



**Adopted Annual Budget**

**Fiscal Year (FY) 2024**

**Table of Contents**

Schedule A – District Budget Summary ..... 3

Cash Balances by Fund with Reserve Targets ..... 4

Schedule B – Salaries & Benefits Summary (District Total) ..... 6

Schedule C.1 – Wholesale Budget Summary Charts ..... 7

Schedule C.2 – Wholesale Budget Detail ..... 8

Schedule D.1 – Retail Budget Summary Charts ..... 12

Schedule D.2 – Retail Budget Detail ..... 13

Schedule E.1 – Sewer Budget Summary Charts ..... 17

Schedule E.2 – Sewer Budget Detail ..... 18

Schedule F: Capital Improvement Program (CIP) Budget Summary ..... 21

Schedule G: CIP Budget Details ..... 22





*East Orange County Water District  
FY 2024 Annual Budget*

## Schedule A – District Budget Summary

This schedule summarizes the total revenues and expenses budgeted by fund and as a District-wide total. Column (A) displays the Wholesale Water fund. Column (B) displays the Retail Water fund. Column (C) displays the Sewer fund. Column (D) displays the District-Wide total budget for FY 24.

**Lines 1-4** display operating and non-operating revenues.

**Lines 5-10** display major expense groupings including source of supply, salaries and benefits, operations and maintenance, and general and administrative.

**Line 11** measures net revenues after expenses. Net revenues are available to fund debt service, pay-go capital, and contributions to the Section 115 Pension Trust. The District pension plans are fully funded, and no contributions are budgeted for FY 24.

**Line 16** displays the net increase or decrease in cash balances planned for the budget year after other cash inflows and outflows are considered. This amount fluctuates year to year, with some years positive and some negative, primarily as the District’s Capital Improvement Program (CIP) fluctuates.

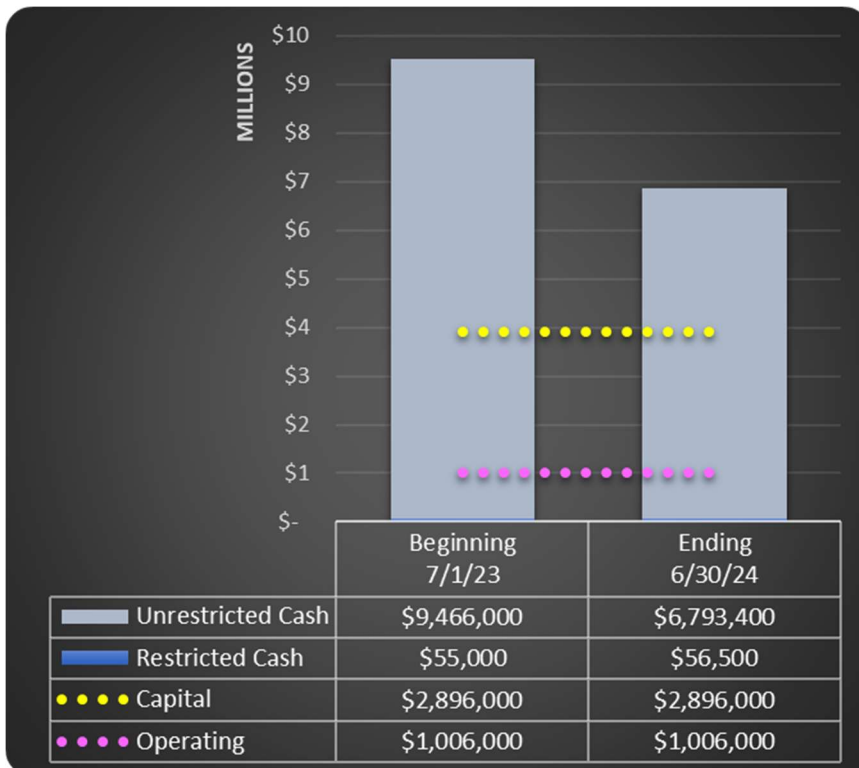
	A Wholesale	B Retail	C Sewer	D District-Wide
<i>Schedule A District Budget Summary</i>	FY 24 Adopted Budget	FY 24 Adopted Budget	FY 24 Adopted Budget	FY 24 Adopted Budget
<b>1 REVENUE</b>				
2 Operating Revenues	\$ 10,243,400	\$ 2,757,700	\$ 3,423,100	\$ 16,424,200
3 Non-Operating Revenues	1,429,900	661,600	1,719,000	3,810,500
<b>4 TOTAL REVENUE</b>	<b>11,673,300</b>	<b>3,419,300</b>	<b>5,142,100</b>	<b>20,234,700</b>
<b>5 EXPENSE</b>				
6 Source of Supply	9,691,500	856,900	-	10,548,400
7 Salaries & Benefits	485,100	712,800	1,627,400	2,825,300
8 Operations & Maintenance	412,800	267,800	303,700	984,300
9 General & Administrative	309,700	371,400	426,300	1,107,400
<b>10 TOTAL EXPENSE</b>	<b>10,899,100</b>	<b>2,208,900</b>	<b>2,357,400</b>	<b>15,465,400</b>
<b>11 NET REVENUE / (EXPENSE)</b>	<b>774,200</b>	<b>1,210,400</b>	<b>2,784,700</b>	<b>4,769,300</b>
12 Debt Service	-	(259,000)	(1,036,200)	(1,295,200)
13 Section 115 Pension Trust Contribution	-	-	-	-
14 Capital Improvement Program PAYGO	(3,445,300)	(5,707,600)	(3,804,500)	(12,957,400)
<b>15 NET CASH INFLOW / (OUTFLOW)</b>	<b>\$ (2,671,100)</b>	<b>\$ (4,756,200)</b>	<b>\$ (2,056,000)</b>	<b>\$ (9,483,300)</b>
<b>16 PROJECTED BEG. CASH 7/1/23</b>	<b>\$ 9,521,000</b>	<b>\$ 6,204,000</b>	<b>\$ 51,808,000</b>	<b>\$ 67,533,000</b>
<b>17 PROJECTED END CASH 6/30/24</b>	<b>\$ 6,849,900</b>	<b>\$ 1,447,800</b>	<b>\$ 49,752,000</b>	<b>\$ 58,049,700</b>

## Cash Balances by Fund with Reserve Targets

This section summarizes District cash balances and the change in cash balances by fund for the fiscal year budget. Debt proceeds remaining from the 2020 Installment Sale with Sterling Bank and used on District CIP are excluded in all cash balances but are used as a funding source for CIP projects in Retail and Sewer. The estimated amount of debt proceeds remaining to be used is shown on **Schedule F** line 9 and reduces the amount of PAYGO CIP. Each chart displays projected beginning cash on July 1<sup>st</sup> and projected ending cash on June 30<sup>th</sup>. These amounts are projections and actual results will vary.

Reserve targets are shown as calculated for each fund based on the District reserve policy. The pink dotted line displays the Operating Reserve target. The yellow dotted line displays the Capital Reserve target in addition to the Operating Reserve target. The green dotted line displays both previous targets with the addition of the Rate Stabilization target. Target calculations for each fund are described to the right of each chart. The Sewer Capital Reserve target is unique due to acquisition funds received from Orange County Sanitation District (OCSD) in 2016 when the Sewer system was acquired by the District. These funds were received and are restricted for use on Sewer CIP. They are drawn down over time as Sewer CIP is completed. As a result, the Sewer Capital Reserve target is assessed and recalculated annually after audited year-end. The amount shown in the FY 24 budget is an estimate of where the Sewer Capital Reserve target will be at the beginning and end of FY 24.

### WHOLESALE CASH TO RESERVE TARGETS



#### Analysis

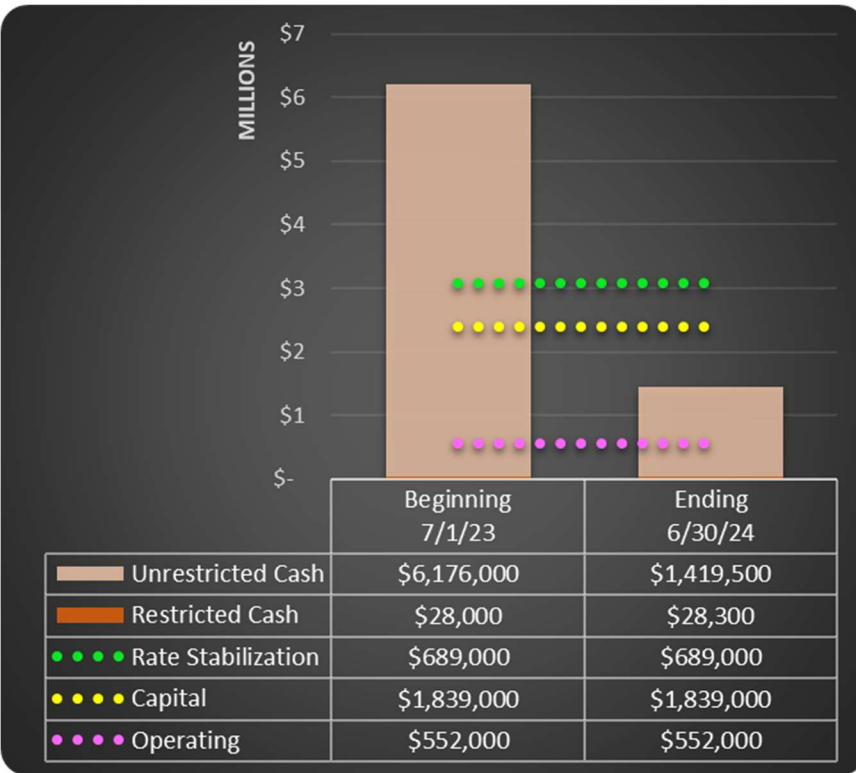
Wholesale cash balances meet reserve targets in the beginning and ending of the fiscal year. Cash is decreased largely due to \$3.45M in CIP PAYGO spending budgeted for FY 24. Restricted cash balances are minimal but include funds held within the Section 115 Pension Trust purposed for retirement costs.

