SWEETWATER SPRINGS WATER DISTRICT

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

FROM: Steve Mack, General Manager

Meeting Date: May 2, 2013

SUBJECT: APPROVAL OF FISCAL YEAR 2013-2014 OPERATING AND CAPITAL IMPROVEMENT BUDGET

RECOMMENDED ACTION: A. Hold a public hearing on the proposed Fiscal Year 2013-2014 (FY14) Budget;
B. Approve Resolution 13-11 which approves the FY14 Budget

FISCAL IMPACT: The FY14 Budget includes FY14 expenses of $3.8 million to be paid for by revenues of $3.1 million plus projected use of reserves of $700,000.

DISCUSSION:

The FY14 Budget agenda report comes with several attachments:

- Resolution 13-11 which approves the FY14 Budget
- Exhibit A. FY14 Budget Report
- Exhibit B. FY14 Detailed Budget which is the line item budget document with complete budget detail.

The Draft FY14 Budget was first presented and discussed at the March Board Meeting with a followup discussion at the April Board Meeting. The FY14 Budget came with several assumptions/results:

- Base Rate, Water Usage, and Capital Debt Reduction Charges are increased by 3%.
- Flat water sales, which is a marked change from last year's assumption of 4% decline.
- Water sales revenue projection a 3% increase over the FY13 End of Year projected amount.
- Salaries are increased to match the Union Memorandum of Understanding and contracts for nonrepresented employees. The General Manager is funded at 70% to reflect partial service retirement.

- The Budget includes prefunding retired employee health costs. This adds approximately $17,000 to this year's budget but will be much less in subsequent years and turns an unfunded liability into a funded one.
- Supplies and Services were scrutinized to reflect actual expected costs and have increased $35,000 over FY13 Budgeted but approximately $4,000 less than end of year projected for FY13.
- Expenditures for Tanks and Facilities include liners for the Summit and Park Avenue Tanks and the foundation for the Park Avenue Tank; these total $19,000.

The transfer to the Capital Improvement Revenue Fund (CIRF) is $390,000 which is a reflection of the expected higher starting point for this coming fiscal year, 3% water rate increase, and expected flat sales.

With the Capital section of the Budget, comparisons between FY14 and FY13 are less meaningful because completely different capital projects are undertaken from year to year. The FY14 Budget includes the FY 2014 CIP which is fully funded by the District.

The FY 2015 CIP is also included in this budget because the project will be designed this winter and construction funds for this project will likely be obligated in May or June 2014, during this budget year. The expense of the FY 2015 CIP is not included in Figure 1 of the Budget report because only a small fraction of the FY 2015 CIP expenses will be expended in FY14 (design costs).

District Reserves

The FY14 Budget includes the District Reserve Policy approved in September 2009:

- Budget Reserve – a reserve based on 10% of the Operating Budget expenses for emergencies, such as a natural disaster.
- Economic Reserve – 15% of the Operating Budget expenses for economic downturn or other economic crisis.
- Debt Repayment Reserve - 25% of all payments for principal and interest on all District loans 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 FY14 Budget shows a Policy Reserve of $1,130,812 and $1,434,916 in Reserves Above Policy at the end of the fiscal year. Approximately $800,000 of the Reserves Above Policy are obligated for construction of the FY15 CIP so actual end of year reserves on hand will be approximately $2.2 million.

In summary, the FY13 Budget shows a funding plan will allow the District to accomplish its mission of providing good quality water to District customers, fund a major capital improvement project, and end the year in good financial shape.

Resolution No. 13-11

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SWEETWATER SPRINGS WATER DISTRICT ADOPTING THE FY 2013-14 OPERATING AND CAPITAL IMPROVEMENT BUDGET

BE IT RESOLVED, that the Board of Directors of the Sweetwater Springs Water District hereby adopts the attached FY 2013-14 Operating and Capital Improvement Budget and authorizes the General Manager to submit the attached budget to the Sonoma County Auditor.

I hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly and regularly adopted and passed by the Board of Directors of the SWEETWATER SPRINGS WATER DISTRICT, Sonoma County, California, at a meeting held on May 2, 2013, by the following vote.

Director	Aye	No
Sukey Robb-Wilder	_____	_____
Tim Lipinski	_____	_____
Richard Holmer	_____	_____
Gaylord Schaap	_____	_____
Victoria Wikle	_____	_____

_____
Richard Holmer
President of the Board of Directors

_____
Attest: Julie A. Kenny
Clerk of the Board of Directors

Exhibit A

Sweetwater Springs Water District

Annual Operating & Capital Improvement Budget

2013-14 Fiscal Year

(For the period July 1, 2013 - June 30, 2014)

Board of Directors

Richard Holmer, President
Victoria Wikle, Vice President
Tim Lipinski, Financial Coordinator
Sukey Robb-Wilder
Gaylord Schaap

General Manager
Steve Mack

Sweetwater Springs Water District
Annual Operating & Capital Improvement Budget
2013-14 Fiscal Year
Summary

In Fiscal Year 2013-2014 (FY14) Sweetwater Springs Water District has budgeted operating expenses of $1.6 million and capital improvement expenses of $3.0 million. Figures 1 and 2 respectively show the distribution of these expenses and sources of funds to pay for these expenses. Note that sources of funds are enhanced by approximately $700,000 from District Reserves for capital improvements. These Figures do not include expenses or sources of funds for construction of the 2015 CIP for which the construction contract will be awarded in FY14 but the funds not expended until FY15 (approximately $800,000).

