



**BIG BEAR CITY COMMUNITY SERVICES DISTRICT
NOTICE OF COMMITTEE MEETING**

A special meeting of the Water Committee of the Big Bear City Community Services District will be held on Tuesday, February 20, 2024, at 1:00 p.m. This meeting will be held at the Big Bear City Community Services District Office located at 139 E. Big Bear Blvd., Big Bear City, California 92314.

The business to be transacted at this special meeting will be:

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

PUBLIC COMMENT

OPEN SESSION

- A. Various Water Department Topics – including the FY 2023/24 Water Department Preliminary Budget – Discussion and possible recommendations to the full Board

ADJOURNMENT

DATED: February 15, 2024

John Russo^(ms)

John Russo, President of the Board
Big Bear City Community Services District

WATER SERVICES

RATE INCREASE 0.0% 5.5% 4.0% 4.0% 4.1%

10 - WATER SERVICES

Acct#	Title	2021-22 Actual	2022-23 Actual	2023-24 Adopted	2023-24 Adjusted	2024-25 Projected	Comments
REVENUE							
Charges for Services							
5000	Charges for services	3,891,265	4,006,543	4,218,914	4,218,914	4,390,335	
5130	Connection fees	144,103	160,908	100,000	100,000	100,000	Prior years market driven lot development
5030	Turn on/ off charges	8,685	13,550	15,000	15,000	20,000	YTD run rate
5070	Standby charges	49,660	47,680	50,000	50,000	50,000	
5350	Delinquent assessments	13,499	39,018	25,000	25,000	40,000	Conservative to current year run rate
	Total Charges for Services	4,107,212	4,267,699	4,408,914	4,408,914	4,600,335	
Sale of Surplus Property							
5100	Sale of Surplus Property	667	0	0	0	0	Not budgeted for
	Total Sale of Surplus Property	667	0	0	0	0	
Subvention and Grants							
5210	CA Water Arrearage Grant-COVID	20,732	0	0	0	0	One-time monies
	Total Subvention and Grants	20,732	0	0	0	0	
Interest/ Other Income							
5020	Land Lease - Microwave (Cell Tower)	2,500	0	0	0	0	\$2500/ 5 yrs thru Jul. 26; \$2875/yr Aug. 26-Jul. 31
5110	Other income	15,000	92,399	0	0	0	Not budgeted for
5120	Misc. revenue	23,106	4,993	0	0	0	Not budgeted for
5250	Groundwater Sustainability Reimbursement	0	86,776	0	0	0	Not budgeted for
5302	Administrative Services Fee	0	0	0	0	11,193	Fire Admin Fee
5340	Account write-offs	50	(1,466)	0	0	0	Not budgeted for
5400	Interest income	29,721	205,781	0	0	0	Not Budgeted for, market driven
5410	CD Interest income	2,479	2,318	2,500	2,500	0	Final CD matures Apr. 2024
5450	Change in Fair Market Value	(106,676)	(13,667)	0	0	0	GASB entry; not budgeted
5460	CD investment value adj.	0	(877)	0	0	0	Not budgeted for
	Total Interest/ Other Income	(33,819)	376,258	2,500	2,500	11,193	
Subtotal Revenue		4,094,791	4,643,957	4,411,414	4,411,414	4,611,528	
Interfund Transfers							
5950	Transfer In	29,780	167,361	0	0	0	One-time monies for CD Principal and Petty Cash
	Total Interfund Transfers	29,780	167,361	0	0	0	
Contributions							

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Acct#	Title	2021-22 Actual	2022-23 Actual	2023-24 Adopted	2023-24 Adjusted	2024-25 Projected	Comments
5960	Contributions from Reserves	67,869	0	0	0	0	Reserve transactions handled via fund balance
	Total Contributions	67,869	0	0	0	0	
Subtotal Transfers In		97,649	167,361	0	0	0	
TOTAL RESOURCES		4,192,440	4,811,319	4,411,414	4,411,414	4,611,528	

