

2020 Budget

Operations and Maintenance Budget	2020 Budget
Water Costs	\$5,949,000
Salaries	6,352,000
Employee Benefits	2,970,000
Employer Taxes and Insurance	585,000
OPEB	908,000
Consulting, Construction & Contract Services	2,056,000
Financial, Insurance & Legal	750,000
Supplies	743,000
Licenses, Permits & Fees	647,000
Membership & Dues	334,000
Building, Equipment & Vehicle O&M Expenses	598,000
Public Outreach & Conservation	540,000
Other	607,000
Total	\$23,039,000

Capital Improvement Program Budget	2020 Budget
Meter Retrofit AMP	\$1,888,000
Meter Replacement & Repair AMP	330,000
Dist. Main Replacement AMP	9,414,000
Well Replacement AMP	3,300,000
Transmission Main AMP	50,000
Reservoir and Booster P.S. AMP	210,000
SCADA AMP	615,000
Other Recurring Annual Capital Costs	2,253,000
Other Capitalized Projects	1,505,000
Total	\$19,565,000

Operating Capital Budget	2020 Budget
Information Technology	\$302,000
Maintenance	105,000
Operations	579,000
Vehicles and Fleet	235,000
Office Furniture and Equipment	9,000
Total	\$1,230,000

Debt Service Forecast	\$7,426,000
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Total 2020 Budget	\$51,260,000
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Capital Improvement Program (CIP) Projects for 2020 & 2021
Replace Obsolete Large Meters (>3")
Replace Small Meters that Have Outlived Their Useful Life
Thor Distribution Project
Albatross Distribution Project
ODS Main Replacements
Arcade Creek Crossing Repair
McClellan Line Improvements
Main Replacements Based on Condition Assessments
Condition Assessments
Miscellaneous Improvement/Replacement Projects
Well Property Acquisitions
Well Replacement Projects 78, 79 and 80 – Drilling and Pump Stations
Reservoir Operations Retrofit
Fluoride Analyzers – 10 Each Year
Destroy 5 Abandoned Wells Per Year
Hydropneumatic Tanks Interior Coating
CIP Projects - Recurring Maintenance, Failures or Improvements
Production Projects – Well Rehabilitation; SCADA Terminals/RTUs; Electrical Improvements; and Engine Generator Compliance Projects
Transmission Projects – Corrosion Control; Pipeline Connections
Storage Projects– Tank/Well Corrosion Control; Tank Inspection/Repairs
Distribution Projects – Small Projects – e.g., Utility Conflicts; McClellan Surveying Work; Lowering/Raising Valve Boxes; Meter Replacement/Repair

Operating Capital Projects for 2020
Fence Replacement – 2 Well Sites
Update Urban Water Management Plan
Office Furniture New staff and replacements
Risk & Resiliency Assessment & ERP
Vehicle Replacement/Right Size - Truck #46, 49, 54, 56, 4 and 16
Calibration of District's Hydraulic Model
Update 2 AMPs
Computer Hardware Refresh Program Purchases
Software Enhancements/Modules
Board Package Software
Office Furniture/Workstations/Board Room Map

2020 Budget Approved

November 18, 2019



2020 Budget Development Process

- July Board Meeting – 07/15/19, 6:00 pm
 - Budget Preparation Timeline Approved
- August Board Meeting – 08/19/19, 6:00 pm
 - Approve Budget Assumptions; Provide Direction to Staff
- October Board Meeting – 10/21/19, 6:00 pm
 - First Draft Presentation; Provide Direction to Staff
- November Board Meeting – 11/18/19, 6:00 pm
 - Budget Approved

2020 Budget Assumptions

Key Assumptions	2018		2019		2020	
1Rate Increase (D)		4.00%		0.00%	Approved	5.00%
2No Change in SSWD Service Boundaries						
3New Service Connections (Growth)		0.52%		0.52%		0.52%
4Water Production: (A)	Increase	Cost/AF	Increase	Cost/AF	Increase	Cost/AF
a. Water Supply Forecast Based on 5 Year Average						
b. SSA Surface Water (City) (F)	\$ 483.50	0 AF	\$ 505.55	0 AF	\$ 120.00	7,700 AF
c. SSA Surface Water (City)			\$ -	3,800 AF		
d. SSA Groundwater (Variable costs)	\$ 121.24	13,300 AF	\$ 126.99	9,200 AF	\$ 148.31	6,250 AF
e. NSA Surface Water (PCWA)	\$ 36.65	12,000 AF	\$ 40.67	12,000 AF	\$ 42.70	12,000 AF
f. NSA Surface Water (Bureau)	\$ 21.26	12,000 AF	\$ 23.40	12,000 AF	\$ 24.57	12,000 AF
g. NSA Surface Water (SJWD Treatment)	\$ 176.49	12,150 AF	\$ 192.37	12,150 AF	\$ 209.68	12,000 AF
h. NSA Groundwater (Variable costs)	\$ 108.76	7,350 AF	\$ 107.59	7,100 AF	\$ 114.84	6,050 AF
i. NSA Bureau 215 Water	\$ 251.04	150 AF	\$ 265.40	150 AF	\$ 290.01	0
j. NSA Wheel Water to Cal-AM, RLEVWD (Revenue)	\$ (356.14)	2,000 AF	\$ (371.26)	2,000 AF	\$ (395.70)	2,000 AF
5Anticipated Outside Water Sales, Net	\$ 684,000	4,000 AF	None	None	Unknown	Unknown
6Investment Yield		2.00%		2.00%		2.15%
7Variable Debt Interest Rate		3.86%		3.86%		3.86%
8Electrical Cost Increase		2.50%		2.00%		3.75%
9COLA (E)		3.00%		(E)		2.90%
10Merit Program (E)		3.00%		(E)		4.00%
11Construction Inflation (B)		3.00%		8.00%		1.70%
12Health Care Cost (C)		2.33%		2.00%		6.40%
13Tier 1 Pension Cost (% of Salaries)	\$ 470,000	22.37%	\$ 582,000	23.00%	\$ 654,000	23.65%
14Tier 2 Pension Cost (% of Salaries)	\$ 12,500	16.64%	\$ 18,000	17.10%	\$ 23,000	17.66%
15Tier 3 Pension Cost (% of Salaries)	\$ 500	7.30%	\$ 900	7.30%	\$ 1,900	7.34%
16New Hires		-		3		-
17Funding of Post Retirement Benefits (G)		\$ 560,000		* \$892,480		\$ 908,433
Footnotes:						
(A) SSA = South Service Area; NSA = North Service Area						
(B) 20 Cities CCI Index, Source: ENR						
(C) From UnitedHealthcare to HealthNet Smart Care HMO						
(D) Approved Rate Increase						
(E) Adjusted to Market Median in 2019						
(F) City Rate at \$120/AF on a trial basis of 9,500 AF from Oct -2019 to Sept 2020 (Estimate 1,800 AF in 2019 & 7,700 AF in 2020)						
(G) Actuarial - \$909,000 in 2020; Additional \$312,000 for 2019						

2019 Projected Actual and Highlights

	Approved 2019 Budget (\$ Millions)	Projected 2019 Actual (\$ Millions)	Projected Unspent (%)
Operations & Maintenance Budget	\$23.2	\$21.6	(7)
Capital Improvement Program Budget	18.3	17.8	(3)
Operating Capital Program Budget	1.0	1.0	-
Debt Service Budget	<u>7.4</u>	<u>7.2</u>	<u>(3)</u>
Total	<u>\$49.9</u>	<u>\$47.6</u>	<u>(5)</u>

2019 Projected Results:

- Water Deliveries of 31,550 AF:
 - Comprised of 30,130 AF to Customers and Wheeled Water Deliveries of 1,420 AF
- Water infrastructure asset replacements include:
 - Replace 4.7 miles of Distribution Main Lines, including approximately 322 Water Meters
 - Install (Retrofit) an additional 1,580 Water Meters
 - Replace 1,000 Old Water Meters that have outlived their useful life
 - Replace 8,700 Endpoints that have outlived their useful life or failed
 - Complete Palm Well – Site Work and Pumping Facility Construction
 - Continue Design and Construction of Butano and Verner Wells
 - Destroy 4 Abandoned Well Sites
 - Begin Multi-Year Process to Acquire Property for Future Well Sites

2020 Goals

Budget Will Allow the District to Accomplish the Following:

- Water Deliveries of 32,000 AF
 - 30,000 AF to Customers
 - 2,000 AF Wheeled to Cal-American
- Review and assess modified asset management plans
- Water infrastructure asset replacements include:
 - Replace up to 4.4 miles of Distribution Main Lines, including approximately 246 Water Meters
 - Install (Retrofit) an Additional 1,030 Water Meters
 - Replace 1,000 Old Water Meters that have outlived their useful life
 - Replace 7,500 Endpoints that have outlived their useful life or failed
 - Continue work on Butano and Verner Well; Begin work on Walnut Well
 - Destroy 5 Abandoned Well Sites
 - Continue Multi-Year Process to Acquire Property for Future Well Sites

