



SCOTTS VALLEY
WATER DISTRICT

June 8, 2017

Board of Directors
Scotts Valley Water District

Re: FY 2018 Budget Transmittal Letter

The FY 2018 Proposed Budget was developed to implement the FY 2018 Work Plan pursuant to the following District strategic goals:

- **Water Resource Management:** Meet the current and future water supply needs of District's customers
- **Water System Integrity:** Provide continual investments in District's infrastructure and process improvements
- **Financial Stewardship:** Manage District's financial resources in a responsible manner
- **Public Outreach:** Foster relationships and communications with 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.

In the March 2017 meeting, the Water Resource and Engineering Committee reviewed and commented on the Proposed Projects Budget. In April, the full Board was presented the Proposed Projects Budget. During the April and May meetings, the Finance Committee reviewed and commented on the Proposed Operating Budget, and in the May meeting assented to a recommendation to the full Board for June budget adoption.

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 by February 2017. The FY 2018 Revenue Budget reflects full-year of billing according to the new rate schedule. The District has been collaborating with County of Santa Cruz, San Lorenzo Valley Water District and other stakeholders to comply with the 2014 Sustainable Groundwater Management Act. In May, the Board authorized the General Manager to execute the Joint Powers Agreement forming Santa Margarita Groundwater Agency (SMGWA). The FY 2018 Expense Budget includes a budget enhancement of \$0.4 million for SGMWA and conjunctive regional water supply initiative.. Without this enhancement, the growth of the FY 2018 Expense Budget from prior year would be lower than 0.5%. The Debt Service Coverage Ratio (DSCR) for the FY 2018 Budget is estimated to be 3.12, exceeding the required 1.2. The ratio would be revised to 1.84 if all revenues from new connections are delayed to future years.

FY 2018 BUDGET SUMMARY

	Potable Water (Fund 01)	Recycled Water (Fund 02)	District Total (Both Funds)
REVENUE			
Operating Revenue			
Water Sales	3,512,860	468,400	3,981,260
Water Services	1,747,690	16,630	1,764,320
New Connections	682,410	29,990	712,400
Subtotal	5,942,960	515,020	6,457,980
Non-Operating Revenue			
Property Taxes	817,000	-	817,000
Other	14,920	11,245	26,165
Subtotal	831,920	11,245	843,165
Grants	-	-	-
TOTAL REVENUE	6,774,880	526,265	7,301,145
EXPENSE			
Operating Expense			
Administration	1,139,655	86,295	1,225,950
Finance/Customer Service	587,699	60,771	648,470
Operations	2,424,186	300,464	2,724,650
Engineering	197,538	11,012	208,550
Water Use Efficiency	168,440	-	168,440
Board	126,234	14,026	140,260
Total Operating Budget	4,643,752	472,568	5,116,320
Debt Service	338,441	218,024	556,465
Projects	1,365,500	22,500	1,388,000
TOTAL EXPENSE	6,347,693	713,092	7,060,785
FY 2017 P.O. Rollover*	200,000	-	200,000
FY 2017 Projects Rollover	495,500	9,500	505,000
TOTAL BUDGET W/ROLLOVER	7,043,193	722,592	7,765,785
Surplus/(Deficit)	(268,313)	(196,327)	(464,640)

* FY 2017 PO Rollover amount not to exceed \$200,000

REVENUE

The Proposed Operating Budget has a revenue total of \$7,301,145 with \$6,774,880 in the Potable Water (01) Fund and \$526,265 in the Recycled Water (02) Fund.

Water Sales revenue includes consumption based sales of potable water, recycled water, and bulk water. The FY 2018 water sales revenue is developed based on the FY 2016 consumption level and a rate increase of 15% in December 2017. As 2017 has become the wettest water year in 122 years of record-keeping in California, FY 2018 consumption is likely to rebound back from the exceptionally low FY 2017 level. The rate increases in December 2017 are budgeted at 15% to address the diminishing fund balance resulting from accelerated investment in capital projects in times of decreasing revenues. The actual increase, however, will be determined by the Board in fall 2017. Consumption growths from the 1440 Multiversity and the Enterprise building in spring 2017 are not included in the Budget, as they are difficult to quantify.

Standby Basic Meter Service revenue is based on the monthly or bimonthly basic service rates and the number of existing meters, assuming all projected new connections coming online at FY 2018 year-end in the most conservative scenario. New to the FY 2018 Budget is the Standby Basic Meter Service revenue for recycled meters, which was first included in the 2016 Rate Plan.

New Connections revenue is prepared based on the development projects projected to be completed in FY 2018. However, New Connections revenues have proven to be volatile and difficult to predict. The FY 2018 Budget is based on the most likely scenario at the moment. Deleted from the FY 2018 Budget are Impact fees and Fire Hydrant fees. The former was replaced with Capacity fee as the 2016 Rate Plan adopted a capacity buy-in approach for new connection fee calculations; the latter was deleted as fire hydrant connection was served for public safety purposes.

Non-Operating revenue includes property tax, interest, dividends, sale of surplus items, etc. Property tax is budgeted at the same level as FY 2017 actual. Interest and dividends are budgeted at the current rates. Deleted from the FY 2018 Revenue Budget is the Reimbursement for the Reduction of the Recycled Water Entitlement from the City of Scotts Valley due to changes in accounting treatment. The transaction was determined by the auditors to be a sale of a portion of the Recycled Water Rights. A notes receivable was recorded along with gain on sale of fixed assets for FY 2016. The annual receipt of \$155,817 is booked against the notes receivable instead.

EXPENSE

The Proposed Operating Budget has a total of \$5,116,320 with \$4,643,752 in the Potable Water (01) Fund and \$472,568 in the Recycled Water (02) Fund.

Salaries and Benefits

Salaries and Benefits	FY 2017 Adopted Budget	FY 2018 Proposed Budget	Change	%
Administration	377,470	477,480	100,010	26%
Board	105,570	122,160	16,590	16%
Engineering	100,115	110,120	10,005	10%
Finance	414,810	416,640	1,830	4%
Operations	1,310,320	1,415,410	105,090	8%
Water Use Efficiency	92,990	98,940	5,950	6%
Grand Total	2,401,275	2,640,750	239,475	10%

The FY 2018 Salaries and Benefits budget has an increase of \$239,275 / 10.0% over the FY 2017 Budget. The Salaries budget includes the scheduled step increases for eligible hourly employees, and a merit increase for exempt employees. The budget also includes a COLA of 3.1% based on the fiscal year average for hourly employees. The Benefits budget reflects an average increase of 11% in medical premiums; an increase of \$17,200 / 27.9% for unfunded pension liability; and moderate increases in retirement, dental, vision and other benefits.

There are no changes in the number of positions. However, an enhancement of \$41,250 for 0.5 FTE position for Santa Margarita Groundwater Agency (SMWA) is tentatively included in the Administration Division for work associated with this effort. The enhancement will be later reviewed and confirmed by the SMGWA board to be formally included in the new agency's budget. The FY 2018 increase would be revised to \$198,225 / 8.3% without this enhancement.

CalPERS retirement contribution is set to increase by \$100,000 to \$159,000 in total for the period of five years from FY 2019 to FY 2023 due to changes in the discount rate from the current 7.5% to 7.375% for FY 2019, 7.25% for FY 2020 and 7.0% for FY 2021 and beyond. However, the annual increase is projected to be \$70,000 in 2024 and \$92,000 in 2025. CalPERS retirement should be discussed separately in the next fee/rate update.

Services, Supplies and Production Costs

Description	FY 2017 Adopted Budget	FY 2018 Proposed Budget	Change	%
Services	787,540	774,700	(12,840)	(2%)
Supplies	108,325	117,500	9,175	8%
General Production Costs	115,000	72,900	(42,100)	(37%)
Source of Supply	100,000	478,100	378,100	378%
Pumping	369,600	364,000	(5,600)	(2%)
Water Treatment	320,000	430,000	110,000	34%
T&D	290,500	149,000	(141,500)	(49%)
Customer Accounts	83,270	74,770	(8,500)	(10%)
Other	14,600	14,600	-	-
Grand Total	2,188,835	2,475,570	286,735	13%

