

# Proposed Budget

For 2016

South San Joaquin Irrigation District

# Revenues and Expenses

Proposed 2016 Budget

1	<b>OPERATING REVENUES</b>	
2	Irrigation sales	1,827,267
3	Treated water sales	7,551,129
4	Other water sales	24,691
5	Electric sales	236,000
6	Other	268,274
7	<b>Total Operating Revenues</b>	<u>9,907,362</u>
8		
9	<b>NONOPERATING REVENUES</b>	
10	Proposition 13 subvention	4,201,000
11	Interest income	354,396
12	Changes in market value of investments	0
13	Gain (loss) on property and equipment	8,000
14	Tri-Dam Power Authority distributions	500,000
15	Tri-Dam Project distributions	6,300,000
16	Undistributed earnings of Tri-Dam Project	0
17	Capital contributions	3,836,598
18	<b>Total Nonoperating Revenues</b>	<u>15,199,994</u>
19		
20	<b>TOTAL REVENUES</b>	<u>25,107,356</u>
21		
22	<b>OPERATING EXPENSES</b>	
23	Wages	7,008,167
24	Payroll taxes and benefits	5,916,470
25	Materials and supplies	1,852,740
26	Maintenance and repairs	951,576
27	Utilities	1,400,967
28	Conservation	0
29	General and administrative	5,494,188
30	Depreciation (Note 1)	7,080,480
31	<b>Total Operating Expenses</b>	<u>29,704,588</u>
32		
33	<b>NONOPERATING EXPENSES</b>	
34	Interest expense (Note 4)	<u>282,767</u>
35		
36	<b>TOTAL EXPENSES</b>	<u>29,987,355</u>
37		
38	<b>CHANGE IN NET ASSETS</b>	<u><u>(4,879,999)</u></u>

Revenues, Expenses, and Changes in Net Assets by Line of Business  
Proposed 2016 Budget

1	2	3	4	5	6	7	8
	Irrigation	DeGroot Water Treatment	Retail Electric	Schulz Solar Farm	Groundwater Sustainability	Eliminate Internal Transactions	Consolidated
<b>OPERATING REVENUES</b>							
Irrigation sales	1,827,267	0	0	0	0	0	1,827,267
Treated water sales	0	7,551,129	0	0	0	0	7,551,129
Other water sales	1,419,559	0	0	0	0	(1,394,868)	24,691
Electric sales	236,000	0	0	434,700	0	(434,700)	236,000
Other	268,274	0	0	0	0	0	268,274
<b>Total Operating Revenues</b>	<b>3,751,101</b>	<b>7,551,129</b>	<b>0</b>	<b>434,700</b>	<b>0</b>	<b>(1,829,568)</b>	<b>9,907,362</b>
<b>OPERATING EXPENSES</b>							
Wages	4,400,792	2,118,642	291,459	197,274	0	0	7,008,167
Payroll taxes and benefits	4,054,758	1,505,636	201,836	154,241	0	0	5,916,470
Materials and supplies	1,179,940	2,042,518	21,400	3,750	0	(1,394,868)	1,852,740
Maintenance, repairs, and improvements	516,595	302,282	90,900	41,800	0	0	951,576
Utilities	557,303	1,226,083	1,500	50,780	0	(434,700)	1,400,967
Conservation	0	0	0	0	0	0	0
General and administrative	1,132,456	355,969	3,889,493	5,870	110,400	0	5,494,188
Depreciation	2,977,908	3,600,000	0	502,572	0	0	7,080,480
<b>Total Operating Expenses</b>	<b>14,819,752</b>	<b>11,151,129</b>	<b>4,496,587</b>	<b>956,286</b>	<b>110,400</b>	<b>(1,829,568)</b>	<b>29,704,587</b>
<b>Net Income (Loss) From Operations</b>	<b>(11,068,652)</b>	<b>(3,600,000)</b>	<b>(4,496,587)</b>	<b>(521,586)</b>	<b>(110,400)</b>	<b>0</b>	<b>(19,797,225)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>							
Proposition 13 subvention	4,201,000	0	0	0	0	0	4,201,000
Interest income	335,400	18,996	0	0	0	0	354,396
Changes in market value of investments	0	0	0	0	0	0	0
Interest expense	(125,939)	0	0	(156,828)	0	0	(282,767)
Gain (loss) on property and equipment	8,000	0	0	0	0	0	8,000
Tri-Dam Power Authority distributions	500,000	0	0	0	0	0	500,000
Tri-Dam Project distributions	6,300,000	0	0	0	0	0	6,300,000
Undistributed earnings of Tri-Dam Project	0	0	0	0	0	0	0
<b>Total Nonoperating Revenues (Expenses)</b>	<b>11,218,461</b>	<b>18,996</b>	<b>0</b>	<b>(156,828)</b>	<b>0</b>	<b>0</b>	<b>11,080,629</b>
<b>Income before Capital Contributions</b>	<b>149,809</b>	<b>(3,581,004)</b>	<b>(4,496,587)</b>	<b>(678,414)</b>	<b>(110,400)</b>	<b>0</b>	<b>(8,716,596)</b>
Capital contributions	3,536,598	300,000	0	0	0	0	3,836,598
<b>Change in Net Assets</b>	<b>3,686,407</b>	<b>(3,281,004)</b>	<b>(4,496,587)</b>	<b>(678,414)</b>	<b>(110,400)</b>	<b>0</b>	<b>(4,879,998)</b>

