



July 1, 2015

To the Directors of the Board:

The FY 2016 Adopted Budget provides funds to implement the FY 2016 Work Plan developed by the District management team in February 2015 per the following District strategic goals:

- **Water Resource Management:** Meet the current and future water supply needs of its customers;
- **Infrastructure Integrity:** Provide continual investment in its infrastructure;
- **Financial Stewardship:** Manage its financial resources in a responsible manner;
- **Public Outreach:** Foster relationships and communications with its stakeholders and the community; and
- **Organizational Vitality:** Commit to retaining the highest quality employees and board members.

In the April and May meetings, the Finance Committee reviewed and commented on the Proposed Operating Budget. In the April meeting, the Engineering Committee reviewed and commented on the Proposed Projects Budget. At the end of the review, each Committee took action to recommend to the Board the adoption of the Proposed Budget in the June Board meeting.

Major changes included in the FY 2016 Budget are:

1. Establishment of the Potable Water (01) Fund and the Recycled Water (02) Fund
2. Option of a short-term loan of \$1,000,000 for the Hanson Quarry project

The increasing demand for clarity in the financial data of potable water activities vs. recycled water activities necessitated the establishment of the Potable Water Fund and the Recycled Water Fund to account for revenue and expenses separately. As FY 2016 is the first year to track revenue and expenses separately, a 90/10 rule was made to split the general and administrative expenses in the Potable Water Fund and the Recycled Water Fund. The rule was based on the ratio of the respective revenue receipts and it is subject to future review and changes.

A short-term loan of \$1,000,000 is proposed for the Hanson Quarry project to bridge the grant reimbursements which can be one or two years in arrears. The loan will be eventually repaid with the grant monies within 5 or 6 years.

**FY 2016 BUDGET SUMMARY:**

	Potable Water (01)	Recycled Water (02)	District Total
<b>REVENUE</b>			
Operating Revenue			
Potable water sales	\$ 2,913,830	\$ -	\$ 2,913,830
Recycled water sales	-	380,520	380,520
Water service revenue	1,573,660	-	1,573,660
Subtotal	\$ 4,487,490	\$ 380,520	\$ 4,868,010
Non-Operating Revenue			
Property Taxes	703,680	-	703,680
Misc Non-Operating Revenue	16,400	-	16,400
Subtotal	\$ 720,080	\$ -	\$ 720,080
Capital Contributions	840,000	450,000	1,290,000
<b>TOTAL REVENUE</b>	<b>\$ 6,047,570</b>	<b>\$ 830,520</b>	<b>\$ 6,878,090</b>
Short-term Financing:	\$ -	\$ 1,000,000	\$ 1,000,000
<b>TOTAL FUNDING RESOURCES:</b>	<b>\$ 6,047,570</b>	<b>\$ 1,830,520</b>	<b>\$ 7,878,090</b>
<b>EXPENSE</b>			
Operating Expense			
Administration	\$ 630,440	70,060	\$ 700,500
Water Use Efficiency	268,975	-	268,975
Finance/CS	575,340	60,930	636,270
Operations	2,294,510	281,210	2,575,720
Engineering	207,740	9,330	217,070
Board	102,300	12,730	115,030
Total Operating Budget	\$ 4,079,305	\$ 434,260	\$ 4,513,565
Debt Service	\$ 530,579	\$ 270,493	801,072
Projects	\$ 1,400,000	\$ 1,500,000	2,900,000
<b>TOTAL EXPENSE</b>	<b>\$ 6,009,884</b>	<b>\$ 2,204,753</b>	<b>\$ 8,214,637</b>
FY 2016 Projects Rollover	1,500,554	75,000	1,575,554
<b>TOTAL BUDGET W/ROLLOVER</b>	<b>\$ 7,510,438</b>	<b>\$ 2,279,753</b>	<b>\$ 9,790,191</b>
Required from Reserves	\$ (1,462,868)	\$ (449,233)	\$ (1,912,101)

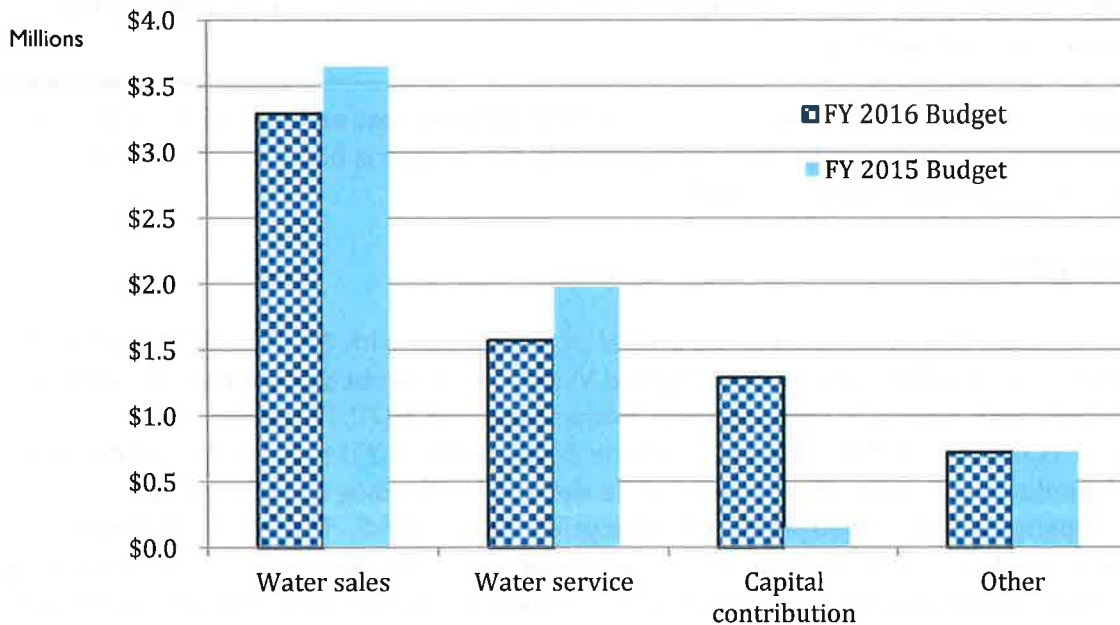


**REVENUE:**

The Adopted Operating Budget has a revenue total of \$6,878,090 with \$6,047,570 in the Potable Water Fund and \$830,520 in the Recycled Water Fund.

Two-year Comparison:

Revenue	FY 2016 Budget	FY 2015 Budget	Variance	%
Water sales	\$ 3,294,350	\$ 3,650,193	\$ (355,843)	-9.7%
Water service	\$ 1,573,660	\$ 1,980,191	\$ (406,531)	-20.5%
Capital contribution	\$ 1,290,000	\$ 150,000	\$ 1,140,000	760.0%
Other	\$ 720,080	\$ 724,874	\$ (4,794)	-0.7%
	<b>\$ 6,878,090</b>	<b>\$ 6,505,258</b>	<b>\$ 372,832</b>	<b>5.7%</b>



The Water Sales budget of \$3.3 million reflects a continued voluntary usage reduction of 15%-20% compared with 2013, an additional loss of \$200,000 from the State mandate of usage reduction, and a rate increase of 3.7% in December 2015. Though the voluntary usage reduction program was aimed at potable water customers, recycled water customers proved to reduce usage at almost the same rate as potable water. As such, the recycled water sales budget also reflects a reduction of 15%-20% compared with 2013. Because potable water sales are vulnerable to drought, future water sales growth should weigh more heavily on the recycled water sales expansion.

Water Service includes basic meter service, impact fees, connection charges, development project review charges, will-serve application fees and well permits. The budget of \$1.6 million reflects a meter service fee increase of 1% in December 2015, 19 new connections (9 domestic and 10 fire) for basic meter service, an amount of \$10,000 for development project review charges and \$1,000 for will-serve applications. The FY 2016 decrease of \$0.4 million/20.5% primarily reflects the decreasing impact fees and connection charges due to tapering pending meter sales in the pipeline.

