

FISCAL YEAR 21/22 BUDGET WORKSHOP



SOUTH PLACER
MUNICIPAL UTILITY DISTRICT

Table 1. EDU Growth

SOUTH PLACER MUNICIPAL UTILITY DISTRICT EDU GROWTH

	<u>Fiscal Year</u>	<u>Total EDU'S</u>	<u>Increase</u>	<u>% Increase</u>
Proposed	2022	35,722	400	1.12%
Projected	2021	35,322	463	1.31%
Audited	2020	34,859	685	1.97%
Audited	2019	34,174	729	2.13%
Audited	2018	33,445	620	1.85%
Audited	2017	32,825	991	3.02%

Table 2. Revenue Budget

	AUDITED FINANCIALS		PROJECTED	PROPOSED
	FISCAL YR 18/19	FISCAL YR 19/20	FISCAL YR 20/21	FISCAL YR 21/22
GENERAL FUND				
SEWER SERVICE CHARGES REVENUES	\$ 14,197,833	\$ 15,277,632	\$ 15,322,500	\$ 15,408,900
PERMITS, PLAN CHECK FEES & INSPECTIONS	533,932	224,844	400,000	250,000
PROPERTY TAXES	993,704	1,083,897	1,444,020	1,469,020
LATE FEES SEWER SERVICE CHARGES	138,715	105,579	127,000	160,000
INTEREST	262,916	320,408	70,000	90,000
GAIN/LOSS ON SALE FIXED ASSET DISPOSAL	13,707	-	(50,000)	
MISCELLANEOUS INCOME	98,419	28,403	80,000	40,000
TOTAL GENERAL FUND	\$ 16,239,226	\$ 17,040,763	\$ 17,393,520	\$ 17,417,920
CAPITAL IMPROVEMENT FUND				
SEWER PARTICIPATION FEES	\$ 2,574,427	\$ 1,415,952	\$ 2,188,370	\$ 1,732,000
INTEREST	791,667	\$ 641,155	\$ 180,000	200,000
TOTAL CAPITAL IMPROVEMENT FUND	\$ 3,366,094	\$ 2,057,107	\$ 2,368,370	\$ 1,932,000
CAPITAL REPLACEMENT FUND				
INTEREST	\$ 661,805	\$ 640,815	\$ 180,000	\$ 200,000
TOTAL CAPITAL REPLACEMENT FUND	\$ 661,805	\$ 640,815	\$ 180,000	\$ 200,000
TOTAL SPMUD REVENUE	\$ 20,267,125	\$ 19,738,685	\$ 19,941,890	\$ 19,549,920

Table 3. General Fund Expenditure Budget

Salaries & Benefits

	<u>AUDITED FINANCIALS</u>		<u>PROJECTED</u>	<u>PROPOSED</u>
	<u>FISCAL YR</u>	<u>FISCAL YR</u>	<u>FISCAL YR</u>	<u>FISCAL YR</u>
	<u>18/19</u>	<u>19/20</u>	<u>20/21</u>	<u>21/22</u>
SALARIES/WAGES	\$ 2,525,730	\$ 2,724,830	\$ 2,651,000	\$ 2,910,000
FICA - SOCIAL SECURITY	\$ 189,153	\$ 202,806	\$ 202,284	\$ 222,615
CALPERS RETIREMENT & UAL	\$ 655,878	\$ 585,325	\$ 634,352	\$ 715,832
457 & 401A RETIREMENT	\$ 87,560	\$ 86,803	\$ 127,000	\$ 119,000
INSURANCE BENEFITS	\$ 664,173	\$ 651,560	\$ 740,000	\$ 778,106
PERS OPEB	\$ 183,682	\$ 233,288	\$ 276,000	\$ 386,000
SUBTOTAL SALARIES & BENEFITS	\$ 4,306,176	\$ 4,484,612	\$ 4,630,636	\$ 5,131,553

