

San Juan Water District Granite Bay, California



Adopted Budget

Fiscal Year 2012-2013

San Juan Water District

Fiscal Year 2012 – 2013 Wholesale Budget

Fiscal Year 2012 – 2013 Retail Budget



Prepared by the Finance and Administrative Services Department
Under Direction of the General Manager and Assistant General Manager

All the water we have today is all the water we'll have on this earth.

--National Geographic



Mission

Our mission, and highest priority to our customers, is to take all necessary actions to ensure the delivery of a reliable water supply of the highest quality at reasonable and equitable costs. As part of accomplishing our mission, we commit to working cooperatively with others on projects of mutual public benefit to achieve the greatest possible efficiency and effectiveness. We further commit to communicate what we are doing, and why we are doing it.

San Juan Water District

9935 Auburn-Folsom Road
Granite Bay, California 95746
(916) 791-0115
www.sjwd.org

Elected Officials

Pamela Tobin, President/Director
Kenneth H. Miller, Vice President/Director
Edward J. "Ted" Costa, Director
Dave Peterson, Director
Bob Walters, Director

Appointed Officials

Shauna Lorange, General Manager

Management Team

Keith B. Durkin, Assistant General Manager
Mary A. Morris, Finance & Administrative Services Manager
Rick Hydrick, Operations Manager
William Sadler, Water Treatment Plant Superintendent
Judy Johnson, Customer Services Manager
George Machado, Field Services Manager
Rob Watson, Engineering Services Manager

Budget Schedule

Wholesale

Date	Activity
February 8, 2012	Budget assumptions presented and accepted by the Board
February 22, 2012	Projections for revenue and current budget versus actual reviewed with the Board
March 13, 2012	Draft Wholesale Budget reviewed with Finance Committee
April 10, 2012	Updated Wholesale Budget reviewed with Finance Committee
April 11, 2012	Draft Wholesale Budget document provided to Board
April 25, 2012	Wholesale Budget presented to Board of Directors/Public Wholesale Budget Discussion
May 23, 2012	Consider Adoption of the Wholesale Budget and Rates
June 27, 2012	Final FY 2012-2013 Budget Provided to Board

Retail

Date	Activity
February 8, 2012	Budget assumptions presented and accepted by the Board
February 22, 2012	Projections for revenue and current budget versus actual reviewed with the Board
March 13, 2012	Draft Retail Budget reviewed with Finance Committee
April 10, 2012	Updated Retail Budget reviewed with Finance Committee
April 11, 2012	Draft Retail Budget document provided to Board
May 23, 2012	Retail Budget presented to Board of Directors/Public Retail Budget Public Hearing
June 13, 2012	Consider Adoption of the Retail Budget and Rates
June 27, 2012	Final FY 2012-2013 Budget Provided to Board

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San Juan Water District
Fiscal Year 2012 - 2013 Budget

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Letter of Transmittal

Board of Directors
San Juan Water District

Directors:

It is our pleasure to present to you the Fiscal Year 2012-2013 Budget for the San Juan Water District ("District") for both Wholesale and Retail, presented in separate sections. The budget format was updated substantially last year with additional improvements incorporated this year in the continuing effort to provide a user-friendly document that conveys the dedication as well as the accomplishments and goals of the District Board of Directors ("Board") and staff.

Budget Process

The District's official budget process begins each year with a Manager's meeting to establish the overall District goals and provide a basic timeline. Any guidelines from the Board are discussed at this time to set the parameters. In February, the Finance & Administrative Services Manager provides the Division and Department Managers with their respective projected personnel budgets and the current fiscal years adopted budget compared to the projected actual expenses. The managers then prepare draft budgets and submit them within approximately three to four weeks for compilation.

The proposed budget is then reviewed by all Division and Department Managers to determine whether:

- ✓ District goals will be met within the budget;
- ✓ all necessary items have been included; and
- ✓ revenues will be sufficient to cover expenses.

A summary of the proposed budget is reviewed with the Finance Committee in March and/or April. The proposed budget is then discussed with the Board of Directors in April and the draft document is distributed to the Board. Generally, the Finance & Administrative Services Manager presents the wholesale budget/rates to the Board at the second meeting in April and the retail budget/rates at the second meeting in May. The District holds the public hearings for wholesale budget/rates at the second meeting in April and retail budget/rates at the second meeting in May. The anticipated dates of adoption for the wholesale budget/rates and retail budget/rates are the first meeting of May and June, respectively.

Budgetary Control and Budget Format

District management uses the approved budget as the tool for ensuring adequacy of District resources in meeting District needs and assessing planned versus actual activities throughout the fiscal year. The General Manager controls the budget at the operating level.

The budget is prepared on an accrual basis (reporting revenues and expenses are

earned and incurred, respectively) and is the same as reported in the Comprehensive Annual Financial Report. The program budget format is used versus a line item detail format to provide the most valuable information to the reader on all of the District's major areas of service (while detail is also included for reference):

- Wholesale
 - Operations
 - Non-Operating
 - Capital Improvement Program

- Retail
 - Operations
 - Non-Operating
 - Capital Improvement Program

Operations are further broken out by program area: Administrative & General, Conservation, Customer Service (Retail), Engineering, Pumping & Telemetry (Retail), Source of Supply, Transmission & Distribution and Water Treatment (Wholesale). The program area budget places the focus on overall District operations, leaving District management responsible for oversight of day-to-day operating expenses.

Budget Highlights

The economic climate and water conservation focus will again present challenges to agencies throughout California, as well as the nation. Water agencies in particular are faced with maintaining and improving aging infrastructure at a time when declining revenues have been the result of the economy and conservation (both encouraged and due to weather). The District has remained proactive and shares the following budget highlights:

Revenues

- ☒ **Property Taxes:** The District has prepared this budget based upon the assumption that the 1% property tax revenue will continue to be received by the District in accordance with Proposition 1A protecting local revenues. The District lost \$2,110,000 over two years (2005 and 2006) due to the shift of local property tax revenues to education. The State officially borrowed \$142,000 under Prop 1A in Fiscal Year 2010-2011 with the California Statewide Communities Development Authority implementing a Prop 1A Securitization Program in order for local agencies to receive full property tax funding.

- ☒ **Wholesale Water Rates:** The Wholesale Water Rates are included with a 0% rate increase effective January 1, 2013.
Note: This increase is subject to Board of Directors approval.

- ☒ **Retail Water Rates:** The Retail Water Rates are included with a 2% rate increase effective January 1, 2013.
Note: This increase is subject to Board of Directors approval.

- ☒ **Connection Fees:** With a lagging economy, development has remained low with connection revenues incorporated into the budget accordingly. There has been

recent Retail connection activity and additional anticipated during the year. As these revenues are specifically for expansion related capital projects, timing of the projects is continuously evaluated in order to pair the funding with the need and resulting project.

Expenses

- ☒ **Operating Costs:** While operating costs are estimated as a part of long-term financial planning, budgets are prepared based upon a variety of current factors discussed under Budget Assumptions. At budget planning time, budget versus actual performance is incorporated to reflect cost savings or increases as appropriate. Expenses may be based on stable or dynamic activities which affect the budgetary need (e.g. regular versus temporary personnel, normal operations, new or limited-term programs, etc.).
- ☒ **Debt Service:** These costs remain relatively stable in accordance with current debt service schedules as no new debt is planned.
- ☒ **Capital Improvement Program:** Any savings on particular capital projects are generally maintained within the capital reserve for those projects that cost more than expected, unless the Board of Directors determines otherwise.

Strategic Goals and Priorities

In accordance with the District's mission referenced at the beginning of this document, the Board of Directors holds an annual workshop to develop short and long-range strategic goals and priorities. This workshop is generally held in February or March over one or two days and is facilitated to assist the Board with this process. In advance of the workshop, individual Board members have an opportunity to discuss their priorities with the facilitator. The workshop held in March 2012 led to the following major goals and/or priorities (full summary is available on the District's website):

Groundwater Contamination: Staff will work with appropriate agencies to locate and evaluate available information in an effort to assess risks to the District. In addition, staff will provide period updates to the Board.

California-Oregon Transmission Project (COTP): Staff will prepare a white paper from the existing contract summarizing the purpose and analyze impacts with further discussion recommended to the Finance Committee, if applicable.

Water Reform and Supply Reliability (formerly Delta issues): The Legal Affairs Committee will review the existing policy platform and develop key questions for further Board discussion.

Board of Director Seats: The General Manager will provide Board meeting minutes from prior discussion regarding cost-sharing of ballot fees.

Water Efficient Landscape (WEL) Garden: The Conservation Committee will compare the efficiency of the District's WEL Garden to customer gardens.

Public Communication of Wholesale and Retail Expenses: The General Manager will include a comment as a footnote on the division of staffing costs/benefits allocation between Wholesale and Retail in the Annual Report. Staff will ensure differentiation between Wholesale and Retail costs and activities, bonding, purchasing, funding and budgeting in a clear and understandable fashion, as well as conveying the advantages of the shared structure, in public communication materials.

District Efficiency and Structure: The General Manager will:

- continue to provide topical updates as part of Board meeting agendas;
- consider both internal succession planning and analysis of external pressures when preparing updates; and
- provide recommendations on short and long-term measures to address efficiency and staffing.

Financial Policies and Funds

The District maintains long-term financial plans to evaluate the impact of operating factors and performance on water rates and reserves. These plans are continually reviewed and updated to ensure they provide reliable data. These plans are prepared using current budgetary and year-end actual information as available. Balanced budgets are prepared where revenues exceed expenses in order to provide for debt service, capital project and reserve funding, unless otherwise determined by the Board (i.e. special purpose or project).

The District operates a single enterprise fund, which is segregated into non-operating activities, wholesale operations and retail operations which is reported as such in the Budget and Comprehensive Annual Financial Report. This fund is further segregated as designated by District Ordinance and Board of Directors beginning on page 11.

Investment Policy and Investments

The District's current Investment Policy was developed and approved in accordance with California Government Code Section 53600. This Policy is reviewed annually by staff with amendments last approved by the Board in December 2008. In March 2007, the District was awarded the Investment Policy Certification by the Association of Public Treasurer's of United States & Canada. This award demonstrates to the Board and the public that the District has developed a thorough policy that complies with applicable statutes. It is recommended that the District re-certify the policy every three years.

Authority for the investment program has been delegated to the General Manager or his/her designee. The District is currently authorized to invest in the following instruments, as allowed under the Investment Policy (see the Investment Policy for specific restrictions):

- \$ United States Treasury Securities maturing in five years or less;
- \$ Agencies of the Federal Government;
- \$ Obligations of the State of California and any Local Agency within the state;
- \$ Banker's Acceptances;

- \$ Commercial Paper;
- \$ Certificates of Deposit;
- \$ State of California Local Agency Investment Fund;
- \$ Medium-term notes or Corporate issues maturing in five years or less;
- \$ Mutual funds; and
- \$ Interest bearing, FDIC-insured checking and savings accounts.

Accounting System and Controls

The District utilizes project cost accounting in the Microsoft Dynamics SL Solomon Professional 6.5 financial information system to record financial transactions throughout the year. At the end of the fiscal year, June 30, the District prepares a Comprehensive Annual Financial Report (“CAFR”) containing financial statements and other financial and operational information. An independent auditing firm audits this report, as well as District records and documentation, each year and reports its findings to the Board.

The District has been awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers’ Association for the 2009-2010 CAFR which is the fifth consecutive year for recent awards.

We hope this budget provides useful information on the District’s operations to readers. We would like to thank the District’s Management Team for their diligence in preparing and managing their budgets. We would also like to thank the Board of Directors for their continued support of the important services that the District provides.

Sincerely,

Shauna Lorance
General Manager

Keith B. Durkin
Assistant General Manager

Mary A. Morris
Finance & Administrative Services Manager

Profile

The District initially began as the North Fork Ditch Company dating back to 1854 providing water to the area. The San Juan Water District as in existence today was formed as the result of petitions being presented to the Board of Supervisors of Sacramento and Placer Counties by Citrus Heights Water District, Fair Oaks Water District, Orange Vale Water Company and a group of homeowners in South Placer County. An election was then held within the boundaries of the sponsoring districts on February 10, 1954. At this election, voters approved the formation of the San Juan Water District by nearly a two-thirds majority and elected five Directors. The District is a community services district formed under Section 60000 et seq., Title 5, Division 3 of the California Government Code.

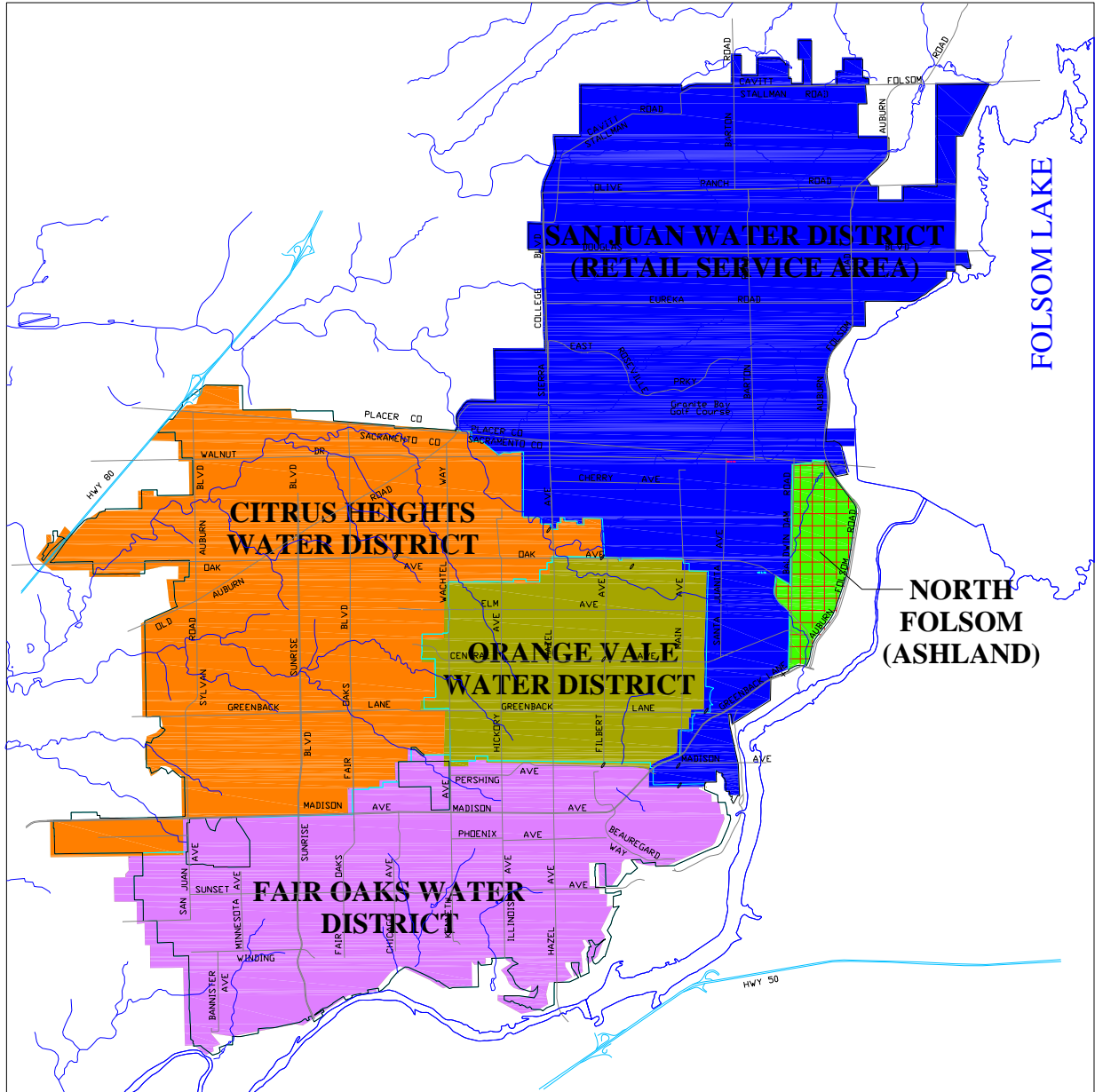
The District provides water on a wholesale and retail basis to an area of approximately 46 square miles for wholesale (which includes the retail area) and 17 square miles for retail in Sacramento and Placer Counties. The District's wholesale agency consists of delivering water to the retail agencies under negotiated contracts; operating a surface water treatment plant and storage, transmission facilities; and providing the administrative support related to those activities. The Retail agency consists of storage, pumping, transmission and distribution facilities (which deliver water to approximately 10,348 active retail service connections located in a portion of Northeast Sacramento County and the Granite Bay area of South Placer County) and providing the administrative, customer service, conservation and engineering support related to those activities.

The District's existing water supply consists of three separate raw water contracts. The first source of water is 33,000 acre-feet of pre-1914 water rights on the American River. The second source is a contract with the U.S. Bureau of Reclamation for 24,200 acre-feet of Central Valley Project water. The District completed the process of long-term water contract negotiations with the U. S. Bureau of Reclamation for Central Valley Project water resulting in a 40 year long-term contract. The third water source is a contract with Placer County Water Agency for 25,000 acre-feet of water. All sources of surface water are either stored or flow through Folsom Lake and delivery is taken at Folsom Dam outlets, either by gravity or pumped by the U. S. Bureau Folsom Pumping Plant. Total raw water delivery for the Fiscal Year 2010-2011 was 42,517 acre-feet and is anticipated to be 42,550 acre-feet for Fiscal Year 2011-2012, excluding pass through deliveries for Sacramento Suburban Water District.

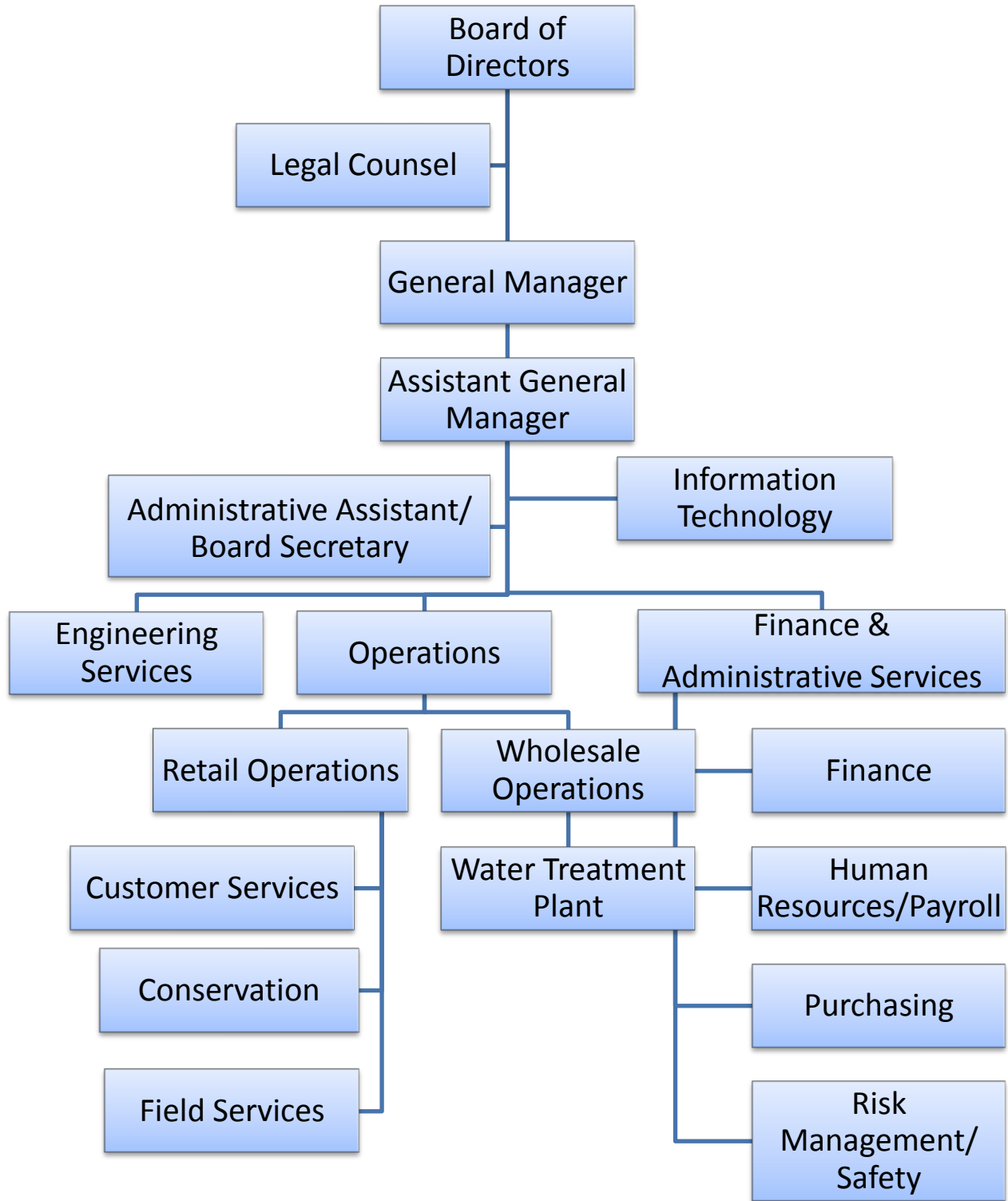
The District's water treatment facilities, Sidney N. Peterson Water Treatment Plant, was constructed in three phases and completed between the years of 1975 to 1983. The facilities include two flocculation-sedimentation basins, two filter basins, operations building and storage reservoir. Major upgrades and improvements to the plant in 2005 and 2009-2011 added a solids handling facility and chlorine storage/handling facility to the plant. These two projects along with other capital projects increased efficiency and productivity to meet the required demands of customers and improved operations to help meet Federal and State regulatory requirements.

With a reliable capacity of approximately 130 million gallons per day, the plant receives delivery of raw water directly from Folsom Dam outlets. The raw water undergoes an extensive water treatment process to ensure the highest quality of water for all District customers. From the water treatment plant, the water flows into the 62 million gallon Hinkle Reservoir for storage and distribution. The District maintains approximately 214 miles of transmission and distribution pipelines, which transport the high quality treated water to wholesale and retail customers.

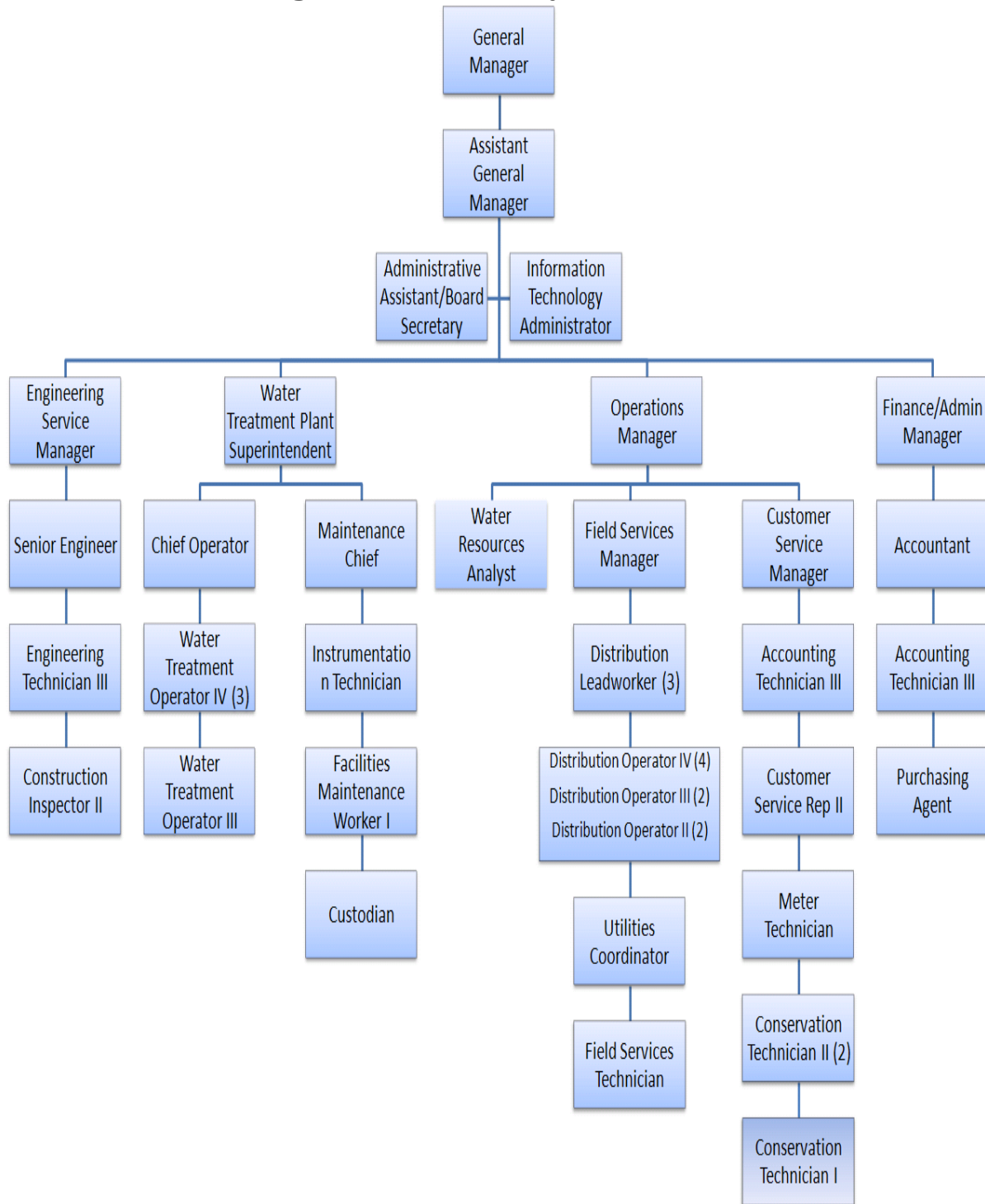
Wholesale Service Area Map (including SJWD Retail Service Area)



Organization Chart by Functional Area



Organization Chart by Position Title



Budget Narrative Layout

Wholesale

Financial Policies

- *Reserve Funding Levels (District Funds)*
- *Budget Assumptions*
- *Debt Service*
- *Water Rate Study and Financial Plan*

Operations

- *Cost Savings Measures*
- *Activities*
- *Staffing*
- *Capital Program*

Retail

Financial Policies

- *Reserve Funding Levels (District Funds)*
- *Budget Assumptions*
- *Debt Service*
- *Water Rate Study and Financial Plan*

Operations

- *Cost Savings Measures*
- *Activities*
- *Staffing*
- *Capital Program*

District-Wide Budget Information and Summaries

District Funds

In accordance with the District's Ordinance related to "Allocated Fund Policy", certain funds will be established and/or maintained.

3000.11 Allocated Fund Policy

The District's net worth is invested in its physical assets and its ability to provide reliable water service to the public. These assets must be properly maintained and replaced over time to maintain the level and quality of service provided to the public. The District will consider future needs for all capital facilities, equipment and operations, and set aside appropriate funds to meet these needs. Additional reserve funds may be included as future circumstances warrant. All reserves should be retained for their original intended purpose. In this manner, funds will be available for future capital and equipment requirements in addition to provide funds to continue operations.

3000.11.1 Wholesale

Operating Fund

The operating reserve fund should provide sufficient funds for temporary operations of the District in the events of unforeseen events or irregular working capital needs.

The District will maintain in its Wholesale Operation Reserve Fund an amount equal to at least twenty percent of the annual operating expenditures.

Rate-Stabilization Fund

The rate-stabilization reserve fund should provide sufficient funds to ensure financial and rate stability for wholesale Customers in the event of fluctuating changes in wholesale water deliveries and reduced water supplies.

Capital-Improvement Fund

The capital-improvement reserve fund consists of a number of different reserve funds for different purposes. The different reserve funds are described as follows:

1. Hinkle Reservoir Lining Replacement Fund – a fund established to accumulate funds for the planned replacement of the lining and cover of Hinkle Reservoir. The replacement fund is funded annually in the amount of \$50,000.00 plus accrued interest earned on the existing fund balance. The life expectancy of the cover and lining (installed in July 1981) is 30 years.

Note: the current estimated date for replacement is 2014 or later.

2. Capital-Improvement Fund – a fund established to accumulate sufficient funds for use due to unexpected emergency expenditures for repair, replacement or rehabilitation of the water treatment plant facilities.

A fund established to fund capital projects to replace or rehabilitate and upgrade pumping stations, buildings, treatment plant facilities, equipment, water pipeline systems and other water-related system components.

3. **Vehicle and Equipment Fund** – a fund established to accumulate sufficient funds to replace vehicles and equipment on an annual basis, and larger equipment on an as-need basis.

Note: This fund is intended for unplanned replacements outside of the budget.

The primary sources of revenue for the reserves are property taxes, interests, and revenues in excess of expenditures from wholesale Customers.

Restricted COP Debt Fund

A fund established to accumulate funds held in reserve by Union Bank of California for the final principal and interest payment on the 1993 Revenue Certificates of Participation. The final payment of principal and interest is due February 2014. The funds accumulated and held in reserve by Bank of America is for the semi-annual payments of principal and interest due in February and August, and debt service coverage paid by participating agencies.

Restricted-Employee Fund

A fund established to accumulate employee's pre-taxed monies will be held in trust by the District. A second party pays claims submitted by enrolled employees.

A fund established to accumulate funds for accrued employees vacation and sick leave time.

3000.11.2 Retail

Operating Fund

The operating reserve fund should provide sufficient funds for temporary operations of the District in the event of unforeseen events or irregular working capital needs.

The District will maintain in its Retail Operation Reserve Fund an amount equal to at least twenty percent of the annual operating expenditures.

