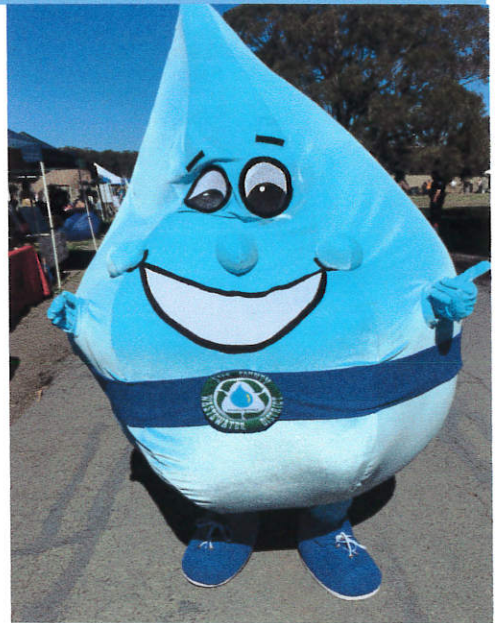


BIENNIAL OPERATING BUDGET FISCAL YEARS 2015/16 & 2016/17



BIENNIAL OPERATING BUDGET FISCAL YEARS 2015/16 & 2016/17

MICHAEL T. CAINE
PRESIDENT

ALFRED M. GRANZELLA
SECRETARY

AUDREY L. COMEAUX
DIRECTOR

LEONARD R. MCNEIL
DIRECTOR

BURL TOLER, JR.
DIRECTOR



GENERAL MANAGER
E. J. Shalaby

GENERAL COUNSEL
Alfred A. Cabral

WATER QUALITY MANAGER
BRIAN E. HILL

ENGINEERING SERVICES MANAGER
KEN R. COOK

BUSINESS SERVICES MANAGER
BEVERLI A. MARSHALL

PREPARED BY:

Beverli A. Marshall, Business Services Manager
Business Services Staff

WEST COUNTY WASTEWATER DISTRICT

BIENNIAL OPERATING BUDGET

FISCAL YEARS 2015/16 & 2016/17

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Community Partner for Our Bay, Our Environment

TO: Honorable Board of Directors and
Customers Served by the West County Wastewater District

FROM: E. J. Shalaby, General Manager

DATE: June 17, 2015

REPORTY BY: Beverli A. Marshall, Business Services Manager

SUBJECT: Biennial Operating Budget for Fiscal Years 2015/16 & 2016/17

On behalf of the Executive Management Team, I am pleased to present to you the Biennial Operating Budget for Fiscal Years 2015/16 & 2016/17. The District proudly operates in accordance with all applicable laws and regulations. This budget, which is effective July 1, 2015, through June 30, 2017, provides a financial framework for all District activities. It is balanced and consistent with policy direction from the Board of Director's and reflected in the Strategic Plan.

The budget is a guide for the District and establishes a path for staff to follow in making day-to-day decisions as the District strives to stay ahead of changing environmental requirements, maintain critical infrastructure and meet the needs of the communities and citizens that it serves.

ECONOMIC CONDITIONS

While the economy in Richmond, unincorporated Contra Costa County, and San Pablo continues to face challenges, recovery from the recession is slowly arriving in west Contra Costa County. Unemployment for Contra Costa County dropped to 4.7% as of April, down from 5.8% as of April, 2014. With 95% of the District's connections are residential, little assistance is received from business economic improvements and development. There has been a slight increase in development activity, but not enough to have a sustained impact on connection fees.

BUDGET OVERVIEW

This budget is based on maintaining operating service levels while containing costs to increases of no more than 5% percent year over year. The services and projects supported by the budget meet the goals and objectives outlined by the Board of Directors in the Strategic Plan.

For Fiscal Year (FY) 2015/16 the anticipated total operating revenue is \$17.71 million and \$14.5 million in expenditures. For FY 2016/17, the anticipated total operating revenue is \$19.21 million in revenue and \$17.18 in expenditures. The significant increase in expenditures in FY 2016/17 is due to debt service payments for the Clean

Water State Revolving Fund (SRF) Loan, which is the first debt taken on by the District since paying off bonds in 1998.

The budget reflects no increase in total budgeted full-time equivalent (FTE) positions. It reflects a transfer funds from the Operating Fund to the Capital Improvement Fund of \$2.0 million in FY 2015/16 and \$2.9 million in FY 2016/17 toward projects identified in the 5-Year Capital Improvement Plan. The budget also demonstrates the District's ability to meet debt service requirements by transferring \$1.0 million in FY 2015/16 for the District's third SRF Loan application as well as funding principle and interest payments of \$1.97 million annually for the first SRF Loan starting in Fiscal Year 2016/17.

SEWER USE CHARGE

The District receives revenue from limited sources, the Sewer Use Charge (SUC) being the primary source of both operating and capital improvement revenue. The District had sufficient funds from the SUC revenue to support the operating activities. The Capital Improvement Plan identifies approximately \$112 million in capital improvements over the next five years. The SUC rates adopted in 2013 were insufficient to pay for these improvements and maintain operating service levels.

The public had opportunities to comment on the proposed rate increases on February 12, February 24, March 26, April 1, and June 3, 2015. The District mailed out notices to its customers that it would be considering an increase of the SUC rates of approximately 11% each year for the next five years.

On June 3, 2015, the Board approved increased the SUC rates, effective July 1, 2015, in order to maintain operating service levels, fund its retirement and OPEB obligations, fund critical, high risk projects identified in the 20-Year District-Wide Master Plan, and meet debt service requirements. In addition to using the additional SUC revenue, the District plans to finance \$95 million through the SRF Loan program to bridge the gap.

CHALLENGES

The District is not immune to increasing costs in key areas such as: increasing mandatory retirement benefit contributions; health care premiums; utility rates; aging infrastructure and replacement needs; funding for post-employment benefits; and regulatory changes. It is addressing these challenges through cost sharing measures with employees, implementation of efficiency methods and partnerships with other agencies.

The District's biggest challenge at this time is to address its aging infrastructure. The 20-Year Master Plan indicates a need for over \$320 million in improvements and replacement of assets. The District's rate analysis reflects that the District will borrow approximately \$95 million from the Clean Water State Revolving Fund (SRF) Loan program with a 20-year repayment schedule for each loan and between 1% and 2% interest.

The District continues to look for other revenue sources, such as grants and

partnerships with private companies, to offset the cost of both operations and capital improvements.

ACKNOWLEDGEMENTS

I would like to recognize and thank the support, cooperation and assistance of the Board of Directors in developing a fiscally responsible budget. I would also like to acknowledge District staff, whose hard work enabled the smooth and timely completion of the budget process.

Respectfully submitted,

E. J. Shalaby

E. J. Shalaby
General Manager

Beverli A. Marshall

Beverli A. Marshall
Business Services Manager

RESOLUTION OF THE BOARD OF DIRECTORS OF WEST COUNTY
WASTEWATER DISTRICT, COUNTY OF CONTRA COSTA, CALIFORNIA

RESOLUTION NO. 15-059

ADOPTING THE BIENNIAL OPERATING BUDGET FOR FISCAL YEARS 2015/16 &
2016/17, ADOPTING THE ANNUAL WAGE SCHEDULE FOR FISCAL YEAR 2015/16,
AND AMENDING THE POSITION CONTROL LIST

The Board of Directors finds that:

It is the duty of the Board of Directors of the West County Wastewater District to estimate the necessary revenue to meet lawful obligations and operating expenses of the District.

The Administration & Finance Committee recommended that the Board approve the proposed budget for Fiscal Year 2015/16 & 2016/17, as presented by staff.

The Biennial Operating Budget includes: expenses of \$14,530,679 million for Fiscal Year 2015/16 and \$17,178,315 for Fiscal Year 2016/17; revenue of \$17,705,883 for Fiscal Year 2015/16 and \$19,204,910 for Fiscal Year 2016/17; and operating transfers out of \$3,056,135 for Fiscal Year 2015/16 and \$2,000,000 for Fiscal Year 2016/17 to the Capital Improvement Fund and the SRF Loan Fund.

The Board of Directors of the West County Wastewater District, Contra Costa County, California adopts the Biennial Operating Budget for Fiscal Year 2015/16 & 2016/17, overview attached as Exhibit 1, adopts the Annual Wage Schedule, attached as Exhibit 2, and amends the Position Control List, attached as Exhibit 3.

*

*

*

I HEREBY CERTIFY that the foregoing resolution was duly and regularly adopted by the Board of Directors of the West County Wastewater District, Contra Costa County, California, at a regular meeting thereof held on the 17th day of June, 2015, by the following vote:

AYES: McNeil, Toler, Comeaux, Granzella, Caine

NOES: None

ABSENT: None


Secretary of the Board of Directors
West County Wastewater District
Contra Costa County, California

ALL DEPARTMENTS

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

EXPENDITURES

By Type:

	FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
Wages	4,649,606	5,495,489	4,979,150	5,791,718	5.4%	6,083,548	5.0%
Premium Pay	324,182	243,104	262,243	254,080	4.5%	262,590	3.3%
Health Benefits	899,877	1,123,888	950,826	1,199,778	6.8%	1,258,829	4.9%
Retirement Cont.	887,534	1,054,673	986,494	1,242,760	17.8%	1,371,277	10.3%
Retirement Medical	971,003	1,033,810	1,054,921	1,039,676	0.6%	1,073,402	3.2%
Misc. Benefits	273,502	407,964	315,304	388,529	-4.8%	399,922	2.9%
Legal Fees	225,700	211,723	205,618	181,000	-14.5%	181,000	0.0%
Professional Services	1,168,894	1,381,710	1,350,310	1,423,453	3.0%	1,447,670	1.7%
Prof. Memberships	46,174	55,339	78,002	81,700	47.6%	84,916	3.9%
Printing/Advertising	44,407	64,200	58,284	74,200	15.6%	76,224	2.7%
Insurance Premiums	50,910	150,000	146,223	155,000	3.3%	161,200	4.0%
Utilities	825,414	845,423	1,215,586	1,191,490	40.9%	1,239,949	4.1%
Travel & Training	46,050	70,885	60,770	71,021	0.2%	72,032	1.4%
Misc. Expenses	85,622	116,586	55,541	78,411	-32.7%	80,232	2.3%
Bldg & Maint Services	60,618	163,185	129,808	156,836	-3.9%	165,201	5.3%
WCA Expenses	133,670	110,001	110,000	110,000	0.0%	110,000	0.0%
Election Costs	-	50,000	39,653	-	-100.0%	40,000	40000.0%
Permits	52,402	66,380	49,366	66,600	0.3%	68,224	2.4%
Supplies	701,998	898,417	659,192	892,927	-0.6%	925,039	3.6%
Equipment	61,892	206,570	112,405	131,500	-36.3%	108,980	-17.1%
Debt Service	-	-	-	-	0.0%	1,968,078	1968078%
	11,509,455	13,749,347	12,819,698	14,530,679	5.7%	17,178,315	18.2%
Funded Positions:							
Operating Fund FTE	53.50	54.50	54.50	54.75	0.5%	54.75	0.0%
Other Funds FTE	3.50	3.50	3.50	3.25	-7.1%	3.25	0.0%
	57.00	58.00	58.00	58.00	0.0%	58.00	0.0%

REVENUE

By Type:

Sewer Use Charge	14,038,949	15,144,325	15,021,060	16,632,614	9.8%	18,462,201	11.0%
Fees	192,139	181,501	362,836	254,500	40.2%	262,120	3.0%
Rents & Leases	341,007	347,827	284,118	358,262	3.0%	-	-100.0%
Contract Services	316,962	405,684	314,525	395,477	-2.5%	414,027	4.7%
Taxes	-	-	-	-	0.0%	-	0.0%
Interest Earnings	15,095	9,000	14,774	14,000	55.6%	14,000	0.0%
Misc. Revenue	93,316	21,000	60,976	51,030	143.0%	52,561	3.0%
Transfers In/(Out)	(3,000,000)	(3,000,000)	(3,000,000)	(3,056,135)	1.9%	(2,000,000)	-34.6%
	11,997,468	13,109,337	13,058,289	14,649,748	11.8%	17,204,910	17.4%

Note: Increases in retirement contributions due to CalPERS rate changes. Increases in Utilities due to increasing water, sewer and electrical costs. Increase in Debt Service reflects the beginning of repayment of SRF loans. Other Funds reflects staff costs charged to Capital Improvement Fund for CIP projects.

WEST COUNTY WASTEWATER DISTRICT
WAGE SCHEDULE EFFECTIVE JULY 1, 2015

Classification	Unit	Biweekly Wage Steps				
		A	B	C	D	E
Accountant	Admin	2,931	3,092	3,254	3,433	3,612
Accounting Technician I	Admin	2,232	2,355	2,478	2,614	2,750
Accounting Technician II	Admin	2,471	2,607	2,743	2,893	3,044
Administration Supervisor	Unrep	3,506	3,699	3,892	4,106	4,320
Administrative Analyst	Unrep	2,693	2,842	2,990	3,154	3,319
Administrative Clerk	Admin	1,782	1,880	1,978	2,087	2,196
Associate Engineer	MEU	3,988	4,208	4,427	4,670	4,914
Business Services Manager	Unrep	5,316	5,608	5,901	6,225	6,550
Collection System Crew Leader I	FOU	2,623	2,768	2,912	3,072	3,232
Collection System Crew Leader II	FOU	2,799	2,953	3,107	3,278	3,449
Collection System Crew Member I	FOU	2,336	2,465	2,593	2,736	2,878
Collection System Crew Member II	FOU	2,434	2,568	2,701	2,850	2,999
Collection System Supervisor	MEU	4,038	4,261	4,483	4,729	4,976
Director	Board					
District Inspector	FOU	3,072	3,241	3,410	3,597	3,785
Engineering Services Manager	Unrep	5,726	6,041	6,356	6,706	7,055
Engineering Technician	FOU	2,394	2,526	2,657	2,804	2,950
Environmental Compliance Inspector	FOU	2,996	3,161	3,325	3,508	3,691
Environmental Compliance Supervisor	MEU	4,038	4,261	4,483	4,729	4,976
Finance Supervisor	Unrep	3,855	4,067	4,279	4,514	4,750
General Manager	GM	8,152				8,152
Human Resources Analyst	Unrep	2,963	3,126	3,289	3,470	3,650
Human Resources Analyst (y-rated)	Unrep	0	0	0	0	3,963
Laboratory Analyst	FOU	2,996	3,161	3,325	3,508	3,691
Maintenance Technician	FOU	2,667	2,813	2,960	3,123	3,285
Maintenance Technician-in-Training	FOU	2,014	2,125	2,236	2,359	2,482
Plant Maintenance Supervisor	MEU	4,038	4,261	4,483	4,729	4,976
Plant Operations Supervisor	MEU	4,038	4,261	4,483	4,729	4,976
Plant Operator	FOU	2,621	2,766	2,910	3,070	3,230
Plant Operator-in-Training	FOU	2,014	2,125	2,236	2,359	2,482
Procurement Specialist	FOU	2,970	3,133	3,296	3,478	3,659
Secretary	Admin	2,245	2,368	2,492	2,629	2,766
Senior Engineer	MEU	4,604	4,858	5,111	5,392	5,673
Senior Engineering Technician	FOU	2,814	2,969	3,124	3,296	3,467
Senior Maintenance Technician	FOU	2,955	3,118	3,280	3,460	3,641
Senior Maintenance/Instrumentation Tech	FOU	3,007	3,173	3,338	3,522	3,705
Senior Plant Operator	FOU	2,917	3,077	3,237	3,415	3,594
Shift Supervisor	FOU	3,353	3,271	3,722	3,926	4,131
Utility Worker	FOU	2,143	2,261	2,379	2,510	2,640
Water Quality Manager	Unrep	5,640	5,950	6,260	6,604	6,949
WPCP Assistant Maintenance Supervisor	FOU	3,309	3,491	3,673	3,875	4,077

(effective 7/1/15 FOU; 7/1/14 Admin; 9/1/14 unrep; 7/1/15 MEU; 12/1/14 GM; 1/1/15 Board)



Position Control List
Amended June 17, 2015
Resolution No. 15-059

Classifications

**Authorized
Positions**

General Manager

1

Business Services:

Business Services Manager

1

Human Resources Analyst

1

2

Administration Supervisor

1

Administrative Analyst

1

Secretary

3

*Administrative Clerk**

1

6

Finance Supervisor

1

*Accountant**

1

Accounting Technician I/II

2

Procurement Specialist

1

5

Subtotal

13

Engineering Services:

Engineering Services Manager

1

Senior Engineer

1

Associate Engineer

1

District Inspector

2

Senior Engineering Technician

3

Engineering Technician

1

8

Collection System Supervisor

1

Collection System Crew Leader I/II

5

Collection System Crew Member I/II

7

13

Subtotal

22

Water Pollution Control Plant

<i>Water Quality Manager</i>	1
Operations Supervisor	1
Shift Supervisor	6
Senior Plant Operator/Plant Operator/OIT	3
<i>Senior Plant Operator/Plant Operator/OIT*</i>	<u>3</u>
	13
Environmental Compliance Supervisor	1
Environmental Compliance Inspector	1
Laboratory Technician	<u>2</u>
	4
Maintenance Supervisor	1
<i>Assistant Maintenance Supervisor*</i>	1
Sr. Maintenance/Instrumentation Technician	1
Senior Maintenance Technician	2
Maintenance Technician/Technician-in-Training	4
Utility Worker	<u>1</u>
	10
Subtotal	28
TOTAL DISTRICT	64

* Indicates positions unfunded in Adopted/Amended Budget

ABOUT THE DISTRICT

DISTRICT BASICS

The District was organized on December 19, 1921, as the San Pablo Sanitary District to provide wastewater service to approximately 15,000 residents in the communities of San Pablo and North Richmond. The original District facilities consisted of a sewer system and a 24-inch outfall that collected and discharged untreated wastewater into Castro Creek, a tributary to San Francisco Bay. The District is now a full-service sanitary district and operations include sewage collection, treatment and disposal. In 1978, the District changed its name to West Contra Costa County Sanitary District and in 1992 changed to West County Wastewater District.

For 93 years the District has protected and served the public health of the community through the construction and maintenance of a sewer system. Over that time, the District has had to make many changes to accommodate a growing service area and ever-changing regulations. Today, the District owns, operates, and maintains a wastewater collection system with 249 miles of gravity sewer pipelines, 17 lift stations and 6.0 miles of pressure force mains, and a Water Pollution Control Plant (WPCP) with a capacity of 12.5 million gallon per day (mgd), average dry weather flow (ADWF).

The U.S. Environmental Protection Agency, the California Regional Water Quality Control Board, the California Health Services Department, as well as other regulatory agencies provide the permits and standards that the District must meet in order to collect, treat, recycle, reuse and dispose of wastewater. The WPCP has received awards from the National Association of Clean Water Agencies for regulatory compliance excellence.

The District is an independent Special District and is not financially responsible for any other governmental entity nor is it a component unit of another governmental entity. The District is governed by a five-member Board of Directors elected at large for four-year over-lapping terms. The President is elected by members of the Board, customarily for a one-year term of office. Historically, the tenure of directors has generally been long, thereby enabling the District to maintain continuity and stability in policies and service. The District's affairs are administered by a General Manager who serves at the pleasure of the Board of Directors. Mr. E.J. Shalaby, General Manager, has been employed by the District for eleven years, serving in his present capacity since December 1, 2003.

West County Wastewater District Board of Directors



**Michael T. Caine
President**



**Alfred M. Granzella
Secretary**



**Audrey L. Comeaux
Director**



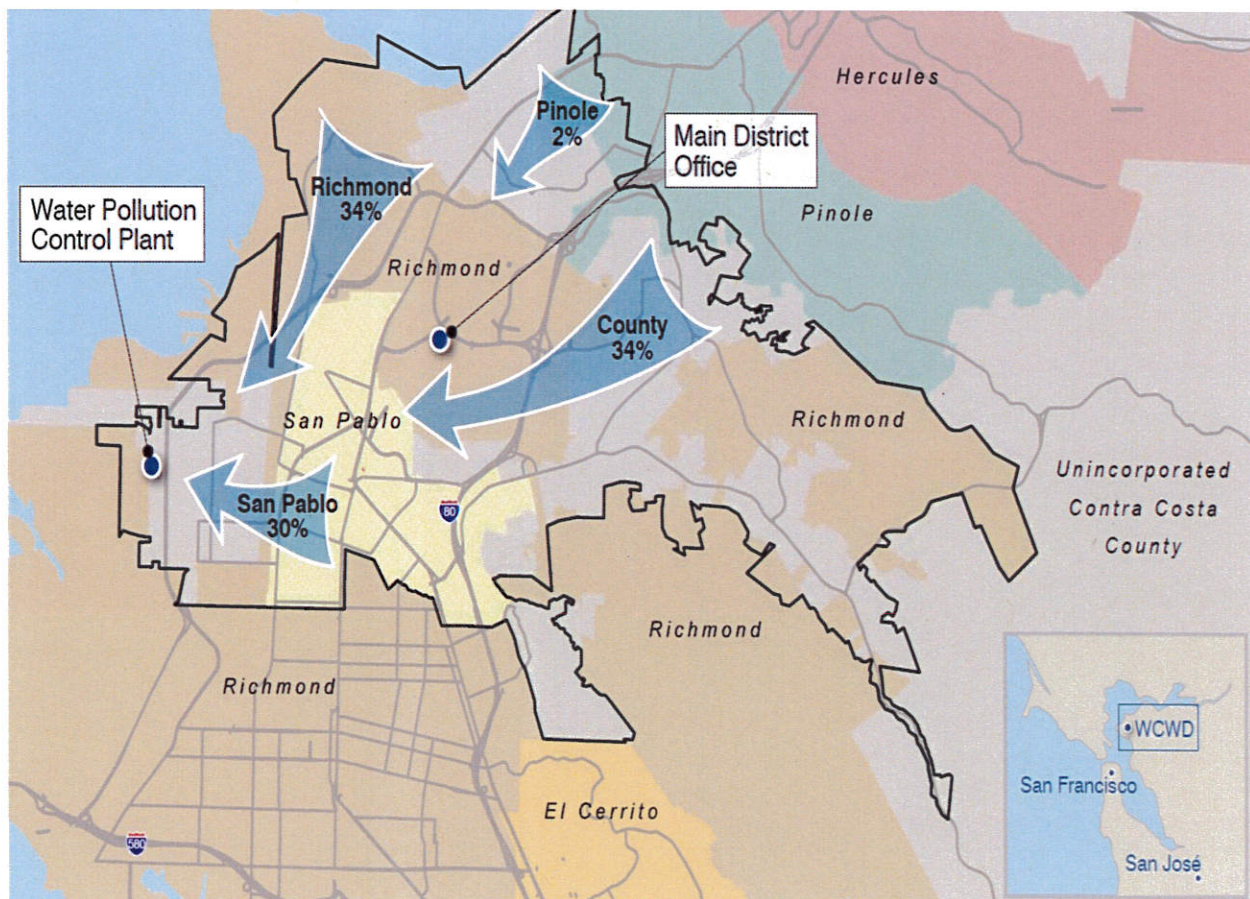
**Leonard R. McNeil
Director**

**Burl Toler, Jr.
Director**

We protect public health and San Francisco Bay by providing our communities with wastewater collection and treatment for reuse or disposal in an environmentally responsible, efficient and reliable manner.

DISTRICT DEMOGRAPHICS

The District is located in the western section of Contra Costa County, approximately 28 miles northeast of San Francisco and 12 miles north of Oakland. The District's service area encompasses 16.9 square miles within Contra Costa County. Roughly 6.8 square miles lie within the boundaries of the City of Richmond, 2.5 square miles lie within the City of San Pablo, 0.4 square miles within the City of Pinole and the remaining 7.2 square miles are in the unincorporated areas of Contra Costa County. The District's service area is fairly hilly, typical of the California coastal region.



The District is primarily built out and anticipates only 1% growth annually, primarily due to infill and density increases as parcels are converted to multi-family units. Of the District's approximately 35,000 connections, 96% are from residential dwellings and only 4% are commercial. The District has only three industrial units. This places the greatest burden of the cost of operating the District onto the residents in the District.

As with many governmental agencies within Contra Costa County, the District saw a significant number of unemployment, foreclosures and population exodus during the economic downturn and is just recently starting to see residential and commercial development return to the area.

District Population, Income & Unemployment

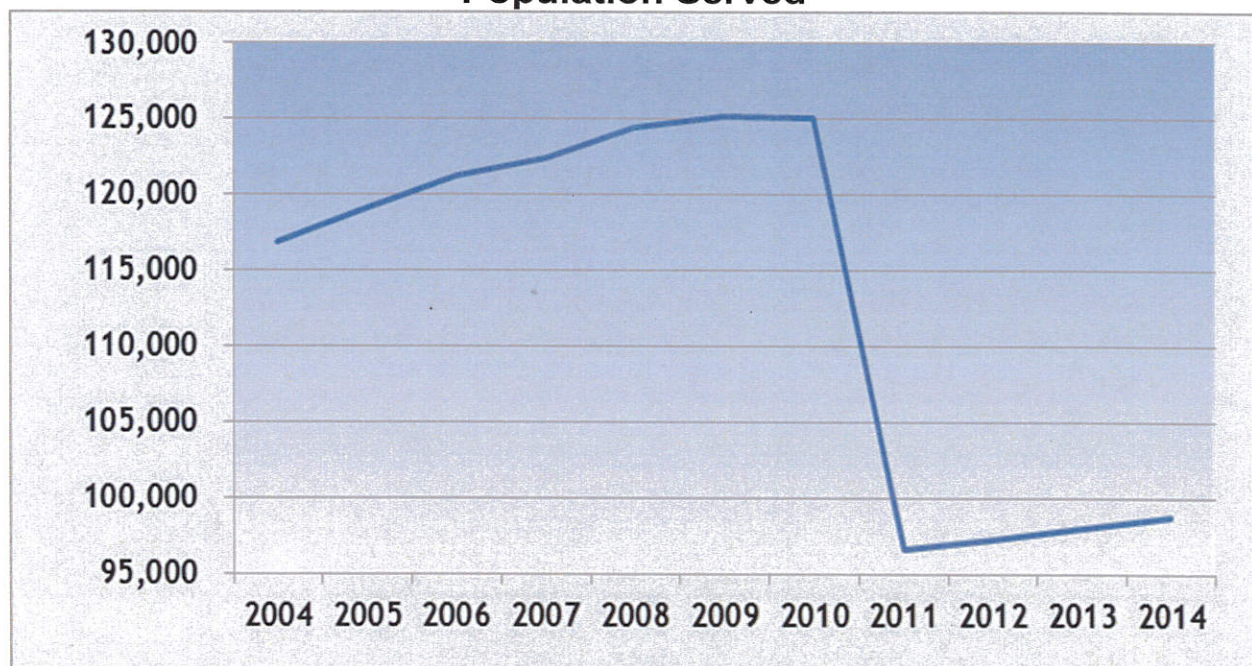
Fiscal Year	District Population	Total Personal Income (A)	Per Capita Personal Income (B)	Unemployment Rate (B)	Contra Costa County Population	District Population as % of County
2005	119,092	6,141,098,072	51,566	5.1%	1,016,372	11.7%
2006	121,228	6,696,755,948	55,241	4.4%	1,025,436	11.8%
2007	122,405	7,084,923,805	57,881	4.7%	1,035,097	11.8%
2008	124,398	7,199,409,852	57,874	6.1%	1,048,185	11.9%
2009	125,236	7,101,276,754	56,703	10.5%	1,061,325	11.8%
2010	125,096	6,938,449,640	55,465	11.2%	1,073,055	11.7%
2011	96,597	5,492,228,784	56,857	11.0%	1,056,064	9.1%
2012	97,296	5,740,526,109	59,001	9.4%	1,065,117	9.1%
2013	97,998	6,077,955,966	62,022	7.3%	1,074,702	9.1%
2014	98,724	6,059,722,098	61,835	6.4%	1,086,553	9.1%

Source: *Population*: State of California, Department of Finance, Demographic Research Unit, including adjustments, as of January 2014, based upon the approximate percentage of total population served in each of the following areas: through Fiscal Year 2010 - San Pablo 100%, Pinole 18%, Richmond 28% and unincorporated Contra Costa County 35%; effective Fiscal Year 2011 - San Pablo 100%, Pinole 8%, Richmond 31% and unincorporated Contra Costa County 21%.

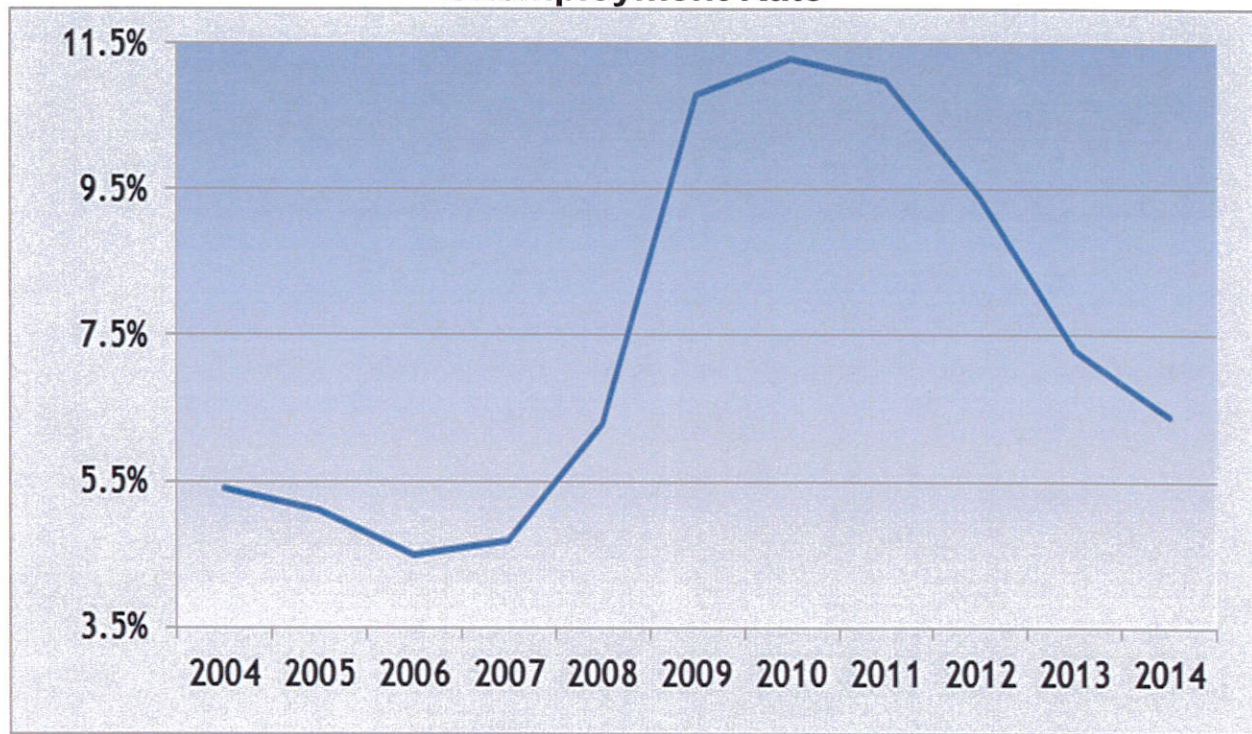
Total Personal Income: State of California, Department of Finance, Demographic Research Unit, including adjustments, as of January 2014

Unemployment Rate: State of California, Employment Development Department, as of June 2014

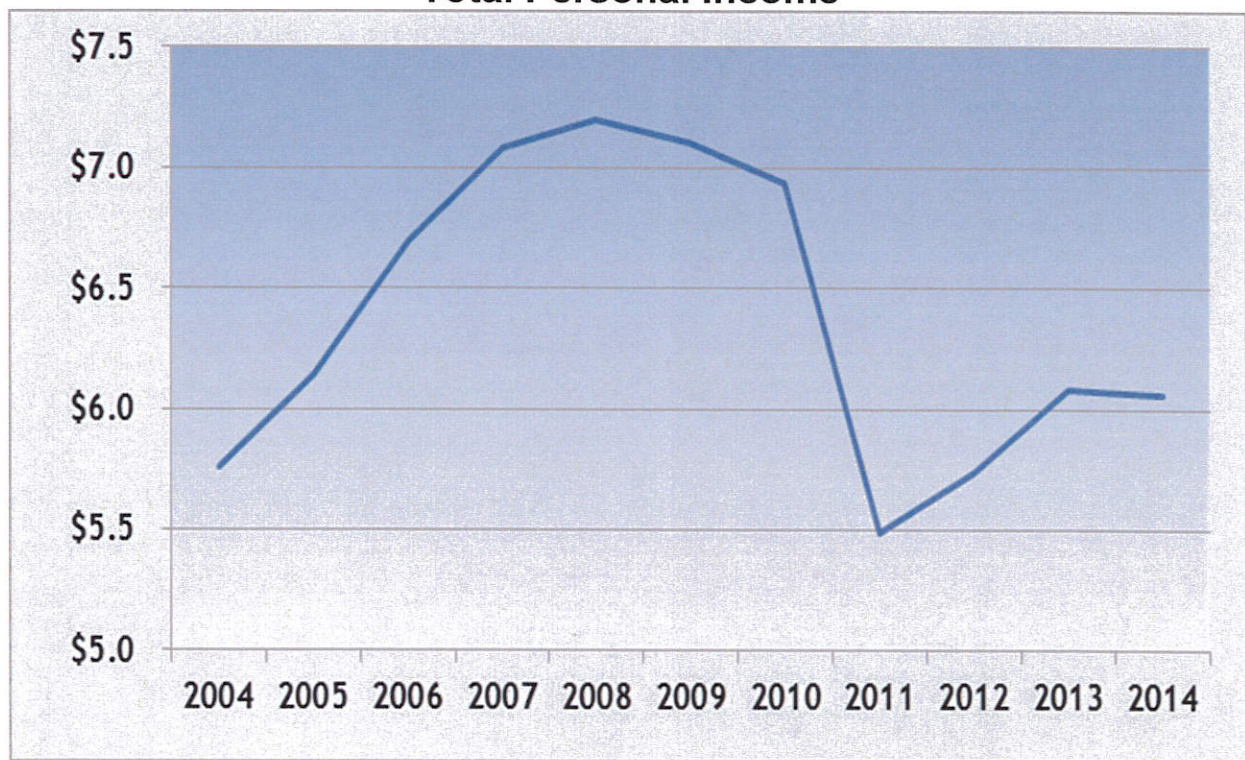
Notes: (A) Data calculated by multiplying District population by Per Capita Personal Income
(B) Data presented for Contra Costs County - data not available at the District level.

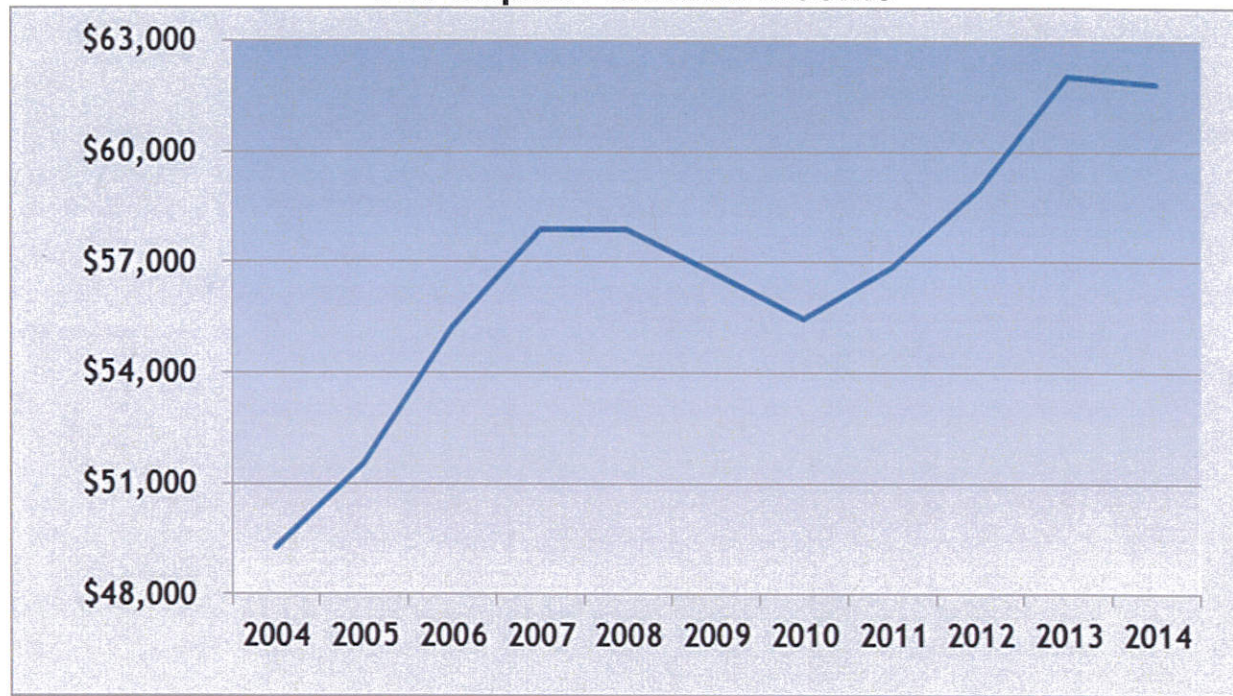
Population Served

Unemployment Rate



Total Personal Income



Per Capita Personal Income**Top Ten Principal Employers: FY 2005 – 2013****FYE 6/30/14****FYE 6/30/05**

Employer	Number of Employees	Rank	% of Total District Employment	Number of Employees	Rank	% of Total District Employment
Chevron Refinery	2,191	1	1.8%	2,461	1	
West Contra Costa USD	1,900	2	1.6%			
Social Security Admin.	1,259	3	1.0%			
U. S. Postal Service	1,047	4	0.8%			
Doctors Medical Center	994	5	0.8%	831	2	
Contra Costa County	844	6	0.7%			
City of Richmond	776	7	0.6%	768	3	
Contra Costa College	768	8	0.6%	270	8	
Permanente Medical Grp	694	9	0.6%	732	4	
Casino San Pablo	489	10	0.4%	473	5	
Macy's Hilltop				261	9	
CA Autism Foundation				250	10	
Berlex, Inc.				413	6	
Costco				325	7	
All Others	10,962		8.9%	6,784		
	123,252		91.1%	Unavailable		

Source: Comprehensive Annual Financial Reports for Fiscal Year Ending June 30, 2014 for City of Richmond, City of San Pablo and City of Pinole. Information is not available for the fiscal year ending June 30, 2014.

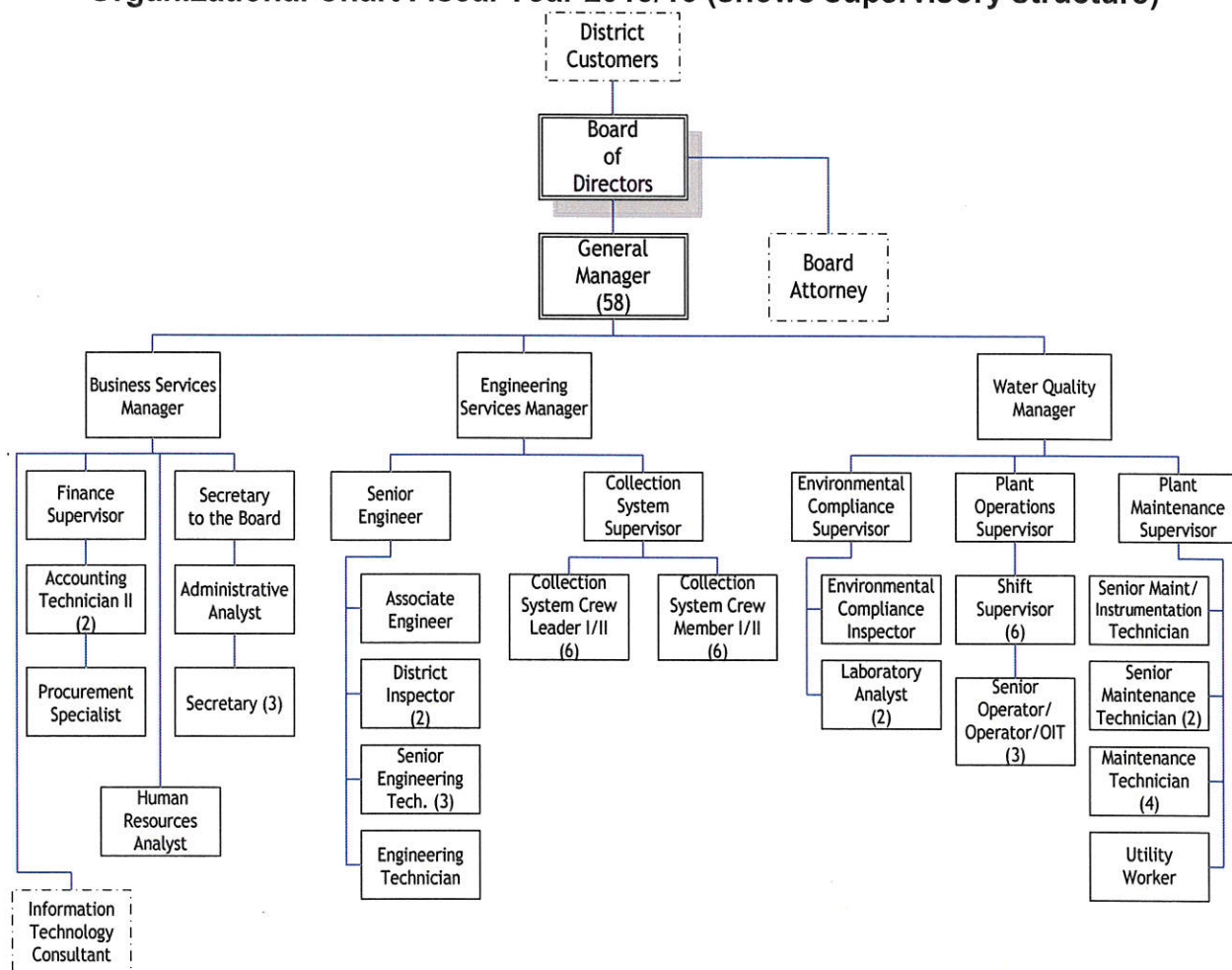
Note: Does not include data for the portion of unincorporated Contra Costa County that is included in the District. Total work force figures not available for FYE 6/30/05. The District implemented GASB Statement 34 for the fiscal year ending June 30, 2005.