## Debt Service Coverage Proposed 2016 Budget

1	<b>Revenue</b>	
2	Operating revenues	9,907,362
3	Tri-Dam Power Authority distributions	500,000
4	Tri-Dam Project distributions	6,300,000
5	Proposition 13 subvention	4,201,000
6	Earnings of fund 10 investments	321,000
7	Less: Earnings of debt service reserve	0
	Gain (loss) on property and equipment	8,000
8	Cash capital contributions	300,000
9	Gain (loss) on property and equipment	0
10	Withdrawals from rate stabilization fund	661,050
11	<b>Total Revenue</b>	22,198,412
12		
13	<b>Operation and Maintenance Costs</b>	
14	Operating expenses	29,704,587
15	Less: retail electric operating expenses	(4,496,587)
16	Less: depreciation	(7,080,480)
17	<b>Total Operation and Maintenance Costs</b>	18,127,520
18		
19	<b>Net Revenues</b>	4,070,892
20		
21	<b>Debt Service 2012A Bonds</b>	
22	4/1/2015 interest	192,100
23	10/1/2015 interest	192,100
24	10/1/2015 principal	2,260,000
25	<b>Total debt service</b>	2,644,200
26		
27	<b>Debt Service Coverage Ratio</b>	<b>154%</b>
28		
29	Minimum required net revenue (to provide 125% coverage)	3,305,250
30	Excess net revenue (above requirement for 125% coverage)	765,642

## Capital and Debt Expenditures

### Proposed 2016 Budget

Account No.	Account Title	Project Description	Amount	
1	<b>10-000-1132-00</b>	<b>Woodward Reservoir</b>	Repairs to concrete tower @exposed steel locations	50,000
2	<b>10-000-1132-00 Total</b>			<b>50,000</b>
3	<b>10-000-1140-00</b>	<b>Joint Supply Canal</b>	Portion of lining work on Joint Canal	36,000
4	<b>10-000-1140-00 Total</b>			<b>36,000</b>
		<b>Main Distributary Canal</b>		
5	<b>10-000-1142-00</b>	<b>(MDC)</b>	Install access vents on the MDC take-outs -- Frank	22,000
6			MDC repairs	300,000
7	<b>10-000-1142-00 Total</b>			<b>322,000</b>
8	<b>10-000-1143-00</b>	<b>Distributary Laterals</b>	\$500k pressurization study	500,000
9			Replace Lateral B-15 sta. 34-54- 2,000 ft. (\$ 240,000 total),	
10			Replace Lateral A-178 dd sta. 95-118-2,300 ft. (\$320,000	
11			total), Replace Lateral Rr-end along Mello Rd.- 1,200 ft.	
12			(\$48,000 portion) Replace Lateral W sta. 364-378- 1,400 ft.	
13			(\$72,800 portion)	680,800
14	<b>10-000-1143-00 Total</b>			<b>1,180,800</b>
15	<b>10-000-1160-00</b>	<b>Motor Vehicles</b>	bucket truck for MDC	145,000
16			pickup for Div.2	26,845
17			Traverse for office	34,900
18	<b>10-000-1160-00 Total</b>			<b>206,745</b>
19	<b>10-000-1162-00</b>	<b>Misc Equipment</b>	Tilt trailer for Maint. Dept.	29,050
20	<b>10-000-1162-00 Total</b>			<b>29,050</b>
		<b>SCADA System &amp;</b>		
21	<b>10-000-1173-00</b>	<b>Equipment</b>	k And KA Control box flow monitoring -- Frank	9,389
22			Phase II of the On_Farm Monioring SCADA system -- Frank	362,025
23	<b>10-000-1173-00 Total</b>			<b>371,413</b>
24	<b>Total Capital Expenditures</b>			<b>2,196,008</b>
25				
26	Debt service			2,644,200
27				
28	<b>Total Capital Expenditures and Debt Service</b>			<b>2,644,200</b>

Proposed 2016 Budget  
Compared to 2015 Budget and Estimated Actual Amounts for 2015 Full Year

