



Idyllwild Water District

Fiscal Year 2019/2020

Budget



IWD Board Members



Dr. Charles Schelly, President



Peter Szabadi, Vice President



Les Gin, Director



Steve Kunkle, Director



David Hunt, Director

The District operates under the authority of Section 30000, Division 12 of the California Water Code and engages in water and wastewater activities which are classified as "proprietary". These activities are accounted for much like that of a private business and use the full accrual method of accounting for financial transactions. The major activities include: production and treatment of groundwater; sale and delivery of water to domestic and commercial accounts; and collection, treatment and disposal of wastewater.

Idyllwild Water District (IWD) provides water services to 1645 customers and sewer services to 587 customers within a population of 3000 for Idyllwild in the County of Riverside. In performing these services IWD operates and maintains a complex system of water distribution with seven water pressure zones. This includes five water treatment systems and eleven water storage tanks. We have a wastewater treatment facility that is permitted to handle 250,000 gallons a day for our sewer customers. IWD employs 11 people to operate both our water and sewer operations.

The Idyllwild County Water District was approved by the voters in 1956 as a legal entity to provide water services. The 130,000 feet of water lines and 63,000 feet of sewer lines are located within 9 square miles covering an area of 1,592 acres. Water and sewer services are provided to a combination of residential, commercial and industrial customers. Treated well water from our 28 wells is distributed to individual customers living in the community of Idyllwild. For the first 5 years IWD's main responsibility was to provide water services and later in 1966 constructed its wastewater plant and the sewer collection system. Later the County was dropped from its name to become the Idyllwild Water District.

IWD constructed a 42kW solar system at Foster Lake to operate six wells and a water treatment plant. The district has many other water facilities at the Foster Lake area. The 18,000,000 gallon Foster Lake is used to collect and store 40 acre feet (ACFT) of water annually from Lilly Creek. We pump creek water from our Strawberry Creek Diversion to Foster Lake for additional water storage. The lake percolates the stored water into the surrounding ground water and in turn provides groundwater for the District's wells in the area. IWD operates the diversion using its pre-1914 water right from Strawberry Creek. IWD uses a permit from the State Water Division of Water Rights for its 40acft of Lilly Creek water. Foster Lake is man-made and has an earth dam to contain the 18,000,000 gallons of water. The dam was built in 1945 and has not had any problems related to earthquakes, fires or floods.



Organizational Chart

Idyllwild Water District

Board of Directors
Board Member – Steve Kunkle
Board Member – Peter Szabadi
Board Member – Chip Schelly
Board Member – David Hunt
Board Member – Les Gin

General Manager
Michael Creighton

Secretary to Board

C.F.O
Hosny Shouman

Administrative Assistant
Jeannine Copelin

Office Assistant
Amy Miller Hawley

Field Supervisor
(Vacant)

Sewer Department
Chief Operator
Fritz Wuttke

Sewer Maintenance I
Technician
Danny Campbell

Sewer Maintenance II
Technician
(Vacant)

