

# **AGENDA**

## **REMOTE MEETING NOTICE**

To address concerns relating to COVID-19, this meeting will be accessible by remote video conferencing. The public may participate in this meeting remotely via zoom as set forth below.

### **INSTRUCTIONS FOR USING ZOOM**

- Join the meeting using the link below.
- You must have audio and microphone capabilities on the device you are using to join the meeting.
- When you join the meeting make sure that you join the meeting with audio and follow the prompts to test your speaker & microphone prior to joining the meeting.

### **TO SPEAK ON AN ITEM USING ZOOM**

- The Board President will call the item and staff will begin the staff report.
- Click on the Raise Hand icon if you would like to speak on the item.
- Your name will be called on when it's your turn to speak.
- When your name is called, you will be prompted to unmute yourself.
- When your time is up, you will be muted.
- You will repeat this process for each item you want to speak on.

### **FOR OPEN SESSION PARTICIPATION**

Join Meeting Electronically at:

#### **Join Zoom Meeting**

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**Meeting ID: 826 3175 3875**

**Passcode: 603035**

**A G E N D A**  
SPECIAL MEETING OF THE GOVERNING BOARD  
OF THE GOLETA SANITARY DISTRICT  
A PUBLIC AGENCY

One William Moffett Place  
Goleta, California 93117

June 20, 2023

**CALL TO ORDER:** 3:30 p.m.

**ROLL CALL OF MEMBERS**

**BOARD MEMBERS:** Sharon Rose  
Edward Fuller  
Jerry D. Smith  
Steven T. Majoewsky  
George W. Emerson

**CONSIDERATION OF THE MINUTES OF THE BOARD MEETING**

The Board will consider approval of the Minutes of the Regular Meeting of June 5, 2023.

**PUBLIC COMMENTS** - Members of the public may address the Board on items within the jurisdiction of the Board.

**POSTING OF AGENDA** – The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District and on the District’s web site 72 hours in advance of the meeting.

**BUSINESS:**

1. CONSIDERATION AND ADOPTION OF RESOLUTION NO. 23-702 IN RECOGNITION AND APPRECIATION OF SERVICE OF RICHARD G. (RICK) BATTLES  
(Board may take action on this item.)
2. CONSIDERATION OF DISTRICT’S PROPOSED BUDGET FOR FISCAL YEAR 2023-24  
(Board may take action on this item.)
3. CONSIDERATION AND ADOPTION OF RESOLUTION NO. 23-703 APPROVING REVISED ORGANIZATION CHART AND EMPLOYEE PAY SCHEDULE  
(Board may take action on this item.)
4. DISCUSSION AND ACTION ON AUDIT SERVICES CONTRACT  
(Board may take action on this item.)

5. UPDATE ON SEARCH FOR NEW LEGAL SERVICES PROVIDER AND CONSIDERATION OF LEGAL SERVICES RETAINER AGREEMENT  
(Board may take action on this item.)
6. CONSIDERATION AND APPROVAL OF RESOLUTION NO. 23-704 ELECTING TO HAVE SEWER SERVICE CHARGES COLLECTED ON THE TAX ROLL FOR FISCAL YEAR 2023-24, DIRECTING THE PREPARATION AND FILING OF THE REPORT, FIXING TIME AND PLACE FOR HEARING, AND PROVIDING FOR NOTICE THEREOF  
(Board may take action on this item.)
7. GENERAL MANAGER'S REPORT
8. LEGAL COUNSEL'S REPORT
9. COMMITTEE/DIRECTOR'S REPORTS AND APPROVAL/RATIFICATION OF DIRECTOR'S ACTIVITIES
10. PRESIDENT'S REPORT
11. ITEMS FOR FUTURE MEETINGS
12. CORRESPONDENCE  
(The Board will consider correspondence received by and sent by the District since the last Board Meeting.)
13. APPROVAL OF BOARD COMPENSATION AND EXPENSES AND RATIFICATION OF CLAIMS PAID BY THE DISTRICT  
(The Board will be asked to ratify claims.)

