

NOTICE OF SPECIAL BUDGET & FINANCE COMMITTEE MEETING

Responsible for the review of District finances including: rates, fees, charges and other sources of revenue; budget and reserves; audit; investments; insurance; and other financial matters.

NOTICE IS HEREBY GIVEN that the San Lorenzo Valley Water District has called a special meeting of the Budget & Finance Committee to be held on **Friday, January 24, 2020 9:00am**, at the Operations Building, 13057 Highway 9, Boulder Creek, California.

AGENDA

1. Convene Meeting/Roll Call
2. Oral Communications
This portion of the agenda is reserved for Oral Communications by the public for items which are not on the Agenda. Please understand that California law (The Brown Act) limits what the Board can do regarding issues raised during Oral Communication. No action or discussion may occur on issues outside of those already listed on today's agenda. Any person may address the Committee at this time, on any subject that lies within the jurisdiction of the District. Normally, presentations must not exceed five (5) minutes in length, and individuals may only speak once during Oral Communications. Any Director may request that the matter be placed on a future agenda or staff may be directed to provide a brief response.
3. Old Business: None
Members of the public will be given the opportunity to address each scheduled item prior to Committee action. The Chairperson of the Committee may establish a time limit for members of the public to address the Committee on agenda items.
4. New Business:
Members of the public will be given the opportunity to address each scheduled item prior to Committee action. The Chairperson of the Committee may establish a time limit for members of the public to address the Committee on agenda items.
 - A. ELECTION OF COMMITTEE CHAIR
Discussion and possible action by Budget and Finance Committee regarding Committee Chair.
 - B. SET DAY AND TIME FOR COMMITTEE REGULARLY SCHEDULED MEETINGS
Discussion and possible action by the Budget and Finance Committee regarding regularly scheduled meeting time and day.
 - C. PREPARE A MULTI-MONTH CALENDAR
Discussion by the B & F Committee regarding the preparation of a multi-month calendar to look-ahead at least 3 months.

- D. MID-YEAR FISCAL YEAR 19/20 BUDGET REVIEW
Discussion by the Committee regarding review of budget finances through the end of December 2019.
- E. BUDGET SCHEDULE FOR 2020
Discussion and possible action by the Committee regarding a schedule for the budget process for 2020.

5. Informational Material: None.

6. Adjournment

In compliance with the requirements of Title II of the American Disabilities Act of 1990, the San Lorenzo Valley Water District requires that any person in need of any type of special equipment, assistance or accommodation(s) in order to communicate at the District's Public Meeting can contact the District Office at (831) 338-2153 a minimum of 72 hours prior to the scheduled meeting.

Agenda documents, including materials related to an item on this agenda submitted to the Committee after distribution of the agenda packet, are available for public inspection and may be reviewed at the office of the District Secretary, 13060 Highway 9, Boulder Creek, CA 95006 during normal business hours. Such documents may also be available on the District website at www.slvwd.com subject to staff's ability to post the documents before the meeting.

Certification of Posting

I hereby certify that on January 16, 2020 I posted a copy of the foregoing agenda in the outside display case at the District Office, 13060 Highway 9, Boulder Creek, California, said time being at least 24 hours in advance of the regular meeting of the Budget & Finance Committee of the San Lorenzo Valley Water District in compliance with California Government Code Section 54956.

Executed at Boulder Creek, California, on January 16, 2020

Holly B. Hossack, District Secretary
San Lorenzo Valley Water District

14. COMMITTEES

The Board shall organize committees that are advisory to the Board with regard to matters within their respective areas of responsibility.

The five District standing committees are as follows: Administrative, Budget & Finance, Engineering, Environmental and Lompico Oversight. Each standing committee shall have no power or authority to commit the District or to take any action on behalf of the Board of Directors. Standing Committees shall hold meetings at such times, frequency and locations as deemed necessary by consensus of the committee members. Committees are encouraged to meet at least monthly.

Committee meetings shall be held in accordance with the provisions of the Ralph M. Brown Act. In order to promote attendance by Directors at Committee meetings without inadvertently creating a violation of the Ralph M. Brown Act, Directors that are not members of a committee are discouraged from attending but may attend as observers, and, if attending, shall not participate at the Committee's meeting.

