

FY 2014/15 Accomplishments

- Passed Drought Resolution in May 2015 calling for aggressive action to reduce outdoor water use and preserve remaining water supplies in the Chino Basin
- Completed Central/Wineville Area Recycled Water projects that increase yield by 3,000 to 4,000 AFY (acre-feet per year)
- Adopted five year rates for the Agency's regional wastewater and recycled water programs and the new water connection fee through FY 2019/20

FYs 2015/16 and 2016/17 Budget Priorities

- Assist member agencies in reaching a 25 percent reduction in urban water use as mandated by the Governor
- Pursue federal, state, and local grants to reduce the cost of executing planned programs and projects
- Complete the restructuring of potable water rates to more equitably recover costs and provide more stable revenue

Adopted Rates

Rate	Units	FY 2014/15	FY 2015/16	FY 2016/17
Wastewater:				
Volumetric	Monthly EDU ¹	\$14.39	\$15.89 ^A	\$17.14
Connection Fees	EDU	\$5,107	\$5,107 ^B	\$5,415 ^B
			\$5415 ^C	\$6,009 ^C
Recycled Water:				
Direct Sales	AF ²	\$290	\$350	\$410
Recharge Surcharge	AF	\$45	\$60	\$60
Imported Water:				
Surcharge	AF	\$15	\$15	N/A ^D
Meter Charge	Monthly per Meter MEU ³	\$2.105	\$2.105	N/A ^D
		N/A	N/A	N/A ^D
Water Connection Fee	MEU	N/A	\$693 ^C	\$693 ^B
				\$1,455 ^C

- 1- EDU—Equivalent Dwelling Unit 2- AF—Acre Foot
3- MEU—Meter Equivalent Unit

- A- Effective October 1st through June 30th of the fiscal year
B- Effective July 1st through December 31st of the fiscal year
C- Effective January 1st through June 30th of the fiscal year
D- Rates are under evaluation and analysis

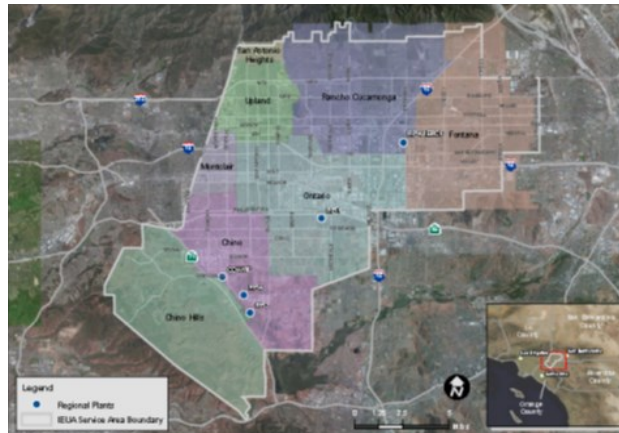
IEUA Structure

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

BOARD OF DIRECTORS		DIVISION No.
Terry Catlin	President	Division 1
Michael E. Camacho	Vice President	Division 5
Steven J. Elie	Secretary/Treasurer	Division 3
Gene Koopman	Director	Division 2
Jasmin A. Hall	Director	Division 4
EXECUTIVE STAFF		
P. Joseph Grindstaff	General Manager	
Christopher Berch	Executive Manager - Engineering / AGM	
Martha Davis	Executive Manager - Policy Development/AGM	
Christina Valencia	Chief Financial Officer/AGM	
Ernest Yeboah	Executive Manager - Operations/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 850,000 residents in 242-square miles through its member agencies: the cities of Chino, Chino Hills, Fontana, Montclair, Ontario and Upland, and the Cucamonga Valley Water District, Fontana Water Company, and Monte Vista Water District.



FYs 2015/16 and 2016/17 Biennial 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.

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
- Workplace Environment
- Business Practices
- Water Reliability
- Wastewater Management
- Environmental Stewardship

6075 Kimball Avenue
Chino, CA 91708
(909) 993-1600 Fax: (909) 993-1983
www.ieua.org

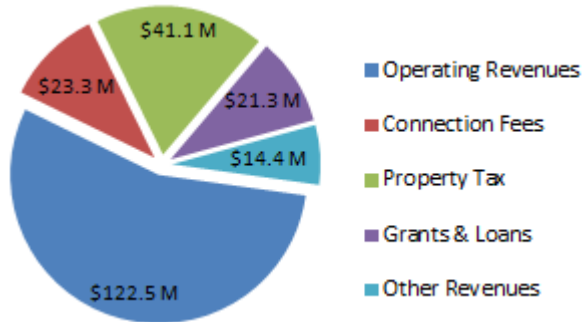


Biennial Adopted Total Revenues And Other Funding Sources

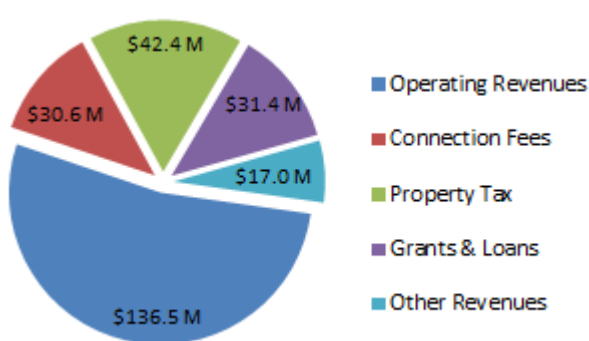
The FY 2015/16 total revenues and other funding sources of \$222.6 million reflect an increase of \$7.0 million, or 3.0 percent, over the FY 2014/15 projected actual of \$215.6 million. The FY 2016/17 total revenues and other funding sources of \$257.9 million reflect an increase of \$35.3 million over the FY 2015/16 adopted budget. These increases are attributed to:

