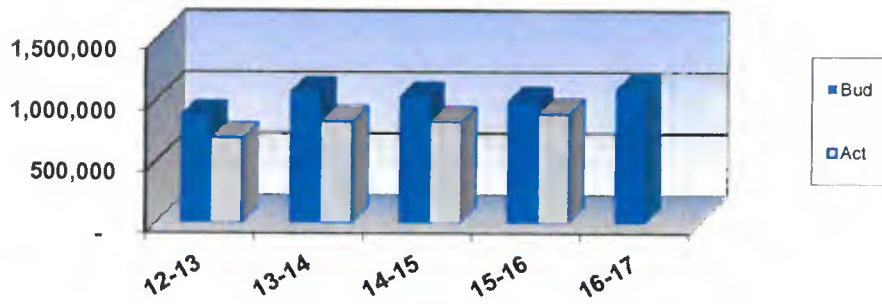
	2015-16 <u>Budget</u>	2015-16 <u>Projected</u>	2016-17 <u>Budget</u>
<b>Expenses</b>			
Labor			
Fringe Benefits			
Equipment Allocation			
Trnx for SRF Debt	288,600	288,600	288,600
Transfer for Solar Debt	393,928	393,928	405,750
<b>TOTAL EXPENSES</b>	<b>682,528</b>	<b>682,528</b>	<b>694,350</b>



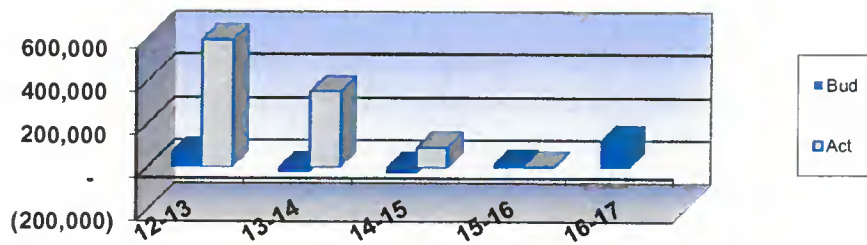
### Recycled Dept Revenues



### Recycled Dept Expenses



### Recycled Dept Net Revenues



## RECYCLED WATER DEPARTMENT

### Budget Summary

#### Department Mission

Provide reliable recycled water supply to all customers who can use recycled water in the District service area, and contract for sale outside the District as supply is available.

#### DEPARTMENT BUDGET SUMMARY

Recycled Budget Summary	2015-16 Budget	2015-16 Projected	2016-17 Budget
<b>Revenues</b>			
Water Sales	808,786	706,528	992,443
Service Charges	54,867	59,202	69,807
MWD/CWA Incentive	135,000	114,200	148,000
Sundry *	5,000	5,000	5,000
Total Revenues	1,003,653	884,930	1,215,250
<b>Expenses</b>			
Production	542,753	494,594	561,330
Distribution	73,198	51,273	119,360
Allocated Admin Expenses	276,803	242,296	310,968
Debt Service Transfer	94,248	94,248	94,248
Total Expenses	987,002	882,411	1,085,906
Net Revenue/(Expense)	16,651	2,519	129,345
Beginning Fund Balance	232,626	146,389	148,908
Ending Fund Balance	249,277	148,908	278,253
<b>EQUITY REQUIREMENTS</b>			
Working Capital	223,189	223,189	247,914
Total Equity Required	223,189	223,189	247,914
Unappropriated Funds	26,088	(74,281)	30,339

**RECYCLED WATER DEPARTMENT  
Revenue Program**

**Program Purpose & Scope**

Develop sufficient revenue to pay for recycled water production, distribution, and long-term debt service costs of capital facilities.

**Revenue Objectives**

- Establish a rate structure at the greater of 85% of Tier 1 rates or 80% of the average of Tier 1 and Tier 2 M&I rates.
- Capitalize all costs related to establishing service to additional users.

**Program Budget**

	2015-16 <u>Budget</u>	2015-16 <u>Projected</u>	2016-17 <u>Budget</u>
<b>Revenues</b>			
Water Sales	\$ 808,786	\$706,528	\$ 992,443*
Service Charges	54,867	59,202	68,907
MWD/CWA incentive	135,000	114,200	148,000**
Sundry*	5,000	5,000	5,000
Total Revenues	\$1,003,653	\$884,930	\$1,215,250

\*CalTrans Take-or-Pay and Orange Grove contracted fee.

\*\* MWD reclaimed rebates ended 1/31/15

**Water Sales**

All output of Plant #1 is tertiary treated to Title 22 standards. The local distribution extends from the plant through the Airpark past the High School east to Premier Color nursery and south to Olive Hill greenhouses. The primary users along this system are the flower growers and Christmas tree growers on the Airpark, the playing fields at the High School, and the Pepper Tree subdivision. Additionally, the District provides the irrigation water for the median and slopes on South Mission Road. A capital project was completed during FY 15-16, extending a recycled waterline east to serve additional nurseries. Three new connections have been made to this recycled waterline and sales are projected to increase by 150AF during FY 16-17 to 740AF.

All the output not demanded by the local distribution system is sent through the outfall line which terminates at the jointly used (with the City of Oceanside) ocean outfall. The District also delivers recycled water to California Department of Transportation (CalTrans) for irrigation at the I-5/Route 76 interchange, and a mitigation site on Douglas Drive.



Recycled use is not interruptible and is provided without curtailment. Therefore, in FY 03/04 the Board established the rate for recycled water at the greater of 80% of the average Tier 1 and Tier 2 M&I rate or 85% of the Tier 1 rate. Following the Board's philosophy of recycled water pricing, the rate for Calendar year 2016 is proposed at \$3.96 per kgal which is 85% of Tier 1 M&I.

<u>Water Sales</u>	<u>Volume</u>	<u>\$/kgal</u>	<u>\$/AF</u>	<u>Revenue</u>
Fallbrook	505 AF	\$4.43	\$ 1,443.42	\$728,927
CalTrans	190 AF	\$3.05*	\$ 993.78	\$188,818
Orange Grove	45 AF	\$5.09*	\$1,659.94	\$ 74,697
<hr/>				
TOTAL	740 AF			\$992,443

\*By contract

Sales are projected at 740 AF for 16-17.

<u>Year</u>	<u>AF</u>
1995-96	530
1996-97	768
1997-98	683
1998-99	694
1999-00	671
2000-01	573
2001-02	431
2002-03	373
2003-04	361
2004-05	315
2005-06	415
2006-07	505
2007-08	470
2008-09	590
2009-10	594
2010-11	500
2011-12	545
2012-13	720
2013-14	747
2014-15	445
2015-16	571 Estimated
2016-17	740 Budgeted

**Service Charges**

Meters and backflow devices for recycled customers are capitalized when installed and considered part of the distribution system. However, to contribute to the operating costs of the District such as meter reading, billing, meter repair/replacement, insurance and other operating costs, the local area customers are charged a monthly service charge based on the size of the meter and levied at the same rate as the monthly charge for the same size potable meter. There are currently 32 recycled meters in service and at least two additional installations are anticipated for the budget year. Service charges increases are proposed to match those of the water system and are proposed to increase by 6% for the upcoming budget year.

Monthly Service Charges

Within FPUD Service Area.....\$68,451

**Other Revenues**

Both MWD and SDCWA have developed programs to help subsidize the costs of building, maintaining, and operating systems which decrease the demands on potable water. Under the MWD Local Resources Program, its subsidy for recycled water sold to MWD customers was \$250 per acre foot until 1/31/15 when the program ended. The SDCWA program provides a rate of \$200 per acre foot. This contract is scheduled to expire September 2019.

SDCWA Subsidy

740 AF @ \$200.....\$148,000

Per Generally Accepted Accounting Principles (GAAP), at the end of the fiscal year, any net revenues or net expenses roll into the Ending Equity/Fund Balance accounts separately and distinctly for each operating entity.

**RECYCLED WATER DEPARTMENT**  
Production Program

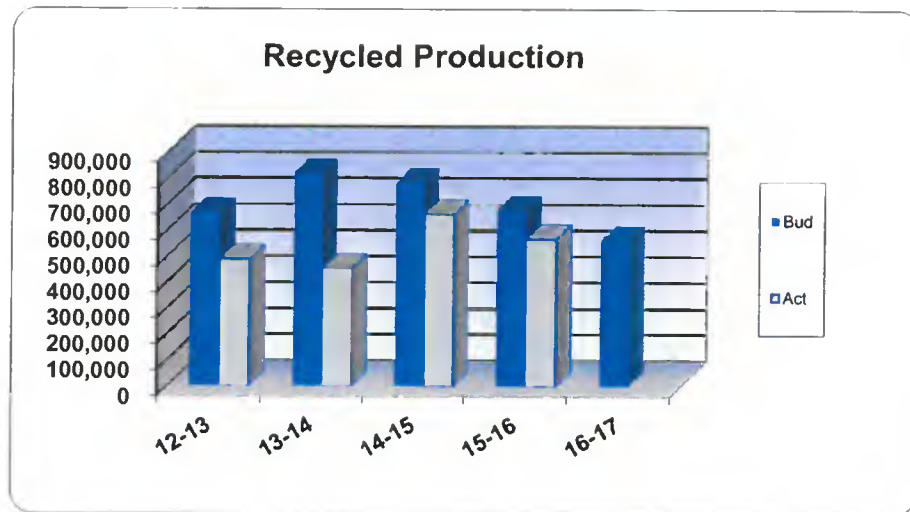
**Program Purpose & Scope:** Program provides production of tertiary level recycled water to State Administrative Code, Title 22 standards. Provides for all costs of treatment in excess of that necessary to meet secondary discharge permit standards. Program includes operation and maintenance of tertiary filters, laboratory tests to ensure permit conditions are met, and reporting to RWQCB

**Level of Service Standards:**

- Comply with applicable Regional Water Quality Control Board permit conditions for production of tertiary treated water.
- Monitor water quality to meet specific customer needs.

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	329,753	311,951	312,180
Services, Materials & Supplies	213,000	182,643	249,150
<b>TOTAL EXPENSES</b>	<b>542,753</b>	<b>494,594</b>	<b>561,330</b>



**RECYCLED WATER DEPARTMENT**

Production Program

**Job Detail**

**TITLE:** Laboratory Recycled Water

**JOB #:** 803

**DESCRIPTION:** All costs related to monitoring & reporting of reclaimed water production and analysis. Includes sampling, reporting & reporting cost incurred for compliance with SWRCB order 91-39. Includes laboratory reagents, glassware and equipment, including calibration, maintenance and repair. Reporting includes Monthly, Quarterly, Semi-Annual and Annual Reclaimed Water Reports.

**WORKLOAD:** All monitoring requirements including sampling and analysis for all reporting requirements.

**EFFECTIVENESS:** Assure compliance with SWRCB Order 91-39 including required monitoring and reporting as well as troubleshooting and judging effectiveness of treatment and water quality in the reclaimed water distribution system.

**PROGRAM BUDGET**

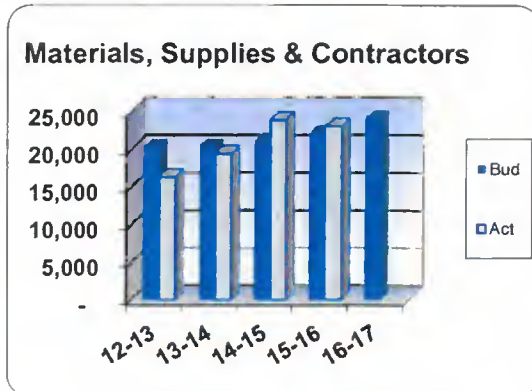
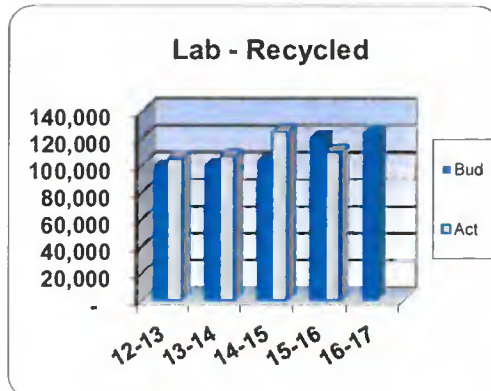
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	99,211	97,166	101,082
Services, Materials & Supplies	22,150	25,833	24,150
<b>TOTAL EXPENSES</b>	<b>121,361</b>	<b>123,000</b>	<b>125,232</b>

**Materials/Supplies/Contract Services**

Laboratory Certification & Sampling & Testing	5,250	6,050
Lab Inventory & Supplies	9,000	9,200
Equipment Service Contracts	5,300	6,200
Lab Equip. & Samplers - Repr & Calibrate	2,600	2,700

Total

22,150      -      24,150



## RECYCLED WATER DEPARTMENT

Production Program

### Job Detail

**TITLE:** Main Plant Tertiary

**JOB #:** 824

**DESCRIPTION:** Costs related to all parts of the tertiary treatment unit processes including equalization basin (pond), pumps (mud well, applied, backwash), flocculation sedimentation basin, filters and controllers, chlorine contact tank, reclaimed water pumps, chlorine and TDS analyzer, chlorine storage and feed systems, alum and polymer raga & feed systems, chlorine scrubber and outfall structure.

**WORKLOAD:** Production of high quality effluent that meets CA Title 22 standards. Mgmt. of water to assure supply for reclaimed water users, operation of chemical feed systems, rapid sand filters, chlorine feed system, chlorine contact tank, and reclaimed water sys.

**EFFECTIVENESS:** Assure compliance with Reclaimed Water Permit and Title 22 water quality standards. Assure proper water mgmt. Operate reclaimed water equipment to assure adequate supply & quality to all users, and maintain logs & records.

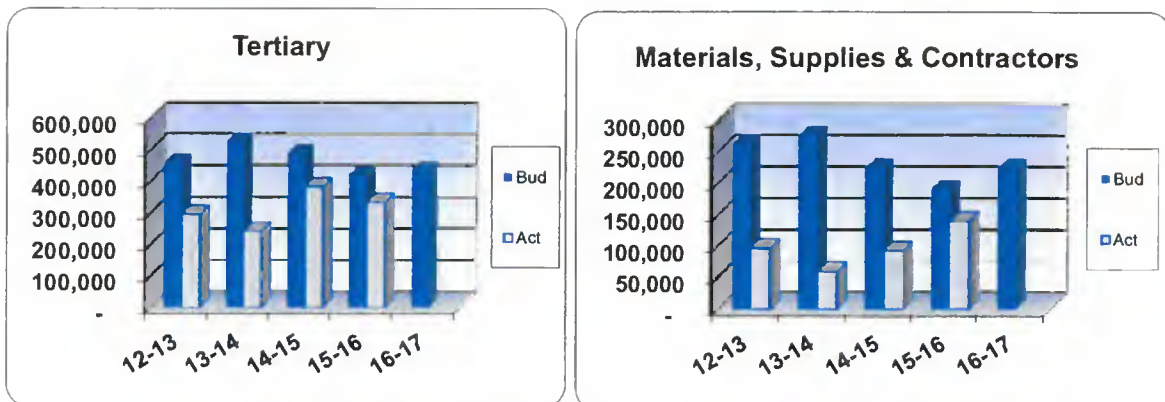
PROGRAM BUDGET	2015-16 <u>Budget</u>	2015-16 <u>Projected</u>	2016-17 <u>Budget</u>
<b>Expenses</b>			
Labor & Fringe	230,542	214,784	211,097
Services, Materials & Supplies	190,850	156,810	225,000
<b>TOTAL EXPENSES</b>	<b>421,392</b>	<b>371,594</b>	<b>436,097</b>

\*Merged Jobs 824 & 834

<b>Materials/Supplies/Contract Services</b>		
Power	57,600	85,500
Chemical Inventory	108,000	108,000
Site Maint./Materials/Parts/Suppli	14,750	13,000
Equipment Service Contracts	7,500	8,500
Unexpected Breakdowns & Repa	3,000	2,000
Equipment rehabilitation	-	8,000

Total

190,850	-	225,000
---------	---	---------



**RECYCLED WATER DEPARTMENT**  
Distribution Program

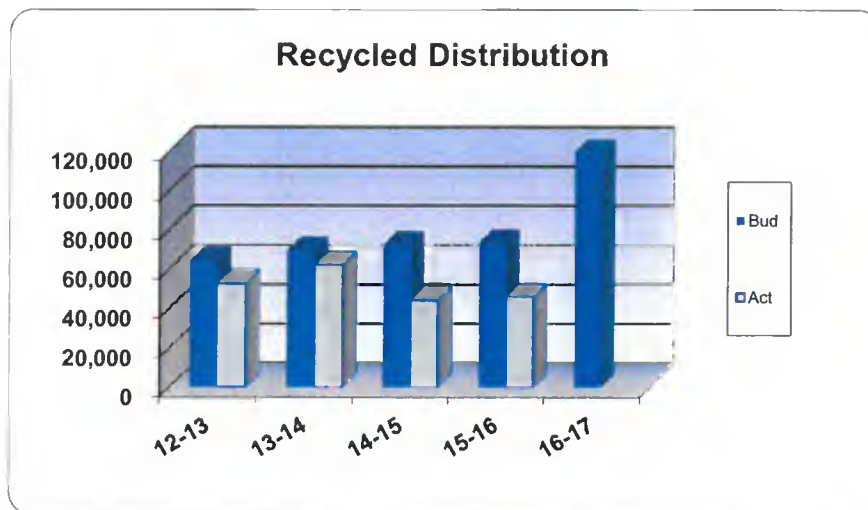
**Program Purpose & Scope:** Program provides distribution of tertiary level recycled water to customers in Fallbrook and the City of Oceanside. Program includes scheduling of water deliveries within production capability of treatment plant, liaison with on-site customer representatives on use of recycled water, inspection of customer facilities to ensure no cross-connections with potable system, and maintenance of the distribution system.

**Level of Service Standards:**

- Comply with applicable Regional Water Quality Control Board permit conditions for distribution and customer use of tertiary treated water.
- Monitor water use by customers to ensure treatment plant capacity is not exceeded.

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	53,749	40,535	93,210
Services, Materials & Supplies	19,450	10,738	26,150
<b>TOTAL EXPENSES</b>	<b>73,199</b>	<b>51,273</b>	<b>119,360</b>





**RECYCLED WATER DEPARTMENT**  
 Distribution Program  
 Job Detail

**TITLE:** Recycled Service Monitoring and Testing  
**JOB #:** 115  
**DESCRIPTION:** L&M to inspect and conduct drawdown test on Recycled Water Sites

**WORKLOAD:** Monitor recycled water system

**EFFECTIVENESS:** Ensure compliance with Recycled permit and Title 22

**PROGRAM BUDGET**

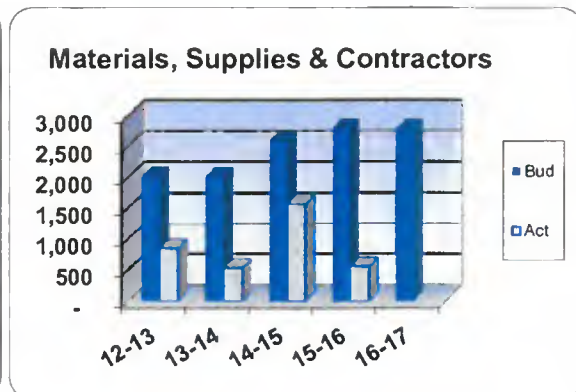
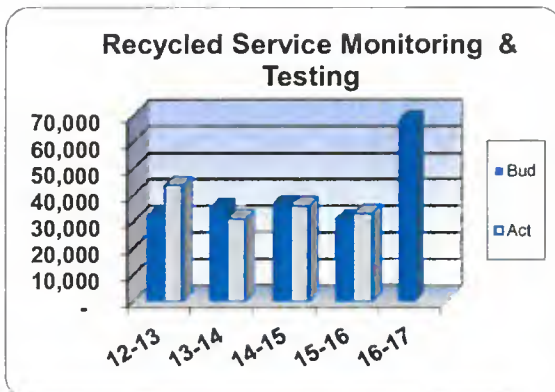
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringes	28,567	36,610	65,875
Service, Materials & Supplies	2,800	627	2,800
<b>TOTAL EXPENSES</b>	<b>31,367</b>	<b>37,237</b>	<b>68,675</b>

**Materials/Supplies/Contract Services**

Equipment & Materials	2,800	2,800
-----------------------	-------	-------

Total

2,800	-	2,800
-------	---	-------



**RECYCLED WATER DEPARTMENT**  
Distribution Program  
Job Detail

**TITLE:** Recycled Water Valve Maintenance  
**JOB #:** 711  
**DESCRIPTION:** L&M required to inspect and repair reclaimed system valves.

**WORKLOAD:**

**EFFECTIVENESS:**

**PROGRAM BUDGET**

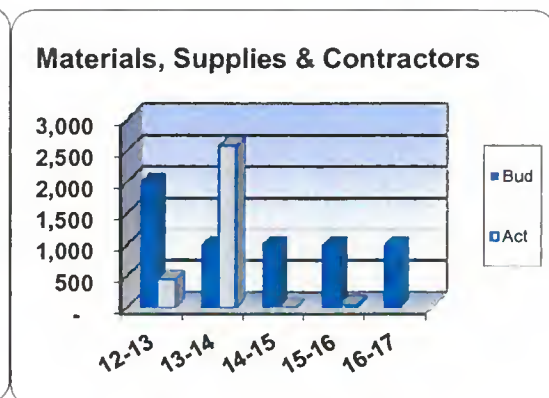
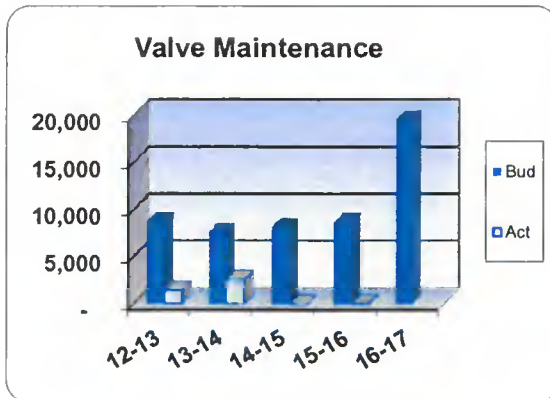
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringes	7,716	-	18,583
Service, Materials & Supplies	1,000	53	1,000
<b>TOTAL EXPENSES</b>	<b>8,716</b>	<b>53</b>	<b>19,583</b>

**Materials/Supplies/Contract Services**

Inventory	1,000	1,000
-----------	-------	-------

Total

1,000      -      1,000



**RECYCLED WATER DEPARTMENT**  
 Distribution Program  
 Job Detail

**TITLE:** Control Valve Maintenance  
**JOB #:** 713  
**DESCRIPTION:** L&M required to inspect and repair reclaimed system flow and pressure control valves

**WORKLOAD:** As needed repairs.  
 Routine valve maintenance on a 2 to 5 year cycle.

**EFFECTIVENESS:** Ensures that pressure/flow control facilities operate reliably and safely.  
 Routine maintenance reduces the number of control valve failures, thereby reducing the number of pipeline failures, and extends the life of the system.

**PROGRAM BUDGET**

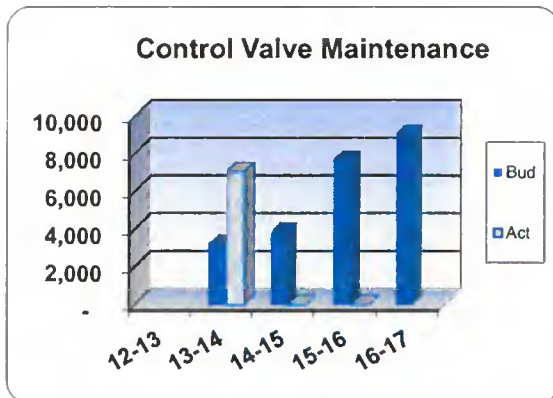
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringes	1,936	-	3,368
Service, Materials & Supplies	5,750	-	5,750
<b>TOTAL EXPENSES</b>	<b>7,686</b>	<b>-</b>	<b>9,118</b>

**Materials/Supplies/Contract Services**

Cla Valve Service	4,000	4,000
Equipment & Materials	750	750
Fencing/Vault Repair	1,000	1,000

Total

5,750      -      5,750



**RECYCLED WATER DEPARTMENT**  
 Distribution Program  
 Job Detail

**TITLE:** Recycled Water Pipe and Meter Maintenance  
**JOB #:** 716  
**DESCRIPTION:** L & M required to repair leaks on Recycled water main/service lines and meter repair/replacement

**WORKLOAD:**

**EFFECTIVENESS:**

**PROGRAM BUDGET**

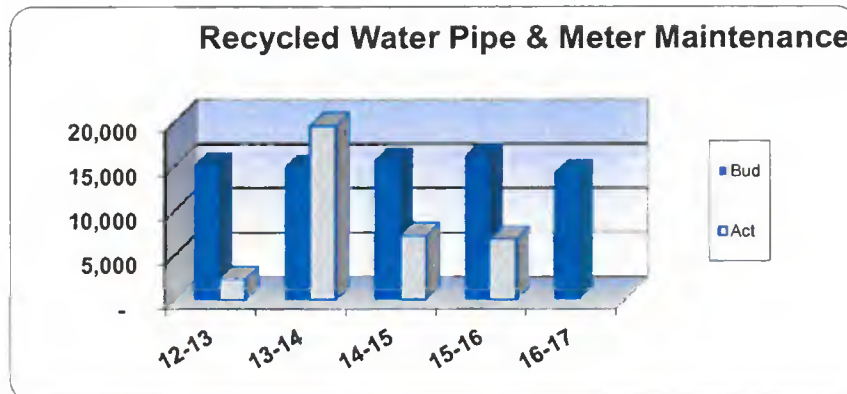
	<u>2015-16</u> <u>Budget</u>	<u>2015-16</u> <u>Projected</u>	<u>2016-17</u> <u>Budget</u>
<b>Expenses</b>			
Labor & Fringes	10,288	1,700	2,223
Service, Materials & Supplies	5,900	5,933	12,100
<b>TOTAL EXPENSES</b>	<b>16,188</b>	<b>7,633</b>	<b>14,323</b>

\*Merged Jobs 716 & 721

**Materials/Supplies/Contract Services**

Inventory/Other	2,800	3,000
Main Line Repairs	2,000	2,000
Paving/Compactions/Inspections	700	700
Signs		1,000
Power	400	400
Meters/ERT		5,000

Total	<u>5,900</u>	-	<u>12,100</u>
-------	--------------	---	---------------



**RECYCLED WATER DEPARTMENT**  
Distribution Program  
Job Detail

**TITLE:** Recycled Telemetry  
**JOB #:** 779  
**DESCRIPTION:** Maintain and upgrade SCADA telemetry system.

**WORKLOAD:**

**EFFECTIVENESS:**

**PROGRAM BUDGET**

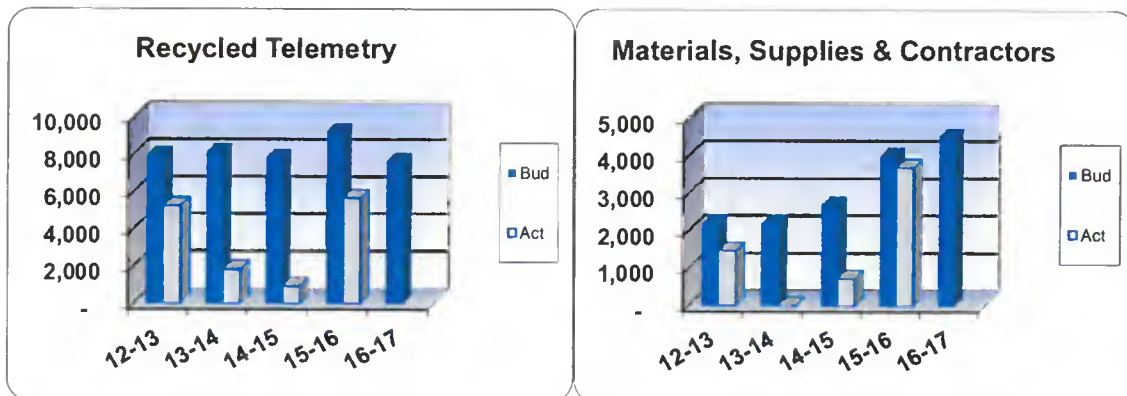
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringes	5,241	2,225	3,162
Service, Materials & Supplies	4,000	4,124	4,500
<b>TOTAL EXPENSES</b>	<b>9,241</b>	<b>6,349</b>	<b>7,662</b>

**Materials/Supplies/Contract Services**

Telemetry & SCADA Support/Software	1,000	500
Telemetry & SCADA Hardware	3,000	4,000

Total

4,000	-	4,500
-------	---	-------



**RECYCLED WATER DEPARTMENT**  
Debt Service Program

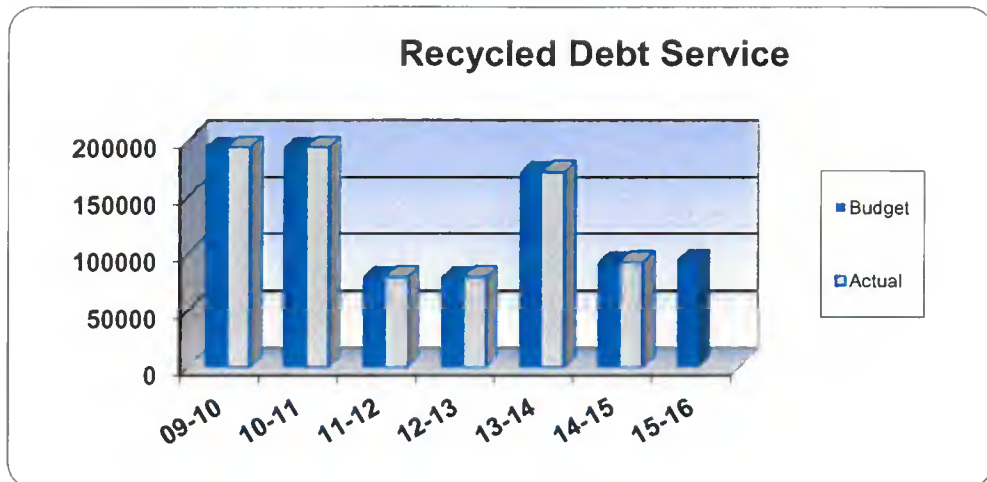
**Program Purpose & Scope** Program provides revenue from sale of recycled water to meet annual debt service payments for the construction of the production and distribution facilities.