2020 Approved Budget

	<u>2018 Actual</u>	<u>2018 Approved Budget</u>	<u>9 Month Actual As Of 9/30/19</u>	<u>2019 Projected</u>	<u>2019 Approved Budget</u>	<u>2020 Approved Budget</u>
Water Sales Charge	\$ 13,272,095	\$ 12,489,000	\$ 9,802,335	\$ 12,989,955	\$ 13,304,000	\$ 13,598,000
Water Service Charge	6,370,582	6,752,000	4,642,365	6,368,283	6,492,000	6,666,000
Capital Facilities/Debt Repayment	24,448,810	24,557,000	18,017,129	24,502,658	24,571,000	25,650,000
Wheeling Water Charge	510,168	175,000	504,048	621,461	730,000	651,000
Other Charges for Services	1,054,182	1,047,000	795,976	1,054,288	1,074,000	1,104,000
Income From Customers	45,655,837	45,020,000	33,761,853	45,536,645	46,171,000	47,669,000
Water Transfers	1,760,900	-	-	-	-	-
Interest Income	766,708	899,000	733,248	975,000	932,000	970,000
Other Income (Leases, Cells, Etc.)	448,684	266,000	516,554	560,000	400,000	450,000
Facility Development Charges	158,001	300,000	239,104	300,000	300,000	300,000
Grant Income	24,899	-	13,691	275,000	275,000	500,000
Total Other Income	3,159,192	1,465,000	1,502,597	2,110,000	1,907,000	2,220,000
Total Revenue	<u>\$ 48,815,029</u>	<u>\$ 46,485,000</u>	<u>\$ 35,264,450</u>	<u>\$ 47,646,645</u>	<u>\$ 48,078,000</u>	<u>\$ 49,889,000</u>
Budgets:						
Operations and Maintenance	21,066,806	21,860,000	14,579,636	21,595,000	23,241,000	23,039,000
Capital Improvement Program	18,519,624	19,160,000	9,877,440	17,805,000	18,260,000	19,565,000
Operating Capital Program	955,936	1,161,000	259,467	950,000	950,000	1,230,000
Debt Service (Forecast)	7,462,249	7,700,000	1,918,781	7,220,000	7,420,000	7,426,000
Total Costs	<u>48,004,615</u>	<u>49,881,000</u>	<u>26,635,324</u>	<u>47,570,000</u>	<u>49,871,000</u>	<u>51,260,000</u>
Change in Reserve Balance	810,414	(3,396,000)	8,629,126	76,645	(1,793,000)	(1,371,000)
Reserve (Cash) Balance	<u>\$ 48,600,278</u>	<u>\$ 42,273,205</u>	<u>\$ 51,283,667</u>	<u>\$ 45,128,753</u>	<u>\$ 41,566,409</u>	<u>\$ 44,119,993</u>
Refunding 2009B	\$ (3,548,170)					
Citibank Settlement				\$ 362,240		
McClellan Settlement						\$ (2,600,000)
Net Reserve (Cash) Balance	<u>\$ 45,052,108</u>	<u>\$ 42,273,205</u>	<u>\$ 51,283,667</u>	<u>\$ 45,490,993</u>	<u>\$ 41,235,205</u>	<u>\$ 41,519,993</u>

Note: Bolded lines are the Budgets – O&M, CIP, OCB, and Debt Service Forecast

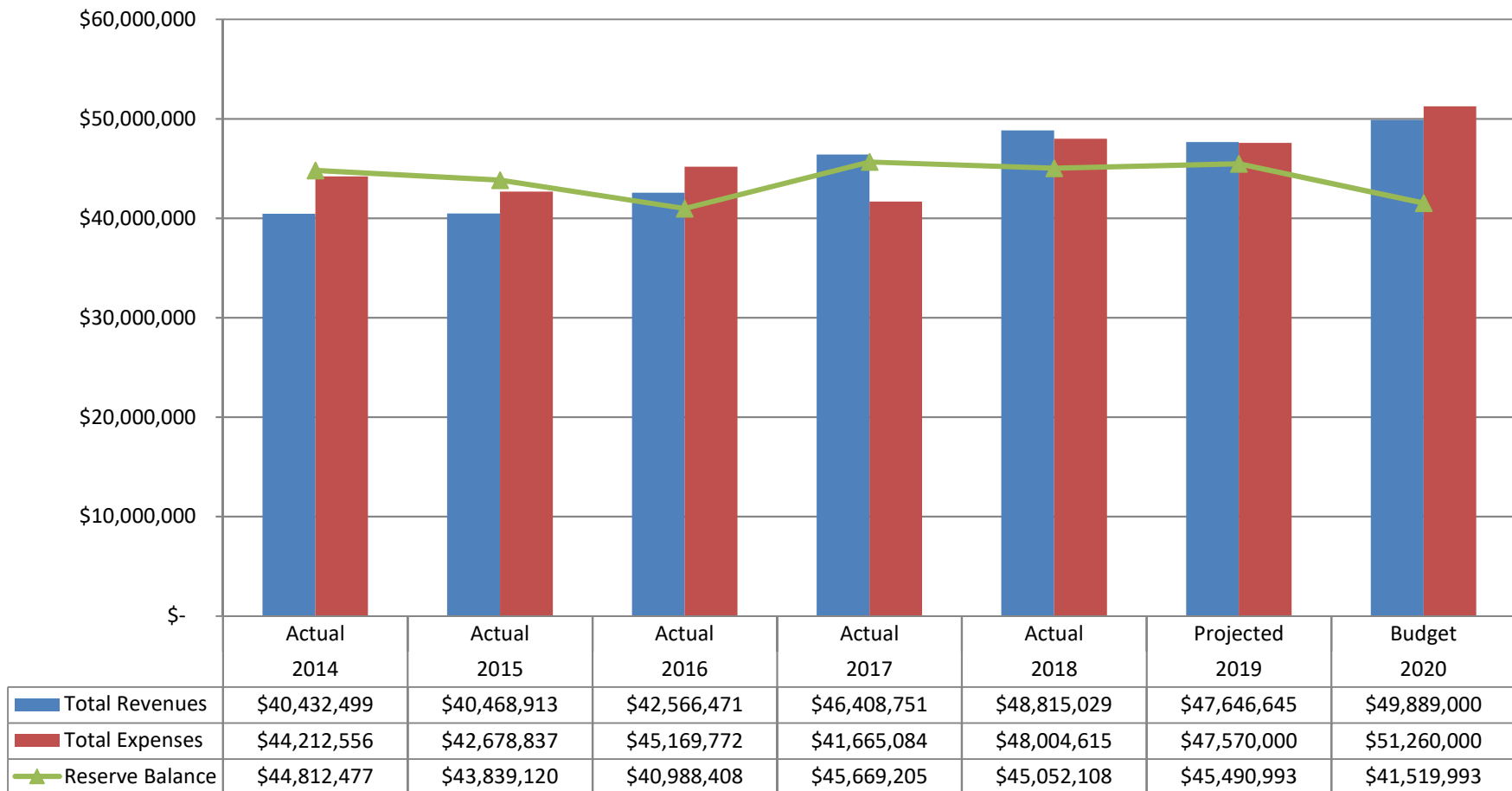
2020 Budget Changes

Comparison of 2020 Budget with 2019 Projected

- Operations and Maintenance (O&M) – Increasing by \$1.4 Million
 - NSA Surface Water (SW) Treatment Costs increasing by \$21/AF (\$595,000)
 - SSA SW cost increasing due to volume increase. Cost remains at \$120/AF
 - GW related electrical/chemical costs decreasing due to reduction in GW pumped (\$45,000)
 - Salaries increasing due to Merit & COLA (\$359,000); No new positions
 - Employee Benefits increasing – Medical (\$27,000) and Pension (\$164,000)
- Capital Improvement Program (CIP) – Increasing by \$1.8 million
 - Increase is primarily in Well Replacements & Rehabilitations Projects
 - Property acquisitions for future well sites
- Operating Capital Budget (OCB) – Increasing by \$280,000
 - Increase is primarily due to updating Asset Management Plans

Total Revenues Vs Total Expenditures

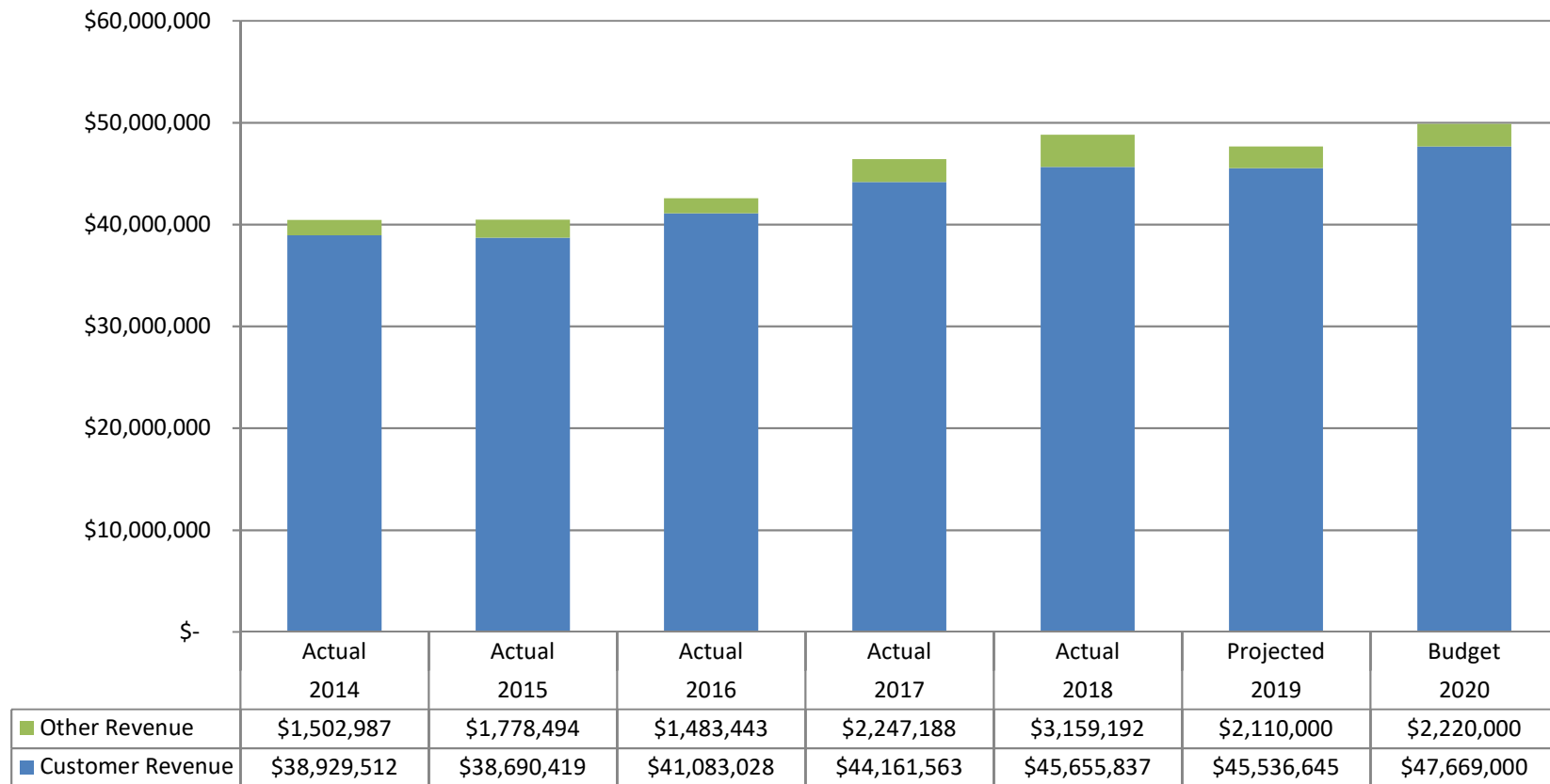
2014-2018 Actual with 2019 Projected & 2020 Budget



Reserves projected to decrease in 2020 and 2021 before turning around as discussed in the 2019 Water Rate Study. 8

