Grizzly Flats Community Services District
2015/2016 Budget

APPROVED BY THE BOARD OF DIRECTORS
July 10, 2015

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Grizzly Flats Community Services District

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July 10, 2015

2015/2016 Operation and Maintenance (O&M) Budget Summary

The following is the budget for the 2015/2016 fiscal year. One thing to remember as you review the following information is that a budget is the District's best guess of its income and expenses for the coming year. It is impossible to forecast the future and know every situation that we will encounter in the coming year, so the actual income and expenses are always different from the budget. On average, we usually spend 85% - 90% of the adopted budget. If you have questions about the budget or how any of the items were calculated, please feel free to discuss these items with us. Summaries are included with the budget to explain some items and provide a historical document for future management.

O&M INCOME

(1) Water User Fees:

The current basic water rate is $60.37 and includes an allotment of up to 300 gallons per day per customer. If use is higher than that, a tiered rate structure is used. Each parcel with a meter installed pays this basic rate, unless the property is liened due to non-payment. Our water rates have not increased since January 2011. We plan on doing a "Cost of Services Study" this year (see CIP budget). That study will evaluate our current rate structure and help us develop one with less tiers and where customers pay a fixed rate and a commodity charge based on the amount of water they use. We expect to go through the Prop 218 process with our customers during the coming fiscal year and implement the new rate schedule in July 2016.

Date	Basic Water Rate
January 2009	46.67
January 2010	56.95
January 2011	60.37

When calculating Water User Fees, we use the average number of customers from the previous year and multiply that by the current basic rate. Last year, our average was 580 "active" customers. This year, our average will be 585. Customers who pay over the basic rate due to leaks or usage higher than the 300 gallons per day are not accounted for in the budget. We then add in our customers who pay a commercial rate such as the Forest Service Station and Pioneer Union School District.

Account	2011/2012 (actual)	2012/2013 (actual)	2013/2014 (actual)	2014/2015 (estimated)	2015/2016 (budget)
Water User Fees	420,843	423,000	423,657	427,105	427,000

(2) Penalties & Lien Fees:

This category includes late fees (1st and 2nd tier), 48 hour shut off notifications, service termination fees, reconnection fees, lien fees and monthly interest on liens. When budgeting, it's common practice to not include penalties in the budget. This is not income that is stable or relied upon. These are reported on the District's monthly financial reports as it is billed to customers. The amount has been decreasing in the last few years for two reasons: (1) we are seeing fewer foreclosures in the area, and (2) In 2012 we re-calculated our penalties and late fees to better reflect the District's actual costs to process them. We expect to maintain a similar level of collection in the coming year.

Account	2011/2012 (actual)	2012/2013 (actual)	2013/2014 (actual)	2014/2015 (estimated)	2015/2016 (budget)
Penalties & Lien Fees	23,750	19,050	17,869	17,000	0

(3) Other Income

a. Miscellaneous Income -This category includes raw water sales, office services (notary, copy, and fax), and various reimbursements. We usually collect about $2,000 per year. This year, we will have some cost sharing from the El Dorado County Water Agency that will add about $1,700 to our expected revenue. They have approved our Small System Annual Maintenance fee ($3,450) for 50% cost sharing this year.

b. O&M Pooled Interest Income - Local Agency Investment Fund (LAIF) is where the bulk of our funds are deposited. We earn about $650 per year on the O&M funds.

c. New Meter Installation Fee - This fee is paid by customers when they install a new meter. We budget for one new meter per year.

d. Grizzly Pond T-shirts – The District sells Grizzly Pond T-shirts. We purchase them throughout the year and sell them to recoup our costs. The shirts became popular a few years ago and are often requested by our community.

Account	2011/2012 (actual)	2012/2013 (actual)	2013/2014 (actual)	2014/2015 (estimated)	2015/2016 (budget)
Miscellaneous Income	2,183.83	1,928.20	1,630.47	2,000	3,700
O&M Pooled Interest	501.95	643.19	680.79	650	650
New Meter Installation Fee	0	0	793.50	793.50	794
Grizzly Pond T-shirts	0	0	671	150	500

O&M EXPENSES

(1) Personnel Costs:

a. Salaries

The District employs five full time employees who are all eligible for benefits. In comparing previous years, keep in mind that in 2011/2012, a majority of our staff time was spent on the Water System Improvement Project (WSIP) and billed against that project. In 2014/2015 and 2013/2014 a majority of our personnel time was spent on Operations and Maintenance (O&M). To calculate salaries, employee's

current hourly wage is multiplied by the number of hours they are expected to work during the year. Holiday and CIP are subtracted from the total since they are budgeted for separately.

Account	2011/2012 (actual)	2012/2013 (actual)	2013/2014 (actual)	2014/2015 (estimated)	2014/2015 (budget)	2015/2016 (budget)
Field Staff	114,852	123,139	140,049	137,630	150,670	153,980
Admin Staff	47,916	69,097	67,909	69,000	71,865	80,000
Overtime	3,397	2,157	1,371	1,000	3,000	3,000
On Call Pay	12,034	13,029	12,514	12,480	12,480	12,480
Holiday Pay	8,753	7,790	8,591	9,300	9,300	9,760
Total Wages	**186,952**	**215,212**	**230,434**	**229,410**	**247,315**	**259,220**

This year's budget includes increase to the Office Facilitator's hours to 35-40 hours per week as needed. The Office Facilitator currently works 30-35 hours per week, but the current administrative work load is increasing and additional staff time is needed.

i. **COLA -** GFCSD policy states *"Cost of Living salary adjustments (COLA), when and if provided by the Board of Directors, shall be applied at exactly the same percentage rate to each position and classification in the salary and wage schedule. The percentage rate shall be equivalent to the percentage increase in the Consumer Price Index for U.S. All cities, Urban Wage Earners and Clerical Workers from the previous May of each year, by not less than one (1%) percent and not more than four (4%) percent."* The CPI doesn't indicate a COLA increase this year.

Year	Jan	Feb	Mar	Apr	May	Jun	Jul
2014	233.916	234.781	236.293	237.072	237.900	238.343	238.250
2015	233.707	234.722	236.119	236.599			
	-0.209	**-0.059**	**-0.174**	**-0.473**			

ii. **Merit Increases –** GFCSD employees have annual evaluations conducted on their hire date. At the time of that evaluation, the General Manager determines if that employee has earned a wage increase based on their job performance, pay scale and budget considerations. There is a 2% pillow included in the wage calculations to account for any merit increases awarded.

b. Workers Compensation

Over the past few years, we've seen an increase in our Workers Compensation budget. This increase is due to an incident in 2010 where an employee passed away on duty due to natural causes (not a work place accident). That incident dropped off our report this year which resulted in a decrease of more than $6,000 to this account.

Account	2011/2012 (actual)	2012/2013 (actual)	2013/2014 (actual)	2014/2015 (estimated)	2015/2016 (budget)
Workers Compensation	7,027	9,429	11,794	17,315	11,000

c. Benefits

We budget for all eligible employees, but not all employees participate in all benefits so actual spending is always less. For our Health Reimbursement Account (HRA), employees are provided $600 per month that can accrue up to two years ($14,400). The contribution is at the same level it was in 2006. The

average employee reimbursement request in the 2014/2015 fiscal year was $598 per employee, per month. Health expenses are expected to increase, which is why an increase is being recommended.

