



*Town of Discovery Bay Community Services District
Contra Costa County, California*



TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT FISCAL YEAR'S 2017-2019 ADOPTED BUDGET

Table of Contents

Discovery Bay at a Glance	1
Board of Directors.....	4
Message from the General Manager.....	5
Finance Services Department	7
Water & Wastewater Services Department	9
Lighting & Landscaping Services Department.....	10
Recreation Services Department	11
General Counsel.....	12
Water & Wastewater Engineering.....	13
District Mission, Vision, Goals & Values.....	14
Transmittal Letter	15
Strategic Goals	20
Goals, Objectives and Action	21
Authorized Positions	22
Organizational Chart by Department.....	23
Salary & Wages	24
Minimum Wage Adjustment 2017-2018	25
The Budget Process.....	26
Budget Overview.....	28
Administration Services Revenue, Operations & Maintenance and Capital Improvements.....	30
Water Services Revenue, Operations & Maintenance and Capital Improvements.....	32
Water Utility Rate	38
Wastewater Services Revenue, Operations & Maintenance and Capital Improvements	39
Wastewater Utility Rate.....	45
Lighting & Landscaping Zone #8 Services Revenue, Operations & Maintenance and Capital Improvements.....	46
Lighting & Landscaping Zone #8 Appropriations	50
Recreation Service Revenue, Operations & Maintenance and Capital Improvements.....	51
Lighting & Landscaping Zone #9 Services Revenue, Operations & Maintenance and Capital Improvements.....	54
Lighting & Landscaping Zone #9 Engineers Report.....	58

Capital Projects 59
District Reserves, Infrastructure Replacement Funds & Capacity and Connection Fees 66
Debt Service 68
Public Financing Authority 70
District Awards 72
Supplemental Information 73

Discovery Bay at a Glance

The Town of Discovery Bay Community Service District: At a Glance

Discovery Bay was established in the early 1970's as a weekend and summer resort community. Today, Discovery Bay has evolved into a thriving year-round home for more than 13,000 residents who enjoy small-town living against the backdrop of over 1,200 miles of Delta waterways. Discovery Bay boasts a full-service marina, three (3) public schools, one (1) private school, as well as two (2) shopping centers and a planned business park. However, this small town is no longer limited to Delta waterfront homes; it has developed into a community that provides something for everyone. Discovery Bay offers gated waterfront homes as well as Country Club homes located on a world-class golf course designed by Mike Asmundson. There are two (2) gated communities; Lakeshore and The Lakes, as well as nearby Ravenswood, a community planned around a public park.

The approximately 9 square mile area known as the Town of Discovery Bay Community Services District (TODBCSD) was formed in 1997 following a vote of the people to form an Independent Special District with the purpose of providing essential public services to its residents. The Contra Costa County Local Agency Formation Commission (LAFCO) has authorized the TODBCSD the responsibility of providing the following special services to the residents of Discovery Bay:

- Water supply collection, treatment, and distribution
- Wastewater collection, treatment and distribution
- Parks and Landscape Maintenance
- Recreational Activities

District Form of Government

California's Independent Special Districts are legislatively authorized pursuant to California Government Code Sections 61000-61850. The Town of Discovery Bay Community Services District is governed by an elected five (5) member Board serving staggered four (4) year terms. The Board employs a General Manager to administer the day to day operations of the District.

Population

The 2015 census shows the total population in Discovery Bay to be 15,277 people.

Water Services

The Town of Discovery Bay CSD owns and maintains over sixty (60) miles of water mains in seven (7) residential developments: Discovery Bay West (Village 1, 2, 3 and 4, and Ravenswood); and two (2) of the older developments (Discovery Bay Proper and Centex). Currently, the District owns and operates six (6) water production wells that are located throughout the District and are capable of producing five million gallons of domestic water per day. The raw water is then treated in two (2) water treatment

facilities with water storage capacity of 2.5 million gallons of treated water for customer distribution. The total water requirements of Discovery Bay are currently about 900 million gallons per year, which equates to an average daily demand of 2.5 million gallons per day.

Wastewater Services

The District provides wastewater collection, treatment and distribution services to approximately 5,800 homes and businesses located in the town. The wastewater treatment process goes through two (2) separate conveyance systems; Plant 1 and Plant 2. Wastewater Treatment Plant 1 is located just north of Highway 4, within the Discovery Bay Development area. Wastewater Treatment Plant 2 is located south of Highway 4 at the Town's eastern boundary. The two (2) plants are interconnected and are dependent upon each other for various functions.

In order to facilitate and transport the raw wastewater to the main wastewater treatment, the District utilizes 15 wastewater lift stations to move the waste through 50 miles of sewer mains. The plants are capable of producing an average of 1.8 million gallons of wastewater per day. The wastewater treatment plants currently include an influent pump station, influent screening, secondary treatment facilities using oxidation ditches, and ultraviolet (UV) disinfection prior to discharging the treated water into Old River.

The water and wastewater facilities are operated and maintained by Veolia Water N.A. under a multi-year agreement with the TODBCSD.

Parks and Landscaping Services

The District maintains all the public parks and publically owned landscaped areas in Discovery Bay. Every budget year, the Board of Directors establishes priorities to improve the landscape areas of Discovery Bay. The landscape areas in Discovery Bay are broken down into five (5) landscape zones. Two (2) of those zones are owned by the TODBCSD, with the remaining three (3) owned by Contra Costa County, and maintained under contract by the District. The five Landscaping & Lighting zones are:

Discovery Bay Landscape & Lighting Zone #8:

Zone 8 is owned and maintained by the Town of Discovery Bay CSD. This zone includes the landscape streetscape frontages along Highway 4, Clipper Drive, Discovery Bay Boulevard, Willow Lake Road, and a variety of smaller landscaped areas. Cornell Park & Roberta Fuss Tot Lot are also included in this zone.

Discovery Bay Landscape & Lighting Zone #9 (Ravenswood):

Zone 9 is owned and maintained by the Town of Discovery Bay CSD. This zone includes the landscape streetscape frontages along Wilde Drive and Poe Drive. Ravenswood Park is also included in this zone.

Contra Costa County Landscape & Lighting Zone #35:

Zone 35 is owned by Contra Costa County; but is maintained by Town Of Discovery Bay CSD. The zone includes the landscaped median islands on Bixler Road at the intersection of Highway 4, and a pedestrian pathway from the Sandy Cove Shopping Center to Newport Drive. There are also included two pedestrian bridges along the path.

Contra Costa County Landscape & Lighting Zone #57:

Zone 57 is owned by Contra Costa County; but is maintained by Town Of Discovery Bay CSD. This zone includes all landscaped streetscape frontages in and outside of the Centex Development, along Highway 4, a portion of Bixler Road, and two (2) small parking areas. Regatta Park is also included in this zone.

Contra Costa County Landscape & Lighting Zone #61:

Zone 61 is owned by Contra Costa County; but is maintained by Town Of Discovery Bay CSD. This zone includes landscaped streetscape frontages along a major portion of Bixler Road, Point of Timber Road, the Park & Ride lot, a portion of Newport Drive, Preston Drive and Slifer Drive. Slifer Park is also included in this zone.

Recreation Services

The Town of Discovery Bay Community Services District is also responsible for providing recreational activities to the residents of the District. The Community Center opened its doors to the public on January 2, 2014. The Center offers a wide variety of programs for all ages and will continue to develop programming that will stimulate, educate and enrich the lives of people within Discovery Bay and that is complemented by a system of parks, recreation areas and other facilities aimed to encourage recreational and leisure time activities.

Board of Directors

The Town of Discovery Bay is a California independent Community Services District (CSD) and is governed by a five-member Board of Directors. Directors are publicly elected and serve four-year staggered terms.

The Town of Discovery Bay is responsible for water, sewer, landscaping and parks and recreation. While the District does not have authority over land use, zoning, law enforcement or fire protection services, the District does advise the County on decisions that affect Discovery Bay that are not within its jurisdiction. The District's General Manager is tasked to carry out the policy decisions of the Board and oversee the day-to-day operations of the Town of Discovery Bay.



Bill Mayer, Kevin Graves, Robert Leete, Chris Steele, Bill Pease

Board Position and Term

President Robert Leete	12/2014 to 12/2018
Vice-President Kevin Graves	12/2014 to 12/2018
President Pro-Tempore Chris Steele	12/2014 to 12/2018
Director Bill Pease	12/2016 to 12/2020
Director Bill Mayer	12/2016 to 12/2020

Message from the General Manager

The Town of Discovery Bay is not a city; rather we are a type of municipal government known as a Community Services District, or “CSD.” In unincorporated areas such as Discovery Bay, basic services like water, sewer, security and fire protection are usually provided by the County. Because counties often consist of large and diverse geographical areas, providing a consistent and adequate service level across all areas can be difficult. Consequently, the Community Services District Law (Government Code §61000-61850) was created to provide an alternate method of providing services in unincorporated areas. In most cases, and due to the scope of their requirements, counties cannot provide tailored services to any one community. This leaves residents with little if any local control over services and no easy way to address problems or complaints. A CSD provides a method of offering local control on essential municipal services.

The Town of Discovery Bay Community Services District was formed in 1998 by a vote of the residents. The District provides domestic water supply, treatment, and delivery as well as wastewater collection, treatment, and disposal to the approximately 15,000 residents and businesses that call Discovery Bay home. We are also responsible for park maintenance and landscaping on many of our boulevards, streets and roads. I’m certain you’ve seen our Town vehicles as our staff is constantly improving the beauty of our community. Our Community Center is a recreational hub with swimming, tennis, dog parks, and year-round activities for all ages. Besides a lazy afternoon fishing off your dock, taking a turn at the end of tow rope, or hitting the links, there’s a lot happening here in Discovery Bay! There are numerous community based activities such as the Big Cat Poker Run held every August, car and boat shows, concerts on the lawn, Crab Feeds, golf tournaments, motorcycle rallies, boat parades, and a whole host of other events. There is always something happening in or around town. I encourage you to get out and see what floats your boat!

Discovery Bay is a great place to not only “Live where you Play,” but it’s also a great place to do business. The Discovery Bay Chamber of Commerce hosts monthly business “mixers” at different locations around town to show off the local business community. Check the Chambers web site at <http://discoverybaychamber.com/index.html> for additional information on their many community activities.

From the standpoint of your local government, the CSD operates the water and wastewater utilities on a combined operating and capital budget of \$10.352 million for the Fiscal Year 2017-18. The budget is balanced and presents a spending plan where revenues meet expenditures. Included in the Capital Improvement Program are projects that continue to address the long-term capital needs of the District. A robust capital replacement fund represents an ongoing structural element of long term financial sustainability.

While we provide water, sewer, and parks and landscape and recreational services at this time, we do keep our ear to the pulse of what is happening around us. We also stay current on issues close to home, such as the ECCFPD funding problems and Delta water quality issues.

As Discovery Bay continues to mature, I can assure you that the Board of Directors and the entire staff are working diligently to provide a comfortable place where residents can live, work and play and where

we can enjoy the many qualities we all like in a small town. Please join us at one of our Board of Directors' meetings that are held the first and third Wednesday of the month at 7:00 p.m. All meetings are held at the Discovery Bay Community Center located at 1601 Discovery Bay Blvd.

If you would like to discuss Discovery Bay and any issue you may have as a resident, please be sure to contact the District Office by calling (925) 634-1131.

Sincerely,

Michael R. Davies, General Manager

Town of Discovery Bay CSD

Finance Services Department

The Town of Discovery Bay CSD Finance Services Department is comprised of the Finance and Water Utility functions and operates under the Board of Directors where the Board of Directors acts as the legislative policy making body and the General Manager serves as the administrative head of the District. The Finance program operates a governmental accounting, reporting and records maintenance system that provides financial information to both as well as external users and internal management. This program controls and monitors the receipt and disbursement of public funds in compliance with statutory requirements and professional accounting standards. This program also has the responsibility for coordinating all external auditing functions including the annual financial audit and audits by all outside agencies. The Finance function is responsible for the continuing development of financial accounting software and implementation of new technology to increase efficiency in accounting processes and to improve both internal and external reporting. This program also oversees the implementation of any new accounting pronouncements by the Governmental Accounting Standards Board (GASB). The payroll function of this program processes payroll for all District employees including interfacing with the District's payroll service provider and assuring compliance with all regulatory requirements, laws and District policies pertaining to payroll.

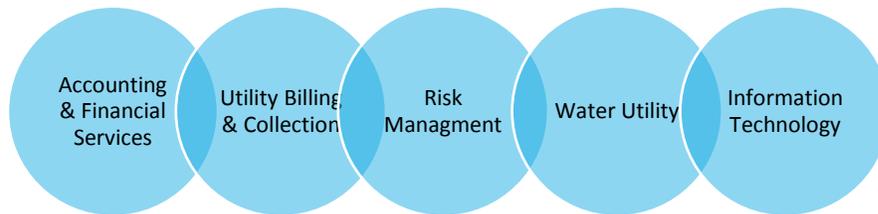
The Water Utility function maintains and operates the new automated water meters for the Districts 5,700 water accounts. The new technology transmits hourly water consumption data to our billing system by wireless network. This reliable and frequent water usage information allows you to monitor use and detect leaks. The new eye on water portal <https://eyeonwater.com/signup> has been launched and account holders can see daily water usage data and learn ways to conserve.

Key Achievements

- ✓ Timely completion of annual audits with unqualified (clean) audit over the last 5 years
- ✓ Integrated and trained on new financial accounting system
- ✓ Structurally balanced budget
- ✓ Healthy Reserve
- ✓ Implemented new water meters and AMI system
- ✓ Rolled out new Eye On Water Customer Portal
- ✓ Implemented and oversaw the Water Meter Completion Project
- ✓ 2017 Bond
- ✓ Water Meter Completion Project Funding and Project Management

Goals

- Ensure expenditures are consistent with adopted policies.
- Explore alternatives to expand on-line payment of utilities by customers.
- Customer outreach once city-wide water meters are installed for new customer portal.
- Move towards paperless documentation. → Continue implementation and training on ancillary software module.



Water & Wastewater Services Department

WATER

This Program provides water production, treatment & distribution to approximately 6,000 homes and businesses. Specifically, the Water Program provides information necessary for the Board of Directors to establish priorities and make well-informed decision in regards to the Town's water matters. The Water Quality program is responsible for the enforcement of regional water quality regulations. Response procedures have been developed to react to citizen water quality complaints and to pursue violations observed in the field. The program also assists with the development of water quality educational materials and outreach.

WASTEWATER

The Town of Discovery Bay Wastewater Program provides for the collection, conveyance, treatment and discharge of treated effluent. Specifically, the Wastewater Program provides information necessary for the Board of Directors to establish priorities and make well-informed decision in regards to the Town's wastewater matters. In addition, this program provides staff support for ad hoc or advisory committees formed by the Board of Directors on an as-needed basis. In general, the Water program supports and directs the wastewater contractor, enabling them to carry out day-to-day operations, services and planning efforts. In addition, this program negotiates, administers, implements, and approves contracts for the provision of municipal services.

Key Achievements

- ✓ Filtration Project
- ✓ Sewer Line Rapid Assessment Tool (RAT Pipeline Review System)
- ✓ Infrastructure maintenance plan and review of the 10 year master plans

Goals

- Update the 10 year Water & Wastewater Master Plans
- Completion and operation of the Filtration System
- Completion of the Water Meter Completion Project
- Scout location for Well 8, begin design
- Water & Wastewater SCADA Improvements
- Manhole Maintenance



Lighting & Landscaping Services Department

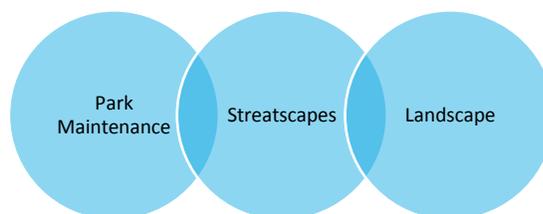
The Parks and Landscaping Program provides for the planning, maintenance & capital needs of the parks & landscaping network in Discovery Bay. Specifically, the Parks & Landscaping Program provides information necessary for the Board of Directors to establish priorities and make well-informed decision in regards to the Town's parks and landscaping matters. This program provides a comprehensive maintenance and rehabilitation program for 5 parks and the streetscapes inside Discovery Bay. In addition the maintenance and rehabilitation program includes repair and maintenance of the parks within Zones 8, 9, 35, 57, 61 and the Park n Ride area. This program conducts preventative maintenance on streetscapes, which includes design and planting and ensuring proper drainage. This program maintains and replaces all plants and trees to ensure health, vitality and visual appeal as well as maintains inventory lists annually to project funding and scheduling of future repairs, projects and replacement.

Key Achievements

- ✓ Acquisition of the Discovery Bay Fire Station to be utilized as the Landscape office and storage of equipment
- ✓ Refurbishing of the Entrance to Discovery Bay
- ✓ Refurbishing of the Roberta Fuss Tot Lot
- ✓ Installing a new pool equipment Tuff Shed at the Community Center Pool
- ✓ Leading the project in replacing the Community Center Building Roof

Goals

- Redesign the Landscaped Entrance to Discovery Bay
- Maintain the quality landscaping of parks and streetscapes in Discovery Bay



Recreation Services Department

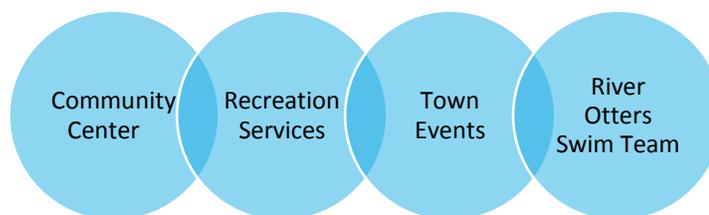
Recreation Services provides community based and age appropriate recreational programming for Discovery Bay resident's and non-resident's alike The Discovery Bay Community Center acts as the hub for these activities and is complimented by a network of parks, fields and other recreational and educational venues.

Key Achievements

- ✓ Continued development of a community based and age appropriate recreational programs, activities, and special events during a period of transition for Recreation Services.
- ✓ Through the recently completed Compensation Study, reorganized the current recreation staffing structure and responsibilities to more efficiently manage current recreation related programs and activities.
- ✓ Implemented regular and on-going part time/seasonal employee training program to improve the level of service provided to program participants.
- ✓ Implemented an inaugural "Scarecrow Festival" family event in October providing a new fun, safe, and free family event that culminates with a Friday Night Movie in the Park.
- ✓ Entered into a Professional Service Agreement with the American Red Cross becoming an Authorized Service Provider that requires all Aquatic Programs meet minimum National Standards related to lifeguarding and swim lessons.
- ✓ Entered into a Professional Agreement with a private service provider to conduct two (2) American Red Cross Lifeguarding classes to be held at the Discovery Bay Community in the spring of 2017.

Goals

- Review current special event offerings, evaluate community interest, and re-establish a list of Town and Community provided special events for 2016/17.
- Develop stronger community relationships with local groups and organizations such as the Chamber of Commerce, Discovery Bay Lions Club, and the Contra Costa Sheriff's Office in expanding community-wide programming and special events.
- Improve marketing avenues to help increase event and program participation from Discovery Bay residents.
- Create and implement written Agreements with the various community groups that utilize Town facilities on a regular basis at no cost that will better formalize the working relationship and expectations between the Town and the various Community Groups.



General Counsel

Outsourced – Rod Attebery Attorney at Law from the Law Office of Neumiller & Beardslee

The District's General Counsel provides legal advice and training to the Board of Directors, General Manager and Department Heads. The District's Attorney investigates and defends claims against the District and resolves them as directed by the Board of Directors. At the direction of the Board of Directors, General Counsel may initiate litigation to enforce the District's rights or to protect the public health, safety or welfare. The District's General Counsel also drafts and approves the form of contracts and other legal documents, including ordinances, resolutions and legal notices. <http://neumiller.com/>

Key Achievements

- ✓ Assisted the General Manager and District Managers with the negotiation and preparation of various contracts, agreements and notices.
- ✓ In consultation with the District Engineers, completed major review and update of bid documents and contracts for capital improvement construction projects.
- ✓ Reviews and assist in drafting necessary ordinances to comply with state law and guides staff in the development and adoption of the District ordinances.
- ✓ Coordinated with the General & District Managers, to timely respond to claims against the District and limit the District's involvement in costly litigation.

