

APPENDIX A - GLOSSARY

Appendix A - Glossary

Accrual Basis of Accounting

The basis of accounting under which revenues are recorded when earned and expenditures (or expenses) are recorded as soon as they result in liabilities for benefits received, notwithstanding that the receipt of cash or the payment of cash may take place, in whole or in part, in another accounting period.

Accrual

The accumulation or increase of something over time, especially payments or benefits.

Acre Feet (AF)

The volume of water required to cover 1 acre of land (43,560 square feet) to a depth of 1 foot.

Ad Valorem Tax

A tax based on value (e.g., a property tax).

Adjusted Budget

The prior year's Adopted Budget, plus adjustments approved by the Board and Chief Executive Officer (CEO) through publication date of the current year's Requested Budget. Does not include prior year balance carry forward for multi-year Capital Project budgets.

Adopted Budget

The Adopted Budget represents estimated revenues and appropriations for the next year that are adopted by the District's Board of Directors.

Annual Financial Report (AFR)

The official annual financial report of the District, prepared by the General Accounting Unit, and is usually referred to by its abbreviation, the report summarizes financial data for the previous fiscal year in a standardized format. The AFR is organized by fund and contains two basic types of information: a balance sheet that compares assets with liabilities and fund balance; and an operating statement that compares revenues with expenditures.

Agreements, Contractual

Contractual agreements made by the District with other governmental agencies for cost sharing or project cost reimbursement.

Allocated Project

Projects whose budget and actual charges are distributed between one or more projects. The projects may be in a single fund or they can be in multiple funds. Allocated projects are distributed based on formulas set during annual budget preparation. These formulas are not static and they can vary every fiscal year. Every attempt is made to maintain the percent distribution fixed within a given fiscal year.

Americans with Disabilities Act (ADA)

Americans with Disabilities Act, Public Law 336 of the 101st Congress, enacted July 26, 1990. The ADA prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities and transportation.

Appropriation

A legal authorization granted through the Santa Clara Valley Water District Act that allows the District to expend funds and incur obligations in accordance with the purpose of the Act. An appropriation could include all reserves, transfers, allocations, and supplemental appropriations, and is typically limited in amount and the time it may be expended.

Assessed Valuation

An official government value placed upon real estate or other property as a basis for levying taxes.

Asset

A probable future economic benefit obtained or controlled by a particular entity as a result of past transactions or events. Examples of assets are cash, receivables, and equipment.

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Audit

An independent examination of financial information.

Balanced Budget

A budget is balanced when budgeted expenditures are equal to or less than the amount of budgeted revenues plus other available sources.

Beginning Balance

The beginning balance is comprised of residual funds brought forward from the previous fiscal year (ending balance).

Benefit Assessment

Determination of benefits derived from District activities within particular watersheds and the levying of a proportionate share of taxes to each parcel subject to voter-approved limitations.

Benefits

District-funded employee health insurance, vision insurance, dental insurance, basic life insurance, medical insurance reimbursement, Medicare coverage, long-term disability, Workers' Compensation, unemployment insurance, and the PERS Retirement Program.

Bonds

A long-term debt source that provides borrowed monies that can be used to pay for specific capital facilities. Bonds are a written promise to pay a specified sum of money at a predetermined date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

Bond Proceeds

Funds derived from the sale of bonds for the purpose of constructing major capital facilities.

Bond Rating

A methodology used to measure the fiscal health of a borrowing entity. Generally, analyst firms such as

Standard and Poor's, Moody's Investor Service, and Fitch Ratings provide bond ratings to governmental agencies. Bonds rated AAA/Aaa are judged to be the best quality and carry the smallest degree of risk, and together with AA/Aa bonds comprise high grade bonds. Ratings including "+" or "1" designate the strongest bonds in the rating category. Generally, highly rated bonds result in lower interest rates.

Budget

The planned use of expenditures and revenues over a given period of time

Budget Adjustment

A procedure to revise a budget appropriation, usually completed by either of two methods: (1)The Board of Directors approves the adjustment through the transfer of appropriations between funds, or through additional revenues or appropriations or (2) the CEO authorizes the adjustment of appropriations within a fund and within Operating Budget or within Capital Budget.

Budgetary Basis

This refers to the form of accounting utilized throughout the budget process. These generally take one of three forms: GAAP, Cash, Modified Accrual or some type of statutory form. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that (a) encumbrances are considered to be an expenditure chargeable to appropriations, (b) no depreciation is budgeted for in enterprise funds, (c) certain accruals (primarily accrued and sick leave pay) are excluded from the budgetary basis, (d) operating transfers are not budgeted. Unencumbered appropriations for Operations lapse at the close of the fiscal year. The basis of accounting used by the District Governmental Funds is Modified Accrual. The basis of accounting used by the District Enterprise Funds is Accrual.

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Budget Document

The instrument used by the budget-making authority to present a comprehensive financial plan to the appropriating governing body.

Budgetary Control

The control or management of a government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

Budget Process

The schedule of key dates or milestones which the District follows in the preparation, adoption, and administration of the budget.

Bureau Repayment Appropriation

The Bureau Repayment Appropriation is a provision for voluntary payment of costs to the Bureau of Reclamation, subject to negotiation, for a long-term contractual obligation in excess of current payments.

Budget Year

A consecutive 12-month period for recording financial transactions. The Santa Clara Valley Water District's budget and fiscal year is July 1 through June 30 of the following calendar year.

Capital Budget

The Capital Budget is comprised of all Capital Projects within a fund. See Capital Project.

