



NOTICE OF 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 meeting of the Budget & Finance Committee to be held on **Wednesday, October 20, 2021, 2:00 pm**, via video/tele conference.

<https://global.gotomeeting.com/join/583768805>

You can also dial in using your phone.
(For supported devices, tap a one-touch number below to join instantly.)

United States (Toll Free): 1 866 899 4679
- One-touch: <tel:+18668994679,,583768805#>

United States: +1 (571) 317-3116
- One-touch: <tel:+15713173116,,583768805#>

Access Code: 583-768-805

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. 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 agendized items.
 - A. FIRE RECOVERY SURCHARGE TRACKING
Discussion and possible action by the B & F Committee regarding the tracking of the Fire Recovery Surcharge.
4. Unfinished 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 agendized items.
5. Informational Material:
Here is a link <https://www.slvwd.com/node/290/minutes> to previous Budget & Finance Committee meeting minutes.
6. Adjournment

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 October 15, 2021, 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 72 hours in advance of the 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 October 15, 2021.

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

M E M O

TO: Budget & Finance Committee
FROM: Director of Finance
SUBJECT: Fire Recovery Surcharge Tracking
DATE: October 20, 2021

RECOMMENDATION:

It is recommended the Committee members review and discuss the attached Fire Recovery Surcharge revenue & expense tracking and discuss with staff any additions or changes they would like to see to the report.

BACKGROUND:

The CZU Complex Lightening Fires created extensive damage to District facilities. An emergency event such as this is unexpected and can cause an immediate and long-term financial strain on the District. The District is working with FEMA to recover approximately 75% of the project costs, however, the District will need to cover the remaining 25%. At this time the estimated project costs are over \$20M. This means the District is expecting to owe \$5M. To date, we have submitted \$1.3M to FEMA for reimbursement.

At the August 5, 2021 Board meeting, the Board held a Proposition 218 hearing and adopted the Fire Recovery Surcharge. The Board has directed staff that any surcharge revenues are to be placed in a restricted account to pay for Wildfire recovery and repairs only. The District will track its Wildfire costs against the revenues generated by the surcharge on an ongoing basis. The surcharge as proposed would end automatically upon collection of the estimated \$5 million, which would occur after approximately 5 years. However, if the District's actual costs are lower than expected, the Board could reduce or terminate the surcharge early without conducting another Proposition 218 process.

The attached Fire Recovery Surcharge revenue & expense tracking is a draft and can be developed along the way with Committee input and as we start to receive funding through FEMA.

**FIRE RECOVERY SURCHARGE
REVENUE & EXPENSE TRACKING**

	7/1/2021	7/31/2021	8/31/2021	9/30/2021	10/31/2021	11/30/2021	12/31/2021	1/31/2022	2/28/2022	3/31/2022	4/30/2022	5/31/2022	6/30/2022	FY21-22 YTD	NOTES
REVENUE															
FIRE RECOVERY SURCHARGE	\$ -	\$ -	\$ 81,990.66	\$ 82,149.66										\$ 164,140.32	
INTEREST	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL REVENUE	\$ -	\$ -	\$ 81,990.66	\$ 82,149.66	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 164,140.32	
PRIOR YTD EXPENSES															
EXPENSES															
WO 1960 - CZU_PEAVINE INTAKE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
WO 1924 - CZU_BIG STEEL TANK	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
WO 1925 - CZU_BIG STEEL BOOSTER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
WO 1967 - CZU_LIL LYON TANK CLEANING&COATING	\$ -	\$ -	\$ (223.28)	\$ (4,833.05)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5,056.33)	
WO 1970 - CZU_LITTLE LYON TEMPORARY TANKS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
WO 1919 - CZU_BENNETT SPRING RAW WATER LINE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
WO 2077 - CZU_5 MILE BOX & TURBIDITY STATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
WO 1923 - CZU_ECKLEY TANK ZONE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
WO 1953 - CZU_HARMON STREET 2"	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
WO 1962 - CZU_CLEAR CREEK/SWEETWATER INTAKE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
WO 1921 - CZU_ALTA VIA RD 4" HDPE MAIN	\$ -	\$ -	\$ (1,710.00)	\$ (4,373.44)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (6,083.44)	
WO 1920 - CZU_SOUTH RESERVOIR 4 HDPE TANKS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
WO 1922 - CZU_BLACKSTONE TANKS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
WO 1926 - CZU_LYON TANK	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
WO 1927 - CZU_FOREMAN CREEK INTAKE/RAW WATER	\$ -	\$ -	\$ -	\$ (312.81)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (312.81)	
WO 1928 - CZU_COOL CREEK INTAKE & PIPING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
WO 1930 - CZU_FIVE MILE PIPELINE	\$ -	\$ -	\$ -	\$ (1,955.09)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,955.09)	
WO 1963 - CZU_RIVERSIDE GROVE BOOSTER STATIO	\$ -	\$ -	\$ (27,349.63)	\$ (547.42)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (27,897.05)	
WO 1964 - CZU_CZU SERVICE METER REPLACEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
WO 1966 - CZU_LYON TANK CLEANING & COATING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
WO 1968 - CZU_WATER QUALITY SAMPLING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
WO 2053 - CZU_ALDER TANK	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
WO 2068 - CZU_HARMON CREEK DREDGE & EROSION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
LOAN PAYMENT	\$ -	\$ -	\$ (466,375.66)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (466,375.66)	
TOTAL EXPENSES	\$ -	\$ -	\$ (495,658.57)	\$ (12,021.81)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (507,680.38)	
NET BALANCE	\$ (3,589,771.91)	\$ (4,003,439.82)	\$ (3,933,311.97)	\$ (3,933,311.97)	\$ (3,933,311.97)	\$ (3,933,311.97)	\$ (3,933,311.97)	\$ (3,933,311.97)	\$ (3,933,311.97)	\$ (3,933,311.97)	\$ (3,933,311.97)	\$ (3,933,311.97)	\$ (3,933,311.97)	\$ (343,540.06)	

