

RESOLUTION NO. 2018-06

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

WHEREAS, the General Manager has submitted the Reserve Guideline and Reserve 2018-19 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 2018-19 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, 2018, 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 \$2,317,671; and

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

Proposed Reserve Funds Established via Resolution Number 2018-06					
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:					
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	662,367	885,148	759,479	10,677	2,317,671
PROJECTED UN-ASSIGNED BALANCE:	211,888	522,948	608,714	80,718	1,424,268

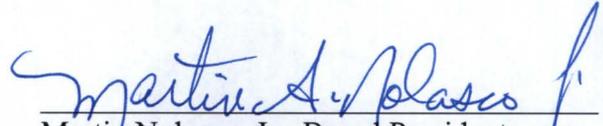
WHEREAS, All modifications to the Fiscal Year 2018-19 Budget of Reserved Funds, departments and/or activities shall be made by the Board of Directors except that the General Manager may, on her own initiative and without prior approval of the Board of Directors, transfer between budget accounts within 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 2018-2019.

3. That the Board of Directors of the Heber Public Utility District does hereby adopt this Resolution approving the Fiscal Year 2018-2019 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.

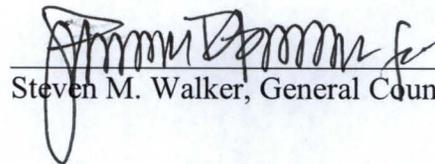
PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Heber Public Utility District held on the 21st day of June, 2018.


Martin Nolasco, Jr., Board President

ATTEST:

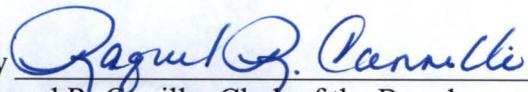

Raquel R. Carrillo, Clerk of the Board

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 21st day of June, 2018.

By 
Raquel R. Carrillo, Clerk of the Board