

Yuima Municipal Water District



Annual Budget

Fiscal Year 2022-2023

Pauma Valley, CA

Yuima Municipal Water District

Annual Budget For Fiscal Year Ending June 30, 2023

Prepared by:

Yuima Municipal Water District
Amy Reeh, General Manager
Lynette Brewer, Finance & Administrative Services Manager

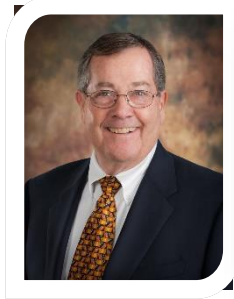
34928 Valley Center Road * P.O. Box 177, Valley Center, CA 92061

www.yuimamwd.com

OUR MISSION AND VISION



Roland
Simpson
President



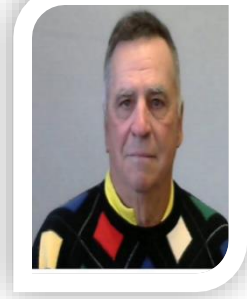
Stephen H.
Wehr
Vice-President



Don Broomell
Secretary / Treasurer



Lynne "Laney"
Villalobos
Director

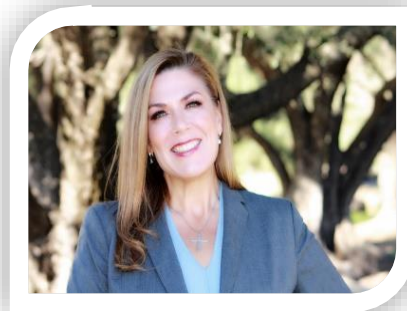


Bruce Knox
Director

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:

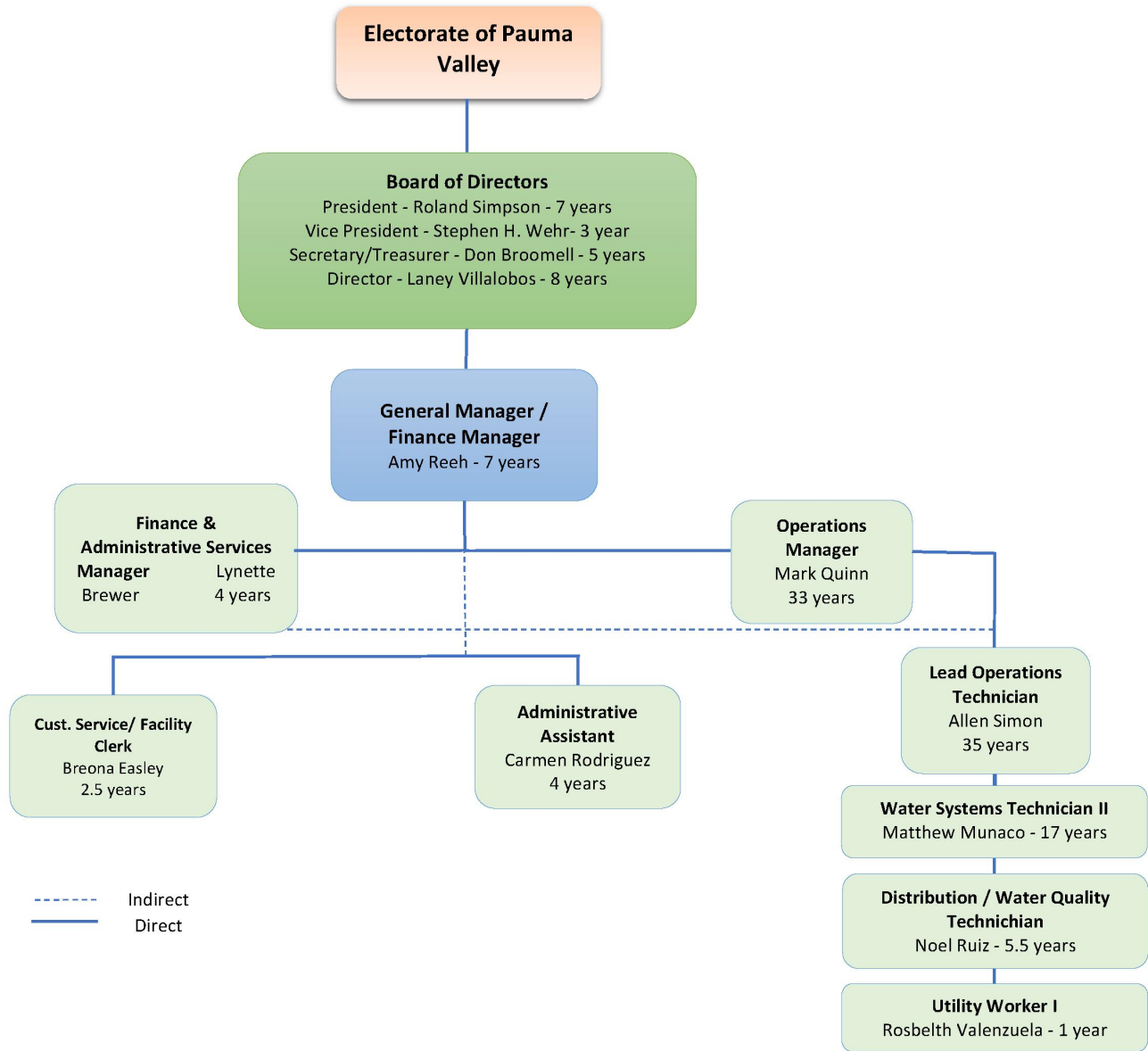


Amy Reeh
General Manager

Lynette Brewer
Finance and Administrative Services Manager

Mark Quinn
Operations Manager

**Yuima Municipal Water District
Organizational Chart**



PRINCIPAL OFFICIALS

Budget Year June 30, 2022

BOARD OF DIRECTORS

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

GENERAL MANAGER / FINANCE MANAGER

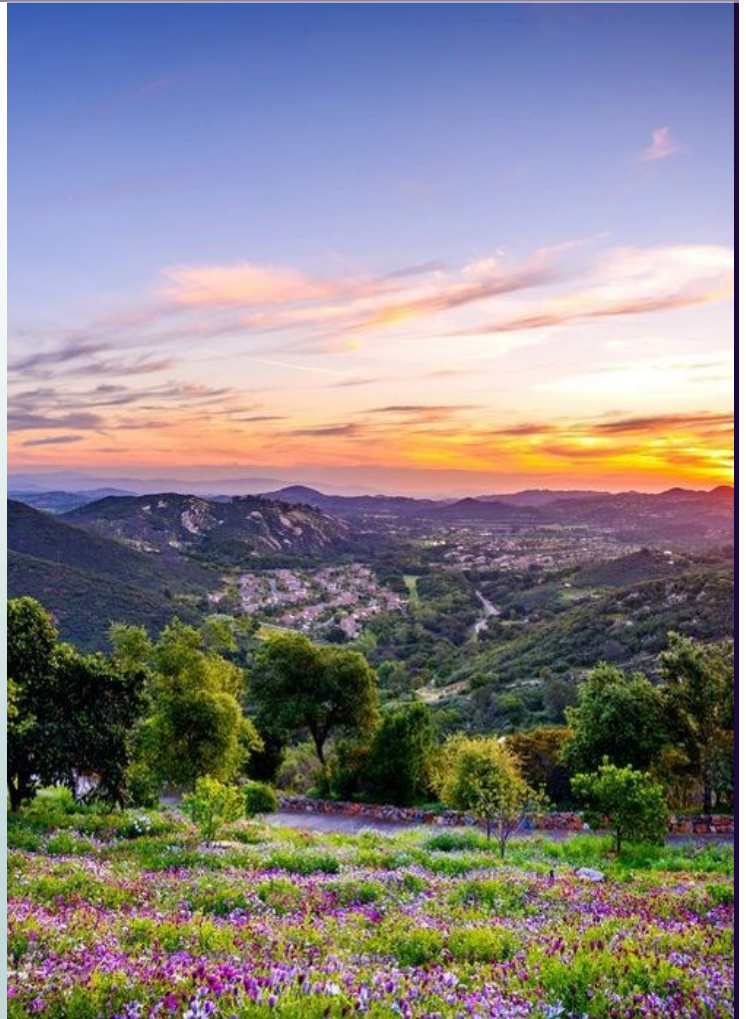
Amy Reeh

GENERAL COUNSEL

Jeremy Jungreis

INDEPENDENT AUDITOR

TEAMAN, RAMIREZ & SMITH, INC.



