

GSD FY 2020/21 Budget

Presented to GSD Board of Directors

May 19, 2020

YEAR ENDING JUNE 30, 2019

CASH BALANCES FROM AUDIT

Checking/Savings

| | |
|---|-------------------|
| 1005 · Umpqua Checking - Operating | 135,036.46 |
| 1006 · Umpqua System Reserve - Water | 25,738.24 |
| 1007 · Umpqua System Reserve - Sewer | 31,183.83 |
| 1011 · Water Enterprise Fund | 46,680.32 |
| 1030 · County Treasury - Sewer Reserve | 440,039.31 |
| 1031 · County Treasury - Water Reserve | 246,071.74 |
| 1040 · Petty Cash | 39.51 |
| 1050 · Cash Drawer | 198.54 |
| <hr/> | |
| Total Checking/Savings | 924,987.95 |

OVERVIEW OF INCOME & EXPENSES

| Description | FY 2019/20 | | | | FY 2020/21 |
|---|----------------|--------------------|--------------------|-----------------------|----------------|
| | Adopted Budget | YTD 9 mo. 03/31/20 | Projected Year End | Adopted vs. Projected | Adopted Budget |
| Net Cash Provided by Operating Gain <small>(excludes depreciation)</small> | | | | | |
| Water Revenue | 551,750 | 397,560 | 529,175 | (22,575) | 532,500 |
| Sewer Revenue | 424,770 | 309,707 | 420,170 | (4,600) | 409,920 |
| Estimated + Water Revenue - Rates | | | | | 64,500 |
| Estimated + Sewer Revenue - Rates | | | | | 64,125 |
| Payroll Expenses | (385,338) | (305,493) | (414,800) | (29,462) | (426,040) |
| Admin & Overhead Expenses | (201,068) | (176,902) | (263,891) | (62,823) | (225,639) |
| Water Supplies/Maintenance/Monitoring/Utilities | (119,775) | (110,847) | (141,000) | (21,225) | (121,500) |
| Sewer Supplies/Maintenance/Monitoring/Utilities | (57,910) | (41,791) | (58,690) | (780) | (67,200) |
| Savings of Connection Fees | (40,000) | | (16,000) | 24,000 | (24,000) |
| Net Operating Gain Cash Added | 172,429 | 72,233 | 54,964 | (117,465) | 206,666 |

DETAIL FOR INCOME

| | FY 19-20 Adopted Budget | FY 19-20 YTD 9 mo | FY 19-20 Projected Year End | Δ Budget vs. Projected Year End | FY 20-21 DRAFT Budget |
|--------------------------------|-------------------------------|-------------------------|-----------------------------------|---------------------------------------|-----------------------------|
| Income | | | | | |
| Water Charges | | | | | |
| 4100 · Residential | 300,000.00 | 197,609.38 | 295,000.00 | (5,000.00) | 300,000.00 |
| 4100 · + Rate - Residential | | | | | 40,125.00 |
| 4110 · Commercial | 220,000.00 | 146,726.03 | 215,000.00 | (5,000.00) | 210,000.00 |
| 4110 · + Rate - Commercial | | | | | 24,375.00 |
| 4150 · Bulk Water Sales | - | 24.00 | 25.00 | 25.00 | - |
| Total Water Charges | 520,000.00 | 344,359.41 | 510,025.00 | (9,975.00) | 574,500.00 |
| 4200 · Sewer Charges | 365,000.00 | 246,504.70 | 365,000.00 | - | 357,000.00 |
| 4200 · + Rate - Sewer | | | | | 64,125.00 |
| 4300 · Connection Fees | 40,000.00 | 8,000.00 | 16,000.00 | (24,000.00) | 24,000.00 |
| 4650 · Late Charges | 9,500.00 | 9,795.00 | 9,800.00 | 300.00 | 10,000.00 |
| 4700 · Other Operating Revenue | 5,000.00 | 1,497.87 | 6,500.00 | 1,500.00 | 5,000.00 |
| 49900 · Uncategorized Income | - | | | | - |
| Total Income | 939,500.00 | 610,156.98 | 907,325.00 | (32,175.00) | 1,034,625.00 |

