



2015 BUDGET

Adopted February 26, 2015

Finance Committee
Director Robert Bordsen
Director Robert Winchester

2015 BOARD OF DIRECTORS

- Division I - Robert Bordsen
- Division II - Russell Woods
- Division III - Diana Wheeler
- Division IV - William Lowe
- Division V - Robert Winchester

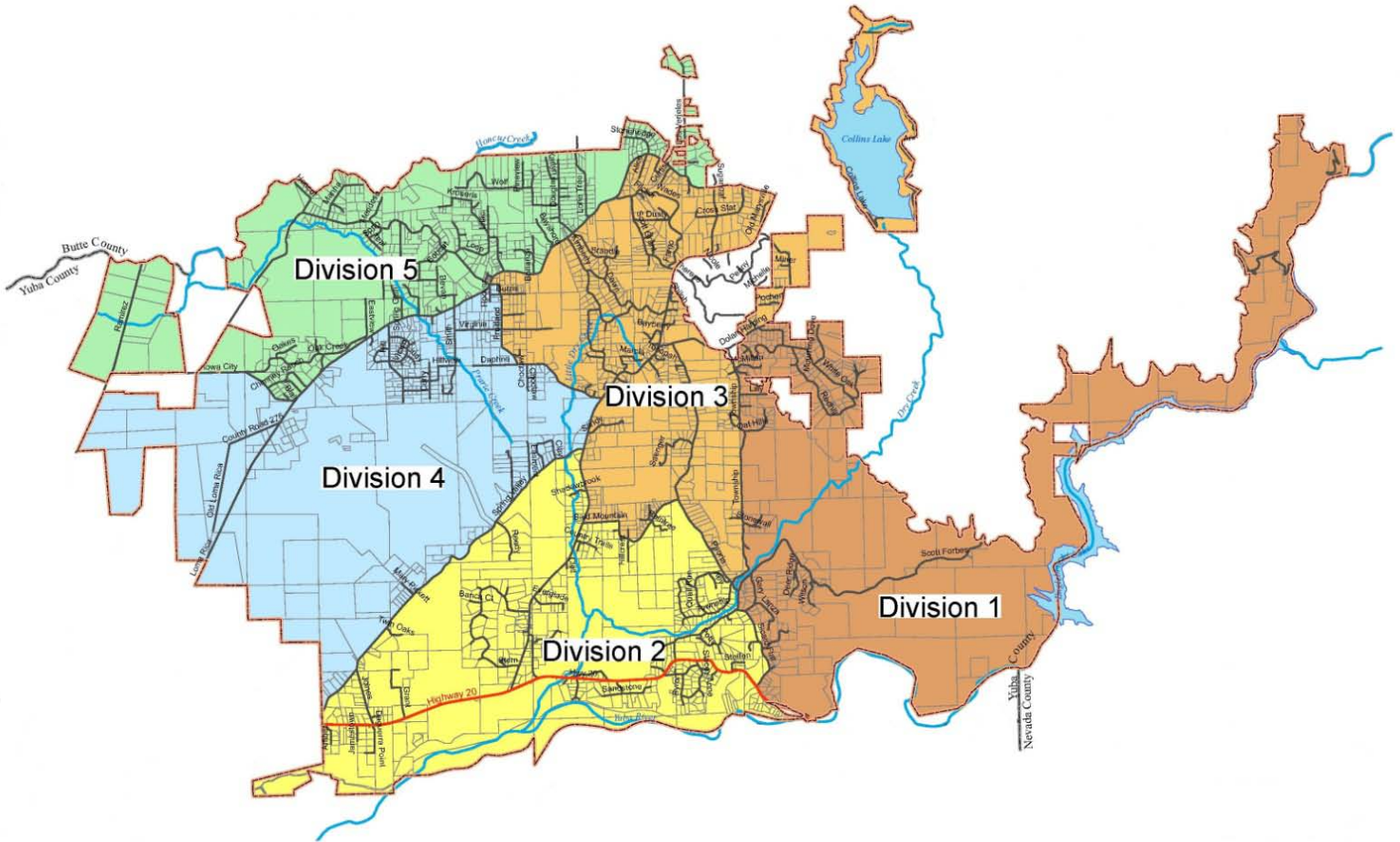


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2015 BUDGET SUMMARY

2015 Revenue Summary

Administrative Income	\$	522,100
Operating Income	\$	1,872,654
Capital Income	\$	83,440
Prior Year Carryover (2014 Operational Budget)	\$	57,000
Prior Year Carryover (2014 Water Sale)	\$	1,221,733
Grant Funds	\$	1,420,900
Reserve Funds Required to Balance Budget	\$	-
Total Revenue	\$	<u>5,177,827</u>

2015 Expense Summary

Administrative Expenses	\$	880,400
Operational Expenses	\$	1,293,600
Capital Expenses	\$	137,500
Capital Expenses - 2014 Operational Carryover	\$	57,000
Capital Expenses - 2014 Water Sale Carryover	\$	1,072,720
Limited Term Position Carryover for 2016	\$	149,013
Contribution to Reserves	\$	100,000
Grant Projects	\$	1,420,900
Total Expenses	\$	<u>5,111,133</u>

2015 Budget Surplus \$ **66,694**

DISTRICT FINANCIAL POSITION (AS OF DECEMBER 31, 2014)

Tri Counties Bank (Checking Account)	\$	209,969
Tri Counties Bank (Money Market Account)	\$	472,960
County of Yuba - Treasurer's Office	\$	2,994,416
Umpqua Bank	\$	48,881
Total	\$	<u>3,807,226</u>

As of December 16, 2014, all Certificates of Deposit (CDs) had matured and the existing Edward Jones account was closed. Currently, all District funds are held in the accounts above and are accounted for internally as follows:

Equipment Depreciation Reserve	\$	100,000
Emergency Reserve Fund	\$	100,000
Emergency Capital Replacement	\$	200,000
