

FORESTHILL PUBLIC UTILITY DISTRICT

www.foresthillpud.com

BOARD OF DIRECTORS

Gregory L. Wells
Duane L. Frink
William L. Sadler, Jr.
Brett C. Grant
George S. Shaw

Kurt W. Reed, General Manager
Paul Chamberlain, District Counsel

NOTICE OF MEETING AND AGENDA FORESTHILL PUBLIC UTILITY DISTRICT FINANCE COMMITTEE

June 2, 2009
6:00 PM

Foresthill Public Utility District Office
24540 Main Street
Foresthill, California

Brett C Grant, Chairperson

Adam W. Larsen, Committee Member

A. CALL TO ORDER/ROLL CALL

B. INTRODUCTIONS AND PRESENTATIONS

C. AGENDA CHANGES AND REVIEW

D. PUBLIC COMMENT

Any member of the public may address the Committee on any matter within the jurisdictional authority of the Committee, or on any item on this agenda before or during the Committee's consideration of that item. Such testimony shall be limited to three minutes per person, or such other time limit as may be imposed by the Chairperson in order to enable the Committee to complete its agenda within a reasonable period of time.

E. GENERAL ITEMS

1. New Business

- a. Review scope of work for water rate analysis and agreement for professional services with Eco:Logic Engineers and provide recommendation for approval to Board of Directors.
- b. Review fiscal year 2008-2009 report and discuss FY 2009-2010 revenue and expense projections.
- c. Review proposed draft 2009-2010 Interim Budget.

F. ADJOURNMENT

I certify that on May 29 2009 I personally posted a copy of this agenda in public view at 24540 Main Street in Foresthill, California.



Jo Ann Glover
Business Manager

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MEMO

TO: Brett Grant and Adam Larsen
FROM: Kurt Reed
SUBJECT: Revenues

In reviewing all Multifamily and Commercial revenues for the past several years, we have identified this following problem areas:

I. Fiscal Year 2007-2008 Business Revenue was 12.5% below projection (\$183,646 received, versus \$210,000 budgeted). We found that MOM software had errors in the multiplier for compound meters, which resulted in "under billing" of \$24,376.00. These accounts; High School, Middle School and Trailer Parks had errors in the charges for water consumption over the minimum billing.

The past fiscal year Business Revenue should have collected \$208,022.00.

II. Fiscal Year 2008-2009 Business Revenue was at 46% of projected budget at close of April 2009 (\$111,990 versus \$245,622). Contributing factors: a change in account class (major MHP) from Business to Multifamily Residential (\$36,000), under billing (see above) \$22,000 (to date), a cooler wetter Spring, economic conditions, and customer conservation. Obviously we will fall well short of our stated budget goals but with these corrections to our billing program (already made) we can anticipate more realistic revenues.

We will attempt to convince our software folks (Corbin Willits Systems) or MOM, that we feel their program error has a financial responsibility and we expect reimbursement. I don't know legally where that's at and will discuss with Counsel when he returns on June 2nd.

