



**AGENDA**  
**YORBA LINDA WATER DISTRICT**  
**BOARD OF DIRECTORS WORKSHOP MEETING**  
**Tuesday, May 23, 2017, 4:00 PM**  
**1717 E Miraloma Ave, Placentia CA 92870**

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**1. CALL TO ORDER**

**2. ROLL CALL**

J. Wayne Miller, President  
Al Nederhood, Vice President  
Andrew J. Hall, Director  
Phil Hawkins, Director  
Brooke Jones, Director

**3. PUBLIC COMMENTS**

Any individual wishing to address the Board is requested to identify themselves and state the matter on which they wish to comment. If the matter is on the agenda, the Board will recognize the individual for their comment when the item is considered. No action will be taken on matters not listed on the agenda. Comments are limited to matters of public interest and matters within the jurisdiction of the Water District. Comments are limited to three minutes.

**4. DISCUSSION ITEMS**

This portion of the agenda is for matters that cannot reasonably be expected to be concluded by action of the Board of Directors at the meeting, such as technical presentations, drafts of proposed policies, or similar items for which staff is seeking the advice and counsel of the Board of Directors. Time permitting, it is generally in the District's interest to discuss these more complex matters at one meeting and consider formal action at another meeting. This portion of the agenda may also include items for information only.

**4.1. Budget for 5-Year Capital Improvement Plan, Supplies and Services, and Salaries and Benefits for FY 2018**

**5. ADJOURNMENT**

**Items Distributed to the Board Less Than 72 Hours Prior to the Meeting**

Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection in the lobby of the District's business office located at 1717 E. Miraloma Avenue, Placentia, CA 92870, during regular business hours. When practical, these public records will also be made available on the District's internet website accessible at <http://www.ylwd.com/>.

**Accommodations for the Disabled**

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning the Executive Secretary at 714-701-3020, or writing to Yorba Linda Water District, P.O. Box 309, Yorba Linda, CA 92885-0309. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so the District staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the District to provide the requested accommodation.

## AGENDA REPORT

ITEM NO. 4.1

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**Meeting Date:** May 23, 2017

**Subject:** Budget for 5-Year Capital Improvement Plan, Supplies and Services, and Salaries and Benefits for FY 2018

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### ATTACHMENTS:

Name:

[Budget\\_Workshop\\_Presentation.pdf](#)

Description:

Backup Material

Type:

Backup Material



# **Budget Workshop #3 FY 2018**

*Presented By:*

Marc Marcantonio, General Manager

Gina Knight, HR & Risk Manager

Kelly McCann, Senior Accountant

Cindy Botts, Management Analyst

April 23, 2017

A horizontal splash of water with droplets and bubbles, positioned at the top of the page.

**CIP**

# FY18 CIP Key Factors

- Capital-related Expenditures consist of 3 Categories:
  1. Capital Improvement Projects (New Projects)
  2. Replacement & Refurbishment (R&R)
  3. Capital Outlay (Trucks, SCADA upgrades, etc.)
- No Additional Money Requested this Year
  - Update to Asset Management Plan in FY18
  - AMP Recommendations incorporated in FY19
- Without Additional Funds Authorized for Use, Out of R&R Funds by FY21

# Capital-Related Expenditures

	FY15 Actuals	FY16 Actuals	FY17 Budget	FY17 Forecast	FY18 Budget
Capital Improvement Projects (CIP)	\$1.0M	\$0.8M	\$3.5M	\$3.3M	\$1.0M
R & R	\$0.2M	\$0.2M	\$1.1 M	\$0.5M	\$1.1M
Capital Outlay	\$0.4M	\$0.1M	\$0.9M	\$0.8M	\$0.3M
<b>TOTAL:</b>	<b>\$1.6M</b>	<b>\$1.1M</b>	<b>\$5.5M</b>	<b>\$4.6M</b>	<b>\$2.4M</b>

Note: FY18 Budget does not include \$3.9M in the CIP category that is funded out of the 2017A bonds.

# FY18 Capital Improvement Projects



See Handout

Water Capital Reserve/Investment Acct Balance 2/28/2017	\$16,414,896
Less Minimum Water Capital Reserve Requirement	\$1,820,000
<b>Water Capital Funds Available for Use at 2/28/2017</b>	<b>\$14,594,896</b>

	1	2	3	4	5 Year CIP Budget For Expenditures for Approved Projects							
	/-----Total CIP Budget as Approved-----\				5 Year CIP Budget For FY17	Recommended Budget Adjustments to Listed CIP Budgets	Revised 5 Year CIP Budget for FY18	Year-End FY17 Projected CIP Expenditures	FY18 Budgeted CIP Expenditures	FY19 Budgeted CIP Expenditures	FY20 Budgeted CIP Expenditures	FY21 Budgeted CIP Expenditures