Water Dept. Chief
Operator
Jerry Johnson

Water Treatment Plant
Operator
Joseph Reyes

Maintenance
Technician I
Dillon Pullati

Maintenance
Technician I
Tyler Puckett

**Budget for Revenues & Expenses
Fiscal Year 2019-2020**

Category	Operating Services		Total
	Water	Sewer	
Operating Revenue			
Water-Base Rate Commercial	\$181,300		\$181,300
Water-Base Rate Residential	\$565,300		\$565,300
Water Sales Commercial	\$290,000		\$290,000
Water Sales Residential	\$365,000		\$365,000
Sewer Base Fees Commercial		\$480,000	\$480,000
Sewer Base Fees Residential		\$215,000	\$215,000
Other Fees and Charge	\$7,000	\$3,000	\$10,000
Total Operating Revenue	\$1,408,600	\$678,000	\$2,076,600
Non-Operating Revenue			
Property Taxes Assessments	\$307,000	\$116,000	\$423,000
Standby Charges Assessments	\$15,000	\$4,089	\$19,089
Interest income	\$22,000	\$16,700	\$38,700
Facility Charge	\$27,000	\$0	\$27,000
Total Non-Operating Revenue	\$371,000	\$136,789	\$507,789
Total Revenues	\$1,779,600	\$814,789	\$2,584,389
Operating Expense			
Water Operations Expenses	\$1,650,000		\$1,650,000
Sewer Operations Expenses		\$597,000	\$597,000
Total Operating Expense	\$1,650,000	\$597,000	\$2,247,000
Non-Operating Expense			
Loan Interest Expense	\$0	\$0	\$0
Miscellaneous Expense			
Total Non-Operating Expense	\$0	\$0	\$0
Other Commitments			
OPEB	\$60,000	\$20,000	\$80,000
Total Other Commitments	\$60,000	\$20,000	\$80,000
Total Expenses	\$1,710,000	\$617,000	\$2,327,000
Net Operating Margin	\$69,600	\$197,789	\$257,389
Capital Commitments			
Capital Improvements and Equipment By IWD	\$618,000	\$390,000	\$1,008,000
Total Capital Commitments	\$618,000	\$390,000	\$1,008,000
Net Fund Contribution/ (Deficit)	(\$548,400)	(\$192,211)	(\$750,611)
Beginning Reserve Fund Balance			\$1,000,000
Projected Ending Reserve Fund Balance			\$249,389

* The Net Deficit will be cover from the Reserve

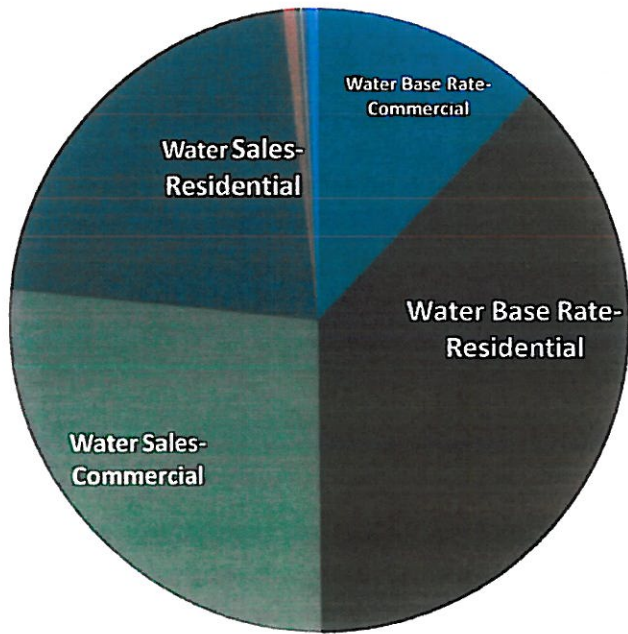
IDYLLWILD WATER DISTRICT
WATER FUND INCOME STATEMENT
YEAR ENDING June 30, 2018