DETAIL FOR EXPENSE SECTIONS

| | FY 19-20 Adopted Budget | FY 19-20 YTD 9 mo | FY 19-20 Projected Year End | Δ Budget vs. Projected Year End | FY 20-21 DRAFT Budget |
|------------------------------------|-------------------------------|-------------------------|-----------------------------------|---------------------------------------|-----------------------------|
| Expense | | | | | |
| Total Administrative and General | 435,737.96 | 292,662.79 | 436,370.00 | 632.04 | 475,575.14 |
| Total Sewage Collection | 51,220.00 | 38,499.71 | 61,000.00 | 9,780.00 | 61,180.00 |
| Total Sewage Treatment | 64,690.00 | 56,538.11 | 85,690.00 | 21,000.00 | 80,370.00 |
| Total Water Trans and Distribution | 74,075.00 | 90,060.12 | 119,000.00 | 44,925.00 | 86,595.00 |
| Total Water Treatment | 126,900.00 | 77,479.80 | 116,000.00 | (10,900.00) | 132,380.00 |
| Total Expense | 752,622.96 | 555,240.53 | 818,060.00 | 65,437.04 | 836,100.14 |
| Net Ordinary Income | 186,877.04 | 54,916.45 | 89,265.00 | (97,612.04) | 198,524.86 |

DETAIL FOR “OTHER” REVENUE & EXPENDITURES

| | FY 19-20 Adopted Budget | FY 19-20 YTD 9 mo | FY 19-20 Projected Year End | Δ Budget vs. Projected Year End | FY 20-21 DRAFT Budget |
|---|-------------------------------|-------------------------|-----------------------------------|---------------------------------------|-----------------------------|
| Other Income | | | | | |
| Total Property Tax Revenue | 27,710.00 | 14,798.83 | 27,710.00 | - | 27,710.00 |
| 8060 · Interest Income | 9,000.00 | 3,393.75 | 6,000.00 | (3,000.00) | 6,000.00 |
| 8070 · Other Non-Operating Revenue | - | 7,350.83 | 8,000.00 | 8,000.00 | 2,400.00 |
| Total Other Income | 37,020.00 | 25,696.73 | 42,020.00 | 5,000.00 | 36,420.00 |
| Other Expense | | | | | |
| 9010 · Other Expenses | | 12,932.11 | 55,000.00 | | 2,000.00 |
| 9040 · Depreciation | 505,000.00 | 328,507.36 | 495,000.00 | (10,000.00) | 490,000.00 |
| 9050 · Interest Expense | 11,468.04 | 4,613.80 | 5,321.13 | (6,146.91) | 2,278.65 |
| Total Other Expense | 516,468.04 | 346,053.27 | 555,321.13 | 38,853.09 | 494,278.65 |
| Net Other Income | (479,448.04) | (320,356.54) | (513,301.13) | (33,853.09) | (457,858.65) |
| Net Income | (292,571.00) | (265,440.09) | (424,036.13) | (131,465.13) | (259,333.79) |
| Add Back Depreciation and Connection Fees | 465,000.00 | 320,507.36 | 479,000.00 | 14,000.00 | 466,000.00 |
| Net Income excluding Deprec. & Conn. Fees | 172,429.00 | 55,067.27 | 54,963.87 | (117,465.13) | 206,666.21 |

PAYROLL OVERVIEW FY 19/20

| Position | Gen. Mgr | Admin. Asst. | Office Help | Sr. Operator | Operator | Ops Help | Total |
|--------------------------------|----------------|---------------|--------------|---------------|---------------|--------------|----------------|
| Wages | 96,000 | 44,200 | 6,240 | 62,400 | 58,240 | 6,240 | 273,320 |
| Vacation Payout | | | | 3,600 | | | 3,600 |
| Over Time | 0 | 1,000 | 0 | 7,500 | 7,500 | 0 | 16,000 |
| On-Call | | | | 4,750 | 4,750 | | 9,500 |
| Total Gross Pay | 96,000 | 45,200 | 6,240 | 78,250 | 70,490 | 6,240 | 302,420 |
| Employer Taxes & Contributions | 8,640 | 4,068 | 562 | 7,043 | 6,344 | 562 | 29,218 |
| Retirement - Employer Match | 3,800 | | | 2,000 | 1,850 | | 7,650 |
| Health Ins. - Employer Part | 9,000 | 9,000 | | 9,000 | 9,000 | | 36,000 |
| Adjustment for Vacation Value | | | | | | | 4,000 |
| Worker's Compensation | 1,398 | 235 | 32 | 3,430 | 3,090 | 398 | 8,584 |
| Total | 118,838 | 58,503 | 6,834 | 99,723 | 90,774 | 7,200 | 387,872 |

