



San Juan Water District Fiscal Year 2010-2011 Budget

Wholesale Operating, Non-Operating and CIP

Presented to Board of Directors on May 26, 2010

Public Hearing on May 26, 2010

Adopted by the Board of Directors on June 9, 2010

Retail Operating, Non-Operating and CIP

Presented to Board of Directors on June 9, 2010

Public Hearing on June 9, 2010

Adopted by the Board of Directors on June 23, 2010

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



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

Elected Officials

Dave Peterson, President/Director
Ted Costa, Vice President/Director
Ken Miller, Director
Pamela Tobin, Director
Bob Walters, Director

Appointed Officials

Shauna Lorance, General Manager

Management Team

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



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Letter of Transmittal

Board of Directors
San Juan Water District

Directors:

We are pleased to present to you the Fiscal Year 2010-2011 Budget for the San Juan Water District ("District"). Over the years, we have made and will continue to make improvements to the budget format. The intent is to provide a user-friendly document that conveys the dedication as well as the goals and accomplishments of the District Board of Directors ("Board") and staff.

The Budget Process

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

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

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

Typically, a summary of the proposed budget is reviewed with the Finance Committee in March and/or April. The proposed budget is then discussed with the Board of Directors in April/May and the draft document is distributed to the Board. The Finance & Administrative Services Manager presents the proposed wholesale budget and rates to the Board in May and the proposed retail budget and rates in June. The District holds the public hearings for wholesale budget/rates in May and retail budget/rates in June at which time the rate consultant is available for questions. The wholesale budget/rates and retail budget/rates are anticipated to then be adopted by the end of June.

Budgetary Control and Budget Format

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

The budget has been prepared using a program budget format versus a line item detail format to provide the most valuable information to the reader on all of the District's major areas of service: Wholesale Operations, Retail Operations, and Non-Operating Activities. The budget is further broken down by program area: Administrative & General, Conservation, Customer Service, Engineering, Pumping & Telemetry, Source of Supply, Transmission, and Water Treatment. The program area budget places the focus on overall District operations, leaving District management responsible for day-to-day operations and expenses.

Once the budget has been approved, staff distributes the budget into detailed accounts for entry into the District's accounting system. The line item detail has been provided for reference purposes only.

Funds

The District operates a single enterprise fund, which is segregated into non-operating activities, wholesale operations and retail operations.

Investment Policy and Investments

The District's current Investment Policy was developed and approved in accordance with California Government Code Section 53600. This Policy is reviewed and approved annually, and was last approved by the Board in December 2008.

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

- \$ United States Treasury Securities maturing in five years or less;
- \$ Agencies of the Federal Government;
- \$ Obligations of the State of California and any Local Agency within the state;
- \$ Banker's Acceptances;
- \$ Commercial Paper;
- \$ Certificates of Deposit;
- \$ State of California Local Agency Investment Fund;
- \$ Medium-term notes or Corporate issues maturing in five years or less;
- \$ Mutual funds; and
- \$ Interest bearing, FDIC-insured checking and savings accounts.

Accounting System and Controls

The District utilizes project cost accounting in the Microsoft Dynamics SL Solomon Professional 6.5 financial information system to record financial transactions throughout the year. At the end of the fiscal year, June 30, the District prepares a Comprehensive Annual Financial Report ("CAFR") containing financial statements and other financial

and operational information. An independent auditing firm audits this report, as well as District records and documentation, each year and reports its findings to the Board.

State-of-the-State

In November 2004, in order to protect local revenues from being transferred to the State, the voters passed Proposition 1A. The proposition went into effect in 2006. Prior to Prop 1A taking effect, in 2005 and 2006, the State of California took \$2,110,000 in the District's local property revenues and shifted them to education. Subsequent to Prop 1A becoming law, the proposition allows the State to "borrow" up to 8% of property tax revenues in any 3 year period. The State must repay those monies fully before being able to "borrow" again. In addition, the State may only "borrow" twice in any 10-year period.

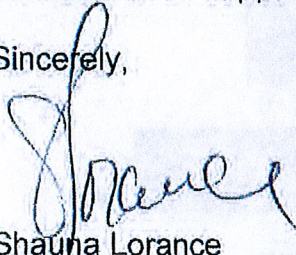
In FY2009-10, due to the 2008 recession, and in order to help balance a burgeoning budget deficit, the State did borrow 8% of the District's property tax revenues under Prop 1A. Since then, the State's budget has yet to be balanced. It is unknown what the potential impact on the State's continuing deficit will be on the District and all other local public agencies going forward. Staff continues to monitor this issue and will communicate any changes as they arise.

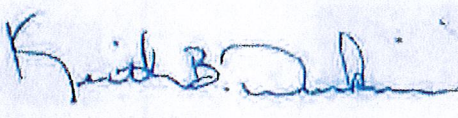
In Summary

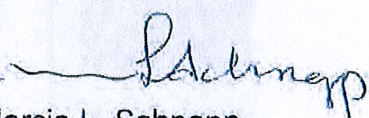
We hope this budget provides useful information on the District's operations to readers.

We would like to thank the District's Management Team for their diligence in preparing and managing their budgets. We would also like to thank the Board of Directors for their continued support of the important services that the District provides.

Sincerely,

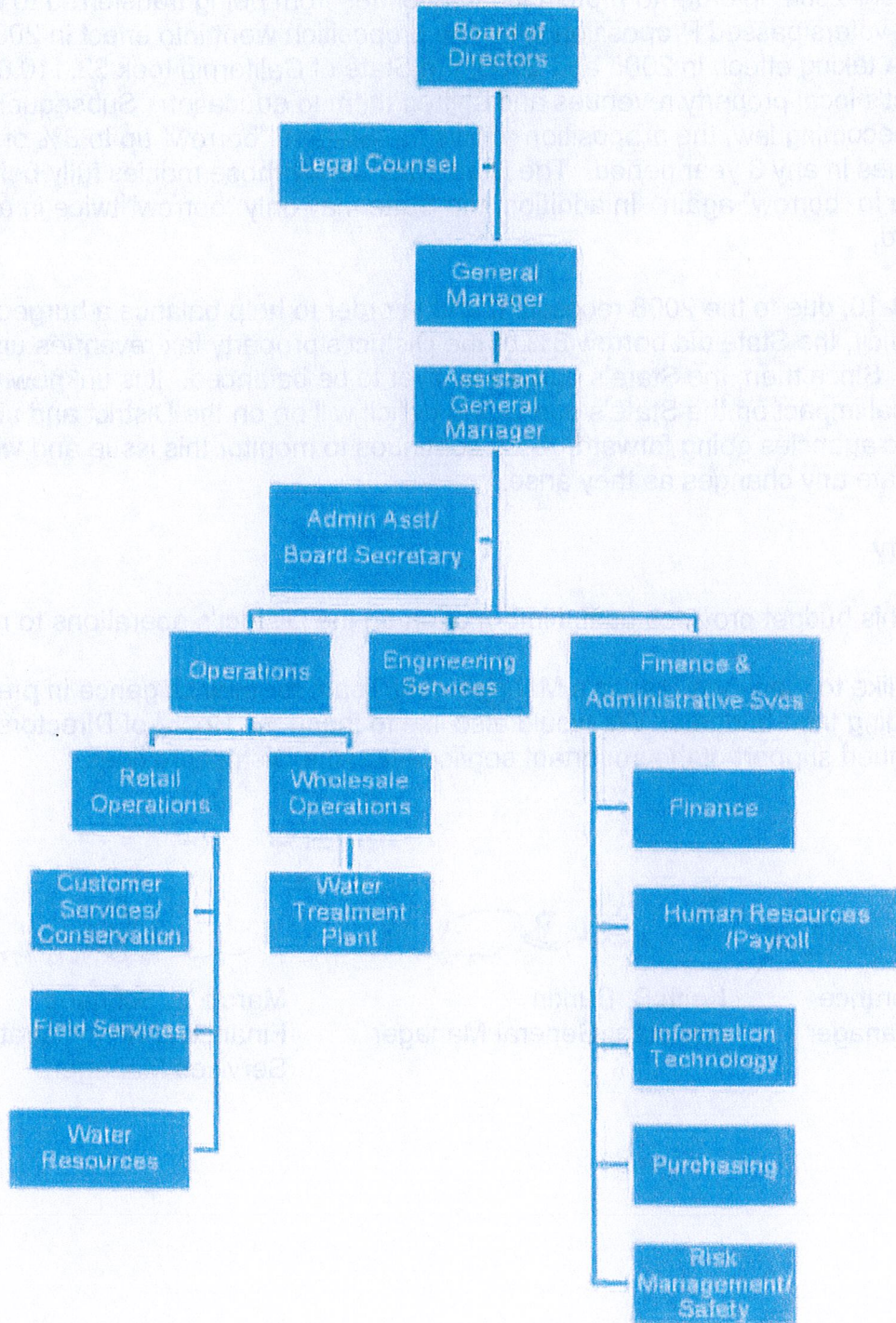

Shauna Lorance
General Manager


Keith B. Durkin
Assistant General Manager


Marcia L. Schnapp
Finance & Administrative
Services Manager

Organization Chart

San Juan Water District Functional Organization



FISCAL YEAR 2010-11
WHOLESALE BUDGET

RESOLUTION NO. 10-13

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SAN JUAN WATER DISTRICT
ADOPTING THE NON-OPERATING, CAPITAL IMPROVEMENT PROGRAM,
WHOLESALE BUDGET, RATES AND FEES FOR THE FISCAL YEAR 2010-2011**

WHEREAS, District staff has prepared a budget for the fiscal year 2010-2011 that estimates operating and maintenance, capital improvement program, debt service and other expenses of the District and that estimates revenues from all sources to pay the expenses of the District;

WHEREAS, District staff has determined that the fiscal year 2010-2011 budget is reasonably accurate and if implemented will ensure that the District's revenues will be sufficient to pay all of the District's expenses, including maintaining prudent reserves; and

WHEREAS, staff has determined that the District's wholesale water rates and wholesale capital facilities (connection) fees need to be adjusted for fiscal year 2010-2011 to account for the increased costs for providing such services.

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


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

2. The Board of Directors finds that the proposed Wholesale Water Rates and Wholesale Capital Facilities (Connection) Fees for fiscal year 2010-2011 are fair, equitable and ensure that the persons and entities receiving such services will pay the District's full costs of providing such services, and on that basis the Board hereby adopts the proposed rates and fees for the 2010-2011 fiscal year (with any revisions that the Board may deem prudent as a condition of adopting said rates and fees). The fiscal year 2010-2011 Wholesale Water Rates and Wholesale Capital Facilities (Connection) Fees are shown on "Exhibit B", which is attached to and made a part of this Resolution.

3. The General Manager and staff are directed to take all actions necessary to implement and follow the fiscal year 2010-2011 budget shown in Exhibit A and to impose and collect the rates and fees shown in Exhibit B, as the same are adopted herein.

PASSED AND ADOPTED by the Board of Directors of the San Juan Water District on the 9th day of June 2010, by the following vote:

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



DAVE PETERSON
President, Board of Directors



TERI HART
Secretary, Board of Directors

EXHIBIT A
FISCAL YEAR 2010-2011
WHOLESALE BUDGET
OPERATING, NON-OPERATING AND CAPITAL
IMPROVEMENT

STAFF REPORT

To: San Juan Water District Board

From: Marcia Schnapp, Finance and Administrative Services Manager

Date: June 9, 2010

Subject: Adopt Resolution No. 10-13, Approving the Wholesale Fiscal Year 2010-2011 Budget for Non-Operating Activities, Operations and Capital Improvement Program

Background

The Budget for Fiscal Year 2010-2011 Budgets for Non-Operating Activities, Wholesale Operations and Capital Improvement Program have been prepared with the budget worksheets attached.

Important items to note:

- The budgets for all activities are balanced.
- The Wholesale rate increase included in the budget is 8%, which is the Wholesale Financial Plan recommended increase to cover increases in operations and maintenance, cost of water supply and the CIP.
- The Capital Improvement Program is in accordance with the plan that was approved through the Engineering Committee and the Board of Directors last year with updated cost estimates as necessary.

Changes from prior year or factors that have been considered in preparation of this proposed budget are:

1. Source of Supply is estimated to increase about \$227 thousand. Of this amount, \$200 thousand is budgeted for Bureau Water Costs, versus projected actual of \$36 thousand for FY0910, or approximately \$164 thousand increase. The remainder is due to expected increases in usage, assuming a normal water use year, versus the wet winter and spring we've had for Jan-Jun 2010.
2. Salary and benefit increases over projected actual FY0910 are estimated at \$177,490. This includes a 1% cost of living increase ("COLA") based upon the Federal Government BLS' Urban Consumer Price Index (CPI) for Western A. Since there was no COLA last year, the period of April 2010 vs. April 2008 is being used. Other differences include the fact that the Finance and Administrative Services Manager's position was vacant for 3 months. This resulted in approximately \$45 thousand differential. The remainder is due to scheduled increases due to annual staff promotions and merit pay as well as increases in health insurance (medical, dental, life and disability) and payroll taxes.

3. Other operating expenses other than Source of Supply and Salaries & Benefits are estimated to increase approximately \$314 thousand. Of this amount, approximately \$96 thousand is due to costs for legislative assistance. The remainder is due to budgeting based upon FY0809 actual, due to the abnormal weather year for FY0910.
4. Lastly, \$450 thousand has been added for the Pilot Water Project with Southern California. This amount will be recovered in the revenue area of the budget, but appears as an increase to operating expense here.

Current Status

The budget and worksheets are attached for your review, reference and approval. The Wholesale FY2010-11 Budget follows:

- 1) San Juan Water District FY2010-11 Wholesale Budget Revenues/Expenditures spreadsheet;
- 2) Wholesale Water Usage Volume and Charges along with Debt Service Charges for both FY0910 and FY1011;
- 3) Pie Chart highlighting FY1011 operating and debt service expenses by category;
- 4) Comparison of FY1011 Budget to FY0910 Budget and Projected Actual by Source of Supply, Salaries & Benefits and Other Operating Expenses;
- 5) Wholesale Capital Projects for FY1011
- 6) Wholesale Reserve Balances for periods ending June 30, 2010 and 2011.
- 7) Debt Obligations by Principal and Interest for both FY0910 and FY1011;

Budget Impact

With a balanced budget, the District will be able to accomplish its goals and objectives for the coming year. The District will continue to monitor information on Property Taxes and any potential Prop 1A borrowing.