#### Target Calculations per Policy

The Operating Reserve is calculated as 10 months of budgeted operating expenses excluding source of supply expenses. The Capital target is calculated at 20% of cost of Wholesale fixed assets. No Rate Stabilization target exists in Wholesale per District policy.



## RETAIL CASH TO RESERVE TARGETS



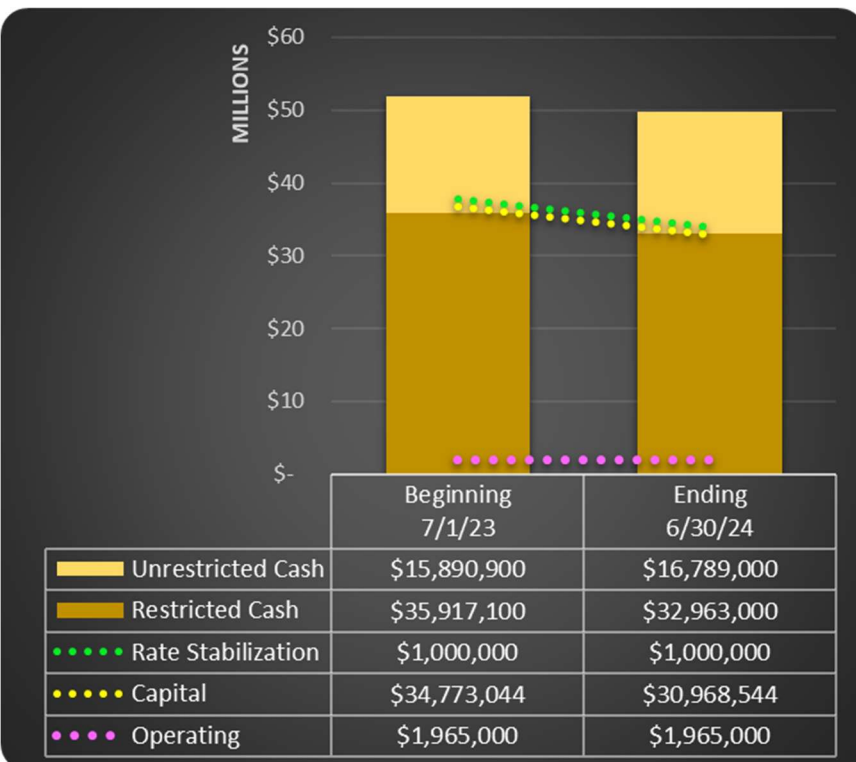
### Analysis

Retail cash balances meet all reserve targets in the beginning of FY 24 and falls below the Capital (Cap) and Rate Stabilization (RS) targets by the end of the fiscal year. This is largely due to \$5.7M in CIP PAYGO spending budgeted for FY 24. Restricted cash balances are minimal but include funds held within the Section 115 Pension Trust purposed for retirement costs.

### Target Calculations per Policy

The Operating Reserve is calculated as 6 months of budgeted operating expenses. The Capital target is calculated at 20% of the cost of Retail fixed assets. The Rate Stabilization target is calculated at 25% of operating revenues.

## SEWER CASH TO RESERVE TARGETS



### Analysis

Sewer cash balances meet reserve targets in the beginning and ending of the fiscal year. The Capital Reserve target is reduced due to \$3.8M in CIP PAYGO spending and the drawdown of OCSA acquisition funds (target discussed in detail within 2<sup>nd</sup> paragraph of section). Sewer restricted cash balances consist mainly of acquisition funds and Section 115 Trust funds.

### Target Calculations per Policy

The Operating Reserve is calculated as 10 months of budgeted operating expenses. The Capital Reserve target is calculated annually (described in paragraph two of this budget section). The Rate Stabilization target is set at \$1M for Sewer spills remediation.



*East Orange County Water District  
FY 2024 Annual Budget*

### Schedule B – Salaries & Benefits Summary (District Total)

This schedule provides a summary and analysis of the District-wide total salaries and benefits combined for the Wholesale, Retail and Sewer funds. Column (A) displays the FY 23 adopted budget, column (B) displays FY 23 projected results, column (C) displays the FY 24 adopted budget and columns (D) and (E) provide changes in dollars and percentages from FY 23 projected results to the FY 24 adopted budget.

**Line 2 Salaries & Wages** includes regular pay, overtime, standby and car allowances. The FY 24 budget includes a 6.4% cost-of-living adjustment and 3% merit increases for eligible employees. In addition, FY 24 is increasing due to a Water Supervisor position that remained vacant for six months during FY 23. The District instead hired a GIS Manager in January 2023, and the Water Supervisor position is no longer budgeted in FY 24. General allocations for Water operations personnel are 40% Wholesale / 50% Retail / 10% Sewer. Dedicated Sewer employees are allocated 100% to Sewer. Management is allocated 25% Wholesale / 25% Retail / 50% Sewer. Additional allocations are evaluated and utilized for other shared employees with specific position duties.

**Line 3 Health Benefits** includes insurance premiums for medical, dental and vision insurance. Premiums are estimated to increase by 5% on January 1, 2024.

**Line 4 Payroll Taxes** includes Social Security, Medicare, and State Unemployment Insurance (SUI). The FY 24 budget is increasing from FY 23 projections due to assumptions discussed in line 2.

**Line 5 Worker’s Compensation Insurance** includes workers compensation premiums paid on employee wages. FY 24 is budgeted based on current rates applied to budgeted employee wages at the individual level.

**Line 6 CalPERS Retirement** includes retirement contributions paid every pay period. CalPERS Classic rates are 10.1% and Public Employee Pension Reform Act (PEPRA) rates are 7.68% of eligible pay for FY 24. District employees contribute the full employee share under both plans.

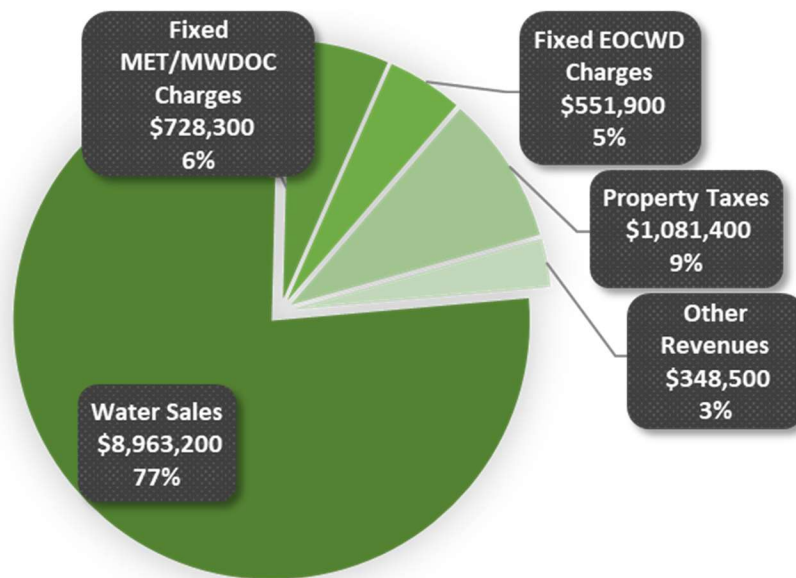
**Line 7 CalPERS Unfunded Accrued Liability (Required)** includes the minimum payment required by CalPERS to pay down the Unfunded Accrued Liability (UAL). As of June 30, 2022, the District pension is fully funded. No minimum required payments will be made during FY 24. This liability is volatile and varies widely annually based on CalPERS asset returns and various actuarial assumptions.

	A		B		C		D = C-B		E = D/B
<i>Schedule B</i>	FY 23		FY 23		FY 24		Variance		Variance
<i>Salaries &amp; Benefits Summary</i>	Adopted		Projected		Adopted		\$		%
	Budget		Results		Budget				
<b>1 SALARIES &amp; BENEFITS</b>									
2 Salaries & Wages	\$ 1,936,700	\$	1,975,500	\$	2,212,800	\$	237,300		12.0%
3 Health Benefits	251,600		221,400		232,600		11,200		5.1%
4 Payroll Taxes (FICA)	127,300		136,400		149,800		13,400		9.8%
5 Workers Compensation	46,000		32,500		41,000		8,500		26.2%
6 CalPERS Retirement	148,700		148,200		179,900		31,700		21.4%
7 CalPERS UAL (Required)	36,300		2,400		-		(2,400)		-100.0%
<b>8 TOTAL SALARIES &amp; BENEFITS</b>	<b>\$ 2,546,600</b>	<b>\$</b>	<b>2,516,400</b>	<b>\$</b>	<b>2,816,100</b>	<b>\$</b>	<b>299,700</b>		<b>11.9%</b>

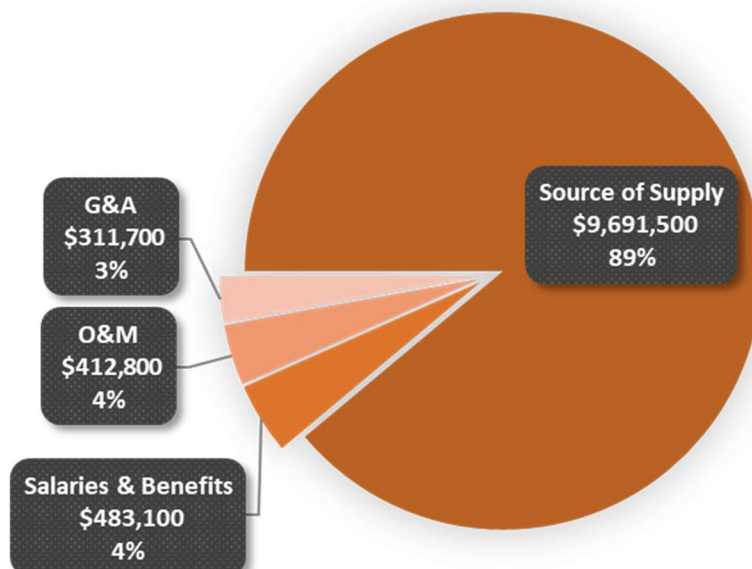
### Schedule C.1 – Wholesale Budget Summary Charts

The following charts display the FY 24 budget summary of major revenue and expense categories for the Wholesale fund. Wholesale revenues are comprised of volumetric water sales, fixed charges, property taxes and other revenue from rental sites and investments. Wholesale expenses are attributed to source of supply, salaries and benefits, operations and maintenance (O&M) and general and administrative (G&A) activities.

