

# San Juan Water District Granite Bay, California



Final Budget

Fiscal Year 2013-2014

# San Juan Water District

**Fiscal Year 2013 – 2014 Wholesale Budget**

**Fiscal Year 2013 – 2014 Retail Budget**



Prepared by the Finance and Administrative Services Department  
Under Direction of the General Manager and Assistant General Manager

*All the water we have today is all the water we'll have on this earth.*

*--National Geographic*



## **Mission**

*Our mission, and highest priority to our customers, is to take all necessary actions to ensure the delivery of a reliable water supply of the highest quality at reasonable and equitable costs. As part of accomplishing our mission, we commit to working cooperatively with others on projects of mutual public benefit to achieve the greatest possible efficiency and effectiveness. We further commit to communicate what we are doing, and why we are doing it.*



**San Juan Water District**  
9935 Auburn-Folsom Road  
Granite Bay, California 95746  
(916) 791-0115  
[www.sjwd.org](http://www.sjwd.org)

**Elected Officials**

Kenneth H. Miller, President/Director  
Bob Walters, Vice President/Director  
Edward J. “Ted” Costa, Director  
Dave Peterson, Director  
Pamela Tobin, Director

**Appointed Officials**

Shauna Lorance, General Manager

**Management Team**

Keith B. Durkin, Assistant General Manager  
Mary A. Morris, Finance & Administrative Services Manager  
Rick Hydrick, Operations Manager  
William Sadler, Water Treatment Plant Superintendent  
Judy Johnson, Customer Services Manager  
George Machado, Field Services Manager  
Rob Watson, Engineering Services Manager

### Budget Schedule

#### Wholesale

Date	Activity
February 27, 2013	Budget assumptions presented to the Board of Directors Revenue Projections and Budget versus Actual reviewed with the Board of Directors
March 13, 2013	Draft Wholesale Budget reviewed with Finance Committee
April 9, 2013	COLA update to Finance Committee
April 10, 2013	COLA update and approval for inclusion in budget with Board of Directors Draft Wholesale Budget document provided to Board of Directors
May 15, 2013	Wholesale Budget and rates presented to Board of Directors/Public and Adoption Reserve fund designations/amounts provided to Board of Directors
July 10, 2013	Final FY 2013-2014 Budget Provided to Board

#### Retail

Date	Activity
February 27, 2013	Budget assumptions presented to the Board of Directors Revenue Projections and Budget versus Actual reviewed with the Board of Directors
March 13, 2013	Draft Retail Budget reviewed with Finance Committee
April 9, 2013	COLA update to Finance Committee
April 10, 2013	COLA update and approval for inclusion in budget with Board of Directors Draft Retail Budget document provided to Board of Directors
June 12, 2013	Retail Budget presented to Board of Directors/Public Reserve fund designations/amounts provided to Board of Directors Retail Budget Public Hearing
June 26, 2013	Consider Adoption of the Retail Budget and Rates
July 10, 2013	Final FY 2013-2014 Budget Provided to Board

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## Letter of Transmittal

Board of Directors  
San Juan Water District

Directors:

It is our pleasure to present to you the Fiscal Year 2013-2014 Budget for the San Juan Water District ("District") for both Wholesale and Retail, presented in separate sections. The budget format was updated substantially last year with additional improvements incorporated this year in the continuing effort to provide a user-friendly document that conveys the dedication as well as the accomplishments and goals of the District Board of Directors ("Board") and staff.

### **Budget Process**

The District's official budget process begins each year with a Manager's meeting to establish the overall District goals and provide a basic timeline. Any guidelines from the Board are discussed at this time to set the parameters. In February, the Finance & Administrative Services Manager provides the Division and Department Managers with their respective projected personnel budgets and the current fiscal years adopted budget compared to the projected actual expenses. The managers then prepare draft budgets and submit them within approximately three to four weeks for compilation.

The proposed budget is then reviewed by all Division and Department Managers to determine whether:

- ✓ District goals will be met within the budget;
- ✓ all necessary items have been included; and
- ✓ revenues will be sufficient to cover expenses.

A summary of the proposed budget is reviewed with the Finance Committee in March and/or April. The proposed budget is then discussed with the Board of Directors in April and the draft document is distributed to the Board. Generally, the Finance & Administrative Services Manager presents the wholesale budget/rates to the Board at the second meeting in April and the retail budget/rates at the second meeting in May. The District holds the public hearings for wholesale budget/rates at the second meeting in April and retail budget/rates at the second meeting in May. The anticipated dates of adoption for the wholesale budget/rates and retail budget/rates are the first meeting of May and June, respectively.

### **Budgetary Control and Budget Format**

District management uses the approved budget as the tool for ensuring adequacy of District resources in meeting District needs and assessing planned versus actual activities throughout the fiscal year. The General Manager controls the budget at the operating level.

The budget is prepared on an accrual basis (reporting revenues and expenses are earned and incurred, respectively) and is the same as reported in the Comprehensive Annual Financial Report. The program budget format is used versus a line item detail format to provide the most valuable information to the reader on all of the District's major areas of service (while detail is also included for reference):

- Wholesale
  - Operations
  - Non-Operating
  - Capital Improvement Program
  
- Retail
  - Operations
  - Non-Operating
  - Capital Improvement Program

Operations are further broken out by program area: Administrative & General, Conservation, Customer Service (Retail), Engineering, Pumping & Telemetry (Retail), Source of Supply, Transmission & Distribution and Water Treatment (Wholesale). The program area budget places the focus on overall District operations, leaving District management responsible for oversight of day-to-day operating expenses.

## **Budget Highlights**

The economic climate and water conservation focus will again present challenges to agencies throughout California, as well as the nation. Water agencies in particular are faced with maintaining and improving aging infrastructure at a time when declining revenues have been the result of the economy and conservation (both encouraged and due to weather). The District has remained proactive and shares the following budget highlights:

### Revenues

- ☒ **Property Taxes:** The District has prepared this budget based upon the assumption that the 1% property tax revenue will continue to be received by the District in accordance with Proposition 1A protecting local revenues.
- ☒ **Wholesale Water Rates:** The Wholesale Water Rates are included with a 3% rate increase effective January 1, 2014.  
*Note: This increase was recommended in the Wholesale Financial Plan Update and is subject to Board of Directors approval.*
- ☒ **Retail Water Rates:** The Retail Water Rates are included with a 2% rate increase effective January 1, 2014.  
*Note: This increase was recommended in the Retail Financial Plan Update and is subject to Board of Directors approval.*
- ☒ **Connection Fees:** With a lagging economy, development has remained low with connection revenues incorporated into the budget accordingly. There has been recent Retail connection activity and additional anticipated during the year. As these revenues are specifically for expansion related capital projects, timing of the projects

is continuously evaluated in order to pair the funding with the need and resulting project.

### Expenses

- ☒ **Operating Costs:** While operating costs are estimated as a part of long-term financial planning, budgets are prepared based upon a variety of current factors discussed under Budget Assumptions. At budget planning time, budget versus actual performance is incorporated to reflect cost savings or increases as appropriate. Expenses may be based on stable or dynamic activities which affect the budgetary need (e.g. regular versus temporary personnel, normal operations, new or limited-term programs, etc.).
- ☒ **Debt Service:** These costs remain relatively stable in accordance with current debt service schedules as no new debt is planned.
- ☒ **Capital Improvement Program:** Any savings on particular capital projects are generally maintained within the capital reserve for those projects that cost more than expected, unless the Board of Directors determines otherwise.

### **Strategic Goals and Priorities**

In accordance with the District's mission referenced at the beginning of this document, the Board of Directors holds an annual workshop to develop short and long-range strategic goals and priorities. This workshop is generally held in February or March over one or two days and is facilitated to assist the Board with this process. In advance of the workshop, individual Board members have an opportunity to discuss their priorities with the facilitator. The workshop held in January 2013 led to the following major goals and/or priorities (full summary is available on the District's website):

#### Water Supply Reliability

- Continue investigating strategic questions (dry year supplies, influence statewide solutions).
- Estimate minimum supply in all months, desired supply in all months and then assess what flexibility there is to participate in other opportunities.
- Assess how well Term 14 will provide assurances for water rights and entitlements.
- Clarify WSR objectives and develop policy guidelines regarding participation in other opportunities (e.g., shipping water south, cooperating with agencies outside the region).

#### State and Federal Activities

- Prioritize State, Federal and Community Actions.

#### Groundwater Contamination

- Following review of contracts, decide whether to develop an aquifer storage and recovery policy and program.

#### Water Management and Shortage Supply

- Continue analyzing consolidation for water management.

## **Financial Policies and Funds**

The District maintains long-term financial plans to evaluate the impact of operating factors and performance on water rates and reserves. These plans are continually reviewed and updated to ensure they provide reliable data. These plans are prepared using current budgetary and year-end actual information as available. Balanced budgets are prepared where revenues exceed expenses in order to provide for debt service, capital project and reserve funding, unless otherwise determined by the Board (i.e. special purpose or project).

The District operates a single enterprise fund, which is segregated into non-operating activities, wholesale operations and retail operations which is reported as such in the Budget and Comprehensive Annual Financial Report. This fund is further segregated as designated by District Ordinance and Board of Directors beginning on page 11.

### Investment Policy and Investments

The District's current Investment Policy was developed and approved in accordance with California Government Code Section 53600. This Policy is reviewed annually by staff with amendments last approved by the Board in December 2008. In March 2007, the District was awarded the Investment Policy Certification by the Association of Public Treasurers of United States & Canada. This award demonstrates to the Board and the public that the District has developed a thorough policy that complies with applicable statutes. It is recommended that the District re-certify the policy every three years.

Authority for the investment program has been delegated to the General Manager or his/her designee. The District is currently authorized to invest in the following instruments, as allowed under the Investment Policy (see the Investment Policy for specific restrictions):

- \$ United States Treasury Securities maturing in five years or less;
- \$ Agencies of the Federal Government;
- \$ Obligations of the State of California and any Local Agency within the state;
- \$ Banker's Acceptances;
- \$ Commercial Paper;
- \$ Certificates of Deposit;
- \$ State of California Local Agency Investment Fund;
- \$ Medium-term notes or Corporate issues maturing in five years or less;
- \$ Mutual funds; and
- \$ Interest bearing, FDIC-insured checking and savings accounts.

### Accounting System and Controls

The District utilizes project cost accounting in the Microsoft Dynamics SL Solomon Professional 6.5 financial information system to record financial transactions throughout the year. At the end of the fiscal year, June 30, the District prepares a Comprehensive Annual Financial Report ("CAFR") containing financial statements and other financial and operational information. An independent auditing firm audits this report, as well as District records and documentation, each year and reports its findings to the Board.

Awards

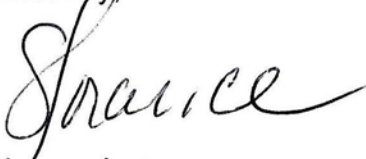
The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to San Juan Water District for its annual budget for the fiscal year beginning July 1, 2012. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

In addition, the District has been awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers' Association for the 2011-2012 CAFR which is the seventh consecutive year for recent awards.

We hope this budget provides useful information on the District's operations to readers. We would like to thank the District's Management Team for their diligence in preparing and managing their budgets. We would also like to thank the Board of Directors for their continued support of the important services that the District provides.

Sincerely,



Shauna Lorance  
General Manager



Keith B. Durkin  
Assistant General Manager



Mary A. Morris  
Finance & Administrative Services Manager



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**San Juan Water District  
California**

For the Fiscal Year Beginning

**July 1, 2012**

*Christopher P. Morill*

President

*Jeffrey R. Enos*

Executive Director



## Profile

The District initially began as the North Fork Ditch Company dating back to 1854 providing water to the area. The San Juan Water District as in existence today was formed as the result of petitions being presented to the Board of Supervisors of Sacramento and Placer Counties by Citrus Heights Water District, Fair Oaks Water District, Orange Vale Water Company and a group of homeowners in South Placer County. An election was then held within the boundaries of the sponsoring districts on February 10, 1954. At this election, voters approved the formation of the San Juan Water District by nearly a two-thirds majority and elected five Directors. The District is a community services district formed under Section 60000 et seq., Title 5, Division 3 of the California Government Code.

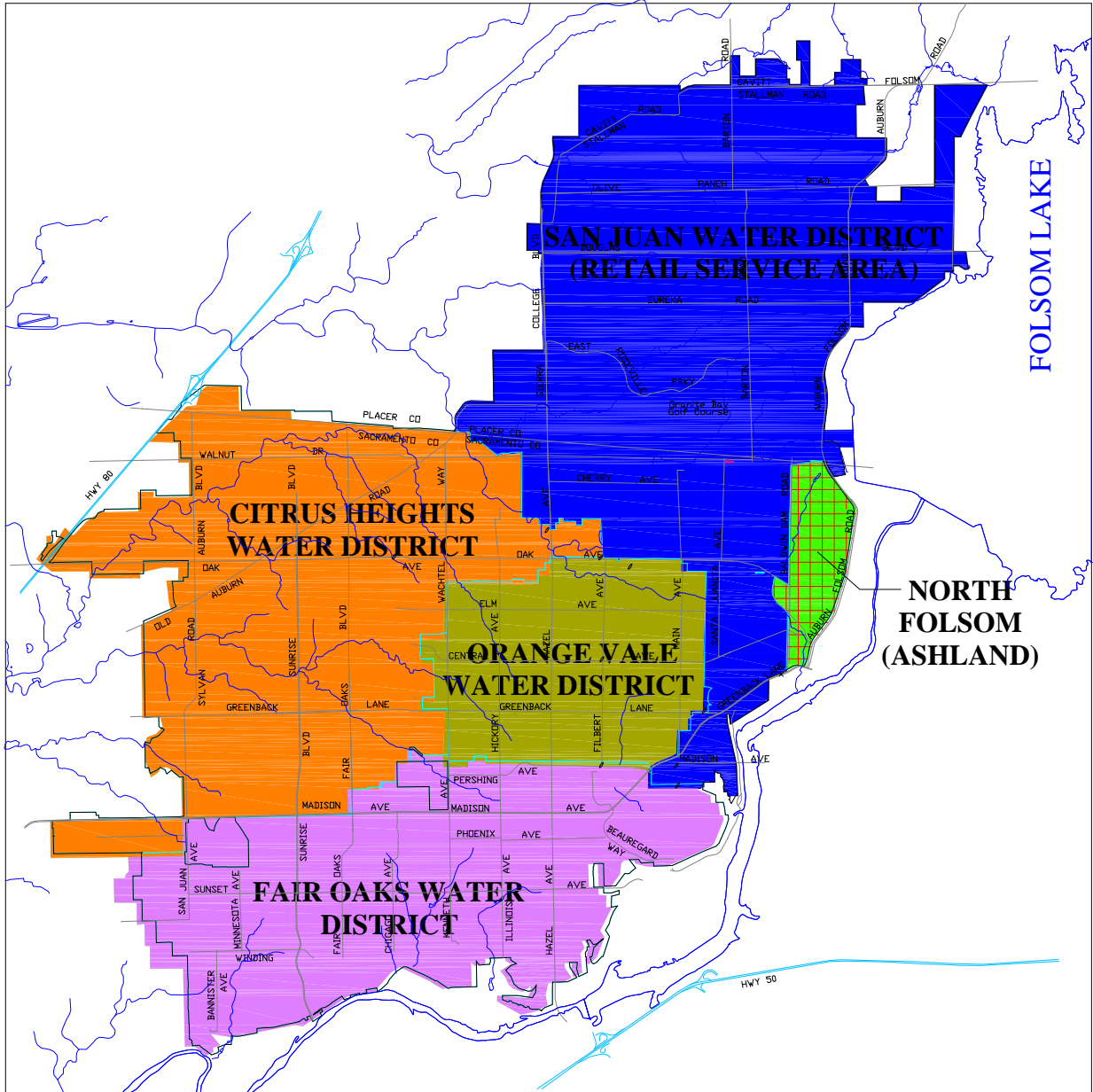
The District provides water on a wholesale and retail basis to an area of approximately 46 square miles for wholesale (which includes the retail area) and 17 square miles for retail in Sacramento and Placer Counties. The District's wholesale agency consists of delivering water to the retail agencies under negotiated contracts; operating a surface water treatment plant and storage, transmission facilities; and providing the administrative support related to those activities. The Retail agency consists of storage, pumping, transmission and distribution facilities (which deliver water to approximately 10,348 active retail service connections located in a portion of Northeast Sacramento County and the Granite Bay area of South Placer County) and providing the administrative, customer service, conservation and engineering support related to those activities.

The District's existing water supply consists of three separate raw water contracts. The first source of water is 33,000 acre-feet of pre-1914 water rights on the American River. The second source is a contract with the U.S. Bureau of Reclamation for 24,200 acre-feet of Central Valley Project water. The District completed the process of long-term water contract negotiations with the U. S. Bureau of Reclamation for Central Valley Project water resulting in a 40 year long-term contract. The third water source is a contract with Placer County Water Agency for 25,000 acre-feet of water. All sources of surface water are either stored or flow through Folsom Lake and delivery is taken at Folsom Dam outlets, either by gravity or pumped by the U. S. Bureau Folsom Pumping Plant. Total raw water delivery for the Fiscal Year 2010-2011 was 42,517 acre-feet and is anticipated to be 42,550 acre-feet for Fiscal Year 2011-2012, excluding pass through deliveries for Sacramento Suburban Water District.

The District's water treatment facilities, Sidney N. Peterson Water Treatment Plant, was constructed in three phases and completed between the years of 1975 to 1983. The facilities include two flocculation-sedimentation basins, two filter basins, operations building and storage reservoir. Major upgrades and improvements to the plant in 2005 and 2009-2011 added a solids handling facility and chlorine storage/handling facility to the plant. These two projects along with other capital projects increased efficiency and productivity to meet the required demands of customers and improved operations to help meet Federal and State regulatory requirements.

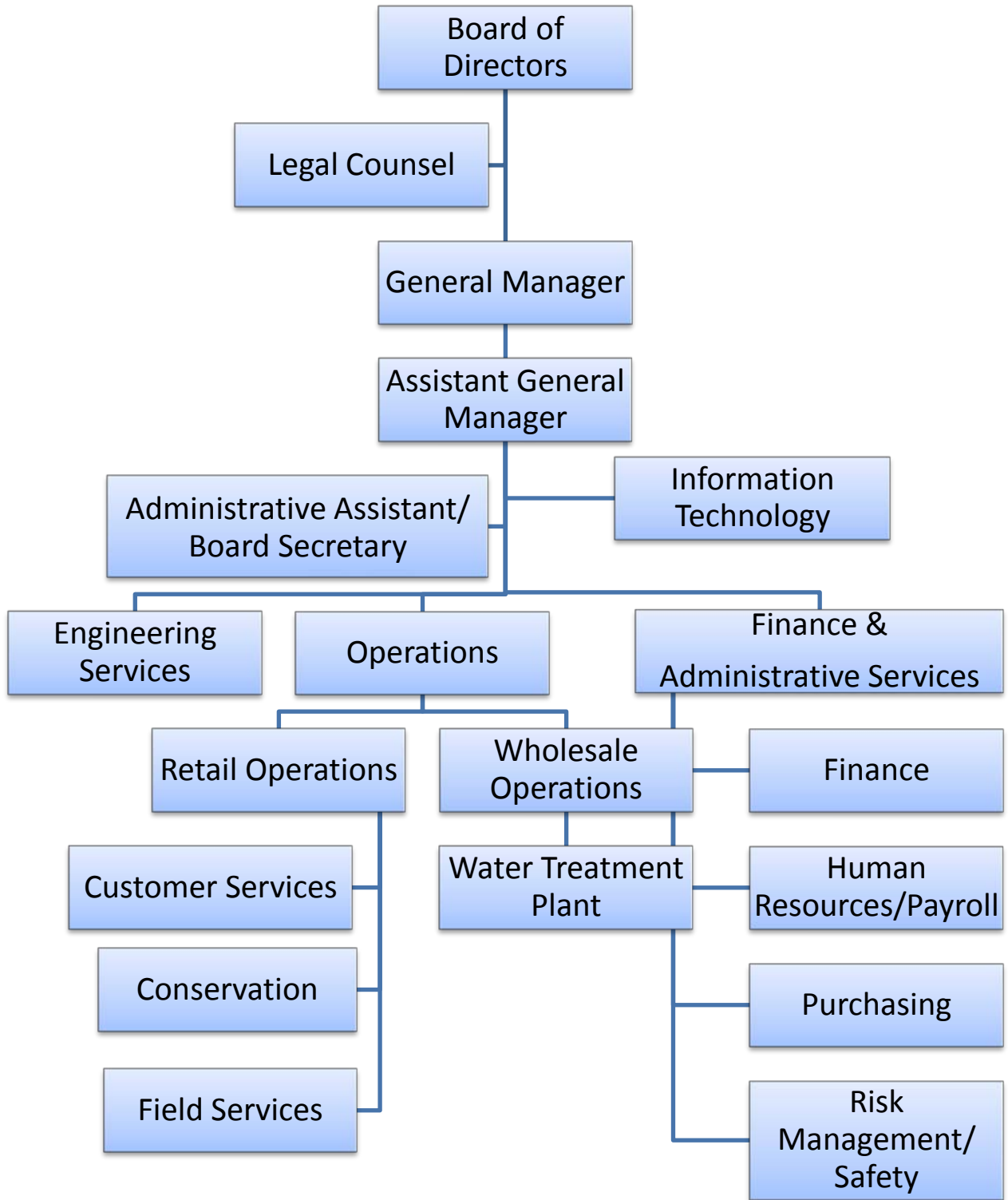
With a reliable capacity of approximately 130 million gallons per day, the plant receives delivery of raw water directly from Folsom Dam outlets. The raw water undergoes an extensive water treatment process to ensure the highest quality of water for all District customers. From the water treatment plant, the water flows into the 62 million gallon Hinkle Reservoir for storage and distribution. The District maintains approximately 214 miles of transmission and distribution pipelines, which transport the high quality treated water to wholesale and retail customers.

**Wholesale Service Area Map (including SJWD Retail Service Area)**

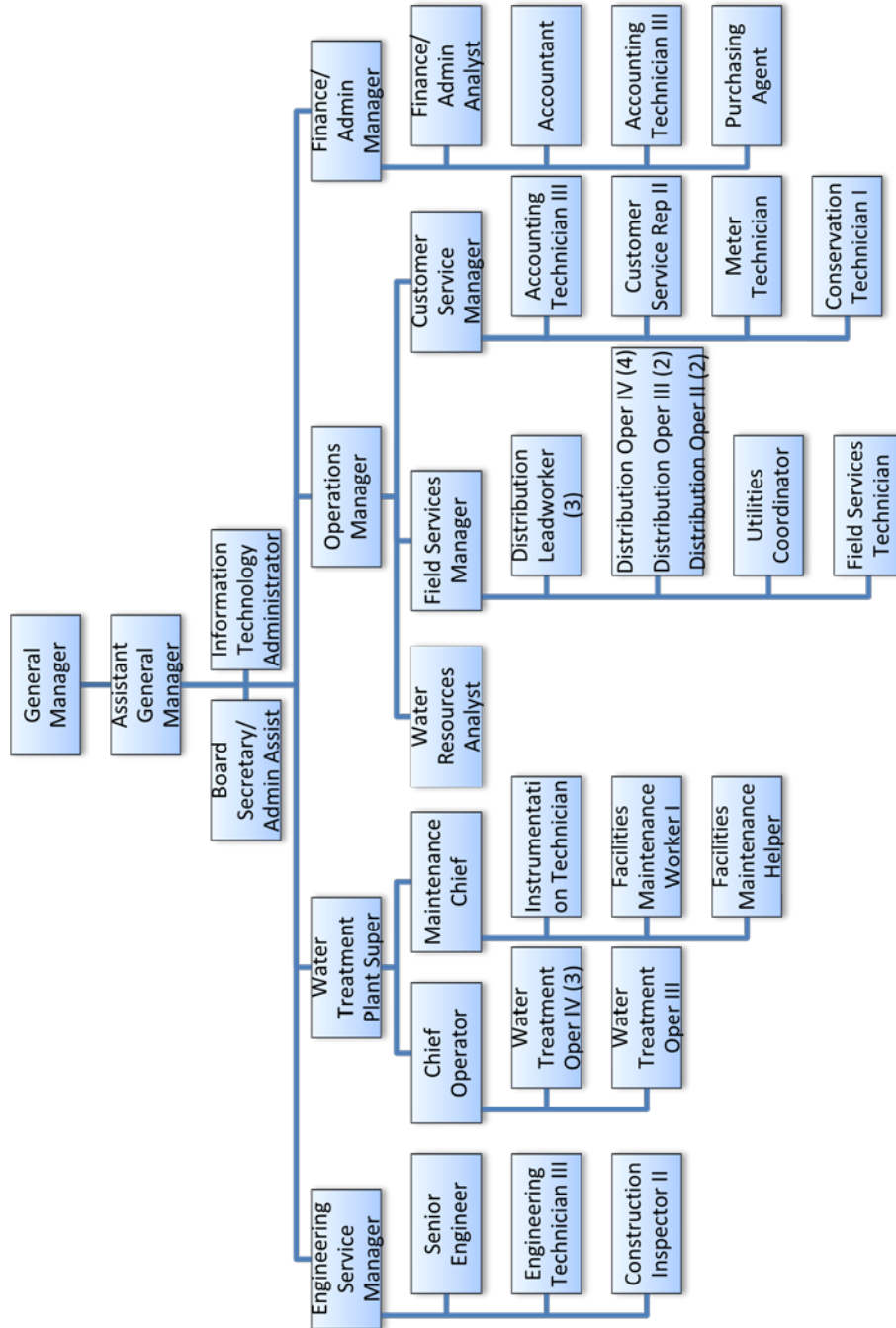




**Organization Chart by Functional Area**



Organization Chart by Position Title



## Budget Narrative Layout

### Wholesale

#### *Financial Policies*

- *Budget Assumptions*
- *District Reserves*
- *Debt Service*
- *Water Rate Study and Financial Plan*

#### *Operations*

- *Cost Savings Measures*
- *Activities*
- *Staffing*
- *Capital Program*

### Retail

#### *Financial Policies*

- *Budget Assumptions*
- *District Reserves*
- *Debt Service*
- *Water Rate Study and Financial Plan*

#### *Operations*

- *Cost Savings Measures*
- *Activities*
- *Staffing*
- *Capital Program*

## District-Wide Budget Information and Summaries

### Budget Assumptions

While both the Wholesale and Retail Water Rate Study and Financial Plans use a variety of policy and operational assumptions for purposes of determining rate structures and long-range financial plans, these are revisited at the time of budget development each fiscal year.

Many assumptions are relevant to both the District's Wholesale and Retail operations in the area of Salaries and Benefits which have been previously discussed and approved. These cannot be altered separately due to the fact that employees may be assigned to Wholesale operations, Retail operations or a combination to allow the most efficient use of District talent. The following budget assumptions are proposed:

#### WHOLESALE

##### Revenues

##### *Property Taxes*

Assessed values contain an inflation factor for each county combined with growth or decline factors and overall expect a moderate increase. Property tax revenues are utilized to fund the capital improvement programs.

##### *COP Payments for Direct Debt*

This will include those payments for direct debt related to the 2009 Certificates of Participation and 2012 Refunding Bonds.

##### *Interest on Investments*

The market remains low, but the District will seek investment opportunities in accordance with the *Investment Policy* as they arise. Income will be estimated at current market rates, currently approximately .5% and updated to reflect changes.

##### *Communication Site Leases*

Amounts for the four communication site lessees are escalated by 5% annually.

##### *SMUD California Oregon Transmission Project (COTP) Lease Payment*

The amount will be included per the schedule contained within the contract.

##### *Wholesale Customer Agencies Connections and Water Deliveries*

The deliveries included in the budget are those that have been confirmed by the Wholesale Customer Agencies. Revenue requirements as established and updated include the water use charges, annual service charge and debt service charge. The District did not implement a rate increase effective January 1, 2013. The proposed rate increase included in the updated Wholesale Financial Plan is 3% effective January 1, 2014. It is anticipated that Sacramento Suburban Water District will not receive treated water deliveries; therefore, no revenue is included.

##### *Cooperative Transmission Pipeline Cost Share*

Revenue is included as estimated based upon historical activity, absent other factors, in accordance with the agreement.

*California Solar Initiative (CSI) Rebate*

Anticipated rebate amount will be based upon solar project estimates and updated for current trending. This rebate will be received through Fiscal Year 2016. The Board directed staff to ensure that the CSI Rebate and energy cost savings are used to replace capital reserves and therefore will not be available for operating cost savings.

Expenses

*Cost of Water Supply*

Based upon the assumption of water deliveries to Wholesale Customer Agencies above, the cost of water supply will be estimated first using water rights water, then a combination of water under the PCWA and USBR contracts, as applicable, with no temporary water supply use necessary.

*Operations and Maintenance Costs*

Each cost category is examined individually and incorporated into the budget using a modified zero-based budgeting approach to determine resources needed for the coming budget year. Prior year budget amounts are not simply escalated using inflation factors. Where it is impractical to use this method, inflation factors will be applied as developed in the financial plan and updated to reflect current trends. Inflation factors range from 3% to 5% depending upon category, unless more precise information is known.

*Cost of Living Allowance ("COLA")*

COLA is included per Board policy and is currently estimated to be 3.1%.

Note: As determined by a majority vote of the Board of Directors on May 15, 2013, the COLA effective July 1, 2013 will be 2% indexed to the CPI for February 2013. After the February 2014 CPI is available if the change remains at 3.1%, employees will receive a 1% COLA one-time payment that would not increase base salary in future years.

*Facilities Costs*

Operations and maintenance costs for facilities will be allocated to the wholesale and retail operations based upon benefit received as they currently are.

RETAIL

Revenues

*Property Taxes*

Assessed values contain an inflation factor for each county combined with growth or decline factors and overall expect a moderate increase. Property tax revenues are utilized to fund the capital improvement programs.

*Connection Fees*

New connections will be estimated by Engineering staff and budgeted accordingly.

*Interest on Investments*

The market remains low, but the District will seek investment opportunities in accordance with the *Investment Policy* as they arise. Income will be estimated at current market rates, currently approximately .5% and updated to reflect changes.

*Retail Customer Base and Water Consumption*

The customer base and water consumption included in the budget will reflect anticipated water deliveries as included in the Wholesale budget which would include any water loss.

*Miscellaneous Fees*

Fire service, late fees/penalties, and flow/pressure analysis revenues will be estimated by appropriate staff.

*Grants*

Conservation program estimates for grant monies will be included.

Expenses

*Cost of Water Supply*

This cost comes directly from the Wholesale Water Rate Study/Financial Plan incorporating any adjustments for consumption and variation in water rates and will include water use charges, annual service charge and debt service charge.

*Operations and Maintenance Costs*

Each cost category is examined individually and incorporated into the budget using a modified zero-based budgeting approach to determine resources needed for the coming budget year. Prior year budget amounts are not simply escalated using inflation factors. Where it is impractical to use this method, inflation factors will be applied as developed in the financial plan and updated to reflect current trends. Inflation factors range from 3% to 5% depending upon category, unless more precise information is known.

*Cost of Living Allowance ("COLA")*

COLA is included per Board policy and is currently estimated to be 3.1%.

Note: As determined by a majority vote of the Board of Directors on May 15, 2013, the COLA effective July 1, 2013 will be 2% indexed to the CPI for February 2013. After the February 2014 CPI is available if the change remains at 3.1%, employees will receive a 1% COLA one-time payment that would not increase base salary in future years.

*Facilities Costs*

Operations and maintenance costs for facilities will be allocated to the wholesale and retail operations based upon benefit received as they currently are.

**Budget Summary**

Although the District maintains operations for both San Juan Water District Wholesale and San Juan Water District Retail, the District is established as one entity. As the District allocates employees and resources to Wholesale and Retail as required for operations, this document contains a variety of information as it relates to each separate operation and both combined. This is similar to reporting you might see for a water agency that provides both potable and wastewater operations with a single budget document that includes information on both segments.

The Budget Summary below shows both the breakdown for each operation and the total for the entire District.

