# SWEETWATER SPRINGS WATER DISTRICT

**TO:** Board of Directors **AGENDA NO. V-A**

**FROM:** Steve Mack, General Manager

Meeting Date: March 1, 2018

**SUBJECT: DRAFT FY 2018-2019 BUDGET**

**RECOMMENDED ACTION:** Receive a report on the Draft District FY 2018-2019 (FY19) Budget, including the District's proposed water rates based on a 3% increase, and review of the Draft Budget, and provide direction to staff and the *ad hoc* Budget Committee.

**FISCAL IMPACT:** Provides financial direction for FY19.

**DISCUSSION:**

The *ad hoc* Budget Committee will have had two meetings prior to the March Board meeting to discuss the draft FY19 Budget which is being presented at this meeting (the line item draft Budget is attached as Exhibit A). Among the issues we will have discussed (and shared in part with the Board at the February meeting):

**Proposed FY19 Water Rates**

At the February meeting the Board gave direction to proceed with a 3% increase for District water rates. This fits in with the 9-year plan for modest annual rate increases to develop sustainable capital funding. Table 2 shows the proposed water rates and Table 3 shows a comparison of water bills with current and proposed rates for typical customers. The District is on schedule to mail out Proposition 218 notices by March 19 to District property owners.

**Fiscal Year 2018-2019 (FY19) Budget**

The draft FY19 Budget detail is attached as Exhibit A. Figures 2 and 3 show the relative total expenses and revenues projected for the Operating and Capital Budget. The draft Budget has been discussed by the *ad hoc* Budget Subcommittee in two meetings in January and February. Staff have met several times to develop the appropriate line item amounts for the Operating section of the Budget.

Assumptions used to develop the Operating section of the Budget include:

- Water Usage and Base Rate and Capital Debt Reduction Charges will be raised 3%.
- Water Usage revenues are based on flat water sales and on mid-year water sales projections, thus the FY19 water usage revenues are estimated to

increase by 3% over the amount projected at the end of FY18. The drought is over but it will likely take a while for sales to start increasing (plus we may be entering new drought!), thus affecting Water Usage charge revenue.

- Salaries and Retirement have been adjusted to reflect year 4 of the 2015 Union Memorandum of Understanding.
- The District will make an additional payment of $105,000 toward its CalPERS unfunded actuarial liability.

Highlights of the Draft FY19 Operating Budget include:

- The 3% water rate increase will increase District revenues by approximately $90,000.
- Supplies and Services were scrutinized to reflect actual expected costs and have decreased approximately $1,000 compared to the FY18 Budgeted.
- We expect one well rehabilitation this year (line 6235).
- We are purchasing a truck this year.
- The transfer to the Capital Improvement Reserve Fund (CIRF) is $340,000.

Uncertainties with the FY19 Budget include:

- Guernewood Park Resort Project water supply needs - we don't know what capital project(s) may be needed to supply water to this project.

- Possible sources of one-time revenue - we expect to sell the River Lane property and the revenue should come in during FY19. The Monte Rio Trails Project may also provide land sales revenue but we don't expect that to happen in FY19.

With the Capital section of the Budget, comparisons between annual budget expenses are less meaningful because completely different capital projects are undertaken from year to year. Capital revenues are similar from last year. Capital expenses are lower because we will not be undertaking a major capital project - we are planning on replacement of the green sand filter at the Monte Rio Filter Plant.

Total District debt was $10,949,082 as of the end of Fiscal Year 2017:

| | |
|---|---|
| USDA GO Bonds: | $1,596,984 |
| State Loans: | $ 676,857 |
| Private Placement Loan: | $2,055,241 |
| Cap One Bond: | $6,620,000 |

The new USDA bond/loan that will be acquired in Spring 2018 will add approximately $1,800,000 to the total debt and the first payment will be due in August 2019 (FY 2019-2020).

## District Reserves

The FY19 Budget lists the District Reserve Policy amounts approved in September 2009:

- Operating Budget Cash Reserve – a reserve based on 15% of the Operating Budget expenses to allow for prompt payment of District bills at the start of a fiscal year.
- Operating Reserve – 25% of the Operating Budget expenses for economic downturn or other economic crisis, and emergencies and disaster-related expenses.
- Debt Repayment Reserve - 25% of the annual debt payments to ensure funding is available to repay existing District debt.
- Capital Reserve – 25% of the nominal Capital Budget of $1 million for similar issues with the capital program.

