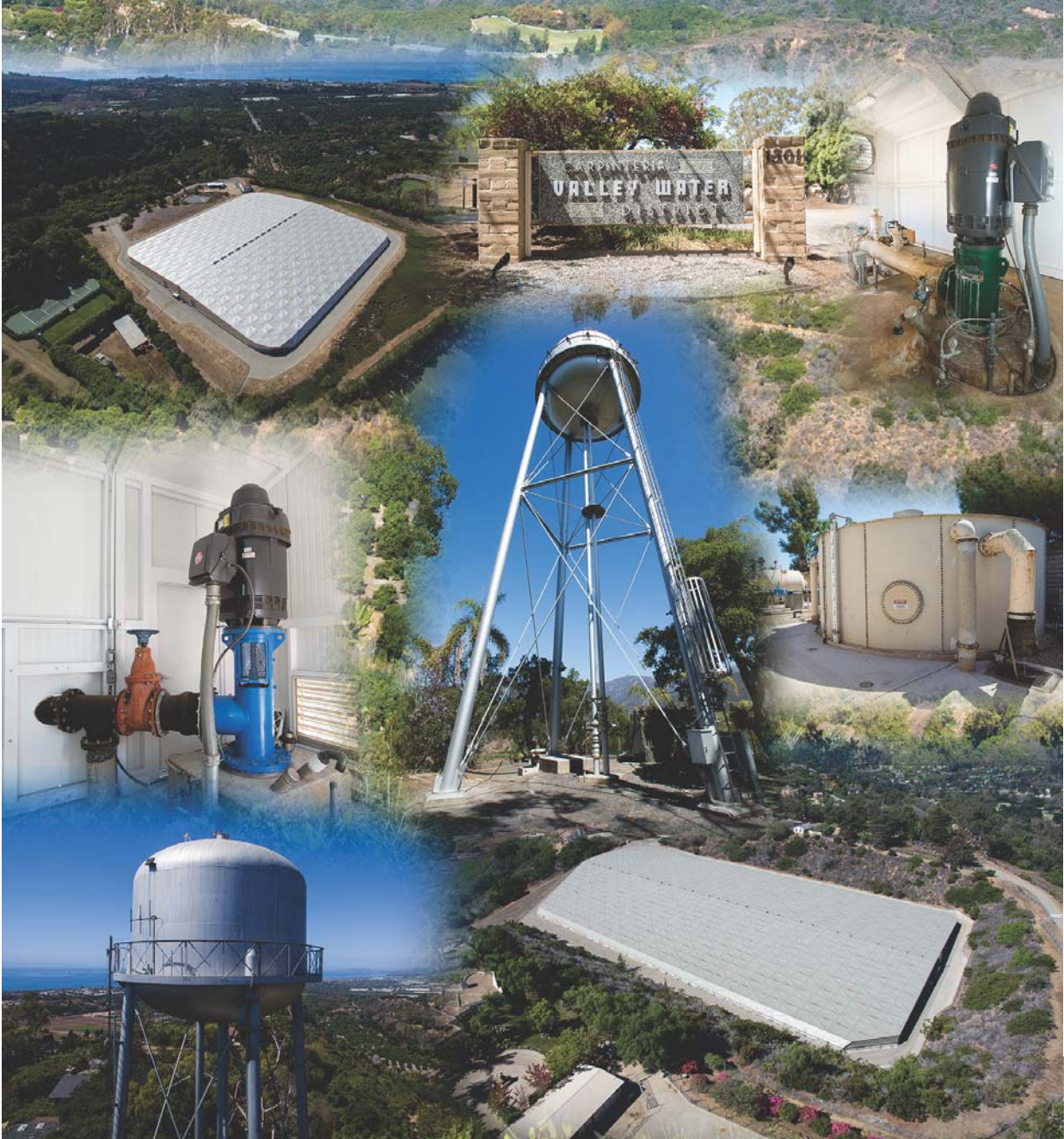


# Carpinteria Valley Water District



**Operating and Capital Budget  
Fiscal Year 2017 - 2018**



## Common Questions About the Budget

Are my rates increasing this year? Page 4.

How many employees work for the District? Page 6.

Is the budget increasing this year? Page 13.

What is the District's total budget? Page 13.

How does the State Water Project affect the budget? Page 27.

How is the drought affecting the District? Appendix B, page 83.

How is my water rate determined? Appendix C, page 86.

# MISSION

Carpinteria Valley Water District's mission is to provide potable water to all residential, commercial and agricultural customers in the Carpinteria Valley at a reasonable cost.



Carpinteria Valley Water District  
 1301 Santa Ynez Avenue  
 Carpinteria, CA 93013  
 805-684-2816 | www.cvwd.net

## TABLE OF CONTENTS

<b>Introduction</b>	
Budget Forward	1
Profile of the District	5
Financial Policies	8
District Map	9
<b>Summary</b>	
Highlights	12
Budget	13
<b>Revenues</b>	15
<b>Uses of Cash</b>	19
<b>Sources of Water Supply</b>	25
<b>Transmission &amp; Distribution</b>	29
<b>Engineering and Resource Planning</b>	33
<b>Water Conservation</b>	37
<b>Administration and General Support</b>	41
<b>Labor and Contract Services</b>	45
<b>Fleet Maintenance</b>	51
<b>Debt Service</b>	55
<b>Capital Projects Budget</b>	61
<b>Appendix A – Glossary</b>	81
<b>Appendix B – Drought Impact</b>	83
<b>Appendix C – Water Rates</b>	85
<b>Appendix D – Integrated Budget</b>	87

*This page intentionally blank.*



## Budget Forward

Carpinteria Valley Water District (District) is pleased to present its Fiscal Year (FY) 2017-18 Operating and Capital Budget. The purpose of this document is to identify and allocate the resources necessary to accomplish the District's goals and objectives for the coming year, and to present the financial health of the District in a clear and concise manner for both the Board of Directors and the general public.

### Changes in Budget Document

The budget document has been expanded to include this budget message, a profile of the District, and discussions of key elements of the budget tables that have traditionally been presented.

### **An Overview of Fiscal Year 2016-17**

Revenues are expected to exceed uses of cash by approximately \$850,000. This projected budget surplus occurred despite an estimated decline in revenue of \$400,000 from FY 2015-16 resulting primarily from the continuing conservation efforts of our residential and commercial customers.

Estimated operating expenses are approximately \$1,300,000 under budget primarily due to savings in five unfilled staffing positions during the first eight months of FY 2016-17, avoidance of the need to purchase surface water during the Winter of 2017, and savings in estimated Cachuma Operations and Maintenance Board (COMB) operating costs resulting from decommissioning of the pumping barge after Cachuma filled to 50% capacity. The District is fully staffed at the time of this budget's presentation and the personnel-related savings are therefore not projected to continue in FY 2017-18. The COMB budget is provided to us annually but, due to the high variability in rainfall and State Water allocations during this drought cycle, estimated COMB costs are just as likely to be over as under budget and therefore there is no change in budgeting methodology for this expenditure.

### **An Overview of Fiscal Year 2017-18**

#### Major Initiatives

The District will be replacing its manually read meters with solid state meters that are read by radio (AMI meters). Some of the outcomes of the project will be increased water revenues arising from more accurate water consumption measurement, the anticipated decrease in manual meter reading service costs, improved customer leak detection and cost avoidance for meter maintenance. As a part of a Performance Guarantee Contract with Siemens Building

Technology, this project, along with an LED lighting retrofit project and a local solar array project, is expected to save the District more than \$600,000 per year. Over the approximately 20 year life of these new assets, the savings will offset repayment of project costs. In fact, the project will become cash positive after about 9 years. The FY 2017-18 budget has not been adjusted to reflect potential changes to revenue and expenditures since the anticipated net effect is expected to be close to \$0.

The District is also investigating the feasibility of participating in a joint venture with the Carpinteria Sanitary District to build and operate a reclaimed water facility. As currently envisioned the reclaimed water would be treated to drinking water standards and stored in the groundwater basin for later potable use. Discussions are ongoing with a Board of Directors decision on whether to move forward with the project expected by the end of this calendar year. Budgeted legal fees have been increased by \$10,000 and there is no other anticipated impact on the FY 2017-18 operating and capital budgets.

The District has begun developing an internal Five Year Financial Outlook and Plan to provide a long-range forecast of revenues, operating expenditures and capital project costs. This project has no anticipated impact on the FY 2017-18 budget although it will guide the preparation of future budgets.

### Major Issues

While significant rainfall during the winter of 2016-17 provided much needed relief from the drought Statewide, the District remains vigilant to the possibility of a return to drought conditions locally. At present Lake Cachuma – the District’s principal source of water supply - is at 50% capacity and the District expects to receive only 40% of its normal year allocation for the 2018 water year unless significant rainfall occurs in the winter of 2018. However, significant surface water availability statewide (State Water) will permit the District to reduce local groundwater pumping in order to rest the groundwater basin. This reliance on State water will increase water costs to the District, with water treatment and variable costs from Central Coast Water Agency (CCWA) and the Department of Water Resources (DWR) driving this increase.

The relative mix of groundwater, Cachuma water and State water affects the overall cost of water to the District. Groundwater is the least expensive source of supply with a marginal cost of about \$130.00 per acre foot (AF). During a normal water year Lake Cachuma water costs about \$375.00 per AF while State water costs about \$705.00 per AF. Water treatment costs for Cachuma and State Water fluctuate with the volume of water purchased and treated, but an estimate for FY 2018 is about \$217.00 per AF. During the drought, the District relied more on groundwater and less on surface water. As surface water has become more abundant, the District will rely on Cachuma and State Water sources, thereby increasing the overall cost of water for the next several years.

**Water Sales and Sources of Water Supply (in AF)**

	FY 2015-16 (Actual)	FY 2016-17 (Projected)	FY 2017-18 (Budgeted)
Water Sales	3,607	3,380	3,600
Sources of Water Supply			
Lake Cachuma *	1,058	510	1,350
State Water	113	1,381	2,200
Groundwater	2,849	1,807	50
Estimated Losses	-413	-318	0
Total Sources of Supply	3607	3,380	3,600

\* In FY 2017-18 the District expects to receive 40% of 2,813 AF, the normal year Cachuma Project allocation.

In FY 2017, the District raised rates and charges to cover ongoing drought expenses – including the emergency pumping barge at Lake Cachuma – and loss of revenues due to conservation. A typical low water user saw an increase in their monthly bill of approximately 8 to 10%. In FY 2017-18, there is no rate increase expected. Drought charges will remain in place throughout FY 2017-18. However, as drought conditions abate, drought related charges will be reduced and eventually eliminated entirely.

**Capital Budget**

Capital expenses for FY 2017-18 are projected to be \$1.335 million, an increase of \$72,000 over FY 2016-17. Major expenditures include ongoing replacement of mains and service lines, as well as the replacement of two bridge crossings at Carpinteria Avenue Bridge and Casitas Pass Road Overpass. These mains are vital to servicing the downtown area of Carpinteria. Additional projects include the replacement of the El Carro well pump and the improvement of the Gobernador aeration system. El Carro well currently uses an oil lubrication system for the well pump. This is believed to be contributing to a bacteriological issue in the well. Additionally, the pump is a cast iron pump which is prone to rapid corrosion. The existing Gobernador aeration system is prone to fouling caused by calcification which renders the pump motor frequently inoperable. A new pump configuration will allow preventative maintenance to the pump before it becomes fouled.

Summary

The Carpinteria Valley Water District has met customer water needs during the drought emergency with careful management of local water supplies and wise use of imported water. Unlike other South Coast water agencies, the District has been able to avoid purchasing large quantities of water on the open market and has kept these expenses at a minimum. The local groundwater basin has proven a very valuable source of supply in emergencies such as prolonged drought. After several years of intense use this source needs to be rested, therefore the District will rely on surface water to meet water needs for the next few years.

In the upcoming year, the District will focus on improving meter accuracy and reducing maintenance and contractor costs through the replacement of all its aging meters with new AMI meters, continue its Reclaimed Water Facility initiative to work towards drought-proofing its water supply, improve the reliability of the District's wells and reservoirs with preventative maintenance projects, and coordinate main line replacements with one City and two Caltrans bridge replacement projects.

The FY 2017-18 budget was balanced without the need for a water rate increase, yet still provides sufficient operating funds to continue initiatives to improve the way we manage water supplies, serve customers and improve infrastructure reliability. The District staff will continue to work to do more with less, taking advantage of technology and training to improve overall productivity.

Respectively submitted,

Robert Mc Donald, General Manager



## **Mission Statement**

### **Our Mission**

Carpinteria Valley Water District's mission is to provide potable water to all residential, commercial and agricultural customers in the Carpinteria Valley at a reasonable cost.

## **Profile of the District**

The Carpinteria County Water District was incorporated in 1941 as an area-wide organization to recharge valley wells after several dry years led to alarming drops in the water table. In 1949, voters elected to participate in the Cachuma Project to bring water from Lake Cachuma behind Bradbury Dam on the Santa Ynez River to the Carpinteria Valley. In 1991, voters in the District elected to participate in the State Water Project and help pay for the construction of facilities to allow the importation of water from northern California via the Coastal Branch of the California Aqueduct into Lake Cachuma. In 1996, the District changed its name to Carpinteria Valley Water District. And in 1997, the District adopted an AB3030 Groundwater Management Plan establishing its authority as the groundwater management agency for the Carpinteria Groundwater Basin. Today the District relies primarily on water from Lake Cachuma and its local well water, and utilizes State Water as a supplemental supply.

The District is located on the coast of California 80 miles north of Los Angeles and 12 miles southeast of Santa Barbara. The District's service area encompasses an area extending along the south coast of the County of Santa Barbara easterly from the Toro Canyon area to the Ventura County line. (See map on page 9.) The Foothills of the Santa Ynez Mountains lay to the north and the ocean to the south of the valley. The District's service area contains approximately 11,098 acres (17.3 square miles).

The District provides potable water to about 4,500 water service connections and standby fire service connections. The total population served is approximately 16,050. Single-family residences constitute the largest customer class, with about 3,241 accounts. Other customer account types include agricultural, master-metered residential, commercial, industrial, public authority and landscape accounts. Refer to Appendix A, Glossary and to Appendix C, Water Rates, for definitions and more information regarding our customer classes and rate structure.

**Board of Directors**

The District is governed by a five-member Board of Directors. Directors are elected by registered voters of the District to four-year terms with elections held in even numbered years. The Board establishes policy, sets water rates and charges, establishes an annual budget, approves contracts and labor agreements, and has the authority to adopt ordinances that have the force of law within the District.

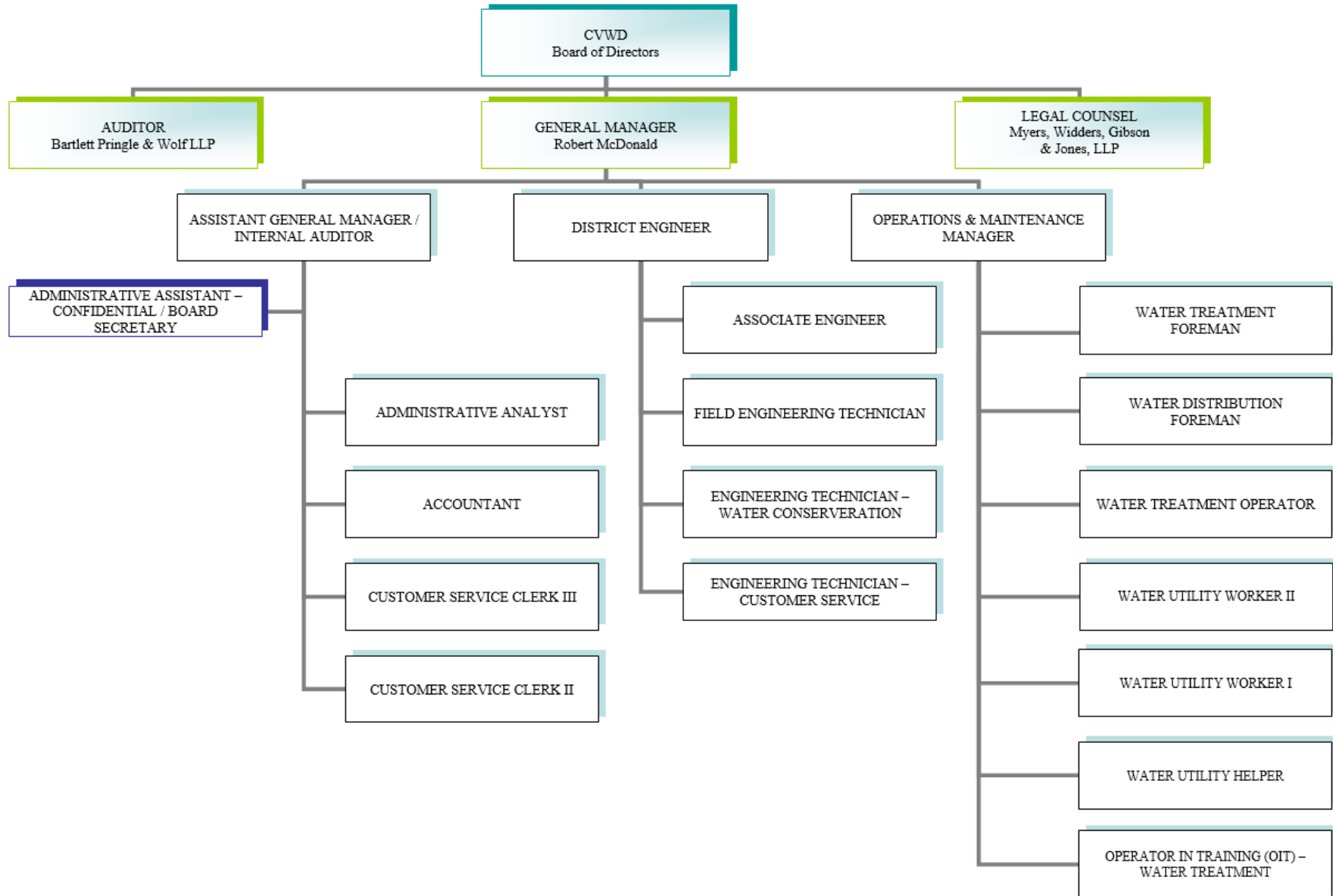
**Board of Directors as of January 1, 2017**

<b>Board Member</b>	<b>Title</b>	<b>Date of Original Election or Appointment</b>	<b>Current Term</b>
Polly Holcombe	President	Elected 2012	2016 – 2020
Matthew Roberts	Vice President	Elected 1995	2014 – 2018
Shirley Johnson	Director	Appointed 2016	2016 – 2018
Alonzo Orozco	Director	Elected 2010	2014 – 2018
Case Van Wingerden	Director	Elected 2016	2016 - 2020

**District Personnel**

Day-to-day management of the District is performed by a General Manager hired by the Board. The General Manager hires and manages a total of 19 employees who perform the administrative, business, engineering, and operations and maintenance functions of the District. As a public health and safety water utility the District provides 24/7 emergency service.

**CARPINTERIA VALLEY WATER DISTRICT  
ORGANIZATION CHART**



Revised 05/30/2017

## **Financial Policies**

### **Basis of Budgeting & Accounting**

The District is operated and reported as a single enterprise fund, which is an accounting entity that finances and accounts for the acquisition, operation and maintenance of governmental facilities and services that are entirely or predominantly self-supporting through user charges.

The District maintains its accounts on an accrual basis. Revenues are recognized when earned and expenses are recognized when incurred. The District's fiscal year end is June 30<sup>th</sup>.

The budgetary basis of accounting is also accrual basis, although depreciation and amortization expenses are not included in the budget. The annual financial statements, which are accrual basis and include depreciation and amortization expenses, are audited annually.

