

Note: The Board may take action on any matter, however listed on this Agenda, and whether or not listed on this Agenda, to the extent permitted by applicable law. Staff Reports are subject to change without prior notice.

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SOUTH PLACER WASTEWATER AUTHORITY

Jack Duran – Placer County
Bonnie Gore – Roseville, Chair
Jerry Mitchell – SPMUD
Pauline Roccucci – Roseville
Robert Weygandt – Placer County, Vice Chair

MINUTES OF BOARD OF DIRECTORS' MEETING January 30, 2014

The regular meeting of the South Placer Wastewater Authority Board of Directors was called to order at 9:30 a.m. at the Roseville Corporation Yard, 2005 Hilltop Circle, Roseville, CA.

Directors Present:

Bonnie Gore
Jerry Mitchell
Pauline Roccucci
Robert Weygandt

Staff Present:

Christy Layton, JPA Counsel
Ken Glotzbach, Executive Director
Monty Hanks, Treasurer
Karen Sainsbury, Secretary

Roll Call

Director Duran was absent.

Closed Session

The Board went into closed session to discuss the appointment of an Executive Director, pursuant to Government Code Section 54957.

Open Session

The Board reconvened into open session at 9:40 a.m.

Appointment of SPWA Executive Director

A vote was taken as follows:

MOTION by Director Roccucci seconded by Director Weygandt to approve Resolution 2014-01 appointing Ken Glotzbach as the SPWA Executive Director.

Vote:

Ayes: Gore, Mitchell, Roccucci, Weygandt
Nos:
Absent: Duran

Introductions

The following were in attendance: Bob Schmitt, Carol Margetich, Sandra Ikeda, Vanessa Lieberman, Jeannine Thrash and Jacquie Clarizio from the City of Roseville; Charles Clark, and Sam Rose from SPMUD; Bill Zimmerman and Dave Atkinson from Placer County; and Brian Thomas with Public Financial Management.

Election of Chair and Vice Chair

A vote was taken as follows:

MOTION by Director Roccucci, seconded by Director Mitchell, to elect Director Gore as Chair.

Vote: Ayes: Gore, Mitchell, Roccucci, Weygandt
 Nos:
 Absent: Duran

MOTION by Director Roccucci, seconded by Director Mitchell, to elect Director Weygandt as Vice-Chair.

Vote: Ayes: Gore, Mitchell, Roccucci, Weygandt
 Nos:
 Absent: Duran

Approval of Minutes, June 27, 2013

A vote was taken as follows:

MOTION by Director Mitchell seconded by Director Roccucci to approve the June 27, 2013 minutes.

Vote: Ayes: Gore, Mitchell, Roccucci, Weygandt
 Nos:
 Absent: Duran

Update on City Treasurer Recruitment

Monty Hanks informed the Board a City Treasurer is expected to be hired by the June SPWA Board meeting.

Old Business Items

None.

New Business Items

1. Resolution: Commendation and Appreciation for Russ Branson

Chair Gore acknowledged Russ Branson for his service to the SPWA Board.

MOTION by Director Rocucci seconded by Director Weygandt to approve Resolution 2014-02. The vote was unanimous.

2. Resolution: Approval of Updated Authority Schedule of Regular Meeting Dates

MOTION by Director Weygandt seconded by Director Mitchell to approve Resolution 2014-03. The vote was unanimous.

3. Information: Debt Review

Vanessa Lieberman reported on the Authority's debt through November 30, 2013 and Brian Thomas updated the Board on the status of Series 2011D Bonds.

4. Information: Investment Review

Jacque Clarizio reported on the performance of the Authority's investments through November 30, 2013.

5. Resolution: Approval of CIP Mid-Year Adjustments and Project Status

Ken Glotzbach presented the adjustments to the FY2013-14 Capital Improvements Projects Budget and requested the Board's approval.

MOTION by Director Rocucci seconded by Director Mitchell to adopt Resolution 2014-04A. The vote was unanimous.

6. Information: Financial Audit

Sandra Ikeda reported on the Audited Financial Statement and Memorandum of Internal Control for the period of July 1, 2012 to June 30, 2013.

7. Information: Agreed Upon Procedures & Connection Fee Programs

Ken Glotzbach reported on the Agreed Upon Procedures and Connection Fee Programs on behalf of Janet Vargas.

8. Information: Connection Fee Analysis

Brian Thomas presented an overview of the 2013 Regional Connection Fee Analysis.

9. Information: Rate Stabilization Fund Balances

Sandra Ikeda provided an update on the Rate Stabilization Fund Balances as of November 30, 2013.

10. Information: Rate Stabilization Fund Summary/Available Resources

Sandra Ikeda reported on the Rate Stabilization Fund Summary and Available Resources for FY 2012-13 as well as FY 2013-14 estimates.

Public Comment

None

Reports/Comments – Board Members/Staff

None

Adjournment

The meeting was adjourned at 10:46 a.m.

Bonnie Gore
Chair

Karen Sainsbury
Secretary to the Board

AUTHORITY COMMUNICATION

TO: South Placer Wastewater Authority
Board of Directors

DATE: June 16, 2014

FROM: Kenneth Glotzbach, Executive Director

AUTHORITY COMMUNICATION NO.: 14-11

SUBJECT: Updated Schedule of Authority Regular Meeting Dates

For SPWA Board Meeting of 6/26/14

ACTION REQUESTED

Adopt the attached resolution updating the Authority's regular meeting dates.

BACKGROUND

The Series 2011D SIFMA Index Bonds will mature later this year. At this time, the Authority has not determined a course of action, which may include refunding through the issuance of a new bond series. California Government Code Section 6592.1 requires a joint powers authority board adopting a resolution authorizing bonds to do so at a regular meeting of the authority board. Under the current meeting schedule, this Board of Directors will not meet again until January 2015. Any decision related to the disposition of the Series 2011D Bonds must be made prior to August 2014. Therefore, Authority Staff requests that the Board adopt the updated regular meeting schedule set forth in the attached resolution.

Submitted by:



Kenneth Glotzbach
Executive Director

SOUTH PLACER WASTEWATER AUTHORITY

RESOLUTION NO. 2014-05

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SOUTH PLACER WASTEWATER AUTHORITY APPROVING
REGULAR MEETING DATES**

WHEREAS, the Bylaws for the South Placer Wastewater Authority (“Authority”) state that the Authority’s Board of Directors shall meet not less than every six (6) months as specified by resolution duly adopted by the Board of Directors (“Board”); and

WHEREAS, the Board currently meets in January and June of each year; and

WHEREAS, the Board desires to add a regular meeting in July of each year,

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the South Placer Wastewater Authority that the regular meetings of the Board shall be on the last Thursday of every January and June at 9:30 a.m. (held at 2005 Hilltop Circle, Roseville, California), and the second Wednesday of every July at 9:00 a.m. (held at 5807 Springview Drive, Rocklin, California).

