

Tooley Water District

Budget Statement

Fiscal Year 2020 / 2021

By John Amery – Board Member / Treasurer – Tooley Water District

Overview Statement

In general I feel the 2019/20 budget served Tooley Water District well. I project we will stay within budgets with regards to spending however it is possible we may move some contingency over to maintenance and repairs as there are a few projects we may work on before the end of the fiscal year. With regards to my original revenue projections we will likely fall short. I am estimating that we will only receive about 95% of our projected revenue this year.

I am projecting a 2.5% increase in expenses for the fiscal year 2020/2021.

I am recommending an increase in rates across the board of 6.89% to cover the projected cost increases as well the new decreased revenue forecast.

Revenue projection

As previously stated, current revenue projections suggest we will come in at around 95.62% of this year's original projections. I believe there are two primary reasons we will not be achieving our original estimates:

1. Two Tooley Water District members passed away (we only have about 40 households). Those two households reverted to only paying the base monthly fees rather than their normal base fees + usage.
2. With a mild winter our members did not experience as many leaks.

Fiscal year 2020/2021's revenue projections are based upon this fiscal year's actuals. Since revenues are down this year my forecast for next year's revenues will be reduced equally.

Expenses

Tooley Water District's contract maintenance provider (Hiland Water) has informed Tooley Water District of their intention to raise rates for next fiscal year.

Hiland's base fee will go up \$50 / month (an increase of 2.78%). Additionally, Hiland's hourly rates will go up on average 3.9%.

Other major changes include the reduction of capital projects from \$15k down to \$10k. Also, we should be finished with the \$20k grant processing this fiscal year which will decrease both our revenue and expenses equally.

Other than those major changes I have left the budget pretty much the same as last year (there are a few additional minor changes). Total re-curring expenses are budgeted to increase 2.51%.

Fiscal year 2019/2020 Net Income projections

The following table represents Tooley Water District's current Net Income/loss along with estimates of activity that will take place between now and the end of this year's fiscal year (June 30).

		Amount
Current Fiscal Year Net Income		
	As of 5/14/2020	-\$12,554.16
Expected Future Transactions		
Expenses		
	Maintenance and Repairs	-\$3,500.00
	Election Fee	-\$30.00
	Hiland Base Fee	-\$3,600.00
	Board Incentive	-\$250.00
	Hand Pump Capital Project	-\$4,000.00
	Stamps	-\$22.00
Revenue		
	Business Oregon Grant	\$20,000.00
	Longevity Credit	\$104.00
	June forecast water revenue	\$3,000.00
Total forecasted Net Income (aka profit)		-\$852.16

This forecast assumes Tooley Water District's board moves forward with a discussed Hand Pump capital project. Additionally this forecast assumes Tooley Water District will receive \$3,000 for June water revenues.

