

VALLEY COUNTY WATER DISTRICT

**CAPITAL IMPROVEMENT & GENERAL OPERATING BUDGET
FOR FISCAL YEAR 2016/2017**



**Approved By the Board of Directors
Monday, September 26, 2016
Including a 1.50% Cost of Living Adjustment**



**VALLEY COUNTY WATER DISTRICT
2016/2017 CAPITAL IMPROVEMENT AND GENERAL OPERATING BUDGET ANALYSIS**

REVENUE

The proposed 2016/2017 general operating budget totals \$8,670,136 for the period beginning September 1, 2016 and ending August 31, 2017. Currently, an adjustment of approximately 9.0% in the water service rate structure and schedule has been budgeted in accordance with Resolution 07-12-717 of the Board of Directors of Valley County Water District Establishing Water Service Rates, Customer Service Fees, and Service Deposits for all services provided within the 2016/2017 fiscal year. Projected revenues from the sale of water and other water-related services is \$7,519,375, which represents a 6% increase from the 2015/2016 budgeted water sales and water-related services revenue.

Included within the adopted water rate structure and schedule, Valley County Water District will continue to assess a Capital Improvement Charge and a Water System Access Fee to generate revenue that will assist in the funding the projects outlined within the 2016/2017 Capital Improvement Budget. The Capital Improvement Charge is a monthly fee for commercial customers and a bi-monthly fee for residential customers. The amount assessed as the Capital Improvement Charge will be applied to the monthly or bi-monthly customer billing statement based on the size of the meter servicing the property. Furthermore, the Water System Access Fee will be a nominal fee remitted by contractors who apply for a new water utility service connection installation within the service area of Valley County Water District. The amount assessed as the Water System Access Fee will be based on the size of the service being installed, in accordance with Resolution 06-13-733 of the Valley County Water District Board of Directors amending Resolution 07-12-717 as it relates to the Water System Access Fee approved on June 24, 2013. Throughout the 2016/2017 fiscal year, Valley County Water District projects to earn \$1,140,761 from the Capital Improvement Charge and \$10,000 from the Water System Access Fee.

In addition, within the 2016/2017 fiscal year, the non-operating revenues of Valley County Water District consist of \$60,352 in earned interest on investments, \$283,488 for the assessed property tax share from the Los Angeles County Property Tax Allocation, \$88,620 for the assessed redevelopment property tax allocation, and \$41,743 from other various sources.

SALARIES

Overall, the salary expense budget consists of \$1,485,800 for employee payroll, \$102,618 for Board of Director stipend payments, and \$63,478 for overtime and potential vacation/sick leave buy-outs upon separation of employment. The current salary figures include a potential 2.5% merit increase, if applicable, to conservatively reward outstanding work performance by employees at the time of their annual performance evaluation, in accordance with §2-3.401 Compensation of Resolution 04-13-731 of the Valley County Water District Board of Directors adopted Administrative Code. The current budgeted salary projections include a 1.50% cost-of-living adjustment.

BENEFITS

Benefit expenses are projected at \$1,332,445. The fringe benefit package offered by Valley County Water District includes health insurance, dental insurance, vision insurance, life insurance, long-term disability insurance, an employee assistance program, California Public Employers' Retirement System (CalPERS) pension employer contribution of

12.429% for existing CalPERS members, CalPERS pension employer contribution of 6.930% for new CalPERS members, CalPERS pension employee contribution of 8% for existing CalPERS members, contributions for potential other post employment benefits, Social Security, Medicare, uniforms, and a general benefit fund. The benefit expenses projected for 2016/2017 anticipate that 25 of the 26 available positions will remain placed as full-time regular employees. One position, the Treatment & Production Operator II, will remain vacant, and there are no intentions to fill the position within the 2015/2016 fiscal year. Overall, the budgeted benefit expense is projected to increase slightly by 2% in the 2015/2016 fiscal year due to various increases in group insurance premiums and retirement plan expenses.

Beginning in January 2017, health insurance premiums will be adjusted to reflect the current rates for plans offered and administered through CalPERS. Most employees and members of the Board of Directors participate in either the Blue Shield of California or the Kaiser Permanente Health Maintenance Organization (HMO) insurance plans. The Blue Shield of California HMO will realize an increase in premium expense of approximately 16.0% and the Kaiser Permanente HMO will realize an increase in premium expense of approximately 5.0%. Contributions to health premiums made by the members of the Board of Directors have been included in the projected benefit expense, in accordance with §2-1.502 Benefits of Resolution 04-13-731 of the Valley County Water District Board of Directors adopted Administrative Code.

ENERGY

Projected energy expenses of \$665,411 reflect a slight decrease in expense as compared to the 2015/2016 budgeted energy expenses. However, we continue to see historically low water levels in the Main San Gabriel Basin as a result of the continued drought conditions realized across the State of California. Budgeted pumping costs are based on an average of \$94.04 per acre-foot of water produced, which represents a 5% increase from \$88.90 in 2015/2016. This average cost includes a projected 5.00% increase in rates scheduled by Southern California Edison, which are expected to take effect in November 2016.