Major Pipeline Reserve	\$	251,000
Future Hydro Construction Reserve	\$	410,480
Future Cash Flow Reserve	\$	600,000
Post-Retirement Medical Reserve	\$	304,000
Drought Program	\$	50,500
Accord Well Mitigation Reserve	\$	50,000
Operational Reserve Fund	\$	1,741,246
Total	\$	<u>3,807,226</u>

The reserve funds depicted above represent different categories of reserves which are defined below. These accounts are flexible to a large degree and have the ability to change as the overall goals and objectives of the District evolve.

Equipment Depreciation Reserve:	<i>To help offset replacement costs for aging equipment.</i>
Emergency Reserve Fund:	<i>A general emergency reserve fund.</i>
Emergency Capital Replacement:	<i>A general emergency reserve fund for infrastructure repairs and replacement.</i>
Major Pipeline Reserve:	<i>A general emergency reserve fund for infrastructure repairs and replacement.</i>
Future Hydro Construction Reserve:	<i>To help finance any future opportunities for hydroelectric development.</i>
Future Cash Flow Reserve:	<i>To offset any shortfalls in cash flow the District may encounter as a result of changes to the Power Enhancement Agreement.</i>
Post-Retirement Medical Reserve:	<i>To offset any increased expenses incurred by retirees health benefit programs.</i>
Drought Program:	<i>A reserve fund to help mitigate the effects of the drought.</i>
Accord Well Mitigation Reserve:	<i>To mitigate against any third party impacts caused by groundwater pumping.</i>
Operational Reserve Fund:	<i>General reserve fund.</i>

2015 SERVICE RATES

For 2015, the Browns Valley Irrigation District's service rates and fees will remain unchanged from 2014 at \$91.90 per unit with a flat \$168.50 service charge.