**TOTAL WHOLESale REVENUE \$11,673,300**



**TOTAL WHOLESale EXPENSE \$10,899,100**



## **Schedule C.2 – Wholesale Budget Detail**

This schedule shows the detail budget for the Wholesale fund and will be used during FY 24 to report monthly financials to the Board. Column (A) displays the FY 23 adopted budget. Column (B) displays FY 23 projected results (actual results will vary). Column (C) displays the FY 24 adopted budget. Columns (D) and (E) display changes in dollars and percentages from FY 23 projected results to the FY 24 adopted budget. The following narrative describes line items included in Schedule C, which follows the narrative.

**Line 2 Water Sales** includes volumetric water sold to wholesale agencies. FY 24 is budgeted at the Municipal Water District of Orange County (MWDOC) treated full-service rate of \$1,209/acre-foot (AF) currently and \$1,256/AF effective January 1, 2024. FY 24 volumetric sales is based on FY 23 projected usage and is increasing from FY 23 projected year-end with the increased MWDOC rate.

**Line 3 Fixed MET/MWDOC Charges** includes retail service connection, readiness-to-serve (RTS), capacity and choice program charges remitted to MWDOC. These are paid to MWDOC and reimbursed monthly from participating wholesale customers, including the EOCWD Retail fund. FY 24 is budgeted based on approved rate schedules from MWDOC. The allocation of MWDOC fixed charges among participating agencies is based on a 4-year rolling average of usage. FY 24 is increasing largely due to an increased MWDOC allocation from a spike in FY 22 usage from Wholesale agencies when PFAS treatment regulations began affecting groundwater production.

**Line 4 Fixed EOCWD Charges** includes the Wholesale reserve fund charge and readiness-to-serve charge assessed to Wholesale customers. These are currently billed to wholesale member agencies monthly in proportion to the number of active retail meters. Effective July 1, 2023, Wholesale will implement a 7% revenue adjustment and distribute reserve fund charges among Wholesale agencies based on total number of agency meters in addition to equivalent meter size. This will result in a more equitable cost distribution based on weighted system impact.

**Line 5 Connection Fees** include connection fees for customer connections to the Wholesale system. These revenues are budgeted at zero due to their unpredictable nature.

**Line 8 Property Taxes** includes property tax revenues received from the County of Orange. FY 24 is budgeted with a 2% increase to FY 23 projected results.

**Line 9 Rental Revenue** includes cell tower lease payments from Crown Castle and AT&T. FY 24 is budgeted based on FY 23 projected results with a 2% increase per contract terms.

**Line 10 Interest Revenue** includes interest revenue earned on Wholesale investments held in the State of California's Local Agency Investment Fund (LAIF), Raymond James, and the California Liquid Assets Securities System (CLASS) prime fund. Interest revenues are based on projected cash balances with a conservative 2.5% average yield.

**Line 11 Miscellaneous Revenue** includes late fees, proceeds from scrap recycling and asset disposals and various types of reimbursements. FY 24 is budgeted conservatively at \$5K based on the unpredictable nature of these receipts. In FY 23 the District sold a 2008 Dump Truck for \$9.8K and received \$4.4K in insurance proceeds on the damaged Ford Fusion.





## East Orange County Water District FY 2024 Annual Budget

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**Line 15 Water Purchases** includes the cost of volumetric water purchases from MWDOC. Purchase costs are passed on to Wholesale customers (shown in line 2). FY 24 is budgeted at the Municipal Water District of Orange County (MWDOC) treated full-service rate of \$1,209/acre-foot (AF) currently and \$1,256 / AF effective January 1, 2024. FY 24 volumetric purchases is based on FY 23 projected purchases and is increasing from FY 23 projected year-end with the increased MWDOC rate.

**Line 16 Fixed MET/MWDOC Expense** includes retail service connection, readiness to serve, capacity and choice program charges from MWDOC. These charges are passed on to wholesale customers monthly (shown in line 3) and are budgeted based on the MWDOC approved rate schedules. The allocation of MWDOC fixed charges among participating agencies is based on a 4-year rolling average of usage. FY 24 is increasing since FY 22 usage spiked from Wholesale agencies using more EOCWD supply when PFAS treatment regulations began affecting groundwater production.

**Line 18 – 25 Salaries & Benefits** includes wages, health benefits, payroll taxes, workers compensation, CalPERS retirement, and CalPERS unfunded accrued liability (UAL) minimum required payments. Salaries and benefits are allocated out to the Wholesale fund on an individual employee basis based on position classification. An analysis of total salaries and benefits is included in **Schedule B: District-Wide Salaries & Benefits**.

**Line 27 Water System Repairs & Maintenance** includes the cost of upkeep on District wholesale system for main lines, reservoirs, vaults, service connections, meters, and cathodic protection. The cost of equipment rental, small tools, and operations reporting software such as SCADA and Sedaru are also included. FY 24 is budgeted for preventative and reactive maintenance on the Wholesale system that is not always needed but acts as a safety net for unexpected occurrences within the system.

**Line 28 Water Quality** includes the cost of water quality testing, testing supplies, and chemicals. The FY 24 budget is based on FY 23 projected results with a 6.4% increase for inflation.

**Line 29 Permits & Fees** includes annual water system fees assessed by the State Water Resources Control Board and other regulatory fees. The FY 24 budget is based on FY 23 projected results with a 10% increase in State fees anticipated.

**Line 30 Vehicles & Equipment** includes costs to fuel and maintain District vehicles and equipment for the Wholesale zone. The FY 24 budget includes provisions for maintenance on vehicles/equipment that are not always needed but act as a safety net for unexpected occurrences.

**Line 33 Professional Services** includes audit, accounting, government relations, legal, engineering, IT services, payroll processing, and banking fees. These costs are generally allocated to each fund by 1/3 unless services are specific to a fund's operations. The FY 24 budget anticipates increased engineering services and maintains a \$50K allowance for unexpected legal occurrences that is not projected to be fully utilized in FY 23.

**Line 34 District Office Expenses** includes office repairs, utilities, supplies and postage, records management, annual software subscriptions and licenses, uniforms and safety equipment. The FY 24 budget is based on FY 23 projected results with a 6.4% inflationary increase on most line items. The District is also incurring new storage costs associated with the construction of the new District headquarters.



## East Orange County Water District FY 2024 Annual Budget

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**Line 35 Public Noticing & Community Outreach** includes legal noticing and community outreach with District news and conservation efforts. These costs are generally allocated to each fund by 33.3% unless specific to a fund's operations. The FY 24 budget for legal noticing and community outreach is increased from FY 23 projected results with inflation. FY 23 conservation efforts were budgeted at \$5K and projected to end the year at \$1.8K with increased rainfall during FY 23. As a result, the FY 24 budget has been reduced in Wholesale from \$5K to \$2K. All conservation-related expenses are split 20% to Wholesale and 80% to Retail.

**Line 36 Dues & Memberships** includes memberships and dues paid to Orange County LAFCO, California Special District Association, Urban Water Institute, Association of California Water Agencies, American Water Works Association, and Southern California Water Coalition, and other various agencies and associations. Water costs are split 50% between Wholesale and Retail. District-wide costs are allocated 1/3 to each fund. The FY 24 budget is increasing from FY 23 projected results with inflation.

**Line 37 Education, Training and Travel** includes training and education costs for District staff as well as travel expenses for staff to attend conferences and meetings. FY 24 is budgeted based on FY 23 projections with inflation.

**Line 38 Insurance** includes general liability, automobile, and property insurance policies administered through ACWA-JPIA. FY 24 is budgeted based on FY 23 projected results with a 15% estimated insurance premium increase. Liability insurance based on each fund's share of full-time employee costs and automobile and property insurance is allocated based on each fund's capital asset cost of property and equipment.

**Line 39 Board of Directors** includes director stipends, conference attendance, mileage and travel, board meetings, and bi-annual election costs. Stipends are budgeted based on estimated meeting attendance and other board expenses for FY 24 are based on FY 23 projected results for with inflation. No election costs are budgeted for FY 24. Election costs were budgeted for FY 23 but are not projected due to candidates running unopposed.

**Line 44 Capital Improvement Program PAYGO** includes Capital Improvement Program (CIP) pay-as-you-go (PAYGO) costs funded by cash reserves. Please refer to **Schedule G** for the detailed Wholesale CIP FY 24 budget.

**Line 45 Section 115 Pension Trust Contribution** includes cash contributions to the pension trust fund. The FY 24 budget includes no contributions as the District pension liability is fully funded as of June 30, 2022. The District will continue to evaluate future contributions and future use of the Section 115 trust funds to pay ongoing CalPERS pension costs.



