

Yuima Municipal Water District



Annual Budget

Fiscal Year 2021-2022

Pauma Valley, CA

Yuima Municipal Water District

Annual Budget For Fiscal Year Ending June 30, 2022

Prepared by:

Yuima Municipal Water District
Amy Reeh, General Manager / Finance Manager
Lynette Brewer, Utility Billing Specialist

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

www.yuimamwd.com

OUR MISSION AND VISION



Roland
Simpson
President



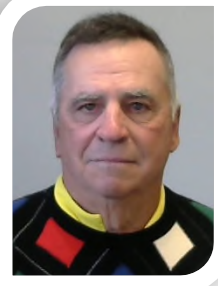
Stephen H.
Wehr
Vice-President



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.

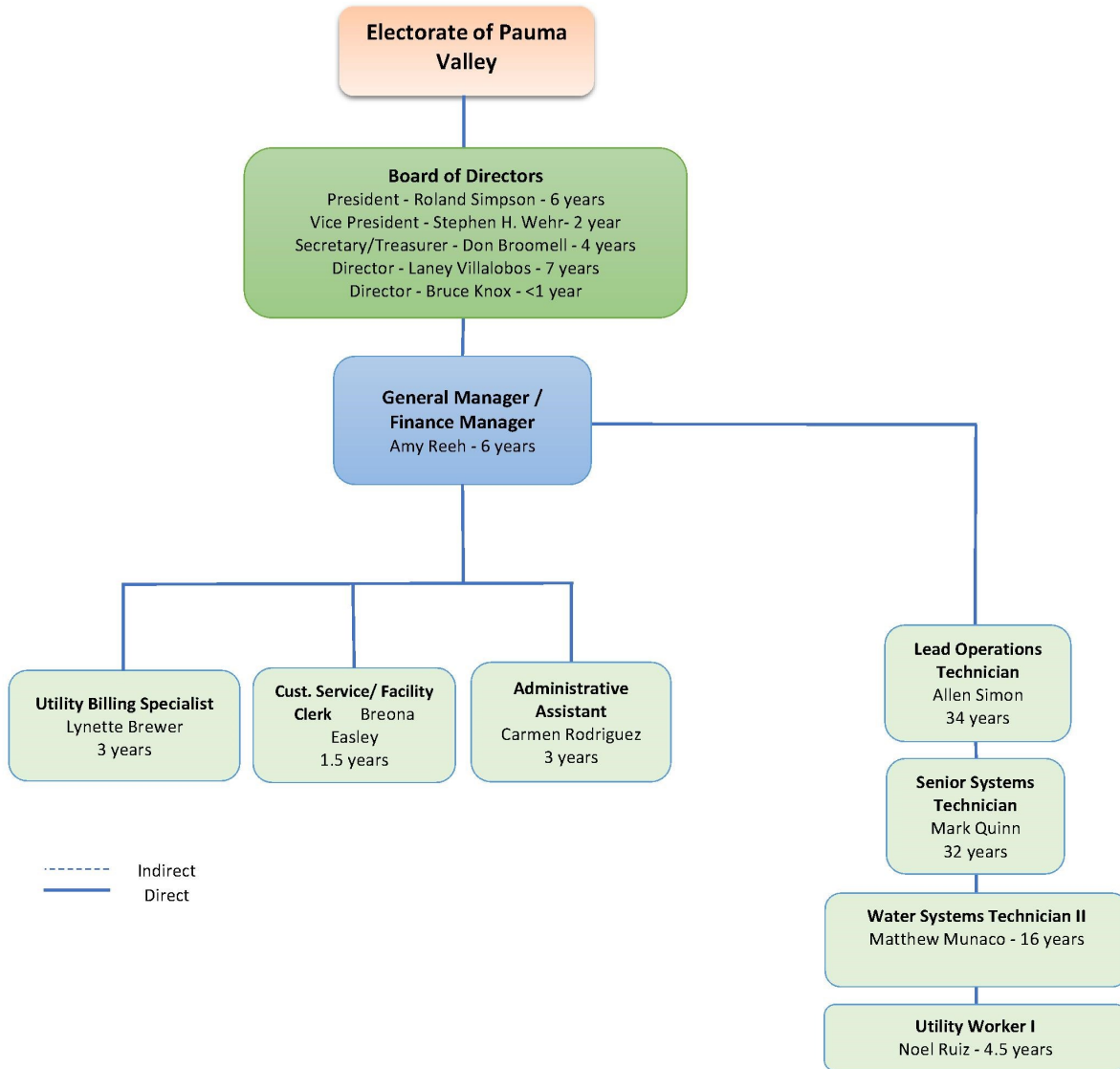
We hope to be known and respected in our community as being good stewards of the public resources, and responsibilities entrusted to us.

Executive Management:



Amy Reeh
General Manager /Finance 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

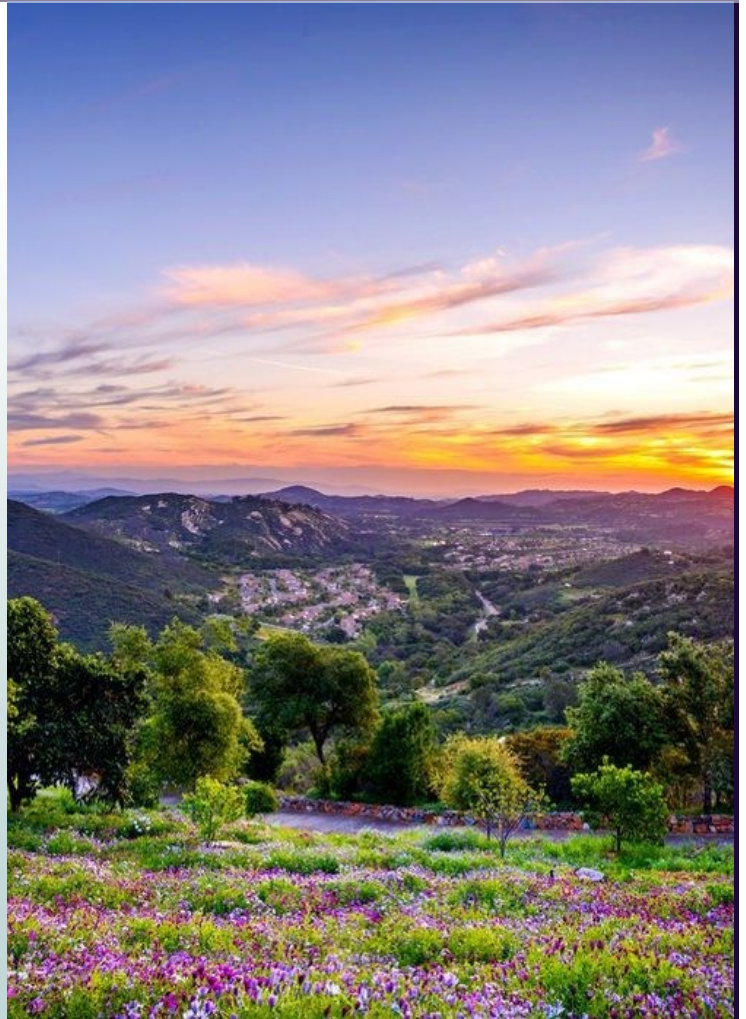
Amy Reeh

GENERAL COUNSEL

Jeremy Jungreis

INDEPENDENT AUDITOR

TEAMAN, RAMIREZ & SMITH, INC.