Capital-Improvement Fund

The capital-improvement reserve fund consists of a number of different reserve funds for different purposes. The different reserve funds are described as follows:

1. Kokila Reservoir Lining Replacement Fund – a fund established to accumulate funds for eventual replacement of the lining and cover of Kokila Reservoir. The replacement fund is funded annually in the amount of \$10,000.00 plus accrued interest earned on the existing fund balance. The life expectancy of the cover and lining (installed in July 1984) is 30 years.

Note: the current estimated date for replacement is 2020

2. Capital-Improvement Fund – a fund established to accumulate sufficient funds for use due to unforeseen and unexpected emergency expenditures for repair, replacement or rehabilitation of the District's water pipeline systems and pumping stations.
3. Capital Facilities Fees Fund – a separate fund established to accumulate Capital Facilities Fees collected to fund capital projects to replace, rehabilitate and

upgrade District pumping stations, buildings, water pipeline systems and other water related systems components in the retail service area resulting from additional water services.

4. Vehicle and Equipment Fund - a fund established to accumulate sufficient funds to replace vehicles and equipment on an annual basis and larger equipment on an as need basis.

The primary sources of revenue for the allocated funds are property taxes, interest, capital facilities fees and revenues in excess of expenditures from retail Customers.

Restricted COP Debt Reserve

A fund established to accumulate funds held in reserve for the semi-annual payment of principal and interest on the 1993 Revenue Certificates of Participation. Annual debt service payments of principal and interest are made in February and August.

Restricted E.D.A. Loan Debt Reserve

A fund established to accumulate funds held in reserve for the annual payment of principal and interest on the E.D.A. Loan. Annual debt service payment is made in June.

Restricted-Employee Fund

A fund established to accumulate employee's pre-taxed monies held in trust by the District. A second party pays payments to enrolled employees.

A fund established to accumulate funds for accrued employees' vacation and sick leave time.

Budget Assumptions

While both the Wholesale and Retail Water Rate Study and Financial Plans used a variety of assumptions for purposes of determining rate structures and long-range financial plans, these are revisited at the time of budget development each fiscal year. Many assumptions are relevant to both the District's Wholesale and Retail operations in the area of Salaries and Benefits, so are combined below for ease of presentation. The following budget assumptions are proposed:

External Factors

1. Property tax assessed values contain an inflation factor for each county combined with growth or decline factors; overall expect a moderate increase.
2. Interest rates on investments will be at current market rates, approximately .5%

Salaries and Benefits – District-wide

1. *Staffing*

The District has maintained austere staffing levels through both strong and weak economic times. This practice should continue with no furloughs or layoffs proposed in the FY12-13 budget in order to maintain service levels for customers.

2. *Salaries*

- Cost of Living Allowance ("COLA") – 3.1%
District staff last received a COLA in July 2010, which used the Consumer Price Index (CPI) from March 2010. From March 2010 through December 2011, the

CPI has risen 3.1% which if implemented as a COLA would cost approximately \$111,000 District-wide, with \$49,000 Wholesale and \$62,000 Retail. These amounts represent .74% and .78% of Wholesale and Retail water revenues, respectively.

- Step Increase - \$18,000
For employees who are not at the top of their range (five employees depending upon progress in Fiscal Year 2011-2012), they would be allowed a step increase within range. Those employees already at the top are not eligible for this increase. Taking into consideration those that have the ability for increase, the estimated budget is \$18,000, with \$8,500 Wholesale and \$9,500 Retail.
Note: Due to employee turnover, there are now nine employees not at the top of their range, so the Step Increase amount is now estimated at \$47,786, with \$31,634 Wholesale and \$16,152 Retail.
- Overtime and standby pay estimates are provided by each department.
- At this time, the Incentive Award Program is not funded in this budget.

3. Payroll Taxes and Benefits

- Employer Social Security is calculated at 6.2% of salary up to \$110,100.
- Employer Medicare (FICA) is calculated at 1.45% of salary.
- State Unemployment Insurance is calculated at 3.9% of salary up to \$7,000.
- Workers Compensation Insurance is calculated at the following rates by classification with an Economy of Size Factor of 90%, Experience Modification Rate of 65%, Multiple Policy Discount of 95%:

~ 7520 – Waterworks Employees	5.10%
~ 8742 - Outside Employees	1.16%
~ 8810 - Clerical Office Employees	1.01%
- Health Insurance is anticipated to increase at an average of 5% for the second six months of the budget year.
- Dental Insurance is estimated to increase by 5%.
- Life and Disability Insurance rates will not rise until possibly 3/1/2013, so an estimated increase of 5% is included at that time.
- Unused Sick Leave and Vacation is estimated to accumulate in the amount of 1.5% of salary.
- CalPERS Employer Contribution is calculated at 15.302% and 14.627% of salary for First Tier and Second Tier, respectively. The CalPERS Employer Contribution Rate is increasing for First and Second Tiers from 14.826% and 14.153%, respectively. These new rates will increase the budget for this item by approximately \$18,000, with \$7,700 Wholesale and \$10,300 Retail.

Wholesale

Retail Agencies Customer Base and Water Deliveries

The deliveries included in the budget are those that were provided by the Retail Agencies during the Wholesale Financial Plan with updates made as requested.

Cost of Water Supply

Based upon the assumption of water deliveries to Retail Agencies above, the cost of water supply will be estimated first using water rights water, then a combination of water

under the PCWA and USBR contracts, as applicable, with no temporary water supply use necessary.

Operations and Maintenance Costs

Each cost category is examined individually to determine the most reasonably precise budget estimate. Where it is impractical to use this method, inflation factors will be applied as described below.

Inflation

Annual inflation rates are unknown at this time. As detailed budgets are developed, costs that require some degree of estimation will use the following inflation factors applied to current year projections including any adjustments higher or lower for specific future planned activities:

- Operating and maintenance costs - 3%
- Chemical and energy costs - 3%
- OPEB and construction costs - 4%

Facilities Costs

Operations and maintenance costs for facilities will be allocated to the wholesale and retail operations based upon benefit received as they currently are.

Solar Project

Staff provided the Wholesale Capital Improvement Program Financing Summary including the funding for this project in 2011. The Board directed staff to ensure that the CSI Rebate and energy cost savings are used to replace capital reserves until the cost of the project is recovered and therefore those funds will not be available for operating cost savings until approximately 2019.

Retail

Retail Customer Base and Water Consumption

The customer base and water consumption included in the budget will reflect anticipated water deliveries as provided in the Wholesale Water Rate Study/Financial Plan, incorporating any estimated water loss or changes.

Cost of Water Supply

This cost comes directly from the Wholesale Water Rate Study/Financial Plan incorporating any adjustments for consumption and variation in water rates.

Operations and Maintenance Costs

Each cost category is examined individually to determine the most reasonably precise budget estimate. Where it is impractical to use this method, inflation factors will be applied as described below.

Inflation

Annual inflation rates are unknown at this time. As detailed budgets are developed, costs that require some degree of estimation will use the following inflation factors applied to current year projections including any adjustments higher or lower for specific future planned activities:

- Operating and maintenance costs - 3%
- Chemical and energy costs - 3%
- OPEB and construction costs - 4%

Facilities Costs

Operations and maintenance costs for facilities will be allocated to the wholesale and retail operations based upon benefit received as they currently are.

Resolution - Wholesale

RESOLUTION NO. 12-12

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SAN JUAN WATER DISTRICT
ADOPTING THE NON-OPERATING, CAPITAL IMPROVEMENT PROGRAM,
WHOLESALE BUDGET, RATES AND FEES FOR THE FISCAL YEAR 2012-2013**

WHEREAS, District staff has prepared a budget for the fiscal year 2012-2013 that estimates operating and maintenance, capital improvement program, debt service and other expenses of the District and that estimates revenues from all sources to pay the expenses of the District;

WHEREAS, District staff has determined that the fiscal year 2012-2013 budget is reasonably accurate and if implemented will ensure that the District's revenues will be sufficient to pay all of the District's expenses, including maintaining prudent reserves; and

WHEREAS, staff has determined that the District's wholesale capital facilities (connection) fees need to be adjusted for fiscal year 2012-2013 to account for the increased costs of providing such services, but that no wholesale water rate adjustment is required in the 2012-2013 fiscal year.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of San Juan Water District as follows:

1. The Board of Directors finds that the Non-Operating, Capital Improvement Program and Wholesale budgets as proposed by staff fairly and accurately represents the estimated expenses and revenues of the District for the fiscal year beginning on July 1, 2012 and ending on June 30, 2013 and that the budget adequately ensures that the District will be able to cover its expenses and maintain prudent reserves, and on that basis the Board hereby adopts the District's fiscal year 2012-2013 budget (with any revisions that the Board may deem prudent as a condition of adopting said budget). A copy of the fiscal year 2012-2013 District budget is attached as "Exhibit A" and made a part of this Resolution.

2. The Board of Directors finds that the proposed Wholesale Water Rates and Wholesale Capital Facilities (Connection) Fees for fiscal year 2012-2013 are fair, equitable and ensure that the persons and entities receiving such services will pay the District's full costs of providing such services, and on that basis the Board hereby adopts the proposed rates and fees for the 2012-2013 fiscal year (with any revisions that the Board may deem prudent as a condition of adopting said rates and fees). The fiscal year 2012-2013 Wholesale Water Rates and Wholesale Capital Facilities (Connection) Fees are shown within "Exhibit A", which is attached to and made a part of this Resolution.


3. The General Manager and staff are directed to take all actions necessary to implement and follow the fiscal year 2012-2013 budget and to impose and collect the rates and fees shown in Exhibit A, as the same are adopted herein.

PASSED AND ADOPTED by the Board of Directors of the San Juan Water District on the 13th day of June 2012, by the following vote:

AYES: DIRECTORS: Costa, Tobin, Walters
NOES: DIRECTORS: Miller, Peterson
ABSENT: DIRECTORS:



PAMELA TOBIN
President, Board of Directors



TERI HART
Secretary, Board of Directors

Resolution - Retail

RESOLUTION NO. 12-13

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SAN JUAN WATER DISTRICT
ADOPTING THE RETAIL BUDGET, RATES AND FEES
FOR THE FISCAL YEAR 2012-2013**

WHEREAS, District staff has prepared a retail budget for the fiscal year 2012-2013 that estimates operating and maintenance, capital improvement program and other expenses of the District and that estimates revenues from all sources to pay the expenses of the District;

WHEREAS, District staff has determined that the fiscal year 2012-2013 retail budget is reasonably accurate and if implemented will ensure that the District's revenues will be sufficient to pay all of the District's expenses, including maintaining prudent reserves; and

WHEREAS, staff has determined that the District's retail water rates, retail capital facilities (connection) fees, alternative retail capital facilities fees, other fees and deposits need to be adjusted for fiscal year 2012-2013 to account for the increased costs for providing such services.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of San Juan Water District as follows:

1. The Board of Directors finds that the retail budget as proposed by staff fairly and accurately represents the estimated expenses and revenues of the District for the fiscal year beginning on July 1, 2010 and ending on June 30, 2011 and that the budget adequately ensures that the District will be able to cover its expenses and maintain prudent reserves, and on that basis the Board hereby adopts the District's fiscal year 2012-2013 budget (with any revisions that the Board may deem prudent as a condition of adopting said budget). A copy of the fiscal year 2012-2013 District budget is attached as "Exhibit A" and made a part of this Resolution.

2. The Board of Directors finds that the proposed retail water rates, retail capital facilities (connection) fees, alternative retail capital facilities fees, other fees and deposits for fiscal year 2012-2013 are fair, equitable and ensure that the persons and entities receiving such services will pay the District's full costs of providing such services, and on that basis the Board hereby adopts the proposed rates and fees for the 2012-2013 fiscal year (with any revisions that the Board may deem prudent as a condition of adopting said rates and fees). The fiscal year 2012-2013 retail water rates, retail capital facilities (connection) fees, alternative retail capital facilities fees, other fees and deposits are shown within "Exhibit A", which is attached to and made a part of this Resolution.

3. The General Manager and staff are directed to take all actions necessary to implement and follow the fiscal year 2012-2013 budget and to impose and collect the rates and fees shown in Exhibit A, as the same are adopted herein.

PASSED AND ADOPTED by the Board of Directors of the San Juan Water District on the 13th day of June 2012, by the following vote:

AYES: DIRECTORS: Costa, Tobin, Walters
NOES: DIRECTORS: Miller, Peterson
ABSENT: DIRECTORS:



PAMELA TOBIN
President, Board of Directors



TERI HART
Secretary, Board of Directors

Salaries and Benefits

As discussed previously, the District's Wholesale and Retail operations share staff with budgeted allocations listed in the Cost Allocation Plan later. With many processes involved with providing water on both a wholesale and retail basis relying upon the labor of employees, the District's salaries and benefits do represent a large portion of the operating budgets. The combined salaries and benefits are listed in the table below.

Total Salary, Benefits, Payroll Taxes and Workers' Compensation Insurance	
Component	Amount
Salaries	\$ 3,728,262
COLA	104,480
Step Increase Within Position Range	47,786
Incentive Award	-
Overtime	148,200
Standby	43,700
FICA/Medicare	296,135
SUI	10,710
Health Insurance	775,706
Dental Insurance	69,297
Disability Insurance	67,500
Life Insurance	11,136
Workers' Compensation Insurance	75,142
Retirement	589,505
Vision	9,000
Auto	7,200
Total Salaries and Benefits	\$ 5,983,759
Compensated Absence Contribution Funding	58,208
Total Salaries and Benefits (including compensated absences)	6,041,967
Internal salaries and benefits capitalized on projects	(555,632)
Salaries and Benefits	\$ 5,486,335
<u>Average Calculation:</u>	
Total Salaries	\$ 3,728,262
Number of Funded Employees	45
Salary Costs Per Funded Employee	\$ 82,850
Total Salaries, Benefits, Payroll Taxes and Workers' Compensation Insurance	\$ 5,983,759
Number of Funded Employees	45
Salary, Benefits Payroll Taxes and Workers' Compensation Insurance Per Funded Employee	\$ 132,972

Salaries are in accordance with the District Salary Range Table (listed on the next page) for staff and established by contract for the General Manager. Benefits are available to all District staff classifications as defined in the Employee Manual. Overtime is only applicable to non-exempt staff and does not apply to exempt positions: General Manager, Assistant General Manager, Finance & Administrative Services Manager, Operations Manager, Engineering Services Manager, Senior Engineer, Water Treatment Plant Superintendent, Chief Operator, Maintenance Chief, Field Services Manager, Customer Service Manager, Water Resources Analyst and Information Technology Administrator.

San Juan Water District
Fiscal Year 2012 - 2013 Budget

Classification	Monthly Range		Annual Range	
	Minimum	Maximum	Minimum	Maximum
Accountant	\$5,581	\$6,697	\$66,972	\$80,364
Accounting Technician I	\$3,736	\$4,483	\$44,832	\$53,796
Accounting Technician II	\$4,110	\$4,933	\$49,320	\$59,196
Accounting Technician III	\$4,520	\$5,424	\$54,240	\$65,088
Administrative Assistant/Board Secretary	\$4,520	\$5,424	\$54,240	\$65,088
Assistant General Manager	\$11,818	\$14,181	\$141,816	\$170,172
Associate Engineer	\$7,376	\$8,851	\$88,512	\$106,212
CAD/GIS Intern (<i>Hourly Rate</i>)	\$17.00	\$21.00	\$15.29	\$18.84
Chief Operator	\$6,678	\$8,014	\$80,136	\$96,168
Conservation Helper	\$3,382	\$4,059	\$40,584	\$48,708
Conservation Technician I	\$4,058	\$4,870	\$48,696	\$58,440
Conservation Technician II	\$4,464	\$5,357	\$53,568	\$64,284
Construction Inspector I	\$4,689	\$5,626	\$56,268	\$67,512
Construction Inspector II	\$5,156	\$6,188	\$61,872	\$74,256
Construction Inspector III	\$5,672	\$6,806	\$68,064	\$81,672
Custodian	\$2,911	\$3,493	\$34,932	\$41,916
Customer Service Technician I	\$3,285	\$3,942	\$39,420	\$47,304
Customer Service Technician II	\$3,614	\$4,337	\$43,368	\$52,044
Customer Service Technician III	\$3,975	\$4,769	\$47,700	\$57,228
Customer Services Manager	\$8,113	\$9,736	\$97,356	\$116,832
Distribution Lead Worker	\$5,855	\$7,025	\$70,260	\$84,300
Distribution Operator I	\$3,999	\$4,799	\$47,988	\$57,588
Distribution Operator II	\$4,399	\$5,279	\$52,788	\$63,348
Distribution Operator III	\$4,840	\$5,808	\$58,080	\$69,696
Distribution Operator IV	\$5,323	\$6,388	\$63,876	\$76,656
Engineering Services Manager	\$8,802	\$10,562	\$105,624	\$126,744
Engineering Technician I	\$4,176	\$5,011	\$50,112	\$60,132
Engineering Technician II	\$4,595	\$5,514	\$55,140	\$66,168
Engineering Technician III	\$5,053	\$6,064	\$60,636	\$72,768
Facilities Maintenance Helper	\$3,391	\$4,069	\$40,692	\$48,828
Facilities Maintenance Worker I	\$4,395	\$5,274	\$52,740	\$63,288
Facilities Maintenance Worker II	\$4,835	\$5,802	\$58,020	\$69,624
Field Services Manager	\$8,113	\$9,736	\$97,356	\$116,832
Field Services Technician	\$5,323	\$6,388	\$63,876	\$76,656
Finance & Administrative Services Manager	\$10,275	\$12,330	\$123,300	\$147,960
General Manager	\$15,581	\$15,581	\$186,972	\$186,972
Groundskeeper	\$3,319	\$3,983	\$39,828	\$47,796
Information Technology Administrator	\$6,678	\$8,014	\$80,136	\$96,168
Information Technology Technician I	\$4,399	\$5,279	\$52,788	\$63,348
Information Technology Technician II	\$4,840	\$5,808	\$58,080	\$69,696
Instrumentation Technician	\$5,572	\$6,686	\$66,864	\$80,232
Maintenance Chief	\$6,678	\$8,014	\$80,136	\$96,168
Meter Technician	\$3,643	\$4,371	\$43,716	\$52,452
Operations Manager	\$9,734	\$11,681	\$116,808	\$140,172
Purchasing Agent	\$4,520	\$5,424	\$54,240	\$65,088
Senior Engineer	\$8,113	\$9,736	\$97,356	\$116,832
Temporary/Seasonal Help (<i>Hourly Rate</i>)	\$10.00	\$16.00	\$9.91	\$15.49
Utilities Coordinator	\$5,353	\$6,424	\$64,236	\$77,088
Water Resources Analyst	\$7,505	\$9,006	\$90,060	\$108,072
Water Treatment Operator II	\$4,798	\$5,758	\$57,576	\$69,096
Water Treatment Operator III	\$5,277	\$6,333	\$63,324	\$75,996
Water Treatment Operator IV	\$5,805	\$6,966	\$69,660	\$83,592
Water Treatment Plant Superintendent	\$8,113	\$9,736	\$97,356	\$116,832

San Juan Water District
Fiscal Year 2012 - 2013 Budget

Area / Classification	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Executive				
General Manger	1.0	1.0	1.0	1.0
Assistant General Manger	1.0	1.0	1.0	1.0
Administrative Assistant/Board Secretary	1.0	1.0	1.0	1.0
Total Executive	3.0	3.0	3.0	3.0
Finance & Administrative Services				
Finance & Administrative Services Manager	1.0	1.0	1.0	1.0
Accountant	1.0	1.0	1.0	1.0
Accounting Technician III	1.0	1.0	1.0	1.0
Information Technology Administrator	1.0	1.0	1.0	1.0
Information Technology Technician I	0.0	0.0	0.0	0.0
Purchasing Agent	1.0	1.0	1.0	1.0
Total Finance & Administrative Services	5.0	5.0	5.0	5.0
Conservation				
Conservation Temporary	0.0	0.0	0.5	0.0
Conservation Technician I	0.0	0.0	0.0	0.0
Conservation Technician II	3.0	3.0	3.0	3.0
Water Resources Analyst	1.0	1.0	1.0	1.0
Total Conservation	4.0	4.0	4.5	4.0
Customer Services				
Customer Services Manager	1.0	1.0	1.0	1.0
Accounting Technician II	1.0	1.0	1.0	1.0
Accounting Technician III	1.0	1.0	1.0	1.0
Meter Technician	1.0	1.0	1.0	1.0
Total Customer Services	4.0	4.0	4.0	4.0
Field Services				
Field Services Manager	1.0	1.0	1.0	1.0
Distribution Lead Worker	3.0	3.0	3.0	3.0
Distribution Operator I	0.0	0.0	0.0	0.0
Distribution Operator II	3.0	3.0	1.0	1.0
Distribution Operator III	1.0	1.0	3.0	3.0
Distribution Operator IV	4.0	4.0	4.0	4.0
Pump Station Mechanic	1.0	1.0	1.0	1.0
Utilities Coordinator	1.0	1.0	1.0	1.0
Total Field Services	14.0	14.0	14.0	14.0
Engineering Services				
Engineering Services Manager	1.0	1.0	1.0	1.0
Associate/Senior Engineer	1.0	1.0	1.0	1.0
CAD/GIS Intern	0.0	0.0	0.4	0.0
Construction Inspector II	1.0	1.0	1.0	1.0
Engineering Technician III	1.0	1.0	1.0	1.0
Total Engineering Services	4.0	4.0	4.4	4.0
Operations				
Operations Manager	1.0	1.0	1.0	1.0
Total Operations	1.0	1.0	1.0	1.0
Water Treatment Plant				
Wholesale Operations Manager	0.0	0.0	0.0	0.0
Water Treatment Plant Superintendent	1.0	1.0	1.0	1.0
Custodian	1.0	1.0	1.0	1.0
Facilities Maintenance Worker I	1.0	1.0	1.0	1.0
Facilities Maintenance Worker II	1.0	1.0	1.0	0.0
Instrument Technician	0.0	0.0	0.0	1.0
Maintenance Chief	1.0	1.0	1.0	1.0
Water Treatment Operator II	1.0	1.0	0.0	0.0
Water Treatment Operator III	2.0	2.0	2.0	2.0
Water Treatment Operator IV	1.0	1.0	2.0	2.0
Chief Operator	1.0	1.0	1.0	1.0
Total Water Treatment Plant	10.0	10.0	10.0	10.0
Total Funded Positions	45.0	45.0	45.9	45.0

Debt Service – District-Wide

Debt Service is combined here to demonstrate all components of District-wide Debt Service; however, Wholesale and Retail Debt Service are presented separately in each respective section of the budget. There is no set debt limit, but debt issuance is evaluated through the financial plans and any issuance must comply with the established covenants. Debt Service is currently comprised of the following:

- California Energy Commission Loan (Retail);
- Economic Development Loan (Retail);
- 2012 Refunding Bonds (Wholesale and Retail); and
- 2009 Certificates of Participation (COPs) (Wholesale and Retail).

District-Wide Debt Service	San Juan	Citrus	Fair Oaks	Orange Vale	City of	
	Water	Heights			Folsom	
	Retail	Water	Water	Water		
Sources of Funds	Service Area	District	District	Company		Total
<u>Annual Debt Service Charge</u>						
2012 Refunding Bonds	\$ 300,613	\$ 350,917	\$ 257,870	\$ 79,135	\$ 19,557	\$ 1,008,092
2009 COPs	347,239	369,663	230,064	116,186	36,054	1,099,205
Total Annual Debt Service Charge	\$ 647,852	\$ 720,580	\$ 487,934	\$ 195,321	\$ 55,611	\$ 2,107,297
<u>Direct Obligation</u>						
2012 Refunding Bonds	\$ 410,524	\$ -	\$ -	\$ -	136,841	547,365
2012 COPs (1993 COP)	212,617	-	171,280	75,915	-	459,811
2009 COPs	618,303	-	-	-	-	618,303
California Energy Commission Loan	-	-	-	-	-	-
Economic Development Loan	30,087	-	-	-	-	30,087
Total Direct Obligation	\$ 1,271,531	\$ -	\$ 171,280	\$ 75,915	\$ 136,841	\$ 1,655,567
Total Sources of Funds	\$ 1,919,383	\$ 720,580	\$ 659,213	\$ 271,236	\$ 192,452	\$ 3,762,865
Uses of Funds				Principal	Interest	Total
2012 Refunding Bonds				\$ 1,480,000	\$ 535,269	\$ 2,015,269
2009 Certificates of Participation				10,000	1,707,508	1,717,508
California Energy Commission Loan				0	0	0
Economic Development Loan				23,611	6,476	30,087
Total Uses of Funds				\$ 1,513,611	\$ 2,249,253	\$ 3,762,865
<i>Note: In 2012 the California Energy Commission Loan was paid off.</i>						

Debt Service allocations are based upon the appropriate cost allocation (project cost or proportionate share of acre feet deliveries). This table presents the allocations for all components of the COPs for which there are portions of both Wholesale and Retail Debt Service.

San Juan Water District
Fiscal Year 2012 - 2013 Budget

Debt Service Allocations														
	2012 Refunding Bonds								2009 COPs					
	1993 Refunding		New		Direct		Combined		New		Direct		Combined	
Issued	\$705,000		\$8,373,452		\$4,546,548		\$13,625,000		\$19,526,400		\$10,983,600		\$30,510,000	
SJWD RSA	46.24%	\$325,992	29.82%	\$2,496,963	75.00%	\$3,409,911	45.75%	\$6,232,866	31.59%	\$6,168,390	100.00%	\$10,983,600	56.22%	\$17,151,990
CHWD	0.00%	0	34.81%	2,914,799	0.00%	0	21.39%	2,914,799	33.63%	6,566,728	0.00%	0	21.52%	6,566,728
FOWD	37.25%	262,613	25.58%	2,141,929	0.00%	0	17.65%	2,404,542	20.93%	4,086,876	0.00%	0	13.40%	4,086,876
OVWC	16.51%	116,396	7.85%	657,316	0.00%	0	5.68%	773,712	10.57%	2,063,940	0.00%	0	6.76%	2,063,940
Folsom	0.00%	0	1.94%	162,445	25.00%	1,136,637	9.53%	1,299,082	3.28%	640,466	0.00%	0	2.10%	640,466
	100.00%	\$705,001	100.00%	\$8,373,452	100.00%	\$4,546,548	100.00%	\$13,625,001	100.00%	\$19,526,400	100.00%	\$10,983,600	100.00%	\$30,510,000

Allocation of Debt Service based upon % of debt service @ issue; refundings are based upon allocation @ original date of issue.

While San Juan Water District follows a July 1 through June 30 fiscal year, all other wholesale customers (with exception of the City of Folsom) follow a January 1 through December 31 fiscal year. This table presents the Debt Service payments that will be required during the fiscal year and lists the Debt Service principal and interest (using the accrual method in accordance with Generally Accepted Accounting Principles) for each wholesale customer agency:

2012 Bond:	1993 Refunding			New Project Money			Direct			Total	
	Payment Date	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest		Total
	8/1/2012		1,468.75	1,468.75	0.00	75,888.46	75,888.46	0.00	41,205.29	41,205.29	118,562.50
	2/1/2013	455,000.00	3,525.00	458,525.00	664,302.50	182,132.30	846,434.80	360,697.50	98,892.69	459,590.19	1,764,549.99
	8/1/2013		1,250.00	1,250.00	0.00	178,810.80	178,810.80	0.00	97,089.21	97,089.21	277,150.01
	2/1/2014	250,000.00	1,250.00	251,250.00	0.00	178,810.80	178,810.80	0.00	97,089.21	97,089.21	527,150.01
	SJWD RSA	\$210,392.00	\$2,224.82	\$212,616.82	\$198,095.01	\$102,517.99	\$300,613.00	\$270,523.13	\$140,000.94	\$410,524.07	\$923,753.89
	CHWD	0.00	0.00	0.00	231,243.70	119,673.08	350,916.78	0.00	0.00	0.00	350,916.78
	FOWD	169,487.50	1,792.27	171,279.77	169,928.58	87,941.32	257,869.90	0.00	0.00	0.00	429,149.67
	OVWC	75,120.50	794.37	75,914.87	52,147.75	26,987.47	79,135.22	0.00	0.00	0.00	155,050.09
	Folsom	0.00	0.00	0.00	12,887.47	6,669.51	19,556.98	90,174.38	46,666.98	136,841.36	156,398.34
<i>Fiscal Year</i>		\$455,000.00	\$4,811.46	\$459,811.46	\$664,302.51	\$343,789.37	\$1,008,091.88	\$360,697.51	\$186,667.92	\$547,365.43	\$2,015,268.77
	SJWD RSA	\$210,392.00	\$1,331.33	\$211,723.33	\$198,095.01	\$106,807.84	\$304,902.85	\$270,523.13	\$145,859.25	\$416,382.38	\$933,008.56
	CHWD	0.00	0.00	0.00	231,243.70	124,680.78	355,924.48	0.00	0.00	0.00	355,924.48
	FOWD	169,487.50	1,072.49	170,559.99	169,928.58	91,621.21	261,549.79	0.00	0.00	0.00	432,109.78
	OVWC	75,120.50	475.35	75,595.85	52,147.75	28,116.75	80,264.50	0.00	0.00	0.00	155,860.35
	Folsom	0.00	0.00	0.00	12,887.47	6,948.60	19,836.07	90,174.38	48,619.75	138,794.13	158,630.20
<i>Calendar Year</i>		\$455,000.00	\$2,879.17	\$457,879.17	\$664,302.51	\$358,175.18	\$1,022,477.69	\$360,697.51	\$194,479.00	\$555,176.51	\$2,035,533.37

Semi-Annual Fiscal Year versus Calendar Year payments differ due to the accrual of interest expense in accordance with GAAP.

