



## REGULAR MEETING OF THE BOARD OF DIRECTORS

President- James Leap  
Vice President- Richard Smith  
Director- Marcus Dutra  
Director- Wayne Holman  
Director- Wayne Norton  
General Manager- Vicki Morris  
Asst General Manager-Mark Dias

### AGENDA Tuesday, January 24, 2017 5:00 PM

Meeting held at  
District Office:  
388 Blohm Ave.,  
Aromas CA 95004

- I. **CALL TO ORDER:**
- II. **ROLL CALL OF DIRECTORS:** Pres. James Leap, V. Pres. Richard Smith, Wayne Holman, Marcus Dutra and Wayne Norton
- III. **PLEDGE OF ALLEGIANCE**
- IV. **WORKSHOP:** Aromas Water District Counsel Robert Bosso to conduct 2 hour AB1234 Public Service Ethics Education training for staff and Board to meet requirements of California Government Code Section 53235.

#### **7:00 PM - RETURN TO REGULAR SESSION**

- I. **CALL TO ORDER:**
- II. **ROLL CALL OF DIRECTORS:** Pres. James Leap, V. Pres. Richard Smith, Wayne Holman, Marcus Dutra and Wayne Norton
- III. **STATEMENTS OF DISQUALIFICATION**
- IV. **ADDITIONS AND DELETIONS**
- V. **MINUTES:** Motion to approve the Minutes of the December 21, 2016 Special Board Meeting p.3-5
- VI. **ORAL COMMUNICATION:** *Anyone wishing to address the Board on informational items, staff reports or matters not listed on the agenda may do so during Oral Communications. Please limit your comment to three minutes. The public may comment on listed Action and Public Hearing items at the time they are considered by the Board.*
- VII. **PRESENTATIONS:**
  - A. **DIRECTORS REPORT**
  - B. **ATTORNEY'S REPORT**
  - C. **MANAGER'S REPORT** p.6-8
  - D. **SUSTAINABLE GROUNDWATER PLANNING**
  - E. **CORRESPONDENCE** p.9
- VIII. **ACTION ITEMS:**
  - A. **Financial Reports for the Month of December 2016:** Revenue for December is \$97,032.49; expenditures between December 8 2016, and January 13, 2017 total \$103,683.75. These financials and monthly expenditures will be presented for discussion and approval. p.10-16
  - B. **Revised 2016-17 Expense Budget:** Board to review revenue and expenditures for fiscal year to date and consider approval of revised expense budget to \$1,016,290. p.17-19
- IX. **FUTURE MEETINGS & AGENDA ITEMS:** Next meeting - February 28, 2017
- X. **ADJOURNMENT**

Next Res. # 2017-01

All public records relating to an agenda item on this agenda are available for public inspection at the time the record is distributed to all, or a majority of the board. Such records shall be available at the District office located at 388 Blohm Avenue, Aromas, CA.

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**Minutes of the Special Meeting of  
the Board of Directors of the  
Aromas Water District  
December 21, 2016**

**I. CALL TO ORDER:**

The regular meeting of the Board of Directors of the Aromas Water District was called to order by President Leap on Tuesday, December 21, 2016 at 7:00 p.m. at the District office located at 388 Blohm Ave, Aromas, California.

**II. ROLL CALL:**

President Leap, Vice-President Smith and Directors Holman and Dutra were present with Director Norton absent. Also in attendance were General Counsel Bob Bosso and Asst. General Manager/Board Secretary Mark Dias.

**III. PLEDGE OF ALLEGIANCE:** President Leap led the pledge of allegiance.

**IV. STATEMENTS OF DISQUALIFICATION:** There were no disqualification statements.

**V. ADDITIONS AND DELETIONS:** There were no additions or deletions.

**VI. MINUTES:** The minutes of the November 22, 2016 Regular Meeting were presented for acceptance and approval. There were no comments or corrections. Director Holman moved to approve and the motion was seconded by Vice Pres. Smith. The minutes were approved unanimously by the directors in attendance.

**VII. ORAL COMMUNICATION:** There were no public comments.

**VIII. PRESENTATIONS**

**A. Director's Reports**

Director Smith reported he had attended the 15th meeting of Salinas Valley Water Groundwater Planning group and was impressed with the group's progress in forming a new 11-member Joint Powers Authority. President Leap reported on four items: (1) he and Vice President Smith (SGMA ad hoc committee) had been offered a tour of Rock's Ranch. Rocks Ranch representatives did not clarify what viable water source they were pursuing to serve any future development. (2) On Dec 8 the SGMA ad hoc committee (Leap and Smith) met with staff and agreed the previously planned December 21 Board SGMA workshop was no longer needed and instead could be addressed as part of the regular Board meeting. (3) On December 14 the ad hoc committee members attended a SGMA planning meeting with key staff from PVWMA, San Benito County Water District and Monterey County Water Resources Agency. AGM Dias would provide an update later in the meeting. (4) On December 15, he and AGM Dias toured the Watsonville's upgraded waste water treatment plant.

**B. Attorney's Report**

Counsel Bosso briefly reported that water districts were still awaiting appellate court rulings regarding various Proposition 218 cases involving water district conservation

rates. A rate hike by Goleta Water District was being challenged because the district only notified customers but not the property owners even though legislation allowed this approach. President Leap expressed interest in hearing a presentation from Counsel regarding the details of Proposition 218 at some future date.

- C. Manager's Report:** See detailed report in agenda packet. AGM Dias gave the report. Highlights included:

Production:

AGM Dias had submitted the required annual conservation report to the State and the District had again met the mandated 20% reduction in pumping as compared to the 2013 baseline year. The monthly monitoring well level graphs were discussed and water levels were continuing to recover from summer lows. The graphs cover more recent years since older data was less consistent/reliable. System losses remained under 6%.