SYSTEM MAINTENANCE

System Maintenance expenses are projected at \$2,676,763, which is the largest portion of the Valley County Water District general operating budget. Of this amount, facility maintenance expenses total \$288,389, which is allocated for pump station maintenance and repair, distribution system maintenance and repair, and facility security. In addition, projected water maintenance expenses total \$2,388,374. As compared to the 2015/2016 budgeted water maintenance expenses, this total represents a 15% increase.

Currently, the projected total water demand for the 2016/2017 fiscal year is 6,850 acre-feet, of which all 6,850 acre-feet will be produced by Valley County Water District from its four active groundwater wells. Budgeted source of supply costs, including all water production assessments incurred, consist of allotted production rights totaling 4,522.76 acre-feet at a cost of \$203,524, carry-over production rights of 257.24 acre-feet at a cost of \$11,575, pre-purchased cyclic storage production rights at a cost of \$1,484,000, temporary lease of production rights of 70.00 acre-feet at a cost of \$46,550. Other water maintenance expenses include the San Gabriel Basin Water Quality Authority assessment of \$59,591, water quality and system sampling of \$33,270, and a combined Valley County Water District Newsletter and Consumer Confidence Report projected at \$16,000.

SERVICE & SUPPLY

Projected service and supply expenses of \$1,053,532 reflects an increase of 22% from the 2015/2016 budgeted service and supply expenses primarily due to the development of programs to incentivize, assist, and support consumers in achieving target water use reductions and water conservation goals, the BPOU Project Agreement negotiations, and the increase in electronic and online billing service fees based on retaining additional users.

Budgeted service and supply expenses for 2016/2017 include administrative and general expenses, such as community relations, continuing education and training, legal services, communication expenses, office supplies, utility billing distribution services, and electronic payment services, collectively totaling \$892,596; operations office and equipment expenses, such as safety equipment, vehicle maintenance, and fuel expenses, collectively totaling \$131,941.

BUDGET SUMMARY

In conclusion, for the 2016/2017 fiscal year total projected operating revenues are anticipated at \$7,519,375 and total projected expenses are anticipated at \$7,380,047, which includes salary expenses of \$1,651,896, benefit expenses of \$1,332,445, energy expenses of \$665,411, system maintenance expenses of \$2,676,763, and service and supply expenses of \$1,053,532, resulting in a \$139,328 surplus from operations. Beginning September 1, 2016, Valley County Water District will effectively be in the final year of its five year water service rate structure and schedule adjustment based on the adoption of Resolution 07-12-717 of the Board of Directors of Valley County Water District Establishing Water Service Rates, Customer Service Fees, and Service Deposits. Since the adoption and implementation of the current water service rate structure and schedule, water supply conditions within the Main San Gabriel Basin have become more volatile due to the continued drought conditions currently realized across the State of California. Valley County Water District obtains and produces 100% of its water supply to satisfy customer demand from the Main San Gabriel Basin. With the adoption of the Main San Gabriel Basin Watermaster Operating Safe Yield at 150,000 acre-feet, the cost of available water supplies will continue to significantly impact the operating expenses realized in the 2016/2017 fiscal year. If water supply conditions do not improve and/or recover, Valley County Water District will need to analyze, review, and determine whether additional water service rate structure and schedule adjustments are necessary to sustain the anticipated financial impacts as a result of the increased cost of available water supplies. The projected \$139,328 surplus from operations will be allocated to funding the 2016/2017 Capital Improvement Budget.

The projected funding available for capital improvement projects throughout the 2016/2017 fiscal year is estimated at \$1,290,089, which includes the projected \$139,328 surplus from operations and the projected \$1,140,761 from the collection of assessed Capital Improvement Charges and Water System Access Fees. The projected 2016/2017 Capital Improvement Budget is forecasted at \$2,352,490. In all, Valley County Water District will realize a \$1,062,401 capital improvement deficit if all projects are completed in the 2016/2017 fiscal year. Any capital improvement project expenditures exceeding the available funding will be subsidized through the reserves currently held by Valley County Water District, specifically the Capital Reserve Fund, in accordance with Resolution 08-07-647 Reserve Policy.

Projected capital improvement projects for the BPOU Sub Area 1 Treatment Facility are forecasted at \$2,300,000 for the 2016/2017 fiscal year. Any capital improvement projects carried out within the 2016/2017 fiscal year will be reimbursed under the executed BPOU Project Agreement and are not anticipated to have a financial impact on the cash flows of Valley County Water District.



