



May 2, 2022

**TO:** Finance Advisory Committee (FAC)  
**FROM:** Ron Munds, General Manager  
**SUBJECT:** **Agenda Item 7H – 05/02/2022 FAC Meeting**  
Review Fund 650-Solid Waste Interim Fiscal Year 2021-22  
Budget

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### **DESCRIPTION**

With addition of solid waste services to the District responsibilities, staff is recommending the FAC review a budget to reflect estimated revenue and expenditures for Quarter 4 of Fiscal Year (FY) 2021-22.

### **SUMMARY OF STAFF RECOMMENDATION**

Staff recommends the following:

- 1. Review and comment (as needed) on the interim budget.***
- 2. Provide a recommendation(s) to the Board of Directors regarding the interim Solid Waste budget document.***

### **DISCUSSION**

The District assumed solid waste responsibilities as of April 1, 2022. With the assignment of the franchise agreement from the County to the District, the District is now responsible for administering the provisions of the franchise agreement and all state regulatory requirements pertaining to solid waste. Additionally, the District agree to a repayment schedule to the County for a debt encumbered during the District's bankruptcy proceedings in 2013. In order to meet these obligations, staff has developed and interim budget for the fourth quarter of the FY 2021-22 budget.

### **FINANCIAL IMPACT**

The estimated revenue from the franchise fee is approximately \$245,000 per year. As part of the FY 2022-23 budget process, staff developed a budget based on the best information and assumptions available at this time. In order to develop the FY 2021-22 interim budget, staff used the estimations from the new FY 2022-23 budget to approximate the financial requirements to close out this fiscal year. Note It is recommended that Solid Waste contribute 10% to the cost allocation which equates to about \$16,527. This amount will cover the anticipated costs of labor for the ASM (25%), General Manager (15%) and Administrative Clerk (5%) positions, and its fair share of the office and utility expenses.

The following is a summary of the requested interim Fund 650 budget:

| <b><i>Interim 650 - Solid Waste</i></b> |                    |                    |
|---|--------------------|--------------------|
| <b>Fund 800</b>                         | <b>2021-2022</b>   | <b>Increase/</b>   |
| <b>Budget Category</b>                  | <b>Budget</b>      | <b>(Decrease)</b>  |
| <b>Revenue</b>                          | \$61,250.00        | \$61,250.00        |
| <b>Expenditures</b>                     |                    |                    |
| <b>Services &amp; Supplies</b>          | \$4,700.00         | \$4,700.00         |
| <b>Capital Outlay</b>                   | \$0.00             | \$0.00             |
| <b>Debt Services</b>                    | \$30,000.00        | \$30,000.00        |
| <b>Reserves</b>                         | \$0.00             | \$0.00             |
| <b>Transfers</b>                        | \$16,527.00        | \$16,527.00        |
| <b>TOTAL Expenditures</b>               | <b>\$51,227.00</b> | <b>\$51,227.00</b> |
| <b>TOTAL Revenue</b>                    | <b>\$61,250.00</b> | <b>\$61,250.00</b> |
| <b>Net Revenue/Expenses</b>             |                    | <b>\$10,023.00</b> |

### **Attachment**

Fund 650 Interim FY 2021-22 budget line-item detail.

### **Interim 650 - Solid Waste**

| <b>Fund 800<br/>Budget Category</b> | <b>2021-2022<br/>Budget</b> | <b>Increase/<br/>(Decrease)</b> |
|-------------------------------------|-----------------------------|---------------------------------|
| Revenue                             | \$61,250.00                 | \$61,250.00                     |
| Expenditures                        |                             |                                 |
| Services & Supplies                 | \$4,700.00                  | \$4,700.00                      |
| Capital Outlay                      | \$0.00                      | \$0.00                          |
| Debt Services                       | \$30,000.00                 | \$30,000.00                     |
| Reserves                            | \$0.00                      | \$0.00                          |
| Transfers                           | \$16,527.00                 | \$16,527.00                     |
| <b>TOTAL Expenditures</b>           | <b>\$51,227.00</b>          | <b>\$51,227.00</b>              |
| <b>TOTAL Revenue</b>                | <b>\$61,250.00</b>          | <b>\$61,250.00</b>              |
| <b>Net Revenue/Expenses</b>         |                             | <b>\$10,023.00</b>              |

**650 - Solid Waste****FY 2021-2022 Q4 Budget Notes****REVENUES****Property Taxes**

|                        |           |              |
|------------------------|-----------|--------------|
| 4800 Franchise Revenue | 61,250.00 | Q4 estimated |
| Total Revenues         | 61,250.00 |              |

**EXPENDITURES****Personnel**Salaries paid through the  
cost allocation transfer**Services & Supplies****Legal & Professional**

|   |          |
|---|----------|
| 7320 Professional & Consulting Services         | 1,000.00 |
| 7326 Legal Services                             | 1,000.00 |
| 7340 Legal Notifications & Mandated Advertising | 0.00     |
| Total Legal & Professional                      | 2,000.00 |

**Office/Operations**

|   |        |
|---|--------|
| 7140 General Supplies & Minor Equipment | 100.00 |
| 7160 Postage, Shipping & Mail Supplies  | 200.00 |
| 7230 Misc Small Parts & Supplies        | 0.00   |
| Total Office/Operations                 | 300.00 |

**Other Expense**

|                                   |          |
|-----------------------------------|----------|
| 7330 Misc Operating Expenses      | 0.00     |
| 7345 Outreach                     | 1,000.00 |
| 7346 Promotional Expenses - Event | 1,000.00 |
| Total Other Expense               | 2,000.00 |

Paid through cost allocation  
transfer**Rent & Utilities****Travel & Training**

|                                      |        |                  |
|--------------------------------------|--------|------------------|
| 7324 Education & Training Fees       | 200.00 |                  |
| 8410 Certifications                  | 0.00   |                  |
| 8475 Training Materials              | 100.00 |                  |
| 8550 Mileage Reimbursement & Parking | 100.00 | Outside meetings |
| Total Travel & Training              | 400.00 |                  |

**Total Services & Supplies** 4,700.00**Capital Outlay**

|                             |      |
|-----------------------------|------|
| 9006 Infrastructure CIP     | 0.00 |
| <b>Total Capital Outlay</b> | 0.00 |

**Debt Service**

|                               |           |
|-------------------------------|-----------|
| 9022 Debt Service - Principal | 30,000.00 |
| <b>Total Debt Service</b>     | 30,000.00 |

**Reserves**

|                                  |      |
|----------------------------------|------|
| 9572 General Contingency Reserve | 0.00 |
| Total Reserves                   | 0.00 |

**TRANSFERS**

|                             |           |
|-----------------------------|-----------|
| 9511 Interfund Transfer Out | 16,527.00 |
| <b>Total Transfers</b>      | 16,527.00 |

**Total Expenditures** 51,227.00**Net Revenues over Expenditures****10,023.00**