**Water Capital Funds Available for Use**

A S & W Well Project (Well No. 22)	\$ 2,500,000	\$ -	\$ 2,500,000	\$ 49,170	\$ 1,018,116	\$ 90,000	\$ 1,300,000	\$ -	\$ -	\$ -	\$ -	\$ -
B Lakeview Grade Separation	\$ 662,444	\$ -	\$ 662,444	\$ 176,659	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
C Fairmont BPS Upgrade	\$ 7,830,005	\$ -	\$ 7,830,005	\$ 1,690,015	\$ 3,663,369	\$ 2,009,824	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal</b>	<b>\$ 10,992,449</b>	<b>\$ -</b>	<b>\$ 10,992,449</b>	<b>\$ 1,837,594</b>	<b>\$ 4,831,485</b>	<b>\$ 2,099,824</b>	<b>\$ 1,300,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Rehabilitation & Restoration**

D Timber Ridge BPS Rehabilitation	\$ 900,000	\$ -	\$ 900,000	\$ -	\$ -	\$ -	\$ 90,000	\$ 810,000	\$ -	\$ -	\$ -	\$ -
E Lakeview Booster Piping	\$ 154,000	\$ -	\$ 154,000	\$ -	\$ -	\$ -	\$ 38,500	\$ 115,500	\$ -	\$ -	\$ -	\$ -
F PRS Rehabilitation Phase 2	\$ 726,000	\$ -	\$ 726,000	\$ 11,361	\$ 574,639	\$ 140,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
R&R Water & Sewer Investment	\$ 2,138,585	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
G Richfield Chlorination System	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
H Well 20 On-Site Chlorine Generation System	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
I Chlorination System at CDB and HH Reservoirs	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
J North Palm Avenue Pipeline	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
K Susana, Bryant & John Bixby Pipelines	\$ -	\$ 900,000	\$ 900,000	\$ -	\$ 50,000	\$ 850,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
L Replace old Cast Iron Pipelines (1920s to 1940s)	\$ -	\$ 738,585	\$ 738,585	\$ -	\$ 50,000	\$ 688,585	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
M Camino Verde/South Ohio St Pipeline	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
N Imperial Hwy Pipeline	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
O South Ohio St Pipeline	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
P Rose Drive Pipeline	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Q San Antonio Pipeline	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
R Valve Replacement inside Dist Reservoirs (10 valves)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
S PRS Rehabilitation Phase 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
T Sewer R&R (Relining)	\$ -	\$ 200,000	\$ 200,000	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
U	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>R &amp; R Subtotal</b>	<b>\$ 3,918,585</b>	<b>\$ 2,138,585</b>	<b>\$ 3,918,585</b>	<b>\$ 11,361</b>	<b>\$ 1,074,639</b>	<b>\$ 1,778,585</b>	<b>\$ 128,500</b>	<b>\$ 925,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Vehicle and Capital Equipment Replacement - Capital Outlay**

(Single Year Budget Forecast)

V Vehicle & Capital Equipment Replacement - Sewer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
W Vehicle & Capital Equipment Replacement - Water	\$ 963,000	\$ 1,010,101	\$ 1,973,101	\$ 777,101	\$ 292,000	\$ 260,000	\$ 220,000	\$ 262,000	\$ 162,000	\$ 162,000	\$ 162,000	\$ 162,000
Vehicle & Capital Equipment Subtotal	\$ 963,000	\$ 1,010,101	\$ 1,973,101	\$ 777,101	\$ 292,000	\$ 260,000	\$ 220,000	\$ 262,000	\$ 162,000	\$ 162,000	\$ 162,000	\$ 162,000
<b>Subtotal</b>	<b>\$ 15,874,034</b>	<b>\$ 3,148,686</b>	<b>\$ 16,884,135</b>	<b>\$ 2,626,056</b>	<b>\$ 6,198,124</b>	<b>\$ 4,138,409</b>	<b>\$ 1,648,500</b>	<b>\$ 1,187,500</b>	<b>\$ 162,000</b>	<b>\$ 162,000</b>	<b>\$ 162,000</b>	<b>\$ 162,000</b>

Projects Completed in FY17	Total Project Budget FY16	Over/(Under) Budget	Adjusted Total CIP Budget FY17	FY17 Projected CIP Expenditures
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X S & W Well Project (Well No. 21)	\$ 2,306,789	\$ -	\$ 2,306,789	\$ 322,878
Y Richfield Road Pipeline	\$ 1,450,000	\$ -	\$ 1,450,000	\$ 1,152,723
Z 2015 Waterline Replacement	\$ 1,240,000	\$ -	\$ 1,240,000	\$ 545,639
<b>AA</b>	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 4,996,789</b>	<b>\$ 2,021,239</b>
<b>AB</b>	<b>TOTAL</b>	<b>\$ 3,148,686</b>	<b>\$ 21,880,924</b>	<b>\$ 4,647,295</b>

Restricted Funds for Fairmont BPS (2017A Revenue Bonds)

(\$3,663,369) (\$2,009,824)

<b>GRAND TOTAL</b>	<b>\$ 20,870,823</b>	<b>\$ 3,148,686</b>	<b>\$ 21,880,924</b>	<b>\$ 4,647,295</b>	<b>\$ 2,534,755</b>	<b>\$ 2,128,585</b>	<b>\$ 1,648,500</b>	<b>\$ 1,187,500</b>	<b>\$ 162,000</b>
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<b>AD Water Capital Reserves Available to Fund Future CIP (excludes Fairmont BPS)</b>	<b>\$ 9,353,158</b>	<b>\$ 7,224,573</b>	<b>\$ 5,576,073</b>	<b>\$ 4,388,573</b>	<b>\$ 4,226,573</b>
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# Supplies & Services