The draft Budget shows a Policy Reserve of $1,257,524 and $1,512,587 in Reserves Above Policy at the end of the fiscal year.

## Proposition 218 Notice

Proposition 218 requires that 45 day notice be given to all property owners in the area affected by a proposed rate increase. Notice for proposed water rate increases will need to be mailed to all property owners by March 19, 2018. The Notice will provide for an increase to the Base Rate and Water Usage Charges and Capital Debt Reduction Charge of up to 3% for FY 2018 and will include the proposed rate schedules and a protest form.

District staff also recommend raising the fee for weekend and holiday service calls and turn-ons from $70 to $100, and use of hydrant water (water truck or meter) from $4/unit to the Tier 4 water rate in effect.

| Table 1. FY 2018-2019 Budget Preparation | |
|---|---|
| Reviewed/Approved Capital Improvement Program | December 7, 2017 |
| Introduce Budget Process | January 4, 2018 |
| Budget Committee meetings | January - March 2018 |
| Draft Budget to Board for Discussion/Action, Including Direction on Water Rates | March 1, 2018 |
| Prop 218 Mailing for Water Rate Increase, if necessary | March 19, 2018 |
| Draft Budget to Board for Discussion/Action | April 5, 2018 |
| Approve Budget<br>• Prop 218 Public Hearing on Rates | May 3, 2018 |

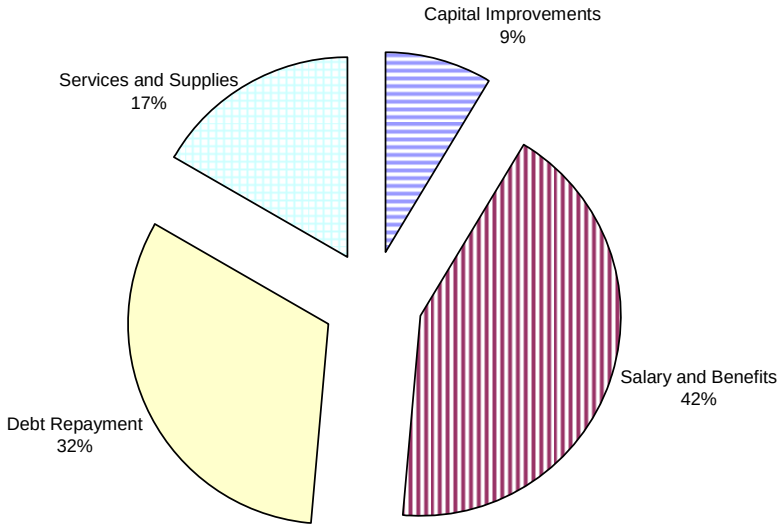
**Table 2. Proposed Sweetwater Springs Water District Bimonthly Water Rates for FY 2018-19, 3% Increase for Water Usage and Base Rates, and CDRC**

| Meter Size (in) | Base Rate | Water Usage Rate | | | | Capital Debt Reduction Charge | Base Rate + CDRC |
|---|---|---|---|---|---|---|---|
| | | Tier 1 | Tier 2 | Tier 3 | Tier 4 | | |
| | | 1.45 | 2.90 | 4.35 | 6.35 | | |
| | | Max Usage (Hcf) | Max Usage (Hcf) | Max Usage (Hcf) | Max Usage (Hcf) | | |
| 0.625 | $ 63.35 | 8 | 20 | 80 | >80 | $11.60 | $74.95 |
| 1 | $ 158.40 | 20 | 50 | 200 | >200 | $ 29.00 | $187.40 |
| 1.5 | $ 316.75 | 40 | 100 | 400 | >400 | $ 58.00 | $374.75 |
| 2 | $ 506.80 | 64 | 160 | 640 | >640 | $ 92.80 | $599.60 |

