

San Antonio Water Company Annual Operating & Capital Improvement Budget

Fiscal Year Ending December 31, 2023

General Manager's Message

Dear Board of Directors and Shareholders,

I am pleased to present you with the recommended budget for Fiscal Year 2023 (FY2023). We begin the year in a healthy financial position with the fiscal resources available to continue providing high quality service, continue advancing infrastructure replacement, while maintaining emergency reserves. Given the current financial health of the Company, no rate increases are projected for the foreseeable future.

As presented for FY2023, budget revenue is projected to be \$5.45M and expenditures are projected to be \$8.80M. Expenditures include all expected operating, non-operating and capital costs for the next year.

The Company's anticipated operating (non-capital) expenses total \$3.50M, an 11% increase over the previous year's budget. The increase is primarily a result of increased operating facility expenses. Specifically, electricity costs have increased dramatically. The lack of rainfall last year required us to increase our reliance on wells instead of gravity feed streamflow for entitlement delivery.

Staff recommends keeping Company entitlement at 13,000 acre-feet. Operating revenue is expected to increase slightly from prior year, for a total of \$5.45M. This increase anticipates our Operations Departments exceptional balancing act between surface flow and well usage to meet full entitlement. Setting the entitlement at 13,000 acre-feet assumes that rainfall will be near average this upcoming winter. The Company currently has about 10,000 acre-feet in groundwater storage, which will help offset any reduction in rainfall in 2023.

Water sales account for 92% of the company's revenue; funding operations and a large chunk of capital projects (pipes, pumps and tanks). Remaining revenue comes from the sale of surplus property, lease income and interest income.

The Company's anticipated capital expenses total \$5.3M. Projects scheduled for 2023 include three pipeline replacements, construction of a potable water reservoir, modernization of the Paloma Curve Hydraulic Break, drilling a new well and modernizing two existing company wells. Many of the proposed capital projects are hold-overs from 2022. Old projects account for \$2.8M (62%) of the proposed 2023 CIP budget. Many of the delayed capital efforts are the result of material and labor issues prevalent throughout the nation last year.

In addition to replacement of capital facilities the Company is continuing a multi-year review of Company administration and operation facilities, identifying Company facility needs and how to efficiently meet those needs. Money for the facility review is expected to come from the sale of surplus property, not rates. The Company is currently reviewing our 20th Street property as a potential site for the planned facilities.

Our year-end review shows an approximately \$8.8M balance in the Company's capital and operating reserves. As mentioned earlier, the Company continues it's efforts to accelerate the replacement of pipes, pumps and tanks above expected water sales revenue over the next few years. To that end, our 2023 budget relies on the use of approximately \$3.35M of our reserve funds for infrastructure replacement. At the end of 2023 remaining reserves available for use should total about \$5.43M.

I would like to thank every staff member of SAWCo for their hard work and dedication over the last year. They are truly this company's most important asset. I remain thankful to the community for their input, both Committees for their efforts, and the full Board for providing both the vision and guidance necessary as we respond to the ever-changing challenges facing this Company.



2023 Quick Data

- Annual Entitlement..... 13,000 acre-feet
(No change from 2022)
- Total Company Shares as of January 1, 2023 6,389 shares
- Active Shares as of January 1, 2023 6,178 shares
(inactive shares are those shares currently not taking entitlement water)
- Yearly 2023 entitlement per share 2.035 acre-feet
- Total 2023 active share entitlement 12,570 acre-feet

- Estimated 2023 Water Production, by source:

Surface Water	4,425 acre-feet
Chino Groundwater Basin.....	1,232 acre-feet
Cucamonga Groundwater Basin.....	5,981 acre-feet
Six Basins Groundwater Basin	932 acre-feet
TOTAL	12,570 acre-feet

- Projected 2023 Revenue:

Shareholder	\$5,011,800
Non-shareholder	\$436,000
TOTAL	\$5,447,800

- Projected 2023 Operating Expenses:

Operations and Maintenance.....	(\$2,101,500)
General Administrative.....	(\$1,397,000)
TOTAL	(\$3,498,500)

- Projected 2023 Capital Expenses..... (\$5,300,000)

- Projected 2023 Revenue minus Expenses..... (\$3,350,700)

- Reserves:

Targets:

- Operating Reserves:\$875,000
(3 months of Operating Expenses)
- Capital Reserves: \$4,600,000
(20% of 2021 audited property, plant and equipment)

TOTAL TARGET RESERVES:..... \$5,475,000

Cash on Deposit as of September 2022.....	\$7,926,000
Projected CoD as of December 2022.....	\$8,776,000
Projected CoD as of December 2023.....	\$5,425,000

Company at a Glance

ORGANIZATIONAL

San Antonio Water Company (SAWCo) is a California mutual water company organized under California Corporations Code 14300, regulated under the United States Environmental Protection Agency (USEPA) Safe Drinking Water Act, monitored by the State of California through the Water Code & Health and Safety Code. We also report to the San Bernardino Local Agency Formation Commission (LAFCo).

The Company does not import any water. Instead we are dependent on our local San Antonio Canyon watershed and groundwater basins. Utilizing local water sources dramatically keeps costs down but also increases the risk associated with long term drought. Currently, our shareholders include most residents of the unincorporated area of San Antonio Heights, the Cities of Upland and Ontario, the Monte Vista Water District, the US Forest Service, the San Bernardino County Flood Control District, local quarries and the proud heritage of remaining local grove irrigators.

HEADCOUNT

The Company's vision is to be an organization that defines excellence in delivering high quality water in a cost-effective manner by meeting shareholder needs and entitlements. We will lead the way for water agencies in the region by developing key strategic partnerships, making maximum use of water capture and delivery facilities and technologies, and attracting high caliber employees by being a recognized employer of choice in the field.

None of this vision would be possible without an innovative, self-managed staff that has pride of ownership for their work product while providing exceptional service. This is all done currently with 9 full-time and 1 part-time employees.

Changes in 2022

- Office: One employee joined the company, filling a position vacated in 2021.
- Field: One employees retired from the company. A replacement is anticipated to be hired in early 2023.

STRATEGIC PLAN

In 2015, the Company went through a strategic planning process and out of this process, the following goals were developed:

- Evaluate and Prioritize Projects for Supply Maximization
- Develop Strategic Partnerships Initiate and Further Joint Projects
- Invest in Technology
- Define SAWCo's Assets & Needs
- Develop the Workforce of the Future
- Improve Internal Relationships

In 2023 the Company plans to continue reaching towards our goals by the following actions:

Evaluate and Prioritize Projects for Supply Maximization – Staff is completing a 2020 Water Master Plan Update. This update will evaluate and prioritize projects for supply maximization. The process will include public participation and we strongly encourage our shareholders to participate.

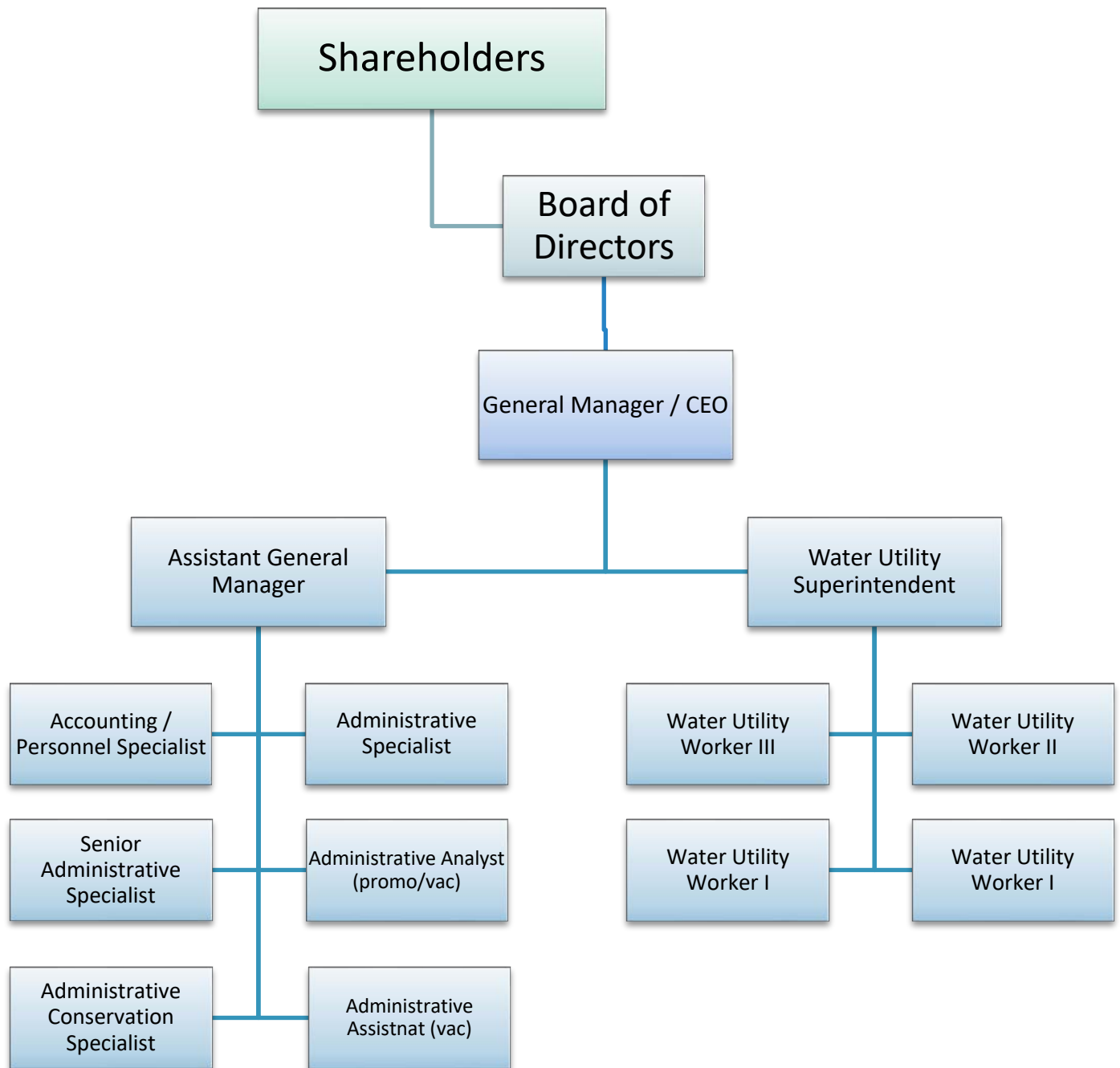
Develop Strategic Partnerships to Initiate and Further Joint Projects – Staff continues to reach-out and build relationships with the different shareholders. We will continue to discuss joint projects that may be beneficial to our shareholders. The Master Plan update may uncover future possibilities.

