

FORESTHILL PUBLIC UTILITY DISTRICT

www.foresthillpud.com

BOARD OF DIRECTORS

Duane L. Frink
William L. Sadler, Jr.
George S. Shaw
Brett C. Grant
Adam W. Larsen

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

NOTICE OF SPECIAL MEETING AGENDA FORESTHILL PUBLIC UTILITY DISTRICT

August 26, 2009
6:00 P.M.

Meeting Location
Foresthill Public Utility District Office
24540 Main Street
Foresthill, California

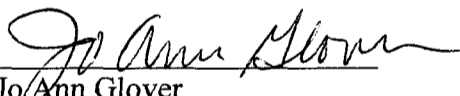
Duane L. Frink, President

William L. Sadler, Jr. Vice President
George S. Shaw, Director

Brett C. Grant, Treasurer
Adam W. Larsen, Director

- A. CALL TO ORDER & ROLL CALL
- B. PLEDGE OF ALLEGIANCE
- C. INTRODUCTIONS AND PRESENTATIONS
- D. PUBLIC COMMENT
Any member of the public may address the Board on any matter within the jurisdictional authority of the District, or on any item on this agenda before or during the Board'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 President in order to enable the Board to complete its agenda within a reasonable period of time.
- E. GENERAL ITEMS
 1. Action Item: Approve proposed 2009-2010 Proforma Budget.
 2. Action Item: Approve President Frink's request for a special meeting to be held on September 16, 2009 for presentation by Eco:Logic Engineers on Draft Water Rate Study.
- F. ADJOURNMENT

I certify that on August 19, 2009 I personally posted a copy of this agenda in public view at 24540 Main Street in Foresthill, California.


JoAnn Glover
Business Manager

Foresthill Public Utility District is committed to ensuring that persons with disabilities are provided the resources to participate fully in its public meetings. If you require disability related modifications or accommodations, including auxiliary aid or services, please contact the District Office.

P.O. Box 266 24540 Main Street Foresthill, California 95631-0266 (530) 367-2511 Fax (530) 367-4385

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MEMORANDUM

TO: Board of Directors
FROM: Kurt W. Reed
DATE: August 18, 2009

Enclosed you will note the proposed Proforma Budget with footnotes as per your direction at the Special Meeting/Board Workshop held August 17, 2009. The following is the explanation and computations of those footnoted items:

1. Miscellaneous Charges – Sugar Pine Surcharge, Repair Replacement Surcharge, accounts with a meter but have not been previously billed – meter off but available for service. Number of accounts vary but currently 40 such accounts.

a. Sugar Pine charge: $\$40 \times \$6.50/\text{mo} = \$260/\text{mo} \times 9.5 \text{ months} = \$2,470.00$ for the remainder of FY 2009-2010.

October 15, 2009 = \$180,000 Total

b. Repair Replacement Surcharge: $40 \times \$3.32/\text{mo} = \$132.80/\text{mo} \times 9.5 \text{ months} = \$1,262$ for the remainder of FY 2009-2010.

October 15, 2009 = \$91,122 Total (restricted).

c. Water Charges Penalties: Charge \$20 per “Door Tag” notification prior to disconnection for non-payment. Tags average 25 to 40 tags per month $\times \$20 = \500 to \$800 per month utilized \$650 per month $\times 9.5 \text{ months} = \$6,175$ for the remainder of fiscal year.

Increase service charge from \$40 during normal hours, \$60 after hours to \$50 and \$75 respectively. Should generate \$1,000.00 for the remainder of the fiscal year.

Increase returned check charge from \$15 to \$27 per occurrence. Projected to raise \$300 for the remainder of the fiscal year.

Total anticipated revenues due to the above described changes to General Fund \$9,945.

2. Salaries and Benefits – Employee wages frozen at June 30, 2009 levels, Board stipend suspended, no merit/step salary adjustment and no COLA adjustment. Wage suspension including payroll taxes = \$41,141.00.

3. Prop 1A – State of California 8% borrowing of local property tax revenue amounts to \$-6,640 ($\$83,000 \times 8\% = -\$6,640$) = \$76,360 in actual revenue. OPEB (GASB 45) requirement of pre-funding other Post Employment Benefits based on independent actuarial study performed by Bickmore Risk Services. Amount of required pre-funding fiscal Year 2009-2010 \$75,888.

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Existing retiree premium of \$25,000 is included in the listed amount (\$50,888 budget impact).

4. Contributions by District for payment of health, dental, vision, life, short/long term disability premiums and CalPers retirement capped at existing levels. Amounts to a savings of (8% health, 1.6% vision – unknown dental and others) \$4,586 remainder of the Fiscal Year (January through June).

As mentioned, miscellaneous charges do not require Prop. 218 notification but where applicable, do require an Ordinance or Resolution. Wage freeze and benefit caps are intended for Fiscal Year 2009-2010 or as you may wish to determine at any time.

It has been suggested that this proposed budget be an action item for approval at the meeting/hearing on the 26th of August, with the intent of adopting the appropriate Ordinance/Resolution pertaining to these miscellaneous charges at the next regular Board meeting, which will be held on September 9, 2009.

The actions listed above removes the previous anticipated deficit of (-\$8,132.00) and allows a very modest contribution to reserves of \$4,543.00. President Frink has suggested that the District schedule a Special Meeting/Workshop separate from our regular September 9th, 2009 meeting and have Eco:Logic's rate study presentation as a single agenda item.

