

WALNUT VALLEY WATER DISTRICT
271 South Brea Canyon Road
Walnut, California 91789

SPECIAL BOARD MEETING
THURSDAY, MAY 24, 2018 – 4:00 P.M.
AGENDA

NOTE: To comply with the Americans with Disabilities Act, if you need special assistance to participate in any Board meeting, please contact the General Manager's office at least 4 hours prior to a Board meeting to inform the District of your needs and to determine if accommodation is feasible.

Each item on the agenda shall be deemed to include any appropriate motion, resolution, or ordinance, to take action on any item.

Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review during regular business hours at the District office, located at 271 S. Brea Canyon Road, Walnut, California.

1. Flag Salute
2. Roll Call: Mr. Ebenkamp_____ Mr. Hilden_____ Ms. Kwong_____ Ms. Lee_____ Dr. Wu_____
3. Public Comment President Ebenkamp
The Presiding Officer may impose reasonable limitations on public comments to assure an orderly and timely meeting.
 - A. **Agenda Items** - Any person desiring to address the Board of Directors on any Agenda item may do so at the time the item is considered on the Agenda by requesting the privilege of doing so at this time and stating the Agenda item to be addressed. At the time the item is discussed, those requesting to speak will be called to do so.
 - B. **Non-Agenda Items** - At this time the public shall have an opportunity to comment on any non-agenda item relevant to the jurisdiction of the District. Reasonable time limits on each topic and on each speaker are imposed in accordance with Board policy.
4. Review and Discussion of Fiscal Year 2018-19 Budget
 - A. Operating Budget
 - (1) Expenses
 - (2) Revenues
 - (3) Reserve Funding
 - B. District Chart of Positions
 - C. District Organization Chart
 - D. Employee Salary Ranges
 - E. Capital Investment Program Budget
 - (1) Discussion
 - (2) Action Taken
5. Legal Report
6. Public Comment on Closed Session
7. Adjourn to Closed Session
8. Closed Session
 - A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION [§54956.9(d)(4)]
Initiation of Litigation – Two Potential Cases
9. Reconvene in Open Session
 - A. Report of Action, if any, Taken in Closed Session

Adjournment

WVWD – Staff Report



TO: Board of Directors
FROM: General Manager
DATE: May 24, 2018
SUBJECT: Fiscal Year 2018-19 Budget Workshop II

Action/Discussion Fiscal Impact Resolution Information Only

Recommendation

That the Board of Directors review the Proposed FY 2018-19 Budget.

Background Information

The annual budget provides a means that allows the Board to review the ongoing and future objectives of the District and allocate funding based on available resources. The District's priorities and objectives through the proposed expenditures and anticipated revenues are developed prior to the fiscal year. The format will be similar to past budgets in the scope of detail and transparency.

A. Staff's preparation of the budget is guided by:

- *Are the expenses reasonable and consistent with District policies, initiatives, industry standards, customer expectations, and Board of Director's priorities?*
- *Will the existing and proposed infrastructure investments provide current and future benefit to our customers and utilize our existing funds wisely?*
- *Does the proposed budget remain committed to seeking efficiencies wherever feasible?*
- *Does the proposed budget reflect the District's ongoing commitment to water conservation?*

B. Additionally,

- The District's proposed FY 2018-19 budget will continue funding our core mission of providing a high quality and reliable water supply with a continued emphasis on a high level of customer service.
- The District's internal cost-controls are evident as we continue our long-term efforts to maintain efficiencies in all areas.
- The District's budgeted revenues include the proposed increases approved in the District's proposition 218 notice (effective January 2019).
- Over the course of the past several years the District has made a significant investment in alternative water supply projects. The FY 2018-19 budget includes 1,500 acre-feet of water from the PBWA Cal Domestic project.

At the workshop, staff will continue the discussion on the FY 2018-19 Budget consisting of:

1. Major Expense Categories

- Purchased Water TVMWD's rates and charges
- TVMWD's assessments
- Walnut Valley Water District's Personnel Costs
- Walnut Valley Water District's Operations and Maintenance Costs
- Debt Service

2. Revenue Summary

- Potable Water Sales
- Recycled Water Sales
- Other/Non-Operating Revenues

3. FY 2018-19 Capital Investment Program

Attachments:

- Budget Summary
- Expenses by Cost Category
- Water Supply
- Personnel Budget Summary
- Revenues
- Chart of Positions
- Organizational Chart for FY 2018-19
- Salary Ranges
- CIP Budget

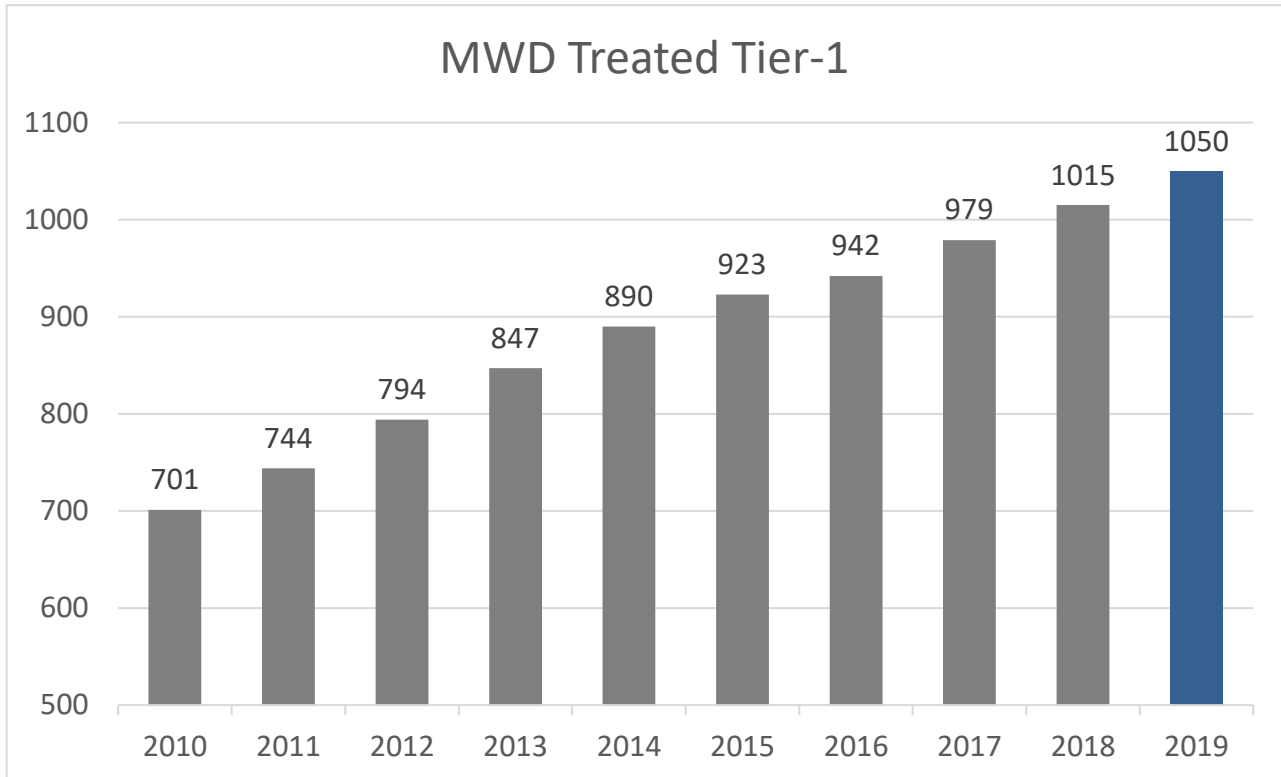
Board Budget Schedule:

