

Fiscal Year
2016/2017

Budget Report

South Placer Municipal Utility District
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MISSION

We are a customer owned Utility dedicated to:

PROTECT public health and water environment.

PROVIDE efficient and effective sanitary sewer service.

PREPARE for the future.

VISION

Our vision is to be the most reliable, innovative operations and maintenance organization that preserves and prolongs the life of our assets, resulting in sustainable, efficient, cost-effective customer service.

VALUES

Our Core Values are:

INTEGRITY: We will be trustworthy, truthful and honest.

STEWARDSHIP: We will be accountable and committed to responsible management and respect our environment.

SERVICE: We will be responsive, reliable and respectful; putting the needs of the District and customers first.

QUALITY: We will be dedicated to continuous improvement.

South Placer Municipal Utility District

Operating Budget – Fiscal Year 16/17

BOARD OF DIRECTORS

Gerald Mitchell **WARD 1:** Southwest central area of the City of Rocklin lying north of Interstate 80, including the Woodside, Five Star/Fairway Heights, south Stanford Ranch, and Sunset neighborhoods, as well as the west parts of old Rocklin.

William Dickinson **WARD 2:** Northwest part of the City of Rocklin lying on the east side of Highway 65 in the Sunset West and north central Stanford Ranch neighborhoods.

John Murdock **WARD 3:** Southeast Rocklin lying south of Interstate 80 in the vicinity of Sierra Community College. Also includes south Loomis and a stretch of land extending into Granite Bay in the Joe Rogers Road area.

Victor Markey **WARD 4:** Community of Penryn, the Town of Loomis lying north of King Road, extending west into the north part of the City of Rocklin in the Whitney Ranch and north Whitney Oaks neighborhoods.

James Williams **WARD 5:** West and central part of the Town of Loomis lying between Interstate 80 and King Road, extending west into the City of Rocklin into the east Stanford Ranch and south Whitney Oaks neighborhoods, as well as the east part of old Rocklin.

STAFF

Herb Niederberger	General Manager
Joanna Belanger	Board Secretary and Administrative Services Manager
Sam Rose	Superintendent
Eric Nielsen	District Engineer

SECTION 1 General Manager's Budget Report

SECTION 1.0 INTRODUCTION

Purpose

This budget report provides the South Placer Municipal Utility District (SPMUD or District) Board of Directors with the upcoming fiscal year revenues and expenses for the General and Capital Funds. The Budget's primary use is as a fiscal planning tool to accomplish the District's strategic goals and objectives. The budget is a management tool and not a legal requirement, and therefore not a legal document.

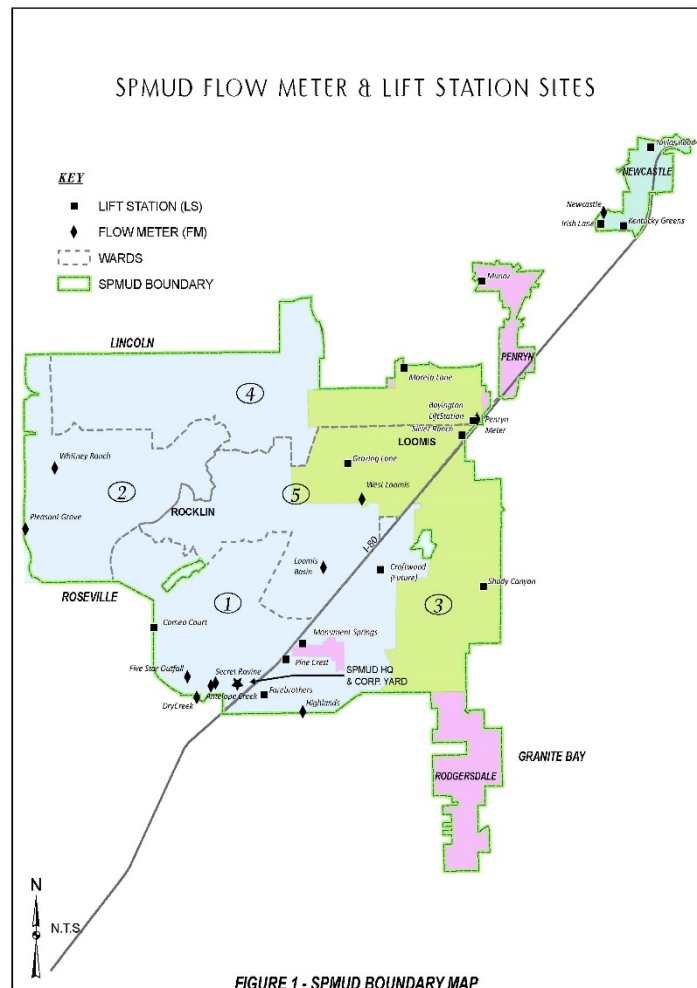
Report Organization

This Annual Budget is intended to provide the Board with an overview of the District's fiscal plan of action, including revenue and expense details for the upcoming fiscal year (FY16/17). This report is organized into a General Manager's report with revenue, expenditures, capital outlays and personnel schedules.

Background

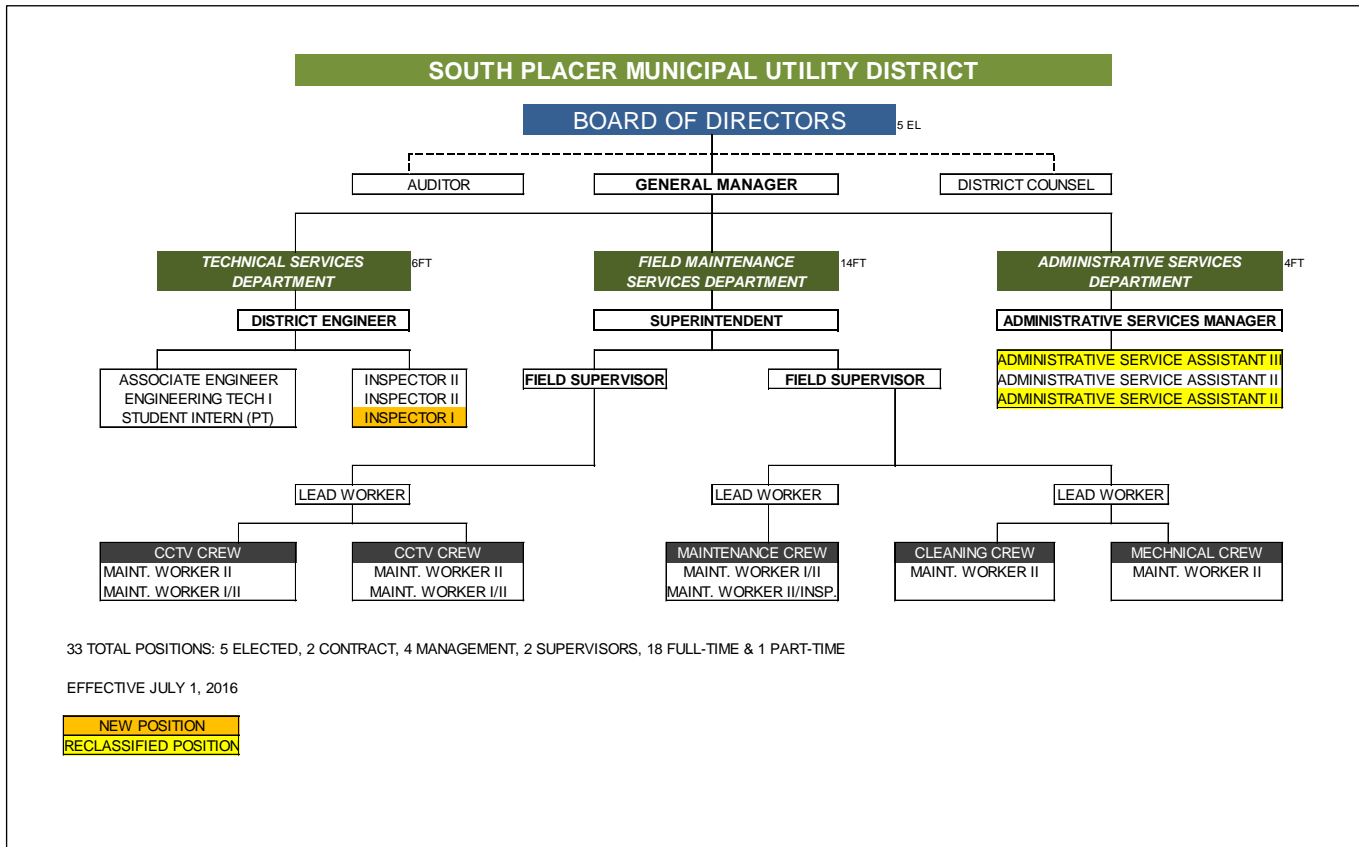
The Rocklin-Loomis MUD was created in 1956 to provide sanitary sewer service to Rocklin and Loomis. The District is divided into five wards and governed by an elected five member Board of Directors whom establish policy and oversee the General Manager, who manages the day-to-day operations. The SPMUD boundaries are shown in Figure 1.