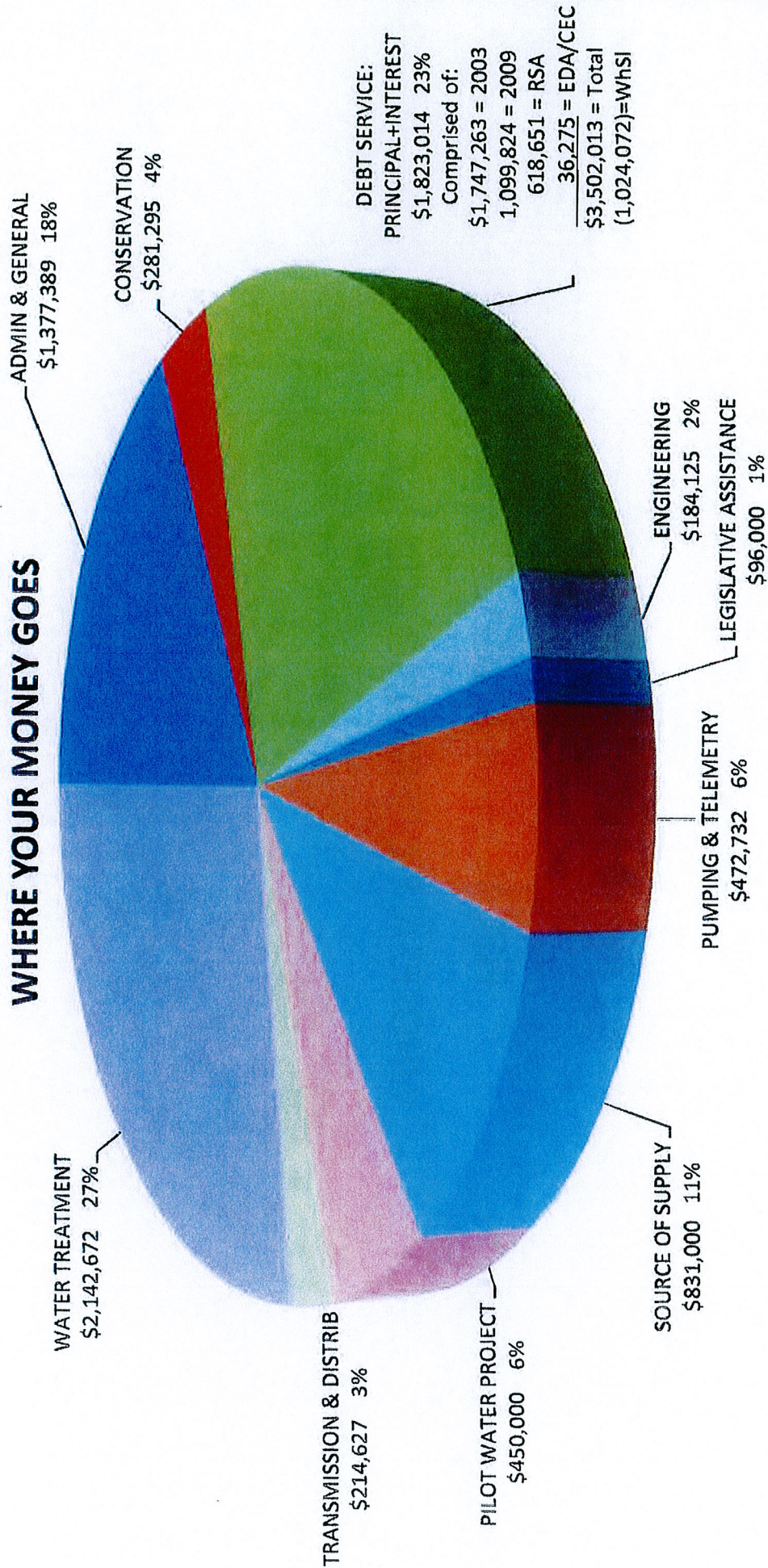
Staff Recommendation

Adopt Resolution No. 10-13, approving the Fiscal Year 2010-2011 Budget for Non-Operating Activities, Wholesale Operations and Capital Improvement Program

FISCAL YEAR 2010-11

WHOLESALE OPERATING BUDGET

SAN JUAN WATER DISTRICT FY2010-11 WHOLESAL E BUDGET WHERE YOUR MONEY GOES



DEBT SERVICE:
 PRINCIPAL+INTEREST
 \$1,823,014 23%
 Comprised of:
 \$1,747,263 = 2003
 1,099,824 = 2009
 618,651 = RSA
 36,275 = EDA/CEC
 \$3,502,013 = Total
 (1,024,072)=WhSI

V JUAN WATER DISTRICT
 OPERATING BUDGET FOR FISCAL YEAR 2010-2011

	Wholesale Def 07/01/09-06/30/10	Wholesale Dept 01 07/01/09-03/31/10	Wholesale Dept 01 07/01/09-06/30/10	Wholesale Dept 01 07/01/10-06/30/11
	Budget	Actual	Projected Yr End	Bd Approved Budget
OPERATING REVENUE				
CITRUS HEIGHTS WATER DISTRICT	2,478,927	1,468,233	1,796,914	1,998,364
CITY OF FOLSOM	369,364	222,516	291,365	314,900
FAIR OAKS WATER DISTRICT	1,622,473	1,133,604	1,537,595	1,705,887
ORANGEVALE WATER COMPANY	610,761	423,393	574,421	641,331
CITY OF ROSEVILLE				
SAC SUBURBAN	312,895	190,428	253,904	
GRANITE BAY GOLF CLUB	14,475	6,021	8,028	10,000
INTERDEPARTMENTAL SJWD RSA	2,942,526	1,766,756	2,167,136	2,411,484
PILOT WATER PROJECT				500,000
TOTAL WHOLESAL WATER REVENUES	8,351,421	5,210,951	6,629,364	7,581,966
WATER SALES - RETAIL				
OTHER REVENUES	1,000			
TOTAL OPERATING REVENUES	8,352,421	5,210,951	6,629,364	7,581,966
EXPENSES				
SOURCE OF SUPPLY				
WATER CHARGED TO RETAIL AREA (RSA)				
PG&A WATER	330,000	225,000	300,000	309,000
BUREAU RECLAMATION CVP WATER	215,762	26,937	35,916	200,000
WHEELING	178,559	139,597	186,129	200,000
WATER FORUM	29,196			30,000
BUREAU PUMPING (WAPA ENERGY)	82,102	54,280	72,373	80,000
ENERGY ASSESSMENTS/COT	2,000	90	120	2,000
OTHER	11,000	7,119	9,492	10,000
PUMPING & TELEMETRY	552,593	345,100	460,133	472,752
WATER TREATMENT	2,258,631	1,554,712	2,072,950	2,142,672
TRANSMISSION & DISTRIBUTION	168,959	140,562	187,403	214,627
CUSTOMER SERVICE		25,573	34,097	
CONSERVATION	243,288	175,006	233,341	281,295
ENGINEERING	209,312	29,892	39,857	184,125
ADMINISTRATION & GENERAL	1,523,355	986,122	1,314,829	1,498,389
OVERHEAD COST ALLOCATION (CREDIT)	(20,000)	(154,681)	(206,241)	(200,000)
INTEREST EXPENSE		105,375		
OPEB EXPENSE			140,500	175,000
PILOT WATER PROJECT				450,000
TOTAL OPERATING EXPENSES	5,779,757	3,660,674	4,880,899	6,049,840
INCOME (LOSS) FROM OPERATIONS - BEFORE DEPREC	2,572,664	1,550,277	1,748,465	1,532,126

SAN JUAN WATER DISTRICT
 OPERATING BUDGET FOR FISCAL YEAR 2010-2011
 INCOME (LOSS) FROM OPERATIONS - PREVIOUS PAGE

	Wholesale Dept 01 07/01/09 - 06/30/10 Budget	Wholesale Dept 01 07/01/09 - 03/31/10 Actual	Wholesale Dept 01 07/01/09 - 06/30/10 Projected Yr End	Wholesale Dept 01 07/01/10 - 06/30/11 Bd Approved Budget
NON OPERATING REVENUES	2,572,664	1,550,277	1,748,465	1,532,125
TAXES	850,000	492,223	656,297	850,000
INTEREST INCOME	626,459	228,260	304,346	175,000
CONNECTIONS AND ANNEXATIONS	141,013	245,605	327,473	271,000
OTHER	1,617,472	966,087	1,288,116	1,296,000
TOTAL NON-OPERATING REVENUES	(1,026,187)	(769,640)	(1,026,187)	(1,024,072)
NON-OPERATING EXPENSES	(544,127)	(408,609)	(544,812)	(654,927)
COP PAYMENTS FROM AGENCIES-WHOLESALE	1,008,478	756,359	1,008,478	2,470,738
COP PAYMENTS FROM SJWD RSA - RETAIL DEBT	452,674	339,506	452,674	
BOND/NOTE INTEREST - 2009 COP NEW MONIES	338,389	253,792	338,389	
BOND/NOTE INTEREST - 2003 COP NEW MONIES	10,605	7,954	10,605	10,290
BOND INTEREST DIRECT/REFUNDING PORTION - 2003	55,000	64,505	86,007	103,033
CEC/EDA INTEREST (RETAIL ONLY)				
OTHER MISCELLANEOUS EXPENSES	293,832	243,865	325,154	905,061
TOTAL NON OPERATING EXPENSES	3,896,304	2,272,499	2,711,428	1,923,065
NET INCOME (LOSS) B4 CAP CONTRIBS AND DEPREC	(20,396)	(15,297)	(20,396)	(20,396)
OTHER CASH SOURCES (USES)	(5,274)	(3,956)	(5,274)	(5,589)
FINANCING SOURCES (USES)	(960,000)	(720,000)	(960,000)	(985,000)
PRINCIPAL PAYMENT - EDA Loan	(405,000)	(303,750)	(405,000)	(10,000)
PRINCIPAL PAYMENT - CEC Loan				
PRINCIPAL PAYMENT - 2003 COP				
PRINCIPAL PAYMENT - 2009 COP				
OTHER FINANCING SOURCES (USES)	(1,390,670)	(1,043,003)	(1,390,670)	(1,020,985)
NET SOURCES (USES) TO (FROM) RESERVES	2,505,634	1,229,497	1,320,758	902,080
AMOUNTS TO RESERVES				
CAPITAL CONTRIBUTION REVENUE		1,136,265	1,515,020	1,500,000
CIP RESERVE	(2,205,634)	(2,065,761)	(2,535,777)	(2,102,080)
KOKILA RESERVOIR				
HINKLE RESERVOIR				
EMERGENCY RESERVE	(50,000)	(50,000)	(50,000)	(50,000)
PERS STABILIZATION	(100,000)	(100,000)	(100,000)	(100,000)
CONNECTION RESERVE				
T SURPLUS (DEFICIT)	900	150,000	150,000	150,000

SAN JUAN WATER DISTRICT - COMPARISON OF ACTUAL TO BUDGET

Category	Actual FY 2008-09	Budgeted FY 2009-10	Projected FY 2009-10	Proposed FY 2010-11	Change From FY 2009-10 Budget	Change From FY 2009-10 Projected
Wholesale:						
Salaries/Benefits	2,358,729	2,718,724	2,477,469	2,533,492	-6.81%	2.26%
Less: Overhead Costs Allocated to Capital Projects	(80,971)	(15,000)	(206,241)	(200,000)		
Net Salaries/Benefits	2,277,758	2,703,724	2,271,227	2,333,492	-13.69%	2.74%
Services/Supplies	2,150,948	2,212,414	1,799,400	2,260,348	2.17%	25.62%
Water Supply	769,582	848,619	604,030	831,000	-2.08%	37.58%
Expenses Before Pilot Water Project	5,198,288	5,764,757	4,674,657	5,424,840	-5.90%	16.05%
Pilot Water Project (reimbursed through revenues)	-	-	-	450,000		
Total Expenses	5,198,288	5,764,757	4,674,657	5,874,840	1.91%	25.67%
Difference: Projected FY09-10 vs Budget FY10-11			1,200,183			

Major Differences from Projected FY09-10 to Proposed FY10-11

- 1) Salaries & Benefits: Pay-for-Performance re-instated, plus increases in Benefits Costs
 - a) Only 9 months salary/benefits for Finance/Admin Mgr in FY0910 = \$45K difference 56,023
 - 2) Services/Supplies 460,948
 - a) Additional Legislative Consulting Costs = \$96K (6/7ths recovered thru non-oper revenues)
 - b) Assumes increased chemical costs (+\$70K); Engineering (+\$150K); OPEB (+\$35K)
 - c) Assumes weather patterns revert back to FY0809 vs wet year of FY0910
 - 3) Source of Supply - using FY0809 Actual due to weather pattern
 - a) Add'l \$164K for Bureau Water Costs (Projected = \$36K vs Proposed = \$200K) 226,970
 - b) \$30K for Water Forum
 - 4) Addition of Pilot Water Project (fully recovered through operating revenues) 450,000
- Total Major Differences from Projected FY2009-10 vs. Budget FY2010-11 1,193,941

WHOLESALE "CIP"
(CAPITAL IMPROVEMENT PROJECTS)

San Juan Water District
Wholesale CIP
BUDGET FY 2010-2011

Project	2010 Balance to Carryforward	2011 New Amts	2011 Total Budget Amt
<u>District-Wide:</u>			
Network Software and Hardware	-	22,000.00	22,000.00
District Fiber Optic Upgrade (50/50 split - Wholesale/Retail)	8,100.00		8,100.00
Admin. Office Rewire (50/50 split - Wholesale/Retail)	3,275.00		3,275.00
Administration Building Roof (36/64 split - Wholesale/Retail)	11,880.00		11,880.00
District-wide Current CIP	23,255.00	22,000.00	45,255.00
Engineering for Treated Water Piping to Hinkle Reservoir	125,000.00		125,000.00
Engineering Services Current CIP	125,000.00		125,000.00
<u>Wholesale/Water Treatment Plant:</u>			
Chemical Feed-Chlorine Containment (\$7.7M)			-
Storage Building Roof and Walls	400,000.00		400,000.00
Raw Water Supply-Parallel USBR Pipeline	1,000,000.00		1,000,000.00
Hydraulic Improvements-Raw Water Pipe	-		-
Hydraulic Improvements-Tube Settlers/Sed	-		-
Hydraulic Improvements-Settled Channel	-		-
Transmission Pipeline Design-Fair Oaks 40"	(58,292.04)	378,267.54	319,975.50
Transmission Pipeline Design-Fair Oaks 40"	77,210.16	20,000.00	97,210.16
SCADA System Upgrade (RSA portion/pays = \$100,000; see RSA CIP)	600,000.00	200,000.00	800,000.00
<u>Additional Projects for 2011</u>			
Treated Water Piping to Hinkle Reservoir	-	2,800,000.00	2,800,000.00
Relocate CTP Connection	-	3,200,000.00	3,200,000.00
24-inch GBPS Pipeline (RSA portion/pays 100% - \$331,000; see RSA CIP)	-	331,000.00	331,000.00
CTP Valve Actuator Repairs	-	150,000.00	150,000.00
Truck-mounted Powered Valve Actuator	-	5,000.00	5,000.00
Alum Tanks Secondary Containment	-	125,000.00	125,000.00
Filter leak repairs	-	230,000.00	230,000.00
Filter Valve Replacement	-	80,000.00	80,000.00
Chlorination Equipment	-	40,000.00	40,000.00
Solar Project	-	5,800,000.00	5,800,000.00
Sub-Total Wholesale Water Treatment Plant Projects	2,018,918.12	13,359,267.54	15,378,185.66
Total Capital Improvement Program Budget	2,167,173.12	13,381,267.54	15,548,440.66
<u>Capital Improvement Program Summary:</u>			
District-wide	23,255.00	22,000.00	45,255.00
Engineering Services	125,000.00	-	125,000.00
Wholesale/Water Treatment	2,018,918.12	13,359,267.54	15,378,185.66
Total Capital Improvement Program Budget	2,167,173.12	13,381,267.54	15,548,440.66

