

# Yuima Municipal Water District



Annual Budget

Fiscal Year 2020-2021

Pauma Valley, CA

**PRINCIPAL OFFICIALS**

Budget Year June 30, 2021

**BOARD OF DIRECTORS**

Roland Simpson, President  
Stephen H. Wehr, Vice President  
Don Broomell, Secretary/Treasurer  
Lynn "Laney" Villalobos, Director  
Richard Fontane, Director

**INTERIM GENERAL MANAGER / FINANCE MANAGER**

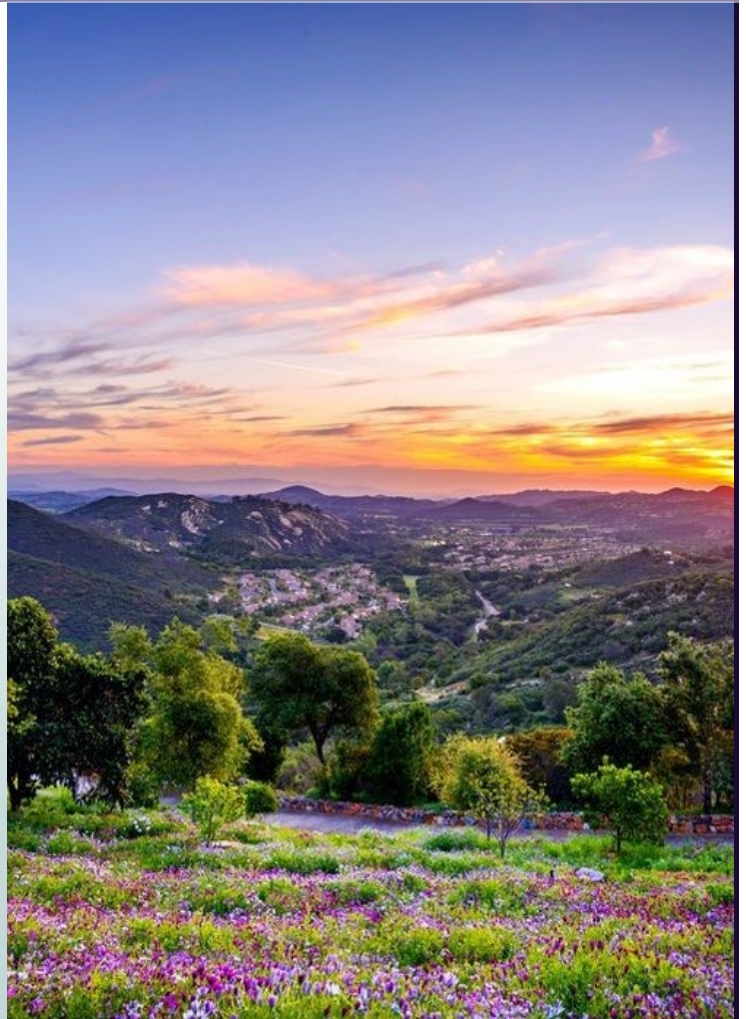
Amy Reeh

**GENERAL COUNSEL**

Jeremy Jungreis

**INDEPENDENT AUDITOR**

TEAMAN, RAMIREZ & SMITH, INC.



**Yuima Municipal Water District**

34928 Valley Center Road,  
Pauma Valley, CA 92061

760.742.3704 ph  
760.742.2069 fax

[www.Yuimamwd.com](http://www.Yuimamwd.com)



## OUR MISSION AND VISION

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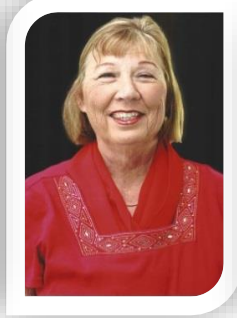
Roland  
Simpson  
*President*



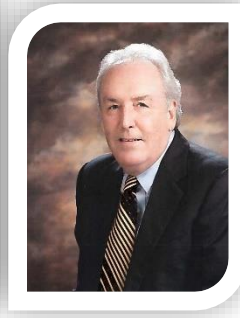
Stephen H.  
Wehr  
*Vice-President*



Don Broomell  
*Secretary/Treasurer*



Lynne "Laney"  
Villalobos  
*Director*



Richard  
Fontane  
*Director*

Yuima Municipal Water District is committed to providing a diversified, sustainable water supply for water service to our Pauma Valley customers; exceeding all standards of quality and reliability at fair, reasonable and equitable rates.

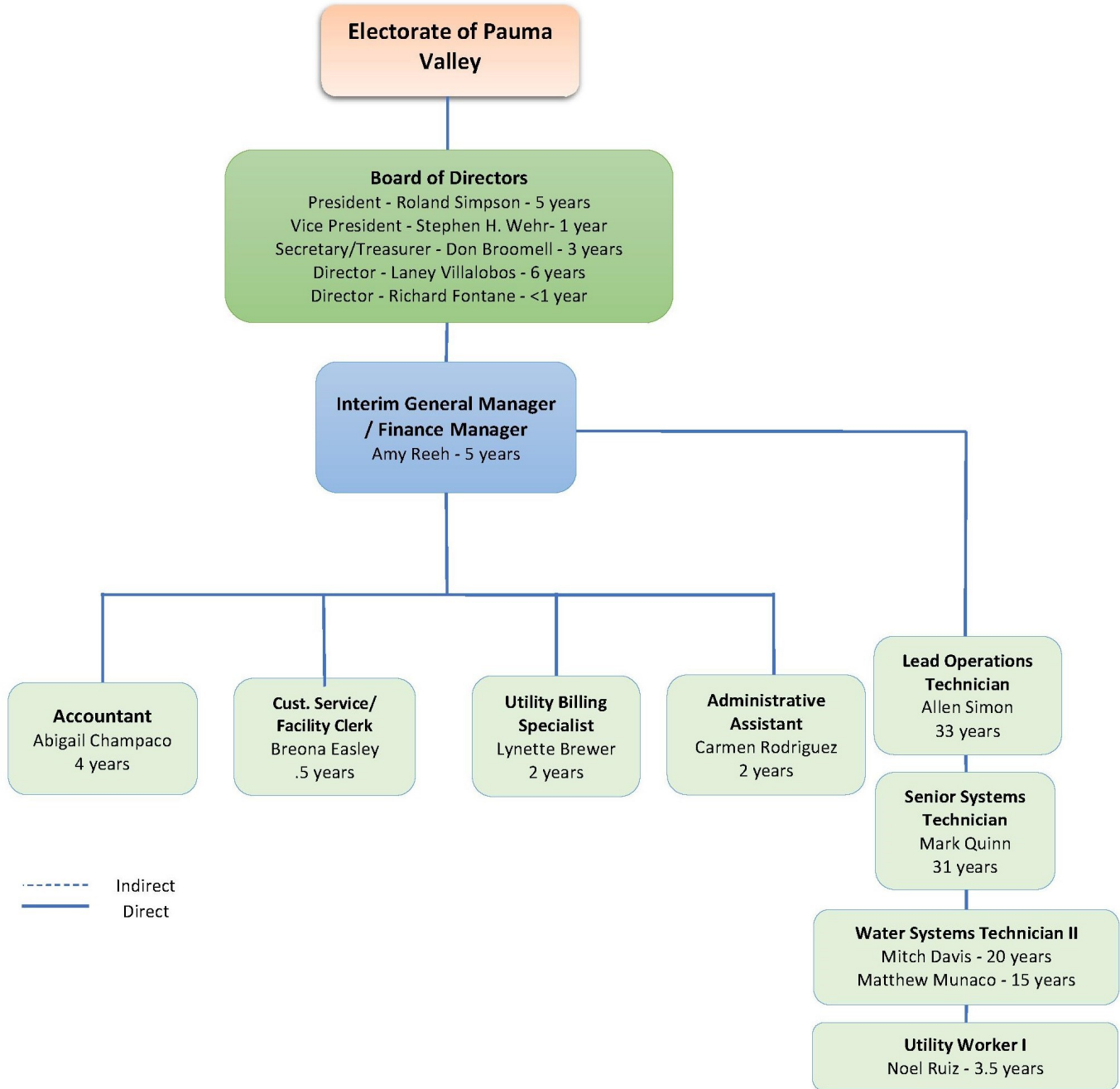
We hope to be known and respected in our community as being good stewards of the public resources, and responsibilities entrusted to us.