**VALLEY COUNTY WATER DISTRICT
2016-2021 CAPITAL IMPROVEMENT BUDGET
5-Year Forecast**

VCWD Project Title / Description:	FY 2015-16			FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	TOTALS
	Budgeted	Actual	Status						
Customer Service and Office Equipment									
Administrative office emergency generator							\$ 50,000		\$ 50,000
Automated meter reading program							\$ 500,000		\$ 500,000
2015 Urban Water Management Plan	\$ 25,000	\$ 28,000.00	Completed						\$ -
Wells, Pump Facilities, and Operations									
All pumping facilities SCADA system upgrade installation		\$ 260,266.00							\$ -
Reservoir Storage Project - Clinton O. Nixon Booster Pump Station (Design, bid, contract)	\$ 268,162	\$ 61,203.62	In Progress	\$ 200,000					\$ 200,000
Reservoir Storage Project - Clinton O. Nixon Booster Pump Station (Construction)					\$ 1,851,213				\$ 1,851,213
Reservoir Storage Project - Clinton O. Nixon East Well Equipment						\$ 794,963			\$ 794,963
Reservoir Storage Project - Site Preparation, storage construction						\$ 1,222,363	\$ 1,111,751		\$ 2,334,114
Reservoir Storage Project - Construct 3MG Reservoir (1 of 2)								\$ 3,029,150	\$ 3,029,150
Clinton O. Nixon emergency generator				\$ 200,000					\$ 200,000
Water Main Replacements									
Needs Arose Pipeline Replacements - Clydeswood Street & Irwindale Avenue		\$ 320,391.76	Completed						\$ -
Puente Area Pipeline Replacements - Phase 4	\$ 750,000	\$ 838,412.51	In Progress						\$ -
Puente Area Pipeline Replacements - Phase 5				\$ 900,000					\$ 900,000
Puente Area Pipeline Replacements - Phase 6					\$ 720,000				\$ 720,000
Puente Area Pipeline Replacements - Phase 7						\$ 720,000			\$ 720,000
Puente Area Pipeline Replacements - Phase 8 (Final for Puente Area)							\$ 720,000		\$ 720,000
Hidalgo Housing Project				\$ 92,490					\$ 92,490
Vehicles and Equipment									
Purchase 1/2 ton utility truck (Replaces Unit #05-18)	\$ 26,000	\$ 24,894.33	Completed						\$ -
Purchase 1/2 ton utility truck (Replaces Unit #05-19)	\$ 26,000	\$ 24,894.33	Completed						\$ -
Purchase 1 ton service truck (Replaces Unit #05-25)	\$ 40,000	\$ -	Not Completed	\$ 85,000					\$ 85,000
Traffic control message board	\$ 20,000	\$ 13,734.00	Completed						\$ -
Buildings									
Administrative Office Upgrades - Exterior improvements	\$ 100,000		In Progress	\$ 275,000					\$ 275,000
Administrative Office Upgrades - Space planning and interior improvements						\$ 200,000			\$ 200,000
Operations Headquarters - 15250 Arrow Highway planning and improvements	\$ 600,000	\$ 39,560.47	In Progress	\$ 600,000			\$ 2,500,000		\$ 3,100,000
VCWD Projected Capital Improvement Totals	\$ 1,855,162	\$ 1,611,357.02		\$ 2,352,490	\$ 2,571,213	\$ 2,937,326	\$ 4,881,751	\$ 3,029,150	\$ 12,742,780



**VALLEY COUNTY WATER DISTRICT
2016-2021 CAPITAL IMPROVEMENT BUDGET
5-Year Forecast**

BPOU Project Title / Description:	FY 2015-16			FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-2020	FY 2020-21	TOTALS
	Budgeted	Actual	Status	Budgeted Projections					
Treatment Facility Improvements (Funded under BPOU Project Agreement)									
Nitrate by-pass pipeline	\$ 775,182								\$ -
Ultra Violet (UV) wet well blending capabilities	\$ 23,083								\$ -
New well (SA1-4)	\$ 203,375			\$ 2,300,000					\$ 2,300,000
BPOU Projected Capital Improvement Totals	\$ 1,001,640	\$ -		\$ 2,300,000	\$ -	\$ -	\$ -	\$ -	\$ 2,300,000

VALLEY COUNTY WATER DISTRICT
2016/2017 DRAFT GENERAL OPERATING BUDGET

BUDGET SUMMARY (1.5% COLA)	FISCAL YEAR 2015-2016					BUDGET YEAR 2016-2017	
	ADOPTED BUDGET	YTD (06/16 - 83%)	PROJECTED (07/16-08/16)	PROJECTED YEAR END	% TO BUDGET	PROPOSED BUDGET	% OF CHANGE TO ADOPTED BUDGET
REVENUE							
Water Sales & Service	6,642,223	4,596,913.83	1,581,661.11	6,178,574.94	93%	7,045,172	6%
Non-Operating Revenue	430,868	513,360.79	24,978.25	538,339.04	125%	474,203	10%
Total Revenue	7,073,091	5,110,274.62	1,606,639.36	6,716,913.98	95%	7,519,375	6%
EXPENSE							
Salaries	1,591,126	1,171,469.92	268,923.88	1,440,393.80	91%	1,651,896	4%
Benefits	1,254,254	820,153.87	363,211.64	1,183,365.51	94%	1,332,445	6%
Energy	671,437	383,032.77	197,970.11	581,002.88	87%	665,411	-1%
System Maintenance	2,329,102	1,885,497.50	446,207.70	2,331,705.20	100%	2,676,763	15%
Service & Supply	864,064	543,400.14	161,907.47	705,307.61	82%	1,053,532	22%
Total Expense	6,709,983	4,803,554.20	1,438,220.80	6,241,775.00	93%	7,380,047	10%
NET ASSETS FROM OPERATIONS	363,108	306,720.42	168,418.56	475,138.98	131%	139,328	-62%
REVENUE - CAPITAL IMPROVEMENT FUNDING							
Capital Improvement Charge	969,266	739,071.65	234,776.01	973,847.66	100%	1,140,761	18%
Water System Access Fee	5,000	77,291.94	-	77,291.94	1546%	10,000	100%
Total Revenue - Capital Improvement Funding	974,266	816,363.59	234,776.01	1,051,139.60	108%	1,150,761	18%
AVAILABLE FOR CAPITAL IMPROVEMENTS	1,337,374	1,123,084.01	403,194.57	1,526,278.58	114%	1,290,089	-4%