In the 1970's the District decommissioned its sewage treatment facilities and began using the City of Roseville (City) Dry Creek Wastewater Treatment Plant (DCWWTP). In the 1980's, the name changed to South Placer Municipal Utility District to reflect its larger service area. In 2000, the District, the City of Roseville and Placer County (PC) created the South Placer Wastewater Authority (SPWA) to finance the construction of the Pleasant Grove Wastewater Treatment Plant (PG WWTP). In 2008, SPMUD boundaries expanded to match the incorporated town limits of Loomis, and in 2010, annexed the Newcastle Sanitary District (NSD) area.



SPMUD is under the direction of a five-member elected board and managed by the General Manager. The District is organized into three departments, Field Services, Technical Services and Administrative Services as shown in Figure 2.

Figure 2 – District Organizational Chart



Statistics

The SPMUD service area covers 31 square miles as shown in Figure 1 and includes all of the incorporated limits of the City of Rocklin and Town of Loomis, plus portions of southern Placer County around the unincorporated communities of Penryn, Newcastle and the Rodgersdale area of Granite Bay. Rocklin makes up 88%, Loomis is 9%, and 3% is in unincorporated Placer County. The District provides service to 21,658 customers (80% residential and 20% commercial); this equates to 31,834 Equivalent Dwelling Units (EDU) or an equivalent population of about 75,000 people. Our customers discharge an average sewer flow of about five million gallons per day. The District collects the sewage through customer owned sewer laterals (the pipe connecting their building sewer to the sewer mainlines) and transports this via 266.9 miles of District owned and operated sewer mains (from 4” to 42” diameter). The District maintains an additional 123.1 miles of customer owned lower laterals (their sewer pipe within our easement or public right-of-way). Other assets include our Headquarters, Maintenance and Corporation Yard facilities, 6083 manholes, 13 lift stations, 12 metering sites, and related buildings, facilities and equipment.

Figure 3 – District Statistics

STATISTICS	UNIT	TOTAL
Service Area	Square Miles	31
Equivalent Population	Each	75,000
Equal Dwelling Units	EDU	31,834
Customers Connected	Each	21,658
Annual Flow to WWTP	Million Gallons	1,410.6
Sewer Mains	Miles	266.9
Lower Service Laterals	Miles	123.1
Manhole/Flushing Branch	Each	6,083
Lift Stations	Each	13
Force Mains	Miles	6.8
Flow Meter Stations	Each	12
Easements	Miles	21

SECTION 1.1 REVENUE ANALYSIS

The following discussion highlights the major changes in the Fiscal Year 16/17 budget as compared to the current FY 15/16 budget in support of the detailed line items presented in **Schedule 1 - Revenue Budget**. The General Fund Revenue Budget is made up of service charges, property taxes, miscellaneous revenues and interest revenue. The Capital Outlay Revenue Budget is made up of sewer participation charges, depreciation transfers, investment interests, loan repayments and interest from NSD.

Operating Revenues

General Fund operating revenues are comprised of monthly service charges, service fees collected during the year property taxes and interest revenues. For FY16/17, the District’s operating revenues are projected to increase by \$0.11M (approximately 0.9%) to \$11.84M, due to an estimated additional 500 new EDU service connections during the upcoming year. The District still has the lowest monthly customer service fees in the region and does not project to increase the \$28/per EDU/per month service charge for the fourth consecutive year.

Non-Operating Revenues

Non-operating Capital Outlay funds are made up of sewer participation charges, investment interest income, loan repayments and interest from NSD, Capital non-operating revenue is projected to be \$2.15M, an increase of approximately 2.1%. In previous budgets non-operating revenues had included depreciation transfers, but this flow of funds is also included in the Operating Expenses and will be eliminated from future revenue analysis.

Total Revenues

The District's total revenues for FY16/17 are projected to be approximately \$13.98M, an increase by \$0.15M or 1.1% over last year based upon projected additional EDUs of 500.

SECTION 1.2 OPERATIONS EXPENSE ANALYSIS

The following discussion provides a summary of the FY16/17 operational expenses, in support of the detailed line items presented in **Schedule 2 - Expense Budget** of this report. The operating expenses are those District wide costs for goods and services and are comprised of employee, administrative, operational costs and capital projects less than \$5,000.

Salary & Benefits

The SPMUD is under the direction of a five-member elected board and managed by the General Manager. The District is organized into three departments, Field Services, Technical Services and Administrative Services as shown in Figure 3. Due to a proposed increase and reclassification in personnel, discussed later in this report, as well as negotiated salary increases in the employee contracts, Salary and Benefits in FY 16/17 projected to increase from approximately \$3.03M to \$3.21M, an increase of approximately 6%

Operations & Maintenance Including Regional Wastewater Treatment

Total Operation and Maintenance expenses, including regional wastewater treatment and depreciation expense for FY16/17 are projected to be \$11.69M, an increase of \$0.71M over last year's budget.

Included in these expenses are costs paid to the City of Roseville, who own and operate the two RWWTP (Dry Creek and Pleasant Grove) providing sewage treatment for the regional partners. SPMUD pays for its share of the RWWTP Operation & Maintenance (O&M) and Rehabilitation & Replacement (R&R) costs based on the District's proportional share of total flows (currently around 25%). For FY 16/17 the RWWTP costs are projected to be \$5.92M, an increase of about \$0.2M from FY15/16. These costs include O&M costs of \$4.60M and R&R costs of \$1.32M.

The breakdown of FY16/17 the General Fund Budget of \$11.69M is as follows: \$3.21M - Salaries & Benefits, \$1.21M - Local SPMUD General Fund expenses, \$5.92M - RWWTP expenses and \$1.35M - Depreciation expense.

SECTION 1.3 CAPITAL OUTLAY ANALYSIS

FY16/17 Programmed Capital Outlays

Schedule 3 – Capital Fund Expenses in this report includes a listing of the proposed capital outlays for the upcoming 16/17 Fiscal Year. Section 5 provides written justifications and estimated costs that total \$3,555,500.

Capital Replacement & Rehabilitation Outlays for FY16/17 - \$1,049,000

Various items such as replacement of two vehicles, a Bypass pump, jet-rodder, preliminary design of the High-Risk-Facilities and Creek Crossings, replacement of various computers, software upgrades and System Rehabilitation.

General Fund Capital Outlays for FY16/17 - \$445,500

Easement Roadway Replacements, Development of a Disaster Preparedness Plan, the addition of a new vehicle for the Source Control/FOG Inspectors, Improvements at the Irish Lane Station, System Rehabilitation, and District Participation in Regional Projects.

Capital Improvement & Expansion Outlays for FY16/17 - \$2,061,000

Final Design, Right of Way Acquisition and Construction the Loomis Diversion Trunk Sewer, Construction of the Foothill Trunk Project and design of the Lower Clover Valley Trunk.

SECTION 1.4 PERSONNEL

Schedule 5 - Personnel Classification Positions, and **Schedule 6 - Employee Salary Ranges and Steps**, were developed in accordance with the current Employee/Employer MOU. These schedules are presented for the Board's review as a part of the Budget process. The FY 16/17 Budget contains the following changes to personnel: 1) Add 1 new Inspector position to Technical Services to oversee Source Control and FOG Prevention; and 2) Reclassified 2 positions in Administrative Services ASA II to ASA III and PT ASA to FT ASA. These reclassifications are to account for changes in complexity in the Tyler Accounting and Billing Software and to provide clerical support for technical services in advancing the FOG Prevention program. There are classifications that remain listed, but are scheduled to be unfunded for this fiscal year.