Sincerely,



Kurt W. Reed
General Manager

PRELIMINARY BUDGET
2009-2010

GENERAL FUND	April Closing ACTUAL		BUDGET	2009-2010 Preliminary Budget
REVENUE:				
WATER - RESIDENTIAL	\$798,537	83%	\$960,795	\$950,000
WATER - BUSINESS	\$111,990	46%	\$245,622	\$200,000
WATER - INDUSTRIAL	\$270	75%	\$360	\$300
METER INSTALLATION	\$1,956	16%	\$12,500	\$3,750
SERVICE INSTALLATIONS	\$81	5%	\$1,500	\$1,300
INSPECTION FEES	\$0	0%	\$5,000	\$0
SUGAR PINE SURCHARGE	\$147,030	83%	\$177,500	\$177,500
INTEREST - TAXES	\$403	47%	\$850	\$850
INTEREST - DISTRICT CHECKING	\$31	31%	\$100	\$75
PROPERTY TAX REVENUE	\$46,850	74%	\$63,280	\$76,000
WATER CHARGES PENALTIES	\$16,415	97%	\$17,000	\$19,000
SERVICE CHARGES & RECONNECTS	\$5,145	79%	\$6,500	\$6,500
MISCELLANEOUS INCOME	\$2,567	21%	\$12,500	\$7,000
STANDBY CHARGES	\$0	0%	\$2,700	\$2,700
TOTAL REVENUE:	\$1,131,275	75%	\$1,506,207	\$1,444,975
EXPENSES:				
SOURCE OF SUPPLY - SALARIES	\$7,970	123%	\$6,500	\$8,500
SOURCE OF SUPPLY - MAINTENANCE	\$900	90%	\$1,000	\$1,000
SOURCE OF SUPPLY - INSTRUMENTATION STL	\$745	19%	\$4,000	\$3,000
SOURCE OF SUPPLY - PIPELINE MAINTENANCE	\$106	1%	\$11,500	\$0
SOURCE OF SUPPLY - RESTORATION FEE	\$19,946	83%	\$24,000	\$24,000
SOURCE OF SUPPLY - STATE DAM INSPECTION	\$1,490	5%	\$29,000	\$29,000
SOURCE OF SUPPLY - H2O RIGHTS & STORAGE	\$1,029	94%	\$1,100	\$2,000
SOURCE OF SUPPLY - VEHICLE EXPENSE	\$285	57%	\$500	\$400
SOURCE OF SUPPLY - POWER	\$2,979	88%	\$3,400	\$3,000
SOURCE OF SUPPLY SUB-TOTAL	\$35,450	44%	\$81,000	\$70,900
PUMPING - MAINTENANCE	\$24	2%	\$1,000	\$250
PUMPING - POWER	\$6,362	85%	\$7,500	\$7,800
PUMPING - PROPANE	\$1,600			\$1,300
PUMPING - VEHICLE EXPENSE	\$220	55%	\$400	\$300
PUMPING SUB-TOTAL	\$8,206	92%	\$8,900	\$9,650
TREATMENT - SALARIES	\$90,688	89%	\$102,000	\$103,500
TREATMENT - EQUIPMENT MAINTENANCE	\$8,003	229%	\$3,500	\$7,000
TREATMENT - GENERAL MAINTENANCE	\$3,864	43%	\$9,000	\$4,500
TREATMENT - STATE DEPT. OF HEALTH SERVICE	\$3,980	33%	\$12,000	\$7,500
TREATMENT - WATER ANALYSIS	\$7,549	84%	\$9,000	\$9,000
TREATMENT - VEHICLE EXPENSE	\$2,723	91%	\$3,000	\$3,000
TREATMENT - VEHICLE MAINTENANCE	\$156	16%	\$1,000	\$250
TREATMENT - CHEMICALS	\$17,234	104%	\$16,500	\$20,000
TREATMENT - POWER	\$5,239	50%	\$10,500	\$7,200
TREATMENT - PROPANE	\$2,426			\$3,000
TREATMENT SUB-TOTAL	\$141,862	85%	\$166,500	\$164,950
T & D - SALARIES	\$150,269	80%	\$188,000	\$190,500
T & D - MAINTENANCE	\$19,767	107%	\$18,500	\$17,000