**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

	Wholesale	Retail	Total
<b>Operating Budget</b>			
<u>Revenues:</u>			
Water Sales	\$ 7,055,233	\$ 8,495,990	\$ 15,551,223
Other	500,482	186,260	686,742
<b>Operating Revenues</b>	<b>\$7,555,715</b>	<b>\$8,682,250</b>	<b>\$16,237,965</b>
<u>Expenses:</u>			
Administrative & General	\$ 1,540,965	\$ 998,715	\$2,539,680
Conservation	284,554	512,387	796,941
Engineering	59,696	320,374	380,070
Pumping & Telemetry	0	642,503	642,503
Source of Supply	845,628	2,269,402	3,115,030
Transmission	133,382	1,625,925	1,759,307
Water Treatment	1,976,210	0	1,976,210
Customer Service	0	648,142	648,142
OPEB	168,000	168,000	336,000
<b>Operating Expenses</b>	<b>5,008,435</b>	<b>7,185,448</b>	<b>12,193,883</b>
<b>Net Income/(Loss)-Operations</b>	<b>\$ 2,547,280</b>	<b>\$ 1,496,802</b>	<b>\$ 4,044,082</b>
<u>Non-Operating</u>			
COP Payments (direct)	\$ 48,545	\$ -	\$ 48,545
Interest/Investment Income	50,000	50,000	100,000
Connection Revenue	21,276	1,015,402	1,036,678
Taxes & Assessments	850,000	850,000	1,700,000
Other	125,874	5,000	130,874
Debt Service-Interest Expense	(1,494,502)	(1,214,747)	(2,709,249)
Other Expense	(10,237)	(3,000)	(13,237)
<b>Net Non-Operating</b>	<b>(409,044)</b>	<b>702,655</b>	<b>293,611</b>
<b>Capital Contributions</b>	<b>135,000</b>	<b>0</b>	<b>135,000</b>
<b>Net Available Income</b>	<b>2,273,236</b>	<b>2,199,457</b>	<b>4,472,693</b>
<b>Debt Service Principal</b>	<b>(259,200)</b>	<b>(251,292)</b>	<b>(510,492)</b>
<b>Transfers from/(to) Reserves</b>	<b>(2,014,036)</b>	<b>(1,948,165)</b>	<b>(3,962,201)</b>
<b>Ending Available Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Capital Budget</b>	<b>\$ 1,157,500</b>	<b>\$ 9,264,018</b>	<b>\$ 10,421,518</b>
<b>Employees - FTEs</b>	<b>18</b>	<b>28</b>	<b>46</b>



## District Reserves

In accordance with the District's Ordinance related to "Allocated Fund Policy", certain funds will be established and/or maintained. In addition, the Board of Directors may establish funds.

### WHOLESALE

#### *Operating Reserve Fund*

##### Description

The Wholesale Operating Reserve was established with the development of the 1998 Wholesale Water Rate Study and Financial Plan. The Wholesale Operating Reserve Fund provides working capital for wholesale operations, as well as provide readily available funds for unexpected needs and accommodate modest variations in deliveries to wholesale customers. The 1998 financial plan gradually built the operating reserve over the five-year planning period, beginning in 1999.

##### Recommended Amount of Fund

The fund is recommended to include at least 20 percent of annual operating expenditures, including water supply costs.

##### Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The intent of the fund is to use for working capital for day to day paying of bills, etc. The use of the fund is within the authority of the Board of Directors.

#### *Rate Stabilization Reserve Fund*

##### Description

The Wholesale Rate Stabilization Reserve Fund was established with the development of the 1998 Wholesale Water Rate Study and Financial Plan. The rate Stabilization Reserve Fund is to help ensure financial and rate stability for wholesale customers. With the elimination of minimum charges for water usage the District's wholesale rate revenues will fluctuate with changes in wholesale deliveries. While the service charge is intended to recover the District's fixed costs, some costs included in the commodity rate will not change with changes in wholesale water purchases.

##### Recommended Amount of Fund

The Rate Stabilization Reserve Fund is recommended to be \$1 million.

##### Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The intent of the fund is to use for unexpected costs to reduce financial and rate variability for wholesale customers. The use of the fund is within the authority of the Board of Directors.

#### *Restricted COP Debt Service Reserve Fund*

##### Description

The Restricted COP Reserve Fund was established to accumulate funds held in reserve by Union Bank of California for the final principal and interest payment on the 1993, 2003 and 2009 Revenue Certificates of Participation.



The funds accumulated and held in reserve by Bank of America is for the semi-annual payments of principal and interest due in February and August, and debt service coverage paid by participating agencies.

Required Amount of Fund

The required amount for the Restricted COP Reserve Fund is determined based on the COPS currently outstanding, and is for the final payment of principle and interest due on the outstanding COPS. The amount for the semi-annual payments of principal and interest varies depending on time of year.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The use of funds is restricted to the purposes of the fund.

*Restricted Employee Reserve Fund*

Description

The Restricted Employee Reserve Fund was established to accumulate funds for employees' pre-tax monies to be held in trust by the District for Dependent Care and Unreimbursed Medical expenses. The funds are held in reserve to pay claims submitted by enrolled employees.

Required Amount of Fund

The amount held in reserve for Dependent Care and Unreimbursed Medical expenses depends on the election amounts by employees to contribute to their fund, and the status of paid claims.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The use of funds is restricted to the purposes of the fund.

*Restricted PERS Rate Stabilization Reserve Fund*

Description

The Restricted PERS Reserve Fund was established for PERS stabilization in order to level out the amount budgeted for PERS payments on an annual basis.

Required Amount of Fund

SJWD budgets for the normal cost of PERS retirement that is estimated by an actuarial evaluation as an average payment over an extended period of time. When the actual PERS costs are lower than the normal costs, the difference is placed in this fund. When the PERS costs are higher than the normal costs, the difference is withdrawn from this fund.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The use of funds is restricted to the purposes of the fund.

*Compensated Absence Reserve Fund*

Description

The Compensated Absence Reserve Fund was established to accumulate funds for

accrued employees vacation and sick leave time.

Required Amount of Fund

The amount held in reserve for accrued employees vacation and sick leave time is dependent on the dollar value of the accrued vacation and vested sick leave amounts.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The use of funds is restricted to the purposes of the fund.

*Delta/Water Rights Reserve Fund*

Description

The Delta/Water Rights Reserve Fund was established to cover Delta issues that affect the District's water rights with the ability to transfer the reserve fund to the Hinkle Reserve Fund if the funds are not needed for that purpose.

Recommended Amount of Fund

The Delta/Water Rights Reserve Fund recommended amount is determined by the Board of Directors and is currently funded at the rate of \$50,000 annually.

Restrictions on Use of Funds

The fund was created by a vote of the Board of Directors. The intent of the fund is to use for delta and water rights issues, but is within the authority of the Board of Directors.

*Capital Improvement Program Reserve Fund*

Description

The Wholesale Capital Improvement Reserve Fund was established with the development of the 1998 Wholesale Water Rate Study and Financial Plan. The Capital Improvement Reserve Fund represents funds available for capital replacements, rehabilitation, upgrades, and improvements. The reserve fund is funded through planned contributions as designated by the Board of Directors.

Recommended Amount of Fund

The Capital Improvement Reserve Fund recommended amount fluctuates based on capital improvements planned and completed. The recommended amount is listed in the current Wholesale Financial Plan.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The intent of the fund is to use for planned capital replacements, rehabilitation, upgrades and improvements. The use of the funds is not for future development. The use of the fund is intended for projects that benefit existing customers, but is within the authority of the Board of Directors.

*Connection Fee Reserve Fund*

Description

The Wholesale Connection Fee Reserve Fund was established with the development of the 1998 Wholesale Water Rate Study and Financial Plan. The Connection Fee

Reserve Fund represents funds available for capital replacements, rehabilitation, upgrades, and improvements that provide additional capacity for future development. The reserve fund is funded through connection fees paid by new connections to the District water distribution system.

Recommended Amount of Fund

The Connection Fee Reserve Fund recommended amount fluctuates based on capital improvements planned and completed. The recommended amount is listed in the current Wholesale Financial Plan.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. This fund must be used to fund projects for future development that provide additional capacity to handle future development. The Board has the authority to make the decision on which projects to fund as long as they benefit future customers.

*Hinkle Lining Sinking Reserve Fund*

Description

The Wholesale Hinkle Lining Sinking Reserve Fund was established in the 1980s. The Hinkle Lining Sinking Reserve Fund accumulates monies for the eventual replacement of the lining and cover for Hinkle Reservoir. The Wholesale Hinkle Lining Sinking Reserve Fund is shown as a reserve within the Wholesale Capital Fund.

Recommended Amount of Fund

There is not a recommended amount for this fund. \$50,000 is added to this fund at the end of each fiscal year.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The intent of the fund is to use for the future replacement of the lining and cover of the Hinkle Reservoir. The use of the fund is within the authority of the Board of Directors.

*Vehicle and Equipment Reserve Fund*

Description

The Wholesale Vehicle and Equipment Reserve Fund was established to accumulate sufficient funds to replace vehicles and equipment on an annual basis, and larger equipment on an as-need basis.

Recommended Amount of Fund

The recommended amount for the Vehicle and Equipment Reserve fund varies depending on the future planned replacements of vehicles and equipment.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The intent of the fund is to use for the future replacement of vehicles and equipment. The use of the vehicle and equipment reserve fund is within the authority of the Board of Directors.

**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

**FY 2013 - 2014 Budget**  
**Wholesale Reserves**

Estimated	Revenue	Capital Improvement Funds										Total
		Restricted- Debt Svc	Operating	PERS	Compensated Absence/ Section 125	Rate Stabilization	Delta/ Water Rights	Connections	General	Vehicle/ Equip	Hinkle	
<b>Working Capital 06/30/13</b>		<b>1,863,149</b>	<b>1,796,385</b>	<b>408,199</b>	<b>371,869</b>	<b>1,000,000</b>	<b>50,000</b>	<b>140,924</b>	<b>6,419,926</b>	<b>50,000</b>	<b>2,448,197</b>	<b>14,548,649</b>
Revenues Projected - Oper	7,055,233		7,055,233									7,055,233
Cost Sharing	115,482		115,482									115,482
Solar Rebate	385,000								385,000			385,000
Revenues Projected - Non-Op												
COP Payments	48,545		48,545									48,545
Interest/Investment Inc	50,000		7,719	1,754	1,598		215	606	27,588		10,520	50,000
Wholesale Connections	21,276							21,276				21,276
Taxes & Assessments	850,000								850,000			850,000
Lease/Rent & Exp Recovery	125,874		125,874									125,874
Capital Contributions	135,000								135,000			135,000
Revenue Allocation	8,786,410	0	7,352,853	1,754	1,598	0	215	21,882	1,397,588	0	10,520	8,786,410
Expense - Operating	(4,905,523)		(4,905,523)									(4,905,523)
Expense - Non-Operating												
Interest Expense	(1,494,502)		(1,494,502)									(1,494,502)
Consultg/Admin/Assessmt	(9,487)		(9,487)									(9,487)
Debt Service Principal	(259,200)		(259,200)									(259,200)
Expense Allocation	(6,668,712)	0	(6,668,712)	0	0	0	0	0	0	0	0	(6,668,712)
Net Allocation	2,117,698	0	684,141	1,754	1,598	0	215	21,882	1,397,588	0	10,520	2,117,698
Capital Projects									(1,157,500)			(1,157,500)
Solar Energy Savings									300,000			300,000
Adopted Allocations			(105,667)		5,667		50,000				50,000	0
<b>Working Capital 06/30/14</b>		<b>1,863,149</b>	<b>2,374,859</b>	<b>409,953</b>	<b>379,134</b>	<b>1,000,000</b>	<b>100,215</b>	<b>162,806</b>	<b>6,960,014</b>	<b>50,000</b>	<b>2,508,717</b>	<b>15,808,847</b>

**RETAIL**

*Operating Reserve Fund*

Description

The Retail Operating Reserve was established with the development of the 1998 Wholesale Water Rate Study and Financial Plan. The Retail Operating Reserve Fund provides working capital for retail operations, as well as provide readily available funds for unexpected needs and accommodate modest variations between expected and actual water demands. The 2000 retail financial plan gradually built the operating reserve over the five-year planning period, beginning in 2001.

Recommended Amount of Fund

The fund is recommended to include at least 20 percent of annual operating expenditures, including water supply costs.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The intent of the fund is to use for working capital for day to day paying of bills, etc. The use of the fund is within the authority of the Board of Directors.

*Restricted COP Reserve Fund*

Description

The Restricted COP Reserve Fund accumulates and holds in reserve monies for the semi-annual payments of principal and interest due in February and August.

Required Amount of Fund

The required amount for the Restricted COP Reserve Fund varies depending on time of year, and the status of the semi-annual payments.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The use of the funds is restricted to the purposes of the fund.

*Restricted EDA Loan Debt Reserve Fund*

Description

The Restricted EDA Loan Debt Reserve Fund was established to accumulate funds held in reserve for the annual payment of principal and interest on the E.D.A. Loan. Annual debt service payment is made in June.

Required Amount of Fund

The required amount for the Restricted EDA Loan Debt Reserve Fund varies depending on time of year, and the status of the annual payment.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The use of funds is restricted to the purposes of the fund.

*Developer/Customer Deposits Reserve Fund*

Description

The Retail Developer/Customer Deposits Reserve Fund was established to contain funds contributed as a deposit for work to be completed by the District.

Recommended Amount of Fund

The Retail Capital Facilities Fees Reserve Fund recommended amount fluctuates based on the actual amount of funds on deposit.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. This fund must be used for funds on deposit for developers or customers. When the project is completed, any remaining funds are returned to the developer or customer.

*Restricted Employee Reserve Fund*

Description

The Restricted Employee Reserve Fund was established to accumulate funds for employees' pre-tax monies to be held in trust by the District for Dependent Care and Unreimbursed Medical expenses. The funds are held in reserve to pay claims submitted by enrolled employees.

Required Amount of Fund

The amount held in reserve for Dependent Care and Unreimbursed Medical expenses depends on the election amounts by employees to contribute to their fund, and the status of paid claims.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The use of funds is restricted to the purposes of the fund.

*Restricted PERS Rate Stabilization Reserve Fund*

Description

The Restricted PERS Reserve Fund was established for PERS stabilization in order to level out the amount budgeted for PERS payments on an annual basis.

Required Amount of Fund

SJWD budgets for the normal cost of PERS retirement that is estimated by an actuarial evaluation as an average payment over an extended period of time. When the actual PERS costs are lower than the normal costs, the difference is placed in this fund. When the PERS costs are higher than the normal costs, the difference is withdrawn from this fund.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The use of funds is restricted to the purposes of the fund.

*Compensated Absence Reserve Fund*

Description

The Restricted Employee Reserve Fund was established to accumulate funds for accrued employees vacation and sick leave time.

Required Amount of Fund

The amount held in reserve for accrued employees vacation and sick leave time is dependent on the dollar value of the accrued vacation and vested sick leave amounts.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The use of funds is restricted to the purposes of the fund.

*Capital Improvement Reserve Fund*

Description

The Retail Capital Improvement Reserve Fund was established to contain funds available for capital replacements, rehabilitation, upgrades, and improvements. The

reserve fund is funded through planned contributions as designated by the Board of Directors.

Recommended Amount of Fund

The Capital Improvement Reserve Fund recommended amount fluctuates based on capital improvements planned and completed. The recommended amount is listed in the current Retail Financial Plan.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The intent of the fund is to use for planned capital replacements, rehabilitation, upgrades and improvements. The use of the funds is not for future development. The use of the fund is intended to be to benefit existing customers, but is within the authority of the Board of Directors.

*Capital Facilities Fees Reserve Fund*

Description

The Retail Capital Facilities Fees Reserve Fund was established to contain funds available for capital replacements, rehabilitation, upgrades, and improvements that provide additional capacity to provide service to additional connections. The reserve fund is funded through connection fees paid by new connections to the District water distribution system.

Recommended Amount of Fund

The Retail Capital Facilities Fees Reserve Fund recommended amount fluctuates based on capital improvements planned and completed. The recommended amount is listed in the current Retail Financial Plan.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. This fund must be used to fund projects that provide capacity for additional connections to the retail service area. The Board has the authority to make the decision on which projects to fund as long as they benefit future customers.

*Retail Emergency CIP Reserve Fund*

Description

The Retail Emergency CIP Reserve Fund was established to build up a reserve to pay for improvement necessary to provide a water supply to the retail service area in times of emergencies. The reserve fund is funded through planned contributions as designated by the Board of Directors.

Recommended Amount of Fund

The Capital Improvement Reserve Fund recommended amount fluctuates based on actual contributions by the Board of Directors.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The use of the fund is within the authority of the Board of Directors.

*Kokila Reservoir Lining Replacement Reserve Fund*

Description

The Retail Kokila Reservoir Lining Replacement Reserve Fund was established in the 1980s. The Kokila Reservoir Lining Replacement Reserve Fund accumulates monies for the eventual replacement of the lining and cover for Kokila Reservoir. The Retail Kokila Reservoir Lining Replacement Reserve Fund is shown as a reserve within the Retail Capital Fund.

Recommended Amount of Fund

There is not a recommended amount for this fund. \$10,000 is added to this fund at the end of each fiscal year.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The intent of the fund is to use for the future replacement of the lining and cover of the Kokila Reservoir. The use of the fund is within the authority of the Board of Directors.

*Vehicle and Equipment Reserve Fund*

Description

The Retail Vehicle and Equipment Reserve Fund was established to accumulate sufficient funds to replace vehicles and equipment on an annual basis, and larger equipment on an as-need basis.

Recommended Amount of Fund

The recommended amount for the Vehicle and Equipment Reserve fund varies depending on the future planned replacements of vehicles and equipment.

Restrictions on Use of Funds

The fund was created by Ordinance of the Board of Directors. The intent of the fund is to use for the future replacement of retail vehicles and equipment. The use of the vehicle and equipment reserve fund is within the authority of the Board of Directors.



**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

**FY 2013 - 2014 Annual Budget**

**Retail Reserves**

Estimated	Revenue	Capital Improvement Funds										Total
		Restricted-		Compensated			Vehicle/					
		Debt Svc	Operating	PERS	Absence/ Section 125	Customer Deposits	Connections	General	Equip	Kokila	Emergency	
<b>Working Capital 06/30/13</b>		<b>1,078,021</b>	<b>1,787,264</b>	<b>408,790</b>	<b>506,607</b>	<b>16,284</b>	<b>3,011,754</b>	<b>11,729,822</b>	<b>50,000</b>	<b>361,613</b>	<b>596,925</b>	<b>19,547,080</b>
Revenues Projected - Operal	8,682,850		8,682,850									8,682,850
Revenues Projected - Non-Op												0
Interest/Investment Inc	50,000		4,852	1,110	1,375	44	8,176	31,841		982	1,620	50,000
Retail Connections	1,015,402						1,015,402					1,015,402
Taxes & Assessments	850,000		850,000									850,000
Expense Recovery	6,000		6,000									6,000
Revenue Allocation	10,604,252	0	9,543,702	1,110	1,375	44	1,023,578	31,841	0	982	1,620	10,604,252
Expense - Operating	(7,185,448)		(7,185,448)									(7,185,448)
Expense - Non-Operating												0
Interest Expense	(1,214,747)		(1,214,747)									(1,214,747)
Sales Tax Expense	(3,000)		(3,000)									(3,000)
Debt Service Principal	(251,292)		(251,292)									(251,292)
Expense Allocation	(8,654,487)	0	(8,654,487)	0	0	0	0	0	0	0	0	(8,654,487)
Net Allocation	1,949,765	0	889,215	1,110	1,375	44	1,023,578	31,841	0	982	1,620	1,949,765
Capital Projects							(109,250)	(9,154,768)				(9,264,018)
Additional Allocations			(888,215)		5,376			872,839		10,000		0
<b>Working Capital 06/30/14</b>		<b>1,078,021</b>	<b>1,788,264</b>	<b>409,900</b>	<b>513,358</b>	<b>16,328</b>	<b>3,926,082</b>	<b>3,479,734</b>	<b>50,000</b>	<b>372,595</b>	<b>598,545</b>	<b>12,232,827</b>

**Resolution – Wholesale**

**RESOLUTION NO. 13-08**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SAN JUAN WATER DISTRICT  
ADOPTING THE NON-OPERATING, CAPITAL IMPROVEMENT PROGRAM,  
WHOLESALE BUDGET, RATES AND FEES FOR THE FISCAL YEAR 2013-2014**

WHEREAS, District staff has prepared a budget for the fiscal year 2013-2014 that estimates operating and maintenance, capital improvement program, debt service and other expenses of the District and that estimates revenues from all sources to pay the expenses of the District;

WHEREAS, District staff has determined that the fiscal year 2013-2014 budget is reasonably accurate and if implemented will ensure that the District's revenues will be sufficient to pay all of the District's expenses, including maintaining prudent reserves; and

WHEREAS, staff has determined that the District's wholesale water rates and capital facilities (connection) fees need to be adjusted for fiscal year 2013-2014 to account for the increased costs of providing such services.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of San Juan Water District as follows:

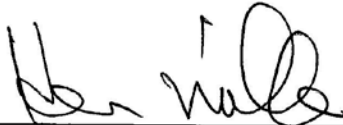
1. The Board of Directors finds that the Non-Operating, Capital Improvement Program and Wholesale budgets as proposed by staff fairly and accurately represents the estimated expenses and revenues of the District for the fiscal year beginning on July 1, 2013 and ending on June 30, 2014 and that the budget adequately ensures that the District will be able to cover its expenses and maintain prudent reserves, and on that basis the Board hereby adopts the District's fiscal year 2013-2014 budget (with any revisions that the Board may deem prudent as a condition of adopting said budget). A copy of the fiscal year 2013-2014 District budget is attached as "Exhibit A" and made a part of this Resolution.

2. The Board of Directors finds that the proposed Wholesale Water Rates and Wholesale Capital Facilities (Connection) Fees for fiscal year 2013-2014 are fair, equitable and ensure that the persons and entities receiving such services will pay the District's full costs of providing such services, and on that basis the Board hereby adopts the proposed rates and fees for the 2013-2014 fiscal year (with any revisions that the Board may deem prudent as a condition of adopting said rates and fees). The fiscal year 2013-2014 Wholesale Water Rates and Wholesale Capital Facilities (Connection) Fees are shown within "Exhibit A", which is attached to and made a part of this Resolution.

3. The General Manager and staff are directed to take all actions necessary to implement and follow the fiscal year 2013-2014 budget and to impose and collect the rates and fees shown in Exhibit A, as the same are adopted herein.

PASSED AND ADOPTED by the Board of Directors of the San Juan Water District on the 15th day of May 2013, by the following vote:

AYES: DIRECTORS: Costa, Tobin, Walters  
NOES: DIRECTORS: Miller, Peterson  
ABSENT: DIRECTORS:

  
\_\_\_\_\_  
KEN MILLER  
President, Board of Directors  
\_\_\_\_\_  
TERI HART  
Secretary, Board of Directors

**Resolution – Retail**

**RESOLUTION NO. 13-11**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SAN JUAN WATER DISTRICT  
ADOPTING THE RETAIL BUDGET, RATES AND FEES  
FOR THE FISCAL YEAR 2013-2014**

WHEREAS, District staff has prepared a retail budget for the fiscal year 2013-2014 that estimates operating and maintenance, capital improvement program and other expenses of the District and that estimates revenues from all sources to pay the expenses of the District;

WHEREAS, District staff has determined that the fiscal year 2013-2014 retail budget is reasonably accurate and if implemented will ensure that the District's revenues will be sufficient to pay all of the District's expenses, including maintaining prudent reserves; and

WHEREAS, staff has determined that the District's retail water rates, retail capital facilities (connection) fees, alternative retail capital facilities fees, other fees and deposits need to be adjusted for fiscal year 2013-2014 to account for the increased costs for providing such services.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of San Juan Water District as follows:

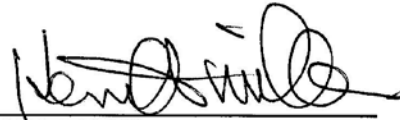
1. The Board of Directors finds that the retail budget as proposed by staff fairly and accurately represents the estimated expenses and revenues of the District for the fiscal year beginning on July 1, 2013 and ending on June 30, 2014 and that the budget adequately ensures that the District will be able to cover its expenses and maintain prudent reserves, and on that basis the Board hereby adopts the District's fiscal year 2013-2014 budget (with any revisions that the Board may deem prudent as a condition of adopting said budget). A copy of the fiscal year 2013-2014 District budget is attached as "Exhibit A" and made a part of this Resolution.

2. The Board of Directors finds that the proposed retail water rates, retail capital facilities (connection) fees, alternative retail capital facilities fees, other fees and deposits for fiscal year 2013-2014 are fair, equitable and ensure that the persons and entities receiving such services will pay the District's full costs of providing such services, and on that basis the Board hereby adopts the proposed rates and fees for the 2013-2014 fiscal year (with any revisions that the Board may deem prudent as a condition of adopting said rates and fees). The fiscal year 2013-2014 retail water rates, retail capital facilities (connection) fees, alternative retail capital facilities fees, other fees and deposits are shown within "Exhibit A", which is attached to and made a part of this Resolution.

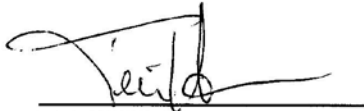
3. The General Manager and staff are directed to take all actions necessary to implement and follow the fiscal year 2013-2014 budget and to impose and collect the rates and fees shown in Exhibit A, as the same are adopted herein.

PASSED AND ADOPTED by the Board of Directors of the San Juan Water District on the 26th day of June 2013, by the following vote:

AYES: DIRECTORS: Costa, Miller, Peterson, Tobin, Walters  
NOES: DIRECTORS:  
ABSENT: DIRECTORS:



KENNETH MILLER  
President, Board of Directors



TERI HART  
Secretary, Board of Directors

## Salaries and Benefits

As discussed previously, the District's Wholesale and Retail operations share staff with budgeted allocations listed in the Cost Allocation Plan later. With many processes involved with providing water on both a wholesale and retail basis relying upon the labor of employees, the District's salaries and benefits do represent a large portion of the operating budgets. The combined salaries and benefits are listed in the table below.

Total Salary, Benefits, Payroll Taxes and Workers' Compensation Insurance	
Component	Amount
Salaries	\$ 3,911,358
COLA	81,505
Contingency for 2/2014 COLA pursuant to Board Budget Adoption	40,753
Step Increase Within Position Range	94,059
Incentive Award	-
Overtime	186,200
Standby	50,600
FICA/Medicare	314,555
SUI	10,948
Health Insurance	829,848
Dental Insurance	70,692
Disability Insurance	70,063
Life Insurance	11,141
Workers' Compensation Insurance	78,028
Retirement	589,382
Vision	9,200
Auto	7,200
<b>Total Salaries and Benefits</b>	<b>\$ 6,355,532</b>
Compensated Absence Contribution Funding	61,268
<b>Total Salaries and Benefits (including compensated absences)</b>	<b>6,416,800</b>
Internal salaries and benefits capitalized on projects	(563,764)
<b>Salaries and Benefits</b>	<b>\$ 5,853,036</b>
<u>Average Calculation:</u>	
Total Salaries	\$ 3,911,358
Number of Funded Employees	46
<b>Salary Costs Per Funded Employee</b>	<b>\$ 85,030</b>
<b>Total Salaries, Benefits, Payroll Taxes and Workers' Compensation Insurance</b>	<b>\$ 6,355,532</b>
Number of Funded Employees	46
<b>Salary, Benefits Payroll Taxes and Workers' Compensation Insurance Per Funded Employee</b>	<b>\$ 138,164</b>

Salaries are in accordance with the District Salary Range Table (listed on the next page) for staff and established by contract for the General Manager. Benefits are available to all District staff classifications as defined in the Employee Manual. Overtime is only applicable to non-exempt staff and does not apply to exempt positions: General Manager, Assistant General Manager, Finance & Administrative Services Manager, Operations Manager, Engineering Services Manager, Senior Engineer, Water Treatment Plant Superintendent, Chief Operator, Maintenance Chief, Field Services Manager, Customer Service Manager, Water Resources Analyst and Information Technology Administrator.



**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

Classification	Monthly Range		Annual Range	
	Minimum	Maximum	Minimum	Maximum
Accountant	\$5,693	\$6,831	\$68,311	\$81,971
Accounting Technician I	\$3,811	\$4,573	\$45,729	\$54,872
Accounting Technician II	\$4,192	\$5,032	\$50,306	\$60,380
Accounting Technician III	\$4,610	\$5,532	\$55,325	\$66,390
Administrative Assistant/Board Secretary	\$4,610	\$5,532	\$55,325	\$66,390
Assistant General Manager	\$12,054	\$14,465	\$144,652	\$173,575
Associate Engineer	\$7,524	\$9,028	\$90,282	\$108,336
CAD/GIS Intern (Hourly Rate)	\$17.34	\$21.42	\$15.60	\$19.21
Chief Operator	\$6,812	\$8,174	\$81,739	\$98,091
Conservation Helper	\$3,450	\$4,140	\$41,396	\$49,682
Conservation Technician I	\$4,139	\$4,967	\$49,670	\$59,609
Conservation Technician II	\$4,553	\$5,464	\$54,639	\$65,570
Construction Inspector I	\$4,783	\$5,739	\$57,393	\$68,862
Construction Inspector II	\$5,259	\$6,312	\$63,109	\$75,741
Construction Inspector III	\$5,785	\$6,942	\$69,425	\$83,305
Custodian	\$2,969	\$3,563	\$35,631	\$42,754
Customer Service Technician I	\$3,351	\$4,021	\$40,208	\$48,250
Customer Service Technician II	\$3,686	\$4,424	\$44,235	\$53,085
Customer Service Technician III	\$4,055	\$4,864	\$48,654	\$58,373
Customer Services Manager	\$8,275	\$9,931	\$99,303	\$119,169
Distribution Lead Worker	\$5,972	\$7,166	\$71,665	\$85,986
Distribution Operator I	\$4,079	\$4,895	\$48,948	\$58,740
Distribution Operator II	\$4,487	\$5,385	\$53,844	\$64,615
Distribution Operator III	\$4,937	\$5,924	\$59,242	\$71,090
Distribution Operator IV	\$5,429	\$6,516	\$65,154	\$78,189
Engineering Services Manager	\$8,978	\$10,773	\$107,736	\$129,279
Engineering Technician I	\$4,260	\$5,111	\$51,114	\$61,335
Engineering Technician II	\$4,687	\$5,624	\$56,243	\$67,491
Engineering Technician III	\$5,154	\$6,185	\$61,849	\$74,223
Facilities Maintenance Helper	\$3,459	\$4,150	\$41,506	\$49,805
Facilities Maintenance Worker I	\$4,483	\$5,379	\$53,795	\$64,554
Facilities Maintenance Worker II	\$4,932	\$5,918	\$59,180	\$71,016
Field Services Manager	\$8,275	\$9,931	\$99,303	\$119,169
Field Services Technician	\$5,429	\$6,516	\$65,154	\$78,189
Finance & Administrative Services Manager	\$10,481	\$12,577	\$125,766	\$150,919
Finance and Administrative Analyst	\$5,977	\$7,173	\$71,726	\$86,072
General Manager	\$15,893	\$15,893	\$190,711	\$190,711
Groundskeeper	\$3,385	\$4,063	\$40,625	\$48,752
Information Technology Administrator	\$6,812	\$8,174	\$81,739	\$98,091
Information Technology Technician I	\$4,487	\$5,385	\$53,844	\$64,615
Information Technology Technician II	\$4,937	\$5,924	\$59,242	\$71,090
Instrumentation Technician	\$5,683	\$6,820	\$68,201	\$81,837
Maintenance Chief	\$6,812	\$8,174	\$81,739	\$98,091
Meter Technician	\$3,716	\$4,458	\$44,590	\$53,501
Operations Manager	\$9,929	\$11,915	\$119,144	\$142,975
Purchasing Agent	\$4,610	\$5,532	\$55,325	\$66,390
Senior Engineer	\$8,275	\$9,931	\$99,303	\$119,169
Temporary/Seasonal Help (Hourly Rate)	\$10.20	\$16.32	\$10.11	\$15.80
Utilities Coordinator	\$5,460	\$6,552	\$65,521	\$78,630
Water Resources Analyst	\$7,655	\$9,186	\$91,861	\$110,233
Water Treatment Operator II	\$4,894	\$5,873	\$58,728	\$70,478
Water Treatment Operator III	\$5,383	\$6,460	\$64,590	\$77,516
Water Treatment Operator IV	\$5,921	\$7,105	\$71,053	\$85,264
Water Treatment Plant Superintendent	\$8,275	\$9,931	\$99,303	\$119,169

San Juan Water District  
Fiscal Year 2013 - 2014 Budget

Area / Classification	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
<b>Executive</b>				
General Manager	1.0	1.0	1.0	1.0
Assistant General Manager	1.0	1.0	1.0	1.0
Administrative Assistant/Board Secretary	1.0	1.0	1.0	1.0
<b>Total Executive</b>	3.0	3.0	3.0	3.0
<b>Finance &amp; Administrative Services</b>				
Finance & Administrative Services Manager	1.0	1.0	1.0	1.0
Finance/Administrative Analyst	0.0	0.0	0.0	1.0
Accountant	1.0	1.0	1.0	1.0
Accounting Technician III	1.0	1.0	1.0	1.0
Information Technology Administrator	1.0	1.0	1.0	1.0
Information Technology Technician I	0.0	0.0	0.0	0.0
Purchasing Agent	1.0	1.0	1.0	1.0
<b>Total Finance &amp; Administrative Services</b>	5.0	5.0	5.0	6.0
<b>Conservation</b>				
Conservation Temporary	0.0	0.5	0.0	0.0
Conservation Technician I	0.0	0.0	0.0	0.0
Conservation Technician II	3.0	3.0	3.0	3.0
Water Resources Analyst	1.0	1.0	1.0	1.0
<b>Total Conservation</b>	4.0	4.5	4.0	4.0
<b>Customer Services</b>				
Customer Services Manager	1.0	1.0	1.0	1.0
Accounting Technician II	1.0	1.0	1.0	0.0
Accounting Technician III	1.0	1.0	1.0	2.0
Meter Technician	1.0	1.0	1.0	1.0
<b>Total Customer Services</b>	4.0	4.0	4.0	4.0
<b>Field Services</b>				
Field Services Manager	1.0	1.0	1.0	1.0
Distribution Lead Worker	3.0	3.0	3.0	3.0
Distribution Operator I	0.0	0.0	0.0	0.0
Distribution Operator II	3.0	3.0	1.0	2.0
Distribution Operator III	1.0	1.0	3.0	2.0
Distribution Operator IV	4.0	4.0	4.0	4.0
Pump Station Mechanic	1.0	1.0	1.0	1.0
Utilities Coordinator	1.0	1.0	1.0	1.0
<b>Total Field Services</b>	14.0	14.0	14.0	14.0
<b>Engineering Services</b>				
Engineering Services Manager	1.0	1.0	1.0	1.0
Associate/Senior Engineer	1.0	1.0	1.0	1.0
CAD/GIS Intern	0.0	0.4	0.0	0.0
Construction Inspector II	1.0	1.0	1.0	1.0
Engineering Technician III	1.0	1.0	1.0	1.0
<b>Total Engineering Services</b>	4.0	4.4	4.0	4.0
<b>Operations</b>				
Operations Manager	1.0	1.0	1.0	1.0
<b>Total Operations</b>	1.0	1.0	1.0	1.0
<b>Water Treatment Plant</b>				
Wholesale Operations Manager	0.0	0.0	0.0	0.0
Water Treatment Plant Superintendent	1.0	1.0	1.0	1.0
Facilities Maintenance Helper	1.0	1.0	1.0	1.0
Facilities Maintenance Worker I	1.0	1.0	1.0	1.0
Facilities Maintenance Worker II	1.0	1.0	0.0	0.0
Instrument Technician	0.0	0.0	1.0	1.0
Maintenance Chief	1.0	1.0	1.0	1.0
Water Treatment Operator II	1.0	1.0	0.0	0.0
Water Treatment Operator III	2.0	2.0	2.0	2.0
Water Treatment Operator IV	1.0	1.0	2.0	2.0
Chief Operator	1.0	1.0	1.0	1.0
<b>Total Water Treatment Plant</b>	10.0	10.0	10.0	10.0
<b>Total Funded Positions</b>	45.0	45.9	45.0	46.0



**Debt Service – District-Wide**

Debt Service is combined here to demonstrate all components of District-wide Debt Service; however, Wholesale and Retail Debt Service are presented separately in each respective section of the budget. There is no set debt limit, but debt issuance is evaluated through the financial plans and any issuance must comply with the established covenants. Debt Service is currently comprised of the following:

- California Energy Commission Loan (Retail);
- Economic Development Loan (Retail);
- 2012 Refunding Bonds (Wholesale and Retail); and
- 2009 Certificates of Participation (COPs) (Wholesale and Retail).

