

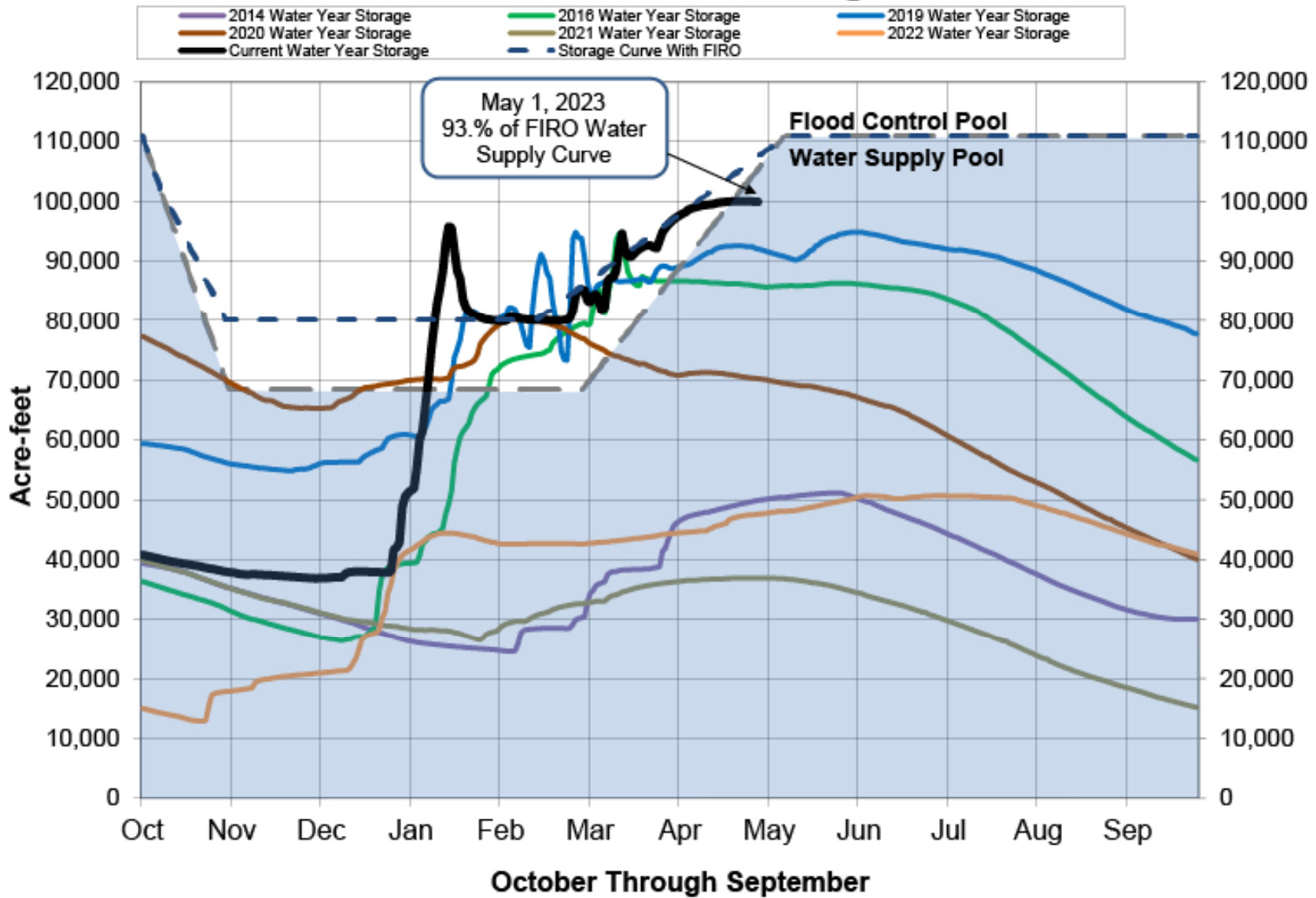
Agenda

- Introductions and Roll-call
- System review
- Our Water Source and Possible Water District
- Wine Awarded
- Election Results
- Financial Review
- Lottery Ticket Awarded

System Review

- 750 days since last service interruption
 - Despite several equipment failures
- You all have managed to *dramatically* reduce water consumption
 - Lots of leaks found and corrected
 - Lots of new Flume users
 - Penny has one for \$50 – raise your hand *now*
 - **THANK YOU** for keeping us out of trouble with the state!
 - Should be no water rationing 2023 or 2024!
- *Waaaaay smaller bills*
 - But we're still in OK financial shape