Operations:

All critical activities were being completed and operations were going well despite one operator being on light duty. A triennial inspection by state inspector had been completed for the entire water system. The inspection went smoothly with only minor items noted.

Maintenance:

Regarding the warranty work for the Oak Ridge Tank, GM Morris had requested Monterey Peninsula Engineers work directly with the tank sub-consultant to assess options.

Audit:

The members of the ad hoc Audit committee would be meeting in January to review the FY 15-16 draft audit. The District's past/current auditor would not be available for the next FY 16-17 audit and so a new auditor would be sought. Counsel Bosso was aware of a California firm that specializes in audits for public water systems.

Projects

- Marshall/Blohm Ave Shop Building. Due to several large site improvement costs, plus Tri-County Fire's position that the main driveway would need to be paved, the projected costs for the Marshall site greatly exceeded the District's budget. Fire had not yet provided the actual codes for paving. A less expensive option was being investigated for a shop at the rear of the office lot at 388 Blohm. The first step was to locate the existing septic system to determine any septic constraints and available septic repair area.
- Main relocation at Rocks Road/Pinacate bridge. Director Dutra asked why the November minutes noted that the District had not accepted the pipeline from San Benito County until 2002. AGM Dias clarified that because the pipeline was originally under SB County ownership (CSA 45) for several years the County would have the construction and encroachment records instead of requesting them from the District.

**D. Sustainable Groundwater Planning Report:**

AGM Dias presented the fourth of a series of monthly updates. The agenda packet included a written staff report. AGM Dias gave a PowerPoint presentation. A printed version was available to the public. The presentation highlighted that: (1) staff had researched the pros/cons of each of the seven draft options and discussed them with all three neighboring water agencies; (2) Option A (PVWMA's submittal of an "Alternative" plan) could resolve the need for the District or the Counties to form a GSA; (3) It would take at least six months and up to two years for the State to review PVWMA's Alternative. (4) If Option A is denied by the State, then the District could revisit the most viable options and would still have at least 180 days to form a GSA. (5) Option E (forming a Joint Powers Authority) was not supported by any of the water agencies and was not recommended for further study. The SGMA ad hoc committee (Leap, Smith) had been tracking the developments and had attended the meeting with the neighboring water agencies. The Board concurred to await the results of State review of PVWMA's Alternative plan. GM Morris would send a letter the State in support of PVWMA's Alternative.

**E. Correspondence:** The monthly correspondence list was reviewed without comment.

**IX. ACTION ITEMS**

**A. Financials:** Revenue and expenses for November reporting period were \$70,653.50 and \$75,034.06 respectively. Total assets were \$8.98 million. Total liabilities were slightly lower than last year at \$1.91 million making a net equity of \$7.07 million. The expenditures from November 16 to December 9, 2016 totaled \$47,197.55. AGM Dias noted that the expenditures continued to be lower than the budgeted amounts in almost all major categories and that total, year-to-date expenses were lower than budgeted. President Leap had previously reviewed the expenditures.

Director Dutra moved to accept the financials as presented and Director Smith seconded. The financials were accepted unanimously by those directors present.

**X. FUTURE MEETINGS & AGENDA ITEMS:**

The next meeting is the regular meeting of January 24, 2017. No agenda items were added. A separate Ethics training was also planned at 5 PM on January 24th.

**XI. ADJOURNMENT** - Pres. Leap adjourned the meeting at 8:11PM until January 24, 2017.

Read and approved by:

\_\_\_\_\_  
Board President, Jim Leap

Attest: \_\_\_\_\_  
District Secretary, Mark Dias

Date: January 24, 2017

## Aromas Water District General Manager's Report December 2016

### PRODUCTION

Source	Production in Gallons	Average Daily Gal/Day	Days in Service
San Juan Well	1,617,710	55,783	29
Pleasant Acres Well	18,000	18,000	1
Carpenteria Well	3,237,000	104,419	31
<b>Total Production</b>	<b>4,872,710</b>	<b>157,184</b>	

### ANNUAL PRODUCTION IN MILLIONS/GALLONS:

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	<b>2016</b>
January	5.52	5.84	5.99	5.68	6.49	5.83	5.77	7.33	5.34	8.11	5.99	<b>5.195</b>
February	4.81	6.12	5.46	5.55	5.38	5.09	5.43	5.81	5.40	5.42	5.48	<b>4.687</b>
March	5.66	5.10	7.99	8.40	6.72	6.34	5.61	5.62	7.37	6.43	7.06	<b>4.797</b>
April	6.93	5.34	10.58	11.95	9.97	6.07	7.46	5.55	9.93	7.42	7.49	<b>5.801</b>
May	11.01	11.56	14.57	14.58	12.42	9.77	10.58	9.94	12.74	11.81	7.93	<b>8.332</b>
June	14.60	16.34	14.71	15.77	14.04	14.13	11.32	13.4	13.14	11.99	9.37	<b>10.286</b>
July	15.98	18.07	16.91	16.02	16.31	14.35	13.41	14.1	14.82	12.59	10.01	<b>10.915</b>
August	16.28	16.61	17.13	16.04	16.68	14.67	12.76	14.0	13.96	11.73	9.93	<b>10.295</b>
September	13.68	14.78	14.27	14.34	13.71	13.28	12.02	11.8	12.79	10.39	9.74	<b>9.701</b>
October	12.35	12.48	10.69	12.99	9.98	10.54	8.90	10.69	11.22	9.34	8.02	<b>7.970</b>
November	9.74	8.41	8.06	7.71	8.36	6.62	6.01	6.83	8.91	5.88	5.37	<b>5.299</b>
December	6.70	6.74	7.20	6.35	6.84	5.68	6.88	5.10	7.81	4.86	4.88	<b>4.873</b>
Totals MG	123.2	127.42	133.6	135.38	126.9	112.37	106.15	110.17	123.42	105.97	91.27	<b>88.152</b>
Total AcFt	<b>378</b>	<b>391.1</b>	<b>410.0</b>	<b>415.4</b>	<b>389.4</b>	<b>344.8</b>	<b>325.7</b>	<b>338.05</b>	<b>378.7</b>	<b>325.16</b>	<b>280.05</b>	<b>270.49</b>