OPERATIONS & MAINTENANCE EXPENSE

Direct labor costs							
6000	Salaries and wages	641,213	698,465	751,719	751,719	829,229	
6010	Employee benefits	(332,769)	938,682	671,967	671,967	731,315	
6020	Payroll taxes	51,024	56,083	57,506	57,506	63,436	
	Total Direct labor costs	359,469	1,693,230	1,481,192	1,481,192	1,623,980	
Insurance							
6030	Workers' comp. insurance	11,416	25,386	28,418	28,418	29,048	
6125	Liability insurance	20,974	29,114	32,379	32,379	58,616	
6130	Property and other insurance	27,676	61,351	67,486	67,486	86,963	
	Total Insurance	60,066	115,851	128,283	128,283	174,627	
Supplies							
6100	Other operating expenses	78,443	48,127	45,000	45,000	45,000	Non-repeat of one-time expenses
6190	Computer equipment	129	1,465	5,000	5,000	14,667	
6210	Fuel	31,378	30,855	50,000	50,000	45,000	Full Year usage decrease
6300	Office Supplies	13	0	1,500	1,500	0	Moved to 6100
6350	Safety equipment	3,194	1,368	6,000	6,000	6,000	Cones, flags, road signs, etc.
6360	Uniforms	6,443	6,242	7,500	7,500	7,500	
6470	Meter reading equipment	1,131	1,885	1,500	1,500	1,500	Based on prior years average
6740	Non-capital expenditures	66,467	77,636	80,700	99,683	145,200	See CIP page
	Total Supplies	187,198	167,578	197,200	216,183	264,867	
Other Charges and Services							
6110	Utilities	21,750	29,784	29,000	29,000	29,725	Modest CPI increase
6120	Education and training	9,477	4,849	12,000	12,000	27,000	Includes PLC training and programming
6140	Maintenance agreements	64,471	27,219	40,188	40,188	42,006	
6150	Memberships, subscrip., dues	2,686	6,229	4,000	4,000	4,000	
6155	IT Subscriptions	0	0	15,578	15,578	38,140	
6160	Credit card fees	53,241	56,117	45,000	45,000	40,000	Full Year pricing restructure

WATER SERVICES

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Acct#	Title	2021-22 Actual	2022-23 Actual	2023-24 Adopted	2023-24 Adjusted	2024-25 Projected	Comments
6170	Permits and fees	31,301	34,560	32,000	32,000	35,000	
6175	SB County Property Tax Processing Fee	338	336	577	577	600	
6200	Vehicle expense	14,487	15,310	20,000	20,000	20,000	
6220	Outside labor vehicle costs	1,530	0	0	0	0	Moved to account 6200
6330	Administrative costs	775,201	778,135	999,664	990,847	0	Now recorded on account 7060
6400	Laboratory costs	27,744	48,171	37,000	37,000	37,000	3 yr samplings; FY22/23, FY25/26, FY28/29
6410	Source of supply-R&M	18,477	24,469	25,000	25,000	35,000	Increased sodium hypochlorite pricing
6420	Source of supply-utilities	104,283	98,513	135,000	135,000	110,000	Modest CPI increase with dry year
6430	Transmission & Distribution-R&M	57,944	64,443	55,000	55,000	65,000	Prior years average plus restock
6440	Transmission & Distribution - utilities	107,623	104,862	135,000	135,000	120,000	Modest CPI increase with dry year
6450	Groundwater sustainability *	11,847	67,022	150,000	150,000	150,000	Placeholder for expense above grants
6455	Pilot - Ground based Water Seeding	0	3,000	3,000	3,000	3,000	\$3k per year FY22-23 thru FY25-26
6460	Water conservation marketing	7,851	4,942	12,000	12,000	15,000	
6465	Water Conservation Rebate Program	0	0	150,000	150,000	150,000	
6480	Stickleback maintenance	0	0	4,069	4,069	4,171	Modest CPI increase
6490	Engineering costs	7,268	7,806	29,000	29,000	29,000	
6500	Asphalt repair	15,244	15,250	30,000	30,000	30,000	
6730	Facility improvement/ maint.	6,984	9,254	10,000	10,000	5,000	Past year's contained repair catch-up
6780	Facilities Electrical maint	7,682	8,779	0	0	0	Moved to T&D and SO R&M
7060	Administrative Dept. Expense	0	0	0	0	1,035,894	Prior years in account 6330
	Total Other Charges and Services	1,347,427	1,409,049	1,973,077	1,964,259	2,025,536	
TOTAL OPER. & MAINT. EXP BEFORE RESERVE CONTR.		1,954,159	3,385,707	3,779,751	3,789,917	4,089,010	
Interfund Transfers							
6900	Transfer Out	0	158,337	0	0	0	One-time payment for Admin assets
	Total Interfund Transfers	0	158,337	0	0	0	
Contributions to Reserves							
6810	Reserve contribution-vehicle	67,869	0	0	0	0	Reserve transactions handled via fund balance
6830	Reserve contribution-ADA	21,000	0	0	0	0	Reserve transactions handled via fund balance
	Total Contributions to Reserves	88,869	0	0	0	0	
TOTAL OPERATIONS & MAINTENANCE EXPENSE		2,035,346	3,544,043	3,779,751	3,789,917	4,089,010	