San Juan Water District
Fiscal Year 2012 - 2013 Budget

2009 COPs Payment Date	New Project Money			Direct			Total
	Principal	Interest	Total	Principal	Interest	Total	
8/1/2012	0.00	546,456.00	546,456.00	0.00	307,381.50	307,381.50	853,837.50
2/1/2013	6,400.00	546,456.00	552,856.00	3,600.00	307,381.50	310,981.50	863,837.50
8/1/2013	0.00	546,328.01	546,328.01	0.00	307,309.49	307,309.49	853,637.50
2/1/2014	259,200.00	546,328.01	805,528.01	145,800.00	307,309.49	453,109.49	1,258,637.50
SJWD RSA	\$2,021.76	\$345,217.21	\$347,238.97	\$3,600.00	\$614,702.99	\$618,302.99	\$965,541.96
CHWD	2,152.32	367,510.44	369,662.76	0.00	0.00	0.00	369,662.76
FOWD	1,339.52	228,724.16	230,063.68	0.00	0.00	0.00	230,063.68
OVWC	676.48	115,509.52	116,186.00	0.00	0.00	0.00	116,186.00
Folsom	209.92	35,844.02	36,053.94	0.00	0.00	0.00	36,053.94
<i>Fiscal Year</i>	\$6,400.00	\$1,092,805.35	\$1,099,205.35	\$3,600.00	\$614,702.99	\$618,302.99	\$1,717,508.34
SJWD RSA	\$2,021.76	\$345,176.78	\$347,198.54	\$3,600.00	\$614,630.98	\$618,230.98	\$965,429.52
CHWD	2,152.32	367,467.39	369,619.71	0.00	0.00	0.00	369,619.71
FOWD	1,339.52	228,697.37	230,036.89	0.00	0.00	0.00	230,036.89
OVWC	676.48	115,496.00	116,172.48	0.00	0.00	0.00	116,172.48
Folsom	209.92	35,839.82	36,049.74	0.00	0.00	0.00	36,049.74
<i>Calendar Year</i>	\$6,400.00	\$1,092,677.36	\$1,099,077.36	\$3,600.00	\$614,630.98	\$618,230.98	\$1,717,308.34

Semi-Annual Fiscal Year versus Calendar Year payments differ due to the accrual of interest expense in accordance with GAAP.

In accordance with Debt Covenants authorized by the 2012 Refunding Bonds and 2009 COPs, the District must maintain District-wide debt service coverage of at least 1.15. The underlying bond credit rating of both series of COPs is “AA+” by Fitch Ratings which is due to a variety of financial policies of the District, but most significantly:

- Maintaining a debt service coverage of at least 2.0;
- Maintaining a sufficient number of days of liquid cash; and
- Engaging in long-term financial and capital improvement program planning.

While the past several years have presented a slightly lower debt service coverage ratio due to conservation efforts and economic conditions, the District’s debt coverage ratio is projected to be at least 2.0 beginning in Fiscal Year 2013-2014. A bond credit rating of “AA+” represents high quality bonds and provides reassurance to investors of the District’s debt.

San Juan Water District
Fiscal Year 2012 - 2013 Budget

Debt Service Coverage - District-Wide						
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12 Projected	FY 2012-13 Proposed
Revenues						
Retail Water Sales	\$6,766,658	\$7,542,865	\$7,299,989	\$7,834,917	\$7,903,316	\$7,945,020
Wholesale Water Sales	6,410,653	7,111,208	7,554,793	7,764,982	7,054,476	6,724,214
Connections and Annexations	174,865	45,699	163,256	163,256	102,644	568,093
1% Property Tax Revenue	1,835,558	1,822,166	1,687,204	1,687,204	1,600,000	1,700,000
Investment Income	1,561,139	847,510	475,139	271,233	233,217	212,522
Other	255,298	327,374	475,872	459,069	213,782	307,700
Total Revenues	\$17,004,171	\$17,696,822	\$17,656,253	\$18,180,661	\$17,107,435	\$17,457,549
Operation and Maintenance Costs						
Source of Supply	\$3,240,902	\$3,221,008	\$3,284,932	\$2,820,911	\$2,898,120	\$2,777,189
Pumping and Telemetry	580,370	663,975	545,977	590,723	546,007	582,145
Water Treatment	2,223,995	2,211,536	2,171,924	2,118,922	1,901,022	1,969,221
Transmission and Distribution	1,731,271	1,639,125	1,764,549	1,657,517	1,587,349	1,629,028
Administration and General	2,387,564	2,161,541	2,458,413	2,431,343	2,251,527	2,369,684
Customer Service	679,121	689,023	666,816	657,999	635,143	666,680
Conservation	503,713	636,509	635,946	617,614	622,235	658,558
Engineering	319,227	359,576	317,454	342,523	329,066	474,421
OPEB		365,283	377,057	377,057	269,850	280,000
Total Operation/ Maintenance Costs	11,666,163	11,947,576	\$12,223,068	\$11,614,609	\$11,040,319	\$11,406,926
Net Revenues	5,338,008	5,749,246	\$5,433,185	\$6,566,052	\$6,067,116	\$6,050,623
Debt Service						
2009 COPs			\$1,413,477	\$1,718,475	\$1,718,075	\$1,717,675
2003 COP/2012 Refund Bonds	\$1,661,969	\$1,648,383	1,787,339	1,747,263	1,747,713	1,723,087
EDA Loan	30,088	30,088	30,088	30,088	30,088	30,088
CEC Advance	6,188	6,188	6,188	6,188	6,188	
Total Debt Service	\$1,698,245	\$1,684,659	\$3,237,092	\$3,502,014	\$3,502,064	\$3,470,850
Debt Service Coverage	3.14	3.41	1.68	1.87	1.73	1.74

Wholesale Budget

Cost Savings Measures

The District continually evaluates cost-saving measures that support fulfilling its mission. Staff regularly explores options to current processes or projects (treatment, engineering, conservation, administration, capital projects) that may present viable alternatives that save District customers money while providing a high level of service customers expect. To that end, the District has taken the following cost-saving measures in recent history with a summarized table below:

- FY 2012 – Employees came forward with no Cost of Living Allowance (“COLA”), Increase Within Range or Incentive Compensation for employees which held salaries at current levels saving approximately \$98,900.
- Utilize internal staff on planning, engineering and construction management of capital projects which saves approximately \$300,000 on the cost of outside consultants.
- FY 2012 Primary Coagulant Chemical Evaluation - initial savings are approximately \$50,000 using internal staff to investigate, test and permit instead of a consultant with annual savings estimated to be \$47,000-57,000 and have turned out to be over \$350,000 due to reduced chemical costs, electrical and labor costs.
- FY 2009 - implemented Information Technology improvements including Virtual Servers and Shared Storage saving \$35,000 annually on reduced hardware, software support, maintenance and electricity with additional annual savings of \$37,500 annually due to elimination of need to fill Information Technology Technician position.
- FY 2012 WEL Garden maintenance reduced annual cost by \$12,000.
- FY 2012 – utilized in-house staff to prepare the Process Safety Manual, Illness and Injury Prevention Plan, Vulnerability Assessment, Emergency Response Plan, hazard assessments and related training for safety and regulatory compliance. Estimated savings of approximately \$140,000 compared to the cost of using outside consultants.
- FY 2011 Entry landscape – saved \$218,000 by significantly reducing the scope of the landscaping project and using employee volunteers to complete the reduced project during non-working hours.
- FY 2012+ Annual solar savings of \$300,000 and 5 year annual CSI rebate of over \$385,000/year, making the project pay for itself by 2019.
- FY 2012 - Refunding Bonds with annual estimated debt service savings of \$65,200 until 2033 when paid off, total \$1,369,200.

- FY 2013 – Identified/evaluated alternative pretreatment process improvements for WTP to take advantage of coagulant chemical changes. CIP reduced by \$1,230,000.

FY	Measure		Savings
2012	No COLA/Step Increase/Incentive Compensation	<i>Total</i>	\$98,900
2012+	Dependent dental employee cost-share	<i>Total</i>	\$4,200
2012+	Internal staff-planning, engineering, construction management	<i>Annual</i>	\$300,000
2012+	Water Treatment Chemical change	<i>Initial</i>	\$50,000
		<i>Annual</i>	\$350,000
2012+	Reduced WEL Garden maintenance	<i>Annual</i>	\$12,000
2012	Regulatory compliance; safety document updates	<i>Total</i>	\$140,000
2009	COP credit rating process in-lieu of bond insurance	<i>Total</i>	\$66,300
2009	CalPERS Contribution prepayment	<i>Total</i>	\$47,515
2009+	AA+ Credit Rating on COPs	<i>Total</i>	\$3,480,000
2009+	IT virtualization & shared storage	<i>Annual</i>	\$72,500
2010	WTP Sedimentation Basin Project	<i>Total</i>	\$1,400,000
2011	WTP Butterfly Valves installed by staff	<i>Total</i>	\$40,000
2011	Treated Water PL/CT Bypass PL Project	<i>Total</i>	\$918,200
2011	Entry landscape reduced scope & EE volunteers	<i>Total</i>	\$218,000
2012+	Solar energy cost savings	<i>Annual</i>	\$300,000
2012-2016	CA Solar Initiative (CSI) rebate	<i>Annual</i>	\$385,000
		<i>Total</i>	\$1,925,000
2013	CIP reduction due to treatment chemical change	<i>Total</i>	\$1,230,000
2012-2033	Refunding Bonds - lower debt service	<i>Annual</i>	\$65,200
		<i>Total</i>	\$1,369,200

Wholesale Water Rate Study and Financial Plan

In 2010, the District contracted with the Reed Group, Inc. to prepare the Wholesale Water Rate Study and Financial Plan due to ongoing capital program needs in order to determine water rates required to fund operations and the capital improvement program over the next ten years. An Ad Hoc Joint Agency Wholesale Budget Review Committee consisting of members from San Juan Water District, Citrus Heights Water District, Fair Oaks Water District, Orange Vale Water Company and City of Folsom was formed to allow these agencies the opportunity to review and provide input through the process.

This update of the financial plan was completed in October 2010 and accepted by the Board. The plan concluded that the District had sufficient funds for operations, maintenance and capital projects with recommended annual increases of 5%. The first wholesale rate increase resulting from that plan was implemented on January 1, 2011.

San Juan Water District
Fiscal Year 2012 - 2013 Budget

This budget is prepared with the estimated rates from that plan for budgetary purposes; however, the Board adopts rates as part of the budget process. The following table represents the recommended rate increases to be effective January 1, 2012 over the next five years which are subject to Board approval:

2013	2014	2015	2016	2017
0%	3%	3%	3%	3%

For 2013, staff is recommending a 0% rate increase based upon an update of the financial plan with the rate consultant. This is possible due to a combination of factors: additional unanticipated water sales revenue, significant cost savings on capital improvement projects and operating cost savings in the water treatment plant as well as other areas of the District. Annual funding of a Delta/Water Rights Litigation reserve of \$50,000 has been included with the option of a 0% or 1% increase.

Calendar Year 2012 Wholesale Water Rate Structure

Wholesale Agency	Uniform Commodity Rate	Annual Service Charge	Annual Debt Service Charge						Acre Feet Delivered (est)	Water Usage Charges	Total Charges
			2003 COPs			2009 COPs					
			Direct	Refunding	Water Rates	Direct	Water Rates	Total			
San Juan Water District, RSA	\$90.60	\$311,080	\$295,342	\$291,838	\$212,981	\$618,447	\$347,313	\$1,765,921	14,000	\$1,268,400	\$3,345,401
Citrus Heights Water District	\$90.60	367,450			254,241	0	369,742	623,983	12,500	1,132,500	2,123,933
Fair Oaks Water District	\$90.60	208,340		235,099	183,773	0	230,113	648,985	11,800	1,069,080	1,926,405
Orange Vale Water Company	\$90.60	80,300		104,201	49,652	0	116,211	270,064	4,700	425,820	776,184
City of Folsom	\$90.60	35,160	98,447		23,236	0	36,062	157,745	1,480	134,088	326,993
Calendar Year 2012 Total		\$1,002,330	\$393,789	\$631,138	\$723,883	\$618,447	\$1,099,441	\$3,466,698		\$4,029,888	\$8,498,916

Note: Calendar Year and Fiscal Year Totals for Water Usage Charges are based upon estimated acre feet delivered and will vary with actual deliveries. The Wholesale Water Rate Structure above does not include Capital Contributions that may be specific to an agency due to a specific benefit capital project.

San Juan Water District Fiscal Year 2012 - 2013 Budget

Revised Debt Service

Calendar Year 2012 Wholesale Water Rate Structure

Wholesale Agency	Uniform Commodity Rate	Annual Service Charge	Annual Debt Service Charge						Acre Feet Delivered (est)	Water Usage Charges	Total Charges
			2012 Refunding Bonds			2009 COPs					
			Direct	Refunding	Water Rates	Direct	Water Rates	Total			
San Juan Water District, RSA	\$90.60	\$311,080	\$259,312	\$186,143	\$238,550	\$618,447	\$347,313	\$1,649,765	14,000	\$1,268,400	\$3,229,245
Citrus Heights Water District	\$90.60	367,450			251,735	0	369,742	621,477	12,500	1,132,500	2,121,427
Fair Oaks Water District	\$90.60	208,340		149,953	204,631	0	230,113	584,697	11,800	1,069,080	1,862,117
Orange Vale Water Company	\$90.60	80,300		66,462	62,797	0	116,211	245,470	4,700	425,820	751,590
City of Folsom	\$90.60	35,160	86,437		15,519	0	36,062	138,018	1,480	134,088	307,266
Calendar Year 2012 Total		\$1,002,330	\$345,749	\$402,558	\$773,232	\$618,447	\$1,099,441	\$3,239,427		\$4,029,888	\$8,271,645

Note: Calendar Year and Fiscal Year Totals for Water Usage Charges are based upon estimated acre feet delivered and will vary with actual deliveries. The Wholesale Water Rate Structure above does not include Capital Contributions that may be specific to an agency due to a specific benefit capital project.

Calendar Year 2013 Wholesale Water Rate Structure

Wholesale Agency	Uniform Commodity Rate	Annual Service Charge	Annual Debt Service Charge						Acre Feet Delivered (est)	Water Usage Charges	Total Charges
			2012 Refunding Bonds			2009 COPs					
			Direct	Refunding	Water Rates	Direct	Water Rates	Total			
San Juan Water District, RSA	\$90.60	\$311,080	\$261,918	\$143,314	\$143,130	\$760,419	\$427,051	\$1,735,832	15,000	\$1,359,000	\$3,405,912
Citrus Heights Water District	\$90.60	367,450			193,814	0	454,629	648,443	13,000	1,177,800	2,193,693
Fair Oaks Water District	\$90.60	208,340		115,451	122,779	0	282,943	521,173	9,900	896,940	1,626,453
Orange Vale Water Company	\$90.60	80,300		51,171	37,679	0	142,891	231,740	4,850	439,410	751,450
City of Folsom	\$90.60	35,160	87,306		9,312	0	44,341	140,959	1,580	143,148	319,267
Calendar Year 2013 Total		\$1,002,330	\$349,225	\$309,936	\$506,713	\$760,419	\$1,351,855	\$3,278,148		\$4,016,298	\$8,296,776
Fiscal Year 2013 Total		\$1,002,330	\$371,507	\$470,537	\$615,298	\$689,433	\$1,225,648	\$3,372,423		\$4,023,093	\$8,397,846

Note: Calendar Year and Fiscal Year Totals for Water Usage Charges are based upon estimated acre feet delivered and will vary with actual deliveries. The Wholesale Water Rate Structure above does not include Capital Contributions that may be specific to an agency due to a specific benefit capital project.

The following table lists the acre-feet provided by the respective retail agencies for the purpose of water rate development.

Acre Feet Provided by Agencies

CY	San Juan Water District Retail	Citrus Heights Water District	Fair Oaks Water District	Orange Vale Water Company	City of Folsom (Ashland)
2010	12,651	12,165	10,606	4,324	1,331
2011	12,508	12,292	9,597	4,108	1,293
2012	14,000	13,000	10,080	4,700	1,480
2013	15,000	13,000	9,900	4,850	1,580
2014	15,150	13,000	9,720	4,899	1,596
2015	15,302	13,000	9,630	4,948	1,612

2010 and 2011 are the actual acre feet delivered to each agency. 2012-2015 are estimates as included in the 2010 Wholesale Financial Plan and Water Rate Study, with updates from CHWD and FOWD.

In 2008, a similar study also included a new wholesale water connection fee that is assessed to new connections for purposes of “buying into” the system. This places new customers on par with existing customers and is expected to generate revenue of approximately \$7,093 this year due to the continued low development activity.

Effective for Calendar Year 2013, this fee has increased by 2.85% as indexed to the 20 Cities Construction Cost Index (“CCI”):

Calculation:

CC Index @ March 2012	9,267.57
CC Index @ March 2011	9,010.80
Difference	256.77
% Change	2.85%

The following schedule lists the fee by meter size that is collected from each retail agency and in turn submitted to San Juan Water District:

Wholesale Connection Fees

Meter Size	Capacity Factor	2012	2013
3/4" Meter	0.60	\$354	\$364
1" Meter	1.00	\$588	\$605
1 1/2" Meter	2.00	\$1,178	\$1,212
2" Meter	3.20	\$1,884	\$1,938
3" Meter	6.40	\$3,767	\$3,874
4" Meter	10.00	\$5,887	\$6,055
6" Meter	25.00	\$14,717	\$15,136
8" Meter	36.00	\$21,193	\$21,797
10" Meter	58.00	\$34,145	\$35,118
12" Meter	86.00	\$50,629	\$52,072

Functional Areas

Administration and General

For Wholesale activities, this includes: Office of the General Manager, Finance, General Services, Human Resources, Information Technology, Purchasing, Risk Management and Safety. Overall District costs related to auditing, consulting, Directors, general operations, legal and office expenses are recorded in this category.

Office of the General Manager is responsible for the overall administration of the District including: implementing District policies; developing and maintaining responsive District programs and services; providing leadership and motivation to District staff; maintaining and planning for fiscal integrity; promoting excellent customer service; maintaining strong relationships with local and regional regulatory and peer governmental agencies; providing direct support to the Board of Directors. Major initiatives for the next year include: monitoring Delta and other water supply issues, as well as protecting water rights and water supply reliability; District structure and succession planning; and District efficiency measures.

Finance is responsible for all financial operations in the District, including: financial planning and forecasting, budget development, accounting and fiscal administration, debt issuance and management, financial reports and annual audit, and water rates and charges analysis. Major initiatives for the coming year include: development of *Equipment and Vehicle Fee Schedule*; implementation of a new financial information system; and monthly reporting on department budgets.

General Services includes buildings, grounds, equipment and vehicle maintenance. A major initiative for the coming year is development of the *Equipment and Vehicle Replacement Policy*.

Human Resources provides support in recruitment, selection, development and retention of a talented workforce. This includes payroll and benefits administration. Major initiatives include monitoring legislation affecting the workplace and ensure compliance, and continue to promote a culture of excellent customer service.

Information Technology manages and supports all aspects of the District's information technology systems, including data and voice communications hardware and software, as well as implementation of the District's Information Technology (IT) Master Plan. Major initiatives for the next year will be completion of the new SCADA system, implementation of a new financial information system and the completion of network improvements including wireless networking.

Purchasing facilitates and coordinates: bidding and requests for proposals; acquisition of equipment, materials, services and supplies; contracts; and insurance certifications. Major initiatives for the next year will be completion of a Purchasing Manual to assist staff with purchasing procedures and questions.

Risk Management and Safety is responsible for the District's insurance, safety, loss control, and property/liability claims.

Conservation

The District provides water conservation technical and management support for retail member agencies and their customers. These efforts include workshops with subjects ranging from residential and large turf irrigation to pond management as well as management support for the retail member agency's public information and school education programs. The District maintains and promotes a Water Efficient Landscape (WEL) Garden that is open weekdays to the public and several times a year offers Saturday workshops for retail member customers. In addition, the District has an extensive video and reading library, provides speakers for school presentations, and coordinates an annual water-awareness poster contest. The District also serves as a technical resource for retail member agency's compliance with federal and state water regulations. On behalf of its retail member agencies, District staff attends and actively participates in meetings and workshops of the California Urban Water Conservation Council and the Regional Water Authority to affect and address statewide and regional conservation efforts and issues.

Engineering Services

In general, this Department is responsible for planning, designing and managing Wholesale capital improvement projects, assisting with operational improvements, and assists with maintenance activities which contain an engineering component.

Transmission and Distribution

This area performs activities related to Wholesale mains and pipelines ranging in size from 6" to 90" in diameter and over 17 miles in length. This also includes the maintenance of the District's many wholesale water meters, air release valves and other appurtenances.

Water Treatment

The District operates and maintains its 130 million gallons per day surface water treatment plant 24/7 and a 62 million gallon clearwell. The source water comes from Folsom Lake and is typically treated using conventional filtration and disinfection that is designed to remove many contaminants. During summer months the source water quality is so good that the water can be treated more efficiently using direct filtration and disinfection. The water treatment plant's potable (finished) water quality meets all federal and state drinking standards. Water treatment supplies potable water to approximately 265,000 customers resulting in water district's served by San Juan's Wholesale operation, including: San Juan Water District retail service area, Citrus Heights Water District, Fair Oaks Water District, Orange Vale Water Company, City of Folsom's northern area (Ashland) and Sacramento Suburban Water District.

Source of Supply – Wholesale

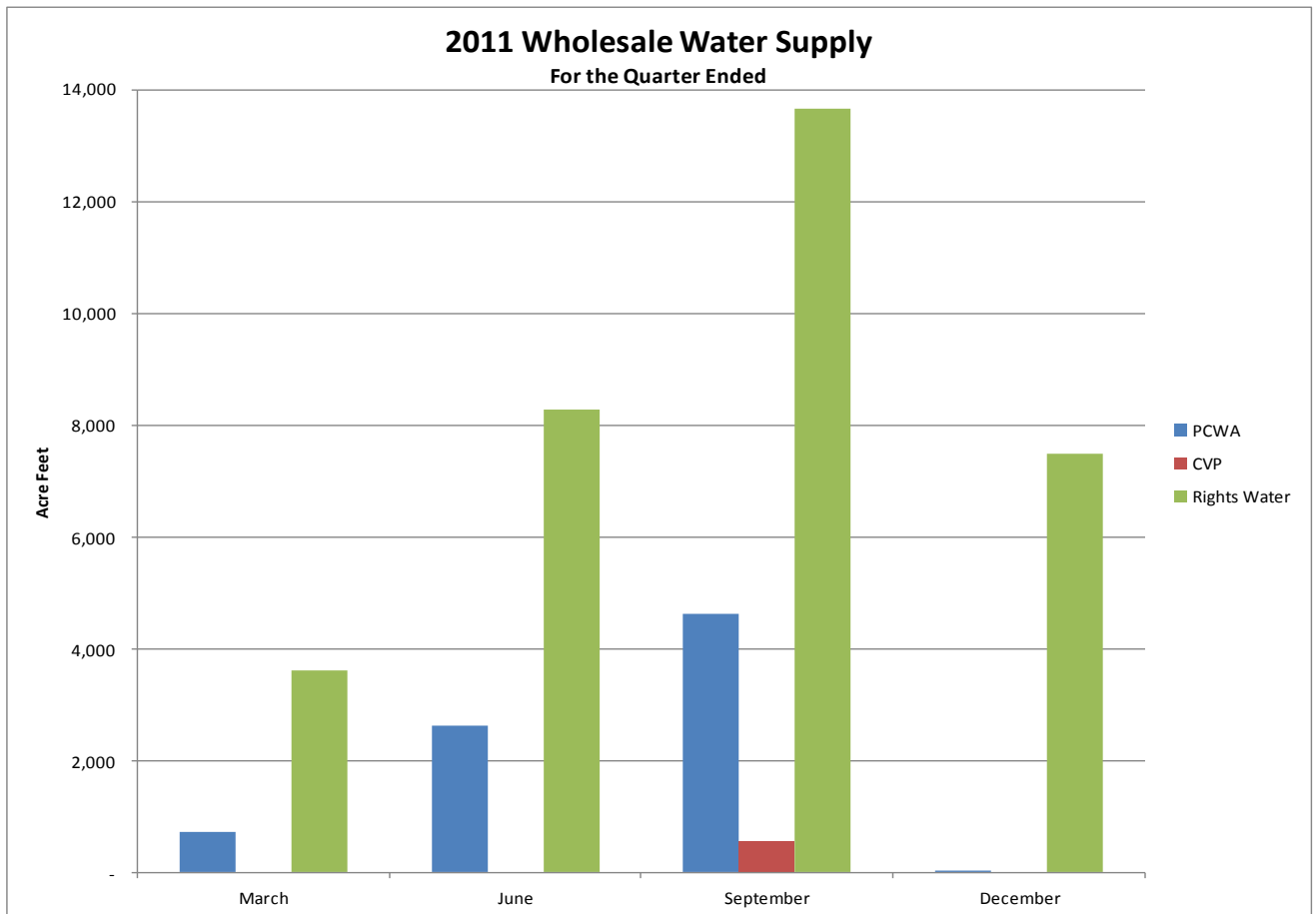
Source of supply is calculated based upon projected deliveries using a combination of historical and estimated values multiplied by the rate in effect, which may be estimated if not yet known. Projected deliveries used are in accordance with the budget assumptions that are provided by the retail agencies.

Source of Supply Rates				
Category	Effective		Rate	Per
	Beginning	Ending		
CVP Project Water	3/1/2012	2/28/2013	\$15.00	Acre Foot
CVP Project Water (est)	3/1/2013	2/28/2014	\$15.60	Acre Foot
CVP Restoration	10/1/2011	9/30/2012	\$18.78	Acre Foot
CVP Restoration (est)	10/1/2012	9/30/2013	\$19.72	Acre Foot
CVP Trinity Surcharge	3/1/2012	2/28/2013	\$0.07	Acre Foot
CVP Trinity Surcharge (est)	3/1/2013	2/28/2014	\$0.07	Acre Foot
Warren Act Contract (PCWA wheeling)	3/1/2012	2/28/2013	\$14.77	Acre Foot
Warren Act Contract (PCWA wheeling)	3/1/2013	2/28/2014	\$17.65	Acre Foot
PCWA Water	1/1/2012	12/31/2012	\$15.00	Acre Foot
PCWA Water (est)	1/1/2013	12/31/2013	\$15.60	Acre Foot
WAPA/Bureau Pumping	10/1/2011	3/31/2012	\$2,926.61	Month
WAPA/Bureau Pumping	4/1/2012	9/30/2012	\$8,779.82	Month
WAPA/Bureau Pumping Restoration	10/1/2011	9/30/2012	\$1,872.10	Month
WAPA/Bureau Pumping (est)	10/1/2012	3/31/2013	\$3,043.67	Month
WAPA/Bureau Pumping (est)	4/1/2012	9/30/2012	\$9,131.01	Month
WAPA/Bureau Pumping <i>Restoration (est)</i>	10/1/2012	9/30/2013	\$1,946.98	Month
Water Rights Fees	1/1/2012	12/31/2012	\$15,448.22	Year
Water Rights Fees (est)	1/1/2013	12/31/2013	\$18,537.86	Year
PGE/CAISO COTP Energy	1/1/2012	12/31/2012	\$550.00	Year
PGE/CAISO COTP Energy (est)	1/1/2013	12/31/2013	\$572.00	Year
Fiscal Year 2012-2013 Budget	Quantity	Rate	Rate	Rate
CVP Project Water	2,000.00	15.00	15.60	30,396.00
CVP Restoration	2,000.00	18.78	19.72	38,180.40
CVP Trinity	2,000.00	0.07	0.07	140.00
				0.00
Warren Act Contract (PCWA wheeling)	9,627.00	14.77	17.65	151,340.29
PCWA Water	25,000.00	15.00	15.60	382,500.00
WAPA/Bureau Pumping	9	8,779.82	3,043.67	44,601.48
WAPA/Bureau Pumping	3	9,131.01		27,393.03
WAPA/Bureau Pumping Restoration	12	1,872.10	1,946.98	23,139.12
Water Forum				29,196.00
PGE/CAISO COTP Energy		550.00	572.00	561.00
Water Rights Fees		15,448.22	18,537.86	16,993.04
Total Wholesale Source of Supply				\$744,440.36

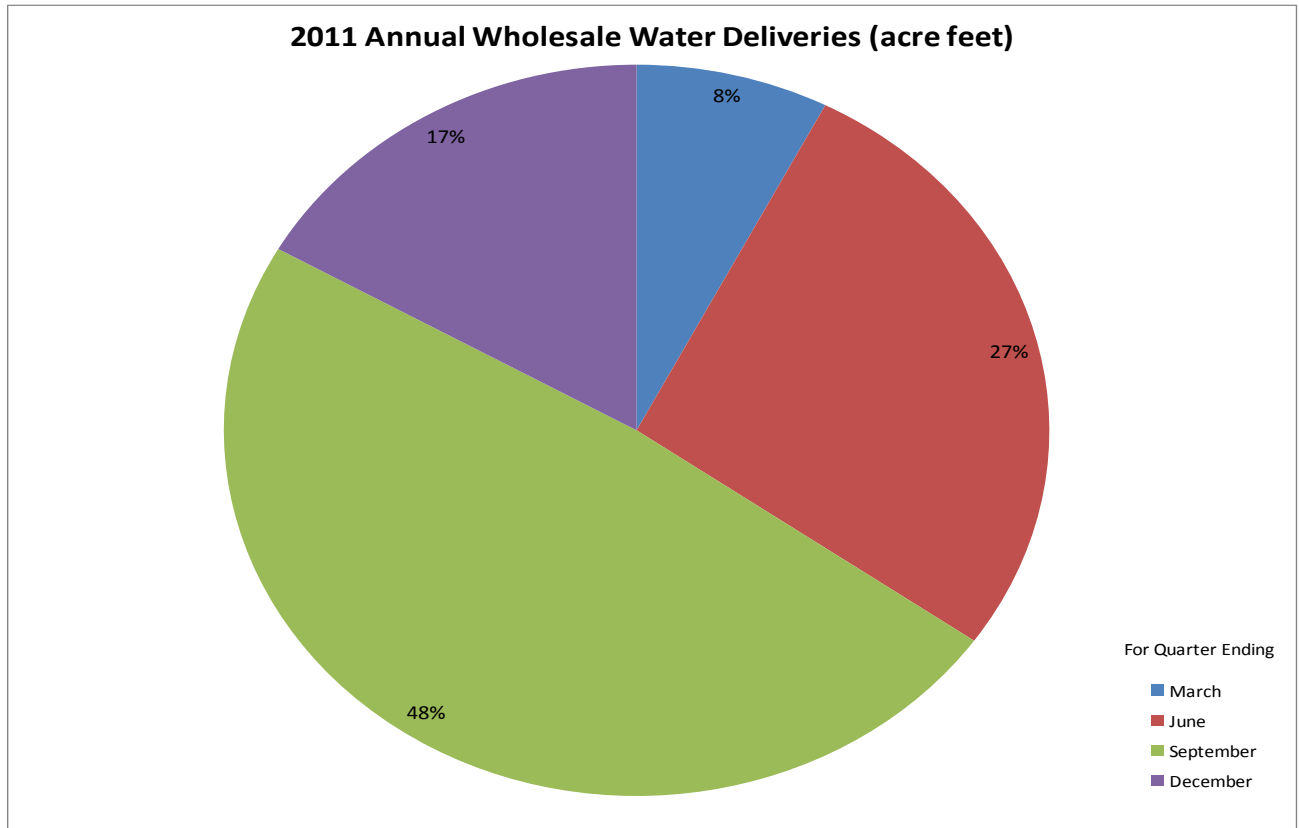
For reference, 2011 actual water supply by quarter is shown in the table below for the three sources of water:

- Pre-1914 Water Rights (33,000 acre feet)
- Central Valley Project Contract Water (24,200 acre feet); and
- Placer County Water Agency (PCWA) Contract Water (25,000 acre feet).