Table 3. General Fund Expenditure Budget

Local O & M

	AUDITED FINANCIALS		PROJECTED	PROPOSED
	FISCAL YR	FISCAL YR	FISCAL YR	FISCAL YR
	18/19	19/20	20/21	21/22
ASPHALT PAVING	\$ 20,445	\$ 12,832	\$ 25,000	\$ 25,000
BUILDING & GROUNDS MAINTENANCE	\$ 73,448	\$ 32,548	\$ 55,000	\$ 53,000
ELECTION EXPENSE	\$ -	\$ -	\$ 1,000	\$ -
GAS & OIL EXPENSE	\$ 40,740	\$ 40,110	\$ 50,000	\$ 51,000
GENERAL OPERATING SUPPLIES & MAINTENANCE	\$ 170,780	\$ 156,299	\$ 146,900	\$ 162,250
LEGAL SERVICES	\$ 79,296	\$ 56,309	\$ 75,000	\$ 100,000
LIFT STATION & FLOW RECORDER PROGRAMS	\$ 32,843	\$ 63,934	\$ 57,500	\$ 69,000
OTHER OPERATING EXPENSE	\$ 406	\$ 12,919	\$ 1,500	\$ 2,500
PROFESSIONAL DEVELOPMENT	\$ 46,483	\$ 37,515	\$ 26,560	\$ 68,120
PROFESSIONAL SERVICES	\$ 103,507	\$ 95,461	\$ 129,000	\$ 416,000
PROPERTY & LIABILITY INSURANCE	\$ 122,017	\$ 159,130	\$ 215,828	\$ 248,918
REGULATORY COMPLIANCE/GOVERNMENT FEES	\$ 44,892	\$ 54,117	\$ 55,214	\$ 68,400
REPAIR/MAINTENANCE AGREEMENTS	\$ 89,719	\$ 76,913	\$ 136,050	\$ 149,000
ROOT CONTROL PROGRAM	\$ 74,057	\$ 33,687	\$ 50,000	\$ 55,000
SAFETY GEAR/UNIFORMS	\$ 20,177	\$ 25,193	\$ 27,670	\$ 27,650
UTILITIES	\$ 139,540	\$ 132,770	\$ 142,000	\$ 155,000
UTILITY BILLING/BANKING EXPENSE/PRINTING	\$ 179,123	\$ 192,576	\$ 212,399	\$ 234,000
VEHICLE REPAIR & MAINTENANCE	\$ 79,777	\$ 73,026	\$ 60,000	\$ 80,000
SUBTOTAL LOCAL SPMUD GENERAL FUND	\$ 1,317,249	\$ 1,255,339	\$ 1,466,621	\$ 1,964,838

Table 3. General Fund Expenditure Budget

Regional Treatment & Depreciation

	AUDITED FINANCIALS		PROJECTED	PROPOSED
	FISCAL YR 18/19	FISCAL YR 19/20	FISCAL YR 20/21	FISCAL YR 21/22
RWWTP MAINTENANCE & OPERATIONS	\$ 2,567,917	\$ 5,205,004	\$ 4,965,124	\$ 5,407,307
RWWTP REHAB & REPLACEMENT	\$ 2,157,937	\$ 790,725	\$ 576,156	\$ 2,366,393
SUBTOTAL SPWA O&M & R&R	\$ 4,725,854	\$ 5,995,729	\$ 5,541,280	\$ 7,773,700
TOTAL OPERATIONS EXPENSE LESS DEPRECIATION	\$ 10,349,279	\$ 11,735,680	\$ 11,638,537	\$ 14,870,091
DEPRECIATION EXPENSE	\$ 1,658,424	\$ 1,889,287	\$ 2,300,000	\$ 2,645,000
ONE-TIME CEPPT FUNDING	\$ -	\$ -	\$ 3,000,000	\$ -
TOTAL GENERAL FUND EXPENSES	\$ 12,007,703	\$ 13,624,967	\$ 16,938,537	\$ 17,515,091

