

# Idyllwild Water District

## Budget 2015-2016



RESOLUTION NO. 707

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
IDYLLWILD WATER DISTRICT  
ADOPTING A BUDGET FOR THE 2015-2016 FISCAL YEAR

The Board of Directors of the Idyllwild Water District hereby resolves to adopt a Budget for the Fiscal Year 2015-16, a copy of which is attached and made part of this Resolution.

DATED: June 17, 2015

IDYLLWILD WATER DISTRICT

  
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JIM BILLMAN - PRESIDENT

I, Kelly Clark, Board Secretary of the Idyllwild Water District, hereby certify that the foregoing Resolution was duly and regularly introduced and adopted by the Board of Directors of said Idyllwild Water District at its meeting held on the 17<sup>TH</sup> day of June, 2015, by the following vote, to wit:

AYES:

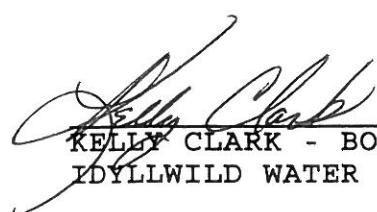
Jim Billman  
John Cook  
Mike Freitas  
Warren Monroe  
Dean Lattin

NAYS:

ABSTAIN:

ABSENT:

In witness thereof I have hereunto set my hand and affixed the official seal of the Idyllwild Water District this 17<sup>TH</sup> day of June, 2015.

  
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KELLY CLARK - BOARD SECRETARY  
IDYLLWILD WATER DISTRICT

WATER BUDGET FINANCIAL SUMMARY  
 BUDGETED FISCAL YEAR ENDING JUNE 30, 2016

19-Jun-15

	RES#707 WATER FUND ADOPTED BUDGET 2015/2016	RES#690 WATER FUND ADOPTED BUDGET 2014/2015	\$ CHANGE	% CHANGE
<b>Operating Revenue:</b>				
Base Fees & Sales Revenue	\$968,000	\$928,640	\$39,360	4.24%
Other Operating Revenue	\$10,000	\$10,000	\$0	0.00%
<b>Total Operating Revenue</b>	<b>\$978,000</b>	<b>\$938,640</b>	<b>\$39,360</b>	<b>4.19%</b>
<b>Operating Expenses:</b>				
Direct Operating Expenses	\$698,520	\$685,250	\$13,270	1.94%
General & Administration Expense	\$497,000	\$492,650	\$4,350	0.88%
Depreciation Expense	\$220,000	\$220,000	\$0	0.00%
<b>Total Operating Expense</b>	<b>\$1,415,520</b>	<b>\$1,397,900</b>	<b>\$17,620</b>	<b>1.26%</b>
<b>Cash Flow from Operations</b>	<b>(\$217,520)</b>	<b>(\$239,260)</b>	<b>(\$21,740)</b>	<b>9.09%</b>
<b>Non-Operating Revenue &amp; Expense:</b>				
Property Tax Revenue	\$295,000	\$280,000	\$15,000	5.36%
Interest & Other Revenues	\$3,000	\$3,000	\$0	0.00%
Interest & Other Expenses	\$0	\$0	\$0	0.00%
<b>Net Non-Operating Activity</b>	<b>\$298,000</b>	<b>\$283,000</b>	<b>\$15,000</b>	<b>5.30%</b>
<b>Other Cash Outlays:</b>				
Principal Payments on Debt	\$0	\$0	\$0	
Changes in Invty., Recv., Payables and Other Minor Outlays	\$10,000	\$10,000	\$0	0.00%
Capital Expenditures	(\$439,750)	(\$590,750)	\$151,000	25.56%
<b>Net Other Cash Outlays</b>	<b>(\$429,750)</b>	<b>(\$580,750)</b>	<b>\$151,000</b>	<b>26.00%</b>
<b>Annual Change in Cashflow</b>	<b>(\$349,270)</b>	<b>(\$537,010)</b>	<b>\$144,260</b>	<b>26.86%</b>
<b>Cash Balance End of Fiscal Year</b>	<b>\$520,253</b>	<b>\$869,523</b>	<b>(\$349,270)</b>	<b>40.17%</b>
<b>DISTRIBUTION OF END OF FISCAL YEAR CASH BALANCES:</b>				
<b>RESTRICTED FUNDS:</b>				
Principle & Interest Debt Service	\$0	\$0	\$0	0.00%
Reserved Capital Improvement	\$160,000	\$0	\$160,000	100.00%
Reserve for Replacement Vehicle & Equipment	\$40,000	\$0	\$40,000	100.00%
Uncompensated Balance Liability	\$112,000	\$110,000	\$2,000	1.82%
Retiree's Health Benefits	\$174,750	\$174,750	\$0	0.00%
Deferred Maintenance	\$0	\$300,000	(\$300,000)	100.00%
<b>TOTAL RESTRICTED FUNDS</b>	<b>\$486,750</b>	<b>\$584,750</b>	<b>(\$98,000)</b>	<b>16.76%</b>
<b>UNRESTRICTED FUNDS</b>	<b>\$33,503</b>	<b>\$284,773</b>	<b>(\$251,270)</b>	<b>88.24%</b>