February 2005	$500	
February 2006	$600	
July 2007	$800	*increase for 3 employees, 1 part-time employee was kept at $600*
July 2009	$600	*reduced due to budget concerns*

The Budget and Finance Committee is recommending two changes to the Employee's Health Benefit Account (HRA):

- Extend the 2 year accrual limit to 3 years ($14,400 to $21,600) – no fiscal impact to the District's budget. This will allow employees to accrue more of their unused HRA benefit to use in times of catastrophic events or to cover large out-of-pocket medical expenses.

- Increase the monthly HRA benefit to $650 per employee, per month. This will increase the HRA budget by $3,000.

Account	2011/2012 (actual)	2012/2013 (actual)	2013/2014 (actual)	2014/2015 (estimated)	2014/2015 (budget)	2015/2016 (budget)
Deferred Comp *(GFCSD's contribution)*	3,540	2,543	2,657	2,375	6,000	6,000
HRA *(Medical)*	29,198	24,760	30,233	30,000	36,000	39,000
Life Insurance	299	125	287	234	234	234

(2) Operations & Administrative Expenses:

The District staff works to keep expenses as low as possible while still producing top quality water that meets or exceeds all State Standards. The proposed budget is $4,150 less than last year's budget. Our energy costs are lower due to retrofit projects our staff has completed in the last year. Our testing expenses are lower due to waivers we have applied for and received from the state and we decreased the budget on some items based on prior year spending.

Account	2011/2012 (actual)	2012/2013 (actual)	2013/2014 (actual)	2014/2015 (estimated)	2014/2015 (budget)	2015/2016 (budget)
60000 – Operations & Utilities	21,203	21,419	20,247	17,717	22,700	20,200
61000 – Water Treatment	11,386	10,103	9,031	8,300	10,500	9,500
62000 – Maintenance Expenses	10,193	21,459	15,137	19,575	28,300	27,100
63000 – Vehicle Maintenance	1,803	5,939	6,036	4,850	7,250	7,800
Total Operations	**44,585**	**58,920**	**50,451**	**50,442**	**68,750**	**64,600**

Our Administrative expenses will see an increase of $1,176. That is due to the election that is scheduled for this year (November 2015) and an anticipated increase in membership dues. We will be joining American Water Works Association (AWWA) which would provide training and knowledge to our water

system operators. That membership will be $413 per year. We also plan to add an E-billing option to our billing software. This will allow customers the option of getting their monthly water statements by email. CUSI will charge a one-time fee of $1,000 (software) for setup. We reduced our budget for office supplies and postage by this same amount. We would need 115 customers to sign up for this feature to break even on the cost vs. savings for this option. Due to customer feedback, we believe this is very likely to happen.

Administrative Expenses

Account	2011/2012 (actual)	2012/2013 (actual)	2013/2014 (actual)	2014/2015 (estimated)	2014/2015 (budget)	2015/2016 (budget)
64000 – Employee Exp.	1,772	3,985	1,086	1,350	2,500	2,500
65000 – Administration	17,705	20,357	22,390	21,247	23,100	25,650
66000 – Professional Serv.	24,350	21,623	18,145	19,845	22,825	21,451
Total Administrative	**43,827**	**45,965**	**41,621**	**42,442**	**48,425**	**49,601**

(3) O&M BUDGET SUMMARY

We are anticipating a small increase in income due to more active customers and some new cost sharing from the El Dorado County Water Agency. Our personnel budget will increase by $11,795 compared to last year's budget. Our Operations budget is expected to decrease by $2,974. Overall our budget's total net income (income minus expenses) will be $3,021 more than last year. As our budget climbs more and more into the red each year, it is important that we do the Cost of Services Study (see CIP budget). Our water rates must be sufficient to cover our expenses.

Account	2011/2012 (actual)	2012/2013 (actual)	2013/2014 (actual)	2014/2015 (estimated)	2014/2015 (budget)	2015/2016 (budget)
Total Income	**447,278**	**444,621**	**445,302**	**447,778**	**426,844**	**432,644**
Personnel	245,837	272,452	297,794	299,309	325,409	337,204
Operations	88,413	104,884	92,073	92,884	117,175	114,201
Total Expenses	**334,250**	**377,336**	**389,867**	**392,193**	**442,584**	**451,405**
Net Income (Income – Expenses)	**113,029**	**67,285**	**55,435**	**55,585**	**(15,740)**	**(18,761)**

(4) O&M RESERVE ACCOUNTS

a. We rely on the net income to fund our reserve accounts. Operating a 40+ year old system, we must have sufficient reserves for emergencies and monthly water rates must cover the District's expenses. As stated previously, the budget doesn't include income from late fees, shut offs and liens which will help cover the net loss that is projected in this budget, but that leaves less for our reserve accounts. We are close to our target O&M Emergency Reserve balances as of May 29, 2015, but these figures are not the final year end numbers and are subject to change. The figures will be finalized when our annual audit is performed in August or September.

Balances as of June 30, 2015 (NOT FINAL YEAR END)		
11000 · LAIF Investments		*Target Balances for Reserve Accts.*
11100 · O&M Funds		
11110 · O & M Reserve Acct	80,000.00	*$80,000*
11120 · Asset Management	46,824.97	*$1,800 / month*
11130 · Emergency Reserve	151,042.32	*$150,000*
Total 11100 · O&M Funds	**277,867.29**	

b. The Board will also be asked to create a new reserve account this year; the "Hydrant Repair and Replacement Account". It would be similar to our existing Asset Management Account, but the funds would be designated for hydrant replacements and larger repairs. The life span for a hydrant can be 60-100 years. Our oldest hydrants are 40 - 50 years old. All of our hydrants are currently functional, but replacements will need to happen in the next 5 - 20 years and planning for that now will avoid a large budget expense to our customers in the future.

Hydrant Inventory		
Model Year	**# of hydrants**	**Age**
1965	3	50
1966	13	49
1967	24	48
1968	19	47
1969	7	46
1970	23	45
1971	11	44
1972	20	43
1973	1	42
1974	1	41
1976	3	39
1979	19	36
2011	6	4
	150	

There are many ways to start funding this reserve account. The Hydrant committee reviewing the hydrants reviewed several different options based on replacing hydrants by age or by increments of 3 or 5 hydrants per year. The Budget Committee recommends setting aside $1,000 per month this year to get the account started and reevaluate this during next year's budget sessions.