Committee appointments will be reviewed by the full Board at a Board of Director's meeting in December of each Calendar Year, or as soon thereafter as practical. Applications to serve as a Public Member will be available at the District's Office or on-line at the District's website (www.slvwd.com). Public Member Applications will be reviewed by the full Board. Each committee member shall be appointed by a simple majority vote of the Board.

Regardless of the start date, the terms of public member(s) of the Administrative, Budget & Finance, Engineering and Environmental Committees shall end on December 31st of each year.

Members of the public shall serve on no more than one standing committee at a time.

Administrative, Budget & Finance, Engineering, Environmental Committees may have no more than two Board Members and at least one Public Member. If more than one public member applies to serve on an individual committee, the full Board shall vote to determine which public member shall be seated on that committee for the year or may choose to appoint more than one public member to a committee by adjusting the size of the committee appropriately. At any time, the Board may also choose to appoint additional public members to any standing committee.

The Lompico Oversight Committee may have no more than five Public Members. Public members serving on the Lompico Oversight Committee shall have a residential mailing address within Assessment District 2016-1.

Members of the committees serve at the pleasure of the Board. Each committee shall designate their own chairperson. For the Administrative, Budget & Finance, Engineering and Environmental Committees the chairperson shall be a member of the Board. Each committee may elect a vice- chairperson. Members of committees, including the chairperson and vice-chairperson shall serve until their successors are

appointed. The chairperson of a committee is its presiding officer and shall be responsible for communicating the recommendation of the committee to the Board. In the absence of the chairperson, the vice-chairperson shall perform the duties of the chairperson. The chairperson and vice-chairperson are not deprived of any of the rights and privileges of a committee member by reason of being the presiding officer.

A majority of the members of each committee shall constitute a quorum for the transaction of business. Only members of the committee are entitled to make, second or vote on any motion or other action of the committee. Each committee member shall be entitled to one vote on all matters considered by the committee. A simple majority vote of the members of the Committee shall designate approval of a motion.

During the first regular meeting after January 1st of each year, each Committee shall review the District's current Strategic Plan and identify Strategic Plan Elements pertaining to said Committee. The Committee's findings regarding such Strategic Plan review shall be reported back to the Board at the next available regular Board Meeting for discussion and to allow the Board to provide direction back to the committees regarding completion of identified Strategic Plan Elements.

During the first regular meeting after January 1st of each year, each Committee shall prepare a multi-month forward looking calendar of items to be discussed by said Committee. Said calendar shall be no less than a three month look-ahead. Each Committee chairperson shall maintain said look-ahead calendar and submit same to the Board on a monthly basis.

The committee Chairperson shall record summary minutes of each committee meeting. The minutes of each committee meeting and any recommendation of a committee shall include a summary of the information presented.

All committee member absences will be considered by the majority of the committee members to determine whether or not the absence is without cause. Sickness, jury duty, vacation and/or bereavement will be considered excused absences. When three meetings in a row or a total of six meetings in one calendar year are missed the remaining committee members will consider the removal of the individual from the committee. The removal must be voted upon and approved by the majority of the committee members with the exception of the committee member in question.

Vacancies shall be reported to the full Board as soon as practically possible. Vacancies shall be filled by simple majority vote of the Board.

Committee Members shall comply with the obligations and responsibilities of office including the obligation to comply with the disclosure requirements of the Political Reform Act (Form 700). The reporting categories made applicable to the Directors by San Lorenzo Valley Water District's local conflict of code shall apply to the members of the committee members.

All committee communications must go through the designated committee chairperson.

A committee has jurisdiction to consider and make a recommendation to staff, other committees and to the Board regarding any item of business within the responsibility of the committee. Committee recommendations shall be communicated to the Board. A committee may consider other matters referred to it by the Board.

The Board may refer a recommendation back to any committee for reevaluation whenever the Board deems additional evaluation is required.

Each Standing Committee shall, as a minimum, be responsible for the following:

Administrative Committee

The Committee shall be responsible for matters of internal and external administrative matters including: communications, staffing and staff support; District's data gap grant programs; interagency relations; codes and policies, pending State and Federal legislation; and other administrative programs.

Budget and Finance Committee

The Committee shall be responsible for the review of District finances including: rates, fees, charges and other sources of revenue; budget and reserves; audit; investments; insurance; and other financial matters.