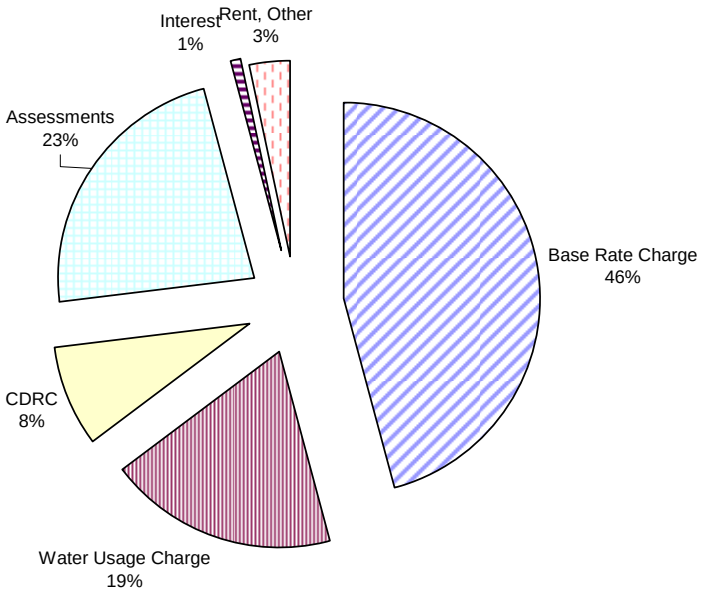
**Table 3. 3% Water Rate Increase Effect on Typical Water Users by Class (100 cubic feet (Units), FY18-19**

| | Single Family Residential | | Multi-Family Residential, 2 Units | | Commercial 5/8 Meter | |
|---|---|---|---|---|---|---|
| **Number of Accounts** | **3060** | | **284** | | **135** | |
| | Median | 90% | Median | 90% | Median | 90% |
| **Median Water Use** | 7 | 22 | 12 | 32 | 15 | 82 |
| **Median Bill Current** | $ 82.55 | $ 126.65 | $129.56 | $ 187.38 | $ 103.90 | $385.45 |
| **Median Bill Proposed** | $ 85.10 | $ 130.05 | $133.57 | $ 192.44 | $ 106.85 | $395.05 |
| **Bimonthly Difference** | $ 2.55 | $ 3.40 | $ 4.01 | $ 5.06 | $ 2.95 | $ 9.60 |
| **% Increase** | 3.1% | 2.7% | 3.1% | 2.7% | 2.8% | 2.5% |