SECTION 1.5 FUND BALANCES AND RESERVES

Cash and Investment Balances

Cash balances are invested in accordance with District's Investment Policy 3120 in: i) the Local Agency Investment Fund (LAIF); ii) the Placer County Treasury; iii) CalTrust; and iv) Other Fixed -Income Securities. The breakdown of these investments is shown in **Schedule 1 - Revenue Budget**. Last fiscal year the District implemented accounting of fund balances in accordance with the source of funds, i.e. General Fund Balance (Fund 100), Capital Improvements & Enlargement Fund Balance (Fund 300) and Capital Replacements & Rehabilitation Fund Balance (Fund 400). The year end balances of each fund are projected to be \$11.16 M in the Fund 100 (22%), \$19.87M in the Fund 300 (39%). And \$19.47 Million in Fund 400 (39%). These fund balances are shown in **Table 1 – Fund Balance Breakdown** and **Figure 4 – Investment Summary**.

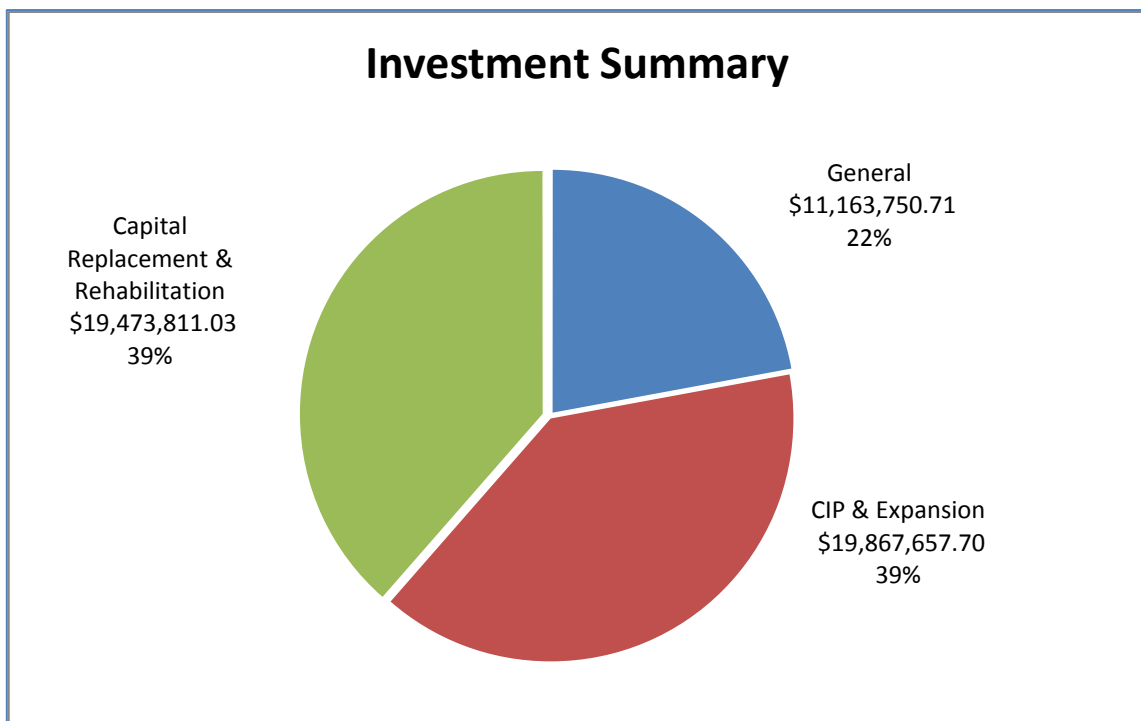
District Reserves

Reserve funds are accumulated and maintained in a manner that allows the funding of costs and capital investments consistent with the District's Capital and Financial Plans while avoiding significant rate fluctuations due to changes in cash flow requirements. In accordance with Section 3 of the District's Reserve Policy #3130, the General Fund Assigned Fund Balance Reserves consists of three parts: i) Operation and Maintenance Reserve; ii) Rate Stabilization Reserve; and iii) Emergency Reserve; discussed in more detail below and as shown in **Table 2 – General Fund Reserve Requirements**: The classification of these reserve fund balances are in conformance with Government Accounting Standards Board (GASB) Statement No.54 (Fund balance reporting and governmental fund type definitions).

Table 1– Fund Balance Breakdown

INVESTMENT	TOTAL FUNDS	Fund 100	Fund 300	Fund 400
		General	CIP & Expansion	Capital Replacement & Rehabilitation
CalTRUST				
TOTAL	\$ 18,989,480.68	\$ 4,197,463.76	\$ 7,470,049.76	\$ 7,321,967.16
Wells Fargo - Fixed Income Securities				
TOTAL	\$ 18,000,000.00	\$ 3,978,747.44	\$ 7,080,809.52	\$ 6,940,443.03
LAIF (Local Agency Investment Fund)				
TOTAL	\$ 4,997,810.00	\$ 1,104,723.54	\$ 1,966,030.04	\$ 1,927,056.42
Placer County Treasury				
TOTAL	\$ 5,015,721.76	\$ 1,108,682.79	\$ 1,973,076.13	\$ 1,933,962.84
SUB-TOTAL	\$ 47,003,012.44	\$ 10,389,617.53	\$ 18,489,965.45	\$ 18,123,429.46
Checking Account Balance	\$ 3,502,207.00	\$ 774,133.18	\$ 1,377,692.26	\$ 1,350,381.57
GRAND TOTAL	\$ 50,505,219.44	\$ 11,163,750.71	\$ 19,867,657.70	\$ 19,473,811.03

Figure 4 – Investment Summary



A. Assigned General Fund Balance Reserves

1. Operations and Maintenance Reserve:

The purpose of the District Operation and Maintenance (O&M) Reserve Fund is to ensure that the district will have sufficient funding available at all times to meet its operating obligations. Operating revenue is flat rate and consistent over the year. Delinquencies are trued up through tax liens which are recoverable twice a year. Operating expenses are generally incurred uniformly over the year; however, work can be planned or deferred during the year to accommodate minor fluctuations in revenue. The source of funding for this reserve shall be from Sewer Service Charges. The District shall maintain an O&M Reserve Fund equivalent to 6 months O&M expenses.

2. Rate Stabilization Reserves:

The purpose of the District Rate Stabilization Reserve Fund is to establish a means to provide more stable sewer service charges to the District's customers. This fund buffers the impacts of unanticipated fluctuations or revenue shortfalls in sewer revenues and should be capable of defraying the need for an immediate rate increase to cover the cost of an unanticipated rise in expenses. Unexpected fluctuations can include, but are not limited to natural disasters, an economic downturn, and unanticipated increases in other utility expenses and/or other extraordinary circumstances. The source of funding for this reserve shall be from Sewer Service Charges. The District shall maintain a Rate Stabilization Reserve Fund equivalent to 10% of the annual revenue.

3. Emergency Reserves:

The purpose of the Emergency Reserve Fund is to provide funds for emergency response for potential repair or replacement of capital facilities due to damage from a natural disaster or unanticipated failure. The Emergency Reserve would be used when capital improvement funds have otherwise been purposefully spent down to a preset limit on planned projects. The source of funding for this reserve shall be from Sewer Service Charges. The District shall maintain an Emergency Reserve of \$3 Million.

Compliance with Policy #3130

The General Fund Assigned Fund Balance Reserves; and are shown in **Table 2 – General Fund Reserve Requirements.**

Table 2 - General Fund Reserve Requirements

Reserve Fund	Description	Amount
Operation & Maintenance	6 months O&M expenses	50% (\$11.69M) = \$5,845,000
Rate Stabilization	10% of the annual revenue	10% (\$11.84M) = \$1,184,000
Emergency Reserve	\$3 Million	\$3,000,000
Total		\$10,029,000

As indicated in **Table 1**, the District currently maintains a General Fund Reserve balance of \$11.38M which exceeds the minimum requirement of \$10.029M. The adoption of this budget allows the District to have demonstrated compliance with the Reserve Policy #3130.

Regional Wastewater Treatment Plants (RWWTP) & Rate Stabilization Reserve Fund (RSF)

As previously mentioned, the District, the City of Roseville and Placer County (PC) are participants in the South Placer Wastewater Authority (SPWA) with the intended purpose to finance the construction of the Pleasant Grove Wastewater Treatment Plant (PG WWTP). The District collects and transports about 1.5 billion gallons of raw sewage annually to either of two RWWTP in Roseville for treatment (Dry Creek and Pleasant Grove). Together the two RWWTP and infrastructure used by all three partners make up the regional facilities. SPMUD pays its share of annual O&M costs for the RWWTP's based on our proportional flows to the other partners and is approximately 25% of total flows into the RWWTP.

