

O&M and CIP Budget Study Session

Board of Public Utilities

April 5, 2018



Santa Rosa Water | Our Future in Every Drop



Our mission:

Protecting public health
by sustaining water
resources, infrastructure
and the environment



Overview

- Current Budget Process
- Rate Schedule and Funding
- Staff Assumptions
- Revenue vs. Expenditures
- 2018/19 O&M Recommendation
- 2018/19 CIP Recommendation
- Long Range Plan
- 2018/19 Subregional Allocations



Current Budget Process

- Compressed budget cycle due to fires
- Fire damage assessments
 - Unknown project selection
- Regular expenditure and estimate changes
- FEMA funding uncertainty
 - Early funding or not
 - Matching funding



Two Year Cycle

- Every two years, staff develops a two year budget
 - 2018/19 2nd year of a two year cycle
- The Board recommends and Council adopts only the current year
- Pre-approved Rate Plan
 - In 2015 a 5-year rate plan was approved by City Council
 - Estimated increases of approximately 3% or less annually



5 Year Rate Schedule

	2015/16	2016/17	2017/18	2018/19	2019/20
Water Usage	0%	0%	0%	0%	0%
Water Fixed	5%	5%	5%	5%	5%
Sewer Usage	3% 2%	3%	3%	2.5%	2.5%
Sewer Fixed	3%	3%	3%	2.5%	2.5%

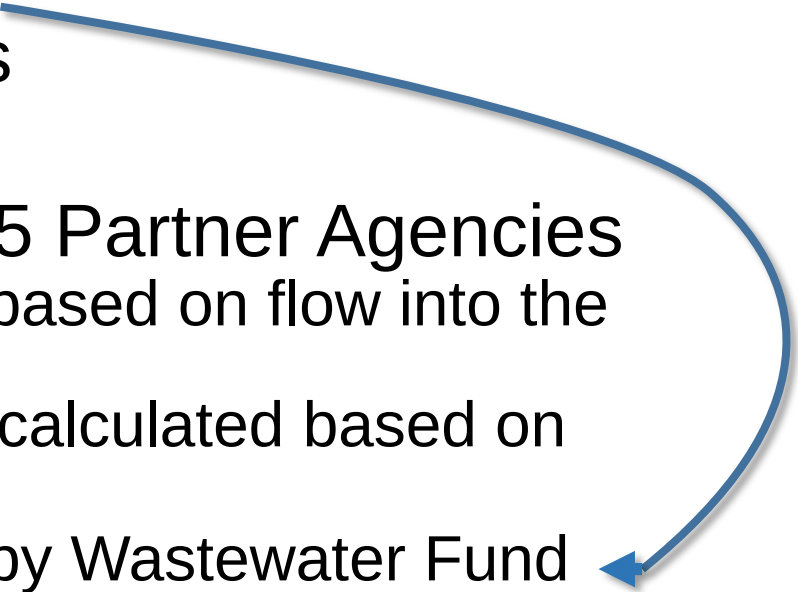
SCWA Pass Through only applied to water usage charges

Sewer increases lowered to 2% in 2015/16 from planned 3%



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Funding

- Water Enterprise
 - Funded by Fees and Rates
 - Wastewater Enterprise
 - Funded by Fees and Rates
 - Subregional Enterprise
 - Funded by Contributions - 5 Partner Agencies
 - Operating costs distributed based on flow into the Plant
 - Debt Service payments are calculated based on Subregional Agreement
 - Santa Rosa's share is paid by Wastewater Fund
- 

Staff Assumption

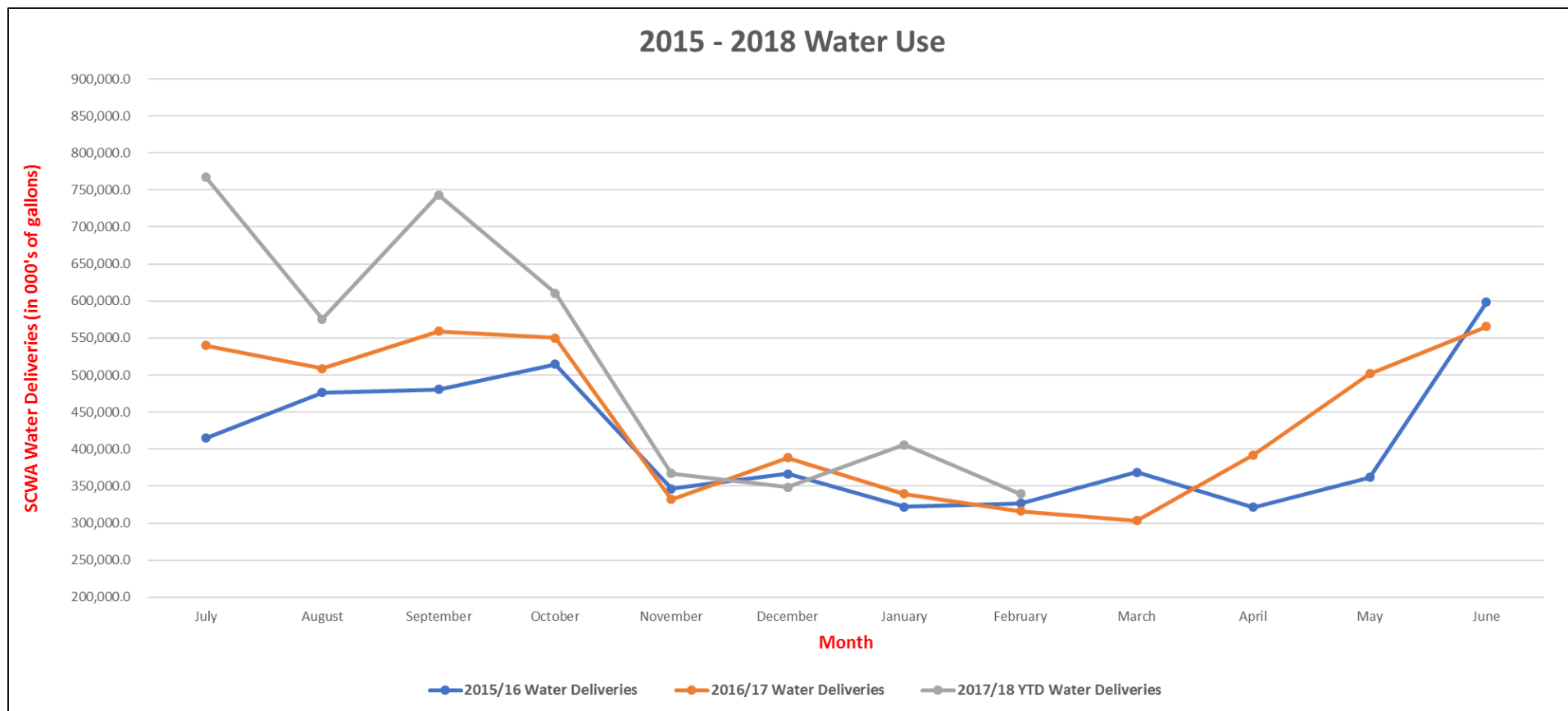
Water Usage

- Water use will be flat as compared to 2017/18 projection
 - Use trending monthly above and below



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Water Use

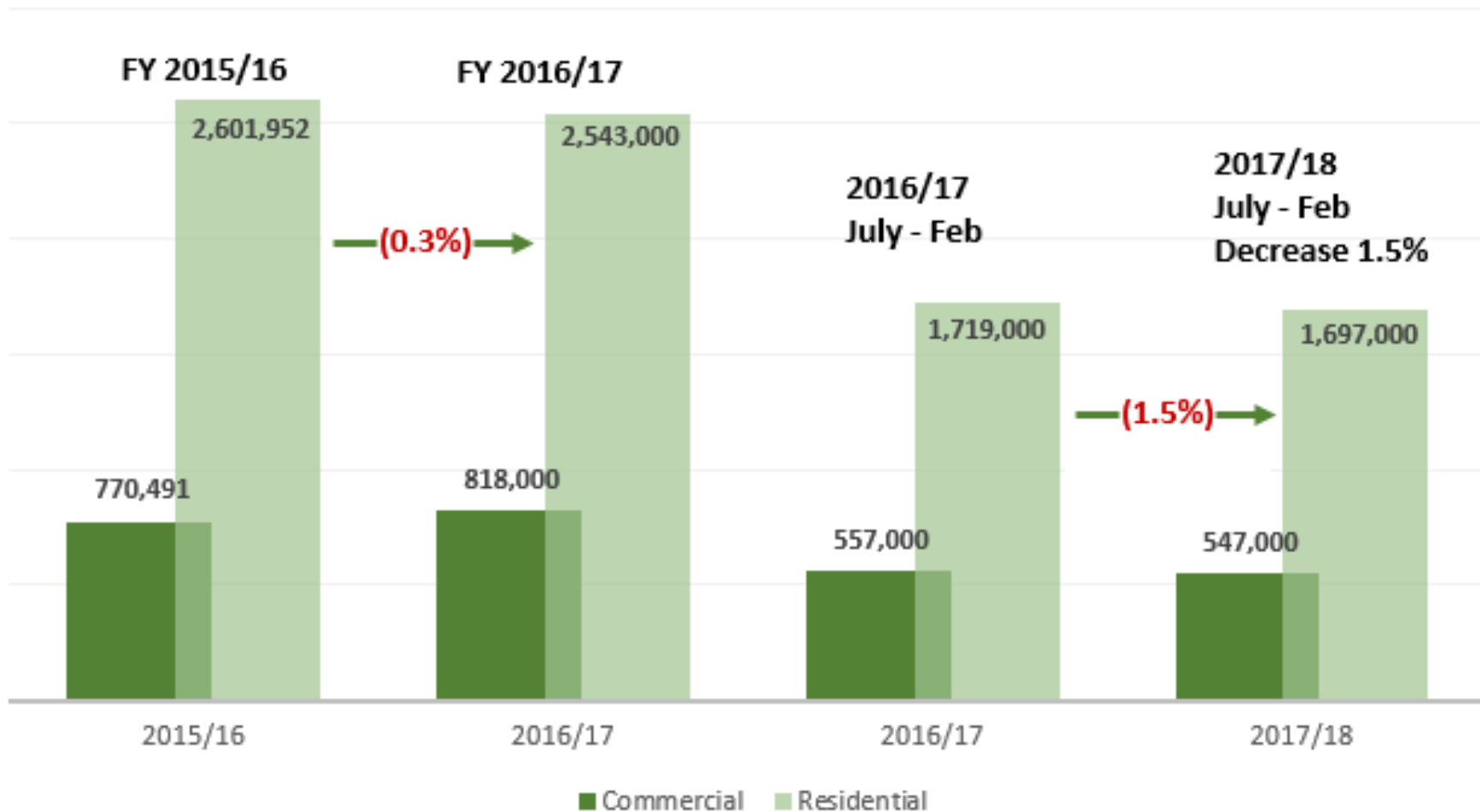


Staff Assumption

Wastewater Usage

- Wastewater use will decrease **-2%** in 2018/19 compared to 2017/18
 - Assumption remained flat 2016/17 to 2017/18
 - July through February 2016/17 to 2017/18 comparison
 - 2% residential decrease
 - 1.4% non residential decrease
 - 1.5% overall decrease