## Figure 1. FY 2019 Expenses
**Total = $3.2 Million**




## Figure 2. FY19 Sources of Funds to Pay for Expenses
**Total = $3.4 Million**



## DRAFT FY 2018-19 OPERATING BUDGET

| | FY 16-17 FINAL (CASH)* | FY17-18 BUDGET | FY 17-18 Projected | FY 18-19 BUDGET | Difference FY19-FY18 Budgets | FY 2018-19 |
|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | |
| **OPERATING REVENUE** | | | | | | |
| **4031 · Water Bill Revenue** | | | | | | |
| **4031.1. · Capital Debt Reduction Cha** | 270,660 | 278,615 | 279,779 | 288,172 | 9,557 | 3% rate increase based on projected |
| **4031.1. · Water Sales - Base Rate** | 1,487,836 | 1,528,520 | 1,511,808 | 1,557,162 | 28,642 | 3% rate increase based on projected |
| **4031.1. · Water Sales - Usage Charges + Other** | 547,418 | 575,358 | 619,588 | 638,176 | 62,818 | Flat sales, 3% increase based on projected |
| **4031.1. · Total Water Sales** | 2,035,254 | 2,103,878 | 2,131,396 | 2,195,338 | 91,460 | |
| **Total OPERATING REVENUE** | **2,305,913** | **2,382,493** | **2,411,175** | **2,483,510** | 101,017 | |
| **NON-OPERATING REVENUE** | | | | | | |
| **4445 · Grant Proceeds** | 0 | 0 | 0 | - | - | |
| **1700 · Interest** | 9,910 | 8,000 | 7,300 | 8,000 | - | |
| **3600 · Construction New Services** | 12,636 | 7,000 | 10,000 | 7,000 | - | |
| **3601 · Construction Service Upgrades** | 3,341 | 2,000 | 8,000 | 4,000 | 2,000 | |
| **4032 · Rent** | 107,393 | 98,600 | 89,390 | 98,600 | - | Crystal $1361/mo = $16,322<br>AT&T $6856/mo = $82,272 |
| **4040 · Miscellaneous Income** | 2,679 | 1,500 | 1,800 | 1,500 | - | USBank CC refunds<br>So. Cty Credit |
| **4117 · SCWA Reimbursement** | 2,495 | 2,500 | 2,500 | 2,500 | - | CALWEP dues reimbursed thru 2019. |
| **Total NON-OPERATING REVENUE** | **138,454** | **119,600** | **118,990** | **121,600** | 2,000 | |
| **Total Income** | **2,444,367** | **2,502,093** | **2,530,165** | **2,605,110** | **103,017** | |
| **EXPENSES** | | | | | | |
| **OPERATING EXPENSES** | | | | | | |
| **SALARY & BENEFITS** | | | | | | |
| **Salary** | | | | | | |
| **5910 · Wages** | 781,789 | 801,720 | 794,800 | 811,200 | 9,480 | Union MOU includes retirement pay provisions |
| **5912 · Overtime** | 30,073 | 33,200 | 33,900 | 34,123 | 923 | |
| **5916 · On-Call Pay** | 32,505 | 33,100 | 35,000 | 34,950 | 1,850 | |
| **5918 · Extra help - Contract** | 36,931 | 37,100 | 36,900 | 34,100 | (3,000) | |
| **Total Salary** | **881,298** | **905,120** | **900,600** | **914,370** | **9,250** | |
| **Benefits** | | | | | | |
| **5500 · Flex Spending** | -440 | 0 | 0 | 0 | - | |
| **5920 · Retirement net EE share** | 62,528 | 65,100 | 56,231 | 75,281 | 10,181 | employees pay employee share; Unfunded L = $37000; ER Rate 8.418% |
| **5920 · Retirement UL** | 88,871 | 90,000 | 112,000 | 105,000 | 15,000 | employees pay employee share; Unfunded L = $37000; ER Rate 8.418% |
| **5922 · Payroll Taxes - Employer** | 15,366 | 15,300 | 11,924 | 15,646 | 346 | |
| **5930 · Health/Dental/Vision/AFLA** | 162,451 | 170,100 | 189,069 | 190,000 | 19,900 | |
| **5931 · Retiree health** | 7,644 | 7,680 | 10,608 | 7,680 | - | Includes contribution to CERBT |
| **5940 · Workers Comp Insurance** | 45,125 | 47,000 | 47,000 | 47,000 | - | Believe this will stay approximately the same |
| **Total Benefits** | **381,545** | **395,180** | **426,832** | **440,607** | 45,427 | |
| **Total SALARY & BENEFITS** | **1,262,843** | **1,300,300** | **1,327,432** | **1,354,977** | **54,677** | |
| **SERVICES & SUPPLIES** | | | | | | |
| **Communications** | | | | | | |
| **6040-I · Internet service** | 1,943 | 2,350 | 2,350 | 2,350 | - | Comcast -$86.13/month: $1034<br>GotoMyPC $27.90/mo = $334.80<br>Sonic.net $47.90/mo (A) = $575 |
| **6040-C · Cell Phones** | 3,927 | 4,050 | 4,050 | 4,050 | - | Verizon $65/mo: $780<br>Misc parts/holders: $200<br>Cell phone reimburse $255/mo - $3060 |
| **6040-P · Pagers & Radios** | 378 | 620 | 620 | 680 | 60 | American Messaging $40/mo: $480<br>Misc. parts/batteries: $200 |
| **6040-T · Telephones** | 14,884 | 17,000 | 17,000 | 18,000 | 1,000 | Ans. Service: $2500<br>Phones: $1,200/mo: $15,000 |
| **Total Communications** | **21,132** | **24,020** | **24,020** | **25,080** | **1,060** | |
| **Insurances** | | | | | | |

