



Elsinore Valley Municipal Water District

**Biennial Budget
FOR FISCAL YEAR 2022 AND 2023**

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BOARD RESOLUTION

September 26, 2021

Board of Directors
Elsinore Valley Municipal Water District

INTRODUCTION

Enclosed are the Elsinore Valley Municipal Water District's (District) proposed budgets for Fiscal Year (FY) 2022 and FY2023. The proposed budgets represent the District's mission of providing water management that powers the health and vibrancy of its communities so life can flourish.

The proposed budgets provide a comprehensive financial plan for the District that includes a forecast of operating and non-operating revenues and expenditures; financing of long-term capital improvement plans to support infrastructure needs; and funding for the repayment of long-term debt.

Your participation throughout the development of the proposed budget process demonstrates your sincere dedication and commitment to the community. With your leadership and guidance, staff completed a thorough annual review of the revenues and expenses and matched those to the District's strategic plan to meet challenges related to growth, economic conditions, and other factors that may have significant financial impacts.

The District has a responsibility to deliver reliable water and wastewater services in the most cost-effective manner by maximizing operational efficiencies and seeking various cost saving measures.

CURRENT AND ONGOING CHALLENGES

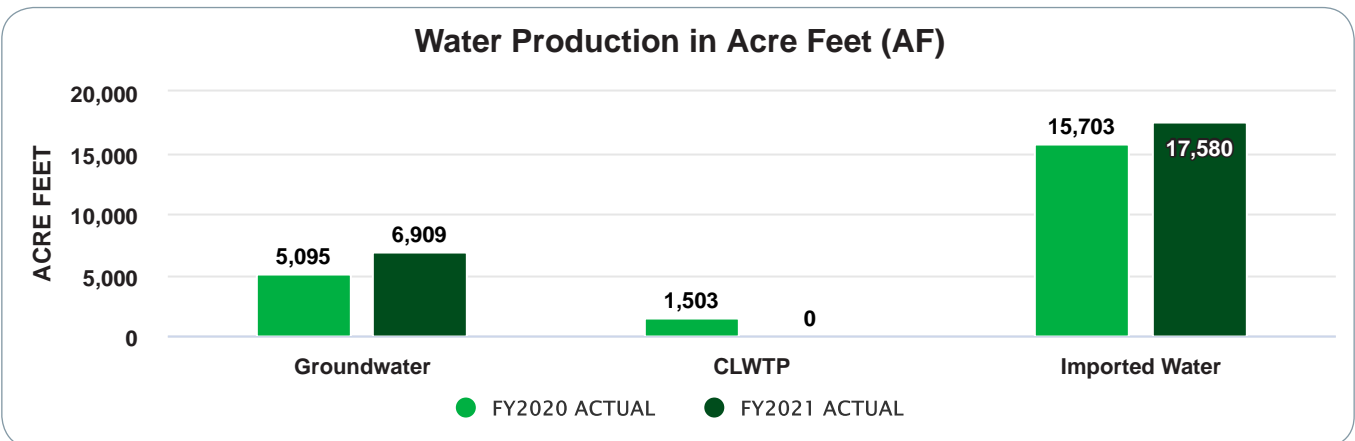
Southern California's climate typically includes a rainy season of approximately 3-4 months, followed by extended drought throughout the hottest months of the year. Oftentimes these droughts can extend throughout the winter months and anticipated rainfalls do not occur. Currently, all of California is experiencing some level of drought, with some three-fourths of the state experiencing extreme drought. In an effort to mitigate the impacts of drought years, the District is continuously encouraging its customers to conserve water through various educational efforts and a variety of different programs offered to customers promoting conservation.

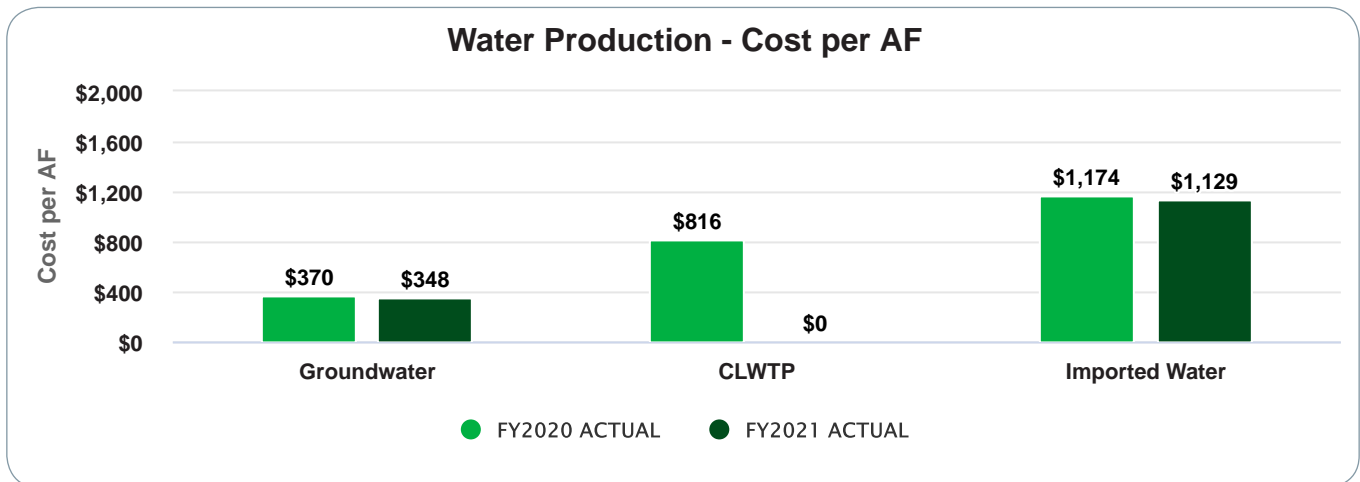
As part of these conservation efforts, the District has established four drought stages. The District is currently in drought stage 2 which applies during periods when a reasonable probability exists that EVMWD will not be able to meet all of the water demands of its customers.

The District is continuously trying to maximize less expensive local water sources, when available, which in turn decreases the District's reliance on more expensive imported water.

Unfortunately, over the last few years emerging constituents such as Per-and polyfluoroalkyl substances (PFAS) have been above response levels and have produced some challenges in utilizing local sources; primarily with the Canyon Lake Water Treatment Plant (CLWTP). Since late 2019 the CLWTP has been offline due to the inability to treat PFAS to acceptable levels. Upgrades to the CLWTP are currently planned in order to meet current treatment requirements and it is anticipated that the upgrades to the plant will be completed, and the plant back online, by fiscal year 25/26. Additionally, several wells were offline and out of production for various reasons.

With the CLWTP being offline for the majority of the last two fiscal years, local water supply production averaged approximately 6,800 AF (budget amounts were approximately 9,600 AF/yr). The following graphs show production, and costs of production per acre feet, from various sources.





Groundwater production averaged about 6,000 AF between the two years, which was a significant improvement on prior years, in which many of the wells were offline due to needed repair and maintenance. With the implementation of the District’s well maintenance program, which is intended to provide regular maintenance in order to avoid lengthy periods of downtime, the District was able to return to higher production yields.

As previously mentioned, the CLWTP has been offline due to upgrades needed for PFAS treatment requirements. Given ideal conditions, the treatment plant has the capacity to treat 9 million gallons per day but production from this source is dependent on lake levels, water quality and other contractual obligations with the Canyon Lake Property Owners Association, which has leased the rights to use the lake for recreational purposes. Staff is currently performing the pilot testing for PFAS treatment for the CLWTP. Following the pilot testing, upgrades will be undertaken to add PFAS treatment, which is anticipated to limit the plant capacity to 7 million gallons per day. With these upgrades, District plans to operate the plant year round at a sustainable 5.5 million gallons per day, ultimately targeting 6,161 AF per year of water from this source.

Imported water represents water purchased from the Metropolitan Water District (MWD). This water ultimately comes from rain and snowfall stored in reservoirs in northern California, and from precipitation in Colorado, Wyoming and Utah, stored in Lake Mead, along the Colorado River near Las Vegas, Nevada. Purchases averaged 16,600 AF. This was slightly above the budget average of about 15,100. The discrepancy can be attributed primarily due to CLWTP being offline and out of production for extended periods over the last two years.

Groundwater production costs were relatively steady at approximately \$360/AF. Groundwater costs are primarily driven by electrical, pumping, and transmission costs and tend to remain fairly steady from year to year.

Canyon Lake production costs have been sporadic over the last several years. Costs per AF have ranged from approximately \$800/AF to \$1,600/AF over the past five years. Under normal circumstances, production costs are estimated to be around the lower end of this range. The higher end of this cost range, is the result of the fixed costs for the water plant being spread out over a very low level of production for those years in which the District is not able to run the plant as anticipated. No production from this source is projected for the next several years.

Imported water costs averaged \$1,151/AF between the two years. Imported water costs are anticipated to increase in FY2022 and FY2023 to an estimated \$1,340/AF.

Unfortunately supplies of local well and surface water are limited, and as a result the growing District will continue to rely on more expensive imported water.

COVID-19

Beginning around December 2019, a novel strain of coronavirus (COVID-19) spread around the world resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. In March 2020 the United States, the State of California, and Riverside County declared a “state of emergency” or equivalent. Additionally, the State issued a “stay at home” order that severely restricted the movement of residents, generally mandated residents to remain in their homes, and in effect prohibited non-essential workers from working outside their homes.

The District has attempted to minimize any anticipated effects that the pandemic could have on operations and business activity and focused on: 1) health and safety, and 2) financial stability.

The State and District recognized that utility systems are critical infrastructure necessitating that some staff must work on site each day. Health and safety efforts at the District included assigning approximately 50% of office staff to work from home. Additionally, a pandemic response plan and an updated transition plan were implemented, providing guidelines for the initial response, and safely transitioning back to regular operations. The District is following the guidelines for reopening set forth by Riverside County, which follow the guidance for reopening issued by the State Public Health Officer and California Department of Public Health. As vaccination rates in the State and Riverside County increase, both the State and Riverside County are moving toward less restrictions on business and social activities.

Also, as a result of the COVID-19 pandemic, and the Governor's shutoff moratorium for delinquent accounts, the District has experienced an unusually high amount of late/unpaid water/sewer accounts. The District continues to reach out and work with customers to make arrangements for the collection of unpaid bills and expects a large portion of the currently outstanding delinquent accounts to be collectible once the shutoff moratorium is lifted. In addition, the District is currently in the process of working with the State Water Resources Control Board, which has been tasked with administering the CWWAPP program for disbursing federal funding for past due water and wastewater arrearages. The District currently expects to receive funding for a large portion of its late/unpaid water arrearages within the current (2022) fiscal year.

While the effect on operations appears to be decreasing over time, the operations and business results of the District could potentially continue to be adversely affected by this global pandemic as a result of emerging variants and a continued rise in infection rates. The extent to which the coronavirus may continue to impact business activity or investment results will depend on future developments, which are still highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus or its variants and the actions required to contain them.

DISTRICT PRIORITIES

As of June 2021, the District provides services to over 157,000 customers, through approximately 46,000 domestic water connections, 37,000 wastewater connections, and 150 recycled water connections. Total growth projections for the next two years are 450 equivalent dwelling units (EDU) for both FY2022 and FY2023.

To meet the anticipated growth and to continue providing quality service to existing customers, the District must secure reliable sources of water and maintain financial stability. The District is doing this through the following efforts:

- Continuing efforts to promote conservation by expanding programs in water efficiency education; providing free water conservation devices; and offering rebates.
- Completing projects identified in the Integrated Resources Plan (IRP) to enhance domestic water supplies through 2040.
- Designing upgrades for the Canyon Lake Water Treatment Plant.
- Maximizing the use of recycled water for irrigation purposes in schools, golf courses, and parks.
- Ongoing well maintenance program to ensure stable local water sources.

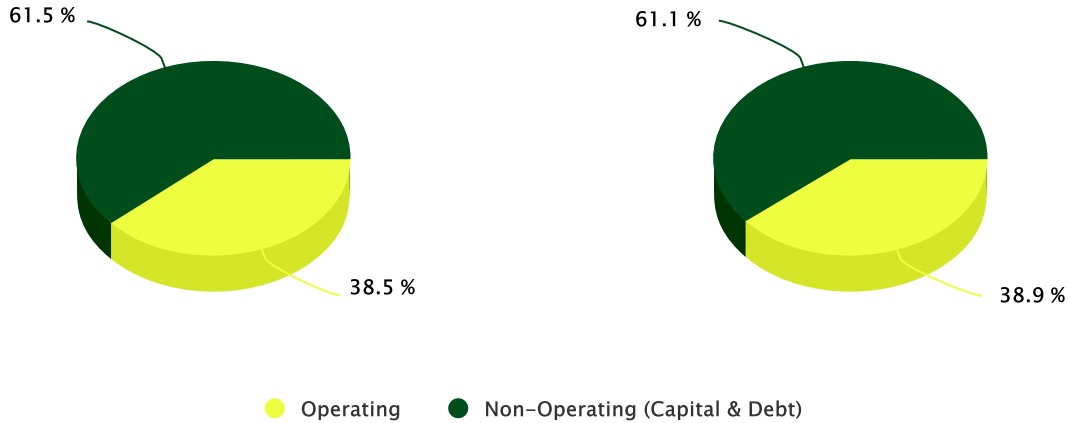
BUDGET HIGHLIGHTS

The budget has two major components: the Operating Budget, and the Non-Operating (Capital) Budget. The Operating Budget includes costs to operate, maintain, treat, and supply reliable water, recycled water, and wastewater services to customers. The Non-Operating (Capital) Budget includes Capital Improvement Projects needed to improve existing infrastructure and construct new facilities to support future water, recycled water, and wastewater needs. Finally, it includes annual principal and interest payments to service long-term debt.

USES OF FUNDS

FY2022 EXPENSES
\$194,294,597

FY2023 EXPENSES
\$199,284,200



The total budget for FY2022 is \$194.3 million with \$74.8 million (38.5%) in operating and \$119.5 million (61.5%) in non-operating, which is mostly comprised of capital and debt. The Operating Budget increased by \$3.4 million (5%) and the Non-Operating Budget increased by \$11.0 million (10%). Overall, the total proposed budget for FY2022 represents a \$14.5 million (8%) increase as compared to the FY2021 budget.

The total budget for FY2023 is \$199.3 million with \$77.6 (38.9%) in operating and \$121.7 (61.1%) non-operating, which again is mostly capital and debt. The Operating Budget increased by \$2.8 million (4%) and the Non-Operating Budget increased by \$2.2 million (2%) over the FY2022 budget. Overall, the total proposed budget for FY2023 represents a \$5.0 million (3%) increase over the previous year budget.

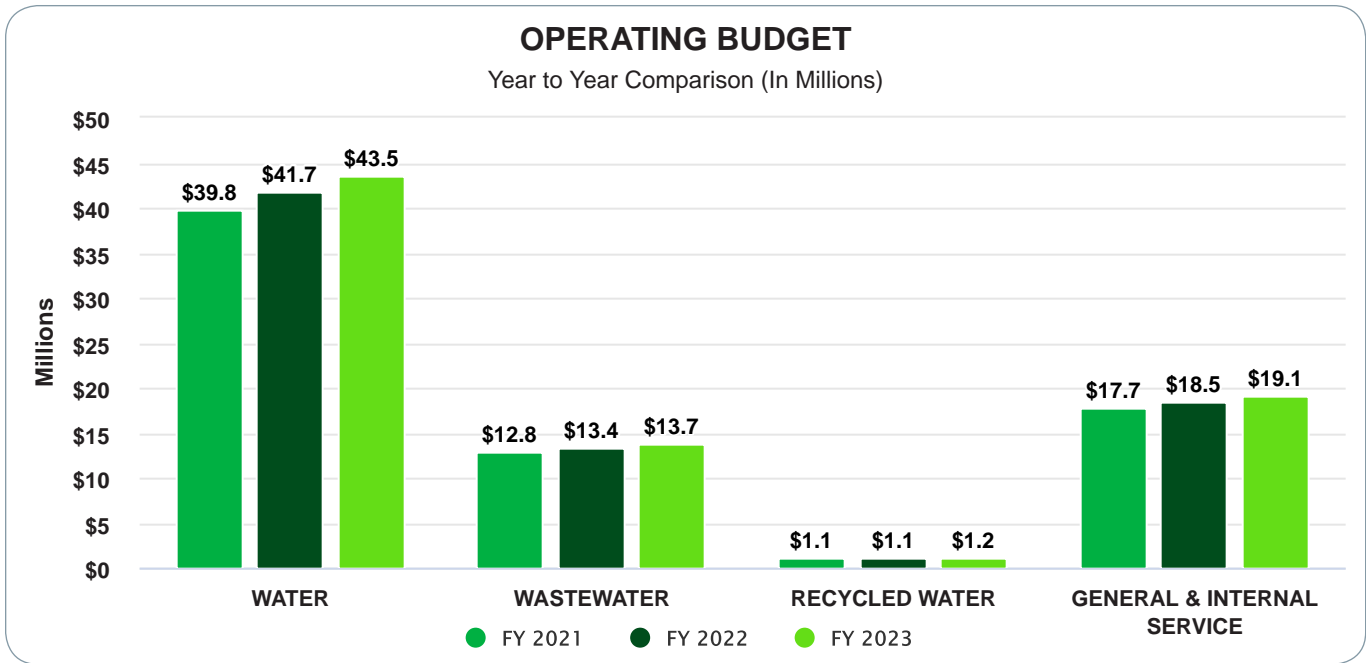
Budgetary changes are explained in more detail in the following sections.

Operating Expense Budget

The Operating Expense Budget consists of the operating costs for water, recycled water, wastewater, and general and internal services. These operating costs are primarily funded through customer user fees, general property taxes, lease income, and other revenue sources.

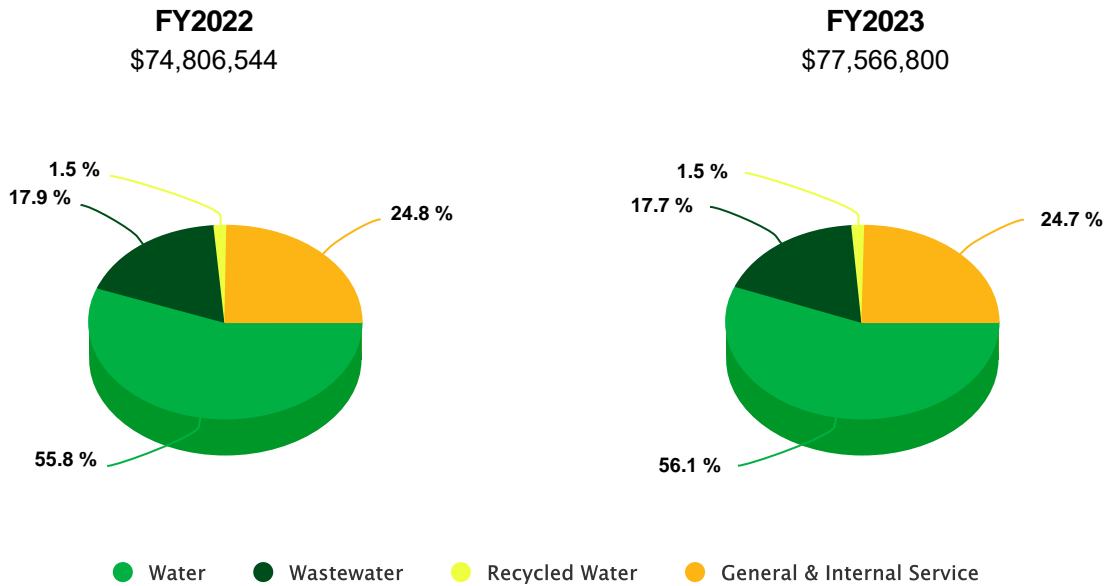
The District accounts for the Operating Budget in multiple funds to segregate expenditures in a logical manner. A list of all the funds with descriptions of each can be found in the Budget Statement section of this document. The General and Internal Services funds represent support services which are part of the operating costs allocated to the three main funds: Water, Recycled Water, and Wastewater.

Below is a graph showing the allocation of the Operating Budgets by major funds for the approved FY2021, FY2022 and FY2023 budgets:



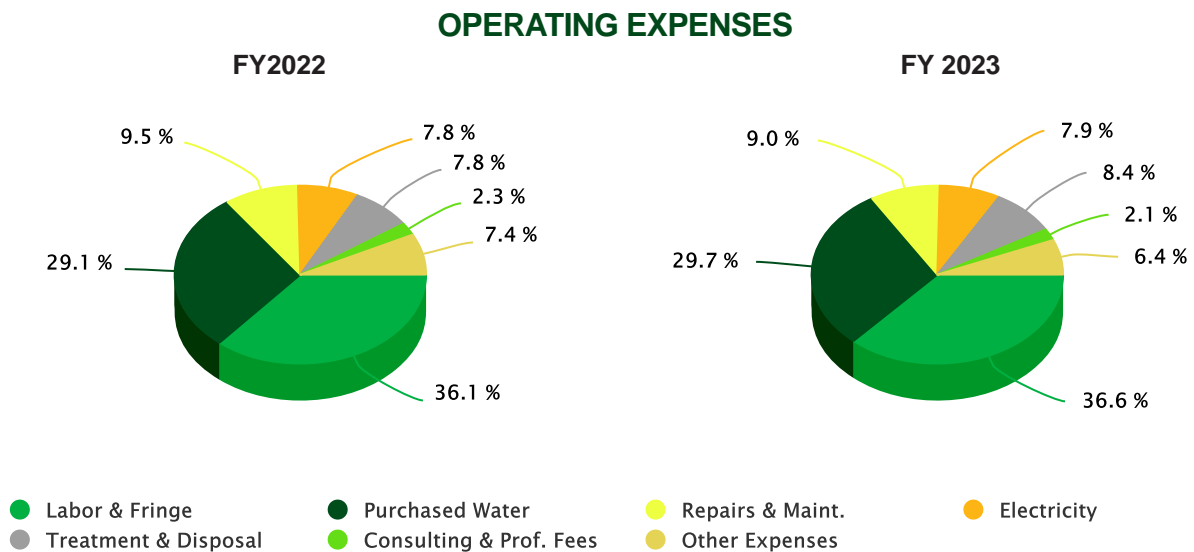
OPERATING EXPENSE BUDGET

by Fund



By Type

Overall, the total Operating Budgets are \$74.8 million and \$77.6 million for FY2022 and FY2023, respectively. Below are graphs of the operating expenses categorized by major types:



As shown in the graphs above, the two largest expenditure types are Labor & Fringe and Purchased Water. These two expenses, which make up to 66% of the operating expenses, are discussed below:

Labor & Fringe

Personnel related costs represent the largest portion of the Operating Budget. The District continuously works to improve operational efficiencies throughout all areas. Several organizational assessments have been completed to control staffing levels, ensure high quality service to the community, and manage growth within the District’s boundaries.

With these efforts, the District has been able to control personnel expenditures in the last few years. For FY2022, a cost of living (COLA) increase of 2.5%, merit increases averaging 2.5%, and insurance increases averaging 10% were included in the budget. The budget adds one new position: Human Resources Specialist as well as one reclassified position. These changes are detailed in the Authorized Position section of the budget. Overall, Personnel Support Services increased by approximately \$1.0 million (3%) over the FY2021 budget.

For FY2023, COLA increase of 2.5%, merit increases averaging 2.5%, and insurance increases averaging 10% resulted in a total increase of \$1.4 million.

Despite the addition of the one new position mentioned above, overall staffing levels for the District have been relatively flat for the past 10 years and are actually below 2009 levels (a decrease of one position). These efficiencies were realized even though the customer base has grown by approximately 24% over the same time period.

Purchased Water

The second largest operating expense is the cost of imported water, purchased from MWD. The District operates two water divisions, the Elsinore Division and the Temescal Division. The Elsinore Division serves the Lake Elsinore, Horsethief Canyon, Canyon Lake, Wildomar, and Murrieta/California Oaks Development areas. The Temescal Division provides service to the South Corona area.

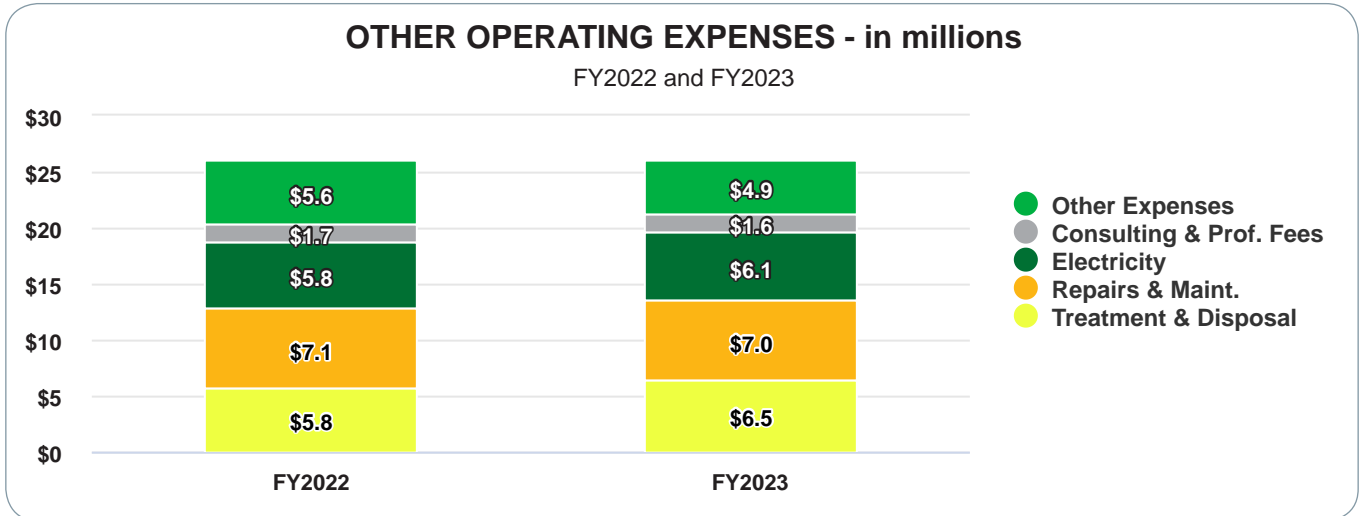
MWD adopted a Tier 1 rate of \$1,143 per AF (a 3.5% increase) for calendar year 2022 and projects \$1,196 per AF (a 4.6% increase) for calendar year 2023. As previously discussed, with the rising costs of imported water, the District continues to expand its efforts to find more local ground and surface water in both water divisions. For both budget years, the District projects that water supply sources will include 70% imported water and 30% from local wells. As previously mentioned, supplies from Canyon Lake Reservoir will not be available for the next several years due to ongoing repairs.

To put these changes in perspective, the current cost to purchase imported water from MWD is \$1,104 per AF, excluding any fixed monthly charges. As indicated previously, the cost per AF for groundwater is approximately \$360

per AF. Clearly, customers experience considerable cost savings as the District diversifies its local water portfolio and works to limit its reliance on imported water. The total imported water cost budget is \$21.7 million for FY2022 and \$23.0 million for FY2023.

Other Operating Expenses

The graph below displays expenditures by type for the remaining 34% of operating expenses:

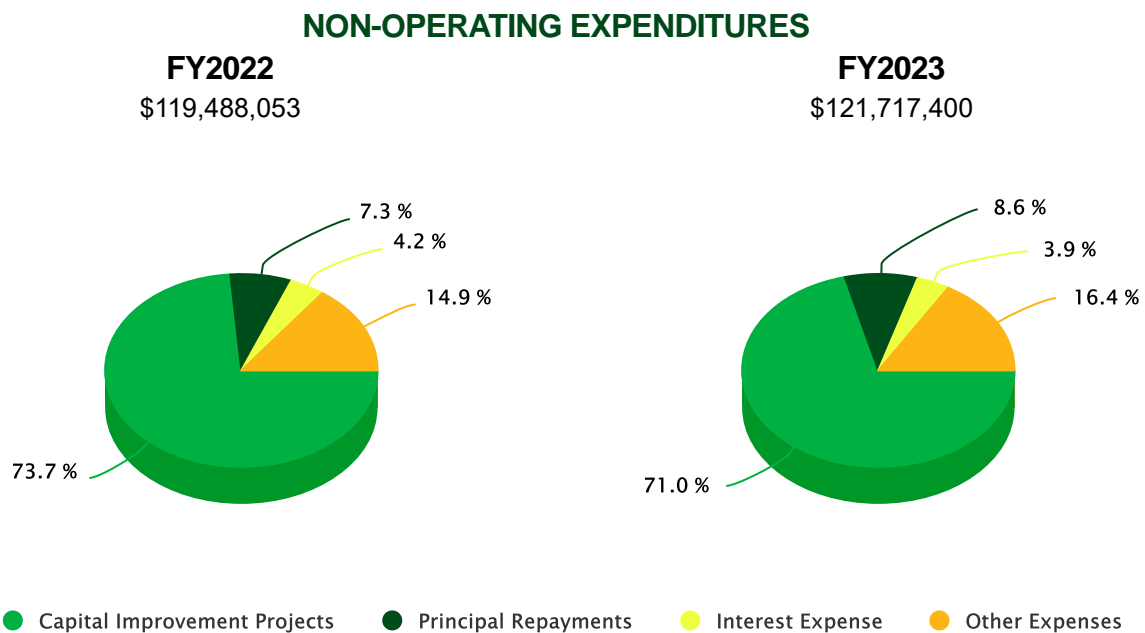


For this segment of the operating budget, other costs increased by \$0.3 million (1.3%) from FY2021 to FY2022. This increase was primarily due to the expected increases in electricity expenses. From FY2022 to FY2023, this segment increased by only \$0.1 million (0.2%). The Other Expense category shown above consists of several expense categories. The largest of which is the maintenance agreement expense (\$1.7 million annually). These expenses mainly cover the District’s software maintenance costs.

Non-Operating Expenditures Budget

The Non-Operating Expenditures Budget represents, on average, 61.1% of the total budget. It consists primarily of Capital Improvement Projects (CIP) for District infrastructure and the annual principal and interest repayments on long-term debt. The total Non-Operating Expenditures Budgets are \$119.5 million and \$121.7 million for FY2022 and FY2023, respectively.

Below are graphs of the Non-Operating Expenditures categorized by major types:



The largest non-operating expenditure is for CIP. The proposed CIP budgets are \$88.1 million for FY2022 and \$86.5 million for FY2023. Detailed information on the budgeted CIP projects can be found in the Capital Improvement Projects section.

In an effort to minimize costs that affect customer rates, the District is aggressively pursuing other revenue sources such as grants and low interest state revolving fund (SRF) loans to fund planned CIP projects. To date, the District has secured over \$33 million in grants and \$221 million in low interest SRF loans to fund projects like the Regional Plant Expansion and Diamond Regional Lift Station and Dual Force Main projects. Additional grant and SRF loan funding will also be sought by the District for multiple anticipated future projects of approximately \$93 million. Some of these future projects include the Lee Lake Dam and Canyon Lake Upgrades projects.

Below is a list of some of the major projects included in the CIP budgets for FY2022 and FY2023:

In Millions	
RWRF Expansion - Construction	\$ 120.0
Horsethief WRF DB Rehab & Expansion	5.0
Mayhew Well	3.6
A-3 Lift Station & Force Main Replacement	3.6
Lakeshore Booster Pump Replacement/Intertie w/EMWD	2.8
Single Check Backflow Devices	2.6
Railroad Canyon WRF DCS Conversion	2.5
Downtown Sewer Replacement	2.0
Ortega Reservoir Rehabilitation	2.0
Daley A Pump Station Rehabilitation	1.5
Other	29.1
Total CIP (2 Years)	\$ 174.7

Below is a brief description of the five largest projects:

RWRF Expansion - Construction

The Regional Water Reclamation Facility (RWRF) is projected to reach its design capacity in the near future. To meet future demands, this state required project will expand average daily capacity from 8.0 to 12.0 mgd. The project includes new bar screens and grit removal tank, a new 4.0 mgd membrane bioreactor, a new 12 mgd UV system, and sludge processing facilities. The estimated total project cost is approximately \$150 million and will be funded by a combination of grants and low interest loans from the State of California Revolving Fund.

Horsethief WRF Design-Build Rehab & Expansion

This project will expand and upgrade the Horsethief Canyon Water Reclamation Facility (HTCWRF). The expansion will increase the average daily capacity from 0.5 mgd to 0.8 mgd. The additional flows are expected from planned development in the area. The project also includes construction of several critical upgrades to the existing HTCWRF to improve plant reliability and provide redundancy features to the existing 0.5 mgd plant. Upgrades will be funded by rate payers, while the expansion will be funded by developer contributions.

Mayhew Well

The Mayhew Well was constructed in October 1989 and is located south of the intersection of Temescal Canyon Road and Maitri Road, in the unincorporated limits of the City of Corona. The well extracts water from the Coldwater Groundwater Basin and was originally drilled to a total depth of 740 feet below ground surface with a pumping capacity of 1,075 gallons per minute (gpm). In 2018, the Mayhew Well failed, requiring the District to complete an emergency well rehabilitation project. During the rehabilitation, the bottom of the Well casing collapsed causing the District to abandon the lower portion of the Well, thereby reducing the pumping capacity to 600 gpm. The project involves replacement of the existing Well with a new well and PFAS treatment to ensure that the District can continue to provide service to customers within the Temescal Service Area.

A-3 Lift Station & Force Main Replacement

In 2020, the District completed a comprehensive condition assessment of five (5) lift stations. The A-3 Lift Station was determined to be the most critical lift station requiring rehabilitation. This lift station was built

in 1970 and is located at the intersection of Lincoln Street and Riverside Drive (CA-74) in the City of Lake Elsinore. This project will evaluate design alternatives for the rehabilitation of the A-3 Lift Station and will ultimately lead to construction replacing the existing facility.

Lakeshore Booster Pump Replacement/Intertie w/EMWD

EVMWD completed an emergency water supply evaluation to improve system reliability and redundancy in the Tuscany Hills, Canyon Lake, and Canyon Hills areas located on the west side of the I-15 freeway. The Lakeshore Booster Pump Station has been identified as a potential project to provide an alternate source of water to these areas. A water hydraulic model is required to properly size pumps that are needed to increase supply. The project will also involve a unidirectional intertie between Eastern Municipal Water District (EMWD) and EVMWD along Railroad Canyon Road at Goetz Road for emergency supply purposes. The intertie will provide another water source for areas on the west side of the I-15 freeway.

A complete list of all planned CIP with detailed descriptions can be found in the Capital Improvement Project section of this document.

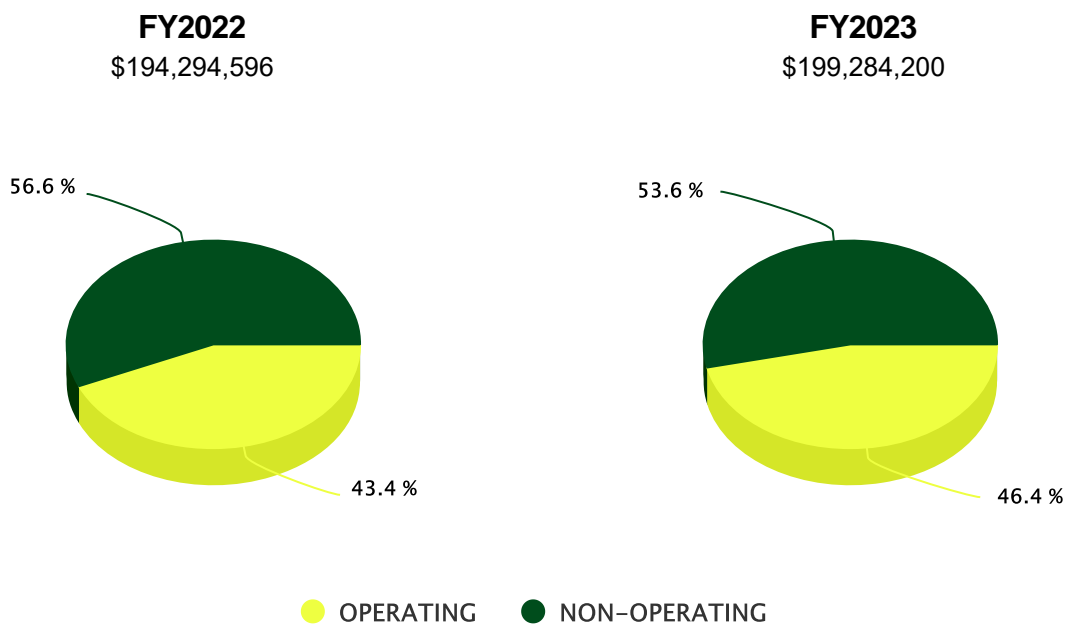
Two other large portions of the Non-Operating Expenditures Budget are the long-term annual debt service (principal & interest) repayments, representing about 11.4% for FY2022 and 12.5% of the FY2023 Non-Operating budget. The annual principal and interest repayments are \$13.6 million and \$15.3 million for FY2022 and FY2023, respectively.

As of June 2021, a total of \$412 million in principal and interest is due between now and 2055. This includes \$61 million of interest expense. The District actively pursues various options such as refunding or early repayments of principal to reduce these amounts. In addition, the District actively pursues low interest SRF loans to finance large CIP projects rather than issue debt which saves the District a significant amount of interest expense. A significant refunding occurred in 2021, reducing principal by \$32 million and saving \$3.8 million in future interest expenses.

Other Non-Operating Expenditures include Capital Outlay, transfers to reserves, and others. Capital Outlays are non-CIP equipment or software purchases that have an individual cost of over \$10,000 with a useful life of more than five years. Transfers to reserves are needed to comply with debt covenants and other administrative code requirements.

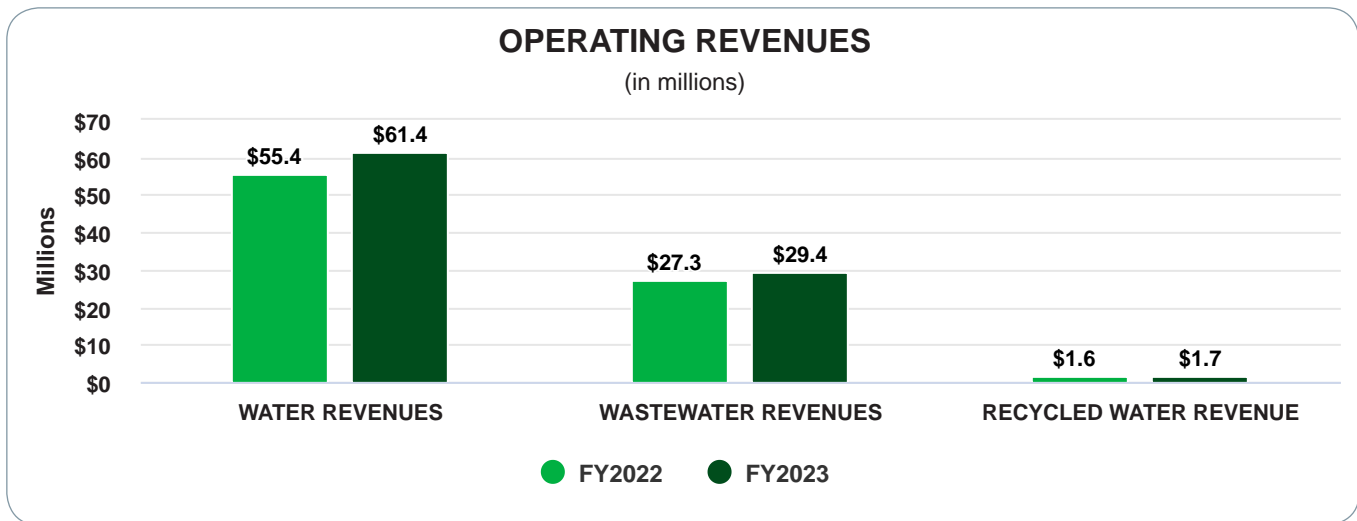
SOURCES OF REVENUES

The District goal is to maintain a balanced budget. As a result, the total Revenue Budget is \$194.3 million for FY2022 and \$199.3 million for FY2023. The main sources of revenue are classified as Operating Revenues and Non-Operating Revenues.



Operating Revenues Budget

The Operating Revenue Budget consists of water, wastewater, and recycled water revenues. The revenues are derived from monthly user charges to the District’s customers for water and wastewater services. The proposed Operating Revenues are \$84.3 million for FY2022 and \$92.5 million for FY2023.



Water Revenues

The proposed Water Revenue Budgets are \$55.4 million and \$61.4 million for FY2022 and FY2023, respectively. The rate structure has two major components: fixed and variable charges. The fixed charge consists of the water meter service charges that pay for usage readings, meter maintenance, billing, and customer service. The variable charge consists of the costs to supply and deliver water, capital costs to improve water supply and storage, and funding of conservation programs. These charges are enhanced by other revenue streams such as delinquent fees, service requests fees, and various cost savings programs. Additionally, the District maintains a power surcharge rate to cover costs associated with the energy needed to operate water treatment facilities and to deliver water to customers at higher elevations.

Water revenues are increasing primarily as a result of increases to the fixed and variable rates each year, in addition to an increase in projected customer accounts. This additional revenue will fund capital improvements needed due to deferred maintenance of property, plant, and equipment after the 2008 recession.

In accordance with SWRCB mandates, the District maintains a fully compliant tiered rate system, including a system for implementing drought penalties and surcharges, outlined in the water shortage contingency plan. The District is currently in stage two of the five stage water shortage contingency plan, which starts to implement surcharges and penalties at stage three.

The District’s rate structure encourages customers to control water usage, complies with existing state laws, and helps the District comply with state mandates during drought emergency conditions.

The District continues to offer its Rate Assistance for Residents of Elsinore Valley (RARE) Program which allows qualifying customers to be eligible for low income rate assistance on their water bill at their primary residence. This program is similar in nature to the California Alternate Rate for Energy (CARE) program offered by gas and electric companies. Customers who normally qualify for CARE are generally eligible to apply for the RARE Program. Applications for this program are accepted on a first-come first-serve basis until the available funds are exhausted. Most of the funding for this program comes from lease income earned from cell phone carriers leasing cell tower locations on District owned properties. The maximum monthly RARE credit is currently \$29.68.

The proposed rate tables for Elsinore can be found beginning on page 145 and Temescal Water Divisions can be found beginning on page 162.

Wastewater Revenues

The Proposed Wastewater Revenue budgets are \$27.3 million and \$29.4 million for FY2022 and FY2023, respectively. The Wastewater Services Division continues to serve four areas: Regional, Canyon Lake (also known as Railroad Canyon), Horsethief, and Southern areas. The District directly operates three treatment facilities to serve Regional, Canyon Lake, and Horsethief. The District uses an existing Joint Powers Authority (JPA) agreement known as the

Santa Rosa Regional Resource Authority (SRRRA) between EVMWD, Rancho California Water District (RCWD), and Western Municipal Water District (WMWD) to provide treatment and disposal services for the Southern area located within the California Oaks Development in the City of Murrieta.

Wastewater rates are increasing for both FY2022 and FY2023. The increases are primarily driven by revenue requirements brought on by the debt service requirements of the Regional treatment plant upgrade project. The Regional upgrade project will complete several critical upgrades to the existing plant to improve reliability and provide redundancy features.

Beginning in FY2019, the District updated the residential customers rate structure from a fixed monthly charge to a hybrid bill with fixed and variable components, which is based on the number of persons per household. Commercial customers are billed a fixed monthly charge and a variable charge based on water consumption.

Wastewater service charges are based on budgeted operating expenses. On an annual basis, the District completes a thorough review of the services related to collecting, treating, and disposing of wastewater. The District has taken initiatives in the past year to keep costs down. Some of the initiatives included reducing chemical costs by installing UV resistant shade cloths, minimizing the deterioration of the chlorine residual caused by UV radiation from the sunlight; and making various operational upgrades.

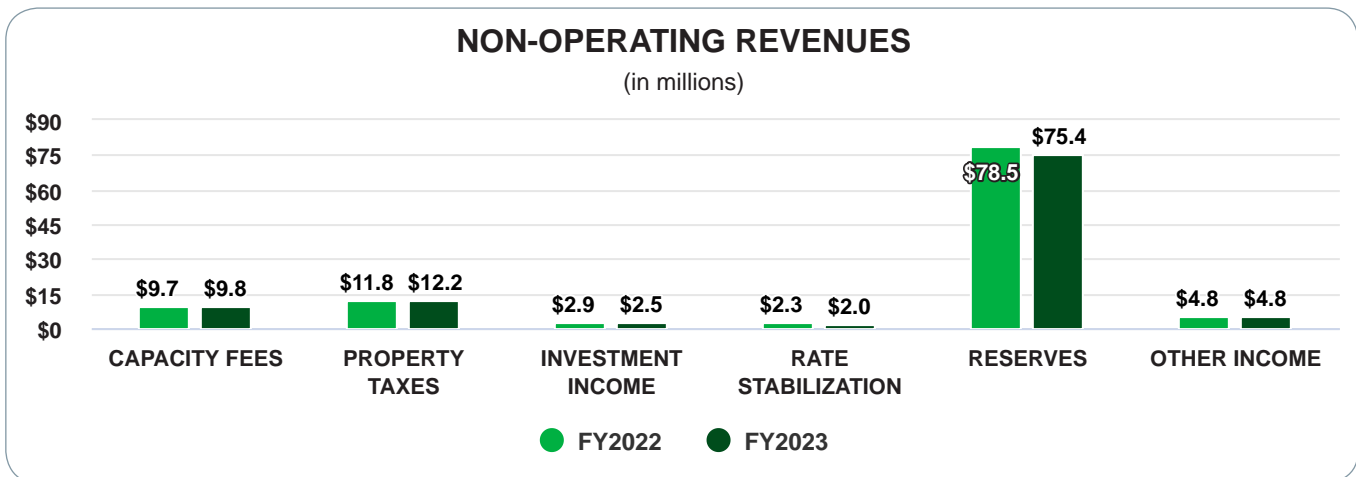
The complete proposed wastewater rate table can be found on page 175.

Recycled Water Revenues

With continued drought conditions, the recycled water system has been expanded for schools, parks, and golf course irrigation. There are now 148 recycled water connections. This number is expected to grow in the future as recycled water supplies increase.

The proposed Recycled Water Revenue Budgets are \$1.6 and \$1.7 million in FY2022 and FY2023, respectively. The proposed rate table can be found on page 188.

Non-Operating Revenues Budget



As previously stated, operating revenues (and ultimately rates) are set at levels needed to fund operations. These rates, fees, and charges are partially offset by non-operating revenues including the sources shown in the chart above.

Capacity fee revenue is generated from fees imposed on new water and wastewater connections. Using projected growth, capacity fee revenue is budgeted at \$9.7 million and \$9.8 million for FY2022 and FY2023, respectively. Capacity revenues are highly sensitive to developer plans and economic factors. The proposed capacity fees for the next two fiscal years were determined based on projected growth, and may not be achieved. The capacity fee rates can be found on page 31.

Property tax is received from the County of Riverside and collected from properties within the District’s boundaries. The District uses these funds to offset operational and non-operational expenses. The General Property Tax Budgets are \$11.8 million and \$12.2 million for FY2022 and FY2023, respectively.

Use of Reserves consists primarily of the funds that have previously been set aside in prior years for project funding that are anticipated to be utilized in this budget cycle.

Other sources of revenue include Investment Income; use of Rate Stabilization, Lease Income, and miscellaneous service charges.

CONCLUSION

EVMWD is committed to delivering quality water, recycled water, and wastewater services through continued innovations and efficiencies. This budget document demonstrates the commitment of the entire EVMWD organization to maintain financial stability and to uphold its core principles of transparency and accountability.

Overall, the District's financial position remains strong. The proposed budget is based on near and long-term financial projections, considering a constantly changing economic environment. The Finance & Accounting Department provides continuous financial analysis to the Board of Directors through reports monitoring the District's budget. This in turn provides the Board of Directors with the information it needs to respond to changing budgetary and economic situations.

The proposed budgets for FY2022 and FY2023 are a result of the efforts of the EVMWD staff. The Board of Directors has in turn performed its fiduciary role using due diligence to review and question staff proposals.

In addition to the efforts of the Board and various departments, we would like to take this opportunity to thank the Finance and Accounting Department for its role in compiling this budget document.

Respectfully Submitted,



Greg Thomas
General Manager



Robert Hartwig, CPA, MBA
Assistant General Manager



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Elsinore Valley Municipal Water District
California**

For the Biennium Beginning

July 1, 2019

Christopher P. Morrill

Executive Director

California Society of Municipal Finance Officers

Certificate of Award

Operating Budget Excellence Award Fiscal Year 2019-2020

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Elsinore Valley Municipal Water District Biennial 2020 & 2021

For meeting the criteria established to achieve the CSMFO Excellence Award in Budgeting.

January 31, 2020



Steve Heide
CSMFO President

Yolanda Rodriguez, Chair
Recognition Committee

Dedicated Excellence in Municipal Financial Reporting

Budget Narrative



Fiscal Year 2022



Fiscal Year 2023

DESCRIPTION OF THE DISTRICT AND THE BUDGET PROCESS

The Elsinore Valley Municipal Water District

History

The Elsinore Valley Municipal Water District (the “District”) was incorporated on December 23, 1950, under the provisions of the California Municipal Water District Act of 1911.

Responsibility

This Act authorizes the District to supply and distribute water, treat and dispose of wastewater, make beneficial use of reclaimed water and manage water-related recreational activities.

Mission Statement

The EVMWD team delivers total water management that powers the health and vibrancy of its communities so life can flourish.

Vision Statement

EVMWD is Southern California’s most innovative, diverse and trusted public utility partner.

District Values

- Professionalism
- Enthusiasm
- Integrity
- Inclusiveness
- Stewardship

Government

The District is governed by a five member Board of Directors (the “Board”), elected by the voters within their respective divisions for staggered four-year terms. The current Directors are:

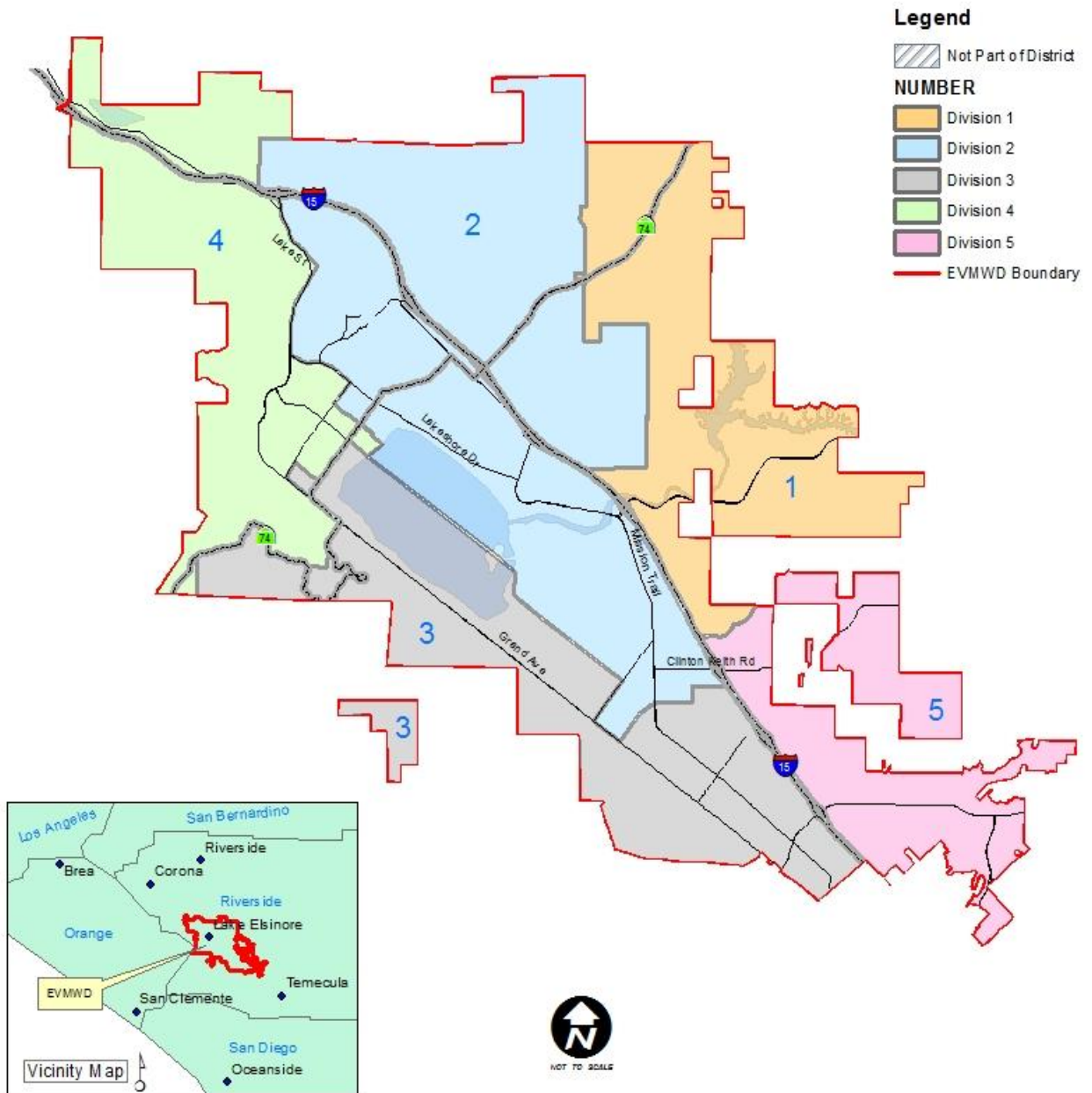
Division	Name	Position
1	Darcy Burke	Vice President
2	Harvey R. Ryan	Treasurer
3	Chance Edmondson	Director
4	Phil Williams	President
5	Andy Morris	Director

Service Area

The District is located in Southern California and provides service to approximately 61,949 acres or 97 square miles of land located between the cities of Corona and Temecula in the western portion of Riverside County, and a portion of Orange County, along the Ortega Highway.

The District primarily provides service to the cities of Lake Elsinore, Canyon Lake, Wildomar, the California Oaks Development within the City of Murrieta, and the unincorporated communities of Lakeland Village, Meadowbrook, Rancho Capistrano/El Cariso Village, Horsethief Canyon, and Temescal Canyon. The District is a member agency of the Western Municipal Water District (WMWD), which is a member agency of the Metropolitan Water District of Southern California (MWD). The map below shows the service area and Director’s divisions.

Service Area



Organizational Structure

The General Manager, who reports directly to the Board of Directors, manages the District's day-to-day operations. The General Counsel and District Auditors also report directly to the Board.

Reporting to the General Manager are three departments: Administration, Governmental Relations, Human Resources; and two divisions: Business Services, and Engineering & Operations.

The Administration Department provides support to the General Manager and Board of Directors, maintains official District records by providing a centralized record center, and coordinates with legal counsel.

The Governmental Relations Department provides review, analysis and development of recommendations regarding state and federal legislation to management and the Board.

The Human Resources Department provides personnel, safety and benefit services to employees and supports management to ensure that the District maintains compliance with various legal and regulatory requirements. This department processes claims, and also maintains the District's personnel and safety policies and procedures, current job descriptions, salary ranges and personnel records.

The Business Services Division provides services in the areas of finance & accounting, community relations, information technology, and purchasing.

The Finance & Accounting Department oversees the financial operations of the District to provide accountability and control over the use of District funds. The department provides services in the areas of financial reporting & analysis; budget management; treasury & investment management; grant administration; debt management; fixed asset management; financing and management of capital projects & outlays; maintenance of all financial transactions; and general accounting (billing & collections; accounts payable; and payroll)

The Community Relations Department is responsible for billing, collecting, and processing payments for the District's water, recycled water, and wastewater accounts. This department also advances public awareness of the District's mission, strategic goals and objectives to the community and manages all public relations functions.

The Information Technology Department provides office automation and data processing services which increases the effectiveness of all District departments. Software and technical support is provided to evaluate, procure, or configure software programs to the specified needs of various departments; hardware and technical support is provided for District-wide, remote and local area operating platforms; networked automation support is available to all District staff including a trouble call hotline; and centralized computer processing services are provided on all major systems. Also included within this department is the SCADA operations, which provides preventive maintenance and repair to all electrical components of equipment and the SCADA system

The Purchasing Department directs all the procurement and contract activities for the District. Among the goods and services purchased are operating supplies, outside services, maintenance & repair parts, and vehicles & equipment. The department analyzes District contracts to ensure the highest level of accuracy and compliance to all applicable requirements. Additionally, the department manages daily operations of the District's warehouse.

The Engineering & Operations Division provides services in the areas of engineering, operations, water resources and strategic planning.

The Operations Department provides services in the areas of Water Operations, Wastewater Operations, and Maintenance. The Water Operations Section operates the water distribution system and two water treatment plants, and provides preventive maintenance and construction services for water facilities. The Wastewater Operations Section collects, transports, and treats the wastewater generated in the District's service area which flows into the District's three wastewater treatment facilities. The Maintenance Section provides electrical, mechanical, meter, and general maintenance services for all District facilities.

The Engineering Department is made up of the Development Services and the Capital Design Services Sections. The Engineering Department plays a major role in the expansion of the water, recycled water, and wastewater infrastructures. With a wide ranging assortment of responsibilities, the Engineering Department assists developers building new residential and commercial properties; and efficiently manages projects for infrastructure improvements, replacements, or expansions.

The Water Resources Department manages, develops, and administers ongoing programs in areas such as: watershed management, groundwater recharge, water resources planning, and permit management. The Water Resources Department assists the Operations Department in the review of State and Federal agency water and wastewater reports. The department is also involved with developing, modifying, and implementing the pretreatment program, and assisting in grants and loans applications. The Water Resources Department oversees EVMWD's laboratory which provides test results for water and wastewater samples collected from EVMWD treatment, distribution, and collection systems. The Water Resources Department is organized into three sections: Water Resources Planning, Water Systems Engineering, and Wastewater Systems Engineering.

The Strategic Programs Department's primary goal is to explore and develop water supply programs and strategies that are derived from business case analyses. Additionally, the department provides contracts and special projects support for the District's General Management. This department plans and develops the District's capital financing needs and assists in planning for the long term stability of the District's finances.

For a more detailed description of each department's function, please see the Strategic Plan section beginning on page 45 .

Understanding the Budget Document

A budget is a plan to match resources with the needs of the District. The budget presented is a balanced budget in which the District's expenditures are matched by the District's revenues. This budget provides for the general operation of the District for a two-year period. It includes expenditures and the means to finance them.

The budget of the Elsinore Valley Municipal Water District assures the efficient, effective, and economic uses of the District's resources. Through this budget, the Board sets the direction of the District, allocates its resources, and establishes its priorities.

To plan beyond an annual timeframe and better anticipate future revenue and expense requirements, this budget document covers the period from July 1, 2021 to June 30, 2023, and therefore sets the expenditure guidelines for both the 2022 and 2023 fiscal years. This document is a vehicle to accurately and openly communicate the District's priorities to its customers, community, employees, and other public agencies. As a comprehensive management and financial plan, this budget describes the programs, services, and resources provided by the District, as well as its policies and long-term financial plans. The Board approved this two year budget at its June 24, 2021 meeting.

The following is a summary of the various sections of the document:

Table of Contents lists the major sections and page numbers of each section.

General Manager's Letter provides a summary of current and future challenges and how they are addressed in the budget; a broad overview of the budget; and includes a list of major changes in revenues, rates, capital outlays, and capital improvements.

Budget Narrative contains information about the District, the Budget Calendar and Budget Process, major revenue sources and expenditure categories, Non-operating Revenues and Expenditures, Capital Outlays and Improvements, Debt Administration, and District Policies.

Authorized Positions contains an organization chart, a summary of approved changes in the budget (including a description of budgeting practices and the effects on authorized positions); and a listing of all authorized positions for the prior, current, and budgeted fiscal years.

Strategic Plan contains detailed information about the District's overall plan and each department's function, goals, objectives, strategies, accomplishments, and performance measures.

Capital Outlays includes a detailed listing of all budgeted outlay items. It also contains a description and justification of the significant capital outlays as well as their impact on the operating budget.

Capital Improvement Projects includes a listing of all new projects with funding requirements and sources. It also contains a description of the significant projects, why they are necessary and their impact on the operating budget.

Budget Statements contains the District's Fund Structure description; list of funds and sources of revenues, a Relationship Between Divisions, Departments, and Funds/Programs chart; Summary of Revenues & Expenditures and Operating Transfers In (Out); Consolidated and Individual Fund Sources and Uses Statements; Consolidated Statement of Income, Computation of Debt Coverage, Schedule of

Debt Repayment Requirement and Sources of Funding; Total Debt Service graph; Funding and Cash Flow Diagram; and Schedule of Projected Changes in Fund Balances that describes significant changes.

Water Operations contains information about each of the two water divisions' customers, water sources and production, rates and charges, and detailed financial data for the prior, current, and budgeted fiscal years for each water operating fund, and detailed fund budgets for each water division.

Recycled Water Operations contains information about the division's customers, water sources and production, rates and changes, and detailed financial data for the prior, current, and budgeted fiscal years for recycled water fund.

Wastewater Operations contains information about each of the four wastewater service area's history; customers, rates, and detailed financial data for the prior, current, and budgeted fiscal years for the wastewater operating fund.

General and Internal Service Funds contains detailed financial information for the prior, current, and budgeted fiscal years for the general fund and five internal service funds.

Policies contain the District policies on investment, debt management, reserves, capital assets and purchasing.

Supplementary Information contains statistical data of the water and wastewater divisions, list of the District's ten largest water and wastewater customers, as well as demographics and economic data of Lake Elsinore and nearby cities within the District boundary.

Glossary contains a list of budget related terminology and definitions, as well as acronyms and abbreviations used in this document.

Budget Planning

Planning Processes

On a biennial basis, the District reviews and updates the Strategic Plan to ensure efficiency in meeting District needs. In October 2020, the District began the process of reviewing and updating its strategic business plan. In a series of workshops, management reviewed the District's mission and vision; and revised the goals, objectives, strategies, and performance measures. The Strategic Plan was updated in August, 2021. The Strategic Plan is a document which will be monitored, modified, and refined continually. Please see the Strategic Plan section beginning on page 45 for more detailed information about this planning process.

Budget Process

The budget process was a team effort starting with a planning meeting where management discussed the proposed budget schedule and major budget assumptions. Thereafter, the General Manager and staff conducted an exhaustive process to develop the budget requirements, review and consolidate requests, and compile the approved budget.

The District operates using a long range budgeting approach. With the goals of budgeting effectiveness, accountability, minimizing rate impacts, departments are required to provide detailed support by activity for each budgeted amount. This support was prepared as a guideline for expenditures throughout the entire budget period and to provide accountability for any subsequent activities and related expenditures not included in budgeted amounts. Additionally, departments were required to review and update goals, objectives, and strategies; provide a list of accomplishments for the last year; and determine performance measures for the next two fiscal years. The Board also did an extensive review of the water and wastewater budget based rate structures and reviewed the water conservation business plan with staff and outside consultants.

October 2020 – January 2021 – Budget Kickoff and Development

The General Manager and other District management personnel discussed the proposed budget schedule and major budget assumptions. Numerous meetings were held to discuss and review water production, operations and maintenance expenditures, capital outlays, capital improvement projects, position adjustments, goals, objectives, and strategies.

February 2021 – April 2021 – Presentation to Board

In a series of study session meetings, District personnel presented the capital outlay and capital improvement projects budgets, budgeted position adjustments and additions, debt, purchased water, operating statements, budget

issues, reserves, and rate recommendations to the Board. In addition to the presentation to the Board, District staff also presented the same budget information to the public through webinars, council and HOA/POA meetings.

May 2021 – Notification to Public

As Required by Proposition 218, a notification of rates and charges was sent out informing all property owners, tenants of real property, and customers of record whose parcels receive service for such rates and charges of the proposed rates.

June 24, 2021 – Budget Approval

The consolidated FY 2022 and FY 2023 budget and rates were presented, discussed, and approved by the Board.

Budget Amendments

The Board does not formally amend the budget after approval. The General Manager has authority to enter into contracts and agreements and expend funds up to \$100,000. Purchases in excess of \$100,000 require approval of the Board. The General Manager may make emergency purchases in excess of \$100,000, but emergency purchases must be ratified by the Board at the next regular Board meeting. An emergency, as defined by Administrative Code Section 1508A, is “an unforeseen crisis or incident which requires immediate action and the acquisition of goods or services to forestall a shutdown of essential services; to avoid a threat to public health, safety, or welfare; or to avoid serious damage to property.”

The Board ratifies all District disbursements and changes in authorized positions at regular Board meetings.

Budgeting Basis

The District utilizes the accrual basis of accounting for budgeting purposes which is the same basis used for financial reporting purposes in accordance with GAAP. Under the accrual basis of accounting revenues are recognized in the period in which they were earned, and expenses in the period they were incurred. However, for accountability purposes the District also budgets for capital expenditures and debt service principal payments.

The District collects and records revenues and expenses as a Proprietary Fund. The Proprietary Fund includes both Enterprise Funds (Water, Wastewater, and Recycled Water) and Internal Services Funds. The activities of the Enterprise Funds are used to account for operations that are financed and operated in a manner similar to a private business enterprise. The activities of the Internal Service Funds are used to account for the operations of the Vehicles, Information Technology and Facilities Maintenance funds, and are ultimately allocated to the Enterprise Funds. Enterprise Funds are generally financed through user fees and charges generated from providing goods and services to the general public on an ongoing basis.

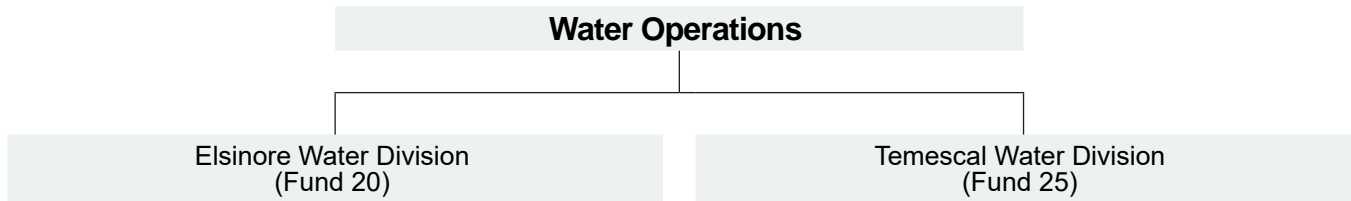
Rather than being accounted for as a single integral entity, the District utilizes a governmental accounting structure where its activities are accounted for in a collection of smaller separate accounting entities known as “funds”. Each fund includes a self-balancing set of accounts established to record the financial position and results that pertain to a specific activity. None of the District’s funds are subject to appropriation. A listing and description of each District fund can be found beginning on page 85.

Reserve Accounts

The District maintains a number of reserve accounts. According to the District’s Master Resolution adopted in 1992 (refer to page 253), the Operating Reserve is budgeted at 20% of maintenance and operation costs. The Rate Stabilization Reserve is maintained at a level that provides the financial flexibility to manage water and wastewater rate fluctuations and debt service coverage. The District maintains additional reserve balances as required by debt covenants. The District is in conformance with reserve requirements for all current indebtedness.

WATER OPERATIONS

Revenues and Expenditures



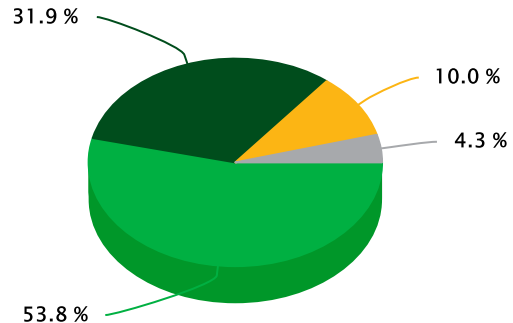
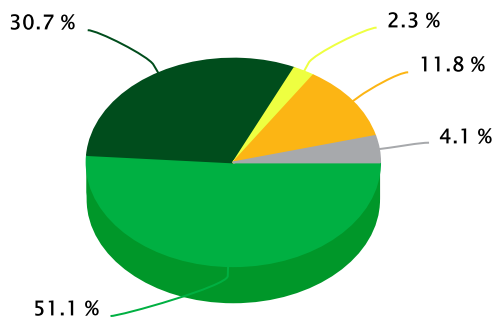
The District operates two water divisions: Elsinore and Temescal. Total operating revenues from these two divisions comprise approximately 30% of the District’s total operating and non-operating revenues for FY2022 and FY2023. These water divisions derive their revenues from a variety of sources. As seen in the pie charts below (Figure 1) the major revenue sources are water commodity sales, fixed service charges, and energy charges, which makes up approximately 93% of the District’s total water operating revenues for FY2022 and FY2023.

Figure 1

WATER DIVISION

FY2022 TOTAL REVENUES
\$63,234,533

FY2023 TOTAL REVENUES
\$66,516,524



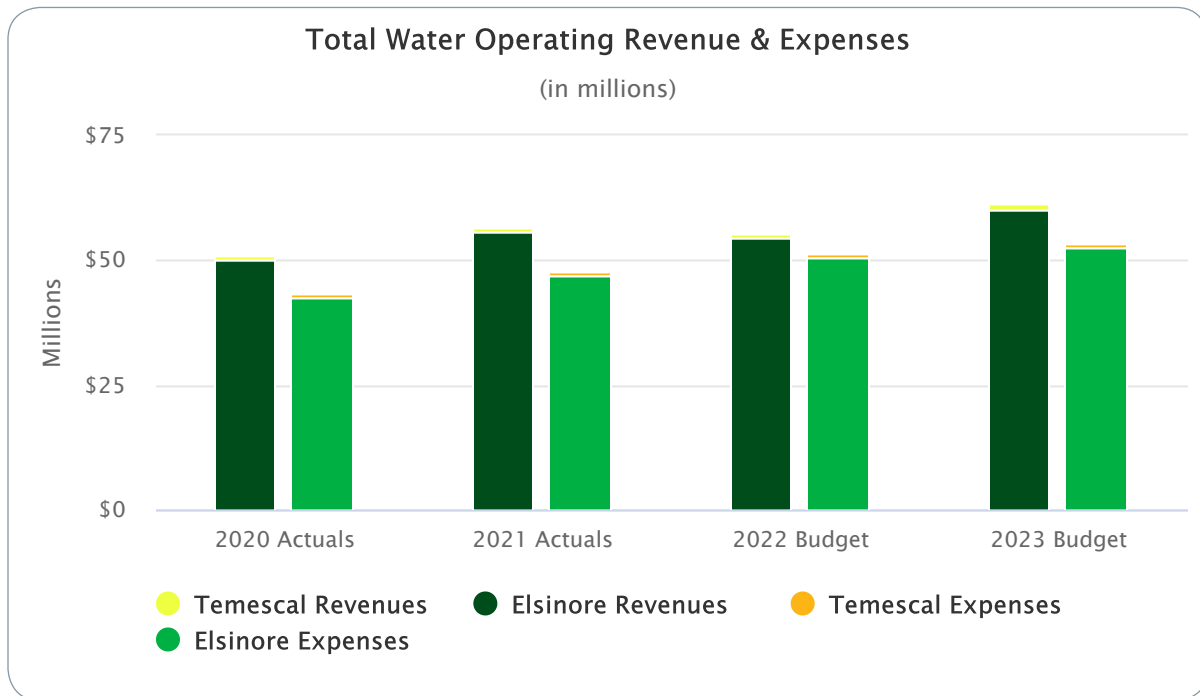
- Water Sales
- Fixed Service Charge
- Use Reserves
- Other Revenue
- Energy Charge

The largest source of revenue, water commodity sales, is partially driven by weather conditions, with increased water usage in dry and hot weather periods and decreased water usage in wet and cool periods. Drought conditions, water supply restrictions, water conservation efforts, and growth all factor into the total amount of water sales and revenue. The District’s revenue is impacted by local, regional, national, and even global economic fluctuations (ex. - the COVID pandemic).

Fixed meter charges are intended to mitigate a portion of the District’s fixed costs, while the energy charge is designed to recover actual electricity expenditures. In total, rates are intended to provide adequate resources to cover the costs for purchased water, operating expenditures, repayment of debt obligations, and funding for replacement projects associated with water facilities.

Budgeted revenue for the Elsinore Water Division incorporates a growth in customers of 1% per year for the next two years. As the economy has continued to improve so has the growth within the District’s service area, as marked by increased construction and reduced vacancies. Including the two budget years, the total five-year increase in water customers is anticipated to be 4.7%.

Figure 2



The graph above (Figure 2) shows total operating revenue and expenditures for both water divisions. Elsinore Water Division’s operating revenue comprises on average 98% of the total operating water revenue for FY2022 and FY2023.

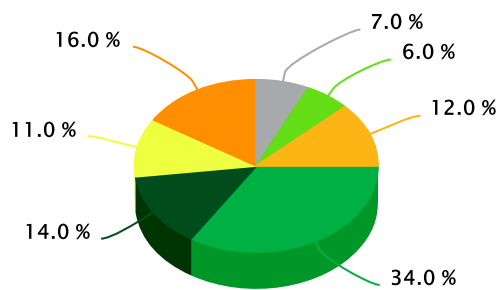
The Water Division’s primary expense is purchased imported water. As shown on the pie charts below (Figure 3), purchased water expenses make up on average 35% of the Water Division’s total expenses. Imported water has made up approximately 70% of the District’s total water production for the past 10 years. The charts below show the percentage of budgeted expenditures by major category for the District’s Water Division.

Figure 3

WATER DIVISION

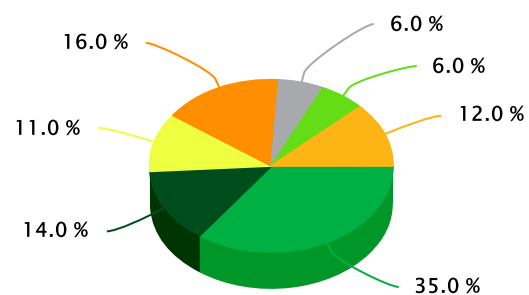
FY2022 TOTAL EXPENSES

\$63,234,532



FY2023 TOTAL EXPENSES

\$66,516,524



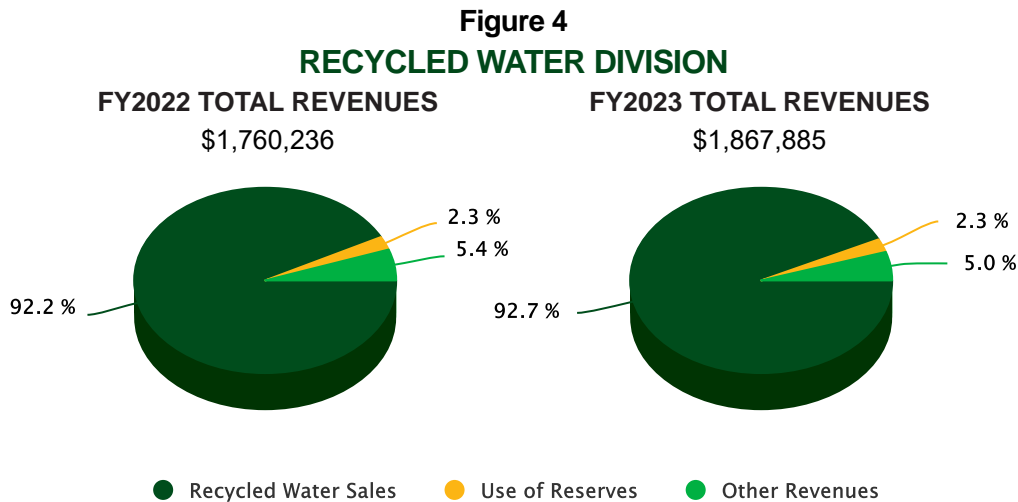
- Water Purchases
- Labor & Fringe
- District Admin
- Capital & Replacement
- Maintenance
- Electricity
- Other Expenses

RECYCLED WATER OPERATIONS

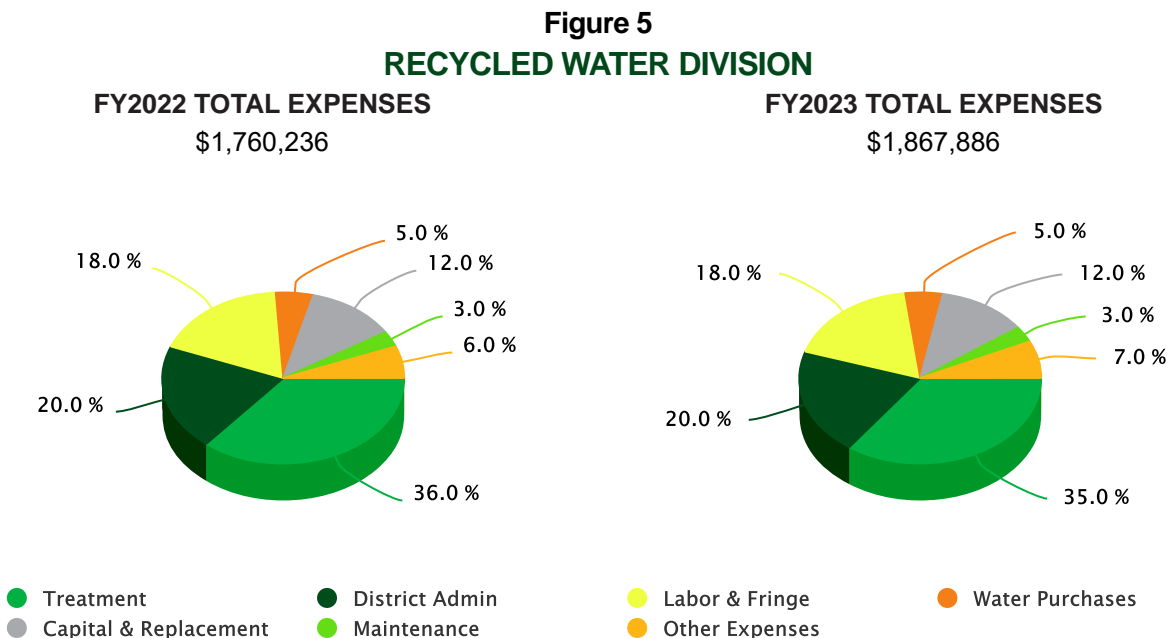
Revenues and Expenditures

Revenue from recycled water sales generates less than 1% of the District's total projected operating and non-operating revenue for FY2022 and FY2023, on average. Reclaimed water sales accounts for 100% of operating revenues for the Recycled Water fund. As with the potable water commodity sales, recycled water commodity sales are partially driven by weather conditions, water conservation, and District growth.