Engineering Committee

The Committee shall be responsible for the review matters of design, construction, replace and repair of the District facilities and property including: The Capital Improvement Program; Master Plans and other engineering, operational and planning related matters.

Environmental Committee

The Committee shall be responsible for matters of stewardship of the District's property including: Urban Water Management Plans; Water Conservation Programs; Classis Watershed Education Grants; Watershed Management; Resource Management and other environmental related matter.

Lompico Assessment District Oversight Committee

The Committee shall be responsible to fulfill their charter as it relates to Assessment District 2016-1 projects.

2020

SAN LORENZO VALLEY WATER DISTRICT

SCHEDULE OF MEETINGS

January 2020

S	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

February 2020

S	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

March 2020

S	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

April 2020

S	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

May 2020

S	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

June 2020

S	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

July 2020

S	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

August 2020

S	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

September 2020

S	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

October 2020

S	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

November 2020

S	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

December 2020

S	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

BoD MEETINGS 1ST & 3RD THURSDAY OF EVERY MONTH 5:30PM (exceptions Jan., July, Nov. & Dec.)

ADMINISTRATION Fultz, Henry, Benkert, Bounds

BUDGET & FINANCE Fultz, Henry, Architzel

ENGINEERING Farris, Moran, Ladd, Lande, Mahood, Smolley

ENVIRONMENTAL 3rd Thursday 9:45am Farris, Moran, Fresco, Herbst, O'Connor, Supp

LADOC Quarterly-4th Tuesday 5:30 p.m. Hagen, LoBalbo, Loewen, Norton

HOLIDAYS

MEMO

To: Board of Directors
From: District Manager
Subject: FY2021 Budget Timeline
Date: January 24, 2020

Recommendation:

It is recommended the Budget & Finance Committee review the budget timeline.

Background:

The budget process typically begins late January, once December expenses have been finalized. Staff uses the 6 months of expenses to help in their comparisons and forecasting for the current year and the budgeting year.

A lot of times the strategic plan is utilized to help guide the budget process to meet those goals and objectives. The District is in the process of revising the strategic plan, so for this budget year it is not being utilized as a budgeting tool.

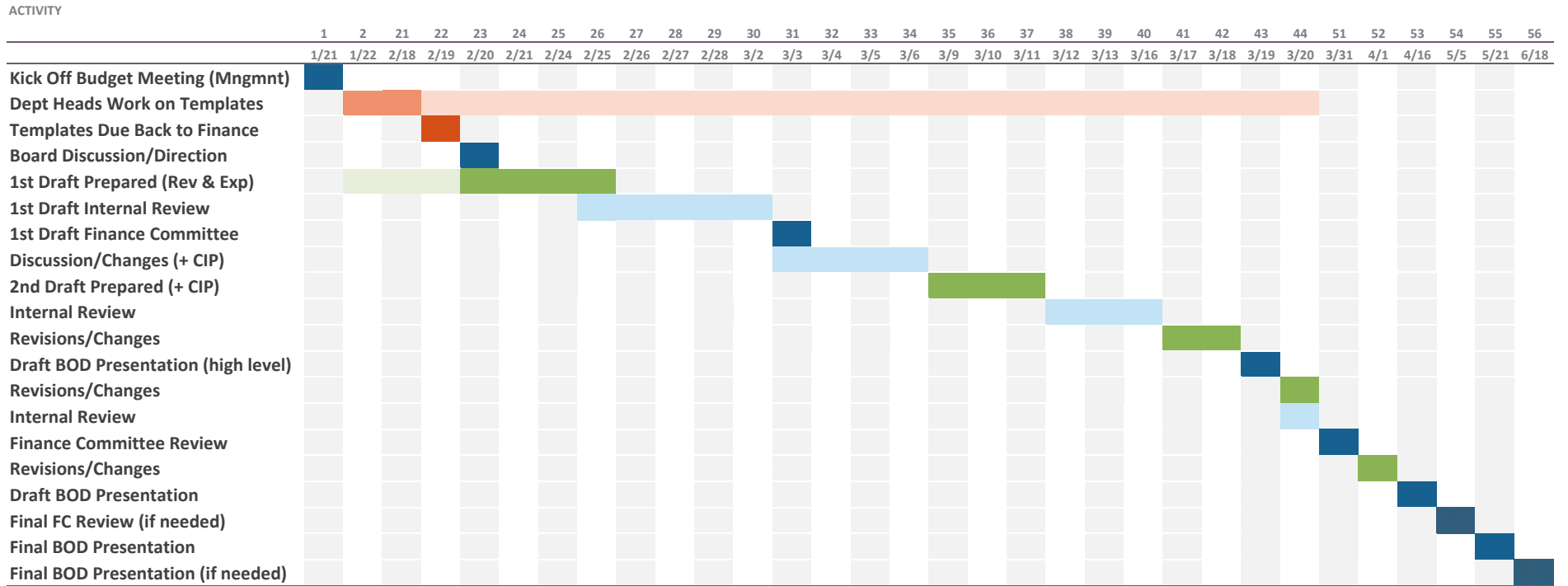
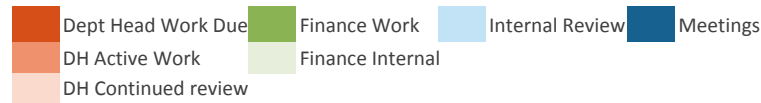
The Master Plan is another document that won't be ready for this budget process, but will be for the following budget year. This will be a key piece in helping plan the capital projects.