| | FY 16-17 FINAL (CASH)* | FY17-18 BUDGET | FY 17-18 Projected | FY 18-19 BUDGET | Difference FY19-FY18 Budgets | FY 2018-19 |
|---|---|---|---|---|---|---|
| **6101 · Liability & Auto Ins.** | 30,745 | 33,000 | 33,000 | 33,000 | - | |
| **Total Insurances** | **30,745** | **33,000** | **33,000** | **33,000** | **-** | |
| **Maint/Rep - Office & Vehicles** | | | | | | |
| **6140 · Vehicle Maintenance** | 10,412 | 12,500 | 15,500 | 14,000 | 1,500 | |
| **6151 · Office Maintenance** | 6,983 | 6,400 | 6,600 | 7,300 | 900 | Alarm System - $130/qtr.=$520<br>PacketFusion maint. contract - $1500/year<br>SR Computers - $195/mo = $2340/year<br>Copy mach. maint - 1400/yr<br>Call One - $1000/yr<br>Landscaping - $300/yr<br>Misc / Other - $250 |
| **Total Maint/Rep - Office & Vehicles** | **17,395** | **18,900** | **22,100** | **21,300** | 2,400 | |
| **Maint/Repair - Facilities** | | | | | - | |
| **6085 · Janitorial Services** | 7,264 | 8,800 | 8,800 | 9,445 | 645 | E. Kaasch (office Janitorial): $215/mo = $2580<br>United Site Svces (port-o-lets): $305/mo = $3660<br>Recology Garbage $1700<br>Sewer - CVTR ($1200) |
| **6100 · SCADA System** | 15,556 | 5,000 | 5,000 | 5,000 | - | |
| **6180 · Distribution System Repairs** | 50,510 | 50,000 | 40,000 | 40,000 | (10,000) | Not accounting for" In- House Const." off-set |
| **6235 · Treatment Sys/Well Repairs** | 51,536 | 45,000 | 45,000 | 45,000 | - | estimating (1) well rehab |
| **6143 · Generator Maintenance** | 396 | 3,200 | 4,000 | 1,000 | (2,200) | off year for planned maintenance |
| **Total Maint/Repair - Facilities** | **125,262** | **112,000** | **102,800** | **100,445** | **(11,555)** | |
| **Miscellaneous Expenses** | | | | | | |
| **6280 · Memberships** | 10,505 | 10,800 | 10,800 | 11,500 | 700 | USA $165<br>AWWA $420<br>CSDA $6100<br>CUWCC $2600 (reimbursed by SCWA)<br>MR Chamber -$50<br>RR Chamber - $150<br>Cal Rural $1100<br>WCWW $200 |
| **6303 · Claims** | 0 | 1,500 | - | 1,500 | - | |
| **6593 · Governmental Fees** | 33,569 | 19,000 | 12,000 | 22,000 | 3,000 | Elections costs: $2,000<br>Notice of Determination $230<br>Parcel List $270<br>LAFCO $6,700<br>Hazmat $1200<br>Operator license fees $400<br>System fees $10,500 |
| **Total Miscellaneous Expenses** | **44,074** | **31,300** | **22,800** | **35,000** | 3,700 | |
| **Office Expense** | | | | | - | |
| **6410 · Postage** | 19,758 | 16,000 | 16,000 | 16,000 | - | Billing (2000 pieces @ $.485 X 12 months) = $11,650<br>Prop 218 mailing: 4000 X .485 = $1,940<br>1 extra mailing: 3600 X .485 = $1,750<br>Other mail |
| **6430 · Printing Expense** | 4,898 | 7,500 | 7,500 | 7,500 | - | Window Envelopes $1100<br>Return Envelopes $950<br>Water Bills + Autopay $1500<br>Doorhangers $400<br>Turn Off Notices $600<br>Letterhead $250<br>Misc. Inserts $250<br>Prop 218 notice: $700<br>Checkblanks $200<br>Tagbooks $700 |
| **6461 · Office Supplies** | 5,153 | 4,100 | 4,100 | 5,000 | 900 | Supplies $4000<br>Plants/Landscaping $150<br>Christmas Tree $80<br>Christmas party $400<br>Business lunches $75<br>Paper products/coffee $250 |

