

PUENTE BASIN WATER AGENCY  
FY 2015-16 OPERATING BUDGET

	Budget FY 14-15	Projected FY 14-15	Total Budget FY 15-16	Administrative	TVMWD	LHHCWD	CDWC
<b>REVENUES:</b>							
Administrative Assessment - RWD	\$ 127,300	\$ 109,264	128,550	\$ 128,550	\$ -	\$ -	\$ -
Administrative Assessment - WVWD	127,300	109,264	128,550	128,550			
Other - TVMWD	40,400	40,400	40,400	40,400			
Water Sales - Project - RWD	992,698	152,521	1,670,676			640,695	1,029,981
Water Sales - Project - WVWD	992,698	152,521	1,670,676			640,695	1,029,981
Water Sales - TVMWD - RWD	4,939,065	4,939,065	5,083,566		5,083,566	-	
Water Sales - TVMWD - WVWD	8,446,934	8,446,934	8,798,473		8,798,473		
Project Maintenance Reserve - RWD	66,925	10,295	63,334			834	62,500
Project Maintenance Reserve - WVWD	66,925	10,295	63,334			834	62,500
<b>Total Revenues</b>	<b>15,800,244</b>	<b>13,970,559</b>	<b>17,647,558</b>	<b>297,500</b>	<b>13,882,039</b>	<b>1,283,057</b>	<b>2,184,962</b>
<b>EXPENSES:</b>							
<u>Source of Supply</u>							
Purchased Water - TVMWD	12,760,800	12,760,800	13,072,900		13,072,900		
Purchased Water - LHHCWD	553,090	181,440	746,816			746,816	
Purchased Water - CDWC	757,685	-	1,734,962				1,734,962
Surcharge - Orchard Dale	14,313	4,297	18,037			18,037	
Assessments - WRD	361,532	108,540	471,761			471,761	
<b>Subtotal</b>	<b>14,447,420</b>	<b>13,055,077</b>	<b>16,044,476</b>	<b>-</b>	<b>13,072,900</b>	<b>1,236,614</b>	<b>1,734,962</b>
<u>Fixed Charges</u>							
TVMWD Equivalent Small Meters	58,241	58,241	60,916		60,916		
TVMWD Water Use Charge	46,910	46,910	52,042		52,042		
TVMWD Connected Capacity	59,569	59,569	62,701		62,701		
MWD Capacity Reservation Charge	460,479	460,479	631,380		631,380		
<b>Subtotal</b>	<b>625,199</b>	<b>625,199</b>	<b>807,039</b>	<b>-</b>	<b>807,039</b>	<b>-</b>	<b>-</b>
<u>Other Costs</u>							
Energy - Pumping and Treatment	201,800	-	201,800			1,800	200,000
Materials & Supplies - Chemicals	96,225	7,500	166,675			41,675	125,000
Materials & Supplies - Other	-	462	500			500	
Permits & Fees	750	2,802	2,900		2,100	800	
<b>Subtotal</b>	<b>298,775</b>	<b>10,764</b>	<b>371,875</b>	<b>-</b>	<b>2,100</b>	<b>44,775</b>	<b>325,000</b>
<u>Administrative &amp; General</u>							
Legal	50,000	17,000	50,000	50,000			
Engineering	5,000	4,000	5,000	5,000			
Professional Services- Other	225,000	225,000	225,000	225,000			
Insurance - Property & Liability	2,800	2,608	2,800	2,800			
Accounting	5,000	3,121	7,500	7,500			
Administrative Expenses - Other	7,200	7,200	7,200	7,200			
<b>Subtotal</b>	<b>295,000</b>	<b>258,929</b>	<b>297,500</b>	<b>297,500</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenses</b>	<b>\$ 15,666,394</b>	<b>\$ 13,949,969</b>	<b>\$ 17,520,890</b>	<b>\$ 297,500</b>	<b>\$ 13,882,039</b>	<b>\$ 1,281,389</b>	<b>\$ 2,059,962</b>
<b>Net Income (Loss) Before Transfers</b>	<b>\$ 133,850</b>	<b>\$ 20,590</b>	<b>\$ 126,668</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,668</b>	<b>\$ 125,000</b>
Transfers In: Maint. Reserve Funds Used	-	-	-			-	
Transfers Out: Maint. Reserve Funds Collected	(133,850)	(20,590)	(126,668)			(1,668)	(125,000)
<b>Net Income (Loss) After Transfers</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>PBWA Maintenance Reserve</b>							
<b>Beginning Balance July 1</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,590</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Transfers In	133,850	20,590	126,668			1,668	125,000
Transfers Out	-	-	-				
<b>Ending Balance June 30</b>	<b>\$ 133,850</b>	<b>\$ 20,590</b>	<b>\$ 147,258</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,668</b>	<b>\$ 125,000</b>

## PUENTE BASIN WATER AGENCY FY 2015-16 Budget Supplement

The following is a supplement to the proposed budget and is intended to provide more specific detail and explanation of the major revenues and expenses proposed in the FY 15-16 Operating Budget.