Income	2017/2018	2018/2019	2019/2020
	Actual	Projected	Budgeted
4201 Water Base Rate-Commercial	79,938	166,608	\$181,300
4202 Water Base Rate-Residential	534,689	473,337	\$565,300
4203 Water Sales-Commercial	306,250	308,547	\$290,000
4204 Water Sales-Residential	265,385	358,740	\$365,000
4205 Water Sales-Construction	1,140	7,370	\$2,500
4206 Water Sales-Other	7,700	4,555	\$1,250
4208 Water Transfer Fees	1,675	1,043	\$750
4209 Water Turn On/Off Fees	394	704	\$560
4210 Water Will Serve Letter Fees	3,960	800	\$200
4212 Water Installation Fees	43,378	23,405	\$1,200
4213 Water Lien Fees	174	240	\$252
4214 Water Other Fees & Charges	60	1,922	\$288
Total Income	1,244,743	1,347,271	1,408,600
WATER			
5400 WATER OPERATING EXPENSES			
5436 Water Payroll	489,200	535,250	599,480
5403 Water Engineering Services	102,662	41,380	43,000
5404 Water Legal Services	89,566	24,103	22,000
5405 State-County Water System Fees	37,095	39,645	44,200
5406 Water General Plant Expense	146,289	118,250	122,360
5407 Water Minor Equipment/ Parts	500	600	620
5408 Water Vehicle Repairs & Maint	8,378	7,860	6,500
5410 Water Utilities-Electricity	45,899	70,066	71,250
5411 Water Utilities-Gas & Fuel	7,055	7,650	7,850
5412 Water Utilities-Propane	3,104	5,059	6,300
5414 Water Telephone & Internet	9,325	8,900	9,200
5415 Water Retirement and Life insur	45,849	52,690	58,900
5417 Water Computer Services	17,240	17,737	12,500
5418 Water Board Reimbursement	2,025	2,587	2,800
5419 Water Other Operating Expenses	4,120	6,424	6,617
5420 Water Accounting & Auditing	7,335	9,255	9,532
5421 Water Postage & Postage Fee	9,130	9,200	9,850
5422 Water Office Supplies	17,240	24,500	26,500
5423 Water Traveling	4,032	2,800	3,200
5025 Water Office Cleaning Services	2,385	2,520	2,750
5425 Water Maintenance	32,829	6,689	7,600
5426 Water Medical Insurance	146,275	129,000	137,000
5427 Water Worker's Compensation Ins	2,345	4,230	4,600
5428 Water Retiree Health Insurance	30,365	30,452	32,365
5429 Water Dues, Fees, Subscription	19,432	19,947	23,500
5430 Water Advertising & Publishing	2,855	3,200	4,000
5431 Water Leasing Equipment	500	500	500
5432 Water Utilities Trash Fee	2,188	2,187	2,500
5433 Water Bank Fee Charge	2,246	1,930	2,500
5435 Water Auto & General Insurance	27,182	23,202	25,000
5438 Water Laboratory Services	19,985	18,500	23,500
5440 Water Compensated Time	8,500	12,000	16,500
5441 Water Uniform Expenses	3,305	3,000	36,580
5442 Water Property Tax Expenses	620	660	720
5443 Water Consulting	2,960	26,000	32,000
5444 Water Leak (IWD Site)	2,000	5,000	9,552
5445 Water Security System	0	3,800	4,000
5446 Training and Seminars	15,982	9,500	9,800
Total WATER OPERATING EXPENSES	1,580,372	1,498,647	1,650,000
Net Ordinary Income	(335,629)	(151,376)	(241,400)
Other Income/Expense			
Other Income			
4901 Water Taxes & Assessments	314,817	305,400	307,000
4903 Water Stand By Assessments	23,928	17,993	15,000
4904 Water Interest Earned	20,474	21,000	22,000
4919 Water Other Non-Operating Rev	72,500	92,000	27,000
Total Other Income	431,719	436,393	371,000
Net Income	96,090	285,016	129,600