Executive Management:



Amy Reeh  
Interim General Manager /  
Finance Manager

**Yuima Municipal Water District  
Organizational Chart**



# Yuima Municipal Water District

## Annual Budget For Fiscal Year Ending June 30, 2021

Prepared by:

Yuima Municipal Water District  
Amy Reeh, Interim General Manager / Finance Manager

34928 Valley Center Road \* P.O. Box 177, Valley Center, CA 92061

[www.yuimamwd.com](http://www.yuimamwd.com)

June 22, 2020

Roland Simpson, President  
Members of the Board of Directors  
Yuima Municipal Water District  
P.O. Box 177  
Pauma Valley, CA 92061

We are pleased to present this report along with the proposed fiscal year 2020-2021 operating and capital budget for the water district. We look forward to your review and analysis toward ultimate adoption.

The budget reflects the District's strategic plans for maintaining critical infrastructure and long-term water supply challenges, while continuing to remain focused on the Board of Directors' goal of delivering a safe and reliable water supply to our customers at a reasonable cost. Ongoing priorities include increased local water production, rehabilitation of the District's only connection to imported water, and disinfection and delivery. We believe the budget includes the resources necessary to meet these goals.

The Board of Directors approves a budget annually to be used solely as a management tool. Depending upon the timing and level of the demand for water services, the revenues and expenditures may vary significantly and cannot be strictly controlled by means of detailed and rigid appropriations. Therefore, the annual budgets must be viewed as *estimates only*. Budget appropriations for major capital projects continue from year to year until the projects are completed.

## **THE DISTRICT**

The District was incorporated on January 19, 1963 as a California special district by the State Legislature, with an entitlement to import water under the provisions of the *California Municipal Water District Act of 1911, section 71000 et.seq.* of the *California Water Code* as amended. The District was formed to import Colorado River water to augment local water supplies. The District provides water to its agricultural and domestic customers through 344 service connections provided within approximately 21 square miles in northern San Diego County. Approximately 1824 people live within the District.

## **DEMOGRAPHICS**

Yuima is a largely agricultural area. Our agricultural customers purchase approximately 91% of the District's total water sales while Wholesale and Domestic sales make up the remaining 8%. As water is one of the largest production costs for farmers in San Diego County, rapidly increasing wholesale water rates have the potential to severely affect the profitability of agriculture.

## **WATER SOURCES**

The District purchases approximately 73% of its water from the San Diego County Water Authority (SDCWA or the "Authority"); the remaining 27% is derived from District owned wells.

## **DISTRICT OPERATIONS**

Operations account for all activity related to water operations as well the general operations of the District. The District operates 44.12 miles of water main, 24 productive wells, 10 potable water tanks, and 2 Ag only reservoirs. As of May 31, 2020, there were a total of 344 active meters of which 190 were agricultural meters, 149 were domestic, and 5 were fire meters.

## **BUDGET DOCUMENTS**

The Budget consists of the following sections:

1. This Budget Message
2. A Recap of the Proposed Budget, including recap summary graphs
3. Detailed budgets for the Operating and Capital funds.

## **BUDGET PROCESS**

The budget process begins with input from all levels of staff. The Personnel Committee meets with the General Manager regarding salary and benefit recommendations for the next fiscal year. Consumption and water purchases from the Water Authority is and used to determine current year projections that are used in the 10-year average calculation. Strategic planning sessions are held to determine the most important issues that the District needs to consider, and budget requests are made by both Administrative and Operations staff.

## **Budget Calendar**

<b>January 2018</b>	<b>General Manager and Finance Manager begin budget process discussions.</b>
<b>March 2018</b>	<b>Personnel Committee makes recommendations to use during budget development. Data Collection and calculations begin, and budget requests are received.</b>
<b>May 2018</b>	<b>First review of the budget by Board of Directors.</b>
<b>June 2018</b>	<b>Second review of the budget by Board of Directors.</b>
<b>June 2018</b>	<b>Budget submitted to Board of Directors for possible adoption.</b>

## **Budget Basis**

The budget is prepared on an enterprise basis. Revenues and expenses are recognized on the accrual basis, in that both revenues and expenses are recognized in the accounting period in which they are earned or incurred. Depreciation is funded in the budget. It is the goal of the District that the costs of providing water service to the customers of the District are financed primarily through user charges whenever possible. Currently the general tax revenues are used in the operating budget to offset a portion of the operating deficit.

## **Budget Control**

The General Manager is responsible for keeping expenditures within budget allocations for positions & salaries, operating expenses, and capital acquisitions, and may adopt budget procedures as necessary to carry out that responsibility. No expenditure of funds shall be authorized unless sufficient funds have been appropriated by the Board as described in this budget.

The General Manager may exercise discretion in the administration of the Budget to respond to changed circumstances, provided that any single modification in excess of \$15,000 shall require approval by the Board. Except for limited modification by the General Manager as noted, the Board must authorize any increase in the overall operating budget, capital budget, salary budget, and the number of authorized permanent personnel positions above the level identified in the final operating and capital budgets.

## **Appropriation Limit**

Article XIII B of the State Constitution limits increases in property tax revenues. This limit increases annually by a factor comprised of changes in population and per capita personal income. Each year the District adopts by resolution the limit calculated under legislation. Applicable property taxes received by the District are approximately 24% of the established limit.