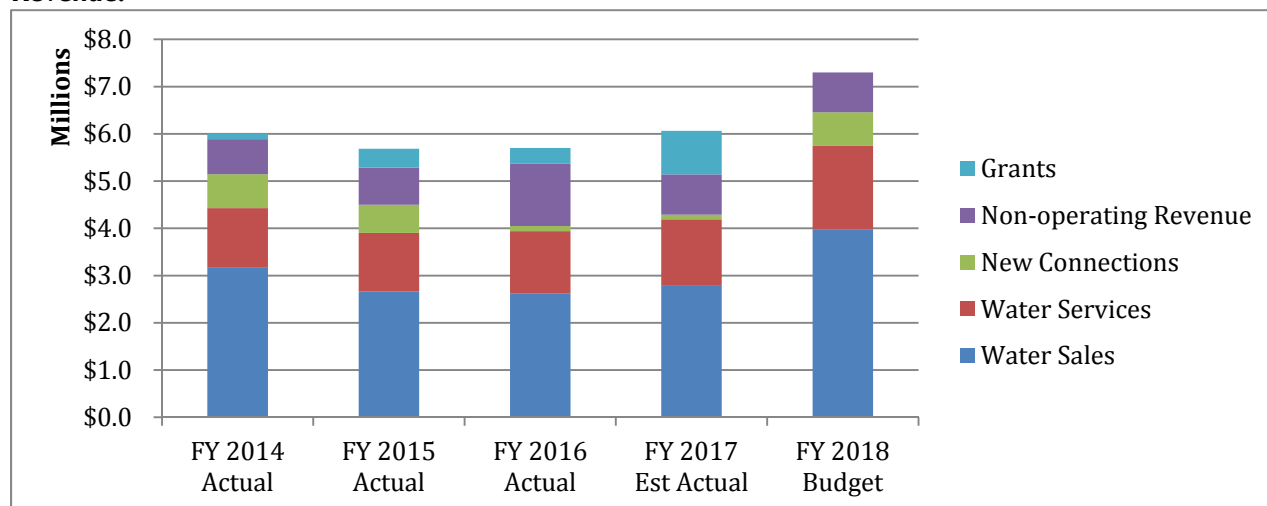
Source of Supply includes an enhancement of \$390,000 for SMWA and conjunctive water supply initiative tentatively budgeted in the Administration Division as a place holder. Excluding this enhancement, the FY 2018 Services, Supplies and Production Budget would have a total of \$2,085,570, a decrease of \$103,265 / -4.7% from the FY 2017 Budget due to completion of several one-time studies or professional services.

FY 2017 Purchase Order Rollover

Multiple service agreements with an estimated total of \$200,000 were committed but not expected to be completed by FY 2017 year-end. They will be rolled into FY 2018 to continue the work.

FIVE-YEAR TREND/COMPARISON:

Revenue:

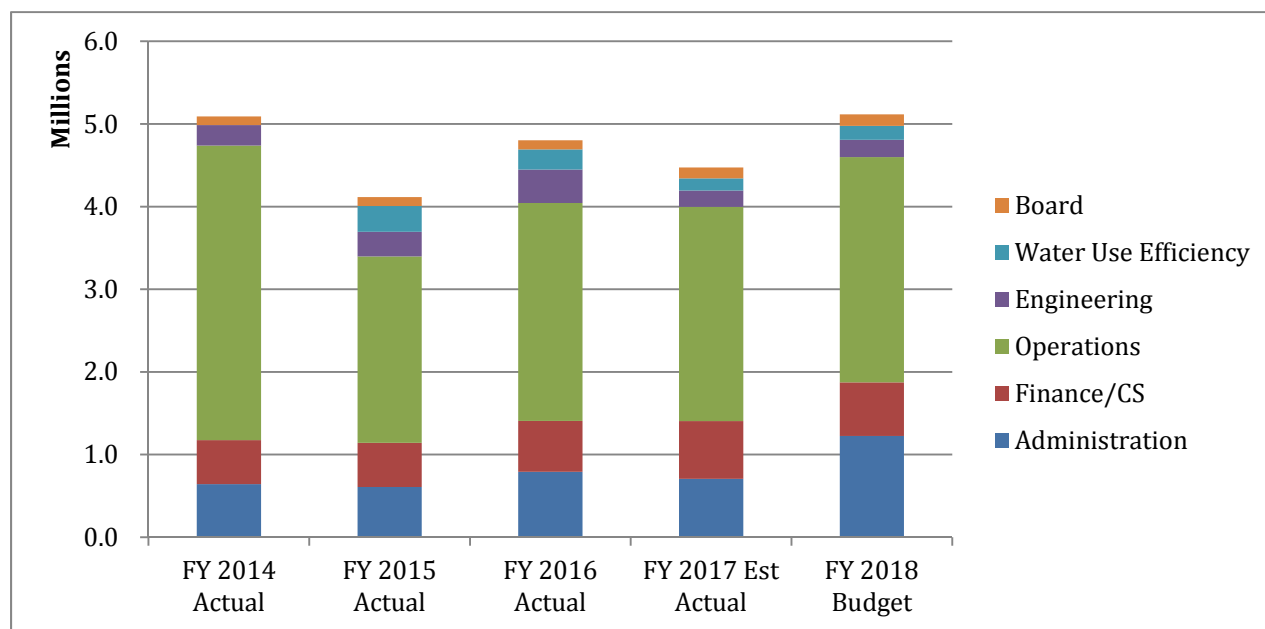


In general, revenue showed a declining trend from FY 2014 to FY 2016 due to decreasing demand and delays in New Connections revenue. FY 2017 begins to show signs of stabilization with the implementations of the 2016 Rate Plan approved in December 2016. FY 2018 will be the first year with the full year implementation of the new rate plan and hopefully begin a reverse trend.

Water Sales decreased noticeably in FY 2015 due to mandated and voluntary conservation efforts to address a prolonged and severe drought. The FY 2018 Water Sales revenue is projected with cautious optimism that overall consumption will bounce back to FY 2016 levels. Basic Meter Service revenue remains relatively flat in the 4-year period ending FY 2017, as growth was partially offset by scores of meters removed from the ground during the construction of several development projects.

FY 2017 grants revenue of \$0.8 million was for the Transit Center LID project completed in FY 2017. No grants revenue is projected for FY 2018.

Expense:



FY 2014 was high due to accounting reclassification of \$0.9 million from construction-in-progress to operating expenses in the Operations Division. FY 2016 increases were primarily due to feasibility studies and project readiness work on various construction projects. FY 2017 includes salary equity adjustments of 9% for all the Water Facilities Operator positions and increases of 10% for medical insurance premiums. FY 2018 increases are primarily due to a budget enhancement of \$0.4 million for SGMA and groundwater related work.

DEBT SERVICE

Debt service has a budget of \$556,465 with \$338,441 in the Potable Water (01) Fund and \$218,024 in the Recycled Water (02) Fund, a decrease of \$63,121 in total from the FY 2017 Budget of \$619,586.

	PW (01) Fund	RW (02) Fund	Total
2016 JPMorgan Loan			
Interest:	\$ 63,277	\$ 40,261	\$ 103,538
Principal	275,164	177,763	452,927
Total	\$ 338,441	\$ 218,024	\$ 556,465

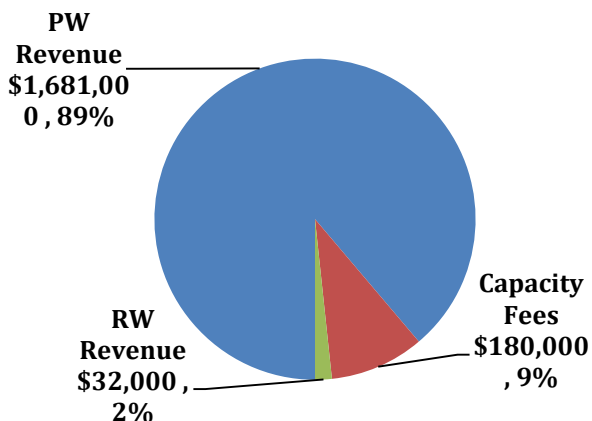
DEBT SERVICE COVERAGE RATIO (DSCR)

The 2016 Refunding Loan requires that the District shall prescribe, revise and collect such charges for the Water Service that, after allowances for contingencies and error in the estimates, shall produce Revenues sufficient in each fiscal year to provide net revenues equal to at least 1.20 times the 2016 Installment Payments becoming due and payable in such fiscal year, and all debt service and any additional payments required with respect to parity debt for such fiscal year.

The FY 2018 Budget presents a debt coverage ratio of 3.12. New Connections revenue including Meter Fees, Capacity Fees, Will Service, and Development Project Review are budgeted for a total of \$0.7 million. In the worst case scenario that all New Connections revenues are delayed, the DSCR will be revised to 1.84.

PROJECTS

The FY 2018 Projects Budget has a total of \$1,893,000 with \$1,861,000 in the Potable Water (01) Fund and \$32,000 in the Recycled Water (02) Fund. Current projects in progress are projected to have a total unspent balance of \$2,673,099 by FY2017 year-end. However, due to funding constraints, only active projects with a total of \$505,000 will be rolled in FY 2018 to continue the work. Combining FY 2018 Project Budget with the rollover budget of \$505,000, FY 2018 Projects Budget will have a total of \$2,398,000.



Funding for the Projects includes PW revenue of \$1,681,000 / 89%, RW revenue of \$32,000 / 2% and Capacity fees of \$180,000 / 9%.