FISCAL YEAR 2010-11
SAN JUAN WATER DISTRICT
DEBT OBLIGATIONS

Debt Obligations	FY 09/10	FY 09/10	FY 09/10	FY 10/11	FY 10/11	FY 10/11
2009 COP Issue	Interest	Principal	Total	Interest	Principal	Total
Revolving Portion	92,600.00	540,000.00	632,600.00	76,400.00	555,000.00	631,400.00
Direct Portion	245,789.00	147,798.00	393,587.00	241,355.02	151,317.00	392,672.02
New Portion	452,674.00	272,202.00	724,876.00	444,507.48	278,683.00	723,190.48
Total	791,063.00	960,000.00	1,751,063.00	762,262.50	985,000.00	1,747,262.50
2009 COP Issue	Interest	Principal	Total	Interest	Principal	Total
Wholesale Portion	645,426.00	259,200.00	904,626.00	1,093,424.00	6,400.00	1,099,824.00
Retail Portion	363,052.00	145,800.00	508,852.00	615,051.00	3,600.00	618,651.00
Total	1,008,478.00	405,000.00	1,413,478.00	1,708,475.00	10,000.00	1,718,475.00
Total Payments Due	Interest	Principal	Total	Interest	Principal	Total
Wholesale	1,436,489.00	1,219,200.00	2,655,689.00	1,855,686.50	991,400.00	2,847,086.50
Retail	363,052.00	145,800.00	508,852.00	615,051.00	3,600.00	618,651.00
Total	1,799,541.00	1,365,000.00	3,164,541.00	2,470,737.50	995,000.00	3,465,737.50
Retail Only - Other Debt	Interest	Principal	Total	Interest	Principal	Total
EDA	9,691.00	20,396.00	30,087.00	9,691.00	20,396.00	30,087.00
CEC	914.00	5,274.00	6,188.00	599.00	5,589.00	6,188.00
Total Retail - Other Debt	10,605.00	25,670.00	36,275.00	10,290.00	25,985.00	36,275.00

DISTRICT RESERVE BALANCES

**SAN JUAN WATER DISTRICT
RESERVES BALANCES**

Projected June 30, 2010	<u>Wholesale</u>	<u>Retail</u>	<u>Combined</u>
	<u>Wholesale</u>	<u>Retail</u>	<u>Combined</u>
Restricted - Debt Service	2,875,697	1,851,037	4,726,734
Operating	3,115,862	1,865,715	4,981,577
PERS	256,978	256,978	513,956
Compensated Absences+EE Restricted	326,234	411,918	738,152
Developer/Cust Deposits	-	50,000	50,000
Connection	25,103	2,399,510	2,424,613
Rate Stabilization	1,000,000	-	1,000,000
CIP - General	5,572,193	4,293,997	9,866,190
CIP - COPs	8,935,429	5,900,000	14,835,429
Hinkle Reserve	2,255,129	-	2,255,129
Kokila Reserve	-	326,738	326,738
Hydraulic/Raw Water Pipeline	276,305	-	276,305
Vehicle	50,000	50,000	100,000
Emergency CIP	-	584,007	584,007
Total	24,688,930	17,989,900	42,678,830

Projected June 30, 2011	<u>Wholesale</u>	<u>Retail</u>	<u>Combined</u>
	<u>Wholesale</u>	<u>Retail</u>	<u>Combined</u>
Restricted - Debt Service	2,875,697	1,851,037	4,726,734
Operating	3,265,862	1,879,921	5,145,783
PERS	256,978	256,978	513,956
Compensated Absences+EE Restricted	326,234	411,918	738,152
Developer/Cust Deposits	-	50,000	50,000
Connection	25,103	2,449,510	2,474,613
Rate Stabilization	1,000,000	-	1,000,000
CIP - General (includes \$331K+\$100K from RSA)	1,492,261	2,096,699	3,588,960
CIP - COPs	-	5,500,000	5,500,000
Hinkle Reserve	2,305,129	-	2,305,129
Kokila Reserve	-	336,738	336,738
Hydraulic/Raw Water Pipeline	276,305	-	276,305
Vehicle	50,000	50,000	100,000
Emergency CIP	-	584,007	584,007
Total	11,973,569	15,566,808	27,540,377

FISCAL YEAR 2010-11

WHOLESALE OPERATING BUDGET

LINE ITEM DETAIL

GL Acct #Range

	WHOLESALE 07/01/09-08/30/10 Budget	WHOLESALE 07/01/09-03/31/10 Actual*	WHOLESALE 07/01/09-08/30/10 Projected	WHOLESALE 07/01/10-06/30/11 Budget
REVENUE				
WATER SALES				
WHOLESALE REVENUE ACCOUNTS				
CITRUS HEIGHTS WATER DISTRICT	\$2,478,927.00	\$1,468,232.58	\$1,796,914.00	\$1,998,364.00
CITY OF FOLSOM	369,364.00	222,516.37	291,365.00	314,900.00
FAIR OAKS WATER DISTRICT	1,622,473.00	1,133,603.64	1,537,595.00	1,705,887.00
ORANGEVALE WATER COMPANY	610,761.00	423,393.21	574,421.00	641,331.00
CITY OF ROSEVILLE				
NORTH RIDGE WATER DISTRICT	312,895.00	190,428.24	253,904.32	
GRANITE BAY GOLF CLUB	14,475.00	6,021.28	8,028.37	10,000.00
INTERDEPARTMENTAL SJSWD - RSA	2,942,526.00	1,766,755.83	2,167,136.00	2,411,484.00
SUB-TOTAL WHOLESALE WATER REVENUES	8,351,421.00	5,210,951.15	6,629,363.69	7,081,966.00
TOTAL WATER SALES	8,351,421.00	5,210,951.15	6,629,363.69	7,081,966.00
OTHER RETAIL REVENUES				
OTHER WHOLESALE REVENUES - WATER PROJECT ANNEXATION	1,000.00			500,000.00
SUB-TOTAL OTHER WHOLESALE REVENUES	1,000.00	0.00	0.00	500,000.00
SUB-TOTAL OTHER REVENUES	1,000.00	0.00	0.00	500,000.00
TOTAL WHOLESALE REVENUES	8,352,421.00	5,210,951.15	6,629,363.69	7,581,966.00
TOTAL WATER SALES AND OTHER	8,352,421.00	5,210,951.15	6,629,363.69	7,581,966.00
EXPENSES				
SOURCE OF SUPPLY				
WATER SOURCES OTHER AGENCIES-PILOT PROJECT		7,119.06	9,492.08	450,000.00
BUREAU RECLAMATION CVP WATER	11,000.00	20,612.92	27,483.89	200,000.00
ENVIRONMENTAL RESTORATION/CHG	94,340.00	6,323.88	8,431.84	10,000.00
PCWA WATER	121,422.00	225,000.00	300,000.00	309,000.00
PCWA & CHWD WHEELING CHARGES	390,000.00	139,596.80	186,129.07	200,000.00
	178,559.00			

WHOLESALE BOARD APPROVED BUDGET

Actual and Projected for FY2009-10 and BOARD APPROVED BUDGET for FY2010-11

	WHOLESALE 07/01/09-06/30/10	WHOLESALE 07/01/09-03/31/10	WHOLESALE 07/01/09-06/30/10	WHOLESALE 07/01/10-06/30/11
	Budget	Actual	Projected	Budget
WATER FORUM	29,196.00			30,000.00
BUREAU PUMPING (WAPA ENERGY)	82,102.00	54,279.90	72,373.20	80,000.00
ENERGY ASSESSMENTS/COT	2,000.00	90.00	120.00	2,000.00
WATER SHED/RIVER STUDY AMORTIZ				

TOTAL SOURCE OF SUPPLY 848,619.00 453,022.56 604,030.08 1,281,000.00

PUMPING & TELEMETRY				
SALARIES & BENEFITS - GENERAL		2,790.90	3,721.20	5,000.00
OPERATING EXPENSES - GENERAL		44.27	59.03	863.00
SYSTEM SUPERVISION SAL & FBS		43,387.96	57,860.61	79,000.00
SYSTEM RECORDKEEPING SAL & FBS				
SALARIES & FBS PUMP OPERATIONS				
TELEMETRY EXPENSES/ENERGY				
PUMP MAINTENANCE		13,526.61	18,035.48	15,000.00
SALARIES & FBS EMERG PWR BACON		1,414.59	1,886.12	5,000.00
MATERIALS EMERG POWER BACON PS		6,360.39	8,480.52	7,500.00
SALARIES & FBS MAINT BACON		3,547.69	4,730.25	5,000.00
MATERIALS BACON		2,235.26	2,980.35	
ENERGY COST BACON		169,819.60	226,426.13	220,000.00
SALARIES & FBS MAINT ARC		1,008.93	1,345.24	5,000.00
MATERIALS ARC		523.59	698.12	
ENERGY COST ARC		3,910.06	5,213.41	3,000.00
ENERGY COST GRANITE BAY		11.32	15.09	
SALARIES & FBS MAINT HINKLE		1,010.72	1,347.63	5,000.00
MATERIALS HINKLE		1,064.76	1,419.68	
ENERGY COST HINKLE		90,458.09	120,610.79	115,000.00
SALARIES & FBS EMERG PWR HINKL				
MATERIALS EMERG PWR HINKLE P/S		1,969.26	2,625.68	2,000.00
SALARIES/FBS PUMP GRND MAINT		1,305.88	1,741.17	5,000.00
MATERIALS PUMP GROUNDS MAINT		229.25	305.67	369.00
MATERIALS REPLACEMENT EXPENDAB				
MATERIALS PUMP MISC				
OVERHEAD COST APPLIED	6,000.00	480.93	641.24	

TOTAL PUMPING & TELEMETRY 552,593.00 345,100.06 460,133.41 472,732.00

WATER TREATMENT				
WATER TREATMENT-SALARIES & BENEFITS-GEN'L				
WATER TREATMENT-OPERATING EXPENSES-GEN'L		29.00	39.00	
WATER TREATMENT-MATERIALS-GEN'L				

GL Acct #/Range	BOARD APPROVED
5132100009	WHOLESALE
5132200000	WHOLESALE
5132300000	WHOLESALE
5132400000	WHOLESALE

WHOLESALE BOARD APPROVED BUDGET

Actual and Projected for FY2009-10 and FY2010-11

BOARD APPROVED
WHOLESALE
07/01/10- 06/30/11

WHOLESALE
07/01/09- 06/30/10

GL Acct #/Range	WHOLESALE 07/01/09- 06/30/10 Budget	WHOLESALE 07/01/09- 03/31/10 Actual	WHOLESALE 07/01/09- 06/30/10 Projected	WHOLESALE 07/01/10- 06/30/11 Budget
SALARIES MAINTENANCE		444,34	592,45	1,162,00
SALARIES & FBS MAINTENANCE-S/O		39,648.16	52,864.21	64,000.00
MAINTENANCE MATERIALS -S/O		33,117.97	44,157.29	45,000.00
MAINTENANCE EQUIP/VEH OH -SO		170.06	226.75	300.00
MAINTENANCE ADMIN OH -S/O		6,552.14	8,736.19	8,800.00
MAINTENANCE MATERIALS/VENDORS		7,754.18	10,338.91	10,400.00
SALARIES & FBS MAINT RES & GRS	9,000.00	109.53	146.04	600.00
MATERIALS RESERVOIR/SUPPLIES		5,434.83	7,246.44	7,300.00
SLUDGE BAYS LABOR -S/Os		1,737.99	2,317.32	2,400.00
SLUDGE BAYS MATERIALS -S/Os		430.97	574.63	500.00
SLUDGE BAY ADMIN OH -S/Os		1,045.35	1,393.80	1,400.00
SLUDGE BAY VENDORS -S/Os		4,800.00	6,400.00	6,500.00
MATERIALS/VENDOR KOKILA		15.42	20.56	265.00
MATERIALS/VENDOR LOS LAGOS TNK				
SALARIES MAINTENANCE -S/O				
MAINTENANCE MATERIALS -S/O				
MAINTENANCE ADMIN OH -S/O				
SALARIES WHOLESALE METER MAINT		3,843.02	5,124.03	6,000.00
SALARIES & FBS METERS		1,966.47	2,621.96	3,000.00
ENERGY COST METERS/TELEMETRY	2,000.00	1,690.56	2,254.08	2,000.00
SALARIES & FBS TELEMETRY MAINT		1,058.01	1,410.68	1,500.00
TELEMETRY MAINT MATERIALS				
COOPERATIVE TRANSMISSION PIPELINE				
COOP TRANS PL SALARIES/FBS	6,500.00			
COOP TRANS PL MATERIALS	4,000.00			
COOP TRANS PL MAINTENANCE SO				
COOP TRANS PL SALARIES/FBS	6,500.00	1,282.34	1,709.79	2,000.00
COOP TRANS PL MATERIALS	4,000.00			
COOP TRANS PL EQ/VEH OH				
COOP TRANS PL ADMIN OH				
COOP TRANS PL VENDORS				
TOTAL TRANSMISSION & DISTRIBUTION	168,959.00	140,552.41	187,403.21	214,627.00
APPLIED OVERHEAD	(12,000.00)	(154,681.00)	(206,241.00)	(200,000.00)
VEH/MINT MATERIALS OTHER				
OVERHEAD COST APPLIED	2,000.00			
DEPRECIATION/APPLD COST CREDIT	(5,000.00)			
TOTAL APPLIED OVERHEAD	(15,000.00)	(154,681.00)	(206,241.00)	(200,000.00)

