

Heber Public Utility District

MEETING DATE: June 19, 2014

FROM: Graciela Lopez, Finance Manager

SUBJECT: Adopt Resolution Number 2014-06 to Adopt the Fiscal Year 2014-15 Budget.

ISSUE:

Shall the Heber Public Utility Board of Directors approve Resolution 2014-06 adopting a budget for Fiscal Year 2014-15 and rescinding all prior Resolutions related to the appropriation of funds?

GENERAL MANAGER RECOMMENDATION:

Approve Resolution Number 2014-06 as presented.

FISCAL IMPACT:

The proposed HPUD Operating Revenues budget for the Fiscal Year 2014-15 totals \$3,146,900 and HPUD Operating Expenditures totals \$2,942,500.

2014-2015 BUDGET	Parks & Rec	Water	Wastewater	Solid Waste	TOTAL Government Wide
Revenues	434,200	1,446,300	1,219,000	47,400	3,146,900
Total Revenues	\$ 434,200	\$ 1,446,300	\$ 1,219,000	\$ 47,400	\$ 3,146,900
Expenditures					
Operating	326,500	1,048,700	924,400	43,400	2,343,000
Capital Outlay	55,600	80,000	105,300	-	240,900
Debt Service	-	172,400	186,200		358,600
Total Expenditures	382,100	1,301,100	1,215,900	43,400	2,942,500
To Fund Balance	\$ 52,100	\$ 145,200	\$ 3,100	\$ 4,000	204,400

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 their regularly scheduled meeting on May 15, 2014 and at a Special Meeting on May 29, 2014. Staff determined that a change to the Parks Fund Budget should be made before the Board considers approval.

DISCUSSION:

After a conference call with Mr. Alan Kapanicas who prepared the Landscaping and Lighting District for the Imperial Center, and a meeting with Mr. Jim Minnick, County

Planning and Building Director, regarding the retention basin improvements at the Imperial Center, staff has the following recommended changes to the budget previously presented.

Revenues:

You may recall that we included revenues from the Landscaping and Lighting District for the Imperial Center. This totaled \$59,939. The tax will be levied on the property, but we feel it would be prudent to not include it in our revenues as the funds will go to the County and they will most likely not release them in that Fiscal Year. They will be collecting taxes and funding a reserve which HPUD can draw upon, but the reserve will not be in our bank. Thus, we eliminated \$59,939 from the revenue budget.

Equipment Outlay:

We also moved \$105,000 from the equipment outlay budget and programmed it in our Capital Improvement Budget. The items moved from the operations and maintenance fund to the capital improvement fund were:

Basketball Court	\$30,000.00
Up-Grade Tito Park Lighting:	<u>\$75,000.00</u>
Total:	\$ 105,000.00

The net change to the Parks and Recreation Budget is an increase to fund balance in the amount of \$45,100.00.

No other changes were made to the budget since your last review.

CONCLUSION:

Adoption of Resolution 2014-06 enables Heber Public Utility District to meet the federal and State fiscal requirements.

Respectfully Submitted,

Laura Fischer, General Manager

Attachment: Resolution 2014-06 FY 2014-15 Budget and Cover Letter



Heber Public Utility District

RESOLUTION NO. 2014-06

Effective July 1, 2014

2014-2015 BUDGET	Parks & Rec	Water	Wastewater	Solid Waste	TOTAL Government Wide
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Adopted Via Resolution 2014-06
Effective July 1, 2014

FISCAL YEAR 2014/2015 ALL OPERATING FUNDS BUDGET

EXPENSES

EXPENSES	Parks	Water	Sewer	Trash	Total
Salaries & Wages	103,500	382,200	336,300	17,200	\$839,200
Fringe Benefits	79,600	228,000	206,000	9,100	\$522,700
Uniforms 9 x 600	1,500	2,600	2,600	0	\$6,700
Training/Travel & Conferences	6,000	14,800	14,800	1,500	\$37,100
Mileage Reimb./Allowance	1,200	2,800	2,800	300	\$7,100
Sponsorship/Contributions	400	800	800	100	\$2,100
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	30,000	0	0	\$30,000
Wastewater Sludge Disposal	0	0	15,000	0	\$15,000
Solid Waste Collection				0	\$0
Chemical Purchases	0	50,000	9,000	0	\$59,000
Laboratory	0	8,000	32,000	0	\$40,000
Materials & Supplies - Regular Operation	9,000	15,000	15,000	0	\$39,000
Office Services	3,000	25,000	25,000	3,000	\$56,000
Office Supplies	1,000	6,500	6,500	1,000	\$15,000
Postage	500	5,500	5,500	1,500	\$13,000
Miscellaneous	1,300	3,400	3,400	0	\$8,100
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		20,000	20,000	0	\$40,000
Equipment Replacement (all other)	7,000	10,000	10,000	0	\$27,000
Plant, lab, Office Repairs (Buildings)	1,500	3,000	3,000	0	\$7,500
Equipment Rental	500	2,000	500	0	\$3,000
Fuel	3,600	7,500	7,000	700	\$18,800
UB Bad Debt		4,000	4,000	1,500	\$9,500
Accounting/Auditing	3,000	12,000	12,000	3,000	\$30,000
Engineering	3,500	15,000	10,000	0	\$28,500
Legal	2,000	10,000	10,000	1,000	\$23,000
Planning	1,000	2,000	2,000	0	\$5,000
Bank & Merchant fees	500	5,500	5,500	1,500	\$13,000
Memberships	1,000	4,000	4,000	1,000	\$10,000
Licenses/Permits	0	20,000	20,000	0	\$40,000
Compliance & Pollution Tests		10,000	10,000		\$20,000
General Liability Insurance	6,000	16,000	18,000	1,000	\$41,000
Utilities	34,400	83,100	83,700	0	\$201,200
Street Lighting	30,000	0	0	0	\$30,000
TOTALS	\$326,500	\$1,048,700	\$924,400	\$43,400	\$2,343,000