For FY2022 and FY2023, approximately 7% to 8% of total revenues are made up of other revenues, which mostly consist of transfers from other funds and reserves. Transfer from other funds are mostly from the Elsinore Water Fund, which benefits from recycled water, reducing the need to provide potable water for irrigation purposes. The charts below (Figure 4) detail the total revenues for both FY2022 and FY2023.



On average, for both FY2022 and FY2023, water treatment expenses make up approximately 36% of the Recycled Water Fund annual expenses. The charts below (Figure 5) detail Recycled Water expenses for the proposed budget years.



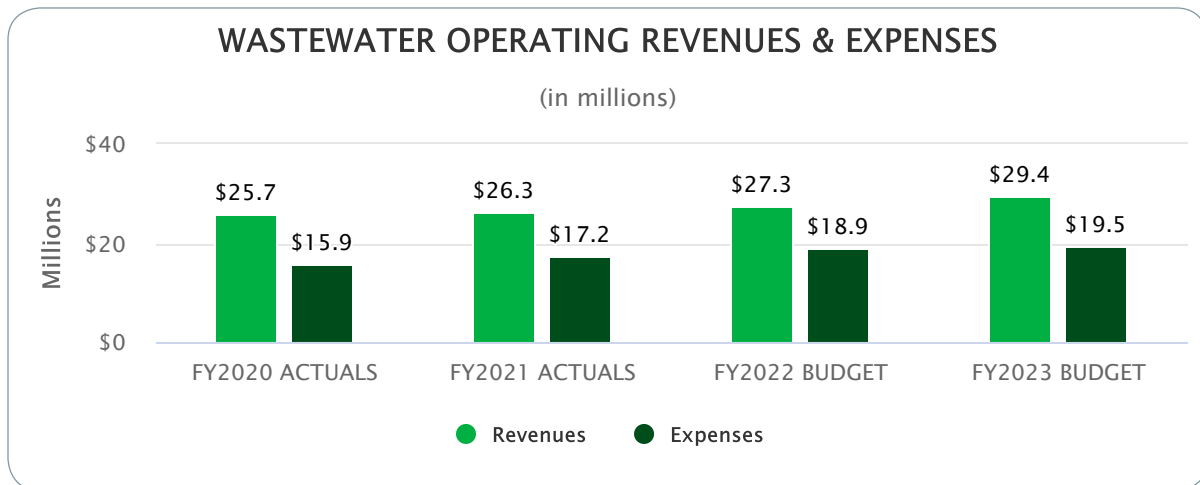
WASTEWATER OPERATIONS

Revenues and Expenditures

Total wastewater revenues are approximately 15% of the District's total operating and non-operating revenue for FY2022 and FY2023, on average. The single largest revenue source for wastewater operations is the wastewater service charge, averaging approximately 86% of wastewater revenues for both FY2022 and FY2023. This charge is a combination of a fixed monthly charge and a variable rate component based upon the persons per household (pph) for both residential and multi-family customers, while all other customers are charged based on the amount and strength of wastewater discharged to the system. Since most customers are residential, there is very little fluctuation in operating revenue, with increases correlated to growth and rate changes. The number of wastewater customers is budgeted to grow approximately 1.3% for both budget years. Including the growth that has been projected for the budget years, the total five-year increase in wastewater customers is estimated at 5.5%.

Rates are intended to provide adequate resources to cover the costs of operating expenditures, repayment of debt obligations, and funding for replacement projects associated with wastewater facilities. The graph shown below (Figure 6) illustrates total wastewater operating revenues and expenditures for a four-year period.

Figure 6



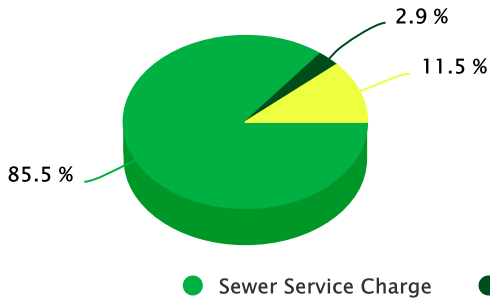
The pie charts below (Figure 7) show the percentage of budgeted revenues for each major funding source and budgeted expenditures by major category for FY2022 and FY2023.

Figure 7

WASTEWATER DIVISION

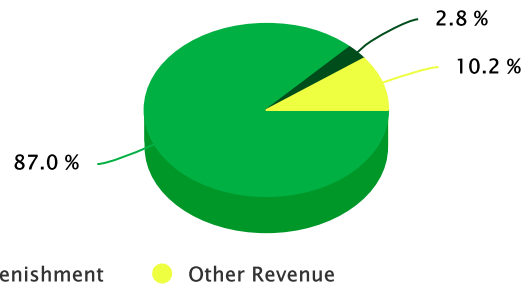
FY2022 TOTAL REVENUES

\$31,463,199



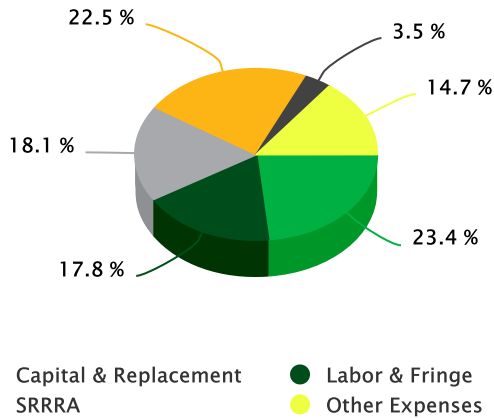
FY2023 TOTAL REVENUES

\$33,247,782



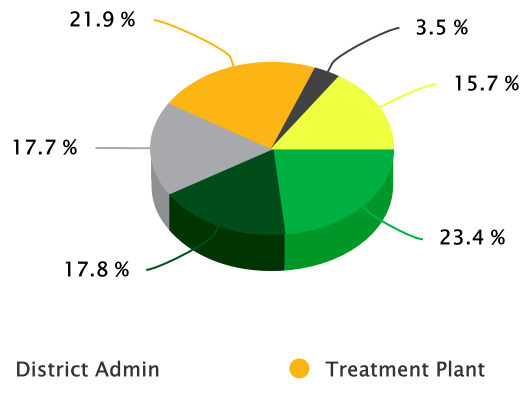
FY2022 TOTAL EXPENSES

\$31,463,199



FY2023 TOTAL EXPENSES

\$33,247,782



NON-OPERATING REVENUES AND EXPENDITURES

Lake Maintenance

Lake Elsinore is a natural lake which is replenished by natural flows from the San Jacinto River. Such natural flows can vary tremendously. In the past, flows have been so great as to cause the Lake to overflow and at other times so low that the Lake has dried up completely. In March 2003, the District and the City of Lake Elsinore entered into the Lake Elsinore Comprehensive Water Management Agreement in order to help stabilize Lake Elsinore and to assist in the protection of recreational, fishery, and environmental values associated with the lake. The agreement stipulates that the District and the City annually contribute to the Lake Maintenance Fund, which is established to fund costs associated with maintaining the water level in Lake Elsinore. The annual contribution for both proposed budget years is \$750,000.

In February of 2003, the District also entered into the O&M agreement for the Axial Flow Water Pump Destratification System with the County of Riverside and the City of Lake Elsinore. The destratification system is intended to avoid the substantial adverse environmental and aesthetic impacts that result from harmful algae blooms and resultant fish kills. The costs of the destratification system are shared equally amongst the District, County, and City. For FY2022 and FY2023, the District has budgeted \$40,000 for its share of the system costs.

In July of 2006, the District entered into an Agreement to form the Lake Elsinore and Canyon Lake Total Maximum Daily Loads (TMDL) Task Force with various other Agencies (stakeholders). This was in response to the Santa Ana Regional Water Control Board’s designation of Lake Elsinore and Canyon Lake as “impaired water bodies” pursuant to Section 303(d) of the Clean Water Act. In December 2004, in response to this designation, the Regional Board adopted a resolution amending the Water Quality Control Plan for the Santa Ana River Basin. The plan amendment specifies an implementation plan (TMDL Implementation Plan), which holds specific stake holders individually and/or jointly responsible for complying with the TMDLs. The purpose of the task force is to implement certain tasks identified in the TMDL Implementation Plan and to pursue TMDL related tasks agreed upon by the task force agencies. The District has budgeted \$125,000 for both FY2022 and FY2023 for costs related to the TMDL related activities.

In addition to the agreements noted above, in August 2006, the District entered into the Aeration System agreement with the County of Riverside and the City of Lake Elsinore, in an effort to improve water quality within the watershed and Lake Elsinore. The agreement stipulates that each Agency will pay its pro rata share of the aeration system costs. For FY2022 the budgeted costs for the aeration system are \$473,196. In FY2023 the total aeration system budgeted costs are \$490,416. The District’s share is one-third of these costs.

Standby Charges

The District maintains a standby charge program which recognizes that along with current users, unimproved property within the District’s water and wastewater service areas bear some financial responsibility of maintaining and replacing the system(s) for their future use. In order to institute a fair and equitable cost sharing program, the Board of Directors adopted a system of charges that are distributed to undeveloped properties who receive a benefit.

The proposed standby charges and the revenues for the FY2022 and FY2023 budget years are summarized below (Figure 8).

Figure 8

District Wide Standby						
	Charges (Per Year)		Actual FY2020	Actual FY2021	Budget FY2022	Budget FY2023
	FY2022					
	Improved	Unimproved(1)				
Elsinore Water	-	\$7.50 / \$10.00*	290,215	298,771	\$279,287	\$267,515
Elsinore Water District	\$20	20	138,654	145,164	136,990	136,092
Regional Sewer	-	10	279,773	304,556	283,034	270,983
Canyon Lake Sewer	10	30	49,680	49,749	49,448	48,913
California Oaks Sewer	-	30	-	-	682	678
Total Standby Revenue			\$758,322	\$798,240	\$749,441	\$724,181

* Based upon distance from waterline

(1) Per acre or portion thereof

Taxes

General Purpose Property Taxes

Each year the District receives a portion of general purpose property taxes collected by Riverside County on parcels located within the District's boundaries. The District utilizes general purpose property tax revenues for a variety of purposes including its capital repayment and improvement programs. Any significant reduction in this source of funding would have an immediate impact on the District, including its ability to meet current commitments under its capital repayment and improvement programs.

Community Facilities District Taxes

The District is the lead agency for seven Community Facilities Districts ("CFDs") located within its service area. The following is a description of each CFD.

CFD 1998-2 was formed on December 22, 1998 to finance the construction of public water and wastewater facilities required to provide service to nine parcels totaling approximately 368 acres in the Wildomar area. The District has provided a cash contribution to the project that will be reimbursed through additional facilities charges on undeveloped property within the benefit area. Bonds in the amount of \$5,500,000 were issued on February 9, 2000. Repayment is provided by a special assessment charged to each parcel or acre of land within the project.

CFD 1999-1 was formed to finance the construction of public wastewater facilities including a Regional wastewater pumping station and main pipeline serving approximately 81 acres within the City of Murrieta. Bonds in the amount of \$4,000,000 were issued on January 4, 2000. Repayment is provided by a special assessment charged to each parcel or acre of land within the project. In order to take advantage of lower interest rates, the bonds were refunded on December 28, 2006 and again on June 22, 2016.

CFD 2004-1 was formed to finance the construction and acquisition of public facilities, as well as water and wastewater connection fees for approximately 62 acres in the City of Lake Elsinore. Bonds in the amount of \$2,130,000 were issued on December 30 2009. Repayment is provided by a special assessment charged to each parcel or acre of land within the project. In order to take advantage of lower interest rates, the bonds were refunded on June 22, 2016.

The 2014A Special Tax Refunding bonds were issued to refund existing CFD 2002-1, 2003-1, and 2003-2. To take advantage of low interest rates the Elsinore Valley Municipal Water District Financing Authority (Authority) was established to help facilitate a pooled refunding of the existing CFD bonds. The 2014A Special Tax Refunding Bonds were issued on February 20, 2014 in the amount of \$6,792,000. Repayment is provided by a special tax placed on each parcel of taxable property.

CFD 2002-1 was formed to finance the construction of public wastewater facilities, water and wastewater connection fees, and Lake Elsinore Unified School District fees for approximately 32 acres in the Wildomar area. Bonds in the amount of \$2,240,000 were issued on May 26, 2004. They were refunded through the issuance of the 2014A bonds in the amount of \$1,818,000.

CFD 2003-2 was formed to finance the construction of public facilities including an off-site wastewater lift station and a wastewater force main for approximately 135 acres within the City of Murrieta. Bonds in the amount of \$1,985,000 were issued on March 23, 2004. They were refunded through the issuance of the 2014A bonds in the amount of \$1,340,000.

CFD 2003-1 was formed to finance the construction of public water and wastewater facilities, as well as water and wastewater connection fees for approximately 65 acres in the City of Lake Elsinore. Bonds in the amount of \$4,410,000 were issued on September 23, 2004. They were refunded through the issuance of the 2014A bonds in the amount of \$3,634,000.

CFD 2020-1 was formed on January 14, 2021 to help finance the expansion of the Horsethief Water Reclamation Facility as well as other public facilities for approximately 481 acres in the unincorporated area commonly known as Horsethief Canyon. The project is currently entitled to develop up to 1,118 residential units. The CFD was formed with seven improvement areas labeled either Improvement Area "A" or "B". Improvement Area "A" bonds will be issued in fiscal year 2022 to finance the Horsethief expansion project. The Improvement Area "B" bonds will be issued based on the timing of each development and utilized for additional public facilities of either EVMWD, the Lake Elsinore Unified School District, the County of Riverside, or the County Flood Control District. Repayment of the bonds will be provided by a special assessment charged to each parcel or acre of land within the project.

At present all debt service relating to CFDs are excluded from the District's audited financial statements. The District's only obligation is to act as an agent for each CFD, remitting to bondholders the amounts collected from property holders.

Capacity Fees

Another revenue source for the District is Capacity Fees, which are fees that the District collects as each new water or wastewater service is connected to the District's infrastructure. Capacity fees are comprised of components which identify specific costs the District incurs with each additional connection. Water capacity fees are calculated based upon the size of new meters, whereas wastewater capacity fees are calculated per equivalent dwelling unit (EDU). The table below (Figure 9) provides the District's water and wastewater capacity fees for a typical single family residential connection, but is not a comprehensive list of all applicable fees. While both water and wastewater connections are subject to a recycled water fee, this fee will only be charged once for each pair of water and wastewater connections.

Figure 9

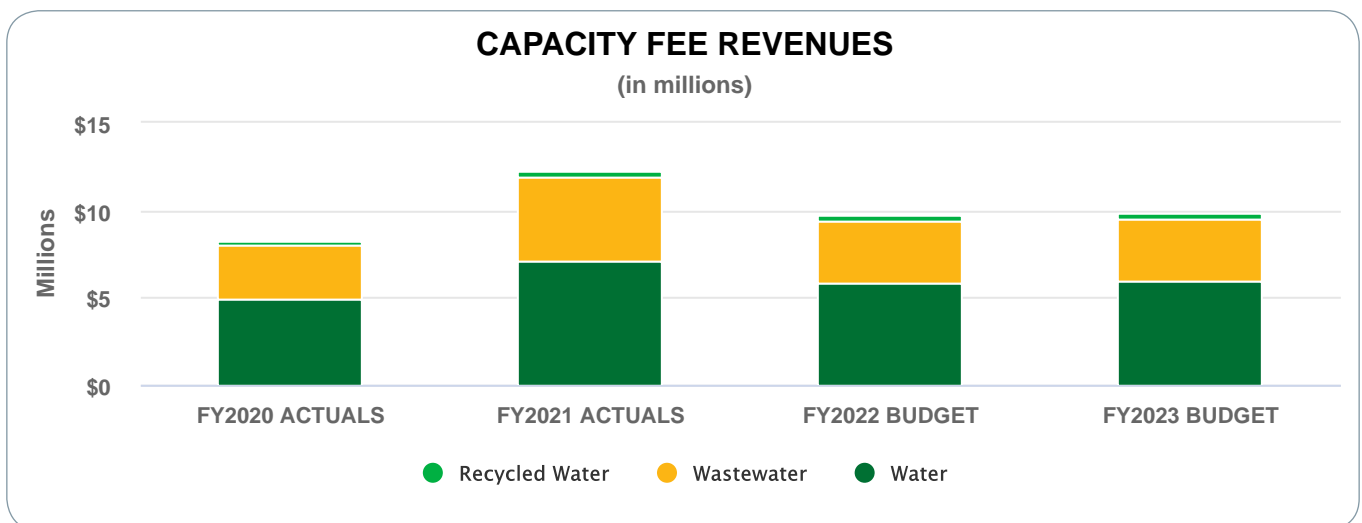
		FY2020	FY2021	FY2022
Water Capacity Fee	Per ¾" Meter	\$13,035	\$13,466	\$13,713
Sewer Capacity Fee	Per EDU	\$7,800	\$7,886	\$7,941
Alberhill Sewer Capacity Fee*	Per EDU	\$12,100	\$12,233	\$12,319
Recycled Water Capacity Fee**	Per Connection	\$665	\$672	\$677

*Also applies to new flows to the Horsethief Treatment Plant

**This fee is incorporated within the water capacity fee

Revenue from capacity fees is difficult to project due to its heavy reliance on developers' plans, which, in turn, are based on current real estate demands. Total revenue derived from this source comprises approximately 5% of the total revenues for both proposed budget years. These fees are utilized to provide funding for capital improvement projects which will provide water or wastewater services for future customers. The graph shown below (Figure 10) shows the projected water, wastewater, and recycled water capacity fees for FY 2022 and FY 2023.

Figure 10



Transfers to/from Rate Stabilization Reserves

The District utilizes rate stabilization reserves to offset changes in operations, legislation, or other economic events that could not have been reasonably anticipated at the time the budget was prepared and would otherwise directly impact water and sewer rates and charges. The District targets a reserve level of between 15-30% of operating expenses.

For fiscal years 2022 and 2023 respectively, the District has budgeted net transfers of \$1,607,915 and \$671,089 from rate stabilization in the water and wastewater funds.

Capital Outlays

For accounting and financial reporting purposes, the District defines a capital outlay project expenditure as an individually significant acquisition of capital assets (not involving construction) that is expected to last more than five years and has an individual cost of \$10,000 or more. This threshold is applied at the individual asset level. Group purchases of individual assets under \$10,000 are not capitalized, even if the group totals more than \$10,000. The Board of Directors has directed staff to submit all requests in excess of \$100,000 for the funding of capital outlay purchases on an individual basis for Board approval. Each year, as a part of the budget process, the District’s various departments compile and submit a list of capital outlay items as replacements for, or additions to, current equipment inventory. This year’s capital outlay requests were submitted, reviewed and prioritized in accordance with the District’s anticipated needs for FY2022 and FY2023.

The District maintains a Vehicles & Equipment Replacement Reserve. This fund was instituted as a result of studies relating to vehicle & equipment purchases, which determine the annual replacement costs of these items. Replacement criteria for the District vehicles are determined by each vehicle’s unit life cycle cost. Vehicles & Equipment replacement funding is determined by the annual amortized replacement value calculated using the estimated useful life. This calculation has consistently provided the District with an accurate means of determining funding requirements for each operating division. The FY2022 and FY2023 Vehicle & Equipment Replacement Reserves funding is \$350,000 for each year . The District leases vehicles under 1-1/2 tons with Enterprise Fleet Management, Inc. Leased vehicles are not part of the Replacement Reserve.

The District also maintains a Computer Replacement Reserve. The funding requirements for each fund are determined by the fund’s computer equipment and the associated life expectancy, ranging from five to twenty year life spans. Computer equipment purchase funding is determined by the annual amortized replacement value less expected salvage value from the sale of warranty-expired equipment.

The table shown below (Figure 11) presents the prior, current budgeted, and proposed budgeted capital outlay items. A list detailing each of the proposed capital outlay items is provided beginning on page 64.

Figure 11

Capital Outlays				
	Actual FY2020	Budgeted FY2021	Budgeted FY2022	Budgeted FY2023
Vehicle & Equipment	\$1,207,621	\$955,197	\$499,979	\$224,941
Computers	157,421	650,000	-	-
General	997,949	43,125	60,981	33,457
Total	\$2,362,990	\$1,648,322	\$560,960	\$258,398

Capital Improvements

For accounting and financial reporting purposes, the District defines a capital improvement project expenditure as an individually significant construction project with a cost of \$35,000 or more that creates a new capital asset, improves an existing asset (increases its service capacity, etc.), or significantly and unusually extends an asset’s operating life. Routine minor projects that are periodically performed in order to keep an asset in its normal operating condition are budgeted as Operation and Maintenance (O&M) costs. Projects that are individually not significant are also budgeted as O&M costs regardless of the nature of the project

Proposed Capital Improvement Projects for the budgeted fiscal years were submitted by the Engineering Department in accordance with the anticipated needs of the District as outlined in the Water, Wastewater, and Recycled Water Master Plans that were updated in August 2016. The master plans include projects which will allow the District to

address existing system needs and provide the facilities necessary to meet future growth. These projects are phased based on the anticipated construction of future land developments, the need to meet existing system requirements, and improvement of service reliability. The master plans outline projects needed within the District through 2040. Projects totaling \$88,090,000 and \$86,473,000 have been proposed FY2022 and FY2023, respectively. The proposed projects for both fiscal years are anticipated to be funded from a variety of sources such as the Districts capital replacement or capacity fee funds, general purpose property tax, grants or low interest loans from the State of California Revolving Fund, or developer funded. The total project amounts outlined in the Master Plans beyond FY2023 are detailed below (Figure 12).

Figure 12

Master Plan Projects							
	FY2024	FY2025	FY2026	FY2027-2031	FY2032-2036	FY2037-2041	FY2042-2046
Water	\$26,245,000	\$50,880,000	\$24,175,000	\$185,097,351	\$175,189,281	\$53,696,144	\$207,500,000
Wastewater	84,400,000	28,030,000	3,840,000	110,746,900	66,010,800	53,256,450	89,116,500
Other	2,085,000	1,585,000	1,585,000	-	-	-	-
Grand Total	\$112,730,000	\$80,495,000	\$29,600,000	\$295,844,251	\$241,200,081	\$106,952,594	\$296,616,500

To the extent that cash funding is available, amounts for all approved projects contained in this proposed budget will be transferred to the Capital Improvement Fund from the sources outlined on the capital improvement projects listing starting on page 68.

These fund transfers will be made upon Board approval of this budget. However, before commencing with any project, it will be brought to the Board for consideration and approval. Any shortfalls in funding transfers will be reviewed and alternative funding sources will be determined.

Debt Administration

As of June 2021, the District's anticipated debt totals \$351,418,460. The majority of the debt, (approximately 63%) encompasses the funds anticipated to be received from the State Water Resources Control Board under funding agreements currently in process. The full authorized amounts of the agreements are included in the total future long-term debt maturities table below and include the RWRF Upgrade Construction Project totaling \$42,487,100, the RWRF Expansion Construction Project totaling \$129,860,229 and the Diamond Regional Sewer Lift Project totaling \$36,540,937. The remaining debt obligations are comprised of outstanding Certificates of Participation (COPs) totaling \$65,365,000, the 2016A Water Revenue Bonds totaling \$61,790,000 and various loans and Advances from the U.S. Government. Note that the COPs were refunded with fixed rate bonds on July 1, 2021.

Total future long-term debt maturities as of June 30, 2021 are as follows:

Fiscal Year	Principal	Interest	Total
2022	\$ 7,925,645	\$ 4,331,791	\$ 12,257,436
2023	9,706,519	4,373,769	14,080,288
2024	10,081,199	4,147,989	14,229,188
2025	10,631,200	3,871,562	14,502,762
2026	15,850,965	5,018,011	20,868,976
2027-2031	85,920,330	18,413,429	104,333,759
2032-2036	86,066,141	9,972,474	96,038,615
2037-2041	39,580,642	5,126,218	44,706,860
2042-2046	30,961,034	3,267,828	34,228,862
2047-2051	29,840,750	1,928,944	31,769,694
2052-2056	24,854,035	561,721	25,415,756
Total	\$ 351,418,460	\$ 61,013,736	\$ 412,432,196

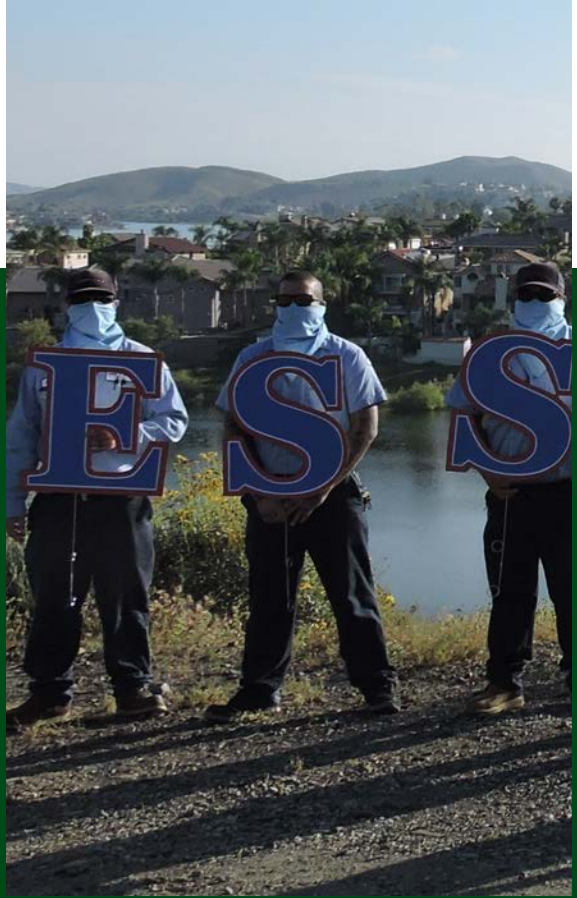
All applicable bond covenants, such as ratios of net revenues to debt service and reserve fund balance requirements have been met or exceeded (see page 128). The District has no legal debt limit, but the District's future borrowing

capability is limited by the debt coverage ratio (net revenue divided by annual debt service) required by existing bond covenants. These covenants require that the coverage exceed 1.10; the District's estimated ratios are 2.79 and 2.64 for FY2022 and FY2023, respectively. The District can issue revenue bonds at its discretion up to the minimum debt coverage ratio; however, issuing general obligation bonds requires a vote of the affected taxpayers. Additionally, the District maintains long-term cash projections for all funding sources and debt repayment requirements and believes it has the means to meet all current and future debt repayment requirements.

Policies

The District has adopted several financial policies addressing investments, reserves, debt management, capital outlay and purchasing. These policies are included in the Policies section.

Authorized Positions



Organization Chart

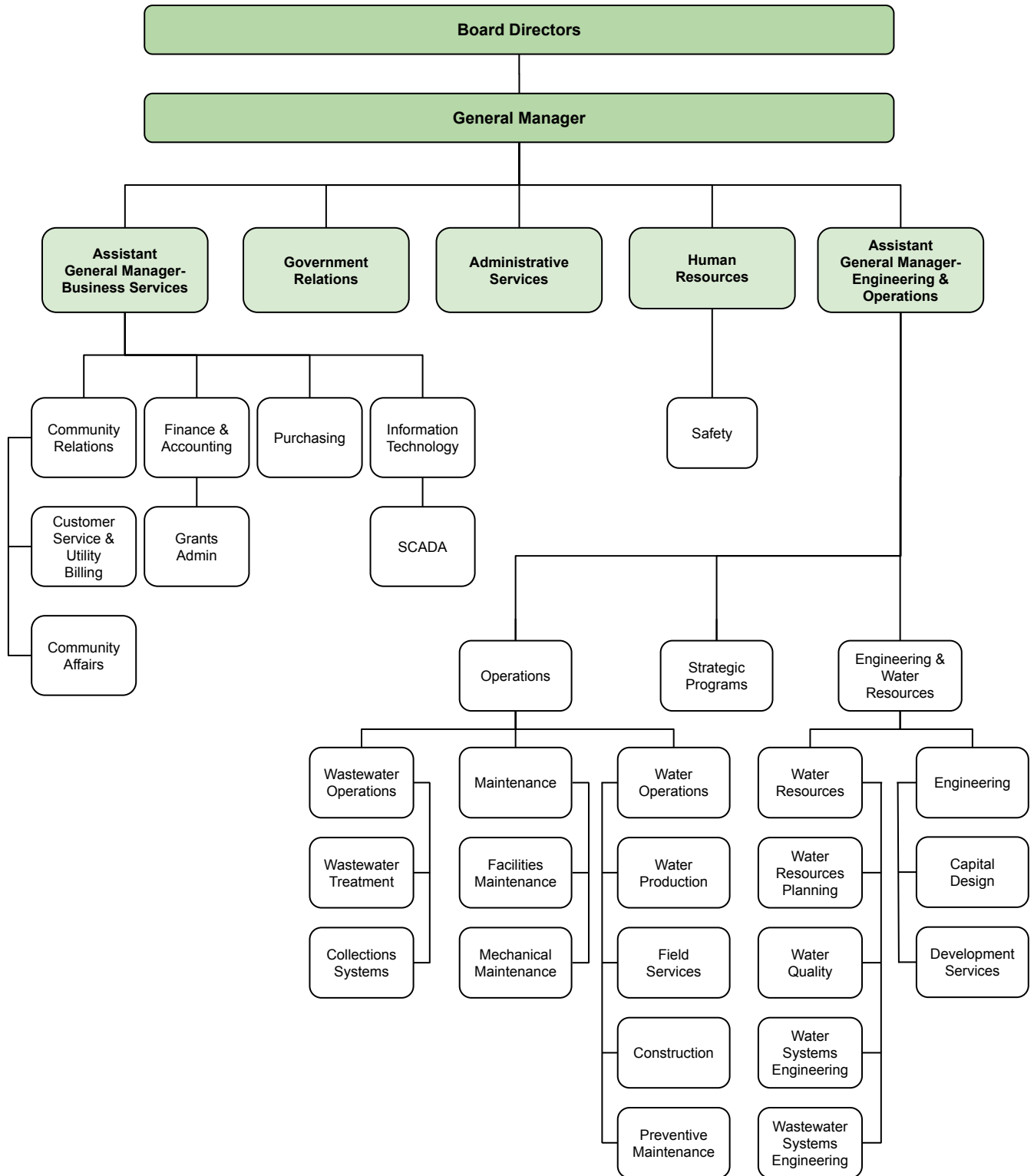


Summary of Changes



Authorized Position Listing

ORGANIZATIONAL CHART



SUMMARY OF CHANGES IN AUTHORIZED POSITIONS
Fiscal Years 2022 and 2023

Fiscal Year 2022 and 2023

A net of one Full-Time Equivalent (FTE) has been added to the Authorized Position Listing for FY 2022 and FY 2023 as compared to FY 2021 budgets. A summary of the increase is as follows:

ADDS / DELETIONS (does not include advances within same class)

DEPARTMENT	CLASSIFICATION	ACTION	TOTAL
Administration Services	Human Resources Specialist	Added	1.0
Engineering	Assistant Engineer	Added	1.0
	Engineering Technician	Deleted	-1.0
			1.0

The authorized positions that were added, as shown above, were a result of organizational assessments that are continually ongoing in an effort to continue streamlined operational and support services. Functions and responsibilities previously performed by the deleted positions were absorbed in other existing positions.

This same organizational assessment resulted in the addition of various positions to fulfill the needs in specific areas that were identified. Details are as follows:

Human Resources Specialist

In 2019 the District went live with a new human resources (HR)/payroll software upgrade. The objective of implementation was to put in place best practices for all HR and payroll related processes and procedures. Through this implementation, it was determined that there was a significant need for a restructure of the HR/payroll function. As a result, HR has assumed a greater portion of the payroll specific duties from duties previously assigned to the Finance department. This position allows for a better refined separation of duties within the HR and payroll functions.

Assistant Engineer

A review of the Engineering department determined that reclassification of the Engineering Technician to an Assistant Engineer, better met the needs of the department. The Tech position, as defined, did not align with the Engineering positions, and did not allow for staff development. With the reclassification, the position will provide a higher level of technical support, while also providing opportunities for advancement. This position provides every-level engineering support to project managers and also manages smaller projects associated with existing infrastructure replacement and future system expansion.

Budgeting Practices for Authorized Positions

The District maintains a practice of budgeting for all authorized positions, with unfilled positions being budgeted at the lowest salary step for each range with the exception of management level positions which are typically budgeted at mid-range.

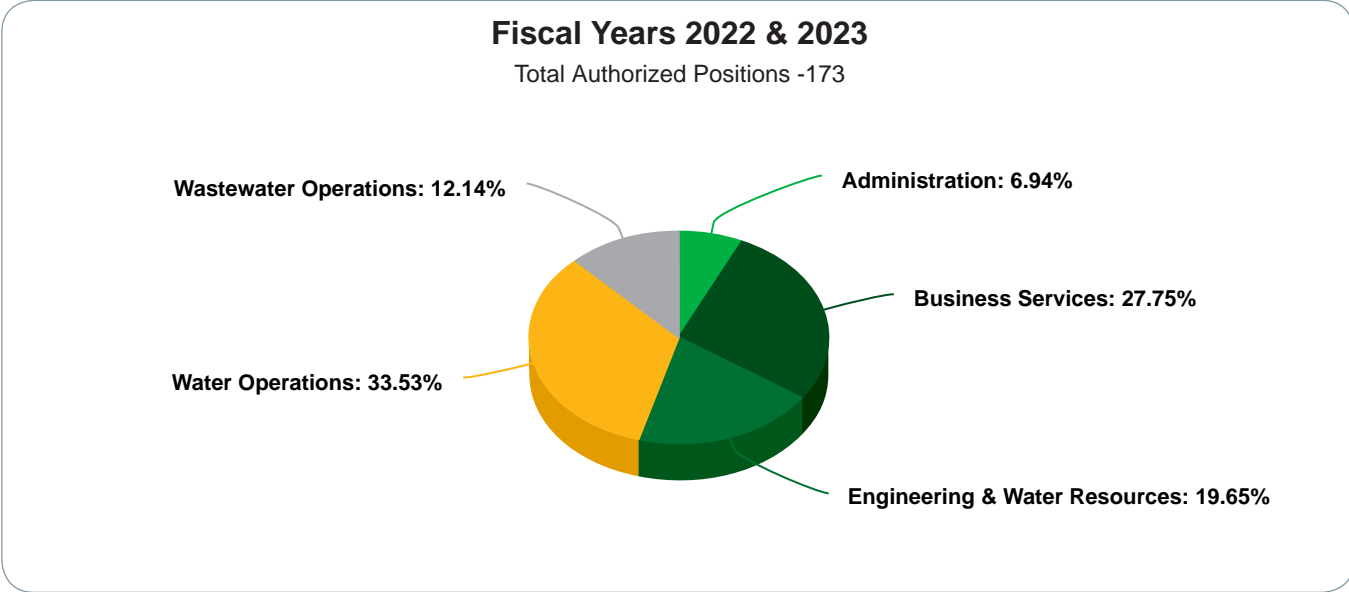
The District’s positions are filled by way of a contract with the Water Employee Services Authority (WESA), a joint powers authority providing professional water and wastewater services to two water agencies, Elsinore Valley Municipal Water District (EVMWD) and Meeks & Daley Mutual Water Company (M&D). As a joint powers authority, WESA is better positioned to recruit and retain high quality employees with benefits that surpass what was available through either of its member agencies independently.

In addition, the District’s employees are members of the Employee Association (EA) bargaining units, the Management Team Association (MTA), or are unrepresented. The EA and MTA both adopted a one-year Memorandum of Understanding (MOU) with the District effective January 1, 2021 to December 31, 2021. Both MOU agreements adopted different salary schedules. Unrepresented employees follow the Management Team Association MOU.

Both MOUs’ include a cost of living adjustment (COLA) based on the consumer price index for the Riverside-San Bernardino-Ontario area. Both FY 2022 and FY 2023 budgets include a 2.5% merit and COLA increase. The last actual COLA increase, effective January 1, 2021, was 1.7% for all bargaining groups.

The employer’s retirement plan provides the PERS “2.7% at 55” benefit for all “classic” members and the “2% at 62” benefit for “new” members (as defined by CalPERS). Classic EA/Confidential/MTA PERS members pay the full 8.0% employee share of the PERS retirement contribution and new members pay 6.75%.

AUTHORIZED POSITIONS



AUTHORIZED POSITION LISTING

Fiscal Years 2022 Through 2023

<u>Classification</u>	<u>Range</u>	<u>FY2021</u>	<u>FY2022</u>		<u>FY2023</u>	
		<u>Budget</u>	<u>Total</u>	<u>Changes</u>	<u>Total</u>	<u>Changes</u>
<u>Administration Division</u>						
<u>General Management</u>						
General Manager	50	1	1	-	1	-
Sub-total General Management Division		1	1	-	1	-
<u>Administration Services</u>						
District Secretary - Administration Services Supervisor	32	1	1	-	1	-
Senior Executive Assistant	28	1	1	-	1	-
Executive Assistant - Deputy Board Secretary	27	1	1	-	1	-
Records Management Coordinator	23	1	1	-	1	-
Sub-total Administration Services Division		4	4	-	4	-
<u>Governmental Relations</u>						
Governmental Relations Officer	38	1	1	-	1	-
Sub-total Governmental Relations		1	1	-	1	-
<u>Human Resources & Safety</u>						
Human Resources & Safety Manager	37	1	1	-	1	-
Human Resources Specialist	28	1	2	1	2	-
Human Resources Technician	24	1	1	-	1	-
Safety Officer	33	1	1	-	1	-
Safety Technician	24	1	1	-	1	-
Sub-total Human Resources		5	6	1	6	-
Total Administrative Division		11	12	1	12	-
<u>Business Services Division</u>						
<u>Business Services Administration</u>						
Assistant General Manager - Business Services	46	1	1	-	1	-
Executive Assistant	27	1	1	-	1	-
Senior Office Assistant	21	1	1	-	1	-
Sub-total Business Services Administration		3	3	-	3	-
<u>Finance & Accounting</u>						
Accounting Manager	37	1	1	-	1	-
Senior Management Analyst	36	1	1	-	1	-
Accounting Supervisor	34	1	1	-	1	-
Accountant III	32	4	4	-	4	-
Management Analyst	31	1	1	-	1	-
Accounting Technician I / II / III	21/23/25	5	5	-	5	-
Sub-total Finance & Accounting		13	13	-	13	-

AUTHORIZED POSITION LISTING

Fiscal Years 2022 Through 2023

<u>Classification</u>	<u>Range</u>	FY2021	FY2022		FY2023	
		<u>Budget</u>	<u>Total</u>	<u>Changes</u>	<u>Total</u>	<u>Changes</u>
Business Services Division (continued)						
<u>Community Relations</u>						
Community Relations Manager	37	1	1	-	1	-
Community Affairs Supervisor	33	1	1	-	1	-
Customer Service Supervisor	31	1	1	-	1	-
Water Efficiency Specialist	27	1	1	-	1	-
Community Affairs Specialist	27	1	1	-	1	-
Customer Service Specialist	23	3	3	-	3	-
Customer Service Representative	20	10	10	-	10	-
Sub-total Community Relations		18	18	-	18	-
<u>Purchasing</u>						
Purchasing Manager	36	1	1	-	1	-
Contract Administrator	31	1	1	-	1	-
Inventory Control Specialist	24	1	1	-	1	-
Buyer I / II	24/26	1	1	-	1	-
Sub-total Purchasing		4	4	-	4	-
<u>Information Technology</u>						
Director of Information Technology	41	1	1	-	1	-
Information Technology Supervisor	34	1	1	-	1	-
Applications Specialist I / II / III	29/31/33	2	2	-	2	-
SCADA Specialist I / II / III	29/31/33	3	3	-	3	-
Network Specialist	31	1	1	-	1	-
IT Technician I / II / III	22/24/26	1	1	-	1	-
GIS Technician I / II / II	22/24/26	1	1	-	1	-
Sub-total Information Technology		10	10	-	10	-
Total Business Services Division		48	48	-	48	-

AUTHORIZED POSITION LISTING

Fiscal Years 2022 Through 2023

AUTHORIZED POSITIONS

<u>Classification</u>	<u>Range</u>	<u>FY2021</u>	<u>FY2022</u>		<u>FY2023</u>	
		<u>Budget</u>	<u>Total</u>	<u>Changes</u>	<u>Total</u>	<u>Changes</u>
<u>Engineering and Operations Division</u>						
<u>Engineering Operations Administration</u>						
Assistant General Manager - Engineering & Operations	46	1	1	-	1	-
Executive Assistant	27	1	1	-	1	-
Senior Office Assistant	21	1	1	-	1	-
Senior Office Assistant	21	1	1	-	1	-
Senior Office Assistant	21	1	1	-	1	-
Sub-total Engineering & Ops Administration		5	5	-	5	-
<u>Engineering & Water Resources Administration</u>						
Director of Engineering & Water Resources	44	1	1	-	1	-
Engineering Manager	42	1	1	-	1	-
Water Resources Manager	42	1	1	-	1	-
Engineering Project Coordinator	28	1	1	-	1	-
Sub-total Engineering & Water Resources Admin		4	4	-	4	-
<u>Capital Design</u>						
Principal Engineer	38	2	2	-	2	-
Associate Engineer	34	1	1	-	1	-
Assitant Engineer	32		1	1	1	-
Engineering Technician	24	1	-	(1)	-	-
Sub-total Capital Design		4	4	-	4	-
<u>Development Services</u>						
Senior Civil Engineer (Development Services)	38	1	1	-	1	-
Senior Engineering Inspector	31	-	1	1	1	-
Engineering Inspector	28	2	1	(1)	1	-
Senior Development Services Representative	24	1	1	-	1	-
Development Services Representative	22	1	1	-	1	-
Sub-total Development Services		5	5	-	5	-
<u>Water Resources Planning</u>						
Senior Water Resources Engineer/Planner	38	1	1	-	1	-
Civil Engineer (Planning)	32	1	1	-	1	-
Sub-total Water Resources Planning		2	2	-	2	-
<u>Water Quality</u>						
Water Quality Supervisor	33	1	1	-	1	-
Water Quality Analyst	30	1	1	-	1	-
Water Quality Technician	27	3	3	-	3	-
Sub-total Water Quality		5	5	-	5	-
<u>Water Systems Engineering</u>						
Water Quality Administrator	38	1	1	-	1	-
Water Protection Supervisor	30	1	1	-	1	-
Senior Water Protection Technician	27	1	1	-	1	-
Water Protection Technician	24	1	1	-	1	-
Sub-total Water Systems Engineering		4	4	-	4	-

AUTHORIZED POSITION LISTING

Fiscal Years 2022 Through 2023

Classification	Range	FY2021	FY2022		FY2023	
		Budget	Total	Changes	Total	Changes
Engineering and Operations Division - Continued						
<u>Wastewater Systems Engineering</u>						
Senior Civil Engineer (Wastewater)	38	1	1	-	1	-
Pretreatment Program Coordinator	29	1	1	-	1	-
Environmental Compliance Inspector	27	1	1	-	1	-
Sub-total Wastewater Systems Engineering		3	3	-	3	-
<u>Strategic Programs Department</u>						
<u>Strategic Programs</u>						
Director of Strategic Programs	44	1	1	-	1	-
Management Analyst	31	1	1	-	1	-
Total Strategic Programs Department		2	2	-	2	-
Total Engineering & Water Resources Division		34	34	-	34	-
<u>Water & Wastewater Operations Department</u>						
<u>Operations Administration</u>						
Director of Operations	44	1	1	-	1	-
Wastewater Operations Manager	40	1	1	-	1	-
Water Operations Manager	40	1	1	-	1	-
Maintenance Manager	40	1	1	-	1	-
Regulatory Compliance Specialist	31	1	1	-	1	-
Sub-total Operations Administration		5	5	-	5	-
<u>Facilities Maintenance</u>						
Lead Field Maintenance Worker	30	1	1	-	1	-
Welder - Fabricator	27	1	1	-	1	-
Field Maintenance Worker I / II / III - Facilities	22/24/27	3	3	-	3	-
Sub-total Facilities Maintenance		5	5	-	5	-
<u>Mechanical Maintenance</u>						
Mechanical Maintenance Superintendent	34	1	1	-	1	-
Mechanical Technician I / II / III	26/27/29	8	8	-	8	-
Lead Electrical Instrumentation & Controls Tech	31	1	1	-	1	-
Electrical Instrumentation & Controls Tech I / II	27/29	2	2	-	2	-
Sub-total Mechanical Maintenance		12	12	-	12	-
<u>Water Operations - Construction Maintenance</u>						
Field Maintenance Superintendent - CM	33	1	1	-	1	-
Field Maintenance Worker I / II / III - CM	22/24/27	10	10	-	10	-
Sub-total Construction Maintenance		11	11	-	11	-

AUTHORIZED POSITION LISTING

Fiscal Years 2022 Through 2023

Classification	Range	FY2021	FY2022		FY2023	
		Budget	Total	Changes	Total	Changes
Engineering and Operations Division - Continued						
Water Operations - Preventive Maintenance						
Field Maintenance Superintendent - PM	33	1	1	-	1	-
Facilities Locator - Valve Technician	28	1	1	-	1	-
Field Maintenance Worker I / II / III - PM	22/24/27	7	7	-	7	-
Sub-total Preventive Maintenance		9	9	-	9	-
Water Operations - Field Services						
Field Maintenance Superintendent - FS	33	1	1	-	1	-
Field Maintenance Worker I / II / III - FS	22/24/27	7	7	-	7	-
Sub-total Field Services		8	8	-	8	-
Water Production						
Water Production Superintendent	36	1	1	-	1	-
Lead Water Production Operator	30	2	2	-	2	-
Water Production Operator I / II / III	22/25/28	7	7	-	7	-
Sub-total Water Production		10	10	-	10	-
Wastewater Collection						
Wastewater Collections System Superintendent	33	1	1	-	1	-
Collection Systems Maintenance Worker I / II / III	22/24/27	6	6	-	6	-
Lift Station Technician	24	1	1	-	1	-
Sub-total Wastewater Collection		8	8	-	8	-
Wastewater Treatment						
Wastewater Treatment Superintendent	33	2	2	-	2	-
Wastewater Treatment Operator I / II / III	22/26/28	9	9	-	9	-
Sub-total Wastewater Treatment		11	11	-	11	-
Total Water & Wastewater Operations Department		79	79	-	79	-
Total Engineering & Operations Division		113	113	-	113	-
Total District		172	173	1	173	-

AUTHORIZED POSITIONS



Strategic Plan & Department Accomplishments

**General
Management**



**Business Services
Division**



**Engineering &
Operations Division**



STRATEGIC PLAN

The District recognized that an organization must know where it wants to go and how to position itself for success in the current business environment. It envisioned a strategic plan as a strong foundation for creating an evolving District, which will motivate people to learn and work to improve efficiency and effectiveness. The District further believes that a strategic plan can be a powerful tool for creating an atmosphere for better decision-making, strengthening teamwork and communication skills, as well as building understanding and focus to achieve intended results. To achieve the intended results, it was essential to align the goals, functions, and systems of the organization.

The Board of Directors believes that the strategic plan will benefit the District, the employees, and the public it serves. The District realizes that a comprehensive strategic plan developed with stakeholder input through active participation of management and employees, and then used to establish specific action plans and goals will provide that framework.

District's Strategic Vision Goals

- **Innovative, creative, proactive and technologically advanced** – By 2030, we will be a leader in technology and process innovation to provide the cleanest water, wastewater, and recycled water services focused on public health. We will be providing proactive, efficient operations and ensuring reliable infrastructure.
- **“One Water:” water sourcing, wastewater treatment, water recycling** – By 2030, we will operate a system that produces the highest quality water, most reliable water distribution, comprehensive wastewater collection, and effective water recycling. We manage every drop in the basin as One Water system that is sustainable, resilient and diversified.
- **Trusted and recognized for positive relationships: Customers, Community, Staff** – By 2030, we will have exceeded customer expectations, increased customer satisfaction, increased two-way communication, and community collaboration. We will have earned the complete trust of our customers, peers, community and staff by industry leading transparency and engagement.
- **Fiscally fit and highest value** – By 2030, we will be one of the financially strongest and most resilient Districts for our size in Southern California. Our rate structure will provide resources and services at the best value for the rate payer dollar.

Mission Statement

“The EVMWD team delivers total water management that powers the health and vibrancy of its communities so life can flourish.”

Vision Statement

“EVMWD is Southern California’s most innovative, diverse and trusted public utility partner.”

District Values

- Professionalism
- Enthusiasm
- Integrity
- Inclusiveness
- Stewardship

Implementation Process

The Strategic Planning objectives of defining the purpose and direction of the District along with aligning planning activities with resources requires an ongoing commitment to manage the Plan. The Plan as designed, has a 10-year planning horizon. Strategic Planning is an ‘active process’ requiring continuous management and focus. Several factors may disrupt or interrupt the scheduling and implementation of key projects, some of which may not be entirely within the District’s control. These include continuous investment of financial resources, regional and local political influence and reprioritization of goals and objectives by the Board of Directors or staff.

Management monitors and updates the plan through the District’s Executive Management team. This workgroup reviews the plan annually and reports progress to the Board of Directors, and makes changes as needed based on discussions with the Board.

Department Goals, Objectives, Strategies, and Performance Measures

The District departments identified their function and service areas and developed long-term goals and objectives, which support the District’s overall goals and its mission. As a part of this process, each department developed key Performance Measures in specific areas, which will be used to assess departmental efficiencies. The following is a listing of these goals, objectives, strategies, and performance measures.

General Management

Function



Goals, Objectives, Strategies and
Performance Measures



Accomplishments

General Management

Function

General Management provides support to the Board of Directors of EVMWD, including participation on Board ad hoc and standing committees, as well as, the Elsinore Valley Water and Sewer Facilities Corporation, the EVMWD Financing Authority Board, and the Meeks and Daley Water Company Board. Direction and management of services, activities, and operations of the District in the areas of Finance, Engineering, Human Resources, Operations, and Governmental Relations are also provided.

Within the General Management division are the Administration, Governmental Relations, and Human Resources and Safety departments.

Administration

The Administration Department supports the General Manager, Board of Directors of WESA and EVMWD, Elsinore Valley Water and Sewer Facilities Corporation Board, Meeks and Daley Water Company Board, EVMWD Financing Authority, Board ad hoc and standing committees, and executive management staff.

Governmental Relations

The function of the Governmental Relations Department is to communicate and influence legislative efforts of the organization at the local, state, and federal levels. Additionally, the department focuses on developing new and enhancing existing, interagency relationships. It also seeks to establish EVMWD in a more prominent regional leadership role.

Human Resources and Safety

The Human Resources and Safety Department plans, directs, manages, and oversees the functions, programs and operations related to personnel matters, including employee relations, contract administration, recruitment and selection of employees, administration of health and welfare benefits, risk management, administration of safety regulations, professional development services. This department provides highly responsible and complex administrative support to the General Manager, other departments and outside agencies.

Strategic Vision Goals:

- **Trusted & Recognized for Positive Relationships: Customers, Community, Staff**
 - Increase political advocacy in Washington, D.C. and Sacramento
 - Pursue external public funding and legislative support
 - Raise awareness among the Legislature and Congress of EVMWD's programs and projects in the region
 - Work with public officials to garner broad District support
 - Create and strengthen relationships with regulatory agencies
 - Develop regional coalitions
 - Increase EVMWD's role in national and state associations
 - Continue developing managerial and staff training modules
 - Define and implement changes needed based on conclusion of branding and strategic planning projects
 - Complete organizational assessment and identify and implement recommendations for improvement
 - Continue to identify and evaluate programs or affiliations to enhance employee benefits and programs, to maintain status of "Employer of Choice"
 - Complete implementation of additional GHR modules - to include Performance Management, Health & Safety Administration, Recruitment and Employee Development
 - Conduct Safety Program Audit to identify areas needing improvement and develop schedule for timely implementation
 - Identify and implement improvements identified through lessons learned from COVID-19 pandemic

Accomplishments

- **Administration**

- Completed District wide outreach for training on the use of Records Retention Schedules.
- Responded timely to 107 Public Records Act requests and subpoenas.
- Processed and distributed over 100 meeting packets for EVMWD, WESA, EVWSFC, EVMWDF, BCGSA, the Meeks and Daley Water Company and for Standing Committees, and provided support for the Bedford Coldwater Groundwater Sustainability Authority.
- In response to the COVID-19 pandemic, successfully adapted and transitioned to virtual public meetings, meeting the needs of the District, the mandates of the State, staying in compliance with the Brown Act.
- **Governmental Relations**
 - **State Legislative Accomplishments**
 - Reviewed and took positions on over 100 bills.
 - Successfully engaged in a major effort to defeat SB 222/ SB 223 Water Tax.
 - Continued work with an ACWA coalition to work with the Governor and the State Board on the development of a plan for the funding and implementation of a Low-Income Water Rate Assistance (LIWRA) Program, as required by AB 401 without severely impacting local water agencies.
 - Successfully advocated for customer arrearage funding in the State budget.
 - Successfully advocated for \$750,000 state budget line item for local cost share of ACOE Lake Elsinore Aquatic Ecosystem Restoration Project.
 - **Federal Legislative Accomplishments**
 - Successfully led a major effort with the Army Corps of Engineers to begin the feasibility study phase for the Aquatic Ecosystem for Lake Elsinore.
 - Successfully advocated for a \$780,000 congressional earmark for the Canyon Lake Water Treatment plant pilot project.
 - Reviewed and took positions on over 55 bills.
 - Engaged in several discussions with strategic Congressional members and staff to increase federal spending for the Bureau of Reclamation, Army Corps of Engineers, and Federal Emergency Management Agency to increase funding for water and wastewater infrastructure programs and grants.
 - Submitted several support letters for key federal agency budget issues.
- **Human Resources and Safety**
 - Implemented Employee Leadership Development Program in 2021, which includes coursework targeted at developing leadership skills of current and future leaders.
 - The program focuses on primarily utilizing internal staff to provide soft skills training, rather than outside vendors, to enhance development of presentation, training, and course development skills for staff.
 - Implemented the Taking Flight with DISC training for all staff to enhance communication and team dynamics.
 - Through the results of our annual employee engagement survey, WESA was recognized as a top workplace in the Inland Empire in both 2019 and 2020.
 - Expanded employee recognition programs through implementation of the “Going the Extra Mile” (GEM) peer recognition program for all staff in 2020.
 - Developed and implemented an Operator in Training (OIT) internship program in coordination with Mount San Jacinto College (MSJC) to offer unpaid internships to students pursuing a career in the field of wastewater treatment in 2020.
 - In response to the COVID-19 pandemic and its related mental health concerns, enhanced our Employee Health & Wellness application for all employees and their dependents in 2020.
 - Successfully implemented GHR Payroll in January 2020. We are the first customer to successfully implement this module, and through implementation of GHR payroll, we reorganized the payroll function to be in Human Resources, providing for enhanced quality control and to ensure best practices for procedures pertaining to employee payroll.

- Successfully implemented GHR Talent in April 2021. This allows for all recruiting efforts to be performed through the same application as other core GHR functions, creating greater efficiencies for Human Resources staff, internal applicants, and external applicants.
- Proactively responded to the COVID-19 pandemic, in coordination with all other departments, resulting in successful transfer of duties from working onsite to working from home for approximately half of WESA's employees within forty-eight hours of the emergency declaration in March 2020. Additionally, we maintained full compliance with the constantly changing mandates of the pandemic, and were often prepared to implement changes before they were mandated, keeping our employees, customers, contractors, and visitors safe. To date, we have not had a work-related COVID-19 case, we have demonstrated that our efforts have prevented the virus from spreading at the District, and three separate programs have been developed and implemented to maintain compliance at local, state and federal levels. Additionally, a permanent telecommuting policy was implemented in July 2020 to allow for continued telecommuting assignments after the conclusion of the COVID-19 pandemic.
- Received recognition from ACWA/JPIA in both spring and fall of 2020 for low ratios in property, liability, and workers' compensation.
- Continued Essential Functions Job Analysis process, to review and update specified operations job descriptions, providing detailed information regarding essential functions, physical, and mental requirements for each position.

Business Services Division

Function



Goals, Objectives, Strategies and
Performance Measures



Accomplishments

Business Services Division

Function

Within the Business Services Division are the Finance and Accounting, Community Relations, Purchasing, and Information Technology departments.

Finance and Accounting

The function of the Finance & Accounting Department is to oversee the financial operations of the District in order to provide accountability and adequate control over the use of District funds. This division maintains the financial systems and records of the District in accordance with generally accepted accounting principles, as well as applicable laws, regulations and District policies. Additionally, the division includes grants administration, which is responsible for contract and expenditure oversight for District projects funded through federal, state and various other grant and loan programs.

Community Relations

The Community Relations Department includes the Customer Service and Utility Billing Section and the Community Affairs Section. The Customer Service Section provides exceptional service to all customers by responding to customer inquiries, establishing and discontinuing service, preparing monthly statements, processing payments, and collecting outstanding customer balances. The Community Affairs Section serves as the main outreach vehicle for increasing customer and constituent awareness of the District's mission and role in the local and regional community. The section's main areas of outreach are media relations and community relations.

Purchasing

The function of the Purchasing Department is to acquire high quality goods and services at the best value and lowest overall cost to the District. The Department also oversees the competitive bidding process, the supplier selection for all District departments, the disposition and sale of surplus equipment and vehicles, and maintains the District central warehouse inventory, with the exception of public works contracts.

Information Technology

The Information Technology (IT) Department is responsible for system maintenance, network management, systems support, providing support to all District system users, updating software/hardware, and monitoring district needs for new equipment. Also included in the IT department is the SCADA Section, which provides preventive maintenance and repair to all electrical components of equipment and the SCADA system.

Strategic Vision Goals:

- **One Water: Water Sourcing, Wastewater Treatment, Water Recycling**
 - Expand demand management and conservation programs through customer awareness and use of the water rate structure
- **Fiscally Fit & Highest Value**
 - Modify quarterly financial reporting to include more value-added information to assist the Board of Directors and staff in managing operating and capital expenses
 - Analyze and report available reserve funds needed for capital expenditures and/or other projects
 - Modify budget preparation, reporting, and management process to improve management of District expenditures
 - Develop a comprehensive financial plan, update the cost of service requirements and prepare an updated rate study report to adjust the fixed and variable rate component of the current water and wastewater rate structures
 - Enable new Infor workflow for contract processing to streamline entry/approval
 - Update all contract templates to incorporate best practices and current legal requirements
 - Expand p-card program to incorporate additional transactions and charges to increase rebates, within the limits of the admin code

- Develop procurement card system from third party website into Infor software for better user experience and controls
- **Innovative, Creative, Proactive & Technologically Advanced**
 - Conduct financial analysis of developer impact fees
 - Conduct financial evaluations and feasibility studies for future infrastructure projects
 - Increase annual funding to replacement reserves
 - Upgrade power backups at critical communication points for SCADA
 - Harden network infrastructure to mitigate cybersecurity breaches
 - Complete an IT Master Plan
 - Install SCADA high speed radio connection from Railroad WRF to District HQ
- **Trusted & Recognized for Positive Relationships: Customers, Community, Staff**
 - Promote water savings while understanding “drought fatigue.” Encouraging water savings and efficiency while keeping in mind the toll many years of drought has impacted our customers and region.
 - Provide training to District staff on the goals and objectives of the Community Affairs Master Plan program components.
 - Complete and implement brand strategy based on the outcome of the stakeholders and polling results. Educate and provide tools to staff to help with promoting the brand.
 - Enhance the Education Program in the areas of secondary education and career path development
 - Increase alert settings and use of the Aquahawk system to assist with customer water savings.
 - Promote clean, safe and reliable water and the importance of infrastructure and critical staff to ensure it.
 - Increase use of new technology to assist with customer engagement.
 - Collaborate with external agencies to provide information regarding assistance programs to help customers experiencing financial hardship.

Accomplishments

● **Finance and Accounting**

- Received the Certificate of Excellence in Financial Reporting award from the Government Finance Officers Association (GFOA) for the FY2019 and FY2020 Comprehensive Annual Financial Reports.
- Received the GFOA Distinguished Budget Presentation award and the California Society of Municipal Finance Officers (CSMFO) Excellence Award in Operating Budget for the FY2009 and FY2020 biennial budget.
- Successfully analyzed the effects of deferring rate increases due to COVID-19 and worked with other departments to reduce O&M costs to offset lost revenues.
- Modified the District’s investment policy to allow for purchases of short-term VRDO’s.
- Refunded the District’s variable rate debt into fixed rate revenue bonds realizing a near historic low fixed rate, saving the District approximately \$4 million in NPV savings, and reducing the District’s outstanding debt by approximately \$32 million.
- Performed analysis of sales tax paid on chemicals in conjunction with the Purchasing department for FY 2018, 2019, and 2020. Filed for sales tax refunds of approximately \$122,000.
- Successfully completed the FY2019 and FY2020 financial audits, both receiving an Unqualified or “Clean” opinion with no audit findings.
- Successful completion of the FY2020 single audit, receiving an Unqualified or “Clean” opinion with no audit findings.
- Successful conversion and implementation of Infor GHR Payroll.
- Implementation of new P.O. approval workflow to reduce errors and increase efficiency.
- Implementation of Gravity Software for budget preparation.
- Successful development and adoption of FY2022 & FY2023 budget and associated rate adjustments.

- Development of Grant Funding Project List and Strategic Plan.
- Submitted and received approval of Final IDC rate of 36.83% with an approved 3-year roll forward.
- Received approximately \$254 million in grants and low interest SRF loans over the past several years.
- **Community Relations**
 - As a result of increased staff training, customer's questions/issues are resolved the first time resulting in a decrease in the number of incoming calls from June 2019 to June 2021 by 41%.
 - Decreased accounts closed with a balance due from June 2017 to June 2019 by 1%.
 - Increased web payment utilization from June 2019 to June 2021 by 7%.
 - Increased calls answered in under 5 minutes from June 2019 to June 2021 by 1%.
 - Increased mail payment processing efficiency using a cloud-based solution. The new platform came with flexibility and user enhancements, eliminating the need to store scanned documents in the District's OnBase system.
 - Partnered with Riverside County to provide information on county-administered assistance programs to help customers with arrearages due to COVID-19. The District was successful in helping over 90 customers reduce past due bills by a total amount of \$90,000.
 - Initiated outbound calls to educate customers on assistance programs outside the District as well as our low income assistance program (RARE) and payment arrangement plans. Collected an additional \$40,000 in customer payments related to outreach calls.
 - Created new SOPs for Customer Service to optimize cross-training and procedural knowledge within the department.
 - Implemented necessary software to accept EBT cards with cash aid benefits as a form of payment for water/sewer bills.
 - Implemented necessary policy changes to ensure compliance with noticing requirements as outlined by Senate Bill 998 including significant programming updates to the billing information system.
 - Implemented a process to notify owner-maintained accounts with high past due balance of possible lien placement to help minimize District bad debt.
 - Worked with the state to join the Interagency Intercept Program to facilitate payment of past due balances from state income tax returns or lottery winnings.
 - Developed and implemented PFAS emerging constituent outreach to inform customers of the impact of the PFAS chemicals found in local water supplies making more than 142,500 impressions.
 - Developed and implemented two Public Rate Hearings in Summer of 2019 and Summer of 2021 to inform customers about potential rate increases, which resulted in over 200,000 impressions.
 - Implemented the Ag Line Conversion project special event, celebrating the partnership of several agencies, including the City of Lake Elsinore and the County of Riverside, resulting in media coverage and building partnerships.
 - Spearheaded the Systems Optimization Review to find new and innovative ways to reduce water loss at the District. 18 new ways to optimize efficiency were identified and are ready for grant funding as implemented.
 - EVMWD implemented a robust outreach program for RARE and EBT programs. The outreach included a significant grassroots effort, reaching hundreds of income-qualifying residents through community assistance programs and targeted mailings.
 - Staff developed and implemented new outreach strategies to encourage participation in our rebate programs. The most significant participation was seen through installation of weather-based irrigation controllers and hot water recirculating systems. Combined, more than 14-acre feet of water annually was saved through approximately 600 households.

- Since the start of the pandemic, the Community Affairs team took an aggressive and proactive approach to addressing public questions regarding the impact of the virus and their water service. This multi-pronged approach included sharing information consistently about water and public protection. As of June 2021, more than 200,000 impressions regarding COVID-19 impact have been made to customers and internal staff. New outreach tactics including virtual forums and internal newsletters were used to reach our audiences.
 - In 2015, EVMWD implemented the Pool Cover Rebate. EVMWD's 2018 Water Conservation Business Plan determined the maximum savings of the program would be reached by the end of Fiscal Year 2019. From 2015 to 2020, EVMWD approved 335 applications, distributed \$16,613.18 in rebates to customers, and saved an estimated 18AF of water.
 - Community Affairs staff initiated and increased student awareness of water industry careers focusing on presentations and Summer camps with the STEM PULL program. To date, the programs have reached several hundred high school students and engaged the interest of teachers for future partnerships.
 - Received several industry awards for outreach efforts to customers, including finalist for the Association of California Water Agencies (ACWA) Huell Howser Best in Blue Award, eight Polaris and Capella Awards from the Public Relations Society of American Inland Empire Division, two California Municipal Utilities Association first place recognitions, Water Alliance's Gold recognition for water efficiency and the California Association of Public Information Officers (CAPIO) Award of Distinction for outreach efforts.
 - Educated over 900 participants through the District's first ever "Flow Into Fall" event showcasing EVMWD's commitment to clean, safe, and reliable water/wastewater services for the community.
 - Maintained a robust social media presence in 2020-21 with more than 450 social media posts.
 - To celebrate Drinking Water Week and provide learning opportunities for local students, a Creative Writing Contest was held for the first time. Students were invited to submit a story, poem, or essay demonstrating the importance of safe drinking water. After two years, the contest has grown to include students from Kindergarten to 12th grade, with participation from several LEUSD, charter and home schools.
 - Staff created two outreach awareness campaigns, "Conservation 1,2,3" and "There's a rebate for that" to encourage water efficiency. As a result, more than 180,000 impressions were made and rebate applications grew by 5%.
 - A survey was completed in tandem with EVMWD's branding effort. Results of the survey showed:
 - 79% of respondents can name EVMWD or something similar as their water provider.
 - 63% say safe and reliable water are the most important words when describing a water agency.
 - 30% described Elsinore Valley Municipal Water District as dependable.
 - 71% of customers were satisfied with the way their question or problem was resolved by EVMWD staff.
 - A packet including all pertinent information for new customers was developed and is reviewed biennially. This packet reached about 200 customers weekly.
 - The Community Affairs team has further developed relationships with our HOAs, maintaining a consistent outreach effort to engage our partners. The Community Affairs team shares the latest information with HOA partners and landscapers and creates content for these entities to share with their residents. Since implementation, we have expanded our contacts with the HOAs by 33% and see a more active role by the HOAs in sharing this information.
- **Purchasing**
 - Implemented "virtual pay" procurement card system to allow normal vendor remittance through our p-card program, increasing rebates significantly.
 - Bid and evaluated all inventory material costs to ensure best prices and delivery to the District.
 - Expanded use of Infor Mobile app to more employees, particularly for use in checking out inventory items.
 - Upgraded public bidding software (Planet Bids) to modern platform, which enhanced security and removed "flash," expanded features, reports and functionality.

- Added new tracking functionality to Infor to assist admin staff with the conflict of interest requirements for the District (Form 700).
- Worked with Safety/Facilities to procure various materials for COVID-19 related needs (i.e. sanitizer, masks, gloves, etc.) despite huge constraints in the supply chain.
- Reorganized the Warehouse storage to allow additional space for Operations, Engineering and Community Affairs to store materials.
- Over 350 contracts/amendments and over 365 Purchase Orders completed in CSF/DocuSign for FY2021.
- **Information Technology**
 - Completed internal and external penetration tests of network infrastructure.
 - Realigned GIS data based on Riverside Counties updated parcel data.
 - Worked with HR to implement Infor Talent Acquisition.
 - Installed AV equipment for the Lobby and Customer Service area.

Engineering & Operations Division

Function



Goals, Objectives, Strategies and
Performance Measures



Accomplishments

Engineering and Operations Division

Function

Within the Engineering and Operations Division are the Engineering, Operations, Water Resources and Strategic Programs departments.

Engineering Department

The Engineering Department is made up of Development Services and Capital Improvement Projects Divisions. The Engineering Department plays a major role in the expansion of the water and sewer infrastructure to the District's customers. With a wide-ranging assortment of responsibilities, the Engineering Department assists developers who build new residential and commercial projects, and manages water and wastewater infrastructure improvements, replacements, or expansions projects. The Engineering Department also provides technical support to the Operations and Maintenance departments.

Capital Improvement Projects Division

The Capital Improvement Projects Division develops the capital improvement budget and prepares planning studies that support the need for the proposed capital improvements. This division also prepares Requests for Proposals used to solicit proposals from consulting firms to design various improvement projects. Additionally, this section is responsible for providing construction management and inspection services to ensure projects are constructed per the approved engineering plans and specifications.

Development Services Division

The Development Services Division is responsible for coordinating new infrastructure improvements to support planned developments. This includes working with developers, both large and small, to ensure that the water, sewer and recycled water systems are sized properly to service the proposed development, and to ensure consistency with the Water and Sewer Master Plans. This division is also responsible for providing construction inspection services to ensure projects are constructed per the approved engineering plans and specifications.

Operations Department

The Operations Department consists of Water Operations, Wastewater Operations, and Maintenance Divisions.

Water Operations Division

The Water Operations Section oversees the safe treatment, storage and delivery of the water supply to the community through four sections: Water Production, Preventive Maintenance, Construction Maintenance, and Field Services.

The Water Production Section provides daily operation of the water system wells, booster pumps, reservoirs, and water quality. This section is also responsible for the operations of the Canyon Lake and Back Basin Water Treatment Plants.

The Preventive Maintenance Section is responsible for the regular and scheduled maintenance of the water transmission and distribution lines. These activities include valve exercising, air valve maintenance, hydrant flushing, control valve maintenance, USA locates, water shutdowns for scheduled and emergency repairs, and various special projects.

The Construction Maintenance Section repairs and replaces valves, hydrants, services, and other appurtenances of the water transmission and distribution lines. They are also responsible for grading access roads, replacing DCDA's for Cross Connection, and serving after-hours standby duty.

The Field Services Section repairs, tests, and replaces meters, angle meter stops, meter boxes, and other appurtenances of the water transmission and distribution system.

Wastewater Operations Division

The Wastewater Operations Division is responsible for daily operation and oversight of wastewater collection activities for conveyance lines as well as three water reclamation facilities (WRF's): Regional, Railroad Canyon, and Horsethief WRF's. This is accomplished through the Collections and Water Treatment groups.

The Collection Section performs cleaning, inspecting, and repairing sewer lines to ensure the consistently reliable, trouble-free conveyance of wastewater to the reclamation facilities for treatment.

The Wastewater Treatment Section operates and performs minor maintenance at the District's three WRF's.

Maintenance Division

The Maintenance Division provides daily repair and maintenance of all water and wastewater facilities, infrastructure, equipment and fleet. The Maintenance Division is divided into two maintenance groups based on specialty of work.

The Mechanical Maintenance Section provides preventive maintenance and repair on pumps, motors, wells, and other mechanical devices at all water and wastewater facilities. They provide the oil changes and regular inspections on booster stations, wells and pumps to ensure equipment and machinery are working effectively. Also included in this group is Electrical Maintenance, which provides preventive maintenance and repair to all electrical components of equipment throughout the District.

The Facilities/Fleet Maintenance Section is responsible for the daily care, maintenance and repair of all District owned facilities, equipment and fleet. Facilities are regularly inspected to ensure cleanliness and that all structures and fixtures are in proper working order. The Fleet section ensures all vehicles and equipment are regularly scheduled maintained and are safe to operate.

Water Resources Department

The Water Resources Department manages, develops and administers ongoing programs in areas such as: watershed management, groundwater recharge, water resources planning, sampling and water quality testing and reporting, facility permits, assisting operations in reviewing reports to the state and federal water and sewer agencies, procedures and protocol development for lab work, developing, modifying and implementing the pretreatment program and assisting in grants and loans. The Water Resources Department is organized in three sections.

Water Resources Planning Division

The Water Resources Planning Division performs a wide range of professional planning, research, and technical analyses related to EVMWD's near-term and long-term water supply (potable and recycled) needs.

Water Systems Engineering Division

The Water Systems Engineering Division manages, supervises, and coordinates the activities of the Water Protection (Backflow Prevention Program) group, the Recycled Water group, and the Water Quality and Laboratory groups.

Wastewater Systems Engineering Division

The Wastewater Systems Engineering Division manages, supervises, and coordinates the activities of industrial waste inspection and the wastewater pre-treatment inspection and installation of pre-treatment equipment in businesses and commercial buildings throughout the EVMWD service area.

Strategic Programs Department

The Strategic Programs Department's primary goal is to explore and develop water supply programs and strategies that are derived from business case analyses. Additionally, the department provides highly responsible and complex financial support for the District's general management. This department plans and develops the District's capital financing needs, plans for long term stability of the District's finances, and analyzes District contracts to ensure the highest level of accuracy and compliance to all applicable requirements.