Water & Wastewater Engineering

Outsourced – Water, John Faucet SPE & Justin Shobe PE at the Firm Luhdorff & Scalamanini Consulting Engineers

Luhdorff & Scalamanini, Consulting Engineers (LSCE) is a recognized leader in groundwater resources investigation, planning, development, use, protection, and management. LSCE's multi-disciplinary staff of engineers, geologists, hydrologists, and hydrogeologists apply scientific methods and develop forward-thinking engineering solutions to today's complex water resources problems.

Key Achievements

- ✓ Implemented and oversaw the Water Meter Completion Project
- ✓ Water SCADA System

<http://lsce.com/>

Outsourced – Wastewater, Gregory Harris and Kurt Gardner of Herwit Engineering

HERWIT ENGINEERING plans and designs water and wastewater treatment plants and pump stations of all sizes with a specialty in mechanically intensive systems. HERWIT provides services for all elements necessary to develop projects from ground zero through operations and completion of construction. These services include: overall project management, initial site assessment and selection, management of the California Environmental Quality Act (CEQA) permitting, negotiation and preparation of National Pollution Discharge Elimination System (NPDES) discharge permits, preparing other permits and Army Corps of Engineers permits, Department of Fish and Game stream bed alteration permits, development of pre-design reports and preliminary cost estimates, final design of all mechanical, electrical and civil facilities, bidding support services, construction management, engineering support services during construction, and startup and operations assistance.

Key Achievements

- ✓ Implemented and oversaw the Filtration & UV Project

<http://herwit.com>

District Mission, Vision, Goals & Values

The Town of Discovery Bay Board of Directors has adopted its Mission, Vision, Goals and Values.

These ideals serve as an important guide as the Town of Discovery Bay conducts its day-to-day business and interacts with the public.

MISSION

Provide effective and fiscally responsible municipal services in a manner which promotes a high standard of community life with a focus on the environment and the Delta in partnership with the community.

VISION

Maintain a full service and sustainable community

Grow in harmony with the environment and the Delta

Ensure assets and facilities are maintained, serviceable, and in compliance with all regulatory laws, regulations and rules.

Promote practices that provide enhanced and sustainable life now and for future generations

GOALS

Responsible management of public funds

Preservation of our neighborhoods and natural resources

Provide timely, effective and transparent communications between government and our citizens

Continually improve the quality of our services

Promote and protect the environment

Take pride in community assets

Provide leadership while considering all points of view, to ultimately set policy and make decisions based on what is in the best interest of the entire community

Recognize pioneers of the community

VALUES

Innovation * Accountability * Respect * Integrity * Professionalism

Transmittal Letter

June 7, 2017

Dear Board of Directors,

I am pleased to submit to the Town of Discovery Bay Board of Directors the Town's financial plan for the fiscal period July 1, 2017 through June 30, 2018. The annual Revenue, Operating and Capital Improvement Program budgets are the planning tools utilized by staff and the Board to track revenues and expenditures over the respective forecast period.

For the FY 2017/2019 planning horizon, staff continues to prefer the two-year budget format which allows for improved budgetary forecasts. While a two-year budget is presented, the Board only adopts the first year of the Budget, and each successive budget is adopted annually. The second year of the Operations and Maintenance budget (O&M) and the remaining four years of the Capital Improvement Project budget (CIP) are included in the document but not necessarily included in the discussion below.

CAPITAL IMPROVEMENT PROGRAM

This year's CIP is has undergone a renovation of sorts, District staff along with the water and wastewater engineers have rebuilt the CIP project listing and made the necessary changes for the next fiscal. New category subtitles have been developed and listed as: Water Supply Capacity (source, treatment and storage), Upgrades and Maintenance for Existing Water Supply Facilities, Water Distribution System & Maintenance, Water Meter Completion Project, Clarifier Rehabilitation- Wastewater Distribution System, WW Treatment Plant 1 Refurbishment, Wastewater Distribution System & Maintenance, Filtration Project, Wastewater SCADA Improvements, Denitrification Project, District Office Relocation, Manhole Maintenance, Vehicle & Equipment Purchases, Mainline Piping Replacement, District Security, Masterplans and Infrastructure Replacement.

The first major project that will be completed is the Title 22 Wastewater Tertiary Treatment otherwise known as the Filtration Project. This project is a state mandated project and the Discovery Bay Board of Director's has issued a 2017 revenue bond to pay for the costs. Date specific times and milestones for this project have been established through the Town's NPDES permit and must be complied with throughout the planning and construction processes. The Filtration Project is programmed to cost \$7.4M. The completion date of this project is October 2017 which provides the District three months of testing before the State Mandated Completion Date of December 2017.

The second major project to be completed is the Water Meter Completion Project. The District has begun the Water Meter install for the remaining 3,800+/- homes that are not currently on the metered system. District water engineers Luhdorff & Scalimini have been contracted to act as the District's Project Manager. The project plan was developed in the summer 2016 and construction went out to bid in the fall. JW Backhoe & Construction was selected to complete the installation of the Districts water meters. The Board of Directors reviewed multiple funding options to finance this project. It was decided to finance \$1.5M of this project with a revenue bond and to fund the balance utilizing the

Districts water reserves and infrastructure replacement funds. Concurrently the decision was made to cost out each individual install and bill each resident for the cost of their property install. All calculations will be completed in January 2018. The District plans to inform residents of their cost in March 2018, at this time residents will select one of two options to pay for the cost of their meter installation; 1. Pay for the cost to their residential property upfront and in full; or 2. To finance the cost over time.

The District will begin the process for building a new well (#8) in fiscal year 2017/2018 to allot for future growth. The planning horizon also includes the refurbishment of wastewater treatment plant 1 to provide the proper redundancy. These two projects will overlay into futures years both to be completed within the next three years.

The Infrastructure Replacement Fund continues to be supported annually. This fund provides long term resources for future capital asset replacement in the areas of buildings, vehicles, equipment, as well as underground infrastructure. The ongoing programming of these funds will play a critical role in the Town's ability to plan for its long term financial needs. Since the fund was established in fiscal year 2011/2012, \$2.837 million has been placed into the capital replacement funds. All withdrawals will be updated after the close of fiscal year 16/17.

OPERATION & MAINTENANCE

The operation and maintenance budget in the past has been reasonably flat year over year. This next fiscal year 2017/2018 there will be a 6% increase. This increase is in the following budget categories: consulting costs due to ADA compliance, the Ground Water sustainability municipal formation, the management of the Water Meter Completion Project and increased debt service payments due to the issuance of the 2017 revenue bond.

Throughout the budget document, the Board and public will be presented with a complete financial outlook of the district's finances relative to operating expenses and the day-to-day expenditures necessary to operate the district in a prudent and resourceful manner. As is customary, this year's budget also includes a Capital Improvement Program that continues to address the long-term capital needs of the District. The August 2012 Board action establishing the Discovery Bay Public Financing Authority continues to play an essential role in addressing many of those needs. The initial \$14.1 million program has been completed and all of the proceeds from the bond have been expended. In 2017 the Discovery Bay Public Financing Authority issued its second revenue bond in the amount of \$8.825 million. This Bond was initiated to construct the wastewater Tittle 22 Filtration project at \$7.40 million and the financing of half the Water Meter Completion Project at \$1.50 million. These two projects expect to be completed in December of 2017.

DISCUSSION

The Town of Discovery Bay will be ending FY 2016/2017 with a number of accomplishments. From an operational standpoint, the Town continues to operate efficiently and in a manner that is financially prudent. The past fiscal year witnessed a number of milestones, including the continuing maturation of the Community Centers Recreation Services by continuing to maintain community based age appropriate programs, activities and special events as well as focusing on future program development utilizing our town assets comprised of: The Tennis Complex, Aquatics Facilities, Community Center,

Contract Services and Special Events. In fiscal year 2016/2017 the Community Center had multiple upgrades; in October 2016 a new roof was installed on the Community Center building, the pool area found itself with new furnishings, a new ADA ramp and a new ADA gate, as well as a new pool storage building to prepare for the upcoming open swim season. The dog park was restructured adding an area for small dog only play.

The Landscaping department as always will continue to be diligently focused on looking at new and innovative alternatives to help aid in the efficient use of irrigation. The Roberta Tot Lot is seeing a new facelift as new play equipment has been ordered and preparations for its install is underway. Ravenswood splash pad underwent some major repairs to its electrical unit this splash pad continues to be a favorite spot for family party's and barbeques. New shade structures were placed at Slifer Park for this upcoming summer's enjoyment.

In 2016 the water and wastewater service departments began two state mandated projects. The Water Meter Completion Project and the Filtration Project. These two projects will continue into next fiscal year, and are scheduled to be completed by December 2017.

Though the State of California has lifted the drought restrictions Discovery Bay would ask its residents to maintain a 20% conservation of our water resources throughout the next fiscal year. This percentage was derived from our Urban Water Management plan and coincides with the Capital Improvement Program for future maintenance, development and water supply therein.

In 2016 Bartle Wells Associates has conducted a comprehensive water and wastewater rate study to help lead the District through economic, climatic and infrastructure challenges. The rates studies were presented to the Board of Director's for a Proposition 218 hearing held on July 20, 2016. The adopted water rate increase for fiscal year 2017/2018 is 15% and 12% for FY 2019 through 2021 and the adopted wastewater increase of 11% for fiscal year 2017/2018, 4% for FY 2019 through 2021.

The BWA rate study was determined upon projected annual expenditures for the District Operating, Capital and Capital Replacement budgets for the next five (5) fiscal years. Additionally, this rate study and associated proposed rate adjustment(s) does not include any allowances for potential future development. The rates only provide for current operations and maintenance, necessary existing facility capital improvements, and the infrastructure and vehicle replacement funds.

The Water Rate Study conducted includes increased costs due to operations, maintaining current infrastructure, and conservation costs to maintain our current and future infrastructure. This equates to an increase of \$5.64 per month. With this increase Discovery Bay remains at the bottom of the survey of the 13 surrounding agencies with an estimated monthly bill of \$43.19.

The Wastewater Rate Study conducted includes increase costs due to the management and maintenance of highly technical plant operations, assumed financing of \$7.4 million for the Filter project over 30 years, to support the needs of higher level of treatment, and the reduction in metered commercial sewer flow due to the drought. This equates to an increase of \$7.56 per month. With an average bill of \$76.32 per month.

As indicated by the surveys included in the BWA study, Discovery Bay has a substantially lower water rate of the agencies surveyed, and the wastewater rates are competitive. When blended together, the overall rates paid by Discovery Bay residents are the below the median of the Thirteen (13) agencies surveyed.

For Fiscal Year 2017/2018, the Budget summary is as follows: *(numbers reflect the admin, water & wastewater departments)*

Adopted FY 2016/2017 Operating and Capital Improvement Program Budget		Proposed FY 2017/2018 Operating and Capital Improvement Program Budget	
Total O&M Budget	\$6,097,152	Total O&M Budget	\$5,779,590
Debt Service	\$829,000	Debt Service	\$1,389,859
Contribution to Reserves	\$0	Contribution to Reserves	
Capital Budget	\$908,000	Capital Budget	\$2,658,000
Proposed Financing for CIP projects	\$10,070,740	Proposed Financing for CIP projects	\$1,392,849
Infrastructure Replacement Fund	\$709,000	Infrastructure Replacement Fund	\$525,000
Grand Total Expense Budget	\$18,613,892	Grand Total Expense Budget	\$10,352,449
Grand Total Revenue	\$18,613,892	Grand Total Revenue	\$10,352,449

The Operating and Maintenance (O&M) section of the budget is proposed to be \$7,169,449 (including debt service) for the coming fiscal year. Areas of spending in the proposed O&M Budget include an accurate reflection of expenditures based upon past years' historical data, as well as current and future contractual obligations.

The Capital Improvement Program (CIP) proposes expenditures of \$2,658,000 with a large portion of those needs derived from the Water and Wastewater Master Plan studies. Those studies have been previously accepted by the Board of Directors during FY 2011/2012, and are budgeted for review and update in FY 2017/2018. As previously discussed, many of the projects contained in those plans are either complete, in design, under construction or need further review. FY 2017/2018 will continue to be a busy year as we continue the construction of the projects that have been required.

As noted previously in this transmittal letter, this budget continues to fund the Infrastructure Replacement funds for above and below ground infrastructure needs. The addition of the Infrastructure Replacement Fund was specifically addressed and again recently noted as an essential component to the budget by the District's independent auditors. As of June 2017 \$2,837,189 is currently in that fund for future capital replacement needs with a finalized number to be calculated upon completion of end of year accounting processes.

The key to the preparation of this budget is to ensure all carry-over projects are properly accounted for, that revenue projections are based upon historic and anticipated revenues, and that spending is prudent and sensible. As the end of the Fiscal Year is June 30, 2017, staff will incorporate the final encumbrances into the document once the actual carry-over figures are determined, most likely in December once the County closes out their books.

The primary sources of revenues are derived from Property Tax charges for water and wastewater usage, charges for commercial sewer and water, and charges for residential water service. The remaining revenue sources can be attributed to miscellaneous reimbursements, charges and fees. In Parks and Landscape, revenues are generated by Landscape Zones 8 and 9, as well as with landscape contracts with Contra Costa County for County Zones 57, 61. Zone 8 Assessed Income is expected at \$616,220 and Zone 9 Assessed Income is expected to be \$134,000.

The amount of the contribution to reserves will be known once FY 2016/2017 is closed. While a year end surplus of revenues over expenditures is hoped for, water revenues may unsettle the overall revenue stream, necessitating an even larger draw from the water enterprise. The main cause of this is the Board of Directors Decision made on Feb 15, 2017 to borrow half of the water meter completion project bond funds and to utilize the balance of funds for the project out of the water reserves. Any surplus identified, will be transferred into the general reserve account. As of today, the General Reserve Account contains \$1.677M for water, \$2.516M for wastewater, \$399K for Lighting & Landscaping Zone #8 and \$188K for Lighting & Landscaping Zone #9.

I am pleased to present a budget where staffing levels meet projected needs, and where service levels continue to improve. More importantly, however, it continues our multi-year process of ensuring that the District's infrastructure needs are met while offering a strategic look at the overall assets of the District.

I would like to thank and acknowledge Directors Bill Mayer and Bob Leete of the finance committee for their contributions in the preparation of the FY 2017/2018 annual operating, capital and revenue budgets, and Bill Pease and Kevin Graves of the water and wastewater committee for their contribution of the FY 2017/2018 annual capital budgets. The committees completed their work and recommended the proposed budget be submitted to the Board of Directors for consideration and eventual adoption.

I would also like to thank the entire Board of Directors for their support over the past fiscal year. In preparing for the next fiscal year and continuing into the future I expect that District will continue to remain resourceful, innovative, and successful.

Respectfully submitted,

Dina Breitstein
Finance Manager

Strategic Goals

Below is the result of the Town of Discovery Bay's Strategic Planning Meeting annually held in January.



Goals, Objectives and Action

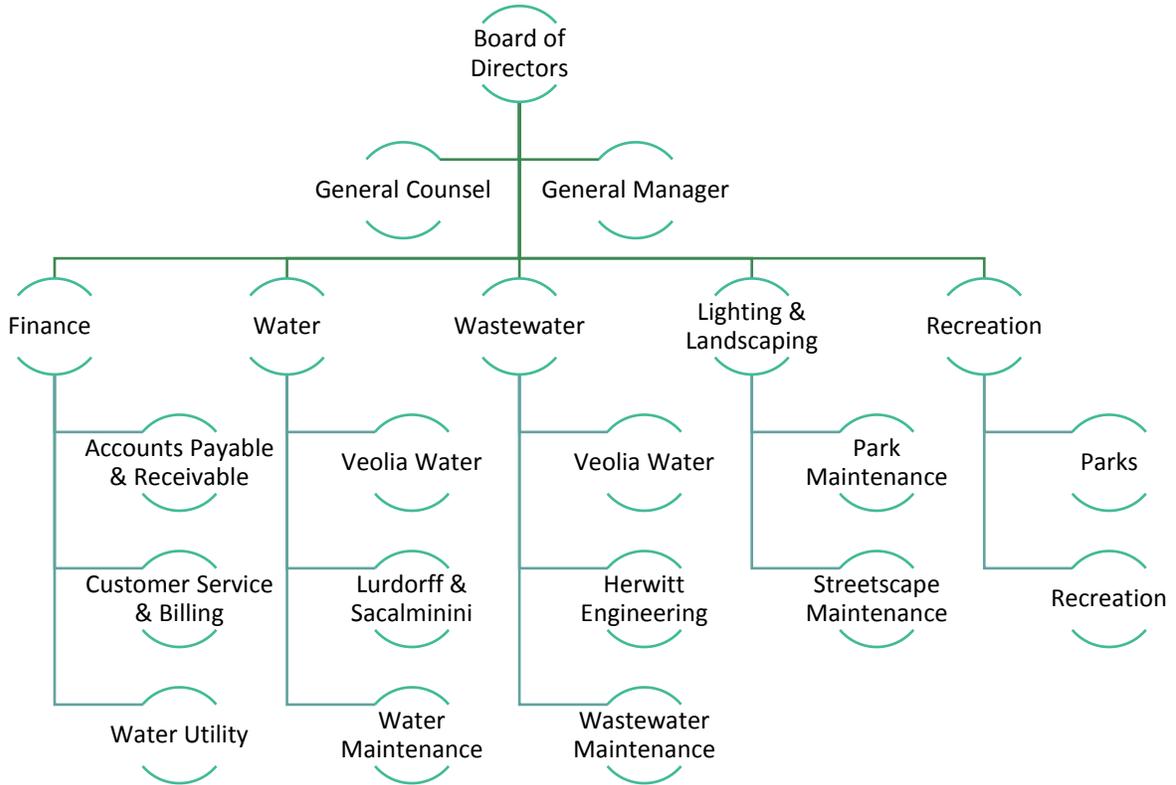
Goal	Objective	Performance Outlook
Fiscal Sustainability	<ul style="list-style-type: none"> • Balance Revenues and expenditures to ensure fiscal stability • Monitor trends in key revenue sources • Provide core services in an efficient and effective manner 	<ul style="list-style-type: none"> • Review expenditure vs. budget reports for each department on a monthly basis • Conduct quarterly review and make adjustments needed
Quality of Life	<ul style="list-style-type: none"> • Focus on key services, programs and activities for seniors and youth • Partner with service clubs to promote community-wide events • Maintain and expand parks throughout the community 	<ul style="list-style-type: none"> • Provide quarterly reports on activities in youth, seniors and park & recreation programs.
Organizational Transparency	<ul style="list-style-type: none"> • Post key information on the District’s website • Use social media to inform and engage the public • Pre-prepare the budget in a user friendly, informative & transparent format 	<ul style="list-style-type: none"> • Post all agendas, reports and contract on the District’s website • Post all policy documents and resolutions documents on the website
Organizational Development	<ul style="list-style-type: none"> • Evaluate staffing levels to ensure adequate delivery of core services • Provide training and resources in order to sustain a talented workforce • Maintain accountability and recognition of employees 	<ul style="list-style-type: none"> • Pre-prepare long term staffing plan • Develop training of key management and supervisory staff • Uphold and maintain safety training
Capital Investments	<ul style="list-style-type: none"> • Invest in liable resources to maintain, improve District’s resources • Prioritize and evaluate needed capital investments 	<ul style="list-style-type: none"> • Deliver capital projects on time and within budget • Seek funding opportunities to fund infrastructure projects • Update the 10 year master plan

Authorized Positions

Current Positions

Position Title	FY 2015-2016	FY 2016-2017	FY 2017-2018	FY 2018-2019
Office Assistant	1	2	2	2
Administrative Assistant	2	2	2	2
Executive Assistant	1	1	1	1
Accountant	1	1	1	1
Water Services Technician I	0	1	1	1
Water Services Technician II	1	1	1	1
Parks & Maintenance Worker I	2	0	0	0
Parks & Maintenance Worker II	2	4	4	4
Recreation Programs Coordinator	1	0	0	0
Recreation Programs Coordinator Supervisor	0	1	1	1
Parks & Landscape Manager	1	1	1	1
Water & Wastewater Manager	1	1	1	1
Finance Manager	1	1	1	1
General Manager	1	1	1	1
Total	16	17	17	17

Organizational Chart by Department



Salary & Wages

Position	Range #	Hourly (min)	Monthly (min based on 40hrs/wk)	Hourly (max)	Monthly (max based on 40hrs/wk)
100 Series – Temporary/Intermittent Staff					
Recreation Leader I	100	\$10.00	\$1,733	\$11.03	\$1,912
Recreation Leader II	105	\$10.76	\$1,865	\$11.03	\$2,011
Lifeguard	110	\$11.03	\$1,911.83	\$12.18	\$2,111
LG/Swm Inst/Rec Lead III	115	\$12.00	\$2,079.96	\$13.25	\$2,297
Pool Supervisor	125	\$14.10	\$2,443.95	\$15.56	\$2,697
200 Series- Non Management Staff					
Landscape/Maintenance I	220	\$17.20	\$2,981	\$19.45	\$3,371
Landscape/Maintenance II	235	\$20.45	\$3,545	\$23.14	\$4,011
Landscape/Maintenance III	250	\$22.57	\$3,912	\$25.55	\$4,429
Office Asst./ Customer Service A	225	\$17.62	3,054	\$19.94	\$3,456
Office Asst./ Customer Service B	230	\$19.45	\$3,371	\$22.03	\$3,819
Account Clerk	240	\$20.96	\$3,633	\$23.72	\$4,111
Admin Assistant A	245	\$21.47	\$3,721	\$24.29	\$4,210
Admin Assistant B	260	\$23.70	\$4,108	\$26.82	\$4,649
Senior Account Clerk	255	\$23.14	\$4,011	\$26.17	\$4,536
Accountant I	275	\$26.17	\$4,536	\$32.72	\$5,671
Executive Assistant A	270	\$26.83	\$4,651	\$30.36	\$5,262
Executive Assistant B	280	\$29.62	\$5,134	\$33.53	\$5,812
Water Tech I	210	\$18.52	\$3,210	\$20.98	\$3,637
Water Tech II	270	\$26.83	\$4,651	\$30.36	\$5,262
Water Tech II	280	\$30.36	\$5,262	\$33.53	\$5,812
Series 300: Management Staff					
Recreation Program Coordinator	300	\$26.83	\$4,651	\$33.53	\$5,812
Managers	350	\$33.65	\$5,833	\$42.11	\$7,299

Minimum Wage Adjustment 2017-2018

The State of California minimum wage will increase year over year. The below table represents how the minimum wage increase affects the District Staff Salary Range Table.

