

## BUDGET GLOSSARY

**Accounts Receivable.** The Agency extends credit to customers/purveyors in the normal course of operations. Management deems all accounts receivable as collectible at fiscal year end.

**Acre-Foot/Acre-Feet (AF).** A unit of measure equivalent to 325,900 gallons of water.

**ACWA (Association of California Water Agencies).** A statewide organization comprised of a coalition of public water agencies. The Agency is a member of ACWA.

**ACWA/JPIA (Association of California Water Agencies/Joint Powers Insurance Authority).** A statewide organization dedicated to consistently and cost effectively providing the broadest possible affordable insurance coverage as well as training and related services to its member agencies. The Agency is a member of ACWA/JPIA.

**Appropriation.** An amount of money in the budget authorized for expenditure or obligation within organizational units for specific purposes.

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

**Assets.** Resources having monetary and economic value that are owned or held by the agency.

**AWWA (American Water Works Association).** An international scientific and educational society dedicated to the improvement of drinking water quality and supply. The Agency is a member of AWWA.

**Alternative Water Resources Management (AWRM).** A program that will attempt to achieve a total daily maximum load for chloride in the Santa Clara River by blending high chloride and low chloride waters. The Agency has signed a MOU and is helping the Sanitation District (the lead agency) implement the plan.

**Balanced Budget (General Fund – Operating).** A balanced budget is a basic budgetary constraint intended to ensure that a government does not spend beyond its means. For the General Fund – Operating Budget, the Agency's stated goal is the expenditures do not exceed revenues. However, during FY 2006/07, the Board of Directors recognized that many increases in expenditures have occurred because the Agency is in a transitional period. Not only is the Agency implementing a number of organizational changes; it has been expanding and changing its infrastructure, which is impacting system operations. As a result, expenses have increased dramatically over recent years and it is difficult to estimate the ultimate impact on operating costs. A stated financial goal of the Board is to cover operating expenses with operating revenues. However, due to this transition period and a desired to provide rate stability for purveyors and Santa Clarita Valley ratepayers, the Board of Directors adopted a three-year program of 15% rate increases for the wholesale water rate to be implemented beginning in January 2007. 1% property tax revenues would be used to offset shortages between wholesale water rate revenues and operating expenses and maintain a fund balance of \$300,000 in the Operating Fund. The goal would be to fully cover operating expenses with operating revenues by 2010. After that, it is expected that rate increases will continue to be required, and would be calculated to recover operating expenditures. This shows that while there is a short-term imbalance between the Agency's operating expenditures and revenues, the Agency does not included this to be a long-term situation. This definition does not apply to the Agency's capital budgets and funds.

**Board of Directors.** The governing body of the Castaic Lake Water Agency. The Agency is divided into three elective divisions; the governing board is made up of two directors from each division, two directors at large, and one director appointed by each of the three retail water purveyors excluding SCWD.

**Bond.** A written promise to pay a specified sum of money (called the principal) at a specified date in the future, together with periodic interest at a specified rate. In the budget document, these payments are identified as debt service.

**Budget.** A balanced financial plan for a given period of time, which matches proposed expenditures to the expected revenues for that same period of time.

**Buena Vista Water Storage District (BVWSD).** The Agency acquires of 11,000 acre-feet (AF) of water supply per year for a 30-year period from the BVWSD.

**California Aqueduct.** The main conveyance facility of the State Water Project which brings water via a series of pumping plants from northern California to the Bay Area, San Joaquin Valley, Central Coast area and Southern California.

**Capital Equipment.** Fixed assets such as vehicles, computers, furniture, technical instruments which have a life expectancy of more than three years and a value over \$5,000.

**Capital Improvement Plan (CIP).** A long-range plan of the Agency for the construction, rehabilitation and modernization of the Agency owned and operated infrastructure.

**Capital Planning, Studies and Administration.** Non-operating expenses, including but not limited to: (1) studies in support of major capital projects; and (2) non-recurring studies.

**Capital Project.** A non-operating expense items of the budget, which includes expenditures for fixed asset/equipment purchases as well as the accumulation of expenditures associated with construction projects. Capital projects typically have a life of five years or more.

**Castaic Lake Water Agency Financing Corporation.** The corporation formed in 1990 to issue Certificates of Participation.

**Catalytic Project.** High leverage, high impact activity, project or program which will achieve the greatest positive impact on the performance measures. A catalytic project may also be a collection of programs and activities.

**Certificates of Participation (COPs).** The financing technique that provides long-term financing through a lease (with an option to purchase) or installment agreement that does not constitute indebtedness under the state constitutional debt limit and does not require voter approval.

