

Valley Center Municipal Water District

Valley Center, CA



Annual Budget Fiscal Year 2022-2023

Cover Photo: View of central area of Valley Center, Park Circle Development, Woods Valley Ranch Water Reclamation Facility, and surrounding areas.

Annual Budget

For The Fiscal Year Ended
June 30, 2023

Valley Center Municipal Water District



Prepared by:

Valley Center Municipal Water District's Finance Department
James V. Pugh, Director of Finance and Administration
Vanessa Velasquez, Manager of Accounting

29300 Valley Center Road • PO Box 67 • Valley Center, CA 92082

www.valleycenterwater.org



Valley Center Municipal Water District

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Valley Center Municipal Water District

Annual Budget

For The Fiscal Year Ended
June 30, 2023

Directory of District Officials



Robert A. Polito
President
Division 1
Since 1989



Enrico P. Ferro
Vice-President
Division 4
Since 2016



Daniel E. Holtz
Director
Division 5
Since 2018



Oliver J. Smith
Director
Division 3
Since 2019

Vacant
Director
Division 2
Since 2022

District Management

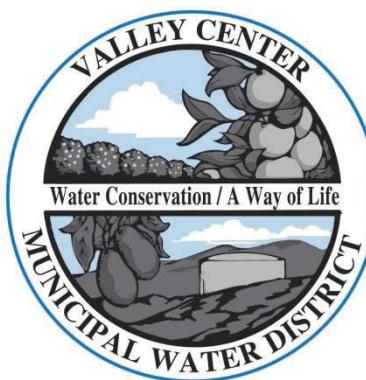
Gary T. Arant
General Manager
32 years of service

Wally T. Grabbe
District Engineer
Deputy General Manager
30 years of service

Brian E. Lovelady
Director of Operations/Facilities
33 years of service

Ando Pilve
Director of Information Technology
13 years of service

James V. Pugh
Director of Finance & Administration
Treasurer
19 years of service



Kirsten N. Peraino
Executive Assistant
Board Secretary
2 years of service

General Counsel

Paula C.P. de Sousa
Best, Best & Krieger, LLP
11 years



Valley Center Municipal Water District

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2022-2023

Budget Overview

VALLEY CENTER MUNICIPAL WATER DISTRICT 2022-23 BUDGET OVERVIEW

It is projected that for the Water General Fund in Fiscal Year 2022-23 operating revenues will exceed the projected operating expenses for a budgeted surplus of \$94,155 with the surplus dedicated to capital projects. Total water capital expenditures are estimated at \$6,049,000 and will require the use of Capital Improvements Reserve to complete the capital expenditures as was anticipated.

Total Budgeted Revenues

Total Budgeted Revenues for 2022-23 are \$56,541,569, which is \$7,776,938 or 12.1% lower than the 2021-22 adopted budget of \$64,318,507. The majority of this overall budget decrease reflects the anticipated proceeds from the Drinking Water SRF loans and the Series 1 Bond issue totaling \$10,605,000 included in Continuing Projects Reserves. The decrease is partially offset by increased water rates and charges that are anticipated to go into effect in January 2023 as well as higher capacity charges and investment income.

For the current year ending June 30, 2022, **Water Sales** are projected at 16,100 acre feet of water. This is 5.29% lower than the budget of 17,000 acre feet. For 2022-23, the District is budgeting water sales at 16,500 acre feet. Staff believes that the estimates for Fiscal Year 2022-23 are reasonable given the uncertain agricultural environment and potential drought response impacts.

With the most recent information available, it is estimated that wholesale **Water Rates** from the San Diego County Water Authority (SDCWA) and Metropolitan Water District (MWD) on January 1, 2023, will increase by 4.7% for treated water and 5.8% for certified agricultural over the current adopted rates. The new rates are proposed at \$2,472.64 per acre foot for full price and \$1,879.92 for the Permanent Special Agricultural Water Rate (PSAWR) customers.

Also included in the water charges the District is required to pay SDCWA and MWD in 2023 are fixed charges for ready-to-serve, capacity, customer service, emergency storage, and supply reliability. The District calculates the per-acre-foot equivalent of these charges by dividing the total charges by projected water sales, less an 8% reserve for sales levels under budgeted amounts. For the fiscal year ending 2023 budgeted sales are 16,500 acre feet and the fixed charges totaling \$4,240,834 are allocated over 15,180 acre feet. Total fixed charges for Fiscal Year 2022-23 are \$38,063, or 0.9%, higher than in Fiscal Year 2021-22.

The District's local cost component of the water rate is budgeted at \$273.64 per acre foot, an increase of 5.2%, which is included in the rates above, over the current rate of \$260.10. This increase is necessary to cover a portion of the locally controlled fixed costs. A **meter service charge** increase of 5.2% is also recommended. The charge for a $\frac{3}{4}$ inch meter is budgeted at \$47.46, an increase of \$2.34 from \$45.12.

New Connection Sales are estimated to increase \$70,000 over the prior year budget. The increase is due to the new developments and growth that the community is experiencing as a result of the expansion to the Woods Valley Ranch Wastewater Expansion.

Estimated **interest earnings** rate at 1.25% will yield \$428,800. **Property Taxes** are budgeted at \$2,873,000, an increase of 5.3% more than our estimate for the current year. Water availability charges will be \$573,000.

Moosa proposed operating revenues will exceed the projected operating expenses for a budget surplus of \$400,370 with the surplus dedicated to capital projects.

The **Moosa** wastewater monthly service charge is proposed at \$61.72 and the low pressure wastewater collection system maintenance fee for a small part of its wastewater service area is proposed at \$50.93, a 5.2% increase to both charges required to offset the impacts of inflation.

Woods Valley Ranch sewer service charges and sewer standby fees for properties not yet connected to the sewer system are collected as a fixed charge special assessment on the property tax roll. The sewer service fee is the same as the current year, \$98.60/month or \$1,183.20/year per unit for both Service Areas 1 & 2. The sewer standby fees for properties not yet connected to the sewer system will also remain the same in the coming year at \$550.32 per Equivalent Dwelling Unit (EDU) and will be used to establish a replacement reserve. The Grinder Pump Maintenance Charge will also remain the same at \$581.04/year or \$48.42/month for one EDU which will be assessed on those properties requiring a grinder pump unit. All charges will be included as a fixed charge special assessment on the property taxes.

The **Woods Valley Ranch Expansion** will be collecting a fixed charge special assessment for Assessment District 2012-1 (AD 2012-1) and a Special Tax for CFD 2020-1. The purpose of the AD 2012-1 assessment is to fund the annual debt service payments for the payment of the Clean Water State Revolving Loans and the Limited Obligation Improvement Bond for the Woods Valley Ranch Wastewater Expansion Project. The purpose of the CFD 2020-1 Special Tax is to fund the Special Tax Requirements pursuant to the rate and method of apportionment for the CFD 2020-1.

Total Budgeted Expenses

Total Budgeted Expenses, including capital, are \$55,453,886, which is 10.4%, or \$6,430,437, lower than the 2021-22 adopted budget of \$61,884,323. The overall budget decrease reflects the lower capital outlay that is proposed for Water and Wastewater Operations compared to the prior year. The decreases are partially offset by increases in operating expenses.

Source of Supply is the single greatest Water Operating Expense totaling \$31,303,161. It includes the cost of water sold, electricity, and natural gas the sum of which accounts for 68% of the total General Fund budgeted operating expenditures in Fiscal Year 2022-23. Source of Supply is \$1,308,419 or 4.4%, higher than in the prior year due to increases to the wholesale costs that will go into effect in calendar year 2023.

General Administration costs are up \$35,508 over last year. This is due increased labor and benefits partially offset by decreased outside professional and legal services.

Finance expenses, excluding debt service, are projected to be \$4,227 lower than the current budget due to decreases in the write-off of uncollectible accounts and labor and benefits as a large portion of labor was allocated to capital for the time required to implement an upgrade to the current ERP Software. The decreases are partially offset by increases to outside professional services, temporary labor, overtime, insurance premiums, postage, and electricity.

Information Technology expenses are \$27,060 higher due to an increase in the cost of maintenance agreements & contracts partially offset by a decrease in labor and benefits as, similar to the finance department, a portion of labor was allocated to capital for the time required to implement an upgrade to the current ERP Software

Engineering expenses are up by \$105,955 or 5.4%. The increase represents higher labor and benefits that include a new position and software technical support. The increase is partially offset by decreases in temporary labor, overtime, and special department expenses.

Operations and Facilities expenses are \$296,121 of 3.8% higher than the current budget. This is a result an increase in labor and benefits that includes a new position, outside professional services, regulatory permits and fees, meter and backflow installation costs, and maintenance costs. The increases are partially offset by a decrease in temporary labor.

Moosa proposed operating expenses are \$64,326 more than the current 2021-22 budget. The increase is due to higher labor and benefits, outside professional services, administrative overhead and chemicals costs.

Woods Valley Ranch operating expenses are \$91,678 higher than the current year budget due to increased labor and benefits, outside professional services, and administrative overhead expenses.

Capital Projects

New Capital Projects budgeted in Fiscal Year 2022-23 total \$6,443,590. Water projects total, \$6,049,000 and will require the use of Capital Improvements Reserves. Wastewater capital projects total \$394,590, with Moosa totaling \$271,795 and Woods Valley Ranch totaling \$122,795. Wastewater operating revenues will be sufficient cover both operating expenses and capital projects within both funds.

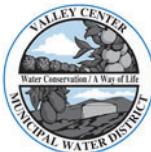
VALLEY CENTER MUNICIPAL WATER DISTRICT
2022-2023 BUDGET OVERVIEW

	2021-2022	2021-2022	2022-2023	Change from Prior Budget	Percent Change from Prior Budget
	Adopted Budget	Estimated Actual	Proposed Budget		
REVENUES:					
Water Sales	17,000 A.F.	16,100 A.F.	16,500 A.F.	0 A.F.	-2.9%
General Fund:					
Operating Revenues:					
Water Sales (including pumping)	35,457,000	33,561,000	36,389,000	932,000	2.6%
Meter Service Charges	7,349,000	7,197,000	7,859,000	510,000	6.9%
New Connection Sales	348,050	938,600	418,050	70,000	20.1%
Other Revenue	1,043,700	1,061,800	1,038,900	(4,800)	-0.5%
Investment Income	153,000	189,000	428,800	275,800	180.3%
Total Operating Revenue	44,350,750	42,947,400	46,133,750	1,783,000	4.0%
Debt Service Revenues - Water Availability Charges	49,460	49,779	47,237	(2,223)	-4.5%
Capital Project Revenues:					
State Revolving Fund Loan	6,655,000	0	0	(6,655,000)	100.0%
Capacity Charges	463,550	1,493,443	1,538,200	1,074,650	231.8%
Property Taxes	2,728,000	2,831,400	2,873,000	145,000	5.3%
Water Availability Charges	522,540	524,421	525,763	3,223	0.6%
Total Capital Project Revenue	10,369,090	4,849,264	4,936,963	(5,432,127)	-52.4%
Total General Fund Revenues	54,769,300	47,846,443	51,117,950	(3,651,350)	-6.7%
Moosa Wastewater Revenues	1,818,170	1,813,801	1,877,860	59,690	3.3%
Woods Valley Ranch Wastewater Revenues	1,422,163	1,209,301	1,433,054	10,891	0.8%
Woods Valley Ranch Expansion	2,358,874	2,069,376	2,112,705	(246,169)	-10.4%
Series 1 Bond Proceeds	3,950,000	0	0	(3,950,000)	100.0%
Total Budgeted Revenues	64,318,507	52,938,921	56,541,569	(7,776,938)	-12.1%
EXPENDITURES:					
General Fund:					
Operating Expenses:					
General Administration	890,912	868,235	926,420	35,508	4.0%
Information Technology	975,619	956,902	1,002,679	27,060	2.8%
Finance	2,716,387	2,566,885	2,712,161	(4,227)	-0.2%
Engineering	1,949,089	2,035,204	2,055,044	105,955	5.4%
Operations & Facilities	7,744,009	7,701,178	8,040,130	296,121	3.8%
Source of Supply	29,994,742	28,373,970	31,303,161	1,308,419	4.4%
Total Operating Expenses	44,270,758	42,502,373	46,039,595	1,768,837	4.0%
Debt Service - Interest Expense	49,460	49,779	47,237	(2,223)	100.0%
Capital Projects Appropriations	9,622,350	3,166,902	6,049,000	(3,573,350)	-37.1%
Total General Fund Expenditures	53,942,568	45,719,054	52,135,832	(1,806,736)	-3.3%
Moosa Wastewater:					
Operating Expenses	1,413,164	1,474,683	1,477,490	64,326	4.6%
Capital Project Appropriations	1,013,338	919,301	271,795	(741,543)	-73.2%
Total Moosa Expenditures	2,426,502	2,393,984	1,749,285	(677,217)	-27.9%
Woods Valley Ranch Wastewater:					
Operating Expenses	846,815	856,028	938,493	91,678	10.8%
Capital Project Appropriations	152,500	250,715	122,795	(29,705)	-19.5%
Total Woods Valley Ranch Expenditures	999,315	1,106,743	1,061,288	61,973	6.2%
Woods Valley Ranch Expansion:					
Operating Expenses	62,500	90,000	78,000	15,500	24.8%
Debt Service - Interest Expense	453,438	453,438	429,481	(23,957)	-5.3%
Capital Project Appropriations	4,000,000	494,016	0	(4,000,000)	-100.0%
Total Woods Valley Ranch Expenditures	4,515,938	1,037,454	507,481	(4,008,457)	-88.8%
Total Budgeted Expenditures	61,884,323	50,257,235	55,453,886	(6,430,437)	-10.4%
NET REVENUES & EXPENDITURES	2,434,184	2,681,686	1,087,683	(1,346,501)	-55.3%
FUNDING FROM (TO) RESERVES	(2,434,184)	(2,681,686)	(1,087,683)	1,346,501	55.3%
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Valley Center Municipal Water District

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BUDGET SUMMARY

Budget Overview	vi
CSMFO 2021-2022 Operating Budget Award	xv

BUDGET MESSAGE

General Manager's Budget Message	1-1
Community Profile	1-4
Water Sources	1-4
District Operations	1-5
Budget Documents	1-5
District Service Area	1-6
Budget Process	1-6
Budget Policies	1-8
Overall Budget for Fiscal Year 2022-2023	1-9
General Fund	1-10
Revenue Estimates	1-11
Expenditure Estimates	1-13
Capital Budget	1-15
Moosa Wastewater Treatment Fund	1-17
Woods Valley Wastewater Treatment Fund	1-18
Woods Valley Ranch Expansion Fund	1-19
Debt	1-20
Strategic Plan	1-21
Performance Measurement Standards	1-22
Goals 2018-2019 to 2022-2023	1-23
Water Rate Components	1-28

RESOLUTIONS AND ORDINANCES

Resolution Adopting Budget	2-2
Appropriation Limit under Proposition 4	2-5
Ordinance Adopting Staffing and Memorandum of Understanding Changes	2-9

GENERAL FUND RECAP OF REVENUES AND SOURCES

Recap of Budget and Source of Financing	3-2
Reserves and Fund Balances	3-3
Revenue Estimate	3-4
Recap of Budget Expenses	3-6
History of Water Purchased and Sold	3-7

GENERAL ADMINISTRATION

General Administration Summary	4-1
Department Summary by Division	4-2
Division Summary by Expense Category	4-3

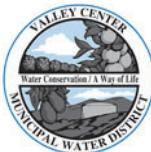


Table of Contents

INFORMATION TECHNOLOGY

Information Technology Summary.....	5-1
Department Summary by Division.....	5-2
Division Summary by Expense Category.....	5-3

FINANCE

Finance Department Summary.....	6-1
Department Summary by Division.....	6-2
Division Summaries by Expense Category	
<i>Administration</i>	6-3
<i>Consumer Services</i>	6-4
<i>Facilities Operation</i>	6-5
<i>Human Resources</i>	6-6
<i>Salary Clearing</i>	6-7
<i>Emergency Event</i>	6-8
<i>Training</i>	6-9
<i>Debt Service</i>	6-10
<i>Debt Schedule</i>	6-10A

ENGINEERING

Engineering Department Summary.....	7-1
Department Summary by Division.....	7-2
Division Summaries by Expense Category	
<i>Administration</i>	7-3
<i>Planning</i>	7-4
<i>Customer Service</i>	7-5
<i>Encroachments and Locates</i>	7-6
<i>Maps & Records</i>	7-7

OPERATIONS & FACILITIES

Operations & Facilities Department Summary.....	8-1
Department Summary by Division.....	8-2
Division Summaries by Expense Category	
<i>Administration</i>	
Field Administration.....	8-3
Safety and Regulatory Compliance.....	8-4
District Security.....	8-5
<i>Operations</i>	
Systems Operation.....	8-6
Treatment.....	8-7
Automatic Valves.....	8-8
Water Quality Control.....	8-9



Table of Contents

FIELD OPERATIONS (CONTINUED)

Division Summaries by Expense Category (continued)

Pumps & Motors

SCADA.....	8-10
Reservoir Maintenance.....	8-11
Pump Maintenance.....	8-12
Motor Maintenance/Electric Panels.....	8-13
Vehicle and Equipment Maintenance.....	8-14

Construction & Maintenance

Landscape and Paving Maintenance.....	8-15
Pipeline and Right of Way Maintenance.....	8-16
Valve Maintenance/Location.....	8-17

Meters

Corporate Facilities Maintenance.....	8-18
Meter Installation.....	8-19
Meter Reading.....	8-20
Service Connection Maintenance.....	8-21
Backflow Maintenance.....	8-22

SOURCE OF SUPPLY.....

9-1

CAPITAL OUTLAY.....

10-1

LOWER MOOSA WASTEWATER

Lower Moosa Wastewater Treatment Fund Summary.....	11-1
Recap of Budget and Source of Financing, Cash Position.....	11-2
Revenue Estimate.....	11-3
Department Summary by Division.....	11-4
Division Summaries by Expense Category	
<i>Wastewater Treatment</i>	11-5
<i>Collection System West</i>	11-6
<i>Low Pressure Sewer (LPS) Maintenance</i>	11-7
Capital Outlay.....	11-8

WOODS VALLEY RANCH EXPANSION

Woods Valley Ranch Expansion Fund Summary.....	12-1
Recap of Budget and Source of Financing, Cash Position.....	12-2
Revenue Estimate.....	12-3
Department Summary by Division.....	12-4
Division Summaries by Expense Category	
<i>AD 2012-1 Administration</i>	12-5
<i>CFD 2020-1 Administration</i>	12-6
<i>Debt Service</i>	12-7
<i>Debt Schedules</i>	12-7A
Capital Outlay.....	12-8



Table of Contents

WOODS VALLEY RANCH TREATMENT FUND

Woods Valley Ranch Wastewater Treatment Fund Summary.....	13-1
Recap of Budget and Source of Financing, Cash Position.....	13-2
Revenue Estimate.....	13-3
Department Summary by Division.....	13-4
Division Summaries by Expense Category	
<i>Collection System</i>	13-5
<i>Wastewater Treatment</i>	13-6
<i>Lift Station</i>	13-7
<i>Low Pressure Sewer (LPS) Maintenance</i>	13-8
Capital Outlay.....	13-9

APPENDICES

Glossary.....	Appendix A
Budget Policies.....	Appendix B
Five-Year Forecast.....	Appendix C

INDEX

Index



*California Society of
Municipal Finance Officers*

Certificate of Award

***Operating Budget Excellence Award
Fiscal Year 2021-2022***

Presented to the

Valley Center Municipal Water District

For meeting the criteria established to achieve the CSMFO Excellence Award in Budgeting.

February 28, 2022



Marcus Pimentel

*Marcus Pimentel
CSMFO President*

Michael Manno

*Michael Manno, Chair
Recognition Committee*

Dedicated Excellence in Municipal Financial Reporting

Valley Center Municipal Water District was recognized by the California Society of Municipal Finance Officers (CSMFO) for excellence in operational budgeting for Fiscal Year 2021-2022 - Our twenty fourth year in a row. We believe our current budget continues to conform to the certificate program requirements, and we are submitting it to CSMFO.



Valley Center Municipal Water District

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Budget Message



Valley Center Municipal Water District

Budget Message

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VALLEY CENTER MUNICIPAL WATER DISTRICT

A Public Agency Organized July 12, 1954

Board of Directors
Robert A. Polito
President
Enrico P. Ferro
Vice President
Daniel E. Holtz
Director
Oliver J. Smith
Director
Vacant
Director

July 5, 2022

Robert A. Polito, President
Members of the Board of Directors
Valley Center Municipal Water District
29300 Valley Center Road
Valley Center, CA 92082

We are pleased to present this report along with the proposed Fiscal Year 2022-2023 operations, maintenance, and capital budget. We look forward to your review and analysis toward ultimate adoption on June 20, 2022. This document provides detailed information about the Valley Center Municipal Water District's (District) revenue and expenditure forecast in the coming year and addresses the main points and decisions made in compiling the budget.

With the overview and guidance from the Board of Directors the District annually reviews its strategic plan and goals (see pages 1-21 thru 1-26). The results of the strategic planning process help to guide District staff in its efforts to accomplish the mission of the District. Strategic goals and objectives are considered during the budget development to provide the basis for prioritizing efforts, activities, financial resources, and personnel needs.

Challenges from past years continue into this fiscal year. Some of these challenges include the increasing cost of goods and supplies, the cost of imported water, and the local economic climate for agriculture. Future challenges that the District is facing include the implementation of the 2018 Water Conservation Legislation that established new Statewide Urban Water Use Objectives and Long Term Water Use Efficiency Standards. The new legislation establishes guidelines for efficient water use and a framework for the implementation and oversight of the new standards, which will be adopted by the State in 2022 and the District must comply with by 2024. The standards include establishing residential indoor, residential outdoor, and commercial water use standards and requiring urban and agricultural water suppliers to set annual agency water budgets.

The District is responsible for providing water and wastewater services to its customers while closely managing costs and the funds with which our customers have entrusted us. The District's budget demonstrates fiscal responsibility even with reduced water sales, continued replacement of its aging infrastructure to avoid disruption in services, and continuous improvement in business processes to increase efficiencies.

THE DISTRICT

Valley Center Municipal Water District was founded on July 12, 1954, under the provisions of the California Municipal Water District Law of 1911 (California Water Code sections 71000 et seq.). The District provides water, wastewater, and water recycling services to its domestic, agricultural, and commercial customers in a service area which encompasses approximately 101 square miles, of which approximately 71% of the land use area receives water service. It includes the unincorporated area of Valley Center and unincorporated areas north of Escondido which are located in northern San Diego County.



Corporate Facility Located at 29300 Valley Center Road, Valley Center, CA.

COMMUNITY PROFILE

As of January 1, 2022, approximately 29,708 people lived within the District. For the last decade, Valley Center has been in transition from being predominately agricultural to a more balanced rural-suburban and agricultural setting. When once over 90% of the water delivered by the District went to commercial agricultural users, the mix is now 62% agricultural 38% domestic-commercial. The decline in agricultural use is due in part to regulatory restrictions, labor costs and shortages, market competition, and the rapid rise in the cost of water over the last ten years.

As a result, the District has seen a significant decrease in the volume of water deliveries to its customers. Water sales for the year ended June 30, 2021, totaled 17,682 acre feet. The current year ended June 30, 2022 sales estimate is 16,100 acre feet, among the lowest on record.

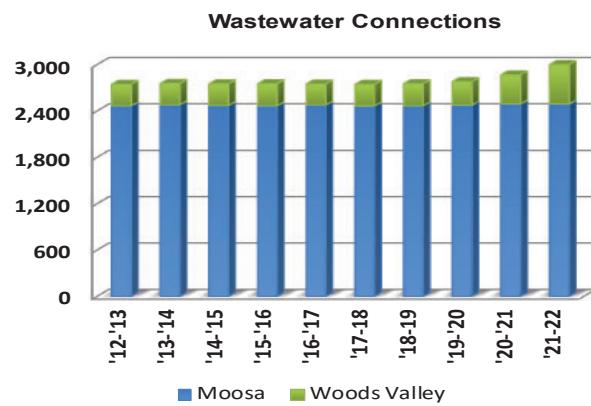
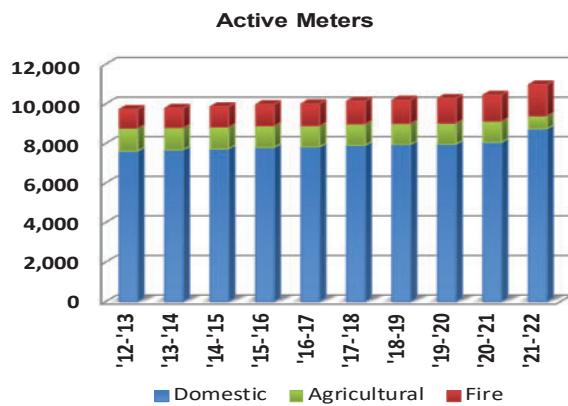
WATER SOURCES

The District relies on the San Diego County Water Authority (SDCWA or "Authority") as its' sole source provider for treated potable water. The Authority imports water through the Metropolitan Water District of Southern California (MWD) system and its own aqueduct, storage and treatment system. MWD obtains its water from two sources: the Colorado River Aqueduct and the State Water Project under a water supply contract with the Department of Water Resources. This water has become increasingly unreliable in recent years as deteriorating ecological conditions have led to regulatory restrictions on pumping water supplies from the Bay-Delta. The Bay-Delta is an inland river delta and estuary formed at the confluence of the Sacramento and San Joaquin Rivers east of San Francisco. It is a key water supply source for California. In addition, the Authority's water supply portfolio includes supplies secured in 2003 from the Colorado River also delivered via the MWD system. These supplies include a water conservation and transfer agreement with the Imperial Irrigation District and water conserved by two projects, the All American Canal Lining Project and the Coachella Canal Lining Project. Additionally, the SDCWA added desalinated seawater to its water supply portfolio with the completion of the Carlsbad Desalination Plant in December 2015. This supply reduces the region's dependence on water from the Colorado River and the Bay-Delta that is vulnerable to droughts, natural disasters and regulatory restrictions.



DISTRICT OPERATIONS

The District's water system includes 7 active aqueduct connections, 41 enclosed reservoirs and 1 open reservoir, Lake Turner, 29 pumping stations and 335 miles of water main. As of March 31, 2022, there were a total of 10,961 active meters of which 8,733 were domestic, 649 were agricultural, and 1,579 were fire meters (see historical graph below). The District also provides wastewater collection, treatment, water recycling, and disposal services for 3,093 customers through two wastewater treatment facilities, Lower Moosa and Woods Valley Ranch (see historical graph below). These two facilities serve separate and limited areas of the District. There are 42 miles of wastewater lines throughout the District.



BUDGET DOCUMENTS

The Budget consists of the following sections:

1. This Budget Message.
2. The Adopting Resolutions beginning on page 2-1.
3. A Recap of Budget and Source of Financing in Section 3. This includes a summary of all funds expenditures, revenues, and reserves; a revenue estimate for the General Fund; an Expenditures Recap for all funds; and a History of Water Purchased and Sold.
4. Detailed budgets for each department. Each consists of:
 - a. A description of the department and a summary of its accomplishments and goals.
 - b. A Department Summary of expenditures by division within the department.
 - c. A budget for each division by account number.
 - d. Detail and justification for each account within the division.

In addition, all funds other than the General Fund are preceded by a Recap of Budget and Source of Financing, Analysis of Cash Position, and Revenue Estimate. This information for the General Fund is included in Section 3.

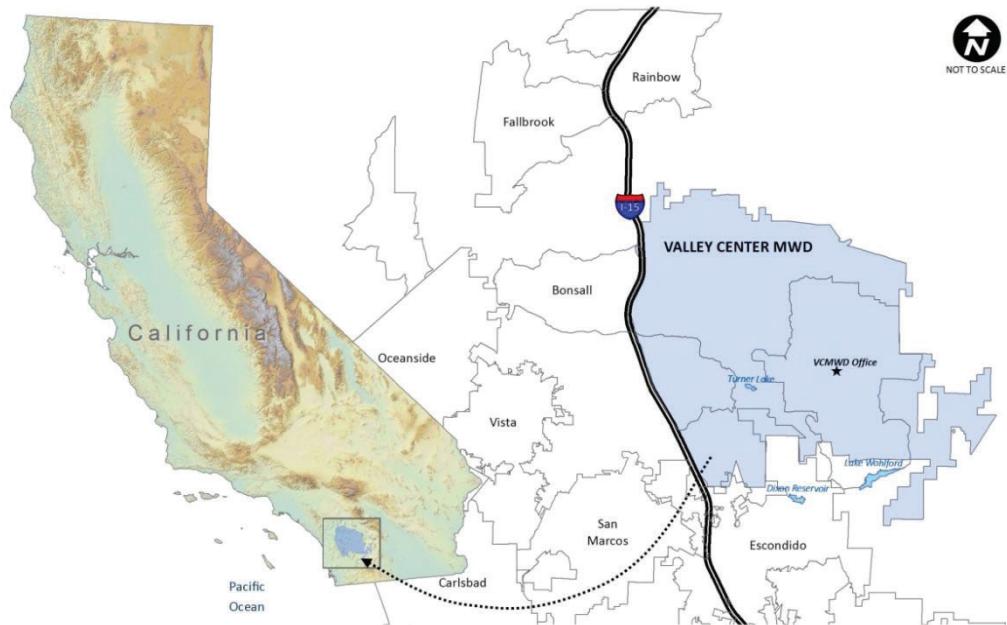
5. An Appendix containing a Glossary and Budget Policies.



Valley Center Municipal Water District

Budget Message

DISTRICT SERVICE AREA



BUDGET PROCESS

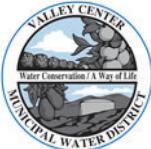
In keeping with past practice, the budget process begins with input from all levels of staff. As such, it presents a program we believe to be fiscally sound, prudent, and necessary for the continued efficient operation of the District during the coming year. Budget requests are refined by the Department Heads and approved by the General Manager. The proposed budget is then presented to the Board of Directors (Board) for review and ultimate approval.

Budget Calendar

- January 2022 General Manager and Department Heads start discussion of the Budget process.
- March 2022 Departments submit Budget requests.
- April 18, 2022 Budget policies reviewed by Board of Directors.
- April 18, 2022 Overview of Budget reviewed by Board of Directors.
- June 20, 2022 Preliminary Budget review by Board of Directors.
- July 5, 2022 Budget submitted to Board of Directors for possible adoption.

Budget Basis

The budget is prepared on an enterprise basis, as it is the intent of the District that the costs of providing water and wastewater service to the customers of the District are financed primarily through user charges. Revenues and expenses are recognized on the accrual basis in that they are recognized in the accounting period they are earned or incurred. The budget appropriates funds at the department level. Depreciation is not funded in the budget. Funds for the replacement of old pipelines are restricted at the end of each fiscal year as determined by the District's Administrative Code and are not provided in the budget process, as further discussed under "Capital Budget" on the following pages.



Administrative costs are charged in total to the water operating fund. A portion of these administrative overhead costs incurred by water operations are then allocated to the wastewater funds. This allocation is shown as an expense credit in the applicable water operations divisions.

Sixty-eight percent of the general fund budget, excluding capital projects and debt service interest, is for the purchase of water and the energy required for pumping water through our distribution system. These costs are presented as "Source of Supply". Only thirty-two percent of the District's costs are directly controlled by the District. These locally controlled costs are influenced by the number of customers we serve and by infrastructure maintenance and improvements. Locally controlled costs are mostly fixed costs as they are not affected by the volume of water sold.

Spending Limit

Ordinance 171, enacted in 1988 by a vote of the District's residents, established a limitation on the expenditure of District funds for capital improvements. This limitation is adjusted annually on January 1 for the consumer price index. The limitation effective January 1, 2022, is \$2,752,831 per project except that for water storage projects the limitation is \$4,129,261. Expenditures in excess of these limitations must be ratified by a District-wide election. This limitation does not apply to funds expended by property owners, developers, or others for capital projects that will be dedicated to the District or to funds from assessment or improvement districts formed in the manner provided by the laws of the State of California.



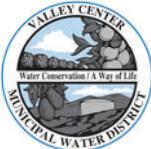
Circle R Reservoir Exterior Coating application.

Appropriation Limit

Article XIIIIB of the State Constitution limits increases in property tax revenues. This limit increases annually by a factor comprised of changes in population and per capita personal income or nonresidential construction. Each year the District adopts by resolution (in Section 2 of this budget) the limit calculated under this legislation. The impact of this legislation is felt by cities and those agencies that exist almost entirely on proceeds of taxes, unlike the District which relies almost entirely on user charges. Applicable property taxes received by the District are one-third of the limit established by Article XIIIIB.

Budget Control and Amendment

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



Valley Center Municipal Water District

Budget Message

The General Manager may reallocate budget items to respond to changed circumstances, provided any single modification in excess of \$50,000 shall require approval by the Board.

The Department Heads may reallocate budget items, within their department, to respond to changed circumstances, provided that any single modification in excess of \$15,000 shall require approval by the General Manager.

The Board must authorize any increase in the overall budget and any increase in the number of authorized permanent personnel positions above the level identified in the final operating and capital budget. The General Manager may authorize the hiring of temporary or part-time staff as necessary, within the limits imposed by the available funds in the operating and capital budget.

In the event the General Manager determines that an emergency exists requiring immediate action, the General Manager shall have the power, without prior Board action, to enter into contracts and agreements and expend funds on behalf of the District, but not in excess of \$750,000. An emergency is defined in Administrative Code Section 225.2 as "a major disruption in the water distribution system that prevents the District from delivering water, or a situation where a lack of action would prevent the delivery of water to any customer." Not later than 48 hours after determination of an emergency, the General Manager shall notify the President of the Board the reasons necessitating such determination and the actions taken.

BUDGET POLICIES

The Budget Policies contained in Administrative Code Section 50.2 have been followed in preparing this budget.

A. **Reserves** - Four categories of reserves have been established (further details are on page 3-2).

1. Rate Stabilization Reserves when established are utilized to level water rates and pumping rates during declining sales.
2. An Operating Reserve of \$7,368,217 has been established for emergencies and unforeseen circumstances. In an emergency, capital projects would be critically reviewed to release appropriated capital funds for other purposes.

The Operating Reserve combined with the Rate Stabilization Reserves together are considered to be discretionary reserves, unrestricted or uncommitted reserves not anticipated to be used in the current fiscal year. The District shall endeavor to maintain these discretionary reserves at a minimum three and a maximum six months operations and maintenance budget. The proposed budget meets this goal.



Application of exterior roof coating at Couser Reservoir.



3. Restricted Reserves include the Replacement Reserves for Lower Moosa Canyon Water Reclamation Facility and Woods Valley Ranch Water Reclamation Facility.
4. Capital Reserves provide funding for continuing projects, improvements funded from capacity charges, and future capital additions, including those as outlined in the Water Master Plan.

B. **Fees and Charges** - Each water and wastewater system ultimately shall be self-sufficient. Administrative costs incurred by the District are allocated to each system in accordance with general practices and reimbursed to the general fund.

C. **Debt** - Debt proceeds shall be used only for capital projects which cannot be funded while maintaining reserve goals. Long-term debt shall not be used to fund current operating costs. The Debt Policy can be found in Section 50.3 of the Administrative Code. No new debt issues are proposed in this budget.

D. **One-time and Unpredictable Revenues** - One-time revenues are allocated to the source of the revenue or refunded expenditure and shall not be used to initiate new programs which result in ongoing expenditures. Revenues which cannot be predicted, such as capacity fees, property taxes, and interest, are forecast conservatively in the budget.

E. **Balanced Budget** - Current operating expenditures are funded with current revenues and with rate stabilization reserves as noted above.

F. **Revenue Diversification** - At least 60% of the District's fixed operating expenditures are to be met with the monthly meter service charge. For the Fiscal Year 2022-2023 58% of fixed costs are covered by these fixed charges.

G. **Contingencies** - The General Manager has the authority to make certain expenditures from the operating reserve and take other actions necessary in case of a major disruption in the water distribution system.

OVERALL BUDGET FOR FISCAL YEAR 2022-2023

From an overall standpoint, the total proposed Fiscal Year 2022-23 Budget of \$55,365,091 is 10.5% lower than the total approved budget for Fiscal Year 2021-22 of \$61,884,323. The overall budget decrease reflects a lower amount of new capital project proposals as compared to the prior year.

It is projected that for the Water General Fund in Fiscal Year 2022-23 operating revenues will exceed projected operating expenses by \$94,155. Total water capital expenditures are estimated at \$6,049,000 and will require the use of Capital Improvement Reserves.

It is also anticipated that Woods Valley Ranch WRF will have sufficient revenues to meet the anticipated costs for Fiscal Year 2022-2023. Moosa operating revenues will exceed the projected operating expenses for a budget surplus of \$400,370 with the surplus dedicated to capital projects. Budget details for the various water and wastewater operating funds are explained on the following pages of the Budget Message.



Valley Center Municipal Water District

Budget Message

GENERAL FUND

For Fiscal Year 2022-23, the Water Fund operating revenue is proposed at \$46,133,750, which is an increase of 4.0% from the budget adopted for last year. This is due to increased water revenue, service charges, and new connection sales and investment income. Those increases are partially offset by decreases in turn-on charges and back flow repairs (in other revenue). It is projected that for the Water General Fund in Fiscal Year 2022-23 operating revenues will exceed projected operating expenses by \$94,155. The Water Fund operating expenditures budget is proposed at \$46,039,595, which is an increase of 4.0% from the budget adopted for last year. Changes in the major components of the budget are summarized as follows:

RECAP OF GENERAL FUND

	2021-22 Adopted Budget	Percent of Total	2022-23 Proposed Budget	Percent of Budget	Change	Percent of Change
OPERATING REVENUES						
Water Sales (Acre Feet)	17,000 AF		16,500 AF		(500) AF	-2.9%
Water (including Pumping)	\$ 35,457,000	79.9%	\$ 36,389,000	78.9%	\$ 932,000	2.6%
Service Charges	7,349,000	16.6%	7,859,000	17.0%	510,000	6.9%
New Connection Sales	348,050	0.8%	418,050	0.9%	70,000	20.1%
Other Revenue	1,043,700	2.4%	1,038,900	2.3%	(4,800)	-0.5%
Investment Income	153,000	0.3%	428,800	0.9%	275,800	180.3%
Total Operating Revenue	\$ 44,350,750	100.0%	\$ 46,133,750	100.0%	\$ 1,783,000	4.0%

OPERATING EXPENDITURES:

Water Purchase (Acre Feet)	18,090 AF		17,550 AF		(540) AF	-3.0%
Water	\$ 28,357,742	64.1%	\$ 29,280,161	63.6%	\$ 922,419	3.3%
Energy	1,637,000	3.7%	2,023,000	4.4%	386,000	23.6%
Regulatory Permits	109,350	0.2%	119,850	0.3%	10,500	9.6%
Controlled by Others	30,104,092	68.0%	31,423,011	68.3%	1,318,919	4.4%
Personnel	10,556,900	23.8%	10,790,900	23.4%	234,000	2.2%
Other	3,609,766	8.2%	3,825,684	8.3%	215,918	6.0%
Controlled by District*	14,166,666	32.0%	14,616,584	31.7%	449,918	3.2%
TOTAL Operating Expenditures	\$ 44,270,758	100.0%	\$ 46,039,595	100.0%	\$ 1,768,837	4.0%
NET Revenues and Expenditures	\$ 79,992		\$ 94,155		\$ 14,163	

* COSTS CONTROLLED BY DISTRICT

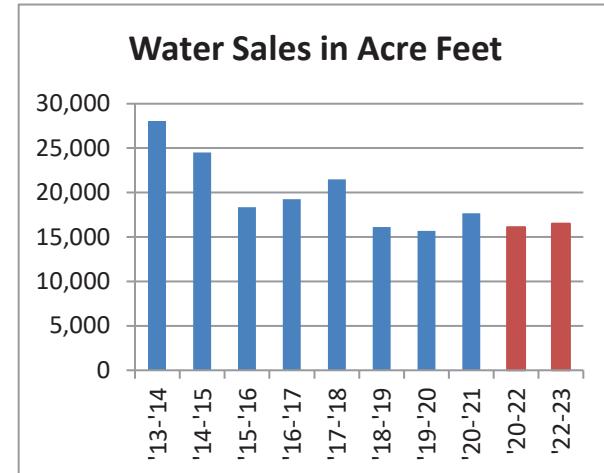
General Administration	\$ 890,912	6.3%	\$ 926,420	6.3%	\$ 35,508	4.0%
Information Technology	975,619	6.9%	1,002,679	6.9%	27,060	2.8%
Finance	2,716,387	19.2%	2,712,161	18.6%	(4,226)	-0.2%
Engineering	2,004,089	14.1%	2,055,044	14.1%	50,955	2.5%
Operations & Facilities	7,579,659	53.5%	7,920,280	54.2%	340,621	4.5%
Total Controlled by District	\$ 14,166,666	100.0%	\$ 14,616,584	100.0%	\$ 449,918	3.2%



REVENUE ESTIMATES

Water Sales and Rate Increase

Water sales for the past ten years have ranged from a high of 28,082 acre feet in Fiscal Year 2013-14, to a low of 15,691 in Fiscal Year 2019-20. Sales for Fiscal year 2022-23 are estimated at 16,500 acre feet. This is a decrease of 41%, or 11,582 acre feet from the 10-year high. This reduced water sales volume is due to the gradual decline in agricultural land in production. Agricultural sales are estimated at 62% of the total volume of water sold for Fiscal Year 2022-23. The prior year budget estimated agricultural sales accounted for 65% of the volume.



The San Diego County Water Authority (SDCWA) has not yet formally adopted wholesale rates but staff has been provided with information regarding the most recent SDCWA estimates for the 2023 water rates. Those estimates were used during the preparation of the proposed budget. All rate changes from MWD and SDCWA are subject to change at any time and are passed through to our customers in accordance with our Administrative Code Section 160.3(g), including any rate changes not yet known.

The proposed wholesale water rate information obtained from the SDCWA indicates that their rates are to increase by 4.7% for treated water and 5.8% for certified agricultural over the current adopted rates (refer to table on next page). Final rate recommendations will be based on wholesale rates actually adopted by the SDCWA. The SDCWA includes a melded rate supply cost for additional water supplies such as that received from the Imperial Irrigation District. The melded rate supply cost, not firm at this time, is projected to be \$245 in January 2023.

The budget, as presented, proposes an increase of 5.2% to the District's local share of the water rate on February 1, 2023. The current local rate of \$260.10 will increase to \$273.64 per acre foot. This increase is necessary to cover a portion of the locally controlled fixed costs. While the local rate is to be held as low as possible, the strategic plan (see page 1-22) has set a goal that it represent no more than 15% of the total water commodity cost for Municipal and Industrial (M&I) and no more than 18% for the Permanent Special Agricultural Water Rate (PSAWR). Based on the proposed February 1, 2023, rate change, the District's share of the water rate will be 11.1% for M&I and 14.6% for PSAWR.

Also included in the water charges the District is required to pay SDCWA and MWD in 2023 are fixed charges for capacity, ready-to-serve, customer service, emergency storage, and supply reliability. The District calculates the per-acre-foot equivalent of these charges by dividing the total charges by projected water sales, less an 8% reserve for sales levels under budgeted amounts. For the fiscal year ending 2023 budgeted sales are 16,500 acre feet and the fixed charges totaling \$4,240,834 are allocated over 15,180 acre feet. Total fixed charges for 2023 are \$38,063, or 0.9%, higher than in Fiscal Year 2021-22.



San Diego County Water Authority Permanent Special Agricultural Water Rate

The San Diego County Water Authority approved the Special Agricultural Water Rate as a permanent program effective January 1, 2021. Calendar Year 2021 marked significant changes to the eligibility requirements for PSAWR customers. At December 31, 2020 the District had a total of 1,038 agricultural customers, compared to 649 Certified Agricultural customers under the new program at March 31, 2022.

An incremental melded supply rate cost of \$245, the emergency storage charge of \$208, and the supply reliability charge of \$140 that are added to the water supply charge by the SDCWA are not charged to agricultural customers. The total credit amounts to \$593 per acre foot of savings for the District's agricultural customers for the 2023 rates. The credit is \$9 higher than last years credit of \$584 due to the increased savings that agricultural customers realize when they pay the MWD Supply Rate instead of the SDCWA Melded Supply Rate

Proposed Water Rates

The following table shows the current and estimated rates that were used in preparing the Budget. Actual rates adopted for February 1, 2023, may be different. Final rate recommendation will be based on wholesale rates actually adopted by the SDCWA.

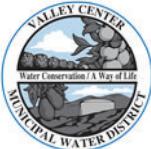
Component	Domestic		PSAWR	
	Current	Proposed	Current	Proposed
Imported Water Costs	\$2,101.03	\$2,199.00	\$1,517.67	\$1,606.28
VCMWD	260.10	273.64	260.10	273.64
Total	<u>\$2,361.13</u>	<u>\$2,472.64</u>	<u>\$1,777.77</u>	<u>\$1,879.92</u>
Proposed Increase	\$ 111.51 per AF 4.7%		\$ 102.15 per AF 5.7%	
	\$ 0.2560 per hcf		\$ 0.2345 per hcf	

A new Proposition 218 hearing will be required to adopt the proposed increases above.

Monthly Water Service Charge Revenue

Water Service Charges for Fiscal Year 2022-23 are estimated at \$7,071,000 which is \$618,000 higher than the Fiscal Year 2021-22 budget of \$6,651,000. The preliminary budget includes a service charge increase of 5.2%. The proposed monthly service charge for a $\frac{3}{4}$ -inch meter is \$47.46 up \$2.34 from \$45.12; for a 1-inch meter the proposed service charge is \$64.84, up \$3.20 from \$61.64.

Additionally, the proposed budget includes a revenue source for billing Inactive Water Services 50% of the monthly service charge for active services. The proposed charge would generate an additional \$170,900 in annual revenue.



Pumping Charge Revenue

Pumping charge revenue for Fiscal Year 2022-23 is expected to be \$2,694,000 compared to \$2,525,000 budgeted in Fiscal Year 2021-22. The increase is due to a 10% increase to the pumping rates required to offset the costs passed through from San Diego Gas & Electric as well as the costs for the maintenance of pumps and motors.

Interest Income

For Fiscal Year 2022-23, the District projects to earn a 1.25% on funds invested for the year for a return of approximately \$428,800 in interest earnings. This is the equivalent of \$25.98 per acre foot of budgeted water sales. Estimated actual interest income for 2021-22 is \$189,000. The increase of \$275,800 is due to the multiple increases to the Federal Funds Rate that are anticipated in the coming year. In doing so, the Federal Reserve plans to offset the upward pressures on inflation caused by supply and demand imbalances related to the pandemic and the invasion of Ukraine by Russia.

Property Taxes

Secured property taxes are budgeted at \$2,782,000 for Fiscal Year 2022-23, \$152,000 or 2% higher than the estimated actual for the current year. The District will receive an estimated \$573,000 in water availability charges. These revenues are utilized for water system improvements and replacements.

EXPENDITURE ESTIMATES

Water

The District is budgeting to purchase 17,550 acre feet of water in Fiscal Year 2022-23 and to sell 16,500 acre feet. District staff believes that the estimates for Fiscal Year 2022-23 are reasonable given the uncertain agricultural environment.

Energy

The budget expects that expenditures for energy to pump water to our customers will increase compared to our current year estimated actual. Total energy costs, including electricity and natural gas, pump and motor maintenance are budgeted at \$3,142,400 up \$411,695 from the Fiscal Year 2021-2022 estimated actual of \$2,730,705. The rest of the increase is due to the increases in the SDG&E rate tariffs, which are subject to time-of-use charges and increases for the maintenance of pumps and motors. These increases are reduced by operational efficiencies and reducing the amount of pumping during off-peak rate periods as well as the solar photo-voltaic facilities that the District has constructed. Energy supplies and costs will continue to be a concern moving forward.



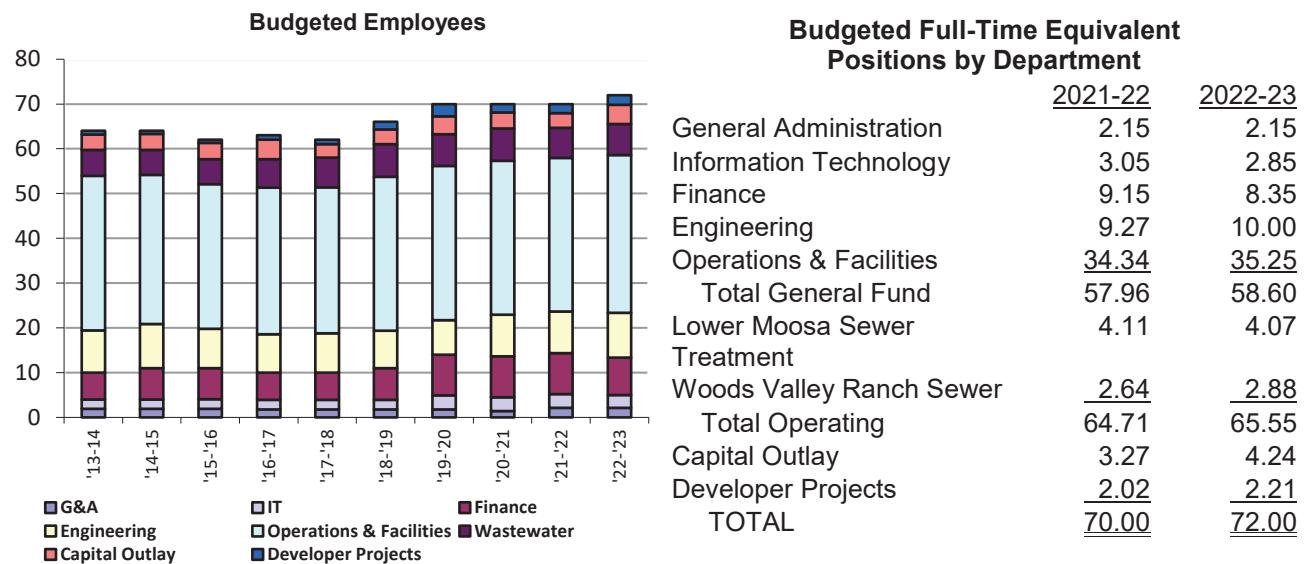
Valley Center Municipal Water District

Budget Message

Personnel

Staffing Levels

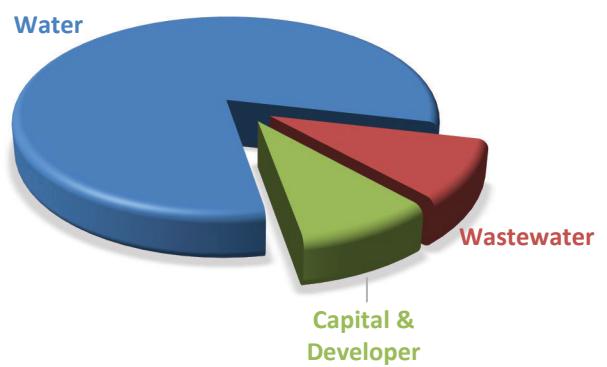
Staffing necessary to maintain operating, maintenance and administrative service levels for Fiscal Year 2022-23 is proposed at 72 full-time equivalent (FTE's) positions, up 2 positions from the Fiscal Year 2021-22 staffing level of 70. There are three employees that will be retiring in the coming year. The District's Senior Landscape Maintenance Worker will be retiring in October; Consumer Services Supervisor will be retiring in November; and Wastewater Systems Technician will be retiring in December. Management staff will endeavor to fill any open positions with internal transfers.



Personnel Costs

General Fund personnel costs (excluding capital allocations) for Fiscal Year 2022-23 are estimated at \$10,790,900. This represents an increase of \$234,000 or 2.2% from the Fiscal Year 2021-22 budget of \$10,556,900. The increase is due to a 4.5% cost of living (COLA) adjustment, promotions, and within range merit increases of 2.2%. Those increases are offset by decreases as a result of larger labor allocations to capital and developer projects in Fiscal Year 2022-23 as compared to the prior year.

ALLOCATION OF LABOR





Other Expenditures

Controlling the cost of operating the District continues to be an ongoing focus. Costs controlled by the District of \$14,616,584 for 2022-23 are \$449,918 or 3.2%, higher than Fiscal Year 2021-22, including personnel costs discussed above. Each department continues to evaluate all aspects of their respective operations, establish goals for the budget year, and determine a budget which would allow them to meet those goals as efficiently as possible.

WATER (GENERAL FUND) CAPITAL BUDGET

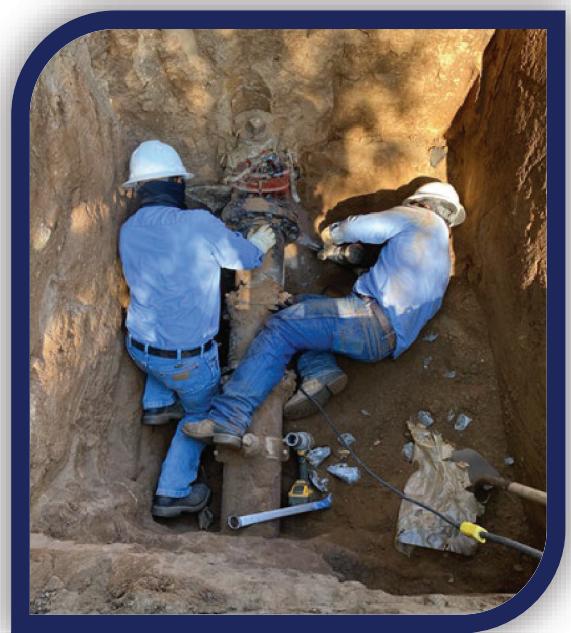
The Capital Outlay Budget for Fiscal Year 2022-23 continues to include only those major projects that are essential.

New or expanded facilities are funded by capacity fees collected by the District when new meter services are purchased and from interest earned on existing reserves. Capacity fees are set to fund system improvements identified in the Master Plan to support additional service connections. Replacement facilities are normally financed from standby fees and capital reserves on a pay-as-you-go cash basis instead of debt financing. This reserve is funded annually by a combination of excess operating and non-operating revenues that include property tax revenue and water availability charges.

The District has not, and does not in this budget document attempt to annually fund the water replacement reserves with an amount equivalent to the value of facilities "retired" as a result of the depreciation schedule.

Capital projects included in this budget consist of the following:

Pipelines and Pressure Reducing Valves	\$ 200,000
Pump Stations Upgrades	56,220
Reservoir Recoating	3,930,000
Data Management Systems	997,280
Facilities	100,000
Equipment Replacement	765,500
TOTAL New Appropriations	<u>\$ 6,049,000</u>
Project appropriations carried forward from prior budget	<u>12,622,838</u>
TOTAL Capital Budget	<u><u>\$ 18,671,838</u></u>



District staff working old pipe on Calle Oro Verde pipeline project.



Valley Center Municipal Water District

Budget Message



Demolition of Oak Glen Reservoir.

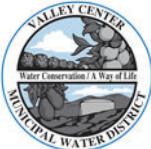
Funding for the water capital projects comes from:

Pending SRF Loan Proceeds	\$ 7,791,600
Property Taxes	2,873,000
Water Availability/Meter Capacity Charges	525,763
Budgeted Surplus	94,155
Capital Improvement Reserve	274,945
Continuing Projects Reserve	<u>7,112,375</u>
TOTAL Capital Budget	<u>\$ 18,671,838</u>

Facilities which are identified and budgeted annually for replacement are not determined solely by the depreciation schedule, but are identified through a process which assesses a combination of factors, including age, condition (frequency of repairs), and the critical nature of the facility (for example, main transmission pipeline versus local distribution line). In addition, existing facilities are replaced when County of San Diego road improvements force relocation or private development projects provide the opportunity to replace an existing facility.

To date, this method of identifying facilities for replacement and pay-as-you-go financing of these types of projects has met the needs of the District without creating rate impacts or spikes.

Capital projects have been historically funded with revenues collected from general property tax, water availability charges, and capacity charges. Other sources include the use of Capital Improvement Reserve funds, debt financing, grants, and joint agency endeavors.



MOOSA WASTEWATER TREATMENT FUND

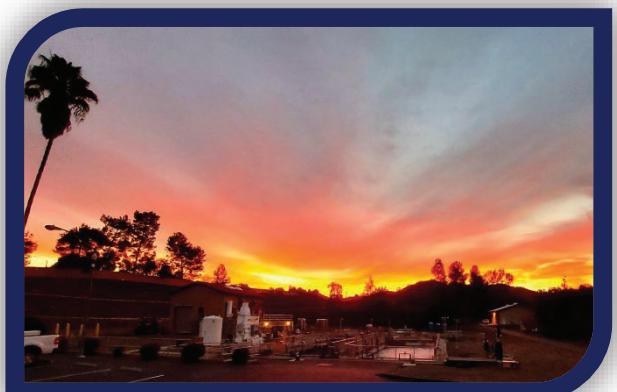
The Moosa Wastewater Treatment Plant serves approximately 2,490 customers in a limited geographic area on the west side of the District. For Fiscal Year 2022-23, budgeted operating revenues of \$1,877,860 are up \$59,690, or 3.3%, from the previous year budget. This is a result of increased service charges of 1.5% that went into effect February 1, 2022 and a proposed increase of 5.2% to go into effect on February 1, 2023. The major components of the budgeted operating expenses are summarized as follows:

RECAP OF MOOSA WASTEWATER TREATMENT BUDGET

	2021-22 Adopted Budget	2022-23 Proposed Budget			Percent Change
Revenues	\$ 1,818,170	100.0%	\$ 1,877,860	100.0%	\$ 59,690 3.3%
Operating Expenses:					
Labor	\$ 766,600	42.2%	\$ 806,100	42.9%	\$ 39,500 5.2%
Electricity	106,500	5.9%	106,800	5.7%	300 0.3%
Chemicals	25,000	1.4%	30,000	1.6%	5,000 20.0%
Administrative allocation	253,388	13.9%	263,016	14.0%	9,628 3.8%
Maintenance	75,000	4.1%	77,000	4.1%	2,000 2.7%
Vehicle Maintenance	4,000	0.2%	4,000	0.2%	- 0.0%
Regulatory	38,000	2.1%	38,000	2.0%	- 0.0%
Outside Services	101,500	5.6%	108,900	5.8%	7,400 7.3%
Other	43,176	2.4%	43,674	2.3%	498 1.2%
Total Operating Expenses	\$ 1,413,164	77.7%	\$ 1,477,490	78.7%	\$ 64,326 4.6%
Net Operating Income	405,006	22.3%	400,370	21.3%	4,636 1.1%
Capital Projects	(1,013,338)		(271,795)		(741,543)
Net Change	\$ (608,332)		\$ 128,575		\$ (736,907)

Staff is projecting that the Moosa operating revenues will exceed the projected operating expenses for a budget surplus of \$400,370.

The preliminary budget includes an increase to the wastewater service charge and the low pressure wastewater collection system maintenance fee of 5.2% each to offset inflationary impacts. The current wastewater service charge of \$58.67 is proposed to increase \$3.05 to \$61.72 and the low pressure wastewater collection system maintenance fee of \$48.42 is proposed to increase \$2.51 to \$50.93.



Sunrise at Lower Moosa Wastewater Reclamation Facility.



Valley Center Municipal Water District

Budget Message

WOODS VALLEY RANCH WASTEWATER TREATMENT FUND

This Budget includes funds for the operation of the Woods Valley Ranch Wastewater Treatment Facility (WRF) which was recently expanded to treat 275,000 gallons per day. Once the water is treated it is used for irrigating the Native Oaks Golf Course, yielding the District approximately 62 acre feet of reclaimed water sales. Included in the budget is funding for both a replacement reserve and operating expenses. Revenues for the Woods Valley Ranch Wastewater budget are collected by a fixed charge special assessment on the development. A summary of the budget follows:

RECAP OF WOODS VALLEY RANCH WASTEWATER TREATMENT BUDGET

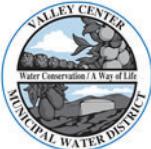
	2021-22		2022-23			
	Adopted Budget	Percent	Proposed Budget	Percent	Change	Percent Change
Revenues	\$ 1,422,163	100.0%	\$ 1,433,054	100.0%	\$ 10,891	0.8%
Operating Expenses:						
Labor	\$ 479,300	33.7%	\$ 542,100	37.8%	\$ 62,800	13.1%
Electricity	77,500	5.4%	68,500	4.8%	(9,000)	-11.6%
Administrative allocation	151,839	10.7%	167,067	11.7%	15,228	10.0%
Maintenance	23,000	1.6%	28,000	2.0%	5,000	21.7%
Vehicle Maintenance	1,700	0.1%	1,700	0.1%	-	0.0%
Regulatory	24,850	1.7%	28,500	2.0%	3,650	14.7%
Outside Services (Laboratory & Waste Hauling)	41,200	2.9%	52,200	3.6%	11,000	26.7%
Insurance	17,976	1.3%	17,976	1.3%	-	0.0%
Other	29,450	2.1%	32,450	2.3%	3,000	10.2%
Total Operating Expenses	\$ 846,815	59.5%	\$ 938,493	65.5%	\$ 91,678	10.8%
Net Operating Income	575,348	40.5%	494,561	34.5%	(80,787)	-14.0%
Capital Projects	(152,500)		(122,795)		29,705	
Net Change	\$ 422,848		\$ 371,766		\$ (51,082)	

The increase of \$10,891 or 0.8% in Revenues is due to the increased number of connected services.