WHOLESALE BO APPROVED BUDGET

Actual and Projected for FY2009-10 and BOARD APPROVED BUDGET for FY2010-11

BOARD APPROVED
WHOLESALE
07/01/10-06/30/11

GL Acct #/Range	WHOLESALE 07/01/09-06/30/10 Budget	WHOLESALE 07/01/09-03/31/10 Actual	WHOLESALE 07/01/09-06/30/10 Projected	Budget
ENGINEERING EQUIPMENT LEASING	10,000.00	20.00	26.67	100.00
ENGINEERING OUTSIDE SERVICES	1,000.00			
ENGINEERING EQUIPT MAINTENANCE	250.00	201.00	268.00	425.00
ENGINEERING MEMBERSHIP/CERT	200.00			
ENGINEERING SUBS/BOOKS/TAPES				
REPLACEMENTS EQUIPMENT	12,000.00	2,800.00	3,733.33	4,000.00
ENGINEERING COMPUTER SOFTWARE	3,000.00			
ENGINEERING EDUC/TRAIN REG EXP				
ENGINEERING ED & TRAINING		3,111.80	4,149.07	5,000.00
TOTAL ENGINEERING	209,312.00	29,892.46	39,856.61	184,125.00
ADMINISTRATION & GENERAL				
ADMIN/GENERAL-SALARIES&BENEFITS-GEN'L				
ADMIN/GENERAL-OPERATING EXPENSES-GEN'L				
SALARIES & FBS ADMINISTRATIVE	721,655.00	423,052.88	564,070.51	675,000.00
OFFICE SUPPLIES & PRINTING	12,000.00	9,098.52	12,131.36	12,000.00
POSTAGE	7,000.00	4,667.68	6,223.57	6,000.00
PUBLIC RELATIONS & BULLETINS				
PUBLIC-OUTREACH ACTIVITIES	75,000.00	11,559.95	15,413.27	35,000.00
PUBLIC INFORMATION				
AD/PUBLICATIONS/NOTICES	5,000.00	6,173.11	8,230.81	8,500.00
SALARY/FBS SOFTWARE/HDW MAINT		34,836.60	46,448.80	55,000.00
OFFICE EQUIP & COMPUTER MAINT	28,000.00	27,846.25	37,128.33	30,000.00
MEMBERSHIP/CERTIF RENEWAL	65,000.00	56,926.05	75,901.40	60,000.00
SUBSCRIPTIONS-BOOKS-TAPES	3,000.00	1,253.76	1,671.68	1,500.00
BANK & COLLECTION SVC EXPENSE	14,000.00	10,918.89	14,558.52	15,000.00
STAFF EXPENSE	7,000.00	3,309.11	4,412.15	4,500.00
SAFETY TRAINING/TEST/DATCO	1,200.00	1,339.17	1,785.56	2,000.00
SALARIES & FBS STAFF MEETINGS		6,377.38	8,503.17	8,500.00
MEETINGS/CONFERENCE/CONVENTION	17,000.00	13,805.02	18,406.69	19,000.00
AUDITING & CONSULTING	71,500.00	82,159.80	109,546.40	110,000.00
ADMIN-ACCTG TEMPORARY SERVICE	5,000.00			
SALARY/FBS EDUCATION/TRAINING		2,476.28	3,301.71	3,500.00
TELEPHONE	9,000.00	8,147.86	10,863.81	11,000.00
UTILITIES-SEWER-DISPOSAL-SL	6,000.00	2,636.48	3,380.64	3,500.00
INSURANCE-LIABILITY & PROPERTY	48,000.00	(7,934.89)	(10,579.85)	50,000.00
RETIREE BENEFIT, HEALTH INS	262,500.00	70,711.20	94,281.60	100,000.00
EMPLOYEE BENEFIT, UNIFORMS		3,015.80	4,021.07	4,000.00
EMPLOYEE BENEFIT, VISION CARE		1,317.25	1,756.33	2,000.00
EMPLOYEE BENEFIT, MISC/SAFETY		5,495.43	7,327.24	7,500.00

WHOLESALE BOARD APPROVED BUDGET

Actual and Projected for FY2009-10 and BOARD APPROVED BUDGET for FY2010-11

GL Acct #/Range	WHOLESALE		WHOLESALE		WHOLESALE		BOARD APPROVED	
	07/01/09-06/30/10	Actual*	07/01/09-06/30/10	Projected	07/01/10-06/30/11	Budget	WHOLESALE	
5642000000		1,359.32	1,812.43		2,000.00			
5642500000		1,099.31	1,465.75		1,500.00			
5643000000		186.00	248.00		500.00			
5643400000		204.37	272.49		500.00			
5644500000	15,000.00		13,573.36		14,000.00			
5670000000		10,180.02	9,226.87		10,000.00			
5671000000		6,920.15	600.00		1,000.00			
5672000000		450.00	894.28		1,000.00			
5672200000		670.71	23,923.53		24,000.00			
5672500000		17,942.65	244.51		500.00			
5674500000		183.38						
5675500000		91.08	121.44		500.00			
5676000000		9,618.00	12,824.00		12,000.00			
5678400000								
5678500000	2,000.00		412.00		500.00			
5680000000		309.00						
5680000004								
5680500001								
5688000000								
5688100900								
5688510000								
5689000000	96,000.00	96,894.91	129,193.21		125,000.00			
5689000002	32,500.00							
5689000003		2,187.50	2,916.67		3,000.00			
5689000004		2,187.50	2,916.67		3,000.00			
5689000007???		2,125.00	2,833.33		3,000.00			
5689000008		2,000.00	2,666.67		2,689.00			
5689500002		1,500.00	2,000.00		2,000.00			
5689500003		224.05	298.73		300.00			
5689500004		1,332.19	1,776.25		1,700.00			
5689500007???		325.00	433.33		500.00			
5689500008		485.98	647.97		700.00			
5689700000		37,205.61	49,607.48		50,000.00			
5689900000		11,351.69	15,135.25		15,000.00			
5731000000								
TOTAL ADMINISTRATION & GENERAL							1,518,355.00	1,314,829.00
OPEB							0.00	140,500.00
							986,122.00	1,498,389.00
							105,375.00	175,000.00

WHOLESALE BOARD APPROVED BUDGET

Actual and Projected for FY2009-10 and Approved Budget for FY2010-11

GL Acct #/Range	WHOLESALE 07/01/09-06/30/10		WHOLESALE 07/01/09-06/30/10		WHOLESALE 07/01/10-06/30/11	
	Budget	Actual*	Projected	Budget	Projected	Budget
TOTAL OPERATING REVENUES	8,352,421.00	5,210,951.15	6,629,363.69	7,581,966.00		
TOTAL OPERATING EXPENSES	5,779,757.00	3,660,674.08	4,880,899.11	6,049,840.00		
INCOME (LOSS) FROM OPERATIONS	2,572,664.00	1,550,277.07	1,748,464.59	1,532,126.00		
NON-OPERATING REVENUES						
01 PROPERTY TAX RECEIPTS	850,000.00	492,223.00	656,297.00	850,000.00		
01 INTEREST INCOME	626,459.00	228,260.00	304,346.00	175,000.00		
CONNECTIONS AND ANNEXATIONS OTHER	141,013.00	245,605.00	327,473.00	50,000.00		
01 COMMUNICATIONS SITE RENTAL				45,000.00		
01 COTP-SMUD LEASE PAYMENT				171,000.00		
01 EXPENSE RECOVERY				5,000.00		
01 SALE OF SURPLUS						
TOTAL NON-OPERATING REVENUES	1,617,472.00	966,088.00	1,288,116.00	1,296,000.00		
NON-OPERATING EXPENSES						
01 COP PAYMENTS FROM AGENCIES - WHOLESALE	(1,026,187.00)	(769,640.00)	(1,026,187.00)	(1,024,072.00)		
01 COP PAYMENTS FROM SJWD RSA - RETAIL DEBT	(545,127.00)	(408,845.00)	(545,127.00)	(664,927.00)		
BOND/NOTE INTEREST - 2009 COP NEW MONIES	1,008,478.00	756,358.00	1,008,478.00	1,708,475.00		
BOND/NOTE INTEREST - 2003 COP NEW MONIES	452,674.00	339,505.00	452,674.00	444,507.00		
BOND/NOTE INTEREST - 2003 REFUNDING	338,389.00	253,792.00	338,389.00	76,400.00		
BOND/NOTE INTEREST - 2003 DIRECT				241,355.00		
EDA INTEREST - RETAIL ONLY	9,691.00	7,268.25	9,691.00	9,691.00		
CEC INTEREST - RETAIL ONLY	914.00	685.50	614.00	600.00		
OTHER MISCELLANEOUS EXPENSES	55,000.00	64,505.00	86,006.00			
GO BOND ADMIN/CONSULTING				1,000.00		
COP FINANCING CORP EXPENSE				5,000.00		
COP/98 BOND ADMINISTRATION				5,000.00		
COP AMORTIZATION EXPENSE				20,000.00		
INVESTMENT MANAGEMENT				10,000.00		
SALES TAX				10,000.00		
SGARWAY/WATER FORUM				45,000.00		
REGIONAL WATER MASTER PLAN				3,933.00		
LAFCO ASSESSMENTS				4,000.00		
TOTAL NON-OPERATING EXPENSES	293,832.00	243,628.75	324,538.00	906,062.00		

WHOLESALE BOARD APPROVED BUDGET

Actual and Projected for FY2009-10 and BOARD APPROVED BUDGET for FY2010-11

BOARD APPROVED
WHOLESALE
07/01/10-06/30/11
Budget
1,923,064.00

WHOLESALE
07/01/09-06/30/10
Projected
2,712,042.59

WHOLESALE
07/01/09-03/31/10
Actual
2,272,736.32

WHOLESALE
07/01/09-06/30/10
Budget
3,896,304.00

NET INCOME (LOSS) B4 CAPITAL CONTRIBS & DEPREC

OTHER CASH SOURCES (USES)				
FINANCING SOURCES (USES)				
PRINCIPAL PAYMENT - EDA LOAN	(20,396.00)	(15,297.00)	(20,396.00)	(20,396.00)
PRINCIPAL PAYMENT - CEC LOAN	(5,274.00)	(3,956.00)	(5,274.00)	(5,589.00)
PRINCIPAL PAYMENT - 2003 COP	(960,000.00)	(720,000.00)	(960,000.00)	(960,000.00)
PRINCIPAL PAYMENT - 2003 COP REFUNDING				(555,000.00)
PRINCIPAL PAYMENT - 2003 COP DIRECT				(151,317.00)
PRINCIPAL PAYMENT - 2003 COP NEW MONIES				(278,683.00)
PRINCIPAL PAYMENT - 2009 COP - WHOLESALE	(405,000.00)	(303,750.00)	(405,000.00)	(6,400.00)
PRINCIPAL PAYMENT - 2009 COP - RETAIL				(3,600.00)
TOTAL OTHER FINANCING SOURCES (USES)	(1,390,670.00)	(1,043,003.00)	(1,390,670.00)	(1,020,985.00)

NET SOURCES (USES) TO (FROM) RESERVES	2,505,634.00	1,229,733.32	1,321,372.59	902,079.00
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RESERVE ALLOCATIONS				
CAPITAL CONTRIBUTION REVENUE	0.00	1,136,265.00	1,515,020.00	1,500,000.00
CIP RESERVE	(2,205,634.00)	(2,065,998.00)	(2,536,092.00)	(2,102,079.00)
HINKLE RESERVOIR RESERVE	(50,000.00)	(50,000.00)	(50,000.00)	(50,000.00)
KOKILA RESERVOIR RESERVE	0.00	0.00	0.00	0.00
DEVELOPER/CUSTOMER DEPOSITS	0.00	0.00	0.00	0.00
EMERGENCY RESERVE	0.00	0.00	0.00	0.00
CONNECTION FEES RESERVES	0.00	0.00	0.00	0.00
PERS STABILIZATION	(100,000.00)	(100,000.00)	(100,000.00)	(100,000.00)
DEBT SERVICE RESERVE	0.00	0.00	0.00	0.00
RESTRICTED LIABILITIES RESERVE	0.00	0.00	0.00	0.00

SUB TOTAL - RESERVE ALLOCATIONS	(2,355,634.00)	(1,079,733.00)	(1,171,072.00)	(752,079.00)
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NET SURPLUS (DEFICIT)	\$ 150,000.00	\$ 150,000.32	\$ 150,300.59	\$ 150,000.00
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EXHIBIT B
WATER RATES AND CONNECTION FEES

Wholesale Budget Highlights

The Wholesale water rates include a Board approved rate increase of 8% effective January 1, 2011, to cover operations and maintenance increases, as well as funding the capital improvement program.

Note: This increase was adopted by the Board of Directors on June 9, 2010.

Wholesale Water Rate Study

In 2008, the District contracted with the Reed Group, Inc. to update the Wholesale Water Rate Study and Financial Plan due to increasing capital program needs in order to determine water rates required to fund operations and the capital improvement program over the next ten years. This update of the financial plan was completed in June 2008 and accepted by the Board. The plan determined that a bond financing was necessary for projects, including hydraulic improvements and the raw water pipeline. The first wholesale rate increase resulting from that update was implemented on January 1, 2009. In addition, the debt financing was completed in order to fund the capital projects in 2009 as well.

In 2010, the District has once again contracted with the Reed Group, Inc. to update the Wholesale Water Rate Study and Financial Plan. That process is due to take place in late summer of 2010. Until that process is complete, this budget is prepared using the recommended rates from the 2008 Financial Plan for budgetary purposes. It is up to the discretion of the Board to adopt rates as part of the budget process. The following table represents the Board approved rate increase effective January 1, 2011, as well as the 2008 Financial Plan recommended rate increases from 2012 through 2014:

2011	2012	2013	2014
8%	5%	2%	2%

The 2008 study also included a new wholesale water connection fee that is assessed to new connections for purposes of "buying into" the system. This places new customers on par with existing customers. Effective July 1, 2010, this fee will increase by 2.18% as indexed to the 20 Cities Construction Cost Index ("CCI"). The following schedule lists the fee by meter size that is collected from each retail agency and is, in turn, submitted to San Juan Water District:

Wholesale Connection Fees

Meter Size	Capacity Factor	FY0910	FY1011
¾" Meter	0.60	\$ 337	\$ 344
1" Meter	1.00	\$ 560	\$ 572
1 ½" Meter	2.00	\$ 1,121	\$ 1,145
2" Meter	3.20	\$ 1,793	\$ 1,832
3" Meter	6.40	\$ 3,585	\$ 3,663
4" Meter	10.00	\$ 5,602	\$ 5,724
6" Meter	25.00	\$ 14,004	\$ 14,309
8" Meter	36.00	\$ 20,166	\$ 20,606
10" Meter	58.00	\$ 32,490	\$ 33,199
12" Meter	86.00	\$ 48,175	\$ 49,226

Water Rates and Usage - Actual FY0910 Vs. Budget FY1011

Y2009-10

Water Usage by Agency	Uniform Commodity Rate Jul-Dec	Uniform Commodity Rate Jan-Jun	Actual Vol (In A.F.) Jul-Sep '09	Actual Vol (In A.F.) Oct-Dec '09	Actual Vol (In A.F.) Jan-Mar '10	Projected Vol (In A.F.) Apr-Jun '10	FY0910 Projected Annual Commodity Charge	Annual Service Charge	Annual Debt Service Charge (2003 COPs) New Money	Annual Debt Service Charge (2009 COPs)	Total	Effective Water Rate	Annual Debt Service Charge (2003 COPs) Refunding & Direct
Virius Heights Water District	\$77.71	\$86.25	5,204.39	1,920.33	1,218.91	2,669.29	\$ 899,019	\$ 351,341	\$ 252,329	\$ 304,226	\$ 1,796,914	\$ 163.16	\$ 438,483
Air Oaks Water District	\$77.71	\$86.25	4,902.54	1,914.62	1,093.12	3,446.79	\$ 921,328	\$ 241,505	\$ 185,424	\$ 189,338	\$ 1,537,595	\$ 135.39	\$ 235,644
Orange Vale Water Company	\$77.71	\$86.25	2,036.03	737.12	491.82	984.89	\$ 342,868	\$ 79,031	\$ 66,903	\$ 95,619	\$ 574,421	\$ 135.16	\$ 104,442
City of Folsom	\$157.12	\$162.37	581.08	256.48	164.66	358.13	\$ 216,483	\$ 31,147	\$ 14,063	\$ 29,672	\$ 291,365	\$ 214.18	\$ 98,387
Sub-Total Wholesale			12,724.04	4,828.55	2,968.51	7,459.10	\$ 2,369,699	\$ 703,024	\$ 508,719	\$ 618,855	\$ 4,200,286		\$ 438,483
San Juan Water District, RSA	\$115.19	\$127.86	6,221.71	1,503.33	1,092.38	2,774.69	\$ 1,384,291	\$ 280,916	\$ 216,158	\$ 285,771	\$ 2,167,136	\$ 186.95	\$ 587,704
Total			18,945.75	6,331.88	4,060.89	10,233.79	\$ 3,753,990	\$ 983,940	\$ 724,877	\$ 904,626	\$ 6,367,432		\$ 1,026,187