DISTRICT PERSONNEL

The majority of District's 58.0 Full Time Equivalent (FTE) budgeted positions are represented by bargaining units. The department managers and confidential employees are unrepresented. The General Manager is the only at-will employee.

Divisions	Budgeted 2015	Budgeted 2016	Budgeted 2017
Administration	6.60	5.60	5.60
Finance	4.40	4.40	4.40
Engineering Services	8.41	9.16	9.16
Collection System Operations	13.59	13.84	13.84
Environmental Compliance	4.48	4.48	4.48
WPCP Operations	10.80	10.80	10.80
WPCP Maintenance	<u>9.72</u>	<u>9.72</u>	<u>9.72</u>
	58.0	58.0	58.0

Organizational Chart Fiscal Year 2015/16 (shows supervisory structure)



Regular employees who work more than 1,000 hours per fiscal year and employed prior to January 1, 2013, are enrolled in the CalPERS 3.0% @ 60 retirement program.

Regular employees hired on or after January 1, 2013, are enrolled in the CalPERS 2.0 @ 62 retirement program. The District pays both the employer and a portion of the employee contributions, except as noted below. The total contribution rate paid by the District for the majority of employees for FY 15/16 is 22% of reportable wages and 23% for FY 16/17.

In compliance with GASB requirements, the District contributes to an OPEB trust fund for future retiree health premiums. The current contribution rate is approximately 13% of payroll. The District is committed to paying the Annual Required Contribution (ARC) as defined in the actuarial valuation.

Below is a listing of the employee units with highlights from their contracts/manual.

Administrative Clerical Unit

- Contract period February 5, 2013 – December 31, 2015
- Salary adjustments of approximately 3% July 1, 2013, and 3% July 1, 2014
- 3.0% at 60 with CalPERS, employer pays 2% of the employee contribution, employees pay 6%; 2nd Tier benefits 2% at 62
- Monthly health insurance premiums paid up to \$1,500; 90% of full family dental coverage; 100% paid vision for full family
- Life insurance policy of \$65,000
- Ten holidays and 4.5 personal leave days
- Qualified retirees receive health premium contributions at the same level as current employees based on a vesting schedule
- Annual allowance up to \$1,500 to reimburse for computer glasses, tuition reimbursement or personal technology

Field Operations Unit

- Contract period May 6, 2015 – December 31, 2018
- Salary adjustments 4% July 1, 2015, 5% July 1, 2016, 5% July 1, 2017, and 2% July 1, 2018
- 3.0% at 60 with CalPERS, employer pays 3% employee contribution, employees pay 5%. Employee contributions increase 1% each year until the full employee contribution of 8% is achieved. 2nd Tier benefits 2% at 62
- Monthly health insurance premiums paid up to the Kaiser Bay Area rate for the employee's plan level; 90% of full family dental coverage; 100% paid vision for full family
- Life insurance policy of \$65,000
- Ten holidays and 3.5 additional vacation days
- Qualified retirees receive health premium contributions at the same level as current employees based on a vesting schedule
- Annual allowance up to \$500 to reimburse for safety shoes and computer/safety glasses

Managerial Employees Unit

- Contract period February 17, 2015 – June 30, 2018

- Salary adjustments 4% July 1, 2015, 5% July 1, 2016, 5% July 1, 2017, and 2% July 1, 2018
- 3.0% at 60 with CalPERS, employer pays 3% employee contribution, employees pay 5%; 2nd Tier benefits 2% at 62
- Monthly health insurance premiums paid up to the Kaiser Bay Area rate for the employee's plan level; 90% of full family dental coverage; 100% paid vision for full family
- Life insurance policy of \$85,000
- Ten holidays and 4.5 personal leave days
- Qualified retirees receive health premium contributions at the same level as current employees based on a vesting schedule
- Annual allowance up to \$500 to reimburse for safety shoes and computer/safety glasses; annual tuition reimbursement up to \$1,000

Unrepresented Employees

- Changes to terms and conditions at Board's discretion
- No guaranteed salary adjustments in FY 2015/16 or 2016/17
- 3.0% at 60 with CalPERS, employer does not pay any of the employee contribution, employees pay 8%
- Monthly health insurance premiums paid up to 90% of the Kaiser Bay Area rate for the employee's plan level; 90% dental paid for full family; vision paid for full family
- Life insurance policy of \$85,000
- Ten holidays and 4 additional vacation days
- Qualified retirees receive health premium contributions at the same level as current employees based on a vesting schedule
- Annual allowance up to \$2,000 to reimburse for computer glasses, tuition reimbursement, personal technology or organization memberships

FIVE-YEAR STRATEGIC PLAN

PROCESS

In 2010 the District retained the services of BHI Management Consulting (BHI) to facilitate and coordinate the development of the District's five-year Strategic Plan. BHI first gathered input from the District employees in a number of meetings so as to allow direct and "ground level" input to the Board during their deliberations on the Strategic Plan. An information-gathering meeting was also held with neighboring agencies to collect their perspective and input. To prepare for the workshops the Consultant interviewed the District Board members individually on matters they thought were most relevant to future strategy for the District.

The Board supported this process as a way to allow all to participate in the foundation of the Strategic Plan. Two Board workshops were conducted. At these workshops the Board reviewed all input, revisited and refined the existing Mission Statement of the District, developed Core Values and created a new Vision Statement for the District. The Board also identified the five strategic elements around and within which to organize implementation actions that will support the Mission and assure success of the Vision.

A steering committee, consisting of Senior Management and staff, worked with BHI to develop the Strategic Goals that support each Strategic Element. Using this process, along with both external and internal input, the Strategic Plan was assembled in a way that best articulates the Board's Vision and Strategy for the District over the next five years.

MISSION STATEMENT

The District's Mission Statement is a declaration of the District's purpose that describes why the District exists. All activities of the District should be in support of the Mission Statement, which is reviewed annually but is intended to be constant over the long term.

"We protect public health and San Francisco Bay by providing our communities with wastewater collection and treatment for reuse or disposal in an environmentally responsible, efficient and reliable manner."

CORE VALUES

The District's Core Values serve as a guidepost to the things that the District values when faced with options and alternatives. These are used every time decisions are made as a District. The Core Values are reviewed annually but are intended to be relatively constant over the long term. In 2014, the Board re-affirmed the following Core Values, which provided the framework for the 2015/16 & 2016/17 Biennial Operating Budget.

- Is it **cost efficient, practical and responsible?**
- Does it support our commitment to **maintenance** of our plant and collection infrastructure?
- Does it support our responsibility to be **innovative** regional leaders?
- Is it responsive to **our customers?**
- Does it support our **employees to be safe, productive and motivated?**
- Does it protect public health, the **environment and support regulatory compliance?**

VISION STATEMENT

The Vision Statement articulates where the District wants to be over the life of the Strategic Plan. It outlines at the highest level the key changes that must be achieved by the Strategic Plan. The Vision creates and drives strategy and tactics identified elsewhere in the Strategic Plan and is reviewed annually. It will typically change more frequently than the Mission Statement to reflect the direction the Board wants to take the District over the five-year time horizon of the Strategic Plan.

- A sustainable fee and rate structure that adequately meets the District's needs
- A continued commitment to fiscal responsibility
- A continued preventive maintenance focus
- Sufficient resources to support both compliance and work efficiency requirements
- A strong and stable relationship with employees
- A strong and enduring relationship with our general manager
- Supportive of regional partnerships
- Supportive of emerging technologies to foster efficient services, good customer care
- Community outreach/communications

FINANCIAL POLICIES & PROCEDURES

FINANCIAL MANAGEMENT

The West County Wastewater District biennial budget conforms to Generally Accepted Accounting Principles as applicable to local governments. While it is an enterprise agency, the accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, liabilities, fund balances, revenues and expenditures. The District prepares its budget on a fund accounting basis, which segregates funds according to their intended purpose and it is used to aid management in demonstrating compliance with financial related legal and contractual provisions. The District maintains the minimum number of funds consistent with legal and managerial requirements. The District reports the following funds in its annual budget.

- **Operating Fund:** This is the general operating fund of the District. The primary revenue source for this fund is derived from rates charged to customers for services provided and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and maintenance costs not paid through other funds are paid from this fund.
- **Special Revenue Funds:** These funds receive support from various sources, mainly in the form of grants, loans and other aid and are restricted to expenditures for particular purposes. At this time, the District has only on special revenue fund, the State Revolving Fund (SRF), to record the debt service and payments related to the Clean Water State Revolving Fund loans.
- **Capital Improvement Fund:** Indicates the amount allocated for capital expenditures for identified projects.
- **Restricted CIP Fund:** Indicates the current fiscal year resource allocation and amount allocated for capital expenditures for increased capacity-related projects.
- **Catastrophic Insurance Fund:** Demonstrates the District's ability to fund applicable insurance deductibles should a catastrophic event occur.

Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which activities are controlled. The overview of each fund provides a detailed explanation of the purpose of the fund and its planned budget for each fiscal year.

The following principles are applied in preparing the District's Biennial Operating Budget:

1. Structurally-Balanced Budget: The District maintains a structurally-balanced

budget with recurring revenues supporting recurring expenditures. Recurring expenditures primarily consist of personnel and operating costs required to operate the District and do not include one-time cost items such as new capital assets or replacement assets. Recurring revenues include charges and fees and do not include the use of fund balance. For purposes of this section, District-wide surplus for any fiscal year is defined as the increase in unreserved operating fund balance as reflected in the District's audited financial statement. District-wide deficit for any fiscal year is defined as the decrease in unreserved operating fund balance as reflected in the District's audited financial statement. Budget surplus of any department is defined as the excess of budgeted expenses over actual expenses in any fiscal year.

2. Budget Preparation and Presentation: The District prepares and presents its budget using current financial resources and the modified accrual basis of accounting.
3. Inter-fund Borrowing: The District does not borrow or use operating transfers to obtain cash from one fund type or reserve to fund activities of another fund type or reserve unless such use is deemed lawful, and unless the Board of Directors has determined that (a) the funds to be loaned will not be needed during the lending period, and (b) the funds for repayment will be available within a two-year period. Any actions taken to borrow funds under these conditions must be separately presented to and approved by the Board of Directors and the term of such borrowing shall not extend beyond the last day of the subsequent fiscal year.
4. Prompt Reimbursement Submission: Recognizing that some programs are funded by grants or other entities on a reimbursement basis, the District applies for reimbursements on a timely basis to minimize the period that District funds are used as float. In the event requests for reimbursements extend beyond the end of a fiscal year, such reimbursements are reflected as receivables in the annual financial statements to the extent allowed under accounting principles generally accepted in the United States of America (GAAP).
5. Reserve Policy: The District shall retain an Operating reserve equal to 10% of annual operating expenses. This reserve may be used for funding emergency and unanticipated necessary expenditures during a given fiscal year. Fund balances in excess of the 10% threshold may be used for capital improvements, or one-time expenditures.
6. Capital Improvement Plan: The Board annually adopts a Five-Year Capital Improvement Plan ("CIP") each fiscal year. The CIP shall address cost estimates for all necessary infrastructure improvements. Funded, partially funded and unfunded projects are clearly delineated. The CIP is detailed for the current fiscal year and for four (4) additional years.

The CIP is detailed by fund, includes recommended project prioritization

rankings, identified revenue sources, planned financing options and unfunded projects. The CIP, when feasible, includes estimates of the operational impacts produced for the operation of the capital improvements upon their completion. The CIP also includes a component reflecting all on-going approved capital projects of the District, the date funded, amount budgeted, amount spent since the start date, remaining budget, fiscal impact of known changes to financial assumptions underlying the project, estimated expenditures by fiscal year for the project and estimated completion date. Approved projects, with circumstances that arise which change the funding requirements of the project, are addressed in the CIP annually.

7. Financial Oversight and Reporting: The District provide regular financial reports on all funds comparing budgeted revenue and expenditure information to actual on a monthly and year-to-date basis each month. The Business Services Department is responsible for issuing the monthly reports to departments, the General Manager and Board of Directors and provides any information regarding any potentially adverse trends or conditions.

As soon after the closing of the fiscal year as is practicable, the annual audit reports of the District are prepared and presented to the Administration & Finance Committee each year, per the WCWD Audit Policy. Financial reports, offering statements and other financial-related documents issued to the public, provide full and complete disclosure of all material financial matters. The final report is presented to the Board of Directors at a regularly scheduled meeting and is posted on the District's web site.

8. Basic Financial Practices: The District strives to maintain formal policies and/or procedures that reflect "best practices" in:

- a. Budget development and adjustments: Establish proper budgetary preparation procedures and guidelines, calendar of events, planning models by fund, budget adjustment procedures, establishment of rates and fees, indirect costs and interest income. The biennial budget should be scheduled to allow sufficient review by the Board of Directors while allowing for sufficient citizen input.

The budget document reflecting all final actions as adopted by the Board of Directors, on or before June 30th of each year, is made available within 30 days of such adoption in both hard copy at the District office and on the District's web site.

- b. Cash management and investments: Comply with all related government codes.
- c. Debt management: Address affordability, capacity, debt issuance and management.

- d. Equipment and Vehicle Replacement: Established guidelines for determining the useful life and replacement of capitalized equipment and vehicles and provides a basis for establishing a budget and funding methodology.
- e. Procurement: Establish District-wide policies and procedures and provide appropriate checks and balances to ensure that departments adhere to the District's purchasing policies.

The West County Wastewater District received the California Society of Municipal Finance Officers (CSMFO) Operating Budget Excellence Award for its Biennial Budget for Fiscal Years 2013/14 & 2014/15. The CSMFO Budget Awards Program is designed to recognize those agencies that have prepared a budget document that meets specific standards. The budget for Fiscal Years 2013/14 & 2014/15 was the second time in a row that the West County Wastewater District received an award for its budget presentation. A copy of the award certificate is included at the end of this section.

In addition to the budget award, the West County Wastewater District received the California Society of Municipal Finance Officers (CSMFO) Outstanding Financial Reporting Award for its Comprehensive Annual Financial Report for Fiscal Year 2013/14. The CSMFO Financial Reporting Awards Program is designed to recognize those agencies that have prepared an annual financial report that meets specific standards. A copy of the award certificate is included at the end of this section.

INVESTMENT MANAGEMENT

The District operates within an established formal investment policy, which applies to all investments of public funds. The overall goal is to safeguard the available operating and capital funds and achieve a maximum return on investment. Investment portfolios are managed to meet anticipated cash flow requirements. Investments consist of assets held with the Local Agency Investment Fund through the State of California Office of the Treasurer. The District prepares quarterly reports that show a complete list of all investments. The investment policy is reviewed annually for modifications and presented to the Board of Directors for approval.

FEES FOR SERVICES

Fees and rates are reviewed and updated annually to ensure that they are correct and appropriate. The use of fees and rates are subject to the following general concepts:

1. Revenue will not exceed the reasonable cost of providing the service.
2. Cost recovery goals will be based on the total cost of delivering services, including direct costs, departmental administration costs and agency wide costs such as accounting, human resources, information and telecommunication technology, vehicle costs and insurance.

3. The method of assessing and collecting fees will be as simple as possible in order to reduce the associated administrative costs.
4. Rate structures will be sensitive to the "market" for similar services as well as to frequency of use for the service and the influence rates and fees have on economic development.

PROPOSITION 4 (GANN LIMIT) ANALYSIS

Each fiscal year, the Board of Directors adopts a resolution to approve an annual appropriation limit as required by Article XIII B of the California Constitution, commonly referred to as the Gann Limit. This limitation does not apply to items such as appropriations from fees (unless such fees are in excess of the cost of providing the service) and from grants provided by other agencies. The District's initial appropriations limit was established and that amount is increased each year by the change in per capita income multiplied by the population for the County as a whole.

The change in per capita personal income between 2014 and 2015 was 3.82% (Source: California Department of Finance). The change in population in Contra Costa County between 2014 and 2015 was 1.28% (Source: California Department of Finance).

The estimated tax proceeds for Fiscal Year 2014 to be appropriated by the District are under the Limit. The adjusted Appropriation Limit for FY 2015/16 is \$1,688,554. This is the maximum amount of tax proceeds the District is able to appropriate and spend in FY 2015/16. The appropriations subject to the Limit are \$943,865, which is the total anticipated tax revenue for FY 2015/16. This leaves the District with an appropriation capacity under the Limit of \$744,689.

Fiscal Year 2015/16 Appropriations Limit

Fiscal Year	Price Factor PCPI*	Population Change**	Calculation Factor	Appropriations Limit
1997	1.04670	1.00250	1.04932	\$811,589
1998	1.04670	1.00240	1.04921	\$851,529
1999	1.04150	1.01020	1.05212	\$895,914
2000	1.04530	1.00534	1.05088	\$941,498
2001	1.04910	1.00610	1.05550	\$993,751
2002	1.07820	1.01710	1.09664	\$1,089,784
2003	0.98730	1.01760	1.00468	\$1,094,880
2004	1.02310	1.01430	1.03773	\$1,136,190
2005	1.03280	1.01120	1.04437	\$1,186,600
2006	1.05260	1.01180	1.06502	\$1,263,754
2007	1.03960	1.01000	1.05000	\$1,326,942
2008	1.04420	1.01130	1.05600	\$1,401,251
2009	1.04290	1.01360	1.05710	\$1,481,261
2010	1.00620	1.01160	1.01790	\$1,507,776
2011	0.97460	1.01110	0.98540	\$1,485,762
2012	1.02510	1.00770	1.03300	\$1,534,792
2013	1.03770	1.00830	1.04630	\$1,605,853
2014	1.05120	1.00770	1.05930	\$1,625,805
2015	0.99770	1.00980	1.00750	\$1,617,897
2016	1.03820	1.01280	1.05150	\$1,688,554

* Price (Per Capita Personal Income) data supplied by State Department of Finance.

** Population change on all Contra Costa County due to the District's location within multiple cities and unincorporated County area. Data supplied by State Department of Finance.

RESOLUTION OF THE BOARD OF DIRECTORS OF WEST COUNTY
WASTEWATER DISTRICT, COUNTY OF CONTRA COSTA, CALIFORNIA

RESOLUTION NO. 15-056

DECLARING TAX REQUIREMENTS FOR PURPOSES OF MAINTENANCE, OPERATIONS
AND CURRENT PROJECTS FOR FISCAL YEAR 2015/16 AND ESTABLISHING THE FISCAL
YEAR 2015/16 APPROPRIATIONS LIMIT IN COMPLIANCE WITH ARTICLE XIII B OF THE
CONSTITUTION OF THE STATE OF CALIFORNIA

The Board of Directors finds that:

Article XIII B of the California Constitution establishes the methodology for annually adjusting the appropriations limit and requires that the District establish, by resolution, the appropriations limit for each fiscal year. The methodology provides that the prior year's appropriations limit may be adjusted using an annual factor that includes the change in population plus the change in the cost of living.

For the purpose of calculating the adjustment, the District calculates the "change in population" based on the change in population within Contra Costa County and the "change in the cost of living" based on the change in California per capita personal income from the preceding year, as estimated by the California Department of Finance.

The Administration & Finance Committee reviewed the applicable appropriations limit adjustment factors and recommended that the Board establish the District's annual appropriations limit for Fiscal Year 2015/16 (Exhibit 1).

The Board of Directors of the West County Wastewater District, Contra Costa County, California finds and determines that the District's appropriations subject to limitations and its appropriations limit for Fiscal Year 2015/16 calculated pursuant to Article XIII B of the California Constitution is established at \$1,688,554.

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I HEREBY CERTIFY that this resolution was duly and regularly adopted by the Board of Directors of the West County Wastewater District, Contra Costa County, California, at a regular meeting held on the 17th day of June, 2015, by the following vote:

AYES: Granzella, McNeil, Comeaux, Toler

NOES: None

ABSENT: None


Secretary of the Board of Directors
West County Wastewater District
Contra Costa County, California

**West County Wastewater District
Fiscal Year 2015/16 Appropriations Limit**

FY 2014/15 Appropriations Limit	\$1,617,897
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Calculation of Appropriation Factor

Per Capita Personal Income	3.82	
Per Capita Cost of Living converted to ratio	$(3.82+100)/100=$	1.0382
Change in County Population	1.28	
Population Change converted to ratio	$(1.28+100)/100=$	1.0128
Calculation of Appropriation Factor	$1.0382 \times 1.0128=$	1.0515
Change in Appropriations Limit		\$70,657
FY 2015/16 Appropriations Limit		\$1,688,554

Appropriations Subject to Limit

FY 2015/16 Revenues (all sources)	\$18,649,748
Less: Revenue from Non-Tax Sources	<u>(\$17,705,883)</u>
Total Appropriations subject to Limit	\$943,865
Remaining Appropriation Capacity	\$744,689

California Society of Municipal Finance Officers

Certificate of Award

Operating Budget Excellence Award Fiscal Year 2014

Presented to the

West County Wastewater District

For meeting the criteria established to achieve the Operating Budget Excellence Award.

February 11, 2014



Pauline Marx

Pauline Marx
CSMFO President

Ken Brown

Ken Brown, Chair
Professional Standards and
Recognition Committee

Dedicated Excellence in Municipal Financial Reporting

California Society of Municipal Finance Officers

Certificate of Award

*Outstanding Financial Reporting
Fiscal Year Ending June 30, 2014*

Presented to the

West County Wastewater District

For meeting the criteria established to achieve the Outstanding Financial Reporting Award.

February 8, 2015



Pamela Arends-King

*Pamela Arends-King
CSMFO President*

Michael Gomez

*Michael Gomez, Chair
Professional Standards and
Recognition Committee*

Dedicated Excellence in Municipal Financial Reporting



AUDIT POLICY

Adopted: 3/18/15

I. PURPOSE

The scope of auditing includes the examination and evaluation of the adequacy and effectiveness of the District's system of internal control and the quality of performance in carrying out assigned financial responsibilities. This policy provides guidance on the selection of an independent accounting firm that will provide opinions and reports on the District's financial statements, internal controls and compliance with federal and State laws and regulation.

The purpose of an independent financial audit is to evaluate the District's system of internal controls and to attest that no material misrepresentation exists in the annual financial report.

II. POLICY

The Board of Directors directs the General Manager to ensure that there is an annual independent fiscal audit of all District funds by a certified public accountant in conformance with the prescribed standards and legal requirements.

An annual audit will be performed by an independent public accounting firm with an audit opinion to be included with the District's published Comprehensive Annual Financial Report (CAFR), which will be presented to the Board of Directors no later than December 31 of each year.

The independent accounting firm will be selected through a request for proposal (RFP) process. The selection committee will be comprised of the General Manager, or his/her designee, the Business Services Manager and one member of the Administration & Finance Committee. The selection committee will review the qualifications of prospective firms and present their recommendations to the Board of Directors.

The audit service contract will be for an initial period of three years with two additional one-year options at the Board of Director's discretion. The audit contract, and any extensions, may be terminated by the District if the independent accounting firm fails to perform the scope of services to the District's satisfaction.

The District will use generally accepted accounting principles in preparing its annual financial statements, will work to achieve an unmodified auditors' opinion and will strive to meet the requirements of the California Society of Municipal Finance Officer's Award

West County Wastewater District
Audit Policy

for Excellence in Financial Reporting. A copy of the CAFR will be submitted to the County Auditor's office as required.

RESOLUTION OF THE BOARD OF DIRECTORS OF WEST COUNTY
WASTEWATER DISTRICT, COUNTY OF CONTRA COSTA, CALIFORNIA

RESOLUTION NO. 6-3-97H

ESTABLISHING A RESERVE POLICY

WHEREAS, the District is required to establish and maintain certain reserves to comply with legal obligations; and

WHEREAS, the Board of Director's adopted Resolution No. 4-15-97A authorizing capital improvement and replacement reserves for fiscal year ending June 30, 1996; and

WHEREAS, the Board of Director's desires to establish a reserve policy that will provide for financial security required of a fiscally responsible local government; and

WHEREAS, the Board of Director's desires to establish a rate stabilization reserve at a level deemed to be a minimum of 10% of the District's annual cash basis operating budget; and

WHEREAS, the rate stabilization reserve shall be funded by the District's Operating Expense Fund and be used to stabilize rates during periods of varying water consumption and to provide a method of allocating budget surpluses and deficits over a longer period of time rather than on a year-by-year basis; and

WHEREAS, the Board of Director's desires to establish a capital improvement and replacement reserve at a level deemed to be the amount established in the District's Five Year Capital Improvement Program; and

WHEREAS, the capital improvement and replacement reserve shall be funded by the District's Capital Funds and will be utilized as a source to fund future capital improvement and replacement projects.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the West County Wastewater District, Contra Costa County, California, establishes a reserve policy including a rate stabilization reserve and a capital improvement and replacement reserve at levels consistent with the foregoing recitals that will provide for financial security required of a fiscally responsible local government.

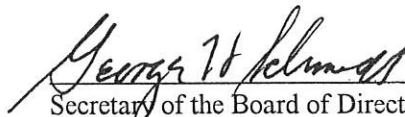
* * *

I HEREBY CERTIFY that the foregoing resolution was duly and regularly adopted by the Board of Directors of the West County Wastewater District, Contra Costa County, California, at a regular meeting thereof held on the 3rd day of June, 1997, by the following vote:

AYES: Schmidt, Stewart, Battaglia, Oliver, Granzella

NOES: None

ABSENT: None


Secretary of the Board of Directors
West County Wastewater District
Contra Costa County, California

RESOLUTION OF THE BOARD OF DIRECTORS OF WEST COUNTY
WASTEWATER DISTRICT, COUNTY OF CONTRA COSTA, CALIFORNIA

RESOLUTION NO. 6-16-98A

ESTABLISHING AN OPERATING RESERVE

WHEREAS, the Board of Directors desires to establish an Operating Reserve to provide a source of revenue for significant Operation and Maintenance items of an unforeseen nature which are not anticipated and which were not included in the annual budget.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the West County Wastewater District, Contra Costa County, California, hereby establishes an Operating Reserve in the amount of \$800,000 to be funded by the District Expense Fund 3416 that will provide for financial security required of a fiscally responsible local government.

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I HEREBY CERTIFY that the foregoing resolution was duly and regularly adopted by the Board of Directors of the West County Wastewater District, Contra Costa County, California, at a regular meeting thereof held on the 16th day of June, 1998, by the following vote:

AYES: Granzella, Schmidt, Battaglia, Oliver

NOES: None

ABSENT: Soltow



Secretary of the Board of Directors
West County Wastewater District
Contra Costa County, California



EQUIPMENT & VEHICLE REPLACEMENT POLICY

Adopted: 6/3/15

I. PURPOSE

The purpose of this policy is to establish guidelines for determining the useful life and replacement of capitalized equipment and vehicles and provide a basis for establishing a budget and funding methodology.

II. POLICY

Replacement of vehicles and equipment must be authorized by the General Manager or the Board of Directors in compliance with the District's Purchasing Policy. Vehicles and equipment that are no longer economically serviceable and have reached the end of their useful life will be recommended for replacement.

Staff will recommend replacement of a vehicle or equipment that encounters premature failure after all warranty coverage options have been exhausted. Vehicles and equipment that are replaced will be disposed of as surplus in accordance with the WCWD Purchasing Policy.

Budget restrictions and limitations may not allow for replacement of a vehicle or piece of equipment on a pre-determined life cycle. Replacements will be prioritized based on operational necessity, safety, availability of funding and other factors determined by the Board or General Manager.

A. Estimated Useful Life

The following durations will be assumed to estimate the useful life of depreciable equipment and vehicles for budgetary purposes.

<u>Type of Fixed Asset</u>	<u>Life in Years</u>	<u>Life in Miles</u>
Buildings – General Structures	20	N/A
Buildings – Lift Stations, Pump Stations, Out Buildings	20	N/A
Buildings – Modular	10	N/A
Buildings – Office Buildings	30	N/A
Equipment – Computers & Printers	3	N/A
Equipment – Office Equipment (copiers, servers, etc.)	5	N/A
Equipment – Light Duty	5	N/A
Equipment – Medium Duty	10	N/A
Equipment – Heavy Duty	15	N/A
Furniture – Office	5	N/A

West County Wastewater District

Equipment & Vehicle Replacement Policy

Page 2

Furniture – Office Fixtures	10	N/A
Improvements – General	15	N/A
Infrastructure – Manholes	50	N/A
Infrastructure – Outfall	70	N/A
Infrastructure – Sewer Lines	50	N/A
Infrastructure – Treatment Plant	40	N/A
Land	Indefinite	
Software	10	N/A
Vehicle – Autos & Vans	7	60,000
Vehicle – Trailer	15	N/A
Vehicle – Truck, Light Duty (Inspector, TV, Ops, etc.)	7	75,000
Vehicle – Truck, Heavy Duty (Hydro, Vactor, Dump, etc.)	15	100,000

B. Factors For Considering Replacement

The following factors will be considered when determining whether or not to replace vehicles or equipment in addition to the estimated useful life.

1. Vehicle or equipment age, condition, safety, accumulated depreciation, utilization and parts availability.
2. Vehicle or equipment repair cost exceeds the salvage value of the vehicle or equipment.
3. Vehicle or equipment annual maintenance costs exceed the annual depreciation value of the vehicle or equipment.

C. Replacement Fund

The District will establish and maintain an Equipment Replacement Fund (ERF) to assist in the budgeting and financing of the replacement of District fixed asset equipment and vehicles. This fund will not be used to fund replacement of buildings and infrastructure. Deposits into the ERF will be made each fiscal year based on the annual depreciation value calculated for the equipment or vehicle as allowed and authorized by the Operating Budget adopted by the Board of Directors. Once the equipment or vehicle has reached its useful life, contributions into the ERF will stop. If the equipment or vehicle is not replaced in the identified replacement year, deposits in the ERF will for that equipment or vehicle will be held until such time as the replacement is purchased.

If the cost of the replacement equipment or vehicle exceeds the amount deposited into the ERF, the additional cost of the replacement will be charged to the requesting department's operating budget or to the Capital Improvement Program budget, as appropriate. If the cost of the replacement equipment or vehicle is less than the amount deposited into the ERF, the deposit overage will be credited to the requesting department's operating budget or to the Capital Improvement Program budget, as appropriate.



WEST COUNTY WASTEWATER DISTRICT INVESTMENTS POLICY

Adopted: April 6, 2010
Amended: April 19, 2011

I. PURPOSE

The purpose of this policy is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related activities.

II. POLICY

It is the policy of the West County Wastewater District (District) that the District's investment practices are based on state law and prudent money management. All funds governed by this policy will be invested in accordance with the California Government Code and the District's Investment Policy. This policy applies to all financial assets of the District under its direct control and authority, unless explicitly excluded. Excluded funds may have different criteria or legal basis related to allowed investments.

A. Objectives

The primary objectives, in priority order, of the District's investment activities shall be:

Safety: Safety of principal is the foremost objective of the investment program. District's investments shall be undertaken in a manner that seeks to ensure preservation of capital in the portfolio.

Liquidity: The District's investment portfolio will remain sufficiently liquid to enable the District to meet its cash flow requirements.

Return On Investment: The District's investment portfolio shall be designed with the objective of attaining a desired market rate of return on its investments consistent with the constraints imposed by its safety objective and cash flow considerations. In a diversified portfolio, it must be recognized that occasional measured losses are inevitable and must be considered within the context of the overall portfolio's investment return, provided diversification has been implemented.

Diversification: The investment portfolio will be diversified to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions. This shall also conform with applicable sections of the Government Code.

West County Wastewater District

Investments Policy

Page 2

Prudence: All persons authorized to make investment decisions on behalf of the District are trustees and therefore fiduciaries subject to the "prudent investor" standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing public funds, a trustee shall act with care, skill, prudence and diligence under circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the District that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the District.

Authorized individuals acting in accordance with this Policy and written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion. "Timely" reporting means notification of the General Manager and the Board within five business days of any determination that a deviation exists or has occurred.

B. Delegation of Authority

Management responsibility for the investment program is hereby delegated to the General Manager. This delegation is a factor that may be reviewed as part of the annual presentation of an investment policy to the Board of Directors. The General Manager may delegate to appropriately experienced subordinate staff the responsibility for all transactions undertaken in conformance with this policy. The General Manager shall assure the establishment of a system of controls to regulate the activities of subordinate officials and their procedures. The District staff shall follow the policy and established procedures and such other written instructions as are provided.

C. Ethics and Conflict of Interest

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions. Officers and employees involved in the investment process shall abide by the District's Conflict of Interest Code, California Government Code § 1090 et seq. and the California Political Reform Act (California Government Code § 81000 et seq.) as it exists now or may be modified by the State Legislature in the future.

D. Internal Controls

The General Manager shall assure the development and implementation of such administrative procedures and internal controls which are considered prudent, given the size of the organization and the complexity of investments. The internal controls will be reviewed with the independent auditor. The controls shall be designed to prevent employee error, misrepresentations by third parties or imprudent actions by employees or officers of the District.

E. Selecting Financial Institutions and Brokers/Dealers

In selecting the financial institutions for the deposit or investment of District funds, the staff shall consider the credit worthiness of institutions which are utilized. All broker/dealers should be primary dealers regularly reporting to the Federal Reserve Bank and shall maintain an office in the State of California. Efforts shall be made to monitor the credit characteristics and financial history throughout the period in which District funds are deposited or invested. The District will solicit multiple bids and offers on investment transactions from the District's approved broker/dealers. If an investment advisor is used, they may use their own list of approved broker/dealers and financial institutions for investment purposes.

F. Investments

California Government Code § 53601 governs the investments permitted for purchase by the District. Within the investments permitted by Code, the District seeks to further restrict eligible investment to the investments listed below. Percentage limitations, where indicated, apply at the time of purchase. Rating requirements where indicated, apply at the time of purchase.

In the event a security held by the District is subject to a rating change that brings it below the minimum specified rating requirement, the Manager of Finance and Administrative Services shall notify the General Manager and the Board of the change. The course of action to be followed will then be decided on a case-by-case basis, considering such factors as the reason for the rate drop, prognosis for recovery or further rate drops, and the market price of the security.

U.S. Treasuries: Government obligations for which the full faith and credit of the United States are pledged for the payment of principal and interest.

Federal Agency securities: Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

State of California or any local agency within the State: Obligations of the State of California or any local agency within the state, including bonds payable solely out of revenues from a revenue-producing property owned, controlled or operated by the state or any local agency or by a department, board, agency or authority of the state or any local agency, provided that the obligations are rated in one of the two highest categories by one or more nationally recognized rating service.

Commercial Paper: Commercial paper rated in the highest category by one or more nationally recognized statistical rating organization (NRSRO). The entity

West County Wastewater District

Investments Policy

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that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2):

1. The entity meets the following criteria: (A) Is organized and operating in the United States as a general corporation. (B) Has total assets in excess of five hundred million dollars (\$500,000,000). (C) Has debt other than commercial paper, if any, that is rated "A" or higher by a NRSRO.
2. The entity meets the following criteria: (A) Is organized within the United States as a special purpose corporation, trust, or limited liability company. (B) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond. (C) Has commercial paper that is rated "A-1" and/or "P-1" or higher, or the equivalent, by a nationally recognized statistical-rating organization (NRSRO).

Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation. Investments in commercial paper are limited to a maximum of 25% of surplus funds.

U.S. Corporate Debt: Medium-term corporate notes issued by corporations organized and operating within the United States or by depository institutions licensed by the U.S. or any state and operating within the U.S. Medium-term corporate notes shall be rated in a rating category "AA" or its equivalent or better by a nationally recognized rating service. Purchase of medium-term corporate notes may not exceed 30 percent of the District's investment portfolio.

Negotiable Certificates of Deposit: Negotiable certificates of deposit or deposit notes issued by a nationally or state-chartered bank or a state or federal savings and loan association or by a state-licensed branch of a foreign bank, provided that the senior debt obligations of the issuing institution are rated "AA" or better by one or more nationally recognized rating service. Purchase of negotiable certificates of deposit may not exceed 30 percent of the District's investment portfolio and are limited to a maximum maturity of one year.

State of California's Local Agency Investment Fund (LAIF): The District may invest in LAIF. Investment in each LAIF account may not exceed \$ 40 million or the current approved maximum deposit allowed by LAIF.

Local Government Investment Pools (LGIP): Upon approval of the Board of Directors by adoption of a Resolution, the District may participate in other public agency investment pools, which serve to invest public agency funds in conformance with applicable California law and are rated "AAA" by one or more nationally recognized rating service. Participation in such a pool shall be consistent with the objectives stated as part of this policy.

West County Wastewater District

Investments Policy

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Insured savings account or money market account: All savings account or money market accounts must be collateralized in accordance with California Government Code § 53561. The District, at its discretion, may waive the collateralization requirements for any portion of the deposit that is covered by federal insurance.

Money Market Mutual Funds: Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. §. 80a-1, et seq.) that invest solely in U.S. treasuries, obligations of the U.S. Treasury, and repurchase agreements relating to such treasury obligations.

The District may invest in shares of beneficial interest issued by company shall have met either of the following criteria: (1) Attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized rating services. (2) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).

The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include any commission that the companies may charge. Investments in Money Market Mutual Funds are further limited to 15% of surplus funds.

G. Maximum Maturity

Selection of investment maturities in conformance with the Government Code restrictions shall be based on a review of cash flow forecasts. Maturities will be scheduled so as to permit the District to meet all projected obligations.

Unless otherwise specified in this section, no investment shall be made in any security, other than a security underlying a repurchase, reverse repurchase or investment agreement as authorized by this section that at the time of the investment has a term remaining to maturity in excess of five years.

H. Sales Prior to Maturity

Securities shall not be purchased directly by Staff for the specific purpose of trading. However, sales prior to maturity are permitted under the following circumstances: (1) to meet an unanticipated disbursement or (2) earn a higher overall rate of return by selling a security and reinvesting the proceeds. Certain investment opportunities may involve the recognition of value losses. Book value trading losses are permitted. Any trading loss greater than 1% of principal value of any investment holding requires the following: (1) explanation of source of loss, (2) rationale for transactions resulting in recognition of loss, (3) estimation of time necessary to recoup the loss.

West County Wastewater District

Investments Policy

Page 6

I. Reporting Requirements

Quarterly, District staff shall present the Board with a report which conforms with the requirements of section 53646(b) of the Government Code.

J. Safekeeping and Custody

All securities purchased by or on behalf of the agency, whether negotiable, bearer, registered, or nonregistered shall be delivered, either by book entry or physical delivery, to the District's third party custodian and held in the District's name. The third party custodian shall be independent from the company or firm which sold the security and from its investment advisor if it chooses one.

K. Policy Review

The Administration & Finance Committee will periodically review the implementation of the District's investment program to determine whether it is consistent with the investment policy as approved by the Board. The Committee shall review annually and as otherwise needed to determine general strategies and to monitor results. No less than annually, District staff shall present the Board with a statement of investment policy, which the Board must consider at a public meeting. Any changes to the policy shall also be considered by the Board at a public meeting.

L. Excluded Funds

Excluded funds include Retirement Funds and Long-Term Debt Funds governed by provisions of their specific bond indentures or resolutions. If the bond documents are silent as to the permitted investments, bond proceeds will be invested in securities permitted by this Policy. The identification of alternatives by the Board of Directors shall follow the objectives of this policy.