### **Budgetary Control**

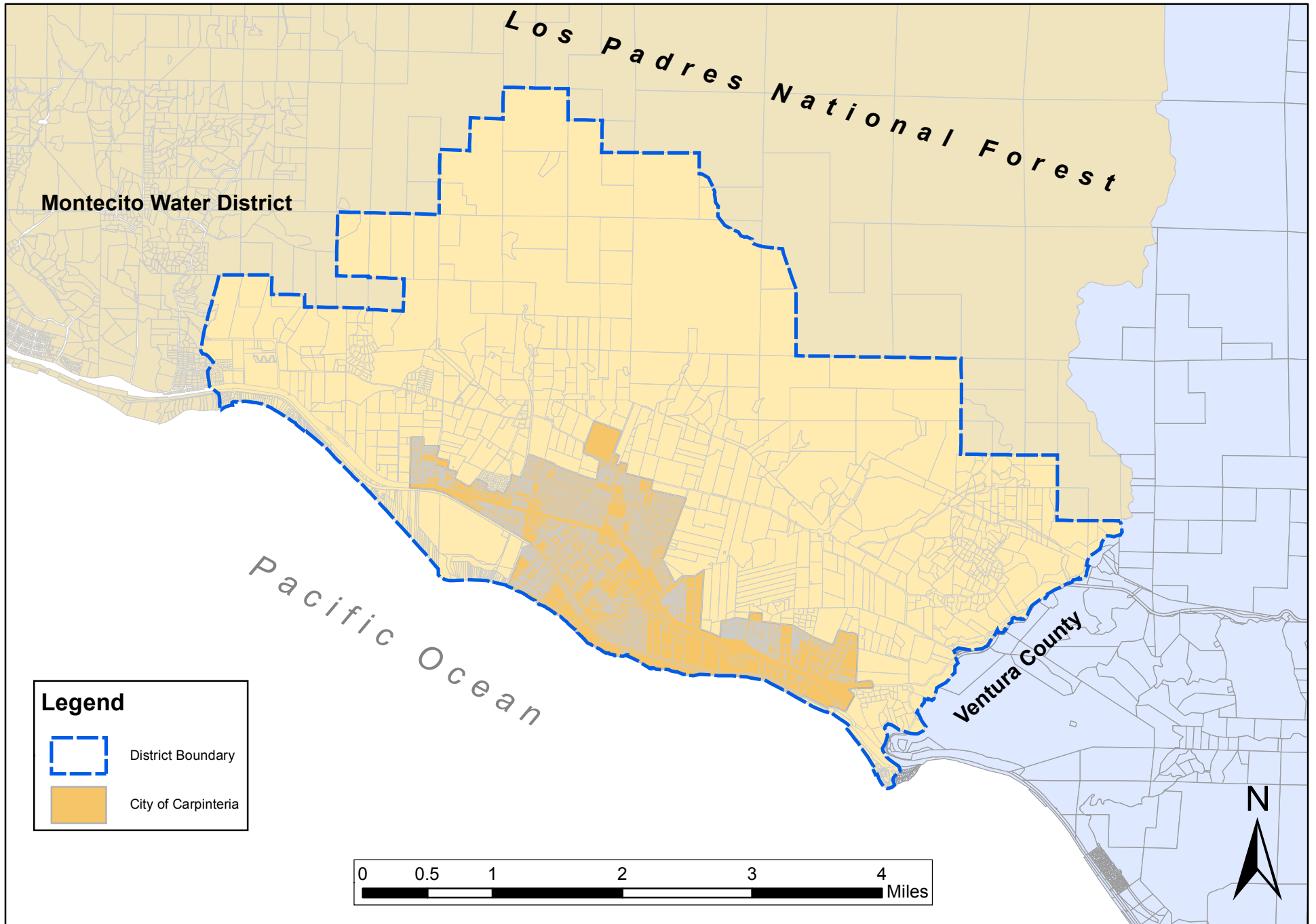
The District views the budget as an essential tool for proper financial management. This budget is developed with input from management and is adopted prior to the start of each fiscal year by the Board of Directors. The Board must approve all non-budgeted appropriations after the budget has been adopted. The Board monitors the budget through monthly financial reports and year-end budget reports.

### **Budget Process**

The budget process typically commences in late January. Staff along with the Rate and Budget Committee meet bi-weekly to review projected operating and capital expenditures, revenue sources and the corresponding water rates. If a water rates increase is necessary, Proposition 218 notices are mailed out in April and the Hearing is held in June. The proposed budget is typically presented to the Board at public board meetings in March and May with a final budget presentation in June.

During the budget process, management and staff update current objectives, develop new objectives and make projections of costs and estimated revenues, all of which is discussed with the Board. Once completed to the satisfaction of the Board, the draft budget is adopted as a resolution. The adopted budget is available to the public on the District website.

# Carpinteria Valley Water District





*This page intentionally blank.*

# *Budget Summary*

## Operating and Capital Budgets

FY 2017-2018



## Highlights

---

### Summary of Changes as Compared to FY 2016-17 Budget

• Change in Revenue	\$ (109,905)*
• Change in Expenses	\$ (94,831)
• Change in Annual Debt Service	\$ (32,814)
• Change to Capital Projects Budget	\$ 72,400

\* Parentheses indicate a decrease.

### Significant Budget Changes

- Revenue are expected to remain approximately the same as budgeted for FY 2016-17 as sales are expected to rebound slightly this year to about 3,600 AF from actual sales of 3,380 AF in FY 2016-17.
- Personnel expenses increased 6% or approximately \$170,000 due to a 2% cost of living increase and increased costs associated with retirement and health insurance benefits.
- Utilities expenses decreased approximately \$(112,000) or -29% due to decreased operating costs for wells. Operating costs for wells are projected to decrease due to decreased groundwater production (offset by an increase in supplies from Lake Cachuma and the State Water Project).
- Water treatment costs decreased approximately \$(114,000) or -14% due to lower than expected Cater Treatment Plant costs FY 2016-17.
- Drought impact expenses decreased approximately \$(116,000) or -16% due to a decrease in power for pumping wells as well as the elimination of supplemental water purchases.
- Debt service for the District is expected to decline by about 1% largely due to refinancing of CCWA debt and District debt.
- The Capital Projects budget increased by 6% due to bridge projects related to Caltrans and the City of Carpinteria beginning this year.

<b>BUDGET SUMMARY</b>	<b>2016/17 BUDGET</b>	<b>2016/17 ESTIMATE</b>	<b>2017/18 BUDGET</b>	<b>CHANGE FROM 16/17 BUDGET</b>	<b>% CHANGE FROM 16/17 BUDGET</b>
-----------------------	---------------------------	-----------------------------	---------------------------	---	---

**SOURCES OF CASH**

Water Sales	4,562,079	4,288,001	4,502,138	-59,941	-1%
Water Meter Service Charges	6,922,997	6,854,092	6,880,637	-42,360	-1%
Drought Surcharges	987,768	959,654	978,794	-8,974	-1%
Fire Protection Service Charges	311,852	286,565	313,222	1,370	0%
Other Revenue	123,000	110,248	123,000	0	0%
<b>TOTAL OPERATING REVENUE</b>	<b>12,907,696</b>	<b>12,498,560</b>	<b>12,797,791</b>	<b>-109,905</b>	<b>-1%</b>

**EXPENSES**

Sources of Water Supply	2,411,424	2,035,583	2,198,942	-212,482	-9%
Transmission and Distribution	1,258,149	724,641	1,290,075	31,926	3%
Engineering and Resource Planning	530,290	402,500	603,477	73,187	14%
Water Conservation	86,405	58,046	90,908	4,503	5%
Administration and General Support	1,816,841	1,628,190	1,941,644	124,803	7%
Drought Impact	1,281,757	1,198,657	1,164,989	-116,768	-16%
<b>TOTAL EXPENSES</b>	<b>7,384,866</b>	<b>6,047,617</b>	<b>7,290,035</b>	<b>-94,831</b>	<b>-1%</b>

<b>NET REVENUE</b>	<b>5,522,830</b>	<b>6,450,943</b>	<b>5,507,756</b>	<b>-15,074</b>	<b>0%</b>
<b>DEBT SERVICE</b>	<b>4,344,856</b>	<b>4,436,846</b>	<b>4,312,042</b>	<b>-32,814</b>	<b>-1%</b>
<b>BALANCE OF REVENUE</b>	<b>1,177,974</b>	<b>2,014,097</b>	<b>1,195,714</b>	<b>17,740</b>	<b>2%</b>
<b>LESS CAPITAL EXPENDITURES</b>	<b>1,262,600</b>	<b>1,262,600</b>	<b>1,335,000</b>	<b>72,400</b>	<b>6%</b>
<b>CAPITAL COST RECOVERY REVENUE</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>0</b>	<b>0%</b>
<b>CAPITAL PROJECT BUDGETS RELEASED</b>	<b>5,800</b>	<b>5,800</b>	<b>23,466</b>	<b>17,666</b>	
<b>Increase (Decrease) in cash*</b>	<b>21,174</b>	<b>857,297</b>	<b>-15,820</b>	<b>-36,994</b>	<b>-175%</b>

\* Represents a change in reserves.

*This page intentionally blank.*



# *Revenues*



The District collects revenues from four major sources:

Water Sales

Water Meter Service Charges

Drought Surcharges

Fire Protection Service Charges



Fire Protection Service Charges which represent about 2% of total revenues are based on the size of the water meter.

The water rate schedule can be found on the District's website and in Appendix C. Definitions can be found in the Glossary, Appendix A.

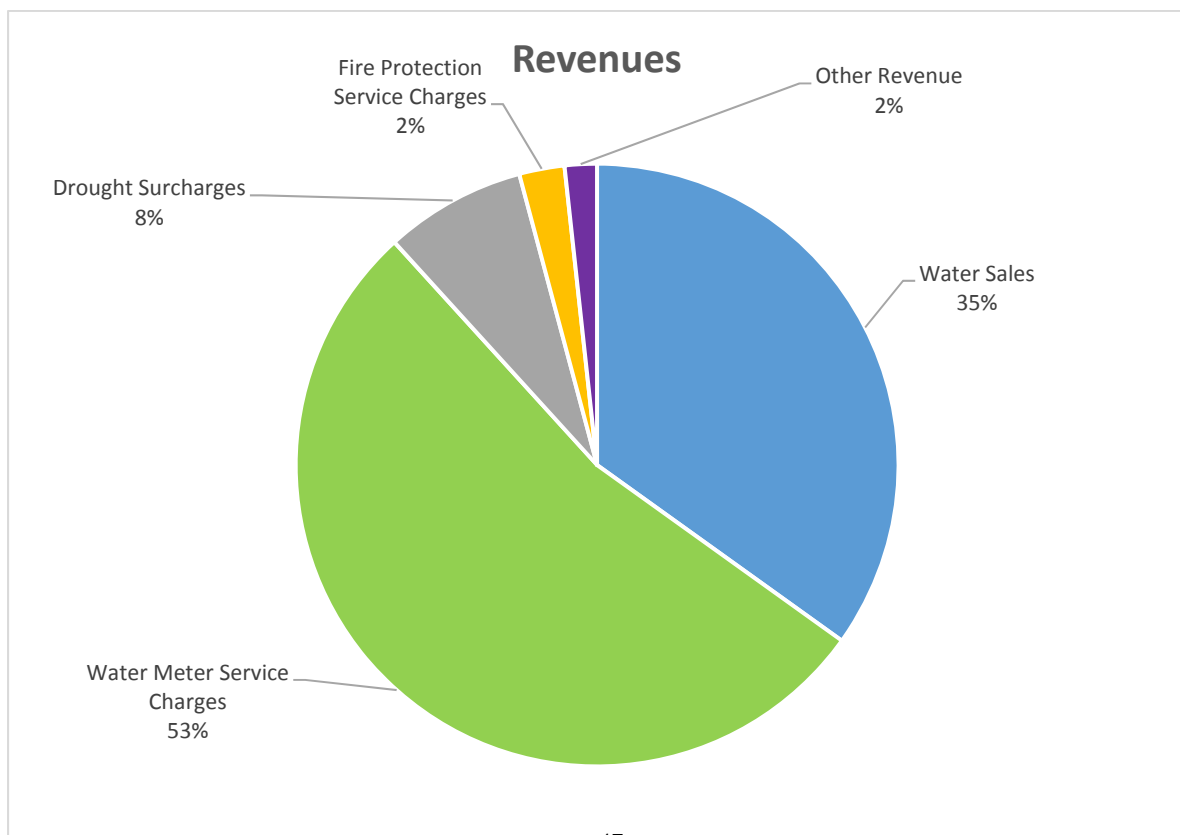
### **FY 2016-17**

Total operating and non operating revenues are projected to be approximately \$400,000 under budget. The majority of the projected shortfall occurred in Water Sales revenue which reflects the continuing drought-related conservation efforts of our customers. Agricultural Water Sales are expected to be approximately \$120,000 higher than budgeted but this amount is more than offset by reduced consumption by other customer classes.

### **FY 2017-18**

**Water Sales** For FY 2017-18, Water Sales revenues from water sales are expected to raise 35% of total revenues, or \$4.5 million, an increase of approximately \$210,000 or 5% over the projected Water Sales revenue for FY 2016-17. This budgeted amount reflects anticipated consumption increases arising from reduced drought concerns following a relatively wet winter. The budgeted FY 2017-18 Water Sales revenues are approximately 1% lower than the amount budgeted for FY 2016-17.

**Meter Service Charge** Revenue is expected to be approximately \$6.9 million in FY 2017-18 and is relatively unchanged from the amounts budgeted for FY 2016-17.



ACCOUNT NUMBER	REVENUE	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	---------	----------------	----------------	------------------	----------------	--------------------------	----------------------------

**WATER REVENUE****WATER SALES**

4000	Residential	1,924,357	2,148,150	1,905,362	2,187,882	39,732	2%
4001	Commercial	393,275	519,135	402,861	502,997	-16,138	-3%
4002	Industrial	115,080	125,935	116,072	127,198	1,263	1%
4003	Public Authority	155,119	183,232	157,142	182,781	-451	0%
4004	Agricultural	1,853,489	1,585,627	1,706,564	1,501,280	-84,347	-5%
	<b>WATER SALES SUBTOTAL</b>	<b>4,441,320</b>	<b>4,562,079</b>	<b>4,288,001</b>	<b>4,502,138</b>	<b>-59,941</b>	<b>-1%</b>

**WATER METER SERVICE CHARGES**

4010	Ag Residential Equivalency Charge	123,146	104,527	97,849	98,972	-5,555	-5%
4005	Monthly Service Charge-Basic	507,280	869,080	858,902	870,377	1,297	0%
4006	Monthly Service Charge-SWP	2,672,306	2,653,680	2,621,938	2,657,640	3,960	0%
4007	Monthly Service Charge-CIP	2,609,496	2,528,790	2,524,294	2,488,728	-40,062	-2%
4008	Dwelling Unit Equivalency Charge (DEQ)	807,353	799,920	792,786	799,920	0	0%
4009	Lifeline Program Credits	-36,509	-33,000	-41,677	-35,000	-2,000	6%
	<b>SERVICE CHARGES SUBTOTAL</b>	<b>6,683,072</b>	<b>6,922,997</b>	<b>6,854,092</b>	<b>6,880,637</b>	<b>-42,360</b>	<b>-1%</b>

**DROUGHT SURCHARGES**

4011	Drought Surcharge - Meter	278,133	344,076	362,080	345,300	1,224	0%
4012	Drought Surcharge - Volume	360,044	643,692	597,574	633,494	-10,198	-2%
	<b>DROUGHT SURCHARGES SUBTOTAL</b>	<b>638,177</b>	<b>987,768</b>	<b>959,654</b>	<b>978,794</b>	<b>-8,974</b>	<b>-1%</b>

4200	Fire Protection Service Charges	260,638	311,852	286,565	313,222	1,370	0%
------	---------------------------------	---------	---------	---------	---------	-------	----

**TOTAL OPERATING REVENUE**

		<b>12,023,207</b>	<b>12,784,696</b>	<b>12,388,312</b>	<b>12,674,791</b>	<b>-109,905</b>	<b>-1%</b>
--	--	-------------------	-------------------	-------------------	-------------------	-----------------	------------

**OTHER REVENUE**

4100	Capital Cost Recovery	276,212	100,000	100,000	100,000	0	0%
4300	Misc Revenue	38,607	38,000	36,848	38,000	0	0%
4310	Other Income	80,882	10,000	33,400	10,000	0	0%
4312	Grant Revenue	561,073	0	0	0	0	0%
4450	Overhead Control	91,998	50,000	15,000	50,000	0	0%
4500	Interest	37,290	25,000	25,000	25,000	0	0%
	<b>OTHER REVENUE SUBTOTAL</b>	<b>1,086,062</b>	<b>223,000</b>	<b>210,248</b>	<b>223,000</b>	<b>0</b>	<b>0%</b>

	<b>TOTAL REVENUE</b>	<b>13,109,269</b>	<b>13,007,696</b>	<b>12,598,560</b>	<b>12,897,791</b>	<b>-109,905</b>	<b>-1%</b>
--	----------------------	-------------------	-------------------	-------------------	-------------------	-----------------	------------

**Non-Operating Revenue**

4501***	Interest-COP Funds Restricted	2,842	5,000	5,000	5,000	0	0%
---------	-------------------------------	-------	-------	-------	-------	---	----

\*\*Related to customer work orders

\*\*\*Revenue not included in considering rate increases

# *Uses of Cash*



The Uses of Cash section of the District's budget includes all expenses for the day-to-day operations of the District, including personnel, utilities, professional services, water purchases, water extraction, water treatment, water conservation and general and administrative expenses, as well as debt service costs and capital projects.



## Highlights

---

### Summary Information

- Total FY 2017-18 Uses of Cash \$12,937,077
- Dollar amount decrease \$(55,245)
- Percentage decrease -0.0%

### Significant Uses of Cash Changes

- Sources of Water Supply expenses decreased by approximately \$279,000 due primarily to elimination of supplemental water purchases and to reduced power costs for pumping groundwater, partially offset by increased water treatment and water transportation costs.
- Administration and General Support increased approximately \$117,000 due to a 2% cost of living increase and to having fewer vacant positions than the prior year.
- Drought impact expenses decreased approximately \$(116,000) or -16% due to a decrease in power for pumping wells as well as the elimination of the Lake Cachuma pumping barge and supplemental water purchases.

### Discussion of Uses of Cash

The Uses of Cash section of the District's budget includes all expenses for the day-to-day operations of the District, including personnel, utilities, professional services, water purchases, water extraction, water treatment, water conservation and general and administrative expenses, as well as debt service costs.

The Uses of Cash budget is separated into 6 major programs: sources of water supply, water transmission and distribution, engineering and resource planning, conservation, administrative and general support, debt service and capital projects.

Sources of Water Supply: The District has four major water sources: Groundwater, State Water, Lake Cachuma, and supplemental water purchases. This program includes the costs to obtain water from Lake Cachuma and the State Water Project, to pump the water from our groundwater table, and to treat water to state-mandated clean drinking water standards.

Water Transmission and Distribution: The Operations and Maintenance department is responsible for the functioning and integrity of the water transmission and distribution infrastructure, which includes reservoirs, pumping stations, approximately 4,500 service connections and 88 miles of pipes. Permit fees and assorted operating expenses for the Operations and Maintenance department are also included in this program.

Engineering and Resource Planning: The Engineering department is responsible for the Engineering and Resource Planning program which includes project design and administration, groundwater studies, professional services, GIS mapping of District accounts and infrastructure, and grant funding.

Water Conservation: Water Conservation, a division of the Engineering department, seeks to assist District customers to implement state-mandated water conservation targets, reduce water waste, and provide water conservation information, guidance and incentives. An integral part of this effort is the implementation of Best Management Practices (BMPs) for water use efficiency. The District, along with other California water agencies, is a signatory of the California Water Efficiency Partnership (CALWEP), an organization dedicated to reducing long-term urban demands through implementation of BMPs to conserve the state's precious water resources.

Administration and General Support: The Business Department is responsible for the Administration and General Support program, which includes all administrative and customer service personnel, employee benefits for all departments, auditing and legal fees, insurance and risk management costs, water rates analysis, accounting, information technology, and other business administration related expenses.

Debt Service: The debt service program includes the cost of debt related to infrastructure facilities such as reservoir covers and water treatment facilities, and the State Water Program debt which includes the District's share of California's Department of Water Resources capital debt related to the construction of the State Water Project Coastal Branch Aqueduct.

Capital Projects: The Capital Projects program funds major infrastructure additions such as wells, treatment plants, and pipelines, as well as capital equipment such as utility trucks, machinery and information technology.

The following sections describe in more detail the budgets for the District's major programs.

## Fixed and Variable Expenses

The Sources of Water Supply budget is presented in this budget by supply source such as groundwater and State Water, but can also be presented in terms of fixed and variable costs. Fixed costs are those costs that do not vary with the amount of water used and would be paid even if no water were used. Examples are debt payments and facilities agreements. Variable costs are directly related to the use of water. Examples would be water treatment costs and electricity costs.

The two programs with the most fixed costs are Sources of Water Supply and Debt Service. Fixed costs for these programs, excluding labor and benefits, represent approximately 42% of the Uses of Cash budget.

