



GARBERVILLE SANITARY DISTRICT

P.O. BOX 211 • GARBERVILLE, CA 95542 • (707) 923-9566

BOARD AGENDA MEMORANDUM

Meeting Date: June 27, 2017

To: Garberville Sanitary District Board of Directors

From: Jennie Short, Consultant Project Manager

Subject: Fiscal Year 2017/18 Budget

GENERAL OVERVIEW AND FINANCIAL CONSIDERATIONS

A detailed presentation of the attached proposed budget will be made during the board meeting.

STAFF RECOMMENDATION FOR BOARD ACTIONS

Discuss the budget as presented, make adjustments, and adopt a final budget for FY 2017/18.

ATTACHMENTS

1. Cash Flow Statement - summary of water and sewer revenues and expenses, cash spent for asset acquisition, cash spent for payments on long term debt
2. Statement of Revenues & Expenditures from Operations with fiscal year to date actual, projected End of Year amount, Current Year annual budget, and proposed next year budget for WATER
3. Statement of Revenues & Expenditures from Operations with fiscal year to date actual, projected End of Year amount, Current Year annual budget, and proposed next year budget for WATER
4. Summary of Payroll for FY 2017/18

Garberville Sanitary District
Cash Flow Statement

06/20/17

	FY 2016/17			FY 2017/18
	Board Adopted Budget	YTD 10 mo. 04/30/17	Projected Year End	First Draft Budget
Cash Accounts	7/1/16 Starting			7/1/17 Projected
1005 · Umpqua Checking- Operating	110,628			
1006 · Umpqua System Reserve - Water	72,593			
1007 · Umpqua System Reserve - Sewer	75,153			
1011 · Water Enterprise Fund	46,193			
1030 · County Treasury - Sewer Reserve	344,371			
1031 · County Treasury - Water Reserve	236,226			
1040 · Petty Cash	50			
1050 · Cash Drawer	187			
Total Cash and Cash Equivalents: Starting Balance	885,399			808,866
Net Cash Provided by Operating Gain (excludes depreciation)				
Water Revenue	489,795	433,444	516,900	540,150
Sewer Revenue	392,450	325,502	400,619	425,125
Payroll Expenses	(325,450)	(296,459)	(352,401)	(350,291)
Admin & Overhead Expenses	(177,110)	(130,473)	(174,264)	(176,575)
Water Supplies/Maintenance/Monitoring/Utilities	(84,700)	(88,692)	(114,077)	(95,500)
Sewer Supplies/Maintenance/Monitoring/Utilities	(79,350)	(72,452)	(86,250)	(72,050)
Savings towards Capital Improvement Projects	0	0	0	(5,000)
Savings of Connection Fees				(64,000)
Measure Z Hydrant Grant				60,000
Net Operating Gain Cash Added	215,635	170,871	190,527	261,859
Change in Assets				
<u>Change in Current Assets</u>				
Accounts Receivable	0	3,231	0	0
Prepaid Insurance	11,973	(225)	0	0
Prepaid Workers Comp	14,387	1,599	0	0
Other Receivables	0	5,335		0
Subtotal Change In Current Assets	26,360	9,940		0
<u>Change in Major Capital Improvement Assets</u>				
Need Adjustment		1,842	0	
CIP - Bear Canyon Aerial		660	660	10,000
Subtotal Major Capital Assets	0	2,502	660	10,000
<u>Change in Fixed Assets</u>				
<u>Equipment</u>				
Utility Truck	42,355	42,355	42,355	
Sale of Surplus Truck	(5,000)	(20,722)	(20,722)	
Depreciation on Surplus Truck		17,612	17,612	
Repairs to 1999 Ford		11,515	11,515	
Utility Trailer				6,500
<u>Treatment Facilities</u>				
Electric Actuator Valves SWTP		2,651	2,651	2,700
SWTP Recirculation Pump Replacement				1,000
SWTP Dual LMI Pump Installation		4,132	4,132	8,500