<b>District-Wide Debt Service</b>	San Juan Water District Retail Service Area	Citrus Heights Water District	Fair Oaks Water District	Orange Vale Water Company	City of Folsom	Total
<b>Sources of Funds</b>						
<u>Annual Debt Service Charge</u>						
2012 Refunding Bonds	\$ 106,643	\$ 124,488	\$ 91,480	\$ 28,073	\$ 6,938	\$ 357,622
2009 COPs	425,687	453,176	282,039	142,435	44,199	1,347,536
<b>Total Annual Debt Service Charge</b>	<b>\$ 532,329</b>	<b>\$ 577,664</b>	<b>\$ 373,519</b>	<b>\$ 170,508</b>	<b>\$ 51,137</b>	<b>\$ 1,705,158</b>
<u>Direct Obligation</u>						
2012 Refunding Bonds	\$ 145,634	\$ -	\$ -	\$ -	48,545	194,178
2009 COPs	757,989	-	-	-	-	757,989
California Energy Commission Loan	-	-	-	-	-	-
Economic Development Loan	30,087	-	-	-	-	30,087
<b>Total Direct Obligation</b>	<b>\$ 933,710</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 48,545</b>	<b>\$ 982,255</b>
<b>Total Sources of Funds</b>	<b>\$ 1,466,040</b>	<b>\$ 577,664</b>	<b>\$ 373,519</b>	<b>\$ 170,508</b>	<b>\$ 99,682</b>	<b>\$ 2,687,413</b>
<b>Uses of Funds</b>						
				Principal	Interest	Total
2012 Refunding Bonds				\$0.00	\$551,800.04	\$ 551,800
2009 Certificates of Participation				405,000	1,700,525	2,105,525
California Energy Commission Loan				0	0	0
Economic Development Loan				23,611	6,476	30,087
<b>Total Uses of Funds</b>				<b>\$ 428,611</b>	<b>\$ 2,258,801</b>	<b>\$ 2,687,413</b>
<i>Note: In 2012 the California Energy Commission Loan was paid off.</i>						

Total District-wide debt service payments are presented in the table on the next page and will currently be paid off in 2039.

## San Juan Water District Fiscal Year 2013 - 2014 Budget

	1977 Economic Development			2009 Revenue Certificates			2012 Revenue Bonds			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2014	\$ 24,792	\$ 5,296	\$ 30,087	\$ 405,000	\$ 1,707,275	\$ 2,112,275	\$ 250,000	\$ 553,258	\$ 803,258	\$ 679,792	\$ 2,265,829	\$ 2,945,621
2015	\$ 26,031	\$ 4,056	\$ 30,087	\$ 415,000	\$ 1,691,075	\$ 2,106,075	\$ 420,000	\$ 546,550	\$ 966,550	\$ 859,792	\$ 2,242,921	\$ 3,102,713
2016	\$ 27,333	\$ 2,755	\$ 30,087	\$ 430,000	\$ 1,672,400	\$ 2,102,400	\$ 440,000	\$ 533,700	\$ 973,700	\$ 896,031	\$ 2,210,156	\$ 3,106,188
2017	\$ 27,761	\$ 1,388	\$ 29,149	\$ 450,000	\$ 1,653,050	\$ 2,103,050	\$ 450,000	\$ 518,500	\$ 968,500	\$ 927,333	\$ 2,174,305	\$ 3,101,638
2018	\$ -	\$ -	\$ -	\$ 475,000	\$ 1,630,550	\$ 2,105,550	\$ 465,000	\$ 499,281	\$ 964,281	\$ 967,761	\$ 2,131,219	\$ 3,098,980
2019	\$ -	\$ -	\$ -	\$ 500,000	\$ 1,606,800	\$ 2,106,800	\$ 485,000	\$ 481,013	\$ 966,013	\$ 985,000	\$ 2,087,813	\$ 3,072,813
2020	\$ -	\$ -	\$ -	\$ 525,000	\$ 1,580,550	\$ 2,105,550	\$ 500,000	\$ 462,108	\$ 962,108	\$ 1,025,000	\$ 2,042,658	\$ 3,067,658
2021	\$ -	\$ -	\$ -	\$ 550,000	\$ 1,551,675	\$ 2,101,675	\$ 530,000	\$ 436,483	\$ 966,483	\$ 1,080,000	\$ 1,988,158	\$ 3,068,158
2022	\$ -	\$ -	\$ -	\$ 580,000	\$ 1,521,425	\$ 2,101,425	\$ 555,000	\$ 409,463	\$ 964,463	\$ 1,135,000	\$ 1,930,888	\$ 3,065,888
2023	\$ -	\$ -	\$ -	\$ 615,000	\$ 1,488,075	\$ 2,103,075	\$ 580,000	\$ 381,192	\$ 961,192	\$ 1,195,000	\$ 1,869,267	\$ 3,064,267
2024	\$ -	\$ -	\$ -	\$ 650,000	\$ 1,452,713	\$ 2,102,713	\$ 610,000	\$ 356,650	\$ 966,650	\$ 1,260,000	\$ 1,809,363	\$ 3,069,363
2025	\$ -	\$ -	\$ -	\$ 690,000	\$ 1,415,338	\$ 2,105,338	\$ 630,000	\$ 338,100	\$ 968,100	\$ 1,320,000	\$ 1,753,438	\$ 3,073,438
2026	\$ -	\$ -	\$ -	\$ 725,000	\$ 1,379,113	\$ 2,104,113	\$ 650,000	\$ 312,856	\$ 962,856	\$ 1,375,000	\$ 1,691,969	\$ 3,066,969
2027	\$ -	\$ -	\$ -	\$ 765,000	\$ 1,341,050	\$ 2,106,050	\$ 680,000	\$ 278,075	\$ 958,075	\$ 1,445,000	\$ 1,619,125	\$ 3,064,125
2028	\$ -	\$ -	\$ -	\$ 800,000	\$ 1,300,888	\$ 2,100,888	\$ 715,000	\$ 241,609	\$ 956,609	\$ 1,515,000	\$ 1,542,497	\$ 3,057,497
2029	\$ -	\$ -	\$ -	\$ 845,000	\$ 1,258,888	\$ 2,103,888	\$ 755,000	\$ 203,197	\$ 958,197	\$ 1,600,000	\$ 1,462,084	\$ 3,062,084
2030	\$ -	\$ -	\$ -	\$ 890,000	\$ 1,214,525	\$ 2,104,525	\$ 790,000	\$ 162,794	\$ 952,794	\$ 1,680,000	\$ 1,377,319	\$ 3,057,319
2031	\$ -	\$ -	\$ -	\$ 940,000	\$ 1,165,575	\$ 2,105,575	\$ 835,000	\$ 120,334	\$ 955,334	\$ 1,775,000	\$ 1,285,909	\$ 3,060,909
2032	\$ -	\$ -	\$ -	\$ 990,000	\$ 1,113,875	\$ 2,103,875	\$ 880,000	\$ 75,513	\$ 955,513	\$ 1,870,000	\$ 1,189,388	\$ 3,059,388
2033	\$ -	\$ -	\$ -	\$ 2,135,000	\$ 1,059,425	\$ 3,194,425	\$ 925,000	\$ 28,328	\$ 953,328	\$ 3,060,000	\$ 1,087,753	\$ 4,147,753
2034	\$ -	\$ -	\$ -	\$ 2,250,000	\$ 942,000	\$ 3,192,000	\$ -	\$ -	\$ -	\$ 2,250,000	\$ 942,000	\$ 3,192,000
2035	\$ -	\$ -	\$ -	\$ 2,385,000	\$ 807,000	\$ 3,192,000	\$ -	\$ -	\$ -	\$ 2,385,000	\$ 807,000	\$ 3,192,000
2036	\$ -	\$ -	\$ -	\$ 2,530,000	\$ 663,900	\$ 3,193,900	\$ -	\$ -	\$ -	\$ 2,530,000	\$ 663,900	\$ 3,193,900
2037	\$ -	\$ -	\$ -	\$ 2,680,000	\$ 512,100	\$ 3,192,100	\$ -	\$ -	\$ -	\$ 2,680,000	\$ 512,100	\$ 3,192,100
2038	\$ -	\$ -	\$ -	\$ 2,840,000	\$ 351,300	\$ 3,191,300	\$ -	\$ -	\$ -	\$ 2,840,000	\$ 351,300	\$ 3,191,300
2039	\$ -	\$ -	\$ -	\$ 3,015,000	\$ 180,900	\$ 3,195,900	\$ -	\$ -	\$ -	\$ 3,015,000	\$ 180,900	\$ 3,195,900
Totals	\$ 105,916	\$ 13,495	\$ 119,411	\$ 30,075,000	\$ 32,261,463	\$ 62,336,463	\$ 12,145,000	\$ 6,939,004	\$ 19,084,004	\$ 42,350,708	\$ 39,219,257	\$ 81,569,965

Debt Service allocations are based upon the appropriate cost allocation (project cost or proportionate share of acre feet deliveries). This table presents the allocations for all components of the COPs for which there are portions of both Wholesale and Retail Debt Service.

<b>Debt Service Allocations</b>														
	2012 Refunding Bonds								2009 COPs					
	1993 Refunding		New	Direct		Combined		New	Direct	Combined				
Issued	\$705,000		\$8,373,452	\$4,546,548		\$13,625,000		\$19,526,400	\$10,983,600		\$30,510,000			
SJWD RSA	46.24%	\$325,992	29.82%	\$2,496,963	75.00%	\$3,409,911	45.75%	\$6,232,866	31.59%	\$6,168,390	100.00%	\$10,983,600	56.22%	\$17,151,990
CHWD	0.00%	0	34.81%	2,914,799	0.00%	0	21.39%	2,914,799	33.63%	6,566,728	0.00%	0	21.52%	6,566,728
FOWD	37.25%	262,613	25.58%	2,141,929	0.00%	0	17.65%	2,404,542	20.93%	4,086,876	0.00%	0	13.40%	4,086,876
OVWC	16.51%	116,396	7.85%	657,316	0.00%	0	5.68%	773,712	10.57%	2,063,940	0.00%	0	6.76%	2,063,940
Folsom	0.00%	0	1.94%	162,445	25.00%	1,136,637	9.53%	1,299,082	3.28%	640,466	0.00%	0	2.10%	640,466
	100.00%	\$705,001	100.00%	\$8,373,452	100.00%	\$4,546,548	100.00%	\$13,625,001	100.00%	\$19,526,400	100.00%	\$10,983,600	100.00%	\$30,510,000

Allocation of Debt Service based upon % of debt service @ issue; refundings are based upon allocation @ original date of issue.

While San Juan Water District follows a July 1 through June 30 fiscal year, all other wholesale customers (with exception of the City of Folsom) follow a January 1 through December 31 fiscal year. This table presents the Debt Service payments that will be required during the fiscal year and lists the Debt Service principal and interest (using the accrual method in accordance with Generally Accepted Accounting Principles) for each wholesale customer agency:

**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

2012 Bond Payment Date	New Project Money			Direct			Total
	Principal	Interest	Total	Principal	Interest	Total	
8/1/2013	0.00	178,810.80	178,810.80	0.00	97,089.21	97,089.21	275,900.01
2/1/2014	0.00	178,810.80	178,810.80	0.00	97,089.21	97,089.21	275,900.01
8/1/2014	0.00	178,810.80	178,810.80	0.00	97,089.21	97,089.21	275,900.01
2/1/2015	272,202.01	178,810.80	451,012.81	147,798.00	97,089.21	244,887.21	695,900.02
SJWD RSA	\$0.00	\$106,642.76	\$106,642.76	\$0.00	\$145,633.82	\$145,633.82	\$252,276.58
CHWD	0.00	124,488.08	124,488.08	0.00	0.00	0.00	124,488.08
FOWD	0.00	91,479.61	91,479.61	0.00	0.00	0.00	91,479.61
OVWC	0.00	28,073.30	28,073.30	0.00	0.00	0.00	28,073.30
Folsom	0.00	6,937.86	6,937.86	0.00	48,544.61	48,544.61	55,482.47
<i>Fiscal Year</i>	\$0.00	\$357,621.61	\$357,621.61	\$0.00	\$194,178.43	\$194,178.43	\$551,800.04
SJWD RSA	\$0.00	\$106,642.76	\$106,642.76	\$0.00	\$145,633.82	\$145,633.82	\$252,276.58
CHWD	0.00	124,488.08	124,488.08	0.00	0.00	0.00	124,488.08
FOWD	0.00	91,479.61	91,479.61	0.00	0.00	0.00	91,479.61
OVWC	0.00	28,073.30	28,073.30	0.00	0.00	0.00	28,073.30
Folsom	0.00	6,937.86	6,937.86	0.00	48,544.61	48,544.61	55,482.47
<i>Calendar Year</i>	\$0.00	\$357,621.61	\$357,621.61	\$0.00	\$194,178.43	\$194,178.43	\$551,800.04
<i>Semi-Annual Fiscal Year versus Calendar Year payments differ due to the accrual of interest expense in accordance with GAAP.</i>							

**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

2009 COPs Payment Date	New Project Money			Direct			Total
	Principal	Interest	Total	Principal	Interest	Total	
8/1/2013	0.00	546,328.01	546,328.01	0.00	307,309.49	307,309.49	853,637.50
2/1/2014	259,200.00	546,328.01	805,528.01	145,800.00	307,309.49	453,109.49	1,258,637.50
8/1/2014	0.00	541,144.00	541,144.00	0.00	304,393.50	304,393.50	845,537.50
2/1/2015	265,600.00	541,144.00	806,744.00	149,400.00	304,393.50	453,793.50	1,260,537.50
SJWD RSA	\$81,881.28	\$343,805.35	\$425,686.63	\$145,800.00	\$612,188.99	\$757,988.99	\$1,183,675.62
CHWD	87,168.96	366,007.40	453,176.36	0.00	0.00	0.00	453,176.36
FOWD	54,250.56	227,788.73	282,039.29	0.00	0.00	0.00	282,039.29
OVWC	27,397.44	115,037.12	142,434.56	0.00	0.00	0.00	142,434.56
Folsom	8,501.76	35,697.42	44,199.18	0.00	0.00	0.00	44,199.18
<i>Fiscal Year</i>	<b>\$259,200.00</b>	<b>\$1,088,336.02</b>	<b>\$1,347,536.02</b>	<b>\$145,800.00</b>	<b>\$612,188.99</b>	<b>\$757,988.99</b>	<b>\$2,105,525.01</b>
SJWD RSA	\$81,881.28	\$342,167.72	\$424,049.00	\$145,800.00	\$609,273.00	\$755,073.00	\$1,179,122.00
CHWD	87,168.96	364,264.02	451,432.98	0.00	0.00	0.00	451,432.98
FOWD	54,250.56	226,703.71	280,954.27	0.00	0.00	0.00	280,954.27
OVWC	27,397.44	114,489.17	141,886.61	0.00	0.00	0.00	141,886.61
Folsom	8,501.76	35,527.39	44,029.15	0.00	0.00	0.00	44,029.15
<i>Calendar Year</i>	<b>\$259,200.00</b>	<b>\$1,083,152.01</b>	<b>\$1,342,352.01</b>	<b>\$145,800.00</b>	<b>\$609,273.00</b>	<b>\$755,073.00</b>	<b>\$2,097,425.01</b>
<i>Semi-Annual Fiscal Year versus Calendar Year payments differ due to the accrual of interest expense in accordance with GAAP.</i>							

In accordance with Debt Covenants authorized by the 2012 Refunding Bonds and 2009 COPs, the District must maintain District-wide debt service coverage of at least 1.15. The underlying bond credit rating of both series of COPs is “AA+” by Fitch Ratings which is due to a variety of financial policies of the District, but most significantly:

- Maintaining a debt service coverage of at least 2.0;
- Maintaining a sufficient number of days of liquid cash; and
- Engaging in long-term financial and capital improvement program planning.

While the past several years have presented a slightly lower debt service coverage ratio due to conservation efforts and economic conditions, the District’s debt coverage ratio is projected to be at least 2.0 beginning in Fiscal Year 2012-2013. A bond credit rating of “AA+” represents high quality bonds and provides reassurance to investors of the District’s debt.

**San Juan Water District**  
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<b>Debt Service Coverage - District-Wide</b>					
	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13 Budget	FY 2013-14 Proposed
<b>Revenues</b>					
Retail Water Sales	\$7,299,989	\$7,834,917	8,090,259	\$7,919,608	\$8,495,990
Wholesale Water Sales	7,554,793	7,764,982	7,364,002	6,627,056	7,055,233
Connections and Annexations	163,256	163,541	176,362	561,689	1,036,678
1% Property Tax Revenue	1,687,204	1,597,524	1,561,130	1,700,000	1,700,000
Investment Income	475,139	271,233	187,780	175,000	100,000
Other	475,872	459,069	912,033	828,179	817,616
<b>Total Revenues</b>	<b>\$17,656,253</b>	<b>\$18,091,266</b>	<b>18,291,566</b>	<b>\$17,811,532</b>	<b>\$19,205,517</b>
<b>Operation and Maintenance Costs</b>					
Source of Supply	\$3,284,932	\$2,820,911	3,186,686	\$744,440	\$3,115,030
Pumping and Telemetry	545,977	590,723	621,783	582,145	642,503
Water Treatment	2,171,924	2,118,922	1,701,918	1,962,635	1,976,210
Transmission and Distribution	1,764,549	1,657,517	1,764,998	1,700,444	1,759,307
Administration and General	2,458,413	2,431,343	2,455,196	2,408,308	2,539,680
Customer Service	666,816	657,999	681,163	597,344	648,142
Conservation	635,946	617,614	662,589	694,108	796,941
Engineering	317,454	342,523	325,113	351,828	380,070
OPEB	377,057	377,057	252,332	280,000	300,000
<b>Total Operation/ Maintenance Costs</b>	<b>12,223,068</b>	<b>\$11,614,609</b>	<b>11,651,778</b>	<b>\$9,321,252</b>	<b>\$12,157,883</b>
<b>Net Revenues</b>	<b>5,433,185</b>	<b>\$6,476,657</b>	<b>\$6,639,788</b>	<b>\$8,490,280</b>	<b>\$7,047,634</b>
<b>Debt Service</b>					
2009 COPs	\$1,413,477	\$1,718,475	1,718,075	\$1,717,508	\$2,105,525
2003 COP/2012 Refund Bonds	1,787,339	1,747,263	1,747,713	2,015,269	551,800
EDA Loan	30,088	30,088	30,088	30,088	30,088
CEC Advance	6,188	6,188	6,188	-	-
<b>Total Debt Service</b>	<b>\$3,237,092</b>	<b>\$3,502,014</b>	<b>3,502,064</b>	<b>\$3,762,865</b>	<b>\$2,687,413</b>
<b>Debt Service Coverage</b>	<b>1.68</b>	<b>1.85</b>	<b>1.90</b>	<b>2.26</b>	<b>2.62</b>

## Wholesale Budget

### Cost Savings Measures

The District continually evaluates cost-saving measures that support fulfilling its mission. Staff regularly explores options to current processes or projects (treatment, engineering, conservation, administration, capital projects) that may present viable alternatives that save District customers money while providing a high level of service customers expect. To that end, the District has taken the following cost-saving measures in recent history with a summarized table below:

- FY 2011-2012 – Employees came forward with no Cost of Living Allowance (“COLA”) for July 1, 2011, Increase Within Range or Incentive Compensation for employees which held salaries at current levels saving approximately \$98,900.
- Utilize internal staff on planning, engineering and construction management of capital projects which saves approximately \$300,000 on the cost of outside consultants.
- FY 2011-2012 Primary Coagulant Chemical Evaluation - initial savings are approximately \$50,000 using internal staff to investigate, test and permit instead of a consultant with annual savings estimated to be \$47,000-57,000 and have turned out to be over \$350,000 due to reduced chemical costs, electrical and labor costs.
- FY 2008-2009 - implemented Information Technology improvements including Virtual Servers and Shared Storage saving \$35,000 annually on reduced hardware, software support, maintenance and electricity with additional annual savings of \$37,500 annually due to elimination of need to fill Information Technology Technician position.
- FY 2011-2012 WEL Garden maintenance reduced annual cost by \$12,000.
- FY 2011-2012 – utilized in-house staff to prepare the Process Safety Manual, Illness and Injury Prevention Plan, Vulnerability Assessment, Emergency Response Plan, hazard assessments and related training for safety and regulatory compliance. Estimated savings of approximately \$140,000 compared to the cost of using outside consultants.
- FY 2010-2011 Entry landscape – saved \$218,000 by significantly reducing the scope of the landscaping project and using employee volunteers to complete the reduced project during non-working hours.
- FY 2011-2012+ Annual solar savings of \$300,000 and 5 year annual CSI rebate of over \$385,000/year, making the project pay for itself by 2019.
- FY 2011-2012 - Refunding Bonds with annual estimated debt service savings of \$65,200 until 2033 when paid off, total \$1,369,200.

**San Juan Water District**  
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- FY 2012-2013 – Identified/evaluated alternative pretreatment process improvements for WTP to take advantage of coagulant chemical changes. CIP reduced by \$1,230,000.

FY	Measure		Savings
2012	No COLA/Step Increase/Incentive Compensation	<i>Total</i>	\$98,900
2012+	Dependent dental employee cost-share	<i>Total</i>	\$4,200
2012+	Internal staff-planning, engineering, construction management	<i>Annual</i>	\$300,000
2012+	Water Treatment Chemical change	<i>Initial</i>	\$50,000
		<i>Annual</i>	\$350,000
2012+	Reduced WEL Garden maintenance	<i>Annual</i>	\$12,000
2012	Regulatory compliance; safety document updates	<i>Total</i>	\$140,000
2009	COP credit rating process in-lieu of bond insurance	<i>Total</i>	\$66,300
2009	CalPERS Contribution prepayment	<i>Total</i>	\$47,515
2009+	AA+ Credit Rating on COPs	<i>Total</i>	\$3,480,000
2009+	IT virtualization & shared storage	<i>Annual</i>	\$72,500
2010	WTP Sedimentation Basin Project	<i>Total</i>	\$1,400,000
2011	WTP Butterfly Valves installed by staff	<i>Total</i>	\$40,000
2011	Treated Water PL/CT Bypass PL Project	<i>Total</i>	\$918,200
2011	Entry landscape reduced scope & EE volunteers	<i>Total</i>	\$218,000
2012+	Solar energy cost savings	<i>Annual</i>	\$300,000
2012-2016	CA Solar Initiative (CSI) rebate	<i>Annual</i>	\$385,000
		<i>Total</i>	\$1,925,000
2013	CIP reduction due to treatment chemical change	<i>Total</i>	\$1,230,000
2012-2033	Refunding Bonds - lower debt service	<i>Annual</i>	\$65,200
		<i>Total</i>	\$1,369,200

**Wholesale Water Rate Study and Financial Plan**

In 2010, the District contracted with the Reed Group, Inc. to prepare the Wholesale Water Rate Study and Financial Plan due to ongoing capital program needs in order to determine water rates required to fund operations and the capital improvement program over the next ten years. An Ad Hoc Joint Agency Wholesale Budget Review Committee consisting of members from San Juan Water District, Citrus Heights Water District, Fair Oaks Water District, Orange Vale Water Company and City of Folsom was formed to allow these agencies the opportunity to review and provide input through the process.

This update of the financial plan was completed in October 2010 and accepted by the Board. The plan concluded that the District had sufficient funds for operations, maintenance and capital projects with recommended annual increases of 5%. The first wholesale rate increase resulting from that plan was implemented on January 1, 2011.

**San Juan Water District**  
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This budget is prepared with the estimated rates from that plan for budgetary purposes; however, the Board adopts rates as part of the budget process. The following table represents the recommended rate increases to be effective January 1, 2014 over the next five years which are subject to Board approval:

2014	2015	2016	2017	2018
3%	3%	3%	3%	3%

For 2014, staff is recommending a 3% rate increase based upon the 2012 update of the long-term financial plan with the District's rate consultant. There are no significant differences to incorporate into the plan and this increase will maintain District service levels, reserves and programs.

Calendar Year 2013 Wholesale Water Rate Structure

Wholesale Agency	Uniform Commodity Rate	Annual Service Charge	Annual Debt Service Charge						Acre Feet Delivered (est)	Water Usage Charges	Total Charges
			2012 Refunding Bonds			2009 COPs					
			Direct	Refunding	Water Rates	Direct	Water Rates	Total			
San Juan Water District, RSA	\$90.60	\$311,080	\$261,918	\$143,314	\$143,130	\$760,419	\$427,051	\$1,735,832	15,000	\$1,359,000	\$3,405,912
Citrus Heights Water District	\$90.60	367,450			193,814	0	454,629	648,443	14,300	1,295,580	2,311,473
Fair Oaks Water District	\$90.60	208,340		115,451	122,779	0	282,943	521,173	9,900	896,940	1,626,453
Orange Vale Water Company	\$90.60	80,300		51,171	37,679	0	142,891	231,741	4,850	439,410	751,451
City of Folsom	\$90.60	35,160	87,306		9,312	0	44,341	140,959	1,580	143,148	319,267
<b>Calendar Year 2013 Total</b>		<b>\$1,002,330</b>	<b>\$349,224</b>	<b>\$309,936</b>	<b>\$506,714</b>	<b>\$760,419</b>	<b>\$1,351,855</b>	<b>\$3,278,148</b>		<b>\$4,134,078</b>	<b>\$8,414,556</b>

Note: Calendar Year and Fiscal Year Totals for Water Usage Charges are based upon estimated acre feet delivered and will vary with actual deliveries. The Wholesale Water Rate Structure above does not include Capital Contributions that may be specific to an agency due to a specific benefit capital project.

Calendar Year 2014 Wholesale Water Rate Structure

Wholesale Agency	Uniform Commodity Rate	Annual Service Charge	Annual Debt Service Charge						Acre Feet Delivered (est)	Water Usage Charges	Total Charges
			2012 Refunding Bonds			2009 COPs					
			Direct	Refunding	Water Rates	Direct	Water Rates	Total			
San Juan Water District, RSA	\$93.32	\$320,412	\$256,482	\$0	\$187,813	\$758,187	\$425,798	\$1,628,281	15,150	\$1,413,768	\$3,362,461
Citrus Heights Water District	\$93.32	\$378,474			219,242	0	453,295	672,537	14,300	1,334,447	2,385,457
Fair Oaks Water District	\$93.32	\$214,590		0	161,109	0	282,113	443,222	9,720	907,051	1,564,863
Orange Vale Water Company	\$93.32	\$82,709		0	49,441	0	142,472	191,913	4,950	461,924	736,546
City of Folsom	\$93.32	\$36,215	85,495		12,219	0	44,211	141,925	1,596	148,936	327,075
<b>Calendar Year 2014 Total</b>		<b>\$1,032,400</b>	<b>\$341,977</b>	<b>\$0</b>	<b>\$629,824</b>	<b>\$758,187</b>	<b>\$1,347,889</b>	<b>\$3,077,877</b>		<b>\$4,266,126</b>	<b>\$8,376,403</b>
<b>Fiscal Year 2014 Total</b>		<b>\$1,017,365</b>	<b>\$345,601</b>	<b>\$154,968</b>	<b>\$568,269</b>	<b>\$759,303</b>	<b>\$1,349,872</b>	<b>\$3,178,013</b>		<b>\$4,185,577</b>	<b>\$8,380,955</b>

Note: Calendar Year and Fiscal Year Totals for Water Usage Charges are based upon estimated acre feet delivered and will vary with actual deliveries. The Wholesale Water Rate Structure above does not include Capital Contributions that may be specific to an agency due to a specific benefit capital project.



The following table lists the acre-feet provided by the respective retail agencies for the purpose of water rate development.

Acre Feet Provided by Agencies

CY	San Juan Water District Retail	Citrus Heights Water District	Fair Oaks Water District	Orange Vale Water Company	City of Folsom (Ashland)
2010	12,651	12,165	10,606	4,324	1,331
2011	12,508	12,292	9,597	4,108	1,293
2012	13,936	13,583	9,987	4,657	1,529
2013	15,000	14,300	9,900	4,850	1,580
2014	15,150	14,300	9,720	4,950	1,596
2015	15,302	14,300	9,630	5,000	1,612

*2010-2012 are the actual acre feet delivered to each agency. 2013-2015 are estimates provided by Wholesale Customer Agencies as of March 2013.*

In 2008, a similar study also included a new wholesale water connection fee that is assessed to new connections for purposes of “buying into” the system. This places new customers on par with existing customers and is expected to generate revenue of approximately \$7,093 this year due to the continued low development activity.