WATER SERVICES

10 - WATER SERVICES

Acct#	Title	2021-22 Actual	2022-23 Actual	2023-24 Adopted	2023-24 Adjusted	2024-25 Projected	Comments
CAPITAL APPROPRIATIONS							
	Other Appropriations						
2000	Water-Land	0	0	0	0	0	
2010	Water-Water rights	0	0	0	0	0	
2020	Water-Source of supply	(946,774)	(392,748)	25,000	25,000	750,000	Asset obsolesion and Acc. Depr. Clean-up
2040	Water-Lines	0	(146,735)	25,000	25,000	25,000	Asset obsolesion and Acc. Depr. Clean-up
2050	Water-Land improvements	(90,804)	12,124	0	0	35,000	Asset obsolesion and Acc. Depr. Clean-up
2060	Water-Buildings	(25,908)	581,477	171,638	171,638	192,638	Asset obsolesion and Acc. Depr. Clean-up
2070	Water-Equipment	(492,154)	(119,165)	75,000	125,000	180,000	Asset obsolesion and Acc. Depr. Clean-up
2090	Water-Software	0	5,695	0	0	0	
2100	Water-Water Metering	0	0	200,000	200,000	300,000	
2250	Construction In Progress (CIP)	2,343,633	95,473	0	2,521,518	0	
3270	SRF Loan Principal	0	0	0	0	43,218	Loan re-payment
6870	SRF Loan Interest	0	0	13,854	13,854	13,860	Loan re-payment
	Total Other Appropriations	795,675	36,121	510,492	3,082,010	1,539,716	
TOTAL APPROPRIATIONS/ EXPENDITURES		2,831,021	3,580,164	4,290,243	6,871,927	5,628,726	
NET SURPLUS (DEFICIT) BEFORE DEPRECIATION		1,361,419	1,231,154	121,171	(2,460,514)	(1,017,198)	
Ending Fund Balance (Net Position)		16,314,325	16,991,955	17,113,126	14,531,441	13,514,243	
	<i>Reserve Policy Designation</i>	3,162,956	3,162,956	2,709,954	2,709,954	4,106,548	
	<i>Are we meeting our Reserve Policy?</i>	Yes	Yes	Yes	Yes	Yes	

* In the Ground Water Sustainability account (6450) we are hopeful that this expense would be reimbursed as in past years.

WATER SERVICES

**5 YEAR CAPITAL IMPROVEMENT PLAN
FISCAL YEAR ENDING 6/30/2025
WATER SERVICES**

Account	Large Purchases (Not Capital-R&M or O&M)	2024/25	2025/26	2026/27	2027/28	2028/29	Total
6120	PLC Programming/ training	15,000					15,000
6190	Server Replacements	7,667	-	9,333	4,667	6,167	27,833
6190	SCADA PLC Purchase	7,000					7,000
6740	Pump Efficiency & Meter Accuracy Testing	15,500	16,000	16,000	16,000	16,000	79,500
6740	Reservoir Inspection & Maintenance	26,000					26,000
6740	Emergency Response Plan/ Risk Resilience Assessment Plan		50,000				50,000
6740	Urban Water Management Plan		50,000				50,000
6740	Rate Study	50,000					50,000
6740	Chlorine Analyzer		7,000	7,000			14,000
6740	Paving Facilities	5,000	5,000	5,000	5,000	5,000	25,000
6740	Generator Quick Connects	15,000	-	-	-	-	15,000
6740	Palomino Well 8A Property Fencing	15,000					15,000
6740	Valve Insertion	-	10,000	-	10,000		20,000
6740	Water Meter Upgrades	15,000	15,000	15,000	15,000	15,000	75,000
6740	Leak Detection/ Water Audit	3,700	3,700	3,700	3,700	3,700	18,500
	Total	174,867	156,700	56,033	54,367	45,867	487,833

