



SCOTTS VALLEY
WATER DISTRICT

FY 2024 Proposed Budget Summary

May 11, 2023

Budget Assumptions: Revenue

- General methodology

- Operating Revenue:
Water Sales, Water
Service, New
Connections
- Non-Operating:
Property Tax, Other

- Water Sales
 - Equal to FY 2023 Estimated Actuals
 - 5% rate increase in January 2024
 - ~5% decrease w/o drought surcharge
- Water Services
 - Add new connections from FY 2023
- New Connections
 - Review of active Service Applications (SA's)
- Property Tax
 - 2.4% increase (per County estimate)

Budget Assumptions: Expenses

- General methodology
 - Salaries & Benefits
 - Services & Supplies

- Salaries & Benefits
 - COLA 4%
 - Medical 4%
 - Retirement

Plan	District Contribution	Change
PEPRA (2% @ 62)	7.7%	0.2%
Classic (2.7% @ 55)	16.2%	1.9%
Tier 2 (2% @ 55)	11.8%	1.5%
Unfunded Liability	\$135,998	-44%

- Services & Supplies
 - SMGWA Contribution change
 - Debt Service – includes interest expense of new debt

Revenue

- Total FY 2024 - \$13.4 M
 - Water Sales - \$5.1 M
 - Water Services - \$2.8 M
 - New Connections - \$0.2 M
 - Other - \$1.5 M
 - Grant Revenue - \$3.7M
- 38% increase from FY 2023
- 0% increase from FY 2023 if Grant Revenue is excluded

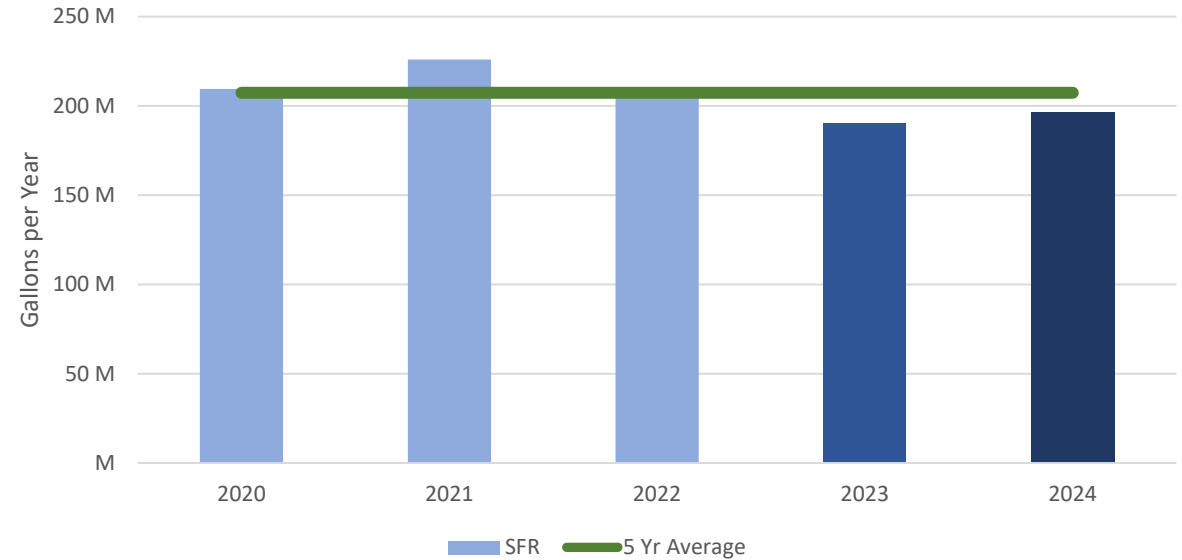
Scotts Valley Water District FY 2024 Proposed Budget: Revenue Fund 01 and Fund 02

Revenue Categories	FY 2024 Budget to FY 2023 Budget Increase (Decrease)	
Operating Revenue - Water Sales	\$ 98,400	2%
Operating Revenue - Water Services	\$ 94,900	3%
Operating Revenue - New Connections	\$ (540,200)	-75%
Non-Operating Revenue - Other	\$ 311,880	27%
Grant Revenue	\$ 3,693,244	
Notes Receivable *	\$ -	0%
Total Revenue	\$ 3,658,224	38%
Total excluding Grant Revenue	\$ (35,020)	0%