Date	Item
January to April 2018	• Staff preparation of DRAFT Budget
April 19, 2018 Budget Workshop I	<ul style="list-style-type: none"> • <u>Overview of the District's DRAFT FY 2018-19 Budget</u> <i>Major Expenses</i> <i>Revenues</i> • Review and discussion of MWD/TVMWD's rates and charges
May 24, 2018 Budget Workshop II	<ul style="list-style-type: none"> • <u>Review of the District's DRAFT FY 2018-19</u> <i>Budget Expenses</i> <i>Revenues</i> <i>Review and Discussion of MWD/ TVMWD Rates and Charges</i> • <u>Capital Investment Program Budget</u>
Adoption of Final Budget (by June 30, 2018)	

FY 2018-19 Overview

- **MWD's Rate Increase:** 3.4% (effective January 2019). Given the necessity that the District is almost 100% dependent on an imported supply for our potable water, rate increases have a significant impact on costs.

For FY 2018-19, we project that 57.9% of the District's budgeted operating expenses (excluding long-term debt) are related to water purchased from the Metropolitan Water District (MWD), Three Valleys Municipal Water District (TVMWD), and Puente Basin Water Agency.



- **Cost-control Efforts: FY 2018-19**
 - Staff continues to advocate for long-term cost-efficiencies and a more predictable financial planning horizon from MWD and TVMWD (i.e., rates).
 - Attempt to hold District-controlled costs as "flat as possible." Our internal costs are projected to increase 2.1%, or \$291,360 over FY 2017-18 (excludes long-term debt). This increase is primarily due to one-time costs such as election expenses, outreach master plan, conservation master plan, and website redesign.
 - Development of various water resource projects.
- **Revenue**
 - Operating revenues are estimated at \$36,701,367
 - Non-operating and other revenues are estimated at \$1,866,010
 - Budgeted amounts include the projected rate increase, as approved in the District's proposition 218 notice, effective January 2019.

Major Expense Categories

A. Estimated Purchased Water from MWD/TVMWD

- Potable water purchases are estimated at 17,671 acre-feet for FY 2018-19 (a reduction of approximately 15% as compared to the 2013 baseline year).
- The estimated cost for purchased water is \$18,301,581

FY 14-15 Actual	FY 15-16 Actual	FY 16-17 Actual	FY 17-18 Projected	FY 18-19 Budget
18,666	15,905	17,197	18,613	17,671

*Excludes wholesale water sales

B. MWD/TVMWD Rates:

Item	2015	2016	2017	2018	2019
Tier 1 Supply Rate	\$158	\$156	\$201	\$209	\$209
System Access Rate	257	259	289	299	326
Water Stewardship	41	41	52	55	69
System Power Rate	<u>126</u>	<u>138</u>	<u>124</u>	<u>132</u>	<u>127</u>
<i>Tier 1 Untreated Water</i>	<i>582</i>	<i>594</i>	<i>666</i>	<i>695</i>	<i>731</i>
MWD' Treatment Cost	341	348	313	320	319
TVMWD' Surcharge	<24>	<24>	8	<5>	<10>
Totals	\$899	\$918	\$987	\$1,010	\$1,040

C. MWD/TVMWD Assessments

- MWD's "pass-through" Capacity Charge: This assessment is levied by MWD based on TVMWD's combined highest peak water use during the previous three completed fiscal years.
 - The total charge for the CY 2019 is \$376,805, a decrease of \$30,373, or 7.5% from 2018.
 - FY 2018-19 is budgeted to be \$391,991 (6 months of 2018 and 6 months 2019).
- TVMWD's Fixed Charges: TVMWD 's long standing practice is to collect revenues consisting of a three-part billing structure which includes charges for (1) *historical water use*, (2) *connected capacity*, and (3) *equivalent small meters*. The fixed charges are levied regardless of the amount of water sales.
 - The total charge for CY 2019 is \$187,342, an increase of \$6,854 or 3.8% from prior year.
 - Actual FY 2018-19 budget is estimated to be \$183,915 (6 months of 2018 and 6 months 2019).

TVMWD 'Fixed' Charges	2017	2018	2019
Total TVMWD Fixed Charges	\$613,094	\$650,482	\$681,321
WVWD's Obligation	\$177,036	\$180,488	\$187,342
District's percentage of TVMWD's total assessment	28.9%	28.2%	27.5%

D. Personnel Costs

Proposed salaries, benefits, and employer costs for FY 2018-19 will decrease \$139,253, or 1.6%, when compared to FY 2018-19.

- For 2018, a COLA of 2.0% (less the buy-back of 1%) was included in the projected FY 2018-19 District budget.
- Medical and dental premiums are estimated to increase 12% and 1% respectively, effective January 2019. The actual cost increases will be less due to the established medical cap on the cost of health benefits provided to employees.
- Attached for reference are the Proposed 2018-19 Organizational Chart, Chart of Positions and Salary Ranges.

E. Debt Service

- In March 2013, the District issued approximately \$20 million in revenue bonds to fund various capital projects. The annual debt service for FY 2018-19 is \$1,232,750. As part of the bond covenants the District must collect net revenues equal to at least 125% of the annual debt service.
- Based on the FY 2017-18 Budget Summary, the calculated coverage is 400% based on net revenues, excluding debt service, of \$4,925,786.