# FY18 Supplies and Services Detail

	FY17	FY17	FY17	FY18	Budget FY18 vs. Forecast FY17	
	Budget	Forecast	Variance	Budget	Increase/ Decrease	% Variance
Communications	\$ 212,825	\$ 175,272	\$ (37,553)	\$ 226,575	\$ 51,303	29%
Contractual Services	\$ 551,165	\$ 463,868	\$ (87,297)	\$ 523,490	\$ 59,622	13%
Data Processing	\$ 263,709	\$ 252,927	\$ (10,782)	\$ 250,400	\$ (2,527)	-1%
Dues & Memberships	\$ 91,285	\$ 88,360	\$ (2,925)	\$ 86,545	\$ (1,815)	-2%
Fees & Permits	\$ 251,425	\$ 264,553	\$ 13,128	\$ 282,115	\$ 17,562	7%
Board Election Expenses	\$ 246,000	\$ 129,971	\$ (116,029)	\$ -	\$ (129,971)	-100%
Insurance	\$ 286,340	\$ 256,298	\$ (30,042)	\$ 286,340	\$ 30,042	12%
Materials	\$ 817,200	\$ 866,084	\$ 48,884	\$ 849,000	\$ (17,084)	-2%
District Activities & Events	\$ 28,450	\$ 9,606	\$ (18,844)	\$ 24,200	\$ 14,594	152%
Maintenance	\$ 564,830	\$ 509,261	\$ (55,569)	\$ 509,900	\$ 639	0%
Non-Capital Equipment	\$ 193,050	\$ 139,095	\$ (53,955)	\$ 180,825	\$ 41,730	30%
Office Expense	\$ 41,600	\$ 37,439	\$ (4,161)	\$ 42,625	\$ 5,186	14%
Professional Services	\$ 598,000	\$ 571,020	\$ (26,980)	\$ 850,525	\$ 279,505	49%
Professional Development	\$ 77,085	\$ 44,480	\$ (32,605)	\$ 67,210	\$ 22,730	51%
Travel & Conferences	\$ 121,565	\$ 61,761	\$ (59,804)	\$ 113,745	\$ 51,984	84%
Uncollectible Accounts	\$ 35,000	\$ 18,243	\$ (16,757)	\$ 25,000	\$ 6,757	37%
Utilities	\$ 227,500	\$ 139,314	\$ (88,186)	\$ 176,700	\$ 37,386	27%
Vehicle Expenses	\$ 362,200	\$ 338,410	\$ (23,790)	\$ 356,000	\$ 17,590	5%
	<b>\$4,969,229</b>	<b>\$4,365,962</b>	<b>\$(603,267)</b>	<b>\$4,851,195</b>	<b>\$ 485,233</b>	<b>11%</b>

# FY18 Supplies and Services

## Key Factors- Categories $\geq 5\%$ Change

Category	Increase over FY17 Forecast	% Change	Explanation
Communications	\$51,303	29%	Update to District Website
Contractual Services	\$59,622	13%	\$46,000 Customer Usage Analytics- previously paid for by Penalties \$13,000 Increase in Water Quality Testing
Fees & Permits	\$17,562	7%	Landfill/AQMD fee increases
Board Election Expenses	(\$129,971)	-100%	No Board Election Costs for FY18
Insurance	\$30,042	12%	Increase of Liability/Property Insurance Premiums
District Activities & Events	\$14,594	152%	Employee Communication & Service Recognition
Non-Capital Equipment	\$41,730	30%	\$25,000 CMMS Notebooks- Delayed* \$16,000 IT Switches & Network Equipment- Delayed
Office Expense	\$5,186	14%	Emergency Preparedness Materials, Increase in Office Supplies

\* May be included in potential Administrative Reserve category in Draft Reserve Policy

# FY18 Supplies and Services

## Key Factors- Categories $\geq 5\%$ Change

Category	Increase over FY17 Forecast	% Change	Explanation
Office Expense	\$5,186	14%	Emergency Preparedness Materials, Increase in Office Supplies
Professional Services	\$279,505	49%	
	\$100,000	36%	Asset Management Plan Update
	\$60,000	21%	Employee Compensation Survey
	\$50,000	18%	Legal Costs- Employment Law
	\$50,000	18%	Public Affairs Consultant
	\$20,000	07%	CMMS Consultant
Professional Development	\$22,730	51%	Staff not able to attend due to workload
Travel & Conferences	\$51,984	84%	Staff not able to attend due to workload, Additional BOD conferences, etc.