Yuima Municipal Water District

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Board of Directors
Roland Simpson – President
Steve Wehr – Vice-President
Don Broomell – Secretary/ Treasurer
Laney Villalobos - Director
Bruce Knox – Director

Amy Reeh – General Manager

June 28, 2021

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 2021-22 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 1824 people live within the District.

YUIMA MUNICIPAL WATER DISTRICT

P.O. Box 177 • 34928 Valley Center Road • Pauma Valley, CA 92061
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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 9%. 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 purchase approximately 64% of its water from the San Diego County Water Authority (SDCWA or the "Authority"); the remaining 36% 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, 2021, 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 2021	General Manager and Finance Manager begin budget process discussions.
March 2021	Personnel Committee makes recommendations to use during budget development. Data Collection and calculations begin, and budget requests are received.
May 2021	First review of the budget by Board of Directors.
June 2021	Second review of the budget by Board of Directors.
June 2021	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 XIIB 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. For fiscal year 2021-22 it is projected that Yuima, district wide, will purchase approximately 4,155 acre-feet of water from our imported supplier, the San Diego County Water Authority (SDCWA), or 64.1% of our needs. The balance of 2,332.7 acre-feet, will come from local supplies. The District's fixed charges from the San Diego County Water Authority (SDCWA) are estimated to increase 11.2% for the fiscal year from \$902,413 to \$1,003,181. 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. Please see Exhibit A in the Appendix for a complete description of these charges.

Water delivered to certified agricultural (PSAWR) users is estimated to represent 51.0% of the District's total combined water projected to be sold in fiscal year 2021-22. However, this estimate is very conservative due to the mid-year transition from the Authority's TSAWR program to the PSAWR program. 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 will increase 3.5% from \$1,104 to \$1,143 per acre foot. The Capacity Charge Allocation (formerly known as the Capacity Reservation Charge) will be \$160,41 up from \$132,984 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 2021-22 will be at \$182,501, which is computed on a 10-year rolling average of M&I use. This represents an increase of \$25,756 for the year.

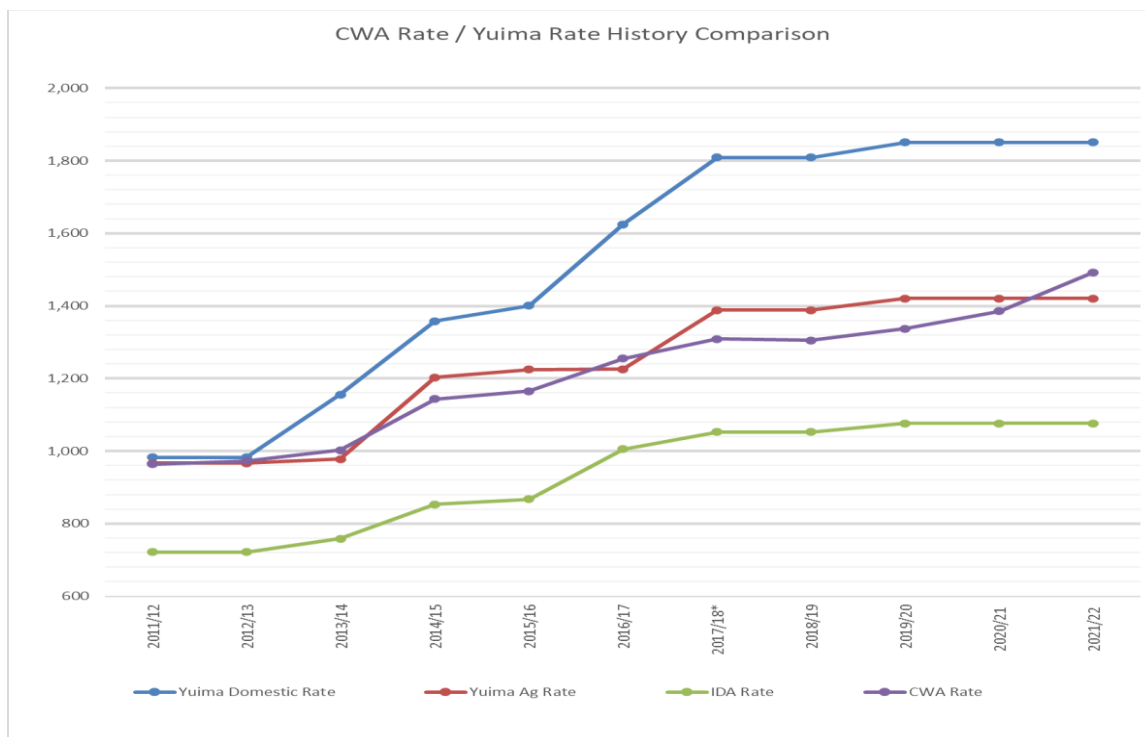
The SDCWA Customer Service Charge for 2022 is \$330,516 compared to \$308,388 representing an increase of \$22,128 and is computed on a 3-year rolling average of M&I and Ag deliveries.

The SDCWA Storage charge for calendar year 2022 is \$219,342 which reflects a 5.3% increase from the current years cost of \$208,272. 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 \$14,388 or 14.9% for a total charge of \$110,412.

Base Water Rate

Although the San Diego County Water Authority has proposed a 7.7% increase in the commodity rate to the District there is no proposed increase to the District's base water rate for the 2021-22 fiscal year. This is the second year that the District has been able to absorb the CWA rate increase without increasing our commodity rates. The base rate for Yuima General District Domestic customers is 4.2490 per unit. Yuima's Permanent Special Agricultural Water Rate (PSAWR) will remain at \$3.260 per unit or \$1,420.30 per acre foot. The rate for Improvement District-A customers will remain at \$2.4715 per unit or \$1076.59 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.