	Effective	01/01/18					
		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Recreation Leader I	\$10.00	\$11.00	\$11.07	\$11.15	\$11.20	\$11.25	
Recreation Leader II	\$10.76	\$11.25	\$11.30	\$11.40	\$11.59	\$11.60	
Lifeguard	\$11.03	\$11.50	\$11.67	\$11.84	\$12.01	\$12.18	
Lifeguard/Swim Instructor & Rec Leader III	\$12.00	\$12.00	\$12.30	\$12.61	\$12.92	\$13.25	
Assist. Pool Supervisor	\$13.10	\$13.10	\$13.43	\$13.76	\$14.11	\$14.45	
Pool Supervisor	\$14.10	\$14.10	\$14.45	\$14.81	\$15.18	\$15.56	
Park/Landscape/Maintenance I	\$17.20	\$17.20	\$17.63	\$18.07	\$18.52	\$18.99	\$19.46
Park/Landscape/Maintenance II	\$20.45	\$20.45	\$20.96	\$21.49	\$22.02	\$22.57	\$23.14
Park/Landscape/Maintenance III	\$22.57	\$22.57	\$23.13	\$23.71	\$24.31	\$24.91	\$25.54
Office Assistant/Customer Service Representative A	\$17.62	\$17.62	\$18.06	\$18.51	\$18.97	\$19.45	\$19.94
Office Assistant/Customer Service Representative B	\$19.45	\$19.45	\$19.94	\$20.43	\$20.95	\$21.47	\$22.01
Account Clerk	\$20.96	\$20.96	\$21.48	\$22.02	\$22.57	\$23.14	\$23.71
Administrative Assistant/Park-Recreation Assistant A	\$21.47	\$21.47	\$22.01	\$22.56	\$23.12	\$23.70	\$24.29
Administrative Assistant/Park-Recreation Assistant B	\$23.70	\$23.70	\$24.29	\$24.90	\$25.52	\$26.16	\$26.81
Sr. Account Clerk	\$23.14	\$23.14	\$23.72	\$24.31	\$24.92	\$25.54	\$26.18
Accountant I	\$26.17	\$26.17	\$26.82	\$27.49	\$28.18	\$28.89	\$29.61
(con't from Accountant I above)	\$28.89	\$28.89	\$29.61	\$30.35	\$31.11	\$31.89	\$32.69
Executive Assistant A	\$26.83	\$26.83	\$27.50	\$28.19	\$28.89	\$29.62	\$30.36
Executive Assistant B	\$29.62	\$29.62	\$30.36	\$31.12	\$31.90	\$32.69	\$33.51
Water Tech I	\$18.52	\$18.52	\$18.98	\$19.46	\$19.94	\$20.44	\$20.95
Water Tech II	\$26.83	\$26.83	\$27.50	\$28.19	\$28.89	\$29.62	\$30.36
Water Tech III	\$30.36	\$30.36	\$31.12	\$31.90	\$32.69	\$33.51	
Recreation Program Supervisor	\$26.83	\$26.83	\$27.50	\$28.19	\$28.89	\$29.62	\$30.36
(Con't from Rec Program Supervisor Above)		\$30.36	\$31.12	\$31.90	\$32.69	\$33.51	

- The numbers in green represent the current/existing salary rates.
- The number in blue represents the immediate effect.
- The numbers in red are the new pay scale rates.

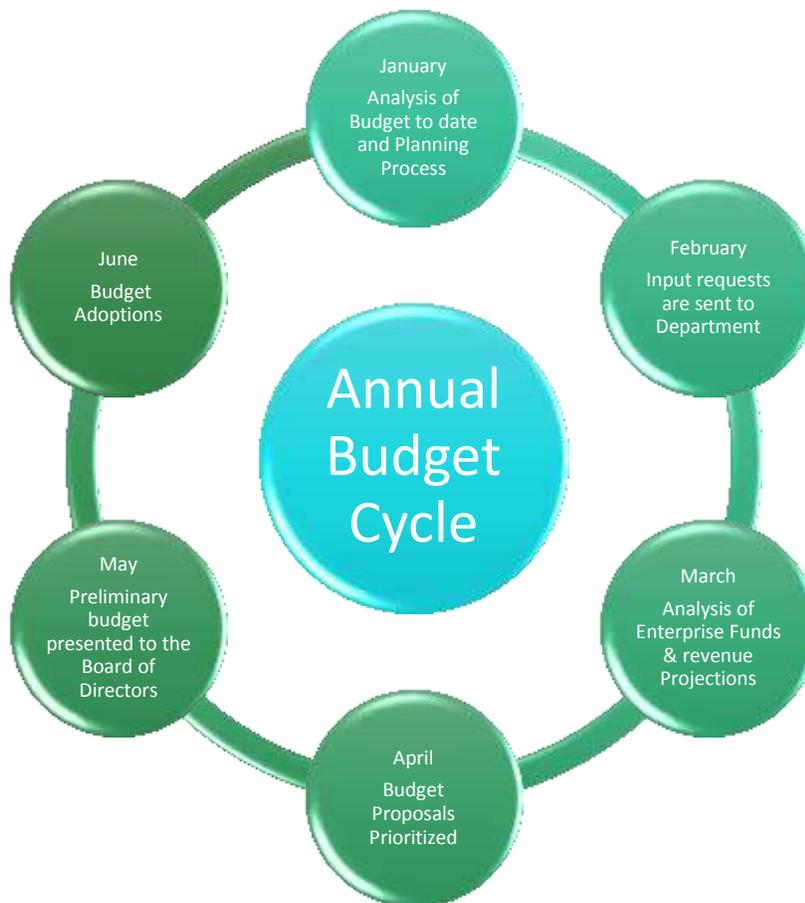
The Budget Process

Fiscal Year 2017-2019

2 Year Budget Build

The Budget is a spending management plan for the District's financial resources. Though the use of these resources, services are provided to meet the needs of the Town of Discovery Bay's residents.

The Districts annual budget process begins in January and concludes in June where the final budget is adopted.



January: Operating budget preparations begin with the analysis of the current year's budget, which helps to determine the base budget for the following year.

February: Budget guidelines and instructions distributed to each Department Head.

March: Departments heads meet with the Finance Manager to discuss their budget requests.

April: Department heads meet with the Finance Committee to review the preliminary budget, where the budget is prioritized, refined, compiled into the preliminary budget to bring to the Board of Director's.

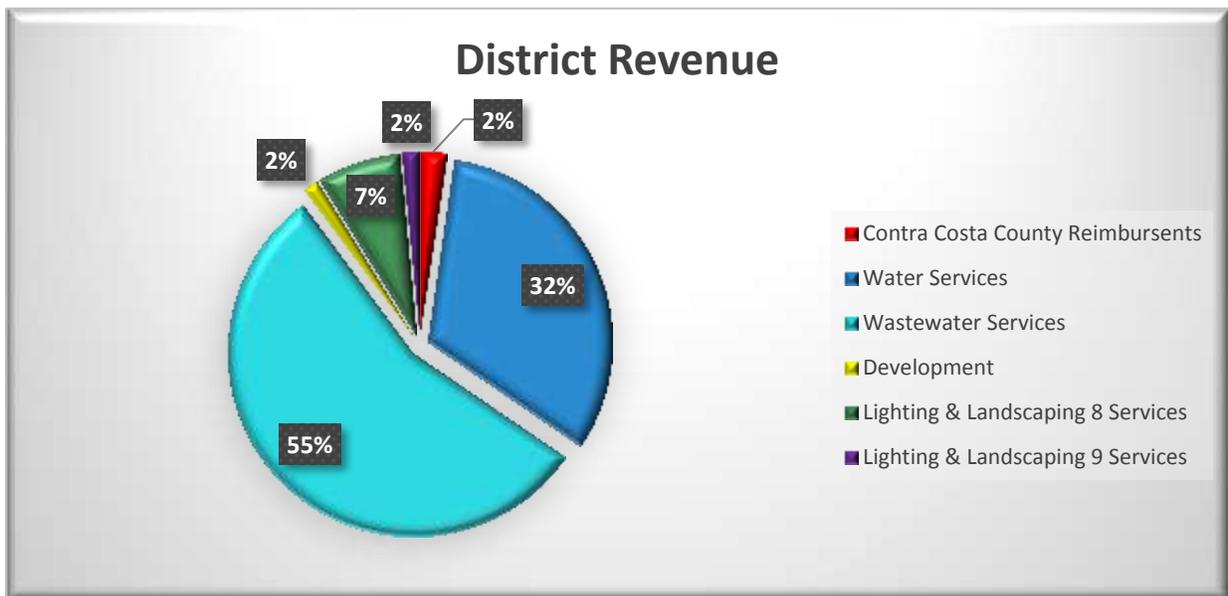
May: the preliminary budget is presented to the board of Director's requesting any comments or recommendations.

June: The final budget is presented and adopted by the Board of Director's.

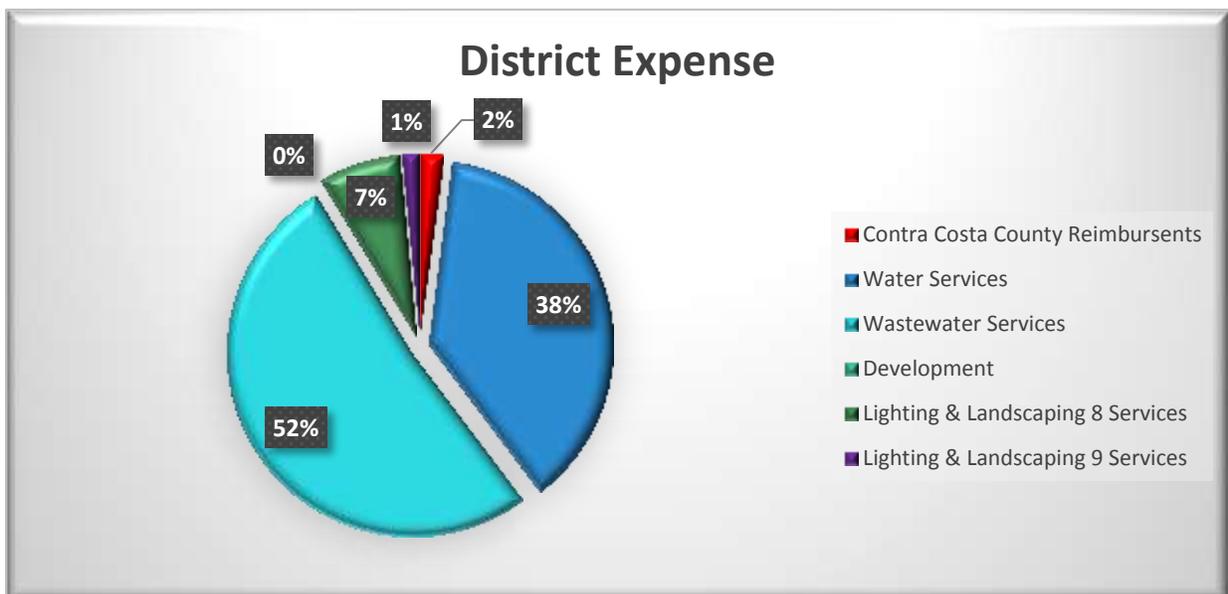
Budget Overview

The Town of Discovery Bay supports the Administration Department (*which is defined as 3 Contra Costa County owned Special District maintained by TODB*), the Water Department, the Wastewater Department and two Lighting and Landscaping Department Zones 8 & 9. Data is for Budget year 2017-2018

District Revenue



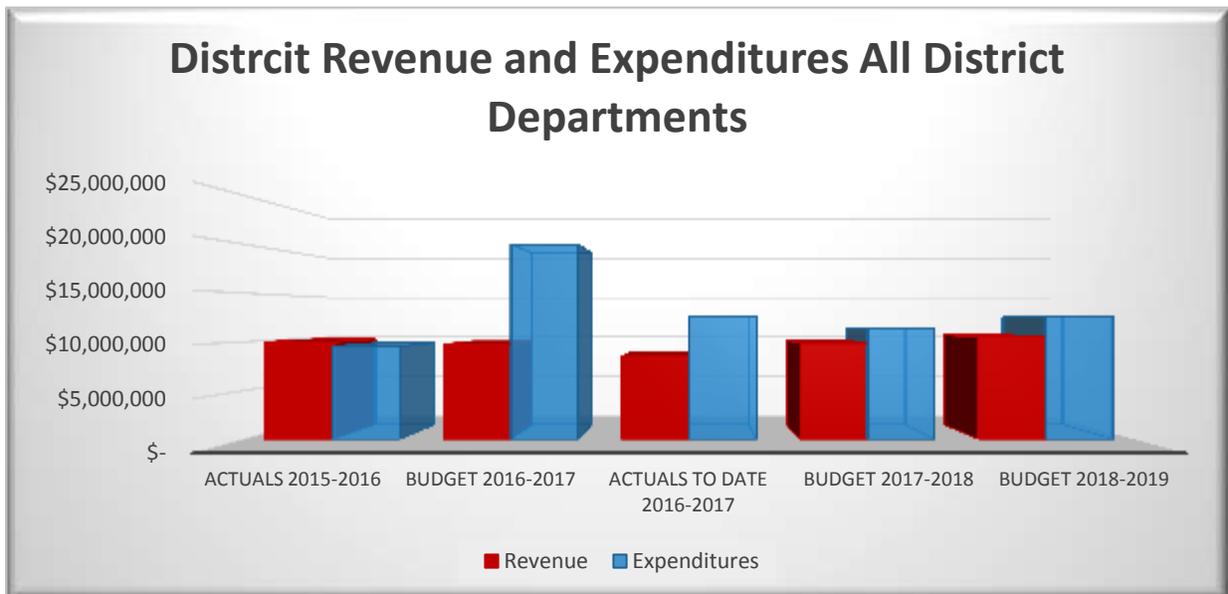
District Expenditures



District Wide Revenue and Expenditure Summary

Administration (CC zones 35, 57, 61, PnR), Water, Wastewater, Z8, CC, Z9

	Actuals	Budget	Actuals to Date	Budget	Budget
	Actuals 2015-2016	Budget 2016-2017	Actuals To Date 2016-2017	Budget 2017-2018	Budget 2018-2019
Revenue	\$ 9,985,857	\$ 9,737,074	\$ 8,456,775	\$ 9,821,407	\$ 10,465,507
Expenditures	\$ 9,533,544	\$ 20,000,154	\$ 12,618,654	\$ 11,324,129	\$ 12,531,502
Revenues in Excess of Expenditures	\$ 452,313	\$ (10,263,080)	\$ (4,161,879)	\$ (1,502,722)	\$ (2,065,995)



Administration Services Revenue, Operations & Maintenance and Capital Improvements

The Administration Fund revenue and expenditures cover all the Contra County Special District transactions for Contra Costa Lighting and Landscaping Zones 35, 57, & 61 which are maintained by the Town of Discovery Bay and reimbursed back to the District from Contra Costa County. These Zones included the following:

- Zone 35 includes the landscaped median islands on Bixler Road at the intersection of Highway 4, and a pedestrian pathway from the Sandy Cove Shopping Center to Newport Drive. There are also included two pedestrian bridges along the path.
- Zone 57 includes all landscaped streetscape frontages in and outside of the Centex Development, along Highway 4, a portion of Bixler Road, and two (2) small parking areas. Regatta Park is also included in this zone.
- Zone 61 includes landscaped streetscape frontages along a major portion of Bixler Road, Point of Timber Road, the Park & Ride lot, a portion of Newport Drive, Preston Drive and Slifer Drive. Slifer Park is also included in this zone.

Revenue

Account Code	Administration Revenue	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
10-31-5150	Payroll Reimbursement	\$24,121	\$453,000	\$0	\$146,000	\$161,000
10-31-5151	Vehicle Reimbursement	\$66,660	\$25,000	\$49,802	\$41,000	\$45,000
10-31-5226	Landscape Reimbursable	\$264,993	\$1,090,000	\$96,479	\$39,900	\$44,000
10-31-6046	Permit Fee	\$5,600	\$0	\$1,050	\$0	\$0
	Total	361,374	\$1,568,000	\$147,331	\$226,900	\$250,000

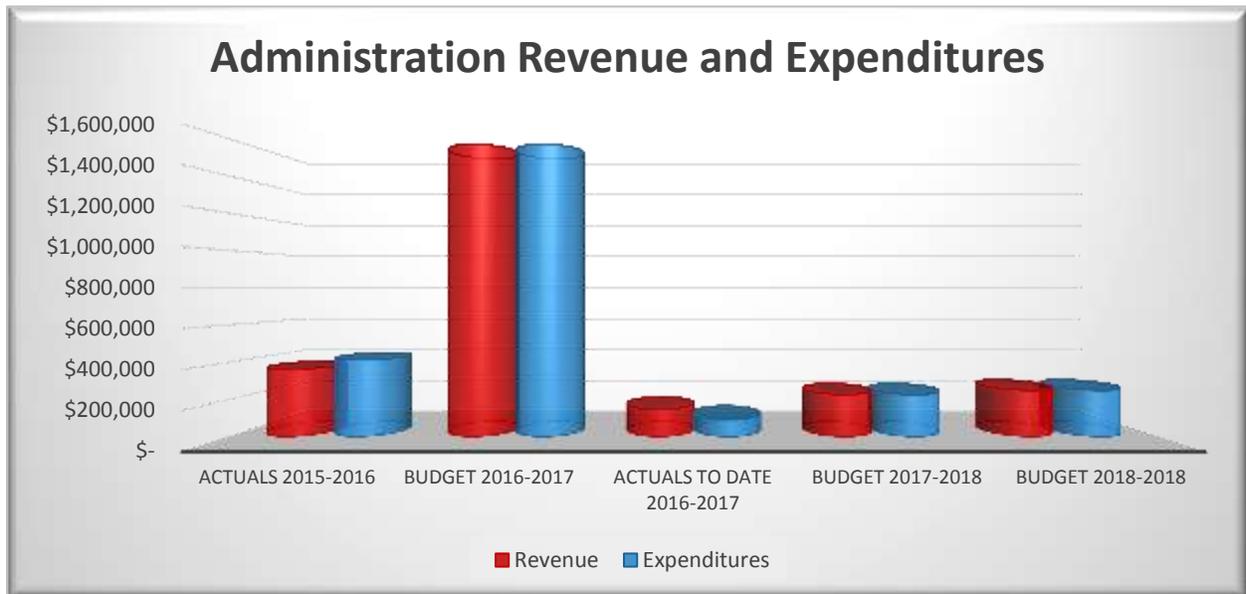
Expenditures

Account Code	Administration Expenditures	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
10-41-7000	Salary & Wages	\$146,018	\$841,000	\$0	\$146,000	\$161,000
10-41-7393	Vehicle & Equipment Sup & Rep	\$0	\$25,000	\$0	\$41,000	\$45,000
10-41-7529	Contra Costa County Landscape Reimbursable	\$266,325	\$305,000	\$93,099	\$39,900	\$44,000
	Total	\$412,343	\$1,171,000	\$93,099	\$226,900	\$250,000

Capital Improvements

Account Code	Administration Expenditures	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
101100	Special Zones	\$0	\$397,000	\$0	\$0	\$0
	Total Capital Improvements	\$0	\$397,000	\$0	\$0	\$0

	Actuals 2015-2016	Budget 2016-2017	Actuals to Date 2016-2017	Budget 2017-2018	Budget 2018-2018
Revenue	\$ 361,373.55	\$ 1,568,000.00	\$ 147,331.13	\$ 226,900.00	\$ 250,000.00
Expenditures	\$ 412,342.52	\$ 1,568,000.00	\$ 93,099.32	\$ 226,900.00	\$ 250,000.00
Revenues in Excess of Expenditures	\$ (50,968.97)	\$ -	\$ 54,231.81	\$ -	\$ -



- Expenditures exceed revenues represents the delay in the reimbursement payment from Contra Costa County Special Districts

Water Services Revenue, Operations & Maintenance and Capital Improvements

Water Services Revenue

The revenue table below identifies the various sources of revenue that can be anticipated during the course of the next fiscal year. The primary source of the water revenue is derived from Property Tax charges and Monthly Water Bills for Water distribution maintenance and monthly volume water usage. July of fiscal year 2017-2018 the remaining 3,500 homes will have a water meter installed with the capital improvement project #115 Water Meter Completion Project.