PASSED AND ADOPTED this 26th day of June 2014, by the following vote on roll call:

AYES:

NOES:

ABSENT:

CHAIRPERSON

ATTEST:

Secretary

AUTHORITY COMMUNICATION

TO: South Placer Wastewater Authority
Board of Directors

DATE: June 10, 2014

FROM: Vanessa Lieberman, Financial Analyst

AUTHORITY COMMUNICATION NO: 14-12

SUBJECT: Overview of Swap Performance

For SPWA Board Meeting 6/26/14

ACTION REQUESTED

None required. This is an informational item.

BACKGROUND

In September 2003, the Authority refunded \$84 million of fixed-rate debt at a rate of 3.665% with variable rate debt and entered into an interest-rate swap agreement with Morgan Stanley. The goal of these transactions was to reduce the Authority's debt service cost by taking advantage of historically low swap rates.

In April 2011, the Authority refunded all outstanding par (\$163.2 million) and issued refunding bonds in the following series:

- 2011A: \$30,165,000 – variable rate demand bonds (State Street LOC)
- 2011B: \$30,160,000 – variable rate demand bonds (US Bank LOC)
- 2011C: \$67,040,000 – fixed rate bonds
- 2011D: \$30,000,000 – SIFMA index notes

In April 2013, the Authority refunded the 2011 A & B variable rate bonds into a \$59.33 million Direct Placement with US Bank, Series 2013, paying 70.5% of one month Libor plus 62.5 bps.

The outstanding debt as of 05/31/2014 is:

2011C:	\$58,085,000
2011D:	\$30,000,000
<u>Series 2013:</u>	<u>\$59,330,000</u>
	\$147,415,000

The swap remained in place. This memo provides an update of how the swap has performed to date.

OVERVIEW OF SWAP PERFORMANCE

The swap has performed as planned providing the Authority with a low-cost of funds for its long-term debt.

Table 1

SPWA Swap / 2011ABD / 2013 SPWA
\$90,675,000 Swap: 100% Morgan Stanley
Pay 3.665% Fixed Rate
Receive 62% 1-month LIBOR + 26 bps

SPWA SWAP (Morgan Stanley)					2011D SPWA	2013 SPWA
		62% + 26 bps			30,000,000	59,330,000
Month	Due	Fixed Amount	1-MONTH LIBOR	Net Swap Payment	SIFMA Payment	Direct Purchase
7/1/2013	8/1/2013	\$ 252,427	\$ (26,619)	\$ 225,808	\$ 1,305	\$ 38,981
8/1/2013	9/1/2013	252,427	(26,282)	226,145	1,458	38,675
9/1/2013	10/1/2013	252,427	(25,289)	227,138	1,376	37,279
10/1/2013	11/1/2013	252,427	(25,856)	226,571	1,907	38,419
11/1/2013	12/1/2013	239,523	(23,473)	216,050	1,544	36,735
12/1/2013	1/1/2014	239,523	(24,242)	215,281	1,396	37,857
1/1/2014	2/1/2014	239,523	(23,984)	215,539	942	38,061
2/1/2014	3/1/2014	239,523	(21,457)	218,066	727	34,009
3/1/2014	4/1/2014	239,523	(23,736)	215,787	1,136	37,500
4/1/2014	5/1/2014	239,523	(22,829)	216,694	2,121	36,191
5/1/2014	6/1/2014	239,523	(23,527)	215,996	2,101	37,398
6/1/2014	7/1/2014	239,523	(16,759)	222,764	-	-
Totals		\$ 2,925,892	\$ (284,053)	\$ 2,641,839	\$ 16,011	\$ 411,107

Average Rate
Swap 3.309%
Series A Refunded
Series B Refunded
Series D 0.053%
2013 SPWA 0.693%
Average 7/1/13 - 6/1/14 3.436%

Submitted by:



Vanessa Lieberman
 Financial Analyst

Approved:



Jay Panzica
 Treasurer

AUTHORITY COMMUNICATION

TO: South Placer Wastewater Authority
Board of Directors

DATE: June 10, 2014

FROM: Vanessa Lieberman, Financial Analyst

AUTHORITY COMMUNICATION NO: 14-13

SUBJECT: Reporting Requirements

For SPWA Board Meeting 6/26/14

ACTION REQUESTED

None required. This is an informational item.

BACKGROUND

Per the 2013/2014 South Placer Wastewater Authority Swap Policy, a written report providing the status of all interest rate swap agreements entered into by South Placer Wastewater Authority (SPWA) will be provided to the Authority Board on an annual basis (or other basis, if so directed by the Board). The following reporting requirements are outlined below.

ANNUAL REPORTING REQUIREMENTS

1. A description of all outstanding interest rate swap agreements, including Project and bonds series, type of swap, rates paid and received by the SPWA, total notional amount, average life of each swap agreement, and remaining term of each swap agreement.

Description

- **2008 SPWA/2011ABCD Refunding Wastewater Revenue Bonds**

In April 2008, the Authority issued \$92.85 million of Refunding Wastewater Bonds (2008 SPWA, Series B) to defease the 2003 SPWA bonds. The 2008 bonds were issued as variable rate demand bonds (VRDBs) with interest calculated weekly. The Authority then entered into a 19-year interest rate swap agreement for the entire amount of the \$92.85 million bonds. Based on the swap agreement, the Authority owes interest calculated at a fixed rate of 3.665% to the counterparty (Morgan Stanley) of the swap. In return, the counterparty owes the Authority interest monthly based on 62% of 1m LIBOR plus 26 bps.

In April 2011, the Authority refunded the 2008 Series A&B bonds and issued four new series of bonds: 2011 Series A-D. The 2011 Series A&B bonds (\$30,165,000 & \$30,160,000) were issued as VRDBs, the 2011 Series C bonds (\$67,040,000) were issued as fixed rate and the 2011 Series D bonds (\$30,000,000) were issued as SIFMA Index Notes. While the Swap remained in place, the schedule of principal payments is no longer on parity with the swap.

In May 2013, the Authority refunded the 2011 Series A&B VRDBs (\$30,165,000 & \$30,160,000) . These were issued as a Direct Placement, Series 2013 bonds with US Bank in the amount of \$59,330,000.

Currently, the 2011D SIFMA bonds are scheduled to be refunded **July 30, 2014**.

Project and Bond Series

- Please refer to the Schedule of Investments

Type of Swap

- Variable to Fixed

Rates Paid/Received

Issue	Variable Rate Debt Service (Paid)	Floating Swap Payment (Received)
2011 SPWA ¹ Series D	\$16,011	\$267,294

¹ Date range of 7/1/13 – 5/31/14

Total Notional Amount

- \$ 78,425,000

Average Life

- 12.16 years

Remaining Term

- Maturity 11/1/2027

2. Highlights of all material changes to swap agreements or new swap agreements entered into by the SPWA since the last report.

No changes to report.

3. Termination Exposure of each of the SPWA's interest rate swap agreements.

As of May 30, 2014, the Mark-to-Market value was (\$10,918,099).

4. The credit rating of each swap counterparty and credit enhancer insuring swap payments, if any.

Morgan Stanley is rated A- by S&P as of 11/29/2011, Baa2, down from Baa1, by Moody's as of 11/14/13 and A by Fitch as of 10/13/2008.