Capital Contribution includes grants from government agencies and contributions from developers and project partners for capital projects. The budget of \$1.3 million includes Prop 50 of \$50,000 for the Emergency Interties project with the San Lorenzo Valley Water District, Prop 84 of \$750,000 for the Transit Center Stormwater Retention System, \$50,000 for the Santa Margarita Water Basin Modeling, and \$75,000 for the Hanson Quarry feasibility study.

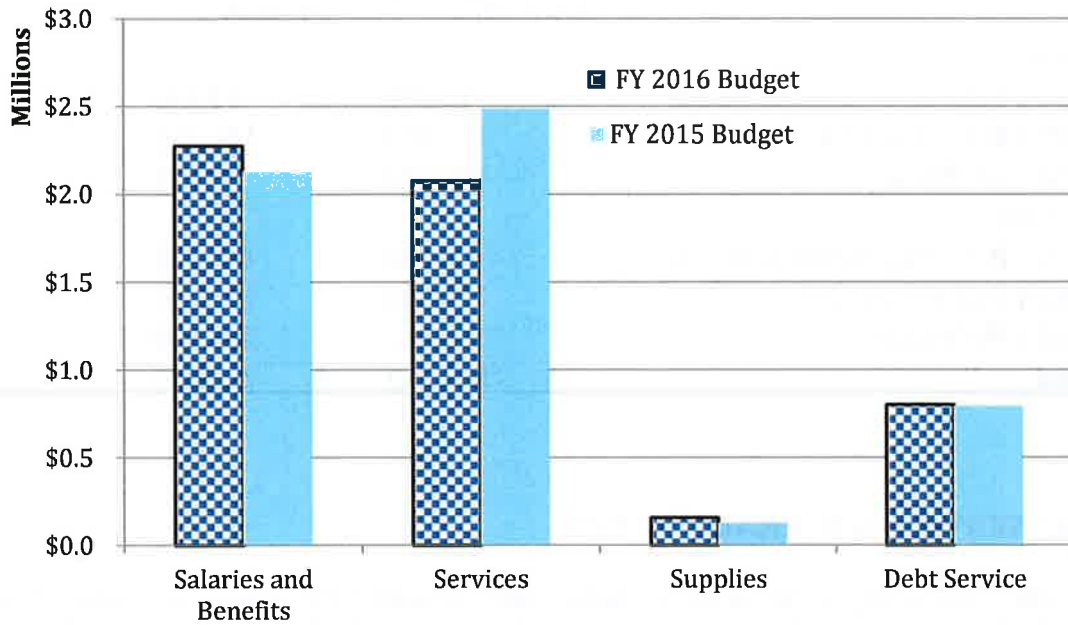
Other Revenue includes property taxes of \$703,680, interest earnings of \$14,600 and miscellaneous receipts of \$1,800. The property tax budget is based on the County's projections released in March 2015.

## **EXPENSE**

The Adopted Operating Budget has a total of \$4,513,565 with \$4,079,305 in the Potable Water Fund and \$434,260 in the Recycled Water Fund. Debt service has a budget of \$801,072 with \$530,579 in the Potable Water Fund and \$270,493 in the Recycled Water Fund. The 2003 Refunding Revenue Bonds and the 2011 Wells Fargo Loan are budgeted in the Potable Water Fund while the 2004 Refunding Certificates of Participation (COP) is budgeted in the Recycled Water Fund. The 2004 COP was issued to refund the 1997-1 Certificates of Participation for the construction of the City of Scotts Valley Recycled Water Treatment Facility and a distribution system consisting of two steel water storage tanks, one 250,000 gallons and one 750,000 gallons capacity; 6,900 feet of 8" distribution mains; and a booster pumping station.

Two-year Comparison

Operating Expense:	FY 2016 Budget	FY 2015 Budget	Variance	%
Salaries and Benefits	\$ 2,278,000	\$ 2,133,377	\$ 144,623	6.8%
Services	\$ 2,078,640	\$ 2,488,337	\$ (409,697)	-16.5%
Supplies	\$ 156,925	\$ 126,680	\$ 30,245	23.9%
Subtotal	\$ 4,513,565	\$ 4,748,394	\$ (234,829)	-4.9%
Debt Service	\$ 801,072	\$ 793,989	\$ 7,083	0.9%
TOTAL	\$ 5,314,637	\$ 5,542,383	\$ (227,746)	-4.1%



The Salaries and Benefits budget has a total of \$2.3 million, reflecting 17.5 FTE positions (unchanged from FY 2015), applicable salary and step increases, COLA of 2.8% for eligible positions, the first allotment of pension unfunded liability of \$86,980, and benefits per the employee MOU or the employment contracts. The FY 2016 increases of \$144,623/6.8% would be reduced to \$57,643/2.7% without the pension unfunded liability of \$86,980. The annual allotment will increase each year in the next four years for the 5-year ramp up and stay flat for 20 years before decreasing annually for the 5-year ramp down. The option to pay down the pension unfunded liability more than the annual allotment will be discussed in a separate agenda report.

The Services budget has a total of \$2.1 million, a decrease of \$0.4 million from FY 2015 primarily due to improvement in operating efficiencies and the completion of one-time programs by 6/30/2015 as follows:

- One-time projects completed in FY 2015: Direct Installation of Toilet program of \$100,000 and Asset Management Plan of \$100,000
- Reassessment of need in engineering services (\$100,000) and treatment plant maintenance (\$80,000)

The Supplies budget has a total of \$0.2 million, an increase of \$30,000 from FY 2015 due to an accounting classification of rebates from Services to Supplies.

### **DEBT SERVICE**

FY 2016 is budgeted with interest of \$281,072 and principal of \$520,000 for the three debts as shown below:

	FY 2016	FY 2015
Interest:		
2003 Refunding Revenue Bonds	\$ 28,310	\$ 33,643
2004 Refunding COP	110,493	116,333
2011 WFB Loan	142,269	149,013
Principal		
2003 Refunding Revenue Bonds	150,000	140,000
2004 Refunding COP	160,000	150,000
2011 WFB Loan	210,000	205,000
Total	\$ 801,072	\$ 793,989

### **DEBT SERVICE COVERAGE RATIO**

The 2004 Refunding Certificates of Participation requires the collected revenues sufficient in each fiscal year to provide net revenues equal to at least 1.20 times the sum of the amount of the Installment payments due in the fiscal year, and the aggregate amount of annual debt service or other payments due in such fiscal year with respect to outstanding parity obligations.

The FY 2016 Budget presents a debt coverage ratio of 1.34.

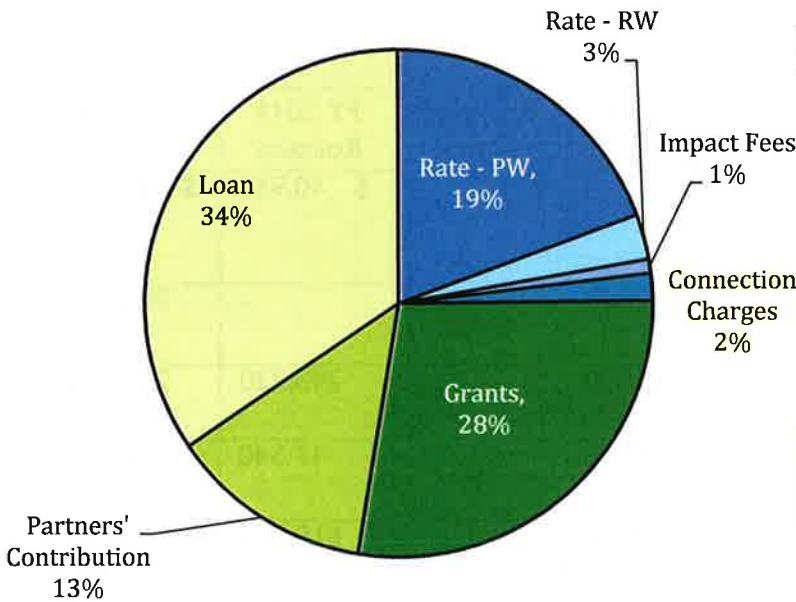
### **PROJECTS:**

The FY 2016 Projects budget has a total of \$2.9 million with \$1.4 million in the Potable Water Fund and the remaining \$1.5 million in the Recycled Water Fund. Existing projects to continue into FY 2016 are estimated to be \$1,575,554 with \$1,500,554 in the Potable Water Fund and \$75,000 in the Recycled Water Fund.