Yuima Municipal Water District

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June 27, 2022

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 2022-23 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 346 service connections provided within approximately 21 square miles in northern San Diego County. Approximately 2,227 people live within the District.

DEMOGRAPHICS

Yuima is a largely agricultural area. Our agricultural customers purchase approximately 93% of the District's total water sales while Domestic, Well Agreements and other sales make up the remaining 7%. 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 69% of its water from the San Diego County Water Authority (SDCWA or the “Authority”); the remaining 31% 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, 23 productive wells, 10 potable water tanks, and 2 Ag only reservoirs. As of May 31, 2022, there were a total of 346 active meters of which 192 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, historical expense history and rate history 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

January 2022	General Manager and Finance Manager begin budget process discussions.
March 2022	Personnel Committee makes recommendations to use during budget development. Data Collection and calculations begin, and budget requests are received.
May 2022	First review of the budget by Board of Directors.
June 2022	Second review of the budget by Board of Directors.
June 2022	Budget submitted to Board of Directors for possible adoption.

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.

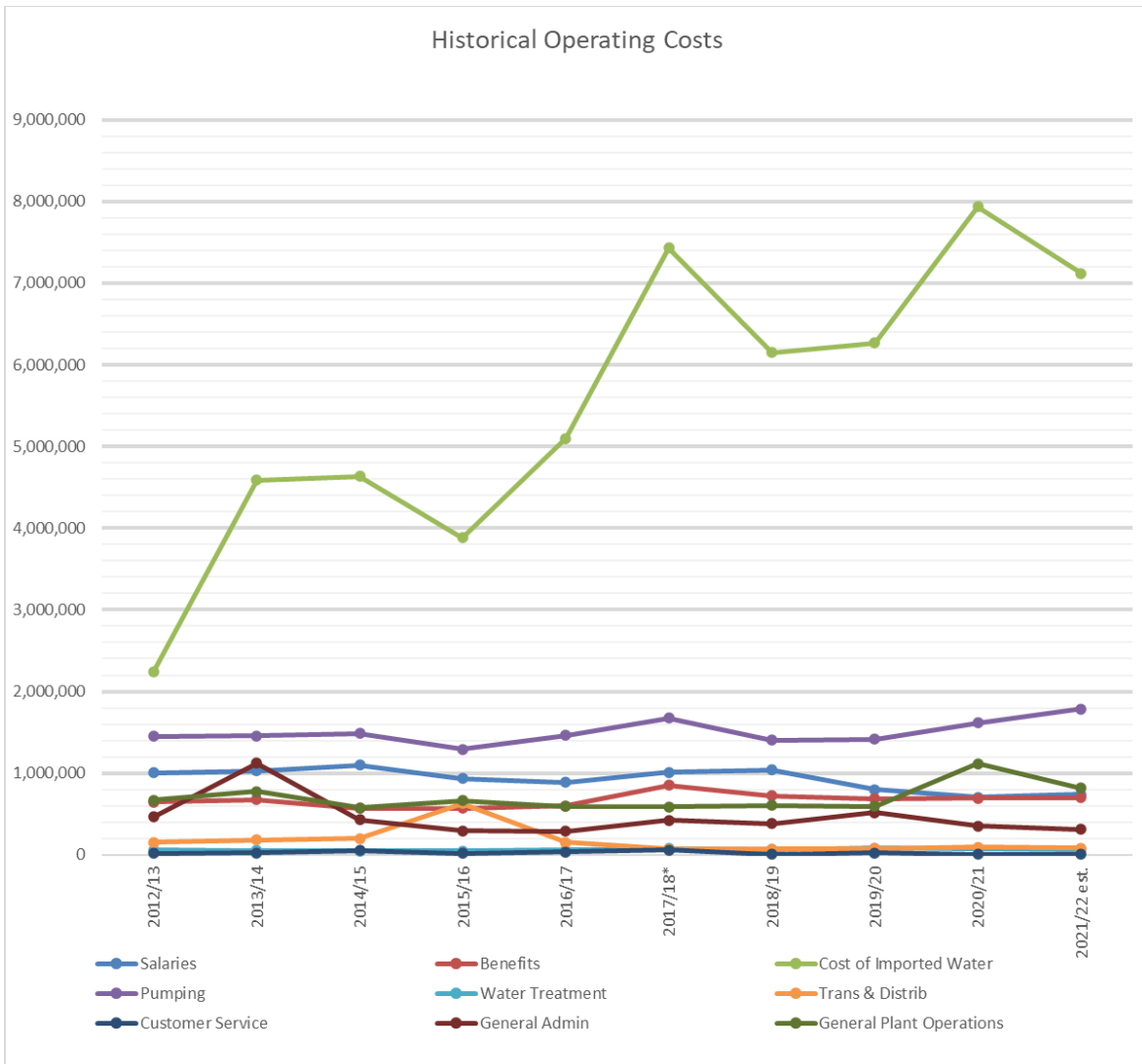
The General Manager may exercise discretion in the administration of the Budget to respond to changed circumstances, provided that any single modification in excess of \$15,000 shall require approval by the Board. Except for limited modification by the General Manager as noted, the Board must authorize 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 22% of the established limit.

Water Purchases:

Purchased water is the largest share of the District's budget; accounting for \$7,392,445.96 or 59.5% of the District's total Operating Budget. For fiscal year 2022-23 it is projected that Yuima, district wide, will purchase approximately 4,780 acre-feet of water from our imported supplier, the San Diego County Water Authority (SDCWA), or 69.0% of our needs. The graph below presents a historical comparison of the cost of imported water to locally controlled expenses.



The balance of the District’s water supply, 2,151.3 acre-feet, will come from local supplies. The District’s fixed charges from the San Diego County Water Authority (SDCWA) are estimated to decrease 6.6% for the fiscal year from \$1,003,181 to \$936,665. 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 pass-through 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 (PSAWR) users is estimated to represent 57.7% of the District’s total combined water projected to be sold in fiscal year 2022-23. However, this estimate is very conservative due to expected demand reduction from higher water rates and possible cuts due to ongoing drought conditions. 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, often puts a larger burden of their water needs on the imported supply.

The Metropolitan Water District supply rate for 2022-23 will increase 5.7% from \$1,143 to \$1,209 per acre foot. The Capacity Charge Allocation (formerly known as the Capacity Reservation Charge) will be \$150,023 which is a decrease from \$160,411 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. Metropolitan's Readiness-to-Serve Charges for the fiscal year 2022-23 is estimated at \$116,206, which is computed on a 10-year rolling average of M&I use. This represents a decrease of \$66,295 for the year.

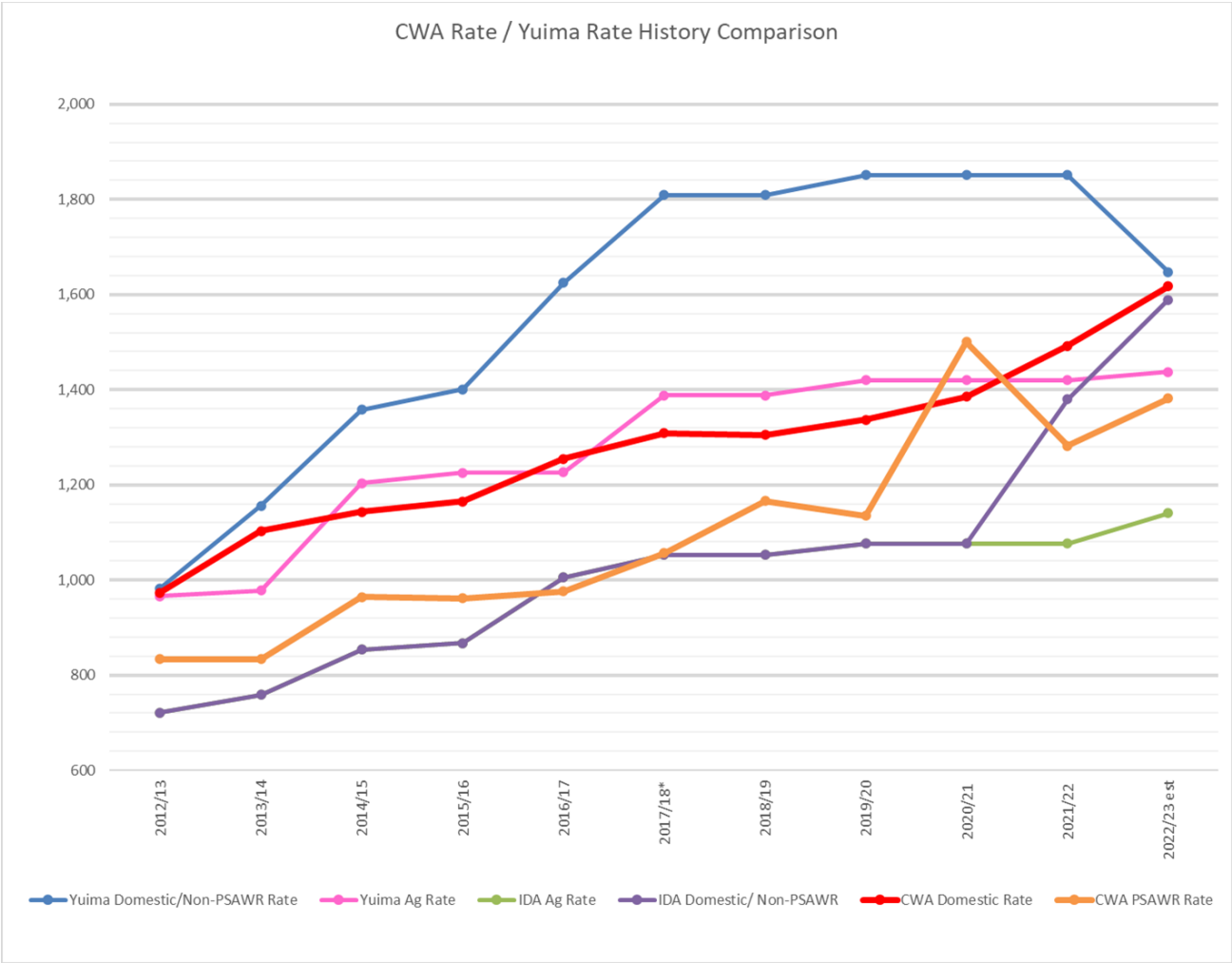
The SDCWA Customer Service Charge for 2022-23 is \$338,713 compared to \$330,515 representing a small increase of \$8,198 and is computed on a 3-year rolling average of M&I and Ag deliveries.