Effective for Calendar Year 2014, this fee has increased by 2.33% as indexed to the 20 Cities Construction Cost Index (“CCI”):

Calculation:

CC Index @ March 2013	9,483.70
CC Index @ March 2012	9,267.57
Difference	216.13
% Change	2.33%

*Note: these fees are indexed utilizing the 20 Cities Construction Cost Index (CCI) as recommended in the Financial Plan.*

The following schedule lists the fee by meter size that is collected from each retail agency and in turn submitted to San Juan Water District:

*Wholesale Connection Fees*

Meter Size	Capacity Factor	2013	2014
3/4" Meter	0.60	\$354	\$362
1" Meter	1.00	\$588	\$602
1 1/2" Meter	2.00	\$1,178	\$1,205
2" Meter	3.20	\$1,884	\$1,928
3" Meter	6.40	\$3,767	\$3,855
4" Meter	10.00	\$5,887	\$6,024
6" Meter	25.00	\$14,717	\$15,060
8" Meter	36.00	\$21,193	\$21,687
10" Meter	58.00	\$34,145	\$34,941
12" Meter	86.00	\$50,629	\$51,809

## Functional Areas

### Administration and General

For Wholesale activities, this includes: Office of the General Manager, Finance, General Services, Human Resources, Information Technology, Purchasing, Risk Management and Safety. Overall District costs related to auditing, consulting, Directors, general operations, legal and office expenses are recorded in this category.

Office of the General Manager is responsible for the overall administration of the District including: implementing District policies; developing and maintaining responsive District programs and services; providing leadership and motivation to District staff; maintaining and planning for fiscal integrity; promoting excellent customer service; maintaining strong relationships with local and regional regulatory and peer governmental agencies; providing direct support to the Board of Directors. Major initiatives for the next year include: monitoring Delta and other water supply issues, as well as protecting water rights and water supply reliability; District structure and succession planning; and District efficiency measures.

Finance is responsible for all financial operations in the District, including: financial planning and forecasting, budget development, accounting and fiscal administration, debt issuance and management, financial reports and annual audit, and water rates and charges analysis. Major initiatives for the coming year include: development of *Equipment and Vehicle Fee Schedule*; implementation of a new financial information system; and monthly reporting on department budgets.

General Services includes buildings, grounds, equipment and vehicle maintenance. A major initiative for the coming year is development of the *Equipment and Vehicle Replacement Policy*.

Human Resources provides support in recruitment, selection, development and retention of a talented workforce. This includes payroll and benefits administration. Major initiatives include monitoring legislation affecting the workplace and ensure compliance, and continue to promote a culture of excellent customer service.

Information Technology manages and supports all aspects of the District's information technology systems, including data and voice communications hardware and software, as well as implementation of the District's Information Technology (IT) Master Plan. Major initiatives for the next year will be completion of the new SCADA system, implementation of a new financial information system and the completion of network improvements including wireless networking.

Purchasing facilitates and coordinates: bidding and requests for proposals; acquisition of equipment, materials, services and supplies; contracts; and insurance certifications. Major initiatives for the next year will be completion of a Purchasing Manual to assist staff with purchasing procedures and questions.

Risk Management and Safety is responsible for the District's insurance, safety, loss control, and property/liability claims.

## **Conservation**

The District provides water conservation technical and management support for retail member agencies and their customers. These efforts include workshops with subjects ranging from residential and large turf irrigation to pond management as well as management support for the retail member agency's public information and school education programs. The District hosts an annual "How To Landscape Day" that is open to the public, with participation by irrigation experts, nurseries, landscape design consultants and more. The District maintains and promotes a Water Efficient Landscape (WEL) Garden that is open weekdays and offers Saturday workshops throughout the year – all open to the public. In addition, the District has an extensive library of water efficiency material, provides speakers for school presentations, and coordinates an annual water-awareness poster contest. The District also serves as a technical resource for retail member agency's compliance with federal and state water regulations. On behalf of its retail member agencies, District staff attends and actively participates in meetings and workshops of the California Urban Water Conservation Council and the Regional Water Authority to affect and address statewide and regional conservation efforts and issues. This Department is fully compliant with Best Management Practices and reporting requirements. This Department is fully compliant with Best Management Practices and reporting requirements.

## **Engineering Services**

In general, this Department is responsible for planning, designing and managing Wholesale capital improvement projects, assisting with operational improvements, and assisting with maintenance activities which contain an engineering component.

## **Transmission and Distribution**

This area performs activities related to Wholesale mains and pipelines ranging in size from 6" to 90" in diameter and over 17 miles in length. This also includes the maintenance of the District's many wholesale water meters, air release valves and other appurtenances.

## **Water Treatment**

The District operates and maintains its 120 million gallons per day (November 16<sup>th</sup> through May 14<sup>th</sup>) and 150 million gallons per day (May 15<sup>th</sup> through November 15<sup>th</sup>) conventional water treatment plant 24/7 and a 62 million gallon clearwell. The source water comes from Folsom Lake (surface water) and is treated using conventional flocculation, filtration and disinfection that is designed to remove many contaminants. The water treatment plant's potable (finished) water quality meets all federal and state drinking standards. Water treatment supplies potable water to approximately 265,000 customers resulting in water district's served by San Juan's Wholesale operation, including: San Juan Water District retail service area, Citrus Heights Water District, Fair Oaks Water District, Orange Vale Water Company, City of Folsom's northern area (Ashland) and Sacramento Suburban Water District.

**Source of Supply - Wholesale**

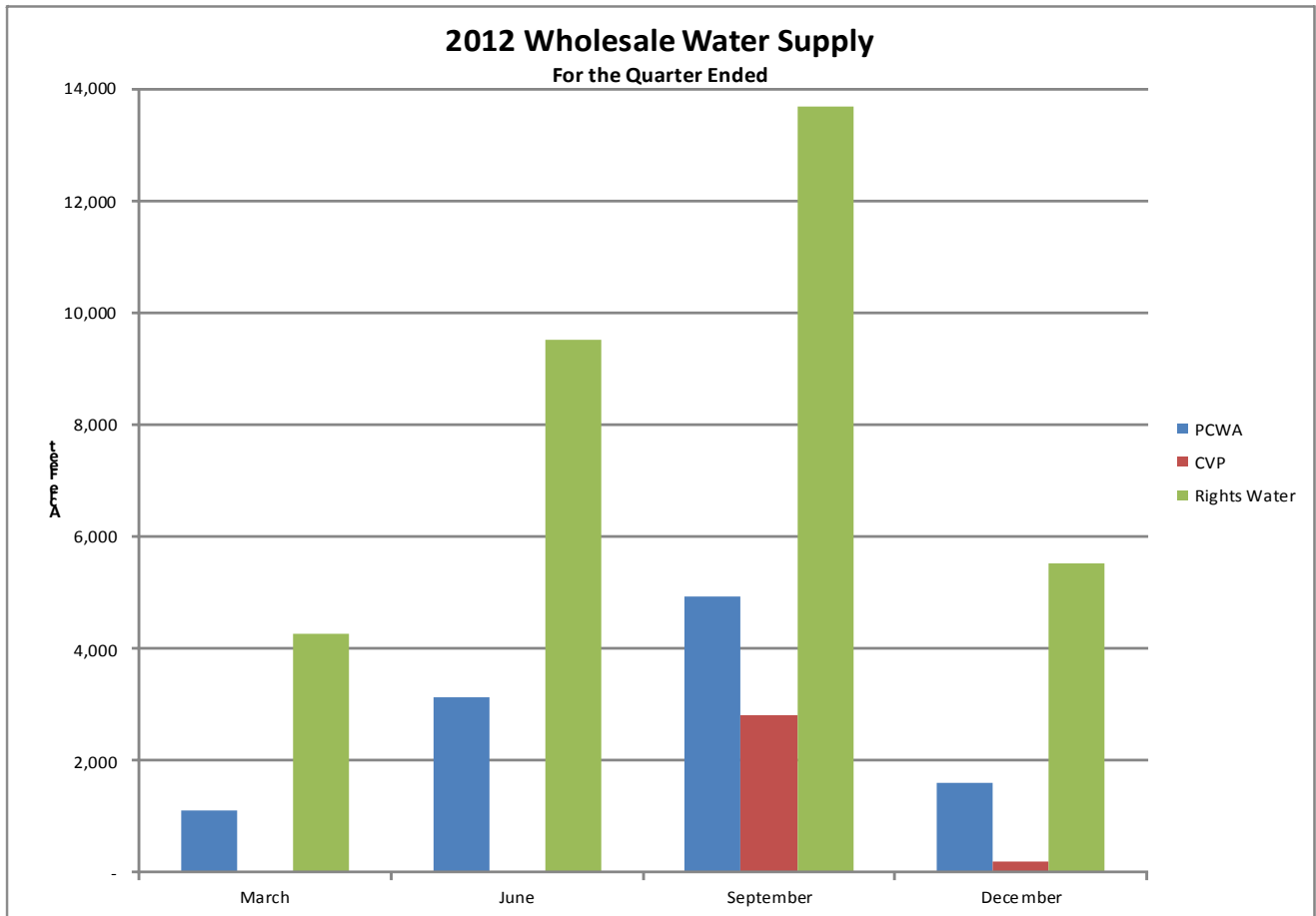
Source of supply is calculated based upon projected deliveries using a combination of historical and estimated values multiplied by the rate in effect, which may be estimated if not yet known. Projected deliveries used are in accordance with the budget assumptions that are provided by the retail agencies.

Source of Supply Rates				
Category	Effective		Rate	Per
	Beginning	Ending		
CVP Project Water	3/1/2013	2/28/2014	\$17.49	Acre Foot
CVP Project Water (est)	3/1/2014	2/28/2015	\$18.80	Acre Foot
CVP Restoration	10/1/2012	9/30/2013	\$18.78	Acre Foot
CVP Restoration (est)	10/1/2013	9/30/2014	\$19.58	Acre Foot
CVP Trinity Surcharge	3/1/2013	2/28/2014	\$0.07	Acre Foot
CVP Trinity Surcharge (est)	3/1/2014	2/28/2015	\$0.07	Acre Foot
Warren Act Contract (PCWA wheeling)	3/1/2013	2/28/2014	\$19.27	Acre Foot
Warren Act Contract (PCWA wheeling)	3/1/2014	2/28/2015	\$21.00	Acre Foot
PCWA Water	1/1/2013	12/31/2013	\$16.25	Acre Foot
PCWA Water (est)	1/1/2014	12/31/2014	\$17.47	Acre Foot
WAPA/Bureau Pumping	10/1/2012	3/31/2013	\$2,890.32	Month
WAPA/Bureau Pumping	4/1/2013	9/30/2013	\$8,670.97	Month
WAPA/Bureau Pumping Restoration	10/1/2012	9/30/2013	\$1,879.87	Month
WAPA/Bureau Pumping (est)	10/1/2013	3/31/2014	\$3,005.94	Month
WAPA/Bureau Pumping (est)	4/1/2014	9/30/2014	\$9,017.81	Month
WAPA/Bureau Pumping Restoration (est)	10/1/2013	9/30/2014	\$1,955.06	Month
Water Rights Fees	1/1/2013	12/31/2013	\$15,448.22	Year
Water Rights Fees (est)	1/1/2014	12/31/2014	\$18,537.86	Year
PGE/CAISO COTP Energy	1/1/2013	12/31/2013	\$496.00	Year
PGE/CAISO COTP Energy (est)	1/1/2014	12/31/2014	\$515.84	Year
<b>Fiscal Year 2013-2014 Budget</b>	<b>Quantity</b>	<b>Rate</b>	<b>Rate</b>	<b>Rate</b>
CVP Project Water	1,571.00	17.49	18.80	28,155.93
CVP Restoration	1,571.00	18.78	19.58	29,918.12
CVP Trinity	1,571.00	0.07	0.07	109.97
				0.00
Warren Act Contract (PCWA wheeling)	11,333.00	19.27	21.00	224,856.92
PCWA Water	25,000.00	16.25	17.47	421,500.00
WAPA/Bureau Pumping	9	8,670.97	3,005.94	44,048.55
WAPA/Bureau Pumping	3	9,017.81		27,053.43
WAPA/Bureau Pumping Restoration	12	1,879.87	1,955.06	23,235.15
Water Forum				29,196.00
PGE/CAISO COTP Energy		496.00	515.84	505.92
Water Rights Fees		15,448.22	18,537.86	16,993.04
<b>Total Wholesale Source of Supply</b>				<b>\$845,573.03</b>

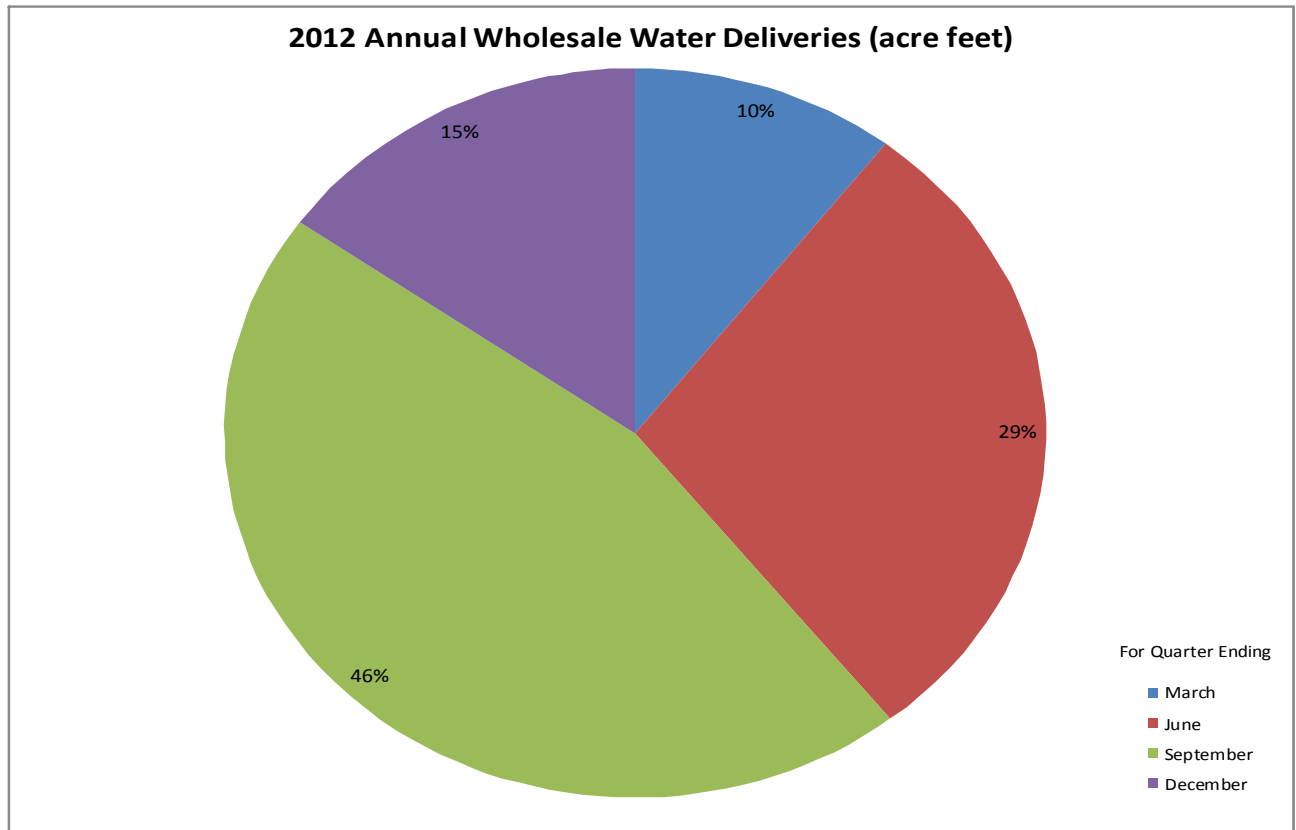
For reference, 2012 actual water supply by quarter is shown in the table below for the three sources of water:

- Pre-1914 Water Rights (33,000 acre feet)
- Central Valley Project Contract Water (24,200 acre feet); and
- Placer County Water Agency (PCWA) Contract Water (25,000 acre feet).

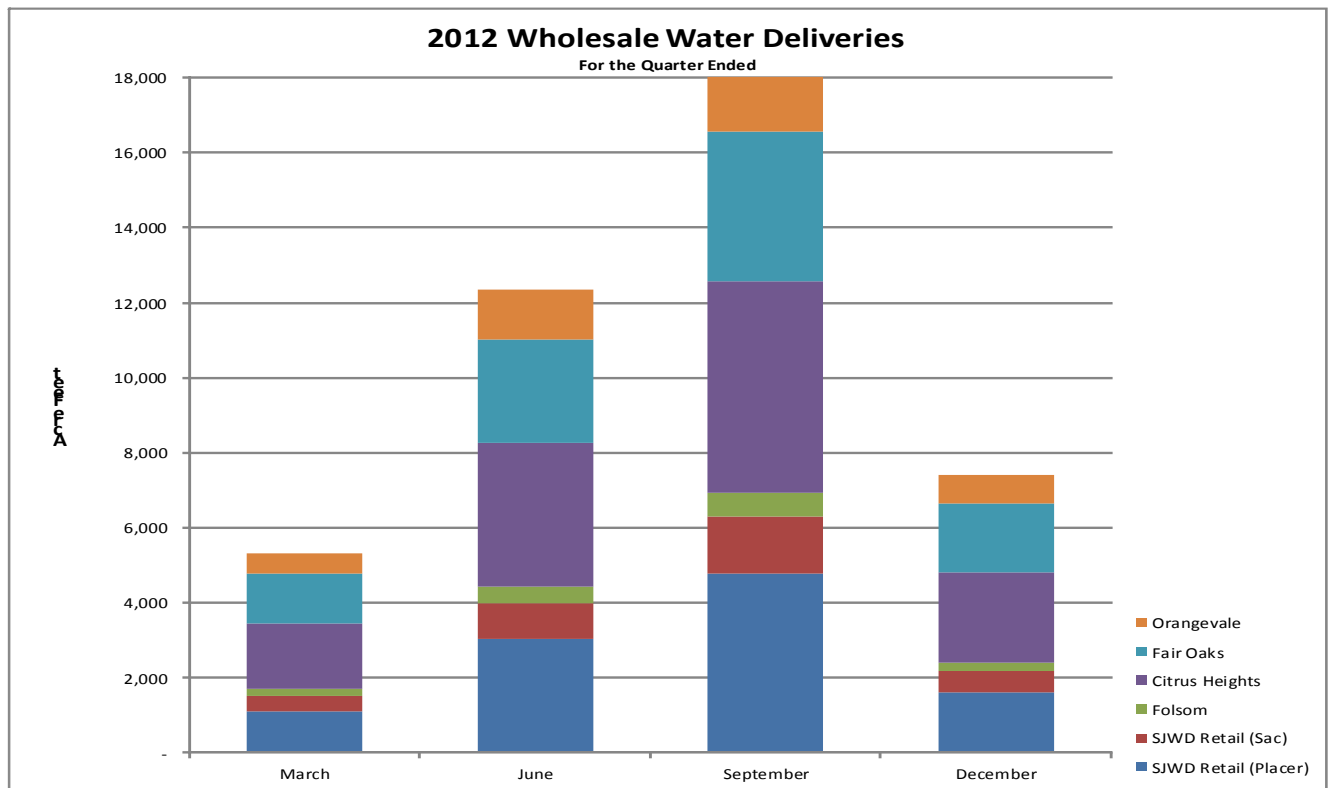
While PCWA water contract is a take or pay, the supply under that contract was much less than the 25,000 acre feet due to economic and conservation conditions.

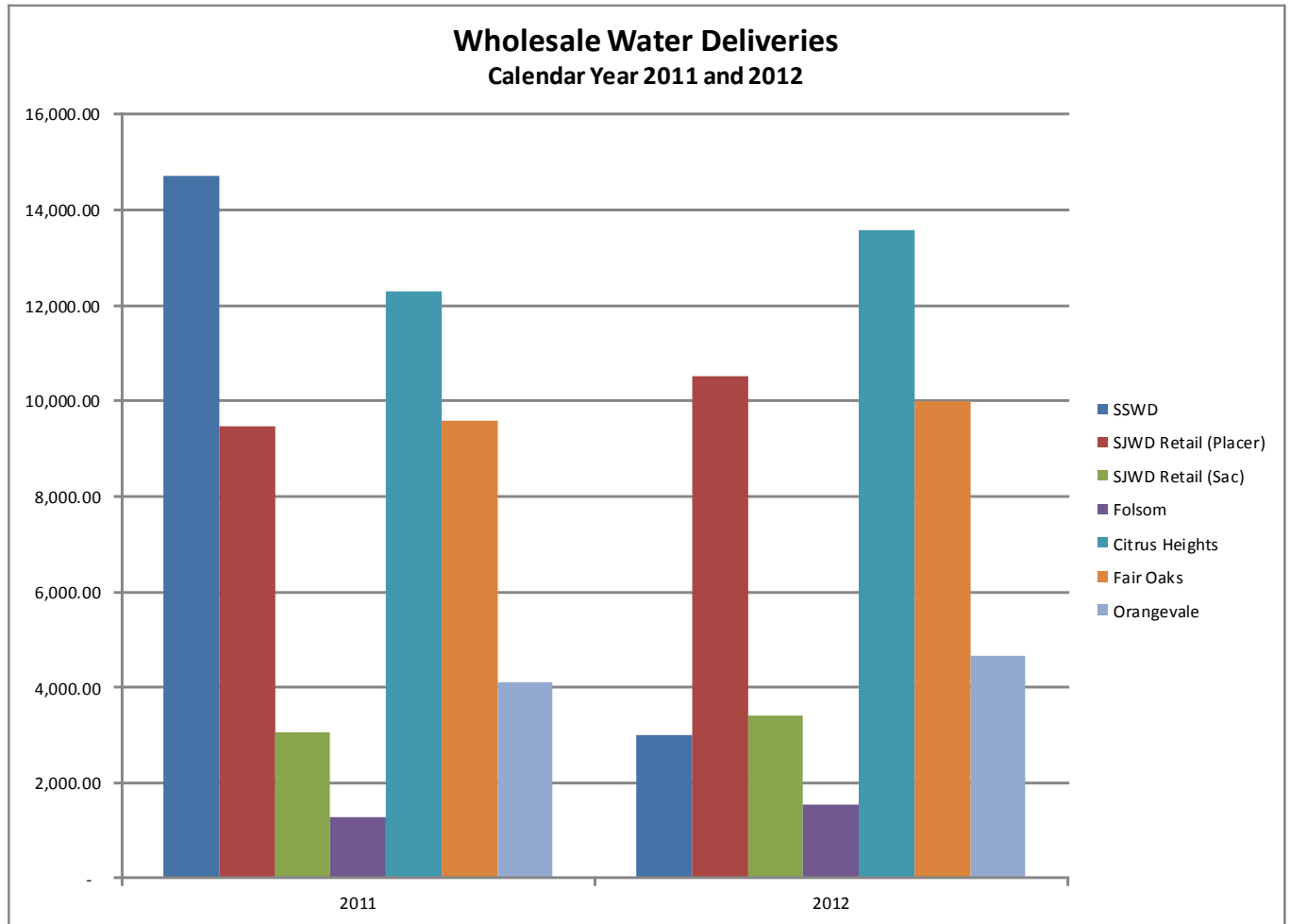


Annual wholesale water deliveries can vary significantly dependent upon weather conditions as well as economic conditions as demonstrated in the last two years. However, the typical percentage of water deliveries by quarter remains relatively static and is presented in the following chart to provide an understanding of water use patterns.



The deliveries by agency during each quarter of calendar year 2012 are shown next.



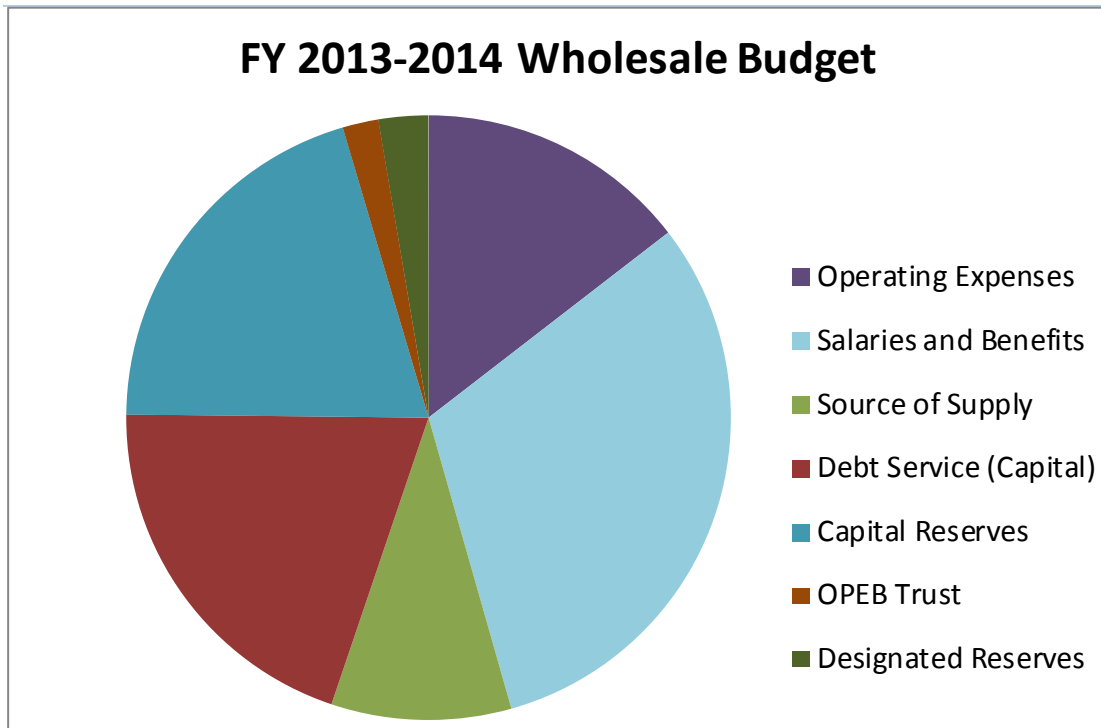


**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

**Budget Summary – Wholesale**

Category	Budgeted FY 2013	Projected FY 2013	Proposed FY 2014	Change From FY 2013 Budget		Change From FY 2013 Projected
				Amount	Percentag	
<i>Operating</i>						
<u>Revenues:</u>						
Water Sales	\$ 6,627,056	\$ 6,729,262	\$ 7,055,233	\$ 428,177	6.46%	4.84%
Pilot Water Project	0	0	0	0	0.00%	0.00%
Other (See Detail)	483,000	483,789	500,482	17,482	3.62%	3.45%
<b>Operating Revenues</b>	<b>\$ 7,110,056</b>	<b>\$ 7,213,051</b>	<b>\$ 7,555,715</b>	<b>\$ 445,659</b>	<b>6.27%</b>	<b>4.75%</b>
<u>Expenses:</u>						
Administrative & General	\$ 1,399,488	\$ 1,462,236	\$ 1,540,965	\$ 141,477	10.11%	5.38%
Conservation	244,233	210,436	284,554	40,321	16.51%	35.22%
Engineering	59,148	50,591	59,696	548	0.93%	18.00%
Source of Supply	744,440	812,094	845,628	101,188	13.59%	4.13%
Transmission	134,016	87,040	133,382	(634)	-0.47%	53.24%
Water Treatment	1,962,635	1,786,944	1,976,210	13,575	0.69%	10.59%
OPEB	140,000	140,000	168,000	28,000	20.00%	20.00%
Pilot Water Project	0	0	0	0	0.00%	0.00%
<b>Operating Expenses</b>	<b>4,683,960</b>	<b>4,549,341</b>	<b>5,008,435</b>	<b>324,475</b>	<b>6.93%</b>	<b>10.09%</b>
<b>Net Income/(Loss)-Operations</b>	<b>\$ 2,426,096</b>	<b>\$ 2,663,710</b>	<b>\$ 2,547,280</b>	<b>\$ 121,184</b>	<b>5.00%</b>	<b>-4.37%</b>
<i>Non-Operating</i>						
<u>Revenues:</u>						
COP Payments (direct)	\$ 432,067	\$ 432,067	\$ 48,545	\$ (383,522)	-88.76%	-88.76%
Interest/Investment Income	115,000	53,564	50,000	(65,000)	-56.52%	-6.65%
Wholesale Connections	689	0	21,276	20,587	2987.95%	0.00%
Taxes & Assessments	850,000	850,000	850,000	0	0.00%	0.00%
Other (See Detail)	152,825	198,336	125,874	(26,951)	-17.64%	-36.53%
<u>Expenses:</u>						
COPs (interest)	1,583,530	1,343,700	1,494,502	(89,028)	-5.62%	11.22%
Other (See Detail)	60,750	10,487	10,237	(50,513)	-83.15%	-2.38%
<b>Net Non-Operating</b>	<b>(93,699)</b>	<b>179,780</b>	<b>(409,044)</b>	<b>(315,345)</b>	<b>336.55%</b>	<b>-327.52%</b>
<b>Capital Contributions</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>135,000</b>	<b>(1,865,000)</b>	<b>-93.25%</b>	<b>-93.25%</b>
<b>Net Available Income</b>	<b>4,332,397</b>	<b>4,843,490</b>	<b>2,273,236</b>	<b>(2,059,161)</b>	<b>-47.53%</b>	<b>-53.07%</b>
<i>Debt Service Principal</i>						
2012 Refunding Bonds	633,985	633,985	0	(633,985)	-100.00%	-100.00%
2009 COPs	6,400	6,400	259,200	252,800	3950.00%	3950.00%
<b>Net Available for Distribution</b>	<b>3,692,012</b>	<b>4,203,105</b>	<b>2,014,036</b>	<b>(1,677,976)</b>	<b>-45.45%</b>	<b>-52.08%</b>
<i>Transfers from/(to) Reserves</i>						
Out: CIP/Hinkle Lining	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ -	0.00%	0.00%
Out: Delta/Water Rights	(50,000)	(50,000)	(50,000)	0	0.00%	0.00%
Out: Wholesale Reserves	(3,492,012)	(4,003,105)	(1,914,036)	1,577,976	-45.19%	-52.19%
Out: PERS Stabilization	(100,000)	(100,000)	0	100,000	-100.00%	-100.00%
<b>Total Transfers</b>	<b>\$(3,692,012)</b>	<b>\$(4,203,105)</b>	<b>\$(2,014,036)</b>	<b>\$ 1,677,976</b>	<b>-45.45%</b>	<b>-52.08%</b>
<b>Ending Available Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>	<b>0.00%</b>





### **Fiscal Year 2012-2013 Accomplishments**

- Upgraded unsupported FactoryLink SCADA with WonderWare SCADA
- Upgraded proprietary programmable logic controllers (PLC's) with Allen Brady PLC's and touch screens
- Over 2 months flow testing water treatment plant at 130 & 150 million gallons per day; now rated at 150 million gallons per day from May 15<sup>th</sup> through November 15<sup>th</sup>
- Updated our 1977 Water Supply Permit to our current 2013 water treatment plant operations
- Completed our primary chemical testing; did two presentations, one at AWWA Fall Conference and the other at American River Watershed Technician Committee saving \$385,000 annually
- Upgraded filter underdrain piping with shorter pipe run, new pumps and meter
- Completed Volatile Organic Compounds Waivers, waiting for CDPH approval
- Completed Synthetic Organic Compounds Waivers, waiting for CDPH approval
- Filled three (3) water treatment plant maintenance positions
- Filled one (1) water treatment plant operator position
- Completed RMP/PSM Audit (every 3 years)
- Updated Safety programs: LOTO, Confined Space, Arc Flash and PSM
- 11-month (after construction completed) inspection of CTBP & TWP; all punchlist repairs completed

### **Fiscal Year 2013-2014 Goals**

- 2013 American River Watershed Sanitary Survey (every 5 years)
- Upgrade water treatment plant return water probe meter to a mag meter
- Upgrade Hinkle Reservoir's underdrain system (panel, piping and panel)
- Fill one (1) water treatment plant maintenance position