Summary of the projects is shown as follows:

Category	Project	Potable Water	Recycled Water	FY 2016 Rollover	FY 2016 Total
Transmission Mains	Emergency Intertie with San Lorenzo Valley Water District (SLVWD)	\$ -	\$ -	\$ 40,963	\$ 40,963
Treatment Plants	Orchard Run WTP Water Quality Improvements	200,000	-	-	200,000
Storage Tanks	MacDorsa Tank Rehabilitation	50,000	-	248,220	298,220
Pump Stations	El Pueblo Pumps Reconfiguration	60,000	-	17,540	77,540
Wells	Lompico Formation Production Well (IIA Site)	-	-	619,000	619,000
Recycled Water Program	Hanson Quarry Groundwater Recharge	-	1,500,000	75,000	1,575,000
Other	Transit Center Stormwater Retention System	730,000	-	145,000	875,000
District Facilities	Office Facility Upgrades	224,000	-	375,742	599,742
District Facilities	Electronic Security Access	25,000	-	-	25,000
Technology Upgrades	SCADA Phase 3 Upgrade	26,000	-	24,089	50,089
Technology Upgrades	Accounting & Utility Billing Software Replacement	-	-	30,000	30,000
Vehicles/ Equipment	Specialized Operations Vehicles	85,000	-	-	85,000
<b>TOTAL</b>		<b>\$1,400,000</b>	<b>\$1,500,000</b>	<b>\$1,575,554</b>	<b>\$4,475,554</b>

Funding of the Projects budget includes pay-as-you-go of \$720,000/24.8% and capital contributions of \$2,180,000/75.2% as shown on the next page. The capital contribution includes a short-term loan of \$1 million, grants of \$0.8 million and partners of the Hanson Quarry project for \$0.4 million.



Funding	FY 2016
Rate - PW	\$ 560,600
Rate - RW	\$ 83,400
Impact Fees	\$ 26,000
Connection Charges	\$ 50,000
<b>Grants</b>	<b>\$ 805,000</b>
<b>Partners' Contribution</b>	<b>\$ 375,000</b>
<b>Loan</b>	<b>\$1,000,000</b>
<b>Total</b>	<b>\$2,900,000</b>

**Grants, Partners' Contribution and Loan add up to \$2,180,000/75.2%.**

### BUDGET CONTROL

The Operating line item budget represents an estimate based on the then current operations at the time the budget was prepared. As the District management team continues to improve operating efficiencies and apply best business practices, the actuals might not be in line with the budget compiled 18 months ago. The budget control, therefore, is set at the major category (Salaries and Benefits, Services and Supplies) within a division.

Each Division Manager is responsible for his/her division budget. The General Manager is responsible for the District budget with authority to move budget between divisions.

Budget control for projects is set at the project level. A new project not listed in the previous page requires the Board's review and approval through an agenda report.

### EXPENSE FUNDING

FY 2016 is the first year to separate the Recycled Water from the Potable Water Fund. As the District has not tracked recycled water revenue and expenses separately, the Recycled Water Fund will start with a zero fund balance on 7/1/2015. In general, recycled water revenue receipts, debt service for the 2004 Refunding COP, repairs and maintenance of the recycled water plant, 10% of the general and administrative expenses, and the Hanson Quarry project are budgeted in the Recycled Water Fund. As the budget needs to be balanced at the fund level, a transfer of \$449,233 from the Potable Water Fund to the Recycled Water Fund is required to balance the FY 2016 Budget.



**FUND BALANCE**

Fund Balance is defined as funds readily available for new expenses and/or commitments. It is based on working capital, calculated as current assets minus current liabilities. The FY 2016 fund balance by 6/30/2016 is projected as follows:

Audited Fund balance as of 6/30/2014: \$ 6,201,354

FY 2015	
Estimated Revenue	\$ 6,232,867
Estimated Expense	(4,105,360)
Debt Service	(793,989)
Project Spending	(924,604)
Increase/(Decrease) of Fund Balance	\$ 408,914

**Projected Fund Balance 6/30/2015 \$ 6,610,268**

FY 2016	Fund (01)	Fund (02)	District Total
Beginning Fund Balance	\$ 6,610,268	\$ -	\$ 6,610,268
Estimated Revenue	6,047,570	830,520	6,878,090
Estimated Expense	(4,079,305)	(434,260)	(4,513,565)
Debt service	(530,579)	(270,493)	(801,072)
Capital Projects	(1,400,000)	(1,500,000)	(2,900,000)
Subtotal:	\$ 6,647,954	\$(1,374,233)	\$ 5,273,721
FY 2016 Capital Project Rollover	\$(1,500,554)	\$ (75,000)	\$(1,575,554)
Transfer from 01 Fund to 02 Fund	(449,233)	449,233	-
Short-term financing	-	1,000,000	1,000,000
<b>Projected FB 6/30/2016</b>	<b>\$ 4,698,167</b>	<b>\$ -</b>	<b>\$ 4,698,167</b>

The fund balance is projected to decrease from \$6.6 million to \$4.7 million by 6/30/2016. The decrease of \$1.9 million reflects a revenue shortfall to fully fund the Adopted Projects budget of \$2.9 million. The fund balance will be further reduced by \$1 million if the Board approves the defeasance of the 2003 Refunding Revenue Bonds and a payment of \$500,000 towards the pension unfunded liability. A comprehensive fee/rate study will be conducted in FY 2016 to set fees and rates at a sustainable level for financial solvency.

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In summary, the FY 2016 Budget reflects an Operating revenue budget negatively impacted by the ongoing drought, mitigated by a reduced expense budget reflecting operating efficiencies, and a Projects budget shrewdly financed by loan and capital contribution at 75 cents on a dollar.

Respectfully submitted,



Piret Harman  
General Manager

Attachments:

- Exhibit I: FY 2016 Adopted Revenue Budget
- Exhibit II: FY 2016 Adopted Operating and Debt Service Budget
- Exhibit III: FY 2016 Adopted Projects Budget

Scotts Valley Water District (SVWD)