2015 Irrigation Rates

Units	Water Only	Admin Service Charge	2015 Rate
1	\$ 91.90	\$ 168.50	\$ 260.40
2	\$ 183.80	\$ 168.50	\$ 352.30
3	\$ 275.70	\$ 168.50	\$ 444.20
4	\$ 367.60	\$ 168.50	\$ 536.10
5	\$ 459.50	\$ 168.50	\$ 628.00
6	\$ 551.40	\$ 168.50	\$ 719.90
7	\$ 643.30	\$ 168.50	\$ 811.80
8	\$ 735.20	\$ 168.50	\$ 903.70
9	\$ 827.10	\$ 168.50	\$ 995.60
10	\$ 919.00	\$ 168.50	\$ 1,087.50

2015 Redhill East Irrigation Rates

Units	Water Only	Redhill East Assessment	Admin Service Charge	2015 Rate
1	\$ 91.90	\$ 117.50	\$ 168.50	\$ 377.90

2015 Out of District Irrigation Rates

Units	Water Only	Infrastructure Charge	Admin Service Charge	2015 Rate
1	\$ 198.00	\$ 118.00	\$ 168.50	\$ 484.50
2	\$ 396.00	\$ 118.00	\$ 168.50	\$ 682.50
3	\$ 594.00	\$ 118.00	\$ 168.50	\$ 880.50

2015 Demand Sales Rates

Units	Per Acre Foot	Infrastructure Charge	Admin Service Charge
In District	\$ 16.20	\$ -	\$ 168.50
Out of District	\$ 22.00	\$ 118.00	\$ 168.50

2015 REVENUE

Administrative Revenue

Category	2014 Budget	2014 Actual	2015 Budget
Administrative Charge	\$ 215,800	\$ 284,765	\$ 284,800
Accord Conjunctive Use	\$ 66,000	\$ 198,615	\$ 138,300
Standby Charges	\$ 3,800	\$ 5,851	\$ 3,800
Refunds	\$ 14,900	\$ 28,605	\$ 14,900
Tax Revenue	\$ -	\$ 1,917	\$ -
Rental Income	\$ 10,800	\$ 10,780	\$ 10,800
Collins Lake Recreational Lease	\$ 56,500	\$ 64,756	\$ 56,500
Interest Income	\$ 18,400	\$ 13,657	\$ 13,000
Miscellaneous Income	\$ -	\$ 155	\$ -
Total Non-Operating Revenue	\$ 386,200	\$ 609,101	\$ 522,100

Operational Revenue

Category	2014 Budget	2014 Actual	2015 Budget
Water Sales - In District	\$ 557,200	\$ 506,076	\$ 539,200
Water Sales - Out of District	\$ 17,000	\$ 1,479,966	\$ 7,854
Power Sales	\$ 134,300	\$ 123,039	\$ 61,500
PG&E / YCWA Water Use Agreement	\$ 1,052,500	\$ 846,602	\$ 1,264,100
Total Operational Revenue	\$ 1,761,000	\$ 2,955,683	\$ 1,872,654

Other Revenue

Category	2014 Budget	2014 Actual	2015 Budget
Sale of District Assets	\$ 1,500	\$ 2,750	\$ 30,000
Project Pipeline Income (Connections)	\$ 38,000	\$ 50,147	\$ 38,000
Spring Valley Project	\$ 7,720	\$ -	\$ 15,440
Grant Funds (Dry Creek Recapture)	\$ 1,420,900	\$ -	\$ 1,420,900
Total Other Revenue	\$ 1,468,120	\$ 52,897	\$ 1,504,340

Total 2015 Revenue \$ **3,681,320** \$ **3,816,296** \$ **3,899,094**

2014 Budget Carryover

Category	2014 Budget	2014 Actual	2015 Budget
2014 Operational Carryover	\$ -	\$ -	\$ 57,000
2014 Contingency Carryover (2014 Water Sales	\$ -	\$ -	\$ 1,221,733
Total 2014 Carryover Revenue	\$ -	\$ -	\$ 1,278,733

Total 2015 Revenue w 2014 Carryover \$ **3,615,320** \$ **3,617,681** \$ **5,177,827**

2015 GRANT FUNDS

Description	Total
Dry Creek Recapture Project - Proposition 50 and 204 Grant Funds	\$ 1,420,900
Total	\$ 1,420,900

2015 SALE OF ASSETS

2014 Ford Escape	\$ 20,000
2010 Ford F-150	\$ 7,000
1979 Ford Water Truck (Remove pump before sale)	\$ 3,000
Total	\$ 30,000