In February, the Board will see the budget timeline and be able to give any input or direction to staff to help guide the process.

As key sections are completed, they will come back to committee and then the full Board for review/input along the way.

The goal is to have the final budget package presented at the May 21st Board meeting, which will leave an additional 2 meetings in June if needed.

FY2021 Budget



3-4 Finance Meetings
2-3 BOD Meetings

MEMO

To: Board of Directors
From: District Manager
Subject: Mid-Year FY1920 Budget Review
Date: January 24, 2020

Recommendation:

It is recommended the Budget & Finance Committee receive and review this report.

Background:

It is prudent to continually monitor and review budget versus actuals throughout the year. There are monthly and quarterly reports provided in the Board packets under Finance Status Reports. Attached herein is the preliminary mid-year (July-December) results for the committee to review and potentially discuss in further detail.

Overall, actual revenue is coming in as expected with the budget. Expenses are also coming in as expected, but have certain areas generating savings and others such as the PSPS that caused unexpected overage in expenses.

	December		Full Year	
	Current Month	YTD	Budget	% of Budget
Operating Revenue	\$ 850,108	\$ 5,452,068	\$ 10,817,670	50%
Operating Expenses	\$ 552,220	\$ 3,681,662	\$ 7,817,156	47%
Operating Income	\$ 297,887	\$ 1,770,406	\$ 3,000,514	59%

OPERATING ANALYSIS - YTD FY1920 (JULY-DECEMBER)

REVENUE BY CATEGORY

DESCRIPTION	COMPARING AGAINST PRIOR YEAR					COMPARING AGAINST BUDGET		
	ACTUALS	% OF TOTAL	PRIOR YEAR	\$ Diff.	% Diff.	Act. % of Budget	ANNUAL BUDGET	% of Annual
WATER USAGE	\$ 3,792,646	69.6%	\$ 3,639,695	\$ 152,951	4%	51%	\$ 7,395,500	68%
BASIC CHARGES	1,560,828	28.6%	1,464,069	96,759	7%	49%	3,163,000	29%
METERS, PENALTIES & OTHER	36,725	0.7%	38,445	(1,720)	-4%	29%	127,000	1%
SEWER CHARGES	61,869	1.1%	51,738	10,131	20%	47%	132,170	1%
TOTAL OPERATING REVENUE	\$ 5,452,068	100.0%	\$ 5,193,946	\$ 258,122	5%	50%	\$ 10,817,670	100%

REVENUE COMMENTS

YTD revenues are higher due to the rate increase compared to prior year. Water and Sewer revenues are tracking according to budget.