## **Water Purchases:**

Purchased water is the largest share of the District's budget. For fiscal year 2020-21 it is projected that Yuima, district wide, will purchase approximately 4,100 acre-feet of water from our imported supplier, the San Diego County Water Authority (SDCWA), or 63.1% of our needs. The balance of 2,397.5 acre-feet, will come from local supplies. The District's fixed charges from the San Diego County Water Authority (SDCWA) will increase 14.68% for the fiscal year from \$831,709 to \$953,822. These fixed costs are comprised of the Metropolitan Water District's Capacity and Readiness-to-Serve Charges and the Authority's Customer Service, Storage and Supply Reliability Charges. These charges are a direct passthrough to our customers based on the same rolling average methodology used by MET and the Authority to assess these charges to the District.

Water delivered to certified agricultural (TSAWR) users represents 76.4% of the District's total combined water projected to be sold in fiscal year 2020-21. We are projecting 36.9% district wide will come from our local supplies this fiscal year due to limited local supplies. Our ability to continue to meet a portion of our demand with lower cost local supplies is a major reason for the continued viability of agriculture in the District, however the loss of local supplies in the General District, as well as the requirement to blend local supplies with imported water due to water quality, puts a larger burden of their water needs on the imported supply.

The Metropolitan Water District supply rate for 2021 will increase 2.4% from \$1,078 to \$1,104 per acre foot. The Capacity Charge Allocation (formerly known as the Capacity Reservation Charge) will be \$146,988 up from \$118,974 the prior year. This charge is computed on a 5-year rolling average of our M&I use during regional peak weeks and will continue to increase as the district's rolling average increases. The Readiness-to-Serve Charges for calendar year 2021 will be at \$156,745, which is computed on a 10-year rolling average of M&I use. This represents an increase of \$19,257 for the year.

The SDCWA Customer Service Charge for 2021 is \$322,404 compared to \$294,366 representing an increase of \$28,038 and is computed on a 3-year rolling average of M&I and Ag deliveries.

The SDCWA Storage charge for calendar year 2021 is \$222,132 which reflects a 14.3% increase from the current years cost of \$194,407. The Storage Charge is computed on a 3-year rolling average of M & I deliveries.

The SDCWA Supply Reliability charge for calendar year 2021 increased \$19,079 or 22.6% for a total charge of \$105,553.

## **Base Water Rate**

Although the San Diego County Water Authority has proposed a 4.6% increase in the commodity rate to the District there is no proposed increase to the District's base water rate for the 2020-21 fiscal year.

## **Pump Zone Charge**

There is no proposed increase to the pump zone charge for the 2020-21 fiscal year.

## **Water Sales**

Water sales for the past ten years have ranged from 5,114.8 to 8,368.3 acre feet. Due to the fact that a large portion of our sales is for agriculture purposes, sales are greatly affected by weather conditions, which make sales projection difficult. This fiscal year, staff has projected 2020-21 water sales at 6,460.6 acre feet, representing an 3.9% decrease in sales over the prior year. These projections also follow the District's 10-year average. It is projected that the District will sell 4,183.3 acre feet in Yuima and 4,577.3 in IDA with 2,300 acre feet coming from the interdepartmental exchange (Yuima sales to IDA).

## **SDCWA Infrastructure Access Charge (IAC)**

The SDCWA IAC fee has been collected monthly since January 1, 1999 from each member agency and currently is set at \$3.66 per equivalent meter per month (EDU). Normally, this charge is adjusted each January, based on prior December 31<sup>st</sup> active meter count. This January SDCWA will increase the fee to \$4.24 per EDU; representing a 15.8% increase.

## **Meter Charges**

There is no proposed increase in the monthly meter charge for fiscal year 2020-21.

## **Personnel**

The elective board members delegate management responsibility of the day-to-day operations of the District to an appointed General Manager, who in turn employs all employees at the District, including one department manager. The Personnel Committee recommends keeping staffing status quo for the 2020-2021 fiscal year. The District currently has a total of nine full-time employee positions and one part-time position. The number of fulltime positions was decreased in October 2019 with the departure of two full time employees. The 2020-21 budget does not allow for replacement of those employees. The District's total salary and benefit expense represents 11.7% of the total operating expenditures.

## **Management Contracts**

The District provides services to the Lazy H Mutual Water Company under a Water Service and Management Contract. Estimated revenue derived from this contract is \$32,200. The District also provides services under an Emergency and Support Services Agreements with the Pauma Valley Water Company and Rancho Estates Mutual Water Company. These entities are only charged if they make use of District services.

## **Interest Revenue**

The District receives investment income from the cash balances in its reserve funds. In fiscal year 2019-2020 the district is projected to earn \$180,109 on its invested reserves. Of this amount, \$90,054 (or 50% of earnings) was allocated to the capital program and 50% was allocated to the operating budget. The district projects a 1 % or less rate of return on invested funds for 2020-2021 fiscal year or approximately \$48,500 of which \$32,250 will be transferred to capital and appropriate reserve and restricted funds. The current market condition has been extremely volatile for the last three months due to the COVID-19 pandemic resulting in the call of several of our higher return investments. Investment opportunities available to replace them are dismal at best and will ultimately result in very low investment returns as well as reduced investable reserves.

## **CONCLUSION**

This budget reflects the Board of Directors' priorities which are communicated to the District staff through Board meetings and workshops. The goal of this budget document is to provide staff with a road map for prioritizing major capital improvement programs and ultimately fulfilling the District's vision, mission statement and goals. The overall purpose is to produce guidelines to address the District's short-term and long-term goals and objectives. This document demonstrates the District's commitment and ability to meet its financial obligations. The budget is developed based on certain assumptions and projected costs, which in some cases may not materialize. These assumptions were gathered from the District's historical and current data and trends.

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## **RECOMMENDATIONS**

*Staff makes the following recommendations for 2020-2021 as summarized below:*

1. Adopt the proposed 2020-2021 budget as presented or modified by the Board for implementation on July 1, 2020.
2. Approve renewal of the Water Service & Management Contracts as proposed.
3. Approve the Personnel Committee recommendations.

OPERATING FUND

2020/21 BUDGET

## YUIMA MUNICIPAL WATER DISTRICT 2020/2021 BUDGET OVERVIEW

The **total combined budget** for 2020-21 reflects a balanced budget.

**Total budgeted revenues** for 2020-21 are \$10,411,406, which is \$145,994 or 1.3% lower than the 2019-20 adopted budget of \$10,557,400. The decrease is accredited to a decrease in estimated water sales and associated water delivery revenue. Higher than normal rainfall during the 2019-20 fiscal year resulted in substantially lower water sales and a reduction of the 10-year average. However, a portion of these revenues are transferred to the Capital funds as per adopted District policy.