Summary of the FY 2018 Projects Budget:

Category	Project	Potable Water (01) Fund	Recycled Water (02) Fund	FY 2017 Rollover	FY 2018 Total
Transmission Mains	Main Replacement Program	75,000	-	-	75,000
Treatment Plants	Orchard Run WTP Water Quality Improvements	-	-	260,000	260,000
Storage Tanks	Bethany Tank 2nd Tank Addition	150,000	-	50,000	200,000
Storage Tanks	Sequoia Tank Rehabilitation	650,000	-	-	650,000
Pump Stations	Bethany Booster Station Rehab	65,000	-	-	65,000
Wells	Well 9 Replacement	-	-	100,000	100,000
Wells	Well 3B Rehabilitation	150,000	-	-	150,000
Recycled Water Program	Recycled Water Fill Station	-	8,000	-	8,000
Other	Pressure Regulator Station Replacement - Northridge	45,000	-	-	45,000
Meters	Automated Metering Infrastructure	67,500	7,500	75,000	150,000
Meters	Meter Replacement Program	100,000	-	-	100,000
Technology Upgrades	Accounting & Utility Billing Software Replacement	-	-	20,000	20,000
Technology Upgrades	Computerized Maintenance Management System	13,500	1,500	-	15,000
Vehicles/ Equipment	Specialized Operations Vehicles	49,500	5,500	-	55,000
Total:		1,365,500	22,500	505,000	1,893,000

BUDGET CONTROL

The Operating line item budget represents an estimate based on the then current operations at the time the budget was prepared. As the District management team continues to improve operating efficiencies and apply best business practices, the actual expenses might differ somewhat from the budget compiled 18 months ago. The level of budget control, therefore, is set at the major expense category (Salaries and Benefits, Services and Supplies) as opposed to individual line item within a division.

Each Division Manager is responsible for his/her division budget. The General Manager is responsible for the District budget with authority to move budget between divisions.

Budget control for projects is set at the project level. A new project not listed in the previous page requires 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 minus current liabilities.

FY 2017

Audited Beginning Balance:		4,139,895
Estimated Revenue	6,064,093	
Estimated Expense	(4,473,466)	
Balance Transfer	153,827	
Debt Service	(445,880)	
Capital Projects	(2,724,358)	
Increase/(Decrease) of Fund Balance		(1,425,785)
Projected Fund Balance 6/30/2017		2,714,110

FY 2017 Estimated Actual

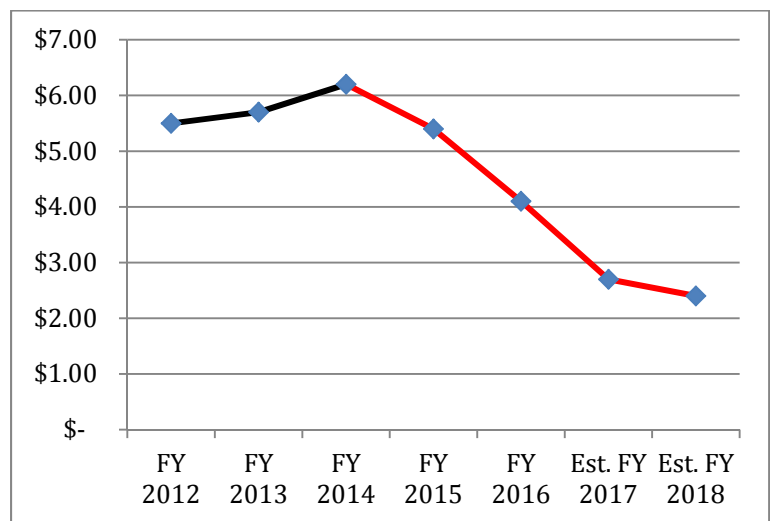
	Fund (01)	Fund (02)	District Total
Beginning Fund Balance	3,928,907	210,988	4,139,895
Estimated Revenue	5,562,656	501,436	6,064,093
Estimated Expense	(4,025,692)	(447,774)	(4,473,466)
Balance Transfers	-	153,827	153,827
Debt service	(205,587)	(240,293)	(445,880)
Capital Projects	(2,637,558)	(86,800)	(2,724,358)
Subtotal:	2,622,727	91,384	2,714,110
Transfer from 01 Fund to 02 Fund	91,384	(91,384)	-
Projected Fund Balance 6/30/2017	2,714,110	-	2,714,110

The fund balance is projected to decrease from \$4.1 million to \$2.7 million by 6/30/2017. The decrease of \$1.4 million is primarily due to decreased revenue compounded with accelerated investment in capital projects. The Balance Transfer of \$153,827 is the payment from the City of Scotts Valley for the Reduction of the Recycled Water Entitlement.

FY 2018 Budget

	Fund (01)	Fund (02)	District Total
Beginning Fund Balance	2,714,110	-	2,714,110
Revenue Budget	6,774,880	526,265	7,301,145
Operating Expense Budget	(4,643,752)	(472,568)	(5,116,320)
Debt service	(338,441)	(218,024)	(556,465)
Capital Projects*	(1,365,500)	(22,500)	(1,388,000)
Balance Transfers	-	155,272	155,272
Subtotal:	3,141,297	(31,555)	3,109,742
FY 2017 P O Rollover	(200,000)	-	(200,000)
FY 2017 Project Rollover*	(495,500)	(9,500)	(505,000)
Transfer from 01 Fund to 02 Fund	(41,055)	41,055	-
Projected Fund Balance 6/30/2018	2,404,742	-	2,404,742

FY 2018 fund balance is projected to be \$2.4 million, a decrease of \$0.3 million in the fourth consecutive year of budget deficit for an accumulated total of \$3.8 million since FY 2015. The fund balance decreased from a high of \$6.2 million in FY 2014 to \$2.7 million in FY 2017 during a period of accelerated investment in capital projects amidst of a prolonged and severe drought.



EXPENSE FUNDING

In general, recycled water revenue receipts, portions of debt service for the 2016 Refunding Loan, repairs and maintenance of the recycled water plant and fill station 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 loan from the Potable Water Fund to the Recycled Water Fund is required to make the Recycled Water Fund whole for both FY 2017 and FY 2018. The repayment of the interfund loan will be addressed in future budgets.

CASH RESERVES

As part of the FY 2016 rate study, various reserve types and the respective levels were discussed and recommended to the Board. The following table recapitulates the reserve types and levels accepted by the Board as the basis to calculate the target reserve amount. The target cash reserves were established in the District Policy P200-17-2. For FY 2018, the calculated target reserve amount is \$4 million. Reserve will be included in the annual CAFR for review and discussion beginning FY 2017.

District Reserve		FY 2018
Operating Reserve		
FY 2018 Operating Expense Budget	5,116,320	
Reserve Level: 90 days (25%)	25%	1,279,080
Rate Stabilization Reserve		
FY 2018 Water Sales Revenue Budget	3,981,260	
20% of volumetric water sales revenue	20%	796,252
Emergency Reserve		
Net asset value @ 6/30/2016	20,027,733	
2.5% of asset valuation	2.50%	500,693
Capital Reserve		
FY 2016 depreciation	913,955	
1 year of depreciation	100%	913,955
Debt Service Reserve		
FY 2018 debt service	556,465	
100% of debt service	100%	556,465
Target:		4,046,445

In summary, the FY 2018 Budget reflects a Revenue budget of cautious optimism, an Expense budget with a place holder for an enhancement of SGMWA and conjunctive regional water supply initiative work, and a prudent Projects budget.