Strategic Vision Goals:

- **One Water: Water Sourcing, Wastewater Treatment, Water Recycling**
 - Monetize all available water supply resources
 - Develop additional groundwater production capacity, consistent with the Integrated Resources Planning Program
 - Complete drilling and construction of new wells for the Lee Lake Basin and finalize the design for the well equipping and treatment
 - Complete construction for the Palomar Wellhead and Treatment Facilities
 - Obtain State permit for well and treatment facility
 - Continue monitoring emerging constituents
 - Initiate development of a Comprehensive Potable Water Title 22 Source Water Regulatory Compliance and Emerging Contaminants Monitoring Plan
 - Complete rehabilitation of the Joy Avenue Well as part of the Well Maintenance Program
 - Initiate rehabilitation of Cereal 4 Well as part of the Well Maintenance Program

- Complete study and identify options for expansion of the Temescal Valley Pipeline
- Initiate updates to the following studies/plans:
 - Integrated Resources Plan
 - Water, Sewer, and Recycled Water Master Plan
 - Potable Water Disinfection By-Products Regulatory Compliance Plan
- Complete Maximum Benefit approval from SWRCB for Elsinore Groundwater Basin
- Complete and submit Groundwater Sustainable Plan (GSP) for:
 - Elsinore Groundwater Basin
 - Bedford Coldwater Basin
- Complete the Southern Section Inflow and Infiltration Study
- Obtain State permit for Southern wells blending PFAS, Arsenic and Vanadium

- **Innovative, Creative, Proactive & Technologically Advanced**
 - Complete phase 2 of the Asset Management Plan: Computerized Maintenance Management System (CMMS) replacement
 - Complete construction of the Regional Water Reclamation Facility upgrades project
 - Complete District Standard Volume 2 Updates
 - Complete Permitting Software Implementation
 - Complete Pump Station Condition Assessment Report
 - Complete Canyon Lake Water Treatment Plant PFOS Pilot Study
 - Initiate design of:
 - 1467 Zone Phase 6 Improvement
 - Ortega Reservoir Rehabilitation
 - Daley A Pump Station Rehabilitation
 - Canyon Lake Water Treatment Plant Improvements
 - Complete design of:
 - Lee Lake Dam Replacement Project
 - Ranspot and Peeler Water Main Replacement
 - Tomlin Water Main Replacement
 - Rice Canyon Reservoir Rehabilitation
 - A-3 Sewer Lift Station Rehabilitation
 - Downtown Sewer Replacement
 - Diamond Regional Sewer Lift Station and Dual Force Mains Project
 - Pats Pump Station Rehabilitation
 - Complete construction of:
 - State Ranch Pipeline Replacement Project
 - Canyon Lake Sewer Rehabilitation - Goal of approximately 6,000 LF
 - Odor control upgrades to A-2 Lift Station Manhole
 - Peck Street and Chestnut Street Phase 2 Sewer Replacement
 - Phase 3 and 4 of the Single Check Backflow Device Replacement
 - Regional Water Reclamation Facility Train B Filter Media Replacement
 - Continue annual rehabilitation and/or replacement of 15 manholes
 - Replacement of the Roto Screen Drain Line at Railroad Canyon Water Reclamation Facility

- Railroad Canyon Water Reclamation Facility DCS Upgrades
- District Administration Building Parking Lot Improvements

Accomplishments

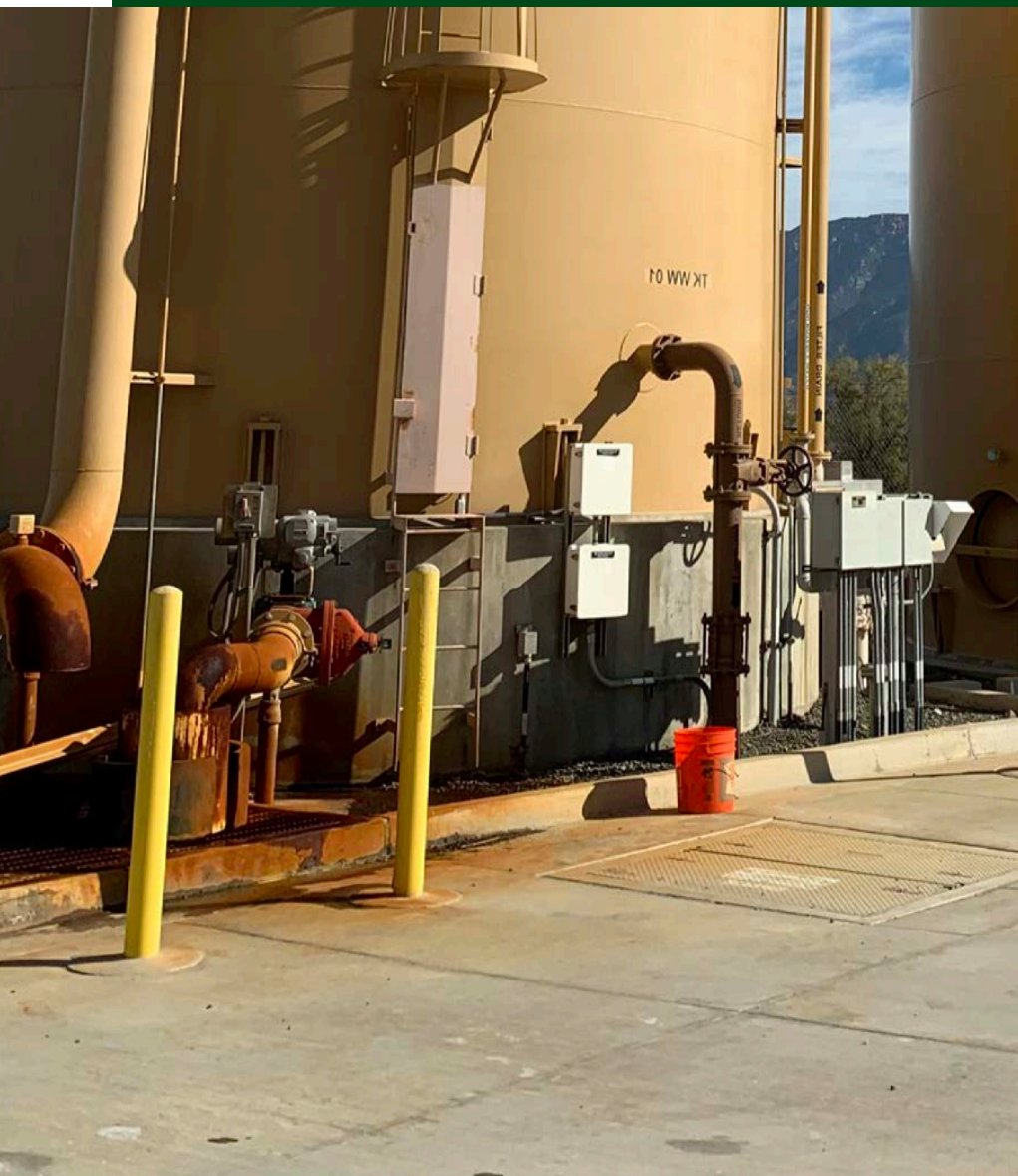
• **Engineering and Water Resources**

- Developed interactive project maps for capital and developer projects, which are available to the public.
- Implemented the Hazardous Algal Bloom Monitoring Plan in coordination with Canyon Lake Property Owners Association.
- Stored 2,355 acre-feet in lieu for Metropolitan Water District's Conjunctive Use Program.
- Initiated Permitting Software Implementation.
- Development of additional groundwater production capacity, consistent with the Integrated Resources Planning Program.
 - Completed geotechnical evaluation and design for the drilling of new wells for the Lee Lake Basin.
 - Completed the design for the Palomar Wellhead and Treatment Facilities.
- Continued monitoring for PFAS and Hazardous Algal Bloom (HAB)
- Obtained State blending permit for Northern Wells for PFAS, Nitrate and TDS.
- Initiated rehabilitation of the Joy Avenue Well as part of the Well Maintenance Program.
- Initiated study for expansion of the Temescal Valley Pipeline.
- Initiated study for the Regulatory compliance monitoring plan for water, wastewater and recycled water.
- Initiated study for Drinking Water Source Assessment and Protection Program (DWSAP)
- Initiated design of:
 - Ranspot and Peeler Water Main Replacement
 - Tomlin Water Main Replacement
- Completed the updates and calibration of the water hydraulic model.
- Completed the following studies/plans:
 - Maximum Benefit Proposal for Elsinore Groundwater Basin
 - Final approval from RWQCB and SWRCB on the Upper Temescal Valley Salt and Nutrient Management Plan
 - Update of 2020 UWMP, WSCP and Addendum to 2015 UWMP
 - Draft Groundwater Sustainable Plan (GSP) for:
 - Elsinore Groundwater Basin
 - Bedford Coldwater Basin
 - Reservoir Condition Assessment and Prioritization
 - Lift Station Condition Assessment and Prioritization
- Completed and certified the Risk and Resiliency Assessment (RRA) as required by the America's Water Infrastructure Act (AWIA).
- Completed and submitted the Emergency Response Plan (ERP) as required by AWIA.
- Initiated the design for the Lee Lake Dam Replacement Project.
- Completed construction of:
 - Cottonwood Booster Pump Station Standby Power
 - Peck Street and Chestnut Street Phase 1 Sewer Replacement
 - Phase 1B and 2 of the Single Check Backflow Device Replacement
 - Phase 2 of the District Office Renovations, which includes improvements to the Engineering, Finance, IT/SCADA, and Administration Departments
 - Annual rehabilitation and/or replacement of sewer manholes

- Skymeadows Booster Pump Station Improvements
- Yard piping improvement at Railroad Canyon Wastewater Treatment Facility
- Back Basin Groundwater Treatment Plant Filter 5 & 6 Rehabilitation
- 1467 Zone Phase 5 Improvements
- Fuel Island Improvements
- Safety upgrade/Osha compliance evaluation at treatment plants and lift stations
- Lake Trail Circle Water System Improvements
- Completed design of:
 - State Ranch Water Main Replacement
 - Roto Screen Drain Line Replacement
 - Back Basin Groundwater Treatment Plant Electrical Improvements
- **Operations**
 - Completed Phase 1 of a comprehensive asset management plan for all lift stations, water pump stations, and water/wastewater linear assets.
 - Initiated Phase 2 of Asset Management Plan - selection and implementation of a new CMMS system.
 - Created an emergency water supply plan and began procuring equipment (large water buffalo trailer, 4 portable water tanks).
 - Completed the installation of new HVAC chillers at the main office building.
 - Began the replacement of aerators, mixers and appurtenant equipment at Regional WRF to improve reliability and catch up on deferred maintenance.
 - Helped manage the installation/rearranging of cubicle workstations in the Administration, Operations, and Engineering areas.
 - Completed the replacement of hydraulic valve actuators at Railroad Canyon Dam and built a safe working platform for maintenance staff.
 - Received Cal OES approval on emergency action plans (EAP) for both Lee Lake Dam and Railroad Canyon Dam.
 - Replaced critical isolation valves and air release valves on the loop line.
 - Installed odor scrubbers at B-1 and B-2 lift stations to mitigate odor complaint issues in the area.
 - Replaced several unreliable chlorine generation systems with simpler and more reliable bulk chlorine systems.
 - Started a replacement project for RWRF Train A clarifier drive units and all oxidation ditch aerators.
 - Participated in the completion of the AWIA Risk and Resiliency Assessment as well as the updated emergency response plan.
 - Accelerated facility maintenance with HVAC system replacements and repairs, exterior painting, and pavement sealing/repairs.
 - Increased lift station preventive maintenance by increasing the rate of planned pump/motor rebuilds and replacements.
 - Worked with Water Resources to modify well blend station operations to account for new constituents and water quality requirements.
 - Participated in the BESS project and incorporated EV charging stations for the employee parking area.
 - Participated in the renewable energy study to evaluate energy generation potential, energy savings measures, and monetizing renewable energy credits.
- **Strategic Programs**
 - Purchased 9 cfs service rights in the Mills Gravity Pipeline from Western Municipal Water District.

- Negotiated and executed agreement with Western Municipal Water District for option to purchase an additional 12 cfs service rights in the Mills Gravity Pipeline.
- Negotiated and executed agreement with Western Municipal Water District for the use of EVMWD's non-potable water rights.
- Worked with Operations to complete renewable energy study to evaluate energy generation potential, energy savings measures, and monetizing renewable energy credits.
- Worked with Water Resources to continue the approval process for Maximum Benefit Analysis for Elsinore Groundwater Basin with the Regional Water Quality Control Board.

Capital Outlays



SIGNIFICANT CAPITAL OUTLAYS

The District's Capital Outlay budget totals \$560,960 for FY2022 and \$258,398 for FY2023. All of the Capital Outlay items have been categorized as replacements or additions. Additionally, these items have been sub-categorized into computer-related items, vehicle & equipment-related items, and all other capital outlays. Significant capital outlay items are those that are not routine in nature and (1) would result in a change of District operations or (2) would enhance customer service or (3) improve operational efficiency. These items are described below and highlighted on the Capital Outlay Budget listing on pages 65 through 66.

Replace Service Utility Truck w/Crane #127

The District currently owns a 1997 Service Utility Truck with a crane that supports critical preventive and corrective maintenance activities at all water & wastewater facility locations. In 2011, the truck was modified to comply with the emission standards at that time. Staff has recognized that the chassis and powertrain are becoming increasingly maintenance intensive, replacement parts are becoming harder to acquire, the truck is not capable of meeting future emission standards, and is at the end of its useful life. This truck will be replaced in FY2022 with a 2022 Freightliner M2106 chassis outfitted with a Palfinger PalPro 72-11 service utility bed and Palfinger PSC6229 telescoping crane.

Replace Dump Truck Unit #158

The District currently owns a 2000 Dump Truck that supports critical maintenance and repair activities at all water & wastewater facility locations. In 2011, the truck was modified to comply with the emission standards at that time. Staff has recognized that the chassis and powertrain are becoming increasingly maintenance intensive, replacement parts are becoming harder to acquire, the truck is not capable of meeting future emission standards, and is at the end of its useful life. This truck will be replaced in FY2022 with a 2022 Western Star 4700SB chassis outfitted with a 15' Beau Roc dump truck body.

Replace Dump Truck Unit #202

The District currently owns a 2006 Dump Truck that supports critical maintenance and repair activities at all water & wastewater facility locations. This truck is undersized for many jobs & projects. In 2011, the truck was modified to comply with the emission standards at that time. Staff has recognized that the chassis and powertrain are becoming increasingly maintenance intensive, replacement parts are becoming harder to acquire, the truck is not capable of meeting future emission standards, and is at the end of its useful life. This truck will be replaced in FY2023 with a 2023 Western Star 4700SB chassis outfitted with a 15' Beau Roc dump truck body.

**CAPITAL OUTLAY
APPROVED FY2022 BUDGET**

Item		Outlay Categories				R / A (1)
No.	Outlay Description	Total	Vehicle & Equipment	Capital	Computer	
<u>Vehicles & Facilities Maintenance</u>						
1	Replace Service Utility Truck w/Crane Unit #127	\$ 217,000	\$ 217,000			R
2	Replace Dump Truck Unit #158	186,432	186,432			R
3	Replace Warehouse Standup Truck Lift #656	53,000	53,000			R
4	Diamond Well AC Replacement	19,965		19,965		R
5	Replace RWRF Utility Cart #232	16,547	16,547			R
6	Replace RWRF Utility Cart #229	15,000	15,000			R
7	Replace Traffic Control Trailer #706	12,000	12,000			R
	Subtotal	519,944	499,979	19,965	-	
<u>Water Quality/Laboratory</u>						
8	Replace Laboratory Autoclave Sterilization Unit	20,508		20,508		A
9	Replace Laboratory Autoclave Sterilization Unit	20,508		20,508		A
	Subtotal	41,016	-	41,016	-	
TOTAL		\$ 560,960	\$ 499,979	\$ 60,981	\$ -	

(1) R = Replacement ; A = Addition

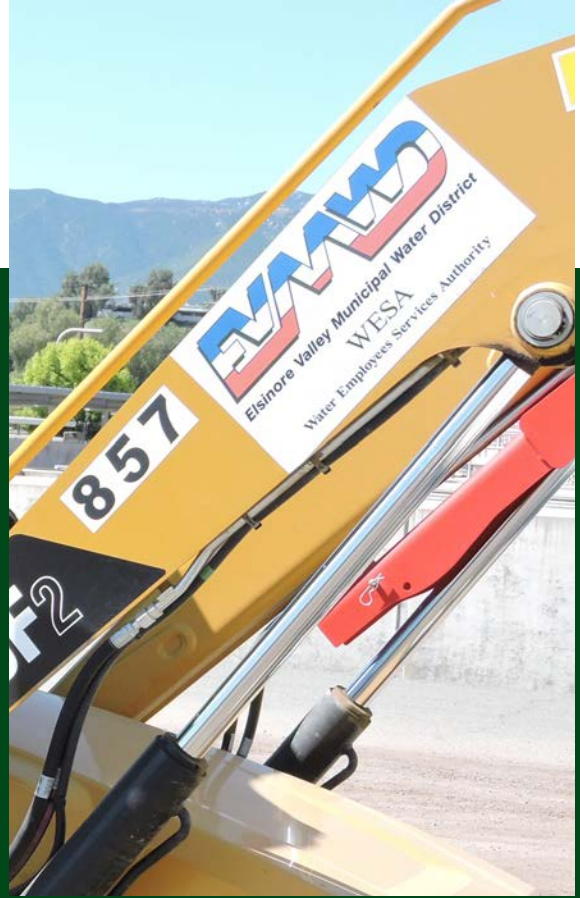
CAPITAL OUTLAYS

**CAPITAL OUTLAY
APPROVED FY2023 BUDGET**

Item No. Outlay Description	Total	Outlay Categories			R / A (1)
		Vehicle & Equipment	Capital	Computer	
<u>Vehicles & Facilities Maintenance</u>					
10 Replace Dump Truck Unit #202	\$ 194,941	\$ 194,941			R
11 Regional Substation 1 AC Replacement	18,730		18,730		R
12 Replace RWRF Utility Cart #258	15,000	15,000			R
13 Replace RWRF Utility Cart #855	15,000	15,000			R
14 Lemon Grove Booster Station AC Replacement	14,727		14,727		R
Subtotal	258,398	224,941	33,457	-	
TOTAL	\$ 258,398	\$ 224,941	\$ 33,457	-	

(1) R = Replacement ; A = Addition

Capital Improvement Projects



CAPITAL IMPROVEMENT PROJECTS

The District’s Capital Improvement Project (CIP) totals \$88,090,000 for FY2022 and \$86,473,000 for FY2023. The projects included in this budget are consistent with the District’s water and sewer master plans, which identifies projects as being required for new development or replacement. CIP projects are those that are not routine in nature and (1) result in a change of District operations, (2) bring facilities to a new service area where it is currently not available, (3) are required to keep the District in regulatory compliance or (4) require additional staff. A description of each project is presented below.

The following table identifies the District’s previous CIP for the last 10 years.

CIP Budget Last 10 Years					
Fiscal Year	Water	Wastewater	Recycled Water	Other	Total
2013-2014	\$ 1,925,000	\$ 5,225,292	\$ -	\$ -	\$ 7,150,292
2014-2015	17,015,550	6,293,500	-	795,000	24,104,050
2015-2016	9,282,000	2,644,000	65,000	5,999,530	17,990,530
2016-2017	3,648,000	5,480,000	-	8,000,000	17,128,000
2017-2018	4,785,976	6,471,976	727,215	1,012,000	12,997,167
2018-2019	7,482,655	8,291,451	-	492,000	16,266,106
2019-2020	15,273,511	46,550,000	200,000	3,835,000	65,858,511
2020-2021	18,346,794	58,255,000	150,000	1,550,000	78,301,794

The District’s CIP projects are categorized by type. The table below summarizes the proposed budget for FY2022 and FY2023 as well as the anticipated budget for the following three years.

5 Year CIP by Type					
Type	Proposed FY 21/22	Proposed FY 22/23	Anticipated * FY 23/24	Anticipated * FY 24/25	Anticipated * FY 25/26
Wastewater	\$ 72,925,000	\$ 68,838,000	\$ 84,400,000	\$ 28,030,000	\$ 2,840,000
Water	13,030,000	14,220,000	26,245,000	50,880,000	24,175,000
Recycled Water	460,000	-	-	-	1,000,000
Other	1,675,000	3,415,000	2,085,000	1,585,000	1,585,000
Grand Total	\$ 88,090,000	\$ 86,473,000	\$ 112,730,000	\$ 80,495,000	\$ 29,600,000

* The anticipated CIP budget has been prepared based on District Plans and are subject to change based on future needs

The top five CIP projects for Water and Wastewater for the next five years are listed in the table below and includes the proposed/anticipated funding source.

Top 5 CIP Projects for Water & Wastewater (5 Years)							
Project	Anticipated Funding Source	Proposed FY 21/22	Proposed FY 22/23	Anticipated* FY 23/24	Anticipated* FY 24/25	Anticipated* FY 25/26	5 Year Total
Water							
Lee Lake Dam Upgrades	Debt Issuance	\$ -	\$ -	\$ 8,000,000	\$ 24,000,000	\$ 8,000,000	\$ 40,000,000
CLWTP Master Plan Phase I Improvements	Debt Issuance	-	-	7,695,000	15,390,000	7,695,000	30,780,000
Corydon Well Replacement	318-Elsinore Water Replacement	-	600,000	3,600,000	-	-	4,200,000
Mills Capacity Line (12CFS)	513-Transmission Facilities Capacity	600,000	700,000	800,000	980,000	980,000	4,060,000
16 inch CMLC line along Cereal Street	318-Elsinore Water Replacement	-	-	250,000	3,500,000	-	3,750,000
Wastewater							
Regional WRF Expansion-Construction	SRF-State Revolving Fund Loan	60,000,000	60,000,000	60,000,000	-	-	180,000,000
Diamond Regional Liftstation	SRF-State Revolving Fund Loan	-	-	15,000,000	15,000,000	-	30,000,000
Diamond Regional Lift Station Dual Force Main	SRF-State Revolving Fund Loan	-	-	7,500,000	7,500,000	-	15,000,000
Horsethief WRF DB Rehab & Expansion	333-Wastewater Replacement	5,000,000	-	-	-	-	5,000,000
A-3 Lift Station and Force Main Replacement	333-Wastewater Replacement	750,000	2,750,000	-	-	-	3,500,000

* The anticipated CIP budget has been prepared based on District Plans and are subject to change based on future needs

The following is a description of each project for the proposed budget for FY2022 and FY2023, followed by a complete list of the projects including their funding source.

RWRF Expansion - Construction - \$60,000,000 (FY2022) & \$60,000,000 (FY2023)

The Regional Water Reclamation Facility (RWRF) is projected to reach its design capacity in the near future. To meet future demands, the project will expand average daily capacity from 8.0 to 12.0 mgd. The project includes new bar screens and grit removal tank, a new 4.0 mgd membrane bioreactor, a new 12 mgd UV system, and sludge processing facilities.

The estimated total project cost is approximately \$180 million and will be funded by a low interest loan from the State of California Revolving Fund.

Horsethief WRF DB Rehab & Expansion - Construction - \$5,000,000 (FY2022)

Expand and upgrade the Horsethief Canyon Water Reclamation Facility (HTCWRF). The expansion will increase the average daily capacity from 0.5 mgd to 0.8 mgd. The additional flows are expected from planned development in the area and the developers are funding the expansion. The project also includes construction of several critical upgrades to the existing HTCWRF to improve plant reliability and provide redundancy features.

Mayhew Well (New) - \$3,600,000 (FY2022)

The Mayhew Well was constructed in October 1989 and is located south of the intersection of Temescal Canyon Road and Maitri Road, in the unincorporated limits of the City of Corona. The well extracts water from the Coldwater Groundwater Basin and was originally drilled to a total depth of 740 feet below ground surface with a pumping capacity of 1,075 gallons per minute (gpm). In 2018, the Mayhew Well failed, requiring the District to complete an emergency well rehabilitation project. During the rehabilitation, the bottom of the well casing collapsed causing the District to abandon the lower portion of the well, thereby reducing the pumping capacity to 600 gpm. The project involves replacement of the existing well with a new well and PFAS treatment to ensure that EVMWD can continue to provide service to customers within the Temescal Service Area.

An amount of \$600,000 was previously budgeted for this project in FY2020 and \$3,600,000 in FY2021. This will increase the budget to \$7,800,000 in total.

A-3 Lift Station and Force Main Replacement - \$750,000 (FY2022) & \$2,750,000 (FY2023)

In 2020, the District completed a comprehensive condition assessment of five (5) lift stations. The A-3 Lift Station was determined to be the most critical lift station requiring rehabilitation. This lift station was built in 1970 and is located at the intersection of Lincoln Street and Riverside Drive (CA-74) in the City of Lake Elsinore. This project will evaluate design alternatives for the rehabilitation of the A-3 Lift Station and will ultimately lead to construction to replace the existing facility.

Lakeshore Booster Pump Replacement/Intertie w/EMWD - \$750,000 (FY2022) & \$2,000,000 (FY2023)

EVMWD completed an emergency water supply evaluation to improve system reliability and redundancy in the Tuscany Hills, Canyon Lake, and Canyon Hills areas located on the west side of I-15 freeway. The Lakeshore Booster Pump Station has been identified as a potential project to provide an alternate source of water to these areas. A water hydraulic model is required to properly size pumps that are needed to increase supply. The project will also involve a unidirectional intertie between Eastern Municipal Water District (EMWD) and EVMWD along Railroad Canyon Road at Goetz Road for emergency supply purposes. The intertie will provide another water source for areas on the west side of the I-15 freeway.

Single Check Backflow Devices - \$990,000 (FY2022) & \$1,590,000 (FY2023)

The California Code of Regulations (CCR) requires public water systems to protect their water supplies from contamination by implementing a cross-connection control program. The program must include protection of the drinking water supply through the installation of appropriate backflow prevention assemblies where a potential hazard to the water supply is identified by the public water supplier.

There are several industrial and commercial fire services in the District's service area that have single check backflow devices installed below ground. To comply with CCR guidelines, the single check devices will be converted to double check valve style devices. Those located in vaults will be relocated above grade within an established easement or Right-Of-Way to avoid confined space hazards. The proposed budget will upgrade a total of 49 devices.

Railroad Canyon WRF DCS Conversion - \$2,500,000 (FY2022)

The Railroad Canyon Water Reclamation Facility (RRCWRF) is a wastewater treatment facility that provides recycled water to Canyon Lake and Canyon Hills areas. The RRCWRF was built in 1982 and upgraded in 1991 and 2004. Flows that cannot be treated at the plant along with all waste activated sludge (WAS) generated at the plant are conveyed to the Regional Water Reclamation Facility for treatment.

The current project involves an upgrade to the facility's instrumentation and controls system to improve operation reliability and remote access for the District.

Downtown Sewer Replacement - \$2,000,000 (FY2023)

The existing sewers in downtown Lake Elsinore are undersized and over 100 years old. The existing 6-inch sewer

lines have significant structural damage and require frequent cleaning and flushing. To avoid sewer blockages and sanitary sewer overflows and to reduce operations and maintenance costs, certain sewer lines in this area need to be replaced, repaired, and/or upsized to 8-inch pipe. The project proposes to replace approximately 4,500 linear feet of aged sewer main.

An amount of \$300,000 was previously budgeted for this project in FY2021. This will increase the budget to \$2,300,000 in total.

Ortega Reservoir Rehabilitation - \$2,000,000 (FY2023)

The District completed a Reservoir Condition Assessment Report in 2020 that evaluated and prioritized rehabilitation needs of seven (7) water reservoirs. Based on the recommendations, the Ortega Reservoir was ranked as No. 2 priority. This reservoir is a 2.2 MG reservoir that was constructed in 1990. The project involves rehabilitation of Ortega Reservoir based on the recommendations outlined in the 2020 Report.

Daley A Pump Station Rehabilitation - \$1,500,000 (FY2023)

In Fiscal Year 2022 the District will be completing a comprehensive Pump Station Condition Assessment of six (6) pump stations which includes Daley A Pump Station. This pump station works in tandem to fill Daley Reservoir. The project will implement improvements identified in the Pump Station Condition Assessment project.

Administration Building Upgrades (Seismic/Structural Phase) - \$1,500,000 (FY2023)

EVMWD's main building was constructed in 1989. The building is open five days a week and has been in service continuously for about 30 years. In 2018, a preliminary design report (PDR) was prepared to evaluate the roof system, civil site drainage, and structural integrity of the building. The PDR provided recommendations for near term and long-term improvements.

This project will address the recommended structural and storm drain improvements.

Skymeadows Suction Pipeline Replacement - \$500,000 (FY2022) & \$1,000,000 (FY2023)

The existing Skymeadows Pump Station supply piping consists of 2,000-LF of 12-inch and 1,600-LF of 4-inch piping on Encina Drive. Hydraulic modeling concluded higher than desirable velocities within the 4-inch suction pipeline during fire flow conditions. This project will replace the existing 4-inch suction pipeline to increase capacity and minimize velocity and head losses.

Comprehensive Asset Management Program - \$750,000 (FY2022) & \$750,000 (FY2023)

Phase 2 & 3 of the development of a Comprehensive Asset Management Program which includes wells and water and wastewater treatment plants. These phases involve the purchase and implementation of asset management software.

An amount of \$213,499 was previously approved by the Board in FY2019 for this project as well as previously budgeted amounts of \$250,000 for FY2020 and \$250,000 for FY2021. This will increase the budget to \$2,213,499 in total.

Nichols Road Lift Station Upgrade - \$1,463,000 (FY2023)

In 2011, the Alberhill Development constructed Nichols Road Lift Station Phase 1 Improvements. As development progresses further upgrades are required.

Rice Canyon Reservoir Rehabilitation - \$1,450,000 (FY2023)

The District completed a Reservoir Condition Assessment Report in 2020 that evaluated and prioritized rehabilitation needs of seven (7) water reservoirs. Based on the recommendations, Rice Canyon Reservoir was ranked as No. 1 priority. This reservoir is a 1.6 MG reservoir that was constructed in 1991. The project involves rehabilitation of Rice Canyon Reservoir based on the recommendations outlined in the 2020 Report.

Stage Ranch Road Pipeline - \$1,300,000 (FY2022)

The 10-inch waterline between Stage Ranch No. 1 Pump Station to Stage Ranch No. 2 Pump Station was constructed in 1977. The waterline is located within an unimproved dirt road that has eroded over time and exposed the pipeline in several locations. The oversized pipeline has also caused issues with water quality. The project entails replacement of approximately 2,600 LF of 10-inch waterline with new 8-inch waterline.

Previous approved budgets include \$100,000 in FY2020 and \$800,000 in FY2021. This will increase the budget to \$2,200,000 in total.

Mills Capacity Purchase - \$600,000 (FY2022) & \$700,000 (FY2023)

The project considers buying capacity in the Mills Gravity Pipeline to import water coming from the State Water Project. By having conveyance capacity in the Mills Gravity Pipeline, the District will be able to maintain existing system capacity to meet water demands and reduce costs compared to leasing alternatives.

An amount of \$2,560,246 was previously funded for this project. This will increase the budget to \$3,860,246 in total.

RRCWRF Condition Assessment Primary Oxidation Ditch Blowers - \$1,100,000 (FY2022)

The Railroad Canyon Water Reclamation Facility (RRCWRF) is a scalping plant that treats wastewater flows from the Canyon Lake and Canyon Hills areas. The RRCWRF was built in 1982 and upgraded in 1991 and 2004. Flows that cannot be treated at the plant along with all waste activated sludge (WAS) generated at the plant are conveyed to the Regional Water Reclamation Facility for treatment.

The project involves a condition assessment for all equipment and materials within the Primary Oxidation Ditch to provide recommendations to address issues with under-aeration and low dissolved oxygen (DO).

San Bernardino Basin Assets (SBBA) Projects - \$500,000 (FY2022) & \$500,000 (FY2023)

The District prepared a San Bernardino Basin Assets study that evaluated alternatives to utilize the District's groundwater rights within the Bunker Hill Basin. The project will evaluate the next steps which include pipeline alignment and environmental evaluation for the proposed construction of a pipeline connecting the SBBA to the EVMWD water system.

Previous approved budgets include \$250,000 in FY2020 and \$250,000 in FY2021. This will increase the budget to \$1,500,000 in total.

Well Rehabilitation Program - \$500,000 (FY2022) & \$500,000 (FY2023)

The District owns and operates twelve (12) domestic groundwater production wells located in the Elsinore, Coldwater, and Bedford groundwater basins. These wells are an important infrastructure component that optimizes the use of local groundwater supply which accounts for 30% the District's water supply. These wells also provide system capacity to meet peak demands. As a production well ages, the efficiency (commonly referred to as the well yield, flow or performance) tends to decrease. A Well Rehabilitation and Replacement Program is required to increase the efficiency of the wells and to replace wells that have exceeded its life expectancy and/or where its casing and borehole have failed. The program will be based on a prioritization plan with a target of rehabilitating or replacing one (1) well per fiscal year.

Condition Assessment of Lake Aeration Equip & Controls - \$500,000 (FY2022) & \$500,000 (FY2023)

Construction of the Lake Elsinore Aeration and Mixing System (LEAMS) was completed in 2008 by the Lake Elsinore San Jacinto Watershed Authority (LESJWA) to improve water quality by improving dissolved oxygen concentration. The aeration system is operated by EVMWD whereas the mixing system is operated by the City of Lake Elsinore. Currently, the reported nitrogen and phosphorous removal rates are insufficient and under aeration is evident. Additionally, the Lakeshore and Grand Avenue water quality data loggers (YSI Sondes) constantly fail due to oil, temperature, etc. and must be reset manually by Operations District staff and there have been known issues with the compressors and tubing. The project will be based on the recommendations by Alex Horne Associates who completed a study in 2021 to improve nitrogen and phosphorus offsets and may involve a complete or partial system replacement.

Pats Point Booster Upgrades - \$35,000 (FY2022) & \$750,000 (FY2023)

In Fiscal Year 2022, the District will be completing a comprehensive Pump Station Condition Assessment of six (6) pump stations which includes Pats Point Booster Station. This booster station is currently located below ground and poses confined space issues. The project will include booster station upgrades and eliminate the confined space by relocating the system above ground. The project will implement improvements identified by the Pump Station Condition Assessment.

RWRF Train B Aerators-Relocate Gearboxes Ditch 5A & 5B - \$200,000 (FY2022) & \$500,000 (FY2023)

The Regional Water Reclamation Facility's (RWRF) process involves two (2) Aerator ditches which were constructed in 2005. The ditches are in the shape of an oval racetrack and each have five (5) aerators. In 2020, one (1) of the aerator tubes at Oxidation Ditch 5B failed and prompted a complete inspection of all ten (10) aerators. The project is based on the inspection and will involve rebuilding or replacement of the gear boxes, replacement of the torque tubes (including paddles), rebuilding or replacement of the outboard bearings, and installation of splash shields for corrosion protection.

Upsize Blending Line at Diamond - \$150,000 (FY2022) & \$500,000 (FY2023)

The District owns and operates twelve (12) domestic groundwater production wells located in the Elsinore, Coldwater, and Bedford groundwater basins. These wells are important infrastructure components to optimize the use of local groundwater supply, which accounts for 30% of the District's water supply. Some of the groundwater produced from the District's wells must be treated and/or blended with other potable sources of water before it is delivered to customers. The District constructed a pipeline in 2011 from the Diamond and Summerly Wells to blend water with the Cereal No. 1 and Corydon Street Wells to comply with the arsenic maximum containment levels (MCL).

An approximately 3,000 LF section of this blending pipeline is reduced to 12-inch from a 20-inch pipe and is causing increased pressures and supply constraints. This project will involve upsizing the 12-inch portion of the blending line at Diamond Well.

Corydon Well Replacement - \$600,000 (FY2023)

The Corydon Well was constructed in 1983 and is located near Corydon Road and Mission Trail in the City of Wildomar. The well extracts from the Elsinore Groundwater Basin and was originally drilled to a total depth of 1920 feet below ground surface with an original pumping capacity of 4,000 gallons per minute (gpm). The well has exceeded its life expectancy and its efficiency has considerably decreased over time. Currently, its pumping capacity is only 25% of its original pumping capacity. The project entails replacement of the existing Corydon Well with a new well to ensure that the District can continue to extract its safe yield from the Elsinore Groundwater Basin.

Reservoir Demolition Program - \$500,000 (FY2022)

The District acquired multiple reservoirs through the acquisition of Elsinore Water District (EWD) in 2011. Upon acquisition of EWD, some reservoirs were abandoned, and the customers were consolidated into the District's existing water system. The District has developed a list of reservoirs to be included as a part of the Reservoir Demolition Program. The list includes Trtan Tanks, Howell Tanks, Brewer Tank, Beck Reservoir, Leach Canyon Tank, and Junkle Tank. The project will include demolishing the existing reservoirs and all associated facilities.

Previous approved budgets include \$200,000 in FY2013, \$150,000 in FY2014, and \$182,855 in FY2020. This will increase the budget to \$1,032,855 in total.

A-2 Lift Station Area Odor Control - \$500,000 (FY2022)

The District has received odor complaints from neighboring residents to the A-2 Lift Station. An assessment was performed in 2020 to identify alternatives to address the odor issues. The recommended solution is to construct a new transition manhole and influent gravity sewer which will effectively mitigate the turbulent flow entering the existing manhole from the A-4 force main.

Previous approved budgets include \$100,000 in FY2020. This will increase the budget to \$600,000 in total.

Ranspot Ave & Peeler Ave Main Replacement - \$500,000 (FY2022)

Ranspot Avenue and Peeler Avenue are located within the County of Riverside in the Lakeland Village Community. The existing pipeline on Ranspot Avenue is a 1.5-inch steel water main and is approximately 680 LF. The existing pipeline on Peeler Avenue is a 1.5-inch steel water main and is approximately 600 LF. The steel water mains are experiencing corrosion issues and need replacement. This project will upsize the existing piping, consolidating pressure zones, and providing fire flow capacity to the area.

Previous approved budgets include \$400,000 in FY2021. This will increase the budget to \$900,000 in total.

Chemical Feed Rehab at Back Basin GWTP - \$500,000 (FY2022)

A 2019 inspection of the Back Basin Groundwater Treatment Plant (BBGWTP) identified that the chemical piping and ferric chloride vent piping need improvements. The chemical pipes are not double walled with secondary containment pipe and are located overhead rather than in a trench. Additionally, vent pipes from the ferric chloride tanks join into

one (1) vent pipe that penetrates the aluminum roof of the BBGWTP. Due to off-gassing of the ferric chloride, the roof has been corroded by the ferric salt fumes. The project will include re-routing the overhead chemical piping into a pipe trench in the floor and along the walls only. The project will also include the re-routing of the existing ferric chloride vent and chemical air scrubbers.

Chlorine Contact Basin Covering-Permanent Cover RRCWRF - \$500,000 (FY2022)

The Railroad Canyon Water Reclamation Facility (RRCWRF) is a scalping plant that treats wastewater flows from the Canyon Lake and Canyon Hills areas. The RRCWRF was built in 1982 and upgraded in 1991 and 2004. Wastewater flows that cannot be treated at the plant along with all waste activated sludge (WAS) generated at the plant are conveyed to the Regional Water Reclamation Facility for treatment.

Sunlight, specifically ultraviolet (UV) radiation, degrades chlorine residuals in uncovered chlorine contact basins. A permanent cover is proposed to prevent degradation and to protect the Chlorine Contact Basin from UV. This project involves the installation of a permanent retractable cover for the Chlorine Contact Basin to replace the existing temporary cover.

Water Master Plan - \$500,000 (FY2022)

The Water Master Plan entails an update to the Water System Facilities Master Plan for the purpose of developing alternatives available to the District for the future orderly expansion of the water system infrastructure. The Plan will provide recommendations and potential solutions for consideration by the District.

Wastewater Master Plan - \$500,000 (FY2022)

The Wastewater Master Plan entails an update to the Sewer System Facilities Master Plan for the purpose of developing the alternatives available to the District for the future orderly expansion of the sewer system infrastructure. The Plan will provide recommendations and potential solutions for consideration by the District.

Railroad Canyon WRF Filter Replacement - \$500,000 (FY2023)

The Railroad Canyon Water Reclamation Facility (RRCWRF) is a scalping plant that treats wastewater flows from the Canyon Lake and Canyon Hills areas. The RRCWRF was built in 1982 and upgraded in 1991 and 2004. Flows that cannot be treated at the plant along with all waste activated sludge (WAS) generated at the plant are conveyed to the Regional Water Reclamation Facility for treatment.

The existing filter system is a sand filtration system. Due to continuous backwashing, the compressors must run nonstop, resulting in high energy costs. This project will evaluate various filters to determine the most appropriate system needed to increase efficiency.

Washington Avenue LS Connect-RCWD - \$500,000 (FY2023)

The District is part owner in the Santa Rosa Regional Resources Authority (SRRRA). As a result, the District desires to maximize sewer flows treated at SRRRA. The project will allow the District to convey approximately 125,000 gallons per day of wastewater and abandon the Washington Avenue Lift Station. The improvements include construction of a new 18-inch gravity sewer pipeline to bypass the Washington Avenue Lift Station and divert the wastewater flows directly to the SRWRF.

An amount of \$265,981 was previously budgeted in FY 2019 and \$420,000 in FY2020 for this project. This will increase the budget to \$1,185,981 in total.

Condition Assessment of MCCs (LS, PS, Wells) - \$500,000 (FY2023)

This project includes a condition assessment of the Motor Control Centers and Pump Control Panels covering the District's lift stations, wellhead facilities, pump stations, and treatment plants. Some facilities have obsolete components making it difficult to find replacement parts. The condition assessment will provide an equipment schedule, priority list for replacement, and availability of replacement parts or complete replacement units.

An amount of \$500,000 was previously budgeted in FY2020 and \$500,000 in FY2021 for this project. This will increase the budget to \$1,500,000 in total.

Replace the Rotary Drum Screen Drain Line at RRCWRF - \$450,000 (FY2022)

The Railroad Canyon Water Reclamation Facility (RRCWRF) is a wastewater treatment facility that treats and

provides recycled water to Canyon Lake and Canyon Hills areas. The RRCWRF was built in 1982 and upgraded in 1991 and 2004. Flows that cannot be treated at the plant along with all waste activated sludge (WAS) generated at the plant are conveyed to the Regional Water Reclamation Facility for treatment.

The project entails the replacement of the existing 4-inch drain line that connects the roto screen, to prevent clogging. The project also includes the installation of system wide drainage improvements, consisting of a series of drainage ditches and underground storm drain piping.

An amount of \$50,000 was previously budgeted in FY2020 for this project. This will increase the budget to \$500,000 in total.

Bundy Canyon East Bladder Type Hydro Tank - \$450,000 (FY2022)

The Project entails the installation of a bladder surge tank at the Bundy Canyon East Pump Station. The purpose of the surge tank is to help maintain water pressure throughout the system, reduce the operation time and frequency of the pumps, and adhere to the maximum pump start and stop requirements.

Canyon Lake Sewer Rehabilitation - \$400,000 (FY2022) & \$400,000 (FY2023)

The Canyon Lake Sewer System was constructed in the 1960's and 1970's due to land topography. The alignment of the sewer system makes reconstruction efforts very difficult. As such, the District is proposing to conduct repairs via trenchless technology such as cured-in-place pipe (CIPP). This alternative will limit customer impacts, repair broken lines, and extend the useful life of the sewer system. The District is planning to line approximately 3,000 LF of sewer each fiscal year.

Repair Sewer Manholes - \$50,000 (FY2022) & \$450,000 (FY2023)

The District currently has over 10,000 manholes throughout the district. Many of the manholes are not lined and have structural damage to the concrete, due to hydrogen sulfide gasses. District staff routinely evaluate the condition of existing sewer manholes for corrosion and structural integrity. This project will rehabilitate existing manholes that have been identified to be in critical condition and that have the potential to fail or collapse.

Emerging Constituents Evaluation at Wells - \$250,000 (FY2022) & \$250,000 (FY2023)

The Emerging Constituents Evaluation at Wells project entails a study to evaluate the impacts of emerging constituents on the District's groundwater supply.

Lake Elsinore Restoration Project - \$165,000 (FY2022) & \$165,000 (FY2023)

This project is a feasibility study that will be conducted under the authority of the Continuing Authority Program (CAP) Section 206 of the Water Resources Development Act of 1986. The objective of this CAP is to study, design, and construct aquatic ecosystem and riparian habitat restoration projects. The purpose of the Lake Elsinore CAP Section 206 study is to construct projects that will restore degraded aquatic ecosystem structure, function, and dynamic processes of Lake Elsinore to a less degraded, more natural condition. This involves consideration of the ecosystem's natural integrity, productivity, stability, and biological diversity. The project team consists of the US Army Corps of Engineers (USACE), EVMWD, Riverside County Flood Control and Water Conservation District, and the City of Lake Elsinore as the non-Federal sponsors of this project.

RWRF Train A Belt Press Rehabilitation - \$300,000 (FY2022)

The Train A Belt Press at the Regional Water Reclamation Facility needs rehabilitation due to its age and condition.

Arsenic Leaching Study – IPR - \$300,000 (FY2023)

This project entails the investigation of arsenic in the Elsinore Basin, as a part of the feasibility studies needed to evaluate risks associated with implementation of an Indirect Potable Reuse project.

Palomar Well & Wellhead Facilities - \$250,000 (FY2022)

This project entails replacing the existing Palomar Well. The project is being designed to include wellhead treatment to ensure compliance with state and federal water quality requirements. The project will improve water supply reliability and benefit EVMWD customers.

An amount of \$961,800 was previously budgeted for this project in FY2015, \$1,000,000 in FY2016, \$2,038,656 in FY2020, \$509,664 in FY2021, and \$596,350 was transferred into the project from funding set aside for the near-term

water supply projects. This will increase the budget to \$5,356,470 in total.

RWRF Train B Filter Media Replacement - \$250,000 (FY2022)

The Train B filter has been in operation for over 20 years. The filter media needs to be replaced, underdrains assessed, and repairs conducted.

An amount of \$500,000 was previously budgeted for this project in FY2020. This will increase the budget to \$750,000 in total.

Richard Street Water Main Extension - \$250,000 (FY2023)

Several customers along Richard Street have water services that cross neighboring private properties. This project entails installing approximately 600 feet of water main along Richard Street and new water services to eliminate services crossing lots and increase fire flow availability.

Pump Station Condition Assessment - \$215,000 (FY2022)

The District has 54 existing pump stations that boost water from lower pressure zones to high pressure zones to provide adequate pressure and fire flow to the District's customers. This project will perform a condition assessment for six pump stations that have been determined as requiring a detailed investigation and physical condition assessment. The condition assessment will prioritize the repairs required at each pump station and be utilized for a future CIP.

Engineering District Standards Update - \$200,000 (FY2022)

Municipalities utilize design standards, technical specifications, and standard drawings (Standards) to standardize design and construction methods and materials and ease long-term operations and maintenance. The Standards are guidelines that are utilized by design engineers for private land development and District capital improvement projects. It is imperative that the District's Standards evolve with changes in industry best practices and regulations. The District's Volume II Standards and Specifications, related to horizontal assets such as reservoirs, lift stations, and pump stations, were last updated in 2008 and require a holistic update.

An amount of \$250,000 was previously budgeted for this project in FY2020. This will increase the budget to \$450,000 in total.

Back Basin GWTP Electrical Work - \$200,000 (FY2022)

The Back Basin Groundwater Treatment Plant (BBGWTP) is currently on temporary power and is fed by an existing transformer located on the northernmost side of the site, near Malaga Road. Southern California Edison (SCE) is requiring the District to convert the facility to permanent power and install a permanent meter.

Replace/Add Import Meters at TVP & AVP with AMI Capable Meters - \$200,000 (FY2022)

The District completed a System Optimization Review (SOR) Plan that evaluated and prioritized opportunities to better assess and reduce water loss in the potable system. The SOR Plan recommends all source meters be integrated with the District's Advanced Monitoring Infrastructure (AMI) system. The project will include replacing the existing import meter at the Auld Valley Pipeline (AVP) import connection with an AMI capable meter and installation of a new AMI capable meter downstream of the Temescal Valley Pipeline (TVP) import connection. These changes will allow more consistent information to be obtained and provide real time data for accounting and auditing purposes.

WRF Backwash Basin - \$200,000 (FY2022)

The existing backwash basin pond liner at the Horsethief Canyon Water Reclamation Facility is the original liner installed, as part of the construction of the facility in 1988. Pond liners keep waste backwash water from seeping into the ground and entering the groundwater table. The useful life of a typical pond liner is 30 years. This liner has been repaired multiple times throughout the years and is now in need of a complete replacement.

Recycled Water Master Plan - \$200,000 (FY2022)

This project entails an update to the Recycled Water System Facilities Master Plan for the purpose of developing alternatives available to the District for the future orderly expansion of the recycled water system infrastructure. The plan will provide recommendations and potential solutions for consideration by the District.

Canyon Hills Distribution Upgrades - \$200,000 (FY2022)

This project entails modifications and upgrades to the recycled water distribution system pipeline in the Canyon Hills area, for compliance with Title 22 and cross-connections requirements.

1467 Zone Improvements Phase 6 - \$200,000 (FY2023)

Pressure Zone 1467 has historically observed low water pressures and deficient fire flow, primarily due to small diameter piping throughout the area. Improvement Phases 1-5 have been completed to date. Phase 6 improvements will be based on an updated hydraulic analysis to evaluate current fire flows within the zone and identify any outstanding deficiencies and additional improvements.

Purchase of Regional Properties - \$100,000 (FY2022) & \$100,000 (FY2023)

Periodically, the District purchases property surrounding the Regional Water Reclamation Facility. This practice was initiated to remediate nuisance claims that oftentimes arise when residential uses are in close proximity to a wastewater treatment plant. As part of the on-going program, the District will consider purchasing additional lots as they become available.

Sewer System Management Plan - \$175,000 (FY2023)

A Sewer System Management Plan (SSMP) must be prepared and submitted every five years to comply with the State Water Resources Control Board (SWRCB) Order. The purpose of the SSMP is to provide a plan and schedule to properly manage, operate, and maintain all parts of the District's sanitary sewer system. This helps reduce and prevent sanitary sewer overflows (SSO's) to the extent possible, as well as mitigate any SSOs that do occur. The last SSMP was submitted in December 2018. The next SSMP is due December 2023. This project entails updating the previous SSMP, addressing all applicable requirements, as per the new SWRCB Order, and the submission of the updated SSMP by or before the December 2023 deadline.

San Jacinto Watershed Sanitary Survey (SJWSS) and Surface Water Source Assessment and Protection Plan - \$160,000 (FY2022)

To comply with the Surface Water Treatment Rule (SWTR) (Title 22, Section 64665, Watershed Sanitary Surveys), EVMWD needs to conduct a watershed sanitary survey (WSS) for the San Jacinto River Watershed in Riverside County. The watershed is tributary to Canyon Lake, which serves as a drinking water source for EVMWD's potable water distribution system. The last WSS report was prepared in December 2017 and submitted to the Division of Drinking Water (DDW) of the State Water Resources Control Board in early 2018. This project entails preparation of the WSS update by December 2022, followed by submission to the DDW.

RRCWRF Trace Study/Title 22 Report/Update Operations Plan - \$125,000 (FY2022)

The Railroad Canyon Water Reclamation Facility (RRCWRF) is a wastewater treatment facility that treats and provides recycled water to Canyon Lake and Canyon Hills areas. The RRCWRF was built in 1982 and upgraded in 1991 and 2004. Flows that cannot be treated at the plant along with all waste activated sludge (WAS) generated at the plant are conveyed to the Regional Water Reclamation Facility for treatment.

The project requires an update of the RRCWRF operations plan to include the recent upgrades and SCADA improvement project. This will also include a tracer study that is needed to update the NPDES permit.

Maximum Benefit Implementation Commitments - \$105,000 (FY2022)

This project is required to comply with the established commitments of the Maximum Benefit program approved by the Regional Water Quality Control Board (RWQCB). The Maximum Benefit program allows an increase of Water Quality Objectives in the Elsinore Valley Subbasin for both TDS and Nitrates. This will provide more flexibility to EVMWD to use its recycled water, by delaying or potentially eliminating the building of expensive desalters facilities. Also, it will ensure that EVMWD implements management action to maintain/enhance the groundwater quality of the aquifer.

Cathodic Protection Design Calculations & Field Testing of Reservoirs - \$100,000 (FY2022)

A Reservoir Internal Cathodic Protection Assessment was conducted on the District's above grade steel reservoir cathodic protection (CP) systems in 2020. Forty-seven out of the sixty-six reservoirs were assessed and were found to be receiving adequate levels of cathodic protection. A retrofit of the nineteen (19) remaining reservoirs might be required to re-establish protective levels. This project will provide additional testing for the remaining reservoirs that are not currently receiving adequate levels of internal cathodic protection and provide designs that will reestablish

these reservoirs to protective levels.

Potable Water Lead and Copper Corrosion Control Compliance Plan - \$80,000 (FY2023)

The project entails the development of a comprehensive plan to ensure compliance with proposed Lead and Copper Rule Revisions (LCRR).

Woodcrest and Parkview Water Systems Improvements - \$75,000 (FY2022)

A condo development located at Woodcrest and Parkview currently has 2-inch water services that do not have valve wells and lids for quick isolation access in the event of a leak. District standards require isolation valves should a leak occur at the meter to perform repairs. This project will include the installation of the required isolation valves at this condo development. This work will be performed by the District's Operations Department.

Recycled Water Rules and Regulations Update - \$60,000 (FY2022)

The project entails an update to the District's Recycled Water Rules and Regulations (RW R&R) for distribution and use of recycled water in the District's service areas. Standards and practices associated with ensuring proper use of recycled water have evolved since EVMWD's RW R&R were adopted in 2005.

Software Upgrades-LIMS - \$60,000 (FY2022)

The District's Water Quality Lab uses Laboratory Information Management System (LIMS) software to manage the water quality data results. The LIMS software requires upgrades or replacement with a newer LIMS software to address current and future needs, with the goal of improving lab efficiencies associated with workflow processes, data management, compliance with upcoming state regulatory requirements, and integration with other internal and external software programs.

An amount of \$250,000 was previously budgeted for this project in FY2020. This will increase the budget to \$310,000 in total.

Total Dissolved Solids (TDS) Control – Max Benefit Analysis - \$50,000 (FY2022)

The purpose of this project is to increase the water quality objectives for the Elsinore Valley Groundwater Basin, allowing greater flexibility in water management, and maximum use of recycled water, while providing the long-term water quality benefit to the basin through the Indirect Potable Use program.

An amount of \$500,000 was previously budgeted for this project. This will increase the budget to \$550,000 in total.

Potable Water Revised Total Coliform Rule Compliance Plan Update - \$50,000 (FY2022)

The project entails updates to EVMWD's Drinking Water Total Coliform Rule monitoring plan for compliance with TCR Regulation Revisions, adopted by USEPA, and the planned implementation by DDW in 2021-2022.

Potable Water Wells Ground Water Source Assessment Plan Update - \$50,000 (FY2023)

The project entails the development and updates to source assessment and protection plans and programs for compliance with Drinking Water Regulations and DDW Well Permits.

**CAPITAL IMPROVEMENT PROGRAM
APPROVED FY2022 & FY2023 BUDGET**

No.	Project Title	Item	CIP Amount	Fund No.	Source of Funding
<u>FY2022</u>					
1	Regional Water Reclamation Facility Expansion-Construction		\$ 60,000,000	SRF	State Revolving Fund Loan
2	Horsethief WRF DB Rehab & Expansion		5,000,000	333	Regional Sewer Replacement
3	Mayhew Well New		3,600,000	319	Temescal Water Replacement
4	Railroad Canyon WRF DCS Conversion		2,500,000	333	Regional Sewer Replacement
5	Stage Ranch Road Pipeline		1,300,000	318	Elsinore Water Replacement
6	RCWRF Condition Assessment Primary Oxidation Ditch Blowers		1,100,000	333	Regional Sewer Replacement
7	Single Check Backflow Devices FY2021-22		990,000	318	Elsinore Water Replacement
8	Comprehensive Asset Management Plan		750,000	530	General Purpose Property Tax Fund
9	Lakeshore Booster Pump Replacement/Intertie with Eastern(Goetz Rd)		750,000	318	Elsinore Water Replacement
10	A-3 Lift Station and Force Main Replacement		750,000	333	Regional Sewer Replacement
11	Mills Capacity Line (12 CFS)		600,000	513	Transmission Facilities Capacity
12	Reservoir Demolition Program		500,000	318	Elsinore Water Replacement
13	A2 LS Area Odor Control		500,000	333	Regional Sewer Replacement
14	Ranspot Ave & Peeler Ave Main Replacement		500,000	318	Elsinore Water Replacement
15	SBBA Projects		500,000	520	Supply Facilities Capacity
16	Skymeadows Suction Pipeline Replacement		500,000	318	Elsinore Water Replacement
17	Chemical Feed Rehab at Back Basin GWTP		500,000	318	Elsinore Water Replacement
18	Well Rehabilitation Program FY2021-22		500,000	318	Elsinore Water Replacement
19	Chlorine Contact Basin Covering-Permanent Cover RCWRF		500,000	333	Regional Sewer Replacement
20	Lake Aeration Condition Assessment of Aeration Equipment & Controls		500,000	530	General Purpose Property Tax Fund
21	Water Master Plan		500,000	318	Elsinore Water Replacement
22	Wastewater Master Plan		500,000	333	Regional Sewer Replacement
23	Replace Roto Screen Drain Line and V Ditch-RCWRF		450,000	333	Regional Sewer Replacement
24	Bundy Canyon East Bladder Type Hydro Tank		450,000	318	Elsinore Water Replacement
25	Canyon Lake Sewer Rehabilitation		400,000	333	Regional Sewer Replacement
26	RWRF Train A Belt Press Rehabilitation		300,000	333	Regional Sewer Replacement
27	Palomar Well		250,000	250	Lake Elsinore Redevelopment Area I
28	Train B Filter Media Replacement		250,000	333	Regional Sewer Replacement
29	Emerging Constituents Evaluation at Wells		250,000	318	Elsinore Water Replacement
30	Pump Station Condition Assessment		215,000	318	Elsinore Water Replacement
31	Engineering District Standards Update		200,000	530	General Purpose Property Tax Fund
32	Back Basin GWTP Electrical Work		200,000	318	Elsinore Water Replacement
33	Replace/Add Import Meters at TVP & AVP w/ AMI Capable Meters		200,000	318	Elsinore Water Replacement
34	Horsethief Canyon WRF Backwash Basin		200,000	333	Regional Sewer Replacement

**CAPITAL IMPROVEMENT PROGRAM
APPROVED FY2022 & FY2023 BUDGET**

Item No.	Project Title	CIP Amount	Fund No.	Source of Funding
<u>FY2022 (continued)</u>				
35	RWRF Train B Aerators-Relocate Gearboxes Ditch 5A and 5B	200,000	333	Regional Sewer Replacement
36	Recycled Water Master Plan	200,000	330	Recycled Water Replacement
37	Canyon Hills Distribution Upgrades	200,000	330	Recycled Water Replacement
38	Lake Elsinore Restoration Project	165,000	530	General Purpose Property Tax Fund
39	San Jacinto Watershed Sanitary Survey (SJWSS) and Surface Water Source Assessment and Protection Plan	160,000	318	Elsinore Water Replacement
40	Upsize Blending Line at Diamond	150,000	318	Elsinore Water Replacement
41	RCWRF Tracer Study/Title 22 Report/Update Operations Plan	125,000	333	Regional Sewer Replacement
42	Maximum Benefit Implementation Commitments	105,000	318	Elsinore Water Replacement
43	Purchase of Regional Properties FY2021-22	100,000	550	Regional Plant Capacity
44	Cathodic Protection Design Calculations & Field Testing of Reservoirs	100,000	318	Elsinore Water Replacement
45	Woodcrest and Parkview Water System Improvements	75,000	318	Elsinore Water Replacement
46	Recycled Water Rules and Regulations Update	60,000	330	Recycled Water Replacement
47	TDS Control - Max Benefit Analysis	50,000	318	Elsinore Water Replacement
48	Repair Sewer Manholes FY2021-22	50,000	333	Regional Sewer Replacement
49	Potable Water Revised Total Coliform Rule Compliance Plan Update	50,000	318	Elsinore Water Replacement
50	Pats Point Booster Upgrades	35,000	319	Temescal Water Replacement
51	Software Upgrade-LIMS	30,000	318	Elsinore Water Replacement
		30,000	333	Regional Sewer Replacement
FY2022 TOTAL		<u>\$ 88,090,000</u>		
<u>FY2023</u>				
52	Regional Water Reclamation Facility Expansion-Construction	60,000,000	SRF	State Revolving Fund Loan
53	A-3 Lift Station and Force Main Replacement	2,750,000	333	Regional Sewer Replacement
54	Downtown Sewer Replacement	2,000,000	250	Lake Elsinore Redevelopment Area I
55	Ortega Reservoir Rehabilitation	2,000,000	318	Elsinore Water Replacement
56	Lakeshore Booster Pump Replacement/Intertie with EMWD(Goetz Rd)	2,000,000	318	Elsinore Water Replacement
57	Single Check Backflow Devices FY2022-23	1,590,000	318	Elsinore Water Replacement
58	Daley A PS Rehabilitation	1,500,000	318	Elsinore Water Replacement
59	Administration Building Upgrades (Seismic/Structural Phase)	1,500,000	530	General Purpose Property Tax Fund
60	Nichols Road Lift Station Upgrade	117,984	333	Regional Sewer Replacement
		1,345,016	560	Regional Sewer Capital Fund
61	Rice Canyon Reservoir Rehabilitation	1,450,000	318	Elsinore Water Replacement
62	Skymeadows Suction Pipeline Replacement	1,000,000	318	Elsinore Water Replacement
63	Comprehensive Asset Management Program	750,000	530	General Purpose Property Tax Fund
64	Pats Point Booster Upgrades	750,000	319	Temescal Water Replacement

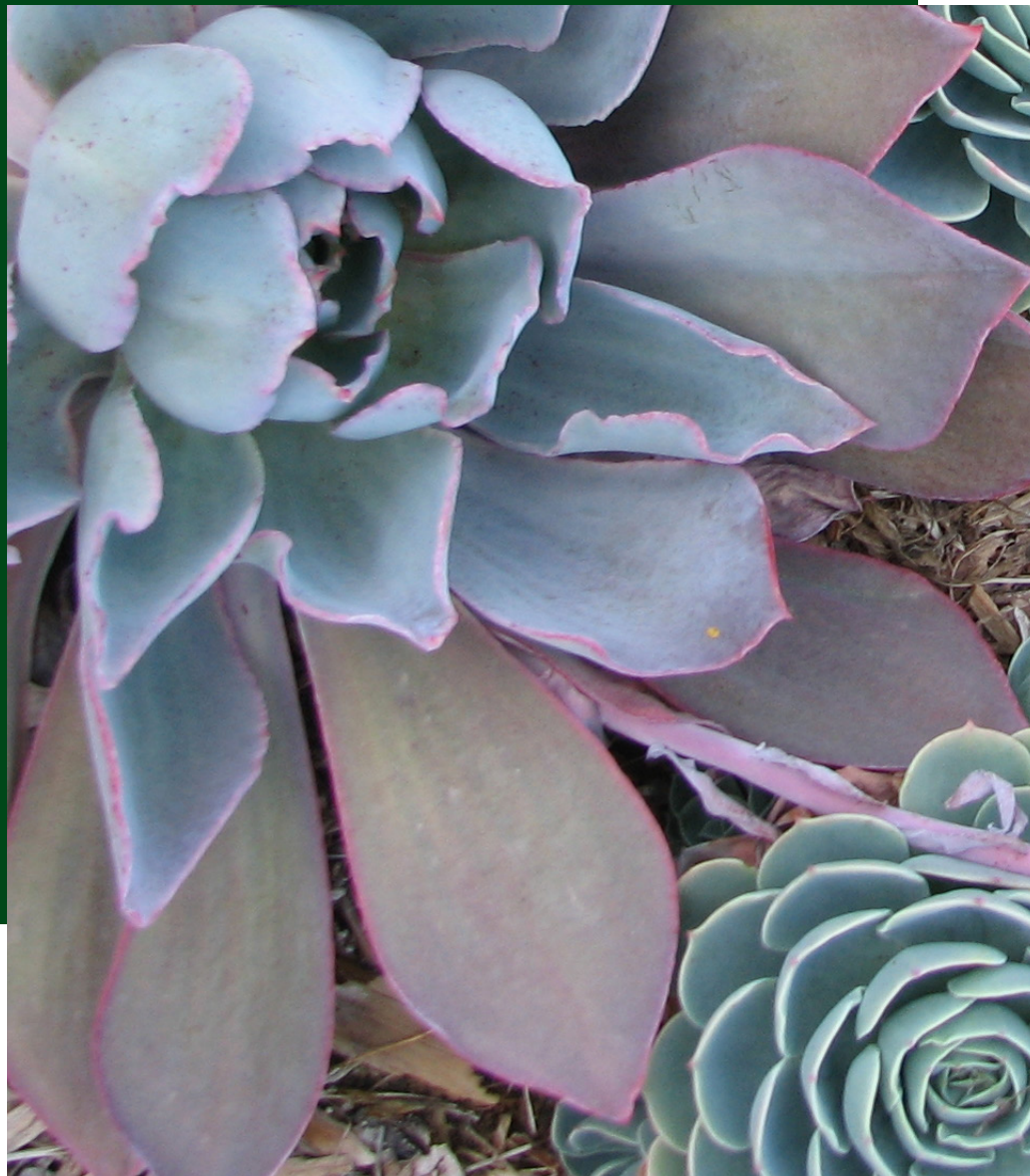
**CAPITAL IMPROVEMENT PROGRAM
APPROVED FY2022 & FY2023 BUDGET**

Item No.	Project Title	CIP Amount	Fund No.	Source of Funding
<u>FY2023 (continued)</u>				
65	Mills Capacity (12 CFS)	700,000	513	Transmission Facilities Capacity
66	Corydon Well Replacement	600,000	318	Elsinore Water Replacement
67	SBBA Projects	500,000	520	Supply Facilities Capacity
68	Well Rehabilitation Program FY2022-23	500,000	318	Elsinore Water Replacement
69	Upsize Blending Line at Diamond	500,000	318	Elsinore Water Replacement
70	Lake Aeration Condition Assessment of Aeration Equipment & Controls	500,000	530	General Purpose Property Tax Fund
71	RWRF Train B Aerators-Relocate Gearboxes Ditch 5A and 5B	500,000	333	Regional Sewer Replacement
72	Railroad Canyon WRF Filter Replacement	500,000	333	Regional Sewer Replacement
73	Washington Ave LS Connect-RCWD	345,000	333	Regional Sewer Replacement
		155,000	560	Regional Sewer Capital Fund
74	Condition Assessment of MCCs (LS,PS,Wells)	250,000	318	Elsinore Water Replacement
		250,000	333	Regional Sewer Replacement
75	Repair Sewer Manholes FY2022-23	450,000	333	Regional Sewer Replacement
76	Canyon Lake Sewer Rehabilitation	400,000	333	Regional Sewer Replacement
77	Arsenic Leaching Study - IPR	300,000	318	Elsinore Water Replacement
78	Richard Street Water Main Extension	250,000	513	Transmission Facilities Capacity
79	Emerging Constituents Evaluation at Wells	250,000	520	Supply Facilities Capacity
80	1467 Zone Improvements Phase 6	200,000	318	Elsinore Water Replacement
81	Sewer System Management Plan (SSMP)	175,000	333	Regional Sewer Replacement
82	Lake Elsinore Restoration Project	165,000	530	General Purpose Property Tax Fund
83	Purchase of Regional Properties FY2022-23	100,000	550	Regional Plant Capacity
84	Potable Water Lead and Copper Corrosion Control Compliance Plan	80,000	318	Elsinore Water Replacement
85	Potable Water Wells Ground Water Source Assessment Plan Update	50,000	318	Elsinore Water Replacement
FY2023 TOTAL		<u>\$ 86,473,000</u>		

CAPITAL IMPROVEMENT PROJECTS



Budget Statements



FUND STRUCTURE

The District accounts for its water, recycled water, wastewater, and Engineering operations activities in operational funds. These activities closely resemble those of private business enterprises where services are provided on a continuous basis and are substantially financed by revenues derived from user charges.

The District's activities not directly tied to water, recycled water, and wastewater operations are accounted for in one of the following types of funds or programs. Programs are accounted for within the funds they are closely related to.

General Fund: This is the general operating fund for the District, which accounts for all resources not required to be accounted for in other funds. The total general fund costs are then allocated to the operating funds, proportionate to the labor costs in each of the operating funds.

Special Revenue Funds: The District utilizes these funds to account for the proceeds of specific revenue sources that are legally restricted or earmarked for a specific purpose.

Internal Service Program: This program type is used to account for the financing of goods and services by one fund to other funds of the District on a cost allocation basis. The District's Vehicles and Equipment, Computers, Facilities and Capital Outlays programs are all accounted for as Internal Service programs. These program costs are allocated to the operating funds and vary based on the program. For Vehicles & Equipment and Computers, costs are allocated based on estimated use/location of equipment. Facilities allocation is based on estimated square foot usage.

Capital Projects Program: These funds are used by the District to account for financial resources used in the acquisition and improvement of major capital facilities.

Debt Service Program: The District utilizes these funds to account for the accumulation of resources for and payments of all general long term debt principal and interest.

Rate Stabilization Program: The District utilizes these funds to allow for incremental increases to annual water and sewer rates, so as to offset large increases due to extraordinary circumstances.

Beginning on page 85 is a listing of all the District's funds and programs. This listing indicates whether the fund is a business fund type (BUS) or a governmental fund type (GOV). It also indicates the specific fund type per the following table and includes the fund and program number, title, purpose and source of revenues.

A cash flow diagram which illustrates the sources and uses of funding for the District's fund categories is included on page 133.

A number of District departments perform functions supporting both water and wastewater operations. The chart on page 90 shows the relationship between the District's divisions, departments, sections, and the funds/programs that are charged for their activities.