F. Capital Investment Program

- Current and past Boards have made it a priority to ensure that the District's infrastructure is well-maintained on an ongoing basis. Such proactive maintenance and repair of the infrastructure ensures that key systems are operating at peak levels, promotes safety in terms of necessary infrastructure, and ensures continuity of service to our customers.
- The CIP Budget for FY 2018-19 includes replacement/refurbishment projects for existing facilities, as well as for the acquisition and construction of new equipment and facilities.
- These projects are financed through the Replacement Fund, Capital Fund, and Restricted Reserves.

WALNUT VALLEY WATER DISTRICT
BUDGET SUMMARY
 FY 2018-19 BUDGET

Department	G/L Classification	2015-16 Budget	2015-16 Actual	2016-17 Budget	2016-17 Actual	2017-18 Budget	2017-18 Projected	2017-18 % Budget	2018-19 Budget	Increase (Decrease)
<u>REVENUES:</u>										
Water Sales - General	4100's	\$28,214,643	\$28,630,164	\$29,643,574	\$30,763,723	\$33,185,712	\$33,819,288	101.91%	\$34,028,088	\$842,376
Water Sales - Wholesale	4100's	0	2,987,014	0	1,717,089	0	934,291	0.00%	0	0
Water Sales - Recycled	4100's	1,501,497	1,497,329	1,581,549	1,609,661	1,693,664	1,892,931	111.77%	1,818,279	124,615
Standby By Charges	4400-4955	825,000	820,221	825,000	815,290	825,000	825,000	0.00%	825,000	0
Hydro Electric Sales	4200's	30,000	(10,000)	30,000	10,534	11,000	20,000	181.82%	30,000	19,000
SUBTOTAL OPERATING REVENUES	See Revenues Schedule	30,571,140	33,924,728	32,080,123	34,916,296	35,715,376	37,491,510	104.97%	36,701,367	985,991
Other Revenues	4300's	303,800	426,856	303,800	822,351	298,250	466,740	156.49%	301,600	3,350
Non-Operating Revenues	4400's	1,307,500	2,567,509	1,382,500	1,638,083	1,492,500	1,627,209	109.03%	1,564,410	71,910
TOTAL REVENUES		32,182,440	36,919,093	33,766,423	37,376,731	37,506,126	39,585,459	105.54%	38,567,377	1,061,251
<u>EXPENSES:</u>										
Operations	52XX	5,120,041	4,798,937	5,112,259	5,143,913	5,346,570	5,186,914	97.01%	5,615,268	268,698
Engineering	53XX	996,997	877,630	982,495	857,627	922,669	904,745	98.06%	1,116,728	194,059
Finance	54XX	2,442,488	2,291,593	2,530,116	2,399,492	2,589,914	2,238,698	86.44%	2,282,140	(307,774)
GM/Governance	55XX	1,351,945	1,150,020	1,256,606	1,236,660	1,478,847	1,201,218	81.23%	1,255,995	(222,852)
Administrative Services	56XX	2,182,092	1,954,816	2,429,796	2,121,319	2,507,792	2,292,681	91.42%	2,752,103	244,311
General and Administrative	57XX	929,009	873,919	942,888	893,432	1,021,402	1,019,381	99.80%	1,136,320	114,918
SUBTOTAL OPERATING EXPENSES		13,022,572	11,946,914	13,254,160	12,652,443	13,867,194	12,843,637	92.62%	14,158,554	291,360

WALNUT VALLEY WATER DISTRICT
BUDGET SUMMARY
 FY 2018-19 BUDGET

Department	G/L Classification	2015-16 Budget	2015-16 Actual	2016-17 Budget	2016-17 Actual	2017-18 Budget	2017-18 Projected	2017-18 % Budget	2018-19 Budget	Increase (Decrease)
Water Supply & Related Costs	See Water Supply Schedule	15,514,316	18,524,385	16,125,642	19,224,468	18,845,757	20,701,097	109.84%	19,483,037	637,280
SUBTOTAL OPERATING & WATER		28,536,888	30,471,299	29,379,802	31,876,911	32,712,951	33,544,734	102.54%	33,641,591	928,640
Long Term Debt	6900's	1,234,350	1,234,350	1,232,750	1,232,750	1,230,550	1,230,550	100.00%	1,232,750	2,200
TOTAL OPERATING, WATER, LT DEBT		29,771,238	31,705,649	30,612,552	33,109,661	33,943,501	34,775,284	102.45%	34,874,341	930,840
OPERATING SURPLUS (DEFICIT)		\$2,411,202	\$5,213,444	\$3,153,871	\$4,267,070	\$3,562,625	\$4,810,175	135.02%	\$3,693,036	\$130,411
Stored Water									790,500	
Employee Liability									(350,000)	
RESERVE FUNDING PROGRAM									\$4,133,536	

Actual and Budget amounts do not reflect non cash items such as amortization of bond issuance costs and PERS. Additionally, capital contributions and revenues related to the restricted funds have also been excluded.

WALNUT VALLEY WATER DISTRICT
EXPENSES BY COST CATEGORY
FY 2018-19 BUDGET

Description	G/L Classification	2015-16 Budget	2015-16 Actual	2016-17 Budget	2016-17 Actual	2017-18 Budget	2017-18 Projected	2017-18 % Budget	2018-19 Budget	Increase (Decrease)
Wages & Benefits	See Personnel Schedule	\$8,616,404	\$8,072,430	\$8,772,439	\$8,532,133	\$9,012,927	\$8,172,137	91%	\$8,873,674	\$ (139,253)
Utilities	5400's	917,000	923,531	1,070,000	929,806	1,004,700	1,051,805	105%	1,054,700	50,000
Vehicle Expenses	5500's	166,000	136,179	160,125	129,667	141,900	149,300	105%	182,800	40,900
Human Resource Expenses	5600's	473,461	440,990	465,500	477,531	553,200	559,200	101%	641,200	88,000
Professional Development	5700's	164,672	110,063	151,588	117,982	162,543	128,090	79%	184,515	21,972
Safety	5800's	49,220	42,079	54,500	47,810	61,700	60,500	98%	67,200	5,500
Professional Services	6100's	518,243	430,021	468,758	356,858	525,499	512,434	98%	560,700	35,201
Insurance	6200's	162,000	163,277	173,000	174,558	177,500	184,525	104%	192,370	14,870
Outside Services	6300's	914,425	773,949	1,026,725	922,784	1,267,100	1,006,780	79%	1,281,170	14,070
Materials & Supplies	6400's	831,420	785,963	820,000	842,768	831,725	901,053	108%	931,525	99,800

