



SCOTTS VALLEY
WATER DISTRICT

Fiscal Year 2020

Approved Budget



Mission Statement

The mission of the Scotts Valley Water District is to deliver a sustainable, high quality water supply in an environmentally responsible and sound financial manner while providing outstanding customer service.

Core Values

- Be adaptable and forward looking
- Nurture positivity and collaboration
 - Strive for efficiencies
- Go above and beyond the average level of service

Vision

Be a high performance organization by defying the public agency stereotype and converting problems to solutions.

Scotts Valley Water District
Board of Directors
July 1, 2019

Name	Title	Elected / Appointed	Current Term
Danny Reber	President	Elected	2016-2020
Wade Leishman	Vice President	Elected	2018-2022
William "Bill" Ekwall	Director	Elected	2018-2022
Chris Perri	Director	Elected	2016-2020
Ruth Stiles	Director	Elected	2018-2022

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June 20, 2019

Board of Directors
Scotts Valley Water District

Re: FY 2020 Budget Transmittal Letter

The FY 2020 Budget was developed to implement the FY 2020 Work Plan in support of the District strategic goals:

- Water Resource Management: Meet the current and future water supply needs of the District's customers
- Water System Integrity: Provide continual investments in the District's infrastructure and process improvements
- Financial Stewardship: Manage the District's financial resources in a responsible manner
- Public Outreach: Foster relationships and communications with the District's stakeholders and the community
- Organizational Vitality: Commit to recruiting and retaining the highest quality employees and board members

The work plan in its entirety is attached for reference.

The total FY 2020 Budget amounts to \$10,325,854 in expenditures, including \$5,558,108 in Operating Expenses, \$653,746 in Debt Service, \$3,062,000 in New Projects, \$14,000 in Purchase Order Carryover, and \$1,038,000 in Project Carryover, as described in the FY 2020 Budget Summary below.

In the March 2019 meeting, the Water Resource and Engineering Committee reviewed and commented on the Proposed Projects Budget. In April, the Board of Directors reviewed the Proposed Projects Budget and Operating Budget Assumptions. During its April and May meetings, the Finance and Personnel Committee reviewed the preliminary Proposed Operating Budget. In May, the Proposed Operating Budget was provided to the Board.

The District successfully completed the Comprehensive Rate and Fee Study in compliance with the Proposition 218 requirements in December 2016 and implemented the new rate plan in February 2017. The FY 2020 Revenue Budget reflects the approved rate schedule. The rate changes for FY 2019 through FY 2021 are below:

Potable Water

Effective Date	Change in Basic Meter Charge	Change in Tiered Rate
December 13, 2018	10%	10%
December 13, 2019	10%	10%
December 13, 2020	10%	10%

Recycled Water

Effective Date	Change in Basic Meter Charge	Change in Tiered Rate
December 13, 2108	65.0%	4.35%
December 13, 2019	46.7%	1.36%
December 13, 2020	37.5%	2.02%

To comply with the 2014 Sustainable Groundwater Management Act, the District along with the County of Santa Cruz and San Lorenzo Valley Water District formed the Santa Margarita Groundwater Agency (SMGWA), which operations are initially funded by the three member agencies. The FY 2020 Expense Budget includes funding of \$271,821, or \$116,520 less than the prior year budget, for SMGWA. The District's estimated expense for these purposes in FY 2019 is \$291,256. Pursuant to the payment schedule specified in the 2016 Installment Purchase Agreement, the District payments in FY 2020 increase 16% from \$563,535 to \$653,746.

The Debt Service Coverage Ratio (DSCR) for the FY 2020 Budget is 5.3, exceeding the required 1.2 ratio. The ratio lowers to 2.9 if all development revenues from new service connections projected for FY 2020 were delayed to future years.

The FY 2020 Operating Expense Budget increases 4%, or \$249,550 from the prior year. Noteworthy factors for the change include increases to Salaries & Benefits (Regular pay and CalPERS retirement percentages increases) as well as higher debt service payments in the budget. The budget for Salaries & Benefits in FY 2020 reflects a 3.98% Cost-of-Living Adjustment (COLA) increase for all non-exempt positions. Contributions to CalPERS for each of the Districts three pension plans also increased in FY 2020. Further, the minimum required payment on the District's Unfunded Accrued Liability increased 35% from \$110,000 to \$148,000. Overall, Salaries & Benefits are budgeted to increase by 6% in FY 2020.

Services & Supplies and Debt Service combined are budgeted to increase 3% in FY 2020.

FY 2020 BUDGET SUMMARY

	Potable Water Fund 01	Recycled Water Fund 02	District Total (Funds 01 and 02)
REVENUE			
Operating Revenue			
Water Sales	4,061,787	490,177	4,551,964
Water Services	2,065,955	45,124	2,111,079
New Connections	1,468,130	90,869	1,558,999
Subtotal	7,595,872	626,170	8,222,042
Non-Operating Revenue			
Property Taxes	920,746	-	920,746
Notes Receivable (principal)	-	163,019	163,019
Other	17,000	9,578	26,578
Subtotal	940,352	170,617	1,110,969
TOTAL REVENUE	8,536,224	796,787	9,333,011
EXPENSES			
Operating Expenses			
Administration	1,205,760	91,549	1,297,309
Finance/Customer Service	848,756	84,468	933,225
Operations	2,679,212	320,242	2,999,454
Engineering	176,927	9,524	186,451
Water Use Efficiency	-	-	-
Board	127,503	14,167	141,670
Subtotal	5,038,158	519,951	5,558,108
Debt Service (principal & interest)	396,728	257,018	653,746
Projects	2,762,000	300,000	3,062,000
TOTAL EXPENSES	8,196,886	1,076,969	9,273,854
FY 2019 Projects Carryover	813,000	225,000	1,038,000
FY 2019 Purchase Orders Carryover	14,000	-	14,000
TOTAL BUDGET W/CARRYOVER	9,023,886	1,301,969	10,325,854
Surplus/(Deficit)	(487,662)	(505,182)	(992,843)

REVENUE

The FY 2020 Budget comprises a total revenue of \$9,333,011 with \$8,536,945 in the Potable Water (01) Fund and \$796,787 in the Recycled Water (02) Fund.

Water Sales revenue includes consumption-based sales of potable water, recycled water, and bulk water. The FY 2020 Water Sales revenue budget assumes consumption will be equal to the recent three-year average, and a rate increase of 10% in December 2019.

Water Service revenue is based on monthly or bimonthly basic service charges and the number of existing meters for both potable and recycled water. For new connections added to the system in FY 2019, this revenue is included in the FY 2020 Water Service revenue projection.

New Connections revenue is based on the development projects anticipated to be completed in FY 2020. New Connections revenues have proven to be volatile and difficult to predict. The FY 2020 Budget is based on the most likely scenario projected at this time.

Non-Operating revenue includes property taxes, notes receivable, interest, dividends, sale of surplus items, etc. Property tax revenue for FY 2020 is budgeted at 4.5% more than the estimated actual FY 2019 amount, as projected by the County of Santa Cruz staff. Interest and dividends are budgeted at the current rates. Notes receivable, primarily the Reimbursement for the Reduction of the Recycled Water Entitlement from the City of Scotts Valley, is included in the proposed FY 2020 budget.

EXPENSES

The FY 2020 Operating Budget totals \$5,558,108 including \$5,038,158 in the Potable Water (01) Fund and \$519,951 in the Recycled Water (02) Fund. The FY 2020 Operating Budget is comprised of \$2,912,312 in Salaries and Benefits and \$3,299,543 in Services, Supplies and Production Costs, as detailed below.

Salaries and Benefits

Salaries and Benefits	FY 2019 Adopted Budget	FY 2020 Proposed Budget	Change	%
Administration	516,744	571,864	55,120	11%
Board	130,569	118,000	-12,569	-10%
Engineering	94,766	95,241	475	1%
Finance	393,680	537,783	144,103	37%
Operations	1,505,171	1,589,424	84,253	6%
Water Use Efficiency	112,455	0	-112,455	-100%
Total	2,753,385	2,912,312	158,927	6%

The FY 2020 Salaries and Benefits budget provides for an increase of \$158,927, or 6%, over the FY 2019 budget. The Salaries budget includes scheduled step increases for eligible hourly employees and compensation adjustments for exempt employees. The budget also includes a COLA of 3.98%, as mentioned above, based upon the calendar year 2018 CPI-U average for hourly employees. Directors Fees for the board include compensation for time attending board and committee meetings as well as time spent at conferences, training events and other functions. The Benefits budget includes an average increase of 4% in medical premium rates; an increase of \$38,117 or 35%, for the unfunded pension liability related to prior service by employees; an increase of \$22,203, or 15%, for normal pension costs covering current service by employees; and moderate increases in other benefits.