Figure 1. FY 2014 Expenses
Total = $3.8 Million
(does not include FY15 CIP construction)

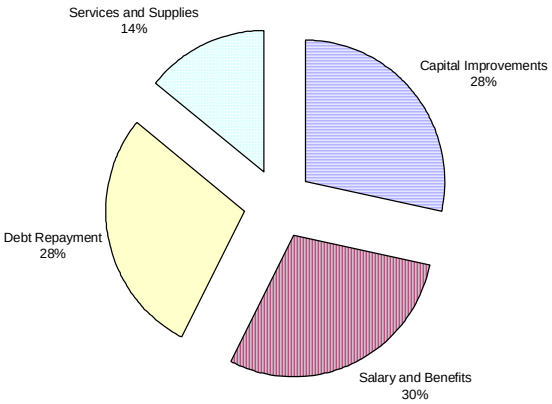
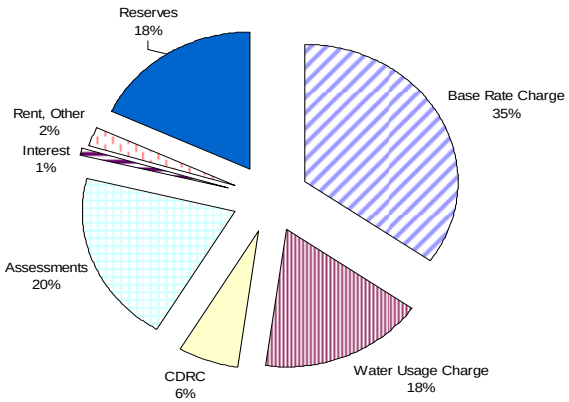


Figure 2. FY14 Sources of Funds to Pay for Expenses
Total = $3.8 Million
$3.1 Million Revenues + $700,000 Reserves



FY 2013-14 Budget Report
Sweetwater Springs Water District

Table 1 is a summary of the FY14 Budget which is described and shown in detail in the following pages. The FY14 Budget is similar in form and content to prior years' budgets. The FY14 Budget includes the third year of 3% increases for the Base Rate and Water Usage Charges and a 3% increase to the Capital Debt Reduction Charge.

	Table 1. FY14 BUDGET SUMMARY				
	OPERATING BUDGET				
		FY 11-12 FINAL (CASH)	FY12-13 BUDGET	FY 13-14 BUDGET	Difference FY14-FY13 Budgets
1	REVENUE				
2	Water Bill Revenue				
3	Capital Debt Reduction Charge	236,887	230,000	245,800	15,800
4	Base Rate Charge	1,279,036	1,248,930	1,332,100	83,170
5	Water Usage Charge	560,823	547,620	675,100	127,480
6	Operating Revenue	**2,076,746**	**2,026,550**	**2,253,000**	226,450
7	Non-Operating Revenue	**125,888**	**133,000**	**93,400**	(39,600)
8	TOTAL INCOME	**2,202,634**	**2,159,550**	**2,346,400**	**186,850**
9	EXPENSES				
10	OPERATING EXPENSES				
11	Salary	**797,615**	**852,696**	**794,590**	**(58,106)**
12	Benefits	**271,470**	**295,452**	**316,415**	20,963
13	Salaries & Benefits	**1,069,085**	**1,148,148**	**1,111,005**	**(37,143)**
14	Services & Supplies	**460,192**	**485,930**	**520,930**	**35,000**
15	TOTAL OPERATING EXPENSES	**1,529,277**	**1,634,078**	**1,631,935**	**(2,143)**
16	OPERATING SURPLUS/DEFICIT	**673,357**	**525,472**	**714,465**	**188,993**
17	Fixed Asset Expenditures	**5,841**	**20,000**	**22,000**	**2,000**
18	Transfers to Other Funds	516,900	490,000	675,800	185,800
19	Disaster Expense	0	0	0	-
20	SURPLUS/DEFICIT	**150,616**	**15,472**	**16,665**	**1,193**
21					
22	CAPITAL BUDGET				
23	REVENUE/SOURCES OF FUNDS				
24	Assessments	730,176	777,000	777,000	
25	Capital Debt Reduction Charge	236,900	230,000	245,800	15,800
26	Interest	36,339	25,000	25,000	-
27	CDC Grants	672,089	914,250		(914,250)
28	Funds from Reserves	740,169		1,525,000	1,525,000
29	Transfers from Operations	265,000	245,000	415,000	170,000
30	TOTAL REVENUE	**2,680,673**	**2,191,250**	**2,987,800**	**796,550**
31					
32	EXPENSES				
33	Debt Payments	**1,089,755**	**1,091,314**	**1,091,314**	-
34	Capital Expenses	**1,323,072**	**2,836,000**	**1,877,149**	**(958,851)**
35	TOTAL EXPENSES	**2,412,827**	**3,927,314**	**2,968,463**	**(958,851)**
36	SURPLUS/DEFICIT	**267,846**	**(1,736,064)**	**19,337**	**1,755,401**
37					
38	FUND AND LOAN BALANCES (End of Year (EOY))				
39	DISTRICT RESERVES AND FUND AND LOAN BALANCES				
40	District Policy Reserves	**1,085,081**	**1,131,348**	**1,130,812**	**(536)**
41	Total Reserves EOY	**4,791,350**	**3,018,140**	**2,565,728**	**(452,412)**
42	Reserves Above (Below) Policy	**3,706,269**	**1,886,792**	**1,434,916**	**(451,876)**