FUND STRUCTURE

<u>Fund/Program</u>	<u>Description</u>
<u>Type</u>	
W	Water Operating
RW	Recycled Water Operating
WW	Wastewater Operating
RS	Rate Stabilization
G	General
IS	Internal Service
SR-WR	Special Revenue – Water Replacement
SR-RWR	Special Revenue – Recycled Water Replacement
SR-WWR	Special Revenue – Wastewater Replacement
SR-TX	Special Revenue – Assessments and Taxes
SR-WC	Special Revenue – Water Capacity
SR-WWC	Special Revenue – Wastewater Capacity
SR-RWC	Special Revenue – Recycled Water Capacity
CP	Capital Projects – Construction
DS-COP	Debt Service – Certificates of Participation
DS-WRB	Debt Service – Water Revenue Bonds
DS-LN	Debt Service – Loan
DS ADV	Debt Service – Advance from U.S. Government
DS-CFD	Debt Service – Community Facilities District

LIST OF FUNDS/PROGRAMS

<u>Fund/ Program</u>	<u>No.*</u>	<u>Title</u>	<u>Purpose</u>	<u>Source of Revenues</u>
W	20	Elsinore Water	To account for revenues and expenditures for operating the Elsinore Water system, which includes the Canyon Lake Water Treatment Plant.	Allocated costs to all enterprise and internal service funds
W	25	Temescal Potable Water	To account for revenues and expenditures relating to operating the Temescal potable water system.	Water sales, service charges, and other user fees and charges
WW	30	Wastewater	To account for revenues and expenditures for operating the Regional, Canyon Lake, Horsethief and Southern Wastewater systems, including the Regional, Railroad Canyon and Horsethief Wastewater Treatment Plants.	Wastewater service charges and standby fees for the Regional, Canyon Lake, Horsethief and Southern service areas
RW	35	Recycled Water	To account for revenues and expenditures relating to providing recycled water.	Recycled water sales
IS	40	Lake Maintenance	To segregate District expenses attributed to the ongoing maintenance of Lake Elsinore	Revenue collected from city and county; Transfer from the General Purpose Property Tax fund
RS	20/320	Rate Stabilization	As detailed in the District's Master Resolution, the District deposits amounts from current water, recycled water, and wastewater revenues to a balance not exceeding \$3,000,000. These funds are used to pay for unusual and unexpected operating costs.	Transfers from water, recycled water, and wastewater operating funds
G	15/110	General	To accumulate general, administrative (including portions of facilities and computer allocations), fringe benefit expenses, and general and administrative departmental capital outlays for allocation to proper divisions, projects and funds; and to account for fixed assets, cash, liabilities and inter-fund payables and receivables.	Portion of allocation of District-wide interest income
IS	15/116	Vehicles & Equipment	To account for charges relating to the maintenance and operation of the District's fleet of vehicles and various equipment.	Allocated charges to other funds for the use of vehicles and equipment
IS	15/117	Engineering	To accumulate revenues and track engineering and inspection expenditures related to developer and District-sponsored projects and engineering services provided to operations and the public.	Various sources including capital revenue fund transfers, developer deposits, engineering service fees, transfers from operations for services provided to operations and from general purpose property tax fund for services provided to the public which cannot otherwise be identified with capital projects
IS	15/121	Information Technology	To account for charges relating to the maintenance and operation of the District's computer equipment.	Allocated charges to other funds for the use of computer equipment
IS	15/122	Facilities	To account for charges relating to the maintenance and operation of the District's headquarters.	Allocated charges to other funds for the use of the District's headquarters

LIST OF FUNDS/PROGRAMS

Fund/ Program	Type	No.*	Title	Purpose	Source of Revenues
IS		15/310	Capital Outlays	To account for capital outlays by departments and funds.	Transfers from other funds that received a benefit from the purchase of capital outlays
SR-WR		20/318	Elsinore Water	To fund replacement project expenditures required for replacements in the Elsinore Water Division service area.	Transfers from the Elsinore Water Division Operating Fund 20 and General Purpose Property Tax Prog 530
SR-WR		25/319	Temescal Water	To fund replacement project expenditures required for replacements in the Temescal Water Division's service areas.	Transfers from the Temescal Water Division Operating Fund 25
SR-RWR		35/330	Recycled Water	To fund replacement project expenditures required for replacements in the Recycled Water system	Transfers from the Recycled Water Division Operating Fund 35
SR-WWR		30/333	Wastewater	To fund replacement project expenditures required for replacements in the Regional Wastewater service area.	Transfers from the Wastewater Operating Fund 30
SR-TX		50/250	Redevelopment Area I	To account for tax increment revenues received and subsequent capital project expenditures in Redevelopment Agency Project Area I.	Annual tax increments received from Riverside County, which were collected in Lake Elsinore RDA Area I
SR-TX		50/254	Redevelopment EWD	To account for EWD's tax increment revenues received and subsequent capital project expenditures in Redevelopment Agency Project Areas.	Annual tax increments.
SR-TX		50/530	General Purpose Property Taxes	To account for the 1% general purpose property taxes received from Riverside County used for debt service payments, replacements and other maintenance and operations costs.	Designated apportionment of Riverside County 1% general purpose property taxes
SR-TX		50/531	General Purpose Property Taxes EWD	To account for the 1% general purpose property taxes received from Riverside County used for capital projects.	Designated apportionment of Riverside County 1% general purpose property taxes
SR-TX		50/570	Water Standby Charges	To account for the District Wide Water Standby Charge on unimproved property used for capital expansion of the Elsinore water system and subsequent allocations to the Elsinore Water Division operating fund 20.	Water Standby charges based on a per acre basis, which are placed on the Riverside County annual tax rolls
SR-TX		50/571	EWD Water Standby Charges	To account for the EWD Standby Charge on both improved and unimproved property used for maintenance and improvement of former EWD service area.	EWD Standby charges based on a per acre basis, which are placed on the Riverside County annual tax rolls
SR-WC		20/510	Storage Participation	To account for the per EDU tank fee charge collected and earmarked for debt repayment or funding of reservoir construction.	Fee collected from the public for connection to District facilities
SR-WC		20/511	Temescal Valley Project Participation	To account for the per EDU TVP fee charge collected and earmarked for debt repayment or funding of construction of the Temescal Valley Project.	Fee collected from the public for connection to District facilities

LIST OF FUNDS/PROGRAMS

<u>Fund/ Program Type</u>	<u>No.*</u>	<u>Title</u>	<u>Purpose</u>	<u>Source of Revenues</u>
SR-WC	20/512	Pumping Plant Participation	To account for the per EDU pumping plant fee charge collected and earmarked for debt repayment or funding of booster pump construction.	Fee collected from the public for connection to District facilities
SR-WC	20/513	Transmission Facilities Participation	To account for the per EDU transmission facilities fee charge collected and earmarked for debt repayment or funding of expanding the District's water transmission facilities.	Fee collected from the public for connection to District facilities
SR-WC	20/520	Supply Facilities Participation	To account for the per EDU source of supply fee charge collected and earmarked for debt repayment or funding of expanding the District's source of water supply.	Fee collected from the public for connection to District facilities
SR-WWC	30/550	Regional Plant Capacity	To account for the per EDU connection fee charge collected and earmarked for debt repayment or funding of Regional treatment plant upgrades and expansion.	Fee collected from the public for connection to Regional wastewater system
SR-WWC	30/560	Wastewater Capital	To account for the per EDU connection fee charge collected and earmarked for debt repayment or funding of construction related to the wastewater system.	Fee collected from the public for connection to wastewater system
SR-RWC	35/561	Regional Recycled Water Capital	To account for the per EDU connection fee charge collected and earmarked for debt repayment or funding of construction related to water distribution systems delivering recycled water from the Regional treatment plant.	Fee collected from the public for connection to Regional wastewater system
CP	**/490	District Construction	To account for all capital improvement projects.	Transfers from various designated funds as approved with the budget
DS-LN	55/226	State Revolving Fund - Regional Expansion	To account for loan proceeds and debt service payments relating to the State Revolving Loan obtained for the purpose of expanding the Regional Wastewater Treatment Plant treatment capacity from 4.0 to 8.0 million gallons per day.	Transfers from the Regional Wastewater Division operating Fund 30 and Regional Plant Capacity Prog 550
DS-LN	55/228	State Revolving Fund Loan - AMI PH III	To account for loan proceeds and debt service payments relating to the State Revolving Loan obtained for the Advanced Metering Infrastructure Phase III Project to help mitigate water loss.	Transfer from the Water Operating Fund 20
DS-LN	55/229	State Revolving Fund Loan - Regional Upgrade (Planning)	To account for loan proceeds and debt service payments relating to the State Revolving Planning Loan obtained for the Regional Water Reclamation Facility Upgrade design.	Transfers from the Wastewater Replacement Prog 333.
DS-LN	55/230	State Revolving Fund Loan - Regional Expansion (Planning)	To account for loan proceeds and debt service payments relating to the State Revolving Planning Loan obtained for the Regional Water Reclamation Facility Expansion design.	Transfers from the Wastewater Capital Prog 550

LIST OF FUNDS/PROGRAMS

Fund/ Program Type	No.*	Title	Purpose	Source of Revenues
DS-LN	55/231	State Revolving Fund Loan - Regional SCADA	To account for loan proceeds and debt service payments relating to the State Revolving Construction Loan obtained for the Regional Water Reclamation Facility SCADA Implementation project to replace existing remote control system.	Transfers from the Wastewater Replacement Prog 333.
DS-LN	55/232	State Revolving Fund Loan - RWRf Upgrades Construction	To account for loan proceeds and debt service payments relating to the State Revolving Construction Loan obtained for the Regional Water Reclamation Facility (RWRf) Upgrades Construction Project.	Transfers from the Wastewater Operating Fund 30
DS-LN	55/233	State Revolving Fund Loan - RWRf Expansion Construction	To account for loan proceeds and debt service payments relating to the State Revolving Construction Loan obtained for the Regional Water Reclamation Facility (RWRf) Expansion Construction Project.	Transfers from the Wastewater Capital Prog 550 and Wastewater revenues
DS-LN	55/234	State Revolving Fund Loan - Diamond Regional Lift Station	To account for loan proceeds and debt service payments relating to the State Revolving Construction Loan obtained for the Diamond Regional Lift Station Construction Project.	Transfers from the Wastewater Replacement Prog 333 and Wastewater Capital Prog 560
DS-COP	55/249	2008B COP- Refinanced the 2005 COP	To account for the debt service payments on the 2008B COPs	Transfers from operating and capital funds which received funding from the proceeds of the 2008B COPs
DS-COP	55/261	2011 COP	To account for the debt service payments on the 2011 COP	Transfers from capital funds (Prog 511) and Temescal Valley Project (Prog 487)
DS-WRB	55/263	2016A Revenue Bonds	To account for the debt service payments on the 2016A Water Revenue Bonds	Transfers from operating and capital funds which received funding from the proceeds of the 2007A and 2008A COPs
DS-ADV	55/486	Lake Management Project	To account for loan proceeds and debt service payments relating to the U.S. Bureau of Reclamation Loan obtained for the purpose of funding the Lake Management Project.	Transfers from the General Purpose Property Tax Prog 530
DS-CFD	55/487	Temescal Valley Project	To account for the collection of special assessments received relating to the U.S. Bureau of Reclamation Loan obtained for the purpose of funding the Temescal Valley Pipeline.	Special assessments paid by property owners within the CFD boundary
DS-CFD	60/451	CFD 1998-2 Wildomar	Community Facilities District 1998-2 was formed to finance the construction of public water and sewer facilities required to provide service to nine parcels totaling approximately 368 acres in the Wildomar area. This fund accounts for the collection of special assessments and the payment of debt service on the CFDs.	Special assessments paid by property owners within the CFD boundary

LIST OF FUNDS/PROGRAMS

<u>Fund/ Program</u>	<u>No.*</u>	<u>Title</u>	<u>Purpose</u>	<u>Source of Revenues</u>
DS-CFD	65/453	CFD 2003-2 Greer Ranch	CFD 2003-2 was formed to finance the construction of public facilities including an off-site sewer lift station and a sewer force main for approximately 135 acres in the City of Murrieta. This fund accounts for the collection of special assessments and the payment of debt service on the CFDs.	Special assessments paid by property owners within the CFD boundary
DS-CFD	65/454	CFD 2002-1 Oakmont	CFD 2002-1 was formed to finance the construction of public sewer facilities, water and sewer connection fees and Lake Elsinore Unified School District fees for approximately 32 acres in Wildomar area. This fund accounts for the collection of special assessments and the payment of debt service on the CFDs.	Special assessments paid by property owners within the CFD boundary
DS-CFD	65/455	CFD 2003-1 Watermark	CFD 2003-1 was formed to finance the construction of public water and sewer facilities and water and sewer connection fees for approximately 65 acres in the City of Lake Elsinore. This fund accounts for the collection of special assessments and the payment of debt service on the CFDs.	Special assessments paid by property owners within the CFD boundary
DS-CFD	60/459	CFD 2016 Special Tax Refunding 2004-1 (Woodmoor)	CFD 2004-1 was formed to finance the acquisition and construction of public facilities and water and sewer connection fees for approximately 62 acres in the City of Lake Elsinore. This fund accounts for the collection of special assessments and the payment of debt service on the CFDs.	Special assessments paid by property owners within the CFD boundary
DS-CFD	60/460	CFD 2016 Special Tax Refunding 99-1 (La Gonda)	CFD 1999-1 was formed for the purpose of defeasing and refunding the outstanding 1999 bond. This bond was issued to finance the construction of public sewer facilities including a Regional sewer pumping station and main pipeline for approximately 81 acres in the City of Murrieta. This fund accounts for the collection of special assessments and the payment of debt service on the CFDs.	Special assessments paid by property owners within the CFD boundary
DS-CFD	60/461	CFD Horsetheif	CFD No. 2020-1 was established for the purpose of financing the public facilities which are necessary to meet increased demands placed upon the District as a result of the development of the property within CFD No. 2020-1 and the financing, or contributing to the financing of, certain public facilities proposed to be acquired or constructed and financed by CFD No. 2020-1.	Special assessments paid by property owners within the CFD boundary

***Notes:**

-Two digit number denotes a Fund

-Three digit number denotes a Program

-Programs are listed along with the fund they are accounted for in

-** denotes that program can be in various Funds

**RELATIONSHIP BETWEEN DIVISIONS, DEPARTMENTS, SECTIONS, AND FUNDS/
PROGRAM**

Division Department / Section	Water Operations		Wastewater Operations	Recycled Water Operations	Lake Maintenance	General & Internal Service Fund (15)				
	Elsinore 20	Temescal Potable 25	Wastewater 30	Recycled Wtr 35	Lake Maint. 40	General 110	Vehicles & Equip. 116	Engineering 117	Computers 121	Admin. Facilities 122
Administration										
General Management						X				
Governmental Relations						X				
Human Resources						X				
Business Services										
Accounting & Finance	X	X	X	X	X	X				X
Community Relations						X				
Customer Service	X	X	X	X	X	X				
Purchasing & Warehousing						X				
Information Technology/SCADA	X	X	X	X	X	X	X		X	X
Engineering										
Administration	X					X		X		
Capital Design						X		X		
Development Services	X					X		X		
Water Resources										
Water Resources Planning	X	X				X		X		
Water Systems	X	X				X		X		
Water Quality	X	X	X	X	X	X		X		
Wastewater Systems			X	X	X	X				
Strategic Planning	X	X	X	X	X	X				
Water and Wastewater Operations										
Administration	X		X	X	X	X	X			X
Facilities - Maintenance	X	X	X	X	X	X	X			X
Facilities - Mechanical Maintenance	X	X	X	X	X	X				X
Water - Field Services	X	X				X				
Water - Production	X	X	X	X	X	X				
Water - Construction	X	X				X				
Water - Preventive Maintenance	X	X				X				
Wastewater - Water Reclamation			X	X	X	X				
Facilities										
Wastewater - Collection Systems			X	X	X	X				

Note: Fringe benefit costs for all departments, divisions, and sections are charged to the General Fund.

**SUMMARY OF REVENUES AND OPERATING TRANSFERS (IN/OUT) FOR ALL FUNDS
APPROVED FY2022 AND FY2023 BUDGETS**

	Approved Budget FY2020	Approved Budget FY2021	Adopted Budget FY2022	Adopted Budget FY2023
Enterprise Funds				
Water	\$ 54,688,663	\$ 57,409,797	\$ 56,322,006	\$ 62,237,139
Wastewater	27,862,967	28,264,461	29,039,372	31,050,620
Recycled Water	1,053,203	1,107,693	1,641,982	1,747,344
Capital Projects Fund				
Construction	65,858,511	78,301,794	88,090,000	86,473,000
Capital Funds				
Water	7,815,938	7,956,393	6,199,432	6,253,304
Wastewater	4,963,987	4,993,452	3,564,818	3,574,929
Recycled Water	476,308	478,988	309,684	309,820
Replacement Funds				
Water	55,909	55,909	56,976	50,158
Wastewater	93,427	93,427	66,702	58,720
Recycled Water	281	281	8,367	7,365
Other Revenue Funds				
Rate Stabilization	35,234	35,234	33,928	29,868
Assessments And Taxes	9,675,673	9,950,345	10,200,226	10,476,075
Debt Service Fund				
Loans	835,340	953,622	1,538,323	-
Revenue Bonds	4,367,320	8,224,673	8,212,910	9,160
Certificate Of Participation	7,300,149	3,494,405	2,649,791	417,799
Advances From U.S. Government	11,110	11,110	13,678	12,041
Community Facilities District	1,480,157	1,486,285	1,490,558	1,507,170
Internal Service Funds				
General Fund	2,387,691	2,554,124	3,524,091	3,533,750
Vehicles & Equipment	1,911,944	1,917,238	12,718	11,196
Engineering	4,813,301	5,166,299	3,370,603	3,410,210
Information Technology	3,778,243	3,854,061	(178,811)	18,654
Facilities	1,022,568	999,586	1,372	1,208
Capital Outlays	509,650	43,125	-	-
Other Funds				
Lake Elsinore Maintenance	1,056,944	1,062,344	1,005,567	1,013,916
Grand Total	\$ 202,054,518	\$ 218,414,646	\$ 217,174,293	\$ 212,203,446

CONSOLIDATED STATEMENT OF SOURCES AND USES OF FUNDS

	Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Adopted Budget FY2023
Operating Revenues				
Water Revenues	\$ 50,780,728	\$ 56,923,519	\$ 55,413,273	\$ 61,415,502
Wastewater Revenues	25,723,353	27,079,700	27,288,492	29,361,968
Recycled Water Revenues	1,353,922	1,095,555	1,623,812	1,731,349
Total Operating Revenues	77,858,003	85,098,774	84,325,577	92,508,819
Operating Expenses				
Water purchases	18,427,794	19,219,929	21,654,263	22,970,536
Water Operations	16,402,787	20,531,947	20,092,182	20,537,346
Wastewater Operations	11,112,635	12,801,840	13,396,069	13,744,672
Recycled Water Operations	958,399	1,144,148	1,129,953	1,176,946
Engineering Operations	28,723	1,279,900	1,258,770	1,280,548
General And Administrative	17,498,048	16,415,457	17,275,308	17,856,752
Allocated General And Administrative	-	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-	-
Allocated Computer Expense	-	-	-	-
Allocated Facilities Expense	-	-	-	-
Total Operating Expenses	64,428,386	71,393,222	74,806,544	77,566,800
Operating Income (Loss)	13,429,617	13,705,552	9,519,033	14,942,019
Non-operating Revenues				
Property taxes:				
General Purpose	7,080,599	7,141,477	7,476,702	7,775,769
Redevelopment	3,221,072	2,400,000	2,400,000	2,400,000
Improvement / CFD	1,343,826	1,486,285	1,490,558	1,507,170
Temescal Valley Project	526,009	502,000	480,577	480,577
Standby Charges	758,323	748,547	748,759	723,503
Investment Income	8,321,187	2,766,377	2,882,811	2,537,831
Mutual Water Company	52,721	-	-	-
Lease Income	1,530,985	1,566,807	2,538,206	2,600,797
Transfer from Rate Stabilization	(9,743,439)	812,777	2,253,936	1,990,577
Transfer from Reserves	72,197,461	63,209,949	78,486,465	75,420,602
Capital Contributions:				
Capacity Fees	8,394,692	13,078,541	9,711,005	9,818,555
Capital Grant	5,364,290	-	-	-
Other Contributions	4,608,199	-	-	-
Net Transfers In/(Out)	(27,077)	-	-	-
Other Income	1,563,786	1,032,000	1,500,000	1,520,000
Total Non-Operating Revenue	105,192,631	94,744,760	109,969,019	106,775,381
Non-Operating Expenses				
Principal Repayments	9,842,922	7,921,485	8,668,645	10,488,519
Interest Expense	3,790,952	5,785,560	4,975,155	4,762,098
Capital Improvement Projects	20,121,396	78,301,794	88,090,000	86,473,000
Capital Outlays	2,362,990	1,648,322	560,960	258,398
Transfer to Rate Stabilization	(8,823,207)	1,491,217	646,022	1,319,489
Transfer to Reserves	94,048,200	11,462,442	14,963,624	16,783,432
Other Expenses	1,328,503	1,839,492	1,583,648	1,632,465
Total Non-Operating Expense	122,671,757	108,450,312	119,488,053	121,717,400
Net Income / (Loss)	\$ (4,049,509)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS**APPROVED FY2022 BUDGET**

	Elsinore Water Operating 20	Temescal Water Operating 25	Waste Water Fund 30
<u>Operating Revenues</u>			
Water Revenues	\$ 54,468,439	\$ 944,834	\$ -
Wastewater Revenues	-	-	27,288,492
Recycled Water Revenues	-	-	-
Total Operating Revenues	54,468,439	944,834	27,288,492
<u>Operating Expenses</u>			
Water Purchases	21,653,963	300	-
Water Operations	19,461,685	630,496	-
Wastewater Operations	-	-	13,396,069
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General and Other Operating Expenses	-	-	-
Allocated General And Administrative	6,782,307	204,479	4,298,896
Allocated Vehicle & Equipment Expense	998,071	-	265,113
Allocated Computer Expense	1,192,048	-	682,154
Allocated Facilities Expense	257,026	-	93,464
Total Operating Expenses	50,345,100	835,275	18,735,696
Operating Income (Loss)	4,123,339	109,559	8,552,796
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	279,287	-	332,482
Investment Income	573,851	55,595	498,398
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	38,982	2,173,827
Transfer from Reserves	1,435,909	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	(5,035,411)	(185,615)	(12,011,215)
Other Income	-	-	920,000
Total Non-operating Revenues	(2,746,364)	(91,038)	(8,086,508)
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	-
Capital Outlays	220,675	3,264	239,377
Transfer to Rate Stabilization	646,022	-	-
Transfer to Reserves	510,279	15,257	138,710
Other Expenses	-	-	88,200
Total Non-operating Expenses	1,376,975	18,521	466,287
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS
APPROVED FY2022 BUDGET

	Recycled Water 35	Rate Stabilization 320	General 15
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	1,623,812	-	-
Total Operating Revenues	1,623,812	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	1,129,953	-	-
Engineering Operations	-	-	-
General and Other Operating Expenses	-	-	11,213,224
Allocated General And Administrative	239,038	-	(13,194,345)
Allocated Vehicle & Equipment Expense	46,785	-	77,974
Allocated Computer Expense	37,897	-	1,357,418
Allocated Facilities Expense	11,683	-	619,199
Total Operating Expenses	1,465,357	-	73,471
Operating Income (Loss)	158,455	-	(73,471)
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	18,170	33,928	525,885
Mutual Water Company	-	-	-
Lease Income	-	-	2,538,206
Transfer from Rate Stabilization	41,128	-	-
Transfer from Reserves	-	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	(183,147)	-	(763,914)
Other Income	-	-	460,000
Total Non-operating Revenues	(123,849)	33,928	2,760,177
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	-
Capital Outlays	23,173	-	50,290
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	11,433	33,928	2,636,416
Other Expenses	-	-	-
Total Non-operating Expenses	34,606	33,928	2,686,706
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS

APPROVED FY2022 BUDGET

BUDGET STATEMENTS

	Engineering 117	Vehicles & Equipment 116	Lake Elsinore Maintenance 40
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	1,258,770	-	-
General and Other Operating Expenses	-	1,441,594	-
Allocated General And Administrative	1,669,624	-	-
Allocated Vehicle & Equipment Expense	155,949	(1,559,487)	-
Allocated Computer Expense	161,926	13,781	-
Allocated Facilities Expense	70,098	116,830	-
Total Operating Expenses	3,316,366	12,718	-
Operating Income (Loss)	(3,316,366)	(12,718)	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	11,434	12,718	10,519
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	-	149,979	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	3,359,169	-	963,048
Other Income	-	-	120,000
Total Non-operating Revenues	3,370,603	162,697	1,093,567
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	-
Capital Outlays	54,237	149,979	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	-	-	88,000
Other Expenses	-	-	1,005,567
Total Non-operating Expenses	54,237	149,979	1,093,567
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS
APPROVED FY2022 BUDGET

	Info. Tech. 121	Facilities 122	Cap.Outlays 310
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General and Other Operating Expenses	3,466,413	1,154,077	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	15,595	-
Allocated Computer Expense	(3,445,223)	-	-
Allocated Facilities Expense	-	(1,168,300)	-
Total Operating Expenses	21,190	1,372	-
Operating Income (Loss)	(21,190)	(1,372)	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	21,190	1,372	6,732
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	-	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	-	-	-
Other Income	-	-	-
Total Non-operating Revenues	21,190	1,372	6,732
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	-
Capital Outlays	(200,000)	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	200,000	-	6,732
Other Expenses	-	-	-
Total Non-operating Expenses	-	-	6,732
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS
APPROVED FY2022 BUDGET

BUDGET STATEMENTS

	Elsinore Water Replacement 318	Temescal Water Replacement 319	Recycled Water Replacement 330
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Administrative	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	54,427	2,549	8,367
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	-	182,451	418,633
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	264,855	(185,000)	(427,000)
Other Income	-	-	-
Total Non-operating Revenues	319,282	-	-
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	-
Capital Outlays	19,965	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	299,317	-	-
Other Expenses	-	-	-
Total Non-operating Expenses	319,282	-	-
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS

APPROVED FY2022 BUDGET

	Sewer Replacement 333	RDA I Spec Rev 250	Gen. Purpose Prop Taxes 530
Operating Revenues			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
Operating Expenses			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General and Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
Non-operating Revenues			
Property Taxes:			
General Purpose	-	-	7,476,702
Redevelopment	-	2,400,000	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	66,702	50,816	119,881
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	6,806,103	-	3,952,969
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	(6,872,805)	(1,089,605)	(11,549,552)
Other Income	-	-	-
Total Non-operating Revenues	-	1,361,211	-
Non-operating Expenses			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	-	1,361,211	-
Other Expenses	-	-	-
Total Non-operating Expenses	-	1,361,211	-
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS**APPROVED FY2022 BUDGET**

	General Purp Prop Tax - EWD Spec Rev 531	Water Standby Spec Rev 570	EWD Water Standby Spec Rev 571
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	136,990
Investment Income	2,502	13,254	69
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	-	1,154,997	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	-	(1,168,251)	-
Other Income	-	-	-
Total Non-operating Revenues	2,502	-	137,059
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	2,502	-	137,059
Other Expenses	-	-	-
Total Non-operating Expenses	2,502	-	137,059
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS

APPROVED FY2022 BUDGET

	Storage Participation Wtr Capital 510	TVP Participation Wtr Capital 511	Pumping Plant Participation Wtr Capital 512
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	135,518	7,605	112,186
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	-	-	-
Capital Contributions:			
Capacity Fees	1,069,200	1,372,950	598,500
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	(36,665)	(858,023)	(157,684)
Other Income	-	-	-
Total Non-operating Revenues	1,168,053	522,532	553,002
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	1,168,053	522,532	553,002
Other Expenses	-	-	-
Total Non-operating Expenses	1,168,053	522,532	553,002
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS**APPROVED FY2022 BUDGET**

	Transmissn Fac Participation WTR Capital 513	Supply Fac Participation WTR Capital 520	Reg Plant Capacity WWater Cptl 550
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Administrative	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	84,013	11,460	-
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	-	906,142	1,400,911
Capital Contributions:			
Capacity Fees	1,794,150	1,013,850	1,810,705
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	(875,175)	(1,931,452)	(3,211,616)
Other Income	-	-	-
Total Non-operating Revenues	1,002,988	-	-
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	1,002,988	-	-
Other Expenses	-	-	-
Total Non-operating Expenses	1,002,988	-	-
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS

APPROVED FY2022 BUDGET

	Regional Swr Capital 560	Rec. Water Capital 561	District Construction 490
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	5,763	6,384	-
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	61,626	224,167	61,586,265
Capital Contributions:			
Capacity Fees	1,748,350	303,300	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	(1,815,739)	(533,851)	26,533,735
Other Income	-	-	-
Total Non-operating Revenues	-	-	88,120,000
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	88,090,000
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	-	-	30,000
Other Expenses	-	-	-
Total Non-operating Expenses	-	-	88,120,000
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS

APPROVED FY2022 BUDGET

BUDGET STATEMENTS

	Reg.Expansion Debt 226	AMI Ph. III Debt 228	Reg. Upgrade Planning Debt 229
Operating Revenues			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
Operating Expenses			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Administrative	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
Non-operating Revenues			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	3,626	2,263	2,809
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	92,602	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	153,622	138,920	193,097
Other Income	-	-	-
Total Non-operating Revenues	249,850	141,183	195,906
Non-operating Expenses			
Principal Repayments	242,439	104,306	193,097
Interest Expense	7,411	33,728	-
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	-	3,150	2,809
Other Expenses	-	-	-
Total Non-operating Expenses	249,850	141,183	195,906
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS

APPROVED FY2022 BUDGET

	Reg.Expansion Planning Debt 230	Regional WW SCADA Debt 231	Reg.Upgrade Construction Debt 232
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	8,672	1,026	-
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	-	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	579,583	90,872	2,736,669
Other Income	-	-	-
Total Non-operating Revenues	588,255	91,898	2,736,669
<u>Non-operating Expenses</u>			
Principal Repayments	579,583	64,747	-
Interest Expense	-	25,542	287,471
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	8,672	1,609	2,449,198
Other Expenses	-	-	-
Total Non-operating Expenses	588,255	91,898	2,736,669
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS**APPROVED FY2022 BUDGET**

	Reg.Expansion Construction Debt 233	Diamond Reg. Debt 234	2008B COP Rev. Bond DEBT 249
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	-	-	329,563
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	-	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	1,652,881	348,825	2,146,698
Other Income	-	-	-
Total Non-operating Revenues	1,652,881	348,825	2,476,261
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	949,300
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	1,652,881	348,825	1,298,363
Other Expenses	-	-	228,599
Total Non-operating Expenses	1,652,881	348,825	2,476,261
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS

APPROVED FY2022 BUDGET

	2011 COP Debt 261	2016A Rev. Bond Debt 263	Lake Mgmt Project Debt 486
Operating Revenues			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
Operating Expenses			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
Non-operating Revenues			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	19,580	50,294	13,678
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	100,712	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	1,338,600	8,485,250	386,473
Other Income	-	-	-
Total Non-operating Revenues	1,458,892	8,535,544	400,151
Non-operating Expenses			
Principal Repayments	970,000	5,385,000	386,473
Interest Expense	338,600	2,820,250	-
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	-	322,634	13,678
Other Expenses	150,292	7,660	-
Total Non-operating Expenses	1,458,892	8,535,544	400,151
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS**APPROVED FY2022 BUDGET**

	Temescal Valley Debt 487	CFD 1998-2 Debt 451	CFD 2003-2 Debt 453
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	486,263	121,956
Temescal Valley Project	480,577	-	-
Standby Charges	-	-	-
Investment Income	-	-	-
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	13,000	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	(480,577)	-	-
Other Income	-	-	-
Total Non-operating Revenues	13,000	486,263	121,956
<u>Non-operating Expenses</u>			
Principal Repayments	-	225,000	57,000
Interest Expense	-	204,575	40,257
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	-	41,038	9,479
Other Expenses	13,000	15,650	15,220
Total Non-operating Expenses	13,000	486,263	121,956
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS

APPROVED FY2022 BUDGET

	CFD 2002-1 DEBT 454	CFD 2003-1 DEBT 455	CFD 2004-1 DEBT 459
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	159,888	299,966	126,804
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	-	-	-
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	-	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	-	-	-
Other Income	-	-	-
Total Non-operating Revenues	159,888	299,966	126,804
<u>Non-operating Expenses</u>			
Principal Repayments	74,000	147,000	48,000
Interest Expense	55,412	110,967	42,738
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	14,726	24,289	23,066
Other Expenses	15,750	17,710	13,000
Total Non-operating Expenses	159,888	299,966	126,804
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS**APPROVED FY2022 BUDGET**

	CFD 1999-1
	Debt
	460
	<hr/>
<u>Operating Revenues</u>	
Water Revenues	\$ -
Wastewater Revenues	-
Recycled Water Revenues	-
	<hr/>
Total Operating Revenues	-
<u>Operating Expenses</u>	
Water Purchases	-
Water Operations	-
Wastewater Operations	-
Recycled Water Operations	-
Engineering Operations	-
General And Other Operating Expenses	-
Allocated General And Administrative	-
Allocated Vehicle & Equipment Expense	-
Allocated Computer Expense	-
Allocated Facilities Expense	-
	<hr/>
Total Operating Expenses	-
Operating Income (Loss)	-
<u>Non-operating Revenues</u>	
Property Taxes:	
General Purpose	-
Redevelopment	-
Improvement / CFD	295,681
Temescal Valley Project	-
Standby Charges	-
Investment Income	-
Mutual Water Company	-
Lease Income	-
Transfer from Rate Stabilization	-
Transfer from Reserves	-
Capital Contributions:	
Capacity Fees	-
Capital Grant	-
Other Contributions	-
Net Transfers In (Out)	-
Other Income	-
	<hr/>
Total Non-operating Revenues	295,681
<u>Non-operating Expenses</u>	
Principal Repayments	192,000
Interest Expense	58,905
Capital Improvement Projects	-
Capital Outlays	-
Transfer to Rate Stabilization	-
Transfer to Reserves	31,776
Other Expenses	13,000
	<hr/>
Total Non-operating Expenses	295,681
Net Income (Loss)	<hr/> <hr/> \$ -

STATEMENT OF SOURCES AND USES OF FUNDS

APPROVED FY2023 BUDGET

	Elsinore Water Operating 20	Temescal Water Operating 25	Waste Water Fund 30
<u>Operating Revenues</u>			
Water Revenues	\$ 60,326,881	\$ 1,088,621	\$ -
Wastewater Revenues	-	-	29,361,968
Recycled Water Revenues	-	-	-
Total Operating Revenues	60,326,881	1,088,621	29,361,968
<u>Operating Expenses</u>			
Water Purchases	22,970,236	300	-
Water Operations	19,883,029	654,317	-
Wastewater Operations	-	-	13,744,672
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	7,043,818	212,406	4,473,598
Allocated Vehicle & Equipment Expense	1,007,892	-	267,721
Allocated Computer Expense	1,210,915	-	692,951
Allocated Facilities Expense	263,569	-	95,843
Total Operating Expenses	52,379,458	867,023	19,274,785
Operating Income (Loss)	7,947,423	221,598	10,087,183
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	267,515	-	319,896
Investment Income	505,180	48,942	438,756
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	1,947,162
Transfer from Reserves	-	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	(6,818,902)	(235,615)	(13,308,110)
Other Income	-	-	930,000
Total Non-operating Revenues	(6,046,207)	(186,673)	(9,672,296)
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	-
Capital Outlays	200,167	3,264	218,869
Transfer to Rate Stabilization	1,294,177	25,312	-
Transfer to Reserves	406,872	6,350	107,818
Other Expenses	-	-	88,200
Total Non-operating Expenses	1,901,216	34,925	414,887
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS**APPROVED FY2023 BUDGET**

	Recycled Water 35	Rate Stabilization 320	General 15
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	1,731,349	-	-
Total Operating Revenues	1,731,349	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	1,176,947	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	11,702,621
Allocated General And Administrative	250,131	-	(13,715,761)
Allocated Vehicle & Equipment Expense	47,245	-	78,742
Allocated Computer Expense	38,497	-	1,378,903
Allocated Facilities Expense	11,980	-	634,961
Total Operating Expenses	1,524,800	-	79,465
Operating Income (Loss)	206,549	-	(79,465)
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	15,995	29,868	462,953
Mutual Water Company	-	-	-
Lease Income	-	-	2,600,797
Transfer from Rate Stabilization	43,415	-	-
Transfer from Reserves	-	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	(230,898)	-	257,885
Other Income	-	-	470,000
Total Non-operating Revenues	(171,488)	29,868	3,791,635
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	-
Capital Outlays	23,173	-	50,290
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	11,889	29,868	3,661,880
Other Expenses	-	-	-
Total Non-operating Expenses	35,062	29,868	3,712,170
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS

APPROVED FY2023 BUDGET

	Engineering 117	Vehicles & Equipment 116	Lake Elsinore Maintenance 40
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	1,280,548	-	-
General And Other Operating Expenses	-	1,452,224	-
Allocated General And Administrative	1,735,808	-	-
Allocated Vehicle & Equipment Expense	157,483	(1,574,831)	-
Allocated Computer Expense	164,488	13,999	-
Allocated Facilities Expense	71,882	119,804	-
Total Operating Expenses	3,410,210	11,196	-
Operating Income (Loss)	(3,410,210)	(11,196)	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	10,066	11,196	9,260
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	-	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	3,454,381	-	972,656
Other Income	-	-	120,000
Total Non-operating Revenues	3,464,447	11,196	1,101,916
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	-
Capital Outlays	54,237	(125,059)	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	-	125,059	88,000
Other Expenses	-	-	1,013,916
Total Non-operating Expenses	54,237	-	1,101,916
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS**APPROVED FY2023 BUDGET**

	Info. Tech. 121	Facilities 122	Cap.Outlays 310
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	3,518,407	1,183,499	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	15,748	-
Allocated Computer Expense	(3,499,753)	-	-
Allocated Facilities Expense	-	(1,198,040)	-
Total Operating Expenses	18,654	1,208	-
Operating Income (Loss)	(18,654)	(1,208)	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	18,654	1,208	5,926
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	-	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	-	-	-
Other Income	-	-	-
Total Non-operating Revenues	18,654	1,208	5,926
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	-
Capital Outlays	(200,000)	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	200,000	-	5,926
Other Expenses	-	-	-
Total Non-operating Expenses	-	-	5,926
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS

APPROVED FY2023 BUDGET

	Elsinore Water Replacement 318	Temescal Water Replacement 319	Recycled Water Replacement 330
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	47,914	2,244	7,365
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	3,022,983	-	39,635
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	(3,056,170)	250,000	(47,000)
Other Income	-	-	-
Total Non-operating Revenues	14,727	252,244	-
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	-
Capital Outlays	14,727	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	-	252,244	-
Other Expenses	-	-	-
Total Non-operating Expenses	14,727	252,244	-
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS

APPROVED FY2023 BUDGET

BUDGET STATEMENTS

	Sewer Replacement 333	RDA I Spec Rev 250	Gen. Purpose Prop Taxes 530
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Engineering Revenue	-	-	-
General and Other Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	7,775,769
Redevelopment Improvement / CFD	-	2,400,000	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	58,720	44,735	105,535
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	-	6,195,141	494,974
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	618,226	(8,639,876)	(8,376,278)
Other Income	-	-	-
Total Non-operating Revenues	676,946	-	-
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	-
Capital Outlays	18,730	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	658,216	-	-
Other Expenses	-	0	0
Total Non-operating Expenses	676,946	0	0
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS

APPROVED FY2023 BUDGET

	General Purp Prop Tax-EWD Spec Rev 531	Water Standby Spec Rev 570	EWD Water Standby Spec Rev 571
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	136,092
Investment Income	2,203	11,668	62
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	-	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	-	-	-
Other Income	-	-	-
Total Non-operating Revenues	2,203	11,668	136,154
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	2,203	11,668	136,154
Other Expenses	-	-	-
Total Non-operating Expenses	2,203	11,668	136,154
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS**APPROVED FY2023 BUDGET**

	Storage Participation Wtr Capital 510	TVP Participation Wtr Capital 511	Pumping Plant Participation Wtr Capital 512
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	119,301	6,695	98,761
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	-	-	-
Capital Contributions:			
Capacity Fees	1,072,350	1,455,300	600,300
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	(42,644)	(870,236)	(161,226)
Other Income	-	-	-
Total Non-operating Revenues	1,149,007	591,759	537,835
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	1,149,007	591,759	537,835
Other Expenses	-	-	-
Total Non-operating Expenses	1,149,007	591,759	537,835
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS

APPROVED FY2023 BUDGET

	Transmissn Fac Participation Wtr Capital 513	Supply Fac Participation Wtr Capital 520	Reg Plant Capacity WW Capital 550
Operating Revenues			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
Operating Expenses			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
Non-operating Revenues			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	73,959	10,088	-
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	-	362,904	729,994
Capital Contributions:			
Capacity Fees	1,799,550	1,017,000	1,816,045
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	(1,235,164)	(1,389,992)	(2,546,039)
Other Income	-	-	-
Total Non-operating Revenues	638,345	-	-
Non-operating Expenses			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	638,345	-	-
Other Expenses	-	-	-
Total Non-operating Expenses	638,345	-	-
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS**APPROVED FY2023 BUDGET**

	Regional Swr Capital 560	Rec. Water Capital 561	District Construction 490
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	5,074	5,620	-
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	770,955	-	63,584,452
Capital Contributions:			
Capacity Fees	1,753,810	304,200	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	(2,529,839)	631,512	24,888,548
Other Income	-	-	-
Total Non-operating Revenues	-	941,332	88,473,000
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	-
Capital Improvement Projects	-	-	86,473,000
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	-	941,332	2,000,000
Other Expenses	-	-	-
Total Non-operating Expenses	-	941,332	88,473,000
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS
APPROVED FY2023 BUDGET

	Reg.Expansion Debt 226	AMI Ph. III Debt 228	Reg. Upgrade Planning Debt 229
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	3,192	1,992	2,473
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	93,009	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	153,622	138,920	193,097
Other Income	-	-	-
Total Non-operating Revenues	249,823	140,912	195,570
<u>Non-operating Expenses</u>			
Principal Repayments	246,837	106,079	193,097
Interest Expense	2,986	31,939	-
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	-	2,894	2,473
Other Expenses	-	-	-
Total Non-operating Expenses	249,823	140,912	195,570
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS**APPROVED FY2023 BUDGET**

	Reg. Expansion Planning Debt 230	Regional WW SCADA Debt 231	Reg.Upgrade Construction Debt 232
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	7,634	903	-
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	-	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	579,583	90,872	3,363,788
Other Income	-	-	-
Total Non-operating Revenues	587,217	91,775	3,363,788
<u>Non-operating Expenses</u>			
Principal Repayments	579,583	65,913	1,463,537
Interest Expense	-	24,366	421,894
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	7,634	1,496	1,478,357
Other Expenses	-	-	-
Total Non-operating Expenses	587,217	91,775	3,363,788
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS

APPROVED FY2023 BUDGET

	Reg.Expansion		
	Construction	Diamond Reg.	2008B COP
	Debt	Debt	DEBT
	233	234	249
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	-	-	290,125
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	-	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	1,652,881	348,824	2,146,698
Other Income	-	-	-
Total Non-operating Revenues	1,652,881	348,824	2,436,823
<u>Non-operating Expenses</u>			
Principal Repayments	-	-	-
Interest Expense	-	-	949,300
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	1,652,881	348,824	1,225,517
Other Expenses	-	-	262,007
Total Non-operating Expenses	1,652,881	348,824	2,436,823
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS**APPROVED FY2023 BUDGET**

	2011 COP Debt 261	2016A Rev. Bond Debt 263	Lake Mgmt Project Debt 486
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	-	-
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	17,237	44,275	12,041
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	100,555	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	1,343,600	8,497,000	386,473
Other Income	-	-	-
Total Non-operating Revenues	1,461,392	8,541,275	398,514
<u>Non-operating Expenses</u>			
Principal Repayments	1,000,000	5,665,000	386,473
Interest Expense	318,600	2,537,000	-
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	-	330,115	12,041
Other Expenses	142,792	9,160	-
Total Non-operating Expenses	1,461,392	8,541,275	398,514
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS

APPROVED FY2023 BUDGET

	Temescal Valley Debt 487	CFD 1998-2 Debt 451	CFD 2003-2 Debt 453
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	-	489,632	123,691
Temescal Valley Project	480,577	-	-
Standby Charges	-	-	-
Investment Income	-	-	-
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	13,000	-	-
Transfer from Reserves	-	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	(480,577)	-	-
Other Income	-	-	-
Total Non-operating Revenues	13,000	489,632	123,691
<u>Non-operating Expenses</u>			
Principal Repayments	-	240,000	56,000
Interest Expense	-	187,950	37,898
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	-	46,032	14,558
Other Expenses	13,000	15,650	15,235
Total Non-operating Expenses	13,000	489,632	123,691
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS**APPROVED FY2023 BUDGET**

	CFD 2002-1 Debt 454	CFD 2003-1 Debt 455	CFD 2004-1 Debt 459
<u>Operating Revenues</u>			
Water Revenues	\$ -	\$ -	\$ -
Wastewater Revenues	-	-	-
Recycled Water Revenues	-	-	-
Total Operating Revenues	-	-	-
<u>Operating Expenses</u>			
Water Purchases	-	-	-
Water Operations	-	-	-
Wastewater Operations	-	-	-
Recycled Water Operations	-	-	-
Engineering Operations	-	-	-
General And Other Operating Expenses	-	-	-
Allocated General And Administrative	-	-	-
Allocated Vehicle & Equipment Expense	-	-	-
Allocated Computer Expense	-	-	-
Allocated Facilities Expense	-	-	-
Total Operating Expenses	-	-	-
Operating Income (Loss)	-	-	-
<u>Non-operating Revenues</u>			
Property Taxes:			
General Purpose	-	-	-
Redevelopment	-	-	-
Improvement / CFD	160,695	302,398	128,120
Temescal Valley Project	-	-	-
Standby Charges	-	-	-
Investment Income	-	-	-
Mutual Water Company	-	-	-
Lease Income	-	-	-
Transfer from Rate Stabilization	-	-	-
Transfer from Reserves	-	-	-
Capital Contributions:			
Capacity Fees	-	-	-
Capital Grant	-	-	-
Other Contributions	-	-	-
Net Transfers In (Out)	-	-	-
Other Income	-	-	-
Total Non-operating Revenues	160,695	302,398	128,120
<u>Non-operating Expenses</u>			
Principal Repayments	77,000	155,000	51,000
Interest Expense	52,199	104,393	41,006
Capital Improvement Projects	-	-	-
Capital Outlays	-	-	-
Transfer to Rate Stabilization	-	-	-
Transfer to Reserves	15,726	25,270	23,114
Other Expenses	15,770	17,735	13,000
Total Non-operating Expenses	160,695	302,398	128,120
Net Income (Loss)	\$ -	\$ -	\$ -

STATEMENT OF SOURCES AND USES OF FUNDS

APPROVED FY2023 BUDGET

	CFD 1999-1 Debt 460	CFD 2020-1 Debt 461
<u>Operating Revenues</u>		
Water Revenues	\$ -	\$ -
Wastewater Revenues	-	-
Recycled Water Revenues	-	-
Total Operating Revenues	-	-
<u>Operating Expenses</u>		
Water Purchases	-	-
Water Operations	-	-
Wastewater Operations	-	-
Recycled Water Operations	-	-
Engineering Operations	-	-
General And Other Operating Expenses	-	-
Allocated General And Administrative	-	-
Allocated Vehicle & Equipment Expense	-	-
Allocated Computer Expense	-	-
Allocated Facilities Expense	-	-
Total Operating Expenses	-	-
Operating Income (Loss)	-	-
<u>Non-operating Revenues</u>		
Property Taxes:		
General Purpose	-	-
Redevelopment	-	-
Improvement / CFD	302,634	-
Temescal Valley Project	-	-
Standby Charges	-	-
Investment Income	-	-
Mutual Water Company	-	-
Lease Income	-	-
Transfer from Rate Stabilization	-	-
Transfer from Reserves	-	13,000
Capital Contributions:		
Capacity Fees	-	-
Capital Grant	-	-
Other Contributions	-	-
Net Transfers In (Out)	-	-
Other Income	-	-
Total Non-operating Revenues	302,634	13,000
<u>Non-operating Expenses</u>		
Principal Repayments	203,000	-
Interest Expense	52,568	-
Capital Improvement Projects	-	-
Capital Outlays	-	-
Transfer to Rate Stabilization	-	-
Transfer to Reserves	34,066	-
Other Expenses	13,000	13,000
Total Non-operating Expenses	302,634	13,000
Net Income (Loss)	\$ -	\$ -

STATEMENT OF INCOME

APPROVED FY2022 & FY2023 BUDGETS

	Total Actual FY2020	Total Actual FY2021	Adopted Budget FY2022	Adopted Budget FY2023
Operating Revenues				
Water Revenues	\$ 50,780,728	\$ 56,568,618	\$ 55,413,273	\$ 61,415,502
Wastewater Revenues	25,723,353	26,304,422	27,288,492	29,361,968
Recycled Water Revenues	1,353,922	1,547,653	1,623,812	1,731,349
Total Operating Revenues	77,858,003	84,420,693	84,325,577	92,508,819
Operating Expenses				
Water Purchases	18,427,794	22,386,982	21,654,263	22,970,536
Water Operations	24,956,465	25,359,309	29,729,543	30,479,376
Wastewater Operations	15,967,327	17,220,791	18,938,565	19,477,654
Recycled Water Operations	1,328,515	1,206,466	1,465,357	1,524,800
Engineering Operations	1,832,053	2,162,147	3,238,603	3,332,447
General and Other Operating Expenses	2,516,232	1,603,577	158,940	160,713
Depreciation/Amortization	21,530,659	21,738,999	-	-
Total Operating Expenses	86,559,045	91,678,272	75,185,271	77,945,527
Operating Income / (Loss)	(8,701,042)	(7,257,578)	9,140,306	14,563,292
Non-operating Revenue				
Property Taxes:				
General Purpose	7,080,599	7,573,575	7,476,702	7,775,769
Redevelopment	3,221,072	3,665,361	2,400,000	2,400,000
Temescal Valley Project	526,009	467,759	480,577	480,577
Standby Charges	758,323	798,439	748,759	723,503
Investment Income	8,317,596	310,066	2,881,785	2,536,928
Mutual Water Company	52,721	77,677	-	-
Lease Income	1,530,985	2,027,106	2,538,206	2,600,797
Other Income	2,190,371	2,700,015	2,050,001	2,070,000
Total Non-operating Revenue	23,677,675	17,619,998	18,576,030	18,587,574
Non-operating Expense				
Interest - Certificates Of Participation	3,152,586	2,335,081	4,133,692	3,829,266
Interest - Bonds And Loans	53,241	47,243	41,138	34,925
Other Expenses	1,293,919	2,611,067	1,493,318	1,529,075
Total Non-operating Expense	4,499,746	4,993,391	5,668,148	5,393,266
Net Income (Loss)	\$ 10,476,888	\$ 5,369,028	\$ 22,048,187	\$ 27,757,601

COMPUTATION OF DEBT COVERAGE
APPROVED FY2022 & FY2023 BUDGETS

	Total Actual FY2020	Total Actual FY2021	Adopted Budget FY2022	Adopted Budget FY2023
Revenues:				
Water Revenues	\$ 50,780,728	\$ 56,568,618	\$ 55,413,273	\$ 61,415,502
Wastewater Revenues	25,723,353	26,304,422	27,288,492	29,361,968
Recycled Water Revenues	1,353,922	1,547,653	1,623,812	1,731,349
Property Taxes - General Purpose	7,080,599	7,573,575	7,476,702	7,775,769
Property Taxes - Redevelopment	3,221,072	3,665,361	2,400,000	2,400,000
Property Taxes - Temescal Valley Project	526,009	467,759	480,577	480,577
Standby Charges	758,323	798,439	748,759	723,503
Capacity Fees				
Investment Income	8,317,596	310,066	2,881,785	2,536,928
Grants				
Lease Income	1,530,985	2,027,106	2,538,206	2,600,797
Other	2,190,371	2,700,015	2,050,001	2,070,000
Transfer from (to) Reserves	(83,018)	(4,355,606)	2,632,154	671,089
Total Gross Revenues	101,399,939	97,607,409	105,533,761	111,767,482
Maintenance And Operations Costs:				
Water Purchases	18,427,794	22,386,982	21,654,263	22,970,536
Water Operations	24,956,465	25,359,309	29,729,543	30,479,376
Wastewater Operations	15,967,327	17,220,791	18,938,565	19,477,654
Recycled Water Operations	1,328,515	1,206,466	1,465,357	1,524,800
Engineering	1,832,053	2,162,147	3,238,603	3,332,447
General & Administrative	2,516,232	1,603,577	158,940	160,713
Maintenance & Operations Obligations	386,473	386,473	386,473	386,473
Other	1,236,068	2,566,351	1,460,708	1,463,217
Total Maintenance And Operations Costs	66,650,927	72,892,097	77,032,452	79,795,217
Total Net Revenue	34,749,012	24,715,312	28,501,309	31,972,265
Obligation Expenditures:				
Principal	8,759,998	9,014,789	9,256,572	11,573,172
Interest	3,205,827	2,382,324	4,462,301	4,286,084
Total Obligation Expenditures	11,965,825	11,397,113	13,718,873	15,859,256
Coverage Requirement	1.10	1.10	1.10	1.10
Total Obligation Requirements	13,162,407	12,536,825	15,090,760	17,445,182
Net Revenues	34,749,012	24,715,312	28,501,309	31,972,265
Net Revenue After Obligation Requirements	\$ 22,783,187	\$ 13,318,198	\$ 14,782,436	\$ 16,113,009
Actual Coverage Ratio	2.90	2.17	2.08	2.02
Coverage Ratio Less Contributions, Grants, Etc.	2.90	2.17	2.08	2.02

Note: Community Facilities Districts Have Been Eliminated.

As shown on page 33, the District's debt maturities for FY2022 and FY2023, are \$12,257,436 and \$14,080,288, respectively. To reconcile total debt maturities to the Computation of Debt Coverage on the previous page, you must deduct the debt payments for the Advances from the U.S. Government as the loan is listed under Maintenance and Operations Cost and add the debt payments for the SRRRA. In addition, an adjustment is needed for the difference between accrued amounts and expense amounts as funding for debt repayment is based on accrued amounts for both fixed and variable rate debt. The reconciliation is shown below (Figure 13):

Figure 13

	FY2022	FY2023
Total Debt Maturities	\$ 12,257,435	\$ 14,080,288
Advances from U.S. Government	(386,473)	(386,473)
SRRRA Debt Maturities	<u>1,717,400</u>	<u>2,253,126</u>
	13,588,362	15,946,941
Adjustment for Accruals	<u>130,511</u>	<u>(87,684)</u>
Total Obligation Expenditure from the Computation of Debt Coverage	<u>\$ 13,718,873</u>	<u>\$ 15,859,257</u>

Additionally, to reconcile the principal expenditure amounts from the Computation of Debt Coverage to the Sub-Totaled Debt Repayment Requirements amounts on the Schedules of Debt Repayment Requirements and Sources of Funding in the following pages, you must remove the SRRRA Debt requirement, include the annually funded principal payment amounts for expenditures that are not scheduled to be repaid until the last ten years of the bond's thirty-year life and adjust for the difference between accrued amounts and expense amounts. The reconciliation is shown below (Figure 14):

Figure 14

	FY2022	FY2023
Total Principal Expenditure (Computation of Debt Coverage)	\$ 9,256,571	\$ 11,573,172
SRRRA Debt Maturities	(1,717,400)	(2,253,126)
Principal for Future Expenditure	<u>2,417,013</u>	<u>1,197,398</u>
	9,956,184	10,517,444
Adjustment for Accruals	<u>312,936</u>	<u>487,989</u>
Sub-Totaled Debt Repayment Requirements	<u>\$ 10,269,120</u>	<u>\$ 11,005,433</u>

**SCHEDULE OF DEBT REPAYMENT REQUIREMENTS
AND SOURCES OF FUNDING**

Fiscal Year 2022

	(1)							
	Loans	Certificates of Participation	Water Revenue Bonds	Sub-Total	Advances from US Government	Community Facilities Districts	Total	
Debt Repayment Requirements								
Principal ⁽²⁾	\$ 2,406,722	\$ 2,197,398	\$ 5,665,000	\$ 10,269,120	\$ 386,473	\$ 775,500	\$ 11,431,093	
Interest	354,151	1,287,900	2,820,250	4,462,301	-	512,854	4,975,155	
Reserve Requirement / Loan	3,231,289	-	-	3,231,289	-	-	3,231,289	
Total Debt Repayment Requirements	\$ 5,992,162	\$ 3,485,298	\$ 8,485,250	\$ 17,962,710	\$ 386,473	\$ 1,288,354	\$ 19,637,537	
Sources of Funding								
Property Taxes	-	18,850	61,151	80,001	386,473	-	466,474	
Wastewater Capital Fees	2,562,753	648,728	4,223,601	7,435,082	-	-	7,435,082	
Wastewater Operating Revenues	2,908,828	452,363	950,164	4,311,355	-	-	4,311,355	
Wastewater Replacement	283,968	195,885	125,528	605,381	-	-	605,381	
Water Capital Fees	-	1,321,487	1,437,512	2,758,999	-	-	2,758,999	
Water Operating Revenues	138,920	-	157,639	296,559	-	-	296,559	
Water Replacement	-	367,409	683,122	1,050,531	-	-	1,050,531	
RDA Property Taxes	-	-	839,605	839,605	-	-	839,605	
General Fund	-	-	6,928	6,928	-	-	6,928	
Use of Reserves	97,693	-	-	97,693	-	-	97,693	
Tax Assessments	-	480,576	-	480,576	-	1,288,354	1,768,930	
Total Sources of Funding	\$ 5,992,162	\$ 3,485,298	\$ 8,485,250	\$ 17,962,710	\$ 386,473	\$ 1,288,354	\$ 19,637,537	

⁽¹⁾Advances from US Government shown as Maintenance & Operation Obligations for Computation of Debt Coverage

⁽²⁾Amounts shown represents accrued principal

**SCHEDULE OF DEBT REPAYMENT REQUIREMENTS
AND SOURCES OF FUNDING**

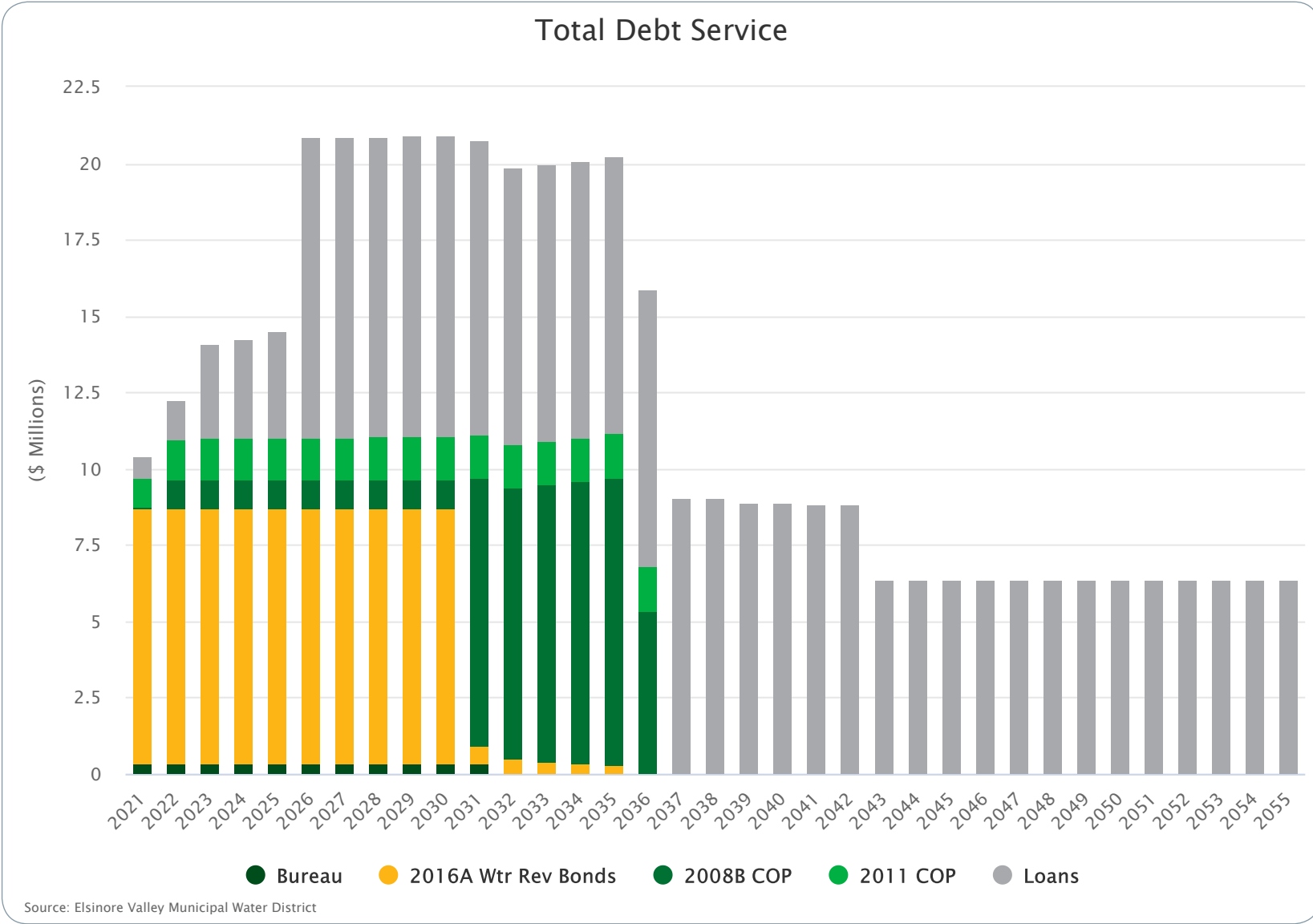
Fiscal Year 2023

(1)

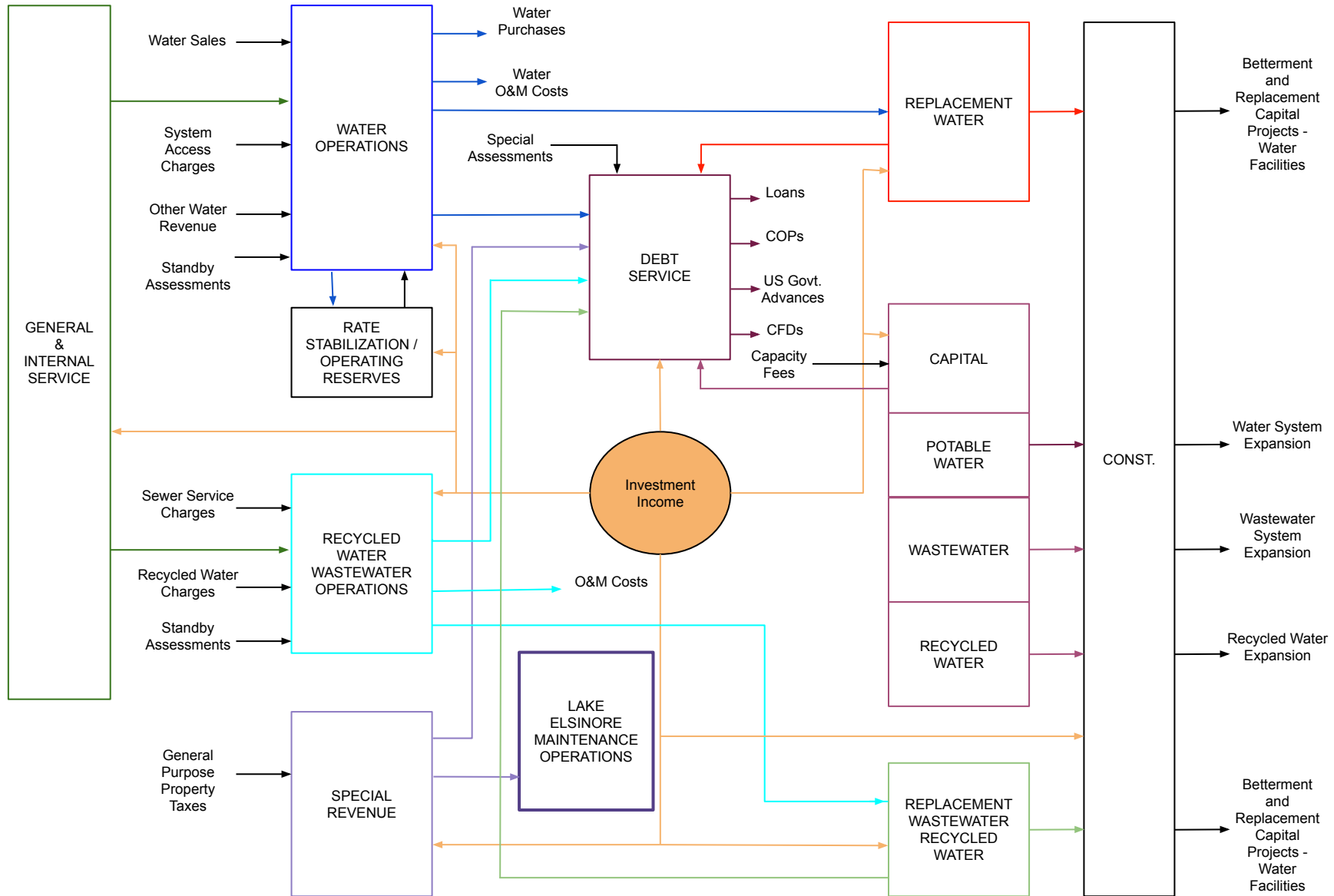
	Loans	Certificates of Participation	Water Revenue Bonds	Sub-Total	Advances from US Government	Community Facilities Districts	Total
Debt Repayment Requirements							
Principal ⁽²⁾	\$ 2,823,035	\$ 2,222,398	\$ 5,960,000	\$ 11,005,433	\$ 386,473	\$ 826,167	\$ 12,218,073
Interest	481,184	1,267,900	2,537,000	4,286,084	-	476,014	4,762,098
Reserve Requirement / Loan	3,231,289	-	-	3,231,289	-	-	3,231,289
Total Debt Repayment Requirements	\$ 6,535,508	\$ 3,490,298	\$ 8,497,000	\$ 18,522,806	\$ 386,473	\$ 1,302,181	\$ 20,211,460
Sources of Funding							
Property Taxes	-	18,850	61,244	80,094	386,473	-	466,567
Wastewater Capital Fees	2,561,481	648,728	4,215,413	7,425,622	-	-	7,425,622
Wastewater Operating Revenues	3,537,217	452,363	966,772	4,956,352	-	-	4,956,352
Wastewater Replacement	283,968	195,885	125,705	605,558	-	-	605,558
Water Capital Fees	-	1,326,487	1,439,026	2,765,513	-	-	2,765,513
Water Operating Revenues	138,920	-	157,879	296,799	-	-	296,799
Water Replacement	-	367,409	684,147	1,051,556	-	-	1,051,556
RDA Property Taxes	-	-	839,876	839,876	-	-	839,876
General Fund	-	-	6,938	6,938	-	-	6,938
Use of Reserves	13,922	-	-	13,922	-	-	13,922
Tax Assessments	-	480,576	-	480,576	-	1,302,181	1,782,757
Total Sources of Funding	\$ 6,535,508	\$ 3,490,298	\$ 8,497,000	\$ 18,522,806	\$ 386,473	\$ 1,302,181	\$ 20,211,460

⁽¹⁾Advances from US Government shown as Maintenance & Operation Obligations for Computation of Debt Coverage

⁽²⁾Amounts shown represents accrued principal



FUNDING AND CASH FLOW DIAGRAM



Significant Changes in Fund Balances

Rather than being accounted for as a single integral entity, the District utilizes a governmental accounting structure where its activities are accounted for in a collection of smaller separate accounting entities known as “funds”. A fund will also contain self-balancing “programs” which are utilized to account for distinct activities such as debt and capital. Each fund includes a self-balancing set of accounts established to record the financial position and results that pertain to a specific activity. The Fund balance, which is defined as the difference between the assets and liabilities for a particular fund at any given point in time, represents the resources available to meet expenditure requirements and are shown in detail by fund for both budgeted fiscal years on pages 135 through 138. There are no major funds within any of the fund types; each fund is as significant as any other within the same fund type.

The District’s total fund balance is estimated to be \$255,946,632 at the beginning of FY2022. Of this amount, a net revenue of \$31,472,724 are funds that have been committed prior to FY2022 and are therefore considered to be outside of this budget process. This is primarily made up of anticipated loans and developer contributions. Net available balance at the beginning of FY2022 is \$224,473,908, while the projected balance at the end of the fiscal year is \$222,288,598. The projected ending balance at FY2023 is \$222,447,412, a slight increase as compared to the previous year.

The change in projected ending balance for the water, recycled water, and wastewater operating funds in the aggregate is a decrease of 8.9% in FY2022, and 2.2% in FY2023. The District’s goal is to ensure that the rates implemented result in the required rate stabilization balance level of between 15% - 30% of the total annual operating expenditures for the fund.

The General & Internal Service Funds ending balances are projected to increase by approximately 10.8% and 18.3% in FY2022 and FY2023, respectively.

In total, the projected ending balance for the water, recycled water, and wastewater replacement funds reflect a decrease of 31.8% in FY 2022 and 14.1% in FY2023. The decreases here are primarily driven by the large amount of CIP projects in the wastewater division that will be funded from these sources during this two year budget cycle. The projects that are planned are in relation to the Regional Water Reclamation Facility upgrades and the Diamond Regional Lift Station. These projects are needed to improve system reliability and provide system redundancy features. The District’s Reserve policy has a target balance that the replacement fund balances are to be maintained between 5% - 20% of the value of the capital assets. Currently, the replacement fund balance is 3.5% of the value of the water, recycled water, and wastewater capital assets.

The water capacity funds are projected to increase by 10.0% and 9.9% in FY2022 and FY2023, respectively. These increases were partially driven by increases to the District’s water capacity fee, which incorporates several near term water supply projects. Projected wastewater capacity funds on the other hand decreased by 71.7% in FY2022 and 84.0% for FY2023. This is a result of funding the Regional Treatment Plant expansion and Diamond Regional Lift Station projects. The projected shortfalls within the capacity funds will be addressed with the anticipated rate study that will be conducted within this budget cycle.

Collectively, the Debt Service Funds ending balance is projected to increase 13.9% in FY2022 and 10.1% for FY2023. The majority of this increase is caused by increased debt repayment reserves, particularly for the 2008B Certificates of Participation, where the repayment period is concentrated at the end of the life of the debt and principal repayment amounts are built up over the life of the debt. Since the adoption of the budget, the 2008 and 2011 COPs have been refunded into fixed rate revenue bonds. We do not anticipate that this will materially change the projected debt service fund balance.

The District feels confident that all fund balance changes are anticipated, accountable, planned, and are in line with expected near-future renewals. Any fund with actual negative ending balances will be supplemented with interfund loans.

SCHEDULE OF CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Fund/ Prgm No.	Fund Description	Estimated Balance June 30, 2021	Estimated Sources of Funds	Net Estimated Expenditures	Prior Commitments	Capital Expenditures	Capital Repayment	Net Fund Transfers In (Out)	Projected Balance June 30, 2022
<u>Operating Funds</u>									
20	Elsinore Water	\$ 17,688,804	\$ 55,321,577	\$ 50,345,100	\$ 510,279	\$ 220,675	\$ -	\$ (5,035,411)	\$ 16,898,916
25	Temescal Water - Potable	730,738	1,000,429	835,275	15,257	3,264	-	(185,615)	691,756
30	Regional Wastewater	14,462,629	29,039,372	18,823,896	138,710	239,377	-	(12,011,215)	12,288,802
35	Recycled Water	1,253,623	1,641,982	1,267,855	11,433	220,675	-	(183,147)	1,212,495
	Total Operating Funds	34,135,794	87,003,360	71,272,127	675,678	683,991	-	(17,415,388)	31,091,970
320	<u>Rate Stabilization Fund</u>	3,000,000	33,928	-	-	-	-	-	3,033,928
<u>General & Internal Service Funds</u>									
110	General	13,233,504	3,524,091	73,471	-	50,290	-	(763,914)	15,869,920
116	Vehicles & Equipment	1,002,640	12,718	12,718	189,328	149,979	-	-	663,333
117	Engineering	1,961,600	11,434	3,316,366	420,589	54,237	-	3,359,169	1,541,011
40	Lake Elsinore Maintenance	932,100	130,519	1,005,567	-	-	-	963,048	1,020,100
121	Information Technology	2,196,668	21,190	21,189	-	(200,000)	-	-	2,396,669
122	Facilities	133,880	1,372	1,372	-	-	-	-	133,880
310	Capital Outlays	718,703	6,732	-	-	-	-	-	725,435
	Total General & Internal Service Funds	20,179,095	3,708,056	4,430,683	609,917	54,506	-	3,558,303	22,350,348
<u>Replacement Funds</u>									
318	Elsinore Water	8,959,828	54,427	-	-	19,965	-	264,855	9,259,145
319	Temescal Water	420,687	2,549	-	-	-	-	(185,000)	238,236
330	Recycled Water	828,189	8,367	-	-	-	-	(427,000)	409,556
333	Regional Wastewater	12,129,426	66,702	-	-	-	-	(6,872,805)	5,323,323
	Total Replacement Funds	22,338,130	132,045	-	-	19,965	-	(7,219,950)	15,230,260
<u>Special Revenue Funds</u>									
250	Redevelopment Area I	7,735,833	2,450,816	-	-	-	-	(1,089,605)	9,097,044
254	Redevelopment Area - EWD	1,078	12	-	-	-	-	-	1,090
530	Gen. Purpose Prop. Taxes	7,521,721	7,596,583	-	-	-	-	(11,549,552)	3,568,752
531	Gen. Purpose Prop. Taxes - EWD	221,516	2,502	-	-	-	-	-	224,018
570	Water Standby	1,169,815	13,254	-	-	-	-	(1,168,251)	14,818
571	Water Standby - EWD	150,824	137,059	-	-	-	-	-	287,883
	Total Special Revenue Funds	16,800,787	10,200,226	-	-	-	-	(13,807,408)	13,193,605
<u>Water Capacity Funds</u>									
510	Storage Participation	12,470,833	1,204,718	-	-	-	-	(36,665)	13,638,886
511	TVP Participation	1,189,264	1,380,555	-	-	-	-	(858,023)	1,711,796
512	Pumping Plant Participation	5,590,064	710,686	-	-	-	-	(157,684)	6,143,066
	Transmission Facilities Participation								
513	Participation	3,584,928	1,878,163	-	-	-	-	(875,175)	4,587,916
520	Supply Facilities Participation	538,994	1,025,310	-	-	-	-	(1,931,452)	(367,148)
	Total Water Capital Funds	23,374,083	6,199,432	-	-	-	-	(3,858,999)	25,714,516

SCHEDULE OF CHANGES IN FUND BALANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Fund/ Prgm No.	Fund Description	Estimated Balance June 30, 2021	Estimated Sources Of Funds	Net Estimated Expenditures	Prior Commitments	Capital Expenditures	Capital Repayment	Net Fund Transfers In (Out)	Projected Balance June 30, 2022
<u>Wastewater Capacity Funds</u>									
550	Regional Plant Capacity	1,092,159	1,810,705	-	-	-	-	(3,211,616)	(308,752)
560	Regional Sewer Treatment	757,353	1,754,113	-	-	-	-	(1,815,739)	695,727
561	Recycled Water Capacity Funds	503,135	309,684	-	-	-	-	(533,851)	278,968
	Total Wastewater Capital Funds	2,352,647	3,874,502	-	-	-	-	(5,561,206)	665,943
490	<u>District Construction Fund</u>	90,323,559	-	-	(32,758,319)	88,090,000	-	26,533,735	61,525,613
<u>Debt Service Funds</u>									
<u>Loans</u>									
226	State Revolving Loan - Regional Expansion	195,303	3,626	-	-	-	249,850	153,622	102,701
228	AMI Phase III	269,708	2,263	-	-	-	138,033	138,920	272,858
229	Regional Upgrade - Planning	367,485	2,809	-	-	-	193,097	193,097	370,294
230	Regional Expansion - Planning	846,131	8,672	-	-	-	579,583	579,583	854,803
231	Regional SCADA	90,872	1,026	-	-	-	90,289	90,872	92,481
232	Regional Upgrade - Construction	-	-	-	-	-	287,471	2,736,669	2,449,198
233	Regional Expansion - Construction	-	-	-	-	-	-	1,652,881	1,652,881
234	Diamond Regional Lift Station	-	-	-	-	-	-	348,825	348,825
	Total Loans	1,769,499	18,396	-	-	-	1,538,323	5,894,468	6,144,041
<u>Revenue Bonds</u>									
263	2016A Revenue Bond	7,142,726	50,294	7,660	-	-	8,205,250	8,485,250	7,465,360
<u>Certificates Of Participation</u>									
249	2008B COP	29,216,535	329,563	228,599	-	-	949,300	2,146,698	30,514,897
261	2011 COP	1,942,295	19,580	150,292	-	-	1,308,600	1,338,600	1,841,583
487	Temescal Valley Project	24,854	480,577	13,000	-	-	-	(480,577)	11,854
	Total Certificates of Participation	31,183,684	829,720	391,891	-	-	2,257,900	3,004,721	32,368,334
<u>Advances From US Government</u>									
486	Lake Management Project	1,017,670	13,678	-	-	-	386,473	386,473	1,031,348
<u>Community Facilities Districts</u>									
451	CFD 1998-2 Wildomar	757,428	486,263	15,650	-	-	429,575	-	798,466
453	CFD 2003-2 - Greer Ranch	204,418	121,956	15,220	-	-	97,257	-	213,897
454	CFD 2002-1 - Oakmont II	323,490	159,888	15,750	-	-	129,412	-	338,216
455	CFD 2003-1 - Watermark	524,608	299,966	17,710	-	-	257,967	-	548,897
459	CFD 2006-1 - La Gonda	127,666	126,804	13,000	-	-	90,738	-	150,732
460	CFD 2004-1 - Woodmoor	391,348	295,681	13,000	-	-	250,905	-	423,124
	Total Community Facilities District	2,328,958	1,490,558	90,330	-	-	1,255,854	-	2,473,332
	Total Debt Service Funds	43,442,537	2,402,646	489,881	-	-	13,643,800	17,770,912	49,482,415
	Total All Funds	\$ 255,946,632	\$ 113,554,195	\$ 76,192,691	\$ (31,472,724)	\$ 88,848,462	\$ 13,643,800	\$ -	\$ 222,288,598

SCHEDULE OF CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Fund/ Prgm No.	Fund Description	Estimated Balance June 30, 2022	Estimated Sources of Funds	Net Estimated Expenditures	Prior Commitments	Capital Expenditures	Capital Repayment	Net Fund Transfers In (Out)	Projected Balance June 30, 2023
<u>Operating Funds</u>									
20	Elsinore Water	\$ 16,898,916	\$ 61,099,576	\$ 52,379,458	\$ 406,872	\$ 200,167	\$ -	\$ (6,818,902)	\$ 18,193,094
25	Temescal Water - Potable	691,756	1,137,563	867,023	6,350	3,264	-	(235,615)	717,067
30	Regional Wastewater	12,288,802	31,050,620	19,362,985	107,818	218,869	-	(13,308,110)	10,341,640
35	Recycled Water	1,212,495	1,747,344	1,347,806	11,889	200,167	-	(230,898)	1,169,079
	Total Operating Funds	31,091,970	95,035,103	73,957,273	532,928	622,467	-	(20,593,525)	30,420,880
320	<u>Rate Stabilization Fund</u>	3,033,928	29,868	-	-	-	-	-	3,063,796
<u>General & Internal Service Funds</u>									
110	General	15,869,920	3,533,750	79,465	-	50,290	-	257,885	19,531,800
116	Vehicles & Equipment	663,333	11,196	11,196	-	(125,059)	-	-	788,392
117	Engineering	1,541,011	10,066	3,410,210	-	54,237	-	3,454,381	1,541,011
40	Lake Elsinore Maintenance	1,020,100	129,260	1,013,916	-	-	-	972,656	1,108,100
121	Information Technology	2,396,669	18,654	18,654	-	(200,000)	-	-	2,596,669
122	Facilities	133,880	1,208	1,208	-	-	-	-	133,880
310	Capital Outlays	725,435	5,926	-	-	-	-	-	731,361
	Total General & Internal Service Funds	22,350,348	3,710,060	4,534,649	-	(220,532)	-	4,684,922	26,431,213
<u>Replacement Funds</u>									
318	Elsinore Water	9,259,145	47,914	-	-	14,727	-	(3,056,170)	6,236,163
319	Temescal Water	238,236	2,244	-	-	-	-	250,000	490,480
330	Recycled Water	409,556	7,365	-	-	-	-	(47,000)	369,921
333	Regional Wastewater	5,323,323	58,720	-	-	18,730	-	618,226	5,981,539
	Total Replacement Funds	15,230,260	116,243	-	-	33,457	-	(2,234,943)	13,078,103
<u>Special Revenue Funds</u>									
250	Redevelopment Area I	9,097,044	2,444,735	-	-	-	-	(8,639,876)	2,901,903
254	Redevelopment Area - EWD	1,090	11	-	-	-	-	-	1,101
530	General Purpose Property Taxes	3,568,752	7,881,304	-	-	-	-	(8,376,278)	3,073,778
	General Purpose Property Taxes - EWD	224,018	2,203	-	-	-	-	-	226,221
570	Water Standby	14,818	11,668	-	-	-	-	-	26,486
571	Water Standby - EWD	287,883	136,154	-	-	-	-	-	424,037
	Total Special Revenue Funds	13,193,605	10,476,075	-	-	-	-	(17,016,154)	6,653,526
<u>Water Capacity Funds</u>									
510	Storage Participation	13,638,886	1,191,651	-	-	-	-	(42,644)	14,787,892
511	TVP Participation	1,711,796	1,461,995	-	-	-	-	(870,236)	2,303,555
512	Pumping Plant Participation	6,143,066	699,061	-	-	-	-	(161,226)	6,680,900
513	Transmission Facilities Participation	4,587,916	1,873,509	-	-	-	-	(1,235,164)	5,226,262
520	Supply Facilities Participation	(367,148)	1,027,088	-	-	-	-	(1,389,992)	(730,052)
	Total Water Capital Funds	25,714,516	6,253,304	-	-	-	-	(3,699,263)	28,268,557

SCHEDULE OF CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Fund/ Prgm No.	Fund Description	Estimated Balance June 30, 2022	Estimated Sources Of Funds	Net Estimated Expenditures	Prior Commitments	Capital Expenditures	Capital Repayment	Net Fund Transfers In (Out)	Projected Balance June 30, 2023
<u>Wastewater Capacity Funds</u>									
550	Regional Plant Capacity	(308,752)	1,816,045	-	-	-	-	(2,546,039)	(1,038,746)
560	Regional Sewer Treatment	695,727	1,758,884	-	-	-	-	(2,529,839)	(75,228)
561	Recycled Water Capacity Funds	278,968	309,820	-	-	-	-	631,512	1,220,300
	Total Wastewater Capital Funds	665,943	3,884,749	-	-	-	-	(4,444,366)	106,326
490	<u>District Construction Fund</u>	61,525,613	-	-	(60,000,000)	86,473,000	-	24,888,548	59,941,162
<u>Debt Service Funds</u>									
<u>Loans</u>									
	State Revolving Loan - Regional Expansion	102,701	3,192	-	-	-	249,823	153,622	9,692
228	AMI Phase III	272,858	1,992	-	-	-	138,018	138,920	275,751
229	Regional Upgrade - Planning	370,294	2,473	-	-	-	193,097	193,097	372,767
230	Regional Expansion - Planning	854,803	7,634	-	-	-	579,583	579,583	862,437
231	Regional SCADA	92,481	903	-	-	-	90,278	90,872	93,977
232	Regional Upgrade - Construction	2,449,198	-	-	-	-	1,885,431	3,363,788	3,927,555
233	Regional Expansion - Construction	1,652,881	-	-	-	-	-	1,652,881	3,305,762
234	Diamond Regional Lift Station	348,825	-	-	-	-	-	348824	697,649
	Total Loans	6,144,041	16,194	-	-	-	3,136,231	6,521,586	9,545,590
<u>Revenue Bonds</u>									
263	2016A Revenue Bond	7,465,360	44,275	9,160	-	-	8,202,000	8,497,000	7,795,475
<u>Certificates Of Participation</u>									
249	2008B COP	30,514,897	290,125	262,007	-	-	949,300	2,146,698	31,740,414
261	2011 COP	1,841,583	17,237	142,792	-	-	1,318,600	1,343,600	1,741,028
487	Temescal Valley Project	11,854	480,577	13,000	-	-	-	(480,577)	(1,146)
	Total Certificates of Participation	32,368,334	787,939	417,799	-	-	2,267,900	3,009,721	33,480,296
<u>Advances From US Government</u>									
486	Lake Management Project	1,031,348	12,041	-	-	-	386,473	386,473	1,043,389
<u>Community Facilities Districts</u>									
451	CFD 1998-2 Wildomar	798,466	489,632	15,650	-	-	427,950	-	844,498
453	CFD 2003-2 - Greer Ranch	213,897	123,691	15,235	-	-	93,898	-	228,455
454	CFD 2002-1 - Oakmont II	338,216	160,695	15,770	-	-	129,199	-	353,942
455	CFD 2003-1 - Watermark	548,897	302,398	17,735	-	-	259,393	-	574,167
459	CFD 2006-1 - La Gonda	150,732	128,120	13,000	-	-	92,006	-	173,846
460	CFD 2004-1 - Woodmoor	423,124	302,634	13,000	-	-	255,568	-	457,190
461	CFD 2020-1 - Horsetheif	-	-	13,000	-	-	-	-	(13,000)
	Total Community Facilities District	2,473,332	1,507,170	103,390	-	-	1,258,014	-	2,619,098
	Total Debt Service Funds	49,482,415	2,367,619	530,349	-	-	15,250,617	18,414,781	54,483,848
	Total All Funds	\$ 222,288,598	\$ 121,873,021	\$ 79,022,271	\$ (59,467,072)	\$ 86,908,392	\$ 15,250,617	\$ -	\$ 222,447,412

Water Operations



Elsinore



Temescal

WATER OPERATIONS

Elsinore Water Division Distribution System

The Elsinore Water Division’s distribution system includes 54 water booster or pumping plants and 69 reservoirs ranging in size from 20,000 gallons to 8 million gallons, totaling 90 million gallons of tank storage capacity. In total, this Division has approximately 728 miles of pipeline ranging in size from 4 to 42 inches in diameter and maintains 11 active potable water production wells.