**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

**Wholesale Budget Detail**

	2012 6/30/2012 Actual	2013 06/30/13 Budget	2013 2/28/2013 Actual	Projected Actual	2013 06/30/14 Budget
<b>REVENUE:</b>					
<b>WATER REVENUE:</b>					
CITRUS HEIGHTS WATER DISTRICT	2,176,090	2,186,647	1,355,914	2,132,756	2,310,227
CITY OF FOLSOM	224,993	206,859	134,955	224,516	235,107
FAIR OAKS WATER DISTRICT	1,542,080	1,546,361	939,457	1,523,460	1,521,336
ORANGEVALE WATER COMPANY	658,243	638,405	413,169	677,688	711,298
PLACER COUNTY WATER AGENCY		0	0	0	0
SACRAMENTO SUBURBAN WATER DISTRICT	648,377	0	30,452	30,452	0
GRANITE BAY GOLF CLUB	10,428	5,993	4,690	7,634	7,863
INTERDEPARTMENTAL SJSWD	2,101,621	2,042,791	1,323,016	2,132,756	2,269,402
<b>TOTAL WATER REVENUES</b>	<b>7,361,832</b>	<b>6,627,056</b>	<b>4,201,653</b>	<b>6,729,262</b>	<b>7,055,233</b>
<b>OTHER REVENUE:</b>					
CTP COST SHARE	10,834	14,000	14,789	14,789	15,000
COST SHARE AGREEMENTS	103,749	84,000	61,680	84,000	84,000
LATE FEE/PENALTY	135,027	0	0	0	0
MEDICARE PART D SUBSID	9,423	0	0	0	0
CA SOLAR INITIATIVE REBATE (CSI)	313,518	385,000	203,381	385,000	385,000
GRANT REVENUE		0	0	0	16,482
<b>TOTAL OTHER REVENUE</b>	<b>572,552</b>	<b>483,000</b>	<b>279,850</b>	<b>483,789</b>	<b>500,482</b>
<b>TOTAL REVENUE</b>	<b>7,934,384</b>	<b>7,110,056</b>	<b>4,481,503</b>	<b>7,213,051</b>	<b>7,555,715</b>
<b>EXPENSES:</b>					
<b>SOURCE OF SUPPLY:</b>					
WATER RIGHTS FEES	15,448	16,993	15,448	15,448	16,993
BUREAU RECLAMATION CVP WATER	18,439	30,396	49,094	73,641	28,156
ENVIRONMENTAL RESTORATION CHG	6,946	38,320	42,295	63,443	30,028
PCWA WATER	337,500	382,500	255,208	390,625	421,500
PCWA & CHWD WHEELING CHARGES	138,730	151,340	124,638	186,957	224,857
WATER FORUM	10,511	29,196	10,525	15,788	29,196
BUREAU PUMPING (WAPA ENERGY)	92,854	95,134	43,797	65,696	94,337
ENERGY ASSESSMENTS/COT	0	561	496	496	561
	620,427	744,440	541,501	812,094	845,628
<b>WATER TREATMENT:</b>					
SALARIES & FBS	1,066,926	1,292,271	758,970	1,138,455	1,357,610
OPERATING CHEMICALS	350,371	319,164	268,541	402,812	336,000
MATERIALS	306,189	198,250	135,979	203,969	201,750
SMALL TOOLS/EQUIPMENT	6,373	0	2,081	3,122	7,500
EDUCATION/MEETINGS	3,271	0	5,273	7,910	10,000
LABORATORY	18,738	10,500	2,863	4,295	9,750
REGULATORY COMPLIANCE/SAMPLING	18,603	46,250	2,926	4,389	24,500
ENERGY COST/FUEL	83,377	50,000	73,213	109,820	120,000
ENERGY COST CREDIT - SOLAR	(210,586)	0	(77,132)	(115,698)	(120,000)
SOLAR SITE COSTS	17,818	0	0	0	0
DISPOSAL & SEWER	1,368	5,000	912	1,368	4,000
TELEPHONE	3,336	5,000	1,879	2,819	4,500
DEPT OF WATER RESOURCES	2,962	5,000	0	0	5,000
DEPT OF HEALTH SERVICES	21,293	20,000	8,077	12,116	15,000
MAINTENANCE	183	0	333	500	500
PROPERTY LEASE	100	200	100	150	100
ALLOCATED COMPUTER COSTS	11,599	11,000	7,278	10,917	0
	1,701,918	1,962,635	1,191,293	1,786,944	1,976,210

**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

TRANSMISSION & DISTRIBUTION:					
SALARIES & FBS	33,182	45,780	27,347	41,021	80,882
PERMITS, MATERIALS & SUPPLIES	0	2,000	0	0	2,000
REGULATORY COMPLIANCE	7,957	0	0	0	8,000
MAINTENANCE MATERIALS/VENDORS	8,216	55,000	28,514	42,771	25,000
MATERIALS RESERVOIR/SUPPLIES	12,103	12,000	0	0	0
ENERGY	2,721	3,000	2,165	3,248	3,200
COTP OPERATIONS SALARIES	502	0	0	0	0
COTP MAINTENANCE SALARIES/FBS	12,518	16,236	0	0	14,000
COTP MAINTENANCE MATERIALS	1,769	0	0	0	0
EQUIPMENT MAINTENANCE	156	0	184	276	300
	<u>79,124</u>	<u>134,016</u>	<u>58,210</u>	<u>87,040</u>	<u>133,382</u>
CONSERVATION:					
SALARY/FBS	206,617	187,133	131,372	197,058	199,654
CONSERVATION SUPPLIES & PRINTG	150	4,000	337	506	500
POSTAGE & SHIPPING	49	0	0	0	3,000
CONSERVATION PROGRAMS	7,644	25,600	246	369	16,000
CONSERVATION REBATES	0	0	0	0	35,000
PUBLIC OUTREACH MATERIALS		0	13	0	2,500
PUBLIC NOTICES		0	0	0	1,000
MEMBERSHIP/CERTIF RENEWAL		0	814	0	2,600
CONSERVATION TELEPHONE EXPENSE	449	500	203	305	500
VEHICLE MAINTENANCE	0	0	0	0	900
CONFERENCES & CONVENTIONS	4,400	9,500	2,882	4,323	9,700
WEL GARDEN SUPPLIES/MATERIALS	2,905	8,800	0	0	4,000
WEL GARDEN PROFESSIONAL SVC'S	573	1,500	1,050	1,575	2,000
WEL GARDEN GROUND MAINTENANCE	7,400	7,200	4,200	6,300	7,200
	<u>230,187</u>	<u>244,233</u>	<u>141,117</u>	<u>210,436</u>	<u>284,554</u>
ENGINEERING:					
ENGINEERING SALARY/FBS	34,118	50,208	29,515	44,273	51,996
ENGINEERING OFFICE SUPPLIES/PRINTING	81	1,140	0	0	0
ENGINEERING EQUIPMENT LEASING	0	100	0	0	0
ENGINEERING MEMBERSHIP/CERT	478	700	238	357	500
ENGINEERING COMPUTER SOFTWARE	2,200	3,000	2,000	3,000	3,200
ENGINEERING EDUC/TRAIN	1,401	4,000	1,974	2,961	4,000
	<u>4,159</u>	<u>59,148</u>	<u>33,727</u>	<u>50,591</u>	<u>59,696</u>
ADMINISTRATION & GENERAL:					
SALARIES & FBS ADMINISTRATIVE	896,553	843,088	580,941	845,752	920,263
OFFICE SUPPLIES & PRINTING	8,574	9,000	8,119	12,179	9,200
POSTAGE	14,999	6,000	4,249	6,374	6,500
PUBLIC OUTREACH ACTIVITIES	103,791	40,000	55,433	83,150	129,065
AD/PUBLICATIONS/NOTICES	2,557	500	842	1,263	1,400
OFFICE EQUIP & COMPUTER MAINT	42,628	27,000	25,520	38,280	27,000
MEMBERSHIP/CERTIF RENEWAL	60,962	68,000	59,228	61,228	66,000
SUBSCRIPTIONS-BOOKS-TAPES	1,600	2,000	1,515	2,273	3,000
BANK & COLLECTION SVC EXPENSE	11,354	12,000	7,038	10,557	11,000
STAFF EXPENSE	3,897	4,100	3,869	4,277	4,200
SAFETY TRAINING/TEST/DATCO	3,353	4,000	7,315	10,973	3,500
MEETINGS & CONVENTIONS	18,272	18,000	16,562	19,562	25,000
AUDITING & CONSULTING	212,213	190,000	164,056	227,210	140,000
TELEPHONE	6,258	8,000	3,355	5,033	5,500
UTILITIES-SEWER-DISPOSAL-SL	3,397	3,500	2,253	3,380	3,800
INSURANCE-LIABILITY & PROPERTY	41,259	28,000	45,645	45,645	47,000
RETIREE BENEFIT, HEALTH INS	113,056	107,000	78,871	118,307	125,637
UNIFORMS	0	6,000	4,385	6,578	6,400
BUILDING & GROUNDS MAINTENANCE	5,992	6,000	3,778	5,667	14,000
ENERGY COST	8,206	8,000	5,356	8,034	8,000
SECURITY MONITORING	1,352	1,800	1,414	2,121	2,000
OTHER MAINTENANCE	2,271	1,000	574	861	1,000
VEHICLE FUEL/MAINTENANCE	154	0	1,350	925	1,500
ELECTIONS EXPENSE	0	24,000	36,109	36,109	0
LEGAL PROFESSIONAL EXPENSE	211,706	137,000	74,853	112,280	130,000
DIRECTORS	29,604	25,500	18,245	27,368	30,000
ADMIN/GEN APPLD COST (CREDIT)	(252,037)	(180,000)	(155,433)	(233,150)	(180,000)
	<u>1,551,973</u>	<u>1,399,488</u>	<u>1,055,442</u>	<u>1,462,236</u>	<u>1,540,965</u>

**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

OPEB	126,166	140,000	0	140,000	168,000
TOTAL EXPENSES	4,313,954	4,683,960	3,021,290	4,549,341	5,008,435
NET OPERATING INCOME/(LOSS)	3,620,430	2,426,096	1,460,213	2,190,320	2,547,280
NON-OPERATING:					
REVENUE:					
COMMUNICATIONS SITE RENTAL	54,297	59,316	59,316	59,316	62,282
SMUD COTP REBATE/LEASE PAYMENT	40,896	44,000	39,744	39,744	38,592
EXPENSE RECOVERY	9,224	19,509	66,184	99,276	25,000
SALE OF SURPLUS	(4,276)	0	0	0	0
MISCELLANEOUS	8,252	30,000	0	0	0
INTEREST REVENUE	187,780	115,000	35,709	53,564	50,000
TAXES & ASSESSMENTS M & O	780,565	850,000	35,724	850,000	850,000
CONNECTION FEES/WHOLESALE	8,926	689	0	0	21,276
COP PYMTS FROM OTHER RSA	(25,009)	432,067	69,239	432,067	48,545
NONOPERATING REVENUE	1,060,655	1,550,581	305,916	1,533,967	1,095,695
EXPENSES:					
BOND ADMIN/CONSULTING	750	750	750	750	750
C.O.P. INTEREST EXPENSE	1,600,277	1,583,530	895,800	1,343,700	1,494,502
C.O.P./98 BOND ADMINISTRATION	3,418	1,700	0	0	0
C.O.P. AMORTIZATION EXPENSE	5,493	15,000	(21,081)	(31,622)	(31,363)
INVESTMENT MANAGEMENT SERVICES	750	750	750	750	750
SALES TAX	8,519	0	782	1,173	0
PRELIMINARY PROJECTS/STUDIES	7,500	0	0	0	0
LAFCO ASSESSMENTS	2,879	2,888	3,009	3,009	3,100
SGA/RWA/WATER FORUM	36,427	39,662	36,427	36,427	37,000
NONOPERATING EXPENSES	1,666,013	1,644,280	916,437	1,354,187	1,504,739
CAPITAL CONTRIBUTIONS REVENUE	2,009,234	2,000,000	680,688	2,000,000	135,000
DEBT SERVICE PRINCIPAL	922,764	879,906		1,005,485	259,200
NET PRIOR TO DEPRECIATION	481,112	1,026,395	70,167	1,174,295	(533,244)
DEPRECIATION & AMORTIZATION	(2,373,893)	0	1,374,824	2,062,236	0
NET AFTER DEPRECIATION	(1,892,781)	1,026,395	1,444,991	3,236,531	(533,244)

**Debt Service – Wholesale**

Wholesale debt service as detailed in the schedule below is comprised of the 2012 Refunding Bonds and 2009 COPs issued for Wholesale Capital Improvement Projects as well as those direct components that are collected by Wholesale.

<b>Wholesale Debt Service</b>	San Juan				Orange Vale		Total
	Retail Service Area	Citrus Heights Water District	Fair Oaks Water District	Water Company	City of Folsom		
<u>2012 Refunding Bond Payments</u>							
<i>New Project Money</i>							
Annual Debt Service Charge	\$ 106,643	\$ 124,488	\$ 91,480	\$ 28,073	\$ 6,938	\$ 48,545	\$ 357,622
Direct Obligation							48,545
<b>Total 2012 Refunding Pymts</b>	<b>\$ 106,643</b>	<b>\$ 124,488</b>	<b>\$ 91,480</b>	<b>\$ 28,073</b>	<b>\$ 55,482</b>		<b>\$ 406,166</b>
<u>2009 COP Payments:</u>							
<i>New Project Money</i>							
Annual Debt Service Charge	425,687	453,176	282,039	142,435	44,199		1,347,536
<b>Total Sources of Funds</b>	<b>\$ 532,329</b>	<b>\$ 577,664</b>	<b>\$ 373,519</b>	<b>\$ 170,508</b>	<b>\$ 99,682</b>		<b>\$ 1,753,702</b>
<b>Uses of Funds</b>				Principal	Interest	Total	
2012 Refunding Bonds				\$0.00	\$406,166.22	\$ 406,166	
2009 Certificates of Participation				259,200	1,088,336	1,347,536	
<b>Total Uses of Funds</b>				<b>\$ 259,200</b>	<b>\$ 1,494,502</b>	<b>\$ 1,753,702</b>	

## Capital Improvement Program - Wholesale

Wholesale facilities include those that allow the District to receive raw water, treat it for delivery to wholesale customers and perform all supporting activities to accomplish this. Specific examples are:

- raw water supply pipelines;
- water treatment plant;
- chlorine containment;
- filter gallery;
- solids handling;
- Hinkle reservoir; and
- District buildings and grounds.

The District's Capital Improvement Program ("CIP") is viewed as two separate programs for Wholesale and Retail facilities. Most projects are not relevant to both Wholesale and Retail, therefore, they are evaluated and planned for completely separately. Some do benefit both Wholesale and Retail facilities and are assigned to each based upon specific benefit with Wholesale and Retail paying their fair share of the cost. To be considered a capital expense, the project, program or equipment must generally cost \$5,000 or more and have a useful life extending three years or more.

### CIP Process

In order to develop and maintain the District's long-range CIP, the first step is completion of a Wholesale Master Plan. These are completed approximately every five years by an outside consultant with District staff assistance. All existing and future facilities are evaluated to support the District's CIP goals:

- Ensure that a reliable water supply is maintained and secured for future needs.
- Maintain or implement compliance with existing or new regulations.
- Address public safety or health standards.
- Plan contingently for reasonable emergency supply or outages.
- Ensure that existing infrastructure is maintained, replaced and improved.
- Provide for new capital projects to help meet the highest priority District needs.
- Result in more economical, efficient, or effective delivery of District services.

CIP projects are categorized as follows:

District-Wide: projects that benefit the District's internal operations such as information technology or building improvements.

Pipeline Replacements: projects related to the expansion, maintenance, or improvement of the District's transmission and distribution system.

Chemical Feed Systems: projects related to the maintenance, improvement or expansion of the District's chemical systems within the Water Treatment Plant.

Filter Basins: projects related to the construction, maintenance, improvement or expansion of the District's filter basins.

Water Treatment Plant: projects related to the construction, maintenance, improvement or expansion of the District's Water Treatment Plant facilities.

Water Storage: projects related to the construction, maintenance, improvement or expansion of the District's storage facilities.

Upon completion or update of the Wholesale Master Plan, the Wholesale Water Rate Study and Financial Plan are updated to reflect new or updated projects. This may not be necessary if the costs do not represent a major impact to the CIP. Projects are incorporated into the fiscal-year budget for the year they are expected to begin, with individual projects approved in accordance with District policy or prescribed codes (i.e. Public Contract Code).

District staff manage projects with the assistance of consultants where needed. District labor, inventory, materials, supplies and related costs may be required on a project and coded as such to reflect the full cost of the asset for financial reporting purposes. Upon completion of a project, Notice of Acceptance is filed (when applicable) and appropriate insurance coverage is secured by the District's insurer in accordance with the policy.

### **Fiscal Year 2012-2013 Accomplishments**

- Replaced two (2) thirty-five year old single wall 20,000 gallon primary chemical tanks with two (2) 15,000 gallon double containment primary chemical tank
- Finished filter gallery valve replacement project
- Replaced and tested belt press (blue belt) with Teflon



**CIP Budget - Wholesale**

	2013-2014			2014-2015			2015-2016		
	General	Connections	Hinkle	General	Connections	Hinkle	General	Connections	Hinkle
<b>Funding Sources:</b>									
Estimated Beginning Balance	\$ 6,469,926	\$ 140,924	\$ 2,448,197	\$ 7,145,014	\$ 162,806	\$ 2,508,717	\$ 2,510,607	\$ 162,806	\$ 2,568,717
Estimated Revenue and Transfers	1,697,588	21,882	60,520	1,360,000		60,000	1,360,000		60,000
<b>Capital Contributions:</b>									
<i>Wholesale Meters</i>									
San Juan Water District Retail	225,068								
Fair Oaks Water District	(86,734)								
Orange Vale Water Company	78,171								
Citrus Heights Water District	(190,908)								
Sacramento Suburban Water District	0								
City of Folsom	(25,597)								
<i>Wholesale Meter Sump Pumps</i>									
San Juan Water District Retail	90,000								
Wholesale Customer Agencies	45,000								
Estimated Funds Available for CIP Projects	\$ 8,302,514	\$ 162,806	\$ 2,508,717	\$ 8,505,014	\$ 162,806	\$ 2,568,717	\$ 3,870,607	\$ 162,806	\$ 2,628,717
<b>Projects:</b>									
<b>District-Wide</b>									
Enterprise Financial Information System	\$ 100,000								
IT Network Hardware	10,500								
	\$ 110,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Water Treatment Plant</b>									
Building-Storage Roof/Walls				351,407					
Chemical Feed Systems-Polymer	100,000								
New Settled Water Channel	280,000			2,520,000					
Rapid Mix Process Improvements	20,000			200,000					
Replace Flocculators, Modift Basins	247,000			2,223,000					
Replace Sludge Collection System	50,000			500,000					
Wholesale Meter Sump Pumps	150,000								
Hinkle Reservoir Cover Testing/Repairs				200,000					
Settled Water Joint Repair and Caulk							25,000		
<b>Miscellaneous Projects</b>									
Security Improvements-WTP, Solar Site	200,000								
Wholesale Master Plan Update							300,000		
	1,047,000	-	-	5,994,407	-	-	325,000	-	-
Total Projects	1,157,500			5,994,407			325,000		
Estimated Ending Balance	\$ 7,145,014	\$ 162,806	\$ 2,508,717	\$ 2,510,607	\$ 162,806	\$ 2,568,717	\$ 3,545,607	\$ 162,806	\$ 2,628,717

Capital Contributions are received from agencies or other outside parties that participate in and/or benefit from capital projects. Cost sharing is in accordance with Board policy and/or an agreement or allocation as determined for that project.

## Retail Budget

### Cost Savings Measures

The District continually evaluates cost-saving measures that support fulfilling its mission. Staff regularly explores options to current processes or projects (pumping, transmission and distribution, engineering, conservation, customer service, administration, capital projects) that may present viable alternatives that save District customers money while providing a high level of service customers expect. To that end, this year the District has taken the following cost-saving measures with a table summarizing below:

- FY 2011-2012 – Employees came forward with no Cost of Living Allowance (“COLA”) on July 1, 2011, Increase Within Range or Incentive Compensation for employees which held salaries at current levels saving approximately \$119,100.
- FY 2011-2012+ – implemented Employee cost-share of dependent dental with annual savings of \$6,900.
- FY 2011-2012 - Utilize internal staff on planning, engineering and construction management of capital projects which saved approximately \$246,600 on the cost of outside consultants.
- FY 2011-2012 - optimize Bacon Pumpstation Pressure and Kokila Reservoir Addition with Piping Modifications with estimated savings in avoided capital project costs for pumpstation and storage are approximately \$4,000,000 with annual savings of \$50,000-\$70,000 from reduced pumping.
- FY 2008-2009 – Utilized COP credit rating process in-lieu of bond insurance with total savings of \$44,200.
- FY 2008-2009 – CalPERS prepayment of annual employer contribution with savings of \$62,900.
- FY 2008-2009+ - achieved AA+ credit rating on COPs with total debt service savings over the life of the COPs in the amount of \$2,320,000.
- FY 2008-2009 - implemented Information Technology improvements including Virtual Servers and Shared Storage saving \$35,000 annually on reduced hardware, software support, maintenance and electricity with additional annual savings of \$37,500 annually due to elimination of need to fill Information Technology Technician position.
- FY 2008-2009 – 2011-2012 – Identified partnering opportunity with Placer County on Barton Road Bridge Replacement and Auburn-Folsom Road Widening Projects for pipeline installations. Approximate savings of \$2,000,000.
- FY 2010-2011+ - staff renegotiated credit card fees for acceptance of customer payments with annual savings of \$12,000.

- FY 2011-2012 - Refunding Bonds with annual estimated debt service savings of \$23,000 until 2033 when paid off, total \$483,000.
- FY 2011-2012 – Staff identified RWA Prop 50 Drought Assistance Grant monies available to reimburse SJWD’s \$25,000 water efficiency rebate to an area high school.

Fiscal Year	Measure		Savings
2011-2012	No COLA/Step Increase/Incentive Compensation	<i>Total</i>	\$157,800
2011-2012+	Dependent dental employee cost-share	<i>Total</i>	\$6,900
2011-2012+	Internal staff-planning, engineering, construction management	<i>Annual</i>	\$246,600
2011-2012+	Reduced OPEB Costs	<i>Annual</i>	\$40,075
2011-2012 - 2032-2033	Refunding bonds, lower debt service	<i>Annual</i>	\$22,907
		<i>Total</i>	\$481,057
2008-2009	COP credit rating process in-lieu of bond insurance	<i>Total</i>	\$44,200
2008-2009	CalPERS Contribution prepayment	<i>Total</i>	\$62,985
2008-2009+	AA+ Credit Rating on COPs	<i>Total</i>	\$2,320,000
2008-2009+	IT virtualization & shared storage	<i>Annual</i>	\$72,500
2009-2010	AFR Pipeline coordination w/Placer County	<i>Total</i>	\$2,000,000
2010-2011	Pipeline Project coordination with Wholesale	<i>Total</i>	\$155,500
2010-2011+	Credit card fees re-negotiated	<i>Annual</i>	\$12,000

Note: The Fiscal Year begins on July 1 and ends on June 30.

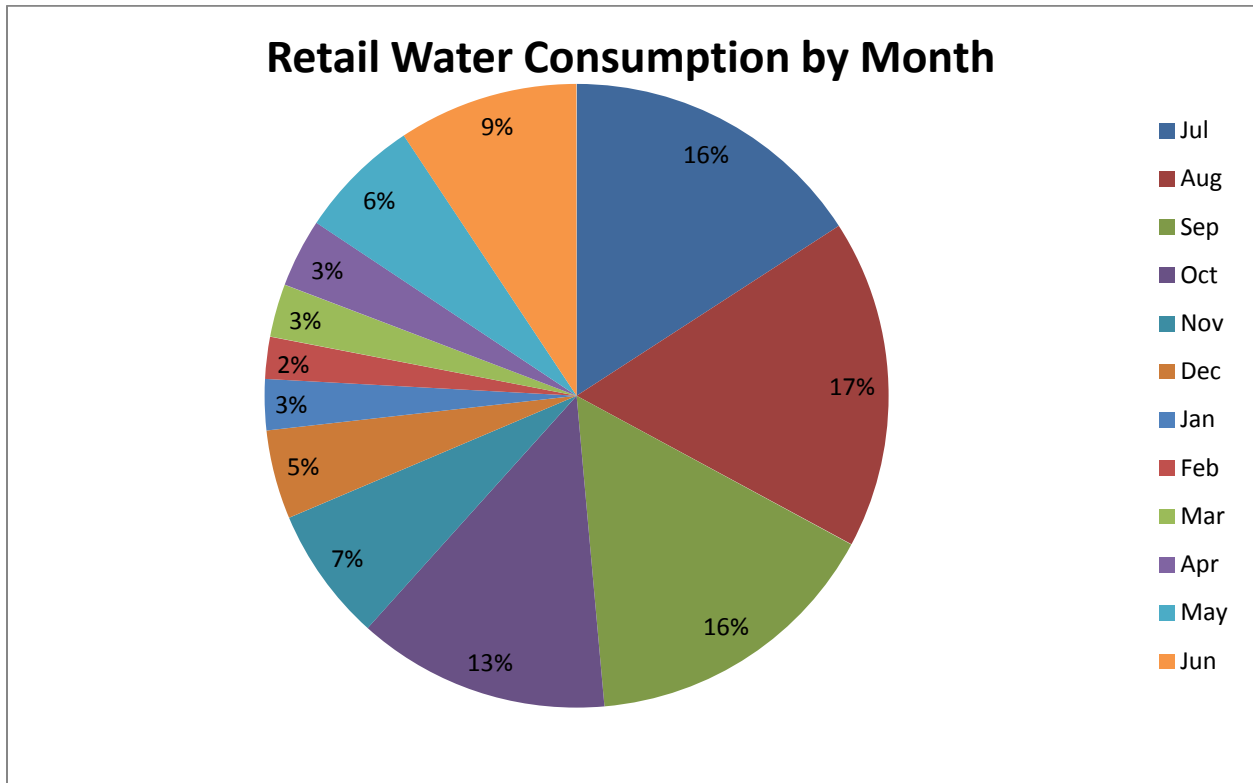
### **Retail Water Rate Study and Financial Plan**

In 2011, the District contracted with the Reed Group, Inc. to prepare the Retail Water Rate Study and Financial Plan to determine water rates required to fund operations and the capital improvement program for the next ten years. This study was completed in March 2011. The study determined that there would be no retail rate increase required for 2012 and recommended 3.5% annual increases to maintain operations and complete the capital improvement program. Annual operating savings, one-time savings as well as debt service savings resulting from refunded bonds required that plan to be updated in April 2012. Increases recommended by the update are listed below.

This budget is prepared with the estimated rates from that plan for budgetary purposes; however, the Board adopts rates as part of the budget process each year and in accordance with Proposition 218. Through the budget process staff has incorporated actual financial results as well as projected budgets and updated capital improvement program. The updated financial plan information projects lower recommended rate increases over the next five years (subject to Board approval and update):

2014	2015	2016	2017	2018
2%	2%	2%	2%	2%

Retail water use by month is presented in the following table using calendar year 2012 data to demonstrate water use patterns.



The current rate structure and rate structure based upon the Retail rate increase for 2013 are presented next.

**Residential Metered Rates**

Calendar Year 2013 with 2% increase

(Billed Based On # Of Days In Read Period)

Meter Size	Daily Base Charge	Plus: Consumption/Unit*		
		0 to 20 ccf	21 to 200 ccf	201+ ccf
Up to 1"	\$1.17	\$0.45	\$0.75	\$0.53
1 1/2"	\$3.13	\$0.45	\$0.75	\$0.53
2"	\$5.00	\$0.45	\$0.75	\$0.53

**Non-Residential/Commercial Metered Rates**

(Billed Based On Read Period)

Meter Size	Daily Base Charge (Fixed)	Plus: Consumption/Unit*
Up to 1"	\$1.17	\$0.64
1 1/2"	\$3.13	\$0.64
2"	\$5.00	\$0.64
3"	\$9.95	\$0.64
4"	\$15.49	\$0.64
6"	\$30.97	\$0.64
8"	\$55.67	\$0.64
10"	\$89.66	\$0.64
12"	\$132.93	\$0.64
Fire District	\$6.02	\$0.64

\* 1 unit = 100 cubic feet = 748 gallons

Effective 1/1/2013, rate increase of 2%.

Rates are effective January 1 - December 31.

**Commercial - Other (Billed Based On # Of Days In Read Period)**

Private Fire Line Rates

Meter Size	Daily Base Charge (Fixed)
4"	\$0.45
6"	\$0.66
8"	\$0.90
10"	\$1.07

Effective 1/1/2013, rate increase of 2%.

**Residential Metered Rates**

Calendar Year 2014 with 2% increase  
(Billed Based On # Of Days In Read Period)

Meter Size	Daily Base Charge	Plus: Consumption/Unit*		
		0 to 20 ccf	21 to 200 ccf	201+ ccf
Up to 1"	\$1.20	\$0.46	\$0.77	\$0.54
1 1/2"	\$3.19	\$0.46	\$0.77	\$0.54
2"	\$5.10	\$0.46	\$0.77	\$0.54

**Non-Residential/Commercial Metered Rates**

(Billed Based On Read Period)

Meter Size	Daily Base	Plus:
Up to 1"	\$1.20	\$0.66
1 1/2"	\$3.19	\$0.66
2"	\$5.10	\$0.66
3"	\$10.14	\$0.66
4"	\$15.80	\$0.66
6"	\$31.59	\$0.66
8"	\$56.79	\$0.66
10"	\$91.45	\$0.66
12"	\$135.58	\$0.66
Fire District	\$6.14	\$0.66

\* 1 unit = 100 cubic feet = 748 gallons  
Effective 1/1/2013, rate increase of 2%.  
Rates are effective January 1 - December 31.

**Commercial - Other (Billed Based On # Of Days In Read Period)**

Private Fire Line Rates

Meter Size	Daily Base Charge (Fixed)
4"	\$0.46
6"	\$0.68
8"	\$0.92
10"	\$1.09

Effective 1/1/2014, rate increase of 2%.

The study included growth projections from a slight rebound in the economy anticipated for the future beginning in Fiscal Year 2013-2014. This potential growth adds water sales revenue connection fee revenue to applicable periods. The purpose of the retail water connection fee for new connections is considered a “buy in” component to the system in order to place new customers on par with existing customers.

It was recommended as a result of this study to prepare an updated connection fee study in the future, but until that time this fee is increased by 2.33% as indexed to the 20 Cities Construction Cost Index (“CCI”) which will be effective for Calendar Year 2014:

Calculation:

CC Index @ March 2013	9,483.70
CC Index @ March 2012	<u>9,267.57</u>
Difference	216.13
% Change	2.33%

*Note: these fees are indexed utilizing the 20 Cities Construction Cost Index (CCI) as recommended in the Financial Plan.*

There are some small developments expected for Fiscal Year 2013-2014, so the budget includes \$1,105,402 this year to reflect this. The following schedule lists the fee by meter size that is collected from customers connecting to the San Juan Water District retail system:

*Retail Connection Fees*

Meter Size	Calendar Year 2013			Calendar Year 2014		
	Retail Component	Wholesale Component	Total Combined	Retail Component	Wholesale Component	Total Combined
3/4" Meter	\$13,488	\$354	\$13,842	\$13,802	\$362	\$14,164
Up to 1" Meter	\$13,488	\$588	\$14,076	\$13,802	\$602	\$14,404
1 1/2" Meter	\$26,974	\$1,178	\$28,152	\$27,602	\$1,205	\$28,807
2" Meter	\$43,159	\$1,884	\$45,043	\$44,165	\$1,928	\$46,093
3" Meter	\$86,318	\$3,767	\$90,085	\$88,329	\$3,855	\$92,184
4" Meter	\$133,953	\$5,887	\$139,840	\$137,074	\$6,024	\$143,098
6" Meter	\$269,744	\$14,717	\$284,461	\$276,029	\$15,060	\$291,089
8" Meter	\$485,550	\$21,193	\$506,743	\$496,863	\$21,687	\$518,550
10" Meter	\$782,275	\$34,145	\$816,420	\$800,502	\$34,941	\$835,443
12" Meter	\$1,159,924	\$50,629	\$1,210,553	\$1,186,950	\$51,809	\$1,238,759



## Functional Areas

### Administration and General

For Retail activities, this includes: Office of the General Manager, Finance, General Services, Human Resources, Information Technology, Purchasing, Risk Management and Safety. Overall District costs related to auditing, consulting, Directors, general operations, legal and office expenses are recorded in this category.

Office of the General Manager is responsible for the overall administration of the District including: implementing District policies; developing and maintaining responsive District programs and services; providing leadership and motivation to District staff; maintaining and planning for fiscal integrity; promoting excellent customer service; maintaining strong relationships with local and regional regulatory and peer governmental agencies; providing direct support to the Board of Directors. Major initiatives for the next year include: increasing water supply reliability in the retail service area; District structure and succession planning; and District efficiency measures.

Finance is responsible for all financial operations in the District, including: financial planning and forecasting, budget development, accounting and fiscal administration, debt issuance and management, financial reports and annual audit, and water rates and charges analysis. Major initiatives for the coming year include: development of *Equipment and Vehicle Fee Schedule*; implementation of a new financial information system; and monthly reporting on department budgets.