2013-14 Fiscal Year (FY14) Budget

The annual budget of the Sweetwater Springs Water District (SSWD) allows the District to accomplish its mission which is to provide its customers with quality water and service in an open, accountable, and cost-effective manner and to manage District resources for the benefit of the community and environment. The District achieves its mission of producing good quality water by pumping Russian River underflow from five wells – 3 located at the Guerneville El Bonita well site and 2 located at the Monte Rio well site. That water is then treated in two separate treatment facilities at the Highlands site for Guerneville and at the Monte Rio well site and distributed through approximately 68 miles of distribution pipes and 3500 service laterals of varying lengths, and stored in 26 tanks and reservoirs. This system is managed and its operation administered by the District staff of 10 full time employees. The District has an aggressive capital improvement program aimed at maintaining and improving the capital infrastructure to industry standards to deliver high quality water, reduce system water losses, and maintain adequate system pressure and fireflow. The annual budget identifies the revenues and expenses that accomplish these tasks.

The FY14 Budget follows the format established in prior years and includes the third year of a 3% increase to the Base Rate and Water Usage Charges, and a 3% increase to the Capital Debt Reduction Charge.

3% increase to the Base Rate, Water Usage Charges, and Capital Debt Reduction Charge: Most of the revenues for the FY14 Budget come from water rates paid in bimonthly bills by District customers (Figure 2). In 2011 District staff did a comprehensive multi-year analysis to show that with small annual increases in rates, the District can develop sustainable funding for needed capital projects to maintain District facilities once the current catch up capital improvement program is completed. The financial analysis showed that annual 3% increases will build into $500,000 available annually for capital projects. This is the third year of proposed annual 3% rate increases designed to achieve the sustainable capital improvement program.

The District had planned for a steeper increase to the Capital Debt Reduction Charge to enable it to cover all District debt payments within 3 years. However, the District decided to treat the Capital Debt Reduction Charge in the same manner as the Base Rate Charge (both are fixed rates based on meter size or number of housing units) and increase it in the same manner. More information on the District's water rates and a water rate calculator can be found on the District's website at www.sweetwatersprings.com**.**

FY 2014 CIP and FY 2015 CIP (Table 2): The FY14 Capital Budget includes the 2014 Capital Improvement Program (CIP), which is **r**eplacement of 3,900 lineal feet (lf) of existing main and appurtenances on Hidden Valley Rd, with 67 services, 2 fire hydrants; and 1,800 lf of existing main and appurtenances on Guernewood Lane with 20 services, 2 fire hydrants, and abandonment of 200 lf of unnecessary 4–inch main along Hwy 116**.**

The FY14 Budget also includes the obligation for funding construction of the FY 2015 CIP, which is replacement of 5,800 ft of existing main and appurtenances commencing at the Handy Andy Booster and proceeding westerly to the Highway 116 intersection, estimated to have a total cost of approximately $936,000. This expense is included in

the FY14 Budget because the construction contract would be obligated in May or June of the fiscal year. However, most of the expense will occur in FY15.

Redevelopment Support Has Ended: Because of the end of Redevelopment which supported 75% of recent District CIP funding, the annual CIP has been scaled back based on program review during this past year. The District intends to continue to improve the District's infrastructure, but the end of Redevelopment and lack of alternative grant funding means we have to do it more slowly using District Reserves.