## **ADJOURNMENT**

***Persons with a disability who require any disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the meeting are asked to contact the District's Finance & H.R. Manager at least 3 hours prior to the meeting by telephone at (805) 967-4519 or by email at [info@goletasanitary.org](mailto:info@goletasanitary.org).***

***Any public records which are distributed less than 24 hours prior to this meeting to all, or a majority of all, of the District's Board members in connection with any agenda item (other than closed sessions) will be available for public inspection at the time of such distribution at the District's office located at One William Moffett Place, Goleta, California 93117.***

# MINUTES

**MINUTES**  
REGULAR MEETING OF THE GOVERNING BOARD  
GOLETA SANITARY DISTRICT  
A PUBLIC AGENCY  
DISTRICT OFFICE CONFERENCE ROOM  
ONE WILLIAM MOFFETT PLACE  
GOLETA, CALIFORNIA 93117

June 5, 2023

- CALL TO ORDER:** President Rose called the meeting to order at 6:33 p.m.
- BOARD MEMBERS PRESENT:** Sharon Rose, Edward Fuller, Steven T. Majoewsky, George W. Emerson
- BOARD MEMBERS ABSENT:** Jerry Smith
- STAFF MEMBERS PRESENT:** Steve Wagner, General Manager/District Engineer, Rob Mangus, Finance and Human Resources Manager/Board Secretary (via Zoom) and Reese Wilson, Senior Project Manager.
- OTHERS PRESENT:** Craig Geyer, Director, Goleta West Sanitary District
- APPROVAL OF MINUTES:** Director Fuller made a motion, seconded by Director Majoewsky, to approve the minutes of the Regular Board meeting of 05/15/2023. The motion carried by the following vote:
- (23/06/2333)
- |          |   |                                  |
|----------|---|----------------------------------|
| AYES:    | 4 | Rose, Fuller, Majoewsky, Emerson |
| NOES:    |   | None                             |
| ABSENT:  | 1 | Smith                            |
| ABSTAIN: |   | None                             |
- POSTING OF AGENDA:** The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District and on the District's website 72 hours in advance of the meeting.
- PUBLIC COMMENTS:** None
- BUSINESS:**

After posting the agenda, an item requiring immediate action arose and was presented to the Board regarding the committee members of the Legal Services Search ad hoc committee and the board considered adding the item to the agenda.

Director Majoewsky made a motion, seconded by Director Fuller to add an item to the agenda regarding the Legal Services Search ad hoc committee membership.

The motion carried by the following vote:

(23/06/2234)

AYES:	4	Rose, Smith, Majoewsky, Emerson
NOES:		None
ABSENT:	1	Smith
ABSTAIN:		None

1. CONSIDERATION OF DISTRICT'S DRAFT BUDGET FOR FISCAL YEAR 2023-24  
Mr. Wagner and Mr. Mangus gave the staff report.

Presentation of draft budget only, no Board action was taken.

President Rose called a brief recess at 7:28 p.m.

President Rose called the meeting back to order at 7:34 p.m.

2. CONSIDERATION OF AWARD OF CONSTRUCTION CONTRACT, CONSTRUCTION MANAGEMENT SERVICES AGREEMENT, AND AMENDMENT TO ENGINEERING DESIGN SERVICES AGREEMENT FOR THE BIOSOLIDS AND ENERGY PHASE 1 PROJECT

Mr. Wagner and Mr. Wilson gave the staff report.

Director Fuller made a motion, seconded by Director Majoewsky to Authorize the General Manager to execute a construction contract with Gateway Pacific Contractors, Inc. for the Biosolids and Energy Strategic Plan (BESP) Phase 1 Project in an amount-not-to-exceed \$9,765,442; Authorize the General Manager to approve contract change orders with Gateway Pacific Contractors, Inc. as needed up to an amount-not-to-exceed 5% of the construction contract amount or \$488,272; Authorize the General Manager to execute an agreement with MNS Engineers, Inc. for BESP Phase 1 construction management services in the form of an addendum to proposal at an amount not-to-exceed \$1,195,582; and Authorize the General Manager to execute an amendment to the existing design and engineering services agreement with Hazen and Sawyer for engineering services during construction, to increase the design services scope by \$499,446. The amended agreement total amount not-to-exceed will increase from \$1,202,900 to \$1,702,346.

The motion carried by the following vote:

(23/06/2335)

AYES:	4	Rose, Fuller, Majoewsky, Emerson
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NOES: None  
ABSENT: 1 Smith  
ABSTAIN: None

3. CONSIDERATION OF COMMITTEE MEMBERS OF THE LEGAL SERVICES SEARCH AD HOC COMMITTEE

Mr. Wagner gave the staff report.