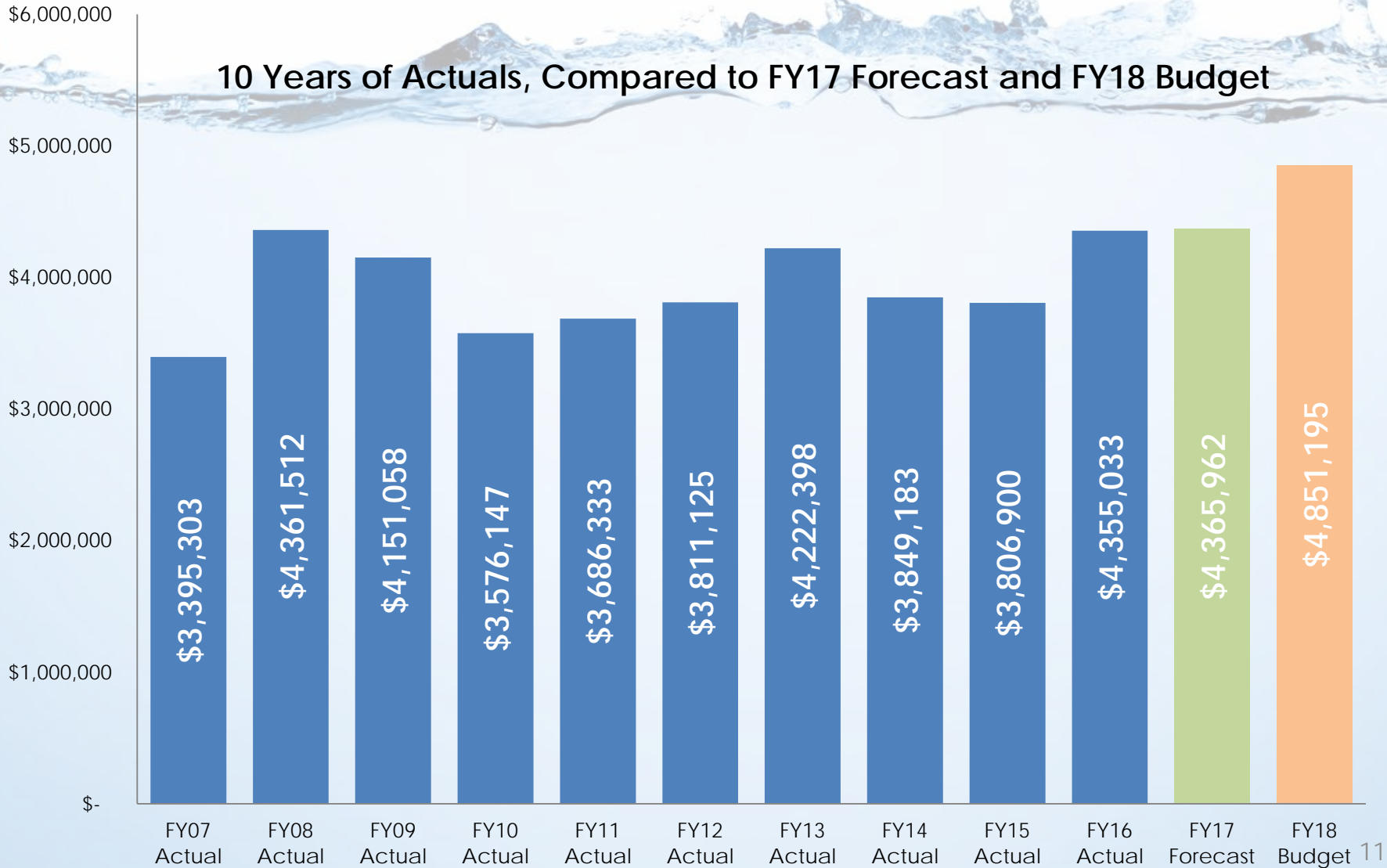
# FY18 Supplies and Services

## Key Factors- Categories $\geq 5\%$ Change

Category	Increase over FY17 Forecast	% Change	Explanation
Uncollectible Accounts	\$6,757	37%	Lower than expected Expenses in FY17 Forecast. Anticipate slightly more in FY18
Utilities	\$37,386	27%	Monthly Cost for Use of Internet Fiber Access Line- Delayed
Vehicle Expense	\$17,590	5%	Anticipated increases in Fuel Costs