**WALNUT VALLEY WATER DISTRICT
EXPENSES BY COST CATEGORY
FY 2018-19 BUDGET**

Description	G/L Classification	2015-16 Budget	2015-16 Actual	2016-17 Budget	2016-17 Actual	2017-18 Budget	2017-18 Projected	2017-18 % Budget	2018-19 Budget	Increase (Decrease)
Equipment Lease	6500's	16,278	14,581	16,350	13,016	12,150	15,811	130%	15,850	3,700
Other Agency Costs	6600's	182,950	53,415	64,675	103,042	105,250	98,321	93%	162,350	57,100
Collection Expense	6700's	10,500	32	10,500	3,649	10,500	3,681	35%	10,500	0
Miscellaneous	6800's	0	404	0	840	500	0	0%	0	(500)
TOTAL OPERATING		13,022,572	11,946,914	13,254,160	12,652,443	13,867,194	12,843,637	93%	14,158,554	291,360
Water Supply and Related	See Water Supply Schedule	15,514,316	18,524,385	16,125,642	19,224,468	18,845,757	20,701,097	110%	19,483,037	637,280
Long Term Debt		1,234,350	1,234,350	1,232,750	1,232,750	1,230,550	1,230,550	100%	1,232,750	2,200
TOTAL EXPENSES		\$ 29,771,238	\$ 31,705,649	\$ 30,612,552	\$ 33,109,661	\$ 33,943,501	\$ 34,775,284	102%	\$34,874,341	\$930,840

WALNUT VALLEY WATER DISTRICT
WATER SUPPLY (5100)
FY 2018-19 BUDGET DETAIL

Account Number	Description	2015-16 Budget	2015-16 Actual	2016-17 Budget	2016-17 Actual	2017-18 Budget	2017-18 YTD Actual	2017-18 Projected	2018-19 Budget	Increase (Decrease)
10-5100-5110	Water Supply - Purchased Water	\$12,906,617	\$17,630,116	\$13,051,503	\$17,909,817	\$17,191,125	\$13,991,364	\$18,708,324	\$16,662,918	(\$528,207)
	Purchased Water - LHHCWD	383,410	123,507	209,310	317,986	0	0	0	0	0
	Purchased Water - CDWC	1,288,738	0	1,850,679	0	373,016	325,093	723,540	1,755,140	1,382,124
10-5100-5120	Water Supply - TVMWD Surcharges	(332,588)	(454,408)	(125,280)	(194,767)	36,040	72,278	45,100	(116,477)	(152,517)
10-5100-5125	Water Supply - TVMWD Connected Capacity Charges	64,006	64,006	62,731	62,731	60,586	45,570	60,586	61,486	900
10-5100-5130	Water Supply - TVMWD Equiv. Small Meter Charge	39,774	39,774	38,732	38,733	38,504	28,667	38,500	40,510	2,006
10-5100-5135	Water Supply - TVMWD Water Use Charges	84,112	83,033	81,608	79,547	78,682	58,385	78,700	81,919	3,237
10-5100-5140	Water Supply - PWR Surcharge	19,900	19,836	19,900	19,836	19,900	14,877	19,800	19,900	0
10-5100-5145	Water Supply - MWD Capacity Reserv. Charges	687,102	687,102	571,325	600,585	466,354	359,978	464,271	391,991	(74,363)

WALNUT VALLEY WATER DISTRICT
WATER SUPPLY (5100)
FY 2018-19 BUDGET DETAIL

Account Number	Description	2015-16 Budget	2015-16 Actual	2016-17 Budget	2016-17 Actual	2017-18 Budget	2017-18 YTD Actual	2017-18 Projected	2018-19 Budget	Increase (Decrease)
10-5100-5150	Water Supply - Purchased Water - LACSD	131,800	143,364	148,934	182,366	176,680	113,522	176,260	176,680	0
10-5100-5155	Water Supply - Purchased Water - WVWD	1,500	2,285	1,500	4,981	1,500	0	0	1,500	0
10-5100-5170	LACSD Capacity Charge	70,000	71,335	73,000	74,483	73,000	0	73,000	73,000	0
10-5100-6620	PWR Budget Assessment	28,000	35,128	28,000	36,896	206,736	140,172	186,900	183,550	(23,186)
10-5100-6625	Puente Basin Water Agency	128,550	79,307	100,000	77,597	111,750	71,111	111,750	139,020	27,270
10-5100-6630	Puente Basin Watermaster	13,395	0	13,700	13,677	11,884	10,774	14,366	11,900	16
	TOTAL	\$15,514,316	\$18,524,385	\$16,125,642	\$19,224,468	\$18,845,757	\$15,231,792	\$20,701,097	\$19,483,037	\$637,280

WALNUT VALLEY WATER DISTRICT
FY 2018-19 PERSONNEL BUDGET SUMMARY

Description	2013-14 Budget	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	Increase (Decrease)	% Increase (Decrease)
Wages	\$ 4,657,541	\$ 4,933,831	\$ 5,181,550	\$ 5,391,623	\$ 5,506,492	\$ 5,417,399	\$ (89,093)	-1.62%
Certification Pay	68,900	69,900	69,900	44,450	45,350	44,900	(450)	-0.99%
Medical & Other Insurance Premiums	1,055,945	1,148,247	1,155,520	1,162,572	1,175,513	1,174,577	(936)	-0.08%
PERS Employee	363,468	204,636	97,800	0	0	0	0	0.00%
PERS Employer	724,440	823,716	1,045,896	1,103,232	1,175,783	1,219,776	43,993	3.74%
Other	450,786	425,762	443,610	432,095	446,086	457,146	11,060	2.48%
Total Annual Benefits	2,663,539	2,672,261	2,812,726	2,742,349	2,842,732	2,896,399	53,667	1.89%
Employer Taxes & Insurance	522,265	587,774	622,128	638,467	663,703	559,876	(103,827)	-15.64%
Total Annual Benefits & Employer Costs	3,185,804	3,260,035	3,434,854	3,380,816	3,506,435	3,456,275	(50,160)	-1.43%
Total Annual Wages, Benefits & Employer Costs	\$ 7,843,345	\$ 8,193,866	\$ 8,616,404	\$ 8,772,439	\$ 9,012,927	\$ 8,873,674	\$ (139,253)	-1.55%

