

Resolution No. 15-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SWEETWATER SPRINGS WATER DISTRICT ADOPTING THE REVISED FY 2014-15 OPERATING AND CAPITAL IMPROVEMENT BUDGET

WHEREAS, the Sweetwater Springs Water District Board of Directors adopted the District's FY 2014-2015 (FY15) Budget on May 1, 2014; and

WHEREAS, water bill revenues are sharply reduced due to calls for reducing water consumption during the current drought, certain unanticipated expenses have occurred in Operations and the expense for the USDA Bond payment will not occur in this fiscal year because of the resolution of a refinancing issue.

WHEREAS, in view of these changed circumstances, revising the District's FY 2014-2015 Budget at mid fiscal year will provide better financial guidance and information for the District Board, staff and public.

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the Sweetwater Springs Water District hereby adopts the attached revised FY 2014-15 Operating and Capital Improvement Budget (Exhibit A).

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 March 5, 2015, by the following vote.

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

Gaylord Schaap
President of the Board of Directors

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

SWEETWATER SPRINGS WATER DISTRICT
 OPERATING AND CAPITAL BUDGET, 2014-2015
 Revised March 5, 2015

FY 2014-15 OPERATING BUDGET																			
Revised March 2015																			
										FY 12-13 FINAL (CASH)*	FY13-14 BUDGET	FY 13-14 Projected	FY 14-15 BUDGET	REVISED FY 14-15 BUDGET	Difference Rev FY15- FY14 Budgets	Difference FY15- RevFY15 Budgets	FY 14-15 Original notes		
REVENUE																			
OPERATING REVENUE																			
4031 - Water Bill Revenue																			
4031.1 - Capital Debt Reduction Charge										238,368	245,800	246,550	253,947	253,947	8,147	-	- 3% rate increase on projected		
4031.1 - Water Sales - Base Rate											1,332,100	1,352,550	1,393,127	1,393,127	61,027	-	- 3% rate increase on projected		
4031.1 - Water Sales - Usage Charge										1,926,866	675,100	704,752	725,894	570,000	(105,100)	(155,894)	FY15 Mid-year actual x .6 which is the FY14 pattern		
4031.1 - Total Water Sales											2,007,200	2,057,302	2,119,021	1,963,127	(44,074)	(155,894)			
Total OPERATING REVENUE										2,165,234	2,253,000	2,303,852	2,372,967	2,217,073	119,967	(155,894)			
NON-OPERATING REVENUE																			
4445 - Grant Proceeds										1,875	0	0	-	-	-	-			
1700 - Interest										16,882	7,500	7,000	7,500	7,500	-	-			
1001 - CY Direct Charge Proceeds										-1,198	-	-	-	-	-	-			
3600 - Construction New Services										5,859	5,000	5,000	5,000	13,000	-	8,000			
3601 - Construction Service Upgrades										5,123	2,000	2,000	1,000	1,000	(1,000)	-			
4032 - Rent										73,558	75,400	97,550	88,350	88,350	12,950	-	Crystal \$1361/mo AT&T \$6000/mo		