Sewer Use



Staff Assumption

Fixed Revenue Portion of Rates

- Net Revenue for water fixed fees will increase 1.4%
 - 5% planned increase but reducing by fire destroyed properties
- Net Revenue for wastewater fixed fees will decrease -3%
 - Based on 3% planned increase but reducing by fire destroyed properties



Other Revenues

- Water and Wastewater – Flat Year over Year
 - Demand Fees
 - Charges for Service
 - Miscellaneous Fees last adjusted in 2015
 - Interest Earnings
 - Current Earnings about 1%
- Subregional
 - Misc Revenues down to \$2,915,784 or -0.7%
 - Agency Allocations – Make up balance of income



Undesignated Fund Balance

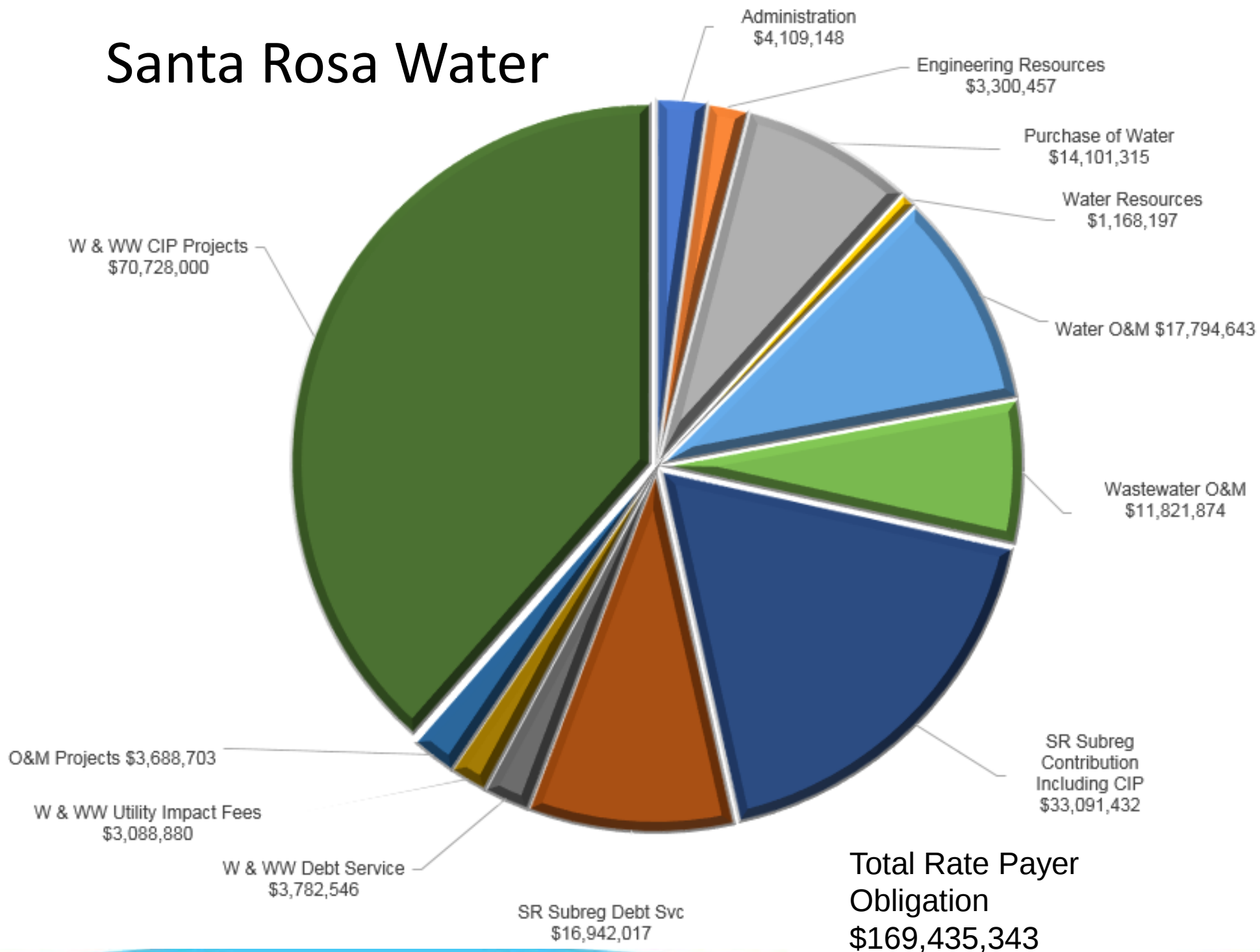
- June, 30 2017
 - Water
 - \$9.7m
 - Sewer
 - \$19.3m
- Considerations
 - Appropriate to CIP to cover Fire Losses
 - Covering Revenue Loss



Fire Related Expenses

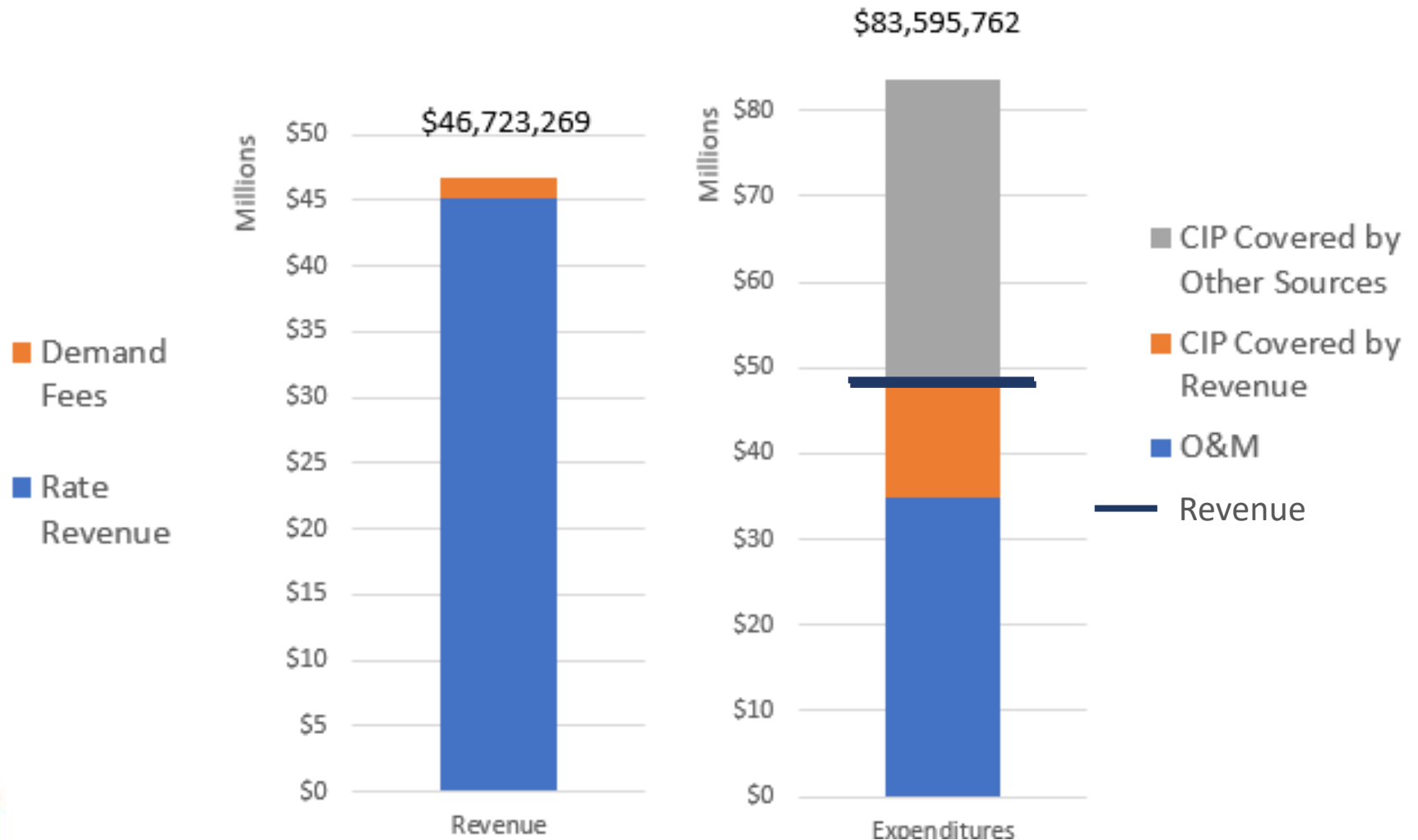
- Reduction in Revenue
 - Water and Wastewater Fixed
 - Sewer Usage
- Water Main Replacement – Contaminated Area
 - \$30 to \$40m
- All other Fire Related Repairs and Replacement
 - Estimated at \$9.7m

Santa Rosa Water



Water Revenue vs. Expenditures

Balanced without
additional CIP and
Fixed Revenue Loss



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Other Sources – Catastrophic & Undesignated
Reserves, Contingency and Existing CIP Funding

Wastewater Revenue vs. Expenditures

Balanced without
additional CIP



Subregional Revenue vs. Expenditures

Balanced without
additional CIP



Budget Highlights

- Overall O&M department budget is flat
- Developed options for fire recovery
- Beginning long range planning



2018/19 Operations & Maintenance Budget



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Department Summary

O&M Budget by Program

Includes new positions
and deletions

Dept: All

Entity: All

Fund: 1601 - Utilities Administration Fund, 1611 - Water Utility Operations,
1621 - Local Wastewater Utility Fund, 1631 - Subregional Waste Operations



Program	2015-16 Actual	2016-17 Actual	2017-18 Current Budget	2018-19 Total Request	Change	%
General Ledger						
Administration	\$4,066,351	\$5,021,832	\$6,887,627	\$4,109,148	(\$2,778,479)	-40.3
Engineering Resources	\$0	\$0	\$0	\$3,300,457	\$3,300,457	100
Purchase of Water	\$11,462,535	\$12,520,618	\$16,271,850	\$14,101,315	(\$2,170,535)	-13.3
Water Resources	\$974,045	\$958,208	\$1,237,773	\$1,168,197	(\$69,576)	-5.6
Water O&M	\$13,301,774	\$13,721,594	\$16,945,837	\$17,794,643	\$848,806	5.0
Local Wastewater O&M	\$8,854,459	\$9,573,882	\$11,468,976	\$11,821,874	\$352,898	2.7
Wastewater Resource Recovery	\$18,154,014	\$19,994,555	\$23,637,369	\$24,422,780	\$638,306	2.7
Wastewater Resource Distributn	\$5,757,285	\$6,395,240	\$8,516,942	\$8,225,867	(\$143,970)	-1.7
O&M Projects	\$3,972,211	\$3,817,973	\$3,333,541	\$3,688,703	\$355,162	10.7
Total SR Water	\$66,542,674	\$72,003,902	\$88,299,915	\$88,632,984	\$333,069	0.4



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Water and Wastewater Operations and Maintenance

