

## IEUA Business Goals

The IEUA Board and management have committed to six broad policy goals designed to move the Agency forward in executing its *mission* and attaining its *vision*:

- **Fiscal Responsibility:** Safeguard the Agency's fiscal health through efficiency, balanced budgets, full cost recovery rates, high quality credit, and reserves that effectively address future economic variability
- **Workplace Environment:** Provide a positive workplace environment by recruiting, retaining and developing a highly skilled team
- **Business Practices:** Apply ethical, fiscally responsible and environmentally sustainable principles in all aspects of business and conduct
- **Water Reliability:** Develop and implement an integrated water resource management plan that promotes cost-effective, reliable, and sustainable water use
- **Wastewater Management:** Plan, manage and construct the wastewater system to meet regulatory and growth needs in a responsible manner
- **Environmental Stewardship:** Commit to the responsible use and protection of the environment through conservation and sustainable practices



## FY 2013-14 Accomplishments

- Immediate response to the Governor's emergency drought declaration resulting in a downward trend in per capita water use commencing April 2014
- Record high recycled water deliveries of 38,000 Acre Feet (AF); 3,000 AF above budget
- Completion of the Agency's first Asset Management Plan and Strategic Plan
- Negotiation of five year contracts with the Agency's employee bargaining units
- Early negotiation of the Non-Reclaimable Wastewater System contract with County Sanitation District of Los Angeles (SDLAC) for the North system scheduled to sunset in May 2018

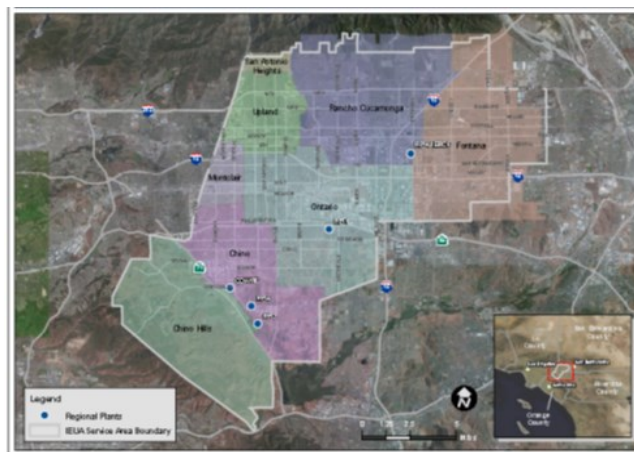
## IEUA Structure

IEUA is led by a Board of Directors elected to represent the five service sectors in its service area; three divisions, led by executive management, oversee twenty department managers that directly manage operations.

BOARD OF DIRECTORS	
Terry Catlin	President
Michael E. Camacho	Vice President
Steven J. Elie	Secretary/Treasurer
Gene Koopman	Director
Jasmin A. Hall	Director
EXECUTIVE STAFF	
P. Joseph Grindstaff	General Manager
Martha Davis	Executive Manager- Policy Development/AGM
Christina Valencia	Chief Financial Officer/AGM
Ernest Yeboah	Executive Manager- Operations/AGM
Christopher Berch	Executive Manager - Engineering / AGM
Jean Cihigoyenette	General Counsel

## IEUA Service Area Profile

IEUA distributes imported water, provides industrial/municipal wastewater collection and treatment services, and other related utility services to more than 830,000 people in 242-square miles through its member agencies: Chino, Chino Hills, Cucamonga Valley Water District, Fontana, Fontana Water Company, Montclair, Monte Vista Water District, Ontario and Upland.



## FY 2014/15 Budget In Brief

### Mission

Inland Empire Utilities Agency is committed to meeting the needs of the region by providing essential services in a regionally planned and cost effective manner while safeguarding public health, promoting economic development, and protecting the environment.

Key areas of service:

- Securing and supplying imported water
- Collecting and treating wastewater
- Producing high-quality renewable products such as recycled water, compost, and energy
- Promoting sustainable use of groundwater and development of local water supplies

### Vision

To become a world class leader in water management and environmental stewardship, including water quality, water-use efficiency, recycled water, and renewable energy, in order to enhance and preserve the quality of life throughout the region.