### **Fixed Costs – FY 2017-18 Budget**

Fixed Costs Excluding Labor and Benefits	FY 2017-18 Budget	% of Uses of Cash Budget
Sources of Water Supply	\$ 1,109,284	8.6%
Debt Service	4,312,042	33.3%
Total Budgeted Fixed Costs	\$ 5,421,326	41.9%

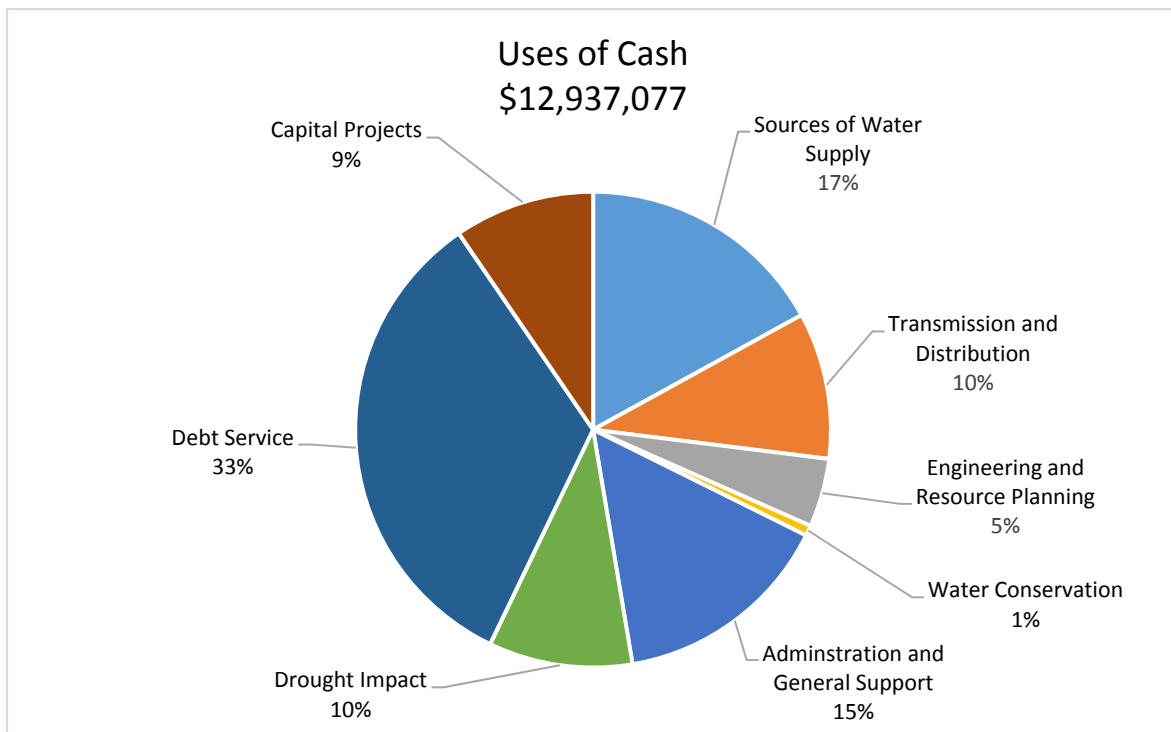
### **Fixed Costs – FY 2016-17 Budget**

Fixed Costs Excluding Labor and Benefits	FY 2016-17 Budget	% of Uses of Cash Budget
Sources of Water Supply	\$ 1,214,559	9.3%
Debt Service	4,344,856	33.5%
Total Budgeted Fixed Costs	\$ 5,559,415	42.8%

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**USES OF CASH**

Sources of Water Supply	3,058,077	3,548,115	2,964,074	2,198,942	1,070,251	3,269,193	-278,922	-8%
Transmission and Distribution	1,037,725	1,312,115	986,807	1,290,075	22,838	1,312,913	798	0%
Engineering and Resource Planning	642,105	530,290	402,500	603,477	0	603,477	73,187	14%
Water Conservation	142,618	169,505	58,046	90,908	71,900	162,808	-6,697	-4%
Adminstration and General Support	1,701,358	1,824,841	1,636,190	1,941,644	0	1,941,644	116,803	6%
Debt Service	4,795,118	4,344,856	4,436,846	4,312,042	0	4,312,042	-32,814	-1%
Capital Projects	1,008,375	1,262,600	1,262,600	1,235,000	100,000	1,335,000	72,400	6%
<b>TOTAL USES OF CASH</b>	<b>12,385,376</b>	<b>12,992,322</b>	<b>11,747,063</b>	<b>11,672,088</b>	<b>1,264,989</b>	<b>12,937,077</b>	<b>-55,245</b>	<b>0%</b>



*This page intentionally blank.*

# *Sources of Water Supply*



El Carro Well, 2017

The District has four major water sources: Groundwater, State Water, Lake Cachuma, and water purchases. This program includes the costs to obtain water from Lake Cachuma and the State Water Project, to pump the water from our groundwater table, and to treat water to state-mandated clean drinking water standards.

## Highlights

---

### Summary Information

- Total FY 2017-18 Sources of Water Supply \$3,269,193
- Dollar amount of change since FY 2016-17 \$(278,922)
- Percentage of change since FY 2016-17 -8%

### Significant Sources of Water Supply Changes from FY 2016-17

- Cater Treatment Plant operating expenses, a component of both State Water Project and Lake Cachuma source of water supply costs, are expected to increase by \$179,000 or 26% due to the District increasing the amount of State Water Project and Lake Cachuma surface water source of supply (both of which flow through this treatment plant). \$300,000 of total Cater Treatment costs will be collected through drought surcharges during FY 2017-18.
- CCWA and DWR operating costs, components of State Water Project Source of Water Supply, are projected to increase by \$358,133 or 163% due to increased State Water Project deliveries.
- The cost of purchased water is expected to decrease by \$400,000 or 64% due to lower anticipated purchases.
- Power and Telephone for Wells, a component of Groundwater Source of Water Supply, is expected to decrease by \$324,000 or 80% due to greatly reduced groundwater production.

### **Water Sales and Sources of Water Supply**

	FY 2015-16 (Actual)	FY 2016-17 (Projected)	FY 2017-18 (Budgeted)
Water Sales	3,607	3,380	3,600
Sources of Water Supply			
Lake Cachuma	1,058	510	1,350
State Water	113	1,381	2,200
Groundwater	2,849	1,807	50
Estimated Losses	-413	-318	0
Total Sources of Supply	3607	3,380	3,600



ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**SOURCES OF WATER SUPPLY****GROUNDWATER**

540-6001	Maint of Wells-Labor	51,169	67,342	65,824	71,449	-	71,449	4,107	6%
550-6001	Water Tests & Treatment-Labor	76,304	60,154	89,707	64,459	-	64,459	4,305	7%
540-6201	Power & Telephone for Pumping-Wells*	230,574	405,000	240,000	81,000	-	81,000	(324,000)	-80%
540-6501	Maintenance of Wells	20,787	32,000	15,000	28,800	3,200	32,000	-	0%
550-6801	Water Quality Analysis-Distribution	22,967	30,000	22,000	27,000	3,000	30,000	-	0%
550-6802	Treatment & Testing - Wells	61,285	75,600	57,000	57,000	18,600	75,600	-	0%
550-6804	AB3030 Well Testing	6,212	7,500	6,500	7,500	-	7,500	-	0%
	Benefits Allocation***	42,378	72,461	65,286	76,549	-	76,549	4,088	6%
	<b>SUBTOTAL</b>	<b>511,676</b>	<b>750,057</b>	<b>561,317</b>	<b>413,757</b>	<b>24,800</b>	<b>438,557</b>	<b>(311,500)</b>	<b>-42%</b>

**LAKE CACHUMA**

520-6601	Renewal Fund - Cachuma Project	4,373	21,500	3,000	21,500	-	21,500	-	0%
550-6800	Treatment - Cater Plant**	251,452	-	-	216,000	114,085	330,085	330,085	100%
530-6900	COMB Operating	598,562	500,215	330,000	460,064	-	460,064	(40,151)	-8%
530-6903	COMB-Safety of Dam (M & I)	21,951	22,000	27,000	33,908	-	33,908	11,908	54%
530-6906	COMB Emerg Pumping Fac - INT	15,948	102,600	1,600	-	-	-	(102,600)	-100%
530-6907	COMB Fisheries	121,264	119,817	143,494	119,817	-	119,817	-	0%
530-6908	COMB Emerg Pump/Barge	497,387	223,100	225,336	-	223,100	223,100	-	0%
550-6803	Chlorination - Ortega Reservoir**	9,174	-	-	15,306	-	15,306	15,306	100%
560-6601	Cloudseeding	-	9,500	12,000	10,200	-	10,200	700	100%
	<b>SUBTOTAL</b>	<b>1,520,110</b>	<b>998,732</b>	<b>742,430</b>	<b>876,795</b>	<b>337,185</b>	<b>1,213,980</b>	<b>215,248</b>	<b>22%</b>

**STATE WATER PROJECT**

*520-6700	CCWA - Variable	86,141	219,769	200,000	500	307,402	307,902	88,133	40%
*520-6701	DWR - Variable	202,265	-	-	55,051	214,949	270,000	270,000	100%
550-6800	Treatment - Cater Plant**	189,420	688,980	600,000	352,000	185,915	537,915	(151,065)	-22%
550-6803	Chlorination - Ortega Reservoir**	6,910	40,250	35,000	24,944	-	24,944	(15,306)	-38%
510-7000	CCWA Operating Expense	235,954	225,327	225,327	250,895	-	250,895	25,568	11%
	<b>SUBTOTAL</b>	<b>720,691</b>	<b>1,174,326</b>	<b>1,060,327</b>	<b>683,390</b>	<b>708,266</b>	<b>1,391,656</b>	<b>217,330</b>	<b>19%</b>

**PURCHASED WATER**

*520-6600	Purchase of Water	305,600	625,000	600,000	225,000	-	225,000	(400,000)	-64%
	<b>SUBTOTAL</b>	<b>305,600</b>	<b>625,000</b>	<b>600,000</b>	<b>225,000</b>	<b>-</b>	<b>225,000</b>	<b>(400,000)</b>	<b>-64%</b>

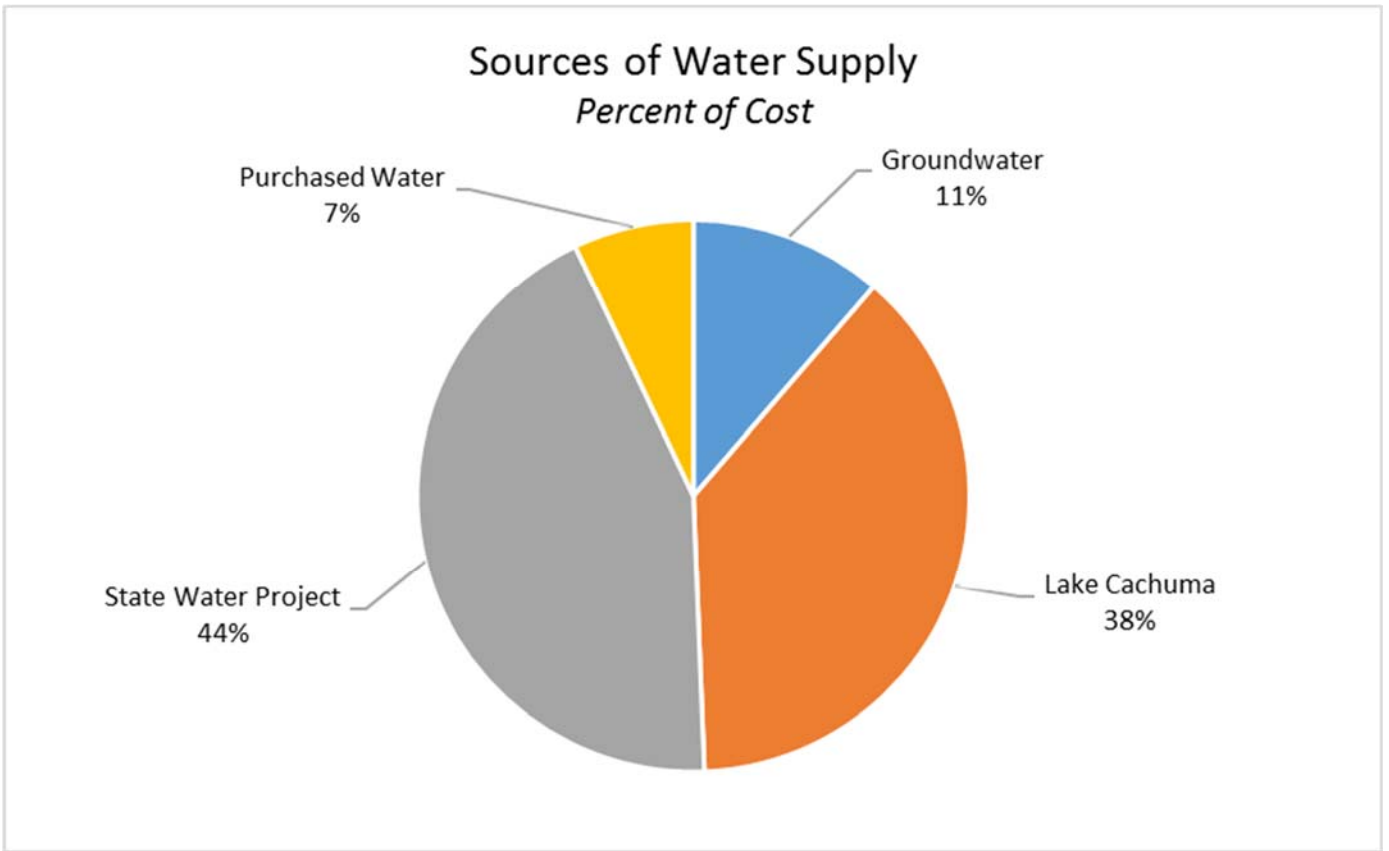
**TOTAL SOURCES OF WATER SUPPLY**

		<b>3,058,077</b>	<b>3,548,115</b>	<b>2,964,074</b>	<b>2,198,942</b>	<b>1,070,251</b>	<b>3,269,193</b>	<b>(278,922)</b>	<b>-8%</b>
--	--	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------

\* Based on 1,350 AF Cachuma delivery.

\*\* Prorated between Lake Cachuma and State Water Project sources of supply based on projected water deliveries.

\*\*\* Refer to Labor and Contract Services section.



# *Transmission and Distribution*



Carpinteria Reservoir

The Operations and Maintenance department is responsible for the functioning and integrity of the water transmission and distribution infrastructure, which includes reservoirs, pumping stations, approximately 4,500 service connections and 88 miles of pipes.

## *Highlights*

---

### Summary Information

- Total FY 2017-18 Water Transmission and Distribution \$1,312,913
- Dollar amount of change from FY 2016-17 \$798
- Percentage of change from FY 2016-17 0.0%

### Significant Water Transmission and Distribution Changes

- The Operations & Maintenance (O & M) Department is now fully staffed for the first time in several years. Redistribution of manpower has allowed for the creation of a Water Treatment Operator in Training (OIT) position which will bring some workload relief to the Water Treatment section of the O & M Department. This section has seen an increase in responsibility and work load due to new technologies and ever increasing water quality regulations.
- The District will discontinue its Meter Replacement Program in FY 2017-18 due to the May 2017 Board approval of the AMI meter project.

### Areas of Priority

The O & M Department recognizes five areas of priority:

- Reliability of our groundwater supply pumping
- Reliability of our Water Distribution system
- Reliability of our emergency power supply to maintain pumping capabilities.
- Meeting Water Quality Standards
- Employee Safety

### Program Goals

The areas of priority will be met by striving to accomplish the following goals:

- Continuing to aggressively exercise valves and replace the ones that are non-operable.
- Continue replacement and rehab of air and vacuum release (Air/Vac) valves which are crucial in the de-watering and re-filling of mainlines during repairs.
- Upgrade of our Supervisory Control and Data Acquisition (SCADA) system to provide accurate data and reliable remote control of our wells, water treatment facilities, booster pumps and reservoirs.
- Implementation of a preventative maintenance program for our wells and pumps. The District is beginning to move away from the old method of run to failure to a more reliable and cost effective preventative maintenance program which will reduce maintenance costs and prolong the useful life of assets in the long run.
- Upgrading El Carro Well from oil lubricated to a stainless steel water lubricated pump and the installation of a new, more reliable Aeration system at Gobernador Reservoir.
- Update the Injury and Illness Prevention Plan (IIP).
- Build technical knowledge through a training program.
- Improve District safety programs.

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
<b>WATER TRANSMISSION AND DISTRIBUTION</b>									
550-6004	Electrical/Instrumentation-Labor	3,512	15,465	1,000	19,228	-	19,228	3,763	24%
560-6003	Field Labor-Office	91,830	95,005	86,779	92,256	-	92,256	(2,749)	-3%
560-6004	Field- Vacation, Sick, & Holidays	78,423	99,088	71,475	88,399	-	88,399	(10,689)	-11%
560-6005	Standby Labor	25,337	28,000	28,000	28,000	-	28,000	-	0%
560-6006	Vehicle/Equipment Maint Labor	27	4,023	1,100	1,248	-	1,248	(2,775)	-69%
560-6007	Maint of Mains & Hydrants-Labor	44,664	70,846	30,000	91,799	-	91,799	20,953	30%
560-6008	Maint of Meters & Svcs-Labor	85,174	63,908	72,000	112,595	-	112,595	48,687	76%
560-6009	Maint Pumping Equipment-Labor	-	31,778	-	19,918	-	19,918	(11,860)	-37%
560-6010	Utility Service Alerts-Labor	12,444	19,735	15,000	9,064	-	9,064	(10,671)	-54%
560-6013	Maint Tanks & Reservoirs-Labor	15	6,828	-	12,475	-	12,475	5,647	83%
560-6015	Field Work Order Labor	-	69,323	-	-	-	-	(69,323)	-100%
580-6001	Meter Reading/Customer Orders	57,129	25,277	50,000	29,196	-	29,196	3,919	16%
	Benefits Allocation**	157,208	268,809	242,193	296,630	-	296,630	27,821	10%
540-6200	Pwr & Telephone for Pumping-PMP STN*	148,061	120,000	140,000	110,000	10,000	120,000	-	0%
540-6500	Maintenance of Pumping Equip	16,277	28,380	28,000	26,162	2,838	29,000	620	2%
560-6500	Maintenance of Vehicles & Equipment	38,408	51,600	20,000	30,000	10,000	40,000	(11,600)	-22%
560-6501	Maintenance of Mains & Hydrants	63,914	100,000	80,000	100,000	-	100,000	-	0%
560-6502	Maintenance of Tanks & Reservoirs	10,132	10,000	15,000	20,000	-	20,000	10,000	100%
560-6503	Maintenance of Meters & Services	102,802	80,000	25,000	80,000	-	80,000	-	0%
560-6504	Maintenance of SCADA Equipment	5,947	12,000	2,000	12,000	-	12,000	-	0%
560-6505	Meter Reading Contract Srv	51,171	53,550	51,260	58,905	-	58,905	5,355	10%
560-6602	Uniforms Expense	4,131	15,000	15,000	15,000	-	15,000	-	0%
560-6603	Safety Supplies & Equipment	10,680	17,000	1,000	14,000	-	14,000	(3,000)	-18%
560-6604	Minor Tools Supplies & Equipment	15,444	19,500	5,000	22,000	-	22,000	2,500	13%
560-6605	Operations Other Suppl & Exp	14,995	7,000	7,000	-	-	-	(7,000)	-100%
560-6606	Utility Service Alerts **NEW**	-	-	-	1,200	-	1,200	1,200	100%
	<b>TOTAL TRANSMISSION AND DISTRIBUTION</b>	<b>1,037,725</b>	<b>1,312,115</b>	<b>986,807</b>	<b>1,290,075</b>	<b>22,838</b>	<b>1,312,913</b>	<b>798</b>	<b>0%</b>

\* Based on 450 AF groundwater production.

\*\* Refer to Labor and Contract Services section.

# *Engineering and Resource Planning*



Carpinteria Valley, 2017

The Engineering Department is responsible for replacement or improvement of water infrastructure, including wells, reservoirs, water mains and pumping facilities. The department also monitors available sources of water supply to identify the most cost effective and sustainable mix of sources to supply the projected water sales.



## Highlights

---

### Summary Information

- Total FY 2017-18 Engineering and Resource Planning \$603,477
- Dollar amount of change since FY 2016-17 \$73,187
- Percentage of change since FY 2016-17 14%

### Significant Engineering and Resource Planning Changes

- The Engineering department added one staff position, that of Field Technician – Customer Service. This position formerly reported to the Operations & Maintenance Manager. The department also filled two vacant positions in FY 2016-17.

### Program Goals

- Construct new 12-inch water main in the Linden Bridge in conjunction with the Caltrans highway improvement project.
- Coordinate with City of Carpinteria for the replacement of the 12-inch water main on the new Carpinteria Avenue Bridge project.
- Construct new pipeline to connect Lyon's well to El Carro treatment plant.
- Complete implementation of Cityworks maintenance management software program to manage the District's infrastructure maintenance program.
- Revise and update District standard details.
- Complete conversion of all District meter to AMI.
- Completion of Sentry Well project.

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**ENGINEERING AND RESOURCE PLANNING**

550-6003	AB3030 Labor	5,418	5,774	1,800	21,158	-	21,158	15,384	266%
560-6001	Engineering Labor-Office	213,023	113,208	102,390	160,556	-	160,556	47,348	42%
560-6002	Engineering- Vacation, Sick, & Holidays	64,335	55,779	37,968	70,998	-	70,998	15,219	27%
560-6011	Cross Connection Labor	4,385	11,548	3,700	13,152	-	13,152	1,604	14%
560-6012	Engineering Field Labor	50,324	17,478	17,478	38,616	-	38,616	21,138	121%
	Benefits Allocation*	94,938	162,337	146,264	171,498	-	171,498	9,161	6%
550-6300	AB3030 Professional Services	4,743	6,500	6,500	7,500	-	7,500	1,000	15%
560-6014	Project Review/Design	-	39,466	-	-	-	-	(39,466)	-100%
560-6300	Engineering Services	175,585	83,000	60,000	83,000	-	83,000	-	0%
560-6301	Groundwater Professional Services	26,943	24,000	24,000	24,000	-	24,000	-	0%
560-6600	Engineering Supplies & Expense	2,011	10,200	2,000	12,000	-	12,000	1,800	18%
560-7000	Cross Connection Expense	400	1,000	400	1,000	-	1,000	-	0%
	<b>TOTAL ENGINEERING AND RESOURCE PLANNING</b>	<b>642,105</b>	<b>530,290</b>	<b>402,500</b>	<b>603,477</b>	<b>-</b>	<b>603,477</b>	<b>73,187</b>	<b>14%</b>

\* Refer to Labor and Contract Services section

*This page intentionally blank.*

# *Water Conservation*



BEFORE...



...AFTER

Water Conservation, a division of the Engineering department, seeks to assist District customers to implement state-mandated water conservation targets, reduce water waste, and provide water conservation information, guidance and incentives.

## *Highlights*

---

### Summary Information

- Total FY 2017-18 Water Conservation \$162,808
- Dollar amount of change from FY 2016-17 budget \$(6,697)
- Percentage of change from FY 2016-17 budget -4%

### Significant Water Conservation Changes

- Residential and Landscape turf replacement incentives decreased \$25,000 or 50% because the amount of rebates requested has declined significantly in the past year.

### Program Goals

- Develop with the City of Carpinteria a Retrofit Upon Resale Ordinance.
- Create GIS map of properties that have participated in the District's Rebate Programs.
- Complete Conservation Garden Signage.
- Continue public outreach for water conservation.
- Increase the number Commercial, Industrial and Institutional (CII) water use efficiency audits performed.