Our Water Supply



Our Water Source



The Future of Our Water Source

- *Incredible* political mess
 - PG&E, Eco-Freaks, Federal Regulations
 - Decisions being made behind closed doors
 - “Plan” due to be published late this year
 - Not clear who’s going to fight ripping out dams
 - The “logical” future would be Sonoma Water owns & operates them ...
all our elected reps are against that
 - Hundreds of millions of taxpayer money no matter what ...
 - IMHO water security is at risk
- *Without a Water District, we have no seat at the table*
 - I’ve been working with the **Russian River Property Owner’s Association** to form a water district for the unincorporated areas of Alexander Valley
 - Vote coming – I’ll alert you
 - Please join the RRPOA (\$45/yr)!

Election Results...

Wine Awarded To...

- Stick around for the grand prize near the end
- You must be present to win!

Financial Review

- Revenues shrunk
 - YAY Conservation!
- Costs didn't
 - Service providers hiking rates 10%+
 - We've had to replace two pumps, \$10K each
 - We had to do a \$30K system leak repair this month
- We've drawn down our reserves
- Water usage charges will stay the same
 - No assessments
 - The problem: our "fixed" costs
 - We're going to need to raise the **base rate** starting November
- Loans pay off in just 31 years!
 - Lion's share of your base rate – so win the lottery for us!

Comparing Water Rates

	<u>PLMWC</u>	<u>Cloverdale</u>
Base Rate / qtr	\$317	\$253
25,000 gals / qtr	\$ 69	\$212
Total	\$386	\$465

This Past Year vs Previous Year

	FY21 Actuals	FY22 Actuals	Change		FY21 Actuals	FY22 Actuals	Change
OPERATIONS ACCOUNT					CAPITAL IMPROVEMENT ACCOUNT		
Revenues				Revenues			
Water Billing	53,988	46,312	-7,676	Projects Billing	30,110	30,401	291
Loan Repayment Billing	74,053	74,867	814	Assessment Billing	3,032	200	-2,832
Miscellaneous Income	7,139	5,319	-1,820	Meter & Backflow Preventer Charges	8,959		-8,959
Transfer from Regulatory Reserve Account	25	0	-25	Total Revenues:	\$ 42,102	\$ 30,601	\$ (11,501)
Transfer from Capital Improvement Account	8,030	4,781	-3,249				
Total Revenues:	\$ 143,235	\$ 131,279	-11,956	Expenditures			
Expenditures				Cross Connection			
Administration				Backflow Preventer Installations / Testing	10,746	1,912	8,834
Accounting & Tax Prep	12,563	11,931	632	Generators Project			
Community Communication	346	455	-109	Equipment Procurement	15,179		15,179
Dues and Subscriptions	743	535	208	Installation & Construction	22,256	1,710	20,546
Government Fees	1,432	1,394	38	Maintenance and Repair			
Permits & Licenses	760	290	470	Maintenance, Tanks 1, 2, 3	27,876	8,970	18,906
Insurance	8,188	21,751	-13,563	Maintenance & Replacement, Pumps	5,557	8,820	-3,269
Rent, PO Box & Record Storage	996	1,012	-16	Maintenance, General	3,470	3,436	34
Miscellaneous & Legal	1,136	1,034	102	New Well			
Loan Payments				Easement Annual Payment	512	513	-1
CoBank Loan	20,830	20,830		Transfers to Operations Account	8,030	4,780	3,250
USDA Loan #2	44,268	44,268		Total Expenditures	\$ 93,626	\$ 30,147	\$ 63,479
USDA Loan #3	4,368	4,368					
Operations							
Control System	5,562	5,574	-12	CURRENT LOAN BALANCES			
Electric Utilities	8,693	7,384	1,309	CoBank Loan	338,051	331,680	
Meter Reading	1,950	2,200	-250	USDA Loan #2	804,252	791,929	
Water System Specialist	22,124	20,195	1,929	USDA Loan #3	79,304	78,085	
Water System Supplies	642	787	-145	Loans Total 3/31/22	1,221,607	1,201,694	
Water Testing	4,246	1,590	2,656				
Well Expense	554		554				
Miscellaneous (Vegetation Mgt, Mirror Maint. etc.)	4,851		4,851				
Transfers to USDA Loan Reserve Account	4,865	4,865					
Total Expenditures	\$ 149,116	\$ 150,463	\$ (1,347)				