The number of positions remains unchanged at 18, including the 0.5 full-time equivalent (FTE) Administrative Office Assistant position which supports the Santa Margarita Groundwater Agency (SMGWA). The costs of this position are included within the Administration Division salary and benefit line item budgets and are offset with a credit line item budget (within the budget detail) because the cost of the position is to be reimbursed to the District by SMGWA, so that there is no net budgetary cost to the District for this position. A summary of budgeted full-time equivalent (FTE) positions follows:

Positions:

Position	FTE in FY 2019	FTE in FY 2020
General Manager	1	1
Operations Manager	1	1
Assistant to the General Manager	1	1
Finance & Customer Service Manager	1	1
Engineering Technician	1	1
Operations Supervisor	1	1
Water Use Efficiency Coordinator	1	1
Lead Water Facilities Operator	2	2
Water Facilities Operator III	2	2
Water Facilities Operator II	2	2
Utility Service Representative, Field	1	1
Electrician/Instrumentation Technician	1	1
Accounting Specialist	1	1
Administrative Office Assistant	0.5	0.5
Administrative Office Assistant - SMGWA	0.5	0.5
Utility Service Representative, Office	1	1
Total Positions	18	18

Services, Supplies and Production Costs

Description	FY 2019 Adopted Budget	FY 2020 Proposed Budget	Change	%
Services	847,046	836,808	(10,237)	(1%)
Supplies	106,350	58,900	(47,450)	(45%)
General Production Costs	84,000	86,100	2,100	2%
Source of Supply	578,341	511,821	(66,520)	(12%)
Pumping	366,000	386,930	20,930	6%
Water Treatment	439,750	448,000	8,250	2%
T&D	131,000	134,100	3,100	2%
Customer Accounts	94,120	180,138	86,018	91%
Other	3,000	3,000	0	0%
Total	2,649,607	2,645,797	(3,809)	0%

As shown above, total FY 2020 Services, Supplies and Production Costs are budgeted at \$2,643,515, or flat from the prior year. Source of Supply costs include the SMGWA and conjunctive water supply initiative costs budgeted in the Administration Division, which decreased to \$272,000 from \$388,000 in FY 2019. Excluding this change, the FY 2020 Services, Supplies and Production Costs budget would instead total \$2,371,536, an increase of \$110,429, or 5% more than the amount budgeted in FY 2019.

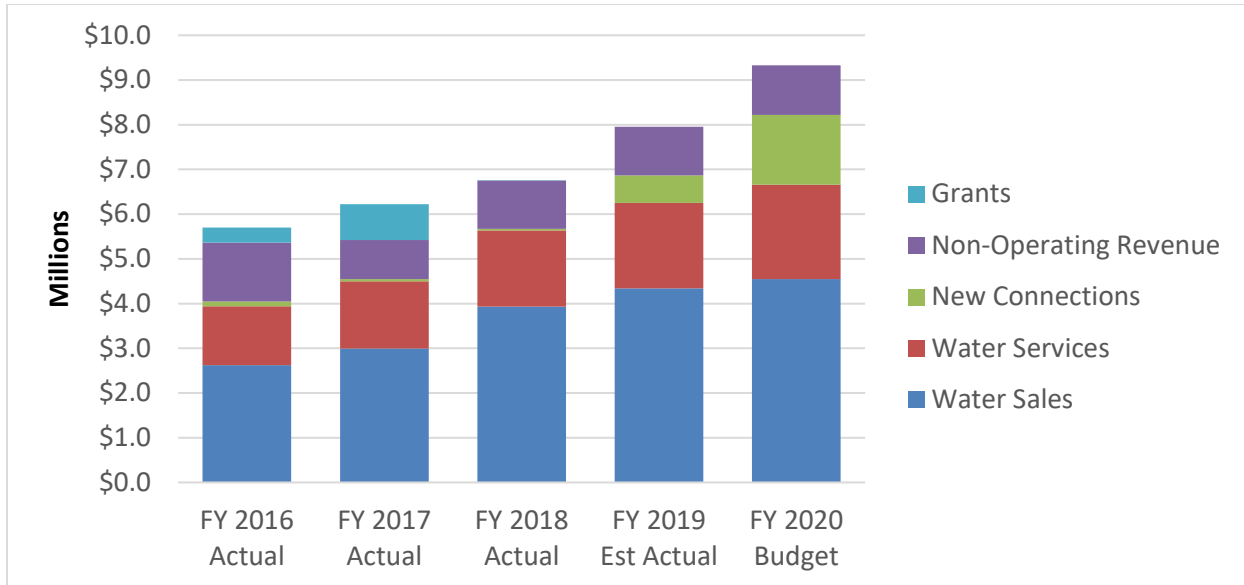
FY 2019 Purchase Order Carryover

One purchase order with an estimated balance of \$14,000 was encumbered in FY 2019, but not expected to be completed by year-end. The balance will be rolled into the FY 2020 Operating Budget to continue the work and is reflected in the budget as an FY 2019 Purchase Order Carryover in FY 2020.

FIVE-YEAR TREND/COMPARISON:

Revenue:

The following chart provides a five-year trend of District revenues, excluding Notes Receivable:



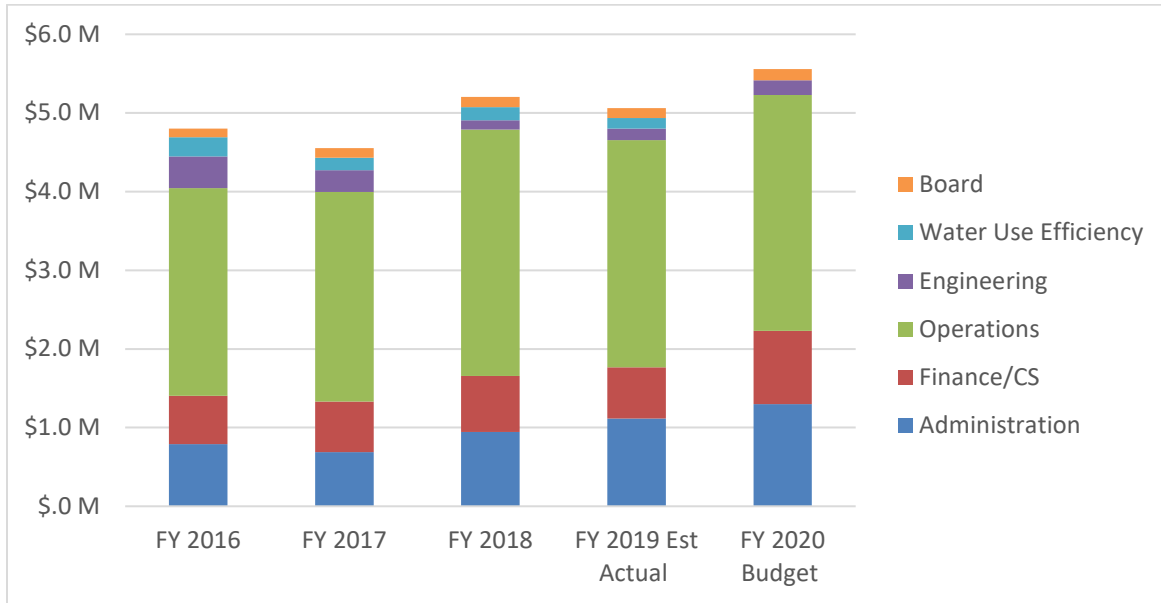
Revenue has steadily increased since FY 2016. FY 2017 was the first year impacted by the Districts current Rate Schedule, a five-year plan that became effective in December of 2016, impacting the second half of FY 2017. FY 2018 was the first full year impacted by the new rate plan and reflects the expected trend of increasing revenues.

FY 2019 Estimated Actuals reflect continued revenue growth. However, the growth is not as significant as was originally estimated in the FY 2019 Budget. The effect of the December 2018 rate increase was significantly offset by reduced consumption. Water Sales revenue in FY 2019 is essentially flat, with revenue growth coming from Water Services, New Connections and Non-Operating (Property Tax) increases.

The projected FY 2020 Water Sales revenue assumes that overall consumption will mirror the 3-year average. Water Service revenue has increased steadily throughout the implementation of the Rate Schedule, and revenue is anticipated to continue to increase in FY 2020, a result of scheduled rate increase.

Expenses:

The following chart provides a five-year trend of District expenses by Division.



The figures above exclude Debt Service. In FY 2020 the Water Use Efficiency division budget shifted to the Finance / CS division to align with the organizational structure.

DEBT SERVICE

The FY 2020 Debt Service budget totals \$653,746, including \$396,728 in the Potable Water (01) Fund and \$257,018 in the Recycled Water (02) Fund, an increase of \$94,434 in total from the FY 2019 Budget of \$559,312.

	PW (01) Fund	RW (02) Fund	Total
2016 JP Morgan Loan			
Interest	\$ 52,402	\$ 33,956	\$ 86,358
Principal	\$ 344,326	\$ 223,062	\$ 567,388
Total	\$ 396,728	\$ 257,018	\$ 653,746

DEBT SERVICE COVERAGE RATIO (DSCR)

The 2016 Refunding Loan requires that the District prescribe, revise and collect such charges for providing water, which, after allowances for contingencies and errors, produce sufficient income in each fiscal year to provide net revenues equal to at least 1.20 times the sum of 1) 2016 Loan installment payments becoming due and payable in such fiscal year and 2) all debt service and any related payments required with respect to any additional parity debt for such

fiscal year. Parity debt consists of any additional debt obligations incurred by the District and secured by a debt on District revenues equally and ratably with the 2016 Loan payments. No parity debt currently exists.

The FY 2020 Budget presents a debt coverage ratio of 5.3, which is well above the minimum requirement of 1.20. New Connections revenue including Meter Fees, Capacity Fees, Will Service Fees, and Development Project Review Fees are budgeted for a total of \$1.1 million and included in the calculation. In the worst case, if all New Connections revenues were delayed and thus not included in this calculation, the DSCR would be adjusted to 2.9.