The monthly sewer service charge is \$98.60 per equivalent dwelling unit (EDU) and is collected by an annual assessment on the property tax roll. It remains unchanged for Fiscal Year 2022-23.



Woods Valley Ranch WRF recycled water on Native Oaks Golf Club.



Before and after pictures of the RAS/WAS Pump Replacement at Moosa Wastewater Treatment Facility.

WOODS VALLEY RANCH EXPANSION FUND

This fund consists of multiple projects for the planning, design and construction of various components of the Woods Valley Ranch Wastewater Expansion Project (“Expansion Project”). Funding for the Expansion Project was provided by various property owners in the service area through the formation of an assessment district and from a funding commitment from the State for three Clean Water State Revolving Fund (SRF) Loans and two Limited Obligation Improvement Bonds issued by the assessment district (See Debt following next for more detail).

The current service area has an ultimate wastewater demand of 525,000 gallons per day which includes providing wastewater service to both the South and North Village areas. The various components of the Expansion Project consisted of constructing a low-pressure wastewater collection system, forcemain and lift station in the South Village Area, a seasonal storage facility on Charlan Road, the expansion of the WVRWRF, and a low-pressure wastewater collection system, forcemain and lift station in the North Village Area.

The planning and design work for the Expansion Project began in Fiscal Year 2013-14. Construction of the facilities, with the exception of the lift stations, began in Fiscal Year 2015-16 and the work funded by the SRF Loans was completed during July 2017. For Fiscal Year 2022-23, the total annual assessments for Assessment District 2012-1 are budgeted at \$1,242,929.

On May 18, 2020 the Board of Directors approved the formation of a Community Facilities District (CFD) that encompasses the subdivisions, deemed it necessary to incur bonded indebtedness, and authorized submittal of a special tax levy. Touchstone Communities has provided financial securities for the design and construction of the Orchard Run Lift Station and the Phase 3A Expansion project as described in the approved Master Plan Update to meet the wastewater treatment needs of the Park Circle East/West Subdivisions in accordance with CFD Financing Agreement. On May 17, 2021 the Board of Directors authorized staff to proceed with initial work for the issuance of special tax bonds needed for the timely construction of Orchard Run Lift Station. The total special tax to be collected in Fiscal Year 2022-23 is budgeted at \$854,318.



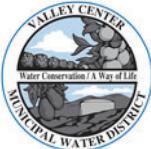
View of Park Circle Development, Woods Valley Ranch WRF, and surrounding area.

DEBT

The District currently has three separate Clean Water State Revolving Fund (SRF) Loans; one each for the Woods Valley Ranch Expansion Project (Expansion Project) Collection System, Treatment Facilities, and Seasonal Storage Improvements. The total amount of the three loans is \$24,772,974 at 2.20% annual interest. Repayment of this debt began in August 2017 for the Collection System, October 2017 for the Seasonal Storage, and December 2017 for the Treatment Plant. There are three separate debt schedules, one for each component (see pages 12-7A, 12-7B and 12-7C under the Woods Valley Expansion tab for detailed schedules). Debt service payments amount to \$1,542,388 for Fiscal Year 2022-23. The total outstanding balance of all three loans at end of Fiscal Year 2022-23 is expected to be \$18,408,960.

In addition, a California Drinking Water State Revolving Fund loan for the Cool Valley Reservoir Cover/Liner replacement was obtained by the District. The amount of the loan is \$3,715,572 at 1.6% interest (see page 6-10A under the Finance tab for a detailed schedule). Repayment of this debt began in July 2017. The Debt Service payment for Fiscal Year 2021-22 totals \$220,421. The total outstanding balance at the end of Fiscal Year 2022-23 is expected to be \$2,754,885.

Assessment District 2012-1 (AD 2012-1) issued a Limited Obligation Improvement Bond in July 2018 under the Improvement Act of 1915 to fund the fourth Expansion Project component, the North Village Collection System, in the amount of \$4,035,000 with an annual interest rate of 2.2%. These bonds are not an obligation of the District but are secured by annual assessments that are billed to and collected from property owners within the assessment district and are not presented in this report.



STRATEGIC PLAN

On June 4, 2018, the Board of Directors approved the updated *Valley Center Municipal Water District Strategic Plan for Fiscal Years 2018-2019, 2019-2020, 2020-2021, 2021-2022, and 2022-2023*. This plan sets forth the District's organizational values, a set of standards to measure organizational performance, and specific goals and tasks to be accomplished. As adopted by the Board of Directors, the Strategic Plan serves as the core policy framework by which the District has established its values, performance standards, and improvement goals for critical aspects of its operations, such as Water Supply, Seawater Desalination, Local Water Resources, Water Recycling, Infrastructure, Finance, Technology, Energy, and Compensation and Benefits. All expenditures appearing in this document, whether routine and ongoing, programmatic, or project oriented, are based upon or justified by some aspect of the Board adopted Strategic Plan.

Below are the **Mission Statement**, **Organizational Values**, **Performance Measurements**, and **Strategic Plan Goals** contained in the current Strategic Plan. Performance Measurements reflect the Performance Measurement outcomes for Calendar Year 2021.

Within the various Department narratives appearing throughout the budget are reports on progress made over the past fiscal year toward accomplishing the various goals appurtenant to the specific department as well as the projects and programs proposed in the upcoming budget year.

MISSION STATEMENT

“Our mission is to ensure customer satisfaction through quality service at the lowest possible cost.”

ORGANIZATIONAL VALUES

Customer Satisfaction

- Quality Service
- Safe Water
- Reliability
- Friendly
- Trustworthy
- Courteous
- Effective Communication

Professionalism

- Ethics
- Integrity
- Leadership
- Teamwork
- Accountability
- Transparency
- Respectful
- Excellence Through Continuous Improvement

Efficient Use of Resources

- Conservation
- Environmental Sensitivity
- Cost Control
- Resource Stewardship
- Financial Stability



STRATEGIC PLAN **PERFORMANCE MEASUREMENT STANDARDS**

1. CUSTOMER SATISFACTION - Our standard will be that our service "meets" or "exceeds expectations" 95% of the time, based upon the "Customer Comment Card" responses.

Survey responses show the District met or exceeded the standard 100.0% of the time.

2. WATER LOSS - Report annually for the past 10 years of unknown water loss in terms of percent of water sold, acre feet, and value of water loss, as well as efforts to minimize and reduce unknown water loss wherever possible.

Unaccounted water loss for 2021 totaled 615.1 acre feet, 3.7% of total water sold, representing \$797,850.

3. DISCRETIONARY RESERVES - Unrestricted or uncommitted reserves not anticipated to be used in the current fiscal year equal to a minimum three and a maximum six months' operations and maintenance expenses (excluding wholesale water and power purchases).

Discretionary Reserves as of December 31, 2021 represent 6 months of operating and maintenance expenses.

4. RETURN ON INVESTMENTS - While seeking to preserve capital and maintain a level of liquidity necessary to meet cash flow requirements, our rate of return, on an annualized basis, shall be at least equal to the average rate of return on one year U.S. Treasury Bonds

The weighted average return on all investments for Calendar Year 2021 was 0.704% as compared to the 12-month rolling average U.S. Treasury Bonds of 0.106%.

5. LOCAL COMMODITY RATE for LOCAL OPERATING and MAINTENANCE COSTS - We will hold the local share of total commodity costs as low as possible, but at no time will the local rate be more than 15% of total water commodity cost for Municipal & Industrial and 18% for Certified Agricultural.

The District's component of the water rate for operating costs is currently 10.9% of Municipal & Industrial and 14.4% of Certified Agricultural.

6. PUMP EFFICIENCY - Through ongoing testing, adjusting, and maintenance, we will maintain pump efficiency above 95% of the design criteria.

Pump efficiency was 106.0% of design criteria.

7. SOLAR ENERGY PRODUCTION - District owned and operated solar arrays shall be maintained at 90% of scheduled production which reflects array location and anticipated production loss due to panel age.

The six District-owned solar arrays, with a total capacity of 331.5kWdc, exceeded 90% of the low range of anticipated production.



STRATEGIC PLAN **PERFORMANCE MEASUREMENT STANDARDS (continued)**

8. PROJECT ACTUAL COST - $\pm 10\%$ of Engineer's cost estimate.

Three projects were completed in Calendar Year 2021 at 2.3% under the Engineer's estimate.

9. CAPITAL IMPROVEMENT PROJECTS – Project timelines shall be under contract within 12 months of budget approval.

Of the twelve Engineering Department projects with approved funding, all but four were under contract within 12 months.

10. WATER SERVICE RELIABILITY GREATER THAN 99% - Strive to maintain water service to all customers at greater than a 99% reliability level. This will be measured based upon total hours of service interruption against all service hours in a given measurement period.

For calendar year 2021 service reliability was 99.999%.

11. LOST-TIME ACCIDENTS LESS THAN 1% OF TOTAL HOURS WORKED.

The District had four lost time accidents in Calendar Year 2021 resulting in 0.057% of the total hours worked.

12. COMPLIANCE WITH ALL STATE & FEDERAL REGULATIONS.

100%.

STRATEGIC PLAN GOALS – 2018-2019 to 2022-2023

I. Water Supply

Support water development policies at the federal, state, regional and local level which sustain and enhance VCMWD's overall water supply availability and reliability.

Specific Implementation Goals:

1. Water Stewardship – Support regional efforts and implement local programs which advocate, educate, and assist customers in the responsible use of water resources.

2. Imported Water Sources – Support and assist in statewide efforts to secure and protect our regions' Imported Water Supplies by securing:

- *An enhanced State Water Project conveyance system to move water through the Sacramento-San Joaquin Delta;*



- *Approval of Proposition 1 funded major in-state surface storage facilities; and*
- *California's water rights on the Colorado River so as to ensure ample and reliable supplies for all uses, including agricultural.*

3. Water Recycling – Pursue and maximize the opportunities for continued development of wastewater recycling to offset VCMWD's imported water demand.

II. Infrastructure

Pursue the master planning for publicly and privately financed water and wastewater infrastructure to reliably meet long-term community development needs based on the County approved General Plan. Pursue federal and state funding sources to support the ongoing and orderly replacement of existing water and wastewater infrastructure.

Specific Implementation Goals:

- 1. Water System Master Plan** – Complete the update of the 2002 Water Master Plan by end of Fiscal Year 2018-2019.
- 2. Integrated Resource Master Plan** – Incorporate the Water Master Plan into an Integrated Resources Master Plan which addresses water, wastewater, water recycling infrastructure needs, as well as the long range capital needs by the end of Fiscal Year 2018-2019.

III. Finance

Support financial policies at the federal, state, regional, sub-regional, and local levels which the affordability of water and wastewater services to help sustain the rural and agricultural character of VCMWD's service area:

- 1. Operational Cost Control** – Pursue policies, programs, alternative service sourcing and technology implementation, which reduce and control local operational costs wherever possible without negatively impacting the operational effectiveness, safety and service levels to our customers.
- 2. MWD and SDCWA Wholesale Pricing** – Advocate for cost and rate control at the wholesale level and seek to maintain appropriate pricing and support programs for agriculture within the MWD and SDCWA service areas by securing:
 - *Pricing considerations from MWD to mitigate the rate impacts of WaterFix on commercial agricultural customers.*



- *Extension of the SDCWA Transitional Special Agricultural Water Rate (TSAWR) which expires at the end of Calendar 2020.*
- 3. **Local Property Tax and Reserves** – Protect local property taxes and VCMWD reserves from appropriation by the State or County Government.
- 4. **Cost of Service Study** – Complete a cost of service study to support the next Proposition 218 cycle in 2019 for water rates and charges.
- 5. **Long-Range Financial Plan** – Incorporating the results of the Integrated Resource Plan and the Cost of Service analysis, complete a Long-Range Financial Plan by the end of 2019-2020.

IV. Technology

Evaluate and incorporate new technologies which increase organizational efficiency, reduce costs, and wherever possible, enhance customer satisfaction.

Specific Implementation Goals:

1. **GIS** - Continue expansion, enhancement, and utility.
2. **SCADA** - Continue toward full implementation in the water and wastewater systems, including:
 - *Upgrade the Lower Moosa Canyon Wastewater Reclamation Facility SCADA to the Ignition Software by the end of FY 2018-2019;*
 - *Extension of SCADA to other water facilities, such as selected Reservoir Altitude Valves, Pump Station By-pass Valves, and Natural Gas Motors by the end of FY 2020-2021;*
 - *Upgrade all water facilities SCADA to Ignition Software by 2022-2023.*
3. **Automatic Meter Reading and Information Technology** - Pursue implementation of advanced automated meter reading and information technologies and integration of automated meter reading and monitoring capabilities through the SCADA radio network, by:
 - *Segmented installation of selected AMI technology beginning by the end of CY 2018 in the North and South Villages, other large developments and other appropriate portions of the District Service Area; and*
 - *Full conversion of the District to AMI by the end of FY 2022-2023.*



4. Data Management/Asset Management Software System – Complete implementation and full integration of an:

- *Electronic Data Management/Asset Management Software by the end of 2018-2019; and*
- *Electronic Data Deployment Capabilities by the end of FY 2020-2021.*

5. E-Business – Expand and enhance on-line customer account access and bill paying having the On-Line Direct Bill Pay as the primary option for establishing new customer service with the ability to request paper billing as a secondary option – **Ongoing Effort**.

V. Energy

Enhance efficient use of energy and pursue as appropriate the development of renewable and alternative energy resources.

1. Efficiency - Maximize the operating efficiency of pumps, pump motors, motorized equipment, VCMWD's service fleet practices, procedures, as well as implement more energy efficient methods and technologies of wastewater and bio-solids processing and disposal.

2. Renewable and Alternative Energy Resource – When economically feasible expand renewable energy resources, such as solar power, within VCMWD's operations and facilities, based on completion of the:

- *Comprehensive Energy Program Analysis and Strategic Plan Project by the end of CY 2018.*

3. Utility Rates and Charges – Monitor and when appropriate participate in regional energy utility rate making activity and advocate rate tariffs which are fair and equitable to VCMWD.

VI. Compensation and Benefits

Provide competitive but responsible and sustainable employee compensation and benefit programs to attract and retain committed and outstanding personnel – **Ongoing Effort**.



RECOMMENDATIONS

Recommendations to implement the Fiscal Year 2022-23 budget are summarized for your action as follows:

- Adopt the budget as presented (or modified by your Board) for implementation July 5, 2022.
- In accordance with Administrative Code Section 160.3(g), implement rate changes from the Metropolitan Water District and the County Water Authority when incurred.

Implementation of the above recommendations will be by resolution or ordinance as appropriate.

PREPARED BY:

A handwritten signature in black ink, appearing to read "J. V. Pugh".

James V. Pugh
Director of Finance

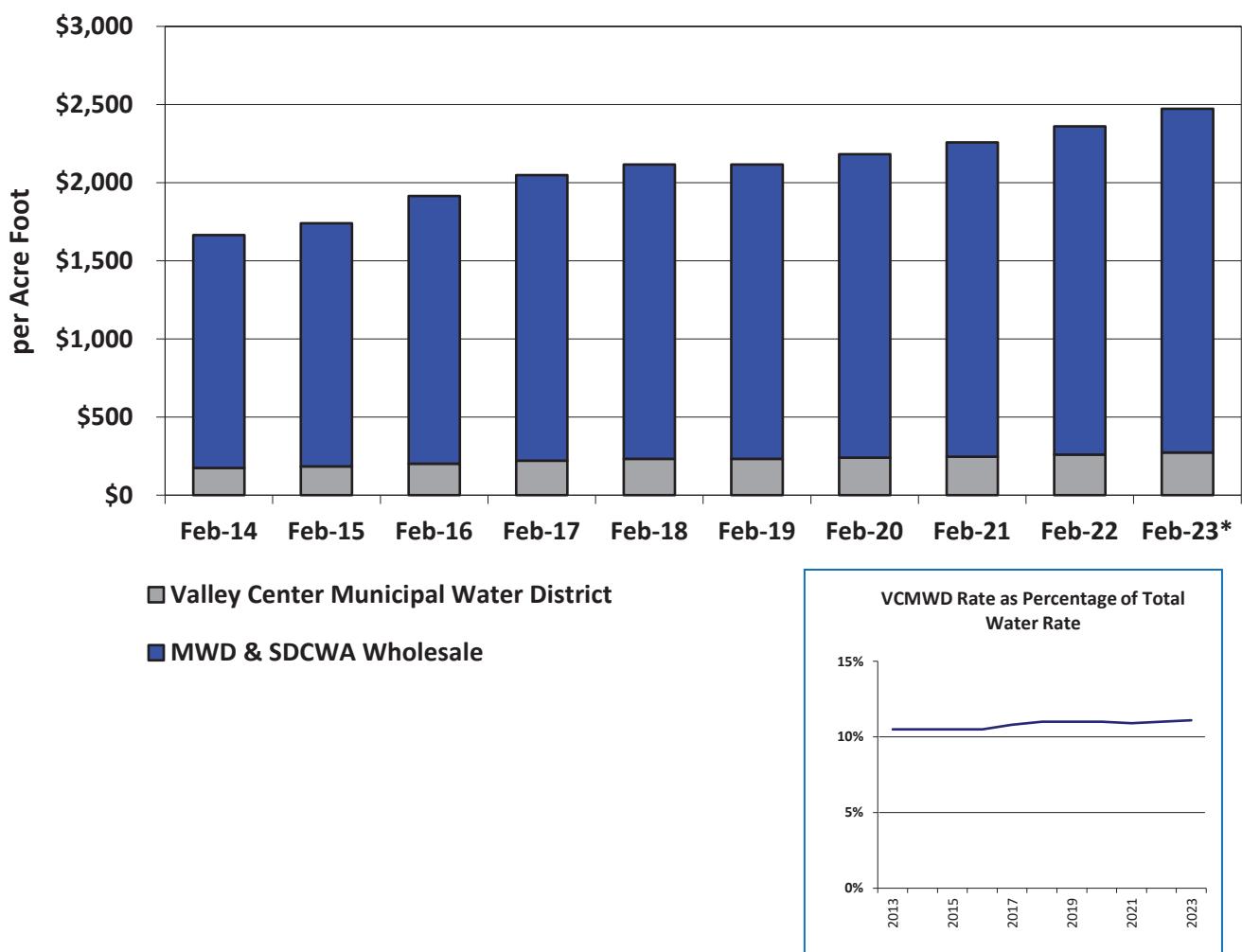
APPROVED BY:

A handwritten signature in black ink, appearing to read "G.T. Arant".

Gary T. Arant
General Manager



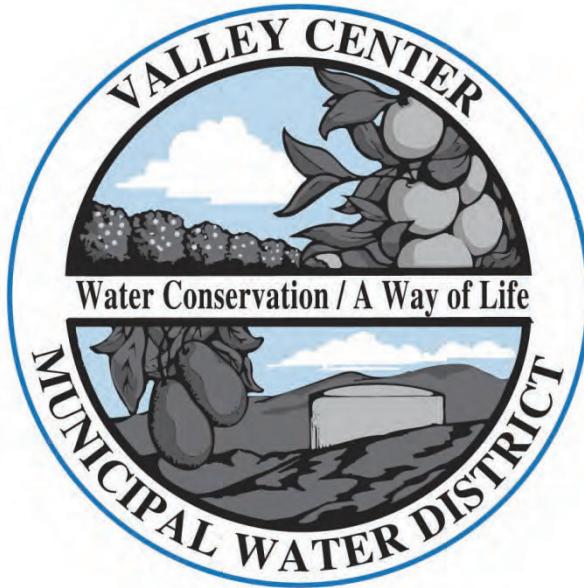
Water Rate Components



<u>Rate in Dollars per Acre Foot</u>	<u>Feb 2014</u>	<u>Feb 2015</u>	<u>Feb 2016</u>	<u>Feb 2017</u>	<u>Feb 2018</u>	<u>Feb 2019</u>	<u>Feb 2020</u>	<u>Feb 2021</u>	<u>Feb 2022</u>	<u>Feb 2023*</u>
Valley Center Municipal Water District	\$175	\$183	\$201	\$221	\$232	\$232	\$241	\$246	\$260	\$274
MWD/SDCWA wholesale	<u>1,490</u>	<u>1,558</u>	<u>1,714</u>	<u>1,827</u>	<u>1,884</u>	<u>1,884</u>	<u>1,941</u>	<u>2,012</u>	<u>2,101</u>	<u>2,199</u>
Total	<u>\$1,665</u>	<u>\$1,741</u>	<u>\$1,915</u>	<u>\$2,048</u>	<u>\$2,116</u>	<u>\$2,116</u>	<u>\$2,182</u>	<u>\$2,258</u>	<u>\$2,361</u>	<u>\$2,473</u>
Agricultural Use Discounts **	<u>\$351</u>	<u>\$407</u>	<u>\$533</u>	<u>\$550</u>	<u>\$564</u>	<u>\$537</u>	<u>\$566</u>	<u>\$545</u>	<u>\$584</u>	<u>\$593</u>

* Proposed water rates

** Maximum discount available.



Adopted Resolutions & Ordinances

RESOLUTION NO. 2022-25

**RESOLUTION OF THE BOARD OF DIRECTORS OF
VALLEY CENTER MUNICIPAL WATER DISTRICT
ADOPTING THE FINAL OPERATING AND CAPITAL BUDGET
FOR THE FISCAL YEAR 2022-2023 AND ESTABLISHING CONTROLS
ON CHANGES IN APPROPRIATIONS FOR THE VARIOUS FUNDS**

WHEREAS, the Board of Directors of Valley Center Municipal Water District has reviewed a preliminary budget for 2022-2023 and has made changes therein;

NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED AND ORDERED by the Board of Directors of **VALLEY CENTER MUNICIPAL WATER DISTRICT** as follows:

1. That the budget document which is on file with the Secretary to the Board, a summary of which is attached hereto as "Exhibit A", is adopted as the final operating and capital budget for the District for the Fiscal Year 2022-2023.
2. That the amounts designated in the final Fiscal Year 2022-2023 operating and capital budget are hereby appropriated and may be expended by the departments or funds for which they are designated and such appropriation shall be neither increased nor decreased except as provided herein.
3. That the following controls are hereby placed on the use and transfer of budgeted funds:
 - a. The General Manager is responsible for keeping expenditures within budget allocations approved by the Board of Directors for positions, salaries, operational expenses and capital acquisitions and may adopt budget procedures as necessary to carry out that responsibility. No expenditure of funds shall be authorized unless sufficient funds have been appropriated by the Board or General Manager as described herein.
 - b. The General Manager may reallocate budget items to respond to changed circumstances, provided any single modification in excess of \$50,000 shall require approval by the Board.
 - c. The Department Heads may reallocate budget items, within their department, to respond to changed circumstances, provided that any single modification in excess of \$15,000 shall require approval by the General Manager.
 - d. The Board must authorize any increase in the overall budget and any increase in the number of authorized permanent personnel positions above the level identified in the final operating and capital budget. The General Manager may authorize the hiring of temporary or part-time staff as necessary, within the limits imposed by the available funds in the operating and capital budget.

4. That authorization is made for any carry over or continuing appropriations for the capital budget.

PASSED AND ADOPTED at the regular meeting of the Board of Directors of **VALLEY CENTER MUNICIPAL WATER DISTRICT** held the 5th day of July, 2022, by the following vote to wit:

AYES: *Directors Polito, Ferro, Holtz, and Smith*

NOES: *None*

ABSENT: *Director Ness*



Robert Polito, **Board President**

ATTEST:



Kirsten Peraino, **Board Secretary**



Valley Center Municipal Water District

EXHIBIT A

Recap of Budget and Source of Financing All Budgeted Funds

	Operating	Debt Service	Capital Projects	Total General	Moosa Wastewater	Woods Valley	WVR Expansion	Total All Funds
ESTIMATED BALANCE, JUNE 30, 2022	\$ 7,368,217	\$ 220,420	\$ 17,125,369	\$ 24,714,007	\$ 2,083,905	\$ 1,665,023	\$ 11,022,974	\$ 39,485,908
RECAP OF EXPENDITURES BY FUNCTION								
General Administration	\$ 926,420			\$ 926,420				\$ 926,420
Information Technology	\$ 1,002,679			\$ 1,002,679				\$ 1,002,679
Finance	\$ 2,712,161	\$ 47,237		\$ 2,759,398			\$ 507,481	\$ 3,266,879
Engineering	\$ 2,055,044			\$ 2,055,044				\$ 2,055,044
Operations & Facilities	\$ 8,040,130			\$ 8,040,130	\$ 1,477,490	\$ 938,493		\$ 10,456,113
Source of Supply	\$ 31,303,161			\$ 31,303,161				\$ 31,303,161
Capital Projects			\$ 6,049,000	\$ 6,049,000	\$ 271,795	\$ 122,795		\$ 6,443,590
Total Budgeted Expenditures	\$ 46,039,595	\$ 47,237	\$ 6,049,000	\$ 52,135,832	\$ 1,749,285	\$ 1,061,288	\$ 507,481	\$ 55,453,886
SOURCE OF FINANCING								
Revenues:								
Water Sales	\$ 36,389,000			\$ 36,389,000				\$ 36,389,000
Meter Service Charges/Wastewater Charges	\$ 7,859,000			\$ 7,859,000	\$ 1,877,860	\$ 1,433,054	\$ 2,112,705	\$ 13,282,619
New Connection Sales	\$ 418,050		\$ 1,538,200	\$ 1,956,250				\$ 1,956,250
Other Revenue	\$ 1,038,900			\$ 1,038,900				\$ 1,038,900
Investment Income	\$ 428,800			\$ 428,800				\$ 428,800
Property Taxes			\$ 2,873,000	\$ 2,873,000				\$ 2,873,000
Water Availability Charges	\$ 47,237	\$ 525,763	\$ 573,000					\$ 573,000
Total Revenues	\$ 46,133,750	\$ 47,237	\$ 4,936,963	\$ 51,117,950	\$ 1,877,860	\$ 1,433,054	\$ 2,112,705	\$ 56,541,569
NET REVENUES & EXPENDITURES	\$ 94,155	\$ -	\$ (1,112,037)	\$ (1,017,882)	\$ 128,575	\$ 371,766	\$ 1,605,224	\$ 1,087,683
EXPENDITURES OF CONTINUING PROJECTS	\$ -	\$ -	\$ (4,831,238)	\$ (4,831,238)	\$ (1,321,710)	\$ (114,067)	\$ (7,153,086)	\$ (13,420,101)
TRANSFERS (See page 3-2)	\$ (94,155)	\$ -	\$ 94,155	\$ -	\$ -	\$ -	\$ -	\$ -
ESTIMATED BALANCE, JUNE 30, 2023	\$ 7,368,217	\$ 220,420	\$ 11,276,249	\$ 18,864,887	\$ 890,770	\$ 1,922,722	\$ 5,475,112	\$ 27,153,490

June 6, 2022

TO: Honorable President and Board of Directors

FROM: Gary T. Arant, General Manager

SUBJECT: RESOLUTION TO ESTABLISH APPROPRIATION LIMIT FOR 2022-2023

PURPOSE:

Board adoption of Resolution No. 2022-18 establishing the appropriation limit for proceeds from taxes is required by Section 7910 of the Government Code and Article XIIIB of the State Constitution (Gann Amendment).

SUMMARY:

In November, 1979, the voters of California approved the addition of Article XIIIB to the State Constitution. This amendment provided a maximum annual percentage that proceeds of taxes could increase. The impact of this legislation is most felt by cities and agencies that exist almost entirely on proceeds of taxes of one sort or another. The District's revenues consist primarily of water and wastewater charges, with less than 6% from general property taxes. We do have to comply with the legislation by establishing an appropriations limit for the amount we do receive from property taxes. Our estimated property tax collections are one-third of the appropriation limit, and if actual tax collections ever exceeded this limit, refund of the excess would have to be made.

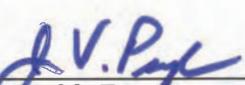
Under Proposition 111, the method of calculating the annual appropriation limit was revised, effective July 1, 1990. The California Constitution specifies that the appropriation limit may increase annually by a factor comprised of the change in population combined with either the change in California per capita personal income or the change in the local assessment role due to local nonresidential construction. The appropriation limit method recommended for adoption uses the highest of the options available to maximize our limit for 2022-2023.

Government Code Section 7910 also requires a 15-day period for our calculations to be available to the public for their review, if desired. The attached Public Notice was posted May 23, 2022, in compliance with this requirement.

RECOMMENDATION:

That Resolution No. 2022-18 be adopted to establish the appropriation limit for 2022-2023 as \$8,342,570.

PREPARED BY:



James V. Pugh
Director of Finance & Administration

APPROVED BY:



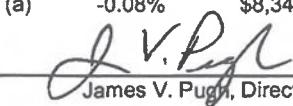
Gary T. Arant
General Manager

PUBLIC NOTICE

In accordance with Government Code Section 7910, notice is hereby given that on June 6, 2022, at 2:00 P.M. at 29300 Valley Center Road, the Board of Directors will, by resolution, establish the District's 2022-23 appropriation limit pursuant to Article XIIIIB of the State Constitution as amended by Proposition 111 effective July 1, 1990. The appropriation limit for 2022-23 is to be set at \$8,342,570 and was calculated as set forth below. Documentation of the computation is available in the office of the Director of Finance of the District at the above address.

<u>Fiscal Year</u>	<u>Price Increases (1)</u>	<u>Population Increases</u>	<u>Appropriation Limit</u>
Proceeds of Taxes Base Year			
1986-87			\$855,392
Annual adjustment factors:			
1987-88	12.54% (b)	5.83%	\$1,018,772
1988-89	15.56% (b)	6.09%	\$1,249,014
1989-90	7.21% (b)	5.63%	\$1,414,508
1990-91	7.96% (b)	5.83%	\$1,616,075
1991-92	4.14% (a)	5.24%	\$1,771,218
1992-93	2.75% (b)	4.04%	\$1,893,432
1993-94	2.72% (b)	2.95%	\$2,002,304
1994-95	0.71% (a)	1.42%	\$2,045,153
1995-96	4.72% (a)	1.55%	\$2,174,816
1996-97	4.67% (a)	1.19%	\$2,303,565
1997-98	4.67% (a)	1.46%	\$2,446,386
1998-99	4.15% (a)	2.63%	\$2,614,942
1999-00	4.53% (a)	2.17%	\$2,792,758
2000-01	4.91% (a)	2.33%	\$2,998,026
2001-02	7.82% (a)	1.96%	\$3,295,730
2002-03	0.06% (b)	1.80%	\$3,357,031
2003-04	2.31% (a)	1.77%	\$3,495,341
2004-05	3.28% (a)	1.73%	\$3,672,555
2005-06	5.26% (a)	1.27%	\$3,914,944
2006-07	3.96% (a)	0.94%	\$4,108,342
2007-08	4.42% (a)	2.00%	\$4,375,795
2008-09	4.29% (a)	1.43%	\$4,628,716
2009-10	0.62% (a)	1.32%	\$4,718,976
2010-11	-0.37% (b)	1.52%	\$4,772,772
2011-12	2.51% (a)	0.72%	\$4,927,887
2012-13	3.77% (a)	0.92%	\$5,160,483
2013-14	5.12% (a)	0.80%	\$5,468,048
2014-15	-0.23% (b)	1.23%	\$5,522,728
2015-16	3.82% (a)	1.48%	\$5,818,746
2016-17	5.37% (a)	0.78%	\$6,178,926
2017-18	3.69% (a)	0.92%	\$6,465,628
2018-19	3.67% (a)	0.95%	\$6,766,280
2019-20	3.85% (a)	0.52%	\$7,063,320
2020-21	3.73% (a)	0.59%	\$7,369,868
2021-22	5.73% (a)	-0.37%	\$7,763,419
2022-23	7.55% (a)	-0.08%	\$8,342,570

Posted May 23, 2022


James V. Pugh, Director of Finance
Valley Center Municipal Water District

(1) A California governmental unit may increase its appropriation limit by either
 (a) the annual percentage increase in California fourth quarter per capita personal income, or
 (b) the percentage increase in the local assessment roll from the preceding year due to
 the addition of local non-residential construction, whichever is greater.

RESOLUTION NO. 2022-18

**RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY
CENTER MUNICIPAL WATER DISTRICT TO ESTABLISH THE
APPROPRIATION LIMIT FOR THE 2022-2023 FISCAL YEAR**

WHEREAS, effective July 1, 1980, Article XIIIIB of the California Constitution took effect limiting the appropriations of certain state and local agencies; and

WHEREAS, effective July 1, 1990, Article XIIIIB of the California Constitution was amended; and

WHEREAS, the Legislature has adopted Government Code Sections 7900 through 7914 setting forth procedures to be followed by affected local agencies in fixing and determining their appropriation limit; and

WHEREAS, pursuant to said Government Code sections, the County of San Diego and the State of California Department of Finance have supplied the District with data regarding changes in population, cost of living, per capita income, nonresidential new construction, and local assessment roll for use in determining its appropriation limit; and

WHEREAS, the District had a tax rate in excess of 12.5 cents per \$100 of assessed valuation during the 1977-78 fiscal year, and, therefore, is subject to the provisions of Article XIIIIB and implementing legislation; and

WHEREAS, the Government Code Section 7910 requires that each year the governing body of the District, by resolution, establish its appropriation limit for the following fiscal year; and

WHEREAS, the Government Code Section 7901 requires the governing body of the District, annually by resolution, to select the basis for its change in population as defined in that section; and

WHEREAS, Section 8(e)(2) of Article XIIIIB of the Constitution requires the Board to select the method of determining "change in the cost of living" as defined in that section; and

WHEREAS, at least 15 days prior to the meeting at which this resolution was adopted, the documentation used in the determination of the appropriation limit was made available to the public at the offices of the District; and

WHEREAS, the Board has fully considered said laws, the revenues and expenditures of the District during the relevant years, the data received from the State of California Department of Finance, the reports and recommendations of staff, and the opinions of counsel;

NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED AND ORDERED
by the Board of Directors of Valley Center Municipal Water District as follows:

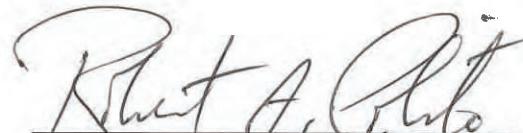
1. That the foregoing facts are true and correct.
2. That the appropriation limit for the 2021-22 fiscal year was \$7,763,419, and that the proceeds of taxes to be received in that year, in the amount of approximately \$2,801,300, did not exceed that appropriation limit.
3. That in determining the appropriation limit for 2022-2023, the District shall use the percentage change in the California per capita personal income from the preceding year or the change in the local assessment roll from the preceding year due to the addition of local new nonresidential construction, whichever is greater.
4. That in determining the appropriation limit for 2022-2023, the District shall use the percentage change in population for San Diego County or for the unincorporated portion of San Diego County, whichever is greater, as provided by the State of California Department of Finance.
5. That pursuant to Article XIIIIB, as amended, and Section 7910 of the Government Code, as amended, the appropriation limit for Valley Center Municipal Water District for the 2022-2023 fiscal year is established at \$8,342,570.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of
VALLEY CENTER MUNICIPAL WATER DISTRICT held the 6th day of June, 2022, by
the following vote, to wit;

AYES: *Directors Polito, Ferro, Holtz, and Smith*

NOES: *None*

ABSENT: *Noting Vacancy in Division 2 Director Seat*



Robert A. Polito, President

ATTEST:



Kirsten N. Peraino, *Secretary*

ORDINANCE NO. 2022-10

ORDINANCE OF THE VALLEY CENTER MUNICIPAL
WATER DISTRICT AMENDING THE ADMINISTRATIVE
CODE TO PROVIDE FOR CHANGES IN AUTHORIZED
STAFFING LEVELS PER THE FISCAL YEAR 2022-23
BUDGET AND STAFF ORGANIZATION AND TO
INCORPORATE CHANGES PER THE APPROVED
MEMORANDUM OF UNDERSTANDING WITH EMPLOYEES

BE IT ORDAINED by the Board of Directors of the **VALLEY CENTER MUNICIPAL WATER DISTRICT** as follows:

Section 1. The VALLEY CENTER MUNICIPAL WATER DISTRICT Administrative Code be and it is amended to provide for changes in the District's Classification and Compensation Plan by modification of Article 8 Section 8.6 Standby Pay, Section 8.7 Shift Differential, and Section 8.9(c) Salary Schedule as set forth in "Exhibit A" attached hereto.

Section 2. The VALLEY CENTER MUNICIPAL WATER DISTRICT Administrative Code be and it is amended to provide for changes in the District's organization chart and the authorized staffing level by the modification of Section 40.11 as set forth on "Exhibit B" attached hereto.

Section 3. That this is an urgency ordinance and shall take effect July 1, 2022, to comply with the Memorandum of Understanding with the District Employees' Association adopted by Ordinance 2019-04 affecting employee compensation to be effective July 1, 2022, mid-shift, and therefore this ordinance must take effect before that date.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the **VALLEY CENTER MUNICIPAL WATER DISTRICT** held on the 5th day of July, 2022, by the following vote, to wit:

AYES: Directors Polito, Ferro, Holtz, and Smith
NOES: None
ABSENT: Director Ness



Robert Polito, **Board President**

ATTEST:



Kirsten Peraino, **Board Secretary**

Sec. 8.6Standby Pay

(a) Standby Duty Pay. The employee assigned to the overnight standby duty shall receive \$36.43 **\$38.07** for the overnight standby shift plus a minimum of two (2) hours pay at applicable overtime rates for the first call back in each overnight standby shift. Any successive call backs in the same overnight standby shift will be paid for actual time worked at applicable overtime rates.

Exempt employees are not eligible to receive standby pay.

(b) Weekend/Holiday Standby Pay. The employees assigned overnight standby duty on Fridays shall receive the standby pay as set forth in Section 8.6(a) for the overnight standby shift. The employees assigned to twenty-four (24) hour standby duty on Saturdays, Sundays and holidays shall receive \$69.73 **\$72.87** per twenty-four (24) hour standby shift. The employees shall receive a minimum of two (2) hours pay at applicable overtime rates for the first call back in each shift. Any successive call backs in the same shift will be paid for actual time worked at applicable overtime rates.

Exempt employees are not eligible to receive weekend/holiday standby pay.

Sec. 8.7

Shift Differential Pay. Employees assigned to work a different shift from the District's regular work period of Monday through Thursday from 7:00 a.m. to 4:30 p.m., and on Friday from 7:00 a.m. to 3:30 p.m. for Field personnel and 7:30 a.m. to 4:00 p.m. for Office and Field Administrative personnel shall receive \$1.64 **\$1.71** per hour shift differential pay in addition to his/her regular pay for those hours worked other than the District's regular work period.

Sec. 8.8

Payroll Period and Pay Day. Payroll periods shall be on a biweekly basis beginning four (4) hours and one (1) minute into the workday on Friday and end 168 hours later. Pay checks will normally be distributed in the week following the end of the payroll period.

Per Ordinance No. 2021-09 Adopted July 6, 2021 [Sec. 8.6; 8.7 and 8.8]

Per Ordinance No. 2020-07 Adopted 7/6/20 [Sec. 8.6 & 8.7]

Per Ordinance No. 2008-05 Adopted 6/16/08 [Sec. 8.8]

Sec. 8.9Compensation Policy - Position Classifications and Salary Ranges (Cont'd.)(c) Classification and Compensation Plan (Cont'd.)
Effective 07/01/22, at mid shift

<u>Classifications</u>	<u>Salary Range Number</u>
General Manager	As set by Board
Executive Assistant/Secretary to the Board	25
Special Projects and Compliance Manager	31
Administrative/Clerical Series	
Administrative Assistant I	14 ⁽¹⁾
Administrative Assistant II	16
Administrative Assistant II/Assistant Board Secretary	17
Administrative Assistant III	18
Administrative Assistant III/Assistant Board Secretary	19
Sr. Administrative Assistant	21
Administrative Supervisor	23
Engineering Series	
District Engineer/Deputy General Manager	37.6
Senior Engineer	34
Project Coordinator	27
Project Manager	30.5
Project Manager/Deputy Engineering (Dept. Director)	31
Engineering Technician I	19 ⁽¹⁾
Engineering Technician II	21
Engineering Technician III	23
Sr. Engineering Technician	25
Engineering Services Supervisor	27
GIS/Mapping Technician	21
GIS Analyst	23
Senior GIS Analyst	25
Construction Inspector	22.5
Sr. Construction Inspector	24.5
Construction Inspector Supervisor	27
Finance, Accounting and Consumer Services Series	
Director of Finance and Administration	36.6
Accounting Specialist I	18
Accounting Specialist II	21
Manager of Accounting	31

Notes: ⁽¹⁾ Employees may be hired in the "Training Range", as defined by Section 5.3(e), hired at 15% below classification level.

Sec. 8.9 Compensation Policy - Position Classifications and Salary Ranges (Cont'd.)(c) Classification and Compensation Plan (Cont'd.)
Effective 07/01/22, at mid shift

<u>Classifications</u>	<u>Salary Range Number</u>
Finance (Cont'd)	
Consumer Services Assistant	16
Sr. Consumer Services Assistant	18
Consumer Services Supervisor	25
Human Resources Analyst	25
Information Technology Series	
Director of Information Technology	36.6
Information Technology Specialist	23 (1) (2)
Sr. Information Technology Specialist	27
SCADA IT Administrator	29
Operations and Facility Maintenance Administration and Operating Divisions Series	
Director of Operations/Facilities	36.5
Safety & Regulatory Compliance Officer	25.0
Construction-Maintenance, Landscape Division	
Construction/Maintenance Technician I	17 (1) (2)
Construction/Maintenance Technician II	19.5
Construction/Maintenance Technician III	21.5
Sr. Construction/Maintenance Technician	23.5
Construction/Maintenance Supervisor	27
Landscape Maintenance Worker I	13 (1) (2)
Landscape Maintenance Worker II	15
Landscape Maintenance Worker III	17
Sr. Landscape Maintenance Worker	19
Meter Services Division	
Meter Services Technician I	17 (1) (2)
Meter Services Technician II	19.5
Meter Services Technician III	21.5
Sr. Meter Services Technician	23.5
Meter Services Supervisor	27

Notes: (1) Employees may be hired in the "Training Range", as defined by Section 5.3(e), hired at 15% below classification level.
 (2) Employees may be hired as "Provisional Employees" and, as such, have two (2) years to obtain the licenses and certifications required to perform their specified duties or be subject to actions as described in Section 5.3(f)

Sec. 8.9 Compensation Policy - Position Classifications and Salary Ranges (Cont'd.)(c) Classification and Compensation Plan (Cont'd.)*Effective 07/01/22, at mid shift*

<u>Classifications</u>	<u>Salary Range Number</u>
Pumps-Motors, Electrical, Fleet Maintenance Division	
Pump Facilities Technician I	17 ^{(1) (2)}
Pump Facilities Technician II	19.5
Pump Facilities Technician III	21.5
Sr. Pump Facilities Technician	23.5
Pumps and Motors Supervisor	27
Electrical Technician I	17
Electrical Technician II	19.5
Electrician	21.5
Sr. Electrician	23.5
Fleet Mechanic I	17 ^{(1) (2)}
Fleet Mechanic II	19.5
Fleet Mechanic III	21.5
Sr. Fleet Mechanic	23.5
Wastewater Operations Division	
Wastewater Systems Technician I	17 ^{(1) (2)}
Wastewater Systems Technician II	19.5
Wastewater Systems Technician III	21.5
Sr. Wastewater Systems Technician	23.5
Wastewater Systems Supervisor	27
Water Operations Division	
Water Systems Technician I	17 ^{(1) (2)}
Water Systems Technician II	19.5
Water Systems Technician III	21.5
Sr. Water Systems Technician	23.5
Water Systems Supervisor	27

Notes:

(1) Employees may be hired in the "Training Range", as defined by Section 5.3(e), hired at 15% below classification level.

(2) Employees may be hired as "Provisional Employees" and, as such, have two (2) years to obtain the licenses and certifications required to perform their specified duties or be subject to actions as described in Section 5.3(f)

Per Ordinance No. 2021-09 Adopted July 6, 2021 [Sec. 8.9(c)]
 Per Ordinance No. 2020-07 Adopted 7/6/20 [Sec. 8.9(c)]

Article 8

Sec. 8.9(c) Salary Ranges

Updated with 4.50% COLA - Effective 7/1/22, Mid-Shift

VALLEY CENTER MUNICIPAL WATER DISTRICT

SALARY SCHEDULE FOR 2022-2023

RANGE NO.	BIWEEKLY SALARY RANGE		MONTHLY SALARY RANGE		YEARLY SALARY RANGE		HOURLY SALARY RANGE	
	MIN	MAX	MIN	MAX	MIN	MAX	MIN	MAX
Gen Mgr *	\$9,388.90	\$9,388.90	\$20,342.62	\$20,342.62	\$244,110.50	\$244,110.50	\$117.361	\$117.361
37.6	\$6,355.92	\$8,486.08	\$13,771.16	\$18,386.51	\$165,253.92	\$220,638.08	\$79.449	\$106.076
37.5	\$6,263.60	\$8,393.76	\$13,571.13	\$18,186.48	\$162,853.60	\$218,237.76	\$78.295	\$104.922
37.0	\$6,112.64	\$8,191.52	\$13,244.05	\$17,748.29	\$158,928.64	\$212,979.52	\$76.408	\$102.394
36.6	\$6,057.60	\$8,086.40	\$13,124.80	\$17,520.53	\$157,497.60	\$210,246.40	\$75.720	\$101.080
36.5	\$5,965.28	\$7,994.08	\$12,924.77	\$17,320.51	\$155,097.28	\$207,846.08	\$74.566	\$99.926
36.0	\$5,821.52	\$7,801.44	\$12,613.29	\$16,903.12	\$151,359.52	\$202,837.44	\$72.769	\$97.518
35.5	\$5,681.28	\$7,613.44	\$12,309.44	\$16,495.79	\$147,713.28	\$197,949.44	\$71.016	\$95.168
35.0	\$5,544.32	\$7,429.92	\$12,012.69	\$16,098.16	\$144,152.32	\$193,177.92	\$69.304	\$92.874
34.5	\$5,410.72	\$7,250.88	\$11,723.23	\$15,710.24	\$140,678.72	\$188,522.88	\$67.634	\$90.636
34.0	\$5,280.32	\$7,076.16	\$11,440.69	\$15,331.68	\$137,288.32	\$183,980.16	\$66.004	\$88.452
33.5	\$5,153.04	\$6,905.60	\$11,164.92	\$14,962.13	\$133,979.04	\$179,545.60	\$64.413	\$86.320
33.0	\$5,028.88	\$6,739.20	\$10,895.91	\$14,601.60	\$130,750.88	\$175,219.20	\$62.861	\$84.240
32.5	\$4,907.68	\$6,576.72	\$10,633.31	\$14,249.56	\$127,599.68	\$170,994.72	\$61.346	\$82.209
32.0	\$4,789.44	\$6,418.24	\$10,377.12	\$13,906.19	\$124,525.44	\$166,874.24	\$59.868	\$80.228
31.5	\$4,674.00	\$6,263.60	\$10,127.00	\$13,571.13	\$121,524.00	\$162,853.60	\$58.425	\$78.295
31.0	\$4,561.36	\$6,112.64	\$9,882.95	\$13,244.05	\$118,595.36	\$158,928.64	\$57.017	\$76.408
30.5	\$4,451.44	\$5,965.28	\$9,644.79	\$12,924.77	\$115,737.44	\$155,097.28	\$55.643	\$74.566
30.0	\$4,344.16	\$5,821.52	\$9,412.35	\$12,613.29	\$112,948.16	\$151,359.52	\$54.302	\$72.769
29.5	\$4,239.44	\$5,681.28	\$9,185.45	\$12,309.44	\$110,225.44	\$147,713.28	\$52.993	\$71.016
29.0	\$4,137.28	\$5,544.32	\$8,964.11	\$12,012.69	\$107,569.28	\$144,152.32	\$51.716	\$69.304
28.5	\$4,037.60	\$5,410.72	\$8,748.13	\$11,723.23	\$104,977.60	\$140,678.72	\$50.470	\$67.634
28.0	\$3,940.24	\$5,280.32	\$8,537.19	\$11,440.69	\$102,446.24	\$137,288.32	\$49.253	\$66.004
27.5	\$3,845.28	\$5,153.04	\$8,331.44	\$11,164.92	\$99,977.28	\$133,979.04	\$48.066	\$64.413
27.0	\$3,752.64	\$5,028.88	\$8,130.72	\$10,895.91	\$97,568.64	\$130,750.88	\$46.908	\$62.861
26.5	\$3,662.24	\$4,907.68	\$7,934.85	\$10,633.31	\$95,218.24	\$127,599.68	\$45.778	\$61.346
26.0	\$3,573.92	\$4,789.44	\$7,743.49	\$10,377.12	\$92,921.92	\$124,525.44	\$44.674	\$59.868
25.5	\$3,487.84	\$4,674.00	\$7,556.99	\$10,127.00	\$90,683.84	\$121,524.00	\$43.598	\$58.425
25.0	\$3,403.76	\$4,561.36	\$7,374.81	\$9,882.95	\$88,497.76	\$118,595.36	\$42.547	\$57.017
24.5	\$3,321.76	\$4,451.44	\$7,197.15	\$9,644.79	\$86,365.76	\$115,737.44	\$41.522	\$55.643
24.0	\$3,241.68	\$4,344.16	\$7,023.64	\$9,412.35	\$84,283.68	\$112,948.16	\$40.521	\$54.302
23.5	\$3,163.52	\$4,239.44	\$6,854.29	\$9,185.45	\$82,251.52	\$110,225.44	\$39.544	\$52.993
23.0	\$3,087.28	\$4,137.28	\$6,689.11	\$8,964.11	\$80,269.28	\$107,569.28	\$38.591	\$51.716
22.5	\$3,012.88	\$4,037.60	\$6,527.91	\$8,748.13	\$78,334.88	\$104,977.60	\$37.661	\$50.470
22.0	\$2,940.32	\$3,940.24	\$6,370.69	\$8,537.19	\$76,448.32	\$102,446.24	\$36.754	\$49.253
21.5	\$2,869.44	\$3,845.28	\$6,217.12	\$8,331.44	\$74,605.44	\$99,977.28	\$35.868	\$48.066
21.0	\$2,800.32	\$3,752.64	\$6,067.36	\$8,130.72	\$72,808.32	\$97,568.64	\$35.004	\$46.908
20.5	\$2,732.80	\$3,662.24	\$5,921.07	\$7,934.85	\$71,052.80	\$95,218.24	\$34.160	\$45.778
20.0	\$2,666.96	\$3,573.92	\$5,778.41	\$7,743.49	\$69,340.96	\$92,921.92	\$33.337	\$44.674
19.5	\$2,602.64	\$3,487.84	\$5,639.05	\$7,556.99	\$67,668.64	\$90,683.84	\$32.533	\$43.598
19.0	\$2,539.92	\$3,403.76	\$5,503.16	\$7,374.81	\$66,037.92	\$88,497.76	\$31.749	\$42.547
18.5	\$2,478.72	\$3,321.76	\$5,370.56	\$7,197.15	\$64,446.72	\$86,365.76	\$30.984	\$41.522
18.0	\$2,418.96	\$3,241.68	\$5,241.08	\$7,023.64	\$62,892.96	\$84,283.68	\$30.237	\$40.521
17.5	\$2,360.72	\$3,163.52	\$5,114.89	\$6,854.29	\$61,378.72	\$82,251.52	\$29.509	\$39.544
17.0	\$2,303.84	\$3,087.28	\$4,991.65	\$6,689.11	\$59,899.84	\$80,269.28	\$28.798	\$38.591
16.5	\$2,248.32	\$3,012.88	\$4,871.36	\$6,527.91	\$58,456.32	\$78,334.88	\$28.104	\$37.661
16.0	\$2,194.08	\$2,940.32	\$4,753.84	\$6,370.69	\$57,046.08	\$76,448.32	\$27.426	\$36.754
15.5	\$2,141.20	\$2,869.44	\$4,639.27	\$6,217.12	\$55,671.20	\$74,605.44	\$26.765	\$35.868
15.0	\$2,089.60	\$2,800.32	\$4,527.47	\$6,067.36	\$54,329.60	\$72,808.32	\$26.120	\$35.004
14.5	\$2,039.28	\$2,732.80	\$4,418.44	\$5,921.07	\$53,021.28	\$71,052.80	\$25.491	\$34.160
14.0	\$1,990.16	\$2,666.96	\$4,312.01	\$5,778.41	\$51,744.16	\$69,340.96	\$24.877	\$33.337
13.5	\$1,942.16	\$2,602.64	\$4,208.01	\$5,639.05	\$50,496.16	\$67,668.64	\$24.277	\$32.533
13.0	\$1,895.36	\$2,539.92	\$4,106.61	\$5,503.16	\$49,279.36	\$66,037.92	\$23.692	\$31.749
12.5	\$1,849.68	\$2,478.72	\$4,007.64	\$5,370.56	\$48,091.68	\$64,446.72	\$23.121	\$30.984
12.0	\$1,805.12	\$2,418.96	\$3,911.09	\$5,241.08	\$46,933.12	\$62,892.96	\$22.564	\$30.237
11.5	\$1,761.60	\$2,360.72	\$3,816.80	\$5,114.89	\$45,801.60	\$61,378.72	\$22.020	\$29.509
11.0	\$1,719.12	\$2,303.84	\$3,724.76	\$4,991.65	\$44,697.12	\$59,899.84	\$21.489	\$28.798
10.5	\$1,677.68	\$2,248.32	\$3,634.97	\$4,871.36	\$43,619.68	\$58,456.32	\$20.971	\$28.104
10.0	\$1,637.28	\$2,194.08	\$3,547.44	\$4,753.84	\$42,569.28	\$57,046.08	\$20.466	\$27.426

* General Manager salary is effective on July 1.

ARTICLE 40 Organization of StaffSec. 40.10

Director of Information Technology. The Director of IT shall, subject to Board approval, be appointed by and be directly responsible to the General Manager. This position requires education and long term experience in computer science and information systems, including network engineering and administration, database administration, software development, and information systems security.

This person shall be responsible for overall planning, organizing, and execution of all Information Technology functions. This includes directing all IT operations as well as the support and maintenance of existing infrastructure, applications, and development of new technical solutions.

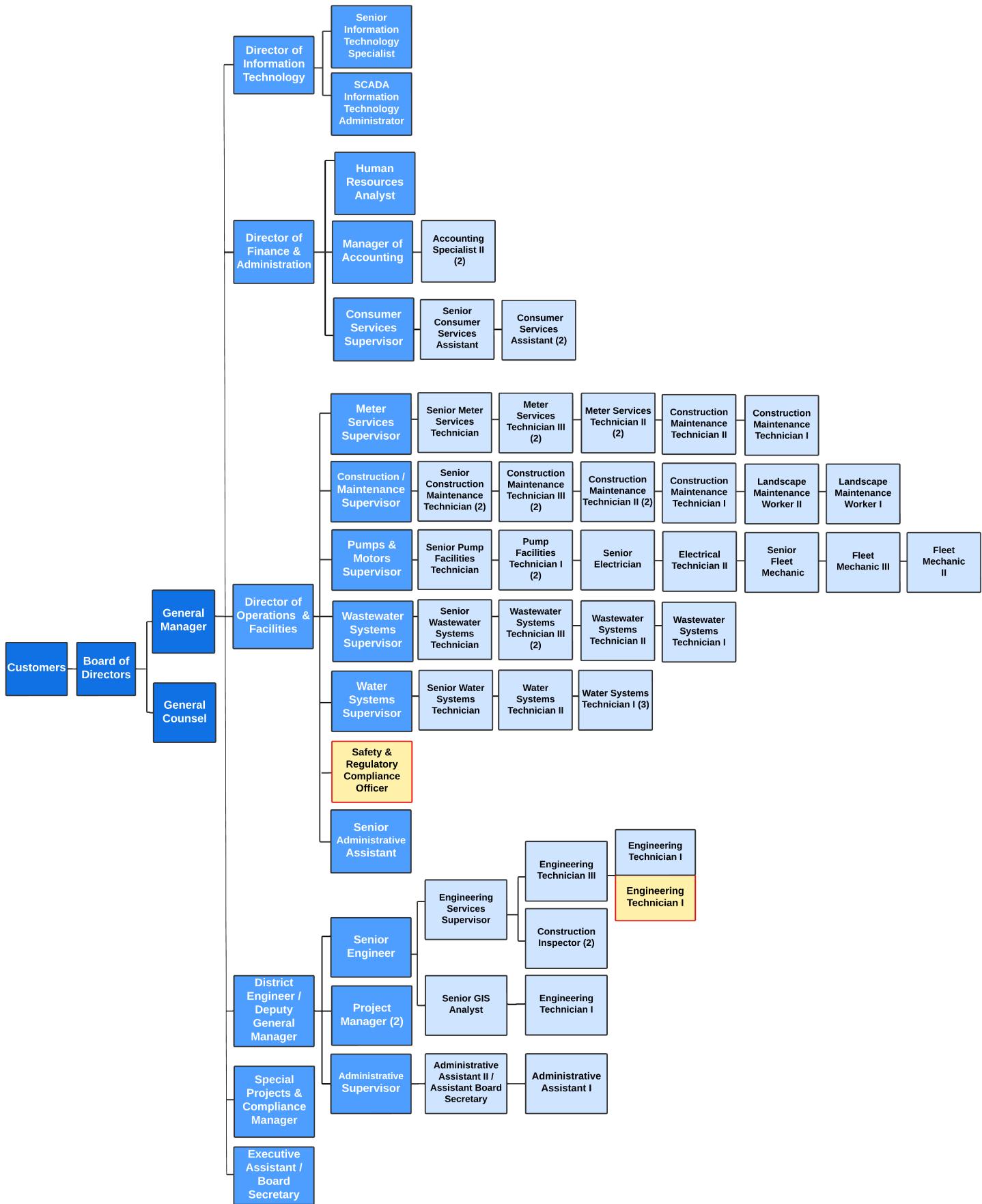
Sec. 40.11

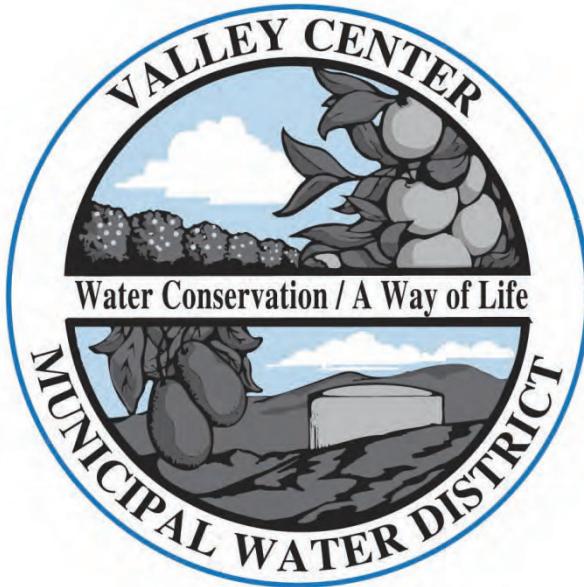
Organizational Chart. As shown below and on the following Organizational Chart, the authorized staff level by department is:

<u>Department</u>	<u>Authorized Staff Level</u>
Administration	3.00
Information Technology	3.00
Finance	9.00
Engineering	<u>14.00</u> 15.00
Operations	<u>41.00</u> 42.00
Total Authorized Positions	<u>70.00</u> 72.00

With the approval of the General Manager and subject to availability of budget appropriations, promotions, demotions or reclassification of employees may occur within the total staff level authorized above to meet the goals and needs of the District.