Capital Expenditure

Capital expenditures generally create assets or extend the useful lives of existing assets, and can be made with regard to tangible and intangible assets. The work product results in a long-term benefit greater than 2 years and involves an expenditure of District resources greater than \$50,000. The general categories of capital expenditures are: Rehabilitation, Major Repairs, Improvements/Betterments/Upgrades, Replacements, Expansions/Additions, and Ancillary Expenditures.

Capital Projects

Projects that are budgeted within the Capital Budget and fall within the definition of Capital Expenditures, meaning they (1) create or extend the lives of assets, (2) their work products have a useful life of greater than two years, and (3) they involve an expenditure of District resources in excess of \$50,000.

Capital Improvement Program (CIP)

Capital projects are multi-year budgeted projects. Capital projects exceed \$50,000 in cost, have long-term life spans and are generally non-recurring.

Carry-Forward

A portion or total of the unspent balance of an appropriation that is made available for expenditure in the succeeding fiscal year.

Certificates of Participation (COPs)

A form of lease revenue bond that permits the investor to participate in a stream of lease payments, installment payments or loan payments relating to the acquisition or construction of specific equipment, land or facilities.

CEQA

California Environmental Quality Act

CIP

See Capital Improvement Plan

Commercial Paper

Short term debt (1-270 days) issued primarily to fund capital expenditures.

Contingency Appropriation

A provision for unforeseen expenditures.

Cost Center

Cost Centers are separate financial accounting centers in which costs are accumulated because of legal and accounting requirements. The first two digits of a project number identify the cost center.

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CVP

Central Valley Project, the imported water supply infrastructure operated by the federal Bureau of Reclamation.

Debt Proceeds

The difference between the face amount of debt and the issuance discount or the sum of the face amount and the issuance premium.

Debt Service

Payment of interest and principal on long term debt.

Depreciation

1) Expiration in the service life of capital assets attributable to wear and tear, deterioration and or action of the physical elements. (2) That portion of the cost of capital asset which is charged as an expense during a particular period.

District Act

The Santa Clara Valley Water District was created by an act of the California Legislature, and operates as a state of California Special District, with jurisdiction throughout Santa Clara County.

DWR

State Department of Water Resources

EIR

Environmental Impact Report

Encumbrances

Commitments related to unperformed (executory) contracts for goods or services. Encumbrances represent the estimated amount of expenditures that will result if unperformed contracts in process are completed.

Ends

Board established policies that describe the mission, outcomes, and results to be achieved by the District.

Enterprise Fund

A fund established to finance and account for the acquisition, operations, and maintenance of governmental facilities and services which are entirely or predominantly self-supporting by user charges; or where the governing body of the governmental unit has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate.

Executive Limitations (EL)

Constraints on the Board Appointed Officers, set by the Board, establishing the prudence and ethics boundaries within which all executive activity and decisions must take place.

Expenditure/Expense

Decreases in net financial resources. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service and capital outlays, and intergovernmental grants, entitlements, and shared revenues. The major expenditure categories used by the District are labor and overhead, services & supplies, land and structures, equipment, and debt service.

FAHCE

Fisheries and Aquatic Habitat Collaborative Effort

Fixed Assets

Long-lived tangible assets such as automobiles, computers and software, furniture, communications equipment, hydrologic equipment, office equipment, and other equipment with a value of \$2,000 or more, or the combined value of like or related units (aggregate value) is greater than \$5,000 if the unit value is less than \$2,000.

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 and the results of its operations. The District's fiscal year is July 1 through June 30.

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Full Time Equivalent (FTE)

The number of equivalent staff positions actually available, after adjusting for estimated vacancies. It is equal to the total labor hours divided by the standard annual labor hours of 2,080 for a full time employee.

Fund

A reserve of money set aside for some purpose; a fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities and residual equities, or balances, and changes therein, are recorded and segregated to carry on specific activities or attain certain objectives in accordance with special regulations, restrictions or limitations.

Fund Balance

The net effect of assets less liabilities at any given point in time.

Gann Limit (Proposition 4)

Under this article of the California Constitution, the District must compute an annual appropriations limit, which places a ceiling on the total amount of tax revenues the District can actually appropriate annually.

GASB

Governmental Accounting Standards Board

General Fund

A fund used to account for major operating revenues and expenditures, except for those financial transactions that are required to be accounted for in another fund. General Fund revenues are derived primarily from property and other taxes.

Generally Accepted Accounting Principles (GAAP)

Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

General Obligation Debt

Secured by the full faith and credit of the issuer. It is repaid with General Revenue and borrowings.

GFOA

Government Finance Officers Association

Government Finance Officers Association (GFOA) Distinguished Budget Award

Highest form of recognition in governmental budgeting. Its attainment represents a significant accomplishment by the management, staff, and elected officials of recipients. Budgets are evaluated for effectiveness as a policy document, a financial plan, an operations guide, and as a communication device.

Governmental Funds

Fund for activities that are primarily tax-supported operations or other mandatory payments.

Grants

Contributions or gifts of cash or other assets from another government entity to be used or expended for a specified purpose, activity, or facility.

Groundwater

Water pumped from underground aquifers

HAZMAT

Hazardous Materials

Interfund Transfers

A transfer of funds for specific purposes as approved by the appropriate authority.

Intergovernmental Revenue

Funds received from federal, state and other local government sources in the form of grants, shared revenues, and reimbursements.