EXHIBIT I

FY 2016 Revenue Budget

Revenue	Account	FY 2015 Budget	FY 2015 Est. Actual	FY 2016 Adopted Budget		Explanations
				Potable Water	Recycled Water	
<b>Operating Revenue</b>						
Water Sales - Operating Sales (OS)						
OS-Single Family Usage	41101	1,667,283	\$ 1,445,820	1,513,230	-	
OS-Multi Family Residential Usage	41102	256,142	227,160	235,800	-	
OS-Business	41103	680,285	712,660	739,740	-	
OS-Industrial	41104	142,234	142,450	147,860	-	
OS-Irrigation/Landscape	41105	332,704	282,510	293,240	-	
OS-Others	41106	134,656	128,920	133,820	-	
		\$ 3,213,304	\$ 2,939,520	\$ 3,063,690.00	\$ -	
Sales/ Other - Late Payment Penalty Fee	41300	25,600	38,290	39,750	-	
Sales/ Other - Bulk Water Sales	41200	15,000	10,000	10,390	-	
Loss from State Initiatives	41900	(141,052.00)	0	(200,000)	-	Governor's mandate for water usage reductions
		\$ 3,112,852.00	\$ 2,987,810	\$ 2,913,830.00	\$ -	
Sales/ Irrigation - Recycled Water	41105	537,341	349,340		380,520	
<b>Subtotal Water Sales</b>		\$ 3,650,193	\$ 3,337,150	\$ 2,913,830.00	\$ 380,520.00	
Water Service:						
Service/Standby - Basic Meter Service	42100	1,265,630	1,238,512	1,257,920	-	
Service/ Other - Connection - Meter & I	42101	15,758	15,898	3,960	-	
Service/ Other - Connection - Capacity	42102	258,736	193,995	94,530	-	
Service/ Fire Prevention - Sale of Fire	42120	16,006	13,560	3,650	-	
Service/ Fire Prevention - Fire Meter S	42121	71,114	74,550	79,340	-	
Service/ Standby - Water Replenishment	42130	323,695	259,109	118,260	-	
Service/ Other - Will Service Applicati	43100	2,052	800	1,000	-	Will serve application slowing down
Service/ Other - Development Project Re	43200	26,000	10,000	10,000	-	Development projects slowing down
Service/ Other - Misc. Operating Revenu	43300	1,200	10,000	5,000	-	New account setup fees/ reconnect fees
Recycled Connection - Meter & Installation	42101	-	14,117	-	-	
Recycled Connection - Capacity	42102	-	25,902	-	-	
Reimbursable Job Assignments	43400	-	2,642	-	-	
		1,980,191	1,859,085	1,573,660	-	
<b>Subtotal Water Service</b>		\$ 1,980,191	\$ 1,859,085	\$ 1,573,660	\$ -	
<b>Total Operating Revenue</b>		\$ 5,630,384	\$ 5,196,235	\$ 4,487,490	\$ 380,520	
<b>Capital Contributions:</b>						
State Grant - Prop 50	45210	50,000	150,430	40,000	-	
State Grant - Prop 84	45220	100,000	100,000	800,000	-	LID: 750,000; SMGW modeling \$50,000
State Grant - Prop 84	45220	-	-	-	75,000	
State SB 90 Reimbursements	45230	-	2,520	-	-	
Local Grant - City of Scotts Valley	45260	-	22,400	-	-	
Capital contributions	45400	-	-	-	375,000	
<b>Total Capital Contributions</b>		\$ 150,000	\$ 275,350	\$ 840,000	\$ 450,000	

Scotts Valley Water District (SVWD)

EXHIBIT I

FY 2016 Revenue Budget

Account	FY 2015 Budget	FY 2015	FY 2016 Adopted Budget		Explanations
			Potable Water	Recycled Water	
<b>Other Revenue:</b>					
Misc. Non-Operating Revenue	47520	-	40	-	-
Property Taxes	46000	694,174	710,000	703,680	-
Interest and Dividend	47110	5,132	3,400	2,470	-
Interest and Dividend - Bond Funds	47115	12,668	5,820	5,950	-
Earned Interest - LAIF	47120	5,900	5,670	6,180	-
Misc. Non-Operating Revenue	47520	7,000	18,285	1,800	-
Unrealized gains/(losses)	47530	-	(1,762)	-	-
Gain/(Loss) on sale of fixed assets	47550	-	19,830	-	-
<b>Total Other Revenue</b>	<b>\$ 724,874</b>	<b>\$ 761,282</b>	<b>\$ 720,080</b>	<b>\$ -</b>	
	<b>\$ 6,505,258</b>	<b>\$ 6,232,867</b>	<b>\$ 6,047,570</b>	<b>\$ 830,520</b>	

**Scotts Valley Water District (SVWD)**  
**FY 2016 ADOPTED BUDGET**

**EXHIBIT II**

Account Description	Account	FY 2015 Budget	Est. 2015 TTL	FY 2016 Adopted Budget		Explanation
				Potable Water (01) Fund	Recycled Water (02) Fund	
<b>EXPENSE</b>						
<b>PERSONNEL SERVICES - ADMIN</b>						
Regular Pay	51110	212,100	217,153	229,040		
Temporary employees (as-needed)	51111	-	5,041	-		
Separation Pay	51115	-	-	-		
Special Vacation Pay	51132	-	6,251	6,270		
Vehicle-phone-data allowance	51150	2,880	2,880	2,880		
Medicare	51161	3,204	3,392	3,580		
Social Security Taxes (as-needed)	51162	-	313			
Retirement - 2.0% at 55	51202	33,028	1,468	18,330		
Retirement - Unfunded Liab Allocation	51204	-	-	86,980		
Retirement - Survivor Benefit	51206	48	48	50		
Group Medical Insurance	51210	16,354	15,334	15,510		
Cash-in-lieu	51211	6,000	6,000	6,000		
Group dental insurance	51212	2,352	2,239	2,190		
Vision insurance	51213	450	445	450		
Deferred Compensation/HSA Contribution	51215	-	5,600	3,850		
Other Post-Employment Benefits (OPEB)	51220	4,493	5,397	6,460		
Life and AD&D	51214	642	649	660		
Employee Assistance Program	51216	-	30	70		
Workers' Comp	51240	1,902	1,955	2,180		
Tuition Reimbursement	51250	5,250	-	5,250		
S+B - Recycled Water	51700	-	-	(38,980)		
S+B - Recycled Water	51700	-	-	-	38,980	
<b>Total Personnel Services - Admin</b>		<b>288,703</b>	<b>274,195</b>	<b>350,770</b>	<b>38,980</b>	
<b>SERVICES - ADMIN</b>						
Contractual Services	52110	30,000	17,815	22,500	2,500	RWMF-15K, LAFCO-10K
Landscape Maintenance	52120	-	7,296	4,860	540	2 Civic Center Dr (only)
Outside Professional Services	52210	47,500	42,930	52,200	5,800	Communications Specialist 50K, HR Consultant 3K, Prof Assistance 5K
IT Services	52230	50,000	45,000	43,200	4,800	Exceedio
Web development and maintenance	52231	40,605	35,000	4,500	500	Website hosting + Assistance with upgrades
Legal Expenses	52250	30,000	28,000	32,400	3,600	FY 2016 legal contractual services
Software licensing/maintenance	52410	-	-	-	-	
Equipment rental and maintenance	52420	3,420	3,870	4,500	500	Copier lease + additional for move
Travel/conference/meetings	52510	12,000	7,000	9,000	1,000	Assistant 3K, GM 7K
Employee Training	52520	4,000	4,000	4,500	500	