Per Ordinance No. 2014-06 Adopted 9/2/14 [Sec. 40.10]
 Per Ordinance No. 2019-05 Adopted 7/1/19 [Sec. 40.11]
 Per Ordinance No. 2021-09 Adopted 7/6/21 [Sec. 40.11]





Recap of Revenues & Source



Valley Center Municipal Water District

Recap of Budget and Source of Financing All Budgeted Funds

	Operating	Debt Service	Capital Projects	Total General	Moosa Wastewater	Woods Valley	WVR Expansion	Total All Funds
ESTIMATED BALANCE, JUNE 30, 2022	\$ 7,368,217	\$ 220,420	\$ 17,125,369	\$ 24,714,007	\$ 2,083,905	\$ 1,665,023	\$ 11,022,974	\$ 39,485,908
RECAP OF EXPENDITURES BY FUNCTION								
General Administration	\$ 926,420			\$ 926,420				\$ 926,420
Information Technology	\$ 1,002,679			\$ 1,002,679				\$ 1,002,679
Finance	\$ 2,712,161	\$ 47,237		\$ 2,759,398			\$ 507,481	\$ 3,266,879
Engineering	\$ 2,055,044			\$ 2,055,044				\$ 2,055,044
Operations & Facilities	\$ 8,040,130			\$ 8,040,130	\$ 1,477,490	\$ 938,493		\$ 10,456,113
Source of Supply	\$ 31,303,161			\$ 31,303,161				\$ 31,303,161
Capital Projects			\$ 6,049,000	\$ 6,049,000	\$ 271,795	\$ 122,795	\$ -	\$ 6,443,590
Total Budgeted Expenditures	\$ 46,039,595	\$ 47,237	\$ 6,049,000	\$ 52,135,832	\$ 1,749,285	\$ 1,061,288	\$ 507,481	\$ 55,453,886
SOURCE OF FINANCING								
Revenues:								
Water Sales	\$ 36,389,000			\$ 36,389,000				\$ 36,389,000
Meter Service Charges/Wastewater Charges	\$ 7,859,000			\$ 7,859,000	\$ 1,877,860	\$ 1,433,054	\$ 2,112,705	\$ 13,282,619
New Connection Sales	\$ 418,050		\$ 1,538,200	\$ 1,956,250				\$ 1,956,250
Other Revenue	\$ 1,038,900			\$ 1,038,900				\$ 1,038,900
Investment Income	\$ 428,800			\$ 428,800				\$ 428,800
Property Taxes			\$ 2,873,000	\$ 2,873,000				\$ 2,873,000
Water Availability Charges	\$ -	\$ 47,237	\$ 525,763	\$ 573,000				\$ 573,000
Clean Water SRF Loan				\$ -				\$ -
Total Revenues	\$ 46,133,750	\$ 47,237	\$ 4,936,963	\$ 51,117,950	\$ 1,877,860	\$ 1,433,054	\$ 2,112,705	\$ 56,541,569
NET REVENUES & EXPENDITURES	\$ 94,155	\$ -	\$ (1,112,037)	\$ (1,017,882)	\$ 128,575	\$ 371,766	\$ 1,605,224	\$ 1,087,683
EXPENDITURES OF CONTINUING PROJECTS	\$ -	\$ -	\$ (4,831,238)	\$ (4,831,238)	\$ (1,321,710)	\$ (114,067)	\$ (7,153,086)	\$ (13,420,101)
TRANSFERS (See page 3-3)	\$ (94,155)	\$ -	\$ 94,155	\$ -	\$ -	\$ -	\$ -	\$ -
ESTIMATED BALANCE, JUNE 30, 2023	\$ 7,368,217	\$ 220,420	\$ 11,276,249	\$ 18,864,887	\$ 890,770	\$ 1,922,722	\$ 5,475,112	\$ 27,153,490



Valley Center Municipal Water District

Recap of Reserves and Fund Balances All Budgeted Funds (Excludes Utility Plant)

	Projected Balance June 30, 2022	Revenues	Expenses	Net Revenues -Expenses	Transfers and Budgeted Additions	Projected Balance June 30, 2023
General Fund						
Operating						
Discretionary Reserves						
- Rate Stabilization	\$ -			\$ -		\$ -
- Pumping Rate Stabilization	\$ -	\$ 2,694,000	\$ (3,142,400)	\$ (448,400)	\$ 448,400	\$ -
- Operating Reserve	\$ 7,368,217			\$ -	\$ -	\$ 7,368,217
Unappropriated Fund Balance	\$ -	\$ 43,439,750	\$ (42,897,195)	\$ 542,555	\$ (542,555)	\$ -
Total Operating	\$ 7,368,217	\$ 46,133,750	\$ (46,039,595)	\$ 94,155	\$ (94,155)	\$ 7,368,217
Debt Service Reserve	\$ 220,420	\$ -	\$ -	\$ -	\$ -	\$ 220,420
Capital Projects Reserves						
- Continuing Projects	\$ 12,622,838		\$ (4,831,238)	\$ (4,831,238)		\$ 7,791,600
- Capacity Charges	\$ 3,119,819	\$ 1,538,200	\$ (1,538,200)	\$ -		\$ 3,119,819
- Capital Improvements	\$ 1,382,712	\$ 4,936,963	\$ (6,049,000)	\$ (1,112,037)	\$ 94,155	\$ 364,830
Total Capital	\$ 17,125,369	\$ 4,936,963	\$ (12,418,438)	\$ (5,943,275)	\$ 94,155	\$ 11,276,249
Total General Fund	\$ 24,714,007	\$ 51,117,950	\$ (58,458,033)	\$ (7,340,083)	\$ -	\$ 18,864,887
Lower Moosa Wastewater	\$ 2,083,905	\$ 1,877,860	\$ (3,070,995)	\$ (1,193,135)	\$ -	\$ 890,770
Woods Valley Expansion	\$ 11,022,974	\$ 2,112,705	\$ (7,660,567)	\$ (5,547,862)	\$ -	\$ 5,475,112
Woods Valley Wastewater	\$ 1,665,023	\$ 1,433,054	\$ (1,175,355)	\$ 257,699	\$ -	\$ 1,922,722
Total All Funds	\$ 39,485,908	\$ 56,541,569	\$ (70,364,950)	\$ (13,823,381)	\$ -	\$ 27,153,490



Valley Center Municipal Water District

General Fund

Revenue Estimate

Fund	Department
01	00

Page 1 of 2

Account No.	Description	2020-21	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
	WATER SALES (ACRE FEET)	@ 17,683	@ 17,000	@ 16,100	@ 16,500
80-41400	Municipal & Industrial	14,656,583	13,630,000	14,094,000	15,006,000
80-41700	Certified Agricultural - SAWR	9,703,820	9,945,000	9,487,000	10,153,000
80-41800	Certified Ag/Domestic - SAWR	8,848,049	9,212,000	7,801,000	8,349,000
80-43502	Construction	146,606	145,000	187,000	187,000
80-45000	Pump Charge	2,419,527	2,525,000	1,992,000	2,694,000
Total Water Sales		35,774,585	35,457,000	33,561,000	36,389,000
80-41007	Additional Living Charge	\$21,843	\$22,000	\$22,000	\$22,000
80-41401	Meter Service Charges	6,083,540	6,651,000	6,453,000	7,071,000
80-41410	Infrastructure Access Charge	665,304	676,000	722,000	766,000
Total Meter Service Charges		6,770,687	7,349,000	7,197,000	7,859,000
82-41000	Water Meters - New	\$236,744	\$315,160	\$559,700	\$356,600
82-43000	Pressure Reducers	4,170	0	0	0
82-44000	Double Check Valves	124,407	32,890	378,900	61,450
Total New Connection Sales		365,321	348,050	938,600	418,050
83-41003	Current Secured	2,542,709	2,630,000	2,727,000	2,782,000
83-42010	Current Unsecured	78,965	83,000	74,300	76,000
83-44010	Homeowners Exemption (HOE)	15,124	15,000	14,900	15,000
83-45050	Current Water Availability Charge	573,117	572,000	574,000	573,000
83-48200	Interest Allocation-Wtr Availability Chg	1,947	0	200	0
83-47000	Prior Unsecured	409	0	14,100	0
83-48000	Interest Allocation	425	0	1,100	0
Total Property Taxes-Other		3,212,696	3,300,000	3,405,600	3,446,000



Valley Center Municipal Water District

General Fund

Revenue Estimate

Fund	Department
01	00

Page 2 of 2

Account No.	Description	2020-21	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
84/85-40001	Investment Income	221,431	153,000	189,000	428,800
86-41790	Delinquent Penalty	0	384,100	393,400	393,000
86-41850	Transfer Fee	7,865	8,000	9,200	9,000
86-42011	Turn On Charge	8,740	34,000	9,100	9,000
86-42100	R.P. Inspection/Svc Fee	188,339	214,000	226,300	226,000
86-42101	R.P. Repairs	23,186	19,000	6,500	7,000
86-43010	Sale of Maps/Copies	0	100	0	100
86-43300	Service Availability Charge	1,274	1,200	2,600	2,600
86-43500	Sale of Surplus	18,210	10,000	12,300	10,000
86-44020	Other	2,024,278	2,900	23,800	2,900
86-44001	Return Check Charge	3,775	4,300	3,900	3,900
86-44002	Lease of Facilities	360,531	360,800	369,100	369,100
86-44004	Escondido Sewer Collection Fee	3,231	3,200	3,500	4,200
86-44005	Escondido Water Service in Lieu	2,066	2,100	2,100	2,100
Total Other Revenue		2,862,926	1,196,700	1,250,800	1,467,700
89-41002	Meter Capacity Charges	384,962	463,550	1,493,443	1,538,200
89-42050	Contributions In Kind	360,228	0	0	0
89-44202	Annex Capital Fees	0	0	0	0
Total Capital Improvement Charges		745,190	463,550	1,493,443	1,538,200
TOTAL REVENUE		49,731,405	48,114,300	47,846,443	51,117,950



Valley Center Municipal Water District

Recap of Budget Expenses All Budgeted Funds

	2020-2021	2021-2022	2022-2023
	Actual	Budget	Estimated Actual
EXPENSE RECAP BY DEPARTMENT			
General Fund			
General Administration	\$714,370	\$890,912	\$868,235
Finance	2,441,695	2,765,847	2,616,664
Information Technology	939,077	975,619	956,902
Engineering	2,816,173	1,949,089	2,035,204
Operations & Facilities	7,266,845	7,744,009	7,701,178
Source of Supply	30,387,380	29,994,742	28,373,970
Total Operating	\$44,565,540	\$44,320,218	\$42,552,152
Capital Projects	4,495,725	9,622,350	3,166,902
Total General Fund	\$49,061,265	\$53,942,568	\$45,719,054
Lower Moosa Wastewater Treatment	1,774,510	2,426,502	2,393,984
Woods Valley Wastewater Expansion	560,513	4,515,938	1,037,454
Woods Valley Wastewater Treatment	819,288	999,315	1,106,743
Total Wastewater	\$3,154,311	\$7,941,755	\$4,538,181
Grand Total	\$52,215,576	\$61,884,323	\$50,257,235
EXPENSE RECAP BY FUNCTION			
General Fund			
Operating	\$44,512,739	\$44,270,758	\$42,502,373
Debt Service	52,801	49,460	49,779
Capital Projects	4,495,725	9,622,350	3,166,902
Total General Fund	\$49,061,265	\$53,942,568	\$45,719,054
Lower Moosa Wastewater Fund			
Operating	1,486,999	1,413,164	1,474,683
Capital Projects	287,511	1,013,338	919,301
Total Lower Moosa Wastewater Fund	1,774,510	2,426,502	2,393,984
Woods Valley Wastewater Fund			
Operating	813,642	846,815	856,028
Capital Projects	5,646	152,500	250,715
Total Woods Valley Wastewater Fund	819,288	999,315	1,106,743
Woods Valley Expansion Fund			
Operating	39,261	62,500	90,000
Debt Service	462,194	453,438	453,438
Capital Projects	59,058	4,000,000	494,016
Total Woods Valley Expansion Fund	\$560,513	\$4,515,938	\$1,037,454
Total Wastewater	\$3,154,311.00	\$7,941,755.00	\$4,538,181.00
Grand Total	\$52,215,576	\$61,884,323	\$50,257,235



Valley Center Municipal Water District

History of Water Purchased and Sold 1988-1989 through 2022-2023

WATER PURCHASED - Acre Feet

YEAR	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL													
89-90	7,076.1	6,686.1	6,255.6	4,890.2	4,777.0	4,419.5	1,513.3	1,022.5	2,823.6	2,914.4	5,126.0	5,030.5	52,534.8													
90-91	7,407.1	6,803.4	6,949.6	6,123.1	4,273.9	3,740.2	2,299.9	3,266.8	348.5	1,680.7	3,646.1	3,814.9	50,354.2													
91-92	4,479.1	4,623.0	4,713.1	4,888.7	3,789.4	1,930.6	1,368.9	1,091.8	388.6	2,260.8	3,954.0	4,799.5	38,287.5													
92-93	5,922.2	6,130.2	5,936.6	4,648.7	3,432.6	979.0	516.5	132.2	1,056.5	2,710.5	4,080.8	3,968.5	39,514.3													
93-94	4,588.9	4,934.7	4,582.2	3,899.8	2,132.8	1,571.9	2,406.0	385.0	877.1	1,873.0	2,171.8	4,375.4	33,798.6													
94-95	4,829.2	5,447.0	4,745.3	3,869.4	2,104.8	1,921.0	181.1	737.6	393.0	1,522.1	1,915.2	3,060.5	30,726.2													
95-96	4,615.4	5,329.8	5,214.9	3,891.6	2,899.9	1,982.8	1,876.6	524.4	1,091.5	3,113.5	3,964.4	4,317.2	38,822.0													
96-97	5,286.9	5,563.8	4,729.4	4,121.5	1,862.7	693.3	237.7	1,142.5	2,994.2	3,334.2	4,490.8	4,286.9	38,743.9													
97-98	4,992.9	5,537.3	4,321.1	3,838.6	2,068.6	896.8	641.6	207.2	871.0	1,027.3	1,470.5	3,327.7	29,200.6													
98-99	5,054.0	5,587.1	4,666.7	4,102.4	2,375.3	1,568.2	2,220.3	1,459.1	2,200.5	2,182.5	3,755.1	4,023.9	39,195.1													
99-00	5,304.4	5,552.4	4,833.7	5,544.5	3,993.3	3,888.1	2,911.9	1,374.0	1,899.2	3,341.9	4,615.7	5,290.8	48,549.9													
00-01	5,888.9	6,364.2	5,683.8	3,911.5	3,090.6	3,846.9	1,680.8	978.0	1,386.0	2,227.3	4,383.2	5,156.3	44,597.5													
01-02	5,533.3	5,998.9	5,298.0	5,070.1	2,910.0	1,441.5	3,044.3	3,216.4	3,204.0	3,655.7	4,747.0	5,403.1	49,524.1													
02-03	5,995.0	6,024.9	5,877.3	4,586.9	3,014.9	1,713.3	3,207.5	1,489.0	1,277.3	2,547.1	3,783.6	4,158.0	43,674.8													
03-04	6,061.1	6,467.7	5,766.5	5,517.0	2,922.9	2,742.6	3,178.0	1,282.9	3,201.1	3,978.4	5,740.7	5,322.7	52,181.6													
04-05	6,222.8	5,973.1	6,053.1	2,872.2	1,183.1	1,812.0	478.4	659.4	894.3	3,288.1	4,018.9	4,649.2	38,104.6													
05-06	5,837.3	5,835.5	5,302.0	3,708.3	3,950.8	3,642.9	2,744.7	2,464.8	624.6	1,512.7	3,804.0	5,339.3	44,766.9													
06-07	6,593.1	5,778.2	5,751.0	4,292.3	4,387.2	2,021.6	3,654.3	1,247.2	3,348.2	3,449.4	4,822.0	5,166.9	50,511.4													
07-08	5,805.6	5,975.0	5,176.6	4,768.7	3,707.3	880.7	596.8	464.4	2,139.8	3,134.1	2,895.5	3,955.3	39,499.8													
08-09	4,226.7	4,204.1	3,923.1	4,106.1	2,809.0	1,035.2	1,822.3	827.7	2,387.7	2,863.2	3,542.7	3,041.3	34,781.0													
09-10	4,133.6	4,234.1	4,257.0	3,334.0	2,853.2	833.2	927.4	289.8	1,442.2	1,249.6	2,772.4	3,195.9	29,522.4													
10-11	3,631.9	3,860.2	3,696.5	1,833.6	1,597.5	1,122.0	1,057.6	991.0	695.9	1,830.7	2,424.4	2,932.9	25,674.2													
11-12	3,716.7	3,731.7	3,379.6	2,694.2	1,050.4	1,490.1	1,847.9	1,557.1	1,170.6	1,419.9	2,518.5	3,145.9	27,722.6													
12-13	3,528.0	3,966.9	3,621.2	2,857.9	2,217.7	874.7	1,177.6	960.7	1,726.5	2,420.3	2,716.1	3,170.2	29,237.8													
13-14	3,301.1	3,333.3	3,299.3	2,223.1	1,717.7	1,776.9	2,369.7	1,719.5	1,418.0	2,270.1	3,197.4	2,980.5	29,606.6													
14-15	3,246.9	3,125.7	3,303.5	2,968.0	2,004.6	569.0	1,124.1	1,541.4	1,845.7	2,214.3	1,401.2	2,253.7	25,598.1													
15-16	1,903.3	2,491.5	1,956.2	1,869.2	1,508.4	993.7	620.7	1,387.2	1,205.0	1,519.0	1,732.2	2,470.3	19,656.7													
16-17	2,798.2	2,734.0	2,246.7	2,230.4	1,671.4	761.7	276.1	337.7	1,226.1	1,941.4	1,617.2	2,378.1	20,219.0													
17-18	2,617.1	2,535.1	2,364.3	2,362.0	1,775.6	1,873.7	1,152.4	1,263.8	690.7	1,803.2	1,888.4	2,199.9	22,526.2													
18-19	2,847.7	2,627.3	2,278.2	1,690.3	1,544.0	541.2	430.7	289.1	490.6	1,506.8	1,049.4	1,871.0	17,166.3													
19-20	2,278.7	2,440.2	2,197.7	2,026.5	1,242.9	301.5	697.2	965.9	409.7	585.7	1,738.2	1,799.6	16,683.8													
20-21	2,154.8	2,354.6	2,395.0	2,061.5	1,254.8	1,211.1	796.8	822.7	674.3	1,509.4	1,690.1	1,936.7	18,861.8													
21-22	2,038.5	2,105.2	1,830.4	1,237.0	1,513.9	601.2	860.9	1,094.1	896.2	1,369.1	1,650.0	1,935.3	17,130.0													
22-23	2,150.0	*	2,292.0	*	2,339.0	*	1,909.0	*	1,798.0	*	1,108.0	*	723.0	*	649.0	*	537.0	*	956.0	*	1,394.0	*	1,695.0	*	17,550.0	*

AVERAGE FIRST 6 MONTHS 21,728.6
62.08%

AVERAGE LAST 6 MONTHS

13,271.4 35,000.0
37.92% 100.00%

WATER SOLD - Acre Feet

YEAR	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
89-90	6,311.7	6,279.5	6,257.1	5,351.0	4,596.1	3,906.8	2,255.1	1,326.8	1,439.2	2,924.5	3,886.8	4,002.6	48,537.2
90-91	6,273.1	6,243.0	6,415.6	6,045.7	4,939.7	3,333.2	2,262.9	3,139.4	1,257.4	655.9	2,588.9	3,513.9	46,668.7
91-92	3,822.2	3,846.7	4,740.0	4,562.5	3,654.4	2,866.6	903.4	1,506.6	520.4	767.3	3,430.0	3,767.7	34,387.8
92-93	5,311.0	5,527.2	5,529.9	5,729.0	3,298.1	2,094.3	431.0	205.4	542.8	1,535.3	3,510.5	3,410.2	37,124.7
93-94	4,614.4	4,227.5	4,591.6	3,928.3	3,023.5	1,496.8	2,430.7	867.6	748.7	1,267.2	1,451.7	3,156.4	31,804.4
94-95	4,800.7	4,564.8	5,130.8	3,947.2	2,779.1	2,094.3	695.8	395.4	486.5	1,040.1	1,321.5	2,507.6	29,763.8
95-96	3,908.3	4,394.7	5,697.9	3,850.9	3,126.2	2,459.2	2,078.4	694.7	541.8	2,060.1	3,680.3	3,802.5	36,295.0
96-97	4,607.2	5,026.2	5,376.3	3,826.9	3,022.0	800.9	397.7	578.3	1,970.9	2,985.4	3,855.3	4,209.7	36,656.8
97-98	4,566.5	4,809.3	5,163.0	3,338.3	3,304.4	802.0	973.2	355.9	438.1	618.9	1,375.8	2,261.1	28,006.5
98-99	4,137.4	4,973.8	5,283.6	4,042.6	2,970.1	1,545.2	2,462.3	956.0	2,061.6	1,668.0	3,039.8	3,541.7	36,682.1
99-00	4,654.8	4,919.7	5,376.5	4,827.9	4,508.1	3,480.2	3,424.3	2,413.0	809.4	3,105.6	3,574.2	4,922.9	46,016.6
00-01	5,008.6	6,061.1	5,868.0	4,349.5	2,985.2	3,428.2	2,969.7	1,191.4	483.0	1,754.6	3,348.5	4,554.9	42,002.7
01-02	4,893.5	5,664.6	5,568.1	4,774.4	4,237.6	1,675.2	2,075.0	3,069.6	3,309.7	2,917.2	3,909.2	5,053.2	47,147.3
02-03	5,110.0	6,081.5	5,590.0	5,187.1	3,374.5	2,681.1	1,915.4	2,787.0	508.3	2,292.3	2,483.5	4,059.9	42,070.6
03-04	4,858.7	6,156.9	5,823.1	5,130.8	4,085.7	2,947.0	2,484.3	2,428.3	1,715.0	3,488.0	4,821.4	5,396.8	49,336.0
04-05	5,156.8	5,801.5	6,036.9	4,961.1	1,018.2	1,434.1	1,013.1	690.3	563.6	2,114.7	2,785.1	4,514.3	36,089.7
05-06	4,910.9	5,389.9	5,646.3	4,597.6	2,952.1	3,787.6	2,412.1	2,157.4	1,245.5	765.4	2,615.6	4,247.7	40,728.1
06-07	5,550.1	6,036.5	5,807.0	4,504.7	4,066.5	3,266.8	2,569.9	2,664.1	1,876.4	3,252.9	3,744.2	4,746.0	48,085.1
07-08	4,994.6	5,759.9	5,684.4	4,293.7	4,234.4	2,140.2	986.1	277.6	913.4	2,480.1	3,236.7	2,635.1	37,636.2
08-09	3,884.3	3,956.4	3,871.8	3,878.8	3,322.6	1,944.4	1,012.1	1,461.0	1,165.6	2,392.0	3,205.4	2,919.7	33,014.1
09-10	3,358.6	4,022.6	4,170.3	3,545.3	2,920.4	1,782.5	1,172.9	331.0	371.0	1,747.8	1,595.8	2,819.1	27,837.3
10-11	3,213.1	3,337.8	3,857.1	3,205.7	1,337.5	1,319.3	517.3	1,405.7	529.8	1,017.3	2,091.4	2,310.2	24,142.2
11-12	3,388.5	3,221.0	3,732.9	2,705.0	1,896.2	1,128.4	1,809.4	1,412.2	1,390.1	1,019.2	1,500.6	2,887.0	26,090.5
12-13	3,005.0	3,534.6	3,628.8	3,185.0	2,462.3	1,658.4	700.8	1,062.1	1,087.2	1,897.9	2,309.9	2,838.9	27,370.9
13-14	3,197.2	3,029.9	3,297.4	2,706.0	1,999.9	1,343.3	1,962.3	2,117.6	1,206.5	1,813.5	2,590.9	2,817.6	28,082.1
14-15	3,066.4	3,086.2	3,048.6	3,051.5	2,325.7	1,211.5	677.7	1,309.4	1,109.0	2,236.9	1,951.8	1,436.7	24,511.4
15-16	2,252.4	1,748.7	2,356.2	1,676.8	1,613.3	1,410.9	601.2	844.1	1,150.6	1,489.2	1,422.1	1,802.2	18,369.5
16-17	2,766.8	2,436.2	2,558.9	2,087.6	2,020.2	1,252.9	323.5	269.5	388.7	1,538.4	1,571.4	2,025.1	19,239.2
17-18	2,449.0	2,245.4	2,661.5	1,965.0	2,022.6	1,885.3	1,308.2	1,424.5	692.7	1,090.0	1,687.4	2,066.3	21,497.9
18-19	2,181.1	2,666.1	2,436.2	1,671.3	1,801.7	820.9	462.3	316.7	207.2	863.5	1,414.3	1,275.0	16,116.3
19-20	1,762.5	2,425.8	2,184.8	1,827.0	2,100.9	418.8	467.8	738.8	670.2	266.5	1,174.6	1,653.2	15,690.9
20-21	1,940.2	2,052.4	2,269.6	2,295.2	1,337.0	1,259.2	1,068.1	528.8	723.2	1,163.5	1,343.9	1,701.6	17,682.7
21-22	1,996.3 *	1,822.5 *	2,041.6 *	1,461.9 *	1,188.7 *	1,260.6 *	473.6 *	987.1 *	822.0 *	1,090.6	1,388.7	1,566.4 *	16,100.0 *
22-23	2,026.0 *	2,154.0 *	2,198.0 *	1,795.0 *	1,690.0 *	1,042.0 *	680.0 *	611.0 *	504.0 *	900.0 *	1,310.0 *	1,590.0 *	16,500.0 *

AVERAGE FIRST 6 MONTHS 21,668.8
66.23%

AVERAGE LAST 6 MONTHS

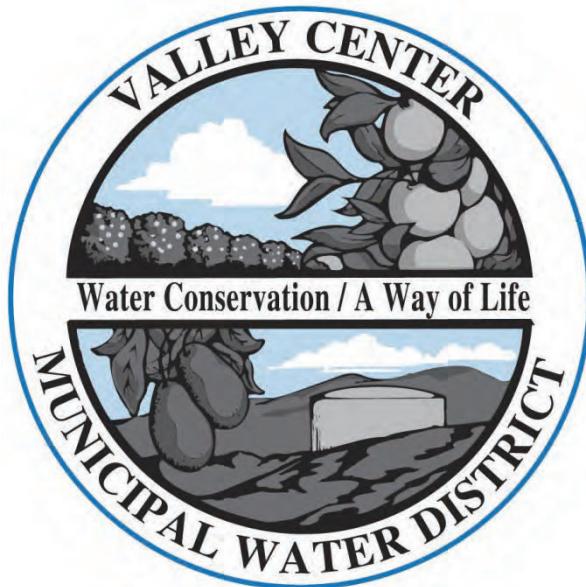
11,046.3 32,715.1
33.77% 100.00%

*ESTIMATED

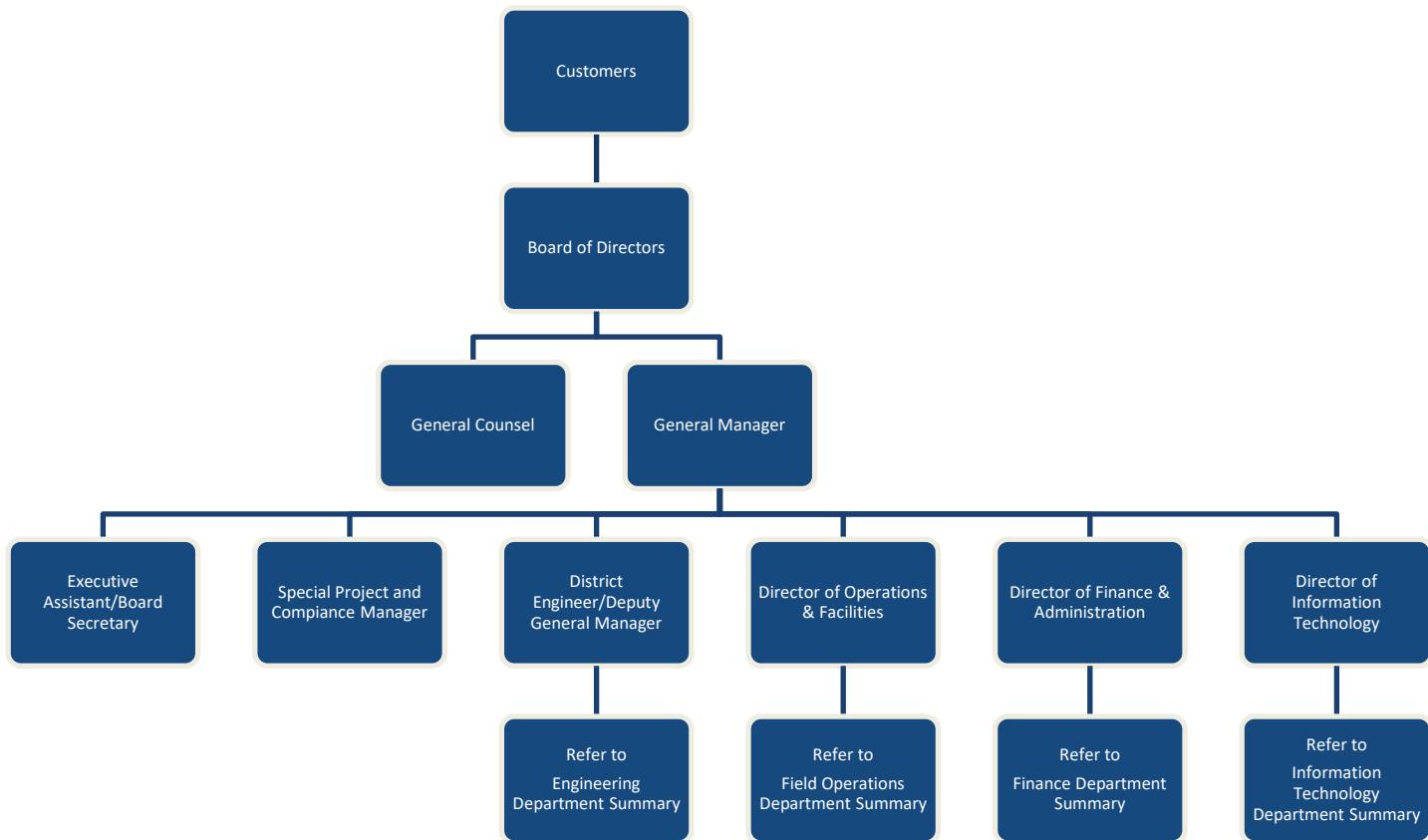


Valley Center Municipal Water District

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General Administration



Personnel Requirements (FTE's)

	Actual FY 2021-22	Budget FY 2021-22	Proposed FY 2022-23
General Manager	1.0	1.0	1.0
Executive Assistant/Board Secretary	1.0	1.0	1.0
Special Project and Compliance Manager	1.0	1.0	1.0
Total	3.0	3.0	3.0



DEPARTMENT DESCRIPTION

The General Administrative Department provides leadership for the entire agency. It is charged with and responsible for the long-term visioning and planning for the agency as well as overall management of all District activities and programs in compliance with Board direction and policy. All the efforts of the General Administrative Department are aimed toward fulfilling the District's mission to **"Ensure Customer Satisfaction Through Quality Service at the Lowest Possible Cost,"** and at all times, **"Meets"** or **"Exceeds"** customer expectations.

Fiscal Year 2021-2022 Recent Accomplishments & Performance Indicators	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Worked with the San Diego County Water Authority Board and staff and the San Diego County Farm Bureau to secure and extension of the TSAWR to PSAWR period and oversaw completion of the transition.				✓			
Worked with key staff to establish, implement and modify workplace protocols to deal with the ongoing operational and fiscal impacts of the COVID-19 Pandemic.				✓			
To continue forward with CIP during the COVID-19 Pandemic, implemented a phased approach to funding capital projects reflecting the ongoing financial uncertainty associated with the pandemic.				✓			
Oversaw development and implementation of several technological projects, including AMI, CMMS, and WaterSmart as well as completion of the 2020 Urban Water Management Plan Update and the American Water Infrastructure Assessment Report.					✓		
Participated in advocacy workgroups to provide input on Water Use Efficiency Regulations (SB 606 and AB 1668), Water Loss Regulations (SB 555) and California Air Resources Board All Clean Fleets Rule.		✓					
Oversaw development and adoption of the new Backflow Fee Structure and Inactive Meter Service Charge Structure.					✓		
Continued to work toward implementation of four new Photovoltaic Solar Array Projects, Corporate Facility, and Lower Moosa Canyon WRF, as recommended in the 2019, "Comprehensive Energy Program Analysis and Strategic Plan."						✓	

DEPARTMENT PERFORMANCE STANDARDS

Strategic Plan Goal	Standard No.	Performance Standard Description	Trend	Annual Target/Goal	Calendar Year		
					2020 Actual	2021 Actual	2022 Projection
Water Supply	1	Customer Satisfaction	•••••	>95%	100%	100%	≥95%

* See page 1-23 of this Budget document for the full Strategic Plan.



Fiscal Year 2022-2023 Goals & Objectives	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Continue to control and where possible reduce local costs through technology, including implementation of electronic asset management and data deployment systems.				✓			
Continue to advocate for cost and rate control at the wholesale level and seek to maintain appropriate pricing and support programs for agriculture within the MWD and SDCWA service areas.				✓			
Where appropriate, monitor and participate in any CPUC proceedings, including rate activities of SDG&E and Net Energy Metering (NEM -3), on issues which have the potential to directly or indirectly impact the District's operations.						✓	
Communicate to District customers the importance of continuing water efficient practices and alerting them to the impacts of new and proposed state legislation and regulations.		✓					
Seek to secure funds from state and federal sources (State SRF and Federal Bureau of Reclamation) sufficient to help support the Capital Improvement Projects identified for construction in Fiscal Year 2022-2023, based upon the updated Water System Master Plan as set forth in the 2019 Long Range Financial Strategy.		✓		✓			
Monitor, oversee, and complete transition from AMR to AMI – based Metering Reading, including the implementation of the WaterSmart customer portal access.				✓			
Oversee the Computerized Maintenance Management System (CMMS) Phase 3 implementation.					✓		
Monitor, oversee, and guide the evaluation of a future ERP System for implementation in Fiscal Year 2022-2023 or Fiscal Year 2023-2024.				✓	✓		
Maintain and, where possible, enhance the efficiency of the organization by seeking out and implementing current technology and new methods to manage, operate and maintain the water and wastewater systems as cost-effectively as possible while maintaining safe, reliable and responsive service at all times.		✓		✓	✓	✓	
Implement a CIP program based on the updated Water Master Plan, and supported by the updated Long-Range Financial Strategy, reflective of the financial uncertainties associated with COVID-19.			✓	✓			
Act and advocate to preserve local financial resources for local purposes and oppose efforts by the state to impose water fees and taxes directly on the District's customer base.		✓					
Advocate and protect appropriate wholesale revenue and rate equity for all customer classes.				✓			
Through proper staffing and expertise levels, focused training, and securing appropriate technological capabilities and capacities, maintain effective levels of service and cost control.		✓		✓			
Continue to prepare and advocate for reasonable implementation of Long-term Water Use Efficiency and Water Supply and Contingency Planning (SB 606 & AB 1668).		✓					
Continue to prepare and advocate for reasonable implementation of Water Loss Regulation (SB 555).		✓					
Re-assess the District's long-term Corporate Facility needs and identify options and relative feasibility regarding expanded development of the existing site and Lilac Road Property		✓					
Implement the vision, adopted policies and adopted Strategic Plan of the Board of Directors.		✓	✓	✓	✓	✓	✓
Oversee, monitor and assist all District departments in pursuing and meeting the Board's vision, adopted policies and Strategic Plan Goals and Performance Measurements.		✓	✓	✓	✓	✓	✓
Plan for the overall future and direction of the agency considering the potential impacts of a rapidly expanding and changing customer base.		✓	✓	✓	✓	✓	✓



Long-Term Goals & Objectives	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Implement the vision, adopted policies and adopted Strategic Plan of the Board of Directors.		✓	✓	✓	✓	✓	✓
Oversee, monitor and assist all District departments in pursuing and meeting the Board's vision, adopted policies and Strategic Plan Goals and Performance Measurements.		✓	✓	✓	✓	✓	✓
Plan for the overall future and direction of the agency considering the potential impacts of a rapidly expanding and changing customer base.		✓	✓	✓	✓	✓	✓
Enhance the efficiency of the organization by seeking out and implementing current technology and new methods to manage, operate and maintain the water and wastewater systems as cost-effectively as possible while maintaining safe, reliable and responsive service at all times.		✓		✓	✓	✓	
Develop and implement a CIP Program based on the updated 2019 Water Master Plan, and supported by the 2019 Long-Range Financing Plan.			✓	✓			
Act and advocate to preserve local financial resources for local purposes and oppose efforts by the state to impose water fees and taxes directly on the District's customer base.		✓					
Advocate and protect appropriate wholesale revenue and rate equity for all customer classes.				✓			
Oversee the implementation of Long Term Water Use Efficiency Measures and continue to monitor the impact of drought and climate change measures upon the District		✓		✓			
Utilize technology to digitally communicate with customers and enhance customer engagement					✓		

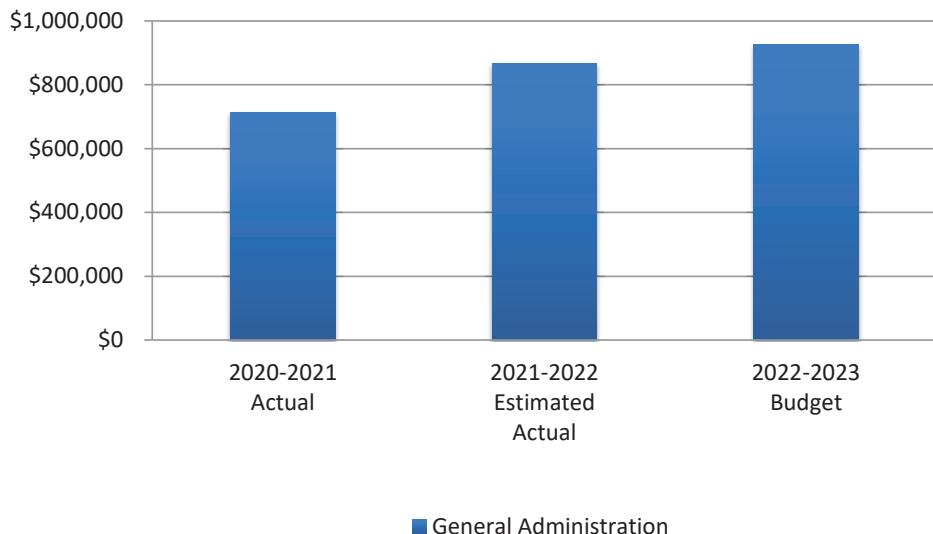


Department Summary by Division

Fund	Department
01	01

Division No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
01	General Administration	714,370	890,912	868,235	926,420
	TOTAL GENERAL ADMINISTRATION	714,370	890,912	868,235	926,420

Division Expenses





Valley Center Municipal Water District

General Administration

Division Summary by Expense Category

Fund	Department	Division
01	01	01

Account No.	Description	2020-2021	2021-2022	2022-2023
		Actual	Budget	Estimated Actual
50001	Labor and Benefits - Regular	445,674	555,000	602,203
50003	Overtime	61	1,000	1,000
50010	Training & Education	1,177	1,000	1,000
50011	Uniform Allowance	388	750	500
50025	Outside Professional Services	110,228	135,500	90,000
50026	Legal Services	89,508	95,000	95,000
50028	Printing	64	1,000	750
50029	Books & Subscriptions	990	1,000	1,000
50030	Special Department Expenses	14,164	17,250	13,000
50031	Grant Related Expenses (Wellness)	197	2,000	0
50033	Postage	1,521	7,750	10,570
50034	Membership Fees & Dues	33,095	32,200	32,000
50035	Directors' Fees	9,550	12,000	9,750
50036	Directors' Travel & Expenses	1,125	6,000	3,000
50037	Transportation, Meals & Travel	1,616	10,000	5,000
50039	Public Information and Notices	6,666	10,000	11,500
50083	Unclassified - Contingency Fund	4,861	20,000	10,000
50184	Water Conservation Program	0	0	0
50189	LAFCO Budget Assessment	30,216	32,000	30,500
50454	Maintenance of Equipment	313	500	500
50991	Expense Credit	(37,044)	(49,038)	(49,038)
Total		714,370	890,912	868,235
				926,420



Valley Center Municipal Water District

General Administration

Division Detail

Fund	Department	Division	Total Budget Request
01	01	01	\$926,420

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular Full-Time Equivalents	619,200
50003	Overtime	1,000
50010	Training & Education Allocation from General Administration Training 01-02-18 Page 6-8A	1,000
50011	Uniform/Clothing/Shoes Uniform Allowance	750
50025	Outside Professional Services Federal Representation Energy Consultation	120,500
50026	Legal Services General Counsel's Services	70,000
50028	Printing Forms and Business Cards Miscellaneous	1,000
50029	Books & Subscriptions Books, newspapers, periodicals and pamphlets	1,000
50030	Special Department Expenses Service Recognition Awards and Pins Employees Retirement and Appreciation Awards Suggestion Awards Awards Presentation Luncheon Staff Meeting Supplies District Contribution - VCEA Events Manager's Employee of the Year Award/Plaque Employee of the Quarter Awards Miscellaneous & Office Supplies Notary Supplies	17,250
50031	Grant Related Expenses Wellness Grant District Contribution	2,000



Valley Center Municipal Water District

General Administration

Division Detail

Fund	Department	Division
01	01	01

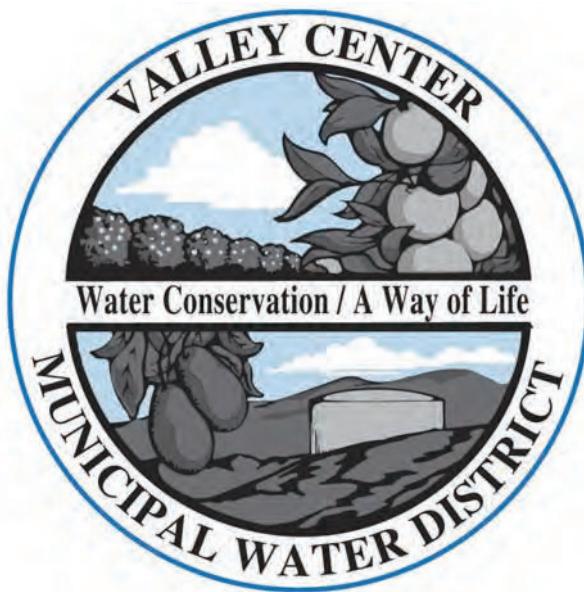
Account No.	Detail and Justification	Budget Request
50033	Postage	7,900
	General Correspondence	6,000
	Bill Insert Postage	500
	Post Office Box Fees	450
	Postage Chip Update	300
	Postage Machine Supplies	300
	Business Reply - Customer Comment Cards	100
	Permit #2 Business Reply	250
50034	Membership Fees & Dues	31,900
	Association of California Water Agencies	25,000
	American Water Works Association	4,000
	California Water Efficiency Partnership	2,100
	California Farm Water Coalition	250
	Valley Center Chamber of Commerce	150
	California Special Districts Association	150
	Farm Bureau, San Diego County	100
	Valley Center Business Association	100
	Auto Club	50
50035	Directors' Fees	12,000
50036	Directors' Travel & Expense	6,000
	Conferences/Seminars/JPIA Mtgs/ACWA Region 10	
50037	Transportation, Meals & Travel, FastTrak	10,000
	Conferences and Meetings	10,000
50039	Public Information and Notices	11,500
	Water Use Efficiency Communications	3,500
	Customer Information Material	2,500
	Display Boards - Upkeep/revisions	2,000
	Legal/Public Notices	3,000
	Miscellaneous	500
50083	Unclassified - Contingency Fund	20,000
50090	Government Relations/Staff Augmentation	



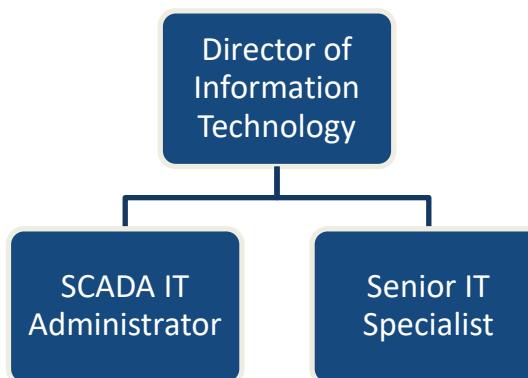
Division Detail

Fund	Department	Division
01	01	01

Account No.	Detail and Justification	Budget Request
50184	Water Conservation Program	13,400
	California Water Efficiency Partnership	2,100
	Water Conservation Materials	2,400
	WaterSMART Field Services Program	2,700
	Landscape Irrigation Classes	400
	California Urban Water Conservation Counsel Dues	1,200
	Printing	1,300
	Public Outreach	1,300
	Water Education Programs -	
	Poster Contest	1,000
	School Program	1,000
50189	Local Agency Formation Commission (LAFCO)	32,000
	Budget Assessment	32,000
50454	Maintenance of Equipment	500
	Adding Machines, Transcriber, Postage Machine, Board Room Recorder and Assistive Listening Device	
50991	Expense Credit	(52,480)
	Reimbursement from Sewer Funds for Administrative Overhead	



Information Technology



Personnel Requirements (FTE's)

	Actual FY 2021-22	Budget FY 2021-22	Proposed FY 2022-23
Director of Information Technology	1.0	1.0	1.0
SCADA/IT Systems Administrator	1.0	1.0	1.0
Senior IT Specialist	0.5	1.0	1.0
IT Specialist	0.5	0.0	0.0
Total	3.0	3.0	3.0

DEPARTMENT DESCRIPTION

The Information Technology Department provides comprehensive technology planning, development, integration, operation, and support to all areas of the District to maximize efficiency. This includes network communications infrastructure throughout the District, servers and workstations, mobile devices, database systems, data storage, telecommunications, and video surveillance security systems.

The 2019 Water Master Plan Update identified over \$77 million of repairing and replacement capital projects. Many of these projects require the integration of technology with existing systems while minimizing downtime during the deployment and conversion process. IT has invested in training of in-house personnel to program and integrate the deployment of SCADA components. This provides an extensive in-house knowledge base for District's process control systems that are continuously being improved. The challenge is to implement the changes quickly and cost effectively while providing reliable and continuous system operation. As the lifecycle of systems installed in the previous years is starting to end, additional personnel time will need to be allocated to upgrade the software and replace the components near the end of the lifecycle, which will continuously present a challenge due to the ever-increasing amount of technology and devices present in the District.

To enhance efficiency and improve data processing activities, staff has deployed various data processing systems such as computerized asset maintenance and management, electronic signatures, automated meter reading, and provided customers a new customer portal for enhanced visibility to their water usage. Work continues to enhance these systems and to start deploying a new Enterprise Resource Planning (ERP) software that will offer the District significantly better capabilities with financial processing and reporting.



Valley Center Municipal Water District

Information Technology

Fiscal Year 2021-2022 Recent Accomplishments & Performance Indicators	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Electronic Document Signing platform was implemented for District-wide use. This provides the District a much more efficient method in collecting signatures on applications and other documents electronically.					✓		
GIS staff has deployed web maps and user portals within the software, and GIS databases and maps have been integrated with the Asset Management System. The system is being continuously enhanced and actively used by District personnel.					✓		
The District implemented a new customer account portal based on Watersmart platform. The system provides customers the online tools to monitor their water usage based on high-resolution data from the Advanced Metering Infrastructure system and pay their bills online.					✓		
Customers can view their bill information and pay their bills over the internet. As of May 18, 2022, there are approximately 6,152 customer accounts registered and utilizing the system, of which 1,340 have elected to no longer receive paper bills in the mail.					✓		
Staff completed the deployment of Advanced Metering Infrastructure (AMI) technology to measure, collect, and analyze real-time data from customers' water meters. The system uses the existing District-wide wireless communication infrastructure to transfer the data from the AMI collector systems that are deployed at remote facilities.					✓		
Wireless network communications infrastructure is now operational at all major facilities, which extends network coverage to 67 remote sites, including several solar generating sites. The network is being continuously enhanced with faster and more reliable radio technology.					✓		
SCADA Human Machine Interface (HMI) software has been upgraded at Moosa Water Reclamation Facility. The system replaced an older control software and allows better access from a modern user interface.					✓		
Staff continues to deploy new IP network-based high definition video surveillance technology to local and remote facilities. The technology has been deployed at corporate offices as well as 55 remote sites. The system consists of high definition multi-megapixel cameras that include full night vision, AI-based event tracking and notification, and continuous local and remote recording capabilities. The system allows remote site monitoring by operations personnel 24 hours a day.					✓		
Staff deployed the first phase of a new asset management system with second phase development in progress. The system integrates with the District's GIS system and provides remote workers the ability to view and enter data remotely from the field. Completed modules include: Assets/Inventory, Water Distribution Maintenance, Dig Alerts, Service and Work Orders, Inspections, Workflows, and standard report templates.					✓		
Staff upgraded Boardroom Audio/Video presentation system to high definition, and developed and deployed a new live streaming platform to broadcast Board meetings using multiple switched cameras and scenes with presentation inserts. The system is also integrated with WebEx Meetings platform.					✓		

* See page 1-23 of this Budget document for the full Strategic Plan.



Valley Center Municipal Water District

Information Technology

Fiscal Year 2022-2023 Goals & Objectives	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Continue GIS expansion, enhancement, and utility – Ongoing Effort					✓		
Staff is continuing to upgrade SCADA industrial control system (ICS) software District-wide. Staff has completed SCADA control system software upgrades at the water reclamation facilities, with Woods Valley WRF completed in Fiscal Year 2017-18, Moosa WRF upgrade completed in 2021-22, and the water control system in the corporate office scheduled for upgrade starting 2022-23 and beyond.					✓		
Staff will start implementing a new Enterprise Resource Planning (ERP) software that will meet the needs of the District and start the implementation during Fiscal Year 2022-23. The new software will provide better data integration across different modules and outside systems resulting in better operating efficiencies, improve payment processing activities, and provide enhanced financial reporting capabilities.					✓		
Staff will continue to implement asset management system that supports mobile users, have better usability, and integrates with existing GIS, financial, and other databases in the District. The first phase of deployment has been completed, subsequent phases will continue throughout 2022-2023, with full data deployment capabilities scheduled to be implemented during the following fiscal years.					✓		

Long-Term Goals & Objectives	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Evaluate and incorporate new technologies which increase organizational efficiency, reduce costs and wherever possible, enhance customer satisfaction.					✓		

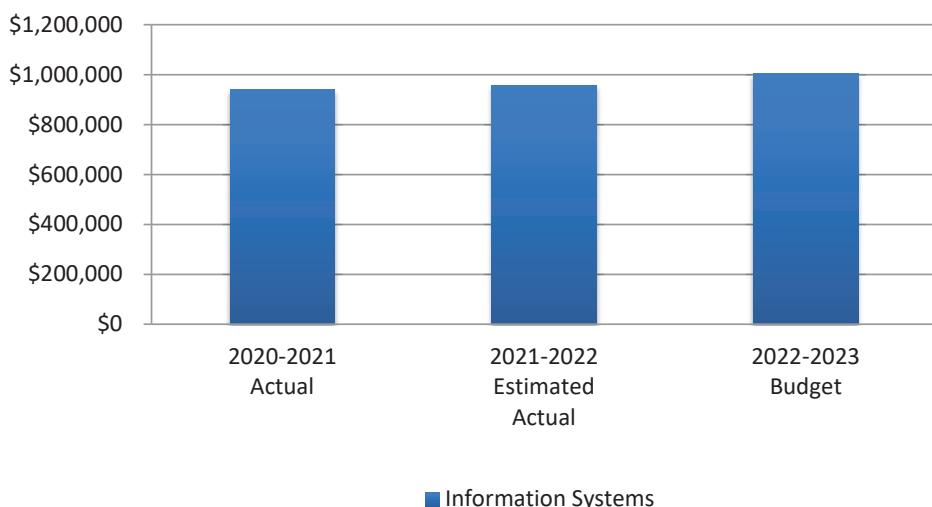


Department Summary by Division

Fund	Department
01	05

Division No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
13	Information Systems	939,077	975,619	956,902	1,002,679
TOTAL INFORMATION SYSTEMS		939,077	975,619	956,902	1,002,679

Division Expenses





Division Summary by Expense Category

Fund	Department	Division
01	05	13

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	805,031	796,300	793,878	771,100
50003	Overtime	1,469	4,500	2,000	4,500
50010	Training & Education	265	3,500	500	3,500
50011	Uniform Allowance	1,008	1,020	1,015	1,020
50025	Outside Professional Services	1,884	5,000	2,000	5,000
50028	Printing	31,843	36,000	36,000	37,000
50029	Memberships & Subscriptions	195	200	260	260
50030	Special Department Expenses	19,352	26,500	26,000	27,000
50032	Telephone and Communications	16,593	24,000	18,000	24,000
50037	Transportation, Meals & Travel	0	500	150	500
50040	Rents and Leases	12,586	13,300	13,100	13,600
50341	Hazardous Waste Disposal Cost	0	500	200	500
50454	Maintenance of Equipment	28,239	33,000	33,000	33,500
50469	Maintenance Agreements & Contracts	72,711	85,000	84,500	138,000
50991	Expense Credit	(52,099)	(53,701)	(53,701)	(56,801)
Total		939,077	975,619	956,902	1,002,679



Division Detail

Fund	Department	Division	Total Budget Request
01	05	13	\$1,002,679

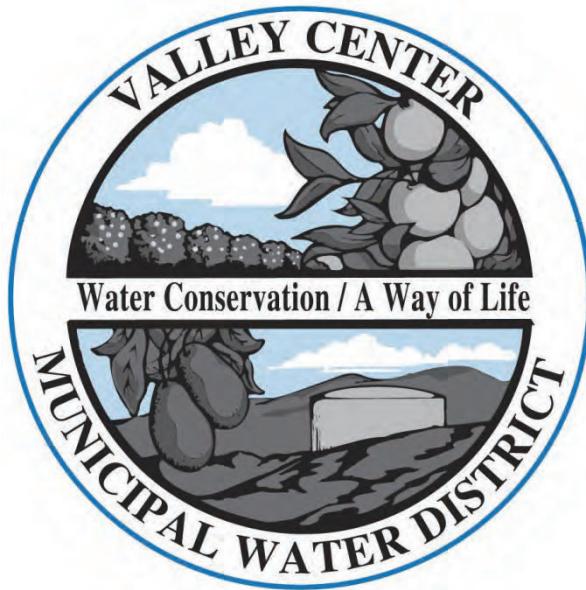
Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular Full-Time Equivalents	771,100
50003	Overtime	4,500
50010	Training & Education Allocation from General Administration Training 01-02-18 Page 6-8A	3,500
50011	Uniform Allowance	1,020
50025	Outside Professional Services	5,000
50028	Printing	37,000
50029	Memberships & Subscriptions	260
50030	Special Department Expenses Computer Workstation Replacements Software and Hardware Infrastructure Upgrades	27,000
50032	Telephone and Communications	24,000
50037	Transportation, Meals & Travel	500
50040	Rents and Leases Backup Tape Archive Storage Repeater Site	13,600
50341	Hazardous Waste Disposal Costs	500
50454	Maintenance of Equipment Server Repair Workstation and Laptop Repair Printer Repair Network Infrastructure Repair Telephone Equipment Repair Facsimile Machines SCADA Infrastructure Fire Suppression System Video Surveillance Repair Miscellaneous Radio Repeaters	33,500



Division Detail

Fund	Department	Division
01	05	13

Account No.	Detail and Justification	Budget Request
50469	Maintenance Agreements and Contracts	138,000
	ERP System	85,000
	Antivirus	3,500
	Firewall and VPN	6,000
	Network Management Systems	4,500
	Content Filtering	2,000
	Backup and Data Storage	4,000
	Phone System	9,000
	Website Content Management	2,000
	Asset Management System	22,000
50991	Expense Credit	(56,801)
	Reimbursement from Sewer Funds for Administrative Overhead	

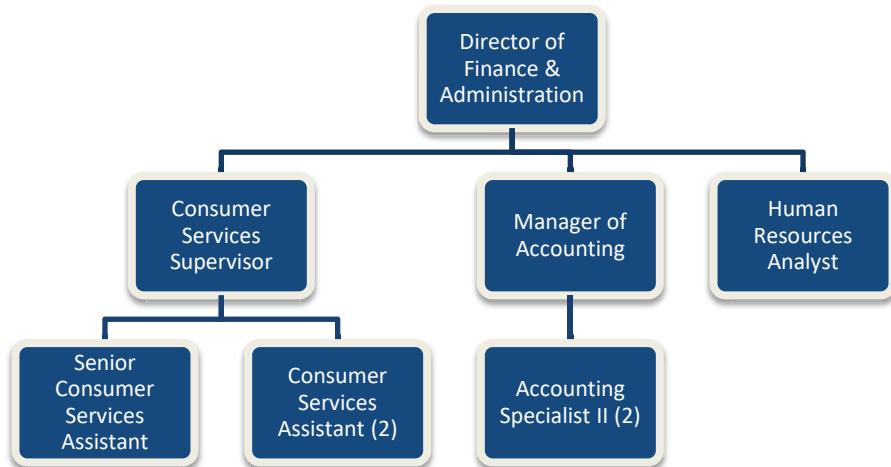


Finance



Valley Center Municipal Water District

Finance



Personnel Requirements (FTE's)

	Actual FY 2021-22	Budget FY 2021-22	Proposed FY 2022-23
Director of Finance & Administration/Treasurer	1.0	1.0	1.0
Manager of Accounting	1.0	1.0	1.0
Accounting Specialist II	2.0	1.0	2.0
Accounting Specialist I	0.0	1.0	0.0
Human Resources Analyst	1.0	1.0	1.0
Consumer Services Supervisor	1.0	1.0	1.0
Senior Consumer Services Assistant	1.0	1.0	1.0
Consumer Services Assistant	2.0	2.0	2.0
Total	9.0	9.0	9.0



DEPARTMENT DESCRIPTION

The Finance Department provides professional financial planning to the District for the funding of operational costs and capital improvement projects needed to sustain water and wastewater service to its customers. Accounting and auditing services are provided to show clearly and accurately at all times the financial status of the District. The Department invests available assets and manages the District's debt including assessment districts. The Finance Department is also tasked with the responsibility of the Consumer Services Division and the Human Resources Division.

DIVISION DESCRIPTIONS

Administration - The Administration Division administers and supervises the daily functions of the District's Finance Department and includes maintaining the general ledger, preparing monthly, quarterly, and annual financial reports, including the Annual Budget and the Comprehensive Annual Financial Report. This division also coordinates and oversees the annual financial, single and special audits. The Administration Division determines and maintains water and sewer rate structures and ensures rate notification requirements are met.

Consumer Services – The Consumer Services Division is responsible for all activities related utility billing and customer service. The division is in charge of signing customers up for new service, transferring accounts, resolving billing issues or disputes, and terminating service. Staff in this division serve as the face of the District for walk in customers, they receive and post payments, and are first to answer phones and assist customers with billing and service questions. This division works closely with the Meter Services Division to ensure customer concerns are resolved in a timely manner.

Facilities Operation – The Facilities Operation Division is used to track general District expenses related to a variety of insurance coverages, the telephone and answering service for the agency, power costs for the main administrative buildings, and other general expenses.

Human Resources – The Human Resources Division performs a full range of duties related recruitment and selection, classification and compensation, benefits administration and employee relations. Staff in this division are responsible for administering and processing disability and workers compensations claims, coordinating return to work plans, retirements and managing retiree health benefits.

Salary Clearing – Costs incurred by the Salary Clearing Division are transferred to other divisions and funds at 214% of actual productive salary expended to cover the combined expense of salary and fringe benefits, including leave. The labor shown in the balance of the budget includes fringe benefits. Salary charged to outside projects and wastewater funds is at 229% to cover other overhead expenses including administration support labor for payroll and accounting, building maintenance, utilities, and general liability and property insurance.

Emergency Event – The Emergency Event Division was created for the purpose of tracking expenses related directly to the COVID-19 Pandemic. The majority of the actual and budgeted costs are for Emergency Paid Sick Leave mandated by both the Federal and State governments.

Training – Costs incurred by the Training Division are transferred to the specific division that the training occurred. This division is used to easily track and identify total costs of outside training for the District as a whole.

Debt Services – The Debt Services division accounts for the interest expense on debt held by the General District. *Details can be found in the Debt section of the Budget Message.*



Valley Center Municipal Water District

Finance

Fiscal Year 2021-2022 Recent Accomplishments & Performance Indicators	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
The 2021-22 annual budget received the Award for Excellence in Operational Budgeting by the California Society of Municipal Finance Officers.				✓			
Submitted the 2021 Comprehensive Annual Financial Report for consideration to receive the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA). Notification is pending.				✓			

DEPARTMENT PERFORMANCE STANDARDS

Strategic Plan Goal	Standard No.	Performance Standard	Trend	Annual Target/Goal	Calendar Year		
					2020 Actual	2021 Actual	2022 Projection
Finance	3	Discretionary Reserves		3-6 months operating and maintenance expenses	6 months	6 months	3-6 months
Finance	4	Return on Investments		>12-month rolling average on U.S. Treasury Bonds	Met	Met	>12-month
Finance	5	Local Share of Total Commodity Costs		< 15% of total commodity cost for Full Price M&I	11.0%	10.9%	11.0%
				< 18% of the certified TSAWR supplies	14.9%	14.4%	14.6%

* See page 1-23 of this Budget document for the full Strategic Plan.