| | FY 16-17 FINAL (CASH)* | FY17-18 BUDGET | FY 17-18 Projected | FY 18-19 BUDGET | Difference FY19-FY18 Budgets | FY 2018-19 |
|---|---|---|---|---|---|---|
| **6800 · Subscriptions/Legal Notic** | 804 | 1,100 | 1,100 | 1,100 | - | Press Democrat $380<br>Legal Notices $400<br>Sonoma West $70<br>Safety Meeting Outlines $85 |
| **6890 · Computers/Software** | 1,251 | 3,000 | 1,700 | 2,500 | (500) | Antivirus softsware $0<br>Cloud software $70<br>Misc $400<br>Quickbooks upgrade $0<br>3 workstations - $2000<br>(KG/LK/CMH) |
| **6579 · Furniture** | 0 | 500 | 500 | 500 | - | |
| **Total Office Expense** | **31,864** | **32,200** | **30,900** | **32,600** | **400** | |
| **Operating Supplies** | | | | | | |
| **6300 · Chemicals** | 17,891 | 18,500 | 18,500 | 20,000 | 1,500 | |
| **6880 · Tools and Equipment** | 2,741 | 5,000 | 5,000 | 5,000 | - | Pipe locator: $1,000., Cut-off saw $900. |
| **6881 · Safety Equipment** | 1,167 | 1,200 | 2,200 | 1,200 | - | |
| **Total Operating Supplies** | **21,799** | **24,700** | **25,700** | **26,200** | **1,500** | |
| **Professional Services** | | | | | | |
| **6083 · Laundry Service** | 2,641 | 3,000 | 1,300 | - | (3,000) | (Mission cancelled) |
| **6514 · Lab/Testing Fees** | 9,868 | 14,000 | 13,000 | 12,500 | (1,500) | |
| **6570 · Consultant Fees** | 17,640 | 18,000 | 18,000 | 18,000 | - | IEDA $12,500<br>Open Spatial (Mapping): $4,200<br>SR Computers/Chris Meyers (non-maintenance work) $1000 |
| **6610 · Legal** | 11,230 | 20,000 | 15,000 | 20,000 | - | |
| **6630 · Audit/Accounting** | 35,856 | 35,500 | 38,000 | 39,000 | 3,500 | ADP $55/2 weeks = $1300<br>W-2s = $80<br>Authorize.net $500<br>Auditor $8,500<br>Harbortouch $18,000<br>E-check fees = $1680<br>West America fees $230/mo = $2760<br>1099 = $175<br>County Accounting Fees = $700<br>GASB 68 prep = $1,300 |
| **Total Professional Services** | **77,235** | **90,500** | **85,300** | **89,500** | **(1,000)** | |
| **Rents & Leases** | | | | | | |
| **6820 · Equipment** | 1,589 | 3,300 | 3,300 | 3,300 | - | Postage machine $1300<br>Action rents: $2000 |
| **6840 · Building & Warehouse** | 28,348 | 29,790 | 29,790 | 29,790 | - | 2% rent increase: $2,482.50/mo = $29,790 |
| **Total Rents & Leases** | **29,937** | **33,090** | **33,090** | **33,090** | **-** | |
| **Transportation & Travel** | | | | | | |
| **7120 · Seminars & related travel** | 1,671 | 2,650 | 2,650 | 2,650 | - | JK - $250<br>LK and CMH - $400<br>Field: $1500, GM - $500 |
| **7201 · Vehicle Gas** | 17,807 | 23,000 | 18,000 | 20,000 | (3,000) | |
| **7300 · Travel Reimbursements** | 5,534 | 6,400 | 6,400 | 6,400 | - | SM - $50/mo = $600 (A)<br>KG $400/mo = $4800 (F)<br>CMH/LK/JK $80/mo = $960 (A) |
| **Total Transportation & Travel** | **25,012** | **32,050** | **27,050** | **29,050** | **(3,000)** | |
| **Uniforms** | | | | | | |
| **6021.1 · Boots** | 1,500 | 1,500 | 1,500 | 1,500 | - | $205 X 7 = $1450 |
| **6021.3 · T-shirts** | 1,529 | 1,500 | 1,700 | 1,800 | 300 | |
| **6021.4 · Jackets** | 0 | 240 | 240 | 240 | - | 2 jackets |
| **Total Uniforms** | **3,029** | **3,240** | **3,440** | **3,540** | **300** | |
| **Utilities** | | | | | | |
| **7320 · Electricity** | 100,423 | 95,000 | 95,000 | 100,000 | 5,000 | |
| **7321 · Propane** | 2,700 | 3,000 | 3,000 | 3,000 | - | |
| **Total Utilities** | **103,123** | **98,000** | **98,000** | **103,000** | **5,000** | |
| **Total SERVICES & SUPPLIES** | **530,607** | **533,000** | **508,200** | **531,805** | **(1,195)** | |
| **Total OPERATING EXPENSES** | **1,793,450** | **1,833,300** | **1,835,632** | **1,886,782** | **53,482** | |

