



May 19, 2021

TO: Utilities Advisory Committee

FROM: Ron Munds, General Manager

SUBJECT: **Agenda Item 7 – 05/19/2021 Board Meeting**
Funds 500 & 800 Final Budget Update for Fiscal Year 2021-2022.

President

Christine M. Womack

Vice President

Matthew D. Fourcroy

Directors

Charles L. Cesena
Troy C. Gatchell
Marshall E. Ochylski

General Manager

Ron Munds

District Accountant

Robert Stilts, CPA

Unit Chief

Eddy Moore

Battalion Chief

Paul Provence

Mailing Address:

P.O. Box 6064
Los Osos, CA 93412

Offices:

2122 9th Street, Suite 110
Los Osos, CA 93402

Phone: 805/528-9370

FAX: 805/528-9377

www.losososcscsd.org

DESCRIPTION

This report summarizes the updates from the Board's May 6th Board meeting for Funds 500 and 800 budgets for Fiscal Year 2021-2022. The final budget will be presented at the June 3rd Board meeting.

STAFF RECOMMENDATION

Staff recommends that the UAC:

Review the updates and provide any recommend changes to the Board for Funds 500 and 800.

DISCUSSION

Staff provided the preliminary Fiscal Year (FY) 2021-22 budgets for Funds 500 and 800 at the April 21st meeting. After Board review, the following updates or changes were made to those budgets.

Fund 500 – Water

The Board approved a Zone A property tax allocation increase from 35% in FY 2020-21 to 40% for FY 2021-22. The table below shows the Board approved allocation of Zone A revenues.

Zone A Property Tax Allocation	Estimated Tax Revenue	
	\$271,996.00	
	% Allocation	\$ Allocation
Fund 301 - Fire	52.5%	\$142,797.90
Fund 500 - Water	40.0%	\$108,798.40
Fund 900 - Parks & Rec	7.5%	\$20,399.70
Total	100.0%	\$271,996.00

Additionally, the Board approved a 2.5% cost of living salary increase for the District's general employees. This increase still needs to be ratified by SLOCEA.

The wage increase and the increase in revenue in the budget are reflected in the revised budget summary below.

Fund 500 Budget Category	2020-2021 Budget	2021-2022 Budget	Increase/ (Decrease)
Revenue	\$2,906,251.30	\$2,942,647.40	\$36,396.10
Expenditures			
Total Personnel	\$763,181.13	\$794,692.37	\$31,511.24
Services & Supplies	\$675,310.90	\$610,737.81	-\$64,573.09
Capital Outlay	\$1,301,762.28	\$1,458,623.00	\$156,860.72
Debt Service	\$275,556.50	\$275,556.50	\$0.00
Reserves	\$57,000.00	\$57,000.00	\$0.00
Transfers	\$568,548.00	\$565,249.50	-\$3,298.50
TOTAL Expenditures	\$3,641,358.81	\$3,761,859.18	\$120,500.37
TOTAL Revenue	\$2,906,251.30	\$2,942,647.40	\$36,396.10