Respectfully submitted,

Piret Harmon
General Manager

SCOTTS VALLEY WATER DISTRICT STRATEGIC WORK PLAN FY 2018				
GOALS	FY 2018 TASKS	P/O *	DIVISION	DUE
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	Optimize the max day operations by completing construction on replacing the Whispering Pines pump line	P	Ops, Eng	9/30/17
	If supported by the recommendations from the outcome of the workplan for MOA with SCWD and SLVWD, move forward on the RW GW recharge project - environmental review	P	Adm (GM), Ops	6/30/18
	Continue operating the RW Fill Station (May through October)	P	Adm (A), Ops	10/15/17
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	Adm (GM), Ops	6/30/18
	Explore opportunities for winter flow in-lieu exchange with SLVWD	O	Adm (GM), Ops	6/30/18
	Actively participate in Santa Margarita Groundwater Agency (SMGA) formation and development of the work plan	O	Adm (GM), Adm (A), Fin	6/30/18
1.1.3 Achieving maximum feasible water conservation and efficient use	Complete the report pursuant to AWWA M36 Water Audits and Loss Control Program and carry out the work plan as identified in the report	O	Ops, WUE	6/30/18
	Carry out Water Use Efficiency Program Think Twice focusing on outdoor water efficiencies, customer education and community engagement	O	WUE	6/30/18
1.2 Improve the esthetics of the drinking water	Complete the design of the Orchard Run Water Treatment Plan upgrades (filter upgrades and reclaim tank replacement) and based on availability of funds conduct bid solicitation	P	Eng	6/30/18
2. Infrastructure Integrity: Provide continual investment in District's infrastructure and process improvements				
2.1 Maintain all assets within their useful life threshold	Replace Northridge Pressure Regulator Station and 400 ft of potable main	P	Ops, Eng	6/30/18
	Replace 800-1000 meters	P	Ops	6/30/18
	Rehabilitate Well 3B by performing inspection, cleaning the well, replacing pumps and motors	P	Ops	6/30/18
	Complete the recoating of Sequoia Tank	P	Ops, Eng	6/30/18
	Complete the design, geotech and temporary storage for Bethany Tank rehabilitation	P	Ops, Eng	6/30/18
	Complete upgrade of HR Benefits/Payroll/Timekeeping software	O	Adm (A), Fin	10/31/17
2.2 Utilize technology and other resources to realize increased operational efficiencies	Install AMI equipment on 1000 meters	P	Ops	6/30/18
	Develop Standard Operating Procedures for AMI data operations	O	Ops, Fin	12/31/17
	Implement an integrated Work Order and Maintenance Management System	P	Ops, Fin (CS)	6/30/18
	Upgrade AV technology in the Santa Margarita Community Room	O	Adm (A)	12/31/17
2.3 Optimize the redundancy and effectiveness of the system and facilities	Install Pressure Regulator Station at Granite Creek Estates	P		
	Determine the optimal site for the new Lompico Formation production well, secure land and proceed with pre-design.	P	Adm (GM), Ops	6/30/18
3. Financial Stewardship: Manage District's financial resources in a responsible manner				
3.1 Strive for maximum efficiency and transparency	Complete FY2017 financial audit by December 2017	O	Fin, Adm (GM)	12/31/17
	Start a 3-year process to compile a CAFR that meets GFOA Excellence in Financial Reporting Award criteria	O	Fin	6/30/18
	Adopt FY 2018 budget in June 2018	O	Fin, Adm, Ops	6/30/18
	Administer improvements to the online content and presentation of the financial data	O	Adm (A)	12/31/17
	Collaborate in implementing AMI Utility Billing/Customer Service components	P	Fin (CS)	12/31/17
	Complete upgrade of Financial Management/Utility Billing software	O	Fin, Fin (CS)	12/31/17
3.2 Maintain fair, effective and legitimate rates and fees that are sufficient for meeting operating and capital needs while providing for adequate reserves	Compile financial data necessary for the Board to determine Dec 2017 rate increases	O	Adm (GM), Fin	10/31/17
	Maintain a debt coverage ratio of 1.2 at minimum	O	Fin, Adm (GM)	6/30/18
	Start building back up the reserve funds with the target of \$2M at minimum	O	Fin, Adm (GM), Eng	6/30/18
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	Utilize diverse media tools to educate customers about District activities - with a goal to increase audience reach on Facebook and e-newsletter	O	Adm (GM), ADM (A)	6/30/18
	Improve the content of the website to increase the traffic and usage	O	Adm (A)	6/30/18
	Be an active participant and contributor at SV Art Wine Beer Festival - focus on careers in water industry	O	WUE, Adm (A), Ops	8/31/17
	Increase brand awareness through diverse printed media platforms	O	Adm (GM), Adm (A)	6/30/18

SCOTTS VALLEY WATER DISTRICT STRATEGIC WORK PLAN FY 2018				
GOALS	FY 2018 TASKS	P/O *	DIVISION	DUE
4.2 Identify, develop and strengthen strategic alliances, both private and public	Actively seek opportunities to collaborate with non-municipal pumpers in advancing Santa Margarita GSA purpose and vision	O	Adm (GM)	6/30/18
	Educate the community about the importance and benefits of strategic partnership with SLVWD and Santa Cruz WD on water supply planning	O	Adm (GM), Adm (A)	6/30/18
	Continue active involvement in regional and state water associations and coalitions	O	Adm (GM), Ops	6/30/18
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	Conduct timely and meaningful performance evaluations that include employee's input on achievements, goals and aspirations	O	Adm (A), All	6/30/18
	Consider and evaluate suitability of a District employee recognition program	O	Adm (GM)	6/30/18
	Conduct an assessment of the District's operational needs (current and future) prior to filling any vacant positions	O	Adm (GM)	6/30/18
	Hold Board President's Retreat to engage the executive team and the Board in the long run planning for the District's future	O	Adm (GM)	2/28/18
	Encourage each employee and Director to volunteer at a community event at least once a year	O	All	6/30/18
5.2 Cultivate productive work conditions and positive workforce culture	Develop a master plan for comprehensive Employee Safety Program, complete minimum 2 Safety policies as defined in program	O	Adm (A)	12/31/17
	Carry out at least 25% of the records management action plan	O	Adm (A)	6/30/18
	Create a system for ensuring that all employees and Directors comply with mandatory training requirements	O	Adm (A)	9/30/17
	Organize and host at least one annual employee non-work event	O	Adm (A)	6/30/18
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	All	6/30/18
	Sponsor 1 employee and/or Director to participate in Leadership Santa Cruz County civic program	O	Adm (GM)	8/31/17
	Participate in the developing and carrying out Santa Cruz County Water Internships Program (WIP)	O	Adm (GM)	12/31/17

Scotts Valley Water District

FY 2018 Proposed Budget: Revenue

Account Number	Account Description	FY 2017 Budget	FY 2017 Est. Actual	FY 2018 Budget
Fund (01)	Potable Water			
R10	Oper Revenue - Water Sales			
01-000-41101	Residential Consumption - SF	\$ 1,284,590	\$ 1,177,883	\$ 1,815,870
01-000-41102	Residential Consumption - MF	\$ 214,870	\$ 208,606	\$ 246,760
01-000-41103	CII Consumption - Commercial	\$ 663,550	\$ 726,465	\$ 1,209,100
01-000-41104	CII Consumption - Industrial	\$ 119,970	\$ 50,740	\$ -
01-000-41105	Irrigation Consumption	\$ 211,570	\$ 168,761	\$ 220,080
01-000-41106	CII Consumption - Other	\$ 102,780	\$ 49,597	\$ -
01-000-41200	Other Bulk Water	\$ 21,050	\$ 13,652	\$ 21,050
	R10 Oper Revenue-Water Sales Total:	\$ 2,618,380	\$ 2,395,703	\$ 3,512,860
R20	Oper Revenue - Water Services			
01-000-42100	Standby Basic Meter Charge	\$ 1,245,580	\$ 1,289,471	\$ 1,658,090
01-000-42121	Standby FP Basic Meter Charge	\$ 75,250	\$ 52,557	\$ 42,480
01-000-43300	Other Operating Revenue	\$ 13,000	\$ 14,950	\$ 13,000
01-000-41300	Other Late Penalty	\$ 34,120	\$ 27,550	\$ 34,120
01-000-41301	Other Water Waste Penalty	\$ -	\$ -	\$ -
	R20 Oper Revenue - Water Services Total:	\$ 1,367,950	\$ 1,384,527	\$ 1,747,690
R25	Oper Revenue - New Connections			
01-000-42101	Other Meter Fee	\$ 19,400	\$ 7,514	\$ 10,000
01-000-42120	Other FP Meter Fee	\$ 20,840	\$ -	\$ 410
01-000-42102	Other Capacity Fee	\$ 515,630	\$ 25,000	\$ 666,000
01-000-43100	Other Will Serve	\$ 1,000	\$ 2,511	\$ 1,000
01-000-43200	Other Dev Proj Review	\$ 5,000	\$ 19,113	\$ 5,000
01-000-44100	Fire Hydrant Connection Fees (to be deactivated in F	\$ 2,000	\$ 3,430	\$ -
	R25 Oper Revenue - New Connections Total:	\$ 563,870	\$ 57,568	\$ 682,410
R30	Non-Oper Revenue			
01-000-46000	Property Taxes	\$ 718,000	\$ 817,073	\$ 817,000
01-000-47110	Interest and Dividend	\$ 5,000	\$ 7,607	\$ 8,480
01-000-47115	Interest and Dividend - Restricted	\$ 7,130	\$ 1,826	\$ -
01-000-47120	Interest - LAIF	\$ 7,870	\$ 8,844	\$ 4,440
01-000-47520	Misc Non-Operating Revenue	\$ 2,000	\$ 3,993	\$ 2,000
01-000-47530	Unrealized Gain/Loss on Invest	\$ -	\$ -	\$ -
01-000-47550	Gain/(Loss) Sale Fixed Assets	\$ -	\$ -	\$ -
	R30 Non-Oper Revenue Total:	\$ 740,000	\$ 839,343	\$ 831,920
R40	Grants			
01-000-45220	State Grant - Prop 84	\$ 750,000	\$ 885,515	\$ -
	R40 Non-Oper Revenue - Grants Total:	\$ 750,000	\$ 885,515	\$ -

