



June 16, 2021

TO: LOCSD Board of Directors

FROM: Margaret Falkner, Utility Systems Manager
Ron Munds, General Manager

SUBJECT: Agenda Item 6 - 06/16/2021 Utilities Advisory Committee
Utilities Department Budget Highlights for Fiscal Year 2021-2022

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DESCRIPTION

The draft Fiscal Year 2021-2022 budgets for Water and Drainage were reviewed by the UAC at the April 21st and May 19th meetings with an approval recommendation to the Board. The final Fiscal Year 2021-2022 budget was approved by the Board at the June 3rd Board meeting.

In this report, staff wanted to highlight some of the operational costs contained in the budget summary tables as Services & Supplies.

DISCUSSION

The budgets for Water and Drainage funds have been reviewed by this committee. A few line items are being highlighted in the following tables.

Fund 500 – Water

The listed items under operational costs were increased or decreased and we will watch how these costs accrue over the fiscal year.

Fund/Acct	Operational Costs	Budget FY21/22	Comments
500/7237	Process Control & Treatment Supplies	\$12,500.00	Chlorine analyzers, reagents, and buffers increased for the 8th Street Upper Well
500/7241	R & M - Water Distribution System	\$10,000.00	Reduced from last year by \$30,000. Sample stations were purchased
500/7320	Professional & Consulting Services	\$25,000.00	Development Impact Fee Study Increased

Capital costs include the following projects with the replacement of one of the older vehicles. Staff will track expenditures as these projects move to the Board for award. It is important to note that the 16th Street South Tank project cost will have to increase to include the North tank fill-line that has ruptured. This item is scheduled to be brought to the Board for award at the August 5th meeting. The

Capital Outlay budget includes the purchase of a replacement vehicle. It is anticipated that it can be procured for less than the proposed budgeted amount.

Fund/Acct	Capital Costs	Budget FY21/22	Comments
500/9006	Infrastructure CIP	\$750,000.00	Program "C" Well Construction, Drilling/Equipping well
500/9006	Infrastructure CIP	\$352,150.00	16th St. Tank South Rehab., Amend scope to include North tank fill-line
500/9006	Infrastructure CIP	\$366,441.00	8th Street Upper equip and blend
500/9059	Vehicles, Equipment, & Fixtures	\$50,000.00	Replace Unit H

The following is the summary table for Fund 500. Operational costs are part of Services and Supplies budget.

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	\$780,181.50	\$17,000.37
Services & Supplies	\$675,310.90	\$610,737.81	-\$64,573.09
Capital Outlay	\$1,301,762.28	\$1,518,591.00	\$216,828.72
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	\$3,807,316.31	\$165,957.50
TOTAL Revenue	\$2,906,251.30	\$2,942,647.40	\$36,396.10

Fund 800 – Drainage

The listed items under operational costs were increased and staff will track these items over the fiscal year.

Fund/Acct	Operational Costs	Budget FY21/22	Comments
800/6800	R & M - Grounds & Collection Systems	\$5,500.00	Increased. Stump grinding at Tierra basin and Eucalyptus trimming at Cabrillo basin
800/7320	Professional & Consulting Services	\$3,000.00	Increased. Snails in Cabrillo basin

As indicated in the five-year Capital Improvement Plan, the SCADA project has been deferred. The 6th Street Drainage Project will include trenching the street(s) to hook up the drainage to our 12" discharge pipe to alleviate flooding problems at the intersection of 6th Street and El Moro Avenue.

Fund/Acct	Capital Costs	Budget FY21/22	Comments
800/9006	Infrastructure CIP	\$15,000.00	6th Street Project

The following is the summary table for Fund 800. Operational costs are part of Services and Supplies budget.

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