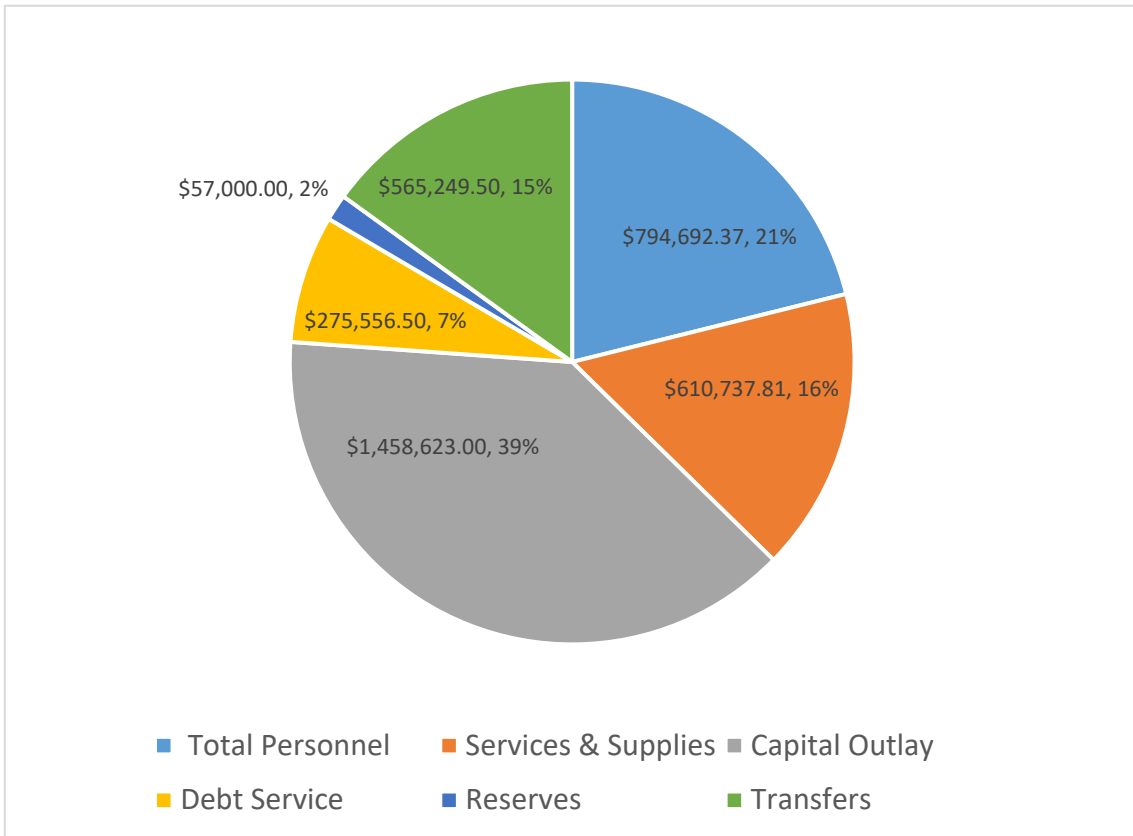
Fund 800 – Drainage

The only change in the Fund 800 budget was the Board decision to transfer of Zone F property tax revenue to this budget is amount to about \$11,000. The table below reflects this change.

Fund 800 Budget Category	2020-2021 Budget	2021-2022 Budget	Increase/ (Decrease)
Revenue	\$126,738.00	\$135,339.00	\$8,601.00
Expenditures			
Total Personnel	\$9,200.00	\$9,200.00	\$0.00
Services & Supplies	\$26,251.96	\$29,584.24	\$3,332.28
Capital Outlay	\$43,000.00	\$15,000.00	-\$28,000.00
Reserves	\$0.00	\$0.00	\$0.00
Transfers	\$13,299.37	\$13,222.21	-\$77.16
TOTAL Expenditures	\$91,751.33	\$67,006.45	-\$24,744.88
TOTAL Revenue	\$126,738.00	\$135,339.00	\$8,601.00

500 - Water

Fund 500 Budget Category	2020-2021 Budget	2021-2022 Budget	Increase/ (Decrease)
Revenue	\$2,906,251.30	\$2,942,647.40	\$36,396.10
Expenditures			
Total Personnel	\$763,181.13	\$794,692.37	\$31,511.24
Services & Supplies	\$675,310.90	\$610,737.81	-\$64,573.09
Capital Outlay	\$1,301,762.28	\$1,458,623.00	\$156,860.72
Debt Service	\$275,556.50	\$275,556.50	\$0.00
Reserves	\$57,000.00	\$57,000.00	\$0.00
Transfers	\$568,548.00	\$565,249.50	-\$3,298.50
TOTAL Expenditures	\$3,641,358.81	\$3,761,859.18	\$120,500.37
TOTAL Revenue	\$2,906,251.30	\$2,942,647.40	\$36,396.10
Net Revenue/Expenses		-\$819,211.78	



500 - WATER	Fiscal YTD 3/31/2021	FY 2020-21 Budget	2021-2022 Budget	Notes
--------------------	---------------------------------	------------------------------	-----------------------------	--------------