Define SAWCo's Assets & Needs – The company continues to take on additional responsibilities with limited staff and space. In order to meet these needs, staff is utilizing outside consultants and adjusting priorities. The office is currently not up to seismic code nor is it ADA compliant. To correct these deficiencies would be costly for a building that is over 90 years old. In 2015, the Board formed a committee to start the process of relocating the office and yard into one facility at a property the Company already owns. In 2023, the Company is continuing to address the limited space, safety for its employees, and functionality for its shareholders and staff.

Develop the Workforce of the Future – Management continues to provide ongoing training for current employees and assess the needs of the company. Limited advancement opportunities due to our small staff and a perceived lower benefits package compared to local public water companies continue to hinder the recruitment process. The Company is currently attempting to obtain an eligibility letter from the Federal Government which would allow us to engage CalPERS [Public Employees Retirement System] to compare actual costs and benefits. In 2020, we hired a consultant to perform a benefit and comp study to keep us competitive with the current market.

Improve Relationships – Recent public conversations have exposed a need to improve the distribution of information to our shareholders and employees. It is apparent that misinformation needs to be curtailed and corrected. The Company will conduct a public outreach campaign intended to inform and solicit feedback from our shareholders and employees. Strong leadership will help to carry the company in one direction.

San Antonio Water Company
Organization Chart
Board Approved on November 15, 2016



San Antonio Water Company

2022 ACCOMPLISHMENTS:

- 2020 Master Plan and Computerized system model
- Technical study of possible treatment plant
- Predesign report of Paloma Curve Hydraulic Break modernization
- Design of Glendale Road pipeline replacement
- Design and bid Holly Drive Reservoir, Phase III
- State mandated Supply Assessment report
- State mandated Water Audit Validation report
- State mandated Emergency Response Plan (ERP)
- Hired new legal council

2023 GOALS & OBJECTIVES:

- Revise and improve standard financial reports and reporting policy
- Holly Drive Reservoir, Phase III
- Glendale Road Pipeline Replacement
- San Mateo Drive Pipeline Replacement
- Well 16 modernization
- Well 31 modernization
- Well 31 pipeline replacement
- Well 19 pilot hole and full well design
- Paloma Curve Hydraulic Break modernization
- Pre-design of new office/yard facilities

FINANCIALS

2023 OPERATING BUDGET OVERVIEW

		2023	2022	2022	2022	2021	2020
		Budget	Budget	Actual thru Sept	Projected	Actual	Actual
SHAREHOLDER REVENUE							
1185 1	Domestic Water Income (Base)	\$ 270,000	\$ 300,000	\$ 171,526	\$ 228,702	\$ 269,580	\$ 262,744
1215 3	Domestic Water Income (Supplemental)	\$ 230,000	\$ 150,000	\$ 142,759	\$ 190,345	\$ 240,588	\$ 225,485
1220 4	Domestic Water Income (Tier 3)	\$ 230,000	\$ 200,000	\$ 170,613	\$ 227,484	\$ 332,874	\$ 308,691
1230 2	Domestic Water Income (Readi/Chrg)	\$ 200,000	\$ 200,000	\$ 134,524	\$ 179,365	\$ 201,506	\$ 201,102
1235 5	Domestic Water Availability Charge (WAC)	\$ 61,000	\$ 61,000	\$ 40,762	\$ 54,349	\$ 60,906	\$ 61,016
1245 6	Municipal Water Income (Base)	\$ 3,100,000	\$ 3,100,000	\$ 2,312,980	\$ 3,083,974	\$ 2,581,330	\$ 3,131,660
1260 8	Municipal Water Income (Supplemental)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 79,717
1268 7	Municipal Water Income (Readi/Chrg)	\$ 77,000	\$ 80,000	\$ 57,600	\$ 76,800	\$ 77,300	\$ 82,800
1274 10	Municipal Water Availability Charge (WAC)	\$ 477,000	\$ 477,000	\$ 357,804	\$ 477,072	\$ 476,968	\$ 476,806
1275 12	Misc Water Income (Base)	\$ 205,000	\$ 200,000	\$ 176,730	\$ 235,640	\$ 199,772	\$ 204,265
1276 9	Misc Water Income (Supplemental)	\$ 50,000	\$ 50,000	\$ 112,597	\$ 150,129	\$ 9,016	\$ 45,322
1280 13	Misc Water Income (Tier 3)	\$ 5,000	\$ 5,000	\$ 15,469	\$ 20,626	\$ 48	\$ 2,647
1288 11	Misc Water Income (Readi/Chrg)	\$ 23,000	\$ 23,000	\$ 17,450	\$ 23,267	\$ 23,370	\$ 23,370
1290 14	Misc Water Availability Charge (WAC)	\$ 23,000	\$ 23,000	\$ 17,298	\$ 23,064	\$ 23,064	\$ 23,064
1295 15	Dormant Water Availability Charge (WAC)	\$ 52,000	\$ 53,000	\$ 34,681	\$ 46,242	\$ 52,094	\$ 52,322
1300	Sale of Water/From Storage	\$ -	\$ -	\$ -	\$ -	\$ 330,000	\$ -
1302 16	Meter Service Fees (Connections)	\$ 1,500	\$ -	\$ 3,256	\$ 3,300	\$ -	\$ 7,773
1400 35	Stock Transfer	\$ 5,000	\$ 5,000	\$ 3,480	\$ 4,640	\$ 5,070	\$ 4,170
1405 38	Capital Facilities Connection Fee	\$ -	\$ -	\$ 5,691	\$ 5,700	\$ -	\$ 17,073
1410 26	Late/Re-establishment Fee	\$ 2,000	\$ 4,000	\$ 1,370	\$ 2,000	\$ 840	\$ 2,330
1415 27	Drought Ordinance Violation Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1420 33	Return Check Fee	\$ -	\$ -	\$ 175	\$ 200	\$ 50	\$ 200
1425 28	Broken/Missing Lock Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1430 30	Stock Certificate Storage & Handling Fee	\$ 300	\$ -	\$ 200	\$ 300	\$ 280	\$ 240
TOTAL		\$ 5,011,800	\$ 4,931,000	\$ 3,776,966	\$ 5,033,199	\$ 4,884,655	\$ 5,212,797

NON-SHAREHOLDER REVENUE

1635 21	Development Plan Check Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1725 23	Miscellaneous Income	\$ 2,000	\$ 2,000	\$ 250	\$ 500	\$ 8,065	\$ 1,101
1728 31	Plans & Spec Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25
1730 24	Construction Permit & Inspection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1750 32	Service/Litigation Agreements	\$ -	\$ -	\$ 927	\$ 927	\$ 1,071	\$ 793
1753 18	Ground Lease Income	\$ 70,000	\$ 75,000	\$ 56,615	\$ 75,486	\$ 69,514	\$ 60,352
1755 17	Interest Income	\$ 20,000	\$ 20,000	\$ 11,041	\$ 14,721	\$ 34,948	\$ 75,194
1786	Unrealized Gain on 457B Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1875 22	Overhead Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 852
37	Gain on Sale of Assets	\$ 344,000	\$ 344,000	\$ -	\$ 344,000	\$ 343,059	\$ 344,059
Subtotal:		\$ 436,000	\$ 441,000	\$ 68,832	\$ 435,634	\$ 456,657	\$ 482,376