Y2010-11

Water Usage by Agency	Uniform Commodity Rate Jul-Dec	Uniform Commodity Rate Jan-Jun	Budgeted Vol (A.F.) Sep '10	Budgeted Vol (A.F.) Oct-Dec '10	Budgeted Vol (A.F.) Jan-Mar '11	Budgeted Vol (A.F.) Apr-Jun '10	FY1011 Budgeted Annual Commodity Charge	Annual Service Charge	Annual Debt Service Charge (2003 COPs) New Money	Annual Debt Service Charge (2009 COPs)	Total	Effective Water Rate	Annual Debt Service Charge (2003 COPs) Refunding & Direct
Virius Heights Water District	\$86.25	\$95.74	5,204.39	1,920.33	1,218.91	2,669.29	\$ 986,763	\$ 389,988	\$ 251,743	\$ 369,871	\$ 1,996,366	\$ 181.46	\$ 437,609
Air Oaks Water District	\$86.25	\$95.74	4,902.54	1,914.62	1,093.12	3,446.79	\$ 1,022,631	\$ 266,071	\$ 184,992	\$ 230,193	\$ 1,705,886	\$ 150.20	\$ 235,197
Orange Vale Water Company	\$86.25	\$95.74	2,036.03	737.12	491.82	984.89	\$ 380,565	\$ 87,725	\$ 56,770	\$ 116,251	\$ 641,310	\$ 150.90	\$ 104,244
City of Folsom	\$162.37	\$180.24	581.08	256.48	164.66	358.13	\$ 230,223	\$ 94,574	\$ 14,030	\$ 36,074	\$ 314,900	\$ 231.48	\$ 98,168
Sub-Total Wholesale			12,724.04	4,828.55	2,968.51	7,459.10	\$ 2,620,181	\$ 780,357	\$ 507,535	\$ 752,389	\$ 4,660,462		\$ 437,609
San Juan Water District, RSA	\$127.86	\$141.93	6,221.71	1,503.33	1,092.38	2,774.69	\$ 1,539,577	\$ 311,817	\$ 215,655	\$ 347,434	\$ 2,411,483	\$ 208.03	\$ 586,463
Total			18,945.75	6,331.88	4,060.89	10,233.79	\$ 4,156,758	\$ 1,092,174	\$ 728,190	\$ 1,099,823	\$ 7,071,945		\$ 1,024,072

SAN JUAN WATER DISTRICT
 FY 2010-2011 BUDGET WORKSHEETS
 WHOLESALE CONNECTION FEES
 EFFECTIVE JULY 1st

Wholesale Connection Fees

Meter Size	Capacity Factor	FY0910	FY1011
3/4" Meter	0.60	\$ 337	\$ 344
1" Meter	1.00	\$ 560	\$ 572
1 1/2" Meter	2.00	\$ 1,121	\$ 1,145
2" Meter	3.20	\$ 1,793	\$ 1,832
3" Meter	6.40	\$ 3,585	\$ 3,663
4" Meter	10.00	\$ 5,602	\$ 5,724
6" Meter	25.00	\$ 14,004	\$ 14,309
8" Meter	36.00	\$ 20,166	\$ 20,606
10" Meter	58.00	\$ 32,490	\$ 33,199
12" Meter	86.00	\$ 48,175	\$ 49,226

Calculation:

CC Index @ May 2010	8761
CC Index @ May 2009	8574
Difference	187
% Change	2.18%

Note: These fees are indexed utilizing the 20 Cities Construction Cost Index (CCI) as recommended in the Financial Plan.

FISCAL YEAR 2010-11
RETAIL BUDGET

RESOLUTION NO. 10-15

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN JUAN WATER DISTRICT ADOPTING THE RETAIL BUDGET, RATES AND FEES FOR THE FISCAL YEAR 2010-2011

WHEREAS, District staff has prepared a retail budget for the fiscal year 2010-2011 that estimates operating and maintenance, capital improvement program and other expenses of the District and that estimates revenues from all sources to pay the expenses of the District;

WHEREAS, District staff has determined that the fiscal year 2010-2011 retail budget is reasonably accurate and if implemented will ensure that the District's revenues will be sufficient to pay all of the District's expenses, including maintaining prudent reserves; and

WHEREAS, staff has determined that the District's retail water rates, retail capital facilities (connection) fees, alternative retail capital facilities fees, other fees and deposits need to be adjusted for fiscal year 2010-2011 to account for the increased costs for providing such services.

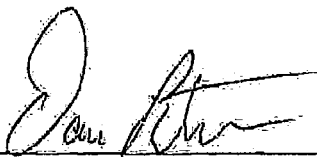
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of San Juan Water District as follows:

1. The Board of Directors finds that the retail budget as proposed by staff fairly and accurately represents the estimated expenses and revenues of the District for the fiscal year beginning on July 1, 2010 and ending on June 30, 2011 and that the budget adequately ensures that the District will be able to cover its expenses and maintain prudent reserves, and on that basis the Board hereby adopts the District's fiscal year 2010-2011 budget (with any revisions that the Board may deem prudent as a condition of adopting said budget). A copy of the fiscal year 2010-2011 District budget is attached as "Exhibit A" and made a part of this Resolution.
2. The Board of Directors finds that the proposed retail water rates, retail capital facilities (connection) fees, alternative retail capital facilities fees, other fees and deposits for fiscal year 2010-2011 are fair, equitable and ensure that the persons and entities receiving such services will pay the District's full costs of providing such services, and on that basis the Board hereby adopts the proposed rates and fees for the 2010-2011 fiscal year (with any revisions that the Board may deem prudent as a condition of adopting said rates and fees). The fiscal year 2010-2011 retail water rates, retail capital facilities (connection) fees, alternative retail capital facilities fees, other fees and deposits are shown on "Exhibit B", which is attached to and made a part of this Resolution.

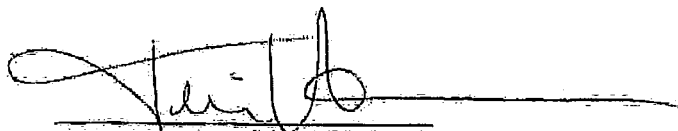
3. The General Manager and staff are directed to take all actions necessary to implement and follow the fiscal year 2010-2011 budget shown in Exhibit A and to impose and collect the rates and fees shown in Exhibit B, as the same are adopted herein.

PASSED AND ADOPTED by the Board of Directors of the San Juan Water District on the 23rd day of June 2010, by the following vote:

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



DAVE PETERSON
President, Board of Directors



TERI HART
Secretary, Board of Directors

EXHIBIT A
FISCAL YEAR 2010-2011
RETAIL BUDGET
OPERATING, NON-OPERATING AND CAPITAL
IMPROVEMENT

SAN JUAN WATER DISTRICT
FY2010-2011 RETAIL BUDGET

Regarding the FY2010-2011 Retail Budget:

The Board adopted an alternate budget instead of the budget referred to in the Staff Report to the Board. As such, the data reported in the Staff Report may be different than the Board-adopted budget.

We include the Staff Report as it was part of the budget process.

Following this page we include the one-page spreadsheet showing the budget alternatives presented to the Board, including the budget the board selected, approved and adopted, which is the budget contained in this binder.

We welcome all public comments and are committed to responding to any concerns or questions that our constituents and customers may have.

We thank you for this opportunity to serve you.

SAN JUAN WATER DISTRICT - RETAIL

PROPOSED FY2010-11 BUDGET AND ALTERNATIVES

SUMMARY OF DIFFERENCES

Note: 2% Rate Increase-Reduces Revenue Approx \$210,000.

	FY2009-10 Budget	FY2009-10 Projected Year End Actual (Unaudited)	FY2010-11 Staff Proposed Budget 5% Rate Incr	FY2010-11 Staff Proposed Budget-Revised 5% Rate Incr -\$50K Energy, -\$50K Conn	FY2010-11 Alternative 1 5% Rate Incr 3% Inflation -\$50K Energy, -\$50K Conn	FY2010-11 Alternative 2 2% Rate Incr, 3% Inflation -\$50K Energy, -\$100K Emerg, -\$50K Conn, Emerg, Unfunded
Revenues	8,797,130	7,290,021	7,660,726	7,660,726	7,660,726	7,450,726
Operating Expenses						
Water Supply	2,956,176	2,167,136	2,411,484	2,411,484	2,411,484	2,411,484
Pumping & Telemetry	174,947	104,813	218,633	168,633	165,085	165,085
Transmission & Distribution	1,496,028	1,497,329	1,516,587	1,516,587	1,570,606	1,570,606
Overhead Allocation	(275,000)	(76,669)	(80,000)	(80,000)	(80,000)	(80,000)
Customer Service	568,890	588,466	581,956	581,956	562,061	562,061
Conservation	470,349	436,911	507,651	507,651	540,889	540,889
Engineering	417,739	362,169	588,780	588,780	563,958	563,958
Administration/General	1,322,647	1,065,831	1,129,325	1,129,325	1,195,171	1,195,171
Total Operating Expenses	2,956,176	2,167,136	2,411,484	2,411,484	2,411,484	2,411,484
Water Supply	2,919,775	2,706,824	2,904,188	2,904,188	2,904,188	2,904,188
Salaries & Benefits	1,255,825	1,272,046	1,538,744	1,508,744	1,613,581	1,513,581
Other Operating Expenses		162,980	193,377	193,377	193,377	193,377
OP&B						
Total Operating Expenses	7,191,776	6,308,986	7,067,793	7,017,793	7,122,630	7,022,630
Surplus (Deficit) Available for Debt Service and Other Expenses	1,665,354	981,035	592,933	642,933	558,096	428,096
Non-Operating Revenues	1,109,241	1,109,241	987,500	987,500	987,500	987,500
Non-Operating Expense	(961,361)	(961,361)	(1,211,804)	(1,211,804)	(1,211,804)	(1,211,804)
Principal Debt Service Payments	(171,155)	(171,155)	(29,586)	(29,586)	(29,586)	(29,586)
Net Sources (Uses) To (From) Reserves	1,642,079	957,760	339,043	389,043	284,206	174,206
Amounts to Reserves						
CIP Reserve	(1,067,912)	(483,593)	(10,000)	(10,000)	(10,000)	(10,000)
Kokila Reserve	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Emergency Reserve	(214,167)	(214,167)	(214,167)	(214,167)	(214,167)	(214,167)
PERS Stabilization Reserve	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Connection Reserve (Missing on Proposed Budget)	(100,000)	(100,771)	(50,000)	(50,000)	(50,000)	(50,000)
Net Surplus (Deficit) to Operating Fund Balance	150,000	49,229	14,876	14,876	(89,961)	14,206

FY1011 Budget Development Notes:

- (1) FY1011 Revised and Alternative Budgets assume reduction in energy budget of \$50,000.
- (2) FY0910 Conservation Wages and Benefits low due to 1 staff being on leave for 6 months (approx \$25K)
- (3) FY1011 Board Adopted Alternative 2 Budget assumes reduction in outside engineering services.
- (4) FY0910 Administration Wages low due to 3 month vacancy of finance manager position (approx \$50K);
- (5) FY1011 Board Adopted Alternative 2 Budget assumes Emergency Reserve has no balance increase in '10,11 budget year.

STAFF REPORT

To: Board of Directors - San Juan Water District
From: Marcia Schnapp, Finance and Administrative Services Manager
Date: June 23, 2010
Subject: Adopt Resolution No. 10-15, Approving the Retail Budget for Fiscal Year 2010-2011 Budget for Non-Operating Activities, Operations and Capital Improvement Program

Action

Adopt Resolution No. 10-15, Approving the Retail Budget for Fiscal Year 2010-2011 Budget for Non-Operating Activities, Operations and Capital Improvement Program

Background

The Preliminary Retail Budget for Fiscal Year 2010-2011 Non-Operating Activities, Operations and Capital Improvement Program has been prepared with the budget worksheets attached.

Important items to note:

- The budgets for all activities are balanced.
- The Retail rate increase included in the budget is 5%, which is the Retail Financial Plan recommended increase to cover increases in operations and maintenance, cost of water supply and the CIP.
- The Capital Improvement Program is in accordance with the plan that was approved through the Engineering Committee and the Board of Directors last year with updated cost estimates as necessary.

Changes from prior year or factors that have been considered in preparation of this proposed budget are:

1. Water Sales are expected to increase \$428 thousand over FY2009-10 projected actual, but decrease \$1.121 million over FY2009-10 budget. This is due to the wet year that has occurred in FY2009-10, as well as the economic recession and general increases in conservation. The expectation is that FY2010-11 will return to a more "normal" year in terms of weather patterns.
2. Supply cost is estimated to increase about \$244 thousand over FY2009-10 projected actual, but decrease \$545 thousand over FY2009-10 budget. The same reasons for the differences are as in those stated for revenues in #1 above.

3. Excluding Pay-for-Performance of \$88,742, wages and benefits are due to increase \$111,058. Of this amount, the benefits increase is \$38,938, PERS Pension increase is \$28,461, Promotion/Merit increase is \$26,253, and the 1% CPI/COLA increase is \$17,385. The total of all wage and benefits items is \$199,800.

The 1% cost of living increase ("COLA") is based upon the Federal Government BLS' Urban Consumer Price Index (CPI) for Western Region Size "A" (not the CPI-W, which is the CPI Wage index). Since there was no COLA last year, the period of April 2010 vs. April 2008 is being used.