Director Fuller made a motion, seconded by Director Majoewsky to replace Director Smith with Director Rose on the membership of the Legal Services Search ad hoc committee.

The motion carried by the following vote:

(23/06/2236)

AYES: 4 Rose, Smith, Majoewsky, Emerson  
NOES: None  
ABSENT: 1 Smith  
ABSTAIN: None

4. GENERAL MANAGER'S REPORT

Mr. Wagner gave the report.

5. LEGAL COUNSEL'S REPORT

No report.

6. COMMITTEE/DIRECTORS' REPORTS AND APPROVAL/RATIFICATION OF DIRECTORS' ACTIVITIES

Director Fuller – Reported he attended the Finance Committee meeting.

Director Majoewsky – Reported that he will be unable to attend the June 13, 2023 Goleta Water Board meeting and the alternate, Director Fuller should attend.

Director Emerson – No report.

7. PRESIDENT'S REPORT

President Rose – read her report on the Goleta West Sanitary District meeting she attended.

8. ITEMS FOR FUTURE MEETINGS

No Board action was taken to return with an item.

9. CORRESPONDENCE

The Board reviewed and discussed the list of correspondence to and from the District in the agenda.

10. APPROVAL OF BOARD COMPENSATION AND EXPENSES AND RATIFICATION OF CLAIMS PAID BY THE DISTRICT

Director Majoewsky made a motion, seconded by Director Fuller, to ratify and approve the claims, for the period 05/16/2023 to 06/05/2023 as follows:

Running Expense Fund #4640	\$	676,280.35
Capital Reserve Fund #4650	\$	60,044.01
Depreciation Replacement Reserve Fund #4655	\$	560,920.26
Retiree Health Insurance Sinking Fund #4660	\$	203,350.77

The motion carried by the following vote:

(23/06/2337)

AYES:	4	Rose, Fuller, Majoewsky, Emerson
NOES:		None
ABSENT:	1	Smith
ABSTAIN:		None

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:26 p.m.

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Sharon Rose  
Governing Board President

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Robert O. Mangus, Jr.  
Governing Board Secretary

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Edward Fuller

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Jerry D. Smith

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Steven T. Majoewsky

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George W. Emerson

# **AGENDA ITEM #1**

**AGENDA ITEM: 1**

**MEETING DATE: June 20, 2023**

**I. NATURE OF ITEM**

Consideration and Adoption of Resolution No. 23-702 in Recognition and Appreciation of Service of Richard G. (Rick) Battles

**II. BACKGROUND INFORMATION**

Rick Battles is retiring on June 30, 2023 after serving as the District's General Counsel for over 39 years. During his tenure with the District, Rick provided sage legal advice on a wide range of issues related to District operations. His unique combination of experience, capability and tenure with the District has made him a valuable member of the District's leadership team.

Staff has prepared the attached resolution of appreciation for Rick Battles' exemplary service to the District for consideration and action by the Governing Board.

**III. COMMENTS AND RECOMMENDATIONS**

Staff recommends the Board review and consider the adoption of the attached resolution, subject to any changes that the Board wishes to make.

**IV. REFERENCE MATERIALS**

Resolution No. 23-702 in Recognition and Appreciation of Service of Richard G. (Rick) Battles

## **RESOLUTION NO. 23-702**

### **RESOLUTION OF THE GOVERNING BOARD OF THE GOLETA SANITARY DISTRICT IN RECOGNITION AND APPRECIATION OF SERVICE OF RICHARD G. (RICK) BATTLES**

**WHEREAS**, Rick Battles began his law career with the Santa Barbara firm of Mullen and Henzell, L.L.P. in 1984 and was assigned to assist Arthur Henzell with the legal services of Goleta Sanitary District (District); and

**WHEREAS**, by 1991 Mr. Battles had taken over as the District's General Counsel and primary contact for all of the District's legal services; and

**WHEREAS**, Mr. Battles joined the Santa Barbara Firm of Howell, Moore, and Gough in 2008 and continued on as General Counsel for the Goleta Sanitary District for an additional 15 years; and

**WHEREAS**, Throughout his 39 years with the District Mr. Battles has provided exemplary service and sage legal advice on numerous issues facing the District including, but not limited to, mergers and consolidation attempts, National Pollution Discharge Elimination System (NPDES) permit revisions, recycled water agreements, amendments to existing capacity agreements, construction agreements, California Environmental Quality Act (CEQA) procedures and associated environmental review documents, settlement agreements related to the transition to full secondary treatment and construction of plant upgrade project, Board policies, resolutions and ordinances; and