- Water decreasing -3.1%
- Wastewater increasing 4.4%

Expenditure Object	2017-18 Current Budget	2018-19 Total Request	Change	%
1611 - Water Utility Operations				
0000 Total Uncategorized	(\$144,519)	\$187,810	\$332,329	-230.0
5100 Total Salaries	\$3,717,633	\$3,816,195	\$98,562	2.7
5200 Total Benefits	\$2,132,535	\$2,463,036	\$330,501	15.5
5320 Total Professional Services	\$329,380	\$320,030	(\$9,350)	-2.8
5360 Total Other Miscellaneous	\$451,739	\$443,513	(\$8,226)	-1.8
5330 Total Vehicle Expenses	\$1,011,533	\$1,008,621	(\$2,912)	-0.3
5325 Total Utility Billing Svcs	\$2,179,700	\$2,359,857	\$180,157	8.3
5331 Total Utilities	\$973,080	\$962,980	(\$10,100)	-1.0
5332 Total Purchase Water	\$16,271,850	\$14,101,315	(\$2,170,535)	-13.3
5340 Total Operational Supplies	\$1,404,844	\$1,137,431	(\$267,413)	-19.0
5349 Total Information Technology	\$586,406	\$692,274	\$105,868	18.1
5351 Total Liab/Property Insurance	\$96,803	\$131,233	\$34,430	35.6
5400 Total Indirect Costs	\$4,105,085	\$4,479,473	\$374,388	9.1
5500 Total Capital Outlay	\$15,000	\$0	(\$15,000)	-100.0
Fund Total: 1611 - Water Utility Operations	\$33,131,069	\$32,103,768	(\$1,027,301)	-3.1
1621 - Local Wastewater Utility Fund				
0000 Total Uncategorized	\$506,295	\$676,826	\$170,531	33.7
5100 Total Salaries	\$2,209,821	\$2,173,008	(\$36,813)	-1.7
5200 Total Benefits	\$1,215,605	\$1,369,024	\$153,419	12.6
5320 Total Professional Services	\$232,500	\$224,000	(\$8,500)	-3.7
5360 Total Other Miscellaneous	\$560,000	\$536,500	(\$23,500)	-4.2
5330 Total Vehicle Expenses	\$1,118,514	\$930,780	(\$187,734)	-16.8
5325 Total Utility Billing Svcs	\$2,012,031	\$2,178,329	\$166,298	8.3
5331 Total Utilities	\$89,600	\$79,700	(\$9,900)	-11.0
5340 Total Operational Supplies	\$558,570	\$342,100	(\$216,470)	-38.8
5349 Total Information Technology	\$423,405	\$502,241	\$78,836	18.6
5351 Total Liab/Property Insurance	\$56,638	\$76,929	\$20,291	35.8
5400 Total Indirect Costs	\$2,992,292	\$3,409,263	\$416,971	13.9
Fund Total: 1621 - Local Wastewater Utility	\$11,975,271	\$12,498,700	\$523,429	4.4

Subregional Operations and Maintenance

- Increasing 0.4%

Expenditure Object	2017-18 Current Budget	2018-19 Total Request	Change	%
Fund Total: 1621 - Local Wastewater Utility	\$11,975,271	\$12,498,700	\$523,429	4.4
1631 - Subregional Waste Operations				
0000 Total Uncategorized	\$3,011,020	\$2,512,567	(\$498,453)	-16.6
5100 Total Salaries	\$10,214,501	\$10,139,163	(\$75,338)	-0.7
5200 Total Benefits	\$5,061,587	\$5,682,776	\$621,189	12.3
5320 Total Professional Services	\$2,450,924	\$2,575,039	\$124,115	5.1
5360 Total Other Miscellaneous	\$545,320	\$526,798	(\$18,522)	-3.4
5330 Total Vehicle Expenses	\$997,118	\$975,851	(\$21,267)	-2.1
5331 Total Utilities	\$4,078,217	\$4,472,650	\$394,433	9.7
5340 Total Operational Supplies	\$3,790,744	\$2,918,234	(\$872,510)	-23.0
5349 Total Information Technology	\$682,470	\$781,760	\$99,290	14.5
5351 Total Liab/Property Insurance	\$623,357	\$652,457	\$29,100	4.7
5350 Total Debt Service	\$417,678	\$417,678	\$0	0.0
5400 Total Indirect Costs	\$2,995,395	\$3,456,241	\$460,846	15.4
5500 Total Capital Outlay	\$161,826	\$50,000	(\$111,826)	-69.1
Fund Total: 1631 - Subregional Waste	\$35,030,157	\$35,161,214	\$131,057	0.4



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Purchase of Water

- Volume of water budget up 0.3%; increasing acre feet budget 290 acre feet
- Assuming estimated 3.67% increase in wholesale cost
 - Only estimated
 - Results in a 1.6% pass through usage charge increase
- Not budgeting for contingency
 - \$2.7m



Water O&M

Wastewater O& M

- Water Overall down **-3.1%**
 - Base Salaries up \$98,562 & Benefits up \$330,501
 - Short term disability implemented this year
 - Water Billing up \$99,007 or 4%
 - Water Purchase Contingency removed
- Wastewater Overall up 4.4%
 - Base Salaries down **\$36,813** and Benefits up \$153,419
 - Water Billing up \$91,389 or 4%
- Electricity up 10%
- City Overhead up estimated 10%
- IT Increasing
 - up \$333,475
 - Increases in new programs and support

Subregional O&M

- Overall Flat
- Salaries down **\$75,338**
- Electricity up 10%

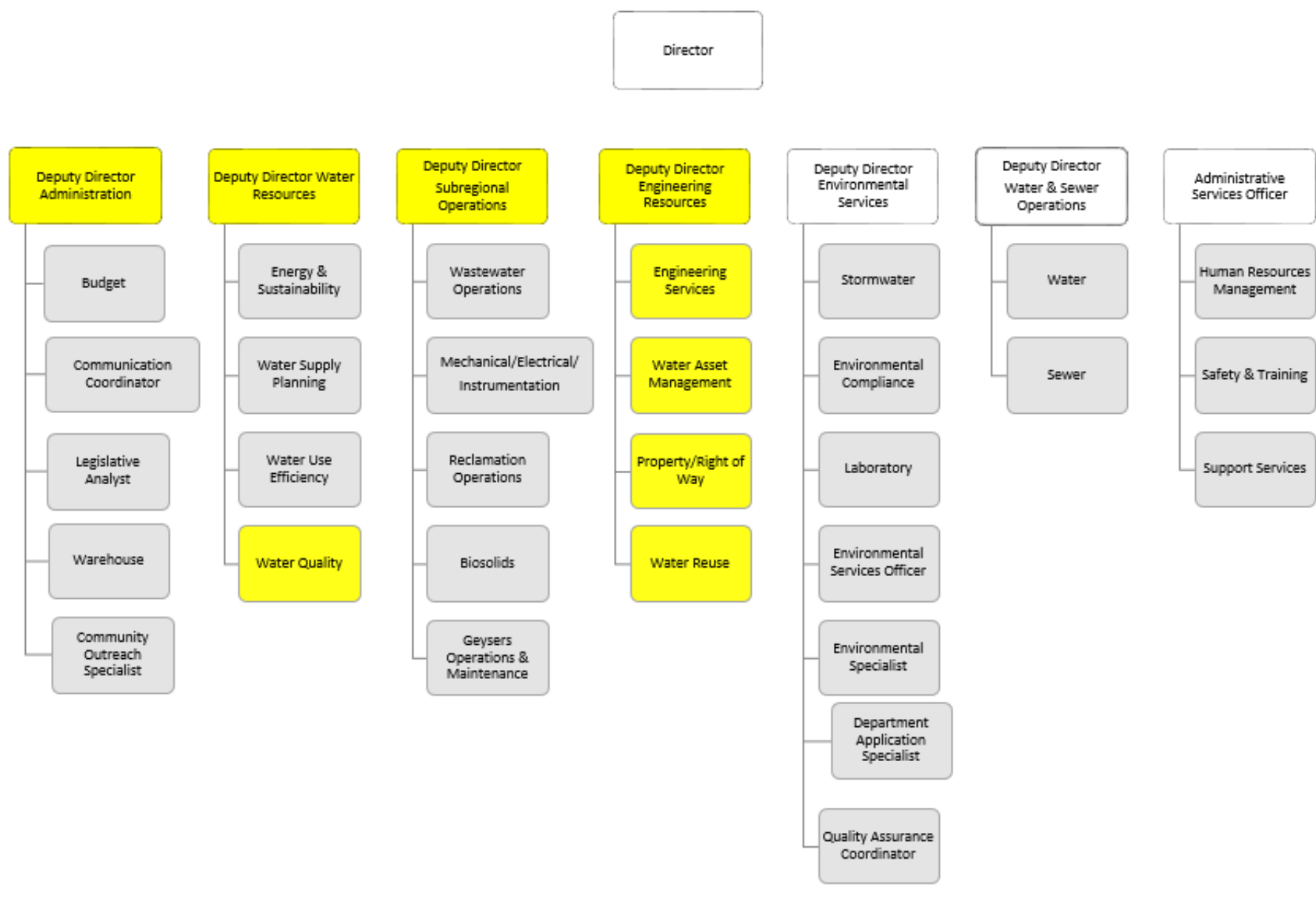


Engineering Resources New Division

- Infrastructure Planning
 - New Deputy Director
 - Move Right of Way Agent and Associate
 - Move Engineer
 - Move 2 divisions
 - Asset Management
 - Engineering Services
- Housed in Administration Fund
 - Ability to split costs between other department funds



Proposed Organizational Chart



New Positions Requested

- Senior Buyer
 - \$111,000
 - Deputy Director Engineering Resources
 - \$150,000
-
- Offset by deleted positions
 - Electrical Technician \$130,000
 - Senior Administrative Assistant \$82,000
 - Environmental Specialist \$123,000



Senior Buyer

- Water's responsibility for operation and maintenance of Water and Wastewater systems requires large volumes of purchases
- Water requires an array of procurement services for supplies, equipment and services
- Delays could result in safety issues and fines



Deputy Director Engineering Resources

- Manage Engineering Resources
 - Division developed to address growing need to identify and plan for increasing infrastructure needs and develop program to address those needs
 - Will assume current development review, right of way and asset management



Reclassification and Extension

- Reclassification
 - Currently Sustainability Technician
 - Proposed Sustainability Representative
 - Planning not to backfill
- Extension
 - Administrative Technician Limited Term
 - Approved through May 2019
 - Half funded by H2O program funds
 - State working on low income program legislation



Operations and Maintenance Discussions / Questions?