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**WATER CONSERVATION**

570-6018	Water Conservation Labor	1,177	-	90	7,312	-	7,312	7,312	100%
570-6019	Water Conservation Coord-BMP 12 Benefits Allocation*	61,314	44,352	5,400	43,805	-	43,805	(547)	-1%
		15,939	27,253	24,556	28,791	-	28,791	1,538	100%
570-7100	Wtr Cons BMP 1 Wtr Srvy Prg	-	1,000	-	1,000	2,000	3,000	2,000	200%
570-7101	Wtr Cons BMP 3 Residential	40,579	30,000	1,000	1,000	9,000	10,000	(20,000)	-67%
570-7102	Wtr Cons BMP 5 Landscape (CII)	7,280	20,000	2,000	1,000	14,000	15,000	(5,000)	-25%
570-7103	Wtr Cons BMP 2.1 Public Inf	8,662	13,000	20,000	-	20,000	20,000	7,000	54%
570-7104		1,362	3,000	1,000	500	6,500	7,000	4,000	133%
570-7105	Wtr Cons BMP 4 CII	3,000	8,000	1,000	3,000	4,900	7,900	(100)	-1%
570-7106	Wtr Cons BMP 3 High Eff Washr	1,500	4,500	1,500	-	-	-	(4,500)	-100%
570-7107	Wtr Cons BMP 3 High Eff Toilt	1,300	3,400	1,000	-	-	-	(3,400)	-100%
570-7108	Wtr Cons BMP 1.4 Wtr Loss Contr	-	4,000	-	4,000	1,000	5,000	1,000	25%
570-7109	Conservation Program	505	1,000	500	500	4,500	5,000	4,000	400%
570-7110	Wtr Cons BMP A3A On-Farm Evals *NEW*	-	5,000	-	-	5,000	5,000	-	0%
570-7111	Wtr Cons BMP B3 On-Farm Improv *NEW*	-	5,000	-	-	5,000	5,000	-	0%
	<b>TOTAL WATER CONSERVATION</b>	<b>142,618</b>	<b>169,505</b>	<b>58,046</b>	<b>90,908</b>	<b>71,900</b>	<b>162,808</b>	<b>(6,697)</b>	<b>-4%</b>

\* Refer to Labor and Contract Services section.

*This page intentionally blank.*



# *Administration and General Support*



District Headquarters

The Business Department is responsible for the Administration and General Support program, which includes administration, customer service, human resources, risk management, professional services, accounting, and information technology.

## *Highlights*

---

### Summary Information

- Total FY 2017-18 Administration and General Support \$1,941,644
- Dollar amount of change from FY 2016-17 budget \$116,803
- Percentage of change from FY 2016-17 budget 6%

### Significant Administrative and General Support Changes

- Labor and fringe benefit costs increased \$53,103 or 4% due to a 2% cost of living increase and to being fully staffed at 20 District employees.

### Departmental Goals

- Prepare and submit annual budget for Excellence in Reporting Recognition.
- Adopt a District Reserves Policy.
- Develop a policy regarding handling of Public Records Act requests.
- Attain District Transparency Certificate of Excellence.
- Prepare internal 5-year financial planning report.
- Develop a Benchmarking Performance Indicator System.
- Finalize and adopt a Records Retention Policy.

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**ADMINISTRATION AND GENERAL SUPPORT****ADMINISTRATIVE LABOR AND BENEFITS**

570-6001	Office of General Manager	246,036	130,308	134,354	133,565	-	133,565	3,257	2%
570-6002	Office of GM-Vacation, Sick, & Holidays	51,027	23,692	12,000	22,463	-	22,463	(1,229)	-5%
570-6003	Salary Office	398,353	455,759	437,102	473,900	-	473,900	18,141	4%
570-6004	Office-Vacation, Sick, & Holidays	66,744	88,567	72,370	91,676	-	91,676	3,109	4%
570-6005	Directors Fees	22,900	20,000	20,000	23,000	-	23,000	3,000	15%
570-6015	Labor-Training & Seminars	12,444	56,609	20,000	62,094	-	62,094	5,485	10%
570-6016	Maint of Plant-Labor	33,887	17,307	12,000	12,883	-	12,883	(4,424)	-26%
570-6017	Public Information-Labor	5,112	12,320	4,500	19,110	-	19,110	6,790	55%
570-6020	Temporary Labor	-	13,200	13,200	13,200	-	13,200	-	0%
	Benefits Allocation*	265,627	454,199	415,226	473,173	-	473,173	18,974	4%
	<b>SUBTOTAL - LABOR AND BENEFITS</b>	<b>1,102,130</b>	<b>1,271,961</b>	<b>1,140,752</b>	<b>1,325,064</b>	<b>-</b>	<b>1,325,064</b>	<b>53,103</b>	<b>4%</b>

\* Refer to Labor and Contract Services section.

**GENERAL SUPPORT**

550-7000	Permitting Fees	16,067	22,600	22,000	26,200	-	26,200	3,600	16%
570-6011	Employee Safety Boots	2,656	3,400	2,600	4,680	-	4,680	1,280	38%
570-6012	Employee Physicals	638	1,200	2,600	1,200	-	1,200	-	0%
570-6100	Office Expense & Supplies	91,018	82,000	100,000	7,800	-	7,800	(74,200)	-90%
570-6101	Computer System Maintenance	20,408	5,000	7,600	7,500	-	7,500	2,500	50%
570-6102	Admin Dues, Travel & Misc	26,929	25,000	26,000	25,000	-	25,000	-	0%
570-6103	Employee Dues, Travel & Misc	3,697	9,000	4,500	11,000	-	11,000	2,000	22%
570-6104	Misc. Office Expense	-	600	100	600	-	600	-	0%
570-6105	Public Information Expense	16,987	15,000	15,000	25,000	-	25,000	10,000	67%
570-6106	Advertising	-	4,000	5,000	4,000	-	4,000	-	0%
570-6107	Meetings & Events	6,770	8,000	8,000	8,000	-	8,000	-	0%
570-6108	Board Meetings and Supplies	1,548	1,200	1,200	6,200	-	6,200	5,000	417%
570-6109	Management Meeting Supplies	1,946	1,200	1,200	1,200	-	1,200	-	0%
570-6110	Employee Relations Expense	1,921	1,600	1,600	2,000	-	2,000	400	25%
570-6111	Software Maintenance	55,569	33,100	36,872	33,100	-	33,100	-	0%
570-6112	Incude Maintenance **NEW**	-	34,814	33,000	35,000	-	35,000	186	1%
570-6113	Office Equipment Leases **NEW**	-	-	-	7,200	-	7,200	7,200	100%
570-6114	Customer Billing Expenses **NEW**	-	-	-	65,000	-	65,000	65,000	100%
570-6115	Bank and Finance Fees **NEW**	-	-	-	10,500	-	10,500	10,500	100%
570-6300	Auditors Fees	28,443	26,000	26,000	25,000	-	25,000	(1,000)	-4%
570-6301	Legal-General	32,636	45,000	25,000	55,000	-	55,000	10,000	22%
570-6303	Administrative Professional Services	84,681	10,000	10,000	10,000	-	10,000	-	0%
570-6305	Legal-Labor Negotiator	35,204	5,000	3,000	5,000	-	5,000	-	0%
570-7000	LAFCO	8,971	8,966	8,466	9,000	-	9,000	34	0%
570-7001	Insurance General	65,557	70,000	65,000	67,000	-	67,000	(3,000)	-4%
570-7002	District Election Expense	-	14,000	4,000	-	-	-	(14,000)	-100%
580-7000	Uncollectable Accounts	6,600	5,000	5,000	5,000	-	5,000	-	0%
	<b>SUBTOTAL - GENERAL SUPPORT</b>	<b>508,246</b>	<b>431,680</b>	<b>413,738</b>	<b>457,180</b>	<b>-</b>	<b>457,180</b>	<b>25,500</b>	<b>6%</b>

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**ADMINISTRATION AND GENERAL SUPPORT - CONTINUED**

<b>FACILITIES AND VEHICLES</b>									
570-6200	Electric	6,428	9,000	5,400	9,000	-	9,000	-	0%
570-6201	Gas	901	1,100	600	1,100	-	1,100	-	0%
570-6202	Telephone	25,893	24,000	24,000	25,000	-	25,000	1,000	4%
570-6203	Waste Disposal	-	2,600	3,000	2,800	-	2,800	200	8%
570-6204	Other Utilities	683	2,500	700	2,500	-	2,500	-	0%
570-6205	Vehicle Fuel Expense	27,586	32,000	22,000	32,000	-	32,000	-	0%
570-6500	Maintenance - Office, Plant & Sites	29,491	50,000	26,000	57,000	-	57,000	7,000	14%
570-6600	Fleet Vehicle Lease Expense	-	-	-	30,000	-	30,000	30,000	100%
<b>SUBTOTAL - FACILITIES AND VEHICLES</b>		<b>90,982</b>	<b>121,200</b>	<b>81,700</b>	<b>159,400</b>	<b>-</b>	<b>159,400</b>	<b>38,200</b>	<b>32%</b>
<b>TOTAL ADMINISTRATION AND GENERAL SUPPORT</b>		<b>1,701,358</b>	<b>1,824,841</b>	<b>1,636,190</b>	<b>1,941,644</b>	<b>-</b>	<b>1,941,644</b>	<b>116,803</b>	<b>6%</b>

# *Labor and Contract Services*



District Headquarters

Staffing and Contract Services are two ways the District completes its objectives. Much of the work required by District staff is specialized but routine. This workload is best conducted by internal staff. However, some of the workload is either highly specialized or specialized and non-routine. This workload is best conducted by specialized contractors.

## *Highlights*

---

### Summary Information

- Total FY 2017-18 Labor and Contract Services \$4,224,059
  
- Dollar amount of change in Labor and Benefits from FY 2016-17 \$147,016
- Percentage of change in Labor and Benefits from FY 2016-17 5%
  
- Dollar amount of change in Contract Services from FY 2016-17 \$110,297
- Percentage of change in Contract Services from FY 2016-17 10%

### Significant Labor and Contract Services Changes from FY 2016-17

- Fully staffed with 4 Management employees, 5 Administrative employees, 7 Operations employees and 4 Engineering and Resource Planning employees.
- Capital project related Contracted Services is expected to increase 12% or \$84,552 which accounts for most of the total increase in Contracted Services.

Allocated Fringe Benefits

The following fringe benefits have been allocated to the various programs in the previous sections but appear in this section in their entirety.

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**ALLOCATED FRINGE BENEFITS**

570-6006	Employee Retirement-PERS	25,971	368,609	368,609	389,843	-	389,843	21,234	6%
570-6007	Deferred Compensation-Employees	37,056	40,000	31,720	35,298	-	35,298	(4,702)	-12%
570-6008	Employee Health Insurance	358,019	330,000	306,890	350,000	-	350,000	20,000	6%
570-6009	Employee FICA & Medicare	130,554	109,450	99,306	131,000	-	131,000	21,550	20%
570-6010	Workers Compensation	69,299	53,000	46,000	55,000	-	55,000	2,000	4%
570-6013	Compensated Absences	(63,918)	20,000	20,000	20,000	-	20,000	-	0%
570-6014	Employee Education & Training	7,409	46,000	15,000	44,500	-	44,500	(1,500)	-3%
570-6022	Unemployment Insurance	11,700	18,000	-	15,000	-	15,000	(3,000)	-17%
570-6206	Vehicle Allowance **NEW**	-	-	6,000	6,000	-	6,000	6,000	100%
<b>TOTAL ALLOCATED FRINGE BENEFITS</b>		<b>576,090</b>	<b>985,059</b>	<b>893,525</b>	<b>1,046,641</b>	<b>-</b>	<b>1,046,641</b>	<b>61,582</b>	<b>6%</b>

**ALLOCATION BY USE OF CASH**

Sources of Water Supply	42,378	72,461	65,286	76,549	-	76,549	4,088	6%
Transportation and Distribution	157,208	268,809	242,193	296,630	-	296,630	27,821	10%
Engineering and Professional	94,938	162,337	146,264	171,498	-	171,498	9,161	6%
Water Conservation	15,939	27,253	24,556	28,791	-	28,791	1,538	6%
Administration and General Support	265,627	454,199	415,226	473,173	-	473,173	18,974	4%
<b>TOTAL ALLOCATED FRINGE BENEFITS</b>	<b>576,090</b>	<b>985,059</b>	<b>893,525</b>	<b>1,046,641</b>	<b>-</b>	<b>1,046,641</b>	<b>61,582</b>	<b>6%</b>



ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**LABOR AND CONTRACTED SERVICES****LABOR AND BENEFITS**

540-6001	Maint of Wells-Labor	51,169	67,342	65,824	71,449	-	71,449	4,107	6%
550-6001	Water Tests & Treatment-Labor	76,304	60,154	89,707	64,459	-	64,459	4,305	7%
550-6003	AB3030 Labor	5,418	5,774	1,800	21,158	-	21,158	15,384	266%
550-6004	Electrical/Instrumentation-Labor	3,512	15,465	1,000	19,228	-	19,228	3,763	24%
560-6001	Engineering Labor-Office	213,023	113,208	102,390	160,556	-	160,556	47,348	42%
560-6002	Engineering- Vacation, Sick, & Holidays	64,335	55,779	37,968	70,998	-	70,998	15,219	27%
560-6003	Field Labor-Office	91,830	95,005	86,779	92,256	-	92,256	(2,749)	-3%
560-6004	Field- Vacation, Sick, & Holidays	78,423	99,088	71,475	88,399	-	88,399	(10,689)	-11%
560-6005	Standby Labor	25,337	28,000	28,000	28,000	-	28,000	-	0%
560-6006	Vehicle/Equipment Maint Labor	27	4,023	1,100	1,248	-	1,248	(2,775)	-69%
560-6007	Maint of Mains & Hydrants-Labor	44,664	70,846	30,000	91,799	-	91,799	20,953	30%
560-6008	Maint of Meters & Svcs-Labor	85,174	63,908	72,000	112,595	-	112,595	48,687	76%
560-6009	Maint Pumping Equipment-Labor	-	31,778	-	19,918	-	19,918	(11,860)	-37%
560-6010	Utility Service Alerts-Labor	12,444	19,735	15,000	9,064	-	9,064	(10,671)	-54%
560-6011	Cross Connection Labor	4,385	11,548	3,700	13,152	-	13,152	1,604	14%
560-6012	Engineering Field Labor	50,324	17,478	17,478	38,616	-	38,616	21,138	121%
560-6013	Maint Tanks & Reservoirs-Labor	15	6,828	-	12,475	-	12,475	5,647	83%
560-6014	Project Review/Design	-	39,466	-	-	-	-	(39,466)	-100%
560-6015	Field Work Order Labor	-	69,323	-	-	-	-	(69,323)	-100%
570-6001	Office of General Manager	246,036	130,308	134,354	133,565	-	133,565	3,257	2%
570-6002	Office of GM-Vacation, Sick, & Holidays	51,027	23,692	12,000	22,463	-	22,463	(1,229)	-5%
570-6003	Salary Office	398,353	455,759	437,102	473,900	-	473,900	18,141	4%
570-6004	Office-Vacation, Sick, & Holidays	66,744	88,567	72,370	91,676	-	91,676	3,109	4%
570-6005	Directors Fees	22,900	20,000	20,000	23,000	-	23,000	3,000	15%
570-6015	Labor-Training & Seminars	12,444	56,609	20,000	62,094	-	62,094	5,485	10%
570-6016	Maint of Plant-Labor	33,887	17,307	12,000	12,883	-	12,883	(4,424)	-26%
570-6017	Public Information-Labor	5,112	12,320	4,500	19,110	-	19,110	6,790	55%
570-6018	Water Conservation Labor	1,177	-	90	7,312	-	7,312	7,312	100%
570-6019	Water Conservation Coord-BMP 12	61,314	44,352	5,400	43,805	-	43,805	(547)	-1%
570-6020	Temporary Labor	-	13,200	13,200	13,200	-	13,200	-	0%
580-6001	Meter Reading/Customer Orders	57,129	25,277	50,000	29,196	-	29,196	3,919	16%
570-6006	Employee Retirement-PERS	25,971	368,609	368,609	389,843	-	389,843	21,234	6%
570-6007	Deferred Compensation-Employees	37,056	40,000	31,720	35,298	-	35,298	(4,702)	-12%
570-6008	Employee Health Insurance	358,019	330,000	306,890	350,000	-	350,000	20,000	6%
570-6009	Employee FICA & Medicare	130,554	109,450	99,306	131,000	-	131,000	21,550	20%
570-6010	Workers Compensation	69,299	53,000	46,000	55,000	-	55,000	2,000	4%
570-6013	Compensated Absences	(63,918)	20,000	20,000	20,000	-	20,000	-	0%
570-6014	Employee Education & Training	7,409	46,000	15,000	44,500	-	44,500	(1,500)	-3%
570-6022	Unemployment Insurance	11,700	18,000	-	15,000	-	15,000	(3,000)	-17%
570-6206	Vehicle Allowance	-	-	6,000	6,000	-	6,000	6,000	100%
<b>SUBTOTAL - LABOR AND BENEFITS</b>		<b>2,338,597</b>	<b>2,747,198</b>	<b>2,298,762</b>	<b>2,894,214</b>	<b>-</b>	<b>2,894,214</b>	<b>147,016</b>	<b>5%</b>

**LABOR RELATED COSTS**

560-6602	Uniforms Expense	4,131	15,000	15,000	15,000	-	15,000	-	0%
560-6603	Safety Supplies & Equipment	10,680	17,000	1,000	14,000	-	14,000	(3,000)	-18%
570-6011	Employee Safety Boots	2,656	3,400	2,600	4,680	-	4,680	1,280	38%
570-6012	Employee Physicals	638	1,200	2,600	1,200	-	1,200	-	0%
570-6102	Admin Dues, Travel & Misc	26,929	25,000	26,000	25,000	-	25,000	-	0%
570-6103	Employee Dues, Travel & Misc	3,697	9,000	4,500	11,000	-	11,000	2,000	22%
570-6109	Management Meeting Supplies	1,946	1,200	1,200	1,200	-	1,200	-	0%
570-6110	Employee Relations Expense	1,921	1,600	1,600	2,000	-	2,000	400	25%
<b>SUBTOTAL - LABOR RELATED COSTS</b>		<b>52,598</b>	<b>73,400</b>	<b>54,500</b>	<b>74,080</b>	<b>-</b>	<b>74,080</b>	<b>680</b>	<b>1%</b>

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**LABOR AND CONTRACTED SERVICES - CONTINUED**

**CONTRACTED SERVICES**

550-6300	AB3030 Professional Services	4,743	6,500	6,500	7,500	-	7,500	1,000	15%
560-6300	Engineering Services	175,585	83,000	60,000	83,000	-	83,000	-	0%
560-6301	Groundwater Professional Services	26,943	24,000	24,000	24,000	-	24,000	-	0%
570-6300	Auditors Fees	28,443	26,000	26,000	25,000	-	25,000	(1,000)	-4%
570-6301	Legal-General	32,636	45,000	25,000	55,000	-	55,000	10,000	22%
570-6303	Administrative Professional Services	55,043	6,500	6,500	6,500	-	6,500	-	0%
570-6305	Legal-Labor Negotiator	35,204	5,000	3,000	5,000	-	5,000	-	0%
560-6501	Maintenance of Mains & Hydrants	38,348	60,000	48,000	60,000	-	60,000	-	0%
560-6502	Maintenance of Tanks & Reservoirs	7,903	7,800	11,700	15,600	-	15,600	7,800	100%
560-6503	Maintenance of Meters & Services	85,326	66,400	20,750	66,400	-	66,400	-	0%
560-6504	Maintenance of SCADA Equipment	2,557	5,160	860	5,160	-	5,160	-	0%
560-6505	Meter Reading Contract Srv	51,171	53,550	51,260	58,905	-	58,905	5,355	10%
570-6500	Maintenance - Office, Plant & Sites	2,359	4,000	2,080	4,560	-	4,560	560	14%
550-6801	Water Quality Analysis-Distribution	10,335	13,500	9,900	13,500	-	13,500	-	0%
550-6802	Treatment & Testing - Wells	9,193	11,340	8,550	11,340	-	11,340	-	0%
550-6804	AB3030 Well Testing	6,212	7,500	6,500	7,500	-	7,500	-	0%
570-7103	Wtr Cons BMP 2.1 Public Inf	2,512	3,770	5,800	5,800	-	5,800	2,030	54%
1800	Capital Projects - Construction in Progress	372,640	716,448	343,832	733,000	68,000	801,000	84,552	12%
<b>SUBTOTAL - CONTRACTED SERVICES</b>		<b>947,153</b>	<b>1,145,468</b>	<b>660,232</b>	<b>1,187,765</b>	<b>68,000</b>	<b>1,255,765</b>	<b>110,297</b>	<b>10%</b>

**TOTAL LABOR, BENEFITS, LABOR-RELATED COSTS AND CONTRACTED SERVICES**

<b>3,338,348</b>	<b>3,966,066</b>	<b>3,013,494</b>	<b>4,156,059</b>	<b>68,000</b>	<b>4,224,059</b>	<b>257,993</b>	<b>7%</b>
------------------	------------------	------------------	------------------	---------------	------------------	----------------	-----------

*This page intentionally blank.*

# *Fleet Maintenance*



Valve Turning Truck

Meeting fleet needs at the District has traditionally followed the model of purchasing trucks and autos and then running them to failure. This approach appears to be a frugal approach, however, upon analysis, a lease approach is as cost effective and has other non-cost benefits. Because of this new understanding, the District is beginning to lease most of its vehicles with a five-year replacement cycle.