DEPRECIATION & OBSOLESCENCE REVENUE

1300 36	Water Sales from Stored G. W. [D&O Reserves]	\$ -	\$ -	\$ -	\$ 250,000	\$ 100,000	\$ 108,480
Subtotal:		\$ -	\$ -	\$ -	\$ 250,000	\$ 100,000	\$ 108,480

Revenue Total: \$ 5,447,800 \$ 5,372,000 \$ 3,845,799 \$ 5,718,833 \$ 5,441,313 \$ 5,803,653

Non-Shareholder as a percentage of Total Revenue: 8.0% 8.2% 1.8% 12.0% 10.2% 10.2%

FACILITIES & O&M EXPENSES

Operating Facilities

2175 20	Facility Related Field Labor	\$ 280,000	\$ 260,000	\$ 242,413	\$ 323,217	\$ 241,099	\$ 232,704
2235 21	Repairs to Facilities and Equipment	\$ 350,000	\$ 300,000	\$ 316,288	\$ 421,717	\$ 261,314	\$ 374,939
2265 22	Power-Gas & Electric (utilities)	\$ 900,000	\$ 650,000	\$ 804,072	\$ 1,072,096	\$ 793,788	\$ 627,010
Operating Facilities Total:		\$ 1,530,000	\$ 1,210,000	\$ 1,362,773	\$ 1,817,030	\$ 1,296,201	\$ 1,234,653

Operating Activities

2475 18	Customer Services/Billing	\$ 79,000	\$ 84,000	\$ 54,482	\$ 72,642	\$ 82,812	\$ 81,500
2498 19	Conservation Activities	\$ 26,000	\$ 16,000	\$ 42,376	\$ 45,000	\$ 12,842	\$ 7,587
Operating Activities Total:		\$ 105,000	\$ 100,000	\$ 96,858	\$ 117,642	\$ 95,654	\$ 89,087

Other Operating Expense

2205 24	Non-Facility Related Labor	\$ 70,000	\$ 70,000	\$ 58,719	\$ 78,292	\$ 61,072	\$ 69,173
2210 25	O&M - All Other	\$ 3,500	\$ 4,000	\$ 1,420	\$ 1,893	\$ 5,789	\$ 2,835
2280 26	Purchased Water	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2295 23	Supplies (Inventory & Tools Expense)	\$ 10,000	\$ 10,000	\$ 7,432	\$ 9,909	\$ 13,482	\$ 9,068

	2023	2022	2022	2022	2021	2020
	Budget	Budget	Actual thru Sept	Projected	Actual	Actual
2715 28 Property Taxes	\$ 240,000	\$ 210,000	\$ 118,886	\$ 237,772	\$ 222,112	\$ 206,135
2805 27 Wtr. Resource Mgmt. (Basin Assm'ts)	\$ 143,000	\$ 170,000	\$ 54,370	\$ 139,370	\$ 120,552	\$ 167,200
2830 Loss on Disposal of Asset	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2850 30 Inventory Shrinkage	\$ -	\$ -	\$ -	\$ -	\$ 2,119	\$ -
Other Operating Expense Total:	\$ 466,500	\$ 464,000	\$ 240,827	\$ 467,236	\$ 425,126	\$ 454,411
O & M Expense Total:	\$ 2,101,500	\$ 1,774,000	\$ 1,700,457	\$ 2,401,909	\$ 1,816,981	\$ 1,778,151

GENERAL ADMINISTRATIVE EXPENSES

Personnel

2115 2 Administrative Services	\$ 300,000	\$ 300,000	\$ 206,093	\$ 274,791	\$ 304,461	\$ 283,521
2130 3 Development/Water Svc App	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ 240
2325 13 Taxes - Payroll (office and field)	\$ 78,000	\$ 80,000	\$ 58,374	\$ 77,832	\$ 73,214	\$ 70,908
2355 4 Worker's Compensation Insurance	\$ 15,000	\$ 15,000	\$ 10,890	\$ 14,519	\$ 16,151	\$ 15,053
2385 5 Benefit Pay (Vac., Sick, Etc.)	\$ 190,000	\$ 195,000	\$ 135,639	\$ 180,852	\$ 165,629	\$ 179,330
2415 6 Benefit Insurance (Pension, Life, Medical, Dental, Vision)	\$ 295,000	\$ 263,000	\$ 181,161	\$ 241,548	\$ 245,781	\$ 230,995
2430 7 Benefit Administrative Services	\$ 2,000	\$ 2,000	\$ 100	\$ 2,000	\$ 2,275	\$ 1,185
Personnel Total:	\$ 880,000	\$ 856,000	\$ 592,256	\$ 791,542	\$ 807,511	\$ 781,232

Other

2445 9 Office/ IT Support	\$ 60,000	\$ 70,000	\$ 42,043	\$ 56,057	\$ 54,866	\$ 62,552
2505 1 Directors Fees & Expenses	\$ 32,000	\$ 34,000	\$ 23,944	\$ 31,926	\$ 31,655	\$ 32,008
2535 11 Liability Insurance (Non-empl. benft.)	\$ 41,000	\$ 30,000	\$ 41,692	\$ 41,692	\$ 35,510	\$ 29,894
2595 14 Communications	\$ 43,000	\$ 40,000	\$ 34,439	\$ 45,918	\$ 41,227	\$ 46,688
2625 15 Dues & Subscriptions	\$ 3,500	\$ 3,000	\$ 2,837	\$ 3,783	\$ 2,653	\$ 2,758
2655 10 Outside Services	\$ 20,000	\$ 30,000	\$ 15,580	\$ 20,773	\$ 12,017	\$ 4,378
2745 12 Taxes - Income	\$ 12,500	\$ 12,000	\$ 6,300	\$ 12,600	\$ 9,142	\$ 12,000
2775 8 Accounting Expense	\$ 65,000	\$ 75,000	\$ 61,726	\$ 61,726	\$ 43,202	\$ 72,366
2276 8 Legal Expense	\$ 150,000	\$ 150,000	\$ 65,593	\$ 97,457	\$ 187,143	\$ 242,013
2790 16 Human Resource Expense	\$ 60,000	\$ 40,000	\$ 38,819	\$ 51,758	\$ 71,245	\$ 58,604
2865 17 All Other	\$ 30,000	\$ 30,000	\$ 9,772	\$ 13,030	\$ 42,199	\$ 27,512
Other Total:	\$ 517,000	\$ 514,000	\$ 342,744	\$ 436,720	\$ 530,860	\$ 590,773
G. & A. Expense Total:	\$ 1,397,000	\$ 1,370,000	\$ 935,001	\$ 1,228,261	\$ 1,338,370	\$ 1,372,005

Capital Expenditure

Facilities	\$ 4,895,000	\$ 2,258,000	\$ 27,601	\$ 60,000	\$ 3,297,871	\$ 1,079,637
Equipment/Studies/Reports	\$ 405,000	\$ 210,000	\$ 96,472	\$ 120,000	\$ -	\$ -
CIP Total:	\$ 5,300,000	\$ 2,468,000	\$ 124,073	\$ 180,000	\$ 3,297,871	\$ 1,079,637

Total Revenue:	\$ 5,447,800	\$ 5,372,000	\$ 3,845,799	\$ 5,718,833	\$ 5,441,313	\$ 5,803,653
Total Expenses excluding CIP:	\$ 3,498,500	\$ 3,144,000	\$ 2,635,458	\$ 3,630,170	\$ 3,155,351	\$ 3,150,156
Total Expenses including CIP:	\$ 8,798,500	\$ 5,612,000	\$ 2,759,531	\$ 3,810,170	\$ 6,453,222	\$ 4,229,793
Net Income without D&O funds:	\$ 1,949,300	\$ 2,228,000	\$ 1,210,341	\$ 1,838,663	\$ 2,185,962	\$ 2,545,017
Net Income with D&O funds:	\$ 1,949,300	\$ 2,228,000	\$ 1,210,341	\$ 2,088,663	\$ 2,285,962	\$ 2,653,497

