

El Creston Mutual Domestic Water Consumers Association
Saturday, November 9, 2019 3 – 4 pm
Public Meeting
Sheridan Fire Station, 15 Ojitos Frios Rte

1. Report by Souder-Miller, our engineering firm regarding next construction phases
 - a. As designed, we will be going North on Mira Sol, and east on country road A-20 to pick up about 10 more connections. Since we dropped the water fill station, we may have extra money, project that we will go up Roadrunner. Construction should begin next spring or early summer.
2. Funding Report
 - a. We have \$110,000 from Capital Outlay for design of the next phase (phase III), and almost \$500,000 from the Water Trust Board for the construction of phase II as discussed above. We have also submitted a WTB application for \$499,000 for construction of phase III.
3. Treasurer's Report
 - a. See attached
4. Proposed rate increases
 - a. Water Delivery to increase by \$5 to \$125 to cover the gross receipts tax.
 - b. Future of Water Delivery. The delivery service is becoming unsustainable as people begin to hook up to the system resulting in fewer deliveries. The age of the water truck is also a factor. At some point we will need to drop this service.
 - c. Water Hook-up will increase by \$2 for both regular and stand-by customers, to cover the \$15 increase of the annual assessment passed last year. The annual assessment is currently at \$75
5. The current basis for the standard monthly use charge is 3000 gallons. Monitoring of use over the last year indicates that amount should be raised to 4000 gallons and the change will be implemented on the January billings.
6. The board is proposing that we allow people to incorporate start-up costs in their monthly bill.
7. The Office of the State Engineer requires homeowners who have turned over a portion of their water rights to El Creston (currently phase I) to meter their well and submit quarterly readings. If this is not done by January 31st, El Creston will lose their water rights to that portion.
8. Other Discussion
 - a. We are flushing the system every 4-6 weeks (several thousand gallons), because the water becomes stagnant in our pipes. We are offering that water as non-potable for possible use in irrigation or watering livestock for \$1 a load. Once more people are connected, we shouldn't need to do this.

Cash Flow - Year to Date

1/1/2019 through 11/7/2019

11/7/2019

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Category	1/1/2019- 11/7/2019
INFLOWS	
Uncategorized	0.00
Assessments	2,175.00
Connection revenues	6,683.79
Court Judgment Damages	1,800.00
Donations	4,150.00
Loan Court Settlement	3,464.00
New Memberships	250.00
Standby charges	1,677.50
Water hauling water sales	8,495.20
Water Rights Fee	1,000.00
TOTAL INFLOWS	29,695.49
OUTFLOWS	
Uncategorized	175.00
Accounting	151.54
Certified Water Operator	2,057.95
D & O Insurance	668.00
Driver gross wages	1,668.09
Driver payroll taxes	164.91
Easement leases	600.00
Electrical costs	418.89
Gas	592.05
Insurance - truck liability	493.00
Insurance - workman's comp	1,101.00
Legal and professional fees	8,144.17
Loan Payment - Court Settlement	1,500.00
Miscellaneous	488.08
Payroll Software	41.00
Tax	
Fed	283.01
TOTAL Tax	283.01
Taxes 941	61.20
Transfer to Reserves	5,100.00
Truck license	49.35
Vehicle Maintenance	1,026.83
Water Costs	2,784.01
Website	190.05
WTB-0245	532.28
WTB-0274	200.78
TOTAL OUTFLOWS	28,491.19
OVERALL TOTAL	1,204.30

El Creston Mutual Domestic Water Consumers Association		
	2020 Budget - Base	2020 Budget - Expansion
Beginning Cash		
System capital reserve	-	-
System loan reserve	-	-
System operating reserve	-	-
Water hauling capital reserves	-	-
Water hauling operating reserve	2,374.00	2,374.00
Unreserved	2,626.00	2,626.00
Total Beginning Cash	5,000.00	5,000.00
Water System		
Revenues		
Assessments	1,925.00	1,925.00
Connection revenues	9,000.00	15,300.00
Donations	100.00	100.00
Gross receipts tax	531.00	878.40
Standby charges	1,620.00	2,268.00
Total System Revenues	13,176.00	20,471.40
Expenses		
D & O Insurance	668.00	668.00
Easement leases	600.00	600.00
El Valle Contract	2,100.00	2,100.00
Electrical costs	650.00	1,105.00
Gross receipts tax	531.00	878.40
Legal and professional fees	500.00	500.00
Miscellaneous	100.00	100.00
Supplies and administrative expenses	124.00	124.00
System Planning Loan	532.00	532.00
Water testing	1,400.00	1,400.00
Website	175.37	175.37
WTB #1 loan payment	5,127.00	5,127.00
WTB #2 loan payment	-	5,132.00
Zebrowski loan	600.00	600.00
Total System Expenses	13,107.37	19,041.77
Net System before transfers to reserves	68.63	1,429.63
Transfer to capital reserve	-	-
Transfer to loan reserve	-	-
Transfer to system operating reserve	-	-
Total transfers to reserves	-	-
Net System Cash Flows	68.63	1,429.63