Account	Capital Improvement Plan	2024/25	2025/26	2026/27	2027/28	2028/29	Total
2020	Peery Booster upgrade	750,000					750,000
2020	Reservoir Earthquake Retrofit		618,000				618,000
2040	Pump Improvements	25,000	25,000	25,000	25,000	25,000	125,000
2050	Van Dusen Canyon Property Fencing	35,000					35,000
2070	Standby Generator				150,000		150,000
2070	SCADA - Hardware server		20,000				20,000
2070	SCADA - Hardware (PLCs)			949,000			949,000
2100	Fixed Network Metering System	300,000	700,000	700,000	700,000	700,000	3,100,000
	Total	1,110,000	1,363,000	1,674,000	875,000	725,000	5,747,000

Account	Capital Improvement Plan portion for Admin. Services	2024/25	2025/26	2026/27	2027/28	2028/29	Total
2060	ADA design plans/construction	21,000	21,000	21,000	21,000	21,000	105,000
2060	ADA design plans/construction - Carryover	171,638	-	-	-	-	171,638
	Total	192,638	21,000	21,000	21,000	21,000	276,638

Account	Capital Improvement Plan - Vehicle (paid for by Reserves)	2024/25	2025/26	2026/27	2027/28	2028/29	Total
2070	Unit #(NEW) - 2023 Mini Excavator				80,000		80,000
2070	Unit #117 - 1/2 Ton Chevy Pickup 2012						-
2070	Unit #TBD - Flatbed Truck	180,000					180,000
2070	Unit #129 - 3/4 Ton Chevy			65,000			65,000
	Total	180,000	-	65,000	80,000	-	325,000

WATER SERVICES

Water Department - Reserve Policy Requirements

Capital Reserve Funds								RESERVE TARGET FOR FISCAL YEAR ENDING 6/30/2025
Operational Reserve Fund (1)	Capital Projects Reserve Fund (2a)	Designated Emergency Operational Reserve Fund (2b)	Self Insurance Reserve Fund (3)	Rate Stabilization Fund (4)	Debt Service Reserve Fund (5)	Vehicle Replacement (6)	Administrative Services (7)	
1,022,253	1,204,728	779,590	\$311,295	-	68,493	626,493	93,696	4,106,548

(1) 3 months operational expenses

(2a) Yearly average of the 2024-2028 Capital Improvement Plan. Includes Administrative capital reserve obligation.

(2b) Estimated cost of 1/3 Rowe Reservoir

(3) Current and retiree projected health insurance expense for FY 2023

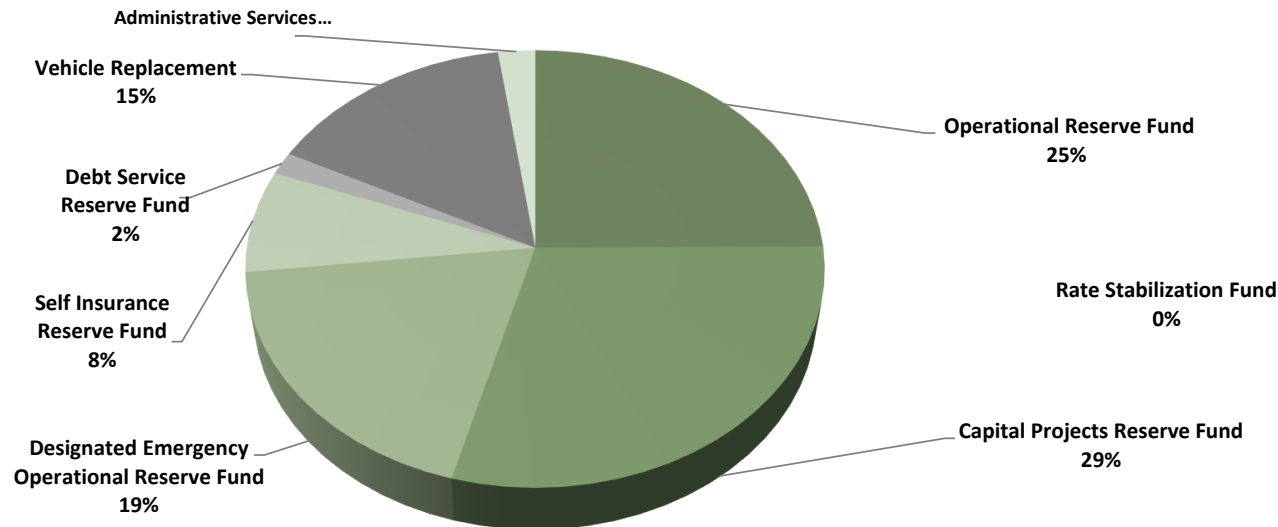
(4) Per policy, a Rate Stabilization Fund is not required for the Water Department