Revenue

Account Code	Revenue	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
20-31-5100	SEC Collections Water	\$1,755,261	\$2,009,873	\$1,810,164	\$0	\$0
20-31-5102	SEC Collections Meter Charge	\$268,431	\$225,000	\$331,819	\$1,114,000	\$1,249,000
20-31-6000	Water Charges	\$740,115	\$790,000	\$607,278	\$1,980,000	\$2,221,000
20-31-6086	Commercial Meter Charge	\$7,224	\$0	\$45,002	\$69,000	\$69,000
20-31-5177	Reimbursements	\$32,317	\$4,200	\$0	\$4,200	\$4,200
20-31-5179	Miscellaneous	\$61,433	\$0	\$11,220	\$0	\$0
20-31-5243	Other	\$45,248	\$1,100	\$16,652	\$1,100	\$1,100
20-31-6030	Developer Connection Fee	\$11,100	\$5,000	\$2,100	\$5,000	\$5,000
20-31-6045	Developer Capacity Fee	\$534,450	\$20,000	\$101,850	\$20,000	\$20,000
20-31-6046	Developer Permit Fee	\$0	\$5,000	\$0	\$5,000	\$5,000
20-31-6047	Developer Inspection Fee	\$18,080	\$5,000	\$3,360	\$5,000	\$5,000
	Total	\$3,473,659	\$3,065,173	\$2,929,444	\$3,203,300	\$3,579,300

Expenditures

Account Code	Expenses	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
20-41-7000	Salary & Wages	\$305,632	\$327,721	\$209,555	\$345,000	\$362,000
20-41-7001	Overtime	\$0	\$2,000	\$0	\$2,000	\$2,000
20-41-7030	Group Insurance	\$63,660	\$46,000	\$55,427	\$46,000	\$46,000
20-41-7045	Workers Comp	\$20,890	\$20,600	\$1,281	\$22,600	\$22,000
20-41-7060	457 B Plan	\$10,917	\$13,000	\$8,589	\$13,000	\$13,000
20-41-7150	Temporary Employees	\$23,663	\$3,000	\$9,016	\$3,000	\$3,000
20-41-7165	Board of Directors Compensation	\$10,442	\$16,560	\$10,580	\$16,560	\$16,560
20-41-7181	Travel & Meetings - BOD	\$3,263	\$2,400	\$1,198	\$2,400	\$2,400
20-41-7182	Travel	\$3,941	\$3,200	\$1,489	\$3,200	\$3,200
20-41-7196	Training & Education - BOD	\$1,045	\$800	\$540	\$800	\$800
20-41-7197	Train, Meet & Education	\$1,791	\$2,800	\$653	\$5,200	\$2,800
Account Code	Expenses	Actual FY	Budgeted FY	Actuals to Date	Budgeted FY	Budgeted FY

		2015/2016	2016-2017	FY 2016-2017	2017-2018	2018-2019
20-41-7210	Dues & Subscriptions	\$0	\$1,060	\$0	\$1,060	\$1,060
20-41-7225	Memberships	\$5,851	\$7,200	\$5,628	\$7,200	\$7,200
20-41-7255	TODB Sponsored Events	\$0	\$2,400	\$0	\$2,400	\$2,400
20-41-7271	Consulting Services	\$167,789	\$181,000	\$70,828	\$318,000	\$106,000
20-41-7272	Water Service Contract	\$518,305	\$618,000	\$563,751	\$636,540	\$636,540
20-41-7275	Preventative & Corrective	\$11,649	\$42,800	\$19,082	\$42,800	\$42,800
20-41-7276	Contract Mailing	\$12,453	\$15,000	\$9,265	\$15,000	\$15,000
20-41-7277	Veolia W Large Replacement	\$6,736	\$40,000	\$18,845	\$40,000	\$40,000
20-41-7286	Legal - General	\$39,110	\$32,000	\$44,596	\$32,000	\$32,000
20-41-7288	Legal - Litigation	\$703	\$30,000	\$5,640	\$30,000	\$30,000
20-41-7301	Annual Audit Services	\$13,762	\$16,300	\$11,710	\$16,500	\$16,500
20-41-7316	Election Expense	\$0	\$9,000	\$2,830	\$0	\$0
20-41-7317	Advertising	\$1,633	\$2,000	\$331	\$2,000	\$2,000
20-41-7318	Public Relations	\$2,118	\$6,000	\$5,488	\$6,000	\$6,000
20-41-7319	Internet Website	\$0	\$400	\$0	\$4,800	\$4,800
20-41-7345	Public Communications and Notices	\$4,919	\$5,600	\$447	\$2,400	\$2,400
20-41-7361	Telephone - general	\$5,693	\$8,400	\$4,102	\$8,400	\$8,400
20-41-7362	Telecom - networking	\$1,652	\$1,080	\$5,331	\$1,080	\$1,080
20-41-7363	Telephone - cellular	\$2,068	\$2,800	\$2,706	\$2,800	\$2,800
20-41-7376	Road/Construction Materials	\$7,980	\$4,500	\$26,202	\$4,500	\$4,500
20-41-7391	Diesel Fuel	\$274	\$1,500	\$1,904	\$1,500	\$1,500
20-41-7392	Vehicle & Equipment - Fuel	\$4,418	\$6,500	\$3,334	\$6,500	\$6,500
20-41-7393	Vehicle & Equipment Sup & Rep	\$1,424	\$4,400	\$1,478	\$4,400	\$4,400
20-41-7404	Water Meter and Registers	\$52,132	\$40,000	\$57,994	\$25,000	\$25,000
20-41-7405	General Repairs - Pumps	\$0	\$0	\$0	\$30,000	\$30,000
20-41-7406	General Repairs	\$294,669	\$350,000	\$356,168	\$350,000	\$350,000
20-41-7407	Testing	\$0	\$0	\$0	\$15,000	\$15,000
20-41-7408	Special Equipment	\$3,396	\$1,200	\$95	\$1,200	\$1,200
20-41-7409	Info System - Maintenance	\$12,700	\$10,000	\$8,473	\$10,000	\$10,000
20-41-7410	Equipment Maintenance	\$4,073	\$3,600	\$1,784	\$3,600	\$3,600
20-41-7411	Software Hosting	\$18,930	\$12,000	\$5,480	\$12,000	\$12,000
20-41-7412	Computer Equipment & Supplies	\$3,395	\$2,400	\$3,309	\$2,400	\$2,400
20-41-7413	Miscellaneous Small Tools	\$1,932	\$7,000	\$571	\$2,000	\$2,000
20-41-7414	Equipment Repair	\$60	\$400	\$0	\$400	\$400
20-41-7415	Computer Software	\$26	\$4,000	\$302	\$4,000	\$4,000
Account Code	Expenses	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019

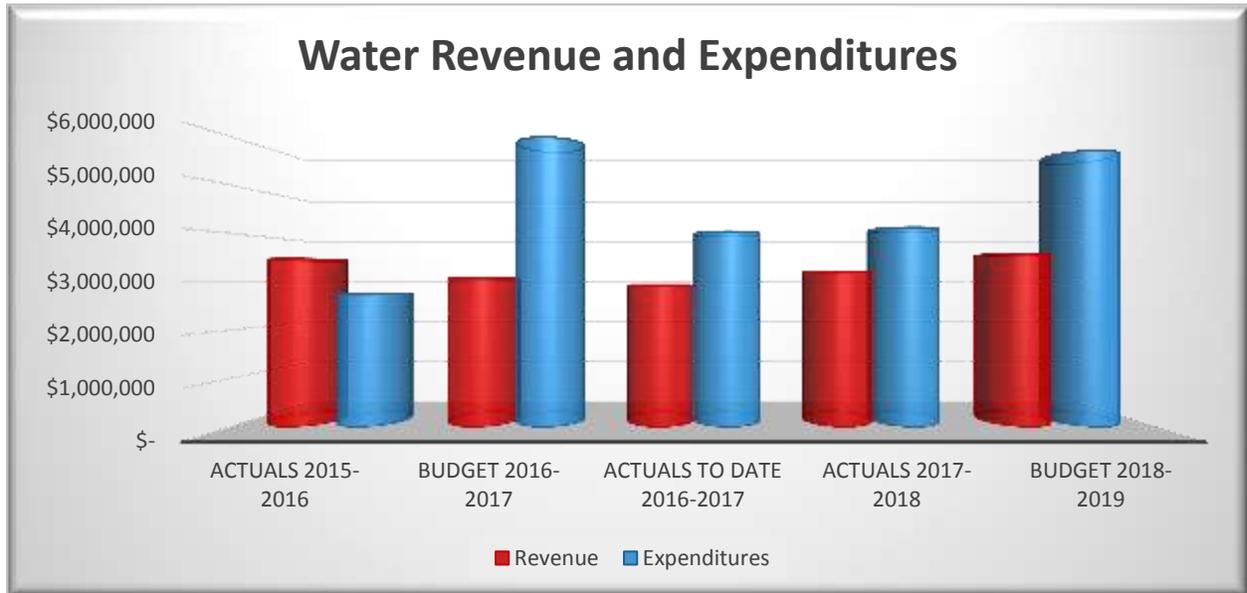
20-41-7422	Minor Equipment/ Furniture	\$168	\$0	\$0	\$0	\$0
20-41-7423	Office Furniture	\$0	\$0	\$917	\$0	\$0
20-41-7424	Postage	\$826	\$1,000	\$714	\$1,000	\$1,000
20-41-7425	Office Supplies	\$6,406	\$4,400	\$6,272	\$4,400	\$4,400
20-41-7437	Rent Public Meetings	\$0	\$200	\$0	\$200	\$200
20-41-7438	Building Rent	\$0	\$12,000	\$12,000	\$13,000	\$12,000
20-41-7439	Equipment Rental/Leasing	\$1,740	\$2,000	\$499	\$2,000	\$2,000
20-41-7440	Facility Maintenance - Landscaping	\$0	\$1,600	\$73	\$1,600	\$1,600
20-41-7441	Building Maintenance	\$5,713	\$4,000	\$10,121	\$6,000	\$6,000
20-41-7451	Insurance - Liability	\$20,667	\$22,000	\$0	\$24,200	\$24,200
20-41-7453	Insurance - Property	\$0	\$12,000	\$35	\$13,200	\$13,200
20-41-7466	Permits & Fees	\$17,546	\$16,000	\$28,093	\$16,000	\$16,000
20-41-7469	Personal Protective Equipment	\$1,026	\$680	\$454	\$680	\$680
20-41-7470	Safety Equipment & Supplies	\$1,666	\$1,400	\$993	\$1,400	\$1,400
20-41-7481	Utilities/Electrical Cost	\$340,221	\$320,000	\$311,463	\$320,000	\$320,000
20-41-7483	Utilities/Waste Cost	\$281	\$0	\$0	\$0	\$0
20-41-7495	Chemicals	\$11,429	\$20,000	\$10,718	\$20,000	\$20,000
20-41-7510	Freight	\$0	\$800	\$0	\$800	\$800
20-41-7511	UPS/Courier	\$13	\$320	\$0	\$320	\$320
20-41-7526	Miscellaneous Bank Charges	\$4,723	\$4,000	\$4,628	\$4,000	\$4,000
20-41-7527	Miscellaneous Services & Supply	\$1,816	\$1,200	\$879	\$1,200	\$1,200
20-41-7528	Miscellaneous Reimbursable	\$0	\$400	\$0	\$400	\$400
20-41-7529	Landscape Related Reimbursable	\$55	\$0	\$0	\$0	\$0
20-41-7530	Unrecoverable Charges	\$0	\$1,000	\$0	\$1,000	\$1,000
20-41-7532	Miscellaneous	\$420	\$2,000	\$0	\$2,000	\$2,000
20-41-7533	Bad Debt	\$0	\$5,000	\$752	\$5,000	\$5,000
20-41-7534	Special Expense	\$4,038	\$2,000	\$837	\$2,000	\$2,000
20-41-7535	Credit Memo	\$28	\$5,000	\$0	\$5,000	\$5,000
20-41-7537	Debt Service	\$88,204	\$89,000	\$88,498	\$292,127	\$257,904
20-41-7542	Taxes & Assessments	\$0	\$400	\$0	\$400	\$400
20-41-7545	Revenue Collection	\$2,162	\$2,400	\$2,197	\$2,400	\$2,400
20-41-7547	Data Processing/Payroll Wire Transfer	\$302	\$1,040	\$188	\$1,040	\$1,040
20-41-7548	Accounting (A/P, A/R, GL)	\$0	\$800	\$0	\$800	\$800
20-41-7549	Public Works - Permits	\$7,082	\$10,000	\$6,834	\$10,000	\$10,000
20-41-7550	Property Taxes	\$425	\$1,200	\$150	\$1,200	\$1,200
Account Code	Expenses	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
20-41-7587	Developer Deposit	\$357	\$0	\$0	\$0	\$0

	Reimbursement					
	Total	\$2,162,412	\$2,450,461	\$2,023,313	\$2,854,607	\$2,621,384

Capital Improvements

Account Code	Capital Improvements	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
20-1160	Water Capital Improvements & Structure Replacement	\$317,611	\$3,270,000	\$1,766,808	\$925,000	\$2,840,000
20-1100	Equipment	\$3,717	\$0	\$0	\$81,000	\$0
20-1120	Vehicle	\$0	\$12,000	\$0	\$14,000	\$0
20-1180-49	Water Infrastructure Replacement	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
20-1180-48	Booster Pump Infrastructure Replacement	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
20-1180-50	Facility Infrastructure Replacement	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
20-1180-	Vehicle Replacement	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
20-1180-67	Generator Infrastructure Replacement	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
	Total	\$571,328	\$3,532,000	\$2,016,808	\$1,270,000	\$3,090,000

	Actuals 2015-2016	Budget 2016-2017	Actuals to Date 2016-2017	Budget 2017-2018	Budget 2018-2019
Revenue	\$ 3,473,659	\$ 3,065,173	\$ 2,929,444	\$ 3,203,300	\$ 3,579,300
Expenditures	\$ 2,733,740	\$ 5,982,461	\$ 4,040,121	\$ 4,124,607	\$ 5,711,384
Revenues over Expenditures	\$ 739,919	\$ (2,917,288)	\$ (1,110,677)	\$ (921,307)	\$ (2,132,084)



Beginning in January 2017 the Water Services Department began Water Meter Completion Project with an estimated budget of \$3.111M. The District hired Luhdorff & Scalamanini Contract Engineers to write the Bid document and to act as the project manager for the duration of the project. This project overlaps fiscal years beginning in FY 16/17 and ending in FY 17/18 with the completion date estimated at December 2017. For this project the Board of Director’s made the decision to bond \$1.5M of the project, and to utilize water reserves to cover the remainder of the project. This project is the primary cause for the overage of expenditures in the water department for fiscal years 2016 through 2018. The overages will utilize the \$1.5M of bond monies and the remainder water reserves.

In fiscal year 18/19 the district is beginning a new Capital Improvement Project of constructing a new Well for the District (Well #8) and decommissioning of Well #5A. The estimated cost of this well is \$2.2M. This is the primary reason for the overage of expenses in fiscal year 18/19. As this budget year approaches District Staff and the Board of Directors will continue to discuss how to best pay for Well #8. The District has planned to utilize Infrastructure Replacement Funds, Capacity & Connection Fees as well as Reserves to cover the cost of this Well.

Reserves

Account Code	Reserves	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
Reserves	Water Reserves	\$1,677,759	\$1,677,759	\$1,677,759	\$1,677,759	\$1,677,759
Infrastructure Replacement	Booster Pump Replacement Fund	\$95,068	\$20,000	\$115,068	\$135,068	\$155,068
Infrastructure Replacement	W Infrastructure Replacement Fund	\$612,290	\$200,000	\$812,290	\$1,012,290	\$1,212,290
Infrastructure Replacement	Generators Replacement Fund	\$39,200	\$10,000	\$49,200	\$59,200	\$69,200
Infrastructure Replacement	Facility & Vehicle Replacement Fund	\$46,000	\$10,000	\$56,000	\$66,000	\$76,000
Replacement	Vehicle Replacement Fund	\$46,000	\$10,000	\$56,000	\$66,000	\$76,000
Infrastructure Replacement	Water Rate Study Infrastructure			\$184,000	\$537,000	\$1,032,000
	Total	\$2,516,317	\$1,927,759	\$2,950,317	\$3,553,317	\$4,298,317

- All reserve deductions will be calculated at the end of the fiscal year.

Developer Fees

Account Code	Reserves	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
Developer Fees	Capacity & Connection Fees			\$776,966	\$811,966	\$846,996
	Total			\$776,966	\$811,966	\$846,996

- All developer additional revenue or deductions will be calculated at the end of the fiscal year.

The District maintains a water reserve of \$1.677M. This reserve has been established to be utilized for emergency use or project spend for the water utility system. In addition to the water reserve in 2011 the District established an infrastructure replacement program. These funds are saved for the future replacements or improvements of the water infrastructure system including, wells, pipes, tanks, pumps motors, vehicles, meters, readers and generator replacements. The board has authorized the use of these funds for infrastructure needs. In 2017 The Board of Directors has authorized the use of the reserve funds and the infrastructure replacement funds to assist the district with paying for the Water Meter Completion Project and any infrastructure improvements along the way that the project will expose. In addition to utilizing the Water Reserves and the Infrastructure Replacement funds the District received in 2017 a \$1.5M revenue bond for the Water Meter Completion Project. The total estimated project budget is \$3.11M.

The Developer Fees are acquired when new home construction permits are pulled. These fee are charged to connect and utilize the Districts water and wastewater utilities. All developer fees are on the Districts website <http://www.todb.ca.gov/ordinances-town-discovery-bay>.

Water Utility Rate

A Wastewater rate study was conducted and adopted in 2016. You can find the entire rate study on the district website at <http://www.todb.ca.gov/>.