District Reserve Policy: A formal District Reserve Policy was approved in September 2009. The Reserve Policy allows the District to gauge its financial health and adequately plan for its future, and allows ratepayers to follow this planning. The District Reserve Policy has the following components:

- Budget Reserve – a reserve based on 10% of the Operating Budget expenses for emergencies, such as a natural disaster.
- Economic Reserve – 15% of the Operating Budget expenses for economic downturn or other economic crisis.
- Debt Repayment Reserve - 25% of all payments for principal and interest on all District loans 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 sum of all district funds is shown in the budget as Total Reserves End of Year (EOY). This is the sum of the District discretionary funds, listed in the budget, minus $200,000 cash balance for operating purposes, at the end of the year. The difference between Total Reserves EOY and Total District Policy Reserves is Reserves Above District Policy. The District goal is to keep this number positive. The amount above the District Policy Reserve is the amount the District has for future capital projects. The Reserves Above District Policy is a good measure of where we are in funding an ongoing capital program. The Draft FY14 Budget projects that the District will have approximately $1.4 million in Reserves Above District Policy at the end of FY14, including the obligation for the FY15 CIP. This means cash on hand in the Reserves Above District Policy will approximately $2.2 Million at the end of FY14.

Other Financial Assumptions/Highlights of the FY14 Budget include:

- Water Sales will be flat in FY14 – our assumption is that a 3% rate increase will result in a 3% revenue increase in water sales.
- The presentation of Water Sales Revenue splits out Base Rate Charge Revenues and Water Usage Charge Revenues. This enables better tracking of the fixed revenues from the bimonthly water bills from the variable revenues based on water usage.
- Salaries are increased to match the approved Memorandum of Understanding and contracts for nonrepresented employees but also include the savings of the General Manager moving to partial retirement.
- The transfer to the Capital Improvement Revenue Fund (CIRF) is budgeted at $390,000 in FY14.
- Approximately $14,000 is included in the Budget to cover the District's unfunded liability for retired employee health care.

Line Item Highlights of the FY14 Budget:

The FY14 Operating Budget provides for ongoing costs consistent with previous years' expenditures, except where identified below.

The operating budget encompasses the "expenditures related to the operation, maintenance and repair of water facilities", as well as the billing, collections, accounting, fiscal management and other overall administration.

Water Bill Revenue line items have been adjusted to reflect the 3% increases in the Base Rate and Water Usage Charges based on flat water sales. **Capital Debt Reduction Charge** (CDRC) revenue also includes a 3% increase. Operating interest is continued at a relatively low amount to reflect continuing lower interest on deposited funds.

Under **Expenses, Salaries** have decreased approximately $58,000 to reflect the partial service retirement of the General Manager. **Benefits** are budgeted to increase approximately $20,000 because of an anticipated increase in the cost of health benefits. Salaries and Benefits are a major District expense – approximately 70% of the FY14 Operating Budget expenses.

Total Supplies and Services are approximately $35,000 higher than the FY13 approved budget. There are small increases in several line items to reflect higher costs. **Maintenance/Repair – Facilities** is a big cost item in Supplies and Services and has been increased to reflect the projected costs in FY13 which will likely be similar for FY14. **Governmental Fees** have been increased to reflect higher fees being charged by all levels of government. **Professional Services** has increased to reflect staff's estimate of realistic legal expenses. **Electric** is a big expense item and is expected to have a small increase in FY14 ($900).

Fixed Asset Expenditures has been reduced but the District will likely carry over the expense for the purchase of a replacement chlorination system for the Monte Rio Treatment Plant.

The Operating Budget has a surplus of approximately $677,000 which is transferred as revenue to the Capital Improvement Budget as Capital Improvement Reserve Fund (CIRF), Building Fund, In-House Construction Fund, and CDRC revenue.

The FY14 Capital Budget major expenses are the FY 2014 CIP (estimated cost $900,000) and FY 2015 CIP (estimated cost $900,000), described above and in Table 2.

Capital Interest revenue is estimated conservatively to reflect expected continuing low interest rates this coming year.

Capital Debt is a major expense item – approximately $1.1 million and 28% of total District annual expenses. District Capital Debt includes:

- General Obligation (GO) Bonds – $12 million in bonds that were approved to purchase the District and make needed capital improvements. Paid off in 2032.

Annual payment - $684,000. The District is investigating the possibility of refinancing these bonds with an estimated annual savings of approximately $55,000. If possible this would not be completed prior to approval of the FY14 Budget and is not included in the Budget.

- State Loans - two loans for approximately $3 million which were approved in 1995-96 for needed improvements. Paid off in 2021-22. Annual payment - $170,168.50.
- Private Placement Loan. $3 million loan acquired in 2008 for needed capital improvements. Paid off in 2028. Annual payment - $234,012.

The Private Placement Loan of $3 million acquired in September 2008 has been completely expended funding District capital projects (CIP IV-A and CIP IV-B).

District Reserves and Funds and Loan Balances show the District's continuing healthy financial picture.

As discussed above reserve balances are a good measure of the health of the District's finances. For FY14, District Policy Reserves are at $1,130,812 and Reserves Above District Policy at the end of the year are $1,434,916**.** This includes the obligation for the FY 2015 CIP, so actual cash on hand reserves at the end of FY14 will be approximately $2.2 million.