2014 BUDGET CARRYOVER

Description	Total
New Boardroom	\$ 57,000
2014 Water Sale	\$ 1,221,733
Total	\$ 1,278,733

2015 EXPENDITURES

Administrative Expenses

Expense Category	2014 Budget	2014 Expense	2015 Budget
Administrative Payroll	\$ 365,000	\$ 351,723	\$ 375,300
Payroll Burden	\$ 185,000	\$ 167,858	\$ 179,000
Miscellaneous Employee Expense	\$ 13,000	\$ 18,288	\$ 16,000
Insurance	\$ 78,200	\$ 62,603	\$ 65,100
Maintenance - Shop and Office	\$ 3,000	\$ 2,083	\$ 3,000
Utilities - Shop and Office	\$ 11,000	\$ 12,524	\$ 13,000
Office Expense	\$ 19,000	\$ 24,152	\$ 25,000
Fees - Legal and Accounting	\$ 33,000	\$ 36,886	\$ 40,000
Fees - Consulting	\$ 10,000	\$ 20,602	\$ 22,000
District Dues and Fees	\$ 64,000	\$ 55,618	\$ 67,000
Annexation / LAFCO	\$ 4,500	\$ 9,781	\$ 35,000
Taxes	\$ -	\$ -	\$ -
Water Sales - Out of District Expenses	\$ 4,000	\$ 61,708	\$ 10,000
Delta Legal Issues	\$ 40,000	\$ 26,519	\$ 30,000
Long Term Debt	\$ -	\$ -	\$ -
Total Non-Operating Expenses	\$ 829,700	\$ 850,345	\$ 880,400