The SDCWA Storage charge for calendar year 2022-23 is \$207,623 which reflects a 5.3% decrease from the current years cost of \$219,337. The Storage Charge is computed on a 3-year rolling average of M & I deliveries.

The SDCWA Supply Reliability charge for calendar year 2022-23 increased \$13,696 or 12.4% for a total charge of \$124,101.

Base Water Rate

Although the San Diego County Water Authority has proposed a 7.8% increase in the commodity rate to the District the proposed increase to the District's base water rate for the 2022-23 fiscal year will be slight different depending on the class of service. The changes in PSAWR eligibility and of course the large increase to the SDCWA commodity rate were the main drivers for the changes to the District's water rate. The base rate for Yuima General District Domestic / Non-PSAWR customers is 3.7672 per unit. Yuima's Permanent Special Agricultural Water Rate (PSAWR) will increase to \$3.2714 per unit or \$1,425.03 per acre foot. The largest change in the District's water rate is within the rate for Improvement District-A. Due to significant changes in determining PSAWR eligibility, many customers who were previously eligible for the reduced agricultural rate became ineligible and significantly increased the quantity of higher priced imported water being served to these customers. Because the pass-through charges calculation is partially based on the type of water delivered (Agricultural or Non- Agricultural) the estimated pass-through charges being melded into the IDA's customers' water rates increased; particularly for the domestic / non-agricultural customer. The IDA PSAWR Agricultural rate will increase to 1,111.89 or 2.5525 per unit while the domestic rate will increase to \$3.5598 per unit or \$1,550.66 per acre foot. The graph below reflects a historical representation of the District's water rates in comparison to the San Diego County Water Authority's rate charged to the District.



Water Development and Use Agreements (Well Agreements)

Yuima’s Improvement District A (IDA) exercises Water Development and Use Agreements with a limited number of individual property owners. As indicated in each agreement, these parcels produce water from a well located on the property. Because Yuima own’s the water rights in its Improvement District A, and because the property owner is responsible for the cost to produce this water, the District collects revenue based on the amount of water produced at half the base agricultural rate. The increase reflected in the IDA Well Agreement Rate is 50% of IDA’s new agriculture water rate.

Pump Zone Charge

There is no proposed increase to the pump zone charge for the 2022-23 fiscal year. In fact, due to the more efficient pumps at the new Forebay Pump Station and the installation of Solar at the District office, the General District pump Zone rate is expected to decrease \$3.23 per acre foot; from \$103.48 to \$100.25.

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 projections difficult. This fiscal year, staff has projected 2022-23 water sales at 6,931.3 acre feet, representing an 6.9% increase in sales over the prior year budgeted demands. These projections also follow the District's 10-year average. It is projected that the District will sell 4,779.3 acre feet in Yuima and 4,729 in IDA with 2,577 acre feet coming from the interdepartmental exchange.

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 \$4.24 per equivalent meter per month (EDU). Normally, this charge is adjusted each January, based on prior December 31st active meter count. This January SDCWA proposes no increase to this charge which is considered a direct pass-through charge to the customer.

Meter Charges

There is no proposed increase in the monthly meter charge for fiscal year 2022-23.

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. The Personnel Committee recommendations for the 2022-23 fiscal year is to remain static on the number of District personnel. The District currently has a total of eight full-time employee positions and one part-time position. The District's total salary and benefit expense represents 11.6% of the total operating expenditures.

Management Contracts

The District provides services to the Lazy H Mutual Water Company, the Upper San Luis Rey Resources Conservation District and the San Luis Rey Watershed Authority under Water Service and Management Contracts. Estimated revenue derived from this contract is \$49,671. The District also provides services under an Emergency and Support Services Agreement with Rancho Estates Mutual Water Company which is only charged if the use of District services is exercised.

Interest Revenue

The District receives investment income from the cash balances in its reserve funds. In fiscal year 2022-23 the district is projected to earn \$31,500 on its invested reserves. Of this amount, \$15,750 (or 50% of earnings) will be allocated to the capital program and the remainder will be allocated to the operating budget. The district projects a 2 % or less rate of return on invested funds for 2022-23 fiscal year. The current market

condition has seen an increase in interest rates and possible higher returns on investment opportunities.

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 2022-23 as summarized below:

1. Adopt the proposed 2022-23 Operating and Capital budgets as presented or modified by the Board for implementation on July 1, 2022.
2. Approve renewal of the Water Service & Management Contracts as proposed.
3. Approve the Personnel Committee recommendations.

OPERATING FUND

2022/23 BUDGET

YUIMA MUNICIPAL WATER DISTRICT 2022-2023 BUDGET OVERVIEW

The **total combined budget** for 2022-23 reflects a balanced budget.

Total budgeted revenues for 2022-23 are \$12,432,241, which is \$1,257,843 or 11.2% higher than the 2020-21 adopted budget of \$10,411,406. The increase is accredited to an increase in the cost of imported water purchases from the San Diego County Water Authority. In an effort to offset the large increase in wholesale water costs, the Board has directed staff to use funds from the Rate Stabilization Fund for rate smoothing over the next several years. To this end, the District has budgeted to use a \$491,047 from the fund during the 2022-23 fiscal year.

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 supply 54.5% of its estimated demand from local production. **Combined water sales** for the current year 2021-22 are projected at 6860.7-acre-feet (AF). This is 5.8% higher than the budget of 6,484.3 AF. The difference in actual sales compared to budgeted demands is due to the decrease in rainfall during the fiscal year. However, to maintain budgeting continuity, water sales assumptions for 2022-23 are budgeted at 4,780.0 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 the 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 7.8% increase to the water commodity rate to the District for the 2022-23 fiscal year. The 2022-23 Proposed Budget for Yuima incorporates a commodity rate increase between 0.3% and 12.4%. The General District's Permanent Special Agricultural Rate (PSAWR) customer rate will increase to at \$1,425.03 per acre foot and the domestic (non-agricultural) decrease \$1,641.03 per acre foot. The decrease in the General District domestic (non-PSAWR) rate is due to the new PSAWR regulations and the transfer of many agricultural customers to the PSAWR program. The IDA PSAWR rate will increase 3.2% to \$1,111.89 per acre foot while the Domestic (non-PSAWR) rate will increase 12.4% to 1550.66. The significant increase again is a result of the new PSAWR regulations, the transfer of non-eligible agricultural customers to the higher class of service and the resulting increased cost associated with those reclassifications.

