

Heber Public Utility District

MEETING DATE: May 21, 2015

FROM: Graciela Lopez, Finance Manager

SUBJECT: Adopt Resolution Number 2015-05 to Adopt the Fiscal Year 2015-16 Budget.

ISSUE:

Shall the Heber Public Utility Board of Directors approve Resolution 2015-05 adopting a budget for Fiscal Year 2015-16 and rescinding all prior Resolutions related to the appropriation of funds?

GENERAL MANAGER RECOMMENDATION:

Approve Resolution Number 2015-05 as presented.

FISCAL IMPACT:

The proposed HPUD Operating Revenues budget for the Fiscal Year 2015-16 totals \$3,221,600 and HPUD Operating Expenditures totals \$2,989,625.

2015-2016 BUDGET	Parks & Rec	Water	Wastewater	Solid Waste	TOTAL Government Wide
Revenues	524,200	1,429,400	1,221,200	46,800	3,221,600
Total Revenues	\$ 524,200	\$ 1,429,400	\$ 1,221,200	\$ 46,800	\$ 3,221,600
Expenditures					
Operating	327,350	1,017,700	902,150	38,400	2,285,600
Capital Outlay	82,800	157,925	106,100	-	346,825
Debt Service	-	171,000	186,200		357,200
Total Expenditures	410,150	1,346,625	1,194,450	38,400	2,989,625

BACKGROUND:

The District’s annual budget represents a total financing plan for all District operations and must be analyzed by its component parts in order to make any meaningful assumptions. Although there is some financial interdependence between the funds, such as the shared allocation of labor costs, and inter-fund debt, each fund represented in the budget must stand alone.

The budget serves as the financial planning tool of the District. It provides for the allocation of resources across the full range of the District’s activities.

Staff presented the budget to the Board of Directors at a Special Meeting on May 07, 2015.

DISCUSSION:**Parks & Recreation Fund Summary**

The presented FY 2015-16 Parks and Recreation Fund Budget has positive revenue over expenditure of \$129,050. The 2015-16 revenues are based on the FY 2014-15 actual revenues and historic trends in property taxes and CFD payments. The revenue budget will increase in FY 2015-16 by \$59,900 as a result of an increase in Property Taxes revenues that could be the reflect of an increase in the housing market values.

The proposed FY2015-16 expenditures include a higher allocation of HPUD administrative staff salary and benefits. In prior year the Park and Recreation share was 5% and the proposed FY2015-16 the share is 8% of the Administrative staff salary and benefits.

Water Fund Summary

The presented FY 2015-16 Budget has positive revenue over expenditure of \$82,775, which includes planned capital outlay expenditures, inter-fund transfers, and debt payment. According to the FY 2013-14 audited financial statements the Water Fund has an unrestricted fund balance of \$467,939 which represents cash and cash equivalents available for operation and capital outlay. Staff projects the un-restricted Fund Balance to increase by approximately \$205,000 at the end of this Fiscal Year 2014-15 due to lower projected expenditures and the non-acquired capital outlay.

Wastewater Fund Summary

The presented FY 2015-16 Budget has positive revenue over expenditure of \$26,750, which includes planned capital outlay expenditures, and debt payment. The Wastewater unrestricted fund balance FY2013-2014 is \$1,147,600 which represents cash and cash equivalents available for operation and capital outlay. Staff projects the cash and cash equivalents to increase by approximately \$14,000 at the end of this Fiscal Year 2014-15 due to slightly lower expenditures.

CONCLUSION:

Adoption of Resolution 2015-05 enables Heber Public Utility District to meet the federal and State fiscal requirements.