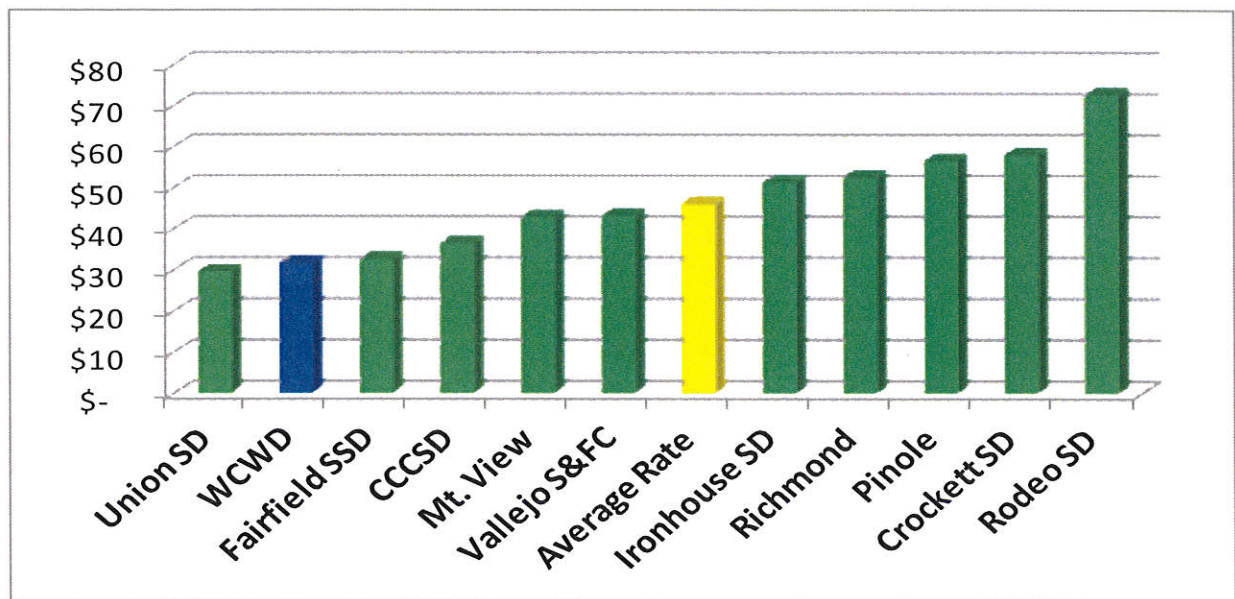
FEES & CHARGES

SEWER USE (ENVIRONMENTAL QUALITY) CHARGE RATES

The District's primary source of revenue is the Sewer Use (Environmental Quality) Charge rates, which are based on the reasonable cost of providing service to the District's customers. As allowed under Proposition 218, the District may adopt a rate schedule for up to five years, provided that the required notice is provided to the rate payers. The Board of Directors, after consideration of written comments submitted by rate payers, and after conducting a properly noticed public hearing, adopted a rate schedule for five years covering Fiscal Years 2015/16 through 2019/20.

Each year the Board of Directors, as part of the budget process, reviews the cost of service and determines if the adopted rates need to be adjusted. If the Board of Directors determines that no adjustment is necessary, the adopted rate will be applied. This section includes the calculations utilized by the District to determine the appropriate rate for each user category.

The District has little new development and anticipates only one percent (1%) in growth each year, primarily from infill development. For the purpose of calculating revenue from the Sewer Use Charge for Fiscal Year 2015/16, the budget assumes 33,536 residential dwelling units (RDU), 1,469 commercial units and 3 industrial units. The following chart demonstrates how the District's SUC rates compare to other neighboring districts. Effective July 1, 2015, the District's SUC rate for a single RDU is \$35 per month (\$422 per year). The average rate for neighboring districts as of July 1, 2014, was \$46 per month (\$552 per year).



Section E of the budget document includes the analysis demonstrating the need for SUC rate increases to support the capital projects identified in the District-Wide Master Plan and increasing operating expenditures.

FISCAL YEARS 2015/16 & 2016/17

User Category	Flat Rate (1)	Min. Charge (2)	Flow Charge (3)	BOD Charge (4)	SS Charge (5)
Single Family Residential	\$381	n/a	n/a	n/a	n/a
Multi-Family Residential	\$333	n/a	n/a	n/a	n/a
Mobile Home Residential	\$333	n/a	n/a	n/a	n/a
Comm. Domestic Strength	n/a	\$381	\$4.08	n/a	n/a
Comm. High Strength (6)	n/a	\$381	\$6.86	n/a	n/a
Industrial (6)	n/a	\$381	\$2.63	\$0.28	\$0.34

Year One: FY 2015/16

Single Family Residential	\$422	n/a	n/a	n/a	n/a
Multi-Family Residential	\$369	n/a	n/a	n/a	n/a
Mobile Home Residential	\$369	n/a	n/a	n/a	n/a
Comm. Domestic Strength	n/a	\$422	\$4.52	n/a	n/a
Comm. High Strength (6)	n/a	\$422	\$7.61	n/a	n/a
Industrial (6)	n/a	\$422	\$2.91	\$0.31	\$0.37

Year Two: FY 2016/17

Single Family Residential	\$468	n/a	n/a	n/a	n/a
Multi-Family Residential	\$409	n/a	n/a	n/a	n/a
Mobile Home Residential	\$409	n/a	n/a	n/a	n/a
Comm. Domestic Strength	n/a	\$468	\$5.01	n/a	n/a
Comm. High Strength (6)	n/a	\$468	\$8.44	n/a	n/a
Industrial (6)	n/a	\$468	\$3.23	\$0.34	\$0.41

Year Three: FY 2017/18

Single Family Residential	\$519	n/a	n/a	n/a	n/a
Multi-Family Residential	\$453	n/a	n/a	n/a	n/a
Mobile Home Residential	\$453	n/a	n/a	n/a	n/a
Comm. Domestic Strength	n/a	\$519	\$5.56	n/a	n/a
Comm. High Strength (6)	n/a	\$519	\$9.36	n/a	n/a
Industrial (6)	n/a	\$519	\$3.58	\$0.37	\$0.45

Year Four: FY 2018/19

Single Family Residential	\$576	n/a	n/a	n/a	n/a
Multi-Family Residential	\$502	n/a	n/a	n/a	n/a
Mobile Home Residential	\$502	n/a	n/a	n/a	n/a
Comm. Domestic Strength	n/a	\$576	\$6.17	n/a	n/a
Comm. High Strength (6)	n/a	\$576	\$10.38	n/a	n/a
Industrial (6)	n/a	\$576	\$3.97	\$0.41	\$0.49

Year Five: FY 2019/20

Single Family Residential	\$639	n/a	n/a	n/a	n/a
Multi-Family Residential	\$557	n/a	n/a	n/a	n/a
Mobile Home Residential	\$557	n/a	n/a	n/a	n/a
Comm. Domestic Strength	n/a	\$639	\$6.84	n/a	n/a
Comm. High Strength (6)	n/a	\$639	\$11.52	n/a	n/a
Industrial (6)	n/a	\$639	\$4.40	\$0.45	\$0.54

(1) Per Dwelling Unit

(2) Per Connection

(3) Per 1,000 gallons of metered water consumption

(4) Per unit of measured or estimated biochemical oxygen demand

(5) Per unit of measured or estimated suspended solids

(6) Additional charge to recover monitoring costs; includes food service and some medical uses on case-by-case basis

USER FEES

In addition to the Sewer Use Charge (SUC) rates, this section contains the User Fees, authorized in District Code chapter 8.20.030, for Fiscal Year 2015/16. The construction related rates are adjusted each year by the change in the Construction Cost Index as reported in the Engineering News-Record each May. All other fees are adjusted but the change in the Consumer Price Index, All Users, for the San Francisco Bay Area each April. The District anticipates approximately 300 permit applications for Fiscal Year 2015/16.

**USER FEES
(Effective July 1, 2015)**

<u>ANNEXATION</u>		<u>AMOUNT</u>
a) Annexation Costs (engineering, publishing, etc.)	(per parcel)	\$2,193.00
b) State Filing and Processing Fees	(See State Schedule)	-
<u>BUILDING CONSTRUCTION</u> (Plan approval required for city and county building permits)		
I. SINGLE FAMILY		
a) Plan Approval	(per bldg.)	167.00
b) Permit		334.00
c) Connection	(per dwelling unit)	3,070.00
II. MULTIPLE FAMILY DWELLINGS, TRAILER COURTS, GUEST DWELLINGS OR CONDOMINIUMS		
a) Plan Approval	(per bldg.)	194.00
b) Permit per building sewer	(per bldg. sewer)	361.00
c) Connection	(per dwelling unit)	2,210.00
III. SCHOOL BUILDINGS OR CHURCHES		
a) Plan Approval		194.00
b) Permit		361.00
c) Connection	(Varies by service unit)	
IV. COMMERCIAL INSTALLATIONS		
a) Plan Approval		869.00
b) Permit		557.00
c) Connection	(Varies by service unit)	
V. INDUSTRIAL INSTALLATIONS		
1) <u>Contributing Domestic Flow Only</u>		
a) Plan Approval		674.00
b) Permit		280.00
c) Connection	(Varies by service unit)	
2) <u>Contributing Industrial Waste (Ordinance 1-12-71A, Sec. 5)</u>		
a) Plan Approval		618.00
b) Permit		2,479.00
c) Connection	(Varies by service unit)	

VI. MISCELLANEOUS INSTALLATIONS

a) Plan Approval	84.00
b) Permit	355.00
c) Connection	(Varies by service unit)

VII. MINOR REPAIRS, ALTERATIONS AND DEMOLITION

a) Plan Approval	138.00
b) Permit	250.00

The fee for a "no show" for construction inspection shall be at the appropriate fee category listed above.

SEWER MAIN EXTENSIONS

a) Permit – District Maintained (per 1,500 l.f. or fraction thereof)	\$9,721.00
b) Permit – Privately Maintained (per 1,000 l.f. or fraction thereof)	6,087.00
c) Per Manhole (applies to all SME projects)	280.00

TOLL FEES

Charged in accordance with toll sewer zone schedule.

FLOW ZONE CHARGES

<u>Zone</u>	<u>Amount</u>
<u>Amount</u>	
1	\$210.00
2	520.00
3	729.00
4A	729.00
4B	627.00
5	1,666.00
6	210.00
7-13	-- 0.00
14	520.00
15	417.00
16	210.00
17	627.00
18A	210.00
18B	1,666.00

DENSITY CHARGES

<u>Dwelling Units/Acre</u>	
1-12	\$ - 0.00
13-20	100.00
21-30	200.00
31-40	300.00
41-50	400.00
51-60	500.00
61-70	600.00
71-80	700.00
81-90	800.00
91-100	900.00
101+	(a) 1000.00

(a) Fees for density in excess of 101 dwelling units/acre are subject to review approval and establishment of adjustments by and as determined by Wastewater Board for each development.

TENTATIVE MAP REVIEW

<u>Number of Proposed Lots in Subdivision</u>	<u>Amount</u>
20 lots and Under	\$3,036.00
21 + lots	3,261.00

ENVIRONMENTAL COMPLIANCE INSPECTIONS

<u>Business Type</u>	<u>Amount</u>
Food Service Establishment Inspection	\$267.00
Dental Facility Inspection	267.00

FISCAL YEARS 2015/16 & 2016/17

Permitted Industrial User - Inspection	528.00
Permitted Industrial User – Sampling	1,065.00
Auto Service Facility Sampling	395.00

The fee for non-compliance re-inspection or sampling shall be at the appropriate fee category listed above.

TEMPORARY DISCHARGE PERMIT

Temporary Discharge Permit	\$463.00
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**RESOLUTION OF THE BOARD OF DIRECTORS OF WEST COUNTY
WASTEWATER DISTRICT, COUNTY OF CONTRA COSTA, CALIFORNIA**

RESOLUTION NO. 15-049

**SETTING THE SEWER USE (ENVIRONMENTAL QUALITY) CHARGE RATES FOR FISCAL
YEARS 2015/16 THROUGH 2019/20, INCLUSIVE, AND AUTHORIZING COLLECTION OF
SAID CHARGES ON THE COUNTY TAX ROLL**

The Board of Directors finds that:

The West County Wastewater District entered into construction grant agreements (the "Grant Agreements") with the State of California and the United States Environmental Protection Agency.

The Grant Agreements provided that the State of California would finance 12.5% and the United States Environmental Protection Agency would finance 75% of eligible project costs.

The State of California and the United States Environmental Protection Agency prescribed as a grant condition the levying of sewer use charges to assure that each recipient of waste collection, treatment and disposal service (collectively "Wastewater Service") within the District's service area will pay its proportionate share of District operation and maintenance including replacement and certain capital costs of providing Wastewater Service.

The District prepared a revenue program that sets out in detail the amount of revenue that needs to be collected annually from each recipient of Wastewater Service and the rates required to be charged to each user of District Wastewater Service for District capital and operating and maintenance purposes.

The rates required to be charged to each user of District Wastewater Service for District capital and operating and maintenance purposes in order to raise sufficient revenue for the District to provide Wastewater Service will be referred to as the District's Sewer Use (Environmental Quality) Charges.

The District Secretary has duly given notice of the District's intention to collect said charges on the Contra Costa County tax roll and of the time and place of hearing.

On June 3, 2015, after due and proper notice was given, the District's Board of Directors conducted a public hearing at which it heard all oral comments in favor of and in opposition to, and received and tallied all written protests in opposition to the District's proposed Sewer Use (Environmental Quality) Charges for District Fiscal Years 2013/2014 through 2017/2018, inclusive.

The District received 72 written protests and 6 verbal protests in opposition to the District's proposed Sewer Use (Environmental Quality) Charges for District Fiscal Years 2015/16 through 2019/20, inclusive, which number did not constitute a majority of the District's customers eligible to submit written protests.

The District will prepare and file with the District Secretary a written report containing a description of each and every parcel of real property receiving Wastewater Service from the District and the amount or rate of the District's Sewer Use (Environmental Quality) Charges for each District customer for the forthcoming fiscal year.

The District's Board of Directors makes the following findings and determinations pursuant to the California Environmental Quality Act, Public Resources Code §21000 et seq ("CEQA") and the Guidelines for Implementation of the California Environmental Quality Act published by the State of California Office of Planning and Research ("CEQA Guideline"):

1. Adopting this Resolution and the District's Sewer Use (Environmental Quality) Charges does not constitute a "Project" as that term is defined by or used in CEQA, the CEQA Guidelines or any court or attorney general opinion construing the same, and that the provisions of CEQA and the CEQA Guidelines are not applicable.
2. Adopting this Resolution and the District's Sewer Use (Environmental Quality) Charges is covered, if at all, by Public Resources Code §21080(b)(8) and Section 15273 of the CEQA Guidelines which provide that CEQA does not apply to the establishment, modification, structuring, restructuring or approval of rates, tolls, fares or other charges by public agencies which the public agency finds are for the purpose (1) meeting operating expenses, including employee wage rates and fringe benefits, (2) purchasing or leasing supplies, equipment or materials, (3) meeting financial reserve needs and requirements, or (4) obtaining funds for capital projects necessary to maintain service within existing service areas.
3. Adopting this Resolution and the District's Sewer Use (Environmental Quality) Charges is for the purpose (1) meeting operating expenses, including employee wage rates and fringe benefits, (2) purchasing or leasing supplies, equipment or materials, (3) meeting financial reserve needs and requirements, or (4) obtaining funds for capital projects necessary to maintain service within existing service areas.
4. Adopting this Resolution and the Sewer Use (Environmental Quality) Charges fall within the "common sense" CEQA exemption provided in 14 CCR 15061(b)(3) in that CEQA applies only to projects which have the potential for causing a significant effect on the environment and, where it can be seen with certainty that there is no possibility that the action may have a significant effect on the environment, the action is not subject to CEQA. In this case, it can be seen with certainty that that there is no possibility that the proposed rate adjustment may have a significant effect on the environment.

The Board of Directors of the West County Wastewater District, Contra Costa County, California, after due notice, public hearing and protests heard and received in open meeting, finds that:

1. The District has adopted an approved revenue program as the basis for instituting the Sewer Use (Environmental Quality) Charge to finance operation and maintenance costs, including replacement and certain capital costs as necessary to comply with State and Federal grant conditions.

2. The District adopted Ordinance No. 7-6-76, which provides for the implementation of Sewer Use (Environmental Quality) Charges and their collection.

3. The attached Sewer Use (Environmental Quality) Charge Rates for Fiscal Years 2015/16, 2016/17, 2017/18, 2018/19 and 2019/20, attached as Exhibit 1 to this Resolution, accurately reflect the reasonable costs of providing services for which the fees are charged.

4. The Sewer Use (Environmental Quality) Charges adopted by this Resolution are for the purpose of:

- meeting operational and maintenance expenses, including employee wage rates and benefits,
- purchasing or leasing supplies, equipment or material,
- meeting financial reserve needs and requirements, and
- obtaining funds for capital projects necessary to maintain service within existing areas.

5. All notices, hearings and public data required by law have been duly given, provided and held.

6. The Sewer Use (Environmental Quality) Charge rates for the various properties of Wastewater Service customers receiving the benefits from the District, by categories of users, to be applied and collected on the County tax roll for the applicable fiscal years shall be as set forth in Exhibit 1, attached and incorporated, and are adopted.

7. The above recitals are true and correct statements of fact and are incorporated into this Resolution by this reference.

8. The Administration Supervisor, acting as Secretary to the Board of Directors, is authorized to file a Notice of Exemption from CEQA with the County Clerk of the County of Contra Costa, California regarding this Resolution and the Sewer Use (Environmental Quality) Charges adopted.

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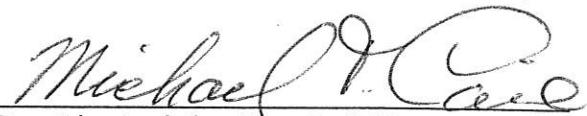
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I HEREBY CERTIFY that this resolution was duly and regularly adopted by the Board of Directors of the West County Wastewater District, Contra Costa County, California, at a regular meeting held on the 3rd day of June, 2015, by the following vote:

AYES: Granzella, McNeil, Comeaux, Caine

NOES: None

ABSENT: None



President of the Board of Directors
West County Wastewater District
Contra Costa County, California



Secretary of the Board of Directors
West County Wastewater District
Contra Costa County, California

WEST COUNTY WASTEWATER DISTRICT

BOARD APPROVED RATE SCHEDULE FOR PUBLIC NOTICE AND PUBLIC HEARING

User Category	Flat Rate (1)	Minimum Charge (2)	Flow Charge (3)	BOD Charge (4)	SS Charge (5)
<i>Year One: FY 2015/16</i>					
Single Family Residential	\$422	n/a	n/a	n/a	n/a
Multi-Family Residential	\$369	n/a	n/a	n/a	n/a
Mobile Home Residential	\$369	n/a	n/a	n/a	n/a
Commercial Domestic Strength	n/a	\$422	\$4.52	n/a	n/a
Commercial High Strength (6)	n/a	\$422	\$7.62	n/a	n/a
Industrial (6)	n/a	\$422	\$2.91	\$0.31	\$0.37
<i>Year Two: FY 2016/17</i>					
Single Family Residential	\$468	n/a	n/a	n/a	n/a
Multi-Family Residential	\$409	n/a	n/a	n/a	n/a
Mobile Home Residential	\$409	n/a	n/a	n/a	n/a
Commercial Domestic Strength	n/a	\$468	\$5.01	n/a	n/a
Commercial High Strength (6)	n/a	\$468	\$8.44	n/a	n/a
Industrial (6)	n/a	\$468	\$3.23	\$0.34	\$0.41
<i>Year Three: FY 2017/18</i>					
Single Family Residential	\$519	n/a	n/a	n/a	n/a
Multi-Family Residential	\$453	n/a	n/a	n/a	n/a
Mobile Home Residential	\$453	n/a	n/a	n/a	n/a
Commercial Domestic Strength	n/a	\$519	\$5.56	n/a	n/a
Commercial High Strength (6)	n/a	\$519	\$9.36	n/a	n/a
Industrial (6)	n/a	\$519	\$3.58	\$0.37	\$0.45
<i>Year Four: FY 2018/19</i>					
Single Family Residential	\$576	n/a	n/a	n/a	n/a
Multi-Family Residential	\$502	n/a	n/a	n/a	n/a
Mobile Home Residential	\$502	n/a	n/a	n/a	n/a
Commercial Domestic Strength	n/a	\$576	\$6.17	n/a	n/a
Commercial High Strength (6)	n/a	\$576	\$10.38	n/a	n/a
Industrial (6)	n/a	\$576	\$3.97	\$0.41	\$0.49
<i>Year Five: FY 2019/20</i>					
Single Family Residential	\$639	n/a	n/a	n/a	n/a
Multi-Family Residential	\$557	n/a	n/a	n/a	n/a
Mobile Home Residential	\$557	n/a	n/a	n/a	n/a
Commercial Domestic Strength	n/a	\$639	\$6.84	n/a	n/a
Commercial High Strength (6)	n/a	\$639	\$11.52	n/a	n/a
Industrial (6)	n/a	\$639	\$4.40	\$0.45	\$0.54

(1) Per dwelling unit

(2) Per connection

(3) Per 1,000 gallons of metered water consumption

(4) Per unit of measured or estimated biochemical oxygen demand

(5) Per unit of measured or estimated suspended solids

(6) Additional permit costs apply to recover monitoring costs; includes food service and some medical uses on a case-by-case basis

OPERATING BUDGET OVERVIEW

THE BUDGET PROCESS

The District budgets for government operations on a fiscal year basis that begins July 1 and ends June 30. Every two years, the West County Wastewater District prepares a Biennial Operating Budget. This document provides sufficient, meaningful and useful information to elected officials, District staff and, most importantly, the public. It is with this in mind that this budget document has been developed to serve the following primary functions:

- To present the District's financial plan for each fiscal year, establishing appropriations and projected revenues to support the appropriations;
- To serve as an operations guide for District management to contain operational, maintenance and capital expenses;
- To serve as a communications device for the customers and rate payers of the District, enabling the District's operations and expenses to be fully transparent and provide a mechanism for public involvement in the budget process.

This document defines what the District has accomplished in the past budget cycle, what it plans to do in the future and demonstrates how it will accomplish these goals.

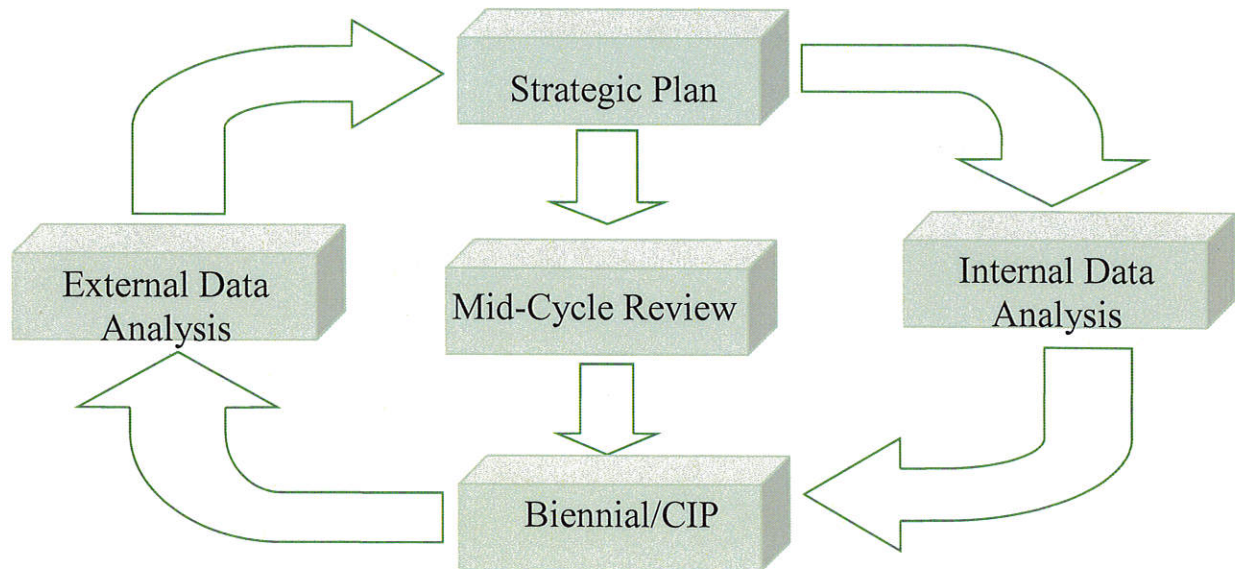
The District's budget is based on management goals and objectives with the allocated resources and it paves the way for future growth and demonstrates how this growth is to be managed and sustained. The budget empowers the Board of Directors and the public to examine the budget by prioritizing strategic growth as an organization and streamlines these objectives with the resources available to the District. In addition, this format provides information in a manner in which both the Board of Directors and the public attain a better understanding of the distribution of available resources among all of the departments and measures their performance utilizing these resources to meet their objectives. The FY 2015/16 and 2016/17 Biennial Budget includes an overview that is detailed by department.

In developing the Biennial Budget, departments analyzed existing service levels and potential services in light of their strategic priorities and modified their proposed budgets accordingly. The budget summarizes planned expenditures and revenues for all departments and programs. The detail is structured to summarize each department's costs by type and division.

The budget process begins with an evaluation of the Strategic Plan. The goals and objectives for the past budget are reviewed and changes are made to reflect what the Board of Directors believes is important for the next budget cycle. The Board reviews the budget is reviewed and recommendations are made by the Plans & Programs

Committee and the Administration & Finance Committee. All budget discussions are made during open, publicly noticed meetings that conform to the Brown Act.

BUDGET PLANNING PROCESS



The budget process sets forth planned expenditures and revenues for two consecutive fiscal years. Year 1 and 2 expenditure and revenue plans are presented to the Board in a single document. At the conclusion of the biennial budget review and deliberation process, Year 1 of the biennial budget is approved and appropriated by the Board, which sets the level of authorized funding for the fiscal year. The Year 2 budget is also approved but is subject to mid-cycle review and appropriation action in the following year. Funds not expended in Year 1 do not automatically roll into Year 2. A separate action is needed to carryover appropriations between years.

During the mid-cycle review, staff proposes changes (if any) and the Committees review the Year 2 budget and make recommendations to the Board for consideration. At the conclusion of the deliberations, Year 2 of the biennial budget is approved and appropriated by the Board. In addition to the annual budget process, the Board reviews expenditures and revenues at the mid-year and makes changes as needed.

The District is committed to providing opportunities for its customers to participate in the budget process. The following is a list of the workshops and meetings that were held to discuss the Comprehensive Biennial Budget for Fiscal Years 2015/16 and 2016/17.

BUDGET OVERVIEW

Each year the District makes assumptions regarding revenue and expenses. While much of the operating expenses are outside of the District's control (utilities, chemical use, treatment flow levels), it is still possible to estimate the cost from year to year.

Details of division budgets are outlined in this section. The annual operating budget is balanced each year and is not dependent upon the Operating Fund balance. Annual surplus within the Operating Fund is transferred to the Capital Improvement Fund to fund identified projects and to the SRF (State Revolving Fund loan) Fund to record loan revenue and debt service.

Through fiscally conservative management of its resources and an ongoing dedication to maintaining the integrity of its infrastructure, the District has managed to weather the downturn in the economy with little impact on operations. The Board of Directors expects management to justify all expenditures and continue to identify areas that can be made more efficient and cost effective.

The Board has directed staff to contain future increases in operations and maintenance to no more than 5% each year. Any increases in expenses in excess of this target must be offset by additional revenue or savings in other areas.

The ever increasing costs of employee benefits affect the District as much as other public agencies. The Board has directed its negotiators to achieve cost containment for all of the District's bargaining agreements and unrepresented employees. The District will continue to look for opportunities to contain the cost of wages and benefits and their impact on District operations as a means to keep the annual Sewer Use Charge rates at a reasonable level.

The Biennial Operating Budget originated with the baseline, the Amended Budget for Fiscal Year 2014/15, and then adjusted for known increases or decreases in operational expenses. The adjustments include obligations for wages and benefits as stipulated in employment and bargaining contracts, increases in retirement contributions, health premiums, and utility costs, contributions to OPEB trust and other non-discretionary expenses. Discretionary changes were proposed and considered by the Board and are included in the final budget.

Costs that are shared between divisions and departments are allocated based on each division's percentage of District personnel. Some costs, such as information technology support, postage, and legal services, are not allocated to each division and are budgeted in a single department.

The overall change from the Adopted Budget for Fiscal Year 2014/15 to Fiscal Year 2015/16 is an increase of approximately 5.7%. The overall change between Fiscal Year 2015/16 and 2016/17, excluding the implementation of the debt payments for the SRF loans, is approximately 4.7%. The overall change for the two years is within the target of growth of approximately 5% per fiscal year.

The following pages describe the budget in total as well as by division. All expenditures and revenues are included in the Operating Fund as this is the only funding source for the operations and maintenance of the District. The Capital Improvement Plan budget is presented in a separate document.

ALL DEPARTMENTS

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

EXPENDITURES

By Type:

	FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
Wages	4,649,606	5,495,489	4,979,150	5,791,718	5.4%	6,083,548	5.0%
Premium Pay	324,182	243,104	262,243	254,080	4.5%	262,590	3.3%
Health Benefits	899,877	1,123,888	950,826	1,199,778	6.8%	1,258,829	4.9%
Retirement Cont.	887,534	1,054,673	986,494	1,242,760	17.8%	1,371,277	10.3%
Retirement Medical	971,003	1,033,810	1,054,921	1,039,676	0.6%	1,073,402	3.2%
Misc. Benefits	273,502	407,964	315,304	388,529	-4.8%	399,922	2.9%
Legal Fees	225,700	211,723	205,618	181,000	-14.5%	181,000	0.0%
Professional Services	1,168,894	1,381,710	1,350,310	1,423,453	3.0%	1,447,670	1.7%
Prof. Memberships	46,174	55,339	78,002	81,700	47.6%	84,916	3.9%
Printing/Advertising	44,407	64,200	58,284	74,200	15.6%	76,224	2.7%
Insurance Premiums	50,910	150,000	146,223	155,000	3.3%	161,200	4.0%
Utilities	825,414	845,423	1,215,586	1,191,490	40.9%	1,239,949	4.1%
Travel & Training	46,050	70,885	60,770	71,021	0.2%	72,032	1.4%
Misc. Expenses	85,622	116,586	55,541	78,411	-32.7%	80,232	2.3%
Bldg & Maint Services	60,618	163,185	129,808	156,836	-3.9%	165,201	5.3%
WCA Expenses	133,670	110,001	110,000	110,000	0.0%	110,000	0.0%
Election Costs	-	50,000	39,653	-	-100.0%	40,000	40000.0%
Permits	52,402	66,380	49,366	66,600	0.3%	68,224	2.4%
Supplies	701,998	898,417	659,192	892,927	-0.6%	925,039	3.6%
Equipment	61,892	206,570	112,405	131,500	-36.3%	108,980	-17.1%
Debt Service	-	-	-	-	0.0%	1,968,078	1968078%
	11,509,455	13,749,347	12,819,698	14,530,679	5.7%	17,178,315	18.2%

Funded Positions:

Operating Fund FTE	53.50	54.50	54.50	54.75	0.5%	54.75	0.0%
Other Funds FTE	3.50	3.50	3.50	3.25	-7.1%	3.25	0.0%
	57.00	58.00	58.00	58.00	0.0%	58.00	0.0%

REVENUE

By Type:

Sewer Use Charge	14,038,949	15,144,325	15,021,060	16,632,614	9.8%	18,462,201	11.0%
Fees	192,139	181,501	362,836	254,500	40.2%	262,120	3.0%
Rents & Leases	341,007	347,827	284,118	358,262	3.0%	-	-100.0%
Contract Services	316,962	405,684	314,525	395,477	-2.5%	414,027	4.7%
Taxes	-	-	-	-	0.0%	-	0.0%
Interest Earnings	15,095	9,000	14,774	14,000	55.6%	14,000	0.0%
Misc. Revenue	93,316	21,000	60,976	51,030	143.0%	52,561	3.0%
Transfers In/(Out)	(3,000,000)	(3,000,000)	(3,000,000)	(3,056,135)	1.9%	(2,000,000)	-34.6%
	11,997,468	13,109,337	13,058,289	14,649,748	11.8%	17,204,910	17.4%

Note: Increases in retirement contributions due to CalPERS rate changes. Increases in Utilities due to increasing water, sewer and electrical costs. Increase in Debt Service reflects the beginning of repayment of SRF loans. Other Funds reflects staff costs charged to Capital Improvement Fund for CIP projects.

BOARD OF DIRECTORS



PROGRAM DESCRIPTION

The Board of Directors is the legislative body of the West County Wastewater District and is composed of five members elected at large and serving staggered four-year terms. The Board makes all policy determinations through the enactment of ordinances and resolutions and has final authority in the implementation of these policies. The Board determines how the District will obtain and spend funds and annually reviews and approves the District's budget. The Board appoints the General Manager and Board Attorney as well as the members of the District's two standing committees.

GOALS

- Provide effective leadership in the making of public policy in order to provide efficient, responsive and highly professional services to District customers.
- Conduct regular Board and committee meetings and special meetings on an as-needed basis.
- Establish and implement strategic policy goals and priorities for the District.
- Serve on regional boards, commissions and joint powers authorities affecting the District.
- Serve on Board appointed committees and sub-committees
- Maintain memberships in State and regional organizations serving District interests.

HIGHLIGHTS

- Oversaw the operation of the District's collection and treatment system and maintained cost efficient, effective and reliable service at one of the lowest rates in the Bay Area.

- Monitored compliance of the Baykeeper Settlement Agreement.
- Active in California Association of Sanitation Agencies (CASA), California Special District Association (CSDA), Sanitation and Water Agencies of Contra Costa County (SAWA), Local Agency Formation Commission (LAFCO), Contra Costa Special Districts Association (CCSDA), Association of Metropolitan Sewerage Agencies (AMSA) California Sanitation Risk Management Authority (CSRMA), and County Treasury Oversight Committee (CTOC).
- Modified the Five-Year Capital Plan to allow for greater ability to meet customer needs.
- Continued exploration of various land use and power options.
- Published and distributed the Year 2014 and Year 2015 calendars, which were well received by the community.
- In 2014, the District celebrated its 93rd year of serving the public.

PROGRAM OBJECTIVES

- Continue efforts to ensure a financially sound District and a continuation of the highest level of services possible to the community.
- Continue to remain active in professional associations representing the District's interests.
- Complete the programmatic environmental impact review and adoption of the District-wide Master Plan.
- Continue to review and implement policies to allow the District to increase services offered to its customers such as responding to lateral blockages and video inspections of laterals and through the regular review of customer survey feedback surveys.
- Maintain a leadership position in the regional community. Maintain good working relationship with local and regional elected officials.
- Review Plant and Collection System operations for cost effectiveness and benchmarking.
- Continue the Lateral Replacement Grant Program through public education and outreach.
- Continue to expand District's contract services to local agencies to maximize District efficiencies.

BOARD OF DIRECTORS

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

EXPENDITURES

By Type:

	FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
Wages	87,300	91,000	88,434	91,000	0.0%	91,000	0.0%
Premium Pay	-	-	-	-	0.0%	-	0.0%
Health Benefits	56,207	51,692	59,291	62,684	21.3%	67,921	8.4%
Retirement Cont.	11,448	11,860	10,667	6,916	-41.7%	6,916	0.0%
Retirement Medical	10,260	12,740	10,009	11,830	-7.1%	11,375	-3.8%
Misc. Benefits	2,997	3,850	3,283	3,669	-4.7%	3,751	2.2%
Legal Fees	158,727	156,723	150,541	156,000	-0.5%	156,000	0.0%
Professional Services	151	500	7,539	7,500	1400.0%	7,500	0.0%
Prof. Memberships	475	1,000	115	100	-90.0%	100	0.0%
Printing/Advertising	23,664	25,500	23,536	25,850	1.4%	26,100	1.0%
Insurance Premiums	-	-	-	-	0.0%	-	0.0%
Utilities	2,471	2,600	2,300	2,500	-3.8%	2,200	-12.0%
Travel & Training	6,911	17,620	19,640	21,500	22.0%	21,500	0.0%
Misc. Expenses	6,815	7,767	6,950	7,350	-5.4%	7,350	0.0%
Bldg & Maint Services	-	-	-	-	0.0%	-	0.0%
WCA Expenses	-	-	-	-	0.0%	-	0.0%
Election Costs	-	50,000	39,653	-	-100.0%	40,000	40000.0%
Permits	-	-	-	-	0.0%	-	0.0%
Supplies	1,191	2,165	2,058	1,600	-26.1%	1,550	-3.1%
Equipment	-	4,500	4,500	4,500	0.0%	4,500	0.0%
Debt Service	-	-	-	-	-	-	-
	368,617	439,517	428,516	402,999	-8.3%	447,763	11.1%

Funded Positions:

Operating Fund FTE

Other Funds FTE

-	-	-	-	-
-	-	-	-	-

REVENUE

By Type:

Sewer Use Charge
Fees
Rents & Leases
Contract Services
Taxes
Interest Earnings
Misc. Revenue
Transfers In/(Out)

-	-	-	0.0%
-	-	-	0%

Note: Elections occur every other year.

ADMINISTRATION DIVISION

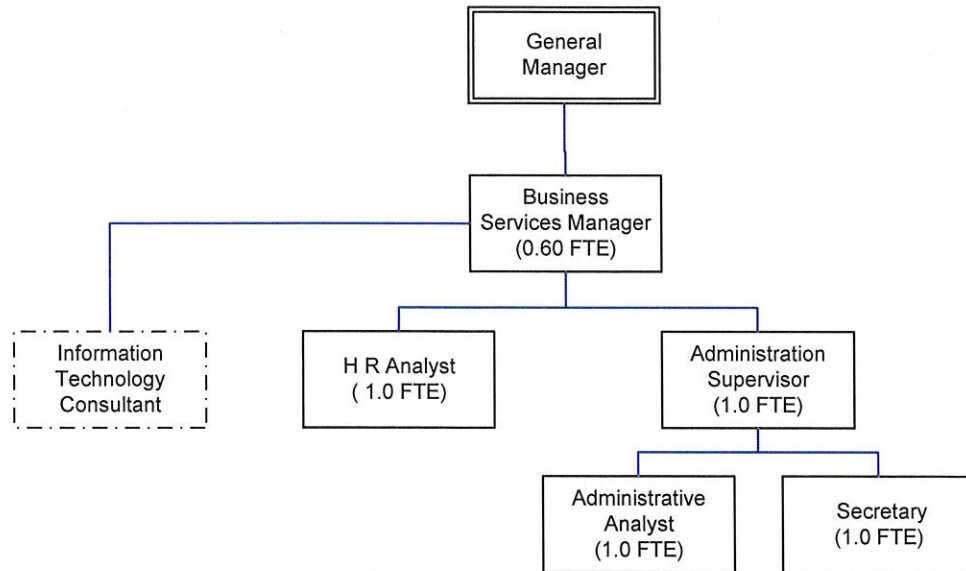


PROGRAM DESCRIPTION

The Administration division, as part of Business Services Department provides administrative support to the Board of Directors, the General Manager and all District departments. Its functions include overall planning and coordination of District activities. It is responsible for human resources and risk management, management of the District's information systems, including the District's web site, and Board services. Public contact with the District is often initiated via this department and information management is a significant role.

Human Resources/Risk Management maintains wage, salary and benefits administration, employee recruitment, employee relations, District-wide employee training and recognition programs and on-going training of both employees and supervisors in expectations and process of employment by the District as well as administration of the District's self-insurance and loss prevention programs.

Business Services Department operations are managed by the Business Services Manager.



<i>Staffing Summary</i>	<i>2012/13</i>	<i>2013/14</i>	<i>2014/15</i>	<i>2015/16</i>	<i>2016/17</i>
Regular Positions	10.00	11.00	7.60	7.60	7.60

GOALS

- Provide effective and efficient administrative support to the Board and District departments.
- Maintain responsive and efficient customer service.
- Ensure that the District is protected against loss through risk and claim management.
- Negotiate labor contracts with the District's employee bargaining units.
- Manage District information systems, web site and social media pages.
- Implement District document retention and destruction policy.
- Ensure compliance of Baykeeper settlement agreement until 2016.

HIGHLIGHTS

- Completed District branding including new logo and redesign of District website and social media pages.
- Implemented electronic performance appraisal system.
- Created video of District services for use as outreach to the public and education program site visits.
- Coordinate pharmaceutical disposal drop-off program.
- Established W.E.C.A.R.E. (Wastewater Employees for Community Alliance and Restoration of the Environment) program and coordinated holiday food drive,

winter coat drive, and Adopt-A-Family holiday event with participant families from the Richmond Rescue Mission.

PROGRAM OBJECTIVES

- Manage the processing and review of District contracts.
- Maintain records of benefits, including employee administrative leave balances, retirement contributions, and employer-provided insurance policies.
- Negotiate terms of Memorandum of Understanding, including amendments as required, with the represented units.
- Coordinate updates to terms and conditions for Unrepresented Employees.
- Recruit and retain highly qualified candidates for all positions.
- Maintain up-to-date personnel files.
- Provide assistance as needed with employee relations.
- Provide on-going clarifications of definitions and conditions of employment.
- Evaluate West County Wastewater District Personnel Policy & Procedures Manual and make appropriate revisions as needed.
- Represent the District and its interests on the CSRMA Board of Directors.
- Manage and prioritize department activities on an ongoing basis.
- Work with departments and divisions to implement procedures that result in cost savings, increased efficiencies and improved customer service.
- Provide general administrative support to all divisions for centralized services.
- Efficiently and effectively manage District information technology and systems, including the District website and social media sites.