Grizzly Flats Community Services District

Operation & Maintenance (O&M) Proposed Budget - Detail

July 1, 2015 to June 30, 2016

FINAL

Acct#	Account Name	2015/2016 Proposed Budget	% of total budget	Notes:
40000- O&M INCOME				
40100	Water User Fees	$ 427,000	98.7%	*585 customers (up from 580 last yr) + commercial rates*
40200	Penalties & Lien Fees	$ -	0.0%	*Not included in income calculation for budgeting purposes*
40300	Miscellaneous Income	$ 3,700	0.9%	*Raw water, fax, copy & notary services, SDRMA & EDCWA*
40400	O&M Pooled Interest	$ 650	0.2%	*based on previous year's interest earnings*
40500	New Meter Installation Fee	$ 794	0.2%	*based on one meter*
40700	Grizzly Pond Tshirts	$ 500	0.1%	
	Total O&M Income	**$ 432,644**	***100.0%***	
50000- PERSONNEL EXPENSES				
	Salaries			
51100	Field Staff	$ 153,980	34.1%	*25% GM & System Operators*
51200	Admin Staff	$ 80,000	17.7%	*75% GM & Admin Emp, includes an increase in Admin hours*
51300	Overtime	$ 3,000	0.7%	
51400	On Call / Standby Pay	$ 12,480	2.8%	*$240 per week x 52 wks*
51600	Holiday Pay	$ 9,760	2.2%	*5 employees @ 11 holidays*
	subtotal- Salaries	*$ 259,220*	*57.4%*	
	Payroll Taxes & Workers Comp Ins.			
52100	Payroll Tax Expense	$ 18,750	4.2%	*Social Security (6.20%) /Medicare (1.45%) Employer's share*
52200	CA SUI- Employer share	$ 3,000	0.7%	*6.2% of employee's first $7000 & Employment Training Tax*
52300	Workers Comp Ins	$ 11,000	2.4%	*down from $14,860 last year*
	subtotal- Payroll	*$ 32,750*	*7.3%*	
	Benefits			
53100	Deferred Comp Employer's Contribution to 457 plan	$ 6,000	1.3%	*3% / 5 eligible employees/budget for eligibility not actual*
53200	HRA Medical	$ 39,000	8.6%	*($650 x 5 Emp) x 12 months*
53300	Life Insurance	$ 234	0.1%	*5 eligible employees, $20 x 12 months*
	subtotal- Benefits	*$ 45,234*	*10.0%*	
	Total - Personnel Expense	**$ 337,204**	**74.7%**	
60000- OPERATIONS & UTILITIES				
60100	Alarm Service	$ 500	0.1%	*$123 / 4x per year*
60200	Communications	$ 3,600	0.8%	*5 phone lines, internet access, 1 cell phone, & 1 pager, and long distance*
60300	Equipment Rentals	$ 250	0.1%	
60400	Fire & Safety Supplies	$ 1,000	0.2%	**SDRMA refunds up to $1,000 (Loss Prevention Pgrm)*
60500	Fuel Purchases	$ 6,000	1.3%	
60600	Power	$ 6,000	1.3%	*reduced from $7,500, and based on estimated actual for last year*
60700	Propane	$ 2,000	0.4%	*reduced from $3000, based on estimated actual*
60800	Trash Disposal	$ 350	0.08%	*57.61 / 4x per year + possible increase + self haul trips*
60900	Website	$ 500	0.1%	*hosting ($120) & domain name reg ($15) & service*
	subtotal - Operations & Utilities	**$ 20,200**	**4.5%**	
61000- WATER TREATMENT				
61100	Chemicals	$ 2,000	0.4%	
61200	Equip & Supplies	$ 2,000	0.4%	
61300	Testing & Lab Reports	$ 5,500	1.2%	*Less testing, waiver to do TOCs only once per quarter*
	subtotal- Water Treatment	**$ 9,500**	**2.1%**	
62000- MAINTENANCE EXPENSES				
62100	Building	$ 2,000	0.4%	
62200	Customer meters	$ 1,000	0.2%	
62300	Distribution System	$ 3,000	0.7%	*includes paint for hydrants*
62400	Grounds	$ 1,500	0.3%	
62450	Eagle Ditch & Gages	$ 8,000	1.8%	*Monthly gage monitoring (ECORP), maint on ditch*
62500	Office Equipment	$ 500	0.1%	

Acct#	Account Name	2015/2016 Proposed Budget	% of total budget	Comments
62000- MAINTENANCE EXPENSES (continued)				
62600	Parts & Equipment	$ 1,500	0.3%	*includes $355 for ratcheting hydrant wrench*
62700	Road Repair	$ 5,000	1.1%	
62800	Service Contracts	$ 2,600	0.6%	*$895 for CUSI, $950 for Inland, $700 for Computer Guy*
62900	Treatment Plants 1 & 2	$ 2,000	0.4%	
	subtotal- Maintenance Expenses	**$ 27,100**	**6.0%**	
63000- VEHICLE & TRACTOR				
63100	Oil / Grease	$ 300	0.1%	*oil changes in-house x 3 vehicles*
63200	Parts & Repairs	$ 3,000	0.7%	
63300	Tires & Snow Chains	$ 2,000	0.4%	*Backhoe tires (quote for $1940.49) other trucks don't need tires this year*
63400	Tractor Maint & Repairs	$ 2,500	0.6%	
	subtotal- Vehicle Expenses	**$ 7,800**	**1.7%**	
64000- EMPLOYEE EXPENSES				
64100	Clothing	$ 750	0.2%	*boot allowance, t-shirts, meter reading shirts, rain gear, gloves*
64200	Education & Certifications	$ 1,000	0.2%	*Licenses, classes, certifications & MCWRA events*
64300	Employee Auto Mileage	$ 250	0.1%	
64400	Transportation & Travel	$ 500	0.1%	
	subtotal- Employee Expenses	**$ 2,500**	**0.6%**	
65000- ADMINISTRATION EXPENSES				
65100	Agency Admin Fees	$ 6,000	1.3%	*FS ($60), State ($3900), County ($575), Parcel Quest, misc.*
65150	Bank Fees & Supplies	$ 4,000	0.9%	*monthly bank fees, checks (vendor & payroll) & supplies*
65175	Conservation	$ 500	0.1%	
65200	Election Costs	$ 1,000	0.2%	*Election this year - 3 positions*
65250	Janitorial & Misc. Supplies	$ 750	0.2%	*cleaning supplies, batteries, paper towels, toilet paper, etc.*
65300	Meeting Expenses	$ 1,000	0.2%	*lunches, copies, special printing for agenda items*
65350	Memberships & Dues	$ 3,400	0.8%	*USA ($150), CSDA ($1296), CRWA ($499), Mt Counties ($1000), AWWA ($413)*
65400	Office Supplies	$ 3,000	0.7%	*paper, envelopes, binders, toner, pens/pencils, misc. supplies*
65450	Postage	$ 4,000	0.9%	*billing plus misc. certified & special mailings*
65500	Public & Legal Notices	$ 200	0.0%	*ads in newspapers*
65550	Software	$ 1,800	0.4%	*Intuit Payroll Service ($479/yr.), CUSI moduel for emailing bills (one time $1000)*
	subtotal- Admin Expenses	**$ 25,650**	**5.7%**	
66000- PROFESSIONAL SERVICES				
66100	Audit & Accounting Support	$ 6,600	1.5%	*Audit- $6,200, Darlene $370* 1 visit*
66200	Legal	$ 3,000	0.7%	
66300	Liability / Auto Insurance	$ 11,051	2.4%	*no rate increases, contribution down $1,224*
66900	Other	$ 800	0.2%	*ECORP - water rights reporting*
	subtotal- Professional Services	**$ 21,451**	**4.8%**	

Budget Summary	
2015/2016 Proposed Budget	
Total O&M Income	**$ 432,644**
Total Personnel Expenses	*$ 337,204*
Total Operation Expenses	*$ 114,201*
Total O&M Expenses	**$ 451,405**
Net (Income-Expenses)	**$ (18,761)**

**Any net income is used to replenish the District's reserve accounts. Any net loss (numbers in red) are covered by the reserve accounts. Reserve account balances are found on the Balance Sheet, part of the monthly financial reports provided at each Board meeting.*