Total Revenues

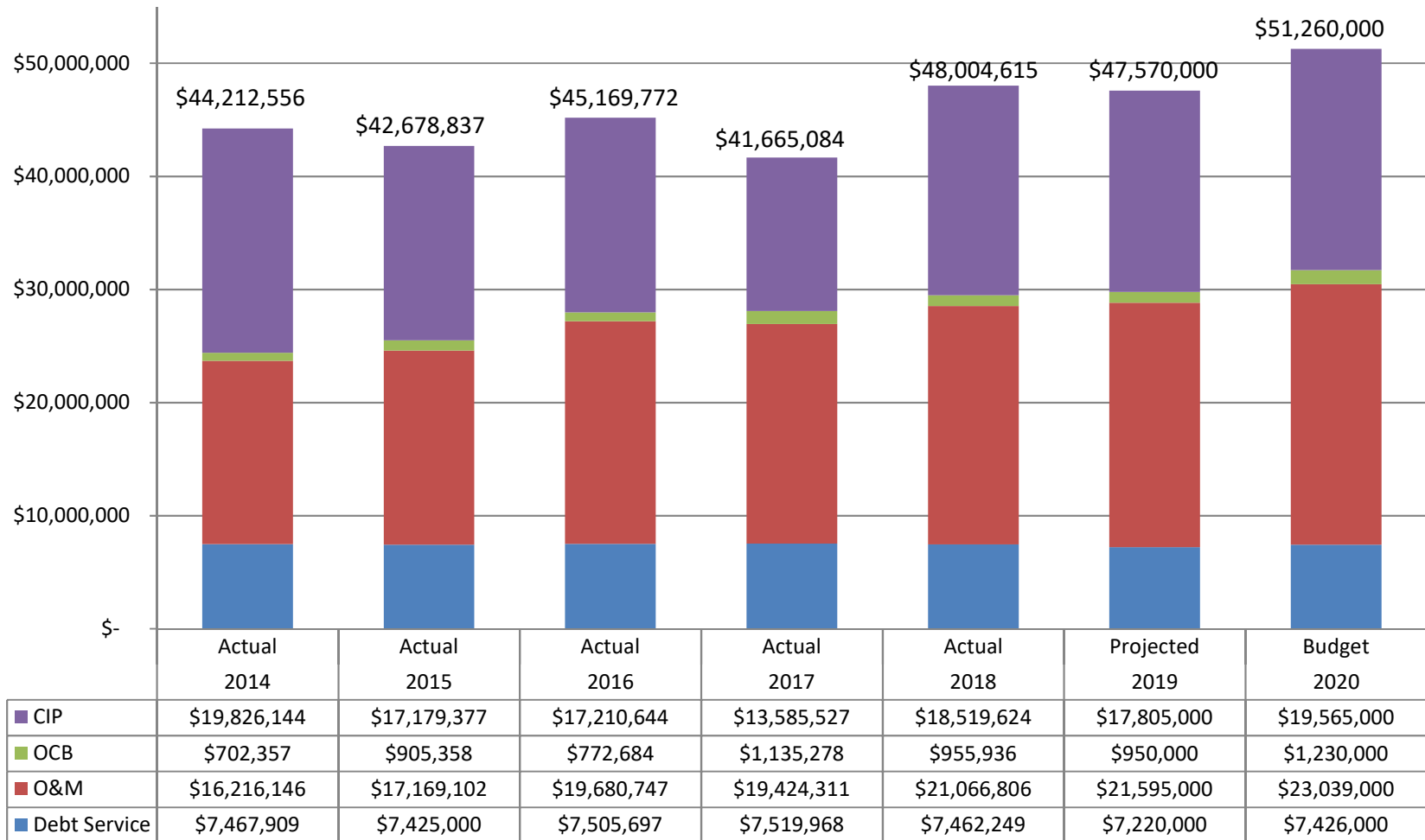
2014-2018 Actual with 2019 Projected & 2020 Budget



Notable Items: 2018 includes \$1.8 million for water transfer and 4.0% rate increase; 2019 no rate increase; 2020 5.0% rate increase.

Total Expenditures

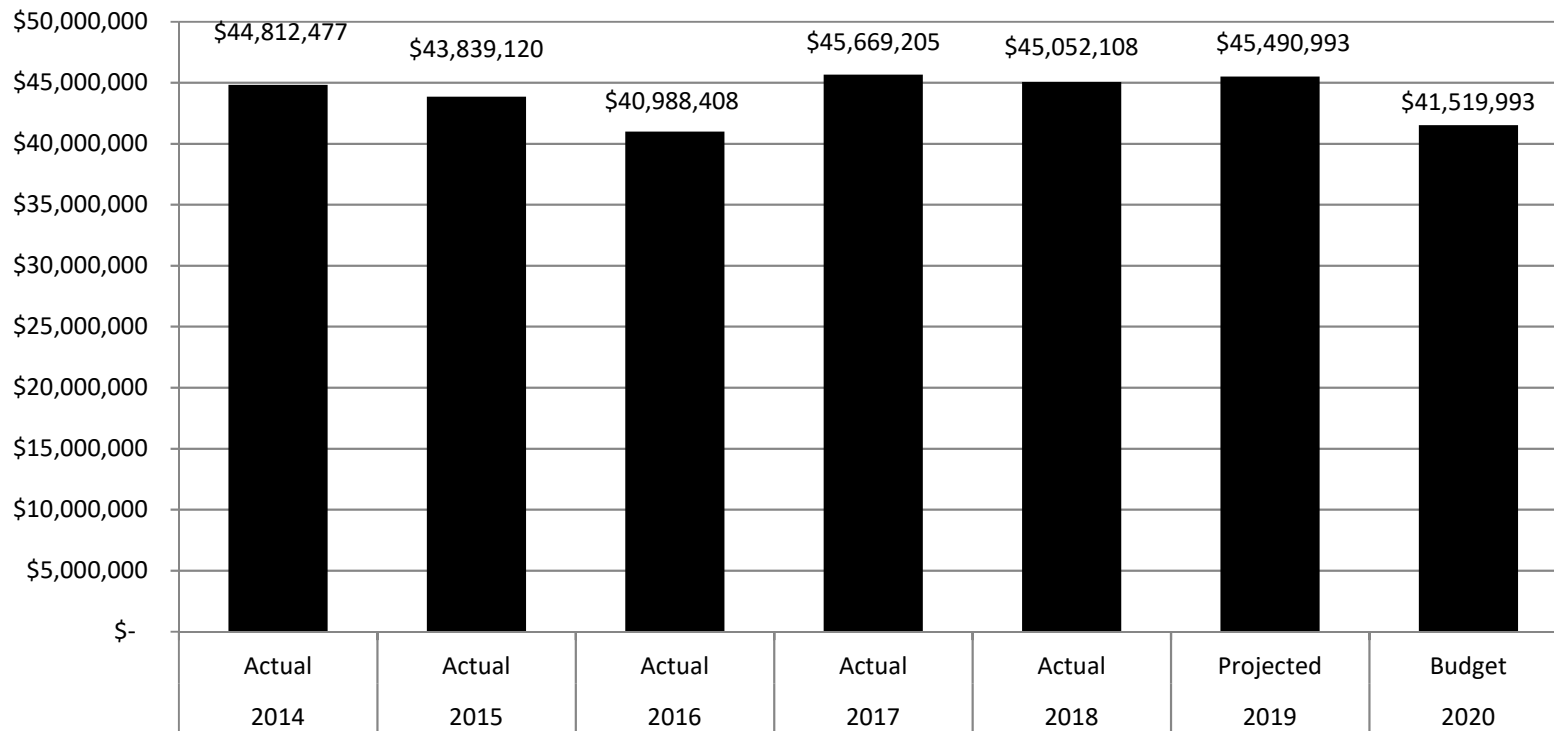
2014-2018 Actual with 2019 Projected & 2020 Budget



The 2020 increase is primarily due to increase in south area SW volume and north area SW cost per AF – \$1.2 million. 2020 CIP Projects increasing by \$2.4 million.

Reserve Balance

2014-2018 Actual with 2019 Projected & 2020 Budget



From a high of \$57.7 million at the end of 2009, the Board has strategically lowered the reserve balance to roughly \$40 million.

Reserve Balance Detail

2014-2018 Actual with 2019 Projected & 2020 Budget

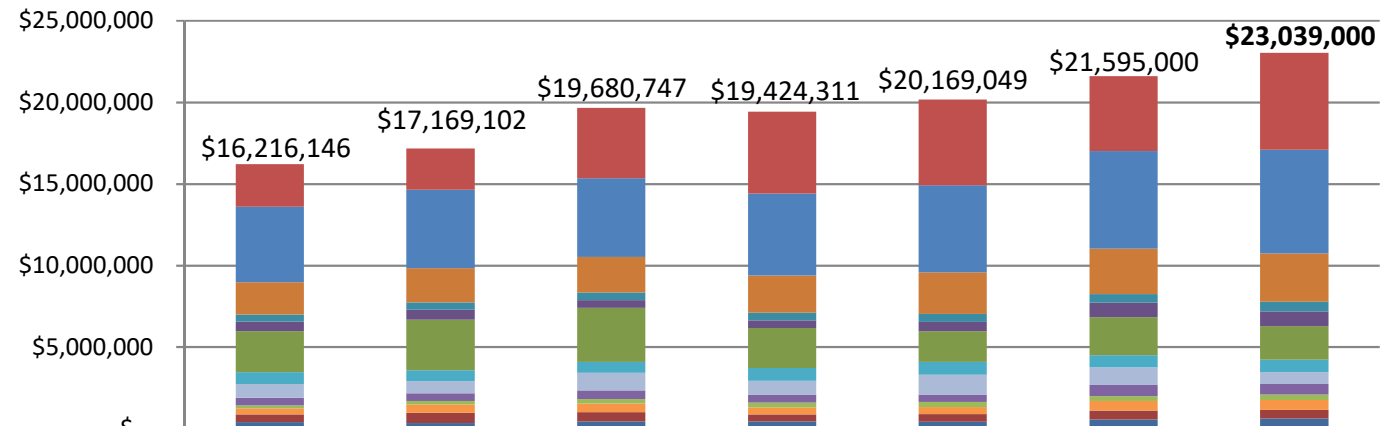
	Actual	Actual	Actual	Actual	Actual	Projected	Budget
	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>12/31/2016</u>	<u>12/31/2017</u>	<u>12/31/2018</u>	<u>12/31/2019</u>	<u>12/31/2020</u>
Debt Service Reserve	\$ 3,540,082	\$ 3,523,427	\$ 3,540,038	\$ 3,548,170	\$ -	\$ -	\$ -
Facilities Reimbursement	21,873	21,873	-	-	-	-	-
Emergency/Contingency	10,758,000	10,758,000	10,387,000	10,931,500	11,255,000	11,905,048	11,782,415
Operating	6,468,857	6,468,857	6,490,750	7,270,250	7,390,000	11,556,517	7,605,250
Rate Stabilization	5,870,000	5,870,000	5,630,000	5,976,000	5,044,500	4,656,400	4,759,300
Grant Projects Reserve	654,000	654,000	1,068,000	210,000	-	-	610,000
Capital Asset	17,499,665	16,542,963	13,872,620	17,733,285	21,362,608	17,373,028	16,763,028
TOTAL	\$ 44,812,477	\$ 43,839,120	\$ 40,988,408	\$ 45,669,205	\$ 45,052,108	\$ 45,490,993	\$ 41,519,993

Individual reserve account changes for 2019 and 2020 based on Reserve Policy approved on June 17, 2019. Actual fluctuations (2014 to 2017) are due to changes in CIP costs and/or Consumption Revenues. Reduction in 2018 due to pay-off of 2009B COP and liquidation of DSRF - \$3.5 million.