Projected Total = \$414,800

PAYROLL OVERVIEW 20/21

| Position | Gen. Mgr | Admin. Asst (32hrs) | Office Help | Sr. Operator | Operator | Ops Help | Total |
|--------------------------------|----------------|------------------------|--------------|----------------|----------------|---------------|----------------|
| Wages | 108,000 | 43,264 | 3,120 | 64,480 | 60,320 | 9,984 | 289,168 |
| Extra RT | | | | 5,000 | 5,000 | | |
| Vacation Payout | 4,500 | | | 3,720 | 3,480 | | 11,700 |
| Over Time | 0 | 1,500 | 0 | 10,000 | 10,000 | 0 | 21,500 |
| On-Call | | | | 4,750 | 4,750 | | 9,500 |
| Total Gross Pay | 112,500 | 44,764 | 3,120 | 87,950 | 83,550 | 9,984 | 341,868 |
| Employer Taxes & Contributions | 10,127 | 4,029 | 281 | 7,916 | 7,520 | 899 | 30,770 |
| Retirement - 3% Employer Match | 2,880 | | | 2,639 | 2,507 | | 8,025 |
| Health Ins. - Employer Part | 8,284 | 8,284 | | 8,284 | 8,284 | | 33,135 |
| Adjustment for Vacation Value | 1,500 | | | 750 | 750 | | 3,000 |
| Worker's Compensation | 1,638 | 233 | 16 | 3,444 | 3,272 | 637 | 9,240 |
| Total | 136,929 | 57,309 | 3,417 | 110,982 | 105,882 | 11,520 | 426,038 |

OVERVIEW OF ASSET INVESTMENT

Current Assets & Major Projects

| Description | FY 2019/20 | | | | FY 2020/21 |
|---|----------------|--------------------|--------------------|-----------------------|----------------|
| | Adopted Budget | YTD 9 mo. 03/31/20 | Projected Year End | Adopted vs. Projected | Adopted Budget |
| Change in Assets | | | | | |
| <u>Change in Current Assets</u> | | | | | |
| Accounts Receivable | 0 | (2,450) | 20,000 | 20,000 | 10,000 |
| Prepaid Insurance | 0 | 7,455 | 0 | 0 | 0 |
| Prepaid Workers Comp | 0 | 1,542 | 0 | 0 | 0 |
| Prepaid Licenses and Permits | 0 | 6,357 | 0 | 0 | 0 |
| Payroll Tax Overpayment | 0 | 202 | 0 | 0 | 0 |
| Other Receivables | 0 | | 0 | 0 | 0 |
| Subtotal Change In Current Assets | 0 | 13,106 | 20,000 | 20,000 | 10,000 |
| <u>Change in Major Capital Improvement Assets</u> | | | | | |
| Robertson + Wallen Tank Replacement - SRF Grant App | 10,000 | 3,756 | 10,000 | 0 | 2,000 |
| CIP - Bear Canyon Aerial | 410,000 | 2,606 | 3,000 | (407,000) | 300,000 |
| SRF Grant for Bear Canyon Aerial | (320,000) | | | 320,000 | (240,000) |
| SRF Loan for Bear Canyon Aerial | (80,000) | | | 80,000 | (60,000) |
| Meridith Ln Sewer Aerial Reroute Prelim Design | 5,000 | | | (5,000) | 5,000 |
| Alderpoint Tank Replacement Project | | | 0 | | |
| Subtotal Major Capital Assets | 25,000 | 6,362 | 13,000 | (12,000) | 7,000 |