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International Organization for Standardization (ISO)

An international standard-setting body composed of representatives from various national standards organizations.

Interfund Transfers

A transfer of funds for specific purposes as approved by the appropriate authority.

Intra-District Reimbursement

To provide reimbursement to the District Fund for general costs incurred on behalf of other cost centers.

ISMP

Information Systems Master Plan, a District document which provides objectives, justification and plans for improving the District's use of information system and information technology infrastructure.

IWRP

Integrated Water Resources Plan. This long-term District water supply plan was first completed in 1977, and was updating 2003 (IWRP 2003). The goal of IWRP 2003 is to develop a balanced, flexible, long-term water supply plan that can provide a mix of water resources to meet the needs of Santa Clara County through the year 2040.

Levy

(1. Verb) To impose taxes, special assessments, or service charges for the support of government activities; (2. Noun) The total amount of taxes, special assessments, or service charges imposed by a governmental agency.

Long-Term Debt

Debt with a maturity of more than one year after the date of issuance.

MTBE

Methyl-Tert Butyl Ether, an oxygenate added to gasoline in California prior to 2004, which can contaminate groundwater.

Modified Accrual Basis of Accounting

Under the modified accrual basis of accounting, required for use by governmental funds, revenues are recognized in the period in which they become available and measurable, and expenditures are recognized at the time a liability is incurred pursuant to appropriation authority.

Operating Expenditure

Operating expenditures are system costs required for the daily process of providing water and watershed management services, including the administrative and overhead costs to support these services. Operating expenditures are costs necessary to maintain the systems in good operating condition. This includes the repair and replacement of minor property components. The American Waterworks Association (AWWA) says that these property components should be smaller than a retirement unit; a retirement unit is a readily separable and separately useful item that is part of a larger assembly. The benefit and life of such repairs should be less than 2 years. Any repairs that recur on an annual basis are considered operating activities of a maintenance nature. Operating expenditures are often separated into fixed and variable costs for purposes of understanding operating leverage and structuring service charge rates.

Operations

Expenditures required for the daily process of providing water and watershed management services, including the administrative and overhead costs to support these services. Operations include work that is generally of an ongoing or recurring nature. Any District work that is not a project is, by definition, an Operation. Operations, although recurring, require close coordination and a high degree of management oversight, however, they can be accomplished without the application of the full range of tools and processes used for managing projects.

Operating Budget

The portion of the budget that pertains to daily operations that provide basic governmental services. The operating

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budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel, and fuel.

Operating Projects

Projects are budgeted within the Operating Budget and fall within the definition of Operating Expenditures. Although Operating Projects may, in some cases, create or extend the life of an asset and may have a useful life greater than two years, their costs may be under \$50,000. District management may still decide to designate some Operating Projects as Capital Projects for purposes of giving the work visibility, control, and resources beyond a normal operating budget.

Other Post Employment Benefits (OPEB)

Large state and local governments were required to begin accounting for these obligations on December 15, 2006. OPEB obligations are primarily for retiree health care costs but also can include other benefits such as insurance. Currently the District pays a portion of the OPEB obligations out of current revenues on a pay-as you- go method. The annual cost of OPEB is what it costs to cover specific retirees in that year without regard to how this obligation might change as the number of retirees changes or the cost of providing the benefits changes in the future.

Outlays

See Expenditure/Expense.

Overhead

General Fund expenses that cannot be specifically associated with a given service, program, project or operational unit (i.e. accounting, information management, human resources, organizational development). Overhead expenses are allocated to programs and/or projects via an overhead rate that is calculated as a percentage of direct program/project salaries. The overhead rate provides a mechanism to reimburse the General Fund for costs incurred.

Overtime

Hours worked in excess of 40 hours per work week or hours worked in excess of those scheduled in a shift.

Perchlorate

Perchlorate is a salt used as an oxidizer for rocket fuel, highway flares, matches, air bag inflators and for other uses. Perchlorate can contaminate groundwater and surface water supplies.

Projects

At the Santa Clara Valley Water District, a project is any undertaking which has (1) a beginning and an ending, (2) a one-time occurrence. Projects can require expenditure of capital or operating funds and, at the District, are called Capital or Operating Projects, accordingly. Projects usually, but not always, relate to a District facility or facilities (a creek, a reservoir, a dam, a water treatment plant, a pipeline, etc.). Projects may include studies, design, construction, maintenance, or implementation of systems such as Records Management or Financial Management Systems.

Property Tax

An "ad valorem" tax on real property, based upon the value of the property. In accordance with Proposition 13, secured property is taxed at the rate of 1% of assessed valuation, plus a rate sufficient to generate revenue necessary to pay for voter approved indebtedness.

Property Tax Assessment

The process of setting the official valuation of property for taxation; the valuation placed upon property as a result of this process.

Proposed Budget

The District CEO submits a Proposed Budget for the District's financial operations, including an estimate of proposed expenditures and revenues, to the Santa Clara Valley Water District's Board of Directors for approval. The Board Adopted Budget is submitted by the Chairman

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of the District's Board of Directors to the Santa Clara County Board of Supervisors.

Proprietary Fund

Account for activities that are primarily funded by income from operations resulting from payments for goods and services provided to users.

Purchased Water

Water imported from other agencies to supplement local water supplies.

Recycled Water

Wastewater which has been treated for reuse; used for irrigation of crops, toilet flushing, industrial uses or landscaping, depending on its level of treatment.

Replacement Appropriation

Provides funds to meet future major repair costs to Water Enterprise facilities, which would cause interruption of water services (Water Enterprise Fund), and to replace existing equipment due to obsolescence (Equipment Fund).