PROJECTS

The FY 2020 Projects budget totals \$3,062,000, with \$2,762,000 in the Potable Water Fund and \$300,000 in the Recycled Water Fund. Additionally, current projects in progress are projected to have a total unspent balance of \$1,038,000 by FY 2019 year-end, and this amount will be carried forward into FY 2020, so that those projects may be completed. Combining the FY 2020 Project budget of \$3,062,000 with the carryover budget of \$1,038,000, the Proposed FY 2020 Projects budget will have a total of \$4,100,000. Project spending in FY 2020 will be funded by rate revenues. Budgeted projects are listed below:

Summary of the FY 2020 Projects Budget:

Category	Project	Potable Water (01) Fund	Recycled Water (02) Fund	FY 2019 Carryover	FY 2020 Total
Transmission Mains	Main Replacement Program	75,000	-	75,000	150,000
Treatment Plants	Orchard Run Water Treatment Plant Water Quality Improvements	1,900,000	-	300,000	2,200,000
Treatment Plants	El Pueblo Water Treatment Plant Improvements	-	-	100,000	100,000
Treatment Plants	Treatment Facility for New Formation Well	50,000	-	-	50,000
Storage Tanks	Bethany Tank Rehabilitation	100,000	-	100,000	200,000
Storage Tanks	Sequoia Tank Rehabilitation	-	-	400,000	400,000
Pump Stations	Hacienda PS Improvements	55,000	-	45,000	100,000
Pump Stations	Orchard Run Pump Station	200,000	-	-	200,000

Category	Project	Potable Water (01) Fund	Recycled Water (02) Fund	FY 2019 Carryover	FY 2020 Total
Recycled Water Supply	Purified Recycled Water Recharge	-	300,000	225,000	525,000
Meters	Automated Metering Infrastructure (AMI) / Meter Replacement Program	350,000	-	-	350,000
Technology Upgrades	Accounting & Utility Billing Software Improvements	-	-	20,000	20,000
Vehicles/ Equipment	Vehicle Replacement Program	37,000			37,000
Vehicles/ Equipment	Specialized Operations Vehicles	80,000	-	-	80,000
Totals:		2,762,000	300,000	1,038,000	4,100,000

The most significant FY 2020 projects are described further below:

\$2,200,000 Orchard Run Water Treatment Plant Improvements:

Implement esthetic taste and odor improvements to treatment process by adding new Granular Activated Carbon (GAC) filter and chlorine analyzer injection system. Infrastructure improvements include replacing ammonia-based air scrubbing system with a Bio Filtration scrubber. Replace 40,000 gallon bolted steel back wash tank and install new sewer lateral.

\$200,000 Bethany Tank Rehabilitation:

Construct additional tank on-site to allow for roof reconstruction and interior and exterior coating replacement of 0.4 million gallon Bethany Tank.

\$400,000 Sequoia Tank Rehabilitation:

Recoat roof, interior, and exterior of 1.25 million gallon Sequoia Tank that has original coating from 1983.

\$525,000 Purified Recycled Water Recharge:

Supplemental supply project to increase groundwater reliability, especially in dry years (climate related change). Could be shifted to SMGWA or replaced with conjunctive use with other water suppliers.

BUDGETARY CONTROL

Through approval of the budget, the board appropriates the resources necessary to maintain District service levels and achieve specified objectives. The District prepares a detailed line item operating budget, which represents an estimate based on operations at the time the budget is prepared. Throughout the fiscal year management applies best business practices to improve operational efficiencies. As a result, actual expenses may differ from the budget.

The level of budgetary control is set at the major expense category (for example, Salaries and Benefits, or Services and Supplies) by division. Each Division Manager is responsible for his/her division budget. The General Manager is responsible for the District budget with authority to move appropriations between divisions. Budgetary control for projects is set at the total Projects budget amount approved for the year, including carryover project funding. Spending on a project not listed in the budget would require the board's review and approval through an agenda report.

FUND BALANCE

Fund Balance is defined as funds readily available for new expenses and/or commitments. It is based on working capital, calculated as current assets (excluding Notes Receivable, shown separately below) minus current liabilities (excluding Debt Service principal, shown separately below).

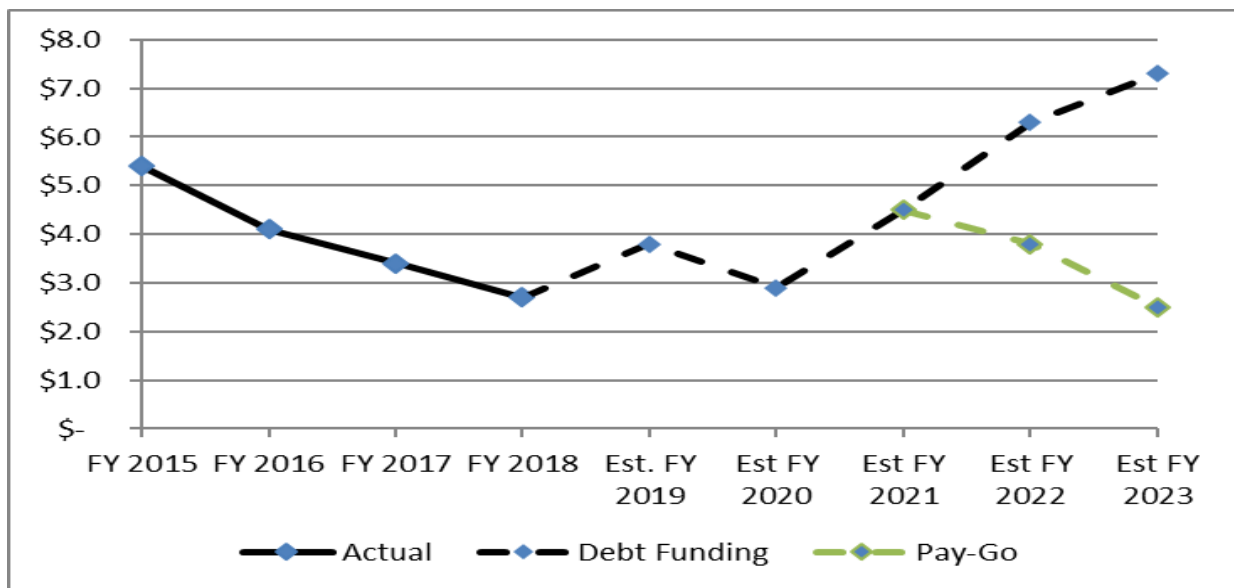
FY 2019 Estimated Actual	Potable Fund	Recycled Fund	District Total
Audited Fund Balance 6/30/2018	2,749,217	(73,932)	2,675,285
Revenue	7,242,444	548,322	7,790,766
Notes Receivable		161,784	161,784
Operating Expense	(4,495,775)	(564,987)	(5,060,762)
Debt Service	(341,953)	(221,582)	(563,535)
Project Costs	(1,073,189)	(95,000)	(1,168,189)
Increase / (Decrease) of Fund Balance	1,331,527	(171,463)	1,160,064
Transfer from 01 Fund to 02 Fund	(245,395)	245,395	-
Projected Fund Balance 6/30/2019	3,835,349	-	3,835,349

The total Fund Balance is projected to increase \$1.1 million by the end of FY 2019, from \$2.7 million to \$3.8 million. This increase is primarily due to the District not spending the full \$2.8 million budgeted for projects in FY 2019. The Estimated Actual for projects is \$1.2 million. Of the \$1.6 million variance, it is anticipated that \$1.0 million will be required in FY 2020 as carryover project funding.

FY 2020 Budget	Potable Fund	Recycled Fund	District Total
Projected Fund Balance 6/30/2019	3,835,349	-	3,835,349
Revenue	8,536,945	633,768	9,170,713
Notes Receivable		163,019	163,019
Operating Expense	(5,038,158)	(519,951)	(5,558,108)
Debt Service	(396,728)	(257,018)	(653,746)
Project Costs	(2,762,000)	(300,000)	(3,062,000)
Increase / (Decrease) of Fund Balance	4,175,408	(280,182)	3,895,227
FY 2018 Purchase Orders Carryover	-	-	-
FY 2019 Projects Carryover	(813,000)	(225,000)	(1,038,000)
Transfer from 01 Fund to 02 Fund	(505,182)	505,182	-
Projected Fund Balance 6/30/2020	2,857,227	-	2,857,227

The FY 2020 Budget anticipates a \$0.9 million draw on Fund Balance from \$3.8 million on 6/30/2019 to \$2.9 million on 6/30/2020. The FY 2020 budget includes a sizable \$4.1 million spending in projects. While the budget represents the financial resources that are needed for the project, it is likely that the full budget amount will not be needed in the fiscal year.

Fund Balance (in millions of \$)



After five consecutive years of budget deficits from FY 2014 through FY 2018, the FY 2019 Fund Balance reversed the trend by ending the year in a surplus. As discussed above and shown in the Fund Balance chart above, the FY 2020 budget will draw on fund balance. As the District

continues to see revenue grow, and as essential projects are completed, fund balance is anticipated to grow in future years.

Estimating future year fund balances requires making numerous assumptions. One of the most significant assumptions is how the District will pay for the Purified Recycled Water Project, the largest project in the Capital Improvement Program. The Fund Balance chart above depicts two funding scenarios: Debt Funding and Pay-Go. The Debt Funding scenario assumes that grant funding and debt financing will fully fund the project. In this scenario, fund balance will continue to increase to meet or exceed the Target Reserve. The Pay-Go scenario assumes that the project will be funded by a combination of grant funding, rate revenue and fund balance. In this scenario, the District will draw on fund balance to pay for the project and the District would not achieve the Reserve Target in the forecast period.