IDYLLWILD WATER DISTRICT  
 WATER FUND INCOME STATEMENT  
 FOR BUDGET YEAR ENDING JUNE 30, 2016

Income		
4201	Water Base Rate-Commercial	157,668
4202	Water Base Rate-Residential	504,000
4203	Water Sales-Commercial	168,000
4204	Water Sales-Residential	138,332
4205	Water Sales-Construction	-
4206	Water Sales-Other	-
4208	Water Transfer Fees	-
4209	Water Turn On/Off Fees	-
4210	Water Will Serve Letter Fees	-
4211	Water Delinquency Fees	-
4212	Water Installation Fees	-
4213	Water Lien Fees	-
4214	Water Other Fees & Charges	10,000
4215	Water Renewable Energy Credits	-
Total Income		978,000
WATER		
5400	WATER OPERATING EXPENSES	2015/2016
5436	Water Payroll	465,000
5403	Water Engineering Services	15,000
5404	Water Legal Services	24,000
5405	State-County Water System Fees	18,000
5406	Water General Plant Expense	63,000
5407	Water Minor Equipment/ Parts	7,000
5408	Water Vehicle Repairs & Maint	8,285
5410	Water Utilities-Electricity	98,650
5411	Water Utilities-Gas & Fuel	16,000
5412	Water Utilities-Propane	8,500
5414	Water Telephone & Internet	9,500
5415	Water Retirement and Life Insur	77,000
5417	Water Computer Services	8,000
5418	Water Board Reimbursement	14,400
5420	Water Accounting & Auditing	9,000
5421	Water Postage & Postage Fee	10,500
5422	Water Office Supplies	12,500
5423	Water Traveling & Education	10,500
5425	Water Maintenance	26,455
5426	Water Medical Insurance	88,550
5427	Water Worker's Compensation Ins	12,400
5428	Water Non-Employee Health Insura	26,500
5429	Water Dues, Fees, Subscription	9,650
5430	Water Advertising & Publishing	12,500
5431	Water Leasing Equipment	8,250
5432	Water Utilities Trash Fee	4,800
5433	Water Bank Fee Charge	3,250
5435	Water Auto & General Insurance	25,000
5438	Water Laboratory Services	16,000
5439	Water Donation	1,500
5440	Water Compensated Time	38,580
5441	Water Uniform Expenses	6,500
5442	Water Property Tax Expenses	6,250
5443	Water Consulting	9,250
5444	Water Leak (IWD Site)	3,000
5445	Water Security System	4,800
5446	Training and Seminars	8,500
5400	Water Operating Expenses - Other	8,950
5600	Water Depreciation	220,000
Total 5400 WATER OPERATING EXPENSES		1,415,520
Net Ordinary Income		(437,520)
Other Income/Expense		
Other Income		
4901	Water Taxes & Assessments	275,000
4903	Water Stand By Assessments	20,000
4904	Water Interest Earned	3,000
4919	Water Other Non-Operating Rev	-
Total Other Income		298,000
Net Income		(139,520)

Note: Net Ordinary Income is \$437,520. Loss is higher due to the inclusion of depreciation.  
 If depreciation is excluded then consequently the Net Ordinary Income is \$217,520.