Fiscal Year 2022-2023 Goals & Objectives	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Continue to maintain discretionary reserves at the maximum six months' operations and maintenance budget.	3			✓			
Meet or exceed the District's investment benchmark of return on investments greater than the 12-month rolling average return on U.S. Treasury bonds.	4			✓			
Maintain the District's share of the total water commodity rate, budgeted as of February 1, 2022, to be no more than 15% of the total commodity cost for domestic customers and 18% for certified agricultural.	5			✓			
Submit the 2022-23 Operating Budget for consideration to receive the Award for Excellence in Operational Budgeting from the California Society of Municipal Finance Officers (CSMFO).				✓			
Submit the 2022 Comprehensive Annual Financial Report for consideration to receive the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA).				✓			

Long-Term Goals & Objectives	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Provide ongoing financial analysis to support the District's capital improvement program in a time of reduced water deliveries and increasing wholesale prices.			✓	✓			
Continue to improve procedures to be able to provide information to users as fast and accurately as possible.				✓			

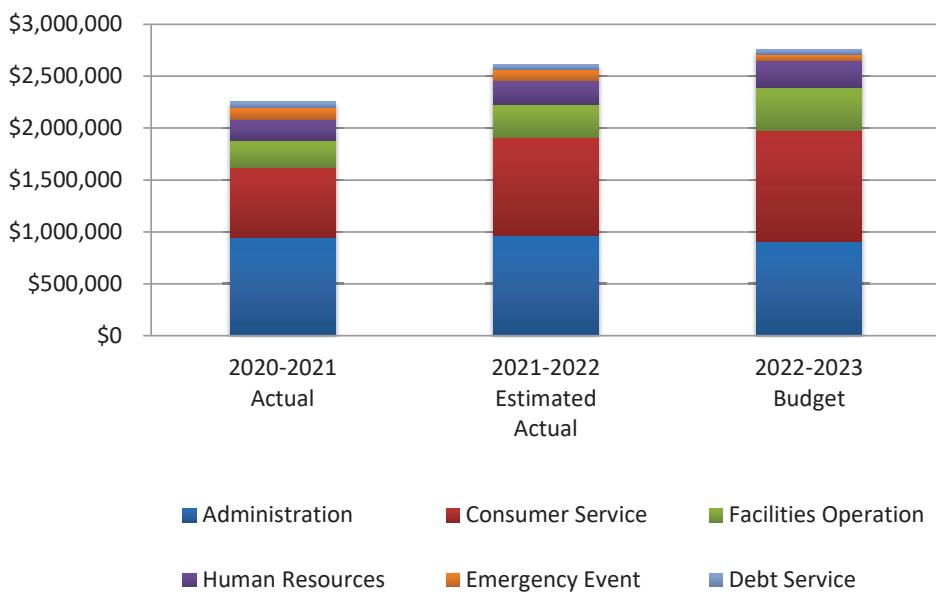


Department Summary by Division

Fund	Department
01	02

Division No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
11	Administration	943,497	948,586	963,236	903,517
12	Consumer Service	673,870	1,034,958	942,548	1,072,732
14	Facilities Operation	258,782	384,390	320,898	412,459
15	Human Resources	205,070	282,453	228,203	261,453
16	Salary Clearing	188,473	0	0	0
17	Emergency Event	119,202	66,000	112,000	62,000
19	Debt Service	52,801	49,460	49,779	47,237
TOTAL FINANCE		2,441,695	2,765,847	2,616,664	2,759,398

Division Expenses





Division Summary by Expense Category

Fund	Department	Division
01	02	11

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	922,045	882,400	916,000	807,000
50002	Temporary Labor	0	0	0	16,300
50003	Overtime	3,828	7,500	7,100	15,000
50010	Training & Education	340	1,000	250	1,000
50011	Uniform Allowance	3,025	3,050	3,000	3,200
50025	Outside Professional Services	54,590	81,400	67,000	85,000
50028	Printing	72	2,500	1,500	2,800
50029	Subscriptions and Publications	4,657	3,000	2,200	3,500
50030	Special Department Expenses	5,081	4,000	4,500	4,300
50033	Postage	0	8,250	7,000	8,000
50034	Membership Fees & Dues	365	525	525	600
50037	Transportation, Meals & Travel	965	8,000	7,200	8,000
50991	Expense Credit	(51,471)	(53,039)	(53,039)	(51,183)
Total		943,497	948,586	963,236	903,517



Valley Center Municipal Water District

Finance Administration

Division Detail

Fund	Department	Division	Total Budget Request
01	02	11	\$903,517

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular Full-Time Equivalents	807,000
50002	Temporary Labor	16,300
50003	Overtime	15,000
50010	Training & Education Allocation from General Administration Training 01-02-18 Page 6-8A	1,000
50011	Uniform Allowance	3,200
50025	Outside Professional Services Annual District Audit Single Audit - Other Services Bank Service Charges Proposition 218 Notification Availability Charges, Computer Svcs, Notices,& Liens Other	85,000
50028	Printing Checks Business Cards Other	2,800
50029	Subscriptions and Publications GASB 68 Reports Government Accounting Standards Board	3,500
50030	Special Department Expenses Office Supplies CAFR Applications and Debt Statistics Budget Application	4,300
50033	Postage Proposition 218 Notices FedEx & Miscellaneous Mailings	8,000
50034	Memberships, Fees and Dues Government Finance Officers Association California Municipal Treasurers' Association California Society of Municipal Finance Officers	600
50037	Transportation, Meals & Travel ACWA Fall & Spring Conference Other	8,000
50991	Expense Credit Reimbursement from Sewer Funds for Administrative Overhead	(51,183)



Division Summary by Expense Category

Fund	Department	Division
01	02	12

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	543,786	611,500	585,000	626,800
50002	Temporary Labor	16,709	31,900	31,200	32,600
50003	Overtime	5,372	12,000	12,000	28,000
50025	Outside Professional Services	99,552	132,700	119,000	183,100
50028	Printing	0	200	150	200
50030	Special Department Expenses	1,937	1,300	240	1,800
50033	Postage	47,155	51,000	51,000	60,000
50037	Transportation, Meals & Travel	0	500	100	1,000
50087	Write Off of Uncollectible Accounts	9,197	250,000	200,000	200,000
50991	Expense Credit	(49,838)	(56,142)	(56,142)	(60,768)
Total		673,870	1,034,958	942,548	1,072,732



Division Detail

Fund	Department	Division	Total Budget Request
01	02	12	\$1,072,732

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	626,800
	Full-Time Equivalents	4.85
50002	Temporary Labor	32,600
50003	Overtime	28,000
50025	Outside Professional Services	183,100
	Payment Processing	95,000
	Customer Engagement & Analytics Platform	35,600
	Bill and Notice Preparation	26,000
	Docusign	7,000
	18-month Online Bill Retention	5,500
	Customer Statement Design Fees	3,000
	Inserts - Programming Charges	3,000
	Call-Em-All	3,000
	Advanced Metering Infrastructure Support	5,000
50028	Printing	200
	Business Cards	200
50030	Special Department Expenses	1,800
	Office Supplies	300
	Lien Releases & Recording Fees	1,500
50033	Postage	60,000
	121,000 Water Bills & Final Notices	
50037	Transportation, Meals & Travel	1,000
	Transportation to Training and Seminars	
50087	Write Off of Uncollectible Accounts	200,000
50991	Expense Credit	(60,768)
	Reimbursement from Sewer Funds for Administrative Overhead	



Division Summary by Expense Category

Fund	Department	Division
01	02	14

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50025	Outside Professional Services	1,820	2,000	2,000	2,000
50027	Office Supplies	6,700	5,000	4,800	5,000
50028	Printing	2,883	3,800	3,000	3,800
50030	Special Department Expenses	1,364	1,800	1,600	1,800
50032	Telephone/Answering Service	76,822	75,000	71,500	75,000
50040	Rents & Leases	1,195	1,200	1,200	1,400
50042	Insurance	130,642	258,423	195,706	280,225
50045	Electricity	43,677	43,450	47,400	50,000
50454	Maintenance of Equipment	325	650	625	725
50991	Expense Credit	(6,646)	(6,933)	(6,933)	(7,491)
Total		258,782	384,390	320,898	412,459



Valley Center Municipal Water District

Finance Facilities Operation

Division Detail

Fund	Department	Division	Total Budget Request
01	02	14	\$412,459

Account No.	Detail and Justification	Budget Request
50025	Outside Professional Services Record Destruction Services	2,000
50027	Office Supplies-District Various Office Supplies, Copier Paper	5,000
50028	Printing Letterhead, Business Cards, Labels, Envelopes	3,800
50030	Special Department Expenses Property Taxes for Facilities Outside the District County Vector Control Assessment	1,800
50032	Telephone/Answering Service Telephone Cellular Service Answering Service	75,000
50040	Rents & Leases Storage of Application Files	1,400
50042	Insurance General Liability Property Damage and Fidelity Coverage Other Self Insured Retention Less Amount Charged to Sewer Funds	280,225
50045	Utilities-Electricity Electricity for Administration, Board Room Multipurpose Room, and Engineering Annex I & II	50,000
50454	Maintenance of Equipment Letter Opener and Folder Currency Counter Other	725
50991	Expense Credit Reimbursement from Sewer Funds for Administrative Overhead	(7,491)



Division Summary by Expense Category

Fund	Department	Division
01	02	15

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	210,937	279,900	235,000	259,400
50003	Overtime	71	500	350	500
50010	Training & Education	(95)	500	0	500
50025	Outside Professional Services	6,465	5,000	7,500	5,000
50026	Legal Services	0	1,500	0	1,000
50030	Special Department Expenses	599	1,000	500	1,000
50034	Membership Fees & Dues	468	600	400	600
50037	Transportation, Meals & Travel	125	9,000	0	9,000
50991	Expense Credit	(13,500)	(15,547)	(15,547)	(15,547)
Total		205,070	282,453	228,203	261,453



Valley Center Municipal Water District

Finance

Human Resources

Division Detail

Fund	Department	Division	Total Budget Request
01	02	15	\$261,453

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	259,400
	Full-Time Equivalents	1.20
50003	Overtime	500
50010	Training & Education	500
	Allocation from General Administration Training 01-02-18 Page 6-8A	
50025	Outside Professional Services	5,000
	Employee Assistance Program	2,000
	Employment Background Checks	1,000
	Other	2,000
50026	Legal Services	1,000
	Personnel, Benefits, and Retirees' Health Plan	1,000
50030	Special Department Expenses	1,000
	Flu-Shots	500
	Other	500
50034	Membership Fees and Dues	600
	California Public Employees Labor Relations	
	Association (CALPELRA)	400
	Society for Human Resources Management (SHRM)	200
50037	Transportation, Meals & Travel	9,000
	Training, Seminars, Meetings	500
	CalPELRA Conference	4,000
	CalPers Conference	4,000
	Other	500
50991	Expense Credit	(15,547)
	Reimbursement from Sewer Funds for Administrative Overhead	



Valley Center Municipal Water District

Finance Salary Clearing

Division Summary by Expense Category

Fund	Department	Division
01	02	16

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor	7,695,917	7,178,835	7,310,090	7,691,630
50002	Temporary Labor	54,512	122,900	74,016	125,900
50003	Overtime	260,282	340,140	306,909	356,250
50004	Unemployment Insurance	9,272	9,900	8,600	9,900
50005	Retirement	21,654	0	0	0
50006	Medicare	114,686	110,800	108,300	118,000
50007	Medical	1,378,773	1,561,695	1,553,800	1,642,700
50008	Worker's Compensation	127,687	133,000	123,000	134,000
50009	Life and Disability Insurance	147,526	167,700	166,335	192,200
50012	Vacation/Sick/Holiday Leave	1,285,778	1,182,100	1,182,100	1,242,700
50013	Increase in Value Of Accrued Leave	(19,721)	0	0	75,500
50015	Dental	80,112	80,000	79,200	90,000
50016	Vision	12,819	14,000	13,600	13,600
50017	Retirement Health Deferred Cont.	29,961	33,800	32,400	43,600
50019	Social Security	3,254	8,100	5,200	6,000
50070	Pension Expense	3,095,468	3,018,700	3,018,700	3,161,800
50080	OPEB Expense	513,821	636,300	1,245,101	406,778
50991	Expense Credit - Leave	(1,285,778)	(1,182,100)	(1,182,100)	(1,242,700)
50991	Expense Credit	(13,337,550)	(13,415,870)	(14,045,251)	(14,067,858)
Total		188,473	0	0	0



Valley Center Municipal Water District

Finance Salary Clearing

Division Detail

Fund	Department	Division	Total Budget Request
01	02	16	\$3,568,578

Account No.	Detail and Justification	Budget Request
50001 Labor	Salary for all District employees	7,691,630
	Full Time Equivalents	72.00
50002 Temporary Labor		125,900
50003 Overtime		356,250
50004 Unemployment Insurance	Federal mandated program - 1.9% of first \$7,000.	9,900
50006 Medicare	1.45% of base pay plus overtime on all employees hired after April 1, 1986.	118,000
50007 Medical	Preferred Provider or Health Maintenance Organization	1,642,700
50008 Workers Compensation	Required program to provide compensation and medical costs in the event of injury on the job.	134,000
50009 Life and Disability Insurance		192,200
	Life and Accidental Death and Dismemberment	119,900
	Long-Term Disability	72,300
50012 Vacation / Sick / Holiday Leave		1,242,700
50013 Increase in Value of Accrued Leave	Generally Accepted Accounting Principles requires the District to fund accrued leave at current value at year end.	75,500
50015 Dental Insurance	District paid for employee and dependents.	90,000
50016 Vision Insurance	District paid for employee and dependents.	13,600
50017 Retirement Health, Defined Contribution Plan		43,600
50019 Social Security		6,000
50070 Pension Expense	District Contribution to CalPERS.	3,161,800
50080 Other Post Employment Benefits (OPEB) Expense	Annual required contribution to defined benefit plan.	406,778
50991 Expense Credit - Leave		(1,242,700)
50991 Expense Credit		(10,499,280)



Division Summary by Expense Category

Fund	Department	Division
01	02	17

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	0	0	0	0
50003	Overtime	2,208	2,000	600	1,000
50020	Emergency Paid Sick/EFMLA/Admin Leave	101,159	55,000	100,000	55,000
50025	Outside Professional Services	2,690	4,000	5,800	3,000
50030	Special Department Expenses	13,145	5,000	5,600	3,000
50033	Postage	0	0	0	0
Total		119,202	66,000	112,000	62,000



Division Detail

Fund	Department	Division	Total Budget Request
01	02	17	\$62,000

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular Full-Time Equivalents	0
50003	Overtime	1,000
50020	Emergency Paid Sick/EFMLA/Admin Leave Sick Leave EFMLA Administrative Leave Other	55,000
50025	Outside Professional Services Building Cleaning & Disinfecting Other	3,000
50030	Special Department Expenses Office Supplies Other	3,000



Division Summary by Expense Category

Fund	Department	Division
01	02	18

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50110	General and Administration	1,177	1,000	570	1,000
50111	Finance Administration	340	1,000	340	1,000
50113	Information Technology	265	3,500	250	3,500
50115	Human Resources	(95)	500	0	500
50121	Engineering Administration	14,526	37,000	7,400	37,000
50131	Operations & Facilities Administration	18,342	27,000	22,200	27,000
50991	Expense Credit	(34,555)	(70,000)	(31,736)	(70,000)
Total		0	0	0	0



Valley Center Municipal Water District

Finance Training

Division Detail

Fund	Department	Division	Total Budget Request
01	02	18	\$0
Account No.	Detail and Justification		Budget Request
50110	General Administration		1,000
	Seminars & Workshops		1,000
50111	Finance Administration		1,000
	Continuing Education		750
	Accounting Updates		250
50113	Information Technology		3,500
	Software Training Tuition Reimbursement		3,500
50115	Finance - Human Resources		500
	Miscellaneous Training		500
50121	Engineering Administration		37,000
	Continuing Education		33,800
	ACWA/JPIA Leadership Training		2,500
	ACWA/JPIA Supervisory Training		700
50131	Operations & Facilities Administration		27,000
	Continuing Education		14,000
	Technology Classes		2,700
	Electric		2,000
	Safety		1,700
	Wastewater Technical Classes		800
	Heavy Equipment		700
	Backflow/Cross Connection		600
	Cla-valve		550
	Trenching/Shoring		550
	Pump Training		550
	Computer		550
	Supervisor Certification		550
	Energy Management/Preparedness		550
	Customer Service		500
	Water Quality		500
	Collection Systems		200
50991	Expense Credit		(70,000)



Valley Center Municipal Water District

Finance Debt Service

Division Summary by Expense Category

Fund	Department	Division
01	02	19

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50071	Interest on Debt - SRF Loan	51,638	48,927	48,927	46,172
50161	Interest on Debt - Lake Turner Solar NRG	1,163	533	852	1,065
	Total	52,801	49,460	49,779	47,237

SOURCE OF FINANCING

Water Availability Charge/Other	52,801	49,460	49,779	47,237
Total	52,801	49,460	49,779	47,237



Valley Center Municipal Water District

Finance

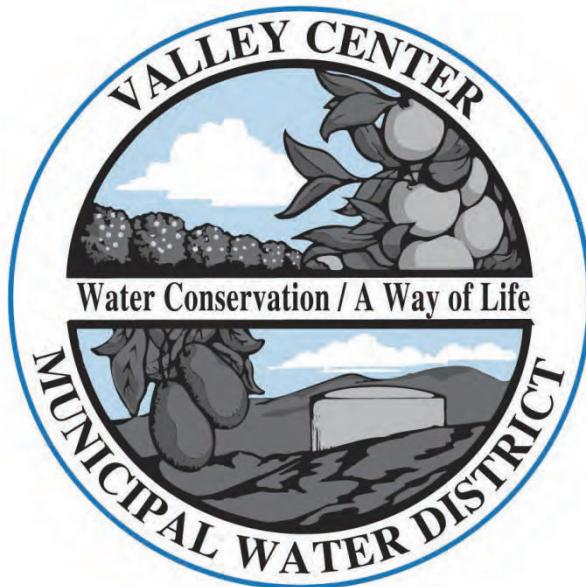
SRF Payment Schedule

California Drinking Water

Cool Valley Reservoir Cover/Liner Replacement

Fund	Department	Division
01	02	19

Due Date	Ref Num	Beginning Balance	Principal Payment	Interest Rate %	Interest Payment	Total Payment	Ending Balance
1/01/2017		\$ -	\$ -	1.60%	\$ -	\$ -	\$ -
7/01/2017	1	\$ 2,915,212.00	\$ -	1.60%	\$ 1,468.43	\$ 1,468.43	\$ 2,915,212.00
1/01/2018	2	\$ 2,915,212.00	\$ 61,942.87	1.60%	\$ 23,513.38	\$ 85,456.25	\$ 2,853,269.13
7/01/2018	3	\$ 3,076,478.13	\$ 68,276.33	1.60%	\$ 23,842.23	\$ 92,118.56	\$ 3,008,201.80
1/01/2019	4	\$ 3,238,772.80	\$ 74,173.23	1.60%	\$ 24,977.65	\$ 99,150.88	\$ 3,164,599.57
7/01/2019	5	\$ 3,164,599.57	\$ 73,834.08	1.60%	\$ 25,316.80	\$ 99,150.88	\$ 3,090,765.49
1/01/2020	6	\$ 3,437,345.49	\$ 84,544.99	1.60%	\$ 25,665.74	\$ 110,210.73	\$ 3,352,800.50
7/01/2020	7	\$ 3,352,800.50	\$ 83,388.33	1.60%	\$ 26,822.40	\$ 110,210.73	\$ 3,269,412.17
1/01/2021	8	\$ 3,269,412.17	\$ 84,055.43	1.60%	\$ 26,155.30	\$ 110,210.73	\$ 3,185,356.74
7/01/2021	9	\$ 3,185,356.74	\$ 84,727.88	1.60%	\$ 25,482.85	\$ 110,210.73	\$ 3,100,628.86
1/01/2022	10	\$ 3,100,628.86	\$ 85,405.70	1.60%	\$ 24,805.03	\$ 110,210.73	\$ 3,015,223.16
7/01/2022	11	\$ 3,015,223.16	\$ 86,088.94	1.60%	\$ 24,121.79	\$ 110,210.73	\$ 2,929,134.22
1/01/2023	12	\$ 2,929,134.22	\$ 86,777.66	1.60%	\$ 23,433.07	\$ 110,210.73	\$ 2,842,356.56
7/01/2023	13	\$ 2,842,356.56	\$ 87,471.88	1.60%	\$ 22,738.85	\$ 110,210.73	\$ 2,754,884.68
1/01/2024	14	\$ 2,754,884.68	\$ 88,171.65	1.60%	\$ 22,039.08	\$ 110,210.73	\$ 2,666,713.03
7/01/2024	15	\$ 2,666,713.03	\$ 88,877.03	1.60%	\$ 21,333.70	\$ 110,210.73	\$ 2,577,836.00
1/01/2025	16	\$ 2,577,836.00	\$ 89,588.04	1.60%	\$ 20,622.69	\$ 110,210.73	\$ 2,488,247.96
7/01/2025	17	\$ 2,488,247.96	\$ 90,304.75	1.60%	\$ 19,905.98	\$ 110,210.73	\$ 2,397,943.21
1/01/2026	18	\$ 2,397,943.21	\$ 91,027.18	1.60%	\$ 19,183.55	\$ 110,210.73	\$ 2,306,916.03
7/01/2026	19	\$ 2,306,916.03	\$ 91,755.40	1.60%	\$ 18,455.33	\$ 110,210.73	\$ 2,215,160.63
1/01/2027	20	\$ 2,215,160.63	\$ 92,489.44	1.60%	\$ 17,721.29	\$ 110,210.73	\$ 2,122,671.19
7/01/2027	21	\$ 2,122,671.19	\$ 93,229.36	1.60%	\$ 16,981.37	\$ 110,210.73	\$ 2,029,441.83
1/01/2028	22	\$ 2,029,441.83	\$ 93,975.20	1.60%	\$ 16,235.53	\$ 110,210.73	\$ 1,935,466.63
7/01/2028	23	\$ 1,935,466.63	\$ 94,727.00	1.60%	\$ 15,483.73	\$ 110,210.73	\$ 1,840,739.63
1/01/2029	24	\$ 1,840,739.63	\$ 95,484.81	1.60%	\$ 14,725.92	\$ 110,210.73	\$ 1,745,254.82
7/01/2029	25	\$ 1,745,254.82	\$ 96,248.69	1.60%	\$ 13,962.04	\$ 110,210.73	\$ 1,649,006.13
1/01/2030	26	\$ 1,649,006.13	\$ 97,018.68	1.60%	\$ 13,192.05	\$ 110,210.73	\$ 1,551,987.45
7/01/2030	27	\$ 1,551,987.45	\$ 97,794.83	1.60%	\$ 12,415.90	\$ 110,210.73	\$ 1,454,192.62
1/01/2031	28	\$ 1,454,192.62	\$ 98,577.19	1.60%	\$ 11,633.54	\$ 110,210.73	\$ 1,355,615.43
7/01/2031	29	\$ 1,355,615.43	\$ 99,365.81	1.60%	\$ 10,844.92	\$ 110,210.73	\$ 1,256,249.62
1/01/2032	30	\$ 1,256,249.62	\$ 100,160.73	1.60%	\$ 10,050.00	\$ 110,210.73	\$ 1,156,088.89
7/01/2032	31	\$ 1,156,088.89	\$ 100,962.02	1.60%	\$ 9,248.71	\$ 110,210.73	\$ 1,055,126.87
1/01/2033	32	\$ 1,055,126.87	\$ 101,769.72	1.60%	\$ 8,441.01	\$ 110,210.73	\$ 953,357.15
7/01/2033	33	\$ 953,357.15	\$ 102,583.87	1.60%	\$ 7,626.86	\$ 110,210.73	\$ 850,773.28
1/01/2034	34	\$ 850,773.28	\$ 103,404.54	1.60%	\$ 6,806.19	\$ 110,210.73	\$ 747,368.74
7/01/2034	35	\$ 747,368.74	\$ 104,231.78	1.60%	\$ 5,978.95	\$ 110,210.73	\$ 643,136.96
1/01/2035	36	\$ 643,136.96	\$ 105,065.63	1.60%	\$ 5,145.10	\$ 110,210.73	\$ 538,071.33
7/01/2035	37	\$ 538,071.33	\$ 105,906.16	1.60%	\$ 4,304.57	\$ 110,210.73	\$ 432,165.17
1/01/2036	38	\$ 432,165.17	\$ 106,753.41	1.60%	\$ 3,457.32	\$ 110,210.73	\$ 325,411.76
7/01/2036	39	\$ 325,411.76	\$ 107,607.44	1.60%	\$ 2,603.29	\$ 110,210.73	\$ 217,804.32
1/01/2037	40	\$ 217,804.32	\$ 108,468.30	1.60%	\$ 1,742.43	\$ 110,210.73	\$ 109,336.02
7/01/2037	41	\$ 109,336.02	\$ 109,336.02	1.60%	\$ 874.69	\$ 110,210.71	\$ (0.00)
Total		\$3,715,572.00			\$629,359.26	\$4,344,931.26	

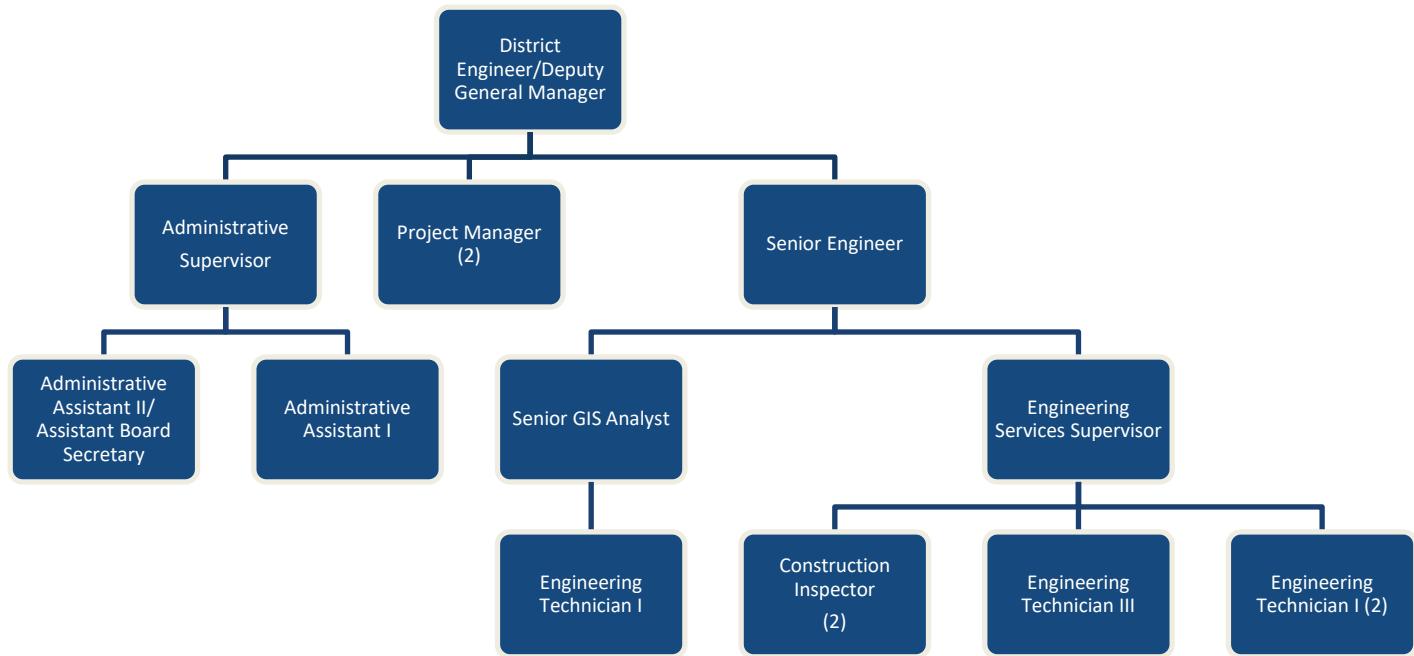


Engineering



Valley Center Municipal Water District

Engineering



Personnel Requirements (FTE's)

	<i>Actual</i> FY 2021-22	<i>Budget</i> FY 2021-22	<i>Proposed</i> FY 2022-23
District Engineer/Deputy General Manager	1.0	1.0	1.0
Senior Engineer	1.0	1.0	1.0
Project Manager	2.0	2.0	2.0
Administrative Supervisor	1.0	1.0	1.0
Administrative Assistant II/Assistant Board Secretary	1.0	1.0	1.0
Administrative Assistant I	1.0	1.0	1.0
Engineering Services Supervisor	1.0	1.0	1.0
Engineering Technician III	1.0	1.0	1.0
Engineering Technician I	2.0	2.0	3.0
Senior GIS Analyst	1.0	1.0	1.0
Construction Inspector	2.0	2.0	2.0
Total	14.0	14.0	15.0



DEPARTMENT DESCRIPTION

The Engineering Department provides professional and technical expertise to plan for the future and help the District meet its mission of providing reliable water and wastewater service to its customers. These services are accomplished through planning, designing, inspecting and managing District Capital Improvement Projects, and by plan checking and inspecting Developer funded projects. Other responsibilities include maintaining and updating technical records related to the District water, wastewater and recycled water infrastructure improvements, including easements and District property. The Engineering Department also assists customers with service applications and technical information on the District facilities and oversees the District's Water Conservation Program.

Performance Standard	Strategic Plan Goal*				
	Water Supply	Infrastructure	Finance	Technology	Energy
GIS has fully transitioned to using ArcPro Desktop which enables the use of utility network, leak trace tool, and other improved functionalities that expands District's GIS capabilities.				✓	
Gained funding approval for the 2020 Pipeline Replacement Project through State Revolving Fund Loan Assistance Program in the amount of \$8,500,000.			✓		
Satisfied the initial Landscape Area Measurement requirement set by the State as part of new Water Efficiency Standards	✓				
Expanded utilization of Cityworks to allow for encroachments to be managed through the software, transferring paper files to digital format, accessible through GIS.	✓			✓	
Processed applications and released for installation 219 domestic water meters; 233 fire service meters; 3 meter resizes; 5 meter relocations; 23 construction meters;	1	✓			
Managed and administrated 85 Agency Clearance letters; 11 Project Availability and Commitment letters; 5 Special Projects; and 2 wastewater system connections.	1	✓			
Marked out and processed 1,810 underground service alert requests.		✓			
Identified and resolved 1 new right-of-way violation; processed 4 new encroachments and issued 2 encroachment permits.		✓			
Processed 3 communication company lease site installations and upgrades.		✓			
Implemented changes to Administrative Code Article 160, to facilitate Permanent Service Discontinuance in the event customers choose to no longer maintain their inactive meter connections		✓			

* See page 1-23 of this Budget document for the full Strategic Plan.



Fiscal Year 2022-2023 Goals & Objectives	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Complete design and start construction of improvements for the provision of emergency water supply to VCMWD's VC3 Area and Yuima MWD as part of the San Diego County Water Authority's North County Emergency Supply Project.		✓					
Administer the District's Water Conservation Program to effectively meet all SWRCB regulatory requirements.		✓					
Coordinate the SB 555 and 606 Water Loss Audit efforts internally as needed to meet the regulatory reporting and validation requirements.		✓					
Assist property owner participants in the Village Areas with connection to the Woods Valley Ranch Collection System.			✓				
Implement a Pilot project at Kornblum reservoir deploying a mixing and chemical feed system to improve water quality management			✓				
Successfully process the second SRF application, 2021 Replacement Project.			✓				
Complete the painting and recoating of the reservoirs recommended for FY 2022-23.			✓				
Continue to provide GIS training and assistance to staff making beneficial utilization of the GIS more readily available. Facilitate Cityworks implementation while maintaining the same level of support to District's day to day GIS needs. Complete converting data such that easements granted to the District are spatially visible in the GIS database.					✓		
Finalize implementation of the Laserfische document management system for the accessibility and organization of the District's map drawings and project documents.					✓		
Assist with the implementation and advancement of the SCADA system through providing drafting support for preparation of record drawings, technical support in areas of instrumentation, controls, control strategy, asset management implementation, interpretation of data and interface with the District's water modeling software.					✓		
Assist in the design, review, and installation of energy efficient pump assemblies.						✓	
Update the existing Woods Valley Ranch WRF and Lower Moosa Canyon WRF Operation and Maintenance Manuals describing and documenting the procedures for efficient operation of the wastewater facilities, including not only the treatment plant, but also the collection system, seasonal storage facility and the recycled water distribution system.		✓					
Continue to refine newly updated District's Standard Specifications and Drawings focusing on establishing a process for publishing and maintaining access to the general public on the District website.		✓			✓		
Continue to assist staff in the use of digital District maps and record drawings, update the valve detail drawings, and maintain updated hardcopies of the Valve Books for the District staff.					✓		
Reduce processing time and paperwork required for water and wastewater service requests by utilizing computer resources.		✓			✓		
Provide opportunities for cross training in the areas of GIS, AutoCAD, and Customer Service.					✓		



Long-Term Goals & Objectives	Performance Standard	Strategic Plan Goal*				
		Water Supply	Infrastructure	Finance	Technology	Energy
Continue to update and improve appropriate policies, procedures and guidelines for the provision and expansion of water service in an environment of ever diminishing water availability and conversion from predominately agricultural uses to rural residential and urban uses.			✓			
Development of financially feasible wastewater infrastructure projects for property owner participation on a voluntary basis within the service area of the existing treatment facilities.			✓			
Explore development of local water supply sources.		✓	✓			
Seek out funding sources and financial assistance programs to fund required capital improvements.			✓	✓		
Maximize the use of the District's Data Management System to make facility information more readily available through integration of the Integrated Water Resource Management Plan, SCADA, GIS, CMMS and record drawings.			✓		✓	
Assist with the development of pumping strategies and procedures to maximize pumping efficiencies utilizing water system modeling.			✓			✓

DEPARTMENT PERFORMANCE STANDARDS

Strategic Plan Goal	Standard No.	Performance Standard Description	Trend	Annual Target/Goal	Calendar Year		
					2020 Actual	2021 Actual	2022 Projection
Infrastructure	8	Project's Actual Cost		±10% of Engineer's Estimate for CIP Projects >\$250K	+53.6%	-2.3%	±10%
Infrastructure	9	Capital Improvement Project Timelines		Under contract within 12 months of budget approval	Met	Met	within 12 months

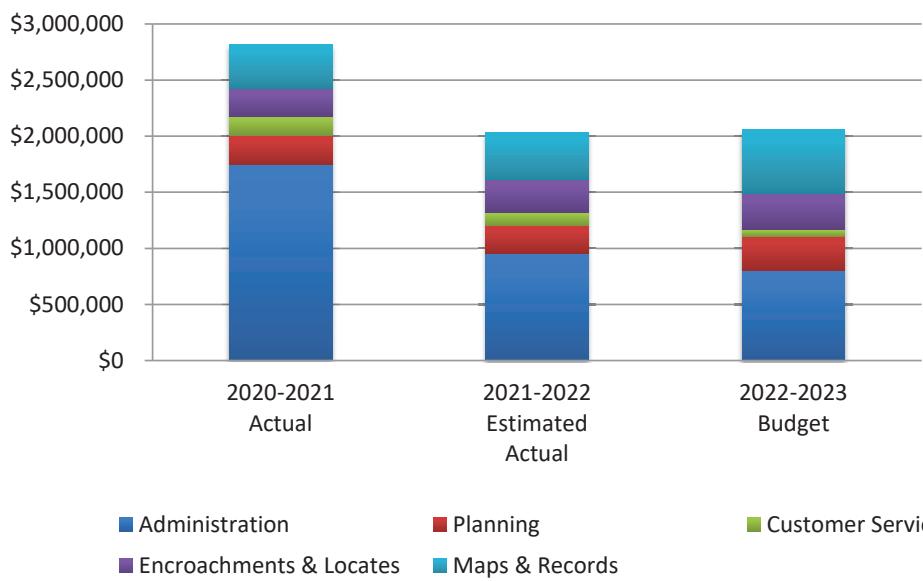


Department Summary by Division

Fund	Department
01	03

Division No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
21	Administration	1,745,918	667,660	955,968	803,313
22	Planning	256,984	323,826	246,976	304,018
23	Customer Service	174,448	170,505	120,515	64,118
24	Encroachments & Locates	244,883	337,190	289,240	321,866
28	Maps & Records	393,940	449,908	422,505	561,729
TOTAL ENGINEERING		2,816,173	1,949,089	2,035,204	2,055,044

Division Expenses





Valley Center Municipal Water District

Engineering
Administration

Division Summary by Expense Category

Fund	Department	Division
01	03	21

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	989,850	610,800	950,000	777,400
50003	Overtime	1,022	5,200	3,000	750
50010	Training & Education	14,526	37,000	15,000	37,000
50011	Uniforms/Shoes	5,107	6,900	6,000	6,900
50026	Legal Services	12,662	7,500	7,500	7,500
50028	Printing	48	200	200	200
50029	Books & Subscriptions	646	1,250	500	1,250
50030	Special Department Expenses	6,720	26,500	4,418	6,500
50034	Membership Fees & Dues	2,743	5,260	5,300	5,520
50037	Transportation, Meals & Travel	0	800	800	800
50085	Capital Planning	748,458	0	0	0
50459	Software Technical Support	0	3,000	0	5,000
50991	Expense Credit	(35,864)	(36,750)	(36,750)	(45,507)
Total		1,745,918	667,660	955,968	803,313



Valley Center Municipal Water District

Engineering Administration

Division Detail

Fund	Department	Division	Total Budget Request
01	03	21	\$843,820

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular Full-Time Equivalents	777,400
50003	Overtime	750
50010	Training & Education Allocation from General Administration Training 01-02-18 Page 6-8A	37,000
50011	Uniforms/Shoes	6,900
50026	Legal Services	7,500
50028	Printing Reports and Business Cards	200
50029	Books & Subscriptions AWWA Standards Update Standard Specifications for Public Works Technical Journals, Publications, Software Engineering News Record Miscellaneous	1,250
50030	Special Department Expenses General Office Supplies Parcel Quest - Online Property Search Tool SD County Assessor's Maps Miscellaneous Supplies and Equipment	6,500
50034	Membership, Fees & Dues American Water Works Association American Public Works Association American Society of Civil Engineers Professional Engineer Certification Renewal Construction Management Association of America Southern California Alliance Public Treatment Works Works (SCAP) Water Environment Federation Notary Renewal Miscellaneous	5,520
50037	Transportation, Meals & Travel	800



Division Detail

Fund	Department	Division
01	03	21

Account No.	Detail and Justification	Budget Request
50459	Software Technical Support Maintenance on Document Management Software	5,000 5,000
50991	Expense Credit Reimbursement from Sewer Funds for Administrative Overhead	(45,507)



Valley Center Municipal Water District

Engineering
Planning

Division Summary by Expense Category

Fund	Department	Division
01	03	22

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	260,404	303,700	240,000	284,400
50003	Overtime	84	1,100	150	1,200
50025	Outside Professional Services	3,365	25,000	10,000	25,000
50030	Special Department Expenses	7,054	3,950	600	1,350
50037	Transportation, Meals & Travel	0	2,400	500	2,400
50459	Software Technical Support	4,266	5,500	13,550	6,891
50991	Expense Credit	(18,189)	(17,824)	(17,824)	(17,223)
Total		256,984	323,826	246,976	304,018



Valley Center Municipal Water District

Engineering Planning

Division Detail

Fund	Department	Division	Total Budget Request
01	03	22	\$304,018

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular Full-Time Equivalents	284,400
50003	Overtime	1,200
50025	Outside Professional Services Consultant - Sewer System Computer Model	25,000
50030	Special Department Expenses MicroSoft Project Upgrade Project Management Supplies and Equipment	1,350
50037	Transportation, Meals & Travel	2,400
50459	Software Technical Support Info Water Info Sewer Trimble Pressure Device Subscription	6,891
50991	Expense Credit Reimbursement from Sewer Funds for Administrative Overhead	(17,223)



Division Summary by Expense Category

Fund	Department	Division
01	03	23

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	142,463	162,600	110,000	59,800
50003	Overtime	159	540	600	600
50025	Outside Professional Services	2,591	2,500	5,500	2,500
50030	Special Department Expenses	7,356	250	7,500	4,250
50037	Transportation, Meals & Travel	0	600	300	600
50184	Water Conservation Program	5,901	13,400	6,000	0
50459	Software Technical Support	25,000	0	0	0
50991	Expense Credit	(9,022)	(9,385)	(9,385)	(3,632)
Total		174,448	170,505	120,515	64,118



Valley Center Municipal Water District

Engineering
Customer Service

Division Detail

Fund	Department	Division	Total Budget Request
01	03	23	\$64,118

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular Full-Time Equivalents	59,800
50003	Overtime	600
50025	Outside Professional Services Waterloss Audit Validation	2,500
50030	Special Department Expenses Office Supplies Nearmap Imagery	4,250
50037	Transportation, Meals & Travel	600
50991	Expense Credit Reimbursement from Sewer Funds for Administrative Overhead	(3,632)



Valley Center Municipal Water District

Engineering Encroachments & Locates

Division Summary by Expense Category

Fund	Department	Division
01	03	24

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	218,112	314,800	270,000	297,700
50003	Overtime	932	1,100	1,200	1,200
50025	Outside Professional Services	952	15,000	12,000	15,000
50026	Legal Services	35,320	10,000	10,000	10,000
50029	Books & Subscriptions	0	500	250	500
50030	Special Department Expenses	6,704	10,000	12,000	12,000
50037	Transportation, Meals & Travel	0	300	0	300
50454	Maintenance of Equipment	0	3,000	1,000	2,000
50459	Software Technical Support	0	1,050	1,350	1,400
50991	Expense Credit	(17,137)	(18,560)	(18,560)	(18,234)
Total		244,883	337,190	289,240	321,866



Valley Center Municipal Water District

Engineering Encroachments & Locates

Division Detail

Fund	Department	Division	Total Budget Request
01	03	24	\$321,866

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular Full-Time Equivalents	297,700
50003	Overtime	1,200
50025	Outside Professional Services Surveying ROW Assistance	15,000
50026	Legal Services	10,000
50029	Books & Subscriptions	500
50030	Special Department Expenses Markout Supplies Locator Equipment Inspection Supplies Dig Alert - Tickets Dig Alert - Base	12,000
50037	Transportation, Meals & Travel	300
50454	Maintenance of Equipment Locators Metal Detector	2,000
50459	Software Technical Support NoteVault	1,400
50991	Expense Credit Reimbursement from Sewer Funds for Administrative Overhead	(18,234)



Valley Center Municipal Water District

Engineering Maps & Records

Division Summary by Expense Category

Fund	Department	Division
01	03	28

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	385,809	396,200	395,697	533,100
50002	Temporary Labor	15,184	23,000	0	0
50003	Overtime	5,894	1,500	2,500	1,500
50025	Outside Professional Services	0	20,000	15,000	20,000
50029	Books & Subscriptions	0	150	150	150
50030	Special Department Expenses	8,004	300	3,000	300
50034	Membership Fees & Dues	0	400	400	400
50037	Transportation, Meals & Travel	0	2,600	0	2,600
50454	Maintenance of Equipment	1,992	4,800	4,800	2,500
50459	Software Technical Support	3,437	28,750	28,750	33,000
50991	Expense Credit	(26,380)	(27,792)	(27,792)	(31,821)
Total		393,940	449,908	422,505	561,729



Valley Center Municipal Water District

Engineering Maps & Records

Division Detail

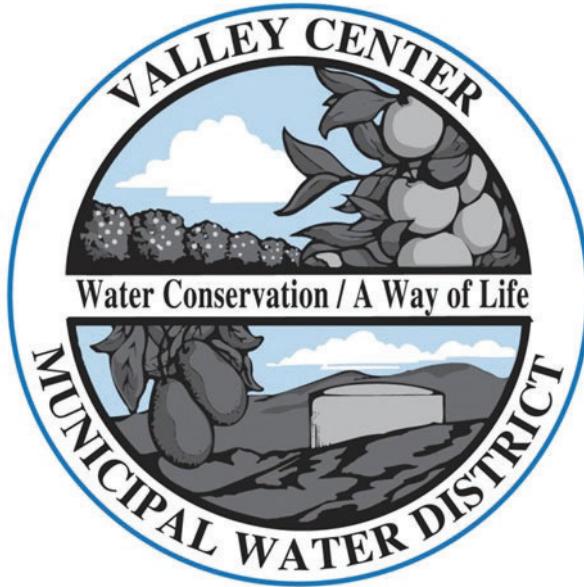
Fund	Department	Division	Total Budget Request
01	03	28	\$561,729

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular Full-Time Equivalents	533,100
50002	Temporary Labor	0
50003	Overtime	1,500
50025	Outside Professional Services GIS Application Support	20,000
50029	Books & Subscriptions	150
50030	Special Department Expenses Drafting Office Supplies	300
50034	Membership Fees and Dues Geospatial Information and Technology Association California Geographic Information Association Urban and Regional Information Systems Association	400
50037	Transportation, Meals & Travel Cityworks Conference ESRI User Conference	2,600
50454	Maintenance of Equipment Large Format Plotters	2,500
50459	Software Technical Support Nearmap Imagery AutoCAD Software 3-SLM GIS Small Utilities Enterprise Agreement	33,000
50991	Expense Credit Reimbursement from Sewer Funds	(31,821)

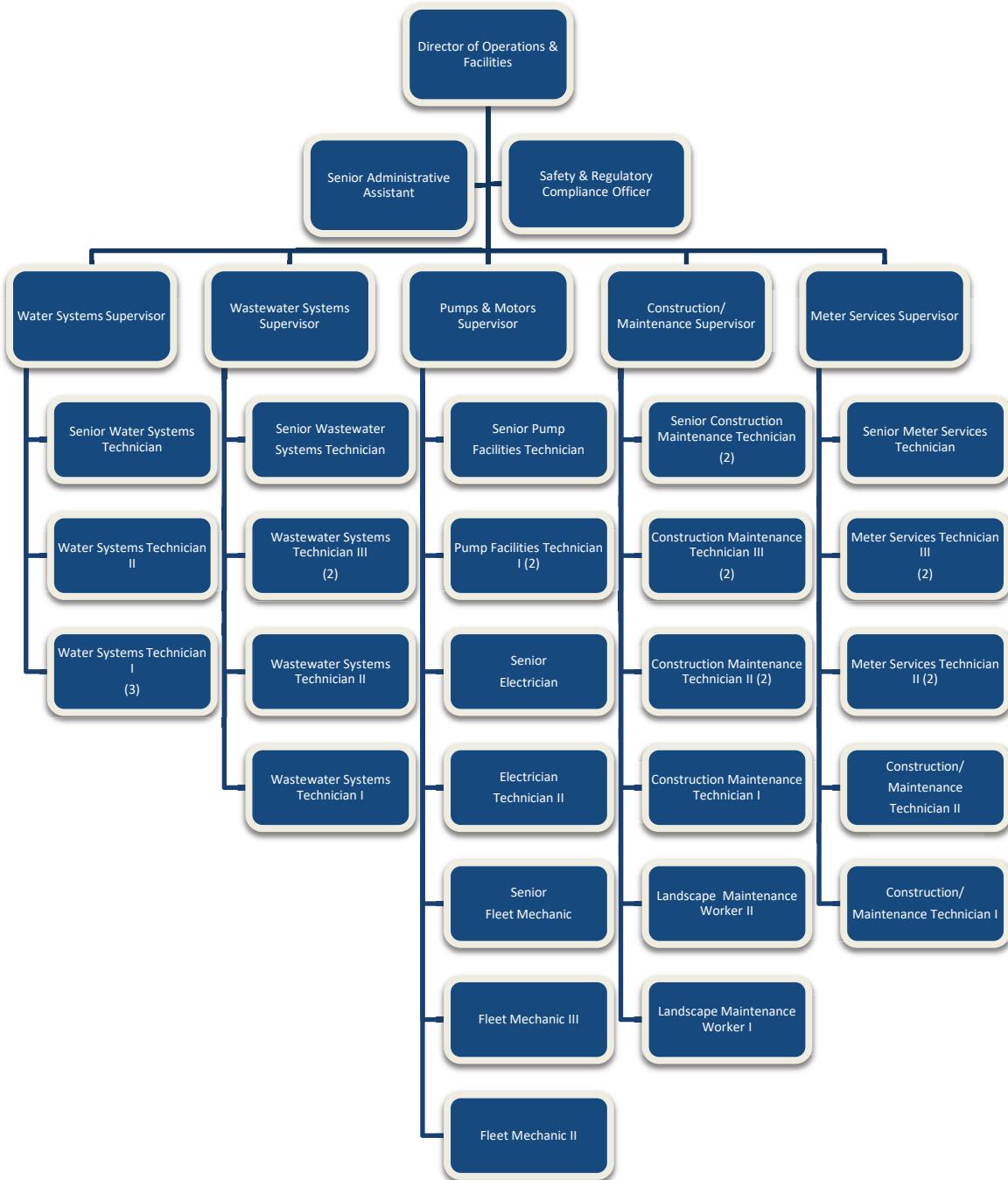


Valley Center Municipal Water District

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Operations & Facilities





Valley Center Municipal Water District

Operations & Facilities

Personnel Requirements (FTE's)

	Actual FY 2021-22	Budget FY 2021-22	Proposed FY 2022-23
Director of Operations	1.0	1.0	1.0
Safety & Regulatory Compliance Officer	0.0	0.0	1.0
Senior Administrative Assistant	1.0	1.0	1.0
Construction Maintenance Supervisor	1.0	1.0	1.0
Meter Services Supervisor	1.0	1.0	1.0
Pumps & Motors Supervisor	1.0	1.0	1.0
Water Systems Supervisor	1.0	1.0	1.0
Senior Construction Maintenance Tech	2.0	2.0	2.0
Construction Maintenance Technician III	2.0	2.0	2.0
Construction Maintenance Tech II	2.0	2.0	3.0
Construction Maintenance Tech I	2.0	2.0	2.0
Senior Landscape Maintenance Worker	1.0	1.0	0.0
Landscape Maintenance Worker II	1.0	1.0	1.0
Landscape Maintenance Worker I	0.0	0.0	1.0
Senior Meter Service Technician	1.0	1.0	1.0
Meter Services Technician III	2.0	2.0	2.0
Meter Services Technician II	2.0	2.0	2.0
Meter Services Technician I	1.0	1.0	0.0
Senior Pump Facilities Technician	1.0	1.0	1.0
Pump Facilities Technician I	2.0	2.0	2.0
Senior Electrician	1.0	1.0	1.0
Electrical Technician II	1.0	1.0	1.0
Senior Fleet Mechanic	1.0	1.0	1.0
Fleet Mechanic III	1.0	1.0	1.0
Fleet Mechanic II	1.0	1.0	1.0
Senior Water Systems Technician	1.0	1.0	1.0
Water Systems Technician III	3.0	3.0	0.0
Water Systems Technician II	1.0	1.0	1.0
Water Systems Technician I	0.0	0.0	3.0
Total	35.0	35.0	36.0

DEPARTMENT DESCRIPTION

The Operations & Facilities Department is the largest within Valley Center Municipal Water District. It is divided into six Divisions with a staff of 43 full time employees, including seven in wastewater operations. The Department is responsible for the operation and maintenance of all District facilities, water and wastewater, and the District's security and safety programs. It also performs a number of in-house construction and improvement projects and works in conjunction with the Engineering Department in providing in-house planning, construction knowledge, and the completion of smaller capital projects.



DIVISION DESCRIPTIONS

Administration - The Administration Division administers and supervises the daily functions of the District's Operations & Facilities Department and includes customer service, radio dispatch, and employee's certifications and physical requirements.

Safety & Regulatory Compliance - The Safety and Regulatory Compliance Division encompasses the District's safety and compliance programs for all departments to ensure the preservation of the District's low worker's compensation ratings through ACWA/JPIA, the insurance provider. It also monitors and assists the District in complying with all applicable federal, state and county regulations and requirements. For 14 years, the District has been presented with a refund check from the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA). The cumulative amount of the refunds totals \$875,598. The refunds represent a partial return of prior years' insurance premiums due to the District's successful efforts to control and reduce property, liability, and workers' compensation losses. Due to the District's low e-modification rating, the District also received a discounted rate in premiums for the Worker's Compensation and Liability Insurance Programs which has resulted in additional savings of \$829,789 over the past 14 years. Combined, the District has received refunds and lower insurance premiums of \$1,705,387. In addition, the District Security Division administers the implementation of the recommended measures from the vulnerability assessment for incorporation throughout the District's facilities, via the SCADA network.

Operations - Water - The Water Operations Division estimates usage demand, purchases water, and regulates flow throughout the distribution system. It also analyzes pump efficiency data and monitors and tracks solar generation. That information is used to develop pumping strategies that improve resources and help reduce overall pumping costs. The Division is also responsible for pressure reducing stations, altitude valve maintenance, monthly facility and reservoir inspections as well as the operations of the SCADA and telemetry system. Additionally, the Water Operations Division is responsible for water quality, sampling, testing and all DHS reporting including the District's Water Quality Report.

Pumps and Motors - The Pump & Motor Division maintains, repairs, and replaces the electrical and mechanical equipment at the District's 58 different water and wastewater facilities. The Division maintains the District's equipment at a high level of efficiency, reliability, and safety through proactive maintenance and replacement programs. The water facilities are comprised of 51 locations consisting of 41 reservoirs, 104 electric motor driven pumps, 25 emergency power generators, 10 air compressors, 8 natural gas engine driven pumps, and 6 solar power systems. The wastewater facilities are comprised of 5 locations consisting of 56 electric motor driven pieces of equipment, and 5 emergency power generators. The Division is also responsible for the in-house planning and implementation of the District SCADA Project, potential solar sites, and security systems, as well as their maintenance, upgrades, and improvements. In addition, it is responsible for the Fleet Division, which repairs and maintains District vehicles, tractors, and equipment. The District fleet consists of 54 vehicles, 44 pieces of large equipment, and 84 pieces of miscellaneous equipment.

Construction and Maintenance – The C&M Division maintains, inspects, repairs, upgrades, and locates as necessary the more than 337 miles of pipelines and easements that run throughout the District's abundant 100 square mile service area. It also maintains, identifies, locates, detects for leaks and repairs all mainline valves and appurtenances and performs most of the District's in-house construction projects. The Division also performs maintenance to over 1,596 fire hydrants to ensure reliable operation in the event of an emergency and is responsible for the flushing of dead-end water lines to maintain the safest and highest quality of water. It assists the Wastewater Division with in-house construction work and all the major repairs of sewer lines and manholes within the wastewater system. The Division is also responsible for landscaping needs and requirements of all District facilities and easements.



Valley Center Municipal Water District

Operations & Facilities

Meter Services - The Meter Services Division is responsible for the installation, maintenance and repair of all water meters, service laterals and backflow devices. This includes responsibility for warehousing, backflow and service repair inventories. This Division reads and monitors the Advanced Metering Infrastructure (AMI), and tests water meters and backflow devices. As of January 31, 2022 there were 10,771 active meters, of which 1,484 are fire meters, and 5,223 backflow devices that are tested annually. It oversees the Cross Connection/Backflow program and responds to the majority of the customer service requests which are received by the District. It also enforces the District's Water Conservation measures and mandates and oversees the corporate facilities which repairs and maintains the District's corporate facility.

Operations - Wastewater - The Wastewater Division is responsible for the operation and maintenance of the Lower Moosa Canyon Water Reclamation Facility and Woods Valley Ranch Water Reclamation Facility. This includes performing tests and making the necessary adjustments to meet Regional Water Quality Control Board effluent standards. The Moosa laboratory performs daily and weekly sampling for both wastewater and water operation divisions. Performing wastewater bacteriological, potable bacteriological testing (Bac-T), and general physicals samples per the State standards and compliance. The Division is also responsible for the maintenance of the sewer collection systems, lift stations and low pressure systems, which includes locating, inspecting and repairing all sewer lines and manholes within the wastewater system. The Woods Valley Plant processes the District's first tertiary water and includes the District's reclaimed water program. *Wastewater operations are presented in separate sections of this budget.*

DEPARTMENT PERFORMANCE STANDARDS

Strategic Plan Goal	Standard No.	Performance Standard Description	Trend	Annual Target/Goal	Calendar Year		
					2020 Actual	2021 Actual	2022 Projection
Water Supply	2	Unknown Water Loss (UWL)		Minimize and reduce UWL wherever possible	5.1%	3.7%	5.0%
Energy	6	Pump Efficiency		95% of Design Efficiency	108%	106%	106%
Energy	7	Solar Energy Production		Maintain 90% of scheduled solar production of District owned solar arrays	Exceeded	Exceeded	Exceed 90%
Water Supply	10	Water Service Reliability		> 99%	99.999%	99.999%	> 99%
Finance	11	Lost-time Accidents		< 1.0%	0.5%	0.1%	< 1.0%
Water Supply	12	Compliance with Regulations		Compliance with all State and Federal Regulations	Met	Met	Meet



Fiscal Year 2021-2022 Recent Accomplishments & Performance Indicators	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Continued to research the feasibility of in-house construction of a small-scale solar project at various sites to reduce energy consumption and improve the District's carbon footprint. Staff has also explored a number of Power Purchase Agreements (PPA) or a lease option and alternative energy projects at various locations and facilities throughout our service area to reduce our overall energy expenses.						✓	
Retrofitted 10 existing fire hydrants on Old Castle Road with AVK check valves to reduce water loss and potential property damage.	2	✓					
Purchased and outfitted 2 half ton replacement pickup trucks.		✓					
Completed smog testing on 13 vehicles and opacity testing on 11 trucks.	12	✓					
Load tested 18 Emergency Back-up Generators.	12	✓					
Satin sealed the asphalt paving at 5 reservoirs, pressure reducing stations, and pump station sites.		✓	✓				
Cleaned and inspected 14 steel tank reservoirs and inspected and cleaned 5 floating cover reservoirs.	10	✓					
Painted and maintained approximately 425 fire hydrants under the Districts newly implemented Fire Hydrant Maintenance Program		✓	✓				
Completed 50% of Valve Maintenance through Quad J, to include a number of appurtenance repairs and upgrades.	12	✓					
Completed dead-end line flushing to comply with the State Water Resource Control Board.	12	✓					
Staff has completed the deployment of the Advanced Metering Infrastructure (AMI) technology to measure, collect, and analyze real-time data from customers' water meters.					✓		
Installed a separate inlet and internal piping at Weaver Reservoir to aid in water mixing and water quality during the normal cycling of the reservoir.	12	✓	✓				

* See page 1-23 of this Budget document for the full Strategic Plan.