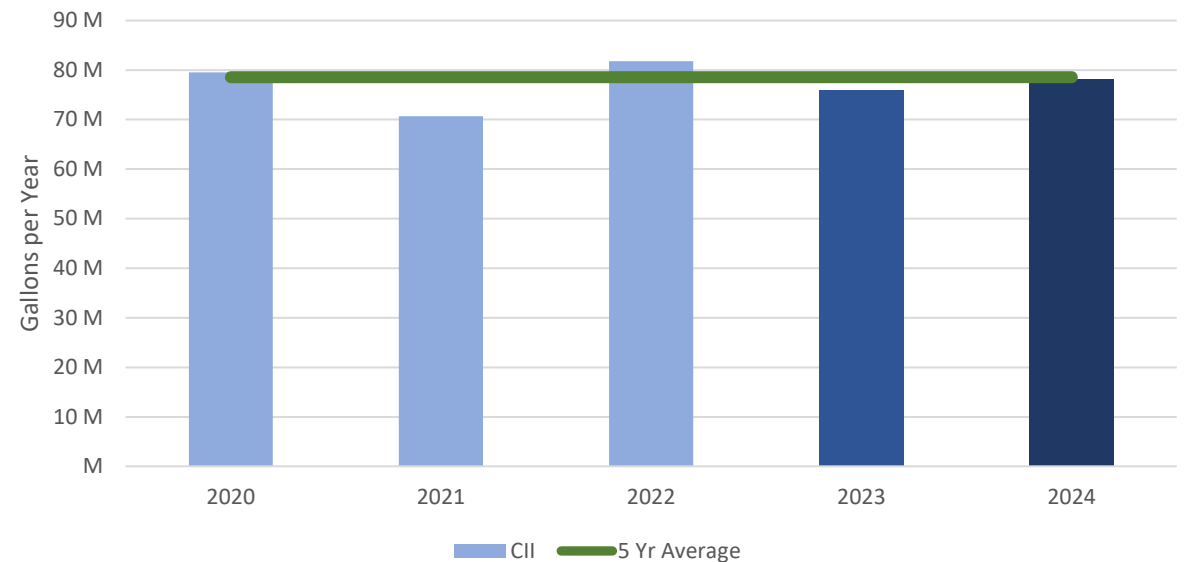
Consumption Trend

- Residential consumption
 - Projection based on 5-Year Average
- Commercial / Industrial / Institutional (CII) consumption
 - * Consumption increase in FY 2022 due to recovery from COVID/Shelter-in-Place order

Single Family Residential Consumption History and Projection



Commercial, Industrial, Institutional (CII) Consumption History and Projection



Operating Expenses

- Total Expenses \$7.0 M
 - \$3.4 M Salaries & Benefits
 - \$3.6 M Services / Supplies & Debt Service
- Administration \$1.6 M
- Finance/CS/WUE \$1.3 M
- Operations \$3.7 M
- Engineering \$0.3 M
- Board \$111 K

Scotts Valley Water District

FY 2024 Proposed Budget: Operating Expenses & Debt Service
Combined Fund 01 and Fund 02

	FY 2024 Budget to FY 2023 Budget
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View by Major Categories

Salaries & Benefits	\$ 140,143	4%
Services & Supplies	\$ 359,503	11%
Total Expenses excluding SMGWA Contribution	\$ 450,017	7%

Fund Balance

Budget projection

- \$7.1 M on 6/30/24
- \$2.0 M decrease from 6/30/23
- Debt Service Coverage Ratio 2.6