IDYLLWILD WATER DISTRICT  
 CAPITAL EXPENDITURES FOR WATER FUND  
 FOR BUDGET YEAR ENDING JUNE 30, 2016

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CAPITAL EXPENDITURE DESCRIPTION	CAPITAL EXPENDITURE BUDGET
<b><u>SOURCE OF SUPPLY (G/L #1321):</u></b>	
Rehabilitation Well No. # 8, 11, 16	\$45,000
<b>TOTAL SOURCE OF SUPPLY</b>	<b>\$45,000</b>
<b><u>STORAGE TANK: (G/L #1324):</u></b>	
	\$0
<b>TOTAL STORAGE TANK</b>	<b>\$0</b>
<b><u>TRANSMISSION AND DISTRIBUTION (G/L # 1324):</u></b>	
Piping repair for the water system	\$50,000
<b>TOTAL TRANSMISSION AND DISTRIBUTION</b>	<b>\$50,000</b>
<b><u>WATER TREATMENT PLANT (G/L # 1325):</u></b>	
Upgrade The Water Treatment Plant	\$100,000
<b>TOTAL</b>	<b>\$100,000</b>
<b><u>GENERAL PLANT-STRUCTURES, POWER &amp; OTHER EQUIPMENT (G/L #1322)</u></b>	
Security Fencing	\$50,000
Security Cameras	\$25,000
SCADA System Upgrades	\$19,750
Small Tractor	\$30,000
Water Meter Upgrade System ( Zone 1 from 4 zones) Plan for 4 Years	\$70,000
Upgrades for Solar	\$50,000
	<b>\$244,750</b>
<b>TOTAL WATER FUND CAPITAL EQUIPMENT EXPENDITURES</b>	<b>\$439,750</b>

IDYLLWILD WATER DISTRICT  
GENERAL EXPENSE SUMMARY  
FOR BUDGET YEAR ENDING JUNE 30, 2016

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General Expense

5001 - Salaries	\$223,454
5002 - Employee Retirement & Life Insurance	\$93,000
5003 - Employee Health Insurance	\$82,000
5004 - Uniform Expenses	\$4,200
5005 - Worker's Compensation Expense	\$15,500
5006 - Retiree Health Insurance	\$42,000
5007 - Board of Director's Fees	\$14,000
5008 - Office Supplies	\$18,280
5009 - Office Equipment	\$6,000
5010 - Office Cleaning Service	\$5,600
5011 - Postage & Permits: Fees & UPS , FEDEX	\$15,500
5012 - Training & Seminar Expenses	\$12,896
5013 - Traveling & Entertainment Expenses	\$8,500
5014 - Dues, Fees & Subscriptions	\$11,200
5015 - Advertising & Publishing	\$12,520
5016 - Accounting & Auditing Services	\$15,000
5017 - Computer Services	\$7,600
5018 - Legal Services	\$9,000
5019 - Consulting Fee	\$8,000
5020 - Utilities- Electricity	\$9,250
5021 - Utilities Gas & Fuel	\$6,500
5022 - Utilities Telephone	\$12,250
5023 - Utilities Waste Management	\$5,300
5024 - Liability Property & Auto Ins.	\$35,000
5025 - Bank Fee Charge	\$5,600
5026 - Office Repairs and Maintenance	\$8,200
5027- Security System ADT	\$9,250