The District water service is comprised of two self-balancing funds: The General District Fund and Improvement District A (IDA) Fund. The General District relies almost solely on imported water supplies due to the significant decrease in local water production within the General District. However, Improvement District A is expected to receive 49.85% of its estimated sales from local production. **Combined water sales** for the current year 2019-20 are projected at 6,496.5-acre-feet (AF). This is 3.4% lower than the budget of 6,725.3 AF. However, to maintain budgeting continuity, water sales assumptions for 2020-21 are budgeted at 6,460.6 AF. Budgeted sales are based on a 10-year average of water consumption. Water sales for the past ten years has ranged from 5,114.5 to 8,368.3-acre feet. Because a majority of our sales are for agriculture, sales are greatly affected by weather conditions.

The most recent estimates from the San Diego County Water Authority proposes a 4.6% increase to the water commodity rate to the District for the 2020-21 fiscal year. The 2020-21 Proposed Budget for Yuima incorporates a 0% increase to the commodity rate, keeping current rates static through the fiscal year. The General District's Transitional Special Agricultural Rate (TSAWR/Interruptible Ag) customer rate will remain at \$1,420.30 per acre foot and the domestic (non-agricultural) rate will hold steady at \$1,850.89 per acre foot. The IDA rate will also remain at the rate of \$1,076.57 per acre foot.

The estimated **interest earnings** rate for the 2020-21 fiscal year of 1.6% is expected to yield \$48,500. Due to current market conditions, there has been a significant drop in the District's average portfolio yield. District policy currently requires 50% of interest revenue to be transferred to the Capital Fund (excluding delinquency fees interest). However, staff is recommending to transfer 100% of IDA's interest earnings in an effort to increase Capital Fund Reserves. The District's secured **property taxes** are budgeted at \$384,832 and reflects a 10% decrease from the current year. The County of San Diego has estimated a 10% decrease in property tax revenue due to non-payment of taxes. Water Availability charges are budgeted at \$68,935; also a 10% decrease from the current year. There is no proposed increase for the monthly meter service charge or the per unit pump zone cost.



**Total budgeted operating expenses**, *including* capital expenditures, are \$11,622,101 which is 36%, or \$6,549,315, lower than the 2019-20 adopted budget of \$18,171,416. The District will not be starting any new capital projects in the 2020-21 fiscal year, but will finishing the current capital projects in progress. The District will focus on updating the Facility Plan in the coming year which will determine the priority of new capital projects in future years.

The largest **water operating expense** to the District is the cost of water sold or the water service component. This expense is 70.2% of the total budgeted expenditures. This expense reflects a small decrease of 2.2% compared to the 19/20 fiscal year. This reduction is due to the small decrease in water sales. The percentage of General Administration costs reflects a small increase of 1.8 percent which is attributed to budgeting for the increased Revenue Debt Coverage requirement for the Forebay Pump Station bond. Salaries and Benefits has decreased 30.9%, or \$530,871. This significant decrease is due in large part to a reduction in staff. Not reflected in this number is a planned additional payment of \$300,000 towards the District's PERS Unfunded Liability. This lump sum payment will aid in reducing future liability increases caused by recent market flocculation. Salary and Benefit expenditures represent only 14.8% of the District's total operating budget. This is significantly lower compared to surveyed neighboring districts, which range from 21.8% to 31.0% of total operating costs. There has been an increase to General Plant expenditures of \$141,979, or 19.9% that is attributed to an increase in depreciation for the new Forebay Pump Station.

**Capital Projects** for the 2020-21 Fiscal Year will focus on completing all current projects in progress and updating the District's Facility Plan. This plan while assist the District in assessing and prioritizing the capital projects necessary to keep the water distribution system operating efficiently and insure dependability for the foreseeable future.

Due to the CSA agreement with the County of San Diego, the **Fire Protection Service** budget has now been transfered to the County.

**In Conclusion** this budget reflects the Board of Directors' priorities which are communicated to the District staff through Board meetings and workshops. The goal of this budget document is to provide staff with a road map for prioritizing major capital improvement programs and ultimately fulfilling the District's vision, mission statement and goals. The overall purpose is to produce guidelines to address the District's short-term and long-term goals and objectives. This document demonstrates the District's commitment and ability to meet its financial obligations. The budget is developed based on certain assumptions and projected costs, which in some cases may not materialize. These assumptions were gathered from the District's historical and current data and trends.

**2020/21 PROPOSED BUDGET**  
**2019/20 9 MONTH ACTUAL + 3 MONTH PROJECTED TO 6/30/2020**  
**2018/19 ACTUAL YEAR END TOTALS**