Tooley Water District Profit & Loss Budget Performance

July 2019 through June 2020

	Jul '19 - Jun 20	Budget	% of Budget	Jul '19 - Jun 20	YTD Budget	% of Budget	Annual Budget
Ordinary Income/Expense							
Income							
Water Revenue							
Customer CC Passthrough	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00
Water Sales	32,884.99	37,528.68	87.6%	32,884.99	37,528.68	87.6%	37,528.68
Water Revenue - Other	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00
Total Water Revenue	32,884.99	37,528.68	87.6%	32,884.99	37,528.68	87.6%	37,528.68
Total Income	32,884.99	37,528.68	87.6%	32,884.99	37,528.68	87.6%	37,528.68
Expense							
Capital Improvements	0.00	15,000.00	0.0%	0.00	15,000.00	0.0%	15,000.00
Contingency	0.00	7,500.00	0.0%	0.00	7,500.00	0.0%	7,500.00
Materials and Services							
Activation Fees	30.00			30.00			
Bank Service Charges	0.00			0.00			
Computer and Internet Expenses	116.05	125.00	92.8%	116.05	125.00	92.8%	125.00
Copies	58.35	200.00	29.2%	58.35	200.00	29.2%	200.00
Dues and Fees	170.00	700.00	24.3%	170.00	700.00	24.3%	700.00
Grant Fulfillment	20,000.00	20,000.00	100.0%	20,000.00	20,000.00	100.0%	20,000.00
Interest Expense	0.00			0.00			
Laboratory Fees	0.00			0.00			
Legal Services	0.00	5,000.00	0.0%	0.00	5,000.00	0.0%	5,000.00
Liability Insurance							
Boiler&Machinery	150.00			150.00			
Excess	200.00			200.00			
General Liability	1,058.00			1,058.00			
Insurance Refund	0.00			0.00			
N/O Auto Liability	175.00			175.00			
Property	352.00			352.00			
Liability Insurance - Other	0.00	2,000.00	0.0%	0.00	2,000.00	0.0%	2,000.00
Total Liability Insurance	1,935.00	2,000.00	96.8%	1,935.00	2,000.00	96.8%	2,000.00
Maintenance and Repairs	1,945.49	5,480.00	35.5%	1,945.49	5,480.00	35.5%	5,480.00
Network Monitoring Maintenance	329.34	330.00	99.8%	329.34	330.00	99.8%	330.00
Office Supplies	0.00	100.00	0.0%	0.00	100.00	0.0%	100.00
Operating Expenses							
Activation Fees Passthrough	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00
Customer CC pass through	185.50	200.00	92.8%	185.50	200.00	92.8%	200.00
Disconnect Fee	0.00	60.00	0.0%	0.00	60.00	0.0%	60.00
Hiland Base Maintenance Fee	18,000.00	21,600.00	83.3%	18,000.00	21,600.00	83.3%	21,600.00
Leak Adjustment	18.24			18.24			
Operating Expenses - Other	0.00			0.00			
Total Operating Expenses	18,203.74	21,860.00	83.3%	18,203.74	21,860.00	83.3%	21,860.00
Postage and Delivery	22.00	100.00	22.0%	22.00	100.00	22.0%	100.00
Materials and Services - Other	0.00			0.00			
Total Materials and Services	42,809.97	55,895.00	76.6%	42,809.97	55,895.00	76.6%	55,895.00
Payroll Expenses	0.00			0.00			
Personal Services							
Boardmember Incentives	1,950.00	3,000.00	65.0%	1,950.00	3,000.00	65.0%	3,000.00
Boardmember training/meetings							
Meeting Copies	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00
Boardmember training/meetings - Other	0.00	250.00	0.0%	0.00	250.00	0.0%	250.00
Total Boardmember training/meetings	0.00	250.00	0.0%	0.00	250.00	0.0%	250.00
Crime Bond	120.00	100.00	120.0%	120.00	100.00	120.0%	100.00
Workmans Compensation Insurance	595.35	624.00	95.4%	595.35	624.00	95.4%	624.00
Personal Services - Other	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00
Total Personal Services	2,665.35	3,974.00	67.1%	2,665.35	3,974.00	67.1%	3,974.00
Total Expense	45,475.32	82,369.00	55.2%	45,475.32	82,369.00	55.2%	82,369.00
Net Ordinary Income	-12,590.33	-44,840.32	28.1%	-12,590.33	-44,840.32	28.1%	-44,840.32
Other Income/Expense							
Other Income							
Grant Income	0.00	20,000.00	0.0%	0.00	20,000.00	0.0%	20,000.00
Interest Income	36.17	39.00	92.7%	36.17	39.00	92.7%	39.00
Total Other Income	36.17	20,039.00	0.2%	36.17	20,039.00	0.2%	20,039.00
Other Expense							
Bank Error	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00
Total Other Expense	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00
Net Other Income	36.17	20,039.00	0.2%	36.17	20,039.00	0.2%	20,039.00
Net Income	-12,554.16	-24,801.32	50.6%	-12,554.16	-24,801.32	50.6%	-24,801.32