**Level of Service Standards:**

- Transfer \$94,248 per year to the SRF Debt Service Fund to pay the debt on the State Loan for the Wastewater Treatment Plant Rehabilitation

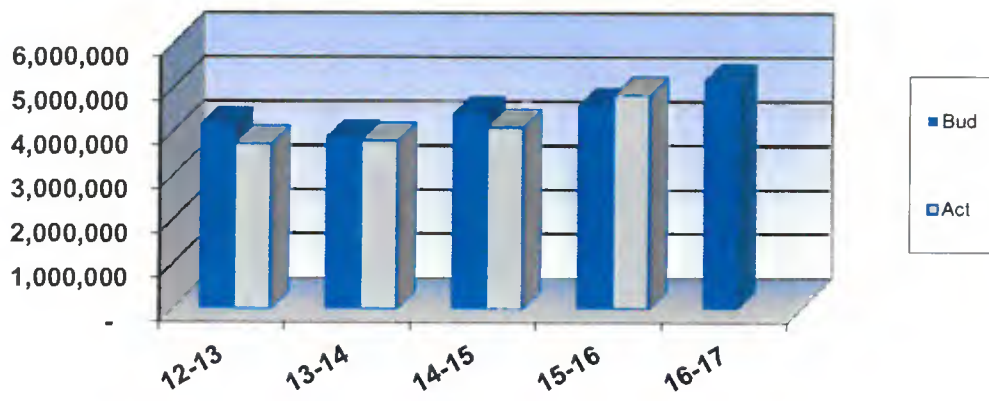
**PROGRAM BUDGET**

	2015-16 <u>Budget</u>	2015-16 <u>Actual</u>	2016-17 <u>Budget</u>
<b>Expenses</b>			
Labor			
Fringe Benefits			
Equipment Allocation			
Transfer to WWTP SRF	92,400	92,400	94,248
			-
<b>TOTAL EXPENSES</b>	92,400	92,400	94,248





### Admin&Finance



## ADMINISTRATION DEPARTMENT

### Budget Summary

#### Department Mission

Provide support serviced to the three operating departments. The Administration budget includes expenses in the following programs.

#### Administration & Financial Management

#### Engineering

#### Community Relations

#### Human Resources

This program includes details and a summary of the Fringe Benefits Program. All fringe benefits are allocated across all labor expenses by a percentage burden rate so that each budget program includes a proportionate share. The Human Resources budget summary excludes fringe benefit expenses.

#### Warehouse & Equipment Support

Similarly, the Warehouse and Equipment Support Program expenses are allocated across all labor to distribute these costs to all programs. Therefore, the Administration Department Budget summary excludes these cost.

The remainder of the Administration budget expenses are then allocated to the Water, Wastewater and Recycled water Departments for the purpose of developing appropriate rate structures and revenues.

#### Admin Dept. Budget Summary

	2015-16 Budget	2015-16 Projected	2016-17 Budget
<b>Expense Allocation</b>			
Water Department	2,398,955	2,568,339	2,591,400
Wastewater Department	1,937,618	2,035,288	2,280,432
Recycled Water Department	276,803	242,296	310,968
Total Allocation	4,613,376	4,845,923	5,182,800
<b>Expenses</b>			
Administration & Financial Mgmt	2,691,278	3,024,806	3,045,147
Engineering	893,117	833,650	1,029,537
Community Relations	281,069	220,341	309,088
Personnel Support	747,912	767,127	799,028
Total Expenses	4,613,376	4,845,923	5,182,800
<b>Net Revenue/(Expense)</b>	-	-	-

**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program

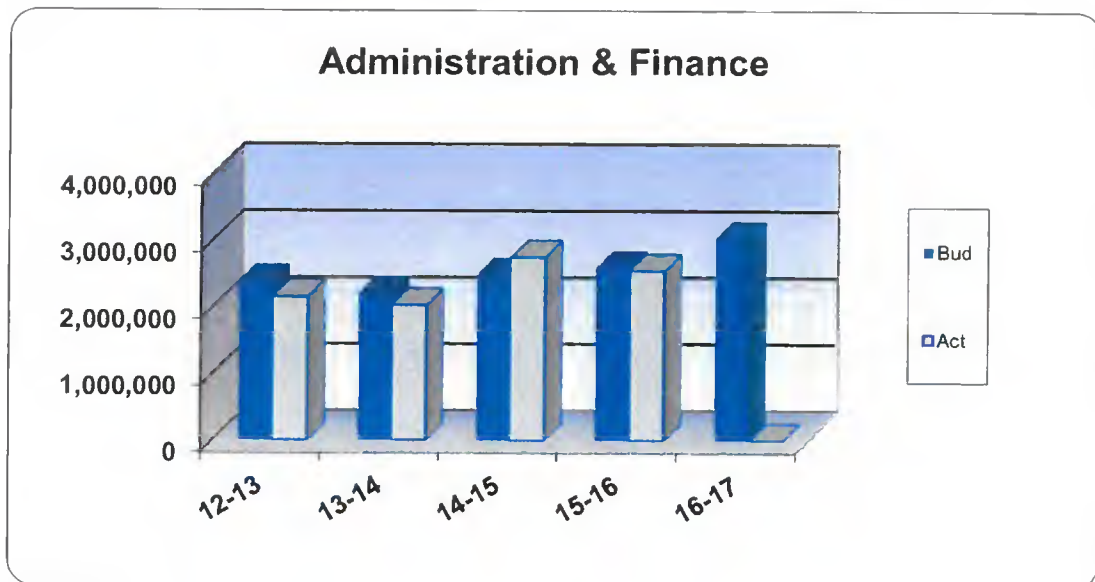
**Program Purpose & Scope:** Program provides policy development, executive management, financial management, and administrative support services for all District activities. Includes support for the elected Board of Directors, Legal Counsel for Board and staff, accounting and audit services, maintenance of buildings, insurance, investment and cash management, executive level management of all District programs, and maintenance of equipment and inventory control.

**Level of Service Standards:**

- Provide education, training and staff support for the Board of Directors
- Carry out policies established by Board of Directors
- Provide day to day management of district activities
- Protect District cash assets through prudent investments within policy guidelines
- Provide an accounting system to assist management in operating the District in an efficient and cost effective manner.
- Provide adequate office space and computer support services
- Maintain equipment with minimum down time

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	1,790,593	1,927,560	1,967,706
Services, Materials & Supplies	903,185	901,726	1,077,440
<b>TOTAL EXPENSES</b>	<b>2,693,778</b>	<b>2,829,286</b>	<b>3,045,147</b>



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Management Information Systems  
**JOB #:** 602  
**DESCRIPTION:** All of the functions necessary to provide Management Information Systems Support to all departments.

**WORKLOAD:** Upgrades and maintenance can be scheduled. Majority of effort is predicated on hardware and software failures/problems.

**EFFECTIVENESS:** Rapid response to ensure that all applications are current and "down" time is limited to no more than four hours.

**PROGRAM BUDGET**

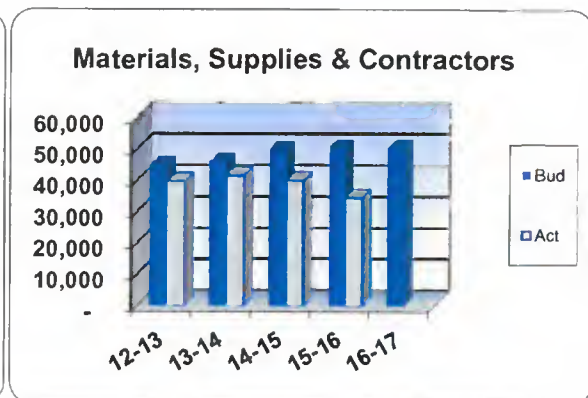
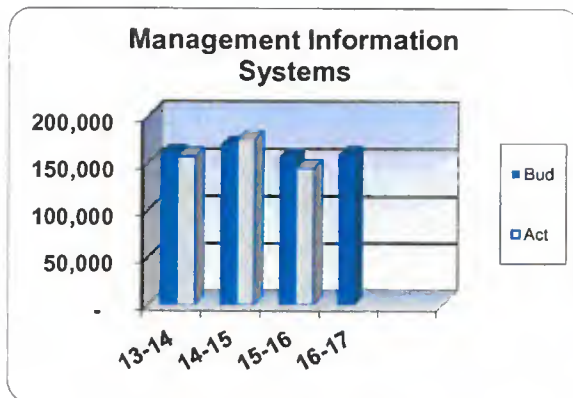
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	107,097	123,476	109,241
Services, Materials & Supplies	50,415	38,706	50,500
<b>TOTAL EXPENSES</b>	<b>157,512</b>	<b>162,182</b>	<b>159,741</b>

**Materials/Supplies/Contract Services**

Software Upgrades	1,000	500
Hardware Upgrades	25,000	25,000
System Maintenance	12,000	10,000
Emergency Repairs	2,500	3,000
Software Licensing renewals	7,500	7,500
Laserfiche Avante Maintenance	2,415	4,500

Total

50,415	-	50,500
--------	---	--------



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Watermaster Finance Support  
**JOB #:** 600  
**DESCRIPTION:** FPUD employees perform various Finance & Accounting to support Watermaster activities. These expenses are reimbursed by the Watermaster to FPUD.

**WORKLOAD:**

**EFFECTIVENESS:**

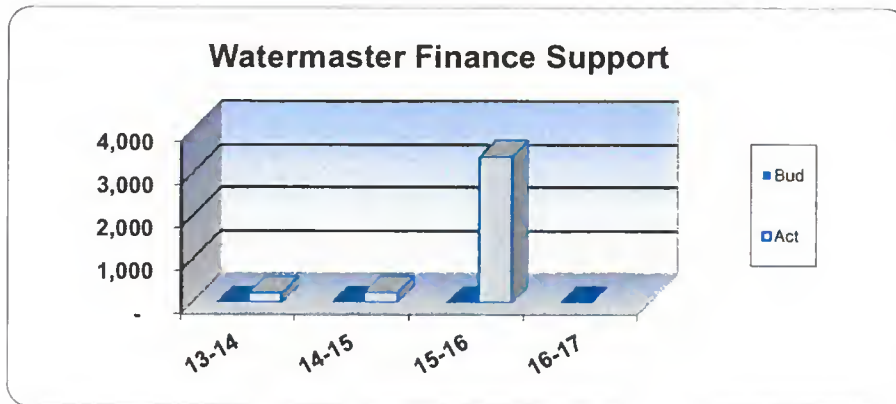
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	4,894	-
Services, Materials & Supplies	-	(1,094)	-
<b>TOTAL EXPENSES</b>	-	<b>3,800</b>	-

**Materials/Supplies/Contract Services**

Copy/Postage  
Other

Total



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Administrative Assistant to the Watermaster  
**JOB #:** 603  
**DESCRIPTION:** The Watermaster reimburses FPUD for the costs of this Admin Assistant. Reimbursement by the Watermaster is budgeted for in Water's Sundry Revenue.

**WORKLOAD:**

**EFFECTIVENESS:**

**PROGRAM BUDGET**

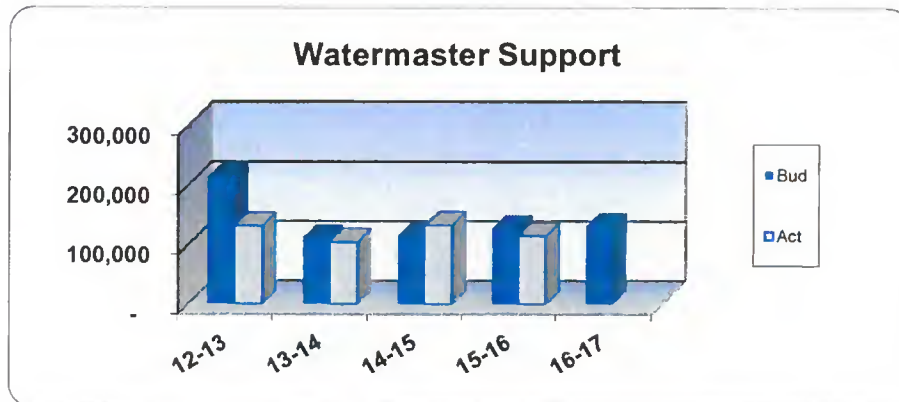
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	127,576	128,709	132,196
Services, Materials & Supplies	-	-	-
<b>TOTAL EXPENSES</b>	<b>127,576</b>	<b>128,709</b>	<b>132,196</b>

**Materials/Supplies/Contract Services**

Copy/Postage  
Other

Total

- - -





**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** FPUDEA Meetings  
**JOB #:** 604  
**DESCRIPTION:** Wages charged for FPUDEA meeting attendance

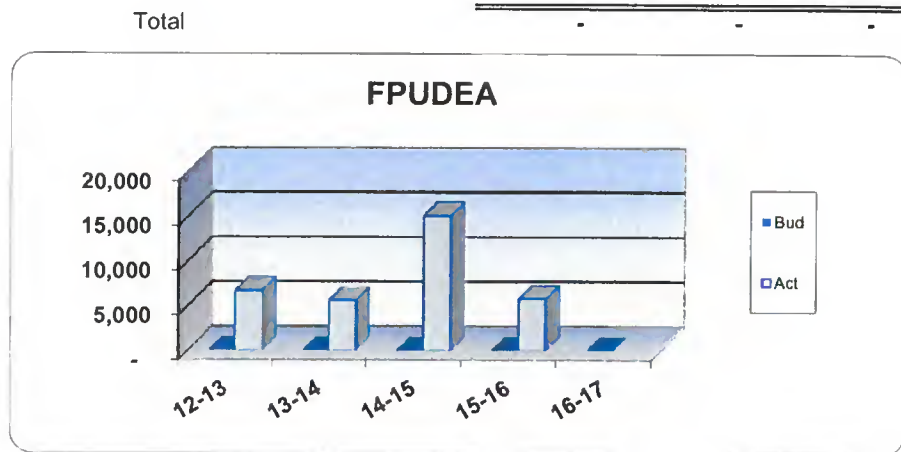
**WORKLOAD:**

**EFFECTIVENESS:**

**PROGRAM BUDGET**

<b>Expenses</b>	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
Labor & Fringe	-	6,326	-
Services, Materials & Supplies	-	-	-
<b>TOTAL EXPENSES</b>	<b>-</b>	<b>6,326</b>	<b>-</b>

**Materials/Supplies/Contract Services**



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Springbrook Conversion  
**JOB #:** 605  
**DESCRIPTION:** Wages for FPUD employees who are integral to the successful conversion from legacy system to Springbrook Finance, G/L and Utility Billing.

**WORKLOAD:**

**EFFECTIVENESS:**

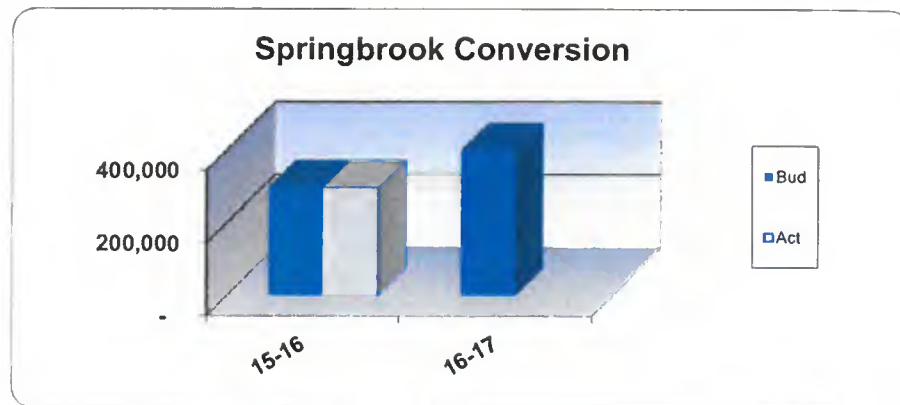
**PROGRAM BUDGET**

<b>Expenses</b>	<b>2015-16 Budget</b>	<b>2015-16 Projected</b>	<b>2016-17 Budget</b>
Labor & Fringe	298,364	305,100	370,628
Services, Materials & Supplies	-		29,260
<b>TOTAL EXPENSES</b>	<b>298,364</b>	<b>305,100</b>	<b>399,888</b>

**Materials/Supplies/Contract Services**

Annual Maintenance Contract 29,260

Total - - 29,260



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Legal Services  
**JOB #:** 612-21  
**DESCRIPTION:** All fees for professional legal services, to include general and specialized legal issues.

**WORKLOAD:**

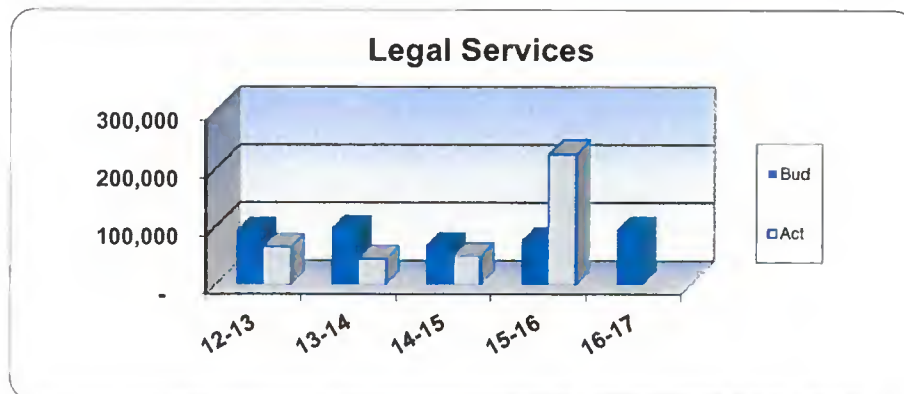
**EFFECTIVENESS:**

**PROGRAM BUDGET**

<b>Expenses</b>	<b>2015-16 Budget</b>	<b>2015-16 Projected</b>	<b>2016-17 Budget</b>
Labor & Fringe	-	-	-
Services, Materials & Supplies	75,000	251,873	95,000
<b>TOTAL EXPENSES</b>	<b>75,000</b>	<b>251,873</b>	<b>95,000</b>

**Materials/Supplies/Contract Services**

FPUD vs. PERS & Other	15,000	20,000
Negotiations	10,000	-
H.R. Issues	5,000	5,000
Regulatory	20,000	20,000
District Counsel	25,000	50,000
<b>Total</b>	<b>75,000</b>	<b>95,000</b>



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Annual Audit

**JOB #:** 612-22

**DESCRIPTION:** All fees associated with the annual audit of District books. Also included is the Single Audit as required for receipt of Federal funds such as the District's two SRF (State Revolving Fund) loans.

**WORKLOAD:** Additional auditing requirements will be met once the District goes live with the new Springbrook software. This will be a one time charge.

**EFFECTIVENESS:**

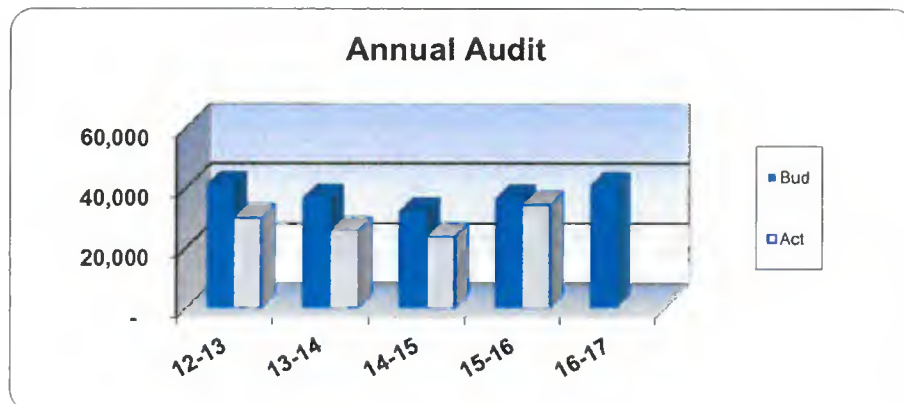
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	-	-
Services, Materials & Supplies	36,500	38,334	41,000
<b>TOTAL EXPENSES</b>	<b>36,500</b>	<b>38,334</b>	<b>41,000</b>

**Materials/Supplies/Contract Services**

Auditors	27,250	30,000
GASB 45 Actuarial study (PERS Criteria)		5,000
Other-Springbrook Go Live Auditing	4,000	-
Single Audit	5,250	6,000

Total	<u>36,500</u>	<u>-</u>	<u>41,000</u>
-------	---------------	----------	---------------



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Claims  
**JOB #:** 612-23  
**DESCRIPTION:** Property damage or small claims damages against the District which are not funded through JPIA.

**WORKLOAD:** District responds to small claims for minor property damage.

**EFFECTIVENESS:**

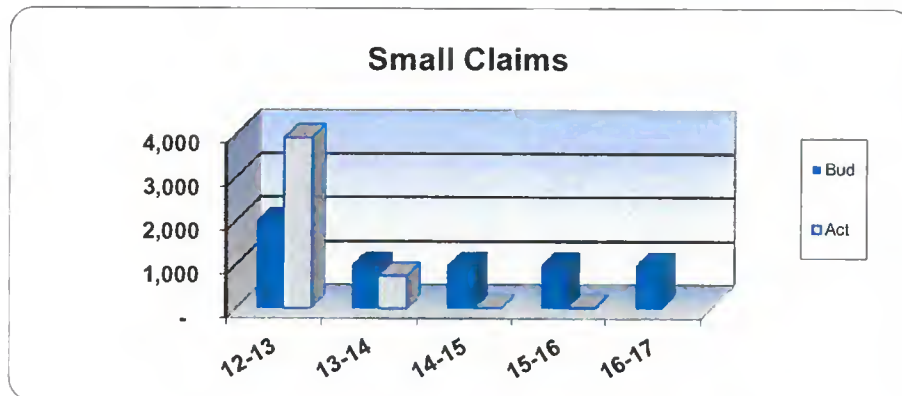
**PROGRAM BUDGET**

Expenses	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
Labor & Fringe	-	-	-
Services, Materials & Supplies	1,000	33	1,000
<b>TOTAL EXPENSES</b>	<b>1,000</b>	<b>33</b>	<b>1,000</b>

**Materials/Supplies/Contract Services**

Small Claims	1,000	1,000
--------------	-------	-------

Total	<u>1,000</u>	<u>-</u>	<u>1,000</u>
-------	--------------	----------	--------------



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
Job Detail

**TITLE:** Directors Expenses

**JOB #:** 612-24

**DESCRIPTION:** All expenses for travel, registration, meals, lodging or other expenses approved by the Board for reimbursement for conducting District business. Also included is a flat fee paid on a per meeting basis to each director.

**WORKLOAD:** Also included for FY 16-17 are election costs for seats 1, 2 & 3.

**EFFECTIVENESS:**

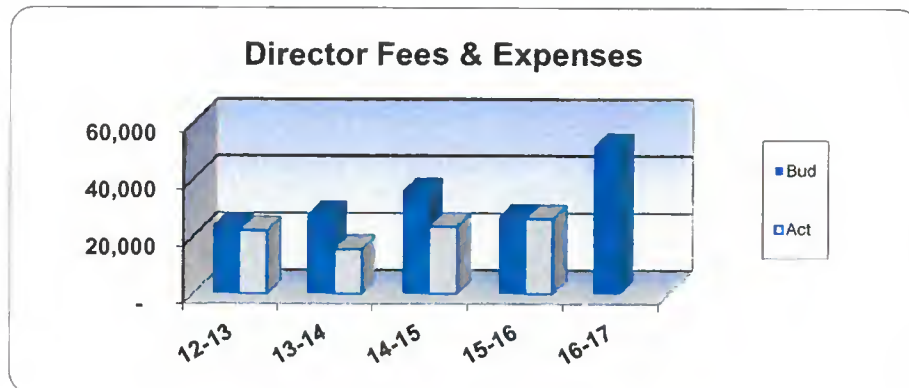
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	20,000	22,335	25,000
Services, Materials & Supplies	7,000	7,216	27,000
<b>TOTAL EXPENSES</b>	<b>27,000</b>	<b>29,551</b>	<b>52,000</b>

**Materials/Supplies/Contract Services**

Travel, Registration	7,000	7,000
Customer Service Survey		-
Seats 1, 2, & 3 election costs and Divisional items	-	20,000

Total	<u>7,000</u>	-	<u>27,000</u>
-------	--------------	---	---------------





**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Advertising  
**JOB #:** 612-26  
**DESCRIPTION:** All advertising as required by law, to include meeting notices, ordinances, & request for bids.

**WORKLOAD:**

**EFFECTIVENESS:**

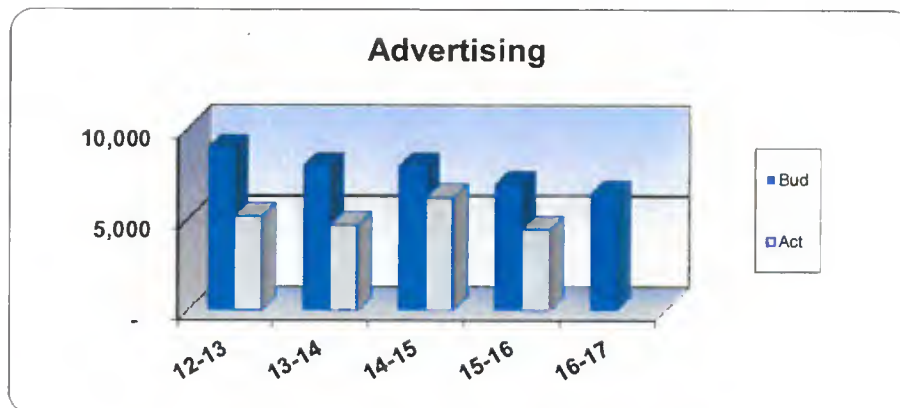
**PROGRAM BUDGET**

Expenses	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
Labor & Fringe	-	-	-
Services, Materials & Supplies	7,000	5,006	6,500
<b>TOTAL EXPENSES</b>	<b>7,000</b>	<b>5,006</b>	<b>6,500</b>

**Materials/Supplies/Contract Services**

Legal notices	1,000	500
Bid Notices		-
Prop 218 mailing	6,000	6,000
Other		-

Total 7,000 - 6,500



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Publications  
**JOB #:** 612-27  
**DESCRIPTION:** Publications & subscriptions purchased for district use.

**WORKLOAD:**

**EFFECTIVENESS:**

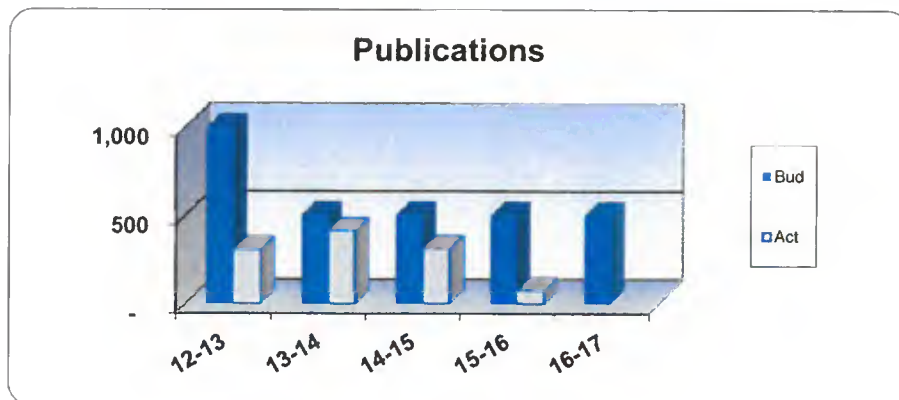
**PROGRAM BUDGET**

Expenses	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
Labor & Fringe	-	-	-
Services, Materials & Supplies	500	84	500
<b>TOTAL EXPENSES</b>	<b>500</b>	<b>84</b>	<b>500</b>

**Materials/Supplies/Contract Services**

Publications	500	500
Other		

Total	<u>500</u>	<u>-</u>	<u>500</u>
-------	------------	----------	------------



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Travel & Meetings  
**JOB #:** 612-28  
**DESCRIPTION:** Costs for travel and meetings, general conferences, and their costs.

**WORKLOAD:**

**EFFECTIVENESS:**

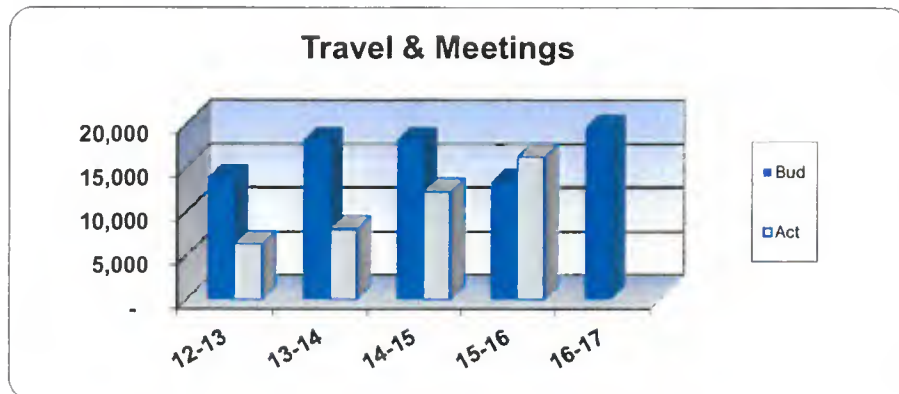
**PROGRAM BUDGET**

Expenses	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
Labor & Fringe	-	-	-
Services, Materials & Supplies	13,320	18,197	19,620
<b>TOTAL EXPENSES</b>	<b>13,320</b>	<b>18,197</b>	<b>19,620</b>

**Materials/Supplies/Other**

Mileage Reimbursement	2,100	2,100
GM-ACWA and 2 others	5,000	11,000
Meeting Travel-Bebbee-ACWA/Water reuse	6,220	6,520
Other		

Total	<u>13,320</u>	-	<u>19,620</u>
-------	---------------	---	---------------



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Telephones  
**JOB #:** 612-29  
**DESCRIPTION:** Local & long distance billing & service charges for all District telephone locations, including emergency cellular phones and pagers. Also includes repairs to phones/lines owned by District.

**WORKLOAD:**

**EFFECTIVENESS:**

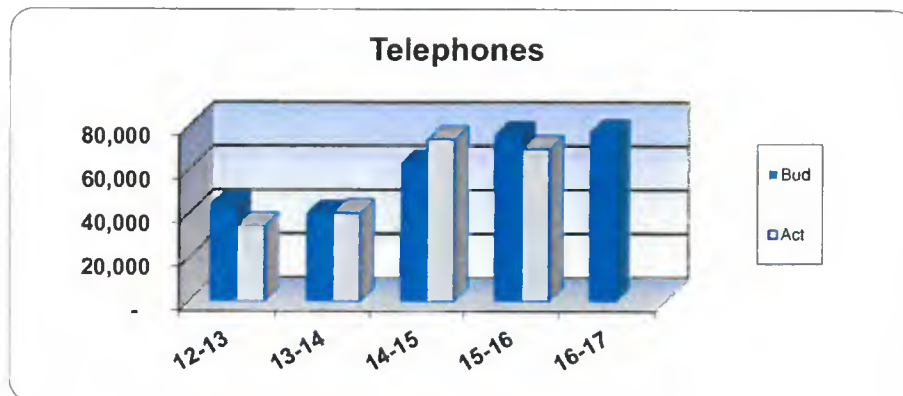
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	-	-
Services, Materials & Supplies	76,150	77,683	77,550
<b>TOTAL EXPENSES</b>	<b>76,150</b>	<b>77,683</b>	<b>77,550</b>

**Materials/Supplies/Contract Services**

Telephone service-Local & Long Distance	15,000	15,000
Mobile Phones-Cell phones/pagers/PC card	14,000	14,500
System/Lines-T1/Web & Email	37,100	38,000
Conference Calling	200	200
Mitel Phone Systems	9,850	9,850

Total	<u>76,150</u>	-	<u>77,550</u>
-------	---------------	---	---------------



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Office Supplies  
**JOB #:** 612-31  
**DESCRIPTION:** Costs to purchase office supplies and small office equipment.