IDYLLWILD WATER DISTRICT
CAPITAL EXPENDITURES FOR WATER FUND
FOR BUDGET YEAR ENDING JUNE 30, 2020

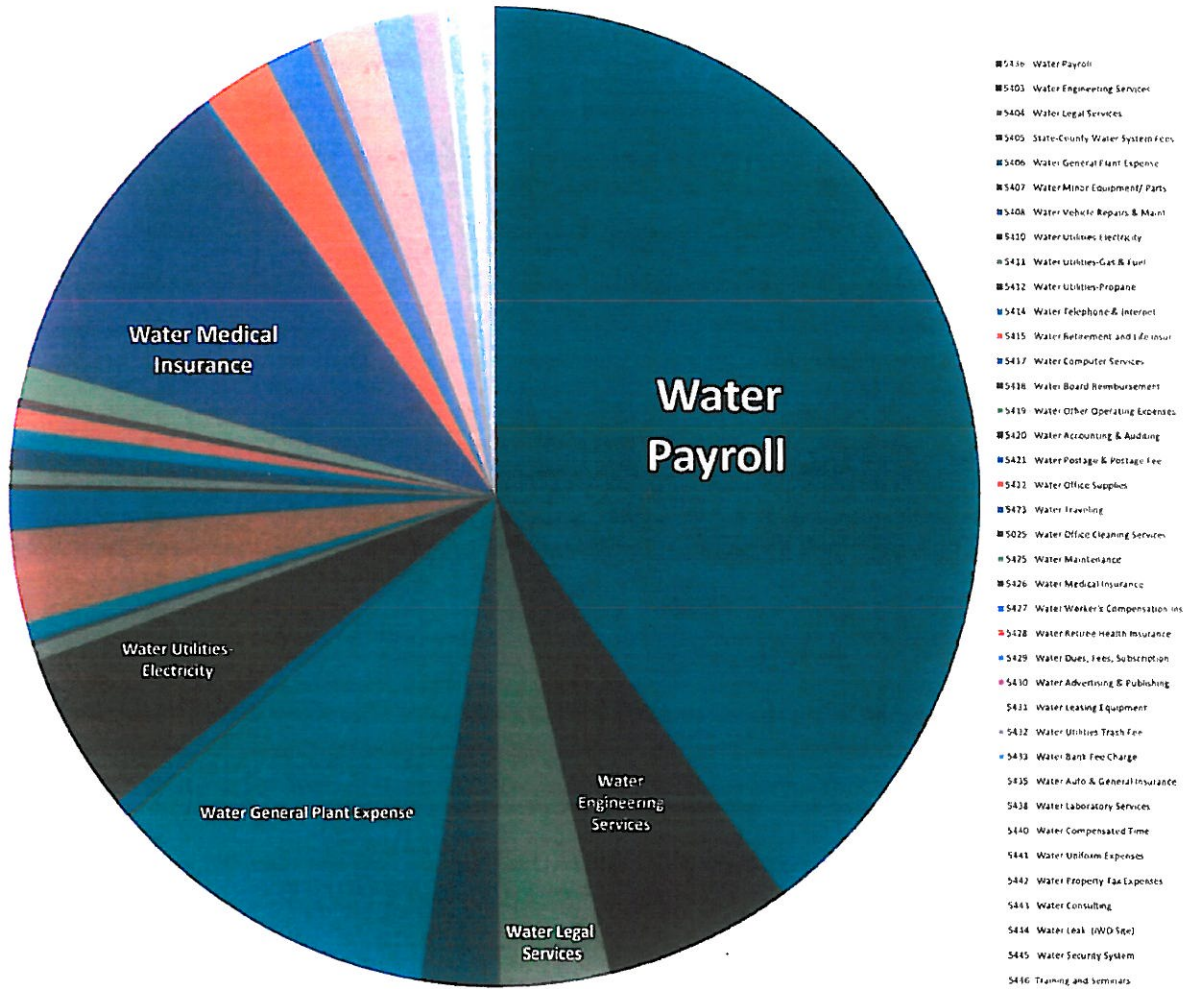
CAPITAL EXPENDITURE DESCRIPTION	CAPITAL EXPENDITURE FINANCE BY IWD
<u>SOURCE OF SUPPLY(G/L # 1321):</u>	
1- Vertical Well Rehabilitation No #8 & # 11	\$20,000
2- Horizontal Well Rehabilitation and Road Repair	\$45,000
3- Development New Wells	\$200,000
TOTAL SOURCE OF SUPPLY	\$265,000
<u>STORAGE TANKS:(G/L # 1324):</u>	
	\$0
TOTAL STORAGE TANKS	\$0
<u>TRANSMISSION AND DISTRIBUTION(G/L # 1324):</u>	
	\$0
TOTAL TRANSMISSION AND DISTRIBUTION	\$0
<u>WATER TREATMENT PLANT(G/L # 1325):</u>	
	\$0
TOTAL WATER TREATMENT PLANT	\$0
<u>GENERAL PLANT-STRUCTURES, POWER & OTHER EQUIPMENT:</u>	
4- Water Line Replacement For Horizontal Wells Projects	\$50,000
5- Purchase a New Full Size Truck (Flat Bed)	\$65,000
6- Upgrade to Water Meter Radio	\$75,000
7- Purchase Caterpillar 26D Sid Steer New (Old \$45,000)	\$93,000
8- Water Distribution Lines Replacement Projects	\$55,000
9-Fire Hydrant Improvements	\$15,000
GENERAL PLANT-POWER & OTHER EQUIPMENT	\$353,000
TOTAL WATER FUND CAPITAL IMPROVEMENT AND EQUIPMENT EXPENDITURES	\$618,000