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 2021-22 water sales at 6,484.3 acre feet, representing an 0.37% increase in sales over the prior year. These projections also follow the District's 10-year

average. It is projected that the District will sell 4,326.3 acre feet in Yuima and 4,461.0 in IDA with 2,303 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 \$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 2021-22.

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 2021-22 fiscal year includes the elimination of one Water Systems Technician II position and the addition of a Water Quality Specialist position. Additionally, the committee recommends the hiring of an Operations Manager and a Finance and Administration Manager while eliminating the Accountant position in the Administrative office. The District currently has a total of seven full-time employee positions and one part-time position. The 2021-22 budget allows for the replacement of the higher paid Water Systems Technician II position with a Water Quality Specialist position. The District's total salary and benefit expense represents 12.7% 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 \$34,488. 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 2020-21 the district is projected to earn \$58,536 on its invested reserves. Of this amount, \$27,856 (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 1 % or less rate of return on invested funds for 2021-22 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 2021-22 as summarized below:

1. Adopt the proposed 2021-22 Operating and Capital budgets as presented or modified by the Board for implementation on July 1, 2021.
2. Approve renewal of the Water Service & Management Contracts as proposed.
3. Approve the Personnel Committee recommendations.

OPERATING FUND

2021/22 BUDGET

YUIMA MUNICIPAL WATER DISTRICT 2021/2022 BUDGET OVERVIEW

The **total combined budget** for 2021-22 reflects a balanced budget.

Total budgeted revenues for 2021-22 are \$11,174,398, which is \$762,992 or 7.3% 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.

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 52.3% of its estimated demand from local production. **Combined water sales** for the current year 2020-21 are projected at 6,926.7 acre-feet (AF). This is 7.2% higher than the budget of 6,460.6 AF. The increase in the actuals compared to budget demands is due to the decrease in rainfall during the fiscal year. However, to maintain budgeting continuity, water sales assumptions for 2021-22 are budgeted at 6,484.3 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 7.7% increase to the water commodity rate to the District for the 2021-22 fiscal year. The 2021-22 Proposed Budget for Yuima incorporates a 0% increase to the commodity rate, keeping current rates static through the fiscal year. The General District's Permanent 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 \$1,076.59 per acre foot.

The estimated **interest earnings** rate for the 2021-22 fiscal year of 0.6% 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 does not reflect any increase from the current year. Water Availability charges are budgeted at \$68,935; and is also a 0% change from the current year. There is no estimated increase in these numbers due to the continued impacts of Covid-19 and the County's expectation of reduced tax payment receipts. 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 \$11,761,160 which is 8.2%, or \$890,867 higher than the 2020-21 adopted budget of \$10,870,293.

The District as budgeted \$586,764 for new capital projects in the 2021-22 fiscal year, The District will continue updating the Facility Plan in the coming year which will also play a large part in the Strategic Planning that will begin in 2021-22.

The largest **water operating expense** to the District is the cost of water sold or the water service component. This expense is 70.3% of the total budgeted expenditures. This expense reflects a small decrease of .1% compared to the 2020-21 fiscal year. The percentage of General Administration costs reflects an increase of \$282,782 which is attributed to budgeting for the full Revenue Debt Coverage requirement for the Forebay Pump Station bond. Salaries and Benefits has decreased 8.7% or \$135,011. This decrease is due in large part to the elimination in higher paid positions and the reorganization of the office staff responsibilities to accommodate the elimination of one office staff position. Salary and Benefit expenditures represent only 12.7% 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.

Capital Projects in the General District for the 2021-22 Fiscal Year include the recoating of the interior and exterior of McNally Tank 2, the installation of solar at the Yuima headquarters. Improvement District A Capital Projects include the installation of a cover and bypass valve at Pump Station 4 and replacing the CL2 Analyzer building at Dunlap Tank.

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.

**2021/22 PROPOSED BUDGET
2020/21 9 MONTH ACTUAL + 3 MONTH PROJECTED TO 6/30/2021
2019/20 ACTUAL YEAR END TOTALS**

	-----COMBINED-----				-----GENERAL DISTRICT-----			-----IMPROVEMENT DISTRICT A-----		
	PROPOSED BUDGET 2021/2022	2020/21 BUDGET	2020/21 PROJECTED TO 06/30/21	2019/20 ACTUAL 06/30/20	PROPOSED BUDGET 2021/2022	2020/21 PROJECTED TO 06/30/21	2019/20 ACTUAL 06/30/20	PROPOSED BUDGET 2021/2022	2020/21 PROJECTED TO 06/30/21	2019/20 ACTUAL 06/30/20
OPERATING REVENUES *	6,484.3 ac. ft.	* 6,460.6 ac. ft.	* 6,926.7 ac. ft.	* 6,662.7 ac. ft.	4,326.3 ac. ft.	5,081.2 ac. ft.	4,830.3 ac. ft.	4,461.0 ac. ft.	4,602.6 ac. ft.	4,337.3 ac. ft.
Water Sales ¹	7,327,872	7,108,837	7,486,730	7,415,069	6,108,732	6,731,091	6,465,289	4,838,967	4,855,669	4,633,279
Water Services	5,200	(800)	(1,165)	19,931	5,200	(1,315)	19,931	-	150	-
Service Contracts	34,488	32,200	32,222	32,426	34,488	32,222	32,426	-	-	-
CWA/MET Fixed Costs	1,003,181	831,709	892,780	728,592	1,003,181	892,780	728,592	-	-	-
Meter Charges	796,414	787,126	784,863	776,251	325,701	324,647	320,799	470,713	460,215	455,453
Pump Zone Charges	1,429,250	1,365,471	1,508,383	1,442,662	447,654	523,011	510,425	981,596	985,372	932,237
Total Operating Revenues	10,596,405	10,124,543	10,703,811	10,414,933	7,924,956	8,502,436	8,077,465	6,291,276	6,301,406	6,020,969
OPERATING EXPENSES										
SOURCE OF SUPPLY:								* 2,303.0 ac. ft.	* 2,757.1 ac. ft.	* 2,504.9 ac. ft.
Purchased Water - SDCWA	5,262,162	4,968,563	6,093,743	5,506,739	5,262,160	6,093,743	5,506,739	3,619,827	4,100,030	3,683,499
Purchased Water - Local	16,400	16,400	177,148	20,602	16,400	177,148	20,602	-	-	-
CWA/MET Fixed Costs	1,003,181	831,709	902,399	741,084	1,003,181	902,399	741,084	-	-	-
Total	6,281,743	5,816,672	7,173,290	6,268,424	6,281,741	7,173,290	6,268,424	3,619,827	4,100,030	3,683,499
PUMPING:										
Salaries & Wages	25,392	21,882	23,966	27,607	2,085	66	753	23,307	23,900	26,854
Power	1,540,100	1,425,931	1,539,193	1,358,035	492,100	491,272	404,167	1,048,000	1,047,922	953,868
Maintenance	78,000	57,100	35,652	56,793	9,000	3,198	3,522	69,000	32,454	53,271
Total	1,643,492	1,504,914	1,598,811	1,442,435	503,185	494,536	408,443	1,140,307	1,104,275	1,033,993
WATER TREATMENT:										
Salaries & Wages	52,727	54,906	49,708	61,233	24,748	14,397	18,630	27,979	35,311	42,603
Supplies/Chlorine	35,000	44,095	39,242	33,337	2,300	2,305	3,236	32,700	36,937	30,100
Maintenance & Wtr. Testing	33,200	44,000	26,742	44,673	11,200	10,574	8,882	22,000	16,167	35,791
Power	3,200	5,250	2,935	3,726	2,700	2,636	3,149	500	300	578
Total	124,127	148,251	118,627	142,969	40,948	29,912	33,897	83,179	88,715	109,072
TRANSMISSION & DISTRIBUTION:										
Salaries & Wages	228,402	263,614	223,774	215,826	109,975	112,242	101,599	118,428	111,533	114,227
Materials & Supplies	4,200	6,000	3,564	4,998	3,200	3,204	4,853	1,000	360	144
Telemetry	7,200	1,000	7,331	3,824	3,000	3,064	3,823	4,200	4,267	-
Engineering	-	4,000	-	2,799	-	-	3,286	-	-	(487)
Maintenance	161,747	117,747	104,012	63,178	32,747	39,219	19,357	129,000	64,793	43,821
Signal Channel	1,500	8,000	1,186	5,277	1,200	1,088	2,786	300	98	2,490
Total	403,049	400,361	339,867	295,900	150,122	158,817	135,706	252,928	181,050	160,195