The estimated **interest earnings** rate for the 2022-23 fiscal year of 1.1% is expected to yield \$31,500. Due to current market conditions, there has been a significant increase 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). The District's secured **property taxes** are budgeted at \$507,212 and does not reflect any increase from the current year. Water Availability charges are budgeted at \$92,936;

and is also a 0% change 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 \$12,432,241 which is 5.7%, or \$671,081 higher than the 2021-22 adopted budget of \$11,761,160. The District as not budgeted for any new capital projects in the 2022-23 fiscal year. Capital projects that are currently in process will be completed and closed out..

The largest **water operating expense** to the District is the cost of water sold or the water service component. This expense is 73.3% of the total budgeted expenditures. This expense reflects a 3% increase compared to the 2021-22 fiscal year. The percentage of General Administration costs reflects a small increase which is attributed to budgeting additional cost related licensing, utilities and other typical fixed overhead fees. Salaries and Benefits shows an increase of \$37,239 or 2.6%. This increase is due to small increase in staff's overall compensation. Salary and Benefit expenditures represent only 11.6% of the District's total operating budget.

Capital Projects for the 2021-22 Fiscal Year continue to be delayed due to contractor and vendor staffing issues, supply chain issues and other situations out of the District's control. The District will continue to work through completing and closing out the current capital projects that are in process.

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 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.

2022/23 PROPOSED BUDGET
2021/22 9 MONTH ACTUAL + 3 MONTH PROJECTED TO 6/30/2022
2020/21 ACTUAL YEAR END TOTALS

	PROPOSED BUDGET 2022/2023	-----COMBINED-----		-----GENERAL DISTRICT-----			-----IMPROVEMENT DISTRICT A-----			
		2021/22 BUDGET	2021/22 PROJECTED TO 06/30/22	2020/21 ACTUAL 06/30/21	PROPOSED BUDGET 2022/2023	2021/22 PROJECTED TO 06/30/22	2020/21 ACTUAL 06/30/21	PROPOSED BUDGET 2022/2023	2021/22 PROJECTED TO 06/30/22	2020/21 ACTUAL 06/30/21
OPERATING REVENUES *	6,931.3 ac. ft.	* 6,460.6 ac. ft.	* 6,711.1 ac. ft.	* 7,935.7 ac. ft.	4,779.3 ac. ft.	5,099.2 ac. ft.	5,702.9 ac. ft.	4,729.0 ac. ft.	5,026.8 ac. ft.	5,314.3 ac. ft.
Water Sales ¹	7,992,843 ⁽¹⁾	7,327,872	7,094,040	8,595,553	6,889,538	6,794,726	7,704,943	5,456,031	5,263,712	5,534,006
Water Services	16,672	5,200	(1,899)	81,461	16,672	(1,974)	81,461	-	75	-
Service Contracts	49,671	34,488	34,741	32,222	49,671	34,741	32,222	-	-	-
CWA/MET Fixed Costs	936,666	1,003,181	982,463	892,789	936,666	982,463	892,789	-	-	-
Meter Charges	797,129	796,414	784,425	784,650	325,800	325,750	324,948	471,329	458,675	459,702
Pump Zone Charges	1,507,495	1,429,250	1,603,910	1,716,082	479,095	525,846	598,658	1,028,400	1,078,064	1,117,424
Total Operating Revenues	11,300,477	10,596,405	10,497,680	12,102,757	8,697,443	8,661,551	9,635,023	6,955,760	6,800,526	7,111,132
OPERATING EXPENSES										
SOURCE OF SUPPLY:								* 2,577.0 ac.ft.	* 3,265.3 ac.ft.	* 3,081.5 ac.ft.
Purchased Water - SDCWA	6,455,780	5,262,162	6,124,180	6,849,214	6,455,778	6,124,180	6,849,214	4,352,726	4,964,397	4,643,396
Purchased Water - Local	-	16,400	1,135	180,424	-	1,135	180,424	-	-	-
CWA/MET Fixed Costs	936,666	1,003,181	995,346	902,400	936,666	995,346	902,400	-	-	-
Total	7,392,446	6,281,743	7,120,661	7,932,038	7,392,444	7,120,661	7,932,038	4,352,726	4,964,397	4,643,396
PUMPING:										
Salaries & Wages	28,954	25,392	22,223	21,352	1,111	751	49	27,843	21,471	21,303
Power	1,663,000	1,540,100	1,737,732	1,570,245	473,000	522,073	504,058	1,190,000	1,215,659	1,066,187
Maintenance	46,000	78,000	48,006	43,705	5,000	5,120	2,980	41,000	42,885	40,725
Total	1,737,954	1,643,492	1,807,960	1,635,303	479,111	527,945	507,088	1,258,843	1,280,016	1,128,215
WATER TREATMENT:										
Salaries & Wages	77,801	52,727	61,694	47,481	32,443	13,418	13,211	45,358	48,276	34,269
Supplies/Chlorine	40,100	35,000	43,122	43,866	2,500	3,905	2,789	37,600	39,217	41,077
Maintenance & Wtr. Testing	23,000	33,200	23,703	22,596	6,000	5,971	8,225	17,000	17,732	14,371
Power	2,000	3,200	1,764	2,574	1,500	1,434	2,263	500	330	311
Total	142,901	124,127	130,283	116,516	42,443	24,728	26,488	100,458	105,555	90,028
TRANSMISSION & DISTRIBUTION:										
Salaries & Wages	228,303	228,402	224,457	174,339	105,234	94,194	103,253	123,069	130,263	71,086
Materials & Supplies	2,500	4,200	1,958	2,879	1,500	1,427	2,479	1,000	531	399
Telemetry	10,000	7,200	22,848	10,321	5,000	8,060	3,902	5,000	14,788	6,418
Engineering	-	-	443	4,688	-	148	1,563	-	296	3,125
Maintenance	166,905	161,747	59,363	74,370	63,449	43,040	30,549	103,456	16,176	43,821
Signal Channel	1,300	1,500	1,089	1,284	1,000	993	1,188	300	96	96
Total	409,008	403,049	310,159	267,878	176,183	147,863	142,935	232,825	162,149	124,945

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

2022/23 PROPOSED BUDGET
2021/22 9 MONTH ACTUAL + 3 MONTH PROJECTED TO 6/30/2022
2020/21 ACTUAL YEAR END TOTALS

	PROPOSED BUDGET 2022/2023	-----COMBINED-----			-----GENERAL DISTRICT-----			-----IMPROVEMENT DISTRICT A-----		
		2021/22 BUDGET	2021/22 PROJECTED TO 06/30/22	2020/21 ACTUAL 06/30/21	PROPOSED BUDGET 2022/2023	2021/22 PROJECTED TO 06/30/22	2020/21 ACTUAL 06/30/21	PROPOSED BUDGET 2022/2023	2021/22 PROJECTED TO 06/30/22	2020/21 ACTUAL 06/30/21
CUSTOMER EXPENSE:										
Salaries & Wages	102,536	97,174	100,510	65,519	51,018	45,423	30,114	51,518	55,087	35,406
Meter Repair & Maintenance	2,000	10,000	9,225	8,433	500	83	4,507	1,500	9,142	3,926
Total	104,536	107,174	109,735	73,951	51,518	45,506	34,620	53,018	64,229	39,332
GENERAL & ADMINISTRATIVE:										
Salaries & Wages	449,971	453,198	285,766	324,605	187,638	118,128	145,345	262,333	167,638	179,259
Benefits	503,523	474,045	697,970	695,858	210,803	294,905	301,004	292,720	403,065	394,854
Professional Services-SGMA	8,000	7,000	8,079	15,084	3,336	3,340	6,816	4,664	4,739	8,268
Legal Fees	20,000	55,000	29,573	82,942	8,340	10,129	40,930	11,660	19,444	42,012
Accounting/Audit Fees	21,500	16,500	23,279	18,485	8,966	8,104	8,671	12,535	15,175	9,814
Insurance	70,342	66,103	75,417	70,994	29,333	33,418	30,492	41,009	41,999	40,502
Auto Expense	33,500	23,500	27,727	35,772	13,970	13,563	16,183	19,531	14,164	19,589
Telephone Expense	20,588	14,215	13,446	11,436	8,585	5,639	5,181	12,003	7,807	6,255
Uniform Expense	3,510	3,510	3,415	2,996	1,464	1,417	1,328	2,046	1,998	1,668
Office Expense	20,260	15,265	23,212	27,113	8,448	9,633	13,082	11,812	13,579	14,031
Postage Expense	4,000	2,000	4,550	3,079	1,668	1,866	1,418	2,332	2,685	1,661
Computer Expense	32,200	29,710	42,059	32,808	13,427	17,224	10,937	18,773	24,835	21,871
License/Permits/LAFCO/Fees	30,000	16,600	21,043	21,320	12,510	11,996	7,817	17,490	9,047	13,503
Utilities	5,500	4,200	5,468	10,043	2,294	2,285	4,714	3,207	3,183	5,330
Medical Exams/Physicals	-	-	380	99	-	158	39	-	223	60
Manager Expense	4,500	500	6,425	1,976	1,877	2,482	883	2,624	3,943	1,092
115% Debt Service Reserve	535,971	540,725	-	-	388,958	-	-	147,013	-	-
Education/Training Expense	2,500	-	5,764	877	1,043	1,996	384	1,458	3,768	493
Membership Fees	17,000	16,000	20,174	16,036	7,089	7,062	7,504	9,911	13,113	8,531
Total	1,782,865	1,738,071	1,293,749	1,371,523	909,747	543,345	602,728	873,118	750,404	768,794
GENERAL PLANT:										
Salaries & Wages	56,719	79,631	44,978	69,911	23,652	19,259	34,458	33,067	25,719	35,453
Maintenance	21,000	13,500	31,299	40,098	8,757	12,476	13,060	12,243	18,823	27,037
Safety Programs/Equip.	1,500	1,500	1,233	4,368	626	510	2,139	875	723	2,230
Small Tools	2,400	1,200	2,241	4,667	1,001	954	1,985	1,399	1,287	2,683
Supplies	1,000	1,000	1,018	1,942	417	423	823	583	595	1,118
Radio Maintenance	550	550	532	463	229	151	207	321	382	256
Property Tax & Obsolete Inventory	850	850	355	414,082	500	355	132,625	350	-	281,457
Depreciation	778,514	778,514	778,514	652,405	393,514	393,514	279,810	385,000	385,000	372,596
Total	862,533	876,745	860,170	1,187,936	428,696	427,642	465,107	433,838	432,528	722,829
TOTAL OPERATING EXPENSE	12,432,241	11,174,401	11,632,716	12,585,144	9,480,141	8,837,689	9,711,004	7,304,825	7,759,276	7,517,540
OPERATING MARGIN	(1,131,764)	(577,996)	(1,135,037)	(482,387)	(782,698)	(176,138)	(75,981)	(349,065)	(958,750)	(406,408)

