

Heber Public Utility District Report to the Board of Directors

MEETING DATE: August 16, 2018

FROM: Laura Fischer, General Manager

SUBJECT: Adopt Resolution Number 2018-10 Amending Reserve Guidelines and Budget for Fiscal Year 2018-19

ISSUE:

Shall the Heber Public Utility Board of Directors adopt Resolution Number 2018-10 to amend financial reserve budget for FY 2018-19?

GENERAL MANAGER RECOMMENDATION:

Adopt Resolution Number 2018-10 to amend financial reserve budget for FY18-19.

FISCAL IMPACT: NONE – Payment authorized via Resolution 2018-09

DISCUSSION:

At the July 2018 Board Meeting, the Board of Directors adopted Resolution 2018-09 approving an annual payment schedule whereby the Wastewater Fund pays to the Parks Fund \$48,828 for monies owed. The authorized funds are to be transferred from Wastewater Fund Reserves and into Parks Reserve Funds.

The Resolution 2018-10 amends the reserve budget to reflect the fund transfers in the appropriate fund balance.

CONCLUSION:

As the Board of Directors adopted Resolution 2018-09 authorizing payment from the Wastewater Reserve Fund into the Parks Reserve Fund for monies owed, it is recommended that Resolution 2018-10 be adopted to amend the Reserve Budget for FY 2018-19.

ALTERNATIVES:

- 1) Do not adopt Resolution 2018-10 to amend the Reserve Budget for FY 2018-19. Staff will continue to make the reserve fund transfer as authorized via Resolution 2018-09, but the Reserve Budget will not reflect the fund transfer.
- 2) Provide alternate direction to staff.

Respectfully Submitted,

Laura Fischer, General Manager

Attachment: Resolution Number 2017-10

RESOLUTION NO. 2018-10

A RESOLUTION OF THE HEBER PUBLIC UTILITY DISTRICT AMENDING RESERVE GUIDELINES AND BUDGET FOR FISCAL YEAR 2018-19

WHEREAS, on June 21, 2018, by Resolution No. 2018-06, the Board of Directors of the Heber Public Utility District adopted a Reserve Guidelines and Budget FY 2018-19 for maintaining certain reserves; and

WHEREAS, on July 19, 2018, by Resolution No. 2018-09, the Board of Directors of the Heber Public Utility District approved an annual payment schedule whereby the Wastewater Fund pays to the Parks and Recreation Fund monies owed; and

WHEREAS, the Board of Directors authorized the money to be transferred according to the annual payment schedule from Wastewater Reserve Fund, and into Parks and Recreation Reserve Fund.

WHEREAS, the Proposed Reserve Funds Established for FY 2018-19 are Amended and described below.

Reserve Funds Established via Resolution Number 2018-06 AMENDED via Resolution Number 2018-10 on 8/16/18					
PROJECTED CASH BROUGHT FORWARD AS OF JUNE 30, 2018	Parks & Rec	Water	Sewer	Trash	Totals
	874,255	1,408,096	1,368,193	91,395	3,741,939
Non-Spendable Fund Balance					
Committed Funds:					
Capacity Fees					
Water and Sewer Master Plan - Capacity Fees		25,000	25,000		50,000
Capital Reserve Funds (Future Projects)					-
Upgrades to Shop at Ingram Ave. 45/45/10 split	20,000	90,000	90,000		200,000
Manhole Replacement			100,300		100,300
Correll Park Reserves - MOVED TO CHILDRENS					-
Recreation Room at Littlefield with IID Funds	175,000				175,000
Jiggs Johnson Restroom and Lights	115,000				115,000
Children's Park - New Playground Equip, sidewalk repairs, shade - USE CORRELL PARK FUNDS (remaining balance \$55K plus \$25K)	80,000				80,000
Restricted Funds:					
Wastewater debt to Parks (Debt Authorized via Resolution 2018-06) (Reserve Amended via Resolution 2018-10)	(48,828)		48,828		
Debt Service Reserve Funds - USDA		69,369			69,369
SWRCBA Water Loan - Debt Reserve		162,211			162,211
SWRCBA Wastewater Loan - Debt Reserve			211,000		211,000
SWRCBA Capital Replacement Reserve Funds (Short Lived Assets)		308,803	108,965		417,768
FY 2018-2019 Withdrawal for Equipment Replace		(68,615)	(25,000)		(93,615)
Assigned or Designated Fund Balance					
Operating and Maintenance Reserve Funds 90 days Operating and Maintenance Costs for Water and Sewer. 180 days for Parks.	272,367	298,381	249,214	10,677	830,638
TOTAL RESERVES FOR FY 2017-18	613,539	885,148	808,307	10,677	2,317,671
PROJECTED UN-ASSIGNED BALANCE:	260,716	522,948	559,886	80,718	1,424,268

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 Adopts the Amendment to the Reserve Guidelines and the Reserve Fund Budget for Fiscal Year 2018-2019.
3. 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 16th day of August, 2018.

Martin Nolasco, Jr., 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 16th day of August, 2018.

By _____
Raquel R. Carrillo, Clerk of the Board