The SPWA Funding Agreement established a Rate Stabilization Account to be used for the payment of debt service on the Bonds and other costs of the Authority. Monthly contributions of regional connection fees are deposited into the Rate Stabilization Account, and SPWA pays the debt service and other costs from the Account, based on each member's proportionate share. As of April 30, 2016, the District maintained a balance of \$ 43,730,927 in the Rate Stabilization Account on deposit with the Authority. Per the last approved financial statement accepted by the SPWA, the annual SPWA Debt assigned to SPMUD was \$2,075,623. Without any changes, the District currently has approximately 21 years' worth of debt service on account with SPWA.

In accordance with the SPWA debt indenture, SPMUD has covenanted to prescribe and collect rates and charges sufficient to yield net revenues at least equivalent to 110% of its share of debt service. The source of funding for this reserve can be accounted for from all SPMUD revenues and are expected to provide Debt Coverage Ratio (DCR) of 110% over the lives of the Bonds.

$$\begin{aligned} \text{DCR} &= [\text{All revenues} - \text{All O\&M (before dep)}] / \text{SPWA Debt} > 1.1. \\ \text{All SPMUD Revenues} &= \$ 13,983,228 \\ \text{All SPMUD Expenses (before depreciation)} &= \$ 10,341,800 \\ \text{DCR} &= (\$ 13,983,228 - \$ 10,341,800) / \$ 2,075,623 = \mathbf{1.75} > \mathbf{1.1} \end{aligned}$$

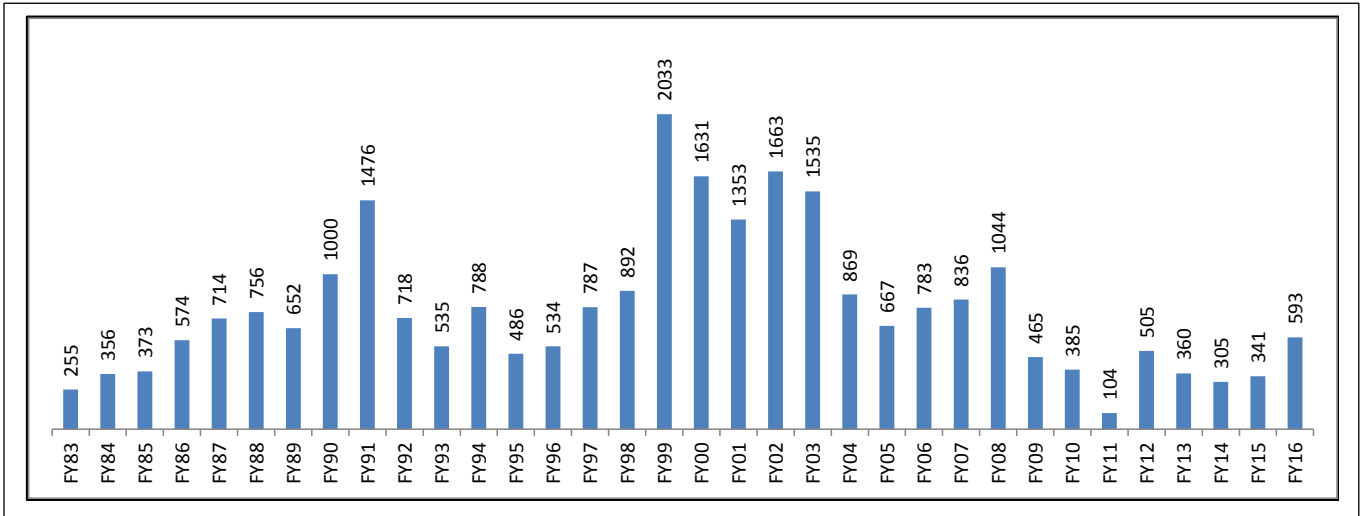
The adoption of this budget allows the District to have demonstrated compliance with the required Debt Coverage Ratio required by the SPWA Bond Indenture.

SECTION 1.6 GROWTH AND PROJECTIONS

Past Growth Trends:

Figure 5 – SPMUD Historical Growth shows how the growth varies greatly from year to year. Based upon an analysis performed in the Sewer Evaluation and Capacity Assurance Plan (SECAP) the District is forecasting growth of 500 EDU's each year for the next five years.

Figure 5 – SPMUD Historical Growth



General Fund Projections

The annual growth is based on the projected annual service fees and that expenses will increase 4% per year during this period. The District will maintain its reserve balances through this analysis period. If the assumptions used prove accurate and the current economic factors remain the same, Sewer Service charges in FY16/17 are projected to remain at \$28/per month. **Figure 6 – Monthly Sewer Rate Comparison Placer County** - shows a comparison of other local agencies service fees. **Figure 7 – Five Year General Fund Projections**, indicates General Fund Budget projections for the next five years based upon the current year service charges and fees and the assumption of 500 additional EDU connections for each year. It is projected that with no increase in rates, that the District will start drawing from reserves to meet anticipated expenses beginning in FY 17/18.

Figure 6 - Monthly Sewer Rate Comparison Placer County

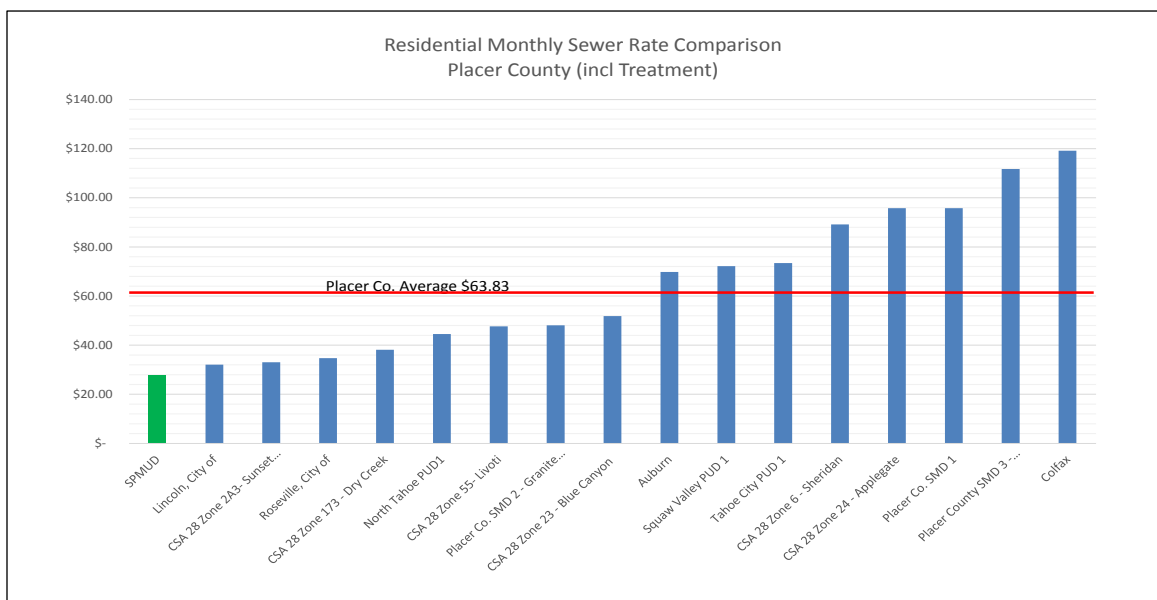


Figure 7 - FIVE-YEAR GENERAL FUND PROJECTIONS

ITEM	AUDITED 14/15	CURRENT 15/16	BUDGET 16/17	ESTIMATE* 17/18	ESTIMATE* 18/19	ESTIMATE* 19/20	ESTIMATE* 20/21	ESTIMATE* 21/22
TOTAL EDU	31,241	31,834	32,334	32,834	33,334	33,834	34,334	34,834
NEW EDU PROJECTIONS	593	500	500	500	500	500	500	500
MONTHLY SERVICE CHRG	<u>\$ 28.00</u>	<u>\$ 28.00</u>	<u>\$ 28.00</u>	<u>\$ 28.00</u>	<u>\$ 28.00</u>	<u>\$ 28.00</u>	<u>\$ 28.00</u>	<u>\$ 28.00</u>
ANNUAL SERVICE CHRG								
REVENUES	10,758,026	10,625,000	10,864,224	11,032,224	11,200,224	11,368,224	11,536,224	11,704,224
OTHER FEES	<u>274,971</u>	<u>350,000</u>	<u>385,000</u>	<u>423,500</u>	<u>465,850</u>	<u>512,435</u>	<u>563,679</u>	<u>620,046</u>
OPER. REVENUES	11,032,997	10,975,000	11,249,224	11,455,724	11,666,074	11,880,659	12,099,903	12,324,270
OTHER REVENUES	<u>766,726</u>	<u>752,308</u>	<u>789,923</u>	<u>829,420</u>	<u>870,891</u>	<u>914,435</u>	<u>960,157</u>	<u>1,008,165</u>
TOTAL REVENUES	11,799,723	11,727,308	12,039,147	12,285,144	12,536,965	12,795,094	13,060,059	13,332,435
EXPENSES	<u>10,716,986</u>	<u>10,979,362</u>	<u>11,418,536</u>	<u>11,875,278</u>	<u>12,350,289</u>	<u>12,844,301</u>	<u>13,358,073</u>	<u>13,892,396</u>
NET REVENUES	1,082,737	747,946	620,611	409,866	186,675	(49,207)	(298,013)	(559,961)
GF CAPITAL PROJECTS	<u>106,503</u>	<u>97,500</u>	<u>445,500</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
NET TRANSFER TO GF RESERVE	976,234	650,446	175,111	(90,134)	(313,325)	(549,207)	(798,013)	(1,059,961)