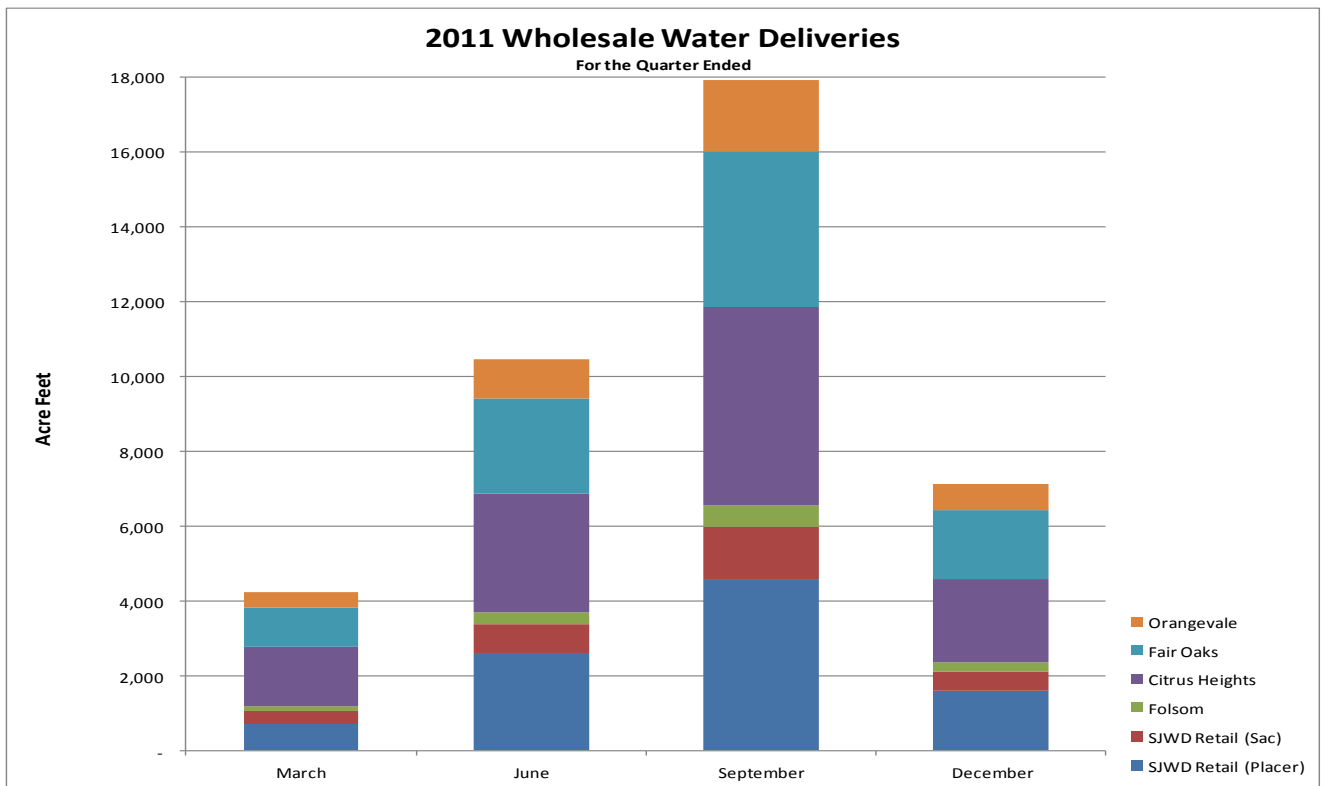
While PCWA water contract is a take or pay, the supply under that contract was much less than the 25,000 acre feet due to economic and conservation conditions.

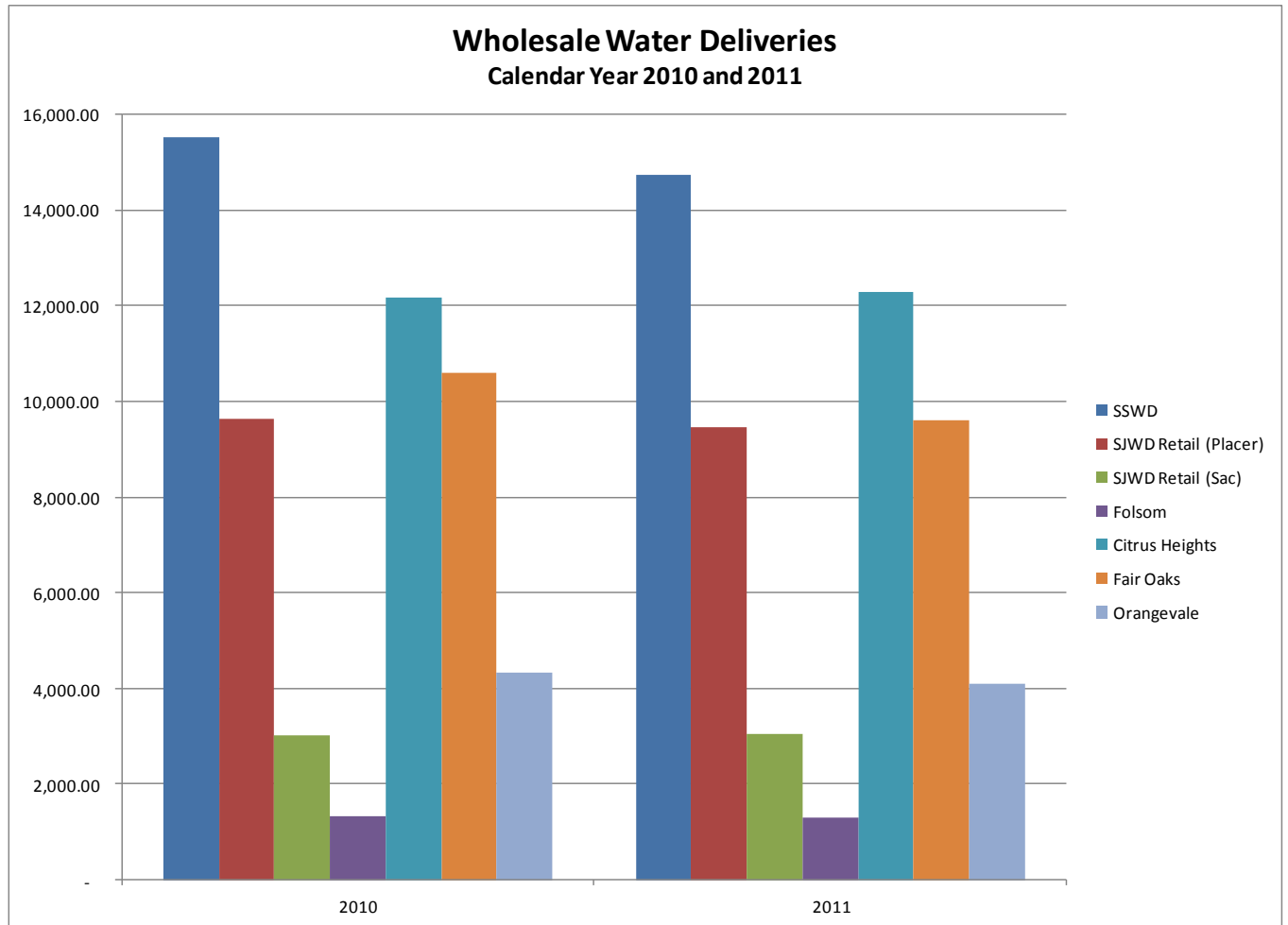


Annual wholesale water deliveries can vary significantly dependent upon weather conditions as well as economic conditions as demonstrated in the last two years. However, the typical percentage of water deliveries by quarter remains relatively static and is presented in the following chart to provide an understanding of water use patterns.



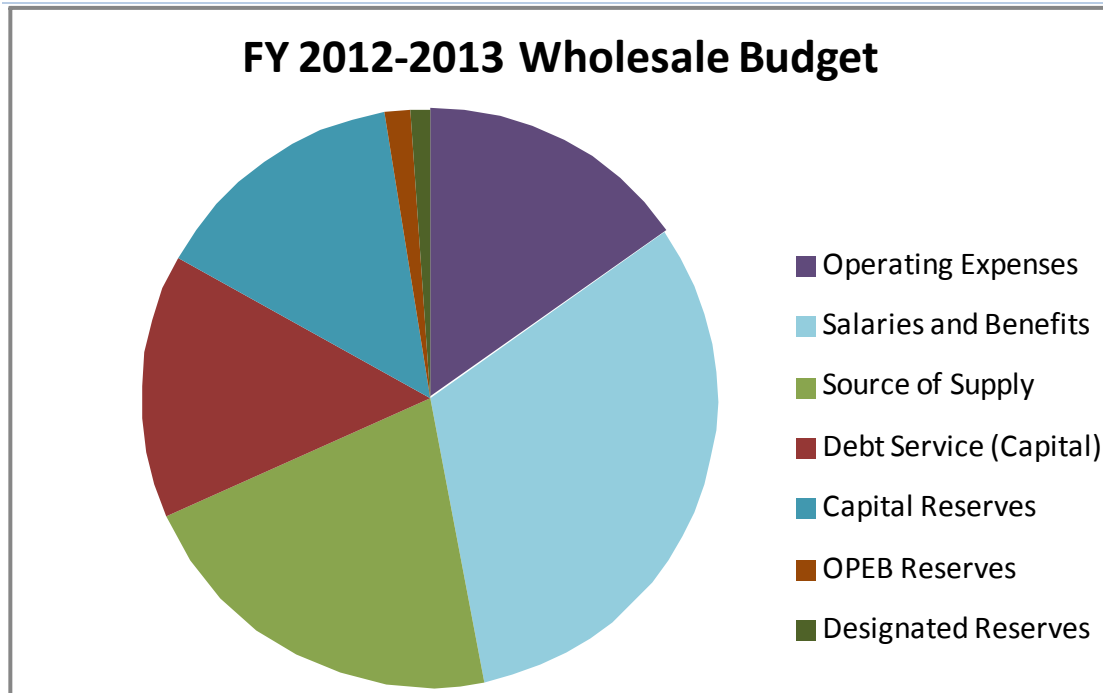
The deliveries by agency during each quarter of calendar year 2011 are shown next.





Budget Summary - Wholesale

Category	Budgeted FY 2012	Projected FY 2012	Proposed FY 2013	Change From FY 2012 Budget	Change From FY 2012 Projected
<i>Operating</i>					
<u>Revenues:</u>					
Water Sales	\$7,515,739	\$7,129,386	\$6,627,056	-11.82%	-7.05%
Pilot Water Project	0	0	0	0.00%	0.00%
Other (See Detail)	16,423	602,820	483,000	2840.98%	-19.88%
Operating Revenues	<u>\$7,532,162</u>	<u>\$7,732,205</u>	<u>\$7,110,056</u>	-5.60%	-8.05%
<u>Expenses:</u>					
Administrative & General	\$1,311,193	\$1,236,713	\$1,399,488	6.73%	13.16%
Conservation	227,774	219,976	244,233	7.23%	11.03%
Engineering	57,519	29,894	59,148	2.83%	97.86%
Pumping & Telemetry	0	0	0	0.00%	0.00%
Source of Supply	659,375	601,186	744,440	12.90%	23.83%
Transmission	161,783	129,128	134,016	-17.16%	3.79%
Water Treatment	2,043,092	1,880,733	1,962,635	-3.94%	4.35%
OPEB	175,000	134,925	140,000	-20.00%	3.76%
Pilot Water Project	0	0	0	0.00%	0.00%
Operating Expenses	<u>4,635,736</u>	<u>4,232,556</u>	<u>4,683,960</u>	1.04%	10.67%
Net Income/(Loss)-Operations	<u>\$2,896,426</u>	<u>\$3,499,650</u>	<u>\$2,426,096</u>	-16.24%	-30.68%
<i>Non-Operating</i>					
<u>Revenues:</u>					
COP Payments (direct)	\$432,067	\$432,067	\$432,067	0.00%	0.00%
Interest/Investment Income	115,000	130,358	115,000	0.00%	-11.78%
Wholesale Connections	689	1,312	689	0.00%	-47.48%
Taxes & Assessments	850,000	800,000	850,000	0.00%	6.25%
Other (See Detail)	150,000	123,253	152,825	1.88%	23.99%
<u>Expenses:</u>					
COPs (interest)	(1,611,288)	(1,611,288)	(1,583,530)	-1.72%	-1.72%
Other (See Detail)	(60,000)	(56,375)	(60,000)	0.00%	6.43%
Net Non-Operating	<u>(123,532)</u>	<u>(180,673)</u>	<u>(92,949)</u>	-24.76%	-48.55%
Capital Contributions	<u>2,000,000</u>	<u>1,000,000</u>	<u>2,000,000</u>	0.00%	100.00%
Net Available Income	4,772,894	4,318,977	4,333,147	-9.21%	0.33%
<i>Debt Service Principal</i>					
2003 COPs/2012 Refunding Bonds	(633,985)	(633,985)	(999,085)	57.59%	57.59%
2009 COPs	(6,400)	(6,400)	(6,400)	0.00%	0.00%
Net Available for Distribution	<u>4,132,509</u>	<u>3,678,592</u>	<u>3,327,662</u>	-19.48%	-9.54%
<i>Transfers from/(to) Reserves</i>					
Out: CIP/Hinkle Lining	(50,000)	(50,000)	(50,000)	0.00%	0.00%
Out: Delta/Water Rights	0	0	(50,000)	0.00%	0.00%
Out: Wholesale Reserves	(3,982,509)	(3,528,592)	(3,127,662)	-21.47%	-11.36%
Out: PERS Stabilization	(100,000)	(100,000)	(100,000)	0.00%	0.00%
Total Transfers	<u>(4,132,509)</u>	<u>(3,678,592)</u>	<u>(3,327,662)</u>	-19.48%	-9.54%
Ending Available Income	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	0.00%	0.00%



Fiscal Year 2011-2012 Accomplishments

- Conservation:
 - WEL Garden & grounds maintenance costs reduced by \$12,000 annually with increased quality of service
 - WEL Garden modifications and upgrades have been performed by staff with donated material, rather than contracted out.
- Install 22 tons of filter media
- Designed and installed spray bars to assist WTPO with cleaning the belt presses quicker
- Install isolation kits that isolates the WTP sedimentation basin's from influent raw water piping
- Completed emergency response planning and prepared an Emergency Response Manual
- Started/Continuing Pilot Testing Program for new primary coagulant and implemented chemical feed changes at the water treatment plant
- Updated the Wholesale CIP and completed the Wholesale Financial Plan and Water Rate Study
- Completed 11-month inspections for FY 2009/10 projects.
 - 54" Raw Water Pipeline completed by Preston Pipeline
 - North & South Sedimentation Basins
 - Relined 42", 54", 66", 72" diameter raw water pipelines
 - Generator Replacement Project
- Installed 11 new filter valves
- Design and installed 24 filter actuator/valve adapters
- Install 44 tons of filter media

- Installed 3 new belts for belt presses. One of the belts is a Teflon imbedded belt. Testing new type of a belt to see if we can get our sludge to a higher percentage of solids
- Continuing testing our new primary coagulant and implemented chemical feed changes at the water treatment plant, saving over \$350,000 annually
- Completed installing second 60" treated water pipeline to 78" inlet structure and Hinkle Reservoir's inlet structure
- Connected 78" CTBP to Hinkle Reservoir's 72" effluent pipeline
- Completed 11-month inspections for FY 2010/11 projects
 - Filter basin's rehab
 - 72" bypass pipeline

Wholesale Budget Detail

	2012			2013
	06/30/12	02/29/12	Projected	06/30/13
	Budget	Actual	Actual	Budget
REVENUE:				
WATER REVENUE:				
CITRUS HEIGHTS WATER DISTRICT	\$2,119,937.00	\$1,448,182.88	\$2,108,987.00	\$2,186,647.00
CITY OF FOLSOM	209,033.00	142,720.83	203,738.00	206,859.00
FAIR OAKS WATER DISTRICT	1,607,525.00	1,043,686.35	1,505,529.00	1,546,361.00
ORANGEVALE WATER COMPANY	654,337.00	441,082.82	629,890.00	638,405.00
PLACER COUNTY WATER AGENCY	0.00	4,626.52	4,626.52	0.00
SACRAMENTO SUBURBAN WATER DISTRICT	775,207.00	499,979.64	648,377.00	0.00
GRANITE BAY GOLF CLUB	8,053.00	4,896.14	5,846.00	5,993.00
INTERDEPARTMENTAL SJSWD	2,141,647.00	1,402,335.16	2,022,392.00	2,042,791.00
TOTAL WATER REVENUES	7,515,739.00	4,987,510.34	7,129,385.52	6,627,056.00
OTHER REVENUE:				
CTP COST SHARE	14,000.00	18,091.38	14,344.78	14,000.00
COST SHARE AGREEMENTS	0.00	0.00	84,000.00	84,000.00
LATE FEE/PENALTY	0.00	92,640.01	119,475.00	0.00
CA SOLAR INITIATIVE REBATE (CSI)	0.00	110,312.92	385,000.00	385,000.00
GRANT REVENUE	2,423.10	0.00	0.00	0.00
TOTAL OTHER REVENUE	16,423.10	221,044.31	602,819.78	483,000.00
TOTAL REVENUE	7,532,162.10	5,208,554.65	7,732,205.30	7,110,056.00
EXPENSES:				
SOURCE OF SUPPLY:				
WATER SOURCES OTHER AGENCIES	10,209.00	15,448.22	23,172.33	16,993.04
BUREAU RECLAMATION CVP WATER	30,416.00	18,438.68	27,658.02	30,396.00
ENVIRONMENTAL RESTORATION CHG	37,808.00	6,945.63	10,418.45	38,320.40
PCWA WATER	306,000.00	212,500.00	318,750.00	382,500.00
PCWA & CHWD WHEELING CHARGES	144,509.00	83,240.62	124,860.93	151,340.29
WATER FORUM	29,196.00	10,511.00	15,766.50	29,196.00
BUREAU PUMPING (WAPA ENERGY)	100,676.00	53,210.06	79,815.09	95,133.63
ENERGY ASSESSMENTS/COT	561.00	496.64	744.96	561.00
WATER SHED/RIVER STUDY AMORTIZ	0.00	0.00	0.00	0.00
	659,375.00	400,790.85	601,186.28	744,440.36
WATER TREATMENT:				
SALARIES & FBS	1,192,288.00	735,759.99	1,103,639.99	1,303,271.00
OPERATING CHEMICALS	498,854.00	227,116.18	340,674.27	319,164.00
MATERIALS	240,500.00	233,063.50	349,595.25	198,250.00
FURNITURE/EQUIPMENT	0.00	3,930.61	5,895.92	0.00
EDUCATION/MEETINGS	0.00	1,809.00	2,713.50	0.00
LABORATORY	16,250.00	16,906.76	25,360.14	10,500.00
REGULATORY COMPLIANCE/SAMPLING	13,000.00	3,322.00	4,983.00	46,250.00
ENERGY COST/FUEL	50,000.00	12,046.07	18,069.11	50,000.00
DISPOSAL & SEWER	2,000.00	911.92	1,367.88	5,000.00
TELEPHONE	5,000.00	2,239.77	3,359.66	5,000.00
DEPT OF WATER RESOURCES	5,000.00	0.00	0.00	5,000.00
DEPT OF HEALTH SERVICES	20,000.00	16,616.19	24,924.29	20,000.00
PROPERTY LEASE	200.00	100.00	150.00	200.00
	2,043,092.00	1,253,821.99	1,880,733.01	1,962,635.00

San Juan Water District
Fiscal Year 2012 - 2013 Budget

TRANSMISSION & DISTRIBUTION:				
SALARIES & FBS	137,447.00	46,587.33	37,724.55	45,780.00
PERMITS, MATERIALS & SUPPLIES	100.00	36.95	2,459.45	2,000.00
MAINTENANCE MATERIALS/VENDORS	0.00	(553.86)	54,943.72	55,000.00
MATERIALS RESERVOIR/SUPPLIES	8,000.00	4,846.38	12,106.89	12,000.00
ENERGY	3,000.00	1,598.46	2,881.82	3,000.00
COTP MAINTENANCE SALARIES/FBS	13,236.00	1,707.51	19,011.74	16,236.00
	161,783.00	54,222.77	129,128.17	134,016.00
CONSERVATION:				
SALARY/FBS	175,474.00	115,362.65	195,562.00	187,133.00
CONSERVATION ED/TRAINING	1,100.00	238.50	261.45	1,100.00
CONSERVATION SUPPLIES & PRINTG	4,000.00	316.23	147.03	4,000.00
BUSINESS CONSULTING FEES	22,600.00	0.00	7,140.00	22,600.00
SUPPLIES IB @ FAIRS	2,000.00	0.00	316.28	2,000.00
CONSERVATION BOOKS & TAPES	1,000.00	0.00	119.67	1,000.00
CONSERVATION TELEPHONE EXPENSE	500.00	305.48	454.73	500.00
CONFERENCES & CONVENTIONS	8,400.00	3,080.52	4,308.23	8,400.00
WEL GARDEN SUPPLIES/MATERIALS	4,000.00	1,753.00	3,481.82	8,800.00
WEL GARDEN PROFESSIONAL SVC'S	1,500.00	74.78	787.71	1,500.00
WEL GARDEN GROUND MAINTENANCE	7,200.00	4,800.00	7,200.00	7,200.00
	227,774.00	125,947.94	219,976.41	244,233.00
ENGINEERING:				
ENGINEERING EXPENSE	640.00	0.00	24.75	640.00
ENGINEERING SALARY/FBS	48,579.00	15,466.21	25,510.71	50,208.00
ENGINEERING OFFICE SUPPLIES/PRINTING	500.00	0.00	0.00	500.00
ENGINEERING EQUIPMENT LEASING	100.00	0.00	0.00	100.00
ENGINEERING MEMBERSHIP/CERT	700.00	471.00	717.00	700.00
ENGINEERING COMPUTER SOFTWARE	3,000.00	2,000.00	3,000.00	3,000.00
ENGINEERING EDUC/TRAIN	4,000.00	1,953.40	1,056.00	4,000.00
	57,519.00	19,929.47	29,894.21	59,148.00
ADMINISTRATION & GENERAL:				
SALARIES & FBS ADMINISTRATIVE	813,666.00	477,399.20	832,616.11	843,088.00
OFFICE SUPPLIES & PRINTING	11,000.00	6,520.58	8,639.88	9,000.00
POSTAGE	3,500.00	1,865.18	2,528.30	6,000.00
PUBLIC OUTREACH ACTIVITIES	30,000.00	14,071.86	47,204.49	40,000.00
AD/PUBLICATIONS/NOTICES	2,000.00	665.28	402.29	500.00
OFFICE EQUIP & COMPUTER MAINT	28,000.00	15,944.03	25,695.23	27,000.00
MEMBERSHIP/CERTIF RENEWAL	65,000.00	41,714.64	67,796.58	68,000.00
SUBSCRIPTIONS-BOOKS-TAPES	2,000.00	1,631.99	1,675.11	2,000.00
BANK & COLLECTION SVC EXPENSE	13,000.00	10,127.49	11,386.68	12,000.00
STAFF EXPENSE	4,100.00	2,762.32	5,493.98	4,100.00
SAFETY TRAINING/TEST/DATCO	2,000.00	1,781.36	3,732.57	4,000.00
MEETINGS & CONVENTIONS	18,000.00	9,941.11	16,169.67	18,000.00
AUDITING & CONSULTING	150,000.00	145,976.87	177,362.94	190,000.00
TELEPHONE	11,000.00	6,945.17	6,159.02	8,000.00
UTILITIES-SEWER-DISPOSAL-SL	3,500.00	2,107.26	3,337.89	3,500.00
INSURANCE-LIABILITY & PROPERTY	10,000.00	2,128.21	28,000.56	28,000.00
RETIREE BENEFIT, HEALTH INS	97,051.00	63,122.47	104,069.01	107,000.00
BUILDING & GROUNDS MAINTENANCE	12,376.00	10,520.00	5,025.00	6,000.00
ENERGY COST	8,000.00	4,706.88	8,358.32	8,000.00
SECURITY MONITORING	1,000.00	734.00	1,895.60	1,800.00
OTHER MAINTENANCE	1,000.00	531.52	819.59	1,000.00
ELECTIONS EXPENSE	0.00	2,029.00	0.00	24,000.00
ENGINEERING PROFESSIONAL EXP	30,000.00	24,076.71	0.00	0.00
LEGAL PROFESSIONAL EXPENSE	150,000.00	113,123.45	139,928.28	143,000.00
DIRECTORS	25,000.00	14,075.36	25,000.00	25,500.00
ADMIN/GEN APPLD COST (CREDIT)	(180,000.00)	(232,715.92)	(286,584.44)	(180,000.00)
	1,311,193.00	741,786.02	1,236,712.66	1,399,488.00

San Juan Water District
Fiscal Year 2012 - 2013 Budget

OPEB	175,000.00	0.00	134,925.00	140,000.00
TOTAL EXPENSES	4,635,736.00	2,596,499.04	4,232,555.74	4,683,960.36
NET OPERATING INCOME/(LOSS)	2,896,426.10	2,612,055.61	4,706,526.83	2,426,095.64
NON-OPERATING:				
REVENUE:				
COMMUNICATIONS SITE RENTAL	56,491.00	38,271.23	56,491.00	59,316.00
SMUD COTP REBATE/LEASE PAYMENT	44,000.00	42,048.00	40,896.00	44,000.00
EXPENSE RECOVERY	19,509.00	81,451.93	0.00	19,509.00
MISCELLANEOUS	30,000.00	5,571.20	25,866.00	30,000.00
INTEREST REVENUE	115,000.00	115,907.77	130,358.00	115,000.00
TAXES & ASSESSMENTS M & O	850,000.00	449,136.24	800,000.00	850,000.00
CONNECTION FEES/WHOLESALE	689.00	3,445.00	1,312.00	689.00
COP PYMTS FROM OTHER RSA	432,067.00	0.00	432,067.00	432,067.00
NONOPERATING REVENUE	1,547,756.00	735,831.37	1,486,990.00	1,550,581.00
EXPENSES:				
BOND ADMIN/CONSULTING	750.00	750.00	750.00	750.00
C.O.P. FINANCING CORP EXPENSE	0.00	0.00	0.00	0.00
C.O.P. INTEREST EXPENSE	1,611,288.00	1,094,020.24	1,611,288.00	1,583,530.00
C.O.P./98 BOND ADMINISTRATION	1,700.00	211.76	1,700.00	1,700.00
C.O.P. AMORTIZATION EXPENSE	15,000.00	9,327.84	10,119.00	15,000.00
PRELIMINARY PROJECTS/STUDIES	0.00	0.00	4,500.00	0.00
LAFCO ASSESSMENTS	2,888.00	2,888.00	2,879.00	2,888.00
SGA/RWA/WATER FORUM	39,662.00	44,779.00	36,427.00	39,662.00
NONOPERATING EXPENSES	1,671,288.00	1,153,936.34	1,667,663.00	1,643,530.00
CAPITAL CONTRIBUTIONS REVENUE	2,000,000.00	1,283,676.72	1,000,000.00	2,000,000.00
DEBT SERVICE PRINCIPAL	640,385.00	995,000.00	640,385.00	879,906.00
NET PRIOR TO DEPRECIATION	1,236,083.00	(129,428.25)	178,942.00	1,027,145.00
DEPRECIATION & AMORTIZATION	0.00	(1,066,760.00)	(1,600,140.00)	0.00
NET AFTER DEPRECIATION	1,236,083.00	(1,196,188.25)	(1,421,198.00)	1,027,145.00

Debt Service – Wholesale

Wholesale debt service as detailed in the schedule below is comprised of the 2012 Refunding Bonds and 2009 COPs issued for Wholesale Capital Improvement Projects as well as those direct components that are collected by Wholesale.