OVERVIEW OF ASSET INVESTMENTS

Fixed Assets

| Description | FY 2019/20 | | | | FY 2020/21 |
|---|----------------|--------------------|--------------------|-----------------------|----------------|
| | Adopted Budget | YTD 9 mo. 03/31/20 | Projected Year End | Adopted vs. Projected | Adopted Budget |
| <u>Change in Fixed Assets</u> | | | | | |
| <u>Equipment</u> | | | | | |
| Utility Truck | 0 | 40,034 | 40,034 | 40,034 | |
| Backhoe | 135,000 | 0 | 0 | (135,000) | 0 |
| Loan Disbursement for Backhoe | (135,000) | 0 | 0 | 135,000 | 0 |
| Utility Trailer | 7,000 | 0 | 0 | (7,000) | 7,000 |
| <u>Office Equipment</u> | | | | | |
| Replace Operator Laptop + Assoc Software | | | 1,000 | | 0 |
| Copier | 0 | 0 | 6,240 | 6,240 | 0 |
| <u>Treatment Facilities</u> | | | | | |
| SWTP CL2 Contact Basin Replacement | 0 | 1,165 | 21,540 | 21,540 | |
| Insurance Claim Reimbursement for CL2 | 0 | (20,375) | (20,375) | (20,375) | |
| <u>Distribution/Collection Facilities</u> | | | | | |
| PUMPS: LMI, SWTP Lift | 0 | 0 | 5,361 | 5,361 | |
| Linda Lane Pumps | | | | | 10,000 |
| BS Headworks - pump controls | | | | | |
| Sunnybank Pump/Motor Replacement | | | | | |
| Sunnybank Telemetry | 10,000 | | 0 | (10,000) | 5,000 |
| Church St - Waterline Replacement | 0 | 21,870 | 21,870 | 21,870 | |
| Redwood Drive Sewerline PrelimDesign (SCR-Calicos + Melville - Cecils) | 10,000 | | 0 | (10,000) | 0 |
| Unspecified Asset Purchase | | | | | 25,000 |
| Subtotal Change in Fixed Assets | 27,000 | 42,694 | 75,670 | 47,670 | 47,000 |

OVERVIEW OF ASSET INVESTMENTS

Long Term Liabilities

| Description | FY 2019/20 | | | | FY 2020/21 |
|--|------------------|--------------------|--------------------|-----------------------|------------------|
| | Adopted Budget | YTD 9 mo. 03/31/20 | Projected Year End | Adopted vs. Projected | Adopted Budget |
| Change in Liabilities | | | | | |
| Accounts Payable | 0 | 3,950 | 20,375 | 20,375 | (20,375) |
| Service Deposits | 0 | 1,400 | 1,400 | 1,400 | 600 |
| Current Liabilities - Other | 0 | (60) | 0 | 0 | 0 |
| Loans | | | | | |
| 2500 SWRCB WWTP Principle Pmt (until 8/2023, 2%, \$428,907) | (23,631) | (23,631) | (23,631) | 0 | (24,103) |
| 2700 SWRCB DWIP Principle Pmt (until 01/2046, 0%, \$1,379,471) | (45,982) | (22,991) | (45,982) | 0 | (45,982) |
| 2605 RCAC: ALPT Principle Pmt (until 11/2020, 5%, \$250,000) | (53,976) | (40,228) | (53,976) | 0 | (23,297) |
| 2655 Lease Payable - copier | (862) | (535) | (535) | 327 | 0 |
| Backhoe Principle Pmt (until 06/2025, 4.95%, \$135000) | (24,452) | | 0 | 24,452 | 0 |
| SWRCB DDW SRF Planning - Bear Canyon Aerial (5 yr 0%) | (16,000) | | 0 | 16,000 | (12,000) |
| Total Change in Liabilities {Cash Added or (Spent)} | (164,903) | (82,095) | (102,349) | 62,554 | (125,158) |
| Sum of Change in Cash by Fiscal Year | (44,474) | (72,025) | (156,055) | (110,581) | 17,509 |
| Total Cash and Cash Equivalents: Ending Balance | 818,535 | | 722,253 | | 739,761 |
| Sum of Change in Cash without Rate Change | | | | | (111,116) |

BOTTOM LINE FOR CASH FLOW

| Description | FY 2019/20 Projected Year End | FY 2020/21 Budget |
|---|-------------------------------------|----------------------|
| Total Cash and Cash Equivalents: Starting Balance | 924,988 | 768,933 |
| Net Cash Provided by Operating Gain (excludes depreciation) | 54,964 | 78,041 |
| Estimated Rate Increase Revenue | | 128,625 |
| Major Capital Improvement Assets | (13,000) | (7,000) |
| Fixed Assets | (75,670) | (47,000) |
| Change in Current Liabilities/Assets | 1,775 | (29,775) |
| Decrease in Long Term Liabilities (Loan Pmts) | (124,124) | (105,383) |
| Increase in Long Term Liabilities (Loan Distribution) | - | - |
| Net Change to Cash | (156,055) | 17,509 |
| Projected Ending Cash Balance | 768,933 | 786,441 |
| Reserves | 700,000 | 700,000 |
| SWRCB Reserve Acct - Held in Trust with State | 46,680 | 46,680 |
| Cash Available for Operations : | 22,253 | 39,761 |

(88,864)

QUESTIONS?