Potable Water Division.....

TRIUNFO SANITATION DISTRICT

FISCAL YEAR 2019 BUDGET SUMMARY

POTABLE WATER DIVISION

Description	Actual FY 2015 Yearend	Actual FY 2016 Yearend	Actual FY 2017 Yearend	Adjusted FY 2018 Budget	Estimated FY 2018 Yearend	Adopted FY 2019 Budget	
Operating revenues:							
Fees, sales	$ 4,622,483	$ 3,725,085	$ 4,575,324	$ 7,309,742	$ 6,353,304	$ 6,638,993	[1]
Service charges	1,223,848	1,220,181	1,498,622	1,849,844	1,822,439	1,829,721	[2]
Other revenue	195,898	463,523	206,855	184,164	212,659	228,289	[3]
Total operating revenues	**6,042,230**	**5,408,789**	**6,280,801**	**9,343,751**	**8,388,402**	**8,697,002**	
Operating expenses:							
Potable water purchase	3,223,673	2,680,573	2,961,082	3,973,407	3,347,058	3,634,804	[4]
VRSD contract services - Operations	1,340,243.56	1,264,090.74	1,100,840	1,482,233	981,477	1,513,700	[5]
VRSD contract services - Administration	327,021	476,351	354,242	260,323	296,154	360,482	[5]
Operating materials and supplies	-	-	-	-	-	-	
Contract services	-	-	-	-	-	-	
Professional services	-	27,731	92,986	-	57,775	25,000	[6]
Insurance	-	938	5,654	5,460	5,795	5,800	
Board member fees and reimbursable expenses	27	-	-	-	-	1,962	[7]
Membership and dues	6,916	2,611	1,146	16,367	-	27,145	[8]
Conference and seminars	79	-	-	-	-	11,070	[9]
Management and administrative	-	210	-	55,400	44,719	3,200	[10]
Utilities	113,494	96,839	92,516	117,530	90,092	117,530	
Permits, licenses and fees	50,688	68,888	92,220	157,079	89,564	222,979	[11]
Total operating expenses	**5,062,141**	**4,618,231**	**4,700,686**	**6,067,799**	**4,912,634**	**5,923,672**	
Operating income(loss) before depreciation	**980,089**	**790,558**	**1,580,114**	**3,275,952**	**3,475,769**	**2,773,330**	
Depreciation and amortization	353,627	758,635	787,693	788,188	787,560	788,188	
Operating income(loss)	**626,462**	**31,923**	**792,421**	**2,487,764**	**2,688,209**	**1,985,142**	
Non-operating revenues(expenses):							
Interest and investment earnings	225	50	39	-	-	-	
Gain(loss) on sales and/or disposals of assets	28,179	1,953	-	-	-	-	
Debt service interest expense	(26,078)	(366,068)	(360,949)	(349,168)	(349,168)	(329,387)	[12]
Contributed capital assets	-	-	-	-	-	-	
Overhead cost allocation	(283,219)	(264,666)	(359,774)	(483,039)	(468,146)	(504,267)	[13]
Other, net	-	-	-	-	-	-	
Total non-operating revenues(expenses)	**(280,893)**	**(628,732)**	**(720,685)**	**(832,207)**	**(817,314)**	**(833,654)**	
Change in net assets before capital expenses	**$ 345,569**	**$ (596,809)**	**$ 71,736**	**$ 1,655,557**	**$ 1,870,895**	**$ 1,151,488**	
Capital expenses	-	-	-	18,050	22,845	-	
Capital expenses - contra	-	-	-	-	-	-	
Capital expenses, net	**-**	**-**	**-**	**18,050**	**22,845**	**-**	
Change in net assets	**$ 345,569**	**$ (596,809)**	**$ 71,736**	**$ 1,637,507**	**$ 1,848,050**	**$ 1,151,488**	

TRIUNFO SANITATION DISTRICT

FISCAL YEAR 2019 BUDGET SUMMARY

POTABLE WATER DIVISION

COMMENTS

[1] Estimated potable water sales for FY2019 include an increase set to go into effect on July 1, 2018, in accordance with TSD Ordinance No. TSD-99, and a pass through increase set to go into effect on January 1, 2019, in accordance with the water purchase rate increase from Calleguas Municipal Water District:

	July to December					January to June				
	Tier	Acre Feet	HCF	$/HCF	Extension	Tier	Acre Feet	HCF	$/HCF	Extension
FY2019 Proposed Budget	Tier 1	351.40	153,068	$6.05	$ 926,061	Tier 1	349.10	152,069	$6.16	$ 936,746
	Tier 2	620.65	270,355	$6.89	$ 1,862,746	Tier 2	524.38	228,418	$7.00	$ 1,598,926
	Tier 3	215.44	93,847	$8.47	$ 794,884	Tier 3	139.03	60,563	$8.58	$ 519,631
	Total	1,187.49	517,270		$ 3,583,691	**Total**	1,012.51	441,050		$ 3,055,302