**CEQA.** California Environmental Quality Act.

**Ccf.** The Ccf is the standard rate of billing for retail water service. 1 Ccf is equal to 100 cubic feet of water which is equal to 748 gallons of water.

**Devil's Den Water District.** A California Water District in Kern and Kings Counties (the Agency is the primary landowner).

**Devil's Den Ranch.** Land in Kern and Kings Counties that the Agency owns and operates in agriculture.

**DWR (Department of Water Resources).** The state agency responsible for financing, constructing and operating State Water Project facilities.

**Disbursements.** Payments made on obligations.

**EIR.** Environment Impact Report prepared in compliance with the California Environmental Quality Act.

**EIS.** Environmental Impact Statement prepared in compliance with the National Environmental Protection Act.

**ESFP.** Earl Schmidt Filtration Plant (56 MGD) - One of two treatment plants operated by the Agency.

**ESIPS.** Earl Schmidt Intake Pumping Station which pumps water up to the ESFP.

**Equipment Purchases.** The purchases of office equipment, furniture, automobiles, trucks, pumps, shop equipment and other items.

**Expenditure.** An amount of money disbursed or obligated. Expenditures include current operating expenses and capital improvements requiring the present or future use of net current assets and the current year portion of debt service.

**Finance and Administration Committee.** A committee of the Board of Directors consisting of five Board members that meets on the second Tuesday of each month to discuss finance and administration issues.

**Fiscal Year.** The time frame in which the Budget applies. For the Agency this is the period from July 1 through June 30 of the succeeding year.

**Fixed Assets.** Long term tangible assets that have a normal use expectancy of more than three years and do not lose their individual identity through use. Fixed assets include buildings, equipment and improvements other than buildings and land.

**Fund.** A set of accounts used to account for a specific activity, such as a water enterprise fund. A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and changes in these assets and liabilities.

**Fund Balance.** Fund equity in governmental funds. The difference between the assets and liabilities equal the fund balance.

**Generally Accepted Accounting Principles (GAAP).** Uniform minimum standards of, and guidelines for, external financial accounting and reporting. They govern the form and content of the basic Financial Statements of an entity. The responsibility for setting GAAP for state and local governments rests with the Governmental Accounting Standards Board (GASB).

**General Obligation Bonds.** Bonds, the payment for which the full faith and credit of the issuing government are pledged.

**Goal.** A description of a desired end state, condition or outcome expressed in qualitative terms.

**Governmental Accounting Standards Board (GASB).** The organization that sets the standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports.

**Governmental Relations and Outreach Committee.** A committee of the Board of Directors consisting of five Board members that meets on the third Monday of each month to discuss governmental relations and public outreach issues.

**Grant Administration.** Grant funds are used only for intended purposes, and are subject to Single Audit requirements (OMB Circular A-133).

**Internal Control.** Agency management is responsible for the establishment and maintenance of internal control structure that ensures that the assets of the Agency are protected from loss, theft or misuse. The internal control structure also ensures that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

**Integrated Regional Water Management Plan (IRWMP).** A plan for upper Santa Clara River watershed management that was adopted in July of 2008. The Agency is a stakeholder and on the Regional Water Management Group, which leads the IRWMP effort. The IRWMP is critical for identifying programs for possible state grant funding under Propositions 50 and 84

**CLWA Open House**  
 May is California Water Awareness Month, and the Agency celebrates by hosting its annual Open House. Local residents are able to talk with water retailers and other vendors about water-wise practices they can use in their homes.



**CASTAIC LAKE WATER AGENCY'S ANNUAL OPEN HOUSE**

**Saturday**  
 May 8, 2010  
 9 am – 2 pm

**Central Park**  
 27150 Bouquet Canyon Road  
**Shuttle service to**  
**CLWA Conservatory Garden**  
 27234 Bouquet Canyon Road

**FREE:**  
 Water saving items  
 Games and prizes  
 Balloons, popcorn and lemonade  
 Tree seedlings from the Saugus Forestry Unit

**ACTIVITIES INCLUDE:**  
 Placerita Nature Center animal show  
 Create your own pizza garden  
 Composting and Landscape Education classes  
 Tour the beautiful Conservatory Garden

**WYLAND CLEAN WATER MOBILE LEARNING CENTER**  
 A 1,000 square foot trailer with a fully interactive, one of a kind experience that encourages visitors to engage, play, experiment and learn about conserving water.

By conserving water, you help us at Castaic Lake Water Agency help you.  
 Visit [www.clwa.org](http://www.clwa.org) to find out how.




**MAY IS CALIFORNIA WATER AWARENESS MONTH**



**L.A. Co. WWD #36.** Los Angeles County Water Works District #36, one of the four Santa Clarita Valley retail purveyors.

