



**Date:** November 21, 2015

**TO:** LOCSD Board of Directors

**FROM:** Kathy A. Kivley, General Manager

**SUBJECT:** **Agenda Item 12I – Board Meeting Date: December 3, 2015**  
Request for Direction Regarding FY 2015/2016 Mid-Year Budget

**DESCRIPTION**

**President**  
R. Michael Wright

This item is requesting Board direction regarding FY 2015/2016 Budget update or mid-year and schedule the Board meeting for presentation.

**Vice President**  
Marshall E. Ochylski

**SUMMARY OF STAFF RECOMMENDATION**

Staff recommends that the Board adopt the following motion:

**Directors**  
Charles A. Cesena  
Jon-Erik E. Storm  
Louis G. Tornatzky

***Motion:*** ***I move that the Board direct the General Manager to present an updated or Mid-year FY 2015/2016 Budget during the month of \_\_\_\_\_ on \_\_\_\_\_.***

**General Manager**  
Kathy A. Kivley

**DISCUSSION**

**District Accountant**  
Michael L. Doyel

At the Special Board Meeting on September 1, 2015, the Board gave the direction to bring a Mid-Year budget for FY 2015/2016 to the Board for review in December 2015. The definition of a Mid-year Budget Economic and Fiscal Outlook is the middle of the calendar or fiscal year depending on the established period of operation for the government entity. The process includes the preparation of detailed statement of revenues and expenses for a sixth month period includes any proposed budget changes based on current trends.

**Fire Chief**  
Robert Lewin

**Battalion Chief**  
Phill Veneris

Staff included Statements of Revenues and Expenditures as of September 30 and October 31, 2015. Because Funds 200, 301, 400 and 800 are financially supported by revenues collected through the tax rolls and tax payments are due by December 10, 2015, the District receives approximately 42% of the total budgeted revenue in December. Currently, these Funds reflect deficits because they are dependent on collections through the tax rolls. This negative cash flow position makes it difficult for staff to determine if budget adjustments or reductions are necessary.

**Mailing Address:**  
P.O. Box 6064  
Los Osos, CA 93412

Fund 500 generates the majority of the water rate revenues from the date of the adopted budget. An analysis of the water rate revenues was previously presented.

**Offices:**  
2122 9<sup>th</sup> Street, Suite 102  
Los Osos, CA 93402

Staff requests that the Board of Directors establish a date for presentation of either the Mid-Year Budget or a date for an updated budget for FY 2015/2016.

**Phone:** 805/528-9370  
**FAX:** 805/528-9377

**FINANCIAL IMPACT**

The recommended action will have no financial impact on the District.

www.losososcsl.org