Table 4. Capital Expenditure

		FUND 100	FUND 300	FUND 400
		GENERAL FUND CAPITAL	CIP & EXPANSION	REHAB & REPLACEMENT
CAPITAL IMPROVEMENTS				
ARCHIVING / DISASTER DEVELOPMENT PLAN	\$ 10,000	\$ 10,000		
SOFTWARE/DATA ACQUISITION	\$ 40,000	\$ 40,000		
COMPUTERS/OFFICE FURNITURE	\$ 43,650	\$ 43,650		
SYSTEM IMPROVEMENTS	\$ 205,000	\$ 205,000		
PIPE TRAILER IMPROVEMENTS	\$ 19,000	\$ 9,000		\$ 10,000
EASEMENT INSPECTION EQUIPMENT	\$ 11,700	\$ 11,700		
EASEMENT/ACCESS ROAD REPLACEMENT/UPGRADES	\$ 557,500	\$ 342,500		\$ 215,000
CY MASTER PLAN CAPITAL IMPROVEMENTS	\$ 3,395,000	\$ 3,395,000		
NEWCASTLE MASTER PLAN IMPROVEMENTS	\$ 350,000	\$ 350,000		
PARTICIPATION IN REGIONAL PROJECTS	\$ 960,000	\$ 30,000		\$ 930,000
TRUNK EXTENSION REIMBURSEMENT	\$ 400,000		\$ 400,000	
FOOTHILL TRUNK PROJECT - CONSTRUCTION	\$ 300,000		\$ 200,000	\$ 100,000

Table 4. Capital Expenditure

		FUND 100	FUND 300	FUND 400
		GENERAL FUND CAPITAL	CIP & EXPANSION	REHAB & REPLACEMENT
CAPITAL IMPROVEMENTS				
HQ HVAC REPAIR/REPLACEMENT	\$ 15,000			\$ 15,000
SCADA DESIGN & IMPLEMENTATION	\$ 3,275,000			\$ 3,275,000
EQUIPMENT UPGRADES/REPLACEMENT	\$ 26,000	\$ 8,000		\$ 18,000
HYDRO CLEANING NOZZLE	\$ 12,000			\$ 12,000
VEHICLE PURCHASES	\$ 220,000			\$ 220,000
EMERGENCY BYPASS PUMP REPLACEMENT	\$ 50,000			\$ 50,000
CURED IN PLACE PIPE	\$ 650,000			\$ 650,000
CORP YARD FENCE	\$ 110,000			\$ 110,000
TAYLOR ROAD LIFT STATION REPLACEMENT	\$ 110,000			\$ 110,000
SYSTEM REHABILITATION	\$ 1,000,000			\$ 1,000,000
TOTAL CAPITAL IMPROVEMENTS	\$ 11,759,850	\$ 4,444,850	\$ 600,000	\$ 6,715,000

Table 5. Capital Investment

	AUDITED FINANCIALS		PROJECTED	PROPOSED
	FISCAL YR	FISCAL YR	FISCAL YR	FISCAL YR
	18/19	19/20	20/21	21/22
TOTAL GENERAL FUND CAPITAL IMPROVEMENTS	\$ 162,301	\$ 118,277	\$ 421,523	\$ 4,444,850
TOTAL CIP & EXPANSION	\$ 2,816,018	\$ 500,346	\$ 2,092,755	\$ 600,000
TOTAL REPLACEMENT & REHABILITATION	\$ 714,504	\$ 918,263	\$ 1,808,893	\$ 6,715,000
TOTAL CAPITAL INVESTMENT	\$ 3,692,823	\$ 1,536,886	\$ 4,323,171	\$ 11,759,850