	July to December					January to June				
	Tier	Acre Feet	HCF	$/HCF	Extension	Tier	Acre Feet	HCF	$/HCF	Extension
FY2018 Adopted Budget	Tier 1	351.37	153,068	$5.71	$ 874,017	Tier 1	349.08	152,069	$5.88	$ 894,167
	Tier 2	674.90	294,005	$6.52	$ 1,916,914	Tier 2	570.21	248,402	$6.69	$ 1,661,808
	Tier 3	336.98	146,797	$8.06	$ 1,183,183	Tier 3	217.46	94,733	$8.23	$ 779,655
	Total	1,363.24	593,870		$ 3,974,114	**Total**	1,136.76	495,204		$ 3,335,630

[2] Potable water meter service charges are summarized in the following table:

	Proposed FY2019 Budget			Adopted FY2018 Budget		
Meter Size	*Monthly Charge*	*Number of Meters*	*Extension*	*Monthly Charge*	*Number of Meters*	*Extension*
5/8"			$ -			$ -
3/4"			$ -			$ -
3/4"	$ 28.02	4273	$ 1,436,753.52	$ 28.02	4306	$ 1,447,849.44
1"	$ 44.24	58	$ 30,791.04	$ 44.24	58	$ 30,791.04
1.5"	$ 84.81	18	$ 18,318.96	$ 84.81	19	$ 19,336.68
2"	$ 133.50	194	$ 310,788.00	$ 133.50	199	$ 318,798.00
3"	$ 287.67	6	$ 20,712.24	$ 287.67	6	$ 20,712.24
4"	$ 514.87	2	$ 12,356.88	$ 514.87	2	$ 12,356.88
6"	$ 1,139.67	0	$ -	$ 1,139.67	0	$ -
		4551	$ 1,829,720.64		4590	$ 1,849,844.28

[3] Other revenue includes the following estimates: start fees ($9K), cell site leases ($142.4K), and penalties & late fees ($76.9K).

[4] Estimated water purchase from Calleguas Municipal Water District during FY 2019 and 2018:

	Proposed FY 2019 Budget			Adopted FY 2018 Budget		
Item	**Quantity ****	**Cost**	**Extension**	**Quantity ****	**Cost**	**Extension**
Water purchased (July-Dec)	1,211.24 acre feet	$ 1,375	$ 1,665,452	1,390.51 acre feet	$ 1,300	$ 1,807,663
Water purchased (Jan-June)	1,032.76 acre feet	$ 1,423	$ 1,469,620	1,159.49 acre feet	$ 1,375	$ 1,594,299
Pumping charges	2,244.00 acre feet	$ 73.70	$ 165,383	2,550.00 acre feet	$ 67	$ 170,850
Capacity Reservation Charge (July-Dec)	1,211.24 acre feet	$ 77.81	$ 94,246	1,390.51 acre feet	$ 75.82	$ 105,428
Capacity Reservation Charge (Jan-June)	1,032.76 acre feet	$ 68.98	$ 71,240	1,159.49 acre feet	$ 77.81	$ 90,220
Ready to Serve Charge (July-Dec)	1,211.24 acre feet	$ 75.03	$ 90,879	1,390.51 acre feet	$ 80.51	$ 111,950
Ready to Serve Charge (Jan-June)	1,032.76 acre feet	$ 69.70	$ 71,984	1,159.49 acre feet	$ 75.03	$ 86,997
Flow penalties	12 months	$ 500	$ 6,000	12 months	$ 500	$ 6,000
Total			$ 3,634,804			$ 3,973,407

** Quantities are Calculated at 2% More than Quantities Sold

[5] VRSD Contract Services are identified within Pages 121 through 214.

[6] Professional Services includes $25K for an as-needed engineering consultant contract.

[7] FY2019 includes days of service for three TSD Board members to attend ACWA (9 days).

[8] FY2019 Membership and dues include ACWA ($20K), AWA-VC ($3.3K), CUWCC ($2.6K), and CRWA ($1.2K).

[9] Conference and seminars includes registration, mileage, lodging, and per diem, for ACWA events.

[10] FY2019 Management & Administrative does not include Mail Manager, as that expense has returned to VRSD Contract Services. $3.2K remains for water conservation rebates.

[11] Significant Permits, Licenses, & Fees includes the following estimates: $113.9K for Paymentus, Virtual City Hall Software & Setup, and Bambora; $70.1K for the customer portal and software; and $23K for SWRCB, Encroachment, and EHD.

[12] Debt service interest expense includes payments of $268.1K for the debt related to the construction of the Oak Canyon resevoir project. This debt will be retired on February 1, 2031. Debt service interest expense also includes $61.3K in payments for the AMR Project.

[13] Overhead cost allocation is the Potable Water Division's share of allocated costs.

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