5. If applicable, information concerning any default by a swap counterparty to the SPWA, including but not limited to the financial impact to the SPWA, if any.

No information to report.

6. If applicable, information concerning any default by the SPWA to a swap counterparty.

No information to report.

7. A summary of swap agreements that we terminated or that have expired.

No information to report.

8. For a swap transaction entered into a generate debt service savings, the SPWA will calculate on an annual basis the actual debt service requirements versus the projected debt service on the swap transaction at the original time of execution. Such a calculation shall include a determination of the cumulative actual savings (or, if applicable, additional payments made by the SPWA) versus the projected savings at the time the swap was executed.

Fiscal Year	2000A SPWA \$97,000,000 Fixed Rate ^[1]	Actual Swap Debt Service*	(Cost) / Savings
6/30/2004	5,176,590	4,438,087	738,504
6/30/2005	5,562,488	3,737,237	1,825,250
6/30/2006	5,562,597	3,757,367	1,805,229
6/30/2007	5,561,056	3,978,849	1,582,207
6/30/2008	5,558,063	4,397,266	1,160,796
6/30/2009	5,553,844	4,705,078	848,766
6/30/2010	5,548,109	4,578,131	969,979
6/30/2011	5,540,375	4,575,639	964,736
6/30/2012	4,664,875	4,037,916	626,959
6/30/2013	4,444,188	3,724,818	719,369
6/30/2014	4,215,938	2,691,133	1,524,805

Total **\$12,766,600**

*estimated Actual D/S for 6/30/14

[1] Debt Service based on 2000 SPWA Series A fixed rate schedule

Submitted by:



Vanessa Lieberman
Financial Analyst

Approved:



Jay Panzica
Treasurer

AUTHORITY COMMUNICATION

TO: South Placer Wastewater Authority
Board of Directors

DATE: May 21, 2014

FROM: Jacquie Clarizio – Financial Analyst

AUTHORITY COMMUNICATION NO: 14-14

SUBJECT: Investment Review

For SPWA Board Meeting 6/27/14

ACTION REQUESTED

None required. This is an information item.

BACKGROUND

The following report details the performance of the Authority's investments through April 30, 2014.

INVESTMENTS

The \$105.5 million investments for the SPWA's Rate Stabilization Fund (RSF) can be placed in two categories: 1) liquidity for cash-flow requirements and 2) additional accumulated funds. The attached table provides an overview of the SPWA investments as of April 30, 2014.

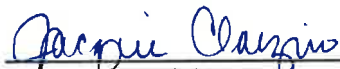
Cash-Flow Requirements

The cash-flow requirements for the RSF include monthly payments and various administrative costs included in the Authority's annual budget. The RSF, as of April 2014, includes \$10 million invested in Local Agency Investment Fund (LAIF) and \$13.4 million of pooled cash as of April 2014. The LAIF account provides the Authority with the liquidity required to fund these costs while earning a reasonable rate of return in today's interest rate environment. The latest LAIF return was 0.236%.

Additional Accumulated Funds

Public Financial Management (PFM) provides investment management services for the Authority's investment portfolio under the direction from the treasurer. Current investments in this category totaled \$73 million as of April 2014. The remaining funds, \$8.98 million, are the Authority's bond reserve funds held by the fiscal agent. The yield-to-market on the invested funds as of April 2014 was 0.562%.

Submitted by:



Jacquie Clarizio
Financial Analyst

Approved:



Jay Panzica
Treasurer

**SOUTH PLACER WASTEWATER
AUTHORITY**
2005 Hilltop Circle
Roseville, CA 95747
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City of Roseville CA

**So Placer Wastewater Authority
Portfolio Management
Portfolio Summary
April 30, 2014**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM
City of Roseville Cash Pool*	13,457,506.49	13,457,506.49	13,457,506.49	12.76	1	1	0.562
Money Market Funds	402,073.07	402,073.07	402,073.07	0.38	1	1	0.001
CAMP	4,132,718.58	4,132,718.58	4,132,718.58	3.92	1	1	0.050
Local Agency Investment Funds	10,080,205.86	10,080,205.86	10,080,205.86	9.56	1	1	0.236
Negotiable CDs	9,975,000.00	9,976,817.75	9,974,782.00	9.46	611	476	0.465
Corporate Notes	16,675,000.00	16,837,858.17	16,793,445.33	15.92	1,006	745	0.854
Commercial Paper - Interest Bearing	1,750,000.00	1,747,191.25	1,750,000.00	1.66	269	186	0.390
Federal Agency Coupon Securities	21,885,000.00	22,242,558.67	22,183,909.44	21.04	943	673	0.572
Federal Agency Disc. -Amortizing	4,606,000.00	4,604,469.79	4,606,000.00	4.37	181	0	0.067
Treasury Coupon Securities	20,980,000.00	21,637,650.58	21,663,034.25	20.54	1,069	820	0.517
Municipal Bonds	415,000.00	415,672.30	415,000.00	0.39	590	379	0.528
Investments	104,358,504.00	105,534,722.51	105,458,675.02	100.00%	651	479	0.514

Total Earnings	April 30 Month Ending	Fiscal Year To Date
Current Year	49,288.41	507,150.71
Average Daily Balance	104,840,538.73	104,393,070.62
Effective Rate of Return	0.57%	0.58%

*Estimated balance as of 04/30/14
Market values provided by Public Financial Management, Bank of New York Mellon, and LAIF
The Forward Delivery Agreement in the Reserve Fund is based on a 5.42% rate. However, the rate of the current investment is reflected. Any true-up to 5.42% is cured during settlement.

THIS SCHEDULE OF INVESTMENTS IS IN COMPLIANCE WITH THE INVESTMENT POLICY AS ESTABLISHED AND SUFFICIENT FUNDS WILL BE AVAILABLE TO MEET CASH FLOW REQUIREMENTS FOR THE NEXT SIX MONTHS.

Ken Grotzbach Executive Director
DATE 5-20-14
Monty Hanks Interim Treasurer
DATE 5-2-14

Reporting period 04/01/2014-04/30/2014

Run Date: 05/19/2014 - 10:31

Portfolio SPWA
AP
PM (PRF_PM1) 7.3.0
Report Ver. 7.3.5

So Placer Wastewater Authority
Portfolio Management
Interest Earnings Summary
April 30, 2014

	April 30 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	102,403.93	878,100.76
Plus Accrued Interest at End of Period	230,709.82	182,442.24
Less Accrued Interest at Beginning of Period	(247,736.51)	(164,990.58)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	85,377.24	895,552.42
Adjusted by Premiums and Discounts	-48,993.47	-584,162.22
Adjusted by Capital Gains or Losses	4,863.66	112,294.20
Earnings during Periods	41,247.43	423,684.40
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	3,775,170.74	3,775,170.74
Less Accrued Interest at Beginning of Period	(3,767,129.76)	(3,691,704.43)
Interest Earned during Period	8,040.98	83,466.31
Total Interest Earned during Period	93,418.22	979,018.73
Total Adjustments from Premiums and Discounts	-48,993.47	-584,162.22
Total Capital Gains or Losses	4,863.66	112,294.20
Total Earnings during Period	49,288.41	507,150.71