Table 2. Sweetwater Springs Water District 2013-2014 Capital Improvement Program (CIP)

Year	Projects	Estimated Cost
2014		
	Hidden Valley Rd (GV) – Replace 3,900 lf of existing main and appurtenances on Hidden Valley Rd, 67 services.	$656,000
	Guernewood Lane (GV) - – Replace 1,800 lf of existing main and appurtenances and abandon 200 lf of redundant 4 – inch main along Hwy 116, 20 services.	$318,000
	2014 Total	**$974,000**
2015		
	Old Monte Rio Road (GV) – Replace 5,800 lf of existing main and appurtenances commencing at the Handy Andy Booster and proceeding westerly.	$936,000
	2015 Total	$936,000
	2014-2015 Totals	**$1,910,000**

EXHIBIT B. SWEETWATER SPRINGS WATER DISTRICT
OPERATING AND CAPITAL BUDGET, 2013-2014

		FY 11-12 FINAL (CASH)*	FY12-13 BUDGET	FY 12-13 Projected	FY 13-14 BUDGET	Difference FY14-FY13 Budgets	FY 13-14 Original notes
OPERATING BUDGET							
REVENUE							
	OPERATING REVENUE						
	4031 · Water Bill Revenue						
	4031.1. · Capital Debt Reduction Charge	236,887	230,000	238,600	245,800	15,800	3% rate on projected
	4031.1. · Base Rate	1,279,036	1,248,930	1,293,290	1,332,100	83,170	separating out Base Rate Charge Revenue for future combination with CDRC
0.70	**4031.1. · Water Usage**	560,823	547,620	655,470	675,100	127,480	Based on 3% rate increase on projected 2012 sales; projected based on mid year, 70% of Mid Yr water use charges (9% increase in water sales at mid year). Varies with water use.
	Total OPERATING REVENUE	**2,076,746**	**2,026,550**	**2,187,360**	**2,253,000**	226,450	
	NON-OPERATING REVENUE						
	4445 · Grant Proceeds	0	0	0	-	-	
	1700 · Interest	40,768	35,000	16,000	7,500	(27,500)	WestAmerica 776013 - Operations 776021 - Bldg Fund 776039 - Reserves 776211 - InHouse Constr.
	3600 · Construction New Services	5,177	4,000	4,000	5,000	1,000	
	3601 · Construction Service Upgrad	3,163	2,000	6,000	2,000	-	
	4032 · Rent	71,589	81,000	81,000	75,400	(5,600)	AT&T Mt. Jackson - get 2013 estimate AT&T Woodland - 6 mn @ 1800/mn Crystal - $800/mn
	4040 · Miscellaneous Income	2,758	3,000	1,000	1,000	(2,000)	IMPAC refunds So. Cty Credit
	4117 · SCWA Reimbursement	2,433	8,000	2,500	2,500	(5,500)	CUWCC membership dues reimburse: $2500
	Total NON-OPERATING REVENUE	**125,888**	**133,000**	**110,500**	**93,400**	(39,600)	
Total Income		**2,202,634**	**2,159,550**	**2,297,860**	**2,346,400**	**186,850**	
EXPENSES							
	OPERATING EXPENSES						
	SALARY & BENEFITS						
	Salary						
	5910 · Wages	711,464	755,736	711,000	693,626	(62,110)	
	5912 · Overtime	23,646	30,270	27,000	30,772	502	
	5916 · On-Call Pay	25,885	33,090	29,200	33,090	0	
	5918 · Extra help - Contract	36,620	33,600	36,800	$ 37,100	3,500	Meter reader (Dross)
	Total Salary	**797,615**	**852,696**	**804,000**	**794,590**	**(58,106)**	
	Benefits						
	5500 · Flex Spending	-33	0	0	-	-	
	5920 · Retirement	112,613	119,521	118,000	115,563	(3,958)	
	5922 · Payroll Taxes - Emplo	14,467	14,420	11,200	14,021	(399)	
	5930 · Health/Dental/Vision/A	118,333	133,702	125,000	143,762	10,060	
	5931 · Retiree health	2,640	2,760	2,760	17,324	14,564	Going to CERPT, full catchup
	5940 · Workers Comp Insura	23,450	25,049	34,000	25,746	697	
	Total Benefits	**271,470**	**295,452**	**290,960**	**316,415**	20,963	
	Total SALARY & BENEFITS	**1,069,085**	**1,148,148**	**1,094,960**	**1,111,005**	**(37,143)**	
	SERVICES & SUPPLIES						
	Communications						
	6040-I · Internet service	1,579	1,800	1,800	1,800	-	Comcast -$70/month: 840 GotoMyPC $19.95/mo = $240 Sonic.net $143.7/Qtr. (A) = $575
	6040-C · Cell Phones	3,055	2,720	2,720	2,900	180	Verizon - $150/mo (F) = $1800 Verizon $75/mo (A) = $900 Misc. parts/holders etc. - $200 (F)
	6040-P · Pagers & Radios	1,094	850	850	850	-	Cook - $53/mo (F) = $636 Misc. parts/batteries = $200 (F)
	6040-S · SCADA software maint.	725	0	0	-	-	
	6040-T · Telephones	14,932	15,400	15,400	16,500	1,100	Ans. Svc. $150/mo = $1800 Phones $1,175/mo = $14,100 Long distance $45/mo= $600
	Total Communications	**21,385**	**20,770**	**20,770**	**22,050**	**1,280**	
	Insurances						
	6101 · Gen. Liability	25,620	28,000	28,000	21,000	(7,000)	
	6102 · Auto/Equipment	7,635	8,000	8,000	14,000	6,000	
	Total Insurances	**33,255**	**36,000**	**36,000**	**35,000**	**(1,000)**	