2565 29 Depreciation	\$ 1,100,000	\$ 950,000	\$ 784,807	\$ 1,046,409	\$ 947,867	\$ 917,344
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Net income excluding Capital Expenditures less Depreciation	\$ 849,300	\$ 1,278,000	\$ 425,534	\$ 1,042,254	\$ 1,338,095	\$ 1,736,153
Net income including Capital Expenditures less Depreciation	\$ (4,450,700)	\$ (1,190,000)	\$ 301,461	\$ 862,254	\$ (1,959,776)	\$ 656,516
Net income including Capital Expenditures	\$ (3,350,700)	\$ (240,000)	\$ 1,086,268	\$ 1,658,663	\$ (1,111,909)	\$ 1,465,380
Net income including Capital Expenditures less NSR	\$ (3,786,700)	\$ (681,000)	\$ 1,017,435	\$ 1,223,029	\$ (1,568,567)	\$ 983,004

2023 MONTHLY REVENUE VS EXPENSES

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Projected Revenue	\$ 308,099	\$ 313,549	\$ 278,499	\$ 283,749	\$ 435,299	\$ 600,549	\$ 606,599	\$ 553,249	\$ 506,599	\$ 414,949	\$ 371,999	\$ 695,049	\$ 5,368,188
Projected Operating Expenses	\$ (227,246)	\$ (210,011)	\$ (360,925)	\$ (261,011)	\$ (225,151)	\$ (240,396)	\$ (240,011)	\$ (255,361)	\$ (265,291)	\$ (261,871)	\$ (310,011)	\$ (391,211)	\$ (3,248,500)
Projected CIP Expenses	\$ (235,000)	\$ (115,500)	\$ (1,162,750)	\$ (683,250)	\$ (610,750)	\$ (741,250)	\$ (493,000)	\$ (718,500)	\$ (225,000)	\$ (225,000)	\$ (90,000)	\$ -	\$ (5,300,000)
Projected Delta	\$ (154,147)	\$ (11,962)	\$ (1,245,176)	\$ (660,512)	\$ (400,602)	\$ (381,097)	\$ (126,412)	\$ (420,612)	\$ 16,308	\$ (71,922)	\$ (28,012)	\$ 303,838	
Water Sales Revenue	\$ 295,932	\$ 301,382	\$ 266,332	\$ 271,582	\$ 423,132	\$ 588,382	\$ 594,432	\$ 541,082	\$ 494,432	\$ 402,782	\$ 359,832	\$ 338,882	\$ 4,878,184
Non-Water Sales Revenue	\$ 12,167	\$ 12,167	\$ 12,167	\$ 12,167	\$ 12,167	\$ 12,167	\$ 12,167	\$ 12,167	\$ 12,167	\$ 12,167	\$ 12,167	\$ 356,167	\$ 490,004
Personel Expenses	\$ (85,833)	\$ (69,683)	\$ (69,683)	\$ (69,683)	\$ (69,823)	\$ (69,683)	\$ (69,683)	\$ (69,683)	\$ (69,683)	\$ (69,683)	\$ (71,543)	\$ (69,683)	\$ (880,000)
Other Expenses	\$ (36,705)	\$ (35,620)	\$ (66,533)	\$ (76,620)	\$ (35,620)	\$ (41,005)	\$ (35,620)	\$ (35,970)	\$ (40,900)	\$ (35,620)	\$ (35,620)	\$ (41,170)	\$ (517,000)
Operating Expenses	\$ (104,708)	\$ (104,708)	\$ (224,708)	\$ (114,708)	\$ (119,708)	\$ (129,708)	\$ (134,708)	\$ (149,708)	\$ (154,708)	\$ (154,708)	\$ (204,708)	\$ (254,708)	\$ (1,851,500)
Capital Expenses	\$ (235,000)	\$ (115,500)	\$ (1,162,750)	\$ (683,250)	\$ (610,750)	\$ (741,250)	\$ (493,000)	\$ (718,500)	\$ (225,000)	\$ (225,000)	\$ (90,000)	\$ -	\$ (5,300,000)
	\$ (154,147)	\$ (11,962)	\$ (1,245,176)	\$ (660,512)	\$ (400,602)	\$ (381,097)	\$ (126,412)	\$ (420,612)	\$ 16,308	\$ (71,922)	\$ (28,012)	\$ 303,838	\$ (3,180,312)

2023 OPERATING BUDGET REVENUE

		2023													
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL	
SHAREHOLDER REVENUE															
1185	1	Domestic Water Income (Base)	\$ 14,200	\$ 15,400	\$ 14,200	\$ 14,700	\$ 26,500	\$ 33,200	\$ 35,500	\$ 37,900	\$ 28,400	\$ 23,700	\$ 19,000	\$ 300,600	
1215	3	Domestic Water Income (Supplemental)	\$ 7,000	\$ 7,600	\$ 7,000	\$ 7,200	\$ 13,000	\$ 16,300	\$ 17,400	\$ 18,600	\$ 14,000	\$ 11,600	\$ 9,300	\$ 147,600	
1220	4	Domestic Water Income (Tier 3)	\$ 4,900	\$ 5,400	\$ 4,900	\$ 5,100	\$ 9,200	\$ 11,500	\$ 12,300	\$ 13,200	\$ 9,900	\$ 8,200	\$ 6,600	\$ 104,400	
1230	2	Domestic Water Income (Readi/Chrg)	\$ 16,700	\$ 16,700	\$ 16,700	\$ 16,700	\$ 16,700	\$ 16,700	\$ 16,700	\$ 16,700	\$ 16,700	\$ 16,700	\$ 16,700	\$ 200,400	
1235	5	Domestic Water Availability Charge (WAC)	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 60,000	
1245	6	Municipal Water Income (Base)	\$ 173,600	\$ 173,600	\$ 144,000	\$ 144,000	\$ 264,800	\$ 412,900	\$ 412,900	\$ 353,700	\$ 309,200	\$ 238,700	\$ 209,100	\$ 3,038,500	
1260	8	Municipal Water Income (Supplemental)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1268	7	Municipal Water Income (Readi/Chrg)	\$ 6,650	\$ 6,650	\$ 6,650	\$ 6,650	\$ 6,650	\$ 6,650	\$ 6,650	\$ 6,650	\$ 6,650	\$ 6,650	\$ 6,650	\$ 79,800	
1276	9	Municipal Water Availability Charge (WAC)	\$ 39,732	\$ 39,732	\$ 39,732	\$ 39,732	\$ 39,732	\$ 39,732	\$ 39,732	\$ 39,732	\$ 39,732	\$ 39,732	\$ 39,732	\$ 476,784	
1274	10	Misc Water Income (Base)	\$ 7,700	\$ 10,100	\$ 7,700	\$ 11,300	\$ 21,100	\$ 25,200	\$ 27,800	\$ 28,400	\$ 27,000	\$ 22,500	\$ 18,700	\$ 220,200	
1275	12	Misc Water Income (Supplemental)	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 126,000	
1280	13	Misc Water Income (Tier 3)	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 15,000	
1288	11	Misc Water Income (Readi/Chrg)	\$ 1,900	\$ 1,900	\$ 1,900	\$ 1,900	\$ 1,900	\$ 1,900	\$ 1,900	\$ 1,900	\$ 1,900	\$ 1,900	\$ 1,900	\$ 22,800	
1290	14	Misc Water Availability Charge (WAC)	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 24,000	
1295	15	Dormant Water Availability Charge (WAC)	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 54,000	
1302	16	Meter Service Fees (Connections)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1400	35	Stock Transfer	\$ -	\$ 750	\$ -	\$ 750	\$ -	\$ 750	\$ -	\$ 750	\$ -	\$ 750	\$ -	\$ 750	
1405	38	Capital Facilities Connection Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1410	26	Late/Re-establishment Fee	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 3,600	
1415	27	Drought Ordinance Violation Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1420	33	Return Check Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1425	28	Broken/Missing Lock Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1430	30	Stock Certificate Storage & Handling Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		Subtotal:	\$ 295,932	\$ 301,382	\$ 266,332	\$ 271,582	\$ 423,132	\$ 588,382	\$ 594,432	\$ 541,082	\$ 494,432	\$ 402,782	\$ 359,832	\$ 338,882	\$ 4,878,184
NON-SHAREHOLDER REVENUE															
1635	21	Development Plan Check Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1725	23	Miscellaneous Income	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 2,004.00	
1728	31	Plans & Spec Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1730	24	Construction Permit & Inspection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1750	32	Service/Litigation Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1753	18	Ground Lease Income	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 54,000.00	
1755	17	Interest Income	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 90,000.00	
1875	22	Overhead Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
37		Gain on Sale of Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 344,000.00	
		Subtotal:	\$ 12,167.00	\$ 12,167.00	\$ 12,167.00	\$ 12,167.00	\$ 12,167.00	\$ 12,167.00	\$ 12,167.00	\$ 12,167.00	\$ 12,167.00	\$ 12,167.00	\$ 12,167.00	\$ 356,167.00	\$ 490,004.00
DEPRECIATION & OBSOLESCENCE REVENUE															
1300	36	Water Sales from Stored G. W. [D&O Reserves]	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		Subtotal:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		Revenue Total:	\$ 308,099	\$ 313,549	\$ 278,499	\$ 283,749	\$ 435,299	\$ 600,549	\$ 606,599	\$ 553,249	\$ 506,599	\$ 414,949	\$ 371,999	\$ 695,049	\$ 5,368,188