ALLOCATION OF EXPENSES BETWEEN POTABLE FUND AND RECYCLED FUND

In general, recycled water revenue receipts, portions of debt service for the 2016 Refunding Loan, water meters for recycled accounts, repairs and maintenance of the recycled water plant and 10% of the general and administrative expenses are budgeted in the Recycled Water Fund. As the budget needs to be balanced by fund, a \$505,182 loan from the Potable Water Fund to the Recycled Water Fund is required to make the Recycled Water Fund whole for FY 2020. It should be noted that all District fund balance reserves are allocated to the Potable Fund and none is currently allocated to the Recycled Fund. The repayment of the cumulative interfund loans will be addressed in future budgets as the District implements continuing rate adjustments and completes various capital projects.

TARGET RESERVE

As part of the 2016 rate study, various reserve types and respective levels were discussed and recommended to the Board. The target reserves were established in District Policy P200-17-2. For FY 2020, the calculated target reserve amount is approximately \$4.5 million, as summarized below. The projected Reserve Balance, based upon fund balance at June 30, 2020, is \$2.8 million, or \$1.7 million less than the Target Reserve.

District Reserve Components:

		FY 2020
Operating Reserve		
FY 2020 Operating Expense Budget	5,558,108	
Reserve Level: 90 days (25%)	25%	1,389,527
Rate Stabilization Reserve		
FY 2020 Water Sales Revenue Budget	4,551,964	
20% of volumetric water sales revenue	20%	910,393
Emergency Reserve		
Net Asset Value @ 6/30/2017	20,799,937	
2.5% of Net Asset Valuation	2.50%	519,998
Capital Reserve		
FY 2018 Depreciation	998,094	
1 year of Depreciation	100%	998,094
Debt Service Reserve		
FY 2020 Debt Service	653,746	
100% of Debt Service	100%	<u>653,746</u>
Target Reserve:		4,471,758

In summary, the FY 2020 Budget reflects a Revenue budget of cautious optimism, an Operating Expense budget that maintains the Districts high service levels, and a detailed Projects budget. As the District sees its revenue grow with scheduled rate increases, and as essential projects are completed, the Reserve balance is anticipated to increase over time.

Respectfully submitted,

Piret Harmon
General Manager

Scotts Valley Water District
FY 2020 Proposed Budget: Revenue

Account Number	Account Description	FY 2019 Budget	FY 2019 Estimated Actual	FY 2020 Budget
Fund (01)	POTABLE WATER			
R10	Oper Revenue - Water Sales			
01-000-41101	Residential Consumption - SF	\$ 2,300,863	\$ 2,133,070	\$ 2,321,579
01-000-41102	Residential Consumption - MF	\$ 154,315	\$ 154,256	\$ 167,537
01-000-41103	CII Consumption - Commercial	\$ 1,219,011	\$ 1,160,748	\$ 1,231,742
01-000-41105	Irrigation Consumption	\$ 347,376	\$ 304,292	\$ 324,929
01-000-41106	CII Consumption - Other	\$ -	\$ 62,786	\$ -
01-000-41200	Other Bulk Water	\$ 16,000	\$ 28,153	\$ 16,000
	R10 Oper Revenue-Water Sales Total:	\$ 4,037,565	\$ 3,843,304	\$ 4,061,787
R20	Oper Revenue - Water Services			
01-000-41300	Other Late Penalty	\$ 34,120	\$ 26,595	\$ 27,260
01-000-42100	Standby Basic Meter Charge	\$ 1,808,047	\$ 1,795,481	\$ 1,975,029
01-000-42121	Standby FP Basic Meter Charge	\$ 48,653	\$ 49,168	\$ 50,397
01-000-43300	Other Operating Revenue	\$ 11,000	\$ 12,638	\$ 13,269
	R20 Oper Revenue - Water Services Total:	\$ 1,901,820	\$ 1,883,881	\$ 2,065,955
R25	Oper Revenue - New Connections			
01-000-42101	Other Meter Fee	\$ 10,535	\$ 11,517	\$ 12,093
01-000-42102	Other Capacity Buy-in Fee	\$ 650,102	\$ 582,199	\$ 1,448,187
01-000-42120	Other FP Meter Fee	\$ 410	\$ 4,710	\$ 4,946
01-000-43100	Other Will Serve	\$ 1,000	\$ 750	\$ 788
01-000-43200	Other Dev Proj Review	\$ 5,000	\$ 2,017	\$ 2,118
	R25 Oper Revenue - New Connections Total:	\$ 667,047	\$ 601,193	\$ 1,468,130
R30	Non-Oper Revenue			
01-000-46000	Property Taxes	\$ 869,268	\$ 881,097	\$ 920,746
01-000-47110	Interest & Dividend	\$ 7,000	\$ 4,637	\$ 4,869
01-000-47120	Interest - LAIF	\$ 8,000	\$ 11,178	\$ 11,737
01-000-47520	Misc. Non-Operating Revenue	\$ 2,000	\$ 15,553	\$ 3,000
01-000-47530	Unrealized Gain/Loss on Investment	\$ -	\$ 882	\$ -
01-000-47540	Third-Party Reimbursement	\$ 50,000	\$ -	\$ -
	R30 Non-Oper Revenue Total:	\$ 936,268	\$ 913,346	\$ 940,352
R40	Grants			
01-000-45260	Local Grant	\$ -	\$ 720	\$ -
	R40 Non-Oper Revenue - Grants Total:	\$ -	\$ 720	\$ -
Fund (01) Potable Water Revenue Total:		\$ 7,542,700	\$ 7,242,444	\$ 8,536,225

Scotts Valley Water District
FY 2020 Proposed Budget: Revenue

Account Number	Account Description	FY 2019 Budget	FY 2019 Estimated Actual	FY 2020 Budget
Fund (02)	RECYCLED WATER			
R10	Oper Revenue - Water Sales			
02-000-41105	Irrigation Consumption	\$ 476,216	\$ 473,277	\$ 465,177
02-000-41200	Other Bulk Water	\$ 28,000	\$ 22,771	\$ 25,000
	R10 Oper Revenue - Water Sales Total:	\$ 504,216	\$ 496,049	\$ 490,177
R20	Oper Revenue - Water Services			
02-000-42100	Standby Basic Meter Charge	\$ 29,461	\$ 29,361	\$ 45,124
02-000-43300	Other Oper Revenue	\$ -	\$ 100	\$ -
	R20 Oper Revenue - Water Services Total:	\$ 29,461	\$ 29,461	\$ 45,124
R25	Oper Revenue - New Connections			
02-000-42101	Other Meter Fee	\$ -	\$ 672	\$ -
02-000-42102	Other Capacity Fee	\$ 11,896	\$ 12,262	\$ 90,869
	R25 Oper Revenue - New Connections Total:	\$ 11,896	\$ 12,934	\$ 90,869
R30	Non-Oper Revenue			
02-000-47110	Interest and Dividend	\$ 9,578	\$ 9,878	\$ 7,598
02-000-47540	Third-Party Reimbursement	\$ 257,000	\$ -	\$ -
02-000-47560	Notes Receivable Payments	\$ 161,639	\$ 161,784	\$ 163,019
	R30 Non-Oper Revenue Total:	\$ 428,217	\$ 171,662	\$ 170,617
R40	Grants			
02-000-45400	Capital Contributions	\$ -	\$ -	\$ -
	R40 Non-Oper Revenue - Grants Total:	\$ -	\$ -	\$ -
Fund (02) Recycled Water Revenue Total:		\$ 973,790	\$ 710,106	\$ 796,787
Fund (01) and Fund (02) Revenue Total:		\$ 8,516,490	\$ 7,952,550	\$ 9,333,012
Total Revenue excluding New Connections		\$ 7,837,547	\$ 7,338,423	\$ 7,774,012

Scotts Valley Water District
Potable Water Fund (01)
FY 2020 Proposed Budget: Expense

Account Number	Account Description	FY 2019 Budget	FY 2019 Estimated Actual	FY 2020 Budget
Fund (01)	Potable Water			
Dept (100)	Administration			
E01	Salaries & Benefits			
01-100-51110	Regular Pay	319,746	316,391	337,955
01-100-51111	Temporary Pay	12,000	-	10,000
01-100-51114	Overtime Pay	-	27	-
01-100-51132	Special Vacation Pay	10,000	10,000	10,000
01-100-51150	Vehicle & Phone Allowance	3,840	3,840	3,840
01-100-51161	Medicare	4,901	4,567	5,165
01-100-51202	Retirement - Tier 2	22,876	22,695	26,110
01-100-51203	Retirement - Tier 3	4,275	4,185	4,766
01-100-51204	Unfunded Pension Liability	109,679	105,844	147,796
01-100-51206	Retirement - Survivor Benefit	73	75	73
01-100-51210	Medical Insurance	46,761	45,629	47,010
01-100-51212	Dental Insurance	3,329	3,329	3,329
01-100-51213	Vision Insurance	668	668	668
01-100-51214	Life & AD&D Insurance	816	933	1,172
01-100-51215	457 & HSA Contributions	12,800	14,887	12,800
01-100-51216	Employee Assistance Program	87	95	85
01-100-51220	Other Post-Employment Benefits	6,245	6,860	6,240
01-100-51240	Workers' Compensation	2,853	1,350	1,795
01-100-51250	Tuition Reimbursement	5,250	-	5,250
01-100-51698	Reimbursement from SMGWA	(49,455)	(18,549)	(52,188)
01-100-51700	Allocation from Fund (01) to Fund (02)	(51,674)	(52,283)	(57,186)
	E01 Salaries & Benefits Total:	465,070	470,544	514,678
E03	Services			
01-100-52110	Contractual Services	25,000	20,000	20,000
01-100-52120	Landscape Maint.	5,000	4,485	5,000
01-100-52210	Professional Services	77,000	43,857	77,000
01-100-52230	IT Services	70,000	66,832	70,000
01-100-52231	Website Maint.	5,500	4,866	5,500
01-100-52250	Legal Counsel	36,000	36,000	36,000
01-100-52310	Sewer Service	485	364	485
01-100-52320	Solid Waste Service	560	585	600
01-100-52330	Electricity & Gas	10,600	9,418	11,289
01-100-52340	Telephone & Internet	9,700	9,700	9,600
01-100-52410	Software Licensing & Maint.	1,000	881	1,000
01-100-52420	Equipment Rental & Maint.	5,100	4,382	5,100
01-100-52510	Travel & Meetings	10,000	10,000	12,000
01-100-52520	Training	4,000	5,000	4,000
01-100-52530	Dues & Memberships	22,000	22,000	24,000
01-100-52540	Employee Recognition	5,000	5,000	5,000
01-100-52570	Printing Services	2,500	2,086	2,500
01-100-52620	Legal Advertising	-	186	200