PRELIMINARY BUDGET
2009-2010

T & D - PIPELINE MAINTENANCE	\$2,310	27%	\$8,500	\$0
T & D - EQUIPMENT REPAIR	\$5,891	196%	\$3,000	\$3,500
T & D - VEHICLE EXPENSE	\$7,266	104%	\$7,000	\$8,000
T & D - VEHICLE MAINTENANCE	\$2,597	43%	\$6,000	\$3,000
T & D - USA	\$150	100%	\$150	\$150
T & D - SHOP PROPANE	\$241			\$250
T & D SUB -TOTAL	\$188,491	82%	\$231,150	\$222,400
METER READING - SALARIES	\$16,426	116%	\$14,200	\$17,000
METER READING - VEHICLE EXPENSE	\$1,209	90%	\$1,350	\$1,600
METER READING SUB-TOTAL	\$17,635	113%	\$15,550	\$18,600
ADMINISTRATION - SALARIES	\$182,556	80%	\$227,500	\$224,000
ADMINISTRATION - BOARD REMUNERATION	\$6,600	73%	\$9,000	\$0
ADMINISTRATION - OFFICE MAINTENANCE	\$1,651	83%	\$2,000	\$2,000
ADMINISTRATION - VEHICLE MAINT/EXPENSE	\$1,130	75%	\$1,500	\$1,500
ADMINISTRATION - ACCOUNTING & AUDITING	\$7,100	109%	\$6,500	\$7,500
ADMINISTRATION - COUNTY TAX COLLECTION	\$0	0%	\$2,600	\$2,500
ADMINISTRATION - LEGAL SERVICES	\$32,494	217%	\$15,000	\$20,000
ADMINISTRATION - ENGINEERING SERVICES	\$7,422	49%	\$15,000	\$8,500
ADMINISTRATION - OFFICE SUPPLIES	\$11,689	97%	\$12,000	\$14,000
ADMINISTRATION - UTILITIES/TELEPHONE	\$4,224	47%	\$9,000	\$5,500
ADMINISTRATION SUB-TOTAL	\$254,866	85%	\$300,100	\$285,500
TRAVEL - SEMINAR/WORKSHOP	\$3,917	65%	\$6,000	\$4,500
OTHER GENERAL EXPENSE	\$10,665	125%	\$8,500	\$9,000
PUBLIC INFORMATION PROGRAM	\$2,377	59%	\$4,000	\$3,500
DUES & SUBSCRIPTIONS	\$8,874	118%	\$7,500	\$9,000
COMPUTER ENHANCEMENT SERVICE	\$10,127	84%	\$12,000	\$13,000
WORKMAN'S COMPENSATION INSURANCE	\$20,165	134%	\$15,000	\$16,000
OPEB - MEDICAL PRE-FUNDING	\$0	0%	\$0	\$75,888
LIABILITY AND VEHICLE INSURANCE	\$27,211	80%	\$34,000	\$32,500
DENTAL INSURANCE	\$7,286	73%	\$10,000	\$9,000
FICA - MC	\$31,728	88%	\$36,000	\$38,500
VISION INSURANCE	\$2,905	83%	\$3,500	\$3,500
MEDICAL INSURANCE	\$95,983	74%	\$130,000	\$108,000
LIFE & DISABILITY INSURANCE	\$4,679	104%	\$4,500	\$5,600
RETIREMENT	\$88,157	96%	\$91,500	\$106,000
STATE UNEMPLOYMENT INSURANCE	\$1,433	96%	\$1,500	\$1,900
UNIFORMS	\$3,803	100%	\$3,800	\$4,700
EDUCATION INCENTIVE	\$1,477	37%	\$4,000	\$3,000
MAINTENANCE - GENERAL PLANT	\$266	27%	\$1,000	\$600
PROPERTY TAXES	\$65	87%	\$75	\$65
ELECTION EXPENSE	\$5,036	144%	\$3,500	\$0
PROPOSITION 218 COST	\$268	9%	\$3,000	\$0
SUGAR PINE DEBT SERVICE	\$132,313	57%	\$230,313	\$226,338
GENERAL EXPENSES SUB-TOTAL	\$458,735	75%	\$609,688	\$670,591
TOTAL EXPENSES:	\$1,105,245	78%	1,412,888	1,442,591
CONTRIBUTION TO RESERVES	\$26,030	28%	\$93,319	\$2,384