O&M Budget

O&M Expenses

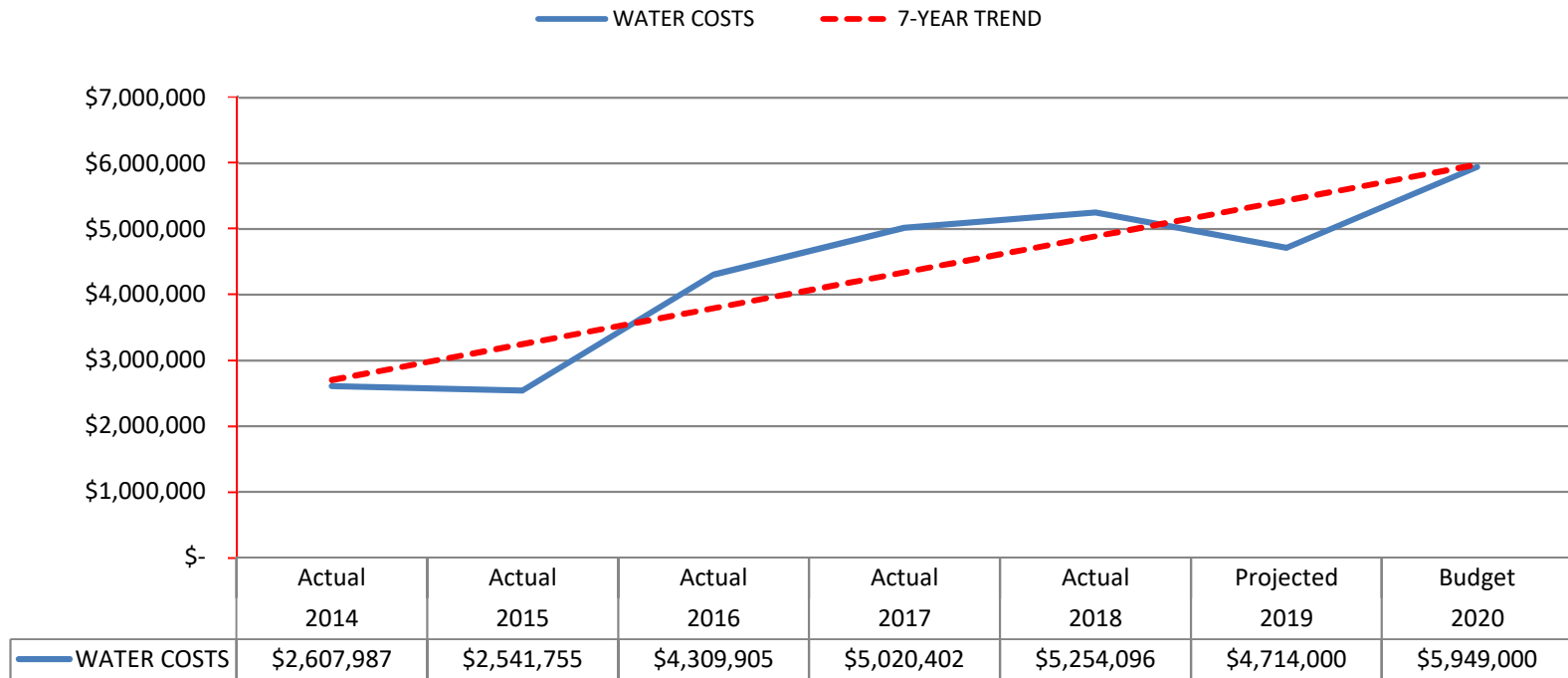
2014-2018 Actual with 2019 Projected & 2020 Budget



	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Actual 2018	Projected 2019	Budget 2020
■ WATER COSTS	\$2,607,987	\$2,541,755	\$4,309,905	\$5,020,402	\$5,254,096	\$4,589,000	\$5,949,000
■ SALARIES	\$4,633,287	\$4,795,894	\$4,833,627	\$5,031,276	\$5,320,890	\$5,978,000	\$6,352,000
■ EMPLOYEE BENEFITS	\$1,980,390	\$2,097,572	\$2,187,134	\$2,267,113	\$2,559,284	\$2,780,000	\$2,970,000
■ EMPLOYER TAXES & INSURANCE	\$439,159	\$460,746	\$458,614	\$476,780	\$495,982	\$529,000	\$585,000
■ OPEB	\$592,700	\$591,000	\$470,000	\$472,200	\$557,934	\$892,000	\$908,000
■ CONSTRUCTION/CONTRACT SERVICES & ADMIN. CONSULTING	\$2,501,575	\$3,102,132	\$3,314,420	\$2,449,179	\$1,884,291	\$2,326,000	\$2,056,000
■ FINANCIAL, INSURANCE & LEGAL	\$731,735	\$666,679	\$674,154	\$781,310	\$793,104	\$757,000	\$750,000
■ SUPPLIES	\$843,427	\$756,151	\$1,067,053	\$843,684	\$1,200,453	\$1,064,000	\$743,000
■ LICENSES, PERMITS & FEES	\$457,611	\$456,489	\$528,517	\$481,479	\$449,784	\$687,000	\$647,000
■ MEMBERSHIP & DUES	\$175,408	\$232,783	\$281,937	\$294,441	\$320,385	\$309,000	\$334,000
■ BUILDING, EQUIPMENT & VEHICLE OPERATING & MAINTENANCE	\$385,337	\$495,820	\$534,445	\$432,469	\$436,503	\$581,000	\$598,000
■ PUBLIC OUTREACH & CONSERVATION	\$469,571	\$641,111	\$565,157	\$427,633	\$464,092	\$540,000	\$540,000
■ OTHER (Communication, Property Taxes & Leases, Election, Training & Conference, HR cost, Uniform, etc.)	\$397,959	\$333,634	\$439,150	\$446,345	\$424,219	\$564,000	\$607,000

O&M Expense Detail

Water Costs

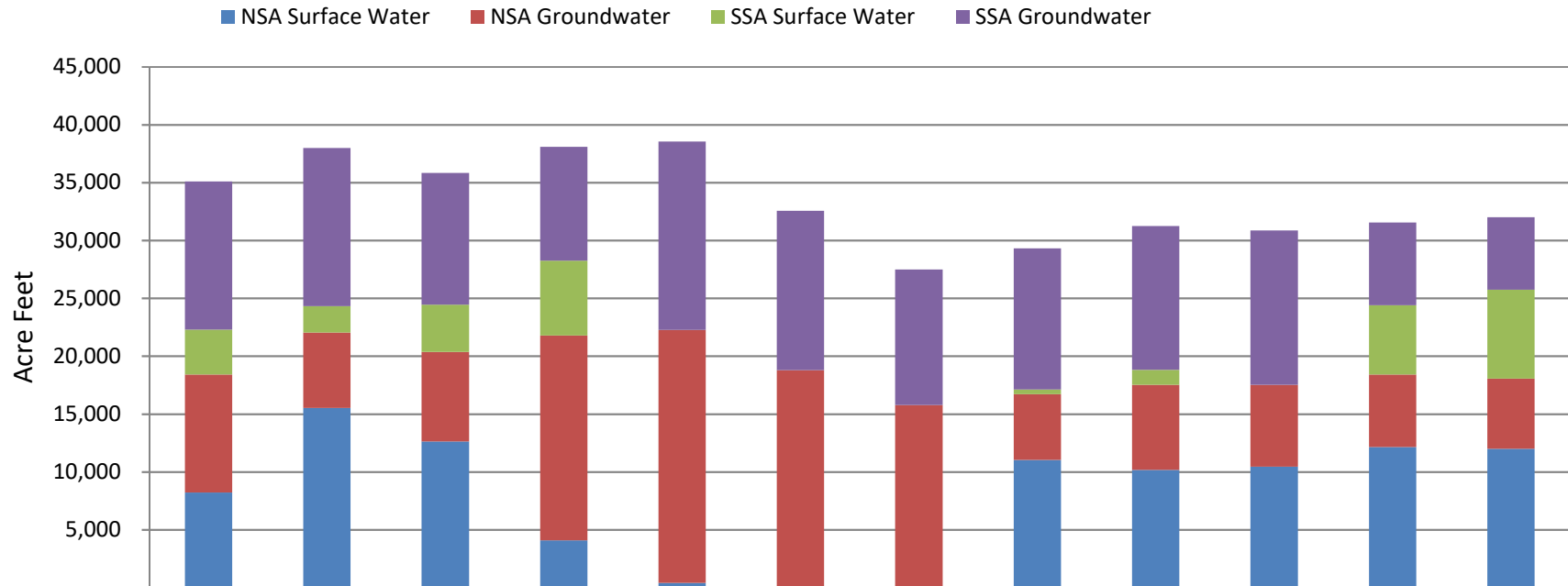


Water costs fluctuate based on hydrological conditions. Due to the conditions in 2014 - 2015, SW was unavailable. 2019 water costs are less than 2018 and 2020 primarily due to 1) 2019 is a wet year and is expected to use 1,000 AF less than 2018, 2) in 2019, 3,800 AF will be supplied by City at no cost (credit from water transfer in 2018), 3) SW cost increases \$21 per AF in 2020. 2020 assumes the purchase of 19,700 AF of SW (SSA - 7,700 AF and NSA 12,000 AF). GW pumping is expected to produce 12,300 AF, (SSA - 6,250 AF and NSA - 6,050 AF).