**VALLEY COUNTY WATER DISTRICT
2016/2017 DRAFT GENERAL OPERATING BUDGET**

BUDGET SUMMARY (1.5% COLA)	FISCAL YEAR 2015-2016					BUDGET YEAR 2016-2017	
	ADOPTED BUDGET	YTD (06/16 - 83%)	PROJECTED (07/16-08/16)	PROJECTED YEAR END	% TO BUDGET	PROPOSED BUDGET	% OF CHANGE TO ADOPTED BUDGET
<u>WATER SALES AND SERVICE</u>							
411-0100 Miscellaneous Water Revenue	9,417	6,916.50	1,133.26	8,049.76	85%	8,300	-12%
411-0200 Water Conservation Fee	600	700.00	25.00	725.00	0%	600	0%
413-0100 Water - Consumption Charge	3,042,822	1,923,558.85	784,726.33	2,708,285.18	89%	3,083,864	1%
413-0110 Water - Ready to Serve Charge	2,910,062	2,309,128.71	651,469.60	2,960,598.31	102%	3,278,405	13%
413-0130 Construction Meter Use Charge	43,129	48,408.10	13,063.44	61,471.54	143%	50,816	18%
423-0200 Delinquent Account -Second Notice Fee	44,016	36,064.00	7,292.00	43,356.00	99%	43,272	-2%
423-0210 Delinquent Account - Final Notice Fee	59,940	47,655.00	9,855.00	57,510.00	96%	57,240	-5%
423-0220 Delinquent Account - Turn Off/On Fee	14,700	11,625.00	2,975.00	14,600.00	99%	14,100	-4%
423-0240 Returned Check Fee	1,920	1,280.00	360.00	1,640.00	85%	1,440	-25%
423-0250 Cut Lock Fees	360	120.00	-	120.00	33%	120	-67%
423-0260 Meter Tampering Fees	-	40.41	-	40.41	0%	-	0%
423-0270 Unauthorized Usage Fee	900	300.00	-	300.00	33%	300	-67%
423-0300 Utility Account Set-Up Fee	43,680	50,375.00	10,075.00	60,450.00	138%	50,700	16%
423-0310 Account History Request Fee	360	530.00	100.00	630.00	175%	480	33%
423-0320 Meter Test Fee	-	-	-	-	0%	-	0%
423-0330 Uncollectible Account Recovery	454	324.89	114.67	439.56	97%	390	-14%
434-0400 Backflow Monitoring Fee	8,535	7,017.15	1,320.00	8,337.15	98%	8,760	3%
434-0410 Fire Flow Test Fee	5,400	5,550.00	600.00	6,150.00	114%	5,400	0%
444-0510 Maine Street GAC Administration Recovery	1,436	3,047.97	657.72	3,705.69	258%	3,455	141%
444-0515 Maine Street GAC Reimbursements	231,943	119,824.25	7,028.14	126,852.39	55%	228,988	-1%
444-0520 CO Nixon GAC Administration Recovery	2,403	2,220.53	607.20	2,827.73	118%	3,285	37%
444-0525 CO Nixon GAC Reimbursements	220,146	22,227.47	90,258.75	112,486.22	51%	205,257	-7%
<i>Total Water Sales and Service Revenue</i>	6,642,223	4,596,913.83	1,581,661.11	6,178,574.94	93%	7,045,172	6%
<u>NON-OPERATING REVENUE</u>							
451-0600 Interest Revenue	30,055	41,654.43	11,145.60	52,800.03	176%	60,352	101%
451-0610 Unrealized Gain/Loss on Investment	-	(1,255.37)	2,000.00	744.63	0%	-	0%
451-0700 LA County Property Tax	287,477	275,537.35	7,846.52	283,383.87	99%	283,488	-1%
451-0800 Redevelopment Property Tax	65,038	96,147.64	-	96,147.64	148%	88,620	36%
451-0900 Miscellaneous Revenue	48,298	101,276.74	3,986.13	105,262.87	218%	41,743	-14%
451-0910 Gain on Sale of Assets	-	-	-	-	0%	-	0%
<i>Total Non-Operating Revenue</i>	430,868	513,360.79	24,978.25	538,339.04	125%	474,203	10%
TOTAL REVENUE	\$ 7,073,091	\$ 5,110,274.62	\$ 1,606,639.36	\$ 6,716,913.98	95%	\$ 7,519,375	6%