Adopted Via Resolution 2014-06
Effective July 1, 2014

FISCAL YEAR 2014/2015 ALL OPERATING FUNDS BUDGET

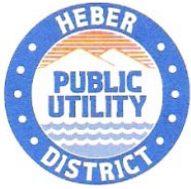
NET OPERATING INCOME

NET INCOME	Parks	Water	Sewer	Trash	Total
REVENUES	\$434,200	\$1,446,300	\$1,219,000	\$47,400	\$3,146,900
EXPENSES	\$326,500	\$1,048,700	\$924,400	\$43,400	\$2,343,000
NET OPERATING REVENUE	\$107,700	\$397,600	\$294,600	\$4,000	\$803,900

Capital Outlay (Office)	3,100	14,000	14,000	0	\$31,100
Capital Outlay (Equipment)	52,500	66,000	91,300	0	\$209,800
NET AFTER CAPITAL OUTLAY EXPENSES	\$52,100	\$317,600	\$189,300	\$4,000	\$563,000

Interfund Transfer Re-Payment from Water to Sewer		\$24,900	-24,900		\$0
DEBT SERVICE-Principal		63,000	158,200		\$221,200
DEBT SERVICE-Interest - 5800		84,500	52,900		\$137,400
Debt Service Total ----->	\$0	\$172,400	\$186,200	\$0	\$358,600

Net Income After Debt Service ----->	\$52,100	\$145,200	\$3,100	\$4,000	\$204,400
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Adopted Via Resolution 2014-06
Effective July 1, 2014

FISCAL YEAR 2014/2015 ALL OPERATING FUNDS BUDGET

REVENUES

REVENUES	Parks	Water	Sewer	Trash	Total
Interest	100	600	900		1,600
Royalties (Geothermal)	4,100				4,100
Parks & Rec/Park Use	500				500
Other Revenues/Admin fees	4,000			3,000	7,000
Payment Center Revenue	2,600				2,600
Property Taxes	350,000				350,000
Residential		1,087,200	954,800	355,500	2,397,500
Multi-Residential		61,400	196,000	43,200	300,600
Commercial		38,100	11,200	33,900	83,200
Industrial		70,000	7,800	31,500	109,300
Public Agencies		147,400	17,200	24,900	189,500
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	72,900				72,900
Rent (1085 Ingram & Verizon)	-	7,800	7,800		15,600
Developer Fees - 15%					-
C R & R INVOICES - TO NET FRANCHISE FEE				(444,600)	(444,600)
Total Revenues	434,200	1,446,300	1,219,000	47,400	3,146,900

HEBER PUBLIC UTILITY DISTRICT 2014-2015 SALARIES

Number of Positions	POSITION / TITLE	POSITION SALARY
1	General Manager	86,330
1	Finance Manager	67,064
1	Office Manager	65,381
1	Chief Operator	66,245
1	Bookkeeper	40,419
1	Senior Account Clerk	40,419
1	Parks Maintenance (Step 2)	41,051
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1	Lead Operator W	57,417
1	Operator In Training (Step2)	49,584
1	OIT - Water-Distribution (Step 1)	47,233
1	OIT - Water-Distribution (Step 2)*	49,584
1	Lead Operator WW	56,286
1	Operator - Wastewater TP	52,068
	Overtime	38,009
	Week-end duty /Call Back	16,886
5	Elected Board Members at \$4,800 each	24,000

RESOLUTION NO. 2014-06

**A RESOLUTION OF THE HEBER PUBLIC
UTILITY DISTRICT ADOPTING A BUDGET
FOR FISCAL YEAR 2014-15**

WHEREAS, the General Manager has submitted the 2014-15 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 2014-15 Budget is effective on July 1, 2014 and is based upon extensive public comment and direction of the Board of Directors received at regularly scheduled meetings of the Board of Directors and at scheduled budget workshops; and

WHEREAS, in said fiscal year beginning July 1, 2014, there is hereby appropriated out of the Treasury of the Heber Public Utility for municipal purposes and for allowances to be used by the various departments and activities of said District for the fiscal year 2014-15, the sum of \$2,942,500 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:

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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 2014-2015 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 2014-2015 Budget of \$2,942,500 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 2015 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 19th day of June 2014.

Margarita K. Lizarraga, Board President

ATTEST:

Rafaela M. Sanchez, Clerk of the Board

APPROVE AS TO FORM:

Steven M. Walker, General Counsel

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

I, RAFAELA M. SANCHEZ, 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 19th day of June 2014.

By _____
Rafaela M. Sanchez, Clerk of the Board