WALNUT VALLEY WATER DISTRICT
REVENUES (4XXX)
FY 2018-19 BUDGET SUMMARY

Description	G/L Classification	2015-16	2015-16	2016-17	2016-17	2017-18	2017-18	2017-18	2017-18	2018-19	Increase (Decrease)
		Budget	Actual	Budget	Actual	Budget	YTD Actual	Projected	% Budget	Budget	
Operating Revenues	4100's 4400-4955	\$30,541,140	\$33,934,728	\$32,050,123	\$34,905,763	\$35,704,376	\$28,208,260	\$37,471,510	105%	\$36,671,367	966,991
Hydroelectric Sales	4200's	30,000	(10,000)	30,000	10,534	11,000	14,096	20,000	182%	30,000	19,000
TOTAL OPERATING REVENUES		30,571,140	33,924,728	32,080,123	34,916,296	35,715,376	28,222,356	37,491,510	105%	36,701,367	985,991
Other Revenues	4300's	303,800	426,856	303,800	822,351	298,250	402,380	466,740	156%	301,600	3,350
Non-Operating Revenues	4400's	1,307,500	2,567,509	1,382,500	1,638,083	1,492,500	1,101,739	1,627,209	109%	1,564,410	71,910
TOTAL OTHER/NON-OPERATING REVENUES		1,611,300	2,994,365	1,686,300	2,460,434	1,790,750	1,504,119	2,093,949	117%	1,866,010	75,260
TOTAL REVENUES		\$32,182,440	\$36,919,093	\$33,766,423	\$37,376,731	\$37,506,126	\$29,726,475	\$39,585,459	106%	\$38,567,377	1,061,251

WALNUT VALLEY WATER DISTRICT
OPERATING REVENUES (4100)
FY 2018-19 BUDGET DETAIL

Account Number	Description	2015-16 Budget	2015-16 Actual	2016-17 Budget	2016-17 Actual	2017-18 Budget	2017-18 YTD Actual	2017-18 Projected	2018-19 Budget	Increase (Decrease)
10-4100-41XX	Base Rate - General	\$7,055,650	\$7,094,212	\$7,336,867	\$7,285,380	\$7,492,502	\$5,584,860	\$7,491,262	\$7,717,130	\$224,628
10-4100-42XX	Commodity - General	19,181,608	19,480,266	20,160,997	21,547,545	24,171,621	18,469,718	24,745,946	24,741,908	570,287
10-4100-4235	Commodity - Badillo Grand	0	2,987,014	0	1,717,089	0	934,291	934,291	0	0
10-4100-425X	Pump Zone Charges	804,762	797,990	825,499	869,345	975,088	759,725	1,010,760	1,000,110	25,022
10-4100-439X	Drought Rate Surcharges	634,123	730,022	770,300	515,085	0	0	0	0	0
10-4100-43XX	Other Fees - General	538,500	527,674	549,911	546,368	546,501	470,124	571,320	568,940	22,439
10-4100-44XX	Base Rate - Recycled	209,414	220,908	230,683	225,092	238,551	183,728	246,107	253,269	14,718
10-4100-45XX	Commodity - Recycled	1,292,083	1,276,421	1,350,866	1,384,569	1,455,113	1,225,180	1,646,824	1,565,010	109,897
10-4100-46XX	Other Fees - Recycled	0	0	0	0	0	0	0	0	0
10-4400-4955	Tax Revenue - Standby Charges	825,000	820,221	825,000	815,290	825,000	580,634	825,000	825,000	0
	TOTAL	\$30,541,140	\$33,934,728	\$32,050,123	\$34,905,763	\$35,704,376	\$28,208,260	\$37,471,510	\$36,671,367	\$966,991



Walnut Valley Water District
Official Chart of Positions FY 2018-19 in Full-time Equivalents (FTE's)
Proposed Revisions for FY 2018-19
 Effective July 2018

Administration/ General Manager's Office	FTE's	Engineering & Production	FTE's	Field Operations	FTE's	Finance	FTE's	Administrative Services	FTE's
General Manager/Chief Engineer	1.0	Director of Engineering	1.0	Director of Operations	1.0	[reports to Assistant General Manager]		Director of Administrative Services	1.0
Assistant General Manager	1.0	Engineering Supervisor		Field Supervisor	1.0	Customer Service Manager	1.0	Administrative Services Manager	1.0
Executive Secretary	1.0	Senior Civil Engineer (1)	1.0	Construction Inspection Supervisor	1.0	Accounting Manager	1.0	Human Resources/Risk Management Coordinator	1.0
Executive Assistant	1.0	Civil Engineer (2)	1.0	Utility Service Lead	3.0	Senior Accountant	1.0	Community Outreach Specialist	1.0
Administrative Assistant I	1.0	Civil Engineering Assistant	1.0	Utility Service Worker II	2.0	Senior Accounting Tech	2.0	Safety/Risk Manager	1.0
Information Systems Specialist	1.0	Engineering Tech I	1.0	Utility Service Worker I	7.0	Sr. Customer Service Rep. (4)		Management Analyst	1.0
		Engineering Intern	0.5	Senior Fleet Mechanic	1.0	Customer Service Rep II	3.0		
				Production Manager	1.0	Customer Service Rep. I	3.0		
				Production Supervisor (3)		Accounting Technician I	1.0		
				Production Lead	1.0	Administrative Assistant I	1.0		
				Cross Connection Specialist	1.0	General Services Supervisor	1.0		
				Pump Operator II	1.0	Facility Maintenance Wkr II	2.0		
				Water Quality Specialist	1.0				
				Pump Operator I	2.0				

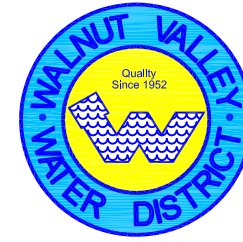
Full-time Positions:	6.0	Full-time Positions:	5.0	Full-time Positions:	23.0	Full-time Positions:	16.0	Full-time Positions:	6.0
Part-Time Positions:	0.0	Part-Time Positions:	0.5	Part-Time Positions:	0.0	Part-Time Positions:	0.00	Part-Time Positions:	0.0

1. Proposed reclassification from "Senior Civil Engineer" to incentive "Engineering Supervisor" position
2. Proposed reclassification from "Civil Engineer" to "Senior Civil Engineer" position
3. Proposed reclassification from "Production Lead" to "Production Supervisor" position
4. Proposed reclassification from "Customer Service Rep II" to incentive "Sr. Customer Service Rep." position

Fiscal Year Recaps	FTE's
FY 2006-07	60.5
FY 2007-08	59.5
FY 2008-09	58.0
FY 2009-10	56.6
FY 2010-11	56.6
FY 2011-12	55.6
FY 2012-13	55.5
FY 2013-14	55.75
FY 2014-15	55.75
FY 2015-16	55.75
FY 2016-17	56.0
FY 2017-18	56.5
FY 2018-19 (Proposed)	56.5