Customers

The Elsinore Water Division provides service to customers throughout Lake Elsinore, Horsethief Canyon, Canyon Lake, Wildomar, and the Murrieta/California Oaks Development. Single family and multi-family residential services represent 95% of this division’s customer base.

The table below (Figure 15) provides the breakdown of customers by user category and percentage of total services for the prior, actual and budgeted fiscal years. The proposed budget assumes a growth in water services of 1% (450 customers) for both fiscal years.

Figure 15

Water Division					
Meters by User Category					
User Category	Actual FY2020	Actual FY2021	Estimated FY2022	Estimated FY2023	% of Total Services
Domestic	42,954	43,508	43,940	44,372	95.1%
Commercial	1,074	1,089	1,101	1,113	2.4%
Landscape Irrigation	987	989	991	993	2.1%
Hydrants	89	94	98	102	0.2%
Institutional	79	79	79	79	0.2%
Wholesale	3	3	3	3	0.0%
Total	45,186	45,762	46,212	46,662	

Water Sources & Production

The Elsinore Water Division receives its water supply from three sources: local groundwater, surface water, and imported water purchased from Metropolitan Water District (MWD) through the Western Municipal Water District (WMWD). All three water sources are blended within the distribution system and delivered throughout the Division’s service area.

For the past 10 years, approximately 24% of the Division’s water supply (excluding recycled water) has come from local groundwater. This source relies heavily upon rainfall and other means of recharge. In order to better manage the groundwater basin to ensure future supplies, the District adopted a Groundwater Management Plan and established an operating safe yield of not to exceed 5,500 acre-feet (AF) of groundwater production per year, which is approximately 23% of the Division’s annual water supply.

The Canyon Lake Water Treatment Plant treats surface water that flows into Canyon Lake, which includes rain and runoff. The treatment plant has the capacity to treat 9 million gallons per day. For the last 10 years, this source of water has provided approximately 6% of the Division’s water supply. As previously discussed, the plant will be offline for the next several years for planned upgrades needed in order to meet current treatment requirements for PFAS constituents.

In August 2013, the District also started pumping water out of the Coldwater Basin for use by the Elsinore Water Division. Although this water is being transferred from the Temescal Water Division, this water has been classified as local groundwater.

The remaining source of supply comes from purchases of MWD water. MWD receives its water supply from two main sources: the Colorado River via the Colorado River Aqueduct, and from Northern California, as a result of the State Water Project via the Edmund G. Brown California Aqueduct.

The District imports potable water for domestic purposes through two separate connections: the Auld Valley Pipeline and Temescal Valley Pipeline (TVP). The District owns capacity rights in the Auld Valley Pipeline to deliver 37.5 cubic feet per second (“cfs”) to the District’s service area from MWD’s Lake Skinner Reservoir, which in turn receives water from the Colorado River Aqueduct. The TVP provides additional water from the State Water Project through MWD’s Mills Treatment Plant facility located north of the District. The District owns capacity rights to deliver 9 cfs and has an agreement to secure an additional 12.0 cfs of water delivery capacity from this source.

Additional sources of imported Colorado River water are available to the District from two untreated water connections to MWD’s facilities. This untreated water, when released upstream of the Canyon Lake Reservoir, travels 11 miles through the San Jacinto Riverbed (which is dry most of the year) before reaching the reservoir’s 5,000 AF of storage capacity. The San Jacinto watershed runoff is the primary source of replenishment to the Canyon Lake Reservoir.

Water from the lake is treated by the Canyon Lake Water Treatment Plant prior to introduction into the District’s distribution system. Ownership of the Canyon Lake Reservoir was transferred to the District as a result of the Temescal Water Company acquisition. The District has contractual obligations to maintain the level of the lake at 1,372 feet. Historically, the amount of water that is treated has been limited to the amount of runoff and rainfall, and so the treatment plant does not always operate on a full-time basis.

The graph and the table on the following page (Figures 16 & 17) illustrates the source of supply and water production data (respectively) for the Elsinore Water Division. Total water production for FY2022 is budgeted at 23,553 AF. This production budget reflects a decrease of 3.8% when compared to the actual water production for FY2021. Total water production for FY2023 is budgeted at 23,915 AF, an increase of 1.5% compared to the FY2022 budgeted water production.

During this budget cycle the District has budgeted to produce 7,085 AF of water from local groundwater sources. Total groundwater production from various wells, Back Basin and the Coldwater Basin are budgeted at 7,085 AF for both FY2022 and FY2023. The Canyon Lake Water Treatment plant is planned to be down for repair and therefore, the surface water production budget is not incorporated in this budget cycle. Production will be made up by increases in imported water.

The remaining amount of the District’s water portfolio will comprise of imported water sources, which is projected to be 16,468 AF for FY2022 and 16,830 AF for FY2023.

Figure 16

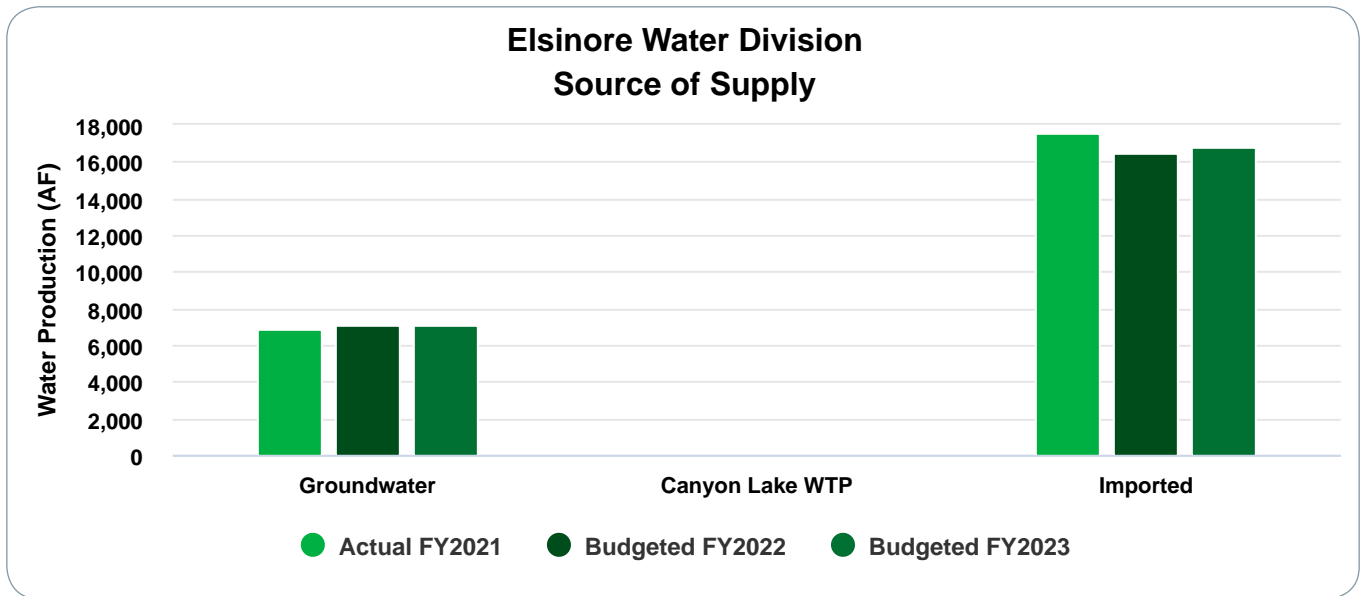


Figure 17

Elsinore Water Division Water Sources and Production			
	Actual FY2021	Budgeted FY2022	Budgeted FY2023
Groundwater			
Wells	4,624	4,681	4,681
Back Basin WTP	1,347	1,819	1,819
Coldwater Basin	938	585	585
Canyon Lake WTP			
Surface Water	-	-	-
Imported			
Auld Valley (Lake Skinner)	11,042	9,628	9,540
Temescal Valley Pipeline	6,538	6,840	7,290
San Jacinto - Untreated	-	-	-
Total Production	24,488	23,553	23,915
Production Loss (AF)	(986)	(1,178)	(1,196)
Production Loss (%)	4.03%	5.00%	5.00%
NET PRODUCTION	23,502	22,375	22,719

MWD Commodity Charge

In January 2003, Metropolitan Water District (MWD) implemented a new rate structure in response to the changing conditions in availability of water resources, drought, growth in water demand, and existing system conditions. The goals of the new rate structure were to further MWD’s strategic objectives, support and encourage sound water resource management, accommodate a water transfer market, and enhance fiscal stability. The new rate structure was based on cost-of-service principles. See the table (Figure 18) and the descriptions below.

The **commodity rate** is unbundled into five separate components including: (1) Water supply, (2) System access for conveyance and distribution, (3) Water stewardship, (4) Power, and (5) Treatment.

1. The two-tiered **Water Supply Rate** structure encourages efficient water resource management and conservation.
 - **Tier 1** – Water purchases in any one year at this lower rate is determined by a percentage of the following two factors: (1) The base amount of water purchased in the last ten fiscal years by the member agency, and (2) Submittal of a purchase order for a ten-year supply of water.
 - **Tier 2** – This rate reflects MWD’s cost of acquiring new supplies and is charged for deliveries in excess of the allowable percentage of the MWD base amount.
2. **System Access Rate** – Recovers the costs associated with the conveyance and distribution system including capital, operating, and maintenance costs.
3. **Water Stewardship Rate** – Supports MWD’s financial commitment to conservation, water recycling, groundwater recovery, and other water management programs.
4. **System Power Rate** – Recovers the cost of power to pump water through the distribution system.
5. **Treatment Surcharge** – Recovers the cost of treating imported water.

Capacity Reservation Charge

This charge recovers costs for peak capacity on MWD’s distribution system. This cubic foot per second rate charge is levied based on the highest summer day demand.

Readiness-to-Serve Charge

This is a fixed charge that recovers the cost of MWD’s emergency storage and conveyance standby, which is the portion of system capacity that is on standby to provide emergency service and operational flexibility.

Figure 18

MWD Commodity Charges (Costs per AF)						
Component	Current 1/1/2021		Adopted 1/1/2022		Projected 1/1/2023	
	Tier 1	Tier 2	Tier 1	Tier 2	Tier 1	Tier 2
Water Supply	\$243	\$285	\$243	\$285	\$243	\$285
System Access	373	373	389	389	389	389
Water Stewardship	0	0	0	0	53	53
System Power	161	161	167	167	167	167
Total Untreated	\$777	\$819	\$799	\$841	\$852	\$894
Treatment Surcharge	327	327	344	344	344	344
Total Treated	\$1,104	\$1,146	\$1,143	\$1,185	\$1,196	\$1,238

Rates

The District's rates for water services must account for the true costs of providing those services. To determine that true cost, the District retained an independent financial consultant to develop a comprehensive financial plan, update cost of service requirements and prepare a rate study report. The report showed the need for rate adjustments to account for the increased costs of water supply and delivery, energy, maintenance, treatment, infrastructure, and to meet reserve requirements. The rates proposed in this budget meet the District's priorities of being fair, equitable and compliant with state law and are designed to recover the District's cost of service.

Elsinore Water Division Commodity Charge

District customers have been on a budget based rate structure since July 2009. A water budget is a monthly amount of water allocated to each customer for efficient indoor and outdoor uses. This rate structure was implemented as a fair way to encourage efficient water use and discourage water waste. Customers who stay within their budget pay less than customers who are inefficient or excessive in their water use. The water budget takes into account historical weather and evapotranspiration (ET) data for the EVMWD service area. For residential customers, the water budget also looks at the number of residents and the square footage of irrigated landscape. For landscape irrigation customers, individual allocations are based upon irrigated square footage. The rate structure also imposes higher charges as the level of water consumption increases and is structured to deter waste and encourage efficiency. The current and proposed rates are shown on the following page (Figure 19).

The current rate structure is as follows:

Tier 1: Indoor water budget is calculated using 55 gallons per person per day with 4 people per household. The rate is based on a blended cost of local and imported water supplies, delivery, and apportioned peaking costs, offset by miscellaneous revenue to help mitigate this rate.

Tier 2: Outdoor water budget is calculated using a formula accounting for the type of plants, local weather, irrigation efficiency, and square footage of irrigated landscape area. Since watering requirements are different throughout the year, the outdoor budgets are determined for each billing cycle based upon the 10-year average weather in the District's service area. Irrigation usage has a higher peaking factor than residential usage which results in higher capital costs. The rate is based on a blended cost of local and imported water supplies, delivery, peaking cost, and conservation funding.

Tier 3: 30% of the outdoor water budget. The rate is based on the costs of regular and excessive imported water supplies, delivery, peaking cost, recycled water cost funding, and conservation funding.

Tier 4: All water above inefficient use. The rate is based on the costs of excessive imported water supplies, delivery, peaking costs, recycled water cost funding, and conservation funding.

Figure 19

Elsinore Water Division Water Commodity Rates					
Rate Classification	Current Rate 4/1/2021 per CCF	Adopted 1/1/2022 per CCF	Adopted 7/1/2022 per CCF	Adopted 7/1/2023 per CCF	Adopted 7/1/2024 per CCF
Potable Residential					
Tier 1	\$2.43	\$2.57	\$2.72	\$2.85	\$2.98
Tier 2	3.20	3.38	3.57	3.74	3.91
Tier 3	5.77	6.09	6.43	6.72	7.03
Tier 4	7.52	7.94	8.38	8.76	9.16
Landscape Irrigation					
Tier 1	3.18	3.36	3.55	3.71	3.88
Tier 2	6.12	6.46	6.82	7.13	7.46
Tier 3	8.58	9.06	9.56	10.00	10.45
Commercial / Institutional	3.13	3.31	3.50	3.66	3.83
Hydrant Water	5.49	5.80	6.12	6.40	6.69
Inter-Agency					
Tier 1	2.65	2.80	2.96	3.10	3.24
Tier 2	4.74	5.01	5.29	5.53	5.78
Tier 3*	6.78				

*Tier 3 will no longer be in effect as of 1/1/2022

Power Zone Charge

The Elsinore Water Division incorporates a power zone charge in order to recover the electricity costs associated with pumping water through all of the District's booster stations, which are located at various elevations. Three pumping zones have been established and are based upon the elevation of the water storage tanks, which provide service to specific areas. The energy or power charge revenue is intended to recover the projected electrical expenditures. This charge is targeted to be maintained at a level where the power revenue excess or deficit will be contained within 10% of actual electrical expenditures. The three zones are described and listed in the table (Figure 20) below.

Zone 1: Customers are assigned to this zone if they reside in or are provided water at the lowest elevation within the District's service area (commonly referred to as the loop zone, which is at the 1,434 foot elevation). The electricity costs recovered from this charge include the pumping of wells and treatment and pumping of water into the water distribution system.

Zone 2: (1,435-2,800 foot elevation) This zone was established to recover the electricity cost of boosting water to tanks within the valley at higher elevations.

Zone 3: (2,801-3,200 foot elevation) This zone was established to recover the electricity costs to boost water to customers in Rancho Capistrano and El Cariso Village located on top of the Ortega Mountains.

Figure 20

Elsinore Water Division					
Power Zone Charges					
Zone	Current 4/1/2021 per CCF	Adopted 1/1/2022 per CCF	Adopted 7/1/2022 per CCF	Adopted 7/1/2023 per CCF	Adopted 7/1/2024 per CCF
1	\$0.12	\$0.13	\$0.14	\$0.15	\$0.16
2	0.29	0.31	0.33	0.35	0.37
3	1.52	1.61	1.70	1.78	1.87

Fixed Service Charge

The fixed meter charge is intended to mitigate a portion of the District's fixed costs. The table below (Figure 21) illustrates the Elsinore Water Division's current and proposed monthly fixed meter charges by meter size.

Figure 21

Elsinore Water Division								
Service Charge								
Meter Size (inches)	AWWA Capacity Ratio	Number of Meters	Number of Capacity Units	Current 4/1/2021	Adopted 1/1/2022	Adopted 7/1/2022	Adopted 7/1/2023	Adopted 7/1/2024
3/4	1.00	42,520	42,520	\$28.70	\$30.28	\$31.95	\$33.39	\$34.90
1	1.67	2,027	3,385	47.83	50.47	53.25	55.65	58.16
1-1/2	3.33	381	1,269	95.67	100.94	106.50	111.30	116.31
2	5.33	725	3,864	153.07	161.49	170.38	178.05	186.07
3	10.67	41	437	306.14	322.98	340.75	356.09	372.12
4	16.67	50	834	478.35	504.66	532.42	556.38	581.42
6	33.33	10	333	956.69	1,009.31	1,064.83	1,112.75	1,162.83
8	53.33	6	320	1,530.70	1,614.89	1,703.71	1,780.38	1,860.50
10	140.00	2	280	4,018.10	4,239.10	4,472.26	4,673.52	4,883.83
12	176.67	0	0	5,070.46	5,349.34	5,643.56	5,897.53	6,162.92

Meter Installation Charge

Each year, the District reviews the current meter installation charge and performs a cost service analysis to determine the true costs of a meter installation. The meter installation charge is then adjusted as necessary to offset expenses incurred by the District. Current and proposed rates are shown in the table below (Figure 22).

Figure 22

Water Division Meter Installation Charges						
Meter Size (inches)	Current		Proposed 7/1/2021		Proposed 7/1/2022	
	Hang Service*	Full Service*	Hang Service*	Full Service*	Hang Service*	Full Service*
3/4	\$540	\$3,748	\$490	\$4,085	\$500	\$4,465
1	580	3,782	580	4,122	590	4,505
1-1/2 - Turbine	1,420	5,182	1,443	5,537	1,521	5,962
1-1/2 - Compound	1,939	5,666	1,934	6,023	2,047	6,461
2 - Turbine	1,663	5,400	1,717	5,769	1,810	6,213
2 - Compound	2,232	5,973	2,253	6,333	2,384	6,780

*See glossary for definition

**STATEMENT OF REVENUES & EXPENDITURES
ELSINORE WATER DIVISION**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
Revenues						
1.0 Water Sales	\$ 28,554,484	\$ 33,401,889	\$ 31,746,526	\$ (1,655,363)	\$ 35,071,406	\$ 3,324,880
1.1 Fixed Meter Charge	17,437,900	18,424,037	19,079,473	655,436	20,871,853	1,792,380
1.2 Energy Charge	2,469,942	2,574,111	2,566,050	(8,061)	2,827,532	261,482
1.3 New Service Connections	88,743	129,000	82,890	(46,110)	83,390	500
1.4 Other Service Charges & Penalties	1,476,142	1,555,900	993,500	(562,400)	1,472,700	479,200
1.5 Water Standby Charges	2,392	-	-	-	-	-
1.6 Total Operating Revenues	50,029,603	56,084,937	54,468,439	(1,616,498)	60,326,881	5,858,442
Expenses						
2.0 Purchased Water	18,427,494	19,190,913	21,653,963	2,463,050	22,970,236	1,316,273
2.1 Wells	1,694,356	2,912,561	3,137,198	224,637	3,073,126	(64,072)
2.2 Pumping And Booster Stations	3,167,616	3,658,307	3,967,381	309,073	4,120,775	153,394
2.3 Canyon Lake Water Treatment Plant	1,225,976	2,084,475	738,499	(1,345,976)	750,858	12,359
2.4 Back Basin Treatment Plant	191,311	416,111	465,487	49,376	482,220	16,733
2.5 Laboratory	-	-	-	-	-	-
2.6 Reservoirs	593,793	660,348	717,518	57,171	732,346	14,828
2.7 Transmission And Distribution	3,184,562	3,609,068	3,900,063	290,995	3,967,513	67,450
2.8 Meter Reading	93,135	150,450	53,127	(97,323)	55,664	2,537
2.9 Meter Testing & Replacement Exp	1,254,256	1,155,180	1,100,600	(54,580)	1,129,106	28,506
2.10 New Meter Installation	120,946	315,920	317,737	1,817	319,224	1,488
2.11 Billable To Outside Sources	104,378	25,000	77,417	52,417	80,067	2,650
2.12 Water Conservation	301,923	506,465	411,534	(94,931)	451,533	39,999
2.13 General & Administrative	12,250,150	13,250,169	13,945,836	695,667	14,388,051	442,215
2.14 Total Operating Expenses	42,609,896	47,934,966	50,486,359	2,551,393	52,520,717	2,034,358
3.0 Net Operating Income (Loss)	7,419,707	8,149,971	3,982,080	(4,167,891)	7,806,164	3,824,084
Non-operating Revenues						
4.0 Transfer From Rate Stabilization Reserve	(6,379,002)	-	-	-	-	-
4.1 Transfer From Reserves	300,917	506,465	411,670	(94,795)	-	(411,670)
4.2 Transfer From Reserves - Power Revenue	268,451	1,055,313	1,024,239	(31,074)	-	(1,024,239)
4.3 Investment Income	579,549	196,407	573,851	377,444	505,180	(68,671)
4.4 Other Non-operating Revenue	2,811,024	2,077,782	5,452,538	3,374,756	4,282,515	(1,170,023)
4.5 Total Non-operating Revenues	(2,419,061)	3,835,967	7,462,298	3,626,331	4,787,695	(2,674,603)

**STATEMENT OF REVENUES & EXPENDITURES
ELSINORE WATER DIVISION**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
Non-operating Expenses						
5.0 Transfers To Replacements	8,221,391	8,765,387	9,390,387	625,000	10,015,387	625,000
5.1 Transfer To Rate Stabilization Reserve	(6,398,302)	1,491,217	646,022	(845,196)	1,294,177	648,156
5.2 Transfer To Operating Reserves	1,293,889	347,040	510,279	163,239	406,872	(103,407)
5.3 Transfer To Reserve - Power Revenue	291,496	-	-	-	-	-
5.4 Capital Outlay	105,639	82,939	79,416	(3,523)	58,908	(20,508)
5.5 Transfers To Capital Improvement Funds	341,756	180,000	-	(180,000)	-	-
5.6 Transfers To Capital Repayment Funds	296,156	296,339	296,559	219	296,799	240
5.7 Transfer To Recycled Water Funds	823,015	823,015	521,716	(301,299)	521,716	-
5.8 Transfer To Other Funds	25,605	-	-	-	-	-
5.9 Total Non-operating Expenses	5,000,645	11,985,938	11,444,378	(541,560)	12,593,859	1,149,481
6.0 Net Income (Loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**STATEMENT OF REVENUES & EXPENDITURES
ELSINORE WATER DIVISION**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
Operating Expenses						
1.0 Purchased Water	\$ 18,427,494	\$ 19,190,913	\$ 21,653,963	\$ 2,463,050	\$ 22,970,236	\$ 1,316,273
1.1 Labor	4,196,681	5,304,238	4,924,392	(379,846)	5,116,677	192,285
1.2 Electricity	2,448,286	3,629,424	3,660,690	31,266	3,843,724	183,034
1.3 Fringe Benefits	3,298,765	3,039,796	3,921,399	881,604	4,176,408	255,009
1.4 Repairs & Maintenance	2,862,556	4,320,375	4,028,100	(292,275)	3,828,100	(200,000)
1.5 Landscape Services	139,460	119,000	153,000	34,000	153,000	-
1.6 Conservation/education Programs	189,742	170,900	100,900	(70,000)	121,300	20,400
1.7 Water Treatment & Testing	884,678	1,628,300	863,650	(764,650)	871,343	7,693
1.8 Bad Debt Expense	178,507	185,000	230,000	45,000	223,000	(7,000)
1.9 Licenses & Permit Fees	203,470	209,550	239,000	29,450	241,000	2,000
1.10 Supplies	24,715	36,100	21,600	(14,500)	21,600	-
1.11 Consulting And Other Outside Services	846,868	767,800	805,500	37,700	768,500	(37,000)
1.12 Property Insurance	46,567	68,300	51,500	(16,800)	52,550	1,050
1.13 Other Operating Expenses	831,482	645,470	660,757	15,287	654,827	(5,930)
1.14 Allocated Laboratory Expenses	(149,017)	(147,351)	(198,804)	(51,452)	(189,001)	9,803
1.15 Allocated General Administrative	5,838,637	6,323,984	6,782,307	458,323	7,043,818	261,512
1.16 Allocated Facilities Costs	241,828	219,909	257,026	37,117	263,569	6,543
1.17 Allocated Vehicle & Equip Costs	1,106,883	1,120,481	1,139,330	18,850	1,149,151	9,820
1.18 Allocated Computer Costs	992,295	1,102,779	1,192,048	89,269	1,210,915	18,867
1.19 Total Operating Expenses	<u>\$ 42,609,896</u>	<u>\$ 47,934,966</u>	<u>\$ 50,486,359</u>	<u>\$ 2,551,393</u>	<u>\$ 52,520,717</u>	<u>\$ 2,034,358</u>

**STATEMENT OF REVENUES & EXPENDITURES
ELSINORE WATER DIVISION**

<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
<u>Water Sales Revenues</u>						
40101 Wtr Sales - Domestic, Block 1	\$ 9,255,891	\$ 11,060,712	\$ 11,025,577	\$ (35,135)	\$ 12,235,743	\$ 1,210,166
40102 Wtr Sales - Domestic, Block 2	7,109,033	7,734,666	8,505,166	770,500	9,413,590	908,424
40103 Wtr Sales - Domestic, Block 3	1,128,526	1,263,966	1,311,671	47,705	1,436,488	124,817
40104 Wtr Sales - Domestic, Block 4	2,655,245	2,989,817	2,807,629	(182,188)	3,074,153	266,524
40111 Wtr Sales - Irrigation, Block 1	3,124,284	4,186,794	3,452,606	(734,188)	3,785,724	333,118
40112 Wtr Sales - Irrigation, Block 2	647,411	981,755	868,860	(112,895)	951,492	82,632
40113 Wtr Sales - Irrigation, Block 3	1,594,356	2,369,141	1,530,833	(838,308)	1,675,858	145,025
40120 Wtr Sales - Commercial	1,449,856	1,760,760	1,576,381	(184,379)	1,730,593	154,212
40121 Wtr Sales - Wholesale	418,423	361,171	450,316	89,145	493,833	43,517
40124 Wtr Sales - Hydrants	510,011	523,179	524,922	1,743	574,784	49,862
40125 Wtr Sales - Political Subdivisions	140,581	169,928	152,565	(17,363)	169,148	16,583
40128 Wtr Sales - Low Income Credit	(418,840)	(275,000)	(460,000)	(185,000)	(470,000)	(10,000)
40129 Wtr Sales - Drought Surcharges	(218)	-	-	-	-	-
40140 Wtr Sales - Fixed Meter Charge	17,411,508	18,424,037	19,079,473	655,436	20,871,853	1,792,380
40150 Wtr Sales - Power Surcharge	2,431,144	2,574,111	2,566,050	(8,061)	2,827,532	261,482
40601 Rental Income	418,840	275,000	-	(275,000)	-	-
Sub-total - Water Sales Revenues	47,876,050	54,400,037	53,392,049	(1,007,988)	58,770,791	5,378,742
<u>Accrued Water Revenues</u>						
40201 Wtr Sales - Domestic (Accrued)	430,971	-	-	-	-	-
40220 Wtr Sales - Commercial (Accrued)	6,455	-	-	-	-	-
40221 Wtr Sales - Wholesale (Accrued)	837	-	-	-	-	-
40211 Wtr Sales - Irrigation (Accrued)	86,164	-	-	-	-	-
40225 Wtr Sales - Political Subdivisions (Accrued)	(4,161)	-	-	-	-	-
40240 Wtr Sales - Fixed Meter Charge (Accrued)	26,392	-	-	-	-	-
40250 Wtr Sales - Power Surcharge (Accrued)	38,798	-	-	-	-	-
40228 Wtr Sales - Low Income Credit (Accrued)	820	-	-	-	-	-
Sub-total - Accrued Water Revenues	586,276	-	-	-	-	-
<u>Total Water Revenues</u>	48,462,326	54,400,037	53,392,049	(1,007,988)	58,770,791	5,378,742

STATEMENT OF REVENUES & EXPENDITURES
ELSINORE WATER DIVISION

<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
<u>Service Revenues</u>						
40160	194,235	274,400	200,000	(74,400)	200,000	-
40301	21,109	30,000	30,000	-	30,000	-
40302	(1,514)	2,500	2,500	-	2,500	-
40303	457,356	650,000	325,000	(325,000)	650,000	325,000
40304	(12,035)	(12,000)	(12,000)	-	(12,000)	-
40305	17,750	13,000	17,000	4,000	17,000	-
40306	138,958	138,000	139,000	1,000	139,000	-
40307	144,634	-	-	-	-	-
40308	73,900	80,000	75,000	(5,000)	75,000	-
40309	3,600	3,000	3,000	-	3,000	-
40310	181,409	250,000	125,000	(125,000)	250,000	125,000
40311	26,500	25,000	25,000	-	25,000	-
40312	5,854	6,000	6,000	-	6,000	-
40313	37,739	19,000	19,890	890	20,390	500
40314	51,004	110,000	63,000	(47,000)	63,000	-
40315	16,800	10,000	15,000	5,000	1,200	(13,800)
40316	2,392	-	-	-	-	-
40317	152,412	-	-	-	-	-
40318	58,361	86,000	43,000	(43,000)	86,000	43,000
40319	(196)	-	-	-	-	-
40322	(2,993)	-	-	-	-	-
Total Service Revenues	1,567,277	1,684,900	1,076,390	(608,510)	1,556,090	479,700
Total Operating Revenues - Charges For Service	50,029,603	56,084,937	54,468,439	(1,616,498)	60,326,881	5,858,442

STATEMENT OF REVENUES & EXPENDITURES
ELSINORE WATER DIVISION

<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
<u>Purchased Water Expenses</u>						
50100	11,021,527	10,228,054	11,353,658	1,125,604	11,703,746	350,088
50101	5,906,365	7,678,879	8,154,177	475,298	9,030,924	876,747
50103	7,624	100,000	50,000	(50,000)	50,000	-
50105	900	900	900	-	900	-
50106	529,712	542,478	573,630	31,152	594,876	21,246
50107	458,150	310,302	810,660	500,358	863,760	53,100
50110	163,114	115,300	181,834	66,534	190,926	9,092
50111	340,102	215,000	381,000	166,000	387,000	6,000
50108	-	-	148,105	148,105	148,105	-
Total Purchased Water Expenses	18,427,494	19,190,913	21,653,963	2,463,050	22,970,236	1,316,273
<u>Reservoirs Expenses</u>						
52110	180,357	184,613	188,280	3,667	194,624	6,344
52300	140,674	105,800	149,932	44,132	158,859	8,927
53100	6,976	32,000	13,560	(18,440)	14,238	678
53110	19,821	27,500	27,500	-	27,500	-
53111	148,587	206,875	253,500	46,625	253,500	-
53113	48,309	50,000	52,000	2,000	52,000	-
53120	-	-	-	-	-	-
53121	94	-	-	-	-	-
53122	7,064	4,000	8,000	4,000	8,000	-
53140	534	-	-	-	-	-
53141	15,500	-	-	-	-	-
53320	7,047	30,700	-	(30,700)	-	-
53322	1,684	2,000	2,000	-	2,000	-
53330	97	-	-	-	-	-
54410	17,050	16,860	22,747	5,887	21,625	(1,122)
Total Reservoirs Expenses	593,793	660,348	717,518	57,171	732,346	14,828

STATEMENT OF REVENUES & EXPENDITURES
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<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
<u>Wells Expenses</u>						
52110 Direct Labor	188,507	184,036	377,641	193,605	392,704	15,063
52300 Employee Benefit Allocated	151,070	105,469	300,724	195,255	320,539	19,815
53100 Electricity	651,579	1,520,000	1,465,100	(54,900)	1,538,355	73,255
53110 Repairs & Maint - Inventory	8,915	22,500	25,000	2,500	25,000	-
53111 R&M - Outside Services & Materials	106,111	766,400	582,500	(183,900)	412,500	(170,000)
53113 Landscape	35,141	15,000	39,000	24,000	39,000	-
53120 Chemical & Other Treatment	80,499	190,000	190,000	-	190,000	-
53121 Waste Water Treatment Cost	226	-	-	-	-	-
53122 Water & WW Testing	97,072	65,000	100,000	35,000	100,000	-
53140 Consulting And Professional Fees	309,063	-	-	-	-	-
53141 Contractual & Temporary Services	20,380	-	-	-	-	-
53322 Licenses, Permit & Fees	12,261	11,000	12,500	1,500	12,500	-
54410 Allocated Laboratory Expense	33,531	33,156	44,734	11,577	42,528	(2,206)
Total Wells Expenses	1,694,356	2,912,561	3,137,198	224,637	3,073,126	(64,072)
<u>Pumping And Booster Stations Expenses</u>						
52110 Direct Labor	373,330	493,811	513,071	19,260	533,686	20,615
52300 Employee Benefit Allocated	293,347	282,997	408,570	125,573	435,612	27,042
53100 Electricity	1,704,762	1,868,000	2,114,740	246,740	2,220,477	105,737
53102 Fuel Usage	3,207	-	-	-	-	-
53110 Repairs & Maint - Inventory	62,720	50,000	50,000	-	50,000	-
53111 R&M - Outside Services & Materials	505,631	804,000	707,500	(96,500)	707,500	-
53113 Landscape	32,218	22,000	36,000	14,000	36,000	-
53120 Chemical & Other Treatment	113,778	115,000	115,000	-	115,000	-
53140 Consulting And Professional Fees	2,576	-	-	-	-	-
53141 Contractual & Temporary Services	53,366	-	-	-	-	-
53300 Travel And Training	308	-	-	-	-	-
53322 Licenses, Permit & Fees	22,342	22,500	22,500	-	22,500	-
53330 General Office Supplies	32	-	-	-	-	-
Total Pumping And Booster Stations Expenses	3,167,616	3,658,307	3,967,381	309,073	4,120,775	153,394

STATEMENT OF REVENUES & EXPENDITURES
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<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
<u>Canyon Lake Water Treatment Plant Expenses</u>						
52110	219,506	355,176	110,019	(245,158)	114,219	4,200
52300	172,329	203,547	87,610	(115,938)	93,229	5,620
53100	69,758	182,000	37,823	(144,177)	39,714	1,891
53110	4,957	11,000	11,000	-	11,000	-
53111	156,521	256,500	160,000	(96,500)	160,000	-
53113	12,654	13,000	14,000	1,000	14,000	-
53120	273,179	480,000	98,500	(381,500)	98,500	-
53121	147,431	498,100	70,900	(427,200)	73,700	2,800
53122	89,821	32,000	82,000	50,000	82,000	-
53140	2,191	-	-	-	-	-
53141	21,980	-	-	-	-	-
53322	22,824	20,800	23,000	2,200	23,000	-
53330	109	-	-	-	-	-
54410	32,717	32,351	43,648	11,296	41,496	(2,152)
Total Water Treatment Plant Expenses	1,225,976	2,084,475	738,499	(1,345,976)	750,858	12,359
<u>Transmission And Distribution Expenses</u>						
52110	911,505	1,236,101	1,149,140	(86,961)	1,196,069	46,930
52300	714,550	708,395	915,085	206,690	976,273	61,188
52405	23	-	-	-	-	-
53100	1,106	1,224	-	(1,224)	-	-
53110	376,093	400,000	397,500	(2,500)	397,500	-
53111	632,605	790,000	832,000	42,000	802,000	(30,000)
53113	10,358	19,000	10,000	(9,000)	10,000	-
53121	216	-	-	-	-	-
53122	36,398	35,000	75,000	40,000	75,000	-
53140	3,035	15,000	15,000	-	15,000	-
53141	45,755	-	-	-	-	-
53143	261,153	200,000	250,000	50,000	250,000	-
53300	308	-	-	-	-	-
53306	30	500	-	(500)	-	-
53322	28,990	42,500	40,000	(2,500)	40,000	-
53330	277	1,000	-	(1,000)	-	-
54410	162,161	160,348	216,339	55,990	205,671	(10,667)
Total Transmission And Distribution Expenses	3,184,562	3,609,068	3,900,063	290,995	3,967,513	67,450

STATEMENT OF REVENUES & EXPENDITURES
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<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
<u>Meter Reading Expenses</u>						
52110 Direct Labor	51,268	94,368	28,462	(65,907)	29,547	1,085
52300 Employee Benefit Allocated	41,595	54,081	22,665	(31,417)	24,117	1,452
53110 Repairs & Maint - Inventory	147	-	-	-	-	-
53140 Consulting And Professional Fees	125	-	-	-	-	-
53111 R&M - Outside Services & Materials	-	2,000	2,000	-	2,000	-
Total Meter Reading Expenses	93,135	150,450	53,127	(97,323)	55,664	2,537
<u>Meter Testing & Replacement Expenses</u>						
52110 Direct Labor	301,426	399,965	319,876	(80,089)	332,064	12,188
52300 Employee Benefit Allocated	238,639	229,215	254,724	25,509	271,042	16,318
53110 Repairs & Maint - Inventory	553,224	400,000	400,000	-	400,000	-
53111 R&M - Outside Services & Materials	125,078	126,000	126,000	-	126,000	-
53141 Contractual & Temporary Services	35,889	-	-	-	-	-
Total Meter Testing & Replacement Exp	1,254,256	1,155,180	1,100,600	(54,580)	1,129,106	28,506
<u>New Meter Installation Expenses</u>						
52110 Direct Labor	6,372	17,748	16,554	(1,194)	17,192	637
52300 Employee Benefit Allocated	5,064	10,171	13,182	3,011	14,033	850
53110 Repairs & Maint - Inventory	109,510	288,000	288,000	-	288,000	-
Total New Meter Installation Expenses	120,946	315,920	317,737	1,817	319,224	1,488
<u>Laboratory Expenses</u>						
52110 Direct Labor	207,535	218,760	228,596	9,836	238,881	10,285
52300 Employee Benefit Allocated	161,811	125,369	182,036	56,667	194,983	12,947
53110 Repairs & Maint - Inventory	1,326	5,000	10,000	5,000	10,000	-
53111 R&M - Outside Services & Materials	-	5,000	9,000	4,000	9,000	-
53120 Chemical & Other Treatment	13,292	1,000	15,000	14,000	15,000	-
53121 Waste Water Treatment Cost	2,595	-	-	-	-	-
53122 Water & WW Testing	347	5,000	1,000	(4,000)	1,000	-
53140 Consulting And Professional Fees	173	18,500	85,000	66,500	35,000	(50,000)
53141 Contractual & Temporary Services	-	5,000	-	(5,000)	-	-
53200 Contra -Allocated Laboratory Expenses	(406,929)	(402,379)	(542,882)	(140,503)	(516,114)	26,769
53322 Licenses, Permit & Fees	7,373	8,000	9,000	1,000	9,000	-
53300 Travel And Training	106	-	-	-	-	-
53330 General Office Supplies	12,370	9,000	1,500	(7,500)	1,500	-
53331 Postage	-	1,750	1,750	-	1,750	-
Total Laboratory Expenses	-	-	-	-	-	-

**STATEMENT OF REVENUES & EXPENDITURES
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<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
<u>Billable To Outside Sources Expenses</u>						
52110 Direct Labor	14,000	-	26,397	26,397	27,566	1,170
52300 Employee Benefit Allocated	11,941	-	21,021	21,021	22,500	1,480
53111 R&M - Outside Services & Materials	8,728	-	-	-	-	-
53141 Contractual & Temporary Services	256	-	-	-	-	-
53322 Licenses, Permit & Fees	226	-	-	-	-	-
53390 Bad Debt Expense	69,227	25,000	30,000	5,000	30,000	-
Total Billable To Outside Sources Expenses	104,378	25,000	77,417	52,417	80,067	2,650
<u>Water Conservation Expenses</u>						
52110 Direct Labor	42,759	124,319	91,093	(33,226)	95,380	4,287
52300 Employee Benefit Allocated	33,688	71,246	72,540	1,294	77,852	5,312
53140 Consulting And Professional Fees	10,912	87,000	94,000	7,000	104,000	10,000
53144 Water Conservation Programs	166,412	150,000	80,000	(70,000)	95,000	15,000
53146 Water Education Programs	23,330	20,900	20,900	-	26,300	5,400
53300 Travel And Training	-	1,000	1,000	-	1,000	-
53324 Advertising	15,291	20,000	20,000	-	20,000	-
53327 Community Relations Special Events	6	-	-	-	-	-
53330 General Office Supplies	802	2,000	2,000	-	2,000	-
53331 Postage	2,053	7,500	7,500	-	7,500	-
53332 Forms, Printing & Duplicating Costs	6,670	22,500	22,500	-	22,500	-
Total Water Conservation Expenses	301,923	506,465	411,534	(94,931)	451,533	39,999
<u>Back Basin Water Treatment Plant Expenses</u>						
52110 Direct Labor	54,694	41,096	118,664	77,567	123,521	4,858
52300 Employee Benefit Allocated	44,645	23,552	94,494	70,942	100,822	6,328
53100 Electricity	14,106	26,200	29,467	3,267	30,940	1,473
53110 Repairs & Maint - Inventory	1,061	10,000	10,000	-	10,000	-
53111 R&M - Outside Services & Materials	40,618	98,500	86,000	(12,500)	86,000	-
53113 Landscape	780	-	2,000	2,000	2,000	-
53120 Chemical & Other Treatment	20,157	160,000	71,850	(88,150)	75,443	3,593
53121 Waste Water Treatment Cost	1,277	39,200	32,400	(6,800)	33,700	1,300
53122 Water & WW Testing	1,232	4,000	4,000	-	4,000	-
53140 Consulting And Professional Fees	289	-	-	-	-	-
53322 Licenses, Permit & Fees	-	1,250	-	(1,250)	-	-
54410 Allocated Laboratory Expense	12,452	12,313	16,612	4,299	15,793	(819)
Total Back Basin Expenses	191,311	416,111	465,487	49,376	482,220	16,733

STATEMENT OF REVENUES & EXPENDITURES
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<u>Account</u>	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Division Administrative Expenses (Allocated)</u>						
52110 Direct Labor	1,645,421	1,954,243	1,756,600	(197,643)	1,821,225	64,624
52300 Employee Benefit Allocated	1,289,412	1,119,954	1,398,818	278,864	1,486,546	87,729
52400 Auto Allowances	7,200	7,200	7,200	-	7,200	-
52405 Class A Certification Bonus	9,594	-	-	-	500	500
52402 Uniforms	38,609	56,000	56,000	-	56,000	-
53110 Repairs & Maint - Inventory	903	1,100	600	(500)	600	-
53111 R&M - Outside Services & Materials	-	50,000	50,000	-	50,000	-
53126 BCGSA Related Expenses	369,555	151,167	150,000	(1,167)	150,000	-
53140 Consulting And Professional Fees	252,459	390,000	385,000	(5,000)	388,000	3,000
53141 Contractual & Temporary Services	3,969	-	-	-	-	-
53300 Travel And Training	34,339	84,100	76,700	(7,400)	76,700	-
53301 Employee Certifications	13,517	15,265	14,100	(1,165)	14,100	-
53306 Emergency Meals	-	-	-	-	-	-
53310 Legal Costs	68,416	252,300	226,500	(25,800)	226,500	-
53320 General Liability & Property Insurance	39,520	37,600	51,500	13,900	52,550	1,050
53321 Property Taxes	2,436	5,300	2,950	(2,350)	3,100	150
53322 Licenses, Permit & Fees	107,771	101,500	130,000	28,500	132,000	2,000
53330 General Office Supplies	11,029	24,100	18,100	(6,000)	18,100	-
53331 Postage	43	1,700	200	(1,500)	200	-
53332 Forms, Printing & Duplicating Costs	22,513	30,000	-	(30,000)	-	-
53333 Dues & Subscriptions	44,520	41,488	50,857	9,369	44,277	(6,580)
53390 Bad Debt Expense	109,280	160,000	200,000	40,000	193,000	(7,000)
54400 Facilities Charges	241,828	219,909	257,026	37,117	263,569	6,543
54401 Computer Charges	992,295	1,102,779	1,192,048	89,269	1,210,915	18,867
54405 Allocated G & A Expense	5,838,637	6,323,984	6,782,307	458,323	7,043,818	261,512
54406 Allocated Vehicle & Equip O&M Costs	942,373	955,971	998,071	42,101	1,007,892	9,820
54408 Allocated Vehicle & Equip Outlay	164,510	164,510	141,259	(23,251)	141,259	-
Total Division Admin Expenses	12,250,150	13,250,169	13,945,836	695,667	14,388,051	442,215
Total Operating Expenses	42,609,896	47,934,966	50,486,359	2,551,393	52,520,717	2,034,358
Net Operating Income (Loss)	7,419,707	8,149,971	3,982,080	(4,167,891)	7,806,164	3,824,084

**STATEMENT OF REVENUES & EXPENDITURES
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<u>Account</u>	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Non-operating Revenues</u>						
71400 Standby Charges Current Year	290,215	277,782	279,287	1,505	267,515	(11,772)
72110 Allocated Investment Income	579,549	196,407	573,851	377,444	505,180	(68,671)
74113 Loss (Gain) On Disposal Of Assets	2,408	-	-	-	-	-
74199 Other Non-operating Revenue	-	-	-	-	-	-
84100 Federal Grant	42,761	-	-	-	-	-
Total Non-operating Revenues	914,933	474,189	853,138	378,949	772,695	(80,443)
<u>Capital Expenditures</u>						
82511 Capital Outlay Charges	37,975	15,275	20,508	5,233	-	(20,508)
82521 Computer Outlay Charges	67,664	67,664	58,908	(8,756)	58,908	-
Total Capital Expenditures	105,639	82,939	79,416	(3,523)	58,908	(20,508)
<u>Transfers From Reserves</u>						
76100 Transfer In From Reserves	300,917	506,465	411,670	(94,795)	-	(411,670)
76101 Transfer In From Operating Reserve (20%)	-	-	-	-	-	-
76102 Transfer In From Rate Stabilization Reserve	(6,379,002)	-	-	-	-	-
76103 Transfer In From Reserves Excess Power Surcharge	268,451	1,055,313	1,024,239	(31,074)	-	(1,024,239)
76105 Transfer In From Turf Replacement Reserve	-	-	-	-	-	-
Total Transfers From Reserves	(5,809,634)	1,561,778	1,435,909	(125,869)	-	(1,435,909)
<u>Transfers To Reserves</u>						
77101 Transfer Out To Operating Reserve (20%)	1,293,889	347,040	510,279	163,239	406,872	(103,407)
77102 Transfer Out To Rate Stabilization Reserve	(6,398,302)	1,491,217	646,022	(845,196)	1,294,177	648,156
77103 Transfer Out To Reserves Excess Power Surcharge	291,496	-	-	-	-	-
Total Transfers To Reserves	(4,812,916)	1,838,257	1,156,300	(681,957)	1,701,049	544,749

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<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
<u>Transfers In</u>						
78115 Transfer In From General Fund	760,041	910,720	2,630,000	1,719,280	2,690,000	60,000
78248 Transfer In From COP 2002	141,083	-	-	-	-	-
78310 Transfer In From Capital Outlay	505	-	-	-	-	-
78318 Transfer In From Elsinore Water Repl	304,430	-	-	-	-	-
78320 Transfer In From Rate Stabilization	101,901	-	-	-	-	-
78490 Transfer In From CIP	100,000	-	-	-	-	-
78530 Transfer In From Gen Purpose Prop Tax	1,067,680	889,280	1,375,000	485,720	1,325,000	(50,000)
78570 Transfer In From Water Standby Tax	-	-	1,168,251	1,168,251	-	(1,168,251)
Total Transfers In	2,475,640	1,800,000	5,173,251	3,373,251	4,015,000	(1,158,251)
<u>Transfers Out</u>						
79121 Transfer Out To Information Tech Fund	23,894	-	-	-	-	-
79135 Transfer Out To Reclamation Fund	301,299	301,299	-	(301,299)	-	-
79140 Transfer Out To Lake Elsinore Maintenance Fund	1,711	-	-	-	-	-
79228 Transfer Out To Ami Loan Phase 3	138,920	138,920	138,920	-	138,920	-
79263 Transfer Out To Revenue Bond	157,236	157,420	157,639	219	157,879	240
79310 Transfer Out To Capital Outlay Fund	110,088	-	-	-	-	-
79318 Transfer Out To Elsinore Water Replacement Fund	8,221,391	8,765,387	9,390,387	625,000	10,015,387	625,000
79320 Transfer Out To Rate Stabilization Fund 320	-	-	-	-	-	-
79490 Transfer Out To Construction Fund	231,667	180,000	-	(180,000)	-	-
79561 Transfer Out To Reclamation Capacity Fees	521,716	521,716	521,716	-	521,716	-
Total Transfers Out	9,707,923	10,064,741	10,208,662	143,920	10,833,902	625,240
Net Income (Loss) - Water Division	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

WATER OPERATIONS

Temescal Water Division

The Temescal Water Division was acquired through the purchase of the Temescal Water Company in August 1989. With this purchase, the District also acquired controlling interest in three mutual water companies: Meeks & Daley, Agua Mansa, and Alta Mesa. These three companies were consolidated in 1998 and are now collectively called the Meeks & Daley Water Company.

Customers

The Temescal division is comprised of domestic customers (96%), agricultural customers (2%), and commercial and industrial customers (2%). Per an agreement with the City of Corona, the City will be responsible for providing domestic water service to any new developments. Therefore, no growth in domestic water services is assumed for the proposed budget years.

Water Sources

Domestic customers generally receive potable water from groundwater wells in the Coldwater Basin of Temescal Canyon. Although this is generally the case, the wells that serve the system have at times been down for repair and water production has been supplemented with imported water purchases.

Industrial customers receive non-potable water supplies from the Temescal Valley groundwater basins, water stored in Lee Lake, and surface water, a portion of which is from the recycled water flows from the Regional Water Reclamation Facility. Recharge to the Temescal Valley groundwater basins is a result of precipitation and runoff from the local mountains. Stream flows in the Temescal Wash also contribute to some groundwater recharge in the Temescal Valley area.

Distribution System & Production

Water deliveries are accomplished with 2 active wells, 1 active booster pump, 2 connections to MWD transmission lines, 12.5 miles of pipeline 6" to 36" in diameter, and 2 domestic storage tanks, with a total capacity of 320,000 gallons.

The District's interest in the Meeks & Daley Water Company allows the District to transport water through the Gage Canal in Riverside. This entitlement allows the District to transport non-potable water supplies from the Palm Avenue Well, (owned by the District) which is located in the Colton area, to customers in the Temescal Valley.

The Meeks & Daley Water Company has a separate distribution system which includes 5 wells in the areas of Colton, San Bernardino, and Rialto. These wells have the combined rights to pump up to 7,833 AF annually from the San Bernardino Bunker Hill Basin and 2,300 AF annually in the Rialto-Colton Basin. The District's annual allotment (through shareholder ownership) is 4,500 AF from the Bunker Hill Basin, and up to 2,300 AF from the Rialto-Colton Basin.

Total potable water production for the Temescal Water Division is expected to be 960 AF for both budget years. To better utilize the District's water rights within the Coldwater Basin and to help mitigate the rising cost of MWD imported water, 585 AF of the total production will be exported from the basin to the Elsinore Water Division in each of the proposed budget years.

The table on the following page (Figures 23) illustrates the source of supply data and water production for the Temescal Division's prior year actual and budgeted fiscal years.

Figure 23

Temescal Water Division Water Sources and Production			
	Actual FY2021	Budgeted FY2022	Budgeted FY2023
Groundwater			
Wells	1,269	960	960
Imported			
Lee Lake Tie-In	8	-	-
Total Production	1,277	960	960
Production Loss (%)	-5.6%	3.0%	3.0%
Production Loss (AF)	72	(29)	(29)
Exported to Elsinore Division	(938)	(585)	(585)
NET PRODUCTION	411	346	346

Rates

**Temescal Water Division
Commodity Charge**

As with the Elsinore Division, the water budget based rate structure was implemented in 2009 for both the Temescal domestic and landscape irrigation customers. The Temescal division’s rates for water services must also account for the true costs of providing those services. To determine that true cost, the District retained an independent financial consultant to develop a comprehensive financial plan, update cost of service requirements and prepare a rate study report. The report showed the need for rate adjustments to account for the increased costs of water supply and delivery, energy, maintenance, treatment, infrastructure, and to meet reserve requirements. The rates proposed in this budget meet the District’s priorities of being fair, equitable and compliant with state law and are designed to recover the District’s cost of service. The table below (Figure 24) represents the current and proposed commodity rates by rate classification.

Figure 24

Temescal Water Division Water Commodity Rates					
Rate Classification	Current Rate 4/1/2021 per CCF	Adopted Rate 1/1/2022 per CCF	Adopted Rate 7/1/2022 per CCF	Adopted Rate 7/1/2023 per CCF	Adopted Rate 7/1/2024 per CCF
Potable Residential					
Tier 1	\$1.19	\$1.38	\$1.60	\$1.86	\$2.15
Tier 2	2.36	2.74	3.17	3.68	4.25
Tier 3	3.45	4.00	4.63	5.37	6.19
Tier 4	9.03	10.45	12.08	13.99	16.12
Landscape Irrigation					
Tier 1	2.07	2.40	2.78	3.22	3.72
Tier 2	3.86	4.47	5.17	5.99	6.91
Tier 3	9.92	11.48	13.28	15.38	17.73
Commercial/ Institutional	2.00	2.32	2.69	3.12	3.60

Fixed Service and Power Zone Charges

The proposed changes to the fixed service charge reflects the alignment of the Elsinore and Temescal Water divisions rates and charges. The rate study determined that the cost components which make up these charges are the same; therefore, the charges should be the same. The table below (Figure 25) illustrates the proposed monthly fixed service charge by meter size.

Power zone charge revenue is intended to recover the projected electrical expenditures. Current and proposed power charges are illustrated in the table below (Figure 26).

Figure 25

Temescal Water Division Service Charge								
Meter Size (inches)	AWWA Capacity Ratio	Number of Meters	Number of Capacity Units	Current 4/1/2021	Adopted 1/1/2022	Adopted 7/1/2022	Adopted 7/1/2023	Adopted 7/1/2024
3/4	1.0	670	670	\$28.70	\$30.28	\$31.95	\$33.39	\$34.90
1	1.7	34	57	47.83	50.47	53.25	55.65	58.16
1-1/2	3.3	9	30	95.67	100.94	106.50	111.30	116.31
2	5.3	24	128	153.07	161.49	170.38	178.05	186.07
3	10.7	3	32	306.14	322.98	340.75	356.09	372.12

Figure 26

Temescal Water Division Power Charges				
Current Rate per CCF	Adopted 1/1/2022 per CCF	Adopted 7/1/2022 per CCF	Adopted 7/1/2023 per CCF	Adopted 7/1/2024 per CCF
\$0.12	\$0.13	\$0.14	\$0.15	\$0.16

**STATEMENT OF REVENUES & EXPENDITURES
TEMESCAL WATER DIVISION - POTABLE**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
Revenues						
1.0 Water Sales	\$ 420,404	\$ 492,467	\$ 587,819	\$ 95,352	\$ 695,677	\$ 107,858
1.1 Fixed Meter Charge	299,331	312,263	326,396	14,133	353,615	27,219
1.2 Energy Charge	19,072	19,602	20,919	1,317	23,429	2,510
1.3 Other Service Charges & Penalties	12,317	14,250	9,700	(4,550)	15,900	6,200
1.4 Total Operating Revenues	751,125	838,582	944,834	106,252	1,088,621	143,787
Expenses						
2.0 Purchased Water	300	29,016	300	(28,716)	300	-
2.1 Wells	204,446	284,185	322,841	38,655	335,781	12,941
2.2 Pumping And Booster Stations	43,917	36,675	39,887	3,212	41,518	1,631
2.3 Reservoirs	25,732	36,608	37,554	946	38,541	987
2.4 Transmission And Distribution	79,430	146,677	97,662	(49,015)	99,980	2,318
2.5 Meter Reading	547	3,276	10,225	6,949	10,732	507
2.6 Meter Installation, Testing & Replacement	843	7,850	7,850	-	7,850	-
2.7 Water Conservation	22,167	19,256	78,256	59,001	81,631	3,374
2.8 Division Administrative	327,956	197,444	242,695	45,251	252,685	9,990
2.9 Billable To Outside Sources	486	-	-	-	-	-
2.10 Total Operating Expenses	705,825	760,988	837,270	76,283	869,018	31,748
3.0 Net Operating Income (Loss)	45,300	77,594	107,564	29,969	219,603	112,039
Non-operating Revenues						
4.0 Transfer From Other Funds	383,990	264,385	264,385	0	264,385	-
4.1 Transfer From Rate Stabilization Fund	(163,864)	-	38,982	38,982	-	(38,982)
4.2 Transfer From Reserves	843	46,806	-	(46,806)	-	-
4.3 Investment Income	20,669	12,089	55,595	43,506	48,942	(6,653)
4.4 Total Non-operating Revenues	241,639	323,280	358,962	35,682	313,327	(45,635)

**STATEMENT OF REVENUES & EXPENDITURES
TEMESCAL WATER DIVISION - POTABLE**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Non-operating Expenses</u>						
5.0 Transfer To Replacements	300,000	400,000	450,000	50,000	500,000	50,000
5.1 Transfer To Rate Stabilization Fund	(109,812)	-	-	-	25,312	25,312
5.2 Transfer To Reserves	95,570	-	15,257	15,257	6,350	(8,907)
5.3 Capital Outlay	874	874	1,269	395	1,269	-
5.4 Transfer To Other Funds	306	-	-	-	-	-
5.5 Total Non-operating Expenses	286,938	400,874	466,526	65,652	532,930	66,404
6.0 Net Income (Loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**STATEMENT OF REVENUES & EXPENDITURES
TEMESCAL WATER DIVISION - POTABLE**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Operating Expenses</u>						
1.0 Labor	\$ 105,527	\$ 146,131	\$ 148,466	\$ 2,336	\$ 154,296	\$ 5,829
1.1 Fringe Benefits	83,694	83,746	118,226	34,480	125,939	7,713
1.2 Electricity	117,312	77,800	203,630	125,830	213,811	10,181
1.3 Repairs & Maintenance	37,103	181,800	90,300	(91,500)	90,300	-
1.4 Purchased Water	300	29,016	300	(28,716)	300	-
1.5 Chemicals	12,082	14,000	12,082	(1,918)	12,686	604
1.6 Water Treatment & Testing	6,410	11,000	14,000	3,000	14,000	-
1.7 License, Permits & Fees	13	1,800	1,800	-	1,800	-
1.8 Consulting And Other Outside Services	7,249	2,500	2,500	-	2,500	-
1.9 Other Operating Expenses	30,641	36,269	39,492	3,222	38,985	(507)
1.10 Allocated Costs	305,496	176,926	206,474	29,549	214,401	7,927
1.11 Total Operating Expenses	<u>\$ 705,825</u>	<u>\$ 760,988</u>	<u>\$ 837,270</u>	<u>\$ 76,283</u>	<u>\$ 869,018</u>	<u>\$ 31,748</u>

**STATEMENT OF REVENUES & EXPENDITURES
TEMESCAL WATER DIVISION - POTABLE**

<u>Account</u>	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Water Sales Revenues</u>						
40101 Wtr Sales - Domestic, Block 1	\$ 51,037	\$ 74,720	\$ 83,846	\$ 9,126	\$ 104,400	\$ 20,554
40102 Wtr Sales - Domestic, Block 2	73,037	107,216	121,977	14,761	151,634	29,657
40103 Wtr Sales - Domestic, Block 3	8,923	14,301	14,982	681	18,622	3,640
40104 Wtr Sales - Domestic, Block 4	42,290	63,712	64,372	660	79,837	15,465
40111 Wtr Sales - Irrigation, Block 1	18,251	28,461	28,458	(3)	35,398	6,940
40112 Wtr Sales - Irrigation, Block 2	4,561	6,978	8,334	1,356	10,345	2,011
40113 Wtr Sales - Irrigation, Block 3	17,466	31,764	27,050	(4,714)	33,572	6,522
40126 Wtr Sales - Industrial	33,874	50,015	56,966	6,951	70,943	13,977
40140 Wtr Sales - Fixed Meter Charge	298,133	312,263	326,396	14,133	353,615	27,219
40150 Wtr Sales - Power Surcharge	19,072	19,602	20,919	1,317	23,429	2,510
40127 Wtr Sales - Coldwater Basin	163,114	115,300	181,834	66,534	190,926	9,092
40128 Wtr Sales - Low Income Credit	(2,739)	-	-	-	-	-
Sub-total - Water Sales Revenues	727,019	824,332	935,134	110,802	1,072,721	137,587
<u>Accrued Water Revenues</u>						
40201 Wtr Sales - Domestic (Accrued)	7,644	-	-	-	-	-
40211 Wtr Sales - Irrigation (Accrued)	2,508	-	-	-	-	-
40240 Wtr Sales - Fixed Meter Charge (Accrued)	1,198	-	-	-	-	-
40250 Wtr Sales - Power Surcharge (Accrued)	448	-	-	-	-	-
40228 Wtr Sales - Low Income Credit (Accrued)	(11)	-	-	-	-	-
Sub-total - Accrued Water Revenues	11,788	-	-	-	-	-
Total Water Revenues	738,807	824,332	935,134	110,802	1,072,721	137,587

**STATEMENT OF REVENUES & EXPENDITURES
TEMESCAL WATER DIVISION - POTABLE**

<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
<u>Service Revenues</u>						
40301	-	350	500	150	700	200
40303	6,722	8,000	4,000	(4,000)	8,000	4,000
40304	(61)	(200)	100	300	100	-
40306	1,516	1,500	1,500	-	1,500	-
40308	900	1,000	1,000	-	1,000	-
40310	1,950	3,000	1,500	(1,500)	3,000	1,500
40311	525	500	500	-	500	-
40312	27	100	100	-	100	-
40318	740	-	500	500	1,000	500
40319	(2)	-	-	-	-	-
Total Service Revenues	12,317	14,250	9,700	(4,550)	15,900	6,200
Total Operating Revenues - Charges For Services	751,125	838,582	944,834	106,252	1,088,621	143,787
<u>Purchased Water Expenses</u>						
50101	-	28,716	-	(28,716)	-	-
50104	300	300	300	-	300	-
Total Purchased Water Expenses	300	29,016	300	(28,716)	300	-
<u>Wells Expenses</u>						
52110	25,150	25,782	30,790	5,007	31,843	1,053
52300	20,118	14,776	24,519	9,743	25,991	1,472
53100	116,280	77,200	202,407	125,207	212,527	10,120
53110	6	4,500	3,000	(1,500)	3,000	-
53111	8,377	132,500	32,000	(100,500)	32,000	-
53113	4,600	1,000	2,000	1,000	2,000	-
53120	12,082	14,000	12,082	(1,918)	12,686	604
53122	6,410	8,000	8,000	-	8,000	-
53140	6,745	-	-	-	-	-
53322	-	1,800	1,800	-	1,800	-
54410	4,680	4,627	6,243	1,616	5,935	(308)
Total Wells Expenses	204,446	284,185	322,841	38,655	335,781	12,941

**STATEMENT OF REVENUES & EXPENDITURES
TEMESCAL WATER DIVISION - POTABLE**

<u>Account</u>	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Pumping And Booster Stations Expenses</u>						
52110 Direct Labor	21,242	21,788	16,904	(4,885)	17,582	679
52300 Employee Benefit Allocated	16,869	12,487	13,460	974	14,351	891
53110 Repairs & Maint - Inventory	311	300	800	500	800	-
53111 R&M - Outside Services & Materials	2,683	500	5,500	5,000	5,500	-
53113 Landscape	1,781	1,000	2,000	1,000	2,000	-
53100 Electricity	1,031	600	1,223	623	1,284	61
Total Pumping And Booster Stations Expenses	43,917	36,675	39,887	3,212	41,518	1,631
<u>Reservoirs Expenses</u>						
52110 Direct Labor	10,190	16,597	12,278	(4,319)	12,686	408
52300 Employee Benefit Allocated	7,999	9,511	9,776	265	10,355	578
53110 Repairs & Maint - Inventory	-	1,500	1,500	-	1,500	-
53111 R&M - Outside Services & Materials	534	2,000	6,000	4,000	6,000	-
53113 Landscape	7,010	7,000	8,000	1,000	8,000	-
Total Reservoirs Expenses	25,732	36,608	37,554	946	38,541	987
<u>Transmission And Distribution Expenses</u>						
52110 Direct Labor	34,462	65,753	26,785	(38,968)	27,904	1,119
52300 Employee Benefit Allocated	27,253	37,682	21,329	(16,354)	22,776	1,448
53110 Repairs & Maint - Inventory	6,908	22,500	23,000	500	23,000	-
53111 R&M - Outside Services & Materials	1,097	8,000	8,500	500	8,500	-
53113 Landscape	5,926	6,000	7,000	1,000	7,000	-
53122 Water & WW Testing	-	3,000	6,000	3,000	6,000	-
54410 Allocated Laboratory Expense	3,784	3,742	5,049	1,307	4,800	(249)
Total Transmission And Distribution Expenses	79,430	146,677	97,662	(49,015)	99,980	2,318
<u>Meter Reading Expenses</u>						
52110 Direct Labor	314	2,083	5,692	3,610	5,909	217
52300 Employee Benefit Allocated	233	1,194	4,533	3,339	4,823	290
Total Meter Reading Expenses	547	3,276	10,225	6,949	10,732	507

**STATEMENT OF REVENUES & EXPENDITURES
TEMESCAL WATER DIVISION - POTABLE**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Water Conservation Expenses</u>						
52110 Direct Labor	-	-	-	-	-	-
52300 Employee Benefit Allocated	-	-	-	-	-	-
53140 Consulting And Professional Fees	504	2,500	2,500	-	2,500	-
53144 Water Conservation Programs	-	4,500	4,500	-	4,500	-
53330 General Office Supplies	-	350	350	-	350	-
53332 Forms, Printing & Duplicating Costs	340	500	500	-	500	-
Total Water Conservation Expenses	843	7,850	7,850	-	7,850	-
<u>Meter Installation, Testing & Replacement Expenses</u>						
52110 Direct Labor	2,760	5,884	37,998	32,114	39,439	1,442
52300 Employee Benefit Allocated	2,220	3,372	30,259	26,887	32,191	1,933
53110 Repairs & Maint - Inventory	17,187	9,000	9,000	-	9,000	-
53111 R&M - Outside Services & Materials	-	1,000	1,000	-	1,000	-
Total Meter Installation, Testing & Replacement Exp	22,167	19,256	78,256	59,001	81,631	3,374
<u>Other Division Admin Expenses</u>						
52110 Direct Labor	11,139	8,244	18,020	9,776	18,932	912
52300 Employee Benefit Allocated	8,801	4,724	14,351	9,626	15,452	1,102
53310 Legal Costs	510	-	-	-	-	-
53320 General Liability & Property Insurance	586	550	300	(250)	300	-
53321 Property Taxes	1,364	3,000	1,550	(1,450)	1,600	50
53330 General Office Supplies	-	1,000	1,000	-	1,000	-
53390 Bad Debt Expense	60	3,000	1,000	(2,000)	1,000	-
54401 Computer Charges	156,044	-	-	-	-	-
54405 Allocated G & A Expense	146,752	174,225	204,479	30,255	212,406	7,927
54409 Allocated Wtr Division Administrative Expense	-	-	-	-	-	-
54408 Allocated Vehicle & Equip Outlay	2,701	2,701	1,995	(706)	1,995	-
Total Division Administrative Expenses	327,956	197,444	242,695	45,251	252,685	9,990
<u>Billable To Outside Sources</u>						
52110 Direct Labor	53	-	-	-	-	-
52300 Employee Benefit Allocated	39	-	-	-	-	-
52110 Direct Labor	219	-	-	-	-	-
52300 Employee Benefit Allocated	162	-	-	-	-	-
53322 Licenses, Permit & Fees	13	-	-	-	-	-
Total Billable To Outside Sources	486	-	-	-	-	-
Total Operating Expenses	705,825	760,988	837,270	76,283	869,018	31,748
Net Operating Income (Loss)	45,300	77,594	107,564	29,969	219,603	112,039

**STATEMENT OF REVENUES & EXPENDITURES
TEMESCAL WATER DIVISION - POTABLE**

<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
<u>Transfers To Reserves</u>						
77101 Transfer Out To Operating Reserve (20%)	95,570	-	15,257	15,257	6,350	(8,907)
77102 Transfer Out To Rate Stabilization Reserve	(109,812)	-	-	-	25,312	25,312
Total Transfers To Reserves	(14,242)	-	15,257	15,257	31,661	16,404
<u>Transfers From Reserves</u>						
76100 Transfer In From Reserves	843	-	-	-	-	-
76101 Transfer In From Operating Reserves (20%)	-	46,806	-	(46,806)	-	-
76102 Transfer In From Rate Stabilization Reserve	(163,864)	-	38,982	38,982	-	(38,982)
Total Transfers From Reserves	(163,020)	46,806	38,982	(7,824)	-	(38,982)
<u>Transfers In</u>						
78115 Transfer In From General Fund	383,990	264,385	264,385	0	264,385	-
Total Transfers In	383,990	264,385	264,385	0	264,385	-
<u>Transfers Out</u>						
79121 Transfer Out To Information Tech Fund	306	-	-	-	-	-
79319 Transfer Out To Temescal Water Replacement Fund	300,000	400,000	450,000	50,000	500,000	50,000
Total Transfers Out	300,306	400,000	450,000	50,000	500,000	50,000
<u>Non-oper. & Prior Yr Oper. Revenues</u>						
72110 Allocated Investment Income	20,669	12,089	55,595	43,506	48,942	(6,653)
Total Non-oper. & Prior Yr Oper. Revenues	20,669	12,089	55,595	43,506	48,942	(6,653)
<u>Non-operating Expenses</u>						
82521 Computer Outlay Charges	874	874	1,269	395	1,269	-
Total Non-operating Expenses	874	874	1,269	395	1,269	-
Net Income (Loss) - Temescal Division	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Wastewater Operations



Fund 30



WASTEWATER OPERATIONS

The District operates three water reclamation facilities which provide service to the Regional, Canyon Lake, and Horsethief service areas; and is a member agency of Santa Rosa Regional Resources Authority, which owns and operates the Santa Rosa Water Reclamation Facility (SRWRF). The SRWRF provides service to the District's Southern Service area customers.

The proposed budget assumes growth in the District's water reclamation services of 1.3% (450 customers) in both FY2022 and FY2023.

History

Regional Service Area

Under an agreement with the City of Lake Elsinore dated June 13, 1984, the District acquired and assumed operation of the city's wastewater collection system and facilities, along with the real property for the site where the current Regional Water Reclamation Facility is located. These acquired facilities included a wastewater treatment plant and disposal facilities with two aerated lagoons and two collection systems. One collection system was constructed in 1912 and improved in 1978, and the other system was constructed in 1970.

In 1985, the District constructed new Regional treatment facilities, including a 2 million-gallon-per-day ("MGD") wastewater treatment plant (RWRF), a regional interceptor system, 10 lift stations, and 25 miles of collection system. This project was financed by Clean Water Grant Funds and bond proceeds from the issuance of the 1984 Certificates of Participation. In 1989, the hydraulic capacity of the RWRF was expanded from 2 MGD to 3 MGD with proceeds from the issuance of the 1989 Certificates of Participation. In 1990, the District internally financed the additional expansion of the facility from 3 MGD to 4 MGD.

The expansion of the Regional Water Reclamation Facility (RWRF) from 4 MGD to 8 MGD was completed in FY2005. This expansion was funded by proceeds from Certificates of Participation Bonds issued in the year 2000 as well as Clean Water Division low interest loan funds. Tertiary treated effluent from the facility is discharged into the Temescal Creek, a tributary of the Santa Ana River, as well as into Lake Elsinore to help maintain its water level.

The RWRF operated at approximately 76% of its 8 MGD of capacity at the end of FY2021. This treatment facility currently provides service to approximately 26,000 accounts (figure 27).

The facility is projected to reach its design capacity in the near future. To meet future demands, the District will undergo a project to expand capacity from 8.0 to 12.0 MGD. The project includes new bar screens and grit removal tank, a new 4.0 MGD membrane bioreactor, a new 12 MGD UV system, and sludge processing facilities. This expansion will be funded by a low interest loan from the State of California Revolving Fund.

Canyon Lake Service Area

The Railroad Canyon Water Reclamation Facility was built in 1985 and financed by the issuance of special assessment bonds. This facility exclusively serves the City of Canyon Lake. During 1991, the facility was upgraded to tertiary treatment and currently has a capacity of 1.2 MGD. The upgrade was financed by the issuance of Improvement District U-2 general obligation bonds. This facility has sufficient treatment capacity to serve the ultimate build out of the City of Canyon Lake.

During FY1996, the District completed the replacement of four of the seven lift stations and portions of the force mains. The original facilities were constructed in 1968 when this master planned community was developed. Funding for this replacement project was provided by a State Revolving Fund Loan, Certificates of Participation, local District funds, and monetary participation from the Eastern Municipal Water District.

Replacement of the Longhorn Lift Station, located on Longhorn Drive, was completed in FY2006. The construction of the associated pipelines was completed in FY2008. Flows to the old Longhorn Lift Station have been permanently redirected to the new lift station.