	FY 11-12 FINAL (CASH)*	FY12-13 BUDGET	FY 12-13 Projected	FY 13-14 BUDGET	Difference FY14-FY13 Budgets	FY 13-14 Original notes
Maint/Rep - Office & Vehicles						
6140 · Vehicle Maintenance	14,725	16,000	16,000	16,000	-	
6151 · Office Maintenance	4,609	5,000	5,000	4,600	(400)	Alarm System - $130/qtr.=$520 PacketFusion maint. contract - $800/year The Compute Wizard - $155/mo = $1860/year The Computer Wizard - phone svcer - $20/mo = $240 Copy mach. maint - 550/yr Call One - $400/yr Misc / Other - $200
Total Maint/Rep - Office & Vehicles	**19,334**	**21,000**	**21,000**	**20,600**	(400)	
Maint/Repair - Facilities					-	
6085 · Janitorial Services	6,581	5,200	7,600	7,850	2,650	Altech (office Janitorial): $212/mo = $2544 United Site Svces (port-o-lets): $230/mo = $2760 Sunrise Garbage $1400 Sewer - GVTP ($1100)
6100 · SCADA System	0	2,780	2,780	5,000	2,220	SCADA Airtime - $65/mo. = $780
6180 · Distribution System Repairs	41,612	45,000	52,000	52,000	7,000	
6235 · Treatment Sys/Well Repairs	24,892	40,000	50,000	45,000	5,000	1 well rehab
6143 · Generator Maintenan	3,584	0	3,040	3,200	3,200	
Total Maint/Repair - Facilities	**76,669**	**92,980**	**115,420**	**113,050**	**20,070**	
Miscellaneous Expenses						
6280 · Memberships	7,808	8,700	8,700	9,020	320	USA $150 AWWA $420 CSDA $4100 CUWCC $3000 (reimbursed by SCWA) MR Chamber -$50 RR Chamber - $150 Cal Rural $950 WCWW $200
6303 · Claims	12,119	1,500	1,500	1,500	-	
6593 · Governmental Fees	16,106	19,500	20,500	20,650	1,150	Maps $50 Encroachment permit: $800 CDPH $14,000 HazMat permit $1,200 Election costs: $0
Total Miscellaneous Expenses	**36,033**	**29,700**	**30,700**	**31,170**	1,470	
Office Expense					-	
6410 · Postage	15,490	16,000	16,000	16,000	-	Billing (2000 pieces @ $.46 X 12 months) = $11,040 Prop 218 mailing: 4000 X .46 = $1,840 1 extra mailing: 3600 X .46 = $1,656 Other mail
6430 · Printing Expense	5,706	6,400	6,400	8,450	2,050	Window Envelopes $1100 Return Envelopes $950 Water Bills + Autopay $2200 Doorhangers $400 Turn Off Notices $600 Letterhead $250 CCRs $600 Misc. Inserts $250 Prop 218 notice: $700 Checkblanks $200 Flushing sched $500 Textbooks $700
6461 · Office Supplies	3,791	4,000	5,200	4,000	-	Supplies $3000 Plants/Landscaping $150 Christmas Tree $40 Christmas party $400 Business lunches $75 Paper products/coffee $250
6800 · Subscriptions/Legal N	840	820	820	700	(120)	Press Democrat $320 Legal Notices $200 Sonoma West $70 Safety Meeting Outlines $85
6890 · Computers/Software	3,069	1,600	1,600	2,800	1,200	Antivirus softsware ($30X6) = $200 Workstations for JK: $1000 Misc $400 FM Pro 12 (4 licenses) $1200
6579 · Furniture	0	500	500	500	-	Table for main office Locking file cabinet for Chris
Total Office Expense	**28,896**	**29,320**	**30,520**	**32,450**	**3,130**	