- Rate increases for the Regional Wastewater and Recycled Water programs moving closer towards full cost of service funding
- Increase in anticipated recycled water deliveries and new regional wastewater connections
- Implementation of a new water connection fee to support future capital investment and expansion of the Agency's regional water system

FY 2015/16



FY 2016/17



Other Revenues include: cost reimbursement from JPAs, interest revenue, interfund loans, and sale of capacity.

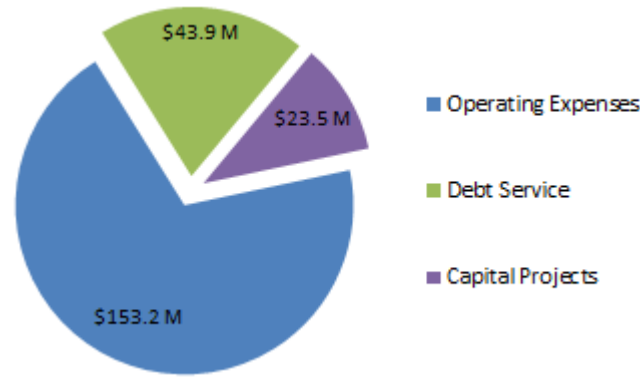
Biennial Adopted Total Expenses And Other Uses of Funds

FY 2015/16

Total expenses and other uses of funds for FY 2015/16 is \$220.6 million, a 9 percent, or \$20.5 million, decrease from the FY 2014/15 project actual of \$241.1 million.

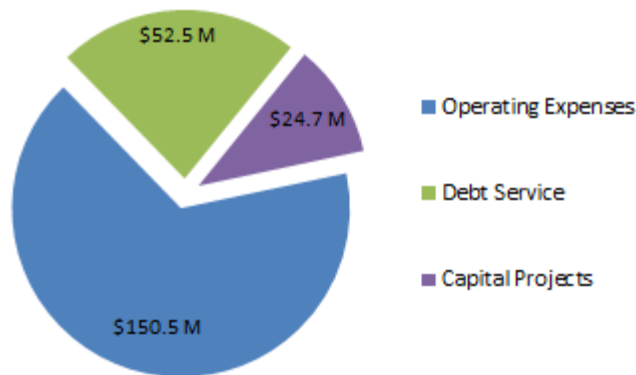
The decrease in total expenses can be attributed to:

- Lower debt service costs (due to early retirement of the high interest 2005A Revenue Bond in FY 2014/15)
- Lower capital project spending



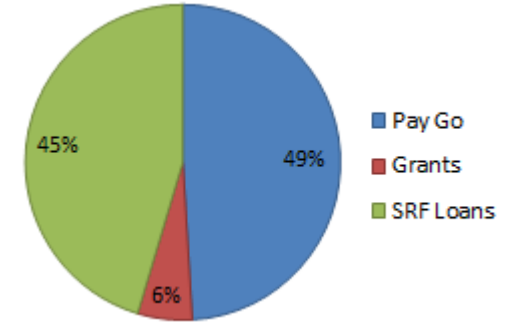
FY 2016/17

Total expenses and other uses of funds for FY 2016/17 is \$227.7 million, or \$7.1 million higher than FY 2015/16. The slight increase of \$7.1 million in total expenditures for FY 2016/17 from FY 2015/16 is due to anticipated higher capital expenditures.



Capital Improvement Plan (CIP)

The FYs 2015/16—2024/25 Ten Year Capital Improvement Plan (TYCIP) of \$692 million designates \$576 million for capital projects, \$111 million for operations and maintenance projects, and \$5 million for investment in the Inland Empire Regional Composting Authority and installment payments for the SDLAC SRF loan balance, repair, relocation, and refurbishment project costs. The TYCIP includes annual appropriations of \$66.1 million for FY 2015/16 and \$68.6 million for FY 2016/17 funded by pay-go, State Revolving Fund loans, and grants.



FY 2015/16 CIP by Fund

Fund	\$Millions	%
Regional Wastewater Operations & Maintenance	\$21.5	32.5
Recycled Water	18.4	27.8
Regional Wastewater Capital	12.8	19.4
Water Resources	7.1	10.8
Administrative Services	3.2	4.8
Recharge Water	1.6	2.4
Non-Reclaimable Wastewater	1.5	2.3
Total	\$66.1	100%

FY 2016/17 CIP by Fund

Fund	\$Millions	%
Recycled Water	\$20.8	30.3
Regional Wastewater Capital	16.1	23.5
Regional Wastewater Operations & Maintenance	15.9	23.2
Water Resources	8.4	12.2
Recharge Water	4.7	6.9
Administrative Services	1.4	2.0
Non-Reclaimable Wastewater	1.3	1.9
Total	\$68.6	100%