**So Placer Wastewater Authority
Fund 001 - SPWA
Investments by Fund
April 30, 2014**

CUSIP	Investment #	Issuer	Purchase Date	Remaining Cost	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Money Market Funds											
431114503	10434	US BANK	07/01/2013	158,991.44	158,991.44	158,991.44	0.001	0.000	0.001		1
			Subtotal and Average	158,991.44	158,991.44	158,991.44	0.001	0.001	0.001		1
Local Agency Investment Funds											
40-31-001	10032	Local Agency Investment Fund	07/01/2013	10,080,205.86	10,080,205.86	10,080,205.86	0.236	0.232	0.236		1
			Subtotal and Average	10,080,205.86	10,080,205.86	10,080,205.86	0.233	0.233	0.236		1
Negotiable CDs											
06417HDS2	10514	Bank of Nova Scotia	01/17/2014	1,799,730.00	1,800,000.00	1,800,484.20	0.388	0.392	0.398	07/17/2015	442
22549TPN2	10509	CREDIT SUISSE NEW YORK	12/09/2013	1,400,000.00	1,400,000.00	1,398,809.50	0.500	0.493	0.500	12/05/2014	218
65558EXP8	10516	NORDEA BANK FINLAND NY	01/17/2014	1,800,000.00	1,800,000.00	1,799,623.80	0.358	0.363	0.358	07/17/2015	442
21684BEP6	10459	RABOBANK	04/29/2013	1,500,000.00	1,500,000.00	1,499,277.00	0.600	0.591	0.600	04/29/2015	363
83051HUD6	10513	SKANDINAVISKA ENSKILDA BY NY	01/10/2014	1,700,000.00	1,700,000.00	1,703,570.00	0.562	0.554	0.562	01/04/2016	613
96121TWF1	10534	WESTPAC BANKING	04/17/2014	1,775,000.00	1,775,000.00	1,775,053.25	0.406	0.400	0.406	04/15/2016	715
			Subtotal and Average	9,974,730.00	9,975,000.00	9,976,817.75	0.458	0.458	0.465		476
Corporate Notes											
02665WAB7	10488	AMERICAN HONDA FINANCE GLOBAL	10/10/2013	777,285.60	780,000.00	786,101.16	1.125	1.226	1.243	10/07/2016	890
037833AH3	10462	APPLE INC GLOBAL NOTES	05/03/2013	324,411.75	325,000.00	324,496.25	0.450	0.503	0.510	05/09/2016	733
084664BX8	10479	BERKSHIRE HATHAWAY FIN CORP NO	08/15/2013	929,507.10	930,000.00	935,912.01	0.950	0.954	0.967	08/15/2016	837
084664BX8	10489	BERKSHIRE HATHAWAY FIN CORP NO	10/15/2013	319,392.00	320,000.00	322,034.24	0.950	1.004	1.018	08/15/2016	837
084664CA7	10512	BERKSHIRE HATHAWAY FIN CORP NO	01/10/2014	600,000.00	600,000.00	600,336.00	0.390	0.384	0.390	01/10/2017	985
06406HCC1	10392	Bank of New York Trust Company	02/21/2012	749,317.50	750,000.00	754,977.75	1.200	1.214	1.231	02/20/2015	295
14912L5H0	10435	CATERPILLAR FINANCIAL SE	11/06/2012	609,438.80	610,000.00	611,931.87	0.700	0.721	0.731	11/06/2015	554
14912L5N7	10462	CATERPILLAR FINANCIAL SE	02/28/2013	329,590.80	330,000.00	330,187.44	0.700	0.730	0.740	02/28/2016	666
17275RAC6	10492	CISCO SYSTEMS	11/05/2013	1,505,066.25	1,555,000.00	1,475,842.97	5.500	6.626	6.635	02/22/2016	662
191216BD1	10490	COCA-COLA CO	11/01/2013	339,609.00	340,000.00	339,262.54	0.750	0.778	0.788	11/01/2016	915
369604BE2	10431	General Electric Capital Co	10/09/2012	264,928.45	265,000.00	266,475.52	0.850	0.847	0.859	10/09/2015	526
369604BE2	10432	General Electric Capital Co	10/09/2012	737,043.30	735,000.00	739,092.48	0.850	0.745	0.756	10/09/2015	526
36962G6R0	10447	General Electric Capital Co	01/08/2013	159,486.40	160,000.00	161,059.44	1.000	1.093	1.109	01/08/2016	617
459200HL8	10517	IBM CORP GLOBAL NOTES	02/07/2014	1,745,393.13	1,750,000.00	1,744,148.00	0.450	0.560	0.568	05/06/2016	736

Fund 001 - SPWA
Investments by Fund
April 30, 2014

CUSIP	Investment #	Issuer	Purchase Date	Remaining Cost	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Corporate Notes											
46623RJR1	10510	JP MORGAN SECURITIES	12/10/2013	1,806,377.40	1,800,000.00	1,808,559.00	1.100	0.893	0.906	10/15/2015	532
713448CE6	10451	PEPSICO INC GLOBAL NOTES	02/28/2013	364,872.25	365,000.00	365,404.06	0.700	0.700	0.710	02/26/2016	666
713448CL0	10526	PEPSICO INC GLOBAL NOTES	02/28/2014	1,083,763.10	1,085,000.00	1,083,698.00	0.950	0.975	0.988	02/22/2017	1,028
717081DD2	10469	Pfizer Inc Global Notes	06/03/2013	1,397,760.00	1,400,000.00	1,396,152.80	0.900	0.932	0.945	01/15/2017	990
89236TAL9	10464	TOYOTA MOTOR CREDIT CORP COMM	05/17/2013	594,756.05	595,000.00	597,783.41	0.800	0.802	0.813	05/17/2016	747
931142DNO	10533	WALMART	04/22/2014	349,947.50	350,000.00	350,167.65	1.000	0.991	1.005	04/21/2017	1,086
25468PCU8	10445	WALT DISNEY CO GLOBAL NOTES	11/30/2012	193,547.25	185,000.00	195,249.60	0.450	0.691	0.701	12/01/2015	579
94974BFL9	10472	WELLS FARGO & COMPANY	07/29/2013	854,179.20	855,000.00	862,308.54	1.250	1.265	1.283	07/20/2016	811
94974BFL9	10529	WELLS FARGO & COMPANY	02/07/2014	788,603.62	780,000.00	786,667.44	1.250	0.784	0.795	07/20/2016	811
Subtotal and Average				16,824,276.45	16,675,000.00	16,837,858.17		0.843	0.854		745

CUSIP	Investment #	Issuer	Purchase Date	Remaining Cost	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Commercial Paper - Interest Bearing											
0556N1L35	10524	BNP PARIBAS FINANCE	02/07/2014	1,750,000.00	1,750,000.00	1,747,191.25	0.390	0.390	0.395	11/03/2014	186
Subtotal and Average				1,750,000.00	1,750,000.00	1,747,191.25		0.390	0.395		186