Fund (01) Potable Water Revenue Total:	\$ 6,040,200	\$ 5,562,656	\$ 6,774,880
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Account Number	Description	FY 2017 Budget	FY 2017 Est. Actual	FY 2018 Budget
Fund (02)	Recycled Water			
R10	Oper Revenue - Water Sales			
02-000-41105	Irrigation Consumption	\$ 311,340	\$ 399,766	\$ 443,400
02-000-41200	Other Bulk Water	\$ 25,000	\$ 5,047	\$ 25,000
	R10 Oper Revenue - Water Sales Total:	\$ 336,340	\$ 404,813	\$ 468,400
R20	Oper Revenue - Water Services			
02-000-42100	Standby Basic Meter Charge	\$ -	\$ 4,674	\$ 16,630
02-000-41300	Other Late Penalties	\$ -	\$ 40	\$ -
02-000-43300	Other Oper Revenue	\$ -	\$ -	\$ -
	R20 Oper Revenue - Water Services Total:	\$ -	\$ 4,714	\$ 16,630
R25	Oper Revenue - New Connections			
02-000-42101	Other Meter Fee	\$ -	\$ -	\$ 570
02-000-42102	Other Capacity Fee	\$ -	\$ 14,380	\$ 29,420
02-000-42130	Replenishment Impact Fee	\$ 600,411	\$ 25,906	\$ -
	R25 Oper Revenue - New Connections Total:	\$ 600,411	\$ 40,286	\$ 29,990
R30	Non-Oper Revenue			
02-000-47110	Interest and Dividend	\$ 6,000	\$ 12,992	\$ 11,245
02-000-47115	Interest and Dividend - Restricted	\$ -	\$ 29	\$ -
02-000-47520	Misc Non-Operating Revenue	\$ -	\$ 1,103	\$ -
02-000-47550	Gain/(Loss) Sale Fixed Assets	\$ -	\$ -	\$ -
02-000-47560	Reduction of RW Entitlement	\$ 155,817	\$ -	\$ -
	R30 Non-Oper Revenue Total:	\$ 161,817	\$ 14,123	\$ 11,245
R40	Grants			
02-000-45220	State Prop 13 Grant	\$ -	\$ 37,500	\$ -
	R40 Non-Oper Revenue - Grants Total:	\$ -	\$ 37,500	\$ -
	Fund (02) Recycled Water Revenue Total:	\$ 1,098,568	\$ 501,436	\$ 526,265
	Fund (01) and Fund (02) Revenue Total:	\$ 7,138,768	\$ 6,064,093	\$ 7,301,145

Scotts Valley Water District
FY 2018 Proposed Budget: Expense

Account Number	Account Description	FY 2017 Budget	FY 2017 Est. Actual	FY 2018 Budget
Fund (01)	Potable Water			
Dept (100)	Administration			
E01	Salaries & Benefits			
01-100-51110	Regular Pay	\$ 238,540	\$ 239,621	\$ 277,690
01-100-51111	Temporary Pay	-	-	22,000
01-100-51132	Special Vacation Pay	5,350	8,700	8,700
01-100-51150	Vehicle & Phone Allowance	2,880	2,880	2,880
01-100-51161	Medicare	3,610	3,642	4,250
01-100-51202	Retirement - Tier 2	19,990	20,073	22,880
01-100-51204	Unfunded Pension Liability	61,570	59,377	78,770
01-100-51206	Retirement - Survivor Benefit	50	50	80
01-100-51210	Medical Insurance	17,400	17,551	29,160
01-100-51211	Medical Cash-in-Lieu	-	-	-
01-100-51212	Dental Insurance	2,080	2,056	2,490
01-100-51213	Vision Insurance	450	445	680
01-100-51214	Life & AD&D Insurance	790	686	1,160
01-100-51215	457 & HSA Contributions	10,600	10,600	11,700
01-100-51216	Employee Assistance Program	60	56	80
01-100-51220	Other Post-Employment Benefits	6,750	6,786	7,500
01-100-51240	Workers' Compensation	2,100	1,900	2,210
01-100-51250	Tuition Reimbursement	5,250	-	5,250
01-100-51700	Allocation from Fund (01) to Fund (02)	(37,750)	(37,442)	(47,748)
	E01 Salaries & Benefits Total:	\$ 339,720	\$ 336,981	\$ 429,732
E03	Services			
01-100-52110	Contractual Services	\$ 30,000	\$ 27,000	\$ 25,000
01-100-52120	Landscape Maint.	4,000	7,000	5,000
01-100-52210	Professional Services	117,000	80,000	77,000
01-100-52230	IT Services	70,380	66,000	70,000
01-100-52231	Website Maint.	4,000	2,000	3,000
01-100-52250	Legal Counsel	36,000	36,000	36,000
01-100-52260	Election Services	-	125	-
01-100-52310	Sewer Service	420	370	420
01-100-52320	Solid Waste Service	500	485	500
01-100-52330	Electricity & Gas	8,000	8,500	9,000
01-100-52340	Telephone & Internet	14,200	14,200	14,200
01-100-52410	Software Licensing & Maint.	300	500	500
01-100-52420	Equipment Rental & Maint.	4,800	4,860	5,100
01-100-52510	Travel & Meetings	10,000	10,000	10,000
01-100-52520	Training	6,000	2,000	4,000
01-100-52530	Dues & Memberships	20,000	18,000	20,650
01-100-52540	Employee Recognition	5,000	4,000	5,000
01-100-52570	Printing Services	2,200	2,600	2,700
01-100-52630	Advertising & Promotion	7,500	10,000	12,200
01-100-52660	Recruitment	300	850	300
01-100-52700	Safety Services	3,000	-	3,000

FY 2018 Proposed Budget: Expense

Account Number	Account Description	FY 2017 Budget	FY 2017 Est. Actual	FY 2018 Budget
Fund (01)	Potable Water			
01-100-52725	HR Processing Fees	2,600	1,850	2,000
01-100-52810	General Building Maint.	12,050	12,050	12,600
01-100-52980	Allocation from Fund (01) to Fund (02)	(35,480)	(30,839)	(31,817)
	E03 Services Total:	\$ 322,770	\$ 277,551	\$ 286,353
E05	Supplies			
01-100-53100	Office Supplies	\$ 6,000	\$ 2,500	\$ 4,000
01-100-53110	Building Supplies	-	400	1,000
01-100-53400	Books & Subscriptions	500	300	300
01-100-53700	Special Division Supplies	5,000	5,000	5,000
01-100-53910	Office Equipment	5,000	5,000	7,000
01-100-53920	Furniture & Furnishings	8,000	8,000	5,000
01-100-53980	Allocation from Fund (01) to Fund (02)	(2,450)	(2,120)	(2,230)
	E05 Supplies Total:	\$ 22,050	\$ 19,080	\$ 20,070
E10	Source of Supply			
01-100-52211	Professional Services	\$ -	\$ -	\$ 390,000
	E10 Source of Supply Total:	\$ -	\$ -	\$ 390,000
E70	Other			
01-100-52950	Contingency for Litigation	\$ 15,000	\$ -	\$ 15,000
01-100-52980	Allocation from Fund (01) to Fund (02)	(1,500)	-	(1,500)
	E70 Other Total:	\$ 13,500	\$ -	\$ 13,500
Dept (100) Expense Total:		\$ 698,040	\$ 633,612	\$ 1,139,655
Dept (200)	Finance/Customer Service			
E01	Salaries & Benefits			
01-200-51110	Regular Pay	\$ 253,930	\$ 189,258	\$ 263,360
01-200-51111	Temporary Pay	-	32,610	-
01-200-51114	Overtime Pay	8,250	1,000	8,250
01-200-51115	Separation Pay	-	377	-
01-200-51132	Special Vacation Pay	3,600	2,500	2,500
01-200-51161	Medicare	3,860	3,273	3,990
01-200-51162	Social Security	-	2,086	-
01-200-51202	Retirement - Tier 2	13,940	9,050	13,350
01-200-51203	Retirement - Tier 3	5,740	7,100	5,930
01-200-51206	Retirement - Survivor Benefit	100	70	100
01-200-51210	Medical Insurance	64,450	38,800	54,500
01-200-51212	Dental Insurance	4,270	1,800	3,280
01-200-51213	Vision Insurance	900	510	900
01-200-51214	Life & AD&D Insurance	1,030	800	1,030
01-200-51215	457 & HSA Contributions	7,700	8,700	7,700
01-200-51216	Employee Assistance Program	100	110	120
01-200-51220	Other Post-Employment Benefits	41,680	44,100	46,490
01-200-51230	Unemployment Insurance	-	650	-
01-200-51240	Workers' Compensation	2,260	1,800	2,140
01-200-51250	Tuition Reimbursement	3,000	2,100	3,000