REVENUES

Property Taxes

4035	Zone A Property Tax Revenue	174,551.83	91,951.30	108,798.40
Total Property Taxes		174,551.83	91,951.30	108,798.40

Grant Revenue

4957	Govt Aid-Other Federal Aid & Reimbursments	3,294.12	0.00	0.00
Total Grant Revenue		3,294.12	0.00	0.00

Service Charges & Fees

4030	Residential Single Family	1,713,952.26	2,193,000.00	2,214,930.00
4102	Residential- Multi -Family- Water Sales	178,840.77	225,900.00	228,159.00
4103	Commercial, Home Care, Retail-Water Sales	223,846.76	303,000.00	306,030.00
4104	Irrigation- Water Sales	48,761.00	33,000.00	33,330.00
4114	Water Other Service Revenues	80.00	1,000.00	1,000.00
4931	Water Activation Fees	6,650.00	5,000.00	5,000.00
4932	Penalties	16,633.90	20,000.00	20,000.00
4933	Door Hangers/Locko ut Notices	295.00	12,000.00	12,000.00
4937	NSF Fees	255.00	400.00	400.00

Total Service Charges & Fees	2,189,314.69	2,793,300.00	2,820,849.00
---	---------------------	---------------------	---------------------

Other Revenues

4105	Recycled Water Revenue	0.00	0.00	0.00
4930	Other Revenue	11,736.20	1,000.00	1,000.00
4936	Water Delinquencies via Tax Roll	(1.00)	0.00	0.00
Total Other Revenues		11,735.20	1,000.00	1,000.00

500 - WATER		Fiscal YTD 3/31/2021	FY 2020-21 Budget	2021-2022 Budget	Notes
Use of Money & Property					
4504	Interest Income	0.00	0.00	0.00	
4505	HO Prop Tax Relief	0.00	0.00	0.00	
4510	Investment Income on	9,984.62	20,000.00	12,000.00	
Total Use of Money & Property		9,984.62	20,000.00	12,000.00	
Total Revenues		2,388,880.46	2,906,251.30	2,942,647.40	
EXPENDITURES					
Personnel					
Salaries/Wages					
8018	Holiday Pay	19,600.77	22,750.00	27,567.00	
8045	Overtime Pay	2,154.16	2,000.00	3,000.00	
8050	Administrative Leave Pay	1,342.92	2,900.00	2,550.00	
8051	Floating Holiday Pay	3,472.06	5,000.00	6,330.00	
8054	Salaries & Wages - Regular	286,780.72	415,000.00	442,650.00	
8056	Retroactive Pay	0.00	1,000.00	1,000.00	
8060	Sick Leave Pay	6,460.35	15,000.00	10,000.00	
8063	Standby Pay	14,799.54	20,618.00	20,830.00	
8066	Comp Time Used	12,951.01	15,752.00	18,000.00	
8081	Vacation Pay	20,207.06	25,000.00	20,000.00	
Total Salaries/Wages		367,768.59	525,020.00	551,927.00	
Payroll Taxes & Benefits					
5030	Life Insurance - ER	1,326.20	1,950.00	1,950.00	
5031	Disability Insurance	385.50	725.00	725.00	
5035	AD & D Insurance	269.09	440.00	440.00	
5040	LTD Insurance	2,506.09	4,050.00	4,050.00	
5050	Medicare - ER	5,568.50	9,000.00	9,000.00	
5060	Cafeteria Plan - ER	43,645.57	70,020.00	70,020.00	
5070	Retirement ER - Regular	67,150.51	104,912.26	109,533.50	
5075	Retirees Medical - ER	1,421.11	1,700.00	1,776.00	
5102	CA Training Tax - ER	48.97	0.00	50.00	
5120	Workers Comp Insurance - ER	21,708.13	27,510.87	27,510.87	