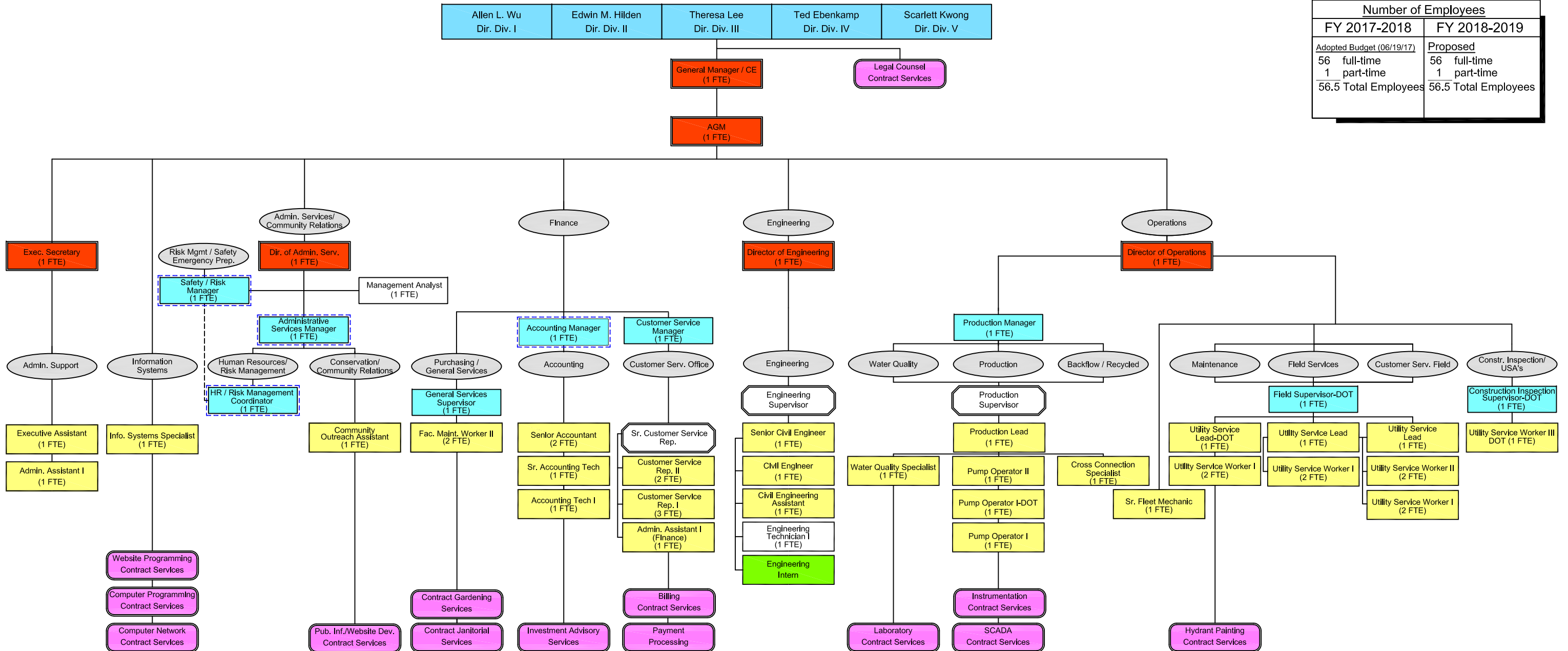
WALNUT VALLEY WATER DISTRICT ORGANIZATIONAL CHART FISCAL YEAR 2018 - 2019 PROPOSED



LEGEND	
Staff Positions	Part-Time Positions
Mid-Management Positions	Vacant
GEU Positions	Positions Under Contract
Incentive Position	Confidential Positions

Number of Employees	
FY 2017-2018	FY 2018-2019
Adopted Budget (06/19/17)	Proposed
56 full-time	56 full-time
1 part-time	1 part-time
56.5 Total Employees	56.5 Total Employees

Allen L. Wu Dir. Div. I	Edwin M. Hilden Dir. Div. II	Theresa Lee Dir. Div. III	Ted Ebenkamp Dir. Div. IV	Scarlett Kwong Dir. Div. V
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**WALNUT VALLEY WATER DISTRICT
SALARY RANGES
July 1, 2018**

	Salary Range	
	Entry	Max.
EXECUTIVE STAFF		
General Manager ¹	14,024	21,824
Assistant General Manager	13,407	20,865
Director of Administrative Services	11,260	17,524
Director of Engineering	11,260	17,524
Director of Finance	11,260	17,524
Director of Operations	11,260	17,524
Executive Secretary	6,648	10,345

1. Salary established by contract. Range step G set to current contract amount approved by the BOD.

	Range	Salary Range	
		Entry	Max.
MID-MANAGEMENT			
Engineering Manager	MM9	8,691	13,524
Engineering Supervisor			
Field Superintendent	MM7	7,901	12,295
Safety/Risk Manager *			
Accounting Manager			
Administrative Services Manager			
Customer Service Manager	MM5	7,021	10,925
Field Manager			
Production Manager			
Construction Inspection Supervisor - DOT			
Field Supervisor - DOT	MM4	6,502	10,122
Production Supervisor			
Accounting Supervisor			
Construction Inspection Supervisor			
Field Supervisor	MM3	5,987	9,317
General Services Supervisor			
Human Resources Coordinator	MM1	5,158	8,026

* Position Y-rated, formerly General Services Superintendent

**WALNUT VALLEY WATER DISTRICT
SALARY RANGES
July 1, 2018**

GENERAL EMPLOYEES UNIT	Range	Salary Range	
		Entry	Max.
SENIOR CIVIL ENGINEER	GEU31	7,511	11,724
CIVIL ENGINEER INFORMATION SYSTEMS SPECIALIST	GEU29	6,865	10,717
PRODUCTION & STORAGE LEAD SENIOR CIVIL ENG. ASS'T	GEU27	6,156	9,612
CROSS CONN SPECIALIST WATER QUALITY SPECIALIST	GEU25	5,882	9,184
CIVIL ENG ASS'T	GEU23	5,625	8,781
MANAGEMENT ANALYST SENIOR ACCOUNTANT	GEU21	5,386	8,408
CROSS CONN TECHNICIAN SENIOR CONSTRUCTION INSPECTOR UTILITY / FIELD SERVICES LEAD - DOT	GEU19	5,253	8,202
EXECUTIVE ASSISTANT SENIOR COMMUNITY OUTREACH ASSISTANT SENIOR ENGINEERING TECH UTILITY / FIELD SERVICES LEAD	GEU17	5,091	7,948
PUMP OPERATOR II - DOT UTILITY SERVICE WORKER III - DOT WATER QUALITY TECH	GEU15	4,897	7,646
CONST. INSP. II PUMP OPERATOR II SENIOR FLEET MECHANIC UTILITY /CONSUMER SERVICE LEAD UTILITY SERVICE WORKER III	GEU13	4,756	7,427
COMMUNITY OUTREACH ASSISTANT ENGINEERING TECH II	GEU11	4,572	7,138