FY 2018 Proposed Budget: Expense

Account Number	Account Description	FY 2017 Budget	FY 2017 Est. Actual	FY 2018 Budget
Fund (01)	Potable Water			
01-200-51700	Allocation from Fund (01) to Fund (02)	(41,480)	(34,669)	(41,664)
	E01 Salaries & Benefits Total:	\$ 373,330	\$ 312,026	\$ 374,976
E03	Services			
01-200-52210	Professional Services	\$ 57,115	\$ 56,500	\$ 11,700
01-200-52240	Audit Services	25,000	22,500	24,000
01-200-52260	Regulatory Reporting	-	700	1,500
01-200-52300	Auto & Liability Insurance	78,310	75,014	55,000
01-200-52400	Property Insurance	12,950	12,946	13,400
01-200-52410	Software Licensing & Maint.	8,100	7,960	17,100
01-200-52420	Equipment Rental & Maint.	1,000	783	900
01-200-52510	Travel & Meetings	2,500	500	2,250
01-200-52520	Training	1,500	1,000	1,350
01-200-52550	Printing & Mailing	1,000	3,000	500
01-200-52620	Legal Advertising	-	2,375	-
01-200-52720	Payroll Processing	7,050	7,600	7,800
01-200-52740	Bank service Fees	4,500	7,920	8,000
01-200-52745	Fiscal Agent Fees	-	-	1,000
01-200-52760	Health Benefits Admin Fees	500	440	500
01-200-54015	Property Tax Admin Fees	6,900	6,604	6,900
01-200-52980	Allocation from Fund (01) to Fund (02)	(14,520)	(21,084)	(15,190)
	E03 Services Total:	\$ 191,905	\$ 189,758	\$ 136,710
E05	Supplies			
01-200-53200	Postage	\$ 3,000	\$ 3,000	\$ 3,000
01-200-53980	Allocation from Fund (01) to Fund (02)	(150)	(300)	(300)
	E05 Supplies Total:	\$ 2,850	\$ 2,700	\$ 2,700
E35	Customer Accounts			
01-200-52415	Software Licensing & Portal	\$ 22,170	\$ 19,400	\$ 22,270
01-200-52555	Printing & Mailing	29,200	17,000	20,000
01-200-52560	Collection Agency Fees	1,300	1,800	1,800
01-200-52710	Payment Processing Fees	27,600	27,600	28,000
01-200-52750	Customer Setup Fee	1,200	1,200	1,200
01-200-53700	Special Division Supplies	1,800	1,000	1,500
01-200-54980	Allocation from Fund (01) to Fund (02)	(8,330)	(2,220)	(2,557)
	E35 Customer Accounts Total:	\$ 74,940	\$ 65,780	\$ 72,213
E70	Other			
01-200-54010	Property Taxes	\$ 1,100	\$ 1,000	\$ 1,100
01-200-54025	Late Penalties	-	50	-
01-200-54790	Refunding Cost of Issue	-	42,474	-
	E70 Other Total:	\$ 1,100	\$ 43,524	\$ 1,100
E80	Interest			
01-200-54730	Interest Expense - 2011 WFB	\$ 135,363	\$ 64,702	\$ -
01-200-54740	Interest Expense - 2016 JPMorgan	-	35,885	63,277
	E80 Interest Total:	\$ 135,363	\$ 100,587	\$ 63,277

FY 2018 Proposed Budget: Expense

Account Number	Account Description	FY 2017 Budget	FY 2017 Est. Actual	FY 2018 Budget
Fund (01)	Potable Water			
	Dept (200) Expense Total:	\$ 779,488	\$ 714,375	\$ 650,976
Dept (300)	Operations			
E01	Salaries & Benefits			
01-300-51110	Regular Pay	\$ 844,400	\$ 825,000	\$ 904,890
01-300-51111	Temporary Pay	-	7,600	-
01-300-51114	Overtime Pay	45,000	65,000	60,000
01-300-51115	Separation Pay	-	-	-
01-300-51132	Special Vacation Pay	440	500	1,400
01-300-51150	Vehicle & Phone Allowance	5,760	5,760	5,760
01-300-51161	Medicare	14,570	13,110	14,140
01-300-51162	Social Security	-	1,000	-
01-300-51201	Retirement - Tier 1	20,380	20,230	21,340
01-300-51202	Retirement - Tier 2	38,860	39,350	41,760
01-300-51203	Retirement - Tier 3	13,050	12,600	15,350
01-300-51206	Retirement - Survivor Benefit	250	240	250
01-300-51210	Medical Insurance	166,460	164,200	196,830
01-300-51211	Medical Cash-in-Lieu	6,000	3,000	3,000
01-300-51212	Dental Insurance	11,490	9,660	10,620
01-300-51213	Vision Insurance	2,250	2,100	2,250
01-300-51214	Life & AD&D Insurance	2,140	2,070	1,950
01-300-51215	457 & HSA Contributions	20,800	28,500	20,800
01-300-51216	Employee Assistance Program	290	270	290
01-300-51220	Other Post-Employment Benefits	82,900	75,000	79,520
01-300-51240	Workers' Compensation	35,280	31,000	35,260
01-300-51700	Allocation from Fund (01) to Fund (02)	(131,030)	(130,619)	(141,540)
	E01 Salaries & Benefits Total:	\$ 1,179,290	\$ 1,175,571	\$ 1,273,870
E03	Services			
01-300-52120	Landscape Maint.	\$ 10,000	\$ 10,100	\$ 10,000
01-300-52310	Sewer Service	420	420	420
01-300-52320	Solid Waste Service	3,000	3,000	3,000
01-300-52340	Telephone & Internet	14,800	14,000	13,000
01-300-52420	Equipment Rental & Maint.	6,000	20,000	20,000
01-300-52500	Uniform Laundering Services	3,200	5,050	5,100
01-300-52510	Travel & Meetings	7,000	7,000	7,000
01-300-52520	Training	7,500	7,500	20,470
01-300-52660	Recruitment	-	-	-
01-300-52550	Printing and Mailing	100	750	750
01-300-52700	Safety Services	6,000	6,000	15,000
01-300-52810	General Building Maint.	4,000	4,000	4,000
01-300-52830	Landfill Fees	-	5,500	3,000
01-300-52910	Vehicle Maint.	27,000	20,000	27,000
01-300-52930	Facility Site Maint	25,000	25,000	25,000
01-300-55130	GIS Maint.	17,200	17,200	18,000
01-300-52980	Allocation from Fund (01) to Fund (02)	(13,122)	(14,552)	(17,174)
	E03 Services Total:	\$ 118,098	\$ 130,968	\$ 154,566

FY 2018 Proposed Budget: Expense

Account Number	Account Description	FY 2017 Budget	FY 2017 Est. Actual	FY 2018 Budget
Fund (01)	Potable Water			
E05	Supplies			
01-300-53100	Office Supplies	\$ 2,500	\$ 2,500	\$ 2,500
01-300-53110	Bldg Maint Supplies	-	20	-
01-300-53400	Books & Subscriptions	500	700	500
01-300-53500	Safety Clothing & Equipment	6,400	10,000	13,000
01-300-53600	Vehicle Fuel Purchases	15,000	14,000	14,500
01-300-53910	Office Equipment	-	550	-
01-300-53920	Furniture & Furnishings	1,500	1,500	1,000
01-300-53980	Allocation from Fund (01) to Fund (02)	(2,590)	(2,927)	(3,150)
	E05 Supplies Total:	\$ 23,310	\$ 26,343	\$ 28,350
E07	General Production			
01-300-52800	Regulatory Compliance	\$ 18,000	\$ 18,000	\$ 18,000
01-300-53300	Small Tools & Equipment	12,000	16,000	14,000
01-300-53700	Special Division Supplies	5,000	10,300	9,000
01-300-56500	SCADA Maint.	30,000	40,000	40,000
01-300-55980	Allocation from Fund (01) to Fund (02)	(4,800)	(8,430)	(8,100)
	E07 General Production Total:	\$ 60,200	\$ 75,870	\$ 72,900
E10	Source of Supply			
01-300-55230	Well Maint.	\$ 100,000	\$ 100,000	\$ 80,000
	E10 Source of Supply Total:	\$ 100,000	\$ 100,000	\$ 80,000
E15	Pumping			
01-300-56310	Pumps & Boosters	\$ 38,541	\$ 38,500	\$ 40,000
01-300-56330	Pumps - Electricity & Gas	330,000	320,000	320,000
	E15 Pumping Total:	\$ 368,541	\$ 358,500	\$ 360,000
E20	Water Treatment			
01-300-52315	Wastewater Disposal	\$ 100,000	\$ 75,000	\$ 65,000
01-300-55110	Chemical Supplies	90,000	100,000	100,000
01-300-55120	Laboratory Services	30,000	35,000	35,000
01-300-55210	Treatment Plant Maint.	116,873	118,000	120,000
	E20 Water Treatment Total:	\$ 336,873	\$ 328,000	\$ 320,000
E25	Transmission & Distribution			
01-300-52210	Outside Prof. Services	\$ 50,000	\$ 2,000	\$ -
01-300-52410	Software Licensing	6,000	6,000	6,000
01-300-55240	Tank & Reservoir Maint.	23,500	25,000	24,000
01-300-56100	Main Maint. & Repair	54,500	50,000	55,000
01-300-56200	Service Lateral Maint. & Repair	12,000	12,000	12,000
01-300-56400	Fire Hydrant Maint.	7,500	7,500	7,500
01-300-56600	Meter Maint.	30,000	30,000	30,000
	E25 Transmission & Distribution Total:	\$ 183,500	\$ 132,500	\$ 134,500
	Dept (300) Expense Total:	\$ 2,369,812	\$ 2,327,752	\$ 2,424,186