The replacement of the Lighthouse Lift Station was completed in FY2007. The construction of the Continental Lift Station was completed in FY2010. The District funded these replacements primarily with Certificates of Participation issued in 2005, as well as with monetary participation from Eastern Municipal Water District for the Continental Lift Station, with additional funds provided from Certificates of Participation issued in 2007.

The Railroad Canyon Water Reclamation Facility provides wastewater service to approximately 4,600 accounts (figure 27) located within the City of Canyon Lake. This treatment facility operated at approximately 70% of capacity at the end of FY2021.

Southern Service Area

The Southern Service area provides service to approximately 4,600 accounts (figure 27) located primarily in the California Oaks development, which is located within the City of Murrieta. This area is predominantly residential, which comprises 98% of the customers in this service area. The balance of the Southern Division customers is made up of various commercial businesses, schools, and governmental entities.

These areas are served by a gravity sewer system that drains south to the Santa Rosa Water Reclamation Facility (SRWRF). The SRWRF is owned and operated by the Santa Rosa Regional Resources Authority, a Joint Powers Authority (JPA). The JPA was formed in November 2015 by the District, Rancho California Water District, and Western Municipal Water District. The effluent from the SRWRF is discharged into the Santa Margarita Creek.

Operating costs of the SRWRF are shared proportionately by member agencies and is based on current flows or EDUs as of the January prior to the JPA's Budget year. Non-operating and capital projects costs are shared proportionately based on ultimate capacity in the relevant asset type applicable to each member agency.

Horsethief Canyon Service Area

The Presley Corporation of Southern California constructed and contributed to the District a 0.5 MGD tertiary water reclamation facility within its Horsethief Canyon Development. This development is located north of Lake Elsinore on Interstate 15. This treatment facility is operating at approximately 72% of capacity and currently serves 2,000 accounts (figure 27). Effluent from the plant is distributed through a separate recycled water system to irrigate greenbelt, parkway, and common areas.

There is a planned expansion and upgrade of the Horsethief Canyon Water Reclamation Facility (HTCWRF). The expansion will increase the average daily capacity from 0.5 MGD to 0.8 MGD. The additional flows are expected from planned development in the area. The project also includes construction of several critical upgrades to improve plant reliability and provide redundancy features.

Figure 27

Wastewater Services by Division					
Service Area	Actuals 2020	Actual 2021	Budgeted 2022	Budgeted 2023	% of Total Services
Regional	25,442	25,970	26,400	26,830	70.44%
Southern	4,577	4,577	4,577	4,577	12.02%
Horsethief	2,051	2,051	2,051	2,051	5.38%
Canyon Lake	4,568	4,593	4,613	4,633	12.16%
Total	36,638	37,191	37,641	38,091	100.00%

Rates

The District's rates for wastewater services must account for the true costs of providing those services. To determine that true cost, the District retained an independent financial consultant to develop a comprehensive financial plan, update cost of service requirements and prepare a rate study report. The report showed the need for rate adjustments to account for increased costs. The rates proposed in this budget meet the District's priorities of being fair, equitable and compliant with state law and are designed to recover the District's cost of service.

The last update to the District's wastewater rates was on July 1, 2018, in which the District also converted its residential wastewater rate structure from a fixed rate structure to mixed rate structure that includes both a fixed and variable component. The variable component is based on the number of people in the household. This rate structure more accurately reflects the impacts that a household may have on the sewer system and in turn spreads the District costs out more equitably to its customers.

For the past three years the District has been able to keep operating costs down while also utilizing wastewater reserves to offset any potential rate increases. However, given current cost pressures, primarily driven by debt

services costs for the Regional Upgrades project, adjustments to the current rates are proposed starting January 1, 2022 through July 1, 2024 (Figure 28).

Canyon Lake Service Area Surcharge

Beginning in FY 2006, a Sewer Capital Surcharge was added for customers in this service area. The Sewer Capital Surcharge is necessary to fund the upgrades to the Lighthouse and Continental Lift Stations, as well as the Railroad Canyon Water Reclamation Facility. The surcharge for a single family residence will remain \$12.00 for the next two fiscal years. The single-family residence rates are illustrated in Figure 28 below.

Figure 28

Wastewater Rates					
	Current Rates 7/1/2020	Adopted Rates 1/1/2022	Adopted Rates 7/1/2022	Adopted Rates 7/1/2023	Adopted Rates 7/1/2024
Fixed Charge					
Single Family	\$20.29	\$21.11	\$21.96	\$22.90	\$23.88
Multi-Family	20.29	21.11	21.96	22.90	23.88
Variable Rate (\$ per person)	6.93	7.21	7.50	7.82	8.16
Capital Surcharge <i>(application to Canyon Lake service area)</i>	12.00	12.00	12.00	12.00	12.00

**STATEMENT OF REVENUES & EXPENDITURES
WASTEWATER**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
Revenues						
1.0 Sewer Service Charge	\$ 25,360,587	\$ 26,625,542	\$ 26,911,343	\$ 285,801	\$ 28,922,508	\$ 2,011,165
1.1 Septage Dumping Fees	(13,065)	10,000	10,000	-	10,000	-
1.2 Sewer Service - EMWD	221,540	228,000	243,699	15,699	251,010	7,311
1.3 Sewer Standby Charges	12,563	-	-	-	-	-
1.4 Pre-treatment Program	37,390	91,158	48,450	(42,708)	48,450	-
1.5 Other Sewer Revenue	104,338	125,000	75,000	(50,000)	130,000	55,000
1.6 Total Operating Revenues	25,723,353	27,079,700	27,288,492	208,792	29,361,968	2,073,476
Expenses						
2.0 Collection System	969,265	1,702,725	1,212,251	(490,474)	1,252,785	40,534
2.1 Sewage Lift Stations	1,404,537	1,464,157	2,046,184	582,027	2,099,208	53,024
2.2 Regional Treatment Plant	4,203,374	4,863,224	4,994,203	130,979	5,102,772	108,569
2.3 Railroad Canyon Treatment Plant	1,142,147	1,037,493	1,152,553	115,060	1,203,162	50,609
2.4 Horsethief Treatment Plant	687,122	776,197	929,227	153,030	963,313	34,086
2.5 SRRRA Contract - Treatment	1,096,492	1,148,738	1,101,077	(47,661)	1,167,502	66,425
2.6 Pretreatment Program	271,050	422,689	469,622	46,934	412,665	(56,958)
2.7 Division Administrative	1,337,321	1,386,618	1,485,951	99,333	1,538,265	52,314
2.8 Allocated Administrative Costs	4,820,110	5,426,376	5,525,698	99,323	5,716,184	190,486
2.9 Billable To Outside Sources	1,328	-	5,000	5,000	5,000	-
2.90 Total Operating Expenses	15,932,746	18,228,216	18,921,767	693,551	19,460,856	539,089
3.0 Net Operating Income (Loss)	9,790,607	8,851,484	8,366,725	(484,759)	9,901,112	1,534,387
Non-operating Revenues						
4.0 Transfer From Other Funds	303,976	-	250,000	250,000	250,000	-
4.1 Transfer From Rate Stabilization Fund	(2,616,090)	264,627	2,173,827	1,909,200	1,947,162	(226,665)
4.2 Investment Income	450,468	142,832	498,398	355,566	438,756	(59,642)
4.3 Sewer Standby Charge	329,454	330,929	332,482	1,553	319,896	(12,586)
4.4 Other Non-operating Revenue	899,347	711,000	920,000	209,000	930,000	10,000
4.5 Total Non-operating Revenues	(632,846)	1,449,388	4,174,707	2,725,319	3,885,814	(288,893)

**STATEMENT OF REVENUES & EXPENDITURES
WASTEWATER**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Non-operating Expenses</u>						
5.0 Transfer To Capital Repayment Funds	1,843,673	2,064,543	4,311,354	2,246,811	4,956,352	644,998
5.1 Transfer To Replacement Fund	6,153,080	6,603,080	7,053,000	449,920	7,503,000	450,000
5.2 Transfer To Replacement Fund - SRRRA	300,000	300,000	250,000	(50,000)	250,000	-
5.3 Transfer To Rate Stabilization Fund	(1,464,271)	-	-	-	-	-
5.4 Transfer To Operating Reserves	44,758	71,367	138,710	67,343	107,818	(30,892)
5.5 Transfers To Capital Improvement Funds	270,079	100,000	-	(100,000)	-	-
5.6 Transfer To Other Funds	1,893,537	1,040,301	646,861	(393,440)	848,758	201,897
5.7 Capital Outlay	34,581	34,581	53,306	18,725	32,798	(20,508)
5.8 Other Non-operating	82,325	87,000	88,200	1,200	88,200	-
5.9 Total Non-operating Expenses	9,157,762	10,300,872	12,541,432	2,240,560	13,786,926	1,245,494
6.0 Net Income (Loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**STATEMENT OF REVENUES & EXPENDITURES
WASTEWATER**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Operating Expenses</u>						
1.0 Labor	\$ 2,664,604	\$ 3,546,753	\$ 3,121,277	\$ (425,476)	\$ 3,249,653	\$ 128,375
1.1 Fringe Benefits	2,105,520	2,032,602	2,485,539	452,937	2,652,478	166,938
1.2 Repairs & Maintenance	1,511,158	2,251,080	2,202,000	(49,080)	2,222,000	20,000
1.3 Electricity	1,552,968	1,547,000	1,811,000	264,000	1,856,550	45,550
1.4 Disposal Expense	1,082,071	1,160,000	1,145,000	(15,000)	1,170,000	25,000
1.5 Contractual Services (SRRRA)	1,096,010	1,148,738	1,101,077	(47,661)	1,167,502	66,425
1.6 Consulting And Other Outside Services	94,813	115,350	137,350	22,000	65,350	(72,000)
1.7 Landscape	167,774	219,695	193,000	(26,695)	193,000	-
1.8 Chemicals & Outside Testing	585,586	825,100	725,000	(100,100)	730,000	5,000
1.9 Licenses & Permit Fees	204,178	192,200	213,400	21,200	213,900	500
1.10 Wastewater Treatment & Testing	(30,121)	(384,065)	39,700	423,765	35,600	(4,100)
1.11 Bad Debt Expense	46,633	64,000	105,000	41,000	87,000	(18,000)
1.12 Property Insurance	37,761	35,700	43,400	7,700	44,500	1,100
1.13 Other Operating Expense	58,929	114,474	116,575	2,101	118,625	2,050
1.14 Allocated General & Administrative	3,742,168	4,228,620	4,298,896	70,276	4,473,598	174,701
1.15 Allocated Laboratory Services	137,257	135,723	183,114	47,392	174,085	(9,029)
1.16 Allocated Vehicle & Equipment Costs	483,107	486,719	451,184	(35,535)	453,792	2,609
1.17 Allocated Facilities Costs	87,937	79,967	93,464	13,497	95,843	2,379
1.18 Allocated Computer Costs	506,898	631,070	682,154	51,084	692,951	10,797
1.19 Allocated Treatment Costs	(202,504)	(202,509)	(226,364)	(23,855)	(235,570)	(9,206)
1.20 Total Operating Expense	\$ 15,932,746	\$ 18,228,216	\$ 18,921,767	\$ 693,551	\$ 19,460,856	\$ 539,089

**STATEMENT OF REVENUES & EXPENDITURES
WASTEWATER**

<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
<u>Wastewater Revenues</u>						
41100 Sewer Single Family	\$ 20,575,466	\$ 21,554,327	\$ 21,538,952	\$ (15,375)	\$ 23,200,770	\$ 1,661,818
41101 Sewer Multi Family	2,336,031	2,686,943	2,866,129	179,186	3,051,597	185,468
41112 Sewer Group II Commercial	731,375	720,010	773,859	53,849	824,765	50,906
41113 Sewer Group III Commercial	394,137	253,489	361,868	108,379	385,894	24,026
41114 Sewer Group IV Commercial	1,095,219	1,178,100	1,079,936	(98,164)	1,150,454	70,518
41115 Sewer Group V Commercial	107,556	81,625	114,605	32,980	122,051	7,446
41118 Sewer Group VIII Commercial Schools	153,496	144,039	169,080	25,041	180,082	11,002
41120 Sewer Only On Tax Roll	6,330	7,009	6,914	(95)	6,895	(19)
Sub-total Wastewater Revenues	25,399,609	26,625,542	26,911,343	285,801	28,922,508	2,011,165
<u>Accrued Wastewater Revenues</u>						
41200 Sewer Single Family (Accrued)	(17,710)	-	-	-	-	-
41201 Sewer Multi Family (Accrued)	(4,774)	-	-	-	-	-
41212 Sewer Group II Commercial (Accrued)	(16,538)	-	-	-	-	-
Sub-total Accrued Wastewater Revenues	(39,022)	-	-	-	-	-
Total Wastewater Revenues	25,360,587	26,625,542	26,911,343	285,801	28,922,508	2,011,165
<u>Service Revenues</u>						
41300 Septage Dumping Fees	(13,065)	10,000	10,000	-	10,000	-
41310 Sewer Reimbursement Emwd	221,540	228,000	243,699	15,699	251,010	7,311
41320 Sewer Standby Charges Operating	12,563	-	-	-	-	-
41330 Industrial Waste Permit Fees	28,800	66,308	30,000	(36,308)	30,000	-
41331 Industrial Waste Inspection Fees	3,880	16,400	10,000	(6,400)	10,000	-
41332 Industrial Waste Noncompliance Fees	-	450	450	-	450	-
41333 Industrial Waste Compliance Review Fees	4,710	8,000	8,000	-	8,000	-
41400 Delinquent Charges, Sewer	104,338	125,000	75,000	(50,000)	130,000	55,000
Total Service Revenues	362,766	454,158	377,149	(77,009)	439,460	62,311
Total Operating Revenues - Charges For Service	25,723,353	27,079,700	27,288,492	208,792	29,361,968	2,073,476

**STATEMENT OF REVENUES & EXPENDITURES
WASTEWATER**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Collection System Expenses</u>						
52110 Direct Labor	284,340	542,325	391,218	(151,107)	409,245	18,028
52300 Employee Benefit Allocated	221,098	310,800	311,534	734	334,040	22,506
53110 Repairs & Maint - Inventory	8,985	11,000	7,500	(3,500)	7,500	-
53111 R&M - Outside Services & Materials	360,107	471,500	470,000	(1,500)	470,000	-
53113 Landscape	-	16,000	-	(16,000)	-	-
53120 Chemical & Other Treatment	63,655	325,100	-	(325,100)	-	-
53141 Contractual & Temporary Services	270	-	-	-	-	-
53322 Licenses, Permit & Fees	30,771	26,000	32,000	6,000	32,000	-
53330 General Office Supplies	39	-	-	-	-	-
Total Collection Systems Expenses	969,265	1,702,725	1,212,251	(490,474)	1,252,785	40,534
<u>Sewage Lift Stations Expenses</u>						
52110 Direct Labor	275,415	300,604	366,406	65,802	381,164	14,758
52300 Employee Benefit Allocated	216,767	172,273	291,778	119,505	311,119	19,341
53100 Electricity	328,016	325,000	368,500	43,500	386,925	18,425
53110 Repairs & Maint - Inventory	12,076	5,000	12,500	7,500	12,500	-
53111 R&M - Outside Services & Materials	233,383	546,580	545,000	(1,580)	545,000	-
53113 Landscape	66,886	50,000	70,000	20,000	70,000	-
53120 Chemical & Other Treatment	195,507	-	320,000	320,000	320,000	-
53140 Consulting And Professional Fees	1,494	-	-	-	-	-
53141 Contractual & Temporary Services	5,618	-	-	-	-	-
53322 Licenses, Permit & Fees	69,374	64,700	72,000	7,300	72,500	500
Total Sewage Lift Stations Expenses	1,404,537	1,464,157	2,046,184	582,027	2,099,208	53,024
<u>Pre-treatment Program Services</u>						
52110 Direct Labor	141,413	201,634	179,880	(21,754)	186,190	6,310
52300 Employee Benefit Allocated	111,522	115,554	143,242	27,688	151,975	8,732
53110 Repairs & Maint - Inventory	-	1,500	1,500	-	1,500	-
53111 R&M - Outside Services & Materials	-	15,000	15,000	-	15,000	-
53122 Water & WW Testing	-	7,000	7,000	-	7,000	-
53140 Consulting And Professional Fees	-	81,000	50,000	(31,000)	50,000	-
53141 Contractual & Temporary Services	18,115	-	72,000	72,000	-	(72,000)
53324 Advertising	-	1,000	1,000	-	1,000	-
Total Pre-treatment Program Services	271,050	422,689	469,622	46,934	412,665	(56,958)

**STATEMENT OF REVENUES & EXPENDITURES
WASTEWATER**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget	
<u>Regional Treatment Plant Expenses</u>							
52110	Direct Labor	899,821	1,325,021	936,145	(388,876)	973,141	36,996
52300	Employee Benefit Allocated	714,630	759,354	745,472	(13,881)	794,310	48,838
53100	Electricity	961,461	941,000	1,111,000	170,000	1,121,550	10,550
53110	Repairs & Maint - Inventory	118,180	125,000	105,000	(20,000)	105,000	-
53111	R&M - Outside Services & Materials	603,174	817,000	790,000	(27,000)	800,000	10,000
53113	Landscape	72,395	79,000	80,000	1,000	80,000	-
53114	Janitorial Services	-	-	11,000	11,000	11,000	-
53120	Chemical & Other Treatment	230,106	360,000	280,000	(80,000)	280,000	-
53121	Waste Water Treatment Cost	2,561	-	-	-	-	-
53122	Water & WW Testing	77,702	120,000	100,000	(20,000)	100,000	-
53124	Disposal Expense	893,577	980,000	950,000	(30,000)	970,000	20,000
53140	Consulting And Professional Fees	1,432	10,000	-	(10,000)	-	-
53141	Contractual & Temporary Services	25,182	5,000	-	(5,000)	-	-
53210	Contra - Allocated Regional Treatment Costs	(556,343)	(808,065)	(300,400)	507,665	(312,200)	(11,800)
53322	Licenses, Permit & Fees	62,261	58,000	64,000	6,000	64,000	-
53330	General Office Supplies	5,799	1,000	-	(1,000)	-	-
53331	Postage	-	500	-	(500)	-	-
54410	Allocated Laboratory Expense	91,437	90,415	121,986	31,571	115,971	(6,015)
Total Regional Treatment Costs		4,203,374	4,863,224	4,994,203	130,979	5,102,772	108,569
<u>Railroad Canyon Treatment Plant</u>							
52110	Direct Labor	237,386	253,287	295,079	41,792	306,710	11,630
52300	Employee Benefit Allocated	188,626	145,156	234,977	89,821	250,347	15,370
53100	Electricity	181,275	207,600	230,000	22,400	241,500	11,500
53110	Repairs & Maint - Inventory	870	2,000	2,000	-	2,000	-
53111	R&M - Outside Services & Materials	109,168	134,500	150,000	15,500	155,000	5,000
53113	Landscape	26,672	33,000	30,000	(3,000)	30,000	-
53120	Chemical & Other Treatment	37,855	55,000	50,000	(5,000)	55,000	5,000
53121	Waste Water Treatment Cost	403,414	263,900	191,300	(72,600)	198,700	7,400
53122	Water & WW Testing	22,139	13,000	20,000	7,000	20,000	-
53140	Consulting And Professional Fees	572	-	-	-	-	-
53141	Contractual & Temporary Services	18,003	-	-	-	-	-
53220	Contra - Allocated Recycled Water Treatment Costs	(126,406)	(115,834)	(103,979)	11,855	(107,881)	(3,902)
53322	Licenses, Permit & Fees	21,454	25,000	25,000	-	25,000	-
54410	Allocated Laboratory Expense	21,120	20,883	28,176	7,292	26,786	(1,389)
Total Railroad Canyon Treatment Plant		1,142,147	1,037,493	1,152,553	115,060	1,203,162	50,609

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WASTEWATER**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget	
<u>Horsethief Treatment Plant</u>							
52110	Direct Labor	169,611	189,279	279,103	89,824	290,160	11,057
52300	Employee Benefit Allocated	132,765	108,474	222,256	113,782	236,839	14,583
53100	Electricity	82,217	73,400	101,500	28,100	106,575	5,075
53110	Repairs & Maint - Inventory	203	2,000	2,000	-	2,000	-
53111	R&M - Outside Services & Materials	65,011	120,000	101,000	(19,000)	106,000	5,000
53113	Landscape	1,821	41,695	2,000	(39,695)	2,000	-
53120	Chemical & Other Treatment	58,462	85,000	75,000	(10,000)	75,000	-
53121	Waste Water Treatment Cost	5,669	7,100	5,800	(1,300)	6,100	300
53122	Water & WW Testing	14,736	13,000	16,000	3,000	16,000	-
53124	Disposal Expense	188,494	180,000	195,000	15,000	200,000	5,000
53140	Consulting And Professional Fees	572	-	-	-	-	-
53141	Contractual & Temporary Services	44	-	-	-	-	-
53220	Contra - Allocated Recycled Water Treatment Costs	(76,098)	(86,675)	(122,385)	(35,710)	(127,689)	(5,304)
53322	Licenses, Permit & Fees	18,905	18,500	19,000	500	19,000	-
53330	General Office Supplies	10	-	-	-	-	-
54410	Allocated Laboratory Expense	24,701	24,424	32,953	8,529	31,328	(1,625)
Total Horsethief Treatment Plant		687,122	776,197	929,227	153,030	963,313	34,086
<u>SRRRA Contractual Services</u>							
53123	SRRRA -Treatment Expenses	3,127,310	3,533,524	1,947,152	(1,586,372)	2,517,415	570,263
53125	Contra -SRRRA Contractual Svc	(2,080,356)	(2,447,768)	(1,577,710)	870,058	(2,070,142)	(492,432)
53127	SRRRA -Treatment Expenses	49,056	62,982	731,635	668,653	720,229	(11,406)
53140	Consulting And Professional Fees	482	-	-	-	-	-
Total SRRRA Contractual Services		1,096,492	1,148,738	1,101,077	(47,661)	1,167,502	66,425

**STATEMENT OF REVENUES & EXPENDITURES
WASTEWATER**

<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
<u>Billable To Outside Sources</u>						
52110 Direct Labor	707	-	-	-	-	-
52300 Employee Benefit Allocated	608	-	-	-	-	-
53322 Licenses, Permit & Fees	13	-	-	-	-	-
53390 Bad Debt Expense	-	-	5,000	5,000	5,000	-
Total Billable To Outside Sources	1,328	-	5,000	5,000	5,000	-
<u>Division Administrative Expenses (Allocated)</u>						
52110 Direct Labor	655,912	734,602	673,446	(61,156)	703,042	29,596
52300 Employee Benefit Allocated	519,504	420,992	536,280	115,288	573,848	37,568
52402 Uniforms	11,708	16,500	17,500	1,000	18,500	1,000
52405 Class A Certification Bonus	2,063	-	-	-	-	-
53110 Repairs & Maint - Inventory	-	-	500	500	500	-
53140 Consulting and Professional Fees	20,831	8,000	10,000	2,000	10,000	-
53141 Contractual & Temporary Services	384	-	-	-	-	-
53300 Travel And Training	13,959	42,100	37,650	(4,450)	37,650	-
53301 Employee Certifications	5,392	12,035	18,800	6,765	18,800	-
53310 Legal Costs	1,815	11,350	5,350	(6,000)	5,350	-
53320 General Liability & Property Insurance	37,761	35,700	43,400	7,700	44,500	1,100
53321 Property Taxes	(362)	2,300	1,275	(1,025)	1,325	50
53322 Licenses, Permit & Fees	1,400	-	1,400	1,400	1,400	-
53330 General Office Supplies	269	1,000	7,000	6,000	7,000	-
53333 Dues & Subscriptions	20,053	38,039	33,350	(4,689)	34,350	1,000
53390 Bad Debt Expense	46,633	64,000	100,000	36,000	82,000	(18,000)
54400 Facilities Charges	87,937	79,967	93,464	13,497	95,843	2,379
54401 Computer Charges	506,898	631,070	682,154	51,084	692,951	10,797
54405 Allocated G & A Expense	3,742,168	4,228,620	4,298,896	70,276	4,473,598	174,701
54408 Allocated Vehicle & Equip Outlay	232,789	232,789	186,071	(46,718)	186,071	-
54406 Allocated Vehicle & Equip O&M Costs	250,318	253,930	265,113	11,183	267,721	2,609
Total - Division Administrative	6,157,431	6,812,994	7,011,650	198,656	7,254,449	242,800
Total Operating Expenses	15,932,746	18,228,216	18,921,767	693,551	19,460,856	539,089
Net Operating Income (Loss)	9,790,607	8,851,484	8,366,725	(484,759)	9,901,112	1,534,387

**STATEMENT OF REVENUES & EXPENDITURES
WASTEWATER**

<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
54500 Depreciation	7,643,263	-	-	-	-	-
<u>Transfers To Reserves</u>						
77101 Transfer Out To Operating Reserve (20%)	44,758	71,367	138,710	67,343	107,818	(30,892)
77102 Transfer Out To Rate Stabilization Reserve	(1,464,271)	-	-	-	-	-
Total Transfers To Reserves	(1,419,513)	71,367	138,710	67,343	107,818	(30,892)
<u>Transfers From Reserves</u>						
76102 Transfer In From Rate Stabilization Reserve	(2,616,090)	264,627	2,173,827	1,909,200	1,947,162	(226,665)
Total Transfers From Reserves	(2,616,090)	264,627	2,173,827	1,909,200	1,947,162	(226,665)
<u>Transfers From Other Funds</u>						
78248 Transfer In From COP 2002	303,940	-	-	-	-	-
78310 Transfer In From Capital Outlay	36	-	-	-	-	-
78530 Transfer In From Gen Purpose Prop Tax	-	-	250,000	250,000	250,000	-
Total Transfers From Other Funds	303,976	-	250,000	250,000	250,000	-
<u>Transfers To Other Funds</u>						
79115 Transfer Out To General Fund	1,883,115	1,040,301	646,861	(393,440)	848,758	201,897
79121 Transfer Out To Information Tech Fund	10,422	-	-	-	-	-
79226 Transfer Out To State Revolving Loan Fund 226	117,892	124,132	77,976	(46,156)	79,247	1,271
79229 Transfer Out To RWRf Upgrade Loan Fund 229	33,333	400,000	-	(400,000)	-	-
79232 Transfer Out to RWRf Upgrade Construction	-	-	2,736,669	2,736,669	3,363,788	627,118
79234 Transfer Out to Diamond Reg Lift Station	-	-	94,182	94,182	94,182	-
79249 Transfer Out To 2005 COP Fund # 249	467,482	616,527	452,363	(164,164)	452,363	-
79256 Transfer Out To Replacement Rcwd	300,000	300,000	250,000	(50,000)	250,000	-
79263 Transfer Out To Revenue Bond	877,486	923,885	950,164	26,279	966,772	16,608
79310 Transfer Out To Capital Outlay Fund	347,481	-	-	-	-	-
79333 Transfer Out To Sewer Replacement Fund	6,153,080	6,603,080	7,053,000	449,920	7,503,000	450,000
79490 Transfer Out To Construction Fund	100,000	100,000	-	(100,000)	-	-
79823 Transfer Out To Reserve Capital Surcharge	170,079	-	-	-	-	-
Total Transfers To Other Funds	10,460,369	10,107,924	12,261,215	2,153,291	13,558,110	1,296,895

**STATEMENT OF REVENUES & EXPENDITURES
WASTEWATER**

<u>Account</u>	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Non-operating Revenues</u>						
71400 Standby Charges Current Year	279,773	279,643	283,034	3,391	270,983	(12,051)
71414 Standby Charges - Canyon Lake	49,680	51,286	49,448	(1,838)	48,913	(535)
72110 Allocated Investment Income	450,468	142,832	498,398	355,566	438,756	(59,642)
74101 Lake Elsinore Replenishment Revenue	917,573	711,000	920,000	209,000	930,000	10,000
74190 Prior Year Expense	(18,227)	-	-	-	-	-
Total Non-operating Revenues	1,679,268	1,184,761	1,750,880	566,119	1,688,652	(62,228)
<u>Non-operating Expenses</u>						
81119 Other Non-operating Expenses	82,325	87,000	88,200	1,200	88,200	-
82511 Capital Outlay Charges	-	-	20,508	20,508	-	(20,508)
82521 Computer Outlay Charges	34,581	34,581	32,798	(1,783)	32,798	-
Total Non-operating Expenses	116,906	121,581	141,506	19,925	120,998	(20,508)
Net Income (Loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Recycled Water Operations

💧
Fund 35



RECYCLED WATER OPERATIONS

The District utilizes recycled water in an effort to extend its potable water portfolio and to ensure reliable water sources for the future. The District is providing recycled water to a customer base that includes public and private irrigation customers such as parks, schools, and golf courses.

Customers

The District provides recycled water to areas within Horsethief Canyon, Canyon Lake, Wildomar and Lake Elsinore. Currently, the District provides recycled water to 148 connections. In FY2021, the District sold/utilized approximately 1,585 acre-feet of recycled water for landscape irrigation use. The table below (Figure 29) is a summary of the current connections serviced by recycled water.

Figure 29

Landscape Irrigation (by site type)	
Residential (HOA) Green Belts	85
EVMWD Facilities	8
Commercial Green Belts	25
Park/Rec	17
Schools	10
Golf Courses	2
Cemeteries	1
Total	148

Distribution System

The District receives its recycled water from the following sources: tertiary treated wastewater effluent from the District’s three Water Reclamation Facilities (WRF), advanced treated effluent from Rancho California Water District’s (RCWD) Santa Rosa WRF, and purchase of recycled water from Eastern Municipal Water District (EMWD).

Each location is served by the following sources:

- Horsethief WRF serves the Horsethief area.
- Railroad Canyon WRF serves the Canyon Hills/Cottonwood and the Canyon Lake service areas which is also supplemented with recycled water supply obtained from EMWD.
- Regional WRF serves a small area around the District’s main office building and Regional WRF. The majority of the recycled water produced at the facility is utilized to maintain Lake Elsinore water levels.
- The wastewater from a portion of the District’s Southern area is treated at the RCWD’s Santa Rosa WRF. The recycled water from RCWD is provided back to EVMWD through EMWD’s facilities. This supply of recycled water serves the Wildomar service area.

Rates

Commodity Charge

As with the potable water commodity charges, the District has implemented a tiered rate structure for its recycled water customers. The rates for recycled water services must also account for the true costs of providing those services. To determine that true cost, the District retained an independent financial consultant to develop a comprehensive financial plan, update cost of service requirements and prepare a rate study report. The report showed the need for rate adjustments to account for increased costs. The rates proposed in this budget meet the District’s priorities of being fair, equitable and compliant with state law and are designed to recover the District’s cost of service.

The outdoor water budget (OWB) for recycled water customers is determined by three main variables: irrigable landscape area, weather data and an evapotranspiration (ET) adjustment factor. Individual water budgets are based on irrigated square footage. The rate structure is designed to incentivize conservation and use water efficiently. The current and proposed rates are shown below (Figure 30).

The current rate structure is as follows:

Tier 1: The OWB is calculated using a formula accounting for the type of plants, local weather, irrigation efficiency, and square footage of irrigated landscape area. Since watering requirements are different throughout the year, the outdoor budgets are determined daily based on the Winchester weather station’s previous 10 year ET averages.

Tier 2: The water budget amount allocated to tier 2 is 30% of the OWB in tier 1.

Tier 3: Any use above tier 2.

Figure 30

Recycled Water Commodity Rates										
Rate Classification	Current Rate		Adopted Rates							
	4/1/2021		1/1/2022		7/1/2022		7/1/2023		7/1/2024	
	per CCF	per AF	per CCF	per AF	per CCF	per AF	per CCF	per AF	per CCF	per AF
Tier 1	\$2.44	\$1,063	\$2.56	\$1,115	\$2.66	\$1,159	\$2.70	\$1,176	\$2.83	\$1,233
Tier 2	4.22	1,838	4.42	1,925	4.58	1,995	4.65	2,026	4.87	2,122
Tier 3	5.40	2,352	5.66	2,466	5.87	2,557	5.96	2,596	6.24	2,718

The District’s reserve policy requires a transfer for replacement funding from the recycled water division to be utilized for the replacement or major refurbishment of aging infrastructure. This contribution is based on depreciation expense for recycled water assets consistent with the level of depreciation currently funded by the water operating funds.

**STATEMENT OF REVENUES & EXPENDITURES
RECYCLED WATER**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
Revenues						
1.0 Reclaimed Water Sales	\$ 1,353,922	\$ 1,095,555	\$ 1,386,592	\$ 291,037	\$ 1,474,372	\$ 87,780
1.1 Fixed Meter Charge	-	-	237,220	237,220	256,977	19,757
1.2 Total Operating Revenues	1,353,922	1,095,555	1,623,812	528,257	1,731,349	107,537
Expenses						
2.0 Purchased Water	112,411	105,000	87,438	(17,562)	88,754	1,316
2.1 Railroad Canyon Treatment Plant	126,406	115,834	103,979	(11,855)	107,881	3,902
2.2 Horsethief Treatment Plant	76,098	86,675	122,385	35,710	127,689	5,304
2.3 SRRRA Contractual Services	326,520	408,488	408,489	1	426,938	18,449
2.4 Reservoirs	12,056	18,042	11,902	(6,140)	12,274	373
2.5 Pumping And Booster Stations	78,157	38,670	74,087	35,417	76,259	2,172
2.6 Transmission And Distribution	90,277	194,958	149,743	(45,214)	156,074	6,330
2.7 General & Administrative	506,591	461,199	528,008	66,809	549,605	21,597
2.8 Total Operating Expenses	1,328,515	1,428,866	1,486,032	57,165	1,545,475	59,443
3.0 Net Operating Income (Loss)	25,407	(333,311)	137,780	471,092	185,874	48,094
Non-operating Revenues						
4.0 Transfer From Reserves	(584,484)	548,150	41,128	(507,023)	43,415	2,288
4.1 Transfer From Other Funds	387,750	301,299	77,126	(224,173)	77,126	-
4.2 Investment Income	49,692	12,138	18,170	6,032	15,995	(2,175)
4.3 Total Non-operating Revenues	(147,042)	861,587	136,424	(725,164)	136,536	113
Non-operating Expenses						
5.0 Transfer To Reserves	(68,586)	13,524	11,433	(2,091)	11,889	456
5.1 Transfer To Rate Stabilization Reserve	(850,822)	-	-	-	-	-
5.2 Transfer To Replacement Fund	148,000	175,000	203,000	28,000	233,000	30,000
5.3 Transfer To Other Funds	649,773	339,752	57,273	(282,479)	75,024	17,751
5.4 Other expenses	-	-	2,498	2,498	2,498	-
5.5 Total Non-operating Expenses	(121,635)	528,276	274,204	(254,072)	322,411	48,207
6.0 Net Income (Loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**STATEMENT OF REVENUES & EXPENDITURES
RECYCLED WATER**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Operating Expenses</u>						
1.0 Reclaimed Water Expense	\$ 529,024	\$ 610,997	\$ 634,853	\$ 23,856	\$ 662,508	\$ 27,655
1.1 Labor	114,822	163,432	173,558	10,126	181,696	8,138
1.2 Fringe Benefits	90,929	93,661	138,207	44,547	148,307	10,100
1.3 Purchased Water	112,411	105,000	87,438	(17,562)	88,754	1,316
1.4 Repairs & Maintenance	84,966	140,000	58,000	(82,000)	58,000	-
1.5 Other Expenses	26,248	31,059	37,897	6,838	37,681	(217)
1.6 Computer Charges	153,112	35,059	37,897	2,838	38,497	600
1.7 Facilities Charges	10,992	9,996	11,683	1,687	11,980	297
1.8 Allocated Vehicle & Equip Costs	44,174	44,811	67,460	22,648	67,920	460
1.9 Allocated General & Administrative	161,839	194,851	239,038	44,187	250,131	11,093
1.10 Total Operating Expense	\$ 1,328,515	\$ 1,428,866	\$ 1,486,032	\$ 57,165	\$ 1,545,475	\$ 59,443

**STATEMENT OF REVENUES & EXPENDITURES
RECYCLED WATER**

<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
<u>Reclaimed Water Revenues</u>						
42101	\$ 997,623	\$ 784,724	\$ 1,053,175	\$ 268,451	\$ 1,120,578	\$ 67,403
42102	136,092	117,919	143,055	25,136	151,665	8,610
42103	172,734	192,912	190,362	(2,550)	202,129	11,767
40140	-	-	237,220	237,220	256,977	19,757
Sub-total Reclaimed Water Revenues	1,306,448	1,095,555	1,623,812	528,257	1,731,349	107,537
<u>Accrued Reclaimed Water Revenues</u>						
42201	47,474	-	-	-	-	-
42202	-	-	-	-	-	-
42203	-	-	-	-	-	-
Sub-total Accrued Reclaimed Water Revenues	47,474	-	-	-	-	-
Total Operating Revenues - Charges For Service	1,353,922	1,095,555	1,623,812	528,257	1,731,349	107,537
<u>Purchased Water Expenses</u>						
50100	64,584	50,000	32,438	(17,562)	33,754	1,316
50112	47,827	55,000	55,000	-	55,000	-
Total Purchased Water Expenses	112,411	105,000	87,438	(17,562)	88,754	1,316
<u>Reservoirs Expenses</u>						
52110	5,619	10,516	4,399	(6,117)	4,556	157
52300	4,937	6,026	3,503	(2,523)	3,719	216
53110	-	500	500	-	500	-
53111	1,500	1,000	3,500	2,500	3,500	-
Total Reservoirs Expenses	12,056	18,042	11,902	(6,140)	12,274	373

**STATEMENT OF REVENUES & EXPENDITURES
RECYCLED WATER**

<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
<u>Pumping And Booster Stations Expenses</u>						
52110 Direct Labor	13,409	4,558	22,317	17,758	23,267	951
52300 Employee Benefit Allocated	10,558	2,612	17,771	15,159	18,992	1,221
53110 Repairs & Maint - Inventory	-	500	500	-	500	-
53111 R&M - Outside Services & Materials	54,190	31,000	33,500	2,500	33,500	-
53100 Electricity	-	-	-	-	-	-
Total Pumping And Booster Stations Expenses	78,157	38,670	74,087	35,417	76,259	2,172
<u>Transmission And Distribution Expenses</u>						
52110 Direct Labor	32,240	44,307	61,429	17,122	64,360	2,931
52300 Employee Benefit Allocated	25,084	25,392	48,917	23,526	52,533	3,616
53110 Repairs & Maint - Inventory	28,726	5,000	5,000	-	5,000	-
53111 R&M - Outside Services & Materials	549	102,000	15,000	(87,000)	15,000	-
53140 Consulting And Professional Fees	71	15,000	15,000	-	15,000	-
53100 Electricity	311	-	-	-	-	-
54410 Allocated Laboratory Expense	3,296	3,259	4,397	1,138	4,181	(217)
Total Transmission And Distribution Expenses	90,277	194,958	149,743	(45,214)	156,074	6,330
<u>Railroad Canyon Treatment Plant Expenses</u>						
53121 Wastewater Treatment Cost	126,406	115,834	103,979	(11,855)	107,881	3,902
Total Railroad Canyon TP Expenses	126,406	115,834	103,979	(11,855)	107,881	3,902

**STATEMENT OF REVENUES & EXPENDITURES
RECYCLED WATER**

<u>Account</u>	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Horsethief Treatment Plant Expenses</u>						
53121 Wastewater Treatment Cost	76,098	86,675	122,385	35,710	127,689	5,304
Total Horsethief TP Expenses	76,098	86,675	122,385	35,710	127,689	5,304
<u>SRRRA Contractual Services Expenses</u>						
53123 SRRRA -Treatment Expenses	504,966	619,670	548,179	(71,491)	609,922	61,743
53125 Contra -SRRRA Contractual Svc	(178,447)	(211,182)	(139,690)	71,492	(182,984)	(43,294)
Total SRRRA Contractual Services Expenses	326,520	408,488	408,489	1	426,938	18,449
<u>Other Division Admin Expenses</u>						
52110 Direct Labor	63,554	104,051	85,413	(18,638)	89,513	4,099
52300 Employee Benefit Allocated	50,350	59,630	68,016	8,386	73,064	5,047
53300 Travel And Training	329	2,000	2,000	-	2,000	-
53320 General Liability & Property Insurance	2,387	2,300	4,000	1,700	4,000	-
53324 Advertising	-	2,500	2,500	-	2,500	-
53322 Licenses, Permit & Fees	19,854	5,000	10,000	5,000	10,000	-
53330 General Office Supplies	-	1,000	-	(1,000)	-	-
54400 Facilities Charges	10,992	9,996	11,683	1,687	11,980	297
54401 Computer Charges	153,112	35,059	37,897	2,838	38,497	600
54406 Allocated Vehicle & Equip O&m Costs	44,174	44,811	46,785	1,973	47,245	460
54408 Allocated Vehicle & Equip Outlay	-	-	20,675	20,675	20,675	-
54405 Allocated G & A Expense	161,839	194,851	239,038	44,187	250,131	11,093
Total - Other Division Administrative	506,591	461,199	528,008	66,809	549,605	21,597
Total Operating Expenses	1,328,515	1,428,866	1,486,032	57,165	1,545,475	59,443
Net Operating Income (Loss)	25,407	(333,311)	137,780	471,092	185,874	48,094

**STATEMENT OF REVENUES & EXPENDITURES
RECYCLED WATER**

<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
<u>Transfers To Reserves</u>						
77101	(68,586)	13,524	11,433	(2,091)	11,889	456
77102	(850,822)	-	-	-	-	-
Total Transfers To Reserves	(919,408)	13,524	11,433	(2,091)	11,889	456
<u>Transfers From Reserves</u>						
76102	(584,484)	548,150	41,128	(507,023)	43,415	2,288
Total Transfers From Reserves	(584,484)	548,150	41,128	(507,023)	43,415	2,288
<u>Transfers In</u>						
78120	301,299	301,299	-	(301,299)	-	-
78530	86,451	-	77,126	77,126	77,126	-
Total Transfers In	387,750	301,299	77,126	(224,173)	77,126	-
<u>Transfers Out</u>						
79115	648,751	189,752	57,273	(132,479)	75,024	17,751
79121	1,022	-	-	-	-	-
79330	148,000	175,000	203,000	28,000	233,000	30,000
79490	-	150,000	-	(150,000)	-	-
Total Transfers Out	797,773	514,752	260,273	(254,479)	308,024	47,751
<u>Non-Operating Expenses</u>						
82521	-	-	2,498	2,498	2,498	-
Total Non-Operating Expenses	-	-	2,498	2,498	2,498	-
<u>Non-operating Revenues</u>						
72110	49,692	12,138	18,170	6,032	15,995	(2,175)
Total Non-operating Revenues	49,692	12,138	18,170	6,032	15,995	(2,175)
Net Income (Loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

General Fund

(WITH PROGRAM DETAIL)



General &
Administrative



Vehicles & Equipment



Engineering



Information
Technology



Facilities



Capital Outlay

General & Administrative

Program 110 

**STATEMENT OF REVENUES & EXPENDITURES
GENERAL & ADMINISTRATIVE SUPPORT**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Sources Of Funds</u>						
1.0	\$ 45,500	\$ 52,000	\$ 52,000	\$ -	\$ 58,500	\$ 6,500
1.1						-
1.2	5,838,637	6,323,984	6,782,307	458,323	7,043,818	261,512
1.3	146,752	174,225	204,479	30,255	212,406	7,927
1.4	3,742,168	4,228,620	4,298,896	70,276	4,473,598	174,701
1.5	1,427,269	1,738,867	1,669,624	(69,243)	1,735,808	66,184
1.6	161,839	194,851	239,038	44,187	250,131	11,093
1.7	291,129	500,000	250,000	(250,000)	250,000	-
1.8	11,653,293	13,212,547	13,496,345	283,798	14,024,261	527,916
<u>G & A Departmental Expenditures</u>						
2.0	651,571	928,944	888,014	(40,930)	913,424	25,409
2.1	541,755	741,629	698,607	(43,021)	700,444	1,836
2.2	490,326	515,196	486,366	(28,830)	488,907	2,541
2.3	1,035,891	1,021,960	1,265,946	243,986	1,209,769	(56,177)
2.4	298,738	386,389	374,099	(12,290)	387,850	13,751
2.5	483,952	602,751	640,661	37,910	668,315	27,654
2.6	1,817,484	1,890,393	1,781,785	(108,608)	1,929,251	147,466
2.7	227,535	334,489	456,219	121,730	475,302	19,083
2.8	229,299	234,771	220,439	(14,331)	231,388	10,948
2.9	1,559,985	1,729,467	1,768,355	38,887	1,813,604	45,250
2.10	622,801	565,609	588,073	22,463	581,745	(6,327)
2.11	661,795	723,446	755,459	32,013	789,888	34,429
2.12	247,260	626,489	506,395	(120,095)	534,997	28,603
2.13	496,174	537,882	546,881	9,000	643,069	96,188
2.14	9,364,566	10,839,416	10,977,300	137,885	11,367,954	390,654
<u>G & A Indirect Expenditures</u>						
3.0	289,991	490,100	420,953	(69,147)	520,202	99,249
3.1	60,298	22,800	43,500	20,700	43,500	-
3.2	1,938,438	1,860,231	2,054,591	194,360	2,092,605	38,014
3.3	2,288,727	2,373,131	2,519,044	145,913	2,656,307	137,263
4.0	11,653,293	13,212,547	13,496,345	283,798	14,024,261	527,916

**STATEMENT OF REVENUES & EXPENDITURES
GENERAL & ADMINISTRATIVE SUPPORT**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Fringe Benefits</u>						
5.0 Fringe Benefits Allocations:						
5.0 Elsinore Water	(3,298,765)	(3,039,796)	(3,921,399)	(881,604)	(4,176,408)	(255,009)
5.1 Temescal Water - Potable	(83,694)	(83,746)	(118,226)	(34,480)	(125,939)	(7,713)
5.2 Wastewater	(2,105,520)	(2,032,602)	(2,485,539)	(452,937)	(2,652,478)	(166,938)
5.3 Recycled Water	(90,929)	(93,661)	(138,207)	(44,547)	(148,307)	(10,100)
5.4 Engineering	(803,548)	(835,834)	(965,346)	(129,512)	(1,029,188)	(63,842)
5.5 Vehicle & Equipment	(41,255)	(44,748)	(44,061)	687	(47,054)	(2,993)
5.6 Lake Elsinore Maintenance	(19,104)	(15,947)	(56,109)	(40,162)	(59,564)	(3,455)
5.7 Information Technology	(504,684)	(424,908)	(520,029)	(95,120)	(550,105)	(30,077)
5.8 Facilities	(135,202)	(112,735)	(165,195)	(52,461)	(176,539)	(11,344)
5.9 G & A Departments	(3,159,798)	(2,927,409)	(3,615,488)	(688,080)	(3,852,096)	(236,607)
5.10 Capital Improvements	(138,466)	-	-	-	-	-
5.11 Total Fringe Benefits Allocations	(10,380,965)	(9,611,385)	(12,029,601)	(2,418,216)	(12,817,679)	(788,078)
5.12 Fringe Benefits Costs	10,380,965	9,611,385	12,029,601	2,418,216	12,817,679	788,078
6.0 Net (Under) Over Applied Fringe Benefits	-	-	-	-	-	-
7.0 Net (Under) Over Applied G & A Expenditures	-	-	-	-	-	-
<u>Lake Lease</u>						
8.0 CLPOA Lease Income	1,530,985	1,566,807	1,592,059	25,252	1,623,900	31,841
8.1 Total Lake Lease	1,530,985	1,566,807	1,592,059	25,252	1,623,900	31,841
<u>Non-operating Revenues</u>						
9.0 Interest Income Allocable	10,104,462	3,116,694	3,408,696	292,002	3,000,784	(407,912)
9.1 Net Increase/(decrease) In Fair Value Of Investments	(8,263,208)	(2,766,377)	(2,882,811)	(116,434)	(2,537,831)	344,980
9.2 Interest Income Allocated	29,638	-	-	-	-	-
9.3 Other Revenue	386,270	181,000	1,406,147	1,225,147	1,446,897	40,750
9.4 Transfers From Reserves	7,553,701	3,148,949	2,137,399	(1,011,550)	3,219,208	1,081,809
9.5 Transfers In From Other Funds	1,244,353	-	-	-	-	-
9.6 Total Non-operating Revenues	11,055,216	3,680,266	4,069,431	389,165	5,129,058	1,059,627

**STATEMENT OF REVENUES & EXPENDITURES
GENERAL & ADMINISTRATIVE SUPPORT**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Non-operating Expenses</u>						
10.0 Transfers To Construction Fund	350,000	450,000	-	(450,000)	-	-
10.1 Transfers To Reserves	-	-	-	-	-	-
10.2 Transfers To Other Funds	9,591,782	4,187,717	5,537,729	1,350,012	6,623,203	1,085,474
10.3 Other Non-operating Expenses	2,556,963	21,900	73,471	51,571	79,465	5,994
10.4 Capital Outlay	87,456	587,456	50,290	(537,166)	50,290	-
10.5 Total Non-operating Expenses	12,586,201	5,247,073	5,661,490	414,417	6,752,958	1,091,468
Surplus (Deficiency) Of Sources						
11.0 Over Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**STATEMENT OF REVENUES & EXPENDITURES
GENERAL & ADMINISTRATIVE SUPPORT**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>G & A Expenditures</u>						
1.0 Labor	\$ 3,996,985	\$ 5,108,130	\$ 4,528,069	\$ (580,061)	\$ 4,706,586	\$ 178,516
1.1 Fringe Benefits	3,128,802	2,927,409	3,605,802	678,393	3,841,677	235,875
1.2 Legal Services	273,620	509,300	489,150	(20,150)	490,650	1,500
1.3 Consulting And Other Outside Services	683,322	791,300	1,014,192	222,892	946,102	(68,090)
1.4 General Office Supplies	21,123	34,750	30,150	(4,600)	29,200	(950)
1.5 Directors' Related Expenses	289,991	490,100	420,953	(69,147)	520,202	99,249
1.6 Forms, Duplicating, & Postage Costs	419,616	546,409	450,594	(95,815)	485,551	34,957
1.7 Other Expenses	712,040	582,540	585,813	3,273	593,623	7,810
1.8 Advertising	79,405	123,720	109,950	(13,770)	110,250	300
1.9 Seminars & Conferences	109,950	238,658	207,080	(31,578)	207,815	735
1.10 Allocated Facilities Costs	582,585	529,781	619,199	89,418	634,961	15,762
1.11 Allocated Computer Costs	1,282,230	1,255,765	1,357,418	101,653	1,378,903	21,484
1.12 Allocated Vehicle & Equipment Costs	73,623	74,685	77,974	3,289	78,742	767
1.13 Total G & A Expenditures	<u>\$ 11,653,293</u>	<u>\$ 13,212,547</u>	<u>\$ 13,496,345</u>	<u>\$ 283,798</u>	<u>\$ 14,024,261</u>	<u>\$ 527,916</u>

STATEMENT OF REVENUES & EXPENDITURES
GENERAL & ADMINISTRATIVE SUPPORT

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget	
Sources Of Funds							
53391	CFD Administration Costs Applied	\$ 45,500	\$ 52,000	\$ 52,000	\$ -	\$ 58,500	\$ 6,500
54405	Allocated G & A Expense	11,316,665	12,660,547	13,194,345	533,798	13,715,761	521,416
54403	Overhead Applied	291,129	500,000	250,000	(250,000)	250,000	-
	Total Sources Of Funds	11,653,293	13,212,547	13,496,345	283,798	14,024,261	527,916
Directors' Fees & Related Expenditures							
51100	Directors' Fees	127,877	144,000	141,000	(3,000)	148,000	7,000
51101	Directors' General Election	-	60,000	-	(60,000)	90,000	90,000
51102	Directors' Life & Medical Insurance	98,628	113,000	113,200	200	113,200	-
51103	Directors' Workers Compensation	797	1,400	780	(620)	820	40
51104	Directors' SUI and FICA	9,224	16,100	10,700	(5,400)	11,200	500
51105	Directors' Conferences & Related Expenses	36,216	90,000	83,750	(6,250)	83,750	-
51106	Directors' Misc. Expenses	3,214	2,000	1,000	(1,000)	1,000	-
51107	Directors' EA Program Expenses	114	-	-	-	-	-
53300	Travel And Training	61	-	-	-	-	-
53310	Legal Costs	2,351	50,000	50,000	-	50,000	-
53320	General Liability & Property Insurance	11,510	11,000	20,423	9,423	22,132	1,709
53330	General Office Supplies	-	100	-	(100)	-	-
53333	Dues & Subscriptions	-	2,500	100	(2,400)	100	-
	Total Directors Fees & Related Expenditures	289,991	490,100	420,953	(69,147)	520,202	99,249
General Management							
52110	Direct Labor	264,628	296,380	227,102	(69,277)	238,602	11,500
52300	Employee Benefit Allocated	208,636	169,852	180,846	10,995	194,755	13,909
52400	Auto Allowances	10,985	8,400	8,400	-	8,400	-
52401	Boot Allowance	32	-	-	-	-	-
53140	Consulting And Professional Fees	-	60,000	60,000	-	60,000	-
53300	Travel And Training	8,003	22,500	27,360	4,860	27,360	-
53301	Employee Certifications	-	-	-	-	-	-
53304	Employee Events Relations	25,627	30,000	32,000	2,000	32,000	-
53305	Contra-employee Relations Revenue	(19,402)	(30,000)	(32,000)	(2,000)	(32,000)	-
53310	Legal Costs	144,482	350,000	350,200	200	350,200	-
53324	Advertising	1,171	-	100	100	100	-
53330	General Office Supplies	271	400	1,700	1,300	1,700	-
53331	Postage	-	150	-	(150)	-	-
53332	Forms, Printing & Duplicating Costs	109	-	-	-	-	-
53333	Dues & Subscriptions	6,589	21,263	32,306	11,043	32,306	-
53399	Miscellaneous Expenses	441	-	-	-	-	-
	Total General Management	651,571	928,944	888,014	(40,930)	913,424	25,409

**STATEMENT OF REVENUES & EXPENDITURES
GENERAL & ADMINISTRATIVE SUPPORT**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
Administration Services						
52110 Direct Labor	265,672	342,330	295,642	(46,688)	306,210	10,567
52300 Employee Benefit Allocated	207,960	196,185	235,426	39,241	249,939	14,513
52400 Auto Allowances	7,200	7,200	7,200	-	7,200	-
53140 Consulting And Professional Fees	500	12,000	31,000	19,000	11,000	(20,000)
53141 Contractual & Temporary Services	32,759	79,100	79,000	(100)	79,000	-
53300 Travel And Training	362	26,208	17,120	(9,088)	15,355	(1,765)
53310 Legal Costs	1,614	50,000	5,000	(45,000)	5,000	-
53330 General Office Supplies	2,867	3,500	3,500	-	2,400	(1,100)
53331 Postage	-	250	-	(250)	-	-
53333 Dues & Subscriptions	325	855	719	-136	340	-379
53398 Annexation Expenses	22,496	24,000	24,000	-	24,000	-
Total Administration Services	541,755	741,629	698,607	(43,021)	700,444	1,836
Government Relations						
52110 Direct Labor	141,126	152,564	145,904	(6,659)	149,558	3,654
52300 Employee Benefit Allocated	110,354	87,432	116,187	28,754	122,074	5,888
52400 Auto Allowances	7,200	7,200	7,200	-	7,200	-
53140 Consulting And Professional Fees	182,500	188,000	151,500	(36,500)	151,500	-
53300 Travel And Training	28,976	45,000	43,000	(2,000)	36,000	(7,000)
53310 Legal Costs	(7,909)	5,000	7,000	2,000	7,000	-
53325 Sponsorships Public Information	14,900	15,000	9,000	(6,000)	9,000	-
53330 General Office Supplies	1,734	200	500	300	500	-
53333 Dues & Subscriptions	11,445	14,800	6,075	(8,725)	6,075	-
Total Government Relations	490,326	515,196	486,366	(28,830)	488,907	2,541
Human Resources						
52110 Direct Labor	246,031	292,504	323,479	30,975	339,871	16,392
52300 Employee Benefit Allocated	192,420	167,631	257,593	89,963	277,414	19,821
52400 Auto Allowances	7,200	7,200	7,200	-	7,200	-
52406 Wellness Program	12,100	1,000	14,200	13,200	14,200	-
52408 Wellness Revenue (Contra to 52406)	-	-	(14,200)	(14,200)	(14,200)	-
53140 Consulting And Professional Fees	67,048	68,600	187,200	118,600	85,450	(101,750)
53141 Contractual & Temporary Services	20,444	-	-	-	-	-
53142 Rent / Lease Expense	6,384	6,400	6,384	(16)	6,384	-
53300 Travel And Training	19,351	23,000	17,500	(5,500)	17,500	-
53302 Annual & Pre-employment Testing	24,612	20,000	39,000	19,000	39,000	-
53303 HR Employee Relations	9,652	14,000	14,000	-	14,000	-
53304 Employee Events Relations	525	-	-	-	-	-
53310 Legal Costs	32,345	55,000	55,000	-	55,000	-
53320 General Liability & Property Insurance	371,589	323,300	302,400	(20,900)	311,760	9,360
53324 Advertising	23,151	35,000	35,000	-	35,000	-
53330 General Office Supplies	1,407	4,000	4,000	-	4,000	-
53331 Postage	-	225	225	-	225	-
53333 Dues & Subscriptions	1,631	4,100	16,965	12,865	16,965	-
Total Human Resources	1,035,891	1,021,960	1,265,946	243,986	1,209,769	(56,177)

**STATEMENT OF REVENUES & EXPENDITURES
GENERAL & ADMINISTRATIVE SUPPORT**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
Safety						
52110	146,430	172,901	150,660	(22,241)	158,286	7,626
52300	115,034	99,088	119,974	20,886	129,198	9,225
52402	188	-	200	200	200	-
53110	40	-	-	-	-	-
53140	21,980	61,000	76,800	15,800	73,700	(3,100)
53300	4,746	36,000	8,000	(28,000)	8,000	-
53302	405	6,000	-	(6,000)	-	-
53303	1,185	-	5,000	5,000	5,000	-
53306	116	-	-	-	-	-
53310	80	-	-	-	-	-
53330	5,582	11,000	13,000	2,000	13,000	-
53331	191	-	-	-	-	-
53333	2,763	400	465	65	465	-
	298,738	386,389	374,099	(12,290)	387,850	13,751
Business Services						
52110	253,688	351,701	329,886	(21,815)	341,495	11,610
52300	199,308	201,555	262,695	61,140	278,740	16,044
52400	7,200	7,200	7,200	-	7,200	-
53300	4,817	10,000	10,200	200	10,200	-
53310	58	-	-	-	-	-
53325	23	-	-	-	-	-
53330	8,265	30,000	28,500	(1,500)	28,500	-
53331	-	100	95	(5)	95	-
53333	10,593	2,195	2,085	(110)	2,085	-
	483,952	602,751	640,661	37,910	668,315	27,654
Finance & Accounting						
52110	880,712	1,087,030	916,778	(170,252)	948,597	31,819
52300	688,251	622,964	730,051	107,087	774,277	44,227
53140	86,271	106,100	78,732	(27,368)	120,452	41,720
53141	32,511	-	-	-	-	-
53300	15,556	25,000	20,000	(5,000)	25,000	5,000
53310	1,401	4,000	3,500	(500)	5,500	2,000
53322	23	-	50	50	50	-
53324	1,210	7,000	6,650	(350)	6,950	300
53326	-	2,000	-	(2,000)	-	-
53330	1,282	-	-	-	-	-
53331	503	1,000	950	(50)	950	-
53332	24,728	17,000	7,000	(10,000)	30,000	23,000
53333	4,732	5,300	5,575	275	4,975	(600)
53335	9,484	13,000	12,000	(1,000)	12,000	-
53352	(9,065)	-	-	-	-	-
53390	77,061	-	-	-	-	-
53399	2,824	-	500	500	500	-
	1,817,484	1,890,393	1,781,785	(108,608)	1,929,251	147,466

**STATEMENT OF REVENUES & EXPENDITURES
GENERAL & ADMINISTRATIVE SUPPORT**

<u>Account</u>	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Grant Administration</u>						
52110	107,470	187,204	183,065	(4,139)	191,565	8,500
52300	84,671	107,285	145,779	38,494	156,362	10,583
53140	19,161	21,500	110,000	88,500	110,000	-
53300	13,296	15,000	15,000	-	15,000	-
53310	2,715	1,000	950	(50)	950	-
53330	32	1,000	-	(1,000)	-	-
53333	190	1,500	1,425	(75)	1,425	-
Total Grant Administration	227,535	334,489	456,219	121,730	475,302	19,083
<u>Community Relations</u>						
52110	126,864	143,012	121,501	(21,512)	124,545	3,044
52300	98,988	81,959	96,754	14,795	101,658	4,904
53141	450	-	-	-	-	-
53300	1,589	8,000	1,500	(6,500)	4,500	3,000
53310	-	1,000	-	(1,000)	-	-
53330	176	300	-	(300)	-	-
53331	288	-	-	-	-	-
53333	945	500	685	185	685	-
Total Community Relations	229,299	234,771	220,439	(14,331)	231,388	10,948
<u>Customer Service</u>						
52110	690,639	869,943	804,739	(65,203)	835,347	30,608
52300	542,735	498,554	640,831	142,278	681,839	41,008
52405	500	-	-	-	-	-
53141	6,011	-	39,960	39,960	-	(39,960)
53300	41	4,000	750	(3,250)	2,250	1,500
53310	6,268	500	1,000	500	500	(500)
53326	8,543	10,000	10,000	-	10,000	-
53330	281	-	-	-	-	-
53331	206,528	289,565	478,212	188,647	493,452	15,240
53332	128,058	141,969	194,412	52,443	197,657	3,245
53336	29,487	14,937	24,850	9,913	25,487	637
53360	-	-	(326,400)	(326,400)	(332,928)	(6,528)
74112	(59,106)	(100,000)	(100,000)	-	(100,000)	-
Total Customer Service	1,559,985	1,729,467	1,768,355	38,887	1,813,604	45,250

**STATEMENT OF REVENUES & EXPENDITURES
GENERAL & ADMINISTRATIVE SUPPORT**

<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
<u>Community Affairs</u>						
52110 Direct Labor	185,573	191,982	176,696	(15,286)	183,030	6,334
52300 Employee Benefit Allocated	145,929	110,022	140,707	30,684	149,395	8,688
53140 Consulting And Professional Fees	138,558	90,000	95,000	5,000	75,000	(20,000)
53141 Contractual & Temporary Services	26,604	-	-	-	-	-
53300 Travel And Training	2,475	6,950	7,650	700	7,650	-
53310 Legal Costs	3,339	500	500	-	500	-
53320 General Liability & Property Insurance	-	2,000	2,000	-	2,000	-
53324 Advertising	6,620	6,720	8,200	1,480	8,200	-
53325 Sponsorships Public Information	28,187	41,000	41,000	-	41,000	-
53327 Special Events	10,315	11,500	13,000	1,500	11,500	(1,500)
53330 General Office Supplies	3,673	5,350	1,650	(3,700)	1,800	150
53331 Postage	33,542	38,000	38,000	-	38,000	-
53332 Forms, Printing & Duplicating Costs	25,624	58,000	58,000	-	58,000	-
53333 Dues & Subscriptions	12,361	3,585	5,670	2,085	5,670	-
Total Community Affairs	622,801	565,609	588,073	22,463	581,745	(6,327)
<u>Purchasing</u>						
52110 Direct Labor	303,732	357,447	331,627	(25,820)	346,672	15,045
52300 Employee Benefit Allocated	237,554	204,849	264,082	59,233	282,966	18,884
52402 Uniforms	1,007	1,600	1,800	200	1,800	-
53110 Repairs & Maint - Inventory	45	-	-	-	-	-
53141 Contractual & Temporary Services	21,595	55,000	55,000	-	55,000	-
53300 Travel And Training	2,805	7,000	7,000	-	7,000	-
53310 Legal Costs	15,628	14,000	18,000	4,000	18,000	-
53324 Advertising	47,254	75,000	60,000	(15,000)	60,000	-
53330 General Office Supplies	1,140	4,000	1,000	(3,000)	1,000	-
53333 Dues & Subscriptions	405	550	8,950	8,400	9,450	500
53349 Obsolete inventory items	30,350	-	5,000	5,000	5,000	-
53351 Cycle Count Variations	(1,687)	500	500	-	500	-
53353 Purchase Price Variance	1,968	2,500	2,500	-	2,500	-
53399 Miscellaneous Expenses	-	1,000	-	(1,000)	-	-
Totals Purchasing	661,795	723,446	755,459	32,013	789,888	34,429
<u>Engineering & Ops Administration</u>						
52110 Direct Labor	138,530	368,914	257,574	(111,340)	270,613	13,039
52300 Employee Benefit Allocated	103,816	211,420	205,112	(6,308)	220,884	15,772
52400 Auto Allowances	2,215	7,200	7,200	-	7,200	-
53300 Travel And Training	115	-	22,500	22,500	22,500	-
53301 Employee Certifications	-	25,965	1,085	(24,880)	877	(208)
53330 General Office Supplies	2,584	4,000	4,000	-	4,000	-
53333 Dues & Subscriptions	-	8,990	8,924	(66)	8,924	-
Total Engineering & Ops Administration	247,260	626,489	506,395	(120,095)	534,997	28,603

**STATEMENT OF REVENUES & EXPENDITURES
GENERAL & ADMINISTRATIVE SUPPORT**

<u>Account</u>	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Strategic Programs</u>						
52110 Direct Labor	245,891	294,218	263,417	(30,802)	272,195	8,778
52300 Employee Benefit Allocated	193,146	168,613	209,765	41,152	222,175	12,410
52400 Auto Allowances	7,477	7,200	7,200	-	7,200	-
53140 Consulting And Professional Fees	26,929	50,000	50,000	-	125,000	75,000
53141 Contractual & Temporary Services	-	-	-	-	-	-
53300 Travel And Training	7,819	10,000	9,500	(500)	9,500	-
53310 Legal Costs	13,302	5,500	5,000	(500)	5,000	-
53330 General Office Supplies	93	1,000	800	(200)	800	-
53331 Postage	46	150	100	(50)	100	-
53333 Dues & Subscriptions	1,471	1,200	1,100	(100)	1,100	-
Total Strategic Programs	496,174	537,882	546,881	9,000	643,069	96,188
<u>Legal Expenses</u>						
53310 Legal Costs	60,298	22,800	43,000	20,200	43,000	-
53311 Legal Costs (Charged Out)	(431,570)	-	-	-	-	-
53312 Legal Services (Total)	431,570	-	-	-	-	-
53333 Dues and Subscriptions	-	-	500	500	500	-
Total Legal Expenses	60,298	22,800	43,500	20,700	43,500	-
<u>Allocated Facility, Computer, & Vehicle Charges</u>						
54406 Allocated Vehicle & Equip O&M Costs	73,623	74,685	77,974	3,289	78,742	767
54401 Computer Charges	1,282,230	1,255,765	1,357,418	101,653	1,378,903	21,484
54400 Facilities Charges	582,585	529,781	619,199	89,418	634,961	15,762
Total Allocated Facility, Computer, & Vehicle Charges	1,938,438	1,860,231	2,054,591	194,360	2,092,605	38,014

STATEMENT OF REVENUES & EXPENDITURES
GENERAL & ADMINISTRATIVE SUPPORT

<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
District Labor						
52100 Total Labor	15,643,812	16,771,218	17,236,863	465,645	17,918,996	682,133
52101 Contra - Total Labor	(15,643,812)	(16,771,218)	(17,236,863)	(465,645)	(17,918,996)	(682,133)
Net Undistributed District Labor	-	-	-	-	-	-
Employee Fringe Benefits Expenses						
52200 Vacation Taken	847,490	-	631,443	631,443	656,743	25,300
52201 Sick Leave Taken	567,981	-	420,938	420,938	437,774	16,836
52202 Holiday Taken	123,318	-	162,216	162,216	168,443	6,228
52203 Admin Leave Taken	800,215	-	915,817	915,817	952,597	36,780
52204 Bereavement Leave	18,015	-	-	-	-	-
52205 Military Leave Paid	1,308	-	-	-	-	-
52206 Jury Duty Pay	13,340	-	-	-	-	-
52207 Net Accrued CTO & Floating Holiday Exp	39,994	-	-	-	-	-
52208 COVID19 Leave taken	8,213	-	-	-	-	-
52301 Net Accrued Vacation Expense	83,414	368,316	396,221	27,905	442,473	46,252
52302 Net Accrued Sick Expense	144,959	432,309	330,326	(101,983)	343,585	13,259
52303 Savings Clause Taken	267,803	-	-	-	-	-
52304 Net Accrued Savings Clause Expense	(107,584)	110,717	103,563	(7,154)	105,244	1,681
52305 PERS Employer Contribution	3,737,822	4,318,006	4,530,108	212,102	4,801,268	271,160
52306 PERS ER Paid Survivor Benefit Contribution	10,947	11,180	11,245	65	11,245	-
52308 F.I.C.A. Medicare	235,650	232,001	236,083	4,082	245,567	9,484
52309 RHS Employer Contribution	60,073	72,000	60,000	(12,000)	60,000	-
52310 Group Medical Insurance Premiums	2,937,026	3,430,551	3,549,450	118,899	3,892,449	342,999
52311 Vision Care	41,293	47,006	46,825	(181)	48,695	1,870
52312 Group Life & Disability Insurance	122,149	129,021	130,011	990	132,559	2,548
52313 Life Insurance Allowance Labor	40,768	45,000	45,000	-	45,000	-
52314 (Contra) Life Insurance Allowance	(40,768)	(45,000)	(45,000)	-	(45,000)	-
52315 State Unemployment Insurance	51,217	42,140	42,385	245	42,385	-
52316 Workers' Comp Insurance	275,056	322,323	310,846	(11,477)	323,630	12,784
52318 Workers Comp Medical Expenses	-	1,000	1,000	-	1,000	-
52319 Medical Ins In Lieu Payments	43,258	41,016	50,016	9,000	50,016	-
52320 Employee Assistance Program	4,712	5,000	5,000	-	5,000	-
52324 Employee Gift	5,344	-	-	-	-	-
52325 Contra- Employee Gift	(5,144)	-	-	-	-	-
52401 Boot Allowance	20,846	26,300	31,200	4,900	31,200	-
52403 Educational Reimbursements	16,510	22,500	20,000	(2,500)	20,000	-
52404 Phone Reimbursements	15,741	-	18,097	18,097	18,459	362
52407 Technology Stipend	-	-	26,811	26,811	27,347	536
52322 Contra - PERS Employer Contribution	2,284,752	-	-	-	-	-
Total Employee Fringe Benefits Expenses	12,665,718	9,611,385	12,029,601	2,418,216	12,817,679	788,078
52399 Contra- Employee Benefits Allocated	(10,380,965)	(9,611,385)	(12,029,601)	(2,418,216)	(12,817,679)	(788,078)
Net Under (Over) Allocated Fringe Benefits	2,284,752	-	-	-	-	-

**STATEMENT OF REVENUES & EXPENDITURES
GENERAL & ADMINISTRATIVE SUPPORT**

<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
Total G & A Support Costs	11,607,793	13,160,547	13,444,345	283,798	13,965,761	521,416
Total G & A Overhead Applied	(13,892,545)	(13,160,547)	(13,444,345)	(283,798)	(13,965,761)	(521,416)
Net Under (Over) Applied Overhead	(2,284,752)	-	-	-	-	-
<u>Lake Lease</u>						
73500 CLPOA Lake Lease Revenues	1,530,985	1,566,807	1,592,059	25,252	1,623,900	31,841
Total Lake Lease	1,530,985	1,566,807	1,592,059	25,252	1,623,900	31,841
<u>Railroad Canyon Dam</u>						
52110 Direct Labor	33,582	-	8,172	8,172	8,570	398
52300 Employee Benefit Allocated	26,782	-	6,508	6,508	6,995	488
53111 R&M - Outside Services&Materials	28,038	-	5,000	5,000	5,000	-
53140 Consulting And Professional Fees	15,265	-	-	-	-	-
53355 Dam Insurance	4,843	21,900	-	(21,900)	-	-
53355 Dam Insurance	12,325	-	19,347	19,347	21,282	1,935
Total Railroad Canyon Dam	120,834	21,900	39,027	17,127	41,848	2,821
<u>Canyon Lake</u>						
52110 Direct Labor	914	-	359	359	378	18
52300 Employee Benefit Allocated	773	-	286	286	309	23
53355 Dam Insurance	12,325	-	19,347	19,347	21,282	1,935
Total Canyon Lake	14,011	-	19,992	19,992	21,968	1,976
<u>Lee Lake Dam</u>						
52110 Direct Labor	4,758	-	3,633	3,633	3,817	184
52300 Employee Benefit Allocated	3,442	-	2,893	2,893	3,115	222
53355 Dam Insurance	4,906	-	7,926	7,926	8,718	792
53140 Consulting And Professional Fees	46,191	-	-	-	-	-
Total Lee Lake Dam	59,298	-	14,452	14,452	15,649	1,197
<u>Non-operating Revenues</u>						
40600 Reimbursement Processing Fees	744	-	-	-	-	-
40601 Rental Income	7,079	181,000	460,000	279,000	470,000	10,000
40602 Cash Over/short	24	-	-	-	-	-
40603 Unclaimed Customer Refunds	227	-	-	-	-	-
40610 Other Operating Revenue	40,678	-	-	-	-	-
72100 Accrued Interest Income (Allocable)	29,638	-	-	-	-	-
72101 Interest Income (Allocable)	4,535,446	3,358,377	3,449,811	91,434	3,104,831	(344,980)
72105 Realization Of Gain (Loss) On Sale Of Investment	159,199	-	-	-	-	-
72106 Net Inc/(Dec) In The Fair Value Of Investments	4,104,322	-	-	-	-	-

72107	Bank Analysis Fees	(412,400)	(432,000)	(432,000)	-	(432,000)	-
72109	Investment Broker Fees	(152,997)	(160,000)	(135,000)	25,000	(135,000)	-
72110	Allocated Investment Income	1,870,892	350,317	525,885	175,568	462,953	(62,932)
72111	Contra - Interest Income Allocated To Funds	(8,263,208)	(2,766,377)	(2,882,811)	(116,434)	(2,537,831)	344,980
73501	M&D Water Lease Revenue	-	-	946,147	946,147	976,897	30,750
74110	P-card Rebate	15,024	-	-	-	-	-
74111	Annexation Fees	8,853	-	-	-	-	-
74113	Loss (Gain) On Disposal Of Assets	5,389	-	-	-	-	-
74114	FEMA/CALOES Reimbursements	223,107	-	-	-	-	-
74191	BCGSA - Administrative Fees	12,000	-	-	-	-	-
74199	Other Non-operating Revenue	73,144	-	-	-	-	-
	Total Non-operating Revenues	2,257,162	531,317	1,932,032	1,400,715	1,909,850	(22,182)
	<u>Non-operating Expenses</u>						
74190	Passive Income Offsetting Expenses	63,343	-	-	-	-	-
81113	Passive Income Offsetting Expenses	293	-	-	-	-	-
81119	Other Non-operating Expenses	14,432	-	-	-	-	-
	Total Non-operating Expenses	78,068	-	-	-	-	-
	<u>Transfers In</u>						
76100	Reimbursement Processing Fees	1,244,353	-	-	-	-	-
76107	Rental Income	16,261	-	-	-	-	-
76109	Cash Over/short	12,100	-	-	-	-	-
78130	Unclaimed Customer Refunds	2,041,157	1,040,301	646,861	(393,440)	848,758	201,897
78135	Other Operating Revenue	490,709	189,752	57,273	(132,479)	75,024	17,751
78330	Accrued Interest Income (Allocable)	-	-	170,000	170,000	280,000	110,000
78263	Interest Income (Allocable)	3,981	-	-	-	-	-
78333	Realization Of Gain (Loss) On Sale Of Investment	2,487,072	390,000	250,000	(140,000)	250,000	-
78510	Net Inc/(Dec) In The Fair Value Of Investments	-	-	-	-	5,937	5,937
78511	Bank Analysis Fees	-	-	-	-	7,213	7,213
78512	Investment Broker Fees	-	-	-	-	3,323	3,323
78513	Allocated Investment Income	-	-	-	-	9,964	9,964
78520	Contra - Interest Income Allocated To Funds	-	-	-	-	7,313	7,313
78550	M&D Water Lease Revenue	1,378,673	935,054	557,138	(377,916)	1,238,747	681,609
78560	P-card Rebate	925,910	472,412	373,710	(98,702)	377,468	3,758
78561	Annexation Fees	197,838	121,430	82,417	(39,013)	115,461	33,044
	Total Transfers In	8,798,055	3,148,949	2,137,399	(1,011,550)	3,219,208	1,081,809