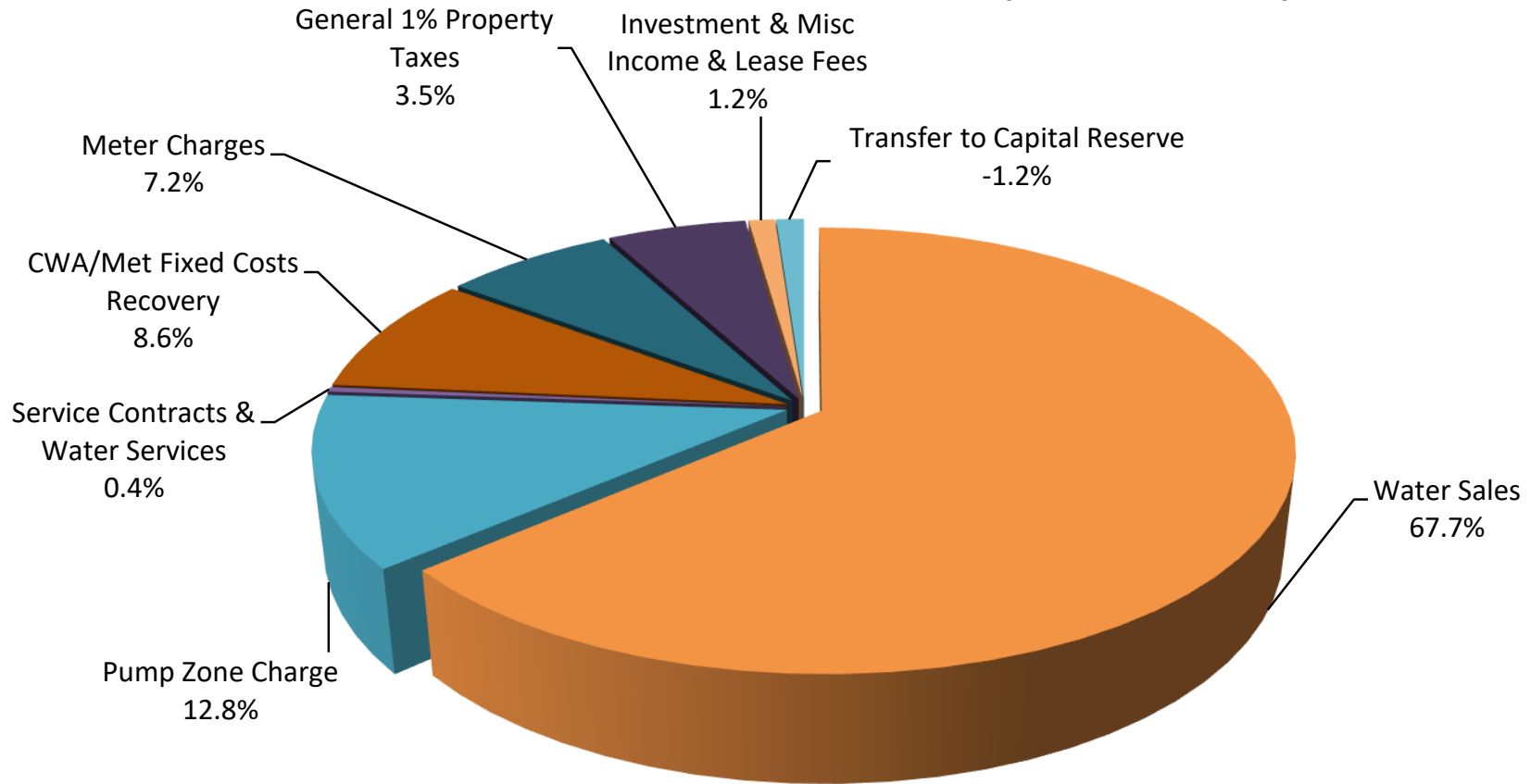
¹ Combined Water Sales figures have been reduced by the amount allocated for IDA purchased water to eliminate duplication of inter-district exchange.