4040 - Miscellaneous Income										1,742	1,000	2,000	1,500	1,500	500	-	USBank CC refunds So. Cty Credit		
4117 - SCWA Reimbursement										2,433	2,500	2,500	2,500	2,500	-	-			
Total NON-OPERATING REVENUE										106,274	93,400	125,080	105,850	113,850	12,450	8,000			
Total Income										2,271,508	2,346,400	2,428,932	2,478,817	2,330,923	(15,477)	(147,894)			
EXPENSES																			
OPERATING EXPENSES																			
SALARY & BENEFITS																			
Salary																			
5910 - Wages										707,592	693,626	683,761	697,038	716,000	3,413	18,962	based on mid year actuals		
5912 - Overtime										20,922	30,772	31,832	30,562	30,562	(210)	-			
5916 - On-Call Pay										29,485	33,090	29,178	33,090	33,090	-	-			
5918 - Extra help - Contract										36,842	37,100	36,886	\$ 34,100	34,100	(3,000)	-			
Total Salary										794,841	794,588	781,656	794,790	813,752	202	18,962			
Benefits																			
5500 - Flex Spending										165	0	-	-	-	-	-			
5920 - Retirement										117,363	115,563	126,817	121,115	121,115	5,562	-			
5922 - Payroll Taxes - Employer										14,241	14,021	10,546	14,067	14,067	46	-			
5930 - Health/Dental/Vision/AFL										127,500	143,762	144,106	143,249	143,249	(513)	-			
5931 - Retiree health										2,724	17,324	17,324	7,000	7,000	(10,324)	-	funding CERBT in FY14		
5940 - Workers Comp Insurance										21,904	25,746	22,000	18,000	18,000	(7,746)	-	10% increase over 2014 projected rates, reduced experience model		
Total Benefits										283,897	316,415	320,792	303,431	303,431	(12,984)	-			
Total SALARY & BENEFITS										1,078,738	1,111,003	1,102,448	1,098,221	1,117,183	(12,782)	18,962			
SERVICES & SUPPLIES																			
Communications																			
6040-I - Internet service										1,688	1,800	1,800	1,800	1,800	-	-	Comcast -\$81/month; 972 GotoMyPC \$19.95/mo = \$240 Sonic.net \$143.7/Qt. (A) = \$575		
6040-C - Cell Phones										3,113	2,900	2,200	4,300	4,300	1,400	-	Verizon \$207/mo; \$2484 Cell phone texting reimburse: \$60X3 (-\$180) Misc parts/holders: \$200, adding \$1,800 for cells for all field staff		
6040-P - Pagers & Radios										469	850	400	560	560	(290)	-	American Messaging \$30/mo; \$360 Misc. parts/batteries: \$200		
6040-T - Telephones										16,691	16,500	18,150	19,950	19,950	3,450	-	Ans. Service: \$100/mo; \$1200 Phones: \$1380/mo; \$16560 Long distance \$45/mo; \$600 Added PacketFusion maint contract - \$1450		
Total Communications										21,961	22,050	22,550	26,610	26,610	4,560	-			
Insurances																			
6101 - Gen. Liability										20,711	21,000	25,413	27,000	27,000	6,000	-			
6102 - Auto/Equipment										12,657	14,000	5,170	5,200	5,200	(8,800)	-	Increased due to anticipated purchase of a new truck		
Total Insurances										33,368	35,000	30,583	32,200	32,200	(2,800)	-			
Maint/Rep - Office & Vehicles																			
6140 - Vehicle Maintenance										18,473	16,000	14,000	14,000	22,000	6,000	8,000	Transmission and Backhoe repairs		