General Services includes buildings, grounds, equipment and vehicle maintenance. A major initiative for the coming year is development of the *Equipment and Vehicle Replacement Policy*.

Human Resources provides support in recruitment, selection, development and retention of a talented workforce. This includes payroll and benefits administration. Major initiatives include monitoring legislation affecting the workplace and ensure compliance, and continue to promote a culture of excellent customer service.

Information Technology manages and supports all aspects of the District's information technology systems, including data and voice communications hardware and software, as well as implementation of the District's Information Technology (IT) Master Plan. Major initiatives for the next year will be implementation of a new financial information system and the completion of network improvements including wireless networking.

Purchasing facilitates and coordinates: bidding and requests for proposals; acquisition of equipment, materials, services and supplies; contracts; and insurance certifications. Major initiatives for the next year will be completion of a Purchasing Manual to assist staff with purchasing procedures and questions.

Risk Management and Safety is responsible for the District's insurance, safety, loss control, and property/liability claims.

## **Conservation**

The Conservation Department provides free services to assist customers with increasing their water efficiency. The district partners with federal, state and local entities to fund various water-efficient rebate programs. Conservation monitors all grant programs and prepares status reports to the issuing entity as required. The department's highly-trained staff provides workshops to educate customers about water efficient practices and provides leak detection assistance. Staff participates in regional efforts to promote the efficient use of water. Because Conservation is in constant close contact with retail customers, the department plays a major role in the District's water efficiency outreach efforts. Conservation is involved in the development of "how to" and videos, media interviews to promote events, and other water efficiency programs, such as 20 x 2020. This Department is fully compliant with Best Management Practices and reporting requirements.

## **Customer Service**

This department provides friendly, personal customer service to the District's 10,500 Retail connections including numerous billing and payment options while ensuring compliance with Government Codes on billing and notices, Red Flag Rules and the Payment Card Industry Data Security Standards. Because Customer Service is in constant close contact with retail customers, the department plays a major role in the District's public relations and outreach efforts. Customer Service strategizes with our public affairs experts in developing all of our outreach efforts, including the WaterGram, our website, videos, Consumer Confidence Report, special mailers, and water efficiency programs, such as 20 x 2020. Customer Service provides administrative assistance with the annual backflow device testing; and reports water use and connection data internally and to various federal, state, and local entities; and prepares customer correspondence. Customer service also encompasses meter reading and service box identification and clearance.

## **Engineering Services**

In general, this Department is responsible for planning, designing and managing Retail capital improvement projects, assisting with operational improvements, and assisting with maintenance activities which contain an engineering component. Engineering is also responsible for review, approval, management, and inspection of new development funded distribution system improvement projects.

## **Pumping and Telemetry**

This area performs activities related to the District's 5 pumping sites and ensures adequate water pressure and storage is maintained throughout the District's Retail service area. ). The Distribution System is comprised of 5 pumping sites which contain 9 pump stations and has a total of 9 pressure zones, one of which is a gravity supplied zone. In addition, there is the Los Lagos Tank Site which has the storage capacity of 1.65 MG, Mooney Hydro pneumatic tank site which has the storage capacity of 0.50MG and Kokila Reservoir, which is a hypalon covered in-ground storage facility with the capacity of 4.56 MG. These sites ensure adequate water pressure and storage is maintained throughout the District's Retail service area.

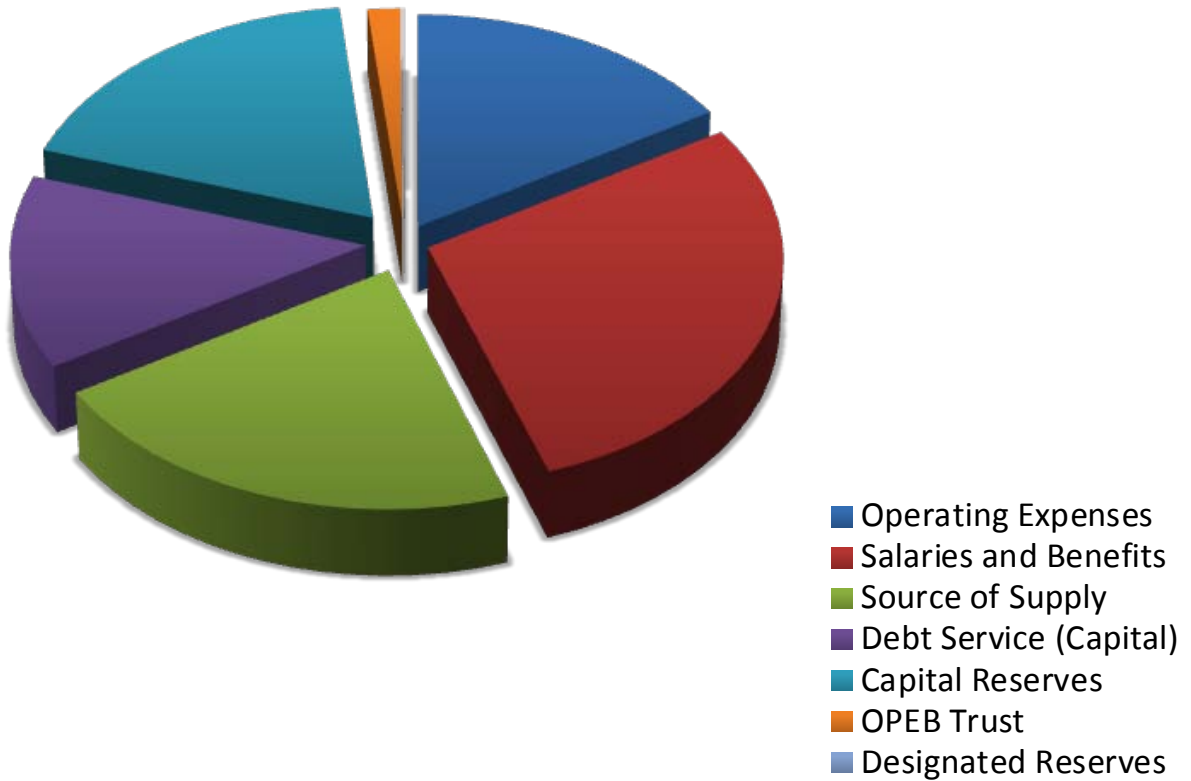
**Transmission and Distribution**

This area performs activities related to the maintenance and operation of Retail mains, distribution pipelines, fire hydrants, water services and other appurtenances. This includes pipelines 200 miles in length ranging in size from 1” to 90” in diameter and 10,500 customer water services.

**Budget Summary - Retail**

Category	Budgeted FY 2013	Projected FY 2013	Proposed FY 2014	Change From		Change From FY 2013
				FY 2013 Budget Amount	Percent	
<i>Operating</i>						
<u>Revenues:</u>						
Water Sales	\$ 7,919,608	\$ 8,351,220	\$ 8,495,990	\$ 576,382	7.28%	1.73%
Other (See Detail)	182,354	183,929	186,260	3,906	2.14%	1.27%
Operating Revenues	\$ 8,101,962	\$ 8,535,149	\$ 8,682,250	\$ 580,288	7.16%	1.72%
<u>Expenses:</u>						
Administrative & General	\$ 1,008,820	\$ 912,258	\$ 998,715	\$ (10,105)	-1.00%	9.48%
Conservation	449,875	360,327	512,387	62,512	13.90%	42.20%
Engineering	292,680	177,231	320,374	27,694	9.46%	80.77%
Pumping & Telemetry	582,145	597,098	642,503	60,358	10.37%	7.60%
Source of Supply	2,042,791	2,482,756	2,269,402	226,611	11.09%	-8.59%
Transmission/Distribution	1,566,428	1,549,206	1,625,925	59,497	3.80%	4.95%
Customer Service	597,344	665,240	648,142	50,798	8.50%	-2.57%
OPEB	140,000	140,000	168,000	28,000	20.00%	20.00%
Operating Expenses	6,680,083	6,884,116	7,185,448	505,365	7.57%	4.38%
Net Income/(Loss)-Operations	\$ 1,421,879	\$ 1,651,033	\$ 1,496,802	\$ 74,923	5.27%	-9.34%
<i>Non-Operating</i>						
<u>Revenues:</u>						
Interest/Investment Income	\$ 60,000	\$ 32,000	\$ 50,000	\$ (10,000)	-16.67%	56.25%
Retail Connections	561,000	439,983	1,015,402	454,402	81.00%	130.78%
Taxes & Assessments	850,000	850,000	850,000	0	0.00%	0.00%
Other (See Detail)	10,000	4,623	5,000	(5,000)	-50.00%	8.15%
<u>Expenses:</u>						
2012 Refund (interest)	191,905	191,905	252,277	60,372	31.46%	31.46%
2009 COPs (interest)	614,763	614,763	955,994	341,231	55.51%	55.51%
EDA Loan (interest)	6,476	6,476	6,476	0	0.00%	0.00%
CEC (interest)	0	0	0	0	0.00%	0.00%
Other (See Detail)	6,000	0	3,000	(3,000)	-50.00%	0.00%
Net Non-Operating	661,856	513,462	702,655	40,799	6.16%	36.85%
Capital Contributions	0	0	0	0	0.00%	0.00%
Net Available Income	2,083,735	2,164,495	2,199,457	115,722	5.55%	1.62%
<i>Debt Service Principal</i>						
2012 Refunding Bonds	581,494	381,015	0	(581,494)	-100.00%	-100.00%
2009 COPs	3,600	3,600	227,681	224,081	6224.48%	6224.48%
EDA Loan	23,611	22,487	23,611	0	0.00%	5.00%
Net Available for Distribution	1,475,030	1,757,393	1,948,165	473,135	32.08%	10.86%
<i>Transfers from/(to) Reserves</i>						
Out: Kokila Reservoir	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ -	0.00%	0.00%
Out: Retail Reserves	(804,030)	(1,207,410)	(922,763)	118,733	14.77%	-23.58%
Out: Connection Reserves	(561,000)	(439,983)	(1,015,402)	454,402	81.00%	130.78%
Out: PERS Stabilization	(100,000)	(100,000)	0	(100,000)	-100.00%	-100.00%
Total Transfers	\$ (1,475,030)	\$ (1,757,393)	\$ (1,948,165)	\$ 473,135	32.08%	10.86%
Ending Available Income	\$ -	\$ -	\$ -	\$ -	0.00%	0.00%

### FY 2013-2014 Retail Budget



### Fiscal Year 2012-2013 Accomplishments

#### Customer Service

- PCI Data Security Standard Compliance (at a much lower cost than anticipated – saved \$15,000)
- FedEx delivery of Notices of Intent to Disconnect (frees up field crew to perform maintenance tasks/reduces OT)
- Completed data conversion to update residential customer accounts with detailed data to enable us to calculate water budgets, if/when required.

**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

**Retail Budget Detail**

	2012 6/30/2012 Actual	2013 06/30/13 Budget	2013 2/28/2013 Actual	Projected Actual	2014 06/30/14 Budget
<b>REVENUE:</b>					
<b>WATER REVENUE:</b>					
RESIDENTIAL METERED	\$7,058,136.14	\$6,921,873.00	\$5,555,697.00	\$7,312,348.00	\$7,433,525.00
COMMERCIAL METERED	1,025,042.25	997,735.00	826,332.00	1,038,872.00	1,062,465.00
PUMPING SURCHARGE	118,859.32	89,454.00	44,531.00	66,797.00	92,160.00
METER RENTAL/PERMITS/CONST WTR	6,293.95	10,000.00	1,799.00	2,699.00	5,000.00
PCWA	2,170.00	0.00	0.00	0.00	0.00
RECONNECTS & PENALTIES	0.00	5,000.00	2,800.00	4,200.00	4,500.00
<b>TOTAL WATER REVENUES</b>	<b>8,210,501.66</b>	<b>8,024,062.00</b>	<b>6,431,159.00</b>	<b>8,424,916.00</b>	<b>8,597,650.00</b>
<b>OTHER REVENUE:</b>					
BACKFLOW RE-TESTING	650.00	200.00	1,550.00	2,325.00	2,500.00
ANNEXATION	4,870.00	0.00	0.00	0.00	0.00
COST RECOVERY	0.00	0.00	453.00	680.00	0.00
FIRE SERVICE	26,474.33	20,000.00	18,307.00	27,461.00	26,000.00
LATE FEE	41,630.00	30,000.00	24,860.00	37,290.00	35,000.00
ENGINEERING SERVICE FEES	3,700.00	2,700.00	5,200.00	7,800.00	4,800.00
INTEREST REVENUE	136.61	0.00	585.00	878.00	900.00
GRANTS	101,504.03	25,000.00	33,799.00	33,799.00	15,400.00
MEDICARE PART D SUBSID	9,423.43	0.00	0.00	0.00	0.00
MANDATED COSTS REIMBURSEMENT	0.00	0.00	0.00	0.00	0.00
<b>TOTAL OTHER REVENUE</b>	<b>188,388.40</b>	<b>77,900.00</b>	<b>84,754.00</b>	<b>110,233.00</b>	<b>84,600.00</b>
<b>TOTAL REVENUE</b>	<b>8,398,890.06</b>	<b>8,101,962.00</b>	<b>6,515,913.00</b>	<b>8,535,149.00</b>	<b>8,682,250.00</b>
<b>EXPENSES:</b>					
<b>SOURCE OF SUPPLY:</b>					
PURCHASE TREATMENT WATER RSA	2,215,722.11	2,042,791.00	1,512,131.00	2,132,756.00	1,919,402.00
CAPITAL CONTRIBUTIONS	350,000.00	0.00	350,000.00	350,000.00	350,000.00
	<b>2,565,722.11</b>	<b>2,042,791.00</b>	<b>1,862,131.00</b>	<b>2,482,756.00</b>	<b>2,269,402.00</b>
<b>PUMPING &amp; TELEMTRY:</b>					
SALARIES & FBS	142,247.32	133,145.00	101,345.00	152,018.00	191,503.00
ENERGY	466,363.98	415,000.00	262,941.00	394,412.00	400,000.00
MATERIALS	9,077.32	25,000.00	5,303.00	7,955.00	8,000.00
PUMP SYSTEMS	0.00	0.00	17,229.00	25,844.00	26,000.00
HARDWARE/SOFTWARE MAINTENANCE	0.00	0.00	7,278.00	10,917.00	11,000.00
AIR QUALITY PERMITS	4,094.25	9,000.00	3,968.00	5,952.00	6,000.00
	<b>621,782.87</b>	<b>582,145.00</b>	<b>398,064.00</b>	<b>597,098.00</b>	<b>642,503.00</b>
<b>TRANSMISSION &amp; DISTRIBUTION:</b>					
SALARIES & FBS	1,225,836.11	1,207,528.00	767,757.00	1,151,636.00	1,265,825.00
MEETINGS, EDUCATION & TRAINING	12,923.79	12,000.00	13,166.00	19,749.00	17,000.00
OFFICE EQUIP/SOFTWARE/MAINT	3,679.72	0.00	0.00	0.00	0.00
TELEPHONE/CELL PHONES	0.00	4,000.00	2,463.00	3,695.00	3,600.00
REGULATORY COMPLIANCE	21,852.20	26,000.00	17,522.00	26,283.00	25,000.00
PERMITS, MATERIALS & SUPPLIES	3,915.14	36,000.00	54,745.00	82,118.00	60,000.00
COUNTY ENCROACHMENT PERMITS	0.00	2,800.00	4,297.00	4,297.00	0.00
PROFESSIONAL/OUTSIDE SERVICES	290,350.00	172,900.00	102,462.00	153,693.00	158,000.00
SPOILS PROCESSING MATERIALS/VENDC	2,340.53	0.00	0.00	0.00	0.00
MATERIALS RESERVOIR/SUPPLIES	6,226.31	2,000.00	0.00	0.00	0.00
ENERGY	1,021.46	1,200.00	941.00	1,412.00	1,500.00
VEHICLE MAINTENANCE	99,502.42	84,000.00	64,638.00	96,957.00	85,000.00
EQUIPMENT MAINTENANCE	18,226.80	18,000.00	6,244.00	9,366.00	10,000.00
	<b>1,685,874.48</b>	<b>1,566,428.00</b>	<b>1,034,235.00</b>	<b>1,549,206.00</b>	<b>1,625,925.00</b>

**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

CUSTOMER SERVICE:					
SALARIES & FBS	493,863.19	444,594.00	310,908.00	466,362.00	443,942.00
OFFICE SUPPLIES	531.90	1,200.00	0.00	0.00	500.00
EDUCATION REIMBURSEMENT	677.71	0.00	35.00	53.00	3,700.00
POSTAGE	25,615.46	25,800.00	17,635.00	26,453.00	26,800.00
BILLING SERVICES	74,124.13	56,400.00	61,663.00	92,495.00	89,700.00
PROFESSIONAL SERVICES	0.00	0.00	1,793.00	2,690.00	2,500.00
BANK SERVICE/COLLECTION CHARGES	28,663.47	23,200.00	19,870.00	29,805.00	32,300.00
ACCOUNTS RECEIVABLE PROCESSING	9,983.48	10,350.00	6,064.00	9,096.00	9,600.00
SOFTWARE/HWD MAINTENANCE	44,288.38	32,300.00	27,920.00	27,920.00	36,100.00
EQUIPMENT MAINTENANCE	3,415.10	3,500.00	10,366.00	10,366.00	3,000.00
	<u>681,162.82</u>	<u>597,344.00</u>	<u>456,254.00</u>	<u>665,240.00</u>	<u>648,142.00</u>
CONSERVATION:					
SALARY/FBS	301,407.94	360,750.00	158,871.00	238,307.00	367,687.00
CONSERVATION ED/TRAINING	1,173.84	700.00	746.00	1,119.00	5,400.00
MATERIALS AND SUPPLIES	0.00	0.00	0.00	0.00	2,000.00
CONSERVATION SUPPLIES & PRINTG	1,366.42	2,300.00	236.00	354.00	3,000.00
POSTAGE & SHIPPING	23.59	25.00	0.00	0.00	3,000.00
VEHICLE MAINTENANCE	0.00	0.00	0.00	0.00	4,700.00
ASSOCIATION DUES & PERIODICALS	13,170.00	14,400.00	19,987.00	19,987.00	17,000.00
CONSERVATION PROGRAMS	111,295.78	67,100.00	65,644.00	98,466.00	107,100.00
CONSERVATION TELEPHONE EXPENSE	2,456.37	2,500.00	1,396.00	2,094.00	2,500.00
CONFERENCES & CONVENTIONS	1,448.77	1,300.00	0.00	0.00	0.00
CUWCC DUES & FEES	60.00	800.00	0.00	0.00	0.00
	<u>432,402.71</u>	<u>449,875.00</u>	<u>246,880.00</u>	<u>360,327.00</u>	<u>512,387.00</u>
ENGINEERING:					
ENGINEERING CELLULAR PHONE EXP	1,509.57	2,200.00	865.00	1,298.00	2,000.00
ENGINEERING SALARY/FBS	269,705.13	233,765.00	100,663.00	150,995.00	226,827.00
ENGINEERING OFFICE SUPPLIES/PRINTI	1,558.40	3,000.00	1,510.00	2,265.00	3,845.00
ENGINEERING OUTSIDE SERVICES	0.00	31,000.00	0.00	0.00	61,500.00
ENGINEERING EQUIPT MAINTENANCE	4,260.15	4,600.00	2,027.00	3,041.00	1,250.00
ENGINEERING MEMBERSHIP/CERT	589.00	500.00	0.00	0.00	952.00
ENGINEERING SUBS/BOOKS/TAPES	631.76	1,500.00	4.00	6.00	650.00
FURN/EQUIPMENT	1,434.23	5,850.00	0.00	0.00	2,100.00
ENGINEERING COMPUTER SOFTWARE	6,809.94	4,541.00	13,056.00	19,584.00	11,600.00
ENGINEERING EDUC/TRAIN	337.59	5,724.00	28.00	42.00	9,650.00
	<u>286,835.77</u>	<u>292,680.00</u>	<u>118,153.00</u>	<u>177,231.00</u>	<u>320,374.00</u>
ADMINISTRATION & GENERAL:					
SALARIES & FBS ADMINISTRATIVE	558,777.34	582,620.00	311,503.00	467,255.00	645,468.00
OFFICE SUPPLIES & PRINTING	6,277.05	9,000.00	5,997.00	8,996.00	8,000.00
POSTAGE	9,030.21	10,000.00	3,582.00	5,373.00	8,000.00
PUBLIC OUTREACH ACTIVITIES	81,323.96	63,000.00	41,653.00	62,480.00	51,610.00
AD/PUBLICATIONS/NOTICES	21.01	500.00	260.00	390.00	500.00
OFFICE EQUIP & COMPUTER MAINT	30,868.82	18,000.00	32,918.00	49,377.00	30,000.00
MEMBERSHIP/CERTIF RENEWAL	19,899.74	20,000.00	19,188.00	20,000.00	20,000.00
SUBSCRIPTIONS-BOOKS-TAPES	1,492.44	800.00	509.00	764.00	800.00
BANK & COLLECTION SVC EXPENSE	11,186.67	12,500.00	8,135.00	12,203.00	10,500.00
STAFF EXPENSE	3,960.09	4,100.00	3,490.00	4,100.00	4,100.00
SAFETY TRAINING/TEST/DATCO	8,658.58	9,000.00	6,280.00	9,420.00	9,500.00
MEETINGS & CONVENTIONS	13,601.26	13,500.00	10,820.00	16,230.00	13,500.00
PROFESSIONAL SERVICES	39,783.11	70,000.00	46,593.00	69,890.00	40,000.00
TELEPHONE	17,947.58	19,000.00	8,966.00	13,449.00	15,000.00
UTILITIES-SEWER-DISPOSAL-SL	4,103.66	5,000.00	2,432.00	3,648.00	4,300.00
INSURANCE-LIABILITY & PROPERTY	48,434.12	40,000.00	53,583.00	46,885.00	48,000.00
INSURANCE-DAMAGE PAYMENTS	0.00	1,000.00	310.00	465.00	500.00
RETIREE BENEFIT, HEALTH INS	113,055.84	107,000.00	78,871.00	118,307.00	125,637.00



**San Juan Water District**  
**Fiscal Year 2013 - 2014 Budget**

BUILDING & GROUNDS MAINTENANCE	5,842.35	3,000.00	0.00	0.00	1,000.00
ENERGY COST	3,714.62	4,200.00	2,588.00	3,882.00	4,000.00
SECURITY MONITORING	740.50	1,100.00	176.00	264.00	800.00
OTHER MAINTENANCE	28,354.05	12,000.00	20,072.00	30,108.00	25,000.00
MATERIALS	0.00	0.00	0.00	0.00	0.00
HAZARDOUS WASTE/ALL CATEGORIES	607.90	500.00	1,990.00	2,985.00	2,000.00
MAINTENANCE-VEHICLE	1,925.47	500.00	672.00	1,008.00	1,000.00
RADIOS	48.47	0.00	0.00	0.00	0.00
MATERIALS AND SUPPLIES	12,271.03	12,500.00	6,857.00	10,286.00	11,000.00
SMALL TOOLS & REPLACEMENT	6,246.17	3,500.00	2,992.00	4,488.00	4,500.00
SAFETY EQUIPMENT	10,621.38	4,000.00	4,326.00	6,489.00	0.00
ELECTIONS EXPENSE	0.00	24,000.00	36,109.00	36,109.00	0.00
LEGAL PROFESSIONAL EXPENSE	30,993.30	33,000.00	17,827.00	26,741.00	31,000.00
DIRECTORS	29,604.31	25,500.00	18,245.00	27,368.00	28,000.00
ADMIN/GEN APPLD COST (CREDIT)	(196,168.67)	(100,000.00)	(97,801.00)	(146,702.00)	(145,000.00)
	903,222.36	1,008,820.00	649,143.00	912,258.00	998,715.00
OPEB	126,166.16	140,000.00	0.00	140,000.00	168,000.00
TOTAL EXPENSES	7,303,169.28	6,680,083.00	4,764,860.00	6,884,116.00	7,185,448.00
NET OPERATING INCOME/(LOSS)	1,095,720.78	1,421,879.00	1,751,053.00	1,651,033.00	1,496,802.00
NON-OPERATING: REVENUE:					
DISCOUNTS EARNED	419.39	0.00	0.00	0.00	0.00
SALE OF SURPLUS	(17,915.47)	0.00	0.00	0.00	0.00
EXPENSE RECOVERY	24,332.43	10,000.00	3,082.00	4,623.00	5,000.00
INTEREST REVENUE	0.00	60,000.00	0.00	32,000.00	50,000.00
TAXES & ASSESSMENTS M & O	780,564.81	850,000.00	0.00	850,000.00	850,000.00
PRIOR YEAR REVENUE	(8,257.11)	0.00	0.00	0.00	0.00
CONNECTION FEES/RETAIL	161,906.19	561,000.00	106,106.00	159,159.00	1,015,402.00
TAPPING & CONNECTION	5,530.00	0.00	187,216.00	280,824.00	0.00
SPEC DIST CAVITT STALLMAN 40 YR	1,074.00	0.00	806.00	1,209.00	1,000.00
NONOPERATING REVENUE	965,150.32	1,481,000.00	297,210.00	1,327,815.00	1,921,402.00
EXPENSES:					
C.O.P. INTEREST EXPENSE		821,012.00	578,501.00	867,752.00	1,208,271.00
LOAN INTEREST EXPENSE	7,600.71	6,476.00	6,476.00	6,476.00	6,476.00
COP AMORTIZATIONS	0.00	0.00	(24,558.00)	(36,837.00)	(27,226.00)
SALES TAX	0.00	6,000.00	2,268.00	3,402.00	3,000.00
PRELIMINARY PROJECT/STUDIES	7,500.00	0.00	0.00	0.00	0.00
NONOPERATING EXPENSES	15,100.71	833,488.00	562,687.00	840,793.00	1,190,521.00
CAPITAL CONTRIBUTIONS REVENUE		0.00	0.00	0.00	0.00
DEBT SERVICE PRINCIPAL	456,141.00	608,705.00	608,705.00	608,705.00	251,292.00
NET PRIOR TO DEPRECIATION	1,589,629.39	1,460,686.00	876,871.00	1,529,350.00	1,976,391.00
DEPRECIATION & AMORTIZATION	(1,496,908.00)	0.00			0.00
NET AFTER DEPRECIATION	92,721.39	1,460,686.00	876,871.00	1,529,350.00	1,976,391.00



### Debt Service – Retail

Retail debt service as detailed in the schedule below is comprised of the 2012 Refunding Bonds and 2009 COPs issued for Retail Capital Improvement Projects as well as two loans.

Retail Debt Service	Direct			Annual Debt Service Charge		
	Principal	Interest	Total	Principal	Interest	Total
<b>2012 Refunding Bond Payments</b>						
<i>New Project Money</i>						
Annual Debt Service Charge				\$ -	\$ 106,643	\$ 106,643
Direct Obligation	\$ -	\$ 145,634	\$ 145,634			
<b>Total 2012 Refunding Pymts</b>	<b>\$ -</b>	<b>\$ 145,634</b>	<b>\$ 145,634</b>	<b>\$ -</b>	<b>\$ 106,643</b>	<b>\$ 106,643</b>
<b>2009 COP Payments:</b>						
<i>New Project Money</i>						
Annual Debt Service Charge				\$ 81,881	\$ 343,805	\$ 425,687
Direct Obligation	145,800	612,189	757,989			
<b>Total 2009 COP Payments</b>	<b>\$ 145,800</b>	<b>\$ 612,189</b>	<b>\$ 757,989</b>	<b>\$ 81,881</b>	<b>\$ 343,805</b>	<b>\$ 425,687</b>
California Energy Commission Loan	0	0	-			
Economic Development Loan	23,611	6,476	30,087			
<b>Total Debt Service Payments</b>	<b>\$ 169,411</b>	<b>\$ 764,299</b>	<b>\$ 933,710</b>	<b>\$ 81,881</b>	<b>\$ 450,448</b>	<b>\$ 532,329</b>
<b>Combined Debt Service</b>				<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012 Refunding Bond Payments				\$ -	\$ 252,277	\$ 252,277
2009 Certificates of Participation				227,681	955,994	1,183,676
California Energy Commission Loan (paid off June 2012)				0	0	0
Economic Development Loan				23,611	6,476	30,087
<b>Total Debt Service Payments (including Annual Debt Service Charge)</b>				<b>\$ 251,292</b>	<b>\$ 1,214,747</b>	<b>\$ 1,466,040</b>

## Capital Improvement Program - Retail

Retail facilities include those that allow the District to deliver water to retail customers and perform all supporting activities to accomplish this. Specific examples are:

- transmission and distribution pipelines;
- pump stations;
- pressure reducing stations;
- storage tanks;
- meters; and
- District equipment and buildings.

The District's Capital Improvement Program ("CIP") is viewed as two separate programs for Wholesale and Retail facilities. Most projects are not relevant to both Wholesale and Retail, therefore, they are evaluated and planned for completely separately. Some do benefit both Wholesale and Retail facilities and are assigned to each based upon specific benefit with Wholesale and Retail paying their fair share of the cost. To be considered a capital expense, the project, program or equipment must generally cost \$5,000 or more and have a useful life extending three years or more.

### CIP Process

In order to develop and maintain the District's long-range CIP, the first step is completion of a Retail Master Plan. These are completed approximately every five to ten years by an outside consultant with District staff assistance. All existing and future facilities are evaluated to sustain the District's cost-effective CIP goals:

- Ensure that delivery of a reliable water supply is maintained and secured for future needs.
- Maintain or implement compliance with existing or new regulations.
- Address public safety or health standards.
- Plan contingencies for reasonable emergency supply or outages.
- Ensure that existing infrastructure is maintained, replaced and improved as necessary.
- Provide for new capital projects to help meet the highest priority District needs.
- Develop and implement more economical, efficient, or effective delivery of District services.

CIP projects are categorized as follows:

District-Wide: projects that benefit the District's internal operations such as information technology or building improvements.

Pipeline Replacements: projects related to the expansion, maintenance, or improvement of the District's transmission and distribution system.

Pump Stations: projects related to the maintenance, improvement or expansion of the District's pump stations.

Pressure Reducing Stations: projects related to the construction, maintenance, improvement or expansion of the District's pressure reducing stations.

Storage Tanks: projects related to the construction, maintenance, improvement or expansion of the District's storage facilities.

Development Projects: projects needed to serve new development, which are funded by the developer, and conveyed to the District for long-term operation and maintenance.

Upon completion or update of the Retail Master Plan, the Retail Water Rate Study and Financial Plan are updated to reflect new or updated projects. This may not be necessary if the costs do not represent a major impact to the CIP. Projects are incorporated into the fiscal-year budget for the year they are expected to begin, with individual projects approved in accordance with District policy or prescribed codes (i.e. Public Contract Code).

District staff manage projects with the assistance of consultants where needed. District labor, inventory, materials, supplies and related costs may be required on a project and coded as such to reflect the full cost of the asset for financial reporting purposes. Upon completion of a project, Notice of Acceptance is filed (when applicable) and appropriate insurance coverage is secured by the District's insurer in accordance with the policy.

### **Fiscal Year 2012-2013 Accomplishments**

- Negotiated renewal pricing for T&M contract after vendor proposed large increase, resulting in bid process savings as well as savings throughout the course of the coming year.
- Implemented a tracking procedure for BOE Out-of-State Tax to avoid penalties and ensure District is in compliance with required reporting on out-of-state purchases.
- Replaced vehicles and backhoe in accordance with vehicle replacement guidelines.
- Implemented approved Quarterly D/DBP stage 2 samples site
- Completed design and construction of the 24-inch Auburn Folsom Road Transmission Main Middle Phase project.
- Completed the Design of the Retail portion of the SCADA Integration and Improvements project.
- Completed the design and construction of the 24-inch AFR WTP Onsite Transmission Main project.
- Completed the design of the Stevens Ave Main and Services Replacements project.
- Completed the design of the Golden Gate Services Improvements project.
- Completed the Vane Court Services Relocation project.
- Initiated the design of the Cherry Ave Services Replacement Project.
- Initiated the design of the Kezar Street Services Replacement Project.
- Initiated the design of the Keets Circle Services Replacement Project.