**2021/22 PROPOSED BUDGET
2020/21 9 MONTH ACTUAL + 3 MONTH PROJECTED TO 6/30/2021
2019/20 ACTUAL YEAR END TOTALS**

	PROPOSED BUDGET 2021/2022	-----COMBINED-----			-----GENERAL DISTRICT-----			-----IMPROVEMENT DISTRICT A-----		
		2020/21 BUDGET	2020/21 PROJECTED TO 06/30/21	2019/20 ACTUAL 06/30/20	PROPOSED BUDGET 2021/2022	2020/21 PROJECTED TO 06/30/21	2019/20 ACTUAL 06/30/20	PROPOSED BUDGET 2021/2022	2020/21 PROJECTED TO 06/30/21	2019/20 ACTUAL 06/30/20
CUSTOMER EXPENSE:										
Salaries & Wages	97,174	44,762	66,362	65,346	48,587	30,563	28,470	48,587	35,799	36,876
Meter Repair & Maintenance	10,000	16,885	11,141	27,513	5,000	5,917	7,965	5,000	5,225	19,549
Total	107,174	61,647	77,503	92,857	53,587	36,480	36,433	53,587	41,023	56,425
GENERAL & ADMINISTRATIVE:										
Salaries & Wages	453,198	343,495	344,453	355,762	207,111	161,285	166,790	246,086	183,168	188,971
Benefits	474,045	756,026	746,136	687,805	216,493	332,245	288,925	257,551	413,891	398,880
Professional Services-SGMA	7,000	7,000	17,633	183,584	3,199	8,250	100,882	3,801	9,382	82,701
Legal Fees	55,000	55,000	70,077	87,063	25,135	31,980	39,347	29,865	38,097	47,715
Accounting/Audit Fees	16,500	15,500	18,485	2,225	7,541	8,671	1,046	8,960	9,814	1,179
Insurance	66,103	66,962	69,798	77,510	30,209	33,057	37,616	35,894	36,741	39,894
Auto Expense	23,500	20,850	35,745	29,188	10,740	16,934	12,223	12,761	18,811	16,966
Telephone Expense	14,215	10,350	11,468	11,558	6,496	5,413	4,704	7,719	6,054	6,855
Uniform Expense	3,510	7,810	2,407	3,433	1,604	1,136	1,091	1,906	1,271	2,343
Office Expense	15,265	14,265	23,343	26,447	6,976	10,994	10,958	8,289	12,349	15,489
Postage Expense	2,000	2,000	3,756	4,997	914	1,775	2,281	1,086	1,981	2,716
Computer Expense	29,710	31,010	49,125	32,708	13,577	22,998	14,882	16,133	26,127	17,827
License/Permits/LAFCO/Fees	16,600	12,750	20,908	18,962	7,586	8,288	6,816	9,014	12,620	12,146
Utilities	4,200	4,200	9,684	13,874	1,919	4,593	5,740	2,281	5,090	8,134
Medical Exams/Physicals	-	-	-	609	-	-	282	-	-	327
Manager Expense	500	1,000	1,720	6,117	229	789	2,891	272	931	3,226
115% Debt Service Reserve	540,725	263,340	-	-	323,333	-	-	217,392	-	-
Education/Training Expense	-	-	827	3,943	-	391	2,404	-	436	1,539
Membership Fees	16,000	16,000	16,035	16,542	7,312	7,504	7,578	8,688	8,531	8,963
Total	1,738,071	1,627,558	1,441,601	1,562,329	870,375	656,305	706,454	867,696	785,296	855,873
GENERAL PLANT:										
Salaries & Wages	79,631	60,893	75,061	73,116	36,391	38,545	29,359	43,239	36,516	43,758
Maintenance	13,500	8,000	30,933	25,890	6,170	12,455	4,729	7,331	18,478	21,162
Safety Programs/Equip.	1,500	1,500	4,618	1,049	686	2,040	386	815	2,578	664
Small Tools	1,200	1,200	1,653	6,342	548	779	3,422	652	874	2,921
Supplies	1,000	500	2,342	3,443	457	1,098	760	543	1,244	2,681
Radio Maintenance	550	550	455	485	251	214	230	299	240	255
Property Tax & Obsolete Inventory	850	850	877	353	500	619	353	350	258	-
Depreciation	778,514	778,514	778,514	554,760	393,514	393,514	183,114	385,000	385,000	371,646
Total	876,745	852,007	894,454	665,439	438,517	449,264	222,351	438,228	445,190	443,085
TOTAL OPERATING EXPENSE	11,174,398	10,411,410	11,644,153	10,470,353	8,338,473	8,998,603	7,811,709	6,455,752	6,745,579	6,342,145
OPERATING MARGIN	(577,993)	(286,867)	(940,342)	(55,421)	(413,517)	(496,168)	265,756	(164,476)	(444,173)	(321,175)

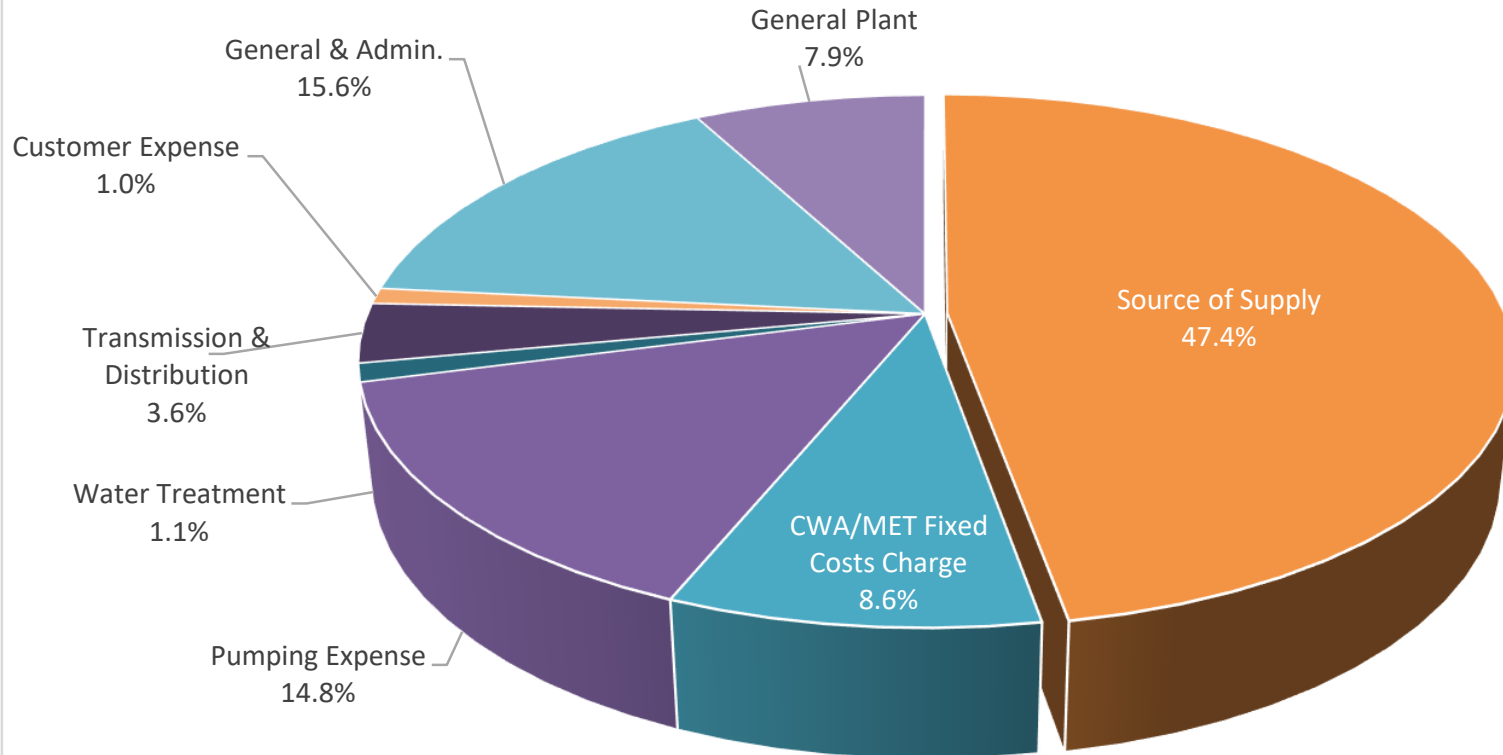
**BUDGET RECAP - SOURCE OF REVENUES
2018-2019**