ADMINISTRATIVE SERVICES

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

EXPENDITURES

By Type:

	FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
Wages	1,010,951	845,665	712,567	747,733	-11.6%	791,914	5.9%
Premium Pay	6,745	8,000	11,589	15,244	90.6%	15,556	2.0%
Health Benefits	157,541	103,085	82,522	95,880	-7.0%	100,010	4.3%
Retirement Cont.	183,073	141,412	128,427	142,316	0.6%	158,656	11.5%
Retirement Medical	309,271	148,456	129,921	113,205	-23.7%	116,429	2.8%
Misc. Benefits	70,395	57,980	45,610	53,442	-7.8%	54,853	2.6%
Legal Fees	66,973	55,000	55,077	25,000	-54.5%	25,000	0.0%
Professional Services	262,232	322,471	210,906	297,485	-7.7%	309,384	4.0%
Prof. Memberships	37,595	45,000	71,926	72,000	60.0%	74,880	4.0%
Printing/Advertising	8,840	11,000	2,723	11,000	0.0%	11,440	4.0%
Insurance Premiums	50,910	150,000	146,223	155,000	3.3%	161,200	4.0%
Utilities	21,491	17,663	14,877	17,913	1.4%	18,709	4.4%
Travel & Training	22,998	22,600	21,395	24,600	8.8%	25,000	1.6%
Misc. Expenses	43,426	7,242	25,476	42,590	488.1%	43,693	2.6%
Bldg & Maint Services	9,428	6,824	9,250	9,800	43.6%	10,192	4.0%
WCA Expenses	-	1	-	-	0.0%	-	0.0%
Election Costs	-	-	-	-	0.0%	-	0.0%
Permits	-	-	-	-	0.0%	-	0.0%
Supplies	23,857	13,951	11,991	11,375	-18.5%	11,830	4.0%
Equipment	6,908	31,250	37,183	23,000	-26.4%	19,000	-17.4%
Debt Service							
	2,292,634	1,987,600	1,717,662	1,857,582	-6.5%	1,947,746	4.9%

Funded Positions:

Operating Fund FTE	10.00	5.60	5.60	5.60	0.0%	5.60	0.0%
Other Funds FTE	1.00	1.00	1.00	-	-100.0%	-	0.0%
	11.00	6.60	6.60	5.60	-15.2%	5.60	0.0%

REVENUE

By Type:

Sewer Use Charge	13,236,768	14,578,641	14,433,896	16,004,705	9.8%	17,765,222	11.0%
Fees	-	-	-	-	0.0%	-	0.0%
Rents & Leases	-	-	-	-	0.0%	-	0.0%
Contract Services	-	-	-	-	0.0%	-	0.0%
Taxes	-	-	-	-	0.0%	-	0.0%
Interest Earnings	15,095	9,000	14,774	14,000	55.6%	14,000	0.0%
Misc. Revenue	33,316	20,000	59,976	50,000	150.0%	51,500	3.0%
Transfers In/(Out)	(3,000,000)	(3,000,000)	(3,000,000)	(4,056,135)	35.2%	(4,968,078)	22.5%
	10,285,179	11,607,641	11,508,646	12,012,570	3.5%	12,862,644	7.1%

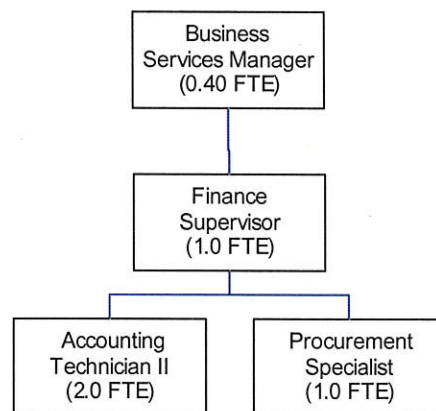
Note: In FY 2014/15, staff supervised by Finance Supervisor moved to Finance division with allocation of non-personnel costs. Staff charge project costs to Fund 400: Capital Improvement Fund.

FINANCE DIVISION



PROGRAM DESCRIPTION

The Finance division, as part of the Business Services Department, provides accounting support to all District departments. Its functions include financial management and centralized procurement. Business Services Department operations are managed by the Business Services Manager.



The Finance division is responsible for maintaining detailed financial records; accounts payable processing, issuing, tracking and collection of accounts receivables; payroll processing; employee benefits accounting; fixed asset management; financial planning, forecasting and reporting; budget development; debt administration; centralized procurement; coordination of the District's audits.

Staffing Summary	2013	2014	2015	2016	2017
Regular Positions	0	0	4.40	4.40	4.40

GOALS

- Provide a system of accounting and reporting that adequately describes the financial condition of the District.
- Continue to meet the requirements for the Financial Reporting and Operating Budget awards from the California Society of Municipal Finance Officers (CSMFO).

HIGHLIGHTS

- Prepared Mid-Cycle Budget and mid-year budget analysis.
- Coordinated Annual Audit and present audited financials to the Administration & Finance Committee. Received a Financial Reporting Award for the Fiscal Year Ending June 30, 2014 from California Society of Municipal Finance Officers.
- Received Operating Budget Excellence Award for the Comprehensive Biennial Budget for Fiscal Years 2013/14 and 2014/15 from California Society of Municipal Finance Officers.

PROGRAM OBJECTIVES

- Process employee payroll per employee contracts. Process accounts payable on a weekly basis. Issue, track and collect accounts receivable.
- Maintain accounting files on Capital Improvement projects and Fixed Assets.
- Provide monthly budget reports to divisions each month.
- Perform accounting in conformance with GAAP (Generally Accepted Accounting Principles).
- Contain costs by monitoring selected large volume purchases and suggesting contracts with competitively priced vendors.
- Continue best value procurement of supplies and services.
- Work with departments and divisions to implement procedures that result in best value and increased efficiencies.
- Maximize use of recycled and "green" office supplies throughout organization.
- Contract maintenance for all District office equipment, telephone lines and related services and equipment.

FINANCE

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
EXPENDITURES						
By Type:						
Wages	325,521	329,238	469,194	44.1%	492,654	5.0%
Premium Pay	2,550	1,224	850	-66.7%	890	4.7%
Health Benefits	52,698	64,802	87,760	66.5%	91,912	4.7%
Retirement Cont.	60,944	64,201	93,839	54.0%	103,457	10.3%
Retirement Medical	45,574	52,678	60,995	33.8%	61,582	1.0%
Misc. Benefits	10,152	13,753	16,757	65.1%	13,665	-18.4%
Legal Fees	-	-	-	0.0%	-	0.0%
Professional Services	78,152	71,566	77,600	-0.7%	78,320	0.9%
Prof. Memberships	1,000	110	200	-80.0%	200	0.0%
Printing/Advertising	150	7,900	4,000	2566.7%	4,000	0.0%
Insurance Premiums	-	-	-	0.0%	-	0.0%
Utilities	6,262	5,314	5,579	-10.9%	5,846	4.8%
Travel & Training	3,250	3,208	3,900	20.0%	3,900	0.0%
Misc. Expenses	500	1,883	2,050	310.0%	2,050	0.0%
Bldg & Maint Services	3,481	5,244	5,150	47.9%	5,356	4.0%
WCA Expenses	-	-	-	0.0%	-	0.0%
Election Costs	-	-	-	0.0%	-	0.0%
Permits	-	-	-	0.0%	-	0.0%
Supplies	5,511	4,047	3,950	-28.3%	3,950	0.0%
Equipment	1,500	-	3,000	100.0%	3,000	0.0%
Debt Service	-	-	-	0.0%	-	0.0%
-	597,245	625,168	834,823	39.8%	870,781	4.3%
Funded Positions:						
Operating Fund FTE	4.40	4.40	4.40	0.0%	4.40	0.0%
Other Funds FTE	-	-	-	0.0%	-	0.0%
-	4.40	4.40	4.40	0.0%	4.40	0.0%

REVENUE

By Type:

Sewer Use Charge	-	-	-	0.0%	-	0.0%
Fees	-	-	-	0.0%	-	0.0%
Rents & Leases	-	-	-	0.0%	-	0.0%
Contract Services	-	-	-	0.0%	-	0.0%
Taxes	-	-	-	0.0%	-	0.0%
Interest Earnings	-	-	-	0.0%	-	0.0%
Misc. Revenue	-	-	-	0.0%	-	0.0%
Transfers In/(Out)	-	-	-	0.0%	-	0.0%
-	-	-	-	0.0%	-	0.0%

Note: This is a newly created division separated from the Administration division in FY 2013/14.

ENGINEERING DIVISION

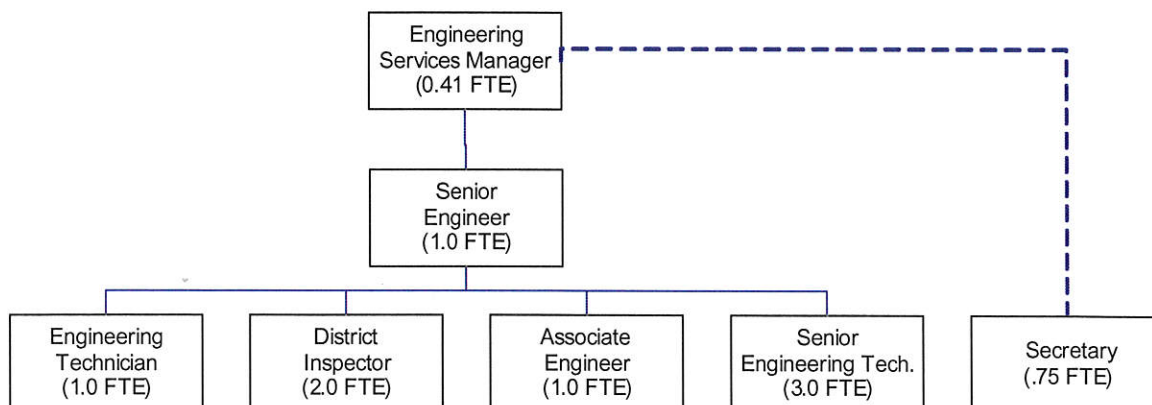


PROGRAM DESCRIPTION

The Engineering Division is responsible for the management and technical support necessary to:

- Implement the District's capital improvement program. This includes increasing the capacity of the collection system, as well as rehabilitation of the existing collection system, pump stations, treatment plant, and administration facilities.
- Determine needed facilities for growth in the District. Provide review of tentative maps and sewer construction plans. Enforce design standards for sewer construction, and provide construction inspection services.
- Provide permit services, including fee estimates and inspection of sewer lateral replacements and repairs for 27,255 parcels in the District.

Division services are managed by the Engineering Services Manager with direct supervision by the Senior Engineer.



Staffing Summary	2012/13	2013/14	2014/15	2015/16	2016/17
Regular Positions	7.41	8.41	8.41	9.16	9.16

GOALS

- To provide engineering analysis and project development for cost effective implementation of all District capital projects.
- To effectively plan and implement future replacement and improvements to the infrastructure in order to maintain an efficient, reliable system and to provide timely response with plan review for new development.
- To establish standards and provide inspection of all sewer construction, including private laterals and to maintain accurate reproducible records of infrastructure improvements and land records.
- To keep informed of all construction that may affect District facilities and provide accurate field marking of District lines for the Underground Service Alert (USA) program to minimize damage to District sewers.
- To manage programs to assist customers, such as implementing the Building Sewer Replacement Grant Program and conducting video inspection of laterals upon the sale of a residence.

HIGHLIGHTS

- Directed design approval, implementation and construction inspection for all capital projects. Pipeline, pump station, engineering and treatment plant projects completed totaled over \$ 6.9 million in FY 2013-14 and FY 2014-15.
- Major Capital Projects completed in FY 2013-14 and FY 2014-15:
 - Plant Perimeter Monitoring System (10PP503)
 - El Patio Sewer -Horizontal Directional Drill (13CS204)
 - District-Wide Master Plan (12EG301)
 - Replace 480V Breakers and Switchgear (12PS604)
- Implemented construction of over 1900 feet of sewer mains in FY 2013-14 and FY 2014-2015.
Issued permits and inspected construction for 379 sanitary sewer construction projects in FY 2013-14 and FY 2014-15.
- Updated and expanded the Sanitary Sewer Management Plan (SSMP)

PROGRAM OBJECTIVES

- Provide research, design, bidding and construction inspection services for District capital improvement projects.

- Prioritize capital improvement projects to meet District needs and comply with new regulatory requirements and maintain an updated 5-year capital plan.
- Continue education and cross training of personnel to improve service and keep informed of the latest technological advances in mapping, construction and wastewater industries.

The following projects were completed during FY 2013/14 and FY 2014/15.

Project Name	Project Number	Year Completed	Length of Pipe	Value of Improvement
Hilltop Green Trench Repair	13CS203	2013	NA	\$33,350
Plant Perimeter Monitoring	10PP503	2013	NA	\$524,793
Collins Ave Sewer	12CS206	2013	690	\$186,780
District Office Security Upgrades	11AD103	2013	NA	\$187,078
El Patio HDD Sewer	13CS204	2014	324	\$242,968
Church Lane - Campus Drive	13CS205	2014	116	\$110,455
La Paloma Vortex Installation	13CS202	2014	45	\$275,890
Folsom, Mission, Marin & Park	13CS206	2014	743	\$190,947
Chlorine Basin Upgrades	10PS604	2014	NA	\$51,390
District-Wide Master Plan	12EG301	2014	NA	\$2,317,686
480V Breakers & Switchgear	12PS604	2014	NA	\$2,621,376
Board Room Renovation	13AD101	2015	NA	\$294,400
Total			1,918	\$6,972,113

ENGINEERING

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

	FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
EXPENDITURES							
By Type:							
Wages	702,916	607,773	725,926	682,367	12.3%	716,485	5.0%
Premium Pay	4,418	5,241	1,833	4,275	-18.4%	4,476	4.7%
Health Benefits	108,989	139,544	110,082	141,964	1.7%	148,768	4.8%
Retirement Cont.	135,188	119,865	145,185	150,121	25.2%	164,792	9.8%
Retirement Medical	108,811	115,927	156,162	132,322	14.1%	137,100	3.6%
Misc. Benefits	23,766	23,276	29,474	33,969	45.9%	35,327	4.0%
Legal Fees	-	-	-	-	0.0%	-	0.0%
Professional Services	12,447	13,450	57,986	16,010	19.0%	16,650	4.0%
Prof. Memberships	1,805	2,500	1,451	1,500	-40.0%	1,560	4.0%
Printing/Advertising	467	650	4,147	4,500	592.3%	4,680	4.0%
Insurance Premiums	-	-	-	-	0.0%	-	0.0%
Utilities	17,887	17,905	17,081	18,320	2.3%	19,159	4.6%
Travel & Training	5,313	5,600	2,131	3,050	-45.5%	3,090	1.3%
Misc. Expenses	239	-	395	400	425.0%	416	4.0%
Bldg & Maint Services	8,794	9,915	12,556	7,300	-26.4%	7,304	0.1%
WCA Expenses	-	-	-	-	0.0%	-	0.0%
Election Costs	-	-	-	-	0.0%	-	0.0%
Permits	-	-	-	-	0.0%	-	0.0%
Supplies	12,326	11,384	10,774	10,950	-3.8%	11,388	4.0%
Equipment	11,421	15,275	231	17,000	11.3%	3,000	-82.4%
Debt Service							
	1,154,787	1,088,305	1,275,413	1,224,048	12.5%	1,274,195	4.1%
Funded Positions:							
Operating Fund FTE	5.91	5.91	5.91	5.91	0.0%	5.91	0.0%
Other Funds FTE	2.50	2.50	2.50	3.25	30.0%	3.25	0.0%
	8.41	8.41	8.41	9.16	8.9%	9.16	8.9%

REVENUE

By Type:

Sewer Use Charge		-	-	-	0.0%	-	0.0%
Fees	123,528	81,001	213,892	151,000	86.4%	155,530	3.0%
Rents & Leases	-	-	-	-	0.0%	-	0.0%
Contract Services	-	-	-	-	0.0%	-	0.0%
Taxes	-	-	-	-	0.0%	-	0.0%
Interest Earnings	-	-	-	-	0.0%	-	0.0%
Misc. Revenue	-	-	-	-	0.0%	-	0.0%
Transfers In/(Out)	-	-	-	-	0.0%	-	0.0%
	123,528	81,001	213,892	151,000	86.4%	155,530	3.0%

Note: Staff charge project costs to Fund 400: Capital Improvement Fund.

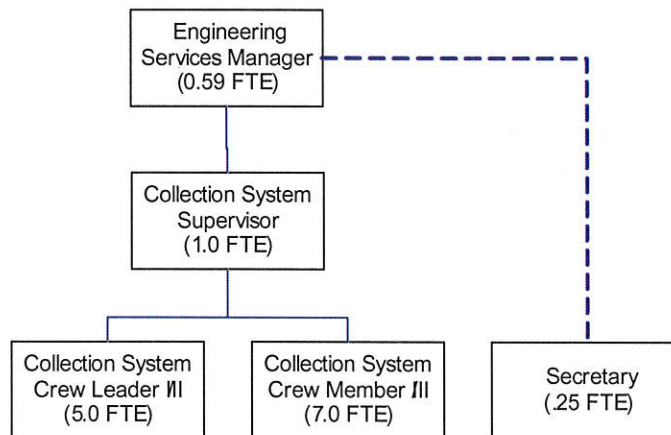
COLLECTION SYSTEM OPERATIONS DIVISION



PROGRAM DESCRIPTION

The Collection System Operations (CSO) division responds to customer requests for service and performs preventive and corrective maintenance of the wastewater mains in the West County Wastewater District. The division also provides on-call response and limited collection system preventive maintenance for the Crockett Community Service District collection system.

Services are managed by the Engineering Services Manager with direct supervision by the Collection System Supervisor.



Staffing Summary	2012/13	2013/14	2014/15	2015/16	2016/17
Regular Positions	12.59	12.59	13.59	13.59	13.59

GOALS

- To minimize and eliminate overflows into the environment and to provide uninterrupted service to our customers.
- To reduce spills to 7 per 100 miles of mainline.
- Continue to prolong the life and improve reliability of the Collection System.
- To provide customers with quick, knowledgeable and complete response by District service crews when requested with a goal of 100% customer satisfaction.
- To identify and correct pipeline defects and infiltration and inflow sources in main lines through video inspection and repairs.
- To Rod and Hydro Clean 2,000,000 feet of pipeline.
- Schedule TV inspection of district line segments every 6 years for lines 12 inches or less and every 10 years for lines larger than 12 inches. In addition, post-stoppage review and other requests for TV inspection completed as needed.
- No lost time due to injuries or accidents

HIGHLIGHTS

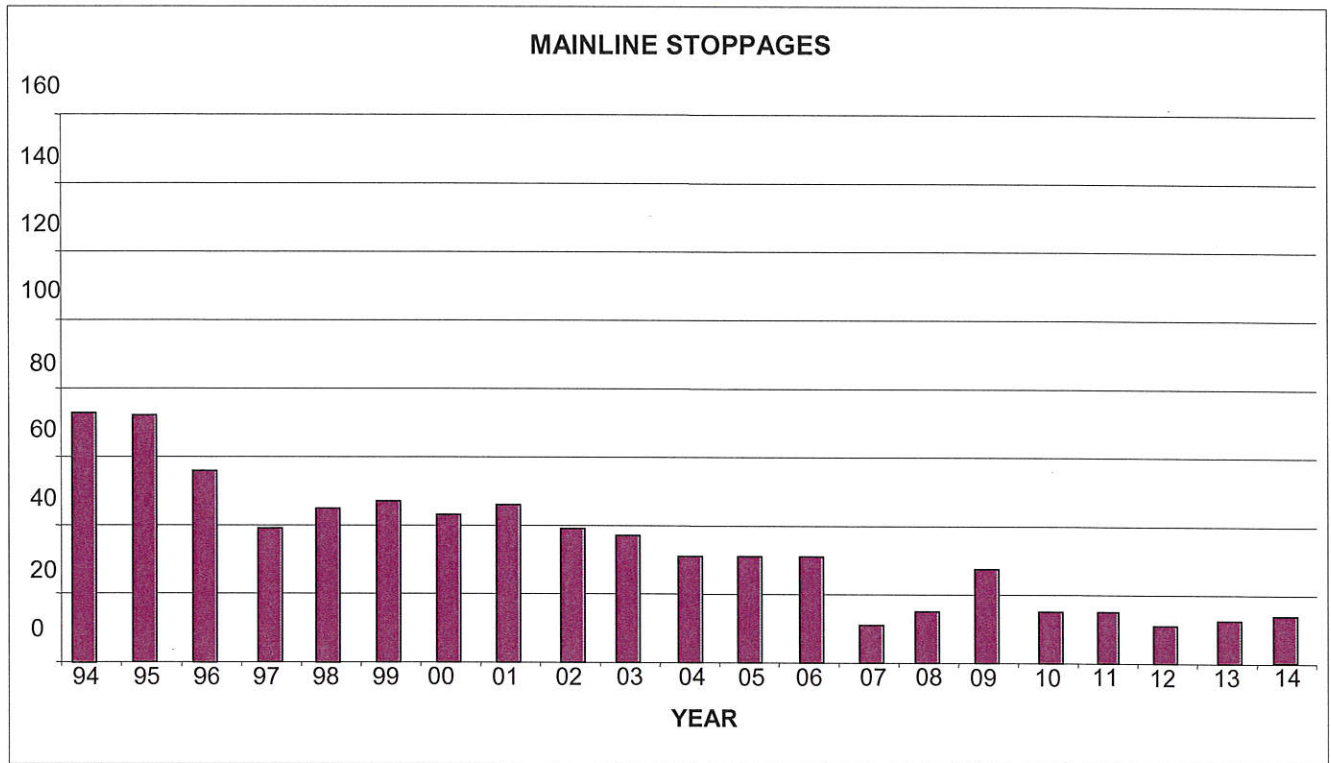
- Rodded and flushed over 2,249,000 feet of main line in 2014 and maintained maximum capacity of lines surcharged during storm events.
- The TV inspection team video-inspected 334,000 feet of main line in 2014.
- During 2014, the CSO crew responded to 150 service requests.
- During 2014, there were only 14 mainline stoppages.
- The CSO crew consistently responded to 98% of all service requests in less than one hour at any time of the day or night.
- Implemented public outreach program about the use of non-flushable wipes.
- Increased preventive maintenance wet well grease removal and cleaning at critical pump stations in cooperation with Plant Maintenance Division. This work improves pump station reliability and reduces odor generation.
- As an added service provided to the customer, the C.S.O. Division offers a lateral video inspection service. These have been performed as a follow-up to requests from the customers and to confirm that sewer problem is in lateral and may qualify for a District Lateral Replacement Grant.

PROGRAM OBJECTIVES

- To clean 2,500,000 feet of pipelines with rodding and hydro-flushing vehicles. Implement program to clean pipelines larger than 12 inches in diameter on a minimum schedule of once in 10 years.
- Provide video inspection of all new main line segments, and existing pipeline. Continue to video inspect problem lines and segments where stoppages occur. The goal to complete televising the entire district has been accomplished and the C.S.O. continues the 10-year cycle.
- Identify and continue providing additional customer services, including assistance with building sewer laterals.

- Continue training for crew on safety and continually enhance customer service.
- To increase the amount of repairs on pipelines to help maintain the systems integrity and reliability.

PERFORMANCE MEASURES



COLLECTION SYSTEM OPERATIONS

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

EXPENDITURES

By Type:

	FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
Wages	865,080	1,060,276	924,349	1,210,342	14.2%	1,270,859	5.0%
Premium Pay	64,065	58,220	58,451	63,500	9.1%	64,830	2.1%
Health Benefits	191,480	258,878	214,532	272,063	5.1%	285,064	4.8%
Retirement Cont.	164,011	208,911	184,870	266,495	27.6%	292,539	9.8%
Retirement Medical	131,542	185,835	180,384	194,344	4.6%	199,187	2.5%
Misc. Benefits	52,154	93,085	66,835	94,858	1.9%	98,698	4.0%
Legal Fees	-	-	-	-	0.0%	-	0.0%
Professional Services	445,921	371,250	467,210	475,925	28.2%	471,162	-1.0%
Prof. Memberships	1,761	1,500	1,704	2,600	73.3%	2,704	4.0%
Printing/Advertising	9,683	10,250	12,887	13,300	29.8%	13,832	4.0%
Insurance Premiums	-	-	-	-	0.0%	-	0.0%
Utilities	27,184	25,024	34,707	38,395	53.4%	40,729	6.1%
Travel & Training	2,893	8,310	8,015	8,750	5.3%	8,970	2.5%
Misc. Expenses	8,534	10,600	1,849	2,850	-73.1%	2,924	2.6%
Bldg & Maint Services	8,648	10,031	15,554	8,815	-12.1%	9,168	4.0%
WCA Expenses	-	-	-	-	0.0%	-	0.0%
Election Costs	-	-	-	-	0.0%	-	0.0%
Permits	15,111	17,850	8,207	13,600	-23.8%	13,904	2.2%
Supplies	155,095	134,250	131,308	145,900	8.7%	145,426	-0.3%
Equipment	31,536	66,545	29,116	66,500	-0.1%	61,500	-7.5%
Debt Service							
	\$2,174,698	\$2,520,815	\$2,339,977	\$2,878,237	14.2%	\$2,981,497	3.6%
Funded Positions:							
Operating Fund FTE	12.59	13.59	13.59	13.84	1.8%	13.84	0.0%
Other Funds FTE	12.59	13.59	13.59	13.84	1.8%	13.84	1.8%

REVENUE

By Type:

Sewer Use Charge	-	-	-	-	-
Fees	-	-	-	-	-
Rents & Leases	-	-	-	-	-
Contract Services	-	-	-	-	-
Taxes	-	-	-	-	-
Interest Earnings	-	-	-	-	-
Misc. Revenue	-	-	-	-	-
Transfers In/(Out)	-	-	-	-	-
	-	-	-	-	-

Note: Increases in retirement contributions due to CalPERS rate changes. Increases in Utilities due to increasing water, sewer and electrical costs. Staff increase FY 2015/16 reflects clerical support previously in Administration.

ENVIRONMENTAL COMPLIANCE DIVISION

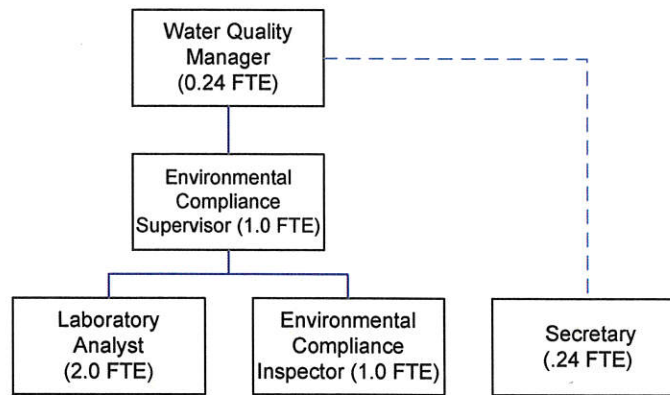


PROGRAM DESCRIPTION

The Environmental Compliance Division provides services and oversight in four areas: National Pollutant Discharge Elimination System (NPDES) permit compliance, Laboratory Operations and implementation of the Pretreatment and Pollution Prevention Programs. NPDES permit compliance involves maintaining compliance with permit parameters, implementing investigations and additional sampling programs to address specific pollutants, developing action plans to reduce these pollutants and reporting levels of progress to the Regional Board. The laboratory conducts analyses of various plant samples for process control, NPDES permit parameters and special projects as needed.

The Pretreatment Program includes evaluating facilities and discharges within the District's service area that could adversely affect the collection system and/or treatment plant, evaluating permit applications and issuing permits, performing inspections, sampling and monitoring and conducting enforcement when needed. The Pollution Prevention Program focuses on educating commercial businesses and residents on pollutants that are harmful to the collection system, treatment plant and the environment and how to reduce or eliminate them. Public information, plant tours, and participation in outreach activities are significant elements of this program.

Division services are managed by the Water Quality Manager with direct supervision by the Environmental Compliance Supervisor.



Staffing Summary	2013	2014	2015	2014	2015
Regular Positions	4.48	4.48	4.48	4.48	4.48

GOALS

- Maintain 100 % compliance with the District's NPDES permit requirements, including the Pretreatment and Pollution Prevention programs.
- Promote and maintain a positive, safe and productive work environment while cultivating a sense of environmental stewardship.
- Promote and maintain representative sampling, perform exceptional analyses and accurately report data collected to evaluate industrial and commercial discharges, the operational status of the treatment plant and the quality of the biosolids we generate.
- Effectively regulate discharges of industrial, commercial and other types of wastewater to protect the sanitary sewer system, the treatment plant, District staff, the public and the environment.
- Effectively implement the pollution prevention program and provide public outreach to reduce and or prevent the discharge of pollutants to the collection system, treatment plant and the environment; this includes implementing tools to measure the progress of these efforts.
- Effectively build and maintain partnerships with other agencies that have similar requirements and goals (Green Business Program, Household Hazardous Waste/Pharmaceutical Collection, Bay Area Pollution Prevention Group, etc.)
- Maintain Environmental Laboratory Accreditation Program (ELAP) certification for conventional pollutants and coliform bacteria.

HIGHLIGHTS

- Collected over 7,000 samples and oversaw more than 12,000 process-related tests, including industrial and commercial discharger tests last year.
- Performed inspections and sampled regulated industrial facilities; performed sampling at commercial facilities and inspections at food service establishments (FSEs) and dentists in the District's service area.

- Conducted classroom tours for over 280 students, teachers, and parents.
- Participated in public outreach activities such as the El Sobrante Stroll, Earth Day, and Richmond North Shoreline Festival.
- Distributed informational materials, brochures, and notices regarding proper discharge of wastes to residents, commercial businesses, and during public events.
- Provided inspection services for the County's Green Business Program.
- Performed inspections under contract to local cities to assess compliance with storm water ordinances.
- Participated in process for issuance of first Bay Area wide Nutrient Watershed Permit by the Regional Board.
- Wrote the District's Spill Prevention, Control, and Countermeasures Plan, and submitted the District's annual reports for the Air Board permit, Storm Water permit, Hazardous Waste generator permit, and Hazardous Materials Business Plan.

PROGRAM OBJECTIVES

- Perform all required sampling, inspections, studies and outreach to comply with the District's NPDES permit, Pretreatment and Pollution Prevention Programs, FOG program, process control and source identification.
- Maintain compliance with all programs and requirements listed above.
- Maintain ELAP certification for laboratory functions.
- Continue to educate and increase the level of awareness on pollution prevention and water quality issues with the goals of changing behavior and decreasing the volume of pollutants entering the treatment plant and the bay.

PERFORMANCE MEASURES

The Water Pollution Control Plant maintained 100% compliance with our NPDES Permit, Pretreatment and Pollution Prevention Program requirements for Fiscal Year 2014/15.

ENVIRONMENTAL COMPLIANCE

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

EXPENDITURES

By Type:

	FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
Wages	447,225	484,554	455,023	488,860	0.9%	513,303	5.0%
Premium Pay	1,792	2,600	2,664	3,530	35.8%	3,690	4.5%
Health Benefits	89,180	102,201	87,758	106,782	4.5%	112,008	4.9%
Retirement Cont.	89,082	95,542	91,005	107,549	12.6%	118,060	9.8%
Retirement Medical	81,819	105,371	109,665	104,480	-0.8%	108,775	4.1%
Misc. Benefits	23,751	40,843	27,410	31,662	-22.5%	33,000	4.2%
Legal Fees	-	-	-	-	0.0%	-	0.0%
Professional Services	51,625	98,225	60,754	98,800	0.6%	98,952	0.2%
Prof. Memberships	784	1,000	658	1,200	20.0%	1,248	4.0%
Printing/Advertising	1,649	16,500	7,092	15,500	-6.1%	16,120	4.0%
Insurance Premiums	-	-	-	-	0.0%	-	0.0%
Utilities	33,282	28,818	74,894	69,238	140.3%	72,072	4.1%
Travel & Training	3,644	5,550	1,605	3,600	-35.1%	3,600	0.0%
Misc. Expenses	1,074	3,935	1,121	3,278	-16.7%	3,409	4.0%
Bldg & Maint Services	5,396	6,208	5,760	6,000	-3.4%	6,240	4.0%
WCA Expenses	-	-	-	-	0.0%	-	0.0%
Election Costs	-	-	-	-	0.0%	-	0.0%
Permits	1,907	3,000	2,543	3,000	0.0%	3,120	4.0%
Supplies	35,597	49,975	27,069	35,825	-28.3%	36,898	3.0%
Equipment	1,753	25,000	27,060	2,500	-90.0%	2,500	0.0%
Debt Service							
	\$ 869,560	\$1,069,322	\$ 982,081	\$1,081,804	1.2%	1,132,994	4.7%
Funded Positions:							
Operating Fund FTE	4.48	4.48	4.48	4.48	0.0%	4.48	0.0%
Other Funds FTE	4.48	4.48	4.48	4.48	0.0%	4.48	0.0%

REVENUE

By Type:

Sewer Use Charge	-	-	-	-	0.0%	-	0.0%
Fees	68,611	60,500	60,348	62,300	3.0%	64,154	3.0%
Rents & Leases	-	-	-	-	0.0%	-	0.0%
Contract Services	-	-	-	-	0.0%	-	0.0%
Taxes	-	-	-	-	0.0%	-	0.0%
Interest Earnings	-	-	-	-	0.0%	-	0.0%
Misc. Revenue	60,000	1,000	1,000	1,030	3.0%	1,061	3.0%
Transfers In/(Out)	-	-	-	-	0.0%	-	0.0%
	128,611	61,500	61,348	63,330	3.0%	65,215	3.0%

Note: Increases in retirement contributions due to CalPERS rate changes. Increases in Utilities due to increasing water, sewer and electrical costs.

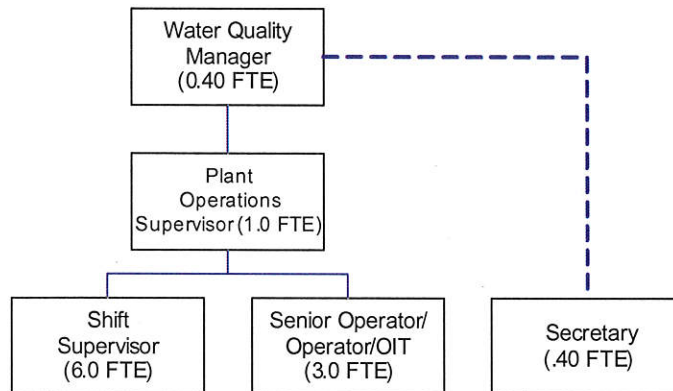
WPCP OPERATIONS DIVISION



PROGRAM DESCRIPTION

The Water Pollution Control Plant Operations Division is responsible for the safe, legal, economical, and environmentally acceptable treatment and reclaiming of all sanitary wastewater flows from West County Wastewater District. In addition, this program is responsible for “First Response” to alarms from 18 district lift stations and three (3) contract stations.

Division services are managed by the Water Quality Manager with direct supervision by the WPCP Operations Supervisor.



Staffing Summary	2013	2014	2015	2014	2015
Regular Positions	10.80	10.80	10.80	10.80	10.80

GOALS

- To operate the wastewater treatment and disposal system of the West County Wastewater District for current and future customers with safe, efficient, and cost-effective treatment services.
- To have 100% compliance with all NPDES limits for conventional pollutants.
- To receive the National Association of Clean Water Agencies (NACWA) Platinum Award for the eleventh and twelfth consecutive calendar year.
- To continue providing current plant personnel with opportunities to attend seminars and technical sessions, to expand their interest and knowledge of the wastewater industry.

HIGHLIGHTS

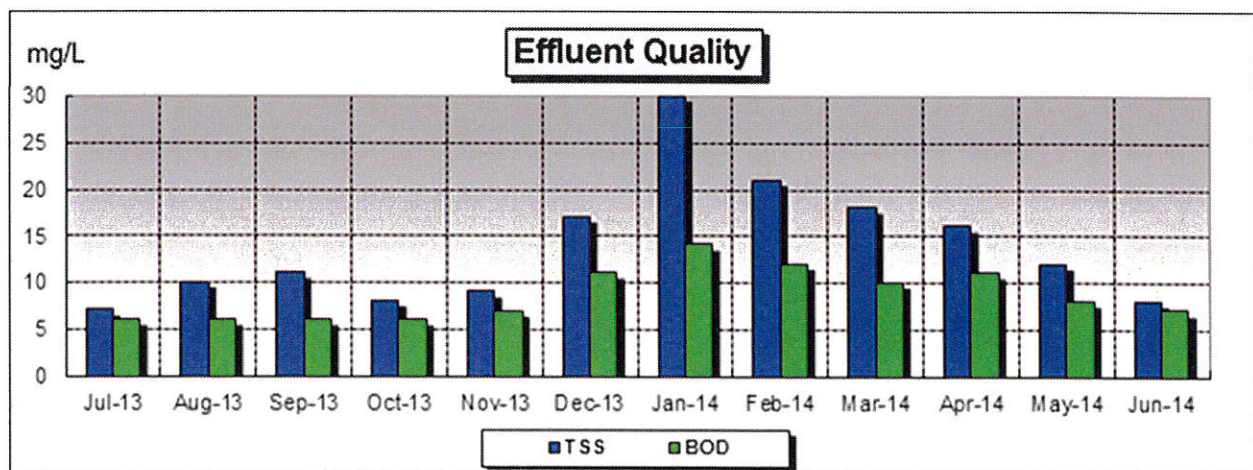
- Drained, inspected, and repaired, as necessary all three primary clarifiers.
- Drained, inspected, and repaired, as necessary two secondary clarifiers.
- Drained #1 aeration basin for inspection and perform preventive maintenance.
- Drained and cleaned chlorine contact basins as required.
- Mixed and dried biosolids lagoons, sampled dry biosolids, and coordinated the cleaning with West County Landfill.
- Continued to monitor energy use at the treatment plant and develop new energy efficient/conservation efforts.
- Continued efforts to research areas of green power generation to help lower future energy costs, most notably a solar generation project.
- Participated with lab personnel on various sampling programs. Performed process related laboratory analysis for the Environmental Compliance Division on weekends.
- Continued to receive the highest inspection rating from the Regional Water Quality Control Board (RWQCB) for the annual NPDES compliance inspection.
- Participated in a partnership with East Bay Municipal Utilities District's on various projects to increase reclaimed water use, most notably the Richmond Advanced Recycled Expansion (RARE) Water Project.
- Provided leadership and supervision training for all plant Shift Supervisors. Continued to make certification review training available to all Operations Division personnel. Fully implemented the department's annual safety training programs.
- Continued to develop methods to lower ammonia levels in WCWD effluent to aid the North Richmond Water Reclamation Plant (NRWRP) meet requirements to supply reclaimed water to the Chevron Refinery.
- Received the NACWA Platinum award for zero National Pollutants Discharge Elimination System (NPDES) permit violations for calendar year 2013. Anticipate receiving the Platinum award for calendar year 2014.
- The plant continued to participate in the Solano college Operator-in-Training program, where students volunteer their time to intern at the plant gaining valuable work experience to augment their classroom studies of wastewater treatment plant operations.

- Supplied quality effluent to the North Richmond Water Reclamation Plant & the RARE project and the West Contra Costa Sanitary Landfill for reuse.
- Administered the District's Trucked Waste Acceptance Program.
- Worked with consultant engineers to optimize processes and expand nitrifying facilities to improve reliability.

PROGRAM OBJECTIVES

- Dewater, sample, and remove bio-solids from lagoons by November 1, 2015 and 2016.
- Dewater, inspect, and perform necessary work on both Aeration Basins.
- Dewater, clean and prepare for inspection by Maintenance Division personnel, three primary and four secondary clarifiers.
- Dewater and clean chlorine contact basins as needed during 2015 and 2016.
- Provide refresher training in the lab and at lift stations for Operations Division personnel.
- Participate with lab personnel in the various sampling programs.
- Continue to fully implement the Department's Annual Safety Training programs.
- Continue to administer the District's Trucked Waste Acceptance Program.
- Schedule Operator Certification training classes and other regional training classes at the Districts Wooten Training Classroom throughout 2015 and 2016.