WATER INCOME



- 4201 - Water Base Rate-Commercial
- 4202 - Water Base Rate-Residential
- 4203 - Water Sales-Commercial
- 4204 - Water Sales-Residential
- 4205 - Water Sales-Construction
- 4206 - Water Sales-Other
- 4208 - Water Transfer Fees
- 4209 - Water Turn On/Off Fees
- 4210 - Water Will Serve Letter Fees
- 4211 - Water Delinquency Fees
- 4212 - Water Installation Fees
- 4213 - Water Lien Fees
- 4214 - Water Other Fees & Charges

WATER OPERATING EXPENSES



IDYLLWILD WATER DISTRICT
SEWER FUND INCOME STATEMENT
YEAR ENDING June 30, 2020

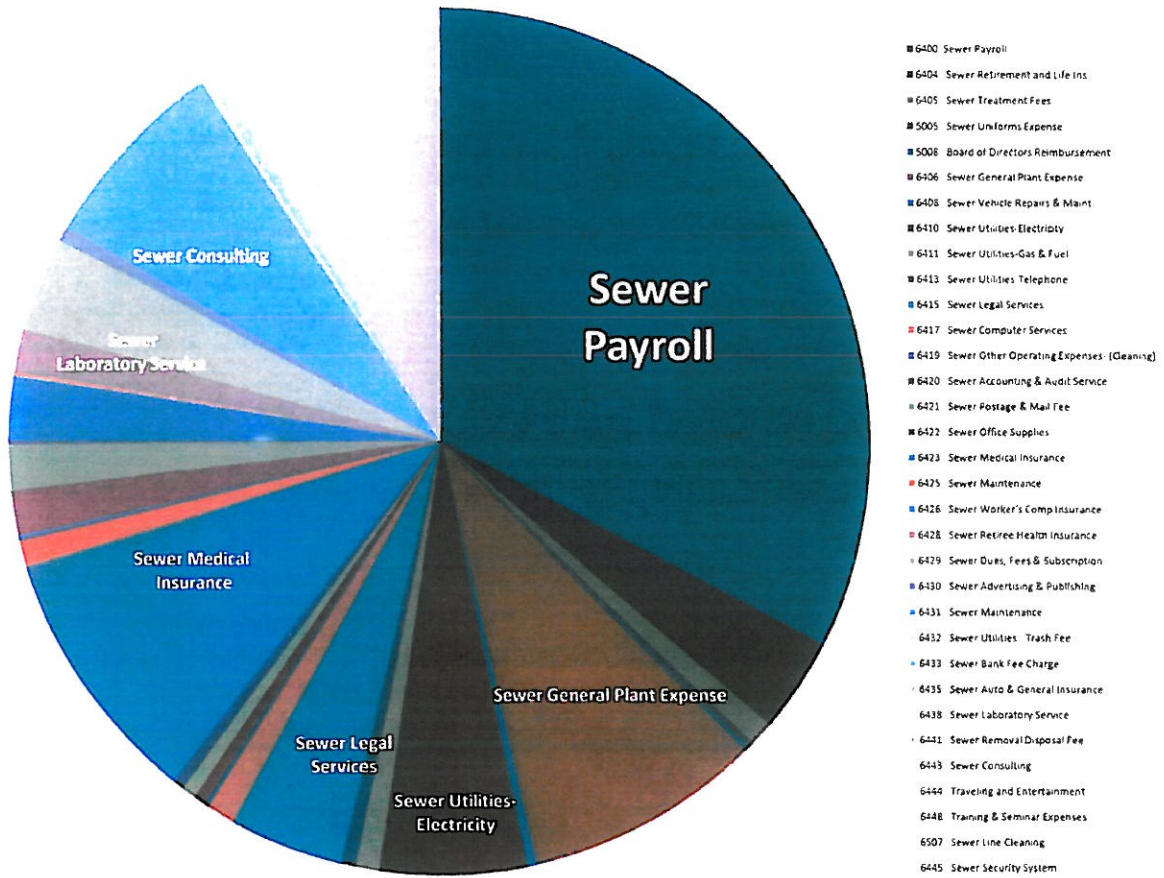
Ordinary Income/Expense	FY 17/18	FY 18/19	FY 19/20
Income	Actual	Projected	Budgeted
4101 · Sewer Base Fees-Commercial	412,196	430,548	460,000
4102 · Sewer Base Fees-Residential	201,845	201,960	215,000
4108 · Sewer Transfer Fees	800	467	1,520
4109 · Sewer Other Fees, Refunds	0	100	1,480
Total Income	614,841	633,075	678,000
6400 · SEWER OPERATING EXPENSES			
6400 · Sewer Payroll	154,000	162,000	197,350
6404 · Sewer Retirement and Life Ins	12,000	8,500	18,200
6405 · Sewer Treatment Fees	1,500	4,400	4,750
5005 · Sewer Uniforms Expense	720	888	1,350
5008 · Board of Directors Reimbursement	675	683	704
6406 · Sewer General Plant Expense	36,200	44,021	45,342
6408 · Sewer Vehicle Repairs & Maint.	1,600	1,750	2,200
6410 · Sewer Utilities-Electricity	22,750	24,296	28,000
6411 · Sewer Utilities-Gas & Fuel	1,995	3,620	3,729
6413 · Sewer Utilities-Telephone	2,700	2,890	2,977
6415 · Sewer Legal Services	29,829	8,500	8,000