Water Enterprise								
Monthly Water Rate Table								
(Fiscal Years 2017 through 2021)								
	2017-18		2018-19		2019-20		2020-21	
Unmetered Accounts	Monthly	Annually	Monthly	Annually	Monthly	Annually	Monthly	Annually
Parcel Size (Square Feet/ DU)								
Condos w/ Irrigation	\$36.55	\$438.60	---	---	---	---	---	---
Condos w/o Irrigation	\$23.91	\$286.92	---	---	---	---	---	---
Under 5,000 sf	\$36.55	\$438.60	---	---	---	---	---	---
5,000-10,000 sf	\$46.03	\$552.36	---	---	---	---	---	---
10,001-15,000 sf	\$55.51	\$666.12	---	---	---	---	---	---
Over 15,000 sf	\$55.51	\$666.12	---	---	---	---	---	---
Vacant	\$14.67	\$176.04	\$14.67	\$176.04	\$14.67	\$176.04	\$14.67	\$176.04
Plus each addition 1000 sf	---	---	---	---	---	---	---	---
Metered Accounts								
<i>Non-Irrigation Accounts</i>								
5/8" Meter	\$16.20	\$194.40	\$18.02	\$216.24	\$20.06	\$240.72	\$22.35	\$268.20
1" Meter	\$16.20	\$194.40	\$18.02	\$216.24	\$20.06	\$240.72	\$22.35	\$268.20
1 1/2" Meter	\$31.43	\$377.16	\$35.07	\$420.84	\$39.16	\$469.92	\$43.74	\$524.88
2" Meter	\$49.68	\$596.16	\$55.50	\$666.00	\$62.04	\$744.48	\$69.37	\$832.44
3" Meter	\$98.34	\$1,180.08	\$109.99	\$1,319.88	\$123.06	\$1,476.72	\$137.72	\$1,652.64
4" Meter	\$153.09	\$1,837.08	\$171.30	\$2,055.60	\$191.71	\$2,300.52	\$214.63	\$2,575.56
6" Meter	\$305.18	\$3,662.16	\$341.60	\$4,099.20	\$382.43	\$4,589.16	\$428.26	\$5,139.12
<i>Irrigation Accounts</i>								
5/8" Meter	\$15.29	\$183.48	\$17.00	\$204.00	\$18.92	\$227.04	\$21.07	\$252.84
1" Meter	\$15.20	\$182.40	\$17.00	\$204.00	\$18.92	\$227.04	\$21.07	\$252.84
1 1/2" Meter	\$29.60	\$355.20	\$33.03	\$396.36	\$36.87	\$442.44	\$41.18	\$494.16
2" Meter	\$46.76	\$561.12	\$52.23	\$626.76	\$58.38	\$700.56	\$65.27	\$783.24
3" Meter	\$92.50	\$1,110.00	\$103.45	\$1,241.40	\$115.73	\$1,388.76	\$129.52	\$1,554.24
4" Meter	\$143.97	\$1,727.64	\$161.08	\$1,932.96	\$180.27	\$2,163.24	\$201.81	\$2,421.72
6" Meter	\$286.93	\$3,443.16	\$321.17	\$3,854.04	\$359.54	\$4,314.48	\$402.62	\$4,831.44
Metered Charge (All Usage)	\$1.80	\$21.60	\$2.02	\$24.24	\$2.26	\$27.12	\$2.53	\$30.36

DU= Dwelling Unit

CCF = 100 Cubic Feet = 748 Gallons

Wastewater Services Revenue, Operations & Maintenance and Capital Improvements

The revenue table below identifies the various sources of revenue that can be anticipated during the course of the next fiscal year. The primary source of the Wastewater revenue is derived from Property Tax charges for the collection, conveyance, treatment and discharge of treated effluent. July of fiscal year 2017-2018 the remaining Title 22 Filtration project will be complete.

Revenue

Account Code	Revenue	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
21-31-5101	SEC Collections Wastewater	\$4,162,264	\$4,109,994	\$4,343,182	\$5,283,000	\$5,499,000
21-31-6015	Commercial Sewer Charges	\$226,026	\$135,200	\$93,997	\$141,000	\$147,000
21-31-5177	Reimbursements	\$0	\$6,300	\$0	\$6,300	\$6,300
21-31-5179	Miscellaneous	\$52,783	\$0	\$284	\$0	\$0
21-31-5243	Other	\$301,305	\$1,100	\$12,080	\$1,100	\$1,100
21-31-6030	Developer Connection Fee	\$11,000	\$5,000	\$2,100	\$5,000	\$5,000
21-31-6045	Developer Capacity Fee	\$578,002	\$80,000	\$134,973	\$80,000	\$80,000
21-31-6046	Developer Permit Fee	\$0	\$8,000	\$0	\$8,000	\$8,000
21-31-6047	Developer Inspection Fee	\$18,080	\$5,000	\$3,360	\$5,000	\$5,000
	Total	\$5,349,461	\$4,350,594	\$4,589,977	\$5,529,400	\$5,751,400

Expenditures

Account Code	Expenses	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
21-41-7000	Salary & Wages	\$381,631	\$342,061	\$239,495	\$360,000	\$378,000
21-41-7001	Overtime	\$0	\$3,000	\$0	\$3,000	\$3,000
21-41-7030	Group Insurance	\$95,127	\$69,000	\$82,631	\$69,000	\$76,000
21-41-7045	Workers Comp	\$31,336	\$30,000	\$1,921	\$30,000	\$30,000
21-41-7060	457 B Plan	\$16,739	\$18,540	\$13,392	\$18,540	\$19,000
21-41-7150	Temporary Employees	\$42,376	\$5,000	\$7,057	\$5,000	\$5,000
21-41-7165	Board of Directors Compensation	\$15,663	\$24,840	\$15,870	\$24,840	\$24,840
21-41-7181	Travel & Meetings - BOD	\$3,970	\$3,600	\$1,887	\$3,600	\$3,600
21-41-7182	Travel	\$6,609	\$4,800	\$1,946	\$4,800	\$4,800
21-41-7196	Training & Education - BOD	\$392	\$1,200	\$810	\$1,200	\$1,200
21-41-7197	Train, Meet & Education	\$1,547	\$4,200	\$980	\$7,800	\$4,200
21-41-7210	Dues & Subscriptions	\$0	\$1,590	\$0	\$1,590	\$1,590
21-41-7225	Memberships	\$7,118	\$10,800	\$5,617	\$7,200	\$7,200
21-41-7255	TODB Sponsored Events	\$0	\$3,600	\$0	\$3,600	\$3,600
21-41-7271	Consulting Services	\$157,684	\$222,000	\$89,039	\$190,000	\$147,000

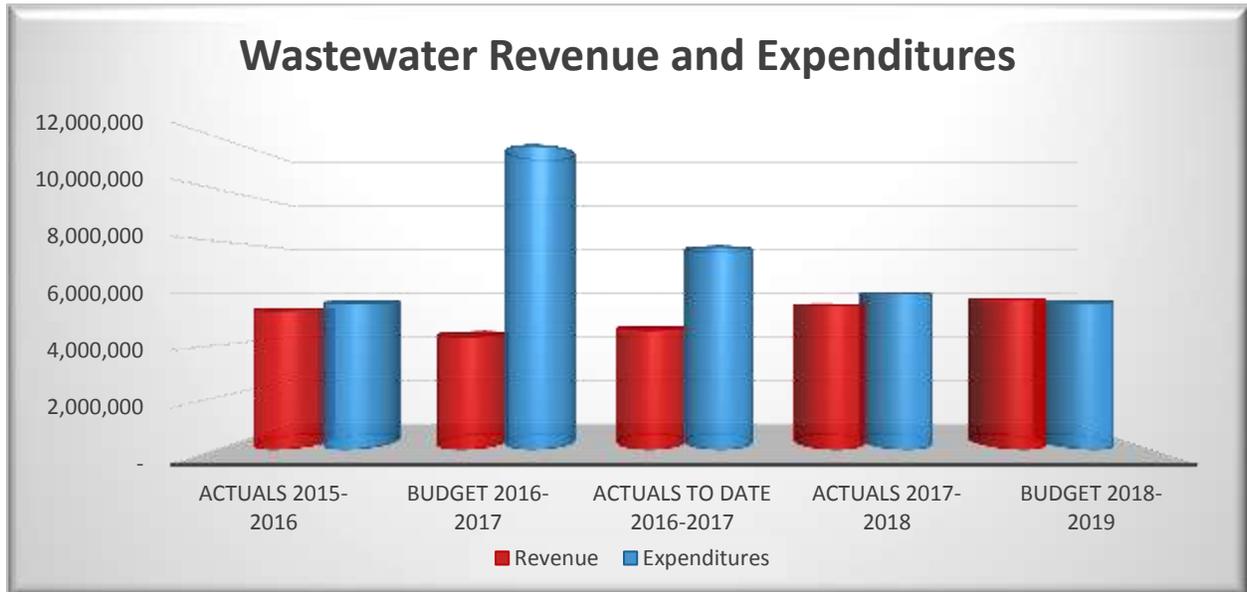
Account Code	Expenses	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
21-41-7272	Wastewater Service Contract	\$777,458	\$927,000	\$845,627	\$955,000	\$983,000
21-41-7275	Preventative & Corrective	\$87,445	\$64,200	\$59,000	\$64,200	\$64,200
21-41-7277	Veolia WW Large Replacement	\$125,936	\$60,000	\$73,445	\$60,000	\$60,000
21-41-7286	Legal - General	\$58,676	\$48,000	\$64,281	\$73,000	\$73,000
21-41-7288	Legal - Litigation	\$978	\$45,000	\$8,459	\$45,000	\$45,000
21-41-7301	Annual Audit Services	\$20,643	\$20,000	\$17,565	\$20,000	\$20,000
21-41-7316	Election Expense	\$0	\$10,000	\$4,245	\$0	\$0
21-41-7317	Advertising	\$1,599	\$3,000	\$49	\$3,000	\$3,000
21-41-7318	Public Relations	\$3,177	\$0	\$0	\$0	\$0
21-41-7319	Internet Website	\$0	\$600	\$0	\$7,200	\$600
21-41-7320	Public Reports	\$0	\$0	\$0	\$0	\$0
21-41-7345	Public Communications and Notices	\$6,954	\$3,600	\$64	\$3,600	\$3,600
21-41-7361	Telephone - general	\$13,940	\$10,500	\$10,697	\$15,000	\$15,000
21-41-7362	Telecom - networking	\$4,750	\$5,000	\$10,243	\$15,000	\$15,000
21-41-7363	Telephone - cellular	\$3,049	\$4,200	\$3,034	\$4,200	\$0
21-41-7376	Road/Construction Materials	\$0	\$1,800	\$0	\$1,800	\$1,800
21-41-7391	Diesel Fuel	\$411	\$5,000	\$2,857	\$5,000	\$5,000
21-41-7392	Vehicle & Equipment - Fuel	\$2,538	\$6,000	\$2,500	\$6,000	\$6,000
21-41-7393	Vehicle & Equipment Sup & Rep	\$26,472	\$6,600	\$10,283	\$6,000	\$6,000
21-41-7405	General Repairs - Pumps	\$19,222	\$30,000	\$10,184	\$30,000	\$30,000
21-41-7406	General Repairs	\$26,464	\$200,000	\$19,900	\$100,000	\$100,000
21-41-7407	NTR/SIP Testing - RWQCB	\$0	\$5,000	\$0	\$5,000	\$5,000
21-41-7408	Special Equipment	\$3,500	\$3,000	\$106	\$3,000	\$3,000
21-41-7409	Info System - Maintenance	\$19,038	\$15,000	\$12,172	\$15,000	\$15,000
21-41-7410	Equipment Maintenance	\$2,909	\$5,400	\$2,327	\$5,400	\$5,400
21-41-7411	Software Hosting	\$11,785	\$6,000	\$2,205	\$6,000	\$6,000
21-41-7412	Computer Equipment & Supplies	\$3,853	\$3,600	\$3,934	\$3,600	\$3,600
21-41-7413	Miscellaneous Small Tools	\$1,274	\$3,000	\$83	\$3,000	\$3,000
21-41-7414	Equipment Repair	\$91	\$600	\$0	\$600	\$600
21-41-7415	Computer Software	\$50	\$6,000	\$550	\$6,000	\$6,000
21-41-7416	UV Parts	\$0	\$0	\$0	\$50,000	\$50,000
21-41-7417	Instrument & Controls	\$0	\$0	\$0	\$50,000	\$50,000
21-41-7422	Minor Equipment/ Furniture	\$251	\$0	\$0	\$0	\$0
21-41-7424	Postage	\$1,301	\$1,500	\$1,059	\$1,500	\$1,500
21-41-7425	Office Supplies	\$6,716	\$6,600	\$7,279	\$6,000	\$6,000
21-41-7437	Rent Public Meetings	\$0	\$300	\$0	\$300	\$300

Account Code	Expenses	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
21-41-7438	Building Rent	\$0	\$18,000	\$18,000	\$20,000	\$18,000
21-41-7439	Equipment Rental/Leasing	\$578	\$3,000	\$749	\$3,000	\$3,000
21-41-7440	Facility Maintenance - Landscaping	\$15,288	\$2,400	(\$14,962)	\$2,400	\$2,400
21-41-7441	Building Maintenance	\$17,443	\$12,000	\$4,391	\$12,000	\$12,000
21-41-7451	Insurance - Liability	\$48,605	\$30,300	\$158	\$30,300	\$30,300
21-41-7453	Insurance - Property	\$0	\$16,800	\$52	\$18,480	\$18,480
21-41-7466	Permits & Fees	\$43,815	\$36,000	\$37,194	\$36,000	\$36,000
21-41-7467	Special Expense	\$0	\$0	\$0	\$0	\$0
21-41-7468	NPDES NOV Fines	\$0	\$25,000	\$180,828	\$0	\$0
21-41-7469	Personal Protective Equipment	\$1,058	\$1,020	\$1,023	\$1,020	\$1,020
21-41-7470	Safety Equipment & Supplies	\$2,608	\$3,000	\$1,463	\$3,000	\$3,000
21-41-7481	Utilities/Electrical Cost	\$378,252	\$480,000	\$351,587	\$480,000	\$480,000
21-41-7483	Utilities/Waste Cost	\$3,959	\$4,000	\$0	\$4,000	\$4,000
21-41-7495	Chemicals	\$7,521	\$20,000	\$15,064	\$20,000	\$20,000
21-41-7510	Freight	\$0	\$1,000	\$0	\$1,000	\$1,000
21-41-7511	UPS/Courier	\$20	\$480	\$0	\$480	\$0
21-41-7526	Miscellaneous Bank Charges	\$862	\$0	(\$1)	\$4,000	\$4,000
21-41-7527	Miscellaneous Services & Supply	\$4,116	\$4,500	\$1,079	\$4,500	\$4,500
21-41-7528	Miscellaneous Reimbursable	\$0	\$600	\$0	\$600	\$600
21-41-7530	Unrecoverable Charges	\$0	\$0	\$0	\$1,000	\$1,000
21-41-7532	Miscellaneous	\$100	\$2,000	\$0	\$2,000	\$2,000
21-41-7533	Bad Debt	\$0	\$0	\$0	\$0	\$0
21-41-7534	Special Expense	\$4,627	\$3,000	\$1,314	\$3,000	\$3,000
21-41-7535	Credit Memo	\$0	\$5,000	\$0	\$5,000	\$5,000
21-41-7537	Debt Service	\$740,721	\$740,000	\$739,107	\$1,097,732	\$1,101,028
21-41-7542	Taxes & Assessments	\$0	\$17,000	\$0	\$17,000	\$17,000
21-41-7544	Reimbursement for County Admin	\$443	\$0	\$0	\$0	\$0
21-41-7545	Revenue Collection	\$3,242	\$3,600	\$3,823	\$3,600	\$3,600
21-41-7547	Data Processing/Payroll Wire Transfer	\$453	\$1,560	\$282	\$1,560	\$1,560
21-41-7548	Accounting (A/P, A/R, GL)	\$0	\$1,200	\$0	\$1,200	\$1,200
21-41-7549	Public Works - Permits	\$463	\$2,000	\$0	\$2,000	\$2,000
21-41-7550	Property Taxes	\$8,338	\$8,500	\$11,483	\$13,500	\$13,500
21-41-7587	Developer Deposit Reimbursement	\$482	\$0	\$0	\$0	\$0
	Total	\$3,273,663	\$3,692,691	\$2,985,429	\$4,087,942	\$4,084,818

Capital Improvements

Account Code	Capital Improvements	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
21-1155	Wastewater Capital Improvements & Structure Replacement	\$2,084,316	\$7,678,740	\$4,799,204	\$1,533,000	\$1,263,000
21-1100	Equipment	\$5,575	\$0	\$4,799,204	\$84,000	\$30,000
21-1120	Vehicle	\$0	\$18,000	\$4,799,204	\$21,000	\$0
800	PG&E Funded Projects	\$0	\$0	\$4,799,204	\$0	\$0
21-1180-47	Wastewater Infrastructure Replacement	\$200,000	\$200,000	\$4,799,204	\$200,000	\$200,000
21-1180-48	Collection & Pumps Infrastructure Replacement	\$30,000	\$30,000	\$4,799,204	\$30,000	\$30,000
21-1180-50	Facility Infrastructure Replacement	\$15,000	\$15,000	\$4,799,204	\$15,000	\$15,000
21-1180-	Vehicle Replacement	\$15,000	\$15,000	\$4,799,204	\$15,000	\$15,000
21-1180-67	Generator Infrastructure Replacement	\$15,000	\$15,000	\$4,799,204	\$15,000	\$15,000
	Total	\$2,364,892	\$7,971,740	\$4,799,204	\$1,913,000	\$1,568,000

	Actuals 2015-2016	Budget 2016-2017	Actuals to Date 2016-2017	Budget 2017-2018	Budget 2018-2019
Revenue	5,349,461	4,350,594	4,589,977	5,529,400	5,751,400
Expenditures	5,638,554	11,664,431	7,784,633	6,000,942	5,652,818
Revenues over Expenditures	(289,094)	(7,313,837)	(3,194,656)	(471,542)	98,582



In May of 2016 the District began the Title 22 Filtration Project is the addition of tertiary filtration and UV upgrades to the District’s Wastewater Plant 2. The District’s National Pollution Discharge Elimination Systems (“NPDES”) permit that governs all wastewater activities for the District was renewed by the Regional Water Quality Control Board (“RWQCB”) on June 6, 2014. In the renewal, the RWQCB required the District to add tertiary filtration and UV upgrades and changed the permit limits for coliform in compliance with the CCR Title 22 unrestricted reuse. The facilities are required to be constructed and operational by December 31, 2017. The discharge limits also will change to lower values on this date. The Wastewater Master Plan, adopted in 2012, anticipated the future RWQCB requirement for filtration, and the District has begun construction on filtration and UV disinfection facilities in conformance with the Wastewater Master Plan and the RWQCB requirements. The construction of these facilities is expected to be completed on or about October 2017. This project is in the District’s Wastewater Rate Study conducted in 2015 and provides the necessary cash flow to pay the debt service of the bond. The estimated project budget is \$7.4M. In April of 2017 the District finalized the bond to finance the Filtration Project. The above shows the actuals to date and the overage of expenses in relation to this project. The District is utilizing the Bond funds to reimburse expenses paid by district reserves and to pay for further expenses into FY 17/18.

Reserves

Account Code	Reserves	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
Reserves	Wastewater Reserves	\$2,516,638	\$2,516,638	\$2,516,638	\$2,516,638	\$2,516,638
Infrastructure Replacement	Collection Pumps & Motors Replacement Fund	\$142,602	\$30,000	\$172,602	\$202,602	\$232,602
Infrastructure Replacement	WW Infrastructure Replacement Fund	\$950,000	\$200,000	\$1,150,000	\$1,350,000	\$1,550,000
Infrastructure Replacement	Generators Replacement Fund	\$59,029	\$15,000	\$74,029	\$89,029	\$104,029
Infrastructure Replacement	Facility Infrastructure Replacement Fund	\$138,000	\$30,000	\$84,000	\$99,000	\$114,000
Replacement	Vehicle Replacement Fund			\$84,000	\$99,000	\$114,000
	Total	\$3,806,269	\$2,791,638	\$4,081,269	\$4,356,269	\$4,631,269

- All reserve deductions will be calculated at the end of the fiscal year.

Developer Fees

Account Code	Reserves	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
Developer Fees	Capacity & Connection Fees			\$1,678,422	\$1,776,422	\$1,847,422
	Total			\$1,678,422	\$1,776,422	\$1,847,422

- All developer additional revenue or deductions will be calculated at the end of the fiscal year.