**WORKLOAD:**

**EFFECTIVENESS:**

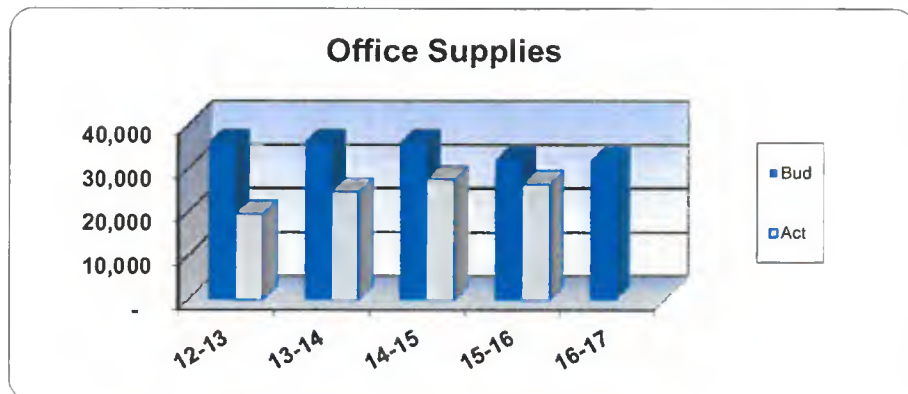
**PROGRAM BUDGET**

<b>Expenses</b>	<b>2015-16 <u>Budget</u></b>	<b>2015-16 <u>Projected</u></b>	<b>2016-17 <u>Budget</u></b>
Labor & Fringe	-	-	-
Services, Materials & Supplies	32,000	29,597	32,000
<b>TOTAL EXPENSES</b>	<b>32,000</b>	<b>29,597</b>	<b>32,000</b>

**Materials/Supplies/Contract Services**

Office Supplies	25,000	25,000
Other-Toner/printer cartridges	3,000	3,000
Office Furniture	4,000	4,000

Total	32,000	-	32,000
-------	--------	---	--------



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Postage (non-billing)  
**JOB #:** 612-33  
**DESCRIPTION:** Postage as required. Does not include charges to mail billings.

**WORKLOAD:**

**EFFECTIVENESS:**

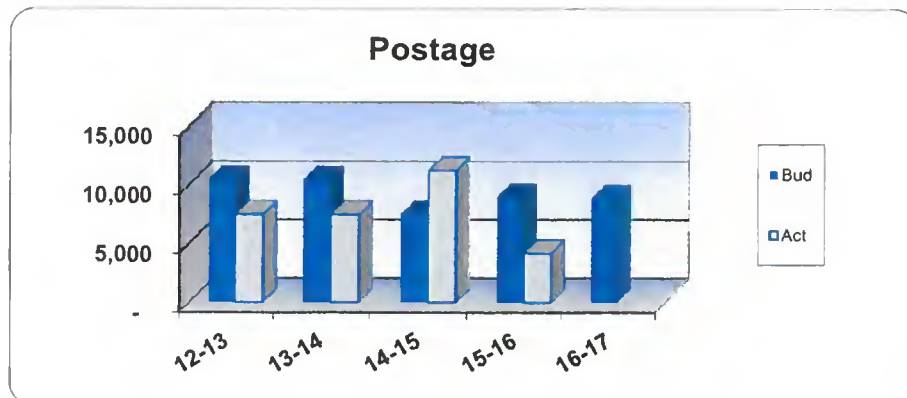
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	-	-
Services, Materials & Supplies	9,000	4,680	8,900
<b>TOTAL EXPENSES</b>	<b>9,000</b>	<b>4,680</b>	<b>8,900</b>

**Materials/Supplies/Contract Services**

Postage Equipment	2,500	2,500
Postage	6,500	6,400
Other		

Total 9,000 - 8,900



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Property Taxes  
**JOB #:** 612-34  
**DESCRIPTION:** Property Taxes for property owned outside of District boundaries.

**WORKLOAD:**

**EFFECTIVENESS:**

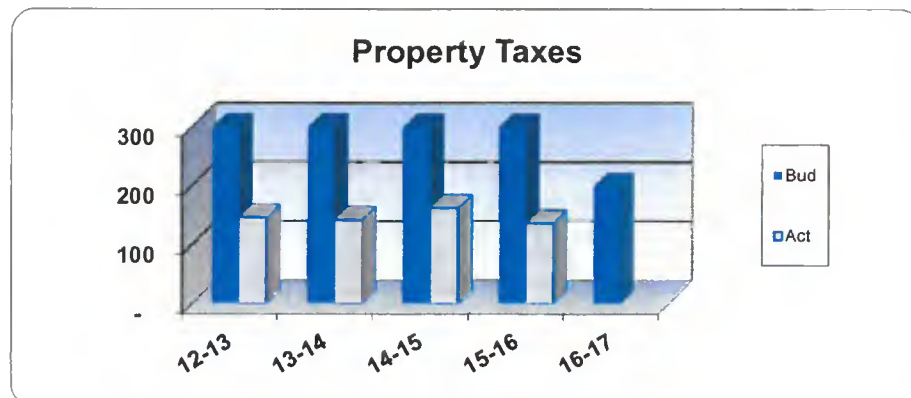
**PROGRAM BUDGET**

Expenses	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
Labor & Fringe	-	-	-
Services, Materials & Supplies	300	153	200
<b>TOTAL EXPENSES</b>	<b>300</b>	<b>153</b>	<b>200</b>

**Materials/Supplies/Contract Services**

Two/Three Parcels	300	200
Other		

Total 300      -      200





**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Office Equipment Maintenance  
**JOB #:** 612-40  
**DESCRIPTION:** Repairs and necessary upgrades to maintain all District office equipment.

**WORKLOAD:**

**EFFECTIVENESS:**

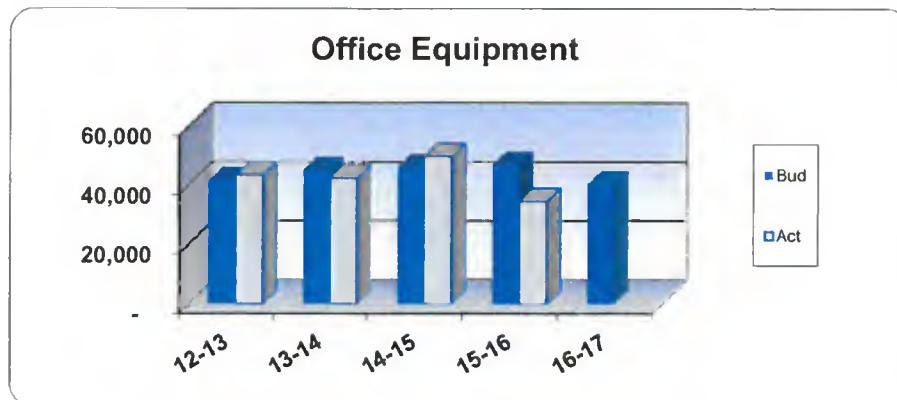
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	-	-
Services, Materials & Supplies	47,000	38,756	40,600
<b>TOTAL EXPENSES</b>	<b>47,000</b>	<b>38,756</b>	<b>40,600</b>

**Materials/Supplies/Contract Services**

Mailing Equip Maint Agree		
Copier Lease & Maintenance	46,000	39,600
Remittance Processor		
Copier Taxes	500	500
Other repair parts	500	500

Total	<u>47,000</u>	<u>-</u>	<u>40,600</u>
-------	---------------	----------	---------------



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Liability/Property Insurance  
**JOB #:** 612-41  
**DESCRIPTION:** District Property Damage, Dam and Liability coverage.

**WORKLOAD:**

**EFFECTIVENESS:**

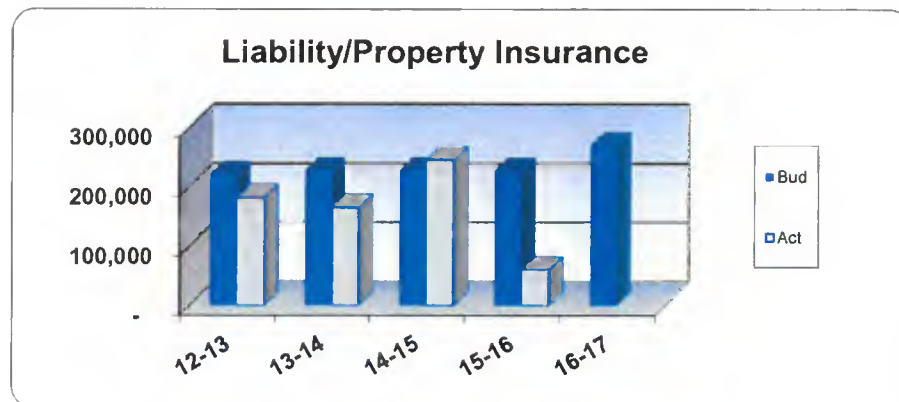
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	-	-
Services, Materials & Supplies	227,000	262,600	270,000
<b>TOTAL EXPENSES</b>	<b>227,000</b>	<b>262,600</b>	<b>270,000</b>

**Materials/Supplies/Contract Services**

Liability	175,000	210,000
Property	40,000	48,000
Dam	12,000	12,000
Retro Charges		
Other		

Total	<b>227,000</b>	<b>-</b>	<b>270,000</b>
-------	----------------	----------	----------------



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Miscellaneous G&A Expenses  
**JOB #:** 612-43  
**DESCRIPTION:** Miscellaneous non-office supplies, such as DMV fees, recording fees, etc.

**WORKLOAD:**

**EFFECTIVENESS:**

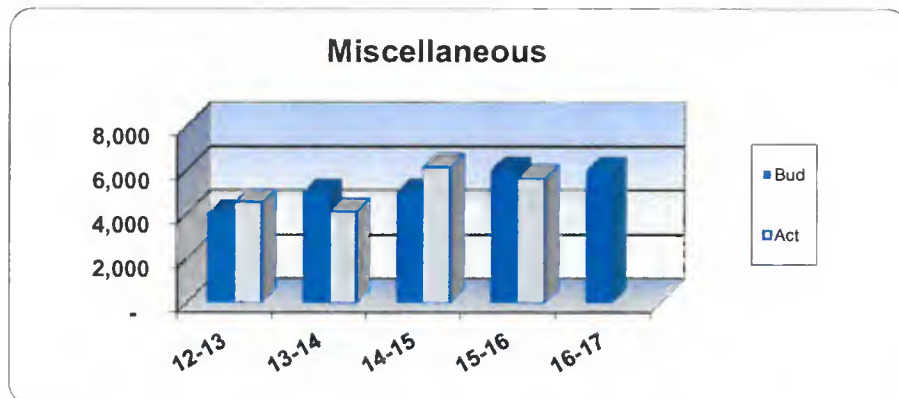
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	-	-
Services, Materials & Supplies	6,000	6,307	6,000
<b>TOTAL EXPENSES</b>	<b>6,000</b>	<b>6,307</b>	<b>6,000</b>

**Materials/Supplies/Contract Services**

Other	6,000	6,000
-------	-------	-------

Total	<b>6,000</b>	-	<b>6,000</b>
-------	--------------	---	--------------



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Membership Dues  
**JOB #:** 612-45  
**DESCRIPTION:** Fees/Dues for District Memberships

**WORKLOAD:**

**EFFECTIVENESS:**

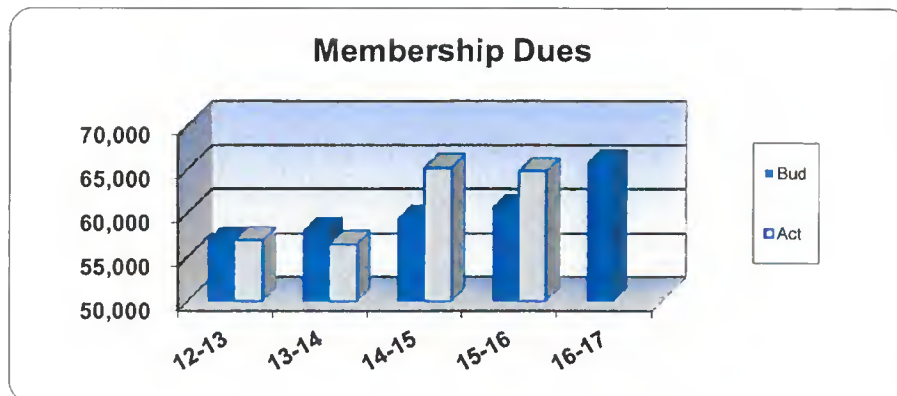
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	-	-
Services, Materials & Supplies	60,600	72,505	65,800
<b>TOTAL EXPENSES</b>	<b>60,600</b>	<b>72,505</b>	<b>65,800</b>

**Materials/Supplies/Contract Services**

ACWA	20,000	23,000
CSDA	5,700	5,700
Water Reuse	2,500	2,500
CASA	8,500	8,500
LAFCO	17,000	18,000
Other	4,000	5,100
AWWA	2,900	3,000

Total	<b>60,600</b>	-	<b>65,800</b>
-------	---------------	---	---------------



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** General Manager  
**JOB #:** 613-21  
**DESCRIPTION:** Wages and benefits for the General Manager.

**WORKLOAD:**

**EFFECTIVENESS:** The JPA with Rainbow was dissolved 4/5/14. No additional cost savings.

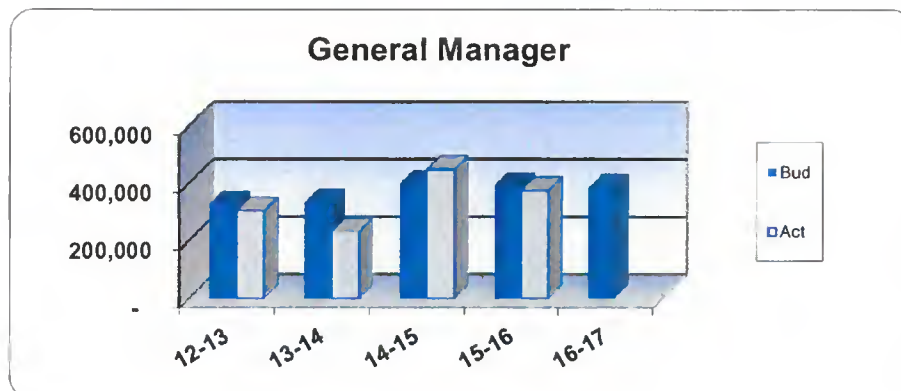
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	391,120	418,317	383,660
Services, Materials & Supplies	-	-	-
<b>TOTAL EXPENSES</b>	<u>391,120</u>	<u>418,317</u>	<u>383,660</u>

**Materials/Supplies/Contract Services**

Total

-	-	-
---	---	---



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Secretary  
**JOB #:** 613-51  
**DESCRIPTION:** Wages & benefits for the Board Secretary.

**WORKLOAD:**

**EFFECTIVENESS:**

**PROGRAM BUDGET**

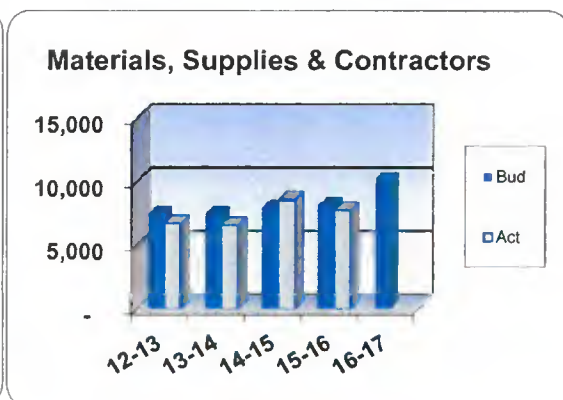
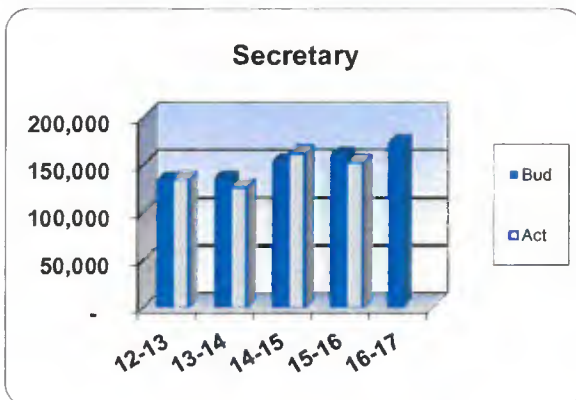
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	152,464	162,059	163,425
Services, Materials & Supplies	8,200	8,686	10,200
<b>TOTAL EXPENSES</b>	<b>160,664</b>	<b>170,744</b>	<b>173,625</b>

**Materials/Supplies/Contract Services**

State Mandated		
HP Parcel Programming	2,700	3,000
Storage & Shredding	5,500	7,200

Total

8,200      -      10,200



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Administrative Assistant  
**JOB #:** 613-55  
**DESCRIPTION:** Wages & benefits for the Administrative Assistant.

**WORKLOAD:**

**EFFECTIVENESS:**

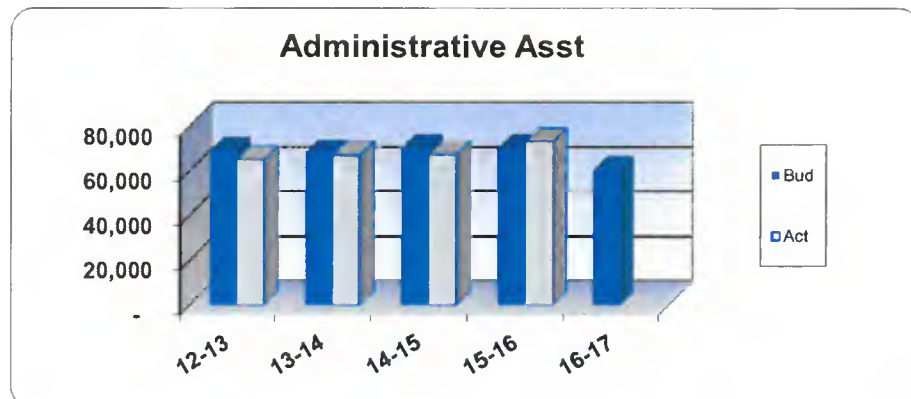
**PROGRAM BUDGET**

<b>Expenses</b>	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
Labor & Fringe	70,278	79,502	60,855
Services, Materials & Supplies	-	2,475	-
<b>TOTAL EXPENSES</b>	<b>70,278</b>	<b>81,977</b>	<b>60,855</b>

**Materials/Supplies/Contract Services**

Temp Service -

Total -





**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Administrative Services Manager/Treasurer  
**JOB #:** 613-61  
**DESCRIPTION:** Wages & benefits for the Administrative Services Manager/Treasurer and bank fees

**WORKLOAD:**

**EFFECTIVENESS:**

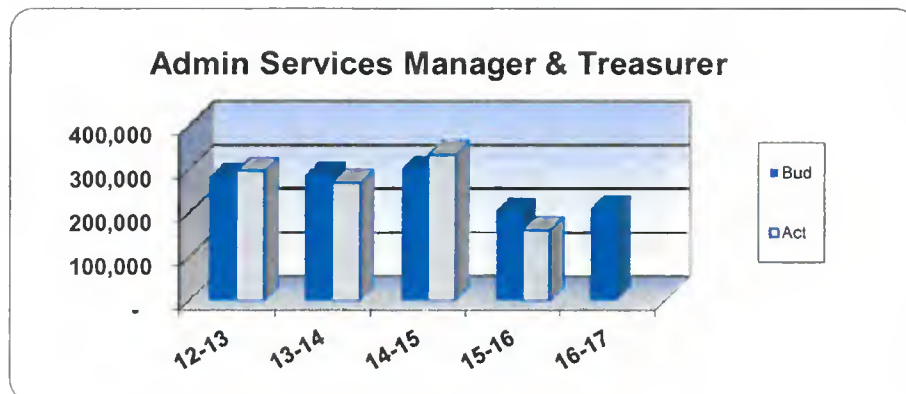
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	163,889	166,062	167,178
Services, Materials & Supplies	40,000	12,923	43,200
<b>TOTAL EXPENSES</b>	<b>203,889</b>	<b>178,986</b>	<b>210,378</b>

**Materials/Supplies/Contract Services**

JPIA Reimbursement		
Bank Fees & ACH origination	40,000	43,200
Custodial Fees		

Total	40,000	-	43,200
-------	--------	---	--------



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Accounting  
**JOB #:** 613-62  
**DESCRIPTION:** Wages and benefits for accounting employees.

**WORKLOAD:**

**EFFECTIVENESS:**

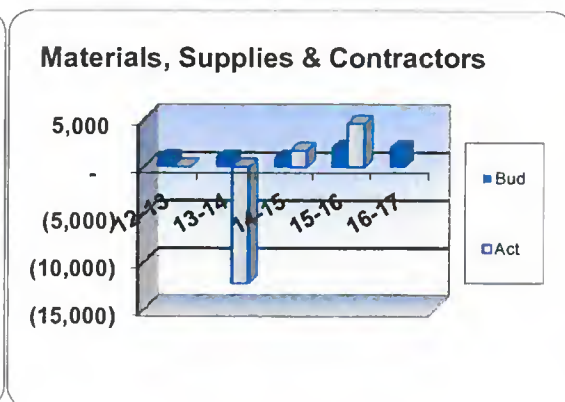
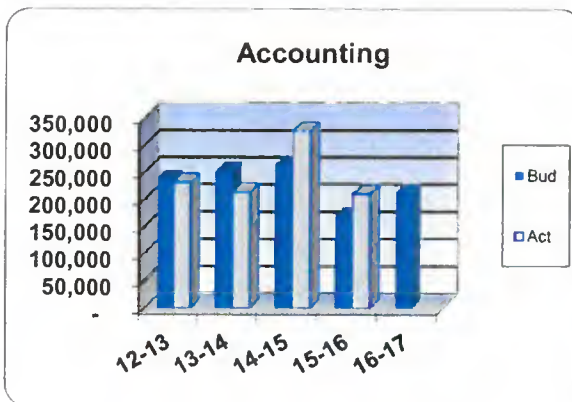
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	169,487	230,507	212,604
Services, Materials & Supplies	2,000	5,142	2,000
<b>TOTAL EXPENSES</b>	<b>171,487</b>	<b>235,649</b>	<b>214,604</b>

**Materials/Supplies/Contract Services**

Contract Services	2,000	2,000
-------------------	-------	-------

Total	<u>2,000</u>	-	<u>2,000</u>
-------	--------------	---	--------------



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Cashier/Receptionist  
**JOB #:** 613-71  
**DESCRIPTION:** Wages & benefits for Cashier/Receptionist

**WORKLOAD:**

**EFFECTIVENESS:**

**PROGRAM BUDGET**

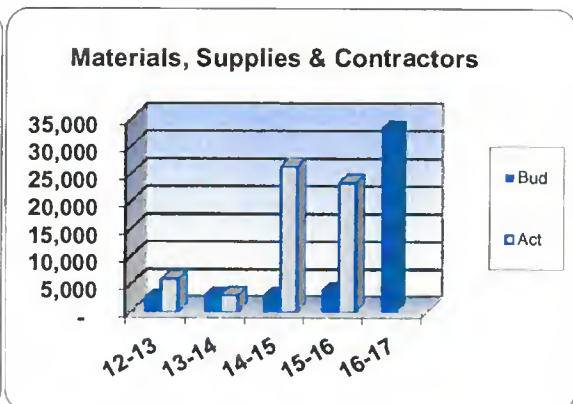
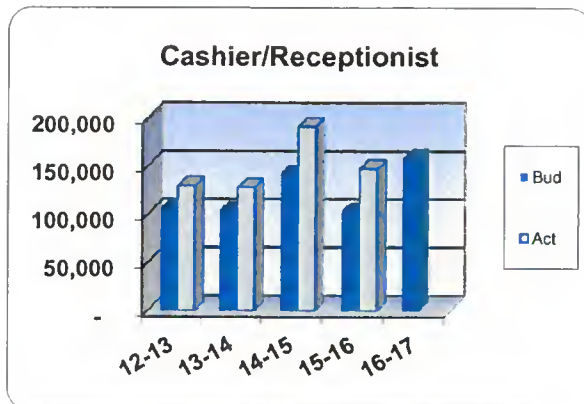
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	100,268	139,145	126,063
Services, Materials & Supplies	4,000	26,169	33,343
<b>TOTAL EXPENSES</b>	<b>104,268</b>	<b>165,314</b>	<b>159,406</b>

**Materials/Supplies/Contract Services**

Temp Labor to cover software conversion	4,000	14,443
Other-Temp Labor for C/S file project		18,900

Total

4,000      -      33,343



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Electricity  
**JOB #:** 105  
**DESCRIPTION:** Electric for various stations and Capa Well  
(Except Job 105.62)

**WORKLOAD:**

**EFFECTIVENESS:**

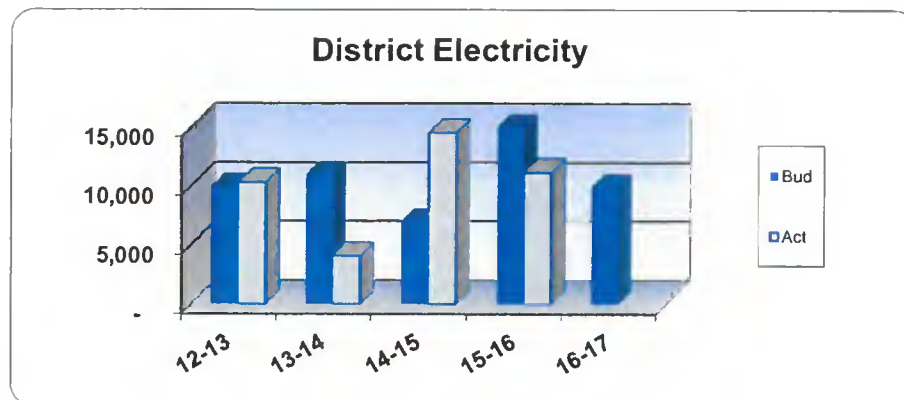
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	-	-
Services, Materials & Supplies	15,000	12,520	10,000
<b>TOTAL EXPENSES</b>	<b>15,000</b>	<b>12,520</b>	<b>10,000</b>

**Materials/Supplies/Contract Services**

Power	15,000	10,000
Other		

Total	<b>15,000</b>	-	<b>10,000</b>
-------	---------------	---	---------------



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Jury Duty  
**JOB #:** 660  
**DESCRIPTION:** Wages paid to employees chosen for Jury Duty.

**WORKLOAD:**

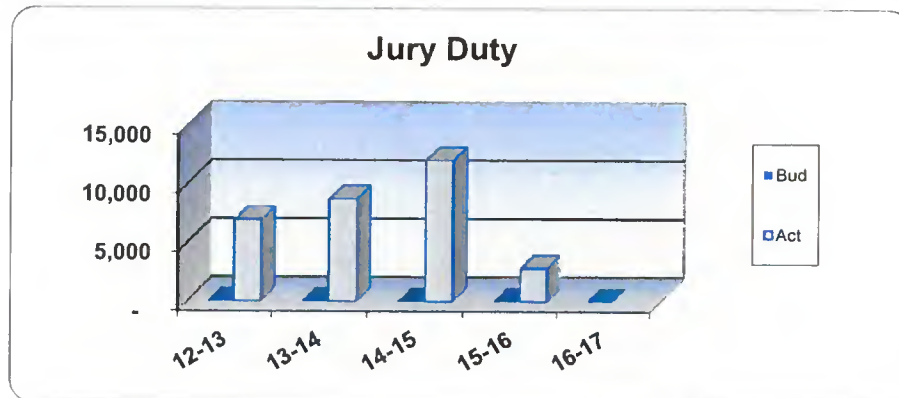
**EFFECTIVENESS:**

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	3,171	-
Services, Materials & Supplies	-	-	-
<b>TOTAL EXPENSES</b>	-	<b>3,171</b>	-

**Materials/Supplies/Contract Services**

Total



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Maintenance-All Buildings  
**JOB #:** 670  
**DESCRIPTION:** L&M to maintain main office, plant & transmitter buildings including utilities, janitorial & security services.

**WORKLOAD:** Equipment allocation adjusted to 15% per history

**EFFECTIVENESS:**

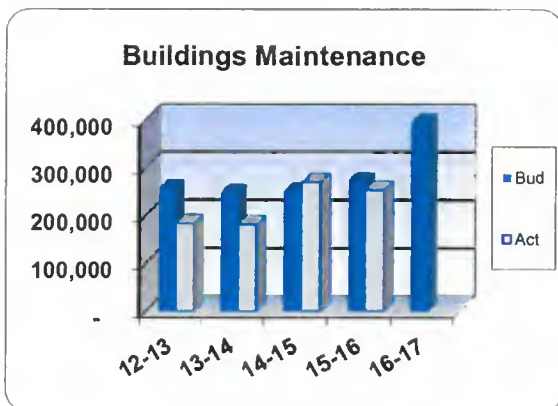
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	190,048	118,489	206,375
Services, Materials & Supplies	177,700	165,829	190,200
<b>TOTAL EXPENSES</b>	<b>367,748</b>	<b>284,318</b>	<b>396,575</b>

\*Merged jobs 670 & 671

**Materials/Supplies/Contract Services**

Power	40,000		45,000
Janitorial Services	28,500		30,000
HVAC	4,500		1,000
Supplies	26,400		30,000
Security & Waste	17,500		20,900
Uniforms/ Repairs/Rugs/ Misc	18,300		20,800
Temp Labor			
Office paint, roof repairs	20,000		20,000
Solar Service	2,500		2,500
Landscape/tree service	20,000		20,000
<b>Total</b>	<b>177,700</b>	<b>-</b>	<b>190,200</b>



**ADMINISTRATION DEPARTMENT**  
Administration & Financial Management Program  
**Job Detail**

**TITLE:** Santa Margarita Trail System Maintenance

**JOB #:** 426

**DESCRIPTION:** Santa Margarita Trail System Maintenance

**WORKLOAD:**

**EFFECTIVENESS:**

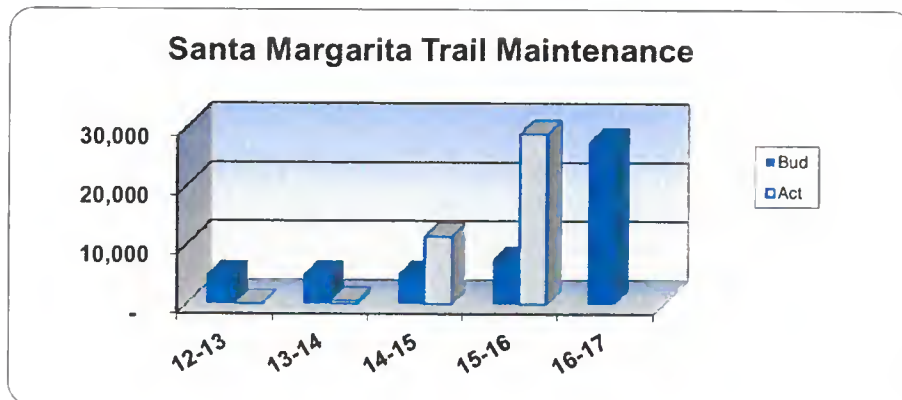
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	19,468	10,481
Services, Materials & Supplies	7,500	12,864	17,067
<b>TOTAL EXPENSES</b>	<b>7,500</b>	<b>32,332</b>	<b>27,548</b>

**Materials/Supplies/Contract Services**

Trail Maintenance	7,500	17,067
-------------------	-------	--------

Total	7,500	-	17,067
-------	-------	---	--------





**ADMINISTRATION DEPARTMENT**  
Engineering Program

**Program Purpose & Scope:**

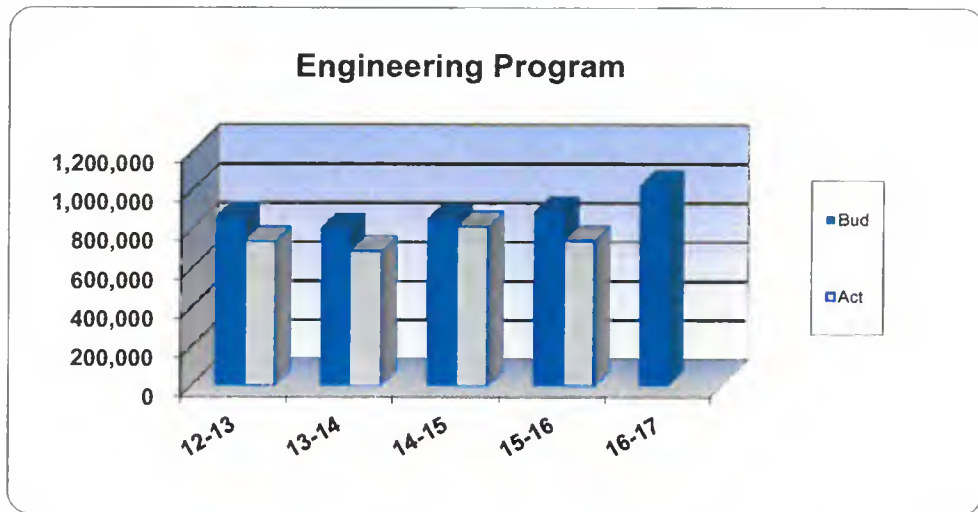
Oversees implementation of District Capital Program. Maintains records of District easements, as-built facility drawings , facility location drawings; provides customer assistance for water and sewer service. Processes water and sewer requests for new developments.