Scotts Valley Water District FY 2024 Proposed Budget Fund Balance Projection

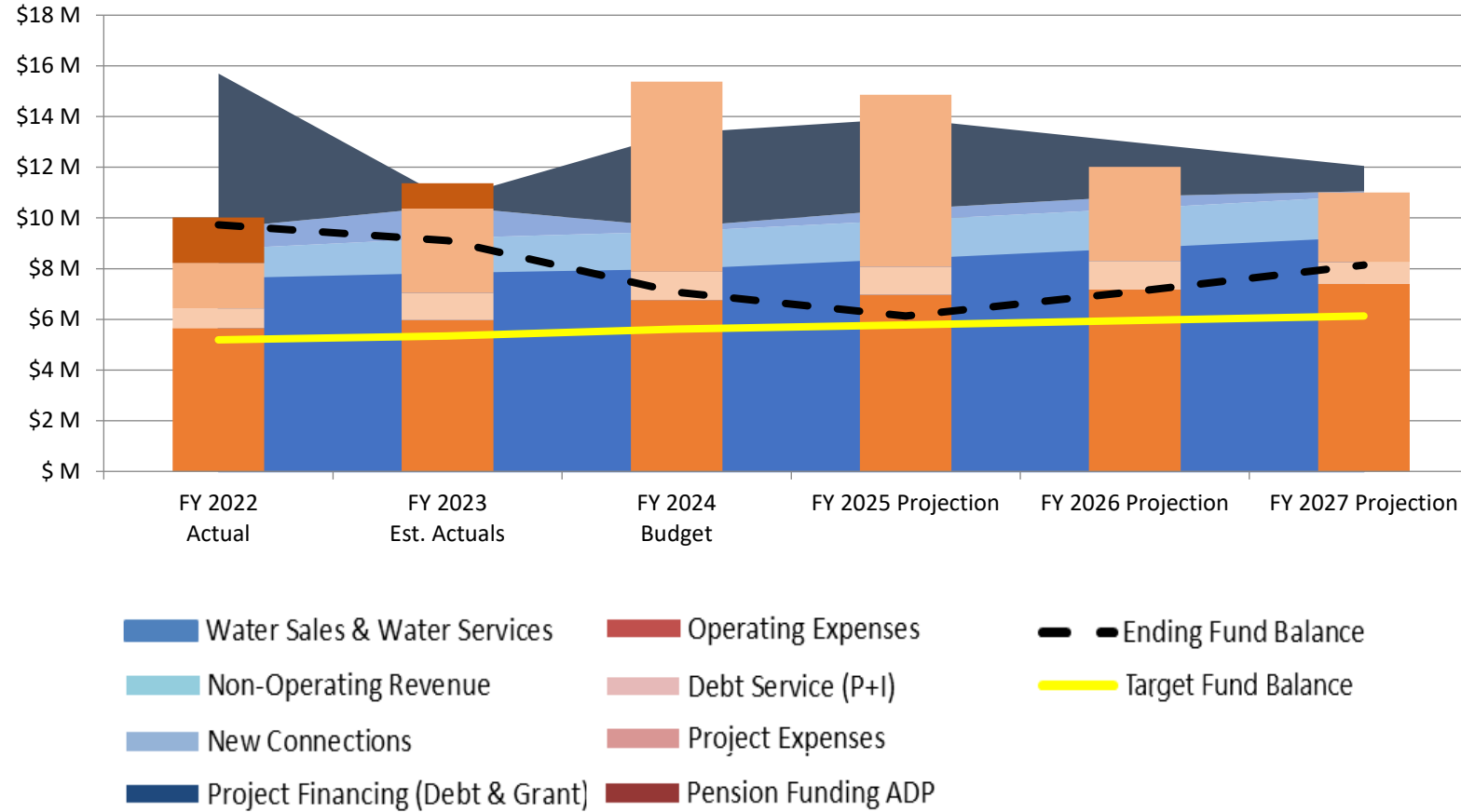
Combined Fund 01 and Fund 02

FY 2024 (Proposed Budget)

Projected Fund Balance 6/30/2023	\$	9,105,003
Revenue	\$	9,658,474
Grant reimbursements	\$	3,693,244
Operating Expense	\$	(6,764,566)
Debt Service	\$	(1,115,923)
Project Budget Request	\$	(6,629,000)
Project Carryover	\$	(860,925)
Increase/(Decrease) of Fund Balance	\$	(2,018,697)
Projected Fund Balance 6/30/2024	\$	<u>7,086,306</u>

5 Year Projection

- FY 2024 Fund balance \$7.1M
- Operating expenses below operating revenue





SCOTTS VALLEY
WATER DISTRICT

Questions ???