Valley Center Municipal Water District

Operations & Facilities

Fiscal Year 2022-2023 Goals & Objectives	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Repair, upgrade and maintain the water system, while at the same time keeping the system fully operational and meeting all District goals, guidelines and standards.		✓		✓		✓	
Continue to implement operational pumping strategies to minimize the financial impacts of SDG&E's continuously changing rate schedule tariffs.				✓		✓	
Continue with the in-house construction and implementation of automating the District's natural gas engines and bypass valves to provide increased remote and automated operations.					✓	✓	
Train and develop employees on SCADA equipment maintenance, PLC Programming and related software issues and requirements for future growth and implementation.					✓		
Further improve the District's water loss percentage by replacing high usage 3-inch, 2-inch, 1½-inch turbo meters to the new Omni Meters and ¾" and 1" SR II meters to the new I-Pearl and Ally Meters.	2						
Continue to evaluate and survey high demand areas of the District and increase leak detection measures to prevent major system failures in high risk areas. Maintain security and tamper proof measures in remote areas and improve the Districts infrastructure.	6		✓			✓	
Maintain pumping efficiency requirements through repair, reconditioning and replacing of sub-par pumping equipment. Explore new technology's and repair procedures to improve pumping efficiencies, along with modernizing pumps to accommodate mechanical seals.	6					✓	
Evaluate low performing pump stations for pump and motor replacement upgrades.	6					✓	
Utilize the rebate and efficiency programs available through SDG&E to offset District costs in the improvement of sub-standard pump stations.	6					✓	
Diagnose and complete repairs to solar sites to maintain the production of solar energy above 90% of the schedule production and perform required manufacture maintenance and cleaning at the District constructed solar array facilities.	7					✓	
Continue to review safety policies and procedures to maintain safe work practices.	11			✓			
Review accidents and near misses and make safety recommendations as necessary.	11			✓			
Continue to monitor new or updated regulatory requirements implemented by the State Water Resource Control Board, Air Pollution Control District and other regulatory agencies, to maintain compliance with all state and federal regulations.	12						
Continue to maintain 99% or better water service reliability, compliance with all regulations, and no lost-time accidents.	7 - 10		✓	✓		✓	
Perform more preventative maintenance to maintain or improve the high level of reliability within the SCADA system and functionality.	10		✓		✓	✓	
Evaluate the installation of small scale solar arrays at pump stations, Wastewater Facilities and the Corporate Facility to offset energy consumption, demand charges, and electric costs.	7					✓	
Continue to be vigilant and responsive to the changing water quality regulations with new Federal or State mandates and guidelines.	12						
Continue to identify and install new in-line valves and repair existing in-line and reservoir valves at designated points throughout the District's service area.	10		✓				
Continue to clean, inspect, and repair reservoirs throughout the District's service area and install internal water circulation devices to improve cross-movement and mixing throughout the reservoir to reduce or eliminate water quality issues throughout the distribution area.	12		✓				
Install the new Sensus Ally meters that feature a remote turn-on, turn-off and or restricted use capabilities.	1		✓				

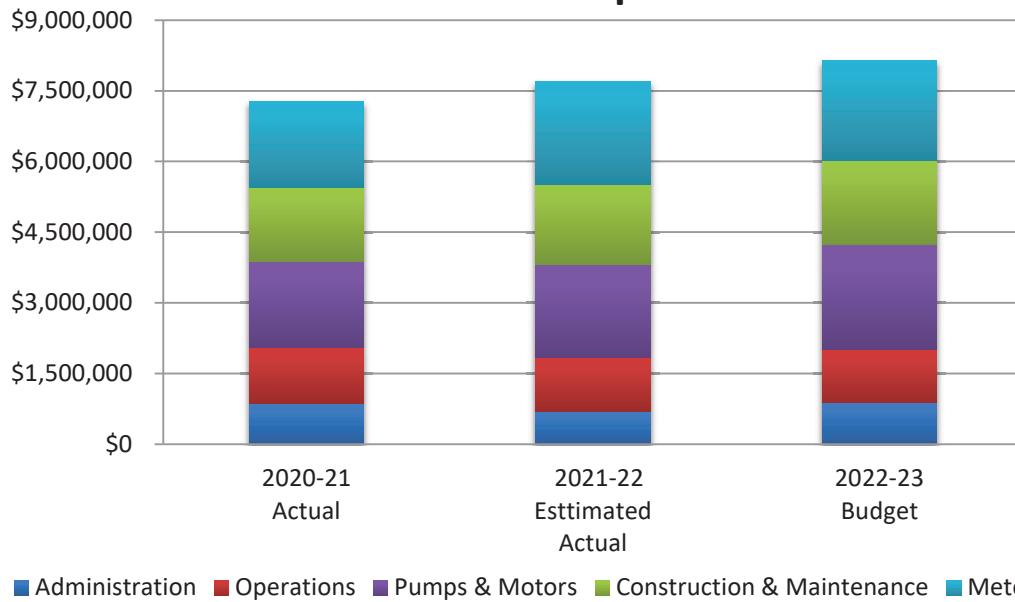


Valley Center Municipal Water District

Operations & Facilities

Long-Term Goals & Objectives	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Continue upgrading of the District's pump and corporate facilities to improve energy efficiencies	6					✓	
Continue to train and develop District personnel to meet the District's future succession planning demands.							✓
Re-establish easement maintenance and meter maintenance programs throughout the District's distribution system to improve system evaluations and leak detection measures.	2	✓					
Work with Information Technology in the development and implementation of a Computerized Maintenance Management System (CMMS). The CMMS software will help increase efficiency by providing staff electronic mobile work order and customer service request capabilities as well as the ability to streamline reporting, track costs and schedule preventative maintenance.	1	✓			✓		
Implement and develop pumping strategies and procedures to maximize pumping efficiencies and incorporate solar or alternative generation into that approach.	6					✓	
Continue to research and implement strategies or new technologies to improve efficiencies and maximize cost savings in all aspects of the District's operational procedures.		✓				✓	
Continue to monitor and implement new and ongoing regulatory compliance obligations and requirements mandated through the State Water Resource Control Board.	12	✓					
Continue installing the new Sensus ALLY meter that features a remote turn-on, turn-off and restricted use capabilities and build out the Advanced Metering Infrastructure (AMI).	1	✓			✓		

Division Expenses





Department Summary by Division

Fund	Department
01	04

Division No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
ADMINISTRATION		861,440	708,335	698,341	865,968
31	Administration	509,542	531,708	529,679	490,489
32	Safety & Regulatory Compliance	269,321	90,422	73,472	283,443
34	District Security	82,577	86,205	95,190	92,036
OPERATIONS		1,192,842	1,280,350	1,147,938	1,122,150
42	System Operation	848,148	1,008,650	842,687	783,050
44	Treatment	64,143	71,100	73,245	59,100
45	Automatic Valves	139,871	96,400	99,500	101,300
49	Water Quality Control	140,680	104,200	132,506	178,700
PUMPS & MOTORS		1,825,825	2,111,200	1,960,011	2,193,900
43	SCADA	161,843	230,500	212,394	230,600
46	Reservoir Maintenance	184,082	262,900	270,830	251,600
47	Pump Maintenance	226,279	312,600	251,663	306,300
48	Motor Maintenance & Electric Panels	742,466	790,300	701,180	813,100
71	Vehicle & Equipment Maintenance	511,155	514,900	523,944	592,300
CONSTRUCTION & MAINTENANCE		1,556,023	1,720,259	1,698,950	1,767,273
33	Landscape & Paving Maintenance	188,858	262,359	279,009	238,773
53	Pipeline and Right-of-Way Maint.	661,067	775,800	718,991	766,500
55	Valve Maintenance & Location	706,098	682,100	700,950	762,000
METERS		1,830,715	1,923,865	2,195,938	2,090,839
54	Corporate Facilities Maintenance	80,254	128,715	50,566	132,589
61	Meter Installation	264,875	348,050	542,017	418,050
62	Meter Reading	51,408	74,600	49,737	67,300
63	Service Connection Maintenance	1,278,514	1,142,200	1,284,700	1,205,800
65	Backflow Maintenance	155,664	230,300	268,918	267,100
TOTAL OPERATIONS & FACILITIES		7,266,845	7,744,009	7,701,178	8,040,130



Valley Center Municipal Water District

Operations & Facilities Administration

Division Summary by Expense Category

Fund	Department	Division
01	04	31

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	471,888	472,300	487,000	418,900
50002	Temporary Labor	4,662	5,600	7,600	16,300
50003	Overtime	0	500	596	500
50010	Training & Education	18,342	27,000	21,000	27,000
50011	Uniform/Clothing/Shoes	39,396	38,500	36,500	38,500
50028	Printing	281	2,000	1,200	2,000
50030	Special Department Expenses	1,670	1,500	1,500	1,500
50032	Automated Telephone Dial Service	0	1,000	0	1,000
50033	Postage	0	75	0	75
50034	Memberships, Fees and Dues	128	500	250	500
50037	Transportation, Meals & Travel	1,399	11,000	2,500	11,000
50038	Regulatory Permits & Fees	682	1,000	800	1,000
50991	Expense Credit	(28,906)	(29,267)	(29,267)	(27,786)
Total		509,542	531,708	529,679	490,489



Division Detail

Fund	Department	Division	Total Budget Request
01	04	31	\$490,489

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular Full-Time Equivalents	418,900
50002	Temporary Labor	16,300
50003	Overtime	500
50010	Training & Education Allocation from General Administration Training 01-02-18 Page 6-8A	27,000
50011	Uniform/Clothing/Shoes Uniforms for Field Personnel Safety Shoes Hats Sweatshirts Jackets	38,500
50028	Printing General Printing	2,000
50030	Special Department Expenses Office Supplies Miscellaneous Equipment	1,500
50032	Automated Telephone Dial Service Communication during scheduled SDCWA shutdowns	1,000
50033	Postage General Postage	75
50034	Memberships, Fees and Dues Miscellaneous	500
50037	Transportation, Meals & Travel After Hour Meals Joint Power Insurance Authority Meetings San Diego County Water Works Group Meetings	11,000
50038	Regulatory Permits & Fees State Water Resources Control Board	1,000
50991	Expense Credit Reimbursement from Sewer Funds for Administrative Overhead	(27,786)



Valley Center Municipal Water District

Operations & Facilities Administration

Division Summary by Expense Category

Safety & Regulatory Compliance

Fund	Department	Division
01	04	32

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	244,455	39,400	37,500	241,000
50003	Overtime	5,433	3,500	7,500	6,000
50014	Employee Physicals	6,270	9,000	6,500	9,000
50025	Outside Professional Services	11,893	22,100	8,750	22,100
50030	Special Department Expenses	14,750	20,000	17,000	20,000
50034	Memberships, Fees and Dues	1,270	1,400	1,200	1,400
50991	Expense Credit	(14,750)	(4,978)	(4,978)	(16,057)
Total		269,321	90,422	73,472	283,443



Valley Center Municipal Water District

Operations & Facilities Administration

Division Detail

Fund	Department	Division
01	04	32

Total Budget Request
\$283,443

Safety & Regulatory Compliance

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	241,000
	Full-Time Equivalents	1.40
50003	Overtime	6,000
50014	Employee Physicals As required by the Department of Health Services, Department of Motor Vehicles, Department of Transportation, and OSHA, including hearing tests, drug testing, and respirator physicals.	9,000
50025	Outside Professional Service	22,100
	Confined Space Standby	10,000
	Industrial Hygiene Services	5,500
	Fire Extinguisher Testing	2,800
	Material Safety Data Sheets On-line	2,000
	DOT Administration Fee	800
	Electrical Personal Protective Equipment Testing	800
	Automated External Defibrillator Compliance Program	200
50030	Special Department Expenses	20,000
	Safety Protection Equipment & New AED's	8,000
	First Aid Equipment	2,000
	Rain Gear & Safety Vests	2,000
	Emergency/First Aid Supplies	2,000
	Safety Materials	1,500
	Miscellaneous	1,400
	Respirator Replacements	800
	Safety Signs	800
	Fall Protection Harness Replacement	500
	Fire Extinguisher Replacement	500
	Fall Protection Rescue Equipment	500
50034	Memberships, Fees and Dues	1,400
	National Safety Council	500
	Cal OSHA Reports	400
	Pacific Safety Council	300
	National Fire Protection Association	200
50991	Expense Credit Reimbursement from Sewer Funds for Administrative Overhead	(16,057)



Valley Center Municipal Water District

Operations & Facilities Administration

Division Summary by Expense Category

District Security

Fund	Department	Division
01	04	34

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	67,935	63,400	79,000	69,700
50003	Overtime	0	0	185	0
50025	Outside Professional Services	1,678	7,000	1,700	7,000
50030	Special Department Expenses	3,169	2,000	1,000	2,000
50034	Memberships, Fees and Dues	524	550	550	550
50452	Maintenance of Facilities	14,555	18,000	17,500	18,000
50991	Expense Credit	(5,284)	(4,745)	(4,745)	(5,214)
Total		82,577	86,205	95,190	92,036



Valley Center Municipal Water District

Operations & Facilities Administration

District Security

Division Detail

Fund	Department	Division
01	04	34

Total Budget Request
\$92,036

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular Full-Time Equivalents	69,700
50025	Outside Professional Services	7,000
50030	Special Department Expenses EOC Supplies Security Supplies Emergency Satellite Television Fees Office Supplies	2,000 1,000 350 350 300
50034	Memberships, Fees and Dues Water Information Sharing and Analysis Center	550
50452	Maintenance of Facilities Security Gate Maintenance Cameras (Stationary and PTZ)	18,000 10,000 8,000
50991	Expense Credit Reimbursement from Sewer Funds for Administrative Overhead	(5,214)



Valley Center Municipal Water District

Operations & Facilities Operations

Division Summary by Expense Category

System Operation

Fund	Department	Division
01	04	42

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	740,455	881,800	725,000	649,700
50002	Temporary Labor	10,127	5,600	8,383	12,100
50003	Overtime	88,560	115,000	105,000	115,000
50030	Special Department Expenses	693	1,250	1,304	1,250
50452	Maintenance of Facilities	8,313	5,000	3,000	5,000
Total		848,148	1,008,650	842,687	783,050



Valley Center Municipal Water District

Operations & Facilities Operations System Operation

Division Detail

Fund	Department	Division
01	04	42

Total Budget Request
\$783,050

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular Full-Time Equivalents	649,700
50002	Temporary Labor	12,100
50003	Overtime Stand-By Pay, Operation Call Out, Shift Pay	115,000
50030	Special Department Expenses	1,250
50452	Maintenance of Facilities Equipment General Maintenance Maintenance/Repairs on Aging Facilities	5,000 2,000 2,000 1,000



Valley Center Municipal Water District

Operations & Facilities Operations

Division Summary by Expense Category

Treatment

Fund	Department	Division
01	04	44

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	38,372	43,500	45,000	27,000
50003	Overtime	0	500	250	500
50025	Outside Professional Services	0	500	0	500
50030	Special Department Expenses	61	500	500	500
50038	Regulatory Permits & Fees	484	600	1,030	1,100
50323	Chlorine	21,153	23,000	22,465	25,000
50452	Maintenance of Facilities	4,073	2,500	4,000	4,500
Total		64,143	71,100	73,245	59,100



Valley Center Municipal Water District

Operations & Facilities Operations

Division Detail

Treatment

Fund	Department	Division	Total Budget Request
01	04	44	\$59,100

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular Full-Time Equivalents	27,000
50003	Overtime	500
50025	Outside Professional Services Chlorinator Maintenance	500
50030	Special Department Expenses Tools and Replacement	500
50038	Regulatory Permits & Fees	1,100
50323	Chlorine Chlorine Tablets HTH to Increase Residual in Reservoirs	25,000
50452	Maintenance of Facilities Repair or Rebuild Tablet Chlorinators Rebuild Chlorine Detectors	4,500



Valley Center Municipal Water District

Operations & Facilities Operations

Division Summary by Expense Category

Automatic Valves

Fund	Department	Division
01	04	45

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	81,048	49,400	62,000	59,300
50003	Overtime	0	1,000	500	1,000
50030	Special Department Expenses	0	1,000	1,000	1,000
50443	Maintenance of Valves	58,823	45,000	36,000	40,000
Total		139,871	96,400	99,500	101,300



Valley Center Municipal Water District

Operations & Facilities Operations

Division Detail

Fund	Department	Division
01	04	45

Total Budget Request
\$101,300

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular Full-Time Equivalents 0.45	59,300
50003	Overtime	1,000
50030	Special Department Expenses Tools and Replacement	1,000
50443	Maintenance of Valves Rebuild, Repair & Maintenance of Pressure Reducing, Pressure Relief, Altitude, Pump Control, and Isolation Valves	40,000



Valley Center Municipal Water District

Operations & Facilities Operations

Division Summary by Expense Category

Water Quality Control

Fund	Department	Division
01	04	49

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	74,045	42,700	72,000	103,200
50003	Overtime	36	500	652	500
50025	Outside Professional Services	17,976	12,500	8,000	12,500
50028	Printing	2,770	1,500	1,500	1,500
50030	Special Department Expenses	6,928	5,000	5,000	5,000
50033	Postage	0	500	0	500
50038	Regulatory Permits & Fees	32,078	35,000	39,354	43,000
50452	Maintenance of Facilities	6,847	6,500	6,000	12,500
Total		140,680	104,200	132,506	178,700



Valley Center Municipal Water District

Operations & Facilities Operations

Division Detail

Fund	Department	Division
01	04	49

Total Budget Request
\$178,700

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	103,200
	Full-Time Equivalents	0.74
50003	Overtime	500
50025	Outside Professional Services	12,500
	Lab Analysis For:	
	Unregulated Contaminant Monitoring Revision 5	5,000
	Trihalomethane (THM) Stage 2	2,250
	Haloacetic acids (HAA)	2,250
	Lead/Copper Testing	1,500
	Coliform, General Physical Testing	1,500
50028	Printing	1,500
	Consumer Confidence Reports, Annual Notifications, Regulations	
50030	Special Department Expenses	5,000
	Lab Supplies	4,000
	Glassware Replacement	1,000
50033	Postage	500
	Notifications for major shutdowns	250
	Consumer confidence reports	250
50038	Regulatory Permits & Fees	43,000
	AB 2995 Water Systems Fees, Inspection and Services	
50452	Maintenance of Facilities	12,500
	Chlorine Residual Reagent	3,000
	Chlorine Residual Comparators	2,500
	Rebuild/Repair Chlorine Residual Analyzers	7,000



Valley Center Municipal Water District

Operations & Facilities Pumps & Motors

Division Summary by Expense Category

SCADA

Fund	Department	Division
01	04	43

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	124,370	149,400	148,700	149,500
50003	Overtime	283	2,300	2,000	2,300
50025	Outside Professional Services	0	10,000	9,100	10,000
50030	Special Department Expenses	0	1,500	1,200	1,500
50032	Telephone	1,344	1,500	1,119	1,500
50452	Maintenance of Facilities	0	10,000	8,000	10,000
50459	Software Technical Support	26,964	35,800	28,875	35,800
50465	SCADA Repairs	8,882	20,000	13,400	20,000
Total		161,843	230,500	212,394	230,600



Valley Center Municipal Water District

Operations & Facilities Pumps & Motors

SCADA

Division Detail

Fund	Department	Division	Total Budget Request
01	04	43	\$230,600

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular Full-Time Equivalents	149,500
50003	Overtime	2,300
50025	Outside Professional Services SCADA Programming	10,000
50030	Special Department Expenses	1,500
50032	Telephone Leased Telemetry Lines and Alarm Monitor	1,500
50452	Maintenance of Facilities	10,000
50459	Software Technical Support	35,800
50465	SCADA Repairs SCADA Miscellaneous Pressure Level Transducers	20,000 13,000 7,000



Valley Center Municipal Water District

Operations & Facilities Pumps & Motors Reservoir Maintenance

Division Summary by Expense Category

Fund	Department	Division
01	04	46

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	139,530	164,400	179,730	151,300
50002	Temporary Labor	327	6,700	219	0
50003	Overtime	444	1,000	3,930	1,000
50025	Outside Professional Services	10,782	37,000	34,600	45,500
50030	Special Department Expenses	237	800	792	800
50038	Regulatory Permits & Fees	21,929	37,000	36,000	37,000
50452	Maintenance of Facilities	10,833	16,000	15,559	16,000
Total		184,082	262,900	270,830	251,600



Valley Center Municipal Water District

Operations & Facilities

Pumps & Motors

Reservoir Maintenance

Division Detail

Fund	Department	Division
01	04	46

Total Budget Request
\$251,600

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular Full-Time Equivalents	151,300
50002	Temporary Labor	0
50003	Overtime	1,000
50025	Outside Professional Service Diver - Cleaning and Inspection Turner Dam - Confined Space Rescue Turner Dam - Inspection and Repairs	45,500
50030	Special Department Expenses Hose & Pump Equipment	800
50038	Regulatory Permits & Fees Turner Dam Environmental Health Permits	37,000
50452	Maintenance of Structures & Improvements Cathodic Protection Reservoir cleaning and inspection Floating Reservoir Covers Repair and Patching Site Improvements - Construction Maintenance	16,000



Valley Center Municipal Water District

Operations & Facilities

Pumps & Motors

Pump Maintenance

Division Summary by Expense Category

Fund	Department	Division
01	04	47

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	175,577	225,100	167,900	218,800
50002	Temporary Labor	0	0	1,041	0
50003	Overtime	194	2,000	1,500	2,000
50025	Outside Professional Services	20,321	36,000	33,482	36,000
50030	Special Department Expenses	980	1,500	1,140	1,500
50444	Maintenance of Pumps	28,900	44,000	42,800	44,000
50454	Maintenance of Equipment	307	4,000	3,800	4,000
Total		226,279	312,600	251,663	306,300



Valley Center Municipal Water District

Operations & Facilities Pumps & Motors

Division Detail

Fund	Department	Division
01	04	47

Total Budget Request
\$306,300

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	218,800
	Full-Time Equivalents	1.44
50002	Temporary Labor	0
50003	Overtime	2,000
50025	Outside Professional Services	36,000
	Machine Work	31,000
	Epoxy Coating	5,000
50030	Special Department Expenses	1,500
	Tool Replacement	1,000
	Miscellaneous Items	500
50444	Maintenance of Pumps	44,000
	Pump Repair Parts	31,000
	Packing/Mechanical Seals	8,000
	Bearings	5,000
50454	Maintenance of Equipment (Surge Tanks)	4,000
	Air Compressors	2,000
	Controls	1,000
	Relief Valves	1,000



Valley Center Municipal Water District

Operations & Facilities Pumps & Motors

Division Summary by Expense Category

Motor Maintenance/Electrical Panels

Fund	Department	Division
01	04	48

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	535,046	586,800	504,614	604,600
50002	Temporary Labor	0	0	1,666	0
50003	Overtime	5,838	5,000	4,000	5,000
50025	Outside Professional Services	35,236	60,000	56,300	60,000
50030	Special Department Expenses	3,096	3,000	2,800	3,000
50038	Regulatory Permits & Fees	20,911	29,000	26,500	29,000
50455	Maintenance of Engines	51,876	46,500	42,600	46,500
50456	Maintenance of Electric Motors	50,374	25,000	24,300	25,000
50458	Maintenance of Electrical Facilities	40,089	35,000	38,400	40,000
Total		742,466	790,300	701,180	813,100



Valley Center Municipal Water District

Operations & Facilities Pumps & Motors

Division Detail

Motor Maintenance/Electrical Panels

Fund	Department	Division
01	04	48

Total Budget Request
\$813,100

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	604,600
	Full-Time Equivalents	3.41
50002	Temporary Labor	0
50003	Overtime	5,000
50025	Outside Professional Services	60,000
	Facility Repair and Painting	25,000
	Electric Motor Repair	25,000
	Circuit Breaker Testing	5,000
	Generator Load Testing	2,500
	Emission Source Testing	2,500
50030	Special Department Expenses	3,000
	Electrical Safety Equipment and Testing	2,500
	Test and Diagnostic Equipment	500
50038	Regulatory Permits & Fees	29,000
	Natural Gas Engines	22,000
	Environmental Health	4,000
	Emergency Generators	3,000
50455	Maintenance of Engines	46,500
	Services	30,000
	Miscellaneous Repairs	16,500
50456	Maintenance of Electric Motors/Gear Drives	25,000
	Bearings	20,000
	Parts and Repairs	5,000
50458	Maintenance of Electrical Facilities	40,000
	Electrical Panels	16,000
	Softstarter Repair/Replacement	14,000
	Circuit Breakers	4,500
	Electrical Equipment	4,000
	Lights, Electrical Tool Repair	1,500



Valley Center Municipal Water District

Operations & Facilities Pumps & Motors

Division Summary by Expense Category

Vehicle & Equipment Maintenance

Fund	Department	Division
01	04	71

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	298,502	247,300	290,561	289,200
50002	Temporary Labor	0	0	241	0
50003	Overtime	2,709	6,000	4,997	6,000
50025	Outside Professional Services	24,946	15,000	14,352	15,000
50030	Special Department Expenses	4,114	4,300	4,194	4,300
50038	Regulatory Permits & Fees	4,251	3,000	4,290	5,000
50341	Hazardous Waste Disposal Costs	12,447	10,000	8,647	10,000
50450	Maintenance - Gas, Oil & Grease	136,831	175,000	157,654	211,500
50451	Maintenance of Vehicles	43,730	55,000	41,853	55,000
50453	Maintenance of Radios	5,165	8,500	4,227	8,500
50454	Maintenance of Equipment	17,750	25,000	27,128	25,000
50991	Expense Credit	(39,290)	(34,200)	(34,200)	(37,200)
Total		511,155	514,900	523,944	592,300



Valley Center Municipal Water District

Operations & Facilities Pumps & Motors

Division Detail

Vehicle & Equipment Maintenance

Fund	Department	Division	Total Budget Request
01	04	71	\$592,300

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular Full-Time Equivalents	289,200
50002	Temporary Labor	0
50003	Overtime	6,000
50025	Outside Professional Services Vehicle and Equipment Repairs Generator Load Testing Fuel Tank Testing	15,000
50030	Special Department Expenses Software Repair Manuals Specialty Tools Replacement Tools Tools for Service Truck	4,300
50038	Regulatory Permits & Fees Emergency Generators Portable Equipment Boom Truck	5,000
50341	Hazardous Waste Disposal Costs Recycling Oil, Filters & Solvents Asbestos Pipe Disposal of Aerosols Recycling Tires & Miscellaneous Cleanup Material Compliance Guides	10,000
50450	Fuel, Oil, and Chemicals Fuel Oil and Coolant Fuel Tank Parts	211,500
50451	Maintenance of Vehicles Parts for Fleet	55,000



Valley Center Municipal Water District

Operations & Facilities Pumps & Motors

Division Detail

Vehicle & Equipment Maintenance

Fund	Department	Division
01	04	71

Account No.	Detail and Justification	Budget Request
50453	Maintenance of Radios/Vehicle Tracking	8,500
	Vehicle Tracking Service Contract	5,000
	Radio Parts	3,500
50454	Maintenance of Equipment	25,000
	Grader/Dozer/Backhoe	15,000
	Miscellaneous Equipment	10,000
50991	Expense Credit	(37,200)
	Rental Value of Vehicles and Equipment Used for:	
	Installation of Meters	01-04-61-50451 (32,000)
	Moosa Treatment Plant	13-03-26-50451 (1,500)
	Moosa Collection	13-03-27-50451 (1,500)
	Moosa STEP Maintenance	13-03-29-50451 (1,000)
	Woods Valley Ranch Treatment Plant	17-03-31-50451 (1,200)



Valley Center Municipal Water District

Operations & Facilities Construction & Maintenance

Division Summary by Expense Category

Landscape Maintenance

Fund	Department	Division
01	04	33

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	190,101	258,300	277,000	233,800
50003	Overtime	0	500	0	500
50025	Outside Professional Services	5,274	10,000	9,500	10,000
50030	Special Department Expenses	593	1,000	950	1,000
50452	Maintenance of Facilities	6,284	7,000	6,000	7,000
50991	Expense Credit	(13,394)	(14,441)	(14,441)	(13,527)
Total		188,858	262,359	279,009	238,773



Valley Center Municipal Water District

Operations & Facilities Construction & Maintenance Landscape Maintenance

Division Detail

Fund	Department	Division
01	04	33

Total Budget Request
\$238,773

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	233,800
	Full-Time Equivalents	2.96
50003	Overtime	500
50025	Outside Professional Services	10,000
	Tree Trimming and Turner Dam Cattail Control	5,000
	Lilac Property Mowing	3,500
	Pre-Emergent spray of station/facilities	1,500
50030	Special Department Expenses	1,000
50452	Maintenance of Facilities	7,000
	Irrigation and Plants	4,000
	Landscape Materials	2,500
	Gravel	500
50991	Expense Credit	(13,527)
	Reimbursement from Sewer Funds for Administrative Overhead	



Valley Center Municipal Water District

Operations & Facilities Construction & Maintenance Pipeline & R.O.W. Maintenance

Division Summary by Expense Category

Fund	Department	Division
01	04	53

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	535,904	611,900	585,000	606,000
50002	Temporary Labor	0	3,400	0	0
50003	Overtime	44,957	45,000	44,000	45,000
50025	Outside Professional Services	20,500	31,500	21,000	31,500
50030	Special Department Expenses	2,462	3,000	3,041	3,000
50040	Rents & Leases	145	1,000	950	1,000
50452	Maintenance of Facilities	57,099	80,000	65,000	80,000
Total		661,067	775,800	718,991	766,500



Valley Center Municipal Water District

Operations & Facilities Construction & Maintenance Pipeline & R.O.W. Maintenance

Division Detail

Fund	Department	Division
01	04	53

Total Budget Request
\$766,500

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	606,000
	Full-Time Equivalents	3.69
50002	Temporary Labor	0
50003	Overtime	45,000
	Emergency Leak Repair	
50025	Outside Professional Services	31,500
	Asphalt Satin Sealing	10,000
	Turner Dam - Confined Space Rescue	9,500
	Asphalt Paving	6,000
	Traffic Control	6,000
50030	Special Department Expenses	3,000
	Tools	1,000
	Welding Supplies	1,000
	Fire Hose and Fittings	500
	Cones and Barricades	500
50040	Rents & Leases	1,000
50452	Maintenance of Facilities	80,000
	Decomposed Granite, Road Base and Rock	21,000
	Asphalt, Hot and Cold Mix	16,500
	Pipe - Repair	9,500
	Trash Disposal	7,500
	Clamps and Couplings	5,000
	Asphalt-Cement Disposal	5,000
	AC Pipe Disposal	5,000
	Culverts	3,000
	Erosion Control Material	3,000
	Welding Materials	2,500
	Cement	2,000



Valley Center Municipal Water District

Operations & Facilities Construction & Maintenance

Division Summary by Expense Category

Valve Maintenance/Locations

Fund	Department	Division
01	04	55

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	588,284	554,600	578,000	614,500
50003	Overtime	13,066	15,000	14,000	15,000
50025	Outside Professional Services	0	10,000	9,500	10,000
50030	Special Department Expenses	2,223	1,500	1,500	1,500
50040	Rents & Leases	0	1,000	950	1,000
50452	Maintenance of Facilities	102,525	100,000	97,000	120,000
Total		706,098	682,100	700,950	762,000



Valley Center Municipal Water District

Operations & Facilities Construction & Maintenance

Division Detail

Fund	Department	Division
01	04	55

Valve Maintenance/Locations

Total Budget Request
\$762,000

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	614,500
	Full-Time Equivalents	3.75
50003	Overtime	15,000
50025	Outside Professional Services	10,000
	Traffic Control	7,000
	Asphalt Paving	3,000
50030	Special Department Expenses	1,500
	Tools	500
	Welding Supplies	500
	Markout Materials/Calibration	250
	Cones	250
50040	Rents & Leases	1,000
	Heavy Equipment and Asphalt Breaker	
50452	Maintenance of Facilities	120,000
	Valve Replacement/Repairs	25,000
	Appurtenance Repair & Replacement Parts	20,000
	Spools and AVK	20,000
	Fire Hydrants	15,000
	Air Vacs and Covers	12,000
	Air Vac Screens	5,500
	Valve Post Materials	5,500
	Blow Offs	4,500
	Valve Can Materials	3,500
	Cement	2,750
	Paint	2,750
	Tagging Material	2,000
	Erosion Control Material	1,500



Valley Center Municipal Water District

Operations & Facilities Meters

Division Summary by Expense Category

Corporate Facilities Maintenance

Fund	Department	Division
01	04	54

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	5,292	48,300	6,111	47,600
50003	Overtime	147	500	500	500
50025	Outside Professional Services	56,300	56,500	39,244	61,500
50030	Special Department Expenses	4,042	5,000	2,461	5,000
50038	Regulatory Permits & Fees	1,610	3,500	1,610	3,500
50452	Maintenance of Facilities	18,075	22,000	7,725	22,000
50991	Expense Credit	(5,212)	(7,085)	(7,085)	(7,511)
Total		80,254	128,715	50,566	132,589



Valley Center Municipal Water District

Operations & Facilities Meters

Division Detail

Fund	Department	Division
01	04	54

Corporate Facilities Maintenance

Total Budget Request
\$132,589

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	47,600
	Full-Time Equivalents	0.28
50003	Overtime	500
50025	Outside Professional Services	61,500
	Janitorial Service	16,000
	Air Conditioner Repairs/Service	10,000
	Asphalt Seal	10,000
	Trash Pickup	8,000
	Internal Window, Floor Cleaning	4,000
	Bug and Termite Treatment	3,000
	Carpet Cleaning	3,000
	Generator Load Testing	2,500
	Miscellaneous	5,000
50030	Special Department Expenses	5,000
	Breakroom Supplies	3,500
	Miscellaneous Supplies	1,500
50038	Regulatory Permit & Fees	3,500
	Emergency Stationary Gen-sets	2,250
	Environmental Health Permit	1,250
50452	Maintenance of Facilities	22,000
	Building Maintenance	11,500
	Special Cleaning of Building	4,000
	Janitor Supplies	3,000
	Floor Mats/Lighting	2,500
	Miscellaneous	1,000
50991	Expense Credit	(7,511)
	Reimbursement from Sewer Funds for Administrative Overhead	



Valley Center Municipal Water District

Operations & Facilities Meters

Division Summary by Expense Category

Meter Installation

Fund	Department	Division
01	04	61

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	56,863	153,700	62,000	130,700
50002	Temporary Labor	0	0	3,666	0
50003	Overtime	0	1,200	300	1,200
50025	Outside Professional Services	4,444	7,500	7,500	7,500
50030	Special Department Expenses	464	1,000	1,000	1,000
50038	Regulatory Permits & Fees	0	250	250	250
50040	Rents & Leases	0	400	400	400
50446	Installation Material-Meters	96,199	85,000	236,736	130,000
50451	Maintenance of Vehicles	30,569	29,000	22,372	32,000
50457	Installation Material-Backflows	76,336	70,000	207,793	115,000
Total		264,875	348,050	542,017	418,050



Valley Center Municipal Water District

Operations & Facilities Meters

Division Detail

Fund	Department	Division
01	04	61

Total Budget Request
\$418,050

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular Full-Time Equivalents	130,700
50002	Temporary Labor	0
50003	Overtime	1,200
50025	Outside Professional Services	7,500
50030	Special Department Expenses	1,000
50038	Regulatory Permits & Fees Excavation Permits	250
50040	Rents & Leases	400
50446	Installation Material-Meters	130,000
50451	Vehicle Maintenance	32,000
50457	Installation Material - Backflows Including Approved Double Check Valves, RP Devices and Fire Protection	115,000



Valley Center Municipal Water District

Operations & Facilities Meters

Division Summary by Expense Category

Meter Reading

Fund	Department	Division
01	04	62

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	17,049	20,600	11,737	13,300
50003	Overtime	0	1,000	1,000	1,000
50030	Special Department Expenses	0	1,000	1,000	1,000
50459	Software Technical Support	34,359	52,000	36,000	52,000
Total		51,408	74,600	49,737	67,300



Valley Center Municipal Water District

Operations & Facilities Meters

Division Detail

Meter Reading

Fund	Department	Division	Total Budget Request
01	04	62	\$67,300

Account No.	Detail and Justification	Budget Request
50001 Labor & Benefits - Regular	Full-Time Equivalents	13,300
50003 Overtime		1,000
50030 Special Department Expenses	Misc. Tools and Equipment	1,000
50459 Software Technical Support	AMI Technology Support & Maintenance	52,000



Valley Center Municipal Water District

Operations & Facilities Meters

Division Summary by Expense Category

Service Connection Maintenance

Fund	Department	Division
01	04	63

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	1,034,979	858,000	1,049,365	937,300
50002	Temporary Labor	7,503	61,700	40,000	42,500
50003	Overtime	30,137	45,000	30,492	45,000
50025	Outside Professional Services	29,046	35,000	18,396	35,000
50030	Special Department Expenses	1,564	2,000	2,000	2,000
50040	Rents & Leases	0	500	500	500
50452	Maintenance of Facilities	175,285	140,000	143,947	143,500
Total		1,278,514	1,142,200	1,284,700	1,205,800



Valley Center Municipal Water District

Operations & Facilities Meters

Division Detail

Fund	Department	Division
01	04	63

Service Connection Maintenance

Total Budget Request
\$1,205,800

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	937,300
	Full-Time Equivalents	5.66
50002	Temporary Labor	42,500
50003	Overtime	45,000
50025	Outside Professional Services	35,000
	Flagging Assistance	25,000
	Asphalt Paving	10,000
50030	Special Department Expenses	2,000
	Pressure Recorder Transducers	750
	Meter Security Locks	500
	Miscellaneous Tools & Equipment	750
50040	Rents & Leases	500
50452	Maintenance of Facilities	143,500
	Maintenance Parts and Materials	50,000
	Replace Deteriorated Services	35,000
	Meter Repairs and Usage Exchanges	27,000
	Security Measures (Meters)	10,000
	Asphalt Repairs	7,000
	Repair/Replace Pressure Reducing Valves	4,000
	Repair/Replace Clay Valves	4,000
	Traffic Control Equipment	3,000
	Adapter Fittings for Auxiliary Hose	2,000
	Shoring Repair Kits and Pump	1,500



Valley Center Municipal Water District

Operations & Facilities Meters

Division Summary by Expense Category

Backflow Maintenance

Fund	Department	Division
01	04	65

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	97,594	172,800	120,226	189,600
50003	Overtime	358	4,000	3,273	4,000
50025	Outside Professional Services	1,620	2,500	910	2,500
50030	Special Department Expenses	214	1,000	1,000	1,000
50452	Maintenance of Facilities	55,878	50,000	143,509	70,000
Total		155,664	230,300	268,918	267,100



Valley Center Municipal Water District

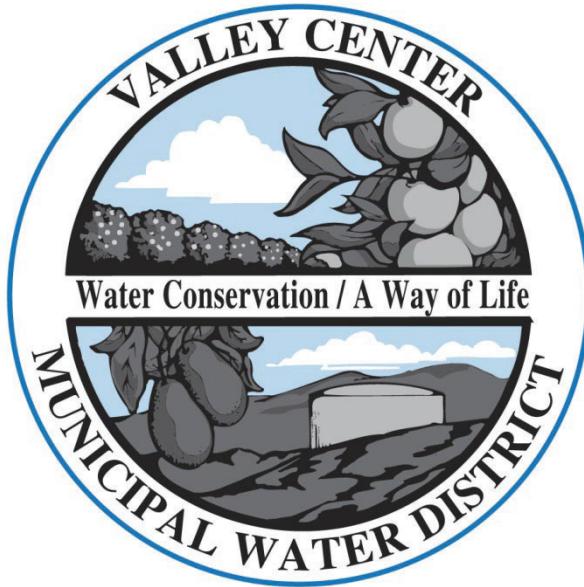
Operations & Facilities Meters

Division Detail

Fund	Department	Division
01	04	65

Total Budget Request
\$267,100

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	189,600
	Full-Time Equivalents	1.11
50003	Overtime	4,000
50025	Outside Professional Services	2,500
	Repair and Calibration of Test Equipment:	
	Potable Water	2,500
50030	Special Department Expenses	1,000
	New Testing Supply Requirements	500
	Repair Tools and Fixtures	300
	Test Equipment for Reclaimed Water	200
50452	Maintenance of Facilities	70,000
	Replacement Devices	31,000
	Reduced Pressure (RP) Repair Parts	19,500
	Double Check (DC) Repair Parts	19,500



Source of Supply



FUNCTION OVERVIEW

This department represents commodity costs which are generally not under the control of the District.

The District purchases all of its water from the San Diego County Water Authority (SDCWA) which in turn purchases its water from the Metropolitan Water District of Southern California (MWD), Imperial Irrigation District, and the Carlsbad Seawater Desalination Plant.

Certified agricultural water purchases receive rebates for the SDCWA's emergency storage program, supply reliability, and markup in the melded rate supply cost used to pay for additional water supplies such as transfers from the Imperial Irrigation District. These rebates, were approximately \$584 per acre foot as of January 1, 2022, are passed through to qualifying agricultural customers.

The District must also pay the MWD and SDCWA fixed charges described below.

This division also accounts for the cost of electric and natural gas utilities which are used for pumping water through the distribution system.

ACCOMPLISHMENTS FOR 2021-2022

Water delivery charges represent pass-through costs of water sold. The District continues to work to keep these costs as low as possible in two ways. First, customer accounts are monitored for excessive usage and water distribution facilities are patrolled to locate and stop water losses as quickly as possible. Second, District management is actively involved in monitoring MWD and SDCWA strategies to maintain affordable water rates and worked diligently to continue agricultural discounts.

CHALLENGES FOR 2022-2023

The use of fixed charges by MWD and SDCWA leaves the District exposed if water sales drop below historical levels, as we have seen, because of continued uncertainties in the agricultural community and wholesale water rate increases.

Energy supplies and costs will be of continuing concern, with higher rates from SDG&E. Efforts to keep water supply costs at the lowest level possible will continue through work with MWD and SDCWA and with the District continuing to invest in photo-voltaic installations at District facilities.

GOALS FOR 2022-2023

The costs of water and utilities accounted for in this division are controlled by other departments, particularly the Operations & Facilities Department, with management from the General Administration Department. Energy costs are reduced by the efforts of Operations by monitoring water usage trends to enable pump stations to be run as efficiently and economically as possible.

The proposed wholesale water rate information obtained from the SDCWA indicates that their rates are to increase by 4.7% for treated water and 5.8% for certified agricultural over the current adopted rates. The SDCWA includes a melded rate supply cost for additional water supplies such as that received from the Imperial Irrigation District. The melded rate supply cost, not firm at this time, is projected to be \$245 in January 2023.



Final rate recommendations will be based on wholesale rates actually adopted by the SDCWA. Also included in the water charges the District is required to pay SDCWA and MWD in 2023 are fixed charges for capacity, ready-to-serve, customer service, emergency storage, and supply reliability. The District calculates the per-acre-foot equivalent of these charges by dividing the total charges by projected water sales, less an 8% reserve for sales levels under budgeted amounts. For the fiscal year ending 2023 budgeted sales are 16,500 acre feet and the fixed charges totaling \$4,240,834 are allocated over 15,180 acre feet. Total fixed charges for 2023 are \$38,208, or 0.9%, higher than Fiscal Year 2021-22.

The total PSAWR price differential for 2023 is projected at \$593 per acre foot, up \$9 per acre foot from \$584 in calendar year 2022.

LONG-TERM GOALS

The costs of water, ready-to-serve, customer service, capacity reservation, emergency storage, supply reliability, and infrastructure access charges, along with agricultural water discounts will continue to require the District to adapt, as will the ongoing uncertainty in the energy markets, and continued uncertainties in the agricultural community.

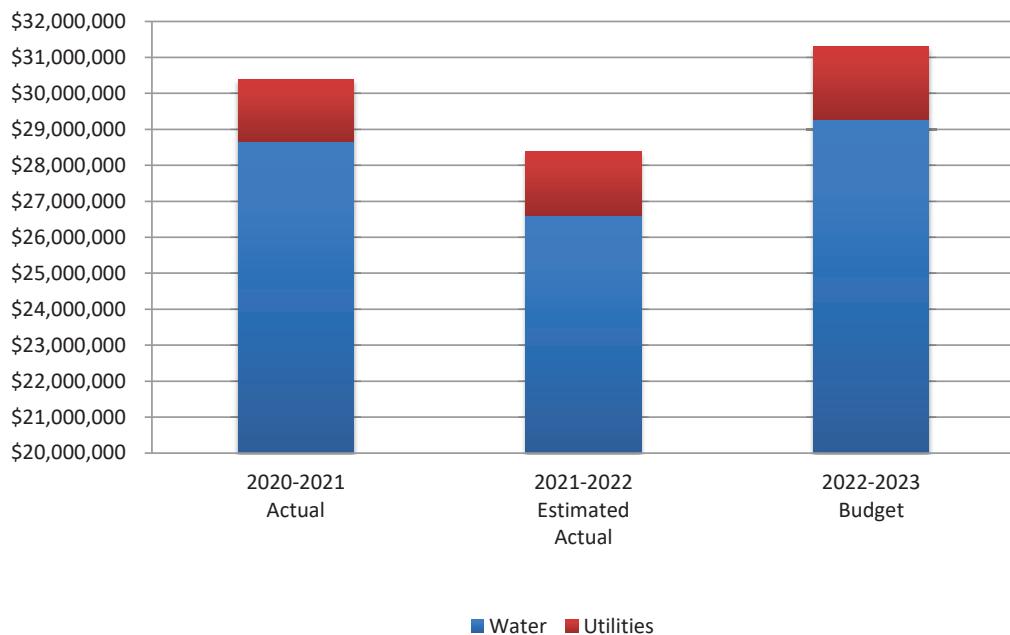


Department Summary by Division

Fund	Department	Division
01	04	41

Division No.	Description	2020-2021		2021-2022		2022-2023	
		Actual	Budget	Estimated Actual	Budget		
41	Source of Supply	30,387,380	29,994,742	28,373,970	31,303,161		
TOTAL SOURCE OF SUPPLY		30,387,380	29,994,742	28,373,970	31,303,161		

Division Expenses





Division Summary by Expense Category

Fund	Department	Division
01	04	41

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
	WATER PURCHASES (ACRE FEET)	@ 18,862	@ 18,090	@ 17,130	@ 17,550
50321	Water Supply Charge - MWD & CWA	23,154,046	22,874,550	20,928,160	23,838,650
50368	Water Delivery Charge - CWA	2,647,015	2,859,550	2,591,940	3,036,150
50369	Agricultural Rebate - CWA	(1,871,942)	(2,105,600)	(1,676,730)	(2,356,373)
50371	Water Delivery Credit - CWA/USBR	(172,009)	(189,053)	(169,620)	(198,930)
50378	Transportation Credit - CWA/USBR	(25,872)	(31,331)	(27,641)	(32,870)
50186	Ready to Serve Charge	546,737	501,420	501,466	567,002
50081	Infrastructure Access Charge	695,934	747,000	747,228	752,700
50394	Capacity Reservation Charge - MWD	495,284	552,822	552,817	495,955
50397	Customer Service Charge - CWA	1,276,593	1,246,446	1,246,555	1,210,616
50399	Emergency Storage Charge - CWA	1,205,145	1,163,622	1,163,616	1,183,879
50337	Supply Reliability Charge - CWA	715,491	738,316	738,317	783,383
Total Water		28,666,422	28,357,742	26,596,108	29,280,161
50045	Utilities - Electricity	1,253,918	1,113,200	1,217,515	1,375,600
50065	Utilities - Electricity Refund	(102,252)	0	0	0
50047	Utilities - Natural Gas	569,292	523,800	560,347	647,400
Total Utilities		1,720,958	1,637,000	1,777,862	2,023,000
Total		30,387,380	29,994,742	28,373,970	31,303,161



Valley Center Municipal Water District

Source of Supply

Division Detail

Fund	Department	Division	Total Budget Request
01	04	41	\$31,303,161

Account No.	Detail and Justification	Budget Request	
		Jul to Dec	Jan to Jun
50321	Water Supply Charge		23,838,650
	To MWD & CWA -	1,319.00	1,435.00
	Expected purchases in AF	11,600	5,950
	Expected purchases in \$	15,300,400	8,538,250
50368	Water Delivery Charge		3,036,150
	To MWD & CWA -	173.00	173.00
	Expected purchases in AF	11,600	5,950
	Expected purchases in \$	2,006,800	1,029,350
50369	Agricultural Rebate - CWA		(2,356,373)
	Ag Discount Rate	(210.00)	(230.00)
	Estimated Ag purchases in AF	7,340	3,543
		(1,541,406)	(814,967)
50371	Water Supply Credit - CWA/USBR		(198,930)
	M&I Supply Rate	(1,009.00)	(1,085.00)
	Estimated purchases in AF	95	95
		(95,855)	(103,075)
50378	Transportation Credit - CWA/USBR		(32,870)
	Water Delivery Rate	(173.00)	(173.00)
	Estimated purchases in AF	95	95
		(16,435)	(16,435)
50186	Ready to Serve Charge		567,002
50081	Infrastructure Access Charge		752,700
50394	Capacity Reservation Charge - MWD		495,955
	This charge is levied to recover the cost of providing peak capacity within the distribution system. It is based on a five-year rolling average of member agency flows during coincident peak weeks.		
50397	Customer Service Charge - CWA		1,210,616
	This charge is based on a three-year rolling average of all deliveries. It is levied to recover estimated costs necessary to support the functioning of the Authority, to develop policies and implement programs that benefit the region.		
50399	Emergency Storage Charge - CWA		1,183,879
	This charge is based on a three-year rolling average of non-agricultural deliveries. It is levied to recover costs associated with the Emergency Storage Program.		



Division Detail

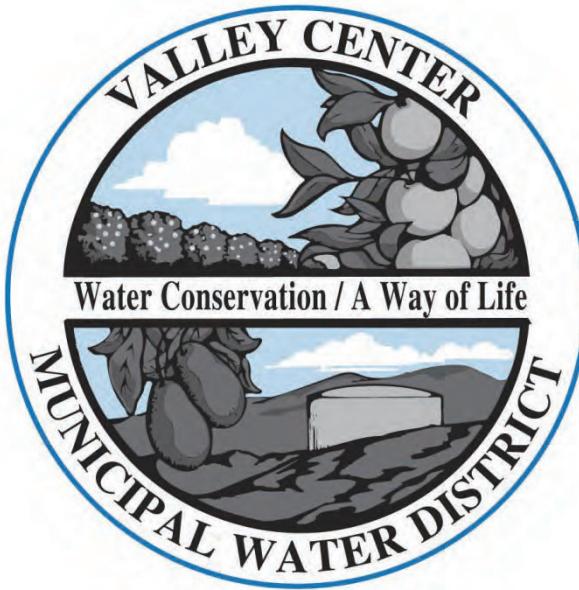
Fund	Department	Division
01	04	41

Account No.	Detail and Justification	Budget Request
50337	Supply Reliability Charge - CWA	783,383
50045	Utilities - Electrical	1,375,600
50047	Utilities - Natural Gas	647,400
	Utilities are based on sale of 16,500 A.F. and purchase of 17,550 A.F. @ \$115 per A.F.	Electric 68% 1,375,600 Natural Gas 32% 647,400 Total 2,023,000



Valley Center Municipal Water District

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Capital Outlay

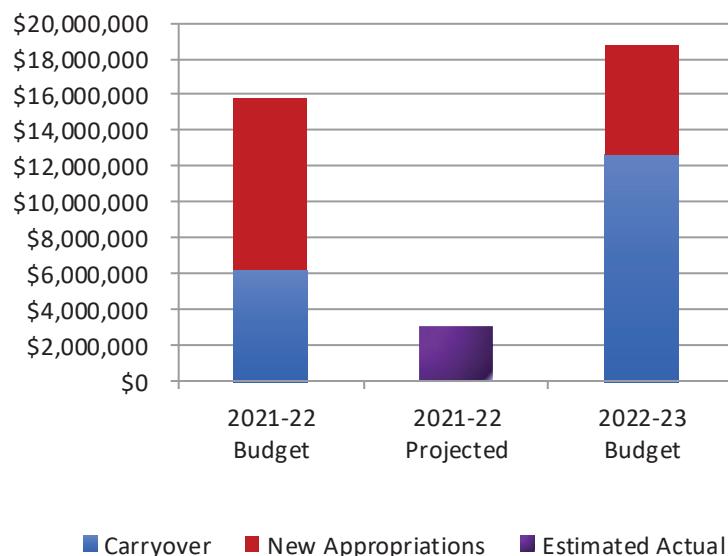


FUNCTION OVERVIEW

Plan, design, acquire rights of way, bid, construct, manage, and inspect specific projects, approved by the Board, that expand the capacity or otherwise increase or improve the service reliability of the water supply and distribution systems or wastewater collection, treatment, and disposal systems. The general goals are to efficiently plan and manage these projects for the lowest overall cost, taking into account both initial and long term costs, as well as the needs identified in the District's Master Plan.

A complete schedule of projects under construction, proposed, and completed is presented on page 10-2.

Capital Outlay





Fiscal Year 2021-2022 Recent Accomplishments & Performance Indicators	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Staff made significant progress on the North County Emergency Storage Project that began in 2019 in partnership with San Diego County Water Authority and Yuima MWD. In the 2020-2021 fiscal year staff completed 30% design where the underlining approach and methodology to accomplishing the project objective were established. Other major components of the project such as CEQA and property acquisitions have also been mostly completed.		✓					
Engineering staff completed the update of the District standards and is in the process of posting the document to the District's website. The Water Master Plan was updated prioritizing replacement project recommendations and funding strategies for the implementation in the next five years pending availability of funding.			✓				
Staff has completed the deployment of the Advanced Metering Infrastructure (AMI) technology to measure, collect, and analyze real-time data from customers' water meters. The system uses the existing District-wide wireless communication infrastructure to transfer the data from the AMI collector systems that are deployed at remote facilities.					✓		
Staff expanded the GIS database by adding data that previous did not exist, allowing more analytical capabilities to support the growing demands of the District. The following has been added: Easement access gates, active encroachments, low pressure grinder pumps, and adding record information of AMI and Cell towers.					✓		
Staff continues with the District wide CMMS project by starting the second phase of the Cityworks implementation. Phase 2 converts the Operations and Facilities Division to Cityworks for all work orders and inspections, digital workflows for the encroachment process, electronic work orders for fleet, warehouse inventory for fleet parts and integration of the current backflow program with Cityworks for a fully electronic work process.					✓		
Staff continued to research the feasibility of in-house construction of a small-scale solar project at various sites to reduce energy consumption and improve the District's carbon footprint. Staff continued to work with Bluepath Finance Inc. on the design and installation of a combined .431 MW of Photovoltaic solar at the Corporate Facility and Lower Moosa Canyon Water Reclamation Facility via Power Purchase Agreements.					✓		
Replaced Paradise Pump Station Pump No. 3.	6		✓				
Replaced Natural Gas Engine exhaust systems & catalytic converters at Betsworth Forebay.	6		✓				
Automated the bypass valves at Rainbow and Jesmond Dene Pump Stations.					✓		
Completed the Lake Turner Dam Slide Gate Emergency Repair Project.			✓				
Staff have satisfied multiple regulatory compliance items that were due in FY 2021-2022. The following were completed or will be completed in 2021-2022: Urban Water Management Plan, Landscape Area Management in association with AB 606 and AB 1668, Emergency Response Plan Update, as well as supported various San Diego County Regional Planning updates.	12		✓				
Established a mechanism to facilitate Woods Valley Ranch Reclamation Facility Expansions to support current and future development within Woods Valley Service Areas. Staff supported the process required to form the Park Circle CFD, executed agreements, and collected securities to ensure the District's interests are observed.			✓				
Painting and recoating of Weaver Reservoir was started and is anticipated to be completed in May, 2022.	8, 9		✓				



Valley Center Municipal Water District

Capital

Fiscal Year 2022-2023 Goals & Objectives	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Complete design and construction of improvements for the provision of emergency water supply to VCMWD's VC3 Service Area and Yuima MWD as part of the San Diego County Water Authority's North County Emergency Supply Project.		✓					
Water Master Plan: Continue to appraise, examine, and improve the District's infrastructure and facilities throughout our service area to prevent major system failures and update the Water Master plan as appropriate.			✓				
When appropriate utilize District staff and Design/Drafting Consultants to prepare CIP designs in-house in rather than turnkey engineering design contracts. Engineering staff has the expertise and ability to complete a majority of the proposed capital improvement projects in-house, realizing a significant savings in cost and time over soliciting and awarding design contracts to consulting engineering firms. In order to streamline the design process, certain sub-contract design professionals; surveying, traffic control, electrical, etc. can be utilized when specialty designs are needed for a project. Larger projects would continue to be awarded to engineering consultants to provide the additional staff needed for more timely completion and when additional expertise is needed.			✓				
Advanced Metering Infrastructure System (AMI): The installation of AMI to the remaining meter routes was completed in fiscal year 2021-2022. To complete this project, the installation of signal booster stations are required to pick up meters that are in a "dead zone" and do not receive a signal from the existing AMI towers.					✓		
Continue implementation of a new Computerized Maintenance Management System (CMMS) that supports mobile users, have better usability, and integrates with existing GIS, financial, and other databases in the District. Phase One has been completed and Phase Two will continue throughout Fiscal Year 2022-23. Additional phases are planned in the following fiscal years.					✓		
Oversee completion of the Corporate Facility and Lower Moosa Canyon Photovoltaic Solar Projects to offset energy consumption, demand charges, and electric costs at those facilities.						✓	
Acquisition of suitable funding opportunities for capital improvement projects, including local water supply, reclamation, and solar power generation projects.				✓			
Review and refinement of the District's Standard Specifications for Design and Construction, and updating the web site postings as documents are revised.			✓				



Long-Term Goals & Objectives	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Design and construct the projects as identified in the Water Master Plan and Financial Model.		✓					
Design for the expansion of existing facilities in an economic and efficient manner while minimizing impacts to customer service.		✓	✓	✓			
Work with the County of San Diego on future road improvement projects, coordinating the replacement and relocation of District Facilities as appropriate.			✓				
Development of District-wide facility requirements due to conversion from predominately agricultural uses to urban uses, changing water conservation practices, and County modification of land use entitlements through the General Plan Update process.		✓					



Capital Outlay Budget Summary

Fund	Department	Division
01	06	78

Acct. No.	Capital Project Request See Page	Description	Approved	Mid-Year	Total	Total	Recaptured or	Estimated	New	Total
			Budget 2021-2022	Adjustments 2021-2022	Approved Budget 2021-2022	Estimated Expenditures 2021-2022	Not Carried Forward to 2022-2023	Budget Carried Forward to 2022-2023		
Pipelines & PRV's										
51020	10-6	Participation, Upsizing, & Unspecified Repl Projects	169,390	(169,390)	-	-	-	-	200,000	200,000
51022		Calle Oro Verde Pipeline Replacement	17,437	17,437	10,452	(6,985)	-	-		-
51060		New Valve Installations and Appurtenances	29,638	29,638	29,338	(300)	-	-		-
51500	10-7	Pipeline Condition Assessment Project Consisting of:	-	-	-	150,000	150,000	-		150,000
51110		Gordon Hill Relief PRS Discharge Pipeline Replace	50,000	50,000	8,917	(41,083)	-	-		-
51070		McNally Reservoir Feeder Replacement (Liner)	75,000	75,000	-	(75,000)	-	-		-
51414		Hell Hole Canyon Pipeline Replacement	75,000	75,000	-	(75,000)	-	-		-
51150		North Broadway Pipeline Relocation	100,000	100,000	45,435	-	54,565	-		54,565
51200		NCESP 14-inch Pipeline Relocation	723,768	723,768	46,151	-	677,617	-		677,617
5151X		Water System Upgrade Projects	-	-	-	-	-	-		-
51513		Keys Creek Pipeline Replacement	151,292	(30,000)	121,292	3,413	(80,000)	37,879		37,879
51690	10-8	Cole Grade Road Pipeline Replacement	461,875	461,875	15,875	450,000	896,000			896,000
51410		Old Castle Waterline Replacement Project	-	-	-	-	-	-		-
51412		Gordon Hill Pipeline Replacement	3,308,399	3,308,399	18,836	-	3,289,563	-		3,289,563
51415		Oat Hill Discharge & Alps Way Pipeline Replaceme	1,153,827	1,153,827	289,082	-	864,745	-		864,745
51417		Lilac Road Pipeline Upsizing	3,589,955	3,589,955	47,228	-	3,542,727	-		3,542,727
51420	10-9	Old Castle Waterline Replacement Project Phase 2	100,000	100,000	85,000	25,000	40,000	-		40,000
51460		Duffwood Project	195,000	195,000	5,000	-	190,000	-		190,000
51120	10-10	2020 DWSRF Loan Application	3,170	3,170	28,170	45,000	20,000	-		20,000
51121		2021 DWSRF Loan Application	75,000	75,000	10,869	-	64,131	-		64,131
51910	10-11	Gordon Hill Upper Pipeline Relocation Project	30,000	30,000	25,000	20,000	25,000	-		25,000
Subtotal Pipelines & PRV's			10,083,751	25,610	10,109,361	668,766	411,632	9,852,227	200,000	10,052,227
Pump Stations										
51160		Pump & Motor Replacements	73,659	73,659	24,579	-	49,080	-		49,080
51050		Natural Gas Engine Controls Upgrade & Automation	121,607	121,607	45,000	-	76,607	-		76,607
51430		Automation of Bypass Valve Controls	12,420	12,420	6,699	-	5,721	-		5,721
51440		San Gabriel PS Controls Upgrade & Automation	52,500	52,500	25,160	-	27,340	-		27,340
51450		Natural Gas Engine Exhaust Silencers	28,162	2,787	30,949	30,948	(1)	-		-
51080	10-12	Pump Station Power Monitors	-	-	-	-	-	-	56,220	56,220
Subtotal Pump Stations			288,348	2,787	291,135	132,386	(1)	158,748	56,220	214,968
Reservoirs										
51130		Reservoir Mixing System	30,103	25,952	56,055	30,052	26,003	-		26,003
51230	10-13	Kornblum Reservoir Mixing and Chlorination	-	-	-	-	-	-	300,000	300,000
51380		Reidy Canyon Area Reservoir	1,852	1,852	-	-	1,852	-		1,852
51300		Reservoir Painting and Recoating Projects	87,349	87,349	2,535	-	84,814	-		84,814
51303		Ridge Ranch Reservoir Replacement	682,190	682,190	858	(600,000)	81,332	-		81,332
51304		Couser/Circle R Reservoir	5,827	5,827	1,906	-	3,921	-		3,921
51307		Weaver Reservoir	1,871,731	1,871,731	1,581,731	(190,000)	100,000	-		100,000
51309		Oak Glen Demolition	120,576	120,576	44,212	(76,364)	-	-		-
51401	10-14	Burnt Mountain/Reidy Canyon No. 1-2 Reservoirs	1,150,000	1,150,000	9,600	190,000	1,330,400	-		1,330,400
51403	10-15	San Gabriel No. 1 Reservoir	-	-	-	-	-	-	2,040,000	2,040,000
51404	10-16	Mtn Meadows No. 1 & Reid Hill Reservoirs	-	-	-	-	-	-	1,590,000	1,590,000
51402		Lake Turner Slide Gate Emergency Repair Project	-	135,651	135,651	135,651	-	-	-	-
Subtotal Reservoirs			3,949,628	161,603	4,111,231	1,806,545	(676,364)	1,628,322	3,930,000	5,558,322
Data Management Systems										
51240	10-17	Server Virtualization, Storage, Disaster Recovery	34,343	34,343	33,861	-	482	-	63,080	63,562
51680		Advanced Metering Infrastructure System	357,283	357,283	264,007	-	93,276	-		93,276
51040	10-18	Boardroom A/V Technology Upgrade	14,622	14,622	11,622	-	3,000	19,200	-	22,200
51480	10-19	Computerized Maintenance Management System	101,232	101,232	57,980	-	43,252	25,000	-	68,252
51750		Asset Table GIS Integration	5,956	5,956	-	-	5,956	-		5,956
51730		Water System HMI Migration	286,332	286,332	9,402	-	276,930	-		276,930
51760		Customer Engagement & Analytics Platform	30,000	30,000	25,150	-	4,850	-		4,850
51470	10-20	Enterprise Resource Planning Software Upgrade	-	-	-	-	-	-	750,000	750,000
51770	10-21	Document Management System	-	-	-	-	-	-	65,000	65,000
51780	10-22	GIS Easement Integration	-	-	-	-	-	-	75,000	75,000
Subtotal Data Management Systems			829,768	-	829,768	402,022	-	427,746	997,280	1,425,026
Facilities										
51648		Corporate Solar Installation	35,000	35,000	-	-	35,000	-		35,000
51670		Turner Dam Emergency Action Plan	70,746	70,746	13,500	-	57,246	-		57,246
51630		District Grinder Pump	10,023	10,023	-	(10,023)	-	-		-
51540		Easement Gate Controller Replacement	30,386	30,386	11,134	(19,252)	-	-		-
51650		Emergency Response Plan	97,680	97,680	41,200	-	56,480	-		56,480
51590	10-23	Water Age Analysis	-	-	-	-	-	-	100,000	100,000
Subtotal Facilities			243,835	-	243,835	65,834	(29,275)	148,726	100,000	248,726
Equipment										
51370	10-24	Vehicles	186,568	186,568	91,349	-	95,219	-	54,500	149,719
51371	" "	Service Truck	147,425	147,425	-	-	147,425	-	283,100	430,525
51372	" "	Dump Truck	164,425	164,425	-	-	164,425	-	189,100	353,525
51373	" "	Hooklift Truck	-	-	-	-	-	-	238,800	238,800
Subtotal Equipment			498,418	-	498,418	91,349	-	407,069	765,500	1,172,569
Total Capital Projects			15,893,748	190,000	16,083,748	3,166,902	(294,008)	12,622,838	6,049,000	18,671,838



Valley Center Municipal

Capital Outlay Budget Summary

Estimated Expenditures by Year

Fund	Department	Division
01	06	78

Acct. No.	Capital Project Request See Page	Description	Estimated Budget Carried Forward to 2022-2023	New Appropriation 2022-2023	Total Approved Budget 2022-2023	Estimated Actual Expenditures 2022-2023	Estimated Actual Expenditures 2023-2024	Estimated Project Balance after 2 years
Pipelines & PRV's								
51020	10-6	Participation, Upsizing, & Unspecified Repl Projects	-	200,000	200,000	200,000		
51022		Calle Oro Verde Pipeline Replacement	-		-	-		
51060		New Valve Installations and Appurtenances	-		-	-		
51500	10-7	Pipeline Condition Assessment Project Consisting of:	150,000		150,000	150,000		
51110		Gordon Hill Relief PRS Discharge Pipeline Replacement	-		-	-		
51070		McNally Reservoir Feeder Replacement (Liner)	-		-	-		
51414		Hell Hole Canyon Pipeline Replacement	-		-	-		
51150		North Broadway Pipeline Relocation	54,565		54,565	54,565		
51200		NCESP 14-inch Pipeline Relocation	677,617		677,617	677,617		
5151X		Water System Upgrade Projects	-		-	-		
51513		Keys Creek Pipeline Replacement	37,879		37,879	37,879		
51690	10-8	Cole Grade Road Pipeline Replacement	896,000		896,000	896,000		
51410		Old Castle Waterline Replacement Project	-		-	-		
51412		Gordon Hill Pipeline Replacement	3,289,563		3,289,563	3,000,000	289,563	
51415		Oat Hill Discharge & Alps Way Pipeline Replacement	864,745		864,745	864,745		
51417		Lilac Road Pipeline Upsizing	3,542,727		3,542,727	2,542,727	1,000,000	
51420	10-9	Old Castle Waterline Replacement Project Phase 2	40,000		40,000	40,000		
51460		Duffwood Project	190,000		190,000	190,000		
51120	10-10	2020 DWSRF Loan Application	20,000		20,000	20,000		
51121		2021 DWSRF Loan Application	64,131		64,131	64,131		
51910	10-11	Gordon Hill Upper Pipeline Relocation Project	25,000		25,000	25,000		
Subtotal Pipelines & PRV's			9,852,227	200,000	10,052,227	8,762,664	1,289,563	-
Pump Stations								
51160		Pump & Motor Replacements	49,080		49,080	49,080		
51050		Natural Gas Engine Controls Upgrade & Automation	76,607		76,607	76,607		
51430		Automation of Bypass Valve Controls	5,721		5,721	5,721		
51440		San Gabriel PS Controls Upgrade & Automation	27,340		27,340	27,340		
51450		Natural Gas Engine Exhaust Silencers	-		-	-		
51080	10-12	Pump Station Power Monitors		56,220	56,220	56,220		
Subtotal Pump Stations			158,748	56,220	214,968	214,968	-	-
Reservoirs								
51130		Reservoir Mixing System	26,003		26,003	26,003		
51230	10-13	Kornblum Reservoir Mixing and Chlorination	-	300,000	300,000	300,000		
51380		Reidy Canyon Area Reservoir	1,852		1,852	1,852		
51300		Reservoir Painting and Recoating Projects	84,814		84,814	84,814		
51303		Ridge Ranch Reservoir Replacement	81,332		81,332	81,332		
51304		Couser/Circle R Reservoir	3,921		3,921	3,921		
51307		Weaver Reservoir	100,000		100,000	100,000		
51309		Oak Glen Demolition	-		-	-		
51401	10-14	Burnt Mountain/Reidy Canyon No. 1-2 Reservoirs	1,330,400		1,330,400	1,000,000	330,400	
51403	10-15	San Gabriel No. 1 Reservoir	-	2,040,000	2,040,000	1,540,000	500,000	
51404	10-16	Mtn Meadows No. 1 & Reid Hill Reservoirs	-	1,590,000	1,590,000	1,500,000	90,000	
51402		Lake Turner Slide Gate Emergency Repair Project	-		-	-		
Subtotal Reservoirs			1,628,322	3,930,000	5,558,322	4,637,922	920,400	-
Data Management Systems								
51240	10-17	Server Virtualization, Storage, Disaster Recovery	482	63,080	63,562	63,562		
51680		Advanced Metering Infrastructure System	93,276		93,276	93,276		
51040	10-18	Boardroom A/V Technology Upgrade	3,000	19,200	22,200	22,200		
51480	10-19	Computerized Maintenance Management System	43,252	25,000	68,252	68,252		
51750		Asset Table GIS Integration	5,956		5,956	5,956		
51730		Water System HMI Migration	276,930		276,930	276,930		
51760		Customer Engagement & Analytics Platform	4,850		4,850	4,850		
51470	10-20	Enterprise Resource Planning Software Upgrade	-	750,000	750,000	750,000		
51770	10-21	Document Management System	-	65,000	65,000	65,000		
51780	10-22	GIS Easement Integration	-	75,000	75,000	75,000		
Subtotal Data Management Systems			427,746	997,280	1,425,026	1,425,026	-	-
Facilities								
51648		Corporate Solar Installation	35,000		35,000	35,000		
51670		Turner Dam Emergency Action Plan	57,246		57,246	57,246		
51630		District Grinder Pump	-		-	-		
51540		Easement Gate Controller Replacement	-		-	-		
51650		Emergency Response Plan	56,480		56,480	56,480		
51590	10-23	Water Age Analysis	-	100,000	100,000	100,000		
Subtotal Facilities			148,726	100,000	248,726	248,726	-	-
Equipment								
51370	10-24	Vehicles	95,219	54,500	149,719	149,719		
51371	" "	Service Truck	147,425	283,100	430,525	430,525		
51372	" "	Dump Truck	164,425	189,100	353,525	353,525		
51373	" "	Hooklift Truck	-	238,800	238,800	238,800		
Subtotal Equipment			407,069	765,500	1,172,569	1,172,569	-	-
Total Capital Projects			12,622,838	6,049,000	18,671,838	16,461,875	2,209,963	-

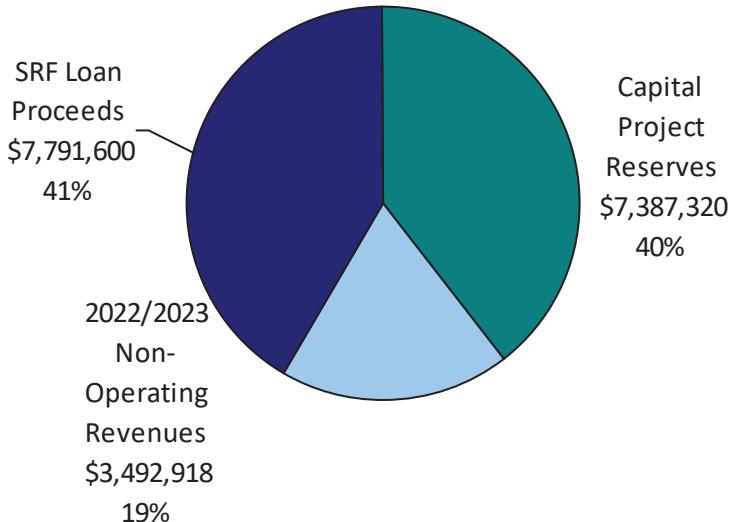


Capital Outlay Source of Funding Water

All projects are funded by one or more of the following methods:

- **Capital Reserves:** There are two types of Capital Reserves. The Reserve for Continuing Projects are unexpended appropriations for capital projects carried forward from prior years. The Reserve for Capital Improvements are water availability charges not allocated to RTS and debt service, Property Taxes, and the "Buy-In" component of Water Capacity Charges plus earning not reserved for other purposes that have been collected in prior years.
- **Non-Operating Revenues:** Current year annual non-operating revenues from Water Availability charges not allocated to RTS and debt service, Property Taxes, Lease of Facilities and the "Buy-In" component of Water Capacity Charges plus earnings not reserved for other purposes.
- **SRF Loan Proceeds:** The District is in various stages of the State Revolving Fund (SRF) Loan application process for several projects. Construction will not proceed until SRF Loan approval has been received.