The District maintains a wastewater reserve of \$2.516M. This reserve has been established to be utilized for emergency use or project spend for the wastewater utility system. In addition to the wastewater reserve in 2011 the District established an infrastructure replacement program. These funds are saved for the future replacements or improvements of the wastewater infrastructure system including, pipes, chemical tanks, pumps, motors, vehicles, and generator replacements.

The Developer Fees are acquired when new home construction permits are pulled. These fee are charged to connect and utilize the Districts water and wastewater utilities. All developer fees are on the Districts website <http://www.todb.ca.gov/ordinances-town-discovery-bay>.

Wastewater Utility Rate

A Wastewater rate study was conducted and adopted in 2016. You can find the entire rate study on the district website at <http://www.todb.ca.gov/>.

Wastewater Enterprise								
Monthly Wastewater Rate Schedule (Fiscal Years 2017 through 2021)								
	<u>2017-18</u>		<u>2018-19</u>		<u>2019-20</u>		<u>2020-21</u>	
	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual
Residential/Unmetered								
Single Family (Each DU)	\$76.32	\$915.84	\$79.38	\$952.56	\$82.55	\$990.60	\$85.85	\$1,030.20
Multifamily/Condos (Each DU)	\$57.25	\$687.00	\$59.54	\$714.48	\$61.92	\$743.04	\$64.40	\$772.80
Vacant	\$18.67	\$ 224.04	\$18.67	\$224.04	\$18.67	\$224.04	\$18.67	\$224.04
Non-Residential/Metered (Use \$/ccf)								
	Volume Use		Volume Use		Volume Use		Volume Use	
Business/Government/Clubs	\$5.30		\$5.51		\$5.73		\$5.96	
Restaurants/Bars/Dining Facilities	\$15.53		\$16.15		\$16.79		\$17.46	
Schools	\$4.77		\$4.96		\$5.16		\$5.37	
Other Domestic Strength Users	\$5.30		\$5.51		\$5.73		\$5.96	

DU= Dwelling Unit

CCF = 100 Cubic Feet = 748 Gallons

Lighting & Landscaping Zone #8 Services Revenue, Operations & Maintenance and Capital Improvements

The Lighting and Landscaping District #8 receives its revenues from an Appropriations limit set by the California Department of Finance. The District uses this calculation year over year to calculate the operating revenue that the District utilizes to maintain and operate the Lighting and Landscaping Zone #8 District.

Revenue

Account Code	Revenue	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
40-31-5107	Supplemental Property Tax	\$0	\$0	\$159	\$0	\$0
40-31-5111	Current Unsecure Property Tax	\$16,005	\$0	\$15,913	\$0	\$0
40-31-5117	Other Tax	\$5,948	\$0	\$611	\$0	\$0
40-31-5120	Assessment Income	\$548,951	\$500,000	\$555,802	\$616,220	\$628,544
40-31-5151	Landscape Related Reimbursable	\$0	\$6,000	\$0	\$6,000	\$6,000
40-31-5180	Payroll Reimbursements - CCC	\$0	\$8,207	\$0	\$8,207	\$8,207
	Total	\$570,905	\$514,207	\$572,485	\$630,427	\$642,751

Expenditures

Account Code	Expenses	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
40-41-7000	Salary & Wages	\$136,812	\$108,000	\$116,320	\$148,000	\$150,000
40-41-7182	Travel	\$0	\$1,000	\$16	\$1,000	\$1,000
40-41-7197	Train, Meet & Education	\$35	\$1,500	\$1,546	\$1,500	\$1,500
40-41-7210	Dues & Subscriptions	\$0	\$200	\$0	\$200	\$200
40-41-7225	Memberships	\$60	\$525	\$0	\$525	\$525
40-41-7286	Legal - General	\$933	\$1,000	\$315	\$1,000	\$1,000
40-41-7301	Annual Audit Services	\$2,220	\$2,220	\$2,200	\$2,220	\$2,200
40-41-7317	Advertising	\$0	\$50	\$0	\$50	\$50
40-41-7361	Telephone - general	\$1,174	\$1,125	\$0	\$1,125	\$1,125
40-41-7362	Telecom - networking	\$627	\$700	\$1,161	\$900	\$900
40-41-7363	Telephone - cellular	\$942	\$2,000	\$1,209	\$2,000	\$2,000
40-41-7376	Road/Construction Materials (s	\$0	\$500	\$0	\$500	\$500
40-41-7392	Vehicle & Equipment – Fuel	\$4,489	\$3,000	\$3,147	\$4,000	\$4,000
40-41-7393	Vehicle & Equipment Sup & Rep	\$1,715	\$2,000	\$256	\$2,000	\$2,000
40-41-7408	Special Equipment	\$320	\$0	\$0	\$0	\$0
40-41-7409	Info System - Maintenance	\$161	\$800	\$432	\$800	\$800

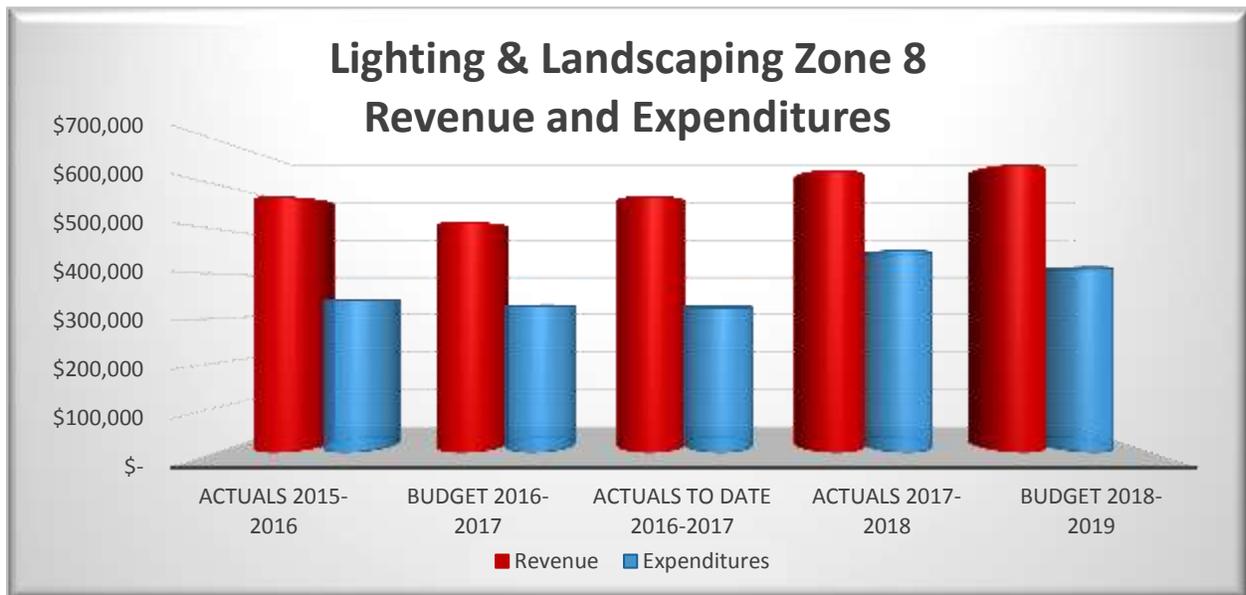
Account Code	Expenses	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
40-41-7410	Equipment Maintenance	\$2,389	\$3,500	\$2,393	\$4,500	\$4,500
40-41-7412	Computer Equipment & Supplies	\$0	\$150	\$0	\$150	\$150
40-41-7413	Miscellaneous Small Tools	\$1,770	\$1,500	\$1,261	\$1,500	\$1,500
40-41-7414	Equipment Repair	\$111	\$750	\$26	\$750	\$750
40-41-7421	Cleaning Supplies (household i	\$0	\$1,000	\$30	\$1,000	\$1,000
40-41-7422	Minor Equipment (furniture <\$1	\$0	\$150	\$0	\$150	\$150
40-41-7424	Postage	\$0	\$150	\$0	\$150	\$150
40-41-7425	Office Supplies	\$407	\$1,200	\$929	\$1,200	\$1,200
40-41-7438	Building Rent	\$0	\$200	\$0	\$9,000	\$9,000
40-41-7439	Equipment Rental/Leasing	\$41	\$2,000	\$83	\$2,000	\$2,000
40-41-7440	Facility Maintenance - Landscaping	\$38,840	\$50,000	\$41,879	\$50,000	\$50,000
40-41-7441	Building Maintenance	\$8,283	\$3,000	\$9,814	\$6,000	\$6,000
40-41-7451	Insurance - Liability	\$3,657	\$1,700	\$0	\$1,700	\$1,700
40-41-7469	Personal Protective Equipment	\$3,043	\$3,000	\$3,712	\$3,000	\$3,000
40-41-7470	Safety Equipment & Supplies	\$9	\$0	\$188	\$0	\$0
40-41-7481	Utilities/Electrical Cost	\$92,776	\$80,000	\$83,934	\$80,000	\$80,000
40-41-7482	Utilities/Water Cost	\$21,538	\$35,000	\$29,987	\$35,000	\$35,000
40-41-7483	Utilities/Waste Cost	\$6,175	\$5,000	\$8,888	\$5,000	\$5,000
40-41-7526	Miscellaneous Bank Charges	\$0	\$0	\$867	\$0	\$0
40-41-7527	Miscellaneous Services & Supply	\$1,981	\$2,000	\$53	\$2,000	\$2,000
40-41-7534	Special Expense	\$294	\$1,000	\$240	\$1,000	\$1,000
40-41-7542	Taxes & Assessments	\$820	\$1,200	\$2,051	\$2,000	\$2,000
40-41-7543	Inter-fund (Investment Property	\$0	\$300	\$0	\$300	\$300
40-41-7544	Reimbursement for County Admin	\$2,085	\$500	\$10,655	\$500	\$500
40-41-7545	Revenue Collection	\$4,824	\$2,000	\$0	\$2,000	\$2,000
40-41-7549	Public Works - Permits	\$0	\$500	\$0	\$500	\$500
40-41-7550	Property Taxes	\$1,962	\$2,000	\$938	\$2,000	\$2,000
	Total	\$340,493	\$322,420	\$324,528	\$377,220	\$379,200

Capital Improvements

Account Code	Capital Improvements	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
40-1160	Streetscapes	\$0	\$2,500	\$0	\$2,500	\$0
40-1100	Equipment	\$0	\$2,500	\$0	\$36,000	\$0
40-1180-	Light Pole Replacement Fund	\$0	\$0	\$0	\$30,000	\$30,000
40-1180-	Vehicle Replacement Fund	\$0	\$0	\$0	\$5,000	\$5,000
	Total	\$0	\$5,000	\$0	\$73,500	\$35,000

	Actuals	Budget	Actuals to Date	Budget	Budget
	Actuals 2015-2016	Budget 2016-2017	Actuals To Date 2016-2017	Actuals 2017-2018	Budget 2018-2019
Revenue	\$ 570,905	\$ 514,207	\$ 572,485	\$ 630,427	\$ 642,751
Expenditures	\$ 340,493	\$ 327,420	\$ 324,528	\$ 450,720	\$ 414,200
Revenues over Expenditures	\$ 230,412	\$ 186,787	\$ 247,956	\$ 179,707	\$ 228,551

Reserve Utilization



Lighting and Landscaping Zone #8 on a weekly basis maintains the front entrance into Discovery Bay, the streetscapes, and Cornell Park. This Zone runs very lean as provided by the data above. The reason for the lean expenses is increased efficiencies and the lack of Capital Projects planned at this time. Zone #8 also maintains the Community Center park grounds. Next fiscal year the Lighting and Landscape Department needs to purchase some new equipment. The costs of the equipment are split between

Zone #8 and Zone #9. The purchases include a tractor, seed tiller, and an aerator for a total cost to Zone #8 of \$36K.

Reserves

Account Code	Reserves	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
Reserves	Zone 8 Reserve Fund	\$399,138	\$399,138	\$399,138	\$399,138	\$434,138
Replacement	Vehicle Replacement Fund	\$0	\$0	\$0	\$5,000	\$5,000
Infrastructure Replacement	Light Pole Replacement Fund	\$0	\$0	\$0	\$30,000	\$30,000
	Total	\$399,138	\$399,138	\$399,138	\$434,138	\$469,138

- All reserve deductions will be calculated at the end of the fiscal year.

The District maintains a water reserve of \$399K. This reserve has been established to be utilized for emergency use or project spend for the Lighting and Landscaping District #8. In addition to the reserve, in 2017 the District established an infrastructure replacement program. These funds are saved for the future replacements or improvements of the Lighting and Landscaping District including, vehicles, and light pole replacements.

Lighting & Landscaping Zone #8 Appropriations

The Discovery Bay Lighting and Landscape Zone #8 (Zone 8) receives annual funding through a portion of property taxes collected within its boundaries. Each year, the Town of Discovery Bay Community Services District (District) is responsible for identifying its appropriation limit in accordance Article XIII B of the California Constitution, known as the Proposition 4 or the GANN limit.

Staff collects the necessary information from the California Department of Finance and calculates the Appropriations Limit for Zone 8 for board approval every July. The calculation is based on the previous year's appropriation limit and factors in the change of California's per capita personal income and local population percentage change.

<http://www.dof.ca.gov/Forecasting/Demographics/Estimates/documents/PricePopulation2017.pdf>

Below is a snapshot of the history of previous Appropriations calculations by fiscal year.

ATTACHMENT "A"

Discovery Bay Lighting Landscape Zone 8
Appropriations Limit Calculation

	Historical Limit (With Permitted Increases)	Per Capita Personal Income Change	Per Capita Ratio*	Population Change	Population Ratio*	Fiscal Year Factor
Year 04/05	\$ 352,279.00					
Year 05/06	\$ 379,708.29	5.26	1.0526	2.4	1.024	1.0778624
Year 06/07	\$ 402,876.48	3.96	1.0396	2.06	1.0206	1.06101576
Year 07/08	\$ 431,200.71	4.42	1.0442	2.5	1.025	1.070305
Year 08/09	\$ 461,481.34	4.29	1.0429	2.62	1.0262	1.07022398
Year 09/10	\$ 469,171.69	0.62	1.0062	1.04	1.0104	1.01666448
Year 10/11	\$ 458,900.84	-2.54	0.9746	0.36	1.0036	0.97810856
Year 11/12	\$ 474,747.11	2.51	1.0251	0.92	1.0092	1.03453092
Year 12/13	\$ 497,620.79	3.77	1.0377	1.01	1.0101	1.04818077
Year 13/14	\$ 525,557.54	5.12	1.0512	0.47	1.0047	1.05614064
Year 14/15	\$ 530,903.12	-0.23	0.9977	1.25	1.0125	1.01017125
Year 15/16	\$ 556,915.93	3.82	1.0382	1.04	1.0104	1.04899728
Year 16/17	\$ 592,397.12	5.37	1.0537	0.95	1.0095	1.06371015
Year 17/18	\$ 616,220.40	3.36	1.0336	0.64	1.0064	1.04021504

* Based on factors provided in the annual
Price and Population Information letter from
the California Department of Finance.
Dated May 2017

Recreation Service Revenue, Operations & Maintenance and Capital Improvements

The recreation department was established with the purchase of the Community Center in 2013. The Community Center is part of Zone #8 and is funded by the revenue that the community center generates from classes, the swim team and events, as well as Zone #8.

Revenue

Account Code	Revenue	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
40-31-5148	Advertising Revenue	\$0	\$4,500	\$0	\$800	\$800
40-31-5149	Community Center Program Fees	\$38,583	\$28,000	\$0	\$31,000	\$31,000
40-31-5150	Community Center Events	\$4,210	\$3,000	\$0	\$3,000	\$3,000
40-31-6000	Recreation Revenue	\$7,389	\$0	\$64,859	\$0	\$0
40-31-6690	Swim Team	\$38,625	\$32,000	\$0	\$32,000	\$32,000
40-31-6695	Rentals	\$8,739	\$35,000	\$30,000	\$38,000	\$38,000
40-31-6996	Community Center Apparel	\$600	\$100	\$0	\$100	\$100
40-31-6997	Community Center Food	\$453	\$500	\$0	\$100	\$100
40-31-6998	Community Center Beverage	\$743	\$500	\$0	\$100	\$100
40-31-6999	Community Center Pool Fee	\$7,908	\$7,500	\$0	\$7,500	\$7,500
	Total	\$107,250	\$111,100	\$94,859	\$112,600	\$112,600

Expenditures

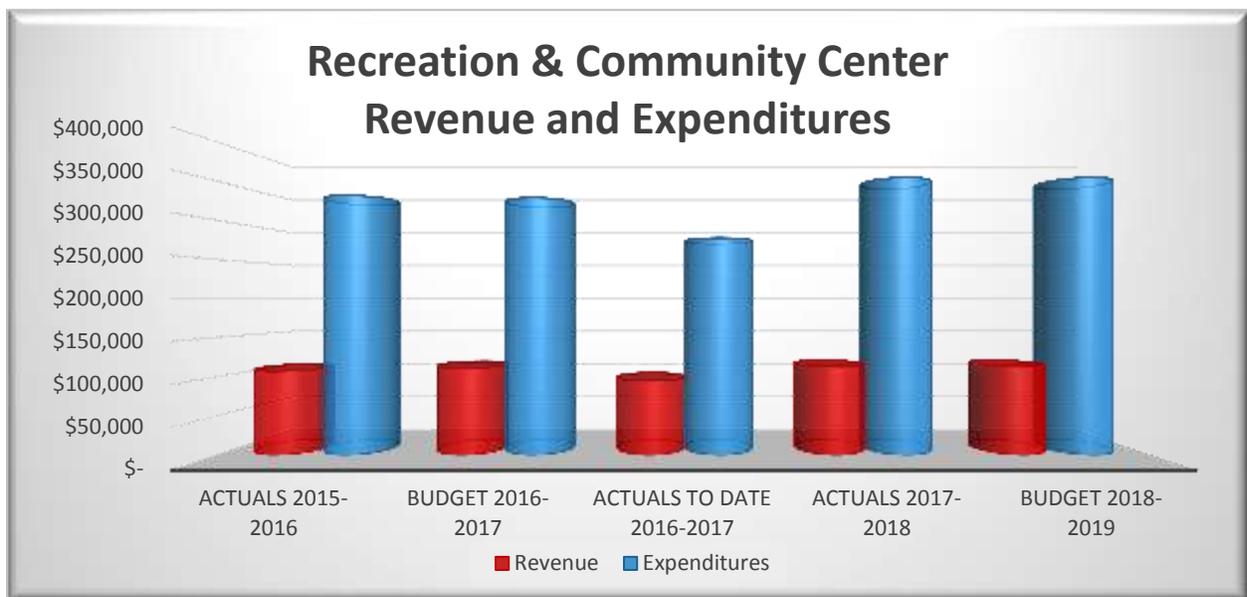
Account Code	Expenses	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
40-41-8000	Salary & Wages	\$159,005	\$178,908	\$135,838	\$188,000	\$198,000
40-41-8182	Travel & Meetings	\$0	\$700	\$293	\$700	\$700
40-41-8197	Train, Meet & Education	\$394	\$1,500	\$684	\$1,500	\$1,500
40-41-8210	Dues & Subscriptions	\$0	\$300	\$310	\$300	\$300
40-41-8225	Memberships	\$0	\$0	\$0	\$0	\$0
40-41-8256	Events	\$2,935	\$0	\$1,592	\$0	\$0
40-41-8271	Consulting Services	\$0	\$0	\$0	\$10,000	\$0
40-41-8286	Legal - General	\$2,149	\$1,500	\$0	\$1,500	\$1,500
40-41-8301	Annual Audit Services	\$0	\$1,000	\$1,000	\$1,000	\$1,000
40-41-8317	Advertising	\$12,060	\$9,000	\$15,999	\$16,000	\$16,000
40-41-8319	Internet Website	\$0	\$0	\$0	\$0	\$0
40-41-8361	Telephone - general	\$1,876	\$2,000	\$3,487	\$2,000	\$2,000
40-41-8362	Telecom - networking	\$627	\$700	\$1,674	\$700	\$700
40-41-8363	Telephone - cellular	\$942	\$1,200	\$303	\$1,200	\$1,200
40-41-8392	Vehicle & Equipment - Fuel	\$77	\$100	\$0	\$100	\$100