**WHEREAS**, during the entire term of his engagement with the District, Mr. Battles clearly communicated what the governing law for an issue was and how it applied to a given situation based on sound research and analysis; and

**WHEREAS**, Mr. Battles' ability to maintain his professional and engaging demeanor during tense negotiations benefited the District on numerous occasions; and

**WHEREAS**, Mr. Battles' integrity, diplomacy and keen sense of humor has made him an enjoyable and valuable member of the District's leadership team; and

**WHEREAS**, during his 39 years of service to the District Mr. Battles efficiently and faithfully carried out his duties and worked effectively with other members of the District's Board, staff, and consultants. He has been at all times an exemplary attorney, and has been a great asset to the District and the community that the District serves; and

**WHEREAS**, by this Resolution, the District's Governing Board desires to recognize the achievements of Mr. Battles as District General Counsel and to express its appreciation for his contributions and 39 years of service on behalf of the District.

**NOW, THEREFORE, BE IT RESOLVED** by the Governing Board of the Goleta Sanitary District as follows:

**1.** The Governing Board hereby recognizes the achievements that have been made possible through the efforts of Mr. Battles and expresses its sincere appreciation and gratitude for Mr. Battles' contributions and years of service on behalf of the District.

**2.** Following the adoption hereof by the Governing Board, the Secretary of the District is hereby authorized and directed to present a copy of this Resolution to Mr. Battles.

**PASSED AND ADOPTED** on the 20th day of June, 2023, by the Governing Board of the Goleta Sanitary District.

**ATTEST:**

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Sharon Rose,  
President of the Governing Board

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Robert O. Mangus Jr., Secretary

# **AGENDA ITEM #2**

**AGENDA ITEM: 2**

**MEETING DATE: June 20, 2023**

**I. NATURE OF ITEM**

Consideration of District's Proposed Budget for Fiscal Year 2023-24

**II. BACKGROUND INFORMATION**

On June 5, 2023, the Board received a presentation of the District's draft budget for Fiscal Year 2023-24 (FY23-24). After consideration and discussion, the Board directed staff to bring back the proposed FY23-24 budget for consideration and action. Since that time further review of the draft budget revealed some minor typos and edits that warranted correction. An addition of a Laboratory Analyst II for a half year was added to the personnel budget and that adjustment is reflected in the attached proposed budget.

Similar to previous years, the proposed FY23-24 budget presents the planned expenditures for each of the District's operating departments, estimates for all revenue sources and the resulting estimated balance for each of the District's funds.

The revenue assumptions for FY23-24 are based on no changes to the District's Sewer Service Charge (SSC) Rate. The proposed allocation of SSCs to meet current and long-range funding needs is shown below:

<b>SSC Rate Allocation Component</b>	<b>(\$/Mo/ERU) FY23-24</b>
Capital Reserve	\$5.00
Replacement Reserve	\$9.04
Operations & Maintenance	<u>\$30.16</u>
<b>Total SSC Rate (\$/ERU/Mo)</b>	<b>\$44.20</b>

A summary of the estimated revenue sources rounded to the nearest dollar, for FY23-24 is shown in the following table:

<b>REVENUE SOURCES</b>			
Sewer Service Charges	\$	9,536,943	34.84%
Other Government Agencies	\$	9,013,632	32.94%
Permits, Inspections and Fees	\$	28,900	0.11%
Annexation and Connection Fees	\$	63,575	0.23%
Property Taxes and Related	\$	205,000	0.75%
Loan Proceeds	\$	7,280,836	26.61%
Interest and Other Income	\$	1,236,727	4.52%
	\$	<u>27,365,612</u>	100.00%

The total proposed expenditures for FY23-24 with and without depreciation are \$26,830,561 and \$23,177,933 respectively. A breakdown of the proposed

expenditures for FY23-24 by category is shown in the following table:

<b>Expenditure Category</b>	<b>FY22-23 Amount</b>	<b>FY23-24 Amount</b>	<b>Diff.</b>
Personnel Cost	\$ 6,157,318	\$ 6,433,343	4%
Operating Expenses	\$ 4,632,230	\$ 4,784,340	3%
<b>Sub-Total</b>	<b>\$ 10,789,547</b>	<b>\$ 11,217,683</b>	<b>4%</b>
Capital Outlay	\$ 11,076,403	\$ 11,960,250	8%
<b>Total Expense w/o Depr.</b>	<b>\$ 21,865,950</b>	<b>\$ 23,177,933</b>	<b>6%</b>
Depreciation Expense	\$ 3,638,572	\$ 3,652,628	0%
<b>Total Expense w/ Depr.</b>	<b>\$ 25,504,522</b>	<b>\$26,830,561</b>	<b>5%</b>

As shown above the overall proposed expenditures (without depreciation) for FY23-24 increased by 6% over the prior year's budget.