6417 · Sewer Computer Services	5,215	5,798	6,017
6419 · Sewer Cleaning Line Expenses	105,418	840	3,000
6420 · Sewer Accounting & Audit Service	2,494	2,314	2,383
6421 · Sewer Postage & Mail Fee	2,703	2,657	2,736
6422 · Sewer Office Supplies	2,200	2,126	2,190
6423 · Sewer Medical Insurance	48,891	46,215	49,500
6426 · Sewer Worker's Comp Insurance	781	1,043	1,074
6428 · Sewer Retiree Health Insurance	7,950	8,184	8,430
6429 · Sewer Dues, Fees & Subscription	9,025	8,454	8,708
6430 · Sewer Advertising & Publishing	620	752	1,424
6431 · Sewer Maintenance	1,520	6,027	7,250
6432 · Sewer Utilities - Trash Fee	795	800	860
6433 · Sewer Bank Fee Charge	120	69	95
6435 · Sewer Auto & General Insurance	9,061	7,734	7,966
6438 · Sewer Laboratory Service	18,834	14,600	17,000
6441 · Sewer Removal Disposal Fee	4,560	2,735	2,817
6443 · Sewer Consulting & Engineering	118,317	2,500	6,000
6444 · Traveling and Entertainment	185	300	750
6448 · Training & Seminar Expenses	3,300	6,000	7,200
6445 · Sewer Security System	100	120	150
Total 6400 · SEWER OPERATING EXPENSES	750,571	525,329	597,000
Net Ordinary Income	-135,730	107,746	81,000
Other Income/Expense			
Other Income			
4801 · Sewer Taxes & Assessments	118,289	115,000	116,000
4803 · Sewer Stand By Assessments	5,073	4,089	4,089
4804 · Sewer Interest Earned	17,460	15,260	16,700
4805 · Sewer Facilities Charges	5,697	5,697	0
4819 · Sewer Other Non-Operating Rev	150	468	0
Total Other Income	146,669	140,514	136,789
Net Income	10,939	248,260	217,790