## *Highlights*

---

### Summary Information

- |  |           |
|--|-----------|
| • Total FY 2017-18 Fleet Maintenance             | \$133,248 |
| • Dollar amount of change from FY 2016-17 budget | \$45,625  |
| • Percentage of change from FY 2016-17 budget    | 52%       |

### Significant Fleet Maintenance Changes from FY 2016-17 Budget

- The District is proposing to replace 4 needed vehicles with leased vehicles this year.
- The replacement of one utility truck is included in the District's capital budget.

### Fleet Discussion

The District fleet needs can be broken into 2 broad categories, pool cars and utility trucks. Pool cars are meant to allow District staff to conduct District business using a District vehicle that is purely transportation in nature. These vehicles can be used for things such as driving to meetings, picking up mail, driving to training, meeting with customers, etc. These vehicles should be very fuel efficient, easy to drive and have safety features. Utility trucks are meant to carry tools and equipment to and from work sites and maintenance activities. These trucks should be heavy duty, able to tow and carry heavy loads, have tool boxes and have racks to carry pipe and other bulky objects. These trucks should be fuel efficient but not at the cost of their utility.

In both categories of fleet, fuel efficiency and technology are advancing rapidly and run to failure fleet management models do not capture the advantages of these advances. In addition to these advances, new safety standards and lower maintenance costs add to the value of replacing vehicles every 5 years. Because of these reasons, a lease model is being implemented at the District starting this year. After the program has replaced all the District vehicles, fourteen in total, the District expects to save approximately \$10,000 per year on fuel and maintenance costs.

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**FLEET**

560-6006	Vehicle/Equipment Maint Labor	27	4,023	1,100	1,248	0	1,248	-2,775	-69%
560-6500	Maintenance of Vehicles & Equipment	38,408	51,600	20,000	30,000	10,000	40,000	-11,600	-22%
570-6205	Vehicle Fuel Expense	27,586	32,000	22,000	32,000	0	32,000	0	0%
570-6600	Fleet Vehicle Lease Expense	0	0	0	30,000	0	30,000	30,000	100%
1800	Utility Vehicle Replacement	0	0	0	30,000	0	30,000	30,000	100%
	<b>TOTAL FLEET</b>	<b>66,021</b>	<b>87,623</b>	<b>43,100</b>	<b>123,248</b>	<b>10,000</b>	<b>133,248</b>	<b>45,625</b>	<b>52%</b>

*This page intentionally blank.*

# *Debt Service*



Ortega Ridge Reservoir

The debt service program includes the cost of debt related to infrastructure facilities such as reservoir covers and water treatment facilities, and the State Water Program debt which includes the District's share of California's Department of Water Resources debt related to the construction of the Coastal Branch.



## Highlights

---

### Summary Information

FY 2017-18 Principal Payments	\$1,760,779
FY 2017-18 Interest Payments	\$722,392
FY 2017-18 DWR Repayment Contract (P & I)	<u>\$1,828,871</u>
FY 2017-18 Total Debt Service	\$4,312,042
• Debt Service dollar amount of change from FY 2016-17	\$(32,814)
• Debt Service percentage of change from FY 2016-17	-0.8%

### Debt Service Discussion

- State Revolving Fund Low Interest Loan SRF00CX111 (Cater SRF):

For the construction of the Cater Treatment Plant ozone treatment facility and for Cater Treatment Plant pumping upgrades, shared with Montecito Water District and the City of Santa Barbara.

Outstanding principal balance as of 06/30/2017	\$890,010
Final Maturity	07/01/2025

- State Revolving Fund Low Interest Loan SRF99CX121 (SRF121):

For the construction of the Ortega Reservoir cover, shared with Montecito Water District.

Outstanding principal balance as of 06/30/2017	\$6,513,162
Final Maturity	01/01/2030

- Series 2010A Refunding Revenue (Capital Appreciation) Bonds (2010 CIP CABs):

For the construction of El Carro Well, Foothill Reservoir, and Central Zone Main, and the District's share of the Cater Treatment Plant land purchase.

Outstanding principal balance as of 06/30/2017	\$8,474,253
Final Maturity	06/30/2036

Debt Service Discussion - continued

- Series 2016A Refunding Revenue Bonds (2016 Revenue Bond):

For the construction Carpinteria Reservoir Cover and Headquarters Well Facility.

Outstanding principal balance as of 06/30/2017	\$8,410,000
Final Maturity	07/01/2032

- Central Coast Water Authority Revenue Bond (CCWA Bond):

For the construction of local State Water Project facilities, shared with CCWA member agencies.

Outstanding principal balance as of 06/30/2017	\$5,777,000
Final Maturity	7/1/2021

- California Department of Water Resources Fixed Costs (DWR Fixed):

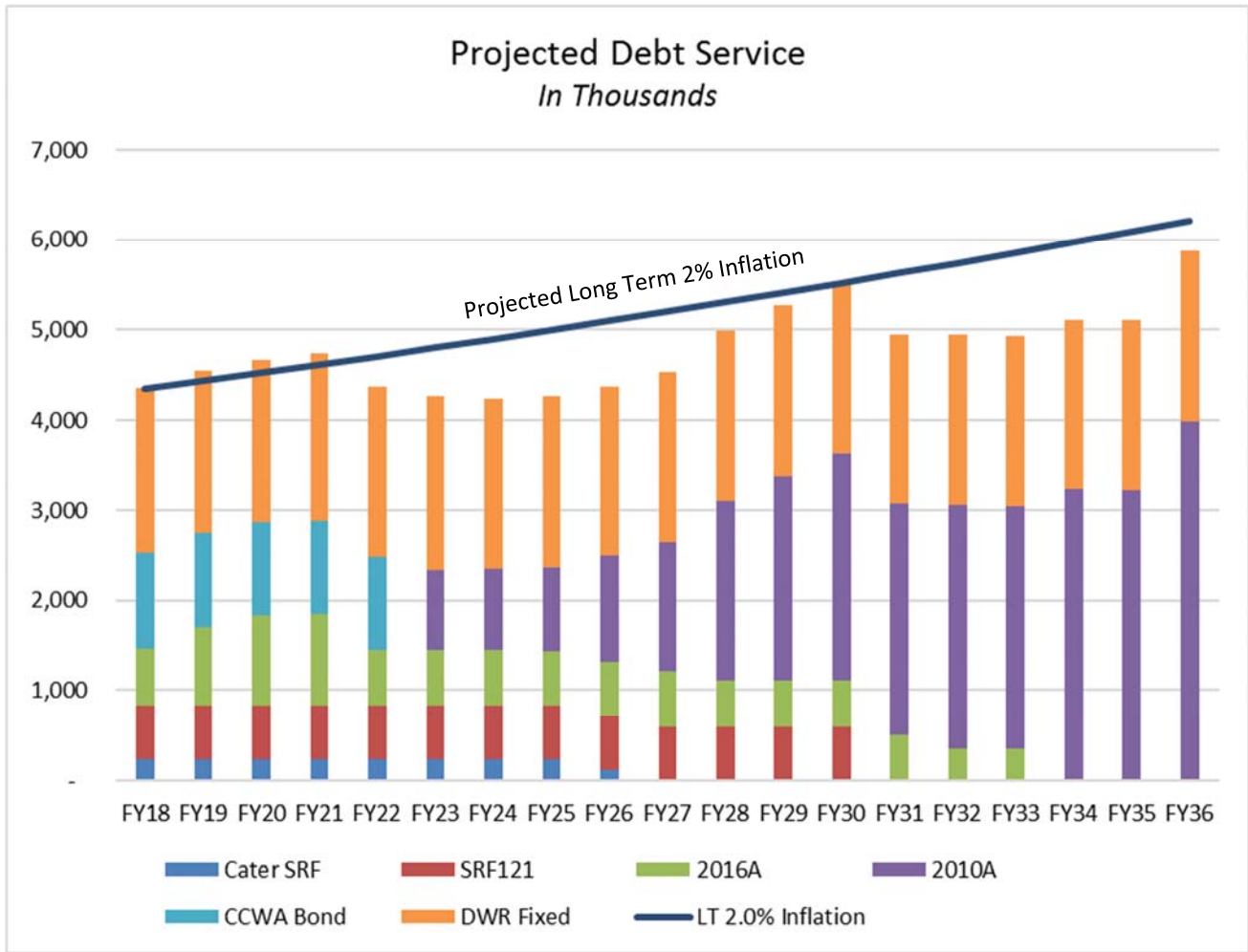
DWR repayment contract for capital debt related payments. No maturity date as repayment contract is expected to be renewed.

Projected annual cost ranges from \$1.800M to \$1.934M.

Debt Service and Contractual Obligations Schedule**Projected Debt Service Payments**

*In Thousands*

Fiscal Year	Cater SRF	SRF121 LOAN	2016A REVENUE BOND	2010A CIP CABs	CCWA Bond	DWR Fixed	Total Projected Debt Service
FY 18	236	591	637		1,058	1,829	4,351
FY 19	235	591	874		1,045	1,805	4,550
FY 20	235	591	1,000		1,044	1,800	4,670
FY 21	235	591	1,015		1,043	1,864	4,748
FY 22	235	591	620		1,042	1,886	4,374
FY 23	235	591	622	880		1,934	4,262
FY 24	236	590	619	910		1,883	4,238
FY 25	236	590	614	925		1,897	4,262
FY 26	117	590	614	1,175		1,869	4,365
FY 27		590	617	1,445		1,885	4,537
FY 28		590	521	1,990		1,885	4,986
FY 29		590	521	2,270		1,885	5,266
FY 30		590	520	2,530		1,885	5,525
FY 31			512	2,555		1,885	4,952
FY 32			358	2,700		1,885	4,943
FY 33			356	2,690		1,885	4,931
FY 34				3,230		1,885	5,115
FY 35				3,220		1,885	5,105
FY 36				3,990		1,885	5,875
Total debt service payments	2,000	7,676	10,020	30,510	5,232	35,617	91,055



Notes:

The District expects to refinance the 2010A Capital Appreciation Bond in FY 2020, which will cause a near term debt service increase but will significantly lower debt service payments in the long term and total debt service over the life of the bond.

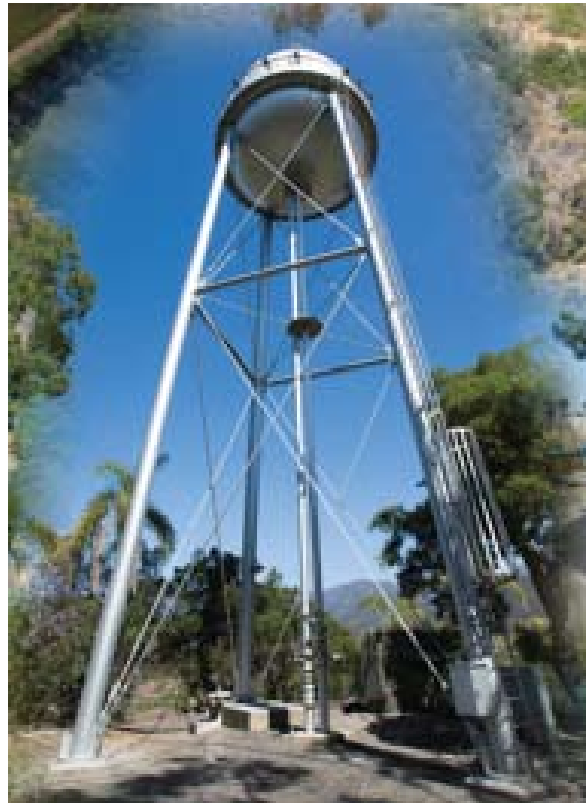
ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

Debt Service

510-7302	CCWA Bonds-State Water-Interest	311,627	267,957	267,957	209,528	0	209,528	-58,429	-22%
510-7301	CCWA Bonds-State Water-Principal	848,101	890,481	890,481	795,127	0	795,127	-95,354	-11%
510-7300	State DWR Charges	2,023,636	1,761,129	1,761,129	1,828,871	0	1,828,871	67,742	4%
599-7302	Amortization Expense - Refunded COPs	391,683	0	0	30,015	0	30,015	30,015	100%
2350	COP Bonds 2006-CIP-Principal	110,000	0	0	0	0	0	0	0%
599-7303	SRF-Carp Res/HQ Well Interest	98,636	43,106	43,106	0	0	0	-43,106	-100%
599-7305	SRF-Joint MWD-Ortega Interest	176,797	166,337	166,337	155,612	0	155,612	-10,725	-6%
2330	SRF-Joint MWD-Ortega Principal	408,489	424,083	424,083	429,412	0	429,412	5,329	1%
599-7304	SRF-Cater Treatment Plant Interest	49,457	44,921	44,921	40,269	0	40,269	-4,652	-10%
2340	SRF-Cater Treatment Plant Principal	185,717	190,254	190,254	186,240	0	186,240	-4,014	-2%
599-7306	CABs Series 2010A-Interest	3,470	3,100	3,100	3,470	0	3,470	370	12%
599-7350	Bond Issuance Costs	147,001	0	0	0	0	0	0	0%
599-7308	Revenue Bonds 2016-Interest*NEW*	40,504	198,488	290,478	283,498	0	283,498	85,010	29%
2365	Revenue Bonds 2016-Principal*NEW*	0	355,000	355,000	350,000	0	350,000	-5,000	-1%
	<b>TOTAL DEBT SERVICE</b>	<b>4,795,118</b>	<b>4,344,856</b>	<b>4,436,846</b>	<b>4,312,042</b>	<b>0</b>	<b>4,312,042</b>	<b>-32,814</b>	<b>-1%</b>

<b>COVERAGE RATIO BASED ON SRFs AND BONDS</b>	<b>2017/18 BUDGET</b>	<b>COVERAGE RATIO BASED ON CCWA-STATE WATER</b>	<b>2017/18 BUDGET</b>
<b><u>SOURCES OF CASH</u></b>		<b><u>SOURCES OF CASH</u></b>	
Water Sales	4,502,138	Water Sales	4,502,138
Water Meter Service Charges	6,880,637	Water Meter Service Charges	6,880,637
Drought Surcharges	978,794	Drought Surcharges	978,794
Fire Protection Service Charges	313,222	Fire Protection Service Charges	313,222
Other Revenue Excluding Capital Cost Recovery Revenue	123,000	Other Revenue Excluding Capital Cost Recovery Revenue	123,000
<b>TOTAL REVENUE</b>	<b>12,797,791</b>	<b>TOTAL REVENUE</b>	<b>12,797,791</b>
<b><u>EXPENSES</u></b>		<b><u>EXPENSES</u></b>	
Sources of Water Supply	3,269,193	Sources of Water Supply	3,269,193
Water Transmission and Distribution	1,312,913	Water Transmission and Distribution	1,312,913
Engineering and Resource Planning	603,477	Engineering and Resource Planning	603,477
Water Conservation	162,808	Water Conservation	162,808
Administration and General Support	1,941,644	Administration and General Support	1,941,644
<b>TOTAL EXPENSES</b>	<b>7,290,035</b>	<b>TOTAL EXPENSES</b>	<b>7,290,035</b>
<b>NET REVENUE</b>	<b>5,507,756</b>	<b>NET REVENUE</b>	<b>5,507,756</b>
<b>STATE WATER DEBT</b>	<b>2,833,526</b>	<b>STATE WATER RATE COVERAGE</b> (fund may be used for 25% of coverage)	<b>0</b>
	<b>2,833,526</b>	<b>TOTAL AVAIL FOR DEBT SVC</b>	<b>5,507,756</b>
<b>TOTAL AVAIL FOR DEBT SVC</b>	<b>2,674,230</b>	<b>DEBT SERVICE</b>	<b>2,833,526</b>
<b><u>DEBT SERVICE</u></b>		<b>COVERAGE RATIO</b>	<b>1.94</b>
Refunded COPs	30,015		
SRF-Joint Ortega	585,024		
SRF-Cater	226,509		
CABs 2010A	3,470		
Revenue Bonds 2016A	633,498		
	<b>1,478,516</b>		
<b>COVERAGE RATIO</b>	<b>1.81</b>		
<b>Capital Cost Recovery Revenue</b>	<b>100,000</b>		
<b>Capital Project Funds To Be Released</b>	<b>23,466</b>		
<b>Funds Avail. for Capital Exp</b>	<b>1,319,180</b>		
<b>Capital Expenditures</b>	<b>1,335,000</b>		

# *Capital Projects*



## *Highlights*

---

### Summary Information

- |   |             |
|---|-------------|
| • Total FY 2017-18 Capital Projects       | \$1,335,000 |
| • Dollar amount of change from FY 2016-17 | \$72,400    |
| • Percentage of change from FY 2016-17    | 6%          |

### Significant Capital Project Initiatives

- Due to the Caltrans freeway widening project and its impact on two freeway overpass bridges, the District will need to replace an existing water main on one overpass and construct a new water main on the other overpass. The cost to replace the existing water main will be refunded by Caltrans. The total project budget for the new water line is \$701,000 and is included in the capital budget in phases. The FY 2017-18 capital budget is \$200,000.
- The City of Carpinteria is replacing the Carpinteria Avenue bridge, which necessitates replacement of the water main that is co-located with the existing bridge. The total project budget is \$350,000, funded in phases. The FY 2017-18 capital budget is \$200,000.
- The drawdown of our groundwater basin during this drought cycle exposes the basin to potential saltwater intrusion. To protect against this potential degradation of groundwater quality, the District is working towards the installation of a monitoring well. It is anticipated that this well will be funded with a low interest rate State loan. The project budget is estimated to be \$680,000.
- The District has entered into a performance guarantee project proposed by Siemens Building. The Project includes replacing the Districts manually read meters with radio read meters using AMI technology, a solar project that will offset power costs and a lighting retrofit project to improve energy efficiency at the District facilities. The District

Significant Capital Project Initiatives - continued

will enter into a capital lease agreement with Seimens Public which will obligate the District to pay approximately \$650,000 per year for 15 years. After 15 years, the capital equipment will convert into ownership by the District. The lease payment is expected to be offset by savings developed through the project improvements. These savings include reduction of non-revenue water, offset of SCE generated electricity, and reduction of O & M costs for lighting and meters. This project is considered to be a capital project however, because the project will be funded through a lease agreement, the costs are not reflected in the Capital Projects budget.



ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**Capital Expenditures**

1650	Cater Plant Expansion	2,111	209,000	209,000	110,000	0	110,000	-99,000	-47%
1705	Pumping Equipment	116,597	0	0	0	0	0	0	0%
1710	Mains, Transmission and Distribution	490,868	389,000	389,000	690,000	100,000	790,000	401,000	103%
1715	Meters & Services	236,397	95,100	95,100	0	0	0	-95,100	-100%
1725	Corrosion Control	59,825	0	0	0	0	0	0	0%
1730	Administration Building	10,600	0	0	10,000	0	10,000	10,000	0%
1735	Maintenance Center	0	0	0	60,000	0	60,000	60,000	100%
1740	Office Equipment	31,180	34,500	34,500	47,500	0	47,500	13,000	38%
1745	Automotive Equipment	-27,054	0	0	30,000	0	30,000	30,000	0%
1750	Other Equipment & Tools	-9,871	0	0	0	0	0	0	0%
1755	Wells	6,007	535,000	535,000	101,000	0	101,000	-434,000	-81%
1760	Tanks & Reservoirs	-8,183	0	0	158,500	0	158,500	158,500	100%
1765	Water Treatment Equipment	4,733	0	0	28,000	0	28,000	28,000	100%
1775	CIP Storage Tank	13,138	0	0	0	0	0	0	0%
1770	Facilities/Grounds Equipment	82,027	0	0	0	0	0	0	0%
<b>TOTAL CAPITAL EXPENDITURES</b>		<b>1,008,375</b>	<b>1,262,600</b>	<b>1,262,600</b>	<b>1,235,000</b>	<b>100,000</b>	<b>1,335,000</b>	<b>72,400</b>	<b>6%</b>

**Carpinteria Valley Water District  
Capital Expenditures - PROPOSED  
Fiscal Year 2017-2018**

<b>Capital Expenditures</b>	GL Acct #	Department	C=Contractor I=In-house	Budget FY 17/18	Drought	Total Budget
<b><u>Water Quality</u></b>						
HQ Well Chemical Feed System Upgrade	1765	Operations	C	28,000		28,000
Gobernador Reservoir Aeration System	1760	Operations	C/I	150,000		150,000
El Carro Well Treatment & Rehabilitation	1755	Operations	C	81,000		81,000
Lyons Well Pipeline	1710	Engineering	C		100,000	100,000
<b><u>Reliability</u></b>						
Replacement of Transmission & Distribution Systems *	1710	Operations	C, I	290,000		290,000
HQ VFD Removal & Installation	1755	Operations	C	20,000		20,000
SCADA Control System Upgrade Phase I	1735	Operations	C	50,000		50,000
Carpinteria Ave Bridge Pipe Relocation	1710	Engineering	C	200,000		200,000
Caltrans Casitas Bridge	1710	Engineering	C	200,000		200,000
<b><u>Safety</u></b>						
Gobernador Reservoir Ladder	1760	Operations	I	8,500		8,500
Heating and Air Conditioning Improvements	1730, 1735	Operations	C	20,000		20,000
<b><u>Business Reliability/ Efficiency</u></b>						
Incode Software Upgrade - Phase 3	1740	Business	C, I	40,000		40,000
IT Upgrades	1740	Business	C, I	5,000		5,000
Tokay Web Test Interface	1740	Engineering	I	2,500		2,500
Field Vehicle Replacement	1745	Operations	C	30,000		30,000
<b><u>Joint Powers Authority</u></b>						
Cater Treatment Plant - Capital Expenditures **	1650			110,000		110,000
Sub-total - District Funded Projects				<b>1,235,000</b>	<b>100,000</b>	<b>1,335,000</b>
<b>Total Capital Expenditures FY 17/18</b>				<b>1,235,000</b>	<b>100,000</b>	<b>1,335,000</b>

<b>FY 16/17 Capital Projects Budget Available and Carried Over</b>			
	Budget FY 16/17	Dollars Spent	Total Available
<b>Capital Project Budgets Released and Available - ESTIMATED</b>			
Portable Doppler Meter	5,000	(1,534)	3,466
Voltage Test Points	30,000	(10,000)	20,000
Total Capital Project Budgets Available	35,000	(11,534)	23,466
<b>Capital Project Budgets Carried Over - ESTIMATED</b>			
Anode/Cathodic Protection	88,987		88,987
CalTrans Casitas Overpass	351,000	(36,553)	314,447
El Carro Well Stainless Steel Pump	140,000	(107,316)	32,684
Lateral 10 Pump Rehab	10,375		10,375
Lyons Well Pipeline	109,000	(54,500)	54,500
Lyons Well Rehab	209,893	(6,062)	203,831
Meter Replacement Program	94,713	(6,383)	88,330
Maintenance Management Software	41,000	(27,317)	13,683
Sentry Well	200,000	(35,418)	164,582
Shepard Mesa Pump Station Generator	84,500	(42,250)	42,250
Field Vehicle Replacement	33,000		33,000
Total Capital Project Budgets Carried Forward	1,362,468	(315,799)	1,046,669
<b>Capital Expenditure Revenue Requirement FY 17/18</b>			<b>\$ 1,311,534</b>

\* Ongoing upgrades and replacements of existing transmission and distribution equipment and lines. Projects formerly referred to as Water Distribution Replacement, Valve Exercise & Replacement, End Drain Replacement, Water Service Replacement and T Branch Removal.