2023 OPERATING BUDGET EXPENSES

		2023												TOTAL	
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
FACILITIES & O&M EXPENSES															
Operating Facilities															
2175	20	\$ 23,333.33	\$ 23,333.33	\$ 23,333.33	\$ 23,333.33	\$ 23,333.33	\$ 23,333.33	\$ 23,333.33	\$ 23,333.33	\$ 23,333.33	\$ 23,333.33	\$ 23,333.33	\$ 23,333.33	\$ 23,333.33	\$ 280,000.00
2235	21	\$ 29,166.67	\$ 29,166.67	\$ 29,166.67	\$ 29,166.67	\$ 29,166.67	\$ 29,166.67	\$ 29,166.67	\$ 29,166.67	\$ 29,166.67	\$ 29,166.67	\$ 29,166.67	\$ 29,166.67	\$ 29,166.67	\$ 350,000.00
2265	22	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 40,000.00	\$ 45,000.00	\$ 55,000.00	\$ 60,000.00	\$ 75,000.00	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	\$ 65,000.00	\$ 60,000.00	\$ 650,000.00
Operating Facilities Total:		\$ 82,500.00	\$ 82,500.00	\$ 82,500.00	\$ 92,500.00	\$ 97,500.00	\$ 107,500.00	\$ 112,500.00	\$ 127,500.00	\$ 132,500.00	\$ 132,500.00	\$ 117,500.00	\$ 112,500.00	\$ 1,280,000.00	
Operating Activities															
2475	18	\$ 6,583.33	\$ 6,583.33	\$ 6,583.33	\$ 6,583.33	\$ 6,583.33	\$ 6,583.33	\$ 6,583.33	\$ 6,583.33	\$ 6,583.33	\$ 6,583.33	\$ 6,583.33	\$ 6,583.33	\$ 6,583.33	\$ 79,000.00
2498	19	\$ 2,166.67	\$ 2,166.67	\$ 2,166.67	\$ 2,166.67	\$ 2,166.67	\$ 2,166.67	\$ 2,166.67	\$ 2,166.67	\$ 2,166.67	\$ 2,166.67	\$ 2,166.67	\$ 2,166.67	\$ 2,166.67	\$ 26,000.00
Operating Activities Total:		\$ 8,750.00	\$ 8,750.00	\$ 8,750.00	\$ 8,750.00	\$ 8,750.00	\$ 8,750.00	\$ 8,750.00	\$ 8,750.00	\$ 8,750.00	\$ 8,750.00	\$ 8,750.00	\$ 8,750.00	\$ 8,750.00	\$ 105,000.00
Other Operating Expense															
2205	24	\$ 5,833.33	\$ 5,833.33	\$ 5,833.33	\$ 5,833.33	\$ 5,833.33	\$ 5,833.33	\$ 5,833.33	\$ 5,833.33	\$ 5,833.33	\$ 5,833.33	\$ 5,833.33	\$ 5,833.33	\$ 5,833.33	\$ 70,000.00
2210	25	\$ 291.67	\$ 291.67	\$ 291.67	\$ 291.67	\$ 291.67	\$ 291.67	\$ 291.67	\$ 291.67	\$ 291.67	\$ 291.67	\$ 291.67	\$ 291.67	\$ 291.67	\$ 3,500.00
2280	26	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2295	23	\$ 833.33	\$ 833.33	\$ 833.33	\$ 833.33	\$ 833.33	\$ 833.33	\$ 833.33	\$ 833.33	\$ 833.33	\$ 833.33	\$ 833.33	\$ 833.33	\$ 833.33	\$ 10,000.00
2715	28	\$ -	\$ -	\$ 120,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,000.00
2805	27	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 71,500.00	\$ 6,500.00	\$ 143,000.00	
2850	30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Operating Expense Total:		\$ 13,458.33	\$ 13,458.33	\$ 133,458.33	\$ 13,458.33	\$ 13,458.33	\$ 13,458.33	\$ 13,458.33	\$ 13,458.33	\$ 13,458.33	\$ 13,458.33	\$ 78,458.33	\$ 13,458.33	\$ 466,500.00	
O & M Expense Total:		\$ 104,708.33	\$ 104,708.33	\$ 224,708.33	\$ 114,708.33	\$ 119,708.33	\$ 129,708.33	\$ 134,708.33	\$ 149,708.33	\$ 154,708.33	\$ 154,708.33	\$ 204,708.33	\$ 254,708.33	\$ 1,851,500.00	
GENERAL ADMINISTRATIVE EXPENSES															
Personnel															
2115	2	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 300,000.00
2130	3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2325	13	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 78,000.00
2355	4	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00	\$ 1,250.00	\$ 15,000.00
2385	5	\$ 28,500.00	\$ 12,350.00	\$ 12,350.00	\$ 12,350.00	\$ 12,350.00	\$ 12,350.00	\$ 12,350.00	\$ 12,350.00	\$ 12,350.00	\$ 12,350.00	\$ 12,350.00	\$ 12,350.00	\$ 38,000.00	\$ 190,000.00
2415	6	\$ 24,583.33	\$ 24,583.33	\$ 24,583.33	\$ 24,583.33	\$ 24,583.33	\$ 24,583.33	\$ 24,583.33	\$ 24,583.33	\$ 24,583.33	\$ 24,583.33	\$ 24,583.33	\$ 24,583.33	\$ 24,583.33	\$ 295,000.00
2430	7	\$ -	\$ -	\$ -	\$ -	\$ 140.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,860.00	\$ -	\$ -	\$ 2,000.00
Personnel Total:		\$ 85,833.33	\$ 69,683.33	\$ 69,683.33	\$ 69,683.33	\$ 69,823.33	\$ 69,683.33	\$ 69,683.33	\$ 69,683.33	\$ 69,683.33	\$ 71,543.33	\$ 69,683.33	\$ 95,333.33	\$ 880,000.00	
Other															
2445	9	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 60,000.00
2505	1	\$ 2,666.67	\$ 2,666.67	\$ 2,666.67	\$ 2,666.67	\$ 2,666.67	\$ 2,666.67	\$ 2,666.67	\$ 2,666.67	\$ 2,666.67	\$ 2,666.67	\$ 2,666.67	\$ 2,666.67	\$ 2,666.67	\$ 32,000.00
2535	11	\$ -	\$ -	\$ -	\$ 41,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,000.00
2595	14	\$ 2,150.00	\$ 2,150.00	\$ 6,450.00	\$ 2,150.00	\$ 2,150.00	\$ 6,450.00	\$ 2,150.00	\$ 2,150.00	\$ 6,450.00	\$ 2,150.00	\$ 2,150.00	\$ 6,450.00	\$ 6,450.00	\$ 43,000.00
2625	15	\$ 1,085.00	\$ -	\$ -	\$ -	\$ -	\$ 1,085.00	\$ -	\$ 350.00	\$ 980.00	\$ -	\$ -	\$ -	\$ -	\$ 3,500.00
2655	10	\$ 1,666.67	\$ 1,666.67	\$ 1,666.67	\$ 1,666.67	\$ 1,666.67	\$ 1,666.67	\$ 1,666.67	\$ 1,666.67	\$ 1,666.67	\$ 1,666.67	\$ 1,666.67	\$ 1,666.67	\$ 1,666.67	\$ 20,000.00
2745	12	\$ -	\$ -	\$ 11,250.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,250.00	\$ 12,500.00
2775	8	\$ 4,136.36	\$ 4,136.36	\$ 19,500.00	\$ 4,136.36	\$ 4,136.36	\$ 4,136.36	\$ 4,136.36	\$ 4,136.36	\$ 4,136.36	\$ 4,136.36	\$ 4,136.36	\$ 4,136.36	\$ 4,136.36	\$ 65,000.00
2276	8	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00	\$ 150,000.00
2790	16	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 60,000.00
2865	17	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 30,000.00
Other Total:		\$ 36,704.70	\$ 35,619.70	\$ 66,533.33	\$ 76,619.70	\$ 35,619.70	\$ 41,004.70	\$ 35,619.70	\$ 35,969.70	\$ 40,899.70	\$ 35,619.70	\$ 35,619.70	\$ 41,169.70	\$ 517,000.00	
G. & A. Expense Total:		\$ 122,538.03	\$ 105,303.03	\$ 136,216.67	\$ 146,303.03	\$ 105,443.03	\$ 110,688.03	\$ 105,303.03	\$ 105,653.03	\$ 110,583.03	\$ 107,163.03	\$ 105,303.03	\$ 136,503.03	\$ 1,397,000.00	
Total Expenses:		\$ 227,246.36	\$ 210,011.36	\$ 360,925.00	\$ 261,011.36	\$ 225,151.36	\$ 240,396.36	\$ 240,011.36	\$ 255,361.36	\$ 265,291.36	\$ 261,871.36	\$ 310,011.36	\$ 391,211.36	\$ 3,248,500.00	