*Estimate based upon current years' service charges & fees. Assumes 4%/year increase in expenses.

SECTION 1.7 SUMMARY

The total FY16/17 revenues from all sources are projected to increase by \$0.15M from FY15/16. This increase is attributable to additional service connections. General Fund expenses for FY16/17 are projected to increase by \$0.71M (\$10.98M to \$11.69M) from FY15/16. Capital Improvement costs for FY16/17 are anticipated to be \$3.555M.

Personnel and salary schedules are shown in **Schedules 5 and 6**. The District has 31 approved positions comprised of 24 full-time, 1 part-time, five Elected, one part-time Attorney and one contracted Auditor. The District employee and management MOU's are in effect through the end of FY 16/17; MOU adjustments are reflected in this budget. **Schedules 1, 2 & 3** chart the District Budget distribution for FY16/17.

The proposed budget represents an expenditure plan designed to accomplish the Districts Strategic Plan Goals and Objectives and meets the needs of both present and future customers in the South Placer Municipal Utility District service area, while keeping the District's vision and mission in focus.

Schedule 1

FY16/17 Budget Distribution

REVENUES & INVESTMENTS

**SOUTH PLACER MUNICIPAL UTILITY DISTRICT
REVENUE BUDGET FY 16/17**

GENERAL FUND	AUDITED FINANCIALS		PROJECTED	PROPOSED
	FISCAL YR 13/14	FISCAL YR 14/15	FISCAL YR 15/16	FISCAL YR 16/17
SEWER SERVICE CHARGES REVENUES	\$ 10,202,898	\$ 10,758,026	\$ 10,625,000	\$ 10,730,000
PERMITS, PLAN CHECK FEES & INSPECTIONS	\$ 538,228	\$ 274,971	\$ 350,000	\$ 357,000
PROPERTY TAXES	\$ 893,954	\$ 686,237	\$ 642,308	\$ 655,154
INTEREST	\$ 64,757	\$ 62,489	\$ 64,000	\$ 65,280
GAIN ON SALE FIXED ASSET DISPOSAL	\$ -	\$ -	\$ -	\$ -
OTHER REVENUES	\$ 14,544	\$ 18,000	\$ 46,000	\$ 30,000
TOTAL GENERAL FUND	\$ 11,714,381	\$ 11,799,723	\$ 11,727,308	\$ 11,837,434
CAPITAL OUTLAY FUND				
SEWER PARTICIPATION FEES	\$ 1,005,529	\$ 888,198	\$ 1,779,197	\$ 1,814,780
INTEREST	\$ 480,439	\$ 451,475	\$ 387,527	\$ 395,277
LOAN REPAYMENT NSD - PRSC	\$ 357,240	\$ 65,706	\$ 66,000	\$ 66,000
DEPRECIATION TRANSFER FROM GENERAL FUND	\$ 1,088,844	\$ 1,163,361	\$ 1,200,000	\$ 1,200,000
INTEREST & INVESTMENT RETURN FROM LOAN REPAYMENT NSD - PRSC	\$ (128,417)	\$ (129,039)	\$ (130,263)	\$ (130,263)
TOTAL CAPITAL OUTLAY FUND	\$ 1,714,791	\$ 1,276,340	\$ 2,102,461	\$ 2,145,794
TOTAL SPMUD REVENUE	\$ 13,429,172	\$ 13,076,063	\$ 13,829,769	\$ 13,983,228

Investments Projected for Year End FY15/16

INVESTMENT	TOTAL FUNDS	Fund 100	Fund 300	Fund 400
		General	CIP & Expansion	Capital Replacement & Rehabilitation
Beginning Balances 07/01/15	\$ 46,933,367	\$ 10,374,223	\$ 18,462,568	\$ 18,096,576
CalTRUST	\$ 18,989,481	\$ 4,197,464	\$ 7,470,050	\$ 7,321,967
Wells Fargo - Fixed Income Securities	\$ 18,000,000	\$ 3,978,747	\$ 7,080,810	\$ 6,940,443
LAIF (Local Agency Investment Fund)	\$ 4,997,810	\$ 1,104,724	\$ 1,966,030	\$ 1,927,056
Placer County Treasury	\$ 5,015,722	\$ 1,108,683	\$ 1,973,076	\$ 1,933,962
Checking	\$ 3,502,207	\$ 774,133	\$ 1,377,692	\$ 1,350,381
TOTAL INVESTMENT FUNDS	\$ 50,505,219	\$ 11,163,751	\$ 19,867,657	\$ 19,473,809

Schedule 2

FY16/17 Budget Distribution

GENERAL FUND EXPENSES

South Placer Municipal Utility District General Fund Expenditure Budget FY 16/17				
GENERAL FUND EXPENDITURES	AUDITED FINANCIALS		PROJECTED	PROPOSED
	FISCAL YR 13/14	FISCAL YR 14/15	FISCAL YR 15/16	FISCAL YR 16/17
Salaries/Wages	\$ 1,618,011	\$ 1,891,189	\$ 1,718,050	\$ 1,800,000
FICA - Social Security	\$ 127,270	\$ 148,117	\$ 131,626	\$ 138,200
CalPERS Retirement	\$ 371,688	\$ 378,230	\$ 475,843	\$ 466,000
457 Retirement	\$ 36,850	\$ 44,150	\$ 41,444	\$ 44,600
Insurance Benefits	\$ 393,690	\$ 486,146	\$ 487,969	\$ 540,000
Pers OPEB	\$ 183,883	\$ 185,421	\$ 174,669	\$ 225,000
Sub Total Salaries & Benefits	\$ 2,731,392	\$ 3,133,253	\$ 3,029,601	\$ 3,213,800
Property & Liability Insurance	\$ 95,021	\$ 93,933	\$ 91,570	\$ 110,000
Professional Services	\$ 333,250	\$ 360,800	\$ 109,385	\$ 120,000
Vehicle Repair and Maintenance	\$ 68,410	\$ 64,329	\$ 52,072	\$ 56,000
Professional Development	\$ 38,688	\$ 47,595	\$ 26,625	\$ 48,000
Legal Services	\$ 109,765	\$ 63,679	\$ 69,900	\$ 100,000
Utility Billing/Banking Expense	\$ 50,339	\$ 147,194	\$ 130,943	\$ 140,000
Other Operating Expense	\$ 23,439	\$ 658,518	\$ 34,442	\$ 154,500
General Operating Supplies & Maintenance	\$ 150,014	\$ 155,007	\$ 105,000	\$ 126,000
Gas & Oil Expenses	\$ 46,584	\$ 42,487	\$ 29,000	\$ 35,000
Utilities	\$ 78,802	\$ 97,376	\$ 118,000	\$ 104,000
Repair/Maintenance Agreements	\$ 34,623	\$ 42,396	\$ 50,650	\$ 73,000
Regulatory Compliance/Government Fees	\$ 22,987	\$ 28,396	\$ 38,174	\$ 40,000
Lift Station & Flow Recorder Programs	\$ 30,288	\$ 27,145	\$ 29,600	\$ 35,000
Building & Grounds Maintenance	\$ -	\$ -	\$ -	\$ 41,500
Asphalt Paving	\$ -	\$ -	\$ -	\$ 25,000
Sub Total Local SPMUD General Fund Expenses	\$ 1,082,210	\$ 1,828,855	\$ 885,361	\$ 1,208,000
RWWTP Maintenance & Operations	\$ 3,404,043	\$ 3,614,539	\$ 4,393,800	\$ 4,600,000
RWWTP Rehab & Replacement	\$ 1,204,220	\$ 976,978	\$ 1,320,000	\$ 1,320,000
Sub Total SPWA O&M + R&R Expenses	\$ 4,608,263	\$ 4,591,517	\$ 5,713,800	\$ 5,920,000
Total Operations Expense before Depreciation	\$ 8,421,865	\$ 9,553,625	\$ 9,628,762	\$ 10,341,800
Depreciation expense	\$ 1,088,844	\$ 1,163,361	\$ 1,350,600	\$ 1,350,600
Total General Fund Expenses	\$ 9,510,709	\$10,716,986	\$ 10,979,362	\$ 11,692,400