\*\* Funded by CIP charges.

**FY 2016/17 Capital Expenditures Less Than \$10,000**

Description: **Tokay Web Test Interface**

Project Number  Account Number

Category Reliability Department Engineering

Expanded Description:

Estimated Charge: \$ 2,500 Work Performed By:  
*In-house (I), Contractor (C)* C

**Total Estimated Cost: \$ 2,500**

Description: **IT Upgrades**

Project Number  Account Number

Category Business Reliability/Efficiency Department Engineering

Expanded Description: Projector screen for CVWD board room and potential networking equipment requirements for upcoming IT-related projects such as Incode and SCADA upgrades.

Estimated Charge: \$ 5,000 Work Performed By:  
*In-house (I), Contractor (C)* I, C

**Total Estimated Cost: \$ 5,000**

Description:

Project Number  Account Number

Category \_\_\_\_\_ Department \_\_\_\_\_

Expanded Description:

Estimated Charge: \_\_\_\_\_ Work Performed By:  
*In-house (I), Contractor (C)* \_\_\_\_\_

**Total Estimated Cost: \$ -**



**Fiscal Year 2017/18 Capital Expenditure over \$10,000**

Brief Description: Gobernador Reservoir Aeration System

Project Number  Account Number   
 Category Water Quality Department Operations  
 Schedule One-time Work performed by:  Contractor  
 In-House

	<u>BUDGET</u>	<u>DROUGHT</u>	<u>TOTAL</u>	Item is:
FY17	\$ -		\$ -	<input checked="" type="checkbox"/> New
FY18	\$ 150,000		\$ 150,000	<input type="checkbox"/> Replacement
Future Year Amounts	\$ -		\$ -	<input type="checkbox"/> Repair
Total Project Costs	<u>\$ 150,000</u>	<u>\$ -</u>	<u>\$ 150,000</u>	

Description of Project	Replacement of the problematic and frequently failing aeration system.
Why This Project Is Needed	Prevent Total Trihalomethanes (TTHM) violations in the Gobernador and Shepard Mesa areas of the District.
Consequences Of Not Funding This Project	Water quality violation for TTHM in the Gobernador & Shepard Mesa Areas of the District



**Fiscal Year 2017/18 Capital Expenditure over \$10,000**

Brief Description: Lyons Well Pipeline

Project Number	<input type="text"/>	Account Number	<input type="text" value="1710"/>
Category	<u>Water Quality</u>	Department	<u>Operations</u>
Schedule	<u>One-Time</u>	Work performed by:	<input checked="" type="checkbox"/> Contractor <input type="checkbox"/> In-House

	<u>BUDGET</u>	<u>DROUGHT</u>	<u>TOTAL</u>	Item is:
FY14	\$ -	\$ 109,000	\$ 109,000	<input checked="" type="checkbox"/> New
FY17	\$ -	\$ -	\$ -	<input checked="" type="checkbox"/> Replacement
FY18	\$ -	\$ 100,000	\$ 100,000	<input type="checkbox"/> Repair
Future Year Amounts				
<b>Total Project Costs</b>	<b>\$ -</b>	<b>\$ 209,000</b>	<b>\$ 209,000</b>	

Description of Project	This project was budgeted for in prior year. We outsourced the engineering which increased the projected project costs. Project costs also increased due to permitting issues with Cal Trans. This request provides additional funding required to construct the pipeline.
------------------------	--

Why This Project Is Needed	Continued drought-related unreliability of Lake Cachuma as a drought resource requires District to rely more on groundwater. Lyons Well will be added as a groundwater resource in order to take advantage of water in the east end of the basin and will also serve as a backup to El Carro Well.
----------------------------	--

Consequences Of Not Funding This Project	Risk of water shortage emergency in 2018, and inability to produce water when El Carro Well is out of service.
--	--

### Fiscal Year 2017/18 Capital Expenditure over \$10,000

Brief Description: Replacement of Transmission & Distribution Systems

Project Number	<input style="width: 90%;" type="text"/>	Account Number	<input style="width: 90%;" type="text" value="1710"/>
Category	<u>Reliability</u>	Department	<u>Operations</u>
Schedule	<u>Ongoing</u>	Work performed by:	<u>                </u> Contractor <u>  X            </u> In-House

	BUDGET	DROUGHT	TOTAL	
FY17	\$ 290,000		\$ 290,000	<u>                </u> New
FY18	\$ 290,000		\$ 290,000	<u>  X            </u> Replacement
Future Year Amounts	\$ 290,000		\$ 290,000	<u>  X            </u> Repair
<b>Total Project Costs</b>	<u>\$ 870,000</u>	<u>\$ -</u>	<u>\$ 870,000</u>	

Description of Project	Water Distribution Replacement, Water Service Replacement, T-Branch Removal, Valve Replacement & End Drain Replacement and Service Meter Replacements.
Why This Project Is Needed	Ongoing repair and replacement of aging water transmission, distribution and treatment systems required to maintain infrastructure reliability.
Consequences Of Not Funding This Project	Unpredictable system component failures will happen due to age of system. If repairs are not made, water quality, fire protection and reliability of delivery will be compromised.



**Fiscal Year 2017/18 Capital Expenditure over \$10,000**

Brief Description: Headquarters Well VFD Replacement

Project Number  Account Number

Category Reliability Department Operations

Schedule One-Time Work performed by:  Contractor  
 In-House

	BUDGET	DROUGHT	TOTAL	Item is:
FY16	\$ 70,000		\$ 70,000	<input type="checkbox"/> New
FY18	\$ 20,000		\$ 20,000	<input checked="" type="checkbox"/> Replacement
Future Year Amounts	\$ -		\$ -	<input type="checkbox"/> Repair
<b>Total Project Costs</b>	<b>\$ 90,000</b>	<b>\$ -</b>	<b>\$ 90,000</b>	

Description of Project	Request for additional funding for the removal & installation of the replacement of problematic HQ Well VFD.
------------------------	--

Why This Project Is Needed	VFD was budgeted for in FY 16. The cost of the actual hardware was more than expected. We are requesting additional funds for the actual removal and installation of the equipment.
----------------------------	---

Consequences Of Not Funding This Project	Drive will not be installed.
--	------------------------------

**Fiscal Year 2017/18 Capital Expenditure over \$10,000**

Brief Description: SCADA Control System Upgrade - Phase 1

Project Number  Account Number

Category Reliability Department Operations

Schedule One-Time Work performed by:  Contractor  
 In-House

	BUDGET	DROUGHT	TOTAL	Item is:
FY17	\$ -		\$ -	<input type="checkbox"/> New
FY18	\$ 50,000		\$ 50,000	<input checked="" type="checkbox"/> Replacement
Future Year Amounts	\$ -		\$ -	<input type="checkbox"/> Repair
<b>Total Project Costs</b>	<b>\$ 50,000</b>	<b>\$ -</b>	<b>\$ 50,000</b>	

Description of Project	Upgrade unsupported PLC systems with systems that are supported.
------------------------	--

Why This Project Is Needed	Current hardware is no longer being supported and parts are no longer available through suppliers.
----------------------------	--

Consequences Of Not Funding This Project	Unavailability of spare parts means wells, pump stations and treatment plants will be out of service until parts can be found.
--	--

**Fiscal Year 2017/18 Capital Expenditure over \$10,000**

Brief Description: Carpinteria Ave. Bridge Pipeline Replacement

Project Number  Account Number

Category Reliability Department Engineering

Schedule One-time Work performed by:  Contractor  
 In-House

	<u>BUDGET</u>	<u>DROUGHT</u>	<u>TOTAL</u>	Item is:
FY17	\$ -		\$ -	<input type="checkbox"/> New
FY18	\$ 200,000		\$ 200,000	<input checked="" type="checkbox"/> Replacement
Future Year Amounts	\$ 150,000		\$ 150,000	<input type="checkbox"/> Repair
<b>Total Project Costs</b>	<b>\$ 350,000</b>	<b>\$ -</b>	<b>\$ 350,000</b>	

Description of Project	City of Carpinteria replacement of Carpinteria Avenue Bridge requires replacement of the District's existing water main which is the primary supply line for downtown.
------------------------	--

Why This Project Is Needed	The bridge replacment will occur.
----------------------------	-----------------------------------

Consequences Of Not Funding This Project	Inability to deliver water to downtown area.
--	--



**Fiscal Year 2017/18 Capital Expenditure over \$10,000**

Brief Description: Gobernador Reservoir Ladder

Project Number	<input type="text"/>	Account Number	<input type="text" value="1760"/>
Category	<u>Safety</u>	Department	<u>Engineering</u>
Schedule	<u>One-time</u>	Work performed by:	<u> X </u> Contractor <u> X </u> In-House

	<u>BUDGET</u>	<u>DROUGHT</u>	<u>TOTAL</u>	Item is:
FY17	\$ -		\$ -	<u>          </u> New
FY18	\$ 8,500		\$ 8,500	<u>    X    </u> Replacement
Future Year Amounts	\$ -		\$ -	<u>          </u> Repair
<b>Total Project Costs</b>	<b><u>\$ 8,500</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 8,500</u></b>	

Description of Project	Replace badly corroded access ladder to Gobernador Reservoir.
Why This Project Is Needed	Ladder has become unsafe.
Consequences Of Not Funding This Project	Injury to staff when entering reservoir for routine maintenance.

**Fiscal Year 2017/18 Capital Expenditure over \$10,000**

Brief Description: Heating and Air Conditioning Improvements

Project Number  Account Number   
 Category Safety Department Operations  
 Schedule One-time Work performed by:  Contractor  
 In-House

	<u>BUDGET</u>	<u>DROUGHT</u>	<u>TOTAL</u>	Item is:
FY17	\$ -		\$ -	<input checked="" type="checkbox"/> New
FY18	\$ 20,000		\$ 20,000	<input type="checkbox"/> Replacement
Future Year Amounts	\$ -		\$ -	<input checked="" type="checkbox"/> Repair
Total Project Costs	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ 20,000</u>	

Description of Project	Repair heating system in back office and install air conditioning in front and back offices.
------------------------	--

Why This Project Is Needed	Extreme temperatures during summertime in front and back offices create an unsafe work environment for staff.
----------------------------	---

Consequences Of Not Funding This Project	Unhealthy / unsafe work conditions.
--	-------------------------------------



**Fiscal Year 2017/18 Capital Expenditure over \$10,000**

Brief Description: Field Vehicle Replacement

Project Number  Account Number   
 Category Business Reliability Department Operations  
 Schedule One-Time Work performed by:  Contractor  
 In-House

	<u>BUDGET</u>	<u>DROUGHT</u>	<u>TOTAL</u>	Item is:
FY15	\$ 33,000		\$ 33,000	<input type="checkbox"/> New
FY18	\$ 30,000		\$ 30,000	<input checked="" type="checkbox"/> Replacement
Future Year Amounts	\$ -		\$ -	<input type="checkbox"/> Repair
Total Project Costs	\$ 63,000	\$ -	\$ 63,000	

Description of Project	Replacement of current undersized service truck.
------------------------	--

Why This Project Is Needed	Current service truck is under sized for the weight load of equipment and the weight of the actual service bed that was installed originally. The transmission has already been replaced once.
----------------------------	--

Consequences Of Not Funding This Project	Increased maintenance cost of engine, transmission and suspension replacement /repair due to weight load. Vehicle will be down for extended period of time for repairs and emergency response of crew will be hampered
--	--



*This page intentionally blank.*

## Appendix A

### Glossary

**Acre-Foot (AF):** One acre foot is equivalent to 325,851 gallons, roughly the amount of water used by 4 single-metered households in Carpinteria in a year.

**Base water rate:** This rate applies to the amount of water you use that is within the average of your last 5 years of winter usage (December – March) – essentially the amount of water you use for purposes other than landscaping. This base usage amount is recalculated each fiscal year.

**Cachuma Operations and Maintenance Board (COMB):** This Board is responsible for the operation, repair and maintenance of all Lake Cachuma facilities excluding Bradbury Dam, which is operated by the federal Bureau of Reclamation. [www.cachuma-board.org](http://www.cachuma-board.org)

**Capital project:** Capital projects are those that generate an asset (such as machinery, equipment and infrastructure) cost at least \$5,000 and with an asset life of greater than one year.

**Central Coast Water Authority (CCWA):** CCWA owns and operates a water treatment plant and pipeline that delivers water from the State Water Project to project participants in Santa Barbara and San Luis Obispo Counties, and functions as a wholesale water supplier. [www.ccwa.com](http://www.ccwa.com)

**Commercial customers:** This customer class includes offices, retail stores and hotels and accounts for approximately 9% of District revenues.

**Fire service fee:** A monthly fee paid by facilities with private fire sprinkler outlets.

**Industrial customers:** This customer class includes light manufacturing and engineering and accounts for approximately 3% of District revenues.

**Irrigation customers** (also called agricultural customers): This customer class includes commercial orchards and greenhouses in the Carpinteria Valley and accounts for approximately 23% of District revenues. Irrigation/agricultural customers with residential structures pay a residential equivalency fee of \$21.04 per residence per month to pay for water treatment costs.

**Joint Powers Authority (JPA):** A JPA is an agreement that governs facilities usage between multiple agencies. The District is a member in JPAs related to the State Water Project, the Cachuma Operations and Maintenance Board, the Cater Treatment Plant, the Ortega Reservoir.

**Marginal cost:** The cost to produce one more unit of water. This represents variable costs such as transmission, treatment and electricity costs and excludes fixed costs such as debt service.

**Meter size:** Water meter sizes range from  $\frac{3}{4}$ " for the typical single meter residential customer to 6" for mobile-coach parks and commercial and industrial customers. Seventy-five percent of the approximately 4,375 water meters in the District are  $\frac{3}{4}$ ".

**Master-meter residential customers:** This customer class includes residential properties with more than one dwelling unit (as defined by the District) served by a single meter and accounts for approximately 23% of District revenues.

**Peak water rate:** This rate applies to water usage that is above your base water usage. Refer to the definition for base usage amount.

**Public authority:** This customer class includes public schools and community parks and accounts for approximately 3% of District revenues.

**Single meter residential customers:** This customer class includes single-family homes and condominiums that are independently metered and accounts for 36% of District revenues.

**Tiered water rates:** All customer classes except Irrigation/Agriculture have tiered water rates, with the first tier typically applying to 100% of the average monthly winter consumption for the last 5 years, and the second tier applying to all consumption in excess of the first tier.

**State Revolving Fund (SRF):** The State of California provides low interest loans to water agencies from the Clean Water State Revolving Fund. [Link to CWSRF](#)

**State Water Project (SWP):** This District elected to join the SWP in 1991 during the previous multi-year drought. The capital portion of project costs covers the construction of the South Coast Conduit which brings State Water to Carpinteria by way of Lake Cachuma and the Tecolote Tunnel. This portion of SWP project costs will expire in 2022. The operating portion of the project costs covers the state Department of Water Resources costs to provide water and will be ongoing. CCWA operates and maintains the SWP infrastructure.

**Unit of Water:** The District water usage rates apply to a unit of water, which is the equivalent of 748 gallons.

## Appendix B

### **Drought Impact**

#### Conservation

In April 2017 Governor Brown declared that the majority of California was out of the drought and lifted the drought emergency for most counties in the State. Some of the requirements imposed by the drought emergency have been lifted as a result of this declaration. The District remains cautious with respect to lowering the drought restrictions implemented in February 2014 (Resolution 972) and remains at Stage II drought condition (Ordinance 15-2, May 2015). Customers within the District have made significant progress in lowering water use in response to the drought. In CY 2016, metered sales were 3,502 AF, a 21% reduction from the CY 2013 peak of 4,455 AF. Demand reduction from Municipal and Industrial (M&I) customers has been ~27% from the 2013 peak, while Agricultural demand has declined by ~16% (see graph below). Significantly, District M&I water use for 2015 and 2016 met the State's 2009 SB X7-7 (20 x 2020) interim demand reduction targets or 122 gallons per capita daily water usage.

#### Lake Cachuma

In October of 2014, the Cachuma members accepted a 50% reduction in Cachuma allocations for WY 2015. This allocation was reduced to 0% in October 2015 for WY 2016. Due to carryover of Cachuma supplies, the District was able to utilize 2,328 AF of water in CY 2014, 714 AF in CY 2015 and 743 AF in CY 2016. The District began WY 2017 with 0 AF of Cachuma allocation. This was increased to 40% or 1,125 AF in April 2017 with an expected allocation of 40% in October 2017 for WY 2018.

#### State Water

State Water deliveries for CY 2017 will be 85% of Table A allocation, or 1,870 AF. In CY 2014, 2015 and 2016 allocations were 5%, 20% and 60% respectively. These relatively low allocations, combined with 0 allocation from Cachuma led to the District agreeing to exchange water with Antelope Valley – East Kern (AVEK) Water Agency in 2016. This 2-for-1 exchange was for 1,000 AF. In addition, the District brought in ~400 AF of water in 2015 that had been banked with the Irvine Ranch Water District before the drought began.

#### Groundwater

As the drought progressed, the District relied increasingly on local groundwater resources to meet demand. In CY 2014 the District pumped 1,434 AF, while in CY 2015 and 2016 it pumped 2,943 AF and 2,729 AF respectively. Given the availability of surface water, the District plans to rest the basin in 2017 and 2018, pumping as little as 700 AF per year.

*This page intentionally blank.*

## Appendix C

### **Water Rates**

Revenue from water rates is typically collected to fund District operating expenses, including personnel costs; water treatment, utilities and the like. The fixed monthly service charges are based on either the size of the meter servicing a parcel or an average of past water consumption. The Basic monthly service charge funds annual capital expenditures such as mainline and service line replacement, electrical upgrades to wells and pumping equipment and heavy equipment. The State Water Project charge collects revenue to meet 100% of the District's annual operating and debt expenses associated with the community's 1991 decision to join the project. The Dwelling Equivalency charge is levied onto master-metered residences and equalizes State Water charges to all residential consumers. The Basic, State Water Project and Dwelling Equivalency charges are all based on the size of the meter servicing a property.

The Capital Improvement Program charge is a volumetric charge based on past metered usage. This charge pays for the debt obligations associated with the major capital projects undertaken in the early 2000s including the Foothill reservoir, Headquarters well, and the covers on both the Carpinteria and Ortega reservoirs, as well as the Cater SRF. The Residential Equivalency fee is levied on all agricultural customers with residential units and equalizes the water treatment costs with that of a typical single-family residential customer.

Two additional charges have been implemented to help pay for ongoing costs associated with the drought. The meter surcharge is based on the size of the meter serving a parcel, while the volumetric surcharge is based on past metered usage. These surcharges are temporary.

For detailed water rates, refer to our schedule of rates and fees at [http://www.cvwd.net/customer\\_service/billing/rates.htm](http://www.cvwd.net/customer_service/billing/rates.htm).

For definition of terms used on the schedule of rates and fees, refer to the District's Rules and Regulations at [http://www.cvwd.net/about/public\\_info.htm](http://www.cvwd.net/about/public_info.htm).