Budget vs Actual

	FY22 Actuals	Full FY Budget	Variance		FY22 Actuals	Full FY Budget	Variance	
OPERATIONS ACCOUNT					CAPITAL IMPROVEMENT ACCOUNT			
Revenues				Revenues				
Water Billing	46,312	\$ 48,000	\$ (1,688)	Projects Billing	30,110	30,401	\$ 291	
Loan Repayment Billing	74,867	\$ 73,400	\$ 1,467	Assessment Billing	3,032	200	\$ (2,832)	
Miscellaneous Income	5,319	\$ 5,000	\$ 319	Meter & Backflow Preventer Charges	8,959		\$ (8,959)	
Transfer from Regulatory Reserve Account	0	\$ -	\$ -	Total Revenues:	\$ 42,102	\$ 30,601	\$ (11,501)	
Transfer from Capital Improvement Account	4,781	\$ 30,000	\$ (25,219)	Expenditures				
Total Revenues:	\$ 131,279	\$ 156,400	\$ (25,121)	Cross Connection				
Expenditures				Backflow Preventer Installations	10,746	1,912	\$ 8,834	
Administration				Generators Project				
Accounting & Tax Prep	11,931	\$ 14,000	\$ 2,069	Equipment Procurement	15,179		\$ 15,179	
Community Communication	455	\$ 350	\$ (105)	Installation & Construction	22,256	1,710	\$ 20,546	
Dues and Subscriptions	535	\$ 800	\$ 265	Maintenance and Repair				
Government Fees	1,394	\$ 1,600	\$ 206	Maintenance, Tanks 1, 2, 3	27,876	8,970	\$ 18,906	
Permits & Licenses	290	\$ 1,000	\$ 710	Maintenance, Pumps	5,557	8,826	\$ (3,269)	
Insurance	21,751	\$ 8,750	\$ (13,001)	Maintenance, General	3,470	3,436	\$ 34	
Rent, PO Box & Record Storage	1,012	\$ 1,000	\$ (12)	New Well				
Miscellaneous & Legal	1,034	\$ 1,200	\$ 166	Easement Annual Payment	512	513	\$ (1)	
Loan Payments				Transfers to Operations Account	8,030	4,780	\$ 3,250	
CoBank Loan	20,830	\$ 20,828	\$ (2)	Total Expenditures	\$ 93,626	\$ 30,147	\$ 63,479	
USDA Loan #2	44,268	\$ 44,268	\$ -					
USDA Loan #3	4,368	\$ 4,368	\$ -					
Operations								
Control System	5,574	\$ 6,000	\$ 426					
Electric Utilities	7,384	\$ 9,000	\$ 1,616					
Meter Reading	2,200	\$ 3,700	\$ 1,500					
Water System Specialist	20,195	\$ 24,000	\$ 3,805					
Water System Supplies	787	\$ 800	\$ 13					
Water Testing	1,590	\$ 5,000	\$ 3,410					
Well Expense		\$ 400	\$ 400					
Miscellaneous (Vegetation Mgt, Mirror Maint. etc.)		\$ 5,000	\$ 5,000					
Transfers to USDA Loan Reserve Account	4,865	\$ 4,865	\$ -					
Total Expenditures	\$ 150,463	\$ 156,929	\$ 6,466					