Wholesale Debt Service	San Juan Water District			Orange Vale Water		Total
	Retail Service Area	Citrus Heights Water District	Fair Oaks Water District	Company	City of Folsom	
Sources of Funds						
<u>2012 Refunding Bond Payments</u>						
<i>New Project Money</i>						
Annual Debt Service Charge	\$ 300,613	\$ 350,917	\$ 257,870	\$ 79,135	\$ 19,557	\$ 1,008,092
Direct Obligation					136,841	136,841
<i>Refunding of 1993 COPs</i>						
Direct Obligation		-	171,280	75,915	-	247,195
Total 2012 Refunding Pymts	\$ 300,613	\$ 350,917	\$ 429,150	\$ 155,050	\$ 156,398	\$ 1,392,128
<u>2009 COP Payments:</u>						
<i>New Project Money</i>						
Annual Debt Service Charge	347,239	369,663	230,064	116,186	36,054	1,099,205
Total Sources of Funds	\$ 647,852	\$ 720,580	\$ 659,213	\$ 271,236	\$ 192,452	\$ 2,491,333
Uses of Funds						
				Principal	Interest	Total
2012 Refunding Bonds				\$ 999,085	\$ 393,043	\$ 1,392,128
2009 Certificates of Participation				6,400	1,092,805	1,099,205
Total Uses of Funds				\$ 1,005,485	\$ 1,485,848	\$ 2,491,333

Long-Term Financial Planning

As part of long-range financial planning, the District monitors progress as well as incorporating variations to reflect changing financial requirements into the financial plan. The working capital reserves are shown for the prior and current budget fiscal years.

**San Juan Water District
FY 2012 - 2013 Budget
Wholesale Reserves**

Estimated	Revenue							Capital Improvement Funds				Total
		Restricted- Debt Svc	Operating	PERS/ OPEB	Compensated Absence/ Section 125	Rate Stabilization	Delta/ Water Rights	Connections	General	Vehicle/ Equip	Hinkle	
Working Capital 06/30/12		3,023,636	7,147,938	813,856	377,798	1,000,000	0	132,149	5,346,786	50,000	2,389,942	20,282,104
Revenues Projected - Oper	6,627,056		6,627,056									6,627,056
Cost Sharing	98,000		98,000									98,000
Solar Rebate	385,000								385,000			385,000
Revenues Projected - Non-Op												
COP Payments	432,067		432,067									432,067
Interest/Investment Inc	115,000		50,715	5,774	2,680			938	37,936		16,957	115,000
Wholesale Connections	689							689				689
Taxes & Assessments	850,000								850,000			850,000
Lease/Rent & Exp Recovery	152,825		152,825									152,825
Capital Contributions	2,000,000								2,000,000			2,000,000
Revenue Allocation	10,660,637	0	7,360,663	5,774	2,680	0	0	1,627	3,272,936	0	16,957	10,660,637
Expense - Operating	(4,683,960)		(4,683,960)	140,000								(4,543,960)
Expense - Non-Operating												
Interest Expense	(1,583,530)		(1,583,530)									(1,583,530)
Consultg/Admin/Assessmt	(60,000)		(60,000)									(60,000)
Debt Service Principal	(1,005,485)		(1,005,485)									(1,005,485)
Expense Allocation	(7,332,975)	0	(7,332,975)	140,000	0	0	0	0	0	0	0	(7,192,975)
Net Allocation	3,327,662	0	27,688	145,774	2,680	0	0	1,627	3,272,936	0	16,957	3,467,662
Capital Projects									(2,975,000)			(2,975,000)
Solar Energy Savings									300,000			300,000
Adopted Allocations			(205,667)	100,000	5,667		50,000				50,000	0
Working Capital 06/30/13		3,023,636	6,969,959	1,059,630	386,145	1,000,000	50,000	133,776	5,944,722	50,000	2,456,899	21,074,766

Capital Improvement Program - Wholesale

Wholesale facilities include those that allow the District to receive raw water, treat it for delivery to wholesale customers and perform all supporting activities to accomplish this. Specific examples are:

- raw water supply pipelines;
- water treatment plant;
- chlorine containment;
- filter gallery;
- solids handling;
- Hinkle reservoir; and
- District buildings and grounds.

The District's Capital Improvement Program ("CIP") is viewed as two separate programs for Wholesale and Retail facilities. Most projects are not relevant to both Wholesale and Retail, therefore, they are evaluated and planned for completely separately. Some do benefit both Wholesale and Retail facilities and are assigned to each based upon specific benefit with Wholesale and Retail paying their fair share of the cost. To be considered a capital expense, the project, program or equipment must generally cost \$5,000 or more and have a useful life extending three years or more.

CIP Process

In order to develop and maintain the District's long-range CIP, the first step is completion of a Wholesale Master Plan. These are completed approximately every five years by an outside consultant with District staff assistance. All existing and future facilities are evaluated to support the District's CIP goals:

- Ensure that a reliable water supply is maintained and secured for future needs.
- Maintain or implement compliance with existing or new regulations.
- Address public safety or health standards.
- Plan contingently for reasonable emergency supply or outages.
- Ensure that existing infrastructure is maintained, replaced and improved.
- Provide for new capital projects to help meet the highest priority District needs.
- Result in more economical, efficient, or effective delivery of District services.

CIP projects are categorized as follows:

District-Wide: projects that benefit the District's internal operations such as information technology or building improvements.

Pipeline Replacements: projects related to the expansion, maintenance, or improvement of the District's transmission and distribution system.

Chemical Feed Systems: projects related to the maintenance, improvement or expansion of the District's chemical systems within the Water Treatment Plant.

Filter Basins: projects related to the construction, maintenance, improvement or expansion of the District's filter basins.

Water Treatment Plant: projects related to the construction, maintenance, improvement or expansion of the District's Water Treatment Plant facilities.

Water Storage: projects related to the construction, maintenance, improvement or expansion of the District's storage facilities.

Upon completion or update of the Wholesale Master Plan, the Wholesale Water Rate Study and Financial Plan are updated to reflect new or updated projects. This may not be necessary if the costs do not represent a major impact to the CIP. Projects are incorporated into the fiscal-year budget for the year they are expected to begin, with individual projects approved in accordance with District policy or prescribed codes (i.e. Public Contract Code).

District staff manage projects with the assistance of consultants where needed. District labor, inventory, materials, supplies and related costs may be required on a project and coded as such to reflect the full cost of the asset for financial reporting purposes. Upon completion of a project, Notice of Acceptance is filed (when applicable) and appropriate insurance coverage is secured by the District's insurer in accordance with the policy.

Fiscal Year 2011-2012 Accomplishments

- Researched possible bidders for new coagulant at Treatment which resulted in a significant cost savings from the initial pricing of the product through General. Treatment initially requested as sole source item, purchasing located an additional vendor, Thatcher, which resulted in a cost savings of approximately 32% on ton pricing.
- Completed design and installation of 50 foot antenna located on the WTP control building roof
- Completed design and installation of a new roof on the WTP building
- Installed 22 new filter control valves
- Repaired and tested 2 WTP in plant pumps
- Replaced damaged sections on 54" & 66" diameter raw water pipelines
- Purchased and installed 2 new chlorinators and analyzers for future pipelines
- Dismantled old chlorine system and removed/rerouted chlorine piping
- Install mag meters on both south backwash hoods
- Install mag meter for WTP process water
- Completed design and construction of new 60-inch diameter Filters to Hinkle Reservoir Treated Water Piping (TWP)
- Completed design and construction of the new 72-inch diameter Cooperative Transmission Bypass Pipeline (CTBP)
- Completed design and construction of the new cathodic protection system for the Raw Water Pipelines and new TWP & CTBP
- Completed design of the Fair Oaks 40-Inch Transmission Pipeline Rehabilitation Project
- Completed the Phase 1 Evaluation for the Fair Oaks 40-Inch Transmission Pipeline Rehabilitation
- Completed design & started construction of the supervisory control and data acquisition (SCADA) improvements

- Completed design and construction of the Solar Energy Project at the Baldwin Reservoir Site
- Completed design and construction of the Fair Oaks 40-inch Transmission Pipeline American River Canyon Crossing.
- Completed the design and began construction of the Fair Oaks 40-inch Transmission Pipeline Cathodic Protection System.

CIP Budget – Wholesale

Wholesale Capital Improvement Program					Funding Source		
Category	Approved Budget	FY 2011-12 Activity	FY 2012-13 Additions	FY 2012-13 Budget	COPs	Reserves	Connect
Project/Program							
<u>District-Wide:</u>							
District Fiber Optic Upgrade	\$ 8,100	\$ (8,100)	\$ -	\$ -	\$ -	-	\$ -
Financial Information System	-	-	100,000	100,000	-	100,000	-
IT Network Switches/Hardware	-	-	5,000	5,000	-	5,000	-
District-Wide CIP	<u>\$ 8,100</u>	<u>\$ (8,100)</u>	<u>\$ 105,000</u>	<u>\$ 105,000</u>	<u>\$ -</u>	<u>\$ 105,000</u>	<u>\$ -</u>
<u>Engineering Services:</u>							
Engineering Services Current CIP	-	-	-	-	-	-	-
<u>Wholesale/Water Treatment Plant</u>							
Building-Storage Roof/Walls	351,407	-	-	351,407	-	351,407	-
SCADA System Upgrade	812,749	(296,779)	-	515,970	-	515,970	-
Transmission Pipeline-Relocate CTP Connection	2,474,995	(2,474,995)	-	-	-	-	-
WTP-CTP Valve Actuator Repairs	150,000	(4,938)	-	145,062	-	145,062	-
Valve Actuator/Truck-Mounted	5,000	-	-	5,000	-	5,000	-
Chemical Feed Systems-Alum Secondary Containment	278,520	-	171,480	450,000	-	450,000	-
Hinkle Reservoir- Monitoring Wells	50,000	-	-	50,000	-	50,000	-
Transmission Pipeline-Fair Oaks 40" Rehab	3,571,079	(399,662)	-	3,171,417	-	3,171,417	-
In-Plant Pump Station Improvements	-	-	50,000	50,000	-	50,000	-
Modify overflow "F" structure	-	-	25,000	25,000	-	25,000	-
Chemical Feed Systems-Polymer	100,000	-	-	100,000	-	100,000	-
Security Improvements at WTP and Solar Facilities Site	-	-	200,000	200,000	-	200,000	-
Wholesale/Water Treatment CIP	<u>7,793,750</u>	<u>(3,176,374)</u>	<u>446,480</u>	<u>5,063,856</u>	<u>-</u>	<u>5,063,856</u>	<u>-</u>
Total Wholesale Capital Improvement Program Budget	<u>\$ 7,801,850</u>	<u>\$(3,184,474)</u>	<u>\$ 551,480</u>	<u>\$ 5,168,856</u>	<u>\$ -</u>	<u>\$ 5,168,856</u>	<u>\$ -</u>
<u>Capital Improvement Program Summary - Wholesale:</u>							
District-Wide	\$ 8,100	\$ (8,100)	\$ 105,000	\$ 105,000	\$ -	\$ 105,000	\$ -
Engineering Services	-	-	-	-	-	-	-
Wholesale/Water Treatment	7,793,750	(3,176,374)	446,480	5,063,856	-	5,063,856	-
Total Wholesale Capital Improvement Program Budget	<u>\$ 7,801,850</u>	<u>\$(3,184,474)</u>	<u>\$ 551,480</u>	<u>\$ 5,168,856</u>	<u>\$ -</u>	<u>\$ 5,168,856</u>	<u>\$ -</u>

Wholesale CIP Funding	Total
<u>Available Funding Sources:</u>	
General CIP Reserves	\$ 9,472,706
Connections	139,352
Hinkle Lining Fund	2,439,877
Total Capital Improvement Program Funding Sources	\$ 12,051,935
 Total Capital Improvement Program	 (2,975,000)
 Projected Ending Balance, June 30, 2013	 \$ 9,076,935

Capital Contributions are received from agencies or other outside parties that participate in and/or benefit in capital projects. Cost sharing is in accordance with any agreement or allocation as determined for that project.

Capital Contributions	
FY 2012 - CTP Valve Actuators (budget)	\$ 150,000
Citrus Heights Water District, Fair Oaks Water District, Orange Vale Water Company, Sacramento Suburban Water District, San Juan Water District Retail	
FY 2012 - FO 40" Pipeline (budgeted)	\$ 2,000,000
Fair Oaks Water District, Orange Vale Water Company, San Juan Water District Retail	

Note: Due to current litigation, the District estimates that as a worst case scenario it may not be able to collect approximately \$1,900,000 from Fair Oaks Water District on the FO 40" Project. Although the District expects to successfully collect these funds, a delay in collecting them will not impact the District's operations or capital improvement program. The District will use funds from the Wholesale capital improvement program reserves and replace them upon receipt of the funds from Fair Oaks Water District.

Retail Budget

Cost Savings Measures

The District continually evaluates cost-saving measures that support fulfilling its mission. Staff regularly explores options to current processes or projects (pumping, transmission and distribution, engineering, conservation, customer service, administration, capital projects) that may present viable alternatives that save District customers money while providing a high level of service customers expect. To that end, this year the District has taken the following cost-saving measures with a table summarizing below:

- FY 2012 – Employees came forward with no Cost of Living Allowance (“COLA”), Increase Within Range or Incentive Compensation for employees which held salaries at current levels saving approximately \$119,100.
- FY 2012+ – implemented Employee cost-share of dependent dental with annual savings of \$6,900.
- FY 2012 - Utilize internal staff on planning, engineering and construction management of capital projects which saved approximately \$246,600 on the cost of outside consultants.
- FY 2012 - optimize Bacon Pumpstation Pressure and Kokila Reservoir Addition with Piping Modifications with estimated savings in avoided capital project costs for pumpstation and storage are approximately \$4,000,000 with annual savings of \$50,000-\$70,000 from reduced pumping.
- FY 2009 – Utilized COP credit rating process in-lieu of bond insurance with total savings of \$44,200.
- FY 2009 – CalPERS prepayment of annual employer contribution with savings of \$62,900.
- FY 2009+ - achieved AA+ credit rating on COPs with total debt service savings over the life of the COPs in the amount of \$2,320,000.
- FY 2009 - implemented Information Technology improvements including Virtual Servers and Shared Storage saving \$35,000 annually on reduced hardware, software support, maintenance and electricity with additional annual savings of \$37,500 annually due to elimination of need to fill Information Technology Technician position.
- FY 2009-2012 – Identified partnering opportunity with Placer County on Barton Road Bridge Replacement and Auburn-Folsom Road Widening Projects for pipeline installations. Approximate savings of \$2,000,000.

- FY 2011+ - staff renegotiated credit card fees for acceptance of customer payments with annual savings of \$12,000.
- FY 2012 - Refunding Bonds with annual estimated debt service savings of \$23,000 until 2033 when paid off, total \$483,000.
- FY2012 – Staff identified RWA Prop 50 Drought Assistance Grant monies available to reimburse SJWD’s \$25,000 water efficiency rebate to an area high school.

FY	Measure		Savings
2012	No COLA/Step Increase/Incentive Compensation	<i>Total</i>	\$157,800
2012+	Dependent dental employee cost-share	<i>Total</i>	\$6,900
2012+	Internal staff-planning, engineering, construction management	<i>Annual</i>	\$246,600
2012+	Reduced OPEB Costs	<i>Annual</i>	\$40,075
2012-2033	Refunding bonds, lower debt service	<i>Annual</i>	\$22,907
		<i>Total</i>	\$481,057
2009	COP credit rating process in-lieu of bond insurance	<i>Total</i>	\$44,200
2009	CalPERS Contribution prepayment	<i>Total</i>	\$62,985
2009+	AA+ Credit Rating on COPs	<i>Total</i>	\$2,320,000
2009+	IT virtualization & shared storage	<i>Annual</i>	\$72,500
2010	AFR Pipeline coordination w/Placer County	<i>Total</i>	\$2,000,000
2011	Pipeline Project coordination with Wholesale	<i>Total</i>	\$155,500
2011+	Credit card fees re-negotiated	<i>Annual</i>	\$12,000

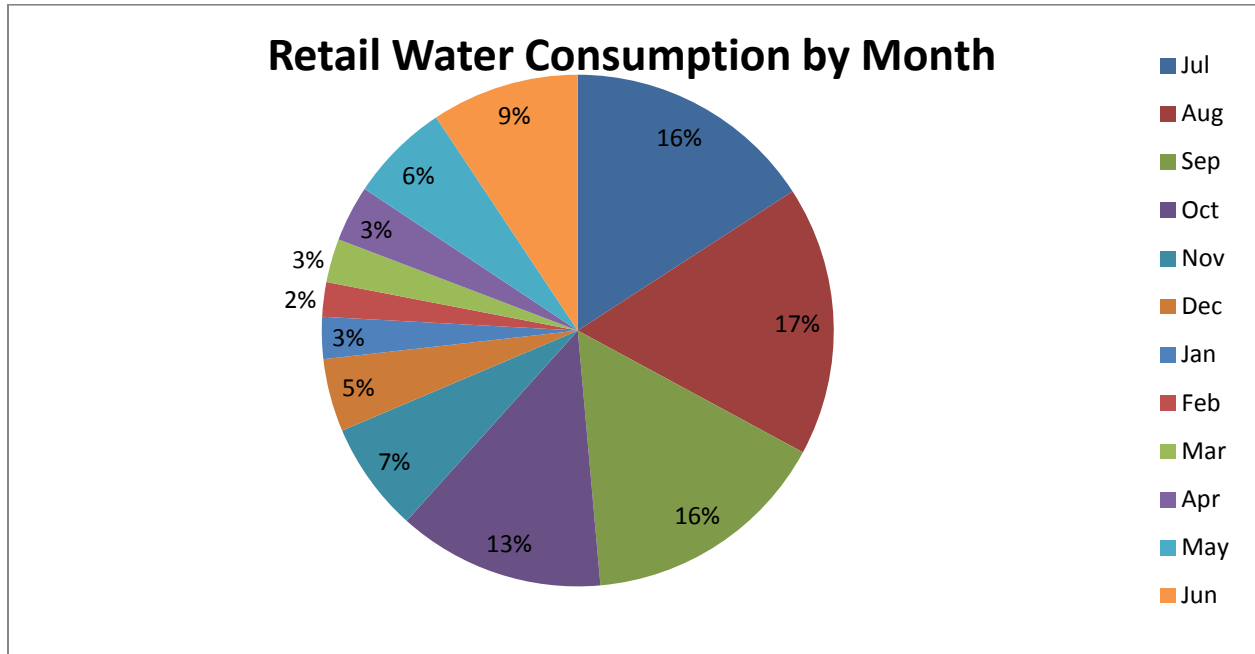
Retail Water Rate Study and Financial Plan

In 2011, the District contracted with the Reed Group, Inc. to prepare the Retail Water Rate Study and Financial Plan to determine water rates required to fund operations and the capital improvement program for the next ten years. This study was completed in March 2011 and is awaiting acceptance by the Board, anticipated in April. The study determined that there would be no retail rate increase required for 2012 and recommended 3.5% annual increases to maintain operations and complete the capital improvement program. The first retail rate increase resulting from that study is anticipated for implementation on January 1, 2013.

This budget is prepared with the estimated rates from that plan for budgetary purposes; however, the Board adopts rates as part of the budget process each year and in accordance with Proposition 218. Through the budget process staff has incorporated actual financial results as well as projected budgets and updated capital improvement program. The updated financial plan information projects lower recommended rate increases over the next five years (subject to Board approval and update):

2013	2014	2015	2016	2017
2%	2%	2%	2%	2%

Retail water use by month is presented in the following table using calendar year 2010 data to demonstrate water use patterns.



The current rate structure and rate structure based upon the Retail rate increase for 2013 are presented next.

Residential Metered Rates

Calendar Year 2012

(Billed Based On # Of Days In Read Period)

Meter Size	Daily Base Charge (Fixed)	Plus: Consumption/Unit*		
		0 to 20 ccf	21 to 200 ccf	201+ ccf
Up to 1"	\$1.15	\$0.44	\$0.74	\$0.52
1 1/2"	\$3.07	\$0.44	\$0.74	\$0.52
2"	\$4.90	\$0.44	\$0.74	\$0.52

Non-Residential/Commercial Metered Rates

(Billed Based On Read Period)

Meter Size	Daily Base Charge (Fixed)	Plus: Consumption/ Unit*
Up to 1"	\$1.15	\$0.63
1 1/2"	\$3.07	\$0.63
2"	\$4.90	\$0.63
3"	\$9.75	\$0.63
4"	\$15.19	\$0.63
6"	\$30.36	\$0.63
8"	\$54.58	\$0.63
10"	\$87.90	\$0.63
12"	\$130.32	\$0.63
Fire District	\$5.90	\$0.63

* 1 unit = 100 cubic feet = 748 gallons

Rates remained unchanged in 2012.

Rates are effective January 1 - December 31.

Commercial - Other (Billed Based On # Of Days In Read Period)

Private Fire Line Rates

Meter Size	Daily Base Charge (Fixed)
4"	\$0.44
6"	\$0.65
8"	\$0.88
10"	\$1.05

Rates remained unchanged in 2012.

Residential Metered Rates

Calendar Year 2013 with 2% increase

(Billed Based On # Of Days In Read Period)

Meter Size	Daily Base Charge	Plus: Consumption/Unit*		
		0 to 20 ccf	21 to 200 ccf	201+ ccf
Up to 1"	\$1.17	\$0.45	\$0.75	\$0.53
1 1/2"	\$3.13	\$0.45	\$0.75	\$0.53
2"	\$5.00	\$0.45	\$0.75	\$0.53

Non-Residential/Commercial Metered Rates

(Billed Based On Read Period)

Meter Size	Daily Base Charge (Fixed)	Plus: Consumption/ Unit*
Up to 1"	\$1.17	\$0.64
1 1/2"	\$3.13	\$0.64
2"	\$5.00	\$0.64
3"	\$9.95	\$0.64
4"	\$15.49	\$0.64
6"	\$30.97	\$0.64
8"	\$55.67	\$0.64
10"	\$89.66	\$0.64
12"	\$132.93	\$0.64
Fire District	\$6.02	\$0.64

* 1 unit = 100 cubic feet = 748 gallons

Effective 1/1/2013, rate increase of 2%.

Rates are effective January 1 - December 31.

Commercial - Other (Billed Based On # Of Days In Read Period)

Private Fire Line Rates

Meter Size	Daily Base Charge (Fixed)
4"	\$0.45
6"	\$0.66
8"	\$0.90
10"	\$1.07

Effective 1/1/2013, rate increase of 2%.

The study included growth projections from a slight rebound in the economy anticipated for the future beginning in Fiscal Year 2012-2013. This potential growth adds water sales revenue connection fee revenue to applicable periods. The purpose of the retail water connection fee for new connections is considered a "buy in" component to the system in order to place new customers on par with existing customers.

It was recommended as a result of this study to prepare an updated connection fee study in the future, but until that time this fee is increased by 2.85% as indexed to the 20 Cities Construction Cost Index (“CCI”) which will be effective for Calendar Year 2013:

CC Index @ March 2012	9,267.57
CC Index @ March 2011	9,010.80
Difference	256.77
% Change	2.85%

There are some small developments expected for Fiscal Year 2012-2013, so the budget includes \$561,000 this year to reflect this. The following schedule lists the fee by meter size that is collected from customers connecting to the San Juan Water District retail system:

Retail Connection Fees

Meter Size	Calendar Year 2012			Calendar Year 2013		
	Retail Component	Wholesale Component	Total Combined	Retail Component	Wholesale Component	Total Combined
3/4" Meter	\$13,488	\$354	\$13,842	\$13,872	\$364	\$14,236
Up to 1" Meter	\$13,488	\$588	\$14,076	\$13,872	\$605	\$14,477
1 1/2" Meter	\$26,974	\$1,178	\$28,152	\$27,743	\$1,212	\$28,955
2" Meter	\$43,159	\$1,884	\$45,043	\$44,389	\$1,938	\$46,327
3" Meter	\$86,318	\$3,767	\$90,085	\$88,778	\$3,874	\$92,652
4" Meter	\$133,953	\$5,887	\$139,840	\$137,771	\$6,055	\$143,826
6" Meter	\$269,744	\$14,717	\$284,461	\$277,432	\$15,136	\$292,568
8" Meter	\$485,550	\$21,193	\$506,743	\$499,388	\$21,797	\$521,185
10" Meter	\$782,275	\$34,145	\$816,420	\$804,570	\$35,118	\$839,688
12" Meter	\$1,159,924	\$50,629	\$1,210,553	\$1,192,982	\$52,072	\$1,245,054

Functional Areas

Administration and General

For Retail activities, this includes: Office of the General Manager, Finance, General Services, Human Resources, Information Technology, Purchasing, Risk Management and Safety. Overall District costs related to auditing, consulting, Directors, general operations, legal and office expenses are recorded in this category.

Office of the General Manager is responsible for the overall administration of the District including: implementing District policies; developing and maintaining responsive District programs and services; providing leadership and motivation to District staff; maintaining and planning for fiscal integrity; promoting excellent customer service; maintaining strong relationships with local and regional regulatory and peer governmental agencies; providing direct support to the Board of Directors. Major initiatives for the next year include: increasing water supply reliability in the retail service area; District structure and succession planning; and District efficiency measures.

Finance is responsible for all financial operations in the District, including: financial planning and forecasting, budget development, accounting and fiscal administration, debt issuance and management, financial reports and annual audit, and water rates and charges analysis. Major initiatives for the coming year include: development of *Equipment and Vehicle Fee Schedule*; implementation of a new financial information system; and monthly reporting on department budgets.

General Services includes buildings, grounds, equipment and vehicle maintenance. A major initiative for the coming year is development of the *Equipment and Vehicle Replacement Policy*.

Human Resources provides support in recruitment, selection, development and retention of a talented workforce. This includes payroll and benefits administration. Major initiatives include monitoring legislation affecting the workplace and ensure compliance, and continue to promote a culture of excellent customer service.

Information Technology manages and supports all aspects of the District's information technology systems, including data and voice communications hardware and software, as well as implementation of the District's Information Technology (IT) Master Plan. Major initiatives for the next year will be implementation of a new financial information system and the completion of network improvements including wireless networking.

Purchasing facilitates and coordinates: bidding and requests for proposals; acquisition of equipment, materials, services and supplies; contracts; and insurance certifications. Major initiatives for the next year will be completion of a Purchasing Manual to assist staff with purchasing procedures and questions.

Risk Management and Safety is responsible for the District's insurance, safety, loss control, and property/liability claims.

Conservation

The Conservation Department provides free services to assist customers with increasing their water efficiency. The district partners with federal, state and local entities to fund various rebate programs. The department's highly-trained staff provides workshops to educate customers about water efficient practices and provides leak detection assistance. Staff participates in regional efforts to promote the efficient use of water. This Department is fully compliant with Best Management Practices and reporting requirements

Customer Service

This department provides friendly, personal customer service to the District's 10,500 Retail connections including numerous billing and payment options while ensuring compliance with Government Codes on billing and notices, Red Flag Rules and the Payment Card Industry Data Security Standards. Customer Service provides administrative assistance with the annual backflow device testing and reports water use and connection data to various federal, state, and local entities. Customer service also encompasses meter reading and service box clearance.

Engineering Services

In general, this Department is responsible for planning, designing and managing Retail capital improvement projects, assisting with operational improvements, and assists with maintenance activities which contain an engineering component. Engineering is also responsible for review, approval, management, and inspection of new development funded distribution system improvement projects.

Pumping and Telemetry

This area performs activities related to the District's 5 booster pump stations and ensures adequate water pressure and storage is maintained throughout the District's Retail service area.

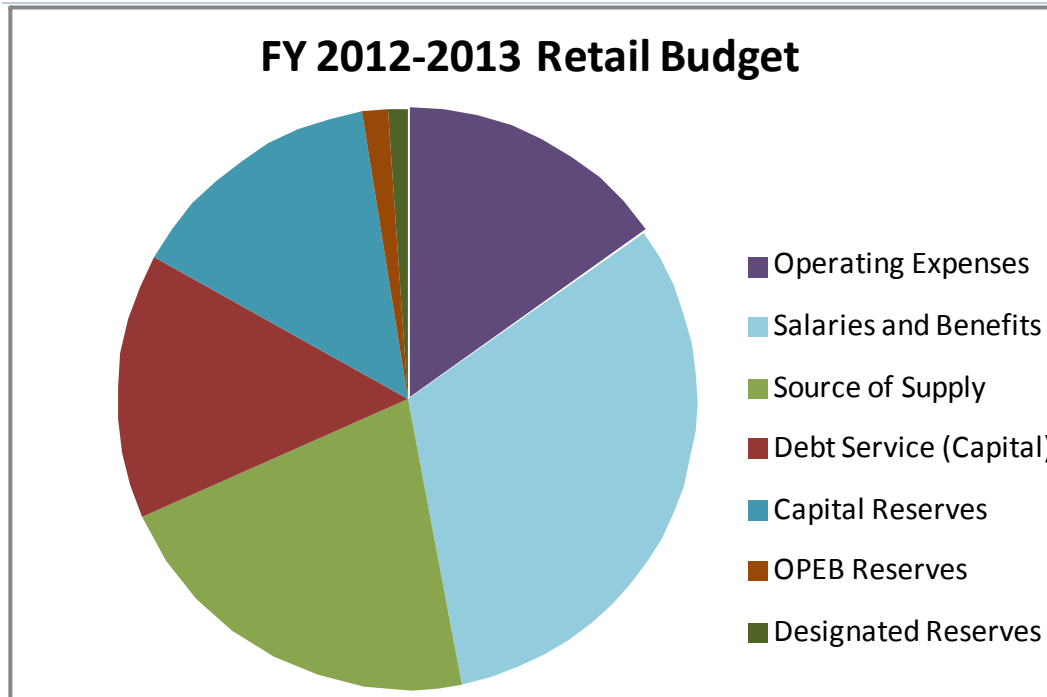
Transmission and Distribution

This area performs activities related to the maintenance and operation of Retail mains, distribution pipelines, fire hydrants, water services and other appurtenances. This includes pipelines 200 miles in length ranging in size from 1" to 90" in diameter and 10,500 customer water services.