Schedule 3

FY16/17 Budget Distribution

CAPITAL FUND EXPENSES

South Placer Municipal Utility District CAPITAL INVESTMENT FY16/17				
	AUDITED FINANCIALS		PROJECTED	PROPOSED
	FISCAL YR 13/14	FISCAL YR 14/15	FISCAL YR 15/16	FISCAL YR 16/17
TOTAL GENERAL FUND CAPITAL IMPROVEMENTS	\$ 31,330	\$ 106,503	\$ 97,500	\$ 445,500
TOTAL CIP & EXPANSION	\$ 593,000	\$ 619,872	\$ 720,000	\$ 2,061,000
TOTAL REPLACEMENT & REHABILITATION	\$ 1,039,575	\$ 738,490	\$ 330,000	\$ 1,049,000
TOTAL CAPITAL INVESTMENT	\$ 1,663,905	\$ 1,464,865	\$ 1,147,500	\$ 3,555,500

		PROPOSED FISCAL YR 16/17		
		FUND 100	FUND 300	FUND 400
		General Fund Capital	CIP & Expansion	Capital Replacement & Rehabilitation
CAPITAL IMPROVEMENTS				
Board Room Audio/Visual upgrades	\$ 5,000			\$ 5,000
Easement Weed Spraying System	\$ 6,500	\$ 6,500		
Lateral Camera	\$ 6,500	\$ 6,500		
Software Upgrades/Programming SCADA	\$ 7,000			\$ 7,000
Software Upgrades/Tyler	\$ 10,000			\$ 10,000
HQ Security	\$ 15,000	\$ 5,000		\$ 10,000
Computers/Office Furniture	\$ 14,000	\$ 14,000		
Irish Lane Lift Station Upgrades	\$ 18,000			\$ 18,000
HQ Front Office/Reception Area	\$ 10,000			\$ 10,000
Welding Area Upgrades	\$ 18,500			\$ 18,500
Corp Yard Master Plan	\$ 20,000			\$ 20,000
Energy Upgrades	\$ 25,000	\$ 25,000		
Archiving/Disaster Development Plan	\$ 30,000	\$ 30,000		
Irish Lane Lift Station Paving	\$ 30,000	\$ 30,000		
Vehicle Addition (x1)	\$ 30,000	\$ 30,000		
Easement Roadway Replacements	\$ 35,000	\$ 17,500		\$ 17,500
HRF Creek Crossings - Design	\$ 40,000			\$ 40,000
Software/Data Acquisition	\$ 41,000	\$ 41,000		
Newcastle Master Plan	\$ 50,000			\$ 50,000
System Improvements	\$ 55,000	\$ 55,000		
Foothill Trunk Project - Design	\$ 60,000		\$ 60,000	
Lower Clover Valley Trunk - Design	\$ 61,000		\$ 61,000	
Bypass Equipment	\$ 84,000			\$ 84,000
Lateral Jet Rodder	\$ 85,000			\$ 85,000
Vehicle Replacement (x2)	\$ 139,000			\$ 139,000
District Participation in Regional Projects	\$ 185,000	\$ 185,000		
Lower Loomis Diversion Sewer - Design	\$ 410,000		\$ 410,000	
System Rehabilitation	\$ 535,000			\$ 535,000
Foothill Trunk Project - Construction	\$ 550,000		\$ 550,000	
Lower Loomis Diversion Sewer - Construction	\$ 980,000		\$ 980,000	
Total Capital Improvements	\$ 3,555,500	\$ 445,500	\$ 2,061,000	\$ 1,049,000

**Schedule 4A – Capital Replacement & Rehabilitation Outlay - \$1,049,000
FY16/17 Capital Outlay Justifications**

Fund 400 - Capital Replacement & Rehabilitation Outlay		
ITEM #	TITLE/DESCRIPTION	BUDGET
1	<p>Board Room Audio/Visual Upgrades The Audio-Visual equipment in the board room is outdated and does not operate properly. New technology exists to provide better quality graphic resolutions for visual presentations at board meetings and for training sessions held in the board room. The audio equipment is failing and in need of replacement with upgrades to sound quality. All board meetings are recorded and the quality of sound from the recordings needs to be improved for quality minutes to be documented.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies Goal 8.2 – Evaluate available technology and databases Goal 8.4 – Continuously evaluate available technology to ensure efficient programs and processes.</p>	\$5,000
2	<p>SCADA Software Upgrades and Programming The operating system (software) upgrade will allow more functionality and has enhanced security. The programming will allow staff to monitor lift station pump performance and flow rates and will be used as a predictive maintenance tool.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$7,000
3	<p>Software Upgrades/Tyler Software The District completed a software conversion to Tyler Technologies in FY14/15. As business practices continue to be improved it may be necessary to create specific upgrades to the program. There is a possibility that this allocation will not be used in the upcoming fiscal year.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies Goal 1.4 – Improve Communications Goal 8.3 – Evaluate available technology and databases Goal 8.4 – Continuously evaluate available technology to ensure efficient programs and processes.</p>	\$10,000

Schedule 4A (cont'd)

FY16/17 Capital Outlay Justifications

4	<p>HQ Security/Front Office-Reception Headquarters Lobby Partition: This item is for the construction of a barrier to prevent customers from entering into the back office areas.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies</p>	\$10,000
5	<p>Office Furniture Replacement of office furniture components within both the Technical & Administrative Services Departments.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life</p>	\$10,000
6	<p>Easement Road Upgrades A continuation of access road reconstruction from previous budgets. This line item will cover materials and equipment rental. Work will be performed by District forces.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$17,500
7	<p>Irish Lane Lift Station Upgrades (Newcastle) <u>Building</u> The District utilized an existing CMU and wood-framed building/composition roofs when the Treatment plant was abandoned and the lift station was constructed. One of the buildings currently houses the controls and instrumentation for the lift station. The roof needs to be replaced and some dry rot damage needs to be repaired. These upgrades will include a metal raised seam roof, new siding, hollow metal doors and frames and paint.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$18,000
8	<p>Welding Area Upgrades – Existing welding area requires upgraded exhaust system and lighting; replace the wood-framed welding table with a metal table; install materials rack to store metal stock; add storage cabinet, pipe stands, vices, Personal Protective Equipment (PPE), Paint.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$18,500

Schedule 4A (cont'd)

FY16/17 Capital Outlay Justifications

9	<p>Corporation Yard (Ten-Year) Master Plan – Staff has recognized the need to develop a plan that will allow us to best utilize the space we have today and to accommodate future growth. Staff will work with professional services to develop the plan.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$20,000
10	<p>Vehicle Purchase <u>Field Supervisor Truck</u> The truck being replaced is a 12 year old light duty, 2004 model that has been identified on the vehicle replacement schedule having served its useful life. This replacement vehicle will be a medium duty, four wheel drive truck capable of pulling the District’s heavier trailers.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$29,000
11	<p>HRF Creek Crossings - design The results of the High Risk Facilities (HRF) analysis and prioritization was used to identify District assets that need to be rehabilitated. A number of high-risk creek crossings were identified as projects during the HRF analysis. Preliminary design and cost estimates will be prepared for the various creek crossings for use in the preparation of the 5-year financial and Capital Improvement Plans. The results of the pre-design work will be used as a basis for the design and permitting of the various creek crossings.</p> <p><i>Strategic Plan Goals</i> Goal 3.2 – Provide Engineering and Design to optimize the Capital Improvement Program Goal 3.2.A – Design Capital Improvement Projects to Minimize Lifecycle Costs of District Assets Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$40,000
12	<p>Newcastle Master Plan The Newcastle system is old and much of it was not built to District standards. Staff is suggesting this system be brought up to District standards over a period of time. This plan will provide the framework to prioritize the work and project necessary funding to be incorporated in long term Financial and Capital Improvement Planning.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$50,000

