

**RESOLUTION NO. 2017-09**

**A RESOLUTION OF THE HEBER PUBLIC  
UTILITY DISTRICT ADOPTING RESERVE  
GUIDELINES AND BUDGET FOR FISCAL  
YEAR 2017-18**

**WHEREAS**, the General Manager has submitted the Reserve Guideline and Reserve 20167-18 Budget to the Board of Directors for its review and consideration in accordance with reserve policies and objectives established by the Board of Directors, and

**WHEREAS**, the 2017-18 Reserve Guidelines are intended to provide guidelines for the Heber Public Utility District to designate money in order to balance the budget, respond to emergencies, keep rates affordable, maintain current infrastructure and plan for future public projects; and

**WHEREAS**, the Reserve Guidelines are as follows:

**Committed Funds –**

**Capacity Fees:** These reserves are monies received from new service connections that increase our need for increased capacity in our Water and Wastewater Enterprise Funds.

**Capital Reserve Funds:** These funds are reserved to ensure monies are available to implement the current FY year projects included in the Board adopted Five Year Capital Improvement Project List.

**Restricted Fund Balance –**

**Debt Service Funds:** These are funds that are mandated by law to be held in reserve.

**Capital Replacement Reserve Funds:** The Capital Replacement Reserve Fund (Short Lived Asset Reserve) are mandated by law to be funded each year.

**Assigned or Designated Fund Balance –**

**Water, Sewer and Solid Waste Operating and Maintenance Reserve Funds:** The Heber Public Utility District will maintain a 90 day operation and maintenance Reserve for Water, Sewer and Solid Waste (Trash) Funds.

**Parks and Recreation Operating and Maintenance Reserve Funds:** The Heber Public Utility District will maintain a 180 day operation and maintenance Reserve for Parks and Recreation Funds.

**Unrestricted Reserves –**

**Unrestricted Reserves:** These funds can be programed and expended for any purpose as directed by the Board of Directors.

**WHEREAS**, in said fiscal year beginning July 1, 2017, there is hereby Reserved within the Treasury of the Heber Public Utility District for District purposes by the various departments of said District for the fiscal year 2017-18, the projected amount of \$2,545,462; and

**WHEREAS**, the Proposed Reserve Funds Established for FY 2017-18 are described below; and

<b>Proposed Reserve Funds Established via Resolution Number 2017-09</b>					
<b>PROJECTED UNASSIGNED CASH RESERVES BROUGHT FORWARD AS OF JUNE 30, 2017</b>	<b>Parks &amp; Rec</b>	<b>Water</b>	<b>Sewer</b>	<b>Trash</b>	<b>Totals</b>
	<b>754,212</b>	<b>1,225,215</b>	<b>1,337,409</b>	<b>237,401</b>	<b>3,554,237</b>
<b>Non-Spendable Fund Balance</b>					
<b>Committed Fund Balance</b>					
Capacity Fees					
Water and Sewer Master Plan - Capacity Fees		25,000	25,000		
Capital Reserve Funds (Future Projects)		88,000			88,000
Manhole Replacement			97,710		97,710
Influent Pump Station Repairs 2017			115,393		115,393
Repair Lift Station at 6th Street			100,000		100,000
Correll Park (Future Project)	80,000				80,000
Tito Park Lights - Match Community Grant				100,000	100,000
Tito Park Lights - In Addition to County \$10K	129,000				129,000
Jiggs Johnson Restroom and Lights	125,000				125,000
Children's Park - New Playground Equip, Splash pad, other Parks improvements according to CIP					-
<b>Restricted Fund Balance</b>					
Retention (5%) for SRF Construction Funds		85,000			85,000
Debt Service Reserve Funds - USDA		73,694			73,694
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)		258,823	108,965		367,788
<b>Assigned or Designated Fund Balance</b>					
Operating and Maintenance Reserve Funds 90 days Operating and Maintenance Costs for Water and Sewer. 180 days for Parks.	283,266	277,644	238,734	11,022	810,666
<b>TOTAL RESERVES FOR FY 2017-18</b>	<b>617,266</b>	<b>970,372</b>	<b>896,802</b>	<b>111,022</b>	<b>2,545,462</b>
<b>PROJECTED UN-ASSIGNED BALANCE:</b>	<b>136,946</b>	<b>254,843</b>	<b>440,607</b>	<b>126,379</b>	<b>1,008,775</b>

**WHEREAS**, All modifications to the Fiscal Year 2017-18 Budget of Reserved 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 Adopts the Reserve Guidelines and the Reserve Fund Budget for Fiscal Year 2017-2018.
3. That the Board of Directors of the Heber Public Utility District does hereby adopt this Resolution approving the Fiscal Year 2017-2018 Reserve Guidelines and Reserve Funds 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 21<sup>st</sup> day of September, 2017.



~~Diana Garcia-Ruiz, Board President~~  
Sergio Escobedo, Board Vice-President

ATTEST:

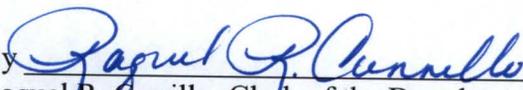
  
\_\_\_\_\_  
Raquel R. Carrillo, Clerk of the Board

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 21<sup>st</sup> day of September, 2017.

By   
\_\_\_\_\_  
Raquel R. Carrillo, Clerk of the Board