**Scotts Valley Water District (SVWD)**  
**FY 2016 ADOPTED BUDGET**

**EXHIBIT II**

Account Description	Account	FY 2015 Budget	Est. 2015 TTL	FY 2016 Adopted Budget		Explanation
				Potable Water (01) Fund	Recycled Water (02) Fund	
Dues and memberships	52530	15,000	15,000	13,500	1,500	
Employee Recognition	52540	2,500	2,000	2,250	250	
Legal Advertising	52620	2,000	100	900	100	
Advertising and promotion	52630	5,000	2,000	3,150	350	
Recruitment	52660	500	150	270	30	
Safety Expenses	52700	1,000	-	9,630	1,070	Review/develop Safety Program 10K, Ergonomic evaluation
HR and Benefit Processing Fees	52725	2,000	1,900	1,800	200	
General Building and Office Maintenance	52810	10,000	10,000	11,250	1,250	Janitorial 9K (HQ+El Pueblo), Stordok \$500, HVAC 1K, Misc 2K
Contingency - Litigation	52950	18,900	-	13,500	1,500	
Sewer	52310	350	250	220	30	
Solid Waste	52320	700	462	450	50	
Utilities - Electric	52330	8,500	8,000	6,750	750	Solartubes from Office Renovation should reduce the electric bill
Utilities - Telephone	52340	30,000	22,800	21,600	2,400	MOVE to respective Divisions: Verizon: \$3800 (9 lines, all Operations) + AT&T and Telepacific
<b>Total Services - Admin</b>		<b>313,975</b>	<b>253,573</b>	<b>262,930</b>	<b>29,220</b>	
<b>SUPPLIES - ADMIN</b>						
Office supplies	53100	12,000	8,100	8,100	900	
Office Equipment	59750	2,000	2,000	1,800	200	Placeholder for new equipment after remodel
Books and subscriptions	53400	280	600	540	60	
Special Division Supplies	53700	4,000	4,000	2,700	300	Promotional items
Furniture and Furnishings	59800	2,000	4,000	3,600	400	Placeholder for miscellaneous items after remodel
<b>Total Supplies - Admin</b>		<b>20,280</b>	<b>18,700</b>	<b>16,740</b>	<b>1,860</b>	
<b>TOTAL ADMIN DIVISION</b>		<b>622,958</b>	<b>546,468</b>	<b>630,440</b>	<b>70,060</b>	
<b>PERSONNEL SERVICES - WUE</b>						
Regular Pay	51110	60,293	65,677	69,220		
Overtime	51114	4,500	2,335	-		
Vehicle-phone-data allowance	51150	480	480	480		
Medicare	51161	881	966	1,030		
Retirement - 2.0@55	51202	10,873	309	5,540		
Retirement - Survivor Benefit	51206	24	24	30		
Group Medical Insurance	51210	9,374	8,183	7,630		
Group Dental Insurance	51212	443	422	420		

**Scotts Valley Water District (SVWD)**  
**FY 2016 ADOPTED BUDGET**

**EXHIBIT II**

Account Description	Account	FY 2015 Budget	Est. 2015 TTL	FY 2016 Adopted Budget		Explanation
				Potable Water (01) Fund	Recycled Water (02) Fund	
Vision	51213	225	223	230		
Deferred Compensation/HSA Contribution	51215	-	2,200	1,450		
Life and AD&D	51214	167	263	320		
Employee Assistance Program (EAP)	51216	-	15	40		
Workers' compensation	51240	562	786	810		
Salaries and Benefits Savings	51699	-	-	-		
<b>Total Personnel Services - WUE</b>		<b>87,822</b>	<b>81,883</b>	<b>87,200</b>	<b>-</b>	
<b>SERVICES - WUE</b>						
Outside Professional Services	52210	46,000	45,625	70,000		2015 UWMP Update & Other Professional
Drought Enforcement Assistance	52310		2,000	6,000		Outside help with enforcement of outdoor
Travel/Conference/Meetings	52510	2,000	2,000	1,000		Professional development
Advertising and Promotion	52630	-	6,000	10,000		Ads and bill inserts
Community outreach/Continued education	52640	39,100	1,000	16,700		Conservation Coalition programs, Shared Speaker Series
Safety Expenses	52700	500	-	-		
Drought Response - Rebates	52760	30,000	35,348	-		
Drought Response - Free Toilet Direct I	52761	70,000	70,798	-		
<b>Total Services - WUE</b>		<b>187,600</b>	<b>162,771</b>	<b>103,700</b>	<b>-</b>	
<b>SUPPLIES - WUE</b>						
Rebates - Miscellaneous	53250	42,900	25,000			
Rebates - Turf/Drip Replacement	53260			45,000		Turf replacement and drip irrigation
Rebates - Other Outdoor Efficiencies	53270			10,575		Rainwater catchment, downspout diversion,
Rebates - Indoor Efficiencies	53280			5,250		Toilets, greywater catchment
Promotional give-away items	53290			3,000		Sink and shower aerators, toilet leak detection
Special Division Supplies	53700	-	35,000	14,250		Conservation Coalition materials, education
<b>Total Supplies - WUE</b>		<b>42,900</b>	<b>60,000</b>	<b>78,075</b>	<b>-</b>	
<b>TOTAL WATER USE EFFICIENCY DIVISION</b>		<b>318,322</b>	<b>304,654</b>	<b>268,975</b>	<b>-</b>	
<b>PERSONNEL SERVICES - FINANCE/CS</b>						
Regular pay	51110	194,489	241,888	258,370		
Temporary employeess (as-needed)	51111	22,378		-		
Overtime	51114	4,000	2,000	7,560		
Separation Pay	51115			-		
Special vacation pay	51132	-	620	620		
Medicare	51161	3,145	3,552	3,860		
Social Security (As-Needed)	51162	1,387	28	-		
Retirement - 2.7 at 55	51201	14,738	11,059	7,950		
Retirement - 2.0 at 55	51202	24,506	762	12,940		

**Scotts Valley Water District (SVWD)**  
**FY 2016 ADOPTED BUDGET**

**EXHIBIT II**

Account Description	Account	FY 2015 Budget	Est. 2015 TTL	FY 2016 Adopted Budget		Explanation
				Potable Water (01) Fund	Recycled Water (02) Fund	
Retirement - PEPRA 2.0 at 62	51203	-	1,595	2,050		
Retirement - survivor benefit	51206	73	93	100		
Group health insurance	51210	29,153	24,531	21,800		
Cash-in-lieu	51211	3,000	4,500	4,500		
Group dental insurance	51212	2,151	2,368	2,600		
Vision insurance	51213	671	668	680		
Deferred Compensation/HSA Contribution	51215	-	5,200	4,700		
Other post-employment benefits (OPEB)	51220	41,700	40,141	41,500		
Life and AD&D	51214	434	759	780		
Employee Assistance Program (EAP)	51216	-	61	130		
Unemployment Insurance	51230	-	71	80		
Workers' compensation	51240	1,783	2,193	2,510		
Tuition Reimbursement	51250	6,300	3,020	3,050		
Salaries and Benefits Savings	51699	-	(31,000)	-		
S+B - Recycled Water	51700			(37,580)		
S+B - Recycled Water	51700	-	-		37,580	
<b>Total Personnel Services - Finance/CS</b>		<b>349,908</b>	<b>314,109</b>	<b>338,200</b>	<b>37,580</b>	
<b>SERVICES - FINANCE/CS</b>						
Outside professional services	52210	20,000	20,000	50,000	5,000	Fee/rate study - consultant \$40,000 (lower than Soquel's \$50K); OPEB actuary report: \$15,000
Audit services	52240	25,000	25,000	27,700	-	Actuarial reports \$900*3 + audit contract
SVWD PFC Taxes	52260	10	10	-	10	
Temp (staffing) agencies	52270	-	31,471	-	-	
Liability insurance	52300	69,400	58,183	55,000	6,000	3% increases over the actual
Property insurance	52400	14,200	13,535	12,780	1,420	Use FY 2015 budget
Software licensing/maintenance	52410	11,900	11,544	23,400	2,600	Including both new and legacy software systems. Ongoing: \$17,000
Equipment rental and maintenance	52420	-	800	1,100	120	
Storage rental	52430	-	-	-	-	
Travel/conference/meetings	52510	2,500	2,500	2,500	-	Ryan on Springbrook user conference in May
Employee training	52520	1,500	1,500	1,500	-	
Mailing and courier services	52550	16,000	16,000	17,000	300	6 cycles of potable water bills/late payments and 1 special mailing
Collection agency fees	52560	360	861	1,300	-	
Credit card processing fees	52710	21,000	17,032	18,000	2,000	Pending the new credit card processor
Payroll processing fees	52720	7,000	7,000	6,930	770	Per FY 2014 actuals
ACH processing fees	52730	400	400	400	-	
Bank service fees	52740	1,000	2,000	2,000	500	