500 - WATER		Fiscal YTD 3/31/2021	FY 2020-21 Budget	2021-2022 Budget	Notes
5124	Retirement - ER - Tier 2	9,550.22	13,106.00	13,550.00	
Total Payroll Taxes & Benefits		153,579.89	233,414.13	238,605.37	
Employment Services					
5100	Unemployment Insurance - ER	3,268.98	4,000.00	4,000.00	
5103	Federal Unmpl	0.00	0.00	0.00	
6200	Hiring, Advertising & Other Costs	587.00	587.00	0.00	
6230	Medical Exam	160.00	160.00	160.00	
Total Employment Services		4,015.98	4,747.00	4,160.00	
Total Personnel		525,364.46	763,181.13	794,692.37	
Services & Supplies					
Clothing & Uniform					
7246	Uniform & Gear	845.86	2,600.00	2,600.00	
7248	Uniform Safety Boots	822.71	1,000.00	1,000.00	
Total Clothing & Uniform		1,668.57	3,600.00	3,600.00	
Services					
6100	Labor & Support- IT Services	3,465.30	5,300.00	5,000.00	
6110	IT Purchased Services	3,824.43	5,400.00	5,400.00	
7250	Water Quality Testing	20,845.00	28,000.00	28,000.00	
7255	Security Services	7,593.44	8,000.00	8,000.00	
7301	Contract Maint Services	0.00	0.00	0.00	
7321	Janitorial Cleaning & Supplies	600.14	850.00	850.00	
Total Contract Services		36,328.31	47,550.00	47,250.00	
Equipment & Tools					
6438	Disinfection Feed Pumps	1,319.87	2,700.00	2,700.00	
7242	Minor Tools, Accessories & Field Machines	10,774.33	16,400.00	16,400.00	
7253	Rent - Equipment	0.00	500.00	500.00	

500 - WATER		Fiscal YTD 3/31/2021	FY 2020-21 Budget	2021-2022 Budget	Notes
7256	Meter Purchases & Replacements	808.68	1,000.00	1,000.00	
Total Equipment & Tools		12,902.88	20,600.00	20,600.00	
Financial Services					
7309	Late Fees	0.00	50.00	50.00	
7310	Bank Service Charges	100.00	200.00	300.00	
9153	Bad Debt Expense	132.76	0.00	0.00	
Total Financial Services		232.76	250.00	350.00	
Ins., Lic. & Regulatory Fees					
6120	Computer Licenses	0.00	200.00	200.00	
6340	Misc Fees	822.91	1,155.09	700.00	
6342	Fees - Regulatory	20,261.78	20,000.00	22,000.00	
6345	Property Taxes & Assess.	3,211.99	7,000.00	7,000.00	
7325	Insurance	56,085.81	56,085.81	56,085.81	
Total Ins., Lic. & Regulatory Fees		80,382.49	84,440.90	85,985.81	
Legal & Professional					
7318	Professional & Consulting BMC	49,695.83	125,000.00	120,000.00	
7320	Professional & Consulting Services	5,591.35	10,000.00	25,000.00	Development Impact Fee Study
7326	Legal Services	2,230.50	20,000.00	15,000.00	
7336	Legal Services- ISJ	0.00	1,000.00	1,000.00	
7340	Legal Notifications	208.74	1,000.00	1,000.00	
Total Legal & Professional		57,726.42	157,000.00	162,000.00	
Office/Operations					
6130	Computer Hardware	2,731.46	3,000.00	3,000.00	
6140	Computer Software	4,913.99	5,500.00	5,000.00	
7140	General Supplies & ...	595.57	1,000.00	1,000.00	
7160	Postage, Shipping & Mail	13,299.66	18,000.00	18,000.00	
7180	Billing Supplies, Forms &	0.00	2,200.00	2,200.00	