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## FY 2014-15 Budget Priorities

- Appropriately fund operational, maintenance and capital investment costs.
- Preserve fund reserves that sustain the Agency's long term fiscal health, high quality credit rating and ensure its ability to effectively address economic variability
- Advocate, campaign and guide the development of policies and legislation that benefit the region IEUA serves
- Provide excellent customer service that is cost effective, efficient, innovative and reliable
- Provide a work environment that will attract and retain highly skilled, motivated, professional and committed employees
- Promote standards of efficiency and effectiveness in all Agency business practices and processes
- Promote education and water use efficiency to enhance water supplies within the region and exceed State goals for reductions in per capita water use within the IEUA Service Area
- Support maximizing beneficial reuse of recycled water to enhance reliability and reduce dependence on imported water
- Optimize facility energy use and effectively manage renewable resources and provide for future rate stabilization
- Control odors at all Agency facilities for the purpose of improving the environment and being a good neighbor to the local community

## Adopted Rates

Rate	Units	FY 2013/14	FY 2014/15
Wastewater— Volumetric	Monthly EDU <sup>1</sup>	\$13.39	\$14.39
Recycled Water— Direct Sales	AF <sup>2</sup>	\$215	\$290
Recycled Water— Recharge Surcharge	AF	\$40	\$40
Connection Fees	EDU	\$5,007	\$5,107
Imported Water Surcharge	AF	\$13	\$15
Imported Water Meter Charge	Monthly Per meter	\$1.755	\$2.105

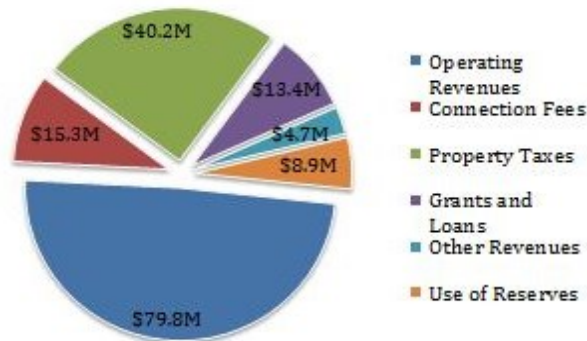
1- EDU—Equivalent Dwelling Unit

2- AF—Acre Foot

## Total Revenues And Other Funding Sources

The FY 2014/15 total revenues and other funding sources of \$162.3 million reflect an increase of \$22.9 million, or 16.4 percent, over the FY 2013/14 projected actual of \$139.4 million. The increase can be attributed to:

- Rate increases in the Regional and Recycled Water programs;
- Growth in new EDU connections; and
- Anticipated increase of 3% of property tax receipts due to higher assessed property values.

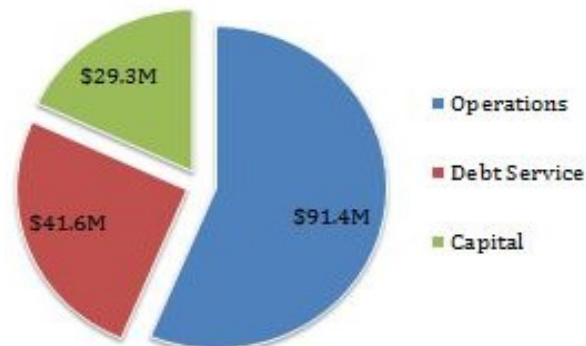


## Total Expenses And Other Uses of Funds

Total expenses and other uses of funds for FY 2014/15 of \$162.3 million is 16 percent, or \$22.9 million, higher than the FY 2013/14 project actual of \$139.4 million.

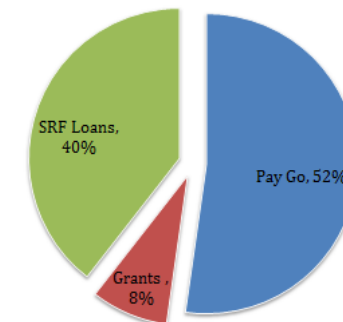
The increase in total expenses can be attributed to:

- Early retirement of high interest bonds;
- Funding of the Agency's pension unfunded accrued liability; and
- Higher "pass-through" operating fees for the Non-Reclaimable Wastewater system.



## Capital Improvement Plan (CIP)

The FY 2014/15—2023/24 Ten Year Capital Improvement Plan of \$309 million includes an appropriation of \$28.1 million for FY 2014/15 funded by pay-go, State Revolving Fund loans, and grants.



Pay-go is comprised of: new EDU connection fees (development impact fees), property tax receipts, and fund reserves.

## FY 2014/15 CIP by Fund

Program	\$Millions	%
Recycled & Recharge Water	\$10.3	37%
Regional Wastewater Operations & Maintenance	8.9	32%
Regional Wastewater Capital	5.0	18%
Non-Reclaimable Wastewater	2.4	8%
Administrative Services	1.5	5%
<b>Total</b>	<b>\$28.1</b>	<b>100%</b>

## FY 2014/15 Major Projects

Project	Fund	FY 2014/15 Budget
Montclair Lift Station Upgrades	Regional Operations & Maintenance	\$2,500,000
Wineville Recycled Water Pipeline Segment A	Recycled Water	\$3,000,000
Wineville Recycled Water Pipeline Segment B	Recycled Water	\$3,000,000
SCADA Enterprise System	Regional Operations & Maintenance	\$1,000,000