	PROPOSED BUDGET 2020/2021	-----COMBINED-----			-----GENERAL DISTRICT-----			-----IMPROVEMENT DISTRICT A-----		
		2019/20 BUDGET	2019/20 PROJECTED TO 06/30/20	2018/19 ACTUAL 06/30/18	PROPOSED BUDGET 2020/2021	2019/20 PROJECTED TO 06/30/20	2018/19 ACTUAL 06/30/18	PROPOSED BUDGET 2020/2021	2019/20 PROJECTED TO 06/30/20	2018/19 ACTUAL 06/30/18
<b>OPERATING REVENUES</b> *	6,460.6 ac. ft.	* 6,725.3 ac. ft.	* 6,496.5 ac. ft.	* 6,351.1 ac. ft.	4,183.3 ac. ft.	4,778.5 ac. ft.	4,894.7 ac. ft.	4,577.3 ac. ft.	4,077.7 ac. ft.	3,720.7 ac. ft.
Water Sales <sup>1</sup>	7,108,837 <sup>(1)</sup>	7,692,587	7,249,793	7,132,952	5,871,313	6,340,031	6,258,337	4,838,967	4,280,761	3,850,777
Water Services	(800)	6,337	20,392	31,159	(800)	19,642	31,159	-	750	-
Service Contracts	32,200	30,000	32,494	28,803	32,200	32,494	28,803	-	-	-
CWA/MET Fixed Costs	831,709	744,775	728,594	566,444	831,709	728,594	566,444	-	-	-
Meter Charges	787,126	769,001	775,681	768,387	319,245	320,148	309,647	467,882	455,533	458,740
Pump Zone Charges	1,365,471	1,473,575	1,356,803	1,315,712	383,875	495,273	486,467	981,596	861,529	829,245
Total Operating Revenues	<u>10,124,543</u>	<u>10,716,275</u>	<u>10,163,756</u>	<u>9,843,458</u>	<u>7,437,542</u>	<u>7,936,182</u>	<u>7,680,860</u>	<u>6,288,445</u>	<u>5,598,573</u>	<u>5,138,761</u>
<b>OPERATING EXPENSES</b>										
<b>SOURCE OF SUPPLY:</b>								* 2,300.0 ac.ft.	* 2,359.7 ac.ft.	* 2,264.4 ac.ft.
Purchased Water - SDCWA	4,968,563	5,376,214	5,184,044	5,543,022	4,968,561	5,184,044	5,543,022	3,601,443	3,370,999	2,976,161
Purchased Water - Local	16,400	16,400	13,214	10,606	16,400	13,214	10,606	-	-	-
CWA/MET Fixed Costs	831,709	744,775	741,085	595,893	831,709	741,085	595,893	-	-	-
Total	<u>5,816,672</u>	<u>6,137,389</u>	<u>5,938,343</u>	<u>6,149,520</u>	<u>5,816,670</u>	<u>5,938,343</u>	<u>6,149,520</u>	<u>3,601,443</u>	<u>3,370,999</u>	<u>2,976,161</u>
<b>PUMPING:</b>										
Salaries & Wages	21,882	23,400	20,460	25,344	926	726	531	20,956	19,733	24,813
Power	1,425,931	1,438,873	1,374,231	1,341,339	460,931	421,830	452,007	965,000	952,401	889,332
Maintenance	57,100	58,953	46,666	61,284	17,100	3,211	26,105	40,000	43,455	35,179
Total	<u>1,504,914</u>	<u>1,521,227</u>	<u>1,441,357</u>	<u>1,427,967</u>	<u>478,958</u>	<u>425,768</u>	<u>478,643</u>	<u>1,025,956</u>	<u>1,015,589</u>	<u>949,324</u>
<b>WATER TREATMENT:</b>										
Salaries & Wages	54,906	93,859	61,486	57,806	27,701	18,803	18,661	27,205	42,683	39,145
Supplies/Chlorine	44,095	38,700	26,386	25,883	5,295	1,254	732	38,800	25,132	25,151
Maintenance & Wtr. Testing	44,000	46,000	36,337	36,679	12,000	8,829	5,294	32,000	27,507	31,385
Power	5,250	5,298	4,133	3,818	4,250	3,385	3,419	1,000	747	400
Total	<u>148,251</u>	<u>183,856</u>	<u>128,341</u>	<u>124,186</u>	<u>49,246</u>	<u>32,272</u>	<u>28,106</u>	<u>99,005</u>	<u>96,069</u>	<u>96,080</u>
<b>TRANSMISSION &amp; DISTRIBUTION:</b>										
Salaries & Wages	263,614	516,224	241,878	246,519	128,429	112,017	132,272	135,185	129,861	114,247
Materials & Supplies	6,000	6,000	3,294	3,667	5,000	3,102	3,438	1,000	192	228
Telemetry	1,000	5,500	275	1,444	1,000	275	190	-	-	1,253
Engineering	4,000	-	3,733	2,785	4,000	4,382	1,847	-	(649)	937
Maintenance	117,747	115,117	25,667	61,253	22,747	22,365	17,432	95,000	3,302	43,821
Signal Channel	8,000	2,000	6,248	1,651	5,000	3,328	701	3,000	2,921	950
Total	<u>400,361</u>	<u>644,841</u>	<u>281,095</u>	<u>317,318</u>	<u>166,176</u>	<u>145,469</u>	<u>155,883</u>	<u>234,185</u>	<u>135,626</u>	<u>161,436</u>

<sup>1</sup> Combined Water Sales figures have been reduced by the amount allocated for IDA purchased water to eliminate duplication of inter-district exchange.

**2020/21 PROPOSED BUDGET  
2019/20 9 MONTH ACTUAL + 3 MONTH PROJECTED TO 6/30/2020  
2018/19 ACTUAL YEAR END TOTALS**

	<b>PROPOSED BUDGET 2020/2021</b>	<b>-----COMBINED-----</b>			<b>-----GENERAL DISTRICT-----</b>			<b>-----IMPROVEMENT DISTRICT A-----</b>		
		2019/20 BUDGET	2019/20 PROJECTED TO 06/30/20	2018/19 ACTUAL 06/30/18	PROPOSED BUDGET 2020/2021	2019/20 PROJECTED TO 06/30/20	2018/19 ACTUAL 06/30/18	PROPOSED BUDGET 2020/2021	2019/20 PROJECTED TO 06/30/20	2018/19 ACTUAL 06/30/18
<b>CUSTOMER EXPENSE:</b>										
Salaries & Wages	44,762	40,594	63,523	84,689	22,381	27,530	40,001	22,381	35,993	44,688
Meter Repair & Maintenance	16,885	16,885	20,269	7,033	6,885	3,550	(1,581)	10,000	16,719	8,614
<b>Total</b>	<b>61,647</b>	<b>57,479</b>	<b>83,792</b>	<b>91,721</b>	<b>29,266</b>	<b>31,080</b>	<b>38,419</b>	<b>32,381</b>	<b>52,712</b>	<b>53,303</b>
<b>GENERAL &amp; ADMINISTRATIVE:</b>										
Salaries & Wages	343,495	388,544	479,111	548,205	137,398	226,318	279,914	206,097	252,792	268,290
Benefits	756,026	572,260	481,535	723,836	302,410	256,269	353,436	453,616	225,266	370,400
Professional Services-SGMA	7,000	10,000	185,584	44,866	2,800	138,644	23,147	4,200	46,940	21,719
Legal Fees	55,000	56,500	87,302	86,644	22,000	41,347	59,977	33,000	45,955	26,667
Accounting/Audit Fees	15,500	15,500	16,327	17,175	6,200	8,114	8,708	9,300	8,213	8,467
Insurance	66,962	90,110	69,571	84,310	26,785	33,392	40,183	40,177	36,179	44,128
Auto Expense	20,850	24,750	23,687	22,350	8,340	11,255	14,128	12,510	12,432	8,223
Telephone Expense	10,350	7,962	11,113	9,940	4,140	6,056	5,141	6,210	5,057	4,800
Uniform Expense	7,810	1,815	2,381	2,955	3,124	738	1,663	4,686	1,643	1,292
Office Expense	14,265	34,061	24,213	31,009	5,706	9,480	13,790	8,559	14,733	17,219
Postage Expense	2,000	1,592	4,806	2,895	800	2,327	1,004	1,200	2,480	1,891
Computer Expense	31,010	20,706	40,893	8,447	12,404	19,316	5,389	18,606	21,577	3,058
License/Permits/LAFCO/Fees	12,750	15,499	17,631	16,310	5,100	7,678	6,206	7,650	9,953	10,104
Utilities	4,200	8,917	15,828	9,113	1,680	7,527	4,538	2,520	8,301	4,575
Medical Exams/Physicals	-	743	797	-	-	376	-	-	421	-
Manager Expense	1,000	18,800	5,733	26,424	400	2,664	15,391	600	3,069	11,033
115% Debt Service Reserve	263,340	18,823	-	-	263,340	-	-	-	-	-
Education/Training Expense	-	1,000	3,376	6,014	-	1,673	2,459	-	1,702	3,556
Membership Fees	16,000	15,000	16,766	14,691	6,400	7,803	6,979	9,600	8,963	7,711
<b>Total</b>	<b>1,627,558</b>	<b>1,302,582</b>	<b>1,486,653</b>	<b>1,655,184</b>	<b>809,027</b>	<b>780,976</b>	<b>842,051</b>	<b>818,531</b>	<b>705,678</b>	<b>813,131</b>
<b>GENERAL PLANT:</b>										
Salaries & Wages	60,893	84,677	91,412	75,062	24,357	44,975	41,614	36,536	46,141	33,448
Maintenance	8,000	21,231	18,880	47,346	3,200	7,557	17,985	4,800	11,391	29,362
Safety Programs/Equip.	1,500	8,493	958	3,128	600	449	1,624	900	955	1,505
Small Tools	1,200	2,548	4,722	1,669	480	2,235	1,237	720	2,224	434
Supplies	500	1,062	3,884	744	200	1,837	406	300	1,700	338
Radio Maintenance	550	1,168	494	800	220	270	358	330	616	442
Property Tax & Obsolete Inventory	850	850	878	699	500	620	699	350	258	-
Depreciation	778,514	590,000	520,000	551,211	393,514	177,778	182,192	385,000	342,222	369,019
<b>Total</b>	<b>789,553</b>	<b>710,028</b>	<b>641,230</b>	<b>680,660</b>	<b>423,071</b>	<b>235,722</b>	<b>246,112</b>	<b>428,936</b>	<b>405,508</b>	<b>434,546</b>
<b>TOTAL OPERATING EXPENSE</b>	<b>10,411,406</b>	<b>10,557,404</b>	<b>10,000,811</b>	<b>10,446,556</b>	<b>7,772,413</b>	<b>7,589,629</b>	<b>7,938,735</b>	<b>6,240,437</b>	<b>5,782,181</b>	<b>5,483,983</b>
<b>OPERATING MARGIN</b>	<b>(286,863)</b>	<b>158,871</b>	<b>162,945</b>	<b>(603,098)</b>	<b>(334,871)</b>	<b>346,553</b>	<b>(257,876)</b>	<b>48,008</b>	<b>(183,608)</b>	<b>(345,222)</b>