San Juan Water District
Fiscal Year 2012 - 2013 Budget

Budget Summary - Retail

Category	Budgeted FY 2012	Projected FY 2012	Proposed FY 2013	Change From FY 2012 Budget	Change From FY 2012 Projected
<i>Operating</i>					
<u>Revenues:</u>					
Water Sales	\$7,877,000	\$7,903,316	\$7,919,608	0.54%	0.21%
Other (See Detail)	60,000	305,994	182,354	203.92%	-40.41%
Operating Revenues	<u>\$7,937,000</u>	<u>\$8,209,310</u>	<u>\$8,101,962</u>	2.08%	-1.31%
<u>Expenses:</u>					
Administrative & General	\$889,625	\$844,088	\$1,008,820	13.40%	19.52%
Conservation	482,716	414,700	449,875	-6.80%	8.48%
Engineering	412,854	291,064	292,680	-29.11%	0.56%
Pumping & Telemetry	632,046	525,309	582,145	-7.90%	10.82%
Source of Supply	2,141,647	2,114,221	2,042,791	-4.62%	-3.38%
Transmission/Distribution	1,544,143	1,571,876	1,566,428	1.44%	-0.35%
Customer Service	647,262	682,923	597,344	-7.71%	-12.53%
OPEB	175,000	134,925	140,000	-20.00%	3.76%
Operating Expenses	<u>6,925,293</u>	<u>6,579,106</u>	<u>6,680,083</u>	-3.54%	1.53%
Net Income/(Loss)-Operations	<u>\$1,011,707</u>	<u>\$1,630,204</u>	<u>\$1,421,879</u>	40.54%	-12.78%
<i>Non-Operating</i>					
<u>Revenues:</u>					
Interest/Investment Income	\$150,000	\$102,859	\$60,000	-60.00%	-41.67%
Retail Connections	53,204	101,332	561,000	954.43%	453.63%
Taxes & Assessments	850,000	800,000	850,000	0.00%	6.25%
Other (See Detail)	10,000	14,449	10,000	0.00%	-30.79%
<u>Expenses:</u>					
2003 / 2012 Refund (interest)	(199,684)	(199,684)	(191,905)	-3.90%	-3.90%
2009 COPs (interest)	(614,847)	(614,847)	(614,763)	-0.01%	-0.01%
EDA Loan (interest)	(9,691)	(9,691)	(6,476)	-33.18%	-33.18%
CEC (interest)	(264)	(264)	0	-100.00%	-100.00%
Other (See Detail)	(6,000)	(6,000)	(6,000)	0.00%	0.00%
Net Non-Operating	<u>232,718</u>	<u>188,154</u>	<u>661,856</u>	184.40%	251.76%
Capital Contributions	<u>0</u>	<u>0</u>	<u>0</u>	0.00%	0.00%
Net Available Income	1,244,425	1,818,358	2,083,735	67.45%	14.59%
<i>Debt Service Principal</i>					
2003 COPs/2012 Refunding Bonds	(381,015)	(381,015)	(581,494)	52.62%	52.62%
2009 COPs	(3,600)	(3,600)	(3,600)	0.00%	0.00%
EDA Loan	(22,487)	(22,487)	(23,611)	5.00%	5.00%
CEC Loan	(5,924)	(5,924)	0	-100.00%	-100.00%
Net Available for Distribution	<u>831,399</u>	<u>1,405,332</u>	<u>1,475,030</u>	77.42%	4.96%
<u>Transfers from/(to) Reserves</u>					
Out: Kokila Reservoir	(10,000)	(10,000)	(10,000)	0.00%	0.00%
Out: Retail Reserves	(668,195)	(1,194,000)	(804,030)	20.33%	-32.66%
Out: Connection Reserves	(53,204)	(101,332)	(561,000)	954.43%	453.63%
Out: PERS Stabilization	(100,000)	(100,000)	(100,000)	0.00%	0.00%
Total Transfers	<u>(831,399)</u>	<u>(1,405,332)</u>	<u>(1,475,030)</u>	77.42%	4.96%
Ending Available Income	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	0.00%	0.00%



Fiscal Year 2011-2012 Accomplishments

Customer Service

- PCI Data Security Standard Compliance (at a much lower cost than anticipated – saved \$15,000)
- FedEx delivery of Notices of Intent to Disconnect (frees up field crew to perform maintenance tasks/reduces OT)
- Completed data conversion to update residential customer accounts with detailed data to enable us to calculate water budgets, if/when required.

Retail Budget Detail

	2012			2013
	06/30/12 Budget	3/31/2012 Actual	Projected Actual	06/30/13 Budget
REVENUE:				
WATER REVENUE:				
RESIDENTIAL METERED	\$6,883,738.00	\$5,593,353.10	\$6,900,180.00	\$6,921,873.00
COMMERCIAL METERED	993,262.00	823,962.96	1,003,136.00	997,735.00
PUMPING SURCHARGE	0.00	91,611.64	109,394.64	89,454.00
METER RENTAL/PERMITS/CONST WTR	10,000.00	6,063.12	8,084.16	10,000.00
RECONNECTS & PENALTIES	5,000.00	4,650.00	6,200.00	5,000.00
TOTAL WATER REVENUES	7,892,000.00	6,519,640.82	8,026,994.80	8,024,062.00
OTHER REVENUE:				
BACKFLOW RE-TESTING	0.00	150.00	200.00	200.00
ANNEXATION	0.00	4,870.00	6,493.33	0.00
FIRE SERVICE	20,000.00	20,757.20	27,676.27	20,000.00
LATE FEE	25,000.00	24,600.00	32,800.00	30,000.00
FLOW/PRESSURE ANALYSIS FEE	0.00	1,700.00	2,266.67	2,200.00
HYDRANT FLOW TEST FEE	0.00	400.00	533.33	500.00
INTEREST REVENUE	0.00	1,119.97	1,493.29	0.00
GRANTS	0.00	83,139.13	110,852.17	25,000.00
MANDATED COSTS REIMBURSEMENT	0.00	0.00	0.00	0.00
TOTAL OTHER REVENUE	45,000.00	136,736.30	182,315.06	77,900.00
TOTAL REVENUE	7,937,000.00	6,656,377.12	8,209,309.86	8,101,962.00
EXPENSES:				
SOURCE OF SUPPLY:				
PURCHASE TREATMENT WATER RSA	2,141,647.00	1,585,665.92	2,114,221.23	2,042,791.00
	2,141,647.00	1,585,665.92	2,114,221.23	2,042,791.00
PUMPING & TELEMETRY:				
SALARIES & FBS	183,046.00	101,102.79	134,803.72	133,145.00
ENERGY	415,000.00	284,275.18	379,033.57	415,000.00
MATERIALS	25,000.00	4,547.96	6,063.95	25,000.00
AIR QUALITY PERMITS	9,000.00	4,056.00	5,408.00	9,000.00
	632,046.00	393,981.93	525,309.24	582,145.00
TRANSMISSION & DISTRIBUTION:				
SALARIES & FBS	1,217,643.00	856,788.89	1,142,385.19	1,207,528.00
MEETINGS, EDUCATION & TRAINING	12,000.00	8,601.77	11,469.03	12,000.00
OFFICE EQUIP/SOFTWARE/MAINT	4,500.00	2,700.71	3,600.95	4,000.00
PERMITS, MATERIALS & SUPPLIES	35,000.00	60,397.00	72,476.00	62,000.00
COUNTY ENCROACHMENT PERMITS	3,500.00	1,785.14	2,380.19	2,800.00
MAINTENANCE MATERIALS/VENDORS	164,500.00	182,631.17	219,157.00	170,200.00
SPOILS PROCESSING MATERIALS/VENDC	3,000.00	1,774.45	2,365.93	2,700.00
MATERIALS RESERVOIR/SUPPLIES	0.00	1,551.78	2,069.04	2,000.00
ENERGY	1,000.00	770.15	1,026.87	1,200.00
VEHICLE MAINTENANCE	82,000.00	73,630.50	98,174.00	84,000.00
EQUIPMENT MAINTENANCE	21,000.00	12,578.78	16,771.71	18,000.00
	1,544,143.00	1,203,210.34	1,571,875.91	1,566,428.00
CUSTOMER SERVICE:				
SALARIES & FBS	454,454.00	382,913.33	510,551.11	444,594.00
OFFICE SUPPLIES	0.00	531.90	709.20	700.00
POSTAGE	25,500.00	19,183.36	25,577.81	25,800.00
BILLING SERVICES	80,245.00	50,859.79	67,813.05	56,400.00
BANK SERVICE/COLLECTION CHARGES	36,700.00	21,698.76	28,931.68	23,200.00
CUSTOMER BILLING SUPPLIES	0.00	0.00	0.00	500.00
ACCOUNTS RECEIVABLE PROCESSING	11,100.00	7,557.20	10,076.27	10,350.00
SOFTWARE/HWD MAINTENANCE	37,600.00	26,890.51	35,854.01	32,300.00
METER READING CONTRACT SERVICE	1,663.00	3,232.77	3,410.00	3,500.00
	647,262.00	512,867.62	682,923.13	597,344.00

San Juan Water District
Fiscal Year 2012 - 2013 Budget

CONSERVATION:				
SALARY/FBS	353,816.00	176,686.80	235,582.40	360,750.00
CONSERVATION ED/TRAINING	1,900.00	1,369.40	1,825.87	700.00
CONSERVATION SUPPLIES & PRINTG	2,300.00	1,380.04	1,840.06	2,300.00
POSTAGE & SHIPPING	0.00	23.59	31.45	25.00
ASSOCIATION DUES & PERIODICALS	14,000.00	13,170.00	13,170.00	14,400.00
CONSERVATION PROGRAMS	103,100.00	118,542.56	158,542.56	67,100.00
CONSERVATION TELEPHONE EXPENSE	2,300.00	1,868.40	2,491.20	2,500.00
CONFERENCES & CONVENTIONS	2,000.00	852.01	1,136.01	1,300.00
CUWCC DUES & FEES	3,300.00	60.00	80.00	800.00
	482,716.00	313,952.80	414,699.55	449,875.00
ENGINEERING:				
ENGINEERING CELLULAR PHONE EXP	2,200.00	1,126.59	1,502.12	2,200.00
ENGINEERING SALARY/FBS	346,454.00	204,421.64	272,562.19	233,765.00
ENGINEERING OFFICE SUPPLIES/PRINTI	2,000.00	1,276.74	1,702.32	3,000.00
ENGINEERING OUTSIDE SERVICES	38,000.00	0.00	0.00	31,000.00
ENGINEERING EQUIPT MAINTENANCE	4,600.00	2,579.81	3,439.75	4,600.00
ENGINEERING MEMBERSHIP/CERT	300.00	351.00	468.00	500.00
ENGINEERING SUBS/BOOKS/TAPES	500.00	563.26	751.01	1,500.00
FURN/EQUIPMENT	8,000.00	6,592.89	8,790.52	5,850.00
ENGINEERING COMPUTER SOFTWARE	10,000.00	1,048.70	1,398.27	4,541.00
ENGINEERING EDUC/TRAIN	800.00	337.59	450.12	5,724.00
	412,854.00	218,298.22	291,064.30	292,680.00
ADMINISTRATION & GENERAL:				
SALARIES & FBS ADMINISTRATIVE	560,925.00	417,984.23	557,312.31	582,620.00
OFFICE SUPPLIES & PRINTING	8,000.00	5,027.12	6,702.83	7,000.00
POSTAGE	2,500.00	8,607.09	9,607.09	10,000.00
PUBLIC OUTREACH ACTIVITIES	60,000.00	47,030.78	62,707.71	63,000.00
AD/PUBLICATIONS/NOTICES	3,500.00	21.01	28.01	500.00
OFFICE EQUIP & COMPUTER MAINT	18,000.00	15,660.94	20,881.25	18,000.00
MEMBERSHIP/CERTIF RENEWAL	20,000.00	17,626.77	19,126.77	20,000.00
SUBSCRIPTIONS-BOOKS-TAPES	1,000.00	303.53	404.71	800.00
BANK & COLLECTION SVC EXPENSE	15,500.00	8,518.97	11,358.63	12,500.00
STAFF EXPENSE	4,000.00	3,068.61	4,091.48	4,000.00
STAFF MILEAGE	100.00	62.16	82.88	100.00
SAFETY TRAINING/TEST/DATCO	4,000.00	6,482.99	8,643.99	9,000.00
MEETINGS & CONVENTIONS	12,000.00	9,570.52	12,760.69	13,500.00
AUDITING & CONSULTING	40,000.00	26,480.09	45,175.29	70,000.00
TELEPHONE	20,500.00	13,494.90	17,993.20	19,000.00
UTILITIES-SEWER-DISPOSAL-SL	4,000.00	3,133.97	4,178.63	5,000.00
INSURANCE-LIABILITY & PROPERTY	4,000.00	28,340.48	37,787.31	40,000.00
INSURANCE-DAMAGE PAYMENTS	1,000.00	0.00	0.00	1,000.00
RETIREE BENEFIT, HEALTH INS	97,700.00	78,211.33	104,281.77	107,000.00
BUILDING & GROUNDS MAINTENANCE	0.00	3,942.35	5,256.47	3,000.00
ENERGY COST	4,900.00	2,811.72	3,748.96	4,200.00
SECURITY MONITORING	1,200.00	674.50	899.33	1,100.00
OTHER MAINTENANCE	6,600.00	22,466.40	29,955.20	12,000.00
MATERIALS	0.00	271.01	361.35	500.00
HAZARDOUS WASTE/ALL CATEGORIES	0.00	417.90	557.20	500.00
MAINTENANCE-VEHICLE	200.00	886.74	1,182.32	500.00
VEHICLE LEASING FUEL & OIL	0.00	0.00	0.00	0.00
RADIOS	0.00	0.00	0.00	0.00
SHOP OFFICE SUPPLIES	1,500.00	1,622.73	2,163.64	2,000.00
SMALL TOOLS & REPLACEMENT	3,500.00	6,693.47	8,924.63	3,500.00
SUPPLIES	12,000.00	8,378.31	11,171.08	12,000.00
SAFETY EQUIPMENT	3,000.00	5,086.72	6,782.29	4,000.00
REPLACEMENTS APPLIED COST (CR)	0.00	0.00	0.00	0.00
ELECTIONS EXPENSE	0.00	0.00	0.00	24,000.00
LEGAL PROFESSIONAL EXPENSE	45,000.00	21,250.46	28,333.95	33,000.00
DIRECTORS	25,000.00	21,812.28	25,000.00	25,500.00
ADMIN/GEN APPLD COST (CREDIT)	(90,000.00)	(152,529.86)	(203,373.15)	(100,000.00)
	889,625.00	633,410.22	844,087.82	1,008,820.00

San Juan Water District
Fiscal Year 2012 - 2013 Budget

OPEB	175,000.00	0.00	134,925.00	140,000.00
TOTAL EXPENSES	6,925,293.00	4,861,387.05	6,579,106.18	6,680,083.00
NET OPERATING INCOME/(LOSS)	1,011,707.00	1,794,990.07	1,630,203.68	1,421,879.00
NON-OPERATING:				
REVENUE:				
EXPENSE RECOVERY	10,000.00	14,449.00	14,449.00	10,000.00
INTEREST REVENUE	150,000.00	77,144.25	102,859.00	60,000.00
TAXES & ASSESSMENTS M & O	850,000.00	434,625.50	800,000.00	850,000.00
CONNECTION FEES/RETAIL	53,204.00	101,332.00	101,332.00	561,000.00
NONOPERATING REVENUE	1,063,204.00	627,550.75	1,018,640.00	1,481,000.00
EXPENSES:				
C.O.P. INTEREST EXPENSE	821,012.00	616,919.31	822,559.08	821,012.00
LOAN INTEREST EXPENSE	9,955.00	9,955.00	9,955.00	6,476.00
SALES TAX	6,000.00	6,000.00	6,000.00	6,000.00
NONOPERATING EXPENSES	836,967.00	632,874.31	838,514.08	833,488.00
CAPITAL CONTRIBUTIONS REVENUE	0.00	0.00	0.00	0.00
DEBT SERVICE PRINCIPAL	413,026.00	413,026.00	413,026.00	608,705.00
NET PRIOR TO DEPRECIATION	824,918.00	1,376,640.51	1,397,303.60	1,460,686.00
DEPRECIATION & AMORTIZATION	0.00	(1,185,456.78)	(1,580,609.04)	0.00
NET AFTER DEPRECIATION	824,918.00	191,183.73	(183,305.44)	1,460,686.00

Debt Service – Retail

Retail debt service as detailed in the schedule below is comprised of the 2012 Refunding Bonds and 2009 COPs issued for Retail Capital Improvement Projects as well as two loans.

Retail Debt Service	Direct			Annual Debt Service Charge		
	Principal	Interest	Total	Principal	Interest	Total
<u>2012 Refunding Bond Payments</u>						
<i>New Project Money</i>						
Annual Debt Service Charge				\$ 198,095	\$ 102,518	\$ 300,613
Direct Obligation	\$ 270,523	\$ 140,001	\$ 410,524			
<i>Refunding of 1993 COPs</i>						
Direct Obligation	210,392	2,225	212,617			
Total 2012 Refunding Pymts	\$ 480,915	\$ 142,226	\$ 623,141	\$ 198,095	\$ 102,518	\$ 300,613
<u>2009 COP Payments:</u>						
<i>New Project Money</i>						
Annual Debt Service Charge				\$ 2,022	\$ 345,217	\$ 347,239
Direct Obligation	3,600	614,703	618,303			
Total 2009 COP Payments	\$ 3,600	\$ 614,703	\$ 618,303	\$ 2,022	\$ 345,217	\$ 347,239
California Energy Commission Loan	0	0	-			
Economic Development Loan	23,611	6,476	30,087			
Total Debt Service Payments	\$ 508,126	\$ 763,405	\$ 1,271,531	\$ 200,117	\$ 447,735	\$ 647,852
Combined Debt Service				Principal	Interest	Total
2012 Refunding Bond Payments				\$ 679,010	\$ 244,744	\$ 923,754
2009 Certificates of Participation				5,622	959,920	965,542
California Energy Commission Loan (paid off June 2012)				0	0	0
Economic Development Loan				23,611	6,476	30,087
Total Debt Service Payments (including Annual Debt Service Charge)				\$ 708,243	\$ 1,211,140	\$ 1,919,383

Long-Term Financial Planning

While the District completes a long-term financial plan as part of the water rate study which projects financial requirements for a five to ten year period, the annual budget process provides the opportunity to incorporate changes to the plan and updated actual and projected results.

**San Juan Water District
FY 2013 Annual Budget
Retail Reserves**

Estimated	Revenue	Capital Improvement Funds										Total
		Restricted- Debt Svc	Operating	PERS/ OPEB	Compensated Absence/ Section 125	Customer Deposits	Connections	General	Vehicle/ Equip	Kokila	Emergency	
Working Capital 06/30/12		1,826,536	1,933,668	984,472	453,257	53,227	2,604,426	12,142,035	50,000	347,758	593,524	20,988,903
Revenues Projected - Operat	8,101,962		8,101,962									8,101,962
Revenues Projected - Non-Op												0
Interest/Investment Inc	60,000		6,070	3,091	1,423	167	8,176	38,118		1,092	1,863	60,000
Retail Connections	561,000						561,000					561,000
Taxes & Assessments	850,000		850,000									850,000
Expense Recovery	10,000		10,000									10,000
Revenue Allocation	9,582,962	0	8,968,032	3,091	1,423	167	569,176	38,118	0	1,092	1,863	9,582,962
Expense - Operating	(6,680,083)		(6,680,083)	140,000								(6,540,083)
Expense - Non-Operating												0
Interest Expense	(813,144)		(813,144)									(813,144)
Sales Tax Expense	(6,000)		(6,000)									(6,000)
Debt Service Principal	(608,705)		(608,705)									(608,705)
Expense Allocation	(8,107,932)	0	(8,107,932)	140,000	0	0	0	0	0	0	0	(7,967,932)
Net Allocation	1,475,030	0	860,100	143,091	1,423	167	569,176	38,118	0	1,092	1,863	1,615,030
Capital Projects								(4,214,000)				(4,214,000)
Additional Allocations			(914,030)	100,000	5,376			798,654		10,000		0
Working Capital 06/30/13		1,826,536	1,879,738	1,227,563	460,056	53,394	3,173,602	8,764,807	50,000	358,850	595,387	18,389,933

Capital Improvement Program - Retail

Retail facilities include those that allow the District to deliver water to retail customers and perform all supporting activities to accomplish this. Specific examples are:

- transmission and distribution pipelines;
- pump stations;
- pressure reducing stations;
- storage tanks;
- meters; and
- District equipment and buildings.

The District's Capital Improvement Program ("CIP") is viewed as two separate programs for Wholesale and Retail facilities. Most projects are not relevant to both Wholesale and Retail, therefore, they are evaluated and planned for completely separately. Some do benefit both Wholesale and Retail facilities and are assigned to each based upon specific benefit with Wholesale and Retail paying their fair share of the cost. To be considered a capital expense, the project, program or equipment must generally cost \$5,000 or more and have a useful life extending three years or more.

CIP Process

In order to develop and maintain the District's long-range CIP, the first step is completion of a Retail Master Plan. These are completed approximately every five to ten years by an outside consultant with District staff assistance. All existing and future facilities are evaluated to sustain the District's cost-effective CIP goals:

- Ensure that delivery of a reliable water supply is maintained and secured for future needs.
- Maintain or implement compliance with existing or new regulations.
- Address public safety or health standards.
- Plan contingencies for reasonable emergency supply or outages.
- Ensure that existing infrastructure is maintained, replaced and improved as necessary.
- Provide for new capital projects to help meet the highest priority District needs.
- Develop and implement more economical, efficient, or effective delivery of District services.

CIP projects are categorized as follows:

District-Wide: projects that benefit the District's internal operations such as information technology or building improvements.

Pipeline Replacements: projects related to the expansion, maintenance, or improvement of the District's transmission and distribution system.

Pump Stations: projects related to the maintenance, improvement or expansion of the District's pump stations.

Pressure Reducing Stations: projects related to the construction, maintenance, improvement or expansion of the District's pressure reducing stations.

Storage Tanks: projects related to the construction, maintenance, improvement or expansion of the District's storage facilities.

Development Projects: projects needed to serve new development, which are funded by the developer, and conveyed to the District for long-term operation and maintenance.

Upon completion or update of the Retail Master Plan, the Retail Water Rate Study and Financial Plan are updated to reflect new or updated projects. This may not be necessary if the costs do not represent a major impact to the CIP. Projects are incorporated into the fiscal-year budget for the year they are expected to begin, with individual projects approved in accordance with District policy or prescribed codes (i.e. Public Contract Code).

District staff manage projects with the assistance of consultants where needed. District labor, inventory, materials, supplies and related costs may be required on a project and coded as such to reflect the full cost of the asset for financial reporting purposes. Upon completion of a project, Notice of Acceptance is filed (when applicable) and appropriate insurance coverage is secured by the District's insurer in accordance with the policy.

Fiscal Year 2011-2012 Accomplishments

- Negotiated renewal pricing for T&M contract after vendor proposed large increase, resulting in bid process savings as well as savings throughout the course of the coming year.
- Implemented a tracking procedure for BOE Out-of-State Tax to avoid penalties and ensure District is in compliance with required reporting on out-of-state purchases.
- Replaced vehicles and backhoe in accordance with vehicle replacement guidelines.
- Implemented approved Quarterly D/DBP stage 2 samples site
- Completed design and construction of the 24-inch Auburn Folsom Road Transmission Main Middle Phase project.
- Completed the Design of the Retail portion of the SCADA Integration and Improvements project.
- Completed the design and construction of the 24-inch AFR WTP Onsite Transmission Main project.
- Completed the design of the Stevens Ave Main and Services Replacements project.
- Completed the design of the Golden Gate Services Improvements project.
- Completed the Vane Court Services Relocation project.
- Initiated the design of the Cherry Ave Services Replacement Project.
- Initiated the design of the Kezar Street Services Replacement Project.
- Initiated the design of the Keets Circle Services Replacement Project.

San Juan Water District
Fiscal Year 2012 - 2013 Budget

CIP Budget – Retail

Retail Capital Improvement Program							Funding Source		
Category	Closed Amount	Approved Budget	FY 2011-12 Activity	FY 2012-13 Additions	FY 2012-13 Budget	COPs	General CIP Reserves	Connect	
Project/Program									
<u>District-Wide:</u>									
District Fiber Optic Upgrade		\$ 8,100	\$ (8,100)	\$ -	\$ -	\$ -	\$ -	\$ -	
Office Furniture Replacements		16,000	-	-	16,000	-	16,000	-	
Buildings-Storage (Retail share)		200,000	-	-	200,000	-	200,000	-	
District-Wide CIP		\$ 224,100	\$ (8,100)	\$ -	\$ 216,000	\$ -	\$ 216,000	\$ -	
<u>Conservation:</u>									
Replacement - Vehicle #1		25,000	(25,000)	-	-	-	-	-	
Conservation CIP		\$ 25,000	\$ (25,000)	\$ -	\$ -	\$ -	\$ -	\$ -	
<u>Engineering Services:</u>									
SCADA Software-Retail		300,000	(300,000)	100,000	100,000	-	100,000	-	
GIS Software		25,000	(7,858)	-	17,142	-	17,142	-	
Transmission Main-AFR Middle Phase		400,000	(400,000)	-	-	-	-	-	
Transmission Main-AFR GBPS		331,000	(331,000)	-	-	-	-	-	
Mainline/Services Replacement-Stevens		400,000	(10,332)	-	389,668	-	389,668	-	
Services Improvements-Golden Gate		180,000	(9,353)	-	170,647	-	170,647	-	
Services Improvements-Keats Circle		95,000	(443)	-	94,557	-	94,557	-	
Services Improvements-Cherry Avenue		45,000	(1,630)	-	43,370	-	43,370	-	
Mainline Replacement-Vane Court		55,000	(35,821)	-	19,179	-	19,179	-	
Hydrant Installation-Bacon BPS		20,000	(292)	-	19,708	-	19,708	-	
Generator Load Bank Unit		9,000	-	-	9,000	-	9,000	-	
Mainline Replacement Contingency		244,000	-	-	244,000	-	244,000	-	
Transmission Main-AFR North Phase		800,000	-	-	800,000	-	800,000	-	
Transmission Main-FO 40" (Retail share)		422,500	-	-	422,500	-	422,500	-	
Wholesale CTP Valve Actuators-Retail share \$6k		6,000	-	-	6,000	-	6,000	-	
Wholesale Meters-Retail share \$350k 3yr		2,000,000	(1,425,000)	-	575,000	-	575,000	-	
Pressure Reducing Stations-Oak Avenue		180,000	-	-	180,000	-	180,000	-	
Pressure Reducing Stations-Eureka/AFR Lower GBPS		225,000	-	-	225,000	-	225,000	-	
Pump Station-Upper Granite Bay (rehab)		1,328,000	(52)	-	1,327,948	1,327,948	-	-	
Pump Station-Lower Granite Bay (at Hinkle)		2,872,000	(105)	-	2,871,895	2,871,895	-	-	
Gravity Zone CTP to Sierra Zone 30" Interie		-	-	500,000	500,000	-	500,000	-	
Eureka Rd 18" T-main (3925-LF, Barton to Aub-Fols)		-	-	134,000	134,000	-	134,000	-	
Pressure Reducing Stations-Bacon/Sierra PRS Imprvmts		-	-	300,000	300,000	-	300,000	-	
LGA Supply 12" ARC Dr to Greenback Ave Main		-	-	750,000	750,000	-	750,000	-	
Eureka & AFR-LGB BPS PRS (w/ AFR-North Ph)		-	-	225,000	225,000	-	225,000	-	
Engineering Services CIP		9,937,500	(2,521,886)	2,009,000	9,424,614	4,199,843	5,224,771	-	
<u>Field Services</u>									
Vehicle Replacement		91,000	(91,000)	50,000	50,000	-	50,000	-	
Meter Reading-Touch Meter Wands		14,000	(14,000)	-	-	-	-	-	
Meters-Commercial Improvements		40,000	(40,000)	40,000	40,000	-	40,000	-	
Meters-Residential Replacements		75,000	(75,000)	75,000	75,000	-	75,000	-	
Distribution System-Annual Improvements		110,000	(110,000)	110,000	110,000	-	110,000	-	
Mainline Replacement-Country Ct to Eureka		253,000	(75)	-	252,925	-	252,925	-	
Mainline Replacement-Erwin Avenue		160,000	-	-	160,000	-	160,000	-	
Mainline Replacement-Lou Place to Troy Way		95,000	-	-	95,000	-	95,000	-	
Mainline Replacement-Peerless Avenue		230,000	-	-	230,000	-	230,000	-	
Mainline Replacement-Sierra College		150,000	-	-	150,000	-	150,000	-	
Telegraph Ave Re-connect (7616-7626, Creek Xing)		-	-	65,000	65,000	-	65,000	-	
Oak Ave & Cardwell 12" Main (San Juanita to Cardwell)		-	-	300,000	300,000	-	300,000	-	
Oak Avenue 12" Main (9151-9219, Casa Robles H.S.)		-	-	270,000	270,000	-	270,000	-	
Douglas Blvd. (Joe Rodgers to Luth. Church; Steel)		-	-	120,000	120,000	-	120,000	-	
Utility Locator (Replacement)		-	-	5,000	5,000	-	5,000	-	
Safety Equipment		-	-	8,500	8,500	-	8,500	-	
Security System Improvements		-	-	100,000	100,000	-	100,000	-	
Field Services CIP		1,218,000	(330,075)	1,143,500	2,031,425	-	2,031,425	-	
Total Retail Capital Improvement Program Budget		\$11,404,600	\$(2,885,061)	\$ 3,152,500	\$11,672,039	\$4,199,843	\$ 7,472,196	\$ -	
<u>Capital Improvement Program Summary - Retail:</u>									
District-Wide		\$ 224,100	\$ (8,100)	\$ -	\$ 216,000	\$ -	\$ 216,000	\$ -	
Conservation		25,000	(25,000)	-	-	-	-	-	
Engineering Services		9,937,500	(2,521,886)	2,009,000	9,424,614	4,199,843	5,224,771	-	
Field Services		1,218,000	(330,075)	1,143,500	2,031,425	-	2,031,425	-	
Total Retail Capital Improvement Program Budget		\$11,404,600	\$(2,885,061)	\$ 3,152,500	\$11,672,039	\$4,199,843	\$ 7,472,196	\$ -	

Retail CIP Funding	Total
<u>Available Funding Sources:</u>	
General CIP Reserves	\$ 11,364,055
Connections	2,380,504
Emergency Reserve	593,597
Kokila Reservoir Fund	350,064
Total Capital Improvement Program Funding Sources	\$ 14,688,220
Total Capital Improvement Program	(4,214,000)
Projected Ending Balance, June 30, 2013	\$ 10,474,220

Cost Allocation Plan

The San Juan Water District is organized as a community services district with both wholesale and retail operations. Upon establishment, it was determined to be most cost effective for these two separate operations to share some facilities and employees in order to minimize costs. While sharing some resources, the revenues and expenses are recorded in a separate set of accounts for each for financial accounting and reporting purposes. Cash is maintained in pooled accounts in order to maximize interest and investment earnings opportunities while separately accounted for with respect to each component of cash reserves.

