

**SHEEP CREEK WATER COMPANY
OPERATIONS BUDGET 2024 INCOME**

Approved 11/7/2023

PROJECTED INCOME

Monthly Water Use Income

Month	Projected Monthly Usage (HCF)			Total Monthly Usage Income
	Tier 1 Rate .65	Tier 2 Rate 5.27	Tier 3 Rate 11.00	
January	7,500	1,200	2,300	\$ 36,499
February	7,900	1,500	2,100	\$ 36,140
March	8,100	1,500	2,300	\$ 38,470
April	8,600	1,700	2,300	\$ 39,849
May	10,300	3,300	4,800	\$ 76,886
June	12,200	3,500	3,000	\$ 59,375
July	13,100	4,500	4,500	\$ 81,730
August	12,000	5,000	8,000	\$ 122,150
September	9,000	3,000	6,000	\$ 87,660
October	11,000	2,500	3,000	\$ 53,325
November	9,500	2,000	3,000	\$ 49,715
December	7,000	1,600	3,000	\$ 45,982

Monthly Service Charge Income- Operating

Average Active Services 1205 Service Charge \$ 65.00 \$ 939,900.00

Monthly Service Charge Income- CoBank

Average Active Services 1205 Service Charge \$ 5.00 \$ 42,175.00

Stock Transfers

Transfer Fee	Estimated Transfers per Month	Estimated Annually Transfer Income
\$18	10	\$2,160

Reconnect Fees

Standard Fee	Nonpayment Fee	Reconnects per Month	Estimated Reconnect Income
\$65	\$65	Standard 1 Nonpayment 1	\$1,560

Construction Meters

Meters	Months	Service Charge	Average Usage \$11.00 HCF	Total
2	3	\$65.00		\$390.00

Penalties/Late Fees

Average per Month- 12 \$120	Estimated Annual Penalties/Late Fees Income \$1,440
--------------------------------	--

Lost Certificate Fee

Average per Month- 3 \$45	Estimated Annual Lost Certificate Fee Income \$540
------------------------------	---

**SHEEP CREEK WATER COMPANY
OPERATIONS BUDGET 2024 INCOME
PROJECTED INCOME CONTINUED**

Approved 11/7/2023

Total Projected Annual Operating Income

	2024 Budget	2023 Budget	2022 Budget	2023 Actual
Meter Service Charge	\$939,900	\$878,460	\$786,720	\$865,326
Well 11 Loan- \$5.00 Meter Service Charge	\$72,300	\$72,600	\$71,520	\$72,060
Water Usage- Tier 1- \$0.65	\$75,530	\$73,425	\$67,400	\$63,868
Water Usage- Tier 2- \$5.27	\$164,951	\$129,375	\$102,243	\$145,285
Water Usage- Tier 3- \$11.00	\$487,300	\$485,000	\$350,760	\$434,332
Stock Transfers	\$2,160	\$2,376	\$2,376	\$1,662
Construction Meters	\$390	\$393	\$0	\$1,003
Penalties/Late Fees/ Reconnect Fees	\$3,000	\$2,880	\$5,340	\$1,560.00
Lost Certificate Fee	\$540	\$540	\$540	\$375.00
Total Operations Income	\$1,746,071	\$1,645,049	\$1,386,899	\$1,585,471

Total Outstanding Loan- 2024 Assessment Account

	Remaining Balance	Annual Interest	Annual Principal	Total Annual Loan Payments
CoBank - Refinanced Shareholder				
Loan (4 year term) 7/2020 - 7/2024	\$61,817			\$0
\$5.00 Meter Service Charge plus Tier 3				

Estimated Annual Reserve Account Transfers

Assessment Acct	\$ 122,359.00	Base Rate Increase for CoBank Loan Payments, Tier 3- \$1.00 per HCF
Capitol Improvement	\$ 88,600.00	Income based on \$1.50 per hcf of Tier 3 for Capitol Upgrades
System Upgrade Acct	\$ 45,000.00	Income based on \$3,750 per month from Service Charge for System Replacement
Well Acct (Maintenance)	\$ 81,335.00	Income based on .38 per hcf for Tier 1; \$0.65 per hcf for Tier 2&3
Well Acct (MWA Fees)	\$ 46,324.00	Income based on usage from Well #11 water for MWA Replacement Water Fees