**OPERATIONS:**

- There are 953 total meters, on 898 parcels
- Loss Production system wide has maintained below 6% for over eighteen+ months
- Carpenteria Well, San Juan Well and Pleasant Acres Well are operational
- Water Treatment Plant- Removing Mn & Fe, Lab results show-Mn not detected in finished water
- Distribution testing for total Coliform- all samples Negative
- All Coliform, iron and manganese & monthly DWR reports were filed timely
- Backwashing WTP filters approximately every 5-7 +/- days, or 1.5 mg
- Monthly Generator in house 15 minute testing under load, annual warranty service completed 12/19/2016; replaced oil & filters, fuel at 50%, recommendation was to allow reduction to 25% and purchase an absorbent snake siphon for water condensation buildup in bottom of tank.

**MAINTENANCE:**

- Preventative maintenance as needed, minimal flushing as needed
- Graffiti removal whenever it occurs, installation of security cameras
- Chlorine chemical pump maintenance & analyzer maintenance at all wells
- AWD continues to offer mulch to the community, located at our Carpenteria site, Cal-Fire also is using our site to provide sand for filling sandbags if needed, by community

**STAFF & BOARD RECOGNITION:** Pres. Leap, AGM Dias and GM Morris attended the quarterly Special District of Monterey County, discussion on Salinas Valley water issues.

**SAFETY MEETINGS:** 12/12/16 Safe Winter Driving, 1/18/17 Slips, Trips & Falls

**DROUGHT & CONSERVATION UPDATE:**

Governor Brown declared California in a Drought State of Emergency on Jan. 17<sup>th</sup> 2014; this status has been extended for an additional three months (through the end of March 2017).

Water production for calendar year 2016 continued to reflect excellent water conservation. The Annual Water Conservation Report to the State was filed on 12/7/16, with a voluntary reduction in use of 29% over the same period in 2013.

The rains in water year (10/1/16-9/30/17) have been significant, recording 18.0 inches at Chittenden Pass through 01/18/2017.

**PROJECTS:**

1. The construction of a 30ø x 50ø steel shop building at the Marshall site: GM Morris discussed the building permitting requirements with San Benito County Planning Dept; Tri-County Fire Department and Salinas Steel Building; the cost estimates have well exceeded our initial budget of \$200,000. AGM Dias is researching another option, the possibility of enlarging the footprint of the Blohm Avenue garage from 24ø x 16ø to a 32ø x 22ø for a new steel building. This would be adequate for secure parking of two trucks, storage mezzanine and work bench areas. Discussions are ongoing with Monterey County Environmental Health on the existing office buildingø septic system viability for a septic repair area.

2. Ad Hoc GSA committee of Directors Leap and Smith continue to study the need to form a GSA in the portion of our District that is located in the Pajaro Valley 3-02 PUMA, outside of PVWMA's GSA. The filing of the Alternative Plan request to DWR by PVWMA on 12/27/2016 may change the necessity of a GSA formation. AWD will wait for the DWR response before further formation action. VP Smith attended the Salinas Groundwater Collaboration meeting on 12/2. AGM Dias continues discussions with PVWMA and DWR as necessary.

3. Rocks Road Bridge watermain relocation;

In 2011, San Benito County Public Works received partial funding from CalTrans to replace the one lane bridge with a two lane bridge over Pinacate Creek on Rocks Road. AWD has a 10" transmission main that will require temporary re-routing during construction followed by permanent relocation to accommodate the new wider bridge. The project has been on hold for many years and was recently resurrected. On 10/19/16, AWD staff met with the SBC representatives to discuss. To date there has been no additional follow up by San Benito County staff.

Vicki Morris  
General Manager  
January 18, 2017



## CORRESPONDENCE LIST: 12/16/2016- 01/19/2017

DATE:	TYPE	TO:	FROM:	SUBJECT:
12/16/16	E	S. Kler, SWRCB	V. Morris, AWD	Transmittal of list from 12/1 system inspection; photos of Ballantree tanks
12/19/16	E	Monterey Peninsula Engineers	V. Morris, AWD	Status of OakRidge Tank warranty repair
12/20/16	E	V. Morris, AWD	Marc SR, E.R. Bacon	Results of Generator Service
12/21/16	M	B. Lockwood, PVWMA	V. Morris, AWD	SGMA, Support of Alternative plan
12/22/16	E	AWD	Monterey County Auditor-Controller	December property tax distribution to AWD
12/29/16	E	AWD	Tom's Septic	Septic layout diagram for 388 Blohm Ave
12/29/16	M	T. Joseph, State DWR	V. Morris, J. Leap	Support letter for PVWMA Submittal of Alternative plan for GSP (SGMA)
1/5/17	E	T. Joseph, State DWR	M. Dias, AWD	Electronic version of support letter for PVWMA Submittal of Alternative plan for GSP (SGMA)
1/9/17	E	AWD	J. Roth, NBSgov	Annual Delinquency report for OakRidge and Ballantree Assessments
1/9/17	E	SWRCB, Drinking Water Program	V. Morris, AWD	Submittal: monthly TCR- Dec
1/9/17	E	R. Bracamonte	V. Morris, AWD	Potential GIS training for AWD staff
1/9/17	E	SWRCB, Drinking Water Program	V. Morris, AWD	Submittal: Water Treatment Plant report-Dec
1/9/17	E	AWD	S. Wallace; ACWA-JPIA	Receipt of updated property insurance Schedule
1/11/17	M	First American Title Co	V. Morris, AWD	Release of Lien for 111 Via Vaquero, SJB
1/11/17	E	AWD Board of Directors	M. Dias, AWD	Invitation to Special District Association Meeting
1/12/17	E	V. Morris, AWD	San Benito County Business Council	Presentation at Feb 28 SBCBC Water Forum
1/16/17	E	V. Morris, AWD	R. Smilely, AM LLP	Comments on bids for GASB 68 PERS reporting
1/16/17	E	V. Morris, AWD	D. Zarate, NBSgov	Transmittal: Parcel Tax Report for CFD-98-1 and filing instructions
1/17/17	E	V. Morris, AWD	D. Blacet, Cal Municipal Util. Assoc.	Release of new school lead sampling requirements