Requested Budget

This summary budget outlines new programs, program changes, and identifiable goals and objectives.

Revenue

Monies the District receives in exchange for services or sales provided. Revenue items include water sales, property tax revenues, benefit assessment revenues, interest income, intergovernmental reimbursement.

Revenue Bonds

Bonds whose principal and interest are payable exclusively from earnings of an enterprise fund. In addition to a pledge of revenues, such bonds sometimes contain a mortgage on the enterprise fund's property.

Reserve

An account used to indicate that a portion of a fund's assets are legally restricted for a specific purpose and is, therefore, not available for general appropriation.

Resolution

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

Rolling Biennial Budget

A rolling biennial budget is a two-year spending document, created and adopted through successive annual appropriations with any necessary budget amendments made in the second year. The objective of a rolling biennial budget is to stabilize operating expenditures from year to year to ensure that operating expenditures are within generally agreed upon levels and to align operating and capital expenditures with fairly stable and predictable revenue sources.

Safe, Clean Water and Natural Flood Protection Program (SCW)

A 15-year program resulting from voter approved special parcel tax initiative in November 2012.

Salaries

Salaries are defined as the amount of money paid to District employees for the performance of services.

San Felipe Appropriation

Provides funds necessary for extraordinary maintenance under the San Felipe contract.

Self-Insurance Appropriation

The term "self insurance" is used to define the retention by an entity of a risk of loss arising out of the ownership of property or from other causes and obligations, instead of transferring that risk to an insurance company. The Self-Insurance Appropriation provides funds to meet such losses.

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Services and Supplies

Services and Supplies include expenditures for insurance, maintenance, materials and supplies, memberships, office expenses, training and seminars, travel, contract services, communications, equipment leases, and utilities.

Special District

An independent unit of local government organized to perform a single government function or a restricted number of related functions. Special districts usually have the power to incur debt and levy taxes.

Supplemental Water Supply Appropriation

Provides funds for specific purposes such as water transfer, purchase, or reclamation.

Subsidence

The sinking of land surface that occurs when underground aquifers are over-pumped.

State Water Project

The State Water Project is a water and power system operated by the California Department of Water Resources.

Taxes

Compulsory charges levied by a government to finance services performed for the common benefit.

Transmittal Letter

Introductory letter to the Budget document that provides the District and public with information on the major accomplishments in the current year and plans, programs, and activities for the future Budget year.

Treated Water

Water which has been processed through a District water treatment plant.

TWIP

Treated Water Improvement Project is the former name of the Water Treatment Improvement Project

Water Treatment Improvement Project

Also referred to as WTIP, this project is upgrading the District's three drinking water treatment plants to meet future stringent state and federal water regulations, using ozonation as the primary means of disinfection.

Watershed

A watershed is the land area from which surface runoff drains into a stream channel, lake reservoir or other body of water, such as the San Francisco Bay. See Watershed and Flood Control Zones.

Watershed and Flood Control Zones

Much of Santa Clara County is divided into five watershed areas with corresponding flood control zones. Each zone has separate programs, revenues and expenditures. They are: The Lower Peninsula Watersheds (Northwest Zone); the West Valley Watersheds (Central Zone); the Coyote Watershed (East Zone); and the Uvas/Llagas Watersheds (South Zone).

WMI

Watershed Management Initiative. The Santa Clara Basin Watershed Management Initiative, established in 1996 by the U. S. Environmental Protection Agency, the State Water Resources Control Board and The San Francisco Bay Regional Water Quality Control Board. A major aim of the WMI is to coordinate existing regulatory activities on a basin-wide scale, ensuring that problems are addressed efficiently and effectively.

Zone W-1

Encompasses the groundwater basin in northern Santa Clara County and small peripheral areas outside the groundwater basin, with the retail service areas of privately-owned public utilities and municipal water departments using water pumped from the groundwater basin. This area provides the security for General Obligation bonds. Zone W-1 comprises an area of approximately 290 square miles and includes all or

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portions of 13 of the County's 15 cities, plus some unincorporated territory.

Zone W-2

Encompasses the Santa Clara Valley groundwater basin north of Metcalf Road. It includes those groundwater producing facilities that benefit from recharge of the basin with local and imported water. A charge is levied for all groundwater extracted from this zone.

Zone W-3

Encompasses the Coyote and Llagas groundwater basins in the area from Metcalf Road in the north to just south of the City of Morgan Hill. Part of the County property tax within the 1 percent limit is allocated to this zone.

Zone W-4

Contains all of Zone W-2 and lands outside Zone W-2 that use or otherwise benefit from locally conserved water and

from the importation and distribution of water from the South Bay Aqueduct. This area also receives an allocation of County taxes.

Zone W-5

Encompasses the valley floor of the Llagas subbasin from approximately East Main Avenue in Morgan Hill south to the Pajaro River.

Zone W-7

Encompasses the Coyote Valley south of Metcalf Road to just north of East Main Avenue.

Zone W-8

Encompasses portions of the outlying areas south of the Uvas and Chesbro reservoirs, east of Santa Teresa Boulevard, and generally north of Hecker Pass Highway.