SW = Surface Water; GW = Groundwater

O&M Expense Detail

Water Production



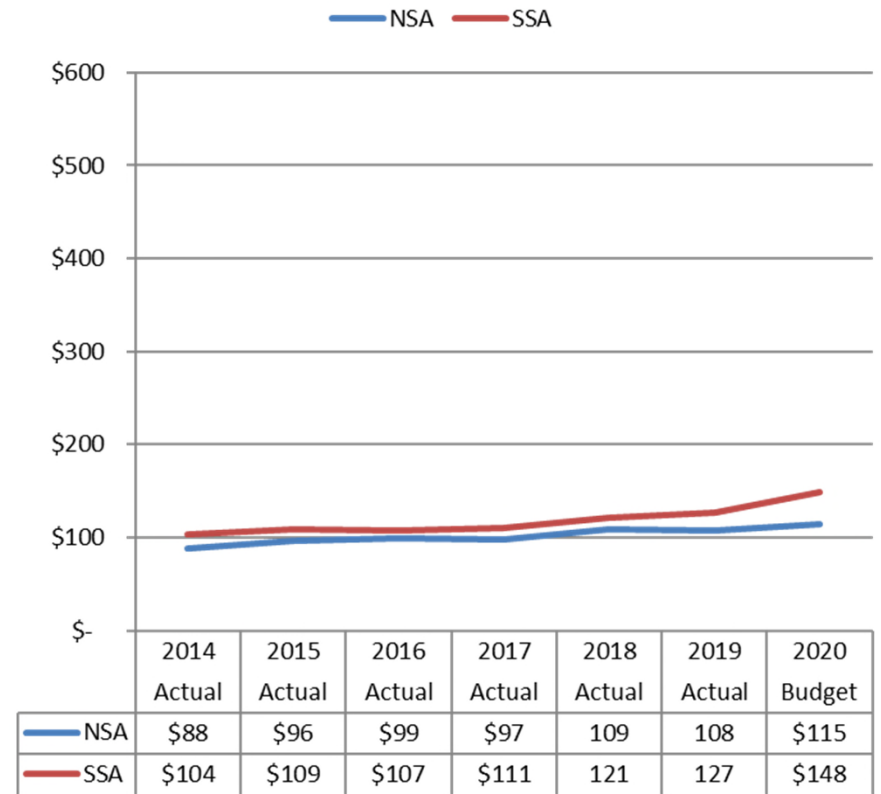
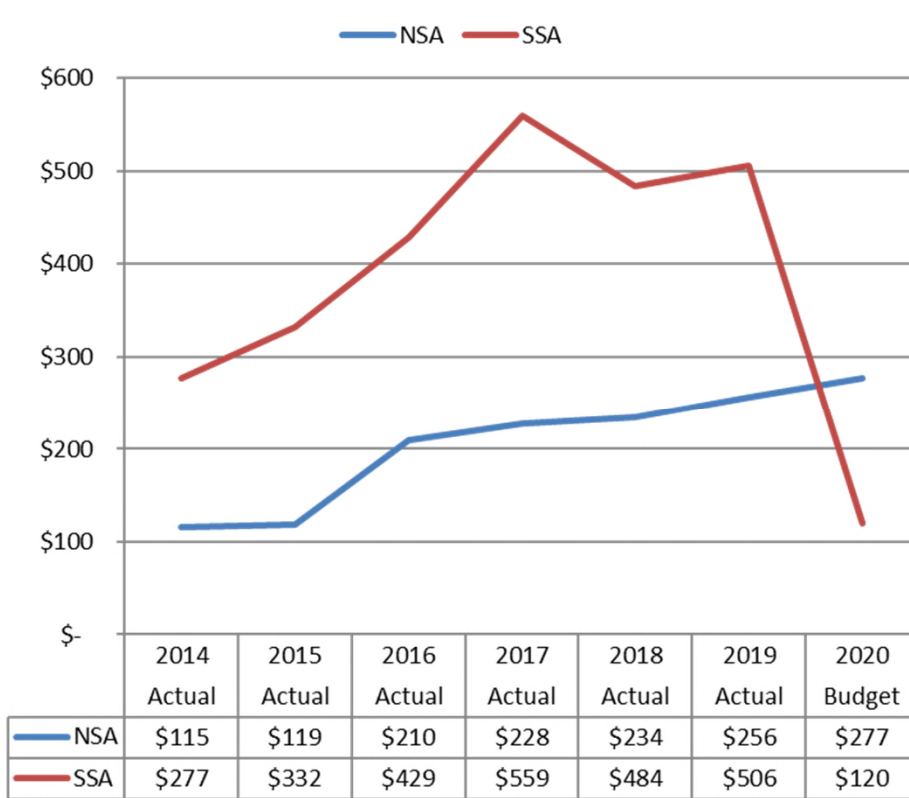
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Proposed
SSA Groundwater	12,817	13,654	11,381	9,833	16,276	13,771	11,720	12,185	12,427	13,339	7,165	6,250
SSA Surface Water	3,872	2,289	4,084	6,463	-	-	-	423	1,301	-	5,972	7,700
NSA Groundwater	10,203	6,522	7,738	17,697	21,869	18,790	15,702	5,679	7,364	7,085	6,258	6,050
NSA Surface Water	8,211	15,518	12,626	4,096	409	-	80	11,025	10,162	10,450	12,159	12,000

2018 Actual Production – 30,874 AF;
 2019 Budget Production – 33,000 AF; Projected Actual – 31,540 AF.
 2020 Estimated Production – 32,000 AF.

Surface Water vs Groundwater Costs

Variable Surface Water Costs

Variable Groundwater Costs



SSA - SW cost is \$120/AF with City of Sacramento for 1 year trial basis (Oct. 2019 – Sept. 2020) up to 9,500 AF.

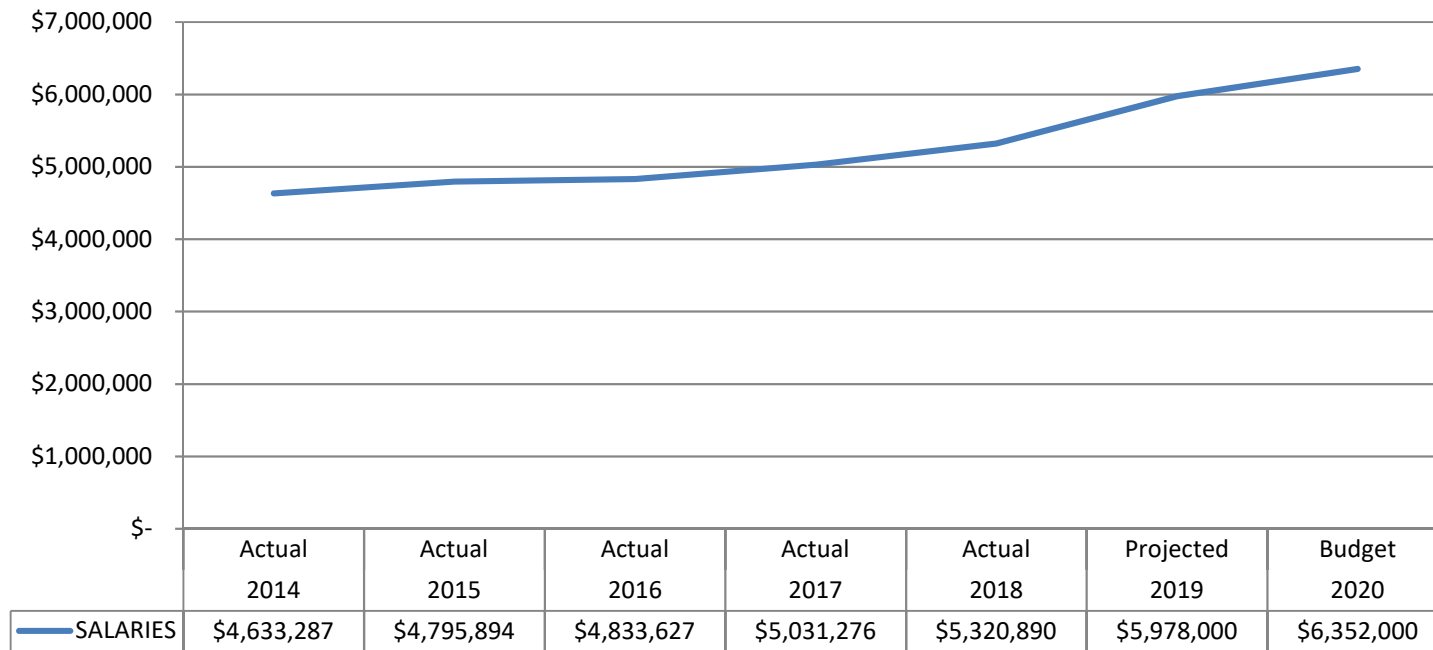
NSA –SW cost for 2020 expected to be \$277/AF, compared to \$256/AF in 2019.

SSA/NSA - GW costs increasing due to - 3.75% electricity cost increases.