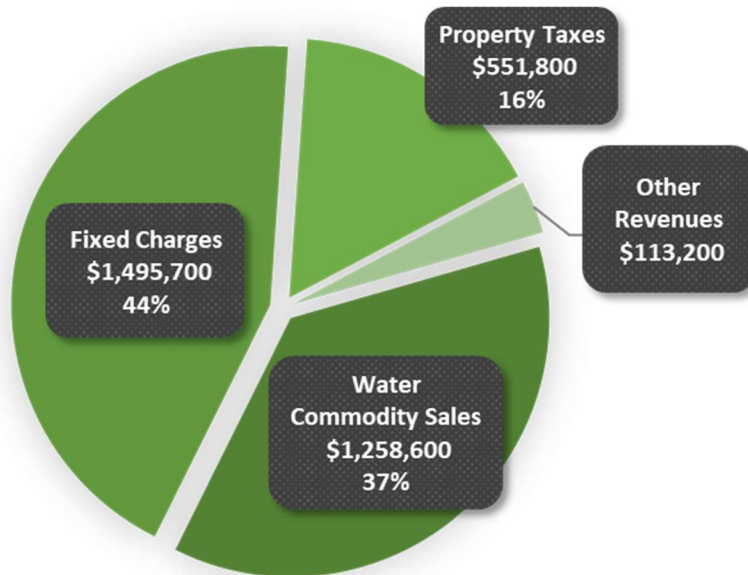
## East Orange County Water District FY 2024 Annual Budget

	A	B	C	D = C - B	E = D / B
<i>Schedule C.2 Wholesale Budget Detail</i>	FY 23 Adopted Budget	FY 23 Projected Results	FY 24 Adopted Budget	Variance \$	Variance %
<b>1 OPERATING REVENUE</b>					
2 Water Sales	\$ 8,443,400	\$ 8,536,000	\$ 8,963,200	\$ 427,200	5%
3 Fixed MET/MWDOC Charges	567,800	572,600	728,300	155,700	27%
4 Fixed EOCWD Charges	534,500	515,600	551,900	36,300	7%
5 Connection Fees	-	70,900	-	(70,900)	-100%
<b>6 TOTAL OPERATING REVENUE</b>	<b>9,545,700</b>	<b>9,695,100</b>	<b>10,243,400</b>	<b>548,300</b>	<b>6%</b>
<b>7 NON-OPERATING REVENUE</b>					
8 Property Taxes	1,004,100	1,060,200	1,081,400	21,200	2%
9 Rental Revenue	156,000	149,000	152,000	3,000	2%
10 Interest Revenue	47,100	158,800	191,500	32,700	21%
11 Miscellaneous Revenue	5,100	28,000	5,000	(23,000)	-82%
<b>12 TOTAL NON-OPERATING REVENUE</b>	<b>1,212,300</b>	<b>1,396,000</b>	<b>1,429,900</b>	<b>33,900</b>	<b>2%</b>
<b>13 TOTAL REVENUE</b>	<b>10,758,000</b>	<b>11,091,100</b>	<b>11,673,300</b>	<b>582,200</b>	<b>5%</b>
<b>14 SOURCE OF SUPPLY</b>					
15 Water Purchases	8,443,400	8,536,000	8,963,200	427,200	5%
16 Fixed MET/MWDOC Expense	567,800	572,600	728,300	155,700	27%
<b>17 TOTAL SOURCE OF SUPPLY</b>	<b>9,011,200</b>	<b>9,108,600</b>	<b>9,691,500</b>	<b>582,900</b>	<b>6%</b>
<b>18 SALARIES &amp; BENEFITS</b>					
19 Salaries & Wages	382,800	296,500	383,100	86,600	29%
20 Health Benefits	47,600	33,100	36,300	3,200	10%
21 Payroll Taxes (FICA)	24,200	20,500	24,500	4,000	20%
22 Workers Compensation	9,700	6,800	7,700	900	13%
23 CalPERS Retirement	29,400	21,900	31,500	9,600	44%
24 CalPERS UAL (Required)	12,100	800	-	(800)	-100%
<b>25 TOTAL SALARIES &amp; BENEFITS</b>	<b>505,800</b>	<b>379,600</b>	<b>483,100</b>	<b>103,500</b>	<b>27%</b>
<b>26 OPERATIONS &amp; MAINTENANCE</b>					
27 Water System Repairs & Maintenance	320,900	162,400	298,700	136,300	84%
28 Water Quality	52,400	65,700	74,000	8,300	13%
29 Permits & Fees	12,200	13,700	15,100	1,400	10%
30 Vehicles & Equipment	24,600	18,700	25,000	6,300	34%
<b>31 TOTAL OPERATIONS &amp; MAINTENANCE</b>	<b>410,100</b>	<b>260,500</b>	<b>412,800</b>	<b>152,300</b>	<b>58%</b>
<b>32 GENERAL &amp; ADMINISTRATIVE</b>					
33 Professional Services	174,400	146,800	174,100	27,300	19%
34 District Office Expenses	28,700	40,900	50,500	9,600	23%
35 Public Noticing & Community Outreach	24,300	17,600	18,800	1,200	7%
36 Dues & Memberships	17,100	18,400	19,500	1,100	6%
37 Education, Training & Travel	3,300	1,900	2,000	100	5%
38 Insurance	32,300	21,900	25,300	3,400	16%
39 Board of Directors	52,500	16,500	21,500	5,000	30%
<b>40 TOTAL GENERAL &amp; ADMINISTRATIVE</b>	<b>332,600</b>	<b>264,000</b>	<b>311,700</b>	<b>47,700</b>	<b>18%</b>
<b>41 TOTAL EXPENSE</b>	<b>10,259,700</b>	<b>10,012,700</b>	<b>10,899,100</b>	<b>886,400</b>	<b>9%</b>
<b>42 NET REVENUE / (EXPENSE)</b>	<b>498,300</b>	<b>1,078,400</b>	<b>774,200</b>	<b>(304,200)</b>	<b>-28%</b>
43 Capital Improvement Program PAYGO	(3,562,300)	(1,187,382)	(3,445,300)	(2,257,918)	190%
44 Section 115 Pension Trust Contribution	(50,000)	-	-	-	
<b>45 NET CASH INFLOW / (OUTFLOW)</b>	<b>\$ (3,114,000)</b>	<b>\$ (108,982)</b>	<b>\$ (2,671,100)</b>	<b>\$ (2,562,118)</b>	
46 PROJECTED BEG. CASH 7/1/23			\$ 9,521,000		
47 PROJECTED END CASH 6/30/24			\$ 6,849,900		

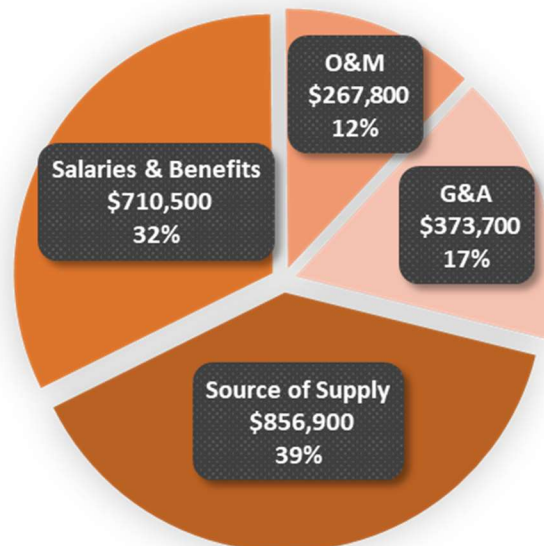
### Schedule D.1 – Retail Budget Summary Charts

The following charts display the FY 24 budget summary of major revenue and expense categories for the Retail fund. Retail revenues are comprised of fixed charges (monthly service and capital), water commodity sales, property taxes and other revenue from rental sites and investments. Retail expenses are attributed to source of supply, salaries and benefits, operations and maintenance (O&M) and general and administrative (G&A) activities.

**TOTAL RETAIL REVENUE \$3,419,300**



**TOTAL RETAIL EXPENSE \$2,208,900**





## **Schedule D.2 – Retail Budget Detail**

This schedule shows the detail budget for the Retail fund and will be used during FY 24 to report monthly financials to the Board. Column (A) displays the FY 23 adopted budget. Column (B) displays FY 23 projected results (actual results will vary). Column (C) displays the FY 24 adopted budget. Columns (D) and (E) display changes in dollars and percentages from FY 23 projected results to the FY 24 adopted budget.

**Line 2 Fixed Charges** includes the fixed monthly meter service and capital charges to Retail customers. FY 24 is budgeted based Retail customer meter counts with new rates effective July 1, 2023, as determined in the 2023 Rate Study. The total Retail revenue adjustment is 7.5% effective July 1, 2023, but cost recovery is shifting to a 50% fixed / 50% variable structure and causing a larger increase in this line from FY 23 projected results.

**Line 3 Water Sales** includes volumetric water sales all Retail water customers. FY 24 is budgeted based on FY 23 projected consumption with an 11.5% decrease in the commodity rate from \$5.07/ccf to \$4.49/ccf effective for billing cycles after July 1, 2023. The decrease in the commodity rate is due to Retail cost recovery shifting to a 50% fixed / 50% variable structure, which is a reduced share of variable cost recovery compared to prior rates.

**Line 4 Penalty & Other Charges** includes late fees, returned checks, turn offs, system connection fees and other miscellaneous charges. The FY 24 budget is based on FY 23 projected results except for system connection fees. These fees are budgeted at zero due to their unpredictable nature, however \$33K in connection fees have been received during FY 23.

**Line 5 Uncollectible Accounts** includes an allowance for uncollectible amounts from past due utility billing accounts. This is estimated using a 5-year average of the historic bad debt expense as a ratio of water fixed and variable revenues. As of June 30, 2022, the 5-year average is 0.197%.

**Line 8 Property Taxes** includes property tax revenues received from the County of Orange. FY 24 is budgeted with a 2% increase to FY 23 projected results.

**Line 9 Interest Revenue** includes interest revenue earned on Retail investments held in the State of California's Local Agency Investment Fund (LAIF) and the California Liquid Assets Securities System (CLASS) prime fund. Interest revenues are based on projected cash balances with a conservative 2.5% average yield.