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2018-19 Capital Improvement Program Budget Review



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CIP Funding

- Preparing for funding fire related damages
 - Use of reserves
 - Transfers from existing projects
- Prioritizing all project
- Total needs assessment
- Increasing year 1 projects based on reserves appropriations



CIP Funding

- Actual 2017/18
 - Water - \$13m
 - Sewer - \$12m
 - Subregional - \$4.08m
- Previously Planned 2018/19
 - Water - \$13m
 - Sewer - \$12m
 - Subregional - \$5.08m



Project CIP Funding Needs

	<u>Water</u>	<u>Wastewater</u>	<u>Subregional</u>
10 Year	\$170m	\$240m	\$150m
Year 1	\$48.7m	\$22m	\$11.7m
Years 2-5	\$57m	\$50m	\$30m

Document Overview

PID	IFAS Key	Project Title	Funding Type	Carryover From 2015-16	2016-17 Budget Request	2016-17 Mid-Year Revisions	See Note [n]	YTD Expenditures	Current Encumbered	Total Available 2/28/2017	REQUEST YEAR 1 2017-18	YEAR 2 2018-19	- PROJECTED - YEAR 3 2019-20	YEAR 4 2020-21	YEAR 5 2021-22	5 YEAR TOTAL
SUBREGIONAL OPERATIONS																
FUND 1639 - SUBREGIONAL WW CAPITAL FUND																
2093	86579	Reclamation Pipe Replacement	NEW	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	\$100,000
2096	86580	Filter Valve Actuators - Phase 2	NEW	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$1,300,000	\$0	\$1,300,000
2098	86581	Seismic Eval and retrofit - LTP Maint Building	NEW	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$900,000	\$900,000
2100	86582	Filter Influent Pmp Strn Discharge Piping	NEW	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$50,000	\$0	\$0	\$350,000	\$400,000
2102	86583	Biosolid Agitator Pos Ctl Improvements	NEW	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$250,000	\$0	\$0	\$250,000
2103	86584	LTP Booster Strn 1 Replacement	NEW	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$200,000	\$0	\$0	\$0	\$200,000
2104	86585	LTP Fleet Gas Station	NEW	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$300,000	\$300,000
1885	86553	Subregional System Master Plan, Phase 2	NEW	\$0	\$0	\$0		\$0	\$0	\$0	\$50,000	\$300,000	\$300,000	\$0	\$0	\$650,000
2110	86577	Reclamation System Condition Assessment Analysis - Phase 1	NEW	\$0	\$0	\$0		\$0	\$0	\$0	\$50,000	\$0	\$0	\$0	\$0	\$50,000
2097	86587	Cmbnd Heat and Power Exhaust Mods	NEW	\$0	\$0	\$0		\$0	\$0	\$0	\$200,000	\$0	\$0	\$0	\$0	\$200,000
2049	86573	Superstructure Removal Phase 2	NEW	\$0	\$0	\$0		\$0	\$0	\$0	\$250,000	\$550,000	\$1,000,000	\$930,000	\$700,000	\$3,430,000
2111	86586	Upsize Geysers connection - Delta Pond	NEW	\$0	\$0	\$0		\$0	\$0	\$0	\$400,000	\$0	\$0	\$0	\$0	\$400,000
2101	86588	Digester Gas Cond Improvements	NEW	\$0	\$0	\$0		\$0	\$0	\$0	\$450,000	\$0	\$0	\$0	\$0	\$450,000
2105	86589	Replace Chillers and HVAC Admin Bldg	NEW	\$0	\$0	\$0		\$0	\$0	\$325,000	\$725,000	\$0	\$0	\$0	\$0	\$725,000
Subtotal - Subregional WW Capital Fund				\$3,369,928	\$3,548,004	\$3,375,000		\$3,507,983	\$1,110,437	\$5,674,513	\$3,080,000	\$4,080,000	\$5,080,000	\$6,080,000	\$7,080,000	\$25,400,000
SUBREGIONAL RESERVES																
523	86458	Subregional CIP Project Contingency	CONT	\$1,000,000	\$0	-\$25,000		\$0	\$0	\$975,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$5,000,000
SUBTOTAL SUBREGIONAL OPERATIONS & RESERVES				\$4,369,928		\$3,350,000		\$3,507,983	\$1,110,437	\$6,649,513	\$4,080,000	\$5,080,000	\$6,080,000	\$7,080,000	\$8,080,000	\$30,400,000

Funding Type:

CANC = Project is expected to be completed by end of current fiscal year

CONT = Continue project with additional funding

CO = Carryover project with no additional funding

NEW = New project with initial funding within five year plan

Document Overview (cont.)

1.) Use search function  to find project detail sheet by **PID** within pdf file

See				Funding Type	Pending Transfers	REQUEST - PROJECTED -					5 YEAR TOTAL
Line	Note	IFAS				YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	
No.	PID [n]	Key	Project Title			2018-19	2019-20	2020-21	2021-22	2022-23	
5	50 1903	55716	WM Replace: Streamside to Elaine	CONT	\$0.00	\$405,000	\$0	\$0	\$0	\$0	\$405,000
6	1 661	55713	Pacific Ave Water Service Replacements	CONT	\$0.00	\$1,700,000	\$0	\$0	\$0	\$0	\$1,700,000
7	52 2083	55742	EGW Speers Well	CONT	\$0.00	\$400,000	\$2,555,000	\$0	\$0	\$0	\$2,955,000

Investing in our Community

Pacific Ave Reconstruction - Humboldt St to Montecito Ave Project ID 661

Carryover

Project Description:
Pacific Avenue will be reconstructed between Humboldt Street and Montecito Avenue. Curb ramps will be reconstructed at all intersections to meet current state and federal accessibility standards. The project will also include replacement of a short section of sewer main as well as water services.



Project Contact: Lisa Welsh
Cumulative Prior Funding: \$2,103,089
Total 5-Year Funding: \$4,743,925
General Plan Goal/Policy: Please reference the City of Santa Rosa General Plan for a description of these policy codes. (P12-1-4: Wtr service infrastructure, P12-1-5:2: Maintain water service, T-1: Safe/efficient circulation)

Funding Source	Funding Request FY 18/19	Anticipated Request FY 19/20	Anticipated Request FY 20/21	Anticipated Request FY 21/22	Anticipated Request FY 22/23	Total 5-Year Funding	Future Funding
17341 Measure M - Allocation (effective 1/09)	500,000	0	0	0	0	500,000	0
Gas Tax Fund, SB1	2,428,917	0	0	0	0	2,428,917	0
Capital Facilities Fee Fund	15,000	0	0	0	0	15,000	0
55713 Water Utility Fund	1,700,000 ★	0	0	0	0	1,700,000	0
70752 Local Wastewater Utility Fund	100,000 ★	0	0	0	0	100,000	0
	\$4,743,917	\$0	\$0	\$0	\$0	\$4,743,925	\$0