EXPENSES BY CATEGORY

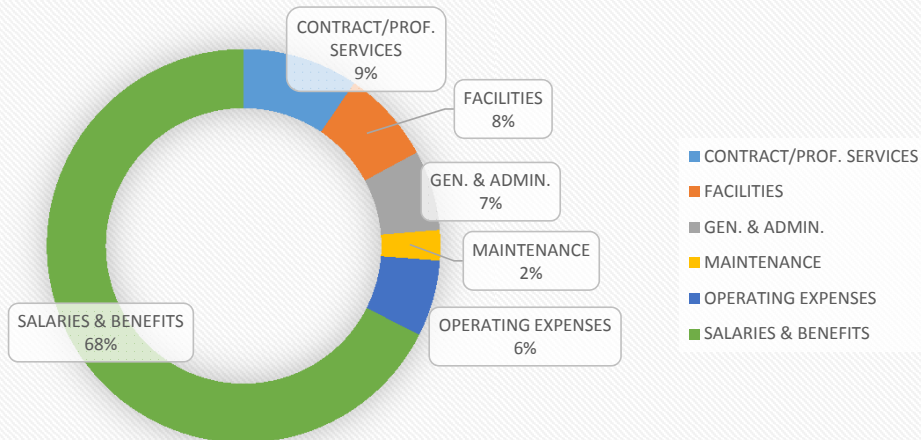
DESCRIPTION	COMPARING AGAINST PRIOR YEAR					COMPARING AGAINST BUDGET		
	ACTUALS	% OF TOTAL	PRIOR YEAR	\$ Diff.	% Diff.	Act. % of Budget	ANNUAL BUDGET	% of Annual
SALARIES & BENEFITS	\$ 2,477,261	67.6%	\$ 2,342,564	\$ 134,697	6%	48%	\$ 5,164,975	66%
CONTRACT/PROF. SERVICES	348,013	9.5%	513,177	(165,164)	-32%	33%	1,070,711	14%
OPERATING EXPENSES	229,298	6.3%	193,944	35,353	18%	53%	435,250	6%
MAINTENANCE	91,550	2.5%	68,875	22,674	33%	42%	218,850	3%
FACILITIES	280,008	7.6%	269,660	10,348	4%	47%	591,700	8%
GEN. & ADMIN.	241,107	6.6%	218,080	23,027	11%	72%	335,670	4%
TOTAL OPERATING EXPENSES	\$ 3,667,236	100%	\$ 3,606,301	\$ 60,935	2%	47%	\$ 7,817,156	100%

EXPENSE COMMENTS

Contract/Prof. Serv.: Legal prior year was \$43K higher. Enviro \$100K higher in PY stream gaging
 Operating Expenses were higher due to generator rentals for the PG&E PSPS Maintenance was high due to major truck bed repair, this was budgeted for. Facilities were higher due to timing of bills yr over yr

Gen&Admin: \$18K increase to liability insurance year over year.

% BREAKDOWN OF CATEGORY EXPENDITURES



OPERATING ANALYSIS - YTD TREND FY1920

REVENUE BY CATEGORY

DESCRIPTION	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	YTD	BUDGET	% OF BUD.
WATER USAGE	358,244	754,239	769,863	682,882	663,649	563,770	3,792,646	7,395,500	51%
BASIC CHARGES	253,518	253,941	254,187	260,905	269,295	268,982	1,560,828	3,163,000	49%
METERS, PENALTIES & OTHER	5,620	9,985	3,620	6,080	5,865	5,555	36,725	127,000	29%
SEWER CHARGES	10,013	9,857	10,174	10,012	10,013	11,801	61,869	132,170	47%
TOTAL OPERATING REVENUE	627,395	1,028,021	1,037,844	959,879	948,822	850,108	5,452,068	10,817,670	50%

EXPENSES BY CATEGORY

DESCRIPTION	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	YTD	BUDGET	% OF BUD.
SALARY & BENEFITS	764,139	305,763	357,510	335,364	353,677	360,808	2,477,261	5,164,975	48%
CONTRACT/PROF. SERVICES	21,644	34,367	44,713	161,807	43,290	56,616	362,439	1,070,711	34%
OPERATING EXPENSES	20,127	30,756	32,644	26,514	76,847	42,409	229,298	435,250	53%
MAINTENANCE	6,890	25,710	14,630	12,671	21,182	10,467	91,550	218,850	42%
FACILITIES	11,977	52,999	55,767	58,349	52,967	47,950	280,008	591,700	47%
GEN. & ADMIN.	131,372	18,702	14,045	27,839	15,178	33,971	241,107	335,670	72%
TOTAL OPERATING EXPENSES	956,149	468,298	519,309	622,545	563,141	552,220	3,681,662	7,817,156	47%
OPERATING INCOME (LOSS)	(328,754)	559,723	518,535	337,334	385,680	297,887	1,770,406	3,000,514	59%

COMMENTS

REVENUE/EXPENSES:

Current year to date revenue and expenses are tracking as expected overall. Please refer to the current month analysis for any further detail on revenue or expenses.