**Line 10 Miscellaneous Revenue** includes proceeds from insurance refunds, asset disposals, recycling and miscellaneous reimbursements. FY 24 is budgeted with new PFAS Treatment Plant operations and maintenance reimbursements from OCWD. This is estimated at \$75/AF for 305 AF (\$22.9K). Other budgeted items are conservatively set at \$10K due to their unpredictable nature. The Retail fund received \$4.8K in insurance proceeds, \$6.7K from vendor reimbursements, and \$2K in labor reimbursements during FY 23.

**Line 14 Water Purchases and Assessments** includes Wholesale treated water purchases as well as assessments paid to Orange County Water District (OCWD) for groundwater replenishment. OCWD set the assessment rate at \$624/AF for FY 24. The FY 24 budget is decreasing from FY 23 projections due to resuming groundwater supply in FY 24 (50% Wholesale/50% groundwater). Retail relied on more expensive import water during FY 23 due to PFAS



## East Orange County Water District FY 2024 Annual Budget

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treatment regulations that prevented using groundwater supply. The District will complete the new Vanderwerff Well and the PFAS Treatment Plant which will allow the District to supply groundwater to customers during FY 24.

**Line 15 Fixed MET/MWDOC Expense** includes the retail service connection, readiness to serve, capacity and choice charges paid to the Wholesale fund for fixed MWDOC charge reimbursements. FY 23 is budgeted based on approved rate schedules from MWDOC and the Retail allocation based on max peak flows and a 4-year rolling average demand ratio in comparison to other participating Wholesale agencies.

**Line 16 Fixed EOCWD Expense** includes fixed charges paid to the Wholesale fund for the EOCWD reserve fund charge and EOCWD readiness to serve charge. These charges are budgeted based on the number and size of active retail meters at each Wholesale member agency with new rates effective July 1, 2023. The Wholesale revenue adjustment is 7%, but the Retail fixed EOCWD expenses are increasing less due to a change in allocation methods that include meter sizes to better represent water system impacts.

**Line 17 Pumping Electricity** includes the cost of electricity to operate Retail well and reservoir sites. FY 24 is budgeted with an expected 8% increase in Southern California Edison rates as well as additional provisions for electricity to pump groundwater from the new Vanderwerff well site.

**Line 19 – 26 Salaries & Benefits** includes wages, health benefits, payroll taxes, workers compensation, CalPERS retirement, and CalPERS unfunded accrued liability (UAL) minimum required payments. Salaries and benefits are allocated out to the Retail fund on an individual employee basis based on position classification. An analysis of total salaries and benefits is included in **Schedule B: District-Wide Salaries & Benefits**.

**Line 28 Water Systems Repairs & Maintenance** includes costs for maintenance on the Retail water system including main lines, reservoirs, vaults, service connections, meters, cathodic protection, East & Vanderwerff well maintenance, hydrants, equipment rental, small tools, and operations reporting software such as SCADA and Sedaru. The FY 24 budget includes provisions for maintenance on the Retail system that are not always needed but act as a safety net for unexpected occurrences with the water system.

**Line 29 Water Quality** includes costs for water quality testing, testing supplies, and chemical purchases and expenses for the chlorine generator. The FY 24 budget is based on FY 23 projected results with expected increases in the cost of salt and chloramine. The FY 24 also budgets for increased costs for ammonia, the chlorine generator and other chemicals necessary to treat PFAS from Retail groundwater.

**Line 30 Permits & Fees** includes annual water system fees assessed by the State Water Resources Control Board and other regulatory fees. The FY 24 budget is based on FY 23 projected results with a 10% increase anticipated.

**Line 31 Vehicles & Equipment** includes costs to fuel and maintain District vehicles and equipment for the Wholesale zone. The FY 24 budget includes provisions for maintenance on vehicles/equipment that are not always needed but act as a safety net for unexpected occurrences.

**Line 34 Professional Services** includes audit, accounting, government relations, legal, engineering, IT services, payroll processing, and banking fees. These costs are generally allocated to each fund by 1/3 unless services are

specific to a fund's operations. The FY 24 budget anticipates increased engineering services and maintains a \$50K allowance for unexpected legal occurrences that is not projected to be fully utilized in FY 23.

**Line 35 District Office Expenses** includes office repairs, utilities, supplies and postage, records management, annual software subscriptions and licenses, uniforms and safety equipment. The FY 24 budget is based on FY 23 projected results with a 6.4% inflationary increase on most line items. The District is also incurring new storage costs associated with the construction of the new District headquarters.

**Line 36 Public Noticing & Community Outreach** includes legal noticing and community outreach with District news and conservation efforts. These costs are generally allocated to each fund by 33.3% unless specific to a fund's operations. The FY 24 budget for legal noticing and community outreach is increased from FY 23 projected results with inflation. FY 23 conservation efforts were budgeted at \$40K and projected to end the year at \$6K from rainy conditions. As a result, the FY 24 budget has been reduced in Retail from \$40K to \$8K. All conservation-related expenses are split 20% to Wholesale and 80% to Retail.

**Line 37 Dues & Memberships** includes memberships and dues paid to Orange County LAFCO, California Special District Association, Urban Water Institute, Association of California Water Agencies, American Water Works Association, and Southern California Water Coalition, and other various agencies and associations. Water costs are split 50% between Wholesale and Retail. District-wide costs are allocated 1/3 to each fund.

**Line 38 Education, Training and Travel** includes training and education costs for District staff as well as travel expenses for staff to attend conferences and meetings. FY 24 is budgeted based on FY 23 projections with inflation.

**Line 39 Insurance** includes general liability, automobile, and property insurance policies administered through ACWA-JPIA. FY 24 is budgeted based on FY 23 projected results with a 15% estimated insurance premium increase. Liability insurance based on each fund's share of full-time employee costs and automobile and property insurance is allocated based on each fund's capital asset cost of property and equipment.

**Line 40 Board of Directors** includes director stipends, conference attendance, mileage and travel, board meetings, and bi-annual election costs. Stipends are budgeted based on estimated meeting attendance and board expenses for are based on FY 23 projected results with inflation. Election costs were budgeted for FY 23 but not expected.

**Line 41 Customer Billing** includes costs related to the customer billing system, credit card processing, and meter reading. The FY 24 budget is based on FY 23 projected results with a 6.4% inflation increase.

**Line 45 Debt Service** includes interest and principal payments of bi-annual payments on the Sterling Bank Loan. This debt is shared between the Retail zone (20%) and Sewer zone (80%). Payments occur in June and December.

**Line 46 Capital Improvement Program PAYGO** includes Capital Improvement Program (CIP) pay-as-you-go (PAYGO) costs funded by cash reserves. Please refer to **Schedule G** for the detailed Retail CIP FY 24 budget.

**Line 47 Section 115 Pension Trust Contribution** includes cash contributions to the pension trust fund. The FY 24 budget includes no contributions as the District pension liability is fully funded as of June 30, 2022. The District will continue to evaluate future contributions and future use of the Section 115 trust funds to pay ongoing CalPERS pension costs.