SHEEP CREEK WATER COMPANY
OPERATIONS BUDGET 2024
NOTES

Approved 11/7/2023

Notes- Income

1. Usage estimates are based on actual 2023 usage with current allotments. Usages have steadily increased each year and expect usage to increase slightly over 2023.
2. \$0.63 from Tier 3 income to be transferred to operations income- \$.50 from Capitol Improvement; \$0.13 from Assessment.
3. \$1.50 per hcf from Tier 3 to be transferred to Capitol Improvement Account.
4. \$45,000 from Meter Base Rate to be used and transferred to System Upgrade Account.
5. \$0.38 per hcf of Tier 1 & Tier 3 plus \$0.65 per hcf of Tier 2 to be transferred to the Well Account for well maintenance.
6. \$1.48 per hcf of Tier 2 will transfer the Well Account for Mojave Water Agency- Water Replacement Fees.
7. \$1.00 per hcf of Tier 3 will transfer to Assessment Account. Portion used for CoBank- Well 11 Loan Payment.

Notes- Expenses

1. System repairs and maintenance remain high due to increasing materials cost and higher number of meters being replaced.
2. Increase in Legal Fess with continued State Compliance Order and multiple shareholder demand letters and lawsuits.
3. Increase in Engineering due to upgrading the Master Plan.
4. Well electrical increased due to increased edison rates.
5. Water quality and treatment expenses increased due to cost of chlorine.
6. COLA increase at 6% due to much higher living expenses. Take affect January 1, 2024
7. MWA Replacement Fees 2023/2024- \$645.00 per acre foot.
8. Sub contract and labor increased due to Source Capacity Project.
9. Increase in gasoline and diesel due to continued rise in fuel cost.
10. Increase in vehicle and equipment maintenance.
11. Increase in medical costs.

**SHEEP CREEK WATER COMPANY
OPERATIONS BUDGET 2024
PRODUCTION & DISTIRBUTION**

Approved 11/7/2023

ACCOUNT	BUDGET 2024	BUDGET 2023	BUDGET 2022	2023 Actual	OVER / UNDER
FIELD CREW					
Salaries	\$255,230	\$219,566	\$180,000	\$221,513	(\$1,947)
Overtime	\$23,995	\$17,000	\$17,600	\$18,853	(\$1,853)
SER/SEP-Retirement	\$19,545	\$15,610	\$13,317	\$6,698	\$8,912
Uniforms, Hats	\$3,600	\$2,700	\$2,100	\$3,230	(\$530)
Emergency Phone	\$500	\$550	\$550	\$456	\$94
Emergency Pager	\$0	\$0	\$0	\$0	\$0
Training/Certs	\$1,500	\$1,100	\$1,200	\$1,134	(\$34)
TRUCK & EQUIPMENT					
Truck Payment	\$13,200	\$13,200	\$12,000	\$0	\$13,200
Equipment Payment	\$15,000	\$0	\$0	\$0	\$0
Fuel- Gasoline	\$15,000	\$17,000	\$15,000	\$13,899	\$3,101
Fuel- Diesel	\$13,000	\$13,300	\$12,000	\$12,773	\$527
Registration- DMV	\$3,500	\$2,900	\$3,493	\$1,531	\$1,369
Rprs & Maint.- Auto	\$16,000	\$11,500	\$7,000	\$22,242	(\$10,742)
Rprs & Maint.- Equip	\$8,000	\$3,000	\$5,000	\$1,769	\$1,231
Equipment Rental	\$0	\$500	\$4,500	\$0	\$500
Waste- Hazmat	\$250	\$450	\$500	\$185	\$265
DISTRIBUTION SYSTEM					
Rprs & Maint- Lines	\$25,000	\$12,000	\$12,000	\$22,295	(\$10,295)
Rprs & Maint- Meters	\$45,000	\$25,000	\$30,000	\$46,415	(\$21,415)
Rprs & Maint- CLA-VAL	\$5,000	\$10,000	\$3,000	\$312	\$9,688
Rprs & Maint- System	\$15,500	\$12,000	\$8,500	\$15,334	(\$3,334)
Shop Equipment	\$3,000	\$2,000	\$3,000	\$2,929	(\$929)
Supplies- General	\$4,200	\$2,000	\$3,500	\$3,796	(\$1,796)
Supplies- Inventory	\$100	\$500	\$1,500	\$0	\$500
Cross Connection Control	\$100	\$100	\$100	\$0	\$100
County Waste Fees	\$200	\$300	\$300	\$0	\$300
Contract Services	\$1,000	\$1,200	\$1,200	\$0	\$1,200
Damages- Personnel	\$200	\$200	\$250	\$0	\$200
Safety Equipment	\$2,300	\$1,000	\$450	\$2,256	(\$1,256)
Small Tools	\$1,000	\$1,200	\$1,200	\$772	\$428
State Health Fees	\$12,000	\$5,500	\$5,500	\$11,815	(\$6,315)
Sub Contract Labor	\$13,000	\$7,000	\$7,500	\$12,966	(\$5,966)
Other	\$0	\$100	\$100	\$0	\$100
Water Conservation	\$200	\$250	\$250	\$0	\$250
Water Quality Treatment	\$14,000	\$14,000	\$7,500	\$13,835	\$165
Water Quality Maint/Samp	\$13,000	\$30,000	\$4,500	\$9,884	\$20,116
Prod./Dist. Total	\$543,120	\$442,726	\$364,610	\$446,893	(\$4,167)