# Supplies & Services Actuals to Forecast/Budget

10 Years of Actuals, Compared to FY17 Forecast and FY18 Budget



# Supplies & Services FY14 to FY18 Comparison

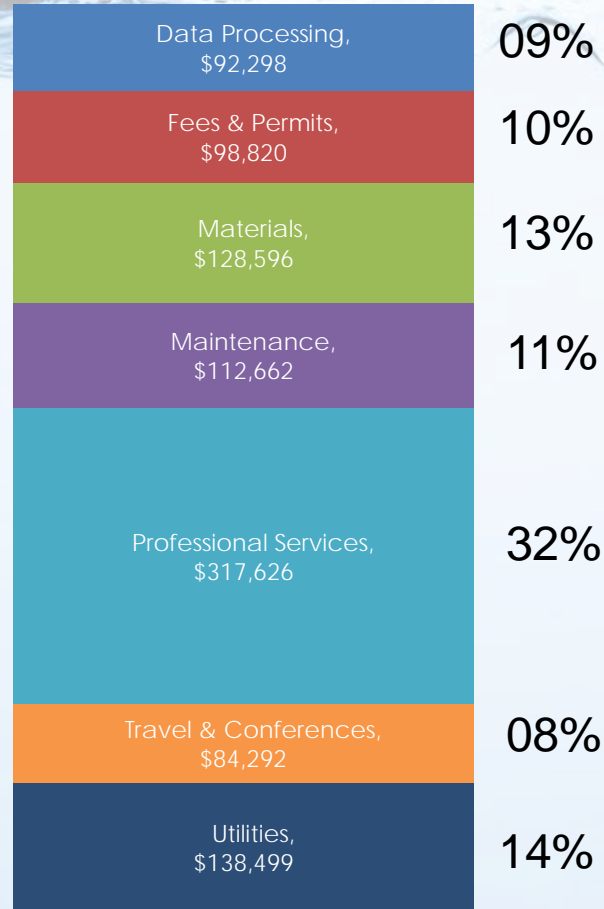
	FY14 Actual	FY17 Forecast	FY18 Budget	Budget FY18 vs. Actual FY14	
				Increase/ Decrease	% Variance
Communications	\$ 214,663	\$ 175,272	\$ 226,575	\$ 11,912	6%
Contractual Services	\$ 567,131	\$ 463,868	\$ 523,490	\$ (43,641)	-8%
Data Processing	\$ 158,102	\$ 252,927	\$ 250,400	\$ 92,298	58%
Dues & Memberships	\$ 67,531	\$ 88,360	\$ 86,545	\$ 19,014	28%
Fees & Permits	\$ 183,295	\$ 264,553	\$ 282,115	\$ 98,820	54%
Board Election Expenses	\$ 37	\$ 129,971	\$ -	\$ (37)	-100%
Insurance	\$ 271,117	\$ 256,298	\$ 286,340	\$ 15,223	6%
Materials	\$ 720,404	\$ 866,084	\$ 849,000	\$ 128,596	18%
District Activities & Events	\$ 16,018	\$ 9,606	\$ 24,200	\$ 8,182	51%
Maintenance	\$ 397,238	\$ 509,261	\$ 509,900	\$ 112,662	28%
Non-Capital Equipment	\$ 138,443	\$ 139,095	\$ 180,825	\$ 42,382	31%
Office Expense	\$ 41,465	\$ 37,439	\$ 42,625	\$ 1,160	3%
Professional Services	\$ 532,899	\$ 571,020	\$ 850,525	\$ 317,626	60%
Professional Development	\$ 34,071	\$ 44,480	\$ 67,210	\$ 33,139	97%
Travel & Conferences	\$ 29,453	\$ 61,761	\$ 113,745	\$ 84,292	286%
Uncollectible Accounts	\$ 29,632	\$ 18,243	\$ 25,000	\$ (4,632)	-16%
Utilities	\$ 38,201	\$ 139,314	\$ 176,700	\$ 138,499	363%
Vehicle Expenses	\$ 409,483	\$ 338,410	\$ 356,000	\$ (53,483)	-13%
	<b>\$3,849,183</b>	<b>\$4,365,962</b>	<b>\$4,851,195</b>	<b>\$ 1,002,012</b>	<b>23%</b>

Note: Highlighted areas account for approximately 97% of FY14 Actual to FY18 Budget Variance



# FY14 to FY18 Variance Distribution

\$972,793



97% of Total Variance  
(\$1,002,012)



# FY14 to FY18 Variance Key Factors- Categories $\geq$ \$50,000 Change

Category	Increase over FY17 Forecast	% Change	Explanation
Data Processing	\$92,298	58%	Increased number of Software Purchases/Renewals
Fees & Permits	\$92,820	54%	\$50,000- Dept. of Health (WQ) fee increase \$30,000- AQMD fee increase
Materials	\$128,596	18%	Increased work completed & Increase in Cost of Supplies
Maintenance	\$112,662	28%	Increased work completed- Increases in Concrete, Asphalt, Dump Fees, etc.
Professional Services	\$317,626	60%	\$100,000- Asset Management Plan \$80,000- Routine Legal & HR Legal \$60,000- Employee Compensation Survey \$50,000- Public Affairs Consultant \$25,000- CMMS Consultant
Travel & Conferences	\$84,292	286%	Increased attendance/fees for conferences (BOD/GM = 74% of Total)
Utilities	\$138,499	363%	\$100,000- SCADA/IT Communications Lines \$40,000- Power cost increases