Capital Outlay Source of Funding



Each Capital Project Request beginning on page 10-6 of this budget document displays a table at the top of the page that looks similar to the one below.

New Item	Type	Master Plan Priority	Project ID	Source of Funding	Strategic Plan
Indicates whether the project request is for a new item, a replacement, or a continuing project.	Replacement	A	CV010	2022/2023 Non-Operating Revenues	Standard 8, 9 Goal II

Indicates whether the project request is for a new item, a replacement, or a continuing project.

Correlates to the District's Master Plan document, not included in this budget. A copy can be provided upon request.

Correlates to the Source of Funding described above.

Correlates to the Strategic Plan Goals and Performance Standards described in the Budget Message beginning on page 1-21 of this budget document.

The table on the following page includes all capital projects with their source of funding identified.



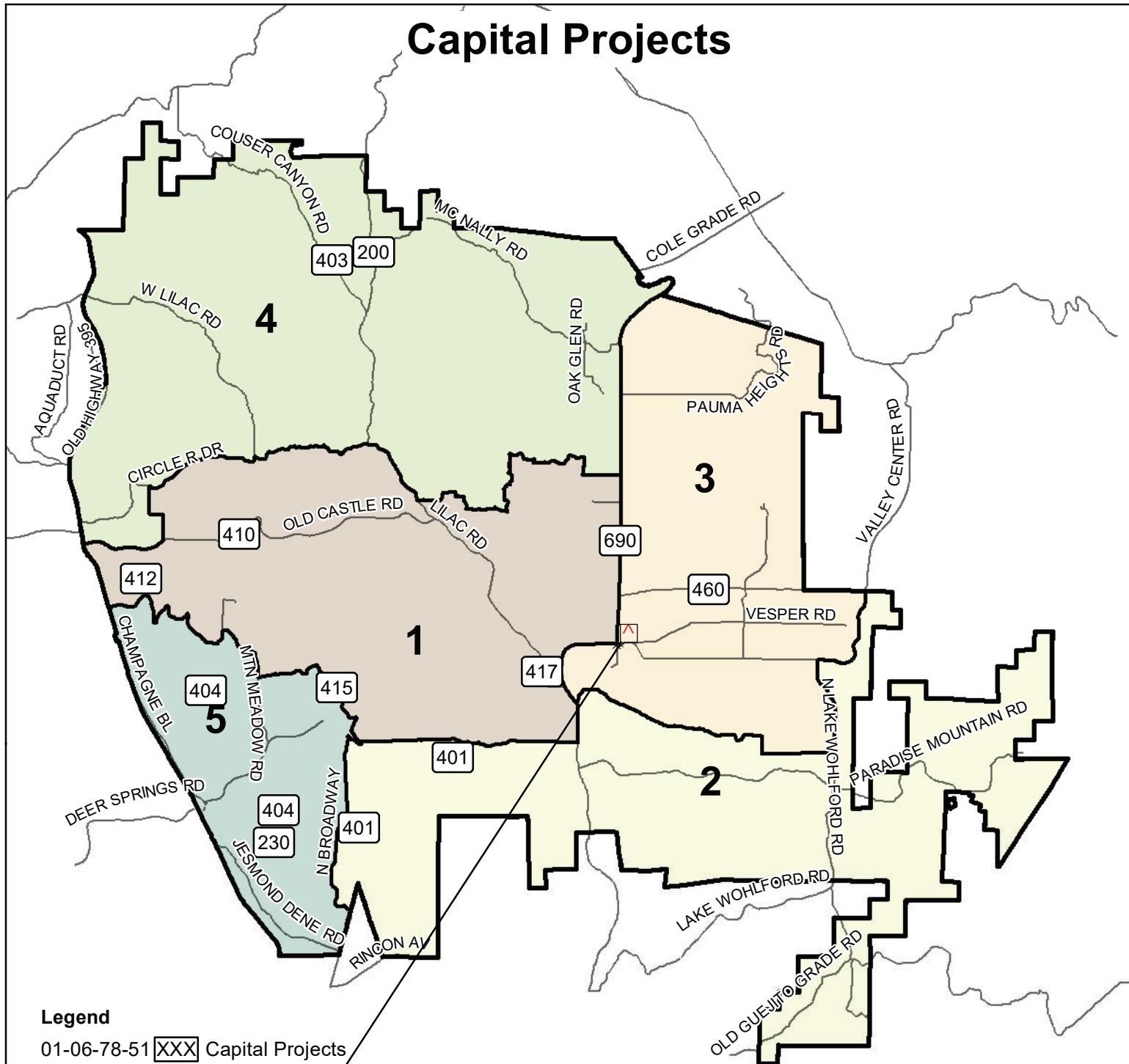
Valley Center Municipal Water District

Capital Outlay Source of Funding

Fund	Department	Division
01	06	78

Acct. No.	Capital Project Request See Page	Description	Capital Reserves	Source of Funding		Total Approved Budget 2022-2023
				2022-2023	Non-Operating Revenues	
Pipelines & PRV's						
51020	10-6	Participation, Upsizing, & Unspecified Repl Projects		200,000		200,000
51022		Calle Oro Verde Pipeline Replacement				-
51060		New Valve Installations and Appurtenances				-
51500	10-7	Pipeline Condition Assessment Project Consisting of:	150,000			150,000
51110		Gordon Hill Relief PRS Discharge Pipeline Replace				-
51070		McNally Reservoir Feeder Replacement (Liner)				-
51414		Hell Hole Canyon Pipeline Replacement				-
51150		North Broadway Pipeline Relocation				54,565
51200		NCESP 14-inch Pipeline Relocation	677,617			677,617
5151X		Water System Upgrade Projects				-
51513		Keys Creek Pipeline Replacement	37,879			37,879
51690	10-8	Cole Grade Road Pipeline Replacement	896,000			896,000
51410		Old Castle Waterline Replacement Project				-
51412		Gordon Hill Pipeline Replacement			3,289,563	3,289,563
51415		Oat Hill Discharge & Alps Way Pipeline Replaceme			864,745	864,745
51417		Lilac Road Pipeline Upsizing			3,542,727	3,542,727
51420	10-9	Old Castle Waterline Replacement Project Phase 2			40,000	40,000
51460		Duffwood Project	190,000			190,000
51120	10-10	2020 DWSRF Loan Application	20,000			20,000
51121		2021 DWSRF Loan Application	64,131			64,131
51910	10-11	Gordon Hill Upper Pipeline Relocation Project	25,000			25,000
Subtotal Pipelines & PRV's			2,060,627	200,000	7,791,600	10,052,227
Pump Stations						
51160		Pump & Motor Replacements	49,080			49,080
51050		Natural Gas Engine Controls Upgrade & Automation	76,607			76,607
51430		Automation of Bypass Valve Controls	5,721			5,721
51440		San Gabriel PS Controls Upgrade & Automation	27,340			27,340
51450		Natural Gas Engine Exhaust Silencers	-			-
51080	10-12	Pump Station Power Monitors		56,220		56,220
Subtotal Pump Stations			158,748	56,220	-	214,968
Reservoirs						
51130		Reservoir Mixing System	26,003			26,003
51230	10-13	Kornblum Reservoir Mixing and Chlorination		300,000		300,000
51380		Reidy Canyon Area Reservoir	1,852			1,852
51300		Reservoir Painting and Recoating Projects	84,814			84,814
51303		Ridge Ranch Reservoir Replacement	81,332			81,332
51304		Couser/Circle R Reservoir	3,921			3,921
51307		Weaver Reservoir	100,000			100,000
51309		Oat Glen Demolition				-
51401	10-14	Burnt Mountain/Reidy Canyon No. 1-2 Reservoirs	1,330,400			1,330,400
51403	10-15	San Gabriel No. 1 Reservoir	2,040,000			2,040,000
51404	10-16	Mtn Meadows No. 1 & Reid Hill Reservoirs	242,137	1,347,863		1,590,000
51402		Lake Turner Slide Gate Emergency Repair Project				-
Subtotal Reservoirs			3,910,459	1,647,863	-	5,558,322
Data Management Systems						
51240	10-17	Server Virtualization, Storage, Disaster Recovery	482	63,080		63,562
51680		Advanced Metering Infrastructure System	93,276			93,276
51040	10-18	Boardroom A/V Technology Upgrade	3,000	19,200		22,200
51480	10-19	Computerized Maintenance Management System	43,252	25,000		68,252
51750		Asset Table GIS Integration	5,956			5,956
51730		Water System HMI Migration	276,930			276,930
51760		Customer Engagement & Analytics Platform	4,850			4,850
51470	10-20	Enterprise Resource Planning Software Upgrade	273,945	476,055		750,000
51770	10-21	Document Management System		65,000		65,000
51780	10-22	GIS Easement Integration		75,000		75,000
Subtotal Data Management Systems			701,691	723,335	-	1,425,026
Facilities						
51648		Corporate Solar Installation	35,000			35,000
51670		Turner Dam Emergency Action Plan	57,246			57,246
51630		District Grinder Pump	-			-
51540		Easement Gate Controller Replacement	-			-
51650		Emergency Response Plan	56,480			56,480
51590	10-23	Water Age Analysis		100,000		100,000
Subtotal Facilities			148,726	100,000	-	248,726
Equipment						
51370	10-24	Vehicles	95,219	54,500		149,719
51371	" "	Service Truck	147,425	283,100		430,525
51372	" "	Dump Truck	164,425	189,100		353,525
51373	" "	Hooklift Truck		238,800		238,800
Subtotal Equipment			407,069	765,500	-	1,172,569
Total Capital Projects			7,387,320	3,492,918	7,791,600	18,671,838

Capital Projects



Legend

01-06-78-51 XXX Capital Projects

District Offices and Yard

- 370 - Vehicles
- 470 - Enterprise Resource Planning Upgrade
- 480 - Computerized Maintenance Mgmt. System
- 648 - Corporate Solar Installation
- 650 - Emergency Response Plan
- 730 - Water System HMI Migration
- 770 - Document Management System
- 780 - GIS Easement Digitizing

District - Wide

- 020 - Upsizing
- 060 - New Valve Installations & Appurtenances
- 160 - Pump & Motor Replacements
- 200 - NCESP 14-inch Pipeline Relocation
- 230 - Kornblum Mixing & Chlorination
- 401 - Burnt Mountain/Reidy Canyon No. 1-2 Reservoir
- 403 - San Gabriel Reservoir
- 404 - Mtn Meadows No. 1/Reid Hill
- 410 - Old Castle Waterline Replacement Project
- 412 - Gordon Hill Pipeline Replacement
- 415 - Oat Hill & Alps Way Pipeline Replacement
- 417 - Lilac Road Pipeline Upsizing
- 460 - Duffwood Project
- 690 - Cole Grade Road Pipeline Replacement





Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51020

DEPARTMENT:

Engineering

CAPITAL PROJECT REQUEST

Participation, Upsizing and Unspecified Replacement Projects

Continuing Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority	Project ID		Standard	Goal
		A	Unspecified	Non-Operating Revenues	N/A	2

PROJECT DESCRIPTION:

This is an ongoing contingency account to fund participation in developer projects that have benefit for the District beyond the proposed development and relatively small unanticipated projects that come up during the year. General Manager authorized funding limits still apply to projects funded from this account. The Board will be apprised of projects that are authorized and Board approval obtained as required per the District's Administrative Code.

One source of unanticipated projects stems from County roadway improvement projects. The County provides staff with proposed roadway improvement plans for the District area, including their intention to replace and upsize several storm drain culverts within the roadways. These roadway improvements and potential replacements may require vertical relocation of the crossing water lines.

Board approval of funding for participation in developer projects is included as part of the project's Conceptual Approval process. Funds approved for participation is held in reserve in this account until construction is started at which time a separate account is established to track the District's capital cost for the project. The prior funding of the District's share of the Duffwood project depleted the available funds in the account and additional funding is requested.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed			Future	Estimated
	Prior	Estimated	Estimated	Budget	Allocation	Total	Future	Total
	Budget	Actual	Budget	2022-2023	2022-2023	Budget	Project	Project
Staff	0			200,000		200,000	200,000	200,000
Total Project	0	0	0	200,000	200,000		0	200,000
								200,000



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-5150X

DEPARTMENT:

Engineering

CAPITAL PROJECT REQUEST

Pipeline Condition Assessment

New Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Study	Priority A	Project ID N/A		Standard 8, 9	Goal II

PROJECT DESCRIPTION:

Staff is proposing to undertake condition assessments for various priority pipeline replacement projects identified in the District's 2020 Water Master Plan. The approach will allow staff to gain a better understanding of where the problem areas exist within each alignment, and target those areas for replacement or other appropriate means of rehabilitation. Condition assessment has become an industry standard practice in assisting utilities to better prioritize their capital improvement plans and ensure public funds are being spent where they are most needed. This first phase of the assessment will utilize passive means and focus on investigating soil conditions for areas where corrosivity is high. That data will be correlated with leak history and other factors including targeted field investigation of the pipe. The study will evaluate electrical continuity of the pipe to determine feasibility of cathodic protection in lieu of replacement. The assessment results and analysis will allow staff to make more informed decisions on how and where to best apply capital funds and resources towards replacement or other forms of rehabilitation. It may also reveal certain pipeline segments are in satisfactory condition, allowing other more critical projects to be re-prioritized. The alignments that will be evaluated in this assessment consist of the following: Gordon Hill Relief, McNally Reservoir Feeder, Hell Hole Canyon, Fruitvale Rd, West Lilac Road, Bingham Mesa & Mesa Verde Feeder, and Lilac Pala PS Discharge. Budget that was previously allocated towards design of some of these projects will be recaptured to fund this work. Upon completion, staff will incorporate the results of the condition assessment in future budget requests and SRF loan applications for these projects.

Project Budget	Prior			Proposed			Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual Expense	Estimated Budget Remaining	Budget Allocation	Total 2022-2023 Budget	Future Budget Allocation		
	2022-2023	2022-2023	2022-2023					
Staff				20,000	20,000		20,000	20,000
Engineering				120,000	120,000		120,000	120,000
Construction								
Miscellaneous								
Contingency				10,000	10,000		10,000	10,000
Total Project	0	0	0	150,000	150,000	0	150,000	150,000



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51690

DEPARTMENT:

Engineering

CAPITAL PROJECT REQUEST

Cole Grade Road Pipeline Replacement

Continuing Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority A	Project ID CV011		Standard 8,9	Goal 2

PROJECT DESCRIPTION:

The County of San Diego (County) has funded the design and construction of the Cole Grade Road Widening between Fruitvale Road and Pauma Heights Road. The widening project will convert portions of Cole Grade Road from a two-lane road with no center median into a two-lane road with a striped two way left turn lane median. The District has held off replacement of the aging infrastructure in this section of Cole Grade Road pending the County's implementation of the road improvements.

This project is a continuation of the Cole Grade Road Pipeline Replacement Project started in Fiscal Year 2015-2016 with a current total budget authorization of \$610,000 for planning, design and coordination with the County. The District's water line replacements will be included in the County road project which has been split into two phases. The County has indicated they will begin construction of the first phase (Cool Valley Road to Pauma Heights Road) in Fiscal Year 2022-2023 after SDG&E completes the Distribution line design in this area.

County staffing shortage and SDG&E design changes have resulted in project delays. Since that time the County and SDG&E have further identified the scope of work, resulting in some additional work on Phase I design, thus increasing construction costs. Additional funding in the amount of \$450,000 is being requested at this time to cover cost of construction, staff time and contingencies for Phase 1.

Based on the County's current schedule, a request for construction funding for Phase 2 would be included as part of the District's Fiscal Year 2023-2024 Annual Budget. Future Phase 2 budget is currently estimated at \$4.20M, including costs for construction, staff, consultant and contingencies. The Phase 2 construction cost estimate will be further refined upon completion of the design.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed Budget Allocation 2022-2023	Total Budget 2022-2023	Future Budget Allocation	Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual Expense	Estimated Remaining Budget					
Staff	133,900	95,345	38,555	15,000	53,555	235,000	288,555	383,900
Engineering	176,063	84,656	91,407		91,407	25,000	116,407	201,063
Construction - Phase 1	271,000		271,000	359,000	630,000		630,000	630,000
Construction - Phase 2	0		0			3,400,000	3,400,000	3,400,000
Miscellaneous	3,306	0	3,306		3,306		3,306	3,306
Contingency	41,732	0	41,732	76,000	117,732	540,000	657,732	657,732
Total Project	626,001	180,001	446,000	450,000	896,000	4,200,000	5,096,000	5,276,001



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51420

DEPARTMENT:

Engineering

CAPITAL PROJECT REQUEST

Old Castle Road Pipeline Replacement Phase 2

Continuing Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority A	Project ID WS015b	SRF Loan Proceeds	Standard 8,9	Goal II

PROJECT DESCRIPTION:

The Fiscal Year 2018-19 annual budget included \$4.0M in funding for the design and construction of improvements to the Old Castle Waterline Replacement Project. The project was to replace the existing 12-inch tar wrapped steel pipeline between Highway 395 and the Old Castle Pressure Reducing Station. The pipeline lies within the Old Castle Road corridor and supplies water to the Welk Development to the south. The pipeline, originally installed in 1967, has reached the end of its useful life as evidenced by numerous repairs that have been necessary. After the budget was approved, staff was informed that the County of San Diego was planning to construct road surface improvements from Highway 395 to Pamoosa Lane beginning in November 2018. Since there was not time to complete the entire pipeline replacement project prior to County's November start date, staff bifurcated the project into two Phases, Phase 1 and 2.

Phase 1 included the portion outside the County's resurfacing area and was completed December 2019.

The remaining Phase 2 portion consists of removal and replacement of approximately 10,900 LF of existing 12-inch tar wrapped steel pipe between Leisure Lane and Pamoosa Road and was deferred until after the County's 3-year "no cut" policy has expired in January 2022. The Phase 2 project costs are intended to be funded from the proceeds of a Drinking Water State Revolving Fund ("DWSRF") Loan.

Authorized funding for the Phase 2 portion of the project was reduced to \$100,000 in Fiscal Year 2021-2022 to fund the in-house design and coordination with the 2021 DWSRF Loan application. Additional funding is being requested to complete the in-house design and bid/award the project.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed Budget Allocation 2022-2023	Total Budget 2022-2023	Future Budget Allocation	Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual Expense	Estimated Budget Remaining					
Staff								
Engineering	45,000	31,590	13,410	25,000	38,410	510,000	510,000	510,000
Construction						3,400,000	3,400,000	3,400,000
Outside Services	55,000	53,410	1,590		1,590	1,590	1,590	55,000
Miscellaneous						170,000	170,000	170,000
Contingency						510,000	510,000	510,000
Total Project	100,000	85,000	15,000	25,000	40,000	4,590,000	4,630,000	4,715,000



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51120

DEPARTMENT:

Engineering

CAPITAL PROJECT REQUEST

2020 DWSRF Loan Application

New Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority	Project ID	Capital Reserves	Standard	Goal
		A	DW001, CV050a, MW015		7,8 9	II

PROJECT DESCRIPTION:

This project began in Fiscal Year 2018-2019 for the purpose of producing the necessary documentation required by the Drinking Water State Revolving Fund (DWSRF) loan program application process. The project included staff time, environmental consultant, and supporting consulting services to help staff navigate the application process. Initially the approach was to group all projects that were desired to be funded over a five-year period into one application. From discussions with the State Water Resources Control Board (SWRCB), it was determined that a better approach would be to use separate applications each year for only the projects that are likely to move forward to construction within the following fiscal year. The current application being completed for submittal in 2020 will include the Gordon Hill, Lilac Road and Oat Hill & Alps Way Pipeline Replacement Projects. The application total amount is \$8.5M, which includes this application effort. The financing agreement was executed in March 2022.

The following table summarizes the District's current DWSRF loan obligations:

Project	Total Loan Amount	Annual Debt Service
Current SRF Funding (20 year debt service at 1.6% interest beginning 2020)		
Cool Valley Reservoir Cover Replacement	\$3,715,572	\$220,421
Proposed SRF Funding (30 year debt service at estimated 1.2% interest beginning 2025)		
Gordon Hill Waterline Replacement	\$3,380,000	\$134,800
Oat Hill & Alps Way Waterline Replacement plus SRF Application	\$1,420,000	\$56,600
Lilac Rd Waterline Replacement	\$3,700,000	\$147,600
Subtotal Proposed SRF Funding	\$8,500,000	\$339,000
Total SRF Obligation	\$12,215,572	\$559,421



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51120

DEPARTMENT:

Engineering

CAPITAL PROJECT REQUEST

2020 DWSRF Loan Application (continued)

New Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	<u>Priority</u>	<u>Project ID</u>		<u>Standard</u>	<u>Goal</u>
		A	DW001, CV050a, MW015	Capital Reserves	7,8 9	II

Additional budget authorization is requested to fund the budget deficit in staff expenses and to process disbursements and overall management of the loan requirements through completion of the projects. The source of this budget authorization is recaptured funds from other capital projects. These application costs will be reimbursed from the DWSRF loan proceeds.

The following table summarizes the additional funding requirement to complete the 2020 DWSRF Loan Application:

Project Budget	Prior			Proposed			Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual Expense	Estimated Budget Remaining	Budget Allocation	Total 2022-2023	Future Budget Allocation		
Staff	29,000	64,359	(25,359)	40,000	14,641		14,641	79,000
Engineering	120,000	120,000	-					120,000
Construction			-					
Miscellaneous	1,000	641	359		359		359	1,000
Contingency		-	5,000		5,000		5,000	5,000
			-					
Total Project	150,000	185,000	(25,000)	45,000	20,000	0	20,000	205,000



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51910

DEPARTMENT:

Engineering

CAPITAL PROJECT REQUEST

Gordon Hill Upper Pipeline Relocation Project

Continuing Project	Type	Master Plan		Source of Funding		Strategic Plan	
	Replacement	Priority A	Project ID N/A	Capital Reserves	Standard 8,9	Goal II	

PROJECT DESCRIPTION:

Upon reviewing the original Gordon Hill PRS Relief project, now being called Gordon Hill PRS Lower, staff identified an upper section that is near existing structures, being a good candidate for re-alignment. Besides its poor alignment, the 8-inch pipeline was installed in 1965 and is cement mortar lined and tar wrapped steel pipe, thus meeting the Master Plan criteria for replacement. The project scope includes abandoning approximately 330 LF of existing 8-inch waterline and installing 450 LF of new 8-inch PVC waterline and appurtenances along an unpaved access road to Vista Aleta. In October 2021, a \$30,000 budget reallocation was made to establish this Gordon Hill Upper Pipeline Relocation Project to prepare a preliminary design and start the easement acquisition process.

Additional funding from recaptured sources is requested to complete the design, easement acquisition, and the CEQA process to add the project to the 2020 DWSRF Gordon Hill Pipeline Relocation Project as part of the 2020 SRF Application. If the project is approved to be included in the 2020 SRF funding application, it will move forward with the Gordon Hill Pipeline Relocation Project at that time. If it is denied, staff will re-evaluate when District capital funds are available to direct fund the project.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed Budget Allocation 2022-2023	Total Budget 2022-2023	Future Budget Allocation	Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual Expense	Estimated Budget Remaining					
Staff/Design	9,000	4,000	5,000	10,000	15,000	20,000	35,000	39,000
Survey	16,000	16,000						16,000
Construction						130,000	130,000	130,000
Easement Acquisition	5,000	5,000		5,000	5,000		5,000	10,000
Environmental				5,000	5,000		5,000	5,000
Miscellaneous						5,000	5,000	5,000
Contingency						25,000	25,000	25,000
Total Project	30,000	25,000	5,000	20,000	25,000	180,000	205,000	230,000



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51080

DEPARTMENT:

Operations

CAPITAL PROJECT REQUEST

Pump Station Power Monitors

New Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Existing Service	Priority N/A	Project ID N/A		Standard 6	Goal Energy

PROJECT DESCRIPTION:

This project is for the installation of electricity power monitors at the District's pump stations. The installation of the power monitors will provide the Operations Division with real time kilowatt per hour (kWhr) usage and kilowatt (kW) demand data. The kWhr and kW data will be used to track electricity usage and adjust pumping strategies to minimize SDG&E kWhr Time of Use charges and kW Demand charges. The power monitor data will also be utilized by the Pumps and Motors Division to diagnose power quality problems. The project will be completed in two phases, with the following sites scheduled for Fiscal Year 2022-2023.

Betsworth Forebay
Couser Canyon Pump Station
Hauck Mesa Pump Station
Lilac Pala Pump Station
Miller Pump Station
Oat Hill Pump Station
Paradise Mountain Pump Station
Rainbow Pump Station

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed			Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual	Estimated Budget	Budget Allocation	Total 2022-2023	Future Budget Allocation		
					2022-2023			
Staff				10,000	10,000		10,000	10,000
Construction				35,200	35,200		35,200	35,200
Outside Services				7,500	7,500			0
Contingency				3,520	3,520		3,520	3,520
Total Project	0	0	0	56,220	56,220	0	48,720	48,720



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51230

DEPARTMENT:

Engineering

CAPITAL PROJECT REQUEST

Kornblum Reservoir Mixing and Chlorination Project

New Project	Type	Master Plan		Source of Funding		Strategic Plan	
	System Upgrade	Priority A	Project ID N/A	Non-Operating Revenues	Standard 7,8,9	Goal II, IV	

PROJECT DESCRIPTION:

Kornblum is a 4.5 million gallon Reservoir, fed by the Jesmond Dene Pump Station and serves the Jesmond Dene service area. With the demolition of the Jesmond Dene Reservoir in 2020, Kornblum has become the primary and only Reservoir to supply the zone. Given the size of the reservoir and relatively low demand, operations staff is forced to expend more than ideal effort in order to maintain proper water quality. This scenario is experienced at other sites as well caused by the overall reduction in water usage throughout the District. Reservoir mixers and automatic chlorine feed systems are widely used in the industry as tools to improve efficiency of water quality management. Although the District has mixers deployed at certain sites, none interface with a chlorine feed system. A feed system will inject chlorine automatically based on readings from chlorine analyzers and other devices greatly reducing operator involvement to achieve the same results. Sites such as Kornblum require especially frequent oversight given its characteristics, therefore staff have chosen this site for a pilot project of these systems. If this system proves to be effective and meet the goals of improving District's approach to managing water quality, staff will look to implement these elsewhere in the future. Proposed budget includes rental of a portable system for a period of time to build confidence that it will meet our needs prior to purchase of a permanent installation. Followed by design, purchase, and installation of the permanent system.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior				Proposed			Future Total	Estimated Total
	Prior Budget	Estimated Actual	Estimated Budget	Budget Allocation	Total 2022-2023	Future Budget	Project Budget		
	Expense	Remaining		2022-2023	Allocation				
Staff				30,000	30,000		30,000	30,000	30,000
Engineering				20,000	20,000		20,000	20,000	20,000
Construction				200,000	200,000		200,000	200,000	200,000
Outside Services				25,000	25,000		25,000	25,000	25,000
Contingency				25,000	25,000		25,000	25,000	25,000
Total Project	0	0	0	300,000	300,000	0	300,000	300,000	



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51401

DEPARTMENT:

Engineering

CAPITAL PROJECT REQUEST

Reservoir Painting & Recoating - Burnt Mtn & Reidy Canyon No. 1-2

Continuing Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority A	Project ID R01, R30		Standard 8,9	Goal II

PROJECT DESCRIPTION:

Burnt Mountain is a 1.0 million gallon above ground welded steel water reservoir which provides storage for surrounding rural residential developments. Reidy Canyon No.1-2 Reservoirs are 1.0 and 0.5 million gallon above ground welded steel water reservoirs which provide storage for the surrounding rural residential developments in the North Broadway area. The reservoirs have exceeded the maximum 15 year repaint and recoat window. Burnt Mountain and Reidy Canyon No. 2 Reservoirs will require interior and exterior recoat and repaint. Reidy Canyon No. 1 was recoated in the interior in 2019, therefore only the exterior will require repainting.

Bids received for the project in March 2022 were significantly greater than originally estimated due to recent inflation causing increases in labor, fuel and material costs. Additional funding authorization in the amount of \$190,000 is needed for the project. The construction contract for the work was awarded with the understanding that the additional funding needed for the project would be recaptured from the Weaver Reservoir project in the Fiscal Year 2022-2023 Annual Budget. The Weaver Reservoir Project is anticipated to have \$240,000 remaining in the budget upon completion of the work in June 2022. Notice to Proceed on the Burnt Mountain & Reidy Canyon Project is scheduled to be issued mid-May.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed Budget Allocation 2022-2023	Total 2022-2023 Budget	Future Budget Allocation	Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual Expense	Estimated Remaining Budget					
Staff	60,000	9,600	50,400		50,400		50,400	60,000
Paint and Recoat Construction	950,000		950,000	160,000	1,110,000		1,110,000	1,110,000
Miscellaneous	40,000		40,000		40,000		40,000	40,000
Contingency	100,000		100,000	30,000	130,000		130,000	130,000
Total Project	1,150,000	9,600	1,140,400	190,000	1,330,400	0	1,330,400	1,340,000



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51403

DEPARTMENT:

Engineering

CAPITAL PROJECT REQUEST

Reservoir Painting & Recoating - San Gabriel No. 1

New Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority A	Project ID R34		Standard 8,9	Goal II

PROJECT DESCRIPTION:

San Gabriel No. 1 is a 5.0 million gallon above ground welded steel water reservoir which provides storage for the surrounding rural residential developments. Steel Reservoirs require recoating approximately every 15 years in order to maintain viability. The reservoir was last repainted and coated in 1994, therefore, exceeding the 15-year recoating time frame.

The scope of work will include cleaning and painting of the exterior surface and removal of the existing interior coating and re-coating the interior surfaces, preparation of bid documents and awarding of the recommended construction contract. The new exterior paint will have a life service expectancy of 20-25 years and the interior coating 20-25 years. The budget accounts for miscellaneous structural repair work such as roof rafters, columns, girders, overflow box and roof plates.

District staff will prepare contract documents and perform inspection services for the reservoir.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed			Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual Expense	Estimated Budget Remaining	Budget Allocation	Total 2022-2023	Future Budget Allocation		
	2022-2023	2022-2023	Allocation	2022-2023	Allocation	2022-2023		
Staff				85,000	85,000		85,000	85,000
Paint and Recoat Construction				1,700,000	1,700,000		1,700,000	1,700,000
Miscellaneous				15,000	15,000		15,000	15,000
Contingency				240,000	240,000		240,000	240,000
Total Project	0	0	0	2,040,000	2,040,000	0	2,040,000	2,040,000



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51404

DEPARTMENT:

Engineering

CAPITAL PROJECT REQUEST

Reservoir Painting & Recoating - Mountain Meadows No. 1 & Reid Hill

New Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority A	Project ID R25	Capital Reserves and Non-Operating Revenues	Standard 8,9	Goal II

PROJECT DESCRIPTION:

Mountain Meadows No. 1 is a 2.0 million gallon above ground welded steel water reservoir which provides storage for the surrounding rural residential developments. Steel Reservoirs require recoating approximately every 15 years in order to maintain viability. The reservoir was last repainted and coated in 2006, therefore, exceeding the 15-year recoating time frame.

Reid Hill is a 1.0 million gallon above ground welded steel water reservoir which provides storage for the surrounding rural residential developments. Steel Reservoirs require recoating approximately every 15 years in order to maintain viability. The reservoir was last repainted and coated in 2007, therefore, nearing the 15-year recoating time frame.

The scope of work will include cleaning and painting of the exterior surface and removal of the existing interior coating and re-coating the interior surfaces, preparation of bid documents and awarding of the recommended construction contract. The new exterior paint will have a service life expectancy of 20-25 years and the interior coating 20-25 years. The budget accounts for miscellaneous structural repair work such as roof rafters, columns, girders, overflow box and roof plates.

District staff will prepare contract documents and perform inspection services for the reservoir.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed			Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual Expense	Estimated Budget Remaining	Budget Allocation	Total 2022-2023 Budget	Future Budget Allocation		
	2022-2023							
Staff				65,000	65,000		65,000	65,000
Paint and Recoat Construction				1,350,000	1,350,000		1,350,000	1,350,000
Miscellaneous				15,000	15,000		15,000	15,000
Contingency				160,000	160,000		160,000	160,000
Total Project	0	0	0	1,590,000	1,590,000	0	1,590,000	1,590,000



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51240

DEPARTMENT:

IT

CAPITAL PROJECT REQUEST

Server Virtualization, Storage, Disaster Recovery

New Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority N/A	Project ID N/A	Non-Operating Revenues	Standard 1	Goal IV

PROJECT DESCRIPTION:

Upgrade to the data center virtual computing environment. The existing virtual host platform is based on Windows 2016 and serves most of the District's virtual servers, which will need to be upgraded to the latest hardware and software based on Microsoft Windows 2022 server. The project includes new redundant servers with automatic failover, software licenses for servers and clients, and a 10GB core network switch upgrade in the data center. The existing server will be relocated to a remote site and used for data replication, backup, and disaster recovery.

The prior budget for this project was a transfer from Phone System Upgrade project that was completed under budget.

All of the construction will be completed by in-house staff.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed			Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual Expense	Estimated Remaining Budget	Budget Allocation	Total 2022-2023	Future Budget Allocation		
	2022-2023	2022-2023	2022-2023					
Hardware	34,343	33,861	482	38,000	38,482	38,482	72,343	
Software				19,500	19,500	19,500	19,500	19,500
Contingency				5,580	5,580	5,580	5,580	5,580
Total Project	34,343	33,861	482	63,080	63,562	0	63,562	97,423



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51040

DEPARTMENT:

IT

CAPITAL PROJECT REQUEST

Boardroom A/V Technology Upgrade

Continuing Project	Type	Master Plan		Source of Funding		Strategic Plan	
	Replacement	Priority N/A	Project ID N/A	Non-Operating Revenues	Standard 1	Goal IV	

PROJECT DESCRIPTION:

Upgrade to the Audio/Visual technology for the Boardroom presentation system. The new system has replaced the old A/V technology with digital, high-definition technology. Most of the audio and video technology has been upgraded, but there were additional expenditures due to the unforeseen requirements during the COVID-19 pandemic, such as live streaming cameras, live video processing system, large monitor, and other hardware that was not originally planned for this project.

The additional budget request will cover the additional hardware needed to complete the project and also upgrade the live streaming platform for future needs. All of the construction will be completed by in-house staff.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior				Proposed			Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual Expense	Estimated Budget Remaining	Allocation	2022-2023	Total Budget	Future Budget Allocation		
Miscellaneous	32,000	31,000	1,000	18,000		19,000		19,000	50,000
Contingency	2,000	0	2,000	1,200		3,200		3,200	3,200
Total Project	34,000	31,000	3,000	19,200	22,200	0	22,200	53,200	



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51480

DEPARTMENT:

Operations

CAPITAL PROJECT REQUEST

Computerized Maintenance Management System (CMMS)

Continuing Project	Type	Master Plan		Source of Funding		Strategic Plan	
	Existing Service	Priority N/A	Project ID N/A	Capital Reserves and Non-Operating Revenues	Standard 1	Goal IV	

PROJECT DESCRIPTION:

On April 1st 2019, The Board adopted Resolution No. 2019-13 authorizing staff to enter into a 3-year Enterprise Licensing Agreement with Cityworks for a Computerized Maintenance Management System (CMMS), also known as Asset Management System, and to adopt Resolution No. 2019-14 authorizing staff to enter into a contract with Miller Spatial for Cityworks implementation. Phase Two of the Cityworks Implementation by Miller Spatial was approved by the Board of Directors on March 15, 2021. Phase Three will start in Fiscal Year 2022-2023 budget year. Phase Three will conclude implementation of Cityworks for our Pump and Motor Division. Future phases will include Meter Division and Water Reclamation Facilities implementation, WaterSmart integration, Enterprise Resource Planning integration and SCADA integration.

The Computerized Maintenance Management System improves Field tracking and scheduling of maintenance, inspections and repairs of all field facilities. The system also improves personnel efficiencies and modernizes the tracking of required maintenance, inspection and or testing. It supports mobile users and integrates with existing GIS and WaterSmart databases in the District.

Funds are available within the approved Fiscal Year 2021-2022 budget for the second phase of the software implementation for \$47,140 and for the third phase estimated at \$15,000. Additional funds of \$25,000 are requested for Fiscal Year 2022-2023 for services as needed contract for additional Cityworks report development, miscellaneous customization services and equipment.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed			Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual Expense	Estimated Remaining Budget	Budget Allocation	Total 2022-2023 Budget	Future Budget Allocation		
	2022-2023	2022-2023	2022-2023	2022-2023	2022-2023	2022-2023		
Equipment	38,000	31,713	6,287	5,000	11,287		11,287	43,000
Software	2,000	409	1,591		1,591		1,591	2,000
Miscellaneous	5,500	4,361	1,139		1,139		1,139	5,500
Outside Services	131,000	115,765	15,235	20,000	35,235		35,235	151,000
Contingency	19,000		19,000		19,000		19,000	19,000
Total Project	195,500	152,248	43,252	25,000	68,252	0	68,252	220,500



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51470

DEPARTMENT:

Finance

CAPITAL PROJECT REQUEST

Enterprise Resource Planning (ERP) Software Upgrade

Replacement Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority N/A	Project ID N/A	Non-Operating Revenues	Standard 1	Goal IV

PROJECT DESCRIPTION:

The District is currently using Springbrook ERP software supplied by SBRK Finance Holdings, Inc (SBRK). The software is providing critical accounting functionality, such as utility billing, accounts payable, payroll, inventory, and financial reporting. The District utilizes the on-premise version of Springbrook housed on district servers. SBRK has stopped providing any development of new software features, such as improved reporting, to the on-premise version and is only providing upgrades in software functionality to the Cloud based version. Additionally, SBRK lacks the capability of a fully developed Application Programming Interface (API) that is necessary to integrate with other recent software upgrades, such as Cityworks, WaterSmart and Docusign. These recent software investments are part of the District's plan to increase efficiency and integration with the ERP software is critical. Lastly, the Springbrook ERP software currently has no solution for billing customers based on mandatory cutbacks that are likely to be required in future drought years.

District staff has conducted preliminary research of the SBRK Cloud based software as well as other ERP software systems and has found at least one other software system that provides an open accessible API capable of integrating with Cityworks, WaterSmart, and Docusign and that already has an existing software solution for billing based on mandatory cutbacks as well as additional functionality for water use requirements that will also be required in future years. Although SBRK Cloud does have some API capabilities, they are limited and would require development in conjunction with a third-party connector service which staff will also evaluate. The cost of upgrading to SBRK Cloud coupled with the costs for a third-party connector is estimated to be close to that of converting to a new system completely. Regardless, staff will do its due diligence and thoroughly review that option as well.

In addition to the typical accounting software, utility billing, and payroll modules, the District will purchase employee self-service, service order, fixed asset management, contract management, purchase order, and human resources management modules as well as the required API links. Better data integration across different modules will result in improving operating efficiencies by eliminating the need for double-input into separate systems, improving payment processing activities, and providing enhanced financial reporting capabilities.

There is at least one other ERP that Staff would like to evaluate, including attending multiple system demonstrations to ensure that implementation of a new accounting system is the best long-term option for the District.

Budget for staff is included to evaluate the software options, convert the records, facilitate integrations, and ensure accuracy of the data after conversion.



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51470

DEPARTMENT:

Finance

CAPITAL PROJECT REQUEST

Enterprise Resource Planning (ERP) Software Upgrade (continued)

Replacement Project	Type	Master Plan		Source of Funding		Strategic Plan	
	Replacement	Priority N/A	Project ID N/A	Non-Operating Revenues	Standard 1	Goal Technology	

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed			Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual	Estimated Remaining	Budget Allocation	Total 2022-2023	Future Budget Allocation		
		Expense	Budget	2022-2023	2022-2023	2022-2023		
ERP Software				400,000	400,000		400,000	400,000
Contractor Travel				30,000	30,000		30,000	30,000
Staff				250,000	250,000		250,000	250,000
Contingency				70,000	70,000		70,000	70,000
Total Project	0	0	0	750,000	750,000	0	750,000	750,000



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51770

DEPARTMENT:

Engineering

CAPITAL PROJECT REQUEST

Document Management System

New Project	Type	Master Plan		Source of Funding		Strategic Plan	
	N/A	Priority N/A	Project ID N/A	Non-Operating Revenues		Standard 8, 9	Goal IV

PROJECT DESCRIPTION:

A Document Management (DM) system is needed to help manage the thousands of documents generated for CIP projects, customer accounts, accounting and personnel files. Extensive hours are spent locating files that can be reduced with the implementation of DM system. The DM system software will eliminate the hours spent locating and scanning paper files by providing the tools to efficiently scan and store paper based documents along with electronic documents such as emails and Microsoft office documents to a digital repository. In addition the software is able to provide a workflow through integration into Enterprise Resource Planning and other manual business processes like DocuSign. Engineering staff, in coordination with the other departments, has evaluated several projects and narrowed the search for an economical system that is compatible with each Department's needs. Funding is being requested for acquisition and implementation of the software.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed			Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual Expense	Estimated Budget Remaining	Budget Allocation	Total 2022-2023	Future Budget Allocation		
Staff				4,000	4,000		4,000	4,000
Software Acquisition				60,000	60,000		60,000	60,000
Maintenance								
Contingency				1,000	1,000		1,000	1,000
Total Project	0	0	0	65,000	65,000	0	65,000	65,000



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51780

DEPARTMENT:

Engineering

CAPITAL PROJECT REQUEST

GIS Easement Integration Project

New Project	Type	Master Plan		Source of Funding		Strategic Plan	
	GIS Upgrades	Priority N/A	Project ID N/A	Non-Operating Revenues	Standard 9	Goal II, IV	

PROJECT DESCRIPTION:

District has been steadily investing into expanding its GIS database, as it allows for more efficient access and better resolution of the data. Easement data has not yet been integrated, staff is proposing a project that will involve digitizing an estimated 3,000 documents that define the various District Easements. The results will allow staff to view limits and boundaries of an easement on a GIS map relative to its assets, such as pipelines, appurtenances, and facility sites. This information is necessary when conditioning a new development project, planning a Capital Improvement Project, or resolving an encroachment with a property owner. As construction and development activity increases within the District, better accessibility to this information has become more necessary. The current process requires staff to take many steps in order to gain the same information, which is time consuming, cumbersome, and limited to certain staff that are knowledgeable in the process. The ability to view easements in GIS, will allow all staff access to this information in a simple manner. The budget includes consultant cost to convert paper easement documents into digital files and import into the District's GIS database. Budget for staff is included to locate and transmit files to the consultant, including reviewing the results.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed			Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual Expense	Estimated Budget Remaining	Budget Allocation	Total 2022-2023 Budget	Future Budget Allocation		
Staff				15,000	15,000		15,000	15,000
Construction								
Outside Services				50,000	50,000		50,000	50,000
Contingency				10,000	10,000		10,000	10,000
Total Project	0	0	0	75,000	75,000	0	75,000	75,000



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-51590

DEPARTMENT:

Engineering

CAPITAL PROJECT REQUEST

Water Age Analysis

New Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Study	Priority N/A	Project ID N/A		Standard 9	Goal IV

PROJECT DESCRIPTION:

The District's water distribution system operational strategies have evolved over the years to comply with reduction in water usage and the community's gradual transition into more urban developments. It has become increasingly challenging to find the right balance of operating a system built for annual demand of 50,000AF at the current 16,500AF demands in terms of water quality, fire flow demands, and pumping strategies. The operations department has done a good job adjusting as needed, but a more formal overall analysis is needed to setup standards and procedures upon which operational decisions are made. An understanding of how water is moving throughout the system using a water age analysis is the proposed approach. Water age is one of the key factors that can be used to dictate system operation. Through correlation, it can serve as the nexus between water quality, reservoir working levels, effects each has on fire flows and pumping strategies, all of which must be considered when determining how to best operate the system. The proposed budget will be used towards a consultant to perform the analysis, utilizing the District's computer model of the water distribution system and provide recommendations upon how to improve or alter certain operational strategies. The effort will involve staff time to provide necessary information about District's system and participation in workshops with the consultant.

Project Budget	Prior		Proposed			Future		Estimated	
	Estimated	Estimated	Budget	Total	Future	Total	Estimated	Estimated	Estimated
	Prior	Actual	Budget	Allocation	Budget	Project	Project	Project	Project
	Prior Budget	Actual Expense	Budget Remaining	2022-2023	2022-2023	Allocation	2022-2023	2022-2023	Allocation
Staff				20,000	20,000		20,000	20,000	20,000
Engineering				80,000	80,000		80,000	80,000	80,000
Construction									
Miscellaneous									
Contingency									
Total Project	0	0	0	100,000	100,000	0	100,000	100,000	



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-5137X

DEPARTMENT:

Operations

CAPITAL PROJECT REQUEST

Vehicles

New Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority N/A	Project ID N/A		Standard 10, 12	Goal II

PROJECT DESCRIPTION:

On June 25, 2020, the CA Air Resources Board (CARB) adopted Resolution No. 20-19, Advanced Clean Trucks Regulation for implementation in California. This is one of the many initiatives statewide to achieve the Green House Gas (GHG) emission reduction goals of 40% under 1990 levels by 2030 and 80% under 1990 levels by 2050 established in SB 350, the Clean Energy and Pollution Reduction Act, passed and adopted in 2015.

Resolution No. 20-19 directed CARB staff to develop a zero-emission fleet strategy for medium and heavy-duty vehicles by 2045 everywhere feasible with an earlier transition for certain market segments, including a goal of 100% zero emission public vehicle fleets by 2035. The proposed Advanced Clean Fleets Regulation (ACFR) will affect medium and heavy-duty trucks with a Gross Vehicle Weight Rating (GVWR) greater than 8,500lbs. The implementation of the proposed ACFR will require 50% of the Districts new medium and heavy-duty truck purchases be ZEVs starting in Calendar Year 2024 and 100% in 2027.

The replacement of the vehicles listed below will grant staff greater flexibility in managing the normal turnover cycle of the Districts vehicles with a GVWR greater than 8,500lbs and future ZEV purchases.

- 1) Service Truck: New 1½ ton service truck with 4-wheel drive, LED light bar, two-way radio and accessories. This vehicle will replace truck #13, a 2003 Ford F-350, service truck with approximately 92,000 miles. Sub-account number 51371.
- 2) Service Truck: New 1½ ton service truck with 4-wheel drive, LED light bar, two-way radio, crane, winch, and accessories. This vehicle will replace truck #48, a 2002 Ford F-550, service truck with 4-wheel drive and approximately 103,000 miles. Sub-account number 51371.
- 3) Dump Truck: New 6-yard dump truck with LED safety lighting, two-way radio and accessories. This vehicle will replace truck #34, a 2004 Ford F-750 dump truck with approximately 87,000 miles. Sub-account number 51372.
- 4) Hooklift Truck: New hooklift truck with dump body, water tank body, LED safety lighting, two-way radio and accessories. This vehicle will be a multi-use vehicle capable of operating as either a dump truck or water truck. This vehicle will replace truck #18, a 1986 Ford F-700 dump truck with approximately 54,000 miles and truck #27, a 1987 Ford LN-7000 water truck with approximately 201,000 miles. Sub-account number 51373.



Valley Center Municipal Water District

ACCOUNT NO.:

01-06-78-5137X

DEPARTMENT:

Operations

CAPITAL PROJECT REQUEST

Vehicles (continued)

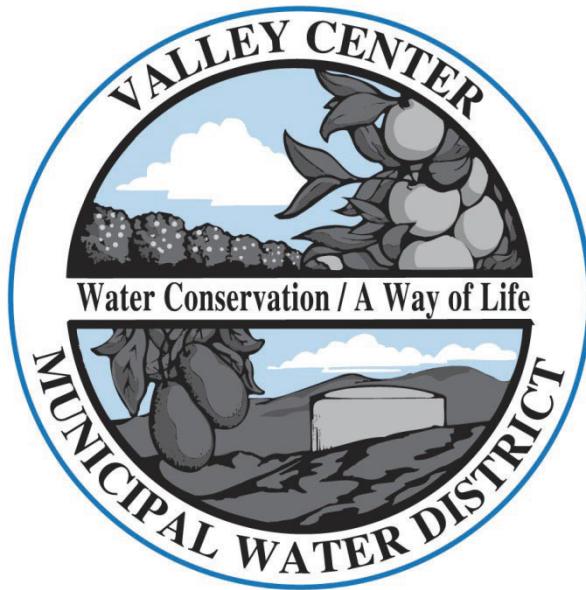
New Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority N/A	Project ID N/A		Standard 10, 12	Goal II

The following vehicle with a GVWR of less than 8,500lbs will additionally be replaced as part of normal fleet turnover.

5) Pickup Truck: New Extra Cab ½ ton truck with 4-wheel drive, LED light bar, two-way radio, tool boxes and accessories. This vehicle will replace truck #31, a 2011 Ford, Ranger, extra cab truck with 4-wheel drive and approximately 177,400 miles. Account number 51370.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed			Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual Expense	Estimated Budget Remaining	Budget Allocation	Total 2022-2023	Future Budget Allocation		
				2022-2023	2022-2023			
Service Truck 1				109,700	109,700		109,700	109,700
Service Truck 2				159,400	159,400		159,400	159,400
Service Truck	147,425	0	147,425	0	147,425		147,425	147,425
Dump Trucks	164,425	0	164,425	180,100	344,525		344,525	344,525
Hooklift Truck				227,800	227,800		227,800	227,800
Pickup Trucks	186,568	91,349	95,219	52,100	147,319		147,319	238,668
Contingency				36,400	36,400		36,400	36,400
Total Project	498,418	91,349	407,069	765,500	1,172,569		0	1,172,569
								1,263,918



Lower Moosa Canyon Water Reclamation Facility



Lower Moosa Canyon Water Reclamation Facility

Personnel Requirements (FTE's)

	Actual FY 2021-22	Budget FY 2021-22	Proposed FY 2022-23
Wastewater Systems Supervisor	0.7	0.7	0.6
Senior Wastewater System Technician	0.6	0.6	0.5
Wastewater Systems Technician III	1.7	1.7	0.9
Wastewater Systems Technician II	0.7	0.7	0.8
Wastewater Systems Technician I	0.0	0.0	0.8
Total	3.7	3.7	3.6

FUNCTION OVERVIEW

Wastewater collection, treatment and disposal services are provided to the communities of Hidden Meadows, Rimrock, Lawrence Welk Village, Castle Creek, Champagne Village, the Treasures, Islands, High Vista and Oak Woodlands subdivisions by the Lower Moosa Canyon Water Reclamation Facility.

A gravity collection system provides service to the majority of the area with the Rimrock, High Vista and Welcome View areas served by a Low Pressure Sewer (LPS) collection system. The gravity system has two lift stations, the Islands and Meadows Lift Stations, that provide service to the Islands subdivision and portion of the Meadows subdivision. The LPS system has two odor control facilities (one of which operates as lift station pending further connections in the area) and numerous private on-site LPS pump systems that are maintained by wastewater staff. The Lower Moosa Canyon Water Reclamation Facility staff also performs daily wastewater sampling, potable bacteriological testing (Bac-T), and general physical samples in the onsite laboratory.

The wastewater division strives to operate the facility in the most efficient manner while meeting the requirements of the Waste Discharge Permit issued by the Regional Water Quality Control Board (RWQCB). Currently, the plant is processing an average of 0.26 million gallons per day; much lower in recent years due to customer implementation of water conservation measures.

Funding for the operation of the facilities comes from:

- 1) A wastewater service charge for properties connected to the system and
- 2) A Low Pressure Sewer Service Charge for connected properties with a grinder pump installation.