## East Orange County Water District FY 2024 Annual Budget

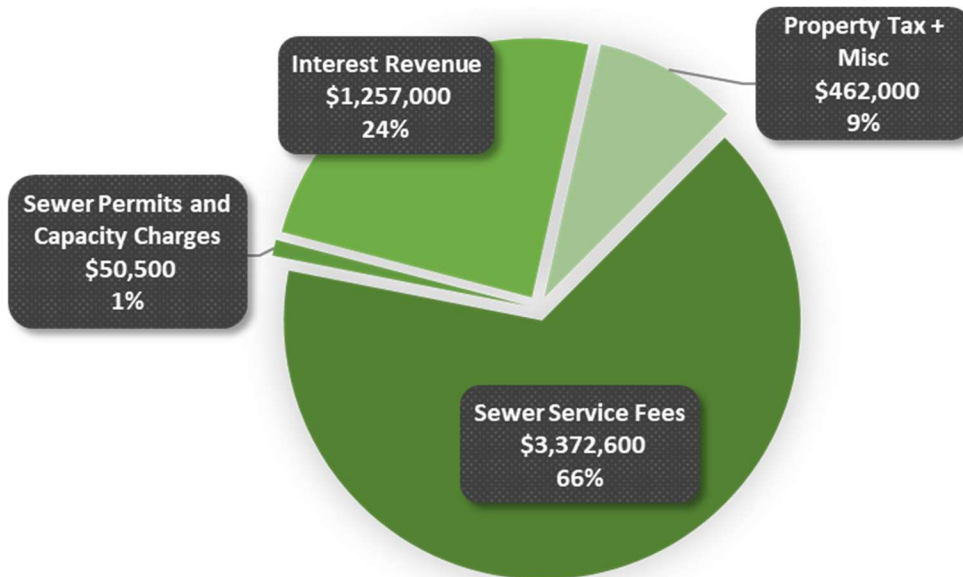
	A	B	C	D = C - B	E = D / B
<b>Schedule D.2 Retail Budget Detail</b>	<b>FY 23 Adopted Budget</b>	<b>FY 23 Projected Results</b>	<b>FY 24 Adopted Budget</b>	<b>Variance \$</b>	<b>Variance %</b>
<b>1 OPERATING REVENUE</b>					
2 Fixed Charges (Monthly Service and Capital)	\$ 1,101,000	\$ 1,086,200	\$ 1,495,700	\$ 409,500	38%
3 Water Sales	1,621,800	1,422,200	1,258,600	(163,600)	-12%
4 Penalty & Other Charges	9,800	42,000	8,800	(33,200)	-79%
5 Uncollectible Accounts	(6,700)	(5,000)	(5,400)	(400)	8%
<b>6 TOTAL OPERATING REVENUE</b>	<b>2,725,900</b>	<b>2,545,400</b>	<b>2,757,700</b>	<b>212,300</b>	<b>8%</b>
<b>7 NON-OPERATING REVENUE</b>					
8 Property Taxes	515,700	541,000	551,800	10,800	2%
9 Interest Revenue	3,500	21,900	76,900	55,000	251%
10 Miscellaneous Revenue	1,000	14,400	32,900	18,500	128%
<b>11 TOTAL NON-OPERATING REVENUE</b>	<b>520,200</b>	<b>577,300</b>	<b>661,600</b>	<b>84,300</b>	<b>15%</b>
<b>12 TOTAL REVENUE</b>	<b>3,246,100</b>	<b>3,122,700</b>	<b>3,419,300</b>	<b>296,600</b>	<b>9%</b>
<b>13 SOURCE OF SUPPLY</b>					
14 Water Purchases and Assessments	972,200	887,400	707,600	(179,800)	-20%
15 Fixed MET/MWDOC Expense	54,600	47,700	71,700	24,000	50%
16 Fixed EOCWD Expense	27,300	27,600	27,900	300	1%
17 Pumping Electricity	26,000	19,600	49,700	30,100	154%
<b>18 TOTAL SOURCE OF SUPPLY</b>	<b>1,080,100</b>	<b>982,300</b>	<b>856,900</b>	<b>(125,400)</b>	<b>-13%</b>
<b>19 SALARIES &amp; BENEFITS</b>					
20 Salaries & Wages	539,100	450,500	560,300	109,800	24%
21 Health Benefits	69,900	51,800	55,600	3,800	7%
22 Payroll Taxes (FICA)	36,300	32,800	38,500	5,700	17%
23 Workers Compensation	12,100	8,500	9,600	1,100	13%
24 CalPERS Retirement	41,600	33,600	46,500	12,900	38%
25 CalPERS UAL (Required)	12,100	800	-	(800)	-100%
<b>26 TOTAL SALARIES &amp; BENEFITS</b>	<b>711,100</b>	<b>578,000</b>	<b>710,500</b>	<b>132,500</b>	<b>23%</b>
<b>27 OPERATIONS &amp; MAINTENANCE</b>					
28 Water System Repairs & Maintenance	180,500	83,400	192,400	109,000	131%
29 Water Quality	16,000	7,800	33,500	25,700	329%
30 Permits & Fees	13,800	15,400	16,900	1,500	10%
31 Vehicles & Equipment	24,000	22,200	25,000	2,800	13%
<b>32 TOTAL OPERATIONS &amp; MAINTENANCE</b>	<b>234,300</b>	<b>128,800</b>	<b>267,800</b>	<b>139,000</b>	<b>108%</b>
<b>33 GENERAL &amp; ADMINISTRATIVE</b>					
34 Professional Services	143,600	117,000	156,700	39,700	34%
35 District Office Expenses	33,800	49,600	59,300	9,700	20%
36 Public Noticing & Community Outreach	92,100	47,900	25,700	(22,200)	-46%
37 Dues & Memberships	12,300	18,400	19,500	1,100	6%
38 Education, Training & Travel	2,600	2,200	2,300	100	5%
39 Insurance	22,800	30,700	35,400	4,700	15%
40 Board of Directors	27,800	16,500	21,500	5,000	30%
41 Customer Billing	24,700	28,100	29,800	1,700	6%
<b>42 TOTAL GENERAL &amp; ADMINISTRATIVE</b>	<b>359,700</b>	<b>310,400</b>	<b>373,700</b>	<b>63,300</b>	<b>20%</b>
<b>43 TOTAL EXPENSE</b>	<b>2,385,200</b>	<b>1,999,500</b>	<b>2,208,900</b>	<b>209,400</b>	<b>10%</b>
<b>44 NET REVENUE / (EXPENSE)</b>	<b>860,900</b>	<b>1,123,200</b>	<b>1,210,400</b>	<b>87,200</b>	<b>8%</b>
45 Debt Service	(259,000)	(259,000)	(259,000)	-	0%
46 Capital Improvement Program PAYGO	(5,664,200)	(2,116,640)	(5,707,600)	(3,590,960)	170%
47 Section 115 Pension Trust Contribution	(50,000)	-	-	-	0%
<b>48 NET CASH INFLOW / (OUTFLOW)</b>	<b>\$ (5,112,300)</b>	<b>\$ (1,252,440)</b>	<b>\$ (4,756,200)</b>	<b>\$ (3,503,760)</b>	
49 <i>PROJECTED BEG. CASH 7/1/23</i>			\$ 6,204,000		
50 <i>PROJECTED END CASH 6/30/24</i>			<b>\$ 1,447,800</b>		



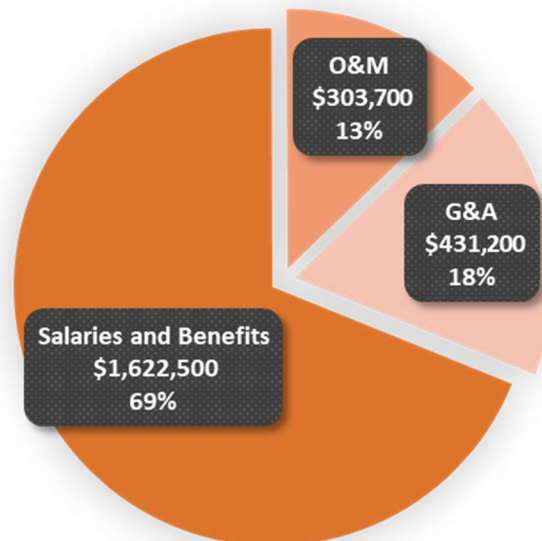
### Schedule E.1 – Sewer Budget Summary Charts

The following charts display the FY 24 budget summary of major revenue and expense categories for the Sewer fund. Sewer revenues are comprised of sewer service fees, interest revenue, property taxes, sewers permits and capacity charges. Sewer expenses are attributed to salaries and benefits, operations and maintenance (O&M) and general and administrative (G&A) activities.

**TOTAL SEWER REVENUE \$5,142,100**



**TOTAL SEWER EXPENSE \$2,357,400**



## **Schedule E.2 – Sewer Budget Detail**

This schedule shows the detail budget for the Sewer fund and will be used during FY 24 to report monthly financials to the Board. Column (A) displays the FY 23 adopted budget. Column (B) displays FY 23 projected results (actual results will vary). Column (C) displays the FY 24 adopted budget. Columns (D) and (E) display changes in dollars and percentages from FY 23 projected results to the FY 24 adopted budget.

**Line 2 Sewer Service Fees** includes sewer service fees assessed to homeowners within Improvement District No. 1 (ID 1) and collected on the County tax roll. FY 24 is budgeted as projected ending results from FY 23 with the 12% rate adjustment effective July 1, 2023.

**Line 3 Sewer Permits & Capacity Charges** includes capacity charges and Orange County Sanitation District (OCSD) permit processing fees, as well as annual fats, oils and grease (FOG) permit renewal fees. FOG renewal fees and sewer permit fees for FY 24 are budgeted in line with FY 23 projected ending results with no increase. Capacity charges are budgeted at zero due to their unpredictable nature. FY 23 is projected for \$72K in capacity charges.

**Line 6 Property Taxes** includes property tax revenues received from the County of Orange. FY 24 is budgeted with a 2% increase to FY 23 projected results.

**Line 7 Interest Revenue** includes interest revenue earned on Sewer investments held in the State of California's Local Agency Investment Fund (LAIF) and the California Liquid Assets Securities System (CLASS) prime fund. Interest revenues are based on projected cash balances with a conservative 2.5% average yield.

**Line 8 Miscellaneous Revenue** includes items such as late charges, plan check fees and other miscellaneous reimbursements and revenues. FY 24 is budget based on FY 23 actual results with no change except for developer review fees which are budgeted at zero due to their unpredictable nature. FY 23 experienced various labor reimbursements that are not expected in the FY 24 budget.

**Line 11 – 18 Salaries & Benefits** includes wages, health benefits, payroll taxes, workers compensation, CalPERS retirement, and CalPERS unfunded accrued liability (UAL) minimum required payments. Salaries and benefits are allocated out to the Sewer fund on an individual employee basis based on position classification. An analysis of total salaries and benefits is included in **Schedule B: District-Wide Salaries & Benefits**. Sewer salaries and benefits is not increasing from FY 23 projections as much as Wholesale and Retail due to the reallocation of administrative personnel in the FY 24 budget to accurately reflect where more time is spent.

**Line 20 Sewer System Repairs & Maintenance** includes the cost of maintaining and running the Sewer system including sewer main repairs, insecticide, root control, odor control, small tools, and operations reporting software such as Sedaru and Smart covers. The FY 24 budget includes provisions for maintenance on the Sewer system that are not always needed but act as a safety net for unexpected occurrences.

**Line 21 Permits & Fees** includes annual sewer system fees and other regulatory fees. The FY 24 budget is based on FY 23 projected results with a 10% increase anticipated.



## East Orange County Water District FY 2024 Annual Budget

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**Line 22 Vehicles & Equipment** includes costs to fuel and maintain District vehicles and equipment for the Sewer fund. The FY 24 budget includes provisions for maintenance on vehicles/equipment that are not always needed but act as a safety net for unexpected occurrences.

**Line 25 Professional Services** includes FOG services, audit, accounting, government relations, legal, engineering, computer consulting, tax collection, banking and other professional fees. These costs are generally allocated to each fund by 33.3%, unless directly specific to one or two funds. Budget for FY 24 is increasing from actual results for FY 23 due to provisions for legal and engineering costs.

**Line 26 District Office Expenses** includes office repairs, utilities, postage, supplies, safety and records management. The FY 24 budget is based on actual results for FY 23 with a 6.4% inflation increase. In addition to inflationary increases for recurring expenses, the FY 24 budget includes a temporary Sewer operations site rental and a share of the storage costs for the District headquarters construction project.