2022/23 PROPOSED BUDGET
2021/22 9 MONTH ACTUAL + 3 MONTH PROJECTED TO 6/30/2022
2020/21 ACTUAL YEAR END TOTALS

	PROPOSED BUDGET 2022/2023	-----COMBINED-----			-----GENERAL DISTRICT-----			-----IMPROVEMENT DISTRICT A-----		
		2021/22 BUDGET	2021/22 PROJECTED TO 06/30/22	2020/21 ACTUAL 06/30/21	PROPOSED BUDGET 2022/2023	2021/22 PROJECTED TO 06/30/22	2020/21 ACTUAL 06/30/21	PROPOSED BUDGET 2022/2023	2021/22 PROJECTED TO 06/30/22	2020/21 ACTUAL 06/30/21
OPERATING MARGIN - from page 2	(1,131,764)	(577,996)	(1,135,037)	(482,387)	(782,698)	(176,138)	(75,981)	(349,065)	(958,750)	(406,408)

NON-OPERATING REVENUES

Tax Revenue - General	507,212	384,832	512,893	494,136	428,949	431,830	419,135	78,263	81,063	75,001
Water Availability	92,936	68,935	95,782	98,071	64,882	67,223	67,041	28,054	28,559	31,030
MET Stand-by credit	-	107,731	107,695	103,172	-	80,059	75,316	-	27,635	27,856
MET Ready-to-Serve charge	-	-	-	-	-	-	-	-	-	-
Connection Fees/Debt Service Interest	(147,349)	(150,406)	(106,239)	(160,641)	(123,225)	(69,100)	(131,779)	(24,124)	(37,138)	(28,863)
SDCWA-Infrastructure Access Charge Collected	29,402	31,140	30,883	28,482	29,402	30,883	28,482	-	-	-
Misc. Income & Lease Fees	125,401	117,942	212,466	273,243	-	88,978	150,793	125,401	123,488	122,450
Interest on Investments & Deliq. Accts.	31,500	48,500	(33,714)	50,295	17,500	(76,186)	18,584	14,000	4,970	31,711
County Contribution to Fire Protection	-	-	-	6,421	-	-	6,421	-	-	-
	-	-	-	-	-	-	-	-	-	-

NON-OPERATING EXPENSES

Water Availability to Capital Reserve	(92,936) ⁽²⁾	(68,935)	(95,782)	(98,071)	(64,882)	(67,223)	(67,041)	(28,054)	(28,559)	(31,030)
MET Stand-by charge to Capital	-	(107,730)	(107,695)	(103,172)	-	(80,059)	(75,316)	-	(27,635)	(27,856)
MET Ready-to-serve to Capital	-	-	-	-	-	-	-	-	-	-
Conn. Fees/Debt Int Exp. to Capital	147,349 ⁽³⁾	150,406	100,056	160,641	123,225	69,100	131,779	24,124	30,956	28,863
SDCWA-Infrastructure Access Charge	(39,547) ⁽⁴⁾	(41,286)	(40,338)	(37,655)	(29,402)	(30,875)	(28,836)	(10,146)	(9,464)	(8,819)
50% Invest Rev. to Capital Reserve	(13,250) ⁽⁵⁾	(32,250)	(13,886)	(22,981)	(8,750)	(9,905)	(14,417)	(4,500)	(3,981)	(8,564)
Transfer Fire Protection Funds to Fire	-	-	653	(5,036)	-	-	(6,421)	-	653	1,385
Trans. to Capital Reserves	- ⁽⁶⁾	(130,506)	-	(222,016)	-	-	-	-	-	(222,016)
Transfer from Rate Stabilization Fund	491,047	199,620	708,671	-	345,000	-	-	146,047	708,671	-
Total Non-Operating Revenues	1,131,764	577,993	1,371,446	564,889	782,698	434,726	573,741	349,065	899,218	(8,852)

NET MARGIN	0	1	236,409	82,502	0	258,588	497,760	0	(59,532)	(415,259)
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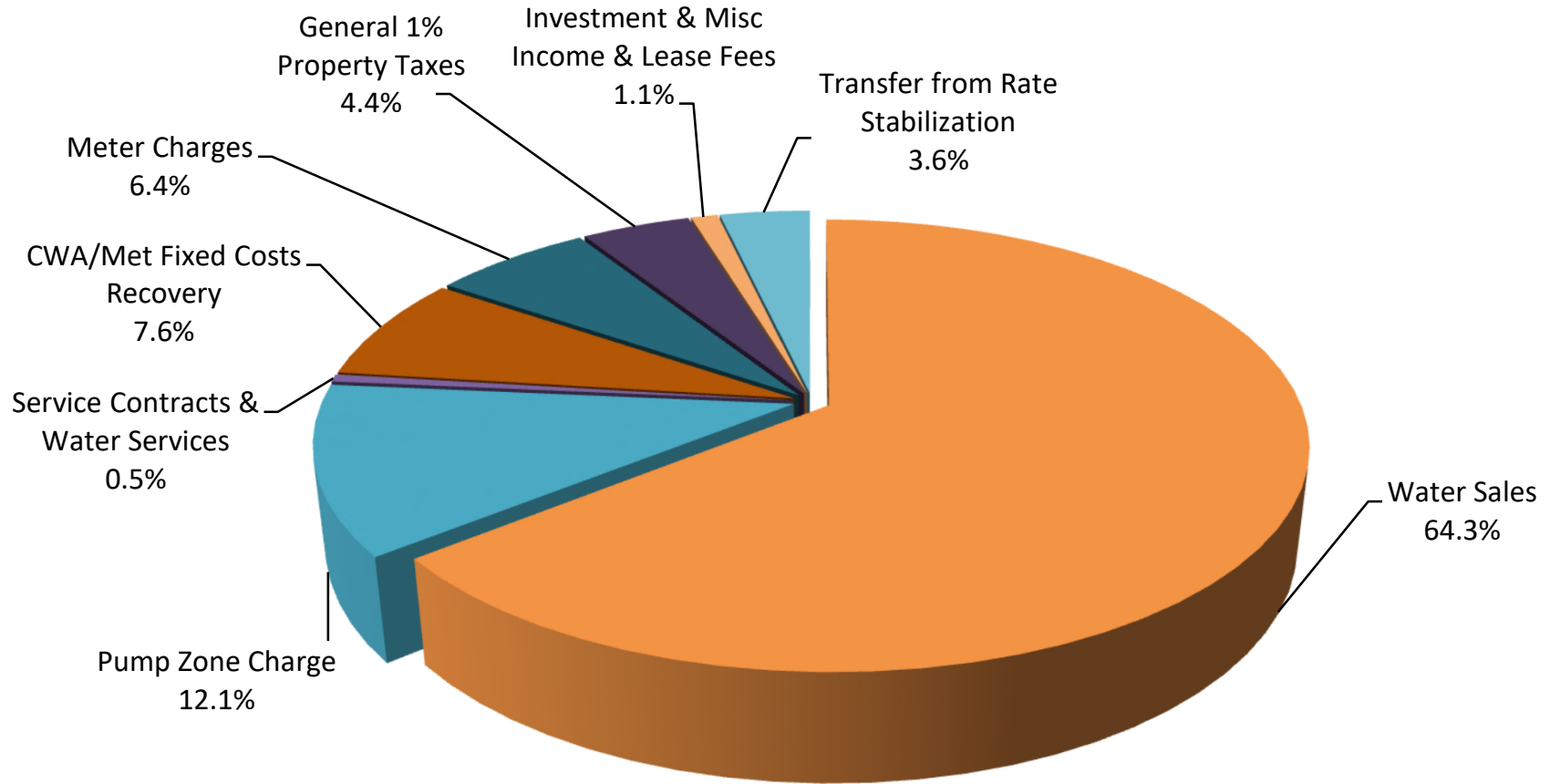
RECAP	TOTAL INCOME	12,432,241	11,174,398	11,869,126	12,667,646	9,480,141	9,096,277	10,208,764	7,304,825	7,699,744	7,102,280
	TOTAL EXPENSE	12,432,241	11,174,398	11,632,715	12,585,144	9,480,141	8,837,689	9,711,004	7,304,825	7,759,276	7,517,540
	NET MARGIN	0	0	236,410	82,502	0	258,588	497,760	0	(59,532)	(415,259)