El Creston Mutual Domestic Water Consumers Association

	2020 Budget - Base	2020 Budget - Expansion
Water Hauling		
Revenues		
Hauling fees	7,272.00	4,747.00
Water charges	<u>1,728.00</u>	<u>1,128.00</u>
Total Water Hauling Revenues	9,000.00	5,875.00
Expenses		
Driver gross wages	2,520.00	1,645.00
Driver payroll taxes	243.18	158.74
Gas	936.00	611.00
Gross receipts tax	363.60	237.35
Insurance - truck liability	493.00	493.00
Insurance - workman's comp	1,100.00	1,100.00
Maintenance	1,800.00	1,800.00
Truck license	49.05	49.05
Water costs	<u>1,717.92</u>	<u>1,121.42</u>
Total Operating Expenses	<u>9,222.75</u>	<u>7,215.56</u>
Net Water Hauling before transfers to reserves	(222.75)	(1,340.56)
Transfers to capital reserve	-	-
Transfer to operating reserves	<u>-</u>	<u>-</u>
Total Transfers to Reserves	-	-
Net Water Hauling	(222.75)	(1,340.56)
Restricted Revenues and Expenses		
Transfers to reserves	-	-
Unrestricted cash flows	<u>(154.12)</u>	<u>89.07</u>
Net Cash Flows	(154.12)	89.07
Ending Cash Balance		
System capital reserve	-	-
System loan reserve	-	-
System operating reserve	-	-
Water hauling capital reserves	-	-
Water hauling operating reserve	2,374.00	2,374.00
Unreserved	<u>2,471.88</u>	<u>2,715.07</u>
Total Ending Cash Balance	<u>4,845.88</u>	<u>5,089.07</u>
Debt Service Ratio without Water Hauling	1.01	1.22

El Creston Mutual Domestic Water Consumers Association
2020 Rates & Fees Schedule
Proposed Rate Schedule (Items underlined are proposed)

Users:

\$77.00 per month (plus tax) for usage up to 4000 gallons
\$16.28 per 1000 gallons over 4001 gallons
5% Gross Receipts Tax

Water Conservation Fee:

\$0.03 per 1000 gallons used. Required by the Office of the State Engineer and included in the monthly rate.

Standby:

\$27 per month (plus tax). For members with infrastructure service available (meter in place) but who elect to not connect to the system or who wish to suspend service temporarily.

New Membership:

\$250.00 One time – non-refundable fee. Due at the time of the approval of the membership application. This is a system membership only and does not include a connection to the system.

Annual Assessment:

\$75 Annual fee for all members to cover administrative and other costs. This fee is rolled into the monthly fee once a member is connected.

Hook-Up, Meter Installation and Connection Fee:

Actual cost The actual cost for the connection of water services from the association lines to the limit of the public right of way or association easement, which by law must be completed by a certified operator present. It includes the hookup cost, the metering facilities, and labor including the certified operator. The cost is approximately \$1500.

Disconnect/Reconnect Fee:

\$100 if the meter is locked; and actual cost if meter is to be removed or re-installed.

Service Deactivation/Activation Fee:

\$25.00 plus actual cost for the water operator for each action when a member wishes to suspend or re-activate their service, or when service is suspended for non-payment.

Late Fee: \$5 each month after 30 days past the due date.

Bounced Check Fee:

\$25.00 plus actual bank charges

Renew Membership (after being cancelled):

Current membership fee

Water Delivery: \$125 per 1500 gallon load