For Council Approval ★ BPU Recommended

2.) Funding information located in bottom half of project detail sheet

Santa Rosa Water - Assets



621 Miles of Water Mains
591 Miles of Sewer Main



23 Reservoirs



12,215- Sewer Manholes



20 Pump Stations
17 Sewer Lift Stations



28,537 Water Valves



6,360 Hydrants

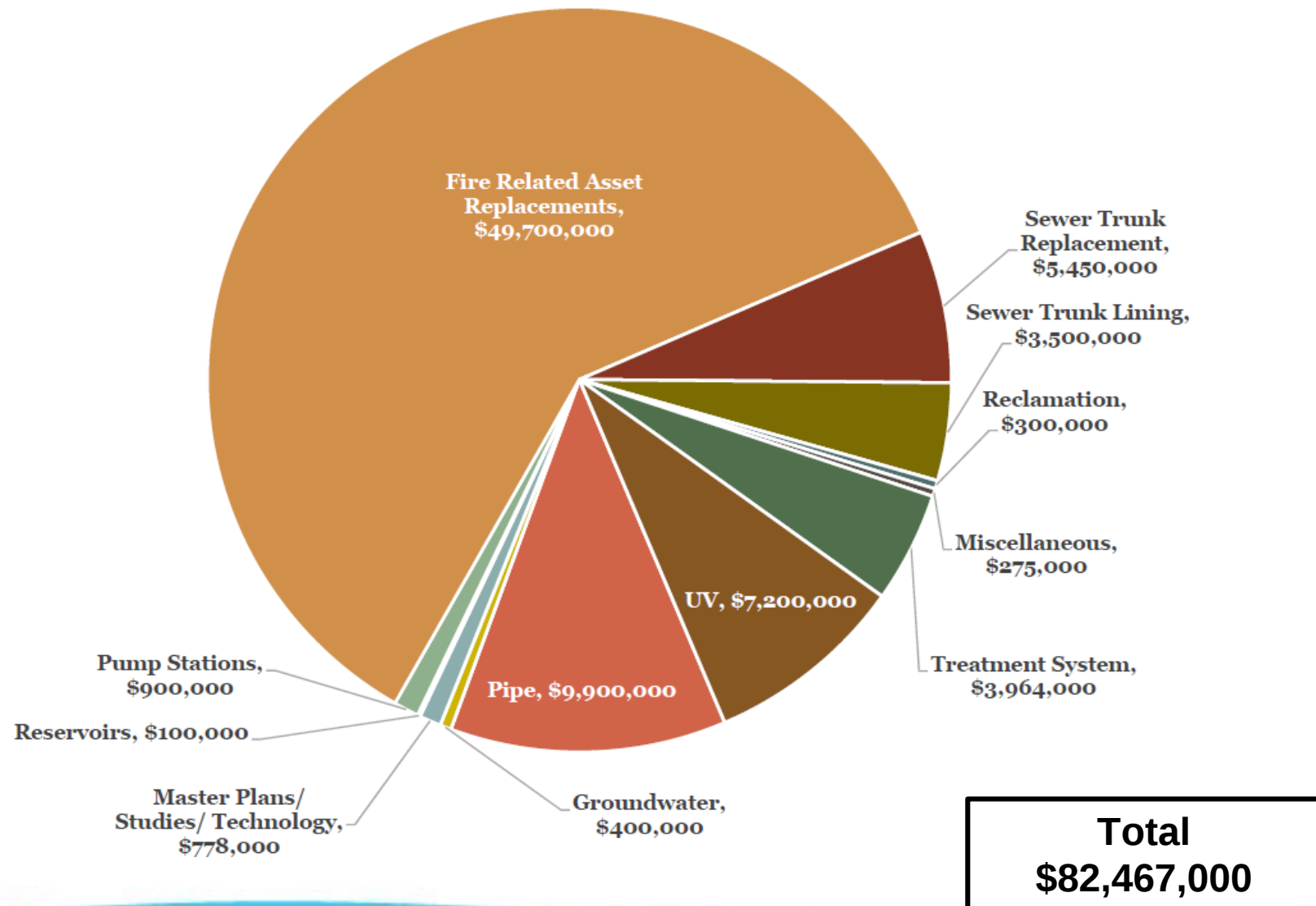


Geysers Operations

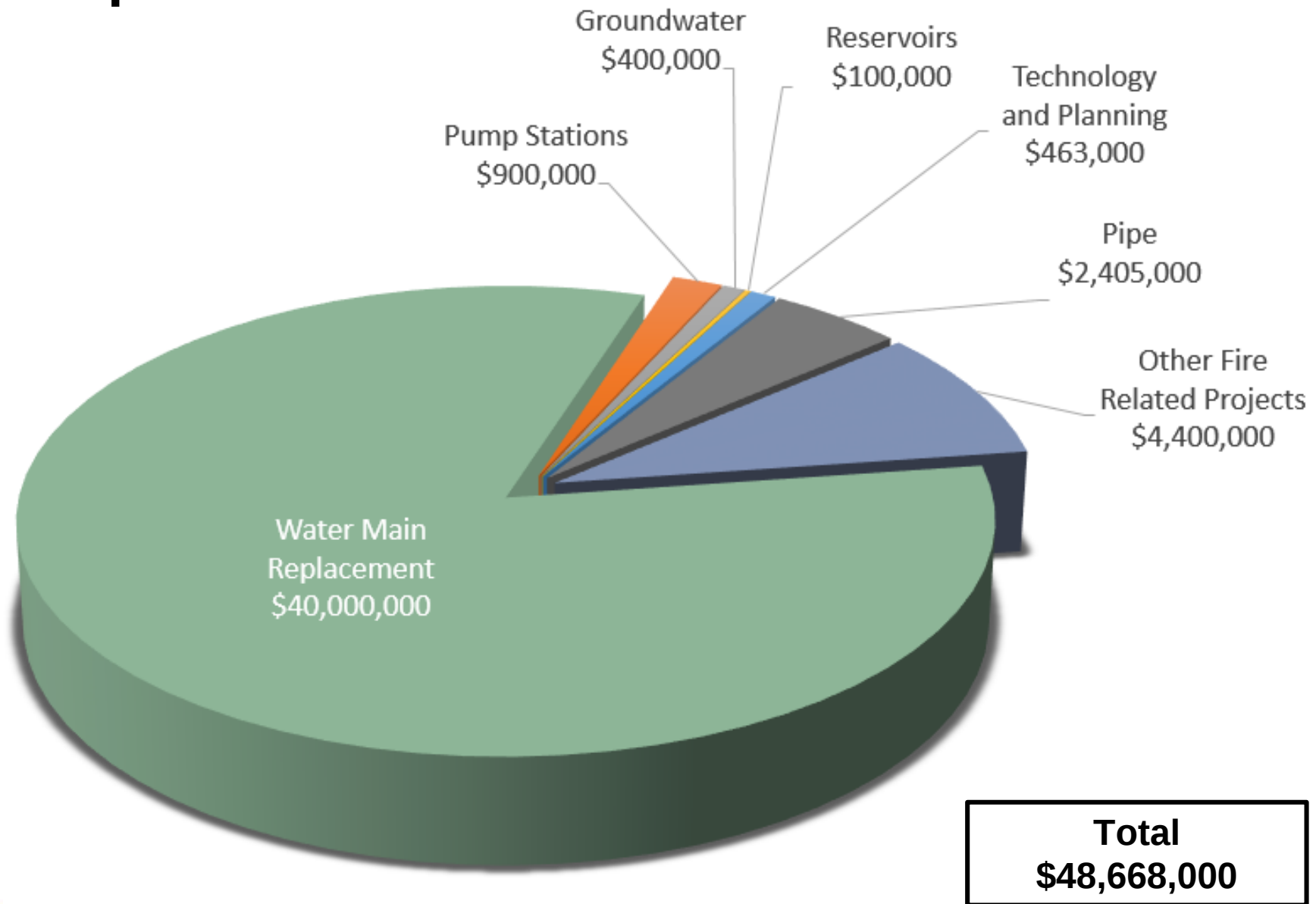


Laguna Treatment Plant

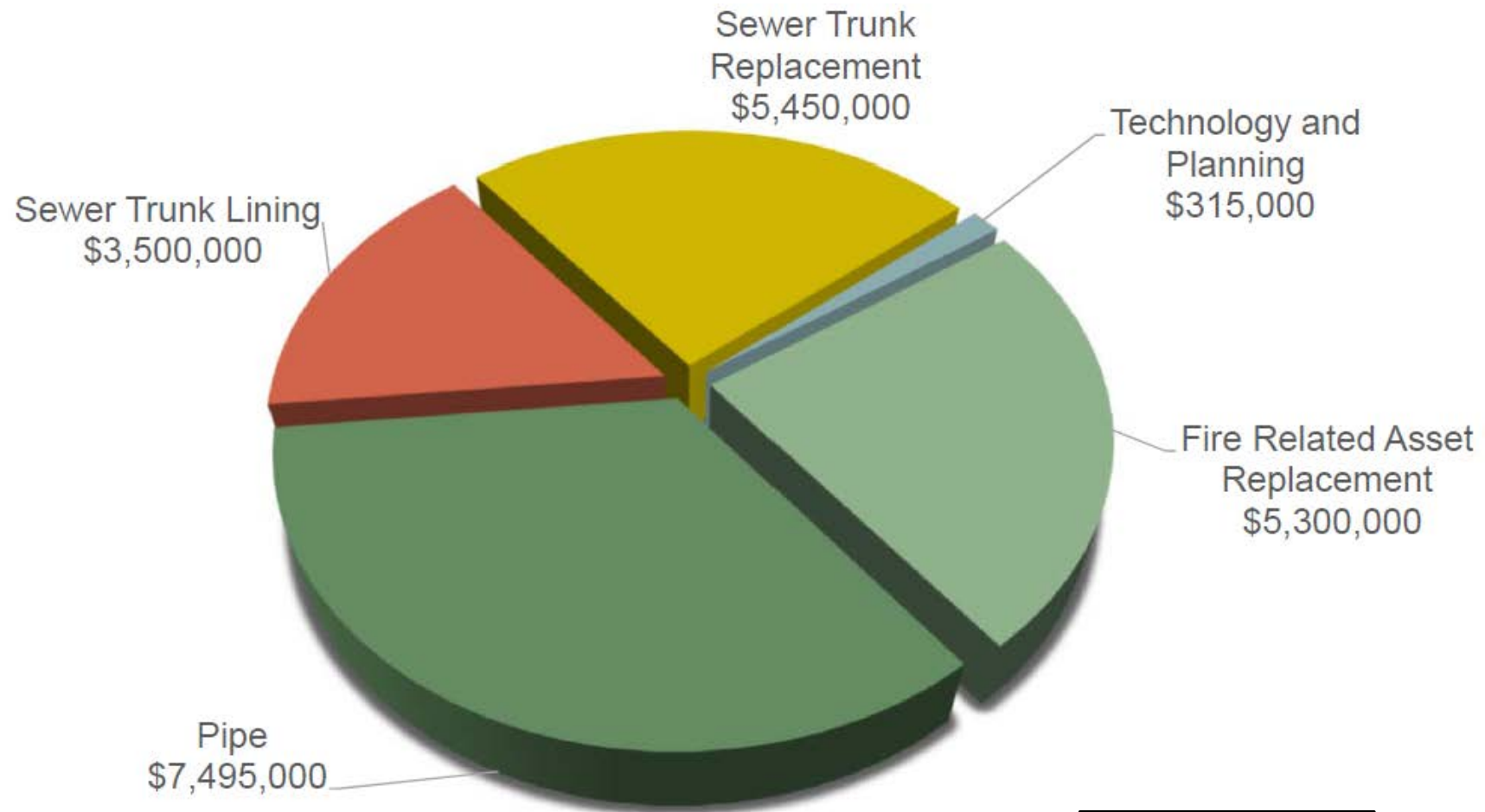
Santa Rosa Water 2018-19 CIP Proposed Year 1