CUSIP	Investment #	Issuer	Purchase Date	Remaining Cost	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Federal Agency Coupon Securities											
313383V81	10480	Federal Home Loan Bank	08/09/2013	934,962.60	935,000.00	937,668.49	0.375	0.371	0.375	08/28/2015	484
3130A0GK0	10511	Federal Home Loan Bank	12/30/2013	2,199,340.00	2,200,000.00	2,200,849.20	0.375	0.384	0.390	12/30/2015	608
3130A3SD3	10519	Federal Home Loan Bank	02/07/2014	1,800,351.75	1,800,000.00	1,799,487.00	0.375	0.360	0.365	02/19/2016	659
3130A1CR7	10531	Federal Home Loan Bank	04/04/2014	1,390,111.25	1,375,000.00	1,392,535.38	1.625	1.231	1.248	03/27/2017	1,061
3134AAVC5	10456	Federal Home Loan Mtg Corp	04/04/2013	2,997,073.35	2,745,000.00	2,884,489.92	4.375	0.334	0.338	07/17/2015	442
3137EAC74	10474	Federal Home Loan Mtg Corp	08/02/2013	2,984,811.60	2,840,000.00	2,957,502.16	2.500	0.662	0.671	05/27/2016	757
31398A4M1	10442	Federal National Mtg Assn	11/06/2012	2,319,318.40	2,240,000.00	2,286,363.52	1.625	0.419	0.424	10/26/2015	543
3135G0VA8	10450	Federal National Mtg Assn	02/15/2013	998,860.00	1,000,000.00	1,001,225.00	0.500	0.529	0.536	03/30/2016	699
3135G0VA8	10476	Federal National Mtg Assn	08/02/2013	2,989,560.00	3,000,000.00	3,003,675.00	0.500	0.623	0.632	03/30/2016	699
3135G0VA8	10481	Federal National Mtg Assn	08/30/2013	1,989,200.00	2,000,000.00	2,002,450.00	0.500	0.701	0.711	03/30/2016	699
3135G0CM3	10486	Federal National Mtg Assn	10/03/2013	913,302.00	900,000.00	913,532.40	1.250	0.738	0.748	09/28/2016	881
3135G0CM3	10487	Federal National Mtg Assn	10/03/2013	862,755.19	850,000.00	862,780.60	1.250	0.730	0.740	09/28/2016	881
Subtotal and Average				22,379,646.14	21,885,000.00	22,242,558.67		0.564	0.572		673

CUSIP	Investment #	Issuer	Purchase Date	Remaining Cost	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Treasury Coupon Securities											
91282BNF3	10436	U.S. Treasury	11/08/2012	3,371,384.76	3,225,000.00	3,294,411.68	2.125	0.341	0.346	05/31/2015	395
91282QFO	10455	U.S. Treasury	03/28/2013	2,445,771.87	2,330,000.00	2,402,984.24	2.000	0.376	0.381	04/30/2016	730

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**Fund 001 - SPWA
Investments by Fund
April 30, 2014**

CUSIP	Investment #	Issuer	Purchase Date	Remaining Cost	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Treasury Coupon Securities											
912828QF0	10461	U.S. Treasury	04/11/2013	336,100.00	320,000.00	330,024.96	2.000	0.337	0.341	04/30/2016	730
912828KZ2	10463	U.S. Treasury	05/15/2013	1,415,019.53	1,300,000.00	1,377,288.90	3.250	0.394	0.399	06/30/2016	791
912828KZ2	10465	U.S. Treasury	05/28/2013	2,172,578.13	2,000,000.00	2,118,906.00	3.250	0.430	0.436	06/30/2016	791
912828QP8	10466	U.S. Treasury	05/31/2013	145,113.28	140,000.00	143,762.50	1.750	0.514	0.521	05/31/2016	761
912828RF9	10482	U.S. Treasury	08/30/2013	573,139.45	570,000.00	575,566.62	1.000	0.802	0.813	08/31/2016	853
912828MA5	10491	U.S. Treasury	11/01/2013	3,001,867.97	2,820,000.00	2,968,929.84	2.750	0.623	0.631	11/30/2016	944
912828RU6	10504	U.S. Treasury	12/03/2013	1,916,847.66	1,800,000.00	1,909,203.60	0.875	0.567	0.575	11/30/2016	944
912828LP3	10528	U.S. Treasury	02/28/2014	2,258,189.31	2,100,000.00	2,220,913.80	3.000	0.063	0.064	09/30/2016	863
912828SM3	10530	U.S. Treasury	03/21/2014	4,109,128.91	4,100,000.00	4,115,845.31	1.000	0.912	0.925	03/31/2017	1,065
912828QP8	10532	U.S. Treasury	04/11/2014	179,716.80	175,000.00	179,703.13	1.750	0.474	0.480	05/31/2016	761
Subtotal and Average				21,925,857.69	20,980,000.00	21,637,650.58		0.510	0.517		820
Municipal Bonds											
91412GSW6	10485	UNIV OF CAL TXBL REV BONDS	10/02/2013	415,000.00	415,000.00	415,672.30	0.528	0.520	0.528	05/15/2015	379
Subtotal and Average				415,000.00	415,000.00	415,672.30		0.521	0.528		379
Total Investments and Average				83,508,707.58	81,919,197.30	83,096,946.02		0.548	0.556		607

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**SOUTH PLACER WASTEWATER
AUTHORITY**
2005 Hilltop Circle
Roseville, CA 95747
916-774-5770
fx: 916-774-5690

City of Roseville CA

**So Placer Wastewater Authority
Fund 003 - City of Roseville Cash Pool*
Investments by Fund
April 30, 2014**

CUSIP	Investment #	Issuer	Purchase Date	Remaining Cost	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
City of Roseville Cash Pool*											
SYS10048	10048	City of Roseville Cash Pool	07/01/2013	13,457,506.49	13,457,506.49	13,457,506.49	0.562	0.554	0.562		1
		Subtotal and Average		13,457,506.49	13,457,506.49	13,457,506.49		0.554	0.562		1
		Total Investments and Average		13,457,506.49	13,457,506.49	13,457,506.49		0.554	0.562		1

**SOUTH PLACER WASTEWATER
AUTHORITY**
2005 Hilltop Circle
Roseville, CA 95747
916-714-5770
fx:916-714-5690

City of Roseville CA

**So Placer Wastewater Authority
Fund 21 - 2011 SPWA Reserve Fund
Investments by Fund
April 30, 2014**

CUSIP	Investment #	Issuer	Purchase Date	Remaining Cost	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Money Market Funds											
SYS10358	10358	Dreyfus Instl Res Treasury	07/01/2013	243,081.63	243,081.63	243,081.63	0.001	0.000	0.001		1
		Subtotal and Average		243,081.63	243,081.63	243,081.63	0.001	0.001	0.001		1
CAMP											
SYS10366	10366	CAMP	07/01/2013	4,132,718.58	4,132,718.58	4,132,718.58	0.050	0.049	0.050		1
		Subtotal and Average		4,132,718.58	4,132,718.58	4,132,718.58	0.049	0.049	0.050		1
Federal Agency Disc. -Amortizing											
313385WF9	10503	Federal Home Loan Bank	11/01/2013	4,604,469.79	4,606,000.00	4,604,469.79	0.066	0.067	0.067	05/01/2014	0
		Subtotal and Average		4,604,469.79	4,606,000.00	4,604,469.79	0.067	0.067	0.068		0
		Total Investments and Average		8,980,270.00	8,981,800.21	8,980,270.00	0.057	0.057	0.058		0