**SHEEP CREEK WATER COMPANY
OPERATIONS BUDGET 2024
ADMINISTRATION**

Approved 11/7/2023

ACCOUNT	BUDGET 2024	BUDGET 2023	BUDGET 2022	2023 Actual	OVER / UNDER
Account Transfers					
Assessment Acct	\$ 122,359.00	\$117,900	\$127,020	\$115,493	\$2,407
Capitol Improvement	\$ 88,600.00	\$68,400	\$83,250	\$65,150	\$3,250
System Upgrade Acct	\$ 45,000.00	\$45,000	\$45,000	\$45,000	\$0
Well Acct (Maintenance)	\$ 81,335.00	\$57,100	\$62,350	\$66,890	(\$9,790)
Well Acct (MWA Fees)	\$ 46,324.00	\$42,267	\$43,143	\$47,137	(\$4,870)
OFFICE					
Accounting	\$7,000	\$20,000	\$25,000	\$3,433	\$16,567
Advertising	\$150	\$150	\$150	\$125	\$25
Bank Charges	\$150	\$300	\$300	\$51	\$249
Contributions	\$2,500	\$250	\$250	\$1,000	(\$750)
Copier- Lease	\$4,200	\$2,600	\$2,435	\$4,166	(\$1,566)
Credit Card	\$18,100	\$15,000	\$16,000	\$18,070	(\$3,070)
Dues/Subscriptions	\$3,300	\$3,400	\$2,500	\$3,133	\$267
Equipment Rentals	\$100	\$150	\$200	\$0	\$150
Employees					
Employee Gifts	\$5,850	\$3,800	\$2,400	\$5,732	(\$1,932)
Safety/OT- Dinner/Lunch	\$2,500	\$1,000	\$1,000	\$1,366	(\$366)
Employee of Year	\$250	\$200	\$250	\$0	\$200
Engineering- General	\$30,000	\$15,000	\$15,000	\$12,503	\$2,498
INSURANCE					
General	\$17,500	\$20,000	\$28,200	\$16,424	\$3,576
Medical	\$116,490	\$127,692	\$92,000	\$107,937	\$19,755
Work Comp.	\$13,500	\$15,500	\$14,000	\$12,455	\$3,045
Other	\$100	\$0	\$0	\$0	\$0
Legal- General	\$80,000	\$20,000	\$20,000	\$88,807	(\$68,807)
Legal- AVL/MWA/SWRCB	\$2,000	\$4,000	\$12,000	\$0	\$4,000
Licenses/Permits	\$1,200	\$1,500	\$2,000	\$1,181	\$319
Medical Supplies	\$100	\$200	\$400	\$0	\$200
Meeting/Conferences					
Annual/Regular Meetings	\$500	\$500	\$1,500	\$446	\$54
Management	\$500	\$500	\$1,000	\$150	\$350
Office	\$200	\$200	\$600	\$0	\$200
Miscellaneous	\$1,000	\$3,100	\$500	\$0	\$3,100
N.S.F Checks	\$450	\$550	\$500	\$297	\$253