**STATEMENT OF REVENUES & EXPENDITURES
GENERAL & ADMINISTRATIVE SUPPORT**

<u>Account</u>	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Transfers Out</u>						
77100	8,419,415	3,005,694	2,636,416	(369,278)	3,661,880	1,025,463
77107	8,911	-	-	-	-	-
79120	760,041	910,720	2,630,000	1,719,280	2,690,000	60,000
79125	383,990	264,385	264,385	0	264,385	-
79263	6,910	6,918	6,928	10	6,938	11
79310	12,515	-	-	-	-	-
79490	350,000	450,000	-	(450,000)	-	-
Total Transfers Out	9,941,782	4,637,717	5,537,729	900,012	6,623,203	1,085,474
<u>Capital Charges</u>						
82521	87,456	587,456	50,290	(537,166)	50,290	-
Total Capital Charges	87,456	587,456	50,290	(537,166)	50,290	-
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Vehicles & Equipment



Program 116

STATEMENT OF REVENUES & EXPENDITURES
VEHICLE & EQUIPMENT INTERNAL SERVICE PROGRAM

<u>Account</u>	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Sources Of Funds</u>						
44100 Internal Service Fees	\$ 1,472,458	\$ 1,493,704	\$ 1,559,487	\$ 65,782	\$ 1,574,831	\$ 15,344
44120 Allocation Vehicle/equip Outlays Fund 20	164,510	164,510	141,259	(23,251)	141,259	-
44125 Allocation Vehicle/equip Outlays Fund 25	2,701	2,701	1,995	(706)	1,995	-
44130 Allocation Vehicle/equip Outlays Fund 30	232,789	232,789	186,071	(46,718)	186,071	-
44135 Allocation Vehicle/equip Outlays Fund 35	-	-	20,675	20,675	20,675	-
72110 Allocated Investment Income	48,952	23,534	12,718	(10,816)	11,196	(1,522)
74113 Loss (Gain) On Disposal Of Assets	25,500	-	-	-	-	-
Total Sources Of Funds	1,946,910	1,917,238	1,922,205	4,966	1,936,027	13,822
<u>Operating Expenditures</u>						
52110 Direct Labor	52,087	78,083	55,330	(22,752)	57,648	2,317
52300 Employee Benefit Allocated	41,255	44,748	44,061	(687)	47,054	2,993
53110 Repairs & Maint - Inventory	815	20,000	5,000	(15,000)	5,000	-
53111 R&M - Outside Services & Materials	434,576	400,000	440,000	40,000	440,000	-
53300 Travel And Training	-	-	1,000	1,000	1,000	-
53142 Rent / Lease Expense	463,568	460,000	470,000	10,000	470,000	-
53320 General Liability & Property Insurance	184,308	167,700	164,202	(3,498)	169,522	5,320
53322 Licenses, Permit & Fees	340	2,000	2,000	-	2,000	-
53330 General Office Supplies	-	2,000	-	(2,000)	-	-
53102 Fuel Usage	161,273	230,000	230,000	-	230,000	-
53141 Contractual & Temporary Services	14,482	-	30,000	30,000	30,000	-
54400 Facilities Charges	109,922	99,959	116,830	16,871	119,804	2,974
54401 Computer Charges	13,682	12,749	13,781	1,032	13,999	218
Total Operating Expenditures	1,476,308	1,517,238	1,572,205	54,966	1,586,027	13,822
Surplus (Deficiency) Of Sources Of Funds Over Expenditures	470,601	400,000	350,000	(50,000)	350,000	-

**STATEMENT OF REVENUES & EXPENDITURES
VEHICLE & EQUIPMENT INTERNAL SERVICE PROGRAM**

<u>Account</u>	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Non-Operating (Revenue) Expenditures</u>						
82500 Capital Expenditures	\$ 1,207,621	\$ 955,197	\$ 499,979	\$ (455,218)	\$ 224,941	\$ (275,038)
76100 Transfer In From Reserves	(1,126,581)	(555,197)	(149,979)	405,218	-	149,979
77100 Transfer Out to Reserves	389,561	-	-	-	125,059	125,059
Total Non-Operating Expenditures	470,601	400,000	350,000	(50,000)	350,000	-
Net Increase/(Decrease) In Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Engineering

Program 117 

STATEMENT OF REVENUES & EXPENDITURES
ENGINEERING DIVISION

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Schedule Of Income (Loss) By Activity</u>						
<u>Engineering Service Revenues</u>						
1.0	\$ 21,654	\$ 23,489	\$ 11,434	\$ (12,055)	\$ 10,066	\$ (1,368)
1.1	87,570	70,000	70,000	-	70,000	-
1.2	20,075	38,500	25,000	(13,500)	25,000	-
1.3	(24,729)	568,047	-	(568,047)	-	-
1.4	1,835,128	450,000	1,802,904	1,352,904	1,869,930	67,026
1.5	1,939,699	1,150,036	1,909,338	759,302	1,974,996	65,658
<u>Engineering Service Expenditures</u>						
2.0	2,501,998	3,836,575	2,799,407	(1,037,168)	2,891,255	91,849
2.1	(2,501,998)	(3,836,575)	(2,799,407)	1,037,168	(2,891,255)	(91,849)
2.2	9,425	9,425	54,237	44,812	54,237	-
2.3	1,899,593	1,140,611	1,855,101	714,490	1,920,759	65,658
2.4	1,909,018	1,150,036	1,909,338	759,302	1,974,996	65,658
3.0	30,681	-	-	-	-	-
<u>Planning & Plan Check</u>						
4.0	154,927	308,278	556,151	247,873	575,690	19,539
4.1	(173,806)	(308,278)	(556,151)	(247,873)	(575,690)	(19,539)
4.2	(18,879)	-	-	-	-	-
<u>Developer Inspection Services</u>						
5.0	885,007	1,359,184	1,172,743	(186,441)	1,242,516	69,773
5.1	(883,218)	(1,359,184)	(1,172,743)	186,441	(1,242,516)	(69,773)
5.2	1,790	-	-	-	-	-
<u>District Project Engineering & Inspection</u>						
6.0	1,210,291	2,345,801	1,556,265	(789,536)	1,584,452	28,187
6.1	4,500	3,000	3,000	-	3,000	-
6.2	(1,228,382)	(2,348,801)	(1,559,265)	789,536	(1,587,452)	(28,187)
6.3	(13,591)	-	-	-	-	-
7.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**STATEMENT OF REVENUES & EXPENDITURES
ENGINEERING DIVISION**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Operating Expenses</u>						
1.0 Labor	\$ 1,022,197	\$ 1,458,474	\$ 1,212,254	\$ (246,220)	\$ 1,260,904	\$ 48,650
1.1 Fringe Benefits	803,548	835,834	965,346	129,512	1,029,188	63,842
1.2 Other Direct Costs	397,952	400,000	483,000	83,000	483,000	-
1.3 Consulting Services	7,662	254,500	123,000	(131,500)	123,000	-
1.4 Seminars/conferences	24,381	44,000	46,945	2,945	45,545	(1,400)
1.5 Supplies	7,222	18,993	13,500	(5,493)	13,500	-
1.6 Legal	49,146	24,000	24,000	-	24,000	-
1.7 Other Operating Expenses	88,409	32,485	139,855	107,370	139,855	-
1.8 Allocated Facilities Charges	65,953	59,975	70,098	10,123	71,882	1,784
1.9 Allocated Computer Costs	153,438	149,799	161,926	12,126	164,488	2,563
1.10 Allocated Vehicle & Equipment Costs	147,246	149,370	155,949	6,578	157,483	1,534
1.11 Allocated General & Administrative	1,427,269	1,738,867	1,669,624	(69,243)	1,735,808	66,184
1.12 Total Operating Expenses	\$ 4,194,423	\$ 5,166,299	\$ 5,065,497	\$ (100,802)	\$ 5,248,654	\$ 183,157

STATEMENT OF REVENUES & EXPENDITURES
ENGINEERING DIVISION

<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
Engineering Service Revenues						
40502 Master Plan & Atlas Update Fees	\$ 87,570	\$ 70,000	\$ 70,000	\$ -	\$ 70,000	\$ -
40503 Miscellaneous Fees	-	500	-	(500)	-	-
40504 Service Availability Letters	20,075	38,000	25,000	(13,000)	25,000	-
72110 Allocated Investment Income	21,654	23,489	11,434	(12,055)	10,066	(1,368)
76100 Transfer In From Reserves	1,591,819	568,047	-	(568,047)	-	-
77100 Transfer Out To Reserves	(1,616,549)	-	-	-	-	-
78530 Transfer In From Gen Purpose Prop Tax	1,835,128	450,000	1,802,904	1,352,904	1,869,930	67,026
Total Engineering Service Fees Revenues	1,939,699	1,150,036	1,909,338	759,302	1,974,996	65,658
Engineering Administration Expenses						
52110-210 Direct Labor	301,242	873,447	249,814	(623,633)	258,739	8,925
52300-210 Employee Benefit Allocated	239,454	500,562	198,933	(301,629)	211,192	12,258
52400-210 Auto Allowances	7,200	7,200	7,200	-	7,200	-
53110-210 Repairs & Maint - Inventory	-	2,500	4,000	1,500	4,000	-
53140-210 Consulting And Professional Fees	7,662	254,500	123,000	(131,500)	123,000	-
53141-210 Contractual & Temporary Services	66,357	-	59,400	59,400	59,400	-
53300-210 Travel And Training	24,381	44,000	46,945	2,945	45,545	(1,400)
53301-210 Employee Certifications	1,536	2,550	3,050	500	3,050	-
53310-210 Legal Costs	49,146	24,000	24,000	-	24,000	-
53324-210 Advertising	2,138	1,000	2,500	1,500	2,500	-
53330-210 General Office Supplies	7,222	18,993	13,500	(5,493)	13,500	-
53331-210 Postage	39	660	660	-	660	-
53332-210 Forms, Printing & Duplicating Costs	1,142	6,000	6,000	-	6,000	-
53333-210 Dues & Subscriptions	572	3,150	2,808	(342)	2,808	-
54400-210 Facilities Charges	65,953	59,975	70,098	10,123	71,882	1,784
54401-210 Computer Charges	153,438	149,799	161,926	12,126	164,488	2,563
54403-210 Overhead Applied	(2,501,998)	(3,836,575)	(2,799,407)	1,037,168	(2,891,255)	(91,849)
54405-210 Allocated G & A Expense	1,427,269	1,738,867	1,669,624	(69,243)	1,735,808	66,184
54406-210 Allocated Vehicle & Equip O&M Costs	147,246	149,370	155,949	6,578	157,483	1,534
Subtotal Engineering Administrative Expenses	-	-	-	-	-	-
Service Availability, Maps & Records						
52110-233 Direct Labor	365,776	137,204	378,385	241,181	392,951	14,566
52300-233 Employee Benefit Allocated	283,309	78,630	301,317	222,687	320,739	19,423
53145-233 Other Direct Costs	14,250	25,000	108,000	83,000	108,000	-
54407-233 Allocated Engineering Overhead	1,236,258	899,777	1,067,399	167,623	1,099,069	31,669
82521 Computer Outlay Charges	9,425	9,425	54,237	44,812	54,237	-
Sub-total Service Availability, Maps & Records Expense	1,909,018	1,150,036	1,909,338	759,302	1,974,996	65,658
Net Engineering Service Revenues (Expenditures)	30,681	-	-	-	-	-

STATEMENT OF REVENUES & EXPENDITURES
ENGINEERING DIVISION

<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
<u>Planning & Plan Check Services</u>						
40500 Plan Check Fees	134,855	308,278	556,151	247,873	575,690	19,539
40501 Research & Design Engineering Fees	20,071	-	-	-	-	-
Sub-total Planning & Plan Check Fees	154,927	308,278	556,151	247,873	575,690	19,539
52110-232 Direct Labor	26,757	28,690	95,861	67,171	100,237	4,376
52300-232 Employee Benefit Allocated	20,957	16,442	76,338	59,897	81,813	5,475
53141-232 Contractual & Temporary Services	-	-	-	-	-	-
53145-232 Other Direct Costs	30,080	75,000	75,000	-	75,000	-
53323-232 Maintenance Agreements	-	-	46,000	46,000	46,000	-
54407-232 Allocated Engineering Overhead	96,011	188,146	262,951	74,805	272,639	9,688
Sub-total Planning & Plan Check Expenses	173,806	308,278	556,151	247,873	575,690	19,539
Total Planning & Plan Check Services	(18,879)	-	-	-	-	-
<u>Developer Project Inspection</u>						
40510 Inspection Fees	885,007	1,359,184	1,172,743	(186,441)	1,242,516	69,773
40512 Refunded Inspection Fees	-	-	-	-	-	-
Sub-total Developer Project Inspection Fees	885,007	1,359,184	1,172,743	(186,441)	1,242,516	69,773
52110-231 Direct Labor	99,573	130,264	156,786	26,521	171,310	14,525
52300-231 Employee Benefit Allocated	78,880	74,653	124,852	50,199	139,829	14,977
53145-231 Other Direct Costs	353,615	300,000	300,000	-	300,000	-
53323-231 Maintenance Agreements	-	-	86,000	86,000	86,000	-
54407-231 Allocated Engineering Overhead	351,149	854,266	505,106	(349,160)	545,377	40,271
Sub-total Developer Project Inspection Expenses	883,218	1,359,184	1,172,743	(186,441)	1,242,516	69,773
Total Developer Project Inspection	1,790	-	-	-	-	-
<u>District Project Eng. & Insp.</u>						
78400 Transfer In From Eng Capital Proj Funds	1,210,291	2,345,801	1,556,265	(789,536)	1,584,452	28,187
40506 Sewer Lateral Inspection Fees	4,500	3,000	3,000	-	3,000	-
Sub-total District Project Eng. & Insp. Fees	1,214,791	2,348,801	1,559,265	(789,536)	1,587,452	28,187
52110-230 Direct Labor	228,848	288,869	331,408	42,539	337,666	6,258
52300-230 Employee Benefit Allocated	180,947	165,547	263,907	98,359	275,615	11,708
53145-230 Other Direct Costs	7	-	-	-	-	-
54407-230 Allocated Engineering Overhead	818,579	1,894,385	963,950	(930,435)	974,171	10,221
Sub-total District Project Eng. & Insp. Expenses	1,228,382	2,348,801	1,559,265	(789,536)	1,587,452	28,187
Total District Project Eng. & Insp.	(13,591)	-	-	-	-	-
NET INCOME (LOSS)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Information Technology



Program 121

**INFORMATION TECHNOLOGY PROGRAM
STATEMENT OF REVENUES & EXPENDITURES**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Sources Of Funds</u>						
44100 Internal Service Fees	\$ 3,257,699	\$ 3,187,222	\$ 3,445,224	\$ 258,002	\$ 3,499,753	\$ 54,529
44102 Computer Purchases Revenue	200,000	700,000	200,000	(500,000)	200,000	-
72110 Allocated Investment Income	9,509	16,839	21,190	4,351	18,654	(2,536)
Total Sources Of Funds	3,467,208	3,904,061	3,666,414	(237,647)	3,718,407	51,993
<u>Operating Expenditures</u>						
52110 Direct Labor	642,798	741,437	653,038	(88,399)	673,955	20,917
52300 Employee Benefit Allocated	504,684	424,908	520,029	95,120	550,105	30,077
52400 Auto Allowances	7,200	7,200	7,200	-	7,200	-
52402 Uniforms	2,051	2,800	2,800	-	2,800	-
53110 Repairs & Maint - Inventory	35	-	-	-	-	-
53111 R&M - Outside Services & Materials	26,535	25,000	25,000	-	25,000	-
53140 Consulting And Professional Fees	47,067	85,000	85,000	-	85,000	-
53141 Contractual & Temporary Services	893	-	-	-	-	-
53142 Rent / Lease Expense	188,131	206,000	206,000	-	206,000	-
53300 Travel And Training	10,829	29,000	19,000	(10,000)	29,000	10,000
53301 Employee Certifications	210	-	-	-	-	-
53323 Maintenance Agreements	1,380,824	1,331,616	1,585,247	253,631	1,588,247	3,000
53330 General Office Supplies	84,668	100,000	112,000	12,000	100,000	(12,000)
53333 Dues & Subscriptions	86,474	400	400	-	400	-
53334 Phones And Cellphones	275,300	250,700	250,700	-	250,700	-
Total Operating Expenditures	3,257,699	3,204,061	3,466,413	262,352	3,518,407	51,994
Surplus (Deficiency) Of Sources Of Funds Over Expenditures	209,509	700,000	200,001	(499,999)	200,000	(1)

**INFORMATION TECHNOLOGY PROGRAM
STATEMENT OF REVENUES & EXPENDITURES**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Non-operating (Revenue) Expenditures</u>						
76100	Transfer In From Reserves	(127,662)	-	-	-	-
77100	Transfer Out To Reserves	215,395	50,000	200,001	150,001	200,000 (1)
78120	Transfer In From Elsinore Water Fund	(23,894)	-	-	-	-
78125	Transfer In From Temescal Potable	(306)	-	-	-	-
78130	Transfer In From Wastewater Fund	(10,422)	-	-	-	-
78135	Transfer In From Recycled Water	(1,022)	-	-	-	-
82500	Capital Expenditures	157,421	650,000	-	(650,000)	-
Total Non-operating Expenditures						
		209,509	700,000	200,001	(499,999)	200,000 (1)
Net Increase (Decrease) In Funds						
		\$ -	\$ -	\$ -	\$ -	\$ -

Facilities

Program 122 

**FACILITIES INTERNAL SERVICE PROGRAM
STATEMENT OF REVENUES & EXPENDITURES**

<u>Account</u>	<u>Total Actual FY2020</u>	<u>Approved Budget FY2021</u>	<u>Adopted Budget FY2022</u>	<u>Change From PY Budget</u>	<u>Adopted Budget FY2023</u>	<u>Change From PY Budget</u>
Sources Of Funds						
44100 Internal Service Fees	\$ 1,099,217	\$ 999,586	\$ 1,168,300	\$ 168,713	\$ 1,198,040	\$ 29,740
72110 Allocated Investment Income	1,330	-	1,372	1,372	1,208	(164)
Total Sources Of Funds	1,100,547	999,586	1,169,672	170,085	1,199,248	29,576
Operating Expenditures						
52110 Direct Labor	171,743	196,714	207,447	10,733	216,285	8,838
52300 Employee Benefit Allocated	135,202	112,735	165,195	52,461	176,539	11,344
52405 Class A Certification Bonus	6,044	-	-	-	-	-
53100 Electricity	147,180	149,300	169,500	20,200	177,975	8,475
53101 Utilities Natural Gas & Cable TV	31,159	20,000	35,000	15,000	35,000	-
53110 Repairs & Maint - Inventory	32,296	18,000	18,500	500	18,500	-
53111 R&M - Outside Services & Materials	203,579	311,300	255,000	(56,300)	255,000	-
53113 Landscape	14,815	15,000	18,000	3,000	18,000	-
53114 Janitorial Services	106,131	75,000	100,000	25,000	100,000	-
53140 Consulting And Professional Fees	1,600	-	-	-	-	-
53141 Contractual & Temporary Services	146,200	60,000	150,000	90,000	150,000	-
53142 Rent / Lease Expense	-	3,000	2,000	(1,000)	2,000	-
53300 Travel And Training	-	-	4,000	4,000	4,000	-
53310 Legal Costs	4,222	1,500	1,000	(500)	1,000	-
53320 General Liability & Property Insurance	20,296	18,600	24,934	6,334	25,700	766
53322 Licenses, Permit & Fees	3,459	3,500	3,500	-	3,500	-
53330 General Office Supplies	6,573	-	-	-	-	-
53399 Miscellaneous Expenses	26	-	-	-	-	-
54406 Allocated Vehicle & Equip O&m Costs	14,725	14,937	15,595	658	15,748	153
Total Operating Expenditures	1,045,247	999,586	1,169,672	170,085	1,199,248	29,576
Surplus (Deficiency) Of Sources Of Funds Over Expenditures	55,300	-	-	-	-	-
Non-operating Expenditures						
76100 Transfer Out to Reserves	55,300	-	-	-	-	-
Total Non-operating Expenditures	55,300	-	-	-	-	-
Net Increase (Decrease) In Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Capital Outlay

Program 310 

**CAPITAL OUTLAY PROGRAM
STATEMENT OF REVENUES & EXPENDITURES**

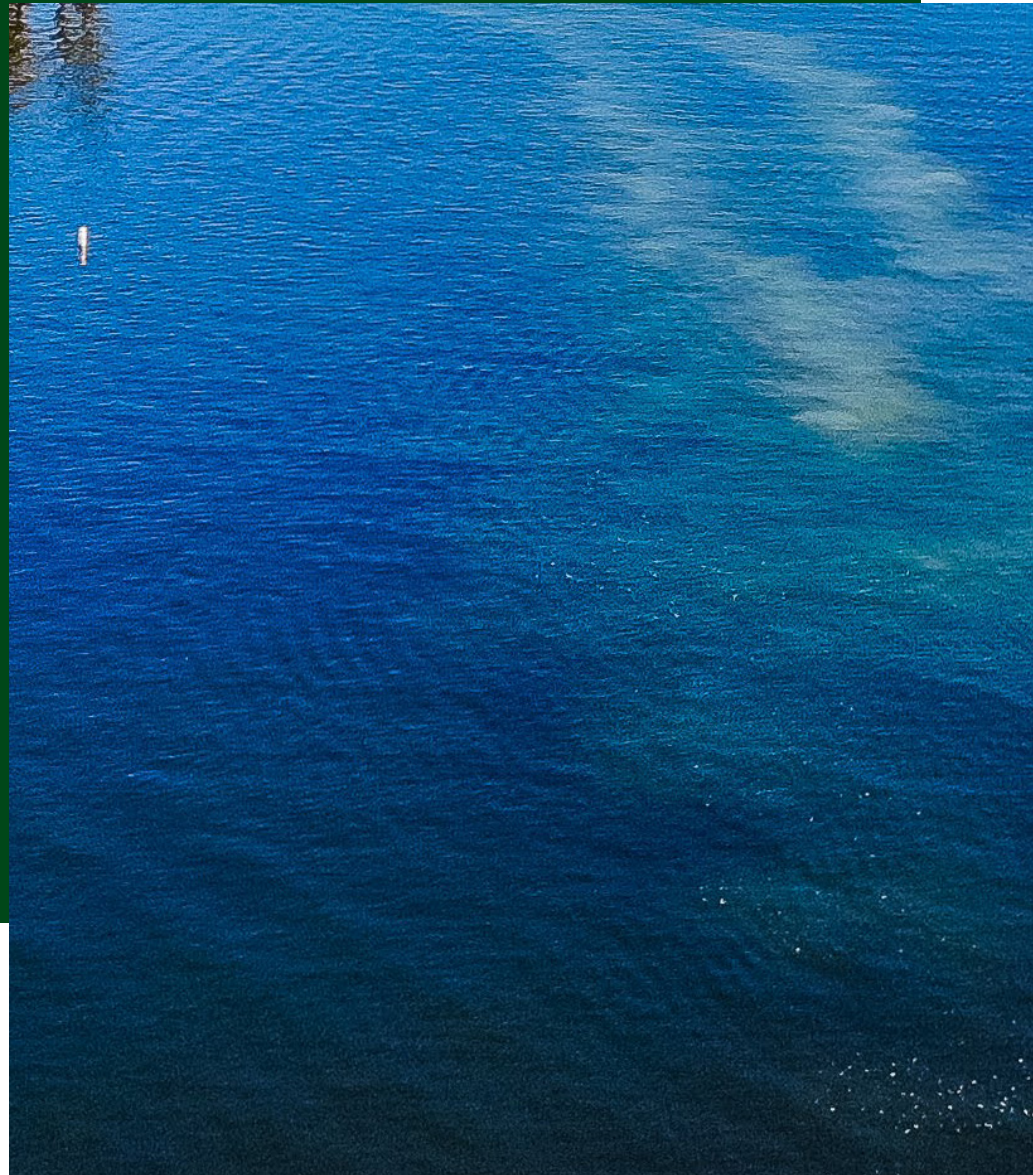
<u>Account</u>	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Sources Of Funds</u>						
44100 Internal Service Fees	\$ 509,650	\$ -	\$ -	\$ -	\$ -	\$ -
44101 Internal Service Fees Capital Outlay Revenue	-	43,125	60,981	17,856	33,457	(27,524)
72110 Allocated Investment Income	36,304	9,321	6,732	(2,589)	5,926	(806)
76100 Transfer In From Reserves	911,497	-	-	-	-	-
78115	12,515	-	-	-	-	-
78120 Transfer In From Elsinore Water Fund	110,088	-	-	-	-	-
78130 Transfer In From Wastewater Fund	347,481	-	-	-	-	-
78140	3,588	-	-	-	-	-
78333 Transfer In From Reg Sewer Repl Fund	88,642	-	-	-	-	-
78530 Transfer In From Gen Purpose Prop Tax	49,102	-	-	-	-	-
Total Sources Of Funds	2,068,867	52,446	67,713	15,267	39,383	(28,330)
<u>Capital Expenditures</u>						
82500 Capital Expenditures	997,949	43,125	60,981	17,856	33,457	(27,524)
Total Capital Expenditures	997,949	43,125	60,981	17,856	33,457	(27,524)
<u>Other Expenditures</u>						
77100 Transfer Out To Reserves	849,367	9,321	6,732	(2,589)	5,926	(806)
79120	505	-	-	-	-	-
79130 Transfer Out To Wastewater Operating Fund	36	-	-	-	-	-
79318 Transfer Out To Elsinore Water Replacement Fund	173,285	-	-	-	-	-
79333	30,731	-	-	-	-	-
79530 Transfer Out To General Purpose Property Taxes	16,995	-	-	-	-	-
Total Other Expenditures	1,070,918	9,321	6,732	(2,589)	5,926	(806)
Net Increase (Decrease) In Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Lake Management



Fund 40



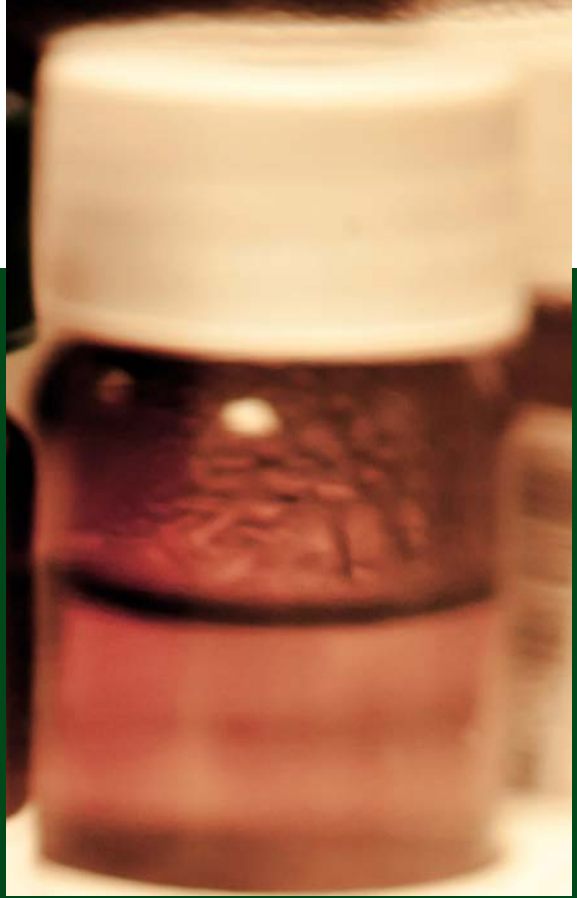
**LAKE ELSINORE MAINTENANCE FUND
STATEMENT OF REVENUES & EXPENDITURES**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Lake Aeration Project</u>						
52110 Direct Labor	\$ 17,207	\$ 13,753	\$ 65,270	\$ 51,517	\$ 67,525	\$ 2,255
52300 Employee Benefit Allocated	13,663	7,881	51,976	44,095	55,116	3,140
53100 Electricity	83,829	130,400	135,500	5,100	142,275	6,775
53111 R&M - Outside Services & Materials	65,478	80,000	95,000	15,000	100,000	5,000
53140 Consulting And Professional Fees	342	-	-	-	-	-
53320 General Liability & Property Insurance	369	400	450	50	500	50
53356 Lake Elsinore Monitoring	-	-	125,000	125,000	125,000	-
81101 Lake Elsinore Monitoring	59,115	-	-	-	-	-
Sub- Total Lake Aeration Project	240,003	232,434	473,196	240,762	490,416	17,220
81105 Contra - Cost Sharing - Lake Aeration Project	(160,002)	(153,562)	(315,464)	(161,902)	(326,944)	(11,480)
Total Lake Aeration Project	80,001	78,872	157,732	78,860	163,472	5,740
<u>Lake Aeration Replacement Reserve</u>						
74100 Unearned Lake Aeration Reserve	58,668	58,667	58,667	-	58,667	-
77106 Transfer Out To Replacement Resv-lake Aeration	(88,000)	(176,000)	(88,000)	88,000	(88,000)	-
Total Lake Aeration Replacement Reserve	(29,332)	(117,333)	(29,333)	88,000	(29,333)	-
<u>Lake Elsinore Replenishment</u>						
74101 Lake Elsinore Replenishment Revenue	95,431	140,000	120,000	(20,000)	120,000	-
79120 Transfer Out To Elsinore Water Operating	1,711	-	-	-	-	-
79530 Transfer Out To General Purpose Property Taxes	(25,392)	-	-	-	-	-
Total Lake Elsinore Replenishment	71,750	140,000	120,000	(20,000)	120,000	-
<u>Island Well Project</u>						
52110 Direct Labor	4,884	8,823	5,190	(3,633)	5,450	260
52300 Employee Benefit Allocated	3,757	5,056	4,133	(924)	4,448	315
53111 R&M - Outside Services & Materials	-	5,000	7,500	2,500	7,500	-
53100 Electricity	36,006	36,000	40,680	4,680	42,714	2,034
Total Island Well Project	44,647	54,880	57,503	2,623	60,112	2,609
<u>Back Basin Wetlands</u>						
52110 Direct Labor	1,754	-	-	-	-	-
52300 Employee Benefit Allocated	1,685	-	-	-	-	-
53111 R&M - Outside Services & Materials	344	-	-	-	-	-
53100 Electricity	736	-	-	-	-	-
Total Back Basin Wetlands	4,519	-	-	-	-	-

**LAKE ELSINORE MAINTENANCE FUND
STATEMENT OF REVENUES & EXPENDITURES**

	Total Actual FY2020	Approved Budget FY2021	Adopted Budget FY2022	Change From PY Budget	Adopted Budget FY2023	Change From PY Budget
<u>Administrative Expenses</u>						
52110 Direct Labor	-	5,251	-	(5,251)	-	-
52300 Employee Benefit Allocated	-	3,009	-	(3,009)	-	-
Total Administrative Expenses	-	8,260	-	(8,260)	-	-
<u>Lake Elsinore Maintenance Fund</u>						
81104 Lake Maintenance Fund Contribution	562,910	750,000	750,000	-	750,000	-
Total Lake Elsinore Maintenance Fund	562,910	750,000	750,000	-	750,000	-
<u>Other Expenses</u>						
81101 Lake Elsinore Monitoring	-	125,000	-	(125,000)	-	-
81102 Lake Elsinore Axial Flow	26,175	50,000	40,000	(10,000)	40,000	-
81103 Other Lake Elsinore Related Costs	56,750	54,000	59,000	5,000	59,000	-
Total Other Expenses	82,925	229,000	99,000	(130,000)	99,000	-
<u>Other Revenues</u>						
72110 Allocated Investment Income	28,070	8,503	10,519	2,016	9,260	(1,259)
74103 Sale Of Water Quality Benefits	50,660	-	-	-	-	-
78530 Transfer In From Gen Purpose Prop Tax	653,854	1,089,841	963,048	(126,793)	972,656	9,608
Total Other Revenues	732,583	1,098,344	973,567	(124,777)	981,916	8,349
Net Increase (Decrease) In Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Policies



Purchasing Policy



Investment Policy



**Debt Management
Policy**



Reserves Policy



Capital Asset Policy

Purchasing Policy

Section 1500, Adopted 4/23/2020

Policy

The purpose of this policy is to establish uniform procedures for acquiring services, supplies, equipment, and materials for the District, in accordance with Government Code section 54201 et seq., to assure purchases are accomplished in a manner providing maximum benefits and minimum cost to the taxpayers and customers of the District. Whenever practical, competitive prices shall be obtained. This Policy shall take precedence for all procurement actions, unless strictly required by State or Federal law. No purchase shall be made that is not authorized in the manner set forth herein.

California Government Code section 54202 requires that every local agency shall adopt policies and procedures, including bidding regulations, governing purchases of supplies, materials and equipment and that said purchases shall be in accordance with said duly adopted policies.

California Government Code section 54204 requires that if the local agency is other than a city or county, policies provided for in Section 54202 of said code shall be adopted by means of a written rule or regulation; copies of which shall be available for public distribution.

The District shall strive to solicit all local firms potentially qualified to bid for any given project, purchase, or programs for which the District will be requesting bids or proposals. The District will consider the local economic impacts of its various projects, purchases and programs as part of the request for proposed process.

To incorporate best practices that provide best value for all District customers and stakeholders, the District shall continually monitor and review industry best practices, both public and private.

Definitions & Acronyms

BOD: Board of Directors (collectively called “the Board”)

CFR: Code of Federal Regulation

CSA: Contract Services Agreement

DIR: Department of Industrial Relations

EVMWD: Elsinore Valley Municipal Water District, also known as “The District”

GM: General Manager

IFB: Invitation for Bid

MSA: Master Services Agreement

Vendors: also referred to as suppliers, contractors and subcontractors. Used interchangeably

PO: Purchase Order

PSA: Professional Services Agreement

RFP: Request for Proposal

RSS: Requisition Self-Service

SOP: Standard Operating Procedure

SOW: Scope of Work, also known as Scope of Services

District Purchases Approval Levels

- A. To expedite the purchasing function and ensure an uninterrupted flow of materials, equipment, and services, the authority to approve purchases or rental of supplies, equipment and services has been delegated to District employees in accordance with the limitations set forth below.

Purchase Amount	Approval Level
\$0-\$5,000	District-wide Staff
\$5,001-\$100,000	General Manager
Over \$100,000	Board of Directors

- A. All procurements shall be made within the approved budget set forth by the Board of Directors. Any changes must be made in accordance with section 705 of the Administrative Code, except those allowed under section 1509.A (emergency authorization).

The General Manager, when appropriate, may delegate their authority to an Assistant General Manager, or as defined in section 702.A of the Administrative Code.

- B. Purchases of Inventory Materials exceeding \$100,000 may be initially approved by the General Manager or his or her designee in order to expedite inventory fulfillment followed by the ratification of the purchase by the Board of Directors at the next regular Board Meeting.
- C. All transaction limits in the policy shall be inclusive of freight costs.
- D. Taxed and regulatory fees shall be excluded from approval levels for purchases over \$5,000.

Procurement Requirements

- A. **Public Works:** As defined by Public Contract Code section 1101, public works includes the erection, construction, alteration, repair, or improvement of any public structure, building, road or other public improvement of any kind.
1. **Purchases up to \$5,000:** Minimum of one quote and requisition or bid agreement summary required. Prevailing wage and Insurance notification required.
 2. **Purchases in excess of \$5,000 but less than \$35,000:** Shall be procured by an informal bid process sent to no less than three contractors. If the bid solicitation results in only one written bid, then the single bid may be accepted.
 3. **Purchases of \$35,000 or more:** Shall be procured by a formal bid process that is publicly advertised in the manner prescribed by the Board of Directors and awarded to the lowest responsible, responsive bidder.
 - The District utilizes an electronic bidding software program that can be accessed by a member of the public at any time through various means, including the District website. Registration may be required to participate in the bidding process. Electronic bidding allows for a cost effective and efficient process that follows public bidding requirements.
 - Maximum competitive bids must be sought by the sealed bid method. Use of an electronic bid management system satisfies the sealed bid requirement.
 - The Board of Directors may reject any and all bids.
- B. **Grant Procurements:** Grant procurements are defined as a procurement that is either fully or partially funded through state or federal programs. This can be through direct funding or through reduced rate loans. A grant procurement may include those found in public works or in “other purchase” types. District shall solicit any and all qualified contractors for any grant procurements. Federal grant procurements shall comply with the Code of Federal Regulations (“CFR”) section 200.318 general procurement standards. Grant projects may include additional solicitation/award requirements not included in standard District procurements. These may include, but are not limited to:
1. Good Faith Effort (“GFE”): a requirement set forth by the grant to ensure outreach and advertising to Small business/Women owned/minority owned business. Grant projects may set a goal/target for the agency to work towards.
 2. Special bonding requirements – as outlined in CFR section 200.318
 3. Additional provisions for contracts to vendors specific to each grant
 4. Solicitations shall include various public outreach methods including newspapers, electronic platforms, etc.
 5. Additional grant information may be found in the grants’ policies/procedures section of the admin code.
 6. State grants typically follow the Code of Federal Regulations (CFR). However, each State grant may have additional or specific requirements that differ or exceed those listed in the CFR. Purchasing, with the support of the grants department, shall review each State grant in its entirety to ensure all procurement requirements are met.
- C. **All Other Purchases:** Including Professional Services for any type of special service or advice/consulting to include but not limited to financial, economic, accounting, engineering, legal or administrative matters by persons that are specially trained to perform such services. Other types of purchases include purchases for materials, goods, maintenance work, landscape maintenance, inventory materials, and other purchases that are not classified as public works projects.

1. Purchases up to \$5,000: Minimum of one quote and requisition or bid agreement summary required. Prevailing wage and Insurance notification required.
2. Purchases in excess of \$5,000 but less than \$35,000: Shall be procured by a request for quotation, an informal request for proposal, or an informal invitation for bid sent to no less than three firms.
3. Purchases of \$35,000 or more: Shall be procured by a formal request for proposal that is publicly advertised in the manner prescribed by the Board of Directors.

Notwithstanding the requirements above, pursuant to Government Code section 4525 et seq., the procurement of Professional Services such as architect, landscape architect, engineering, and construction management professional services will be on the basis of demonstrated competence and professional qualifications at a fair and reasonable price. Where applicable and pursuant to California Contract Code 4526, awards may be approved based on section 1509.B.6 (Procurement Method Exceptions), wherein the General Manager may approve a professional service contract award to a sole source consultant or firm based on the needs of the District. Awards shall assure maximum participation of small business firms, as defined by the Director of General Services pursuant to Government Code Section 14835-843.

- A. All other Purchases, excluding Professional Services, if a vendor is selected to provide a service or item where bids or proposals have been obtained in the last twelve months, and the District is unable to negotiate an Agreement with said vendor, then the next lowest responsive, responsible bidder for invitation to bid procurements or the best qualified and competent for request for proposal procurements may be utilized without conducting another solicitation.
- B. If any solicitation results in the receipt of only one written proposal, that proposal may be accepted.
- C. All procurement documents must form a permanent part of the purchase record and will remain in compliance with the District Records Retention Policy.
- D. Before work commences or services are rendered, evidence of insurance as required by the District must be obtained, reviewed and accepted by the General Manager or his/her designee.

Material and Service Requests

- A. Requisition: A requisition (RSS) is an electronic request created by staff to initiate a purchase order agreement for materials or services. Prior to entering the requisition, requestor must have approved budget, and include all necessary information according to the purchasing SOP.
- B. Bid Agreement Summary: A bid agreement summary is the document created by staff to initiate a contract or master service agreement. Prior to starting the bid agreement summary, requestor must have an approved budget and include all necessary information according to the purchasing SOP.

The appropriate level of approval is required on all requisitions and bid summary agreements. Orders shall not be processed until all necessary approvals are obtained.

Capital improvement (CIP), grant or special funding projects must be identified on any requisition or bid agreement summary.

Procurement Methods

The District shall utilize the most economical approach where feasible. The District must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach. If feasible and it reduces project costs, the District will explore using federal excess and surplus property in lieu of purchasing new equipment and property. When appropriate, the District will investigate using value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions.

All procurement methods listed below shall include a clear and accurate description of the technical requirements and must not contain features that unduly restrict competition. They must set forth the minimum essential characteristics and standards to which the items or service must conform. Detailed product specifications should be avoided where possible.

- POLICIES**
- A. Purchase Order Agreement: A purchase order agreement (“PO”) is the document used by the District to set the legal and contractual terms involved in each purchase that does not have an executed contract. The PO binds the District and the vendor to fulfill the specified obligations. A PO is the preferred method for single or infrequently used materials or supplies. The Purchasing Manager will issue all purchase orders based on competitive prices obtained by formal bid or informal quotations pursuant to legal requirements and Board policy, taking into consideration quality, price, and delivery except as described in section 1509(E) and 1509(F).
- B. Contract Agreement: A contract agreement is the document used by the District to set the legal and contractual terms that binds the District and the vendor to fulfill the specified obligations. Types of contracts include:
1. Professional Services Agreement (PSA) - A professional service are services where the consultant provides unique advice or recommendations based on their knowledge, education, technical expertise, training and/or certifications for a specified set of tasks or scope of services. The PSA is the preferred method when procuring professional services for a single use or ongoing services.
 2. Contract Services Agreement (CSA) - A contract service are services where the contractor provides skilled labor, materials, equipment and/or installation for a specified set of tasks or scope of services. The CSA is the preferred method when procuring contractor services for a single use or ongoing services.
 3. Purchase Agreement - An agreement with a supplier for materials or supplies at an agreed upon price for a specified period of time. Preferred method for materials or supplies ordered on an ongoing or regular basis.
 4. Public Works Agreement (PW) - An defined by the DIR, Public Works in general means:
 - i. Construction, alteration, demolition, installation, or repair work done under contract and paid in whole or in part out of public funds.
 - ii. It can include preconstruction and post-construction activities related to a public works project.
 - iii. For a full definition of public works refer to Labor Code section 1720.iv. Anyone working on a public works project must be paid prevailing wages as determined by DIR. Projects of \$30,000 or more must meet DIR’s apprenticeship requirements as set forth by the Division of Apprenticeship Standards by the State of California. Failure to comply with public works requirements can result in civil penalties, criminal prosecution, or both.
 5. Other - The District maintains various other speciality contract agreements that are handled on a per agreement basis that may not have financial obligations but include legal and contractual obligations to the District. Agreements include but are not limited to: Letter agreements, inter-agency agreements, developer agreements, cell-site agreements, easement agreements, specialized agreements outside the District templates (i.e. temporary employment labor services, certain software agreements), etc.
 6. Master Services Agreement (MSA) - Defined as a contract to which the parties shall agree to the terms and conditions (including payment term, indemnification, insurance, and other key items) that shall govern future projects between the parties for a specified time period. Master service agreements shall follow all the bidding/contract requirements. Unless pre-authorization has been approved, each future project shall be issued a task order to include a scope of work and quote provided by the contractor. Each task order shall be approved on an individual basis as outlined in section 1502. The MSA shall be the preferred method for vendors that shall be utilized on an ongoing basis for various tasks that have not yet been determined, particularly in IT services.
- C. Procurement Cards: Referred to as P-cards, are credit cards that the District utilizes as a procurement method for low dollar purchases subject to the requirements set forth in the “P-Card Program Procedures Manual,” including but not limited to the following:
1. Purchases are limited to a maximum transactional value of \$5,000.
 2. Splitting purchases to circumvent the cardholder’s dollar limitation is not permitted.
 3. Under no circumstances are P-cards to be used for personal use.

In instances where a supplier will only accept credit cards (e.g. Amazon.com, Costco, etc.) and the amount exceeds \$5,000, the p-card may be authorized as a method of payment if the RSS process has been completed and have received all necessary approvals.

Solicitation, Bidding and Award Process

Wherever possible, the District shall solicit bids, quotes or proposals for supplies and services needed, and establish procedures for competitive bidding.

Solicitation: formal bids are solicited through electronic software platform(s). Solicitations shall include a District defined scope of work (SOW) that will include detailed information including technical specifications, time of work, location and other critical information. SOW will be developed by technical staff with support from purchasing staff.

- A. Solicitation and bid records shall be maintained via electronic software tools and shall comply with the District record retention policies.
- B. Bid types and award selection
 1. Invitation for Bid (IFB): IFB is the primary bidding method for goods and services where the District has a clearly defined schedule of services and materials required. IFB shall be awarded on the lowest price of the most responsive bidders.
 2. Request for Proposal (RFP): RFP shall be the bidding method used for projects where the bidders may be required to develop a more defined approach to solve a District need. RFP shall be awarded based on a panel of evaluators that will use a basis of scoring that shall be clearly defined in the RFP.
 3. Request for Qualifications (RFQ): This method is used for when the District determines a need to shortlist bidders to participate in the RFP process. Whenever possible, the District prequalifies contractors seeking to bid on Public Works projects. The prequalification procedure is based on the 1999 State Legislation and the Model Forms created by the Department of Industrial Relations (DIR).
 4. Various contracts may be awarded on an “as-needed” basis. Awards may be issued to a single awarded vendor, or multiple vendors that best serves the needs of the District. Primary considerations for these types of awards are based on keeping the pricing competitive throughout the life of the contract, as well as ensuring timely delivery of materials and services, or to hold contractors to an agreed upon completion time, particularly when the District needs urgent response from the vendors. Contracts intended to carry this type of award shall be explained and outlined in the RFP/RFQ/IFB process so that all bidders are aware of the Districts’ intentions for the services requested.
 5. Other: any project that is not using IFB or RFP shall require specific justification and be approved by the purchasing manager.

Change Orders

Change orders are issued to correct, change, or supplement a procurement method as defined in section 1505. To process a change order, the originating department will submit a procurement request.

All change orders shall be made within the approved budget set forth by the Board of Directors. Any changes must be made in accordance with section 705 of the Administrative Code, except those allowed under section 1509.A (emergency authorization).

Change orders that cause the order to exceed the General Manager’s authority, or those change orders in excess of the General Manager’s authorized approval level as defined in Section 1502 are subject to the Board of Directors approval with the following exceptions:

- A. Public Works Contracts, Professional Services and all other non-public works contracts:
 1. Cumulative changes that are less than \$100,000 or 10% of the current approved board amount, whichever is lesser, on new or un-budgeted items.
 2. Changes for tax and/or mandated regulatory fees.
- B. Cumulative changes that exceed those limits listed in part “A” above, may be initially authorized by the General Manager, followed by ratification of the changes by the Board of Directors at the next regular Board Meeting.
- C. General Manager to provide updates on number and amount of change orders authorized on a monthly basis.

To maintain proper internal control systems, and due to the various circumstances that create the need for a change order, the Purchasing Manager may review any request for a change order and determine that additional approval is required.

Agreement / Invoice Discrepancies

If a discrepancy exists between the original purchase order and the invoice, the following will apply: if the discrepancy is less than \$1,000, the Purchasing Manager's approval to pay will be sufficient for payment processing; if the discrepancy is greater than \$1,000, the originator will process a change order as outlined in the section above.

Procurement Method Exceptions

A. Emergency Purchases and Repairs:

1. Emergency purchases are an exception to the procedures noted herein and are those purchases requiring immediate action as a result of unforeseen circumstances. Such purchases should be held to an absolute minimum. An emergency is defined as an unforeseen crisis or incident which requires immediate action and the acquisition of goods or services to forestall a shutdown of essential services; to avoid a threat to public health, safety, or welfare; or to avoid serious damage to property.
2. Emergency repairs are defined as those repairs or rehabilitation where, in the opinion of the General Manager, or Assistant General Manager, or the Director of Operations, or Director of Information Technology, based on situation, a delay would adversely affect water or sewer service, threaten the health and safety of the public, or compromise the integrity or security of District facilities, or is likely to result in fines, penalties or other regulatory actions, sanctions or substantial monetary impact. (example: main break; sewer spill, etc.)
3. Emergency purchases over \$100,000 must be ratified by the Board of Directors at the next regular Board Meeting.

B. Sole Source Procurement: The following types of purchases are deemed to be Sole Source purchases. A written justification explaining why the sole source is necessary to satisfy the needs of the requester is required. Purchases shall be awarded following the guidelines outlined in Section 1503 unless one or more of the following conditions are met:

1. Non-competitive: Product or service is only available from one manufacturer or designated sales/service representative. The item(s) or service(s) has unique design and/or performance specifications that have not been found in similar products.
2. Product Testing/Validation: This product is requested in order that a field test, pilot test, or experiment may be made to determine the product's suitability for future use.
3. District Standard: The requested product or service has been selected and approved by the District for exclusive use based on factors including cost, safety, implementation/training, substantial customer impact or compatibility with other District systems and equipment. District Standards must be approved by the General Manager or designee.
4. Emergencies: Conditions as defined in Section 1508.A that make a competitive purchase unfeasible.
5. Follow-up Service: Only one vendor is able to make on-call repairs at a particular location and/or vendor previously inspected the product and it is impracticable/uneconomical to have another vendor to perform the service.
6. General Manager Exemption: Pursuant to California Contract Code section 4525 and 4526, professional services may be awarded without bidding provided a fair and reasonable price was properly determined. Must be approved by the General Manager or his/her designee.
7. Other: Explain in detail why this vendor is the only source able to provide this product/service (may require legal review).

Once an item has been deemed approved for sole source procurement, the justification for additional procurements may remain in effect for a period not to exceed 24 months. If the items' need is continued for more than 24 months, items shall be reviewed if the justification is still valid. If found to still be valid, new justification and approval must be provided to continue sole source procurement.

The final determination regarding whether competitive bidding is or is not advantageous rests with the Purchasing Manager.

C. Centralized Purchasing Exceptions

All purchases of materials, goods and services on behalf of the District are only valid if procured with an authorized agreement pursuant to the procedures and policies set forth herein. Purchases of the item types below that do not require purchase order authorization are limited to the following:

1. Travel Advances/reimbursements.
2. Prepaid travel expenses, such as airfares, hotel registration, etc.
3. Temporary labor employment services payments.
4. Utility services (e.g. gas, electric, water).
5. Meal reimbursements.
6. Petty cash purchases/replenishment.
7. Purchases not exceeding \$500 where P-cards are not accepted.
8. Investment and debt service payments (e.g. COP interest, investment transfers) - not consulting or management firms.
9. Health benefits & employee pass through benefits (staff health/life insurance, retirement plans, etc.).
10. Insurance payments (e.g. workers comp, general liability, etc.).
11. Dues and subscriptions, claims, permits, and mandatory governmental agency tax, fee, charge, etc.
12. Sponsorships, scholarships or other District supported community events reviewed by the Board.
13. Interagency agreement payments (e.g. water purchases).
14. Employee reimbursements (e.g. seminars, training, boots, education, etc.).
15. Postage.
16. Classified, legal and display advertisement - under \$10,000.
17. Board of Directors Election filing costs.
18. Water purchases from other agencies or sources.
19. Emergencies as declared by the General Manager for items during Emergency Operations Committee (EOC) activation that are related to the EOC.

All of the exceptions listed above, however, are subject to approval by the General Manager or designee.

D. Petty Cash Purchases

The basic premise for petty cash purchases is that it can be less expensive to pay for small non-repetitive purchases with cash rather than by check. The maximum petty cash expenditure allowed by District policy is \$250.00. Splitting purchases in order to utilize petty cash rather than standard purchasing procedures is not permitted.

- E. Documentation for Procurement Method Exceptions: This following requirement applies to B, C and D above within this section. Documentation for procurement method exceptions must be furnished by the originating department. The reason for a procurement method exception should be based on all available and pertinent facts and not on personal preferences. The Purchasing Manager is responsible for making the final determination for the procurement method exceptions and appropriate documentation. The written documentation will become a part of the permanent purchasing record.

Receiving Location

The warehouse at District headquarters is the primary receiving location for incoming and outgoing shipments. The warehouse is the single storage facility for inventory materials and may be used as a temporary supplemental storage facility for staff as space allows, and as approved by the purchasing manager. Inventory materials shall be maintained by warehouse staff using electronic inventory management software. Materials shall be issued to staff on an as-needed and approved basis. Material replenishments and orders shall comply with the procurement policies outlined above.

Surplus Materials Property

Surplus materials are defined as any unnecessary, obsolete or excess supplies, materials, tools, vehicles, equipment, assets or furniture that has been replaced or retired due to damage, age, or change in District's standards and/or specifications. The methods used by staff to define surplus include:

1. Change in the District's standards or specification
2. Changes in State or Federal Law that prevents further use by the District
3. Damaged/obsolete products, or that pose a safety risk, including expired materials
4. Materials by departments that have not been used in 36 months will be identified by source department, then reviewed by operations and engineering staff for validation that product is no longer required.

5. Other materials identified by staff that require specific justification (software/hardware no longer supported, voided warranty, etc.)

A single item, or grouping of similar items with an estimated current value of \$50,000 or more must be declared surplus by the Board of Directors and disposed of by means of:

1. Formal or informal sale or auction;
2. Exchange or trade; or
3. Scrapping if appropriate based on circumstances.

The method used will take into consideration market trends, demand, economics and convenience. Items under \$100,000 must be declared surplus by the General Manager prior to disposal, using the same means discussed above. A collection of unique and separate items being considered for surplus, that are individually less than \$50,000 may be approved by the General Manager.

Publication & Electronic Approvals & Signing Authority

- A. A notice inviting bids required to be published in accordance with Public Contract Code section 20642 shall be published on an established e-procurement/electronic bidding system or pursuant to Government Code section 6061, at the discretion of the General Manager or his designee. All other public advertisements shall also comply with this section.
- B. Where possible, electronic workflow and signature approvals may be used in lieu of ink signatures using an approved electronic signature software tool. Software must have adequate ID and encryption security and must be approved by the Director of IT.
- C. Signing Authority: No agreements shall be made or agreed to by staff, verbally or otherwise, on behalf of the District unless express consent is provided by either the Board of Directors or the General Manager. Signed documents must be completed only by authorized staff using approved District forms or be sent for legal review and approval prior to execution of documents. Any employee signing documents without proper authority will be subject to disciplinary action. Documents include but are not limited to:
 1. Quotes/Estimates
 2. Purchase agreements, contracts
 3. Memorandum of Understanding, letter agreements
 4. Other legally binding agreements

Cooperative Purchases

The District will enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common, or shared goods and services. The District supports the use of cooperative bidding/“piggybacking” contracting to utilize contracts awarded by the United States of America, any state, municipality, or public agency where it is in the District’s best interest to do so. Evidence of the competitive bidding process conducted by the other political jurisdiction must be obtained and kept on file to support the requisition or purchase order. Cooperative purchasing examples are purchase of fuel, office supplies, vehicles and auto parts. Cooperative purchases with other governmental entities are supported.

Unauthorized Purchases

- A. Purchase documents shall be issued prior to ordering supplies, equipment and services. There will be no “after the fact” processing for work already done or materials already ordered.
- B. Except for emergencies or authorized exemptions stated in these guidelines, no purchase of supplies, services, or equipment shall be made without the use of an authorized procurement method. Otherwise:
 1. Such purchases may be void and not considered an obligation of the District;
 2. Invoices without an authorized purchase order may be returned to the vendor unpaid;
 3. The person making an unauthorized purchase on behalf of the District may be held liable to the extent allowed by law and may be subject to disciplinary actions.

Conflicts of Interest

No employee, officer, or agent or agent of the District may participate in the selection, award, or administration of an agreement if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontractors. No officer, employee or agent (including consultants) of the District, engaged in the award and administration of contracts shall participate in the preparation of specifications, selection, or in the award or administration of a contract if he or she has any potential or actual financial interest in such contract. District officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors or parties to sub-agreements. Any employee, officer or agent of the District found to have a conflict of interest will be subject to disciplinary actions as outlined in the employee handbook.

Review Audits

Compliance with this policy is subject to review at any time by internal or external auditors. It is the responsibility of the District staff member (and their department head or authorized representative) initiating the purchase to maintain records of bids, bid procedures followed, contracts, sole source forms, change orders, and authorized signatures.

Investment Policy

Section 2850, Adopted 3/31/2020

Scope

EVMWD pools all cash for investment purposes. This policy is applicable to all EVMWD funds.

Objective

The primary objectives, in priority order, of investment activities shall be:

- A. **Safety:** Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
 1. **Credit Risk:** Credit Risk is the risk of loss due to the failure of the security issuer or backer. Credit Risk may be mitigated by:
 - Limiting investments to the safest types of securities;
 - Pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which an entity will do business; and
 - Diversifying the investment portfolio so that potential losses on individual securities will be minimized.
 2. **Interest Rate Risk:** Interest Rate Risk is the risk that the market value of securities in the portfolio will fall due to changes in general interest rates. Interest Rate Risk may be mitigated by:
 - Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and
 - By investing operating funds primarily in shorter-term securities.
- B. **Liquidity:** The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).
- C. **Yield:** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.

Standards of Care

- A. **Prudence:** The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.
- B. **Ethics and Conflicts of Interest:** Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the District.
- C. **Delegation of Authority:** Authority to manage the investment program is granted to the General Manager. Responsibility for the operation of the investment program is hereby delegated to the Assistant General Manager - Business Services or his/her designee, who shall carry out established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking services contracts. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Assistant General Manager - Business Services or his/her designee.

The General Manager and Assistant General Manager - Business Services or his/her designee are responsible for qualifying and establishing relationships with investment managers. The investment manager is expected to respect and observe the specific limitations, investment guidelines, attitudes and philosophies stated within this Investment Policy or expressed in any written amendments or instructions.

Safekeeping and Custody

- A. **Internal Controls:** The Assistant General Manager - Business Services or his/her designee is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the Assistant General Manager - Business Services or his/her designee shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

1. **Control of collusion:** Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
 2. **Separation of transaction authority from accounting and record keeping:** By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
 3. **Custodial safekeeping:** Securities purchased from any bank or dealer including appropriate collateral (as defined by State Law) shall be placed with an independent third party for custodial safekeeping.
 4. **Avoidance of physical delivery securities:** Book entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
 5. **Clear delegation of authority to subordinate staff members:** Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
 6. **Written confirmation or telephone transactions for investments and wire transfers:** Due to the potential for error and improprieties arising from telephone transactions, all telephone transactions should be supported by written communications and approved by the appropriate person, unless other internal controls are in place that will preclude the occurrence of improprieties or misuse of funds. Written communications may be via fax if on letterhead and the safekeeping institution has a list of authorized signatures.
 7. **Development of a wire transfer agreement with the lead bank or their party custodian:** This agreement should outline the various controls, security provisions, and delineate responsibilities of each party making and receiving wire transfers.
- B. **Delivery vs. Payment:** All trades where applicable will be executed by Delivery vs. Payment (DVP). This ensures that securities are deposited in the eligible financial institution prior to the release of funds. Securities will be held by a third party custodian as evidenced by safekeeping receipts.

Suitable and Authorized Investments

- A. **Investment Types Allowed by State Law:**

1. **State and Local Agencies**

Introduction: These bonds, notes, warrants or other evidences of indebtedness of any local or State Agency, including a District's own bonds, within the State of California. This includes bonds payable solely out of the revenues from a revenue producing property owned, controlled or operated by the local or state agency, or by a department, board, agency, or authority of the local agency or state.

Definition: These are generally made up of Improvement Act bonds and each issue has various fixed maturities and interest rates.

Legal Authority: Section 53601 (a, c, d, e) of the Government Code authorizes local and state agencies to purchase these bonds with no limitations as to the amount that can be owned.

Characteristics: Bonds issued are registered and generally have interest paid twice a year for fixed rate bonds and more frequently for floating rate bonds. Each issue will have bonds of varying maturities with a fixed or floating rate that tends to increase along with the maturity. These types of issues are generally

at a lower interest rate than other instruments due to their low risk. This policy allows investments in these securities beyond 5 years.

2. U.S. Treasuries

Introduction: These are instruments in which the full faith and credit of the United States Government is pledged.

Definition: U.S. Treasuries include Treasury Bills, Treasury Bonds, and Treasury Notes.

Legal Authority: Section 53601 (b) of the Government Code authorizes local agencies to purchase U.S. Treasuries with no limitations as to the amount that can be owned of each.

Characteristics: Treasuries can be issued in discount form for securities with maturities of one year or less. Maturities on these issues can be from just a few days to thirty years. These securities have perceived differences in quality and consequently each can trade at a different yield from the other.

3. Specified Federal Agencies

Introduction: This category includes securities issued by federally owned or sponsored agencies that have the backing of the full faith and credit of the Federal Government. These securities are very liquid and marketable and they offer a wide range of available maturities. These securities are considered to be the safest investment next to Treasury Instruments.

Definition: Bank obligations in this category are limited to certain federally owned or sponsored agencies such as Banks of Cooperatives, Federal Land Banks, Federal Intermediate Credit Banks, and Federal Home Loan Banks (FHLB). Also included are obligations, participations, or other instruments of, issued by, or fully guaranteed by the Federal National Mortgage Assoc. (FNMA), guaranteed portions of Small Business Administration notes, and obligations, participations, or other instruments of, or issued by, a federal agency or a United States government-sponsored enterprise.

Legal Authority: Section 53601 (f) of the Government Code allows public agencies to invest in obligations issued by banks.

Characteristics: Securities issued by the Government National Mortgage Association GNMA are guaranteed by the Federal government and it is a general belief that the other agencies carry an "implied" guarantee. As with treasuries, agencies securities can be issued in discount form for securities with Maturities of one year or less. Maturities on these issues can be from just a few days to thirty years. While all of these securities are classified as agencies, there are perceived differences in quality and consequently each will trade at a different yield from each other and treasuries. Issues of the GNMA, because of the government guarantee, are considered the safest of the agencies, typically followed by issues of the Federal Farm Credit System, the FHLB, and finally the FNMA.

4. Bankers' Acceptances

Introduction: Bankers' acceptances (BA's) are a suitable short-term investment because they provide an attractive yield and they are considered a relatively safe and liquid investment.

Definition: A BA is a time draft drawn on and accepted by a bank for payment of the shipment or storage of merchandise. The initial obligation of payment rests with the drawer, but the bank substitutes its credit standing for that of the borrower and assumes the obligation to pay face value at maturity.

Legal Authority: Section 53601 (g) limits investments in this category to those Bankers' Acceptances which are eligible for purchase by the Federal Reserve System and not exceeding 180 days maturity. In addition, no more than 40% of the District's surplus funds may be invested in BA's and no more than 30% may be invested in any one bank.

Characteristics: BA's are issued in bearer form and are a discount instrument. Normal trading blocks are \$5 million, but the odd lot market is active. The majority of BA's are created with a 90-day maturity and rarely extend over 180 days. Since BA's are a "two-name paper" they are perceived to be the safest of bank obligations. During the past 70 years in which BA's have been actively traded in U.S., no loss of principal has been documented. For the most part, banks include a service charge for BA's which generally reduces the yield to a level too low for the District to benefit.

5. Commercial Paper

Introduction: Commercial paper consists of promissory notes of large business concerns of high credit standing, usually maturing in four to six months. These Corporate I.O.U.'s are bought and sold in the open market. Large companies raise short term capital needs with this type of instrument.

Definition: Commercial Paper is a short term I.O.U. issued by large corporations for a fixed short period of time. It is unsecured and issued on a continuous basis.

Legal Authority: Section 53601 (h) of the Government Code allows public agencies to invest in only "prime" quality commercial paper issued with the highest rating provided by Moody's Investors' Service, Inc. (Moody's), or Standard and Poor's Corporation (S&P), or Fitch Financial Services (Fitch). Eligible paper is further limited to issuing corporations: (1) organized and operating within the United States; (2) having total assets in excess of \$500 million dollars and (3) having an "A" or higher rating for the issuers debt, other than commercial paper, if any, as provided for by Moody's, S&P or Fitch. Commercial paper may not exceed 270 days maturity and must not represent more than 10% of the outstanding paper of the issuing corporation. In addition, the amount invested in this type of instrument cannot exceed 25% of the total funds available to the District.

Characteristics: Commercial paper is normally issued in multiples of \$100,000. About one-half of the outstanding commercial paper is sold directly by the borrowers and one-half is sold through dealers. Maturities can extend as far as 270 days, but are generally kept at 90 days or less. Commercial paper can be issued on a discount or an interest bearing basis.

6. Non-negotiable Certificates of Deposit

Introduction: Non-negotiable Certificates of Deposit (CD's) can be attractive investments because they offer competitive yields, a wide range of Maturities, and a relatively high degree of safety if they are collateralized, insured, and/or issued by a financial institution of high quality.

Definition: A non-negotiable CD is an instrument evidencing a deposit with a financial institution for a fixed period of time and normally for a fixed rate of interest. They can be collateralized with securities or mortgages or, if issued in denominations of \$100,000 or less, they can be insured by the Federal Deposit Insurance Corporation if issued by a bank, or the Federal Savings and Loan Insurance Corporation if issued by a savings and loan association.

Characteristics: Non-negotiable CD's purchased pay interest at least quarterly. Maturities are typically one year or less. Because they are non-negotiable, they are not liquid and cannot be sold or redeemed prior to maturity without suffering a loss of interest. They can be written for any amount but must be deposited for at least 7 days.

7. Negotiable Certificates of Deposit

Introduction: New York Bank began issuing CD's in 1961 in an attempt to attract deposits from the national market. Immediately, a secondary market developed for buying and selling these instruments.

Definition: A CD is a negotiable instrument evidencing a time deposit with a bank at a fixed rate of interest for a fixed period. CD's of this type are not collateralized and should be considered an unsecured deposit.

Legal Authority: Section 53601 (i) of the Government Code allows public agencies to invest a maximum of 30% of surplus funds in the CD's of state or federal associations or state licensed foreign banks. Section 53638 stipulates that negotiable CD's may not exceed the shareholder's equity of the bank, and that the amount of CD's purchased from a state or federal association may not exceed the total of the net worth of that association unless the purchase amount is less than \$500,000.00 and the deposits are insured or secured as required by law.

Characteristics: CD's are coupon bearing, which pay interest at maturity if less than a year; if not, they generally will pay interest semi-annually. The majority of CD's are issued in the 30 to 90 day range. Negotiable CD's normally are issued in blocks of \$5 million but can be bought in pieces of \$1 million.

8. Repurchase Agreements

Introduction: Repurchase Agreements (Repos) are one of the most flexible investments available to invest short-term funds and when proper guidelines are followed, are relatively safe.

Definition: A Repo involves two simultaneous transactions. One transaction involves the sale of securities (collateral) by a borrower of funds, typically a bank or broker/dealer in governments or agencies, to a lender of funds. The lender can be any investor with cash to invest. The second transaction is the

commitment by the borrower to repurchase the securities at the same price plus a predetermined amount of interest on an agreed future date.

Legal Authority: Section 53601 (j) of the Government Code permits Repos in any security that is allowed for purchase as defined in that same section of the Code and for a term that does not exceed one year, and with collateralization of 102 percent.

Characteristics: Repos can be entered into with any amount of dollars, including odd amounts. They are typically for very short periods, often one day, but it is not unusual for Repos to be for periods of up to 180 days, and occasionally longer. Any type of security can be used as collateral but most often government or agency's securities are utilized. There are minimal risks involved in a Repo transaction if the collateral is priced properly. Caution should be used for Repos of greater than 30 days so that market changes do not substantially change the value of the collateral.

9. Medium Term Corporate or Bank Notes

Introduction: Medium term Notes (MTN's) were initially issued by General Motors Acceptance Corporation (GMAC) in 1972. They have become a more prevalent investment since 1982 when the SEC removed some restrictions that had previously hindered their sale. Currently, there are hundreds of MTN's which represent well over 40 billion dollars of outstanding notes.

Definition: A medium Term Note is a promise to pay issued by a corporation or a bank at a fixed interest rate for a fixed period of nine months to fifteen years. Most are unsecured although some are collateralized or carry other credit enhancements such as letters of credit.

Legal Authority: Section 53601 (k) of the Government Code allows public agencies to invest a maximum of 30% of surplus funds in the MTN's for a maximum of five years maturity. The notes must be issued by a U.S. corporation or by a depository institution licensed by the United States or any state. To minimize risk, the notes must be rated in a rating category of "A" or better by a nationally recognized rating service, like Moody's. or S&P, etc.

Characteristics: MTN's are generally issued in minimum amounts of \$25,000 or \$100,000 and integral amounts of \$1,000. Interest is calculated on a 30 day month, 360-day year basis and paid semi-annually on two pre-established dates. Floating rate MTN's can pay interest monthly, quarterly or semi-annually. Yields on MTN's will normally exceed those on treasuries with comparable maturities by about 10 to 75 basis points. Levels of interest rates, maturities, the quality of each issue, and supply and demand factors will affect available yields.

10. Designated Mutual Funds

Introduction: Mutual Funds were set up in order to combine funds from many sources in order to purchase "blocks" of funds or shares in the stock market. This allows small investors to take advantage of the rates and prices in the larger offerings.

Definition: These are companies that are defined under IRS Code, 26 U.S.C. 851, which are typically mutual funds that make diversified investments for their shareholders.

Legal Authority: Section 53601 (l) of the Government Code authorizes investments in mutual funds as long as the mutual companies are investing only in those securities and obligations otherwise authorized for direct investment by public agencies, including the securities and obligations as authorized by Section 53601 subdivisions (a) through (k) and subdivisions (m) through (o). Additionally, these companies must have attained the highest rating provided by at least two of the three largest nationally recognized rating services, or have an investment advisor registered with the SEC with assets under management in excess of \$500 million and with at least five (5) years' experience investing in statutorily permitted securities. Investments in this category are also limited to 20% of total funds available and no more than 10% may be invested in any one mutual fund with the following exceptions.

Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.

11. Mortgage Backed Securities

Introduction: Congress created three agencies of the U.S. Government to increase liquidity in the secondary mortgage markets and thus increase the supply of capital available for residential housing loans. Those agencies are the Federal National Mortgage Association (FNMA), the Government National Mortgage Association (GNMA) and the Federal Home Loan Mortgage Corporation (FHLMC). In June 1983 they initiated collateralized mortgage obligation (CMO) securities in order to reduce the terms on mortgage securities.

Definition: Mortgage Backed Securities are guaranteed by the issuing U.S. Government agency and are collateralized by the home loans which create the mortgage pool.

Legal Authority: As of January 1, 1993, Section 53601 (o) of the Government Code allows public agencies to invest in mortgage pass-through and mortgage backed securities issued by an issuer having an "A" or higher rating for the issuer's debt as provided by a nationally recognized rating service and rated in a rating category of "AA" or better by a nationally recognized rating service.

Characteristics: Collateralized Mortgage Obligations (CMO's) are issued in amounts of \$100,000 or more and for a term of up to five years. Interest is paid on the fifteenth day of each month. They generally have a pay-down window the last 4-6 months when large blocks of principal are paid each month along with the interest until maturity.

12. Supranational Obligations

Introduction: A supranational organization is formed by a group of countries through an international treaty with specific objectives, such as promoting economic development. Supranational organizations also issue debt in the United States. The most commonly recognized supranational debt is issued by the International Bank for Reconstruction and Development (IBRD or World Bank).

Definition: Securities issued by supranational organizations include benchmark bonds, global bonds, structured notes, plain fixed and floating rate notes, discount notes as well as green bonds

Legal Authority: Section 53601 (q) allows local agencies to invest in bonds issued by one of three supranationals: World Bank, International Finance Corporation (IFC) and InterAmerican Development Bank (IADB), which were established by international treaties, incorporated into U.S. Federal law by Congressional Acts and headquartered in Washington, D.C. Currently, these entities carry the highest credit ratings (AAA) based on their financial structure, policies, performance and capital support from shareholders.

13. Local Government Investment Pools

Introduction: Local Government Investment Pools (LGIPs) allow local governments to pool funds for investment purposes. By pooling funds, participating governments benefit from economies of scale, full-time portfolio management, diversification, and liquidity (especially in the case of pools that seek a constant net asset value of \$1.00).

Definition: Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests on the securities and obligations authorized in subdivisions (a) to (q), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority.

Legal Authority: Per section 53601 (p), to be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:

- ii. The adviser is registered or exempt from registration with the Securities and Exchange Commission.
- iii. The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive.
- iv. The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

14. Local Agency Investment Fund

Introduction: The Local Agency Investment Fund allows local government agencies to obtain higher yields through pooling surplus cash with State surplus cash balances creating a multi-billion dollar money pool and enabling investment in diversified instruments.

Definition: The Local Agency Investment Fund (LAIF) is a special fund in the State of California Treasury created by law. The law permits local government agencies (cities, counties, and special districts) to pool idle monies in this fund and utilize the trained personnel in the State Treasurer's Office for its investment.

Legal Authority: Section 16429.1 of the Government Code authorizes local agencies to invest through LAIF. The LAIF Governing Board has set a maximum limit of Sixty-five Million Dollars (\$65,000,000) per agency.

Characteristics: Local agencies can transfer monies to LAIF using their own established bank accounts at Bank of America, Wells Fargo Bank, First Interstate Bank, Bank of California, Sanwa Bank, and Union Bank. Deposits in LAIF can be converted to cash within twenty-four hours or less with no penalty. There can be no more than fifteen transactions (transfers in or out) per month.

15. Passbook Savings Account

Introduction: Passbook Savings Accounts allow an agency to earn interest on idle funds until such time as they can be invested.

Definition: A Passbook Savings Account is a savings account at a bank which earns a rate of interest set by the bank.

Characteristics: The local agency can arrange to make telephone transfers between their checking account and savings account. Funds in the savings account can earn interest while accumulating to an amount to be invested or until needed for normal cash flow requirements.

16. Prohibited Investments

Government Code 53601, as amended in 1995 by SB 866, Chapter 784 of the 1995 Statutes, prohibits a local agency from investing in any of the following: Inverse floaters, range notes, or mortgage-derived interest only strips. Securities that could result in zero interest accrual if held to maturity. However, this limitation does not apply to shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1).

B. Investment Types Allowed by State Law and the District

<u>Investment Type</u>	<u>Code 53601 et seq</u>	<u>District Policy</u>
State & Local Agencies		
District's Own Bonds	(a) No Limits	10% of Funds, based upon revenues with Board approval 30 years
State Instruments	(c) Warrant, Notes/Bonds	10% of Funds, 5 years
Other Local Agency Inst/	(e) Within Calif. Only	40% of Funds, 30 years
U.S. Treasuries	(b) Notes, Bonds, Bills	No Limit
Specified Federal Agencies	(f) No Limit	40% of Funds
Banker's Acceptances	(g) 40% of Total Funds, 180 days max.	10% of Funds, 180 days max
Commercial Paper	(h) 25% of Funds, 270 day term AAA Rated	10% of Funds, 270 days AAA Rated
Certificate of Deposit (CD's)		
Non-Negotiable	(m) No Limit	10% of Funds
Negotiable	(i) 30% of Funds	10% of Funds
Repurchase Agreement	(j) 1 Year or less	5% of Funds, 90 days
Reverse Repurchase Agreement	(j) 20% of Funds, 92 days max.	Not Allowed
Medium Term Corporate or Bank Notes	(k) 30% of Funds, A Rated	20% of Funds, Under 5 years, A rated.
Designated Mutual Funds	(l) 20% of Funds AAA Rated	10% of Funds, AAA rated
Secured Notes, Etc.	(n) Depends on Security	Not Allowed
Mortgage Backed Securities	(o) 20% of Funds, AA rated	Not Allowed
Supernational Obligations	(q) 30% of Funds, AA rated, 5yr max	10% of Funds AA rated, 5yr max
Local Government Investment Pools (LGIPs)	(p) No Limit	No Limit
Local Agency Inv. Fund (LAIF)	\$65,000,000 max	\$65,000,000 max
Passbook Savings	Not Applicable	No Limit
Inverse Floaters, Range Notes, Interest Only Strips	Prohibited as per Code 53601	Not Allowed

C. Collateralization

In accordance with state law, full collateralization will be required on certificates of deposits, and collateralization of 102% will be required on repurchase agreements.

D. Repurchase Agreements

Special caution should be exercised in selecting parties with whom the District will conduct repurchase transactions.

Investment Parameters**A. Diversification**

The investments will be diversified by security type and institution.

B. Maximum Maturities

The final stated maturity is limited to five years unless specific authority is given to exceed. To the extent possible, attempts will be made to match investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the District will not directly invest in securities maturing more than (5) years from the date of purchase.