SW = Surface Water; GW = Groundwater

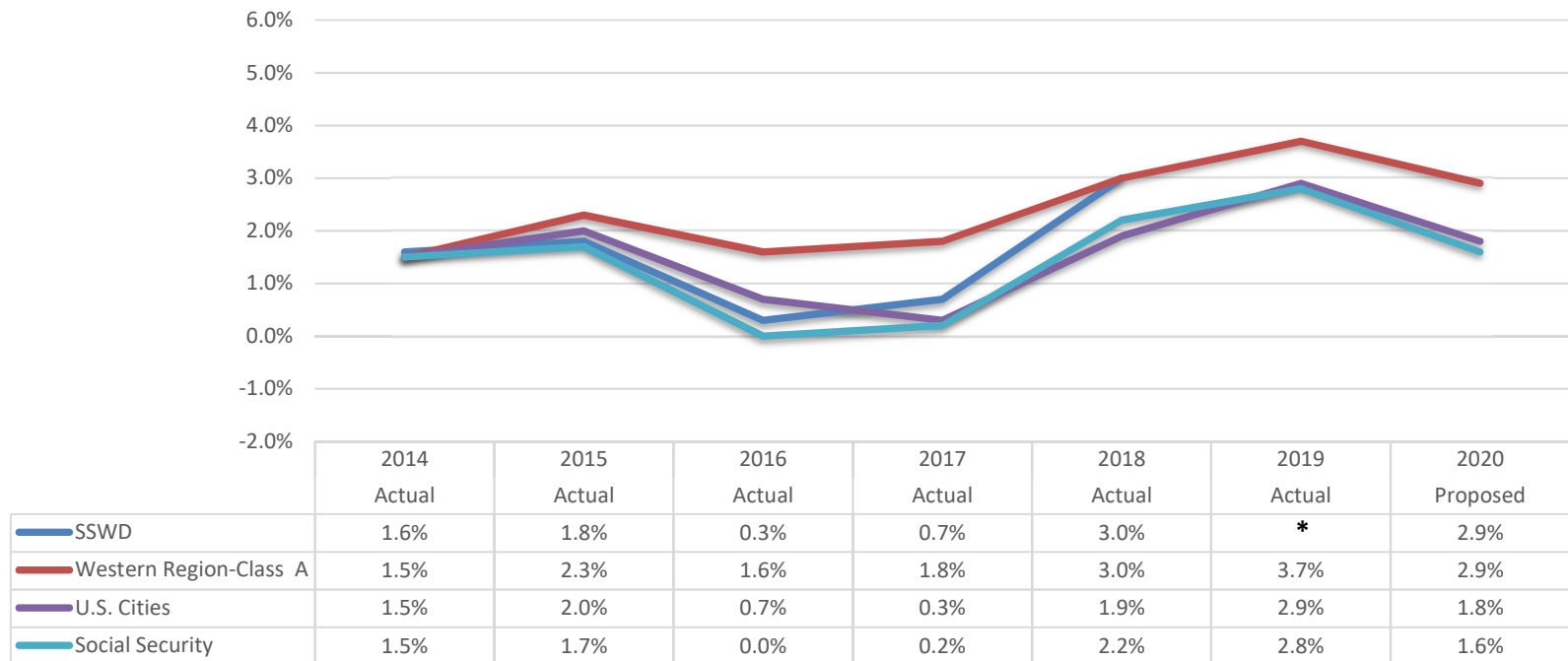
O&M Expense Detail

Salaries



O&M Expense Detail

COLA

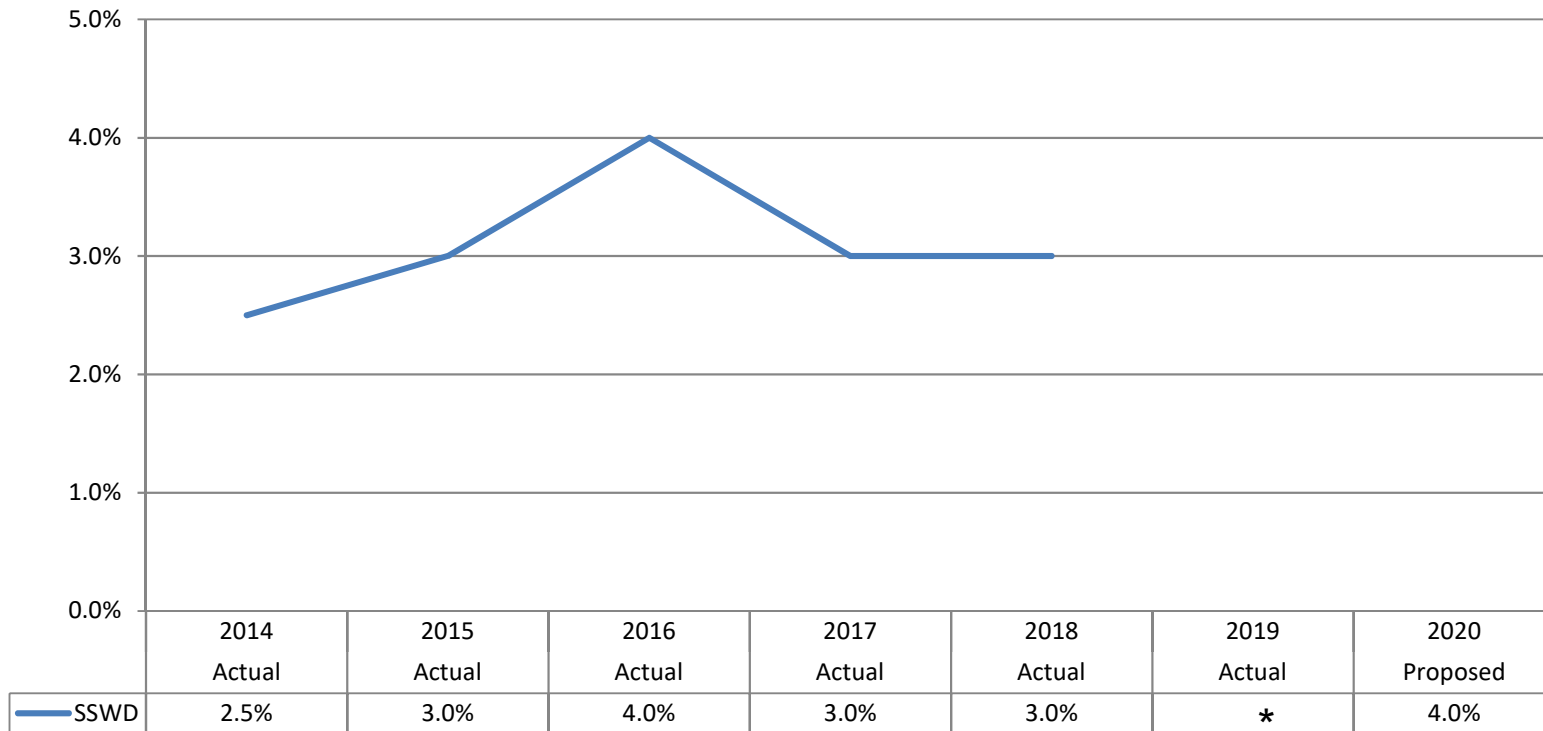


As was done prior to 2019, SSWD COLA is proposed to equal the Western Cities – A Index as published by the US Bureau of Labor Statistics.

* 2019 increase based on market median as per compensation study.

O&M Expense Detail

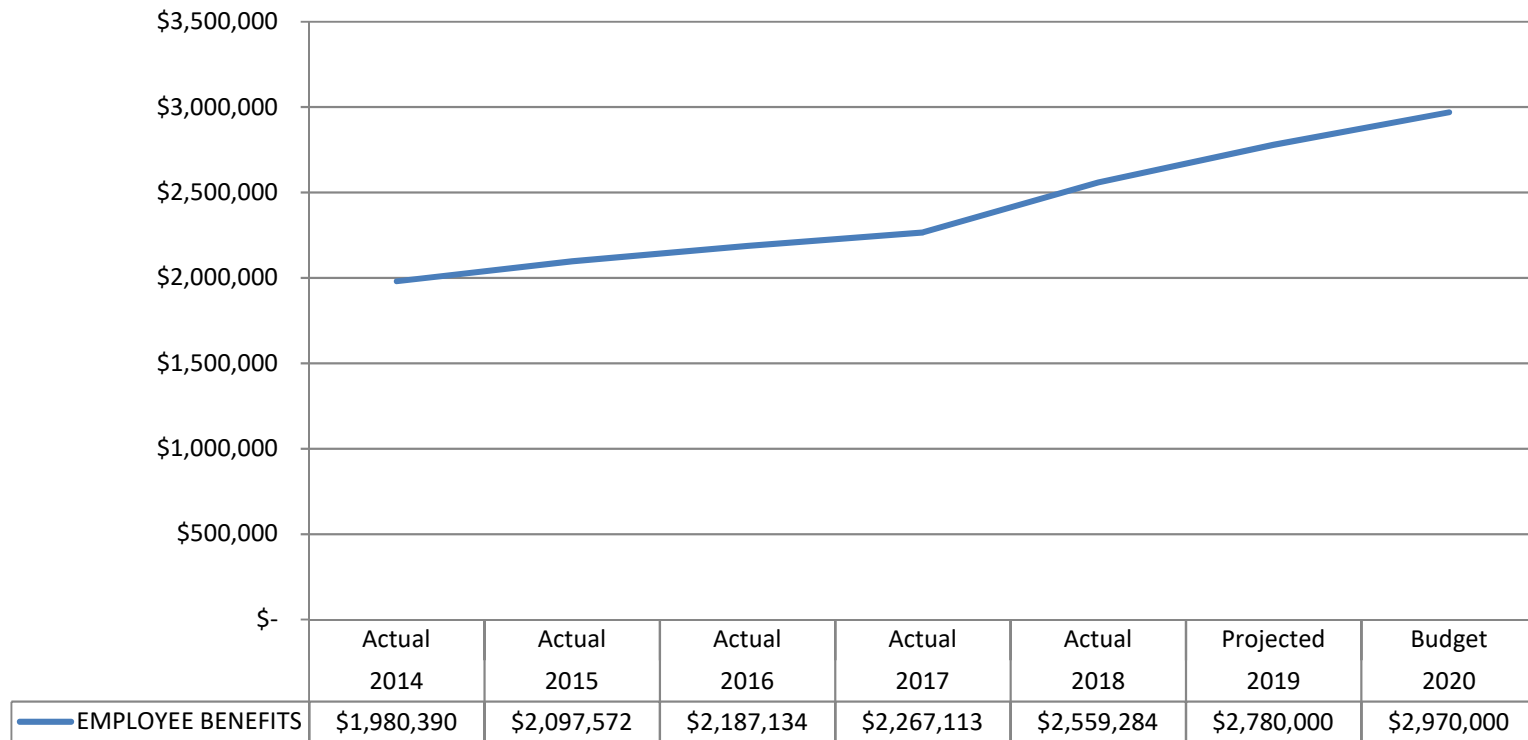
Merit



* 2019 increase based on market median as per compensation study.