SEWER INCOME



- 4101 · Sewer Base Fees-Commercial
- 4102 · Sewer Base Fees-Residential
- 4108 · Sewer Transfer Fees
- 4109 · Sewer Other Fees, Refunds

SEWER OPERATING EXPENSES



IDYLLWILD WATER DISTRICT
CAPITAL EXPENDITURES FOR SEWER FUND
FOR BUDGET YEAR ENDING JUNE 30, 2020

CAPITAL EXPENDITURE
DESCRIPTION

WASTEWATER TREATMENT PLANT(G/L # 1316):

1- Sludg Dewatering Equipment (i.e Belt Press , Centrifuge .) \$300,000

TOTAL WASTEWATER TREATMENT PLANT \$300,000

SUB-SURFACE LINES:(G/L # 1315):

2- Clean and Video Collection System \$25,000

TOTAL SUB-SURFACE LINES \$25,000

GENERAL PLANT-STRUCTURES, POWER & OTHER EQUIPMENT:

3- Rebuild Blower #2 \$15,000

4-Repair Catwalk at Plant \$10,000

5- Purchae New Toyota Tacoma \$40,000

GENERAL PLANT-POWER & OTHER EQUIPMENT \$65,000

TOTAL SEWER FUND CAPITAL IMPROVEMENT AND EQUIPMENT EXPENI \$390,000

IDYLLWILD WATER DISTRICT
 BUDGET FISCAL YEAR ENDING JUNE 30, 2020

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Water Department

- *Idyllwild Water District revised the rate structure for the fiscal year 2019/2020 (second year rate)
- *Water Operating Base Rate Revenues for Residential and Commercial will equal \$746,600 for the Fiscal Year 2019/2020.
- *Water Sales Revenue for Residential and Commercial is expected to be \$655,000 for the Fiscal Year 2019/2020.
- *Property Tax Revenues from the County of Riverside are expected to slightly increase by 1% from \$305,000.00 to \$307,000.00.
- *Direct Operating Expenses for Water are expected to increase 2.5% for the Fiscal Year 2019/2020 from the previous year.
- *Capital Improvement Budget items for Fiscal Year 2019/2020 will cost \$593,000 in total which will be financed completely by the Idyllwild water District.
- *Operating Expenses are expected to increase between 2.5% and 3.5% within the Fiscal Year 2019/2020.
- *No principle debt or interest exists within the Water Department.
- *Utilities for Idyllwild Water District, including electric, telephone, fuel and propane expenses are expected to increase by 2% total.
 - *increasing employee scales from 14 steps to 20 steps for evaluations.
- *Cost of Living wage increase for all employees of 2.5% for Fiscal Year 2019/2020.
- *Health insurance costs are expected to increase by 10% according to ACWA/JPIA.

	Current 2017/2018	Budgeted 2018/2019
Employee + Family	<u>\$2,413.95</u>	<u>2495.00</u>
Employee + 1 Dependent	\$1,927.5	\$1995.00
Employee	\$997.5	\$997.70

*The interest rate earned from investments is expected to increase by 1% with the economy improving.

*There will be no change to life insurance benefits.