FY24 Operations Budget

	FY23 Actuals	June 30, 2023 Budget	Sept 30, 2023 Budget	Dec 31, 2023 Budget	March 31, 2024 Budget	Full FY Budget	Change
OPERATIONS ACCOUNT							
Revenues							
Water Billing	46,312	\$ 12,000	\$ 12,000	\$ 11,000	\$ 11,000	\$ 46,000	\$ (312)
Loan Repayment Billing	74,867	\$ 18,500	\$ 18,500	\$ 18,500	\$ 18,500	\$ 74,000	\$ (867)
Miscellaneous Income	5,319	\$ 500	\$ 500	\$ 500	\$ 3,500	\$ 5,000	\$ (319)
Transfer from Regulatory Reserve Account	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer from Capital Improvement Account	4,781	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ 30,000	\$ 25,219
Total Revenues:	\$ 131,279	\$ 41,000	\$ 41,000	\$ 40,000	\$ 33,000	\$ 155,000	\$ 23,721
Expenditures							
Administration							
Accounting & Tax Prep	11,931	\$ 2,000	\$ 6,500	\$ 2,000	\$ 2,000	\$ 12,500	\$ 569
Community Communication	455	\$ 200	\$ 100	\$ 100	\$ 100	\$ 500	\$ 45
Dues and Subscriptions	535	\$ 150	\$ 150	\$ 150	\$ 150	\$ 600	\$ 65
Government Fees	1,394	\$ 400	\$ 400	\$ 400	\$ 400	\$ 1,600	\$ 206
Permits & Licenses	290	\$ 200	\$ 200	\$ 200	\$ 200	\$ 800	\$ 510
Insurance	21,751	\$ -	\$ -	\$ 2,000	\$ 12,000	\$ 14,000	\$ (7,751)
Rent, PO Box & Record Storage	1,012	\$ 250	\$ 250	\$ 250	\$ 250	\$ 1,000	\$ (12)
Miscellaneous & Legal	1,034	\$ 300	\$ 300	\$ 300	\$ 300	\$ 1,200	\$ 166
Loan Payments							
CoBank Loan	20,830	\$ 5,207	\$ 5,207	\$ 5,207	\$ 5,207	\$ 20,828	\$ (2)
USDA Loan #2	44,268	\$ 11,067	\$ 11,067	\$ 11,067	\$ 11,067	\$ 44,268	\$ -
USDA Loan #3	4,368	\$ 1,092	\$ 1,092	\$ 1,092	\$ 1,092	\$ 4,368	\$ -
Operations							
Control System	5,574	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 6,000	\$ 426
Electric Utilities	7,384	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 10,000	\$ 2,616
Meter Reading	2,200	\$ 600	\$ 600	\$ 600	\$ 600	\$ 2,400	\$ 200
Water System Specialist	20,195	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 24,000	\$ 3,805
Water System Supplies	787	\$ 200	\$ 200	\$ 200	\$ 200	\$ 800	\$ 13
Water Testing	1,590	\$ 500	\$ 500	\$ 500	\$ 500	\$ 2,000	\$ 410
Well Expense		\$ 100	\$ 100	\$ 100	\$ 100	\$ 400	\$ 400
Miscellaneous (Vegetation Mgt, Mirror Maint. etc.)		\$ 2,000	\$ 2,000		\$ 1,000	\$ 5,000	\$ 5,000
Transfers to USDA Loan Reserve Account	4,865	\$ -	\$ -	\$ 4,865	\$ -	\$ 4,865	\$ -
Total Expenditures	\$ 150,463	\$ 34,266	\$ 38,666	\$ 39,031	\$ 45,166	\$ 157,129	\$ 6,666

FY24 Capital Budget

	FY23 Actuals	June 30, 2023 Budget	Sept 30, 2023 Budget	Dec 31, 2023 Budget	March 31, 2024 Budget	Full FY Budget	Change
CAPITAL IMPROVEMENT ACCOUNT							
Revenues							
Projects Billing	30,401	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 30,000	\$ (401)
Assessment Billing	200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (200)
Meter & Backflow Preventer Charges		\$ 200	\$ 200	\$ 200	\$ 200	\$ 800	\$ 800
Total Revenues:	\$ 30,601	\$ 7,700	\$ 7,700	\$ 7,700	\$ 7,700	\$ 30,800	\$ 199
Expenditures							
Cross Connection							
Backflow Preventer Installations & Testing	1,912	\$ -	\$ 800	\$ -	\$ -	\$ 800	\$ 1,112
Generators Project							
Equipment Procurement		\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000	\$ (1,000)
Installation & Construction	1,710	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000	\$ 710
Maintenance and Repair							
Maintenance, Tanks 1, 2, 3	8,970	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,970
Maintenance, Pumps	8,826	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ (1,174)
Maintenance, General	3,436	\$ 35,000	\$ -	\$ 2,000	\$ -	\$ 37,000	\$ (33,564)
New Well							
Easement Annual Payment	513	\$ -	\$ -	\$ 125	\$ 400	\$ 525	\$ (12)
Transfers to Operations Account	4,780	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ 30,000	\$ (25,220)
Total Expenditures	\$ 30,147	\$ 57,000	\$ 10,800	\$ 12,125	\$ 400	\$ 80,325	\$ (50,178)

Lottery Ticket Awarded To...

- You must pledge that the first \$1M of your winnings goes to pay off the Water Company loans!