(5) 1.2 times the annual debt service payment

(6) Based on the 5 year Vehicle Replacement Schedule which is updated annually during the budget process

(7) Based on 1/3 of Administrative Services reserve policy

Water Department - Reserve Requirements



WATER SERVICES

WATER SERVICES VEHICLE REPLACEMENT SCHEDULE

Vehicle/Equipment	Original		Useful Life (Years)	Replacement Cost *	Replacement Year Scheduled	7/1/24	Reserve	6/30/25
	Purchase Cost	Purchase Date				Reserve Amount	Contribution Vehicle	Reserve Amount
Unit #TBD - Flatbed Truck	150,000	2025	15	180,000	2024/25	150,000	30,000	180,000
Unit #129 - 3/4 Ton Truck	33,100	2016	10	65,000	2026/27	37,850	9,050	46,900
Unit #(NEW) - 2022 Mini Excavator	80,000	2026	15	80,000	2027/28	80,000	-	80,000
Unit #128 - 2018 GMC Sierra 2500 Dbl Cab 4 WD	39,267	2019	10	65,000	2029/30	25,893	6,518	32,411
Unit #119 - 2018 GMC Sierra 2500 Dbl Cab 4 WD	40,785	2019	10	65,000	2029/30	23,999	6,833	30,833
Unit #121 - Valve Exerciser 2015	48,000	2015	15	55,000	2030/31	30,047	3,565	33,612
Unit #101 - GMC Canyon 2015	32,705	2015	15	40,000	2030/31	28,056	1,706	29,763
Unit #124 - 2021 Ram 2500 Tradesman Crew Cab 4X4	44,525	2021	10	60,000	2031/32	10,000	6,250	16,250
Unit #123 - 2021 Ram 1500 Tradesman Crew Cab	35,977	2021	10	55,000	2031/32	8,000	4,700	12,700
Unit #905 - F-600 Dump Truck 2006 **	27,727	2006	25	55,000	2031/32	30,143	3,107	33,250
Unit #113 - 2023 Ram 1500 Big Horn Crew Cab	51,199	2023	10	55,000	2033/34	-	5,500	5,500
Unit #116 -2018 Ram 5500 4X4	102,620	2018	15	135,000	2033/34	45,396	8,960	54,357
Unit #126 - Power Vac 2019	68,076	2020	15	85,000	2035/36	23,036	5,164	28,199
Unit #127 - CAT Backhoe 2019	118,593	2020	15	140,000	2035/36	33,875	8,844	42,719
Unit #122 - Power Vac 1997***	13,145	1997	-	-	-	-	-	-
Unit #117 - 1/2 Ton Chevy Pickup 2012	50,000	2023						
Unit #102- Chevy Trailblazer 2002***	26,000	2002	-	-	-	-	-	-
Bobcat - 2008***	57,614	2008	-	-	-	-	-	-
Totals				1,135,000		526,296	100,197	626,493

* Prices are based on current replacement costs.