**2020/21 PROPOSED BUDGET**  
**2019/20 9 MONTH ACTUAL + 3 MONTH PROJECTED TO 6/30/2020**  
**2018/19 ACTUAL YEAR END TOTALS**

	PROPOSED BUDGET 2020/2021	-----COMBINED-----			-----GENERAL DISTRICT-----			-----IMPROVEMENT DISTRICT A-----		
		2019/20 BUDGET	2019/20 PROJECTED TO 06/30/20	2018/19 ACTUAL 06/30/18	PROPOSED BUDGET 2020/2021	2019/20 PROJECTED TO 06/30/20	2018/19 ACTUAL 06/30/18	PROPOSED BUDGET 2020/2021	2019/20 PROJECTED TO 06/30/20	2018/19 ACTUAL 06/30/18
<b>OPERATING MARGIN - from page 2</b>	<b>(286,863)</b>	158,871	162,945	(603,098)	<b>(334,871)</b>	346,553	(257,876)	<b>48,008</b>	(183,608)	(345,222)

**NON-OPERATING REVENUES**

Tax Revenue - General	<b>384,832</b>	432,922	433,220	459,849	<b>323,622</b>	365,320	389,662	<b>61,210</b>	67,900	70,187
Water Availability	<b>68,935</b>	76,150	76,213	76,447	<b>42,975</b>	48,213	48,600	<b>25,960</b>	28,000	27,846
MET Stand-by credit	<b>107,731</b>	95,033	107,731	95,003	<b>78,751</b>	78,751	69,352	<b>28,980</b>	28,980	25,651
MET Ready-to-Serve charge	-	-	-	-	-	-	-	-	-	-
Connection Fees/Debt Service Interest	<b>(163,990)</b>	(39,933)	(69,122)	44,320	<b>(133,000)</b>	(24,753)	82,244	<b>(30,990)</b>	(44,369)	(37,925)
SDCWA-Infrastructure Access Charge Collected	<b>26,532</b>	22,399	20,293	17,953	<b>26,532</b>	20,293	17,953	-	-	-
Misc. Income & Lease Fees	<b>117,942</b>	192,831	157,259	135,110	-	8,700	57,674	<b>117,942</b>	148,559	77,436
Interest on Investments & Deliq. Accts.	<b>48,500</b>	78,350	180,109	140,140	<b>22,500</b>	119,416	84,742	<b>26,000</b>	60,693	55,397
County Contribution to Fire Protection	-	-	-	6,421	-	-	6,421	-	-	-
	-	-	-	-	-	-	-	-	-	-

**NON-OPERATING EXPENSES**

Water Availability to Capital Reserve	<b>(68,935)</b> <sup>(2)</sup>	(76,150)	(76,213)	(76,448)	<b>(42,975)</b>	(48,213)	(48,600)	<b>(25,960)</b>	(28,000)	(27,846)
MET Stand-by charge to Capital	<b>(107,730)</b> <sup>(3)</sup>	(95,033)	(107,731)	(95,003)	<b>(78,751)</b>	(78,751)	(69,352)	<b>(28,979)</b>	(28,980)	(25,651)
MET Ready-to-serve to Capital	- <sup>(4)</sup>	-	-	-	-	-	-	-	-	-
Conn. Fees/Debt Int Exp. to Capital	<b>163,990</b> <sup>(5)</sup>	39,933	69,122	(44,320)	<b>133,000</b>	24,753	(82,244)	<b>30,990</b>	44,369	37,925
SDCWA-Infrastructure Access Charge	<b>(36,678)</b> <sup>(6)</sup>	(32,545)	(27,825)	(24,529)	<b>(26,532)</b>	(20,376)	(18,366)	<b>(10,146)</b>	(7,449)	(6,163)
50% Invest Rev. to Capital Reserve	<b>(32,250)</b> <sup>(7)</sup>	(33,500)	(79,299)	(52,019)	<b>(11,250)</b>	(51,468)	(29,906)	<b>(21,000)</b>	(27,832)	(22,113)
Transfer Fire Protection Funds to Fire	-	-	-	(6,421)	-	-	(6,421)	-	-	-
Trans. to Capital Reserves	<b>(222,016)</b> <sup>(8)</sup>	(819,333)	(413,333)	-	-	(413,333)	-	<b>(222,016)</b>	-	-
Transfer from Rate Stabilization Fund	-	-	-	-	-	-	-	-	-	-
<b>Total Non-Operating Revenues</b>	<b>286,863</b>	<b>(158,876)</b>	<b>270,425</b>	<b>676,504</b>	<b>334,872</b>	<b>28,553</b>	<b>501,759</b>	<b>(48,009)</b>	<b>241,871</b>	<b>174,745</b>