Scotts Valley Water District
Potable Water Fund (01)
FY 2020 Proposed Budget: Expense

Account Number	Account Description	FY 2019 Budget	FY 2019 Estimated Actual	FY 2020 Budget
Fund (01)	Potable Water			
01-100-52630	Advertising & Promotion	12,900	11,520	13,000
01-100-52660	Recruitment	600	600	1,000
01-100-52700	Safety Services	2,000	2,000	2,000
01-100-52725	HR Processing Fees	2,100	2,100	2,100
01-100-52800	Regulatory Oversight & Comp	-	102	200
01-100-52810	General Building Maint.	15,600	20,000	18,500
01-100-52980	Allocation from Fund (01) to Fund (02)	(32,265)	(28,196)	(32,607)
	E03 Services Total:	290,381	253,766	293,467
E05	Supplies			
01-100-53100	Office Supplies	4,800	3,348	4,000
01-100-53110	Building Supplies	1,000	1,102	2,000
01-100-53400	Books & Subscriptions	300	550	550
01-100-53700	Special Division Supplies	5,000	5,000	5,000
01-100-53910	Office Equipment	2,000	2,500	3,000
01-100-53920	Furniture & Furnishings	2,000	2,000	3,000
01-100-53980	Allocation from Fund (01) to Fund (02)	(1,510)	(1,450)	(1,755)
	E05 Supplies Total:	13,590	13,050	15,795
E10	Source of Supply			
01-100-52211	Contributions for SMGWA	388,341	291,256	271,821
01-100-52212	Professional Services - SS	100,000	-	100,000
01-100-52290	In-kind Services for SMGWA	10,000	6,295	10,000
	E10 Source of Supply Total:	498,341	297,551	381,821
E70	Other			
01-100-52940	Customer Claims Paid	-	900	-
	E70 Source of Supply Total:	-	900	-
Dept (100) Expense Total:		1,267,381	1,035,810	1,205,760
Dept (200)	Finance/Customer Service			
E01	Salaries & Benefits			
01-200-51110	Regular Pay	254,131	251,237	356,387
01-200-51111	Temporary Pay	-	-	10,000
01-200-51114	Overtime Pay	1,000	200	1,000
01-200-51116	Bonus Pay	-	1,000	-
01-200-51150	Vehicle & Phone Allowance	480	140	960
01-200-51161	Medicare	3,700	3,601	5,286
01-200-51202	Retirement - Tier 2	15,042	10,183	19,695
01-200-51203	Retirement - Tier 3	4,703	9,355	10,682
01-200-51206	Retirement - Survivor Benefit	72	75	97
01-200-51210	Medical Insurance	56,670	67,744	77,629
01-200-51212	Dental Insurance	2,470	2,995	3,243
01-200-51213	Vision Insurance	668	718	891

Scotts Valley Water District
Potable Water Fund (01)
FY 2020 Proposed Budget: Expense

Account Number	Account Description	FY 2019 Budget	FY 2019 Estimated Actual	FY 2020 Budget
Fund (01)	Potable Water			
01-200-51214	Life & AD&D Insurance	681	642	1,127
01-200-51215	457 & HSA Contributions	6,600	7,796	8,800
01-200-51216	Employee Assistance Program	87	102	114
01-200-51220	Other Post-Employment Benefits	42,182	44,039	39,798
01-200-51240	Workers' Compensation	2,194	1,071	2,075
01-200-51250	Tuition Reimbursement	3,000	-	-
01-200-51700	Allocation from Fund (01) to Fund (02)	(39,368)	(40,090)	(53,778)
	E01 Salaries & Benefits Total:	354,312	360,808	484,005
E03	Services			
01-200-52210	Professional Services	46,700	18,801	37,550
01-200-52240	Audit Services	24,600	24,600	30,000
01-200-52260	Regulatory Reporting	1,250	1,250	1,250
01-200-52300	Auto & Liability Insurance	60,000	45,879	47,000
01-200-52400	Property Insurance	13,000	12,560	14,000
01-200-52410	Software Licensing & Maint.	12,100	11,952	12,705
01-200-52420	Equipment Rental & Maint.	900	828	480
01-200-52510	Travel & Meetings	2,250	3,236	2,450
01-200-52520	Training	2,000	2,243	2,000
01-200-52550	Printing & Mailing	500	-	500
01-200-52720	Payroll Processing	6,200	6,010	6,510
01-200-52740	Bank Service Fees	8,000	5,315	5,600
01-200-52745	Fiscal Agent Fees	1,000	1,000	1,000
01-200-52760	Health Benefits Admin Fees	500	389	508
01-200-54015	Property Tax Admin Fees	6,300	6,460	6,751
01-200-52980	Allocation from Fund (01) to Fund (02)	(18,530)	(14,052)	(16,830)
01-500-52210	Outside Prof. Services	-	-	32,000
01-500-52510	Travel & Meetings	-	-	2,500
01-500-52520	Training	-	-	1,000
01-500-52630	Advertising & Promotion	-	-	1,500
	E03 Services Total:	166,770	126,471	188,473
E05	Supplies			
01-200-53200	Postage	3,000	1,000	3,000
01-200-53980	Allocation from Fund (01) to Fund (02)	(300)	(100)	(300)
01-500-53290	Promotional Give-Aways	-	-	2,000
01-500-53700	Special Division Supplies	-	-	4,000
	E05 Supplies Total:	2,700	900	8,700
E35	Customer Accounts			
01-200-52415	Software Licensing & Portal	22,270	22,110	19,895
01-200-52555	Printing & Mailing	20,000	10,518	19,800
01-200-52560	Collection Agency Fees	500	1,430	1,107
01-200-52650	AMI Data Subscription	10,000	20,180	29,904
01-200-52710	Payment Processing Fees	38,000	47,786	56,770

Scotts Valley Water District
Potable Water Fund (01)
FY 2020 Proposed Budget: Expense

Account Number	Account Description	FY 2019 Budget	FY 2019 Estimated Actual	FY 2020 Budget
Fund (01)	Potable Water			
01-200-52750	Customer Setup Fee	1,200	-	-
01-200-53700	Special Division Supplies	1,500	1,279	1,500
01-200-54980	Allocation from Fund (01) to Fund (02)	(2,427)	(10,330)	(12,898)
01-500-53260	Rebates - Turf/Drip Replacement	-	-	40,000
01-500-53270	Rebates - Other Out Door Efficiency	-	-	5,000
01-500-53280	Rebates - Indoor Efficiencies	-	-	5,500
	E35 Customer Accounts Total:	91,043	92,974	166,578
E70	Other			
01-200-54010	Property Taxes	1,000	989	1,000
	E70 Other Total:	1,000	989	1,000
E80	Debt Service			
01-200-54740	Interest Expense - 2016 JPMorgan	60,244	57,619	52,402
01-200-54750	Bond Principal - 2016 JPMorgan	279,146	284,334	344,326
	E80 Debt Service Total:	339,390	341,953	396,728
	Dept (200) Expense Total:	955,215	924,095	1,245,485
Dept (300)	Operations			
E01	Salaries & Benefits			
01-300-51110	Regular Pay	948,655	932,123	1,025,683
01-300-51111	Temporary Pay	17,982	33,126	-
01-300-51114	Overtime Pay	62,000	91,086	64,480
01-300-51115	Special Vacation Pay	-	4,481	12,900
01-300-51150	Vehicle & Phone Allowance	6,720	6,153	6,240
01-300-51161	Medicare	15,013	14,961	15,150
01-300-51162	Social Security	1,115	2,053	-
01-300-51201	Retirement - Tier 1	23,358	22,982	26,372
01-300-51202	Retirement - Tier 2	44,269	39,616	51,647
01-300-51203	Retirement - Tier 3	17,470	20,972	19,306
01-300-51206	Retirement - Survivor Benefit	242	251	266
01-300-51210	Medical Insurance	210,098	214,564	221,856
01-300-51212	Dental Insurance	10,506	10,506	10,910
01-300-51213	Vision Insurance	2,227	2,227	2,450
01-300-51214	Life & AD&D Insurance	2,164	2,156	2,446
01-300-51215	457 & HSA Contributions	20,800	26,996	23,000
01-300-51216	Employee Assistance Program	290	317	313
01-300-51220	Other Post-Employment Benefits	81,001	85,249	78,203
01-300-51240	Workers' Compensation	41,262	27,470	28,201
01-300-51700	Allocation from Fund (01) to Fund (02)	(150,517)	(153,729)	(158,942)
	E01 Salaries & Benefits Total:	1,354,655	1,383,561	1,430,482
E03	Services			
01-300-52120	Landscape Maint.	11,000	11,828	11,300