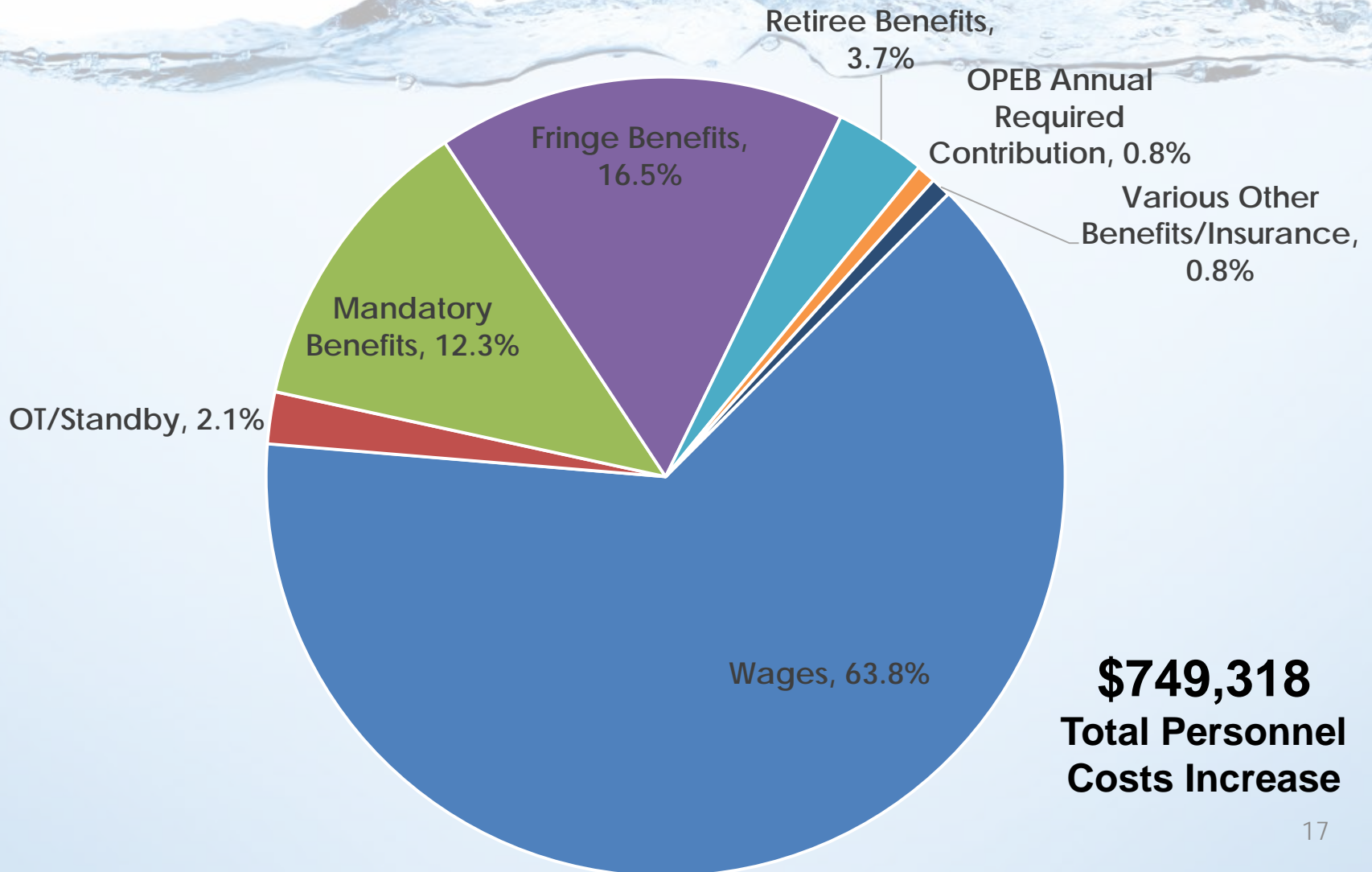
# Salaries & Benefits

# Personnel Costs (Summary)

	<b>Budget FY18 vs. Forecast FY17</b>					
	<b>FY17 Budget</b>	<b>FY17 Forecast</b>	<b>FY17 Variance</b>	<b>FY18 Budget</b>	<b>Increase/ (Decrease)</b>	<b>% Variance</b>
Total Wages	6,594,293	6,312,277	(282,016)	6,790,209	477,931	7.6%
Total Overtime	187,306	195,705	4,456	211,343	15,638	8.0%
Standby Day Pay	32,100	32,100	0	32,100	0	0.0%
Total Mandatory Benefits	1,019,024	1,034,816	15,792	1,127,246	92,430	8.9%
Total Fringe Benefits	1,252,447	1,196,897	(55,550)	1,320,486	123,589	10.3%
Retiree Benefits	148,114	117,354	(30,760)	145,244	27,890	23.8%
OPEB Annual Required Contribution	211,867	217,396	5,529	223,680	6,284	2.9%
1959 CalPERS Survivor Benefit	3,000	5,025	2,025	4,000	(1,025)	-20.4%
Replacement Benefit Plan	1,800	957	(843)	1,800	843	88.2%
Unemployment Insurance	11,700	5,961	(5,739)	11,700	5,739	96.3%
<b>Total =</b>	<b>9,461,651</b>	<b>9,118,489</b>	<b>(347,106)</b>	<b>9,867,807</b>	<b>749,318</b>	<b>8.2%</b>

# Personnel Costs (Summary, Continued)

## Variance Distribution- Budget FY18 to Forecast FY17



# Personnel Costs (Wages)

	FY17 Budget	FY17 Forecast	FY17 Variance	FY18 Budget	Budget FY18 vs. Forecast FY17	
					Increase/ (Decrease)	% Variance
Wages						
Regular	6,594,293	6,081,374	(512,919)	6,790,209	708,835	11.7%
Vacation Sale		46,919	46,919		(46,919)	
Mgmt Leave Payout		11,630	11,630		(11,630)	
Floating Holiday Cashout		18,923	18,923		(18,923)	
Paid for by Admin Penalties		153,431	153,431		(153,431)	
<b>Total Wages</b>	<b>6,594,293</b>	<b>6,312,277</b>	<b>(282,016)</b>	<b>6,790,209</b>	<b>477,931</b>	<b>7.6%</b>

- 64% of Total Personnel Cost Increase- Budget FY18 to Forecast FY17

# Personnel Costs (Wages, Continued)

## 7.6% Breakdown

- 96.3% Regular Wages
- 0.7% Vacation Sale
- 0.2% Management Leave
- 0.3% Floating Holiday
- 2.4% Previously Funded by Penalties
  - Water Conservation Supervisor
  - Maint. Distr. Operator 3
  - Water Conservation Rep.