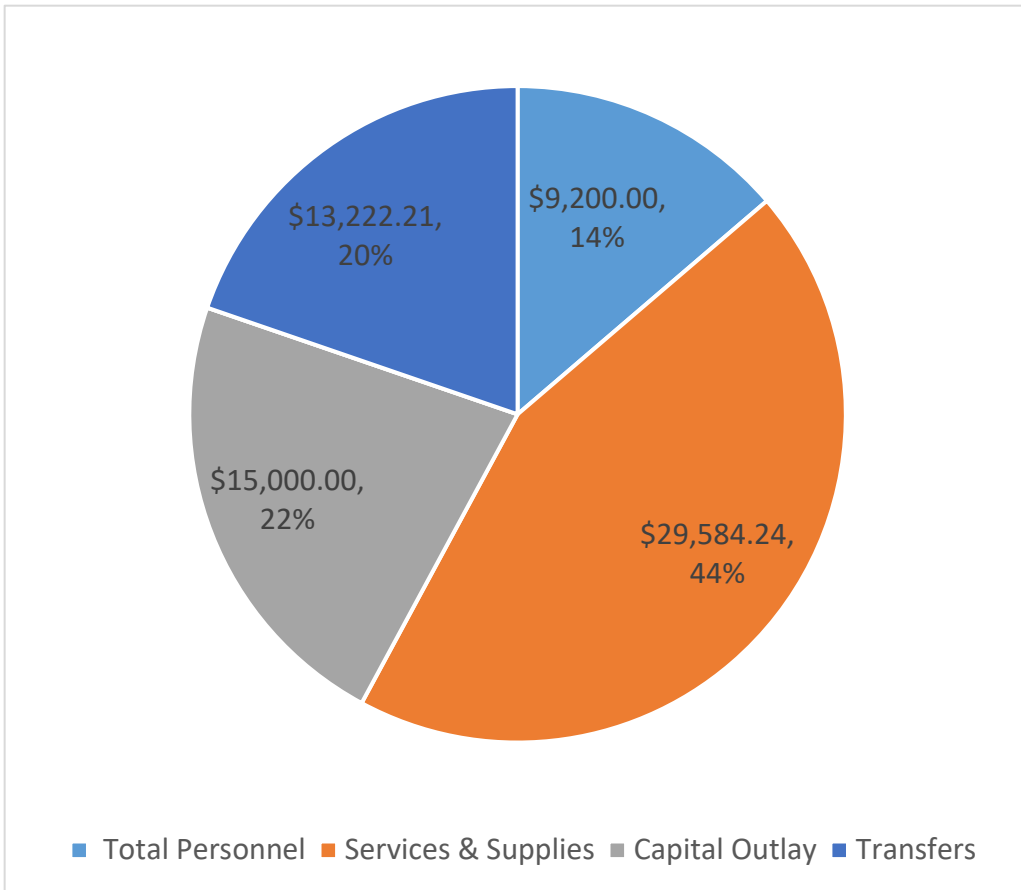
500 - WATER		Fiscal YTD 3/31/2021	FY 2020-21 Budget	2021-2022 Budget	Notes
7226	Membership & Dues	2,226.21	3,000.00	5,000.00	
7230	Misc Small Parts &	4,010.83	3,600.00	5,000.00	
7237	Process Control & Treatment Supplies	5,331.08	25,000.00	12,500.00	
7239	Water Treatment	6,144.84	13,000.00	13,000.00	
7249	Safety Supplies	87.19	1,000.00	1,000.00	
Total Office/Operations		39,340.83	75,300.00	65,700.00	
Other Expenses					
7330	Misc Operating Expenses	39.73	250.00	250.00	
7348	Water Conservation Program	3,966.71	10,000.00	10,000.00	
Total Other Expense		4,006.44	10,250.00	10,250.00	
Rent & Utilities					
6000	Cell Phones	2,237.38	3,500.00	3,500.00	
6025	Telephone	6,204.48	10,000.00	10,000.00	
7352	Rent - Offices & Other	0.00	0.00	0.00	
8610	Electric	73,574.66	100,000.00	100,000.00	
8620	Gas Service	172.57	250.00	250.00	
8630	Trash Services	1,342.08	3,000.00	1,800.00	
8644	Disposal Services	28,692.00	35,000.00	18,000.00	
8670	Street Lighting	322.02	400.00	432.00	
Total Rent & Utilities		112,545.19	152,150.00	133,982.00	
Repairs & Maintenance					
6405	R & M - Extinguishers	390.74	450.00	400.00	
6422	R & M - Hydrants	411.72	3,300.00	3,300.00	
6640	R & M - Equip & Other Non-Structural Fixed Assets	593.71	2,000.00	2,000.00	
6641	R & M - Wells	4,146.99	32,000.00	18,000.00	
6750	R & M - Minor Tools & Equipment	381.29	2,400.00	2,400.00	