**Level of Service Standards:**

- Complete capital projects in accordance with approved capital program
- Provide timely and accurate facility data to other departments and customers
- Process service requests for new development in a timely manner

**PROGRAM BUDGET**

	2015-16 <u>Budget</u>	2015-16 <u>Projected</u>	2016-17 <u>Budget</u>
<b>Expenses</b>			
Labor & Fringe	850,767	769,516	984,437
Services, Materials & Supplies	42,350	64,133	45,100
<b>TOTAL EXPENSES</b>	<u>893,117</u>	<u>833,650</u>	<u>1,029,537</u>



**ADMINISTRATION DEPARTMENT**  
Engineering Program  
Job Detail

**TITLE:** Engineering Services

**JOB #:** 610-21

**DESCRIPTION:** Labor and Materials for those providing engineering support services  
Maintain District records, implements District capital program  
Address engineering related customer service needs

**WORKLOAD:** Consistent based on long-term capacital project needs and routine customer service and engineering records activities

**EFFECTIVENESS:** Maintain District capital program schedule  
Maintain accurate District records

**PROGRAM BUDGET**

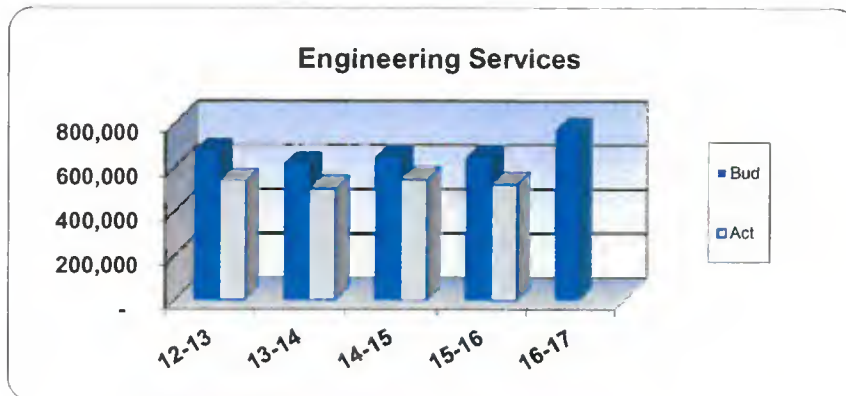
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	604,146	522,347	724,455
Services, Materials & Supplies	42,350	64,133	45,100
<b>TOTAL EXPENSES</b>	<b>646,496</b>	<b>586,481</b>	<b>769,555</b>

\*Merged Jobs 610-21, 610-31, 610-51 & 610-61

**Materials/Supplies/Contract Services**

Software	32,550	35,300
Services	2,500	2,500
Standards/References	1,300	1,300
Equipment/Supplies	6,000	6,000

Total	<u>42,350</u>	-	<u>45,100</u>
-------	---------------	---	---------------



**ADMINISTRATION DEPARTMENT**  
**Engineering Program**  
**Job Detail**

**TITLE:** Development Services Engineering  
**JOB #:** 610-81  
**DESCRIPTION:** All Labor and materials to support development activities including plan check water and sewer plans for developer projects

**WORKLOAD:**

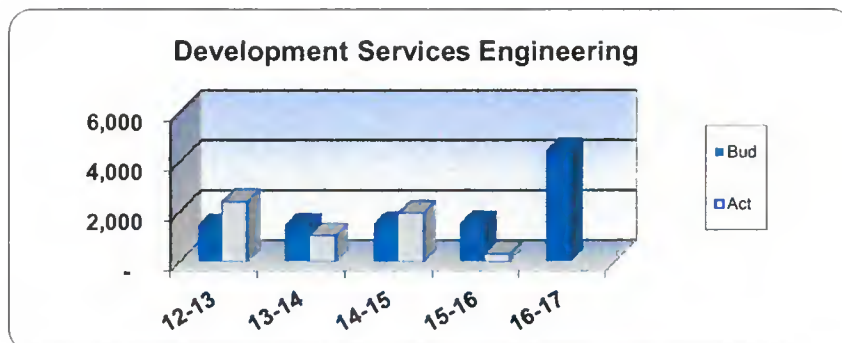
**EFFECTIVENESS:**

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	1,579	337	4,489
Services, Materials & Supplies	-	-	-
<b>TOTAL EXPENSES</b>	<b>1,579</b>	<b>337</b>	<b>4,489</b>

**Materials/Supplies/Contract Services**

Total \_\_\_\_\_



**ADMINISTRATION DEPARTMENT**

Engineering Program

**Job Detail**

**TITLE:** Assistant General Manager

**JOB #:** 613-41

**DESCRIPTION:** Wages & benefits for the Engineering & Planning Manager

**WORKLOAD:** Manages, plans, engineers and schedules utility engineering and operations processes

**EFFECTIVENESS:**

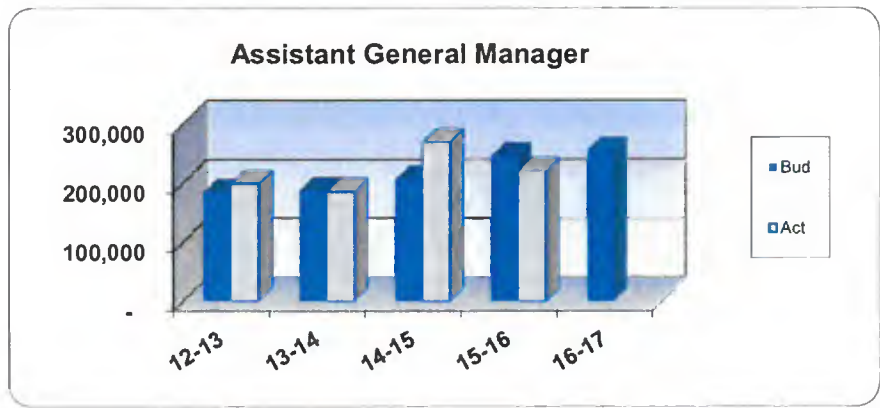
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	245,042	246,832	255,493
Services, Materials & Supplies	-	-	-
<b>TOTAL EXPENSES</b>	<b>245,042</b>	<b>246,832</b>	<b>255,493</b>

**Materials/Supplies/Contract Services**

Total

-	-	-
---	---	---



**ADMINISTRATION DEPARTMENT**  
Community Relations Program

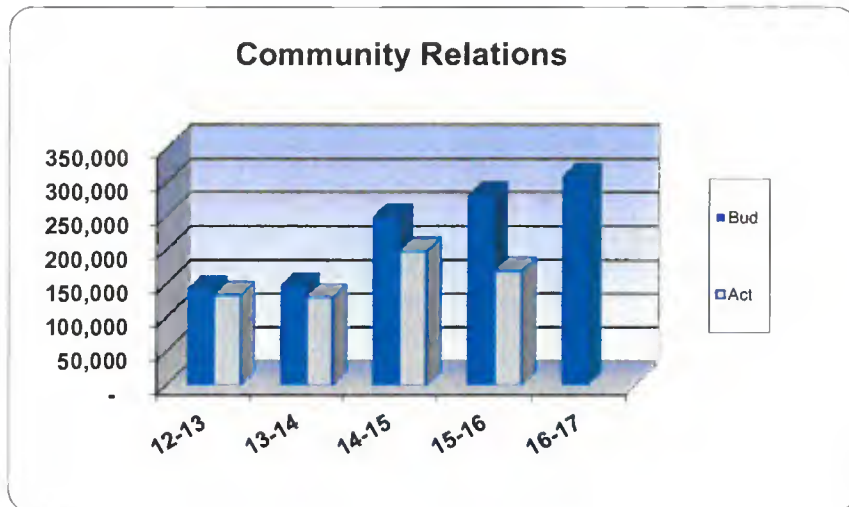
**Program Purpose & Scope:** Program provides a pro-active community outreach approach to public involvement and education about water and sewer services, educational programs on water conservation, and educational programs on water resources for schools.

**Level of Service Standards:**

- Quarterly information newsletter
- Annual Water Resource Interest Focus Group seminar
- Speaker's bureau for local civic and community groups
- Community involvement on major activities
- Partnership activities with other local agencies relating to District mission

**PROGRAM BUDGET**

	<u>2015-16</u> <u>Budget</u>	<u>2015-16</u> <u>Projected</u>	<u>2016-17</u> <u>Budget</u>
<b>Expenses</b>			
Labor & Fringe	208,519	220,341	215,368
Services, Materials & Supplies	72,550	-	93,720
<b>TOTAL EXPENSES</b>	<u>281,069</u>	<u>220,341</u>	<u>309,088</u>



**ADMINISTRATION DEPARTMENT**  
Community Relations Program  
**Job Detail**

**TITLE:** Public Relations

**JOB #:** 613-56

**DESCRIPTION:** Wages & benefits for the Public Relations position.  
Costs associated with distribution of information to the public.

**WORKLOAD:**

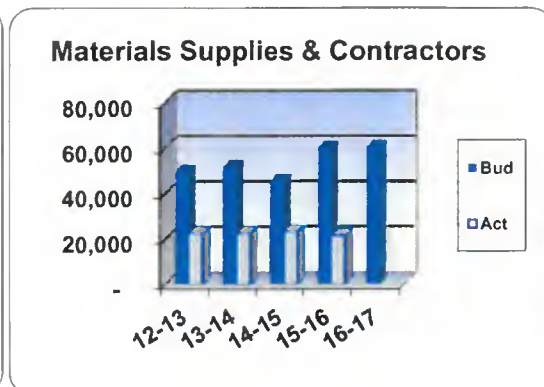
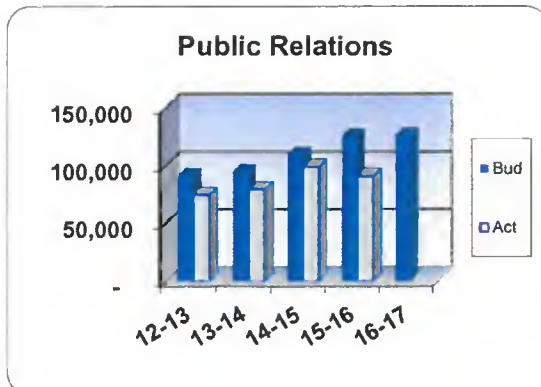
**EFFECTIVENESS:**

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	65,342	75,322	66,484
Services, Materials & Supplies	60,200	14,527	60,450
<b>TOTAL EXPENSES</b>	<b>125,542</b>	<b>89,848</b>	<b>126,934</b>

**Materials/Supplies/Contract Services**

Customer Service Survey			
Newsletters	15,000		15,000
Brochures/Booklets/Calendars	2,000		4,000
Projects	9,000		9,000
Water Quality Report	1,500		750
Electronic Sign Rental	2,500		2,000
Customer Service Web Maintenance	19,000		19,000
Rattlesnake paint	700		700
Call Em All	500		
Monthly Newspaper Mini Newsletter	10,000		10,000
<b>Total</b>	<b>60,200</b>	<b>-</b>	<b>60,450</b>



**ADMINISTRATION DEPARTMENT**  
Community Relations Program  
**Job Detail**

**TITLE:** Water Conservation

**JOB #:** 691

**DESCRIPTION:** Wages & benefits, plus supply items, to encourage and teach water conservation to the public and schools.

**WORKLOAD:**

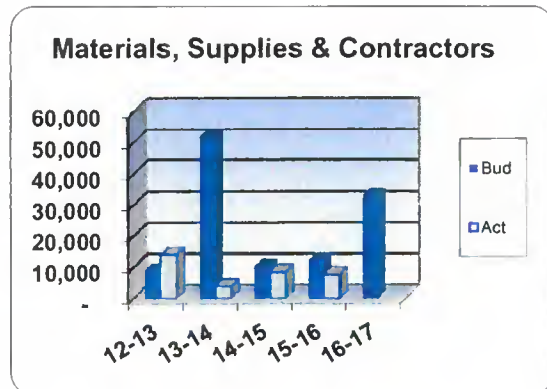
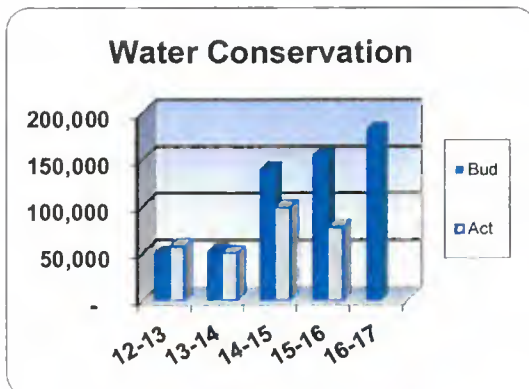
**EFFECTIVENESS:**

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	143,177	145,019	148,884
Services, Materials & Supplies	12,350	19,854	33,270
<b>TOTAL EXPENSES</b>	<b>155,527</b>	<b>164,873</b>	<b>182,154</b>

**Materials/Supplies/Contract Services**

Water Conservation Garden			
Green Machine	1,250		1,350
Splash Van	2,500		2,700
MWD Grant			
Other	600		700
Grease Can	1,200		1,200
Calendars	3,800		4,500
Smart Landscape	3,000		3,000
Water Smart software			19,820
<b>Total</b>	<b>12,350</b>	<b>-</b>	<b>33,270</b>





**ADMINISTRATION DEPARTMENT**  
Personnel Support Program

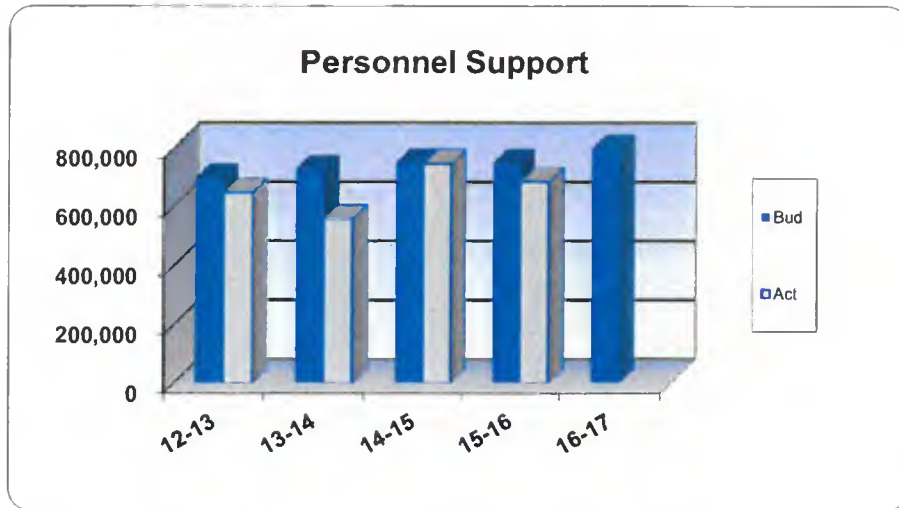
**Program Purpose & Scope:** Program provides administration of employee programs, including hiring, record keeping, coordination of training and technical certification, employee benefit programs, employee recognition programs, and disciplinary procedures.

**Level of Service Standards:**

- Coordinate education and technical training for staff.
- Assist supervisors in carrying out procedural policies established by the Board of Directors and management.
- Administer employee benefit programs and assist employees with providers.
- Provide an Employee Assistance Program.

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	589,715	602,719	620,415
Services, Material & Supplies	158,197	164,408	178,613
<b>TOTAL EXPENSES</b>	<b>747,912</b>	<b>767,127</b>	<b>799,028</b>



**ADMINISTRATION DEPARTMENT**  
**Personnel Support Program**  
**Job Detail**

**TITLE:** Physicals  
**JOB #:** 612-42  
**DESCRIPTION:** Services as rendered by a Medical Doctor as required for District Pre-employment physicals

**WORKLOAD:**

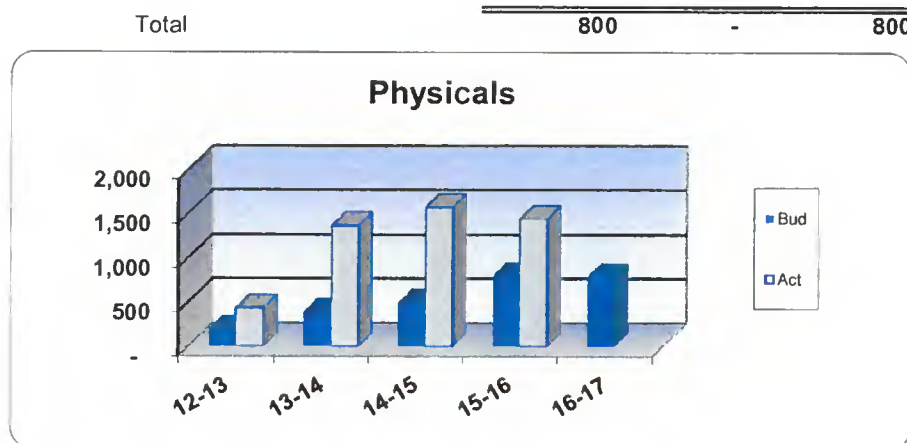
**EFFECTIVENESS:**

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	-	-
Services, Material & Supplies	800	1,098	800
<b>TOTAL EXPENSES</b>	<b>800</b>	<b>1,098</b>	<b>800</b>

**Materials/Supplies/Other**

Physical Costs	800	800
Other		



**ADMINISTRATION DEPARTMENT**  
 Personnel Support Program  
 Job Detail

**TITLE:** Technical Certifications  
**JOB #:** 612-44  
**DESCRIPTION:** Fees reimbursed to employees for technical certifications recognized by the District

**WORKLOAD:**

**EFFECTIVENESS:**

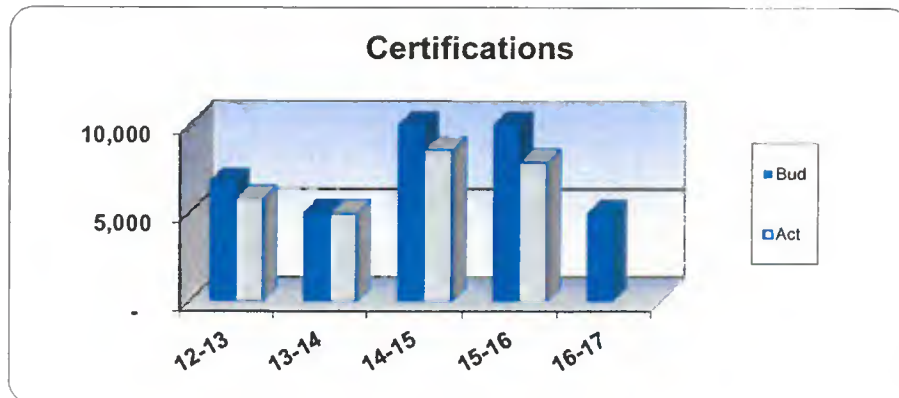
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	-	-
Services, Material & Supplies	10,000	7,556	5,000
<b>TOTAL EXPENSES</b>	<b>10,000</b>	<b>7,556</b>	<b>5,000</b>

**Materials/Supplies/Other**

Certifications & CWEA Renewals	10,000	5,000
Other		

Total 10,000 - 5,000



**ADMINISTRATION DEPARTMENT**  
 Personnel Support Program  
 Job Detail

**TITLE:** Employee Recognition Program  
**JOB #:** 612-47  
**DESCRIPTION:** Costs associated with the District's program to reward employees.

**WORKLOAD:**

**EFFECTIVENESS:**

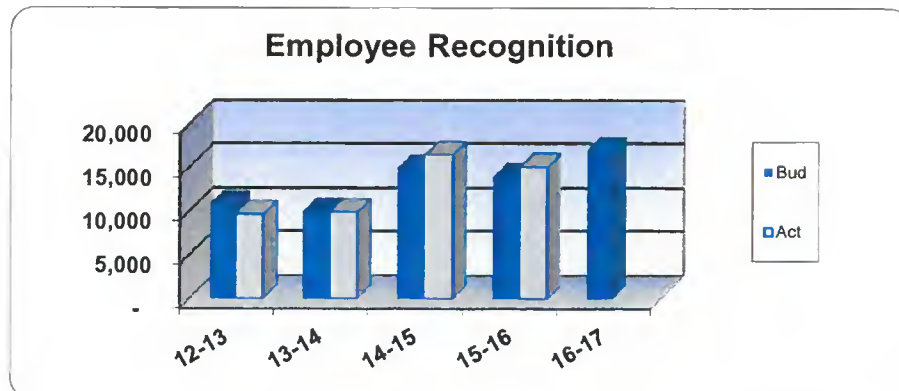
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	1,328	-
Services, Material & Supplies	14,000	10,693	17,070
<b>TOTAL EXPENSES</b>	<b>14,000</b>	<b>12,021</b>	<b>17,070</b>

**Materials/Supplies/Other**

Awards	5,100	5,100
Supplies	2,370	2,370
Appreciation Day, etc	1,000	1,000
Retirement Party	3,000	6,000
Other/Supv Fund/Annual Photo	2,530	2,600

Total 14,000 - 17,070



**ADMINISTRATION DEPARTMENT**  
 Personnel Support Program  
**Job Detail**

**TITLE:** Employee Assistance Program  
**JOB #:** 612-48  
**DESCRIPTION:** Fees paid for the Employee Assistance Program.

**WORKLOAD:**

**EFFECTIVENESS:**

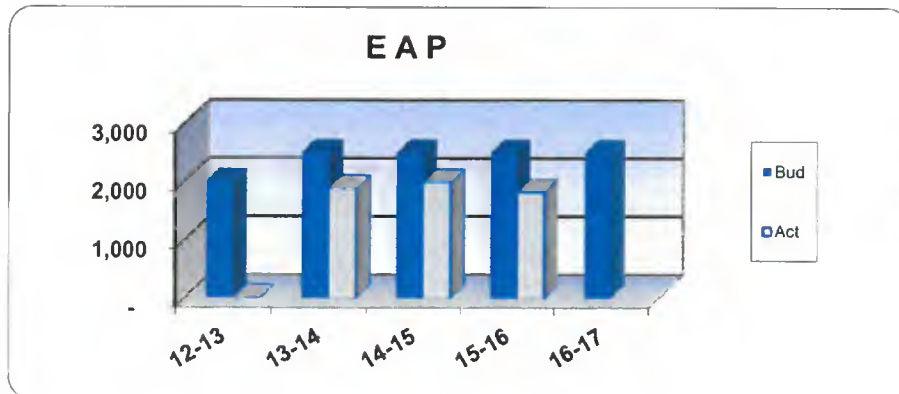
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	-	-
Services, Material & Supplies	2,500	4,560	2,500
<b>TOTAL EXPENSES</b>	<b>2,500</b>	<b>4,560</b>	<b>2,500</b>

**Materials/Supplies/Other**

Dues	2,500	2,500
Other		

Total 2,500      -      2,500



**ADMINISTRATION DEPARTMENT**  
 Personnel Support Program  
**Job Detail**

**TITLE:** Human Resources Administration  
**JOB #:** 613-81  
**DESCRIPTION:** Wages & benefits plus necessary supplies as required by Human Resources. Also includes advertising for open employment positions.

**WORKLOAD:**

**EFFECTIVENESS:**

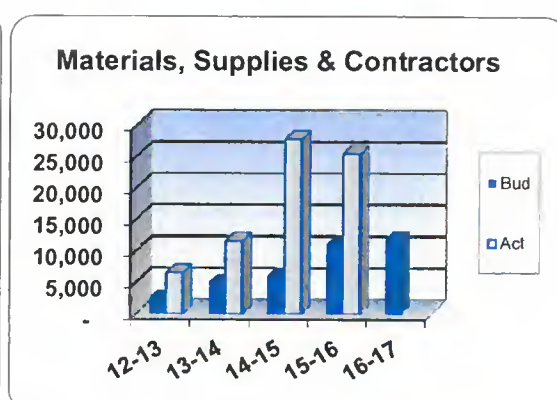
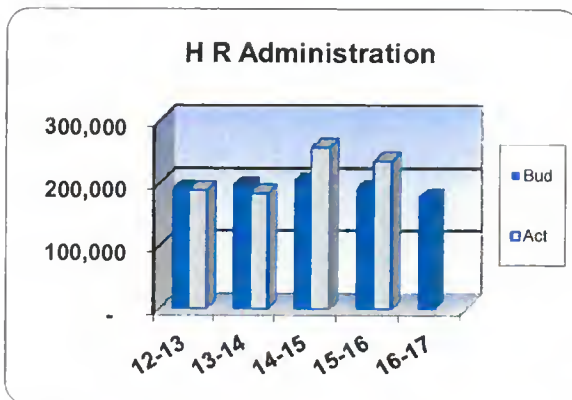
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	181,709	252,031	167,909
Services, Material & Supplies	11,100	37,589	12,000
<b>TOTAL EXPENSES</b>	<b>192,809</b>	<b>289,620</b>	<b>179,909</b>

\* Projected is up due to overlap of position and recruitment services

**Materials/Supplies/Other**

Background Checks	500	1,000
Advertising	10,000	10,000
Supplies	600	1,000
Salary Survey/Regulations Review Consortium		
Other		
<b>Total</b>	<b>11,100</b>	<b>12,000</b>



**ADMINISTRATION DEPARTMENT**  
**Personnel Support Program**  
**Job Detail**

**TITLE:** Safety  
**JOB #:** 680  
**DESCRIPTION:** Any costs for safety training materials as well as wages & benefits to implement safety devices at District locations.

**WORKLOAD:** Budget 5.5% of labor payroll to safety training and equipment

**EFFECTIVENESS:**

**PROGRAM BUDGET**

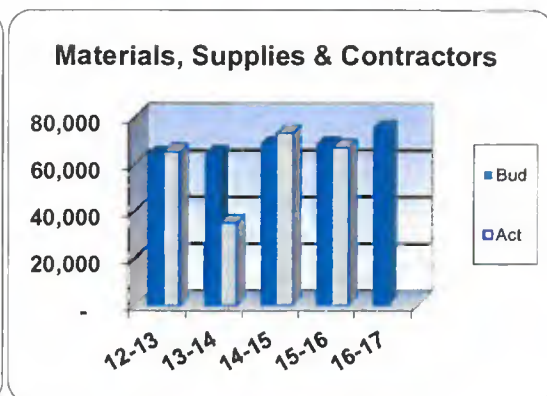
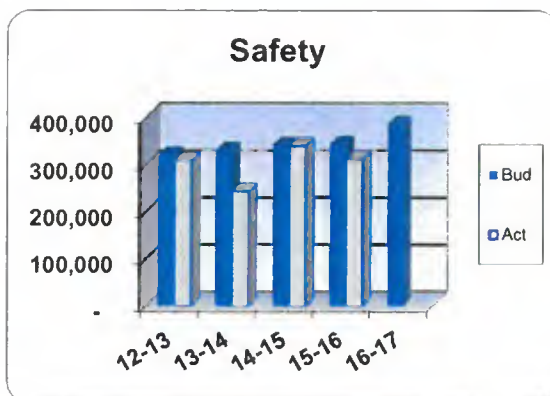
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	276,061	242,833	311,390
Services, Material & Supplies	68,700	76,649	75,900
<b>TOTAL EXPENSES</b>	<b>344,761</b>	<b>319,482</b>	<b>387,290</b>

**Materials/Supplies/Other**

OSHA Required Training	10,000	17,900
Respirator/DOT physicals	8,000	8,000
Safety Materials/Equipment	25,000	28,000
Traffic Control Signs	4,000	5,000
Safety Technical Subscription	3,000	6,500
Safety Lunches/Donuts Recognition	6,000	6,000
Drug Testing/Inoculations	4,300	4,500

Total

60,300      -      75,900





**ADMINISTRATION DEPARTMENT**

Personnel Support Program

**Job Detail**

**TITLE:** Training

**JOB #:** 690

**DESCRIPTION:** Any non-safety training seminars or workshops designed to improve employees ability to complete their job. Also includes wages & benefits while employees attend training sessions.