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SWTP - Add CL2 Valve				8,600
WWTP switch to liquid Hypochlorite	6,500	6,423	6,423	
<u>Distribution/Collection Facilities</u>				
Wallen Road Tank Access Road - Temp Fix	38,000	43,713	43,713	
Telemerty Replcmnt: Wallen, Arthur, WWTP, Alderpt	15,000	14,600	14,600	10,000
Paving on Hillcrest Drive		2,310	2,310	
Replace (2) Downtown Hydrants	21,000	23,980	23,980	
Measure Z Hydrants				60,000
Flow Meter Data Capture	5,000			15,000
Maple Lane Sewerline			7,000	
Subtotal Change in Fixed Assets	122,855	148,569	155,569	112,300
Total Change in Assets {Cash Used}	149,215	161,011	156,229	122,300
Change in Liabilities				
Accounts Payable	0	(14,256)	1,000	0
Current Liabilities - Other	Vac Payout	(18,259)	(19,000)	0
<u>Loans</u>				
2500 SWRCB WWTP Principle Pmt (until 8/2023, 2%, \$428,907)	(21,831)	(22,268)	(22,268)	(21,831)
2700 SWRCB DWIP Principle Pmt (until 01/2046, 0%, \$1,379,471)	(45,982)	(22,991)	(45,982)	(45,982)
2605 RCAC: ALPT Principle Pmt (until 11/2020, 5%, \$250,000)	(46,472)	(42,510)	(51,012)	(46,472)
2655 Lease Payable - copier	(862)	(756)	(907)	(862)
Utility Truck Loan Disbursement	42,425	42,355	42,355	0
2660 Utility Truck Principle Pmt (until 06/2019, 5%, \$42,425)	(13,442)	(15,016)	(15,016)	(15,016)
Total Change in Liabilities {Cash Added or (Spent)}	(86,165)	(93,701)	(110,831)	(130,164)
Sum of Change in Cash by Fiscal Year	(19,745)	(83,841)	(76,533)	9,395
Total Cash and Cash Equivalents: Ending Balance	865,654	801,558	808,866	818,261

Statement of Revenues & Expenditures from Operations

Water Fund

Description		FY 2016/17			FY 2017/18
		Board Adopted Budget	YTD 10 mo. 04/30/17	Projected Year End	DRAFT Budget 06/20/17
Revenues					
1	4100 · Residential	272,535	236,372	291,000	290,000
2	4110 · Commercial	214,310	181,967	216,000	215,000
3	4120 · System Reserve Fee	0		0	0
4	4125 · Employee Discts	0		0	0
5	4150 · Bulk Water Sales	0		0	0
6	Total Water Charges	486,845	418,339	507,000	505,000
7	4300 - Connection Fee	0		0	32,000
8	4650 · Late Charges	2,500	2,600	2,800	2,500
9	4700 · Other Operating Revenue	150	4,083	4,100	150
10	Total Water Revenues	489,495	425,022	513,900	539,650
Expenses					
12	Admin. & General				
13	5000 · Advertising	150	135	150	150
14	5005 · Bad Debts	2,500		100	2,500
15	5010 · Bank Charges				
16	5012 · Merchant Account Fees	750	707	850	750
17	5010 · Bank Charges - Other	500	667	800	650
18	5015 · Conservation	0		0	0
19	5020 · Directors Fees	900	663	900	900
20	5030 · Dues and memberships	1,600	1,654	1,600	1,600
21	5035 · Ed & Training	2,000	908	1,000	2,000
22	5036 · Ed & Training - B.O.D.	150	0	150	150
23	Insurance				
24	5040 · Liability	7,194	6,597	8,000	7,800
25	5050 · Workers' Comp	5,840	5,560	6,750	10,323
26	5055 · Health				
27	5037 - Employee Benefits	0		0	0
28	5055.1 · Empl. Portion	(7,178)	(6,300)	(7,178)	(3,589)
29	5055 · Health - Other	22,430	18,988	22,430	17,945
30	Total 5055 · Health	15,252	12,688	15,252	14,356
31	Total Insurance	28,286	24,844	30,002	32,479
32	5060 · Licenses, permits & fees	3,700	3,262	3,700	3,700
33	5065 · Auto	4,250	1,394	2,000	2,000
34	5070 · Miscellaneous	0	34	0	0
35	5080 · Office expense	2,000	2,890	3,000	2,800
36	5085 · Outside Services	5,000	3,367	4,300	5,240
37	5090 · Payroll taxes	12,358	12,097	14,300	15,840
38	5100 · Postage	1,200	929	1,200	1,300
39	5110 · Professional Fees	28,000	19,534	25,000	30,000
40	5120 · Property taxes	12	12	12	12
41	5125 - Repair and Maint.	0	447	3	0
42	5130 · Rents	5,610	4,175	5,010	5,370
43	5135 · Retirement	3,579	4,046	4,800	3,710
44	5137 · Supplies	1,350	124	850	1,350
45	5140 · Telephone	2,600	1,175	1,400	1,400

