

TO: CUWCC Plenary
FROM: Sarah Foley, Interim Executive Director
DATE: December 5, 2016
SUBJECT: Draft 2017 Council Budget

Recommendation

Adopt the draft 2017 Council budget.

Background

The proposed 2017 Council budget is based on conservative estimates for both revenue and expense. Please note the following:

- The expected cash balance at the beginning of the year does not include any potential asset reallocation that is being contemplated as part of the strategic planning process as the outcome of those discussions is unknown at this time.
- Revenue is projected based on collection of 80% of the dues collected in 2016
- No member dues increase is proposed.
- No staff salary increases are proposed.
- The Administrative Assistant position is budgeted as full time with benefits.
- Salaries and benefits for the vacant Executive Director and Program Manager positions are budgeted based on when we predict those positions will be filled.
- We propose not filling the database manager position with an employee and instead contracting with a temporary agency on a limited, part-time basis.
- This budget does not include the conservation coordinator support contract position that was included in the 2016 budget but never filled.
- As part of our strategy to conservatively estimate expenses, the budget includes funding for a full audit.

This budget does not take into consideration the changes to the organization being contemplated. If and when those changes occur, staff expects the Board would need to consider adoption of an amended budget.



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**CALIFORNIA URBAN WATER CONSERVATION COUNCIL
CASH FLOW PROJECTION
FISCAL YEAR 2017**

Expected Operating Beg. Cash Balance at 1/1/2017 **\$452,866**

OPERATING RECEIPTS:

| | |
|---------------------------------|------------------|
| Dues receipts | 672,820 |
| Grant/Contract receipts | 38,000 |
| Other receipts | 93,260 |
| Total Operating Receipts | \$821,530 |

OPERATING DISBURSEMENTS:

| | |
|--------------------------------------|------------------|
| Administration | 450,844 |
| Membership | 152,214 |
| Technical Assistance | 105,569 |
| Database Application | 29,641 |
| Conservation & Research Programs | 186,779 |
| Total Operating Disbursements | \$925,047 |

Net expected cash flow from operating activities **(103,517)**

EXPECTED CASH FLOWS FROM FINANCING

| | |
|---|-------------------|
| Accounts Payable | (25,000) |
| Accrued Vacation | (6,000) |
| Accrued Payroll and Payroll Tax Payable | (2,300) |
| Net expected cash flow from financing activities | (\$33,300) |

EXPECTED CASH FLOWS FROM INVESTING

| | |
|---|-----------------|
| Transfer to Board Designated Operating Reserves | (25,000) |
| Capital Expenditures | (3,500) |
| Net expected cash flow from investing activities | (28,500) |

Net expected increase/(decrease) in cash **(165,317)**

Expected Operating Ending Cash balance at 12/31/2017 **\$287,549**

CALIFORNIA URBAN WATER CONSERVATION COUNCIL INCOME STATEMENT
FISCAL YEAR 2017

| REVENUE | Annual 2017 Budget | Annual 2016 Budget |
|--|---------------------------|---------------------------|
| Membership dues-Group 1 | \$656,000 | \$816,071 |
| Membership dues-Group 2 | 2,820 | 2,538 |
| Membership dues-Group 3 | 14,000 | 22,421 |
| Grant revenue | 27,540 | 5,000 |
| Contract revenue | 101,617 | 117,203 |
| Contributions | 39,157 | 21,707 |
| Publications | 7,560 | 4,960 |
| Exhibit Booth Rental | 2,000 | 7,500 |
| Conference Registration Fee | 30,300 | 58,000 |
| Plenary Table | 400 | 800 |
| SMART Rebates issued | 34,000 | 36,000 |
| SMART Rebate admin fee | 6,000 | 12,000 |
| TOTAL REVENUE | \$934,394 | \$1,104,200 |
| EXPENSES | | |
| Membership | | |
| Labor & Salaries | 106,686 | 81,120 |
| Program Consultants | 0 | 2,760 |
| Professional Services | 8,000 | 0 |
| Website Maintenance | 29,280 | 10,230 |
| Facility Rental & Charges | 0 | 150 |
| Catering/Food Costs | 4,000 | 3,850 |
| Staff Travel | 12,650 | 13,050 |
| Group 2 Travel Reimbursement | 7,430 | 6,930 |
| Telephone-Conference Calls | 9,550 | 10,350 |
| Depreciation | 3,000 | 3,000 |
| Total Membership | 180,596 | 131,440 |
| Technical Assistance & Training | | |
| Labor & Salaries | 35,994 | 27,355 |
| Program Consultants | 6,396 | 36,700 |
| Database Consultant | 0 | 6,000 |
| Professional Services | 28,500 | 0 |
| Facility Rental & Charges | 8,000 | 20,500 |
| Catering/Food Costs | 11,850 | 18,100 |
| Speaker Travel | 2,100 | 6,284 |
| Staff Travel | 6,284 | 9,868 |
| Group 2 Travel Reimbursement | 500 | 0 |
| Telephone-Conference Calls | 100 | 0 |
| Office Supplies | 935 | 3,598 |
| Printing | 500 | 2,000 |
| Cost of Publications Sold | 3,850 | 2,924 |
| Total Technical Assistance & Training | 105,009 | 133,328 |
| Database Application | | |
| Labor & Salaries | 1,316 | 12,448 |
| IT Services | 0 | 0 |
| Database Consultant | 16,125 | 70,500 |
| Database Maintenance | 2,000 | 2,000 |
| Website Maintenance | 10,200 | 19,800 |
| Depreciation | 25,644 | 25,644 |
| Total Database Application | 55,285 | 130,392 |