TRANSFERS TO CAPITAL RESERVE

- ² Water Availability district wide to capital reserve
- ³ Connection fees transferred to capital. Debt service interest transferred to capital
- ⁴ SDCWA Infrastructure Access Charge \$4.24 EDU - direct pass through 7/1/21.
- ⁵ 50% of investment earnings to capital reserve
- ⁶ Transfer to Capital Fund for CIP Projects

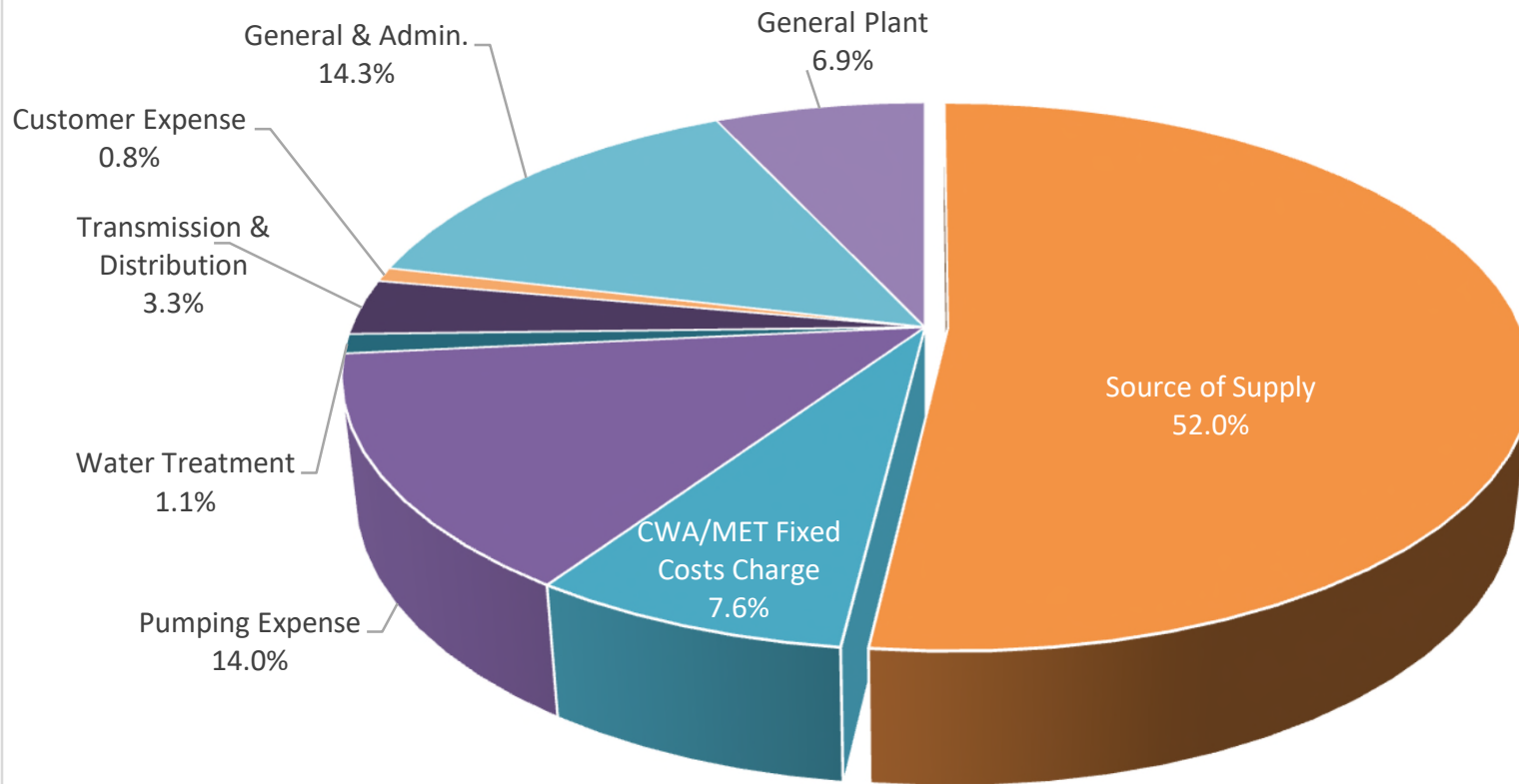
**BUDGET RECAP - SOURCE OF REVENUES
2022-2023**

BUDGET - SOURCE OF REVENUES (\$12.4 million)



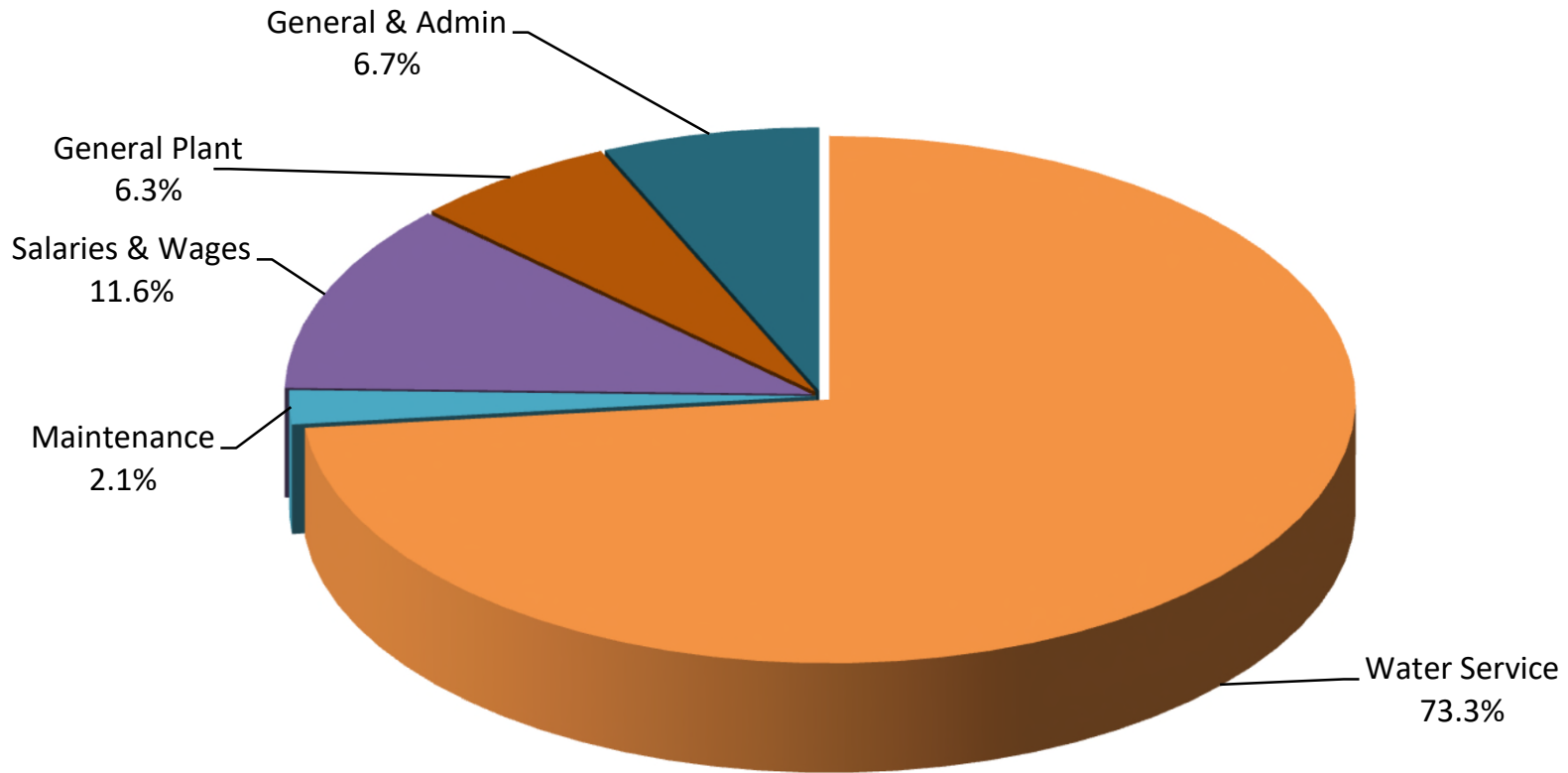
**BUDGET RECAP - EXPENDITURES BY BUDGET ELEMENTS
2022-2023**