*Water Dept. have one position vacant (Field Supervisor)

Sewer Department

*The Improvement District #1 will increase the base charge to \$41.00 per E.D.U. from \$40.00 per E.D.U. E.D.U. = Equivalent Dwelling Unit

*Improvement District #1 Commercial Operating Revenue is expected to be \$678,000 for Fiscal Year 2019/2020 which is a 5% increase from the previous year.

*Improvement District #1 Residential Operating Revenue is expected to be \$212,160.00 for Fiscal Year 2018/2019 which is a 5% increase from the previous year.

* increasing life insurance from \$70 to \$100 IWD contribution

*Direct Operating expenses for Improvement District #1 are expected to increase between 2.5% to 3.5% for Fiscal Year 2019/2020

*Property Tax Revenues from the County of Riverside are expected to slightly increase by 1% from \$113,000.00 to \$116,000.00.

*The Capital Improvement Budget for the Fiscal Year 2019/2020 is \$597,000. This includes \$300,000 for sludge dewatering system for Improvement District #1.

*No principle debt or interest exists within Improvement District #1.

*Staff has succeeded in hiring a Chief Sewer Operator, therefore has cancelled the contract with SUSP, Inc. which will significantly reduce consulting fees within Improvement District #1.

*Improvement District #1 has one vacant position to hire (sewer Technician I)

Other Information

*Idyllwild Water District will be diligently working to increase satisfaction from our customers.

*Idyllwild Water District sold just under 75 Water Service Applications and installed roughly 50 new water connections.

*Staff is working with the Board of Directors to increase District Transparency.

RESOLUTION NO. 764

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
IDYLLWILD WATER DISTRICT
ADOPTING A BUDGET FOR
FISCAL YEAR 2019-2020

WHEREAS, the General Manager of Idyllwild Water District (District) has prepared and submitted to the Board of Directors of Idyllwild Water District (Board) a proposed budget for Fiscal Year 2019-2020 (Proposed Budget).

WHEREAS, the Board has received on June 19, 2019 and reviewed the Capital Improvement Program; and

WHEREAS, the Board presented the Proposed Budget at the June 19, 2019 Board meeting, where all interested persons were heard; and

WHEREAS, the Board has considered the Proposed Budget and comments thereon, and has determined it is necessary for the efficient management of the District that certain sums of revenue be appropriated to the activities as set forth in said budget.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE IDYLLWILD WATER DISTRICT HEREBY FIND, DETERMINE, ORDER AND RESOLVE AS FOLLOWS:

Section 1: The Board adopts the Budget for Fiscal Year 2019-20, a copy of which is attached and made part of this Resolution.

Section 2: The District's General Manager is authorized to take all necessary actions to implement the provisions of the Budget as adopted by the Resolution.

Adopted this 26th day of June 2019.

IDYLLWILD WATER DISTRICT

By: 
CHARLES SCHELLY, President
Board of Directors

ATTEST:

I, JEANNINE OLSEN, Secretary of the IDYLLWILD WATER DISTRICT, hereby certify that the foregoing Resolution was duly and regularly introduced and adopted by the Board of Directors of the IDYLLWILD WATER DISTRICT at its meeting of June 26, 2019, by the following vote:

AYES:
Charles Schelly
Peter Szabadi
Dave Hunt

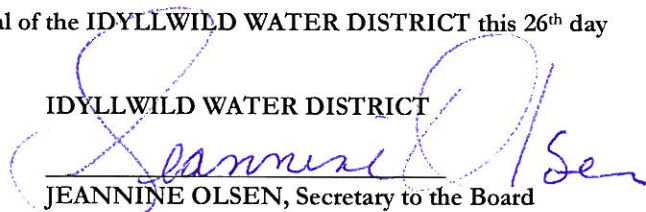
NAYS:

ABSTAIN:
Steve Kunkle

ABSENT:
Les Gin

In witness whereof, I have executed by statement and affix the official seal of the IDYLLWILD WATER DISTRICT this 26th day of June, 2019.

IDYLLWILD WATER DISTRICT


JEANNINE OLSEN, Secretary to the Board