Aromas Water District  
Balance Sheet Prev Year Comparison  
As of December 31, 2016

	Dec 31, 16	Dec 31, 15
<b>ASSETS</b>		
Current Assets		
Checking/Savings		
UB Checking	96,253.68	61,528.62
Petty Cash	100.00	100.00
UB Bk Money Market xxxx7853	179,916.03	151,122.88
LAIF-State of Ca xx-05	780,540.03	776,137.82
Total Checking/Savings	1,056,809.74	988,889.32
Other Current Assets		
Prepaid Insurance	15,243.32	14,773.22
128 · Inventory	21,549.46	25,665.96
1200.1 · Accounts Receivable--UB...	75,582.75	69,659.67
1201.9 · Less Allowance for doubtf...	-500.00	-500.00
Total Other Current Assets	111,875.53	109,598.85
Total Current Assets	1,168,685.27	1,098,488.17
Fixed Assets		
1900 · Water System	11,508,112.78	11,168,817.95
1910 · Construction in Progress	821.50	0.00
1915 · Office Building & Improvements	387,667.80	387,260.80
1970 · Office Equipment & Fixtures	93,467.05	93,467.05
1980 · District Vehicles	75,349.31	74,492.43
1990 · Land and Easements	330,195.78	330,195.78
1995 · Idle Assets	43,400.00	43,400.00
1998 · Less Accum Depr Idle Assets	-42,400.00	-42,400.00
1999 · Less Accumuated Depreciation	-4,574,297.75	-4,171,374.75
Accumulated Depreciation-Summ	-24,005.00	0.00
Total Fixed Assets	7,798,311.47	7,883,859.26
Other Assets		
Deferred Outflow of Resources	21,836.00	21,836.00
LoanBrokerageFees	15,000.00	53,000.00
Accumulated Amortiz-loan fees	-1,625.00	-38,125.00
Deposits		
ACWA Deposit	2,080.80	2,080.80
Total Deposits	2,080.80	2,080.80
Total Other Assets	37,291.80	38,791.80
<b>TOTAL ASSETS</b>	<b>9,004,288.54</b>	<b>9,021,139.23</b>

Aromas Water District  
 Balance Sheet Prev Year Comparison  
 As of December 31, 2016

	Dec 31, 16	Dec 31, 15
<b>LIABILITIES &amp; EQUITY</b>		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 - Accounts Payable	15,303.72	28,524.18
Total Accounts Payable	15,303.72	28,524.18
Credit Cards		
First Bankcard -- Mark Dias	530.62	0.00
First Bankcard - Louise Coombes	42.18	0.00
First Bankcard -- Trevor Zelmar	19.43	1,641.86
Valero - Fuel	331.93	-167.97
First Bankcard -- David DeAlba	252.14	-263.92
First Bankcard -- Vicki Morris	66.18	0.00
Total Credit Cards	1,242.48	1,209.97
Other Current Liabilities		
2100 - Payroll Liabilities	-6,407.62	0.00
City National Bank - Current Po	105,477.00	0.00
Deferred Inflows- Actuarial	71,476.00	71,476.00
CUSTOMER DEPOSITS		
Connection Deposits Payable	4,000.00	4,000.00
Hydrant Meter Deposit	150.00	300.00
Total CUSTOMER DEPOSITS	4,150.00	4,300.00
Accrued Vacation Payable	17,011.82	17,274.27
Interest Payable	0.00	3,772.12
Payroll Taxes Payable		
State Payroll Taxes Payable		
Payroll-SWHCA	125.85	0.00
Total State Payroll Taxes Paya...	125.85	0.00
Total Payroll Taxes Payable	125.85	0.00
PVWMA Payable	4,117.72	13,734.78
Total Other Current Liabilities	195,950.77	110,557.17
Total Current Liabilities	212,496.97	140,291.32

Aromas Water District  
Balance Sheet Prev Year Comparison  
As of December 31, 2016

	<u>Dec 31, 16</u>	<u>Dec 31, 15</u>
Long Term Liabilities		
GASB 68 Pension Liability	436,144.00	436,144.00
City National Bank	1,265,394.67	1,474,829.12
Total Long Term Liabilities	<u>1,701,538.67</u>	<u>1,910,973.12</u>
Total Liabilities	1,914,035.64	2,051,264.44
Equity		
Investment in Capital Assets	3,945,714.00	6,346,397.53
Unrestricted Net Assets	3,057,805.32	558,909.25
Net Income	86,733.58	64,568.01
Total Equity	<u>7,090,252.90</u>	<u>6,969,874.79</u>
TOTAL LIABILITIES & EQUITY	<u><u>9,004,288.54</u></u>	<u><u>9,021,139.23</u></u>