Due to the size and nature of all District operations, established allocation methods are relatively simple lacking the complexity that would require additional staff time to maintain. Allocations are updated as changes occur in the bases or operating factors. Costs are allocated to Wholesale and Retail using several methods:

- direct – for those costs that are specifically identifiable to apply to either;
- proportionate – for those costs that benefit both based upon the appropriate base (i.e. full-time equivalent employees (“FTE”), building occupancy, number of connections, etc.).

Direct costs are simply those costs that apply either to Wholesale or Retail, or some percentage of each that can be determined by the nature of the cost. Proportionate costs are assigned to Wholesale or Retail based upon the benefit received using the base as described above which most accurately reflects this.

Labor

As mentioned previously, some employees are shared by Wholesale and Retail to maximize efficiency and eliminate the need for redundant positions thereby minimizing any idle time. The table provided next lists all District positions and their respective budgeted assignment to Wholesale or Retail activities for both operations and capital projects. Employees code time to reflect actual work activity, which can vary from year-to-year depending upon weather conditions, capital projects, legislative and regulatory changes, etc. However, this reflects the overall assignment for each and a basis for other cost assignments.

San Juan Water District
Fiscal Year 2012 - 2013 Budget

Area	Position Title/# Budgeted	Wholesale		Retail		Wholesale	Retail	
		Operating	Capital	Operating	Capital	FTE	FTE	
Executive								
	General Manager	1.0	90.00%		10.00%	0.90	0.10	
	Assistant General Manager	1.0	60.00%		40.00%	0.60	0.40	
	Administrative Assistant/Board Secretary	1.0	50.00%		50.00%	0.50	0.50	
	Total Executive	3.0						
Finance & Administrative Services								
	Finance & Administrative Services Manager	1.0	60.00%		40.00%	0.60	0.40	
	Accountant	1.0	50.00%		50.00%	0.50	0.50	
	Accounting Technician III	1.0	50.00%		50.00%	0.50	0.50	
	Information Technology Administrator	1.0	50.00%		50.00%	0.50	0.50	
	Information Technology Technician I	0.0	50.00%		50.00%	0.00	0.00	
	Purchasing Agent	1.0	50.00%		50.00%	0.50	0.50	
	Total Finance & Administrative Services	5.0						
Conservation								
	Conservation Temporary	0.0	15.00%		85.00%	0.00	0.00	
	Conservation Technician I	0.0	15.00%		85.00%	0.00	0.00	
	Conservation Technician II	3.0	15.00%		85.00%	0.45	2.55	
	Water Resources Analyst	1.0	80.00%		20.00%	0.80	0.20	
	Total Conservation	4.0						
Customer Services								
	Customer Services Manager	1.0	5.00%		95.00%	0.05	0.95	
	Accounting Technician II	1.0			100.00%	0.00	1.00	
	Accounting Technician III	1.0			100.00%	0.00	1.00	
	Meter Technician	1.0	1.00%		99.00%	0.01	0.99	
	Total Customer Services	4.0						
Engineering Services								
	Engineering Services Manager	1.0			40.00%	60.00%	0.00	1.00
	Associate/Senior Engineer	1.0	20.00%	80.00%		1.00	0.00	
	CAD/GIS Intern	0.0			100.00%	0.00	0.00	
	Construction Inspector III	1.0			40.00%	60.00%	0.00	1.00
	Engineering Technician III	1.0			100.00%	0.00	1.00	
	Total Engineering Services	4.0						
Field Services								
	Field Services Manager	1.0	8.00%		78.00%	14.00%	0.08	0.92
	Distribution Lead Worker	3.0	8.00%		78.00%	14.00%	0.24	2.76
	Distribution Operator I	0.0	8.00%		78.00%	14.00%	0.00	0.00
	Distribution Operator II	1.0	8.00%		78.00%	14.00%	0.08	0.92
	Distribution Operator III	3.0	8.00%		78.00%	14.00%	0.24	2.76
	Distribution Operator IV	4.0	8.00%		78.00%	14.00%	0.32	3.68
	Field Services Technician	1.0			100.00%		0.00	1.00
	Utilities Coordinator	1.0			100.00%		0.00	1.00
	Total Field Services	14.0						
Operations								
	Operations Manager	1.0	30.00%		70.00%	0.30	0.70	
	Total Operations	1.0						
Water Treatment Plant								
	Wholesale Operations Manager	0.0	100.00%			0.00	0.00	
	Water Treatment Plant Superintendent	1.0	100.00%			1.00	0.00	
	Custodian	1.0	70.00%		30.00%	0.70	0.30	
	Facilities Maintenance Worker I	1.0	100.00%			1.00	0.00	
	Instrumentation Technician	1.0	100.00%			1.00	0.00	
	Maintenance Chief	1.0	100.00%			1.00	0.00	
	Water Treatment Operator II	1.0	100.00%			1.00	0.00	
	Water Treatment Operator III	2.0	100.00%			2.00	0.00	
	Water Treatment Operator IV	1.0	100.00%			1.00	0.00	
	Chief Operator	1.0	100.00%			1.00	0.00	
	Total Water Treatment Plant	10.0						
Total Funded Positions		45.0				17.87	27.13	

Building Operations and Maintenance Costs

District employees are assigned work locations in one of three buildings which are located on District property: Administration Building, Shop Building and Water Treatment Plant Building. Costs related to building usage or maintenance are allocated on FTE, broken down by building as follows:

<u>Administration Building - FTE Cost Allocation</u>				
Department	Position	FTE	Wholesale	Retail
Executive	Assistant General Manager	1	0.60	0.40
Executive	General Manager	1	0.90	0.10
Executive	Admin Asst/Board Secretary	1	0.50	0.50
Finance/Admin Svc	Accountant	1	0.50	0.50
Finance/Admin Svc	Finance/Admin Svcs Mgr	1	0.60	0.40
Finance/Admin Svc	Accounting Technician III	1	0.50	0.50
Finance/Admin Svc	Purchasing Agent	1	0.50	0.50
Conservation	Conservation Tech II	1	0.15	0.85
Conservation	Conservation Tech II	1	0.15	0.85
Conservation	Conservation Tech I	1	0.15	0.85
Conservation	Meter Technician	1	0.01	0.99
Conservation	Water Resources Analyst	1	0.80	0.20
Customer Service	Customer Service Manager	1	0.05	0.95
Customer Service	Accounting Technician III	1		1.00
Customer Service	Customer Service Tech III	1		1.00
		15	5.41	9.59
Allocation Percentage			36%	64%

<u>Shop Building - FTE Cost Allocation</u>				
Department	Position	FTE	Wholesale	Retail
Field Services	Field Services Manager	1	0.08	0.92
Field Services	Distribution Lead Worker	1	0.08	0.92
Field Services	Distribution Lead Worker	1	0.08	0.92
Field Services	Distribution Lead Worker	1	0.08	0.92
Field Services	Distribution Operator II	1	0.08	0.92
Field Services	Distribution Operator III	1	0.08	0.92
Field Services	Distribution Operator III	1	0.08	0.92
Field Services	Distribution Operator III	1	0.08	0.92
Field Services	Distribution Operator IV	1	0.08	0.92
Field Services	Distribution Operator IV	1	0.08	0.92
Field Services	Distribution Operator IV	1	0.08	0.92
Field Services	Field Services Technician	1	0.00	1.00
Field Services	Utilities Coordinator	1	0.08	1.00
Operations	Operations Manager	1	0.30	0.70
Engineering Services	Engineering Services Manager	1	0.00	1.00
Engineering Services	Senior Engineer	1	1.00	0.00
Engineering Services	Engineering Technician II	1	0.00	1.00
Engineering Services	Construction Inspector II	1	0.00	1.00
		19	2.34	16.74
Allocation Percentage			12%	88%

Treatment Plant Building - FTE Cost Allocation				
Department	Position	FTE	Wholesale	Retail
Water Treatment	Treatment Plant Superintendent	1	1.00	0.00
Water Treatment	Custodian	1	0.70	0.30
Water Treatment	Facilities Maintenance Worker I	1	1.00	0.00
Water Treatment	Facilities Maintenance Worker II	1	1.00	0.00
Water Treatment	Maintenance Chief	1	1.00	0.00
Water Treatment	Water Treatment Operator II	1	1.00	0.00
Water Treatment	Water Treatment Operator III	1	1.00	0.00
Water Treatment	Water Treatment Operator III	1	1.00	0.00
Water Treatment	Water Treatment Operator IV	1	1.00	0.00
Water Treatment	Chief Operator	1	1.00	0.00
Finance/Admin Svc	IT Administrator	1	0.50	0.50
		11	10.20	0.80
Allocation Percentage			93%	7%

Indirect Cost Rates

Indirect cost rates are calculated in the table below; however, a standard rate is used for simplification purposes in the detail position rates schedule which listed on the next page. The District currently uses 15% as this standard to recover indirect costs and properly assess these costs where applicable. *(Note: some costs may be re-defined to direct costs as the allocation plan is updated to fully reflect only indirect costs.)*

Wholesale	
<u>Direct Costs</u>	
Category	Amount
Source of Supply	\$ 744,440
Water Treatment	1,962,635
Conservation	244,233
Engineering	59,148
Transmission	134,016
Total Direct Costs	\$ 3,144,472
<u>Indirect Costs</u>	
Administrative & General	\$ 1,399,488
OPEB	140,000
Total Indirect Costs	\$ 1,539,488
Overall Indirect Cost Rate	48.960%
<i>(Indirect Costs Divided by Direct Costs, 15% used historically)</i>	

Retail	
<u>Direct Costs</u>	
Category	Amount
Source of Supply	\$ 2,042,791
Conservation	449,875
Customer Service	597,344
Engineering	292,680
Pumping & Telemetry	582,145
Transmission/Distribution	1,566,428
Total Direct Costs	\$ 5,531,263
<u>Indirect Costs</u>	
Administrative & General	\$ 1,008,820
OPEB	140,000
Total Indirect Costs	\$ 1,148,820
Overall Indirect Cost Rate	20.770%
<i>(Indirect Costs Divided by Direct Costs, 15% used historically)</i>	

Labor Rates

Rates are listed by position in the table on the next page to provide a billing rate in the event costs will be recovered from a customer, agency or outside party for any employee time. The cost listed is for the top step of the salary range, as many employees have been employed by the District for a long time and as such have reached the top step. In addition, this reduces complexity in maintaining this rate schedule in keeping with the District's goal in establishing straightforward, easy to manage processes.

San Juan Water District Fiscal Year 2012 - 2013 Budget

Area Position Title	Regular Annual Salary (<i>top</i>)	Paid Benefit Rate	Total Compensation	Productive Hours	Direct Cost Rate	Indirect Cost Rate	Hourly Billing Rate
Executive							
General Manager	181,355	46.74%	\$266,124	1,702	\$156.36	15.00%	\$179.81
Assistant General Manager	165,060	46.74%	242,212	1,702	142.31	15.00%	163.66
Administrative Assistant/Board Sec	63,131	46.74%	92,640	1,702	54.43	15.00%	62.59
Finance & Administrative Services							
Finance & Administrative Services M	143,514	46.74%	210,595	1,702	123.73	15.00%	142.29
Accountant	77,949	46.74%	114,384	1,702	67.21	15.00%	77.29
Accounting Technician III	63,131	46.74%	92,640	1,702	54.43	15.00%	62.59
Information Technology Administra	93,276	46.74%	136,875	1,702	80.42	15.00%	92.48
Information Technology Technician	0	46.74%	0	1,702	0.00	15.00%	0.00
Purchasing Agent	63,131	46.74%	92,640	1,702	54.43	15.00%	62.59
Conservation							
Conservation Temporary	0		0	1,702	0.00	15.00%	0.00
Conservation Technician I	56,678	46.74%	83,170	1,702	48.87	15.00%	56.20
Conservation Technician II	62,346	46.74%	91,488	1,702	53.75	15.00%	61.81
Water Resources Analyst	104,822	46.74%	153,818	1,702	90.37	15.00%	103.93
Customer Services							
Customer Services Manager	113,317	46.74%	166,284	1,702	97.70	15.00%	112.36
Accounting Technician II	57,411	46.74%	84,246	1,702	49.50	15.00%	56.93
Accounting Technician III	63,131	46.74%	92,640	1,702	54.43	15.00%	62.59
Meter Technician	50,879	46.74%	74,661	1,702	43.87	15.00%	50.45
Engineering Services							
Engineering Services Manager	122,937	46.74%	180,400	1,702	105.99	15.00%	121.89
Senior Engineer	113,317	46.74%	166,284	1,702	97.70	15.00%	112.36
CAD/GIS Intern	0	46.74%	0	1,702	0.00	15.00%	0.00
Construction Inspector III	79,218	46.74%	116,246	1,702	68.30	15.00%	78.55
Engineering Technician III	70,579	46.74%	103,569	1,702	60.85	15.00%	69.98
Field Services							
Field Services Manager	113,317	46.74%	166,284	1,702	97.70	15.00%	112.36
Distribution Lead Worker	81,771	46.74%	119,992	1,702	70.50	15.00%	81.08
Distribution Operator I	55,853	46.74%	81,960	1,702	48.16	15.00%	55.38
Distribution Operator II	61,443	46.74%	90,163	1,702	52.97	15.00%	60.92
Distribution Operator III	67,595	46.74%	99,190	1,702	58.28	15.00%	67.02
Distribution Operator IV	74,349	46.74%	109,101	1,702	64.10	15.00%	73.72
Field Services Technician	74,349	46.74%	109,101	1,702	64.10	15.00%	73.72
Utilities Coordinator	74,768	46.74%	109,716	1,702	64.46	15.00%	74.13
Operations							
Operations Manager	135,962	46.74%	199,513	1,702	117.22	15.00%	134.80
Water Treatment Plant							
Wholesale Operations Manager	0	46.74%	0	1,702	0.00	15.00%	0.00
Water Treatment Plant Superintende	113,317	46.74%	166,284	1,702	97.70	15.00%	112.36
Custodian	40,656	46.74%	59,659	1,702	35.05	15.00%	40.31
Facilities Maintenance Worker I	61,390	46.74%	90,085	1,702	52.93	15.00%	60.87
Facilities Maintenance Worker II	67,529	46.74%	99,093	1,702	58.22	15.00%	66.95
Instrumentation Technician	77,818	46.74%	114,192	1,702	67.09	15.00%	77.15
Maintenance Chief	93,276	46.74%	136,875	1,702	80.42	15.00%	92.48
Water Treatment Operator II	67,019	46.74%	98,345	1,702	57.78	15.00%	66.45
Water Treatment Operator III	73,707	46.74%	108,159	1,702	63.55	15.00%	73.08
Water Treatment Operator IV	81,077	46.74%	118,974	1,702	69.90	15.00%	80.39
Chief Operator	93,276	46.74%	136,875	1,702	80.42	15.00%	92.48

Productive Hours

Total Days	260
Vacation Days	(15)
Holidays	(12)
Sick (12 days @ 50%)	(6)
Productive Days	227
Productive Hours	1,816
Breaks (30 minutes daily)	(114)
Total Productive Hours	1,702

Paid Benefit Rate

FICA/Medicare	7.65%
Unemployment	0.23%
Workers Compensation Insurance	1.58%
Retirement	15.30%
Group Insurance	21.98%
Total Paid Benefits Rate	46.74%

Statistical and Supplemental Information

San Juan Water District
Wholesale Water Rates and Connection Fees
Last Ten Years Effective January 1

Fiscal Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Uniform Commodity Rate (UCR):										
	\$ 66.61	\$ 74.37	\$ 77.16	\$ 85.03	\$ 93.44	\$ 100.31	\$ 102.85	\$ 115.19	\$ 127.86	\$ 90.60
Citrus Heights Water District	40.36	44.22	48.77	53.74	59.07	63.26	69.31	77.71	86.25	90.60
Fair Oaks Water Company	40.36	44.22	48.77	53.74	59.07	63.26	69.31	77.71	86.25	90.60
Orange Vale Water Company	40.36	44.22	48.77	53.74	59.07	63.26	69.31	77.71	86.25	90.60
City of Folsom	90.42	90.42	90.42	90.42	90.42	130.61	130.61	146.28	162.37	90.60
Annual Service Charge:										
San Juan Water District Retail	\$ 382,669	\$ 242,000	\$ 259,000	\$ 285,000	\$ 335,000	\$ 335,000	\$ 237,742	\$ 266,271	\$ 295,561	\$ 311,080
Citrus Heights Water District	325,681	249,000	275,000	303,000	357,000	357,000	297,343	333,024	369,657	367,450
Fair Oaks Water Company	274,556	190,000	210,000	231,000	272,000	272,000	204,388	228,915	254,095	208,340
Orange Vale Water Company	89,471	66,900	73,800	81,800	95,600	95,600	66,885	74,911	83,151	80,300
City of Folsom	-	-	-	-	37,700	37,700	26,360	26,360	32,771	35,160
Annual Debt Service Charge:										
San Juan Water District Retail \$	-	\$ 178,500	\$ 215,500	\$ 216,100	\$ 215,500	\$ 215,500	\$ 443,901	\$ 618,403	\$ 563,089	\$ 563,594
Citrus Heights Water District	-	205,500	251,700	252,200	251,600	251,600	534,537	738,294	621,614	627,938
Fair Oaks Water Company	-	150,750	185,000	185,400	184,900	184,900	320,878	444,071	415,185	385,416
Orange Vale Water Company	-	46,275	56,800	56,900	56,800	56,800	103,854	143,636	173,021	166,458
City of Folsom	-	-	-	14,100	14,100	14,100	48,972	48,972	50,104	59,659
Connection Fees (implemented in 2008):										
Up to 1" Meter							\$ 312	\$ 319	\$ 337	\$ 344
1 1/2" Meter							520	531	560	572
2" Meter							1,040	1,062	1,121	1,145
3" Meter							1,664	1,699	1,793	1,832
4" Meter							3,328	3,398	3,585	3,663
6" Meter							5,200	5,309	5,602	5,724
8" Meter							13,000	13,273	14,004	14,309
10" Meter							18,720	19,113	20,166	20,606
12" Meter							30,160	30,793	32,490	33,199
							44,720	45,659	48,175	49,226

Note: The Annual Debt Service Charge begin with the 2nd Quarter of 2003.

Source: District Finance and Administrative Services Division

San Juan Water District
Fiscal Year 2012 - 2013 Budget

San Juan Water District

Retail Water Rates and Connection Fees

Last Ten Years Effective January 1 Beginning 2007 (Effective September 1 Prior To)

Fiscal Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Commodity Rate/CCF:										
Residential										
0 to 20 ccf	\$ 0.69	\$0.26	\$0.27	\$0.28	\$0.28	\$ 0.34	\$ 0.37	\$ 0.40	\$ 0.43	\$ 0.44
21 to 200 ccf	1.92	0.45	0.46	0.47	0.47	0.57	0.62	0.68	0.73	0.74
201+ ccf	3.00	0.31	0.32	0.33	0.33	0.40	0.44	0.48	0.51	0.52
Commercial		0.38	0.39	0.40	0.40	0.49	0.53	0.53	0.62	0.63
Daily Base Charge (fixed based on meter size):										
Up to 1"	\$0.6940	\$0.78	\$0.80	\$0.82	\$0.82	\$ 0.89	\$ 0.97	\$ 1.06	\$ 1.13	\$ 1.15
1 1/2"	1.9173	2.15	2.19	2.26	2.26	2.37	2.58	2.81	3.01	3.07
2"	3.0030	3.36	3.43	3.53	3.53	3.78	4.12	4.49	4.80	4.90
3"	5.8982	6.61	6.74	6.94	6.94	7.51	8.19	8.93	9.56	9.75
4"	9.1550	10.25	10.46	10.77	10.77	11.72	12.77	13.92	14.89	15.19
6"						23.40	25.51	27.81	29.76	30.36
8"						42.09	45.88	50.01	53.51	54.58
10"						67.79	73.89	80.54	86.18	87.90
12"						100.50	109.55	119.41	127.77	130.32
Fire District	3.4173	3.83	3.91	4.03	4.03	4.55	4.96	5.41	5.79	5.90
Daily Base Charge for Private Fire Lines (fixed based on meter size):										
4"	\$0.2517	\$0.28	\$0.29	\$0.30	\$0.30	\$ 0.34	\$ 0.37	\$ 0.40	\$ 0.43	\$ 0.44
6"	0.3777	0.42	0.43	0.44	0.44	0.50	0.55	0.60	0.64	0.65
8"	0.5040	0.56	0.57	0.59	0.59	0.67	0.73	0.80	0.86	0.88
10"	0.6293	0.70	0.71	0.73	0.73	0.82	0.89	0.97	1.04	1.05
Connection Fees (in addition, new connections also pay a Wholesale Connection fee listed in Wholesale Rates):										
Up to 1" Meter						\$ 11,533	\$ 11,891	\$ 12,164	\$ 12,834	\$ 13,488
1 1/2" Meter						23,065	23,780	24,327	25,667	26,974
2" Meter						36,904	38,048	38,923	41,068	43,159
3" Meter						73,808	76,096	77,846	82,135	86,318
4" Meter						115,325	118,900	120,806	127,462	133,953
6" Meter						230,651	237,801	243,270	256,674	269,744
8" Meter						415,179	428,050	437,895	462,023	485,550
10" Meter						668,900	689,636	705,498	744,371	782,275
12" Meter						991,817	1,022,563	1,046,082	1,103,721	1,159,924

Source: District Finance and Administrative Services Division

**San Juan Water District
Retail Water Sales by Type
Last Ten Fiscal Years**

Fiscal Year	Residential	Commercial	Total Water Sales	Total Water Deliveries (CCF)
2002	\$ 3,918,997	473,476	\$ 4,392,473	
2003	\$ 4,445,790	486,339	\$ 4,932,129	
2004	\$ 4,643,848	750,094	\$ 5,393,942	
2005	\$ 4,626,374	649,889	\$ 5,276,263	
2006	\$ 4,962,285	689,690	\$ 5,651,975	5,819,855
2007	\$ 5,738,787	817,126	\$ 6,555,913	6,558,306
2008	\$ 5,868,469	879,339	\$ 6,747,808	6,267,424
2009	\$ 6,580,530	946,169	\$ 7,526,699	5,821,462
2010	\$ 6,372,458	919,104	\$ 7,291,562	5,078,489
2011	\$ 6,821,008	1,000,370	\$ 7,821,378	5,038,636

Source: District Finance and Administrative Services Division

San Juan Water District
Fiscal Year 2012 - 2013 Budget

**San Juan Water District
Ten Largest Retail Customers
Current Year and Three Years Ago**

Customer	Fiscal Year					
	2011			2008		
	Total Revenue	Rank	% of Revenue	Total Revenue	Rank	% of Revenue
Roseville Joint Union High School	\$ 18,029	1	0.24%	\$ 18,424	1	0.29%
Rolling Greens Estates LLC	13,879	2	0.18%	14,732	2	0.23%
Granite Bay Business Park	12,248	3	0.16%	10,581	4	0.17%
California State Dept of Parks & Rec	11,244	4	0.15%			
City of Folsom/Davies Park	11,021	5	0.14%			
Sierra Valley Real Estate	10,975	6	0.14%	9,569	6	0.15%
Placer County Department of Facility Svc	10,147	7	0.13%	8,715	9	0.14%
Bushnells Landscape Creations	10,077	8	0.13%	11,407	3	0.18%
Maison Chapeaux	9,259	9	0.12%	7,624	10	0.12%
Otow Revocable Living Trust	8,029	10	0.11%	8,728	8	0.14%
Eureka Union School District/Cavitt Jr High				10,228	5	0.16%
Eureka Union School District/Oakhills				8,861	7	0.14%
Total	\$ 114,908		1.51%	\$ 108,869		1.71%

Source: District Customer Services Department

Note: The District began collecting this data in fiscal year 2007-2008.

San Juan Water District
Property Tax Levies and Collections - Bonded Debt
Last Ten Years

Fiscal Year End	Taxes Levied for the Fiscal Year ⁽¹⁾	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2002	\$ 861,537	\$ 1,118,024	129.8%	0	\$ 1,118,024	129.8%
2003	704,095	884,843	125.7%	0	884,843	125.7%
2004	916,353	1,204,749	131.5%	0	1,204,749	131.5%
2005	-	45,799	0.0%	0	45,799	0.0%
2006	-	1,956	0.0%	0	1,956	0.0%
2007	-	-	0.0%	0	-	0.0%
2008	-	-	0.0%	0	-	0.0%
2009	-	-	0.0%	0	-	0.0%
2010	-	-	0.0%	0	-	0.0%
2011	-	-	0.0%	0	-	0.0%

Sources: Sacramento County Auditor-Controller and Placer County Auditor-Controller

Notes: Includes tax revenue for bonded debt only; 1998 General Obligation Bonds were repaid in 2004.

San Juan Water District
Fiscal Year 2012 - 2013 Budget

San Juan Water District
Principal Property Taxpayers
Current Year and Ten Years Ago

Taxpayer	Primary Land Use	2011		2002	
		Taxable Assessed Value	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Percentage of Total Taxable Assessed Value
Steadfast Sunrise LLC	Commercial	\$ 114,761,141	1.00%	\$ -	0.00%
MP Birdcage Marketplace LLC	Shopping Center	57,788,574	0.51	25,577,629	
The Realty Associates Fund VIII LP	Shopping Center	53,363,989	0.47	-	
VIF & Lyon Oak Creek LLC	Apartments	50,261,544	0.44	-	
Rollingwood Commons Apartments LLC	Apartments	29,934,859	0.26	-	
Grove at Sunrise LLC	Apartments	28,526,113	0.25	-	
PK I Cable Park LP	Commercial	26,186,126	0.23	-	
Marshall Field Stores Inc.	Commercial	23,300,272	0.20	18,223,684	
Sacto Fair Oaks Blvd Apartments LLC	Apartments	22,836,093	0.20	-	
Theodore Mitchell	Commercial	22,319,605	0.20	-	
Costco Wholesale Corporation	Commercial	21,363,137	0.19	-	
Sears Roebuck & Company	Commercial	21,043,423	0.18	12,331,769	
Madison & Sunrise Associates LLC	Commercial	20,899,681	0.18		
Lowes HIW Inc.	Commercial	20,351,932	0.18	-	
Fair Oaks Promenade LLC	Commercial	20,247,994	0.18	-	
Wal Mart Real Estate Business Trust	Commercial	19,850,000	0.17	-	
Salishan Apartments LP	Apartments	19,156,700	0.17		
First Acorn LLC	Commercial	19,046,125	0.17		
Fair Oaks Fountains LLC	Apartments	18,842,835	0.16	-	
Placer Partners LLC	Commercial	18,682,569	0.16		
The Fairways Apts-Wdc & DLC Sequola Fairways				30,221,383	0.35
National Life and Accident Insurance Co.				26,084,865	
Folsom Ranch Apartments				23,603,700	0.28
Macy's Sunac Properties Corp/Federated Stores				21,143,016	
California Family Health Bldg & Medical				14,061,741	0.16
Hunting Square Limited LP				13,495,521	0.16
Lake Pointe Apartments				12,900,000	0.15
Total		\$ 628,762,712	5.50%	\$ 197,643,308	2.31%

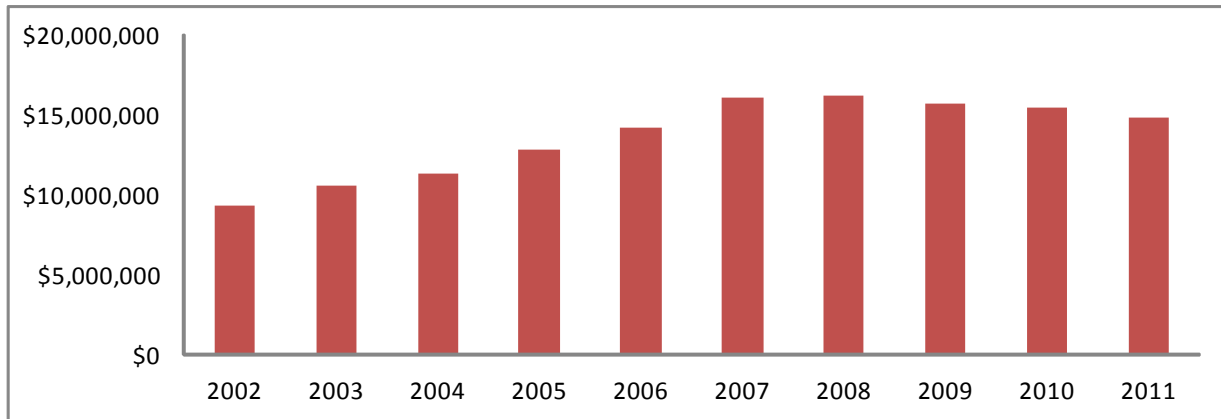
Source: California Municipal Statistics, Inc.