Grizzly Flats Community Services District

Operation & Maintenance Budget - Prior Year Comparison

FINAL - APPROVED JULY 10, 2015

Acct#	Account Name	2011/2012 Actual	2012/2013 Actual	2013/2014 Actual	Last Fiscal Year's Budget vs. Actual: Estimated 2014/2015 Spending	2014/2015 Budget	$ Left in Budget	% of budget spent	APPROVED Budget: 2015/2016 Proposed Budget	% of total budget	Difference in Budgets (15/16-14/15)
40000- O&M INCOME							*than what was budgeted.*		**based on 585 customers/month*		
40100	Water User Fees	$ 420,842.75	$ 423,000.58	$ 423,657.24	$ 426,565.00	$ 423,500.00	(3,065.00)	100.7%	$ 427,000	98.7%	$ 3,500
40200	Penalties & Lien Fees	$ 23,750.28	$ 19,049.32	$ 17,869.06	$ 16,140.00	$ -	(16,140.00)	N/A	$ -	0.0%	$ -
40300	Miscellaneous Income	$ 2,183.83	$ 1,928.20	$ 1,630.47	$ 2,840.00	$ 2,000.00	(840.00)	142.0%	$ 3,700	0.9%	$ 1,700
40400	O&M Pooled Interest	$ 501.95	$ 643.19	$ 680.79	$ 513.00	$ 550.00	37.00	93.3%	$ 650	0.2%	$ 100
40500	New Meter Install Fee	$ -	$ -	$ 793.50	$ 793.50	$ 794.00	0.50	99.9%	$ 794	0.2%	$ -
40700	Grizzly Pond Tshirts			$ 671.00	$ 192.00				$ 500	0.1%	
	Total- O&M Income	**$ 447,278.81**	**$ 444,621.29**	**$ 445,302.06**	**$ 447,043.50**	**$ 426,844.00**	**(20,199.50)**	**104.7%**	**$ 432,644**	**100.0%**	**$ 5,800**
50000- PERSONNEL EXPENSES											
Salaries		*WSIP Project took a lot of staff time (CIP Payroll)*									
51100	Field Staff	$ 114,852.35	$ 123,138.98	$ 140,048.90	$ 133,860.00	$ 150,670.00	16,810.00	88.8%	$ 153,980	34.1%	$ 3,310
51200	Admin Staff	$ 47,916.50	$ 69,096.59	$ 67,908.74	$ 65,895.00	$ 71,865.00	5,970.00	91.7%	$ 80,000	17.7%	$ 8,135
51300	Overtime	$ 3,396.55	$ 2,157.48	$ 1,371.43	$ 700.00	$ 3,000.00	2,300.00	23.3%	$ 3,000	0.7%	$ -
51400	On Call / Standby Pay	$ 12,034.29	$ 13,028.57	$ 12,514.29	$ 11,897.00	$ 12,480.00	583.00	95.3%	$ 12,480	2.8%	$ -
51600	Holiday Pay	$ 8,753.12	$ 7,790.20	$ 8,590.64	$ 9,353.00	$ 9,300.00	(53.00)	100.6%	$ 9,760	2.2%	$ 460
	subtotal- Salaries	*$ 186,952.81*	*$ 215,211.82*	*$ 230,434.00*	*$ 221,705.00*	*$ 247,315.00*	*25,610.00*	*89.6%*	*$ 259,220*	*57.4%*	*$ 11,905*
Payroll Taxes & Workers Comp											
52100	Payroll Tax Expense	$ 16,650.01	$ 17,996.25	$ 19,999.99	$ 16,972.00	$ 18,000.00	1,028.00	94.3%	$ 18,750	4.2%	$ 750
52200	CA SUI- Employer share	$ 2,170.00	$ 2,386.35	$ 2,388.96	$ 1,820.00	$ 3,000.00	1,180.00	60.7%	$ 3,000	0.7%	$ -
52300	Workers Comp Ins	$ 7,026.92	$ 9,429.24	$ 11,794.32	$ 17,315.00	$ 14,860.00	(2,455.00)	116.5%	$ 11,000	2.4%	$ (3,860)
	subtotal- Payroll	*$ 25,846.93*	*$ 29,811.84*	*$ 34,183.27*	*$ 36,107.00*	*$ 35,860.00*	*(247.00)*	*100.7%*	*$ 32,750*	*7.3%*	*$ (3,110)*
Benefits											
53100	Deferred Comp- Employer's Contribution	$ 3,540.32	$ 2,543.47	$ 2,657.24	$ 2,448.00	$ 6,000.00	3,552.00	40.8%	$ 6,000	1.3%	$ -
53200	HRA Medical	$ 29,197.92	$ 24,760.22	$ 30,232.91	$ 29,633.00	$ 36,000.00	6,367.00	82.3%	$ 39,000	8.6%	$ 3,000
53300	Life Insurance	$ 298.68	$ 124.77	$ 286.80	$ 234.00	$ 234.00	0.00	100.0%	$ 234	0.1%	$ -
	subtotal- Benefits	*$ 33,036.92*	*$ 27,428.46*	*$ 33,176.95*	*$ 32,315.00*	*$ 42,234.00*	*9,919.00*	*76.5%*	*$ 45,234*	*10.0%*	*$ 3,000*
	Total - Personnel Expense	**$ 245,836.66**	**$ 272,452.12**	**$ 297,794.22**	**$ 290,127.00**	**$ 325,409.00**	**35,282.00**	**89.2%**	**$ 337,204**	**74.7%**	**$ 11,795**
60000- OPERATIONS & UTILITIES											
60100	Alarm Service	$ 480.00	$ 612.00	$ 369.00	$ 492.00	$ 600.00	108.00	82.0%	$ 500	0.1%	$ (100)
60200	Communications	$ 3,205.79	$ 3,800.89	$ 4,035.11	$ 3,445.00	$ 3,500.00	55.00	98.4%	$ 3,600	0.8%	$ 100
60300	Equipment Rentals	$ -	$ -	$ -	$ -	$ 250.00	250.00	0.0%	$ 250	0.1%	$ -
60400	Fire & Safety Supplies	$ 113.45	$ 344.80	$ 980.60	$ 1,148.00	$ 1,000.00	(148.00)	114.8%	$ 1,000	0.2%	$ -
60500	Fuel Purchases	$ 7,534.06	$ 5,849.41	$ 6,081.83	$ 5,110.00	$ 6,000.00	890.00	85.2%	$ 6,000	1.8%	$ -
60600	Power	$ 6,055.54	$ 7,256.41	$ 6,358.72	$ 5,140.00	$ 7,500.00	2,360.00	68.5%	$ 6,000	1.3%	$ (1,500)
60700	Propane	$ 2,666.59	$ 2,397.66	$ 2,060.12	$ 1,073.00	$ 3,000.00	1,927.00	35.8%	$ 2,000	0.4%	$ (1,000)
60800	Trash Disposal	$ 217.20	$ 221.10	$ 226.84	$ 413.00	$ 350.00	(63.00)	118.0%	$ 350	0.1%	$ -
60900	Website	$ 930.32	$ 936.67	$ 135.00	$ 135.00	$ 500.00	365.00	27.0%	$ 500	0.1%	$ -
	subtotal - Operations & Utilities	**$ 21,202.95**	**$ 21,418.94**	**$ 20,247.22**	**$ 16,956.00**	**$ 22,700.00**	**5,744.00**	**74.7%**	**$ 20,200**	**4.5%**	**$ (2,500)**