<b>NET MARGIN</b>	<b>(0)</b>	<b>(1)</b>	<b>433,370</b>	<b>73,406</b>	<b>0</b>	<b>375,106</b>	<b>243,883</b>	<b>(1)</b>	<b>58,263</b>	<b>(170,477)</b>
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<b>RECAP</b>	TOTAL INCOME	<b>10,411,406</b>	10,557,400	10,434,181	10,519,962	<b>7,772,413</b>	7,964,736	8,182,619	<b>6,240,436</b>	5,840,445	5,313,506
	TOTAL EXPENSE	<b>10,411,406</b>	10,557,400	10,000,810	10,446,556	<b>7,772,413</b>	7,589,629	7,938,735	<b>6,240,436</b>	5,782,181	5,483,983
	NET MARGIN	<b>0</b>	<b>0</b>	<b>433,371</b>	<b>73,406</b>	<b>0</b>	<b>375,106</b>	<b>243,883</b>	<b>(0)</b>	<b>58,263</b>	<b>(170,477)</b>

**TRANSFERS TO CAPITAL RESERVE**

<sup>2</sup> Water Availability district wide to capital reserve

<sup>3</sup> Metropolitan stand-by charge credit to capital reserve

<sup>4</sup> Metropolitan ready to serve charge to capital reserve

<sup>5</sup> Connection fees transferred to capital. Debt service interest transferred to capital

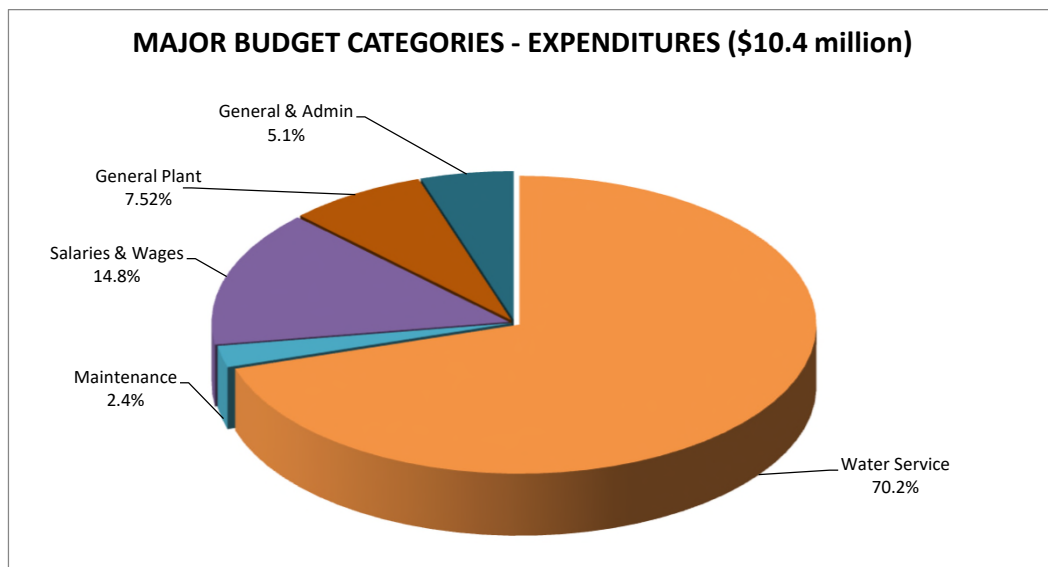
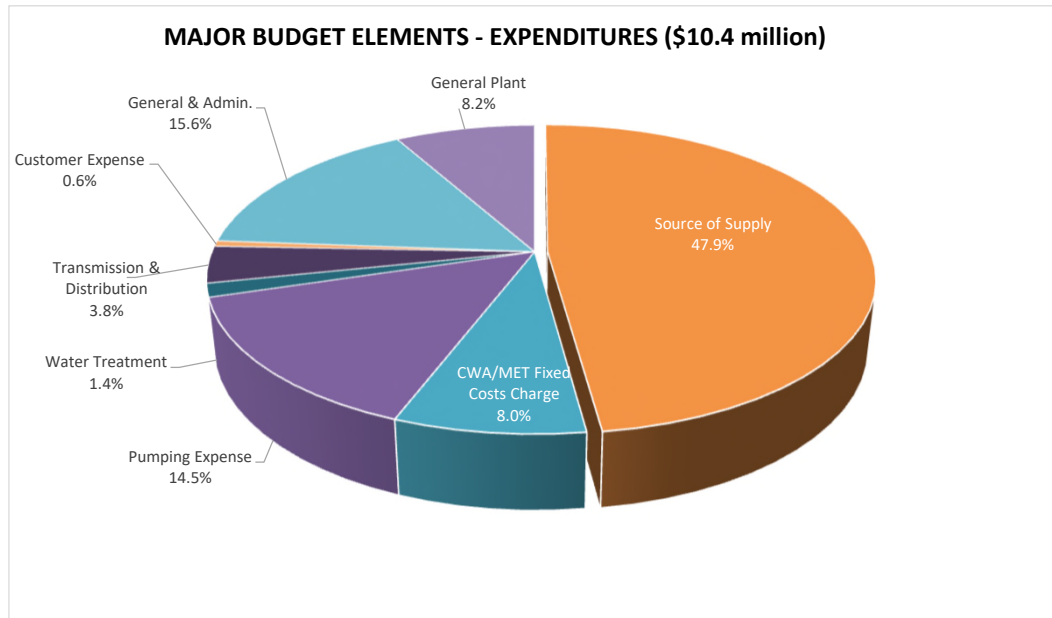
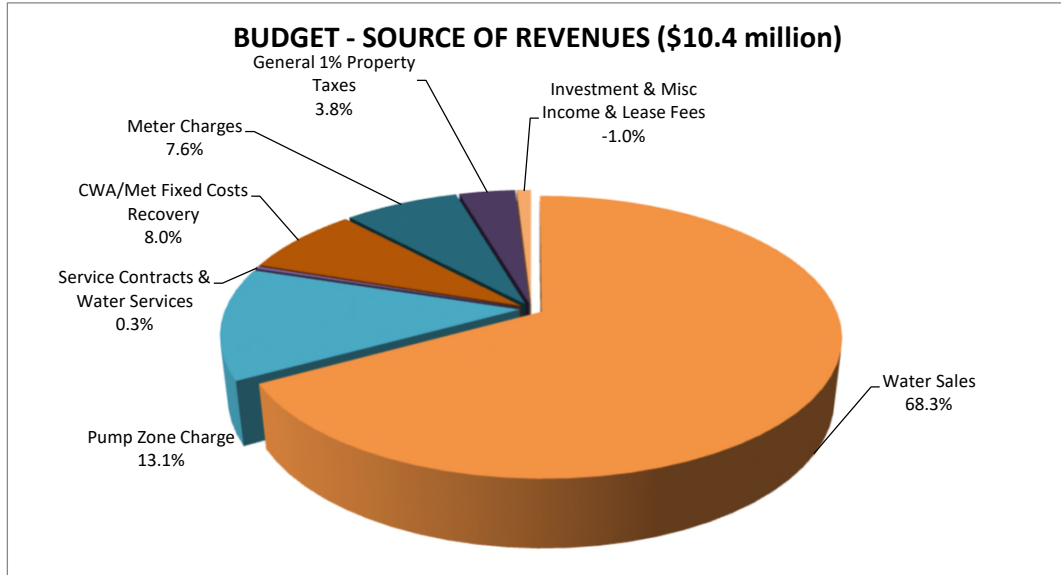
<sup>6</sup> SDCWA Infrastructure Access Charge \$3.01 EDU - direct pass through 7/1/18. Fixed Charges direct pass through eff. 1/1/19.