Aromas Water District  
Profit & Loss Budget Performance

December 2016

	Dec 16	Budget	Jul - Dec 16	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
303 · Water Revenue	59,350.52	60,000.00	513,017.12	480,000.00	900,000.00
307 · Bulk Water	0.00	300.00	469.09	2,700.00	5,000.00
302 · Connection	0.00	0.00	0.00	12,790.00	25,580.00
301 · Taxes Rcvd	37,252.04	30,000.00	37,461.54	30,000.00	62,000.00
304 · Misc Income	0.00	410.00	8.25	2,510.00	5,000.00
306 · Interest	429.93	290.00	2,527.48	1,740.00	3,500.00
312 · Grant Revenue	0.00	1,000.00	1,000.00		2,000.00
Total Income	97,032.49	92,000.00	554,483.48	530,740.00	1,003,080.00
Gross Profit	97,032.49	92,000.00	554,483.48	530,740.00	1,003,080.00
Expense					
Operations					
403 · Fuel	521.22	670.00	3,248.03	3,980.00	8,000.00
404 · Truck Maint	1,169.41	500.00	2,252.63	2,450.00	5,000.00
431 · System Repair & Maint	2,265.10	5,000.00	28,314.29	28,000.00	58,000.00
463 · Water Analysis	154.00	500.00	2,614.00	2,600.00	6,000.00
464 · Water Treatment	1,004.56	500.00	4,676.69	3,800.00	7,500.00
468 · Tools	118.46	300.00	2,038.24	1,800.00	4,000.00
470 · Annexation/EIR/Planning	0.00	1,250.00	1,775.00	2,500.00	5,000.00
Total Operations	5,232.75	8,720.00	44,918.88	45,130.00	93,500.00
Power					
449.75 · 388 Blohm, # C	21.43	10.00	90.86	60.00	120.00
449.5 · 388 Blohm, A & B Office	148.66	125.00	702.99	750.00	1,500.00
461.5 · RLS Tank Booster	10.18	12.00	55.51	72.00	150.00
447 · Leo Ln Booster	28.89	15.00	198.70	85.00	175.00
448 · Aimee Mdws Well	9.53	11.00	55.26	64.00	130.00
451 · Marshall Corp Yard	37.30	40.00	159.00	220.00	550.00
452 · Rea Booster @ Seely	34.80	80.00	206.73	480.00	1,000.00
454 · Carr Booster	289.86	350.00	2,386.52	2,150.00	4,500.00
458 · Pleasant Acres Well	112.33	205.00	2,150.37	1,150.00	2,500.00
459 · Seely Booster @ Carpent...	-11.97	42.00	-133.24	248.00	500.00
460 · San Juan Well	2,058.27	2,500.00	20,058.13	21,000.00	40,000.00
461 · Cole Tank	11.59	12.00	67.91	72.00	150.00
462 · Rea Tank	11.84	12.00	69.45	72.00	150.00
466 · Pine Tree Tank	11.65	12.00	68.25	72.00	150.00
Total Power	2,774.36	3,426.00	26,136.44	26,495.00	51,575.00
Payroll					
Gross	34,195.30	33,500.00	183,560.51	188,000.00	390,000.00
Comp FICA	2,116.50	2,000.00	11,574.46	12,000.00	24,000.00
Comp MCARE	495.02	458.00	2,706.93	2,748.00	5,500.00
Comp SUI	70.42	332.00	398.39	1,992.00	4,000.00
Total Payroll	36,877.24	36,290.00	198,240.29	204,740.00	423,500.00
Employee Costs					
407 · Outside Services	377.30	500.00	2,655.00	3,000.00	6,000.00
408 · Uniform Allowance	316.42	85.00	483.45	510.00	1,000.00
409 · Workers Comp	604.00	800.00	3,903.35	4,400.00	9,500.00
410 · Health Ins	6,596.92	6,000.00	33,646.42	34,200.00	80,000.00
474 · Education	50.00	500.00	1,163.03	3,000.00	6,000.00
477 · Retirement	2,565.30	5,300.00	29,637.22	30,600.00	62,500.00
Total Employee Costs	10,509.94	13,185.00	71,488.47	75,710.00	165,000.00

Aromas Water District  
Profit & Loss Budget Performance

December 2016

	Dec 16	Budget	Jul - Dec 16		Annual Budget
Office					
440 · Misc Exp	240.99	250.00	1,775.61	1,500.00	3,000.00
444 · Postage	245.38	400.00	1,583.65	2,200.00	4,700.00
445 · Office Supplies	954.28	500.00	2,397.96	2,100.00	4,500.00
446 · Office Eqpmt and Maint	114.04	400.00	1,199.27	2,400.00	5,000.00
Total Office	1,554.69	1,550.00	6,956.49	8,200.00	17,200.00
Communications					
455 · Phone, Off	319.50	280.00	1,864.04	1,680.00	3,400.00
456 · Telemetry	298.17	300.00	1,803.77	1,775.00	3,600.00
457 · Answ Serv/Cellular Phone	276.67	270.00	1,700.97	1,540.00	3,200.00
Total Communications	894.34	850.00	5,368.78	4,995.00	10,200.00
Administrative & General					
417 · Capital Loan Interest	0.00	0.00	15,662.86	20,700.00	41,400.00
467 · Depreciation	10,500.00	10,500.00	63,000.00	63,000.00	125,000.00
405 · Election	0.00	0.00	0.00	3,000.00	6,000.00
406 · Liability Ins	1,858.00	1,500.00	9,576.65	9,000.00	18,000.00
420 · Legal Fees	1,250.00	1,300.00	7,500.00	7,800.00	15,600.00
422 · Bank Charges	102.90	125.00	644.58	750.00	1,500.00
423 · Litigation Contingency	0.00	0.00	0.00	10,000.00	10,000.00
425 · Audit	0.00	1,000.00	8,000.00	9,000.00	9,000.00
471 · Bad Debts	212.08	20.00	1,151.06	120.00	500.00
473 · Memberships	0.00	6,000.00	9,105.40	14,250.00	15,000.00
Total Administrative & General	13,922.98	20,445.00	114,640.55	137,620.00	242,000.00
Total Expense	71,766.30	84,466.00	467,749.90	502,890.00	1,002,975.00
Net Ordinary Income	25,266.19	7,534.00	86,733.58	27,850.00	105.00
Other Income/Expense					
Other Income					
309 · Contributed Capital Assets	0.00	-5.75	0.00	-61.60	0.00
Total Other Income	0.00	-5.75	0.00	-61.60	0.00
Net Other Income	0.00	-5.75	0.00	-61.60	0.00
Net Income	25,266.19	7,528.25	86,733.58	27,788.40	105.00