Santa Rosa Water 2018-19 CIP Proposed Water

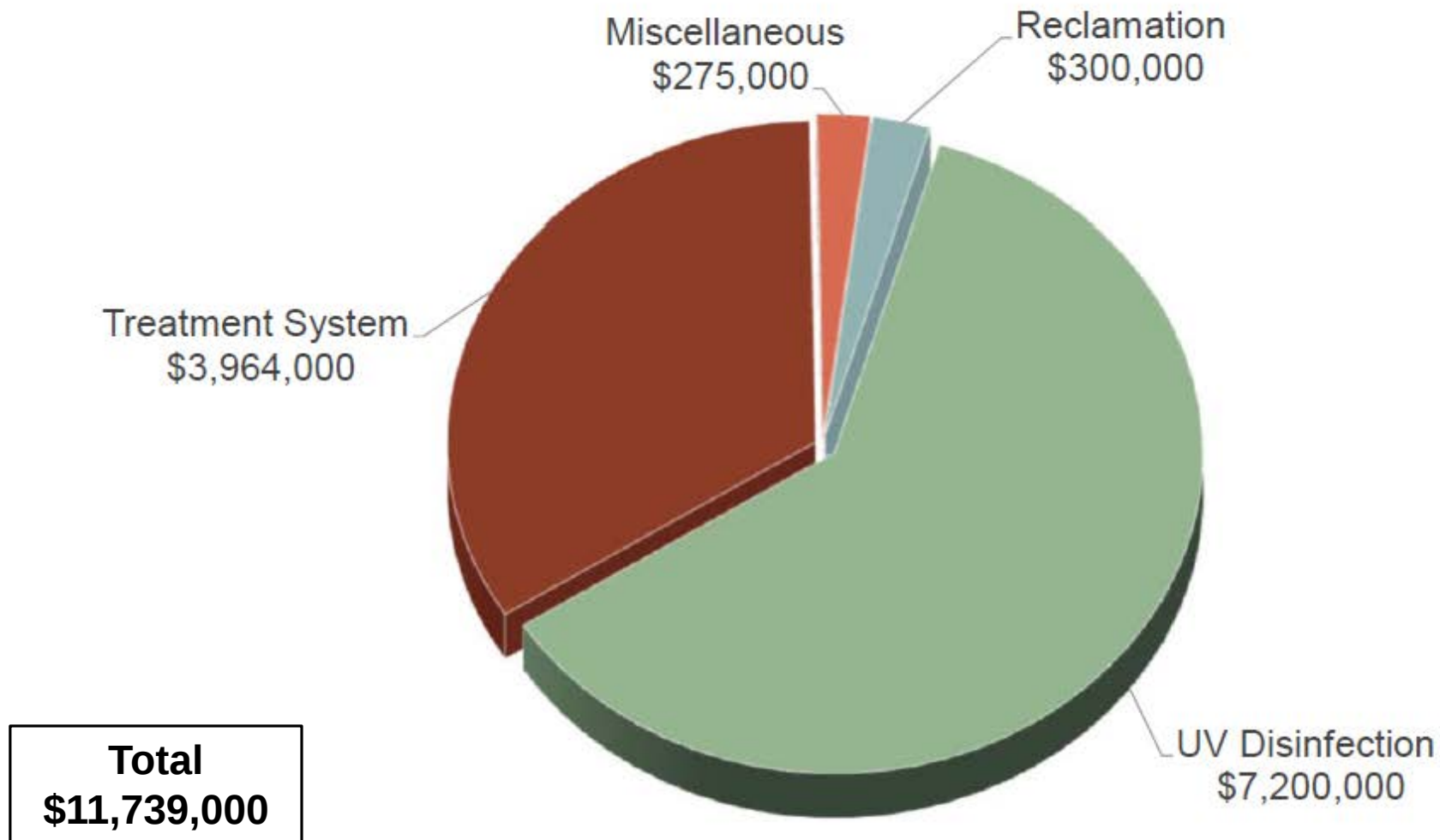


Santa Rosa Water 2018-19 CIP Proposed Wastewater

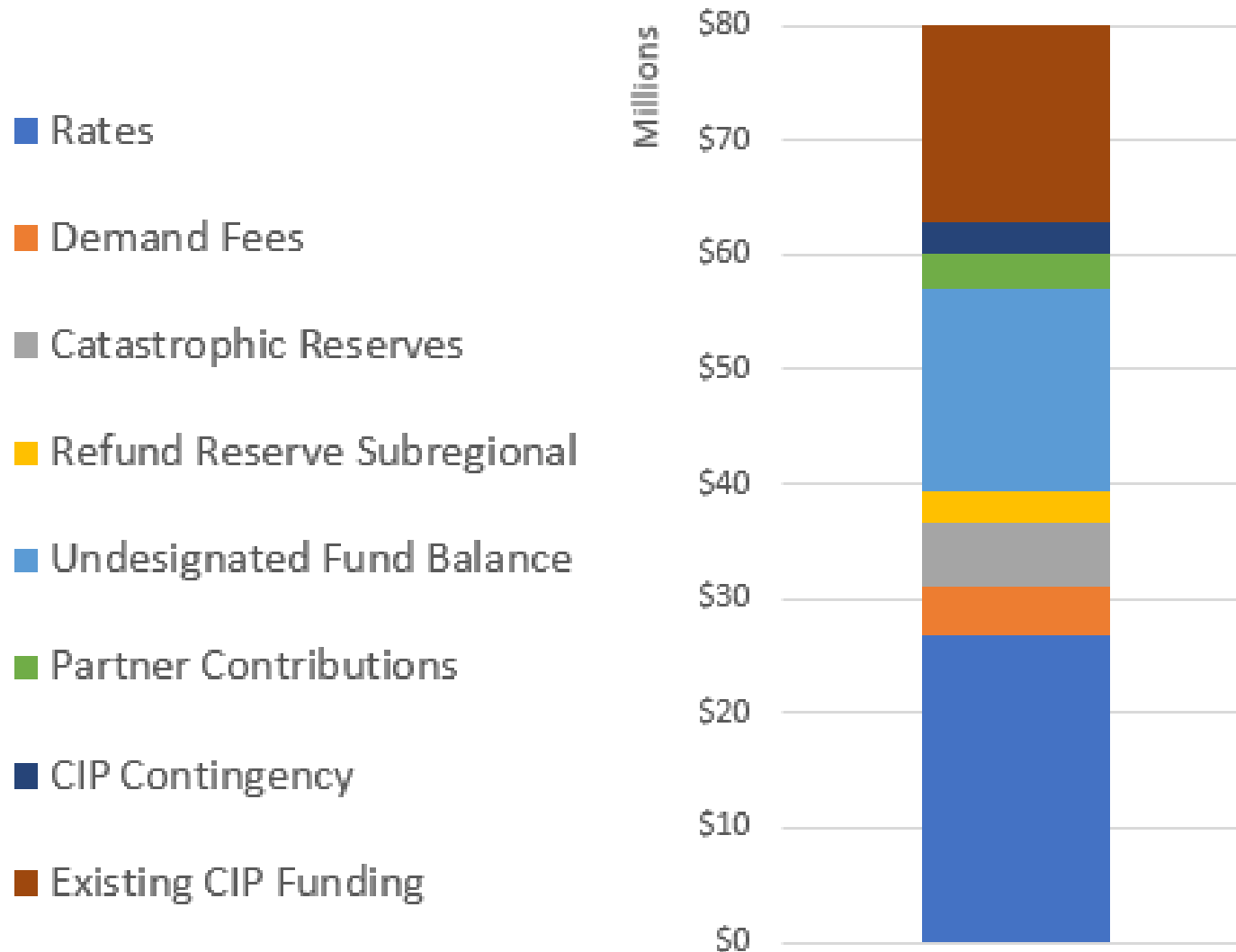


Total
\$22,060,000

Santa Rosa Water 2018-19 CIP Proposed Subregional



CIP Funding Breakdown



2018-19 Proposed CIP

Water Project Highlights

- Pacific Avenue Water Main Replacement
 - PID 661
- Emergency Generators
 - PID 2209

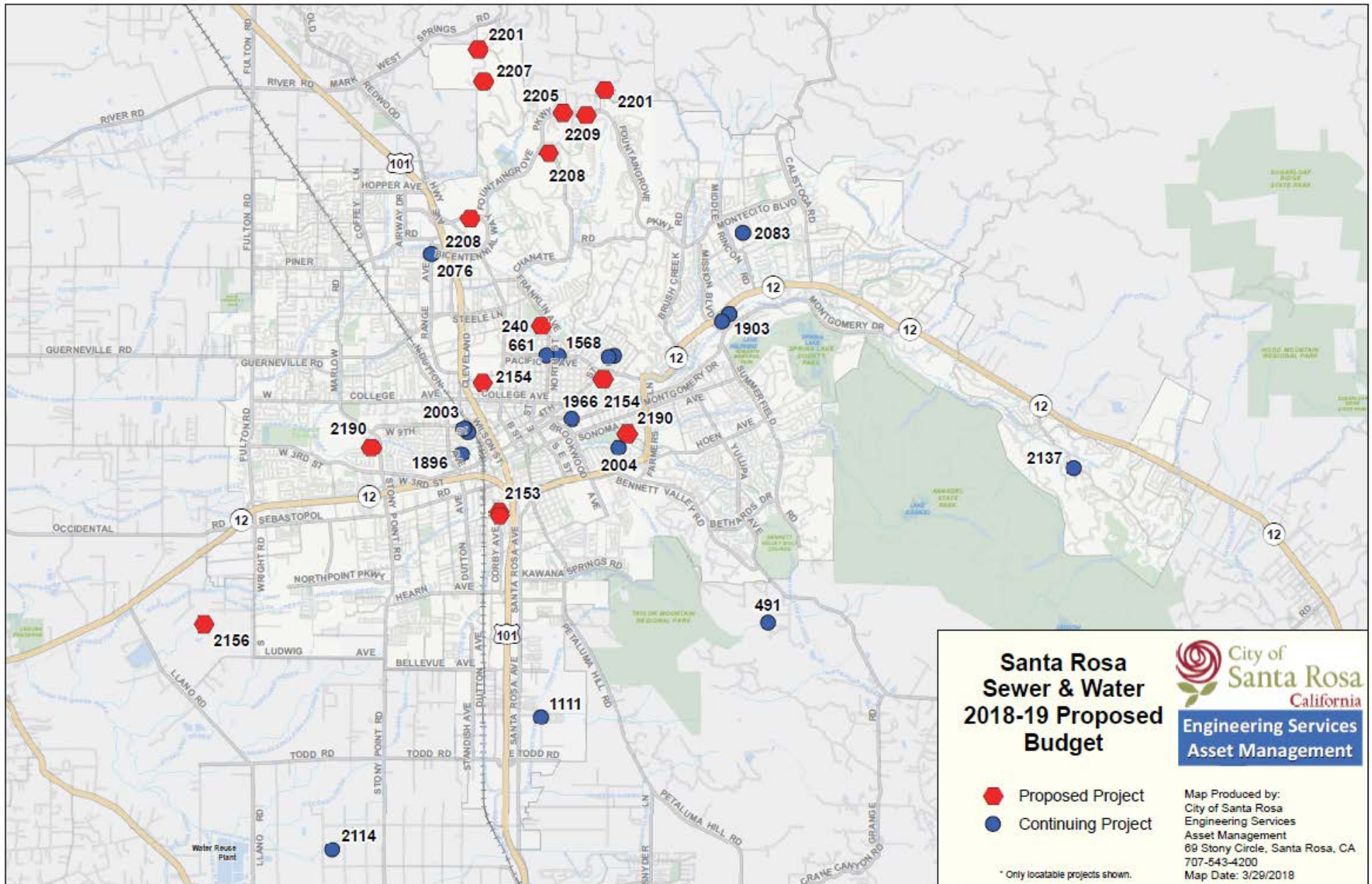


2018-19 Proposed CIP Wastewater Project Highlights

- Robles Trunk Lining Phase 1
 - PID 2114
- Matanzas and Glenbrook Siphons
 - PID 2190
- Los Alamos Trunk Replacement
 - PID 1903



CIP Project Locations



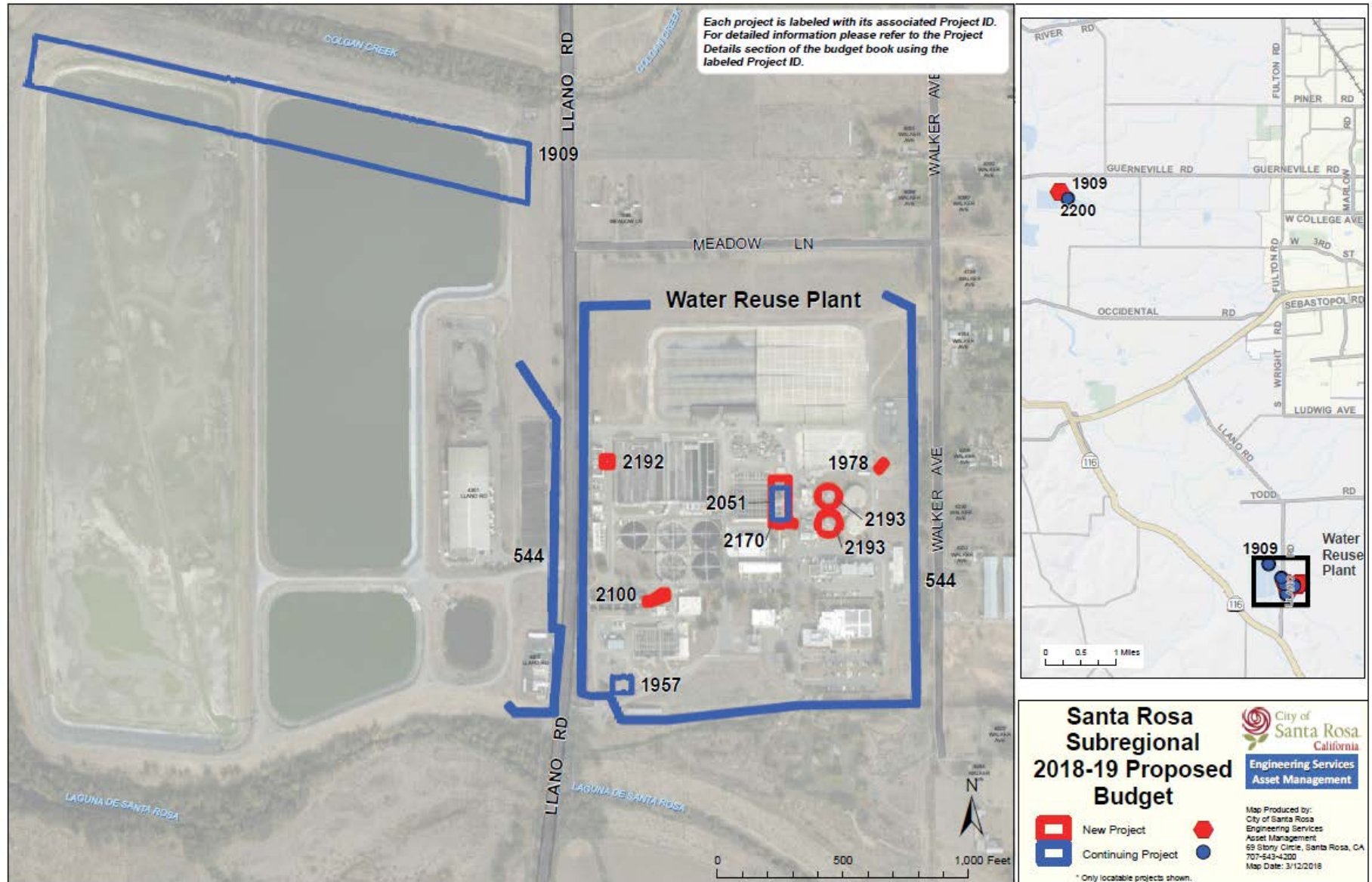
2018-19 Proposed CIP

Subregional Project Highlights

- UV Disinfection Project Phase 1
 - PID 1957
- Manhole 5 Rehabilitation
 - PID 2170
- Waste Gas Flare Assembly
 - PID 1978



Subregional CIP Locations



Water CIP Year 1

- Main Replacement Included with no early FEMA Funding
 - Total Year 1 CIP \$48.7m
 - \$40m water main replacement estimate
 - Funded By
 - Not planning for early FEMA funding
 - Previous planned / Contingency / Reserves / Lower priority projects
 - Depletes existing CIP project funding and catastrophic reserves
 - Investigating other financing opportunities to avoid depletion existing project funding and catastrophic reserves – line of credit, loans, grants, etc.