SWEETWATER SPRINGS WATER DISTRICT
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			FY 12-13 FINAL (CASH)*	FY13-14 BUDGET	FY 13-14 Projected	FY 14-15 BUDGET	REVISED FY 14-15 BUDGET	Difference Rev FY15- FY14 Budgets	Difference FY15- RevFY15 Budgets	FY 14-15 Original notes
		6151 - Office Maintenance	3,990	4,600	5,200	4,050	4,050	(550)	-	Alarm System - \$130/qr.=\$520 Moved PacketFusion maint. contract to Telephones - The Compute Wizard - \$175/mo = \$2100/year Copy mach. maint - 800/yr Call One - \$400/yr Misc / Other - \$250
		Total Maint/Rep - Office & Vehicles	22,463	20,600	19,200	18,050	26,050	5,450	8,000	
		Maint/Repair - Facilities								
		6085 - Janitorial Services	6,852	7,850	8,000	8,000	8,000	150	-	Altech (office Janitorial): \$212/mo = \$2544 United Site Svces (port-o-lets): \$235/mo = \$2880 Sunrise Garbage \$1400 Sewer - GVTP (\$1100)
		6100 - SCADA System	2,659	5,000	2,500	5,000	35,000	30,000	30,000	SCADA Airtime \$60.45/mo: \$725 SCADA Repair addition - \$30,000
		6180 - Distribution System Repairs	38,632	52,000	40,000	40,000	24,000	(12,000)	(16,000)	
		6235 - Treatment Sys/Well Repairs	41,254	45,000	50,000	42,000	103,000	58,000	61,000	3 well rehabs - \$60,000, Miox cells - \$15,000
		6143 - Generator Maintenance	3,097	3,200	3,200	3,200	3,200	-	-	
		Total Maint/Repair - Facilities	92,494	113,050	103,700	98,200	173,200	60,150	75,000	
		Miscellaneous Expenses								
		6280 - Memberships	8,180	9,020	9,020	9,700	9,700	680	-	USA \$155 AWWA \$420 CSDA \$5000 CUWCC \$2600 (reimbursed by SCWA) MR Chamber -\$50 RR Chamber - \$150 Cal Rural \$1100 WCWW \$200
		6303 - Claims	410	1,500	8,586	1,500	1,500	-	-	Allowing \$1,000 for remainder of FY14
		6593 - Governmental Fees	22,874	20,650	23,000	20,500	20,500	(150)	-	Election costs: 1500, DPH: \$19,000
		Total Miscellaneous Expenses	31,464	31,170	40,606	31,700	31,700	530	-	
		Office Expense								
		6410 - Postage	13,450	16,000	16,000	16,000	16,000	-	-	Billing (2000 pieces @ \$.48 X 12 months) = \$11,520 - Prop 218 mailing: 4000 X .48 = \$1,920 1 extra mailing: 3600 X .48 = \$1,728 Other mail
		6430 - Printing Expense	5,430	8,450	6,500	7,500	7,500	(950)	-	Window Envelopes \$1100 Return Envelopes \$950 Water Bills + Autopay \$1500 Doorhangers \$400 Turn Off Notices \$600 Letterhead \$250 Misc. Inserts \$250 Prop 218 notice: \$700 Checkblanks \$200 Tagbooks \$700
		6461 - Office Supplies	4,479	4,000	4,000	4,000	4,000	-	-	Supplies \$3000 Plants/Landscaping \$150 Christmas Tree \$40 Christmas party \$400 Business lunches \$75 Paper products/coffee \$250
		6800 - Subscriptions/Legal Notic	636	700	775	800	800	100	-	Press Democrat \$320 Legal Notices \$300 Sonoma West \$70 Safety Meeting Outlines \$85
		6890 - Computers/Software	885	2,800	3,600	700	700	(2,100)	-	Antivirus software (\$30X6) = \$200 Cloud software \$70 Misc \$400 Quickbooks upgrade \$300
		6579 - Furniture	0	500	250	500	500	-	-	
		Total Office Expense	24,880	32,450	31,125	29,500	29,500	(2,950)	-	
		Operating Supplies								
		6300 - Chemicals	9,346	17,000	17,000	17,000	17,000	-	-	
		6880 - Tools and Equipment	3,439	6,000	6,000	6,500	5,500	500	(1,000)	Leak listener: \$2500
		6881 - Safety Equipment	404	1,500	1,000	1,000	1,000	(500)	-	
		Total Operating Supplies	13,189	24,500	24,000	24,500	24,500	-	-	
		Professional Services								
		6083 - Laundry Service	3,225	3,400	3,400	3,400	3,400	-	-	Mission \$65/week = \$3380
		6514 - Lab/Testing Fees	10,776	13,000	13,000	13,000	15,000	-	2,000	