	FY 11-12 FINAL (CASH)*	FY12-13 BUDGET	FY 12-13 Projected	FY 13-14 BUDGET	Difference FY14-FY13 Budgets	FY 13-14 Original notes
Operating Supplies						
6300 · Chemicals	16,113	17,000	17,000	17,000	-	
6880 · Tools and Equipment	4,573	5,000	6,500	6,000	1,000	Jackhammer: $850 12" cutoff saw: $800
6881 · Safety Equipment	983	1,500	1,500	1,500	-	
Total Operating Supplies	**21,669**	**23,500**	**25,000**	**24,500**	**1,000**	
Professional Services						
6083 · Laundry Service	3,188	3,400	3,400	3,400	-	Mission $65/week = $3380
6514 · Lab/Testing Fees	8,786	13,000	13,000	13,000	-	
6570 · Consultant Fees	9,184	1,300	2,200	3,300	2,000	IEDA $2000 Computer Wizard (non-maintenance work) $800 Misc. (John Thompson?) -$500
6590 · Engineering	659	4,000	4,000		(4,000)	
6610 · Legal	22,414	20,000	34,000	28,000	8,000	Current situations are resolved, nothing on horizon. Fee increase
6630 · Audit/Accounting	23,375	27,500	27,500	30,000	2,500	PAYCHEX $175/mo = $2100 Authorize.net $55/mo = $660 Auditor $7,950 United Bank $1000/mo = $12,000 E-check fees = $900 West America fees $230/mo = $2760 Pam Rones 1099 = $350 County Accounting Fees = $3100
Total Professional Services	**67,606**	**69,200**	**84,100**	**77,700**	**8,500**	
Rents & Leases						
6820 · Equipment	1,344	3,400	3,400	3,300	(100)	Pitney Bowes Mail Machine $327/qtr. = $1308 (A) A-Action rents: $2000
6840 · Building & Warehous	27,000	27,000	27,000	27,000	-	Building: $1,800 / month Warehouse $450/month
Total Rents & Leases	**28,344**	**30,400**	**30,400**	**30,300**	**(100)**	
Transportation & Travel						
7120 · Seminars & related tr	2,900	4,000	1,700	4,150	150	JK - $250 LK and CMH - $400 Field: $3,500
7201 · Vehicle Gas	24,064	26,500	26,500	26,500	-	Based in FY 2012-13 projected.
7300 · Travel Reimbursemer	6,224	6,400	6,400	6,400	-	SM - $50/mo = $600 (A) KG $400/mo = $4800 (F) CMH/LK/JK $80/mo = $960 (A)
Total Transportation & Travel	**33,188**	**36,900**	**34,600**	**37,050**	**150**	
Uniforms						
6021.1 · Boots	1,061	1,500	1,500	1,500	-	$205 X 7 = $1450
6021.3 · T-shirts	1,021	1,200	1,200	1,200	-	
6021.4 · Jackets	173	360	360	360	-	3 jackets
Total Uniforms	**2,255**	**3,060**	**3,060**	**3,060**	**-**	
Utilities						
7320 · Electricity	88,088	90,000	90,000	90,000	-	Based on this year's projected.
7321 · Propane	3,470	3,100	3,100	4,000	900	Based on this year's projected.
Total Utilities	**91,558**	**93,100**	**93,100**	**94,000**	**900**	
Total SERVICES & SUPPLIES	**460,192**	**485,930**	**524,670**	**520,930**	**35,000**	
Total OPERATING EXPENSES	**1,529,277**	**1,634,078**	**1,619,630**	**1,631,935**	**(2,143)**	
OPERATING SURPLUS/DEFICIT	**$673,357**	**$525,472**	**$678,230**	**$714,465**	**$ 188,993**	
FIXED ASSET EXPENDITURES						
8517 · Field/Office equipment	5,613	5,000	4,500	1,000		Pipe locator
8573 · Vehicles	0	0	0	-	-	No new vehicles this year.
8511.1 · Tank/Facilities Sites	228	15,000	15,000	21,000	6,000	Park Ave. foundation: $5,000, liner $8,000 Lower Summit liner: $6,000 Other: $2,000, Replace MIOX Chlorine System at MRTP
8511.6 · Leasehold Improvements	0			-	-	
Total FIXED ASSET EXPENDITURES	**5,841**	**20,000**	**19,500**	**22,000**	**2,000**	
TRANSFERS TO OTHER FUNDS						
8620.7 · Tfers to CIRF for CDR Reve	236,900	230,000	238,600	245,800	15,800	
8620.3 · Tfers to CIRF	240,000	220,000	370,000	390,000	170,000	Calculated off surplus/deficit
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	516,900	490,000	648,600	675,800	185,800	
DISASTER EXPENSE					-	