Acct#	Account Name	2011/2012 Actual	2012/2013 Actual	2013/2014 Actual	Estimated 2014/2015 Spending	*2014/2015 Budget*	$ Left in Budget	% of budget spent	2015/2016 Proposed Budget	% of total budget	Difference (15/16-14/15)
61000- WATER TREATMENT											
61100	Chemicals	$ 2,774.84	$ 2,904.55	$ 1,483.22	$ 1,270.00	$ 2,000.00	730.00	63.5%	$ 2,000	0.4%	$ -
61200	Equip & Supplies	$ 2,175.27	$ 994.95	$ 1,053.24	$ 1,300.00	$ 2,500.00	1,200.00	52.0%	$ 2,000	0.4%	$ (500)
61300	Testing & Lab Reports	$ 6,436.00	$ 6,203.00	$ 6,495.00	$ 4,990.00	$ 6,000.00	1,010.00	83.2%	$ 5,500	1.2%	$ (500)
	subtotal- Water Treatment	**$ 11,386.11**	**$ 10,102.50**	**$ 9,031.46**	**$ 7,560.00**	**$ 10,500.00**	**2,940.00**	**72.0%**	**$ 9,500**	**2.1%**	**$ (1,000)**
62000- MAINTENANCE EXPENSES											
62100	Building	$ 587.13	$ 1,436.90	$ 1,111.64	$ 757.00	$ 2,500.00	1,743.00	30.3%	$ 2,000	0.4%	$ (500)
62200	Customer meters	$ 661.51	$ 92.43	$ -	$ -	$ 1,000.00	1,000.00	0.0%	$ 1,000	0.2%	$ -
62300	Distribution System	$ 1,603.23	$ 4,632.44	$ 1,257.54	$ 2,200.00	$ 3,000.00	800.00	73.3%	$ 3,000	0.7%	$ -
62400	Grounds	$ 41.67	$ 1,286.49	$ 1,324.31	$ 685.00	$ 2,000.00	1,315.00	34.3%	$ 1,500	0.3%	$ (500)
62450	Eagle Ditch & Gages	$ -	$ 4,000.22	$ 834.76	$ 8,246.00	$ 7,500.00	(746.00)	109.9%	$ 8,000	1.8%	$ 500
62500	Office Equipment	$ 443.38	$ 1,875.76	$ 349.74	$ 497.00	$ 500.00	3.00	99.4%	$ 500	0.1%	$ -
62600	Parts & Equipment	$ 803.28	$ 1,261.92	$ 1,558.39	$ 1,572.00	$ 1,500.00	(72.00)	104.8%	$ 1,500	0.3%	$ -
62700	Road Repair	$ 2,770.84	$ 3,297.68	$ 4,112.40	$ 1,464.00	$ 6,000.00	4,536.00	24.4%	$ 5,000	1.1%	$ (1,000)
62800	Service Contract	$ 2,213.79	$ 2,292.40	$ 2,137.32	$ 2,471.00	$ 2,300.00	(171.00)	107.4%	$ 2,600	0.6%	$ 300
62900	Treatment Plants	$ 1,068.18	$ 1,282.97	$ 2,450.39	$ 676.00	$ 2,000.00	1,324.00	33.8%	$ 2,000	0.4%	$ -
	subtotal- Maintenance Expenses	**$ 10,193.01**	**$ 21,459.21**	**$ 15,136.49**	**$ 18,568.00**	**$ 28,300.00**	**9,732.00**	**65.6%**	**$ 27,100**	**6.0%**	**$ (1,200)**
63000- VEHICLE EXPENSES											
63100	Oil / Grease	$ 278.70	$ 215.13	$ 268.25	$ 237.00	$ 250.00	13.00	94.8%	$ 300	0.1%	$ 50
63200	Parts & Repairs	$ 1,025.72	$ 2,344.20	$ 4,334.77	$ 2,451.00	$ 3,000.00	549.00	81.7%	$ 3,000	0.7%	$ -
63300	Tires & Snow Chains	$ 498.56	$ 736.77	$ 1,406.68	$ 935.00	$ 1,500.00	565.00	62.3%	$ 2,000	0.4%	$ 500
63400	Tractor Maint. & Repair		$ 2,642.47	$ 26.73	$ 1,307.00	$ 2,500.00	1,193.00	52.3%	$ 2,500	0.6%	$ -
	subtotal- Vehicle Expenses	**$ 1,802.98**	**$ 5,938.57**	**$ 6,036.43**	**$ 4,930.00**	**$ 7,250.00**	**2,320.00**	**68.0%**	**$ 7,800**	**1.7%**	**$ 550**
64000- EMPLOYEE EXPENSES											
64100	Clothing	$ 461.12	$ 859.54	$ 745.25	$ 391.00	$ 750.00	359.00	52.1%	$ 750	0.2%	$ -
64200	Education & Certifications	$ 648.00	$ 1,824.67	$ 250.00	$ 484.00	$ 1,000.00	516.00	48.4%	$ 1,000	0.2%	$ -
64300	Employee Auto Mileage	$ 612.72	$ 900.81	$ 72.38	$ 140.00	$ 250.00	110.00	56.0%	$ 250	0.1%	$ -
64400	Transportation & Travel	$ 50.50	$ 400.02	$ 18.00	$ 466.00	$ 500.00	34.00	93.2%	$ 500	0.1%	$ -
	subtotal- Employee Expenses	**$ 1,772.34**	**$ 3,985.04**	**$ 1,085.63**	**$ 1,481.00**	**$ 2,500.00**	**1,019.00**	**59.2%**	**$ 2,500**	**0.6%**	**$ -**
65000- ADMINISTRATION											
65100	Agency Admin Fees	$ 5,005.59	$ 5,853.92	$ 5,202.32	$ 5,115.00	$ 5,800.00	685.00	88.2%	$ 6,000	1.3%	$ 200
65150	Bank Fees & Supplies	$ 2,945.12	$ 3,689.99	$ 3,947.35	$ 3,488.00	$ 4,300.00	812.00	81.1%	$ 4,000	0.9%	$ (300)
65175	Conservation	$ 100.21	$ -	$ 168.18	$ -	$ 500.00	500.00	0.0%	$ 500	0.1%	$ -
65200	Election Costs	$ 518.96	$ -	$ 594.96	$ -	$ 50.00	50.00	0.0%	$ 1,000	0.2%	$ 950