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Cap One Revenue Bond			583,947	566,508	566,508	566,508	-	
State Loan Payments	170,172	170,300	170,172	170,300	170,300	-	-	
Private Placement Loan	234,013	234,014	234,014	234,014	234,014	-	-	
TOTAL DEBT PAYMENTS	1,086,633	1,091,314	1,060,628	1,043,317	970,822	(47,997)	(72,495)	
CIP IV-B, Project 2	-11,060	-	-	-	-	-	-	
2013 CIP								
2013 CIP Carryover	1,451,921							
2014 CIP Design and Construction Mgmt	126,626	138,036	138,000			(138,036)	-	
2014 CIP Construction	24,940	835,964	841,000			(835,964)	-	
2015 CIP Design and Construction Mgmt	31,470	178,149	75,000	103,149	103,149	(75,000)	-	
2015 CIP Construction		700,000	-	1,060,000	934,197	234,197	(125,803)	based on recent cost estimate; revised based on contract price
2016 CIP Design and Construction Mgmt				175,000	175,000			Canyon 1 design expenses in 2015 (\$75,000) and CM in 2016
2016 CIP Construction				800,000	800,000			Canyon 1
In-House Construction Projects	27,541	25,000	20,000	25,000	25,000	-	-	
Total Capital Expenses	1,651,438	1,877,149	1,074,000	2,163,149	2,037,346	160,197	(125,803)	
TOTAL EXPENSES	2,738,071	2,968,463	2,134,628	3,206,466	3,008,168	39,705	(198,298)	
End of FY15 Accrual Expenses				2,331,466	2,133,168		(198,298)	Total Expenses minus 2016 CIP Construction and 2016 CIP CM
SURPLUS/DEFICIT	-804,684	-1,521,463	19,135	-970,520	-972,222		(1,702)	
Net Capital Funding	348,928	347,353	544,463	526,254	348,077	724	(178,177)	=Net Operating Revenues + Assessments +CDRC+Cap Interest-Total Debt Payments
RESERVES AND FUND BALANCES (EOY)								
DISTRICT RESERVES								
Operating Budget Cash Reserve (15% of Operating Expenses)	244,790	244,790	239,887	239,887	257,254	12,464	17,367	Revised Title and calculation per Ord 41
Operating Reserve (25% of Operating Expenses)	407,983	407,984	399,812	399,812	428,756	20,772	28,945	Combined per Ord 41
Debt Repayment Reserve (25% of Debt pmt)	272,829	272,829	260,829	260,829	242,706	(30,123)	(18,124)	
Capital Reserve	250,000	250,000	250,000	250,000	250,000	-	-	
Total District Policy	1,175,602	1,175,602	1,150,528	1,150,528	1,178,715	3,113	28,187	
TOTAL Reserves EOY	4,371,989	3,502,993	3,745,006	2,887,057	2,594,683	(908,310)	(292,374)	Sum of District Funds below
Reserves Above (below) Policy	3,196,387	2,327,391	2,594,478	1,736,530	1,415,968	(911,423)	(320,562)	
ACCRUAL TOTAL Reserves EOY				3,762,057	3,469,683		(292,374)	Total Reserves Plus Expected 2016 CIP actual 2016 expenses
Accrual Reserves Above (below) Policy				2,611,530	2,290,968		(320,562)	Reserves Above Policy Plus Expected 2016 CIP actual 2016 expenses
DISTRICT FUNDS								
CIRF (776401, new 7106-0600)	2,232,623	1,725,893	1,997,001	1,144,195	97,033	(1,628,859)	(1,047,161)	
OPERATING RESERVE (776039, new 0300)	396,970	407,984	407,645	404,942	428,756	20,772	23,814	
OPERATIONS (776013, new 0100)	630,624	244,790	244,790	244,790	257,254	12,464	12,464	
CAPITAL AND DEBT POLICY RESERVE (1100)					492,706	492,706	492,706	
IN HOUSE CONSTRUCTION (776211, new 0500)	113,106	113,106	118,106	118,106	118,106	5,000	-	
BUILDING (776021, new 0200)	135,850	150,850	150,850	165,850	165,850	15,000	-	
CAP ONE AND CITIZENS BANK LOAN (new 1200)					800,522	800,522	800,522	new
FEDERAL LOANS AND BONDS (776203, new 0400)	689,303	687,000	656,442	639,003	64,284	(622,716)	(574,719)	No payment in FY 15
STATE LOANS (776500& 776609, new 0700,0900)	173,512	173,370	170,172	170,172	170,172	(3,198)	-	
STATE LOANS RESERVES (776518&776617)	171,370	171,370	171,370	171,370	171,370	-	-	Restricted to last payment for State Loans; not included in Total Reserves