O&M Expense Detail

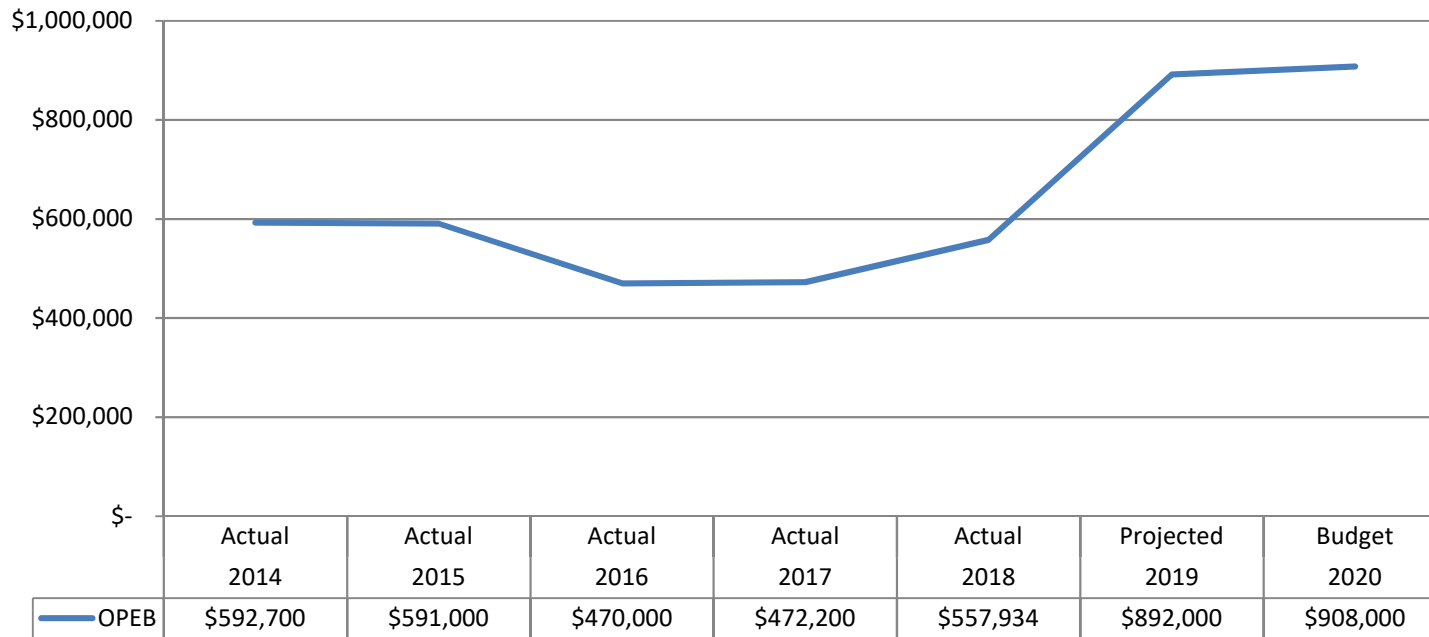
Employee Benefits



2020 increase due primarily to full year of staffing and increased pension costs and health care costs.

O&M Expense Detail

OPEB

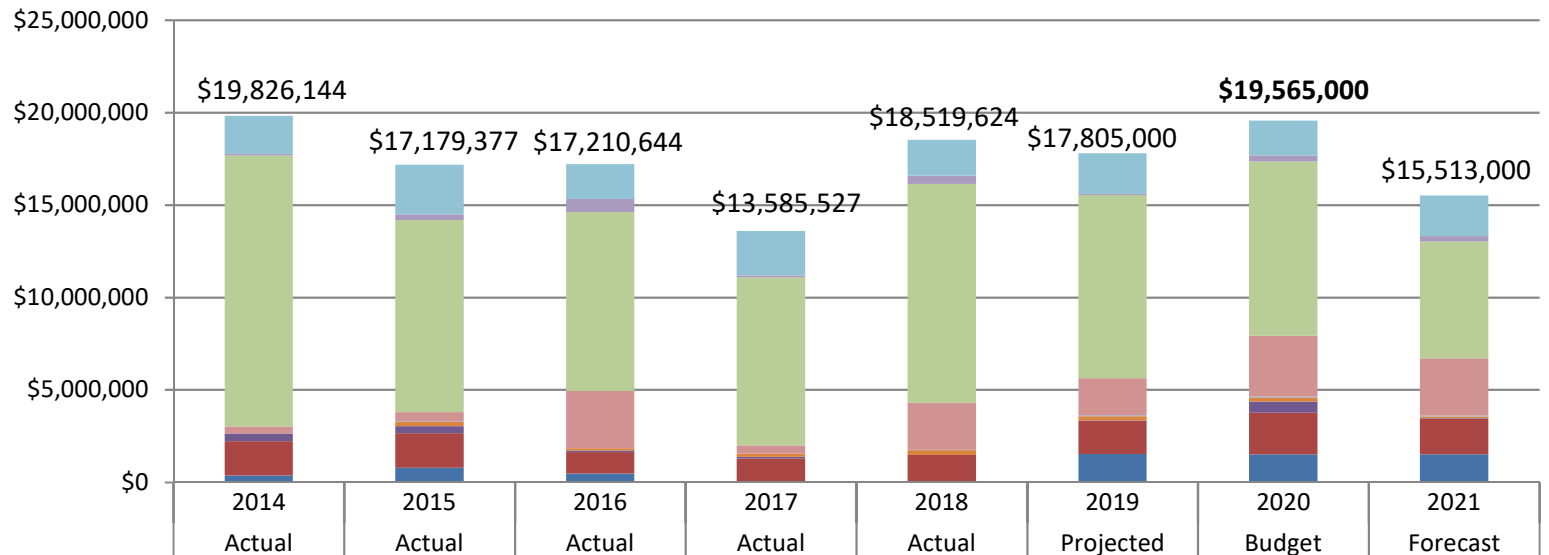


2016 - 2017 reduction due to a combination of – reduced projected liability and higher earnings inception-to-date; offset by a reduced UAAL amortization from 22 years down to 10 years. 2018 increase due to a reduced discount rate (7.0% in 2015, 6.5% in 2018); 2019 and 2020 increase due to implementation of GASB 75 and new actuarial analysis; increased health care costs; increased participants, and a change in demographic assumptions.

CIP Budget

CIP Project Costs

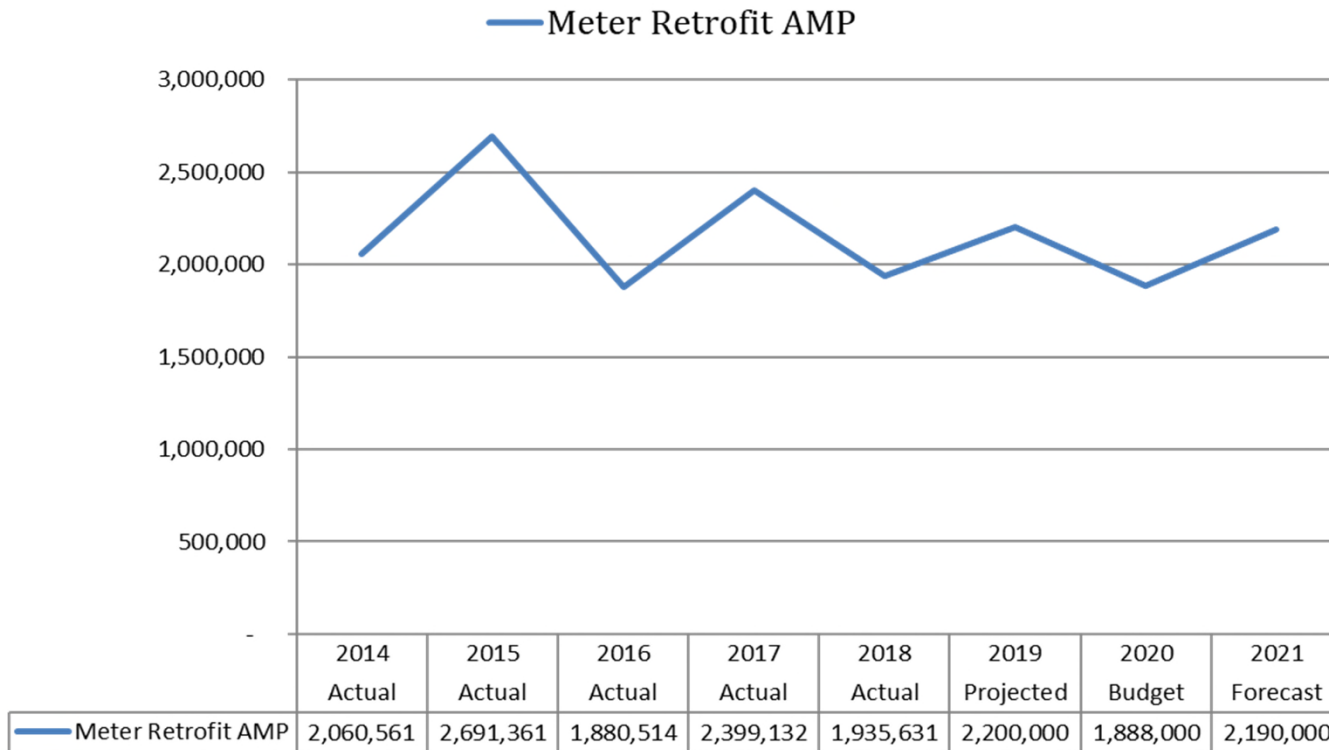
2014-2018 Actual with 2019 Projected, 2020 Budget & 2021 Forecast



	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Budget	2021 Forecast
Meter Retrofit AMP	2,060,561	2,691,361	1,880,514	2,399,132	1,935,631	2,200,000	1,888,000	2,190,000
Meter Replacement & Repair AMP	80,975	307,870	715,337	107,278	439,174	80,000	330,000	300,000
Dist. Main Replacement AMP	14,672,460	10,381,851	9,674,096	9,077,465	11,839,880	9,900,000	9,414,000	6,318,000
Well Replacement AMP	377,974	507,393	3,099,875	460,816	2,546,339	2,000,000	3,300,000	3,100,000
Transmission Main AMP	-	31,866	-	-	17,831	60,000	50,000	50,000
Reservoir and Booster P.S. AMP	-	221,300	116,901	160,494	255,892	220,000	210,000	90,000
SCADA AMP	404,802	378,687	94,243	85,495	-	20,000	615,000	10,000
Other Re-Occurring Annual Capital Costs	1,859,724	1,878,704	1,149,924	1,241,934	1,443,073	1,800,000	2,253,000	1,950,000
Other Capitalized Projects	369,648	780,345	479,754	52,913	41,804	1,525,000	1,505,000	1,505,000

CIP Budget

2014-2018 Actual with 2019 Projected, 2020 Budget & 2021 Forecast



Meter retrofits installed in 2019 are expected to be 1,580. Meters expected to be installed in 2020 and 2021 are 1,030 and 1,100, respectively. Retrofit project to be substantially complete in or before 2022.