Total General Expense

\$695,600

SEWER BUDGET FINANCIAL SUMMARY  
 BUDGETED FISCAL YEAR ENDING JUNE 30, 2016

19-Jun-15

SEWER FUND	RES#707	RES#690	\$	%
	SEWER FUND ADOPTED BUDGET 2015/2016	SEWER FUND ADOPTED BUDGET 2014/2015		
<b>Operating Revenue:</b>				
Base Fees & Sales Revenue	\$613,435	\$563,976	\$49,459	8.77%
Other Operating Revenue	\$300	\$300	\$0	0.00%
<b>Total Operating Revenue</b>	<b>\$613,735</b>	<b>\$564,276</b>	<b>\$49,459</b>	<b>8.77%</b>
<b>Operating Expenses:</b>				
Direct Operating Expenses	\$395,000	\$375,000	(\$20,000)	5.33%
General & Administration Expenses	\$198,600	\$195,250	(\$3,350)	1.72%
Depreciation Expense	\$90,000	\$90,000	\$0	0.00%
<b>Total Operating Expense</b>	<b>\$683,600</b>	<b>\$660,250</b>	<b>(\$23,350)</b>	<b>3.54%</b>
<b>Cash Flow from Operations</b>	<b>\$20,135</b>	<b>(\$5,974)</b>	<b>\$14,161</b>	<b>237.04%</b>
<b>Non-Operating Revenue &amp; Expense:</b>				
Property Tax Revenues	\$120,000	\$110,000	\$10,000	9.09%
Interest & Other Revenues	\$1,500	\$1,452	\$48	3.31%
Interest & Other Expenses	\$0	\$0	\$0	0.00%
<b>Net Non-Operating Activity</b>	<b>\$121,500</b>	<b>\$111,452</b>	<b>\$10,048</b>	<b>9.02%</b>
<b>Other Cash Outlays:</b>				
Principal Payments on Debt	\$0	\$0	\$0	0.00%
Changes in Invty., Recv., Payables and Other Minor Outlays	\$10,000	\$10,000	\$0	0.00%
Capital Expenditures	(\$91,000)	(\$600,000)	(\$535,000)	89.17%
<b>Net Other Cash Outlays</b>	<b>(\$81,000)</b>	<b>(\$590,000)</b>	<b>\$535,000</b>	<b>90.68%</b>
<b>Annual Change in Cashflow</b>	<b>\$60,635</b>	<b>(\$484,522)</b>	<b>(\$267,887)</b>	<b>55.29%</b>
<b>Cash Balance End of Fiscal Year</b>	<b>\$421,929</b>	<b>\$361,294</b>	<b>\$60,635</b>	<b>16.78%</b>
<b>DISTRIBUTION OF END OF FISCAL YEAR CASH BALANCES:</b>				
<b>RESTRICTED FUNDS:</b>				
Principle & Interest Debt Service	\$0	\$0	\$0	0.00%
Reserved Capital Improvement	\$80,000	\$0	\$80,000	100.00%
Reserve Replacement Vehicle & Equipment	\$20,000	\$0	\$20,000	100.00%
Uncompensated Balance Liability	\$40,000	\$40,000	\$0	0.00%
Retiree's Health Benefits	\$60,000	\$60,000	\$0	0.00%
Deferred Maintenance	\$0	\$100,000	-\$100,000	100.00%
<b>TOTAL RESTRICTED FUNDS</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$0.00</b>	<b>0.00%</b>
<b>UNRESTRICTED FUNDS</b>	<b>\$221,929</b>	<b>\$161,294</b>	<b>\$60,635</b>	<b>37.59%</b>