** Replacement cost represents 50% of total required (shared with Sewer Dept.)

*** Units not scheduled to be replaced.

WATER SERVICES

Amortization Schedule
California DWSRF 20 Year Loan Well 8 Replacement

Project No. 3610008-012C - Big Bear City CSD

Interest rate: 1.400000%

Agreement: D2002010 - based on Actual + Projected Disbursements

Ref Num	Due Date	Principal Payment	Interest Rate%	Interest Payment	Total P and I Payment	Total Payment	Ending Balance
4	1/1/2024	0.00	1.400	13,853.99	13,853.99	13,853.99	989,571.00
5	1/1/2025	43,217.71	1.400	13,859.99	57,077.70	57,077.70	946,353.29
6	1/1/2026	43,822.75	1.400	12,248.95	56,071.70	56,071.70	902,530.54
7	1/1/2027	44,436.27	1.400	12,635.43	57,071.70	57,071.70	858,094.27
8	1/1/2028	45,058.38	1.400	12,013.32	57,071.70	57,071.70	813,035.89
9	1/1/2029	45,689.20	1.400	11,382.50	57,071.70	57,071.70	767,346.69
10	1/1/2030	46,328.85	1.400	10,742.85	57,071.70	57,071.70	721,017.84
11	1/1/2031	46,977.45	1.400	10,094.25	57,071.70	57,071.70	674,040.39
12	1/1/2032	47,635.13	1.400	9,436.57	57,071.70	57,071.70	626,405.26
13	1/1/2033	48,302.03	1.400	8,769.67	57,071.70	57,071.70	578,103.23
14	1/1/2034	48,978.25	1.400	8,093.45	57,071.70	57,071.70	529,124.98
15	1/1/2035	49,663.95	1.400	7,407.75	57,071.70	57,071.70	479,461.03
16	1/1/2036	50,359.25	1.400	6,712.45	57,071.70	57,071.70	429,101.78
17	1/1/2037	51,064.28	1.400	6,007.42	57,071.70	57,071.70	378,037.50
18	1/1/2038	51,779.17	1.400	5,292.53	57,071.70	57,071.70	326,258.33
19	1/1/2039	52,504.08	1.400	4,567.62	57,071.70	57,071.70	273,754.25
20	1/1/2040	53,239.14	1.400	3,832.56	57,071.70	57,071.70	220,515.11
21	1/1/2041	53,984.49	1.400	3,087.21	57,071.70	57,071.70	166,530.62
22	1/1/2042	54,740.27	1.400	2,331.43	57,071.70	57,071.70	111,790.35
23	1/1/2043	55,506.64	1.400	1,565.06	57,071.70	57,071.70	56,283.71
24	1/1/2044	56,283.71	1.400	787.97	57,071.68	57,071.68	0.00
		2,500,000.00		452,307.14	2,952,307.14	2,952,307.14	

WATER SERVICES

**RATES OVERVIEW
FISCAL YEAR ENDING 6/30/2025
WATER SERVICES**

	Year Referenced in Rate Study		
	FY 21-22 Existing	FY 22-23 Proposed	Increase/ (Decrease)
Volumetric Rates \$/ HCF			
<i>Tier</i>			
Tier 1 (\$/ HCF)	\$2.33	\$2.43	\$0.10
Tier 2 (\$/ HCF)	\$2.45	\$2.55	\$0.10
Tier 3 (\$/ HCF)	\$3.48	\$3.62	\$0.14
Bi-Monthly Base rates			
<i>Meter Size</i>			
5/8" x 3/4"	\$89.42	\$93.00	\$3.58
1"	\$89.42	\$93.00	\$3.58
1 1/2"	\$178.84	\$186.00	\$7.16
2"	\$286.12	\$297.57	\$11.45
3"	\$536.50	\$557.96	\$21.46
4"	\$894.12	\$929.89	\$35.77
6"	\$1,788.20	\$1,859.73	\$71.53
Example:			
Average Water Customer Usage in Units	10.00	10.00	
Proposed Price per unit	\$2.33	\$2.43	
Average Usage Cost	\$23.30	\$24.30	
Average Customer Bi-Monthly Base Rate	\$89.42	\$93.00	
Average Customer <i>Bi-Monthly</i> Cost	\$112.72	\$117.30	\$4.58
Average Customer <i>Annual</i> Cost	\$676.32	\$703.80	\$27.48