**Line 27 Dues & Memberships** includes memberships and dues paid to Orange County LAFCO, California Special District Association, Sustain Southern California, and Southern California Alliance of Publicly Owned Treatment Works (SCAP). General memberships are allocated 1/3 to the Sewer fund. The SCAP membership is 100% exclusive to the Sewer zone and allocated accordingly. The FY 24 budget is increasing from FY 23 projected results with inflation.

**Line 28 Public Noticing & Community Outreach** includes legal noticing and community outreach for District news. This line is generally allocated to each fund by 33.3% unless specific to a certain fund activity such as water conservation for Retail and Wholesale. The FY 24 budget is increased from FY 23 projects results with inflation.

**Line 29 Insurance** includes general liability, automobile, and property insurance policies administered through ACWA-JPIA. FY 24 is budgeted based on FY 23 projected results with a 15% estimated insurance premium increase. Liability insurance based on each fund's share of full-time employee costs and automobile and property insurance is allocated based on each fund's capital asset cost of property and equipment.

**Line 31 Board of Directors** includes director stipends, conference attendance, mileage and travel, board meetings, and bi-annual election costs. Stipends are budgeted based on estimated meeting attendance and other board expenses for FY 24 are based on FY 23 projected results for with inflation. No election costs are budgeted for FY 24. Election costs were budgeted for FY 23 but are not projected due to candidates running unopposed.

**Line 35 Debt Service** includes interest and principal bi-annual payments on the Sterling Bank Loan. This debt is shared between the Retail zone (20%) and Sewer zone (80%). Payments occur in June and December.

**Line 36 Capital Improvement Program PAYGO** includes Capital Improvement Program (CIP) pay-as-you-go (PAYGO) costs funded by cash reserves. Please refer to **Schedule G** for the detailed Sewer CIP FY 24 budget.

**Line 37 Section 115 Pension Trust Contribution** includes cash contributions to the pension trust fund. The FY 24 budget includes no contributions as the District pension liability is fully funded as of June 30, 2022. The District will continue to evaluate future contributions and future use of the Section 115 trust funds to pay ongoing CalPERS pension costs.



## East Orange County Water District FY 2024 Annual Budget

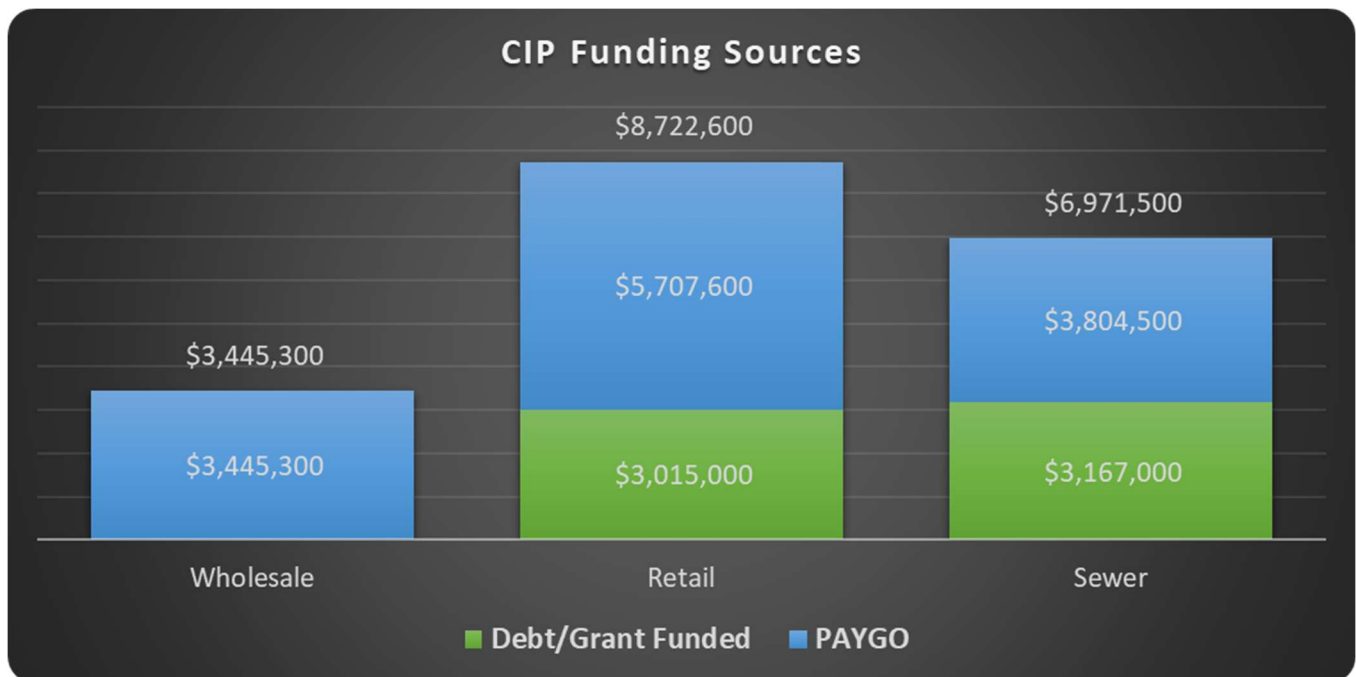
	A	B	C	D = C-B	E = D/B
<b>Schedule E.2 Sewer Budget Detail</b>	<b>FY 23 Adopted Budget</b>	<b>FY 23 Projected Results</b>	<b>FY 24 Adopted Budget</b>	<b>Variance \$</b>	<b>Variance %</b>
<b>1 OPERATING REVENUE</b>					
2 Sewer Service Fees	\$ 3,181,900	\$ 3,011,200	\$ 3,372,600	\$ 361,400	12%
3 Sewer Permits & Capacity Charges	47,600	98,000	50,500	(47,500)	-48%
<b>4 TOTAL OPERATING REVENUE</b>	<b>3,229,500</b>	<b>3,109,200</b>	<b>3,423,100</b>	<b>313,900</b>	<b>10%</b>
<b>5 NON-OPERATING REVENUE</b>					
6 Property Taxes	405,700	431,400	440,000	8,600	2%
7 Interest Revenue	264,200	843,400	1,257,000	413,600	49%
8 Miscellaneous Revenue	21,000	28,900	22,000	(6,900)	-24%
<b>9 TOTAL NON-OPERATING REVENUE</b>	<b>690,900</b>	<b>1,303,700</b>	<b>1,719,000</b>	<b>415,300</b>	<b>32%</b>
<b>10 TOTAL REVENUE</b>	<b>3,920,400</b>	<b>4,412,900</b>	<b>5,142,100</b>	<b>729,200</b>	<b>17%</b>
<b>11 SALARIES &amp; BENEFITS</b>					
12 Salaries & Wages	1,014,800	1,228,500	1,269,400	40,900	3%
13 Health Benefits	134,100	136,500	140,700	4,200	3%
14 Payroll Taxes (FICA)	66,800	83,100	86,800	3,700	4%
15 Workers Compensation	24,200	17,200	23,700	6,500	38%
16 CalPERS Retirement	77,700	92,700	101,900	9,200	10%
17 CalPERS UAL (Required)	12,100	800	-	(800)	-100%
<b>18 TOTAL SALARIES &amp; BENEFITS</b>	<b>1,329,700</b>	<b>1,558,800</b>	<b>1,622,500</b>	<b>63,700</b>	<b>4%</b>
<b>19 OPERATIONS &amp; MAINTENANCE</b>					
20 Sewer System Repairs & Maintenance	210,800	132,600	210,400	77,800	59%
21 Permits & Fees	30,000	27,600	30,400	2,800	10%
22 Vehicles & Equipment	62,300	71,100	62,900	(8,200)	-12%
<b>23 TOTAL OPERATIONS &amp; MAINTENANCE</b>	<b>303,100</b>	<b>231,300</b>	<b>303,700</b>	<b>72,400</b>	<b>31%</b>
<b>24 GENERAL &amp; ADMINISTRATIVE</b>					
25 Professional Services	230,600	248,800	252,500	3,700	1%
26 District Office Expenses	30,400	41,500	77,400	35,900	87%
27 Dues & Memberships	10,300	14,300	15,200	900	6%
28 Public Noticing & Community Outreach	19,000	13,700	14,600	900	7%
29 Insurance	29,000	50,500	58,200	7,700	15%
30 Education, Training & Travel	6,000	4,600	4,900	300	7%
31 Board of Directors	53,000	13,700	8,400	(5,300)	-39%
<b>32 TOTAL GENERAL &amp; ADMINISTRATIVE</b>	<b>378,300</b>	<b>387,100</b>	<b>431,200</b>	<b>44,100</b>	<b>11%</b>
<b>33 TOTAL EXPENSE</b>	<b>2,011,100</b>	<b>2,177,200</b>	<b>2,357,400</b>	<b>180,200</b>	<b>8%</b>
<b>34 NET REVENUE / (EXPENSE)</b>	<b>1,909,300</b>	<b>2,235,700</b>	<b>2,784,700</b>	<b>549,000</b>	<b>25%</b>
35 Debt Service	(1,036,000)	(1,036,000)	(1,036,200)	(200)	0%
36 Capital Improvement Program PAYGO	(3,627,600)	(905,538)	(3,804,500)	(2,898,962)	320%
37 Section 115 Pension Trust Contribution	(50,000)	-	-	-	0%
<b>38 NET CASH INFLOW / (OUTFLOW)</b>	<b>\$ (2,804,300)</b>	<b>\$ 294,162</b>	<b>\$ (2,056,000)</b>	<b>\$ (2,350,162)</b>	
39 PROJECTED BEG. CASH 7/1/23			\$ 51,808,000		
40 PROJECTED END CASH 6/30/24			\$ 49,752,000		



## Schedule F: Capital Improvement Program (CIP) Budget Summary

This schedule shows the CIP budget summary by fund and as a District total. CIP is summarized into major groups within lines 2-7. Line 9 displays budgeted debt proceeds to fund CIP remaining from the 2020 Installment Sale with Sterling Bank. The balance of available proceeds is an estimate and is dependent on FY 23 actual results. Line 10 displays budgeted grant funding for the Vanderwerff Well Retail project. The amount of grant funding used in FY 24 is dependent on FY 23 grant submittals and the timing of grant receipts. Actual results for FY 24 debt and grant funding will vary.