Statement of Revenues & Expenditures from Operations
Water Fund

		FY 2016/17			FY 2017/18
Description		Board Adopted Budget	YTD 10 mo. 04/30/17	Projected Year End	DRAFT Budget 06/20/17
46	5145 · Tools	2,785	4,921	5,000	2,000
47	5150 · Travel & Meetings	800	566	800	800
48	5155 · Utilities	1,200	969	1,200	1,200
49	5160 · Wages	73,285	61,610	74,000	62,072
50	5165 - OT Wages	0	70	70	0
51	5170 · Vacation accrual adjustm	1,000		1,000	1,000
53	Total Admin. & General	185,564	151,198	183,197	180,973
54	Water Transmission & Distribution				
55	7075 · Fuel	3,050	2,171	3,050	2,500
56	7080 · Pumping	0		0	0
57	7090 · Repairs & Maint.	15,000	13,805	21,000	15,000
58	7100 · Supplies	4,000	1,869	4,000	4,000
59	7110 · Utilities	6,700	7,090	10,635	9,000
60	7120 · Wages	30,685	30,056	30,685	28,364
61	7125 - OT Wages	3,000	3,672	5,500	4,500
62	Total Water Trans & Distr	62,435	58,663	74,870	63,364
63	Water Treatment				
64	7010 · Monitoring	3,000	4,774	6,000	5,000
65	7015 · Outside Services	0		0	0
66	7020 · Fuel	2,850	2,171	2,850	3,000
67	7030 · Repairs & Maint.	5,000	14,542	14,542	5,000
68	7040 · Supplies	11,000	11,646	12,000	12,000
69	7050 · Utilities	34,100	30,623	40,000	40,000
70	7060 · Wages	35,815	31,324	35,815	46,440
71	7065 - OT Wages	4,005	4,971	5,400	5,000
72	Total Water Treatment	95,770	100,051	116,607	116,440
73	Total All Expenses	343,769	309,912	374,674	360,777
74	Net Operating Revenue	145,726	115,110	139,226	178,874
75	Other Income/Expense				
76	Other Income				
	Gain on Asset Disposal		5,446	5,446	
78	8060 · Interest Income	300	2,977	3,000	500
80	Total Other Income	300	8,423	8,446	500
81	Other Expense				
83	9040 · Depreciation (and loss on	317,500	294,990	350,000	350,000
84	9050 · Interest Expense	11,163	8,682	11,163	11,000
85	Total Other Expense	328,663	303,672	361,163	361,000
86	Net Other Income	(328,363)	(295,249)	(352,717)	(360,500)
87	Net Gain (Loss)	(182,637)	(180,140)	(213,491)	(181,627)
88	Depreciation (added back since not cash flow item)	317,500	294,990	350,000	350,000
90	Net Operating Gain	134,863	114,850	136,509	168,374

Statement of Revenues & Expenditures from Operations
Wastewater Fund

Description	FY 2016/17			FY 2017/18
	Board Adopted Budget	YTD 10 mo. 04/30/17	Projected Year End	DRAFT Budget 06/20/17
Revenues				
1 4200 · Sewer Charges	364,000	301,883	364,000	365,000
2 4300 - Connection Fees	0		0	32,000
3 4650 · Late Charges	2,500	2,600	3,000	2,500
4 4700 · Other Operating Revenue	50	273	273	50
5 Total Sewer Revenues	366,550	304,756	367,273	399,550
6 Expense				
7 Administrative & General				
8 5000 · Advertising	200	135	200	200
9 5005 · Bad Debts	3,000		3,000	3,000
10 5012 - Merchant Account Fees	750	707	850	750
11 5010 · Bank Charges	500	667	800	700
12 5020 · Directors Fees	900	663	900	900
13 5030 · Dues and memberships	1,300	1,654	1,654	1,600
14 5035 · Education & Training	1,275	1,619	1,620	1,400
15 5036 · Education & Training - B.C	150	0	150	150
16 Insurance				
17 5040 · Liability	7,194	6,596	8,000	7,800
18 5050 · Workers' Comp	5,840	4,314	5,840	10,323
19 Health				
20 5037 - Employee Benefits	0		0	0
21 5055.1 · Employee Portion	(7,178)	(5,839)	(7,178)	(3,589)
22 5055 · Health	22,430	19,291	22,430	17,945
23 Total 5055 · Health	15,252	13,452	15,252	14,356
24 Total Insurance	28,286	24,362	29,092	32,479
25 5060 · Licenses, permits & fees	18,500	14,741	18,500	18,500
26 5065 · Auto	4,250	1,394	8,000	2,000
27 5070 · Miscellaneous	100	34	100	100
28 5080 · Office expense	2,000	2,890	3,000	2,800
29 5085 · Outside Services	3,500	3,184	3,500	3,740
30 5090 · Payroll taxes	8,587	9,270	10,539	13,050
31 5100 · Postage	1,200	930	1,200	1,300
32 5110 · Professional Fees	28,000	15,563	25,000	30,000
34 5125 · Repairs & Maintenance	0	499	500	0
35 5130 · Rents	5,010	4,175	5,010	5,370
36 5135 · Retirement	2,487	3,124	4,000	3,710
37 5137 · Supplies	1,350	414	850	1,350
38 5140 · Telephone	2,800	1,175	1,400	1,400
39 5145 · Tools	2,875	4,276	5,000	2,000
40 5150 · Travel & Meetings	800	489	800	800
41 5155 · Utilities	1,200	969	1,200	1,200
42 5160 · Wages	70,415	56,868	70,415	62,072
43 5165 - OT Wages	0	70	70	0
44 5170 · Vacation accrual adjustment	1,000		1,000	1,000
45 Total Administrative & General	190,435	149,871	198,350	191,571

