

RESOLUTION NO. 2025-13

A RESOLUTION OF THE HEBER PUBLIC UTILITY DISTRICT ADOPTING RESERVES GUIDELINES AND BUDGET FOR FISCAL YEAR 2025-2026

WHEREAS, the General Manager has submitted the Reserve Guideline and Reserve 2025-26 Budget to the Board of Directors for its review and consideration in accordance with reserve policies and objectives established by the Board of Directors; and

WHEREAS, the 2025-2026 Reserve Guidelines are intended to provide guidelines for the Heber Public Utility District to designate money in order to balance the budget, respond to emergencies, keep rates affordable, maintain current infrastructure and plan for future public projects; and

WHEREAS, the Reserve Guidelines are as follows:

COMMITTED FUNDS

Capacity Fees: These reserves are monies received from new service connections that increase our need for increased capacity in our Water and Wastewater Enterprise Funds.

Capital Reserve Funds: These funds are reserved to ensure monies are available to implement the current FY year projects included in the Board adopted Five Year Capital Improvement Project List.

RESTRICTED FUND BALANCE

Debt Service Funds: These are funds that are mandated by law to be held in reserve.

Capital Replacement Reserve Funds: The Capital Replacement Reserve Fund (Short Lived Asset Reserve) are mandated by law to be funded each year.

ASSIGNED OR DESIGNATED FUND BALANCE

Water, Sewer and Solid Waste Operating and Maintenance Reserve Funds: The Heber Public Utility District will maintain a 180-day operation and maintenance Reserve for Water, Sewer and Solid Waste (Trash) Funds.

Parks and Recreation Operating and Maintenance Reserve Funds: The Heber Public Utility District will maintain a 180-day operation and maintenance Reserve for Parks and Recreation Funds.

UNRESTRICTED RESERVES

Unrestricted Reserves: These funds can be programed and expended for any purpose as directed by the Board of Directors.

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WHEREAS, said fiscal year beginning July 1, 2025, there is hereby Reserved within the Treasury of the Heber Public Utility District for District purposes by the various departments of said District for the fiscal year 2025-2026, the projected amount of \$3,916,053.00; and

WHEREAS, the Proposed Reserve Funds Established for FY 2025-2026 are described below; and

Proposed Reserve Funds Established via Resolution Number 2025-13					
PROJECTED CASH BROUGHT FORWARD AS OF JUNE 30, 2025	Parks & Rec	Water	Sewer	Trash	Totals
	(237,302)	2,811,508	1,722,654	24,002	4,320,861
Other Sources of Revenues:					
<i>Children's Park - (3rd & 4th Reimb.)</i>	317,952				317,952
<i>AG-West</i>	75,000				75,000
<i>I.V.Community Found. (Tree Reimb.)</i>	10,778				10,778
<i>I.V.Community Found. (Shade)</i>	10,500				10,500
<i>IID (Green Belt)</i>	35,000				35,000
<i>Correll Park (Partial)</i>	801,403				801,403
<i>Estancia Park</i>	130,374				130,374
<i>FEMA Grant</i>	39,716	13,555			53,271
<i>USDA Funds (Recreat., Equipment)</i>	324,200				324,200
<i>Water Lines Heffernan St.</i>		542,184			542,184
<i>Capacity / Impact Fees</i>					-
Total Funds:	1,507,621	3,367,247	1,722,654	24,002	6,621,524
Committed Funds:					
Capital Reserve Funds (Future Projects)					
Correll Park SWPP grant (Partial)	801,403				801,403
AG-West Park Improvements	75,000				
Estancia Park Sprinkler Replacement Proj DWR 100	54,012				54,012
Tito Huerta (Shade)	10,500				
Children's Park - Parking	72,721				72,721
USDA Funds (Recreat., Equipment)	23,919				
Water Pipeline from WTP to Hefferman and Main (CRFA)		493,696			493,696
Restricted Funds:					
Wastewater debt to Parks (Debt Authorized via Resolution 2018-06) (Reserve Amended via Resolution 2018-10)	(48,828)		48,828		
Debt Service Reserve Funds - USDA		90,000			90,000
SWRCBA Water Loan - Debt Reserve		161,802			161,802
SWRCBA Wastewater Loan - Debt Reserve			176,398		176,398
2025 Short Lived Assets BOD	32,000	141,662	65,800		239,462
Assigned or Designated Fund Balance:					
Operating and Maintenance Reserve Funds 180 days Operating and Maintenance Costs.	341,211	808,305	649,032	28,011	1,826,559
TOTAL RESERVES FOR FY 2025-26	1,361,938	1,695,465	940,058	28,011	3,916,053
PROJECTED UN-ASSIGNED BALANCE:	145,684	1,671,782	782,596	(4,009)	2,705,471

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GUIDELINES AND BUDGET FOR FISCAL
YEAR 2025-2026**

WHEREAS, All modifications to the Fiscal Year 2025-2026 Budget of Reserved Funds, departments and/or activities shall be made by the Board of Directors except that the General Manager may, on her own initiative and without prior approval of the Board of Directors, transfer between budget accounts within a fund, activity, or capital improvement fund, or from a budget account or appropriation, to the said fund reserve, amounts determined to be in excess of actual requirements; as long as such changes are reported regularly to the Board of Directors; and

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE HEBER PUBLIC UTILITY DISTRICT, DOES HEREBY RESOLVE AS FOLLOWS:

1. That the foregoing is true, correct and adopted.
2. That the Board of Directors Adopts the Reserve Guidelines and the Reserve Fund Budget for Fiscal Year 2025-2026.
3. That the Board of Directors of the Heber Public Utility District does hereby adopt this Resolution approving the Fiscal Year 2025-2026 Reserve Guidelines and Reserve Funds Budget as set forth.
4. That the President of the Board of Directors of the Heber Public Utility District is hereby authorized to sign said Resolution, a copy of which is on file at the District office.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Heber Public Utility District held on the 21st day of August 2025.

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

By: _____
Jacob Bermudez,
Clerk of the Board

By: _____
Helen Diaz-Molina,
Board President

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APPROVE AS TO FORM:

By: _____
Steve Walker,
General Counsel

STATE OF CALIFORNIA
COUNTY OF IMPERIAL
HEBER PUBLIC UTILITY DISTRICT

I Jacob Bermudez, Board Secretary of the Heber Public Utility District, County of Imperial, State of California, DO HEREBY CERTIFY that the foregoing resolution was duly passed, approved and adopted by the Board of Directors of the Heber Public Utility District at its regularly scheduled meeting held on the 21st day of August, 2025.

By: _____
Jacob Bermudez,
Clerk of the Board