FY 2018 Proposed Budget: Expense

Account Number	Account Description	FY 2017 Budget	FY 2017 Est. Actual	FY 2018 Budget
Fund (01)	Potable Water			
Dept (400)	Engineering			
E01	Salaries & Benefits			
01-400-51110	Regular Pay	\$ 67,230	\$ 66,200	\$ 72,750
01-400-51150	Vehicle & Phone Allowance	480	480	480
01-400-51161	Medicare	990	970	1,070
01-400-51203	Retirement - Tier 3	4,410	4,340	4,760
01-400-51206	Retirement - Survivor Benefit	25	25	30
01-400-51210	Medical Insurance	22,270	23,600	26,360
01-400-51212	Dental Insurance	1,290	1,290	1,290
01-400-51213	Vision Insurance	230	230	230
01-400-51214	Life & AD&D Insurance	250	220	220
01-400-51215	457 & HSA Contributions	2,200	2,200	2,200
01-400-51216	Employee Assistance Program	30	30	30
01-400-51240	Workers' Compensation	710	610	700
01-400-51700	Allocation from Fund (01) to Fund (02)	(10,012)	(10,020)	(11,012)
	E01 Salaries & Benefits Total:	\$ 90,103	\$ 90,176	\$ 99,108
E03	Services			
01-400-52210	Outside Prof. Services	\$ 220,636	\$ 100,000	\$ -
01-400-52219	Outside Prof. Services Offset	(220,636)	(100,000)	-
01-400-52220	Engineering Services	91,396	92,000	95,000
01-400-52410	Software Licensing & Maint.	-	180	180
01-400-52510	Travel & Meetings	2,000	-	1,000
01-400-52520	Training	300	1,500	750
01-400-52700	Safety Services	500	250	500
	E03 Services Total:	\$ 94,196	\$ 93,930	\$ 97,430
E05	Supplies			
01-400-53700	Special Division Supplies	\$ 1,000	\$ 1,000	\$ 1,000
	E05 Supplies Totals:	\$ 1,000	\$ 1,000	\$ 1,000
E10	Source of Supply			
01-400-52231	Feasibility Studies	\$ 38,057	\$ -	\$ -
	E10 Source of Supply Total:	\$ 38,057	\$ -	\$ -
	Dept (400) Expense Totals:	\$ 223,356	\$ 185,106	\$ 197,538
Dept (500)	Water Use Efficiency (WUE)			
E01	Salaries & Benefits			
01-500-51110	Regular Pay	\$ 72,690	\$ 72,380	\$ 77,180
01-500-51150	Vehicle & Phone Allowance	480	480	480
01-500-51161	Medicare	1,100	1,060	1,160
01-500-51202	Retirement - Tier 2	6,090	6,070	6,500
01-500-51206	Retirement - Survivor Benefit	30	25	30
01-500-51210	Medical Insurance	8,570	8,630	9,630
01-500-51212	Dental Insurance	410	410	410
01-500-51213	Vision Insurance	230	230	230
01-500-51214	Life & AD&D Insurance	390	350	350

FY 2018 Proposed Budget: Expense

Account Number	Account Description	FY 2017 Budget	FY 2017 Est. Actual	FY 2018 Budget
Fund (01)	Potable Water			
01-500-51215	457 & HSA Contributions	2,200	2,200	2,200
01-500-51216	Employee Assistance Program	30	30	30
01-500-51240	Workers' Compensation	770	700	740
	E01 Salaries & Benefits Total:	\$ 92,990	\$ 92,565	\$ 98,940
E03	Services			
01-500-52210	Outside Prof. Services	\$ 23,990	\$ 3,990	\$ 10,000
01-500-52510	Travel & Meetings	1,000	500	1,000
01-500-52520	Training	-	100	500
01-500-52630	Advertising & Promotion	2,300	500	1,500
01-500-52640	Water Efficiency Program	2,000	-	-
	E03 Services Total:	\$ 29,290	\$ 5,090	\$ 13,000
E05	Supplies			
01-500-53250	Rebates - Miscellaneous	\$ -	\$ 135	\$ -
01-500-53260	Rebates - Turf/Drip Replacement	40,000	40,000	40,000
01-500-53270	Rebates - Other Out Door Efficiency	10,575	2,500	6,000
01-500-53280	Rebates - Indoor Efficiencies	5,300	6,000	6,500
01-500-53290	Promotional Give-Aways	3,000	500	2,000
01-500-53700	Special Division Supplies	12,000	1,000	2,000
	E05 Supplies Total:	\$ 70,875	\$ 50,135	\$ 56,500
	Dept (500) Expense Total:	\$ 193,155	\$ 147,790	\$ 168,440
Dept (900)	Board			
E01	Salaries & Benefits			
01-900-51120	Director Fees	\$ 28,400	\$ 33,000	\$ 34,800
01-900-51161	Medicare	420	480	500
01-900-51162	Social Security Tax	1,770	2,046	2,200
01-900-51212	Dental Insurance	4,180	4,140	4,180
01-900-51213	Vision Insurance	1,130	1,120	1,130
01-900-51214	Life & AD&D Insurance	470	410	470
01-900-51220	Other Post-Employment Benefits	22,150	22,550	22,240
01-900-51240	Workers' Compensation	250	270	280
01-900-51260	Medical Premiums	46,800	53,500	56,360
01-900-51700	Allocation from Fund (01) to Fund (02)	(10,560)	(11,752)	(12,216)
	E01 Salaries & Benefits Total:	\$ 95,010	\$ 105,764	\$ 109,944
E03	Services			
01-900-52510	Travel & Meetings	\$ 16,740	\$ 10,000	\$ 16,400
01-900-52520	Training	-	3,000	-
01-900-52980	Allocation from Fund (01) to Fund (02)	(1,670)	(1,300)	(1,640)
	E03 Services Total:	\$ 15,070	\$ 11,700	\$ 14,760
E05	Supplies			
01-900-53100	Office Supplies	\$ 450	\$ 100	\$ 200
01-900-53910	Office Equipment	450	100	1,500
01-900-53980	Allocation from Fund (01) to Fund (02)	(100)	(20)	(170)

FY 2018 Proposed Budget: Expense

Account Number	Account Description	FY 2017 Budget	FY 2017 Est. Actual	FY 2018 Budget
Fund (01)	Potable Water			
	E05 Supplies Total:	\$ 800	\$ 180	\$ 1,530
	Dept (900) Expense Totals:	\$ 110,880	\$ 117,644	\$ 126,234
	Fund 01 Potable Water Expense Total:	\$ 4,374,731	\$ 4,126,279	\$ 4,707,029