Other modifications being proposed as part of the proposed budget related to personnel are as follows:

1. Laboratory Analyst II for half year as part of succession planning.
2. Reclassification of Senior Management Analyst to Communications and Human Resources Manager
3. Reclassification of Finance and Human Resources Manager to Finance Director

A copy of the proposed FY23-24 budget is attached to this report and presented herein for Board consideration.

### **III. COMMENTS AND RECOMMENDATIONS**

The Board Finance Committee reviewed the draft FY23-24 budget information and found it to be appropriate for the District's operations in the coming year. The Committee recommended that the draft FY23-24 budget be presented to the Board for consideration and adoption, subject to any revisions they wish to make. The Board reviewed the draft FY23-24 budget and directed staff to return with a proposed budget incorporating any final revisions and/or corrections as required. Minor revisions to the draft budget were made as noted, including corrections discovered during the final review. As such, staff recommends the Board adopt the proposed FY23-24 budget as presented herein.

### **IV. REFERENCE MATERIAL**

Proposed FY23-24 Budget



# GOLETA SANITARY

Water Resource Recovery District

## ***PROPOSED BUDGET***

***FISCAL YEAR 2023-2024***

***Governing Board of Directors  
Meeting of June 20, 2023***

**GOLETA SANITARY DISTRICT  
BUDGET  
FISCAL YEAR 2023-24**

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# GOLETA SANITARY DISTRICT

## Budget for Fiscal Year 2023-24

### INTRODUCTION

The Goleta Sanitary District (GSD) was formed in 1942 under the 1923 Sanitary District Act by petition of local residents to provide wastewater management services to the small community of Goleta in Santa Barbara County.

Throughout the past years, the District's boundaries have expanded by individual annexations of parcels to its original service area. At present, the District owns and operates approximately 132 miles of sewers that collect wastewater from its service area, which extends from the westerly boundary of the City of Santa Barbara to the City's Municipal Airport. In addition to its collection system, the District owns and operates a regional water resource recovery facility that serves approximately 80,000 residents in the Goleta Valley. Approximately half of this population is served under separate contractual agreements with four public agencies.

These contractual users' share the costs associated with the regional treatment and disposal of wastewater. The Operations and Maintenance (O&M) costs are shared based upon flow and billed on a monthly basis. In addition, the contractual users' share the costs associated with Capital Projects and those costs are shared based upon regional plant capacity rights as noted in the table below:

AGENCY	PLANT CAPACITY RIGHTS	OUTFALL CAPACITY RIGHTS
Goleta Sanitary District	47.87%	55.81%
Goleta West Sanitary District	40.78%	35.00%
University of California Santa Barbara	7.09%	4.70%
City of Santa Barbara (Airport)	2.84%	2.60%
County of Santa Barbara	1.42%	1.89%
Total:	100.00%	100.00%

Not all the contractual users utilize the District's Main Lift Station or the Firestone Lift Station and therefore do not share O&M or Capital costs associated with those facilities.

The District also owns and operates a water reclamation facility that produces recycled water for distribution in the Goleta Valley. Under an agreement with the Goleta Water District, the Goleta Sanitary District can produce up to 3 million gallons of recycled water per day for distribution by the Water District for landscape irrigation of the campus of the University of California at Santa Barbara (UCSB), as well as other parks and golf courses in western Goleta.

Treated wastewater not used for irrigation is discharged in the Pacific Ocean through a pipeline (outfall) that extends over one mile offshore to a depth of approximately 93 feet below the ocean surface.

## **DISTRICT GOVERNANCE**

A five-member Governing Board of Directors elected from 5 separate voting precincts within the District's service area for a term of four years is commissioned to establish service policies. The Governing Board holds two regular monthly meetings to attend to the District's business. These meetings are held on the first and third Monday of every month at the District's Administration Building located at One William Moffett Place in Goleta.