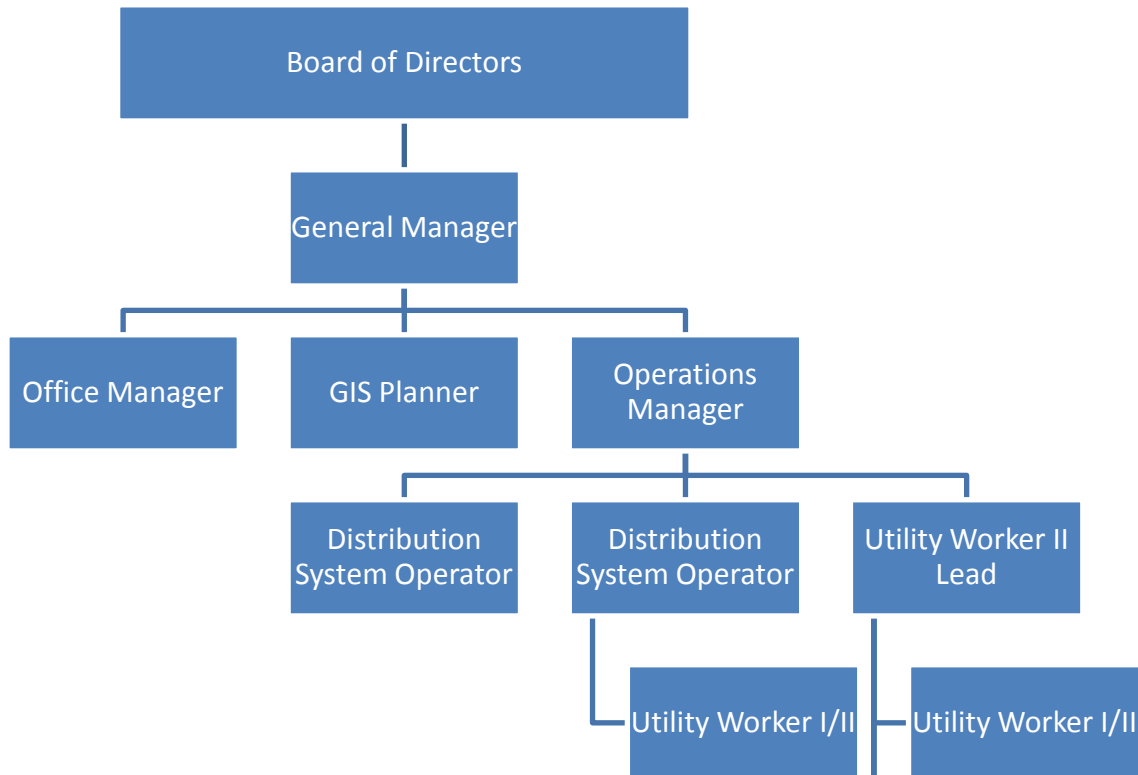
Operating Expenses

Expense Category	2014 Budget	2014 Expense	2015 Budget
Operational Payroll	\$ 454,518	\$ 472,903	\$ 518,800
Payroll Burden	\$ 230,000	\$ 225,692	\$ 248,000
Maintenance - Equipment	\$ 10,000	\$ 9,500	\$ 10,000
Maintenance - Pumps	\$ 2,000	\$ 43,484	\$ 5,000
Maintenance - Trucks	\$ 8,000	\$ 9,483	\$ 10,000
Hydro Expense	\$ 108,000	\$ 127,860	\$ 136,000
Distribution Maintenance	\$ 57,000	\$ 59,310	\$ 61,000
Utilities - Electric Pumps	\$ 152,000	\$ 180,803	\$ 193,000
Supplies - Fuel and Oil	\$ 60,000	\$ 78,499	\$ 78,000
Supplies - Small Tools	\$ 1,000	\$ 1,304	\$ 3,000
Radio Expense	\$ 800	\$ 497	\$ 800
Water Purchases	\$ 18,000	\$ 27,020	\$ 30,000
Total Operational Expenses	\$ 1,101,318	\$ 1,236,355	\$ 1,293,600

Capital Purchases and Projects

Expense Category	2014 Budget	2014 Expense	2015 Budget
Capital Purchases and Projects (Pages 8-9)	\$ -	\$ 49,166	\$ 1,416,233
Dry Creek Recapture (Grant Funded)	\$ 1,578,800	\$ 92,858	\$ 1,420,900
Total Capital Purchases and Projects	\$ 1,578,800	\$ 142,024	\$ 2,837,133
2015 Total Expenses	\$ 3,509,818	\$ 2,228,724	\$ 5,011,133

2015 BVID ORGANIZATIONAL CHART



2015 POSITION ALLOCATION AND SALARIES

(5)	Board of Directors	\$	6,000	Annually
(1)	General Manager (Retired)*	\$	122,700	Annually
(1)	General Manager	\$	106,636	Annually
(1)	Operations Manager	\$	85,280	Annually
(1)	Office Manager	\$	68,286	Annually
(1)	GIS Planner	\$	63,129	Annually
(1)	Utility Worker II - Lead			See Below
(2)	Distribution System Operator			See Below
(3)	Utility Worker II			See Below
(4)	Utility Worker I			See Below

*The previous General Manager is on extended vacation and will remain on payroll until October 2015, prorating the salary to a commensurate \$107,273

HOURLY WAGES

<u>HOURLY POSITION</u>	<u>STEP 1</u>	<u>STEP 2</u>	<u>STEP 3</u>	<u>STEP 4</u>
Utility Worker I	\$20.89	\$21.99	\$23.05	\$24.20
Utility Worker II	\$21.99	\$23.05	\$24.20	\$25.40
Distribution System Operator	\$23.05	\$24.20	\$25.40	\$26.67
Utility Worker II - Leadman	\$25.29	\$26.53	\$27.82	\$29.21
Seasonal Utility Worker I	\$20.89			
Office Temp	\$17.33			

Class A License Incentive	\$500	Annual
Chemical Application License Incentive	\$200	Annual

2015 CAPITAL PURCHASES AND PROJECTS

The following is a list of capital purchases and projects scheduled for 2015.