PERFORMANCE MEASURES



WPCP OPERATIONS

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

EXPENDITURES

By Type:

	FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
Wages	918,523	1,224,840	1,081,253	1,141,041	-6.8%	1,198,093	5.0%
Premium Pay	216,819	133,378	158,790	134,450	0.8%	140,228	4.3%
Health Benefits	175,649	235,507	202,365	245,500	4.2%	257,420	4.9%
Retirement Cont.	179,879	249,818	226,068	259,829	4.0%	290,293	11.7%
Retirement Medical	204,490	253,478	262,159	246,335	-2.8%	256,582	4.2%
Misc. Benefits	63,106	105,790	80,693	89,032	-15.8%	92,764	4.2%
Legal Fees	-	-	-	-	0.0%	-	0.0%
Professional Services	54,028	162,910	87,691	154,404	-5.2%	154,580	0.1%
Prof. Memberships	2,857	2,000	1,788	3,100	55.0%	3,224	4.0%
Printing/Advertising	52	75	-	50	-33.3%	52	4.0%
Insurance Premiums	-	-	-	-	0.0%	-	0.0%
Utilities	347,244	365,202	508,602	534,298	46.3%	555,783	4.0%
Travel & Training	2,373	4,050	2,512	3,100	-23.5%	3,172	2.3%
Misc. Expenses	17,672	5,200	5,500	5,800	11.5%	6,032	4.0%
Bldg & Maint Services	8,994	10,000	9,569	9,500	-5.0%	9,880	4.0%
WCA Expenses	19	-	-	-	19.0%	-	0.0%
Election Costs	-	-	-	-	0.0%	-	0.0%
Permits	1,791	20,806	11,195	21,000	0.9%	21,840	4.0%
Supplies	346,278	463,725	311,188	402,476	-13.2%	418,113	3.9%
Equipment	995	43,000	1,362	1,500	-96.5%	1,500	0.0%
Debt Service							
	\$2,540,769	\$3,279,779	\$2,950,734	\$3,251,414	-0.9%	\$3,409,555	4.9%

Funded Positions:

Operating Fund FTE

Other Funds FTE

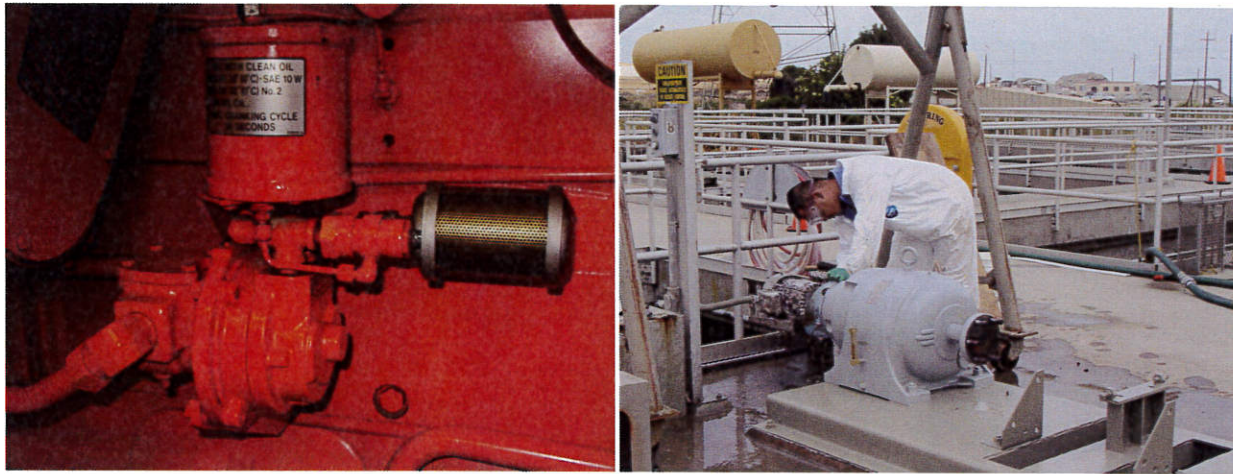
10.80	10.80	10.80	10.80	0.0%	10.80	0.0%
10.80	10.80	10.80	10.80	0.0%	10.80	0.0%

REVENUE

By Type:

Sewer Use Charge	802,181	565,684	587,164	627,909	11.0%	696,979	11.0%
Fees	-	40,000	88,596	41,200	3.0%	42,436	3.0%
Rents & Leases	341,007	347,827	284,118	358,262	3.0%	-	-100.0%
Contract Services	-	-	-	-	0.0%	-	0.0%
Taxes	-	-	-	-	0.0%	-	0.0%
Interest Earnings	-	-	-	-	0.0%	-	0.0%
Misc. Revenue	-	-	-	-	0.0%	-	0.0%
Transfers In/(Out)	-	-	-	-	0.0%	-	0.0%
	1,143,188	953,511	959,878	1,027,371	7.7%	739,415	-28.0%

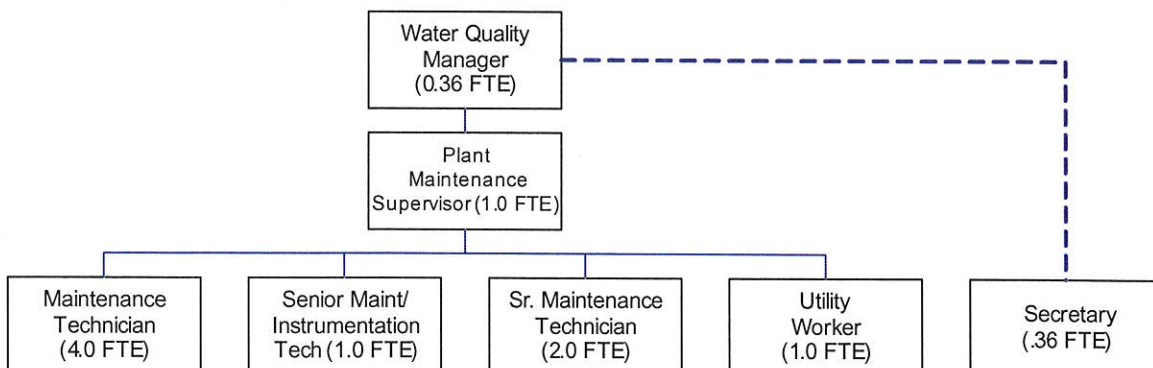
Note: Increases in retirement contributions due to CalPERS rate changes. Increases in Utilities due to increasing water, sewer and electrical costs.



The Maintenance Division is responsible for the reliability and integrity of systems and equipment at the Water Pollution Control Plant (WPCP). The Division also operates and maintains 17 District-owned lift stations and facilities for three contract entities; the Crockett Sanitary Department pump stations and storage facility, Contra Costa County North Richmond Storm Water pump station, and West County Justice Center lift station. The Maintenance Division maintains the 36-inch, five-mile long, transmission pipeline.

The Maintenance Division manages and executes predictive and preventive maintenance programs, corrective and rehabilitative maintenance, and in-house equipment and process improvements. The division serves a primary role in the development and execution of capital projects and equipment purchases. The division coordinates and oversees contractors working in the plant.

Services are managed by the WPCP Superintendent with direct supervision by the WPCP Maintenance Supervisor.



Staffing Summary	2013	2014	2015	2014	2015
Regular Positions	9.72	9.72	9.72	9.72	9.72

GOALS

- To maintain appropriate capacities and effective operations and assure no spills or overflows.
- To maintain the wastewater treatment facilities, lift stations and contract stations at a level that assures uninterrupted quality service to our customers; and ensures no process interruptions due to equipment break downs.
- To promote the development and education of staff to assure the ongoing ability to operate, maintain, troubleshoot and repair all systems and equipment.
- To continue upgrading all equipment and facilities - concentrating on improved reliability, ease-of-maintenance and reduced operating and maintenance costs.
- To complete critical Capital Improvement Projects.
- To complete all scheduled and necessary equipment purchases.

HIGHLIGHTS

- Maintained the reliability of equipment and Plant processes via:
 - ✓ Comprehensive preventive maintenance - leading to no significant equipment failures and minimal interruptions to plant processes
 - ✓ Predictive maintenance programs: Vibration Analysis and Infrared Scanning aided in system analyses and troubleshooting endeavors.
 - ✓ Enhanced reliability with an increased inventory of back-up (spare) pumps and motors
- Supervision of programs and systems:
 - ✓ Plant and Lift Station SCADA
 - ✓ Computerized Maintenance Management System
 - ✓ District-wide Fleet Management Program (with CSO Division)
- Personnel highlights:
 - ✓ Staff CWEA Certifications: (2) Grade IV Plant Maintenance Technologist, (3) Grade III Mechanical Technologist, and (2) Grade II Mechanical Technicians, (1) Grade III Electrical / Instrumentation Technician.
 - ✓ Continued training of staff to address our increasing dependence on modern technologies.
 - ✓ Cross-training in trade disciplines

- Division contributions to completion of upgrade, efficiency and rejuvenation projects:
 - ✓ SCADA / MOSCAD upgrades - including disaster recovery enhancements and new server.
 - ✓ Swapping of Automatic Transfer Switches.
 - ✓ Install three new process samplers, coordinate integration with SCADA.
 - ✓ Retiring the problematic Electric Blower Bldg. Transfer Switch.

PROGRAM OBJECTIVES

- Perform required preventive and predictive maintenance to eliminate spills, overflows, bypasses or discharge permit violations, and to minimize the possibility of equipment breakdowns
- Continue the comprehensive training of division personnel
- Continue to promote and provide a safe and healthy environment for all District personnel, contractors, visitors – and the community we serve
- Complete all one-year Capital Projects and Equipment Purchases
- Assess and plan for future needs

WPCP MAINTENANCE

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

EXPENDITURES

By Type:

	FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
Wages	578,048	809,170	629,173	917,219	13.4%	963,080	5.0%
Premium Pay	29,306	31,250	27,693	30,650	-1.9%	31,260	2.0%
Health Benefits	112,893	170,266	122,592	179,023	5.1%	187,198	4.6%
Retirement Cont.	117,256	159,456	129,435	206,023	29.2%	225,947	9.7%
Retirement Medical	120,368	160,018	148,633	170,179	6.3%	175,910	3.4%
Misc. Benefits	35,243	70,141	46,222	59,354	-15.4%	61,845	4.2%
Legal Fees	-	-	-	-	0.0%	-	0.0%
Professional Services	269,931	200,879	336,246	198,600	-1.1%	210,104	5.8%
Prof. Memberships	897	1,339	250	1,000	-25.3%	1,000	0.0%
Printing/Advertising	52	75	-	-	-100.0%	-	0.0%
Insurance Premiums	-	-	-	-	0.0%	-	0.0%
Utilities	64,682	65,272	147,846	140,878	115.8%	146,213	3.8%
Travel & Training	1,918	3,905	2,264	2,521	-35.4%	2,800	11.1%
Misc. Expenses	7,081	76,992	7,643	8,729	-88.7%	8,774	0.5%
Bldg & Maint Services	8,588	103,226	58,541	92,726	-10.2%	98,835	6.6%
WCA Expenses	-	-	-	-	0.0%	-	0.0%
Election Costs	-	-	-	-	0.0%	-	0.0%
Permits	28,433	18,224	18,519	20,000	9.7%	20,000	0.0%
Supplies	98,769	165,007	115,267	218,625	32.5%	230,962	5.6%
Equipment	-	7,500	501	1,500	0.0%	1,500	0.0%
Debt Service							
	\$1,473,465	\$2,042,720	\$1,790,825	\$2,247,026	10.0%	2,365,428	5.3%

Funded Positions:

Operating Fund FTE	9.72	9.72	9.72	9.72	0.0%	9.72	0.0%
Other Funds FTE	-	-	-	-	-	-	-
	9.72	9.72	9.72	9.72	0.0%	9.72	0.0%

REVENUE

By Type:

Sewer Use Charge	-	-	-	-	0.0%	-	0.0%
Fees	-	-	-	-	0.0%	-	0.0%
Rents & Leases	-	-	-	-	0.0%	-	0.0%
Contract Services	-	-	-	-	0.0%	-	0.0%
Taxes	-	-	-	-	0.0%	-	0.0%
Interest Earnings	-	-	-	-	0.0%	-	0.0%
Misc. Revenue	-	-	-	-	0.0%	-	0.0%
Transfers In/(Out)	-	-	-	-	0.0%	-	0.0%
	-	-	-	-	0.0%	-	0.0%

Note: Increases in retirement contributions due to CalPERS rate changes. Increases in Utilities due to increasing water, sewer and electrical costs.

LIFT STATIONS



PROGRAM DESCRIPTION

The Maintenance Division of the Water Pollution Control Department operates and maintains 17 District-owned lift stations. The Maintenance Division is the primary division of the Water Pollution Control Department to generate and manage improvement projects and long range capital improvements for the lift stations. The division oversees and manages contractors working at the lift stations.

Services are managed by the WPCP Superintendent with direct supervision by the WPCP Maintenance Supervisor. One Maintenance Staff is assign to work on lift station Monday to Friday except holiday. Additional staff is assigned on lift station issues on an as needed basis.

Staffing Summary	2012/13	2013/14	2014/15	2015/16	2016/17
Regular Positions	0.00	0.00	0.00	0.00	0.00

GOALS

- To continue to maintain the lift stations at a level that ensures prevention of spills and overflows.
- Assure high quality, efficient and cost-effective service for the communities we serve.
- To continue a program to upgrade all equipment and facilities, maintain appropriate capacities, maintain effective operations, ensure ease of maintenance, improve reliability, reduce operating and maintenance costs, and assure availability of repair parts and service.

HIGHLIGHTS

- Maintained the reliability of equipment and processes via:
 - ✓ Comprehensive preventive maintenance leading to no significant equipment failures
 - ✓ Predictive maintenance programs: Vibration Analysis and Infrared Scanning aided in system analyses and troubleshooting endeavors
 - ✓ Enhanced reliability with an increased inventory of back-up (spare) pumps and motors
- Supervision of programs and systems:
 - ✓ Lift Station SCADA
 - ✓ Computerized Maintenance Management System
- Installation of Carriage Hills Lift Station portable power generator connection facility

PROGRAM OBJECTIVES

- Perform all preventive maintenance to minimize the possibility of spills, overflows, bypasses, or equipment breakdowns.
- Perform predictive maintenance - utilizing vibration analyses and thermal imaging on specific lift station pumps as part of the comprehensive preventive / predictive maintenance program.
- Perform corrective maintenance with efficient use of all resources.
- Purchase and install new pumps as necessary, and facilitate overhauls on existing pumps to ensure no interruption in service.
- Installation of Hilltop Green Lift Station portable power generator connection facility.
- Installation of power monitoring device at D'Avila Lift Station.

LIFT STATIONS

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

EXPENDITURES

By Type:

	FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
Wages	-	-	-	-	0.0%	-	0.0%
Premium Pay	-	-	-	-	0.0%	-	0.0%
Health Benefits	-	-	-	-	0.0%	-	0.0%
Retirement Cont.	-	-	-	-	0.0%	-	0.0%
Retirement Medical	-	-	-	-	0.0%	-	0.0%
Misc. Benefits	-	-	-	-	0.0%	-	0.0%
Legal Fees	-	-	-	-	0.0%	-	0.0%
Professional Services	56,749	51,273	15,468	21,824	-57.4%	22,697	4.0%
Prof. Memberships	-	-	-	-	0.0%	-	0.0%
Printing/Advertising	-	-	-	-	0.0%	-	0.0%
Insurance Premiums	-	-	-	-	0.0%	-	0.0%
Utilities	128,024	116,038	170,485	151,575	30.6%	157,706	4.0%
Travel & Training	-	-	-	-	0.0%	-	0.0%
Misc. Expenses	781	4,350	4,723	5,364	23.3%	5,579	4.0%
Bldg & Maint Services	10,770	13,000	13,333	17,045	31.1%	17,727	4.0%
WCA Expenses	-	-	-	-	0.0%	-	0.0%
Election Costs	-	-	-	-	0.0%	-	0.0%
Permits	5,160	6,500	8,903	9,000	38.5%	9,360	4.0%
Supplies	23,342	44,524	39,023	41,500	-6.8%	43,160	4.0%
Equipment	9,279	12,000	12,452	12,000	0.0%	12,480	4.0%
Debt Service	-	-	-	-	-	-	-
	\$ 234,105	\$ 247,685	\$ 264,387	\$ 258,307	4.3%	\$ 268,708	4.0%

Funded Positions:

Operating Fund FTE

Other Funds FTE

	-	-	-	-	0%	-	0%

REVENUE

By Type:

Sewer Use Charge	-	-	-	-	0.0%	-	0.0%
Fees	-	-	-	-	0.0%	-	0.0%
Rents & Leases	-	-	-	-	0.0%	-	0.0%
Contract Services	-	-	-	-	0.0%	-	0.0%
Taxes	-	-	-	-	0.0%	-	0.0%
Interest Earnings	-	-	-	-	0.0%	-	0.0%
Misc. Revenue	-	-	-	-	0.0%	-	0.0%
Transfers In/(Out)	-	-	-	-	0.0%	-	0.0%
	-	-	-	-	0.0%	-	0%

CONTRACT SERVICES



PROGRAM DESCRIPTION

The Maintenance Division of the Water Pollution Control Department operates, maintains and/or supports six contract facilities for four distinct agencies; the North Richmond Storm Water Pump Station (NRSWPS), two wastewater lift stations and a storage facility for Crockett Sanitary Department (CSD), the West County Justice Center wastewater lift station (WCJC) and support for the Richmond Country Club recycled water pumping system. This is a full cost recovery program.

The Maintenance Division is the key division in the Water Pollution Control Plant to generate capital projects and long range improvements for the contract stations. The division oversees and manages most outside contractors working at these facilities.

Services are managed by the WPCP Superintendent with direct supervision by the WPCP Maintenance Supervisor. Staff is assigned to work on contract sites on an as-needed basis.

Staffing Summary	2011	2012	2013	2014	2015
Regular Positions	0.00	0.00	0.00	0.00	0.00

GOALS

- To continue to maintain the lift stations at a level that ensures prevention of spills and overflows.
- Assure high quality, efficient and cost-effective service for the communities we serve.
- To continue a program to upgrade all equipment and facilities, maintain appropriate capacities, maintain effective operations, ensure ease of maintenance, improve reliability, reduce operating and maintenance costs, and assure availability of repair parts and service.

HIGHLIGHTS

- Enhanced clean water program North Richmond Storm Water pump station
- Engagement in planning / facilitating the project to deliver North Richmond Storm Water pump station dry weather flows to WCWD Water Pollution Control Plant

PROGRAM OBJECTIVES

- To provide reliable operations at all facilities.
- To continue to maintain the contract stations at a level that ensures high quality, cost-effective service to our customers.
- To provide effective maintenance and efficient service response to prevent spills and overflows at the wastewater facilities.
- To maintain adequate flows of storm water through the NRSWPS.
- To promote a program to upgrade all equipment and facilities that results in improved reliability and cost-effective maintenance and operation.

CROCKETT SANITARY DISTRICT

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

EXPENDITURES

By Type:

	FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
Wages	24,950	27,484	21,403	25,000	-9.0%	26,250	5.0%
Premium Pay	1,037	1,500	-	1,200	-20.0%	1,260	5.0%
Health Benefits	5,299	5,767	4,698	5,717	-0.9%	6,003	5.0%
Retirement Cont.	4,823	5,420	4,281	5,500	1.5%	6,038	9.8%
Retirement Medical	2,845	3,848	3,425	3,250	-15.5%	3,675	13.1%
Misc. Benefits	1,350	2,200	1,310	1,507	-31.5%	1,579	4.8%
Legal Fees	-	-	-	-	0.0%	-	0.0%
Professional Services	2,445	25,000	1,649	27,000	8.0%	28,350	5.0%
Prof. Memberships	-	-	-	-	0.0%	-	0.0%
Printing/Advertising	-	-	-	-	0.0%	-	0.0%
Insurance Premiums	-	-	-	-	0.0%	-	0.0%
Utilities	-	-	-	-	0.0%	-	0.0%
Travel & Training	-	-	-	-	0.0%	-	0.0%
Misc. Expenses	-	-	-	-	0.0%	(0)	0.0%
Bldg & Maint Services	-	-	-	-	0.0%	-	0.0%
WCA Expenses	-	-	-	-	0.0%	-	0.0%
Election Costs	-	-	-	-	0.0%	-	0.0%
Permits	-	-	-	-	0.0%	-	0.0%
Supplies	5,433	6,375	4,844	7,326	14.9%	7,692	5.0%
Equipment	-	-	-	-	0.0%	-	0.0%
Debt Service	-	-	-	-	-	-	-
	\$ 48,182	\$ 77,594	\$ 41,610	\$ 76,500	-1.4%	\$ 80,847	5.7%
Funded Positions:							
Operating Fund FTE	-	-	-	-	0.0%	-	0.0%
Other Funds FTE	-	-	-	-	0.0%	-	0.0%

REVENUE

By Type:

Sewer Use Charge	-	-	-	-	0.0%	-	0.0%
Fees	-	-	-	-	0.0%	-	0.0%
Rents & Leases	-	-	-	-	0.0%	-	0.0%
Contract Services	78,542	89,233	54,648	87,974	-1.4%	92,974	5.7%
Taxes	-	-	-	-	0.0%	-	0.0%
Interest Earnings	-	-	-	-	0.0%	-	0.0%
Misc. Revenue	-	-	-	-	0.0%	-	0.0%
Transfers In/(Out)	-	-	-	-	0.0%	-	0.0%
	78,542	89,233	54,648	87,974	-1.4%	92,974	5.7%

NORTH RICHMOND STORM DRAIN PUMP STATION

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

EXPENDITURES

By Type:

	FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
Wages	7,542	11,645	6,041	12,228	5.0%	12,839	5.0%
Premium Pay	-	315	-	331	5.1%	348	0.0%
Health Benefits	1,328	2,514	1,063	1,050	-58.2%	1,103	5.0%
Retirement Cont.	1,431	21	1,208	2,690	12710.3%	2,953	9.8%
Retirement Medical	826	1,630	967	1,590	-2.5%	1,798	13.1%
Misc. Benefits	382	93	362	3,842	4031.5%	4,034	5.0%
Legal Fees	-	-	-	-	0.0%	-	0.0%
Professional Services	11,382	16,000	1,961	13,000	-18.8%	13,650	5.0%
Prof. Memberships	-	-	-	-	0.0%	-	0.0%
Printing/Advertising	-	-	-	-	0.0%	-	0.0%
Insurance Premiums	-	-	-	-	0.0%	-	0.0%
Utilities	34,088	25,239	47,343	20,385	-19.2%	21,424	5.1%
Travel & Training	-	-	-	-	0.0%	-	0.0%
Misc. Expenses	-	-	(0)	-	0.0%	-	0.0%
Bldg & Maint Services	-	-	-	-	0.0%	-	0.0%
WCA Expenses	-	-	-	-	0.0%	-	0.0%
Election Costs	-	-	-	-	0.0%	-	0.0%
Permits	-	-	-	-	0.0%	-	0.0%
Supplies	-	300	1,624	7,800	2500.0%	8,190	5.0%
Equipment	-	-	-	-	0.0%	-	0.0%
Debt Service	-	-	-	-	-	-	-
	\$ 56,979	\$ 57,757	\$ 60,569	\$ 62,916	8.9%	\$ 66,338	5.4%
Funded Positions:							
Operating Fund FTE	-	-	-	-	0.0%	-	0.0%
Other Funds FTE	-	-	-	-	0.0%	-	0.0%

REVENUE

By Type:

Sewer Use Charge	-	-	-	-	0.0%	-	0.0%
Fees	-	-	-	-	0.0%	-	0.0%
Rents & Leases	-	-	-	-	0.0%	-	0.0%
Contract Services	73,005	64,561	61,620	72,354	12.1%	76,289	5.4%
Taxes	-	-	-	-	0.0%	-	0.0%
Interest Earnings	-	-	-	-	0.0%	-	0.0%
Misc. Revenue	-	-	-	-	0.0%	-	0.0%
Transfers In/(Out)	-	-	-	-	0.0%	-	0.0%
	73,005	64,561	61,620	72,354	12.1%	76,289	5.4%

RICHMOND GOLF & COUNTRY CLUB

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

EXPENDITURES

By Type:

	FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
Wages	506	700	49	735	5.0%	772	1462.2%
Premium Pay	-	-	-	-	0.0%	-	0.0%
Health Benefits	90	124	11	130	4.8%	137	1129.7%
Retirement Cont.	95	158	10	162	2.3%	178	1696.6%
Retirement Medical	54	75	8	125	66.6%	108	1267.0%
Misc. Benefits	25	65	6	148	127.2%	98	1499.6%
Legal Fees	-	-	-	-	0.0%	-	0.0%
Professional Services	293	400	-	305	-23.8%	320	400.0%
Prof. Memberships	-	-	-	-	0.0%	-	0.0%
Printing/Advertising	-	-	-	-	0.0%	-	0.0%
Insurance Premiums	-	-	-	-	0.0%	-	0.0%
Utilities	406	375	387	410	9.3%	431	11.3%
Travel & Training	-	-	-	-	0.0%	-	0.0%
Misc. Expenses	-	-	-	-	0.0%	5	0.0%
Bldg & Maint Services	-	-	-	-	0.0%	-	0.0%
WCA Expenses	-	-	-	-	0.0%	-	0.0%
Election Costs	-	-	-	-	0.0%	-	0.0%
Permits	-	-	-	-	0.0%	-	0.0%
Supplies	-	-	-	-	0.0%	-	0.0%
Equipment	-	-	-	-	0.0%	-	0.0%
Debt Service	-	-	-	-	0.0%	-	0.0%
	\$ 1,469	\$ 1,897	\$ 471	\$ 2,014	6.2%	\$ 2,048	1.7%
<u>Funded Positions:</u>							
Operating Fund FTE	-	-	-	-	0.0%	-	0.0%
Other Funds FTE	-	-	-	-	0.0%	-	0.0%

REVENUE

By Type:

Sewer Use Charge	-	-	-	-	0.0%	-	0.0%
Fees	-	-	-	-	0.0%	-	0.0%
Rents & Leases	-	-	-	-	0.0%	-	0.0%
Contract Services	1,316	2,182	573	2,316	6.2%	2,355	311.4%
Taxes	-	-	-	-	0.0%	-	0.0%
Interest Earnings	-	-	-	-	0.0%	-	0.0%
Misc. Revenue	-	-	-	-	0.0%	-	0.0%
Transfers In/(Out)	-	-	-	-	0.0%	-	0.0%
	1,316	2,182	573	2,316	6.2%	2,355	1.7%

WEST COUNTY JUSTICE CENTER

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

EXPENDITURES

By Type:

	FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
Wages	3,821	3,537	5,694	6,000	69.6%	6,300	5.0%
Premium Pay	-	50	-	50	0.0%	53	5.0%
Health Benefits	778	893	1,109	1,225	37.2%	1,286	5.0%
Retirement Cont.	703	796	1,139	1,320	65.8%	1,449	9.8%
Retirement Medical	417	495	911	1,020	106.1%	882	-13.5%
Misc. Benefits	197	277	346	292	5.4%	307	5.0%
Legal Fees	-	-	-	-	0.0%	-	0.0%
Professional Services	3,655	30,000	16,720	20,000	-33.3%	21,000	5.0%
Prof. Memberships	-	-	-	-	0.0%	-	0.0%
Printing/Advertising	-	-	-	-	0.0%	-	0.0%
Insurance Premiums	-	-	-	-	0.0%	-	0.0%
Utilities	-	-	-	-	0.0%	-	0.0%
Travel & Training	-	-	-	-	0.0%	-	0.0%
Misc. Expenses	-	-	-	-	0.0%	-	0.0%
Bldg & Maint Services	-	-	-	-	0.0%	-	0.0%
WCA Expenses	-	-	-	-	0.0%	-	0.0%
Election Costs	-	-	-	-	0.0%	-	0.0%
Permits	-	-	-	-	0.0%	-	0.0%
Supplies	110	1,250	-	5,600	348.0%	5,880	5.0%
Equipment	-	-	-	-	0.0%	-	0.0%
Debt Service	-	-	-	-	-	-	-
	\$ 9,681	\$ 37,298	\$ 25,919	\$ 35,507	-4.8%	\$ 37,156	4.6%

Funded Positions:

Operating Fund FTE	-	-	-	-	0.0%	-	0.0%
Other Funds FTE	-	-	-	-	0.0%	-	0.0%

REVENUE

By Type:

Sewer Use Charge	-	-	-	-	0.0%	-	0.0%
Fees	-	-	-	-	0.0%	-	0.0%
Rents & Leases	-	-	-	-	0.0%	-	0.0%
Contract Services	15,454	42,893	8,179	40,833	-4.8%	42,730	4.6%
Taxes	-	-	-	-	0.0%	-	0.0%
Interest Earnings	-	-	-	-	0.0%	-	0.0%
Misc. Revenue	-	-	-	-	0.0%	-	0.0%
Transfers In/(Out)	-	-	-	-	0.0%	-	0.0%
	15,454	42,893	8,179	40,833	-4.8%	42,730	4.6%

NORTH RICHMOND WATER RECLAMATION PROJECT

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

EXPENDITURES

By Type:

	FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
Wages	1,761	2,339	-	-	-100.0%	-	0.0%
Premium Pay	-	-	-	-	0.0%	-	0.0%
Health Benefits	294	574	-	-	-100.0%	-	0.0%
Retirement Cont.	353	279	-	-	-100.0%	-	0.0%
Retirement Medical	194	257	-	-	-100.0%	-	0.0%
Misc. Benefits	88	184	-	-	-100.0%	-	0.0%
Legal Fees	-	-	-	-	0.0%	-	0.0%
Professional Services	-	-	-	-	0.0%	-	0.0%
Prof. Memberships	-	-	-	-	0.0%	-	0.0%
Printing/Advertising	-	-	-	-	0.0%	-	0.0%
Insurance Premiums	-	-	-	-	0.0%	-	0.0%
Utilities	148,645	175,000	191,751	192,000	9.7%	199,680	4.0%
Travel & Training	-	-	-	-	0.0%	-	0.0%
Misc. Expenses	-	-	-	-	0.0%	-	0.0%
Bldg & Maint Services	-	-	-	-	0.0%	-	0.0%
WCA Expenses	-	-	-	-	0.0%	-	0.0%
Election Costs	-	-	-	-	0.0%	-	0.0%
Permits	-	-	-	-	0.0%	-	0.0%
Supplies	-	-	-	-	0.0%	-	0.0%
Equipment	-	-	-	-	0.0%	-	0.0%
Debt Service	-	-	-	-	0.0%	-	0.0%
	\$ 151,335	\$ 178,633	\$ 191,751	\$ 192,000	7.5%	\$ 199,680	4.0%

Funded Positions:

Operating Fund FTE	-	-	-	-	0.0%	-	0.0%
Other Funds FTE	-	-	-	-	0.0%	-	0.0%

REVENUE

By Type:

Sewer Use Charge	-	-	-	-	0.0%	-	0.0%
Fees	-	-	-	-	0.0%	-	0.0%
Rents & Leases	-	-	-	-	0.0%	-	0.0%
Contract Services	148,645	205,428	189,506	192,000	-6.5%	199,680	4.0%
Taxes	-	-	-	-	0.0%	-	0.0%
Interest Earnings	-	-	-	-	0.0%	-	0.0%
Misc. Revenue	-	-	-	-	0.0%	-	0.0%
Transfers In/(Out)	-	-	-	-	0.0%	-	0.0%
	148,645	205,428	189,506	192,000	-6.5%	199,680	4.0%

MISCELLANEOUS CONTRACTS

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

EXPENDITURES

By Type:

	FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
Wages	983	985	-	-	-100.0%	-	0.0%
Premium Pay	-	-	-	-	0.0%	-	0.0%
Health Benefits	149	145	-	-	-100.0%	-	0.0%
Retirement Cont.	192	191	-	-	-100.0%	-	0.0%
Retirement Medical	106	106	-	-	-100.0%	-	0.0%
Misc. Benefits	48	28	-	-	-100.0%	-	0.0%
Legal Fees	-	-	-	-	0.0%	-	0.0%
Professional Services	750	1,200	-	-	-100.0%	-	0.0%
Prof. Memberships	-	-	-	-	0.0%	-	0.0%
Printing/Advertising	-	-	-	-	0.0%	-	0.0%
Insurance Premiums	-	-	-	-	0.0%	-	0.0%
Utilities	-	-	-	-	0.0%	-	0.0%
Travel & Training	-	-	-	-	0.0%	-	0.0%
Misc. Expenses	-	-	-	-	0.0%	-	0.0%
Bldg & Maint Services	-	-	-	-	0.0%	-	0.0%
WCA Expenses	-	-	-	-	0.0%	-	0.0%
Election Costs	-	-	-	-	0.0%	-	0.0%
Permits	-	-	-	-	0.0%	-	0.0%
Supplies	-	-	-	-	0.0%	-	0.0%
Equipment	-	-	-	-	0.0%	-	0.0%
Debt Service	-	-	-	-	0.0%	-	0.0%
	\$ 2,228	\$ 2,655	\$ -	\$ -	-100.0%	\$ -	0.0%

Funded Positions:

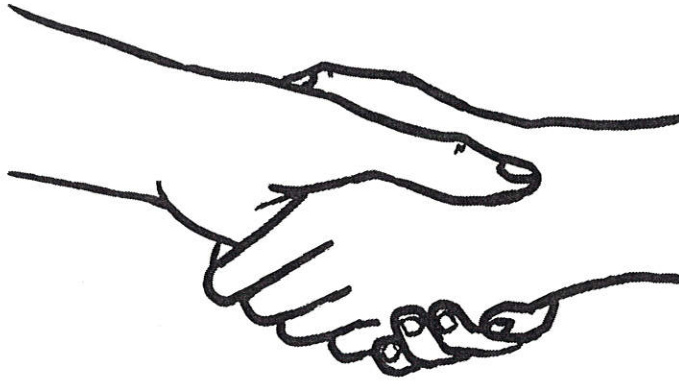
Operating Fund FTE	-	-	-	-	0.0%	-	0.0%
Other Funds FTE	-	-	-	-	0.0%	-	0.0%
	-	-	-	-	0.0%	-	0.0%

REVENUE

By Type:

Sewer Use Charge	-	-	-	-	0.0%	-	0.0%
Fees	-	-	-	-	0.0%	-	0.0%
Rents & Leases	-	-	-	-	0.0%	-	0.0%
Contract Services	2,701	1,387	-	-	-100.0%	-	0.0%
Taxes	-	-	-	-	0.0%	-	0.0%
Interest Earnings	-	-	-	-	0.0%	-	0.0%
Misc. Revenue	-	-	-	-	0.0%	-	0.0%
Transfers In/(Out)	-	-	-	-	0.0%	-	0.0%
	2,701	1,387	-	-	-100.0%	-	0.0%

JOINT POWERS AUTHORITY



PROGRAM DESCRIPTION

The West County Agency (WCA) is a joint powers authority between the West County Wastewater District, a public corporation, and the City of Richmond, a municipal corporation, organized under the constitution and laws of the State of California, in February 1977. The West County Agency was established for the purpose of providing for more efficient disposal of wastewater produced in each Member's jurisdiction.

Common shared expenses of the WCA are reflected in the WCA's budget, which is independently adopted by the WCA Board of Directors. Each agency's portion of the expenses is then billed to that specific agency (WCWD and City of Richmond). These expenses are reflected in the WCWD budget as a separate division budget. There are no staff budgeted to this function and tasks are carried out by the Administrative Services and WPCP departments.

JPA EXPENSES

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

EXPENDITURES

By Type:

	FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
Wages	-	-	-	-	0.0%	-	0.0%
Premium Pay	-	-	-	-	0.0%	-	0.0%
Health Benefits	-	-	-	-	0.0%	-	0.0%
Retirement Cont.	-	-	-	-	0.0%	-	0.0%
Retirement Medical	-	-	-	-	0.0%	-	0.0%
Misc. Benefits	-	-	-	-	0.0%	-	0.0%
Legal Fees	-	-	-	-	0.0%	-	0.0%
Professional Services	(2,715)	10,000	14,615	15,000	50.0%	15,000	0.0%
Prof. Memberships	-	-	-	-	0.0%	-	0.0%
Printing/Advertising	-	-	-	-	0.0%	-	0.0%
Insurance Premiums	-	-	-	-	0.0%	-	0.0%
Utilities	10	25	-	-	-100.0%	-	0.0%
Travel & Training	-	-	-	-	0.0%	-	0.0%
Misc. Expenses	-	-	-	-	0.0%	-	0.0%
Bldg & Maint Services	-	500	-	500	0.0%	500	0.0%
WCA Expenses	133,651	110,000	110,000	110,000	0.0%	110,000	0.0%
Election Costs	-	-	-	-	0.0%	-	0.0%
Permits	-	-	-	-	0.0%	-	0.0%
Supplies	-	-	-	-	0.0%	-	0.0%
Equipment	-	-	-	-	0.0%	-	0.0%
Debt Service	-	-	-	-	0.0%	-	0.0%
	\$ 130,946	\$ 120,525	\$ 124,615	\$ 125,500	4.1%	125,500	0.0%

Funded Positions:

Operating Fund FTE

Other Funds FTE

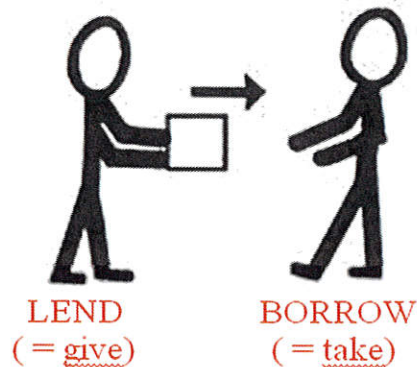
	-	-	-	-	0%	-	0%

REVENUE

By Type:

Sewer Use Charge	-	-	-	-	0.0%	-	0.0%
Fees	-	-	-	-	0.0%	-	0.0%
Rents & Leases	-	-	-	-	0.0%	-	0.0%
Contract Services	-	-	-	-	0.0%	-	0.0%
Taxes	-	-	-	-	0.0%	-	0.0%
Interest Earnings	-	-	-	-	0.0%	-	0.0%
Misc. Revenue	-	-	-	-	0.0%	-	0.0%
Transfers In/(Out)	-	-	-	-	0.0%	-	0.0%
	-	-	-	-	0.0%	-	0%

CLEAN WATER STATE REVOLVING FUND (SRF) LOAN



PROGRAM DESCRIPTION

The CWSRF is a financial assistance program for the purpose to implement the Federal Clean Water Act (CWA) and various State water quality laws by providing financial assistance for construction or implementation of projects that address water quality problems and to prevent pollution of the waters of the State.

The CWSRF Program provides low-interest loans and other financing mechanisms for construction of publicly-owned wastewater treatment facilities, local sewers, sewer interceptors, water recycling facilities, storm water treatment facilities, as well as expanded use projects such as implementation of nonpoint source (NPS) projects or programs, and development and implementation of estuary Comprehensive Conservation and Management Plans (CCMPs).

The primary benefit is the cost savings due to reduced interest rates. The CWSRF funding cost (at a 3 percent interest rate) can amount to a 25 percent grant-subsidy when compared to obtaining a 20-year market loan using conventional funding (at a 6% interest rate).

The District intends to borrow from the SRF to fund qualifying projects identified in the District-Wide Master Plan for Fiscal Year 2014/15 through 2017/18.

CLEAN WATER STATE REVOLVING FUND (SRF) LOAN

FINANCIAL SUMMARY: EXPENDITURES & REVENUE

EXPENDITURES

By Type:

	FY 2013/14 ACTUAL	FY 2014/15 ADOPTED	FY 2014/15 PROJECTED	FY 2015/16 PROPOSED	% Change over FY 2014/15 ADOPTED	FY 2016/17 PROPOSED	% Change over FY 2015/16 ADOPTED
Wages	-	-	-	-	0.0%	-	0.0%
Premium Pay	-	-	-	-	0.0%	-	0.0%
Health Benefits	-	-	-	-	0.0%	-	0.0%
Retirement Cont.	-	-	-	-	0.0%	-	0.0%
Retirement Medical	-	-	-	-	0.0%	-	0.0%
Misc. Benefits	-	-	-	-	0.0%	-	0.0%
Legal Fees	-	-	-	-	0.0%	-	0.0%
Professional Services	-	-	-	-	0.0%	-	0.0%
Prof. Memberships	-	-	-	-	0.0%	-	0.0%
Printing/Advertising	-	-	-	-	0.0%	-	0.0%
Insurance Premiums	-	-	-	-	0.0%	-	0.0%
Utilities	-	-	-	-	0.0%	-	0.0%
Travel & Training	-	-	-	-	0.0%	-	0.0%
Misc. Expenses	-	-	-	-	0.0%	-	0.0%
Bldg & Maint Services	-	-	-	-	0.0%	-	0.0%
WCA Expenses	-	-	-	-	0.0%	-	0.0%
Election Costs	-	-	-	-	0.0%	-	0.0%
Permits	-	-	-	-	0.0%	-	0.0%
Supplies	-	-	-	-	0.0%	-	0.0%
Equipment	-	-	-	-	0.0%	-	0.0%
Debt Service	-	-	-	-	0.0%	1,968,078	1968078%
\$	-	\$	\$	\$	0.0%	-	1968078%

Funded Positions:

Operating Fund FTE	-	-	-	-	0%	-	0%
Other Funds FTE							

REVENUE

By Type:

Sewer Use Charge	-	-	-	-	0.0%	-	0.0%
Fees	-	-	-	-	0.0%	-	0.0%
Rents & Leases	-	-	-	-	0.0%	-	0.0%
Contract Services	-	-	-	-	0.0%	-	0.0%
Taxes	-	-	-	-	0.0%	-	0.0%
Interest Earnings	-	-	-	-	0.0%	-	0.0%
Misc. Revenue	-	-	-	-	0.0%	-	0.0%
Transfers In/(Out)	-	-	-	1,000,000	0.0%	2,968,078	0.0%
	-	-	-	1,000,000	0.0%	2,968,078	0%

FINANCIAL FORECAST

FINANCIAL OVERVIEW

The financial forecast is a projection of operating and capital expenses, rates and revenues that are anticipated in the next five years. The forecast evaluates and demonstrates whether the revenues are adequate to cover the projected costs.