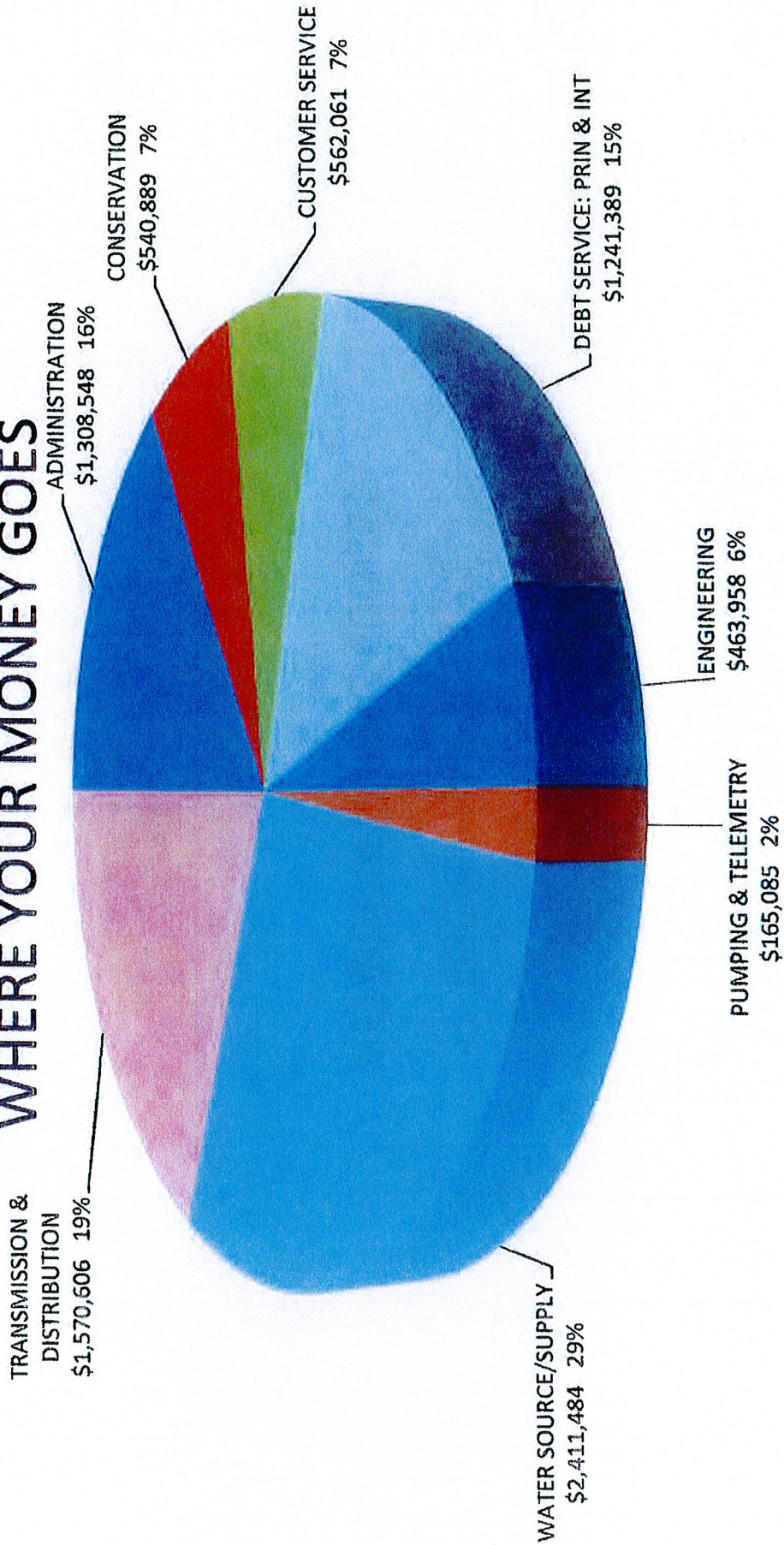
4. Expenses for those other than Water Supply and Salaries & Benefits, are estimated to increase approximately \$315 thousand. Of this amount, approximately \$155 thousand is due to outside services costs for engineering projects and activities. The remainder is due to expected utility, commodity and insurance expense increases.
5. Lastly, debt service has increased by \$108 thousand due to the 2009 COP issue.

Current Status

The preliminary retail budget and worksheets are attached for your review and reference.

FISCAL YEAR 2010-11
RETAIL OPERATING BUDGET

SAN JUAN WATER DISTRICT FY2010-2011 RETAIL BUDGET WHERE YOUR MONEY GOES



JUAN WATER DISTRICT
 OPERATING BUDGET FOR FISCAL YEAR 2010-2011

	Retail Dep 07/01/09-06/30/10	Retail Dept 02 07/01/09-03/31/10	Actual 07/01/09-06/30/10	Projected Yr End 07/01/09-06/30/10	Retail Dept 02 07/01/10-06/30/11
	Budget				Bd Approved Budget
OPERATING REVENUE					
CITRUS HEIGHTS WATER DISTRICT					
CITY OF FOLSOM					
FAIR OAKS WATER DISTRICT					
ORANGEVALE WATER COMPANY					
CITY OF ROSEVILLE					
SAC SUBURBAN					
GRANITE BAY GOLF CLUB					
INTERDEPARTMENTAL SJWD RSA					
PILOT WATER PROJECT					
TOTAL WHOLESALE WATER REVENUES					
WATER SALES - RETAIL	8,681,202	5,655,098	7,132,416	7,350,726	7,350,726
OTHER REVENUES	115,928	118,204	157,605	100,000	100,000
TOTAL OPERATING REVENUES	8,797,130	5,773,302	7,290,021	7,450,726	7,450,726
EXPENSES					
SOURCE OF SUPPLY					
WATER CHARGED TO RETAIL AREA (RSA)	2,956,176	1,766,756	2,167,136	2,411,484	2,411,484
PCWA WATER					
BUREAU RECLAMATION CVP WATER					
WHEELING					
WATER FORUM					
BUREAU PUMPING (WAPA ENERGY)					
ENERGY ASSESSMENTS/COT					
OTHER	174,947	78,610	104,813	165,085	165,085
PUMPING & TELEMETRY					
WATER TREATMENT					
TRANSMISSION & DISTRIBUTION	1,496,026	1,107,997	1,497,329	1,570,606	1,570,606
CUSTOMER SERVICE	568,890	478,850	588,466	562,061	562,061
CONSERVATION	470,349	290,183	436,911	540,889	540,889
ENGINEERING	417,739	211,626	362,169	463,958	463,958
ADMINISTRATION & GENERAL	1,322,647	761,888	1,065,851	1,195,171	1,195,171
OVERHEAD COST ALLOCATION (CREDIT)	(275,000)	(57,501)	(76,669)	(80,000)	(80,000)
INTEREST EXPENSE					
OPEB EXPENSE		122,235	162,980	193,377	193,377
PILOT WATER PROJECT					
TOTAL OPERATING EXPENSES	7,131,776	4,760,643	6,308,986	7,022,631	7,022,631
INCOME (LOSS) FROM OPERATIONS - BEFORE DEPREC	1,665,354	1,012,658	981,035	428,095	428,095

SAN JUAN WATER DISTRICT
 OPERATING BUDGET FOR FISCAL YEAR 2010-2011

	Retail Dept 02 07/01/09-06/30/10 Budget	Retail Dept 02 07/01/09-03/31/10 Actual	Retail Dept 02 07/01/09-06/30/10 Projected Yr End	Retail Dept 02 07/01/10-06/30/11 Bd Approved Budget
INCOME (LOSS) FROM OPERATIONS - PREVIOUS PAGE	1,665,354	1,012,658	981,035	428,095
NON OPERATING REVENUES				
TAXES	850,000	492,223	856,297	850,000
INTEREST INCOME	319,230	114,130	152,173	87,500
CONNECTIONS AND ANNEXATIONS	135,849	75,578	100,771	50,000
OTHER				
TOTAL NON-OPERATING REVENUES	1,305,079	681,931	1,109,241	987,500
NON OPERATING EXPENSES				
COP PAYMENTS FROM AGENCIES-WHOLESALE	587,704	440,778	587,704	586,463
COP PAYMENTS FROM SJWD RSA - RETAIL DEBT				
BOND/NOTE INTEREST - 2009 COP NEW MONIES	285,771	272,289	363,052	615,051
BOND/NOTE INTEREST - 2003 COP NEW MONIES				
BOND INTEREST DIRECT/REFUNDING PORTION - 2003				
CEC/EDA INTEREST (RETAIL ONLY)	10,707	7,954	10,605	10,290
OTHER MISCELLANEOUS EXPENSES				
TOTAL NON OPERATING EXPENSES	884,182	721,021	961,361	1,211,804
NET INCOME (LOSS) B4 CAP CONTRIBS AND DEPREQ	2,086,251	973,568	1,128,915	203,791
OTHER CASH SOURCES (USES)				
FINANCING SOURCES (USES)				
PRINCIPAL PAYMENT - EDA Loan	(19,979)	(15,061)	(20,081)	(20,396)
PRINCIPAL PAYMENT - CEC Loan	(5,274)	(3,956)	(5,274)	(5,589)
PRINCIPAL PAYMENT - 2003 COP				
PRINCIPAL PAYMENT - 2009 COP	(145,800)	(109,350)	(145,800)	(3,600)
OTHER FINANCING SOURCES (USES)	(171,053)	(128,366)	(171,155)	(29,585)
NET SOURCES (USES) TO (FROM) RESERVES	1,915,198	845,202	957,760	174,206
AMOUNTS TO RESERVES				
CAPITAL CONTRIBUTION REVENUE				
CIP RESERVE	(1,441,031)	(527,077)	(583,593)	
KOKILA RESERVOIR	(10,000)	(7,500)	(10,000)	(10,000)
HINKLE RESERVOIR				
EMERGENCY RESERVE	(214,167)	(160,625)	(214,167)	(100,000)
PERS STABILIZATION	(100,000)	(75,000)	(100,000)	(50,000)
CONNECTION RESERVE				
SURPLUS (DEFICIT)	300	75,000	50,000	14,2

SAN JUAN WATER DISTRICT - COMPARISON OF ACTUAL TO BUDGET

Category	Actual FY 2008-09	Budgeted FY 2009-10	Projected FY 2009-10	Proposed FY 2010-11	Change From FY 2009-10 Budget	Change From FY 2009-10 Projected	\$ DIFF FY 2009-10 Projected Vs. FY 2010-11 Budget
RETAIL							
Salaries/Benefits	\$ 3,066,979	\$ 3,194,775	\$ 2,783,493	\$ 2,984,188	-6.59%	7.21%	\$ 200,695.
OPEB	(202,753)	(275,000)	162,980	193,377	-70.91%	4.34%	30,397
Less: Overhead Costs Allocated to Capital Projects			(76,669)	(80,000)			(3,331)
Net Salaries/Benefits	\$ 2,864,226	\$ 2,919,775	\$ 2,869,804	\$ 3,097,565	6.09%	7.94%	\$ 227,761
Services/Supplies - excluding outside engineering support services	1,169,515	1,255,825	1,271,966	1,513,581	20.52%	19.00%	241,615
Water Supply	2,451,426	2,956,176	2,167,136	2,411,484	-18.43%	11.28%	244,348
Total Expenditures before Debt Service	\$ 6,485,166	\$ 7,131,776	\$ 6,308,906	\$ 7,022,630	-11.53%	11.31%	\$ 713,724
Debt Service	851,194	-	1,132,831	1,241,389		9.58%	108,558.
Total Expenditures including Debt Service	\$ 7,336,360	\$ 7,131,776	\$ 7,441,737	\$ 8,264,019	15.88%	11.05%	\$ 822,282
Difference: Projected FY09-10 vs Budget FY10-11							

Major Differences from Projected FY09-10 to Proposed FY10-11

1) Salaries & Benefits: Pay-for-Performance re-instated, plus 1% COLA, plus increases in Insurance/Benefits Costs*	Item Increases	\$	200,695
Wage Increases:			
CPI/COLA	17,385		
Merit/Promotions	26,253		
Pay-for-Performance	88,742		
Benefits:			
PERS Pension	28,462		
Other Benefit Increase (Health Insurance Premiums, etc)	39,853		
2) OPEB increase		\$	30,397
3) Overhead cost allocation change			(3,331)
4) Services and supplies			64,500
a) Engineering - Addl cost for outside services (surveying, etc)			177,115
b) Other Increases (utility, commodity, insurance expenses, etc)			244,348.
5) Water Supply Cost Increase			108,558.
6) Debt Service		\$	822,282

Total Major Differences from Projected FY2009-10 vs. Budget FY2010-11

RETAIL "CIP"
(CAPITAL IMPROVEMENT PROJECTS)

San Juan Water District
Retail CIP
BUDGET FY 2010-2011

Project	2010 Balance to Carryforward	2011 New Amts	2011 Total Budget Amt
<u>District-Wide:</u>			
Information Signboard w/changeable display	5,000.00		5,000.00
Network Software and Hardware	-	20,503.00	20,503.00
District Fiber Optic Upgrade (50/50 split-Wholesale/Retail)	8,100.00		8,100.00
Admin Office Rewire (50/50 split-Wholesale/Retail)	3,275.00		3,275.00
Administration Building Roof (36/64 split-Wholesale/Retail)	21,120.00		21,120.00
District-wide CIP	<u>37,495.00</u>	<u>20,503.00</u>	<u>57,998.00</u>
<u>Engineering:</u>			
SCADA Software System (Treatment) - Retail Share		100,000.00	100,000.00
AFR T-Main - Middle Phase		400,000.00	400,000.00
AFR T-Main - GB BPS Onsite 24" - Retail Share		331,000.00	331,000.00
Stevens Ave Main & Services Replacement		400,000.00	400,000.00
Golden Gate Services Improvements		180,000.00	180,000.00
Keats Circle Services Replacements		95,000.00	95,000.00
Kezar Street Services Replacements		45,000.00	45,000.00
Cherry Ave Services Replacements		55,000.00	55,000.00
Vane Court Main Replacement		120,000.00	120,000.00
Parson BPS Hydrant Installation		20,000.00	20,000.00
Generator Load Bank Unit		9,000.00	9,000.00
Main Replacements Contingency Fund	244,000.00		244,000.00
Engineering CIP	<u>244,000.00</u>	<u>1,755,000.00</u>	<u>1,999,000.00</u>
<u>Field Services:</u>			
Vehicle Replacement		162,300.00	162,300.00
Safety Trailer (Night Work)	10,000.00	5,000.00	15,000.00
Depreciable Maintenance Items		43,500.00	43,500.00
Regulatory		9,000.00	9,000.00
Mainline Extension Contingency Funding	100,000.00		100,000.00
Touch Read Meter Conversion Project	110,000.00		110,000.00
New Construction Contractor Materials	55,000.00		55,000.00
New Service Taps/Improvements	30,000.00		30,000.00
Miscellaneous Equipment	15,500.00		15,500.00
Sub-Total Field Services Projects	<u>320,500.00</u>	<u>219,800.00</u>	<u>540,300.00</u>
Total Retail Capital Improvement Program Budget	<u>601,995.00</u>	<u>1,995,303.00</u>	<u>2,597,298.00</u>
<u>Capital Improvement Program Summary:</u>			
District-wide	37,495.00	20,503.00	57,998.00
Engineering Services	244,000.00	1,755,000.00	1,999,000.00
Field Services	320,500.00	219,800.00	540,300.00
Total Capital Improvement Program Budget	<u>601,995.00</u>	<u>1,995,303.00</u>	<u>2,597,298.00</u>