Account Code	Expenses	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
40-41-8406	General Repairs	\$592	\$1,000	\$371	\$2,500	\$2,500
40-41-8408	Special Equipment	\$3,282	\$100	\$0	\$100	\$100
40-41-8409	Info System - Maintenance	\$6,535	\$2,000	\$2,651	\$2,000	\$2,000
40-41-8410	Equipment Maintenance	\$100	\$800	\$285	\$800	\$800
40-41-8411	Software Hosting	\$4,275	\$4,000	\$3,685	\$4,000	\$4,000
40-41-8412	Computer Equipment & Supplies	\$385	\$0	\$0	\$0	\$0
40-41-8423	Office Furniture	\$0	\$0	\$0	\$0	\$0
40-41-8424	Postage	\$2,438	\$3,000	\$2,959	\$3,000	\$3,000
40-41-8425	Office Supplies	\$2,743	\$1,500	\$3,244	\$2,500	\$2,500
40-41-8439	Equipment Rental/Leasing	\$156	\$1,000	\$0	\$1,000	\$1,000
40-41-8440	Facility Maintenance - Landscaping	\$15,766	\$18,000	\$15,070	\$20,000	\$20,000
40-41-8441	Building Maintenance	\$12,059	\$5,000	\$8,463	\$5,000	\$5,000
40-41-8442	Pool Maintenance	\$8,662	\$6,000	\$13,482	\$8,500	\$8,500
40-41-8451	Insurance - Liability	\$3,609	\$3,500	\$0	\$3,500	\$3,500
40-41-8453	Insurance - Property	\$0	\$1,000	\$0	\$1,000	\$1,000
40-41-8466	Permits & Fees	\$1,865	\$2,000	\$1,071	\$2,000	\$2,000
40-41-8469	Personal Protective Equipment	\$893	\$500	\$294	\$500	\$500
40-41-8470	Safety Equipment & Supplies	\$2,086	\$500	\$2,225	\$750	\$750
40-41-8481	Utilities/Electrical Cost	\$15,567	\$20,000	\$13,833	\$20,000	\$20,000
40-41-8482	Utilities/Water Cost	\$3,819	\$12,000	\$781	\$12,000	\$12,000
40-41-8483	Utilities/Waste Cost	\$7,097	\$6,000	\$3,886	\$6,000	\$6,000
40-41-8495	Chemicals	\$6,551	\$8,500	\$7,688	\$8,500	\$8,500
40-41-8511	UPS/Courier	\$0	\$0	\$0	\$0	\$0
40-41-8526	Miscellaneous Bank Charges	\$5,191	\$2,000	\$2,382	\$2,500	\$2,500
40-41-8527	Miscellaneous Services & Supply	\$2,918	\$1,000	\$1,672	\$1,000	\$1,000
40-41-8534	Special Expense	\$1,012	\$300	\$867	\$300	\$300
40-41-8535	Credit Memo	\$6,813	\$3,500	\$260	\$3,500	\$3,500
40-41-8538	Inspection & Fees	\$0	\$0	\$0	\$0	\$0
40-41-8540	Swim Team Expenses	\$10,525	\$8,000	\$8,202	\$0	\$0
40-41-8541	Food Expense	\$288	\$0	\$0	\$0	\$0
40-41-8542	Beverage Expense	\$0	\$0	\$0	\$0	\$0
40-41-8543	Program Fees	\$26,098	\$20,000	\$22,257	\$20,000	\$20,000
40-41-8548	Inter-governmental Charges	\$0	\$200	\$0	\$200	\$200
	Total	\$331,388	\$328,308	\$277,127	\$354,150	\$354,150

Capital Improvements

Currently there are no capital improvement projects planned for the Recreation and the Community Center.

	Actuals		Actuals to Date		Budget	
	2015-2016	2016-2017	2016-2017	2017-2018	2018-2018	2018-2018
Revenue	\$ 107,250	\$ 111,100	\$ 94,859	\$ 112,600	\$ 112,600	\$ 112,600
Expenditures	\$ 331,388	\$ 328,308	\$ 277,127	\$ 354,150	\$ 354,150	\$ 354,150
Revenues over Expenditures	\$ (224,138)	\$ (217,208)	\$ (182,269)	\$ (241,550)	\$ (241,550)	\$ (241,550)



The Community Center located at 1601 Discovery Bay Blvd was purchased in 2013. Renovations continue annually, so that the District is able to offer a variety of events and classes for the residents of Discovery Bay. The recreation program guide is sent out in the fall for the fall/winter season and in the spring for the spring/summer season. These guides lists all of the town's events and classes for residents of all ages. Currently the Community Center runs at a deficit of \$241K which is recovered by the Zone #8 appropriations limit. The Board of Directors and Staff are working together to develop a plan to increase revenues for the Community Centers future. The Community Center remains a valuable asset for Discovery Bay's parks and recreation programs.

Lighting & Landscaping Zone #9 Services Revenue, Operations & Maintenance and Capital Improvements

The Lighting and Landscaping District #8 receives its revenues from an Appropriations limit set by the California Department of Finance. The District uses this calculation year over year to calculate the operating revenue that the District utilizes to maintain and operate the Lighting and Landscaping Zone 8 District.

Revenue

Account Code	Revenue	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
41-31-5114	Prior Unsecured Property Tax	\$0	\$0	\$385	\$0	\$0
41-31-5120	Assessment Income	\$123,209	\$119,000	\$122,185	\$134,000	\$140,000
41-31-5177	Reimbursements	\$0	\$4,000	\$0	\$4,000	\$4,000
41-31-5179	Miscellaneous	\$0	\$5,000	\$110	\$5,000	\$5,000
	Total	\$123,209	\$128,000	\$122,680	\$143,000	\$149,000

Expenditures

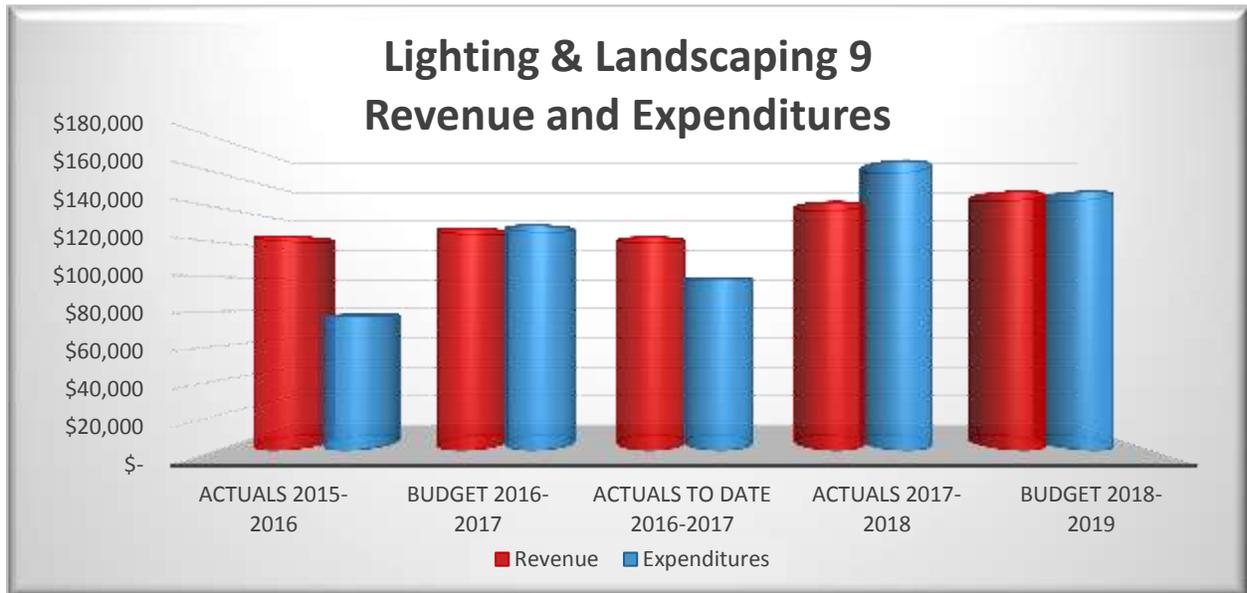
Account Code	Expenses	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
41-41-7000	Salary & Wages	\$29,393	\$54,524	\$31,278	\$61,000	\$65,000
41-41-7182	Travel	\$0	\$500	\$19	\$500	\$500
41-41-7197	Train, Meet & Education	\$35	\$300	\$133	\$300	\$300
41-41-7210	Dues & Subscriptions	\$0	\$200	\$0	\$200	\$200
41-41-7225	Memberships	\$170	\$400	\$0	\$400	\$400
41-41-7271	Consulting Services	\$0	\$4,100	\$0	\$4,100	\$4,100
41-41-7286	Legal - General	\$622	\$1,000	\$0	\$1,000	\$1,000
41-41-7301	Annual Audit Services	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200
41-41-7317	Advertising	\$127	\$60	\$0	\$60	\$0
41-41-7361	Telephone - general	\$1,262	\$1,000	\$220	\$1,000	\$1,000
41-41-7362	Telecom - networking	\$627	\$700	\$263	\$700	\$400
41-41-7363	Telephone - cellular	\$942	\$1,200	\$1,209	\$1,200	\$1,200
41-41-7376	Road/Construction Materials (s	\$0	\$200	\$13,851	\$200	\$200
41-41-7392	Vehicle & Equipment - Fuel	\$3,718	\$3,000	\$3,771	\$3,000	\$3,000
41-41-7393	Vehicle & Equipment Sup & Rep	\$1,637	\$1,500	\$1,605	\$1,500	\$1,500
41-41-7406	General Repairs	\$5	\$100	\$0	\$100	\$100
41-41-7408	Special Equipment	\$217	\$0	\$0	\$0	\$0
41-41-7409	Info System – Maintenance	\$211	\$1,000	\$17	\$1,000	\$1,000
Account Code	Expenses	Actual FY	Budgeted FY	Actuals to Date	Budgeted FY	Budgeted FY

		2015/2016	2016-2017	FY 2016-2017	2017-2018	2018-2019
41-41-7410	Equipment Maintenance	\$1,369	\$1,500	\$693	\$1,500	\$1,500
41-41-7412	Computer Equipment & Supplies	\$0	\$750	\$0	\$750	\$750
41-41-7413	Miscellaneous Small Tools	\$704	\$900	\$927	\$900	\$900
41-41-7414	Equipment Repair	\$580	\$750	\$0	\$750	\$750
41-41-7421	Cleaning Supplies (household i	\$11	\$500	\$0	\$500	\$500
41-41-7422	Minor Equipment (furniture <\$1	\$0	\$500	\$0	\$500	\$500
41-41-7424	Postage	\$0	\$50	\$0	\$50	\$50
41-41-7425	Office Supplies	\$55	\$500	\$645	\$500	\$500
41-41-7438	Building Rent	\$0	\$200	\$0	\$9,000	\$9,000
41-41-7439	Equipment Rental/Leasing	\$41	\$1,000	\$0	\$1,000	\$1,000
41-41-7440	Facility Maintenance - Landscaping	\$12,033	\$12,750	\$6,481	\$12,750	\$12,750
41-41-7441	Building Maintenance	\$3,360	\$3,000	\$9,948	\$3,000	\$3,000
41-41-7451	Insurance - Liability	\$3,304	\$1,200	\$0	\$1,200	\$1,200
41-41-7469	Personal Protective Equipment	\$3,063	\$1,500	\$4,116	\$1,500	\$1,500
41-41-7470	Safety Equipment & Supplies	\$9	\$0	\$0	\$0	\$0
41-41-7481	Utilities/Electrical Cost	\$700	\$1,350	\$801	\$1,350	\$1,350
41-41-7482	Utilities/Water Cost	\$8,333	\$20,000	\$18,210	\$20,000	\$20,000
41-41-7483	Utilities/Waste Cost	\$1,611	\$1,500	\$2,198	\$1,500	\$1,500
41-41-7527	Miscellaneous Services & Supply	\$155	\$500	\$0	\$500	\$500
41-41-7532	Miscellaneous	\$50	\$0	\$0	\$0	\$0
41-41-7534	Special Expense	\$42	\$500	\$139	\$500	\$500
41-41-7542	Taxes & Assessments	\$18	\$1,000	\$0	\$1,000	\$1,000
41-41-7545	Revenue Collection	\$423	\$600	\$423	\$600	\$600
	Total	\$77,025	\$122,534	\$99,145	\$137,810	\$141,450

Capital Improvements

Account Code	Capital Improvements	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
41-1135	Building & Improvements	\$0	\$500	\$0	\$0	\$0
41-1155	Parks	\$0	\$6,500	\$0	\$0	\$0
41-1100	Equipment	\$0	\$0	\$0	\$24,000	\$2,500
41-1180	Vehicle Replacement Fund	\$0	\$0	\$0	\$5,000	\$5,000
	Total	\$0	\$7,000	\$0	\$29,000	\$7,500

	Actuals 2015-2016	Budget 2016-2017	Actuals to Date 2016-2017	Budget 2017-2018	Budget 2018-2018
Revenue	\$ 123,209	\$ 128,000	\$ 122,680	\$ 143,000	\$ 149,000
Expenditures	\$ 77,025	\$ 129,534	\$ 99,145	\$ 166,810	\$ 148,950
Revenues over Expenditures	\$ 46,184	\$ (1,534)	\$ 23,535	\$ (23,810)	\$ 50



Zone #9 is a Lighting and Landscaping District which maintains the Ravenswood area of Discovery Bay. Revenues are derived from an annual engineers assessment and report. The Board of Directors approves the report and the assessment per residential property to cover the Operations and Maintenance, Capital Improvement and Reserve Budgets each fiscal year. This Maintenance Zone like Zone #8 runs very lean. In the next fiscal year the department will be purchasing 3 large pieces of equipment a tractor, a slit seeder and an aerator. The cost of this equipment will be split between maintenance Zone #8 and Zone #9. The cost to Zone #9 is \$24K. The Zone will utilize its reserves for this purchase as to keep the assessment level for the residents of this Maintenance District.

Reserves

Account Code	Reserves	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
Reserves	Zone 9 Reserves	\$188,304	\$188,304	\$188,304	\$188,304	\$193,304
Replacement	Vehicle Replacement Fund	\$0	\$0	\$0	\$5,000	\$5,000
	Total	\$188,304	\$188,304	\$188,304	\$193,304	\$198,304

- All reserve deductions will be calculated at the end of the fiscal year.

Lighting and Landscaping District Zone #9 maintains a reserve of \$188K. This reserve has been established to be utilized for emergency use or project spending for the Lighting and Landscaping District Zone #9. In addition to the reserve, in 2017 the District established a Vehicle Replacement Program. These funds are saved for the future replacements of the Lighting and Landscaping District vehicles.

Lighting & Landscaping Zone #9 Engineers Report

As part of the annual assessment process for the Ravenswood Improvement District – DB Lighting and Landscape Zone 9, the Town of Discovery Bay Board of Directors adopted a Resolution annually, which directed HERWIT Engineering to prepare the assessment report. HERWIT provides the Draft of the Final Assessment Engineer’s Report to District Staff. In that report, HERWIT determined that based on operating costs (as shown on the Adopted Operating and Capital Budget for Discovery Bay Lighting and Landscape Zone 9) the per parcel assessment.

HERWIT Engineering lists all factors leading to the increased assessment as well as the funds needed to maintain the reserve amount, and cover the increased cost of operations.

The Annual Assessment can be viewed on the Districts website at <http://www.todb.ca.gov/>.

Capital Projects

The Capital Improvement Projects for Fiscal Year 2017/2018 is valued at \$3,285,500. The budgeted projects include funding necessary to properly service, maintain and support the basic functions of District operations; continued construction for the two (2) CIP Water & Wastewater Projects as well as \$35,000 for an new town vehicle, Lighting & Landscaping Equipment purchase and \$565,000 for Infrastructure replacement Funds.

The CIP is broken down into 9 distinct areas – Wastewater Capital Improvements; Wastewater Structures & Improvements; Water Capital Improvements; Water Structures & Improvements; Equipment; Building & Improvements; Zone #8 Capital Improvements; Zone #9 Capital Improvements and Infrastructure Replacement. All of the projects that are included as a part of the CIP represent projects that continue to maintain existing infrastructure, as well as preparing to accommodate future development.

Wastewater Capital Improvements and Structures & Replacements

For FY 2017/2018 the Wastewater CIP and Structures & Replacements represent 7 projects at a total combined cost of \$1,533,000; of which is allocated to the approved CIP projects including, Lift Station Improvements, SCADA Improvements, Plant 1 Refurbishment, Wastewater Distribution System & Maintenance, Mainline Piping Replacement, Rehab of Manholes, Raising Manholes. Also in this fiscal year is the completion of the Bonded Tittle 22 Filtration Project.

Water Capital Improvements and Structures & Replacements

For FY 2017/2018 The Water Wastewater CIP and Structures & Replacements includes 3 projects at total combined cost of \$925,000. The CIP projects include Water Supply Capacity (source, treatment & storage) and Upgrades & Maintenance of the Existing Water Supply Facilities. Also in this fiscal year is the completion of the Partially Bonded Water Meter Project.

Equipment Capital

The District plans to purchase equipment in fiscal year 17/18. Leak Detection equipment \$25,000 for the water systems, and District Message Boards \$80,000.

Vehicle Capital

The district plans to purchase one new vehicle in FY 2017/2018 in the amount of \$35,000.

Building and Improvements Capital

In fiscal year 17/18 the District plans to improve upon its Security systems at our Water & Wastewater plant facilities. The district will be implementing new electronic gates \$40,000 and locks \$20,000 at all of our treatment facilities.

Infrastructure Replacement Funds

In fiscal year 17/18 the District plans to add additional funds into the infrastructure replacement funds. \$275,000 for wastewater, \$250,000 for water, \$35,000 for Zone #8 and \$5,000 for Zone #9.

Lighting & Landscaping Zone #8 & Zone #9 Capital

Lighting and Landscaping Zone #8 and #9 will be splitting the cost of a new Tractor, a Slit Seeder, and an Aerator for a total amount of \$60,000, Zone #8 will pay 60% of the cost and Zone #9 will pay 40% of the cost. Zone #8 has also budgeted \$2,500 for maintaining the streetscapes.

PG&E Projects

The District received one time revenues from PG&E for a gas line maintenance project that occurred between September 2015 and January 2016. Additionally, PG&E representatives presented a check in the amount of \$5,000 for the use of the Community Center during the December gas outage as well as notified the Town that they have also agreed to make a contribution of \$17,000 for new playground equipment at the Roberta Fuss Tot Lot on Clipper Drive. Total one-time unanticipated revenues total \$349,411. These project are ongoing and spread over a period of fiscal years.

List of the Projects Approved by the Board of Directors on February 17, 2017

- ▶ Wastewater Treatment Plant: **Completed**
 - 1) Add Insulation to Parking Cover: \$8,600.
 - 2) Replace aggregate base in Parking Cover to Asphalt: \$15,000, or,
 - 3) Replace aggregate base in Parking Cover to Concrete: \$30,000 (preferred).
 - 4) Add asphalt to comply with RWQCB NOV at Bio-Solids station: \$40,000.