Lower Moosa Canyon Water Reclamation Facility

Fiscal Year 2021-2022 Recent Accomplishments & Performance Indicators	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Performed in-house cleaning and video inspection of 20% of the gravity collection system to eliminate potential blockages and reduce outside service expenditures. Located inflow and infiltration sources at manholes and collection system piping these areas were resealed and coated to eliminate unwanted flows entering the treatment facility.			✓				
Inspected and assessed 20% of all the collection system manholes for condition and preventative maintenance per the District's Sewer System Management Plan (SSMP).	12		✓				
Completed the installation of the remaining two Return Activated Sludge (RAS)/ Waste Activated Sludge (WAS) pumps and piping upgrades.			✓				
Continued to implement operational changes that reduced equipment run times and energy consumption and improved effluent quality.						✓	
Completed the migration of the existing Wonderware HMI SCADA software to the Inductive Automation Ignition product and Programmable Logic Controller (PLC) upgrades.						✓	
Continued in-house sampling and testing of the wastewater constituents and sampling for the potable bacteriological testing and general physical samples to help reduce the District's overall sampling costs.			✓				
Continued improvements for compliance with Regional Water Quality Control Board sewer system overflow waste discharge requirements.	12		✓				
Continued implementation and enforcement of the fats, oils and grease (FOG) program at local commercial properties. Developed maintenance and tracking log to annually inspect facilities that are recorded and approved with the District.	12		✓				
Continued ongoing process control monitoring for greater plant efficiency and improved effluent quality which will lead to recommendations for future process control upgrade project.			✓				
Continued to maintain and clean the influent line and grit channel for overflow prevention, improved effluent quality, reduced odors and wear and tear on the facility's mechanical equipment.			✓				
Continued to respond to Alarms and maintain the Private Low Pressure Sewer On-Site pump systems.			✓				
Continued to maintain and clean Meadows and Islands Lift Stations and the High Vista Odor Control/Lift Station of grit, grease and debris, helping to prolong life of equipment, improve influent quality, which prevents unnecessary overflows and cleanings within the sewer collection system.			✓				
Upgraded the Programmable Logic Controller (PLC) and SCADA system at the Islands Lift Station						✓	

* See page 1-23 of this Budget document for the full Strategic Plan.



Valley Center Municipal Water District

Lower Moosa Canyon Water Reclamation Facility

Fiscal Year 2022-2023 Goals & Objectives	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Continue to perform in-house cleaning and videoing of at least 20% of the gravity collection system each year to eliminate potential blockages, reduce outside service expenditures, locate inflow and infiltration sources, and monitor pipe condition.	10		✓				
Continue collection system evaluations and work through documented repair list developed from prior year's video monitoring.	10		✓				
Complete the SCADA integration of the Meadows Lift Station.					✓		
Complete the replacement of the Motor Control Center at the Meadows Lift Station.	8, 9		✓				
Complete the replacement the emergency generator at the Islands Lift Station.	8, 9		✓				
Complete the replacement of the Main Motor Control Center (MCC) at the Lower Moosa Canyon WRF.	8, 9		✓				
Preliminary planning, engineering, environmental, and Power Purchase Agreement negotiations were completed in Fiscal Year 2020-2021, with project completion anticipated by Fall, 2022.						✓	
Respond to Alarms and Maintain the Private Low Pressure Sewer On-Site pump systems.			✓				
Updating the existing Operation and Maintenance Manuals describing and documenting the procedures for efficient operation of the wastewater facilities, including not only the treatment plant, but also, the collection system.	12			✓			
Addition of Solar Power Facilities at the treatment plant site through a Power Purchase Agreement and coordination of the solar power installation with the replacement of the MCC project.	7					✓	
Complete the Lower Moosa Canyon WRF Master Plan Update and continue to monitor the progress of County approvals of the development projects in, and adjacent to, the service area for possible impact on the expansion planning efforts for the facility.			✓				

Long-Term Goals & Objectives	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Plan for future upgrades to meet increasing wastewater capacity needs of the service area, while maintaining required effluent quality standards.			✓		✓	✓	
Explore potential for reuse of the facility's treated effluent to augment potable water supplies through either Title 22 recycled water irrigation or Indirect Potable Reuse.		✓					
Continue improvements in the SCADA system to provide for more automated and remote plant and collection system operation.					✓		
Continue to research and implement strategies or new technologies to improve efficiencies and maximize cost savings in all aspects of the District's wastewater procedures.					✓	✓	



Valley Center Municipal Water District

Lower Moosa Wastewater Recap of Budget and Source of Financing July 1, 2021 to June 30, 2023

Fund
13

	Replacement Fund	Expansion Fund	Continuing Projects Fund	Operating Fund	Total
ACTUAL BALANCE JULY 1, 2021	918,939	527,951	1,217,198	0	2,664,088
Revenue 2021-2022					
Wastewater Service Charges	341,118		1,393,356	1,734,474	
Wastewater Lateral & Inspection Fees			0	0	
Interest	8,800		12,687	21,487	
Wastewater LPS Charges			57,840	57,840	
Total Revenue	349,918	0	0	1,463,883	1,813,801
Estimated Expenditures 2021-2022	0	0	(919,301)	(1,474,683)	(2,393,984)
Transfers	(1,034,613)		1,023,813	10,800	0
Net Change	(684,695)	0	104,512	0	(580,183)
ESTIMATED BALANCE JUNE 30, 2022	234,244	527,951	1,321,710	0	2,083,905
Revenue 2022-2023					
Wastewater Service Charges	341,118		1,450,882	1,792,000	
Interest	5,100		20,800	25,900	
Wastewater LPS Charges			59,960	59,960	
Total Revenue	346,218	0	0	1,531,642	1,877,860
Proposed Expenditures 2022-2023			(271,795)	(1,477,490)	(1,749,285)
Expenditures of Continuing Projects			(1,321,710)		(1,321,710)
Transfers	(217,643)		271,795	(54,152)	0
Net Change	128,575	0	(1,321,710)	0	(1,193,135)
ESTIMATED BALANCE JUNE 30, 2023	362,819	527,951	0	0	890,770

GENERAL INFORMATION:	2020-2021	2021-2022		2022-2023
	Actual	Budget	Estimated Actual	Budget
Average Wastewater Connections:	2,477	2,490	2,490	2,490
Monthly Rates:				
Effective July 1	56.45	57.80	57.80	58.67
Effective February 1	57.80	58.67	58.67	61.72



Valley Center Municipal Water District

Lower Moosa Wastewater

Revenue Estimate

Fund	Department
13	00

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
81-41001	Wastewater Service Charge	1,682,331	1,737,900	1,734,474	1,791,000
81-41012	Wastewater Capacity Reservation Fee	0	1,000	0	1,000
81-41008	Wastewater Lateral Fee	0	0	0	0
81-41005	Wastewater Inspection Fee	0	0	0	0
81-41006	LPS Wastewater Inspection Fee	150	0	0	0
84-41000	Interest - Operating & Replace. Res.	24,756	23,400	21,487	25,900
81-42900	Wastewater LPS Charges	55,363	55,870	57,840	59,960
86-43500	Sale of Surplus	0	0	0	0
89-41002	Capacity Charges	8,935	0	0	0
89-42000	Contributions in Kind	0	0	0	0
87-44500	Other Income	0	0	0	0
Total		1,771,535	1,818,170	1,813,801	1,877,860

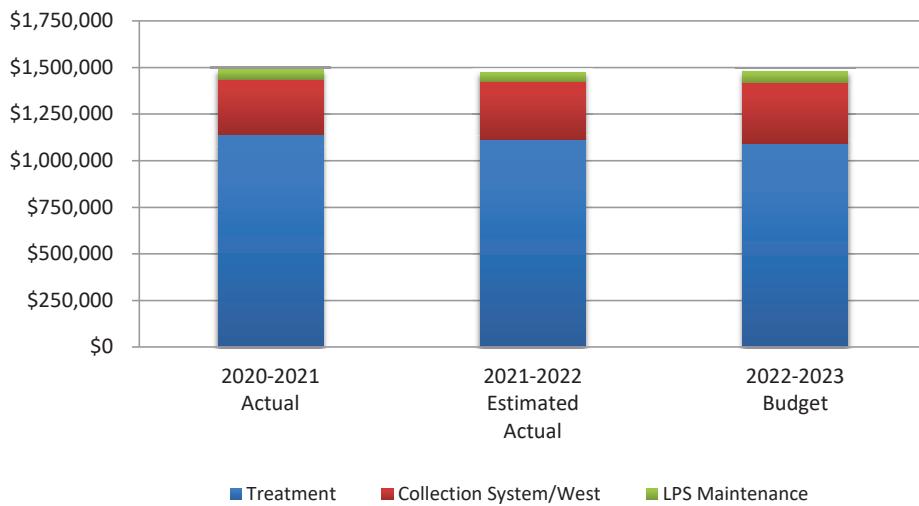


Department Summary by Division

Fund	Department
13	03

Division No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
26	Treatment	1,139,112	993,666	1,114,853	1,092,343
27	Collection System/West	298,221	342,598	307,630	325,747
29	LPS Maintenance	49,666	76,900	52,200	59,400
78	Capital Projects	287,511	1,013,338	919,301	271,795
TOTAL MOOSA TREATMENT		1,774,510	2,426,502	2,393,984	1,749,285

Division Expenses





Valley Center Municipal Water District

Lower Moosa Wastewater Treatment

Division Summary by Expense Category

Fund	Department	Division
13	03	26

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	490,241	399,900	520,000	478,900
50003	Overtime	24,763	24,000	27,000	24,000
50025	Outside Professional Services	84,423	71,500	74,500	76,100
50030	Special Department Expenses	3,135	3,500	3,500	3,500
50032	Telephone	2,234	3,000	1,800	3,000
50034	Membership Fees & Dues	192	0	0	0
50038	Regulatory Permits & Fees	28,853	36,000	36,000	36,000
50040	Rents & Leases	0	500	500	500
50042	Insurance	15,034	16,178	16,000	16,627
50045	Electricity	110,285	100,000	98,900	100,000
50048	Diesel	0	500	500	500
50049	Water	6,470	6,500	5,300	6,500
50323	Chlorine	24,696	25,000	26,900	30,000
50341	Hazardous Waste Disposal Costs	0	300	300	300
50451	Maintenance of Vehicles	1,208	1,500	1,200	1,500
50452	Maintenance of Facilities	52,454	46,000	45,500	46,000
50459	Software Technical Support	1,632	3,900	1,565	3,900
50082	Administrative Overhead	254,141	253,388	253,388	263,016
50085	Capital Planning	39,351	0	0	0
50087	Bad Debt Expense	0	2,000	2,000	2,000
Total		1,139,112	993,666	1,114,853	1,092,343



Valley Center Municipal Water District

Lower Moosa Wastewater Treatment

Division Detail

Fund	Department	Division	Total Budget Request
13	03	26	\$1,092,343

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	478,900
	Full Time Equivalents	2.96
50003	Overtime	24,000
50025	Outside Professional Services	76,100
	Pumper Trucks - for Grit Removal	12,100
	Lab Analysis	22,000
	Sludge Removal	16,500
	SCADA System Maintenance	5,000
	Muffin Monster Service/Screening Auger	6,000
	Flow Meter Calibration and Repair	2,000
	Lab Equipment Service & Calibration	2,000
	Generator Load Testing & Fuel Tank Inspections	2,500
	Cal-Fire Clearing	1,500
	Confined Space Standby	6,500
50030	Special Department Expenses	3,500
	Lab Supplies	2,000
	Tools	500
	Equipment	1,000
50032	Telephone	3,000
	Leased Lines and Alarm Monitoring	1,500
	T-1 Network Line	1,500
50034	Membership Fees & Dues	0
50038	Regulatory Permits & Fees	36,000
	State Water Resources Control Board	26,000
	HazMat Permit	5,000
	Air Pollution Control District fees	5,000
50040	Rents & Leases	500
50042	Insurance	16,627
50045	Electricity	100,000
50048	Diesel	500
	Generator Set and Tractor	500
50049	Water	6,500



Valley Center Municipal Water District

Lower Moosa Wastewater Treatment

Division Detail

Fund	Department	Division
13	03	26

Account No.	Detail and Justification	Budget Request
50323	Chlorine	30,000
	Polymer	9,000
	Sodium Hypochlorite	4,200
	Sodium Hydroxide	600
	Laboratory Chemicals	16,200
50341	Hazardous Waste Disposal Costs	300
	Recycling Oil, Filters, Solvents	
50451	Maintenance of Vehicles	1,500
50452	Maintenance of Facilities	46,000
	SCADA Computer Equipment Maintenance	3,000
	Building and Grounds Maintenance Equipment	3,000
	Electrical Equipment	4,000
	Electric Motor Maintenance	8,000
	Filter Replacement	2,000
	Tractor Maintenance	4,000
	Hardware	4,000
	Pipe and Fittings	2,000
	Mechanical Plugs	3,000
	Building and Yard Maintenance	13,000
50459	Software Technical Support	3,900
50082	Administrative Overhead	263,016
50087	Bad Debt Expense	2,000



Valley Center Municipal Water District

Lower Moosa Wastewater Collection System West

Division Summary by Expense Category

Fund	Department	Division
13	03	27

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	246,725	284,300	245,000	258,500
50002	Temporary Labor	0	0	0	6,100
50003	Overtime	4,650	6,000	4,500	6,000
50025	Outside Professional Services	23,044	27,000	33,000	29,500
50030	Special Department Expenses	1,503	1,500	1,500	1,500
50038	Regulatory Permits & Fees	1,912	2,000	2,000	2,000
50042	Insurance	1,670	1,798	1,798	1,847
50045	Electricity	7,021	6,500	6,732	6,800
50049	Water	1,848	2,000	1,800	2,000
50451	Maintenance of Vehicles	1,298	1,500	1,300	1,500
50452	Maintenance of Facilities	8,550	10,000	10,000	10,000
Total		298,221	342,598	307,630	325,747



Valley Center Municipal Water District

Lower Moosa Wastewater Collection System/West

Division Detail

Fund	Department	Division	Total Budget Request
13	03	27	\$325,747

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	258,500
	Full Time Equivalents	1.63
50002	Temporary Labor	6,100
50003	Overtime	6,000
50025	Outside Professional Services	29,500
	Sewer Cleaning/Repair	13,200
	Manhole Sensors	7,700
	Pumping	3,300
	Generator Load Testing	1,000
	Cal-Fire Clearing	2,500
	Special Repairs	1,800
50030	Special Department Expenses	1,500
50038	Regulatory Permits and Fees	2,000
50042	Insurance	1,847
50045	Electricity	6,800
50049	Water	2,000
50451	Maintenance of Vehicles	1,500
50452	Maintenance of Facilities	10,000
	Motors Dip and Bake	1,000
	Pump Repair	3,000
	Replacement Pump	2,000
	SCADA	1,500
	Air Conditioner Repair	1,000
	Valves and Solenoids, Grinder Servicing	1,500



Valley Center Municipal Water District

Lower Moosa Wastewater LPS Maintenance

Division Summary by Expense Category

Fund	Department	Division
13	03	29

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	25,953	49,900	26,000	30,100
50003	Overtime	2,388	2,500	2,500	2,500
50025	Outside Professional Services	4,239	3,000	3,000	3,300
50030	Special Department Expenses	465	1,500	1,100	1,500
50451	Maintenance of Vehicles	1,139	1,000	1,000	1,000
50452	Maintenance of Facilities	15,482	19,000	18,600	21,000
Total		49,666	76,900	52,200	59,400



Valley Center Municipal Water District

Lower Moosa Wastewater LPS Maintenance

Division Detail

Fund	Department	Division	Total Budget Request
13	03	29	\$59,400

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	30,100
	Full Time Equivalents	0.20
50003	Overtime	2,500
50025	Outside Professional Services	3,300
	Pumping of Tanks	3,300
50030	Special Department Expenses	1,500
50451	Maintenance of Vehicles	1,000
50452	Maintenance of Facilities	21,000
	Pump Rebuild Kits	5,500
	Replacement Pumps	13,500
	Retrofit STEP System Pumps	2,000



Lower Moosa Canyon Water Reclamation Facility

Capital Outlay



Valley Center Municipal Water District

Capital Outlay Budget Summary Lower Moosa Canyon Water Reclamation Facility

Fund	Department	Division
13	06	78

Acct. No.	Capital Project Request See Page	Description	Mid-Year Budget Adjustments 2021-2022	Total Approved Budget 2021-2022	Total Estimated Expenditures 2021-2022	Recaptured or Not Carried Forward to 2021-2022	Estimated Budget Carried Forward to 2022-2023	New Appropriation 2022-2023	Total Approved Budget 2022-2023
53030		Wastewater O&M Manual Development		18,145	18,145		-		-
53040	11-12	Moosa Main MCC Replacement		717,357	371,357	45,000	391,000		391,000
53060		Moosa Solar Installation		36,200	5,419		30,781		30,781
53130	11-13	Moosa Aeration Air Piping Upgrade					-	150,000	150,000
53140		Collection System Vitrified Clay Pipe Lining		54,301	-		54,301		54,301
53290		Meadows Lift Station Motor Control Center Repl.		494,850	80,548		414,302		414,302
53300	11-14	Sludge Transfer Pump Upgrade/Replacement					-	33,000	33,000
53320	11-15	Moosa Clarifier No. 1 Upgrades		250,000	169,250	65,000	145,750		145,750
53370	11-16	Vehicles (50/50 Funding Moosa/WVR)	(67,500)	-	-		-	29,000	29,000
53371		Utility Pumper Truck (50/50 Funding Moosa/WVR)	67,500	67,500	-		67,500		67,500
53372	11-16	Service Truck (50/50 Funding Moosa/WVR)		-	-		-	59,795	59,795
53430		Islands Lift Station Generator		51,515	-		51,515		51,515
53450		Moosa Headworks Improvements		140,000	31,541		108,459		108,459
53460		Low Pressure Sewer Alarm System		99,365	4,778	(94,587)	-		-
53470		Islands Lift Sta PLC Replacement	15,000	15,000	15,000		-		-
53540		Master Plan		87,896	87,896		-		-
53541		Title XVI Feasibility Study		87,571	87,571		-		-
53650		RAS/WAS Unit Upgrade		15,337	-	(15,337)	-		-
53730		HMI/SCADA Migration & Control Upgrade System		105,898	47,796		58,102		58,102
53770		Rimrock LPS System Improvements		-	-		-		-
Total Capital Projects			15,000	2,240,935	919,301	76	1,321,710	271,795	1,593,505



Valley Center Municipal

Capital Outlay Budget Summary

Lower Moosa Canyon Water Reclamation Facility

Fund	Department	Division
13	06	78

Acct. No.	Capital Project Request See Page	Description	Estimated Budget Carried Forward to 2022-2023	New Appropriation 2022-2023	Total Approved Budget 2022-2023	Estimated Actual Expenditures 2022-2023	Estimated Actual Expenditures 2023-2024	Estimated Project Balance after 2 years
53030		Wastewater O&M Manual Development	-		-	-	-	
53040	11-12	Moosa Main MCC Replacement	391,000		391,000	391,000		
53060		Moosa Solar Installation	30,781		30,781	30,781		
53130	11-13	Moosa Aeration Air Piping Upgrade	-	150,000	150,000	150,000		
53140		Collection System Vitrified Clay Pipe Lining	54,301		54,301	54,301		
53290		Meadows Lift Station Motor Control Center Repl.	414,302		414,302	414,302		
53300	11-14	Sludge Transfer Pump Upgrade/Replacement	-	33,000	33,000	33,000		
53320	11-15	Moosa Clarifier No. 1 Upgrades	145,750		145,750	145,750		
53370	11-16	Vehicles (50/50 Funding Moosa/WVR)	-	29,000	29,000	29,000		
53371		Utility Pumper Truck (50/50 Funding Moosa/WVR)	67,500		67,500	67,500		
53372	11-16	Service Truck (50/50 Funding Moosa/WVR)	-	59,795	59,795	59,795		
53430		Islands Lift Station Generator	51,515		51,515	51,515		
53450		Moosa Headworks Improvements	108,459		108,459	108,459		
53460		Low Pressure Sewer Alarm System	-		-	-		
53470		Islands Lift Sta PLC Replacement	-		-	0		
53540		Master Plan	-		-	0		
53541		Title XVI Feasibility Study	-		-	0		
53650		RAS/WAS Unit Upgrade	-		-	0		
53730		HMI/SCADA Migration & Control Upgrade System	58,102		58,102	58,102		
53770		Rimrock LPS System Improvements	-		-	0		
Total Capital Projects			1,321,710	271,795	1,593,505	1,593,505	0	0

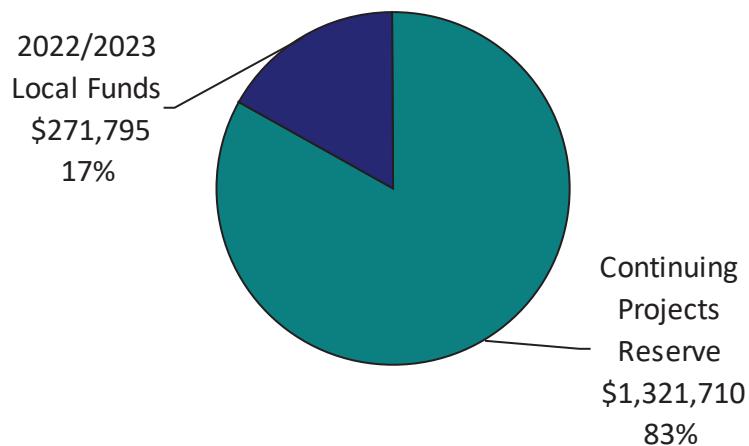


Capital Outlay Source of Funding Lower Moosa Canyon Reclamation Facility

All projects are funded by one or more of the following methods:

- **Continuing Projects Reserve:** The Reserve for Continuing Projects are unexpended appropriations for capital projects carried forward from prior years.
- **Local Funds:** Local Funds refers to the current year annual revenues collected for Sewer Service Charges.
- **Replacement Reserve:** The Replacement Reserve is funded through the budget appropriation of these local revenues designated for capital use equal to 100% of annual depreciation plus earning not reserved for other purposes.

Capital Outlay Source of Funding



Each Capital Project Request beginning on page 11-11 of this budget document displays a table at the top of the page that looks similar to the one below.

New Item	Type	Master Plan Priority	Project ID	Source of Funding	Strategic Plan Standard	Goal
Indicates whether the project request is for a new item, a replacement, or a continuing project.	Type Replacement	Master Plan Priority A	Project ID CV010	Source of Funding 2022/2023 Local Funds	Strategic Plan Standard 8, 9	Goal II

Indicates whether the project request is for a new item, a replacement, or a continuing project.

Correlates to the District's Master Plan document, not included in this budget. A copy can be provided upon request.

Correlates to the Source of Funding described above.

Correlates to the Strategic Plan Goals and Performance Standards described in the Budget Message beginning on page 1-21 of this budget document.

The table on the following page includes all capital projects with their source of funding identified.



Valley Center Municipal Water District

Capital Outlay Source of Funding Lower Moosa Canyon Water Reclamation Facility

Fund	Department	Division
13	06	78

Acct. No.	Capital Project Request See Page	Description	Source of Funding			Total Approved Budget 2022-2023
			Continuing Projects Reserve	Replacement Reserve	2022-2023 Local Funds	
53030		Wastewater O&M Manual Development				-
53040	11-12	Moosa Main MCC Replacement	391,000			391,000
53060		Moosa Solar Installation	30,781			30,781
53130	11-13	Moosa Aeration Air Piping Upgrade			150,000	150,000
53140		Collection System Vitrified Clay Pipe Lining	54,301			54,301
53290		Meadows Lift Station Motor Control Center Repl.	414,302			414,302
53300	11-14	Sludge Transfer Pump Upgrade/Replacement			33,000	33,000
53320	11-15	Moosa Clarifier No. 1 Upgrades	145,750			145,750
53370	11-16	Vehicles (50/50 Funding Moosa/WVR)			29,000	29,000
53371		Utility Pumper Truck (50/50 Funding Moosa/WVR)	67,500			67,500
53372	11-16	Service Truck (50/50 Funding Moosa/WVR)			59,795	59,795
53430		Islands Lift Station Generator	51,515			51,515
53450		Moosa Headworks Improvements	108,459			108,459
53460		Low Pressure Sewer Alarm System				-
53470		Islands Lift Sta PLC Replacement				-
53540		Master Plan				-
53541		Title XVI Feasibility Study				-
53650		RAS/WAS Unit Upgrade				-
53730		HMI/SCADA Migration & Control Upgrade System	58,102			58,102
53770		Rimrock LPS System Improvements				-
Total Capital Projects			1,321,710	0	271,795	1,593,505



Valley Center Municipal Water District

ACCOUNT NO.:

13-06-78-53040

DEPARTMENT:

Engineering

CAPITAL PROJECT REQUEST

Moosa MCC Replacement Project

Continuing Project	Type	Master Plan		Source of Funding		Strategic Plan	
	Replacement	Priority A	Project ID N/A	Capital Reserves		Standard 8, 9	Goal II

PROJECT DESCRIPTION:

The Lower Moosa Canyon WRF Motor Control Center (MCC) project was established to replace the main MCC at the facility. The project has been under construction since July 14, 2021 and was to be completed in April of 2022. Most of the project duration was going to be the procurement of the MCC equipment and gear. Due to supply chain issues and long lead times for the equipment the project has been extended by more than three months. Due to this time extension additional funds are requested to be recaptured from other Moosa Capital Projects to complete the project.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed Budget Allocation 2022-2023	Total Budget 2022-2023	Future Budget Allocation	Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual Expense	Estimated Budget Remaining					
Staff	125,000	136,000	(11,000)	45,000	34,000		34,000	170,000
Engineering (PDR)	21,000	21,000						21,000
Engineering (Design)	85,000	74,000	11,000		11,000		11,000	85,000
CM Consultant	81,420	20,000	61,420		61,420		61,420	81,420
Construction	535,000	320,000	215,000		215,000		215,000	535,000
Miscellaneous	9,500	8,000	1,500		1,500		1,500	9,500
Contingency	68,080		68,080		68,080		68,080	68,080
Total Project	925,000	579,000	346,000	45,000	391,000	0	391,000	970,000



Valley Center Municipal Water District

ACCOUNT NO.:

13-06-78-53130

DEPARTMENT:

Engineering

CAPITAL PROJECT REQUEST

Moosa Aeration Air Piping Upgrades

New Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority A	Project ID N/A		Standard 8, 9	Goal II

PROJECT DESCRIPTION:

This project is to upgrade the existing Aeration Air (AA) piping to Aeration Basin No. 1 that was installed in the mid 1970's with the original construction of the facility. A previous AA upgrade project split the single feed aeration system to the two aeration basins into two separate supply lines by installing new AA piping to Aeration Basin No. 2 and utilizing the original 1970s circa piping as supply to Aeration Basin No.1. The original AA piping system supplying Aeration Basin No. 1 has since corroded and pitted over time to the point where the leakage from that portion is now affecting the efficiency of the blowers and is being bypassed through redundant piping. This project would replace the original 12-inch AA piping to Aeration Basin No. 1 (approximately about 100 LF) with new steel pipe. Coated and wrapped steel pipe would be utilized for the replacement pipe for added corrosion protection.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed		Future	Estimated	
	Prior Budget	Estimated Actual	Estimated Budget	Budget Allocation	Total 2022-2023	Budget	Total Project Budget	Total Project Cost
Staff				25,000	25,000		25,000	25,000
Construction				100,000	100,000		100,000	100,000
Outside Services				0				
Miscellaneous				5,000	5,000		5,000	5,000
Contingency				20,000	20,000		20,000	20,000
Total Project	0	0	0	150,000	150,000	0	150,000	150,000



Valley Center Municipal Water District

ACCOUNT NO.:

13-06-78-53300

DEPARTMENT:

Operations

CAPITAL PROJECT REQUEST

Sludge Transfer Pump Upgrade/Replacement

New Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Existing Service	Priority N/A	Project ID N/A		Standard 10	Goal II

PROJECT DESCRIPTION:

Upgrade and replace sludge transfer pump. The existing sludge transfer pump was installed in 1998 and has exceeded its lifecycle. Replacement parts have become costly and difficult to purchase. The sludge pump is a significant piece of equipment in the process and control measures of the Moosa facility that requires it to be reliable at all times. The new sludge transfer pump will be more efficient, less labor intensive and will help reduce associated equipment runtimes.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed			Future		Estimated	
	Prior	Estimated	Estimated	Budget	Total	Future	Total	Total	Project	Project
	Budget	Actual	Budget	Allocation	Budget	Budget	Project	Allocation	Budget	Cost
Sludge Pump				32,000	32,000		32,000	32,000		
Contingency				1,000	1,000		1,000	1,000		
Total Project	0	0	0	33,000	33,000	0	33,000	33,000		



Valley Center Municipal Water District

ACCOUNT NO.:

13-06-78-53320

DEPARTMENT:

Engineering

CAPITAL PROJECT REQUEST

Moosa Clarifier No.1 Upgrades

Continuing Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority A	Project ID N/A		Standard 8,9	Goal II

PROJECT DESCRIPTION:

This project is to continue and complete upgrade of the aging Clarifier No. 1 equipment at the Lower Moosa Canyon Water Reclamation Facility. All the mechanical equipment in the clarifier is original equipment installed in the mid 1970's and needed to be replaced. The clarifier equipment includes the rake arms, column support, motor, scum collector, suction piping and bridge. The District solicited proposals to pre-purchase the equipment and the cost of materials and procurement times have increased due to supply chain issues since the project budget was initially established. The purchase order for the purchase of the equipment has been approved and issued and staff is proceeding with the submittal review process. Staff will solicit bids from contractors for installation of the equipment.

The cost of the equipment was separated out from the construction cost line item in the following budget table. An additional \$65,000 is requested to be recaptured from other Moosa Projects; \$50,000 for Construction and \$15,000 for staff time.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed Budget Allocation 2022-2023	Total Budget 2022-2023	Future Budget Allocation	Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual Expense	Estimated Budget Remaining					
Staff	25,000	15,000	10,000	15,000	25,000		25,000	40,000
Construction	200,000		200,000	(104,250)	95,750		95,750	95,750
Pre-Purchased Equipment		154,250	(154,250)	154,250				154,250
Miscellaneous	5,000		5,000		5,000		5,000	5,000
Contingency	20,000		20,000		20,000		20,000	20,000
Total Project	250,000	169,250	80,750	65,000	145,750	0	145,750	315,000



Valley Center Municipal Water District

ACCOUNT NO.:

13-06-78-5337X

DEPARTMENT:

Lower Moosa

CAPITAL PROJECT REQUEST

Vehicles

New Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority N/A	Project ID N/A		Standard N/A	Goal II

PROJECT DESCRIPTION:

On June 25, 2020, the CA Air Resources Board adopted Resolution No. 20-19, Advanced Clean Trucks Regulation for implementation in California. This is one of the many initiatives statewide to achieve the Green House Gas (GHG) emission reduction goals of 40% under 1990 levels by 2030 and 80% under 1990 levels by 2050 established in SB 350, the Clean Energy and Pollution Reduction Act, passed and adopted in 2015.

Resolution No. 20-19 directed CARB staff to develop a zero-emission fleet strategy for medium and heavy-duty vehicles by 2045 everywhere feasible with an earlier transition for certain market segments, including a goal of 100% zero emission public vehicle (ZEV) fleets by 2035. The proposed Advanced Clean Fleets Regulation (ACFR) will affect medium and heavy-duty trucks with a Gross Vehicle Weight Rating (GVWR) greater than 8,500 lbs. The implementation of the proposed ACFR will require 50% of the Districts new medium and heavy-duty truck purchases be ZEVs starting in Calendar Year 2024 and 100% in 2027.

The replacement of the vehicle listed below will grant staff greater flexibility in managing the normal turnover cycle of the Districts vehicles with a GVWR greater than 8,500 lbs and future ZEV purchases.

- 1) Service Truck: New Extra Cab 1½ ton service truck with 4-wheel drive, LED light bar, two-way radio, crane and accessories. This vehicle will replace truck #33, a 2008 Ford F-350, extra cab, 4-wheel drive, service truck with crane and approximately 68,000 miles. The total budget for this service truck is \$119,590. Sub-account 53372.

The following vehicle with a GVWR of less than 8,500 lbs will additionally be replaced as part of normal fleet turnover.

- 2) Pickup Truck: New Extra Cab ½ ton truck with 4-wheel drive, LED light bar, two-way radio, tool boxes and accessories. This vehicle will replace truck #59, a 2007 Chevrolet, Colorado, extra cab truck with 4-wheel drive and approximately 150,900 miles. The total budget for this pickup truck is \$58,000. Account 53370.

The purchase of the Utility Pumper Truck that was budgeted in the Fiscal Year 2021-2022 Budget has been delayed due to worldwide supply chain issues. The order isn't expected to be fulfilled until Fiscal Year 2022-2023; as a result the funds are shown as being carried forward into the new budget. The total budget for this Utility Pumper Truck is \$135,000. Sub-account 53371.

All three vehicles will be funded 50/50; half from the Lower Moosa Canyon WRF Replacement Reserve and half from the Woods Valley Ranch Replacement Reserve.



Valley Center Municipal Water District

ACCOUNT NO.:

13-06-78-5337X

DEPARTMENT:

Lower Moosa

CAPITAL PROJECT REQUEST

Vehicles (continued...)

New Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority N/A	Project ID N/A		Standard N/A	Goal II

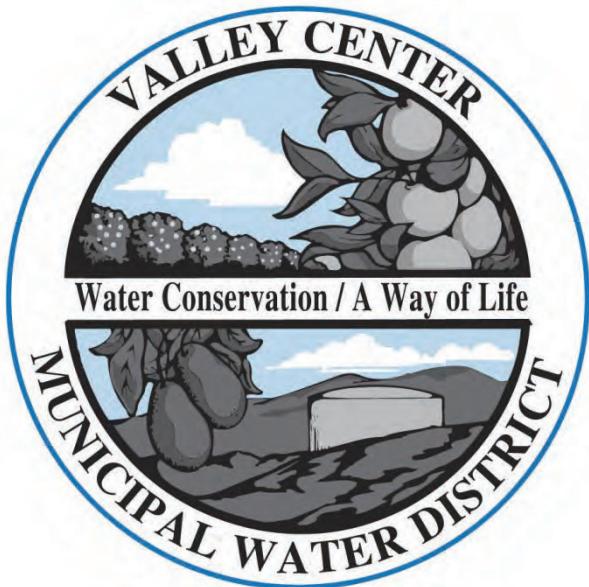
The following table summarizes the project funding requirements and expense allocations. It reflects one-half of the required funding per vehicle. The other half of the funding can be found in the Woods Valley Capital section of this budget report:

Project Budget	Prior			Proposed		Future Total Project Budget	Estimated Total Project Cost
	Prior	Estimated	Estimated	Budget	Total		
	Budget	Actual	Budget	Allocation	Budget		
Service Truck (1/2)				58,500	58,500	58,500	58,500
Pickup Truck (1/2)				26,050	26,050	26,050	26,050
Utility Pumper Truck (1/2)	67,500	0	67,500	0	67,500	67,500	67,500
Contingency				4,245	4,245	4,245	4,245
Total Project	67,500	0	67,500	88,795	156,295	0	156,295



Valley Center Municipal Water District

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Woods Valley Ranch Wastewater Expansion



Valley Center Municipal Water District

Woods Valley Ranch Wastewater Expansion

FUNCTION OVERVIEW

Projects associated with the expansion of the Woods Valley Ranch Water Reclamation Facility (WVRWRF) (Fund 16) are segregated from the main facility (Fund 17) to better identify and account for funds expended for expansion and capital improvements from funds expended for operation and maintenance costs, system upgrade costs, and facility replacement projects.

The Woods Valley Ranch Wastewater Expansion Project (Phase 2 Expansion Project) is a joint Property Owner/Developer/District project to extend wastewater service to parcels owned by participating developers and property owners in the South and North Village areas of Valley Center. These areas are identified on the County General Plan as the higher density areas generally along Valley Center Road from Woods Valley Road north through Cole Grade Road. The service area is anticipated to have an ultimate average day wastewater demand of up to 525,000 gallons per day for a project ultimate demand of 3,000 Equivalent Dwelling Units (EDUs). The extension of wastewater service to the area would be accomplished through voluntary property owner participation in multiple expansion phases as required to meet the requested wastewater capacity timing and demands.

The Phase 2 Expansion Project consisted of the following project components, funded through a separate Clean Water State Revolving Fund (SRF) financing agreement with the State Water Resources Control Board (SWRCB); 1) South Village Collection System, 2) WVRWRF Phase 2 Expansion, and 3) Charlan Road Seasonal Storage Facility. The North Village Collection System was completed with funding from the sale of a limited obligation improvement bond (the "NV Bond"). The NV Bond included the design of the proposed Orchard Run and North Village Lift Stations. However, funding for construction of the lift stations would be funded by the developers benefitting from the lift stations or land secured indebtedness secured by property with the lift station service area.

Full development of the Park Circle East/West Subdivision in the South Village area will require construction of the Orchard Run Lift Station and additional wastewater capacity beyond the capacity generated by the Phase 2 Expansion Project. Phase 3 Facilities, consisting of an expansion to the WVRWRF and construction of additional seasonal storage and recycled water transmission main improvements were proposed. A community facilities district (CFD) was formed to fund the Orchard Run Lift station and financially secure the construction of the Phase 3 Facilities through issuance of land secured financing (SRF Loan, limited obligation improvement bonds or both). The indebtedness would be repaid from special tax revenues collected from properties within the CFD. A limited obligation improvement bond was issued by the CFD in FY 2021-2022 to fund the construction of the Orchard Lift Station and construction of the facility is scheduled for completion in December 2022. Construction of the remaining facilities will be scheduled based on actual build-out within the service area.



Valley Center Municipal Water District

Woods Valley Ranch Wastewater Expansion

Fiscal Year 2021-2022 Recent Accomplishments & Performance Indicators	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Several capacity transfers were completed, reallocating of capacity and assessments from property owners requesting capacity reductions to property owners requesting additional capacity.			✓				
Completed the design of the Orchard Run Lift Station, Awarded the Construction Contract and initiated construction. Completion Scheduled for December 2022.	8, 9		✓				
CFD No. 2020-1, formed to financially secure wastewater facilities needed for the Park Circle Development, issued a limited obligation improvement bond to fund the construction of the Orchard Run Lift Station.			✓				

Fiscal Year 2022-2023 Goals & Objectives	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Assist property owners with the transfer of wastewater capacity from those that no longer desire the capacity to those that do.	1	✓					
Complete construction of the Orchard Run Lift Station.			✓				
Work with the owners of the Woods Valley Golf Course to increase the seasonal storage volume of the ponds located within the golf course.			✓				
Evaluate Park Circle Developer's proposal to increase the WVRWRF design capacity to reduce the estimated cost, and financial security requirements, of the Phase 3 Facilities required for the development.			✓				
Coordinate planning efforts for increased capacity requests in the North Village area and participation in the Phase 3 Facilities.			✓				
Secure developer funding for, and complete, the design of the North Village Lift Station and acquisition of the lift station site.			✓	✓			

^a See page 1-23 of this Budget document for the full Strategic Plan.



Valley Center Municipal Water District

Woods Valley Ranch Wastewater Expansion

Long-Term Goals & Objectives	Strategic Plan Goal*						
	Performance Standard	Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Work with the developers and property owners in the Woods Valley Ranch WRF Service Area to prepare planning documents and agreements necessary for the implementation of a Phase 3 and future expansion projects in accordance with the approved Master Plan to meet the wastewater treatment needs of property in the South and North Village area.			✓				
Coordination and preparation of planning documents necessary to have wastewater capacity available when needed without requiring extensive District financial commitments and resources. The wastewater expansion project phases shall be developed with funding provided only from the property owners that receive a direct benefit from the wastewater improvements.			✓	✓			
Prepare State Revolving Fund Loan Application for future construction of the Phase 3 Expansion facilities.			✓	✓			
Development of a reclamation plan that provides for the perpetual beneficial reuse of the treated effluent generated by the wastewater customers.			✓				
Pursue Federal funding opportunities to assist with the expansion of the facility to develop recycled water supplies to offset imported potable water irrigation demands, improve ground water quality, and help reduce costs to provide wastewater service to new and existing customers within the designated service area.		✓	✓	✓			



Valley Center Municipal Water District

Woods Valley Ranch Wastewater Expansion Recap of Budget and Source of Financing July 1, 2021 to June 30, 2023

Fund
16

	Replacement Fund	Debt Service Reserve Fund	Continuing Projects Fund	Special Fund	Operating Fund	Total
ACTUAL BALANCE JULY 1, 2021	979,080	1,542,388	3,185,115	284,469	0	5,991,052
Add: Revenue 2020-2021						
AD 2012-1 Assessment	1,216,799					1,216,799
CFD Special Tax (Phase 3)	837,561					837,561
Interest	15,016					15,016
Total Revenue	2,069,376		0	0	0	2,069,376
LESS: Estimated Expenditures 2020-2021			(494,016)		(543,438)	(1,037,454)
Transfers	(5,005,425)		4,461,987		543,438	0
Series 1 Bond Proceeds	4,000,000					4,000,000
Net Change	1,063,951		0	3,967,971	0	5,031,922
ESTIMATED BALANCE JUNE 30, 2022	2,043,031	1,542,388	7,153,086	284,469	0	11,022,974
Add: Revenue 2021-2022						
AD 2012-1 Assessment	1,242,929					1,242,929
CFD Special Tax (Phase 3)	854,318					854,318
Interest	15,458					15,458
Total Revenue	2,112,705		0	0	0	2,112,705
LESS: Proposed Expenditures 2021-2022			0		(507,481)	(507,481)
Expenditures of Continuing Projects			(7,153,086)			(7,153,086)
Transfers	(507,481)		0		507,481	0
Net Change	1,605,224		0	(7,153,086)	0	(5,547,862)
ESTIMATED BALANCE JUNE 30, 2023	3,648,255	1,542,388	0	284,469	0	5,475,112



Valley Center Municipal Water District

Woods Valley Ranch Wastewater Expansion

Revenue Estimate

Fund	Department
15/16	00

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
81-41110	Assessment District 2012-1 South Village	750,803	1,334,000	1,216,799	1,242,929
15/81-41120	CFD Special Tax (Phase 3)	821,138	1,005,142	837,561	854,318
84-41000	Interest Allocation	29,839	19,732	15,016	15,458
89-42000	Contributions in Kind	3,046	0	0	0
Total		1,604,826	2,358,874	2,069,376	2,112,705



Valley Center Municipal Water District

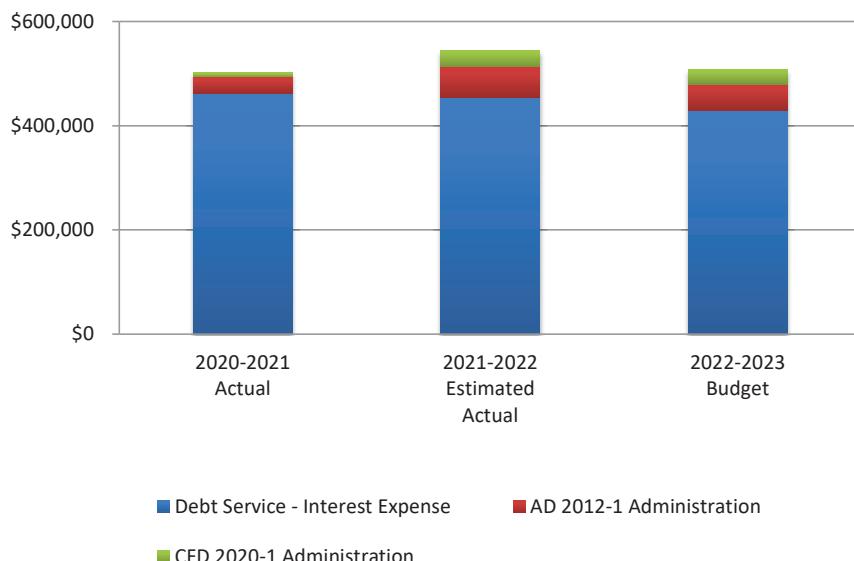
Woods Valley Ranch Wastewater Expansion

Department Summary by Division

Fund	Department
16	03

Division No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
19	Debt Service - Interest Expense	462,194	453,438	453,438	429,481
35	AD 2012-1 Administration	31,371	35,000	60,000	50,000
37	CFD 2020-1 Administration	7,890	27,500	30,000	28,000
78	Capital Projects	59,058	4,000,000	494,016	0
TOTAL WOODS VALLEY RANCH		560,513	4,515,938	1,037,454	507,481

Division Expenses





Valley Center Municipal Water District

Woods Valley Ranch Wastewater Expansion AD 2012-1 Administration

Division Summary by Expense Category

Fund	Department	Division
16	03	35

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	15,531	11,100	27,578	28,800
50003	Overtime	0	0	1,000	0
50025	Outside Professional Services	15,840	23,900	31,400	21,200
50030	Special Department Expenses	0	0	22	0
Total		31,371	35,000	60,000	50,000



Valley Center Municipal Water District

Woods Valley Ranch Wastewater Expansion AD 2012-1 Administration

Division Detail

Fund	Department	Division	Total Budget Request
16	03	35	\$50,000

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	28,800
	Full Time Equivalents	0.10
50003	Overtime	
50025	Outside Professional Services	21,200



Valley Center Municipal Water District

Woods Valley Ranch Wastewater Expansion CFD 2020-1 Administration

Division Summary by Expense Category

Fund	Department	Division
15	03	37

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	2,958	11,100	19,500	11,500
50003	Overtime	0	0	0	0
50025	Outside Professional Services	4,932	16,400	10,500	16,500
Total		7,890	27,500	30,000	28,000



Valley Center Municipal Water District

Woods Valley Ranch Wastewater Expansion CFD 2020-1 Administration

Division Detail

Fund	Department	Division	Total Budget Request
15	03	37	\$28,000

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	11,500
	Full Time Equivalents	0.04
50003	Overtime	
50025	Outside Professional Services	16,500



Valley Center Municipal Water District

Woods Valley Ranch Wastewater Expansion Debt Service

Division Summary by Expense Category

Fund	Department	Division	Total Outstanding Balance for all 3 Loans
16	03	19	\$18,408,960

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50070	Interest on SRF Debt Collection System	48,283	47,987	47,987	45,447
50072	Interest on SRF Debt Seasonal Storage	87,943	86,645	86,645	82,068
50073	Interest on SRF Debt Treatment Plant	325,968	318,806	318,806	301,966
	Total	462,194	453,438	453,438	429,481

SOURCE OF FINANCING

Assessment AD 2012-1	462,194	453,438	453,438	429,481
Total	462,194	453,438	453,438	429,481



Valley Center Municipal Water District

Woods Valley Ranch Wastewater Expansion California Clean Water State Revolving Fund Loan Payment Schedule Collection System

Fund	Department	Division	Outstanding Balance
16	03	19	\$1,947,775

Due Date	Ref Num	Beginning Balance	Principal Payment	Interest Rate %	Interest Payment	Total Payment	Ending Balance
8/15/2017	1	\$ 2,337,188.60	\$ 110,666.53	2.20%	\$ 33,977.92	\$ 144,644.45	\$ 2,226,522.07
8/15/2018	2	\$ 2,515,986.07	\$ 111,226.24	2.20%	\$ 52,223.04	\$ 163,449.28	\$ 2,404,759.83
8/15/2019	3	\$ 2,404,759.83	\$ 110,544.56	2.20%	\$ 52,904.72	\$ 163,449.28	\$ 2,294,215.27
8/15/2020	4	\$ 2,294,215.27	\$ 112,976.54	2.20%	\$ 50,472.74	\$ 163,449.28	\$ 2,181,238.73
8/15/2021	5	\$ 2,181,238.73	\$ 115,462.03	2.20%	\$ 47,987.25	\$ 163,449.28	\$ 2,065,776.70
8/15/2022	6	\$ 2,065,776.70	\$ 118,002.19	2.20%	\$ 45,447.09	\$ 163,449.28	\$ 1,947,774.51
8/15/2023	7	\$ 1,947,774.51	\$ 120,598.24	2.20%	\$ 42,851.04	\$ 163,449.28	\$ 1,827,176.27
8/15/2024	8	\$ 1,827,176.27	\$ 123,251.40	2.20%	\$ 40,197.88	\$ 163,449.28	\$ 1,703,924.87
8/15/2025	9	\$ 1,703,924.87	\$ 125,962.93	2.20%	\$ 37,486.35	\$ 163,449.28	\$ 1,577,961.94
8/15/2026	10	\$ 1,577,961.94	\$ 128,734.12	2.20%	\$ 34,715.16	\$ 163,449.28	\$ 1,449,227.82
8/15/2027	11	\$ 1,449,227.82	\$ 131,566.27	2.20%	\$ 31,883.01	\$ 163,449.28	\$ 1,317,661.55
8/15/2028	12	\$ 1,317,661.55	\$ 134,460.73	2.20%	\$ 28,988.55	\$ 163,449.28	\$ 1,183,200.82
8/15/2029	13	\$ 1,183,200.82	\$ 137,418.86	2.20%	\$ 26,030.42	\$ 163,449.28	\$ 1,045,781.96
8/15/2030	14	\$ 1,045,781.96	\$ 140,442.08	2.20%	\$ 23,007.20	\$ 163,449.28	\$ 905,339.88
8/15/2031	15	\$ 905,339.88	\$ 143,531.80	2.20%	\$ 19,917.48	\$ 163,449.28	\$ 761,808.08
8/15/2032	16	\$ 761,808.08	\$ 146,689.50	2.20%	\$ 16,759.78	\$ 163,449.28	\$ 615,118.58
8/15/2033	17	\$ 615,118.58	\$ 149,916.67	2.20%	\$ 13,532.61	\$ 163,449.28	\$ 465,201.91
8/15/2034	18	\$ 465,201.91	\$ 153,214.84	2.20%	\$ 10,234.44	\$ 163,449.28	\$ 311,987.07
8/15/2035	19	\$ 311,987.07	\$ 156,585.56	2.20%	\$ 6,863.72	\$ 163,449.28	\$ 155,401.51
8/15/2036	20	\$ 155,401.51	\$ 155,401.51	2.20%	\$ 3,418.83	\$ 158,820.34	\$ -
Total		\$2,626,652.60			\$618,899.23	\$3,245,551.83	



Valley Center Municipal Water District

Woods Valley Ranch Wastewater Expansion California Clean Water State Revolving Fund Loan Payment Schedule Seasonal Storage

Fund	Department	Division	Outstanding Balance
16	03	19	\$3,517,753

Due Date	Ref Num	Beginning Balance	Principal Payment	Interest Rate %	Interest Payment	Total Payment	Ending Balance
10/20/2017	1	\$ 4,752,615.89	\$ 216,600.23	2.20%	\$ 78,078.86	\$ 294,679.09	\$ 4,536,015.66
10/20/2018	2	\$ 4,536,015.66	\$ 194,886.75	2.20%	\$ 99,792.34	\$ 294,679.09	\$ 4,341,128.91
10/20/2019	3	\$ 4,341,128.91	\$ 199,174.25	2.20%	\$ 95,504.84	\$ 294,679.09	\$ 4,141,954.66
10/20/2020	4	\$ 4,141,954.66	\$ 203,556.09	2.20%	\$ 91,123.00	\$ 294,679.09	\$ 3,938,398.57
10/20/2021	5	\$ 3,938,398.57	\$ 208,034.32	2.20%	\$ 86,644.77	\$ 294,679.09	\$ 3,730,364.25
10/20/2022	6	\$ 3,730,364.25	\$ 212,611.08	2.20%	\$ 82,068.01	\$ 294,679.09	\$ 3,517,753.17
10/20/2023	7	\$ 3,517,753.17	\$ 217,288.52	2.20%	\$ 77,390.57	\$ 294,679.09	\$ 3,300,464.65
10/20/2024	8	\$ 3,300,464.65	\$ 222,068.87	2.20%	\$ 72,610.22	\$ 294,679.09	\$ 3,078,395.78
10/20/2025	9	\$ 3,078,395.78	\$ 226,954.38	2.20%	\$ 67,724.71	\$ 294,679.09	\$ 2,851,441.40
10/20/2026	10	\$ 2,851,441.40	\$ 231,947.38	2.20%	\$ 62,731.71	\$ 294,679.09	\$ 2,619,494.02
10/20/2027	11	\$ 2,619,494.02	\$ 237,050.22	2.20%	\$ 57,628.87	\$ 294,679.09	\$ 2,382,443.80
10/20/2028	12	\$ 2,382,443.80	\$ 242,265.33	2.20%	\$ 52,413.76	\$ 294,679.09	\$ 2,140,178.47
10/20/2029	13	\$ 2,140,178.47	\$ 247,595.16	2.20%	\$ 47,083.93	\$ 294,679.09	\$ 1,892,583.31
10/20/2030	14	\$ 1,892,583.31	\$ 253,042.26	2.20%	\$ 41,636.83	\$ 294,679.09	\$ 1,639,541.05
10/20/2031	15	\$ 1,639,541.05	\$ 258,609.19	2.20%	\$ 36,069.90	\$ 294,679.09	\$ 1,380,931.86
10/20/2032	16	\$ 1,380,931.86	\$ 264,298.59	2.20%	\$ 30,380.50	\$ 294,679.09	\$ 1,116,633.27
10/20/2033	17	\$ 1,116,633.27	\$ 270,113.16	2.20%	\$ 24,565.93	\$ 294,679.09	\$ 846,520.11
10/20/2034	18	\$ 846,520.11	\$ 276,055.65	2.20%	\$ 18,623.44	\$ 294,679.09	\$ 570,464.46
10/20/2035	19	\$ 570,464.46	\$ 282,128.87	2.20%	\$ 12,550.22	\$ 294,679.09	\$ 288,335.59
10/20/2036	20	\$ 288,335.59	\$ 288,335.59	2.20%	\$ 6,343.38	\$ 294,678.97	-
Total		\$4,752,615.89			\$1,140,965.79	\$5,893,581.68	



Valley Center Municipal Water District

Woods Valley Ranch Wastewater Expansion California Clean Water State Revolving Fund Loan Payment Schedule Treatment Plant

Fund	Department	Division	Outstanding Balance				
16	03	19	\$12,943,432				
Due Date	Ref Num	Beginning Balance	Principal Payment	Interest Rate %	Interest Payment	Total Payment	Ending Balance
12/15/2017	1	\$15,525,647.27	\$ 700,177.27	2.20%	\$ 315,105.48	\$ 1,015,282.75	\$ 14,825,470.00
12/15/2018	2	\$15,628,318.00	\$ 720,517.51	2.20%	\$ 363,742.42	\$ 1,084,259.93	\$ 14,907,800.49
12/15/2019	3	\$16,693,528.00	\$ 732,853.70	2.20%	\$ 351,406.23	\$ 1,084,259.93	\$ 15,960,674.30
12/15/2020	4	\$15,240,156.79	\$ 748,976.48	2.20%	\$ 335,283.45	\$ 1,084,259.93	\$ 14,491,180.31
12/15/2021	5	\$14,491,180.31	\$ 765,453.96	2.20%	\$ 318,805.97	\$ 1,084,259.93	\$ 13,725,726.35
12/15/2022	6	\$13,725,726.35	\$ 782,293.95	2.20%	\$ 301,965.98	\$ 1,084,259.93	\$ 12,943,432.40
12/15/2023	7	\$12,943,432.40	\$ 799,504.42	2.20%	\$ 284,755.51	\$ 1,084,259.93	\$ 12,143,927.98
12/15/2024	8	\$12,143,927.98	\$ 817,093.51	2.20%	\$ 267,166.42	\$ 1,084,259.93	\$ 11,326,834.47
12/15/2025	9	\$11,326,834.47	\$ 835,069.57	2.20%	\$ 249,190.36	\$ 1,084,259.93	\$ 10,491,764.90
12/15/2026	10	\$10,491,764.90	\$ 853,441.10	2.20%	\$ 230,818.83	\$ 1,084,259.93	\$ 9,638,323.80
12/15/2027	11	\$ 9,638,323.80	\$ 872,216.81	2.20%	\$ 212,043.12	\$ 1,084,259.93	\$ 8,766,106.99
12/15/2028	12	\$ 8,766,106.99	\$ 891,405.58	2.20%	\$ 192,854.35	\$ 1,084,259.93	\$ 7,874,701.41
12/15/2029	13	\$ 7,874,701.41	\$ 911,016.50	2.20%	\$ 173,243.43	\$ 1,084,259.93	\$ 6,963,684.91
12/15/2030	14	\$ 6,963,684.91	\$ 931,058.86	2.20%	\$ 153,201.07	\$ 1,084,259.93	\$ 6,032,626.05
12/15/2031	15	\$ 6,032,626.05	\$ 951,542.16	2.20%	\$ 132,717.77	\$ 1,084,259.93	\$ 5,081,083.89
12/15/2032	16	\$ 5,081,083.89	\$ 972,476.08	2.20%	\$ 111,783.85	\$ 1,084,259.93	\$ 4,108,607.81
12/15/2033	17	\$ 4,108,607.81	\$ 993,870.56	2.20%	\$ 90,389.37	\$ 1,084,259.93	\$ 3,114,737.25
12/15/2034	18	\$ 3,114,737.25	\$ 1,015,735.71	2.20%	\$ 68,524.22	\$ 1,084,259.93	\$ 2,099,001.54
12/15/2035	19	\$ 2,099,001.54	\$ 1,038,081.90	2.20%	\$ 46,178.03	\$ 1,084,259.93	\$ 1,060,919.64
12/15/2036	20	\$ 1,060,919.64	\$ 1,060,919.64	2.20%	\$ 23,340.23	\$ 1,084,259.87	\$ (0.00)
Total		\$17,393,705.27			\$4,222,516.09	\$21,616,221.36	



Valley Center Municipal Water District

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Woods Valley Ranch Wastewater Expansion

Capital Outlay



Valley Center Muni Water District

Capital Outlay Budget Summary Woods Valley Ranch Expansion

Fund	Department	Division
16	06	78

Acct. No.	Capital Project Request See Page	Description	Mid-Year Budget Adjustments 2021-2022	Total Approved Budget 2021-2022	Total Estimated Expenditures 2021/2022	Recaptured or Not Carried Forward to 2022-2023	Estimated Budget Carried Forward to 2022-2023	New Appropriation 2022-2023	Total Approved Budget 2022-2023
Phase II Expansion									
561XX		WVR Wastewater Reclamation Facility		2,416,161	-		2,416,161		2,416,161
56120		Land		250,000	-		250,000		250,000
56160		WVR Ranch WRF Phase 2 Expansion		-	-		-		-
56170		WVGC Seasonal Storage		450,000	-		450,000		450,000
56260		GP Flow Meter Installation		72,000	76		71,924		71,924
Subtotal Phase II Expansion				3,188,161	76	-	3,188,085	-	3,188,085
Assessment District 2012-1									
56150		North Village Planning Collection System		(1,625)	-		(1,625)		(1,625)
56180		Bond Issuance Costs AD 2012-1		-	-		-		-
56310		Orchard Run Lift Station		(1,420)	1,868		(3,288)		(3,288)
56320		North Village Lift Station		-	-		-		-
Subtotal Assessment District 2012-1				(3,045)	1,868	-	(4,913)	-	(4,913)
Community Facilities District 2020-1									
55300		WVR WRF Phase 3 Planning		(7,573)	-		(7,573)		(7,573)
55330		Series 1 Bond Issuance		131,950	87,235		44,715		44,715
55340		Orchard Run Lift Station	514,000	4,337,609	404,837		3,932,772		3,932,772
Subtotal Community Facilities District 2020-1				4,461,986	492,072	-	3,969,914	-	3,969,914
Total Capital Projects			514,000	7,647,102	494,016	-	7,153,086	-	7,153,086



Valley Center Municipal Water District

Capital Outlay Budget Summary Woods Valley Ranch Expansion

Fund	Department	Division
16	06	78

Acct. No.	Capital Project Request See Page	Description	Estimated Budget Carried Forward to 2022-2023	New Appropriation 2022-2023	Total Approved Budget 2022-2023	Estimated Actual Expenditures 2022-2023	Estimated Actual Expenditures 2023-2024	Estimated Project Balance after 2 years
Phase II Expansion								
561XX		WVR Wastewater Reclamation Facility	2,416,161		2,416,161	2,416,161		
56120		Land	250,000		250,000	250,000		
56160		WVR Ranch WRF Phase 2 Expansion	-		-	-		
56170		WVGC Seasonal Storage	450,000		450,000	450,000		
56260		GP Flow Meter Installation	71,924		71,924	71,924		
Subtotal Phase II Expansion			3,188,085	-	3,188,085	3,188,085		
Assessment District 2012-1								
56150		North Village Planning Collection System	(1,625)		(1,625)	(1,625)		
56180		Bond Issuance Costs AD 2012-1	-		-	-		
56310		Orchard Run Lift Station	(3,288)		(3,288)	(3,288)		
56320		North Village Lift Station	-		-	-		
Subtotal Assessment District 2012-1			(4,913)	-	(4,913)	(4,913)		
Community Facilities District 2020-1								
55300		WVR WRF Phase 3 Planning	(7,573)		(7,573)	(7,573)		
55330		Series 1 Bond Issuance	44,715		44,715	44,715		
55340		Orchard Run Lift Station	3,932,772		3,932,772	3,932,772		
Subtotal Community Facilities District 2020-1			3,969,914	-	3,969,914	3,969,914		
Total Capital Projects			7,153,086	-	7,153,086	7,153,086	-	-

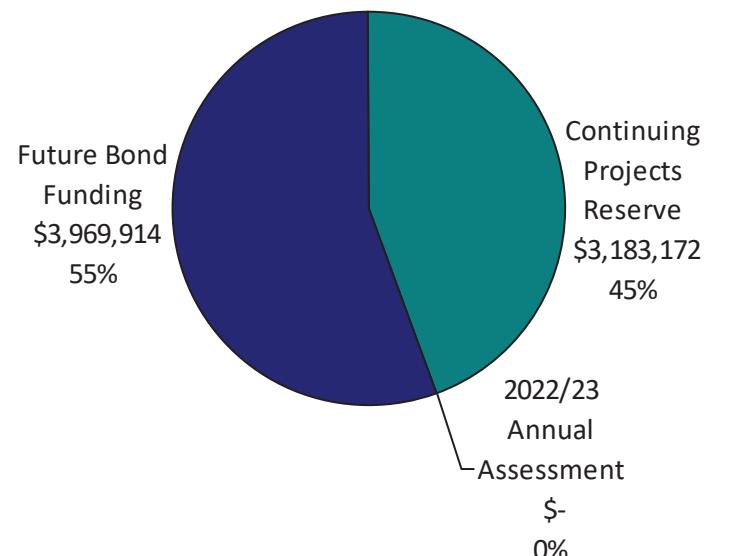


Capital Outlay Source of Funding Woods Valley Ranch Expansion

All projects are funded by one or more of the following methods:

- **Continuing Projects Reserve:** The Reserve for Continuing Projects are unexpended appropriations for capital projects carried forward from prior years.
- **2022/2023 Annual Assessment:** This refers to the current budget year 2022/2023 annual Fixed Charge Special Assessments for Assessment District No. 2012-1 and CFD 2020-1 not allocated to debt service plus earnings not reserved for other purposes.
- **Future Bond Funding:** Limited Obligation Improvement Bonds will need to be sold to fund the construction of the permanent Orchard Run Lift Station facility. The bonds will be issued by CFD No. 2020-1 and represent the first of 2 Bond issuance series anticipated for the CFD. Repayment of the bonds will be from special taxes levied on the property within the CFD. Bond Issuance expenses funded by the CFD special taxes will later be reimbursed from the bond proceeds.