	FY 11-12 FINAL (CASH)*	FY12-13 BUDGET	FY 12-13 Projected	FY 13-14 BUDGET	Difference FY14-FY13 Budgets	FY 13-14 Original notes
5141 · Disaster Wages - Staff	0	0	0	-	-	
7895 · Disaster Costs - Svces/Suppl	0	0	0	-	-	
Total DISASTER EXPENSE	0	0	0	0	-	
SURPLUS/DEFICIT	**150,616**	**15,472**	**10,130**	**16,665**	**1,193**	
CAPITAL BUDGET						
REVENUE/SOURCES OF FUNDS						
Annual Assessment - New Services	4,370	27,000	27,000	27,000	-	
Annual Assessment (County)	707,210	710,000	702,000	710,000	-	
Prior Year Assessment	18,596	40,000	37,192	40,000	-	
Capital Debt Reduction Charge	236,900	230,000	238,600	245,800	15,800	Transfer from Operations
Interest	36,339	25,000	23,600	25,000	-	
CDC Grants, CIP IV-B, Project 1	84,424		-		-	
CDC Grants, CIP IV-B, Project 2	108,513		-		-	
CDC Grants, CIP 2012	417,764	-			-	
Funds from Reserves	740,169		380,000	1,525,000		Funds from reserves needed to balance Capital Budget, Approximately $0.8M is obligations for FY15
CDC Grants, CIP 2013	61,388	914,250	914,250		(914,250)	
Transfers to CIRF from Operations	240,000	220,000	370,000	390,000	170,000	result of higher water sales
Transfers to In-House Constr. from Oper	25,000	25,000	25,000	25,000	-	
TOTAL REVENUE	**2,680,673**	**2,191,250**	**2,717,642**	**2,987,800**	**796,550**	
EXPENSES						
DEBT PAYMENTS						
Gen. Obligation Bonds Payments	685,570	687,000	687,000	687,000	-	
State Loan Payments	170,172	170,300	170,300	170,300	-	
Private Placement Loan	234,013	234,014	234,014	234,014	-	
TOTAL DEBT PAYMENTS	**1,089,755**	**1,091,314**	**1,091,314**	**1,091,314**	-	
CIP IV-B, Project 1	739	-	-		-	
CIP IV-B, Project 2	56,435	-	(11,060)		-	Rio Vista Terrace costs plus settlement amount
2012 CIP	1,157,933				-	
2013 CIP	87,111	-	-		-	
2013 CIP Carryover		1,219,000	1,489,811	-	(1,219,000)	
2014 CIP Design and Construction Mgmt			106,000	138,036	138,036	
2014 CIP Construction		1,592,000		835,964		Design spent in 2013, construction obligated in May 2013, will be spent in 2014 as carryover, project change from 2013
2015 CIP Design and Construction Mgmt				178,149		2015 CIP design funds spent in 2014 CM in 2015 ($101,665)
2015 CIP Construction				700,000		CIP 2015 construction contract awarded in 2014, funds spent in 2015
In-House Construction Projects	20,854	25,000	25,000	25,000	-	
Total Capital Expenses	**1,323,072**	**2,836,000**	**1,609,751**	**1,877,149**	**(958,851)**	
TOTAL EXPENSES	**2,412,827**	**3,927,314**	**2,701,065**	**2,968,463**	**(958,851)**	
SURPLUS/DEFICIT	**267,846**	**-1,736,064**	**16,577**	**19,337**	**1,755,401**	Added row for reserve funds needed for capital projects in the 2014 Budget
FUND AND LOAN BALANCES (EOY)						
DISTRICT RESERVES AND FUND AND LOAN BALANCES						
Operating Balance	200,000	200,000	200,000	200,000	-	
Budget Reserve (10% of Operating I	158,770	163,408	163,408	163,194	(214)	
Economic Reserve (15% of Operatir	238,155	245,112	245,112	244,790	(321)	
Debt Repayment Reserve (25% of D	238,155	272,829	272,829	272,829	-	
Capital Reserve	250,000	250,000	250,000	250,000	-	
Total District Policy	1,085,081	1,131,348	1,131,348	1,130,812	(536)	
TOTAL Reserves EOY	**4,791,350**	**3,018,140**	**4,092,335**	**2,565,728**	**(452,412)**	$801,665 obligation for 2015 CIP
Reserves Above (below) Policy	**3,706,269**	**1,886,792**	**2,960,987**	**1,434,916**	**(451,876)**	
DISTRICT FUNDS						
CIRF	2,930,298	1,463,507	3,239,800	1,694,137	230,630	$801,665 obligation for 2015 CIP, EOY CIRF should be approx $2.4M
OPERATING RESERVE	225,000	409,270	403,928	407,984	(1,286)	
OPERATIONS	788,542	200,000	200,000	200,000	-	
CD	632,584	696,756	-	-	(696,756)	CD ended in October 2012 at approximately $672,925, moved to CIRF
IN HOUSE CONSTRUCTION	109,076	102,757	102,757	102,757	-	
BUILDING	105,850	145,850	145,850	160,850	15,000	