Aromas Water District  
**Monthly Expenditures**  
 December 8, 2016 through January 13, 2017

Date	Num	Name	Amount
UB Checking			
12/09/2016	15950	Robert E. Bosso	-1,250.00
12/09/2016	15952	ACWA JPIA, Emp. Ben. Prog.	-6,596.92
12/09/2016	15953	Recology San Benito County	-34.66
12/09/2016	15954	USA BlueBook	-367.20
12/12/2016	15955	Diaz Garage	-1,159.41
12/14/2016	15961	Cain, Maureen G	-45.22
12/14/2016	15962	Coombes (P), Louise P	-138.47
12/14/2016	15963	DeAlba (P), David	-2,614.24
12/14/2016	15964	Dias (P), Mark R	-2,033.10
12/14/2016	15965	Giron (P), Ester	-608.44
12/14/2016	15966	Goodman (P), Laurie D	-400.09
12/14/2016	15967	Morris (P), Vicki	-3,068.62
12/14/2016	15968	Zelmar (P), Trevor J	-1,454.55
12/14/2016	E-pay	Employment Development Dept	-671.50
12/14/2016	E-pay	United States Treasury (EFTPS)	-4,475.77
12/16/2016	15956	Dutra (P), Marcus	-205.75
12/16/2016	15957	Holman (P), Wayne R	-205.76
12/16/2016	15958	Leap (P), James E	-205.76
12/16/2016	15959	Norton (P), K W	-205.76
12/16/2016	15960	Smith (P), Richard	-205.76
12/19/2016	ACH	CalPERS	-2,333.05
12/20/2016	ACH	CalPERS	-1,778.33
12/21/2016	15969	ACE Hardware Prunedale	-42.48
12/21/2016	15970	Armanino LLP	-3,000.00
12/21/2016	15971	First Bankcard	-1,825.78
12/21/2016	15972	Mid Valley Supply	-1,004.56
12/21/2016	15973	R & B Company	-766.05
12/21/2016	15974	Ryan Ranch Printers	-525.14
12/21/2016	15975	SSB Construction	-821.50
12/21/2016	15976	State Water Resources Control Board	-50.00
12/21/2016	15977	T & T Valve and Instrument, Inc.	-1,432.72
12/21/2016	15978	Valero	-411.39
12/28/2016	15979	A T & T U-verse	-60.00
12/28/2016	15980	CSSC	-79.00
12/28/2016	15981	Jesse Sanchez	-350.00
12/28/2016	15982	Mark Dias	-50.00
12/28/2016	15983	P G & E	-2,786.33
12/28/2016	15984	United Way serving San Benito County	-58.00
12/28/2016	15985	Verizon Wireless	-147.67
12/28/2016	15986	Coombes (P), Louise P	-162.53
12/28/2016	15987	DeAlba (P), David	-2,571.03
12/28/2016	15988	Dias (P), Mark R	-2,033.10
12/28/2016	15989	Giron (P), Ester	-710.68
12/28/2016	15990	Goodman (P), Laurie D	-256.06
12/28/2016	15991	Morris (P), Vicki	-3,104.27
12/28/2016	15992	Zelmar (P), Trevor J	-1,520.24
12/28/2016	E-pay	Employment Development Dept	-625.39
12/28/2016	E-pay	United States Treasury (EFTPS)	-4,207.28
12/28/2016	15993	Old Firehouse Market	-90.00
12/31/2016	16000	Robert E. Bosso	-1,250.00
12/31/2016	EFT	Bank Service Fees	-102.90
01/02/2017	ACH	CalPERS	-2,339.21
01/02/2017	ACH	CalPERS	-1,076.16
01/02/2017	ACH	CalPERS	-2,691.32

Aromas Water District  
**Monthly Expenditures**  
 December 8, 2016 through January 13, 2017

Date	Num	Name	Amount
01/04/2017	15994	CALNET3	-557.67
01/04/2017	15995	David DeAlba	-21.60
01/04/2017	15996	PVWMA	-13,982.44
01/04/2017	15997	USPO	-245.38
01/06/2017	15998	D & G Sanitation	-80.63
01/06/2017	15999	Recology San Benito County	-34.66
01/06/2017	16001	United States Treasury (EFTPS)	-559.38
01/09/2017	16002	ACWA JPIA, Emp. Ben. Prog.	-6,596.92
01/09/2017	16003	Agee Electric, Inc.	-442.03
01/09/2017	16004	Batteries Plus Bulbs	-23.85
01/09/2017	16005	Grainger Inc	-155.25
01/09/2017	16006	Old Firehouse Market	-100.00
01/09/2017	16007	Scotts Valley Sprinkler & Pipe	-71.16
01/09/2017	16008	Xerox Corp	-21.66
01/11/2017	16009	Ouita Martin	-216.16
01/13/2017	16010	Coombes (P), Louise P	-138.47
01/13/2017	16011	DeAlba (P), David	-2,356.12
01/13/2017	16012	Dias (P), Mark R	-2,037.98
01/13/2017	16013	Giron (P), Ester	-593.44
01/13/2017	16014	Morris (P), Vicki	-3,069.69
01/13/2017	16015	Zelmar (P), Trevor J	-1,378.22
01/13/2017	E-pay	Employment Development Dept	-621.67
01/13/2017	E-pay	United States Treasury (EFTPS)	-4,170.22
Total UB Checking			-103,683.75
TOTAL			-103,683.75



# AROMAS WATER DISTRICT

## Staff Report

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**To:** Board of Directors  
**RE:** **Item VIII. B. Revised Expense Budget**  
**Date:** 1/18/2017

### History:

The Expense Budget performance is reviewed monthly by the board; typically the budget may be revised mid-year to reflect unanticipated changes. Notable changes occurred during the 2016-2017 fiscal year to amend the Budget.

