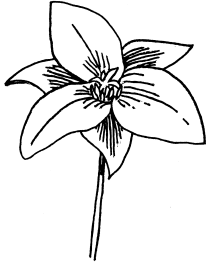


# Westhaven Community Services District



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## WCSD NEWS

APRIL 2009

**TO:** Westhaven CSD Customers

**FROM:** Westhaven CSD Board of Directors:      Westhaven CSD Staff:  
Edith Doe      - Finance Officer      Cynthia Anderson - Secretary/Bookkeeper  
David Hankin - Safety Officer      Richard Swisher - Manager/Operator  
Michael Moon      Greg Smith - President      Jamie Vincent - Operator  
Bill Verick - Vice President

### Dear Westhaven Neighbors and Friends,

This newsletter accompanies our Annual Water Quality Report and provides an opportunity for us to share other information about WCSD activities over the past year.

### Changes to the Board of Directors and Staff

In July 2008 Board member Pete Nichols resigned and was replaced by Michael Moon.

### 2009-2010 Operating Budget and Water Rates

The District's operating budget for the upcoming fiscal year is scheduled for public comment at the May 20 Board meeting and final approval in a public hearing at the June 17 Board meeting. The budget is written to provide for the estimated costs of operating the water system, including reserve funds for short-term emergencies as well as long-term water system infrastructure replacement. This next year's budget reflects a slight increase over last year's operating costs and a significant increase in contributions to reserves. See further discussion on the next page.

At the April 15 meeting the Board recommended a draft budget that included \$5.85 (9.6%) increase in average monthly water bills and approved the proposed rate structure linked to the budget, as follows:

<b>Base Rate</b>	Increases from	<b>\$38.13 to \$41.51</b>	per month, billed in advance.
<b>Commodity Rates</b>	Range from	<b>\$7.67 to \$11.12</b>	per 1,000 gallons per month in four steps.
<b>Estimated Average Bill</b>	Increases from	<b>\$60.94 to \$66.78</b>	

#### Some examples of how bills could increase:

1,000 gallons/month (gpm)	from \$45.01 to \$49.18	6,000 gpm	from \$85.59 to \$94.42
3,000 gpm	from \$59.80 to \$65.67	9,000 gpm	from \$115.53 to \$127.78

The proposed budget will be discussed again at the May 20 meeting, which begins at 7:30 PM at the Fire Hall on 6th Avenue.

*California State law provides water service customers the right to protest water rate increases. If more than 50% of the District's rate payers submit written protest, the increases cannot be implemented.*

*Please plan to attend the June 17 Board meeting and participate in the public hearing.*

**JUNE 17—WESTHAVEN FIRE HALL—446 6TH AVENUE—7:30 PM**

## WCSD 2009-2010 BUDGET AT A GLANCE

EXPENSES BY CATEGORY	08-09	09-10	<i>Change</i>	% of Total
Waterworks Payroll	37,187	39,203	<i>2,016</i>	21.4%
Management Payroll	29,482	31,019	<i>1,537</i>	16.9%
Debt Service	26,400	26,400	<i>0</i>	14.4%
Clerical Payroll	16,232	17,135	<i>903</i>	9.4%
Capital Reserve	9,230	14,615	<i>5,385</i>	7.9%
Administrative and General	9,795	11,265	<i>1,470</i>	6.2%
Treatment	7,740	8,060	<i>320</i>	4.4%
Office Expense	7,310	7,675	<i>365</i>	4.2%
Insurance (Liability & Workers Comp.)	7,604	6,954	<i>(650)</i>	3.8%
Accounting & Legal	5,950	6,000	<i>50</i>	3.3%
Operating Reserve	550	6,275	<i>5,725</i>	3.1%
Pumping	4,360	4,550	<i>190</i>	2.5%
Distribution	3,865	2,805	<i>(1,060)</i>	1.5%
Meter Reading	1,823	1,925	<i>102</i>	1.1%
Billing	1,845	1,845	<i>0</i>	1.0%
Water Source	280	200	<i>(80)</i>	0.1%
<b>TOTAL EXPENSE</b>	<b>169,653</b>	<b>185,926</b>	<b>16,273</b>	

This next year's operating budget proposes a total increase of \$16,273. Last year's budget decreased contributions to reserve funds by \$21,520 to be able to fund wage increases without increasing water rates. Recognizing that reserve fund contributions are essential to maintaining your District's financial health, this year's proposal takes a step approximately halfway toward restoring those contributions to prior levels. Capital Reserves, funded at \$20,000 prior to last year would increase by \$5,385 to \$14,615, and Operating Reserves, funded at \$12,000 prior to last year would increase by \$5,725 to \$6,275, making a total reserve fund increase of \$11,110. An additional \$4,456 represents the effects of an employee cost of living adjustment of 5.8%, calculated annually and based on information from the US Social Security Administration. The remaining \$707 represents miscellaneous increases in the costs of doing business.

With approximately \$120,000 in capital reserves, the District is facing the prospect of long-term infrastructure replacement on several fronts. More than 5 out of a total of nearly 7 miles of water mains are over 40 years old and of inadequate diameter. Bringing this distribution system up to modern standards represents a daunting task for a district of our size.

The problem currently at the forefront, however, is the deterioration of the roof-support structure on our 24-year-old 100,000-gallon treated water storage tank. The wooden supports are slowly succumbing to dry rot and will have to be replaced within the next few years. The ability to repair the tank roof while continuing to provide safe drinking water will require the construction of a second tank. We have submitted a pre-application to the California Department of Public Health requesting \$400,000 in American Recovery and Reinvestment Act funding for the purpose of constructing a new 83,000-gallon tank and replacing the existing tank's roof with an all-aluminum roof. This funding request includes an \$80,000 commitment of WCSD reserve funds. At this time it is not known whether we will receive the requested funding or need to continue looking elsewhere. The only thing known is that the tank roof must be repaired somehow.

Ongoing discussion of these and other problems will continue at the WCSD's regular monthly meetings, usually on the third Wednesday of each month, at 7:30 pm at the Westhaven Firehall at 446 6<sup>th</sup> Avenue. All meetings are open to the public, and we encourage you to attend.