**VALLEY COUNTY WATER DISTRICT
2016/2017 DRAFT GENERAL OPERATING BUDGET**

BUDGET SUMMARY (1.5% COLA)	FISCAL YEAR 2015-2016					BUDGET YEAR 2016-2017	
	ADOPTED BUDGET	YTD (06/16 - 83%)	PROJECTED (07/16-08/16)	PROJECTED YEAR END	% TO BUDGET	PROPOSED BUDGET	% OF CHANGE TO ADOPTED BUDGET
<u>EMPLOYEE SALARY EXPENSE</u>							
511-1000 Certification Differential	16,800	13,100.00	2,600.00	15,700.00	93%	18,000	7%
511-1020 Labor-Community Relations	7,185	1,225.52	129.30	1,354.82	19%	5,062	-30%
511-1030 Labor-Management & Administration	346,825	269,588.73	72,857.26	342,445.99	99%	382,118	10%
511-1060 Labor-Continuing Ed & Training	5,076	4,628.06	-	4,628.06	91%	5,637	11%
512-1030 Labor - General Manager Contract	138,000	75,820.98	3,876.92	79,697.90	58%	146,160	6%
513-1070 Labor-Customer Service	74,126	58,963.84	13,731.43	72,695.27	98%	75,273	2%
513-1075 Labor-Meter Readers	104,922	69,854.78	19,410.83	89,265.61	85%	107,652	3%
513-1080 Labor-Accounting Services	205,294	156,249.23	39,510.18	195,759.41	95%	211,662	3%
514-1010 Labor-Production & Pumping Maintenance	144,508	111,048.08	22,025.36	133,073.44	92%	142,955	-1%
514-1015 Labor-Maine Street GAC	3,891	2,540.63	462.84	3,003.47	77%	3,949	1%
514-1016 Labor-Clinton O. Nixon GAC	3,891	2,263.53	853.26	3,116.79	80%	3,949	1%
514-1020 Labor-Distribution & Service Maintenance	349,917	271,761.73	63,371.43	335,133.16	96%	356,790	2%
514-1021 Standby-Distribution System	29,701	25,169.34	7,026.95	32,196.29	108%	30,893	4%
514-1030 Labor-Water Quality & System Sampling	52,142	37,424.19	10,238.84	47,663.03	91%	52,922	1%
514-1031 Labor-Cross Connection	2,335	2,955.64	261.89	3,217.53	138%	2,370	1%
514-1040 Labor - Utility Vehicles & Fleet Maintenance	2,077	1,660.85	413.46	2,074.31	100%	2,059	-1%
514-1050 Labor - Operations Safety	1,818	-	-	-	0%	1,827	0%
Total Employee Salary Expense	1,488,508	1,104,255.13	256,769.95	1,361,025.08	91%	1,549,278	4%
<u>DIRECTOR STIPEND EXPENSE</u>							
516-1030 Director Stipend	102,618	67,214.79	12,153.93	79,368.72	77%	102,618	0%
Total Director Stipend Expense	102,618	67,214.79	12,153.93	79,368.72	77%	102,618	0%
TOTAL EXPENSE - SALARIES	\$ 1,591,126	\$ 1,171,469.92	\$ 268,923.88	\$ 1,440,393.80	91%	\$ 1,651,896	4%