**WALNUT VALLEY WATER DISTRICT
SALARY RANGES
July 1, 2018**

GENERAL EMPLOYEES UNIT	Range	Salary Range	
		Entry	Max.
FAC MAINTENANCE WKR LEAD PUMP OPERATOR I - DOT SENIOR ACCOUNTING TECH SENIOR CUSTOMER SERVICE REP UTILITY SERVICE WORKER II - DOT	GEU9	4,539	7,085
CONST. INSP. I ENGINEERING TECH I PUMP OPERATOR I UTILITY SERVICE WORKER II	GEU7	4,276	6,676
ACCOUNTING TECH II ADMINISTRATIVE ASSISTANT II CUSTOMER SERVICE REP II FAC MAINTENANCE WKR II UTILITY SERVICE WORKER I - DOT	GEU5	4,142	6,468
UTILITY SERVICE WORKER I	GEU3	3,890	6,074
ACCOUNTING TECH I ADMINISTRATIVE ASSISTANT I CUSTOMER SVC REP I FAC MAINTENANCE WKR I	GEU1	3,767	5,884

**Walnut Valley Water District
Summary by Reserve
Capital Investment Program Budget
Fiscal Year 2018 - 2019**

Re-Cap by Fund	Project Costs PY 17-18	New Funds FY 18-19	Total Project Costs	Project Costs thru 03/31/18	Remaining Project Costs	Projected Expenditure FY 17-18	Projected Expenditure FY 18-19	Projected Expenditure FY 19-20
Capital Reserve	685,429	354,500	1,039,929	186,969	852,960	456,460	396,500	0
Reserve for Replacement	9,922,600	5,112,000	15,034,600	5,958,900	9,075,700	4,222,605	4,595,595	257,500
Reservoir Capacity Reserve	1,000,000	950,000	1,950,000	489,923	1,460,077	260,077	1,200,000	0
Acreage Supply Reserve	270,000	0	270,000	0	270,000	0	270,000	0
General	30,000	0	30,000	0	30,000	0	30,000	0
Total	\$11,908,029	\$ 6,416,500	\$ 18,324,529	\$ 6,635,792	\$11,688,737	\$ 4,939,142	\$ 6,492,095	\$ 257,500

Walnut Valley Water District
Capital Investment Program Budget by Reserve Fund
Fiscal Year 2018 - 2019

Item No.	Submitted By	General District	Funding	Project Costs PY 17-18	New Funds FY 18-19	Total Project Costs	Project Costs thru 03/31/18	Remaining Project Costs	Projected Expenditure FY 17-18	Projected Expenditure FY 18-19	Projected Expenditure FY 19-20
81	SS	810 Zone Improvements - Pipeline Improvements (8-Inch Pipe)	ASC	270,000	-	270,000	-	270,000	-	270,000	-
		Total ASC		270,000	-	270,000	-	270,000	-	270,000	-
2	EH	District Security Improvements	Capital	25,000	-	25,000	-	25,000	25,000	-	-
6A	MR	Portable Storage Cover	Capital	-	7,500	7,500	-	7,500	-	7,500	-
8	RW	Virtual Data Center	Capital	65,000	-	65,000	24,581	40,419	40,419	-	-
9	RW	EOC Trailer	Capital	11,000	-	11,000	-	11,000	11,000	-	-
15	RW	10G Microwave System	Capital	-	65,000	65,000	-	65,000	-	65,000	-
43	SS/TM	Seismic Controller Upgrade South end of District	Capital	65,000	-	65,000	-	65,000	65,000	-	-
48	SS/TM	Snow Creek Site Improvements	Capital	52,000	-	52,000	-	52,000	35,000	17,000	-
55	DJ/TM	Ford F550 Gang Truck	Capital	-	150,000	150,000	-	150,000	-	150,000	-
56	UJ/TP/A	Backhoe	Capital	125,000	-	125,000	-	125,000	125,000	-	-
61	DJ/TP	Asphalt Cold Planer and Breaker Attachments for John Deer Skid Steer	Capital	-	32,000	32,000	-	32,000	-	32,000	-
63	SS/TM	Portable 30kw Diesel Standby Generator	Capital	50,000	-	50,000	-	50,000	50,000	-	-
67	SS/TM	SCADA System Pressure Monitoring 16-17	Capital	50,000	-	50,000	7,910	42,090	42,090	-	-
68	SS/TM	SCADA System Pressure Monitoring 17-18	Capital	50,000	-	50,000	-	50,000	25,000	25,000	-
70	SS/TM	SCADA Security Enhancements 16-17	Capital	92,429	-	92,429	92,429	-	-	-	-
71	SS/TM	SCADA Security Enhancements 17-18	Capital	100,000	-	100,000	62,049	37,951	37,951	-	-
85	BT	Web Portal	Capital	-	100,000	100,000	-	100,000	-	100,000	-
		Total Capital		685,429	354,500	1,039,929	186,969	852,960	456,460	396,500	-
49	EH	Minor Recycled Water System Improvements	WSC	30,000	-	30,000	-	30,000	-	30,000	-
		Total WSC		30,000	-	30,000	-	30,000	-	30,000	-
33	SS/TM	Diamond Bar Pump Station Emergency Generator	RCC	100,000	250,000	350,000	-	350,000	-	350,000	-
39	SS/TM	Pump Addition Enhancement 17-18	RCC	250,000	-	250,000	5,575	244,425	144,425	100,000	-
65	SS/TM	Parker Canyon/Armitos Chlorine Analyzers/Active Mixing System	RCC/TH	650,000	-	650,000	484,348	165,652	115,652	50,000	-
66	SS/TM	Pathfinder Chlorine Analyzers/Active Mixing Systems	RCC	-	700,000	700,000	-	700,000	-	700,000	-
		Total RCC/TH		1,000,000	950,000	1,950,000	489,923	1,460,077	260,077	1,200,000	-
6	MR	2.5 Ton Air-Conditioning Unit	Repl.	-	7,500	7,500	-	7,500	-	7,500	-
10	RW	Site Hosts	Repl.	-	110,000	110,000	-	110,000	-	110,000	-
11	RW	Pure Storage	Repl.	-	80,000	80,000	-	80,000	-	80,000	-
13	RW	Nexus Switch	Repl.	-	90,000	90,000	-	90,000	-	90,000	-
19	DJ / AC	Flintlock Road Main Relocation and Replacement	Repl.	65,000	-	65,000	4,227	60,773	60,773	-	-
20	DJ / TP	FY 18-19 Rich 45 Fire Hydrant Replacement Program	Repl.	-	75,500	75,500	-	75,500	-	75,500	-
21	DJ	Valve Replacement Program 16-17	Repl.	100,000	-	100,000	77,023	22,977	22,977	-	-