Tooley Water District Proposed Budget 2020/21

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Revenue		2018/19	% Change	2019/20	% Change	2020/21
Revenue	Revenue	\$36,120.00	3.90%	\$37,528.68	2.21%	\$38,356.43
Revenue	Business Oregon Grant	\$0.00	#DIV/0!	\$20,000.00	-100.00%	
Revenue	Interest Income	\$39.00	0.00%	\$39.00	0.00%	\$39.00
Totals		\$36,159.00	59.21%	\$57,567.68	-33.30%	\$38,395.43
Expenses						
Capital Outlay	Capital Improvements	\$5,000.00	200.00%	\$15,000.00	-33.33%	\$10,000.00
	Totals	\$5,000.00		\$15,000.00		\$10,000.00
Materials and Services	Dues and Fees	\$700.00	0.00%	\$700.00	0.00%	\$700.00
Materials and Services	Liability/Property Insurance	\$2,000.00	0.00%	\$2,000.00	0.00%	\$2,000.00
Materials and Services	Maintenance and Repairs	\$5,000.00	9.60%	\$5,480.00	3.90%	\$5,693.52
Materials and Services	Activation Fees	\$0.00	#DIV/0!	\$0.00	#DIV/0!	\$0.00
Materials and Services	Customer CC Charge passthrough	\$0.00	#DIV/0!	\$200.00	12.50%	\$225.00
Materials and Services	Disconnect Fees	\$0.00	#DIV/0!	\$60.00	0.00%	\$60.00
Materials and Services	Operating Expenses – Hiland base	\$21,060.00	2.56%	\$21,600.00	2.78%	\$22,200.00
Materials and Services	Postage and Delivery	\$100.00	0.00%	\$100.00	0.00%	\$100.00
Materials and Services	Office Supplies	\$100.00	0.00%	\$100.00	0.00%	\$100.00
Materials and Services	Copies	\$200.00	0.00%	\$200.00	0.00%	\$200.00
Materials and Services	Network Monitoring Maintenance	\$300.00	10.00%	\$330.00	0.00%	\$330.00
Materials and Services	Computer and Internet	\$125.00	0.00%	\$125.00	4.00%	\$130.00
Materials and Services	Legal Services	\$0.00	#DIV/0!	\$5,000.00	0.00%	\$5,000.00
Materials and Services	Business Oregon Grant fulfillment	\$0.00	#DIV/0!	\$20,000.00	-100.00%	\$0.00
	Totals	\$29,585.00	88.93%	\$55,895.00	-34.27%	\$36,738.52
Personnel Services	Boardmember Training	\$250.00	0.00%	\$250.00	0.00%	\$250.00
Personnel Services	Crime Bond	\$100.00	0.00%	\$100.00	25.00%	\$125.00
Personnel Services	Workmans Comp Ins.	\$624.24	0.00%	\$624.24	0.92%	\$630.00
Personnel Services	Boardmember Incentive	\$3,000.00	0.00%	\$3,000.00	0.00%	\$3,000.00
	Totals	\$3,974.24	0.00%	\$3,974.24	0.77%	\$4,005.00
Contingency	Contingency	\$7,500.00	0.00%	\$7,500.00	0.00%	\$7,500.00
	Totals	\$7,500.00	0.00%	\$7,500.00	0.00%	\$7,500.00
Total Expenses						
Total Budget		\$46,059.24	78.83%	\$82,369.24	-29.29%	\$58,243.52
<i>Total Personnel and M&S(Excludes Grant, Legal, and Contingency line items)</i>		<i>\$33,559.24</i>		<i>\$34,869.24</i>	<i>2.51%</i>	<i>\$35,743.52</i>
				<i>Revenue Decrease Forecast</i>	<i>4.38%</i>	
				<i>Recommend Rate Increase</i>	<i>6.89%</i>	
Summary of 2020/21 Budget						
Total Revenue:		\$38,395.43				
Total Expenses:		\$58,243.52				
*Budget from savings:		\$19,848.08				

- Items in red are changes from previous year (could be positive or negative values).
- Similar to last year, I am recommending for fiscal year 2019/2020 that Tooley Water District balance the difference between revenue projections and budget out of savings.

Rate change recommendation

With the 2.51% recommended budget increases along with the 4.38% revenue forecast decrease I am recommending a rate increase of 6.89% across the board.