VALLEY COUNTY WATER DISTRICT
2016/2017 DRAFT GENERAL OPERATING BUDGET

BUDGET SUMMARY (1.5% COLA)	FISCAL YEAR 2015-2016					BUDGET YEAR 2016-2017	
	ADOPTED BUDGET	YTD (06/16 - 83%)	PROJECTED (07/16-08/16)	PROJECTED YEAR END	% TO BUDGET	PROPOSED BUDGET	% OF CHANGE TO ADOPTED BUDGET
<u>GROUP INSURANCE EXPENSE</u>							
521-1100 Employee Health Insurance Premium	310,800	244,714.72	48,966.12	293,680.84	94%	345,410	11%
521-1110 Employee Dental Insurance Premium	22,174	17,644.27	3,427.76	21,072.03	95%	21,154	-5%
521-1120 Employee Self-Insured Dental Reimbursements	11,300	9,348.15	(2,221.30)	7,126.85	63%	8,487	-25%
521-1130 Employee Vision Insurance Premium	5,350	4,349.62	814.10	5,163.72	97%	5,094	-5%
521-1140 Employee Disability Insurance Premium	14,174	9,027.74	2,474.72	11,502.46	81%	14,813	5%
521-1150 Employee Life Insurance Premium	2,431	2,001.04	394.80	2,395.84	99%	2,474	2%
521-1160 Employee Employee Assistance Program	582	449.82	88.56	538.38	93%	525	-10%
521-1170 Retiree Benefit Premiums	126,338	102,229.39	18,991.34	121,220.73	96%	144,713	15%
526-1100 Director Health Insurance Premium	42,694	35,493.41	7,178.56	42,671.97	100%	47,570	11%
526-1110 Director Dental Insurance Premium	3,868	3,082.53	272.78	3,355.31	87%	2,876	-26%
526-1120 Director Self-Insured Dental Reimbursements	1,580	-	3,210.00	3,210.00	203%	3,960	151%
526-1130 Director Vision Insurance Premium	1,396	1,163.00	139.56	1,302.56	93%	1,396	0%
526-1150 Director Life Insurance Premium	333	285.68	32.40	318.08	96%	348	5%
526-1160 Director Employee Assistance Program	152	120.20	15.18	135.38	89%	144	-5%
Total Group Insurance Expense	543,172	429,909.57	83,784.58	513,694.15	95%	598,964	10%
<u>RETIREMENT PLAN EXPENSE</u>							
521-1200 CalPERS Retirement Contributions	392,390	289,137.66	68,167.54	357,305.20	91%	396,755	1%
521-1210 Employee FICA Contributions	90,354	69,880.69	15,191.36	85,072.05	94%	92,744	3%
521-1220 Employee Medicare Contributions	21,536	16,683.73	3,552.82	20,236.55	94%	22,187	3%
521-1230 OPEB Contributions	189,932	-	189,932.00	189,932.00	100%	200,000	5%
526-1210 Director FICA Contributions	6,362	3,668.94	753.54	4,422.48	70%	6,362	0%
526-1220 Director Medicare Contributions	1,488	858.08	176.23	1,034.31	70%	1,488	0%
Total Retirement Plan Expense	702,062	380,229.10	277,773.50	658,002.60	94%	719,536	2%
<u>OTHER BENEFIT EXPENSE</u>							
521-1300 Uniforms	7,420	8,805.48	858.49	9,663.97	130%	11,445	54%
521-1310 General Benefit Fund	1,600	1,209.72	-	1,209.72	76%	2,500	56%
Total Other Benefit Expense	9,020	10,015.20	858.49	10,873.69	121%	13,945	55%
TOTAL EXPENSE - BENEFITS	\$ 1,254,254	\$ 820,153.87	\$ 362,416.58	\$ 1,182,570.45	94%	\$ 1,332,445	6%

2016/2017 Capital Improvement and General Operating Budget
Approved by the Board of Directors
Monday, September 26, 2016

VALLEY COUNTY WATER DISTRICT
2016/2017 DRAFT GENERAL OPERATING BUDGET

BUDGET SUMMARY (1.5% COLA)	FISCAL YEAR 2015-2016					BUDGET YEAR 2016-2017	
	ADOPTED BUDGET	YTD (06/16 - 83%)	PROJECTED (07/16-08/16)	PROJECTED YEAR END	% TO BUDGET	PROPOSED BUDGET	% OF CHANGE TO ADOPTED BUDGET
<u>PUMPING ENERGY EXPENSE</u>							
534-1500 Pumping-Electric	649,689	368,363.67	191,540.15	559,903.82	86%	644,160	-1%
534-1510 Pumping-Gas	231	140.31	48.10	188.41	82%	226	-2%
<i>Total Pumping Energy Expense</i>	649,920	368,503.98	191,588.25	560,092.23	86%	644,386	-1%
<u>UTILITIES ENERGY EXPENSE</u>							
533-1400 Utilities-Administration Office	13,031	8,672.40	3,806.26	12,478.66	96%	12,406	-5%
534-1420 Utilities-Plants	823	683.55	297.95	981.50	119%	976	19%
534-1430 Utilities-Operations Office	7,663	5,172.84	2,277.65	7,450.49	97%	7,643	0%
<i>Total Utilities Energy Expense</i>	21,517	14,528.79	6,381.86	20,910.65	97%	21,025	-2%
TOTAL EXPENSE - ENERGY	\$ 671,437	\$ 383,032.77	\$ 197,970.11	\$ 581,002.88	87%	\$ 665,411	-1%