### Current Proposal:

The 2016-2017 Expense Budget was approved in May 2016 reflecting the proposed revenue of \$1,003,080. During the course of the first six months of the fiscal year, there have been changes and adjustments to both the income and expenses.

On the Revenue side: metered water sales have exceeded original estimates; the number of anticipated new connections have been reduced from two to one; and slight adjustments are made to Bulk water revenue, Taxes and Interest. The net change is a \$13,210 increase in revenue for a total budget of \$1,016,290.

On the Expense side: there were no election costs, payroll and employee costs show slight decreases due to personnel changes.

This proposal requests a Revenue increase of \$13,210 and a decrease in Expenses of \$18,605. The combination of increased net Revenue and decreased Expenses allows the District to augment our Capitol Reserve by increasing Depreciation. The revised budget would increase depreciation (Capital Reserves) by \$25,000 (from \$125,000 to \$150,000). See attached proposed Revision for itemization.

### Recommendation:

Approve the Revised 2016-2017 Expense Budget of \$1,016,290 with revenue and expense changes as recommended in the attached spreadsheet.

Vicki Morris ó General Manager  
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Fax (831) 726-3951  
Email- [aromaswd@aol.com](mailto:aromaswd@aol.com)

**AROMAS WATER DISTRICT  
EXPENSE BUDGETS**

	2012-2013	2013-2014	2014-2015	2015- 2016	ADOPTED 2016-2017	REVISED 2016-2017 BUDGET	Difference
	Actual	Actual	Actual	Actual	Current	PROPOSED	Difference
<b>REVENUE</b>							
303 · Water Revenue	813,066	837,363	804,767	889,600	<b>900,000</b>	<b>\$ 925,000</b>	\$ 25,000
307 · Bulk Water	17,793	15,455	17,437	3,282	<b>5,000</b>	<b>\$ 1,000</b>	\$ (4,000)
302 · Connection	-	43,372	576,626	12,790	<b>25,580</b>	<b>\$ 12,790</b>	\$ (12,790)
301 · Taxes Rcvd	49,103	52,689	62,290	60,805	<b>62,000</b>	<b>\$ 68,000</b>	\$ 6,000
304 · Misc Income	13,470	4,483	6,995	4,233	<b>5,000</b>	<b>\$ 2,500</b>	\$ (2,500)
306 · Interest	1,829	1,019	1,771	3,465	<b>3,500</b>	<b>\$ 5,000</b>	\$ 1,500
312 · Grant Revenue	0	4,311	2,014	675	<b>2,000</b>	<b>\$ 2,000</b>	\$ -
<b>Total Revenue</b>	<b>895,261</b>	<b>958,692</b>	<b>1,471,900</b>	<b>974,850</b>	<b>1,003,080</b>	<b>\$ 1,016,290</b>	<b>\$ 13,210</b>
<b>EXPENSES</b>							
<b>Administrative &amp; General</b>							
467 - Depreciation	320,517	353,845	360,462	423,928	<b>125,000</b>	<b>\$ 150,000</b>	\$ 25,000
405 · Election	5,213	-	550	0	<b>6,000</b>	<b>\$ -</b>	\$ (6,000)
406 · Liability Ins	17,416	12,044	17,109	18,070	<b>18,000</b>	<b>\$ 19,000</b>	\$ 1,000
416 · Interest Pymt	68,898	62,891	87,432	46,161	<b>41,505</b>	<b>\$ 41,400</b>	\$ (105)
420 · Legal Fees	13,200	13,225	14,400	15,000	<b>15,600</b>	<b>\$ 15,600</b>	\$ -
423 · Litigation Conting	0	0	0	0	<b>10,000</b>	<b>\$ 10,000</b>	\$ -
422 · Bank Charges	2,395	1,250	1,127	1,594	<b>1,500</b>	<b>\$ 1,500</b>	\$ -
425 · Audit	6,250	6,475	6,725	11,000	<b>9,000</b>	<b>\$ 9,000</b>	\$ -
471 · Bad Debts	120	167	66	2	<b>500</b>	<b>\$ 1,500</b>	\$ 1,000
473 · Memberships	12,775	12,618	12,886	14,140	<b>15,000</b>	<b>\$ 15,000</b>	\$ -
<b>Total Administrative &amp; General</b>	<b>446,784</b>	<b>462,515</b>	<b>500,757</b>	<b>529,894</b>	<b>242,105</b>	<b>\$ 263,000</b>	<b>\$ 20,895</b>
<b>Communications</b>							
455 · Phone, Off	3,894	3,290	3,455	3,334	<b>3,400</b>	<b>\$ 3,700</b>	\$ 300
456 · Telemetry	3,535	3,430	3,477	4,183	<b>3,600</b>	<b>\$ 3,600</b>	\$ -
457 · Answ Serv/Cellular Phone	2,350	2,554	3,131	2,387	<b>3,200</b>	<b>\$ 3,500</b>	\$ 300
<b>Total Communications</b>	<b>9,779</b>	<b>9,274</b>	<b>10,063</b>	<b>9,905</b>	<b>10,200</b>	<b>\$ 10,800</b>	<b>\$ 600</b>
<b>Payroll</b>							
Gross	315,624	327,434	315,260	314,876	<b>390,000</b>	<b>\$ 387,000</b>	\$ (3,000)
Comp FICA	19,682	20,578	19,465	19,479	<b>24,000</b>	<b>\$ 24,000</b>	\$ -
Comp MCARE	4,603	4,813	4,552	4,556	<b>5,500</b>	<b>\$ 5,600</b>	\$ 100
Comp SUI & SDI	3,255	3,195	2,737	2,705	<b>4,000</b>	<b>\$ 3,200</b>	\$ (800)
<b>Total Payroll</b>	<b>343,164</b>	<b>356,020</b>	<b>342,014</b>	<b>341,615</b>	<b>423,500</b>	<b>\$ 419,800</b>	<b>\$ (3,700)</b>
<b>Employee Costs</b>							
407 · Outside Services	4,516	5,174	6,481	5,145	<b>6,000</b>	<b>\$ 6,000</b>	\$ -
408 · Uniform Allowance	406	300	1,553	1,277	<b>1,000</b>	<b>\$ 1,000</b>	\$ -
409 · Workers Comp	6,660	5,251	6,392	5,922	<b>9,500</b>	<b>\$ 9,900</b>	\$ 400
410 · Health Ins	47,599	50,610	52,948	58,837	<b>80,000</b>	<b>\$ 73,000</b>	\$ (7,000)
474 · Education	2,650	3,615	4,677	4,958	<b>6,000</b>	<b>\$ 6,000</b>	\$ -
477 · Retirement Contrib	48,347	50,260	43,150	55,731	<b>62,500</b>	<b>\$ 62,700</b>	\$ 200
<b>Total Employee Costs</b>	<b>110,178</b>	<b>115,210</b>	<b>115,201</b>	<b>131,870</b>	<b>165,000</b>	<b>\$ 158,600</b>	<b>\$ (6,400)</b>