Respectfully Submitted,

Laura Fischer, General Manager

Attachment: Resolution 2015-05 FY 2015-16 Budget and Cover Letter

RESOLUTION NO. 2015-05

**A RESOLUTION OF THE HEBER PUBLIC
UTILITY DISTRICT ADOPTING A BUDGET
FOR FISCAL YEAR 2015-16**

WHEREAS, the General Manager has submitted the 2015-16 Budget to the Board of Directors for its review and consideration in accordance with budget policies and objectives established by the Board of Directors, and

WHEREAS, the 2015-16 Budget is effective on July 1, 2015 and is based upon public comment and direction of the Board of Directors received at a scheduled budget workshop; and

WHEREAS, in said fiscal year beginning July 1, 2015, there is hereby appropriated out of the Treasury of the Heber Public Utility for District purposes and for allowances to be used by the various departments and activities of said District for the fiscal year 2015-16, the sum of \$2,989,625 in the amounts, allowances and estimates more particularly set forth and described in said budget on file in the District office; and

WHEREAS, the following monies are hereby appropriated from each fund in the following amounts:

2015-2016 BUDGET	Parks & Rec	Water	Wastewater	Solid Waste	TOTAL Government Wide
Revenues	524,200	1,429,400	1,221,200	46,800	3,221,600
Total Revenues	\$ 524,200	\$ 1,429,400	\$ 1,221,200	\$ 46,800	\$ 3,221,600
Expenditures					
Operating	327,350	1,017,700	902,150	38,400	2,285,600
Capital Outlay	82,800	157,925	106,100	-	346,825
Debt Service	-	171,000	186,200		357,200
Total Expenditures	410,150	1,346,625	1,194,450	38,400	2,989,625

WHEREAS, all previous appropriations are hereby cancelled and the balances remaining therein are applied to finance the new appropriations set forth in this budget; and

WHEREAS, the General Manager has the authority to execute expenditures up to \$15,000 without prior approval of the Board of Directors; and

WHEREAS, all increases in the Fiscal Year 2015-2016 Budget of funds, departments and/or activities shall be made by the Board of Directors except that the General Manager may, on her own initiative and without prior approval of the Board of Directors, transfer between budget accounts within a fund, activity, or capital improvement fund, or from a budget account or appropriation, to the said fund reserve, amounts determined to be in excess of actual requirements; as long as such changes are reported regularly to the Board of Directors; and

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE HEBER PUBLIC UTILITY DISTRICT, DOES HEREBY RESOLVE AS FOLLOWS:

1. That the foregoing is true, correct and adopted.
2. That the Board of Directors finds that the Fiscal Year 2015-2016 Budget of \$2,989,625 is based upon reasonable estimates of revenues and expenditures resulting in a balanced budget.
3. That the Board of Directors of the Heber Public Utility District does hereby adopt this Resolution approving the Fiscal Year 2016 Budget as set forth.
4. That the President of the Board of Directors of the Heber Public Utility District is hereby authorized to sign said Resolution, a copy of which is on file at the District office.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Heber Public Utility District held on the 21st day of May 2015.

Eduardo Valdez-Belmonte, Board President

ATTEST:

Raquel R. Carrillo, Clerk of the Board

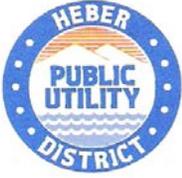
APPROVE AS TO FORM:

Steven M. Walker, General Counsel

STATE OF CALIFORNIA)
COUNTY OF IMPERIAL)
HEBER PUBLIC UTILITY)
DISTRICT)

I, RAQUEL R. CARRILLO, Clerk of the Board of the Heber Public Utility District, County of Imperial, State of California, DO HEREBY CERTIFY that the foregoing resolution was dully passed, approved and adopted by the Board of Directors of the Heber Public Utility District at its regularly scheduled meeting held on the 21st day of May 2015.