2023 OPERATING BUDGET CAPITAL IMPROVEMENTS

	DRAFT 2023 CIP												TOTAL
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Domestic Water System													
Holly Drive Tank, Phase III			\$ 235,000	\$ 235,000	\$ 165,000	\$ 135,000	\$ 135,000	\$ 135,000					\$ 1,040,000
SCADA PLC Controller Replacement		\$ 40,000											\$ 40,000
Cucamonga Crosswall Enviro Mitigation					\$ 73,000								\$ 73,000
Site 19 Well test hole			\$ 282,750	\$ 282,750	\$ 282,750	\$ 282,750							\$ 1,131,000
Well 16 Conversion								\$ 135,000	\$ 135,000	\$ 135,000			\$ 405,000
Glendale Road Pipeline Replacement			\$ 90,000	\$ 90,000	\$ 90,000								\$ 270,000
San Mateo Drive Pipeline Replacement							\$ 38,000	\$ 38,000					\$ 76,000
Total	\$ -	\$ 40,000	\$ 607,750	\$ 607,750	\$ 610,750	\$ 417,750	\$ 173,000	\$ 308,000	\$ 135,000	\$ 135,000	\$ -	\$ -	\$ 3,035,000
Irrigation System													
SCADA PLC Controller Replacement			\$ 80,000										\$ 80,000
Well 31 Pipeline Relocation/Replacement		\$ 20,000	\$ 20,000	\$ 20,000				\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000		\$ 420,000
Well 31 Rehabilitation	\$ 220,000												\$ 220,000
Paloma Curve Hydraulic Break		\$ 40,000	\$ 40,000	\$ 40,000		\$ 320,000	\$ 320,000	\$ 320,000					\$ 1,080,000
Total	\$ 220,000	\$ 60,000	\$ 140,000	\$ 60,000	\$ -	\$ 320,000	\$ 320,000	\$ 410,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ -	\$ 1,800,000
General Company													
Consolidated Campus	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000									\$ 60,000
Total CIP + Equipment + Reports	\$ 235,000	\$ 115,500	\$ 1,162,750	\$ 683,250	\$ 610,750	\$ 741,250	\$ 493,000	\$ 718,500	\$ 225,000	\$ 225,000	\$ 90,000	\$ -	\$ 5,300,000

Old \$3,014,000.00
 New \$1,821,000.00
 62%

2023 OPERATING BUDGET EQUIPMENT/STUDIES/REPORTS

		DRAFT 2023 EQUIPMENT												TOTAL
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
#	Equipment Purchases													
1	Computers						\$ 3,000							\$ 3,000
2	Misc. Hand Tools for Trucks		\$ 500		\$ 500		\$ 500		\$ 500					\$ 2,000
3	Operations Trucks (Dump and F350)			\$ 400,000										\$ 400,000
	Total	\$ -	\$ 500	\$ 400,000	\$ 500	\$ -	\$ 3,500	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ 405,000

		DRAFT 2023 STUDIES AND REPORTS												TOTAL
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
#	Studies and Reports													\$ -
	Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CAPITAL IMPROVEMENTS

Project Title: **Holly Drive Tank, Phase III**

Total Budget: **\$1,040,000**

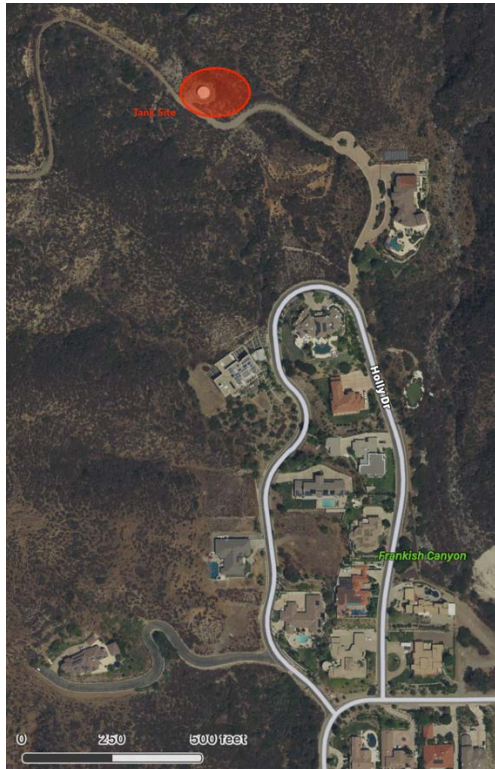
Engineering: \$126,000

Tank Construction: \$914,000

Schedule:

Construction: March 2023 - August 2023

Location:



Justification: Provide an additional 120,000-gallon storage capacity to meet operational storage, emergency storage and fire flow requirements. This will complete the Holly Drive Tank Site Improvements with a final storage amount of 240,000 gallons. Phase I was construction of a new tank pad site and retaining wall, Phase II was construction of a 120,000-gallon steel tank and abandonment of the existing 60,000-gallon steel tank.

Project Title: **SCADA PLC Controller Replacement**

Total Budget: **\$40,000**

Engineering: \$0

Construction: \$40,000

Schedule:

Installation: February 2023

Location: System Wide

Justification: A water system is controlled in-part through the System Control and Data Acquisition (SCADA) computer network. Communications occur between the central control server and Programmable Logic Controllers (PLCs) located at each facility. PLCs contain instructions on site specific activities ranging from reservoir water levels, chlorination levels and site security alarms. The Company's current PLC inventory contains almost 40 PLCs of differing electronics from different companies programmed by different people, without the benefit of standardization or documentation retained by the Company.

Staff is proposing the modernization of Company PLCs on a multi-year basis, replacing two to four per year. Replacement will include standardization of instruction sets and documentation of each PLC's programming, input and output.

Project Title: **Cucamonga Crosswall Environmental Mitigation, Year 5 of 5**

Total Budget: **\$73,000**

Maintenance: \$73,000

Schedule:

Maintenance: April & August 2023

Location:



Justification: As a condition of the Cucamonga Crosswalls repair project, the Company committed to conduct mitigation and associated environmental monitoring for a period of no less than five years. This commitment was a condition of the California Department of Fish and Wildlife Streambed Alteration Agreement.

The mitigation includes yearly removal of invasive plant species and seeding of native plant species. Mitigation will occur in the late winter-early spring months. The intent is to provide enough time for native and invasive seed to germinate but not establish strong roots or go to seed.

Project Title: **Well Site 19**

Total Budget: **\$2,500,000**

Test Well: \$1,131,000

Production Well: \$1,500,000 (scheduled for 2024)

Schedule:

Test Well: Mar – Jun 2023

Location:



Justification: The 2008 Master Plan recommended a new well to meet supply requirements. Construct a new well at Site 19 was identified in the 2017 Master Plan as a high priority project.

Staff is proposing the design and construction of a pilot hole and full well design in 2023. The pilot hole is intended to provide hydrogeologic information regarding material and estimated yield of proposed production well.

Project Title: **Well Site 16 Conversion**

Total Budget: **\$405,000**

Schedule:

Test Well: Aug – Oct 2023

Location:



Justification: Well 16 is a domestic system facility that pumps from the Chino Basin. The motor is currently lubricated utilizing a food grade oil. This type of lubricant system was normal in the well industry for many years. Using oil, food grade or not, in a domestic water production well is problematic because inevitably, some oil will enter the water column. Oil is a natural media for bacteria to form on. Avoiding food grade oil in the system is desirable.

Staff is proposing the conversion of Well 16 to a water-flush lube facility. We are also proposing to lower the bowl assembly 60 feet deeper into the well, allowing more vertical distance between the bowls and water table. The deeper bowls won't increase production, but will allow for longer seasonal run-times.