**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

**CIP Budget – Retail**

	2013-2014			2014-2015			2015-2016		
	General	COPs	Connections	General	COPs	Connections	General	Connections	Emergency
<b>Funding Sources:</b>									
Estimated Beginning Balance	\$ 3,979,746	\$ 8,758,614	\$ 3,011,754	\$ 2,179,812	\$ 2,321,062	\$ 3,926,082	\$ 2,875,289	\$ 3,214,082	\$ 600,585
Estimated Revenue and Transfers	907,334	9,948	1,023,578	1,248,000	2,000	1,258,000	1,250,000	1,324,000	1,500
Estimated Funds Available for CIP Projects	\$ 4,887,080	\$ 8,768,562	\$ 4,035,332	\$ 3,427,812	\$ 2,323,062	\$ 5,184,082	\$ 4,125,289	\$ 4,538,082	\$ 602,085
<b>Projects:</b>									
<b>District-Wide</b>									
Enterprise Financial Information System	\$ 100,000								
IT Network Hardware	10,500								
	\$ 110,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Engineering</b>									
Office Furniture	16,000								
GIS Update	25,000								
SCADA System Maintenance	10,000								
	51,000	-	-	-	-	-	-	-	-
<b>Conservation</b>									
Vehicle Replacement	25,000								
<b>Field Services</b>									
Vehicle Replacement	25,000			60,000			207,000		
Security System Improvements	100,000								
Commercial/Residential Meters	115,000			115,000			115,000		
Small machine replacements	20,700								
Distribution System Improvements	110,000			110,000			328,400	41,600	
Mainline Replacements-general		244,000			1,990,000		467,500	232,500	
Mainline Replacements-Auburn-Folsom		253,000							
Mainline Replacements-Erwin Avenue		152,000							
Mainline Replacements-Peerless Avenue		109,250	109,250						
Mainline Replacements-Sierra/Douglas		142,500							
Mainline Replacements-Telegraph Avenue		61,750							
Mainline Replacements-Oak/Cardwell		285,000							
Transmission Pipelines-AFR North	800,000								
Transmission Pipelines-Twin Rocks						1,970,000			
Los Lagos Tank Recoating	300,000								
Pressure Reducing Station-Oak Ave	180,000								
Pressure Reducing Station-Eureka	225,000								
Pressure Reducing Station-Bacon/Sierra	300,000								
Pump Station-Upper Granite Bay		2,078,000							
Pump Station-Lower Granite Bay		3,122,000							
Pump Station-Bacon/Sierra recondition	30,000								
Wholesale Meters-Retail Share of Project	225,068								
Wholesale Meters-Retail Share of repairs	90,000								
	2,520,768	6,447,500	109,250	285,000	1,990,000	1,970,000	1,117,900	274,100	-
<b>Total Projects</b>	<b>2,707,268</b>	<b>6,447,500</b>	<b>109,250</b>	<b>285,000</b>	<b>1,990,000</b>	<b>1,970,000</b>	<b>1,117,900</b>	<b>274,100</b>	<b>-</b>
Estimated Ending Balance	\$ 2,179,812	\$ 2,321,062	\$ 3,926,082	\$ 3,142,812	\$ 333,062	\$ 3,214,082	\$ 3,007,389	\$ 4,263,982	\$ 602,085

## Cost Allocation Plan

The San Juan Water District is organized as a community services district with both wholesale and retail operations. Upon establishment, it was determined to be most cost effective for these two separate operations to share some facilities and employees in order to minimize costs. While sharing some resources, the revenues and expenses are recorded in a separate set of accounts for each for financial accounting and reporting purposes. Cash is maintained in pooled accounts in order to maximize interest and investment earnings opportunities while separately accounted for with respect to each component of cash reserves.

Due to the size and nature of all District operations, established allocation methods are relatively simple lacking the complexity that would require additional staff time to maintain. Allocations are updated as changes occur in the bases or operating factors. Costs are allocated to Wholesale and Retail using several methods:

- direct – for those costs that are specifically identifiable to apply to either;
- proportionate – for those costs that benefit both based upon the appropriate base (i.e. full-time equivalent employees (“FTE”), building occupancy, number of connections, etc.).

Direct costs are simply those costs that apply either to Wholesale or Retail, or some percentage of each that can be determined by the nature of the cost. Proportionate costs are assigned to Wholesale or Retail based upon the benefit received using the base as described above which most accurately reflects this.

## Labor

As mentioned previously, some employees are shared by Wholesale and Retail to maximize efficiency and eliminate the need for redundant positions thereby minimizing any idle time. The table provided next lists all District positions and their respective budgeted assignment to Wholesale or Retail activities for both operations and capital projects. Employees code time to reflect actual work activity, which can vary from year-to-year depending upon weather conditions, capital projects, legislative and regulatory changes, etc. However, this reflects the overall assignment for each and a basis for other cost assignments.

**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

Area	Position Title/# Budgeted	Wholesale		Retail		Wholesale	Retail	
		Operating	Capital	Operating	Capital	FTE	FTE	
<b>Executive</b>								
	General Manager	1.0	90.00%		10.00%	0.90	0.10	
	Assistant General Manager	1.0	60.00%		40.00%	0.60	0.40	
	Administrative Assistant/Board Secretary	1.0	50.00%		50.00%	0.50	0.50	
	<b>Total Executive</b>	<u>3.0</u>						
<b>Finance &amp; Administrative Services</b>								
	Finance & Administrative Services Manager	1.0	60.00%		40.00%	0.60	0.40	
	Finance & Administrative Services Analyst	1.0	50.00%		50.00%	0.50	0.50	
	Accountant	1.0	50.00%		50.00%	0.50	0.50	
	Accounting Technician III	1.0	50.00%		50.00%	0.50	0.50	
	Information Technology Administrator	1.0	50.00%		50.00%	0.50	0.50	
	Information Technology Technician I	0.0	50.00%		50.00%	0.00	0.00	
	Purchasing Agent	1.0	50.00%		50.00%	0.50	0.50	
	<b>Total Finance &amp; Administrative Services</b>	<u>6.0</u>						
<b>Conservation</b>								
	Conservation Temporary	0.0	15.00%		85.00%	0.00	0.00	
	Conservation Technician I	0.0	15.00%		85.00%	0.00	0.00	
	Conservation Technician II	3.0	15.00%		85.00%	0.45	2.55	
	Water Resources Analyst	1.0	80.00%		20.00%	0.80	0.20	
	<b>Total Conservation</b>	<u>4.0</u>						
<b>Customer Services</b>								
	Customer Services Manager	1.0	5.00%		95.00%	0.05	0.95	
	Accounting Technician II	1.0			100.00%	0.00	1.00	
	Accounting Technician III	1.0			100.00%	0.00	1.00	
	Meter Technician	1.0	1.00%		99.00%	0.01	0.99	
	<b>Total Customer Services</b>	<u>4.0</u>						
<b>Engineering Services</b>								
	Engineering Services Manager	1.0			40.00%	60.00%	0.00	1.00
	Associate/Senior Engineer	1.0	20.00%	80.00%		1.00	0.00	
	CAD/GIS Intern	0.0			100.00%	0.00	0.00	
	Construction Inspector III	1.0			40.00%	60.00%	0.00	1.00
	Engineering Technician III	1.0			100.00%	0.00	1.00	
	<b>Total Engineering Services</b>	<u>4.0</u>						
<b>Field Services</b>								
	Field Services Manager	1.0	8.00%		78.00%	14.00%	0.08	0.92
	Distribution Lead Worker	3.0	8.00%		78.00%	14.00%	0.24	2.76
	Distribution Operator I	0.0	8.00%		78.00%	14.00%	0.00	0.00
	Distribution Operator II	1.0	8.00%		78.00%	14.00%	0.08	0.92
	Distribution Operator III	3.0	8.00%		78.00%	14.00%	0.24	2.76
	Distribution Operator IV	4.0	8.00%		78.00%	14.00%	0.32	3.68
	Field Services Technician	1.0			100.00%		0.00	1.00
	Utilities Coordinator	1.0			100.00%		0.00	1.00
	<b>Total Field Services</b>	<u>14.0</u>						
<b>Operations</b>								
	Operations Manager	1.0	30.00%		70.00%	0.30	0.70	
	<b>Total Operations</b>	<u>1.0</u>						
<b>Water Treatment Plant</b>								
	Wholesale Operations Manager	0.0	100.00%			0.00	0.00	
	Water Treatment Plant Superintendent	1.0	100.00%			1.00	0.00	
	Custodian	1.0	70.00%		30.00%	0.70	0.30	
	Facilities Maintenance Worker I	1.0	100.00%			1.00	0.00	
	Instrumentation Technician	1.0	100.00%			1.00	0.00	
	Maintenance Chief	1.0	100.00%			1.00	0.00	
	Water Treatment Operator II	1.0	100.00%			1.00	0.00	
	Water Treatment Operator III	2.0	100.00%			2.00	0.00	
	Water Treatment Operator IV	1.0	100.00%			1.00	0.00	
	Chief Operator	1.0	100.00%			1.00	0.00	
	<b>Total Water Treatment Plant</b>	<u>10.0</u>						
	<b>Total Funded Positions</b>	<u>46.0</u>				<b>18.37</b>	<b>27.63</b>	

### Building Operations and Maintenance Costs

District employees are assigned work locations in one of three buildings which are located on District property: Administration Building, Shop Building and Water Treatment Plant Building. Costs related to building usage or maintenance are allocated on FTE, broken down by building as follows:

<u>Administration Building - FTE Cost Allocation</u>				
Department	Position	FTE	Wholesale	Retail
Executive	Assistant General Manager	1	0.60	0.40
Executive	General Manager	1	0.90	0.10
Executive	Admin Asst/Board Secretary	1	0.50	0.50
Finance/Admin Svc	Accountant	1	0.50	0.50
Finance/Admin Svc	Finance/Admin Svcs Mgr	1	0.60	0.40
Finance/Admin Svc	Finance/Admin Svcs Analyst	1	0.50	0.50
Finance/Admin Svc	Accounting Technician III	1	0.50	0.50
Finance/Admin Svc	Purchasing Agent	1	0.50	0.50
Conservation	Conservation Tech II	1	0.15	0.85
Conservation	Conservation Tech II	1	0.15	0.85
Conservation	Conservation Tech I	1	0.15	0.85
Conservation	Meter Technician	1	0.01	0.99
Conservation	Water Resources Analyst	1	0.80	0.20
Customer Service	Customer Service Manager	1	0.05	0.95
Customer Service	Accounting Technician III	1		1.00
Customer Service	Customer Service Tech III	1		1.00
		16	5.91	10.09
Allocation Percentage			37%	63%

<u>Shop Building - FTE Cost Allocation</u>				
Department	Position	FTE	Wholesale	Retail
Field Services	Field Services Manager	1	0.08	0.92
Field Services	Distribution Lead Worker	1	0.08	0.92
Field Services	Distribution Lead Worker	1	0.08	0.92
Field Services	Distribution Lead Worker	1	0.08	0.92
Field Services	Distribution Operator II	1	0.08	0.92
Field Services	Distribution Operator III	1	0.08	0.92
Field Services	Distribution Operator III	1	0.08	0.92
Field Services	Distribution Operator III	1	0.08	0.92
Field Services	Distribution Operator IV	1	0.08	0.92
Field Services	Distribution Operator IV	1	0.08	0.92
Field Services	Distribution Operator IV	1	0.08	0.92
Field Services	Distribution Operator IV	1	0.08	0.92
Field Services	Field Services Technician	1	0.00	1.00
Field Services	Utilities Coordinator	1	0.08	1.00
Operations	Operations Manager	1	0.30	0.70
Engineering Services	Engineering Services Manager	1	0.00	1.00
Engineering Services	Senior Engineer	1	1.00	0.00
Engineering Services	Engineering Technician II	1	0.00	1.00
Engineering Services	Construction Inspector II	1	0.00	1.00
		19	2.34	16.74
Allocation Percentage			12%	88%



<b>Treatment Plant Building - FTE Cost Allocation</b>				
Department	Position	FTE	Wholesale	Retail
Water Treatment	Treatment Plant Superintendent	1	1.00	0.00
Water Treatment	Custodian	1	0.70	0.30
Water Treatment	Facilities Maintenance Worker I	1	1.00	0.00
Water Treatment	Facilities Maintenance Worker II	1	1.00	0.00
Water Treatment	Maintenance Chief	1	1.00	0.00
Water Treatment	Water Treatment Operator II	1	1.00	0.00
Water Treatment	Water Treatment Operator III	1	1.00	0.00
Water Treatment	Water Treatment Operator III	1	1.00	0.00
Water Treatment	Water Treatment Operator IV	1	1.00	0.00
Water Treatment	Chief Operator	1	1.00	0.00
Finance/Admin Svc	IT Administrator	1	0.50	0.50
		11	10.20	0.80
Allocation Percentage			93%	7%

### Indirect Cost Rates

Indirect cost rates are calculated in the table below; however, a standard rate is used for simplification purposes in the detail position rates schedule which listed on the next page. The District currently uses 15% as this standard to recover indirect costs and properly assess these costs where applicable. *(Note: some costs may be re-defined to direct costs as the allocation plan is updated to fully reflect only indirect costs.)*

Wholesale	
<u>Direct Costs</u>	
Category	Amount
Source of Supply	\$ 845,628
Water Treatment	1,976,210
Conservation	284,554
Engineering	59,696
Transmission	133,382
Total Direct Costs	\$ 3,299,470
<u>Indirect Costs</u>	
Administrative & General	\$ 1,540,965
OPEB	168,000
Total Indirect Costs	\$ 1,708,965
Overall Indirect Cost Rate	51.800%
<i>(Indirect Costs Divided by Direct Costs, 15% used historically)</i>	

Retail	
<u>Direct Costs</u>	
Category	Amount
Source of Supply	\$ 2,269,402
Conservation	512,387
Customer Service	648,142
Engineering	320,374
Pumping & Telemetry	642,503
Transmission/Distribution	1,625,925
Total Direct Costs	\$ 6,018,733
<u>Indirect Costs</u>	
Administrative & General	\$ 998,715
OPEB	168,000
Total Indirect Costs	\$ 1,166,715
Overall Indirect Cost Rate	19.380%
<i>(Indirect Costs Divided by Direct Costs, 15% used historically)</i>	

### Labor Rates

Rates are listed by position in the table on the next page to provide a billing rate in the event costs will be recovered from a customer, agency or outside party for any employee time. The cost listed is for the top step of the salary range, as many employees have been employed by the District for a long time and as such have reached the top step. In addition, this reduces complexity in maintaining this rate schedule in keeping with the District's goal in establishing straightforward, easy to manage processes.



## San Juan Water District Fiscal Year 2013 - 2014 Budget

Area Position Title	Regular Annual Salary (top)	Paid Benefit Rate	Total Compensation	Productive Hours	Direct Cost Rate	Indirect Cost Rate	Hourly Billing Rate
<b>Executive</b>							
General Manager	190,711	46.74%	\$279,854	1,702	\$164.43	15.00%	\$189.09
Assistant General Manager	173,575	46.74%	254,708	1,702	149.65	15.00%	172.10
Administrative Assistant/Board Sec	66,390	46.74%	97,422	1,702	57.24	15.00%	65.83
<b>Finance &amp; Administrative Services</b>							
Finance & Administrative Services M	150,919	46.74%	221,462	1,702	130.12	15.00%	149.64
Accountant	81,971	46.74%	120,286	1,702	70.67	15.00%	81.27
Accounting Technician III	66,390	46.74%	97,422	1,702	57.24	15.00%	65.83
Information Technology Administra	98,091	46.74%	143,941	1,702	84.57	15.00%	97.26
Information Technology Technician	0	46.74%	0	1,702	0.00	15.00%	0.00
Purchasing Agent	66,390	46.74%	97,422	1,702	57.24	15.00%	65.83
<b>Conservation</b>							
Conservation Temporary	0		0	1,702	0.00	15.00%	0.00
Conservation Technician I	59,609	46.74%	87,471	1,702	51.39	15.00%	59.10
Conservation Technician II	65,570	46.74%	96,218	1,702	56.53	15.00%	65.01
Water Resources Analyst	110,233	46.74%	161,759	1,702	95.04	15.00%	109.30
<b>Customer Services</b>							
Customer Services Manager	119,169	46.74%	174,870	1,702	102.74	15.00%	118.15
Accounting Technician II	60,380	46.74%	88,603	1,702	52.06	15.00%	59.87
Accounting Technician III	66,390	46.74%	97,422	1,702	57.24	15.00%	65.83
Meter Technician	53,501	46.74%	78,508	1,702	46.13	15.00%	53.05
<b>Engineering Services</b>							
Engineering Services Manager	129,279	46.74%	189,706	1,702	111.46	15.00%	128.18
Senior Engineer	119,169	46.74%	174,870	1,702	102.74	15.00%	118.15
CAD/GIS Intern	0	46.74%	0	1,702	0.00	15.00%	0.00
Construction Inspector III	83,305	46.74%	122,244	1,702	71.82	15.00%	82.59
Engineering Technician III	74,223	46.74%	108,917	1,702	63.99	15.00%	73.59
<b>Field Services</b>							
Field Services Manager	119,169	46.74%	174,870	1,702	102.74	15.00%	118.15
Distribution Lead Worker	85,986	46.74%	126,178	1,702	74.14	15.00%	85.26
Distribution Operator I	58,740	46.74%	86,196	1,702	50.64	15.00%	58.24
Distribution Operator II	64,615	46.74%	94,817	1,702	55.71	15.00%	64.07
Distribution Operator III	71,090	46.74%	104,319	1,702	61.29	15.00%	70.48
Distribution Operator IV	78,189	46.74%	114,736	1,702	67.41	15.00%	77.52
Field Services Technician	78,189	46.74%	114,736	1,702	67.41	15.00%	77.52
Utilities Coordinator	78,630	46.74%	115,383	1,702	67.79	15.00%	77.96
<b>Operations</b>							
Operations Manager	142,975	46.74%	209,805	1,702	123.27	15.00%	141.76
<b>Water Treatment Plant</b>							
Wholesale Operations Manager	0	46.74%	0	1,702	0.00	15.00%	0.00
Water Treatment Plant Superintende	119,169	46.74%	174,870	1,702	102.74	15.00%	118.15
Custodian	42,754	46.74%	62,739	1,702	36.86	15.00%	42.39
Facilities Maintenance Worker I	64,554	46.74%	94,727	1,702	55.66	15.00%	64.01
Facilities Maintenance Worker II	71,016	46.74%	104,211	1,702	61.23	15.00%	70.41
Instrumentation Technician	81,837	46.74%	120,089	1,702	70.56	15.00%	81.14
Maintenance Chief	98,091	46.74%	143,941	1,702	84.57	15.00%	97.26
Water Treatment Operator II	70,478	46.74%	103,421	1,702	60.76	15.00%	69.87
Water Treatment Operator III	77,516	46.74%	113,748	1,702	66.83	15.00%	76.85
Water Treatment Operator IV	85,264	46.74%	125,118	1,702	73.51	15.00%	84.54
Chief Operator	98,091	46.74%	143,941	1,702	84.57	15.00%	97.26

### Productive Hours

Total Days	260
Vacation Days	(15)
Holidays	(12)
Sick (12 days @ 50%)	(6)
Productive Days	227
Productive Hours	1,816
Breaks (30 minutes daily)	(114)
<b>Total Productive Hours</b>	<b>1,702</b>

### Paid Benefit Rate

FICA/Medicare	7.65%
Unemployment	0.23%
Workers Compensation Insurance	1.58%
Retirement	15.30%
Group Insurance	21.98%
<b>Total Paid Benefits Rate</b>	<b>46.74%</b>

## Statistical and Supplemental Information

**San Juan Water District  
Wholesale Water Rates and Connection Fees  
Last Ten Years Effective January 1**

Fiscal Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Uniform Commodity Rate (UCR):</b>										
San Juan Water District Retail	\$ 74.37	\$ 77.16	\$ 85.03	\$ 93.44	\$ 100.31	\$ 102.85	\$ 115.19	\$ 127.86	\$ 90.60	\$90.60
Citrus Heights Water District	44.22	48.77	53.74	59.07	63.26	69.31	77.71	86.25	90.60	90.60
Fair Oaks Water Company	44.22	48.77	53.74	59.07	63.26	69.31	77.71	86.25	90.60	90.60
Orange Vale Water Company	44.22	48.77	53.74	59.07	63.26	69.31	77.71	86.25	90.60	90.60
City of Folsom	90.42	90.42	90.42	90.42	130.61	130.61	146.28	162.37	90.60	90.60
<b>Annual Service Charge:</b>										
San Juan Water District Retail	\$ 242,000	\$ 259,000	\$ 285,000	\$ 335,000	\$ 335,000	\$ 237,742	\$ 266,271	\$ 295,561	\$ 311,080	\$311,080
Citrus Heights Water District	249,000	275,000	303,000	357,000	357,000	297,343	333,024	369,657	367,450	367,450
Fair Oaks Water Company	190,000	210,000	231,000	272,000	272,000	204,388	228,915	254,095	208,340	208,340
Orange Vale Water Company	66,900	73,800	81,800	95,600	95,600	66,885	74,911	83,151	80,300	80,300
City of Folsom	-	-	-	37,700	37,700	26,360	26,360	32,771	35,160	35,160
<b>Annual Debt Service Charge:</b>										
San Juan Water District Retail	\$ 178,500	\$ 215,500	\$ 216,100	\$ 215,500	\$ 215,500	\$ 443,901	\$ 618,403	\$ 563,089	\$ 563,594	\$560,294
Citrus Heights Water District	205,500	251,700	252,200	251,600	251,600	534,537	738,294	621,614	627,938	623,983
Fair Oaks Water Company	150,750	185,000	185,400	184,900	184,900	320,878	444,071	415,185	385,416	383,713
Orange Vale Water Company	46,275	56,800	56,900	56,800	56,800	103,854	143,636	173,021	166,458	165,863
City of Folsom			14,100	14,100	14,100	48,972	48,972	50,104	59,659	59,298
<b>Connection Fees (implemented in 2008):</b>										
Up to 1" Meter						\$ 312	\$ 319	\$ 337	\$ 344	\$354
1 1/2" Meter						520	531	560	572	588
2" Meter						1,040	1,062	1,121	1,145	1,178
3" Meter						1,664	1,699	1,793	1,832	1,884
4" Meter						3,328	3,398	3,585	3,663	3,767
6" Meter						5,200	5,309	5,602	5,724	5,887
8" Meter						13,000	13,273	14,004	14,309	14,717
10" Meter						18,720	19,113	20,166	20,606	21,193
12" Meter						30,160	30,793	32,490	33,199	34,145
						44,720	45,659	48,175	49,226	50,629

Note: Effective 2011, SJWD Retail and Folsom UCR no longer includes pumping costs. SJWD Retail are now direct costs in the budget, Folsom pays a pumping surcharge to SJWD Retail.

Source: District Finance and Administrative Services Division

**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

**San Juan Water District**  
**Retail Water Rates and Connection Fees**  
Last Ten Years Effective January 1 Beginning 2007 (Effective September 1 Prior To)

Fiscal Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Commodity Rate/CCF:</b>										
Residential										
0 to 20 ccf	\$ 0.26	\$ 0.27	\$ 0.28	\$ 0.28	\$ 0.34	\$ 0.37	\$ 0.40	\$ 0.43	\$ 0.44	\$ 0.44
21 to 200 ccf	0.45	0.46	0.47	0.47	0.57	0.62	0.68	0.73	0.74	0.74
201+ ccf	0.31	0.32	0.33	0.33	0.40	0.44	0.48	0.51	0.52	0.52
Commercial	0.38	0.39	0.40	0.40	0.49	0.53	0.53	0.62	0.63	0.63
<b>Daily Base Charge (fixed based on meter size):</b>										
Up to 1"	\$ 0.78	\$ 0.80	\$ 0.82	\$ 0.82	\$ 0.89	\$ 0.97	\$ 1.06	\$ 1.13	\$ 1.15	\$ 1.15
1 1/2"	2.15	2.19	2.26	2.26	2.37	2.58	2.81	3.01	3.07	3.07
2"	3.36	3.43	3.53	3.53	3.78	4.12	4.49	4.80	4.90	4.90
3"	6.61	6.74	6.94	6.94	7.51	8.19	8.93	9.56	9.75	9.75
4"	10.25	10.46	10.77	10.77	11.72	12.77	13.92	14.89	15.19	15.19
6"					23.40	25.51	27.81	29.76	30.36	30.36
8"					42.09	45.88	50.01	53.51	54.58	54.58
10"					67.79	73.89	80.54	86.18	87.90	87.90
12"					100.50	109.55	119.41	127.77	130.32	130.32
Fire District	3.83	3.91	4.03	4.03	4.55	4.96	5.41	5.79	5.90	5.90
<b>Daily Base Charge for Private Fire Lines (fixed based on meter size):</b>										
4"	\$ 0.28	\$ 0.29	\$ 0.30	\$ 0.30	\$ 0.34	\$ 0.37	\$ 0.40	\$ 0.43	\$ 0.44	\$ 0.44
6"	0.42	0.43	0.44	0.44	0.50	0.55	0.60	0.64	0.65	0.65
8"	0.56	0.57	0.59	0.59	0.67	0.73	0.80	0.86	0.88	0.88
10"	0.70	0.71	0.73	0.73	0.82	0.89	0.97	1.04	1.05	1.05
<b>Connection Fees (in addition, new connections also pay a Wholesale Connection fee listed in Wholesale Rates):</b>										
Up to 1" Meter					\$ 11,533	\$ 11,891	\$ 12,164	\$ 12,834	\$ 13,114	\$ 13,488
1 1/2" Meter					23,065	23,780	24,327	25,667	26,227	26,974
2" Meter	Prior to Fiscal Year 2006-				36,904	38,048	38,923	41,068	41,963	43,159
3" Meter	2007, connection fees were				73,808	76,096	77,846	82,135	83,926	86,318
4" Meter	acreage based.				115,325	118,900	120,806	127,462	130,241	133,953
6" Meter					230,651	237,801	243,270	256,674	262,269	269,744
8" Meter					415,179	428,050	437,895	462,023	472,095	485,550
10" Meter					668,900	689,636	705,498	744,371	760,598	782,275
12" Meter					991,817	1,022,563	1,046,082	1,103,721	1,127,782	1,159,924

Source: District Finance and Administrative Services Division

**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

**San Juan Water District  
Retail Water Sales by Type  
Last Ten Fiscal Years**

Fiscal Year	Residential	Commercial	Total Water Sales	Total Water Deliveries (CCF)
2003	\$ 4,445,790	486,339	\$ 4,932,129	
2004	\$ 4,643,848	750,094	\$ 5,393,942	
2005	\$ 4,626,374	649,889	\$ 5,276,263	
2006	\$ 4,962,285	689,690	\$ 5,651,975	5,819,855
2007	\$ 5,738,787	817,126	\$ 6,555,913	6,558,306
2008	\$ 5,868,469	879,339	\$ 6,747,808	6,267,424
2009	\$ 6,580,530	946,169	\$ 7,526,699	5,821,462
2010	\$ 6,372,458	919,104	\$ 7,291,562	5,078,489
2011	\$ 6,821,008	1,000,370	\$ 7,821,378	5,038,636
2012	\$ 7,058,136	1,025,042	\$ 8,083,178	5,229,292

Source: District Finance and Administrative Services Division

**San Juan Water District  
Ten Largest Retail Customers  
Current Year and Four Years Ago**

Customer	Fiscal Year					
	2012			2008		
	Total Revenue	Rank	% of Revenue	Total Revenue	Rank	% of Revenue
Roseville Joint Union High School	\$19,455	1	0.24%	\$18,424	1	0.27%
Rolling Greens Estates LLC	13,960	2	0.17%	14,732	2	0.22%
City of Folsom/Davies Park	12,303	3	0.15%			
California State Dept of Parks & Rec	11,958	4	0.15%			
Granite Bay Business Park	11,648	5	0.14%	10,581	4	0.16%
Bushnells Landscape Creations	10,774	6	0.13%	11,407	3	0.17%
Sierra Valley Real Estate	10,552	7	0.13%	9,569	6	0.14%
Placer County Department of Facility Svc	-		0.00%	8,715	9	0.13%
Maison Chapeaux	9,841	8	0.12%	7,624	10	0.11%
Roseville Parkway of Swan Lake	8,423	9	0.10%			0.00%
Otow Revocable Living Trust	7,554	10	0.09%	8,728	8	0.13%
Eureka Union School District/Cavitt Jr High				10,228	5	0.15%
Eureka Union School District/Oakhills				8,861	7	0.13%
<b>Total</b>	<b>\$116,468</b>		<b>1.42%</b>	<b>\$108,869</b>		<b>1.61%</b>

Source: District Customer Services Department

**San Juan Water District  
Property Tax Levies and Collections - Bonded Debt  
Last Ten Years**

Fiscal Year End	Taxes Levied for the Fiscal Year <sup>(1)</sup>	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2003	704,095	884,843	125.7%	0	884,843	125.7%
2004	916,353	1,204,749	131.5%	0	1,204,749	131.5%
2005	-	45,799	0.0%	0	45,799	0.0%
2006	-	1,956	0.0%	0	1,956	0.0%
2007	-	-	0.0%	0	-	0.0%
2008	-	-	0.0%	0	-	0.0%
2009	-	-	0.0%	0	-	0.0%
2010	-	-	0.0%	0	-	0.0%
2011	-	-	0.0%	0	-	0.0%
2012	-	-	0.0%	0	-	0.0%

Sources: Sacramento County Auditor-Controller and Placer County Auditor-Controller

Notes: Includes tax revenue for bonded debt only; 1998 General Obligation Bonds were repaid in 2004.

**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

**San Juan Water District  
Principal Property Taxpayers  
Current Year and Ten Years Ago**

Taxpayer	Primary Land Use	2012		2003	
		Taxable Assessed Value	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Percentage of Total Taxable Assessed Value
Steadfast Sunrise LLC	Commercial	\$114,761,141	1.03%	\$ -	0.00%
MP Birdcage Marketplace LLC	Shopping Center	57,788,574	0.52	25,577,629	
The Realty Associates Fund VIII LP	Shopping Center	53,363,989	0.48	-	
VIF & Lyon Oak Creek LLC	Apartments	50,261,544	0.45	-	
Rollingwood Commons Apartments LLC	Apartments	29,934,859	0.27	-	
Grove at Sunrise LLC	Apartments	28,526,113	0.26	-	
PK I Cable Park LP	Commercial	26,186,126	0.24	-	
Marshall Field Stores Inc.	Commercial	23,300,272	0.21	18,223,684	
Sacto Fair Oaks Blvd Apartments LLC	Apartments	22,836,093	0.21	-	
Theodore Mitchell	Commercial	22,319,605	0.20	-	
Costco Wholesale Corporation	Commercial	21,363,137	0.19	-	
Sears Roebuck & Company	Commercial	21,043,423	0.19	12,331,769	
Madison & Sunrise Associates LLC	Commercial	20,899,681	0.19		
Lowes HIW Inc.	Commercial	20,351,932	0.18	-	
Fair Oaks Promenade LLC	Commercial	20,247,994	0.18	-	
Wal Mart Real Estate Business Trust	Commercial	19,850,000	0.18	-	
Salishan Apartments LP	Apartments	19,156,700	0.17		
First Acorn LLC	Commercial	19,046,125	0.17		
Fair Oaks Fountains LLC	Apartments	18,842,835	0.17	-	
Placer Partners LLC	Commercial	18,682,569	0.17		
The Fairways Apts-Wdc & DLC Sequola Fairways				30,221,383	0.35
National Life and Accident Insurance Co.				26,084,865	
Folsom Ranch Apartments				23,603,700	0.28
Macy's Sunac Properties Corp/Federated Stores				21,143,016	
California Family Health Bldg & Medical				14,061,741	0.16
Hunting Square Limited LP				13,495,521	0.16
Lake Pointe Apartments				12,900,000	0.15
<b>Total</b>		<b>\$628,762,712</b>	<b>5.66%</b>	<b>\$197,643,308</b>	<b>2.31%</b>

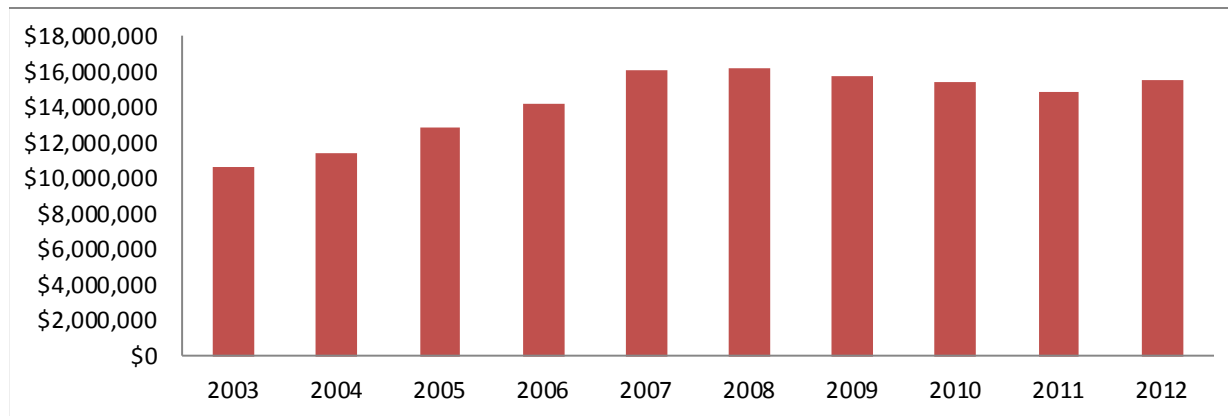
Source: California Municipal Statistics, Inc.