By _____
Raquel R. Carrillo, Clerk of the Board



Heber Public Utility District

RESOLUTION NO. 2015-05
Effective July 1, 2015

2015-2016 BUDGET	Parks & Rec	Water	Wastewater	Solid Waste	TOTAL Government Wide
Revenues	524,200	1,429,400	1,221,200	46,800	3,221,600
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Capital Outlay	82,800	157,925	106,100	-	346,825
Debt Service	-	171,000	186,200		357,200
Total Expenditures	410,150	1,346,625	1,194,450	38,400	2,989,625
To Fund Balance	\$ 114,050	\$ 82,775	\$ 26,750	\$ 8,400	231,975



Adopted Via Resolution 2015-05
Effective July 1, 2015

**FISCAL YEAR 2015/2016 ALL OPERATING FUNDS
BUDGET**

REVENUES

REVENUES	Parks	Water	Sewer	Trash	Total
Interest	-	600	900		1,500
Royalties (Geothermal)	4,000				4,000
Parks & Rec/Park Use	1,500				1,500
Other Revenues/Admin fees	-			3,000.00	3,000
Payment Center Revenue	3,000				3,000
Property Taxes	440,000				440,000
Residential		1,079,200	952,300	359,200.00	2,390,700
Multi-Residential		54,900	196,900	38,100.00	289,900
Commercial		44,900	12,900	31,200.00	89,000
Industrial		83,200	6,900	29,900.00	120,000
Public Agencies		123,800	19,000	23,900.00	166,700
New Service Fee		2,300	2,300		4,600
Penalties - Late fees		20,000	20,000		40,000
Reconnection Charge		10,500			10,500
Miscellaneous Charges (NSF)		1,000	1,000		2,000
Parks Maintenance - CFDS & LLD	75,700				75,700
Rent (1085 Ingram & Verizon)	-	9,000	9,000		18,000
Developer Fees - 15%					-
C R & R INVOICES - TO NET FRANCHISE FEE				(438,500)	(438,500)
Total Revenues	524,200	1,429,400	1,221,200	46,800	3,221,600

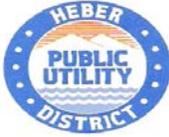


Adopted Via Resolution 2015-05
Effective July 1, 2015

FISCAL YEAR 2015/2016 ALL OPERATING FUNDS BUDGET

EXPENSES

EXPENSES	Parks	Water	Sewer	Trash	Total
Salaries & Wages	114,800	363,600	315,500	15,600	\$809,500
Fringe Benefits	62,500	206,100	189,700	7,900	\$466,200
Uniforms 9 x 600	1,800	2,900	2,900	0	\$7,600
Training/Travel & Conferences	5,300	13,200	13,200	1,400	\$33,100
Mileage Reimb./Allowance	1,400	2,800	2,800	0	\$7,000
Sponsorship/Contributions	400	800	800	0	\$2,000
Recreation Activities Materials (trash bags, toilet paper, paper towels, etc.)	3,500	0	0	0	\$3,500
Movies Rental	4,500				\$4,500
Promotionals and Publications	2,500				\$2,500
Raw Water Purchase	0	25,000	0	0	\$25,000
Wastewater Sludge Disposal	0	0	15,000	0	\$15,000
Solid Waste Collection				0	\$0
Chemical Purchases	0	50,000	6,000	0	\$56,000
Laboratory	0	8,000	32,000	0	\$40,000
Materials & Supplies - Regular Operation	9,000	20,000	15,000	0	\$44,000
Office Services	3,000	26,000	26,000	2,000	\$57,000
Office Supplies	2,000	8,000	8,000	2,000	\$20,000
Postage	500	5,500	5,500	1,500	\$13,000
Miscellaneous	1,500	3,700	3,700	0	\$8,900
Maintenance & Repairs (Distribution)		50,000	0	0	\$50,000
Maintenance & Repairs (Collection)		0	30,000	0	\$30,000
Maintenance & Repairs (Parks)	15,000	0	0	0	\$15,000
Operation Maintenance & Repair - Treatment		30,000	30,000	0	\$60,000
Equipment Replacement (all other)	8,000	10,000	10,000	0	\$28,000
Plant, lab, Office Repairs (Buildings)	1,500	3,000	3,000	0	\$7,500
Equipment Rental	1,000	1,500	500	0	\$3,000
Fuel	5,000	7,000	6,300	0	\$18,300
UB Bad Debt		4,000	4,000	1,500	\$9,500
Accounting/Auditing	3,000	12,000	12,000	3,000	\$30,000
Engineering	5,000	15,000	15,000	0	\$35,000
Legal	2,000	10,000	10,000	1,000	\$23,000
Planning	2,500	5,000	5,000	0	\$12,500
Bank & Merchant fees	500	5,500	5,500	1,500	\$13,000
Memberships	750	3,100	2,750	0	\$6,600
Subscriptions	250	500	500	0	\$1,250
Licenses/Permits	0	20,000	20,000	0	\$40,000
Compliance & Pollution Tests		10,000	10,000		\$20,000
General Liability Insurance	7,000	21,000	21,000	1,000	\$50,000
Utilities	33,150	74,500	80,500	0	\$188,150
Street Lighting	30,000	0	0	0	\$30,000
TOTALS	\$327,350	\$1,017,700	\$902,150	\$38,400	\$2,285,600