Acct#	Account Name	2011/2012 Actual	2012/2013 Actual	2013/2014 Actual	Estimated 2014/2015 Spending	2014/2015 Budget	$ Left in Budget	% of budget spent	2015/2016 Proposed Budget	% of total budget	Difference (15/16-14/15)
65000- ADMIN EXP (Cont.)											
65250	Janitorial & Misc Supplies	$ 620.32	$ 561.38	$ 452.82	$ 480.00	$ 750.00	270.00	64.0%	$ 750	0.2%	$ -
65300	Meeting Expenses	$ 464.02	$ 757.52	$ 484.85	$ 711.00	$ 1,000.00	289.00	71.1%	$ 1,000	0.2%	$ -
65350	Memberships & Dues	$ 1,292.00	$ 2,061.00	$ 3,471.94	$ 1,962.00	$ 2,600.00	638.00	75.5%	$ 3,400	0.8%	$ 800
65400	Office Supplies	$ 2,507.85	$ 2,424.40	$ 2,249.07	$ 2,357.00	$ 3,000.00	643.00	78.6%	$ 3,000	0.7%	$ -
65450	Postage	$ 3,513.20	$ 4,170.67	$ 3,987.88	$ 4,033.00	$ 4,100.00	67.00	98.4%	$ 4,000	0.9%	$ (100)
65500	Public & Legal Notices	$ 75.00	$ 176.90	$ -	$ -	$ 200.00	200.00	0.0%	$ 200	0.0%	$ -
65550	Software	$ 662.72	$ 661.13	$ 836.68	$ 515.00	$ 800.00	285.00	64.4%	$ 1,800	0.4%	$ 1,000
65700	Grizzly Pond Shirt Orders			$ 994.37	$ 732.00	$ -	(732.00)	N/A			
	subtotal- Admin Expenses	**$ 17,704.99**	**$ 20,356.91**	**$ 22,390.42**	**$ 19,393.00**	**$ 23,100.00**	**3,707.00**	**84.0%**	**$ 25,650**	**5.7%**	**$ 2,550**
66000- PROFESSIONAL SERVICES											
66100	Audit & Accounting Support	$ 6,170.00	$ 6,660.00	$ 6,570.00	$ 6,770.00	$ 6,800.00	30.00	99.6%	$ 6,600	1.5%	$ (200)
66200	Legal	$ 5,083.90	$ 2,309.76	$ 807.85	$ 2,035.00	$ 3,000.00	965.00	67.8%	$ 3,000	0.7%	$ -
66300	Liability / Auto Insurance	$ 11,823.43	$ 11,967.85	$ 10,767.20	$ 12,650.00	$ 12,275.00	(375.00)	103.1%	$ 11,051	2.4%	$ (1,224)
66900	Other	$ 1,273.14	$ 685.35	$ -	$ 800.00	$ 750.00	(50.00)	106.7%	$ 800	0.2%	$ 50
	subtotal- Professional Services	**$ 24,350.47**	**$ 21,622.96**	**$ 18,145.05**	**$ 22,255.00**	**$ 22,825.00**	**570.00**	**97.5%**	**$ 21,451**	**4.8%**	**$ (1,374)**

Budget Summary

	2011/2012 Actual	2012/2013 Actual	2013/2014 Actual	2014/2015 Estimated	2014/2015 Budget	$ Left in Budget	% of budget spent	2015/2016 Proposed Budget	Difference (2015/16 - 2014/15)
Total Income	**447,278.81**	**444,621.29**	**445,302.06**	**447,043.50**	**426,844.00**	**(20,199.50)**	**104.7%**	**432,644.00**	5,800
Total Personnel Costs	*245,836.66*	*272,452.12*	*297,794.22*	*290,127.00*	*325,409.00*	*35,282.00*	*89.2%*	*337,204.00*	*11,795.00*
Total Operation Costs	*88,412.85*	*104,884.13*	*92,072.70*	*91,143.00*	*117,175.00*	*26,032.00*	*77.8%*	*114,201.00*	*(2,974.00)*
Total Expenses (Operating & Personnel)	**334,249.51**	**377,336.25**	**389,866.92**	**381,270.00**	**442,584.00**	**61,314.00**	**86.1%**	**451,405.00**	**8,821.00**
Net Income (Loss) (Income-Expenses)	**113,029.30**	**67,285.04**	**55,435.14**	**65,773.50**	**(15,740.00)**	**50,033.50**	**N/A**	**(18,761.00)**	**(3,021.00)**

Income is used to replenish reserve accounts - See Balance Sheet for Reserve Account balances

Green figures reflect more income than expected was collected.

Grizzly Flats Community Services District

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July 10, 2015

Asset Management Summary

The Asset Management Account was created by the Board of Directors in 2010. The account is meant to help stabilize the O&M budget by keeping a reserve account designated for the replacement of O&M equipment. Currently, we transfer $1,800 into the account each month. The funds are held in our Local Agency Investment Fund (LAIF) and the account balance can be found on the Balance Sheet (account #11120).

During the 2014/2015 fiscal year, we spent $15,419 on rebuilding outbuildings at Winding Way, Tyler and Forest View tank sites, Plant 1 Rehab Phase 2, a chemical pump, and sealcoating the driveway. We estimate the account to have the following balances for next fiscal year:

2015 Est. Beginning Balance (July)		**46,825**
2015/2016 Contributions	+	21,600
2015/2016 Est. Spending	-	16,100
2016 Est. Ending Balance (June)		**52,325**

Projects planned for the 2015/16 Fiscal Year (from the 5 Year Plan) are:

Phase 3 - Plant 1 Rehab Filter Basin	**$5,600**
Continuation of the Plant 1 Rehab Project. Phase 3 will include replacing the tube settlers, and cleaning, repairing and applying epoxy (for corrosion control) in the sedimentation basin.	

Tank Cleaning & Inspection – Clearwell	**$1,000**
The Clearwell tank will be cleaned and inspected by divers. The tank was last cleaned in 2011 as part of the WSIP. Cleaning was recommended for this year when the corrosion inspection was done.	

Replace carpet in Office/Boardroom	**$3,500**
We received a bid for commercial carpet with glue-down insulation and replacement of the 4" rubber/vinyl base. Prices varied depending on the quality of carpet selected. $1,991 for low range, $2,723 for medium range and $3,471 for high range. I budgeted for the high range, but staff will work to keep costs to a minimum.	

Replacement of Two Turbidimeters	**$6,000**
The turbidity of our treated water is measured using turbidimeters (Hach 1720c and Hach 1720d). These turbidimeters are no longer supported by the Hach Company. Hach stopped selling the 1720c in 1996 and the 1720d in 2002. Our 1720c is over 20 years old and the 1720d is approximately 14 years old. The normal life span of these is 5 – 10 years depending on conditions. Replacement would give us the ability to maintain continued accuracy of our turbidity readings and have devices that can be serviced. We are required to report turbidity levels to the State and need to ensure our readings are accurate.	

Grizzly Flats Community Services District

Five (5) Year Budget Plan - Asset Management Program

FINAL - JULY 10, 2015

ASSET MANAGEMENT Replacement of O&M Equipment	Other Fund Source	2014/15 Actual	2015/16 Budget	2016/17 Budget	2017/18 Budget	2018/19 Budget
Projects completed - 2014/2015						
Rebuild outbuildings buildings:						
Winding Way		$ 3,733				
Tyler		$ 1,752				
Forest View		$ 878				
Phase 2 Plant 1 Rehab/Filter Basin Rehab - replacement of media and inlet valves and recoating of in inner walls (corrosion control).		$ 6,263				
Chemical Pump - standby		$ 1,443				
Air Release Valves (ARVs) for Eagle Ditch - x30	Prop 84 grant	$ -				
Sealcoat Driveway		$ 1,350				
2015/2016 Planned Projects						
Phase 3 Plant 1 Rehab/Sed-basin Rehab - tube settler replacement and basin recoating	EDCWA cost sharing?		$ 5,600			
Clearwell Tank - cleaning and inspection			$ 1,000			
Replace carpet in Office/Boardroom			$ 3,500			
Turbidimeters x2			$ 6,000			
Future Years						
Repainting of District buildings (Office, TP, lower shop & Tyler)			⇨	$ 1,000		
Forest View Tank - cleaning and inspection				$ 1,000		
Winding Way - cleaning and Inspection				$ 1,000		
Tyler Tank - cleaning and inspection				$ 1,000		
20hp pump replacement at Winding Way				$ 6,000		
Recorder & data logger (replace paper recorders)					$ 3,500	
Total - Asset Management		**$ 15,419**	**$ 16,100**	**$ 10,000**	**$ 3,500**	

Beginning Balance AM Acct	***$ 46,825***
2015/16 Contributions (+)	*$ 21,600*
2015/16 Expenses (-)	*$ 16,100*
Est. Ending Balance AM Acct	***$ 52,325***

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Capital Improvement Projects Summary

Income

The Capital Improvement Projects (CIP) account is funded by the Standby charge collected from all parcels within our District boundaries. The Standby Charge has been $48 per year per parcel since 1990.