Scotts Valley Water District
Potable Water Fund (01)
FY 2020 Proposed Budget: Expense

Account Number	Account Description	FY 2019 Budget	FY 2019 Estimated Actual	FY 2020 Budget
Fund (01)	Potable Water			
01-300-52210	Professional Services	20,000	-	20,600
01-300-52310	Sewer Service	420	364	400
01-300-52320	Solid Waste Service	3,000	2,468	3,100
01-300-52340	Telephone & Internet	8,000	9,392	8,200
01-300-52420	Equipment Rental & Maint.	20,000	7,293	20,600
01-300-52500	Uniform Laundering Services	5,100	5,303	5,300
01-300-52510	Travel & Meetings	7,500	1,202	7,700
01-300-52520	Training	15,000	7,215	15,500
01-300-52550	Printing and Mailing	750	11	800
01-300-52700	Safety Services	2,000	444	2,100
01-300-52810	General Building Maint.	4,000	4,253	4,100
01-300-52830	Landfill Fees	3,000	944	3,100
01-300-52910	Vehicle Maint.	27,000	35,738	27,800
01-300-52930	Facility Site Maint	40,000	44,184	41,200
01-300-55130	GIS Maint.	20,000	27,500	20,600
01-300-52980	Allocation from Fund (01) to Fund (02)	(18,677)	(15,814)	(19,240)
	E03 Services Total:	168,093	142,325	173,160
E05	Supplies			
01-300-53100	Office Supplies	1,500	2,312	1,500
01-300-53400	Books & Subscriptions	500	-	500
01-300-53500	Safety Clothing & Equipment	13,000	13,825	13,000
01-300-53600	Vehicle Fuel Purchases	14,500	19,094	14,500
01-300-53910	Office Equipment	-	1,381	-
01-300-53920	Furniture & Furnishings	1,000	1,298	1,000
01-300-53980	Allocation from Fund (01) to Fund (02)	(3,050)	(3,791)	(3,050)
	E05 Supplies Total:	27,450	34,118	27,450
E07	General Production			
01-300-52800	Regulatory Compliance	21,000	39,612	21,500
01-300-53300	Small Tools & Equipment	18,000	13,702	18,500
01-300-53700	Special Division Supplies	9,000	4,899	9,200
01-300-56500	SCADA Maint.	35,000	30,004	35,900
01-300-55980	Allocation from Fund (01) to Fund (02)	(8,300)	(8,822)	(8,510)
	E07 General Production Total:	74,700	79,395	76,590
E10	Source of Supply			
01-300-55230	Well Maint.	80,000	80,000	130,000
	E10 Source of Supply Total:	80,000	80,000	130,000
E15	Pumping			
01-300-56310	Pumps & Boosters	40,000	8,933	40,000
01-300-56330	Pumps - Electricity & Gas	322,000	344,328	342,930
	E15 Pumping Total:	362,000	353,261	382,930

Scotts Valley Water District
Potable Water Fund (01)
FY 2020 Proposed Budget: Expense

Account Number	Account Description	FY 2019 Budget	FY 2019 Estimated Actual	FY 2020 Budget
Fund (01)	Potable Water			
E20	Water Treatment			
01-300-52315	Wastewater Disposal	74,750	61,058	76,600
01-300-55110	Chemical Supplies	100,000	62,298	102,500
01-300-55120	Laboratory Services	35,000	30,265	35,900
01-300-55210	Treatment Plant Maint.	120,000	110,632	123,000
	E20 Water Treatment Total:	329,750	264,253	338,000
E25	Transmission & Distribution			
01-300-52210	Outside Prof. Services	-	-	-
01-300-52410	Software Licensing	6,000	16,371	6,200
01-300-55240	Tank & Reservoir Maint.	24,000	5,795	24,600
01-300-56100	Main Maint. & Repair	55,000	35,156	56,400
01-300-56200	Service Lateral Maint. & Repair	14,000	30,375	14,400
01-300-56400	Fire Hydrant Maint.	8,500	7,169	8,700
01-300-56600	Meter Maint.	10,000	27,520	10,300
	E25 Transmission & Distribution Total:	117,500	122,387	120,600
E70	Other			
01-300-54050	Capacity Buy-back	-	32,429	-
	E70 Other Totals:	-	32,429	-
	Dept (300) Expense Total:	2,514,148	2,491,729	2,679,212
Dept (400)	Engineering			
E01	Salaries & Benefits			
01-400-51110	Regular Pay	72,186	70,658	78,810
01-400-51114	Overtime Pay	2,500	-	2,500
01-400-51150	Vehicle & Phone Allowance	480	473	480
01-400-51161	Medicare	1,090	1,048	1,186
01-400-51202	Retirement - Tier 2	-	6,375	7,629
01-400-51203	Retirement - Tier 3	4,939	-	-
01-400-51206	Retirement - Survivor Benefit	24	25	24
01-400-51210	Medical Insurance	9,855	4,754	-
01-400-51211	Medical Cash In-Lieu	-	1,500	3,000
01-400-51212	Dental Insurance	405	531	782
01-400-51213	Vision Insurance	223	223	223
01-400-51214	Life & AD&D Insurance	58	81	83
01-400-51215	457 & HSA Contributions	2,200	635	-
01-400-51216	Employee Assistance Program	29	32	28
01-400-51240	Workers' Compensation	777	490	496
01-400-51700	Allocation from Fund (01) to Fund (02)	(9,477)	(8,682)	(9,524)
	E01 Salaries & Benefits Total:	85,289	78,141	85,717
E03	Services			
01-400-52210	Professional Services	12,000	450	20,000

Scotts Valley Water District
Potable Water Fund (01)
FY 2020 Proposed Budget: Expense

Account Number	Account Description	FY 2019 Budget	FY 2019 Estimated Actual	FY 2020 Budget
Fund (01)	Potable Water			
01-400-52215	Professional Services (3rd party funded)	-	-	(20,000)
01-400-52220	Engineering Services	83,000	61,000	87,760
01-400-52410	Software Licensing & Maint.	180	-	200
01-400-52510	Travel & Meetings	1,000	260	1,500
01-400-52520	Training	750	-	750
01-400-52700	Safety Services	500	-	-
	E03 Services Total:	97,430	61,710	90,210
E05	Supplies			
01-400-53700	Special Division Supplies	1,000	-	1,000
	E05 Supplies Totals:	1,000	-	1,000
Dept (400) Expense Totals:		183,719	139,851	176,927
Dept (500)	Water Use Efficiency (WUE)			
E01	Salaries & Benefits			
01-500-51110	Regular Pay	79,789	78,702	-
01-500-51111	Temporary Pay	10,000	-	-
01-500-51114	Overtime Pay	-	820	-
01-500-51150	Vehicle & Phone Allowance	480	473	-
01-500-51161	Medicare	1,196	1,152	-
01-500-51202	Retirement - Tier 2	7,095	6,959	-
01-500-51206	Retirement - Survivor Benefit	24	25	-
01-500-51210	Medical Insurance	9,807	9,630	-
01-500-51212	Dental Insurance	405	405	-
01-500-51213	Vision Insurance	223	223	-
01-500-51214	Life & AD&D Insurance	377	385	-
01-500-51215	457 & HSA Contributions	2,200	1,930	-
01-500-51216	Employee Assistance Program	29	32	-
01-500-51240	Workers' Compensation	830	546	-
	E01 Salaries & Benefits Total:	112,455	101,281	-
E03	Services			
01-500-52210	Outside Prof. Services	35,000	3,750	-
01-500-52510	Travel & Meetings	1,000	755	-
01-500-52520	Training	1,000	593	-
01-500-52630	Advertising & Promotion	1,500	1,109	-
	E03 Services Total:	38,500	6,207	-
E05	Supplies			
01-500-53250	Rebates - Miscellaneous	-	1,125	-
01-500-53260	Rebates - Turf/Drip Replacement	40,000	18,761	-
01-500-53270	Rebates - Other Out Door Efficiency	5,000	1,611	-
01-500-53280	Rebates - Indoor Efficiencies	5,500	4,536	-
01-500-53290	Promotional Give-Aways	2,000	-	-

Scotts Valley Water District
Potable Water Fund (01)
FY 2020 Proposed Budget: Expense

Account Number	Account Description	FY 2019 Budget	FY 2019 Estimated Actual	FY 2020 Budget
Fund (01)	Potable Water			
01-500-53700	Special Division Supplies	4,000	350	-
	E05 Supplies Total:	56,500	26,383	-
	Dept (500) Expense Total:	207,455	133,872	-
Dept (900)	Board			
E01	Salaries & Benefits			
01-900-51120	Director Fees	35,000	27,150	33,500
01-900-51161	Medicare	508	394	508
01-900-51162	Social Security Tax	2,170	1,683	2,170
01-900-51212	Dental Insurance	4,139	4,004	3,734
01-900-51213	Vision Insurance	1,114	1,039	891
01-900-51214	Life & AD&D Insurance	370	300	223
01-900-51220	Other Post-Employment Benefits	25,189	21,888	21,932
01-900-51240	Workers' Compensation	301	154	192
01-900-51260	Medical Premiums	61,778	50,958	54,850
01-900-51700	Allocation from Fund (01) to Fund (02)	(13,057)	(10,757)	(11,800)
	E01 Salaries & Benefits Total:	117,512	96,813	106,200
E03	Services			
01-900-52410	Software Licensing & Maint.	-	111	120
01-900-52510	Travel & Meetings	16,400	10,000	15,700
01-900-52520	Training	-	7,000	7,000
01-900-52980	Allocation from Fund (01) to Fund (02)	(1,640)	(1,711)	(2,282)
	E03 Services Total:	14,760	15,400	20,538
E05	Supplies			
01-900-53100	Office Supplies	250	175	250
01-900-53910	Office Equipment	-	-	600
01-900-53980	Allocation from Fund (01) to Fund (02)	(25)	(18)	(85)
	E05 Supplies Total:	225	158	765
	Dept (900) Expense Totals:	132,497	112,370	127,503
	Fund 01 Potable Water Expense Total:	5,260,416	4,837,728	5,434,886
	Total Expenses excluding SMGWA	4,862,075	4,540,177	5,153,065
	Total Expenses excluding Debt Service	4,921,025	4,495,775	5,038,158
	Total Expenses excluding SMGWA & Debt Service	4,422,684	4,198,224	4,656,337