Project Title: **Glendale Road Pipeline Replacement**

Total Budget: **\$276,000**

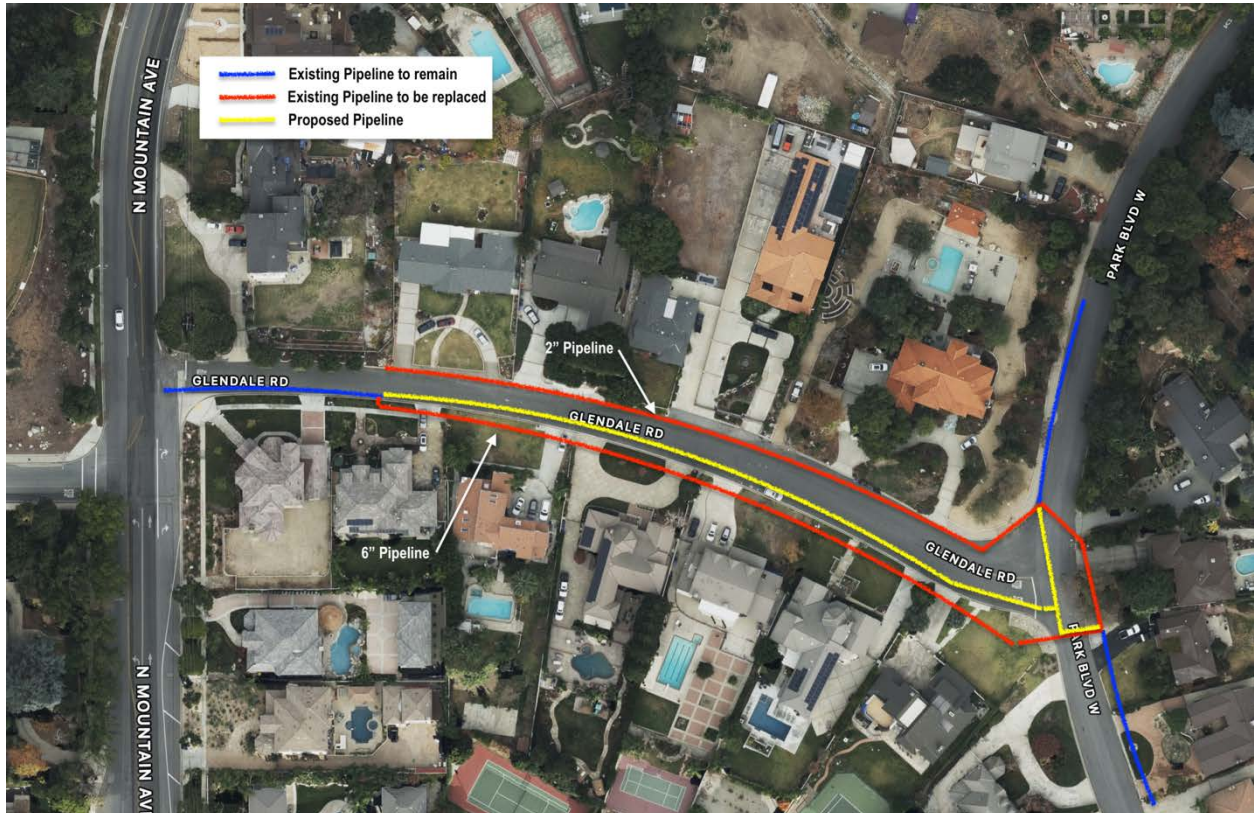
Engineering: \$46,000

Construction: \$230,000

Schedule:

Construction: March 2023 - May 2023

Location:



Justification: Glendale Road is currently supplied water by two pipelines: a 6" diameter pipeline located within the landscaping of homes on the southern side of the street and a 2" diameter pipeline located on the northern edge of the pavement. Both pipelines have reached the end of their service life.

The project would install approximately 770 LF of new 8" diameter pipeline within Glendale Road, along with appurtenances (valving, service laterals and hydrants).

This project was added to the Company CIP list mid-year 2022. Design is completed and bidding will begin in December/January.

Project Title: **San Mateo Drive Pipeline Replacement**

Total Budget: **\$76,000**

Engineering: \$6,000

Construction: \$70,000

Schedule:

Construction: July 2023 - August 2023

Location:



Justification: San Mateo Drive is currently feed by a 2" galvanized loop system. In the summer of 2022 staff repaired a corroded service coupling on the upper end of the line. Staff is proposing modernizing by abandonment of the 2" galvanized mainline and installation of approximately 250 LF of 8" PVC mainline. Staff will discuss installation of a hydrant at the end of the line with the home owners. If they don't want a hydrant, a blow-off will be installed within the cul-de-sac.

Project Title: **Irrigation SCADA PLC Controller Replacement**

Total Budget: **\$80,000**

Installation: \$80,000

Schedule:

Installation: March 2023

Location: System Wide

Justification: A water system is controlled in-part through the System Control and Data Acquisition (SCADA) computer network. Communications occur between the central control server and Programmable Logic Controllers (PLCs) located at each facility. PLCs contain instructions on site specific activities ranging from reservoir water levels, chlorination levels and site security alarms. The Company's current PLC inventory contains 12 PLCs, with differing electronics from different companies programmed by different people, without the benefit of standardization or documentation retained by the Company.

Staff is proposing the modernization of Company PLCs on a multi-year basis, replacing two to four per year. Replacement will include standardization of instruction sets and documentation of each PLC's programming, input and output.

Project Title: Well 31 Pipeline Relocation/Replacement

Total Budget: **\$420,000 (1,400 LF x \$300/LF)**

Soft Costs (Engineering, Permitting, Easements, Inspection, Testing): \$63,000 (15% of project cost)

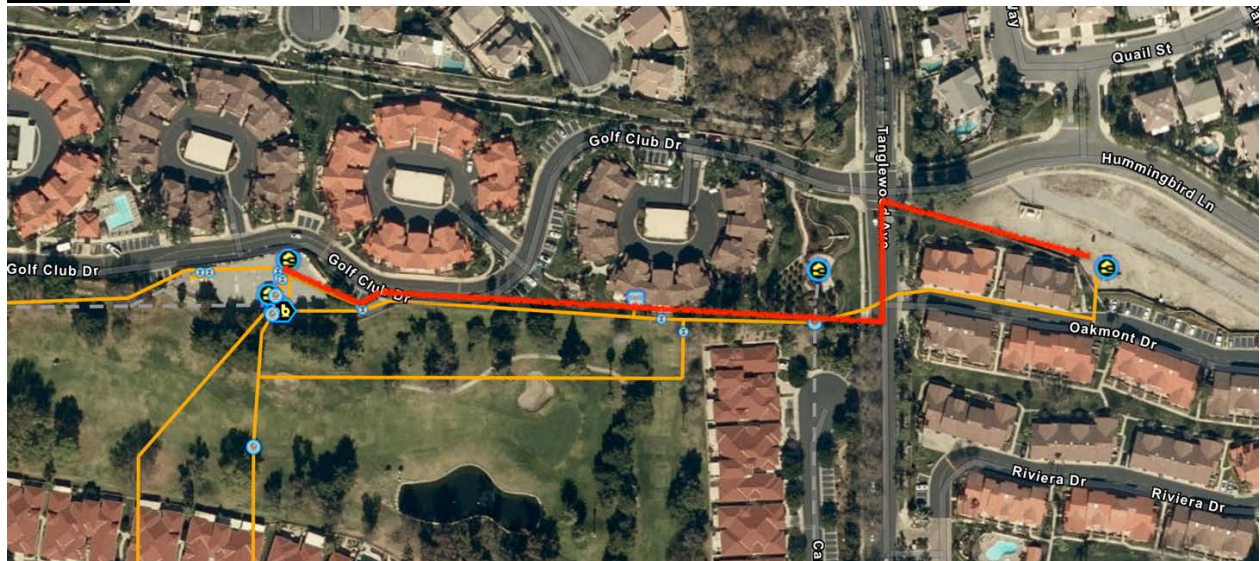
Construction: \$357,000 (85% of project cost)

Schedule:

Design: Feb 2023 – Apr 2023

Construction: August 2023 – October 2023

Location:



Justification:

Replace approximately 1,400 linear feet of 14" pipeline from Well 31 delivering water to facilities at Golf Club Drive along backside of homes and within Upland Hills Country Club waterline easement. Abandon aged pipeline. The current steel pipeline was installed before 1976 and has exceeded its useful life. Identified by staff as a high maintenance pipeline.

