

Sunnyslope County Water District

Prepared by:
Cathy L. Buck

Proposed Budget For the Year Ended June 30, 2020

	Water	Waste- water	General & Admin.	Customer Service	Total FY 2019/20 Budget
Ordinary Income/Expense					
Income					
400 · Operating Revenue					
401 · Water / 470 · Sewer	6,900,000	1,900,000	0	0	8,800,000
492 · Installation Fees	40,000	50	0	0	40,050
495 · Late Fees	60,000	15,000	0	0	75,000
Total 400 · Operating Revenue	7,000,000	1,915,050	0	0	8,915,050
520 · Miscellaneous Fees	4,000	0	0	218,800	222,800
550 · Less Allocated to CS & G&A	0	0	0	-218,800	-218,800
551 · Allocate from CS	175,040	43,760	0	0	218,800
552 · Allocate from G&A	400	100	0	0	500
Total Income	7,179,440	1,958,910	0	0	9,138,350
Cost of Goods Sold					
601 · Salaries	1,636,864	300,719	241,456	396,919	2,575,958
604 · Employee Benefits	162,267	33,203	25,703	33,555	254,728
605 · Labor & Benefits Billed to Others	-19,000	0	0	0	-19,000
607 · OPEB - Retiree Health	0	0	12,076	0	12,076
608 · CalPERS Retirement	224,370	42,194	42,395	60,045	369,004
609 · Directors Fees	0	0	19,300	0	19,300
610 · Payroll Taxes	23,757	4,366	4,978	5,755	38,856
611 · Less Allocated	0	0	-345,908	-496,274	-842,182
612 · Allocated C.S.	397,019	99,255	0	0	496,274
613 · Allocated G.&A.	276,726	69,182	0	0	345,908
Total COGS	2,702,003	548,919	0	0	3,250,922
Gross Profit	4,477,437	1,409,991	0	0	5,887,428
Expense					
619 · Electrical Services	156,000	64,000	14,500	0	234,500
620 · Telephone Services	1,400	4,500	1,400	6,600	13,900
621 · Professional Services	2,500	1,400	66,700	1,800	72,400
622 · Postage	1,500	0	1,000	31,200	33,700
623 · Contract Services	10,000	1,700	22,500	15,000	49,200
624 · Office Supplies	500	200	18,000	16,000	34,700
626 · Legal Advertising	0	0	3,500	0	3,500
627 · Repairs & Maintenance	80,000	45,000	4,500	500	130,000
632 · Diesel	2,500	500	0	0	3,000
633 · Vehicle Operating Expenses	60,000	15,000	2,500	0	77,500
635 · Professional Development	2,000	500	5,000	500	8,000
637 · Shop Supplies	20,000	25,000	0	0	45,000
638 · Meeting Expense	0	0	100	0	100
641 · Insurance	0	0	70,000	0	70,000
650 · Research & Monitoring	60,000	40,000	0	0	100,000
654 · Depreciation	500,000	402,000	131,000	3,000	1,036,000
659 · S.B.C.W.D. Pumping Fees	24,000	0	0	0	24,000