- ▶ Community Center:
 - 1) Add small dog area to dog park \$10,000 (possible donors as an Earth Day project) \$10K not in # below. **Completed**
 - 2) ADA Ramp and Gate at Pool \$6,500. **Completed**
 - 3) Replace front and rear lights/adding improved lighting \$12,000
 - 4) R&R concrete trippers \$10,500
 - 5) R&R Pool Equipment Enclosure \$56,000
 - 6) Pool side furnishings \$5,000 (use PGE grant of \$5,000) **Completed**
 - 7) Repair south side access gate \$2,600
 - 8) Repair BBQ Area \$7,500
 - 9) Resurface Tennis Courts 3&4 (possible Pickle Ball Courts) \$55,000
 - 10) Archery Equipment \$1,500
 - 11) New Community Center Roof \$40,000 **Completed**

- 12) Replace play structure at Roberta Fuss Tot Lot (possible 13) PGE Community Benefit Project) \$65,000

Capital Project Listing

Project #	Project Name	FY 16/17 Budget	FY 17/18 Budget	FY 18/19 Budget	FY 19/20 Budget	FY 20/21 Budget	FY 21/22 Budget
	CIP for Water Supply Capacity (Source, Treatment and Storage)						
52	Well 8 - Site Acquisition, CEQA, Exploratory, Production Well, Pipeline, Design & Construction for 1,800 gpm well		\$400,000	\$1,800,000			
	Abandon and Destroy Well 5A and Site Decommissioning				\$75,000		
61	Newport WTP Storage Tank - Site Acquisition Earthwork, Foundation, 275,000 gallon Tank, Pipe, Valves, Controls				\$820,000		
55/57	Willow Lake WTP Filter Project - 850 gpm Filter D, second Backwash Tank, Recycle Pumps Upgrade					\$700,000	
	Upgrades and Maintenance for Existing Water Supply Facilities						
	Well 4A Rehab - Maintenance to Halt Well Decline, Pump Modifications and Refurbishment		\$75,000				
	Well 2 Rehab - Maintenance and Pump Upgrade to Water Lube					\$75,000	
108	Newport WTP PLC/ Control System Upgrade-SCADA Improvements	\$250,000	\$250,000				
	Water Storage Tank Maintenance		\$75,000				
	Filter Media Replacements - Willow and Newport (5 filters \$25K ea.)			\$125,000			
111	Stabilization Soils- Willow Lake WTP	\$20,000					
	Water Distribution System						
	Pantages - Kellogg Creek Crossing 16-inch mainline from Discovery Pt to Point of Timber Rd			\$375,000			
	Pantages - Kellogg Creek Crossing 16-inch mainline from Cabrillo Pt to Point of Timber Rd –			\$375,000			

Project #	Project Name	FY 16/17 Budget	FY 17/18 Budget	FY 18/19 Budget	FY 19/20 Budget	FY 20/21 Budget	FY 21/22 Budget
	Additional Capital Improvements - Water Distribution System & Maintenance						
	Newport & Willow Lake Water Treatment Plant- Installation of spill containment curbing/diversion			\$20,000			
	Upgrade Hypo Tanks at Newport & Willow Lake Water Treatment Plants						\$25,000
	Water Meter Completion Project						
115	Water Meter Project	\$3,000,000					
15	Annual Wastewater Lift Station Improvements	\$330,000					
	Lift Station R		\$87,500				
	Lift Station J		\$87,500				
	Lift Station S		\$87,500				
	Lift Station H		\$87,500				
	Lift Station A			\$150,000			
	Lift Station C			\$150,000			
	Lift Station D			\$150,000			
	Lift Station E			\$150,000			
112	Clarifier Rehabilitation- Wastewater Distribution System						
	Plant 2 Clarifier #3 System- Clarifier rehab/trough leveling			\$100,000			
	Clarifier Launderers Cover Plant 2						\$300,000
110	Wastewater Treatment Plant 1 Refurbishment						
	Rehab Wastewater Treatment Plant 1						
	<i>Rehab Includes: Ox Ditch 1 crack sealing & structural repair \$150K</i>			\$150,000			
	<i>Ox Ditch 2 Rotor repairs, recoat steal \$150K</i>			\$150,000			
	<i>Clarifier #1 & #2 rehab \$225K</i>		\$225,000				
	<i>MCC Replacement & MCC Standby Generator \$570K</i>					\$661,000	
	<i>2016 dollars escalate at 4% (Combine with Denite Project)</i>						
	<i>Influent Pump station odor control system \$120K</i>		\$120,000				
	<i>Headworks coating, grating, instruments &</i>				\$75,000		

Project #	Project Name	FY 16/17 Budget	FY 17/18 Budget	FY 18/19 Budget	FY 19/20 Budget	FY 20/21 Budget	FY 21/22 Budget
	<i>misc. \$75K</i>						
	Storm Drain Improvements \$20K		\$20,000				
	Reclaimed Water to Plant 1 for Maintenance Operations (\$25K)		\$25,000				
	Pump Station W Valve/gate (\$50K)		\$50,000				
	Additional Capital Improvements - Wastewater Distribution System & Maintenance						
	Plant 2 RAS & WAS Pumping System- Covering Structure Installation		\$25,000				
	All Clarifiers- Algae Growth Mitigation		\$75,000				
109	Replace Lagoon Dredge			\$110,000			
116	Influent Pump station Generator	\$200,000					
113	CCTV Van						\$250,000
114	Step Screen Headworks					\$200,000	
	Outfall Diffuser Engineers report		\$45,000				
	Outfall Diffuser Repairs				\$200,000		
	O&M Manual for plant 1 & 2 and sewer pump stations - needed to operate Tittle 22 facility		\$200,000				
	Filtration Project						
7	Filtration Project Complete by Dec 2017	\$7,070,740					
	<i>Includes: Secondary Effluent Pump Station Modifications</i>						
	<i>Effluent Filtration</i>						
	<i>Upgrade UV Disinfection</i>						
	<i>Additional Pump to Export Pump Station</i>						
	Wastewater SCADA Improvements						
16	Annual SCADA Improvements	\$50,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
	Denitrification Project						
87	Denitrification Project				\$450,000	\$5,000,000	\$2,600,000
	Relocate District Office						
	Move District Main Office Building to new site due to Willow Lake Storage Tank				\$250,000		
	Manhole Maintenance						
40	Rehab Manholes	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000
41	Raise Manholes	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
	Vehicle & Equipment Purchases						

Project #	Project Name	FY 16/17 Budget	FY 17/18 Budget	FY 18/19 Budget	FY 19/20 Budget	FY 20/21 Budget	FY 21/22 Budget
	Truck	\$30,000	\$35,000				
	Leak Detection Equipment		\$25,000				
	Sweeping Brush for the GEHL			\$5,000			
	District Message Boards		\$80,000				
	Mainline Piping Replacement						
	235 feet of pipe replacement (Lakeview Business Plaza)		\$250,000				
	District Security						
	Cameras			\$50,000			
	Gates		\$40,000				
	Locks		\$20,000				
	Master Plans						
	Water Master Plan		\$125,000	\$125,000			
	Wastewater Master Plan		\$100,000	\$100,000			
	Water Infrastructure Replacement						
	Water Infrastructure Replacement Fund	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
	Booster Pump Replacement Fund	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
	Generators Replacement Fund	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
	Facility Replacement Fund	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
	Vehicle Replacement Fund	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
	Wastewater Infrastructure Replacement						
	Wastewater Infrastructure Replacement Fund	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
	Collection Pumps & Motors Replacement Fund	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
	Generators Replacement Fund	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
	Facility Replacement Fund	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
	Vehicle Replacement Fund	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
	Other 16/17 Projects						
4	Project # 4 Secondary						
73	Project # 73 Vehicle Storage						
75	District Offices						
118	Plant #2 Lab						
	Landscaping Capital						
	Equipment		\$60,000				
	L&L Infrastructure Replacement						
	Vehicles & Equipment (Light Poles)		\$40,000				
	PG&E Funded Projects	\$347,200					
800	Community Center Roof						

Demo/Replacement							
Project #	Project Name	FY 16/17 Budget	FY 17/18 Budget	FY 18/19 Budget	FY 19/20 Budget	FY 20/21 Budget	FY 21/22 Budget
800	Playground Replacement						
800	Pool Equipment Cover						

**Projects in green are Bond/Reserve Funded*

District Reserves, Infrastructure Replacement Funds & Capacity and Connection Fees

The Town of Discovery Bay Community Services District has a reserve fund for each department as well as Infrastructure Replacement Funds. The reserve funds are saved annually and set aside by the District to fund any future costs of upkeep or any unexpected costs that may arise over the course of the fiscal year.

The Infrastructure Replacement Funds are restricted funds saved annually and set aside for a specific future or unexpected costs that may arise over the course of the fiscal year.

Capacity and Connection Fees (Developer Fees) these fees are restricted revenues received by developers for connecting into the Districts water and wastewater supply. These monies can only be used for infrastructure repairs and construction of the water or wastewater treatment facilities.

Reserve Funds

Account Code	Reserves	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
Reserves	Water Reserves	\$1,677,759	\$1,677,759	\$1,677,759	\$1,677,759	\$1,677,759
	Wastewater Reserves	\$2,516,638	\$2,516,638	\$2,516,638	\$2,516,638	\$2,516,638
	Zone 8 Reserve Fund	\$399,138	\$399,138	\$399,138	\$399,138	\$399,138
	Zone 9 Reserves	\$188,304	\$188,304	\$188,304	\$188,304	\$188,304
	Total	\$4,781,839	\$4,781,839	\$4,781,839	\$4,781,839	\$4,781,839

Infrastructure Replacement Funds

Account Code	Reserves	Actual FY 2015/2016	Budgeted FY 2016-2017	Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
Infrastructure Replacement	W Booster Pump Replacement Fund	\$95,068	\$20,000	\$115,068	\$135,068	\$155,068
Infrastructure Replacement	W Infrastructure Replacement Fund	\$612,290	\$200,000	\$812,290	\$1,012,290	\$1,212,290
Infrastructure Replacement	W Generators Replacement Fund	\$39,200	\$10,000	\$49,200	\$59,200	\$69,200
Infrastructure Replacement	W Facility Replacement Fund	\$46,000	\$10,000	\$56,000	\$66,000	\$76,000
Replacement	W Vehicle Replacement Fund	\$46,000	\$10,000	\$56,000	\$66,000	\$76,000
Infrastructure Replacement	Water Rate Study Infrastructure			\$184,000	\$537,000	\$1,032,000
Infrastructure Replacement	WW Collection Pumps & Motors Replacement Fund	\$142,602	\$30,000	\$172,602	\$202,602	\$232,602
Account Code	Reserves	Actual FY	Budgeted FY	Actuals to Date	Budgeted FY	Budgeted FY

		2015/2016	2016-2017	FY 2016-2017	2017-2018	2018-2019
Infrastructure Replacement	WW Infrastructure Replacement Fund	\$950,000	\$200,000	\$1,150,000	\$1,350,000	\$1,550,000
Infrastructure Replacement	WW Generators Replacement Fund	\$59,029	\$15,000	\$74,029	\$89,029	\$104,029
Infrastructure Replacement	WW Facility Infrastructure Replacement Fund	\$138,000	\$30,000	\$84,000	\$99,000	\$114,000
Replacement	WW Vehicle Replacement Fund			\$84,000	\$99,000	\$114,000
Replacement	LL8 Vehicle Replacement Fund	\$0	\$0	\$0	\$5,000	\$5,000
Infrastructure Replacement	LL8 Light Pole Replacement Fund	\$0	\$0	\$0	\$30,000	\$30,000
Replacement	LL9 Vehicle Replacement Fund	\$0	\$0	\$0	\$5,000	\$5,000
	Total	\$2,128,189	\$525,000	\$2,837,189	\$3,755,189	\$4,775,189

Developer Fees

Account Code	Reserves			Actuals to Date FY 2016-2017	Budgeted FY 2017-2018	Budgeted FY 2018-2019
Developer Fees	Water Capacity & Connection Fees			\$776,966	\$811,966	\$846,996
	Wastewater Capacity & Connection Fees			\$1,678,422	\$1,776,422	\$1,847,422
	Total			\$2,455,189	\$2,588,388	\$2,694,418

Debt Service

The Town of Discovery Bay, prior to issuing Lease Revenue Bonds in 2012 which was necessary to finance a large capital project, first needed to become a member of a financing authority. While there are a number of financing authorities throughout the state which the District could of joined and become a member, it is also not uncommon for two (2) agencies to form their own Joint Powers Authority (JPA) to facilitate the establishment of a financing authority. In 2012 The Town of Discovery Bay created a JPA with Byron Bethany Irrigation District (BBID). Two (2) separate JPA’s were formed – one (1) for the benefit of Discovery Bay and one (1) for the benefit of the BBID. This provides both agencies the ability to utilize the JPA as a financing authority as they deem appropriate. Each JPA is solely responsible for their Authority.

At the time the District’s former Bond Counsel recommended the formation of a Discovery Bay JPA as well as a BBID JPA as the superior “vehicle” to structure and issue tax-exempt municipal debt issuances (“Municipal Bonds”). Counsel advised that the formation of the JPA’s would mutually benefit both the Town as well as the BBID in that either district could utilize the financing powers of their respective JPA to issue Municipal Bonds as future needs arise.

The formation of the JPA requires two (2) separate legal public entities to facilitate the creation of a new legal entity in accordance with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California. It is proposed that the Town of Discovery Bay JPA be governed by a five (5) member board, comprised of the Board of Directors for the Town and that the BBID JPA be governed by a five (5) member board, comprised of the Board of Directors for the BBID (the “Governing Board(s)").

The 2012 Municipal bonds were issued for \$12,600,000. To date have all been expended. The projects part of the initial bond are as follows:

Water Project Improvements:	
Planning & Construction of Well 7	\$1,500,000
Wastewater project Improvements:	
UV Bank 4 Installation	\$250,000
Lift Station F Rehabilitation	\$500,000
Influent Pump station	\$1,050,000
Re-Activate Pump Station W	\$400,000
Emergency Storage Facilities	\$250,000
Splitter Box, Ox Ditch, Clarifier, RAS Pumps at Plant 2, Standby Aerators	\$6,050,000
New Solar Dryer and Belt Presses	\$3,800,000
Contingency	\$300,000
Total	\$12,600,000

The Debit Service Payments made by the District since 2012

Debit Service Payments		Paid
Deutsche Bank	November 2012	\$ 139,167.40
	April 2013	\$ 254,283.46
USA Bank	October 2013	\$ 559,355.55
	April 2014	\$ 266,453.90
	October 2014	\$ 561,456.04
	April 2015	\$ 263,505.78
	November 2015	\$ 568,505.15
	April 2016	\$ 258,919.88
	September 2016	\$ 568,886.14
		\$ 3,440,533.30

In January 2017 the District issued its second Municipal Bond for the following projects:

Water Project Improvements:	
Water Meter Completion Project	\$1,500,000
Wastewater project Improvements:	
Filtration & UV	\$7,400,000
Total Bond Purchase	\$8,825,000

Public Financing Authority

A Public Financing Authority or (PFA) is a tax-exempt bond issuing authority that was created by local governments, for local governments, with the goal of increasing and streamlining economic development projects. PFA was established to simplify the issuance of conduit bonds.

The Town of Discovery Bay, prior to issuing Lease Revenue Bonds that will be necessary to finance large capital projects, must first become a member of a financing authority. While there are a number of financing authorities throughout the state which the District could join and become a member, it is also not uncommon for two agencies to form their own Joint Powers Authority (JPA) to facilitate the establishment of a financing authority.

In 2012 District staff met with the staff of the Byron Bethany Irrigation District (BBID) and both parties along with their Board of Directors made the decision that the two agencies create a JPA to establish a financing authority. As a result two separate JPA's were formed – one for the benefit of Discovery Bay and one for the benefit of the BBID. This provides both agencies the ability to utilize the JPA as a financing authority as they deem appropriate. Each JPA is solely responsible for their Authority.

Counsel advised that the formation of the JPA's would mutually benefit both the Town as well as the BBID in that either district could utilize the financing powers of their respective JPA to issue Municipal Bonds as future needs arise.

The formation of the JPA's requires two separate legal public entities to facilitate the creation of a new legal entity in accordance with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California. It is proposed that the Town of Discovery Bay JPA be governed by a five member board, comprised of the Board of Directors for the Town and that the BBID JPA be governed by a five member board, comprised of the Board of Directors for the BBID (the "Governing Board(s)").

At the time of the formation there were minimal cost implications to the Town of Discovery. The costs were related to staff time spent on administrative tasks associated with meetings of the JPA. In the future there would be significant interest cost savings for financings associated with the JPA.

Town of Discovery Bay Public Financing Authority Current Projects FY 2016-2019:

Project #7 Filtration

The Town's National Pollution Discharge Elimination System (NPDES) permit that governs all wastewater activities for the Town was renewed by the Regional Water Quality Control Board (RWQCB) on June 6, 2014. In this renewal, the RWQCB required the Town to add tertiary filtration and UV upgrades and changed the permit limits for coliform in compliance with CCR Title 22 unrestricted reuse. The facilities are required to be constructed and operational by December 31, 2017. The discharge limits also change to the lower values on this date.

The wastewater master plan anticipated the future regulatory requirement for filtration even though it was not required at the time the master plan was completed. On June 6, 2014 the Regional Water Quality Control Board (RWQCB) adopted resolution R5-2014-0073 which modified the Town of

Discovery Bay National Pollution Discharge Elimination System (NPDES) permit to require filtration be constructed by December 31, 2017. Filtration and UV disinfection facilities have been designed in conformance with the wastewater master plan and the NPDES permit and construction of the facilities is underway. At the completion of the project the Town will produce tertiary treated water for unrestricted reuse in conformance with Title 22 of the California.

Estimated Project Cost \$7,400,000

Project #115 Water Meter Completion

In 2005 Governor Arnold Schwarzenegger signed Assembly Bill 2572 requiring all cities in California to install water meters on all homes by 2025 (A copy of AB 2572 is provided in Appendix A). Current State law requires that homes built after January 1, 1992, have a water meter installed on their service connection.

In 2012, the Town of Discovery Bay Community Services District (District) began discussions to implement the Meter Installation Completion Program to complete meter installations in advance of the state mandate to meet the AB2572 requirements. The District determined that they would complete the installation of meters in fiscal year 2016-2017. The District is currently in the process of planning the final phases for completing the project and installing meters on all remaining residential services by fiscal year end of 2017.

At the end of 2016, the total number of services requiring meters was 5,736, of which 2,200 were metered (38%). Approximately 3,531 residential services within the District's service remain unmetered. The District's commercial accounts are metered and have been for several years.

Estimated Project Cost \$3,111,359.

District Awards

The Town has earned District of Distinction and District Transparency Certificate of Excellence through *Special District Leadership Foundation (SDLF)*.

**(The originally earned in 2014 and recertification was done in 2016.)*

Supplemental Information

Glossary

ADOPTED OPERATING BUDGET: The official budget as approved by the Board of Director's at the start of each fiscal year.

APPROPRIATION: A legal authorization by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and to the time when it may be expended.

BENEFITS: These include retirement/pension, health, life and disability insurance, worker's compensation, vacation, administrative, medical, and special leave of absence time.

BUDGET: A plan of financial operation comprised of estimated expenditures for a given period (a single fiscal year for the District) and the proposed means of financing the expenditures (through revenues).

BUDGET MESSAGE: A written discussion of the proposed budget presented by the Finance Manager to the Board of Director's.

CAPITAL IMPROVEMENT PROJECT: The budget unit to group all activities and costs necessary to implement a specific capital improvement and/or acquisition. A project can include the construction, acquisition, expansion, replacement, or rehabilitation of a physical facility or improvement. Projects often include planning and design, land acquisition, and project management costs related to such facilities and improvements.

DEBT SERVICE: Established for the payment of interest and principal on all debt other than payable exclusively from special assessments.

DEPARTMENT: A major organizational group of the District with overall management responsibility for an operation or a group of related operations within a functional area.

EXPENSES: Decreases in net total assets. Expenses represent the total cost of operations during a period regardless of the timing of related expenditures.

FISCAL YEAR: A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position, the results of the operations, and adopts a budget for the coming year. The Town of Discovery Bay's fiscal year is from July 1 to June 30.

FUND: A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts, recording resources, related liabilities, obligations, reserves and equities segregated for the purpose of carrying out specific activities of attaining certain objectives in accordance with special regulations, restrictions, or limitations.

FUND BALANCE: Is an accumulation of revenues minus expenditures. Each fund maintained by the District has a fund balance. Fund balance can be used in future years for purposes determined by City Council.

OBJECTIVE: A simply stated, readily measurable statement of aim or expected accomplishment within the fiscal year. A good statement of objective should imply a specific standard of performance for a given program.

PRELIMINARY BUDGET: A budget in its preliminary preparation stage prior to review and formulation by the Board of Director's. In the preliminary stage, a budget forecasting current costs into the future and new or modified spending proposals for the future.

PROPOSED BUDGET: The budget as formulated and proposed by Finance Manager; it is submitted to the Board of Director's for review and approval.

RESOLUTION: A special or temporary order of a legislative body requiring less formality than an ordinance.

REVENUE: Money that the District receives as income such as utility payments, fees from specific services, receipts from other governments, fines, grants, and interest income.

SALARIES AND BENEFITS: Compensation paid to or on behalf of District employees for salaries and wages, overtime. Benefits include health, and life.