GENERAL/PROCESS:

There are annual/one-time expenses paid upfront that could cause individual months to appear skewed or accrual based accounting that will impact June/July more so. An example of this would be some insurances are paid in July, this causes July expenses to appear higher than other months. The District operates on an annual budget and performs accrual based accounting procedures for a hard year end close, this is typical for governmental accounting.

Data is continuously being reviewed, so it is not un-common for a prior report balance to change slightly throughout the year as accounts are reconciled.

OPERATING EXPENSE ANALYSIS - Q2

DETAILED EXPENSES BY DEPARTMENT

ADMINISTRATIVE	Q2 CY ACTUALS	Q2 % of Budget	YTD ACTUALS	YTD % of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 87,725	18%	\$ 255,319	52%	\$ 491,956	
CONTRACT/PROFESSIONAL SERVICES	\$ 122,621	31%	\$ 153,286	39%	\$ 394,100	Legal is tracking slightly below budget. Potential savings.
OPERATING EXPENSES	\$ 2,072	104%	\$ 3,440	173%	\$ 1,986	New copier, YE total expected to be \$4K.
MAINTENANCE	\$ 3,976	25%	\$ 7,338	46%	\$ 15,887	
FACILITIES	\$ 5,174	19%	\$ 11,266	42%	\$ 26,810	
GEN. & ADMIN.	\$ 45,745	29%	\$ 172,613	108%	\$ 159,112	District paid an unanticipated \$25K in claims. Will be over budget by approximately that amount.
DEPRECIATION	\$ -	0%	\$ -	0%	\$ -	
CAPITALIZED OVERHEAD	\$ -	0%	\$ -	0%	\$ -	
TOTAL ADMINISTRATIVE	\$ 267,313	25%	\$ 603,262	55%	\$ 1,089,851	

FINANCE	Q2 CY ACTUALS	Q2 % of Budget	YTD ACTUALS	YTD % of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 245,761	22%	\$ 516,699	47%	\$ 1,102,927	
CONTRACT/PROFESSIONAL SERVICES	\$ 42,023	39%	\$ 52,995	49%	\$ 108,728	
OPERATING EXPENSES	\$ 11	1%	\$ 899	52%	\$ 1,738	
MAINTENANCE	\$ 2,390	15%	\$ 4,106	26%	\$ 15,738	
FACILITIES	\$ 192	13%	\$ 468	31%	\$ 1,500	
GEN. & ADMIN.	\$ 36,235	25%	\$ 68,768	47%	\$ 147,473	
DEPRECIATION	\$ -	0%	\$ -	0%	\$ -	
TOTAL FINANCE	\$ 326,612	24%	\$ 643,936	47%	\$ 1,378,104	

ENGINEERING	Q2 CY ACTUALS	Q2 % of Budget	YTD ACTUALS	YTD % of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 66,194	17%	\$ 150,575	40%	\$ 379,817	Will have savings as no one was hired as of 1/1/20
CONTRACT/PROFESSIONAL SERVICES	\$ -	0%	\$ 2,343	7%	\$ 32,000	
OPERATING EXPENSES	\$ 3,980	17%	\$ 3,980	17%	\$ 23,000	
MAINTENANCE	\$ 38	4%	\$ 278	28%	\$ 1,000	
FACILITIES	\$ 91	4%	\$ 265	11%	\$ 2,500	
GEN. & ADMIN.	\$ 882	11%	\$ 922	12%	\$ 7,800	
DEPRECIATION	\$ -	0%	\$ -	0%	\$ -	
TOTAL ENGINEERING	\$ 71,185	16%	\$ 158,364	35%	\$ 446,117	