LINK TO STRATEGIC PLAN

The District's Strategic Plan, Appendix A, includes objectives and a timeframe for their completion. The budget includes sufficient funds to meet these objectives on time.

REVENUE FORECAST

Sewer Use Charge: The District adopted a 5-year rate Sewer Use Charge (SUC) rate plan effective July 1, 2013, that would provide sufficient funds to maintain the operating budget with a growth cap of 4% each year. Revenue from this source in excess of what was needed to cover operating expenses was transferred to the Capital Improvement Fund to support the projects identified in the 5-year Capital Improvement Plan. Subsequent to that plan's adoption, the District had the opportunity to take advantage of a recycled water loan from the Clean Water State Revolving Fund, which required additional debt service contributions. Additionally, negotiations with the District's represented units resulted in total compensation package increases greater than the 4% annual growth. The Board of Directors adopted a new 5-year SUC rate plan effective July 1, 2015. This plan sets the new SUC rates for residential dwelling units (RDUs) to increase approximately 11% each year.

Connection Fees: The connection fees increase each year by the change in the Engineering News-Record's Construction Cost Index for San Francisco, an inflation measure for capital infrastructure costs, from April to April each year. For FY 2015/16, the increase is 2.5%, which results in a charge of \$ \$3,070 per equivalent dwelling unit (EDU).

Leases and Rents: The District currently has only one lease agreement, with the City of Richmond, for the use of the District's sludge beds. The lease agreement expires as of June 30, 2016. The budget does not assume a new lease agreement at this time.

Contract Revenue: The District contracts with various local agencies to perform a variety of maintenance and collection system services. The assumption is that these service contracts will continue and that all associated costs will be covered by the resulting receivables.

EXPENDITURE FORECAST

Operating expenditures include wages, salaries, benefits, maintenance and operating of the collection and treatment systems, and the purchase of materials and supplies. The District also funds the annual debt service.

Wages, salaries and benefits are governed by three Memoranda of Understanding (MOU) with employee units and one manual for the unrepresented employees. Wages and salaries are projected to increase 4% for FY 2015/16 and 5% for FY 2016/17. Retirement contributions and the Annual Required Contribution (ARC) for Other Post-Employment Benefits (OPEB) are calculated as a percentage of payroll and increase accordingly. Additionally, retirement contributions are estimated to increase 1% each year to account for the new contribution calculations implement by CalPERS. Other benefits are, such as health care premiums, increase based on contracted rates. Health care premiums are assumed to increase 5% each year.

Services and supplies are budgeted to increase 4% annually to account for inflationary increases. Utilities are budgeted to increase 5% annually. The budget assumes that there are no changes in service levels.

FUND ANALYSIS

The District projects revenue and expenditures for the Operating Fund, Capital Improvement Fund, Restricted Revenue Fund and the SRF Loan Fund. This allows the public to see where the District spends the money it collects as well as following generally accepted accounting practices (GAAP). The following analyses show the impacts of the biennial budget on the funds for the next five years.

WEST COUNTY WASTEWATER DISTRICT

Operating Fund: Five-Year Fund Analysis

	FY 12 ACTUALS	FY 13 ACTUALS	FY 14 ACTUALS	FY 15 ACTUALS	FY 16 PROPOSED	FY 17 PROPOSED	FY 18 PROJECTED	FY 19 PROJECTED	FY 20 PROJECTED
Fund Balance	7,442,578	8,488,050	8,298,745	8,493,852	7,775,857	8,838,792	8,846,132	6,724,374	6,910,022
Revenues									
Sewer Use Charge	12,239,922	13,854,746	14,038,949	15,021,060	16,632,614	18,462,201	19,754,556	19,754,556	19,754,556
Service Fees	138,930	291,437	192,139	362,836	254,500	262,120	262,120	262,120	262,120
Rents & Leases	199,974	155,448	341,007	284,118	358,262	-	-	-	-
Contract Service Fees	332,037	550,965	316,962	314,525	395,477	414,027	414,027	414,027	414,027
Property Taxes				-	-	-	-	-	-
Interest	21,806	1,300	15,095	14,774	14,000	14,000	15,923	12,104	12,438
Miscellaneous Revenue	6,562	158,456	93,316	60,976	51,030	52,561	52,561	52,561	52,561
TOTAL REVENUE	12,939,231	15,012,352	14,997,468	16,058,289	17,705,883	19,204,910	20,499,187	20,495,368	20,495,702
Expenditures									
Salaries	4,624,124	4,596,166	4,974,015	5,241,393	6,045,798	6,346,138	6,663,445	6,996,618	7,346,448
Benefits	3,510,635	5,313,869	3,318,204	3,307,546	3,870,743	4,103,430	4,375,236	4,663,964	4,970,627
Contract Services	249,441	474,624	264,494	1,685,736	1,761,289	1,793,872	1,865,626	1,940,251	2,017,862
Non-Personnel	3,009,559	3,316,998	3,245,648	2,585,022	2,852,849	2,966,796	3,085,468	3,208,887	3,337,242
TOTAL EXPENDITURES	11,393,759	13,701,657	11,802,361	12,819,698	14,530,679	15,210,237	15,989,776	16,809,720	17,672,180
Annual Surplus/(Shortfall)	1,545,472	1,310,695	3,195,107	3,238,592	3,175,205	3,994,673	4,509,411	3,685,647	2,823,522
Gross Fund Balance	8,988,050	9,798,745	11,493,852	11,732,443	10,951,062	12,833,465	13,355,542	10,410,022	9,733,544

Operating Transfers - In/(Out)	(500,000)	(1,500,000)	(3,000,000)	(3,956,586)	(2,112,270)	(2,019,255)	(4,000,000)	(3,500,000)	(2,500,000)
Loan Payment Transfer (Out)						(1,968,078)	(2,631,168)	(2,631,168)	(2,631,168)
Adjusted Fund Balance	8,488,050	8,298,745	8,493,852	7,775,857	8,838,792	8,846,132	6,724,374	6,910,022	7,233,544

Restricted/Designated Reserve	1,939,376	2,170,166	1,980,236	2,081,970	2,253,068	2,321,024	2,398,978	2,480,972	2,567,218
Unrestricted Fund Balance	6,548,674	6,128,579	6,513,616	5,693,888	6,585,724	6,525,108	4,325,397	4,429,049	4,666,326

1. Assumes: full use of adopted SUC rate increases for FY 16-20; increase in Salaries and Benefits of 5% beginning in FY 16; increase in Non-Personnel of 4%.
2. Restricted fund balance based on reserves set by Board resolutions (6-3-97H and 6-16-98A).
3. Sufficient funds (approximately 40% of annual budgeted operating expenditures) will be maintained in the Adjusted Fund Balance to cover cash flow needs.
4. Property tax revenue is reflected in the CIP Fund as it is dedicated to capital projects.

WEST COUNTY WASTEWATER DISTRICT
Capital Improvement Fund: Five-Year Fund Analysis

	FY 12 ACTUALS	FY 13 ACTUALS	FY 14 ACTUALS	FY 15 ACTUALS	FY 16 PROPOSED	FY 17 PROPOSED	FY 18 PROJECTED	FY 19 PROJECTED	FY 20 PROJECTED
Fund Balance	11,154,690	9,506,570	7,796,298	6,699,337	8,339,182	8,068,126	8,034,963	10,076,643	11,443,977
Revenues									
Taxes	809,348	773,092	910,446	1,064,473	1,085,762	1,107,477	1,129,627	1,152,219	1,175,264
Interest	24,004	19,809	16,006	11,124	12,509	12,102	12,052	15,115	17,166
Connection Fees	64,225	119,646	186,505	626,734	100,000	100,000	100,000	100,000	100,000
Miscellaneous Revenue	-	-	-	-	-	-	-	-	-
Loan Drawdown	-	-	-	74,969	30,080,705	32,184,239	18,400,787	32,020,196	25,232,230
TOTAL REVENUE	897,577	912,547	1,112,957	1,777,300	31,278,976	33,403,819	19,642,466	33,287,530	26,524,660
Expenditures									
Salaries	111,401	110,970	181,119	271,940	697,984	761,304	799,369	839,338	881,305
Benefits	62,231	70,356	90,463	128,803	302,016	338,696	355,631	373,412	392,083
Construction	1,166,145	2,949,807	2,745,230	474,670	30,080,705	32,184,239	18,400,787	32,020,196	25,232,230
Equipment	336,328	88,552	68,664	174,551	260,000	190,000	200,000	200,000	200,000
Lateral Grant Payments	207,730	250,000	323,315	359,600	321,597	-	-	-	-
Misc. Expenses	1,161,862	653,134	715,169	727,891	1,000,000	1,000,000	845,000	987,250	926,613
TOTAL EXPENDITURES	3,045,697	4,122,819	4,123,959	2,137,455	32,662,302	34,474,239	20,600,787	34,420,196	27,632,230
Annual Surplus/(Shortfall)	(2,148,120)	(3,210,272)	(3,011,002)	(360,156)	(1,383,326)	(1,070,420)	(958,321)	(1,132,666)	(1,107,570)
Gross Fund Balance	9,006,570	6,296,298	4,785,297	6,339,182	6,955,856	6,997,705	7,076,643	8,943,977	10,336,407

Operating Transfers - In/(Out)	500,000	1,500,000	1,922,631	2,000,000	1,112,270	1,037,258	3,000,000	2,500,000	1,500,000
Adjusted Fund Balance	9,506,570	7,796,298	6,707,928	8,339,182	8,068,126	8,034,963	10,076,643	11,443,977	11,836,407

Restricted/Designated Reserve	950,657	779,630	670,793	837,667	2,310,848	2,412,708	1,927,704	2,745,408	2,445,252
Unrestricted Fund Balance	8,555,913	7,016,669	6,037,135	7,501,515	5,757,278	5,622,255	8,148,939	8,698,570	9,391,155

1. Restricted fund balance established at 10% of Adjusted Fund Balance to cover emergency program expenditures.
2. Sufficient funds (approximately 30% of annual budgeted expenditures) will be maintained in the Adjusted Fund Balance to cover cash flow needs.
3. Property Tax revenue shifted to Operating Fund to cover general benefit services.

WEST COUNTY WASTEWATER DISTRICT

Restricted Capital Fund: Five-Year Fund Analysis

	FY 12 ACTUALS	FY 13 ACTUALS	FY 14 ACTUALS	FY 15 ACTUALS	FY 16 PROPOSED	FY 17 PROPOSED	FY 18 PROJECTED	FY 19 PROJECTED	FY 20 PROJECTED
Fund Balance	884,746	395,851	453,496	470,592	643,626	819,721	999,501	1,183,040	1,370,413
Revenues									
Connection Fees	89,654	48,270	10,013	147,098	150,040	153,041	156,102	159,224	162,408
Flow Zone Fees	38,756	8,012	5,960	24,913	25,411	25,919	26,438	26,967	27,506
Interest	1,224	1,363	1,123	1,023	644	820	1,000	1,183	1,370
Miscellaneous Revenue	-	-	-	-	-	-	-	-	-
TOTAL REVENUE	129,634	57,645	17,096	173,034	176,095	179,780	183,539	187,373	191,284
Expenditures									
Salaries	-	-	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-
Lateral Grant Payments	-	-	-	-	-	-	-	-	-
Misc. Expenses	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-	-	-	-	-	-
Annual Surplus/Shortfall	129,634	57,645	17,096	173,034	176,095	179,780	183,539	187,373	191,284
Gross Fund Balance	1,014,380	453,496	470,592	643,626	819,721	999,501	1,183,040	1,370,413	1,561,698

Operating Transfers - In/(Out)	-	-	-	-	-	-	-	-	-
Adjusted Fund Balance	1,014,380	453,496	470,592	643,626	819,721	999,501	1,183,040	1,370,413	1,561,698

Restricted/Designated Reserve	-	-	-	-	-	-	-	-	-
Unrestricted Fund Balance	1,014,380	453,496	470,592	643,626	819,721	999,501	1,183,040	1,370,413	1,561,698

1. Funds to be spent on capacity related projects.

WEST COUNTY WASTEWATER DISTRICT

State Revolving Fund Loan Fund: Five-Year Fund Analysis

	FY 12 ACTUALS	FY 13 ACTUALS	FY 14 ACTUALS	FY 15 ACTUALS	FY 16 PROPOSED	FY 17 PROPOSED	FY 18 PROJECTED	FY 19 PROJECTED	FY 20 PROJECTED
Fund Balance				1,077,936	2,080,704	3,083,825	3,088,451	4,093,084	5,099,223
Revenues									
Connection Fees	-	-	-	-	-	-	-	-	-
Flow Zone Fees	-	-	-	-	-	-	-	-	-
Interest	-	-	566	2,768	3,121	4,626	4,633	6,140	7,649
Miscellaneous Revenue	-	-	-	-	-	-	-	-	-
TOTAL REVENUE	-	-	566	2,768	3,121	4,626	4,633	6,140	7,649
Expenditures									
Salaries	-	-	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-
Loan Payments	-	-	-	-	-	1,968,078	2,631,168	2,631,168	2,631,168
Misc. Expenses	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-	-	1,968,078	2,631,168	2,631,168	2,631,168
Annual Surplus/Shortfall	-	-	566	2,768	3,121	(1,963,452)	(2,626,535)	(2,625,028)	(2,623,519)
Gross Fund Balance	-	-	566	1,080,704	2,083,825	1,120,373	461,916	1,468,055	2,475,704

Operating Transfers - In/(Out)	-	-	1,077,370	1,000,000	1,000,000	-	1,000,000	1,000,000	1,000,000
Loan Payment Transfer (Out)						1,968,078	2,631,168	2,631,168	2,631,168
Adjusted Fund Balance	-	-	1,077,936	2,080,704	3,083,825	3,088,451	4,093,084	5,099,223	6,106,872

Restricted/Designated Reserve	-	-	1,077,370	2,077,370	3,077,370	3,077,370	4,077,370	5,077,370	6,077,370
Unrestricted Fund Balance	-	-	566	3,334	6,456	11,081	15,714	21,854	29,502

JUSTIFICATION FOR SEWER USE CHARGE (SUC) RATE INCREASES

As required by Proposition 218, the District must establish service rates that reflect the actual cost of operating and maintaining the District facilities, including the cost of funding capital projects. In order to demonstrate that the District's rates were no longer sufficient to meet the District's needs, the District contracted with NBS to perform a financial analysis included operating projects and the capital needs identified in the 20-Year Master Plan. The analysis is included in this budget to allow the public to understand the District's expenses and revenues more thoroughly.

WEST COUNTY WASTEWATER DISTRICT
Wastewater Financial Plan
Preliminary Draft Subject to Material Revision/Do Not Cite or Distribute

Financial Plan & Reserve Summary
Assumes \$95 mil SRF loan funding in years 1-5, and \$352 mil SRF for CIP in year 6-20

TABLE 1
FINANCIAL PLAN AND SUMMARY OF REVENUE REQUIREMENTS

RATE REVENUE REQUIREMENTS SUMMARY											
	Budget		Projected								
	FY 2014/15		FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24
Sources of Sewer Funds											
Rate Revenue Under Prevailing Rates (1)	\$ 13,879,325		\$ 14,004,239	\$ 14,130,277	\$ 14,257,450	\$ 14,385,767	\$ 14,515,239	\$ 14,645,876	\$ 14,777,689	\$ 14,910,688	\$ 15,044,884
EBMUD Sewer Use Charge	1,265,000		1,265,000	1,265,000	1,265,000	1,265,000	1,265,000	1,265,000	1,265,000	1,265,000	1,265,000
Other Operating Fund Revenue	768,182		722,975	741,765	761,812	782,639	804,279	826,770	850,147	874,452	899,724
Taxes	850,466		867,475	884,825	902,521	911,546	920,662	929,868	939,167	948,559	958,044
Interest Earnings (in O&M, Capital and Debt Reserves) (2)	14,141		50,530	118,413	135,447	207,372	165,562	182,478	208,171	283,903	303,628
Total Sources of Funds	\$ 16,777,114		\$ 16,910,218	\$ 17,140,280	\$ 17,322,230	\$ 17,552,324	\$ 17,670,741	\$ 17,849,991	\$ 18,040,173	\$ 18,282,601	\$ 18,471,280
Uses of Sewer Funds											
Operating Expenses:											
Board of Directors	\$ 443,519		\$ 470,164	\$ 490,901	\$ 513,617	\$ 537,406	\$ 562,319	\$ 588,412	\$ 615,741	\$ 644,365	\$ 674,348
Administrative Services	2,008,599		2,119,669	2,218,330	2,331,620	2,450,769	2,576,083	2,707,883	2,846,510	2,992,318	3,145,683
Finance	572,245		606,911	636,484	671,408	708,242	747,088	788,058	831,266	876,833	924,889
Engineering	1,390,390		1,448,724	1,504,281	1,582,503	1,664,826	1,789,715	1,939,715	2,097,358	2,274,718	2,458,757
Collection System Operations	2,520,465		2,662,310	2,788,351	2,933,456	3,086,175	3,246,908	3,416,079	3,594,132	3,781,537	3,978,786
Environmental Compliance	1,069,323		1,125,692	1,179,455	1,241,512	1,306,853	1,375,651	1,448,090	1,524,363	1,604,674	1,689,237
WPCP Operations	3,279,781		3,467,169	3,629,123	3,814,691	4,009,861	4,215,136	4,431,042	4,658,133	4,896,995	5,148,242
WPCP Maintenance	2,042,721		2,154,128	2,255,004	2,370,506	2,491,992	2,619,775	2,754,182	2,895,561	3,044,275	3,200,708
Lift Stations	247,685		257,592	267,896	278,612	289,756	301,347	313,401	325,937	338,974	352,533
Crockett Sanitary District	77,594		81,694	85,438	89,691	94,160	98,855	103,787	108,970	114,416	120,138
North Richmond Storm Drain Pump Station	56,141		61,085	63,707	66,582	69,589	72,735	76,027	79,471	83,074	86,845
Richmond Golf & Country Club	1,898		1,970	2,060	2,163	2,271	2,384	2,504	2,629	2,760	2,899
West County Justice Center	37,297		38,785	40,400	42,123	43,921	45,798	47,755	49,798	51,930	54,154
North Richmond Water Reclamation District	178,632		186,047	193,530	201,340	209,467	217,923	226,722	235,876	245,402	255,313
Miscellaneous Contracts	2,654		2,786	2,913	3,057	3,208	3,367	3,534	3,709	3,894	4,087
JPA Expenses	120,525		125,346	130,360	135,574	140,997	146,637	152,503	158,603	164,947	171,545
Miscellaneous/Additional Expenses (3)	-		-	-	-	-	-	-	-	-	-
Subtotal: Operating Expenses	\$ 14,049,469		\$ 14,810,075	\$ 15,488,232	\$ 16,278,456	\$ 17,109,494	\$ 17,621,721	\$ 18,526,411	\$ 19,478,056	\$ 20,479,112	\$ 21,532,165
Other Expenditures:											
Existing Debt Service	\$ -		\$ 239,863	\$ 421,516	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369
New Debt Service	-		1,173,327	2,187,118	4,511,349	4,860,933	4,860,933	4,860,933	6,432,146	7,900,195	9,381,139
Rate-Funded Capital Expenses	-		-	-	-	-	880,037	-	-	109,257	30,296
Subtotal: Other Expenditures	\$ -		\$ 1,413,189	\$ 2,608,634	\$ 5,588,718	\$ 5,938,302	\$ 6,818,339	\$ 5,938,302	\$ 7,509,516	\$ 9,086,822	\$ 10,488,804
Total Uses of Water Funds	\$ 14,049,469		\$ 16,223,264	\$ 18,096,867	\$ 21,867,174	\$ 23,047,796	\$ 24,440,060	\$ 24,464,713	\$ 26,987,571	\$ 29,565,934	\$ 32,020,969
plus: Revenue from Rate Increases	-		1,540,466	3,279,637	5,241,480	7,452,840	9,943,783	11,514,026	13,201,372	15,014,037	16,960,806
Annual Surplus/(Deficit)	\$ 2,727,645		\$ 2,227,421	\$ 2,323,051	\$ 696,537	\$ 1,957,368	\$ 3,174,464	\$ 4,899,304	\$ 4,253,974	\$ 3,730,704	\$ 3,411,117
Net Revenue Req. (Total Uses less Non-Rate Revenue)	\$ 11,151,680		\$ 13,317,285	\$ 15,086,863	\$ 18,802,393	\$ 19,881,239	\$ 21,284,557	\$ 21,260,597	\$ 23,725,087	\$ 26,194,021	\$ 28,594,573
Total Rate Revenue After Rate Increases	\$ 13,879,325		\$ 15,544,705	\$ 17,409,914	\$ 19,498,930	\$ 21,838,607	\$ 24,459,021	\$ 26,159,901	\$ 27,979,061	\$ 29,924,725	\$ 32,005,690
Projected Annual Rate Increase	0.00%		11.00%	11.00%	11.00%	11.00%	11.00%	6.00%	6.00%	6.00%	6.00%
Cumulative Increase from Annual Rate Increases	0.00%		11.00%	23.21%	36.76%	51.81%	68.51%	78.62%	89.33%	100.69%	112.73%
Coverage After Rate Increase	N/A		2.58	1.89	1.12	1.33	1.68	1.83	1.57	1.43	1.33

- (1) Rate revenue for FY 2014/15 is per the District's Biennial Budget, Attachment B
(2) Interest earnings in the O & M, Capital and Debt Reserves are per WCWD Biennial Budget for FY 2014/15. In all future years, interest earnings are calculated here based on the estimated interest rates shown in Table 2, Reserve Fund Summary.
(3) Per WCWD Staff, the District will make a one-time payment to an OPEB trust to reduce unfunded liabilities of \$2 million.

WEST COUNTY WASTEWATER DISTRICT
Wastewater Financial Plan
Preliminary Draft Subject to Material Revision/Do Not Cite or Distribute

Financial Plan & Reserve Summary
Assumes \$95 mil SRF loan funding in years 1-5, and \$352 mil SRF for CIP in year 6-20

TABLE 2
RESERVE FUND SUMMARY

SUMMARY OF CASH ACTIVITY	Budget	Projected										
	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24		
Total Beginning Cash, Net of Restricted Capital (1)	\$ 17,414,167											
Operating Fund												
Beginning Reserve Balance (2)	\$ 11,195,820	\$ 3,512,000	\$ 3,703,000	\$ 3,872,000	\$ 4,070,000	\$ 4,277,000	\$ 4,405,000	\$ 4,632,000	\$ 4,870,000	\$ 5,120,000	\$ 5,120,000	\$ 5,120,000
Plus: Net Cash Flow (After Rate Increases)	2,727,645	2,227,421	2,323,051	696,537	1,957,368	3,174,464	4,899,304	4,253,974	3,730,704	3,411,117	3,411,117	3,411,117
Plus: Transfer of Debt Reserve Surplus				0								
Less: Transfers Out to Capital Replacement Reserve	(10,411,465)	(2,036,421)	(2,154,051)	(498,537)	(1,750,368)	(3,046,464)	(4,672,304)	(4,015,974)	(3,480,704)	(3,148,117)	(3,148,117)	(3,148,117)
Ending Operating Reserve Balance	\$ 3,512,000	\$ 3,703,000	\$ 3,872,000	\$ 4,070,000	\$ 4,277,000	\$ 4,405,000	\$ 4,632,000	\$ 4,870,000	\$ 5,120,000	\$ 5,383,000	\$ 5,383,000	\$ 5,383,000
Target Ending Balance (25% or 90 days of O&M)	\$ 3,512,000	\$ 3,703,000	\$ 3,872,000	\$ 4,070,000	\$ 4,277,000	\$ 4,405,000	\$ 4,632,000	\$ 4,870,000	\$ 5,120,000	\$ 5,383,000	\$ 5,383,000	\$ 5,383,000
Capital Improvement Fund												
Beginning Reserve Balance (2)	\$ 5,140,978	\$ 15,622,443	\$ 17,728,863	\$ 19,952,914	\$ 17,990,937	\$ 11,859,571	\$ 7,904,464	\$ 10,246,768	\$ 10,332,743	\$ 10,192,704	\$ 10,192,704	\$ 10,192,704
Plus: Connection Fees (to Capital Improvement Fund Only) (3)	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Plus: Grant Proceeds												
Plus: Net Debt Proceeds	9,982,798	37,083,927	42,611,109	6,422,166	-	-	24,370,049	22,769,928	22,969,927	23,769,805	23,769,805	23,769,805
Plus: Transfer of Operating Reserve Surplus	10,411,465	2,036,421	2,154,051	498,537	1,750,368	3,046,464	4,672,304	4,015,974	3,480,704	3,148,117	3,148,117	3,148,117
Less: Use of Reserves for Capital Projects	(9,982,798)	(37,083,927)	(42,611,109)	(7,952,681)	(7,951,733)	(7,071,571)	(26,770,049)	(26,769,928)	(26,660,669)	(26,739,509)	(26,739,509)	(26,739,509)
Ending Repair & Replacement Balance	\$ 15,622,443	\$ 17,728,863	\$ 19,952,914	\$ 17,990,937	\$ 11,859,571	\$ 7,904,464	\$ 10,246,768	\$ 10,332,743	\$ 10,192,704	\$ 10,441,117	\$ 10,441,117	\$ 10,441,117
Target Ending Balance (3% of Assets) (4)	\$ 2,357,000	\$ 3,367,000	\$ 4,504,000	\$ 4,602,000	\$ 4,697,000	\$ 4,788,000	\$ 5,425,000	\$ 6,043,000	\$ 6,642,000	\$ 7,223,000	\$ 7,223,000	\$ 7,223,000
Debt Reserve												
Beginning Reserve Balance (2)	\$ 1,077,369	\$ 1,077,369	\$ 2,250,696	\$ 3,264,488	\$ 5,588,718	\$ 5,938,302	\$ 5,938,302	\$ 5,938,302	\$ 5,938,302	\$ 5,938,302	\$ 5,938,302	\$ 5,938,302
Plus: Reserve Funding from New Debt Obligations												
Less: Transfer of Surplus to Operating Reserve		1,173,327	1,013,792	2,324,230	349,584	-	-	1,571,214	1,468,049	1,480,943	1,480,943	1,480,943
Ending Debt Reserve Balance	\$ 1,077,369	\$ 2,250,696	\$ 3,264,488	\$ 5,588,718	\$ 5,938,302	\$ 5,938,302	\$ 5,938,302	\$ 7,509,516	\$ 8,977,565	\$ 10,458,508	\$ 10,458,508	\$ 10,458,508
Target Ending Balance	\$ 1,077,369	\$ 2,250,696	\$ 3,264,488	\$ 5,588,718	\$ 5,938,302	\$ 5,938,302	\$ 5,938,302	\$ 7,509,516	\$ 8,977,565	\$ 10,458,508	\$ 10,458,508	\$ 10,458,508
Ending Balance - All Reserves	\$ 20,211,812	\$ 23,682,559	\$ 27,089,402	\$ 27,649,655	\$ 22,074,873	\$ 18,247,766	\$ 20,817,070	\$ 22,712,258	\$ 24,290,268	\$ 26,282,625	\$ 26,282,625	\$ 26,282,625
Recommended Target Ending Balance - All Reserves	\$ 6,946,369	\$ 9,320,696	\$ 11,640,488	\$ 14,260,718	\$ 14,912,302	\$ 15,131,302	\$ 15,995,302	\$ 18,422,516	\$ 20,739,565	\$ 23,064,508	\$ 23,064,508	\$ 23,064,508
Ending Surplus/(Deficit) Compared to Reserve Targets	\$ 13,265,443	\$ 14,361,863	\$ 15,448,914	\$ 13,388,937	\$ 7,162,571	\$ 3,116,464	\$ 4,821,768	\$ 4,289,743	\$ 3,550,704	\$ 3,218,117	\$ 3,218,117	\$ 3,218,117
Annual Interest Earnings Rate (5)	0.25%	0.25%	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.25%	1.25%	1.25%

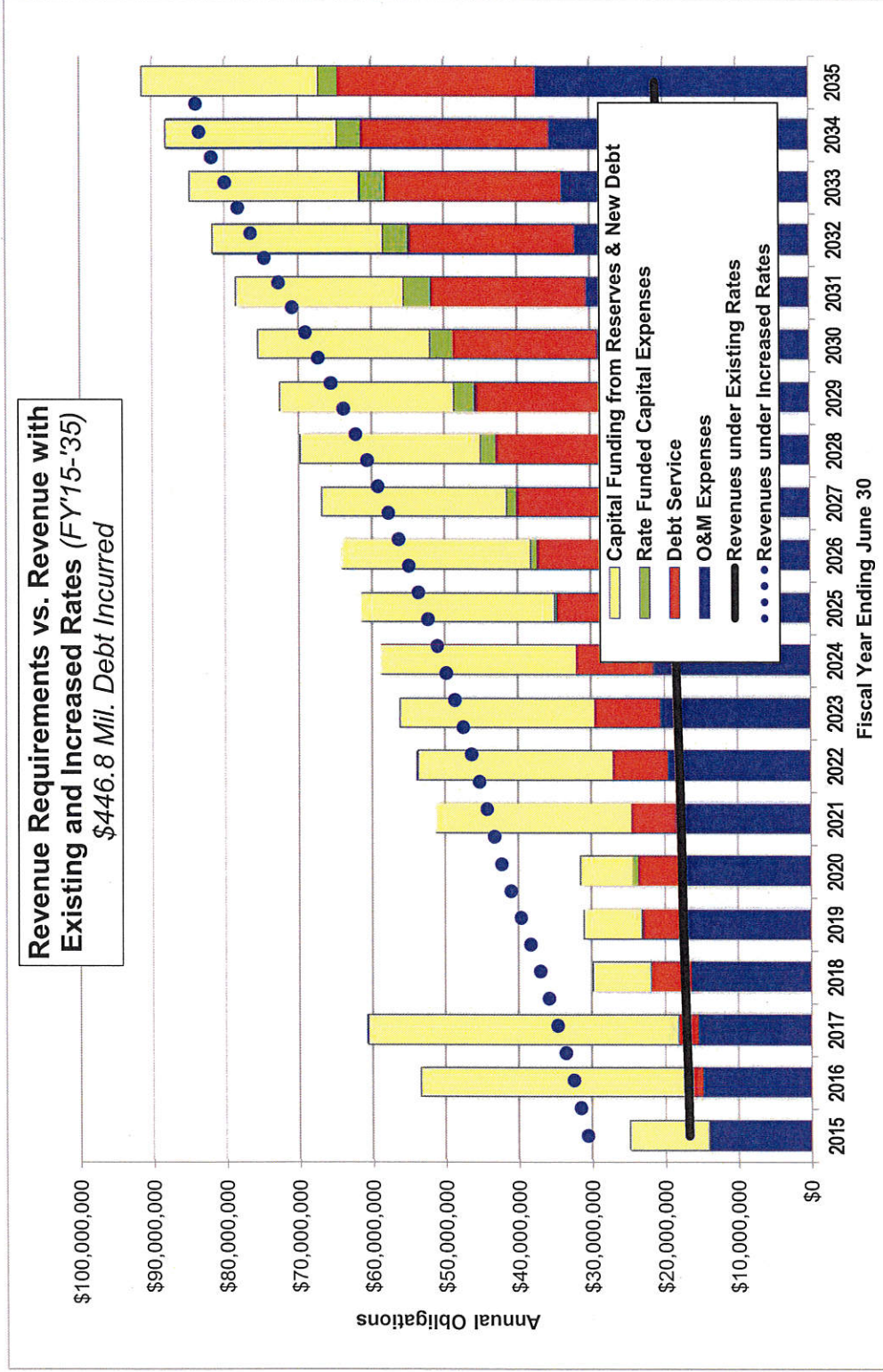
(1) The total beginning cash balance for the utility is \$18,119,878, per the FY 2013/14 CAFR. Of that, \$705,711 is designated as the beginning cash balance for Restricted Capital (Connection Fee Reserves), which can be found in Exhibit 2 of this model along with fund activity. The beginning balance for the connection fee reserve is per p95 of the WCWD Biennial Budget.

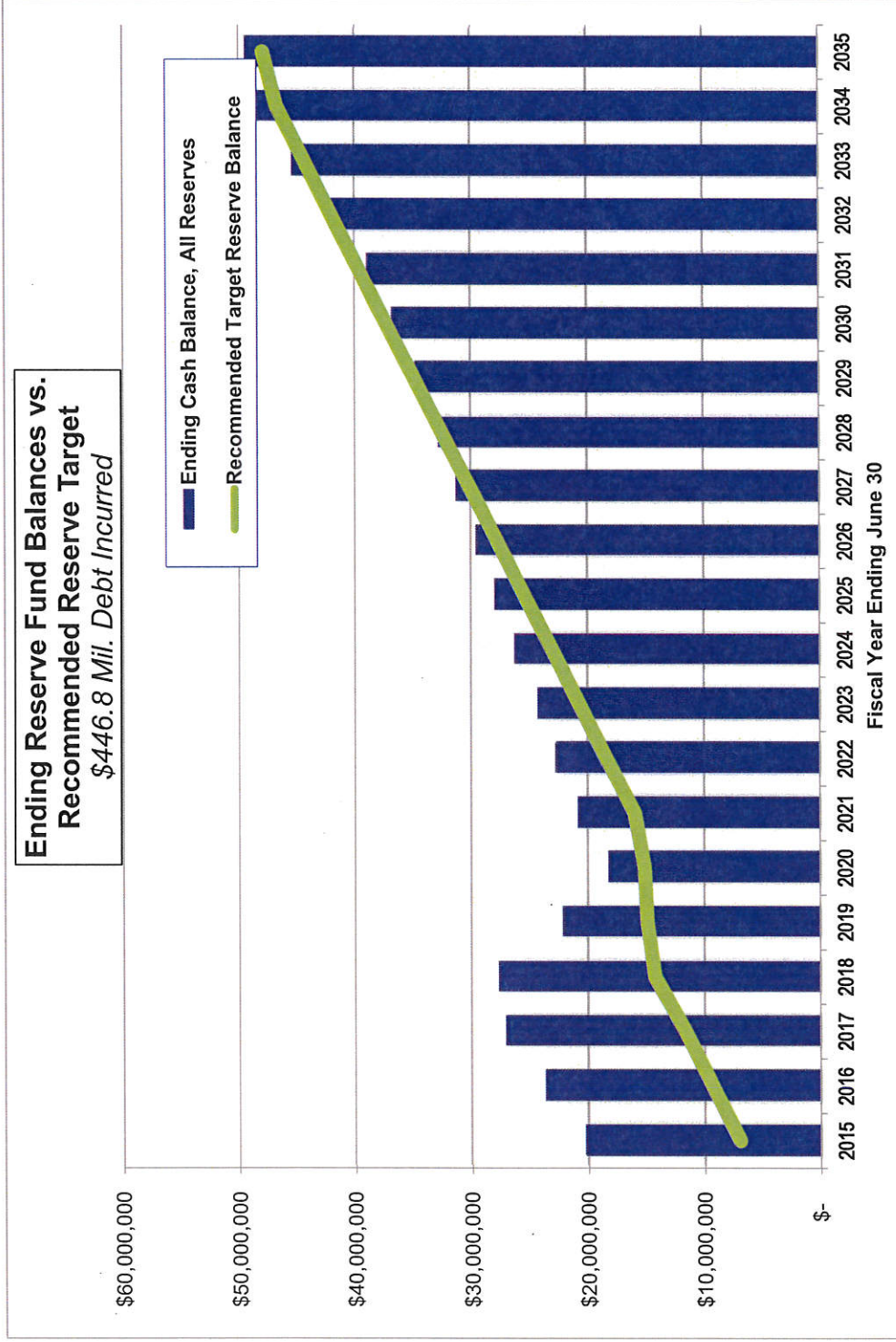
(2) The total beginning cash of \$17.4 million is segregated into three funds: the Capital Improvement Fund with a beginning balance of \$5,140,978 per District's Biennial Budget, the Debt Reserve Fund which is assumed to be holding \$1.07 million to satisfy the debt reserve requirement for the recently secured SRF Loans, and the Operating Fund which is assumed to contain the remaining balance

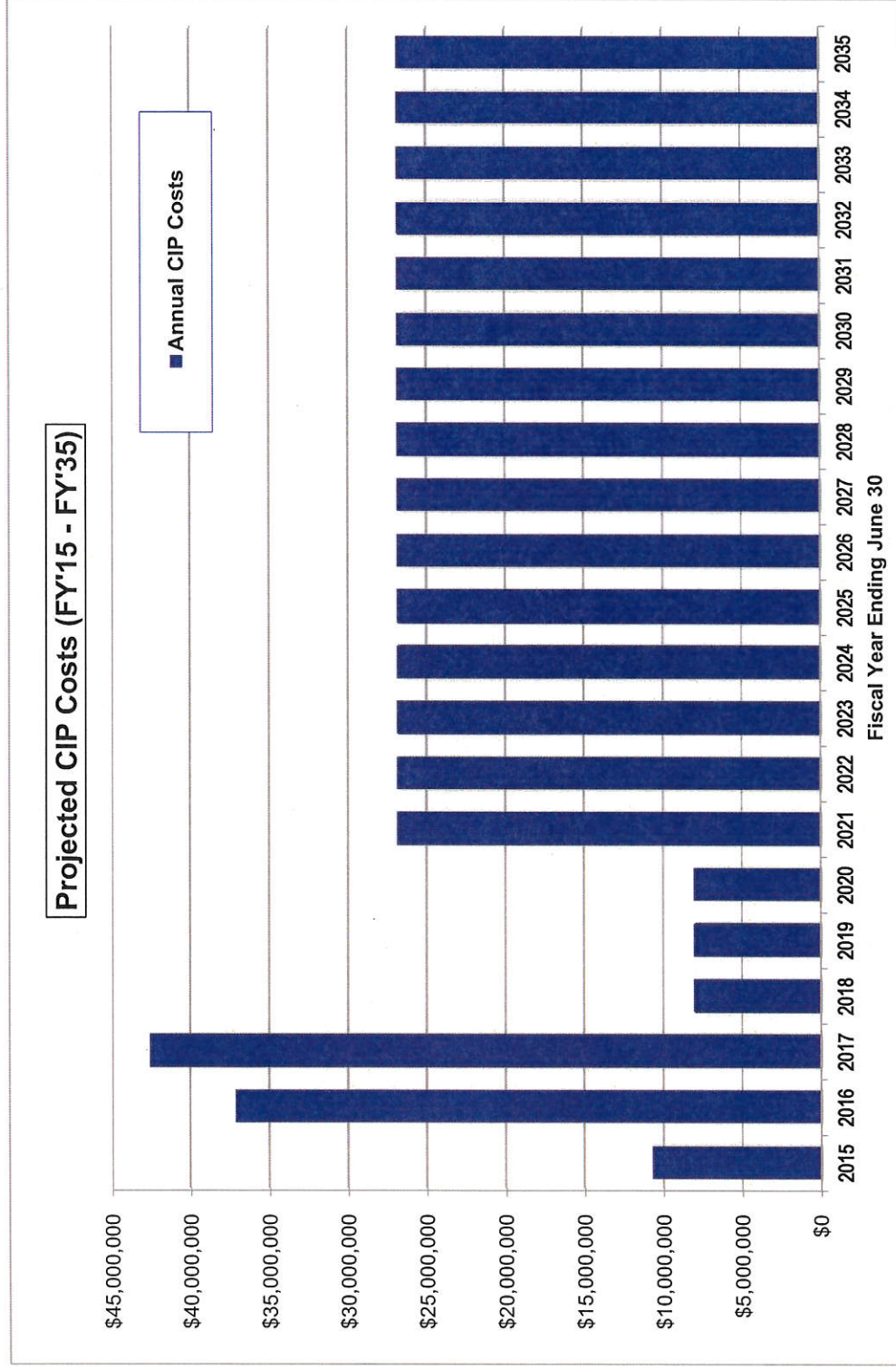
(3) Portion of connection fee revenue allocated to eligible pipe replacement projects, per WCWD Biennial budget for FY 15

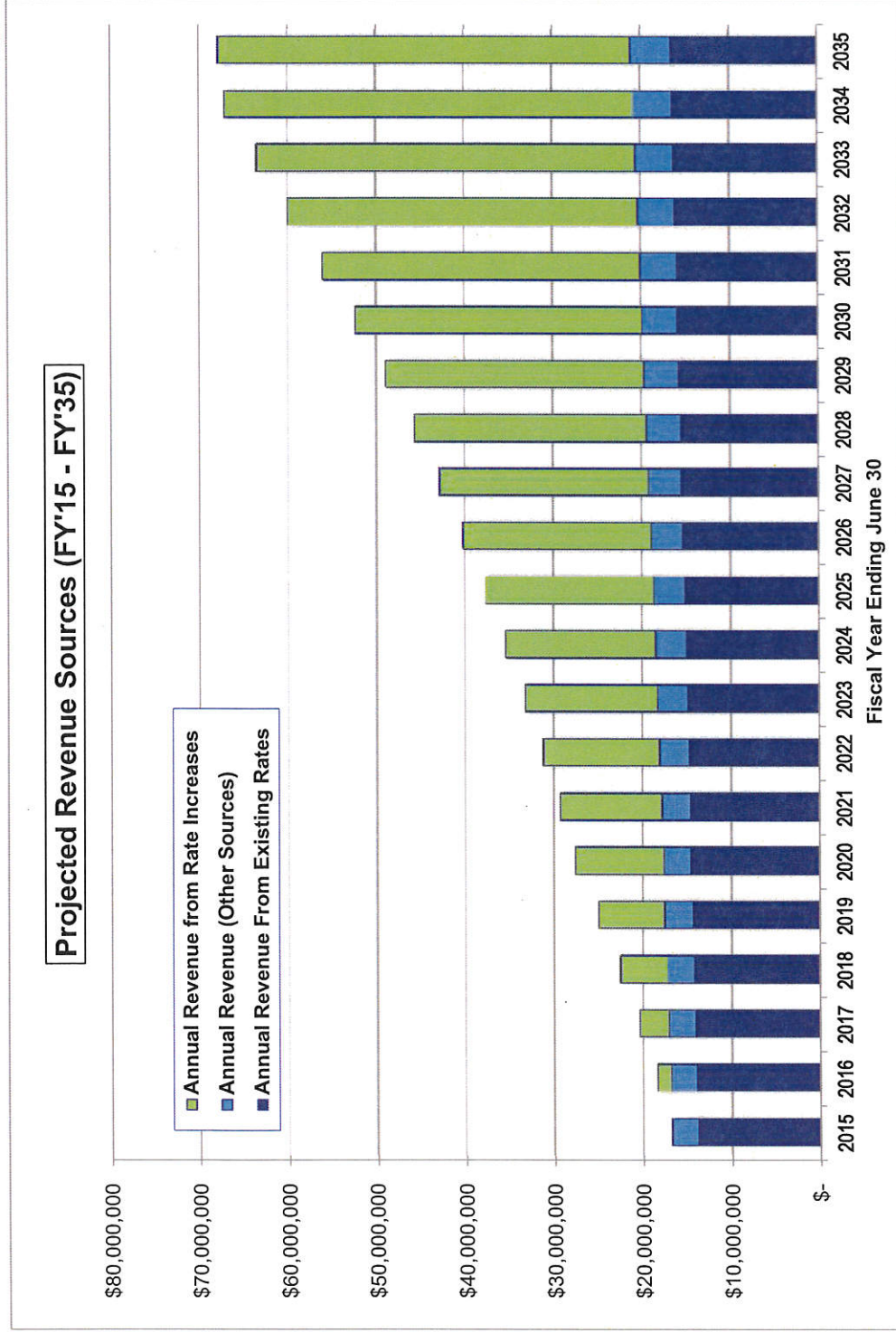
(4) The target Capital Reserve balance is 3% of Net Capital Assets (value of capital assets less accumulated depreciation).