Reserve funds may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide nearly as practicable with the expected use of funds. The ability of investing these types of funds should be disclosed to the Board of Directors including appropriate time restrictions disclosed, if any apply.

C. Portfolio Percentage Limitations

The District shall ensure that all categories of investments are maintained within the allowable portfolio percentage limitations. Should an investment percentage of portfolio limitation be exceeded due to an incident such as a fluctuation in portfolio size, the affected securities are not required to be sold. In the event a limitation is temporarily exceeded, the Assistant General Manager - Business Services or his/her designee shall take the appropriate action to rebalance the portfolio.

D. Portfolio Adjustments

Should a security held in the portfolio be downgraded below the minimum criteria included in this Policy, the security should be sold in such a manner to minimize losses on the sale of such security. If the security is downgraded to a level that is less than investment grade, the affected security should be sold immediately. However, if immediate liquidation of the security is not in the best interests of the District, security may be disposed of in an orderly and prudent manner considering the circumstances, but not later than 60 days after the occurrence. If the security matures within 60 days of the rating change, the security does not have to be sold. The monthly investment report shall include a description of any securities that have been downgraded below investment grade.

Reporting**A. Methods**

The Assistant General Manager - Business Services or his/her designee shall prepare an investment report at least quarterly, including a succinct management summary that provides a clear picture of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner which will allow the Board of Directors to ascertain whether investment activities during the reporting period have conformed to the investment policy, and will be provided to the Board within 45 days after quarter end. The report will include the following:

1. A listing of individual securities held at the end of the reporting period by maturity date.
2. The cost, par, and market value of securities, as well as the market value weighted average.
3. Unrealized gains and losses resulting from fluctuations in market value, and the issuer of the investment.
4. Average weighted yield to maturity of portfolio on existing investments.
5. The percentage of the total portfolio with each type of investment represents.
6. Statement of compliance of investments with the investment policy, or the manner in which the investments are not in compliance.
7. Statement denoting the ability of the District to meet its expenditures requirements for the next six months or an explanation as to why sufficient money will not or may not be available.

B. Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. Portfolio performance should be compared to appropriate benchmarks on a regular basis.

C. Marking to Market

A statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that the minimal amount of review has been performed on the investment portfolio in terms of value and subsequent price volatility.

Policy.**A. Exemption**

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

B. Amendment

This policy shall be reviewed on an annual basis. Any changes must be approved by the Board of Directors.

Debt Management Policy

Section 2860, Adopted 7/13/2017

Introduction

The District's overriding goal in issuing debt is to respond to and to provide for the infrastructure and capital project needs of its customers while ensuring that debt is issued and managed prudently in order to maintain a sound fiscal position and protect credit quality. The District issues debt instruments, administers District-held debt proceeds and makes debt service payments, acting with prudence, diligence, and attention to prevailing economic conditions. This policy documents the District's goals for the use of debt instruments and provides guidelines for the use of debt for financing the District infrastructure and project needs.

Debt will be used to finance projects (i) if it meets the District's goal of equitable treatment of all customers, both current and future, (ii) if it is cost-effective to the District, and (iii) if it is fiscally prudent, responsible, and diligent under the prevailing economic conditions. The District will endeavor to pay for all infrastructure and other projects from an appropriate combination of current revenues, available reserves, and prudently issued debt.

The District's debt management policy is designed to:

- Establish parameters for issuing debt;
- Provide guidance to decisions makers;
- Document the objectives to be achieved by staff both prior and subsequent to issuance;
- Promote objectivity in the decision-making process; and
- Facilitate the financing process by establishing important policy decisions in advance.

The District will adhere to the following legal requirements for the issuance of public debt:

- State law authorizing debt issuance;
- Federal and state laws and regulations governing taxable and tax-exempt debt; and
- Federal and state securities laws and regulations governing disclosure, sale and trading of debt instruments.

General Management Policies

- A. In recognition of periodic changes in the cost of providing service to system users, service costs and fees will be reviewed annually and adjusted as necessary.
- B. Any proposed adjustments to existing rates, fees and charges will be presented at public meetings.
- C. All District debt proceeds will be invested according to the Annual Statement of Investment Policy of the District and according to the issuing debt documents.
- D. Necessary funding requirements for annual debt service requirements will be included in the District's annual budget.
- E. The District will maintain proactive communication with the investment community, including rating agencies, credit enhancers, reporting agencies, and investors, to maximize future capital market access at the lowest possible rates.

Financial Management Policies

- A. The District evaluates each capital project in relation to established levels of reserves, current rate structure, expected asset life/replacement timeline, available revenue sources, and other priorities. The District strives to ensure that adequate financial resources are available to support the District's financial obligations.
- B. The following policies outline the District's approach to debt management.
 1. The District will evaluate financing for each capital project on a case-by-case basis.
 2. The District will seek to pay for all capital projects from current revenues and available reserves prior to or in combination with the use of debt.
 3. The District will issue debt when there is an identified source of repayment. Debts will be issued to the extent that (i) projected future revenues are sufficient to pay for the proposed debt service together with all existing debt service covered by such fixed revenues, or (ii) additional projected revenues have been identified as a source of repayment in an amount sufficient to pay for the proposed debt.

4. User Fees and Water Rates will be set in compliance with State law at adequate fair and nondiscriminatory levels. Fees and rates must generate sufficient revenues to pay all Operating and Maintenance costs, to maintain sufficient operating and rate stabilization reserves, maintain balances in the rate stabilization fund and to pay any debt service costs.
5. Connection Fees will be maintained at a level sufficient to finance a portion of growth-related capital costs and cover related annual debt service requirements.
6. To the extent permitted by law property taxes may be also utilized to finance a portion of annual debt service payments.

Debt and Capital Management Debt Policies

The following policies formally establish parameters for evaluating, issuing, and managing the District's debt. The policies outlined below are not intended to serve as a list of rules, but rather to serve as a set of guidelines to promote sound financial management.

- A. **Standards for Use of Debt Financing:** When appropriate, the District will use long-term debt financing to: achieve an equitable allocation of capital costs/charges between current and future system users; to provide more manageable user rates in the near and medium term; and to minimize user rate volatility.

For growth-related projects, debt financing will be utilized, as needed, to better match the cost of anticipated facility needs with timing of expected new connections to the system and to better spread the costs more evenly between current and future users.

For betterment repair and replacement projects, debt financing may be used to better match the anticipated need and costs with available funds on hand.

Capital projects financed through debt issuance will not be financed for a term longer than the expected useful life of the facility permitted by the Internal Revenue Service. The debt repayment period, as well as the outstanding principle balance, should be less than or equal to the useful life and depreciated value of the related capital improvements.

Lease Agreements, Installment Sale Agreements and Certificates of Participation shall be considered as alternative forms of long-term debt. Although these forms of alternative financing are subject to annual funding requirements, they shall be treated as long-term debt until maturity.

- B. **Financing Criteria:** Each debt issuance should be evaluated on an individual basis within the framework of the District's long-term financial plan, as well as within the context of the District's overall financing objectives and current market conditions.

The District will evaluate alternative debt structures (and timing considerations), selecting the structure that best meets the District's needs based on prevailing market and infrastructure conditions.

1. **Credit Enhancement:** The District will consider the use of credit enhancement on a case-by-case basis, and use it only when clearly demonstrable savings can be realized.
2. **Cash-Funded Reserve vs. Surety:** The District may purchase a surety policy or replace an existing cash-funded Debt Service Reserve Fund when deemed prudent and advantageous. The District may use guaranteed investment agreements and other investment tools legally available for the investment of reserve funds pledged to the repayment of any District debt. Debt service investments will be reviewed and approved by the Board of Directors.
3. **Call Provisions:** The District securities should evaluate the cost in relation to the benefits associated with issuing debt with optional call provisions. In many cases the District should avoid the sale of non-callable, long-term fixed rate debt, but each new issue should be evaluated based on all market factors.
4. **Additional Bonds Test/Rate Covenants:** The amount and timing of debt will be planned to comply with the additional bonds tests and rate covenants outlined in Resolution 1108 (the Master Resolution), or the appropriate legal and financing documents, and these policies.
5. **Short-Term Debt:** The District may utilize short-term borrowing to serve as a bridge for anticipated revenues, construction financing or future debt capacity.
6. **Use of Variable Rate Debt:** The District should evaluate market factors before using variable rate debt. Variable rate debt should only be issued if it can be converted to a fixed rate. If it is not convertible the District should consider hedging its variable rate position, establishing an interest rate cap, or other appropriate means to limit the maximum interest amount owed by the District.
7. **Use of Swaps & Derivatives:** The use of any swap agreement in conjunction with the issuance or management of debt instruments will be governed by the District's Swap Policy.

8. Investment of Debt Proceeds: Debt proceeds will be invested in accordance with the permitted investment language outlined in the debt documents for each transaction, unless further restricted or limited in the District's Investment Policy. The District will seek to maximize investment earnings within the investment parameters set forth in the respective debt financing documentation. The reinvestment of debt proceeds will be incorporated into the evaluation of each financing decision. Arbitrage and potential arbitrage rebates should be considered when making investment decisions. Alternative debt structures should be evaluated. Refunding savings on a "net" debt service basis, should be considered where appropriate.
- C. Refinancing and Outstanding Debt: The District shall have the responsibility to evaluate potential refunding opportunities presented by underwriting and/or financial advisory firms. The District will consider the following issues when analyzing potential refinancing opportunities:
1. Debt Service Savings: The District's minimum target savings level is 3% of the par amount refunded on a net present value (NPV) basis. NPV savings should be evaluated on a case-by-case basis, and should take into consideration:
 - the value of the call option;
 - the time to maturity;
 - size of the issue;
 - current interest rate environment; and
 - annual cash flow savings.

The decision to take all savings upfront or on a deferred basis must be explicitly approved by the Board of Directors.

2. Restructuring: The District may seek to refinance a debt issue on a non-economic basis, in order to restructure debt, to mitigate irregular debt service payments, accommodate revenue shortfalls, release reserve funds, comply with and/or eliminate rate/debt covenants, terminate a swap, or for other reasons as approved by the Board.
 3. Term/Final Maturity: The District may consider the extension of the final maturity of the refunding debt in order to achieve a desired outcome, provided that such extension is legal. The term of the debt should not extend beyond the reasonably expected useful life of the asset being financed. The District may also consider shortening the final maturity of the debt. The remaining useful life of the assets and the concept of inter-generational equity should guide these decisions.
 4. Escrow Structuring: The District shall utilize the most cost effective securities available in structuring each escrow. If purchased from a third party agent who is not acting as a broker-dealer, a certificate is required stating that the securities were purchased through an arms-length, competitive bid process (in the case of open market securities), that such securities were more cost effective than State and Local Government Series Securities (SLGS), and that the price paid was reasonable and within Federal rules and regulations. When evaluating the economic viability of an economic versus legal defeasance, the District shall take into consideration both the financial impact on a net present value basis as well as the rating/credit impact. The District shall take all necessary steps to optimize the yield on its refunding escrow investments, while attempting to avoid negative arbitrage to the extent permitted by Federal rules and regulations
- D. Method of Issuance: The District will determine, on a case-by-case basis, whether to sell its debt competitively or through negotiation.
1. Competitive Sale: In a competitive sale, the District's bonds shall be awarded to the bidder providing the lowest true interest cost ("TIC"), as long as the bid adheres to requirements set forth in the official notice of sale.
 2. Negotiated Sale: The District recognizes that some securities are best sold through negotiation. In consideration of a negotiated sale, the District shall assess the following alternatives:
 - Issuance of variable rate or taxable bonds;
 - Complex structures or credit considerations (such as non-rated debt), which require a strong pre-marketing effort. Significant par value, which may limit the number of potential bidders. Unique/proprietary financing mechanisms (such as a financing pool), or specialized knowledge of a financing mechanism or process;
 - Market volatility, such that the District would be better served by flexibility in the timing of its sale in a changing interest rate environment;

- When the financial advisor has identified new financing opportunities or presented alternative structures that may financially benefit the District;
 - As a result of an underwriter's familiarity with the project/financing, that enables the District to take advantage of efficiency and timing considerations.
3. Private Placement: From time to time the District may elect to issue debt on a private placement basis. Such method shall be considered if it is demonstrated to result in cost savings or provide other advantages relative to other methods of debt issuance, or if it is determined that access to the public market is unavailable and timing considerations require that a financing be completed.
- E. Market Communication, Debt Administration and Reporting Requirements. The Assistant General Manager – Business Services or his/her designee shall be responsible for the following:
1. Rating Agencies: Maintaining the District's relationships with the various rating agencies (such as Standard & Poor's, Fitch and Moody's). The District may, from time to time, choose to deal with none, or with one or more of these agencies as circumstances dictate. Maintaining its relationships includes:
 - Meeting with credit analysts as needed, to maintain or update existing debt ratings;
 - Meeting with credit analysts as needed to issue new debt, and;
 - Offering conference calls or meeting with agency analysts in connection with planned debt sales, market or local changes in conditions, requests for information from analysts, etc.
 2. Board Communication: Providing feedback from rating agencies and/or investors regarding the District's financial strengths and weaknesses and recommendations for addressing any weaknesses in reports to the Board of Directors.
 3. Continuing Disclosure: Ensuring the District's timely filing with each Nationally Recognized Municipal Securities Information Repository. The District shall remain in compliance with Rule 15c2-12 by filing its annual financial statements and other financial and operating data for the benefit of its debtholders within 270 days of the close of the fiscal year as outlined in section 2870 of the District Administrative Code.
 4. Record-Keeping: Retaining copies of all debt-related records at the District's offices. At a minimum, these records shall include all official statements, bid documents, debt documents / transcripts, resolutions, trustee statements, leases, and title reports for each District financing (to the extent available). To the extent possible, the District shall retain an electronic copy of each document for the life of the debt issue.
 5. Arbitrage Rebate: Ensuring that all debt proceeds and investments are tracked in a manner which facilitates accurate calculation. If a rebate payment is due, make payments in a timely manner. The use of debt proceeds and their investments must be monitored to ensure compliance with all Internal Revenue Code Arbitrage Rebate Requirements.
 6. Tax Certificates: The District shall incorporate the provisions of each tax certificate for each debt issue into its debt management procedures. The District will comply with applicable Federal tax rules and regulations. The District will comply with any arbitrage rebate requirements required by tax certificates as they relate to each tax-exempt debt issue.
 7. Internal Controls Related to Bond Proceeds: The District shall invest the proceeds of bond sales, until used for the intended project(s) in order to maximize utilization of the public funds. The investments will be made to obtain the highest level of 1) safety, 2) liquidity, 3) yield, and may be held as cash. The District's investment guidelines and bond indentures will govern objectives and criteria for investment of bond proceeds. The Finance & Accounting Department will oversee the investment of bond proceeds in a manner to avoid, if possible, and minimize any potential negative arbitrage over the life of the bond issuance, while complying with arbitrage and tax provisions. Bond proceeds will be deposited and recorded in separate accounts/programs to ensure funds are not comingled with other forms of District funds. The District's Trustee of Fiscal Agent will administer the disbursement of bond proceeds pursuant to each certain Indenture of Trust or Fiscal Agent Agreement, respectively. To ensure proceeds from bond sales are used in accordance with legal requirements, invoices should be approved by the Finance & Accounting Department and/or General Manager for payment. Requisition for the disbursement of bonds will be approved by the Assistant General Manager - Business Services or designated alternate. Responsibility for general ledger reconciliations and records is segregated from the invoice processing, cash receipting, and cash disbursement functions. The Finance & Accounting Department will be tasked with monitoring the expenditure of bond proceeds to ensure they are used only for the purpose and authority for which the bonds were issued and exercising best efforts to spend bond proceeds in such a manner that the District will meet one of the spend-down exemptions from arbitrage rebate.

Reserves Policy

Section 2950, Adopted 6/12/2014

Introduction

Elsinore Valley Municipal Water District (the “District”) has a complex nature of operations. Its various legal, legislative, and contractual requirements dictate a multifaceted and sophisticated financial structure. The District has implemented numerous operating programs to secure water and wastewater service resources at the lowest possible cost to customers without compromising service, reliability or quality. To protect the District’s investment in various assets and satisfy commitments under numerous financial, regulatory, and contractual obligations, the District has developed and segregated a number of funds and reserves. The efficient and discreet use and management of these reserves, when combined with appropriate security measures, assure that the current levels of service, reliability and quality will continue into the future.

The District’s reserves, to the extent possible, will be established utilizing the following criteria:

- Distinguish between legally restricted and unrestricted net assets
- Contain a defined and distinct purpose
- For reserves involving construction, conformity to master plans and capital improvement plans
- Contain a target level or minimum and maximum levels
- Identify events or conditions that prompt the use of the reserve
- Specify periodic review dates for balances

Cash and/or cash equivalents and investment balances shall be maintained in amounts sufficient to cover each reserve balance. Balances shall be maintained in amounts sufficient to meet minimum reserve targets in cash and/or cash equivalents, and permitted investments.

A. Types of Reserves

The District’s reserves will be separated into three basic categories:

1. Restricted Reserves
2. Designated Capital Replacement Reserves
3. Operating Reserves

Restricted Reserves

Restricted Reserves are established and utilized for narrowly defined purposes and are protected by law or covenant. The District’s Restricted Reserves are:

A. Capacity Charges

1. Definition and Purpose: Established with funds from developer capacity charges. The collection and use are restricted in accordance with applicable State of California law and regulations.

There are three categories established for the following purposes:

- Water Capacity Charges
 - Wastewater Capacity Charges
 - Recycled Water Capacity Charges
2. Conformity to Plans: Expenditures from this reserve must comply with both the District’s Master Plans.
 3. Required Level:
 - Water Facilities – Equal to the cost of the new facilities
 - Wastewater Facilities – Equal to the cost of the new facilities
 - Recycled Water Facilities – Equal to the cost of the new facilities
 4. Events or Conditions Prompting the Use of the Reserves: When it is necessary to upgrade and/or improve the facilities required to service growth, new areas and/or customers, in accordance with the applicable ordinance, funds will be appropriated from the respective reserves for applicable projects, by action of the Board of Directors.
 5. Periodic Review Dates for Balances: Expenditures and Reserve balances will be reviewed annually by District staff during the preparation of the non-operating budget.

B. Employee Benefits

1. Definition and Purpose: Established to account for accrued and unpaid employee benefit liabilities, including:
 - Vacation Days
 - Sick Days
 - Savings Clause
2. Conformity to Benefit Plans: The District shall maintain an account for each separate employee benefit.
3. Required Level:
 - Vacation Days = Funded at a level equal to 100% of the accrued liability
 - Sick Days = Funded at a level equal to 100% of the accrued liability
 - Savings Clause = Funded at a level equal 100% of the accrued liability
4. Events or Conditions Prompting the Use of the Reserves: Vacation days, sick days and savings clause benefits shall be distributed when used or qualified, in accordance with the respective memorandum of Understanding.
5. Periodic Review Dates for Balances: Reserve balances will be reviewed by District staff annually during the preparation of the operating budget.

C. Obligation Proceeds

The proceeds from borrowed money typically consist of construction fund monies, and a debt service reserve fund. The use of these proceeds is restricted by conditions set forth in the respective borrowing documents. The term "Obligation" shall have the meaning set forth in the District's Resolution No. 1108 adopted September 9, 1992.

1. Definition and Purpose: These funds may be held by a trustee, or fiscal agent established pursuant to the borrowing documents of the Obligation in favor of the bondholders, or lenders.
2. Required Level: Any debt service reserve requirement is established at the time of the borrowing. This amount may be recalculated as Obligations are paid down. Any excess principal and/or interest earnings can be used to pay debt service on the Obligation.
3. Events or Conditions Prompting the Use of the Reserves: As stipulated in the respective borrowing documents. Construction fund monies are expected to be spent on applicable projects, while any debt service reserve can only be used in the event of a shortfall in revenues to make payments on the Obligation.
4. Periodic Review Dates for Balances: Reviewed by the Trustee and District staff on every interest and/or principal payment date.

Designated Capital Replacement Reserves

Designated Capital Replacement Reserves are established by action of the Board of Directors and designated for specific purposes. These funds are utilized to cover capital and asset replacement costs. The District's current Designated Capital Replacement Reserves are:

A. Water & Wastewater Capital Replacement

1. Definition and Purpose: The Board of Directors has established a series of funds to accumulate amounts by division to accomplish the replacement or major refurbishment of aging water or wastewater utility plant and equipment. This reserve will be sufficient to fund the entire cost of replacement of the District's infrastructure utilizing a combination of pay-as-you-go and future debt borrowings.
 - The Capital Replacement Reserves for each will be calculated and maintained in accordance with the guidelines set forth below.
2. Conformity to Plans: Projected reserve levels should be developed in accordance with the District's water master plan.
3. Target Level: The minimum target level that the District will set aside for replacement reserves should be equal to 5% of the total depreciable asset value for the division as recorded on the District's fixed assets. The maximum target level should seek to fund a reserve equal to 20% of the inflation-adjusted replacement value of the District's capital assets or a specific project.
 - Replacement costs should be inflated in line with the Engineering News Record Construction Index or some other estimate of inflationary costs.

- Target level for annual funding of the reserves is 100% of depreciation amount for the division or total cost of replacement projects as specified in the water or wastewater master plans, whichever is higher.
4. Events or Conditions Prompting the Use of the Reserves: Staff will recommend assets to be replaced during the budget preparation. By action of the Board of Directors funds will be appropriated from the reserves for the purchase or construction of replacements. If during the year emergency replacements are necessary, the Board may approve the project and appropriate funds as necessary to accomplish the replacement or refurbishment.
 5. Periodic Review Dates for Balances: Reserve balances and replacement requirements will be reviewed annually by District staff during the preparation of the non-operating budget.
- B. Administrative & General
1. Definition and Purpose: The Board of Directors has established a series of “general and internal service funds” to accumulate amounts by project to fund certain major general, administration and overhead projects. These accounts are intended to fund District vehicles and related equipment, as well as District computer equipment on a pay-as-you-go basis. The Board will appropriate funds from this reserve for specific projects. Funds have been authorized in specific areas, including:
 - Vehicle & Equipment
 - Computer
 2. Target Level: This reserve is targeted at 100% of the cost of the replacement of each component as specified by the Vehicle Replacement and Computer Replacement policies. Special projects can be funded on an as needed or project-by-project basis.
 3. Events or Conditions Prompting the Use of the Reserves: Replacement of the Vehicle or Computer and its related equipment will be identified by District staff and recommended to the Board during the preparation of the capital outlay budget. As projects are approved funds will be appropriated from available reserves.
 4. Periodic Review Dates for Balances: Reserve balances and projected replacement purchases will be reviewed annually by District staff during the preparation of the annual capital outlay budget.
- C. Water Purchases for Canyon Lake Elevation Maintenance
1. Definition and Purpose: Established to provide funds for water purchases for maintenance of lake elevation.
 2. Required Level: Equal to the cost of 3,000 Acre Feet of Untreated Water at current applicable rates.
 3. Events or Conditions Prompting the Use of the Reserves: Purchase of untreated water for the purpose of maintaining lake elevation. Such purchases must be approved by the Board of Directors.
 4. Periodic Review Dates for Balances: Reserve balances will be reviewed by District staff annually during the preparation of the operating budget.

Operating Reserves

Operating Reserves have been established by the Board of Directors to safeguard the financial viability and stability of the District and are funded from revenues accumulated in the District’s Water and Wastewater Operating Funds.

- A. Operating Reserve
1. Definition and Purpose: Established pursuant to Resolution No. 1108 to ensure that the District maintains a sound financial standing for existing and future debt issuances.
 2. Target Level: The reserve is targeted at an amount equal 1/5 of the Maintenance and Operation Costs as set forth in the District’s then current annual budget.
 3. Events or Conditions Prompting the Use of the Reserves: This reserve has to be maintained at the above stated levels, as specified by existing bond covenants.
 4. Periodic Review Dates for Balances: Reserve balance and target level will be reviewed annually by District staff as required by Section 2.02 (d) of Resolution No. 1108 during the preparation of the operating budget.
- B. Rate Stabilization Reserve
1. Definition and Purpose: Established to accommodate unexpected operational changes, legislative impacts or other economic events that may affect the District’s operations which could not have been reasonably anticipated at the time the budget was prepared.

2. Target Level: The reserves are targeted at 15% to 30% of the District's total operating expenses. These levels should be increased as the level of economic uncertainty increases.
 3. Events or Conditions Prompting the Use of the Reserves: This reserve may be utilized for expenditures caused by unexpected operational changes, legislative impacts or other economic events could not have been reasonably anticipated at the time the budget was prepared. This reserve may also be utilized to cover temporary cash flow deficiencies caused by timing differences between revenue and expenses.
 4. Periodic Review Dates for Balances: Reserve balance and target level will be reviewed by District staff during the preparation of the operating budget.
- C. Rate Stabilization Reserve Fund
1. Definition and Purpose: Established pursuant to Resolution No. 1108 to help defray successive excessive annual rate increases.
 2. Target Level: The reserve shall be maintained at an amount not to exceed \$3,000,000.
 3. Events or Conditions Prompting the Use of the Reserves: This reserve is intended to be used to defray any one time and extraordinary Operating and Maintenance water expenditures. This reserve will also be utilized for the cost to purchase water for Railroad Canyon Reservoir, but only to the extent that the purchase is necessary to bring the water level specified within the Railroad Canyon Reservoir lease agreement.
 4. Periodic Review Dates for Balances: Reserve balances will be reviewed annually by District staff as required by Section 2.02 (d) of Resolution No. 1108 and during the preparation of the operating budget.

Capital Asset Policy

Section 3160, Adopted 4/24/2014

Policy

The purpose of this policy is to establish control and accountability measures to ensure careful and responsible management of District capital assets. In addition, to collect and maintain complete and accurate capital asset information required for preparation of financial statements in accordance with GAAP (generally accepted accounting principles).

Definitions

- A. Fixed Assets: Fixed assets are non-consumable items including but not limited to: land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure and all other tangible and intangible assets that are used in operations and that have initial useful lives extending beyond five years.
- B. Capital Outlay Expenditure: Capital outlay project expenditure is an individually significant acquisition of capital assets (not involving construction) that are expected to last more than five years and have an individual cost of \$10,000 or more. This threshold should be applied at the individual asset level. Group purchases of individual assets under \$10,000 should not be capitalized, even if the group purchase totals to more than \$10,000. Approval of purchases of Capital Outlay expenditures will follow the purchasing policy as outlined in the Administration Code Section 1511.

Any improvements to an existing capital asset that do no more than return a capital asset to its original condition, regardless of the purchase amount, should be classified as *maintenance and repairs expense* in the period incurred.

- C. Capital Improvement Project Expenditure: Capital improvement project expenditure is an individually significant construction project with a cost of \$35,000 or more that creates a new capital asset, improves an existing asset (Example: increases its service capacity) or significantly extends an asset's operating life. Approval of purchases of Capital Improvement Project expenditures will follow the purchasing policy as outlined in the Section 1500 of the Administration Code.

Asset Classes

- Land
- Construction in Progress
- Water Rights
- Infrastructure – Water
- Infrastructure – Wastewater
- Buildings and Structures
- Vehicles and Equipment
- Miscellaneous

Capitalization Threshold

The District maintains a capitalization threshold as follows:

1. Land is not subject to capitalization thresholds (All Land Purchases, regardless of cost, are capitalized and are non-depreciable)
2. Water Rights are not subject to capitalization thresholds (All Water Right Purchases, regardless of cost, are capitalized and are non-depreciable)
3. Infrastructure \$35,000
4. Buildings and Structures \$35,000
5. Vehicles and Machinery \$10,000
6. Miscellaneous Equipment \$10,000

Depreciation Method and Useful Life

All assets are depreciated using the straight-line method over the following estimated useful lives:

1. Reservoirs – storage 50-100 Years
2. Source of supply 5-30 Years
3. Pumping & water treatment facilities 40 Years
4. Transmission and distribution 50 Years
5. Meter and services 30 Years

- | | |
|------------------------------|------------|
| 6. Wastewater system | 5-50 Years |
| 7. Transportation equipment | 5-20 Years |
| 8. Studies, tools, equipment | 5-10 Years |

Disposal of Surplus Items

- A. Surplus property is defined as any unnecessary, obsolete or excess supplies, materials, tools, vehicles, equipment or furniture that has been replaced or retired due to damage, age or change in District's standards and/or specifications.
- B. Items with an estimated book value of \$10,000 or more must be declared surplus by the Board of Directors and disposed of by means of formal or informal sale or auction, exchange or trade, whichever method is deemed appropriate, taking into consideration market trends, demands, economics and convenience.
- C. Items with a book value under \$10,000 must be declared surplus by the General Manager prior to disposal and may be disposed of by means of formal or informal sale or auction, exchange or trade, whichever method is deemed appropriate, taking into consideration market trends, demands, economics and convenience.

Physical Inventory of Fixed Assets

- A. The District will account for and inventory all assets at least once every three years.

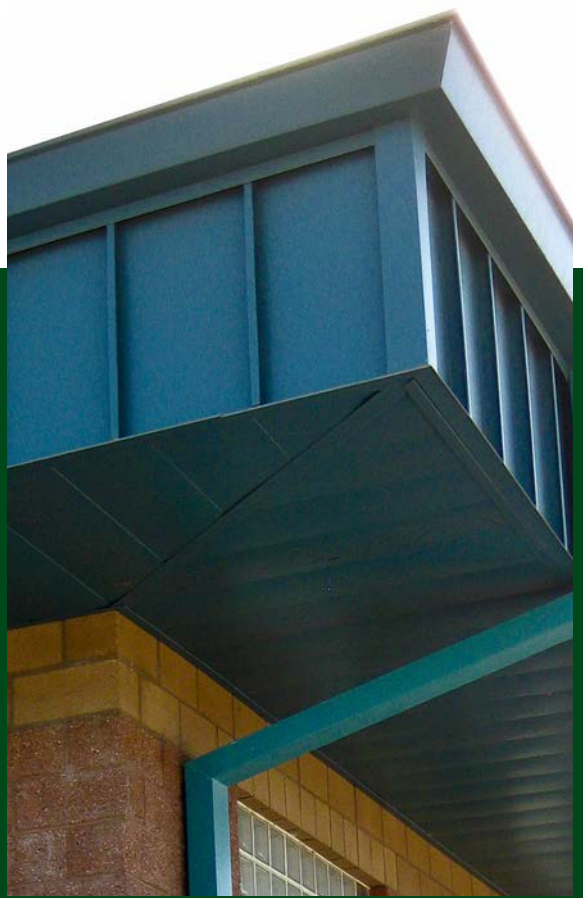
Ensuring Control over Non-capitalized items (below \$10,000)

- A. It is important to maintain adequate control of items that fall below the capitalization thresholds and meet the following criteria:
 1. Require special attention to ensure legal compliance
 2. Require special attention to protect public safety and avoid potential liability
 3. Require special attention to compensate for a heightened risk of theft
- B. Guidelines for control of these items include the following:
 1. Control should occur at the departmental level
 2. Control responsibility should be assigned within each department
 3. Departments are responsible for controlled capital type items and will prepare and maintain a complete list each year
 4. Departments will certify each year to the Finance department that updated lists of controlled capital type items are on file and available for inspection
 5. Finance will verify on an annual basis the data on controlled capital type items on file in each department
- C. The Information Technology Department maintains a list which is updated as items are purchased and disposed of as outlined in the administration code section 1517. A physical inventory is taken on an annual basis by the department. The list maintained by Information Technology contain items which include but are not limited to iPads, WIFI Access Points, Portable Access Points, Computers, Copiers, Printers, Monitors, Notebooks, Thin Clients, SCADA, Scanner, and Servers.
- D. The Operations Department maintains a list which is updated as items are purchased and disposed of as outlined in the administration code section 1517. A physical inventory is taken on an annual basis. The list maintained by Operations contains items which include but are not limited to generators, trailers, boring tools, cranes, light towers, and pressure washers.

Policy Review

This policy must be reviewed annually to ensure careful and responsible management over District resources.

Supplementary Information



POPULATION WITHIN DISTRICT BOUNDARIES

Last Ten Calendar Years

Year	City of Lake Elsinore	% of Growth	City of Canyon Lake	% of Growth	City of Murrieta (1)	% of Growth	City of Wildomar (2)	% of Growth	Unincorporated Riverside County (1)	% of Growth	Total Population	% of Growth
2020	63,453	0.8 %	11,000	(2.5)%	19,510	(0.1)%	37,183	3.1 %	26,508	(1.3) %	157,654	0.6%
2019	62,949	(0.7)	11,285	2.4	19,529	(0.1)	36,066	(0.6)	26,863	5.2	156,692	0.6
2018	63,365	2.1	11,018	1.2	19,546	0.0	36,287	1.4	25,527	1.3	155,743	1.5
2017	62,092	1.8	10,891	2	19,543	0.1	35,782	1.7	25,199	3.1	153,507	1.8
2016	61,006	4.4	10,681	(2.0)	19,529	0.1	35,168	3	24,452	(6.2)	150,836	1.2
2015	58,426	3.0	10,901	0.7	19,512	0.8	34,148	1.3	26,072	8.9	149,059	3.1
2014	56,718	2.3	10,826	0.5	19,351	0.4	33,718	1.6	23,938	4.4	144,551	2.1
2013	55,430	4.5	10,768	0.7	19,269	0.9	33,174	1.4	22,919	31.8 (3)	141,560	6.5
2012	53,024	1.0	10,689	0.4	19,091	1.4	32,719	0.5	17,391	(0.1)	132,914	0.7
2011	52,503	3.0	10,647	(5.1)	18,827	1.1	32,543	1.7	17,407	(5.2)	131,927	0.6

(1) Projected population within District boundary. Data restated from 2009 forward to account for the number of multi-family residential units.

(2) City of Wildomar incorporated in 2008

(3) Projection methods were revised from 2013 forward to account for service accounts with multiple units, i.e. multi-family

Sources: - State of California Department of Finance - Cities of Lake Elsinore, Canyon Lake, Murrieta, Wildomar, and Unincorporated Riverside County
 - www.cityofwildomar.org
 - Elsinore Valley Municipal Water District

ECONOMIC STATISTICS

Last Ten Calendar Years

<u>Year</u>	<u>Personal Income (1)</u>	<u>Per Capita Personal Income (2)</u>	<u>Riverside County Unemployment Rate (3)</u>
2020	7,991,418	50,690	15.1%
2019	7,691,697	49,088	3.5
2018	7,372,998	47,341	3.7
2017	7,552,804	46,821	5.5
2016	7,132,651	45,219	6.3
2015	6,886,537	44,200	6.8
2014	6,793,790	44,158	8.2
2013	6,692,931	44,138	10.3
2012	6,632,502	44,506	12.2
2011	6,426,619	43,447	13.5

(1) Projected Personal Income within District boundary - in thousands. Data restated from 2009 forward to account for a revised estimate calculation.

(2) Occupation Employment Statistics (OES) for Riverside and San Bernardino Counties for the 1st Quarter of 2019

(3) Bureau of Labor Statistics, Department of Labor

Sources: Employment Development Department, State of California, and Elsinore Valley Municipal Water District

WATER RATE COMPARISON FOR 20 CCF PER MONTH

As of June 30, 2020

	\$ 30	\$ 40	\$ 50	\$ 60	\$ 70	\$ 80	\$ 90	\$ 100+
City of Escondido								198.89
City of San Diego								161.73
Rainbow Municipal Water District								154.60
Western Municipal Water District (March East)								150.65
Valley Center Municipal Water District								147.61
Western Municipal Water District (Murrieta)								112.84
Farm Mutual Water Company								106.97
Western Municipal Water District (Rainbow)							98.73	
Western Municipal Water District (Riverside)							95.59	
Elsinore Valley Municipal Water District						88.84		
Temescal Valley Water District						83.50		
Rancho California Water District (Santa Rosa Division)						82.00		
City of Riverside (Outside City Limits)					74.76			
City of Corona					70.58			
Eastern Municipal Water District				66.62				
Eastern Municipal Water District (San Jacinto)			54.22					
Rancho California Water District (Rancho Division)		49.34						
City of Riverside (Inside City Limits)		45.28						

CCF = Hundred Cubic Feet

1 CCF = 748 Gallons

20 CCF = 14,960 Gallons

20 CCF = Approximately 500 Gallons per Day

Based on Single-family Residential Customer with a 3/4 inch Meter

Source: Elsinore Valley Municipal Water District

MONTHLY WASTEWATER SERVICE CHARGE COMPARISON

As of June 30, 2020

	\$ 20	\$ 30	\$ 40	\$ 50	\$ 60	\$ 70	\$ 80+
City of Escondido						73.25	
Western Municipal Water District (Riverside, Perris, Cajalco)						71.03	
Valley Center Municipal Water District				56.45			
Rainbow Municipal Water District				55.07			
Elsinore Valley Municipal Water District(1)			48.01				
City of San Diego			47.71				
City of Corona			45.60				
Rancho California Water District			44.00				
Western Municipal Water District (treated by EMWD)			43.38				
City of Riverside			42.96				
Western Municipal Water District (treated by RCWD)			42.58				
Lee Lake Water District		38.57					
Eastern Municipal Water District (Perris Valley)		38.10					
Eastern Municipal Water District (Temecula Valley)		33.00					
Farm Mutual Water Company		32.00					
Eastern Municipal Water District (Sun City)	29.10						
Eastern Municipal Water District (San Jacinto)	27.90						

⁽¹⁾ Does Not Include Capital Surcharge

⁽²⁾ Based on a 4 person household

Source: Elsinore Valley Municipal Water District

MISCELLANEOUS STATISTICS - WATER DIVISIONS

Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Elsinore										
Water Production Sources (AF)										
Wells (Ground Storage)	1,715	2,973	3,437	5,521	6,440	4,384	3,861	2,747	2,593	4,670
Back Basin Water Treatment Plant	1,201	661	1,851	2,931	2,060	1,803	413	-	1,086	425
Canyon Lake Water Treatment Plant	3,659	2,252	27	948	2,510	435	2,460	1,215	922	1,503
Imported - MWD (Purchased Water)	17,173	17,929	19,800	16,821	12,699	13,572	15,218	19,198	16,991	15,703
Total Water Production	23,748	23,815	25,115	26,221	23,709	20,194	21,952	23,160	21,592	22,301
Water Sales (AF)	23,046	23,292	24,596	25,434	22,891	19,291	20,278	22,500	20,574	20,919
Unaccountable Water (%)	3.0%	2.2%	2.1%	3.0%	3.5%	4.5%	7.6%	2.8%	4.7%	6.2%
Miles of Pipe In Service	665	697	697	700	703	703	725	731	735	730
Water Meters	38,510	40,527	41,250	41,858	42,393	42,957	43,858	44,558	44,892	45,100
Population Served	129,122	130,423	139,332	142,300	146,752	148,533	151,203	153,453	154,402	155,331
Temescal										
Water Production Sources (AF)										
Wells (Ground Storage)	1,056	1,085	2,159	2,757	1,956	306	548	500	214	1,352
Lee Lake (Surface Water)	298	704	-	-	-	-	-	-	-	-
Other	342	-	-	-	-	-	-	-	-	-
Imported - MWD	-	-	-	-	-	46	12	71	350	-
Total Water Production	1,696	1,789	2,159	2,757	1,956	352	560	571	564	1,352
Water Sales	1,695	1,551	1,785	2,158	1,936	327	541	542	515	1,401
Unaccountable Water (%)	0.0%	13.3%	17.3%	21.7%	1.0%	7.1%	3.4%	5.1%	8.7%	-3.6%
Miles of Pipe In Service	65	65	65	66	50	50	12	12	12	12
Water Meters	771	760	753	751	751	722	760	770	770	770
Population Served	2,805	2,492	2,228	2,251	2,307	2,303	2,303	2,290	2,290	2,323
Total District Employees	169	167	168	163	164	164	164	169	169	171

Source: Elsinore Valley Municipal Water District

MISCELLANEOUS STATISTICS - WASTEWATER DIVISIONS

Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Wastewater Services										
Regional	20,671	21,133	21,891	22,387	22,899	23,548	24,344	24,907	25,146	25,442
Railroad Canyon ⁽¹⁾	4,490	4,493	4,496	4,513	4,520	4,528	4,537	4,553	4,561	4,568
Southern ⁽²⁾	4,574	4,575	4,577	4,577	4,577	4,577	4,577	4,577	4,577	4,577
Horsethief Canyon	2,054	2,054	2,054	2,054	2,054	2,055	2,052	2,052	2,052	2,051
Total	31,789	32,255	33,018	33,531	34,050	34,708	35,510	36,089	36,336	36,638
Average Daily Flows (MG)										
Regional	6.064	5.454	5.270	5.443	5.757	5.278	6.023	5.641	5.950	6.167
Railroad Canyon	0.800	0.698	0.702	0.754	0.641	0.569	0.705	0.696	0.696	0.651
Southern ⁽²⁾	0.868	0.820	0.849	0.803	0.754	0.795	0.734	0.768	0.824	0.879
Horsethief Canyon	0.376	0.370	0.368	0.357	0.354	0.337	0.342	0.333	0.331	0.386
Total	8.108	7.342	7.189	7.357	7.506	6.979	7.804	7.438	7.801	8.083
Miles of Pipe in Service										
Regional	282.6	291.8	291.8	296.8	296.8	300.0	313.3	305.4	306.8	308.2
Railroad Canyon	52.5	48.9	48.9	48.9	48.9	48.9	49.2	46.2	46.2	46.3
Horsethief Canyon	19.0	18.7	18.7	18.7	18.7	18.7	18.7	18.7	18.7	18.2
Total	354.1	359.4	359.4	364.4	364.4	367.6	381.2	370.3	371.7	372.7
Number of Lift Stations										
Regional	26	26	28	28	28	28	29	29	29	29
Railroad Canyon	6	6	6	6	6	6	6	6	6	6
Horsethief Canyon	2	2	2	2	2	2	2	2	2	2
Total	34	34	36	36	36	36	37	37	37	37
Reclaimed Water Production (MG)										
Regional	2,298.0	2,118.6	2,044.4	1,986.6	2,101.3	1,926.6	2,198.3	2,059.0	2,171.7	2,257.0
Railroad Canyon	271.3	277.6	262.8	275.1	234.1	207.8	257.4	254.0	254.0	238.2
Horsethief Canyon	145.4	136.2	133.1	130.2	129.3	122.9	124.9	121.5	121.2	141.4
Total	2,714.7	2,532.4	2,440.3	2,391.9	2,464.7	2,257.3	2,580.6	2,434.5	2,546.9	2,636.8

⁽¹⁾ Approximately 10% of Canyon Lake Sewer accounts are located in Eastern Municipal Water District

⁽²⁾ Treatment for Southern Wastewater Division is facilitated through Santa Rosa Regional Resources Authority

Source: Elsinore Valley Municipal Water District

TEN LARGEST CUSTOMERS - ELSINORE WATER DIVISION

Fiscal Year Ended June 30, 2020

Customer Name	Business Type	Annual Water Sales in Acre Feet	Annual Water Revenues	Percentage of District Water Revenues
1. LEUSD	School District	561	\$ 1,114,391	2.18%
2. City of Lake Elsinore	Government	394	673,292	1.32
3. Farm Mutual Water Company	Water Company	313	470,094	0.92
4. Greer Ranch Community Association	Property Owners Association	231	459,430	0.90
5. Shore Pointe Association	Property Owners Association	165	414,479	0.81
6. Canyon Lake POA	Property Owners Association	183	413,527	0.81
7. City of Murrieta	Government	194	411,332	0.81
8. Tuscany Hills Landscape & Rec Corp	Property Owners Association	221	410,581	0.80
9. Rosetta Canyon Community Assoc	Property Owners Association	150	313,773	0.61
10. The Colony at California Oaks	Property Owners Association	129	237,161	0.46
Total		<u>2,541</u>	<u>\$ 4,918,060</u>	<u>9.62%</u>

Source: Elsinore Valley Municipal Water District

TEN LARGEST CUSTOMERS - TEMESCAL WATER DIVISION

Fiscal Year Ended June 30, 2020

Customer Name	Business Type	Annual Water Sales in Acre Feet	Annual Water Revenues	Percentage of District Water Revenues
1. California Meadows HOA	Property Owners Association	24	\$ 40,212	0.08%
2. Glen Ivy RVPOA	Property Owners Association	39	31,285	0.06
3. Butterfield Estates Homeowners Association	Property Owners Association	25	29,047	0.06
4. Bledsoe Construction	Business	8	8,361	0.02
5. Werner Corp	Sand & Gravel Mfg.	3	7,653	0.01
6. Glen Ivy Village Inc	Property Owners Association	8	6,887	0.01
7. Resident	Residence	3	4,364	0.01
8. Daylight Recovery Services	Business	2	4,313	0.01
9. Resident	Residence	3	3,708	0.01
10. Resident	Residence	2	3,689	0.01
Total		<u>117</u>	<u>\$ 139,519</u>	<u>0.28%</u>

Source: Elsinore Valley Municipal Water District

TEN LARGEST CUSTOMERS - WASTEWATER DIVISION

Fiscal Year Ended June 30, 2020

Customer Name	Business Type	Annual Wastewater Revenues	Percentage of District Wastewater Revenues
1. Cottonwood Canyon Hills HOA	Property Owners Association	\$ 289,185	1.12%
2. LEUSD	School District	249,337	0.97
3. City of Lake Elsinore	Government	241,912	0.94
4. Canyon Lake POA	Property Owners Association	226,666	0.88
5. Links at Summerly	Golf Course	153,291	0.60
6. Horsethief Canyon Ranch Maint. Corp.	Property Owners Association	110,215	0.43
7. Amanda Park Partners	Apartment Complex	99,113	0.39
8. Lake Elsinore Casino	Casino	88,639	0.34
9. Summerly Community Association	Property Owners Association	80,095	0.31
10. Gleiberman Properties	Apartment Complex	72,286	0.28
Total		<u>\$ 1,610,739</u>	<u>6.26%</u>

Source: Elsinore Valley Municipal Water District

Glossary



**Terminology &
Definitions**



**Acronyms &
Abbreviations**

TERMINOLOGY & DEFINITIONS

ACTUAL: Represents the actual costs from the results of operations.

ACRE-FOOT (AF): A unit of measure equivalent to one acre covered by one foot of water (equal to 325,851 gallons or 435.6 hundred cubic feet of water), which meets the needs of two average families in and around the home for one year.

ACCOUNT: A financial tool for tracking revenues, expenditures and other financial transactions.

ACCRUAL BASIS: The method of accounting that recognizes income when earned and expenses when incurred regardless of when cash is received or disbursed.

APPROPRIATION: a sum of money or total of assets devoted to a special purpose.

ARBITRAGE: the simultaneous buying and selling of securities, currency, or commodities in different markets or in derivative forms in order to take advantage of differing prices for the same asset.

AUDIT: an official inspection of an individual's or organization's accounts, typically by an independent body.

BALANCED BUDGET: A budget in which the expenditures incurred during a given period are matched by revenues.

BOND: A certificate of debt issued by an entity, guaranteeing payment of the original investment, plus interest, by a specified future date.

GENERAL OBLIGATION BOND (GOs): A bond requiring a 2/3 vote of the registered voters and backed by the full faith, credit, and taxing power of the issuing government.

REVENUE BOND: A bond backed by either the revenue produced by the capital improvement or by commitment of a specific revenue source.

BUDGET: A financial plan that identifies anticipated revenues, projected expenses, and establishes the amount of funding allocated for each.

CAPITAL IMPROVEMENT: Construction of facilities in accordance with the District's water and sewer master plans that have a cost of \$35,000 or more.

CAPITAL PROJECTS FUND: Utilized to account for financial resources used in the acquisition or construction of major capital facilities.

CAPITAL OUTLAY: Individual item purchases of furniture, fixtures, machinery, vehicles, and equipment with an individual cost of at least \$2,500 and having a useful life of two years or more.

CERTIFICATES OF PARTICIPATION (COP): A form of lease-purchase financing used to construct or acquire capital facilities and equipment.

COMMUNITY FACILITIES DISTRICT (CFD): A special district that can issue tax-exempt bonds for the planning, design, acquisition, construction, and/or operation of public facilities, as well as provide public services to district residents. Special tax assessments levied by the district are used to repay the bonds.

DEBT 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.

DEBT SERVICE: The payment of principal and interest on borrowed funds such as bonds and other debt instruments according to a pre-determined schedule.

DEBT SERVICE FUND: Utilized to account for the accumulation and payment of resources related to general long-term debt.

DEBT SERVICE RESERVES: Reserves required by the District's bond covenants, usually 10% of the initial bond issue amount.

DEFICIT: The excess of expenditures over revenues during an accounting period.

DEPRECIATION: a reduction in the value of an asset with the passage of time, due in particular to wear and tear

ENTERPRISE FUND: Utilized to account for operations that are financed and operated in a manner similar to private sector enterprises where the cost of providing services to the general public is recovered primarily through user charges.

EXPENDITURE: Decrease in net financial resources. Represents the actual payment for goods and services or the accrual thereof.

FEDERAL INSURANCE CONTRIBUTIONS ACT (FICA): Expenses incurred by the District for the matching of social security and medicare taxes withheld from employees' payroll as required by the federal government.

FISCAL YEAR: A twelve-month time period signifying the beginning and ending period for recording financial transactions. The District's fiscal year begins July 1 and ends June 30.

FULL SERVICE: The construction of a service line and installation of a water meter.

FUND: An accounting entity with a set of self-balancing accounts for recording the financial resources and transactions of specific activities for a governmental organization.

FUND BALANCE: The difference between the assets and liabilities for a particular fund at any given point in time.

HANG SERVICE: The installation of a water meter into an existing service line.

INTERNAL SERVICE FUND: The District's Internal Service Funds are used to account for the expenditures of goods and services provided to the different funds of the District on a cost reimbursement basis.

MAINTENANCE COSTS: All expenditures for maintenance and repair of property and equipment including renewal of minor items are charged to the appropriate maintenance expense accounts. A betterment or replacement of a unit or property is accounted for as an addition or retirement of property.

OPERATING EXPENDITURES: Costs relating to labor, materials, repairs, equipment, and other costs required for daily operation of a department or fund.

OPERATING RESERVES: Reserve funds equal to 20% of the budgeted operating expenditures as stipulated in the District's water and sewer Master Resolution.

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.

PROGRAM: An activity or group of similar activities organized as a subunit of a department for planning and performance measurement purposes.

RATE STABILIZATION RESERVES: The District may deposit Rate Stabilization Funds in such amounts as shall be determined by the Board of Directors. Possible funding sources include water and sewer revenues, which can be utilized to mitigate rate increases as required.

RESOURCES: The amounts available for appropriation including estimated revenues and beginning fund balances.

RESTRICTED FUNDS: Funds set aside or restricted for a specific purpose by legal commitment, by law, or by Board action.

REVENUE: Income received through such sources as taxes, fines, fees, grants or service charges which can be used to finance operations or capital assets.

SEWER: Word being used interchangeable with wastewater.

SPECIAL REVENUE FUND: Utilized to account for the proceeds from specific revenue sources (other than trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA): This System collects operational data from remote units to monitor and control water and wastewater systems and facilities throughout the District's service area.

SURPLUS: The excess of revenues over expenditures during an accounting period.

TOTAL MAXIMUM DAILY LOADS (TMDL): The amount of particular pollutant that a water body can receive from both point and non-point sources and still meet water quality standards.

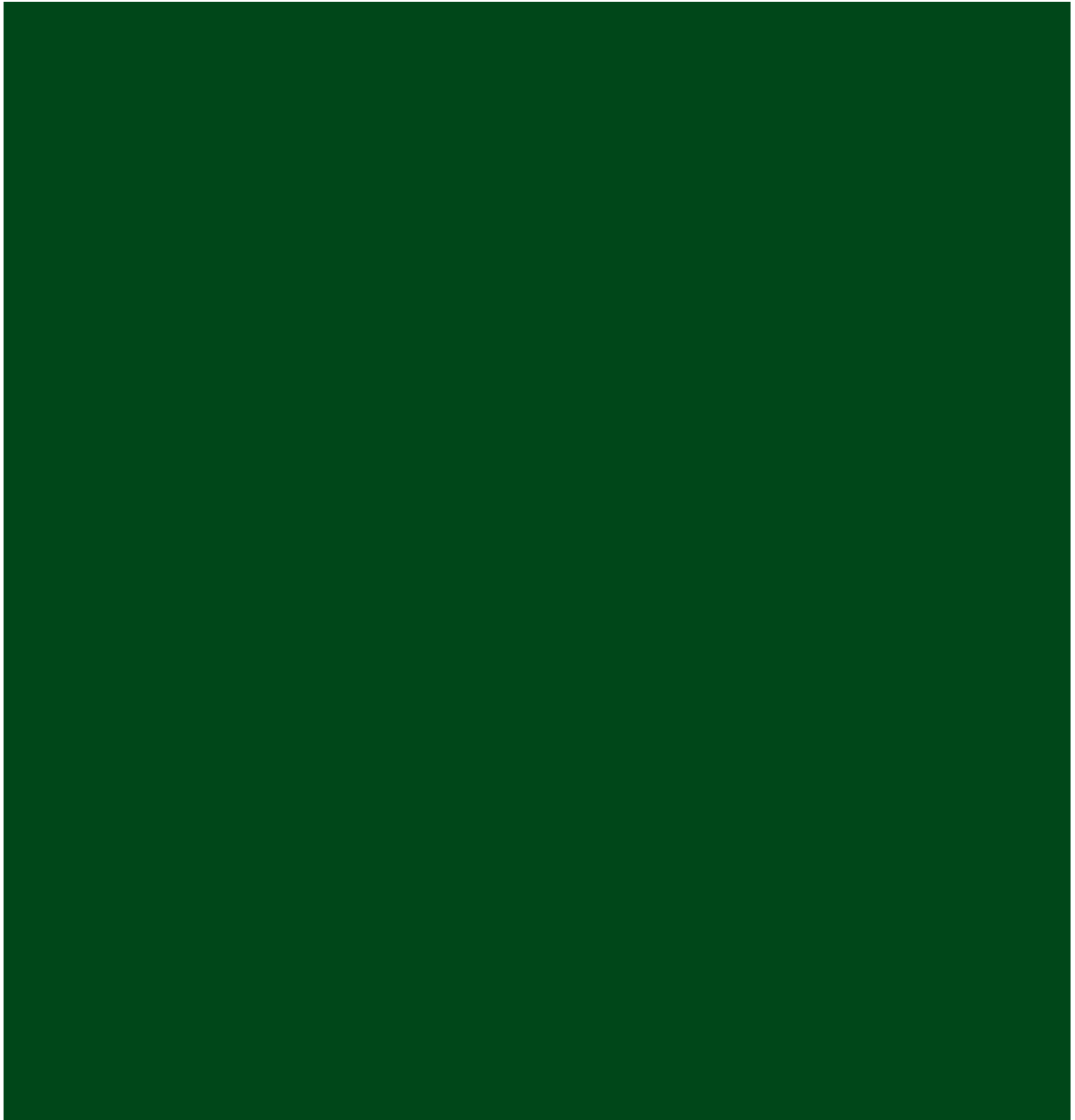
WASTEWATER: Word being used interchangeable with sewer.

ACRONYMS:

ACWA: Association of California Water Agencies
AF: Acre Feet
AQMD: Air Quality Management District
AWWA: American Water Works Association
BMP: Best Management Practices
BOD: Biochemical Oxygen Demand
CAFR: Consolidated Annual Financial Report
CCF: Hundreds of Cubic Feet (1 CCF = 748 Gallons)
CFD: Community Facilities District
CFS: Cubic Feet per Second
CIP: Capital Improvement Project
CIPO: Capital Improvement Project Office
CIS: Customer Information System
CLWTP: Canyon Lake Wastewater Treatment Plant
CMMS: Computerized Maintenance Management System
COD: Chemical Oxygen Demand
COLA: Cost of Living Adjustment
COP: Certificate of Participation
CSMFO: California Society of Municipal Finance Officers
CT: Contact Time
CY: Current Year
DCS: Distributed Control System
DHS: Department of Health Services
EDU: Equivalent Dwelling Units
EPA: Environmental Protection Agency
ERP: Enterprise Resource Planning
ET: Evapotranspiration
EVMWD: Elsinore Valley Municipal Water District
FICA: Federal Insurance Contributions Act
FOG: Fat Oil and Grease Program
FY: Fiscal Year
GFOA: Government Finance Officers Association
GO: General Obligation Bond
HR: Human Resources
HWRP: Horsethief Wastewater Reclamation Facility
KWH: Kilowatts per Hour
LESJWA: Lake Elsinore San Jacinto Watersheds Authority
LIMS: Laboratory Information Management System
MCC: Motor Control Center
MCL: Maximum Containment Level
MGD: Million Gallons per Day

MWD: Metropolitan Water District
MOU: Memorandum of Understanding
NPDES: National Pollutant Discharge Elimination Systems
NPV: Net Present Value
O&M: Operation & Maintenance
OSHA: Occupational Safety & Health Administration
PACL: PolyAluminum Chloride
PERS: Public Employee Retirement System
PLC: Programmable Logic Controller
PE: Personal Protection Equipment
PY: Prior Year
RCWD: Rancho California Water District
RCWRF: Railroad Canyon Water Reclamation Facility
RFP: Request for Proposal
RWRF: Regional Water Reclamation Facility
SAN: Storage Array Network
SARBS: Santa Ana River Basin Section
SCADA: Supervisory Control and Data Acquisition
SLGS: State and Local Government Series Securities
SOP: Standard Operating Procedures
SRRRA: Santa Rosa Regional Resources Authority
SSMP: Sewer System Management Plan
SSO: Sanitary Sewer Overflow
SWRCB: State Water Resource Control Board
THM: Trihalomethanes
TIC: True Interest Cost
TIN: Total Inorganic Nitrogen
TMDL: Total Maximum Daily Loads
TOC: Total Organic Carbon
TSS: Total Suspended Solids
UG/L: Microgram per Liter
WAN: Wide Area Network
WRF: Water Reclamation Facility

Board Resolution



RESOLUTION NO. 21-06-05

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
ELSINORE VALLEY MUNICIPAL WATER DISTRICT REVISING
RATES FOR WATER AND RECYCLED WATER FEES AND
CHARGES, WATER AND SEWER CAPACITY FEES, AND
TAKING OTHER ACTIONS RELATING THERETO

WHEREAS, the Board of Directors of the Elsinore Valley Municipal Water District, has reviewed, studied and determined water and wastewater revenue requirements for the FY2022 through FY2023 Operating and Capital Budget (the "Budget"); and

WHEREAS, the Board of Directors has determined to allocate costs on a fair and equitable basis to all the customers it serves, while also ensuring the District is able to recover its cost of providing water and recycled water service and maintaining financial stability; and

WHEREAS, to that end, the District retained an independent consultant to review the District's cost of service; and

WHEREAS, the Board of Directors and staff have engaged in ongoing efforts to improve efficiency of operating water and recycled water systems while maintaining high quality service, thereby controlling projected water and recycled water operating expense increases for the next four fiscal years; and

WHEREAS, however, based on review of the independent consultant, the Board of Directors has determined that rate adjustments to water and recycled water service fees and charges (collectively, the "Charges") are necessary for fiscal years 2021-22 through 2024-25, as well as other changes to fees for services as set forth in Exhibit A hereto; and

WHEREAS, the District provides water service to properties within the Elsinore Division and the Temescal Division of the District; and

WHEREAS, the proposed rate structure for water service fees for both divisions includes a fixed charge, a variable commodity charge, and a power surcharge. The fixed charge is determined based on the size of the meter serving the property, measured in inches. The commodity charge is determined based on the class of customer receiving such water service, and the type of service received, measured in hundred cubic feet ("CCF"), which equal 748 gallons. Recycled, potable, and irrigation water customers are charged for water use based on inclining tiers, which passes on the increased cost of service associated with higher water use to those customers using the most water. Depending on where a property is located, power zone charges may also be imposed, which are charged based on CCF of water used, and recover the increased costs of providing power to pump water to higher elevations; and

WHEREAS, certain properties within both divisions have private fire lines installed, and will be charged an additional fixed meter charge to recover the costs associated with such private fire line; and

WHEREAS, the Charges are equitable to all customer classes; and

WHEREAS, the amount of the Charges will not exceed the proportional cost of the service attributable to each parcel upon which they are proposed for imposition; and

WHEREAS, the Charges will not be imposed on a parcel unless the service is actually used by, or immediately available to, the owner of the parcel; and

WHEREAS, article XIII D, section 6 of the California Constitution ("Article XIII D") requires that prior to imposing any increase to the Charges, the District shall provide written notice (the "Notice") by mail of the new or increased Charges to the record owner of each parcel upon which the Charges are proposed for imposition and any tenant directly liable for payment of the Charges, the amount of the Charges proposed to be imposed on each parcel, the basis upon which the Charges were calculated, the reason for the Charges, and the date, time, and location of a public hearing (the "Hearing") on the proposed Charges; and

WHEREAS, pursuant to Article XIII D such Notice is required to be provided to the affected property owners and any tenant directly liable for the payment of the Charges not less than forty-five days prior to the Hearing on the proposed Charges; and

WHEREAS, the District did provide such Notice to the affected property owners and tenants in compliance with Article XIII D; and

WHEREAS, the Hearing was held on June 24, 2021; and

WHEREAS, at the Hearing, the Board of Directors considered all written protests to the proposed rate increases to the Charges received prior to the close of the Hearing, and heard oral testimony concerning the establishment and imposition of the proposed rate increases to the Charges, and at the close of the Hearing the District determined that it did not receive written protests against the establishment and imposition of the proposed increases to the Charges from a majority of the affected property owners and tenants directly liable for the payment of such Charges; and

WHEREAS, the Board of Directors has determined the need to increase the water and sewer capacity fees for FY2022, to reflect the increase in Engineering News Record's Construction Index (ENR) for the month of April 2021, along with contractual increases outlined in the Funding Agreements relating to Community Facilities District No. 98-1 (Temescal Valley Project) as indicated on Exhibit A; and

WHEREAS, the Board of Directors has determined the need to increase the meter installation charge for FY2022 and FY2023 to account for changes in material and labor costs as indicated on Exhibit A; and

WHEREAS, the proposed water and sewer capacity fees, and the meter installation charge, are imposed for specific governmental services or products and do not exceed the cost of providing such services or products, and are therefore capacity fees and connection fees (respectively) under Government Code section 66013, and are not “taxes” within the meaning of article XIII C, section 1(e) of the California constitution;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ELSINORE VALLEY MUNICIPAL WATER DISTRICT, AS FOLLOWS

Section 1. The Recitals set forth above are made findings of this Board and are incorporated herein and made an operative part of this Resolution.

Section 2. To the extent any Charges, capacity fees, or meter installation fees established by this Resolution are inconsistent with any fee or charge previously adopted; it is the explicit intention of the Board of Directors that the Charges, capacity fees, or meter installation fees adopted pursuant to this Resolution shall prevail.

Section 3. The Charges and other fees listed in Exhibit A are hereby adopted at the rates, and to take effect on the dates, set forth therein. Additionally, the Budget in the form presented to the Board is hereby adopted.

Section 4. Beginning on January 1, 2022 and any time thereafter through June 30, 2025, the District may increase the rates for the water service charges by the annual percentage increase as of March of the prior year, in the Consumer Price Index, all Urban Consumers, for the Riverside – San Bernardino – Ontario County Area (as successor to the index for Los Angeles-Orange-Riverside County Area) (“CPI”), as determined by the United States Department of Labor Statistics and not to exceed 5% in any fiscal year (the “Inflationary Adjustments”).

Additionally, the rates for the water service charges may also increase annually, beginning July 1, 2021 and any time thereafter through and including June 30, 2025, by an amount equal to (1) any incremental increase in the cost of energy purchased from Southern California Edison and (2) any increases for the cost of water purchased from Western Municipal Water District (the “Wholesale Pass-Throughs” and, together with the Inflationary Adjustment, the “Pass-Throughs”), not to exceed 8% in total in any fiscal year.


The Pass-Throughs may be automatically implemented without further published notice, provided that (1) any increase to the rates for the water service charges as a result of the Pass-Throughs will not cause the water service rates to exceed the cost of providing service and (2) the District mails a notice of the Pass-Through to all affected properties at least thirty days prior to any implementation.

Section 5. The General Manager is hereby authorized and directed to take all action necessary to implement and collect the Charges set forth herein. The Board further direct staff to amend the Administrative Code as such amendments were presented to the Board, provided that future amendments to the Administrative Code may be made by motion.

Section 6. The Board of Directors finds that the administration, operation, maintenance, and improvements of the District's water and recycled water systems, which are to be funded by the Charges, and set forth herein, are necessary to maintain service within the District's existing water and recycled water service areas as described herein. The Board of Directors further finds that the administration, operation, maintenance, and improvements of the District's water and recycled water systems, to be funded by the Charges, will not expand the District's water and recycled water systems. The Board of Directors further finds that the adoption of the Charges is necessary and reasonable to fund the administration, operation, maintenance, and improvements of the District's water and recycled water systems. Based on these findings, the Board determines that the adoption of the Charges established by this Resolution are exempt from the requirements of the California Environmental Quality Act pursuant to section 21080(b)(8) of the Public Resources Code and section 15273(a) of the State CEQA Guidelines.

Section 7. If any section, subsection, clause, or phrase in this Resolution or the application thereof to any person or circumstances is for any reason held invalid, the validity of the remainder of this Resolution or the application of such provisions to other persons or circumstances shall not be affected thereby. The Board hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof to any person or circumstance be held invalid.

ADOPTED, SIGNED AND APPROVED this 24th day of June, 2021.



Phil Williams, President of the
Board of Directors of
Elsinore Valley Municipal Water District

ATTEST:



Terese Quintanar, Secretary of the
Board of Directors of
Elsinore Valley Municipal Water District

STATE OF CALIFORNIA)
) ss:
COUNTY OF RIVERSIDE)

I, Terese Quintanar, Secretary of the Board of Directors of the Elsinore Valley Municipal Water District, do hereby certify that the foregoing Resolution No. 21-06-05, was duly adopted by said Board at its Adjourned Regular Board Meeting held on June 24, 2021 and that it was so adopted by the following roll call vote:

AYES: Burke, Morris, Ryan, Williams

NOES: None

ABSENT: None

ABSTAIN: None



Terese Quintanar, Secretary of the
Board of Directors of the
Elsinore Valley Municipal Water District

WATER COMMODITY RATES

Commodity Rates	1/1/2022 per CCF	7/1/2022 per CCF	7/1/2023 per CCF	7/1/2024 per CCF
Elsinore Water Division				
Domestic				
Tier 1	\$2.57	\$2.72	\$2.85	\$2.98
Tier 2	3.38	3.57	3.74	3.91
Tier 3	6.09	6.43	6.72	7.03
Tier 4	7.94	8.38	8.76	9.16
Irrigation				
Tier 1	3.36	3.55	3.71	3.88
Tier 2	6.46	6.82	7.13	7.46
Tier 3	9.06	9.56	10.00	10.45
Commercial/Institutional				
Hydrant Water	3.31	3.50	3.66	3.83
Recycled/Non-Potable				
Tier 1	2.56	2.66	2.70	2.83
Tier 2	4.42	4.58	4.65	4.87
Tier 3	5.66	5.87	5.96	6.24
Inter-agency / Wholesale				
Tier 1	2.80	2.96	3.10	3.24
Tier 2	5.01	5.29	5.53	5.78
Tier 3	7.16	7.56	7.91	8.27
Temescal Water Division				
Domestic				
Tier 1	1.38	1.60	1.86	2.15
Tier 2	2.74	3.17	3.68	4.25
Tier 3	4.00	4.63	5.37	6.19
Tier 4	10.45	12.08	13.99	16.12
Irrigation				
Tier 1	2.40	2.78	3.22	3.72
Tier 2	4.47	5.17	5.99	6.91
Tier 3	11.48	13.28	15.38	17.73
Commercial	\$2.32	\$2.69	\$3.12	\$3.60

1 AF = 435.6 CCF
1 CCF = 748 gallons

Monthly Fixed Meter Charges

Water Divisions*

Meter Sizes (inches)	1/1/2022	7/1/2022	7/1/2023	7/1/2024
3/4	\$30.28	\$31.95	\$33.39	\$34.90
1	50.47	53.25	55.65	58.16
1 1/2	100.94	106.50	111.30	116.31
2	161.49	170.38	178.05	186.07
3	322.98	340.75	356.09	372.12
4	504.66	532.42	556.38	581.42
6	1,009.31	1,064.83	1,112.75	1,162.83
8	1,614.89	1,703.71	1,780.38	1,860.50
10	4,239.10	4,472.26	4,673.52	4,883.83
12	5,349.34	5,643.56	5,897.53	6,162.92

Monthly Fixed Fire Line Charges

Water Divisions*

Meter Sizes (inches)	1/1/2022	7/1/2022	7/1/2023	7/1/2024
2	2.81	2.97	3.11	3.25
3	4.34	4.58	4.79	5.01
4	9.77	10.31	10.78	11.27
6	28.35	29.91	31.26	32.67
8	60.44	63.77	66.64	69.64
10	108.66	114.64	119.80	125.20
12	175.50	185.16	193.50	202.21

POWER CHARGES

Divisions	1/1/2022	7/1/2022	7/1/2023	7/1/2024
Elsinore Water				
Zone 1	\$0.13	\$0.14	\$0.15	\$0.16
Zone 2	\$0.31	\$0.33	\$0.35	\$0.37
Zone 3	\$1.61	\$1.70	\$1.78	\$1.87
Temescal Water				
Potable	\$0.13	\$0.14	\$0.15	\$0.16

CAPACITY FEES

Type	7/1/2021
Water (Per ¾" Meter)	\$13,713
Pumping Plant	1,335
Storage	2,386
Temescal Valley Project	3,051
Source of Supply	2,938
Transmission Facilities	4,003
Sewer (per EDU)*	7,941
Treatment	4,085
Collection	3,856
Alberhill Sewer (per EDU)**	12,319
Treatment	8,463
Collection	3,856

*Applies to Regional and Canyon Lake Service Areas

**Applies to any new flows to the Horsethief Treatment Plant

RESOLUTION NO. 21-06-06

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
ELSINORE VALLEY MUNICIPAL WATER DISTRICT REVISING
RATES FOR SEWER FEES AND CHARGES AND TAKING OTHER
ACTIONS RELATING THERETO

WHEREAS, the Board of Directors has determined to allocate costs on a fair and equitable basis to all the customers it serves, while also ensuring the District is able to recover its cost of providing sewer service and maintaining financial stability; and

WHEREAS, to that end, the District retained an independent consultant to review the District's cost of service; and

WHEREAS, the Board of Directors and staff have engaged in ongoing efforts to improve efficiency of operating the sewer system while maintaining high quality service, thereby controlling projected sewer operating expense increases for the next four fiscal years; and

WHEREAS, however, based on review of the independent consultant, the Board of Directors has determined that rate adjustments to sewer service fees and charges (collectively, the "Charges") are necessary for fiscal years 2021-22 through 2024-25 as set forth in Exhibit A hereto; and

WHEREAS, properties receiving sewer service from the District will be subject to differing rate structures depending on the type of customer. Residential customers will be subject to a fixed charge, and a variable residential charge calculated based on the number of persons per household. Commercial customers will be subject to a fixed charge, and a separate variable charge depending on the type of commercial customer, in order to account for assumed variations in strength and flow of wastewater discharge; and

WHEREAS, the revenues derived from the Charges will not exceed the funds required to provide the services and shall be used exclusively for the operation and maintenance of the sewer system; and

WHEREAS, the Charges are equitable to all customer classes; and

WHEREAS, the amount of the Charges will not exceed the proportional cost of the service attributable to each parcel upon which they are proposed for imposition; and

WHEREAS, the Charges will not be imposed on a parcel unless the service is actually used by, or immediately available to, the owner of the parcel; and

WHEREAS, article XIII D, section 6 of the California Constitution ("Article XIII D") requires that prior to imposing any increase to the Charges, the District shall provide

written notice (the "Notice") by mail of the new or increased Charges to the record owner of each parcel upon which the Charges are proposed for imposition and any tenant directly liable for payment of the Charges, the amount of the Charges proposed to be imposed on each parcel, the basis upon which the Charges were calculated, the reason for the Charges, and the date, time, and location of a public hearing (the "Hearing") on the proposed Charges; and

WHEREAS, pursuant to Article XIII D such Notice is required to be provided to the affected property owners and any tenant directly liable for the payment of the Charges not less than forty-five days prior to the Hearing on the proposed Charges; and

WHEREAS, the District did provide such Notice to the affected property owners and tenants in compliance with Article XIII D; and

WHEREAS, the Hearing was held on June 24, 2021; and

WHEREAS, at the Hearing, the Board of Directors considered all written protests to the proposed rate increases to the Charges received prior to the close of the Hearing, and heard oral testimony concerning the establishment and imposition of the proposed rate increases to the Charges, and at the close of the Hearing the District determined that it did not receive written protests against the establishment and imposition of the proposed increases to the Charges from a majority of the affected property owners and tenants directly liable for the payment of such Charges;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ELSINORE VALLEY MUNICIPAL WATER DISTRICT, AS FOLLOWS

Section 1. The Recitals set forth above are made findings of this Board and are incorporated herein and made an operative part of this Resolution.

Section 2. To the extent any Charges established by this Resolution are inconsistent with any fee or charge previously adopted; it is the explicit intention of the Board of Directors that the Charges adopted pursuant to this Resolution shall prevail.

Section 3. The Charges and other fees listed in Exhibit A are hereby adopted at the rates, and to take effect on the dates, set forth therein.

Section 4. The General Manager is hereby authorized and directed to take all action necessary to implement and collect the Charges set forth herein. The Board further direct staff to amend the Administrative Code as such amendments were presented to the Board, provided that future amendments to the Administrative Code may be made by motion.

Section 5. The Board of Directors finds that the administration, operation, maintenance, and improvements of the District's sewer system, which is to be funded by the Charges, and set forth herein, are necessary to maintain service within the District's

existing sewer service areas as described herein. The Board of Directors further finds that the administration, operation, maintenance and improvements of the District's sewer system, to be funded by the Charges, will not expand the District's sewer system. The Board of Directors further finds that the adoption of the Charges is necessary and reasonable to fund the administration, operation, maintenance and improvements of the District's sewer system. Based on these findings, the Board determines that the adoption of the Charges established by this Resolution are exempt from the requirements of the California Environmental Quality Act pursuant to section 21080(b)(8) of the Public Resources Code and section 15273(a) of the State CEQA Guidelines.

Section 6. If any section, subsection, clause or phrase in this Resolution or the application thereof to any person or circumstances is for any reason held invalid, the validity of the remainder of this Resolution or the application of such provisions to other persons or circumstances shall not be affected thereby. The Board hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof to any person or circumstance be held invalid.

ADOPTED, SIGNED AND APPROVED this 24th day of June, 2021.



Phil Williams, President of the
Board of Directors of
Elsinore Valley Municipal Water District

ATTEST:



Terese Quintanar, Secretary of the
Board of Directors of
Elsinore Valley Municipal Water District

STATE OF CALIFORNIA)
) ss:
COUNTY OF RIVERSIDE)

I, Terese Quintanar, Secretary of the Board of Directors of the Elsinore Valley Municipal Water District, do hereby certify that the foregoing Resolution No. 21-06-06, was duly adopted by said Board at its Adjourned Regular Board Meeting held on June 24, 2021 and that it was so adopted by the following roll call vote:

AYES: Burke, Morris, Ryan, Williams
NOES: None
ABSENT: None
ABSTAIN: None



Terese Quintanar, Secretary of the
Board of Directors of the
Elsinore Valley Municipal Water District

Exhibit A

WASTEWATER RATES

Classification	1/1/2022	7/1/2022	7/1/2023	7/1/2024
Domestic				
I Fixed Charge	21.11	21.96	22.90	23.88
I Variable Charge*	7.21	7.50	7.82	8.16
Commercial (applies to all service areas)				
Fixed Charge	21.11	21.96	22.90	23.88
II Commercial	4.32	4.50	4.70	4.90
III Commercial	5.20	5.41	5.64	5.88
IV Commercial	9.67	10.06	10.49	10.94
V Institutional	3.92	4.08	4.26	4.45
VII Septage (per gallon)	0.125	0.13	0.135	0.14
VII Schools	3.92	4.08	4.26	4.45

NOTE: Canyon Lake sewer surcharges remain the same (\$12.00/month)

*The variable component of the rate will based on persons per household