500 - WATER		Fiscal YTD 3/31/2021	FY 2020-21 Budget	2021-2022 Budget	Notes
6800	R & M - Grounds & Collection Systems	21.43	600.00	600.00	
6830	Paving & Concrete	5,124.97	9,000.00	9,000.00	
6900	R & M - Buildings & Structures	11,258.67	15,000.00	15,000.00	
7241	R & M - Water Distribution System	2,775.58	40,000.00	10,000.00	
Total Repairs & Maintenance		25,105.10	104,750.00	60,700.00	
Travel & Training					
7323	Books, Publications & Subscriptions	206.03	250.00	250.00	
7324	Education & Training Fees	796.00	3,000.00	3,000.00	
8410	Certifications	370.00	500.00	500.00	
8510	Lodging & Meals - Local	0.00	0.00	0.00	
8539	Meals	0.00	0.00	0.00	
8550	Mileage Reimbursement & Parking	0.00	370.00	370.00	
Total Travel & Training		1,372.03	4,120.00	4,120.00	
Vehicle Maintenance & Repairs					
7006	Tuneup/Oil/Mai	988.43	1,000.00	1,600.00	
7211	Misc Fuel & Diesel	1,559.95	2,100.00	2,400.00	
7220	Gasoline	3,891.24	6,000.00	6,000.00	
7228	Markings & Other Misc	0.00	200.00	200.00	
7232	Vehicle Repairs - Parts, Tires & Lubricants	4,926.24	6,000.00	6,000.00	
Total Vehicle Maintenance & Repairs		11,365.86	15,300.00	16,200.00	
Total Services & Supplies		382,976.88	675,310.90	610,737.81	

500 - WATER		Fiscal YTD 3/31/2021	FY 2020-21 Budget	2021-2022 Budget	Notes
Capital Outlay					
9006	Infrastructure CIP	733,657.44	1,196,553.40	1,408,623.00	See revised CIP table in report
9059	Vehicles, Equipment, & Fixtures	106,170.90	105,208.88	50,000.00	Replace unit H
Total Capital Outlay		839,828.34	1,301,762.28	1,458,623.00	
Debt Service					
9022	Debt Service - Principal	170,833.56	170,833.56	170,833.56	
9023	Debt Service - Interest & Annual Fee	94,658.94	94,658.94	94,658.94	
9024	Loan Administration Fee	9,566.97	10,064.00	10,064.00	
Total Debt Service		275,059.47	275,556.50	275,556.50	
Reserves					
9571	*Capital Outlay Reserve	0.00	0.00	0.00	
9572	*General Contingency	0.00	57,000.00	57,000.00	
Total Reserves		0.00	57,000.00	57,000.00	
TRANSFERS					
9511	Interfund Transfer Out	426,411.00	568,548.00	565,249.50	
Total Transfers		426,411.00	568,548.00	565,249.50	
Total Expenditures		2,449,640.15	3,641,358.81	3,761,859.18	
Net Revenues over Expenditures			(735,107.51)	(819,211.78)	

800 - Drainage

Fund 800 Budget Category	2020-2021 Budget	2021-2022 Budget	Increase/ (Decrease)
Revenue	\$126,738.00	\$135,339.00	\$8,601.00
Expenditures			
Total Personnel	\$9,200.00	\$9,200.00	\$0.00
Services & Supplies	\$26,251.96	\$29,584.24	\$3,332.28
Capital Outlay	\$43,000.00	\$15,000.00	-\$28,000.00
Reserves	\$0.00	\$0.00	\$0.00
Transfers	\$13,299.37	\$13,222.21	-\$77.16
TOTAL Expenditures	\$91,751.33	\$67,006.45	-\$24,744.88
TOTAL Revenue	\$126,738.00	\$135,339.00	\$8,601.00
Net Revenue/Expenses	\$34,986.67	\$68,332.55	



800 - DRAINAGE

Fiscal YTD FY 2020-21 FY 2021-22
3/31/2021 Budget Budget

Notes

REVENUES				
Property Taxes				
4034	Zone A Property Tax Revenue	0.00	0.00	0.00
4035	Zone D & F Property Taxes	17,028.04	26,074.00	37,575.00
	Total Property Taxes	17,028.04	26,074.00	37,575.00
Special Taxes & Assessments				
4400	Drainage Assessments	65,398.00	95,264.00	95,264.00
	Total Special Taxes & Assessments	65,398.00	95,264.00	95,264.00
Other Revenues				
4935	Sale-Specs/Plans & Non-Capital Items	0.00	0.00	0.00
	Total Other Revenues	0.00	0.00	0.00
Use of Money & Property				
4505	HO Prop Tax Relief	0.00	0.00	0.00
4510	Investment Income on funds	1,745.95	5,400.00	2,500.00
	Total Use of Money & Property	1,745.95	5,400.00	2,500.00
	Total Revenues	84,171.99	126,738.00	135,339.00