2011-2012 Total Secured Assessed Valuation: \$11,113,030,569

2002-2003 Total Secured Assessed Valuation: \$8,567,796,118

**San Juan Water District**  
**Assessed Actual Value - Taxable Property**  
**(Accrual Basis of Accounting)**  
**Last Ten Fiscal Years**  
**(in thousands of dollars)**

<b>Fiscal Year</b>	<b>Secured Assessed Value</b>	<b>Unsecured Assessed Value</b>	<b>Total Assessed Value</b>	<b>Total Property Tax Revenue</b>	<b>Total Direct Tax Rate</b>
2003	\$ 10,630,343	\$ 211,386	\$ 10,841,729	\$ 2,142	0.020%
2004	11,392,975	200,789	11,593,764	2,576	0.022%
2005	12,819,457	214,569	13,034,026	505	0.004%
2006	14,234,265	227,710	14,461,975	644	0.004%
2007	16,073,386	268,952	16,342,338	1,790	0.011%
2008	16,248,701	73,486	16,322,187	1,835	0.011%
2009	15,701,866	74,471	15,776,337	1,822	0.012%
2010	15,454,819	67,677	15,522,496	1,687	0.011%
2011	14,900,077	63,928	14,964,005	1,565	0.010%
2012	15,579,095	32,499	15,611,594	1,561	0.010%



Source: County of Placer and County of Sacramento

Note: In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

**San Juan Water District**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Revenue Bonds</b>	<b>Certificates of Participation</b>	<b>Economic Development Admin Loan</b>	<b>California Energy Commission Loan</b>	<b>Total Debt</b>	<b>Percentage of Personal Income</b>
2003	\$ 1,905,000	\$ -	\$ 23,995,000	\$ 297,351	\$ 42,720	\$ 26,240,071	67.89%
2004	980,000	-	23,225,000	282,131	39,006	24,526,137	60.13%
2005	-	-	22,390,000	266,150	35,063	22,691,213	52.21%
2006	-	-	21,535,000	249,370	30,883	21,815,253	47.78%
2007	-	-	20,660,000	231,751	26,453	20,918,204	43.30%
2008	-	-	19,765,000	213,251	21,762	20,000,013	39.87%
2009	-	-	49,345,000	193,826	16,787	49,555,613	91.47%
2010	-	-	47,980,000	173,430	11,513	48,164,943	89.84%
2011	-	-	46,985,000	152,013	5,924	47,142,937	
2012	-	13,625,000	30,085,000	129,527	-	43,839,527	

Source: San Juan Water District Finance & Administrative Services Division

Note: Details regarding the District's debt can be found in the notes to the financial statements.



**San Juan Water District**  
**Ratio of Annual Debt Service Expenses for All Debt to Total General Expenses**  
**Last Ten Fiscal Years**

Fiscal Year	Principal	Interest	Total Debt Service	Total General Expenses (1)	Ratio of Debt Service to Total General Expenses
2003	1,283,006	486,864	1,769,870	11,693,478	15.14%
2004	1,713,934	1,134,404	2,848,338	11,898,493	23.94%
2005	1,834,924	1,043,472	2,878,396	11,602,517	24.81%
2006	875,960	916,858	1,792,818	12,648,726	14.17%
2007	897,049	948,978	1,846,027	14,366,884	12.85%
2008	918,191	863,197	1,781,388	14,738,945	12.09%
2009	954,401	826,187	1,780,588	18,906,512	9.42%
2010	1,390,670	1,810,145	3,200,815	15,715,490	20.37%
2011	1,024,924	2,465,408	3,490,332	14,143,017	24.68%
2012	1,053,410	2,448,654	3,502,064	15,838,223	22.11%

Source: San Juan Water District Finance & Administrative Services Division

Note: (1) Total general expenses are total expenses excluding interest expense. Details regarding the District's outstanding debt can be found in the notes to the financial statements.

**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

**San Juan Water District**  
**Principal Employers for Counties Served**  
**Current Year and Four Years Ago (Nine Years Ago - Placer)**

Employer	Fiscal Year					
	2010			2006		
	Number of Employees	Rank	% of Total Employed	Number of Employees	Rank	% of Total Employed
<u>County of Sacramento</u>						
State of California	73,243	1	12.26%	67,467	1	10.42%
Sacramento County	11,260	2	1.89%	14,408	2	2.23%
Sutter Health Sacramento Sierra Region	8,702	3	1.46%			
University of California, Davis/US Davis Health	8,500	4	1.42%	7,901	3	1.22%
CHW/Mercy Health Care	6,976	5	1.17%	4,897	10	0.76%
Kaiser Permanente	6,414	6	1.07%	6,656	6	1.03%
Elk Grove Unified School District	6,391	7	1.07%			
Intel Corporation	6,000	8	1.00%	7,000	4	1.08%
Sacramento Municipal Utility District	5,057	9	0.85%			
San Juan Unified School District	4,900	10	0.82%	5,775	8	0.89%
Los Rios Community College District				7,000	4	1.08%
City of Sacramento				6,000	7	0.93%
				5,105	9	0.79%
<b>Total</b>	<b>137,443</b>		<b>23.01%</b>	<b>132,209</b>		<b>20.43%</b>
<b>Total Employed in Sacramento County</b>	<b>597,258</b>			<b>647,300</b>		

Employer	Fiscal Year					
	2010			2001		
	Number of Employees	Rank	% of Total Employed	Number of Employees	Rank	% of Total Employed
<u>County of Placer</u>						
Kaiser Permanente	3,064	1	1.94%	1,349	7	1.01%
Hewlett-Packard Co.	2,500	2	1.59%	6,000	1	4.50%
Placer County	2,400	3	1.52%	2,600	2	1.95%
Union Pacific Railroad Co. Inc.	2,000	4	1.27%	1,218	8	0.91%
Sutter Health	1,983	5	1.26%	1,428	6	1.07%
Northstar-At-Tahoe	1,500	6	0.95%			
Thunder Valley Casino Resort	1,412	7	0.90%			
City of Roseville	1,282	8	0.81%	989	10	0.74%
PRIDE Industries, Inc.	1,135	9	0.72%	1,540	4	1.16%
Raley's	1,006	10	0.64%	1,463	5	1.10%
NEC Electronics America, Inc.				1,609	3	1.21%
Artesyn Solutions, Inc.				1,200	9	0.90%
<b>Total</b>	<b>18,282</b>		<b>11.60%</b>	<b>19,396</b>		<b>14.55%</b>
<b>Total Employed in Placer County</b>	<b>157,540</b>			<b>133,333</b>		

Note: Information is not available specific to San Juan Water District service area, so counties served are shown.

Source:

Sacramento Business Journal

California State Employment Development Department

**San Juan Water District  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

	<b>Wholesale Population</b>	<b>Retail Population</b>	<b>Total Personal Income</b>	<b>Per Capital Personal Income</b>	<b>Unemployment Rate</b>
2003	188,400	28,734	\$ 38,649,539	\$ 29,686	6.10%
2004	181,584	28,776	\$ 40,789,349	\$ 30,686	5.70%
2005	185,996	29,056	\$ 43,462,957	\$ 32,192	5.00%
2006	188,786	30,442	\$ 45,653,787	\$ 33,521	4.70%
2007	191,051	30,512	\$ 48,313,850	\$ 35,197	5.20%
2008	193,554	30,605	\$ 50,157,252	\$ 36,340	6.80%
2009	196,089	30,578	\$ 54,177,837	\$ 37,179	11.30%
2010	180,000	30,641	\$ 53,612,730	\$ 37,700	12.40%
2011	180,548	30,615	Not yet available		12.30%
2012	181,048	30,722	Not yet available		10.80%

*Note:*

Wholesale population includes estimates of of Citrus Heights Water District, Fair Oaks Water District, Orange Vale Water Company, San Juan Water District Retail and City of Folsom (served by San Juan Water District Wholesale).

*Source:*

San Juan Water District Urban Water Management Plan; California State Department of Finance; California State Employment Development Department

**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

**San Juan Water District**  
**Wholesale Water System Capital Asset and Operating Indicators**  
**Last Ten Fiscal Years**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Facilities:</b>										
# of Treatment Plants	1	1	1	1	1	1	1	1	1	1
Plant Capacity (MGD)	120	120	120	120	120	120	120	120	120	120
# of ARVs									71	71
# of Blow-offs									52	52
# of Fire Hydrants									13	13
# of Valves									21	21
# of Pumping Stations <sup>(1)</sup>	3	3	3	3	3	3	3	3	-	-
# of Storage Tanks/Reservoirs	2	2	2	2	2	2	2	2	2	2
<b>Water Supply Available:</b>										
Pre-1914 Water Rights	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000
USBR/CVP Water Contract	24,200	24,200	24,200	24,200	24,200	24,200	24,200	24,200	24,200	24,200
PCWA Contract	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
<b>Total Water Supply</b>	<b>82,200</b>	<b>82,200</b>	<b>82,200</b>	<b>82,200</b>	<b>82,200</b>	<b>82,200</b>	<b>82,200</b>	<b>82,200</b>	<b>82,200</b>	<b>82,200</b>
<b>Water Supply Delivered:</b>										
Pre-1914 Water Rights	28,205	36,761	30,761	35,476	35,402	32,539	28,999	30,364	32,732	34,912
USBR/CVP Water Contract	4,585	5,225	7,013	5,947	9,908	7,884	7,022	418	1,211	555
PCWA Contract	13,037	13,980	11,998	11,802	12,249	12,818	11,301	9,075	8,574	8,841
<b>Total Water Supply Delivered</b>	<b>45,827</b>	<b>55,966</b>	<b>49,772</b>	<b>53,225</b>	<b>57,559</b>	<b>53,241</b>	<b>47,322</b>	<b>39,857</b>	<b>42,517</b>	<b>44,308</b>
<b>Production (average in acre feet):</b>										
Five Year	67,616	68,703	70,319	70,217	69,559	68,168	64,669	61,047	59,005	56,159
Ten Year	60,302	61,486	64,520	64,992	67,421	68,044	67,248	65,683	64,455	62,849
Fifteen Year	57,071	57,861	59,578	60,211	62,200	62,948	63,263	63,363	63,880	63,660
Twenty Year	56,762	57,354	58,399	58,937	59,626	59,885	60,140	59,945	60,385	60,685
<b>Connections: <sup>(2)</sup></b>										
San Juan Water District (retail)	10,200	10,079	10,288	10,306	10,339	10,345	10,348	10,373	10,361	10,471
Citrus Heights Water District	19,249	19,302	19,265	19,486	19,498	19,573	19,547	19,568	19,576	<i>19,642</i>
Fair Oaks Water District	13,554	13,577	13,544	13,848	14,469	14,474	14,450	14,129	14,135	<i>14,140</i>
Orange Vale Water Company	5,209	5,277	5,324	5,518	5,566	5,572	5,572	5,543	5,545	<i>5,545</i>
City of Folsom								981	981	<i>981</i>
<b>Total Connections</b>	<b>48,212</b>	<b>48,235</b>	<b>48,421</b>	<b>49,158</b>	<b>49,872</b>	<b>49,964</b>	<b>49,917</b>	<b>50,594</b>	<b>50,598</b>	<b>50,779</b>
<b>Population <sup>(3)</sup></b>										
	188,400	181,584	185,996	188,786	191,051	193,554	196,089	180,000	180,548	181,048

<sup>(1)</sup> Pump stations were assigned directly to Retail beginning January 1, 2011. Prior to that, costs were recovered through the Wholesale Rate charged to SJWD Retail.

<sup>(2)</sup> Connections in Italic are projected as that agency's fiscal year end is 12/31.

<sup>(3)</sup> The District updated population statistics in its 2010 Urban Water Management Plan.

Source: San Juan Water District Finance & Administrative Services Division, Engineering Services and Wholesale Operations

**San Juan Water District**  
**Wholesale Water Production by Month**  
**Last Ten Fiscal Years**  
(in million gallons)

<b>Month</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
July	3,181	3,175	3,110	3,255	3,099	2,563	2,937	2,292	3,240	2,866
August	2,901	2,938	3,053	3,101	3,226	2,409	2,917	2,095	3,126	2,714
September	2,577	2,909	2,787	2,670	2,932	1,907	2,427	1,844	2,607	2,345
October	2,004	2,403	1,852	2,166	2,116	1,170	1,646	1,413	1,873	1,525
November	1,117	1,151	1,014	1,466	1,138	878	857	1,059	786	965
December	1,015	980	1,039	1,048	968	661	764	679	780	930
January	946	922	933	881	1,065	559	728	722	719	922
February	852	793	831	819	962	537	631	673	619	651
March	1,146	1,293	1,035	812	1,308	1,325	620	538	617	549
April	1,130	2,057	1,313	980	1,732	2,021	1,405	577	1,186	835
May	1,845	2,870	1,926	2,510	1,793	2,639	1,854	1,285	1,793	1,788
June	3,019	3,101	2,696	3,004	2,323	2,791	2,112	2,544	2,042	1,936
<b>Annual Total</b>	<b>21,733</b>	<b>24,592</b>	<b>21,589</b>	<b>22,712</b>	<b>22,662</b>	<b>19,460</b>	<b>18,898</b>	<b>15,721</b>	<b>19,388</b>	<b>18,026</b>
 Average Monthly Water Production	 1,811	 2,049	 1,799	 1,893	 1,889	 1,622	 1,575	 1,310	 1,616	 1,502
 Average Daily Water Production	 59.5	 67.4	 59.1	 62.2	 62.1	 53.3	 51.8	 43.1	 53.1	 49.4

Source: San Juan San Juan Water District Wholesale Operations Division

**San Juan Water District**  
Fiscal Year 2013 - 2014 Budget

**San Juan Water District**  
**Retail Water System Capital Asset and Operating Indicators**  
Last Ten Fiscal Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Facilities:</b>										
Miles of Main Line	165	203	210	213.5	213.5	213.5	214	214	214	214
# of ARVs									768	768
# of Blow-offs									788	788
# of Fire Hydrants									1,412	1,412
# of Valves									2,761	2,761
# of Pumping Stations	5	5	5	5	5	5	5	5	8	8
# of Storage Tanks/Reservoirs	3	3	3	3	3	3	3	3	3	3
<b>Connections:</b>										
Single-Family Residential			9,746	9,753	9,752	9,756	9,761	9,778	9,771	9,811
Multi-Family Residential			118	118	117	121	121	119	119	119
Commercial			187	190	217	215	215	239	238	239
Institutional			12	11	11	11	11	11	11	11
Landscape Irrigation			213	222	230	230	228	214	210	209
Agricultural Irrigation			4	4	4	4	4	4	4	4
Other			8	8	8	8	8	8	8	8
<b>Total Connections</b>	<b>10,200</b>	<b>10,079</b>	<b>10,288</b>	<b>10,306</b>	<b>10,339</b>	<b>10,345</b>	<b>10,348</b>	<b>10,373</b>	<b>10,361</b>	<b>10,401</b>
<b>Total New Connections</b>	<b>10,200</b>	<b>(121)</b>	<b>209</b>	<b>18</b>	<b>33</b>	<b>6</b>	<b>3</b>	<b>25</b>	<b>(12)</b>	<b>40</b>
<b>Consumption (units of ccf): <sup>(1)</sup></b>										
Single-Family Residential			5,043,423	5,680,870	5,392,177	5,020,192	4,369,153	4,327,393	4,500,448	
Multi-Family Residential			90,785	99,732	92,353	96,145	87,162	80,391	83,539	
Commercial			155,681	173,631	167,395	149,209	171,923	197,402	199,458	
Institutional			98,444	104,898	103,931	93,052	81,364	68,920	74,877	
Landscape Irrigation			425,275	503,444	501,790	453,918	358,816	355,991	360,465	
Agricultural Irrigation			5,361	4,531	8,808	8,144	9,282	7,612	9,634	
Other			886	1,200	970	802	789	927	871	
<b>Total Consumption</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,819,855</b>	<b>6,568,306</b>	<b>6,267,424</b>	<b>5,821,462</b>	<b>5,078,489</b>	<b>5,038,636</b>	<b>5,229,292</b>
<b>Average Daily Consumption</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,945</b>	<b>17,995</b>	<b>17,171</b>	<b>15,949</b>	<b>13,914</b>	<b>13,804</b>	<b>14,327</b>
Population	28,734	28,776	29,056	30,442	30,512	30,605	30,578	30,641	30,615	30,722

<sup>(1)</sup> Beginning on January 1, 2005, the District was fully metered; data prior to that time is not available.

Source: San Juan Water District Customer Services and Engineering Services Departments

## Glossary

**Account** – A record of a business transaction; a reckoning of money received or paid.

**Accounting System** – The total structure of records and procedures that discover, record, classify, summarize, and report information on the financial position and results of operations of a government entity.

**Accounts Payable** – Purchase of services and supplies as of or prior to June 30 but not yet paid at June 30.

**Accounts Receivable** – General bills due from customers.

**Accrual** – The recognition of a revenue or expense in a budget year even though the actual cash may not be received or paid until the following budget year.

**Acre-Feet of Water (AF)** – The volume of water that would cover one acre to a depth of one foot.

**Adoption** – Formal action by the Board of Directors.

**American Water Works Association (AWWA)** – An international nonprofit scientific and educational society dedicated to the improvement of water quality and supply.

**Amortization** – Gradual reduction, redemption, or liquidation of the balance of an account; according to a specified schedule of times and amounts.

**Assets** – Resources owned or held by the enterprise as a result of past events and from which future economic benefits are expected to flow to the enterprise.

**Association of California Water Agencies (ACWA)** – Association representing over 400 public water agencies consisting of municipal, irrigation, county and California water districts, and a number of special purpose agencies. ACWA also represents non-profit and non-public mutual water companies. Members provide the link between local, state and federal water projects, and ultimate water consumers.

**Audit** – Performed by the District's independent certified public accountant (CPA), with the objective to determine if the District's financial statements present fairly the District's financial position and results of operations in conformity with generally accepted accounting principles (GAAP).

**Budget** – The District's financial plan balancing proposed expenditures for a certain period of time to the expected income or revenue for that same period.

**Connection Fee** – Fee imposed when a customer requests a new service connection. Connection fee funds are used by the District to plan, design and construct new facilities to support the additional demand placed by on the water and sanitation systems by the new service connections.

**Capital Assets** – Assets of a long-term nature such as land, buildings, machinery, furniture, plants and transmission and distribution infrastructure, and other equipment. Generally, the District has defined such assets as those with an expected life in excess of three years and an acquisition cost in excess of \$5,000.

**Capital Improvement Program (CIP)** – A plan to provide for the maintenance or replacement of existing assets, infrastructure, and equipment and for the construction or acquisition of new facilities and equipment.

**Capital Improvement Project Funds** – Funds used to account for financial resources used for the acquisition or construction of major capital facilities, as approved in the five year Capital Improvement Plan.

**Certificates of Participation (COP)** – Form of lease-purchase financing used to construct or acquire capital facilities and equipment.

**Coverage** – A margin of safety for payment of debt service, reflecting the number of times by which earnings for a period of time exceed debt service payable in such a period.

**Customer Information System (CIS)** – A system maintaining customer data including usage, billing and payment information.

**Debt** – An obligation resulting from the borrowing of money or from the purchase of goods and services. These include bonds and accounts payable.

**Debt Service** – Interest and principal payments on bond issues and Certificates of Participation. Also included are the issuance costs related to bond funding.

**Depreciation** – An element of cost resulting from the service of long-lived assets in an economic organization and represents the loss in asset value because of wear, deterioration, obsolesce or action of the physical elements.

**Effluent** – Treated wastewater discharged from wastewater treatment plants.

**Emergency Response Plan (ERP)** – Emergency Response Plan as required by the Environmental Protection Agency (EPA) as it applies to water treatment and distribution with high or moderate hazard potential to life and property. The EAP consists typically of notification procedures to alert the appropriate authorities in the event of a hazardous condition developing and also includes continuous monitoring of the facility to provide an early warning to the operator.

**Enterprise Fund** – A fund established to account for the financing of self-supporting enterprises, such as a utility fund, which render services primarily to the public.

**Entity** – The basic unit upon which accounting and/or financial reporting activities focus.

**Expenses** – Decreases in economic benefits during the accounting period in the form of outflows or depletions of assets or incurrences of liabilities that result in decreases in equity.

**Fiscal Year** – The beginning and ending period for recording financial transactions. The District has specified July 1 to June 30 as its fiscal year.

**Full Time Equivalent (FTE)** – An FTE equates to one full-time employee working 2,080 hours per year.

**Fund** – An accounting entity that records all financial transactions for specific activities or government functions.

**Fund Equity** – Net assets which are comprised of: Invested in Capital Assets, Net of Related Debt; Restricted; and Unrestricted.

**Geographic Information System (GIS)** – A system combining computer hardware, software, and geographic data for collecting, storing, analyzing and displaying geographically referenced information.



**Generally Accepted Accounting Principles (GAAP)** – Accounting standards and financial reporting practices promulgated by several national committees and boards. Primary sources for governmental accounting are the National Council on Governmental Accounting, producing governmental accounting, auditing and financial reporting (GAAFR), the Governmental Accounting Standards Board (GASB), and the Government Finance Officers Association (GFOA).

**Governmental Accounting Standards Board (GASB)** – National advisory board of accounting standards for public agencies. Identifies procedures, methods and standards for presenting the financial condition of public agencies.

**Infrastructure** – The accumulated pipelines, treatment plants and storage facilities of the District, including all meters, valves, pumps, filters and other appurtenances, whether constructed by the District or dedicated by private entities.

**Line Item** – Expenditure classifications established to account for and budget the appropriations approved.

**Local Agency Investment Funds (LAIF)** – An investment fund established by the California State Treasurer for the benefit for public agencies. The District, per its investment policy may invest up to the maximum permitted under State law (California Government Code Section 16429.1).

**Maintenance** – The upkeep of physical properties in condition for use or occupancy. Examples are the inspection of equipment to detect defects and the making of repairs.

**Net Assets** – The excess of assets over liabilities, represents the cumulative effect of revenues and other financing sources over expenses and other financing uses.

**Obligations** – Amounts that a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

**Operating Expenses** – All costs associated with the day-to-day business of the District, which are not considered capital improvements or debt repayments.

**Projected** – An estimate of revenues and expenditures based on past trends, the present economic situation and future financial forecasts.

**Public Employees Retirement System (PERS)** – An agent, multiple-employer, public retirement system to which the District contributes that acts as a common investment and administrative agent for participating public entities within the State of California.

**Pump Station** – Mechanical devices installed in sewer or water systems or other liquid-carrying pipelines that moves the liquids to a higher level.

**Reserves** – An amount set aside in an account for future use.

**Reservoir** – A pond, lake, tank, or basin (natural or engineered) where water is collected and stored.

**Resolution** – A special or temporary order of a legislative body; an order to a legislative body requiring less legal formality than an ordinance or statute.

**Revenue** – An inflow of assets, not necessarily in cash, in exchange for services rendered.

***Supervisory Control and Data Acquisition (SCADA)*** – The Supervisory Control and Data Acquisition system collects operational data from remote units to monitor and control water and wastewater systems and facilities throughout the District service area.

***Water Treatment Plant (WTP)*** – A facility that monitors and controls the quality of water, to include purity and turbidity as required by state and federal guidelines.

***Working Capital*** – The difference between current assets and current liabilities which represents the amount available for operations, designated reserves or capital projects.

**Revenue Descriptions**

**Water Sales**

	<i>Wholesale Water Sales</i>	<i>Retail Water Sales</i>
<b>Revenue Description</b>	Revenue from sale of water to wholesale water agencies	Revenue from sale of water to residential and commercial customers
<b>Legal Authority</b>	CA Water Code § 31007	CA Water Code § 31007
<b>Fund</b>	Wholesale Operations	Retail Operations
<b>Source</b>	Wholesale Water Customers	Retail Water Customers
<b>Use</b>	Wholesale Operations, Capital Improvement Program and Reserves	Retail Operations, Capital Improvement Program and Reserves
<b>Fees Set By</b>	Financial Plan and Rate Study Adopted by Resolution of the Board of Directors	Financial Plan and Rate Study Adopted by Resolution of the Board of Directors
<b>Current Fee Schedule</b>	2013	2013
<b>Method of Payment</b>	Check or electronic payment	Check, credit card and electronic payment
<b>Collection Frequency</b>	Quarterly-fixed in advance, use in arrears	As billed, bi-monthly
<b>Special Requirements</b>	Not subject to Proposition 218	Proposition 218, Public Hearing

**Taxes and Assessments**

	<i>Property Tax Allocation 1%</i>	<i>Property Tax Assessments</i>
<b>Revenue Description</b>	District's proportionate share of 1% tax monies	Revenue is collected through Placer and Sacramento County special assessment
<b>Legal Authority</b>	Multi-County Exemption	
<b>Fund</b>	Non-Operating	Non-Operating
<b>Source</b>	Placer and Sacramento County	Placer and Sacramento County
<b>Use</b>	Retail and Wholesale Capital Improvement Program, 50/50 split	Repayment of General Obligation Debt
<b>Fees Set By</b>	Placer and Sacramento County Assessors	Adopted by Resolution of the Board of Directors
<b>Current Fee Schedule</b>	N/A	None current
<b>Method of Payment</b>	Check or electronic payment	Check or electronic payment
<b>Collection Frequency</b>	As paid by taxpayers	As paid by taxpayers
<b>Special Requirements</b>	Not subject to Proposition 218	Not subject to Proposition 218

### Interest/Investment Income

	<i>Interest/Investment Income</i>
<b>Revenue Description</b>	Earned on investments for interest, change in market value or gain on sale of investment
<b>Legal Authority</b>	CA Government Code § 53601
<b>Fund</b>	Non-Operating, Retail Operations, Wholesale Operations
<b>Source</b>	Financial Institutions
<b>Use</b>	Retail Operations, Wholesale Operations, Capital Improvement Program and Reserves
<b>Fees Set By</b>	Current financial markets
<b>Current Fee Schedule</b>	N/A
<b>Method of Payment</b>	Paid into financial institution accounts
<b>Collection Frequency</b>	Varies
<b>Special Requirements</b>	Not subject to Proposition 218

### Connection/Capital Facility Fees

	<i>Wholesale Connection Fees</i>	<i>Retail Connection Fees</i>
<b>Revenue Description</b>	New connections to system	New connections to system
<b>Legal Authority</b>	CA Government Code §66013	CA Government Code §66013
<b>Fund</b>	Capital Improvement Program	Capital Improvement Program
<b>Source</b>	New or existing customers, developers	New or existing customers, developers
<b>Use</b>	Capital Projects-expansion	Capital Projects-expansion
<b>Fees Set By</b>	Financial Plan and Rate Study Adopted by Resolution of the Board of Directors	Financial Plan and Rate Study Adopted by Resolution of the Board of Directors
<b>Current Fee Schedule</b>	2013 Connection Fees	2013 Connection Fees
<b>Method of Payment</b>	Check	Check
<b>Collection Frequency</b>	Varies	Varies
<b>Special Requirements</b>	Not subject to Proposition 218	Not subject to Proposition 218

### Contractual Obligations

	<i>Debt Payments from Others</i>	<i>Communication Site Rental</i>
<b>Revenue Description</b>	Contribution from wholesale agencies for COPS or Bonds	Site rental for use of defined District property to house communication equipment
<b>Legal Authority</b>	Agreements	Agreements
<b>Fund</b>	Wholesale Non-Operating	Wholesale Non-Operating
<b>Source</b>	Participating Agencies	Communication Provider
<b>Use</b>	Debt service	Wholesale WEL Garden operations and improvements
<b>Fees Set By</b>	Agreements	Agreements
<b>Current Fee Schedule</b>	See agreements	5% annual increase
<b>Method of Payment</b>	Check or electronic payment	Check or electronic payment
<b>Collection Frequency</b>	Quarterly in advance	Annual per agreement
<b>Special Requirements</b>	Finance issues reconciliation	Finance issues annual invoice

### Charges for Services

	<i>Annexation Fees</i>	<i>Back-flow Re-testing Fees</i>
<b>Revenue Description</b>	Cost of service recovery for administrative processes associated with annexing into District water system	Cost of service recovery for back-flow re-testing when device fails first test
<b>Legal Authority</b>	BOD Resolution	BOD Resolution
<b>Fund</b>	Operations	Operations
<b>Source</b>	Annexing customer	Affected customer
<b>Use</b>	Operations	Operations
<b>Fees Set By</b>	Adopted by Resolution of the Board of Directors	Adopted by Resolution of the Board of Directors
<b>Current Fee Schedule</b>	2013 Fee Schedule	2013 Fee Schedule
<b>Method of Payment</b>	Check or electronic payment	Check or electronic payment
<b>Collection Frequency</b>	As occurs	As occurs
<b>Special Requirements</b>	Billed from connection quote	

**Charges for Services (*continued*)**

	<i>Fire Service Fees</i>	<i>Interest on Payment Plans</i>
<b>Revenue Description</b>		Cost recovery for interest lost on District funds due to payment of fee over time
<b>Legal Authority</b>		Code of Ordinances
<b>Fund</b>	Operations	Operations
<b>Source</b>	Affected customer	Affected customer
<b>Use</b>	Operations	Operations
<b>Fees Set By</b>	Adopted by Resolution of the Board of Directors	Adopted by Resolution of the Board of Directors
<b>Current Fee Schedule</b>	2013 Fee Schedule	5%
<b>Method of Payment</b>	Check or electronic payment	Check, credit card or electronic payment
<b>Collection Frequency</b>	As occurs	Monthly or as received
<b>Special Requirements</b>	Not subject to Proposition 218	Not subject to Proposition 218

**Capital Contributions**

	<i>Capital Contributions</i>	<i>Grant Revenue</i>
<b>Revenue Description</b>	Donated assets or prorated share of project cost	Funds awarded for projects or programs which may be capital contributions or operating revenue, depending upon grant
<b>Legal Authority</b>	Code of Ordinances, Policy	Granting authority
<b>Fund</b>	Capital Improvement Program	Capital Improvement Program or Operating (Wholesale or Retail)
<b>Source</b>	Developer, participating agency	Grantor (i.e. federal, state, etc.)
<b>Use</b>	Capital Improvement Program	Capital Improvement Program
<b>Fees Set By</b>	Market value of asset, prorated benefit cost	Granting authority
<b>Current Fee Schedule</b>	N/A	N/A
<b>Method of Payment</b>	Journal Entry (donated) Check (project cost share)	Check or electronic payment
<b>Collection Frequency</b>	As occurs	As incurred and/or billed
<b>Special Requirements</b>	Not subject to Proposition 218	Not subject to Proposition 218

**Other Revenue**

	<i>COTP SMUD Lease Payment</i>	<i>Miscellaneous</i>
<b>Revenue Description</b>	SMUD lease of 2 megawatts of transmission capacity	Varies
<b>Legal Authority</b>	Code of Ordinances, Policy	Varies
<b>Fund</b>	Non-Operating	Various
<b>Source</b>	Sacramento Municipal Utility District	Various
<b>Use</b>	Reserves	Dependent upon source
<b>Fees Set By</b>	Agreement	Granting authority
<b>Current Fee Schedule</b>	See agreement	N/A
<b>Method of Payment</b>	Check	Check or electronic payment
<b>Collection Frequency</b>	Annually in January	As incurred and/or billed
<b>Special Requirements</b>	Not subject to Proposition 218	Not subject to Proposition 218
	<i>Sale of Surplus</i>	<i>Special District Cavitt Stallman</i>
<b>Revenue Description</b>	Proceeds from auction of fixed assets or equipment in excess of book value	40-Year agreement with customers residing on Cavitt Stallman
<b>Legal Authority</b>	N/A	Agreement
<b>Fund</b>	Non-Operating	Capital Improvement Program
<b>Source</b>	Auction company	Affected customers
<b>Use</b>	Capital Improvement Program	Capital Improvement Program
<b>Fees Set By</b>	Agreement	Agreement
<b>Current Fee Schedule</b>	N/A	Per agreement
<b>Method of Payment</b>	Check	Check
<b>Collection Frequency</b>	Varies	Quarterly
<b>Special Requirements</b>	Not subject to Proposition 218	Not subject to Proposition 218