| | FY 16-17 FINAL (CASH)* | FY17-18 BUDGET | FY 17-18 Projected | FY 18-19 BUDGET | Difference FY19-FY18 Budgets | FY 2018-19 |
|---|---|---|---|---|---|---|
| OPERATING SURPLUS/DEFICIT | **$650,918** | **$668,793** | **$694,533** | **$718,328** | **$ 49,535** | |
| **FIXED ASSET EXPENDITURES** | | | | | | |
| **8517 · Field/Office equipment** | 0 | - | 0 | - | | |
| **8573 · Vehicles** | 39,333 | - | - | 50,000 | 50,000 | new truck |
| **8511.1 · Tank/Facilities Sites** | 1,319 | 22,000 | 54,000 | - | (22,000) | |
| **8511.6 · Leasehold Improvements** | 0 | 0 | 0 | - | - | |
| **Total FIXED ASSET EXPENDITURES** | **40,652** | **22,000** | **54,000** | **50,000** | **28,000** | |
| **TRANSFERS TO OTHER FUNDS** | | | | | | |
| **8620.7 · Tfers to CIRF for CDR Revenue** | 270,375 | 278,615 | 279,779 | 288,172 | 9,557 | |
| **8620.3 · Tfers to CIRF - PY Surplus** | 50,392 | 0 | | - | - | |
| **8620.3 · Tfers to CIRF** | 330,000 | 320,000 | 320,000 | 340,000 | 20,000 | |
| **8620.5 · Tfers to Building Fund** | 15,000 | 15,000 | 15,000 | 15,000 | - | |
| **8620.2 · Tfers to In-House Constr** | 25,000 | 25,000 | 25,000 | 25,000 | - | |
| **Total TRANSFERS TO OTHER FUNDS** | 690,767 | 638,615 | 639,779 | 668,172 | 29,557 | |
| SURPLUS/DEFICIT | **-80,501** | **8,178** | **754** | **156** | **(8,022)** | |
| | | | | | | |
| **CAPITAL BUDGET** | | | | | | |
| **REVENUE/SOURCES OF FUNDS** | | | | | | |
| **Annual Assessment - New Services** | 27,949 | 27,000 | 27,000 | 27,000 | - | |
| **Annual Assessment (County)** | 722,085 | 710,000 | 710,000 | 710,000 | - | |
| **Prior Year Assessment** | 25,447 | 40,000 | 40,000 | 40,000 | - | |
| **Capital Debt Reduction Charge** | 261,565 | 278,615 | 279,779 | 288,172 | 9,557 | |
| **Interest** | 8,367 | 8,000 | 14,000 | 15,000 | 7,000 | |
| **Funds from Reserves** | 808,385 | | 300,000 | - | - | |
| **USDA 2018 Bond** | | 1,463,000 | 1,659,000 | 0 | | Bond closing in Spring 2018 |
| **Transfers to CIRF from Operations** | 343,184 | 320,000 | 320,000 | 340,000 | 20,000 | |
| **Transfers to In-House Constr. from Operation** | 25,000 | 25,000 | 25,000 | 25,000 | - | |
| **TOTAL REVENUE** | **2,221,982** | **2,871,615** | **3,374,779** | **1,445,172** | **(1,426,443)** | |
| | | | | | | |
| **EXPENSES** | | | | | | |
| **DEBT PAYMENTS** | | | | | | |
| **Gen. Obligation Bonds Payments** | 64,284 | 64,284 | 64,284 | 64,284 | - | USDA refinance resolution+ New USDA bond pmt |
| **Cap One Revenue Bond** | 565,098 | 566,508 | 566,508 | 566,508 | - | |
| **State Loan Payments** | 256,835 | 146,438 | 146,438 | 146,438 | - | |
| **Private Placement Loan** | 250,363 | 234,014 | 234,014 | 234,014 | - | |
| **TOTAL DEBT PAYMENTS** | **1,136,580** | **1,011,244** | **1,011,244** | **1,011,244** | - | |
| | | | | | | |
| **2017 CIP Design and Construction Mgmt** | | | | | | Design of 2017 CIP in FY16, CM in FY17 and will be carried over into FY18 |
| **2017 CIP Construction** | 70,996 | | 764,857 | | | Contract award in FY17, most construction in FY18 |
| **2018 CIP Design and Construction Mgmt** | 0 | 215,000 | 111,230 | | | cm costs for 2018 CIP |
| **USDAY Bond Expenses** | | | 35,000 | | | |
| **2018 CIP Construction** | 0 | 1,248,000 | 1,416,467 | | | Contract award in March 2018, construction starts shortly after |
| **2019 CIP** | | | | 250,000 | | replacement to be done in Spring 2018 |
| **El Bonita Well Valut Improvements** | | | | | - | Check with Julie for actual |
| **In-House Construction Projects** | 45,490 | 25,000 | 25,000 | 25,000 | 25,000 | Increase in this vs 6180 in Operating Budget?? |
| **Total Capital Expenses** | **116,486** | **1,488,000** | **2,352,554** | **275,000** | **(1,213,000)** | |
| **TOTAL EXPENSES** | **1,253,066** | **2,499,244** | **3,363,798** | **1,286,244** | **(1,213,000)** | |
| **End of FY17 Accrual Expenses** | | | | | | Total Expenses = Accrual Expenses because no FY18 Obligation in FY17 |
| **SURPLUS/DEFICIT** | **968,916** | **372,371** | **10,981** | **158,928** | **(213,443)** | |
| **Net Capital Funding** | **171,516** | **380,549** | **380,289** | **409,084** | | Net Operating Revenues + Assessments +CDRC+Cap Interest-Total Debt Payments |
| | | | | | | |