**SHEEP CREEK WATER COMPANY
OPERATIONS BUDGET 2024
ADMINISTRATION**

Approved 11/7/2023

ACCOUNT	BUDGET 2024	BUDGET 2023	BUDGET 2022	2023 Actual	OVER / UNDER
OFFICE SUPPLIES					
Billing	\$2,500	\$7,500	\$1,800	\$1,991	\$5,509
Bookkeeping	\$2,300	\$2,000	\$1,250	\$2,082	(\$82)
Copier	\$9,000	\$4,400	\$3,000	\$8,984	(\$4,584)
Computer	\$2,000	\$3,000	\$3,000	\$1,084	\$1,916
Payroll Supplies	\$1,500	\$2,000	\$500	\$1,235	\$765
General	\$3,300	\$3,000	\$4,000	\$3,175	(\$175)
OUTSIDE SERVICES					
Dig Alert- USA's	\$2,400	\$1,000	\$2,200	\$2,244	(\$1,244)
Turner Security	\$660	\$660	\$600	\$659	\$1
CR&R-Trash	\$3,200	\$2,550	\$2,545	\$3,010	(\$460)
Printing	\$1,500	\$1,500	\$1,500	\$1,408	\$92
TNN- Computer/Phone	\$6,260	\$6,250	\$6,250	\$5,743	\$507
Postage	\$9,000	\$9,800	\$8,500	\$8,594	\$1,206
SALARIES					
Management/Office	\$280,150	\$258,800	\$203,275	\$260,193	(\$1,393)
Overtime- Office	\$7,500	\$4,100	\$2,488	\$7,445	(\$3,345)
SER/SEP-Retirement	\$20,900	\$17,897	\$14,178	\$7,556	\$10,341
Rprs & Maint- Office	\$2,000	\$2,000	\$2,000	\$0	\$2,000
Rprs & Maint- Equip	\$1,000	\$1,000	\$250	\$0	\$1,000
Replacement- Equip	\$1,000	\$2,000	\$2,500	\$194	\$1,806
TAXES	\$66,000	\$70,825	\$45,450	\$55,985	\$14,840
Payroll	\$136,300	\$136,300	\$96,000	\$133,422	\$2,878
Payroll Withheld	(\$110,000)	(\$87,500)	(\$69,000)	(\$96,312)	\$8,812
Property	\$20,000	\$20,425	\$17,650	\$18,875	\$1,550
Corporate. Tax	\$800	\$1,600	\$800	\$0	\$1,600
Telephone/Race	\$2,700	\$2,300	\$1,800	\$2,500	(\$200)
Theft Losses	\$0	\$0	\$0	\$0	\$0
Training	\$0	\$700	\$250	\$414	\$286
Travel Reimbursement	\$50	\$50	\$50	\$0	\$50
UTILITES					
Electric- Wells	\$100,000	\$110,000	\$82,000	\$89,890	\$20,110
Electric- General	\$4,000	\$3,500	\$3,000	\$3,798	(\$298)
Natural Gas	\$750	\$500	\$450	\$724	(\$224)
Administration Total	\$1,202,028	\$1,481,591	\$1,010,694	\$1,085,854	\$395,737
Prod./Dist. Total	\$543,120	\$442,726	\$364,610	\$446,893	(\$4,167)
Total Operations	\$1,745,148	\$1,481,591	\$1,375,304	\$1,532,747	(\$51,156)
Operations Income	\$1,746,071	\$1,608,073	\$1,386,899	\$1,542,931	(\$65,142)