VALLEY COUNTY WATER DISTRICT
2016/2017 DRAFT GENERAL OPERATING BUDGET

BUDGET SUMMARY (1.5% COLA)	FISCAL YEAR 2015-2016					BUDGET YEAR 2016-2017	
	ADOPTED BUDGET	YTD (06/16 - 83%)	PROJECTED (07/16-08/16)	PROJECTED YEAR END	% TO BUDGET	PROPOSED BUDGET	% OF CHANGE TO ADOPTED BUDGET
<u>FACILITY MAINTENANCE EXPENSE</u>							
544-1600 Production & Pumping Maintenance	55,920	21,968.09	19,889.51	41,857.60	75%	56,858	2%
544-1610 Security	1,500	529.61	162.17	691.78	46%	1,000	-33%
544-1700 Distribution & Service Maintenance	129,179	119,928.47	20,253.45	140,181.92	109%	151,466	17%
544-1710 Paving & Concrete Maintenance	45,924	41,088.19	15,229.50	56,317.69	123%	53,818	17%
544-1715 Permits & Assessments	12,387	9,447.74	8,207.20	17,654.94	143%	13,857	12%
544-1720 Underground Service Alert	1,474	1,158.00	288.00	1,446.00	98%	1,390	-6%
544-1730 Inventory Adjustment	10,000	11.10	10,000.00	10,011.10	100%	10,000	0%
<i>Total Facility Maintenance Expense</i>	256,384	194,131.20	74,029.83	268,161.03	105%	288,389	12%
<u>WATER MAINTENANCE EXPENSE</u>							
544-1615 Maine St. GAC Treatment Facility	228,090	117,301.00	6,565.50	123,866.50	54%	225,097	-1%
544-1625 Clinton O. Nixon GAC Treatment Facility	216,293	17,037.84	92,347.21	109,385.05	51%	201,366	-7%
544-1830 Water Quality & System Sampling	34,457	25,079.85	7,793.62	32,873.47	95%	33,270	-3%
544-1831 Cross Connection	353	256.70	-	256.70	73%	308	-13%
544-1840 District Newsletter and CCR	16,000	9,645.62	4,464.33	14,109.95	88%	16,000	0%
544-1900 MWD Connection Fee	1,110	824.15	272.49	1,096.64	99%	1,092	-2%
544-1910 MWD Purchased Water	-	-	-	-	0%	-	0%
544-1911 Covina Irrigating Purchased Water	-	50,277.15	-	50,277.15	0%	-	0%
544-2000 Watermaster Admin & In-Lieu Assessment	182,700	124,396.05	34,553.25	158,949.30	87%	171,250	-6%
544-2010 Watermaster Replacement Water Assessment	1,144,564	1,144,100.00	-	1,144,100.00	100%	100,000	-91%
544-2015 Watermaster Resource Development Assessment	146,160	99,516.84	27,642.60	127,159.44	87%	137,000	-6%
544-2020 Leased Water Rights	43,400	43,341.00	198,538.87	241,879.87	557%	43,400	0%
544-2030 Cyclic Storage (In Excess of Replacement Water)	-	-	-	-	0%	1,400,000	100%
544-2040 WQA Assessment	59,591	59,590.10	-	59,590.10	100%	59,591	0%
<i>Total Water Maintenance Expense</i>	2,072,718	1,691,366	372,178	2,063,544	100%	2,388,374	15%
TOTAL EXPENSE - SYSTEM MAINTENANCE	\$ 2,329,102	\$ 1,885,497.50	\$ 446,207.70	\$ 2,331,705.20	100%	\$ 2,676,763	15%

**VALLEY COUNTY WATER DISTRICT
2016/2017 DRAFT GENERAL OPERATING BUDGET**

BUDGET SUMMARY (1.5% COLA)	FISCAL YEAR 2015-2016					BUDGET YEAR 2016-2017	
	ADOPTED BUDGET	YTD (06/16 - 83%)	PROJECTED (07/16-08/16)	PROJECTED YEAR END	% TO BUDGET	PROPOSED BUDGET	% OF CHANGE TO ADOPTED BUDGET
ADMINISTRATION & GENERAL EXPENSE							
551-2200 Engineering	10,986	16,945.73	4,875.00	21,820.73	199%	25,000	128%
551-2220 Consultant Contracts	-	17,185.00	22,800.00	39,985.00	0%	125,000	213%
551-2300 Liability & Property Insurance	65,611	48,926.95	10,917.58	59,844.53	91%	68,145	4%
551-2310 Workers Compensation Insurance	26,255	15,886.66	11,377.00	27,263.66	104%	27,264	4%
551-2400 Community Relations	35,816	17,774.79	1,628.24	19,403.03	54%	40,000	12%
551-2410 Water Conservation Programs	-	-	-	-	0%	45,000	100%
551-2500 Community Notifications	5,800	462.64	581.76	1,044.40	18%	30,000	417%
551-2600 Computer Hardware Maintenance	34,800	26,100.00	5,800.00	31,900.00	92%	40,000	15%
551-2601 Computer Software Maintenance	30,697	22,390.26	10,065.35	32,455.61	106%	40,000	30%
551-2610 Computer Equipment Purchase	3,444	2,632.44	177.55	2,809.99	82%	25,000	626%
551-2660 General Postage	3,069	2,726.72	480.50	3,207.22	105%	3,272	7%
551-2830 Personnel & Administration	6,352	3,488.71	2,399.92	5,888.63	93%	5,486	-14%
551-2840 District Memberships & Dues	22,734	20,697.42	-	20,697.42	91%	21,692	-5%
551-2850 Property Tax Administration Fee	3,064	2,826.18	-	2,826.18	92%	3,391	11%
551-2860 Bank Account Fees	8,981	5,548.78	1,660.18	7,208.96	80%	7,300	-19%
552-2210 Legal	64,669	43,952.80	19,121.48	63,074.28	98%	63,205	-2%
552-2211 Litigation	180,180	49,911.96	14,036.41	63,948.37	35%	100,000	-44%
552-2230 Auditing Fee	16,800	14,020.00	-	14,020.00	83%	16,800	0%
552-2500 Continuing Education & Training	8,628	3,109.10	3,281.50	6,390.60	74%	10,000	16%
552-2520 General Manager Travel & Meetings	3,844	575.52	-	575.52	15%	5,000	30%
552-2530 Administration Travel & Meetings	2,094	345.00	135.00	480.00	23%	2,500	19%
552-2620 Administration Office Equipment	3,356	376.02	788.33	1,164.35	35%	4,500	34%
552-2621 Administration Equipment Repair	4,334	3,272.84	65.53	3,338.37	77%	4,427	2%
552-2630 Administration Communications	12,977	11,528.16	1,893.82	13,421.98	103%	15,000	16%
552-2640 Administration Office Supplies	15,543	12,329.99	1,846.94	14,176.93	91%	14,796	-5%
552-2650 Administration Office Maintenance	19,601	11,486.34	4,592.62	16,078.96	82%	20,341	4%
553-2100 Utility Billing Printing	24,021	17,531.16	5,543.06	23,074.22	96%	22,749	-5%
553-2110 Utility Billing Postage	42,703	31,166.50	9,854.36	41,020.86	96%	40,446	-5%
553-2115 Electronic & Online Billing Service Fees	52,543	39,854.30	10,215.24	50,069.54	95%	58,134	11%
553-2120 Cash Drawers Over & Short	100	42.96	(9.78)	33.18	33%	100	0%
553-2130 Uncollectible Account Write-Offs	7,778	6,706.32	671.33	7,377.65	95%	8,048	3%
556-2690 Election Expense	5,000	78.91	-	78.91	0%	-	0%
Total Administration & General Expense	721,780	449,880.16	144,798.92	594,679.08	82%	892,596	24%