**FISCAL YEAR 2010-11
SAN JUAN WATER DISTRICT
DEBT OBLIGATIONS**

Debt Obligations	FY 09/10	FY 09/10	FY 09/10	FY 10/11	FY 10/11	FY 10/11
2009 COP Issue	Interest	Principal	Total	Interest	Principal	Total
Refunding Portion	92,600.00	540,000.00	632,600.00	76,400.00	555,000.00	631,400.00
Direct Portion	245,789.00	147,798.00	393,587.00	241,355.02	151,317.00	392,672.02
New Portion	452,674.00	272,202.00	724,876.00	444,507.48	278,683.00	723,190.48
Total	791,063.00	960,000.00	1,751,063.00	762,262.50	985,000.00	1,747,262.50
2009 COP Issue	Interest	Principal	Total	Interest	Principal	Total
Wholesale Portion	645,426.00	259,200.00	904,626.00	1,093,424.00	6,400.00	1,099,824.00
Retail Portion	363,052.00	145,800.00	508,852.00	615,051.00	3,600.00	618,651.00
Total	1,008,478.00	405,000.00	1,413,478.00	1,708,475.00	10,000.00	1,718,475.00
Total Payments Due	Interest	Principal	Total	Interest	Principal	Total
Wholesale	1,436,489.00	1,219,200.00	2,655,689.00	1,855,686.50	991,400.00	2,847,086.50
Retail	363,052.00	145,800.00	508,852.00	615,051.00	3,600.00	618,651.00
Total	1,799,541.00	1,365,000.00	3,164,541.00	2,470,737.50	995,000.00	3,465,737.50
Retail Only - Other Debt	Interest	Principal	Total	Interest	Principal	Total
EDA	9,691.00	20,396.00	30,087.00	9,691.00	20,396.00	30,087.00
CEC	914.00	5,274.00	6,188.00	599.00	5,589.00	6,188.00
Total Retail - Other Debt	10,605.00	25,670.00	36,275.00	10,290.00	25,985.00	36,275.00

DISTRICT RESERVE BALANCES

SAN JUAN WATER DISTRICT
RESERVES BALANCES

<u>Projected</u> <u>June 30, 2010</u>	<u>Wholesale</u>	<u>Retail</u>	<u>Combined</u>
	<u>Wholesale</u>	<u>Retail</u>	<u>Combined</u>
Restricted - Debt Service	2,875,697	1,851,037	4,726,734
Operating	3,115,862	1,865,715	4,981,577
PERS	256,978	256,978	513,956
Compensated Absences+EE Restricted	326,234	411,918	738,152
Developer/Cust Deposits	-	50,000	50,000
Connection	25,103	2,399,510	2,424,613
Rate Stabilization	1,000,000	-	1,000,000
CIP - General	5,572,193	4,293,997	9,866,190
CIP - CIPs	8,935,429	5,900,000	14,835,429
Hinkle Reserve	2,255,129	-	2,255,129
Kokila Reserve	-	326,738	326,738
Hydraulic/Raw Water Pipeline	276,305	-	276,305
Vehicle	50,000	50,000	100,000
Emergency CIP	-	584,007	584,007
Total	24,688,930	17,989,900	42,678,830

<u>Projected</u> <u>June 30, 2011</u>	<u>Wholesale</u>	<u>Retail</u>	<u>Combined</u>
	<u>Wholesale</u>	<u>Retail</u>	<u>Combined</u>
Restricted - Debt Service	2,875,697	1,851,037	4,726,734
Operating	3,265,862	1,879,921	5,145,783
PERS	356,978	356,978	713,956
Compensated Absences+EE Restricted	326,234	411,918	738,152
Developer/Cust Deposits	-	50,000	50,000
Connection	25,103	2,449,510	2,474,613
Rate Stabilization	1,000,000	-	1,000,000
CIP - General (includes \$331K+\$100K from RSA)	1,492,261	2,096,699	3,588,960
CIP - CIPs	-	5,500,000	5,500,000
Hinkle Reserve	2,305,129	-	2,305,129
Kokila Reserve	-	336,738	336,738
Hydraulic/Raw Water Pipeline	276,305	-	276,305
Vehicle	50,000	50,000	100,000
Emergency CIP	-	584,007	584,007
Total	11,973,569	15,566,808	27,540,377

FISCAL YEAR 2010-11

RETAIL OPERATING BUDGET

LINE ITEM DETAIL

San Juan Water District
 FY2010-11 RETAIL BOARD ADOPTED BUDGET
 FY2009-10 Budget, Actual and Projected vs. 2010-11 BOARD ADOPTED BUDGET

BOARD ADOPTED
 Assumes 3% Inflation
 and 2% Rate Increase

GL Acct #/Range	Sub-Acct	RETAIL Budget 07/01/09-06/30/10	RETAIL Actual* 07/01/09-03/31/10	RETAIL Projected 07/01/09-06/30/10	RETAIL Budget 07/01/10-06/30/11
REVENUE					
WATER SALES					
1115000000		\$7,567,122.00			\$ 6,340,000.00
1120000000		1,101,080.00			1,000,000.00
1126000000					
1300000000		13,000.00			10,726.00
SUB-TOTAL RETAIL WATER REVENUES					
		8,681,202.00	5,655,098.00	7,132,416.00	7,350,726.00
WHOLESALE REVENUE ACCOUNTS					
TOTAL WATER SALES					
		8,681,202.00	5,655,098.00	7,132,416.00	7,350,726.00
OTHER RETAIL REVENUES					
210500000					20,000.00
210600000					5,000.00
210700000					30,000.00
210800000					2,000.00
211600000					30,000.00
212000000					10,500.00
212100000					2,500.00
212200000					
212300000					
SUB-TOTAL OTHER RETAIL REVENUES					
		115,928.00	118,204.00	157,605.00	100,000.00
OTHER WHOLESALE REVENUES					
SUB-TOTAL OTHER REVENUES					
		115,928.00	118,204.00	157,605.00	100,000.00
TOTAL RETAIL REVENUES					
		8,797,130.00	5,773,302.00	7,290,021.00	7,450,726.00
TOTAL WATER SALES AND OTHER					
		8,797,130.00	5,773,302.00	7,290,021.00	7,450,726.00
EXPENSES					

San Juan Water District

FY2010-11 RETAIL BOARD ADOPTED BUDGET
 FY2009-10 Budget, Actual and Projected vs. FY2010-11 BOARD ADOPTED BUDGET

BOARD ADOPTED
 Assumes 3% Inflation
 and 2% Rate Increase

GL Acct #/Range	Sub-Acct.	07/01/09-06/30/10 RETAIL Budget	07/01/09-03/31/10 RETAIL Actual	07/01/09-06/30/10 RETAIL Projected	07/01/10-06/30/11 RETAIL Budget
132000000	02	2,942,526.00	1,766,755.83	2,167,136.00	2,411,484.00
132000001	02	13,650.00			
		2,956,176.00	1,766,755.83	2,167,136.00	2,411,484.00
		SOURCE OF SUPPLY			
		PURCHASE TREATMENT WATER RSA			
		WATER FORUM RSA			
		TOTAL SOURCE OF SUPPLY			
		PUMPING & TELEMETRY-SALARIES&BENEFITS-GEN'L			
		PUMPING & TELEMETRY-OPER EXPENSES-GEN'L			
223000008	02	4,000.00	2,788.00	3,717.33	4,000.00
221000017	02		103.99	138.65	400.00
221000027	02		31,294.52	41,726.03	42,000.00
221000020	02	3,000.00			
221000012	02		36.82	49.09	500.00
221000016	02				
221000025	02		1,741.44	2,321.92	2,400.00
223000006	02		45.40	60.53	500.00
223000007	02		13.57	18.09	285.00
239000000	02	4,500.00			
221000000	02				
221000028	02				
221000024	02				
221000019	02				
211000000	02				
221000015	02				
223000006	02				
210500000	02				
210000000	02				
214000000	02				
		174,947.00	78,609.87	104,813.16	165,085.00
		TOTAL PUMPING & TELEMETRY			
		WATER TREATMENT			
323000230	02				
323400000	02				
324600000	02		0.00	0.00	
		0.00	0.00	0.00	
		TOTAL WATER TREATMENT			

FY2010-11 RETAIL BOA ADOPTED BUDGET
 FY2009-10 Budget, Actual and Projected vs. FY2010-11 BOARD ADOPTED BUDGET

BOARD ADOPTED
 Assumes 3% Inflation
 and 2% Rate Increase

GL Acct #Range	Sub-Acct	RETAIL 07/01/09-06/30/10 Budget	RETAIL Actual 07/01/09-03/31/10	RETAIL Projected 07/01/09-06/30/10	RETAIL Budget 07/01/10-06/30/11
TRANSMISSION & DISTRIBUTION					
TRANS&DISTRIB-SALARIES&BENEFITS-GEN'L					
TRANS&DISTRIB-OPER EXPENSES-GEN'L					
APPLIED OVERHEAD					
440100004	02		1,671.81	2,229.08	2,300.00
440100003	02		403.84	538.45	1,000.00
440100002	02		10,741.58	14,322.11	16,000.00
440100001	02	400.00			
440100005	02	5,000.00			
414100000	02		2,234.00	2,978.67	4,000.00
433500000	02		24,681.44	32,908.59	35,000.00
416100000	02		10.88	14.51	1,000.00
429100000	02	1,600.00	660.62	880.83	1,000.00
446000000	02		4,477.02	5,969.36	7,000.00
448000950	02		10,546.89	14,062.52	15,000.00
449000000	02	25,000.00	3,695.09	4,926.79	5,000.00
448000000	02				
434000004	02				
434000003	02				
421000004	02		1,051.60	1,402.13	2,000.00
425000004	02		15,852.22	21,136.29	22,000.00
425000003	02				
421000003	02				
425000002	02				
421000005	02	175,000.00	6,383.64	8,511.52	9,000.00
425000005	02		24,178.82	32,238.43	33,200.00
422200001	02	6,000.00	(116.72)	(155.63)	
422500000	02		100,436.59	133,915.45	140,000.00
422500055	02		83.69	111.59	1,000.00
422500075	02				
411300000	02	15,000.00	14,017.15	18,689.53	20,000.00
411500000	02	6,000.00	2,924.10	3,898.80	4,000.00
459000000	02	40,000.00			
411700000	02	40,000.00	(25.00)	(33.33)	606.00
427100004	02		5,196.00	6,928.00	7,500.00
427100003	02				
427100002	02		16,356.66	21,808.88	23,000.00

FY2010-11 RETAIL BOARD ADOPTED BUDGET
 FY2009-10 Budget, Actual and Projected vs. FY2010-11 BOARD ADOPTED BUDGET

BOARD ADOPTED
 Assumes 3% Inflation
 and 2% Rate Increase

GL Acct #/Range	Sub-Acct	07/01/09-06/30/10		07/01/09-06/30/10		07/01/10-06/30/11	
		RETAIL Budget	RETAIL Actual	RETAIL Projected	RETAIL Projected	RETAIL Budget	RETAIL Budget
3427100005	02		2,318.36	3,091.15	3,500.00		
3433700000	02		1,652.16	2,202.88	2,500.00		
3434000000	02		3,473.09	4,630.79	5,000.00		
3422200000	02		438.22	584.29	1,000.00		
3421000001	02		16,620.75	22,161.00	24,000.00		
3427100001	02		34,604.82	46,139.76	50,000.00		
3427100000	02		6,286.94	8,382.59	9,500.00		
3438000000	02		264.52	352.69	1,000.00		
3414000000	02		48,008.82	64,011.76	70,000.00		
3425000000	02		259,887.11	346,516.15	360,000.00		
3424100001	02		149,560.16	199,413.55	210,000.00		
3411200000	02		21,725.91	28,967.88	30,000.00		
3422300000	02	25,000.00					
3421000000	02		2,973.78	3,965.04	4,500.00		
3425000001	02	1,128,028.00	106,165.72	141,554.29	150,000.00		
3411000000	02		115,898.94	154,531.92	160,000.00		
3434000001	02		54.74	72.99	500.00		
3422200000	02		239.13	318.84	500.00		
3436501400	02		1,219.39	1,625.85	2,000.00		
3411500100	02		5,021.49	6,695.32	8,000.00		
3421500004	02		283.84	378.45			
3421500002	02	7,000.00	2,938.75	3,918.33	4,000.00		
3421500005	02		(40.79)	(54.39)			
3444000000	02	(60,000.00)	8,756.02	11,674.69	12,000.00		
3442000000	02						
3450000000	02		40,430.84	53,907.79	60,000.00		
3446000000	02	82,000.00	27,939.58	37,252.77	45,000.00		
3444000099	02						
3445000010	02		5,812.38	7,749.84	8,000.00		
4337000005	02						
		1,496,028.00	1,107,996.59	1,497,328.79	1,570,606.00		
710010000	02					(80,000.00)	
		(275,000.00)	(57,501.00)	(76,669.00)	(80,000.00)		

FY2010-11 RETAIL BOAF OPTED BUDGET
 FY2009-10 Budget, Actual and Projected vs. J10-11 BOARD ADOPTED BUDGET

BOARD ADOPTED
 Assumes 3% Inflation
 and 2% Rate Increase

GL Acct #/Range	Sub-Acct	07/01/09-06/30/10		07/01/09-03/31/10		07/01/09-06/30/10		07/01/10-06/30/11	
		Budget	Actual	Actual	Projected	Projected	Budget		
627600000	02	5,000.00							
627500000	02	51,500.00	19,829.90	19,829.90	26,439.87	26,439.87	50,000.00	50,000.00	
624500000	02	13,000.00	11,011.55	11,011.55	14,682.07	14,682.07	15,500.00	15,500.00	
670000000	02								
624550000	02								
689000008	02		1,500.00	1,500.00	2,000.00	2,000.00	2,100.00	2,100.00	
689000003	02		2,187.50	2,187.50	2,816.67	2,816.67	3,000.00	3,000.00	
689000007	02		2,000.00	2,000.00	2,666.67	2,666.67	2,800.00	2,800.00	
689000002	02		2,187.50	2,187.50	2,916.67	2,916.67	3,000.00	3,000.00	
689000000	02	32,500.00							
689000004	02		2,125.00	2,125.00	2,833.33	2,833.33	2,900.00	2,900.00	
689500008	02		485.98	485.98	647.97	647.97	700.00	700.00	
689500007	02		325.00	325.00	433.33	433.33	500.00	500.00	
689500003	02								
689500002	02		224.05	224.05	298.73	298.73	300.00	300.00	
689500004	02		1,332.23	1,332.23	1,776.31	1,776.31	1,800.00	1,800.00	
688000000	02								
731000000	02								
543400000	02		796.06	796.06	1,061.41	1,061.41	1,000.00	1,000.00	
544500000	02		186.00	186.00	248.00	248.00	300.00	300.00	
541500000	02		3,196.63	3,196.63	4,262.17	4,262.17	4,400.00	4,400.00	
342000000	02								
341200000	02	4,000.00							
372000000	02								
375500000	02								
375550000	02								
332000000	02		2,000.00	1,259.94	1,679.92	1,679.92	1,500.00	1,500.00	
331000000	02		60,000.00	(7,775.31)	(10,367.08)	(10,367.08)	75,000.00	75,000.00	
389700000	02		30,855.00	37,205.72	49,607.63	49,607.63	60,000.00	60,000.00	
388510000	02			16,078.01	21,437.35	21,437.35	25,000.00	25,000.00	
380000004	02								
380000000	02		500.00	119.76	159.68	159.68	200.00	200.00	
372800000	02		1,000.00						
327000000	02		13,000.00	9,996.79	13,329.05	13,329.05	14,000.00	14,000.00	
323500000	02		14,000.00	13,332.67	17,776.89	17,776.89	18,000.00	18,000.00	
323000000	02		25,000.00	20,164.62	26,886.16	26,886.16	27,500.00	27,500.00	
320000000	02		9,000.00						

FY2010-11 RETAIL BOARD ADOPTED BUDGET
 FY2009-10 Budget, Actual and Projected vs. FY2010-11 BOARD ADOPTED BUDGET

