



# **SAN LORENZO VALLEY WATER DISTRICT**

## **2016-17 BUDGET**

*May 19, 2016*



# HIGHLIGHTS - OVERALL

- Projected Revenue **\$8,117,540**
- Projected Expenses **\$11,665,824**
  - ✦ Operating Expenses **\$6,916,174**
  - ✦ Capital Expenses **\$4,749,650**
- Projected Difference **\$3,548,284**



# CONTEXT

2013 Median Household Income  
for San Lorenzo Valley

\$89,445

[www.city-data.com](http://www.city-data.com)

7,800 connections

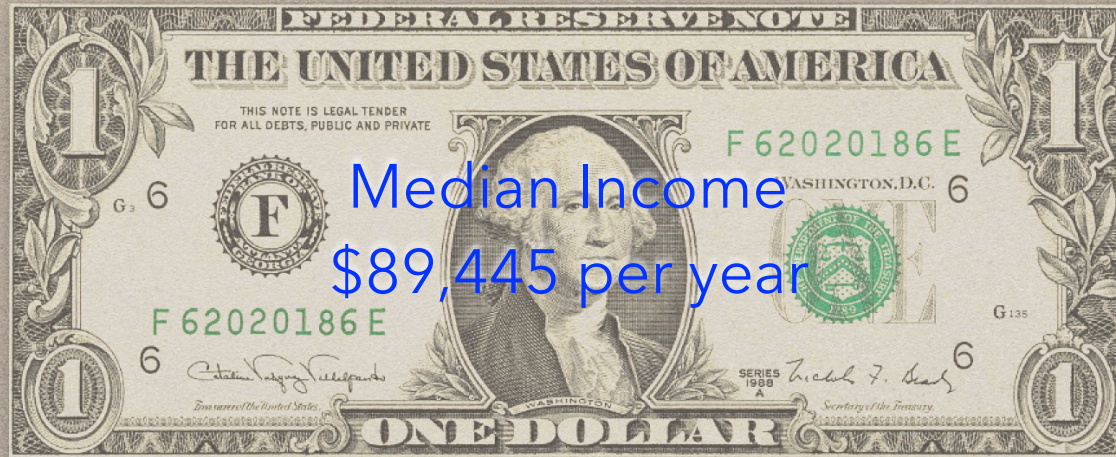
\$11,665,824 Budget

Cost of 16/17 budget per  
connection

\$1,500



# CLEAN WHOLESOME POTABLE WATER 24 HOURS A DAY, 7 DAYS A WEEK



Share of budget  
\$1,500 per year





# HIGHLIGHTS - OPERATING

- Operating Revenue - \$7,065,740
- Operating Expenses - \$6,916,174
- Operating Difference - \$149,566
- 3 new positions
  - ✦ Customer Service Admin
  - ✦ Operations Tech
  - ✦ Water Conservation Coordinator / Communications Specialist / Grant Writer
- 4 vacant positions filled due to Lompico Merger
  - ✦ 2 Field Service Worker II
  - ✦ Electrician/Instrumentation Technician
  - ✦ Water Treatment & Systems Operator



# HIGHLIGHTS - OPERATING, PART 2

- Santa Margarita GSA Formation - \$50,000
- Rate Study - \$88,000
- Compensation & Benefits Benchmarking - \$44,000
- Election - \$30,000
- 2015 UWMP Update - \$55,500
- Olympia Watershed Management - \$20,000
- Boulder Creek Critical Riffle Study - \$28,373



# HIGHLIGHTS - OPERATING, PART 3

- Reductions already implemented through Budget and Finance Committee
  - ◆ Legal Services reduced \$20k
  - ◆ CSDA Membership canceled - \$7k
  - ◆ Public Outreach reduced \$30k
  - ◆ Santa Margarita GSA Formation reduced \$150k
  - ◆ Engineering Professional Services Contracts reduced \$10k
  - ◆ Operations Overtime reduced \$8k
  - ◆ Environmental Professional Services reduced \$15k
  - ◆ Rebate Program reduced \$30k
  - ◆ Outreach and Education reduced \$10k
- Total Decrease = \$280,000



# **HIGHLIGHTS - CAPITAL, WATER ENTERPRISE**

## **\$3,025,850**

- Bull/Bennett Pipeline design (Ranked 1st, 5th, and 11th) - \$180k
- Fall Creek Fish Ladder CEQA (Ranked 18th) - \$40k
- Swim Tank construction (Pre CIP List) - \$570k
- Probation Tank construction (Pre CIP List) - \$626k
- Probation Tank mitigation (Pre CIP List) - \$46k
- Felton Heights Mutual Consolidation Project (Not Ranked) - \$400k
- Administration Bldg ADA Compliance and Office Reconfiguration (Not Ranked) - \$480k
- Lyon Filter Repainting - \$180k
- SCADA HMI Upgrade - \$100k



## **HIGHLIGHTS - CAPITAL, SEWER ENTERPRISE \$400,000**

- Bear Creek Estates WWTP Modifications - \$400k

## **HIGHLIGHTS - CAPITAL, LOMPICO \$345,050**

- 2 vehicles - \$64k
- Tank replacement reserves - \$75k
- SCADA - \$30k
- Meter Replacement - \$185k



# DEALING WITH SHORTFALL

- Projected Difference **\$3,548,284** in Capital
- Operating surplus - **\$149,566**
- Use operating surplus to borrow \$2.5M  
 $\$12,500 / \text{month} @ 5\% \text{ interest} = \sim \$2.5\text{M}$
- Sell surplus property for remaining \$1.0M



# PROJECTS FOR POTENTIAL SRF/BORROWING

- Administration Bldg ADA Compliance and Office Reconfiguration - \$480k - loan
- Swim Tank construction - \$570k - State Revolving Fund (SRF)
- Probation Tank construction - \$626k - SRF
- Bull/Bennett Pipeline design- \$180k - SRF/grant
- Felton Heights Mutual Consolidation Project - \$400k - SRF
- SCADA - \$30k - SRF
- Meter Replacement - \$185k - SRF
- Bear Creek Estates WWTP Modifications - \$400k - SRF
- TOTAL ~\$2.8M



# IN CLOSING

- Projected Revenue
  - ◆ Operating \$7,065,740
  - ◆ Non operating \$1,051,800
  - ◆ Borrowing ~\$2,500,000
  - ◆ Sale of Surplus ~  
\$1,000,000
- Projected Expenses
  - ◆ Operating \$6,916,174
  - ◆ Capital \$4,749,650
- Projected Difference \$0