**VALLEY COUNTY WATER DISTRICT
2016/2017 DRAFT GENERAL OPERATING BUDGET**

EXPENSE - SERVICE & SUPPLY	FISCAL YEAR 2015-2016					BUDGET YEAR 2016-2017	
	ADOPTED BUDGET	YTD (06/16 - 83%)	PROJECTED (07/16-08/16)	PROJECTED YEAR END	% TO BUDGET	PROPOSED BUDGET	% OF CHANGE TO ADOPTED BUDGET
<u>OPERATIONS OFFICE & EQUIPMENT EXPENSE</u>							
554-1910 Operations Safety	6,983	6,558.49	655.85	7,214.34	103%	8,732	25%
554-1920 Small Tools Purchase	1,371	924.98	-	924.98	67%	2,000	46%
554-1970 Expense for System Installation	(5,000)	-	-	-	0%	-	-100%
554-2240 Maps & Atlas	1,000	1,000.00	-	1,000.00	100%	1,000	0%
554-2250 Department of Public Health Fee	6,697	4,690.00	-	4,690.00	70%	6,697	0%
554-2510 Operator Certification Fees	1,000	560.00	90.00	650.00	65%	1,000	0%
554-2540 Operations Travel & Meetings	3,060	1,760.03	1,039.58	2,799.61	91%	3,500	14%
554-2620 Operations Equipment Purchase	2,000	1,036.27	-	1,036.27	52%	2,800	40%
554-2621 Operations Equipment Repairs	1,000	106.43	-	106.43	11%	1,000	0%
554-2630 Operations Communications	17,481	17,359.47	3,720.54	21,080.01	121%	29,395	68%
554-2640 Operations Office Supplies	5,472	5,169.23	1,039.58	6,208.81	113%	6,856	25%
554-2650 Operations Office Maintenance	6,780	7,464.44	1,136.00	8,600.44	127%	6,780	0%
554-2710 Utility & Fleet Vehicle Maintenance	13,875	8,356.83	963.86	9,320.69	67%	15,000	8%
554-2720 Gasoline	30,181	17,179.75	5,056.83	22,236.58	74%	30,181	0%
554-2730 Heavy Machinery Maintenance	15,136	6,954.59	1,484.46	8,439.05	56%	12,000	-21%
554-2740 Diesel Fuel	6,865	1,219.04	508.51	1,727.55	25%	5,000	-27%
Total Operations Office & Equipment Expense	113,901	80,339.55	15,695.21	96,034.76	84%	131,941	16%
<u>DIRECTOR EXPENSE</u>							
556-2520 Director Travel & Meetings	25,000	11,122.66	210.00	11,332.66	45%	25,000	0%
556-2640 Director Office Supplies	1,807	1,045.60	169.06	1,214.66	67%	1,995	10%
556-2680 Director Board Meetings	1,576	1,012.17	1,034.28	2,046.45	130%	2,000	27%
Total Director Expense	28,383	13,180.43	1,413.34	14,593.77	51%	28,995	2%
TOTAL EXPENSE - SERVICE & SUPPLY	\$ 864,064	\$ 543,400.14	\$ 161,907.47	\$ 705,307.61	82%	\$ 1,053,532	22%