CALIFORNIA URBAN WATER CONSERVATION COUNCIL INCOME STATEMENT
FISCAL YEAR 2017

| REVENUE | Annual 2017 Budget | Annual 2016 Budget |
|---|--------------------|--------------------|
| Conservation & Research Programs | | |
| Labor & Salaries | 79,224 | 75,837 |
| Program Consultants | 72,020 | 30,481 |
| Website Maintenance | 375 | 750 |
| SMART Rebates issued | 34,000 | 36,000 |
| Staff Travel | 750 | 750 |
| Office Supplies | 410 | 250 |
| Total Conservation & Research Programs | 186,779 | 144,068 |
| Administration | | |
| Labor & Salaries | 114,728 | 150,827 |
| Employee Bonus Pool | 0 | 24,000 |
| Payroll - Vacation Time | 13,654 | 14,977 |
| Payroll - Sick & Other Leave | 6,887 | 7,758 |
| Payroll - Holiday | 14,671 | 17,952 |
| Payroll Tax | 31,157 | 38,159 |
| Worker's Compensation | 3,519 | 4,518 |
| Employee Medical & Benefits | 26,100 | 53,200 |
| Employer 401(k) match | 25,270 | 25,577 |
| Staff Development | 2,000 | 4,500 |
| Professional Services | 16,500 | 1,500 |
| Accounting | 40,900 | 39,000 |
| Audit & Tax Preparation | 13,500 | 16,000 |
| Legal services | 9,800 | 5,000 |
| Payroll & HR Services | 9,097 | 9,658 |
| IT Services | 10,388 | 18,238 |
| Officer Stipend | 10,000 | 10,000 |
| Marketing & Outreach | 6,128 | 1,128 |
| Member Recognition | 2,500 | 2,500 |
| Membership Dues - In-Kind | 2,256 | 1,974 |
| Staff Travel | 1,000 | 1,000 |
| Office Rent & Parking | 61,908 | 60,468 |
| Liability Insurance | 4,405 | 4,440 |
| Equipment Leases & Maintenance | 4,332 | 4,927 |
| Telephone | 7,200 | 9,600 |
| Office Supplies | 6,000 | 5,600 |
| Printing | 5,100 | 3,100 |
| Postage | 1,290 | 1,290 |
| Shipping & Express Mail | 560 | 0 |
| Dues & Subscriptions | 1,500 | 1,750 |
| Bank Charges & Merchant Credit Fees | 1,459 | 930 |
| Filing Fees | 165 | 187 |
| Other Office Expense | 1,280 | 1,280 |
| Cost of Publications Sold | 0 | 0 |
| Depreciation Expense | 3,060 | 660 |
| Bad Debt Expense | 0 | 8,000 |
| Total Administration | 458,314 | 549,698 |
| Total Expenses | 985,982 | 1,088,926 |
| Total net income | (\$51,589) | \$15,274 |