**WORKLOAD:** Budget 4.0% of payroll to Technical Training

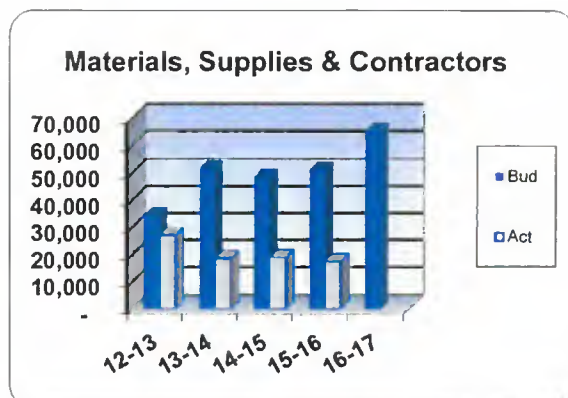
**EFFECTIVENESS:**

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	131,945	106,527	141,116
Services, Material & Supplies	51,097	26,263	65,343
<b>TOTAL EXPENSES</b>	<b>183,042</b>	<b>132,790</b>	<b>206,459</b>

**Materials/Supplies/Other**

Dept 1	11,860	14,861
Dept 2	8,400	8,400
Dept 3	2,510	3,910
Dept 4	1,695	3,390
Dept 5	3,000	6,300
Dept 6	9,050	9,900
Dept 7	1,082	1,082
Dept 8	8,500	8,500
Other-Mandated	5,000	5,000
Tuition Reimbursement		4,000
<b>Total</b>	<b>51,097</b>	<b>65,343</b>



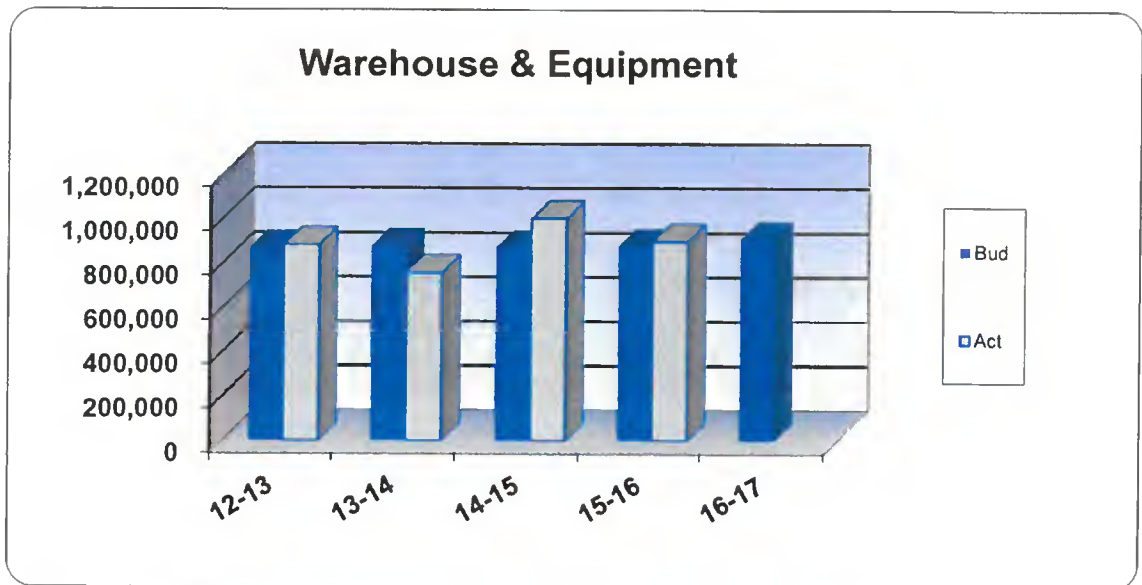
**ADMINISTRATION DEPARTMENT**  
Warehouse & Equipment Support Program

**Program Purpose & Scope:** Program provides centralized purchasing and inventory control for all materials and supplies to support all district activities; provides centralized maintenance and repair of all district transportation and construction equipment.

**Level of Service Standards:**

**PROGRAM BUDGET**

	<u>2014-15 Budget</u>	<u>2014-15 Projected</u>	<u>2015-16 Budget</u>
<b>Expenses</b>			
Labor & Fringe	464,657	457,406	488,840
Services, Materials & Services	411,947	561,125	424,500
<b>TOTAL EXPENSES</b>	<b>876,604</b>	<b>1,018,532</b>	<b>913,340</b>



**ADMINISTRATION DEPARTMENT**  
Warehouse & Equipment Support Program  
**Job Detail**

**TITLE:** Construction Support

**JOB #:** 500

**DESCRIPTION:** Material not found in inventory but kept on hand continually; used in pipeline construction. Examples are bags of Redi-Mix, banding, Perma Bar, Welding Rod, Acetylene & Oxygen. Increase in Materials due to increased welding of joints to ensure long-term durability of buried infrastructure

**WORKLOAD:**

**EFFECTIVENESS:**

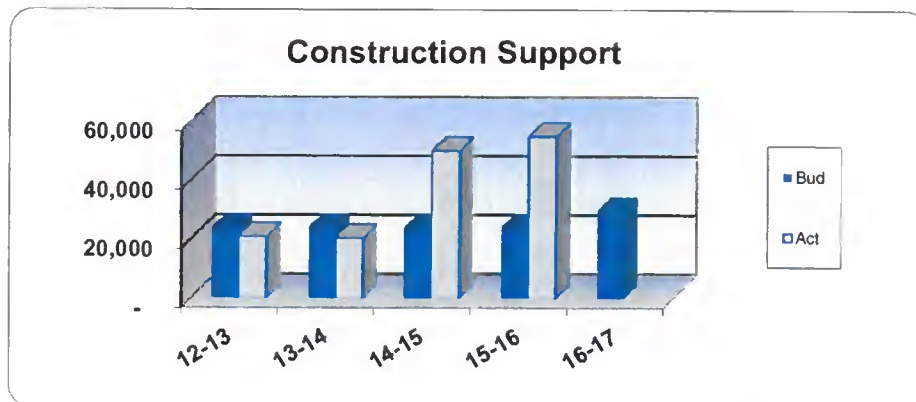
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	-	-
Services, Materials & Services	24,000	61,520	30,000
<b>TOTAL EXPENSES</b>	<b>24,000</b>	<b>61,520</b>	<b>30,000</b>

**Materials/Supplies/Contract Services**

Materials/Other	24,000	30,000
-----------------	--------	--------

Total	24,000	-	30,000
-------	--------	---	--------



**ADMINISTRATION DEPARTMENT**  
Warehouse & Equipment Support Program  
**Job Detail**

**TITLE:** Warehouse Operations  
**JOB #:** 523  
**DESCRIPTION:** Wages & benefits for procurement, delivery, check in & out and inventory posting.

**WORKLOAD:**

**EFFECTIVENESS:**

**PROGRAM BUDGET**

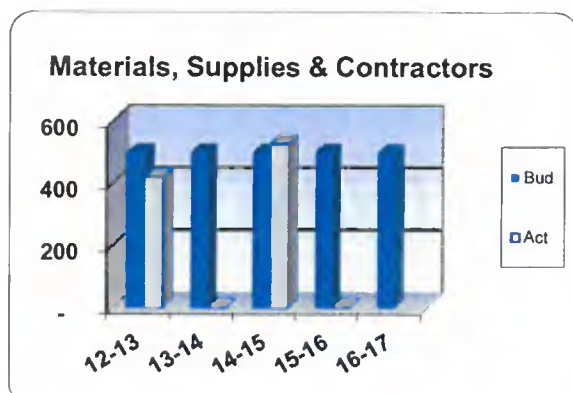
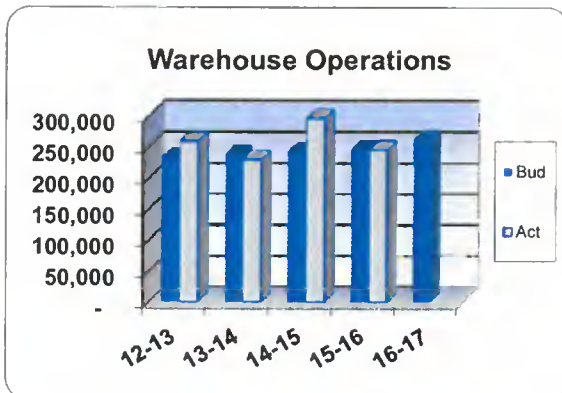
	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	247,095	275,784	263,772
Services, Materials & Services	500	-	500
<b>TOTAL EXPENSES</b>	<b>247,595</b>	<b>275,784</b>	<b>264,272</b>

**Materials/Supplies/Contract Services**

Materials/Other	500	500
-----------------	-----	-----

Total

500                      -                      500



**ADMINISTRATION DEPARTMENT**  
Warehouse & Equipment Support Program  
**Job Detail**

**TITLE:** Transfer to Capital  
**JOB #:** 60-55100  
**DESCRIPTION:** A burden rate is added to all operations and construction jobs to recover some costs to be used to replace equipment.

**WORKLOAD:**

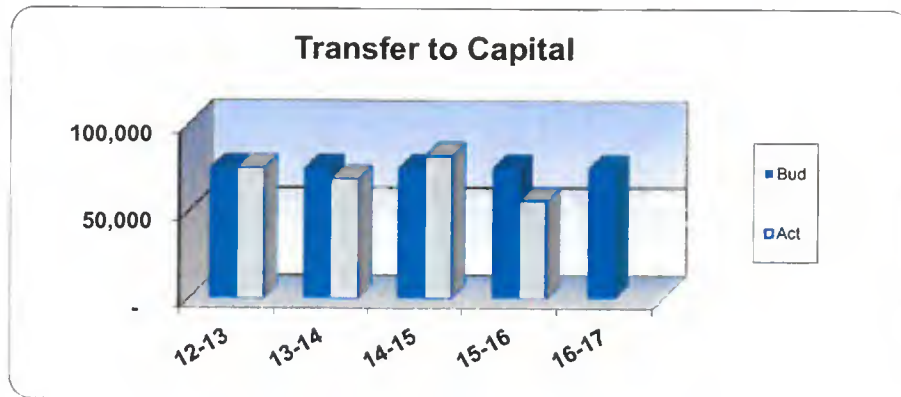
**EFFECTIVENESS:**

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	-	-
Services, Materials & Services	75,000	75,000	75,000
<b>TOTAL EXPENSES</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>

**Materials/Supplies/Contract Services**

Materials/Other	75,000	75,000
<b>Total</b>	<b>75,000</b>	<b>75,000</b>



**ADMINISTRATION DEPARTMENT**  
Warehouse & Equipment Support Program  
**Job Detail**

**TITLE:** Field Equipment Maintenance  
**JOB #:** 60-55221  
**DESCRIPTION:** Materials & supplies for field equipment maintenance. All direct labor, fringes, and materials are charged directly to each vehicle and totals are summarized in this job.

**WORKLOAD:**

**EFFECTIVENESS:**

**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	217,562	181,622	225,068
Services, Materials & Services	296,447	407,979	297,500
<b>TOTAL EXPENSES</b>	<b>514,009</b>	<b>589,601</b>	<b>522,568</b>

**Materials/Supplies/Contract Services**

Overhaul		
Routine Maintenance/Parts	140,000	144,000
Inventory (Fuel)	140,000	140,000
Vehicle GPS	16,447	13,500

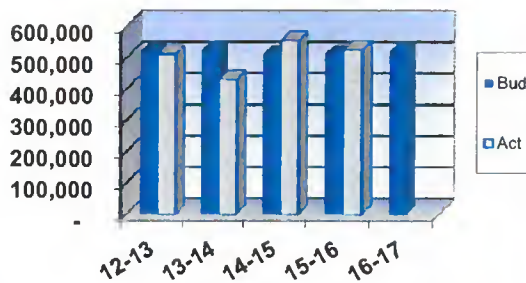
Total

296,447

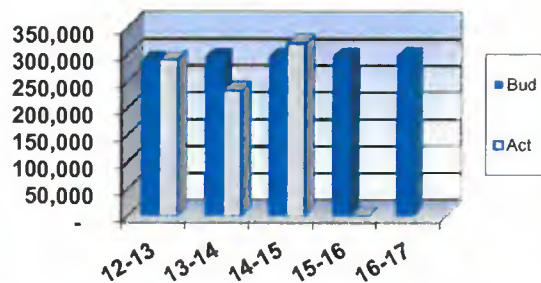
-

297,500

**Field Equipment Maintenance**



**Materials, Supplies & Contractors**



**ADMINISTRATION DEPARTMENT**  
Warehouse & Equipment Support Program  
**Job Detail**

**TITLE:** Mechanic Small Tools  
**JOB #:** 60-55234  
**DESCRIPTION:** Costs for purchase of small tools such as power tools & hand tools for shop mechanic

**WORKLOAD:**

**EFFECTIVENESS:**

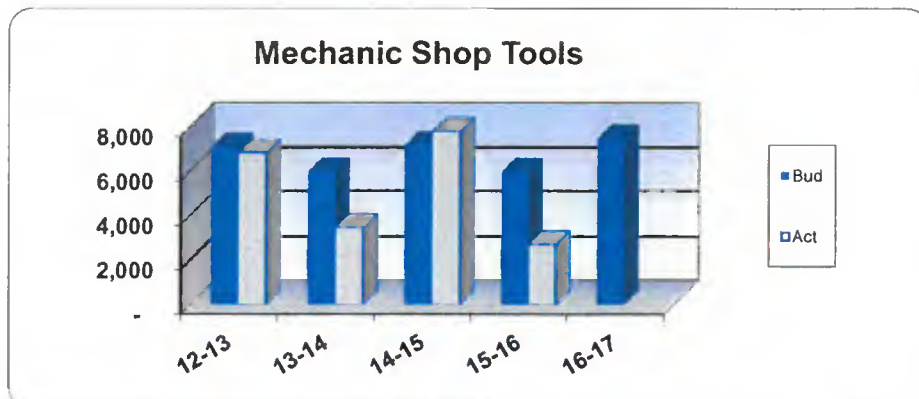
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	-	-
Services, Materials & Services	6,000	3,034	7,500
<b>TOTAL EXPENSES</b>	<b>6,000</b>	<b>3,034</b>	<b>7,500</b>

**Materials/Supplies/Contract Services**

Shop Tools	4,000	4,000
All Data/Scanner software updates(1yr)	2,000	2,000
Snap on Scanner Update		1,500

Total	6,000	-	7,500
-------	-------	---	-------





**ADMINISTRATION DEPARTMENT**  
Warehouse & Equipment Support Program  
**Job Detail**

**TITLE:** Small Tools  
**JOB #:** 60-55300  
**DESCRIPTION:** Costs for purchase of small tools such as power tools, hand tools, weed cutters, wrenches, etc., that support all crews.

**WORKLOAD:**

**EFFECTIVENESS:**

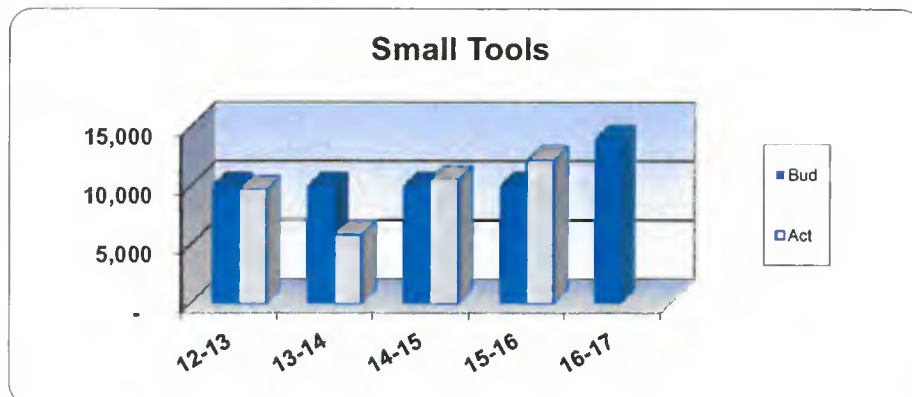
**PROGRAM BUDGET**

	<u>2015-16 Budget</u>	<u>2015-16 Projected</u>	<u>2016-17 Budget</u>
<b>Expenses</b>			
Labor & Fringe	-	-	-
Services, Materials & Services	10,000	13,593	14,000
<b>TOTAL EXPENSES</b>	<b>10,000</b>	<b>13,593</b>	<b>14,000</b>

**Materials/Supplies/Contract Services**

Small Tools	10,000	12,000
Equipment		2,000

Total	<u>10,000</u>	<u>-</u>	<u>14,000</u>
-------	---------------	----------	---------------



	2015-16 Budget	2015-16 Projected	2016-17 Budget
Salary Benefits	915,203	841,016	955,042
Direct Benefits	1,153,019	1,158,244	1,209,694
Indirect Benefits	1,872,456	1,864,920	2,032,366
<b>Total</b>	<b>3,940,678</b>	<b>3,864,180</b>	<b>4,197,102</b>

A three year MOU was negotiated and began effective July 1, 2015.

#### Salary Benefits

Longevity	5,810	5,810	10,542
Holidays	244,702	229,483	251,137
Vacation	419,989	369,989	442,227
Sick	244,702	235,734	251,137
<b>Total Salary Benefits</b>	<b>915,203</b>	<b>841,016</b>	<b>955,042</b>

#### Direct Benefits

For FY 16-17, an additional 5% increase for medical plans, vision & dental is expected in January. 2% for life & 3% for LTD. In FY 08-09 the District began to fund its GASB 45's actuarial determination of Unfunded Liability.

Medical/Dental/Vision	924,202	932,589	964,259
GASB 45 Contribution	124,701	125,000	150,000
Life Insurance/LTD	35,862	35,146	38,418
Uniforms/Safety shoes	42,504	39,759	38,317
Recreation Fund	4,000	4,000	4,200
Auto Allowance	21,750	21,750	14,500
<b>Total Direct Benefits</b>	<b>1,153,019</b>	<b>1,158,244</b>	<b>1,209,694</b>

#### Indirect Benefits

The employer share of the pension payment for Classic members is 10.808% plus a lump sum payment of \$476,386 which represents a portion of the Unfunded Liability. The employer share for PEPRA members is 6.93%. Also included in the pension cost is \$585,000 per year towards payoff of the CalPERS side fund liability. FY 16-17 is year 3 of the 5 year payoff of this side fund liability.

Pension/401A	774,996	771,179	897,630
Side Fund Payoff	585,000	585,000	485,000
Sinking Fund	-	-	100,000 *
Social Security	397,003	398,741	419,177
Workers Compensation	115,457	110,000	130,558
<b>Total Indirect</b>	<b>1,872,456</b>	<b>1,864,920</b>	<b>2,032,366</b>

\* allocated 50% to Water Ops, 44% to Wastewater Ops and 6% Recycled Ops

**BURDEN RATE REQUIRED  
TO FUND FRINGE BENEFITS  
For FY 2016-17**

Total Payroll	5,698,680
Standby Time	-
Less Vacation/Holiday/Sick	979,042
<b>TOTAL DIRECT LABOR</b>	<b>4,719,637</b>

$$\text{Burden Rate} = \frac{98\% \text{ Fringe Benefit Costs}}{\text{Total Direct Labor costs}} = \frac{4,113,160}{4,719,637} = 87.1\%$$

The total fringe benefit budget assumes all of the employees are eligible for and use all benefits. Newly hired employees are eligible for benefits the month following hire. While the MOU provides a cap for unused vacation, this is a rare occurrence because of cash out provisions. Therefore a 98% factor is applied when determining the burden rate to be assigned to each hour of direct labor to spread benefit costs over the jobs in which the work is performed. The 98% figure began in FY 07-08 and has proven accurate and will be continued for FY 16-17 but will be monitored annually.

The fringe percentage will remain at 87.1% for FY 16-17. The CalPERS golden handshake provisions are included in the annual employer contribution to CalPERS and amortized over five years. This Golden Handshake was given to one employee who retired in FY 13-14 and two who retired in 14-15.

Allocate Admin Costs 16-17

Total Admin Costs

**4,613,376** Admin Budgeted Expenses 15-16

	15-16 Budgeted Direct Labor \$	Rev-Water Sales	Exp-Wtr purch Not incl Admin	Avg	Allocation used for FY 15-16
Water	1,244,455	5,281,619	3,753,585		
Wastewater	893,169	5,635,932	3,578,535		
Recycled	189,967	194,867	710,199		
<b>Total</b>	<b>2,327,591</b>	<b>11,112,418</b>	<b>8,042,319</b>		

Relationships

Water	53%	48%	47%	49.2%	50%
Wastewater	38%	51%	44%	44.5%	44%
Recycled	8%	2%	9%	6.2%	6%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

For FY 09-10 through 12-13 Administrative expenses were allocated as follows: 55% to Water, 41% to Wastewater and 4% to Recycled although a higher percentage should've been allocated to Wastewater and Recycled. Since Recycled turned a profit in FY 11-12 and is expected to do the same in FY 12-13, more costs were be allocated to Recycled. The cost allocation for FY 13-14 was 53% to Water, 42% to Wastewater and 5% to Recycled. For FY 14-15 and 15-16, Water was allocated 52% of allocated Admin and Recycled 6% with no change to Wastewater. Calculations were updated for FY 16-17 and Water's share will decrease by 2% to 50% while Wastewater will increase by 2% to 44% and Recycled will remain at 6%.

## Non-Operating Revenue

The District receives revenues from non-operating sources and these revenues are allocated towards the Capital and Debt Service budgets. Different types of revenues are described below and a budget allocation of these funds follows the descriptions.

- Standby/Availability Charges-A tax assessment of approximately \$9.50 per gross acre on all land within District boundaries, whether water is actually used or not. Approximately \$130,000 is assessed within the Fallbrook Service Area and \$73,000 within the De Luz Service area. These funds are allocated for water capital projects within both service areas.
- Connection fees-fees charged when water meters are purchased and varies by meter size. For FY 16-17, eight meters are budgeted to be sold. These funds are allocated for water capital projects. Eight meters were budgeted for FY 15-16. As of 5/31/16 10 Equivalent Meter Units (EMU's) have been sold. If eight Equivalent Meter Units (EMU's) are sold the revenues will be approximately \$74,440.
- Sewer permit fees-flat fees charged to connect to the sewer system based on Equivalent Dwelling Units (EDU's). For FY 16-17 a total of five EDU permits are being budgeted. When available, these revenues are allocated to wastewater capital projects. As of 5/31/16 8.8 EDU's have been sold. If five EDU's are sold the revenue will be approximately \$32,875.
- Portfolio Interest-estimated to be \$175,000. Interest was calculated based on actual rates of return on each investment less PFM's management fees. These funds are generally allocated for water capital projects as well as debt service based upon projected fund balances at year end. For FY 16-17 all interest revenues are pledged to the Water Capital budget.
- Cell tower rents-the District leases space for cell towers. Currently there are 6 sites which are estimated to generate \$167,000. These funds are allocated for water capital projects.
- Tenant rents-The District leases space within the Administrative building to one tenant. Rents of approximately \$18,000 are budgeted. These funds are allocated to water capital projects.
- 1% Property Taxes (FPUD)-For FY 16-17 the estimated receipt of property taxes is \$951,320. This budgeted figure comes from the FY 15-16 Opening Balances for all secured taxes. \$395,893 is allocated to pay the Red Mountain SRF debt service and the remainder is allocated toward Water capital improvements.
- 1% Property Taxes (Improvement District "S")-Improvement District "S" is the former sanitary district. The estimated receipt of property taxes is \$862,757. This budgeted figure comes from the FY 15-16 Opening Balances for all secured taxes. For FY 16-17 \$501,090 is allocated to the WWTP SRF loan and the remainder is allocated to Wastewater capital improvements. In FY 17-18 and forward, 100% of these revenues will be pledged to debt service.

- Due to the aging pipeline infrastructure, in FY 13-14 the Capital Improvement Charge was increased to include escalator factor of the Engineering News Report (ENR) Construction Cost Index for Feb. over Feb. plus 3% added annually. For FY 16-17 the charge is proposed to increase from \$9.06 to 9.45 per EMU. The additional funds are allocated specifically to pipeline replacement. Total to be collected in FY 16-17 is approximately \$1,189,000.
- Wastewater Capital Improvement Charge-A Wastewater Capital Improvement Charge was implemented in FY 12-13 in order to meet debt service coverage ratios for the Wastewater Treatment Plant borrowing. The funds are allocated first to the SRF debt service and the remainder to be allocated to Collections System improvements. The proposed charge for FY 16-17 is proposed to increase from \$10.70 to \$10.84 per EDU. The total to be collected in FY 16-17 is approximately \$1,093,000.
- Transfers-the District transfers varying amounts from operations to capital and debt service. For FY 16-17, the Warehouse and Equipment Shop Operations will contribute \$75,000 towards capital for equipment replacement and Water Operations will contribute \$25,000 towards the Admin capital budget. The Reclaimed Dept. will contribute \$94,248 in FY 16-17 for the Wastewater Treatment plant debt service. The Wastewater Dept. will contribute another \$288,600 for the debt.
- Solar project funding-Repayment of principal and interest would come from two major sources, the CSI rebate of \$0.32/kWh and the unexpended offsets not made to SDG&E for electricity used at the Wastewater Treatment plant. For FY 16-17 the SDG&E unexpended offset which is transferred to the Solar project debt service is \$405,750. The CSI rebate is estimated at \$559,450.
- An additional \$.10/kgal was added beginning in FY 13-14 to the DeLuz High and Toyon Pump zones. The \$60,000 in revenues raised by this charge is being invested directly into the two pump stations as improvements.
- Santa Margarita Conjunctive Use Project-The District is in the process of working with Camp Pendleton and the Bureau of Reclamation to develop additional water supplies for District customers from the Santa Margarita River. At this time the scope of the project and water yield have been finalized and are awaiting final approval of the Settlement Agreement. The District and Camp Pendleton have completed design of their portions of the project. Initiation of construction is pending completion of consultations with NOAA Fisheries and USFWS which will permit finalizing the water rights permits and EIR/EIS. This should be completed by the end of FY 16-17.

The District is currently evaluating options for funding of the construction of the facilities. The estimated construction costs are currently projected in the capital budget and the construction costs are financed through long-term debt issued by the District.

The intention of the project is to repay the debt, using the savings from reduced water costs from the project versus purchasing imported water from SDCWA so no net increase in revenue needs is anticipated to construct the project.



FY 16-17 Total Non Ops revenue	Total Non Operating Revenue	Allocation Water Capital	Wastewater Capital	Recyc Capital	Debt Service QECB-Solar	Red Mtn SRF	WWTP SRF	Admin Capital	Allocation Totals	Diff
<b>Water Non Operating Revenue</b>										
Standby/Availability Charges	203,000	203,000							203,000	-
Connection Fees-8 meters	74,440	74,440							74,440	-
1% Property Taxes-FPUD	951,320	555,427				395,893			951,320	-
Portfolio Interest	175,000	175,000							175,000	-
Water Capital Improvement Chg	1,189,000	1,189,000							1,189,000	-
Pumping Charge	60,000	60,000							60,000	-
Cell Tower Rents	185,000	185,000							185,000	-
Prop 50 funds (Conj Use)	-	-							-	-
Interfund Trnx-Equipment to Water Capite	75,000	75,000							75,000	-
Interfund Trnx-Water Cap to Admin Cap	25,000							25,000	25,000	-
<b>Total Water Non Operating Revenue</b>	<b>2,937,760</b>	<b>2,516,867</b>				<b>395,893</b>		<b>25,000</b>	<b>2,937,760</b>	-
<b>Wastewater Non Operating Revenue</b>										
Wastewater Capital Improvement Chg.	1,093,000		1,093,000						1,093,000	-
Interfund Trnx-WW Ops to WW Debt	288,600						288,600		288,600	-
Interfund Trnx-Recyc Ops to WW Debt	94,248						94,248		94,248	-
Sewer Permit Fees-5	32,875		32,875						32,875	-
1% Property Taxes-IDS	862,757		361,667						862,757	-
CSI Rebate	559,450		308,088		251,362		501,090		559,450	0
Prop 84 funds-Recycled Projects	-								-	-
WW Trnx to Solar SDGE offset)	405,750				405,750				405,750	-
<b>Total Wastewater Non Operating Rever</b>	<b>3,336,680</b>		<b>1,795,630</b>		<b>657,112</b>		<b>883,938</b>		<b>3,336,680</b>	-
<b>Total Allocated Funds</b>	<b>6,274,440</b>	<b>2,516,867</b>	<b>1,795,630</b>		<b>657,112</b>	<b>395,893</b>	<b>883,938</b>	<b>25,000</b>	<b>6,274,440</b>	
Total Debt Service Requirement					349,024					
Overage/(Shortage)					308,088					



## Capital Project Summary for FY 2016/2017

The following is a summary of the capital projects in progress or anticipated to be completed in FY 2016/17:

### Water Capital Projects

The water capital project budgeted includes a line item describing each project. A discussion based on the more significant projects in each water capital project budget subsection is described below:

1. The District will complete purchases of field equipment and fleet vehicles in accordance with the District Fleet and Heavy Equipment Replacement Program, which was approved by the board to ensure continued reliability of District Operations. This includes the purchase of a new loader and Class A 5<sup>th</sup> wheel truck.
2. The District will continue the reservoir coating projects to ensure reliable water storage facilities and will complete coating of the 1 MG reservoir in Deluz.
3. Under the District Pipelines budget, District construction staff will continue with valve replacement projects as budgeted. The Beaver Creek pipeline replacement project was awarded and is expected to be completed in FY 2016/17 as budgeted. In addition two smaller pipeline projects will be initiated and completed. One along Silversprings Drive and one at Brooke Street and Stagecoach will be completed to address older pipelines in poor condition. The District implemented an escalating capital improvement charge to ensure the District is meeting pipeline infrastructure replacement needs due to the growing age of the District's infrastructure.
4. The completion of the environmental permitting, water rights permitting and completion of the settlement agreement with Camp Pendleton are anticipated to be completed for the Santa Margarita Conjunctive Use Project. Construction of the Santa Margarita Conjunctive Use project is budgeted to begin in FY 2017/18.
5. A standby generator will be added at the Donmill Pump Station to improve system reliability in emergencies in accordance with the Pump Stations budget.
6. Paving of the District yard will be completed to prevent more costly future asphalt repairs.
7. In accordance with the Meter Replacement Program Budget, the District will complete the second of a five year program to replace existing Automatic Meter Reading (AMR) meters with Advanced Metering Infrastructure (AMI) meters to provide for real time data collection and alerts.

### Wastewater Capital Projects

The wastewater capital project budgeted includes a line item describing each project. A detailed discussion based on the more significant projects in each water capital project budget subsection is described below:

1. In accordance with the Collection System budget, a two year project will be initiated to replace the sewer piping that has capacity and condition concerns in Brandon and Alvarado. District staff will complete miscellaneous budgeted collections and manhole repairs.
2. In accordance with the Treatment Works budget, older equipment and facilities that was not included in the plant rehabilitation will be repaired. This includes roof repairs, repairs to the screening facilities and repairs to the older Centrysis model centrifuge. Also an addition recycled water pump and drive will be purchased and installed in order to meet expected increased recycled demands due to the system expansion.
3. In accordance with the Outfall Line budget, replacements of drain and air/vacuum valves and appurtenances on the outfall that are no longer functioning and require replacement will be completed.

### Recycled Water Capital Projects

The recent expansion of the recycled system requires some additional monitoring of system pressures, so additional remote pressure monitoring stations will be added. In addition to better optimize staff resources, an on-line analyzer will be installed at the end of the outfall instead of having staff drive to Oceanside to collect a sample.

### Administrative Capital Projects

1. The primary administrative Capital Project is the Springbrook Software Conversion the project was originally budgeted to be complete in FY 2015/16, but will continue until 2016/17 due to additional time required in the conversion. The budgeted amount for the conversion is unchanged.
2. Additionally, a \$50,000 line item has been added to the 2016/17 budget for security upgrades at major district facilities.