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Appendix B - Water Utility Enterprise Long Term Forecast

	(In Thousands \$)				
	Adopted	Projected	Projected	Projected	Projected
	2021-22	2022-23	2023-24	2024-25	2025-26
(See note 1)					
Operating Revenues					
Groundwater Production Charges	\$ 135,253	\$ 147,589	\$ 161,077	\$ 175,819	\$ 191,968
Surface & Recycled Water Charges	2,778	3,071	3,322	3,595	3,891
Treated Water Charges	150,449	163,983	178,819	195,080	213,081
Other	462	462	462	462	462
Inter-governmental Services	1,317	1,324	1,105	1,322	1,140
Total Operating Revenue	\$ 290,259	\$ 316,429	\$ 344,785	\$ 376,278	\$ 410,542
Non-Operating Revenues					
Property Taxes	\$ 34,927	\$ 38,240	\$ 40,563	\$ 42,898	\$ 45,244
Interest	2,732	1,240	1,356	1,431	1,478
Capital Contributions	6,613	23,110	26,838	103,334	103,833
Other	1,408	1,416	1,425	1,434	1,443
Total Non-Operating Revenues	\$ 45,680	\$ 64,006	\$ 70,182	\$ 149,096	\$ 151,998
Total Revenue	\$ 335,939	\$ 380,435	\$ 414,966	\$ 525,374	\$ 562,540
Operating Outlays					
Operations	\$ 230,530	\$ 233,478	\$ 244,329	\$ 245,959	\$ 247,386
Operating Projects	284	327	337	349	358
Debt Service	52,561	61,272	71,410	72,901	84,550
Total Operating Outlays	\$ 283,376	\$ 295,077	\$ 316,076	\$ 319,209	\$ 332,295
Operating Transfers In/(Out)	\$ (3,161)	\$ (1,471)	\$ (4,587)	\$ (2,467)	\$ 49
Debt Proceeds	159,288	201,080	137,493	219,444	287,351
Capital Outlay	(296,745)	(270,724)	(222,745)	(417,280)	(514,079)
Total Other Financing Sources/ (Uses)	\$ (140,619)	\$ (71,115)	\$ (89,839)	\$ (200,303)	\$ (226,679)
Balance Available	(88,055)	14,243	9,051	5,862	3,567
Reserves:					
Restricted Reserves:					
WUE - Rate Stabilization Reserve	\$ 28,333	\$ 30,717	\$ 33,481	\$ 33,891	\$ 36,146
GP 5 Reserve	7,107	7,107	7,107	7,107	7,107
San Felipe Emergency Reserve	3,360	3,410	3,460	3,510	3,560
State Water Project Tax Reserve	2,523	1,545	-	-	-
Drought Contingency Reserve	10,000	10,000	10,000	10,000	10,000
Supplemental Water Supply	7,877	16,277	16,677	17,077	17,477
SVAWPC Reserve	908	908	908	908	908
Total Restricted Reserves	\$ 60,107	\$ 69,964	\$ 71,632	\$ 72,493	\$ 75,198
Committed Reserves:					
Operating and Capital Reserve	\$ 47,772	\$ 52,159	\$ 59,541	\$ 64,543	\$ 65,405
Currently Authorized Projects	8,957	8,957	8,957	8,957	8,957
Total Committed Reserves	\$ 56,730	\$ 61,116	\$ 68,499	\$ 73,501	\$ 74,362
Total Year-end Reserves	\$ 116,837	\$ 131,080	\$ 140,131	\$ 145,993	\$ 149,560
Debt Service Coverage					
Senior & Parity Debt Service Coverage	2.11	2.14	2.07	2.56	2.66

Appendix B - Water Utility Enterprise Long Term Forecast

Note (1): The water utility financial forecast set forth herein represents the estimate of projected financial results of certain funds of the Valley Water related to Valley Water's water utility and is based upon Valley Water's judgment of the most probable occurrence of certain future events at the time this forecast is published. Such projected financial forecast is based on a variety of assumptions which are material in the development thereof, and variations in the assumptions may produce substantially different forecast results. Actual operating results achieved during the projection period may vary from those presented in the forecast and such variations may be material. Revenues, operating outlays and other amounts set forth above (i) are presented on a budgetary basis which is not consistent with generally accepted accounting principles in all respects, and (ii) may not be presented consistent with the requirements of other statutes, regulations or contractual obligations applicable to or entered into by Valley Water, including but not limited to bonds, notes or other obligations issued by or on behalf of Valley Water and payable from the Water Enterprise Fund and the State Water Project Fund. The Senior and Parity Debt Service Coverage calculation included herein is prepared for general reference and may not conform to the debt service coverage calculation formulas pursuant to the Water Utility Senior or Parity Master Resolutions or other calculations applicable to the Water Enterprise Fund and the State Water Project Fund individually. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of District bonds, notes or other obligations and investors and potential investors should rely only on information filed by Valley Water on the Municipal Securities Rule making Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the World Wide Web at <https://emma.msrb.org/>