Table 6. Investments

INVESTMENT REPORTING PERIOD: January 1, 2021 - March 31, 2021

Investment	Face Amount	Shares	Market Value	Book Value	YTM @ Cost	% of Portfolio
CALTRUST	\$	23,861,893	\$ 23,861,893	\$ 23,861,893	0.22%	37%
WELLS FARGO	\$	8,318,333	\$ 8,334,192	\$ 8,318,333	0.73%	13%
LAIF (Local Agency Investment Fund)	\$	12,887,382	\$ 12,887,382	\$ 12,887,382	0.41%	20%
PLACER COUNTY TREASURY	\$	13,938,780	\$ 13,938,780	\$ 13,938,780	0.26%	22%
CASH	\$	5,552,583	\$ 5,552,583	\$ 5,552,583	0.20%	9%
TOTAL/AVERAGE		64,558,971	64,574,830	64,558,971	0.36%	100%

Table 7. Cash and Investments

CASH & INVESTMENTS	Interest Allocation	TOTAL AUDITED FUNDS FY 18/19	TOTAL AUDITED FUNDS FY 19/20	FUNDS AS OF MARCH 31, 2021
FUND 100 GENERAL	20%	\$ 15,938,443	\$ 14,646,769	\$ 16,029,991
FUND 300 CIP & EXPANSION	40%	\$ 20,499,019	\$ 26,787,560	\$ 26,855,743
FUND 400 CAPITAL REPLACEMENT & REHABILITATION	40%	\$ 20,180,098	\$ 21,620,914	\$ 21,689,096
	TOTALS	\$ 56,617,560	\$ 63,055,243	\$ 64,574,830

Table 8. Sources & Uses

Fund 100

FUND BALANCE AS OF March 31, 2021	\$ 16,029,999
Proposed Revenues	
<i>Sewer Service Charges</i>	\$ 15,568,900
<i>Permit, Plan Check & Inspection Fees</i>	\$ 250,000
<i>Property Taxes</i>	\$ 1,469,020
<i>Interest</i>	\$ 90,000
<i>Miscellaneous Income</i>	\$ 40,000
	\$ 17,417,920
Proposed Expenditures	
<i>Salaries & Benefits</i>	\$ (5,131,553)
<i>Local O&M</i>	\$ (1,964,838)
<i>SPWA O&M and R&R</i>	\$ (7,773,700)
<i>Depreciation*</i>	\$ (2,645,000)
<i>Capital Projects</i>	\$ (4,444,850)
	\$ (21,959,941)
100 ENDING FUND BALANCE	\$ 11,487,978

*FY21/22 Proposed Deprecation Expense
 **FY20/21 Budgeted Depreciation Transfer

Fund 300

FUND BALANCE AS OF March 31, 2021	\$ 26,855,743
Proposed Revenues	
<i>Sewer Participation Charges</i>	\$ 1,732,000
<i>Interest</i>	\$ 200,000
	\$ 1,932,000
Proposed Expenditures	
<i>Capital Projects</i>	\$ (600,000)
	\$ (600,000)
300 ENDING FUND BALANCE	\$ 28,187,743

Fund 400

FUND BALANCE AS OF March 31, 2021	\$ 21,689,096
Proposed Revenues	
<i>Depreciation**</i>	\$ 2,300,000
<i>Interest</i>	\$ 200,000
	\$ 2,500,000
Proposed Expenditures	
<i>Capital Projects</i>	\$ (6,715,000)
	\$ (6,715,000)
400 ENDING FUND BALANCE	\$ 17,474,096

Table 9. General Fund Reserve Requirements

<u>Reserve Fund</u>	<u>Requirement</u>	<u>Calculation</u>	<u>Amount</u>
Emergency Reserve	\$3 million	\$3 million	\$ 3,000,000
Rate Stabilization Reserve	10% of annual revenue	10% of 17,417,920	\$ 1,741,792
Operation & Maintenance Reserve	3 months O&M expenses (before depreciation)	25% of 14,870,091	\$ 3,717,523
TOTAL			<u>\$ 8,459,315</u>