Adopted Via Resolution 2015-05
Effective July 1, 2015

FISCAL YEAR 2015/2016 ALL OPERATING FUNDS BUDGET

NET OPERATING INCOME

NET INCOME	Parks	Water	Sewer	Trash	Total
REVENUES	\$524,200	\$1,429,400	\$1,221,200	\$46,800	\$3,221,600
EXPENSES	\$327,350	\$1,017,700	\$902,150	\$38,400	\$2,285,600
NET OPERATING REVENUE	\$196,850	\$411,700	\$319,050	\$8,400	\$936,000

Capital Outlay (Office)	5,800	26,100	26,100	0	\$58,000
Capital Outlay (Equipment)	77,000	131,825	80,000	0	\$288,825
NET AFTER CAPITAL OUTLAY EXPENSES	\$114,050	\$253,775	\$212,950	\$8,400	\$589,175

Interfund Transfer Re-Payment from Water to Sewer		\$24,900	-24,900		\$0
DEBT SERVICE-Principal		63,000	159,700		\$222,700
DEBT SERVICE-Interest - 5800		83,100	51,400		\$134,500
Debt Service Total ----->	\$0	\$171,000	\$186,200	\$0	\$357,200

Net Income After Debt Service ----->	\$114,050	\$82,775	\$26,750	\$8,400	\$231,975
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HEBER PUBLIC UTILITY DISTRICT
SALARY SCHEDULE EFFECTIVE July 1st 2015
 Resolution 2013-10 Adopted 07.18.2013

Position	Salary Period	1-Jul-15	
		Step 1	Step 2
Lead Operator	Monthly	4,648	4,881
	Annual	55,776	58,572
	Hourly Rate	26.815	28.160
W / WW Operator	Monthly	4,215	4,426
	Annual	50,580	53,112
	Hourly Rate	24.317	25.535
W / WW - OIT	Monthly	4,015	4,215
	Annual	48,180	50,580
	Hourly Rate	23.163	24.317
Parks Maintenance	Monthly	3,322	3,489
	Annual	39,864	41,868
	Hourly Rate	19.165	20.129
Util. Maint. Worker	Monthly	2,613	2,744
	Annual	31,356	32,928
	Hourly Rate	15.075	15.831

HEBER PUBLIC UTILITY DISTRICT
Non represented employees
SALARY SCHEDULE PROPOSED FOR July 1st 2015

Position	Salary Period	FY 2014-15	PROPOSED FY 2015-16
General Manager	Monthly	7,194.17	7,194.17
	Annual	86,330	86,330
	Hourly	41.505	41.505
Finance Manager	Monthly	5,588.67	5,700.44
	Annual	67,064	68,405
	Hourly	32.242	32.887
Chief Operator	Monthly	5,520.42	5,630.83
	Annual	66,245	67,570
	Hourly	31.849	32.486
Bookkeeper	Monthly	3,705	3,779.10
	Annual	44,460	45,349
	Hourly	21.375	21.803
Senior Account Clerk	Monthly	3,705	3,779.10
	Annual	44,460	45,349
	Hourly	21.375	21.803