EXPENDITURES

Personnel

Salaries/Wages

8045	Overtime Pay	0.00	200.00	200.00
8054	Salaries & Wages - Regular	3,731.81	9,000.00	9,000.00
	Total Salaries/Wages	3,731.81	9,200.00	9,200.00
	Total Personnel	3,731.81	9,200.00	9,200.00

Services & Supplies

Equipment & Tools

6390	Equipment	0.00	300.00	300.00
7242	Minor Tools, Accessories & Field Machines	0.00	300.00	300.00
	Total Equipment & Tools	0.00	600.00	600.00

800 - DRAINAGE

Fiscal YTD	FY 2020-21	FY 2021-22
3/31/2021	Budget	Budget

Notes

**Insurance,
Licenses &
Regulatory Fees**

6342	Fees - Regulatory	6,369.00	6,369.00	7,200.00
6345	Property Taxes & Assessments Costs	241.72	241.72	250.00
7325	Insurance	391.24	391.24	391.24
Total Insurance, Licenses & Regulatory Fees		7,001.96	7,001.96	7,841.24

**Legal &
Professional**

7320	Professional & Consulting Services	0.00	2,000.00	3,000.00
7326	Legal Services	0.00	500.00	500.00
Total Legal & Professional		0.00	2,500.00	3,500.00

Office/Operations

7140	General Supplies & Minor Equipment	0.00	0.00	0.00
7226	Membership & Dues	0.00	0.00	0.00
7230	Misc Small Parts & Supplies	0.00	550.00	550.00
7249	Safety Supplies	0.00	100.00	100.00
Total Office/Operations		0.00	650.00	650.00

Other Expense

7346	Promotional Expenses - Event	0.00	300.00	300.00
Total Other Expense		0.00	300.00	300.00

Rent & Utilities

6000	Cell Phones	1,307.58	1,700.00	1,700.00
6025	Telephone	205.12	250.00	250.00
8610	Electric	1,234.45	2,200.00	2,200.00
8670	Street Lighting	651.07	1,000.00	1,000.00
Total Rent & Utilities		3,398.22	5,150.00	5,150.00

**Repairs &
Maintenance**

6405	R & M - Extinguishers	37.21	50.00	50.00
6640	R & M - Equip & Other Non-Structural Fixed Assets	0.00	1,000.00	1,000.00

800 - DRAINAGE

Fiscal YTD FY 2020-21 FY 2021-22
3/31/2021 Budget Budget

Notes

6750	R & M - Minor Tools & Equipment	1,176.43	500.00	500.00	
6800	R & M - Grounds & Collection Systems	199.34	4,000.00	6,000.00	Stump grinding at Tierra basin and Eucalyptus trimming at Cabrillo basin
6900	R & M - Buildings & Structures	0.00	1,500.00	1,500.00	
	Total Repairs & Maintenance	1,412.98	7,050.00	9,050.00	
Travel & Training					
7324	Education & Training Fees	0.00	500.00	500.00	
8410	Certifications	0.00	100.00	0.00	
8475	Training Materials	0.00	250.00	250.00	
8510	Lodging & Meals - Local	0.00	0.00	0.00	
8539	Meals	0.00	0.00	0.00	
8550	Mileage Reimbursement & Parking	0.00	300.00	0.00	
	Total Travel & Training	0.00	1,150.00	750.00	
Vehicle Maintenance & Repairs					
7006	Tuneup/Oil/Maintenanc	0.00	0.00	0.00	
7211	Misc Fuel & Diesel	586.14	550.00	467.00	
7220	Gasoline	972.81	1,300.00	1,276.00	
	Total Vehicle Maintenance & Repairs	1,558.95	1,850.00	1,743.00	
	Total Services & Supplies	13,372.11	26,251.96	29,584.24	
Capital Outlay					
9006	Infrastructure CIP	7,542.32	43,000.00	15,000.00	
	Total Capital Outlay	7,542.32	43,000.00	15,000.00	
Reserves					
9571	*Capital Outlay Reserve	0.00	0.00	0.00	
	Total Reserves		0.00	0.00	
TRANSFERS					
9511	Interfund Transfer Out	9,974.52	13,299.37	13,222.21	
	Total Transfers	9,974.52	13,299.37	13,222.21	
	Total Expenditures	34,620.76	91,751.33	67,006.45	
	Net Revenues over Expenditures	49,551.23	34,986.67	68,332.55	