BUDGET - SOURCE OF REVENUES (\$11.1 million)



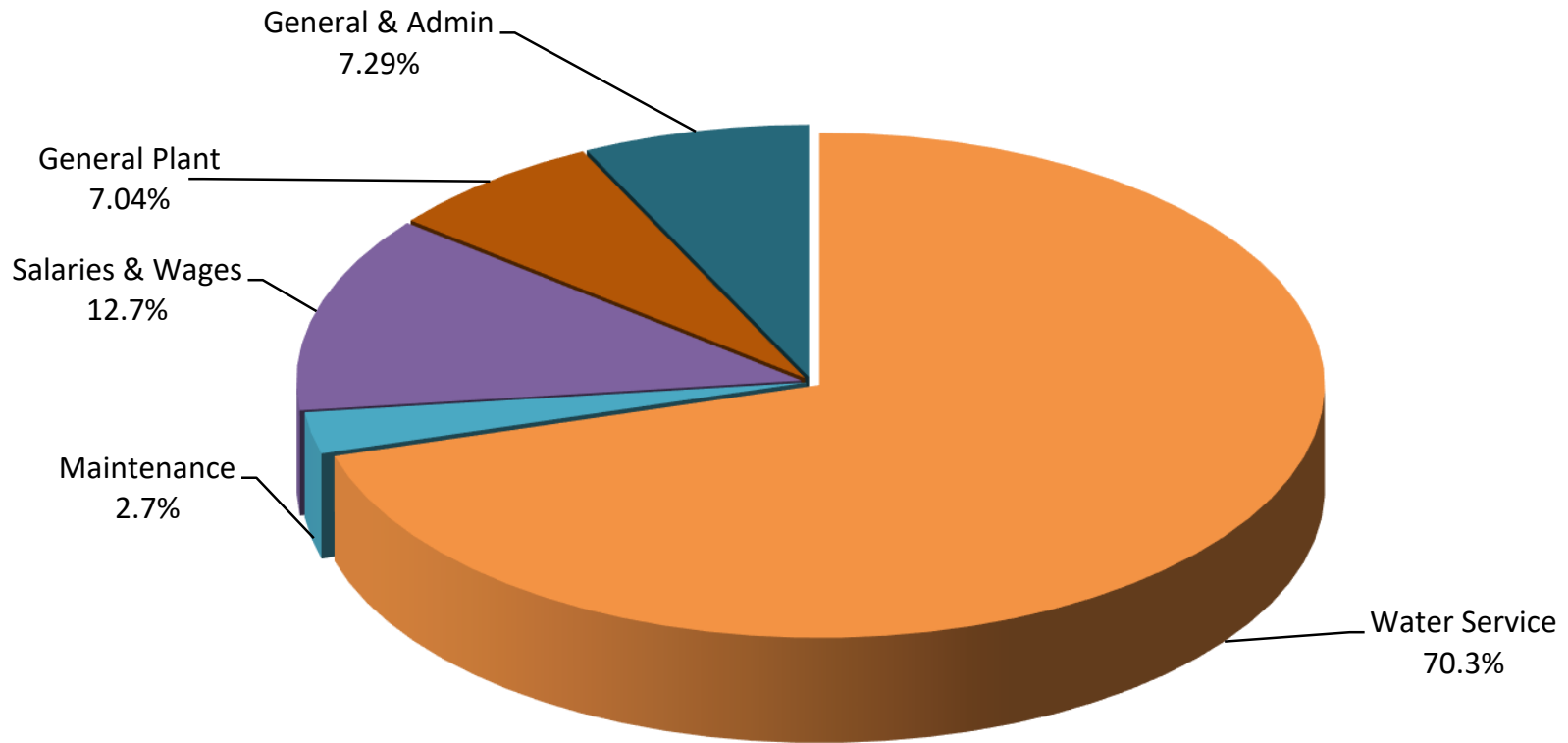
**BUDGET RECAP - EXPENDITURES BY BUDGET ELEMENTS
2019-2020**

MAJOR BUDGET ELEMENTS - EXPENDITURES (\$11.1 million)