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**SOUTH PLACER WASTEWATER
AUTHORITY**
2005 Hilltop Circle
Roseville, CA 95747
916-774-5770
fx-916-774-5690

City of Roseville CA

**So Placer Wastewater Authority
Transaction Activity Report
April 1, 2014 - April 30, 2014
Sorted by Transaction Date - Transaction Date
All Funds**

Investment #	Fund	New Principal	Principal Paydowns	Interest	Total Cash
10485	001			1,095.60	1,095.60
		1,390,545.71		1,095.60	1,095.60
		Totals for 04/02/2014			
10531	001		786,911.60		-1,390,545.71
10442	001		-11,430.40		786,911.60
10442	001		633,969.73		-11,430.40
10446	001		-30,898.44		633,969.73
10446	001			240.14	-30,898.44
10442	001			9,832.87	240.14
10446	001		1,378,552.49	10,073.01	9,832.87
		1,390,545.71			-1,920.21
		Totals for 04/04/2014			
10457	001			2,305.00	2,305.00
				2,305.00	2,305.00
		Totals for 04/05/2014			
10474	001			35,500.00	35,500.00
				35,500.00	35,500.00
		Totals for 04/08/2014			
10431	001			1,126.25	1,126.25
10432	001			3,123.75	3,123.75
				4,250.00	4,250.00
		Totals for 04/09/2014			
10488	001			4,387.50	4,387.50
				4,387.50	4,387.50
		Totals for 04/10/2014			
10532	001	180,827.38			-180,827.38
10462	001		179,674.20		179,674.20
10462	001		203.40		203.40
10462	001			355.50	355.50
		180,827.38	179,877.60	355.50	-594.28
		Totals for 04/11/2014			
10032	001			5,726.53	5,726.53
				5,726.53	-5,726.53
		Totals for 04/15/2014			
10534	001	1,775,000.00			-1,775,000.00
10436	001		810,177.73		810,177.73
10436	001		-17,861.32		-17,861.32
10457	001		999,847.71		999,847.71
10457	001		1,182.29		1,182.29

Portfolio SPWA
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So Placer Wastewater Authority
Transaction Activity Report
Sorted by Transaction Date - Transaction Date

Investment #	Fund	New Principal	Principal Paydowns	Interest	Total Cash
10436	001			6,243.65	6,243.65
10457	001			153.67	153.67
Totals for 04/17/2014		1,775,000.00	1,793,346.41	6,397.32	24,743.73
10510	001			9,900.00	9,900.00
10510	001		2,860.00	-2,860.00	0.00
Totals for 04/18/2014			2,860.00	7,040.00	9,900.00
10533	001	349,947.50			-349,947.50
Totals for 04/22/2014		349,947.50		4,500.00	4,500.00
10459	001			4,500.00	4,500.00
Totals for 04/28/2014				4,500.00	4,500.00
10048	003	662,111.96			-662,111.96
10366	21	155.77			-155.77
10434	001		247,622.12		247,622.12
10455	001			23,300.00	23,300.00
10461	001			3,200.00	3,200.00
Totals for 04/30/2014		662,267.73	247,622.12	26,500.00	-388,145.61
Grand Total		4,364,314.85	3,602,268.62	102,403.93	-659,652.30

AUTHORITY COMMUNICATION

TO: South Placer Wastewater Authority
Board of Directors

DATE: May 15, 2014

FROM: Jacquie Clarizio – Financial Analyst

AUTHORITY COMMUNICATION NO: 14-15

SUBJECT: Approval of Investment Policy FY2014-15

ACTION REQUESTED

It is recommended that the Board adopt the FY2014-15 Investment Policy for the South Placer Wastewater Authority.

BACKGROUND

Every year the investment policy is reviewed by staff and the Authority's financial advisor, Public Financial Management (PFM) to ensure the policy complies with the California Government Code.

INVESTMENTS

For FY2014-15, PFM has completed the review of the Authority's Investment Policy. There were no changes in the California Government Code (the Code) that requires the Authority to change the Investment Policy. The Policy is comprehensive and in compliance with the Code as well as industry best practices. Staff recommends no changes to the policy at this time.

Submitted by:



Jacquie Clarizio
Financial Analyst

Approved:



Jay Panzica
Treasurer

SOUTH PLACER WASTEWATER AUTHORITY

RESOLUTION NO. 2014-06

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SOUTH PLACER WASTEWATER AUTHORITY
ADOPTING THE SOUTH PLACER WASTEWATER AUTHORITY
INVESTMENT POLICY FOR FY 2014-15**

WHEREAS, the South Placer Wastewater Authority Investment Policy was adopted by the Board of Directors of the South Placer Wastewater Authority (“Authority”) at the Board’s meeting on February 13, 2001, and amended periodically thereafter (as amended, the "Investment Policy"); and

WHEREAS, the Investment Policy adopted for FY 2013-14 conforms to all applicable state and federal laws.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the South Placer Wastewater Authority as follows:

The South Placer Wastewater Authority Investment Policy for Fiscal Year 2014-2015 shall be the same as the Investment Policy for Fiscal Year 2013-2014 and is hereby adopted in the form presented at this meeting.

PASSED AND ADOPTED this 26th day of June, 2014, by the following vote on roll call:

AYES:

NOES:

ABSENT:

Chairperson

ATTEST:

Secretary

AUTHORITY COMMUNICATION

TO: South Placer Wastewater Authority
Board of Directors

DATE: June 10, 2014

FROM: Sandra Ikeda, Accounting Manager

AUTHORITY COMMUNICATION NO.: 14-16

SUBJECT: Rate Stabilization Fund Balances as of April 30, 2014

For SPWA Board Meeting of 6/26/14

ACTION REQUESTED

This communication is informational only. No action is required of the board.

BACKGROUND

With the formation of the JPA and subsequent bond issue, a rate stabilization fund (RSF) was established to collect the participants' connection fees and pay debt service, capital costs, bond redemptions, and administrative costs. Each participant has a sub-account established within the RSF that accounts for its connection fee deposits less proportionate cost shares. The available resources of the RSF are: \$97,760,396 as of June 30, 2013 and \$96,944,942 as of April 30, 2014. (Available resources include receivables and liabilities that are recognized as funds available for use. This results in a slightly larger balance than appears in the SPWA investment total.)

In 2012, the participants entered into several agreements that:

- (i) Eliminated the first-come/first-served rule for treatment capacity in favor of fixed capacity allocations;
- (ii) Reallocated the balances of their respective subaccounts within the RSF effective April 30, 2012; and
- (iii) Changed their respective proportionate shares for cost allocations effective April 30, 2012, as follows: Roseville from 54.17% to 61.66%, South Placer Municipal Utility District from 25.00% to 22.43%, and Placer County from 20.83% to 15.91%. In addition, the County has agreed to pay off their negative RSF balance with an upfront payment of \$5 million and on-going payments of \$500,000 annually.