**Scotts Valley Water District (SVWD)**  
**FY 2016 ADOPTED BUDGET**

**EXHIBIT II**

Account Description	Account	FY 2015 Budget	Est. 2015 TTL	FY 2016 Adopted Budget		Explanation
				Potable Water (01) Fund	Recycled Water (02) Fund	
Fiscal agent fees	52745	-	4,406	830	2,210	
New account setup	52750	1,200	1,200	1,200	120	
Medical/dental admin fees	52760	1,200	1,064	500	100	
<b>Total Services - Finance/CS</b>		<b>192,670</b>	<b>214,506</b>	<b>222,140</b>	<b>21,150</b>	
<b>SUPPLIES - FINANCE/CS</b>	53000					
Postage	53200	1,100	1,500	1,500	1,200	
Special division supplies	53700	6,500	6,500	5,500	1,000	
Furniture and furnishings	59800	-	-	-	-	
<b>Total Supplies - Finance/CS</b>		<b>7,600</b>	<b>8,000</b>	<b>7,000</b>	<b>2,200</b>	
<b>OTHER EXPENSES - FINANCE/CS</b>	59000					
Property Taxes and Assessments	59200	1,700	1,000	1,100	-	
County Property Tax Admin Fees	59210	6,877	6,877	6,900	-	
Sales commissions	59220	-	4,243	-	-	No planned auctions of vehicles, equipment
Late penalties	59250	-	251	-	-	Incidental
<b>Total Other Expenses - Finance/CS</b>		<b>8,577</b>	<b>12,371</b>	<b>8,000</b>	<b>-</b>	
<b>TOTAL FINANCE/CS DIVISION</b>		<b>558,755</b>	<b>548,986</b>	<b>575,340</b>	<b>60,930</b>	
<b>PERSONNEL SERVICES - OPERATIONS</b>						
Regular pay	51110	707,923	714,737	764,420		
Temporary Employees (As-needed)	51114	-	-	-		
Overtime	51114	41,000	47,334	44,400		
Separation Pay	51115	-	1,989	-		
Special vacation pay	51132	-	15,539	8,020		
Vehicle-phone-data allowance	51150	3,360	4,771	5,280		
Medicare	51161	10,917	11,373	13,240		
Social Security (As-needed)	51161	-	-	-		
Retirement - 2.7 at 55	51201	109,997	46,635	30,240		
Retirement - 2.0 at 55	51202	31,149	1,568	25,550		
Retirement - PEPR	51203	12,242	7,950	10,890		
Retirement - Survivor Benefit	51206	242	225	250		
Group Medical Insurance	51210	160,261	163,970	174,420		
Cash-in-lieu	51211	3,000	3,000	3,000		
Group Dental Insurance	51212	10,463	12,171	12,750		
Vision Insurance	51213	2,250	2,172	2,250		
Deferred Compensation/HSA Contribution	51215	-	23,770	14,250		
Other Post-Employment Benefits (OPEB)	51220	95,807	84,857	89,900		
Life and AD&D	51214	2,084	1,830	1,650		
Employee Assistance Program (EAP)	51216	-	145	320		

**Scotts Valley Water District (SVWD)**  
**FY 2016 ADOPTED BUDGET**

**EXHIBIT II**

Account Description	Account	FY 2015 Budget	Est. 2015 TTL	FY 2016 Adopted Budget		Explanation
				Potable Water (01) Fund	Recycled Water (02) Fund	
Unemployment Insurance	51230	-	3,474	-	-	
Workers' compensation	51240	25,653	32,608	35,240	-	
Salaries and Benefits Savings	51699	-	(3,532)	-	-	
S+B - Recycled Water	51700	-	-	(123,610)	-	
S+B - Recycled Water	51700	-	-	-	123,610	
<b>Total Personnel Services - Operations</b>		<b>1,216,348</b>	<b>1,176,589</b>	<b>1,112,460</b>	<b>123,610</b>	
<b>SERVICES - OPERATIONS</b>						
Landscape Maintenance	52120	23,414	16,500	16,500	-	Remote sites (excl El Pueblo - in Div 10)
Outside professional services	52210	145,000	70,000	50,000	-	AMI Master Plan - Consultant in FY 2016
Software licensing/maintenance	52410	8,000	8,000	8,000	-	
Equipment rental and maintenance	52420	7,000	5,650	6,000	1,000	
Warranty	52425	-	-	-	-	
Storage rental	52430	-	440	-	-	
Travel/conference/meetings	52510	10,000	10,000	8,000	2,000	
Employee Training	52520	15,000	8,500	12,000	-	
Dues and memberships	52530	-	-	-	-	Move to Div 10 (all memberships)
Community Information	52610	7,000	6,500	6,000	2,000	
Pre-employment Screening	52660	-	-	-	-	Move to Div 10 (all pre-employment)
Advertising and promotion	52630	500	-	-	-	
Water efficiency program	52640	-	-	-	-	
Safety Expenses	52700	8,000	6,500	8,000	-	
Regulatory Oversight and Compliance	52800	17,000	27,540	18,100	-	County of Santa Cruz (\$3,800), SWRCB (\$11,500), Monterey Bay Unified Air Pollution (\$2,800)
Vehicle Maintenance	52910	15,000	19,000	19,000	-	
Other	52940	-	402	-	-	
Uniform Laundering Services	52500	2,500	4,500	4,500	-	
Sewer (Corporate Yard)	52820	350	350	350	-	
Solid Waste	52830	3,435	3,625	3,650	-	
Pager Service	52920	-	91	-	-	
<b>Total Services - Operations</b>	<b>0</b>	<b>262,199</b>	<b>187,598</b>	<b>160,100</b>	<b>5,000</b>	
<b>SUPPLIES - OPERATIONS</b>						
Vehicle Fuel Purchases	53600	27,400	21,000	21,000	-	Decrease in fuel prices
Office Supplies	53100	1,500	2,000	2,000	-	
Postage and Mailing Services	53200	200	650	450	100	
Small tools and equipment	53300	8,000	10,000	10,000	500	
Books and subscriptions	53400	700	500	500	-	

**Scotts Valley Water District (SVWD)**  
**FY 2016 ADOPTED BUDGET**

**EXHIBIT II**

Account Description	Account	FY 2015 Budget	Est. 2015 TTL	FY 2016 Adopted Budget		Explanation
				Potable Water (01) Fund	Recycled Water (02) Fund	
Uniforms, safety clothing and equipment	53500	5,000	6,000	6,000		
Special Division Supplies	53700	11,100	5,000	5,000	1,000	
Furniture and Furnishings	59800	-	4,000	3,000		Budget for necessities from Office Renov
<b>Total Supplies - Operations</b>		<b>53,900</b>	<b>49,150</b>	<b>47,950</b>	<b>1,600</b>	
<b>POTABLE WATER</b>						
Wastewater Disposal	52315	74,316	45,000	60,000		
PW project feasibility studies	52100	-	-	-		
Contribution to Woodside CUDO	54100	-	-	-		
Water Treatment	55110	100,000	98,000	100,000		
Water Treatment/Testing - Lab	55120	48,700	48,000	48,000		
Treatment Plant Maintenance	55210	140,800	58,000	62,000		
Well maintenance	55230	50,000	3,000	50,000		
Tank and Reservoir Maintenance	55240	20,000	3,500	14,000		
Main Maintenance and Repairs	56100	65,000	32,000	50,000		
Service Lateral Maintenance and Repairs	56200	50,000	8,000	12,000		
Pumps and Boosters	56310	100,000	60,000	65,000		
Pump Buildings	56320	-	600	-		
Pumps - Electricity and Power	56330	400,000	325,000	400,000		
Fire hydrant maintenance	56400	5,100	5,100	6,000		
SCADA Maintenance	56500	10,000	30,300	32,000		
Meter Maintenance	56600	75,000	75,000	75,000		
<b>Total Potable Water</b>		<b>1,138,916</b>	<b>791,500</b>	<b>974,000</b>	<b>-</b>	
<b>RECYCLED WATER PROGRAM</b>						
Special Division Supplies	53700	400	670		1,000	
RW project feasibility studies	54000	-	-		-	
Treatment Plant Maintenance	55210	113,500	113,500		120,000	
Tank and Reservoir Maintenance	55240	-	-		1,000	
Main Maintenance and Repairs	56100	-	7,000		5,000	
Service lateral maintenance and repairs	56200	-	500		5,000	
Pumps and Boosters	56310	-	-		2,500	
Pumps - Electricity and Power	56330	2,500	1,500		2,500	
SCADA Maintenance	56500	-	-		1,000	
Meter Maintenance	56600	-	500		1,000	
Compliance and Permitting	56700	6,600	6,600		6,000	
Recycled Water Monitoring	56800	3,800	1,000		6,000	
<b>Total Recycled Water</b>		<b>126,800</b>	<b>131,270</b>	<b>-</b>	<b>151,000</b>	
<b>TOTAL OPERATIONS DIVISION</b>		<b>2,798,163</b>	<b>2,336,107</b>	<b>2,294,510</b>	<b>281,210</b>	