## Capital Project Completion Summary for FY 2015/2016

The following summarize progress on last year's capital budget. A summary of the capital projects completed, in progress or anticipated to be completed in FY 2015/16 is below:

### Water Capital Projects

All major water capital projects that were anticipated to be awarded or completed in FY 2015/16 were either awarded or completed per the approved budget. A more detailed discussion based on each budget subsection is described below:

1. The District completed purchases of field equipment and fleet vehicles in accordance with the District Fleet and Heavy Equipment Replacement Program, which was approved by the board to ensure continued reliability of District Operations. In accordance with this program, a new vector truck was purchased to replace the vehicle that was required to be taken out of service.
2. The District awarded the coating of the Toyon and 2 MG reservoirs in accordance with the Reservoir budget, but based on the structural condition of the 2 MG reservoir after initial cleaning it was determined to be more cost effective to remove the reservoir from service and demolish the reservoir. Instead of rebuilding the reservoir, the improvements being made to the District pump stations under the Pump Stations Budget will allow for continued system reliability without this storage.
3. Under the District Pipelines budget, District construction staff continued with valve replacement projects as budgeted; the District also completed valve replacements on the 20" South Red Mountain transmission; and the Beaver Creek pipeline replacement project was awarded and is expected to be completed in FY 2016/17 as budgeted.
4. The Design of the Santa Margarita Conjunctive Use Project will be completed in accordance with the Santa Margarita Conjunctive Use budget.
5. The Daily Pump Station Replacement Project will be completed in accordance with the Pump Stations budget.
6. In accordance with the Meter Replacement Program Budget, the District will complete the first of a five year program to replace existing Automatic Meter Reading (AMR) meters with Advanced Metering Infrastructure (AMI) meters to provide for real time data collection and alerts.

### Wastewater Capital Projects

All major wastewater capital projects that were anticipated to be awarded or completed in FY 2015/16 were either awarded or completed per the approved budget. A more detailed discussion based on each budget subsection is described below:

1. In accordance with the Collection System budget, the Plant 2 force main replacement project was awarded and is anticipated to be completed prior to the end of the Fiscal Year and District staff completed collections and manhole repairs.
2. In accordance with the Treatment Works budget the WRP construction project was completed ahead of schedule and below budget.
3. In accordance with the Outfall Line budget, a remote inspection was completed for the outfall from Fallbrook to Oceanside. No leaks or major deficiencies were detected. Under this budget staff also completed replacements of drain and air/vacuum valves and appurtenances on the outfall that are no longer functioning and require replacement.

### Recycled Water Capital Projects

All major recycled capital projects that were anticipated to be awarded or completed in FY 2015/16 were either awarded or completed per the approved budget except for the CalTrans Vault Rehab and outfall on-line chlorine analyzer project. A more detailed discussion based on each budget subsection is described below:

1. The extension of the recycled waterline to the East to serve five additional large nurseries was completed. The District secured grant funding after the budget was adopted, so the project will be completed significantly below budget.
2. The tertiary treatment facility rehabilitation was completed as part of the WRP upgrades project ahead of schedule and below budget.
3. The on-line chlorine analyzer and Caltrans vault rehab was deferred to FY 2016/17 as there were more immediate equipment needs for the WRP, which included a new recycled water supply pump and chlorine system improvements.

### Administrative Capital Projects

The primary administrative Capital Project for FY 2015/16 was the Springbrook Software Conversion. The project was originally budgeted to be complete in FY 2015/16, but will continue until 2016/17 due to additional time required in the conversion. The budgeted amount for the conversion is unchanged.

The District implemented an escalating capital improvement charge to ensure the District is meeting pipeline infrastructure replacement needs due to the age of the District's infrastructure. Figure 1, below, shows the District is currently on target with its pipeline replacement goals, which will continue to ramp up.

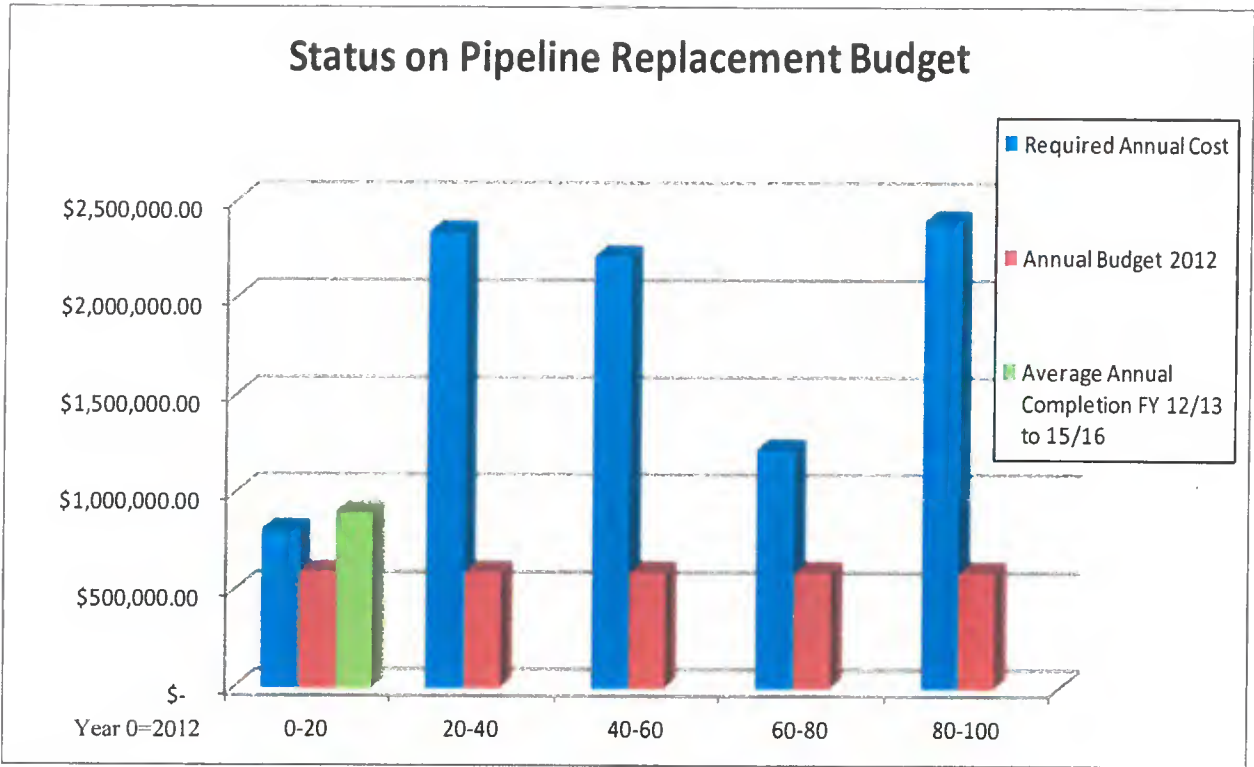
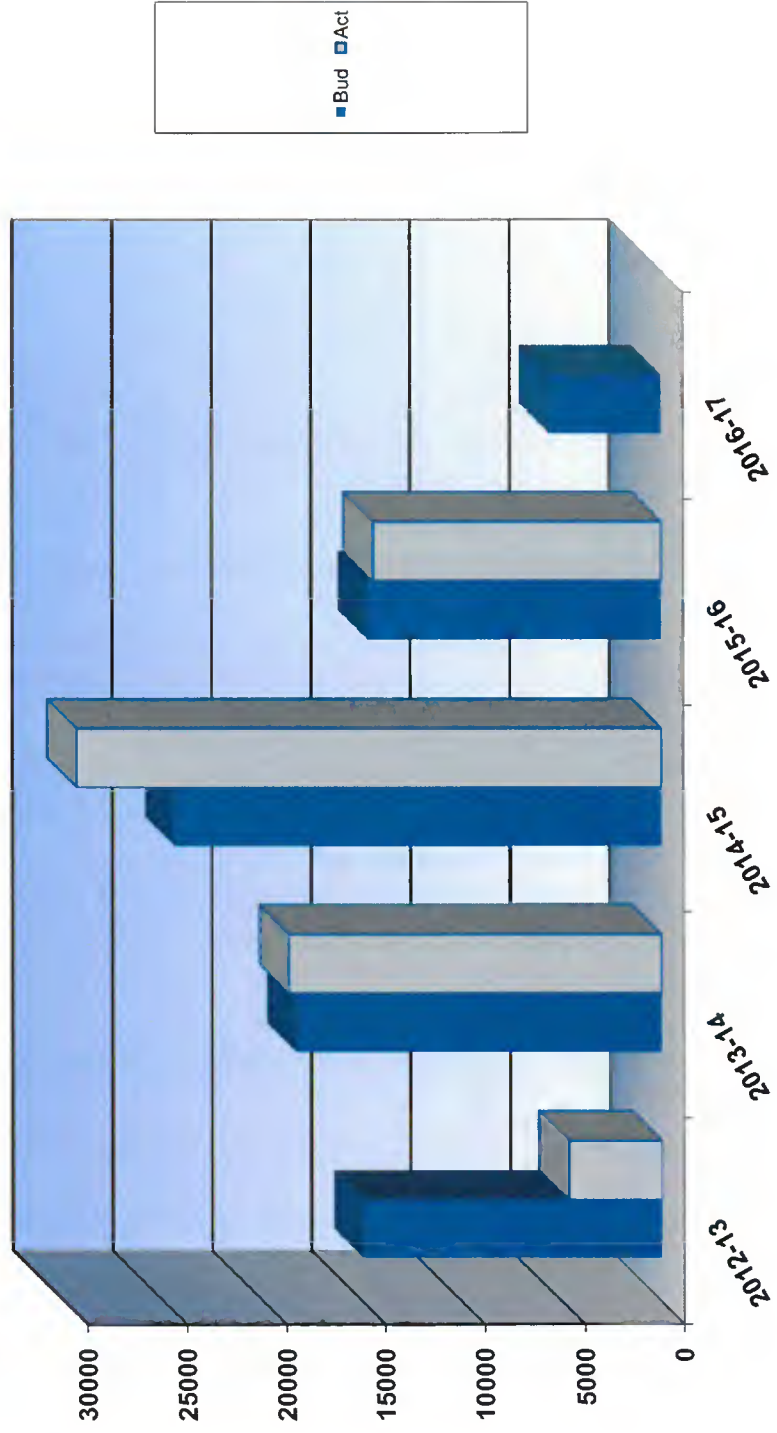


Figure 1 – Pipeline Replacement Budget Status



FY 16-17 Total Non Ops revenue	Total Non Operating Revenue	Allocation Water Capital	Wastewater Capital	Recyc Capital	Debt Service QECB-Solar	Red Mtn SRF	WWTP SRF	Admin Capital	Allocation Totals	Diff
<b>Water Non Operating Revenue</b>	203,000	203,000							203,000	-
Standby/Availability Charges	74,440	74,440							74,440	-
1% Property Taxes-FPUD	951,320	555,427				395,893			951,320	-
Portfolio Interest	175,000	175,000							175,000	-
Water Capital Improvement Chg	1,189,000	1,189,000							1,189,000	-
Pumping Charge	60,000	60,000							60,000	-
Cell Tower Rents	185,000	185,000							185,000	-
Prop 50 funds (Conj Use)	-	-							-	-
Interfund Trnx-Equipment to Water Capita	75,000	75,000							75,000	-
Interfund Trnx-Water Cap to Admin Cap	25,000							25,000	25,000	-
<b>Total Water Non Operating Revenue</b>	<b>2,937,760</b>	<b>2,516,867</b>				<b>395,893</b>		<b>25,000</b>	<b>2,937,760</b>	-
<b>Wastewater Non Operating Revenue</b>										
Wastewater Capital Improvement Chg.	1,093,000		1,093,000						1,093,000	-
Interfund Trnx-WW Ops to WW Debt	288,600						288,600		288,600	-
Interfund Trnx-Recyc Ops to WW Debt	94,248						94,248		94,248	-
Sewer Permit Fees-5	32,875		32,875						32,875	-
1% Property Taxes-IDS	862,757		361,667						862,757	-
CSI Rebate	559,450		308,088				501,090		862,757	-
Prop 84 funds-Recycled Projects	-				251,362				559,450	0
WW Trnx to Solar SDGE offset)	405,750				405,750				405,750	-
<b>Total Wastewater Non Operating Revenue</b>	<b>3,336,680</b>		<b>1,795,630</b>		<b>657,112</b>		<b>883,938</b>		<b>3,336,680</b>	-
<b>Total Allocated Funds</b>	<b>6,274,440</b>	<b>2,516,867</b>	<b>1,795,630</b>		<b>657,112</b>	<b>395,893</b>	<b>883,938</b>	<b>25,000</b>	<b>6,274,440</b>	
<b>Total Debt Service Requirement</b>					<b>349,024</b>					
<b>Overage/(Shortage)</b>					<b>308,088</b>					

# CAPITAL SUMMARY





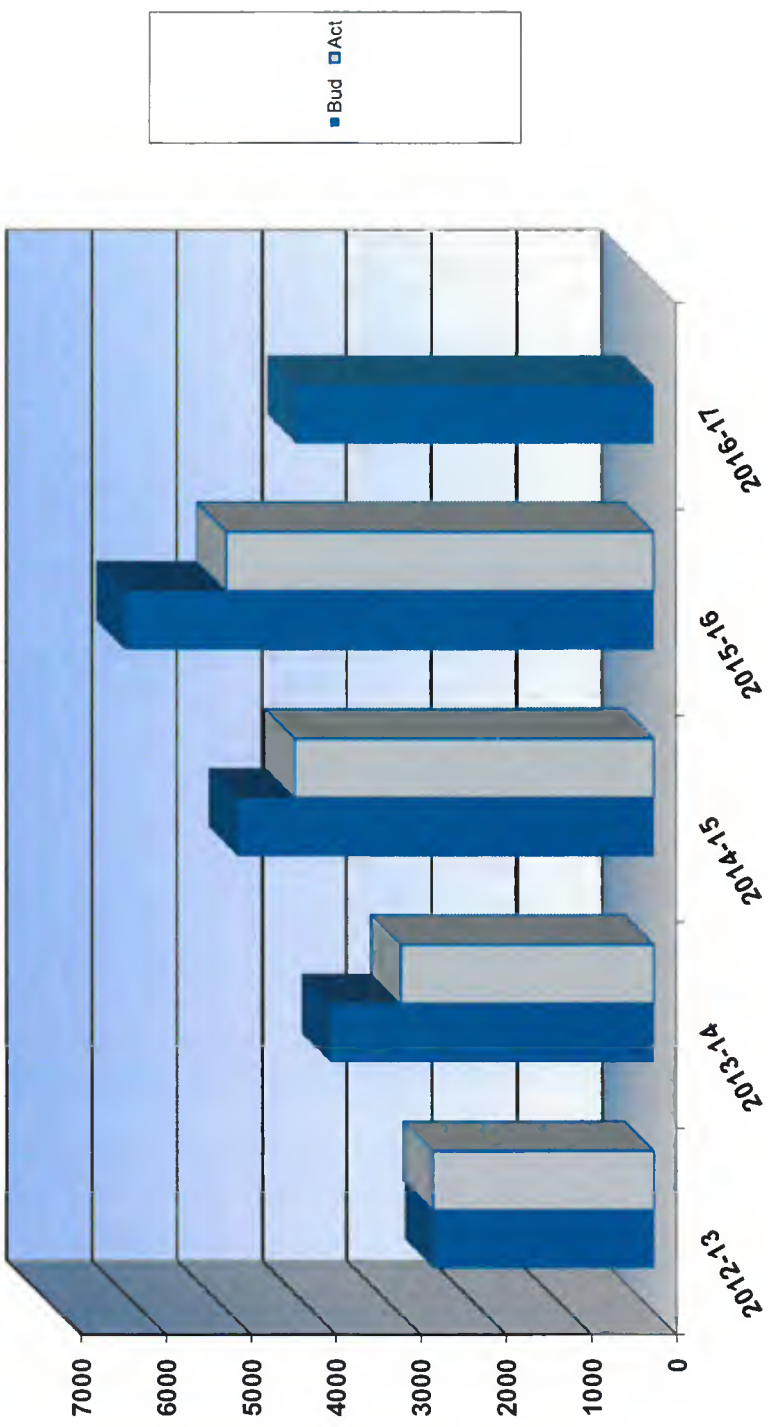
**CAPITAL SUMMARY**  
**Budget Year and Out Years**

Projects	Budget 2014-15	Projected 2014-15	<b>Budget</b> 2015-16	Outyear 2016-17	Outyear 2017-18	Outyear 2018-19	Outyear 2019-20	Outyear 2020-21
Water	6,204,929	5,026,556	4,548,183	24,861,553	24,185,631	3,653,578	2,863,644	2,844,186
Wastewater	4,247,395	5,224,879	1,039,173	1,006,381	1,100,373	1,054,484	635,385	669,747
Recycled	4,029,000	3,860,380	80,000	165,000	90,000	110,000	114,000	114,000
Administration	251,500	355,540	299,570	170,000	125,000	90,000	75,000	75,000
<b>TOTALS</b>	<b>14,732,824</b>	<b>14,467,355</b>	<b>5,966,925</b>	<b>26,202,934</b>	<b>25,501,004</b>	<b>4,908,061</b>	<b>3,688,029</b>	<b>3,702,932</b>
<b>REVENUE PROGRAM</b>								
Pumping Charge	66,000	42,439	60,000	61,500	63,038	64,613	66,229	67,884
Standby/Availability Charges	203,000	203,000	203,000	203,000	203,000	203,000	203,000	203,000
Connection Fees	56,265	49,624	74,440	79,440	93,671	102,902	106,902	106,902
Sewer Permit Fees	25,192	60,132	32,875	39,450	46,025	46,025	46,025	46,025
Property Taxes	1,306,487	1,298,834	917,094	546,008	564,846	584,061	603,660	623,651
CSI/SDG&E offset	440,181	440,181	308,084	45,064	45,518	45,948	46,349	46,720
Interest	190,000	204,000	175,000	175,000	175,000	176,750	182,053	187,514
Developer Funds & Rents	250,000	204,144	255,000	352,033	355,807	359,657	270,250	274,255
Capital Improvement Charge	2,220,000	2,162,641	2,282,000	1,748,647	1,780,209	1,813,698	1,848,885	1,885,846
Transfer from Operations	100,000	150,000	100,000	100,000	100,000	100,000	100,000	100,000
Reserves used for Admin/Recyc	981,500	1,511,705	354,570	310,000	185,000	175,000	160,000	160,000
Prop 50/84 funding	900,000	1,588,145	-	-	-	-	-	-
Revenue Subtotal	6,738,625	7,914,845	4,762,063	3,660,142	3,612,114	3,671,653	3,633,352	3,701,797
<b>Required Reserves</b>	<b>7,994,199</b>	<b>6,552,510</b>	<b>1,204,863</b>	<b>22,542,792</b>	<b>21,888,890</b>	<b>1,236,408</b>	<b>54,677</b>	<b>1,135</b>
<b>TOTALS</b>	<b>14,732,824</b>	<b>14,467,355</b>	<b>5,966,925</b>	<b>26,202,934</b>	<b>25,501,004</b>	<b>4,908,061</b>	<b>3,688,029</b>	<b>3,702,932</b>
Fund Balance Beginning of Year	13,115,985	15,530,906	15,846,162	14,500,870	12,893,078	11,944,188	10,707,780	10,653,103
Less: District CIP	(652,467)	140,430	(140,430)	-	-	-	-	-
Plus: Net SRF Loan Proceeds	10,231,000	6,727,336	-	20,940,000	20,940,000	-	-	-
Change During Year	(2,106,666)	315,256	(1,345,293)	(1,607,792)	(948,890)	(1,236,408)	(54,677)	(1,135)
Fund Balance End of Year	11,009,319	15,846,162	14,500,870	12,893,078	11,944,188	10,707,780	10,653,103	10,651,968
FB Minimum per Admin Code	8,906,577	31,455,289	51,153,938	29,994,065	8,207,091	7,032,420	6,905,067	7,371,043
Over (Under Target)	2,102,742	(15,609,127)	(36,653,068)	(17,100,987)	3,737,098	3,675,360	3,748,036	3,280,925

**CAPITAL SUMMARY**  
Budget Year and Out Years

	Budget 2014-15	Projected 2014-15	Budget 2015-16	Outyear 2016-17	Outyear 2017-18	Outyear 2018-19	Outyear 2019-20	Outyear 2020-21	Outyear 2021-22	Outyear 2022-23	Outyear 2023-24	Outyear 2024-25	Outyear 2025-16
<b>Projects</b>													
Water	6,204,929	5,026,556	4,548,183	24,861,553	24,185,631	3,653,578	2,863,644	2,844,186	2,716,896	2,551,042	3,029,536	3,377,436	3,070,292
Wastewater	4,247,395	5,224,879	1,039,173	1,006,381	1,100,373	1,054,484	635,385	669,747	674,239	1,428,866	1,240,232	701,939	719,997
Recycled	4,029,000	3,860,380	80,000	165,000	90,000	110,000	114,000	114,000	114,000	-	-	-	-
Administration	251,500	355,540	299,570	170,000	125,000	90,000	75,000	75,000	80,000	82,400	84,872	87,418	90,041
<b>TOTALS</b>	14,732,824	14,467,355	5,966,925	26,202,934	25,501,004	4,908,061	3,688,029	3,702,932	3,585,135	4,062,308	4,354,640	4,166,793	3,880,330
<b>REVENUE PROGRAM</b>													
Pumping Charge	66,000	42,439	60,000	61,500	63,038	64,613	66,229	67,884	69,582	71,321	73,104	74,932	76,805
Standby/Availability Charges	203,000	203,000	203,000	203,000	203,000	203,000	203,000	203,000	203,000	203,000	203,000	203,000	203,000
Connection Fees	56,265	49,624	74,440	79,440	93,671	102,902	106,902	106,902	106,902	102,902	102,902	102,902	102,902
Sewer Permit Fees	25,192	60,132	32,875	39,450	46,025	46,025	46,025	46,025	46,025	46,025	46,025	46,025	46,025
Property Taxes	1,306,487	1,298,834	917,094	546,008	564,846	584,061	603,660	623,651	644,042	664,840	686,055	707,694	729,766
CSI/SDG&E offset	440,181	440,181	308,084	45,064	45,518	45,948	46,349	46,720	47,058	47,361	47,625	47,848	48,026
Interest	190,000	204,000	175,000	175,000	175,000	176,750	182,053	187,514	193,139	198,934	204,902	211,049	217,380
Developer Funds & Rents	250,000	204,144	255,000	352,033	355,807	359,657	270,250	274,255	278,340	282,507	286,757	291,092	295,514
Capital Improvement Charge	2,220,000	2,162,641	2,282,000	1,748,647	1,780,209	1,813,698	1,848,885	1,885,846	1,924,659	1,965,405	2,008,170	2,053,042	2,100,113
Transfer from Operations	100,000	150,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Reserves used for Admin/Recyc	981,500	1,511,705	354,570	310,000	185,000	175,000	160,000	160,000	165,000	57,400	59,872	62,418	65,041
Prop 50/84 funding	900,000	1,588,145	-	-	-	-	-	-	-	-	-	-	-
Revenue Subtotal	6,738,625	7,914,845	4,762,063	3,660,142	3,612,114	3,671,653	3,633,352	3,701,797	3,777,747	3,739,696	3,818,413	3,900,002	3,984,572
<b>Required Reserves</b>	7,994,199	6,552,510	1,204,863	22,542,792	21,888,890	1,236,408	54,677	1,135	(192,612)	322,613	536,227	266,791	(104,242)
<b>TOTALS</b>	14,732,824	14,467,355	5,966,925	26,202,934	25,501,004	4,908,061	3,688,029	3,702,932	3,585,135	4,062,308	4,354,640	4,166,793	3,880,330
Fund Balance Beginning of Year	13,115,985	15,530,906	15,846,162	14,500,870	12,893,078	11,944,188	10,707,780	10,653,103	10,651,968	10,844,580	10,521,967	9,985,740	9,718,949
Less: District CJP	(652,467)	140,430	(140,430)	-	-	-	-	-	-	-	-	-	-
Plus: Net SRF Loan Proceeds	10,231,000	6,727,336	-	20,940,000	20,940,000	-	-	-	-	-	-	-	-
Change During Year	(2,106,666)	315,256	(1,345,293)	(1,607,792)	(948,890)	(1,236,408)	(54,677)	(1,135)	192,612	(322,613)	(536,227)	(266,791)	104,242
Fund Balance End of Year	11,009,319	15,846,162	14,500,870	12,893,078	11,944,188	10,707,780	10,653,103	10,651,968	10,844,580	10,521,967	9,985,740	9,718,949	9,823,192
FB Minimum per Admin Code	8,906,577	31,455,289	51,153,938	29,994,065	8,207,091	7,032,420	6,905,067	7,371,043	8,249,676	8,349,143	7,869,664	7,599,178	6,879,180
Over (Under Target)	2,102,742	(15,609,127)	(36,653,068)	(17,100,987)	3,737,098	3,675,360	3,748,036	3,280,925	2,594,904	2,172,825	2,116,077	2,119,772	2,944,011

# WATER CAPITAL



## WATER DEPARTMENT

### Capital Budget Summary

PROJECTS	Budget 2015-16	Projected 2015-16	Budget 2016-17	Outyear 2017-18	Outyear 2018-19	Outyear 2019-20	Outyear 2020-21
Field Equipment	601,000	419,088	543,500	183,500	183,500	533,500	333,500
Reservoirs	696,853	940,747	333,950	1,234,697	703,443	530,812	391,192
Seismic Retrofit	30,000	-	0	0	0	0	0
Pipelines	1,478,602	765,152	1,785,401	1,180,174	1,170,383	1,404,917	1,468,258
Yard/SCADA/Facility	221,000	27,805	196,000	50,000	0	150,000	0
DLSA Improvements	100,000	289,093	100,000	50,000	100,000	100,000	100,000
Pressure Stations	38,000	30,645	38,000	48,000	90,000	20,000	20,000
Santa Margarita Conj. Use	1,500,000	1,065,815	300,000	20,940,000	20,940,000	20,000	20,000
Santa Margarita Water Rights	122,140	185,234	139,630	215,112	140,867	141,910	148,256
Pump Stations	720,000	982,177	400,000	300,000	195,000	50,000	50,000
Water Supply Facilities	80,000	17,300	70,000	50,000	50,000	90,000	50,000
Meter Service Replacement	445,000	289,500	445,000	400,000	400,000	400,000	50,000
Meter Installations	59,334	14,000	75,702	92,070	108,438	108,438	108,438
Facility Upgrades & Security	113,000	-	121,000	118,000	104,000	104,000	124,000
<b>TOTALS</b>	<b>6,204,929</b>	<b>5,026,556</b>	<b>4,548,183</b>	<b>24,861,553</b>	<b>24,185,631</b>	<b>3,653,578</b>	<b>2,863,644</b>

Reduce Budget by \_\_%

#### REVENUE PROGRAM

Pumping Charge	66,000	42,439	60,000	61,500	63,038	64,613	66,229
Standby/Availability Charges	203,000	203,000	203,000	203,000	203,000	203,000	203,000
Connection Fees	56,265	49,624	74,440	74,440	88,671	102,902	102,902
Property Taxes	499,667	492,014	555,427	546,008	564,846	584,061	603,660
Interest	190,000	204,000	175,000	175,000	175,000	176,750	182,053
Developer Funds	20,000	18,201	20,000	20,000	20,000	20,000	20,000
Capital Improvement Charge	1,145,000	1,084,726	1,189,000	1,236,560	1,286,022	1,337,463	1,390,962
Facilities Rent Revenue/Tenants	180,000	185,943	185,000	188,700	192,474	196,323	200,250
Transfer from Water Ops/60	25,000	75,000	75,000	75,000	75,000	75,000	75,000
Prop 50 funds	900,000	874,010	-	-	-	-	-
Revenue Subtotal	3,284,932	3,228,957	2,536,867	2,580,208	2,668,051	2,760,113	2,844,055
<b>Required Reserves</b>	<b>2,919,997</b>	<b>1,797,599</b>	<b>2,011,316</b>	<b>22,281,345</b>	<b>21,517,580</b>	<b>893,465</b>	<b>19,589</b>
<b>TOTALS</b>	<b>6,204,929</b>	<b>5,026,556</b>	<b>4,548,183</b>	<b>24,861,553</b>	<b>24,185,631</b>	<b>3,653,578</b>	<b>2,863,644</b>

Fund Balance Beginning of Year	10,783,276	12,442,314	10,659,605	8,633,399	7,292,055	6,714,474	5,821,010
Less: District CIP	(652,467)	14,890	(14,890)				
Plus: Net Loan Proceeds			-	20,940,000	20,940,000		
Change During Year	(3,572,464)	(1,782,709)	(2,026,206)	(1,341,345)	(577,580)	(893,465)	(19,589)
Fund Balance End of Year	7,210,812	10,659,605	8,633,399	7,292,055	6,714,474	5,821,010	5,801,421
FB Minimum per Admin Code	7,220,329	29,409,735	49,047,184	27,839,209	6,517,222	5,727,288	5,561,082
Fund Balance Over (Under Target)	(9,517)	(18,750,130)	(40,413,785)	(20,547,154)	197,253	93,721	240,339



**WATER DEPARTMENT**  
Capital Budget Summary

	Budget	Projected	Budget	Outyear	Outyear	Outyear	Outyear	Outyear	Outyear	Outyear	Outyear	Outyear	Outyear	Outyear
	2015-16	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	
<b>PROJECTS</b>														
Field Equipment	601,000	419,088	543,500	183,500	183,500	533,500	333,500	348,500	348,500	358,955	369,724	380,815	392,240	
Reservoirs	696,853	940,747	333,950	1,234,697	703,443	530,812	391,192	353,144	291,500	104,500	208,500	600,000	214,755	
Seismic Retrofit	30,000	-	0	0	0	0	0	0	0	0	0	0	0	
Pipelines	1,478,602	765,152	1,785,401	1,180,174	1,170,383	1,404,917	1,468,258	1,433,016	1,350,191	1,343,209	1,688,753	1,615,359	1,662,794	
Yard/SCADA/Facility	221,000	27,805	196,000	50,000	0	150,000	0	40,000	41,200	42,436	43,709	45,020	46,371	
DLSA Improvements	100,000	289,093	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	
Pressure Stations	38,000	30,645	38,000	48,000	90,000	20,000	20,000	20,000	20,000	21,218	21,855	22,510	23,185	
Santa Margarita Conj. Use	1,500,000	1,065,815	300,000	20,940,000	20,940,000	20,000	20,000	20,000	20,000	21,218	21,855	22,510	23,185	
Pump Stations	122,140	185,234	139,630	215,112	140,867	141,910	148,256	139,919	144,116	148,440	152,893	157,480	162,204	
Water Supply Facilities	720,000	982,177	400,000	300,000	195,000	50,000	50,000	50,000	51,500	53,045	54,636	56,275	57,964	
Meter Service Replacement	80,000	17,300	70,000	50,000	50,000	90,000	50,000	50,000	51,500	53,045	54,636	56,275	57,964	
Meter Installations	445,000	289,500	445,000	400,000	400,000	400,000	50,000	50,000	51,500	53,045	54,636	56,275	57,964	
Facility Upgrades & Security	59,334	14,000	75,702	92,070	108,438	108,438	108,438	110,807	112,819	115,075	117,377	119,724	122,119	
TOTALS	113,000	-	121,000	118,000	104,000	104,000	124,000	129,000	132,870	136,856	140,962	145,191	149,546	
	6,204,929	5,026,556	4,548,183	24,861,553	24,185,631	3,653,578	2,863,644	2,844,186	2,716,896	2,551,042	3,029,536	3,377,436	3,070,292	

Reduce Budget by \_\_%

**REVENUE PROGRAM**

Pumping Charge	66,000	42,439	60,000	61,500	63,038	64,613	66,229	67,884	69,582	71,321	73,104	74,932	76,805
Standby/Availability Charges	203,000	203,000	203,000	203,000	203,000	203,000	203,000	203,000	203,000	203,000	203,000	203,000	203,000
Connection Fees	56,265	49,624	74,440	74,440	88,671	102,902	102,902	102,902	102,902	102,902	102,902	102,902	102,902
Property Taxes	499,667	492,014	555,427	546,008	564,846	584,061	603,660	623,651	644,042	664,840	686,055	707,694	729,766
Interest	190,000	204,000	175,000	175,000	175,000	176,750	182,053	187,514	193,139	198,934	204,902	211,049	217,380
Developer Funds	20,000	16,201	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Capital Improvement Charge	1,145,000	1,084,726	1,189,000	1,236,560	1,286,022	1,337,463	1,390,962	1,446,600	1,504,464	1,564,643	1,627,229	1,692,318	1,760,010
Facilities Rent Revenue/Tenants Transfer from Water Ops/60	180,000	185,943	185,000	188,700	192,474	196,323	200,250	204,255	208,340	212,507	216,757	221,092	225,514
Prop 50 funds	25,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Revenue Subtotal	3,284,932	3,228,957	2,536,867	2,580,208	2,668,051	2,760,113	2,844,055	2,930,807	3,020,469	3,113,147	3,208,949	3,307,987	3,410,378
Required Reserves	2,919,997	1,797,599	2,011,316	22,281,345	21,517,580	893,465	19,589	(86,621)	(303,573)	(562,105)	(179,413)	69,449	(340,086)
TOTALS	6,204,929	5,026,556	4,548,183	24,861,553	24,185,631	3,653,578	2,863,644	2,844,186	2,716,896	2,551,042	3,029,536	3,377,436	3,070,292

Fund Balance Beginning of Year	10,783,276	12,442,314	10,659,605	8,633,399	7,292,055	6,714,474	5,821,010	5,801,421	5,888,042	6,191,615	6,753,720	6,933,133	6,863,684
Less: District CIP	(652,467)	14,890	(14,890)	-	-	-	-	-	-	-	-	-	-
Plus: Net Loan Proceeds	-	-	-	20,940,000	20,940,000	-	-	-	-	-	-	-	-
Change During Year	(3,572,464)	(1,782,709)	(2,026,206)	(1,341,345)	(577,580)	(893,465)	(19,589)	86,621	303,573	562,105	179,413	(69,449)	340,086
Fund Balance End of Year	7,210,812	10,659,605	8,633,399	7,292,055	6,714,474	5,821,010	5,801,421	5,888,042	6,191,615	6,753,720	6,933,133	6,863,684	7,203,770
FB Minimum per Admin Code	7,220,329	29,409,735	49,047,184	27,839,209	6,517,222	5,727,288	5,561,082	5,267,938	5,580,578	6,406,971	6,447,727	6,140,583	6,140,583
Fund Balance Over (Under Target)	(9,517)	(18,750,130)	(40,413,785)	(20,547,154)	197,253	93,721	240,339	620,104	611,037	346,749	485,406	723,101	1,063,187

**WATER DEPARTMENT**  
**Capital Budget**  
Project Detail

**Project Title:** Equipment Fleet

**Description:** This program provides for the purchase of field equipment and fleet vehicles to maintain the fleet at the current level to accomplish the objectives of this and projected budget years. The District has developed a fleet replacement plan to maintain a serviceable, reliable fleet in the most economical manner. For field equipment replacement is required to meet CA air quality requirements (DOORS) as Tier 0, I and II equipment must be replaced to comply with Tier IV emission requirements. Currently we meet January 1, 2018 compliance date, however we need to continue to take action to meet the January 1, 2019 compliance.