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661 · Lessalt WTP - O&M Costs	688,000	0	0	0	688,000
662 · West Hills WTP - O&M Costs	919,700	0	0	0	919,700
664.01 · Lessalt WTP O&M Rev.	-975,700	0	0	0	-975,700
664.02 · West Hills WTP O&M Rev.	-1,372,100	0	0	0	-1,372,100
665 · SBCWD - Lessalt WTP Costs	1,651,124	0	0	0	1,651,124
666 · SBCWD - West Hills WTP Costs	2,559,026	0	0	0	2,559,026
672 · Water Conservation (WRA)	154,000	0	0	0	154,000
684 · Bad Debts	1,600	400	0	300	2,300
690 · Taxes- Fees- Permits					
- Dues- Subscriptions	53,500	15,000	8,600	25,500	102,600
695 · Less Allocated	0	0	-349,300	-100,400	-449,700
696 · Allocated from G. & A.	279,440	69,860	0	0	349,300
697 · Allocated from C.S.	80,320	20,080	0	0	100,400
Total Expense	4,959,310	705,140	0	0	5,664,450
Net Ordinary Income	-481,873	704,851	0	0	222,978
Other Income/Expense					
Other Income					
805 · Connection Fees	0	0	0	0	0
808 · Miscellaneous Income	0	0	0	0	0
810 · Interest Income	0	0	0	0	0
840 · Less Allocated.	0	0	0	0	0
850 · Allocation G & A	0	0	0	0	0
Total Other Income	0	0	0	0	0
Other Expense					
820 · Interest Expense	90,000	240,500	0	0	330,500
832 · Allocation G&A	0	0	0	0	0
839 · Less Allocated .	0	0	0	0	0
Total Other Expense	90,000	240,500	0	0	330,500
Net Other Income	-90,000	-240,500	0	0	-330,500
Net Income	-571,873	464,351	0	0	-107,522

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Proposed Budget For the Year Ended June 30, 2020

DEBT SERVICE EXPENDITURES

Capital Cost - Tranche 1 (Lessalt WTP Upgrades)	\$ 136,269
Capital Cost - Tranche 2 (West Hills WTP Construction)	334,534
Capital Cost - Tranche 3 (West Hills WTP Construction)	116,936
City National Bank (Municipal Finance Corporation)	239,082
SRF Loan Principal	517,117

Total Debt Service

\$ 1,343,938

CAPITAL EXPENDITURES

Capital Budget Purchases:

Meter Replacements	\$ 250,000
Equipment Replacements	45,000

Subtotal Capital Purchases

295,000

Capital Budget Projects:

Water Related:

Airline Highway Booster Pump Station Upgrade Design	200,000
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Subtotal Water Capital Projects

200,000

Wastewater Related:

WWTP Pond Area: Slide Study/Repair	100,000
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Subtotal Wastewater Capital Projects

100,000

Total Capital Expenditures

\$ 595,000

TOTAL DEBT AND CAPITAL OUTLAYS

\$ 1,938,938

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Proposed Budget For the Year Ended June 30, 2020

RESERVE POLICY

	Estimated			Budgeted	
	6/30/2019	Increase	Decrease	6/30/2020	
8600.04.A. Legally Restricted Reserves:					
1 CSWRCB SRF Loan	760,000	0	0	760,000	
3 Water Capacity Fees	1,000,000	1,540,000	-1,184,676 ³	1,355,324 ¹	
4 Wastewater Capacity Fees	20,000	59,625	-117,475 ⁴	-37,850 ¹	
	<u>1,780,000</u>	<u>1,599,625</u>	<u>-1,302,151</u>	<u>2,077,474</u>	
8600.04.B. Board Designated Reserves:					
1 Capital Improvement Reserve Fund	1,800,000	0	0	1,800,000	
2 Vehicle Replacement Fund	160,000	35,000	-50,000	145,000 ²	
3 Emergency Equipment Replacement Fund	100,000	0	0	100,000	
4 Office and Miscellaneous Equipment Replacement Fund	260,000	35,000	0	295,000 ²	
5 Drought Contingency Reserve	400,000	0	0	400,000	
	<u>2,720,000</u>	<u>70,000</u>	<u>-50,000</u>	<u>2,740,000</u>	
	<u>4,500,000</u>	<u>1,669,625</u>	<u>-1,352,151</u>	<u>4,817,474</u>	

¹ Updated quarterly for actual capacity fees are collected. Will update at year-end based on actual collected.

² Will update at year-end to increase reserve by amount of actual depreciation expense recorded for fiscal year.

³ We are using water connection fees to pay the Lessalt WTP debt service payments for Tranche 1 and West Hills WTP debt service payments for Tranche 2 and Tranche 3.

⁴ We are using wastewater connection fees toward the SRF Loan (RMK WWTP Upgrades) debt service payments.