Statement of Revenues & Expenditures from Operations
Wastewater Fund

Description	FY 2016/17			FY 2017/18
	Board Adopted Budget	YTD 10 mo. 04/30/17	Projected Year End	DRAFT Budget 06/20/17
46 Wastewater Collection				
47 6010 · Fuel	2,850	2,171	2,850	2,850
48 6030 · Repairs & Maintenance	25,000	33,574	37,000	20,000
49 6040 · Supplies	2,000	1,132	2,000	1,600
50 6050 · Utilities	4,500	4,017	4,900	4,900
51 6060 · Wages	14,715	20,770	22,073	18,776
52 6065 · OT Wages	660	2,430	3,500	2,000
53 Total Wastewater Collection	49,725	64,094	72,323	50,126
54 Wastewater Treatment				
55 6075 · Fuel	3,100	2,171	2,600	2,600
56 6080 · Monitoring	10,000	3,852	5,000	8,000
57 6085 · Outside Services	0		0	0
58 6100 · Repairs & Maintenance	12,500	9,106	12,500	12,500
59 6110 · Supplies	7,600	6,203	7,600	7,600
60 6120 · Utilities	11,800	10,227	11,800	12,000
61 6130 · Wages	21,035	19,685	25,500	31,900
62 6135 · OT Wages	640	383	640	1,500
63 Total Wastewater Treatment	66,675	51,626	65,640	76,100
64 Total Expense	306,835	265,591	336,313	317,797
68 Net Operating Revenues	59,715	39,164	30,960	81,754
69 Other Revenue/Expense				
72 Property Tax Revenue				
73 8010 · Secured	22,400	11,052	22,400	23,000
74 8020 · Unsecured	1,500	844	1,500	1,500
75 8025 · Prior Years	25	5	25	25
76 8030 · Supplemental - Current	75	205	75	150
77 8035 · Supplemental - Prior Ye	50	19	50	50
78 Total Property Tax Revenue	24,050	12,125	24,050	24,725
79				
80 8060 · Interest Income	1,500	3,022	3,500	500
Gain on Asset Disposal		5,446	5,446	
81 8070 - Other non-operating reve	0		0	0
82 9030 · Homeowners' Tax Relief	350	153	350	350
83 Total Other Revenue	25,900	20,746	33,346	25,575
84 Other Expense				
86 9040 - Depreciation	164,600	145,460	175,000	175,000
87 9050 · Interest Expense	4,843	3,891	4,843	4,843
88 Total Other Expense	169,443	149,351	179,843	179,843
89 Net Other Revenue	(143,543)	(128,604)	(146,497)	(154,268)
90 Net Gain (Loss)	(83,828)	(89,440)	(115,537)	(72,514)
91 Depreciation (added back since not cash flow item)	164,600	145,460	175,000	175,000
92 Net Operating Gain	80,772	56,020	59,463	102,486

Fiscal Year 2017/18 Payroll Summary for Budget

Employee	R. Emerson	Lori	Mary	D. Arreguin	Brian	Rick	Total
Rate	\$8,500	\$20.00	\$16.00	\$23.00	\$22.00	\$15.00	
# Hours Per Week	Salary	10	32	40	40		
Wages	114,000	10,400	26,624	47,840	45,760	5,000	249,624
OT and On-Call	0	0	0	6,500	6,500	0	13,000
Total Gross Pay	114,000	10,400	26,624	54,340	52,260	5,000	262,624
Employer Taxes & Contributions	12,540	1,144	2,929	5,977	5,749	550	28,889
Retirement	3,420		799	1,630	1,568		7,417
Health Insurance	7,178		7,178	7,178	7,178		28,712
Adjustment for Vacation Value							2,000
Worker's Compensation	4,560	416	1,065	2,989	2,874	275	12,179
Total	141,698	11,960	38,594	72,114	69,629	5,825	341,820