	2012-2013	2013 - 2014	2014- 2015	2015-2016	ADOPTED 2016-2017	REVISED 2016-2017 BUDGET	Difference
	Actual	Actual	Actual	Actual	Current	PROPOSED	Difference
<b>Office</b>							
411 · Office Rent	6,300	-	-		0	\$ -	\$ -
440 · Misc Exp	2,219	2,900	2,717	3,723	3,000	\$ 3,000	\$ -
444 · Postage	4,148	4,755	4,255	4,310	4,700	\$ 4,500	\$ (200)
445 · Office Supplies	3,384	4,811	4,703	4,839	4,500	\$ 4,500	\$ -
446 · Office Eqpmt Maint	3,747	9,177	6,541	6,663	5,000	\$ 5,000	\$ -
<b>Total Office</b>	19,798	21,643	18,216	19,534	17,200	\$ 17,000	\$ (200)
<b>Operations</b>							
403 · Fuel	9,870	10,500	7,985	7,804	8,000	\$ 8,000	\$ -
404 · Truck Maint	2,235	1,972	3,824	4,950	5,000	\$ 5,000	\$ -
431 · System Repair & Maint	43,284	59,220	47,583	40,817	58,000	\$ 58,000	\$ -
463 · Water Analysis	4,276	3,153	6,075	2,980	6,000	\$ 6,000	\$ -
464 · Water Treatment	7,189	9,939	7,821	7,148	7,500	\$ 8,500	\$ 1,000
468 · Tools	1,276	2,488	3,895	7,449	4,000	\$ 5,000	\$ 1,000
470 · PR/Annex/Conserv	2,268	75	170	-190	5,000	\$ 5,000	\$ -
<b>Total Operations</b>	70,398	87,347	77,353	70,958	93,500	\$ 95,500	\$ 2,000
<b>Power</b>							
449.75 388 Blohm #C	125	154	53	148	120	\$ 120	\$ -
449.5-388 Blohm A & B	1,274	1,563	1,431	1,637	1,500	\$ 1,500	\$ -
447 · Leo Ln Booster	116	242	227	309	175	\$ 375	\$ 200
448 · Aimee Mdws Well	117	121	116	124	130	\$ 130	\$ -
449 · Old Office, Pwr	386	-	-	0	0		\$ -
451 · Marshall Corp Yard	487	538	451	360	550	\$ 550	\$ -
452 · Rea Booster @ Seely	859	363	724	598	1,000	\$ 515	\$ (485)
454 · Carr Booster	4,573	5,693	4,350	4,423	4,500	\$ 4,500	\$ -
458 · Pleasant Acres Well	1,742	1,648	1,986	1,655	2,500	\$ 4,000	\$ 1,500
459 · Seely Pump & Carpentaria	38,700	35,440	27,038	125	500	\$ 300	\$ (200)
460 · San Juan Well	45,669	55,854	39,382	44,744	40,000	\$ 39,000	\$ (1,000)
461.5 RLS Tank	220	124	116	124	150	\$ 150	\$ -
461 · Cole Tank	138	145	145	146	150	\$ 150	\$ -
462 · Rea Tank	141	147	147	161	150	\$ 150	\$ -
466 · Pine Tree Tank	139	146	156	134	150	\$ 150	\$ -
<b>Total Power</b>	94,686	102,178	76,322	54,688	51,575	\$ 51,590	\$ 15
<b>TOTAL EXP</b>	1,094,787	1,154,187	1,139,926	1,158,464	1,003,080	\$ 1,016,290	\$ 13,210
<b>NET INCOME</b>	(199,526)	(195,495)	331,974	-183,614	0	\$0	\$ -
Add back in Depreciation	320,517	353,845	360,462	423,928	125,000	\$ 150,000	
Net incl. Depreciation	120,991	158,350	692,436	240,314	125,000	\$ 150,000	