**CARPINTERIA VALLEY WATER DISTRICT  
1301 SANTA YNEZ AVENUE  
CARPINTERIA, CA 93013**

**TABLE I  
2016-17 WATER RATES**

M & I		BASIC	PRESSURE ZONE I	PRESSURE ZONE II
		UNIT	UNIT	UNIT
TYPE I (i) and (ii) RESIDENTIAL:	BASE <sup>1</sup>	\$3.63	\$3.89	\$4.07
	PEAK	\$4.75	\$5.01	\$5.19
TYPE I (iii) COMMERCIAL INDUSTRIAL & PUBLIC AUTHORITY	BASE	\$3.63	\$3.89	\$4.07
	PEAK	\$4.75	\$5.01	\$5.19
TYPE II IRRIGATION <sup>2</sup>				
Tier 1:		\$1.91	\$2.17	\$2.35
Tier 2: (temporary)		\$2.50	\$2.76	\$2.94
Residential Equivalency Charge		\$21.04	\$21.04	\$21.04

1 UNIT = 100 HUNDRED CUBIC FEET (HCF) = 748 GALLONS  
PRESSURE ZONE I = AREA SERVED BY GOBERNADOR CANYON RESERVOIR  
PRESSURE ZONE II = AREA SERVED BY SHEPARD MESA TANK

**TABLE II  
MONTHLY BASIC AND STATE WATER PROJECT (SWP)  
SERVICE CHARGES AND TEMPORARY DROUGHT METER  
SURCHARGE**

METER SIZE	SERVICE CHARGE BASIC	SERVICE CHARGE SWP <sup>3</sup>	SERVICE CHARGE DROUGHT	TOTAL SERVICE CHARGE
5/8 "	9.83	30.00	3.00	\$42.83
3/4"	9.83	30.00	3.00	\$42.83
1"	16.38	50.00	5.00	\$71.38
1 1/2"	32.75	100.00	10.00	\$142.75
2"	52.40	160.00	16.00	\$228.40
3"	104.80	320.00	32.00	\$456.80
4"	163.75	500.00	50.00	\$713.75
6"	327.50	1,000.00	100.00	\$1,427.50
8"	753.25	2,300.00	230.00	\$3,283.25

**TABLE III  
MONTHLY CAPITAL IMPROVEMENT PROGRAM (CIP)  
CHARGE <sup>4</sup> AND TEMPORARY DROUGHT VOLUME  
SURCHARGE**

	CIP	DROUGHT	
Rate:	\$2.75	\$0.70	per HCF
Minimum	\$16.50	\$4.20	6 HCF
Maximum	\$275.00	\$70.00	100 HCF

**TABLE IV  
MONTHLY FIRE SERVICE CHARGES**

SERVICE SIZE	SERVICE CHARGE BASIC	SERVICE CHARGE SWP	SERVICE CHARGE DROUGHT	TOTAL SERVICE CHARGE
2"	6.55	20.00	2.00	\$28.55
3"	14.74	45.00	4.50	\$64.24
4"	26.20	80.00	8.00	\$114.20
6"	58.95	180.00	18.00	\$256.95
8"	104.80	320.00	32.00	\$456.80
10"	163.75	500.00	50.00	\$713.75

SWP = STATE WATER PROJECT  
CIP = CAPITAL IMPROVEMENT PROGRAM

<sup>1</sup> BASE = 5 year Dec. to Mar. water consumption by account / dwelling unit; 6 HCF minimum  
PEAK = all consumption in excess of BASE

<sup>2</sup> All Type II Irrigation accounts with at least one dwelling unit will be assessed a monthly Residential Equivalency Charge (REQ) per dwelling unit and a monthly CIP charge equivalent to the 5-year average single family residential usage.

<sup>3</sup> All Type I (ii) Master-metered Residential accounts will be assessed Dwelling Unit Equivalency Charges (DEQ) and Capital Improvement Program Charges (CIP) based on the number of dwelling units served by a single meter.

<sup>4</sup> The CIP rate is multiplied by the 5-year monthly average water consumption by account. The MINIMUM monthly charge is 6 HCF per dwelling unit or account. The MAXIMUM monthly charge is 100 HCF per dwelling unit or account.

**Appendix D****Integrated Budget**

The following pages show the budget classified by function. For example, labor costs are distributed throughout the program sections previously presented. In this section, all labor costs and benefits are combined into one classification, Personnel.

The District has historically presented its budget classified by function.

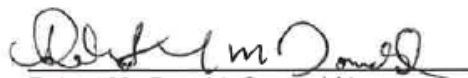


# Carpinteria Valley Water District



## BUDGET FISCAL YEAR 2017/18

Adopted by the Board of Directors of the  
Carpinteria Valley Water District  
at a Regular Board Meeting held on  
June 14, 2017 by Resolution No. 1027.

  
Robert Mc Donald, General Manager

  
Ursula Santana, Board Secretary

**CARPINTERIA VALLEY WATER DISTRICT  
FY 2017/18 BUDGET**

<b>BUDGET SUMMARY</b>	<b>2016/17 BUDGET</b>	<b>2016/17 ESTIMATE</b>	<b>2017/18 BUDGET</b>	<b>CHANGE FROM 16/17 BUDGET</b>	<b>% CHANGE FROM 16/17 BUDGET</b>
-----------------------	---------------------------	-----------------------------	---------------------------	---	---

**SOURCES OF CASH**

Residential	2,148,150	1,905,362	2,187,882	39,732	2%
Commercial	519,135	402,861	502,997	-16,138	-3%
Industrial	125,935	116,072	127,198	1,263	1%
Public Authority	183,232	157,142	182,781	-451	0%
Agricultural	1,585,627	1,706,564	1,501,280	-84,347	-5%
Ag Residential Equivalency Charge	104,527	97,849	98,972	-5,555	-5%
Monthly Service Charge-Basic	869,080	858,902	870,377	1,297	0%
Monthly Service Charge-SWP	2,653,680	2,621,938	2,657,640	3,960	0%
Monthly Service Charge-CIP	2,528,790	2,524,294	2,488,728	-40,062	-2%
Dwelling Unit Equivalency Charge (DEQ)	799,920	792,786	799,920	0	0%
Drought Surcharge - Meter	344,076	362,080	345,300	1,224	0%
Drought Surcharge - Volume	643,692	597,574	633,494	-10,198	-2%
Fire Protection	311,852	286,565	313,222	1,370	0%
Lifeline Program Credits	-33,000	-41,677	-35,000	-2,000	6%
Misc Revenue	38,000	36,848	38,000	0	0%
Interest	25,000	25,000	25,000	0	0%
Other Income	10,000	33,400	10,000	0	0%
Overhead Control	50,000	15,000	50,000	0	0%
<b>TOTAL OPERATING REVENUE</b>	<b>12,907,696</b>	<b>12,498,560</b>	<b>12,797,791</b>	<b>-109,905</b>	<b>-1%</b>

**EXPENSES**

Personnel	2,721,146	2,267,310	2,894,094	172,948	6%
General & Administrative	212,514	232,072	249,100	36,586	17%
Utilities	381,200	226,700	269,400	-111,800	-29%
Professional Services	199,500	154,500	209,500	10,000	5%
Operations Expense	713,192	478,222	763,767	50,575	7%
State Water Power & Chem	58,102	38,333	55,551	-2,551	-4%
Water Treatment	813,730	691,900	699,750	-113,980	-14%
Joint Powers Authority Expense	642,032	401,730	613,789	-28,243	-4%
Water Conservation	14,800	28,000	11,000	-3,800	-26%
Other Expense	346,893	330,193	359,095	12,202	4%
Drought Impact	1,281,757	1,198,657	1,164,989	-116,768	-16%
<b>TOTAL EXPENSES</b>	<b>7,384,866</b>	<b>6,047,617</b>	<b>7,290,035</b>	<b>-94,831</b>	<b>-1%</b>

<b>NET REVENUE</b>	<b>5,522,830</b>	<b>6,450,943</b>	<b>5,507,756</b>	<b>-15,074</b>	<b>-0.3%</b>
<b>DEBT SERVICE</b>	<b>4,344,856</b>	<b>4,436,846</b>	<b>4,312,042</b>	<b>-32,814</b>	<b>-1%</b>
<b>BALANCE OF REVENUE</b>	<b>1,177,974</b>	<b>2,014,097</b>	<b>1,195,714</b>	<b>17,740</b>	<b>2%</b>
<b>LESS CAPITAL EXPENDITURES</b>	<b>1,262,600</b>	<b>1,262,600</b>	<b>1,335,000</b>	<b>72,400</b>	<b>6%</b>
<b>CAPITAL COST RECOVERY REVENUE &amp;</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>0</b>	<b>0%</b>
<b>CAPITAL PROJECT BUDGETS RELEASED</b>	<b>5,800</b>	<b>5,800</b>	<b>23,466</b>	<b>17,666</b>	
<b>Increase (Decrease) in cash</b>	<b>21,174</b>	<b>857,297</b>	<b>-15,820</b>	<b>-36,994</b>	<b>-175%</b>

ACCOUNT NUMBER	REVENUE	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	---------	----------------	----------------	------------------	----------------	--------------------------	----------------------------

**Water Sales Revenue**

4000	Residential	1,924,357	2,148,150	1,905,362	2,187,882	39,732	2%
4001	Commercial	393,275	519,135	402,861	502,997	-16,138	-3%
4002	Industrial	115,080	125,935	116,072	127,198	1,263	1%
4003	Public Authority	155,119	183,232	157,142	182,781	-451	0%
4004	Agricultural	1,853,489	1,585,627	1,706,564	1,501,280	-84,347	-5%
4010	Ag Residential Equivalency Charge	123,146	104,527	97,849	98,972	-5,555	-5%
4005	Monthly Service Charge-Basic	507,280	869,080	858,902	870,377	1,297	0%
4006	Monthly Service Charge-SWP	2,672,306	2,653,680	2,621,938	2,657,640	3,960	0%
4007	Monthly Service Charge-CIP	2,609,496	2,528,790	2,524,294	2,488,728	-40,062	-2%
4008	Dwelling Unit Equivalency Charge (DEQ)	807,353	799,920	792,786	799,920	0	0%
4011	Drought Surcharge - Meter	278,133	344,076	362,080	345,300	1,224	0%
4012	Drought Surcharge - Volume	360,044	643,692	597,574	633,494	-10,198	-2%
4200	Fire Protection	260,638	311,852	286,565	313,222	1,370	0%
4009	Lifeline Program Credits	(36,509)	(33,000)	(41,677)	(35,000)	-2,000	6%
4300	Misc Revenue	38,607	38,000	36,848	38,000	0	0%
	<b>REVENUE SUB-TOTAL</b>	<b>12,061,814</b>	<b>12,822,696</b>	<b>12,425,160</b>	<b>12,712,791</b>	<b>-109,905</b>	<b>-1%</b>

**Other Revenue**

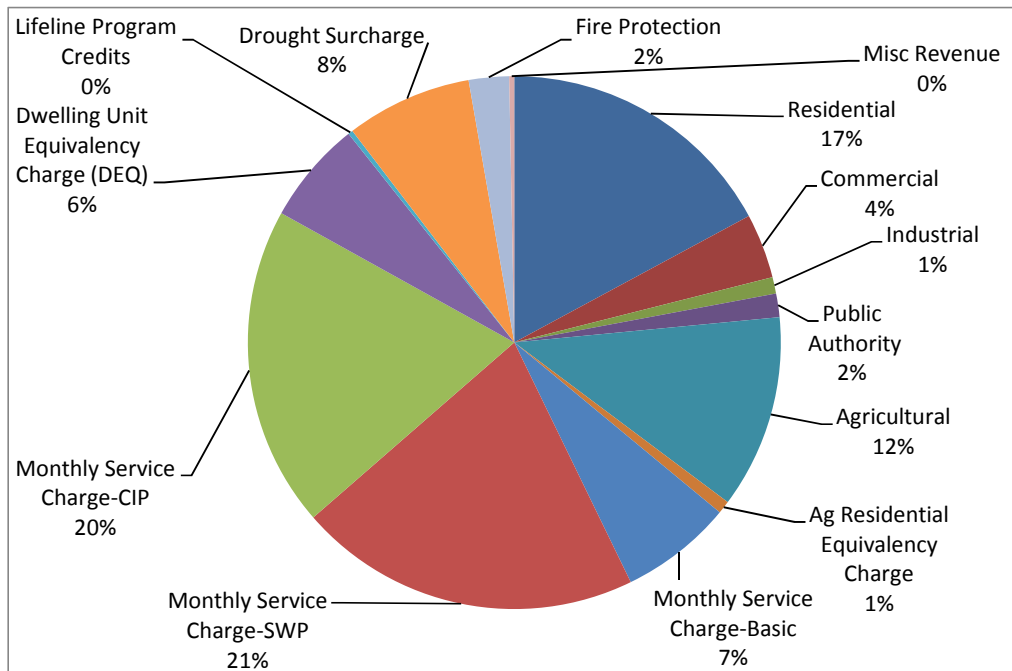
4100	Capital Cost Recovery	276,212	100,000	100,000	100,000	0	0%
4310	Other Income	80,882	10,000	33,400	10,000	0	0%
4312	Grant Revenue	561,073	0	0	0	0	0%
4450	Overhead Control **	91,998	50,000	15,000	50,000	0	0%
4500	Interest	37,290	25,000	25,000	25,000	0	0%
	Other Revenue Total	1,047,455	185,000	173,400	185,000	0	0%
	<b>TOTAL REVENUE</b>	<b>13,109,269</b>	<b>13,007,696</b>	<b>12,598,560</b>	<b>12,897,791</b>	<b>-109,905</b>	<b>-1%</b>

**Non-Operating Revenue**

4501***	Interest-COP Funds Restricted	2,842	5,000	5,000	5,000	0	0%
---------	-------------------------------	-------	-------	-------	-------	---	----

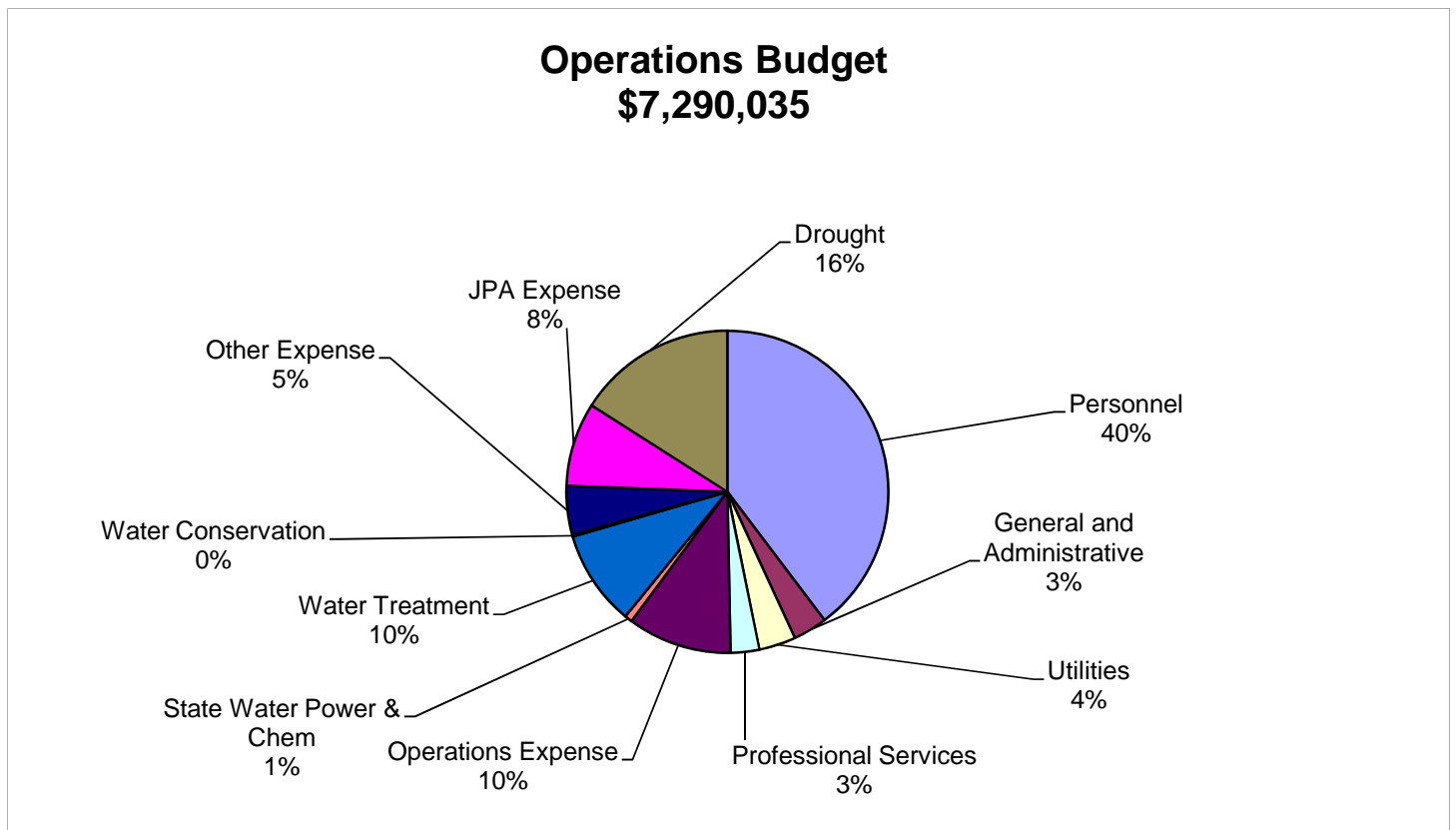
\*\*Related to customer work orders

\*\*\*Revenue not included in considering rate increases



EXPENSE SUMMARY	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
-----------------	-------------------	-------------------	---------------------	-------------------	------------------------------	-------------------------------	--------------------------------	----------------------------------

Personnel	2,341,891	2,751,798	2,297,962	2,894,094	0	2,894,094	142,296	5%
General and Administrative	226,793	220,514	240,072	249,100	0	249,100	28,586	13%
Utilities	440,126	596,200	441,700	269,400	10,000	279,400	-316,800	-53%
Professional Services	388,235	199,500	154,500	209,500	0	209,500	10,000	5%
Operations Expense	696,163	1,142,230	907,260	763,767	16,038	779,805	-362,425	-32%
State Water Power & Chem	288,406	219,769	200,000	55,551	522,351	577,902	358,133	163%
Water Treatment	547,420	842,330	720,500	699,750	321,600	1,021,350	179,020	21%
Water Conservation	64,188	97,900	28,000	11,000	71,900	82,900	-15,000	-15%
Other Expense	333,549	346,893	330,193	359,095	0	359,095	12,202	4%
JPA Expense	1,255,112	967,732	727,430	613,789	223,100	836,889	-130,843	-14%
<b>TOTAL EXPENSES</b>	<b>6,581,883</b>	<b>7,384,866</b>	<b>6,047,617</b>	<b>6,125,046</b>	<b>1,164,989</b>	<b>7,290,035</b>	<b>-94,831</b>	<b>-1.28%</b>



ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**PERSONNEL EXPENSES**

540-6001	Maint of Wells-Labor	51,169	67,342	65,824	71,449	0	71,449	4,107	6%
550-6001	Water Tests & Treatment-Labor	76,304	60,154	89,707	64,459	0	64,459	4,305	7%
550-6003	AB3030 Labor	5,418	5,774	1,800	21,158	0	21,158	15,384	266%
550-6004	Electrical/Instrumentation-Labor	3,512	15,465	1,000	19,228	0	19,228	3,763	24%
560-6001	Engineering Labor-Office	213,023	113,208	102,390	160,556	0	160,556	47,348	42%
560-6002	Engineering- Vacation, Sick, & Holidays	64,335	55,779	37,968	70,998	0	70,998	15,219	27%
560-6003	Field Labor-Office	91,830	95,005	86,779	92,256	0	92,256	-2,749	-3%
560-6004	Field- Vacation, Sick, & Holidays	78,423	99,088	71,475	88,399	0	88,399	-10,689	-11%
560-6005	Standby Labor	25,337	28,000	28,000	28,000	0	28,000	0	0%
560-6006	Vehicle/Equipment Maint Labor	27	4,023	1,100	1,248	0	1,248	-2,775	-69%
560-6007	Maint of Mains & Hydrants-Labor	44,664	70,846	30,000	91,799	0	91,799	20,953	30%
560-6008	Maint of Meters & Svcs-Labor	85,174	63,908	72,000	112,595	0	112,595	48,687	76%
560-6009	Maint Pumping Equipment-Labor	0	31,778	0	19,918	0	19,918	-11,860	-37%
560-6010	Utility Service Alerts-Labor	12,444	19,735	15,000	9,064	0	9,064	-10,671	-54%
560-6011	Cross Connection Labor	4,385	11,548	3,700	13,152	0	13,152	1,604	14%
560-6012	Engineering Field Labor	50,324	17,478	17,478	38,616	0	38,616	21,138	121%
560-6013	Maint Tanks & Reservoirs-Labor	15	6,828	0	12,475	0	12,475	5,647	83%
560-6014	Project Review/Design	0	39,466	0	0	0	0	-39,466	-100%
560-6015	Field Work Order Labor	0	69,323	0	0	0	0	-69,323	-100%
570-6001	Office of General Manager	246,036	130,308	134,354	133,565	0	133,565	3,257	2%
570-6002	Office of GM-Vacation, Sick, & Holidays	51,027	23,692	12,000	22,463	0	22,463	-1,229	-5%
570-6003	Salary Office	398,353	455,759	437,102	473,900	0	473,900	18,141	4%
570-6004	Office-Vacation, Sick, & Holidays	66,744	88,567	72,370	91,676	0	91,676	3,109	4%
570-6005	Directors Fees	22,900	20,000	20,000	23,000	0	23,000	3,000	15%
570-6006	Employee Retirement-PERS	25,971	368,609	368,609	389,843	0	389,843	21,234	6%
570-6007	Deferred Compensation-Employees	37,056	40,000	31,720	35,298	0	35,298	-4,702	-12%
570-6008	Employee Health Insurance	358,019	330,000	306,890	350,000	0	350,000	20,000	6%
570-6009	Employee FICA & Medicare	130,554	109,450	99,306	131,000	0	131,000	21,550	20%
570-6010	Workers Compensation	69,299	53,000	46,000	55,000	0	55,000	2,000	4%
570-6011	Employee Safety Boots	2,656	3,400	2,600	4,680	0	4,680	1,280	38%
570-6012	Employee Physicals	638	1,200	2,600	1,200	0	1,200	0	0%
570-6013	Compensated Absences	-63,918	20,000	20,000	20,000	0	20,000	0	0%
570-6014	Employee Education & Training	7,409	46,000	15,000	44,500	0	44,500	-1,500	-3%
570-6015	Labor-Training & Seminars	12,444	56,609	20,000	62,094	0	62,094	5,485	10%
570-6016	Maint of Plant-Labor	33,887	17,307	12,000	12,883	0	12,883	-4,424	-26%
570-6017	Public Information-Labor	5,112	12,320	4,500	19,110	0	19,110	6,790	55%
570-6018	Water Conservation Labor	1,177	0	90	7,312	0	7,312	7,312	0%
570-6019	Water Conservation Coord-BMP 12	61,314	44,352	5,400	43,805	0	43,805	-547	-1%
570-6020	Temporary Labor	0	13,200	13,200	13,200	0	13,200	0	0%
570-6022	Unemployment Insurance	11,700	18,000	0	15,000	0	15,000	-3,000	-17%
580-6001	Meter Reading/Customer Orders	57,129	25,277	50,000	29,196	0	29,196	3,919	16%
<b>TOTAL PERSONNEL EXPENSES</b>		<b>2,341,891</b>	<b>2,751,798</b>	<b>2,297,962</b>	<b>2,894,094</b>	<b>0</b>	<b>2,894,094</b>	<b>142,296</b>	<b>5.17%</b>