Wastewater CIP Year 1

- Total Funding Year 1
 - \$22m
 - Including fire related projects
 - Funded by
 - Previous planned
 - Undesignated Funds
 - Contingency

Subregional CIP Year 1

- Total Proposed Funding
 - \$11.7m
 - \$7.2m UV Project – Diversion Phase
- Funded By
 - Previously planned - \$5.1m
 - Reserves - \$6.6m



CIP DISCUSSION / QUESTIONS?



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Long Range Financial Plan / Rate Study

(The Reed Group)

- Current Budget Support
- 10 Year Financial Modeling Considering
 - 2018/19 budget
 - Current rates – future modifications
 - Reserves and reserve targets
 - CIP
 - Debt service
- Agricultural Rate Development



Subregional Contribution Allocations 2018/19



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Regional Miscellaneous Revenues

Regional Miscellaneous Revenues			
	2016/17	2017/18	2018/19
	Actual	Budgeted	Projected
Property Rentals	\$101,496	\$90,000	\$90,000
Interest on Pooled Investments	\$317,986	\$100,000	\$100,000
Compost Sales	\$115,299	\$90,000	\$110,000
Sale of Water (recycled) - Retail	\$201,255	\$250,000	\$250,000
Sale of Water (recycled) - Wholesale	\$19,703	\$23,000	\$23,000
Laboratory Services	\$94,269	\$83,606	\$85,000
Dumping Charges at Plants including High Strength Tipping	\$1,335,344	\$500,000	\$900,000
Miscellaneous Fees and Charges	\$7,283	\$7,500	\$7,500
Miscellaneous	\$42,927	\$25,000	\$25,000
Calpine - per Agreement	\$300,000	\$300,000	\$300,000
SCWA - Acceptance of Recycled Water	\$0	\$90,000	\$0
Town of Windsor - per Geysers Agreement	\$829,984	\$844,848	\$879,310
Town of Windsor - Environmental Compliance Contract	\$20,000	\$20,000	\$20,000
Energy Rebates including PG&E SGIP Refund	\$1,010,608	\$300,000	Complete
Cost Reimbursement	\$6,421	\$7,500	\$7,500
Dairy Waste Loan Payments	\$162,429	\$205,000	\$118,474
	\$4,565,004	\$2,936,454	\$2,915,784



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Retained Contributions

	Retained Reserves through 2017	2017/18 Applied to Contribution	Estimated Refund 2017/18	Total Estimated Retained Reserves
Santa Rosa	\$2,516,051	\$0	\$781,821	\$3,297,872
Rohnert Park	\$1,128,978	\$624,906	\$949,069	\$1,453,141
Sebastopol	\$272,484	\$85,538	\$190,659	\$377,605
Cotati	\$74,426	\$62,078	\$180,711	\$193,059
SPCSD	\$295,126	\$88,369	\$166,708	\$373,465
	\$4,287,065	\$860,891	\$2,268,968	\$5,695,142

Fund Summary 2018/19		
		2018/19 Budget
Operating Expenditure Request		\$35,161,214
Transfers Out:		
City Accounting Software - Fund 0316		
Water Capital Fund (software projects)		
CEC Loan Debt Service Fund		103,127
Subregional WW Capital (Cash funded CIP)		11,739,000
Additional Operating Reserve needed		288,777
Expenditures / Transfers Out / Change in Operating Reserve		\$47,292,118
Subregional System Reserves for 2018/19		
Operating Reserves (15% of projected expenditures)		\$5,274,182
Geysers Reserves		\$1,250,000
Catastrophic Reserve		\$1,700,000
User Agency Reserve		\$5,000,000
		\$13,224,182
Remaining to be Collected		
User Agency Reserve		
Agency Contribution Calculation:		
Expenditures / Transfers Out / Change in Operating Reserve		\$47,292,118
Less Revenue		(\$2,915,784)
Agency Contribution		\$44,376,334

Annual Flow into Plant

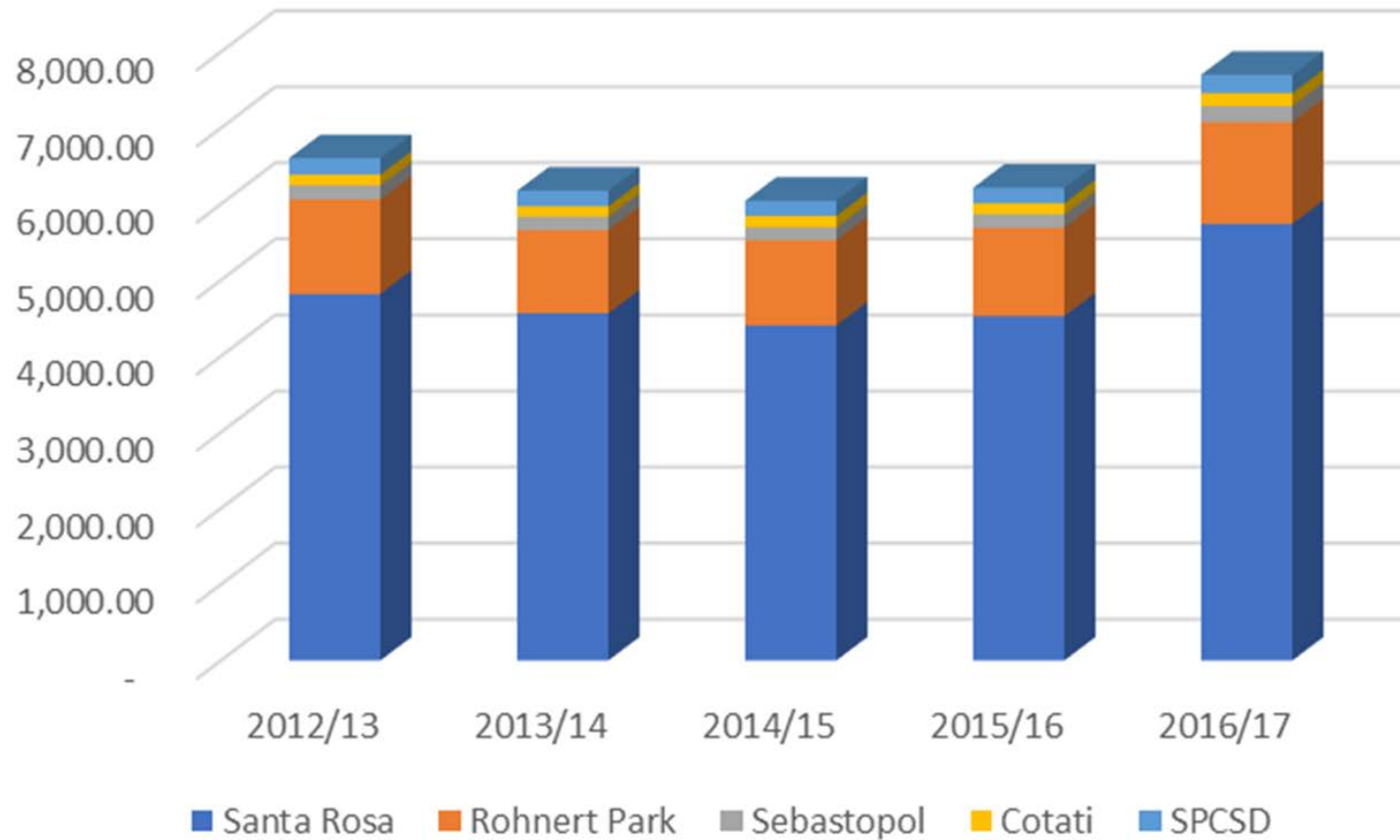
Actual Flows per Annual Memo	2012/13	2013/14	2014/15	2015/16	2016/17	2016/17 %
Santa Rosa	4,819.18	4,564.50	4,405.81	4,528.13	5,741.70	74.57%
Rohnert Park	1,241.48	1,093.78	1,119.63	1,161.02	1,337.22	17.36%
Sebastopol	184.96	176.46	169.65	175.73	211.09	2.74%
Cotati	140.71	136.26	150.46	146.30	168.51	2.19%
SPCSD	218.53	205.67	198.76	203.84	242.01	3.14%
	6,604.86	6,176.67	6,044.31	6,215.02	7,700.53	



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Plant Flows

2012/13 – 2016/17



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Operating and CIP Allocation Based on Flow