Sincerely,



Kurt W. Reed
General Manager

FORESTHILL PUBLIC UTILITY DISTRICT
 PROFORMA BUDGET
 FISCAL YEAR 2009-2010

GENERAL FUND

REVENUE:

WATER - RESIDENTIAL	\$965,000	
WATER - BUSINESS	\$184,000	
WATER - INDUSTRIAL	\$325	
METER INSTALLATION	\$5,000	
SERVICE INSTALLATIONS	\$700	
INSPECTION FEES	\$0	
SUGAR PINE SURCHARGE	\$180,000	1.
INTEREST - TAXES	\$700	
INTEREST - DISTRICT CHECKING	\$50	
PROPERTY TAX REVENUE	\$76,360	3.
WATER CHARGES PENALTIES	\$19,000	
SERVICE CHARGES & RECONNECTS	\$12,750	1.
MISCELLANEOUS INCOME	\$9,000	
STANDBY CHARGES	\$2,500	

TOTAL REVENUE: \$1,455,385

EXPENSES:

SOURCE OF SUPPLY - SALARIES	\$10,000	2.
SOURCE OF SUPPLY - MAINTENANCE	\$1,000	
SOURCE OF SUPPLY - INSTRUMENTATION STUDY/REPORT	\$2,700	
SOURCE OF SUPPLY - PIPELINE MAINTENANCE	\$0	
SOURCE OF SUPPLY - RESTORATION FEE	\$23,000	
SOURCE OF SUPPLY - STATE DAM INSPECTION	\$31,000	
SOURCE OF SUPPLY -H2O RIGHTS & STORAGE FEES	\$1,200	
SOURCE OF SUPPLY - VEHICLE EXPENSE	\$400	
SOURCE OF SUPPLE - POWER	\$3,400	

SOURCE OF SUPPLY SUB-TOTAL \$72,700

PUMPING - MAINTENANCE	\$250	
PUMPING - POWER	\$7,200	
PUMPING - PROPANE	\$1,600	
PUMPING - VEHICLE EXPENSE	\$300	
PUMPING SUB-TOTAL	\$9,350	

TREATMENT - SALARIES	\$110,000	2.
TREATMENT - EQUIPMENT MAINENANCE	\$7,000	
TREATMENT - GENERAL MAINTENANCE	\$5,500	
TREATMENT - STATE DEPT. OF HEALTH SERVICES	\$4,500	
TREATMENT - WATER ANALYSIS	\$9,000	
TREATMENT - VEHICLE EXPENSE	\$2,700	
TREATMENT - VEHICLE MAINTENANCE	\$500	
TREATMENT - CHEMICALS	\$20,000	
TREATMENT - POWER	\$7,500	
TREATMENT - PROPANE	\$2,750	
TREATMENT SUB-TOTAL	\$169,450	

T & D - SALARIES	\$181,000	2.
T & D - MAINTENANCE	\$20,500	
T & D - FORESTHILL PIPELINE MAINTENANCE	\$0	
T & D - EQUIPMENT REPAIR	\$5,000	
T & D - VEHICLE EXPENSE	\$8,500	
T & D - VEHICLE MAINTENANCE	\$3,000	
T & D - USA	\$150	
T & D - SHOP PROPANE	\$250	
T&D SUB-TOTAL	\$218,400	

METER READING - SALARIES \$14,000 2.

CAPITAL RESERVES

Restricted by State Law

BEGINNING BALANCE	\$166,194
REVENUE:	
DISTRICT SYSTEM CONNECT (WILL SERVE)	\$38,456
INTEREST	\$10,500
TOTAL REVENUE:	\$48,956
EXPENSES:	
SOURCE OF SUPPLY	
SP DAM - DOORS/FLOATS	\$1,500
TREATMENT	
MISCELLANEOUS	\$1,500
DISTRIBUTION	
NEW SERVICE SUPPLIES	\$900
ELECTRONIC READ METER PROJECT	\$12,000
ADMINISTRATION	
COMPUTER SOFTWARE/MISC HARDWARE	\$5,000
FLEET	
2-2007 1/2 TON PICK-UP TRUCKS (LEASE)	\$16,961
2-2009 1/2 TON PICK-UP TRUCKS (LEASE)	\$17,000
TOTAL EXPENSES:	\$54,861
ENDING BALANCE	\$160,289

Facility Repair Replacement Fund
Restricted

BEGINNING BALANCE	\$75,551	
REVENUE:		
REPAIR REPLACEMENT SURCHARGE	\$91,122	1.
INTEREST	\$3,400	
TOTAL REVENUE:	\$94,522	
EXPENSES:		
REPAIR-REPLACEMENT	\$0	
TOTAL EXPENSES:	\$0	
ENDING BALANCE	\$94,522	

APPROVED THIS 26TH DAY OF AUGUST, 2009:

Duane L. Frink, President

William L. Sadler, Jr., Vice President

Brett C. Grant, Treasurer

George S. Shaw, Director

Adam W. Larsen, Director

ATTEST:

Clerk Thereof

FOOTNOTE:

1. Increase in Miscellaneous Charges: COP Sugar Pine Debt Surcharge, Repair Replacement Surcharge to accounts previously not billed; disconnect "Door Hanger Fee", Service Charge Fees (\$40-\$60 to \$50 -\$75) and increase in Return Check Charges to \$27.
2. Employee salaries frozen at June 30, 2009 level, no COLA Review, no Merit Increase and Board Stipend suspended.
3. Includes 8% tax borrowing by State of California (-\$6,640) and other Post Employment Benefits Prefunding Expense of \$75,888 as per Government Accountancy Standard Board Rule 45
4. Contributions by District to employee health, welfare and retirement benefits are capped at June 30, 2009 levels. 2 & 4 is intended for Fiscal Year 2009-2010 or as otherwise determined by the Board of Directors.