Other income comes from penalties (on the standby charges), new connection fees, interest and miscellaneous income such as cost sharing from El Dorado County Water Agency. In addition, we expect to receive grant funding from the Department of Water Resources for our 2014 Drought Measures Infrastructure Project.

405000- CIP INCOME			
45100	Standby Charges	58,944	$48 x 1228 parcels
45200	Penalties	-	
45300	New Connection Fees	6,030	One new connection
45500	Misc. Income	7,500	EDCWA Cost sharing
45600	Pooled Interest	1,000	Based on last year's figures
45700	DWR Prop 84 Drought Grant 2014	492,051	Grant awarded October 2014
Total CIP Income		**$565,525**	

Debt Service

A large portion of the Standby charges are designated to pay the District's debt service:

- USDA Loan – used for the Water System Improvement Project (WSIP). The original loan amount was $941,000. The first payment was made on April 2012 (interest only). Payments are made twice per year (April & October) for a total annual payment amount of **$41,186**. The current balance of the loan is $913,500 and the expected payoff date is October 2053.

20000- Debt Service			
20200	USDA- Principal on Loan	14,000	*Paid October 1st*
70300	Interest on Long-Term Debt	27,615	*Paid Oct 1st and April 1st*
Total Debt Service		**41,615**	

CIP Expenses

This year, we are proposing a **Cost of Services Study**. The quote we received was from HDR, Inc. They are a large firm in Folsom, CA that has extensive experience with conducting Cost of Services Studies. El Dorado Irrigation District used them for their study in 2010-2011. The study would evaluate all of the District's charges including the basic water rates, tiered rates, and standby charges. They will use actual customer water usage information to develop a basic, fixed rate and a commodity rate so the District's water charges are in line with its expenses.

70000- CIP Misc. Expenses			
70400	Professional Services	15,000	Cost of Services Study
70510	Payroll- CIP	5,000	Staff time spent on CIP projects
70800	Depreciation	67,606	Amount set by Auditor – depreciation schedule
Total - CIP Misc. Expenses		**87,606**	

CIP Projects (5 Year Plan)

We have one project carrying over from 2014/2015:

New Stairs to the Reservoir	**GFCSD Cost - $10,000**	
The steps to the reservoir are in need of replacement. They have no usable hand rail and the steps are made of railroad ties that are wobbly. We are looking for steel pre-fab stairs to use. We are also considering moving the stairs to the left a few feet to reduce the amount of stairs needed. It is our hope that we can find a suitable set of used steel stairs that will work for this area.		

New projects proposed for 2015/2016 are:

Prop 84 – 2014 Drought Measures Infrastructure Project	**GFCSD Cost - $507,911**	**Grant $492,051**

GFCSD was awarded a grant from Department of Water Resources (DWR) in October 2014. As a disadvantaged community, we were awarded the grant with only a 3% matching fund requirement. As bids came in, actual costs were higher than what was applied for so the difficult decision was made to remove the SCADA system and Water Conservation Program components. The District plans to work with El Dorado County under their Water Conservation Program and has submitted the details on the SCADA project to the El Dorado County Water Agency requesting cost sharing assistance.

	Original Budget	Actual Costs	Difference	Alternative Budget
Project Admin Costs				
GFCSD Staff Costs	$22,114	$22,114	$0	$22,114
CABY Data Mgmt Tasks	$14,331	$14,331	$0	$14,331
TOTAL	**$36,445**	**$36,445**	**$0**	**$36,445**
Planning/Design/Environmental Docs				
Install ARVs	$0	$0	$0	$0
Backwash Tank Replacement	$25,118	$47,780	($22,662)	$47,780
Install Cathodic Protection Systems (3 tanks)	$0	$9,200	($9,200)	$9,200
Replace Water Meters (300)	$0	$0	$0	$0
Install Backbone SCADA System	$15,860	$33,776	($17,916)	$0
Leak Detection & Water Conservation Prg	$86,230	$86,230	$0	$40,000
TOTAL	**$127,208**	**$176,986**	($49,778)	**$96,980**

Construction/Implementation				
Install ARVs	$5,700	$5,700	$0	$6,000
Backwash Tank Replacement	$71,250	$248,275	($177,025)	$248,486
Install Cathodic Protection Systems (3 tanks)	$48,000	$33,711	$14,289	$40,000
Replace Water Meters (300)	$28,501	$28,501	$0	$30,000
Install Backbone SCADA System	$47,500	$24,624	$22,876	$0
Leak Detection Program	$46,990	$46,990	$0	$50,000
Water Conservation Program	$46,080	$46,080	$0	$0
25% Construction Contingency	$50,237	$0	$50,237	$0
TOTAL	**$344,258**	**$433,881**	**($89,623)**	**$374,486**
TOTAL PROJECT AMOUNT	**$507,911**	**$647,312**	**($139,401)**	**$507,911**
TOTAL GRANT AMOUNT	**$492,051**	**$492,051**		**$492,051**
GFCSD Match	**$15,860**	**$15,860**		**$15,860**
SHORTFALL	**$0**	**($139,401)**		**$0**

We also plan to purchase two new equipment items:

Portable Valve Exerciser	GFCSD Cost - $8,600	
Valve Master portable valve exerciser is a trailer mounted valve exerciser. It has adjustable torque control. Standard features include a digital counter, 2" ball hitch coupling, an 8ft telescoping valve key and auxiliary connections for use as hydraulic power source for other tools. Many street valves in GFCSD's distribution system are difficult to turn and require two people. This is time consuming for staff and poses a risk of injury to our employees. A valve exerciser will improve worker safety as well as save up to 38 hours per year of staff time.		

SCADA Installation*	GFCSD Cost - $60,000	
As outlined in the proposal from Brent Stewart, P.E., this would provide for the installation of a backbone SCADA system. A SCADA system would increase system reliability and reduce water loss if the system were to have a main break. Operators would be able to monitor the system from their homes and respond to alarms as needed. This project had to be removed from the 2014 DWR grant solicitation due to cost overruns. Alternative funding is being investigated and once it is in place, we will move forward with this project.		

CIP Reserves

The Capital Improvement Projects (CIP) Reserves Accounts are for system rehabilitation, long-term equipment replacement, system expansion, and equipment/components, as well as "cash on-hand" for expansion and new projects. The District is watching the CIP accounts very carefully. We have not met

our reserve goals for these reserve accounts yet and we are seeing this account have losses due to the large improvement projects we've done the last few years. We also paid off a large loan ($156,460) held by the State of California in October 2013. The Cost of Services Study will help the Board determine if the CIP account needs additional income to support our District's infrastructure.