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
<b><u>Transportation</u></b>						
Midsized 4WD						
Midsized	50,000					50,000
Full-size 1/2 Ton	70,000	70,000	70,000	70,000	70,000	70,000
<b><u>Crew Support</u></b>						
T3 '3/4-1T Cab & Utility Body	85,000		75,000		80,000	
<b><u>Field Equipment</u></b>						
Misc. Field Equipment	5,000	5,000	5,000	5,000	5,000	15,000
Loaders	152,000	170,000				180,000
Class A Fifth Wheel	148,000					
Vactor truck				430,000		
Sewer Lateral Camera						
I&C Truck Cap Cover						
Backhoe					150,000	
<b><u>Safety Equipment</u></b>						
Safety Equipment	13,500	13,500	13,500	13,500	13,500	13,500
<b><u>Misc. Vehicles</u></b>						
Major Overhaul / Fleet optimization	20,000	20,000	20,000	15,000	15,000	20,000
<b>Total</b>	<b>543,500</b>	<b>278,500</b>	<b>183,500</b>	<b>533,500</b>	<b>333,500</b>	<b>348,500</b>

**WATER DEPARTMENT**  
**Capital Budget**  
Project Detail

**Project Title:**

**Reservoirs**

**Description:**

The reservoir coatings survey was completed in 2010 and the decennial cycle of coatings projects that had been delayed due to past budget constraints was undertaken in 2010-11 to prevent structural damage due to the condition of the coatings. Work will continue indefinitely to extend the life of the District's resources. In addition on-going replacements of the cathodic protection system is required.

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
<b><u>Reservoirs Rehabilitation</u></b>						
Design/Dive Inspection	75,000	11,941	12,299	12,668	13,048	75,000
Inspection/Construction Management	51,563	45,000	65,000	30,000	30,000	30,000
1MG	200,000					
2MG, DeLuz						
Sachse 10.5 MG						240,000
Gheen					240,000	
Replace Bolted Tank (Joan Ln)						
Toyon						
Tank Rental						
Rattlesnake						
8 MG		1,170,000				
Bucknell (Decommision)					100,000	
2.8 MG				480,000		
Sandia			618,000			
Reservoir Mixing 8MG						
Reservoir Mixing Gheen						
Cathodic Protection Repair	7,387	7,757	8,144	8,144	8,144	8,144
<b>Totals</b>	<b>333,950</b>	<b>1,234,697</b>	<b>703,443</b>	<b>530,812</b>	<b>391,192</b>	<b>353,144</b>



**WATER DEPARTMENT**  
**Capital Budget**  
Project Detail

**Project Title:**

**Pipelines**

**Description:**

Pipeline projects include main line water pipelines, valves and appurtenances. These include an allowance for any District share of developer pipelines, aging pipeline replacement, annexation projects and District looping extensions. The primary District effort is to replaced deteriorated pipelines and valves to maintain service reliability in accordance with the asset management plan.

**10 Year Projected Pipeline Replacements Cost**

<u>Location of Project</u>	<u>Man Hrs</u>	<u>LF</u>	<u>Cost/LF</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
CMMS/AM Assesment				150,000				50,000
<b><u>Pipe Lines Projects</u></b>								
<b>Projects to be Completed by District Staff</b>								
Mardavido 10" Phase 2		1,216	204					
Stagecoach /Devin 8 "		1,750	192					
Winterhaven 12"		1,500	222					
Santa Margarita Drive 12" CLIP Phase I & II		2,000	222			222,000	222,000	
Stagecoach @ Alvarado St 12"		1,300	222			288,600		
Hughes Ln. 12" Lorenzo connection to Hughs Ln Tee		670	216		144,720			
Silversprings 6"		780	170	132,756				
Hathorne from N Vine to Main 6"		320	170		54,464			
Alley from E Hathorne to E Alvarado 4"		230	170		39,146			
Alvarado @ Brandonburg 10"		1,500	204				305,250	
Hawthorne St @ Orange 6"		975	170				165,945	
Main Street Alley 4" to 6"		600	170					
Alvarado St @ Brandon 8"		570	192		109,668			
Hillside Drive 12" Phase I & II		4,500	222					499,500
Gumtree 12 " bottleneck @ PRV Station		100	222					
Almond Street Alley 6"		1,200	170		204,240			
Hillcrest Ln Easement 8" CLIP Ft		780	150					
<b>Misc Pipelines</b>								
Palomino and McDonald intersection								
Misc Pipeline Replacement								
Valve Replacements				300,000	350,000			
Replace Fire Detector Checks				35,177	36,936	38,783	40,722	42,758
<b>Easement Maintenance</b>								
DeLuz Transmission Washout @ Chandler Ranch								
Rainbow 24" Transmission pipe supports and freeway crossing inspection					200,000			
Gumtree 20" CLIP Transmission pipe supports In canyon								150,000
Easement Rehabilitation				60,000		30,000	30,000	30,000
<b>Projects to be Completed by Contractors</b>								
<b>Pipeline Replacement</b>								
Olive Hill Rd 12" Phase I & II		4,000	225					
Beaver Creek 12' to 16"		6,500	250	812,500				
Brooke St @ Stagecoach 8"		1,320	192	253,968				
Misc Pipelines						500,000	550,000	605,000
Mainline leak survey				20,000	20,000	20,000	20,000	20,000
Valve Replacement Program						50,000	50,000	50,000
Developer, District Share				21,000	21,000	21,000	21,000	21,000
Developer Pipelines				20,000	20,000	20,000	20,000	20,000
<b>Total</b>				<b>1,805,401</b>	<b>1,200,174</b>	<b>1,190,383</b>	<b>1,424,917</b>	<b>1,488,258</b>

**WATER DEPARTMENT**  
**Capital Budget**  
 Project Detail

**Project Title:** District Yard-Facilities

**Description:** A program to maintain the main corporation yard and office to the District's ongoing mission. The asphalt condition of the main storage yard has deteriorated significantly and if not repaired and sealed, more costly full asphalt replacement will be necessary.

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
Seal Yard	196,000					20,000
Asphalt Yard						
Tree Removal/Seal Lot		50,000				20,000
Carport Heavy Equipment				150,000		
<b>Totals</b>	<b>196,000</b>	<b>50,000</b>	<b>-</b>	<b>150,000</b>	<b>-</b>	<b>40,000</b>

# WATER DEPARTMENT

## Capital Budget

Project Detail

**Project Title:**

**Deluz Pipeline**

**Description:**

In accordance with the Board's DeLuz Service Area policy waterlines are extened based on customer requirements and District obligations to extend service to certain parcels, currently no Deluz waterline extensions are planned over the five year period . A Master Plan update mast completed in 14-15 completed to guide future improvements. This work is completed using the Deluz Improvement District Funds.

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
Deluz/Murrieta 12" River Crossing						
Deluz Master Plan						
Sachse Deluz Interconnect	75000					
Deluz High/Low PRS	25000					
Rock Mtn Chlorine Station Demo		50,000				
Deluz Pipeline Replacements			100,000	100,000	100,000	100,000
<b>Totals</b>	<b>100,000</b>	<b>50,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>

**WATER DEPARTMENT**  
**Capital Budget**  
 Project Detail

**Project Title:**

**Pressure Stations**

**Description:**

The District has pressure control stations that require overhaul, raising to grade, and miscellaneous activities to maintain function. The District continues to reconstruct pressure control stations to new technology as part of a long-term program to upgrade District facilities.

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
Sachse PRV		10,000				
<b>McDonald 6";16"</b>						
Repair 6" Piping			20,000			
Bring Above Grade			50,000			
Gum Tree PRV						
Kaufman 16"						
Sandia PRV	18,000					
DeLuz at Daily 6"		18,000				
Other FCF Rehab	20,000	20,000	20,000	20,000	20,000	20,000
PCV at 8mg						
<b>Totals</b>	<b>38,000</b>	<b>48,000</b>	<b>90,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>

## WATER DEPARTMENT

### Capital Budget

#### Project Detail

**Project Title:** Santa Margarita Conjunctive Use

**Description:** All costs associated with the continuing participation in development of the Conjunctive Use Project, including efforts to secure federal funding, development of agreements, environmental documents, studies and ultimately design and construction related to the ongoing Conjunctive Use project development costs. The current approach is based on utilizing Proposition 50 for off-setting design costs. Construction funding is projected in FY 17-18 and it is assumed it will be financed through bond funds.

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
Lobbying						
<b><u>Developing EIR/EIS and Agreement</u></b>						
Legal Negotiations Support (Lennilaw)	20,000					
Internal Staff	10,000					
Fisheries Support (Contract Services)						
Additional Contracted Support Services	250,000					
<b><u>Facility Design</u></b>						
Internal Staff						
Contract Services						
<b><u>Facility Construction</u></b>						
Internal Staff Support	20,000	20,000	20,000	20,000	20,000	
Construction Management		420,000	420,000			
Construction Administration		400,000	400,000			
Integration Services		100,000	100,000			
Construction		20,000,000	20,000,000			
<b><u>Santa Margarita Property</u></b>						
House Demolition and Fencing						
<b>Totals</b>	<b>300,000</b>	<b>20,940,000</b>	<b>20,940,000</b>	<b>20,000</b>	<b>20,000</b>	<b>-</b>

**WATER DEPARTMENT**  
**Capital Budget**  
Project Detail

**Project Title:** Santa Margarita River Water Rights

**Description:** All costs associated with securing water rights for both the Conjunctive Use Project and Lake Skinner. Includes costs to maximize beneficial uses of the Lake Skinner water rights. Includes legal costs and watermaster fees to support securing, protecting and maintaining the District's water rights.

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
Watermaster	109,630	115,112	120,867	126,910	133,256	139,919
SMRCUP Water Rights	10,000	10,000	10,000	10,000	10,000	
Lake Skinner Water Rights		5,000	5,000			
Skinner Inflows Modeling/Flow Measurement	20,000	5,000	5,000	5,000	5,000	
Skinner MND Update		80,000				
<b>Totals</b>	<b>139,630</b>	<b>215,112</b>	<b>140,867</b>	<b>141,910</b>	<b>148,256</b>	<b>139,919</b>

**WATER DEPARTMENT**  
**Capital Budget**  
Project Detail

**Project Title:** Pump Stations

**Description:** Upgrades required at existing pump stations to maintain/improve reliability and improve the ability of the District to remotely monitor and control the operation of the water system. A generator will be installed at Donnil PS to provide for water service during outages and emergencies in Deluz.

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
Misc Pump Replacements/Rehab				50000	50000	50000
<b><u>Harris Pump Station</u></b>						
Replace Pumps and Starters/VFD		250,000				
<b><u>Donnil Pump Station</u></b>						
Replace Pumps						
Replace Backboard and Electrical						
Additional Pump						
Sitework and Piping						
Generator	350,000					
<b><u>Daily Pump Station</u></b>						
Electrical Design						
Construction	50,000					
Internal Staff						
<b><u>Toyon Pump Station</u></b>						
Replace pump & motor			40,000			
Replace Electrical			35,000			
Telemetry and SCADA			20,000			
New CMU Building			100,000			
<b><u>Deluz Pump Station</u></b>						
Design		50,000				
<b>Totals</b>	<b>400,000</b>	<b>300,000</b>	<b>195,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>



**WATER DEPARTMENT**  
**Capital Budget**  
Project Detail

**Project Title:** **Water Supply Facilities**

**Description:** Changes in Federal drinking water regulations required additional treatment at Red Mountain Reservoir. Funding is required to replace equipment and optimize operation of the disinfection facility.

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
<b><u>Red Mountain Treatment</u></b>						
UV Facility Optimization	70,000	50,000	50,000	50,000	50,000	50,000
Replace UPS Batteries				40,000		
UV Reactor Replacement						
<b>Totals</b>	<b>70,000</b>	<b>50,000</b>	<b>50,000</b>	<b>90,000</b>	<b>50,000</b>	<b>50,000</b>

**WATER DEPARTMENT**  
**Capital Budget**  
 Project Detail

**Project Title:**

**Meter Replacement Program**

**Description:**

The program is aimed to replace the vast majority of District meters that have exceeded design life over the next 5-6 years with meters capable of operating with a Fixed network Advanced Meter Infrastructure (AMI) system and begin implementation of the fixed network to eliminate the need to drive by meters to collect data. The majority of the District will be placed on a fixed network by FY 19-20.

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
Service Line/Valve Replacement	400,000	400,000	400,000	400,000	50,000	50,000
Non Revenue Water Audit	45,000					
<b>Totals</b>	<b>445,000</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>50,000</b>	<b>50,000</b>

**WATER DEPARTMENT**  
**Capital Budget**  
 Project Detail

**Project Title:** Meter Service Installations

**Description:** This budget year 2014-15 is estimated at 6 meter installations. The budget for FY 12-13 includes fees for meter & service line plus FPUD connection fees. Development is increasing and we anticipate levels to begin to ramp up but stay below previous levels of 20 meters per year

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
Meter Installations	75,702	92,070	108,438	108,438	108,438	
<b>Totals</b>	<b>75,702</b>	<b>92,070</b>	<b>108,438</b>	<b>108,438</b>	<b>108,438</b>	<b>-</b>

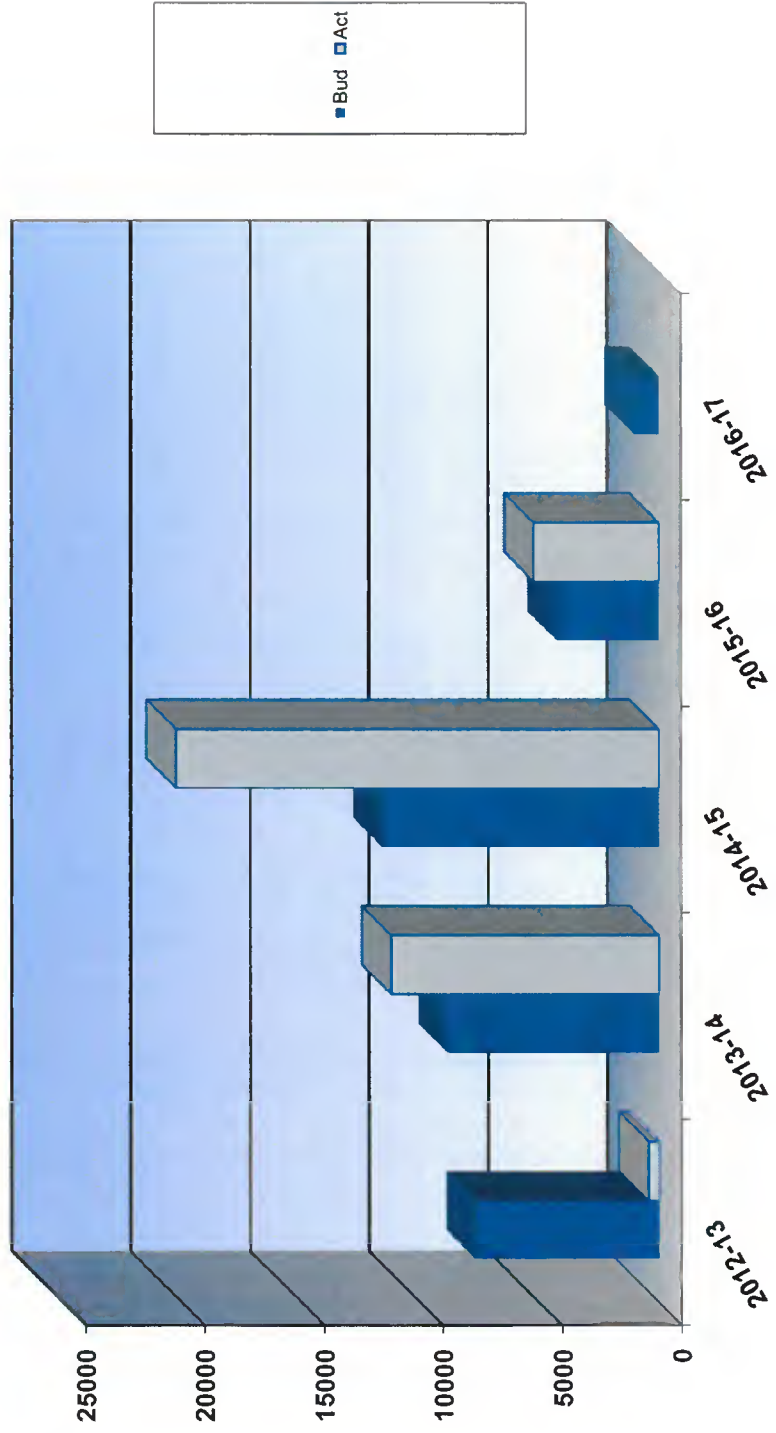
**WATER DEPARTMENT**  
**Capital Budget**  
Project Detail

**Project Title:** Faculty Upgrade/Security/Telemetry

**Description:** Provides improvements/upgrades predicated primarily by heightened security considerations and improvements to remotely monitor and operate facilities

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
Site Security & Monitoring	15,000	15,000	15,000	15,000	15,000	15,000
SCADA Radio, PLC network install Replacements	54,000	54,000	54,000	54,000	54,000	54,000
Flow Control Facility Telemetry	25,000	20,000	20,000	20,000	20,000	20,000
Water quality monitoring at remote sites		14,000	15,000	15,000	15,000	15,000
Fence Protection at remote sites	22,000	15,000			10,000	10,000
Emergency Preparedness Equip.	5,000					5,000
Emergency Power / Battery Equipment	10,000	10,000	10,000	10,000	10,000	10,000
<b>Totals</b>	<b>121,000</b>	<b>118,000</b>	<b>104,000</b>	<b>104,000</b>	<b>124,000</b>	<b>129,000</b>

# WASTEWATER CAPITAL



**WASTEWATER DEPARTMENT**  
Capital Budget Summary

Projects	Budget 2015-16	Projected 2015-16	Budget 2016-17	Outyear 2017-18	Outyear 2018-19	Outyear 2019-20	Outyear 2020-21	Outyear 2021-22
Collection System	431,395	98,717	529,173	533,048	607,039	661,151	385,385	369,747
Treatment Works	3,316,000	4,812,256	260,000	130,000	150,000	150,000	150,000	200,000
Solar Project (see Debt Svc)	-	-	-	-	-	-	-	-
Outfall	450,000	313,906	200,000	200,000	200,000	100,000	50,000	50,000
Minor System Improvements	-	-	-	-	-	-	-	-
Developer	50,000	-	50,000	143,333	143,333	143,333	50,000	50,000
<b>TOTALS</b>	<b>4,247,395</b>	<b>5,224,879</b>	<b>1,039,173</b>	<b>1,006,381</b>	<b>1,100,373</b>	<b>1,054,484</b>	<b>635,385</b>	<b>669,747</b>
Reduce Budget by x%								
<b>Revenue Program</b>								
Sewer Permit Fees	25,192	60,132	32,875	39,450	46,025	46,025	46,025	46,025
1% Property Taxes	806,820	806,820	361,667	-	-	-	-	-
CSI/SDG&E offset(net debt savings)	440,181	440,181	308,084	45,064	45,518	45,948	46,349	46,720
Interest	-	-	-	-	-	-	-	-
Capital Improvement Charge	1,075,000	1,077,915	1,093,000	512,087	494,187	476,234	457,923	439,246
Developer	50,000	-	50,000	143,333	143,333	143,333	50,000	50,000
Revenue Subtotal	2,397,193	2,385,048	1,845,626	739,934	729,063	711,540	600,297	581,991
<b>Required Reserves</b>	<b>1,850,202</b>	<b>2,839,831</b>	<b>(806,453)</b>	<b>266,447</b>	<b>371,309</b>	<b>342,944</b>	<b>35,088</b>	<b>87,756</b>
<b>TOTALS</b>	<b>4,247,395</b>	<b>5,224,879</b>	<b>1,039,173</b>	<b>1,006,381</b>	<b>1,100,373</b>	<b>1,054,484</b>	<b>635,385</b>	<b>669,747</b>
Fund Balance Beginning of Year	2,332,709	3,088,592	5,186,557	5,867,470	5,601,023	5,229,714	4,886,770	4,851,682
Less: District CIP		125,540	(125,540)					
Plus: Net SRF Loan Proceeds	3,316,000	4,812,256	-			-	-	-
Change During Year	1,465,798	2,097,965	680,913	(266,447)	(371,309)	(342,944)	(35,088)	(87,756)
Fund Balance End of Year	3,798,507	5,186,557	5,867,470	5,601,023	5,229,714	4,886,770	4,851,682	4,763,926
FB Minimum per Admin Code	1,686,248	2,045,554	2,106,754	2,154,857	1,689,869	1,305,132	1,343,986	2,103,105
Over (Under Target)	2,112,259	3,141,003	3,760,716	3,446,167	3,539,845	3,581,639	3,507,697	2,660,821

**WASTEWATER DEPARTMENT**  
Capital Budget Summary

Projects	Budget 2015-16	Projected 2015-16	Budget 2016-17	Outyear 2017-18	Outyear 2018-19	Outyear 2019-20	Outyear 2020-21	Outyear 2021-22	Outyear 2022-23	Outyear 2023-24	Outyear 2024-25	Outyear 2025-26	Outyear 2026-27
Collection System	431,395	98,717	529,173	533,048	607,039	661,151	385,385	369,747	374,239	378,866	390,232	401,939	413,997
Treatment Works	3,316,000	4,812,256	260,000	130,000	150,000	150,000	150,000	200,000	200,000	950,000	750,000	200,000	206,000
Solar Project (see Debt Svc)													
Outfall	450,000	313,906	200,000	200,000	200,000	100,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Minor System Improvements	50,000	-	50,000	143,333	143,333	143,333	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Developer	4,247,395	5,224,879	1,039,173	1,006,381	1,100,373	1,054,484	635,385	669,747	674,239	1,428,866	1,240,232	701,939	719,997
<b>TOTALS</b>													
Reduce Budget by x%													
<b>Revenue Program</b>													
Sewer Permit Fees	25,192	60,132	32,875	39,450	46,025	46,025	46,025	46,025	46,025	46,025	46,025	46,025	46,025
1% Property Taxes	806,820	806,820	361,667	-	-	-	-	-	-	-	-	-	-
CSI/SDG&E offset(net debt savings)	440,181	440,181	308,084	45,064	45,518	45,948	46,349	46,720	47,058	47,361	47,625	47,848	48,026
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Improvement Charge	1,075,000	1,077,915	1,093,000	512,087	494,187	476,234	457,923	439,246	420,194	400,762	380,942	360,725	340,103
Developer	50,000	-	50,000	143,333	143,333	143,333	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Revenue Subtotal	2,397,193	2,385,048	1,845,626	739,934	729,063	711,540	600,297	581,991	563,278	544,148	524,592	504,597	484,154
<b>Required Reserves</b>	<b>1,850,202</b>	<b>2,839,831</b>	<b>(806,453)</b>	<b>266,447</b>	<b>371,309</b>	<b>342,944</b>	<b>35,088</b>	<b>87,756</b>	<b>110,961</b>	<b>884,718</b>	<b>715,640</b>	<b>197,342</b>	<b>235,844</b>
<b>TOTALS</b>	<b>4,247,395</b>	<b>5,224,879</b>	<b>1,039,173</b>	<b>1,006,381</b>	<b>1,100,373</b>	<b>1,054,484</b>	<b>635,385</b>	<b>669,747</b>	<b>674,239</b>	<b>1,428,866</b>	<b>1,240,232</b>	<b>701,939</b>	<b>719,997</b>
Fund Balance Beginning of Year	2,332,709	3,088,592	5,186,557	5,867,470	5,601,023	5,229,714	4,886,770	4,851,682	4,763,926	4,652,965	3,768,247	3,052,607	2,855,265
Less: District CIP		125,540	(125,540)										
Plus: Net SRF Loan Proceeds	3,316,000	4,812,256	-										
Change During Year	1,465,798	2,097,965	680,913	(266,447)	(371,309)	(342,944)	(35,088)	(87,756)	(110,961)	(884,718)	(715,640)	(197,342)	(235,844)
Fund Balance End of Year	3,798,507	5,186,557	5,867,470	5,601,023	5,229,714	4,886,770	4,851,682	4,763,926	4,652,965	3,768,247	3,052,607	2,855,265	2,619,422
FB Minimum per Admin Code	1,686,248	2,045,554	2,106,754	2,154,857	1,689,869	1,305,132	1,343,986	2,103,105	2,669,098	1,942,171	1,421,936	1,458,594	738,597
Over (Under Target)	2,112,259	3,141,003	3,760,716	3,446,167	3,539,845	3,581,639	3,507,697	2,660,821	1,983,867	1,826,076	1,630,671	1,396,671	1,880,824



**WASTEWATER DEPARTMENT**  
**Capital Budget**  
Project Detail

**Project Title:**

**Collection System**

**Description:**

The Board of Directors established a prioritized work program for the Collection system to address trouble areas in the Collections System. The collection system work contemplated to comply with that work program is: Force Main Replacements, Brandon Trunk Main Upgrade and E. Alvarado Trunk Main Upgrade. An evaluation of the most cost effective methodology for upgrades to these sections was conducted and an asset management program will be implemented to determine long term collection system replacement needs.

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
Asset Management Program Updates	30,000				20,000	
Developer Funded Improvements	50,000	50,000	50,000	50,000	50,000	50,000
Shady Lane LS Improvements		93,333	93,333	93,333		
Balance Shady Lane LS Improvements from District Funds				500,000		
<b><u>District Funded Improvements</u></b>						
<b><u>Contracted Tasks</u></b>						
S. Mission Design Phase III						
S. Mission Road Trunk Main Phase I						
S. Mission Road Trunk Main Phase II						
N. Brandon Trunk Main	350,000					
E. Alvarado Trunk Main		350,000				
Plant 2 Force Main Replacement	150,000					
VCP Pipe Replacement						200,000
Green Canyon Force Main Replacement					200,000	
Plant 2 PS Pump Replacement		30,000	450,000			
<b><u>Tasks Done by District Personnel</u></b>						
Replace Creek Crossing Ammunition						
Collections Repair/VCP Replacements	80,000	82,400	84,872	87,418	90,041	92,742
Manhole Replacement/Relining	49,173	50,648	52,167	53,732	55,344	57,005
Telemetry Upgrades	20,000	20,000	20,000	20,000	20,000	20,000
<b>Totals</b>	<b>729,173</b>	<b>676,381</b>	<b>750,373</b>	<b>804,484</b>	<b>435,385</b>	<b>419,747</b>

## WASTEWATER DEPARTMENT

### Capital Budget

Project Detail

**Project Title:**

#### **Treatment Works**

**Description:**

The treatment plant had undergone a major renovation which was completed in FY 15-16. Additional equipment replacements will be needed for equipment that was not replaced as part of the upgrade. The sludge dryer will require replacement in FY 23/24.