IDYLLWILD WATER DISTRICT  
 SEWER FUND INCOME STATEMENT  
 FOR BUDGET YEAR ENDING JUNE 30,2016

Ordinary Income/Expense	Budget 2015/2016
Income	
4101 · Sewer Base Fees-Commercial	407,016
4102 · Sewer Base Fees-Residential	206,419
4108 · Sewer Transfer Fees	300
4109 · Sewer Other Fees, Refunds	-
Total Income	613,735
Sewer	
6400 · SEWER OPERATING EXPENSES	2015/2016
6400 · Sewer Payroll	285,000
6404 · Sewer Retirement and Life Ins	26,000
6405 · Sewer Treatment Fees	7,900
6406 · Sewer General Plant Expense	18,000
6407 · Sewer Minor Equipment/Parts	4,000
6408 · Sewer Vehicle Repairs & Maint.	12,250
6410 · Sewer Utilities-Electricity	42,000
6411 · Sewer Utilities-Gas & Fuel	8,790
6412 · Sewer Utilities-Propane	600
6413 · Sewer Utilities-Telephone	5,300
6415 · Sewer Legal Services	8,000
6417 · Sewer Computer Services	3,500
6419 · Sewer Other Operating Expenses	8,500
6420 · Sewer Accounting & Audit Service	5,000
6421 · Sewer Postage & Mail Fee	7,500
6422 · Sewer Office Supplies	9,600
6423 · Sewer Medical Insurance	26,000
6424 · Sewer Life Insurance	10,250
6425 · Sewer Maintenance	11,000
6426 · Sewer Worker's Comp Insurance	4,750
6428 · Sewer Non-Employee Insurance	12,560
6429 · Sewer Dues, Fees & Subscription	7,500
6430 · Sewer Advertising & Publishing	4,250
6431 · Sewer Leasing Equipment	2,500
6432 · Sewer Utilities - Trash Fee	1,500
6433 · Sewer Bank Fee Charge	1,200
6435 · Sewer Auto & General Insurance	8,500
6438 · Sewer Laboratory Service	14,400
6441 · Sewer Removal Disposal Fee	14,250
6442 · Sewer Property	2,500
6443 · Sewer Consulting	9,000
6444 · Traveling and Education	7,500
6445 · Sewer Security System	4,000
6446 · Depreciation	90,000
Total 6400 · SEWER OPERATING EXPENSES	683,600
Net Ordinary Income	(69,865)
Other Income/Expense	
Other Income	
4801 · Sewer Taxes & Assessments	115,000
4803 · Sewer Stand By Assessments	5,000
4804 · Sewer Interest Earned	1,500
4819 · Sewer Other Non-Operating Rev	-
Total Other Income	121,500
Net Income	51,635

\*Net Ordinary Income is \$69,865. Loss is high due to the inclusion of depreciation.  
 If depreciation is excluded than consequently the Net Ordinary Income is \$20,135.



IDYLLWILD WATER DISTRICT  
 CAPITAL EXPENDITURES FOR SEWER FUND  
 FOR BUDGET YEAR ENDING JUNE 30, 2016

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CAPITAL EXPENDITURE DESCRIPTION	CAPITAL EXPENDITURE BUDGET
<b><u>WASTEWATER TREATMENT PLANT (G/L #1316):</u></b>	
	\$0
<b>TOTAL WASTEWATER TREATMENT PLANT</b>	<b>\$0</b>
<b><u>SUB-SURFACE LINES: (G/L # 1315):</u></b>	
Replacing Line (Houston & Harris)	\$6,000
<b>TOTAL SUB-SURFACE LINES</b>	<b>\$6,000</b>
<b><u>GENERAL PLANT-STRUCTURES, POWER &amp; OTHER EQUIPMENT: (G/L #1312)</u></b>	
Paint the Sewer Plant	\$65,000
Asphalt	\$10,000
Repair Outflow Pipe	\$10,000
<b>TOTAL GENERAL PLANT-POWER &amp; OTHER EQUIPMENT</b>	<b>\$85,000</b>
<b>TOTAL SEWER FUND CAPITAL EQUIPMENT EXPENDITURES</b>	<b>\$91,000</b>
<b><u>Idyllwild Recycled Water Project</u></b>	<b>\$2,045,217</b>
Financing by Clean Water State Revolving Fund Project (CWSRF)	
Planning	\$250,000
Construction	\$1,200,000
Administration Fee	\$450,000
Engineering and Consulting	\$145,217
<b>TOTAL IDYLLWILD RECYCLED WATER PROJECT</b>	<b>\$2,045,217</b>