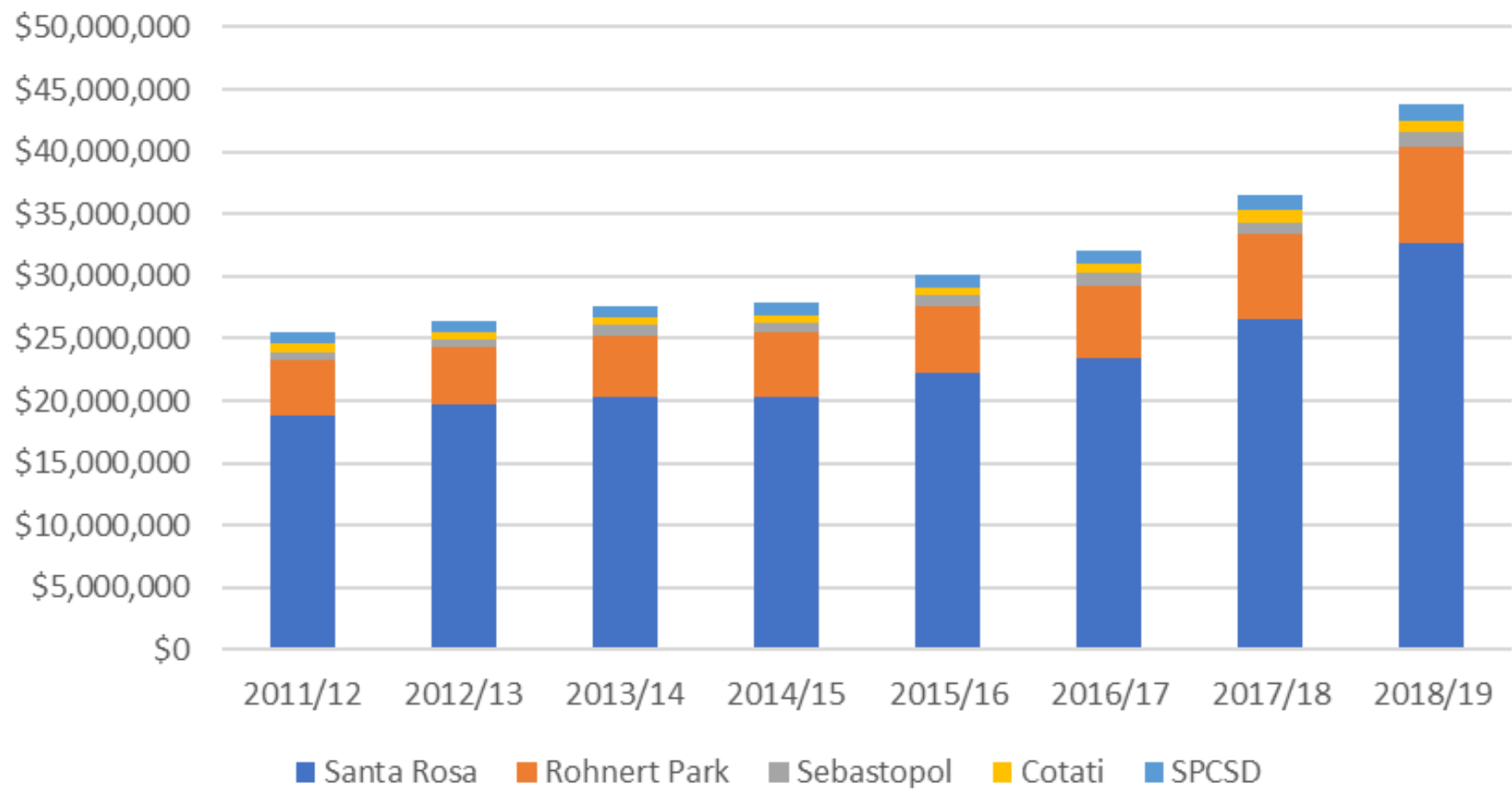
	2017/18 Total O&M and CIP Contribution	2018/19 Budgeted O&M	2018/19 CIP Contribution	Total 2018/19	\$ Difference
Santa Rosa	\$26,571,169	\$24,337,660	\$8,753,772	\$33,091,432	\$6,520,263
Rohnert Park	\$6,126,336	\$5,665,842	\$2,037,890	\$7,703,732	\$1,577,396
Sebastopol	\$938,814	\$894,263	\$321,649	\$1,215,912	\$277,098
Cotati	\$845,621	\$714,758	\$257,084	\$971,842	\$126,221
SPCSD	\$1,110,961	\$1,024,812	\$368,605	\$1,393,417	\$282,456
	\$35,592,901	\$32,637,335	\$11,739,000	\$44,376,335	\$8,783,434

Miscellaneous Revenues removed from 2018/19 O&M

Operations and cash funded CIP combined in 2017/18 Total Contribution

O&M and CIP

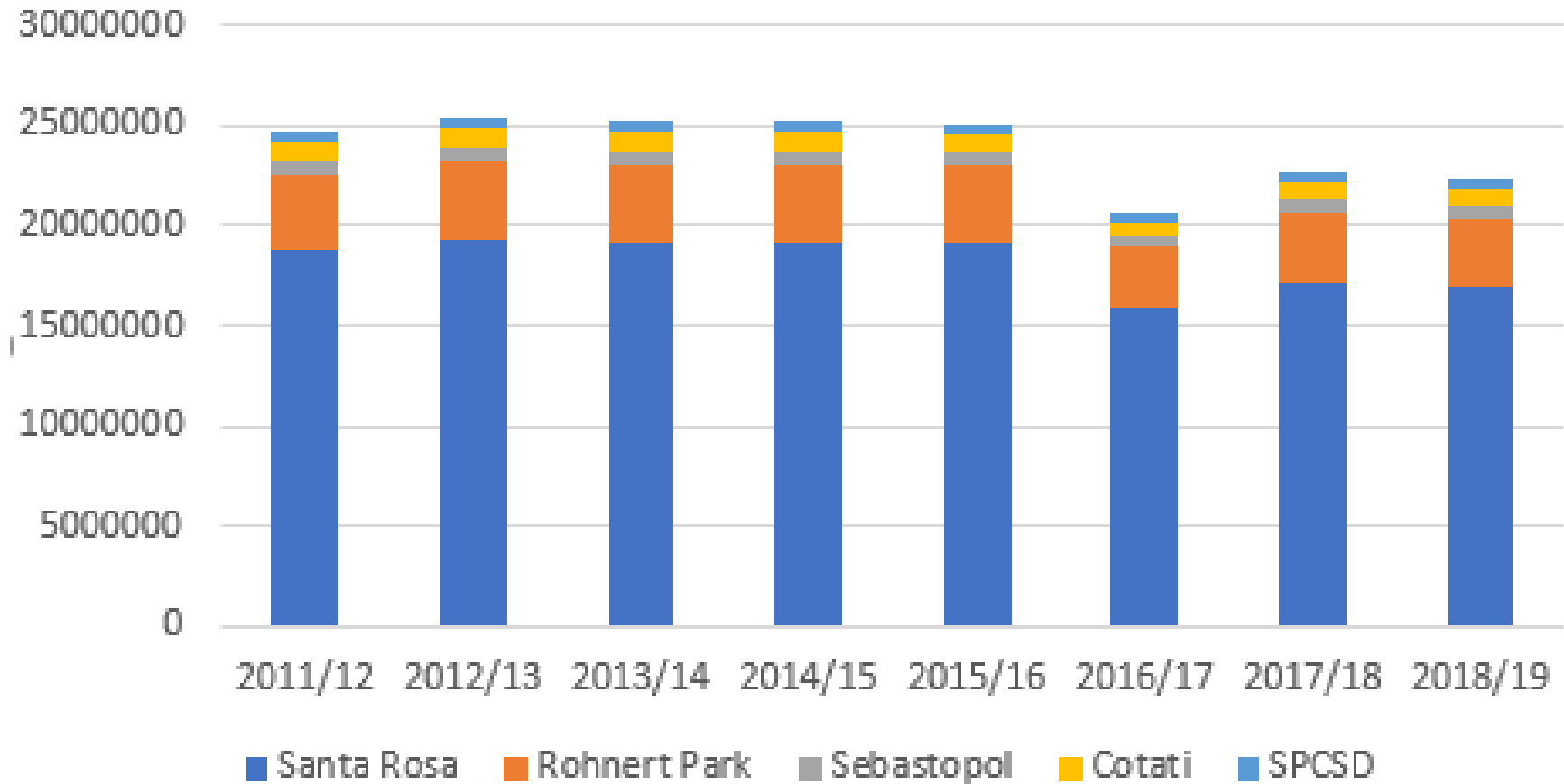
O&M Flat
Cash Funded CIP Increased



Debt Service Allocation Based on Agreements

	2017/18 Debt Service	2018/19 Debt Service	\$ Difference	% Difference
Santa Rosa	\$17,177,726	\$16,942,017	-\$235,709	-1.37%
Rohnert Park	\$3,485,166	\$3,383,155	-\$102,011	-2.93%
Sebastopol	\$655,866	\$598,324	-\$57,542	-8.77%
Cotati	\$836,028	\$826,034	-\$9,994	-1.20%
SPCSD	\$489,146	\$466,577	-\$22,569	-4.61%
	\$22,643,932	\$22,216,107	-\$427,825	-1.89%

Debt Service



Total Contributions

	2017/18 Total Contribution	2018/19 Budgeted O&M	2018/19 CIP Contribution	2018/19 Debt Service	Total 2018/19	\$ Difference	% Difference No Refund Applied
Santa Rosa	\$43,748,895	\$24,337,660	\$8,753,772	\$16,942,017	\$50,033,449	\$6,284,554	14.4%
Rohnert Park	\$9,611,502	\$5,665,842	\$2,037,890	\$3,383,155	\$11,086,887	\$1,475,385	15.4%
Sebastopol	\$1,594,680	\$894,263	\$321,649	\$598,324	\$1,814,236	\$219,556	13.8%
Cotati	\$1,681,649	\$714,758	\$257,084	\$826,034	\$1,797,876	\$116,227	6.9%
SPCSD	\$1,600,107	\$1,024,812	\$368,605	\$466,577	\$1,859,994	\$259,887	16.2%
	\$58,236,833	\$32,637,335	\$11,739,000	\$22,216,107	\$66,592,442	\$8,355,609	14.3%

Miscellaneous Revenues removed from 2018/19 O&M

Operations and cash funded CIP combined in 2017/18 Total Contribution

Reserves Applied

Remaining Reserves

	2017/18 Total with Refund Applied	Total 2018/19	Applied Refund 2018/19	Total with Applied 2018/19 Refund	% Difference Refund Applied	Retained Reserves Remainder
Santa Rosa	\$43,748,895	\$50,033,449	\$2,800,000	\$47,233,449	8.0%	\$497,872
Rohnert Park	\$9,611,502	\$11,086,887	\$994,810	\$10,092,077	5.0%	\$458,331
Sebastopol	\$1,594,680	\$1,814,236	\$139,822	\$1,674,414	5.0%	\$237,783
Cotati	\$1,681,649	\$1,797,876	\$32,145	\$1,765,731	5.0%	\$160,914
SPCSD	\$1,600,107	\$1,859,994	\$179,882	\$1,680,112	5.0%	\$193,583
	\$58,236,833	\$66,592,442	\$4,146,658	\$62,445,784		\$1,548,484

	2017/18 Total with Refund Applied	Total 2018/19	Applied Refund 2018/19	Total with Applied 2018/19 Refund	% Difference Refund Applied	Retained Reserves Remainder
Santa Rosa	\$43,748,895	\$50,033,449	\$2,800,000	\$47,233,449	8.0%	\$497,872
Rohnert Park	\$9,611,502	\$11,086,887	\$802,580	\$10,284,307	7.0%	\$650,561
Sebastopol	\$1,594,680	\$1,814,236	\$107,928	\$1,706,308	7.0%	\$269,677
Cotati	\$1,681,649	\$1,797,876	\$0	\$1,797,876	6.9%	\$193,059
SPCSD	\$1,600,107	\$1,859,994	\$147,880	\$1,712,114	7.0%	\$225,585
	\$58,236,833	\$66,592,442	\$3,858,388	\$62,734,054		\$1,836,754

Budget Schedule

- Subregional Partners –April 12th
 - Recommendation for approval to BPU
- City Council – April 17th
 - Budget overview/preview
- BPU - April 19th
 - Budget Recommendation to City Council
- City Council – May 1st
 - Preliminary approval of Subregional Budget
- City Council – May 15th & 16th
 - Budget Study Sessions

DISCUSSION / QUESTIONS?



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CONNECT WITH US!

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VISIT: SRCITY.ORG/WATER



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