MAJOR BUDGET ELEMENTS - EXPENDITURES (\$12.4 million)

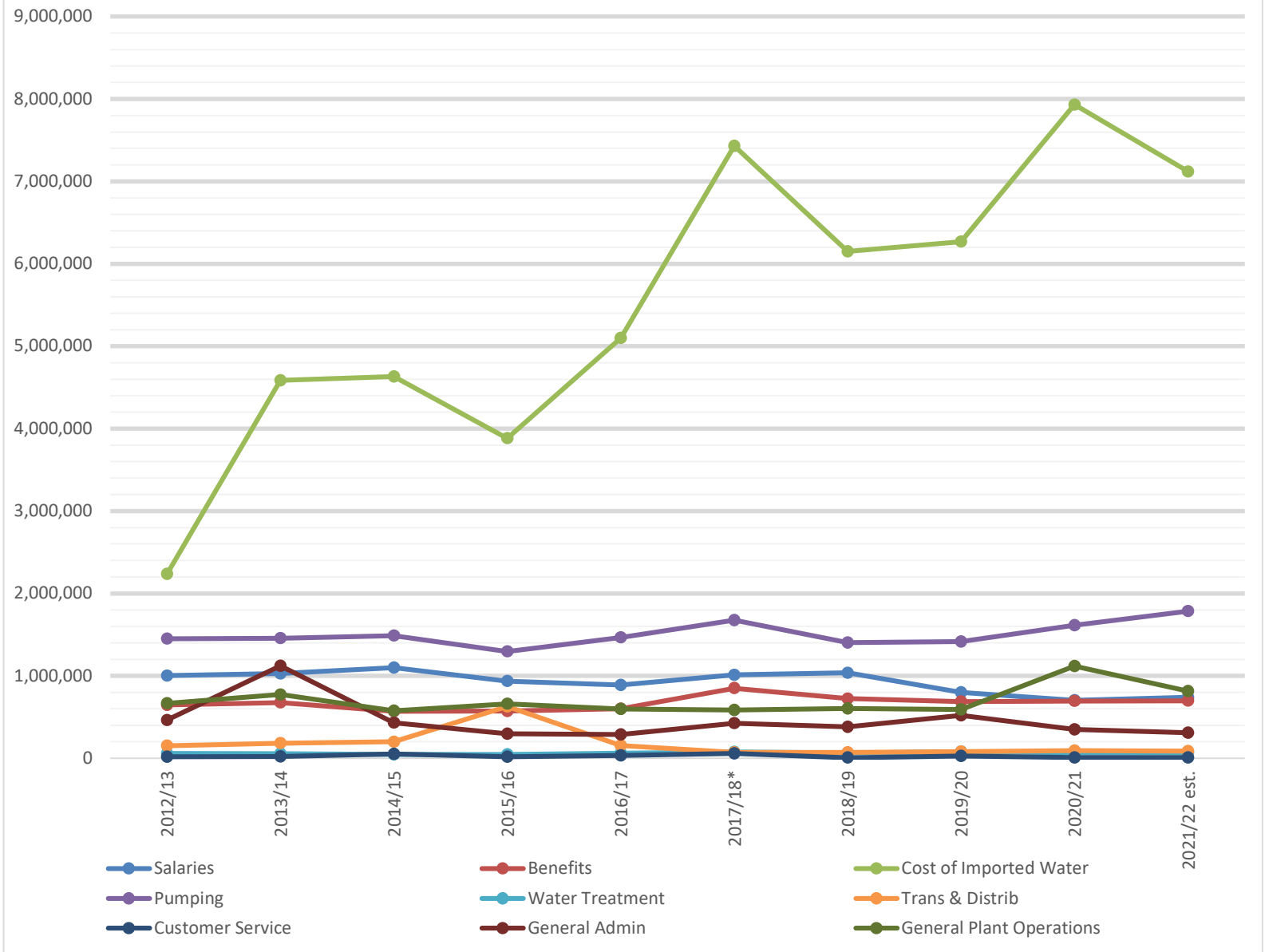


**BUDGET RECAP - EXPENSE BY MAJOR CATEGORY
2022-2023**

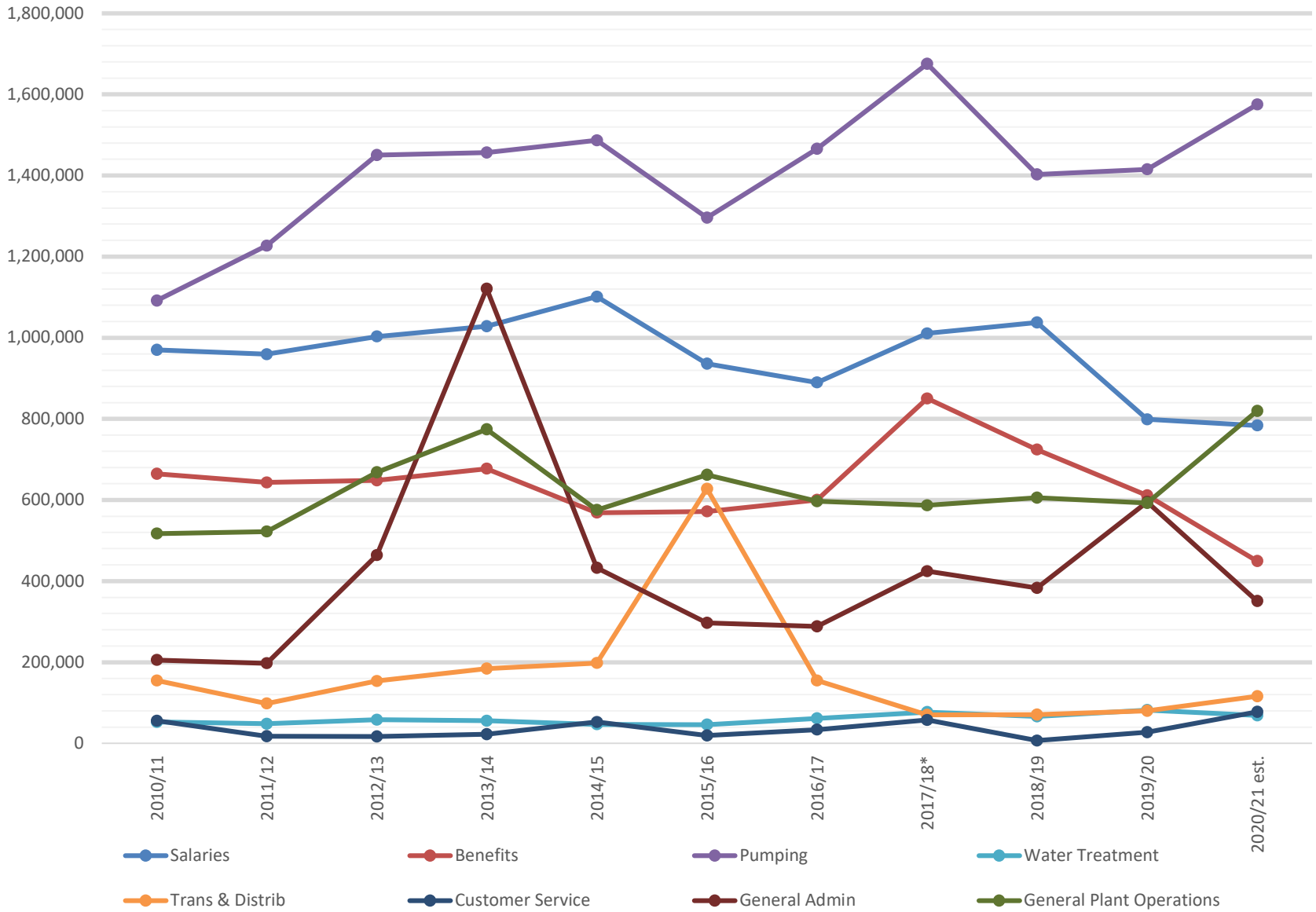
MAJOR BUDGET CATEGORIES - EXPENDITURES (\$12.4 million)