IDYLLWILD WATER DISTRICT  
 BUDGET NOTES  
 BUDGET FISCAL YEAR ENDING JUNE 30, 2016

Water Department

- 1 Water Operating Base Rate Revenues for Residential and Commercial will stay consistent; however, water sales revenue may decline due to drought conservation.
- 2 No will serve letters will be issued due to Stage 2 limitations and the likelihood of entering Stage 3, which may result in lower revenues.
- 3 Direct Operating Expenses for water are expected to increase 2% for the coming year of 2015/2016. Also, General Expenses are expected to increase by 1%.
- 4 Property Taxes from the County of Riverside are expected to increase by 5%, to a total of \$295,000.
- 5 Capital Budget items will carry over from 2014/2015, which will equate to \$439,000.
- 6 The District has added a Capital Improvement Reserve for \$160,000 and a Reserve for Replacement Vehicles and Equipment for \$40,000.
- 7 There will be no change for Health Retirement Reserve and will remain at \$174,750.
- 8 No principle debt or interest exists within the Water Department.
- 9 State and County fees for water systems are expected to increase by 3%.
- 10 We are awaiting approval for two Federal Grants: One for \$500,000, and the other for \$1,200,000.
- 11 S.C.E. fees for electricity will increase by 7-10%.
- 12 Gas and Propane costs are expected to increase by 5-8%.
- 13 Additional well rehabilitation will occur in 2015/2016.

Sewer Department

- 1 Sewer Operating Base Rate Revenue will not change.
- 2 Direct Operating expenses for Sewer are expected to increase by 5% the for coming year 2015/2016. Also, General Expenses are expected to increase by 2%.
- 3 Positive cash flow change of \$20,135 is expected for the year of 2015/2016.
- 4 Property Taxes from the County of Riverside are expected to increase by 5%, which equates to around \$120,000.
- 5 The Capital Budget for the year of 2015-2016 is \$91,000, and the Pipeline Project is still running this year for \$500,000 per Board approval last year.
- 6 Implementation of Capital Improvement Reserve for \$80,000 and replacement vehicles, and equipment for \$20,000.
- 7 We will begin construction for the Recycle Water Project, which is expected to cost \$2,045,217 from a combination of low interest loan and grant.
- 8 No principle debt or interest exists within the Water Department. Projected to be debt free until 2017, when first loan payments are due.
- 9 S.C.E. fees for electricity will increase by 7-10%.
- 10 Gas and Propane costs are expected to increase by 5-8%.

Highlight for cost saving for the District

- 1 New pension plan (457B) will be implemented and the District's contribution will decrease by 10%
- 2 Personnel Cost will be reduced due to 2 retirees and employees who resigned. Estimated Savings: \$49,800
- 3 Reduce subscriptions, organization dues, and magazine subscriptions. Estimated Savings: \$12,000
- 4 Minimize consulting and legal fees. Estimated Savings: \$22,000
- 5 Reducing office supply expenses. Estimated Savings: \$8,000
- 6 Expand solar project to increase energy generation and reduce electricity costs. Estimated Savings: \$9,000
- 7 Solar repairs complete allowing an offset of SCE costs.
- 8 JPIA insurance rate will decrease. Estimated Savings: \$11,200
- 9 Reopen horizontal wells, which will eliminate pumping costs. Estimated Savings: \$4,000
- 10 Changing protocols and procedures for the Sewer Plant will assist in reducing pumping costs by 25%. Estimated Savings: \$6,000

TOTAL

Estimated savings of \$122,000 for the fiscal year of 2015/2016.