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**GENERAL & ADMINISTRATIVE**

570-6100	Office Expense & Supplies	91,018	82,000	100,000	7,800	0	7,800	-74,200	-90%
570-6101	Computer System Maintenance	20,408	5,000	7,600	7,500	0	7,500	2,500	50%
570-6102	Admin Dues, Travel & Misc	26,929	25,000	26,000	25,000	0	25,000	0	0%
570-6103	Employee Dues, Travel & Misc	3,697	9,000	4,500	11,000	0	11,000	2,000	22%
570-6104	Misc. Office Expense	0	600	100	600	0	600	0	0%
570-6105	Public Information Expense	16,987	15,000	15,000	25,000	0	25,000	10,000	67%
570-6106	Advertising	0	4,000	5,000	4,000	0	4,000	0	0%
570-6107	Meetings & Events	6,770	8,000	8,000	8,000	0	8,000	0	0%
570-6108	Board Meetings and Supplies	1,548	1,200	1,200	6,200	0	6,200	5,000	417%
570-6109	Management Meeting Supplies	1,946	1,200	1,200	1,200	0	1,200	0	0%
570-6110	Employee Relations Expense	1,921	1,600	1,600	2,000	0	2,000	400	25%
570-6111	Software Maintenance	55,569	33,100	36,872	33,100	0	33,100	0	0%
570-6112	Incode Maintenance **NEW**	0	34,814	33,000	35,000	0	35,000	186	1%
570-6113	Office Equipment Leases **NEW**	0	0	0	7,200	0	7,200	7,200	100%
570-6114	Customer Billing Expenses **NEW**	0	0	0	65,000	0	65,000	65,000	100%
570-6115	Bank and Finance Fees **NEW**	0	0	0	10,500	0	10,500	10,500	100%
<b>TOTAL GENERAL &amp; ADMIN</b>		<b>226,793</b>	<b>220,514</b>	<b>240,072</b>	<b>249,100</b>	<b>0</b>	<b>249,100</b>	<b>28,586</b>	<b>13%</b>

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**UTILITIES**

540-6200	*Pwr & Telephone for Pumping-PMP STN	148,061	120,000	140,000	110,000	10,000	120,000	0	0%
540-6201	*Power & Telephone for Pumping-Wells	230,574	405,000	240,000	81,000	0	81,000	-324,000	-80%
570-6200	Electric	6,428	9,000	5,400	9,000	0	9,000	0	0%
570-6201	Gas	901	1,100	600	1,100	0	1,100	0	0%
570-6202	Telephone	25,893	24,000	24,000	25,000	0	25,000	1,000	4%
570-6203	Waste Disposal	0	2,600	3,000	2,800	0	2,800	200	8%
570-6204	Other Utilities	683	2,500	700	2,500	0	2,500	0	0%
570-6205	Vehicle Fuel Expense	27,586	32,000	22,000	32,000	0	32,000	0	0%
570-6206	Vehicle Allowance	0	0	6,000	6,000	0	6,000	6,000	100%
	<b>TOTAL UTILITIES EXPENSES</b>	<b>440,126</b>	<b>596,200</b>	<b>441,700</b>	<b>269,400</b>	<b>10,000</b>	<b>279,400</b>	<b>-316,800</b>	<b>-53%</b>

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**PROFESSIONAL SERVICES**

550-6300	AB3030 Professional Services	4,743	6,500	6,500	7,500	0	7,500	1,000	15%
560-6300	Engineering Services	175,585	83,000	60,000	83,000	0	83,000	0	0%
560-6301	Groundwater Professional Services	26,943	24,000	24,000	24,000	0	24,000	0	0%
570-6300	Auditors Fees	28,443	26,000	26,000	25,000	0	25,000	-1,000	-4%
570-6301	Legal-General	32,636	45,000	25,000	55,000	0	55,000	10,000	22%
570-6303	Administrative Professional Services	84,681	10,000	10,000	10,000	0	10,000	0	0%
570-6305	Legal-Labor Negotiator	35,204	5,000	3,000	5,000	0	5,000	0	0%
	<b>TOTAL PROFESSIONAL EXPENSES</b>	<b>388,235</b>	<b>199,500</b>	<b>154,500</b>	<b>209,500</b>	<b>0</b>	<b>209,500</b>	<b>10,000</b>	<b>5%</b>

\*Based on 450 AF groundwater production

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**OPERATIONS EXPENSE**

*520-6600	Purchase of Water	305,600	625,000	600,000	225,000		225,000	-400,000	-64%
520-6601	Renewal Fund - Cachuma Project	4,373	21,500	3,000	21,500	0	21,500	0	0%
	<b>SUB-TOTAL</b>	<b>309,973</b>	<b>646,500</b>	<b>603,000</b>	<b>246,500</b>	<b>0</b>	<b>246,500</b>	<b>-400,000</b>	<b>-62%</b>

**REPAIRS & MAINTENANCE**

540-6500	Maintenance of Pumping Equip	16,277	28,380	28,000	26,162	2,838	29,000	620	2%
540-6501	Maintenance of Wells	20,787	32,000	15,000	28,800	3,200	32,000	0	0%
560-6500	Maintenance of Vehicles & Equipment	38,408	51,600	20,000	30,000	10,000	40,000	-11,600	-22%
560-6501	Maintenance of Mains & Hydrants	63,914	100,000	80,000	100,000	0	100,000	0	0%
560-6502	Maintenance of Tanks & Reservoirs	10,132	10,000	15,000	20,000	0	20,000	10,000	100%
560-6503	Maintenance of Meters & Services	102,802	80,000	25,000	80,000	0	80,000	0	0%
560-6504	Maintenance of SCADA Equipment	5,947	12,000	2,000	12,000	0	12,000	0	0%
560-6505	Meter Reading Contract Srv	51,171	53,550	51,260	58,905	0	58,905	5,355	10%
570-6500	Maintenance - Office, Plant & Sites	29,491	50,000	26,000	57,000	0	57,000	7,000	14%
570-6600	Fleet Vehicle Lease Expense	0	0	0	30,000	0	30,000	30,000	100%
	<b>SUB-TOTAL</b>	<b>338,929</b>	<b>417,530</b>	<b>262,260</b>	<b>442,867</b>	<b>16,038</b>	<b>458,905</b>	<b>41,375</b>	<b>10%</b>

**SUPPLIES & EQUIPMENT**

560-6600	Engineering Supplies & Expense	2,011	10,200	2,000	12,000	0	12,000	1,800	18%
560-6601	Cloudseeding**NEW**	0	9,500	12,000	10,200	0	10,200	700	7%
560-6602	Uniforms Expense	4,131	15,000	15,000	15,000	0	15,000	0	0%
560-6603	Safety Supplies & Equipment	10,680	17,000	1,000	14,000	0	14,000	-3,000	-18%
560-6604	Minor Tools Supplies & Equipment	15,444	19,500	5,000	22,000	0	22,000	2,500	13%
560-6605	Operations Other Suppl & Exp	14,995	7,000	7,000	0	0	0	-7,000	-100%
560-6606	Utility Service Alerts **NEW**	0	0	0	1,200	0	1,200	1,200	100%
	<b>SUB-TOTAL</b>	<b>47,261</b>	<b>78,200</b>	<b>42,000</b>	<b>74,400</b>	<b>0</b>	<b>74,400</b>	<b>-3,800</b>	<b>-5%</b>
	<b>TOTAL OPERATIONS EXPENSE</b>	<b>696,163</b>	<b>1,142,230</b>	<b>907,260</b>	<b>763,767</b>	<b>16,038</b>	<b>779,805</b>	<b>-362,425</b>	<b>-32%</b>

\*Based on 1,350 AF Cachuma delivery



ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**STATE WATER POWER & CHEMICALS**

*520-6700	CCWA - Variable	86,141	219,769	200,000	500	307,402	307,902	88,133	40%
*520-6701	DWR - Variable	202,265	0	0	55,051	214,949	270,000	270,000	100%
<b>TOTAL STATE WATER POWER &amp; CHEMICALS EXPENSE</b>		<b>288,406</b>	<b>219,769</b>	<b>200,000</b>	<b>55,551</b>	<b>522,351</b>	<b>577,902</b>	<b>358,133</b>	<b>163%</b>

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**WATER TREATMENT & TESTING**

550-6800	Treatment - Cater Plant	440,872	688,980	600,000	568,000	300,000	868,000	179,020	26%
550-6801	Water Quality Analysis-Distribution	22,967	30,000	22,000	27,000	3,000	30,000	0	0%
550-6802	Treatment & Testing - Wells	61,285	75,600	57,000	57,000	18,600	75,600	0	0%
550-6803	Chlorination - Ortega Reservoir	16,084	40,250	35,000	40,250	0	40,250	0	0%
550-6804	AB3030 Well Testing	6,212	7,500	6,500	7,500	0	7,500	0	0%
<b>TOTAL WATER TREATMENT &amp; TESTING EXPENSE</b>		<b>547,420</b>	<b>842,330</b>	<b>720,500</b>	<b>699,750</b>	<b>321,600</b>	<b>1,021,350</b>	<b>179,020</b>	<b>21%</b>

\*Drought impact based on 2,200 AF SWP requested delivery

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**JPA EXPENSE**

530-6900	COMB Operating	598,562	500,215	330,000	460,064	0	460,064	-40,151	-8%
530-6903	COMB-Safety of Dam (M & I)	21,951	22,000	27,000	33,908	0	33,908	11,908	54%
530-6906	COMB Emerg Pumping Fac - INT	15,948	102,600	1,600	0	0	0	-102,600	-100%
530-6907	COMB Fisheries	121,264	119,817	143,494	119,817	0	119,817	0	0%
530-6908	COMB Emerg Pump/Barge	497,387	223,100	225,336	0	223,100	223,100	0	0%
	<b>TOTAL JPA EXPENSES</b>	<b>1,255,112</b>	<b>967,732</b>	<b>727,430</b>	<b>613,789</b>	<b>223,100</b>	<b>836,889</b>	<b>-130,843</b>	<b>-14%</b>

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**OTHER EXPENSE**

510-7000	CCWA Operating Expense	235,954	225,327	225,327	250,895	0	250,895	25,568	11%
550-7000	Permitting Fees	16,067	22,600	22,000	26,200	0	26,200	3,600	16%
560-7000	Cross Connection Expense	400	1,000	400	1,000	0	1,000	0	0%
570-7000	LAFCO	8,971	8,966	8,466	9,000	0	9,000	34	0%
570-7001	Insurance General	65,557	70,000	65,000	67,000	0	67,000	-3,000	-4%
570-7002	District Election Expense	0	14,000	4,000	0	0	0	-14,000	-100%
580-7000	Uncollectable Accounts	6,600	5,000	5,000	5,000	0	5,000	0	0%
	<b>TOTAL OTHER EXPENSES</b>	<b>333,549</b>	<b>346,893</b>	<b>330,193</b>	<b>359,095</b>	<b>0</b>	<b>359,095</b>	<b>12,202</b>	<b>4%</b>

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**WATER CONSERVATION**

570-7100	Wtr Cons BMP 1 Wtr Srvy Prg	0	1,000	0	1,000	2,000	3,000	2,000	200%
570-7101	Wtr Cons BMP 3 Residential	40,579	30,000	1,000	1,000	9,000	10,000	-20,000	-67%
570-7102	Wtr Cons BMP 5 Landscape (CII)	7,280	20,000	2,000	1,000	14,000	15,000	-5,000	-25%
570-7103	Wtr Cons BMP 2.1 Public Inf	8,662	13,000	20,000	0	20,000	20,000	7,000	54%
570-7104	Wtr Cons BMP 2.2 School Edu	1,362	3,000	1,000	500	6,500	7,000	4,000	133%
570-7105	Wtr Cons BMP 4 CII	3,000	8,000	1,000	3,000	4,900	7,900	-100	-1%
570-7106	Wtr Cons BMP 3 High Eff Washr	1,500	4,500	1,500	0	0	0	-4,500	-100%
570-7107	Wtr Cons BMP 3 High Eff Toilt	1,300	3,400	1,000	0	0	0	-3,400	-100%
570-7108	Wtr Cons BMP 1.4 Wtr Loss Contr	0	4,000	0	4,000	1,000	5,000	1,000	25%
570-7109	Conservation Program	505	1,000	500	500	4,500	5,000	4,000	400%
570-7110	Wtr Cons BMP A3A On-Farm Evals *NEW*	0	5,000	0	0	5,000	5,000	0	0%
570-7111	Wtr Cons BMP B3 On-Farm Improv *NEW*	0	5,000	0	0	5,000	5,000	0	0%
	<b>TOTAL WATER CONS. EXP</b>	<b>64,188</b>	<b>97,900</b>	<b>28,000</b>	<b>11,000</b>	<b>71,900</b>	<b>82,900</b>	<b>-15,000</b>	<b>-15%</b>

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**Capital Expenditures**

1650	Cater Plant Expansion	2,111	209,000	209,000	110,000	0	110,000	-99,000	-47%
1705	Pumping Equipment	116,597	0	0	0	0	0	0	0%
1710	Mains, Transmission and Distribution	490,868	389,000	389,000	690,000	100,000	790,000	401,000	103%
1715	Meters & Services	236,397	95,100	95,100	0	0	0	-95,100	-100%
1725	Corrosion Control	59,825	0	0	0	0	0	0	0%
1730	Administration Building	10,600	0	0	10,000	0	10,000	10,000	0%
1735	Maintenance Center	0	0	0	60,000	0	60,000	60,000	100%
1740	Office Equipment	31,180	34,500	34,500	47,500	0	47,500	13,000	38%
1745	Automotive Equipment	-27,054	0	0	30,000	0	30,000	30,000	0%
1750	Other Equipment & Tools	-9,871	0	0	0	0	0	0	0%
1755	Wells	6,007	535,000	535,000	101,000	0	101,000	-434,000	-81%
1760	Tanks & Reservoirs	-8,183	0	0	158,500	0	158,500	158,500	100%
1765	Water Treatment Equipment	4,733	0	0	28,000	0	28,000	28,000	100%
1775	CIP Storage Tank	13,138	0	0	0	0	0	0	0%
1770	Facilities/Grounds Equipment	82,027	0	0	0	0	0	0	0%
	<b>TOTAL CAPITAL EXPENDITURES</b>	<b>1,008,375</b>	<b>1,262,600</b>	<b>1,262,600</b>	<b>1,235,000</b>	<b>100,000</b>	<b>1,335,000</b>	<b>72,400</b>	<b>6%</b>

ACCOUNT NUMBER	ACCOUNT NAME	2015/16 ACTUAL	2016/17 BUDGET	2016/17 ESTIMATE	2017/18 BUDGET	2017/18 DROUGHT IMPACT	2017/18 COMBINED BUDGET	CHANGE FROM 16/17 BUDGET	% CHANGE FROM 16/17 BUDGET
----------------	--------------	----------------	----------------	------------------	----------------	------------------------	-------------------------	--------------------------	----------------------------

**Debt Service**

510-7302	CCWA Bonds-State Water-Interest	311,627	267,957	267,957	209,528	0	209,528	-58,429	-22%
510-7301	CCWA Bonds-State Water-Principal	848,101	890,481	890,481	795,127	0	795,127	-95,354	-11%
510-7300	State DWR Charges	2,023,636	1,761,129	1,761,129	1,828,871	0	1,828,871	67,742	4%
599-7302	Amortization Expense - Refunded COPs	391,683	0	0	30,015	0	30,015	30,015	100%
2350	COP Bonds 2006-CIP-Principal	110,000	0	0	0	0	0	0	0%
599-7303	SRF-Carp Res/HQ Well Interest	98,636	43,106	43,106	0	0	0	-43,106	-100%
599-7305	SRF-Joint MWD-Ortega Interest	176,797	166,337	166,337	155,612	0	155,612	-10,725	-6%
2330	SRF-Joint MWD-Ortega Principal	408,489	424,083	424,083	429,412	0	429,412	5,329	1%
599-7304	SRF-Cater Treatment Plant Interest	49,457	44,921	44,921	40,269	0	40,269	-4,652	-10%
2340	SRF-Cater Treatment Plant Principal	185,717	190,254	190,254	186,240	0	186,240	-4,014	-2%
599-7306	CABs Series 2010A-Interest	3,470	3,100	3,100	3,470	0	3,470	370	12%
599-7350	Bond Issuance Costs	147,001	0	0	0	0	0	0	0%
599-7308	Revenue Bonds 2016-Interest*NEW*	40,504	198,488	290,478	283,498	0	283,498	85,010	29%
2365	Revenue Bonds 2016-Principal*NEW*	0	355,000	355,000	350,000	0	350,000	-5,000	-1%
	<b>TOTAL DEBT SERVICE</b>	<b>4,795,118</b>	<b>4,344,856</b>	<b>4,436,846</b>	<b>4,312,042</b>	<b>0</b>	<b>4,312,042</b>	<b>-32,814</b>	<b>-1%</b>

<b>COVERAGE RATIO BASED ON SRFs AND BONDS</b>	<b>2017/18 BUDGET</b>
---	---------------------------

**SOURCES OF CASH**

Residential	2,187,882
Commercial	502,997
Industrial	127,198
Municipal	182,781
Agricultural	1,501,280
Ag Residential Equivalency Charge	98,972
Monthly Service Charge - Basic	870,377
Monthly Service Charge-SWP	2,657,640
Monthly Service Charge-CIP	2,488,728
Dwelling Unit Equivalency Charge (DEQ)	799,920
Drought Surcharge - Meter	345,300
Drought Surcharge - Volume	633,494
Lifeline Program Credits	-35,000
Fire Protection	313,222
Misc Revenue	38,000
Interest	25,000
Other Income	10,000
Overhead	50,000

**TOTAL REVENUE**

**12,797,791**

**EXPENSES**

Personnel	2,894,094
General and Administrative	249,100
Utilities	269,400
Professional Services	209,500
Operations Expense	763,767
State Water Power & Chem	55,551
Water Treatment	699,750
JPA Expense	613,789
Water Conservation	11,000
Other Expense	359,095
Drought Impact	1,164,989

**TOTAL EXPENSES**

**7,290,035**

**NET REVENUE**

5,507,756

**STATE WATER DEBT**

2,833,526

2,833,526

**TOTAL AVAIL FOR DEBT SVC**

2,674,230

**DEBT SERVICE**

Refunded COPs	30,015
SRF-Joint Ortega	585,024
SRF-Cater	226,509
CABs 2010A	3,470
Revenue Bonds 2016A	633,498

**1,478,516**

**COVERAGE RATIO**

**1.81**

**Capital Cost Recovery Revenue**

**100,000**

**Capital Project Funds To Be Released**

**23,466**

**Funds Avail. for Capital Exp**

**1,319,180**

**Capital Expenditures**

**1,335,000**

<b>COVERAGE RATIO BASED ON CCWA-STATE WATER</b>	<b>2017/18 BUDGET</b>
---	---------------------------

**SOURCES OF CASH**

Residential	2,187,882
Commercial	502,997
Industrial	127,198
Municipal	182,781
Agricultural	1,501,280
Ag Residential Equivalency Charge	98,972
Monthly Service Charge	870,377
Monthly Service Charge-SWP	2,657,640
Monthly Service Charge-CIP	2,488,728
Dwelling Unit Equivalency Charge (DEQ)	799,920
Drought Surcharge - Meter	345,300
Drought Surcharge - Volume	633,494
Lifeline Program Credits	-35,000
Fire Protection	313,222
Misc Revenue	38,000
Interest	25,000
Other Income	10,000
Overhead Control	50,000

**TOTAL REVENUE**

**12,797,791**

**EXPENSES**

Personnel	2,894,094
General and Administrative	249,100
Utilities	269,400
Professional Services	209,500
Operations Expense	763,767
State Water Power & Chem	55,551
Water Treatment	699,750
JPA Expense	613,789
Water Conservation	11,000
Other Expense	359,095

**TOTAL EXPENSES**

**7,290,035**

**NET REVENUE**

5,507,756

**STATE WATER RATE COVERAGE**

(fund may be used for 25% of coverage)

0

**TOTAL AVAIL FOR DEBT SVC**

5,507,756

**DEBT SERVICE**

2,833,526

**COVERAGE RATIO**

**1.94**