RUNNING TOTALS	FUNDING SOURCES			
	(FEMA, LOAN, RESERVES)	TOTAL	FY2122 YTD	FY2021
REVENUE		\$ 164,140	\$ 164,140	\$ -
EXPENSES				
WO 1960 - CZU_PEAVINE INTAKE	FEMA, LOAN	\$ (16,709)	\$ -	\$ (16,709)
WO 1924 - CZU_BIG STEEL TANK	FEMA, LOAN	\$ (799,569)	\$ -	\$ (799,569)
WO 1925 - CZU_BIG STEEL BOOSTER	FEMA, LOAN	\$ (716,193)	\$ -	\$ (716,193)
WO 1967 - CZU_LIL LYON TANK CLEANING&COATING	FEMA, LOAN	\$ (132,293)	\$ (5,056)	\$ (127,237)
WO 1970 - CZU_LITTLE LYON TEMPORARY TANKS	FEMA, LOAN	\$ (220,024)	\$ -	\$ (220,024)
WO 1919 - CZU_BENNETT SPRING RAW WATER LINE	FEMA, LOAN	\$ (23,770)	\$ -	\$ (23,770)
WO 2077 - CZU_5 MILE BOX & TURBIDITY STATION	FEMA, LOAN	\$ (40,195)	\$ -	\$ (40,195)
WO 1923 - CZU_ECKLEY TANK ZONE	FEMA, LOAN	\$ (29,050)	\$ -	\$ (29,050)
WO 1953 - CZU_HARMON STREET 2"	FEMA, LOAN	\$ (4,149)	\$ -	\$ (4,149)
WO 1962 - CZU_CLEAR CREEK/SWEETWATER INTAKE	FEMA, LOAN	\$ (367)	\$ -	\$ (367)
WO 1921 - CZU_ALTA VIA RD 4" HDPE MAIN	FEMA, LOAN	\$ (137,117)	\$ (6,083)	\$ (131,034)
WO 1920 - CZU_SOUTH RESERVOIR 4 HDPE TANKS	FEMA, LOAN	\$ (16,048)	\$ -	\$ (16,048)
WO 1922 - CZU_BLACKSTONE TANKS	FEMA	\$ (29,050)	\$ -	\$ (29,050)
WO 1926 - CZU_LYON TANK	FEMA	\$ (176,163)	\$ -	\$ (176,163)
WO 1927 - CZU_FOREMAN CREEK INTAKE/RAW WATER	FEMA	\$ (681,246)	\$ (313)	\$ (680,933)
WO 1928 - CZU_COOL CREEK INTAKE & PIPING	FEMA	\$ -	\$ -	\$ -
WO 1930 - CZU_FIVE MILE PIPELINE	FEMA	\$ (86,840)	\$ (1,955)	\$ (84,884)
WO 1963 - CZU_RIVERSIDE GROVE BOOSTER STATIO	FEMA	\$ (38,328)	\$ (27,897)	\$ (10,431)
WO 1964 - CZU_CZU SERVICE METER REPLACEMENT	FEMA	\$ (151,272)	\$ -	\$ (151,272)
WO 1966 - CZU_LYON TANK CLEANING & COATING	FEMA	\$ (98,679)	\$ -	\$ (98,679)
WO 1968 - CZU_WATER QUALITY SAMPLING	FEMA	\$ (130,974)	\$ -	\$ (130,974)
WO 2053 - CZU_ALDER TANK	FEMA	\$ (5,831)	\$ -	\$ (5,831)
WO 2068 - CZU_HARMON CREEK DREDGE & EROSION	FEMA	\$ (97,210)	\$ -	\$ (97,210)
TOTAL EXPENSES TO DATE		\$ (3,631,077)	\$ (41,305)	\$ (3,589,772)

TOTAL SUBMITTED TO FEMA TO DATE - PENDING APPROVAL			
FEMA PROJECT #	AMOUNT	COST SHARE %	DISTRICT WOs
180766	\$ 240,319	100%	1919, 1920, 1921, 1922, 1923, 1924, 1925, 1926, 1953, 1968, 1969, 1970
165086	\$ 875,027	75%	1919, 1922, 1924, 1925, 1927, 1960, 1970, 2068, 2077
165138	\$ 206,115	75%	1919, 1920, 1921, 1922, 1923, 1924, 1925, 1926, 1953, 1968, 1969, 1970
165259	\$ 35,412	75%	1946, 1963, 2053
165262	\$ -	75%	1919, 1927, 1928, 1930, 1960, 1962
165273	\$ -	75%	1920, 1921, 1922, 1923, 1924, 1926, 1953, 1964, 1968, 2475
	\$ 1,356,873		

FIRE SURCHARGE TO COVER REMAINING PROJECT COSTS NOT COVERED BY FEMA OR THE LOAN WITH FINAL RECONCILIATION