APPENDIX C - SUMMARY BY FUND

Appendix C - Summary by Fund

	Watershed Funds (Fund 12,21-25 & 26)				Water Utility Enterprise Funds (Fund 61 & 63)			
	Budgetary Basis Actual 2019-20	Adopted Budget 2020-21	Projected Year End 2020-21	Adopted Budget 2021-22	Budgetary Basis Actual 2019-20	Adopted Budget 2020-21	Projected Year End 2020-21	Adopted Budget 2021-22
REVENUE								
Groundwater Production Charges	-	-	-	-	112,560,186	121,105,000	121,105,000	135,253,000
Treated Water Charges	-	-	-	-	152,621,750	137,399,000	137,399,000	150,449,000
Surface&Recycled Water Charges	-	-	-	-	1,713,303	2,562,000	2,562,000	2,778,000
Benefit Assessment	13,440,269	12,369,217	12,369,217	13,453,662	-	-	-	-
Property Tax	93,054,481	93,520,000	96,623,384	99,651,159	30,168,368	26,217,000	26,647,378	34,927,304
Special Parcel Tax	46,091,377	45,537,000	46,093,772	47,105,387	-	-	-	-
Intergovernmental Services	570,508	-	-	-	3,721,199	1,242,326	1,177,326	1,242,326
Operating Other	189,095	254,410	194,768	200,611	484,257	700,000	536,894	536,894
Capital Reimbursements	29,481,115	32,250,000	33,271,000	28,446,000	4,345,234	11,358,000	17,274,000	6,613,000
Interest Income *	6,748,541	5,950,000	5,950,000	2,811,000	5,500,357	3,500,000	3,500,000	2,731,500
Non-Operating Other	2,981,509	1,407,421	1,407,421	1,421,957	2,221,393	1,400,554	1,400,554	1,408,323
TOTAL REVENUE	192,556,895	191,288,048	195,909,562	193,089,776	313,336,047	305,483,880	311,602,152	335,939,347
OUTLAYS								
Operating Outlays								
Operations **	61,687,638	73,084,109	76,727,392	84,860,974	165,118,089	200,390,388	201,508,592	230,530,438
Operating Project	10,465,890	5,240,630	5,282,007	5,438,497	247,239	282,383	282,383	284,438
Debt Service	11,650,108	12,911,367	12,911,367	18,227,620	34,175,002	48,424,345	48,424,345	52,561,061
Total Operating Outlays	83,803,636	91,236,106	94,920,766	108,527,091	199,540,330	249,097,116	250,215,320	283,375,937
Capital Outlays								
Capital Projects	89,911,096	86,603,149	210,921,572	151,981,222	132,224,424	159,126,986	182,648,449	275,141,567
Carry Forward Capital Projects	-	37,987,340	-	28,445,928	-	22,211,117	-	21,603,754
Total Capital Outlays	89,911,096	124,590,489	210,921,572	180,427,150	132,224,424	181,338,103	182,648,449	296,745,321
TOTAL OUTLAYS****	173,714,732	215,826,595	305,842,338	288,954,241	331,764,754	430,435,219	432,863,769	580,121,258
Less Intra-District Reimb								
NET OUTLAYS	173,714,732	215,826,595	305,842,338	288,954,241	331,764,754	430,435,219	432,863,769	580,121,258
OTHER FINANCING SOURCES/(USES)								
Debt Proceeds	2,040,476	-	-	100,000,000	52,720,000	135,500,000	162,075,000	159,288,000
Transfers In	22,931,251	13,172,427	12,987,427	4,797,716	1,064,430	1,941,774	593,000	-
Transfers Out	(25,239,973)	(20,485,263)	(20,300,263)	(8,522,877)	(2,570,784)	(6,215,163)	(4,866,389)	(3,161,400)
TOTAL OTHER SOURCES/(USES)	(268,246)	(7,312,836)	(7,312,836)	96,274,839	51,213,646	131,226,611	157,801,611	156,126,600
YEAR-END RESERVES								
WUE Rate Stabilization	-	-	-	-	23,466,551	25,878,053	25,069,620	28,332,567
WUE San Felipe Emergency	-	-	-	-	3,260,045	3,249,972	3,310,045	3,360,045
WUE State Water Project Tax Reserve	-	-	-	-	13,768,383	-	3,132,132	2,523,006
CP Debt Service	26,107	-	-	-	102,289	-	-	-
WUE Public-Private Partnership (P3)	-	-	-	-	8,000,000	-	-	-
WUE Water Supply	-	-	-	-	15,077,000	15,477,000	15,477,000	7,877,000
WUE SVAWPC	-	-	-	-	1,298,138	908,138	908,138	908,138
WUE Drought Reserve	-	-	-	-	10,000,000	10,000,000	10,000,000	10,000,000
GP5 Reserve	-	-	-	-	6,609,637	3,613,000	5,873,358	7,106,660
SCW Rate Stabilization Reserve	-	-	-	25,000,000	-	-	-	-
SCW Contingency Reserve	-	-	-	5,000,000	-	-	-	-
SCW Currently Authorized Projects	82,078,451	22,477,299	51,918,583	39,599,917	-	-	-	-
SCW Operating and Capital Reserve	71,279,858	57,903,219	53,258,394	54,254,365	-	-	-	-
Total Restricted Reserves	153,384,416	80,380,518	105,176,977	123,854,282	81,582,053	59,126,163	63,770,293	60,107,416
Currently Authorized Projects ***	62,843,789	12,142,988	24,515,424	5,866,617	39,201,340	9,385,922	30,561,198	8,957,446
Benefit Assessment Reserve	1,097,604	-	-	-	-	-	-	-
Operating and Capital Reserve	97,687,518	103,370,090	68,075,314	68,457,190	47,569,150	61,994,081	110,561,046	47,772,364
Workers Compensation Liability	-	-	-	-	-	-	-	-
Catastrophe - Property Self-Insurance	-	-	-	-	-	-	-	-
Total Committed Reserves	161,628,911	115,513,078	92,590,738	74,323,807	86,770,490	71,380,003	141,122,244	56,729,810
TOTAL YEAR-END RESERVES	315,013,327	195,893,596	197,767,715	198,178,089	168,352,543	130,506,166	204,892,537	116,837,226