DISTRIBUTION	Q2 CY ACTUALS	Q2 % of Budget	YTD ACTUALS	YTD % of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 345,802	23%	\$ 798,516	54%	\$ 1,482,930	Will be over for PSPS approx. \$7K
CONTRACT/PROFESSIONAL SERVICES	\$ 33,937	24%	\$ 43,244	31%	\$ 140,000	
OPERATING EXPENSES	\$ 98,888	57%	\$ 139,567	81%	\$ 172,000	Will be over for PSPS approx. \$50K
MAINTENANCE	\$ 26,116	25%	\$ 42,277	40%	\$ 105,749	
FACILITIES	\$ 41,313	21%	\$ 84,582	43%	\$ 197,866	
GEN. & ADMIN.	\$ 2,564	30%	\$ 3,573	42%	\$ 8,440	
DEPRECIATION	\$ -	0%	\$ -	0%	\$ -	
TOTAL DISTRIBUTION	\$ 548,620	26%	\$ 1,111,760	53%	\$ 2,106,985	

WATERSHED	Q2 CY ACTUALS	Q2 % of Budget	YTD ACTUALS	YTD % of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 2,766	1%	\$ 62,760	33%	\$ 193,048	Savings from vacant and change in position ~\$110K.
CONTRACT/PROFESSIONAL SERVICES	\$ 20,140	13%	\$ 27,035	17%	\$ 160,111	
OPERATING EXPENSES	\$ -	0%	\$ -	0%	\$ 4,500	
MAINTENANCE	\$ -	0%	\$ -	0%	\$ 8,000	
FACILITIES	\$ 103	9%	\$ 299	25%	\$ 1,200	
GEN. & ADMIN.	\$ 444	12%	\$ 2,878	75%	\$ 3,850	
TOTAL WATERSHED	\$ 23,453	6%	\$ 92,973	25%	\$ 370,709	

DETAILED EXPENSES BY DEPARTMENT (continued)

SUPPLY & TREATMENT	Q2 CY ACTUALS	Q2 % of Budget	YTD ACTUALS	YTD % of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 303,624	21%	\$ 692,589	48%	\$ 1,457,630	Savings from replacement not hired yet, offset by ~\$35K from PSPS. Should be under budget, but will not know amount until person hired.
CONTRACT/PROFESSIONAL SERVICES	\$ 22,417	14%	\$ 58,781	37%	\$ 160,000	
OPERATING EXPENSES	\$ 29,354	14%	\$ 69,473	34%	\$ 207,000	Has approx. \$10K from PSPS
MAINTENANCE	\$ 11,800	17%	\$ 37,550	54%	\$ 70,003	
FACILITIES	\$ 94,132	27%	\$ 161,418	46%	\$ 349,577	
GEN. & ADMIN.	\$ 1,139	15%	\$ 2,374	32%	\$ 7,447	
DEPRECIATION	\$ -	0%	\$ -	0%	\$ -	
TOTAL SUPPLY & TREATMENT	\$ 462,466	21%	\$ 1,022,185	45%	\$ 2,251,657	

WASTEWATER	Q2 CY ACTUALS	Q2 % of Budget	YTD ACTUALS	YTD % of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ -	0%	\$ 2,826	5%	\$ 56,667	
CONTRACT/PROFESSIONAL SERVICES	\$ 20,805	27%	\$ 25,156	33%	\$ 75,772	
OPERATING EXPENSES	\$ 11,641	47%	\$ 12,294	49%	\$ 25,026	
MAINTENANCE	\$ -	0%	\$ -	0%	\$ 2,472	
FACILITIES	\$ 2,511	21%	\$ 6,001	49%	\$ 12,248	
GEN. & ADMIN.	\$ -	0%	\$ -	0%	\$ 1,547	
DEPRECIATION	\$ -	0%	\$ -	0%	\$ -	
TOTAL WASTEWATER	\$ 34,957	20%	\$ 46,277	27%	\$ 173,733	Indirect allocations occur annually
TOTAL OPERATING EXPENSES	\$ 1,734,606	22%	\$ 3,678,757	47%	\$ 7,817,156	

PRO FORMA FOR AUDIT:

OVERHEAD ABSORPTION [1]	\$ -	\$ (46,380.34)
-------------------------	------	----------------

[1] Overhead absorption are the direct and indirect capitalized costs associated with an asset the District did internally. For example, a capital pipeline project was constructed by District staff and materials versus hiring an outside contractor. These amounts are not budgeted for, therefore, are not included in the main analysis above. These will show up as a favorable off-set for operating expenses in the audit. However, it is important to note these are likely regularly occurring cash expenses.