BOARD ADOPTED
 Assumes 3% Inflation
 and 2% Rate Increase

GL Acct #/Range	Sub-Acct	07/01/09-06/30/10 Budget	07/01/09-03/31/10 Actual	07/01/09-06/30/10 Projected	07/01/10-06/30/11 Budget
620500000	02		6,588.65	8,784.87	9,000.00
627500000	02	25,000.00	4,552.49	6,069.99	6,200.00
676000000	02		7,199.65	9,599.53	9,800.00
621000000	02	6,000.00	3,380.13	4,506.84	5,000.00
622100000	02	77,200.00	41,911.74	55,882.32	75,000.00
622000000	02	200.00			
682000000	02				
686501000	02	3,000.00	2,360.53	3,147.37	3,300.00
685500000	02	5,000.00	180.56	240.75	300.00
686500300	02	8,000.00	3,329.24	4,438.99	4,500.00
683500000	02	262,500.00	6,687.21	8,916.28	9,000.00
684500000	02	6,000.00	70,711.21	94,281.61	103,500.00
640000000	02	6,000.00	6,311.78	8,415.71	8,500.00
626200000	02	616,392.00	308,077.42	410,769.89	440,000.00
611000000	02		4,432.08	5,909.44	6,000.00
626500000	02		7,371.85	9,829.13	10,000.00
671000000	02		27,980.01	37,306.68	40,000.00
674500000	02		37,738.96	50,318.61	54,000.00
628100000	02		1,793.24	2,390.99	3,000.00
628000000	02		34,836.65	46,448.87	48,000.00
622800000	02		450.00	600.00	650.00
672200000	02	2,000.00	2,552.09	3,402.79	3,500.00
683000000	02	5,000.00	2,883.44	3,844.59	4,000.00
625500000	02	7,000.00	381.82	509.09	600.00
626000000	02		365.59	487.45	520.00
624000000	02		14,866.71	19,822.28	20,500.00
628500000	02	20,000.00	3,040.43	4,053.91	4,200.00
629000000	02	5,000.00	102.42	136.56	200.00
680500001	02				
680500000	02				
TOTAL ADMINISTRATION & GENERAL		1,322,647.00	761,887.95	1,065,850.93	1,195,170.00
OPEB			122,235.00	162,980.00	193,377.00
TOTAL OPERATING REVENUES		8,797,130.00	5,773,302.00	7,290,021.00	7,450,726.00
TOTAL OPERATING EXPENSES		7,131,776.00	4,760,643.50	6,308,985.56	7,022,630.00

San Juan Water District
 FY2010-11 RETAIL BOAF OPTED BUDGET
 FY2009-10 Budget, Actual and Projected vs. 10-11 BOARD ADOPTED BUDGET

BOARD ADOPTED:
 Assumes 3% Inflation
 and 2% Rate Increase

GL Acct #/Range	Sub-Acct	RETAIL Budget 07/01/09-06/30/10	RETAIL Actual 07/01/09-03/31/10	RETAIL Projected 07/01/09-06/30/10	RETAIL Budget 07/01/10-06/30/11
		1,665,354.00	1,012,658.50	981,035.44	428,096.00
INCOME (LOSS) FROM OPERATIONS					
		1,305,079.00	831,930.75	1,109,241.00	87,500.00
NON OPERATING INCOME					
202700000	02				87,500.00
300510000	02				850,000.00
357000000	02				25,000.00
360000000	02				25,000.00
TOTAL - NON OPERATING INCOME					
		1,305,079.00	831,930.75	1,109,241.00	987,500.00
NON OPERATING EXPENSE					
PAYMENTS TO WHOLESALER - DEBT SERVICE					
REFUNDING AND DIRECT PAYMENTS TO WHOLESALER					
800000000	02		(721,020.75)	(961,361.00)	(35,327.00)
800000000	02	(1,047,643.00)	(128,366.25)	(171,155.00)	(256,632.00)
800000000	02				(181,016.00)
800000000	02				(113,488.00)
SUBTOTAL - 2003 REFUNDING AND DIRECT PAYMENTS					
		(1,047,643.00)	(849,387.00)	(1,132,516.00)	(586,463.00)
OTHER DEBT SERVICE PAYMENTS					
OTHER INTEREST EXPENSE PAYMENTS					
300000000	02				(9,691.00)
300000000	02				(600.00)
800000000	02				(615,051.00)
SUB TOTAL - OTHER INTEREST EXPENSE					
		0.00	0.00	0.00	(625,342.00)
PRINCIPAL PAYMENTS					
800000000	02				(20,397.00)
800000000	02				(5,589.00)
900000000	02				(3,600.00)
SUB TOTAL - OTHER PRINCIPAL PAYMENTS					
		0.00	0.00	0.00	(29,586.00)
TOTAL - OTHER DEBT SERVICE PAYMENTS					
		0.00	0.00	0.00	(654,928.00)

San Juan Water District
 FY2010-11 RETAIL BOARD ADOPTED BUDGET
 FY2009-10 Budget, Actual and Projected vs. FY2010-11 BOARD ADOPTED BUDGET

GL Acct #/Range	Sub-Acct	07/01/09-06/30/10		07/01/09-03/31/10		07/01/09-06/30/10		07/01/10-06/30/11	
		Budget	Actual*	Actual*	Projected	Budget	Projected	Budget	
NET SOURCES (USES) TO (FROM) RESERVES									
		1,922,790.00	995,202.25	995,202.25	957,760.44	174,205.00			
RESERVE ALLOCATIONS									
	CIP RESERVE	(1,347,852.00)	(526,498.75)	(526,498.75)	(483,593.00)	(10,000.00)			
	KOKILA RESERVE	(10,000.00)	(7,500.00)	(7,500.00)	(10,000.00)	(10,000.00)			(10,000.00)
	EMERGENCY RESERVE	(214,167.00)	(160,625.25)	(160,625.25)	(214,167.00)	-			-
	PERS STABILIZATION	(100,000.00)	(75,000.00)	(75,000.00)	(100,000.00)	(100,000.00)			(100,000.00)
	CONNECTION FEES RESERVES (Correction)	(100,771.00)	(75,578.25)	(75,578.25)	(100,771.00)	(50,000.00)			(50,000.00)
NET SURPLUS (DEFICIT) TO (FROM) FUND BALANCE		\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 49,229.44	\$ 14,205.00			

- Notes:
- 1) FY0910 included a \$95,000 Energy Budget within Pumping and Telemetry Budget;
 - 2) Based on updated activity (balance through 05/31/10)
 - 3) FY0910 Actual and Projected Conservation wages are low - due to staff absence = \$25,000 (estimate);
 - 4) Account showed an adjusting entry (credit of \$13,469), actual expenses = \$1,819;
 - 5) FY1011 budgets assume Engineering Outside Prof Services of \$150,000, reduced by \$100,000 if rate increase is lowered from 5% to 2%;
 - 6) Projected 06/30/10 included \$69K in credits; actual and projected premium is \$6,255 per month - credit is due to non-recurring claim payment;
 - 7) Retiree PERS Health Insurance Premium Average projected to increase 10%;
 - 8) FY0910 Actual and Projected Admin Wages missing 3 months of Finance Manager costs = \$50,000 (estimate);
 - 9) For a 2% rate increase (instead of 5%), assumes Emergency Reserve balance remains unchanged at year-end FY1011
 - 10) Adjusted Connection Reserves to account for connection fee revenues

EXHIBIT B
WATER RATES AND CONNECTION FEES

Retail Budget Highlights

The adopted Retail budget includes a water rate increase of 2% effective January 1, 2011, to cover operations and maintenance increases, as well as funding the capital improvement program.

Note: This increase was adopted by the Board of Directors on June 23, 2010.

Retail Water Rate Study and Financial Plan

In 2007, the District contracted with the Reed Group, Inc. to update the Retail Water Rate Study and Financial Plan to determine water rates required to fund operations and the capital improvement program for the next ten years. This study was accepted by the Board. The study determined that a bond financing was necessary for projects, including pump stations and waterlines. The first retail rate increase resulting from that study was implemented on January 1, 2008 and the debt financing process completed in 2009. The financial plan is scheduled to be updated once again in late 2010.

This budget was prepared with the recommended rates from the Financial Plan; however, the Board adopts rates as part of the budget process each year and in accordance with Proposition 218 for retail rates. The Financial Plan called for a 5% rate increase for January 1, 2011. Due to the District's strong efforts to control costs, the Board was able to reduce the necessary rate increase to 2% instead.

The following table represents 2011 Board adopted and Financial Plan 2012-2014 recommended rate increases. Rates are effective January 1st each year:

2011	2012	2013	2014
2%	5%	2%	2%

The study also updated the retail water connection fee that is assessed to new connections for purposes of "buying into" the system. This places new customers on par with existing customers. Effective July 1, 2010, this fee will increase by 2.18% as indexed to the 20 Cities Construction Cost Index ("CCI"). The following schedule lists the fee by meter size that is collected from customers connecting to the San Juan Water District retail system:

Retail Connection Fees -- Effective July 1st

Meter Size	Retail Fee Component	Wholesale Fee Component	Total Combined Fee
¾" Meter	\$ 13,114	\$ 344	\$ 13,458
1" Meter	\$ 13,114	\$ 572	\$ 13,686
1 ½" Meter	\$ 26,227	\$ 1,145	\$ 27,372
2" Meter	\$ 41,963	\$ 1,832	\$ 43,795
3" Meter	\$ 83,926	\$ 3,663	\$ 87,589
4" Meter	\$ 130,241	\$ 5,724	\$ 135,965
6" Meter	\$ 262,269	\$ 14,309	\$ 276,579
8" Meter	\$ 472,095	\$ 20,606	\$ 492,701
10" Meter	\$ 760,598	\$ 33,198	\$ 793,796
12" Meter	\$ 1,127,782	\$ 49,225	\$ 1,177,007

SAN JUAN WATER DISTRICT
WATER RATES AND CHARGES EFFECTIVE JANUARY 1, 2011

RESIDENTIAL METERED RATES (BILLED BASED ON # OF DAYS IN READ PERIOD)

		<u>Up to 1"</u>	<u>1½"</u>	<u>2"</u>
- Daily Base Charge (Fixed)		\$1.15	\$3.07	\$4.90
Plus Consumption				
- Baseline Rate/unit*	0 to 20 ccf	\$0.44	\$0.44	\$0.44
- Standardized Residential Rate/unit*	21 to 200 ccf	\$0.74	\$0.74	\$0.74
- Landscape Efficiency Rate/unit*	201+ ccf	\$0.52	\$0.52	\$0.52

NON-RESIDENTIAL/COMMERCIAL METERED RATES (BILLED BASED ON READ PERIOD)

	<u>Up to 1"</u>	<u>1½"</u>	<u>2"</u>	<u>3"</u>	<u>4"</u>
- Daily Base Charge (Fixed)	\$1.15	\$3.07	\$4.90	\$9.75	\$15.19
- Plus Consumption / unit*	\$0.63	\$0.63	\$0.63	\$0.63	\$0.63

NON-RESIDENTIAL/COMMERCIAL METERED RATES (BILLED BASED ON READ PERIOD)

	<u>6"</u>	<u>8"</u>	<u>10"</u>	<u>12"</u>	<u>Fire District</u>
- Daily Base Charge (Fixed)	\$30.36	\$54.58	\$87.90	\$130.33	\$5.91
- Plus Consumption / unit*	\$0.63	\$0.63	\$0.63	\$0.63	\$0.63

COMMERCIAL - OTHER (BILLED BASED ON # OF DAYS IN READ PERIOD)

PRIVATE FIRE LINE RATES:	<u>4-inch</u>	<u>6-inch</u>	<u>8-inch</u>	<u>10-inch</u>
- Daily Base Charge (Fixed)	\$0.44	\$0.65	\$0.88	\$1.05

* 1 unit = 100 cubic feet = 748 gallons

**San Juan Water District
FY10-11 Retail Connection Fees
Effective July 1, 2010**

Meter Size	Retail Fee Component	Wholesale Fee Component	Total Combined Fee
3/4-inch	\$ 13,114	\$ 344	\$ 13,458
1-inch	\$ 13,114	\$ 572	\$ 13,686
1.5-inch	\$ 26,227	\$ 1,145	\$ 27,372
2-inch	\$ 41,963	\$ 1,832	\$ 43,795
3-inch	\$ 83,926	\$ 3,663	\$ 87,589
4-inch	\$ 130,241	\$ 5,724	\$ 135,965
6-inch	\$ 262,269	\$ 14,309	\$ 276,578
8-inch	\$ 472,095	\$ 20,606	\$ 492,701
10-inch	\$ 760,598	\$ 33,198	\$ 793,796
12-inch	\$ 1,127,782	\$ 49,225	\$ 1,177,007

Alternative Retail Connection Fees (Acreage Agreements)

Per Acre Foot ("AF")	\$ 10,579
(Assuming 3 acre feet per year per acre)	
Example: Fees for an additional 0.25 acres:	
$\$10,579 \times 3 \text{ acre feet} \times 0.25 \text{ acres} =$	\$7,934

Calculation:

CC Index @ May 2010	8761
CC Index @ May 2009	8574
 Difference	 187
% Change	2.18%

Note: These fees are indexed utilizing the 20 Cities Construction Cost Index (CCI) as recommended in the Financial Plan.



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RETAIL
FISCAL YEAR 2010-11
SAN JUAN WATER DISTRICT
DEBT OBLIGATIONS

Debt Obligations	FY 09/10	FY 09/10	FY 09/10	FY 10/11	FY 10/11	FY 10/11
2003 COP Issue	Interest	Principal	Total	Interest	Principal	Total
Refunding Portion	92,600.00	540,000.00	632,600.00	76,400.00	555,000.00	631,400.00
Direct Portion	245,789.00	147,798.00	393,587.00	241,355.02	151,317.00	392,672.02
New Portion	452,674.00	272,202.00	724,876.00	444,507.48	278,683.00	723,190.48
Total	791,063.00	960,000.00	1,751,063.00	762,262.50	985,000.00	1,747,262.50
2009 COP Issue	Interest	Principal	Total	Interest	Principal	Total
Wholesale Portion	645,426.00	259,200.00	904,626.00	1,093,424.00	6,400.00	1,099,824.00
Retail Portion	363,052.00	145,800.00	508,852.00	615,051.00	3,600.00	618,651.00
Total	1,008,478.00	405,000.00	1,413,478.00	1,708,475.00	10,000.00	1,718,475.00
Total Payments Due	Interest	Principal	Total	Interest	Principal	Total
Wholesale	1,436,489.00	1,219,200.00	2,655,689.00	1,855,686.50	991,400.00	2,847,086.50
Retail	363,052.00	145,800.00	508,852.00	615,051.00	3,600.00	618,651.00
Total	1,799,541.00	1,365,000.00	3,164,541.00	2,470,737.50	995,000.00	3,465,737.50
Retail Only - Other Debt	Interest	Principal	Total	Interest	Principal	Total
EDA	9,691.00	20,396.00	30,087.00	9,691.00	20,396.00	30,087.00
CEC	914.00	5,274.00	6,188.00	599.00	5,589.00	6,188.00
Total Retail - Other Debt	10,605.00	25,670.00	36,275.00	10,290.00	25,985.00	36,275.00