Outlay Summary by Account Type

OPERATING OUTLAY								
Salaries and Benefits	28,265,301	33,741,784	33,807,960	39,562,243	54,277,128	60,033,689	59,887,526	62,887,371
Salary Savings Factor	-	(877,692)	(877,692)	(656,133)	-	(1,541,842)	(1,541,842)	(1,024,172)
Services & Supplies	27,620,108	24,775,720	28,356,626	26,426,968	83,081,568	107,502,473	108,848,813	131,838,340
Intra-District Charges	16,268,119	20,684,927	20,722,506	24,966,394	28,006,632	34,678,451	34,596,478	37,113,337
OPERATING OUTLAY TOTAL	72,153,528	78,324,739	82,009,400	90,299,472	165,365,328	200,672,771	201,790,975	230,814,876
DEBT SERVICE								
Services & Supplies	351,205	722,456	722,456	1,508,223	415,071	2,289,720	2,289,720	1,754,120
Debt Service	11,298,902	12,188,911	12,188,911	16,719,397	33,759,931	46,134,625	46,134,625	50,806,941
DEBT SERVICE TOTAL	11,650,107	12,911,367	12,911,367	18,227,620	34,175,002	48,424,345	48,424,345	52,561,061
CAPITAL PROJECTS								
Salaries and Benefits	17,954,374	21,095,881	21,051,292	18,104,449	14,852,163	19,603,802	19,758,761	29,629,969
Salary Savings Factor	-	(565,272)	(565,272)	(303,397)	-	(527,201)	(527,201)	(497,490)
Services & Supplies	62,629,570	54,247,196	178,635,802	123,672,265	109,891,083	128,911,849	152,187,955	228,650,965
Carry Forward Capital Projects	-	37,987,340	-	28,445,928	-	22,211,117	-	21,603,754
Intra-District Charges	9,327,152	11,825,344	11,799,749	10,507,906	7,481,179	11,138,536	11,228,934	17,358,124
CAPITAL PROJECTS TOTAL	89,911,096	124,590,489	210,921,571	180,427,151	132,224,425	181,338,103	182,648,449	296,745,322

(*) Interest revenue does not include GASB31 market value adjustment

(**) Operations outlay does not include OPEB Expense-unfunded liability

(***)Currently Authorized Projects Reserve is unspent budget for authorized capital projects