Balances as of June 30, 2015 (NOT FINAL YEAR END)		
11800 · CIP Funds		*Target Balances for Reserve Accts.*
11210 · CIP Dedicated Reserve	96,158.07	***FY 2015/2016 - $140,000*** *(per Board, increase $35k each year)*
11220 · CIP Restricted Reserve	250,000.00	*$250,000*
Total 11800 · CIP Funds	**346,158.07**	

Depreciation

A number that affects this budget is depreciation. This is a bookkeeping figure that we must include in our expenses. This is the loss of value of our fixed assets as they are listed on our Depreciation Schedule. It is shown as an expense on the District's financial reports. It doesn't affect the District's cash account balances; it is just proper bookkeeping and required by our auditor. The Depreciation Schedule is reviewed by our auditor each year and adjusted accordingly. Our current depreciation schedule calls for an expense of $67,605.96 per year and this expense can be seen on our monthly financial reports (CIP, account # 70800).

CIP Budget Summary

Budget Summary	
2015/2016 Proposed Budget	
Total CIP Income	**$ 565,525**
Total Debt Service	*$ 41,615*
CIP Expenses (including depreciation)	*$ 87,606*
Bldg & Imp & Equipment	*$ 586,411*
Total CIP Expenses	**$715,631.96**
Net (Income-Expenses)	**$(150,106.96)**

Grizzly Flats Community Services District

Capital Improvement Project Budget - Detail

July 1, 2015 to June 30, 2016

FINAL

Acct#	Account Name	2015/2016 Proposed Budget	Notes:
405000- CIP INCOME			
45100	Standby Charges	$ 58,944.00	*1228 parcels/ $48 each*
45200	Penalties	$ -	
45300	New Connection Fees	$ 6,030.00	*Est. one new connection*
45500	Misc. Income	$ 7,500.00	*EDCWA Cost Share (more possible - waiting for approval)*
45600	Pooled Interest	$ 1,000.00	*based on last year's figures*
45700	DWR Prop 84 Drought Grant 2014	$ 492,051.00	*grant awarded Oct 2014*
	Total CIP Income	**$ 565,525.00**	
20000- Debt Service, USDA Loan			
20200	Principal on Loan	$ 14,000.00	
70300	Interest on Long-Term Debt	$ 27,615.00	*3% interest for life of the loan*
	Total Debt Service -	**$ 41,615.00**	
70000- CIP Misc. Expenses			
70400	Professional Services	$ 15,000.00	*Cost of Services Study: Quote was for $14,846, cost share with EDCWA will cover 50% ($7423)*
70510	Payroll- CIP	$ 5,000.00	
70800	Depreciation	$ 67,605.96	
	Total - CIP Misc. Expenses	**$ 87,605.96**	
70600- FIXED ASSETS - BUILDING & IMPROVMENTS			
2015/2016 Projects from 5 Year Plan			
	Stairs to Reservoir	$ 10,000.00	*wasn't completed in 2014/15, investigating alternatives*
	subtotal - 2015/2016	**$ 10,000.00**	
Prop 84 - 2014 Drought Measures Infastructure Project			
	Backwash Tank Replacement	$ 296,266.00	*engineering/bid assistance, tank construction, tank demo, const. mgmt and inspections*
	Cathodic Protection Systems (Clearwell, Winding & FV Tanks)	$ 49,200.00	*engineering/design, installation*
	Meter Replacement (300 meters)	$ 30,000.00	*meters with in-house installation*
	ARV Installation (Eagle Ditch)	$ 6,000.00	*ARVs with in-house installation*
	SCADA Installation	$ -	*removed from grant project/submitted for EDCWA cost sharing*
	Leak Detection Program	$ 90,000.00	*engineering assistance and field work*
	Prj admin and contingecy	$ 36,445.00	*GFCSD staff time, CABY data mgmt*
	subtotal - Grant Projects	**$ 507,911.00**	
70700- FIXED ASSETS - EQUIPMENT			
2015/2016 Projects from 5 Year Plan			
	Portable Valve Exerciser	$ 8,500.00	*New equipment - proposed by operations to reduce staff time and injuries.*
	SCADA Installation	$ 60,000.00	*taken out of Grant projects/looking for alternative funding*
	subtotal - 2014/15	**$ 68,500.00**	

Budget Summary	
2015/2016 Proposed Budget	
Total CIP Income	**$ 565,525.00**
Total Debt Service	*$ 41,615.00*
CIP Expenses	*$ 87,605.96*
Bldg & Imp & Equipment	*$ 586,411.00*
Total CIP Expenses	**$ 715,631.96**
Net (Income-Expenses)	**$ (150,106.96)**

Grizzly Flats Community Services District

Five (5) Year Budget Plan - Capital Improvement Projects (CIP)

FINAL - JULY 10, 2015

CAPITAL IMPROVEMENT PROJECTS (CIP) New Fixed Assets - Equipment & Improvements	2014/15 Actual	2015/16 Budget	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	Future Years
2014/2015							
Cathodic Protection for Storage Tanks							
Clearwell Tank	$ -						
Winding Way Tank	$ -						
Forest View Tank	$ -						
New stairs to reservoir / done in-house	⇨	$ 10,000					
Prop 84 - 2014 Drought Measures Infrastructure Project							
Backwash Tank Replacement		$ 296,266					
Cathodic Protection Systems (Clearwell, Winding & FV Tanks)		$ 49,200					
Meter Replacement (300 meters)		$ 30,000					
ARV Installation (Eagle Ditch)		$ 6,000					
~~SCADA Installation~~		$ -					
Leak Detection & ~~Water Conservation Program~~		$ 90,000					
Prj admin		$ 36,445					
Total Grant projects (grant $492,051)		**$ 507,911**					
2015/2016 - New proposed items							
Portable valve Exerciser		$ 8,500					
SCADA Installation*		$ 60,000					
Future Years:							
Tank Upgrades							
Service Truck Replacement*			$ 50,000				
Tyler Tank (install overflow & drain) *			$ 10,000				
Forest View Tank (install overflow & drain)			$ 10,000				
Winding Way Tank (Install drain)*			$ 8,000				
Streaming Current Controller / Plant 1				$ 15,000			
Clearwell Tank Relining (corrosion issues)*							$ 75,000
Forest View Tank / reline tank interior*							$ 65,000
Winding Way / Reline tank interior*							$ 65,000
Pneumatic Tanks at WW, FV & Tyler (recoat exterior)*							$ 7,500
Pneumatic Tanks at WW, FV & Tyler (cathodic protection)*							$ 20,400
Total - CIP	**$ -**	**$ 586,411**	**$ 78,000**	**$ 15,000**	**$ -**	**$ -**	**$ 232,900**

Notes:

1. SCADA Installation - this had to be removed from the grant project due to cost. We are looking into alternatives for funding. We will proceed with this project when those alternatives are in place.
2. Truck replacement - we need to replace the White F350 Service Truck. We are considering replacing this truck with an 3/4 ton diesel truck; a truck strong enough to pull the dump trailer, but not as expensive as an F350 dually. Modifications would need to be made to our fuel storage. Staff is investigating this option.
3. CDPH had asked for a plan to add the drains and overflows to FV, Tyler and WW.
4. With the installation of Cathodic Protection Systems on the water storage tanks, the relining of those tanks may be pushed out 10-15 years (or more). We will continue to monitor the tanks' conditions and plan accordingly.
5. Projects on hold until more funding becomes available: Solar Generation System, Geographic Information (GIS) mapping, and resolving issue of 2" line behind church.