2015 Capital Purchases and Projects

Description	2015 Budget
BVID History Book	\$ 70,000
Virginia Ranch Hydro Turbine Repair	\$ 16,000
Small Pipeline Projects	\$ 15,000
Half Ton Pickup (Operations Manager)	\$ 25,000
Water Trailer	\$ 7,000
Shop Door Replacement	\$ 4,500
Total	\$ 137,500

2015 Grant Projects

Description	2015 Budget
Dry Creek Recapture Project	\$ 1,420,900
Total	\$ 1,420,900

2015 Virginia Ranch Dam Hydro Projects

In addition to the projects above, the District intends to make progress toward, and hopefully complete all the recommended improvements to the Virginia Ranch Dam facility as detailed by the Federal Energy Regulatory Commission (FERC) this year:

- Develop a solution to prevent the accumulation of sediment and flow from the upland just uphill from the weir (Due December 2015);
- Animal burrows observed on the downstream face of the dam to be repaired (Due December 2015);
- Secure the two steel deflector plates downstream of the Howell-Bunger valve (Due December 2015);
- Recoat the Outlet Conduit Tunnel in several areas to combat corrosion (Due December 2016);
- Develop a solution to prevent standing water on the floor of the valve chamber (Due December 2016);
- The 48 inch diameter pipe at the upstream chamber to be cleaned and re-painted (Due December 2016);
- Ensure the hydraulic lines that provide the pressure to operate the butterfly valve are durable to withstand an earthquake (Due December 2016);
- Turbine shut off valve to be cleaned and recoated (Due December 2016);
- Station markers to be added to the penstock (Due December 2016)

Although the above improvements and repairs aren't identified as a cost in the 2015 Capital Purchases and Projects, additional funds were allocated to "Hydro Expenses" in the Operating Expenses of this 2015 Budget.

ENCUMBERED PURCHASES AND PROJECTS FROM 2014

After determining that in-District demand would be satisfied in 2014, the Browns Valley Irrigation District was able to capitalize on selling water to other users in California using our regular "Conserved Water Transfer" process. The way this transfer is structured results in no impact to our in-District customers and stems from repairs done years ago to our aging infrastructure creating a bank of "conserved water" in the Yuba River that is available for transfer.

Although the Browns Valley Irrigation District does not rely on nor include these sales in the regular annual budget, when they do occur, they are typically spent on large scale capital purchases and projects.

The following list illustrates projects which were Board approved in 2014 using the proceeds of the 2014 Conserved Water Transfer, as well as a project which will carry over from the 2014 regular budget to construct a new Boardroom.

2014 Operational Budget Carry Over

Description	2015 Budget
New Board Room	\$ 57,000
Total	\$ 57,000

2014 Water Sales Carry Over

Description	2015 Budget
Saddleback Lift Pump Electrification	\$ 300,000
Highway 20 Crossing - Feasibility Study	\$ 30,000
Sicard Ditch	\$ 150,000
Pumpline Canal	\$ 35,000
Peoria Pipeline	\$ 200,000
12 Wheel Dump Truck	\$ 120,000
1 Ton Truck	\$ 33,000
Midsized SUV	\$ 32,000
Pesticide Storage	\$ 2,500
Re-insulate Shop	\$ 11,500
Website Improvement	\$ 5,000
Ice Machine and Filter	\$ 3,000
Office Computers, Furniture and Peripherals	\$ 3,550
Survey Metal Detector	\$ 900
Enclosed Storage Trailer	\$ 5,000
Personnel (2 Utility Workers for 2015)	\$ 141,270
Personnel (2 Utility Workers for 2016; allocate to reserves for 2015 to be budgeted for 2016)	\$ 149,013
Total	\$ 1,221,733

2015 Total Capital Purchases and Projects \$ 2,837,133

2015 FIXED EXPENSES

The following table depicts the estimated fixed expenses for the Browns Valley Irrigation District for 2015. This amount is accounted for in "District Dues and Fees" under Administrative Expenses and generally represents fees to regulatory agencies as well as legislative groups who serve as an alliance to the District.