Schedule 4A (cont'd)

FY16/17 Capital Outlay Justifications

<p>13</p>	<p>Emergency Response & Bypass Equipment - 6" Dry-Prime Trailered Pump: The District currently does not have a portable pump capable of bypassing the flows of the large diameter lines. This pump can be used for maintaining lower flow lines as well. It will replace an existing 4" pump (Tier 1) that was purchased in 2002 and will soon be out of compliance with State Air Board regulations - currently, diesel motors are required to be Tier 4/FINAL. This equipment includes suction and discharge piping, fittings, traffic ramps, storage for the discharge pipe on the corp. yard grounds and lighting for night work.</p> <p><i>Strategic Plan Goals</i> Goal 2.3 - Prevent and mitigate Sewer System Overflows (SSO) Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	<p>\$84,000</p>
<p>14</p>	<p>Lateral Jet Rodder The District's (1989) jet rodder was pulled from the fleet as it no longer meets Air Board emission requirements. This jet rodder had a small diameter rodding system that could be used in 4" pipes. The proposed lateral jet rodder will have a TIER4/FINAL diesel engine and will be trailer-mounted equipment designed to be utilized in small diameter pipes (4" to 15"). It out performs the traditional rodding method (snakes) and can be deployed long distances, which will be of benefit in Newcastle where there are many 4" mainline pipes as well as for any of the longer service lines in the District. NOTE: Staff needs time to evaluate options.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	<p>\$85,000</p>
<p>15</p>	<p>Vehicle Purchase <u>Dump Truck</u> The truck being replaced is a 22 year old, five-yard dump truck, 1994 model. Its engine is undersized and it has difficulty pulling the trailer/backhoe combination. Diesel engines of this vintage no longer meet State Air Board emission requirements. The replacement vehicle will have a larger engine and a larger dump bed capacity that will better suit the needs of the construction crew.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	<p>\$110,000</p>

Schedule 4A (cont'd)
FY16/17 Capital Outlay Justifications

<p>16</p>	<p>System Rehabilitation The District plans to rehabilitate a number of assets based on the analysis of inspection, condition assessment, and work order history data. The planned improvements include rehabilitation of 21 mainline pipes with CIPP liners, rehabilitation of connections between mainline pipe and service laterals with inserts, rehabilitation of 22 manholes with calcium aluminate mortar lining.</p> <p><i>Strategic Plan Goals</i> Goal 3.2 – Provide Engineering and Design to optimize the Capital Improvement Program Goal 3.2.A – Design Capital Improvement Projects to Minimize Lifecycle Costs of District Assets Goal 3.3 – Provide Construction Management to Ensure the Best Possible Facilities for the District Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	<p>\$535,000</p>
	<p>Total Capital Replacement & Rehabilitation Outlay</p>	<p>\$1,049,000</p>

Schedule 4B – General Fund Capital Outlays - \$445,500
FY16/17 Capital Outlay Justifications

Fund 100 - General Fund Outlay		
ITEM #	TITLE/DESCRIPTION	BUDGET
1	<p>HQ Security Headquarters Lobby Partition: This item is for the construction of a barrier to prevent customers from entering into the back office areas.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies</p>	\$5,000
2	<p>Easement Weed Spraying System Truck-Mounted Weed Sprayer - This is for our easement maintenance program. The spraying tank system we purchased with the Kubota tractor is inadequate for our needs. The tank is 50 gallons and it is compatible with the Kubota tractor only. Using the tractor requires a truck to pull the Kubota on a trailer from location to location. This proposed system can easily be installed in a truck bed requiring only one vehicle and one person to operate.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$6,500
3	<p>Lateral Camera (Inspector) This is standard equipment for District inspectors. This camera will be utilized by the (proposed) additional Inspector position included in this budget.</p> <p><i>Strategic Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$6,500
4	<p>Computers/Office Furniture Replacement of various computers and office furniture components within both the Technical & Administrative Services Departments.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life</p>	\$14,000
5	<p>Easement Roadway Replacements A continuation of access road reconstruction from previous budgets. This line item will cover materials and equipment rental. Work will be performed by District forces.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$17,500

Schedule 4B – (cont'd)
FY16/17 Capital Outlay Justifications

<p>6</p>	<p>Energy UpgradesThis budget item provides for the installation and upgrades for energy usage in District buildings, to include lighting and battery back-ups. Also the installation of a natural gas/propane generator will be completed as a backup power supply to both buildings.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies Goal 8.3 – Evaluate available technology and databases Goal 8.4 – Continuously evaluate available technology to ensure efficient programs and processes</p>	<p>\$25,000</p>
<p>7</p>	<p>Archiving/Disaster Development Plan As a continuation of best business practices, the effective retention of informational assets is important. Utilization of Archiving software will allow ease of access to scanned, indexed District records, maps, Resolutions, Ordinances and historical items. This will ensure that should a disaster occur, there would be minimal impact to the Districts operation.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies Goal 1.4 – Improve Communications Goal 8.3 – Evaluate available technology and databases Goal 8.4 – Continuously evaluate available technology to ensure efficient programs and processes</p>	<p>\$30,000</p>
<p>8</p>	<p>Vehicle Purchase Inspector Vehicle – It is proposed in this budget that an additional inspector position be approved. This will require an additional vehicle be added to the fleet. This vehicle will be a light duty, four-wheel drive pickup. (\$30,000). Included in this item are the accessories needed to properly outfit the truck – warning lights, arrow board, bed-style tool box, miscellaneous tools. (Code 100)</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	<p>\$30,000</p>

Schedule 4B – (cont’d)
FY16/17 Capital Outlay Justifications

<p>9</p>	<p>Asphalt Paving - Irish Lane Irish Lane is paved from Taylor Road to a point 550 feet from the entrance gate to the lift station property, where it turns to aggregate base surface. Once inside the gate the surface is aggregate base up to the lift station site. The existing aggregate base is sufficient to receive the asphalt. The asphalt is to establish an all-weather access road in accordance with District standards. In addition to ensuring reliable ingress/egress to the lift station site, it will eliminate the mud tracked onto Irish Lane during the winter months.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	<p>\$30,000</p>
<p>10</p>	<p>Software/Data Acquisition Staff continues to improve the databases (i.e., Lucity, GIS, CCTV) that support the key functions of the District. Staff plans to purchase aerial imagery for use with the Lucity and GIS maps that are accessed from desktops in the District offices and on the tablets used by crews in the field.</p> <p>Staff will evaluate a module available from the District’s CCTV inspection software provider (Infrastructure Technologies) that integrates the Lucity and ITPipes databases to facilitate the work flow between the creation and completion of work orders in Lucity with the CCTV inspections performed with ITPipes. Staff plans to complete the scanning of the collection of record drawings of its assets (i.e., pipes, manholes, lift stations).</p> <p><i>Strategic Plan Goals</i> Goal 8.2 – Evaluate and Select Available Technology and Databases Goal 8.3 – Implement and Integrate Databases Goal 8.4.C – Establish an IT Support Program</p>	<p>\$41,000</p>
<p>11</p>	<p>System Improvements The District coordinates with regional agencies to protect District assets during the construction of other agency improvements. The cost of CCTV inspection before and after the agency’s project to ensure damage caused from construction is repaired and the cost to adjust District assets to conform to new finished grades are born by the District.</p> <p><i>Strategic Plan Goals</i> Goal 3.3 – Provide Construction Management to Ensure the Best Possible Facilities for the District Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	<p>\$55,000</p>

Schedule 4B – (cont'd)
FY16/17 Capital Outlay Justifications

<p>12</p>	<p>District Participation in Regional Projects As projects are submitted to the District for review, opportunities occur where modifications to the proposed plans for work on the sewer system may provide additional direct benefit and minimization of lifecycle costs to the District (e.g., extension of a mainline to eliminate the need for an existing lift station, elimination of a hot spot). This budget item is to fund additional sewer work as a part of non-District projects.</p> <p>The District currently has construction cooperation agreements with the City of Rocklin for two City projects (i.e., Front Street Improvements and Lost Avenue Widening) for sewer improvements.</p> <p><i>Strategic Plan Goals</i> Goal 1.4 – Improve Communications Goal 3.2 – Provide Engineering and Design to optimize the Capital Improvement Program</p>	<p>\$185,000</p>
	<p>TOTAL - Fund 100 General Fund Capital Outlay</p>	<p>\$445,500</p>