| | FY 16-17 FINAL (CASH)* | FY17-18 BUDGET | FY 17-18 Projected | FY 18-19 BUDGET | Difference FY19-FY18 Budgets | FY 2018-19 |
|---|---|---|---|---|---|---|
| **FUND AND LOAN BALANCES (EOY)** | | | | | | |
| **DISTRICT RESERVES AND FUND AND LOAN BALANCES** | | | | | | |
| **Operating Budget Cash Reserve** | 255,161 | 274,995 | 274,995 | 283,017 | 8,022 | |
| **Operating Budget Reserve (10%+15% of Operating Exp)** | 86,956 | 458,325 | 458,325 | 471,696 | 13,371 | |
| **Debt Repayment Reserve (25% of Debt pmt)** | 258,777 | 252,811 | 252,811 | 252,811 | - | |
| **Capital Reserve** | 250,000 | 250,000 | 250,000 | 250,000 | - | |
| **Total District Policy** | 850,894 | 1,236,130 | 1,236,131 | 1,257,524 | 21,394 | |
| | | | | | | |
| | | | | | | |
| **TOTAL Reserves EOY** | **2,259,513** | **2,232,430** | **1,971,248** | **2,770,111** | **537,681** | |
| **Reserves Above (below) Policy** | **1,408,619** | **996,300** | **735,117** | **1,512,587** | **516,287** | |
| | | | | | | |
| **DISTRICT FUNDS** | | | | | | |
| **CIRF (7106-0600)** | 572,035 | (334,700) | 461,189 | 459,763 | 794,463 | |
| **OPERATING RESERVE ( 0300)** | 255,161 | 458,325 | 337,003 | 283,017 | (175,308) | |
| **OPERATIONS (0100)** | 86,956 | 274,995 | 288,113 | 288,113 | 13,118 | |
| **CAPITAL AND DEBT POLICY RESERVE (1100)** | 510,829 | 502,811 | 302,315 | 502,811 | - | |
| **IN HOUSE CONSTRUCTION (0500)** | 72,684 | 104,315 | 62,007 | 62,007 | (42,308) | |
| **BUILDING (0200)** | 195,850 | 213,850 | 10,850 | 25,850 | (188,000) | |
| **CAP ONE AND CITIZENS BANK LOAN (1200)** | 801,357 | 802,112 | 802,112 | 802,112 | - | |
| **FEDERAL LOANS AND BONDS (0400)** | - | 64,284 | - | - | (64,284) | |
| **STATE LOANS (0700,0900)** | 146,741 | 146,438 | 146,438 | 146,438 | - | |
| **STATE LOANS RESERVES (0800&1000)** | - | 146,739 | - | - | (146,739) | moved to other accounts |
| **PARS** | | | 201,000 | 200,000 | | New Fund, outside of County |