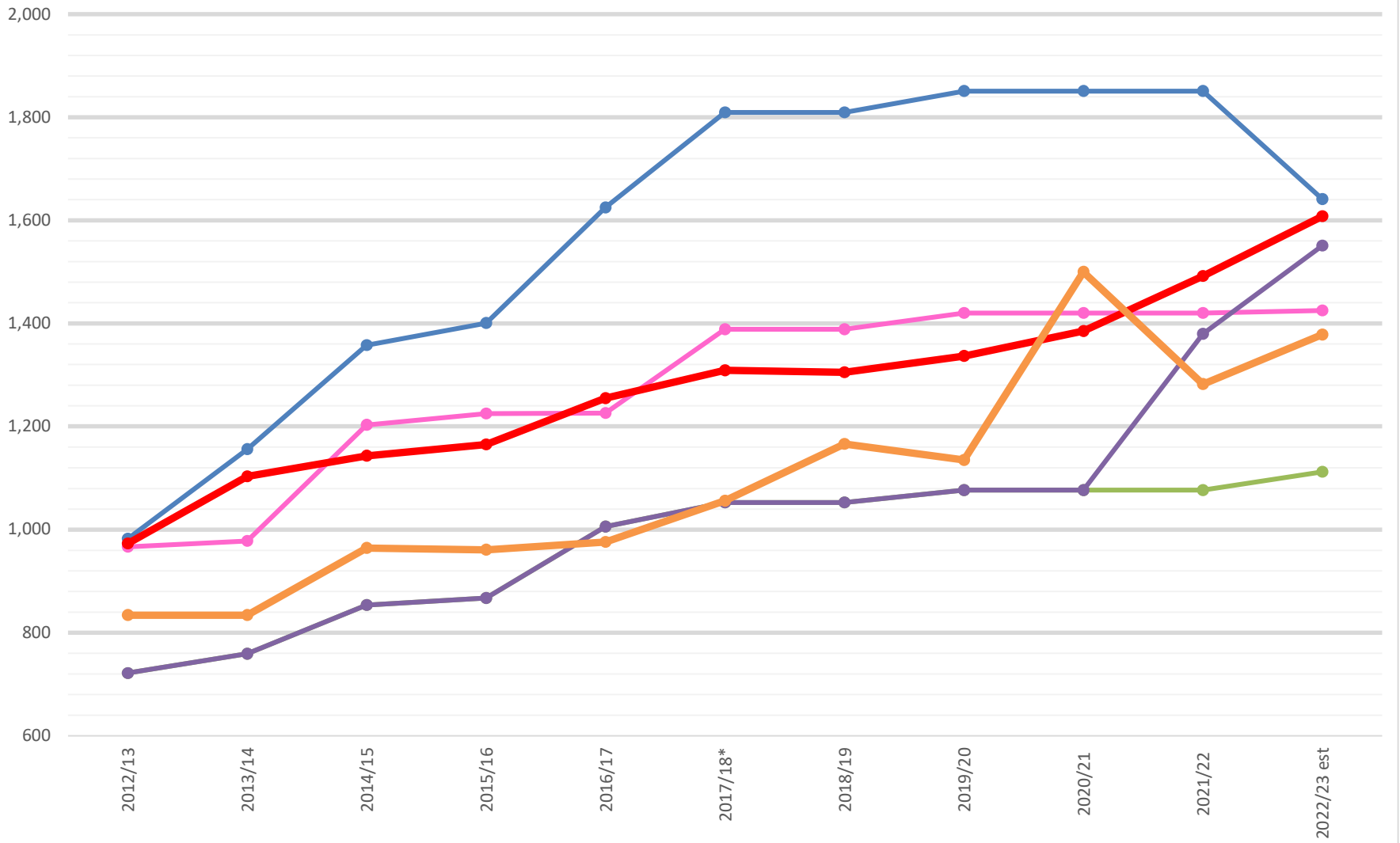
Historical Operating Costs



Historical Operating Costs - Excluding Cost of Imported Water



CWA Rate / Yuima Rate History Comparison



● Yuima Domestic/Non-PSAWR Rate
 ● Yuima Ag Rate
 ● IDA Ag Rate
 ● IDA Domestic/ Non-PSAWR
 ● CWA Domestic Rate
 ● CWA PSAWR Rate

CAPITAL FUND

2022/23 BUDGET

**YUIMA MUNICIPAL WATER DISTRICT
2022-23 Proposed Capital Projects Budget**

	Proposed 2022-23 Budget	Approved Project Est. Exp Carry Forward	Current Year Expenditures 6/30/2021	Prior Year Expenditures Forward	Percent Expended to Budget
McNally Tank 2 Interior and Exterior Recoating					
	\$ -	\$ 450,000	\$ -	\$ -	0%
Total General District Capital Projects - Proposed 2022-23	\$0	\$ 450,000	\$ -	\$ -	0%
Pump Station 4 Pump Cover					
	\$ -	\$ 20,000		\$ -	0%
Pump Station 4 Bypass Valve					
	\$ -	\$ 9,764		\$ -	0%
Dunlap CL2 Analyzer Building Replacement					
	\$ -	\$ 10,000		\$ -	0%
Total IDA Capital Projects - Proposed for 2020-21	\$ -	\$ 39,764	\$ -	\$ -	
Total Proposed General District & IDA Capital Projects 2018-19	\$ -	\$ 489,764	\$ -	\$ -	
	\$489,764		\$0		

**YUIMA MUNICIPAL WATER DISTRICT
CAPITAL RESERVE FUND BALANCE
Projected 2021/22 & Estimated 2022/23**

	COMBINED		GENERAL DISTRICT		IMPROVEMENT DIST. "A"	
	Estimated 2022/23	Estimate 6/30/2022	Estimated 2022/23	Estimate 6/30/2022	Estimated 2022/23	Estimate 6/30/2022
Capital Reserve Balance @ 07/01/2021	\$ 1,972,471.53	\$ 1,407,051.99	\$ 1,482,275.55	\$ 1,056,515.55	\$ 490,195.98	\$ 350,536.44
ADDITIONS & TRANSFERS						
(1) Met Standby Charge	-	107,694	-	80,059	-	27,635
Water Availability - District wide @ \$10/acre	92,936	92,936	64,882	64,882	28,054	28,054
50% of Investment Earnings	17,750	17,868	8,750	9,905	9,000	7,963
(2) Special Connection Fees & Meter Conn. Fees	-	-	-	-	-	-
Depreciation collected in operating budget	778,515	778,514	393,515	393,514	385,000	385,000
(3) Transfer Operations to Capital Budget	-	-	-	-	-	-
EXPENDITURES						
(4) Debt Service	(147,349)	(106,238)	(123,225)	(69,100)	(24,124)	(37,138)
WIP Capital Project Expenditures	(489,764)	(325,354)	(450,000)	(53,500)	(39,764)	(271,854)
APPROVED CAPITAL PROJECTS	-	-	-	-	-	-
CAPITAL RESERVE FUND BALANCE Projected @ 6/30/2021	\$ 2,224,559.53	\$ 1,972,471.53	\$ 1,376,197.55	\$ 1,482,275.55	\$ 848,361.98	\$ 490,195.98

The 2022/23 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) No transfers from Operating
- (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.