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
<b><u>Treatment Plant Improvements</u></b>						
Chlorine System Improvements						
Headworks Structural Repairs						
Operation Building Repairs						
Equipment Rehabilitation/Replacement	240,000	130,000	150,000	150,000	150,000	200,000
Sludge Dryer Replacement						
Telemetry	20,000					
<b><u>Treatment Plant Rehabilitation Project</u></b>						
Design Rehabilitation Project						
SCADA Programming						
Construction Administration						
Construction Management						
Construction						
<b>Totals</b>	<b>260,000</b>	<b>130,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>200,000</b>

**WASTEWATER DEPARTMENT**  
**Capital Budget**  
 Project Detail

**Project Title:**

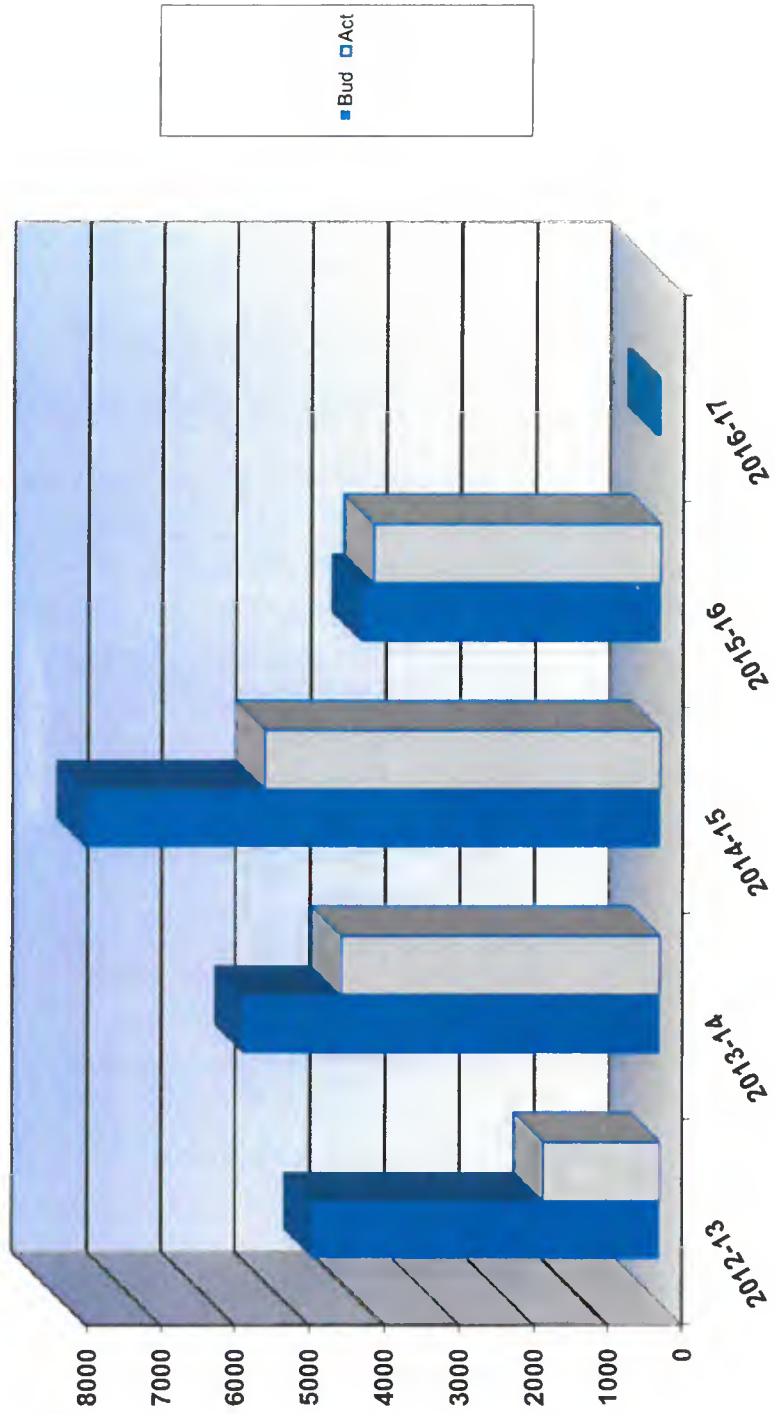
**Outfall Line**

**Description:**

An inspection of the FPUD Land Outfall was completed in FY 15-16, which did not identify any leaks or major trouble areas, but showed some air pockets. Replacement of Air/Vacs and Drain valves is also required to prevent spills

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
Outfall Remote Inspection Air-Vac / Drain Valve Replacement	200,000	200,000	200,000	100,000	50,000	50,000
<b>Totals</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>	<b>100,000</b>	<b>50,000</b>	<b>50,000</b>

# RECYC CAPITAL



**RECYCLED WATER DEPARTMENT**  
Capital Budget Summary

<b>Projects</b>	Budget 2015-16	Projected 2015-16	<b>Budget</b> 2016-17	Outyear 2017-18	Outyear 2018-19	Outyear 2019-20	Outyear 2020-21	Outyear 2021-22
New Services	-	-	10,000	5,000	5,000	-	4,000	4,000
Improvements/Extensions Out of District Connections	1,725,000	1,945,300	-	-	-	100,000	100,000	100,000
Tertiary Treatment Rehab:	2,304,000	1,915,080	70,000	160,000	85,000	10,000	10,000	10,000
<b>TOTALS</b>	<b>4,029,000</b>	<b>3,860,380</b>	<b>80,000</b>	<b>165,000</b>	<b>90,000</b>	<b>110,000</b>	<b>114,000</b>	<b>114,000</b>
<b>Revenue Program</b>								
Connection Fees	-	-	-	5,000	5,000	-	4,000	4,000
Transfer from Reserves	805,000	1,231,165	80,000	165,000	85,000	110,000	110,000	110,000
Grant Funding-Prop 84		714,135	-					
SRF Loan Proceeds	6,915,000	1,915,080	-	-	-	-	-	-
	<b>7,720,000</b>	<b>3,860,380</b>	<b>80,000</b>	<b>170,000</b>	<b>90,000</b>	<b>110,000</b>	<b>114,000</b>	<b>114,000</b>
<b>Fund Balance</b>	<b>600,000</b>	<b>600,000</b>						

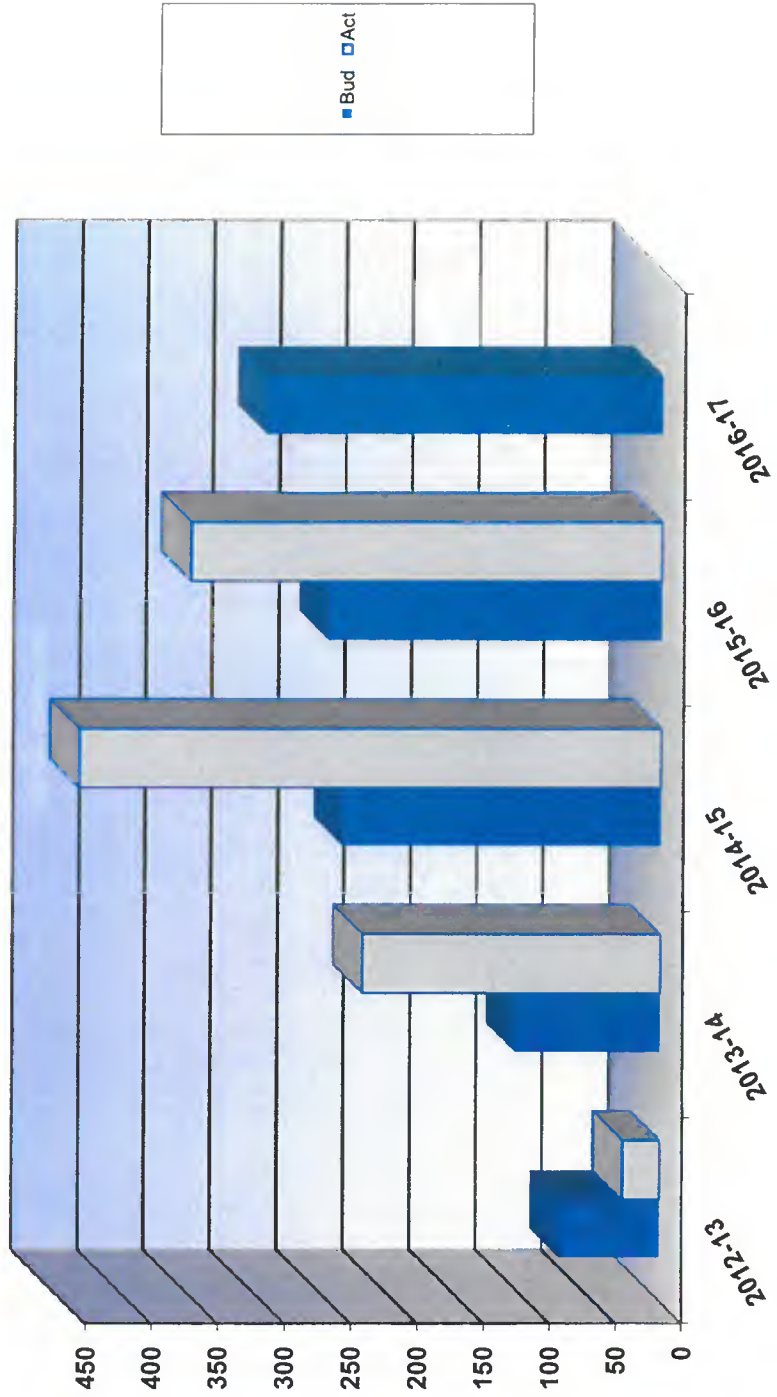
**RECYCLED WATER DEPARTMENT**  
**Capital Budget**  
Project Detail

**Project Title:** System Maintenance/Expansion

**Description:** Ongoing service to local customers and new connections to the reclaimed water system and planned extensions of recycled distribution system. Also includes rehabilitation of the Caltrans Vault Pressure Station.

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
New Customer Services Improvements/Extensions	10,000	5,000	5,000		4,000	4,000
East Line Extension						
Other Main Line Extensions				100,000	100,000	100,000
<b><u>Tertiary Treatment</u></b>						
CalTrans Vaults Rehab		150,000				
Outfall On-line chlorine analyzer	40,000					
Outfall In Line Valve Replacement			75,000			
Distribution SCADA Improvements	30,000	10,000	10,000	10,000	10,000	10,000
<b>Totals</b>	<b>80,000</b>	<b>165,000</b>	<b>90,000</b>	<b>110,000</b>	<b>114,000</b>	<b>114,000</b>

# ADMIN CAPITAL





**ADMINISTRATION DEPARTMENT**  
Capital Budget Summary

Projects	Budget	Projected	<b>Budget</b>	Outyear	Outyear	Outyear	Outyear	Outyear
	2015-16	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
System & Server Upgrades	181,500	241,000	234,570	20,000	25,000	25,000	20,000	20,000
CADD/GIS/GPS	30,000	10,000	5,000	105,000	55,000	30,000	30,000	30,000
Fac Improve/Upgrades/Security	40,000	104,540	60,000	45,000	45,000	35,000	25,000	25,000
	-	-	-	-	-	-	-	-
<b>TOTALS</b>	<b>251,500</b>	<b>355,540</b>	<b>299,570</b>	<b>170,000</b>	<b>125,000</b>	<b>90,000</b>	<b>75,000</b>	<b>75,000</b>
<b>Revenue Program</b>								
Transfer from Operating	75,000	75,000	25,000	25,000	25,000	25,000	25,000	25,000
Reserves	176,500	280,540	274,570	145,000	100,000	65,000	50,000	50,000
<b>TOTALS</b>	<b>251,500</b>	<b>355,540</b>	<b>299,570</b>	<b>170,000</b>	<b>125,000</b>	<b>90,000</b>	<b>75,000</b>	<b>75,000</b>

**ADMINISTRATION DEPARTMENT**  
**Capital Budget**  
 Project Detail

**Project Title:** System Upgrades

**Description:** To maintain, upgrade, and improve as needed, the district's Network infrastructure. Including all required hardware, software, and software licensing. To ensure a reliable, and adequate Network of servers and working databases, for the day to day operations of the district. As well as the preparedness in the event of a catastrophic Server failure.

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-2021</u>	<u>2021-2022</u>
Springbrook Software Upgrade	202,070					
Neogov Software	7,500					
Catastrophic Server Failure	15,000	15,000	15,000	15,000	15,000	15,000
Upgrade UPS backup			5,000		5,000	
Upgrade file server	10,000			5,000		5,000
Upgrade Citrix Server		5,000		5,000		
Upgrade Exchange Serv			5,000			
<b>Totals</b>	<b>234,570</b>	<b>20,000</b>	<b>25,000</b>	<b>25,000</b>	<b>20,000</b>	<b>20,000</b>

**ADMINISTRATION DEPARTMENT**  
**Capital Budget**  
 Project Detail

**Project Title:**                    **Engineering and Operations Information Systems**

**Description:**                    The District has developed a survey accurate GIS database for District Assets. The GIS database is the backbone of future improvements in information management for engineering and operations. The District is now in the process of implementing a CMMS system and Asset Management System to better track District Assets and allocation of resources

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-2021</u>	<u>2021-2022</u>
<u>GIS Projects</u>						
GIS Viewer						
GIS Server						
GIS Support Services	5,000	5,000	5,000	5,000	5,000	5,000
CMMS Implementation		100,000	50,000	25,000	25,000	25,000
<b>Totals</b>	<b>\$5,000</b>	<b>\$105,000</b>	<b>\$55,000</b>	<b>\$30,000</b>	<b>\$30,000</b>	<b>\$30,000</b>

ADMINISTRATION DEPARTMENT  
**Capital Budget**  
 Project Detail

**Project Title:** Facility Improvements/Upgrades/Security

**Description:** Includes financing for various admin building improvements, rehabilitation or upgrades and new office furniture. Risk Management & Security funds proposed security upgrades for the front office area including an emergency exit from the front counter as well as changes to the front entrance to restrict entry to Engineering or Finance.

<u>Title</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-2022</u>
RMWD Consolidation						
Facility Imps/Upgrades/Furn	10,000	10,000	10,000	10,000	10,000	10,000
Risk Mgmt/Security	5,000	5,000	5,000	5,000	5,000	5,000
FPUD Office Improvements	45,000	30,000	30,000	20,000	10,000	10,000
<b>Totals</b>	<b>\$60,000</b>	<b>\$45,000</b>	<b>\$45,000</b>	<b>\$35,000</b>	<b>\$25,000</b>	<b>\$25,000</b>

**Debt Service Budget Summary**  
Total annual principal and interest payment

WATER DEPT Year Ending June 30	Water Dept Red Mtn SRF	Water Dept Conjunctive Use	Wastewater Dept* Solar QECCB	Wastewater Dept WWTP SRF	FPUD CalPERS UAL	District Totals
2017	395,893	-	349,024	883,936	476,386	\$ 2,105,240
2018	395,893	1,496,183	372,854	1,767,872	569,304	\$ 4,602,107
2019	395,893	2,992,366	384,937	1,767,872	667,368	\$ 6,208,437
2020	395,893	2,992,366	397,422	1,767,872	770,803	\$ 6,324,357
2021	395,893	2,992,366	410,322	1,767,872	817,229	\$ 6,383,682
<b>Totals</b>	1,979,466	10,473,281	1,914,560	7,955,425	3,301,090	25,623,822

\*Zero net debt due to CSI rebate & in-lieu energy produced by the solar plant based on equivalent cost to purchase power. Beginning FY 13-14, Federal Sequestration has caused the District to lose 7.2% of the Federal Subsidy. In FY 16-17 lost subsidy will be \$11,946.

Beginning in FY 14-15, CalPERS began to separate the Unfunded Actuarial Liability (UAL) from the Employer contribution. In FY 14-15 the amount of UAL was \$\$8,653,397. Due to a lump sum payment during that FY of \$388,153, coupled with better than predicted CalPERS investment returns, the UAL as of 7/1/16 is \$7,271,931 with a lump sum payment of \$476,386 due prior to 8/1/16.

The first borrowing for the Conjunctive Use project is expected to occur in FY 17-18 for \$23M. A second borrowing of the same amount is expected to occur in FY 18-19. Payback of the annual principal and interest of \$1.496M for the first borrowing will begin in FY 18-19. The P&I for the second borrowing will begin in FY 19-20 with a combined payment of \$2.99M annually.

## WASTEWATER DEPARTMENT Debt Service Budget

**Project Title:** Wastewater Treatment Works Improvements. Application to apply for SRF funds was approved by the Board in March '11 and the Finance Agreement was signed by the State Water Resources Control Board in November 2012.

**Description:** Rehabilitation Program

Due to the age of the facility a substantial amount of structural rehabilitation and equipment replacement was required. An evaluation of the existing treatment plant was performed to determine the most cost effective method to continue to provide reliable treatment. Once the modifications were determined and prioritized a single comprehensive Rehabilitation Project was developed to provide another 20+ years of reliable operation. The District had estimated the project design and construction to be in the \$30 million range. Design was completed in FY 12-13 and construction began in July 2013 and was completed in December 2015. Principal and Interest payments of \$1,767,875 will begin one year after filing of the Notice of Completion, now scheduled for filing in March 2016. Total financing approved was \$28,357,000 at 2.2% for 20 years.

The following are key assumptions for repayment of principal and interest.

- Only one payment of \$883,938 will be required during FY 16-17, in May 2017. Payments thereafter will be in May and November of each year.
- Wastewater 1% Property Tax revenue to fund the bulk of the debt service.
- In FY 13-14 a Wastewater Capital Improvement charge in the amount of \$10.00/EDU was implemented, which generated \$1,000,000 per year, 60% or more of which will be allocated to this debt and the other 40% to wastewater collections systems improvements. For FY 16-17 the charge is proposed to increase to \$10.84 from \$10.44 per EDU, a 1.3% increase.
- Transfer a portion of the debt service from Wastewater operations and Recycled operations towards debt.
- During the approximate 30 months of construction, construction interest has accrued on the amounts drawn and be added to the principal balance upon construction's completion. Construction interest will accrue at the loan's 2.2% rate and will be approximately \$394,000.
- Terms of the indebtedness require that a reserve fund in the amount of one year's principal and interest payment or \$1,767,875 be established. This amount was established prior to May 2017 (FY 16-17) when principal and interest payments will. Half of this required reserve was established during FY 13-14 and the other half was established in FY 14-15. Reserve will be held by a Fiscal Agent until the loan is paid in full.

**Revenue Program:**

Repayment of this borrowing comes from three sources, inter-fund transfers from Wastewater and Recycled operations, Wastewater 1% property taxes and the Wastewater Capital Improvement Charge. Principal and Interest payments will begin in May 2017. Only one payment of \$883,938 will be required during FY 16-17. Payments thereafter will be in May and November of each year.

**Funding Source:**

Revenue Program for payment of Principal and Interest beginning **FY 16-17**

Wastewater 1% Property Taxes	=	\$ 501,090
Wastewater Capital Improvement Chg	=	\$ 0
Transfer from Wastewater Ops	=	\$ 288,600
Transfer from Recycled Ops	=	<u>\$ 94,248</u>
Total Annual Revenue		\$ 883,938

Revenue Program for payment of Principal and Interest beginning **FY 17-18 and beyond**

Wastewater 1% Property Taxes	=	\$ 880,012
Wastewater Capital Improvement Chg	=	\$ 505,015
Transfer from Wastewater Ops	=	\$ 288,600
Transfer from Recycled Ops	=	<u>\$ 94,248</u>
Total Annual Revenue		\$ 1,767,875



**WASTEWATER DEPARTMENT**  
**Debt Service Budget**

**Project Title:** Qualified Energy Conservation Bond (QECCB) Solar Project Financing

**Description:** Financing was approved by the Board in FY 10-11 and construction of the project was completed July 1, 2011. Construction consists of using 9.5 acres of existing open and available land at the Wastewater Treatment Plant to install a 1 megawatt solar electric system which will offset approximately 70% of the Treatment Plant's current electrical demand with 100% clean energy.

The capacity is derived by optimizing available open land area while maximizing the CSI (California Solar Initiative) cash rebate capacity cap (1 megawatt) without exceeding the current peak electricity demand at the Wastewater Treatment Plant.

Bond financing closed in November 2010 with the following terms:

- Total Loan \$7,227,000. Balance as of 7/1/16 \$4,330,461
- Transfer \$450,705 to this debt service fund to pay for in-lieu energy produced by the solar plant based on equivalent cost to purchase power.
- CSI rebate: \$0.32/kWh for five years or approximately \$251,362 in FY 16-17. Funds will be used to pay debt service. FY 15-16 was year five of the five year rebate period but there is a remainder of \$251,362 due of the contractual total of \$3,802,115.
- Loan term: 16.5 years. Principal and Interest payments are accelerated over the first five years to coincide with receipt of the CSI rebate.
- QECCB loan issued at a taxable interest rate of 5.74%. The Federal government will pay 70% of this interest rate, or 3.89%. District's applicable rate is the difference between the taxable rate less Federal Direct Pay or 1.85%
- In FY 13-14 the District was informed by the Internal Revenue Service that as the result of sequestration, payments made by the Federal government toward our QECCB bonds will be reduced by 7.2% of the amount of expected Federal Direct Pay. For FY 15-16 the amount lost was \$13,464 and for FY 16-17 the amount is \$11,946 so this amount has been added to the debt service budget.

**Current Payment Schedule:**

Payments began November 2011 paid semiannually for 16.5 years. The debt is scheduled to be paid off November 18, 2027.

## Revenue Program:

Repayment of this borrowing comes primarily from three sources, the CSI rebate of \$.032/kWh for the first five years, unexpended offset to SDG&E payments by sewer customers and the Federal subsidy for payment of interest. Each year this project has a positive cash flow and these funds are transferred back into the Wastewater Capital budget. Additionally the SDG&E calculated offset will be transferred to cover debt service obligations. This chart includes the loss of the federal subsidy for the remaining duration of the loan.

	Debt Service	Principle	Interest	Total Pymt	Fed Subsidy	Lost Subsidy	Net FPUD Pymt	Actual CSI Rebate	SDG&E Offset	Net Debt	Unamort COI	Restricted Cash Per FY
1	11/18/2011	207,681	414,830	622,511	281,275		341,236			341,236		
2	5/18/2012	276,378	201,454	477,832	136,596		341,236	534,835	350,000	(543,599)	10,980	(191,383)
3	11/18/2012	286,549	193,522	480,071	131,218		348,854			348,854		
4	5/18/2013	289,197	185,298	474,495	125,641		348,854	779,786	360,500	(791,432)	10,980	(431,599)
5	11/18/2013	295,387	176,999	472,385	120,014	8,641	361,012			361,012		
6	5/18/2014	298,116	168,521	466,637	114,265	8,227	360,599	843,713	371,315	(854,429)	10,980	(482,437)
7	11/18/2014	304,589	159,965	464,554	108,464	7,809	363,899			363,899		
8	5/18/2015	307,403	151,223	458,626	102,537	7,383	363,472	729,519	382,454	(748,501)	10,980	(373,622)
9	11/18/2015	314,169	142,401	456,569	96,555	6,952	366,967			366,967		
10	5/18/2016	317,071	133,384	450,456	90,441	6,512	366,526	662,900	393,928	(690,302)	-	(323,335)
11	11/18/2016	324,593	124,284	448,877	84,271	6,067	366,539			366,539		
12	5/18/2017	332,837	115,421	448,258	78,152	5,619	366,539	251,362	405,746	(476,623)	-	(308,084)
13	11/18/2017	341,324	106,523	447,847	72,008	5,189	366,528			366,528		
14	5/18/2018	350,649	97,410	448,059	65,819	4,768	366,527		417,918	(231,592)	-	(45,064)
15	11/18/2018	360,437	88,258	448,695	59,673	4,354	366,526			366,526		
16	5/18/2019	370,845	79,183	450,028	53,582	3,952	366,526		430,456	(238,094)	-	(45,518)
17	11/18/2019	381,945	70,143	452,088	47,543	3,556	366,524			366,524		
18	5/18/2020	393,441	61,220	454,661	41,503	3,164	366,524		443,370	(244,772)	-	(45,948)
19	11/18/2020	405,464	52,399	457,863	35,463	2,772	366,521			366,521		
20	5/18/2021	418,452	43,619	462,071	29,423	2,380	366,521		456,671	(251,630)	-	(46,349)
21	11/18/2021	432,410	34,829	467,239	23,383	2,000	366,521			366,521		
22	5/18/2022	447,489	26,099	473,588	17,343	1,624	366,521		470,371	(258,673)	-	(46,720)
23	11/18/2022	463,741	17,371	481,112	11,303	1,252	366,521			366,521		
24	5/18/2023	481,283	8,542	489,825	5,261	860	366,521		484,482	(265,905)	-	(47,058)
25	11/18/2023	500,450	-	500,450	-	-	366,521		-	225,971		
26	5/18/2024	521,137	-	521,137	-	-	366,521		499,016	(273,332)	-	(47,361)
27	11/18/2024	543,479	-	543,479	-	-	366,521			233,332		
28	5/18/2025	568,974	-	568,974	-	-	366,521		513,987	(280,957)	-	(47,625)
29	11/18/2025	596,603	-	596,603	-	-	366,521			240,939		
30	5/18/2026	627,512	-	627,512	-	-	366,521		529,406	(288,787)	-	(47,848)
31	11/18/2026	660,844	-	660,844	-	-	366,521			248,800		
32	5/18/2027	700,170	-	700,170	-	-	366,521		545,289	(296,826)	-	(48,026)
33	11/18/2027	746,519	-	746,519	-	-	366,521			256,924		
						125,984	256,924			256,924		
								3,802,115		(2,364,972)	43,920	(2,321,052)

## Funding Source:

CSI Rebate	\$251,362
SDG&E in-lieu energy	\$405,746

**WATER DEPARTMENT**  
**Debt Service Budget**  
Project Detail

**Project Title:** Red Mountain State Revolving Fund (SRF)

**Description:** During FY 10-11 the District was granted a loan from the State Revolving Fund (SRF) for the Red Mountain Reservoir upgrade which was completed in Feb. '10. The upgrades, mandated by the EPA required that the Red Mountain Reservoir either be covered or additional water treatment was required. Covering the reservoir was not a feasible project so the District appealed to the EPA and was granted allowance to add ultra violet filtration. Before the upgrades began, the Rice Canyon fire swept through Fallbrook and destroyed the existing Red Mountain chlorination facility. The area was declared a disaster by both Federal and State governments allowing the District to apply for FEMA and CalEMA reimbursement for damages. The District also had the facility insured and received insurance proceeds. The cost to complete the facility totaled \$7.5M.

The Board's original intent was to pay for the facility over time in the future by using a Water Capital Improvement charge which was implemented in FY 13-14. Since the SRF funding was available at an attractive interest rate of 2.5707% for 20 years, the District opted to take the \$6,140,437 loan so that revenues from the Capital Improvement charge could be used for other water capital projects. The capital improvement charge and 1% property taxes are a major source of funding for water capital improvements.

**Current Payment Schedule:**

The annual principal and interest payment for the SRF loan is \$395,893 per year which began in FY 11-12. As of 7/1/16 the principal balance of the loan is \$4,776,244. The loan is scheduled to be paid off on January 1, 2031.

**Revenue Program:**

Funds to pay the annual principal and interest will come from the Water Dept. 1% property tax revenue. Since the 1% taxes are greater than the annual payment the remainder of tax revenue will be allocated to Water capital improvements. The District will pledge property tax revenue towards the debt in an attempt to restrict the funds and potentially protect the funds from any state tax takeaway.

**Funding Source:**

1% Water Property Taxes to pay \$395,893 annual debt service

**WATER DEPARTMENT**  
**Debt Service Budget**  
Project Detail

**Project Title:** Santa Margarita Conjunctive Use Project

**Description:** The District is in the process of working with Camp Pendleton and the Bureau of Reclamation to develop additional water supplies for District customers from the Santa Margarita River. At this time the scope of the project and water yield have been finalized and are awaiting final approval of the Settlement Agreement. The District and Camp Pendleton have completed design of their portions of the project. Initiation of construction is pending completion of consultations with NOAA Fisheries and USFWS which will permit finalizing the water rights permits and EIR/EIS. This should be completed by the end of FY 16-17.

The District is currently evaluating options for funding of the construction of the facilities. The estimated construction costs are currently projected in the capital budget at \$20,900,000 per year for two years and the construction costs are financed through long-term debt issued by the District. Additional costs to issue the debt bring the loan amount to an estimated \$23,000,000 per year for two years.

**Current Payment Schedule:**

The annual principal and interest payment for the first of two borrowings is \$1,496,183 and will begin one year after the long term debt is issued by the District. Annual payments are estimated to begin in FY 17-18 for the first borrowing and FY 18-19 for the second borrowing. Total principal and interest of \$2,992,366 for both debt issuances is calculated based on a 30 year debt issuance at 5% interest

**Revenue Program:**

The intention of the project is to repay the debt, partly using the savings from reduced water costs from the project versus purchasing imported water from SDCWA. We are currently estimating an approximate water rate increase of 5% per year over the pass through SDWWA rate increases

**Fallbrook Public Utility District  
Debt Service Budget**

**Project Title:** CalPERS Unfunded Actuarial Liability and CalPERS Side Fund Liability

**Description of CalPERS Unfunded Actuarial Liability:** Beginning in FY 14-15, CalPERS began to separate the Unfunded Actuarial Liability from the Employer contribution. In FY 14-15 the amount of UAL was \$8,653,397. Due to a lump sum payment during that FY of \$388,153, coupled with better than predicted CalPERS investment returns, the UAL as of July 1, 2016 is \$7,271,931 with a lump sum payment of \$476,386 due prior to August 1, 2016.

The UAL is an actuarial calculation performed annually by CalPERS actuaries. The calculations are based on CalPERS investment returns as well as the age and service credit of our District's employees. The UAL will vary from year to year.

**Current Payment Schedule:**

The District can opt to pay the UAL over a period of twelve months or can opt to pay a discounted lump sum of \$459,468 before August 1, 2016. The discount is \$16,918.44 or 3.55%. In FY 15-16 the Board approved the lump sum payment and the FY 16-17 option will go to the Board in July 2016.

**Description of CalPERS Side Fund Liability:** As of FY 05-06 all small agencies were pooled into one large group and Employer Contribution Rates were affected. A side fund was created for each agency that had been pooled. The side fund was created to account for the differential between the funded status of the pool vs. the funded status for each agency included in the pool. Some agencies were super funded and owed nothing as a result of the pooling but FPUD owed money to the side fund. Beginning FY 05-06 PERS began collecting a portion of the owed side fund and it was reflected in the Employer Contribution Rate.

**Current Payment Schedule:**

The percentage increase to the Employer Contribution Rate for the side fund was 10-12% which doubled the rates to the 22-28% range. As of 6/30/14 the District owed approximately \$3.1M to the side fund. In June 2014 the Board authorized the payment of the side fund using reserves. In the Board action, the reserves were to be paid back by \$585,000 per year for five years. FY 16-17 is year 3 of the five year payoff. The amount due as of July 1, 2015 is \$2,058,848.33.

**Revenue Program:**

Funds to pay the annual UAL and Side Fund liability are budgeted and collected through Fringe Benefit burden rates which come from the operating funds of the Water, Wastewater and Recycled departments.