FY 2018 Proposed Budget: Expense

Account Number	Account Description	FY 2017 Budget	FY 2017 Est Actual	FY 2018 Budget
Fund (02)	Recycled Water			
Dept (100)	Administration			
E01	Salaries & Benefits			
02-100-51700	Allocation from Fund (01) to Fund (02)	\$ 37,750	\$ 37,442	\$ 47,748
	E01 Salaries & Benefits Total:	\$ 37,750	\$ 37,442	\$ 47,748
E03	Services			
02-100-52800	Regulatory Oversight/Compliance	\$ -	\$ 2,850	\$ 3,000
02-100-52980	Allocation from Fund (01) to Fund (02)	37,030	30,839	31,817
	E03 Services Total:	\$ 37,030	\$ 33,689	\$ 34,817
E05	Supplies			
02-100-53980	Allocation from Fund (01) to Fund (02)	\$ 2,450	\$ 2,120	\$ 3,730
	E05 Supplies Total:	\$ 2,450	\$ 2,120	\$ 3,730
	Dept (100) Expense Total:	\$ 77,230	\$ 73,251	\$ 86,295
Dept (200)	Finance/Customer Service			
E01	Salaries & Benefits			
02-200-51700	Allocation from Fund (01) to Fund (02)	\$ 41,480	\$ 34,669	\$ 41,664
	E01 Salaries & Benefits Total:	\$ 41,480	\$ 34,669	\$ 41,664
E03	Services			
02-200-52210	Outside Professional Services	\$ 20,000	\$ -	\$ -
02-200-52260	SVWDPFC Tax and Reporting	10	1,135	1,060
02-200-52745	Fiscal Agent Fees	2,210	1,000	-
02-200-52980	Allocation from Fund (01) to Fund (02)	17,400	21,084	15,190
	E03 Services Total:	\$ 39,620	\$ 23,219	\$ 16,250
E05	Supplies			
02-200-53980	Allocation from Fund (01) to Fund (02)	\$ 330	\$ 300	\$ 300
	E05 Supplies Total:	\$ 330	\$ 300	\$ 300
E35	Customer Accounts			
02-200-54980	Allocation from Fund (01) to Fund (02)	\$ 5,270	\$ 2,220	\$ 2,557
	E35 Customer Accounts Total:	\$ 5,270	\$ 2,220	\$ 2,557
E70	Other			
02-200-54790	Cost of Issue - 2016 Refunding	\$ -	\$ 23,684	\$ -
	E70 Other Total:	\$ -	\$ 23,684	\$ -
E80	Interest			
02-200-54720	Interest Expense - 2004 COP	\$ 104,223	\$ 52,111	\$ -
02-200-54740	Interest Expense - 2016 JPMorgan	-	23,182	40,261
	E80 Interest Total:	\$ 104,223	\$ 75,293	\$ 40,261

FY 2018 Proposed Budget: Expense

Account Number	Account Description	FY 2017 Budget	FY 2017 Est Actual	FY 2018 Budget
Dept (200) Expense Total:		\$ 190,923	\$ 159,385	\$ 101,032
Dept (300) Operations				
E01	Salaries & Benefits			
02-300-51700	Allocation from Fund (01) to Fund (02)	\$ 131,030	\$ 130,619	\$ 141,540
E01 Salaries and Wages Total:		\$ 131,030	\$ 130,619	\$ 141,540
E03	Services			
02-300-52980	Allocation from Fund (01) to Fund (02)	\$ 9,710	\$ 14,552	\$ 17,174
E03 Services Total:		\$ 9,710	\$ 14,552	\$ 17,174
E05	Supplies			
02-300-53980	Allocation from Fund (01) to Fund (02)	\$ 2,600	\$ 2,927	\$ 3,150
E05 Supplies Total:		\$ 2,600	\$ 2,927	\$ 3,150
E07	General Production			
02-300-55980	Allocation from Fund (01) to Fund (02)	\$ 4,800	\$ 8,430	\$ 8,100
E10 Source of Supply Total:		\$ 4,800	\$ 8,430	\$ 8,100
E15	Pumping			
02-300-56310	Pumps and Boosters	\$ 2,500	\$ 500	\$ 2,500
02-300-56330	Pumps - Electricity and Power	2,100	1,500	1,500
E15 Pumping Total:		\$ 4,600	\$ 2,000	\$ 4,000
E20	Water Treatment			
02-300-55210	Treatment Plant Maintenance	\$ 120,000	\$ 100,000	\$ 110,000
E20 Water Treatment Total:		\$ 120,000	\$ 100,000	\$ 110,000
E25	Transmission & Distribution			
02-300-53700	Special Division Supplies	\$ 1,000	\$ -	\$ 1,000
02-300-55240	Tank and Reservoir Maintenance	1,000	-	1,000
02-300-56100	Main Maintenance and Repairs	5,000	5,000	7,500
02-300-56200	Service Lateral Maint & Repair	4,000	-	3,000
02-300-56600	Meter Maintenance	1,000	-	1,000
02-300-56800	Recycled Water Monitoring	-	100	1,000
E25 Transmission & Distribution Total:		\$ 12,000	\$ 5,100	\$ 14,500
E30	Conservation			
02-300-56900	Recycled Water Fill Station	\$ 10,000	\$ 2,000	\$ 2,000
E30 Conservation Total:		\$ 10,000	\$ 2,000	\$ 2,000
Dept (300) Expense Totals:		\$ 294,740	\$ 265,628	\$ 300,464
Dept (400) Engineering				
E01	Salaries & Benefits			
02-400-51700	Allocation from Fund (01) to Fund (02)	\$ 10,010	\$ 10,020	\$ 11,012

FY 2018 Proposed Budget: Expense

Account Number	Account Description	FY 2017 Budget	FY 2017 Est Actual	FY 2018 Budget
	E01 Salaries and Wages Totals:	\$ 10,010	\$ 10,020	\$ 11,012
E03	Services			
02-400-52211	Outside Prof Services	\$ -	\$ 1,627	\$ -
	E03 Services Totals:	\$ -	\$ 1,627	\$ -
	Dept (400) Expense Total:	\$ 10,010	\$ 11,647	\$ 11,012
Dept (900)	Board of Directors			
E01	Salaries & Benefits			
02-900-51700	Allocation from Fund (01) to Fund (02)	\$ 10,560	\$ 11,752	\$ 12,216
	E01 Salaries & Benefits Total:	\$ 10,560	\$ 11,752	\$ 12,216
E03	Services			
02-900-52520	Training	\$ -	\$ 85	\$ -
02-900-52980	Allocation from Fund (01) to Fund (02)	1,670	1,300	1,640
	E03 Services Total:	\$ 1,670	\$ 1,385	\$ 1,640
E05	Supplies			
02-900-53980	Allocation from Fund (01) to Fund (02)	\$ 50	\$ 20	\$ 170
	E05 Supplies Total:	\$ 50	\$ 20	\$ 170
	Dept (900) Expense Total:	\$ 12,280	\$ 13,157	\$ 14,026
	Fund (02) Recycled Water Total:	\$ 585,183	\$ 523,067	\$ 512,829

SCOTTS VALLEY WATER DISTRICT

PROJECTS: CAPITAL IMPROVEMENT AND MAINTENANCE

Category	Project Name	CIP/ Mntce	Funding Source	FY 2017 C/O	FY 2018 Budget	FY 2018 Total
Transmission Mains	Main Replacement Program - Potable	Cap	Rates-PW	\$ -	\$ 75,000	\$ 75,000
Treatment Plants	Orchard Run WTP Water Quality Improvements	Cap	50 Rates-PW 50 ND-PW	\$ 1,394,963	\$ -	\$ 260,000
Storage Tanks	Bethany Tank Rehabilitation	Cap	Rates-PW	\$ 50,000	\$ 150,000	\$ 200,000
Storage Tanks	Sequoia Tank Rehabilitation	Cap	Rates-PW	\$ -	\$ 650,000	\$ 650,000
Pump Stations	Bethany BS Rehabilitation	Cap	Rates-PW	\$ -	\$ 65,000	\$ 65,000
Wells	Lompico Formation Production Well (Well 9 Replacement)	Cap	50 Rates-PW 50 ND-PW	\$ 733,136	\$ -	\$ 100,000
Wells	Well 3B Rehabilitation	Mntce	Rates-PW		\$ 150,000	\$ 150,000
Recycled Water	Groundwater Recharge w/ Recycled Water	Cap	50 Rates-PW 50 ND-PW	\$ 400,000	\$ -	\$ -
Recycled Water	Recycled Water Fill Station	Mntce	Rates-RW	\$ -	\$ 8,000	\$ 8,000
Other	Pressure Regulator Station Replacement - Northridge	Mntce	Rates-PW	\$ -	\$ 45,000	\$ 45,000
Meters	Automated Metering Infrastructure (AMI)	Cap	90 Rates-PW 10 Rates-RW	\$ 75,000	\$ 75,000	\$ 150,000
	Meter Replacement Program	Mntce	Rates-PW	\$ -	\$ 100,000	\$ 100,000
Technology Upgrad	Accounting & Utility Billing Software Replacement	Cap	90 Rates-PW 10 Rates-RW	\$ 20,000	\$ -	\$ 20,000

SCOTTS VALLEY WATER DISTRICT

PROJECTS: CAPITAL IMPROVEMENT AND MAINTENANCE

Category	Project Name	CIP/ Mntce	Funding Source	FY 2017 C/O	FY 2018 Budget	FY 2018 Total
Technology Upgrad	Computerized Maintenance Management System	Cap	90 Rates-PW 10 Rates-RW	\$ -	\$ 15,000	\$ 15,000
Fleet	Vehicle Replacement Program	Cap	90 Rates-PW 10 Rates-RW	\$ -	\$ 55,000	\$ 55,000
Total				\$ 2,673,099	\$ 1,388,000	\$ 1,893,000