**CALIFORNIA URBAN WATER COUNCIL
INCOME STATEMENT BUDGET FISCAL YEAR 2017**

| | 2017 ANNUAL BUDGET | 2016 ANNUAL BUDGET |
|------------------------------|-------------------------------|-------------------------------|
| REVENUE | | |
| Membership dues-Group 1 | \$ 656,000 | \$816,071 |
| Membership dues-Group 2 | 2,820 | 2,538 |
| Membership dues-Group 3 | 14,000 | 22,421 |
| Grant revenue | 27,540 | 5,000 |
| Contract revenue | 101,617 | 117,203 |
| Contributions | 39,157 | 21,707 |
| Sponsorships | 13,000 | 0 |
| Publications | 7,560 | 4,960 |
| Exhibit Booth Rental | 2,000 | 7,500 |
| Conference Registration Fee | 30,300 | 58,000 |
| Plenary Table | 400 | 800 |
| SMART Rebates issued | 34,000 | 36,000 |
| SMART Rebate admin fee | 6,000 | 12,000 |
| TOTAL REVENUE | 934,394 | 1,104,200 |
| EXPENSES | | |
| Labor & Salaries | 337,948 | 347,587 |
| Employee Bonus Pool | 0 | 24,000 |
| Payroll - Vacation Time | 13,654 | 14,977 |
| Payroll - Sick & Other Leave | 6,887 | 7,758 |
| Payroll - Holiday | 14,671 | 17,952 |
| Payroll Tax | 31,157 | 38,159 |
| Worker's Compensation | 3,519 | 4,518 |
| Employee Medical & Benefits | 26,100 | 53,200 |
| Employer 401(k) match | 25,270 | 25,577 |
| Staff Development | 2,000 | 4,500 |
| Program Consultants | 78,416 | 69,941 |
| Professional Services | 53,000 | 1,500 |
| Accounting | 40,900 | 39,000 |
| Audit & Tax Preparation | 13,500 | 16,000 |
| Legal services | 9,800 | 5,000 |
| Payroll & HR Services | 9,097 | 9,658 |
| IT Services | 10,388 | 18,238 |
| Database Consultant | 16,125 | 76,500 |
| Database Maintenance | 2,000 | 2,000 |
| Website Maintenance | 39,855 | 30,780 |
| Officer Stipend | 10,000 | 10,000 |
| Marketing & Outreach | 6,128 | 1,128 |
| Member Recognition | 2,500 | 2,500 |
| Membership Dues - In-Kind | 2,256 | 1,974 |
| Facility Rental & Charges | 8,000 | 20,650 |
| Catering/Food Costs | 15,850 | 21,950 |
| Speaker Fees | 0 | 0 |
| Speaker Travel | 2,100 | 6,284 |
| Staff Travel | 20,684 | 24,668 |
| Group 2 Travel Reimbursement | 7,930 | 6,930 |
| Conferences & Meetings | 0 | 0 |
| SMART Rebates issued | 34,000 | 36,000 |
| Office Rent & Parking | 61,908 | 60,468 |

**CALIFORNIA URBAN WATER COUNCIL
INCOME STATEMENT BUDGET FISCAL YEAR 2017**

| | 2017 ANNUAL BUDGET | 2016 ANNUAL BUDGET |
|-------------------------------------|-------------------------------|-------------------------------|
| Liability Insurance | 4,405 | 4,440 |
| Equipment Leases & Maintenance | 4,332 | 4,927 |
| Telephone | 7,200 | 9,600 |
| Telephone-Conference Calls | 9,650 | 10,350 |
| Office Supplies | 7,345 | 9,448 |
| Printing | 5,600 | 5,100 |
| Postage | 1,290 | 1,290 |
| Shipping & Express Mail | 560 | 0 |
| Dues & Subscriptions | 1,500 | 1,750 |
| Bank Charges & Merchant Credit Fees | 1,459 | 930 |
| Filing Fees | 165 | 187 |
| Other Office Expense | 1,280 | 1,280 |
| Cost of Publications Sold | 3,850 | 2,924 |
| Depreciation Expense | 31,704 | 29,304 |
| Bad Debt Expense | 0 | 8,000 |
| Publications valuation chg & w/o | 0 | 0 |
| Total Expenses | 985,982 | 1,088,926 |
| Total net income | \$ (51,589) | \$ 15,274 |

**CALIFORNIA URBAN WATER CONSERVATION COUNCIL
PERSONNEL EXPENSES ANALYSIS
FISCAL YEAR 2017**

Labor and Benefits Summary

| Labor and Benefits | 2017 Budget | Membership | Technical Assistance & Training | Database Application | Conservation & Research Programs | Administration |
|---------------------------|-------------------------|-------------------------|--|-----------------------------|---|-------------------------|
| Labor & Salaries | \$337,948 | \$106,686 | \$35,994 | \$1,316 | \$79,224 | \$114,728 |
| Payroll Tax | 31,157 | 9,836 | 3,318 | 121 | 7,304 | 10,577 |
| Worker's Comp | 3,519 | 1,111 | 375 | 14 | 825 | 1,195 |
| EE Medical & Benefits | 26,100 | 8,239 | 2,780 | 102 | 6,119 | 8,861 |
| ER 401(k) Match | 25,270 | 7,977 | 2,691 | 98 | 5,924 | 8,579 |
| Totals | <u>\$423,993</u> | <u>\$133,849</u> | <u>\$45,158</u> | <u>\$1,651</u> | <u>\$99,396</u> | <u>\$143,940</u> |

| Labor and Benefits | 2017 Budget | 2016 Budget | Difference |
|---------------------------|-------------------------|-------------------------|--------------------------|
| Labor & Salaries | \$337,948 | \$347,587 | \$(9,639) |
| Payroll Tax | 31,157 | 38,159 | (7,002) |
| Worker's Comp | 3,519 | 4,518 | (999) |
| EE Medical & Benefits | 26,100 | 53,200 | (27,100) |
| ER 401(k) Match | 25,270 | 25,577 | (307) |
| Totals | <u>\$423,993</u> | <u>\$469,040</u> | <u>\$(45,047)</u> |