Schedule F CIP Budget Summary	A Wholesale	B Retail	C Sewer	D District Total
	FY 24 Adopted Budget	FY 24 Adopted Budget	FY 24 Adopted Budget	FY 24 Adopted Budget
<b>1 Capital Improvement Program (CIP)</b>				
2 Transmission / Distribution System	\$ 1,674,700	\$ 4,855,300	\$ 1,710,000	\$ 8,240,000
3 District Facilities and Structures	1,572,000	1,164,300	5,063,600	7,799,900
4 Wells and Treatment	-	2,504,400	-	2,504,400
5 Vehicles and Equipment	5,000	5,000	5,000	15,000
6 Information Technology	35,300	35,300	54,500	125,100
7 Studies and Assessments	158,300	158,300	138,400	455,000
<b>8 Total CIP</b>	<b>3,445,300</b>	<b>8,722,600</b>	<b>6,971,500</b>	<b>19,139,400</b>
9 Less: Debt Funding	-	(1,947,000)	(3,167,000)	(5,114,000)
10 Less: Grant Funding	-	(1,068,000)	-	(1,068,000)
<b>11 CIP, Net PAYGO Funded</b>	<b>\$ 3,445,300</b>	<b>\$ 5,707,600</b>	<b>\$ 3,804,500</b>	<b>\$ 12,957,400</b>





*East Orange County Water District  
FY 2024 Annual Budget*

## Schedule G: CIP Budget Details

The following schedules detail Wholesale, Retail and Sewer CIP budgets for FY 24. Projects with an asterisk are budgeted to be fully or partially funded with debt proceeds remaining from the 2020 Installment Sale with Sterling Bank. Projects highlighted green have grant-funding approved. Retail project grant funding is approved available through the Department of Water Resources and Bureau of Reclamation for Vanderwerff Well construction. Funding has been received throughout FY 23 and the amount received in FY 24 is depending upon factors such as the timing of construction and project costs as well as the timing of grant submittals and funding receipts. Total grant funding available for the project is roughly \$2.5M.

### WHOLESALE CIP BUDGET DETAIL

Project ID	Project	FY 24 Adopted Budget
<b>1</b>	<b>Transmission/Distribution Systems</b>	
2	21-43 Walnut Vault Replacement	\$ 200,000
3	21-45 SCADA System Improvements	466,700
4	23-07 6MG Reservoir - Pipeline and Vault Improvements	300,000
5	22-34 6MG Reservoir Replacement	100,000
6	23-03 Cathodic Protection Improvements	225,000
7	21-02 Valve Replacements	50,000
8	21-03 Pipeline Replacements	75,000
9	22-51 Wholesale Reservoir Backup Generators	100,000
10	22-45 Hydrant Replacements	8,000
11	22-48 Service Lateral Replacements	10,000
12	21-50 SAC Pipeline Repairs	10,000
13	24-07 Wholesale Reservoir Management Systems	100,000
14	24-13 Water Loss Control Program	30,000
<b>15</b>	<b>Total Transmission/Distribution Systems</b>	<b>1,674,700</b>
<b>16</b>	<b>Vehicles &amp; Equipment</b>	
17	24-12 Skid Steer Trailer Attachment	5,000
<b>18</b>	<b>Total Vehicles &amp; Equipment</b>	<b>5,000</b>
<b>19</b>	<b>Structures &amp; Facilities</b>	
20	22-33 District Headquarters	1,272,000
21	23-05 Demo Treatment Plant and new storage at 6M site	300,000
<b>22</b>	<b>Total Structures &amp; Facilities</b>	<b>1,572,000</b>
<b>23</b>	<b>Information Technology</b>	
24	22-01 Financial Software and Implementation	30,000
25	24-06 Geographic Information Systems Server	5,300
<b>26</b>	<b>Total Information Technology</b>	<b>35,300</b>
<b>27</b>	<b>Studies &amp; Assessments</b>	
28	24-01 Master Plan Update	150,000
29	24-11 Hazard Mitigation Plan	8,300
<b>30</b>	<b>Total Studies &amp; Assessments</b>	<b>158,300</b>
<b>31</b>	<b>Wholesale CIP Total</b>	<b>3,445,300</b>
32	Less: Debts Proceeds for Capital Projects	-
33	Less: Grant Proceeds for Capital Projects	-
<b>34</b>	<b>Wholesale CIP, Net Paygo-Funded</b>	<b>\$ 3,445,300</b>



## East Orange County Water District FY 2024 Annual Budget

### RETAIL CIP BUDGET DETAIL

	Project ID	Project	FY 24 Adopted Budget
1		<b>Wells &amp; Treatment</b>	
2	21-06	Vanderwerff Well*	\$ 1,344,400
3	22-28	East Well Pump and Motor	200,000
4	22-29	East Well Electrical	150,000
5	21-05	PFAS Treatment Facility	10,000
6		<b>Total Wells &amp; Treatment</b>	<b>1,704,400</b>
7		<b>Transmission/Distribution Systems</b>	
8	21-01	Vista Panorama Reservoir Replacement*	800,000
9	21-04	Barrett Reservoir Booster Pump Station Replacement	100,000
10	22-40	Circula Panorama Pipeline Replacement / Conversion	3,000,000
11	21-11	Brae Glen Pipeline Replacement	700,000
12	21-45	SCADA System Improvements	233,300
13	22-18	Orange Knoll PRV Station	150,000
14	21-02	Valve Replacements	80,000
15	21-03	Pipeline Replacements	75,000
16	22-45	Hydrant Replacements	32,000
17	22-48	Service Lateral Replacements	40,000
18	22-31	Barrett and Hinton Service Relocations	100,000
19	22-30	View Ridge New Valve	15,000
20	21-09	Springwood Drive Pipeline Improvement	100,000
21	24-08	Daniger Pump Station Upgrades	75,000
22	24-09	St. Jude/Panorama View Pipeline	50,000
23	24-10	Barrett to Cresthaven Pipeline Replacement	75,000
24	24-13	Water Loss Control Program	30,000
25		<b>Total Transmission/Distribution Systems</b>	<b>5,655,300</b>
26		<b>Vehicles &amp; Equipment</b>	
27	24-12	Skid Steer Trailer Attachment	5,000
28		<b>Total Vehicles &amp; Equipment</b>	<b>5,000</b>
29		<b>Structures &amp; Facilities</b>	
30	22-33	District Headquarters	1,164,300
31		<b>Total Structures &amp; Facilities</b>	<b>1,164,300</b>
32		<b>Information Technology</b>	
33	22-01	Financial Software and Implementation	30,000
34	24-06	Geographic Information Systems Server	5,300
35		<b>Total Information Technology</b>	<b>35,300</b>
36		<b>Studies &amp; Assessments</b>	
37	24-02	Master Plan Update	150,000
38	24-11	Hazard Mitigation Plan	8,300
39		<b>Total Studies &amp; Assessments</b>	<b>158,300</b>
40		<b>Retail CIP Total</b>	<b>8,722,600</b>
41		Less: Debts Proceeds for Capital Projects	(1,947,000)
42		Less: Grant Proceeds for Capital Projects	(1,068,000)
43		<b>Retail CIP Net Paygo-Funded</b>	<b>\$ 5,707,600</b>



*East Orange County Water District  
FY 2024 Annual Budget*

**SEWER CIP BUDGET DETAIL**

Project ID	Project	FY 24 Adopted Budget
1	<b>Transmission/Distribution Systems</b>	
2	21-20 Browning Rehabilitation*	\$ 550,000
3	21-18 Manhole Additions, Raising, Frames & Covers (includes County projects)	500,000
4	21-13 Cured in Place Pipe (CIPP)	300,000
5	21-17 Manhole Rehabilitation/Replacement	100,000
6	21-03 Pipeline Replacements	100,000
5	21-21 Backwater Valve Program	10,000
7	24-04 Lemon Heights Dr. Lift Station Rehabilitation	50,000
8	24-05 Rehabilitate 12" 5 FWY Crossing	100,000
10	<b>Total Transmission/Distribution Systems</b>	<b>1,710,000</b>
11	<b>Vehicles &amp; Equipment</b>	
12	24-12 Skid Steer Trailer Attachment	5,000
13	<b>Total Vehicles &amp; Equipment</b>	<b>5,000</b>
14	<b>Structures &amp; Facilities</b>	
15	22-33 District Headquarters	5,063,600
16	<b>Total Structures &amp; Facilities</b>	<b>5,063,600</b>
17	<b>Information Technology</b>	
18	22-01 Financial Software and Implementation	30,000
19	24-06 Geographic Information Systems Server	24,500
20	<b>Total Information Technology</b>	<b>54,500</b>
21	<b>Studies &amp; Assessments</b>	
22	24-03 SSMP Update and Spill Response	130,000
23	24-11 Hazard Mitigation Plan	8,400
24	<b>Total Studies &amp; Assessments</b>	<b>138,400</b>
25	<b>Sewer CIP Total</b>	<b>6,971,500</b>
26	Less: Debts Proceeds for Capital Projects	(3,167,000)
27	Less: Grant Proceeds for Capital Projects	-
28	<b>Sewer CIP Net Paygo Funded</b>	<b>\$ 3,804,500</b>

**Key - CIP Budget Details**

*\*Projects with an asterisk will be fully or partially funded by remaining proceeds from the 2020 Sterling Bank agreement.*

*Projects in green have approved grant-funding and are fully or partially funded by grant proceeds.*