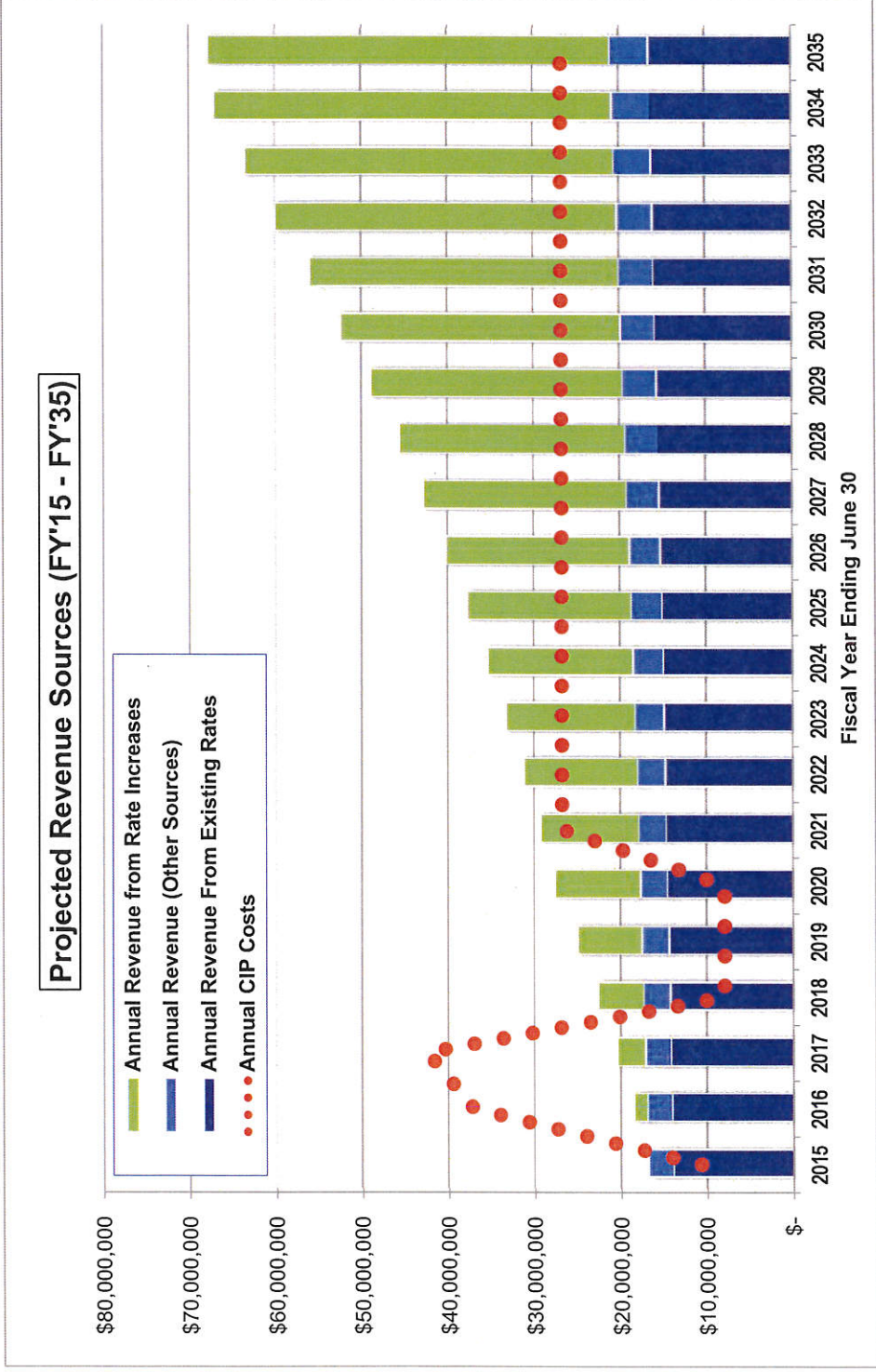
(5) Historical interest earning rates were referenced on the California Treasurer's Office website for funds invested in LAIF. Future years earnings were conservatively estimated through the initial 10-year period and phase into the historical 10 year average interest earnings rate.

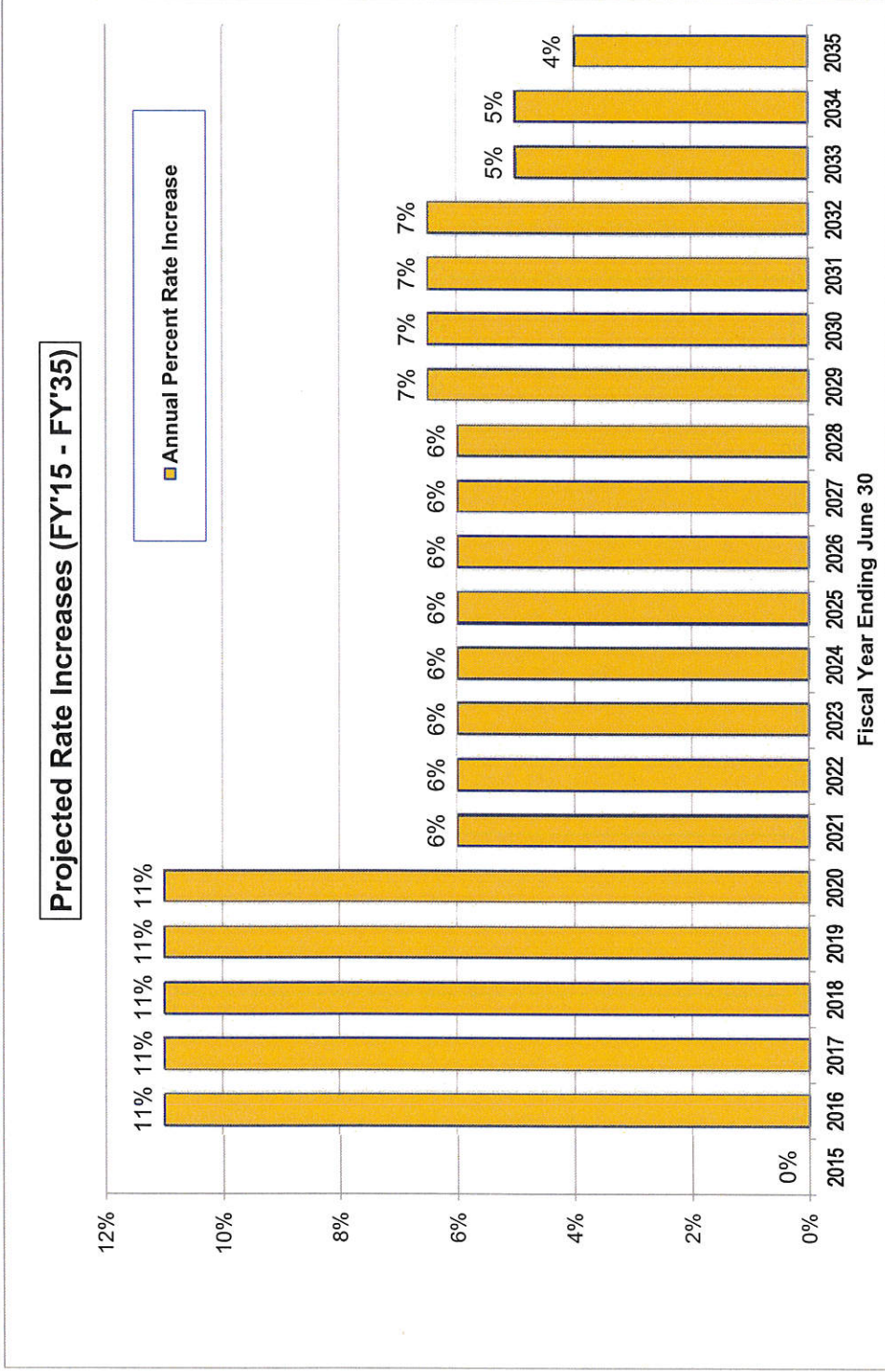


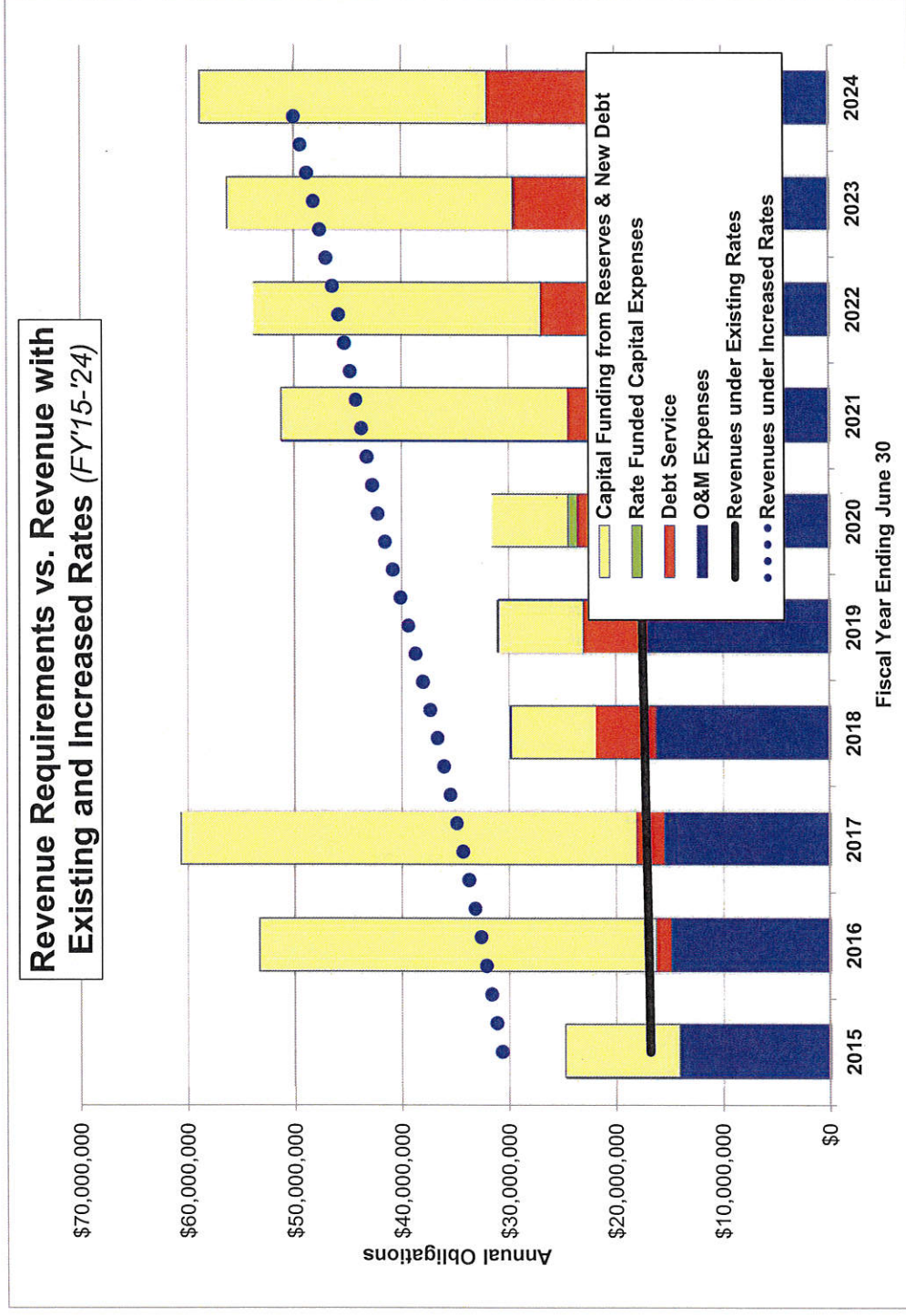


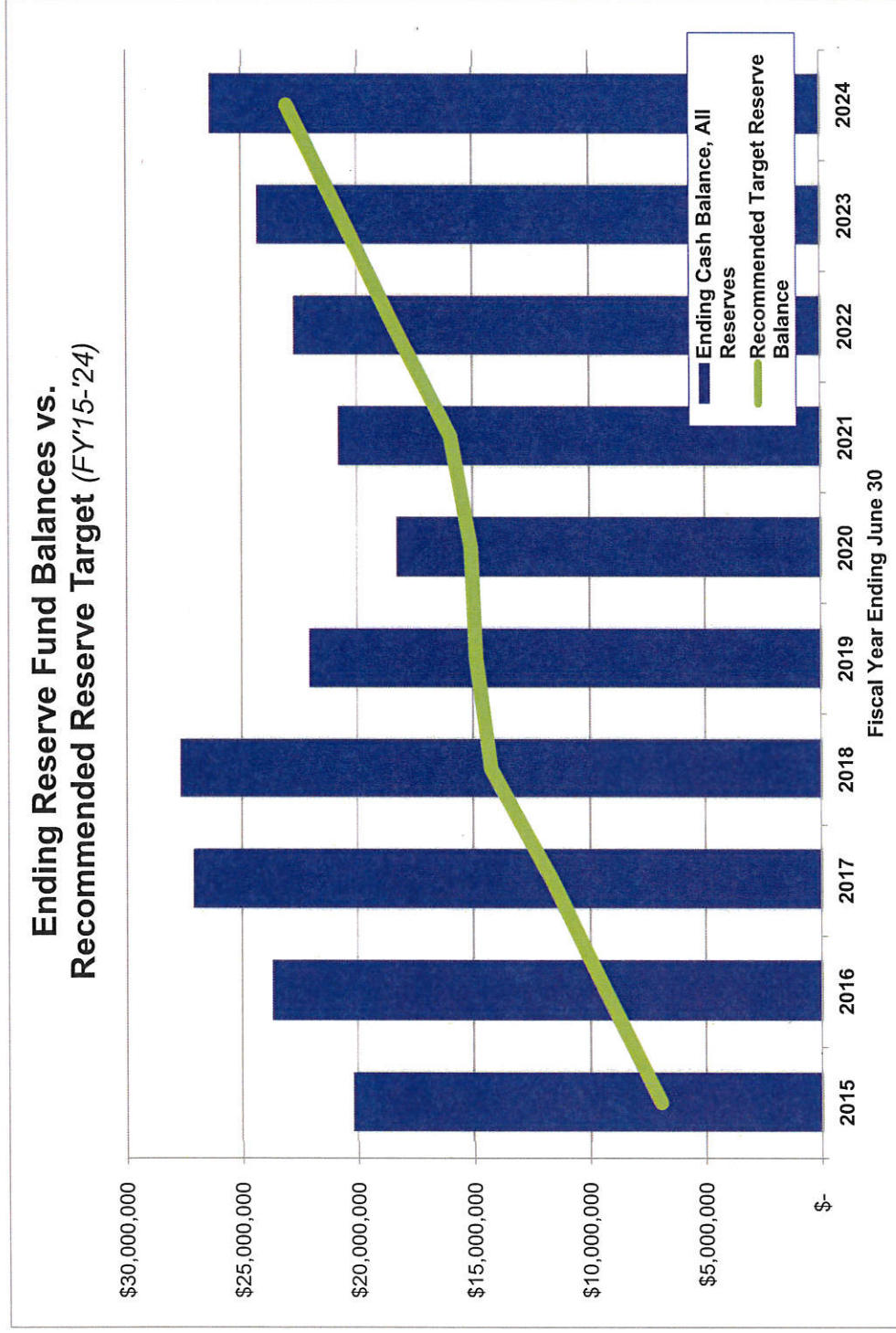


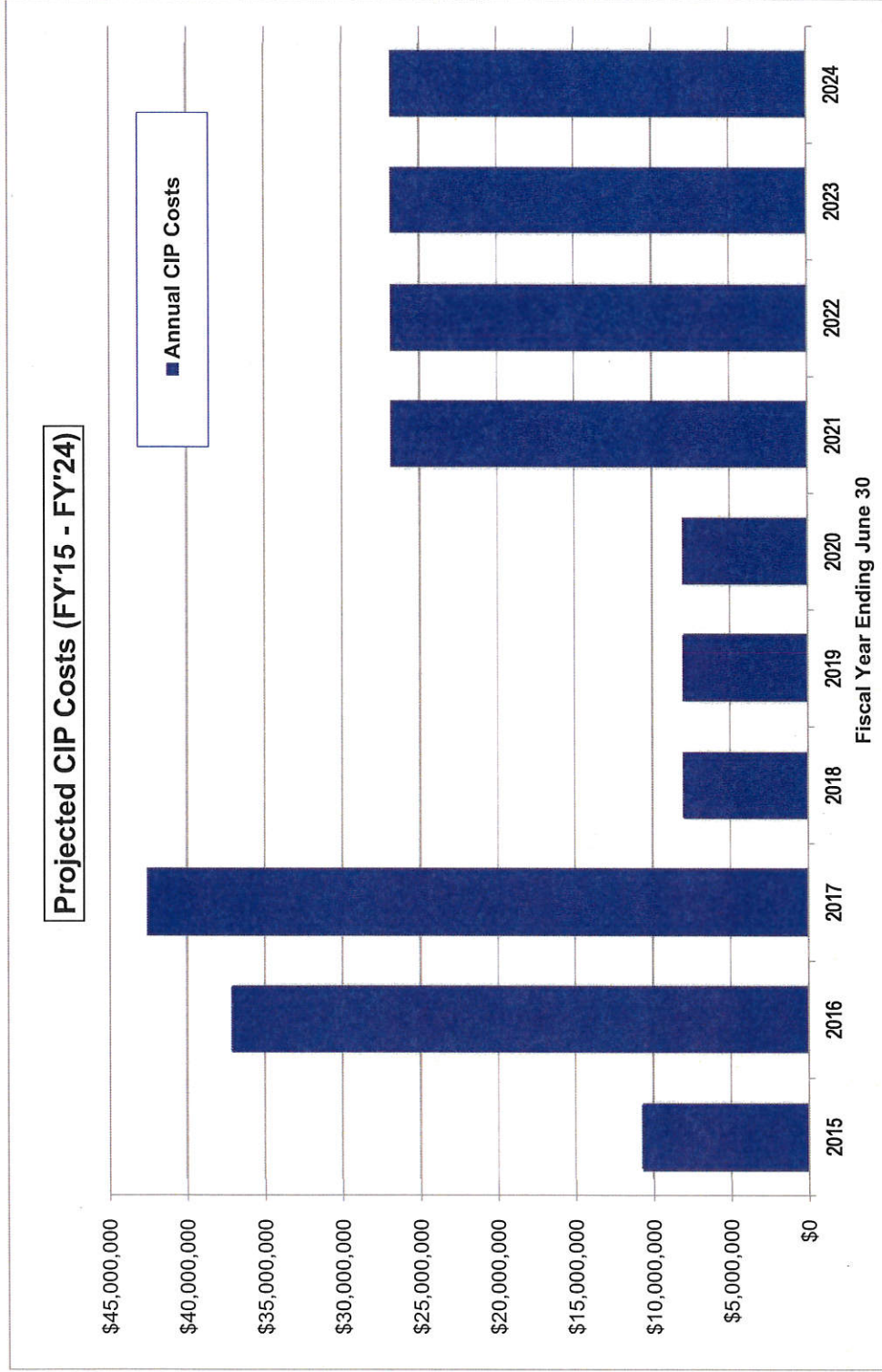


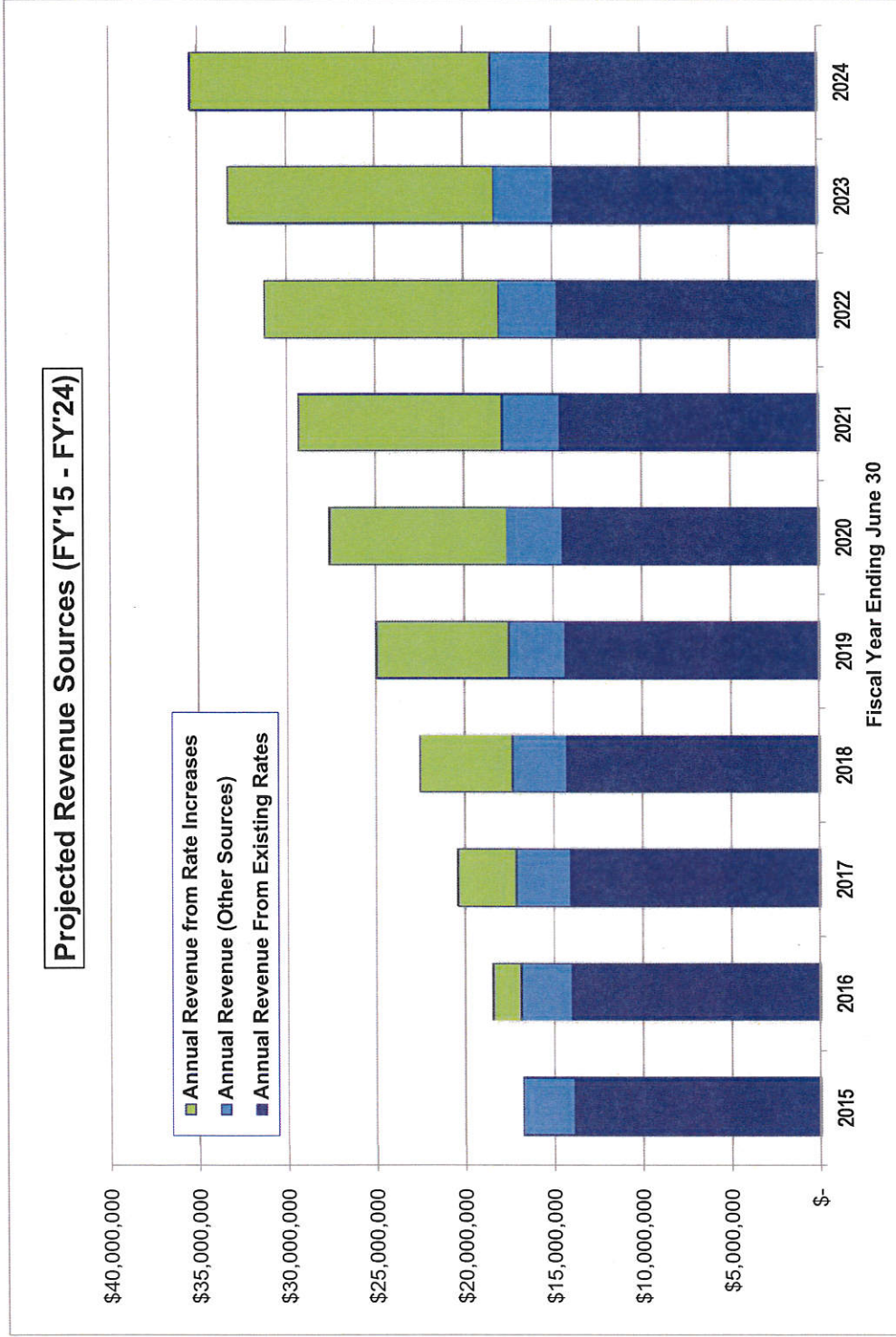


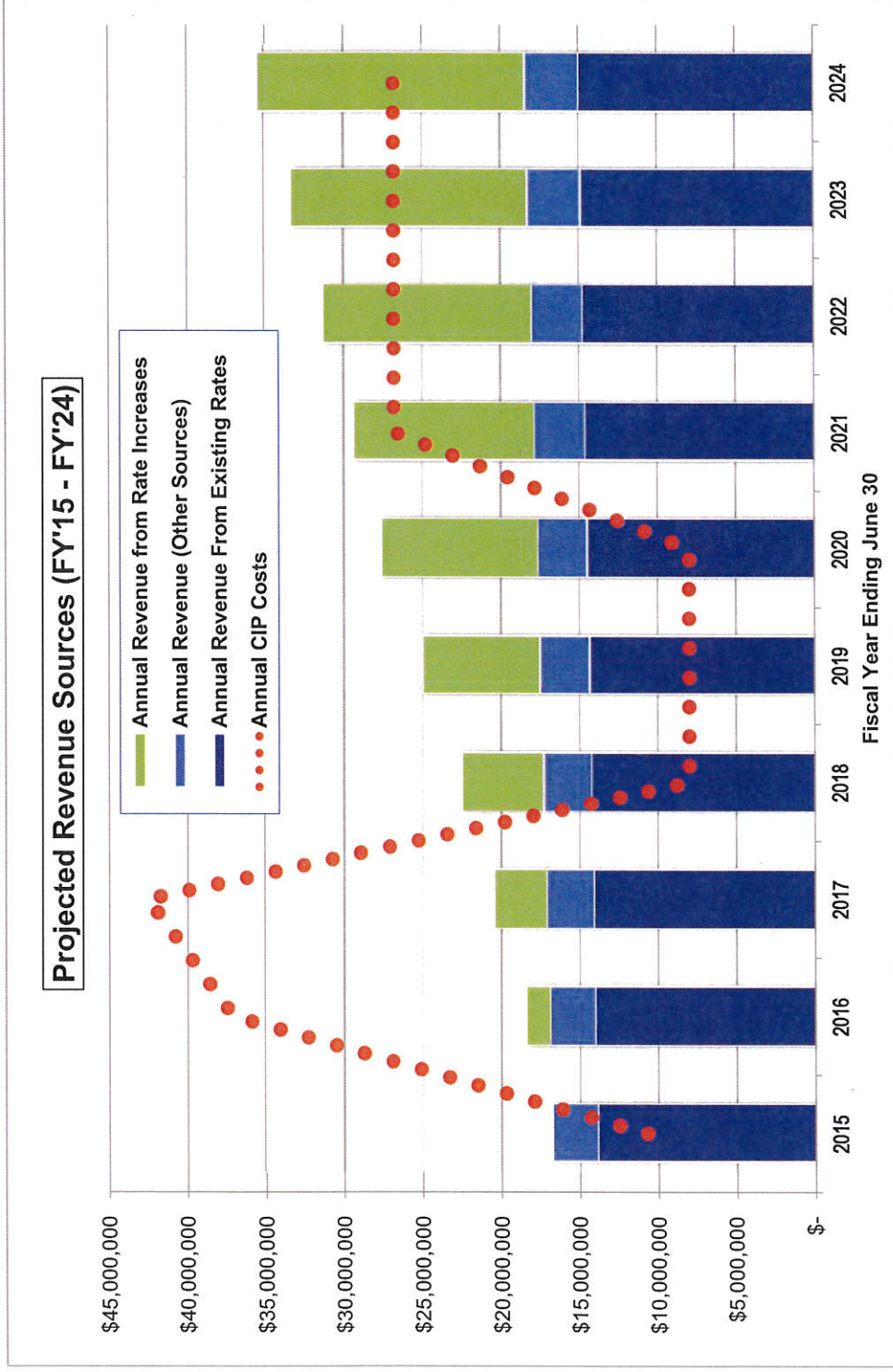


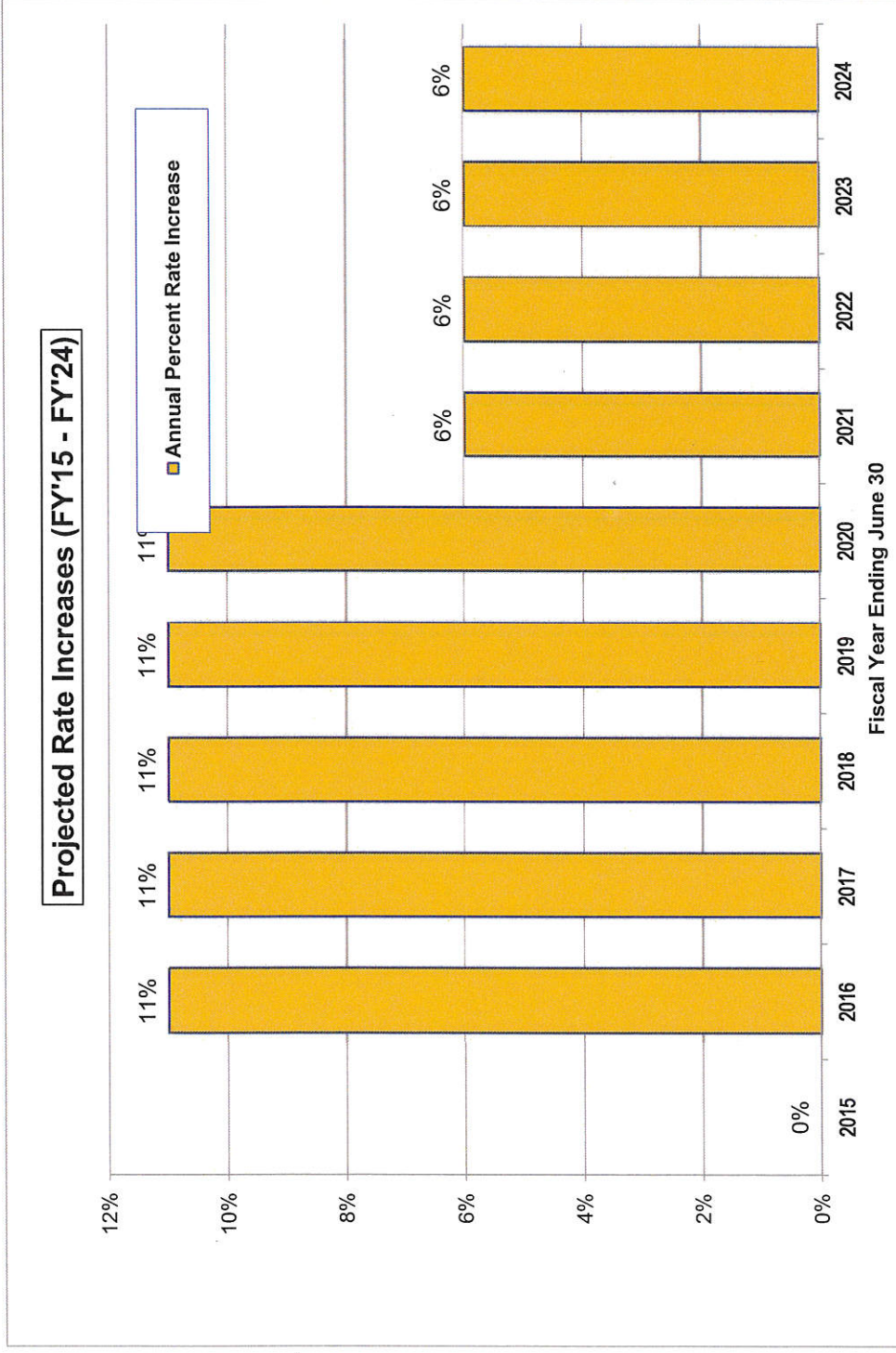












WEST COUNTY WASTEWATER DISTRICT
Wastewater Financial Plan
Operating Revenue and Expenses

Assumes \$95 mil SRF loan funding in years 1- 5, and \$362 mil SRF for CIP in year 6 -20

EXHIBIT 1

Preliminary Draft Subject to Material Revision/Do Not Cite or Distribute

General Note: All year labels should be read as "the fiscal year ending June 30, [year label]". For example, "2015" refers to the 2014/2015 fiscal year.

FORECASTING ASSUMPTIONS:

Economic Variables	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
1 Customer Growth (7)	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
2 Operating Cost Inflation (8)	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
3 Tax Revenue Inflation	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
4 No Inflation	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
5 Salary and Benefit Inflation (8)	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
6 Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

- (1) The source of the Fiscal Year 2014/2015 Operating Revenue and Expenses is the District's Biennial Budget for FY 2013/14 and 2014/15, Attachment B, escalated per the economic variables listed at the end of this exhibit. Expenses are escalated per the economic variables starting in FY 2015/16.
- (2) Revenue for contract services is per WCWD Biennial Budget through FY 2014/15. For each year thereafter, it is expected that revenue will exactly offset expenses related to contract services, which are assumed to escalate 4% annually.
- (3) Budgeted interest earnings were zeroed out here because they are calculated in the Financial Plan section of this model, in Table 2 (Reserve Fund Summary) for the Operating and Capital Improvement Funds, and in Exhibit 2 (Capital Funding Summary) for the Restricted Capital Fund.
- (4) The budgeted Operating Transfers are excluded for purposes of this analysis. Any transfers from the Operating Fund to the Capital Improvement Fund are handled in the Reserve Fund Summary section of the Financial Plan.
- (5) Per WCWD Staff, the Retirement Contribution is 20.5% of payroll. The contribution increases by 1% per year starting FY 2017/18
- (6) Per WCWD Staff, the District made a one-time payment to CalPERS of \$2.5 million in FY 2013 in order to reduce future years contributions.
- (7) Customer growth is currently estimated at 1% annually, per growth projections documented in the Master Plan of a 20% growth in population over the next 20 years.
- (8) Per WCWD Staff, operating costs are expected to increase by 4% annually, salary and benefit costs, 5%
- (9) Per WCWD Staff, the District will make a one-time payment to an OPEB trust to reduce unfunded liabilities of \$2 million.
- (10) Portion of connection fee revenue allocated to eligible pipe replacement projects, per WCWD Biennial budget for FY 15
- (11) Portion of connection fee revenue allocated to eligible pipe expansion projects, per WCWD Biennial budget for FY 15

CAPITAL FUNDING SUMMARY

CAPITAL FUNDING FORECAST Funding Sources:	Projected											
	Budget FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24		
Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Use of Connection Fee Reserves (Restricted Capital)	705,711	47,729	46,283	47,319	48,267	48,392	48,393	48,514	48,515	48,636		
Existing SRF Loan Secured (1)	7,488,844	10,315,156	-	-	-	-	-	-	-	-		
Recycled Water SRF Funding Unsecured	2,493,864	11,044,821	6,481,525	-	-	-	-	-	-	-		
Additional SRF Funding Unsecured	-	15,724,250	36,049,564	5,422,166	-	-	24,370,049	22,769,928	22,968,927	23,769,805		
Use of Capital Reserves	-	-	-	2,530,515	7,951,733	7,071,571	2,400,000	4,000,000	3,690,743	2,969,704		
Rate Revenue	-	-	-	-	-	880,037	-	-	109,257	30,296		
Total Sources of Capital Funds	\$ 10,688,509	\$ 37,131,656	\$ 42,557,392	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000	\$ 26,818,442	\$ 26,818,442	\$ 26,818,442	\$ 26,818,442		
Uses of Capital Funds:												
All projects per Master Plan 20-Year CIP	\$ 10,688,509	\$ 37,131,656	\$ 42,557,392	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000	\$ 26,818,442	\$ 26,818,442	\$ 26,818,442	\$ 26,818,442		
Capital Funding Surplus (Deficiency)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
CONNECTION FEE RESERVE FUND (Restricted Capital)												
Beginning Reserve Balance (3)	\$ 705,711	\$ 47,729	\$ 46,283	\$ 47,319	\$ 48,267	\$ 48,392	\$ 48,393	\$ 48,514	\$ 48,515	\$ 48,636		
Plus: Interest Earnings	1,764	119	231	237	362	363	484	485	606	608		
Plus: Connection Fees & Flow Zone Fees (4)	45,965	46,164	47,088	48,030	48,030	48,030	48,030	48,030	48,030	48,030		
Less: Use of Reserves for Capital Projects	(705,711)	(47,729)	(46,283)	(47,319)	(48,267)	(48,392)	(48,393)	(48,514)	(48,515)	(48,636)		
Ending Connection Fee Fund Balance	\$ 47,729	\$ 46,283	\$ 47,319	\$ 48,267	\$ 48,392	\$ 48,393	\$ 48,514	\$ 48,515	\$ 48,636	\$ 48,638		
Existing SRF Funding Secured	\$ 17,804,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Recycled Water SRF Funding Unsecured	\$ 20,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Additional SRF Funding Unsecured	\$ -	\$ 15,724,250	\$ 36,049,564	\$ 5,422,166	\$ -	\$ -	\$ 24,370,049	\$ 22,769,928	\$ 22,968,927	\$ 23,769,805		

(1) WCWD plans to use \$95 million in loan proceeds to fund capital projects in the first four years of this analysis period, \$17 million of that amount is currently issued in FY 14/15, and the remaining \$78 million is assumed to come from anticipated SRF loans.

(2) The total CIP costs figured into this iteration of the analysis are based on the total costs shown in the "Master Plan 20-Year CIP" file provided by WCWD

Costs shown for FY 2014/15 through FY 2019/20 are the totals for projects documented in the file. In 2020/21 through 2032/33, project cost amounts are amortized over 3 and 5 year periods, according to the groupings noted in the file.

(3) Beginning balance for FY 2014/15 per p85 WCWD Biennial Budget.

(4) Connection fee revenue included here is the amount allocated to eligible pipe expansion projects, per WCWD Biennial budget for FY 15

CAPITAL IMPROVEMENT PROGRAM FUNDING OPTIONS

Policy Choice	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
1 Full Funding of CIP, at actual cost & timing	\$ 10,688,509	\$ 37,131,656	\$ 42,557,392	\$ 31,377,881	\$ 56,048,571	\$ 41,342,858	\$ 24,155,324	\$ 25,029,747	\$ 25,935,825	\$ 14,085,049
2 Full Funding of CIP, at available funding	10,688,509	37,131,656	42,557,392	8,000,000	8,000,000	8,000,000	26,818,442	26,818,442	26,818,442	26,818,442
3 No Funding of CIP	-	-	-	-	-	-	-	-	-	-
4 Funding of Only Projects for Existing Needs	9,900,062	34,034,159	37,932,303	29,562,991	49,867,029	36,225,345	19,962,279	20,684,914	21,433,709	11,612,351
5 Other	-	-	-	-	-	-	-	-	-	-

Insert choice in box to right, based on options listed above

2

Capital Improvement Program Funding Choice	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Effective Annual Funding Amount	\$ 10,688,509	\$ 37,131,656	\$ 42,557,392	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000	\$ 26,818,442	\$ 26,818,442	\$ 26,818,442	\$ 26,818,442

WEST COUNTY WASTEWATER DISTRICT
Wastewater Financial Plan
Capital Improvement Plan Expenditures
Preliminary Draft Subject to Material Revision/Do Not Cite or Distribute

Assumes \$95 mil SRF loan funding in years 1-5, and \$352 mil SRF for CIP in year 6-20

EXHIBIT 2

FORECASTING ASSUMPTIONS:

Economic Variables	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Annual Construction Cost Inflation (3.4)	7.24%	3.62%	3.62%	3.62%	3.62%	3.62%	3.62%	3.62%	3.62%	3.62%
Cumulative Construction Cost Multiplier from 2015	1.07	1.11	1.15	1.19	1.24	1.28	1.33	1.38	1.43	1.48

- (1) Capital Project and Equipment costs were provided in WCWD's 20-year CIP for FY 2013 - 2033.
FY 2034 and 35 based on average of FY 2014 - 2033 expense
For projects that are scheduled for FY 2020/21 and beyond, the total project cost was spread evenly over the year period in which it is scheduled to take place in the 20-year CIP
- (2, 3) Annual Construction Cost Inflation % is calculated by averaging the annual change in the Construction Cost Index for January 2004 through January 2014, from the Engineering News Record.
This annual inflator is applied to project costs, in an effort to incorporate cost inflation in the financial projection.
- (4) Capital Project and Equipment costs are increased from 2012/13 values to 2014/15 in year one of the financial plan.