**Major Capital Project.** The acquisition of land, facilities, works, improvements and supplies of water; and enhancements or enlargements to existing capacity and facilities for obtaining, importing, transporting and delivering additional quantities of water. Major capital project are typically included in the Agency's Capital Improvement Program and Data Document, and cost more than \$500,000.

**Materials and Supplies.** Cost of the various materials and supplies purchased to operate and maintain the Agency. Examples of supplies include office, computer, engineering, janitorial and gardening. Materials include glass, lumber, concrete, painting and small tools.

**MGD.** Million gallons per day.

**Minor Capital Project.** Minor capital projects include the acquisition of land, facilities, works and improvements; and enhancements or enlargements to existing capacity and facilities. Minor capital projects take less time to develop and are not generally included in the Agency's Capital Improvement Program. Minor capital projects cost \$500,000 or less.

**MOU.** Memorandum of Understanding.

**Modified Accrual Basis of Accounting.** The basis of accounting under which revenues are recognized when they become "susceptible to accrue", (i.e., measurable and available to finance expenditures of the current period). The Agency considers property taxes to be available and subject to accrual if they are levied for and due within the fiscal year and collected within 60 days after fiscal year end. Expenditures are recorded when the liabilities are incurred, except that principal and interest payments on general long-term debt are recognized as an expenditure when due.

**NCWD.** Newhall County Water District – one of the four Santa Clarita Valley retail purveyors.

**Objective.** A description of the result that is expected to be achieved. An objective is time specific and measurable. Fiscal year objectives are the yearly organizational levels of achievement expected.

**OMB.** Federal Office of Management and Budget.

**Operating Budget.** The normal, ongoing operating costs to operate the Agency including salaries, employer expenses, professional and outside services, and other operating expenses.

**Perchlorate.** Compounds used in the manufacturing of explosives, munitions and rocket fuel.

**Performance Measurement.** A qualitative or quantitative indicator of successful goal attainment. A "good" performance measure is a reasonable approximation or representation of goal attainment. The performance measure cited should also be one that the Agency can affect, gather data on and measure.

**Planning and Engineering Committee.** A committee of the Board of Directors consisting of five Board members that meets on the fourth Thursday of each month to discuss planning and engineering issues.

**RVIPS.** Rio Vista Intake Pumping Station which supplies water to the RVWTP.

**RVWTP.** Rio Vista Water Treatment Plant (30 MGD) – one of two treatment plants operated by the Agency.

**Recycled Water.** Beneficial use of treated wastewater for such planned uses as irrigation, industrial cooling, recreation, groundwater recharge, environmental enhancement, and other uses permitted under California law.

**Reliability.** Providing a consistent level of water.

**Repair and Replacement.** Minor changes or additions to existing Agency-owned grounds or buildings and the electrical, lighting, plumbing, air conditioning or heating systems contained therein, which correct unsafe or unhealthful working conditions, increase operating efficiency, promote improved service to the public, and provide for the installation of equipment and security devices.

**Retail Operations Committee.** A committee of the Board of Directors consisting of five Board members that meets on the first Monday of each month to discuss retail operation issues.

**Revenue.** Income generated by taxes, notes, bonds, investment income, land rental, user charges and water rates.

**Rosedale-Rio Bravo Water Storage District (RRBWSD).** The Agency participates in the Groundwater Banking Program through RRBWSD which allows the storage of 20,000 acre-feet annually of the Agency's State Water Project Table A amount or other State Water Project supplies.

**SCWD.** Santa Clarita Water Division (also referred to as the Retail Account and the Santa Clarita Water Company) – one of the Santa Clarita Valley four retail purveyors. Santa Clarita Water Company was acquired by the Agency in 1999.

**Semitropic Water Storage District (SWSD).** The Agency participates in the Groundwater Banking Program through SWSD which includes two short-term accounts that distribute excess State Water Project Table A water.

**Services.** The normal, ongoing operating costs incurred to operate the Agency. Examples include repair, maintenance, auditing, security and engineering.

**Southern California Water Committee, Inc. (SCWC).** A nonprofit, nonpartisan, public education partnership dedicated to informing Southern Californians about our water needs and our state's water resources. The Agency is a member of SCWC.

**State Water Project (SWP).** A water development and distribution system owned and operated by the State of California Department of Water Resources, which transports water from northern California. It entails the operation and maintenance of the conservation and transportation facilities and power to pump the water.