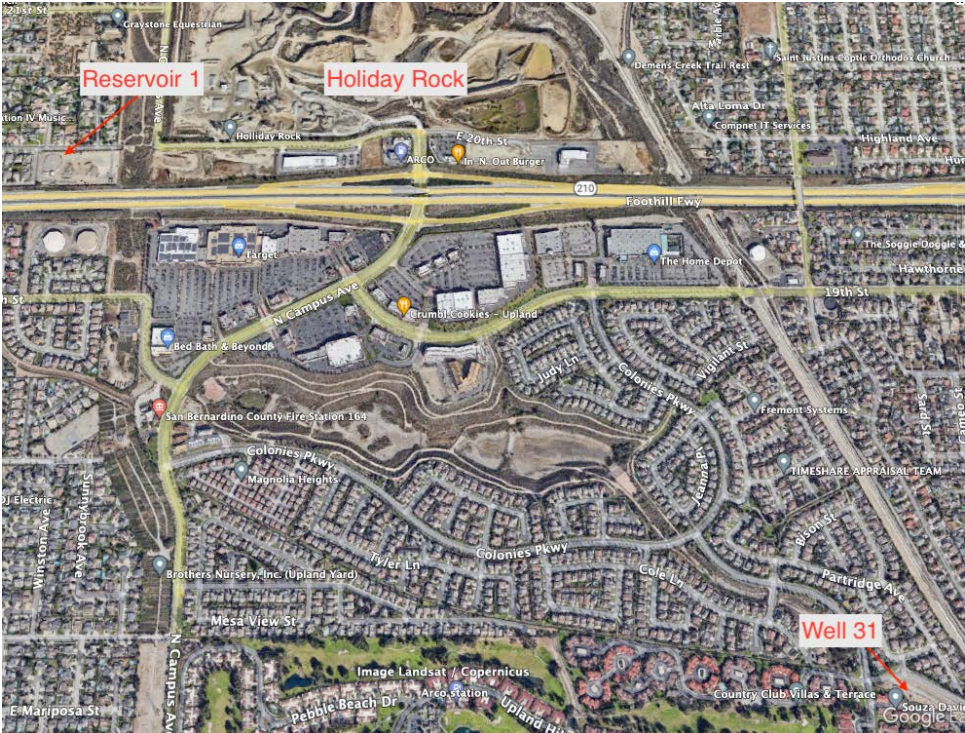
Project Title: **Well 31 Rehabilitation**

Total Budget: **\$220,000**
Engineering: \$20,000
Construction: \$200,000

Schedule:

Construction: January – February 2023

Location:



Justification: Well 31 delivers untreated Chino Basin Groundwater to SAWCO Reservoir 1. From Reservoir 1 water is delivered to Holiday Rock. Reservoir 1 also received canyon water when it is available. Absent San Antonio Creek diversions, Well 31 is the only source of water for Reservoir 1 under normal conditions. Given the time of year, there is currently no creek diversion flow into Reservoir 1.

In October of 2022 Well 31 suffered a catastrophic failure, losing the lower bowl assembly due to wear and corrosion. Staff was able to modify deliveries in the Heights to 'push' water from the domestic system into the irrigation system for delivery into Reservoir 1. This is not an ideal situation and only provides limited flow to Holiday Rock.

Staff initiated an emergency review of Well 31 with General Pump Company, the results of which are attached. Staff is recommending rehabilitation of Well 31.

Project Title: **Paloma Curve Hydraulic Break**

Total Budget: **\$1,080,000**

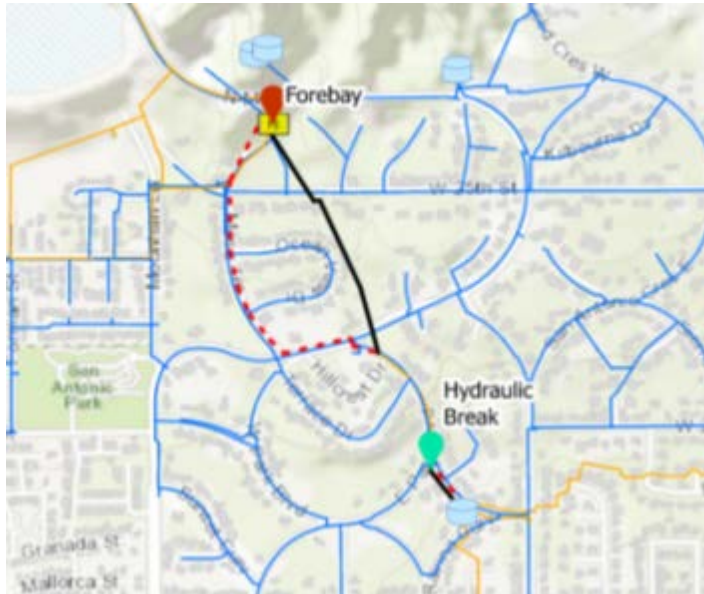
Engineering: \$120,000

Construction: \$960,000

Schedule:

Construction: June 2023 - August 2023

Location:



Justification: The Paloma Curve Hydraulic Break consists of an abandoned hydrogenator plant owned by the City of Upland and a concrete Hydraulic Break owned by the Company. The facility was designed to convert hydraulic energy into electrical energy and remove any remaining hydraulic energy prior to discharge at the Company's Reservoir Number Four.

During periods of high-water flow (sustained average-or-higher rainfall events) the amount of water flowing through the facility can create significant low frequency vibrations. These events occur only periodically (once every couple of years). The current property owner has requested that the Company eliminate the noise and/or abandon the facility.

Given that the existing facility and penstock pipeline have exceeded their design life the Company approved replacement of facilities from the Forebay down to Reservoir 4, effectively removing the hydraulic break.

Project Title: **Consolidated Facilities**

Total 2023 Budget: **\$60,000**

Architecture and Design: \$60,000

Construction: TBD

Schedule:

Construction: Proposed 2024

Location:



Justification: The Company currently operates out of two facilities (Operations Yard and Office Building), each over 100 years old. The Company is researching consolidation of both facilities onto a single site.

The Board has authorized staff to conduct a feasibility study to consider the Company owned 20th Street property as a potential site.

ENTITLEMENT PROJECTIONS

		2023 Projections												Entitlement
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	
San Antonio Heights	Projected Monthly Delivery	60	65	60	62	112	140	150	160	160	120	100	80	
	Projected Cumulative Delivery	60	125	185	247	359	499	649	809	969	1,089	1,189	1,269	= 1,269
City of Upland	Projected Monthly Delivery	500	500	400	400	800	1,300	1,300	1,100	950	720	620	596	
	Projected Cumulative Delivery	500	1,000	1,400	1,800	2,600	3,900	5,200	6,300	7,250	7,970	8,590	9,186	= 9,186
Monte Vista Water District	Projected Monthly Delivery	48	48	48	48	52	52	52	52	52	48	48	48	
	Projected Cumulative Delivery	48	96	144	192	244	296	348	400	452	500	548	596	= 672
City of Ontario	Projected Monthly Delivery	38	38	38	38	42	42	42	42	42	38	38	38	
	Projected Cumulative Delivery	38	76	114	152	194	236	278	320	362	400	438	476	= 601
Holiday Rock Company	Projected Monthly Delivery	20	20	20	20	24	25	30	30	30	20	20	10	
	Projected Cumulative Delivery	20	40	60	80	104	129	159	189	219	239	259	269	= 269
Red Hills Golf Course	Projected Monthly Delivery	8	15	8	20	45	55	60	60	55	50	40	30	
	Projected Cumulative Delivery	8	23	31	51	96	151	211	271	326	376	416	446	= 444
Red Hills HOA	Projected Monthly Delivery	1	1	1	1	1	2	2	2	2	2	1	1	
	Projected Cumulative Delivery	1	2	3	4	5	7	9	11	13	15	16	17	= 20
Minor Irrigators	Projected Monthly Delivery	1	2	1	1	6	8	8	10	10	8	6	4	
	Projected Cumulative Delivery	1	3	4	5	11	19	27	37	47	55	61	65	= 102
COMPANY TOTAL (EX. INACTIVE)														
Projected Monthly Delivery	676	689	576	590	1,082	1,624	1,644	1,456	1,301	1,006	873	807		
Projected Cumulative Consumption	676	1,365	1,941	2,531	3,613	5,237	6,881	8,337	9,638	10,644	11,517	12,324		
Straight Line Mnthly Ent	1,047.56	1,047.56	1,047.56	1,047.56	1,047.56	1,047.56	1,047.56	1,047.56	1,047.56	1,047.56	1,047.56	1,047.56	1,047.56	
Cumulative Mnthly Ent	1,048	2,095	3,143	4,190	5,238	6,285	7,333	8,380	9,428	10,476	11,523	12,571		
Active Share Ent	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571	

		Projected Production												Entitlement
Gravity	300	600	600	600	600	400	300	200	100	100	100	100	100	
Gravity Cumulative	300	900	1500	2100	2700	3100	3400	3600	3700	3800	3900	4000	4000	= 4,425
Chino						100	100	100	100	100	100	100	100	
Chino Cumulative	0	0	0	0	0	100	200	300	400	500	600	700	700	= 1,232
Cucamonga	200	200	300	600	600	700	700	700	600	600	400	400	400	
Cucamonga Cumulative	200	400	700	1300	1900	2600	3300	4000	4600	5200	5600	6000	6000	= 5,981
Six Basins	80	80	80	80	80	80	90	100	100	90	80	80	80	
Six Basins Cumulative	80	160	240	320	400	480	570	670	770	860	940	1020	1020	= 932