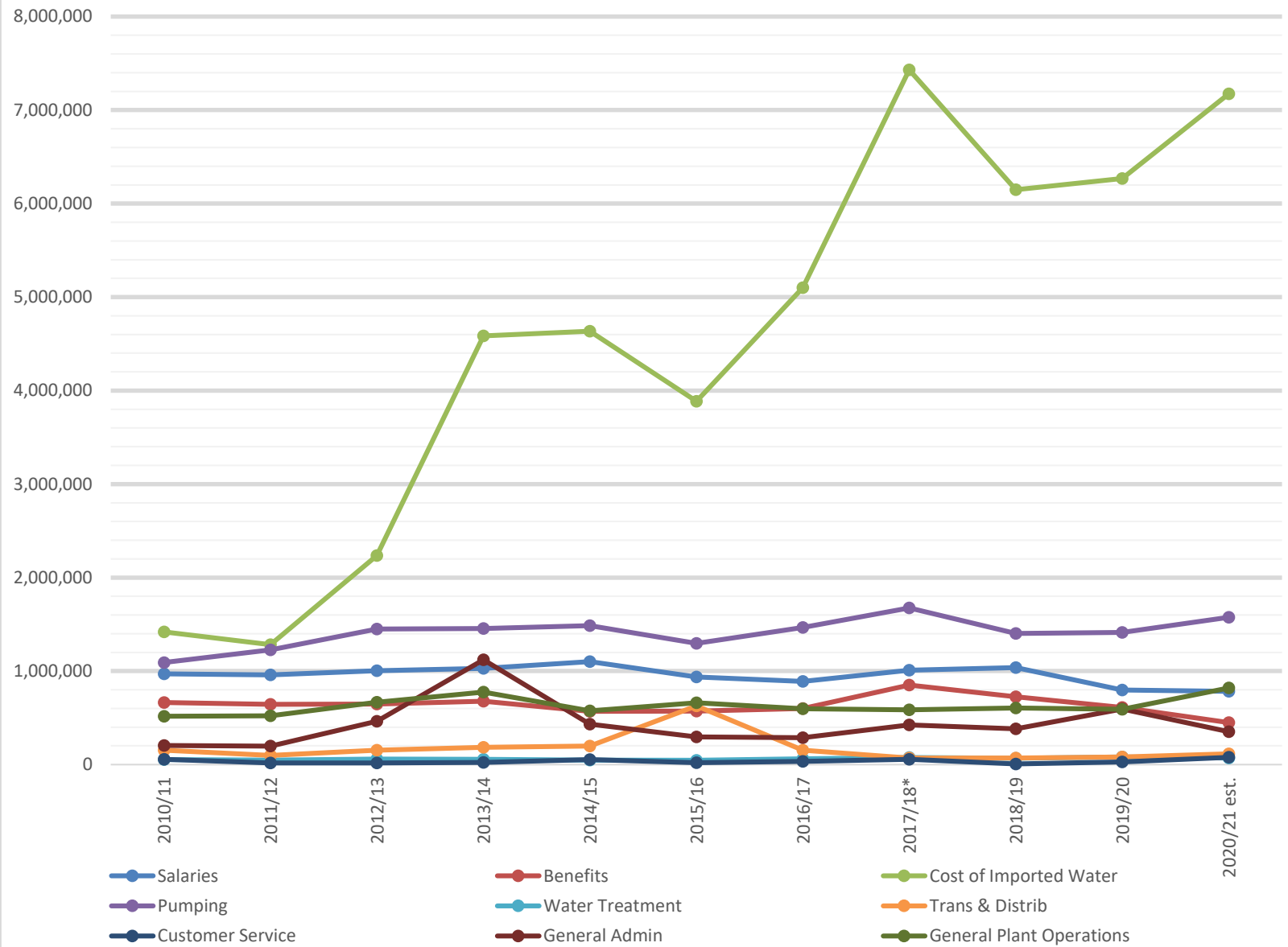


**BUDGET RECAP - EXPENSE BY MAJOR CATEGORY
2019-2020**

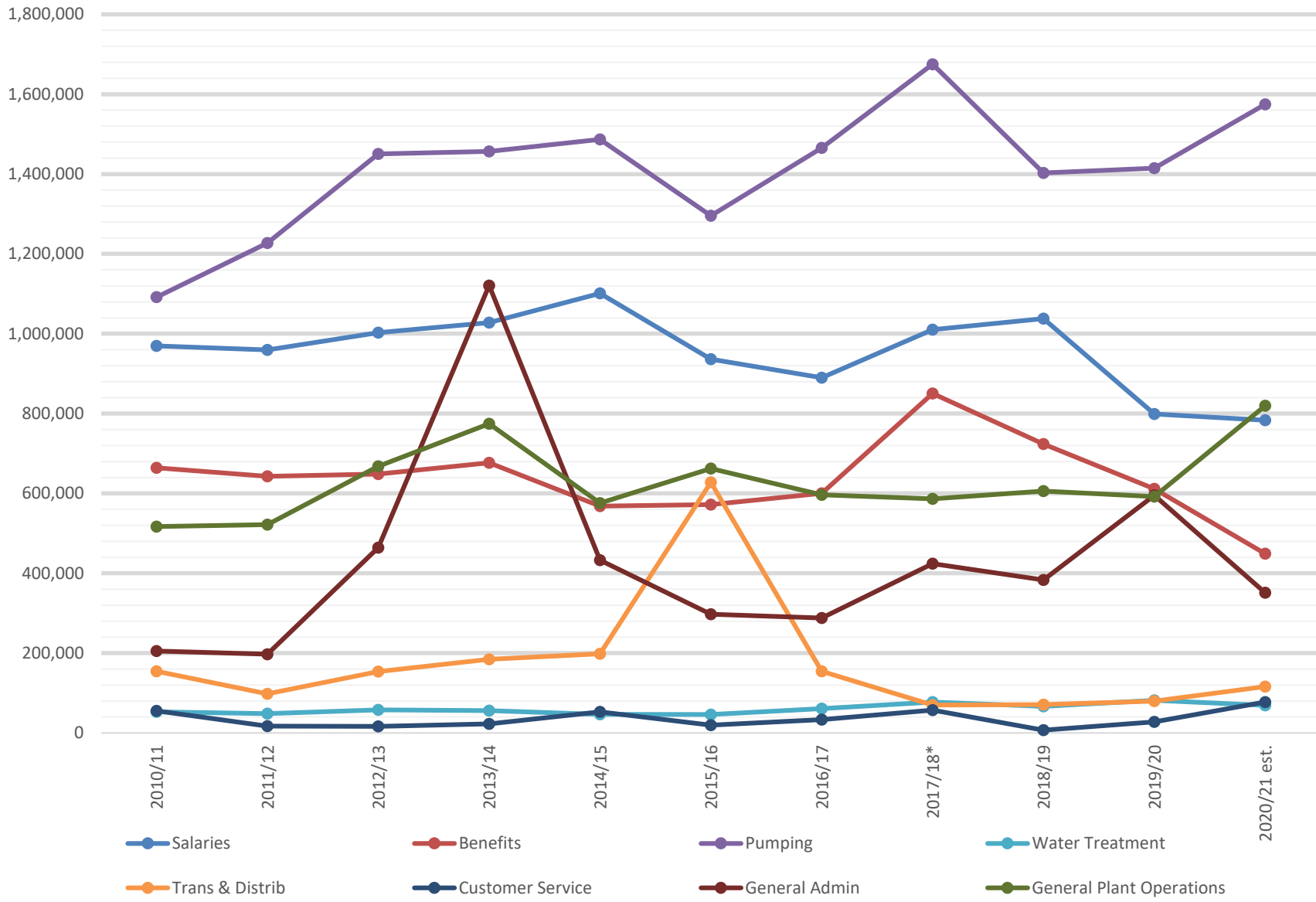
MAJOR BUDGET CATEGORIES - EXPENDITURES (\$11.1 million)