## \$477,931 Breakdown

- \$216,070 New Positions
  - Accountant
  - Assistant General Manager
- \$261,862 Unfilled Positions
  - Assoc. Engineer
  - Chief Water System Operator
  - Communications Manager
  - Customer Service Rep. 3
  - (2) Maint. Distr. Operator 3
  - Management Analyst
  - Meter Reader 1

# Personnel Costs (Overtime & Stand-by)

	FY17 Budget	FY17 Forecast	FY17 Variance	FY18 Budget	Budget FY18 vs. Forecast FY17	
					Increase/ (Decrease)	% Variance
Overtime	189,278	192,007	2,729	211,343	19,336	10.1%
Paid for by Admin Penalties	1,971	3,698	1,727		(3,698)	
<b>Total Overtime</b>	<b>187,306</b>	<b>195,705</b>	<b>4,456</b>	<b>211,343</b>	<b>15,638</b>	<b>8.0%</b>
 Standby Day Pay	 32,100	 32,100		 32,100		 0.0%

- 2% of Total Personnel Cost Increase- Budget FY18 to Forecast FY17



# Personnel Costs (OT/Standby, Continued)



## 8.0% Breakdown

- 98.1% Regular OT
- 1.9% Previously Funded by Penalties

## \$15,638 Breakdown

- \$22,261 Increase due to Emergency Call-Outs/On-going Projects, COLA/Merit increases
- (\$6,623) Reduction due to New & Filled Positions/Less Demand on Staff/Consultants

**CY16: 833 OT Hours due to  
Emergency Call-Outs**



# Personnel Costs (Mandatory Benefits)

	FY17 Budget	FY17 Forecast	FY17 Variance	FY18 Budget	Budget FY18 vs. Forecast FY17	
					Increase/ (Decrease)	% Variance
Mandatory Benefits						
CalPERS/SS/Medicare	643,768	636,400	(7,368)	657,731	21,331	3.4%
Unfunded Accrued Liability	251,948	251,948		319,813	67,865	26.9%
Workers Compensation	123,308	129,806	6,498	149,702	19,896	15.3%
Paid for by Admin Penalties		16,662	16,662		(16,662)	
<b>Total Mandatory Benefits</b>	<b>1,019,024</b>	<b>1,034,816</b>	<b>15,792</b>	<b>1,127,246</b>	<b>92,430</b>	<b>8.9%</b>

- 12% of Total Personnel Cost Increase- Budget FY18 to Forecast FY17

# Personnel Costs (Mandatory Benefits, Continued)



## 8.9% Breakdown

- 61.5% CalPERS/SS/Medicare
- 24.3% Unfunded Liability
- 12.5% Workers Comp
- 1.6% Previously Funded by Penalties

## \$92,430 Breakdown

- \$21,331 CalPERS/SS/Medi.
- \$67,865 Unfunded Liability
- \$19,896 Workers Comp
- (\$16,662) Previously Funded by Penalties

# Personnel Costs (Fringe Benefits)

	FY17 Budget	FY17 Forecast	FY17 Variance	FY18 Budget	Budget FY18 vs. Forecast FY17	
					Increase/ (Decrease)	% Variance
Fringe Benefits						
Medical/Dental/Vision	1,081,070	1,011,539	(69,531)	1,140,109	128,570	12.7%
Certification/Class A Pay	19,950	18,543	(1,407)	19,788	1,245	6.7%
Tuition Reimbursement	6,324	5,466	(857)	6,074	608	11.1%
Other Insurances/Benefits*	145,103	125,599	(19,503)	154,515	28,916	23.0%
Paid for by Admin Penalties		35,749	35,749		(35,749)	
<b>Total Fringe Benefits</b>	<b>1,252,447</b>	<b>1,196,897</b>	<b>(55,550)</b>	<b>1,320,486</b>	<b>123,589</b>	<b>10.3%</b>

- 17% of Total Personnel Cost Increase- Budget FY18 to Forecast FY17
- \* Includes: Life Insurance, AD&D Insurance, LT Disability, ST Disability, EAP, FSA, Deferred Compensation Match, Boot Allowance, Car Allowance

# Personnel Costs (Fringe Benefits, Continued)



## 10.3% Breakdown

- 84.5% Medical/Dental/Vision
- 10.5% Other Fringe Benefits
- 3.0% Previously Funded by Penalties
- 1.5% Cert/Class A Pay
- 0.5% Tuition Reimbursement