Preliminary Draft Subject to Material Revision/Do Not Cite or Distribute

EXISTING DEBT OBLIGATIONS		Projected											
Annual Repayment Schedules:		Budget											
SRF Agreement No. 13-840-550, Date: 5/29/2014 (1)		FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24		
Principal Payment	\$ -	\$ 182,884	\$ 172,897	\$ 172,897	\$ 176,091	\$ 179,437	\$ 182,846	\$ 186,320	\$ 189,860	\$ 193,467	\$ 197,143		
Interest Payment	-	56,979	74,203	74,203	71,009	67,663	64,254	60,780	57,240	53,632	49,956		
Subtotal: Annual Debt Service	\$ -	\$ 239,863	\$ 247,100	\$ 247,100	\$ 247,100	\$ 247,100	\$ 247,100	\$ 247,100	\$ 247,100	\$ 247,100	\$ 247,100		
Coverage Requirement(% above annual payment) (2)	0%	0%	10%	10%	10%	10%	10%	10%	10%	10%	10%		
Reserve Requirement (total fund balance) (3)	\$ 247,100	\$ 247,100	\$ 247,100	\$ 247,100	\$ 247,100	\$ 247,100	\$ 247,100	\$ 247,100	\$ 247,100	\$ 247,100	\$ 247,100		
SRF Agreement No. 13-841-550, Date: 5/29/14 (4)													
Principal Payment	\$ -	\$ -	\$ 121,795	\$ 121,795	\$ 121,977	\$ 124,294	\$ 126,656	\$ 129,062	\$ 131,514	\$ 134,013	\$ 136,559		
Interest Payment	-	-	52,621	52,621	52,439	50,122	47,760	45,354	42,902	40,403	37,856		
Subtotal: Annual Debt Service	\$ -	\$ -	\$ 174,416	\$ 174,416	\$ 174,416	\$ 174,416	\$ 174,416	\$ 174,416	\$ 174,416	\$ 174,416	\$ 174,416		
Coverage Requirement(% above annual payment) (2)	0%	0%	10%	10%	10%	10%	10%	10%	10%	10%	10%		
Reserve Requirement (total fund balance) (3)	\$ 174,416	\$ 174,416	\$ 174,416	\$ 174,416	\$ 174,416	\$ 174,416	\$ 174,416	\$ 174,416	\$ 174,416	\$ 174,416	\$ 174,416		
SRF Agreement No. 13-842-550, Date: 5/29/14 (5)													
Principal Payment	\$ -	\$ -	\$ -	\$ -	\$ 450,909	\$ 458,667	\$ 467,382	\$ 476,262	\$ 485,311	\$ 494,532	\$ 503,928		
Interest Payment	-	-	-	-	204,945	197,187	188,472	179,592	170,543	161,322	151,926		
Subtotal: Annual Debt Service	\$ -	\$ -	\$ -	\$ -	\$ 655,854	\$ 655,854	\$ 655,854	\$ 655,854	\$ 655,854	\$ 655,854	\$ 655,854		
Coverage Requirement(% above annual payment) (2)	0%	0%	0%	0%	10%	10%	10%	10%	10%	10%	10%		
Reserve Requirement (total fund balance) (3)	\$ 655,854	\$ 655,854	\$ 655,854	\$ 655,854	\$ 655,854	\$ 655,854	\$ 655,854	\$ 655,854	\$ 655,854	\$ 655,854	\$ 655,854		
Grand Total: Existing Annual Debt Service	\$ -	\$ -	\$ 239,863	\$ 421,516	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369		
Grand Total: Existing Annual Coverage Requirement	\$ -	\$ -	\$ 23,986	\$ 42,152	\$ 107,737	\$ 107,737	\$ 107,737	\$ 107,737	\$ 107,737	\$ 107,737	\$ 107,737		
Grand Total: Existing Debt Reserve Target	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369	\$ 1,077,369		

NEW DEBT FINANCING ASSUMPTIONS:

Long-Term Debt Terms	State Revolving Fund Loan (6)	State Revolving Fund Loan (7)
Issuance Cost	0.00%	0.00%
Annual Interest Cost (%)	1.00%	1.90%
Term	20	20
Debt Reserve Funded?	Yes	Yes
Coverage Requirement (% above annual pmt)	10%	10%

NEW DEBT OBLIGATIONS:

Annual Repayment Schedules		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
State Revolving Fund Loan 1 \$20m											
Principal Payment	\$ -	\$ 961,593	\$ 971,209	\$ 980,921	\$ 990,731	\$ 1,000,638	\$ 1,010,644	\$ 1,020,751	\$ 1,030,958	\$ 1,041,268	
Interest Payment	-	211,733	202,117	192,405	182,596	172,689	162,682	152,576	142,368	132,059	
Subtotal: Annual Debt Service	\$ -	\$ 1,173,327	\$ 1,173,327	\$ 1,173,327	\$ 1,173,327	\$ 1,173,327	\$ 1,173,327	\$ 1,173,327	\$ 1,173,327	\$ 1,173,327	
State Revolving Fund Loan 2 \$477m											
Principal Payment	\$ -	\$ -	\$ 695,769	\$ 2,304,116	\$ 2,587,815	\$ 2,636,984	\$ 2,687,087	\$ 2,737,190	\$ 2,787,293	\$ 2,837,396	\$ 2,887,499
Interest Payment	-	-	318,023	1,033,906	1,099,791	1,050,622	1,000,520	950,418	900,316	850,214	\$ 800,117
Subtotal: Annual Debt Service	\$ -	\$ -	\$ 1,013,792	\$ 3,338,022	\$ 3,687,606	\$ 3,687,606	\$ 3,687,606	\$ 3,687,606	\$ 3,687,606	\$ 3,687,606	\$ 3,687,606
Grand Total: New Annual Debt Service	\$ -	\$ 1,173,327	\$ 2,187,118	\$ 4,511,349	\$ 4,860,933	\$ 4,860,933	\$ 4,860,933	\$ 4,860,933	\$ 4,860,933	\$ 4,860,933	\$ 4,860,933
Grand Total: New Annual Coverage Requirement	\$ -	\$ 117,333	\$ 218,712	\$ 451,135	\$ 486,093	\$ 486,093	\$ 486,093	\$ 486,093	\$ 486,093	\$ 486,093	\$ 486,093
Grand Total: New Debt Reserve Target	\$ -	\$ 1,173,327	\$ 2,187,118	\$ 4,511,349	\$ 4,860,933	\$ 4,860,933	\$ 4,860,933	\$ 4,860,933	\$ 4,860,933	\$ 4,860,933	\$ 4,860,933

WEST COUNTY WASTEWATER DISTRICT
Wastewater Financial Plan
Debt Service

Assumes \$95 mil SRF loan funding in years 1-5, and \$352 mil SRF for CIP in year 6-20

EXHIBIT 3

Preliminary Draft Subject to Material Revision/Do Not Cite or Distribute

TOTAL DEBT SERVICE:

Annual Obligations	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Annual Debt Service	\$ -	\$ 1,173,327	\$ 2,187,118	\$ 4,511,349	\$ 4,860,933	\$ 4,860,933	\$ 4,860,933	\$ 6,432,146	\$ 7,900,195	\$ 9,381,139
Annual Coverage Requirement	\$ -	\$ 117,333	\$ 218,712	\$ 451,135	\$ 486,093	\$ 486,093	\$ 486,093	\$ 643,215	\$ 790,020	\$ 938,114
Total Debt Reserve Target	\$ -	\$ 1,173,327	\$ 2,187,118	\$ 4,511,349	\$ 4,860,933	\$ 4,860,933	\$ 4,860,933	\$ 6,432,146	\$ 7,900,195	\$ 9,381,139

- (1) Terms for existing State Revolving Fund Loans is per Agreement No. 13-840-550, April 16, 2014
- (2) The debt coverage requirement for these SRF loans is equal to 110% of the annual debt service payments.
- (3) The reserve requirement for this SRF loan is equal to one year's debt service
- (4) Terms for existing State Revolving Fund Loans is per Agreement No. 13-841-550, May 29, 2014
- (5) Terms for existing State Revolving Fund Loans is per Agreement No. 13-842-550, May 29, 2014
- (6) Per WCWD Finance Department, \$20m in additional SRF Loan Funding will be secured for the Recycled Water projects. Terms of the issue are assumed to be 1%, per the WCWD Finance Department.
- (7) Per WCWD Finance Department, future SRF Loan Funding will be secured. Terms of the issue are assumed to be the same as the recently issued loans.

WEST COUNTY WASTEWATER DISTRICT

Wastewater Financial Plan

Existing Sewer Use Rate Structure and Calculated Annual Increases

Preliminary Draft Subject to Material Revision/Do Not Cite or Distribute

EXHIBIT 4

Assumes \$95 mil SRF loan funding in years 1- 5, and \$352 mil SRF for CIP in year 6 -20

Current Rate Schedule and Recommended Rate Increases	Current FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
<i>Recommended Rate Increases</i>		11.0%	11.0%	11.0%	11.0%	11.0%
User Category						
Domestic Users (Per year, per unit)						
Single Family Residence	\$ 381.00	\$ 422.00	\$ 468.00	\$ 519.00	\$ 576.00	\$ 639.00
Multi-Family Residence	\$ 333.00	\$ 369.00	\$ 409.00	\$ 453.00	\$ 502.00	\$ 557.00
Mobile Homes	\$ 333.00	\$ 369.00	\$ 409.00	\$ 453.00	\$ 502.00	\$ 557.00
Commercial Users						
<i>Minimum Charge:</i>						
Domestic Strength	\$ 381.00	\$ 422.00	\$ 468.00	\$ 519.00	\$ 576.00	\$ 639.00
High Strength	\$ 381.00	\$ 422.00	\$ 468.00	\$ 519.00	\$ 576.00	\$ 639.00
<i>Flow Charge:</i>						
(Per 1,000 gallons of metered water consumption)						
Domestic Strength	\$ 4.08	\$ 4.52	\$ 5.01	\$ 5.56	\$ 6.17	\$ 6.84
High Strength	\$ 6.86	\$ 7.61	\$ 8.44	\$ 9.36	\$ 10.38	\$ 11.52
Industrial Users (2)						
<i>Minimum Charge</i>						
Flow (Per 1,000 gallons of metered water consumption)	\$ 381.00	\$ 422.00	\$ 468.00	\$ 519.00	\$ 576.00	\$ 639.00
BOD (Per pound)	\$ 2.63	\$ 2.91	\$ 3.23	\$ 3.58	\$ 3.97	\$ 4.40
SS (Per pound)	\$ 0.28	\$ 0.31	\$ 0.34	\$ 0.37	\$ 0.41	\$ 0.45
	\$ 0.34	\$ 0.37	\$ 0.41	\$ 0.45	\$ 0.49	\$ 0.54

Note: All years reflect "across-the-board" adjustments to rates only.

DEBT SERVICE

The West County Wastewater District issues long term debt for the construction or replacement of significant capital assets. Debt service is the annual or semi-annual payments that the District makes to repay the principal and interest on its debt.

DEBT POLICY

As a matter of practice, the District has operated since 1998 on a pay-as-you-go basis for the purpose of funding large equipment purchases and capital improvement projects. Revenues have been sufficient to maintain this practice. In addition to the practice of pay-as-you-go, the Board of Directors has adopted policies to maintain fund balances and reserves at sufficient levels to cover cash flow needs for normal operating expenses.

DEBT CAPACITY AND DEBT LIMITATIONS

Debt capacity is the difference between the amount of debt the District has outstanding and the maximum amount of debt the District can incur within its legal, public policy and financial limitations. The District does not issue general obligation debt and, as such, there is no legal limitation on the amount of debt it can issue. The District is currently limited only by financial limitations. Financial limitations include two factors: 1) willingness of institutions to loan the District money, and 2) limitations on future debt placed on the District by current debt.

To date, the State has been willing to discuss loaning the necessary funds, through the Clean Water State Revolving Fund (CWSRF) program, to cover the projects identified in the first five years of the adopted 20-Year Master Plan. Currently, the District has the capacity to borrow approximately \$95 million.

CURRENT DEBT OBLIGATIONS

In 2013, the District began the work of creating a District-Wide 20-Year Master Plan, which identified approximately \$320 million in capital project needs. In 2013, the Board of Directors authorized \$75 million in loans from the Clean Water State Revolving Fund to provide low cost financing for capital improvements. In 2014, the Board of Directors authorized approximately \$25 million in a loan specifically for the purpose of providing reliable recycled water.

In 2014, the District entered into a \$17.80 million, 20-year loan with the State through the CWSRF program at 1.9% interest. In 2015, the District entered into a \$24.16 million, 20-year loan with the State through the CWSRF Recycled Water program 1% interest. Details of the current debt obligations are outline in the following tables.

Table 1
SWRCB Revolving Fund
Agreement 13-840-550
Project C-06-7876-110

20 year term

4,093,086.00

1.90%

Fiscal Year 01-Jul	Annual Interest	Principal Payment	Total Payment	Ending Principal
2015/16	0.00	0.00	0.00	0.00
2016/17	56,978.54	182,884.30	239,862.84	3,910,201.70
2017/18	74,203.10	172,896.58	247,099.68	3,737,305.12
2018/19	71,008.80	176,090.88	247,099.68	3,561,214.24
2019/20	67,663.07	179,436.61	247,099.68	3,381,777.63
2020/21	64,253.77	182,845.91	247,099.68	3,198,931.72
2021/22	60,779.70	186,319.98	247,099.68	3,012,611.74
2022/23	57,239.62	189,860.06	247,099.68	2,822,751.68
2023/24	53,632.28	193,467.40	247,099.68	2,629,284.28
2024/25	49,956.40	197,143.28	247,099.68	2,432,141.00
2025/26	46,210.68	200,889.00	247,099.68	2,231,252.00
2026/27	42,393.79	204,705.89	247,099.68	2,026,546.11
2027/28	38,504.38	208,595.30	247,099.68	1,817,950.81
2028/29	34,541.07	212,558.61	247,099.68	1,605,392.20
2029/30	30,502.45	216,597.23	247,099.68	1,388,794.97
2030/31	26,387.10	220,712.58	247,099.68	1,168,082.39
2031/32	22,193.57	224,906.11	247,099.68	943,176.28
2032/33	17,920.35	229,179.33	247,099.68	713,996.95
2033/34	13,565.94	233,533.74	247,099.68	480,463.21
2034/35	9,128.80	237,970.88	247,099.68	242,492.33
2035/36	4,607.35	242,492.33	247,099.68	0.00
	841,670.76	4,093,086.00	4,934,756.76	

Table 2
SWRCB Revolving Fund
Agreement 13-841-550
Project C-06-7876-120

20 year term

2,881,758.00

1.90%

Fiscal Year	Annual	Principal	Total	Ending
01-Jul	Interest	Payment	Payment	Principal
2015/16	0.00	0.00	0.00	0.00
2016/17	52,621.09	121,794.86	174,415.95	2,759,963.14
2017/18	52,439.30	121,976.65	174,415.95	2,637,986.49
2018/19	50,121.74	124,294.21	174,415.95	2,513,692.28
2019/20	47,760.15	126,655.80	174,415.95	2,387,036.48
2020/21	45,353.69	129,062.26	174,415.95	2,257,974.22
2021/22	42,901.51	131,514.44	174,415.95	2,126,459.78
2022/23	40,402.74	134,013.21	174,415.95	1,992,446.57
2023/24	37,856.48	136,559.47	174,415.95	1,855,887.10
2024/25	35,261.85	139,154.10	174,415.95	1,716,733.00
2025/26	32,617.93	141,798.02	174,415.95	1,574,934.98
2026/27	29,923.76	144,492.19	174,415.95	1,430,442.79
2027/28	27,178.41	147,237.54	174,415.95	1,283,205.25
2028/29	24,380.90	150,035.05	174,415.95	1,133,170.20
2029/30	21,530.23	152,885.72	174,415.95	980,284.48
2030/31	18,625.41	155,790.54	174,415.95	824,493.94
2031/32	15,665.38	158,750.57	174,415.95	665,743.37
2032/33	12,649.12	161,766.83	174,415.95	503,976.54
2033/34	9,575.55	164,840.40	174,415.95	339,136.14
2034/35	6,443.59	167,972.36	174,415.95	171,163.78
2035/36	3,252.11	171,163.78	174,415.89	0.00
	606,560.94	2,881,758.00	3,488,318.94	

Table 3
SWRCB Revolving Fund
Agreement 13-842-550
Project C-06-7876-130

20 year term
10,829,156.00

1.90%

Fiscal Year	Annual	Principal	Total	Ending
01-Jul	Interest	Payment	Payment	Principal
2015/16	0.00	0.00	0.00	0.00
2016/17	0.00	0.00	0.00	0.00
2017/18	204,945.00	450,908.64	655,853.64	10,378,247.36
2018/19	197,186.70	458,666.94	655,853.64	9,919,580.42
2019/20	188,472.03	467,381.61	655,853.64	9,452,198.81
2020/21	179,591.78	476,261.86	655,853.64	8,975,936.95
2021/22	170,542.80	485,310.84	655,853.64	8,490,626.11
2022/23	161,321.90	494,531.74	655,853.64	7,996,094.37
2023/24	151,925.79	503,927.85	655,853.64	7,492,166.52
2024/25	142,351.16	513,502.48	655,853.64	6,978,664.04
2025/26	132,594.62	523,259.02	655,853.64	6,455,405.02
2026/27	122,652.70	533,200.94	655,853.64	5,922,204.08
2027/28	112,521.88	543,331.76	655,853.64	5,378,872.32
2028/29	102,198.57	553,655.07	655,853.64	4,825,217.25
2029/30	91,679.13	564,174.51	655,853.64	4,261,042.74
2030/31	80,959.81	574,893.83	655,853.64	3,686,148.91
2031/32	70,036.83	585,816.81	655,853.64	3,100,332.10
2032/33	58,906.31	596,947.33	655,853.64	2,503,384.77
2033/34	47,564.31	608,289.33	655,853.64	1,895,095.44
2034/35	36,006.81	619,846.83	655,853.64	1,275,248.61
2035/36	24,229.72	631,623.92	655,853.64	643,624.69
2036/37	12,228.87	643,624.69	655,853.56	0.00
	2,287,916.72	10,829,156.00	13,117,072.72	

Table 4
SWRCB Revolving Fund
Recycled Water Reliability Upgrade Project

20 year term	1.00%			
28,155,000.00				
Fiscal Year	Annual	Principal	Total	Ending
01-Jul	Interest	Payment	Payment	Principal
2015/16	0.00	0.00	0.00	0.00
2016/17	275,702.64	1,278,096.24	1,553,798.88	26,876,903.76
2017/18	262,862.91	1,290,935.97	1,553,798.88	25,585,967.79
2018/19	249,894.25	1,303,904.63	1,553,798.88	24,282,063.16
2019/20	236,795.25	1,317,003.63	1,553,798.88	22,965,059.53
2020/21	223,564.68	1,330,234.20	1,553,798.88	21,634,825.33
2021/22	210,201.20	1,343,597.68	1,553,798.88	20,291,227.65
2022/23	196,703.47	1,357,095.41	1,553,798.88	18,934,132.24
2023/24	183,070.14	1,370,728.74	1,553,798.88	17,563,403.50
2024/25	169,299.87	1,384,499.01	1,553,798.88	16,178,904.49
2025/26	155,391.24	1,398,407.64	1,553,798.88	14,780,496.85
2026/27	141,342.89	1,412,455.99	1,553,798.88	13,368,040.86
2027/28	127,153.39	1,426,645.49	1,553,798.88	11,941,395.37
2028/29	112,821.38	1,440,977.50	1,553,798.88	10,500,417.87
2029/30	98,345.39	1,455,453.49	1,553,798.88	9,044,964.38
2030/31	83,723.96	1,470,074.92	1,553,798.88	7,574,889.46
2031/32	68,955.65	1,484,843.23	1,553,798.88	6,090,046.23
2032/33	54,038.98	1,499,759.90	1,553,798.88	4,590,286.33
2033/34	38,972.43	1,514,826.45	1,553,798.88	3,075,459.88
2034/35	23,754.57	1,530,044.31	1,553,798.88	1,545,415.57
2035/36	8,383.79	1,545,415.09	1,553,798.88	0.00
	2,920,978.08	28,154,999.52	31,075,977.60	

Table 5
SWRCB Revolving Fund
Debt Service Summary

	Agreement 13-840-550 Project C-06-7876- 110	Agreement 13-841-550 Project C-06-7876- 120	Agreement 13-842-550 Project C-06-7876- 130	Recycled Water Reliability Upgrade Project	Annual Totals
2015/16	0.00	0.00	0.00	0.00	0.00
2016/17	239,862.84	174,415.95	0.00	1,553,798.88	1,968,077.67
2017/18	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2018/19	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2019/20	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2020/21	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2021/22	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2022/23	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2023/24	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2024/25	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2025/26	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2026/27	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2027/28	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2028/29	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2029/30	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2030/31	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2031/32	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2032/33	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2033/34	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2034/35	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2035/36	247,099.68	174,415.95	655,853.64	1,553,798.88	2,631,168.15
2036/37	0.00	0.00	655,853.56	0.00	655,853.56
	4,934,756.76	3,488,319.00	13,117,072.72	31,075,977.60	52,616,126.08

FUTURE DEBT ISSUES

The 20-Year Master Plan and the 5-Year Capital Improvement Plan assume that the District will contract with the CWSRF for the necessary funds to complete the identified capital projects. Projects and major equipment purchases that do not qualify for CWSRF loans will be funded on a pay-as-you-go basis. There are no other assumptions regarding additional debt issuance or the refinancing of current debt.

GLOSSARY OF TERMS

Actual: Report of actual expenses or revenue for a given fiscal year. Actual expenses and revenue usually vary from the budgeted amount.

ADA: Americans with Disabilities Act

Adopted Budget: The budget formally approved by the Board of Directors.

Amended Budget: The budget formally amended during a fiscal year to reflect unanticipated expenditures and revenue.

Appropriation: A legal authorization made by the Board to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and as to the time when it may be expended.

Assessed Valuation: A value established for real property for use as a basis in levying property taxes. Annual increases in valuation are limited to a maximum of 2%; however, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations and is subject to annual reappraisal.

Audit: The primary objective of an audit is to determine if the District's annual financial statements fairly present the District's financial position and result of operations and conform to generally accepted accounting principles (GAAP). The audit function is always prepared by an independent Certified Public Accountant (CPA).

Authorized Positions: Inventory of positions approved by the Board of Directors that may or may not have funding (see Budgeted Positions).

Benefit Assessment: Charges levied on parcels to pay for public improvements or services provided within a pre-determined district or area according to the benefit the parcel receives from the improvement or services.

Biennial Budget: Plans of current expenditures and the proposed means of financing them over a two-year period. The Biennial Budget is the primary means by which most purchases, expenditures and service delivery activities of the agency are controlled.

Biochemical Oxygen Demand (BOD): A measure of the oxygen used by micro-organisms to decompose waste.

Board of Directors: Five individuals elected by the residents of the District to set policy direction for the District.

Bonds: A form of borrowing (debt financing) that reflects a written promise from the District to repay a sum of money on a specific date at a specified interest rate. Bonds are used to finance large capital projects such as buildings, streets, utility infrastructure and bridges.

Budget: A financial plan for a specified period of time that matches planned revenues and expenditures to municipal services. The District uses a financial plan covering the fiscal year July 1 through June 30.

Budget Amendment: The Board has the sole responsibility for adopting the District's budget and may amend or supplement the budget at any time after adoption by majority vote. The General Manager has the authority to approve administrative adjustments to the budget as long as those changes do not have a significant policy impact nor affect budgeted year-end balances.

Budgeted Positions: Inventory of positions to be funded in the budget.

CalPERS: A state-wide pooled trust used by local government and state agencies to fund employee retirement benefits.

Capital Improvement Plan (Plan): A plan to provide for the renovation or replacement of existing public facilities and assets and for the construction or acquisition of new ones. The plan sets forth each project or other contemplated expenditure in which the District is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

Capital Improvement Program Budget: The means for financing the projects identified in the Capital Improvement Plan, to be incurred in a given fiscal year. Included are expenditures made for land, building, permanent public works projects, major construction or renovation of structures and major landscaping or park improvements.

Capital Outlay: Expenditures that result in the acquisition of, or addition to, fixed assets.

Capital Project Funds: This fund type is used to account for financial resources used in the acquisition or construction of major capital facilities other than those financed by Proprietary or Trust Funds.

Capital Improvement Plan (CIP): The District's plan of projected capital improvement projects for a five-year period.

Debt: Borrowing funds needed and pledging future revenues to make current expenditures. Traditionally, debt financing is used only for one-time capital improvements whose life will exceed the term of financing and where expected revenues are sufficient to cover the long-term debt.

Debt Capacity: The difference between the amount of outstanding debt the District has and the maximum amount of debt that the District can incur within its legal, public policy and financial limitations.

Debt Service: The principal and interest on bonds and other debt instruments according to a pre-determined schedule.

Department: A major organizational unit of the District that has been assigned overall management responsibility for an operation or a group of related operations within a functional area.

Designated Fund Balance: Amounts set aside for planned actions.

Development Fees: Fees charged to new development that has an impact on the District's facilities and related collection and treatment capacity.

Division: A minor organizational unit within a Department that has been assigned the responsibility for an operation within a functional area.

Employee Benefits: The cost to the District for contribution to employee retirement, health insurance, life, disability, Medicare, workers' compensation and unemployment compensation programs.

Encumbrances: Funds not yet expended but delegated or set aside in anticipation of expenditures in the form of a purchase order, contract or other commitment, chargeable to an appropriation. These funds cease to be an encumbrance when paid.

Enterprise Funds: Used to account for operations that are financed and operated in a manner similar to private sector enterprises and it is the intent of the District that the costs (including depreciation) of providing goods and services to the general public be financed or recovered primarily through user charges. At this time, all District operations are considered an Enterprise Fund.

Equivalent Dwelling Units (EDU): A representative unit for the demand and flow that a typical residential unit disposes into the sewer system in a day. This measurement is used to determine the connection fee and annual sewer service charge for non-residential customers of the District.

Expenditure: Designates the cost of goods delivered or services rendered, whether paid or unpaid. Where accounts are kept on the modified accrual basis of accounting, costs are recorded when goods are received or services rendered. Where accounts are kept on a cash basis, expenditures are recognized when the cash payments are made. The District uses modified accrual basis accounting

Fee: A charge to the consumer for the cost of providing a particular service. Fees may not exceed the estimated reasonable cost of providing the particular service or facility for which the fee is charged, including associated overhead.

Fiscal Year: A 12-month period of time used to record financial transactions. The District has specified July 1 to June 30 as its fiscal year.

Fixed Assets: Fixed assets are of a long-term nature, such as land, buildings, machinery, furniture and other equipment. These assets have a life expectancy in excess of one year and a total acquisition cost in excess of \$5,000.

Franchise Fees: A form of rent for use of public streets and roadways. Federal and state laws limit the amount of some franchise fees.

Full-Time Equivalent (FTE): The decimal equivalent of part-time position converted to a full-time base (i.e., one person working half-time would equate to 0.5 FTE).

Fund: An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations reserves and equities.

Fund Balance: The excess of assets over liabilities and represents the cumulative effect of revenues and other financing sources over expenditure and other financing uses within a specified fund.

Generally Accepted Accounting Principles (GAAP): Uniform standards for financial accounting and reporting that govern the form and content of the basis financial statements of an agency.

Grant: A contribution from a government, non-profit or for-profit agency to the District for a specific purpose and time period.

Inter-Departmental Charge: Charges from one department to another for services performed on a cost-for-service basis.

Inter-Fund Transfers: Represent transfers of funds from one governmental fund to another governmental fund when both funds are part of the same reporting entity. An operating transfer is a legally authorized transfer between funds in which one fund is responsible for the initial receipt of funds and another fund is authorized to use the resources to finance its operating expenditures or expenses.

Investment Revenue: Revenue received as interest from the investment of funds not immediately required to meet cash disbursement obligations.

Permits: Charge designed to reimburse the District for costs of reviewing and approving private property improvements within the District's system area.

Mandated Services: District services provided to comply with State or Federal laws.

Master Plan: Long-range planning document that provides the framework for capital improvement projects.

Memorandum of Understanding (MOU): A document outlining the terms and details of an agreement between parties, including the responsibilities of each party. This term is often used to describe agreements between the agency and unions.

Million Gallons per Day (MGD): One million gallons per day equals 3.07 acre feet, or about 700 gallons per minute.

National Pollutant Discharge Elimination System (NPDES): A permit system authorized by the U. S. Environmental Protection Agency, Clean Water Act, to control water pollution by regulating discharge of treated sewage, stormwater and urban runoff into waters of the United States.

Operating Fund: This is the primary operating fund of the District. All revenues that are not allocated by law or contractual agreement to a specific fund are accounted for in the Operating Fund. Operating Fund resources can be utilized for any legitimate governmental purpose with the exception of subvention or grant revenues restricted for a specific purpose.

Operating: This is the portion of the budget that pertains to daily operations providing ongoing governmental services that excludes capital improvement activities.

Ordinance: A formal legislative enactment by the Board of Directors. It has full force and effect of law within the District boundaries unless it is in conflict with any higher form of law, such as a State statute or constitutional provision. An ordinance has a higher legal standing than a resolution.

Other Post-Employment Benefits (OPEB): These are benefits, other than retirement pensions, that are provided to employees who retire from the District.

Personnel Expenditures: Salaries and wages paid to employees.

Professional Services: Services rendered by members of a recognized profession or possessing a special skill. Such services are generally acquired to obtain information, advice, training or direct assistance. For purposes of this document, the following are, but not limited to, professional services:

Architectural, construction management, construction surveys, material testing, inspection services, appraising, ad campaigns, engineering, environmental, finance, fine arts, insurance, land surveying, landscape architectural, legal management consultants, management information consultants, janitorial, landscape maintenance, grounds keeping, medical, document processing services, municipal program implementation, performing arts, personnel, psychological, sports and underwriting. Providers of such services are hereinafter referred to individually as "consultant" or collectively as "consultants".

Projected: The amount of expenditures or revenue anticipated for the fiscal year based on analysis of actual expenses or receipt of revenue.

Property Tax: The California State Constitution provides that the combined maximum property tax rate on any given property is equal to 1% of its assessed value unless an additional amount has been approved by votes for special taxes or general obligation

bonds. The County assesses properties, bills and collects these property taxes. The County remits the District's share, including all penalties and interest. The purpose of this tax is to allow the District to provide general services to its citizens.

Proposed Budget: The version of the annual budget submitted to the Board of Directors for its consideration. It may be approved with or without changes made by The Board resolution.

Purchase Order: Authorizes the delivery of specific goods or services and incurrence of their debt.

Public Works Project: As pertains to bidding on public contracts and as defined in the Public Contract Code, includes any of the following:

- a. Construction, reconstruction, erection, alteration, renovation, improvement, demolition and repair work involving any publicly owned, leased or operated facility, building, road or other public improvement of any kind.
- b. Construction, reconstruction, erection, alteration, renovation, improvement, demolition and repair work involving any publicly owned, leased or operated facility.
- c. Painting or repainting any publicly owned, leased or operated facility.
- d. Public project does not include maintenance work.

Reimbursable Expenses: An expenditure that will be repaid through a billing, contract or agreement with a third party.

Reserve: An account used to earmark a portion of the fund balance as legally segregated for a specific use.

Resolution: A special order of the Board that requires less legal formality than an ordinance in terms of public notice and the number of public readings prior to approval.

Restricted Asset: Monies, or other resources, that have restrictions on their use by legal or contractual requirements. In governmental accounting, special treatments are applied to restricted assets arising out of debt in Enterprise Funds.

Revenue: Monies received from taxes, fees, permits, licenses, interest and inter-governmental sources during the fiscal year.

Revenue Bonds: Bonds issued to construct facilities and are repaid from revenue produced by the operation of those facilities.

Secured Property: Real property in which the value of the lien on the real property and personal property located thereon is sufficient to assure payment of the tax.

Service Charges: Charges imposed to support services to individuals or to cover the cost of providing such services.

Sewer Use Charge (SUC): Charge established by the District to adequately fund the ongoing costs of providing sewer service to properties within the District. Revenues from the SUC fund operations and maintenance of and improvements to the sewer system. Rates may not exceed the amounts adopted by the Board without proper notice to customers.

Special Revenue Fund: Used to account for the proceeds from specific revenue sources (other than trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Suspended Solids (SS): Particulates dissolved in liquid. See also Total Suspended Solids.

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying for such services.

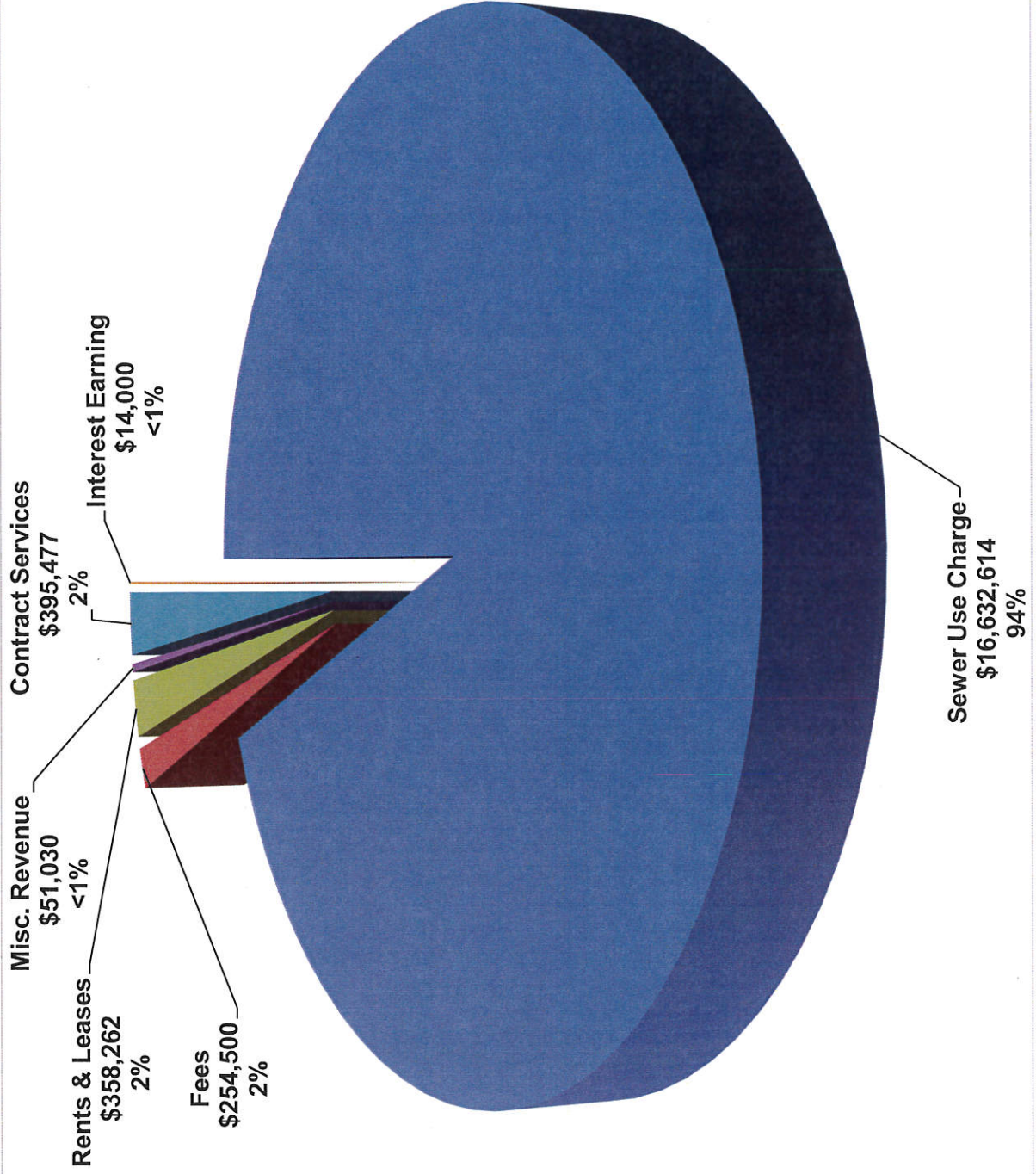
Total Suspended Solids (TSS): Particulate weight obtained by separating particles from a water sample using a filter, usually measured as milligrams per liter (mg/l).

Trust and Agency Funds: Also known as Fiduciary Funds, these funds are used to account for assets held by the District in a trustee capacity or as an agent for private individuals, organizations or other government agencies.

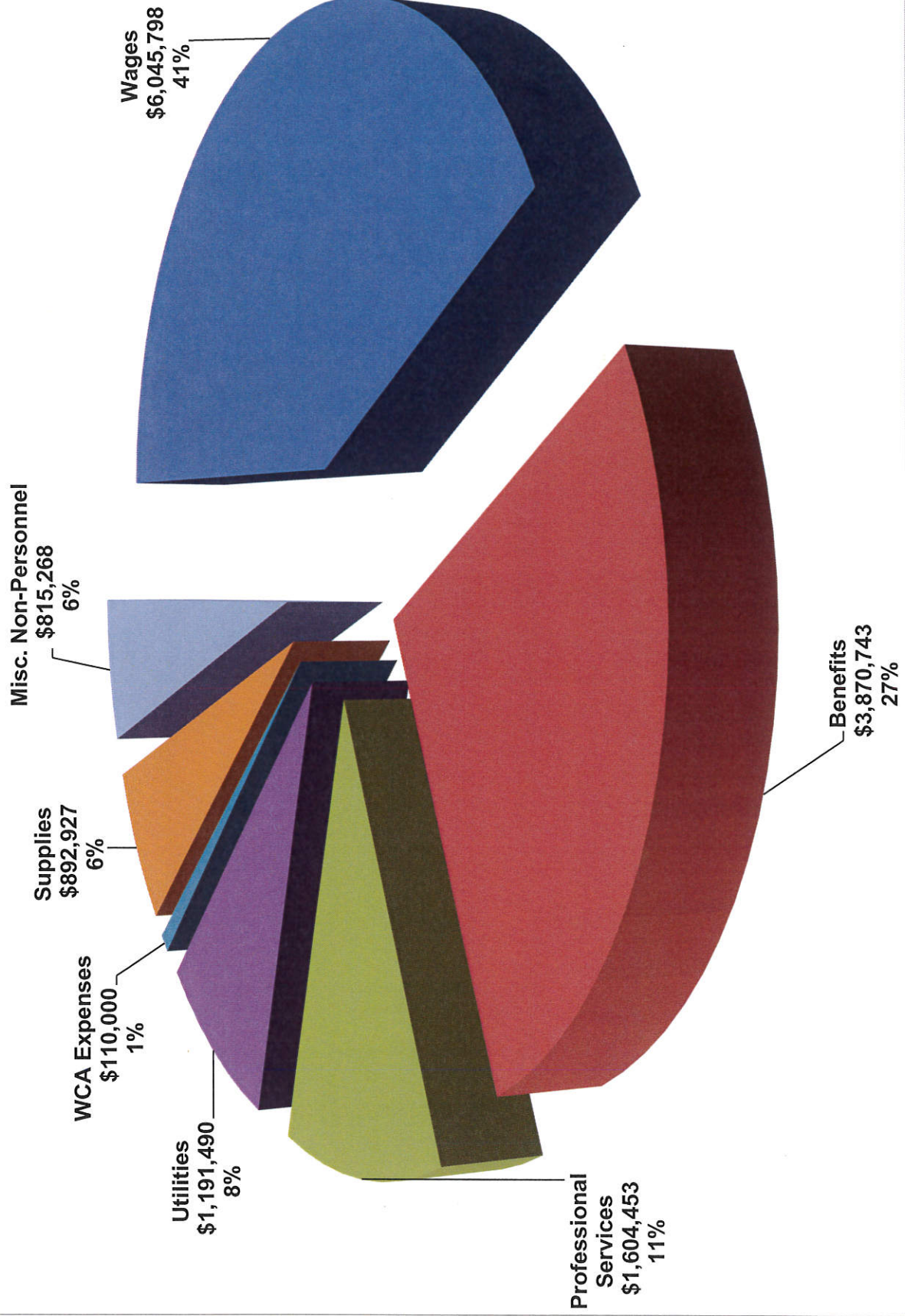
Unsecured Property: Real property in which the value of the lien is not sufficient to assure payment of the property tax.

Water Pollution Control Plant (WPCP): The District's wastewater treatment facility located at 2377 Garden Tract Road, Richmond, CA 94801.

Operating Revenues: By Type Fiscal Year 2015/16



Operating Expenses: By Type
Fiscal Year 2015/16



Operating Expenses: By Department Fiscal Year 2015/16