Scotts Valley Water District
Recycled Water Fund (02) Detail
FY 2020 Proposed Budget: Expense

Account Number	Account Description	FY 2019 Budget	FY 2019 Estimated Actual	FY 2020 Budget
Fund (02)	Recycled Water			
Dept (100)	Administration			
E01	Salaries & Benefits			
02-100-51700	Allocation from Fund (01) to Fund (02)	\$ 51,674	\$ 52,283	\$ 57,186
	E01 Salaries & Benefits Total:	\$ 51,674	\$ 52,283	\$ 57,186
E03	Services			
02-100-52980	Allocation from Fund (01) to Fund (02)	\$ 32,265	\$ 28,196	\$ 32,607
	E03 Services Total:	\$ 32,265	\$ 28,196	\$ 32,607
E05	Supplies			
02-100-53980	Allocation from Fund (01) to Fund (02)	\$ 1,510	\$ 1,450	\$ 1,755
	E05 Supplies Total:	\$ 1,510	\$ 1,450	\$ 1,755
	Dept (100) Expense Total:	\$ 85,449	\$ 81,929	\$ 91,549
Dept (200)	Finance/Customer Service			
E01	Salaries & Benefits			
02-200-51700	Allocation from Fund (01) to Fund (02)	\$ 39,368	40,090	53,778
	E01 Salaries & Benefits Total:	\$ 39,368	\$ 40,090	\$ 53,778
E03	Services			
02-200-52980	Allocation from Fund (01) to Fund (02)	\$ 18,530	\$ 14,052	\$ 16,830
	E03 Services Total:	18,530	14,052	16,830
E05	Supplies			
02-200-53980	Allocation from Fund (01) to Fund (02)	\$ 300	\$ 100	\$ 300
	E05 Supplies Total:	\$ 300	\$ 100	\$ 300
E35	Customer Accounts			
02-200-52650	AMI Data Subscription	\$ 650	\$ 662	\$ 662
02-200-54980	Allocation from Fund (01) to Fund (02)	\$ 2,427	\$ 10,330	\$ 12,898
	E35 Customer Accounts Total:	\$ 3,077	\$ 10,993	\$ 13,560
E80	Debt Service			
02-200-54740	Interest Expense - 2016 JPMorgan	\$ 39,038	\$ 37,337	\$ 33,956
02-200-54750	Bond Principal - JPMorgan	\$ 180,884	\$ 184,245	\$ 223,062
	E80 Debt Service Total:	\$ 219,922	\$ 221,582	\$ 257,018
	Dept (200) Expense Total:	\$ 281,197	\$ 286,816	\$ 341,487

Scotts Valley Water District
Recycled Water Fund (02) Detail
FY 2020 Proposed Budget: Expense

Account Number	Account Description	FY 2019 Budget	FY 2019 Estimated Actual	FY 2020 Budget
Dept (300)	Operations			
E01	Salaries & Benefits			
02-300-51700	Allocation from Fund (01) to Fund (02)	\$ 150,517	153,729	158,942
	E01 Salaries and Wages Total:	\$ 150,517	\$ 153,729	\$ 158,942
E03	Services			
02-300-52980	Allocation from Fund (01) to Fund (02)	\$ 18,677	\$ 15,814	\$ 19,240
	E03 Services Total:	\$ 18,677	\$ 15,814	\$ 19,240
E05	Supplies			
02-300-53980	Allocation from Fund (01) to Fund (02)	\$ 3,050	\$ 3,791	\$ 3,050
	E05 Supplies Total:	\$ 3,050	\$ 3,791	\$ 3,050
E07	General Production			
02-300-53700	Special Division Supplies	\$ 1,000	1,000	1,000
02-300-55980	Allocation from Fund (01) to Fund (02)	\$ 8,300	8,822	8,510
	E07 General Production Total:	\$ 9,300	\$ 9,822	\$ 9,510
E15	Pumping			
02-300-56310	Pumps and Boosters	\$ 2,500	0	2,500
02-300-56330	Pumps - Electricity and Power	\$ 1,500	1,500	1,500
	E15 Pumping Total:	\$ 4,000	\$ 1,500	\$ 4,000
E20	Water Treatment			
02-300-55210	Treatment Plant Maintenance	\$ 110,000	110,000	110,000
	E20 Water Treatment Total:	\$ 110,000	\$ 110,000	\$ 110,000
E25	Transmission & Distribution			
02-300-55240	Tank and Reservoir Maintenance	\$ 1,000	\$ -	1,000
02-300-56100	Main Maintenance and Repairs	\$ 7,500	\$ -	7,500
02-300-56200	Service Lateral Maint & Repair	\$ 3,000	\$ -	3,000
02-300-56600	Meter Maintenance	\$ 1,000	\$ -	1,000
02-300-56800	Recycled Water Monitoring	\$ 1,000	\$ -	1,000
	E25 Transmission & Distribution Total:	\$ 13,500	\$ -	\$ 13,500
E30	Conservation			
02-300-56900	Recycled Water Fill Station	\$ 2,000	\$ 2,000	2,000
	E30 Conservation Total:	\$ 2,000	\$ 2,000	\$ 2,000
E70	Other			
02-300-54050	Capacity Buy-Back	\$ -	\$ 100,000	0
	E70 Other Total:	\$ -	\$ 100,000	\$ -
Dept (300) Expense Totals:		\$ 311,044	\$ 396,655	\$ 320,242

Scotts Valley Water District
Recycled Water Fund (02) Detail
FY 2020 Proposed Budget: Expense

Account Number	Account Description	FY 2019 Budget	FY 2019 Estimated Actual	FY 2020 Budget
Dept (400)	Engineering			
E01	Salaries & Benefits			
02-400-51700	Allocation from Fund (01) to Fund (02)	\$ 9,477	\$ 8,682	\$ 9,524
	E01 Salaries and Wages Totals:	\$ 9,477	\$ 8,682	\$ 9,524
E03	Services			
02-400-52211	Outside Prof Services	\$ -	\$ -	\$ -
	E03 Services Totals:	\$ -	\$ -	\$ -
E05	Supplies			
02-400-53700	Special Division Supplies	\$ -	\$ -	\$ -
	E05 Supplies Total:	\$ -	\$ -	\$ -
E10	Source of Supply			
02-400-52231	Feasibility study - Source of Supply	\$ -	\$ -	\$ -
	E10 Source of Supply Total:	\$ -	\$ -	\$ -
E25	Transmission & Distribution			
02-400-52214	Outside Prof. Services-T&D	\$ -	\$ -	\$ -
02-400-52414	Software Licensing - T&D	\$ -	\$ -	\$ -
	E25 Transmission & Distribution Total:	\$ -	\$ -	\$ -
Dept (400) Expense Total:		\$ 9,477	\$ 8,682	\$ 9,524
Dept (900)	Board of Directors			
E01	Salaries & Benefits			
02-900-51700	Allocation from Fund (01) to Fund (02)	\$ 13,057	\$ 10,757	\$ 11,800
	E01 Salaries & Benefits Total:	\$ 13,057	\$ 10,757	\$ 11,800
E03	Services			
02-900-52980	Allocation from Fund (01) to Fund (02)	\$ 1,640	\$ 1,711	\$ 2,282
	E03 Services Total:	\$ 1,640	\$ 1,711	\$ 2,282
E05	Supplies			
02-900-53980	Allocation from Fund (01) to Fund (02)	\$ 25	\$ 18	\$ 85
	E05 Supplies Total:	\$ 25	\$ 18	\$ 85
Dept (900) Expense Total:		\$ 14,722	\$ 12,486	\$ 14,167
Recycled Water Fund (02) Total:		\$ 701,889	\$ 786,569	\$ 776,969
Total Expenses excluding Debt Service		\$ 481,967	\$ 564,987	\$ 519,951