	1	2	3	4	5	6	7	8
	2016	2015	2016	2016	2015	2016	2016	2015
	2016 Proposed Budget	2015 Budget	Change from 2015 Budget	% Change from 2015 Budget	2015 Full Yr Estimated	Change from 2015 Full Year Estimated	% Change from 2015 Full Year Estimated	Estimated Budget Variance Over (Under)
<b>1 OPERATING REVENUES</b>								
2 Irrigation sales	1,827,267	1,917,700	(90,433)	-5%	1,860,760	(33,493)	-2%	(56,940)
3 Treated water sales	7,551,129	6,998,750	552,379	8%	6,204,252	1,346,877	22%	(794,498)
4 Other water sales	24,691	23,011	1,680	7%	5,714,627	(5,689,936)	-100%	5,691,616
5 Electric sales	236,000	236,200	(200)	0%	194,242	41,758	21%	(41,958)
6 Other	268,274	101,011	167,263	166%	232,807	35,467	15%	131,796
7 <b>Total Operating Revenues</b>	<b>9,907,362</b>	<b>9,276,672</b>	<b>630,690</b>	<b>7%</b>	<b>14,206,688</b>	<b>(4,299,327)</b>	<b>-30%</b>	<b>4,930,017</b>
<b>9 OPERATING EXPENSES</b>								
10 Wages	7,008,167	7,029,053	(20,886)	0%	6,897,189	110,977	2%	(131,864)
11 Payroll taxes and benefits	5,916,470	5,710,454	206,016	4%	5,471,649	444,820	8%	(238,805)
12 Materials and supplies	1,852,740	2,058,456	(205,716)	-10%	1,659,589	193,151	12%	(398,866)
13 Maintenance and repairs	951,576	822,768	128,808	16%	698,810	252,766	36%	(123,958)
14 Utilities	1,400,967	1,320,244	80,722	6%	1,009,201	391,765	39%	(311,043)
15 Conservation	0	0	0		(23,345)	23,345	-100%	(23,345)
16 General and administrative	5,494,188	3,020,681	2,473,507	82%	3,377,175	2,117,013	63%	356,494
17 Depreciation	7,080,480	6,958,000	122,480	2%	6,902,906	177,574	3%	(55,094)
18 <b>Total Operating Expenses</b>	<b>29,704,587</b>	<b>26,919,656</b>	<b>2,784,931</b>	<b>10%</b>	<b>25,993,176</b>	<b>3,711,411</b>	<b>14%</b>	<b>(926,480)</b>
19								
20 <b>Net Income (Loss) From Operations</b>	<b>(19,797,225)</b>	<b>(17,642,984)</b>	<b>(2,154,242)</b>	<b>12%</b>	<b>(11,786,488)</b>	<b>(8,010,738)</b>	<b>68%</b>	<b>5,856,496</b>
21								
22 <b>NONOPERATING REVENUES (EXPENSES)</b>								
23 Proposition 13 subvention	4,201,000	3,967,657	233,343	6%	3,967,657	233,343	6%	0
26 Investment earnings	354,396	383,004	(28,608)	-7%	344,348	10,048	3%	(38,656)
27 Interest expense	(282,767)	(249,879)	(32,888)	13%	(258,947)	(23,820)	9%	(9,068)
28 Gain (loss) on property and equipment	8,000	0	8,000		22,093	(14,093)	-64%	22,093
29 Tri-Dam Power Authority distributions	500,000	500,000	0	0%	0	500,000		(500,000)
30 Tri-Dam Project distributions	6,300,000	5,000,000	1,300,000	26%	4,379,500	1,920,500	44%	(620,500)
31 Undistributed earnings of Tri-Dam Project	0	0	0		0	0		0
32 <b>Total Nonoperating Revenues (Expenses)</b>	<b>11,080,629</b>	<b>9,600,782</b>	<b>1,479,847</b>	<b>15%</b>	<b>8,454,651</b>	<b>2,625,978</b>	<b>31%</b>	<b>(1,146,131)</b>
33								
34 <b>Income before Capital Contributions</b>	<b>(8,716,596)</b>	<b>(8,042,202)</b>	<b>(674,395)</b>	<b>8%</b>	<b>(3,331,836)</b>	<b>(5,384,760)</b>	<b>162%</b>	<b>4,710,366</b>
35 Capital contributions	3,836,598	6,423,760	(2,587,162)	-40%	1,125,860	2,710,738	241%	(5,297,900)
36 <b>Change in Net Assets</b>	<b>(4,879,998)</b>	<b>(1,618,442)</b>	<b>(3,261,557)</b>	<b>202%</b>	<b>(2,205,976)</b>	<b>(2,674,022)</b>	<b>121%</b>	<b>(587,534)</b>