Description	Due On/Or About	2015 Budget
NCWA Membership Dues - First Installment	January 1st	\$ 9,263
WREGIS - Renewable Hydro Dues	March 1st	\$ 850
DWR - Dam Fees	May 1st	\$ 19,400
NCWA Membership Dues - Second Installment	July 1st	\$ 9,263
ACWA Membership Dues	December 1st	\$ 8,515
SWRCB - Water Rights Fees	December 1st	\$ 7,450
County of Yuba - Encroachment Permit	December 31st	\$ 2,030
Yuba County Water Agency - Water Purchase	December 31st	\$ 9,650
	Total	\$ 66,420

VEHICLE AND EQUIPMENT INVENTORY

Vehicles

Unit	Year	Make	Model	Miles Year Ending 2013	Miles Year Ending 2014	Total Miles 2014
1	2014	Ford	Escape	0	16,779	16,779
2	2010	Ford	F-250 4x4	44,296	56,814	12,518
3	2006	Ford	F-150	58,361	70,922	12,561
4	2014	Ford	F-150	0	1,270	1,270
5	2010	Ford	F-150	74,643	96,743	22,100
6	2009	Ford	F-150	47,362	54,273	6,911
7	2014	Ford	F-150	0	5,438	5,438
8	2006	Ford	F-150	59,125	66,323	7,198
9	1991	Ford	F-350 4x4 (Diesel)	137,574	141,176	3,602
10	2008	Ford	F-250	49,295	56,693	7,398
11	2013	Ford	F-150	2,067	5,186	3,119
12	1991	GMC	Dump Truck	125,764	130,772	5,008
13	1979	Ford	Water Truck	143,590	143,590	0
14	2008	Chevrolet	Trail Blazer	97,588	110,500	12,912

Equipment

Unit	Year	Make	Model	Hours Year Ending 2013	Hours Year Ending 2014	Total Hours 2014
	2008	John Deere	160D - Large Excavator	785	968	183
	2003	Caterpillar	307 - Medium Excavator	2,689	2,873	184
	2005	Kubota	121 - Medium Excavator	2,259	2,653	394
	1997	Kubota	61 - Small Excavator	4,962	5,069	107
	2007	Bobcat	331 - Small Excavator	675	846	171
	1988	Case	Backhoe	3,760	3,790	30
	1990	Caterpillar	Loader	4,244	4,318	74
	1978	John Deere	Crawler	4,486	4,487	1
	2007	Bobcat	Tracked Skid Steer	750	841	91
	2008	Kawasaki	Mule	254	323	69
	1999	Honda	Foreman ATV	3,487	3,776	289
	2014	Polaris	Ace ATV	0	82	82
	2002	John Deere	Engine (Saddleback Lift Pump)	6,688	9,999	3,311

OUT OF DISTRICT WATER SALES

The following table illustrates the historical out of District water sales dating back to 1993. This revenue stream is generally reserved for large scale capital purchases and projects and have served as an insulator to keep in-District water rates relatively low. In recent years, the drought has caused demand to rise, resulting in extraordinary income. Although these sales are welcome, the Browns Valley Irrigation does not apply these amounts to the regular budget process due to their variability.

Furthermore, it is important to emphasize that these sales do not impact the water supply to our in-District customers. Water transfers only occur once it is determined that all of the demand can and will be met in-District. It is the firm belief of the Board and staff alike that BVID water is worth more to our customers in the District and only when that demand is met will a transfer be considered using our Yuba River supply.

YEAR	QUANTITY		AMOUNT
2014	3,445	\$	1,678,581.00
2013	3,703	\$	743,087.00
2012	3,100	\$	573,500.00
2011	-	\$	-
2010	3,710	\$	752,380.00
2009	3,835	\$	1,105,252.00
2008	4,076	\$	553,960.00
2007	3,100	\$	349,680.00
2006	-	\$	-
2005	3,100	\$	31,000.00
2004	3,100	\$	216,853.00
2003	4,200	\$	177,360.00
2002	4,897	\$	73,780.00
2001	8,000	\$	472,500.00
2000	-	\$	-
1999	3,000	\$	105,000.00
1998		\$	135,000.00
1997	5,000	\$	200,000.00
1996	5,500	\$	224,400.00
1995	5,500	\$	177,300.00
1994	5,500	\$	358,800.00
1993	5,500	\$	30,043.00