The individual accounts of the participants are as follows:

<u>7/01/12 – 6/30/13</u>	<u>Beginning Balance</u>	<u>RSF Deposits</u> *	<u>Cost Shares</u>	<u>Ending Balance</u>
City of Roseville	\$64,653,412	\$5,949,927	\$(6,350,245)	\$64,253,094
SPMUD	39,486,905	2,073,157	(2,310,023)	39,250,039
Placer County	<u>(11,543,925)</u>	<u>7,439,724</u> **	<u>(1,638,536)</u>	<u>(5,742,737)</u>
Total as of 6/30/13	\$92,596,392	\$15,462,808	\$(10,298,804)	\$97,760,396

<u>7/01/13 – 4/30/14</u>	<u>Beginning Balance</u>	<u>RSF Deposits</u> *	<u>Cost Shares</u>	<u>Ending Balance</u>
City of Roseville	\$64,253,094	\$3,603,023	\$(4,346,053)	\$63,510,064
SPMUD	39,250,039	1,707,553	(1,580,960)	39,376,632
Placer County	<u>(5,742,737)</u>	<u>922,387</u> ***	<u>(1,121,404)</u>	<u>(5,941,754)</u>
Total as of 4/30/14	\$97,760,396	\$6,232,963	\$(7,048,417)	\$96,944,942

* RSF Deposits include connection fees, reimbursements, and interest revenue.

** Includes County repayment of \$5 million, 4 quarterly payments totaling \$500,000, and additional reimbursements of \$1,511,569 (which is a return of the true-up of operating cost reimbursement from the City) for a total of \$7,011,569.

*** Includes County quarterly repayments of \$500,000.

Capital costs are allocated based on the participants' respective reallocated Proportionate Shares, defined in the revised Funding Agreement as follows: Roseville—61.66%, South Placer Municipal Utility District—22.43% and Placer County—15.91%.

A detailed breakdown will be provided to the participants for their review.

In addition, the table below breaks down the connection fees received by participant:

<u>Participant</u>	<u>7/12-6/13</u>	<u>7/13-4/14</u>	
City of Roseville	\$5,510,747	\$3,289,397	****
SPMUD	1,827,630	1,513,769	****
Placer County	<u>449,419</u>	<u>451,374</u>	****
TOTAL	\$7,787,796	\$5,254,540	

****Connection fees received through March 2014.

Submitted by:


Sandra Ikeda
Accounting Manager

Approved:


Jay Panzica
Treasurer

SPWA WASTEWATER PROJECT SPENDING

PROJECT TITLE	ACCOUNT NUMBER	Total Approved Project Budget	Estimated PTD Expenditures Through FY 13-14	Estimated FY 14-15 Operating Budget	Anticipated Spending in FY 14-15
1 WWTP LANDSCAPE PROJECT	30950 / 943507	\$1,219,812	\$1,219,812		
2 POTABLE WATER LINE TO THE DCWWTP	30950 / 963502	\$183,838	\$183,838		
3 KASEBERG NORTHEAST TRUNK SEWER LINE	30950 / 983501	\$1,570,936	\$1,570,936		
4 PLEASANT GROVE WASTEWATER TREATMENT PLANT	30950 / 983503	\$123,896,978	\$123,896,978		
5 TRANSMISSION MAIN	30950 / 983504	\$3,525,013	\$3,525,013		
6 PLEASANT GROVE TRUNK SEWER	30950 / 983505	\$11,569,649	\$11,569,649		
7 LIME FEED SYSTEM FOR RECYCLED WATER DIST	30950 / 983506	\$75,309	\$75,309		
8 EMERGENCY STORAGE POND FLOOD CONTROL (1)	30950 / 983507	\$9,195,151	\$8,895,743	\$299,408	\$225,000
9 BOIFILTER ODOR CONTROL SCRUBBING UNIT	30950 / 983508	\$622,995	\$622,995		
10 NRSP 30" RECYCLE LINE	30950 / 983510	\$1,898,988	\$1,898,988		
11 VIBRATION MONITORING AT WWTP	30950 / 983502	\$5,371	\$5,371		
12 RECYCLED WATER PUMPS UPGRADE	30950 / 993503	\$33,312	\$33,312		
13 MODIFY BACKWASH PUMP STATION	30950 / 993504	\$2,703	\$2,703		
14 KASEBERG SOUTHEAST TRUNK SEWER	30950 / 993505	\$613,601	\$613,601		
15 DIAMOND OAKS RECYCLE LINE	30950 / 983506	\$7,106,661	\$7,106,661		
16 WOODCREEK OAKS PRESSURE VALVE	30950 / 003502	\$5,745	\$5,745		
17 UPGRADE AERATION CONTROLS	30950 / 003506	\$124,048	\$124,048		
18 MECHANICAL MAINTENANCE BUILDING UPGRADE	30950 / 013501	\$161,511	\$161,511		
19 UPGRADE RECYCLED WATER SYSTEM	30950 / 013502	\$1,850,037	\$1,850,037		
20 DIAMOND CREEK CASCADE/OUTFALL	30950 / 013503	\$210,531	\$210,531		
21 DCWWTP WEST DRY CREEK OUTFALL	30950 / 013504	\$153,370	\$153,370		
22 RWQCB BASIN PLAN AMENDMENT	30950 / 013505	\$384,282	\$384,282		
23 DCWWTP COOLING UNITS	30950 / 023501	\$3,139,986	\$3,139,986		
24 DCWWTP CONVERSION TO UV	30950 / 023503	\$37,399,962	\$37,399,962		
25 WEST DRY CREEK CFD RW CONNECTION	30950 / 033502	\$0	\$0		
26 DCWWTP DIGESTER HANDRAIL	30950 / 033502	\$5,760	\$5,760		
27 DCWWTP GATE SECURITY	30950 / 033503	\$47,530	\$47,530		
28 DCWWTP FILTER PLC UPGRADE	30950 / 033504	\$169,217	\$169,217		
29 REGIONAL PARTNER TELEMETRY	30950 / 033505	\$6,909	\$6,909		
30 GIP RESERVE	30950 / 033506	\$0	\$0		
31 DCWWTP FLOW METERS	30950 / 043501	\$522,629	\$522,629		
32 PGWWTP RECYCLED WATER SYSTEM	30950 / 043502	\$0	\$0		
33 PS DECOMMISSIONING	30950 / 043503	\$130,897	\$130,897		
34 WW/RW SYSTEMS EVALUATION	30950 / 043504	\$1,095,577	\$1,095,577		
35 DCWWTP AERATION PLC UPGRADE	30950 / 053501	\$325,000	\$13,068	\$311,942	\$25,000
36 DCWWTP FILTER BACKWASH RETURN PIPELINE UPGRADE	30950 / 053502	\$0	\$0		
37 DCWWTP OPERATIONS ADMIN BUILDING	30950 / 053503	\$564,636	\$564,636		
38 WATER PURIFICATION PILOT PROJECT	30950 / 053504	\$420,567	\$420,567		
39 RW MODEL DEVELOPMENT	30950 / 053505	\$187,498	\$187,498		
40 NPDES PERMIT RENEWAL	30950 / 053506	\$585,654	\$585,654		
41 PGWWTP CONVERSION TO UV	30950 / 063502	\$0	\$0		
42 DCWWTP MAINTENANCE SHOP	30950 / 063503	\$4,220,075	\$4,220,075		
43 PGWWTP PROCESS IMPROVEMENTS	30950 / 063504	\$3,630,770	\$3,630,770		
44 SIA RW PIPELINE	30950 / 063505	\$0	\$0		
45 WW FORCE MAIN CONVERSION TO RW	30950 / 063506	\$953,005	\$953,005		
46 RELIABILITY CENTERED MAINTENANCE	30950 / 063507	\$453,548	\$453,548		
47 EXPANSION OF PGWWTP	30950 / 073505	\$41,219,384	\$41,049,092	\$170,292	\$100,000
48 EXPANSION OF DCWWTP	30950 / 073506	\$874,326	\$874,326		
49 RADIO TELEMETRY	30950 / 073507	\$150,000	\$38,069	\$111,931	\$100,000
50 PROCESS CONTROL STANDARDS	30950 / 073508	\$160,000	\$87,451	\$72,549	\$72,500
51 GREASE RECEIVING STATION	30950 / 073509	\$339,002	\$111,497	\$227,505	\$50,000
52 SERVICE AREA CEOA ANALYSIS	30950 / 123507	\$2,468	\$2,468		
53 DRY CREEK BANK STABILIZATION	30950 / 133504	\$609,000	\$129,783	\$479,217	\$479,000
54 DRY CREEK WWTP NITRATE PROCESS IMPROVEMENTS	30950 / 143505	\$100,000	\$0	\$100,000	\$25,000
TOTAL (includes completed projects)		\$261,723,241	\$259,950,397	\$1,772,844	\$1,076,500