(****)Total Outlays amounts may have a slight variance due to rounding

Appendix C - Summary by Fund

	Administration Funds (Fund 11,71-73)				Total District-wide			
	Budgetary Basis Actual	Adopted Budget	Projected Year End	Adopted Budget	Budgetary Basis Actual	Adopted Budget	Projected Year End	Adopted Budget
	2019-20	2020-21	2020-21	2021-22	2019-20	2020-21	2020-21	2021-22
REVENUE								
Groundwater Production Charges	-	-	-	-	112,560,186	121,105,000	121,105,000	135,253,000
Treated Water Charges	-	-	-	-	152,621,750	137,399,000	137,399,000	150,449,000
Surface&Recycled Water Charges	-	-	-	-	1,713,303	2,562,000	2,562,000	2,778,000
Benefit Assessment	-	-	-	-	13,440,269	12,369,217	12,369,217	13,453,662
Property Tax	9,224,367	9,165,000	9,527,570	9,832,832	132,447,216	128,902,000	132,798,332	144,411,295
Special Parcel Tax	-	-	-	-	46,091,377	45,537,000	46,093,772	47,105,387
Intergovernmental Services	516	-	-	-	4,292,223	1,242,326	1,177,326	1,242,326
Operating Other	(100)	-	-	-	673,252	954,410	731,662	737,505
Capital Reimbursements	-	-	-	-	33,826,349	43,608,000	50,545,000	35,059,000
Interest Income *	1,142,936	600,000	600,000	457,500	13,391,835	10,050,000	10,050,000	6,000,000
Non-Operating Other	283,580	80,000	80,000	50,000	5,486,482	2,887,975	2,887,975	2,880,280
TOTAL REVENUE	10,651,299	9,845,000	10,207,570	10,340,332	516,544,242	506,616,928	517,719,284	539,369,455
OUTLAYS								
Operating Outlays								
Operations **	81,337,060	99,481,063	100,945,190	108,241,777	308,142,787	372,955,560	379,181,175	423,633,190
Operating Project	1,109,328	646,000	746,000	50,000	11,822,457	6,169,013	6,310,390	5,772,934
Debt Service	476,178	475,801	475,801	476,012	46,301,288	61,811,513	61,811,513	71,264,693
Total Operating Outlays	82,922,566	100,602,864	102,166,991	108,767,789	366,266,532	440,936,086	447,303,078	500,670,817
Capital Outlays								
Capital Projects	12,784,244	13,973,681	21,513,031	13,110,387	234,919,764	259,703,817	415,083,052	440,233,176
Carry Forward Capital Projects	-	4,163,731	-	2,025,982	-	64,362,188	-	52,075,664
Total Capital Outlays	12,784,244	18,137,412	21,513,031	15,136,369	234,919,764	324,066,005	415,083,052	492,308,840
TOTAL OUTLAYS****	95,706,810	118,740,276	123,680,022	123,904,158	601,186,296	765,002,091	862,386,130	992,979,657
Less Intra-District Reimb	(77,919,249)	(91,131,585)	(91,251,747)	(103,345,913)	(77,919,249)	(91,131,585)	(91,251,747)	(103,345,913)
NET OUTLAYS	17,787,561	27,608,691	32,428,275	20,558,245	523,267,047	673,870,506	771,134,383	889,633,744
OTHER FINANCING SOURCES/(USES)								
Debt Proceeds	-	-	-	-	54,760,476	135,500,000	162,075,000	259,288,000
Transfers In	4,524,376	11,882,725	11,882,725	6,886,561	28,520,057	26,996,926	25,463,152	11,684,277
Transfers Out	(709,300)	(296,500)	(296,500)	-	(28,520,057)	(26,996,926)	(25,463,152)	(11,684,277)
TOTAL OTHER SOURCES/(USES)	3,815,076	11,586,225	11,586,225	6,886,561	54,760,476	135,500,000	162,075,000	259,288,000
YEAR-END RESERVES								
WUE Rate Stabilization	-	-	-	-	23,466,551	25,878,053	25,069,620	28,332,567
WUE San Felipe Emergency	-	-	-	-	3,260,045	3,249,972	3,310,045	3,360,045
WUE State Water Project Tax Reserve	-	-	-	-	13,768,393	-	3,132,132	2,523,006
CP Debt Service	-	-	-	-	128,396	-	-	-
WUE Public-Private Partnership (P3)	-	-	-	-	8,000,000	-	-	-
WUE Water Supply	-	-	-	-	15,077,000	15,477,000	15,477,000	7,877,000
WUE SWAWPC	-	-	-	-	1,298,138	908,138	908,138	908,138
WUE Drought Reserve	-	-	-	-	10,000,000	10,000,000	10,000,000	10,000,000
GP5 Reserve	-	-	-	-	6,609,637	3,613,000	5,873,358	7,106,660
SCW Rate Stabilization Reserve	-	-	-	-	-	-	-	25,000,000
SCW Contingency Reserve	-	-	-	-	-	-	-	5,000,000
SCW Currently Authorized Projects	-	-	-	-	82,078,451	22,477,299	51,918,583	39,599,917
SCW Operating and Capital Reserve	-	-	-	-	71,279,858	57,903,219	53,258,394	54,254,365
Total Restricted Reserves	-	-	-	-	234,966,469	139,506,681	168,947,270	183,961,698
Currently Authorized Projects ***	9,306,263	169,275	2,025,982	-	111,351,392	21,698,185	57,102,604	14,824,063
Benefit Assessment Reserve	-	-	-	-	1,097,604	-	-	-
Operating and Capital Reserve	12,330,847	9,316,420	9,156,137	8,437,364	157,587,516	174,680,591	187,792,497	124,666,918
Workers Compensation Liability	7,483,500	7,085,600	6,621,000	6,621,000	7,483,500	7,085,600	6,621,000	6,621,000
Catastrophy - Property Self-Insurance	6,134,455	6,196,433	6,817,466	6,230,869	6,134,455	6,196,433	6,817,466	6,230,869
Total Committed Reserves	35,255,065	22,767,728	24,620,585	21,289,233	283,654,467	209,660,809	258,333,567	152,342,850
TOTAL YEAR-END RESERVES	35,255,065	22,767,728	24,620,585	21,289,233	518,620,936	349,167,490	427,280,837	336,304,548
Outlay Summary by Account Type								
OPERATING OUTLAY								
Salaries and Benefits	47,843,563	52,061,842	51,808,980	56,481,334	130,385,993	145,837,315	145,504,466	158,930,947
Salary Savings Factor	-	(1,357,111)	(1,357,111)	(930,319)	-	(3,776,645)	(3,776,645)	(2,610,625)
Services & Supplies	25,034,202	37,567,042	39,402,542	39,574,771	135,735,877	169,845,234	176,607,980	197,840,079
Intra-District Charges	9,568,623	11,855,290	11,836,780	13,165,992	53,843,374	67,218,668	67,155,763	75,245,723
OPERATING OUTLAY TOTAL	82,446,388	100,127,063	101,691,191	108,291,778	319,965,244	379,124,572	385,491,564	429,406,124
DEBT SERVICE								
Services & Supplies	388	2,262	2,262	2,908	766,665	3,014,438	3,014,438	3,265,251
Debt Service	475,790	473,539	473,539	473,104	45,534,624	58,797,075	58,797,075	67,999,442
DEBT SERVICE TOTAL	476,178	475,801	475,801	476,012	46,301,289	61,811,513	61,811,513	71,264,693
CAPITAL PROJECTS								
Salaries and Benefits	552,763	1,888,332	1,888,083	520,755	33,359,300	42,588,015	42,698,136	48,255,173
Salary Savings Factor	-	(50,004)	(50,004)	(8,264)	-	(1,142,476)	(1,142,476)	(809,151)
Services & Supplies	11,990,607	11,186,317	18,726,055	12,363,736	184,511,260	194,345,362	349,549,813	364,686,966
Carry Forward Capital Projects	-	4,163,731	-	2,025,982	-	64,362,188	-	52,075,664
Intra-District Charges	240,874	949,037	948,897	234,160	17,049,205	23,912,916	23,977,580	28,100,190
CAPITAL PROJECTS TOTAL	12,784,244	18,137,413	21,513,031	15,136,369	234,919,765	324,066,005	415,083,053	492,308,842

(*) Interest revenue does not include GASB31 market value adjustment

(**) Operations outlay does not include OPEB Expense-unfunded liability

(***)Currently Authorized Projects Reserve is unspent budget for authorized capital projects

(****)Total Outlays amounts may have a slight variance due to rounding

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