## **DISTRICT STAFF AND OPERATING DEPARTMENTS**

The District employs approximately 35 regular employees that work in four interrelated Departments. These departments are 1) Administration; 2) Collection System; 3) Operations and 4) Laboratory. Each department is managed by a manager who is responsible for the day-to-day operations of, and all employees associated with, the respective department. The 4 Department Managers report to the General Manager, who is responsible for the District's overall implementation of the service policies adopted by the Governing Board.

## **DISTRICT CAPITAL IMPROVEMENTS AND OPERATIONS BUDGET**

The District's fiscal year (FY) is defined as a 12-month period starting on the first day of July and ending on the last day in June of the following calendar year. The District's budget is a financial planning document which defines the District's estimated expenditures and the estimated required revenues for the corresponding fiscal year. The District prepares an annual budget for consideration and adoption by the Board in June of the same year. The budget is prepared by the Finance Manager in conjunction with the General Manager. The draft budget is reviewed by the District's Finance Committee before its consideration and final adoption by the Governing Board.

The District's budget consists of three major sections for the fiscal year under consideration.

- 1. Existing District Designated Funds Activities and Balances**
- 2. Anticipated District Revenues**
- 3. Estimated District Expenditures**

Designated funds are pools of funds that the District has established for its operational needs. These funds are designated by formal Board resolutions for specific purposes, some of which are mandated by State and Federal statutes. These designated funds permit the District to mitigate extreme fluctuations in charges to its customers.

The revenue section of the District's budget contains estimated revenues that the District anticipates receiving in the upcoming fiscal year. Included in the revenues are the estimated funds to be received from user fees based on the existing fee structure of the District.

The expenditure section includes estimated expenditures for operations and maintenance of the District's facilities in the upcoming fiscal year. Additionally, the District includes in its budget expenditure section its planned capital improvement projects, as recommended by District staff for the upcoming fiscal year.

Following the determination of the estimated expenditures and revenues for the upcoming fiscal year, the District evaluates the need to revise its user fee structure, in conjunction with supplementing the budget with resources from designated capital improvement fund.

The District anticipates the following total expenditures and revenues in FY23-24. Withdrawals from the District's designated funds for capital improvement projects are shown separately.

<b>Estimated Expenditures without depreciation:</b>	<b>\$ 23,177,933</b>
<b>Total Anticipated Revenues:</b>	<b>\$ 27,365,612</b>
<b>Total change in Fund balance:</b>	<b>\$ 4,187,679</b>

**\*Unfunded Actuarial Pension Liabilities**

As is the case for most government entities that participate in a CalPERS retirement pension program, an actuarial study prepared by CalPERS has projected an unfunded accrued liability (UAL) within our pension program. Although not mandated, the District's Board of Directors decided to pay off the estimated UAL balance of \$3,090,000 in April, 2023, FY2022-23, through an interfund loan. This decision shortens the amortization schedule for payment of UAL from 23 years to 10 years and results in significant long-term savings for our rate payers and Plant Partners. Payment on the interfund loan will begin in FY2023-24 and shows as cash in-flow in the Replacement Reserve fund.

***DISTRICT OPERATING  
AND DESIGNATED FUNDS***

## **DISTRICT FUNDS**

The District established several funds in which revenues are deposited, and are sources for District expenditures including capital improvement projects. The established funds have been designated by the Governing Board through separate resolutions that specifically address the need and purpose of each fund. The main objective behind establishing these different funds is to address the District's service needs in a very responsible fiscal manner. A brief description of each of the current District funds follows.

### **Running Expense Fund - 4640**

This fund was established to maintain a balance that would support eight months of operational expenses without receiving any revenue. Six of those eight months are in the new fiscal year, and the other two months fall in the preceding fiscal year. As such, the Running Expense Fund at the beginning of the fiscal year should have a balance sufficient for six months of operations and maintenance activities. This fund is very important to the operations since the District does not invoice for its services monthly, and therefore does not receive monthly revenues. Under the current method of sewer service charge collection, the District contracts with Santa Barbara County to collect its sewer service fees with property taxes. The District receives a majority of the sewer service fees from the County in two lump sum payments: one in April, and the other in December of each year. The payments are forwarded to the District soon after property tax collection deadlines. Therefore, it is essential to maintain an operating fund that would account for about six months of operating expenses to cover expenses between payment cycles.