SCOTTS VALLEY WATER DISTRICT					
FY 2020 Proposed Budget: Project Costs					
CAPITAL IMPROVEMENT AND MAINTENANCE PROJECTS					
Category	Project Name	Project Description	FY 2020 Carryover	FY 2020 Request	FY 2020 Budget
Mains	Main Replacement Program - Potable	Replace and upgrade potable water mains based on leak history, service life, and size	\$ 75,000	\$ 75,000	\$ 150,000
Treatment Plants	Orchard Run Water Treatment Plant Improvements	Implement esthetic taste & odor improvements to treatment process by adding new GAC filter and chlorine analyzer injection system. Infrastructure improvements include replacing ammonia based H2S air scrubbing system with a Bio Filtration scrubber. Replace 40,000 gallon bolted steel back wash tank and install new sewer lateral.	\$ 300,000	\$ 1,900,000	\$ 2,200,000
	El Pueblo Water Treatment Plant Improvements	Replace manual 1980's filter control system with programable automated control system linked with SCADA.	\$ 100,000	\$ -	\$ 100,000
	Treatment Facility for New Formation Well	New Lompico Formation Production Well will most likely need a separate treatment facility (due to space constraints).	\$ -	\$ 50,000	\$ 50,000
Tanks	Bethany Tank Rehabilitation	Construct additional tank on-site to allow for roof reconstruction and interior and exterior coating replacement of 400,000 gallon Bethany Tank. Project extends tank service life and provides additional permanent storage and redundancy.	\$ 100,000	\$ 100,000	\$ 200,000
	Sequoia Tank Rehabilitation	Recoat roof, interior, and exterior of 1.25 million gallon Sequoia Tank that has the original coating from 1983.	\$ 400,000	\$ -	\$ 400,000
Pump Stations	Hacienda PS Improvements	Pump shed structure is in poor condition and needs to be replaced. Pumps are very loud and run 24 hours a day. Noise mitigation and structural upgrades will provide better protection for pumps and motors and reduce noise emissions considerably.	\$ 55,000	\$ 45,000	\$ 100,000
	Orchard Run PS	Replace existing equipment with high efficiency pumps.	\$ -	\$ 200,000	\$ 200,000
Recycled Water Supply	Purified Recycled Water Recharge	Supplemental supply project to increase groundwater reliability, especially in dry years (climate change related change). Could be shifted to SMGWA or replaced with conjunctive use.	\$ 225,000	\$ 300,000	\$ 525,000
Meters	Automated Metering Infrastructure (AMI)	Install AMI transmitters on all meters over 3-4 year period.	\$ -	\$ 200,000	\$ 200,000
	Meter Replacement Program	Replace all meters installed before 2012 at the rate of 800-1000 meters per year.	\$ -	\$ 150,000	\$ 150,000
Technology	Accounting & Utility Billing Software Replacement	Replace Continental Accounting and Continental Utility Billing (UB) software systems	\$ 20,000	\$ -	\$ 20,000

SCOTTS VALLEY WATER DISTRICT					
FY 2020 Proposed Budget: Project Costs					
CAPITAL IMPROVEMENT AND MAINTENANCE PROJECTS					
Category	Project Name	Project Description	FY 2020 Carryover	FY 2020 Request	FY 2020 Budget
Fleet	Vehicle Replacement Program	Replace aging fleet: one vehicle per year on average, starting FY 2019.	\$ -	\$ 37,000	\$ 37,000
	Specialized Operations Vehicles	Replace heavy equipment and specialized vehicles on as-needed basis.	\$ -	\$ 80,000	\$ 80,000
	Total Budget		\$ 1,038,000	\$ 3,062,000	\$ 4,100,000

SCOTTS VALLEY WATER DISTRICT STRATEGIC WORK PLAN FY 2020		
STRATEGIC GOALS MANAGEMENT OBJECTIVES	FY 2020 TASKS	P/O *
1. Water Resource Management: Meet the current and future water supply needs of its customers		
1.1 Utilize the additional recharge capacity in the groundwater basin by		
1.1.1 Maximizing the potential use of recycled water	Complete environmental report for purified recycled water recharge. Consider regional partnerships in implementing the project, identifying opportunities and addressing potential hurdles	P
1.1.2 Identifying and implementing regionally beneficial conjunctive use projects	Carry out the work plan under MOA with SCWD and SLVWD evaluating the feasibility of conjunctive use with those agencies	O
	Provide leadership and ensure active participation and productive involvement in Santa Margarita Groundwater Agency (SMGWA) which goal is development of the groundwater sustainability plan by 2022	O
1.1.3 Achieving maximum feasible water conservation and efficient use	Complete production meter testing at all treatment plants (c/o from 2019)	O
	Carry out Water Use Efficiency Program (Think Twice) with a goal of offsetting the additional demand from new connections by deploying various water use efficiency measures	O
	Develop and carry out rebate programs that are supported by ROI metrics and/or community values.	O
	Leverage WaterSmart Customer Engagement Portal to reduce inefficient use and water waste.	O
	Evaluate the processes and recommend process improvements for accurately tracking unaccounted for water.	O
	Improve on 2017 Validated Water Loss Audit score of 53	O
1.2 Improve the esthetics of the drinking water	Complete the improvements to Orchard Run Water Treatment Plant: construction of the reclaim tank, replacement of the air scrubber, and addition of the GAC filter.	P
2. Infrastructure Integrity: Provide continual investment in District's infrastructure and process improvements		
2.1 Maintain all assets within their useful life threshold	Replace 250 ft of potable main at Vine Hill School Rd.	P
	Replace 800-1000 meters	P
	Well 3B/ Results from the April 9th Magnetic Resonance testing will determine a scope of work on how to best rehab this well	P
	Sequoia - Project to be bid and contractor selected by end of May 2019. Recoating work to be completed in FY 2020.	P
	Construct recycled water main under Hwy 17 to provide adequate supply on east side	P
	Continue work on Bethany Tank rehabilitation - design and temporary storage in FY 2020, construction in FY2021	P
	Complete installation of replacement filter control system at El Pueblo Water Treatment Plant	P
	Complete installation of AMI equipment on 1300 meters	P
	Carry out the adoption of WaterSmart Customer Engagement Portal: implementation, training, optimization and integration with existing systems	O

SCOTTS VALLEY WATER DISTRICT STRATEGIC WORK PLAN FY 2020		
STRATEGIC GOALS MANAGEMENT OBJECTIVES	FY 2020 TASKS	P/O *
2.2 Utilize technology and other resources to realize increased operational efficiencies	Investigate best practices and innovative solutions for reducing the District's "energy footprint"	O
2.3 Optimize the redundancy and effectiveness of the system and facilities	Rehabilitate Orchard Run Pump Station by installing new efficient pumps.	P
	Rehabilitate Hacienda Pump Station by replacing plumbing and installing new building.	P
3. Financial and Customer Service Stewardship: Manage District's financial resources in a responsible manner while being committed to customer satisfaction		
3.1 Strive for maximum efficiency and transparency	Effectively support the engagement with the District's new audit firm, and establish an effective working relationship with audit staff.	O
	Continue the 3-year process to achieve a CAFR (FY 2020) that meets GFOA Excellence in Financial Reporting Award criteria by Dec 2020	O
	Prepare FY 2021 budget that incorporates visual enhancements and compelling narratives	O
	Evaluate deploying technology devices as on-site payment processors and as hands-on demo tool for customer engagement portal.	
	Explore and utilize ways to present financial data in a user friendly online format	O
	Deploy WaterSmart as a functional and user friendly tool for empowering customers to understand and access their water use and billing	O
	Integrate the results from capital assets valuation report into Springbook	O
	Evaluate options for a comprehensive customer survey that develops baseline and builds a foundation for regular assessment and review	O
3.2 Maintain fair, effective and legitimate rates and fees that are sufficient for meeting operating and capital needs while providing for adequate reserves	Review and update if necessary District Miscellaneous Fee Schedule	O
	Develop and implement the policy for "Discontinuation of Residential Water Service" to comply with SB988 by February 2020.	O
	Build up the reserve funds with the target of \$4M by the end of FY 2020	O
	Develop SOPs for Low Income Rate Program (if Board decided to go forward)	O
4. Public Outreach: Foster relationships and communications with District's stakeholders and the community		
4.1 Engage the community to increase visibility of District activities and advance public awareness on water matters	Host a booth at SV Art Wine Beer Festival, potentially focused on water supply reliability and resiliency	O
	Participate in SV Farmers Market utilizing the contact developed prior year and update it as needed	O
	Maximize direct customer engagement in illustrating how the services provided by the District benefit the community	O
	Produce 3-5 short videos to highlight the District and its services to be used across multiple platforms	O
	Launch a pilot project for holding digital board meetings	O
4.2 Identify, develop and strengthen strategic alliances, both private and public	Coordinate the Interagency Committee activities by developing and implementing a work plan	O
	Spearhead regional efforts and activities increasing awareness on various water matters such as supply resiliency and value of water	O

SCOTTS VALLEY WATER DISTRICT STRATEGIC WORK PLAN FY 2020		
STRATEGIC GOALS MANAGEMENT OBJECTIVES	FY 2020 TASKS	P/O *
5. Organizational Vitality: Commit to recruiting and retaining the highest quality employees and board members		
5.1 Value and reward competence, team spirit and creativity	Develop and carry out an employee recognition/appreciation program	O
	Achieve 100% participation at SV AWB Festival for each employee	O
5.2 Cultivate productive work conditions and positive workforce culture	Finalize the overhaul of Employee Safety Program and do a presentation to employees.	O
	Complete Safety Training schedule and have at least 50% of the training requirements completed for each employee	O
	Create a system for ensuring that all employees comply with regulatory and mandatory training requirements (c/o from FY 2019)	O
	Carry out at least 40% of the records management action plan	
	Organize and host at least one annual employee non-work event	O
5.3 Boost opportunities for continuous training and knowledge transfer	Identify relevant opportunities for each employee and Director to attend at minimum 1 training and/or professional event annually	O
	Sponsor 1 employee and/or Director to participate in Leadership Santa Cruz County program and Water Education Foundation Water Tours	O
	Optimize using volunteers and interns for various tasks that allow District to promote careers in water industry	O
* P/O - Project or Operations Budget		