2010-11 Total Secured Assessed Valuation: \$11,441,620,340

2001-2002 Total Secured Assessed Valuation: \$8,567,796,118

San Juan Water District
Assessed Actual Value - Taxable Property
(Accrual Basis of Accounting)
Last Ten Fiscal Years
(in thousands of dollars)

Fiscal Year	Secured Assessed Value	Unsecured Assessed Value	Total Assessed Value	Total Property Tax Revenue	Total Direct Tax Rate
2002	\$ 9,336,667	\$ 199,500	\$ 9,536,167	\$ 2,249	0.024%
2003	10,630,343	211,386	10,841,729	2,142	0.020%
2004	11,392,975	200,789	11,593,764	2,576	0.022%
2005	12,819,457	214,569	13,034,026	505	0.004%
2006	14,234,265	227,710	14,461,975	644	0.004%
2007	16,073,386	268,952	16,342,338	1,790	0.011%
2008	16,248,701	73,486	16,322,187	1,835	0.011%
2009	15,701,866	74,471	15,776,337	1,822	0.012%
2010	15,454,819	67,677	15,522,496	1,687	0.011%
2011	14,900,077	63,928	14,964,005	1,565	0.010%



Source: County of Placer and County of Sacramento

Note: In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

San Juan Water District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Certificates of Participation	Economic Development Admin Loan	California Energy Commission Loan	Total Debt	Percentage of Personal Income	Per Capita
2002	\$ 2,785,000	\$ 6,095,000	\$ 311,846	\$ 46,231	\$ 9,238,077	24.82%	\$49.94
2003	1,905,000	23,995,000	297,351	42,720	26,240,071	67.89%	139.28
2004	980,000	23,225,000	282,131	39,006	24,526,137	60.13%	135.07
2005	-	22,390,000	266,150	35,063	22,691,213	52.21%	122.00
2006	-	21,535,000	249,370	30,883	21,815,253	47.78%	115.56
2007	-	20,660,000	231,751	26,453	20,918,204	43.30%	109.49
2008	-	19,765,000	213,251	21,762	20,000,013	39.87%	103.33
2009	-	49,345,000	193,826	16,787	49,555,613	91.47%	252.72
2010	-	47,980,000	173,430	11,513	48,164,943		267.58
2011	-	46,985,000	152,013	5,924	47,142,937		261.11

Source: San Juan Water District Finance & Administrative Services Division

Note: Details regarding the District's debt can be found in the notes to the financial statements.

San Juan Water District
Ratio of Annual Debt Service Expenses for All Debt to Total General Expenses
Last Ten Fiscal Years

Fiscal Year	Principal	Interest	Total Debt Service	Total General Expenses (1)	Ratio of Debt Service to Total General Expenses
2002	\$1,245,127	\$543,956	\$1,789,083	\$10,897,592	16.42%
2003	1,283,006	486,864	1,769,870	11,693,478	15.14%
2004	1,713,934	1,134,404	2,848,338	11,898,493	23.94%
2005	1,834,924	1,043,472	2,878,396	11,602,517	24.81%
2006	875,960	916,858	1,792,818	12,648,726	14.17%
2007	897,049	948,978	1,846,027	14,366,884	12.85%
2008	918,191	863,197	1,781,388	14,738,945	12.09%
2009	954,401	826,187	1,780,588	18,906,512	9.42%
2010	1,390,670	1,810,145	3,200,815	15,715,490	20.37%
2011	1,024,924	2,465,408	3,490,332	14,143,017	24.68%

Source: San Juan Water District Finance & Administrative Services Division

Note: (1) Total general expenses are total expenses excluding interest expense. Details regarding the District's outstanding debt can be found in the notes to the financial statements.

San Juan Water District
Fiscal Year 2012 - 2013 Budget

San Juan Water District
Principal Employers for Counties Served
Current Year and Four Years Ago (Nine Years Ago - Placer)

Employer	Fiscal Year					
	2010			2006		
	Number of Employees	Rank	% of Total Employed	Number of Employees	Rank	% of Total Employed
<u>County of Sacramento</u>						
State of California	73,243	1	12.26%	67,467	1	10.42%
Sacramento County	11,260	2	1.89%	14,408	2	2.23%
Sutter Health Sacramento Sierra Region	8,702	3	1.46%			
University of California, Davis/US Davis Health	8,500	4	1.42%	7,901	3	1.22%
CHW/Mercy Health Care	6,976	5	1.17%	4,897	10	0.76%
Kaiser Permanente	6,414	6	1.07%	6,656	6	1.03%
Elk Grove Unified School District	6,391	7	1.07%			
Intel Corporation	6,000	8	1.00%	7,000	4	1.08%
Sacramento Municipal Utility District	5,057	9	0.85%			
San Juan Unified School District	4,900	10	0.82%	5,775	8	0.89%
Los Rios Community College District				7,000	4	1.08%
City of Sacramento				6,000	7	0.93%
				5,105	9	0.79%
Total	137,443		23.01%	132,209		20.43%
Total Employed in Sacramento County	597,258			647,300		

Employer	Fiscal Year					
	2010			2001		
	Number of Employees	Rank	% of Total Employed	Number of Employees	Rank	% of Total Employed
<u>County of Placer</u>						
Kaiser Permanente	3,064	1	1.94%	1,349	7	1.01%
Hewlett-Packard Co.	2,500	2	1.59%	6,000	1	4.50%
Placer County	2,400	3	1.52%	2,600	2	1.95%
Union Pacific Railroad Co. Inc.	2,000	4	1.27%	1,218	8	0.91%
Sutter Health	1,983	5	1.26%	1,428	6	1.07%
Northstar-At-Tahoe	1,500	6	0.95%			
Thunder Valley Casino Resort	1,412	7	0.90%			
City of Roseville	1,282	8	0.81%	989	10	0.74%
PRIDE Industries, Inc.	1,135	9	0.72%	1,540	4	1.16%
Raley's	1,006	10	0.64%	1,463	5	1.10%
NEC Electronics America, Inc.				1,609	3	1.21%
Artesyn Solutions, Inc.				1,200	9	0.90%
Total	18,282		11.60%	19,396		14.55%
Total Employed in Placer County	157,540			133,333		

Note: Information is not available specific to San Juan Water District service area, so counties served are shown.

Source:

Sacramento Business Journal

California State Employment Development Department

**San Juan Water District
Demographic and Economic Statistics
Last Ten Fiscal Years**

	Wholesale Population	Retail Population	Total Personal Income	Per Capital Personal Income	Unemployment Rate
2002	185,000	28,228	\$ 37,225,183	\$ 29,386	5.60%
2003	188,400	28,734	\$ 38,649,539	\$ 29,686	6.10%
2004	181,584	28,776	\$ 40,789,349	\$ 30,686	5.70%
2005	185,996	29,056	\$ 43,462,957	\$ 32,192	5.00%
2006	188,786	30,442	\$ 45,653,787	\$ 33,521	4.70%
2007	191,051	30,512	\$ 48,313,850	\$ 35,197	5.20%
2008	193,554	30,605	\$ 50,157,252	\$ 36,340	6.80%
2009	196,089	30,578	\$ 54,177,837	\$ 39,076	11.30%
2010	180,000	30,641	Not yet available		12.40%
2011	180,548	30,615	Not yet available		12.30%

Note:

Wholesale population includes estimates of of Citrus Heights Water District, Fair Oaks Water District, Orange Vale Water Company, San Juan Water District Retail and City of Folsom (served by San Juan Water District Wholesale).

Source:

San Juan Water District Urban Water Management Plan; California State Department of Finance; California State Employment Development Department

San Juan Water District
Fiscal Year 2012 - 2013 Budget

San Juan Water District
Wholesale Water System Capital Asset and Operating Indicators
Last Ten Fiscal Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Facilities:										
# of Treatment Plants	1	1	1	1	1	1	1	1	1	1
Plant Capacity (MGD)	120	120	120	120	120	120	120	120	120	120
# of ARVs										71
# of Blow-offs										52
# of Fire Hydrants										13
# of Valves										21
# of Pumping Stations ⁽¹⁾	3	3	3	3	3	3	3	3	3	-
# of Storage Tanks/Reservoirs	2	2	2	2	2	2	2	2	2	2
Water Supply Available:										
Pre-1914 Water Rights	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000
USBR/CVP Water Contract	24,200	24,200	24,200	24,200	24,200	24,200	24,200	24,200	24,200	24,200
PCWA Contract	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Total Water Supply	82,200	82,200	82,200	82,200	82,200	82,200	82,200	82,200	82,200	82,200
Water Supply Delivered:										
Pre-1914 Water Rights	31,539	28,205	36,761	30,761	35,476	35,402	32,539	28,999	30,364	32,732
USBR/CVP Water Contract	9,571	4,585	5,225	7,013	5,947	9,908	7,884	7,022	418	1,211
PCWA Contract	11,503	13,037	13,980	11,998	11,802	12,249	12,818	11,301	9,075	8,574
Total Water Supply Delivered	52,613	45,827	55,966	49,772	53,225	57,559	53,241	47,322	39,857	42,517
Production (average in acre feet):										
Five Year	64,438	67,616	68,703	70,319	70,217	69,559	68,168	64,669	61,047	59,005
Ten Year	57,604	60,302	61,486	64,520	64,992	67,421	68,044	67,248	65,683	64,455
Fifteen Year	55,940	57,071	57,861	59,578	60,211	62,200	62,948	63,263	63,363	63,880
Twenty Year	54,574	56,762	57,354	58,399	58,937	59,626	59,885	60,140	59,945	60,385
Connections: ⁽²⁾										
San Juan Water District (retail)	9,992	10,200	10,079	10,288	10,306	10,339	10,345	10,348	10,373	10,368
Citrus Heights Water District	19,120	19,249	19,302	19,265	19,486	19,498	19,573	19,547	19,573	19,541
Fair Oaks Water District	13,588	13,554	13,577	13,544	13,848	14,469	14,474	14,134	14,128	14,480
Orange Vale Water Company	5,195	5,209	5,277	5,324	5,518	5,566	5,572	5,498	5,528	5,572
City of Folsom									981	981
Total Connections	47,895	48,212	48,235	48,421	49,158	49,872	49,964	49,527	50,583	50,942
Population ⁽³⁾										
	185,000	188,400	181,584	185,996	188,786	191,051	193,554	196,089	180,000	180,548

⁽¹⁾ Pump stations were assigned directly to Retail beginning January 1, 2011. Prior to that, costs were recovered through the Wholesale Rate charged to SJWD Retail.

⁽²⁾ Connections in Italic are projected as that agency's fiscal year end is 12/31.

⁽³⁾ The District updated population statistics in its 2010 Urban Water Management Plan.

Source: San Juan Water District Finance & Administrative Services Division, Engineering Services and Wholesale Operations

San Juan Water District
Fiscal Year 2012 - 2013 Budget

San Juan Water District
Wholesale Water Production by Month
Last Ten Fiscal Years
(in million gallons)

Month	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
July	3,242	3,181	3,175	3,110	3,255	3,099	2,563	2,937	2,292	3,240
August	3,099	2,901	2,938	3,053	3,101	3,226	2,409	2,917	2,095	3,126
September	2,642	2,577	2,909	2,787	2,670	2,932	1,907	2,427	1,844	2,607
October	2,164	2,004	2,403	1,852	2,166	2,116	1,170	1,646	1,413	1,873
November	1,217	1,117	1,151	1,014	1,466	1,138	878	857	1,059	786
December	938	1,015	980	1,039	1,048	968	661	764	679	780
January	929	946	922	933	881	1,065	559	728	722	719
February	856	852	793	831	819	962	537	631	673	619
March	1,070	1,146	1,293	1,035	812	1,308	1,325	620	538	617
April	1,587	1,130	2,057	1,313	980	1,732	2,021	1,405	577	1,186
May	2,481	1,845	2,870	1,926	2,510	1,793	2,639	1,854	1,285	1,793
June	3,001	3,019	3,101	2,696	3,004	2,323	2,791	2,112	2,544	2,042
Annual Total	23,226	21,733	24,592	21,589	22,712	22,662	19,460	18,898	15,721	19,388
 Average Monthly Water Production	 1,936	 1,811	 2,049	 1,799	 1,893	 1,889	 1,622	 1,575	 1,310	 1,616
 Average Daily Water Production	 63.6	 59.5	 67.4	 59.1	 62.2	 62.1	 53.3	 51.8	 43.1	 53.1

Source: San Juan San Juan Water District Wholesale Operations Division

San Juan Water District
Fiscal Year 2012 - 2013 Budget

San Juan Water District
Retail Water System Capital Asset and Operating Indicators
Last Ten Fiscal Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Facilities:										
Miles of Main Line	144	165	203	210	213.5	213.5	213.5	214	214	214
# of ARVs										768
# of Blow-offs										788
# of Fire Hydrants										1,412
# of Valves										2,761
# of Pumping Stations	5	5	5	5	5	5	5	5	5	8
# of Storage Tanks/Reservoirs	3	3	3	3	3	3	3	3	3	3
Connections:										
Single-Family Residential				9,746	9,753	9,752	9,756	9,761	9,778	9,780
Multi-Family Residential				118	118	117	121	121	119	119
Commercial				187	190	217	215	215	239	238
Institutional				12	11	11	11	11	11	11
Landscape Irrigation				213	222	230	230	228	214	208
Agricultural Irrigation				4	4	4	4	4	4	4
Other				8	8	8	8	8	8	8
Total Connections	9,992	10,200	10,079	10,288	10,306	10,339	10,345	10,348	10,373	10,368
Total New Connections	267	208	(121)	209	18	33	6	3	25	(5)
Consumption (units of ccf): ⁽¹⁾										
Single-Family Residential				5,043,423	5,680,870	5,392,177	5,020,192	4,369,153	4,327,393	
Multi-Family Residential				90,785	99,732	92,353	96,145	87,162	80,391	
Commercial				155,681	173,631	167,395	149,209	171,923	197,402	
Institutional				98,444	104,898	103,931	93,052	81,364	68,920	
Landscape Irrigation				425,275	503,444	501,790	453,918	358,816	355,991	
Agricultural Irrigation				5,361	4,531	8,808	8,144	9,282	7,612	
Other				886	1,200	970	802	789	927	
Total Consumption	-	-	-	-	5,819,855	6,568,306	6,267,424	5,821,462	5,078,489	5,038,636
Average Daily Consumption	-	-	-	-	15,945	17,995	17,171	15,949	13,914	13,804
Population	28,228	28,734	28,776	29,056	30,442	30,512	30,605	30,578	30,641	30,615

⁽¹⁾ Beginning on January 1, 2005, the District was fully metered; data prior to that time is not available.

Source: San Juan Water District Customer Services and Engineering Services Departments

Glossary

Account – A record of a business transaction; a reckoning of money received or paid.

Accounting System – The total structure of records and procedures that discover, record, classify, summarize, and report information on the financial position and results of operations of a government entity.

Accounts Payable – Purchase of services and supplies as of or prior to June 30 but not yet paid at June 30.

Accounts Receivable – General bills due from customers.

Accrual – The recognition of a revenue or expense in a budget year even though the actual cash may not be received or paid until the following budget year.

Acre-Feet of Water (AF) – The volume of water that would cover one acre to a depth of one foot.

Adoption – Formal action by the Board of Directors.

American Water Works Association (AWWA) – An international nonprofit scientific and educational society dedicated to the improvement of water quality and supply.

Amortization – Gradual reduction, redemption, or liquidation of the balance of an account; according to a specified schedule of times and amounts.

Assets – Resources owned or held by the enterprise as a result of past events and from which future economic benefits are expected to flow to the enterprise.

Association of California Water Agencies (ACWA) – Association representing over 400 public water agencies consisting of municipal, irrigation, county and California water districts, and a number of special purpose agencies. ACWA also represents non-profit and non-public mutual water companies. Members provide the link between local, state and federal water projects, and ultimate water consumers.

Audit – Performed by the District's independent certified public accountant (CPA), with the objective to determine if the District's financial statements present fairly the District's financial position and results of operations in conformity with generally accepted accounting principles (GAAP).

Budget – The District's financial plan balancing proposed expenditures for a certain period of time to the expected income or revenue for that same period.

Connection Fee – Fee imposed when a customer requests a new service connection. Connection fee funds are used by the District to plan, design and construct new facilities to support the additional demand placed by on the water and sanitation systems by the new service connections.

Capital Assets – Assets of a long-term nature such as land, buildings, machinery, furniture, plants and transmission and distribution infrastructure, and other equipment. Generally, the District has defined such assets as those with an expected life in excess of three years and an acquisition cost in excess of \$5,000.

Capital Improvement Program (CIP) – A plan to provide for the maintenance or replacement of existing assets, infrastructure, and equipment and for the construction or acquisition of new facilities and equipment.

Capital Improvement Project Funds – Funds used to account for financial resources used for the acquisition or construction of major capital facilities, as approved in the five year Capital Improvement Plan.

Certificates of Participation (COP) – Form of lease-purchase financing used to construct or acquire capital facilities and equipment.

Coverage – A margin of safety for payment of debt service, reflecting the number of times by which earnings for a period of time exceed debt service payable in such a period.

Customer Information System (CIS) – A system maintaining customer data including usage, billing and payment information.

Debt – An obligation resulting from the borrowing of money or from the purchase of goods and services. These include bonds and accounts payable.

Debt Service – Interest and principal payments on bond issues and Certificates of Participation. Also included are the issuance costs related to bond funding.

Depreciation – An element of cost resulting from the service of long-lived assets in an economic organization and represents the loss in asset value because of wear, deterioration, obsolescence or action of the physical elements.

Effluent – Treated wastewater discharged from wastewater treatment plants.

Emergency Response Plan (ERP) – Emergency Response Plan as required by the Environmental Protection Agency (EPA) as it applies to water treatment and distribution with high or moderate hazard potential to life and property. The ERP consists typically of notification procedures to alert the appropriate authorities in the event of a hazardous condition developing and also includes continuous monitoring of the facility to provide an early warning to the operator.

Enterprise Fund – A fund established to account for the financing of self-supporting enterprises, such as a utility fund, which render services primarily to the public.

Entity – The basic unit upon which accounting and/or financial reporting activities focus.

Expenses – Decreases in economic benefits during the accounting period in the form of outflows or depletions of assets or incurrences of liabilities that result in decreases in equity.

Fiscal Year – The beginning and ending period for recording financial transactions. The District has specified July 1 to June 30 as its fiscal year.

Full Time Equivalent (FTE) – An FTE equates to one full-time employee working 2,080 hours per year.

Fund – An accounting entity that records all financial transactions for specific activities or government functions.

Fund Equity – Net assets which are comprised of: Invested in Capital Assets, Net of Related Debt; Restricted; and Unrestricted.

Geographic Information System (GIS) – A system combining computer hardware, software, and geographic data for collecting, storing, analyzing and displaying geographically referenced information.

Generally Accepted Accounting Principles (GAAP) – Accounting standards and financial reporting practices promulgated by several national committees and boards. Primary sources for governmental accounting are the National Council on Governmental Accounting, producing governmental accounting, auditing and financial reporting (GAAFR), the Governmental Accounting Standards Board (GASB), and the Government Finance Officers Association (GFOA).

Governmental Accounting Standards Board (GASB) – National advisory board of accounting standards for public agencies. Identifies procedures, methods and standards for presenting the financial condition of public agencies.

Infrastructure – The accumulated pipelines, treatment plants and storage facilities of the District, including all meters, valves, pumps, filters and other appurtenances, whether constructed by the District or dedicated by private entities.

Line Item – Expenditure classifications established to account for and budget the appropriations approved.

Local Agency Investment Funds (LAIF) – An investment fund established by the California State Treasurer for the benefit for public agencies. The District, per its investment policy may invest up to the maximum permitted under State law (California Government Code Section 16429.1).

Maintenance – The upkeep of physical properties in condition for use or occupancy. Examples are the inspection of equipment to detect defects and the making of repairs.

Net Assets – The excess of assets over liabilities, represents the cumulative effect of revenues and other financing sources over expenses and other financing uses.

Obligations – Amounts that a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Expenses – All costs associated with the day-to-day business of the District, which are not considered capital improvements or debt repayments.

Projected – An estimate of revenues and expenditures based on past trends, the present economic situation and future financial forecasts.

Public Employees Retirement System (PERS) – An agent, multiple-employer, public retirement system to which the District contributes that acts as a common investment and administrative agent for participating public entities within the State of California.

Pump Station – Mechanical devices installed in sewer or water systems or other liquid-carrying pipelines that moves the liquids to a higher level.

Reserves – An amount set aside in an account for future use.

Reservoir – A pond, lake, tank, or basin (natural or engineered) where water is collected and stored.

Resolution – A special or temporary order of a legislative body; an order to a legislative body requiring less legal formality than an ordinance or statute.

Revenue – An inflow of assets, not necessarily in cash, in exchange for services rendered.

Supervisory Control and Data Acquisition (SCADA) – The Supervisory Control and Data Acquisition system collects operational data from remote units to monitor and control water and wastewater systems and facilities throughout the District service area.

Water Treatment Plant (WTP) – A facility that monitors and controls the quality of water, to include purity and turbidity as required by state and federal guidelines.

Working Capital – The difference between current assets and current liabilities which represents the amount available for operations, designated reserves or capital projects.

Revenue Descriptions

Water Sales

	<i>Wholesale Water Sales</i>	<i>Retail Water Sales</i>
Revenue Description	Revenue from sale of water to wholesale water agencies	Revenue from sale of water to residential and commercial customers
Legal Authority	CA Water Code § 31007	CA Water Code § 31007
Fund	Wholesale Operations	Retail Operations
Source	Wholesale Water Customers	Retail Water Customers
Use	Wholesale Operations, Capital Improvement Program and Reserves	Retail Operations, Capital Improvement Program and Reserves
Fees Set By	Financial Plan and Rate Study Adopted by Resolution of the Board of Directors	Financial Plan and Rate Study Adopted by Resolution of the Board of Directors
Current Fee Schedule	2012	2012
Method of Payment	Check or electronic payment	Check, credit card and electronic payment
Collection Frequency	Quarterly-fixed in advance, use in arrears	As billed, bi-monthly
Special Requirements	Not subject to Proposition 218	Proposition 218, Public Hearing

Taxes and Assessments

	<i>Property Tax Allocation 1%</i>	<i>Property Tax Assessments</i>
Revenue Description	District's proportionate share of 1% tax monies	Revenue is collected through Placer and Sacramento County special assessment
Legal Authority	Multi-County Exemption	
Fund	Non-Operating	Non-Operating
Source	Placer and Sacramento County	Placer and Sacramento County
Use	Retail and Wholesale Capital Improvement Program, 50/50 split	Repayment of General Obligation Debt
Fees Set By	Placer and Sacramento County Assessors	Adopted by Resolution of the Board of Directors
Current Fee Schedule	N/A	None current
Method of Payment	Check or electronic payment	Check or electronic payment
Collection Frequency	As paid by taxpayers	As paid by taxpayers
Special Requirements	Not subject to Proposition 218	Not subject to Proposition 218

Interest/Investment Income

	<i>Interest/Investment Income</i>
Revenue Description	Earned on investments for interest, change in market value or gain on sale of investment
Legal Authority	CA Government Code § 53601
Fund	Non-Operating, Retail Operations, Wholesale Operations
Source	Financial Institutions
Use	Retail Operations, Wholesale Operations, Capital Improvement Program and Reserves
Fees Set By	Current financial markets
Current Fee Schedule	N/A
Method of Payment	Paid into financial institution accounts
Collection Frequency	Varies
Special Requirements	Not subject to Proposition 218

Connection/Capital Facility Fees

	<i>Wholesale Connection Fees</i>	<i>Retail Connection Fees</i>
Revenue Description	New connections to system	New connections to system
Legal Authority	CA Government Code §66013	CA Government Code §66013
Fund	Capital Improvement Program	Capital Improvement Program
Source	New or existing customers, developers	New or existing customers, developers
Use	Capital Projects-expansion	Capital Projects-expansion
Fees Set By	Financial Plan and Rate Study Adopted by Resolution of the Board of Directors	Financial Plan and Rate Study Adopted by Resolution of the Board of Directors
Current Fee Schedule	2012 Connection Fees	2012 Connection Fees
Method of Payment	Check	Check
Collection Frequency	Varies	Varies
Special Requirements	Not subject to Proposition 218	Not subject to Proposition 218

Contractual Obligations

	<i>Debt Payments from Others</i>	<i>Communication Site Rental</i>
Revenue Description	Contribution from wholesale agencies for COPS or Bonds	Site rental for use of defined District property to house communication equipment
Legal Authority	Agreements	Agreements
Fund	Non-Operating	Non-Operating
Source	Participating Agencies	Communication Provider
Use	Debt service	Wholesale WEL Garden operations and improvements
Fees Set By	Agreements	Agreements
Current Fee Schedule	See agreements	5% annual increase
Method of Payment	Check or electronic payment	Check or electronic payment
Collection Frequency	Quarterly in advance	Annual per agreement
Special Requirements	Finance issues reconciliation	Finance issues annual invoice

Charges for Services

	<i>Annexation Fees</i>	<i>Back-flow Re-testing Fees</i>
Revenue Description	Cost of service recovery for administrative processes associated with annexing into District water system	Cost of service recovery for back-flow re-testing when device fails first test
Legal Authority	BOD Resolution	BOD Resolution
Fund	Operations	Operations
Source	Annexing customer	Affected customer
Use	Operations	Operations
Fees Set By	Adopted by Resolution of the Board of Directors	Adopted by Resolution of the Board of Directors
Current Fee Schedule	2012 Fee Schedule	2012 Fee Schedule
Method of Payment	Check or electronic payment	Check or electronic payment
Collection Frequency	As occurs	As occurs
Special Requirements	Billed from connection quote	

Charges for Services (*continued*)

	<i>Fire Service Fees</i>	<i>Interest on Payment Plans</i>
Revenue Description		Cost recovery for interest lost on District funds due to payment of fee over time
Legal Authority		Code of Ordinances
Fund	Operations	Operations
Source	Affected customer	Affected customer
Use	Operations	Operations
Fees Set By	Adopted by Resolution of the Board of Directors	Adopted by Resolution of the Board of Directors
Current Fee Schedule	2012 Fee Schedule	5%
Method of Payment	Check or electronic payment	Check, credit card or electronic payment
Collection Frequency	As occurs	Monthly or as received
Special Requirements	Not subject to Proposition 218	Not subject to Proposition 218

Capital Contributions

	<i>Capital Contributions</i>	<i>Grant Revenue</i>
Revenue Description	Donated assets or prorated share of project cost	Cost recovery for interest lost on District funds due to payment of fee over time
Legal Authority	Code of Ordinances, Policy	Granting authority
Fund	Capital Improvement Program	Capital Improvement Program
Source	Developer, participating agency	Grantor (i.e. federal, state, etc.)
Use	Capital Improvement Program	Capital Improvement Program
Fees Set By	Market value of asset, prorated benefit cost	Granting authority
Current Fee Schedule	N/A	N/A
Method of Payment	Journal Entry (donated) Check (project cost share)	Check or electronic payment
Collection Frequency	As occurs	As incurred and/or billed
Special Requirements	Not subject to Proposition 218	Not subject to Proposition 218

Other Revenue

	<i>COTP SMUD Lease Payment</i>	<i>Miscellaneous</i>
Revenue Description	Donated assets or prorated share of project cost	Cost recovery for interest lost on District funds due to payment of fee over time
Legal Authority	Code of Ordinances, Policy	Varies
Fund	Non-Operating	Various
Source	Sacramento Municipal Utility District	Various
Use	Reserves	Dependent upon source
Fees Set By	Agreement	Granting authority
Current Fee Schedule	See agreement	N/A
Method of Payment	Check	Check or electronic payment
Collection Frequency	Annually in January	As incurred and/or billed
Special Requirements	Not subject to Proposition 218	Not subject to Proposition 218
	<i>Sale of Surplus</i>	<i>Special District Cavitt Stallman</i>
Revenue Description	Proceeds from auction of fixed assets or equipment in excess of book value	40-Year agreement with customers residing on Cavitt Stallman
Legal Authority	N/A	Agreement
Fund	Non-Operating	Capital Improvement Program
Source	Auction company	Affected customers
Use	Capital Improvement Program	Capital Improvement Program
Fees Set By	Agreement	Agreement
Current Fee Schedule	N/A	Per agreement
Method of Payment	Check	Check
Collection Frequency	Varies	Quarterly
Special Requirements	Not subject to Proposition 218	Not subject to Proposition 218