**Scotts Valley Water District (SVWD)**  
**FY 2016 ADOPTED BUDGET**

**EXHIBIT II**

Account Description	Account	FY 2015 Budget	Est. 2015 TTL	FY 2016 Adopted Budget		Explanation
				Potable Water (01) Fund	Recycled Water (02) Fund	
<b>PERSONNEL SERVICES - ENGINEERING</b>						
Regular pay	51110	51,071	59,748	62,990		
Overtime	51114	1,000	-	-		
Vehicle-phone-data allowance	51150	480	480	480		
Medicare	51161	747	873	940		
Retirement - PEPR	51203	6,384	3,734	3,940		
4th Level Survivor Benefit	51206	24	24	30		
Group Medical Insurance	51210	20,124	19,712	20,850		
Cash-in-lieu	51211	-	-	-		
Group Dental Insurance	51212	1,476	1,405	1,370		
Vision insurance	51213	225	223	230		
COBRA	51219	-	-	-		
Deferred Compensation/HSA Contribution	51215	-	1,200	1,450		
Life and AD&D	51214	121	209	210		
Employee Assistance Program (EAP)	51216	-	16	40		
Unemployment insurance	51230	-	-	-		
Workers' compensation	51240	476	652	740		
Tuition reimbursement	51250	-	-	-		
Salaries and Benefits Savings	51699	-	(2,747)	-		
S+B - Recycled Water	51700	-	-	(9,330)		
S+B - Recycled Water	51700	-	-	-	9,330	
<b>Total Personnel Services - Engineering</b>		<b>82,128</b>	<b>85,529</b>	<b>83,940</b>	<b>9,330</b>	
<b>SERVICES - ENGINEERING</b>						
Outside Professional Services	52210	48,000	5,000	150,000		Inspection services for SA, Project Management for CIP
Outside professional services - capital	52211	(48,000)	(5,000)	(150,000)		
Professional Engineering Services	52220	213,300	155,000	102,000		General engineering and retainer services
Software licensing/maintenance	52410	16,000	16,000	17,500		GeoViewer Online 10K, 3 iPads 7.2K
Travel/conference/meetings	52510	2,000	1,000	2,000		
Employee training	52520	300	400	300		
Safety expenses	52700	1,000	-	1,000		
<b>Total Services - Engineering</b>		<b>232,600</b>	<b>172,400</b>	<b>122,800</b>	<b>-</b>	
<b>SUPPLIES - ENGINEERING</b>						
Special Division Supplies	53700	2,000	500	1,000		
<b>Total Supplies - Engineering</b>		<b>2,000</b>	<b>500</b>	<b>1,000</b>	<b>-</b>	
<b>TOTAL ENGINEERING DIVISION</b>		<b>316,728</b>	<b>258,429</b>	<b>207,740</b>	<b>9,330</b>	
<b>DIRECTOR FEES AND BENEFITS</b>						

**Scotts Valley Water District (SVWD)**  
**FY 2016 ADOPTED BUDGET**

**EXHIBIT II**

Account Description	Account	FY 2015 Budget	Est. 2015 TTL	FY 2016 Adopted Budget		Explanation
				Potable Water (01) Fund	Recycled Water (02) Fund	
Medicare	51161	580	325	640		
Social Security Tax	51162	2,480	1,389	2,730		
Group Medical Insurance	51260	37,942	45,139	41,240		
Group Dental Insurance	51212	6,781	6,030	5,340		
Vision Insurance	51213	1,125	1,114	1,130		
Other Post-Employment Benefits (OPEB)	51220	18,914	16,845	15,400		
Life and AD&D	51214	321	312	650		
Workers' compensation	51240	325	112	400		
Director Fees	51120			28,400		See Directors tab
Board - Recycled Water	51700			(10,820)		
Board - Recycled Water	51700	40,000	24,400	-	10,820	
<b>Total Director Fees and Benefits</b>		<b>108,468</b>	<b>95,666</b>	<b>85,110</b>	<b>10,820</b>	
<b>SERVICES - BOARD</b>						
Travel/conference/meetings	52510	25,000	15,000	16,740	1,860	
<b>Total Services - Board</b>		<b>25,000</b>	<b>15,000</b>	<b>16,740</b>	<b>1,860</b>	
<b>SUPPLIES BOARD</b>						
Office Supplies	53000	-	51	450	50	
<b>Total Supplies - Board</b>		<b>-</b>	<b>51</b>	<b>450</b>	<b>50</b>	
<b>TOTAL BOARD</b>		<b>133,468</b>	<b>110,717</b>	<b>102,300</b>	<b>12,730</b>	
		<b>4,748,394</b>	<b>4,105,360</b>	<b>4,079,305</b>	<b>434,260</b>	
<b>DEBT SERVICE:</b>						
2003 Bond Interest Expense	59110	33,643	33,643	28,310		
2004 Bond Interest Expense	59120	116,333	116,333		110,493	
2011 WFB Loan	59130	149,013	149,013	142,269		
2003 Refunding Revenue Bonds	24310	140,000	140,000	150,000		
2004 Refunding COP	23020	150,000	150,000		160,000	
WFB 2011 Loan	24300	205,000	205,000	210,000		
		-				
<b>TOTAL DEBT SERVICE</b>		<b>793,989</b>	<b>793,989</b>	<b>530,579</b>	<b>270,493</b>	
<b>TOTAL EXPENSE + DEBT SERVICE</b>		<b>\$ 5,542,383</b>	<b>\$ 4,899,349</b>	<b>\$ 4,609,884</b>	<b>\$ 704,753</b>	