## \$123,589 Breakdown

- \$128,570 Medical/Dental
- \$28,916 Other Fringe Benefits
- (\$35,749) Previously Funded by Penalties
- \$1,245 Cert/Class A Pay
- \$608 Tuition Reimbursement

# Personnel Costs (Other Benefits)

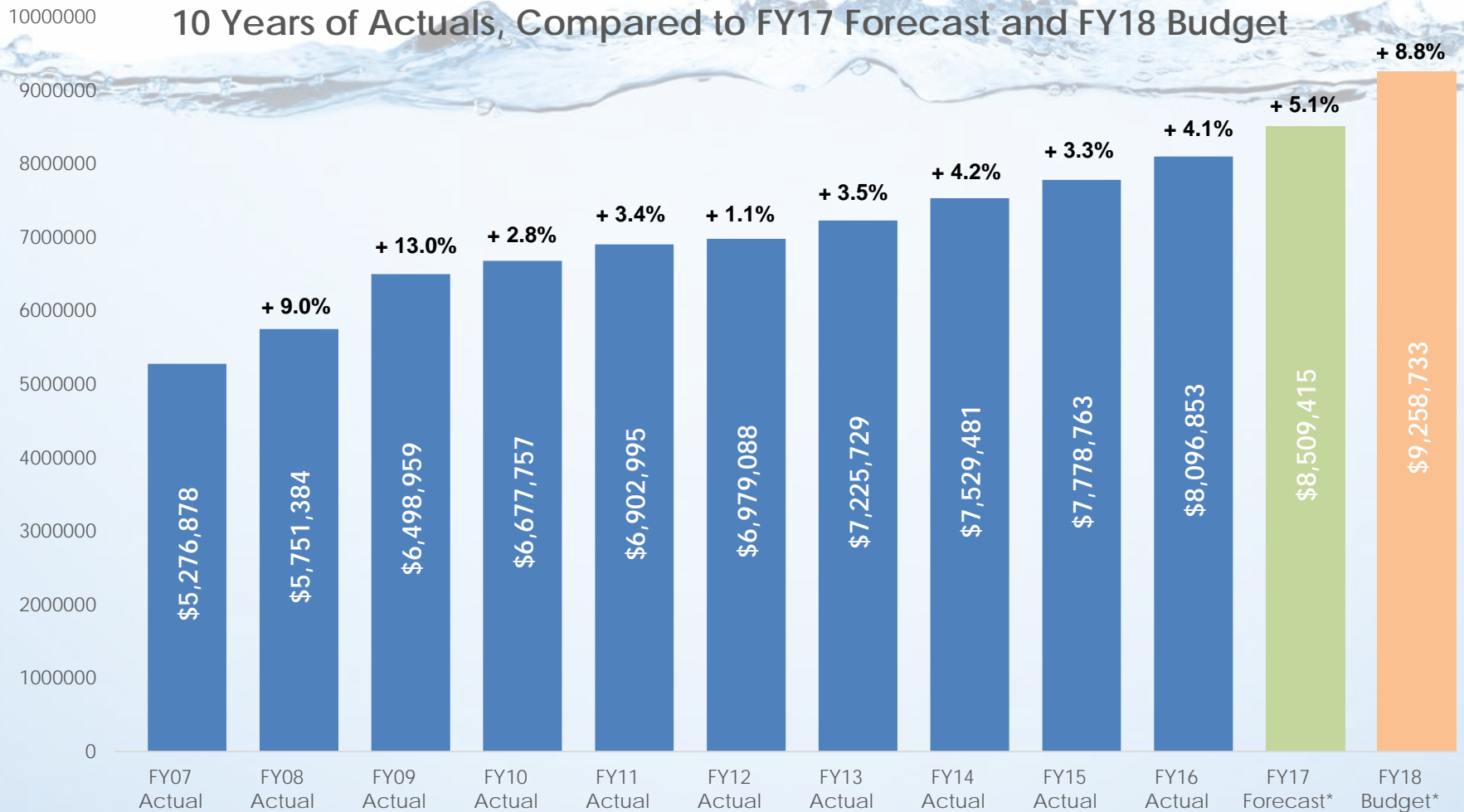
	FY17 Budget	FY17 Forecast	FY17 Variance	FY18 Budget	Budget FY18 vs. Forecast FY17	
					Increase/ (Decrease)	% Variance
Retiree Benefits	148,114	117,354	(30,760)	145,244	27,890	23.8%
OPEB Annual Required Contribution	211,867	217,396	5,529	223,680	6,284	2.9%
1959 CalPERS Survivor Benefit	3,000	5,025	2,025	4,000	(1,025)	-20.4%
Replacement Benefit Plan	1,800	957	(843)	1,800	843	88.2%
Unemployment Insurance	11,700	5,961	(5,739)	11,700	5,739	96.3%

# Personnel Costs (Other Benefits, Continued)

## % Breakdown of Total Personnel Costs

- 4% Retiree Benefits
- 0.8% OPEB Required Contribution
- 0.7% Unemployment Insurance
- 0.1% Replacement Benefit Plan
- -0.1% 1959 CalPERS Survivor Benefit

# Personnel Costs Trends



\* Include reduction of Total Costs related to Net Pension/Liability/OPEB adjustments. Reduction reflected in Prior Year Actuals.