Walnut Valley Water District
Capital Investment Program Budget by Reserve Fund
Fiscal Year 2018 - 2019

Item No.	Submit By	General District	Funding	Project Costs PY 17-18	New Funds FY 18-19	Total Project Costs	Project Costs thru 03/31/18	Remaining Project Costs	Projected Expenditure FY 17-18	Projected Expenditure FY 18-19	Projected Expenditure FY 19-20
22	DJ	Valve Replacement Program 17-18	Repl.	100,000	-	100,000	5,355	94,645	94,645	-	-
23	DJ	Valve Replacement Program 18-19	Repl.	-	100,000	100,000	-	100,000	-	100,000	-
24	DJ/TP	3" & 4" Water Service Removal/Upgrade Program 18-19	Repl.	-	10,000	10,000	-	10,000	-	10,000	-
25	SS/TM	Reservoir Painting / Recoating Program 15-17	Repl.	1,182,000	-	1,182,000	739,799	442,201	442,201	-	-
26	SS/TM	Reservoir Painting / Recoating Program 18-19	Repl.	-	515,000	515,000	-	515,000	-	257,500	257,500
27	DJ/TP	FY 18 -19 Iron Saddle Replacement Program	Repl.	-	55,000	55,000	-	55,000	-	55,000	-
28	DJ/TP	AMI Meter Upgrade 17-18	Repl.	1,300,000	-	1,300,000	-	1,300,000	1,300,000	-	-
29	DJ/TP	AMI Meter Upgrade 18-19	Repl.	-	1,100,000	1,100,000	-	1,100,000	-	1,100,000	-
30	DJ	Badger Beacon Domestic Water Service Upgrades	Repl.	1,357,900	-	1,357,900	1,234,791	123,109	123,109	-	-
31	DJ	FY 16-17 Badger Beacon Domestic Water Service Upgrades	Repl.	1,650,000	-	1,650,000	1,380,569	269,431	269,431	-	-
32	SS/TM	Pump Station Meter Replacement 16-17	Repl.	90,000	-	90,000	49,699	40,301	40,301	-	-
33A	SS/TM	Diamond Bar Pump Station Emergency Generator	Repl.	-	1,450,000	1,450,000	-	1,450,000	-	1,450,000	-
34	SS/TM	Pump and Well Rehabilitation Program 13-14	Repl.	50,000	-	50,000	2,825	47,175	47,175	-	-
35	SS/TM	Pump and Well Rehabilitation Program 15-16	Repl.	250,000	-	250,000	189,898	60,102	60,102	-	-
36	SS/TM	Pump and Well Rehabilitation Program 16-17	Repl.	250,000	-	250,000	81,813	168,187	68,187	100,000	-
37	SS/TM	Pump and Well Rehabilitation Program 17-18	Repl.	250,000	-	250,000	-	250,000	125,000	125,000	-
38	SS/TM	Pump and Well Rehabilitation Program 18-19	Repl.	-	250,000	250,000	-	250,000	-	250,000	-
40	SS/TM	SCADA Panel Improvements 16-17	Repl.	30,000	-	30,000	19,048	10,952	10,952	-	-
41	SS/TM	SCADA Panel Improvements 17-18	Repl.	30,000	-	30,000	-	30,000	15,000	15,000	-
46	SS/TM	PRV Rehab Program 17-18	Repl.	250,000	-	250,000	46,680	203,320	103,320	100,000	-
47	SS/TM	PRV Rehab Program 18-19	Repl.	-	100,000	100,000	-	100,000	-	100,000	-
51	SS/TM	Reservoir Painting / Recoating Program 16-17	Repl.	660,000	-	660,000	79	659,921	659,921	-	-
52	C/MR/C	Vehicles 17-18	Repl.	183,700	-	183,700	126,015	57,685	57,685	-	-
53	DJ/CF	Vehicles 18-19	Repl.	-	165,000	165,000	-	165,000	-	165,000	-
54	EC/MR	Restore Water #7	Repl.	35,000	-	35,000	701	34,299	34,299	-	-
57	EC/DJ	2006 Ford Dump Truck Bed Replacement	Repl.	35,000	-	35,000	-	35,000	-	35,000	-
59	EC/MR	Gas Detector Equipment	Repl.	18,000	-	18,000	-	18,000	-	18,000	-
64	SS	Fairway Drive Facilities Relocation (ACE)	Repl.	1,446,000	854,000	2,300,000	1,956,973	343,027	343,027	-	-
73	SS/TM	Ambushers Reconfiguration	Repl.	100,000	-	100,000	-	100,000	50,000	50,000	-
74	SS/TM	Terminal Storage Reservoir Inlet Valve Modification	Repl.	50,000	-	50,000	25,341	24,659	-	24,659	-
76	SS/TM	Asphalt Replacement Program 17-18	Repl.	200,000	-	200,000	-	200,000	200,000	-	-
78	SS/TM	Terminal Storage 10 inch bypass Valve Modifications	Repl.	40,000	-	40,000	-	40,000	20,000	20,000	-
79	EH/SS	Improvement of Grand Avenue & Golden Springs Drive	Repl.	115,000	-	115,000	7,564	107,436	-	107,436	-
80	SS/TM	Hydroelectric Repair @ Terminal Storage	Repl.	85,000	150,000	235,000	10,500	224,500	74,500	150,000	-
		Total Replacement		9,922,600	5,112,000	15,034,600	5,958,900	9,075,700	4,222,605	4,595,595	257,500
		Total		11,908,029	6,416,500	18,324,529	6,635,792	11,688,737	4,939,142	6,492,095	257,500