### **REVENUES**

#### Administrative Assessments RWD/WVWD

Represents payments received from the WVWD and RWD related to the administrative costs of the District. The administrative costs of the District are shared equally by both agencies.

#### Water Sales - Project RWD/WVWD

Represents payments received from the WVWD and RWD related to the production of water from the La Habra Heights and California Domestic water reliability projects. The costs and benefits of these projects is shared equally by the agencies.

#### Water Sales -TVMWD

Represents payments received from the WVWD and RWD related to water purchased from TVMWD. Unlike the project water sales, the amounts collected from each agency are based on the estimated costs associated with each individual agency's estimated purchases through the Joint Water Line. These costs include both the commodity and fixed charges assessed by TVMWD.

#### Project Maintenance Reserve

In an effort to ensure sufficient money is available to repair and maintain the LHCWD and CDWC projects, the agencies decided, through separate project agreements, to establish a maintenance reserve account to fund the repair of the facilities. The amounts collected will be reserved for this purpose. For FY 15-16 the budgeted amount is \$126,668. Per the LHCWD project agreement, \$1.00 per acre-foot will be collected for the maintenance reserve. For FY 15-16, the LHCWD project is expected to produce 1,667 acre-feet. Per the CDWC project agreement, an initial reserve fund of \$100,000 will be established the first year of operation with additional funding collected at a rate of \$5.00 per acre-foot. For FY 15-16 the budgeted amount for this reserve is \$125,000. The maintenance reserve amounts are to be funded equally by the agencies.

### **EXPENSES**

#### Source of Supply

Purchased Water - TVMWD - Represents the commodity cost, including TVMWD's surcharge, associated with the purchase of water from TVMWD. Costs are based on purchases of 14,400 acre-feet (RWD 5,400 acre-feet; WVWD 9,000 acre-feet).

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Purchased Water - LHCWD - Represents the estimated charges associated with purchase of water from LHCWD, as outlined in the agreement. Based on water purchases of 1,667 acre-feet. Charges include a per-acre-foot charge for "Joint Facilities" costs, "Wheeling Charge", and "Cost to Move Water".

Purchased Water - CDWC - Represents the estimated charges associated with purchase of water from CDWC, as outlined in the agreement. Costs include charges for each acre-foot of water produced plus an assessment of \$44.52 per acre-foot. Based on water purchases of 5,000 acre-feet.

Surcharge Orchard Dale - In addition to the costs charged by LHCWD, the District must also pay a per acre-foot surcharge to Orchard Dale Water. For the FY 15-16 budget the amount is based on 1,667 acre-feet at a cost of \$10.82 per acre-foot. The cost per acre-foot was based on a 2% increase from PY.

Assessments - WRD - Represents the cost of replenishment water related to the LHCWD project. For the FY 15-16 budget the amount is based on 1,667 acre-feet at a cost of \$283 per acre-foot, an increase of \$15 per acre-foot over the prior year.

### Fixed Charges

These charges represent the fixed charges assessed to each respective agency by TVMWD. These charges include the Imported Water Use Charge, Connected Capacity, Equivalent Small Meters, and the MWD Capacity Reservation Charge. For the year the total charges are estimated to be \$807,039. RWD's share of this amount is \$176,616 and WVWD's share is \$630,423.

### Other Costs

Energy - Represents the power cost associated with the pumping activities and treatment facilities of the LHCWD and CDWC projects.

Materials and Supplies - Chemicals - Estimated costs for chemicals used for the treatment facilities associated with the LHCWD and CDWC projects.

Permits & Fees - Includes costs for WRD Admin Budget, Central Basin Water Rights fees, and Water Research foundation fees paid through TVMWD.

### Administrative & General

Legal - To provide funds for legal expense related to the activities of the PBWA.

Engineering - To provide funds for professional engineering fees related to the management and reporting requirements for the Puente Basin

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Professional Services Other - To provide funds for professional services related to government relations, state funding, and other outside services not related to a specific project. The Budget includes amount for government relations \$121k, assistance with state grant funding \$44K, and \$60k for other services that may be required.

Insurance - Property and Liability - To provide funds for property and liability insurance

Accounting - To provide funds for auditing services. The budget amount is based on the approved contract with MHM.

Administrative Expenses - Includes funding for internal labor, ACWA dues, and banking fees attributable to the activities of the PBWA.