<sup>7</sup> 50% of investment earnings to capital reserve

<sup>8</sup> 2018-19 Includes \$1.5 Million loan and transfer to Capital Budget (General District)

# YUIMA MUNICIPAL WATER DISTRICT

## RECAP OF PROPOSED BUDGET FISCAL YEAR 2020/21





CAPITAL FUND

2020/21 BUDGET

**YUIMA MUNICIPAL WATER DISTRICT  
2020-21 Proposed Capital Projects**

There are no Capital Projects planned for the 2020-21 Fiscal Year. The District will complete all outstanding capital projects and update the District Facilities Plan to prioritize future projects

Job Number	Proposed 2020-21 Budget	Approved Project Est. Exp Carry Forward	Current Year Expenditures 6/30/2020	Prior Year Expenditures Forward	Percent Expended to Budget
<b>General District Capital Projects</b>					
Forebay Pump Station - Design & Build Phase 1	\$ -	\$ 4,950,000	\$ 3,666,592	\$ -	74%
SCADA Upgrades Phase 2	\$ -	\$ 50,000	\$ 76,085	\$ -	152%
<b>Total General District Capital Projects - Proposed 2020-21</b>	<b>\$0</b>	<b>\$ 4,950,000</b>	<b>\$ 3,666,592</b>	<b>\$ -</b>	<b>74%</b>
<b>IDA Capital Projects</b>					
SCADA Upgrades Phase 2	\$ -	\$ 150,000	\$ 109,564	\$ -	73%
Pipeline & Facilities Replacements - IDA Rincon Ranch Road Perricone Rd Paving	\$ -	\$ 340,000	\$ 60,255	\$ -	18%
<b>Total IDA Capital Projects - Proposed for 2020-21</b>	<b>\$ -</b>	<b>\$ 340,000</b>	<b>\$ 60,255</b>	<b>\$ -</b>	
<b>Total Proposed General District &amp; IDA Capital Projects 2018-19</b>	<b>\$ -</b>	<b>\$ 5,290,000</b>	<b>\$ 3,726,847</b>	<b>\$ -</b>	
		<b>\$5,290,000</b>	<b>\$3,726,847</b>		

**YUIMA MUNICIPAL WATER DISTRICT  
CAPITAL RESERVE FUND BALANCE  
ESTIMATED 2020/21**

	COMBINED		GENERAL DISTRICT		IMPROVEMENT DIST. "A"	
	Estimated 2020/21	Projected 6/30/2020	Estimated 2020/21	Projected 6/30/2020	Estimated 2020/21	Projected 6/30/2020
<b>Capital Reserve Balance @ 07/01/2019</b>	<b>\$ 1,069,938</b>	613,642	<b>\$ 1,318,486</b>	\$ 1,042,413	<b>\$ (248,548)</b>	\$ (428,771)
<b><u>ADDITIONS &amp; TRANSFERS</u></b>						
(1) Met Standby Charge	107,730	95,033	78,751	67,475	28,979	27,558
Water Availability - District wide @ \$10/acre	68,935	76,150	42,975	47,750	25,960	28,400
100% of Investment Earnings	33,500	59,474	22,500	38,601	11,000	20,874
(2) Special Connection Fees & Meter Conn. Fees	-	-	-	-	-	-
Depreciation collected in operating budget	778,515	590,000	393,515	205,000	385,000	385,000
(3) Transfer Operations to Capital Budget	222,016	5,819,333	-	5,413,333	222,016	406,000
<b><u>EXPENDITURES</u></b>						
(4) Debt Service 2020/21	(458,887)	(215,690)	(267,950)	(24,753)	(190,937)	(190,937)
WIP Capital Project Expenditures	-	-	-	-	-	-
<b>APPROVED CAPITAL PROJECTS</b>	-	(5,968,005)	-	(5,471,333)	-	(496,672)
<b>CAPITAL RESERVE FUND BALANCE Projected @ 6/30/2020</b>	<b>\$ 1,821,747</b>	\$ 1,069,938	<b>\$ 1,588,277</b>	\$ 1,318,486	<b>\$ 233,470</b>	\$ (248,548)

**The 2020/21 capital budget includes the following principles:**

- (1) The Standby charge collected by Metropolitan on all parcels in our district, is credited to Yuima and added into capital to benefit all parcels in the District for system infrastructure.
- (2) Special Connection Fees & Meter Connection Fees are added to capital when collected.
- (3) Transfer from Operating Fund - IDA Capital Fund Reserve
- (4) Annual debt service does not reflect IDA SDG&E On-Bill Financing Booster 4 \$78,753 and Station 1 \$120,393.46, zero interest, \$19,915/yr.  
IDA Debt service \$190,937 includes financing for the 2007 Station 8 project for 15 years @ 4.58% refinanced the remaining 9.5 years @ 2.65%, and 2013 financing for the IDA Zone 4 Tank \$900,000 @ 3.55% for 20 years.

# ESTIMATED RESERVE BALANCES AS OF 06/30/2020

- RESERVE BALANCE DRIVERS

- ASSETS (+) \$26,952,622

• CASH & INVESTMENTS	\$6,929,353
• RECEIVABLES	1,368,452
• INVENTORIES/PREPAID EXPENSES	708,778
• CAPITAL ASSETS	28,917,471
• DEPRECIATION	(12,015,928)
• ESTIMATED PREPAID PERS DEFERRED PAYMENTS	1,044,496

- LIABILITIES (-) \$9,393,966

• PAYABLES	\$ 681,881
• COMPENSATED ABSENCES	132,930
• NET PENSION / OPEB LIABILITY	2,277,110
• DEBT	6,025,051
• ESTIMATED PERS DEFERRED ADJUSTED ASSET	276,994

- NET POSITION(=) \$16,317,999.92

• LESS INVESTMENT IN CAPITAL ASSETS	(\$15,876,490)
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- UNRESTRICTED RESERVES \$1,682,166

• CAPITAL FUND BALANCE	\$613,642
• REMAINING UNRESTRICTED	\$1,068,524