DISTRICT RESERVES

ACTUAL

BUDGET

PRELIMINARY BUDGET
2009-2010

BEGINNING BALANCE	\$479,280	98%	\$491,384	\$445,928
REVENUE:				
GENERAL FUND RESERVE FUNDING	\$26,030	27%	\$94,819	\$2,384
INTEREST	\$11,287	63%	\$18,000	\$15,000
GRANT REVENUE - PCWA - RATE STUDY	\$0		\$15,000	\$26,000
TOTAL REVENUE:	\$37,317	29%	\$127,819	\$43,384
EXPENSES:				
SOURCE OF SUPPLY				
MISCELLANEOUS TOOLS & EQUIPMENT/REN	\$0	0%	\$3,000	\$1,000
INSTRUMENT REPLACEMENT				\$6,000
TREATMENT				
MISCELLANEOUS TOOLS & EQUIPMENT/REN	\$2,240	90%	\$2,500	\$3,000
DISTRIBUTION				
MISCELLANEOUS TOOLS & EQUIPMENT/REN	\$458	9%	\$5,000	\$1,500
DIESEL CLEAN AIR COMPLIANCE				\$12,000
ADMINISTRATION				
ASSESSMENT #708: 91-02 & 91-03 LOAN	\$45,490	91%	\$50,000	\$100,000
MASTER PLAN - RATE STUDY	\$1,984	13%	\$15,000	\$26,000
TOTAL EXPENSES:	\$50,172	66%	\$75,500	\$149,500
ENDING BALANCE	\$466,425	86%	\$543,703	\$339,812

CAPITAL RESERVES	ACTUAL		BUDGET	
BEGINNING BALANCE	\$346,192	100%	\$346,192	\$164,000
REVENUE:				
DISTRICT SYSTEM CONNECT CHARGES	\$14,421	12%	\$120,175	\$30,000
INTEREST	\$10,481	50%	\$21,000	\$12,000
TOTAL REVENUE:	\$24,902	18%	\$141,175	\$42,000
EXPENSES:				
SOURCE OF SUPPLY				
SP DAM - DOORS/FLOATS	\$0	0%	\$3,500	\$1,500
TREATMENT				
(TANK UPGRADE)	\$3,348	33%	\$10,000	
MISCELLANEOUS	\$0	0%	\$2,000	\$2,000
DISTRIBUTION				
NEW SERVICE SUPPLIES	\$789.59	9%	\$8,500	\$1,000
ELECTRONIC READ METER PROJECT	\$122,201.00	111%	\$110,000	\$37,500
DISTRIBUTION LINE UPGRADE/REPLACEMENT	\$0	0%	\$5,000	\$0

PRELIMINARY BUDGET
2009-2010

INSTALL SAMPLE STATIONS	\$0	0%	\$7,000	\$0
ADMINISTRATION				
ASSESSMENT #708: 91-02 LOAN	\$16,667	67%	\$25,000	\$0
ASSESSMENT #708: 91-03 LOAN	\$16,667	67%	\$25,000	\$0
COMPUTER SOFTWARE/MISC HARDWARE	\$5,897	118%	\$5,000	\$4,000
FLEET				
2-2007 1/2 TON PICK-UP TRUCKS (LEASE)	\$14,175	84%	\$16,961	\$16,961
2-2009 1/2 TON PICK-UP TRUCKS (LEASE)	\$14,175	83%	\$17,000	\$17,000
	0	\$0	0%	\$13,192
TOTAL EXPENSES:	\$193,919	78%	\$248,153	\$79,961
ENDING BALANCE	\$177,175	74%	\$239,214	\$126,039

FACILITY REPAIR REPLACEMENT FUND (RESTRICTED)

BEGINNING BALANCE	\$0		0.00	\$76,000
REVENUE				
REPAIR REPLACEMENT SURCHARGE	\$60,249	67%	89,400.00	\$89,860
INTEREST	\$431	13%	3,200.00	\$3,400
TOTAL REVENUE	\$60,680	66%	92,600.00	\$93,260
EXPENSES				
REPAIR-REPLACEMENT (Engineering start costs for tank addition)	\$0		0	\$0
TOTAL EXPENSES	\$0		0	\$0
ENDING BALANCE	\$60,680	66%	92,600	169,260