**Strategic Goal.** A discrete aim for future achievement that is necessary to meet a component of the Agency's mission.

**Strategic Plan.** A long term plan defining the Agency's mission, goals, and objectives and implementing actions.

**Strategy/Tactic/Action/Program/Project/Activity.** Means by which we will achieve an objective and move towards a goal. A tactic is a specific action whereas a strategy is a broader concept to gain leverage and solve a particular problem.

**Total Agency Budget.** The sum of the total operating budget, debt service, water purchases and total capital budget requests.

**Total Capital Budget.** The total budget requests for equipment purchases and construction projects.

**Treated Water.** Water delivered to the Santa Clarita Valley four retail purveyors which has been treated at CLWA's ESFP and RVWTP.

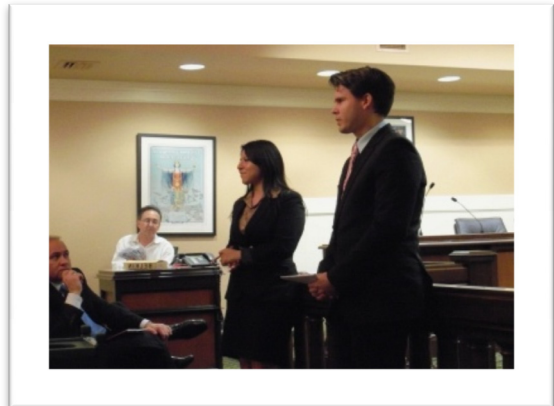
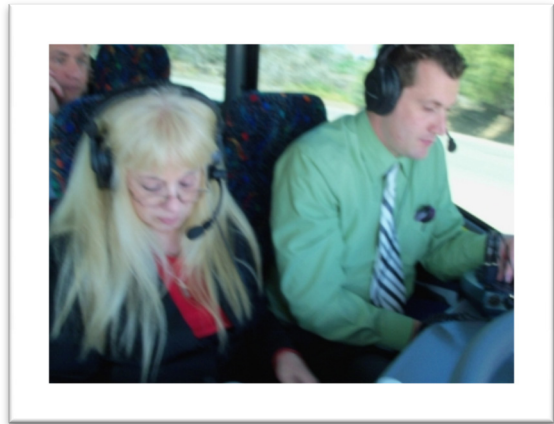
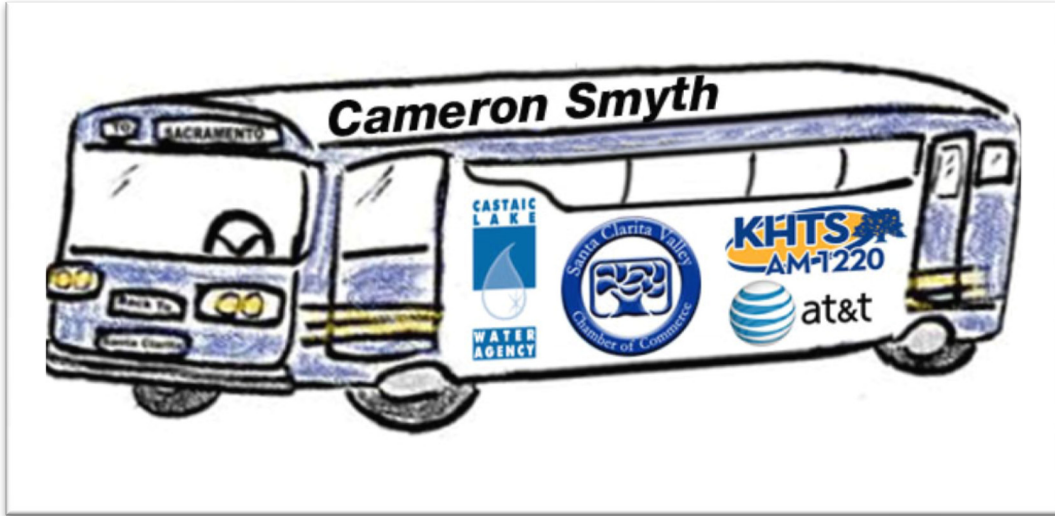
**Utilities.** This includes gas, electricity, water, sewer and telephone service.

**UWMP.** Urban Water Management Plan.

**WVC.** Valencia Water Company – one of the Santa Clarita Valley four retail purveyors.

**Water Purchases (CLWA).** Water purchased from the Department of Water Resources.

**Water Resources Committee.** A Committee of the Board of Directors consisting of five Board members that meets on the second Thursday of each month to discuss water resource issues.



**KHTS Sacramento Bus Tour**

On March 22, 2010, KHTS-1220AM radio station and the Agency sponsored a bus trip to Sacramento to meet with legislators to talk about important issues facing the Santa Clarita Valley, such as water.