CIP Project Detail

Distribution Main Replacement Costs

5-Year Low	5-Year High	5-Year Average	AMP 2020	Budget 2020	Forecast 2021
\$ 9,077,465	\$ 14,672,460	\$ 11,129,200	\$ 12,802,101	\$ 9,414,000	\$ 6,318,000

2020/21 Projects

Thor (Area 90B/C/D, SSA)	6,073,000	-
Albatross (Area 42B, SSA)	1,817,000	-
ODS Main Remnants Replacement	460,000	-
Arcade Creek Cross Repair	260,000	-
McClellan line replacements	49,000	1,614,000
Area X Main Replacement (contingent on Condition Assessment)	70,000	1,537,000
Area Y Main Rehab (contingent on Condition Assessment)	25,000	955,000
U Street Improvement Project	55,000	941,000
Other Miscellaneous Main Replacement Projects	105,000	771,000
Condition Assessment of Main Replacement Areas	500,000	500,000
	\$ 9,414,000	\$ 6,318,000

CIP Project Detail

Well Replacement Costs

5-Year Low	5-Year High	5-Year Average	AMP 2020	Budget 2020	Forecast 2021
\$ 377,974	\$ 3,099,875	\$ 1,398,500	\$ 1,047,445	\$ 3,300,000	\$ 3,100,000

2020/21 Projects

Well #78 - Butano/Cottage (SSA)	\$ 1,290,000	\$ 600,000
Well #79 - Verner/Panorama (NSA)	610,000	2,000,000
Well #80 - Walnut/Auburn (NSA)	700,000	500,000
Property Acquisition (TBD)	350,000	-
Property Acquisition (TBD)	350,000	-
	\$ 3,300,000	\$ 3,100,000

CIP Project Detail

Other Re-Occurring Capital Costs

5-Year Low	5-Year High	5-Year Average	Estimate 2020	Budget 2020	Forecast 2021
\$ 1,149,924	\$ 1,878,704	\$ 1,514,700	\$ 3,654,418	\$ 2,253,000	\$ 1,950,000

2020/21 Projects

Well Rehabilitation - Rehab well 68, 70, N5, N38 & N22 in 2020 and well 18, 20A, N3 & N24 in 2021; Remove natural gas engines at well 47 & N20 in 2020

\$ 1,453,000 \$ 1,150,000

Fouride Analyzers - 10 wells each year

500,000 500,000

Destroy 5 abandoned wells each year

300,000 300,000

\$ 2,253,000 **\$ 1,950,000**

CIP Project Detail

Other Capitalized Project Costs

5-Year Low	5-Year High	5-Year Average	Estimate 2020	Budget 2020	Forecast 2021
\$ 41,804	\$ 780,345	\$ 344,900	\$ 2,909,568	\$ 1,505,000	\$ 1,505,000

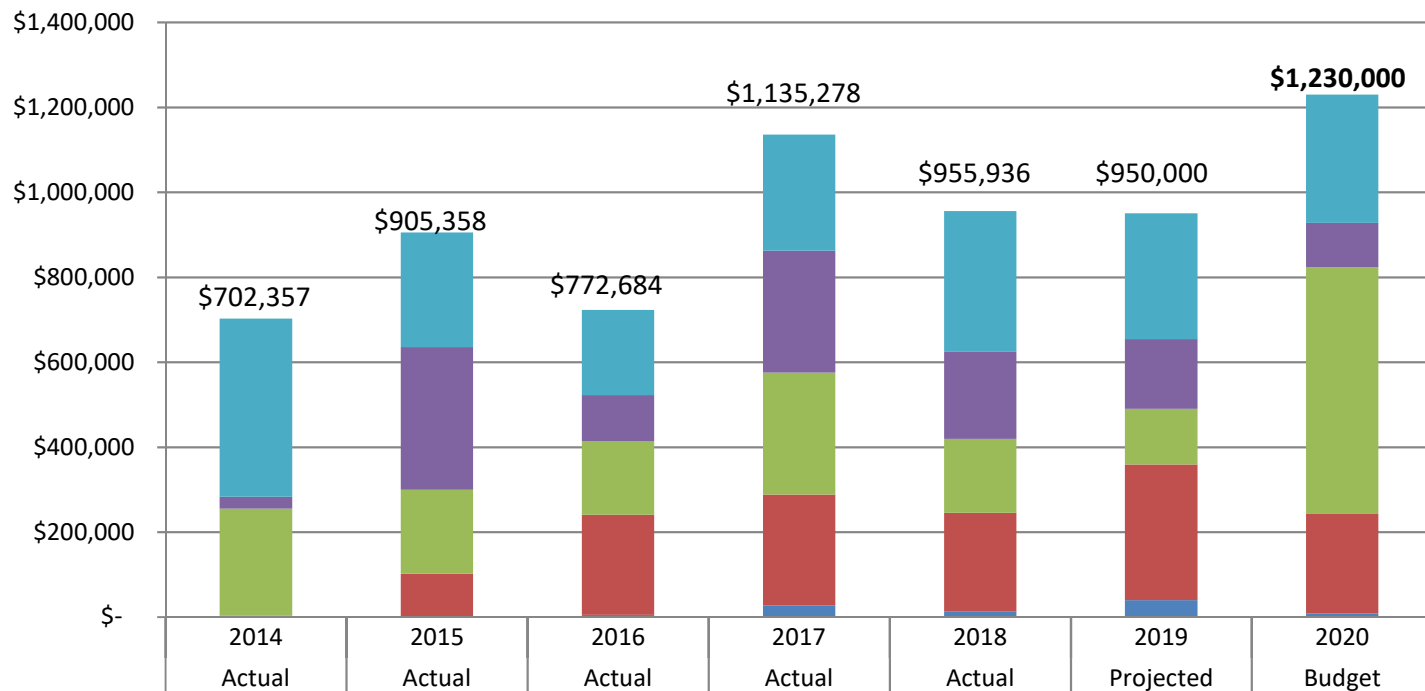
2020/21 Projects

Adjust valves boxes for county paving projects	\$ 200,000	\$ 200,000
Right of way/easement acquisitions	5,000	5,000
AMI Endpoints Replacements	1,300,000	1,300,000
	\$ 1,505,000	\$ 1,505,000

OCB Budget

OCB Project Costs

2014-2018 Actual with 2019 Projected & 2020 Budget



Information Technology	\$419,552	\$269,607	\$200,060	\$273,286	\$331,331	\$296,000	\$302,000
Maintenance	\$27,660	\$336,293	\$109,647	\$286,800	\$205,428	\$164,000	\$105,000
Operations	\$251,745	\$197,310	\$171,914	\$287,120	\$173,674	\$131,000	\$579,000
Vehicles/Fleet	\$-	\$99,729	\$235,576	\$260,890	\$232,721	\$319,000	\$235,000
Office Furniture/Equipment	\$3,400	\$2,419	\$5,487	\$27,182	\$12,782	\$40,000	\$9,000

Discussion of individual line items appear on subsequent pages.

OCB Project Detail

Operations Project Costs

	Budget 2020
	\$ 579,000
 <u>2020 Projects</u>	
Fence Replacement - 2 Well Sites	\$ 14,000
Upgrade SCADA Master Plan to the Asset Management	150,000
Update Urban Water Management Plan	100,000
Update Building & Structure Asset Management Plan	60,000
Update Ground Water Well Asset Management Plan	22,000
Risk & Resiliency Assessment and Emergency Response Plan	83,000
Calibration of District's Hydraulic Model	150,000
	\$ 579,000

OCB Project Detail

Vehicles/Fleet

	Budget 2020
	\$ 235,000
 <u>2020 Projects</u>	
Vehicle Replacement - Truck #46	32,000
Vehicle Replacement - Truck #49	47,000
Vehicle Replacement - Truck # 54	47,000
Vehicle Replacement - Truck # 56	47,000
Vehicle Replacement - Truck # 4	31,000
Vehicle Replacement - Truck # 16	31,000
	\$ 235,000

Debt Service Forecast

Debt Service Forecast

5-Year Low	5-Year High	5-Year Average	Budget 2020
\$ 7,425,000	\$ 7,509,550	\$ 7,474,081	\$ 7,426,000

	2014	2015	2016	2017	2018	2019	2020
Principal	\$ 3,675,000	\$ 3,795,000	\$ 3,945,000	\$ 4,060,000	\$ 4,425,000	\$ 4,570,000	\$ 4,790,000
Interest	3,792,909	3,630,000	3,560,697	3,449,550	3,037,249	2,650,000	2,636,000
Total Debt Service	<u>\$ 7,467,909</u>	<u>\$ 7,425,000</u>	<u>\$ 7,505,697</u>	<u>\$ 7,509,550</u>	<u>\$ 7,462,249</u>	<u>\$ 7,220,000</u>	<u>\$ 7,426,000</u>

2020 forecast assumes a variable interest rate of 3.86%.

2018 and 2019 reflect the refunding of the 2009B COP and the issuance of the 2018A Bond.

2020 Approved Budget Summary

	2018 Actual	2018 Approved Budget	9 Month Actual As Of 9/30/19	2019 Projected	2019 Approved Budget	2020 Approved Budget
Income From Customers	\$ 45,655,837	\$ 45,020,000	\$ 33,761,853	\$ 45,536,645	\$ 46,171,000	\$ 47,669,000
Water Transfers	1,760,900	-	-	-	-	-
Total Other Income	1,398,292	1,465,000	1,502,597	2,110,000	1,907,000	2,220,000
Total Revenue	\$ 48,815,029	\$ 46,485,000	\$ 35,264,450	\$ 47,646,645	\$ 48,078,000	\$ 49,889,000
Budgets:						
Operations and Maintenance	21,066,806	21,860,000	14,579,636	21,595,000	23,241,000	23,039,000
Capital Improvement Program	18,519,624	19,160,000	9,877,440	17,805,000	18,260,000	19,565,000
Operating Capital Program	955,936	1,161,000	259,467	950,000	950,000	1,230,000
Debt Service (Forecast)	7,462,249	7,700,000	1,918,781	7,220,000	7,420,000	7,426,000
Total Costs	48,004,615	49,881,000	26,635,324	47,570,000	49,871,000	51,260,000
Change in Reserve Balance	810,414	(3,396,000)	8,629,126	76,645	(1,793,000)	(1,371,000)
Reserve (Cash) Balance	\$ 48,600,278	\$ 42,273,205	\$ 51,283,667	\$ 45,128,753	\$ 41,566,409	\$ 44,119,993
Refunding 2009B	\$ (3,548,170)					
Citibank Settlement				\$ 362,240		
McClellan Settlement						\$ (2,600,000)
Net Reserve (Cash) Balance	\$ 45,052,108	\$ 42,273,205	\$ 51,283,667	\$ 45,490,993	\$ 41,235,205	\$ 41,519,993