Capital Outlay Source of Funding



Each Capital Project Request beginning on page 12-11 of this budget document displays a table at the top of the page that looks similar to the one below.

New Item	Type	Master Plan Priority	Project ID	Source of Funding	Strategic Plan Standard	Strategic Plan Goal
New Item	Type Replacement	Master Plan Priority A	Project ID CV010	Source of Funding Future Bond Funding	Strategic Plan Standard 8, 9	Strategic Plan Goal II

Indicates whether the project request is for a new item, a replacement, or a continuing project.

Correlates to the District's Master Plan document, not included in this budget. A copy can be provided upon request.

Correlates to the Source of Funding described above.

Correlates to the Strategic Plan Goals and Performance Standards described in the Budget Message beginning on page 1-21 of this budget document.

The table on the following page includes all capital projects with their source of funding identified.



Valley Center Municipal Water District

Capital Outlay Source of Funding Woods Valley Ranch Expansion

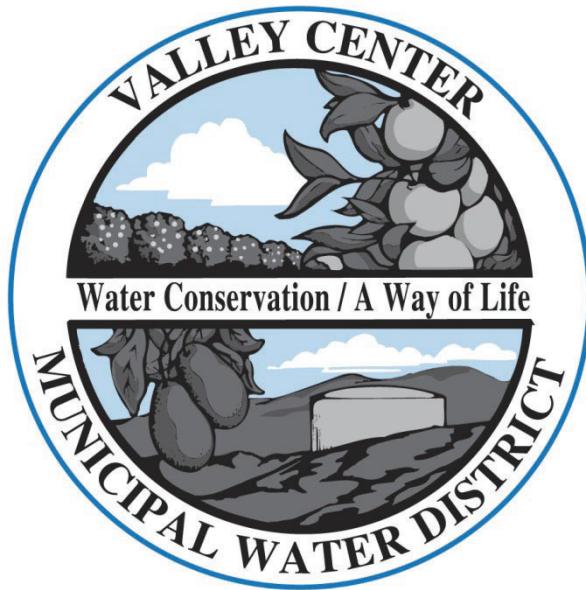
Fund	Department	Division
16	06	78

Acct. No.	Capital Project Request See Page	Description	Source of Funding			Total Approved Budget 2022-2023
			Continuing Projects Reserve	2022/2023 Annual Assessment	Future Bond Funding	
Phase II Expansion						
561XX		WVR Wastewater Reclamation Facility	2,416,161			2,416,161
56120		Land	250,000			250,000
56160		WVR Ranch WRF Phase 2 Expansion	-			-
56170		WVGC Seasonal Storage	450,000			450,000
56260		GP Flow Meter Installation	71,924			71,924
Subtotal Phase II Expansion			3,188,085	-	-	3,188,085
Assessment District 2012-1						
56150		North Village Planning Collection System	(1,625)			(1,625)
56180		Bond Issuance Costs AD 2012-1	-			-
56310		Orchard Run Lift Station	(3,288)			(3,288)
56320		North Village Lift Station	-			-
Subtotal Assessment District 2012-1			(4,913)	-	-	(4,913)
Community Facilities District 2020-1						
55300		WVR WRF Phase 3 Planning		(7,573)		(7,573)
55330		Series 1 Bond Issuance		44,715		44,715
55340		Orchard Run Lift Station		3,932,772		3,932,772
Subtotal Community Facilities District 2020-1			-	-	3,969,914	3,969,914
Total Capital Projects			3,183,172	-	3,969,914	7,153,086



Valley Center Municipal Water District

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Woods Valley Ranch Water Reclamation Facility



Valley Center Municipal Water District

Woods Valley Ranch Water Reclamation Facility

Personnel Requirements (FTE's)

	Actual FY 2021-22	Budget FY 2021-22	Proposed FY 2022-23
Wastewater Systems Supervisor	0.3	0.3	0.4
Senior Wastewater System Technician	0.4	0.4	0.5
Wastewater Systems Technician III	1.3	1.3	1.1
Wastewater Systems Technician II	0.3	0.3	0.2
Wastewater Systems Technician I	0.0	0.0	0.2
Total	2.3	2.3	2.4

FUNCTION OVERVIEW

Wastewater collection, treatment and disposal services are provided to the Woods Valley Ranch Development and the South and North Village Areas by the 275,000 gallon per day (gpd), Woods Valley Ranch Water Reclamation Facility (WVRWRF) and the South and North Village Low Pressure Sewer (LPS) Collection System. The LPS Collection System has numerous private on-site LPS pump systems in the North and South Village Areas that are maintained by wastewater staff.

A gravity collection system provides service to the Woods Valley Ranch Subdivision directly to the treatment facility. The recently constructed Bear Peak and Park Circle Subdivisions are served by a gravity collection system and interim lift station. Construction of the permanent Orchard Run Lift Station, to replace the interim facility, began in January 2022.

The wastewater division strives to operate the facility in the most efficient manner while meeting the requirements of the Waste Discharge Permit issued by the Regional Water Quality Control Board (RWQCB). Currently, the plant is processing an average of 0.055 million gallons per day; while customer implementation of water conservation measures have reduced the average flow per connection the total flow has increased since last year due to additional connections from the new developments. The WVRWRF staff also performs daily wastewater sampling, potable bacteriological testing (Bac-T), and general physical samples in the onsite laboratory.

Funding for the operation of the facilities comes from:

- 1) A fixed charge special assessment on the property tax roll consisting of either a wastewater service charge for properties connected to the system or a wastewater standby fee for properties that have not yet connected to the wastewater system,
- 2) A Grinder Pump Maintenance Charge for connected properties with a grinder pump installation, also assessed on the property tax roll, and
- 3) Proceeds from the sale of reclaimed water to the golf course for irrigation.



Valley Center Municipal Water District

Woods Valley Ranch Water Reclamation Facility

Fiscal Year 2021-2022 Recent Accomplishments & Performance Indicators	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Staff assisted property owner participants with planning and installation of their grinder pump units for connection to the Low Pressure Sewer System.			✓				
Continued to implement operational changes that reduced equipment run times and energy consumption and improved effluent quality.				✓			
Performed in-house cleaning and video inspection of 20% of the gravity collection system to eliminate potential blockages and reduce outside service expenditures. No sewer overflows occurred during Fiscal Year 2021-2022.			✓				
Continued to provide assistance and support on the South and North node collection system expansion projects on Valley Center Road.			✓				
Continued to respond to Alarms and maintain the Private Low Pressure Sewer On-Site pump systems.			✓				
Completed the annual fats, oils and grease inspections on commercial businesses.	12		✓				
Continued assisting with the training, testing and implementation of the City Works Asset Management Software to improve efficiencies in the Wastewater Division.					✓		
Completed the upgrade of the existing Wonderware to the Inductive Automation HMI SCADA software to the latest version that allows utilization of tablet interface with the SCADA system.					✓		

Long-Term Goals & Objectives	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Continue to efficiently and effectively operate and maintain the water reclamation facility producing an effluent that will meet or exceed the California Title 22 Water Quality Requirements for irrigation of the golf course facility.		✓					
Operate and maintain the plant to be self-supporting without financial consideration from the General Fund.				✓			



Valley Center Municipal Water District

Woods Valley Ranch Water Reclamation Facility

Fiscal Year 2022-2023 Goals & Objectives	Performance Standard	Strategic Plan Goal*					
		Water Supply	Infrastructure	Finance	Technology	Energy	Compensation & Benefits
Assist property owner participants with connection to the Low Pressure Sewer System.			✓				
Continue to reduce energy consumption and cost by implementing operational improvements to include the evaluation of solar power generation system development and implementation.	7			✓		✓	
Inspect and clean collection system sewer lines per District's Sanitary Sewer Management Plan (SSMP).	12		✓				
Operation and maintenance of the new collection system and lift station within the Bear Peak, Orchard Run and Park Circle Development, including operation and maintenance of the interim lift station until completion of the permanent Orchard Run Lift Station (construction currently scheduled to start early Fiscal Year 2021-2022)			✓				
Implementation of the City Works Asset Management Software for better efficiency.					✓		
Complete Salt-Nutrient Management Plan.	12		✓				
Ongoing development and implementation of improved operational strategies to reduce equipment run times and labor cost.						✓	
Inspections of commercial businesses for compliance with fats, oil and grease (FOG) requirements per the Districts Commercial Waste Discharge Program (CWDP).	12	✓					
Respond to Alarms and Maintain the Private Low Pressure Sewer On-Site pump systems.			✓				
Inspection of the Woods Valley Golf Course reclamation water usage and operations to ensure that the course complies with all the Department of Health and Water Quality Control Board's Rules and Regulations.	12	✓					
Complete the update of the existing Operation and Maintenance Manual describing and documenting the procedures for efficient operation of the wastewater facilities, including not only the treatment plant, but also the collection system, seasonal storage facility and the recycled water distribution system.				✓			



Valley Center Municipal Water District

Woods Valley Ranch Wastewater Recap of Budget and Source of Financing July 1, 2021 to June 30, 2023

Fund
17

	Replacement Fund	Operating Reserve Fund	Continuing Projects Fund	Operating Fund	Total
ACTUAL BALANCE JULY 1, 2021	926,754	423,407	212,304	0	1,562,465
Add: Revenue 2020-2021					
Wastewater Service Charge	154,090			370,898	524,988
Wastewater Standby Fee	602,900				602,900
Grinder Pump Maintenance Charge	15,000				15,000
Reclaimed Water & Meter Charge				62,359	62,359
Interest	4,054				4,054
Total Revenue	776,044	0	0	433,257	1,209,301
LESS: Estimated Expenditures 2020-2021			(250,715)	(856,028)	(1,106,743)
Transfers	(579,856)	4,607	152,478	422,771	0
Net Change	196,188	4,607	(98,237)	(0)	102,558
ESTIMATED BALANCE JUNE 30, 2022	1,122,942	428,014	114,067	(0)	1,665,023
ADD: Revenue 2021-2022					
Wastewater Service Charge	154,090			598,425	752,515
Wastewater Standby Fee	584,714				584,714
Grinder Pump Maintenance Charge	14,061				14,061
Reclaimed Water & Meter Charge				77,267	77,267
Interest	4,497				4,497
Total Revenue	757,362	0	0	675,692	1,433,054
LESS: Proposed Expenditures 2021-2022			(122,795)	(938,493)	(1,061,288)
Expenditures of Continuing Projects			(114,067)		(114,067)
Transfers	(427,371)	41,775	122,795	262,801	0
Net Change	329,991	41,775	(114,067)	0	257,699
ESTIMATED BALANCE JUNE 30, 2023	1,452,933	469,789	0	(0)	1,922,722

GENERAL INFORMATION:	2020-2021		2021-2022		2022-2023
	Actual	Budget	Estimated Actual		Budget
Average Wastewater Units Billed:	398	500	615		800
Monthly Rates:					
Effective July 1	98.60	98.60	98.60		98.60
Effective January 1	98.60	98.60	98.60		98.60



Valley Center Municipal Water District

Woods Valley Ranch Wastewater

Revenue Estimate

Fund	Department
17	00

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
81-41001	Wastewater Service Charge	394,499	521,791	524,988	752,515
81-41003	Wastewater Capacity Reservation Fee	550	550	550	550
81-41005	Sewer Standby Fee (SA-2)	637,760	806,494	602,350	584,164
81-41014	Grinder Pump Maintenance (SA-2)	11,462	18,000	15,000	14,061
81-44001	Reclaimed Water Meter Charge	2,074	2,152	2,151	2,267
81-44100	Reclaimed Water	54,923	55,000	60,208	75,000
84-41000	Interest - Operating & Replace. Res.	21,480	18,176	4,054	4,497
86-43300	Service Availability Charge	128	0	0	0
89-42000	Contributions In Kind	5,813	0	0	0
87-44500	Other Income	0	0	0	0
Total		1,128,689	1,422,163	1,209,301	1,433,054



Valley Center Municipal Water District

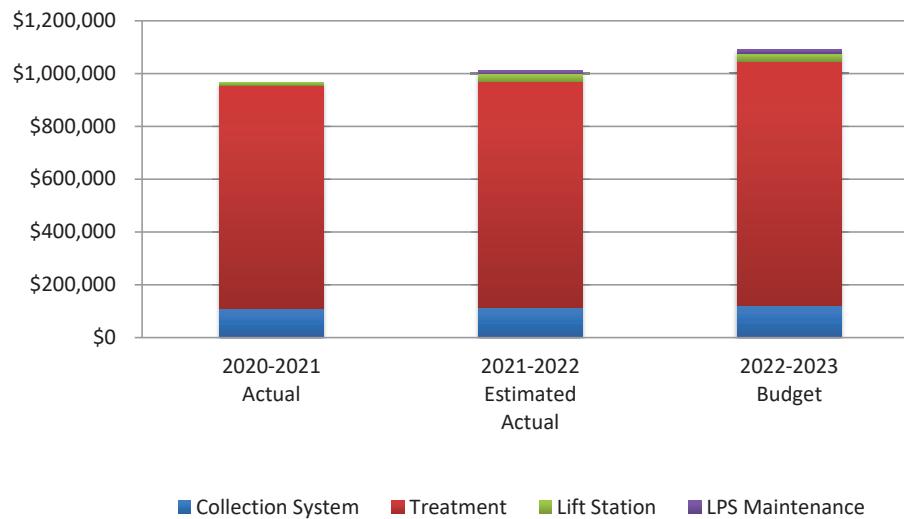
Woods Valley Ranch Wastewater

Department Summary by Division

Fund	Department
17	03

Division No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
30	Collection System	108,503	120,350	113,426	119,600
31	Treatment	847,568	841,655	856,142	927,783
36	Lift Station	11,661	28,200	29,150	29,300
39	LPS Maintenance	0	10,700	11,400	15,900
78	Capital Projects	5,646	152,500	250,715	122,795
TOTAL WOODS VALLEY RANCH		973,378	1,153,405	1,260,833	1,215,378

Division Expenses





Valley Center Municipal Water District

Woods Valley Ranch Wastewater Collection System

Division Summary by Expense Category

Fund	Department	Division
17	03	30

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	92,772	111,200	99,500	104,800
50003	Overtime	606	1,500	1,300	1,500
50025	Outside Professional Services	3,957	4,200	4,200	4,200
50030	Special Department Expenses	602	600	600	600
50038	Regulatory Permits & Fees	2,848	2,850	3,326	3,500
50452	Maintenance of Facilities	7,718	0	4,500	5,000
Total		108,503	120,350	113,426	119,600



Valley Center Municipal Water District

Woods Valley Ranch Wastewater Collection System

Division Detail

Fund	Department	Division	Total Budget Request
17	03	30	\$119,600

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	104,800
	Full Time Equivalents	0.62
50003	Overtime	1,500
50025	Outside Professional Services	4,200
50030	Special Department Expenses	600
50038	Regulatory Permit & Fees	3,500
50452	Maintenance of Facilities including collection system	5,000
	Pump Rebuilds	2,500
	Replacement Pump(s)	2,500



Valley Center Municipal Water District

Woods Valley Ranch Wastewater Treatment

Division Summary by Expense Category

Fund	Department	Division
17	03	31

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	356,205	334,700	365,000	398,600
50003	Overtime	14,409	12,000	15,000	12,000
50025	Outside Professional Services	46,047	34,500	38,280	45,500
50030	Special Department Expenses	1,453	1,600	1,600	1,600
50032	Telephone	276	300	300	300
50038	Regulatory Permits & Fees	21,468	22,000	25,300	25,000
50040	Rents & Leases	0	250	250	250
50042	Insurance	20,528	17,976	21,100	17,976
50045	Electricity	41,411	75,000	46,500	65,000
50048	Diesel	0	300	0	300
50049	Water	1,032	1,500	753	1,500
50324	Chemicals	17,262	16,000	17,500	19,000
50451	Maintenance of Vehicles	1,412	1,200	1,200	1,200
50452	Maintenance of Facilities	20,278	14,500	15,865	14,500
50459	Software Technical Support	1,632	3,900	1,565	3,900
50082	Administrative Overhead	130,595	151,839	151,839	167,067
50085	Capital Planning	19,470	0	0	0
Total Treatment Operations		693,478	687,565	702,052	773,693
50078	Contribution to Replacement Reserve	154,090	154,090	154,090	154,090
Total		847,568	841,655	856,142	927,783



Valley Center Municipal Water District

Woods Valley Ranch Wastewater Treatment

Division Detail

Fund	Department	Division	Total Budget Request
17	03	31	\$927,783

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	398,600
	Full Time Equivalents	2.23
50003	Overtime	12,000
50025	Outside Professional Services	45,500
	Pumper Trucks - Haul waste	6,000
	Laboratory Testing Services	19,000
	Courier Service	5,000
	Sewer Cleaning	4,000
	SCADA Maintenance	1,000
	Generator Load Testing	2,000
	Wonderware Service Support	2,000
	Confined Space Standby	6,500
50030	Special Department Expenses	1,600
	Tools	800
	Equipment	800
50032	Telephone	300
50038	Regulatory Permits & Fees	25,000
50040	Rents & Leases	250
50042	Insurance	17,976
50045	Electricity	65,000
50048	Diesel	300
50049	Water	1,500
50324	Chemicals	19,000
50451	Maintenance of Vehicles	1,200
50452	Maintenance of Facilities	14,500
	Motor & Pump Repairs	5,000
	Safety Material	2,000
	Misc Material/Equipment	4,000
	Gate Upgrades	3,500
50459	Software Technical Support	3,900
50078	Contribution to Capital Replacement Reserve	154,090
50082	Administrative Overhead	167,067



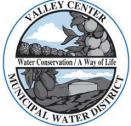
Valley Center Municipal Water District

Woods Valley Ranch Wastewater Lift Station

Division Summary by Expense Category

Fund	Department	Division
17	03	36

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	9,115	15,200	19,700	15,300
50003	Overtime	206	3,000	1,500	3,000
50025	Outside Professional Services	1,474	1,500	1,110	1,500
50030	Special Department Expenses	0	2,000	1,440	2,000
50045	Electricity	866	2,500	2,900	3,500
50324	Chemicals	0	2,500	1,000	2,500
50452	Maintenance of Facilities	0	1,500	1,500	1,500
Total		11,661	28,200	29,150	29,300



Valley Center Municipal Water District

Woods Valley Ranch Wastewater Lift Station

Division Detail

Fund	Department	Division	Total Budget Request
17	03	36	\$29,300

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	15,300
	Full Time Equivalents	0.10
50003	Overtime	3,000
50025	Outside Professional Services	1,500
50030	Special Department Expenses	2,000
50045	Electricity	3,500
50324	Chemicals	2,500
50452	Maintenance of Facilities including collection system	1,500



Valley Center Municipal Water District

Woods Valley Ranch Wastewater LPS Maintenance

Division Summary by Expense Category

Fund	Department	Division
17	03	39

Account No.	Description	2020-2021	2021-2022		2022-2023
		Actual	Budget	Estimated Actual	Budget
50001	Labor & Benefits - Regular	0	1,700	3,500	6,900
50025	Outside Professional Services	0	1,000	900	1,000
50030	Special Department Expenses	0	500	500	500
50451	Maintenance of Vehicles	0	500	0	500
50452	Maintenance of Facilities	0	7,000	6,500	7,000
Total		0	10,700	11,400	15,900



Valley Center Municipal Water District

Woods Valley Ranch Wastewater LPS Maintenance

Division Detail

Fund	Department	Division	Total Budget Request
17	03	39	\$15,900

Account No.	Detail and Justification	Budget Request
50001	Labor & Benefits - Regular	6,900
	Full Time Equivalents	0.05
50025	Outside Professional Services	1,000
	Pumping of Tanks	1,000
50030	Special Department Expenses	500
50451	Maintenance of Vehicles	500
50452	Maintenance of Facilities	7,000
	Pump Rebuild Kits	3,500
	Replacement Pumps	3,500



Valley Center Municipal Water District

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Woods Valley Ranch Water Reclamation Facility

Capital Outlay



Valley Center Municipal Water District

Capital Outlay Budget Summary Woods Valley Ranch Wastewater Treatment

Fund	Department	Division
17	06	78

Acct. No.	Capital Project Request See Page	Description	Mid-Year	Total	Recaptured or	Estimated	New	Total
			Adjustments 2021-2022	Approved Budget 2021-2022	Estimated Expenditures 2021-2022	Not Carried Forward to 2021-2022		
57030		Wastewater O&M Manual Development		84,354	43,237		41,117	
57040		Lift Pumps		33,000	33,000		-	-
57050		Disc Filter Cartridges		27,000	26,978	(22)	-	-
57260	13-13	Membrane Filters		-	-			34,000
57370	13-14	Vehicles (50/50 Funding Moosa/WVR)	(67,500)	-	-			29,000
57371		Utility Pumper Truck (50/50 Funding Moosa/WVR)	67,500	67,500	67,500			29,000
57372	" "	Service Truck (50/50 Funding Moosa/WVR)					59,795	59,795
57510		HMI Upgrade		25,000	-		25,000	25,000
57880		Wastewater Permit Requirements		127,950	80,000		47,950	47,950
Total Capital Projects			-	364,804	250,715	(22)	114,067	122,795
								236,862



Valley Center Municipal

Capital Outlay Budget Summary Woods Valley Ranch Wastewater Treatment

Fund	Department	Division
17	06	78

Acct. No.	Capital Project Request See Page	Description	Estimated Budget Carried Forward to 2022-2023	New Appropriation 2022-2023	Total Approved Budget 2022-2023	Estimated Actual Expenditures 2022-2023	Estimated Actual Expenditures 2023-2024	Estimated Project Balance after 2 years
57030		Wastewater O&M Manual Development	41,117		41,117		41,117	
57040		Lift Pumps	-		-		-	
57050		Disc Filter Cartridges	-		-		-	
57260	13-13	Membrane Filters	-	34,000	34,000		34,000	
57370	13-14	Vehicles (50/50 Funding Moosa/WVR)	-	29,000	29,000		29,000	
57371		Utility Pumper Truck (50/50 Funding Moosa/WVR)	-		-		-	
57372	" "	Service Truck (50/50 Funding Moosa/WVR)	-	59,795	59,795		59,795	
57510		HMI Upgrade	25,000		25,000		25,000	
57880		Wastewater Permit Requirements	47,950		47,950		47,950	
Total Capital Projects			114,067	122,795	236,862	236,862	-	-

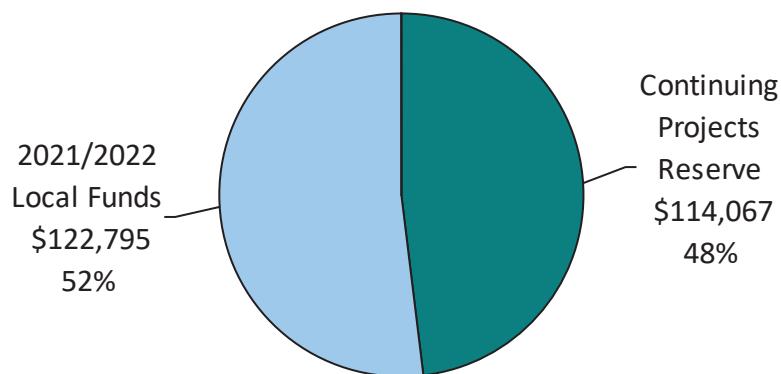


Capital Outlay Source of Funding Woods Valley Ranch

All projects are funded by one or more of the following methods:

- **Continuing Projects Reserve:** The Reserve for Continuing Projects are unexpended appropriations for capital projects carried forward from prior years.
- **Local Funds:** Local Funds refers to the current year annual revenues collected for Sewer Service Charges. and Grinder Pump Maintenance Charges.
- **Replacement Reserve:** The Replacement Reserve is funded through the budget appropriation of these local revenues designated for capital use is equal \$154,050 annually depreciation plus earning not reserved for other purposes.

Capital Outlay Source of Funding



Each Capital Project Request beginning on page 13-12 of this budget document displays a table at the top of the page that looks similar to the one below.

New Item	Type	Master Plan Priority	Project ID	Source of Funding	Strategic Plan Standard	Goal
Indicates whether the project request is for a new item, a replacement, or a continuing project.	Replacement	A	CV010	2022/2023 Local Funds	8, 9	II

Indicates whether the project request is for a new item, a replacement, or a continuing project.

Correlates to the District's Master Plan document, not included in this budget. A copy can be provided upon request.

Correlates to the Source of Funding described above.

Correlates to the Strategic Plan Goals and Performance Standards described in the Budget Message beginning on page 1-21 of this budget document.

The table on the following page includes all capital projects with their source of funding identified.



Valley Center Municipal Water District

Capital Outlay Source of Funding Woods Valley Ranch Wastewater Treatment

Fund	Department	Division
17	06	78

Acct. No.	Capital Project Request See Page	Description	Source of Funding			Total Approved Budget 2022-2023
			Continuing Projects Reserve	Replacement Reserve	2022-2023 Local Funds	
57030		Wastewater O&M Manual Development	41,117			41,117
57040		Lift Pumps	-			-
57050		Disc Filter Cartridges	-			-
57260	13-13	Membrane Filters				
57370	13-14	Vehicles (50/50 Funding Moosa/WVR)	-		34,000	34,000
57371	" "	Utility Pumper Truck (50/50 Funding Moosa/WVR)	-		29,000	29,000
57372	" "	Service Truck (50/50 Funding Moosa/WVR)				-
57510		HMI Upgrade	25,000		59,795	59,795
57880		Wastewater Permit Requirements	47,950			25,000
Total Capital Projects			114,067	-	122,795	236,862



Valley Center Municipal Water District

ACCOUNT NO.:

17-06-78-57260

DEPARTMENT:

Woods Valley

CAPITAL PROJECT REQUEST

Woods Valley Membrane Filters

New Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority N/A	Project ID N/A		Standard N/A	Goal N/A

PROJECT DESCRIPTION:

Purchase and install 4 new upgraded membrane manifold headers and Filters at the Woods Valley Ranch Wastewater Treatment Facility. The original manifolds and filters, which have a life expectancy of approximately 10 years, are at the end of their operational life and need to be replaced. These filters are an important part of the treatment and compliance process to meet Title 22.

The following table summarizes the project funding requirements and expense allocations:

Project Budget	Prior			Proposed			Future Total Project Budget	Estimated Total Project Cost
	Prior Budget	Estimated Actual Expense	Estimated Remaining Budget	Budget Allocation	Total 2022-2023 Budget	Future Budget Allocation		
				2022-2023	2022-2023			
Membranes and Module Contingency				33,000 1,000	33,000 1,000		33,000 1,000	33,000 1,000
Total Project	0	0	0	34,000	34,000	0	34,000	34,000



Valley Center Municipal Water District

ACCOUNT NO.:

17-06-78-5737X

DEPARTMENT:

Woods Valley

CAPITAL PROJECT REQUEST

Vehicles

New Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority N/A	Project ID N/A		Standard N/A	Goal II

PROJECT DESCRIPTION:

On June 25, 2020, the CA Air Resources Board adopted Resolution No. 20-19, Advanced Clean Trucks Regulation for implementation in California. This is one of the many initiatives statewide to achieve the Green House Gas (GHG) emission reduction goals of 40% under 1990 levels by 2030 and 80% under 1990 levels by 2050 established in SB 350, the Clean Energy and Pollution Reduction Act, passed and adopted in 2015.

Resolution No. 20-19 directed CARB staff to develop a zero-emission fleet strategy for medium and heavy-duty vehicles by 2045 everywhere feasible with an earlier transition for certain market segments, including a goal of 100% zero emission public vehicle (ZEV) fleets by 2035. The proposed Advanced Clean Fleets Regulation (ACFR) will affect medium and heavy-duty trucks with a Gross Vehicle Weight Rating (GVWR) greater than 8,500 lbs. The implementation of the proposed ACFR will require 50% of the Districts new medium and heavy-duty truck purchases be ZEVs starting in Calendar Year 2024 and 100% in 2027.

The replacement of the vehicle listed below will grant staff greater flexibility in managing the normal turnover cycle of the Districts vehicles with a GVWR greater than 8,500 lbs and future ZEV purchases.

- 1) Service Truck: New Extra Cab 1½ ton service truck with 4-wheel drive, LED light bar, two-way radio, crane and accessories. This vehicle will replace truck #33, a 2008 Ford F-350, extra cab, 4-wheel drive, service truck with crane and approximately 68,000 miles. The total budget for this service truck is \$119,590. Sub-account 53372.

The following vehicle with a GVWR of less than 8,500 lbs will additionally be replaced as part of normal fleet turnover.

- 2) Pickup Truck: New Extra Cab ½ ton truck with 4-wheel drive, LED light bar, two-way radio, tool boxes and accessories. This vehicle will replace truck #59, a 2007 Chevrolet, Colorado, extra cab truck with 4-wheel drive and approximately 150,900 miles. The total budget for this pickup truck is \$58,000. Account 53370.

The purchase of the Utility Pumper Truck that was budgeted in the Fiscal Year 2021-2022 Budget has been delayed due to worldwide supply chain issues. The order isn't expected to be fulfilled until Fiscal Year 2022-2023; as a result the funds are shown as being carried forward into the new budget. The total budget for this Utility Pumper Truck is \$135,000. Sub-account 53371.

All three vehicles will be funded 50/50; half from the Lower Moosa Canyon WRF Replacement Reserve and half from the Woods Valley Ranch Replacement Reserve.



Valley Center Municipal Water District

ACCOUNT NO.:

17-06-78-5737X

DEPARTMENT:

Woods Valley

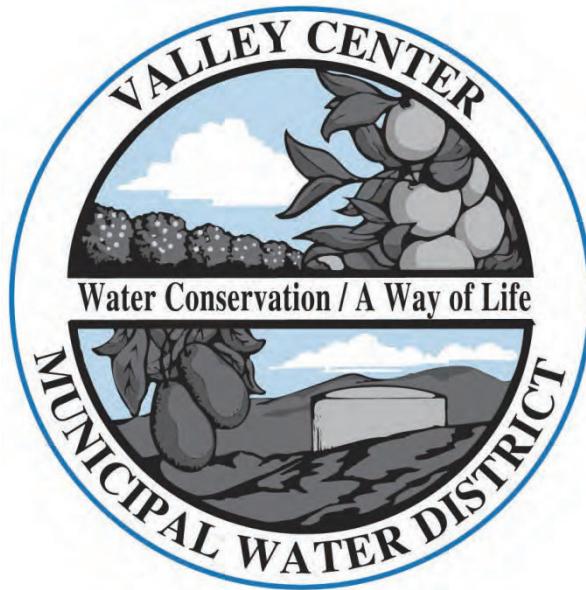
CAPITAL PROJECT REQUEST

Vehicles (continued...)

New Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority N/A	Project ID N/A		Standard N/A	Goal II

The following table summarizes the project funding requirements and expense allocations. It reflects one-half of the required funding per vehicle. The other half of the funding can be found in the Woods Valley Capital section of this budget report:

Project Budget	Prior			Proposed		Future Total Project Budget	Estimated Total Project Cost
	Prior	Estimated	Estimated	Budget	Total		
	Budget	Actual	Budget	Allocation	Budget		
Service Truck (1/2)				58,500	58,500	58,500	58,500
Pickup Truck (1/2)				26,050	26,050	26,050	26,050
Utility Pumper Truck (1/2)	67,500	0	67,500	0	67,500	67,500	67,500
Contingency				4,245	4,245	4,245	4,245
Total Project	67,500	0	67,500	88,795	156,295	0	156,295



Appendix



Appendix Glossary

Accrual Basis of Accounting - The method of recording financial transactions in the period in which those transactions take place, rather than only after cash is received or paid.

ACFR - See Annual Comprehensive Financial Report.

Acre Foot - 325,829 gallons or 435.6 hundred cubic feet of water.

Actuarial Valuation - An estimate of the current cost of future obligations of the considering inflation and growth factors.

ACWA - Association of California Water Agencies.

Administrative Code - Document which compiles all ordinances adopted by the Board of Directors.

Advanced Metering Infrastructure (AMI) - an architecture for automated, two-way communication between a smart utility meter with and a utility company.

Appropriation - Authorization by the Board of Directors to make expenditures for specific purposes, usually limited in time and amount.

Assessment District - a financing vehicle used by public agencies to fund the construction of public improvements or maintenance of public improvements that will directly benefit the parcels within the boundary of the district.

Budget - A financial plan showing authorized expenditures and their funding sources.

CalPERS - See PERS.

Capital Outlay - Expenditures for the purchase of fixed assets.

Annual Comprehensive Financial Report (ACFR) - The official annual report, including financial statements, statistical information, and extensive narration.

Consumer Price Index - The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services.

Depreciation - A portion of the cost of a fixed asset which is charged as an expense during a year, representing an estimate of the value of the asset used up during that year.

Debt Service - The current year portion of interest costs and current year principal payments incurred on long-term debt.

Disbursements - Payments made on obligations.

Effluent - Liquid waste from sewage treatment or industrial processes, water mixed with waste matter.

Enterprise Fund - A fund which accounts for operations financed and operated similar to a private business where costs are recovered primarily through user charges.

Equivalent Dwelling Unit (EDU) - A single-family residential household. It is the unit of measure by which the user is charged for sewer services provided by the District.

Expenditure - An amount paid for an obligation, including operating expenses, debt service, and capital outlay.

Expense Credit - The portion of expenses which have been reimbursed by or allocated to another fund.

Fiscal Year - The 12 month period used for accounting and budgeting purposes, in this case from July 1 to June 30.

Fixed Asset - A tangible item which provides benefit over more than one year, such as property, plant, and equipment. The District further limits fixed assets to those items with an initial value of at least \$2,000.

Fund - A set of accounts used to account for a specific activity, such as a water system or sewer treatment plant.

Fund Balance - The difference between total fund assets and liabilities.

**Generally Accepted Accounting Principles (GAAP)**

– The uniform minimum standards for the presentation of financial reports. For local governments GAAP is set by the Government Accounting Standards Board.

General Fund – For the District, the fund used to account for water system operations. It also includes general expenses, a portion of which are allocated to other funds.

Geographical Information System (GIS) – An information system integrating maps with electronic data.

IAWP - See Interim Agricultural Water Program.

Interim Agricultural Water Program (IAWP) - A program by MWD which reduces the cost of water to certified agricultural customers in exchange for reduced access to water supplies in the event of an emergency or drought.

JPIA - Joint Powers Insurance Authority of the Association of California Water Agencies.

Memorandum of Understanding (MOU) - a legal document describing an agreement between parties.

Metropolitan Water District of Southern California (MWD) - Imports water from the Colorado River and Northern California and sells it at wholesale to its 27 member agencies, which include the San Diego County Water Authority.

MOU - See Memorandum of Understanding

MWD - Metropolitan Water District of Southern California.

Performance Measurement Standard - A standard of service efforts and accomplishments used to determine operating effectiveness and efficiency.

PERS - Public Employees' Retirement System. Also known as CalPERS. Provides retirement benefits to the District's employees, along with the employees of many other state and local California agencies.

Permanent Special Agricultural Water Rate (PSAWR) - A program by the San Diego County Water Authority which reduces the cost of water to certified agricultural customers. Effective 01/01/2021.

Reserve - A portion of fund balance that is held for a specific future use.

SanDAG - San Diego Association of Governments.

San Diego County Water Authority (SDCWA or CWA) - Transports water from MWD pipelines to its 23 member agencies, including the District.

SCADA - Supervisory Control and Data Acquisition. Uses computer technology to monitor and control remote facilities such as pumps and reservoirs.

State Revolving Fund (SRF) - Program provides low-cost financing to public agencies for a wide variety of infrastructure projects.

STEP - Septic Tank Effluent Pump. Includes a holding tank and pump at the customer's property to pump effluent into a pressurized wastewater collection system.

Strategic Plan - A document which states the major goals and performance measurement standards for the District.

Tertiary – The purification of wastewater by removal of fine particles, nitrates, and phosphates.

Vulnerability Assessment – The examination of a system to identify critical infrastructure or related components that may be at risk of attack and the procedures that can be implemented to reduce that risk.



From Administrative Code Section 50.2: The following policies shall be followed both in preparing the annual budget and during the course of financial operations of the District.

(a) Reserves. Reserves are to be established and used as follows. Reserves may carry negative balances if it is probable that the deficits will be recovered within a reasonable time.

Reserves funds will not earn interest unless noted below.

The disposition of funds collected in excess of limits shown is at the discretion of the Board of Directors.

All reserves have specific funding sources except for the Operating and Capital Improvement Reserves which will be funded in the order presented from accumulated net earnings.

1. Rate Stabilization Reserves:

- A. Rate Stabilization Reserve: The District component of sales in excess of budgeted water sales and revenue collected for fixed charges in excess of those fixed expenses incurred shall be placed in a rate stabilization reserve to fill any deficit resulting from the water sales volume falling below projected budget figures. It could also be used to defer future increases in the District's component of the water commodity rate and fixed wholesale charges. Fixed wholesale charges include the Metropolitan Water District's Capacity Reservation Charge and the San Diego County Water Authority's Customer Service Charge and Emergency Storage Project Charge. The reserve shall be limited to no more than 50% of the District component of budgeted water sales and fixed wholesale charges.
- B. Pumping Rate Stabilization Reserve: Pumping revenues in excess of the cost of electrical and natural gas power, the cost of the operation and maintenance of all pumping facilities, and the cost of pumping facility capital projects shall be placed in this reserve to defer future increases in the pumping charge rates. The reserve shall be limited to no more than 50% of budgeted pump charge revenues.

2. Operating Reserve:

- A. A reserve shall be established for the asset categories listed below to provide funding for emergencies and natural disasters, such as fire, earthquake, flooding, etc. This reserve need not be funded in the budget.
 - (1) General Fund
 - (2) Lower Moosa Canyon Water Reclamation Facility
 - (3) Woods Valley Ranch Water Reclamation Facility

The Operating Reserves and the Rate Stabilization Reserves together are considered to be discretionary reserves, unrestricted or uncommitted reserves not anticipated to be used in the current fiscal year. The District shall endeavor to maintain these discretionary reserves at a minimum three and a maximum six months operations and maintenance budget (excluding wholesale water and power purchases for the General Fund Operating Reserve).



Valley Center Municipal Water District

Appendix Budget Policies

3. Restricted Reserves:

- A. Debt Service Reserve: This reserve includes debt service taxes collected but not yet payable to debt holders, reserves required by debt agreements, and unexpended proceeds from debt issues, and will be used to fulfill debt requirements in accordance with debt covenants. This reserve shall earn interest in accordance with state statute.
- B. Replacement Reserves: Reserves for the following asset categories shall be established.
 - (1) Lower Moosa Canyon Water Reclamation Facility
 - (2) Woods Valley Ranch Water Reclamation Facility
 - (3) Woods Valley Ranch Grinder Pumps

Each reserve shall receive an annual budget appropriation based on a percentage of the current annual depreciation of the asset category as determined from the estimated current replacement cost, service life and age of facility. Proceeds from the sale of these assets shall be credited to these reserves. The "Buy-In" component of the capacity charges for the asset category shall be credited to these reserves. This reserve shall earn interest in accordance with state statute.

These reserves may be used for the replacement of assets or facilities or installation of system upgrades, but not for installation of additional assets or facilities needed for increasing capacity. The reserve shall not exceed the replacement value of the assets covered. With Board approval, funds may be loaned from this reserve for other purposes subject to full repayment of the principle amount plus interest.

4. Capital Reserves:

- A. Continuing Projects Reserves: Unexpended appropriations for capital projects which are not completed in a fiscal year will be carried forward to the following fiscal year.
- B. Capacity Charges: The "Incremental" component of capacity charges shall be credited to the capacity charges reserve in accordance with state statute to provide funding for capacity expansion projects identified in the facility master plan allocable to future demand. This reserve shall earn interest in accordance with state statute.
- C. Capital Improvements Reserve: Water availability charges not allocated to the readiness-to-serve charge and debt service, and property taxes not otherwise allocated shall be credited to the capital improvements reserve to provide funding for future capital projects. In addition, retained earnings not reserved for other purposes shall be transferred to this reserve. The "Buy-In" component of the water capacity charge shall be credited to this reserve. The reserve shall not exceed the current estimated cost of all projects outlined in the Water Master Plan which are (1) not allocable to future demand, (2) not previously appropriated, and (3) not contingent on outside factors.



Valley Center Municipal Water District

Appendix Budget Policies

The following table provides reference to reserves. For complete details refer to Section 50.2:

Reserve	Source	Use	Minimum	Maximum	Index
Rate Stabilization Reserves:					
Rate Stabilization	Water revenues over water budgeted and fixed wholesale charges	Deficits resulting from sales volume below budget projections and to moderate future rate increases	None	50% of budgeted District component of water sales and fixed wholesale charges	No
Pumping Rate Stabilization	Pumping revenues over costs	Defer future pumping rate increases; construction of pump facilities	None	50% of budgeted pump charge revenue	No
Operating Reserve:					
Operating Reserve	Earnings not reserved for other purposes	Emergencies or natural disasters	Operating and Rate Stabilization Reserves at three months operating budget (excluding water & power)	Operating and Rate Stabilization Reserves at six months operating budget (excluding water & power)	No
Restricted Reserves:					
Debt Service	Debt service taxes, reserves under debt agreements, and unexpended debt proceeds	Fulfill debt requirements in accordance with debt covenants	Per debt agreements	Per debt agreements	Per debt agreements
Replacement: ◦ Lower Moosa Canyon WRF ◦ Woods Valley Ranch WRF ◦ Grinder Pumps	Budget appropriation equal to a percentage of annual depreciation on related assets, plus proceeds from sales of those assets	Replacement of assets, System Upgrades	None	Replacement cost of assets	Interest

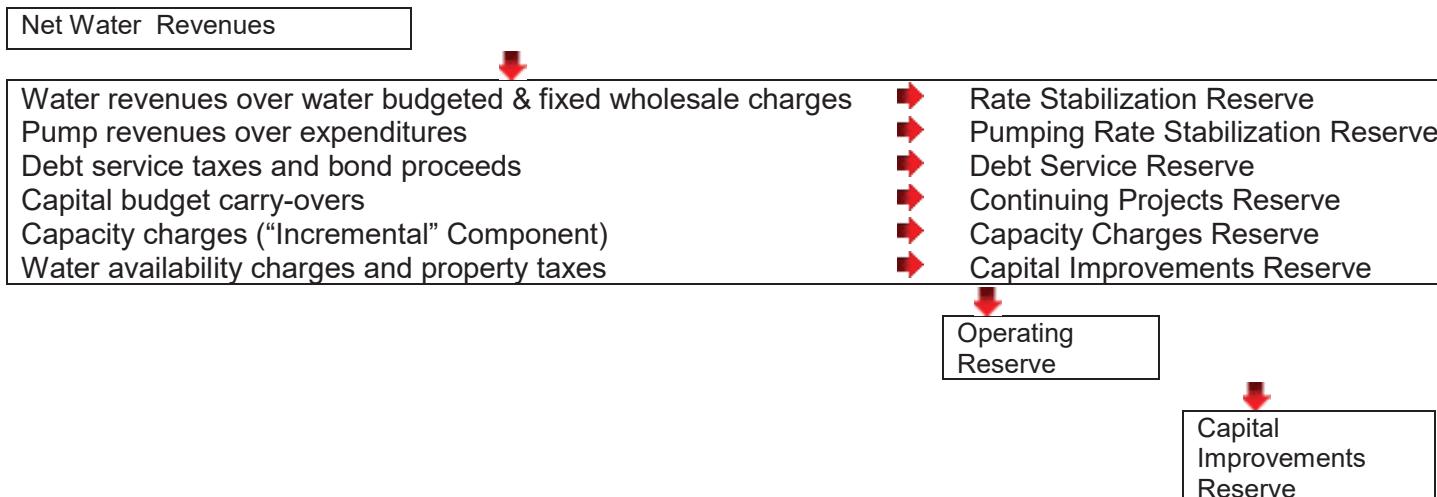


Appendix Budget Policies

Reserve	Source	Use	Minimum	Maximum	Index
Capital Projects:					
Continuing Projects	Unexpended appropriations for capital projects carried forward	Budgeted capital projects	None	Unexpended appropriations	No
Capacity Charges	Capacity charges ("Incremental" component)	Capacity Expansion projects for future demand	Unexpended capacity charges	Unexpended capacity charges	Interest
Capital Improvements	Availability charges not allocated to RTS and debt service, property taxes, and "Buy-In" component of Water Capacity Charge plus earnings not reserved for other purposes	Future capital projects	None	Projects outlined in Master Plan	No

The following charts provide reference to the flow of funds into the reserves. For complete details refer to Section 50.2:

Water System Reserves:



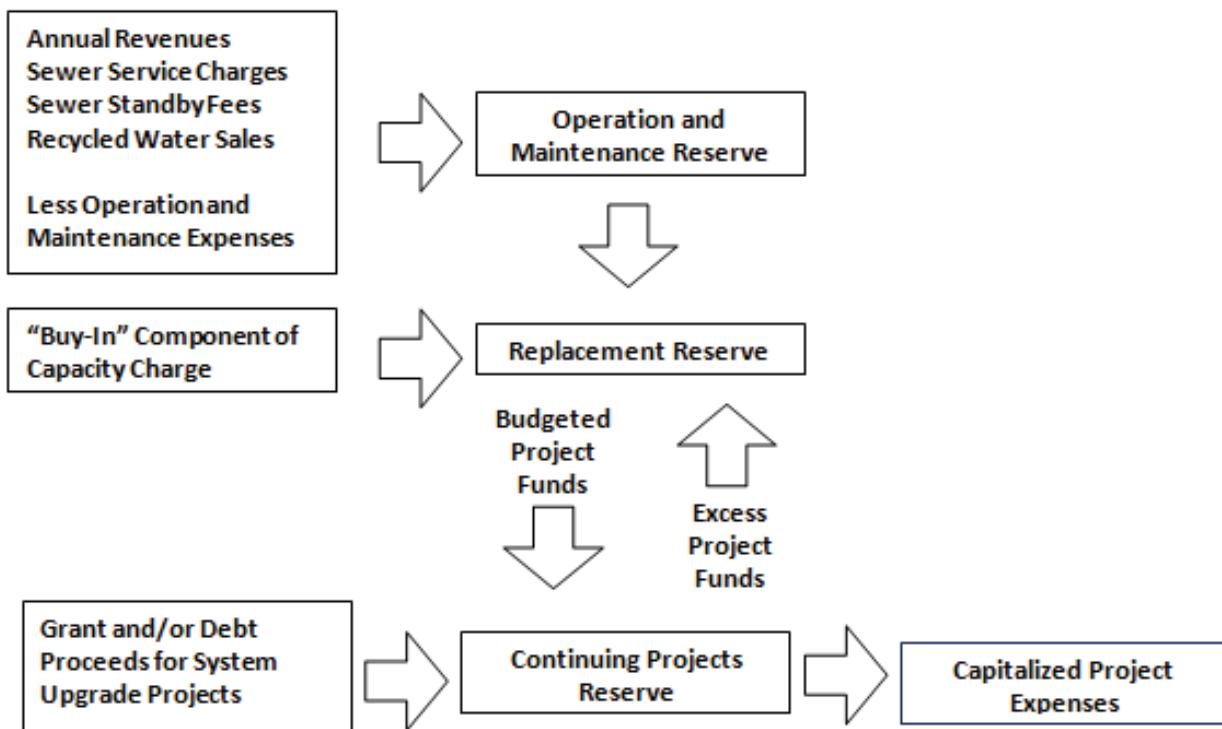


Wastewater System Reserves

Debt Service Funds:

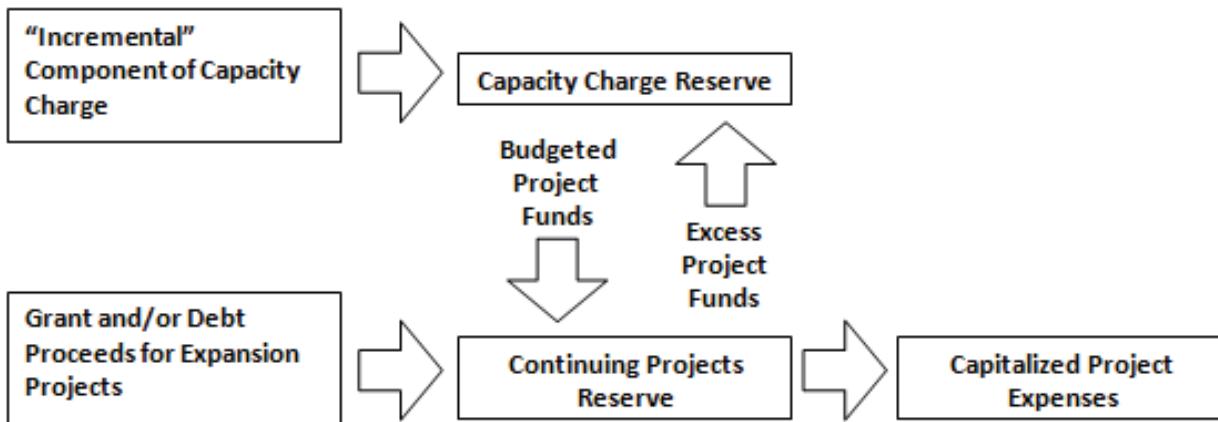


O&M, Replacement and System Upgrade Funds:





Capacity Expansion Funds:



(b) Fees and Charges. Each water and wastewater system ultimately shall be self-sufficient. Administrative costs incurred by the District shall be allocated to the each system in accordance with general practices and reimbursed to the general fund.

Interest earnings on cash held by the general fund for other funds shall be allocated to the respective funds annually.

In accordance with Section 160.3(g), all fees and charges for wholesale water and water related services shall be passed through to District customers by action of the Board of Directors.

(c) Debt – See Section 50.3, Debt Policy

(d) Use of One-time and Unpredictable Revenues. One-time revenues, except when immaterial, should be allocated to the source of the revenue or refunded expenditure or, if not directly allocable, to the rate stabilization fund. Nonrecurring revenues shall not be used to initiate new programs which result in ongoing expenditures without specific notification to and approval by the Board of Directors.

Revenues which cannot be predicted, such as capacity fees, property taxes, and interest, should be forecast conservatively in the budget.

(e) Balancing the Operating Budget. It is the policy and goal of the District that the current annual operating expenditures shall be funded with current revenues, including but not limited to those provided by the Monthly Meter Service Charge and the Valley Center MWD Commodity Rate. Reserves can be used to provide budgetary funding for the purposes for which the reserves were established as detailed above.

The adopted operating budget shall be prepared on the accrual basis of accounting. Depreciation is not funded in the budget except where required for individual reserves.

(f) Revenue Diversification. When rate increases are needed to cover District costs, other than wholesale pass through costs, consideration should be given to meeting at least 60% of the District's fixed operating expenditures with the Monthly Meter Service Charge revenue.

(g) Contingencies. Emergencies are addressed in Article 225.



Appendix Five-Year Forecast

	PROJECTED				
	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28
REVENUES:					
Water Sales (Acre Feet)	16,000	16,000	16,000	15,500	15,000
General Fund:					
Operating Revenues:					
Water Sales (including pumping)	37,469,643	39,717,822	42,100,891	43,311,292	44,512,831
Meter Service Charges	8,220,514	8,598,658	8,994,196	9,407,929	9,840,694
New Connection Sales	422,231	211,115	221,671	232,755	244,392
Other Revenue	1,064,873	1,091,494	1,118,782	1,146,751	1,175,420
Investment Income	433,088	437,419	441,793	446,211	450,673
Total Operating Revenue	47,610,348	50,056,508	52,877,333	54,544,937	56,224,010
Debt Service Revenues - Water Availability Charges	43,373	40,529	37,639	34,702	31,720
Capital Project Revenues:					
Capacity Charges	384,550	192,275	201,889	211,983	222,582
Property Taxes	2,930,460	3,018,374	3,108,925	3,202,193	3,298,259
Water Availability Charges	529,627	532,471	535,361	538,298	541,280
Total Capital Project Revenue	3,844,637	3,743,120	3,846,175	3,952,474	4,062,121
Total Budgeted Revenues	51,498,358	53,840,156	56,761,146	58,532,113	60,317,851
EXPENDITURES:					
General Fund:					
Operating Expenses:					
General Administration	949,581	978,068	1,007,410	1,037,632	1,068,761
Information Technology	1,032,759	1,063,742	1,095,654	1,128,524	1,162,380
Finance	2,807,087	2,905,335	3,007,021	3,112,267	3,221,196
Engineering	2,126,971	2,190,780	2,256,503	2,324,198	2,393,924
Field Operation	8,281,334	8,529,774	8,785,667	9,049,237	9,320,714
Source of Supply	32,232,770	33,264,849	35,260,740	36,274,486	37,280,810
Total Operating Expenses	47,430,501	48,932,547	51,412,996	52,926,345	54,447,786
Debt Service - Interest Expense	43,373	40,529	37,639	34,702	31,720
Total General Fund Expenditures	47,473,874	48,973,076	51,450,635	52,961,047	54,479,506
NET REVENUE before Capital Project Appropriations	4,024,484	4,867,080	5,310,512	5,571,066	5,838,344
CAPITAL PROJECT APPROPRIATIONS	(3,926,000)	(5,096,000)	(5,030,000)	(3,873,400)	(3,873,400)
FUNDING FROM (TO) RESERVES	98,484	(228,920)	280,512	1,697,666	1,964,944
Beginning Fund Balance	18,864,887	18,963,371	18,734,451	19,014,963	20,712,629
Ending Fund Balance	18,963,371	18,734,451	19,014,963	20,712,629	22,677,573

NOTE: This projection is for information only based on assumptions about costs and does not adopt policy or budgetary authority.



Appendix Five-Year Forecast - Wastewater

	FY 23/24	FY 24/25	PROJECTED	FY 25/26	FY 26/27	FY 27/28
Moosa Wastewater Treatment Fund						
Revenues	\$ 1,971,800	\$ 2,070,400	\$ 2,173,900	\$ 2,282,600	\$ 2,396,700	
Budget Requirement						
Operating/Treatment	\$ 1,147,000	\$ 1,204,400	\$ 1,264,600	\$ 1,327,800	\$ 1,394,200	
Collection System/West	\$ 342,000	\$ 359,100	\$ 377,100	\$ 396,000	\$ 415,800	
LPS Maintenance	\$ 62,400	\$ 65,500	\$ 68,800	\$ 72,200	\$ 75,800	
Capital Projects	\$ 279,900	\$ 288,300	\$ 296,900	\$ 305,800	\$ 315,000	
Transfer (to)/from Capital Reserves	\$ 140,500	\$ 153,100	\$ 166,500	\$ 180,800	\$ 195,900	
Total Budget Requirement	\$ 1,971,800	\$ 2,070,400	\$ 2,173,900	\$ 2,282,600	\$ 2,396,700	
Woods Valley Ranch Wastewater Treatment Fund						
Revenues	\$ 3,590,100	\$ 3,635,000	\$ 3,680,400	\$ 3,726,400	\$ 3,773,000	
Budget Requirement						
Operating/Collection & Treatment	\$ 938,000	\$ 984,900	\$ 1,034,100	\$ 1,085,800	\$ 1,140,100	
Lift Station	\$ 30,800	\$ 32,300	\$ 33,900	\$ 35,600	\$ 37,400	
LPS Maintenance	\$ 16,700	\$ 17,500	\$ 18,400	\$ 19,300	\$ 20,300	
AD 2012-1 Administration	\$ 52,500	\$ 55,100	\$ 57,900	\$ 60,800	\$ 63,800	
CFD 2020-1 Administration	\$ 29,400	\$ 30,900	\$ 32,400	\$ 34,000	\$ 35,700	
Debt Service - Interest Expense	\$ 404,998	\$ 379,974	\$ 354,401	\$ 328,266	\$ 301,555	
Operating Reserves	\$ 68,010	\$ 23,450	\$ 24,600	\$ 25,850	\$ 27,150	
Transfer (to)/from Capital Reserves	\$ 2,049,692	\$ 2,110,876	\$ 2,124,699	\$ 2,136,784	\$ 2,146,995	
Total Budget Requirement	\$ 3,590,100	\$ 3,635,000	\$ 3,680,400	\$ 3,726,400	\$ 3,773,000	

NOTE: This projection is for information only based on assumptions about costs and does not adopt policy or budgetary authority.



Valley Center Municipal Water District

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Index



Valley Center Municipal Water District

Index

Administration, General	4-2	Pipeline and Right of Way Maintenance	8-16
Administration, Finance	6-2	Planning	7-3
Administration, Engineering	7-2	Pump Maintenance	8-12
Administration, Operation & Facilities	8-3	Quality Control	8-9
Adopting Resolutions	2-1	Recap of Budget and Source of Financing	3-2
Appropriation Limit under Proposition 4	1-7, 2-5	Reserve Policies	Appendix B
Automatic Valves	8-8	Reserves	1-8, 3-2
Backflow Maintenance	8-22	Reservoir Maintenance	8-11
Budget Control	1-7	Resolution Adopting Budget	2-2
Budget Message	1-1	Revenue Estimates	1-10, 3-4
Budget Policies	1-8, Appendix B	Right of Way Maintenance	8-16
Budget Process	1-8	Safety & Regulatory Compliance	8-4
Capital Outlay, General Fund	1-15, 10-1	Salary Clearing (See also Personnel)	6-6
Capital Outlay, Wastewater	See Wastewater	SCADA	8-10
Community Profile	1-4	Security	8-5
Consumer Services	6-3	Service Connection Maintenance	8-21
Corporate Facilities Maintenance	8-18	Source of Supply	9-1
Customer Service, Engineering	7-4	Spending Limit	1-7
Debt	1-20	Strategic Plan	1-21
Debt Service	6-9, 12-6	Systems Operation	8-6
Emergency Event	6-7	Training	6-8
Encroachments and Locates	7-5	Treatment	8-7
Energy Costs (See also Utilities)	1-13	Utilities (See also Energy Costs)	9-3
Engineering Department	7-1	Valves, Automatic	8-8
Expenditure Estimates	1-13	Valve Maintenance/Location	8-17
Facilities Operation (See also Corporate Facilities Maintenance)	6-4	Vehicle and Equipment Maintenance	8-14
Finance Department	6-1	WASTEWATER - See:	
Fund Recap, Expenditures	3-6	Lower Moosa Wastewater Treatment Fund	11-1
General Administration Department	4-1	Woods Valley Ranch Wastewater Expansion Fund	12-1
General Fund	1-10, 3-1	Woods Valley Ranch Wastewater Treatment Fund	13-1
Glossary	Appendix A	Water & Wastewater Projections	Appendix C
History of Water Purchased and Sold	3-7	Water Purchases	9-3
Human Resources Administration	6-5	Water Rate Components	1-28
Information Technology	5-1	WOODS VALLEY RANCH WASTEWATER EXPANSION FUND	1-19, 12-1
Landscape & Paving Maintenance	8-15	Capital Outlay	12-8
LOWER MOOSA WASTEWATER TREATMENT FUND	1-17, 11-1	Debt Service	12-7
Capital Outlay	11-8	Recap of Budget and Source of Financing	12-2
Collection System West	11-6	Revenue Estimate	12-3
Recap of Budget and Source of Financing	11-2	WOODS VALLEY RANCH WASTEWATER TREATMENT FUND	1-18, 13-1
Revenue Estimate	11-3	Capital Outlay	13-9
LPS Maintenance	11-7	Collection System	13-5
Treatment Facility	11-5	Lift Station	13-7
Maps & Records, Engineering	7-6	LPS Maintenance	13-8
Meter Installation	8-19	Treatment Facility	13-6
Meter Reading	8-20	Recap of Budget and Source of Financing	13-2
Motor Maintenance and Electrical Panels	8-13	Revenue Estimate	13-3
Operations & Facilities Department	8-1		
Ordinance Adopting Staffing and MOU Changes	2-8		
Organizational Charts	1-29, 4-1A, 5-1A, 6-1A, 7-1A, 8-1B		
Performance Measurement Standards	1-22		
Personnel (See also Salary Clearing)	1-14		