1) Includes \$3 million budget increase to be billed and paid from operations/rehab

Completed Projects: closed to further spending

check

AUTHORITY COMMUNICATION

TO: South Placer Wastewater Authority
Board of Directors

DATE: June 10, 2014

FROM: Executive Director's office

AUTHORITY COMMUNICATION NO.: 14-17

SUBJECT: Annual Operating Budget for Fiscal Year 2014-2015

For SPWA Board Meeting 6/26/14

ACTION REQUESTED

Adopt the annual operating budget for fiscal year 2014-2015.

BACKGROUND

Subsection d. (4) of Section 7 of the Joint Exercise of Powers Agreement provides that the Board shall adopt a budget for the following fiscal year no later than June 30th of each year.

The attached budget for the Authority represents the estimates of revenues and expenditures for the Authority for the fiscal year 2014-2015 (FY15). The Board will have an opportunity to review, and adjust as necessary, the annual budget at mid-year.

2013-2014 (FY14) Estimated Revenues and Operating Expenditures (Current Year)

Included in the budget is an estimate of revenues and operating expenditures for the current fiscal year.

- Interest earnings, net of amortized premiums and unrealized gains/losses are lower than FY13 due to interest rates that remain low.
- Connection fees are higher due to anticipation of development picking up a bit.
- No significant changes are expected in operating expenditures.

2014-2015 Estimated Revenues

Connection fees have been projected at \$16,336,955 (\$5,045,755 for the County, \$5,292,750 for the District, and \$5,998,450 for Roseville). This is a positive turn and reflects a higher level of anticipated development from prior year. Interest income, net of amortized premiums and unrealized gains/losses is estimated to be slightly higher than FY14.

2014-2015 Estimated Operating Expenditures

Total operating expenditures for FY15 are approximately 7% lower than the FY14 budget. This is due to truing up the budget to reflect lower costs in previous years. Authority staff line items include both direct and indirect costs related to administration of the Authority. Indirect costs include the city attorney, city manager, and certain finance personnel, etc., who do not charge directly to the Authority. Legal and financial advisory services include projected costs for possible agreement and financial reviews.

The Capital Improvement Projects Budget for FY15 is included in a separate agenda item.

Debt service payments for FY15 are expected to be approximately 4% higher than FY14.

Submitted by:



Janet L. Vargas
Administrative Analyst II



Kenneth Glotzbach
Executive Director

South Placer Wastewater Authority: FY 2014-15 Budget

Rate Stabilization Fund

	<u>Actual 2012-13</u>	<u>Estimated 2013-14</u>	<u>Budget 2014-15</u>
AVAILABLE RESOURCES CARRY-OVER	\$ 92,596,392	\$ 97,760,396	\$ 96,521,165
ESTIMATED REVENUES			
Interest	526,009	402,672	450,000
Connection Fees	7,787,795	9,750,000	16,336,955
Proceeds from Borrowing	-	-	-
Miscellaneous Revenue	137,428	-	-
Repayment from County	7,011,569	500,000	500,000
Total Estimated Revenues	15,462,801	10,652,672	17,286,955
Total Estimated Available for Appropriation	108,059,193	108,413,068	113,808,120
LESS OPERATING EXPENSES			
JPA Staff	116,523	138,280	133,460
Legal Services	21,583	60,000	50,000
Financial Advisory Services	-	30,000	25,000
Audit Services	17,740	25,000	25,000
Trustee/Investment Fees	-	-	-
Insurance	16,859	17,100	18,650
Copying/Mailing/Supplies	1,065	2,500	2,250
Travel/Meetings	-	500	500
Miscellaneous	6	587	10
Total Operating Expenses	173,776	273,967	254,870
LESS ESTIMATED CAPITAL EXPENDITURES	148,848	1,915,686	1,772,844
LESS DEBT SERVICE PAYMENTS	9,976,173	9,702,250	10,085,000
Total Estimated Expenditures	10,298,797	11,891,903	12,112,714
LESS RESERVE FOR UNEXPENDED CAPITAL BUDGET			
ESTIMATED AVAILABLE RESOURCES	\$ 97,760,396	\$ 96,521,165	\$ 101,695,406

SOUTH PLACER WASTEWATER AUTHORITY

RESOLUTION NO. 2014-07

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SOUTH PLACER WASTEWATER AUTHORITY APPROVING
OPERATING BUDGET FOR FY 2014-15**

BE IT RESOLVED by the Board of Directors of the South Placer Wastewater Authority that the Operating Budget for FY 2014-15 is hereby approved as presented to the Board at this meeting; and

BE IT FURTHER RESOLVED, that the Executive Director is hereby authorized to reallocate budgeted amounts among the line-items in the approved Operating Budget, as he may deem necessary or desirable; provided, however, that the total amount budgeted for FY 2014-15 shall not be increased without the Board's prior approval.

PASSED AND ADOPTED this 26th day of June, 2014, by the following vote on roll call:

AYES:

NOES:

ABSENT:

Chairperson

ATTEST:

Secretary