SCOTTS VALLEY WATER DISTRICT									EXHIBIT III
FY 2016 Projects Budget									
PROJECTS: CAPITAL IMPROVEMENT AND MAINTENANCE									
Category	Project	CIP/ Mntce	Funding Source	FY 2015 Revised Budget	Estimated Actual 6/30/15	FY 2015 Balance Carried Over	FY 2016 Adopted Budget	FY 2016 Total	Comments
Transmission Mains	Emergency Intertie w/ SLVWD	CIP	Prop 50 Rate-PW	\$ 140,963	\$ 100,000	\$ 40,963	\$ -	\$ 40,963	Intertie 2 completion anticipated by end of 2015
	<i>Emergency Intertie - Grant Reimbursement (Prop 50)</i>			\$ (50,000)	\$ (130,000)	\$ -	\$ (40,000)	\$ (40,000)	
	Sunset Terrace Main and Hydrant Replacement	Mntce	Rate-PW			\$ -		\$ -	Do not proceed until Asset Master Plan recommendations are available
Treatment Plants	Orchard Run WTP Water Quality Improvements					\$ -	\$ 200,000	\$ 200,000	Design in FY16, construction in FY17
	El Pueblo WTP Water Quality Improvements					\$ -		\$ -	Might need to swap the sequence with ORWTP or escalate the schedule (depends on arsenic levels)
	Well 10 WTP Water Quality Improvements					\$ -		\$ -	Design in FY18, construction in FY19
	Well 9 WTP Expansion					\$ -		\$ -	Do not proceed until Asset Master Plan recommendations are available
Storage Tanks	MacDorsa Tank Rehabilitation	CIP	Rate-PW	\$ 428,220	\$ 30,000	\$ 248,220	\$ -	\$ 248,220	Project delayed due to change in scope - reduction in cost. Anticipate contract award in FY15 and construction in FY16
	Bethany Tank Second Tank Addition	CIP	Rate-PW		\$ -	\$ -	\$ 50,000	\$ 50,000	NEW PROJECT: Investigation and design in FY16, construction in FY17
	Bethany Tank Rehabilitation	CIP			\$ -	\$ -		\$ -	Start after new Bethany tank is operational
	Sequoia Tank Rehabilitation	CIP	Rate-PW		\$ -	\$ -	\$ -	\$ -	Hold until Asset Master Plan recommendations are available
Pump Stations	Sand Hill BS Expansion/ PV Replacement	CIP	80 Rate-PW, 20 ND-CC	\$ 167,319	\$ 167,319	\$ -	\$ -	\$ -	To be completed in FY15
	Siltanen BS Noise Abatement Improvements	Mntce	Rate-PW	\$ 7,000	\$ 20,000	\$ -	\$ -	\$ -	To be completed in FY15
	Crescent BS Noise Abatement Improvements	Mntce	Rate-PW	\$ 7,000	\$ 20,000	\$ -	\$ -	\$ -	To be completed in FY15
	El Pueblo Pumps Reconfiguration	CIP		\$ 33,540	\$ 16,000	\$ 17,540	\$ 60,000	\$ 77,540	Design in FY15, construction in FY16
	Scotts Valley Dr Transfer Station Rehab and Expansion/El Pueblo PRV Water Exchange	CIP	80 Rate-PW, 20 ND-CC	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ -	Completed
Wells	Lompico Formation Production Well (11A Site)	CIP	50 Rate-PW, 50 ND-CC	\$ 640,000	\$ 21,000	\$ 619,000	\$ -	\$ 619,000	Project delayed. High priority in FY16
	Well 9 Replacement (Santa Margarita/ Lompico)					\$ -	\$ -	\$ -	Hold until Asset Master Plan recommendations are available
Recycled Water Programs	Pasatiempo Recycled-Potable Water Exchange Project	CIP	50 ND-IF, 50 ND-CC	\$ 100,000	\$ -	\$ -	\$ -	\$ -	Suspended
	Hanson Quarry Groundwater Recharge	CIP	50 ND-IF, 50 ND-CC	\$ 150,000	\$ 75,000	\$ 75,000	\$ 1,500,000	\$ 1,575,000	Feasibility study in FY15, pilot project in FY16, full scale project FY17-19
	<i>Hanson Quarry - Grant Reimbursement</i>				\$ -	\$ -	\$ (75,000)	\$ (75,000)	

SCOTTS VALLEY WATER DISTRICT									EXHIBIT III
FY 2016 Projects Budget									
PROJECTS: CAPITAL IMPROVEMENT AND MAINTENANCE									
Category	Project	CIP/ Mntce	Funding Source	FY 2015 Revised Budget	Estimated Actual 6/30/15	FY 2015 Balance Carried Over	FY 2016 Adopted Budget	FY 2016 Total	Comments
Program	Hanson Quarry - Partner Contributions				\$ -	\$ -	\$ (375,000)	\$ (375,000)	
	Hanson Quarry - Short Term Loan				\$ -	\$ -	\$ (1,000,000)	\$ (1,000,000)	
	New Recycled Main Installations (Mt Hermon Rd, East of Hwy 17)	CIP				\$ -		\$ -	Consider as part of the development projects in respective areas
Other	Transit Center Stormwater Retention System	CIP	ND-IF	\$ 270,000	\$ 125,000	\$ 145,000	\$ 730,000	\$ 875,000	Anticipated completion in Dec 2015
	Transit Center - Grant Reimbursement (Prop 84)				\$ (31,250)	\$ -	\$ (750,000)	\$ (750,000)	
	Other LID Stormwater Retention Systems	CIP	ND-IF	\$ -	\$ -	\$ -	\$ -	\$ -	Consider only if funds left from Transit Center LID (grant funded)
Meters	Broken Valve Replacement	Mntce	Rate-PW	\$ 30,000	\$ 30,000	\$ -	\$ -	\$ -	Completed
	Meter Replacement: 1" - 4"	Mntce	Rate-PW	\$ 213	\$ 213	\$ -	\$ -	\$ -	Completed
	Retrofit Small Meters	Mntce	Rate-PW	\$ 84,194	\$ 80,000	\$ -	\$ -	\$ -	
	Automated Metering Infrastructure (AMI)		Rate-PW			\$ -	\$ -	\$ -	NEW PROJECT
	AMI - Grant Reimbursement					\$ -	\$ -	\$ -	
District Facilities	Office Facility Upgrades	CIP	90 Rate-PW 10 Rate-RW	\$ 421,742	\$ 46,000	\$ 375,742	\$ 224,000	\$ 599,742	
	Electronic Security Access	CIP	90 Rate-PW 10 Rate-RW	\$ 25,000	\$ 25,000	\$ -	\$ 25,000	\$ 25,000	Install access for 2-3 remote sites each year
	Corp Yard Modular Building	CIP	90 Rate-PW 10 Rate-RW	\$ 55,277	\$ 102,322	\$ -	\$ -	\$ -	Completed
	El Pueblo Roof Replacement	Mntce			\$ -	\$ -	\$ -	\$ -	Hold until Asset Master Plan recommendations are available
Technology Upgrades	SCADA Phase 3 Upgrade	CIP	ND-IF	\$ 49,089	\$ 25,000	\$ 24,089	\$ 26,000	\$ 50,089	
	Accounting & Utility Billing Software Replacement	CIP	90 Rate-PW 10 Rate-RW	\$ 160,000	\$ 80,000	\$ 30,000	\$ -	\$ 30,000	Majority of elements completed in FY15. Some funds for FY16 - additional modules + OpenGov
	GIS Conversion	Mntce	90 Rate-PW 10 Rate-RW	\$ 43,000	\$ 43,000	\$ -	\$ -	\$ -	
Vehicles/ Equipment	Vehicle Replacement Program	CIP	90 Rate-PW 10 Rate-RW		\$ -	\$ -	\$ -	\$ -	
	Specialized Operations Vehicles	CIP	90 Rate-PW 10 Rate-RW	\$ 65,000	\$ 65,000	\$ -	\$ 85,000	\$ 85,000	

SCOTTS VALLEY WATER DISTRICT								EXHIBIT III	
FY 2016 Projects Budget									
PROJECTS: CAPITAL IMPROVEMENT AND MAINTENANCE									
Category	Project	CIP/ Mntce	Funding Source	FY 2015 Revised Budget	Estimated Actual 6/30/15	FY 2015 Balance Carried Over	<b>FY 2016 Adopted Budget</b>	FY 2016 Total	Comments
LEGEND:	Rate-PW: Potable Water Sales Revenue			\$ 2,842,557	\$ 924,604	\$ 1,575,554	<b>\$ 660,000</b>	<b>\$ 2,235,554</b>	
	Rate-RW: Recycled Water Sales Revenue					\$ 75,000			
	ND-CC: New Development Connection Charges	Gross Total		\$ 2,892,557	\$ 1,085,854	\$ 1,500,554	\$ 2,900,000	\$ 4,475,554	
	ND-IF: New Development Impact Fees	Outside Funding		\$ (50,000)	\$ (161,250)		\$ (2,240,000)	\$ (2,240,000)	
		Net Total		\$ 2,842,557	\$ 924,604		\$ 660,000	\$ 2,235,554	