**Schedule 4C – Capital Improvement & Expansion Outlays - \$2,061,000
FY16/17 Capital Outlay Justifications**

Fund 300 - Capital Improvement Programs & Expansion Outlay		
ITEM #	TITLE/DESCRIPTION	BUDGET
1	<p>Foothill Trunk Project - Design The Foothill Trunk Sewer Replacement Project was identified in the recent System Evaluation and Capacity Assurance Plan (SECAP) as a section of the collection system that would have insufficient capacity for the anticipated growth in accordance with the various general plans from the communities served by the District. Phase 1 of the Foothill Trunk Sewer design which included 60% plans and preparation of the Initial Study/Mitigated Negative Declaration was completed in FY 2014/2015. Phase 2 will be completed in FY 2016/2017 and includes 100% design, permitting, and right-of-way acquisition.</p> <p><i>Strategic Plan Goals</i> Goal 3.2 – Provide Engineering and Design to optimize the Capital Improvement Program Goal 3.2.A – Design Capital Improvement Projects to Minimize Lifecycle Costs of District Assets</p>	\$61,000
2	<p>Lower Clover Valley Trunk - Design The results of the High Risk Facilities (HRF) analysis and prioritization was used to identify District assets that need to be rehabilitated. The Lower Clover Valley Trunk is one of the identified projects. Preliminary design and cost estimates will be prepared for the project. The results of the pre-design work will be used as a basis to prepare a RFP for the design and permitting of the project.</p> <p><i>Strategic Plan Goals</i> Goal 3.2 – Provide Engineering and Design to optimize the Capital Improvement Program Goal 3.2.A – Design Capital Improvement Projects to Minimize Lifecycle Costs of District Assets</p>	\$60,000
3	<p>Lower Loomis Diversion Sewer - Design and R/W Acquisition The Route Study for the Loomis Diversion Line was completed in FY 2014/2015 and the Town of Loomis completed the environmental documents for the project. The District is finishing final design, permitting, and right-of-way acquisition for the project in the 2016/2017 fiscal year. Construction of the Loomis Diversion Line will allow for future growth in the upstream sewer shed and allow for the eventual abandonment of two lift stations.</p> <p><i>Strategic Plan Goals</i> Goal 3.2 – Provide Engineering and Design to optimize the Capital Improvement Program Goal 3.2.A – Design Capital Improvement Projects to Minimize Lifecycle Costs of District Assets</p>	\$410,000

Schedule 4C – (cont'd)
FY16/17 Capital Outlay Justifications

4	<p>Foothill Trunk Project - Construction Construction of the Foothill Trunk Sewer Replacement Project will commence following the completion of the final design and right-of-way acquisition. The budget for this line item includes construction costs, anticipated monitoring to comply with environmental permits, and construction management services. The Foothill Trunk Sewer Replacement Project was identified for construction in the 2015 System Evaluation and Capacity Assurance Plan (SECAP). <i>Strategic Plan Goals</i>Goal 3.3 – Provide Construction Management to Ensure the Best Possible Facilities for the District</p>	\$550,000
5	<p>Lower Loomis Diversion Sewer - Construction Construction of the Lower Loomis Diversion Line Project will commence following the completion of the final design and right-of-way acquisition. The budget for this line item includes construction costs, anticipated monitoring to comply with environmental permits, and construction management services. Construction of the Loomis Diversion Line will allow for future growth in the upstream sewer shed and allow for the eventual abandonment of two lift stations.</p> <p><i>Strategic Plan Goals</i> Goal 3.3 – Provide Construction Management to Ensure the Best Possible Facilities for the District</p>	\$980,000
	TOTAL - Capital Improvement Program & Expansion	\$2,061,000

Schedule 5

FY16/17 PERSONNEL CLASSIFICATIONS

JOB TITLES	ID	Approved	Filled
BY DEPARTMENTS	CODE	Positions	Positions
<u>Administrative Services</u>			
General Manager	GM	1	1
Administrative Services Manager/Board Secretary	ASM	1	1
Administrative Services Assistant III	ASA 3	1	1(a)
Administrative Services Assistant II	ASA 2	2	2
Administrative Services Assistant I	ASA 1	1	0
Project Manager	PM	1	0
ASD Total		7	5
<u>Technical Services</u>			
District Engineer	DE	1	1
Associate Engineer	AE	1	1
Engineering Technician II	ET2	0	0
Inspector II	INSP2	1	1
Inspector I	INSP1	2	2
Student Intern I/II/III	INT	1(b)	1
Engineering Technician I	ET1	2	1
Project Manager	PM	1	0
TSD Total		9	7
<u>Field Services</u>			
Superintendent	SUP	1	1
Assistant Superintendent	AS	1	0
Field Services Manager	FSM	0	0
Field Supervisor	FS	2	2
Leadworker	LW	3	3
Maintenance Worker II/Inspector	MW2/Insp	1	1
Maintenance Worker II	MW2	5	5
Maintenance Worker I	MW1	3	3
FSD Total		16	15
Regular Positions		32	27
<u>Miscellaneous (Elected/Contract)</u>			
Board of Directors	EO	5	5
District Legal Counsel	DC	1	1
Contract Auditor	CA	1	0
Total Miscellaneous Positions		7	6
Total Approved & Authorized Positions		46	33
(a) Promotional			
(b) one part-time (up to 20 hours per week/without benefits)			

Schedule 6

FY16/17 SCHEDULE OF SALARY RANGES

FY 16/17 SCHEDULE OF SALARY RANGE/STEPS - effective 07/01/16 (1.3% COLA)									
SALARY - MONTHLY/HOURLY RATES									
RANGE	ID	POSITION	STEPS (\$/MO)						
			A	B	C	D	E	F	
9	TL I/SI I	Laborer I / Student Intern I	12.64	13.27	13.93				
15	TL II/SI II	Laborer II / Student Intern II	14.66	15.39	16.16				
21	TL III/SI III	Laborer III / Student Intern III	17.00	17.85	18.74				
22	ASA I	Admin Svc. Asst I	3059	3212	3373	3541	3718	3811	
		Hrly	17.65	18.53	19.46	20.43	21.45	21.99	
29	MW1	Maint. Worker I	3636	3818	4009	4210	4420	4531	
		Hrly	20.98	22.03	23.13	24.29	25.50	26.14	
33	ASA II	Admin Svc. Asst II	4014	4215	4425	4647	4879	5001	
		Hrly	23.16	24.32	25.53	26.81	28.15	28.85	
34	MW2	Maint. Worker II	4114	4320	4536	4763	5001	5126	
		Hrly	23.74	24.92	26.17	27.48	28.85	29.57	
35	ET1	Eng'r. Tech. I	4217	4428	4649	4882	5126	5254	
		Hrly	24.33	25.55	26.82	28.16	29.57	30.31	
38	INS1	Inspector I	4541	4768	5007	5257	5520	5658	
		Hrly	26.20	27.51	28.89	30.33	31.85	32.64	
36	MW/INS	Maint. Worker II/Inspector	4322	4539	4766	5004	5254	5385	
		Hrly	24.94	26.18	27.49	28.87	30.31	31.07	
41	INS2	Inspector II	4891	5135	5392	5661	5944	6093	
		Hrly	28.21	29.63	31.11	32.66	34.30	35.15	
42	ASA III	Admin Svc. Asst III	5013	5263	5527	5803	6093	6245	
		Hrly	28.92	30.37	31.88	33.48	35.15	36.03	
43	LW	Lead Worker	5138	5395	5665	5948	6245	6402	
		Hrly	29.64	31.13	32.68	34.32	36.03	36.93	
44	ET2	Eng'r. Tech. II	5267	5530	5806	6097	6402	6562	
		Hrly	30.38	31.90	33.50	35.17	36.93	37.86	
50	FS	Field Supervisor	6108	6573	6734	7070	7424	7609	
		Hrly	35.24	37.92	38.85	40.79	42.83	43.90	
53	AE	Associate Engineer	6577	6906	7251	7614	7995	8194	
		Hrly	37.95	39.84	41.84	43.93	46.12	47.28	
<u>Salaried Employees</u>			<u>Annual</u>						
General Manager			\$153,318						
Superintendent			\$114,521						
District Engineer			\$110,552						
Administrative Services Manager			\$92,704						