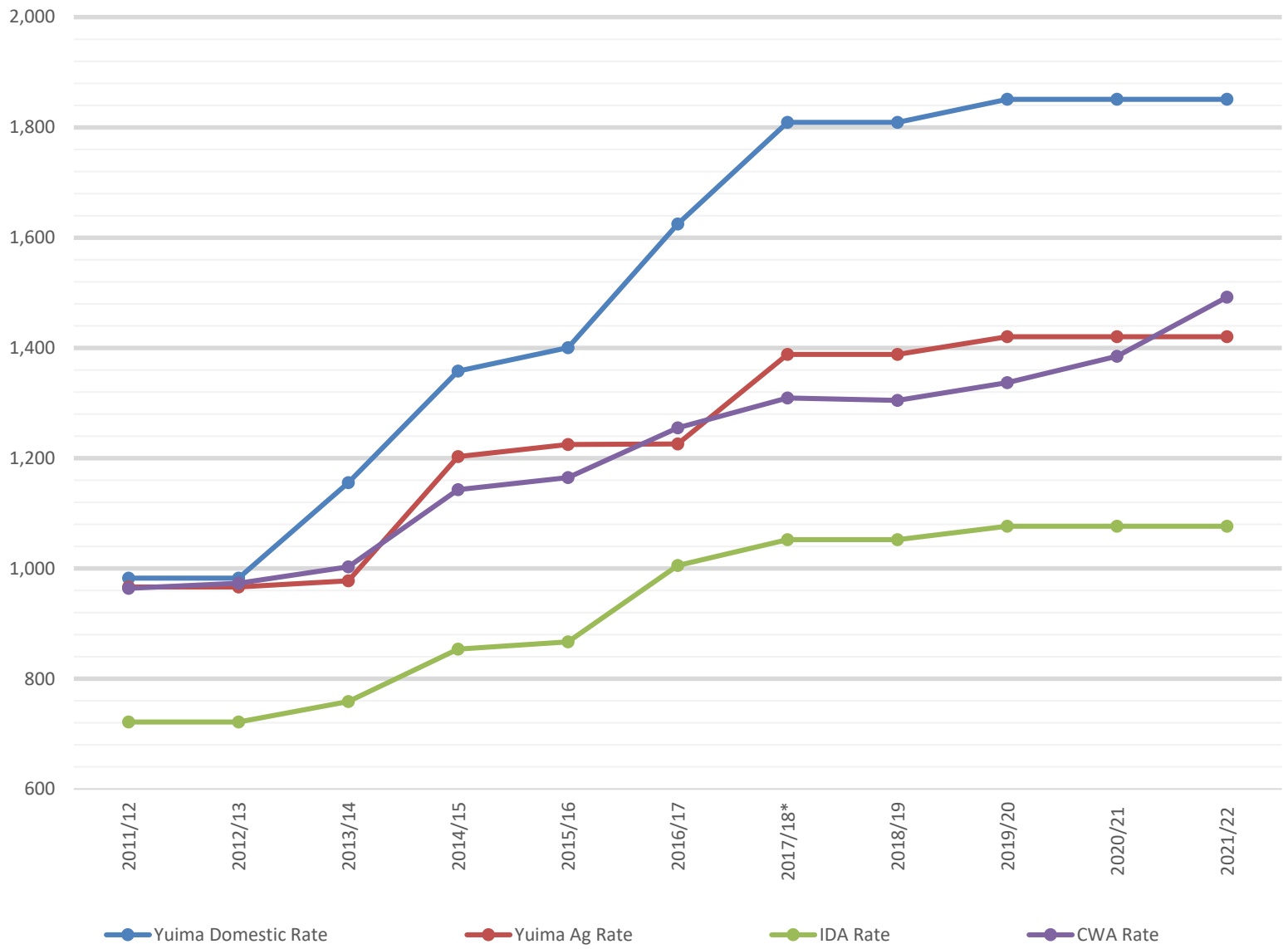
Historical Operating Costs



Historical Operating Costs - Excluding Cost of Imported Water



CWA Rate / Yuima Rate History Comparison



CAPITAL FUND

2021/22 BUDGET

**YUIMA MUNICIPAL WATER DISTRICT
2021-22 Proposed Capital Projects**

Job Number	Proposed 2021-22 Budget	Approved Project Est. Exp Carry Forward	Current Year Expenditures 6/30/2021	Prior Year Expenditures Forward	Percent Expended to Budget
General District Capital Projects					
McNally Tank 2 Interior and Exterior Recoating	\$ 450,000	\$ -		\$ -	0%
Headquarters Solar Project	\$ 97,000				
Total General District Capital Projects - Proposed 2020-21	\$547,000	\$ -	\$ -	\$ -	0%
IDA Capital Projects					
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	\$ 586,764	\$ -	\$ -	\$ -	
	\$586,764		\$0		

**YUIMA MUNICIPAL WATER DISTRICT
CAPITAL RESERVE FUND BALANCE
ESTIMATED 2021-22**

	COMBINED		GENERAL DISTRICT		IMPROVEMENT DIST. "A"	
	Estimated 2021/22	Projected 6/30/2021	Estimated 2021/22	Projected 6/30/2021	Estimated 2021/22	Projected 6/30/2021
Capital Reserve Balance @ 07/01/2021	\$ 1,761,085	1,095,195	\$ 1,634,367	\$ 1,352,091	\$ 126,718	\$ (256,896)
<u>ADDITIONS & TRANSFERS</u>						
(1) Met Standby Charge	107,730	103,172	78,751	75,316	28,979	27,856
Water Availability - District wide @ \$10/acre	68,935	68,935	42,975	42,975	25,960	25,960
100% of Investment Earnings	23,000	32,000	12,000	15,000	11,000	17,000
(2) Special Connection Fees & Meter Conn. Fees	-	-	-	-	-	-
Depreciation collected in operating budget	778,515	778,515	393,515	393,515	385,000	385,000
(3) Transfer Operations to Capital Budget	130,506	5,635,349	-	5,413,333	130,506	222,016
SDCWA One Time Funds Transfer from Operating				98,149		
<u>EXPENDITURES</u>						
(4) Debt Service 2020/21	(150,405)	(172,933)	(126,281)	(133,000)	(24,124)	(39,933)
WIP Capital Project Expenditures	-	-	-	-	-	-
APPROVED CAPITAL PROJECTS	(586,764)	(5,877,297)	(547,000)	(5,623,012)	(39,764)	(254,285)
CAPITAL RESERVE FUND BALANCE Projected @ 6/30/2022	\$ 2,132,602	\$ 1,761,085	\$ 1,488,327	\$ 1,634,367	\$ 644,275	\$ 126,718

The 2021/22 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.
Yuima Debt Service includes \$5 Million financing for Forebay Pumpstation for 20 years @2.66% and IDA Debt service 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