As noted in the fund balance summary sheet, the Running Expense fund balance is anticipated to be \$10,161,779 as of June 30, 2023. The District will periodically review the balance of this fund to ensure the balance is adequate to cover the period between July 2023 and December 2023.

### **Plant Reserve Fund - 4645**

The District established a plant emergency reserve fund through a contractual agreement with other plant users. This fund is for addressing plant emergencies. The contracts among plant users specify that this fund is target balance is \$25,000. The balance of this fund as of June 30, 2023 is estimated to be \$36,814 which includes accrued interest for the past several years. The anticipated value by June 30, 2024 is \$38,195 (with interest) as noted in the designated fund balance summary sheet. Periodically, the amount over \$25,000 is used in conjunction with capital improvements of the treatment facilities.

### **Capital Reserve Fund - 4650**

This fund was established to hold revenues from capacity and annexation fees. This reserve fund is mandated by legislation to account for capacity related improvement projects. The anticipated balance of this fund at the end of June 2023 is \$6,012,155 as noted in the fund balance summary sheet.

### **Replacement Reserve Fund - 4655**

This fund is mandated by the State Water Resources Control Board (SWRCB) in its guidelines for development of Facilities Financial Plan and Revenue Program (FPRP). This mandate requires annual funding of the facilities' depreciation. The current budget funds the depreciation at nearly 100% of the District's share of its annual depreciation.

The fund is designated for the basic replacement of components of the existing facilities. The fund helps ensure that facilities are replaced and/or rehabilitated when needed to maximize their

useful life and minimize lifecycle costs. The anticipated balance of this fund at the end of June 2024 is \$19,484,610 as noted in the fund balance summary sheet.

**Retiree Health Insurance Sinking Fund – 4660**

The District provides medical insurance coverage for District employees upon retirement depending on the length of their service through the California Public Employees Retirement System (CalPERS) health program. In FY22-23 the annual contribution to this fund is approximately \$333,000, plus earned interest. The District periodically reviews this annual funding level to make sure that such fund balance is sufficient to meet its future obligation.

In 2009 and to comply with the Governmental Accounting Standard Board (GASB) Statement 45 requiring a separate trust fund for retiree benefits, the District joined the California Employees Retirement Benefit Trust (CERBT) fund administered by CalPERS to manage its retiree fund investments and to pay for the retiree’s health insurance premium. The District annually transfers cash from its own Retiree Health Insurance Sinking fund to the CERBT fund that will subsequently be used for retiree insurance premium funding.

**Outfall Re-ballasting Fund – 4666**

This fund was originally set up to finance the Outfall Re-Ballasting Project. The loan balance was paid off in FY 2014-15 leaving the District essentially debt free since then.

**District Emergency Fund – 4675**

On May 7, 2007, the District’s Governing Board established a separate fund designated as the “Emergency Fund” for the purpose of paying costs associated with emergency projects. Funding was provided by a transfer from the Replacement Reserve Fund in the amount of \$500,000. The anticipated balance of this fund at the end of June, 2024 is \$636,177 as noted in the fund balance summary sheet.

**Summary**

Enclosed in this budget are a summary table and associated pie and bar charts that show fund balances and distributions at the beginning and end of FY23-24. The total value of the District’s funds are expected to increase by \$4,187,679 by the end of FY23-24.

**DESIGNATED FUND BALANCE  
SUMMARY**

Fund No. and Name	Estimated Cash Balance		Percent Change	
	6/30/2023	6/30/2024		
4640 Running Expense	\$ 10,161,779	\$ 10,068,689	-0.9%	a
4645 Plant Reserve	\$ 36,814	\$ 38,195	3.8%	b
4650 Capital Reserve	\$ 6,012,155	\$ 8,661,479	44.1%	c
4655 Replacement Reserve	\$ 17,877,540	\$ 19,484,610	9.0%	d
4660 Retiree Health Insurance Fund	\$ (2,215)	\$ (2,215)	0.0%	e
4675 District Emergency Fund	\$ 613,182	\$ 636,177	3.7%	f
<b>TOTALS</b>	<b>\$ 34,699,255</b>	<b>\$ 38,886,935</b>	<b>12.1%</b>	

**NOTES:**

a Designated to meet the dry period for operations and maintenance costs for FY 2023-24,

the period between end of year and first Sewer Service Charge installment from the County.

b Designated for emergency repairs.

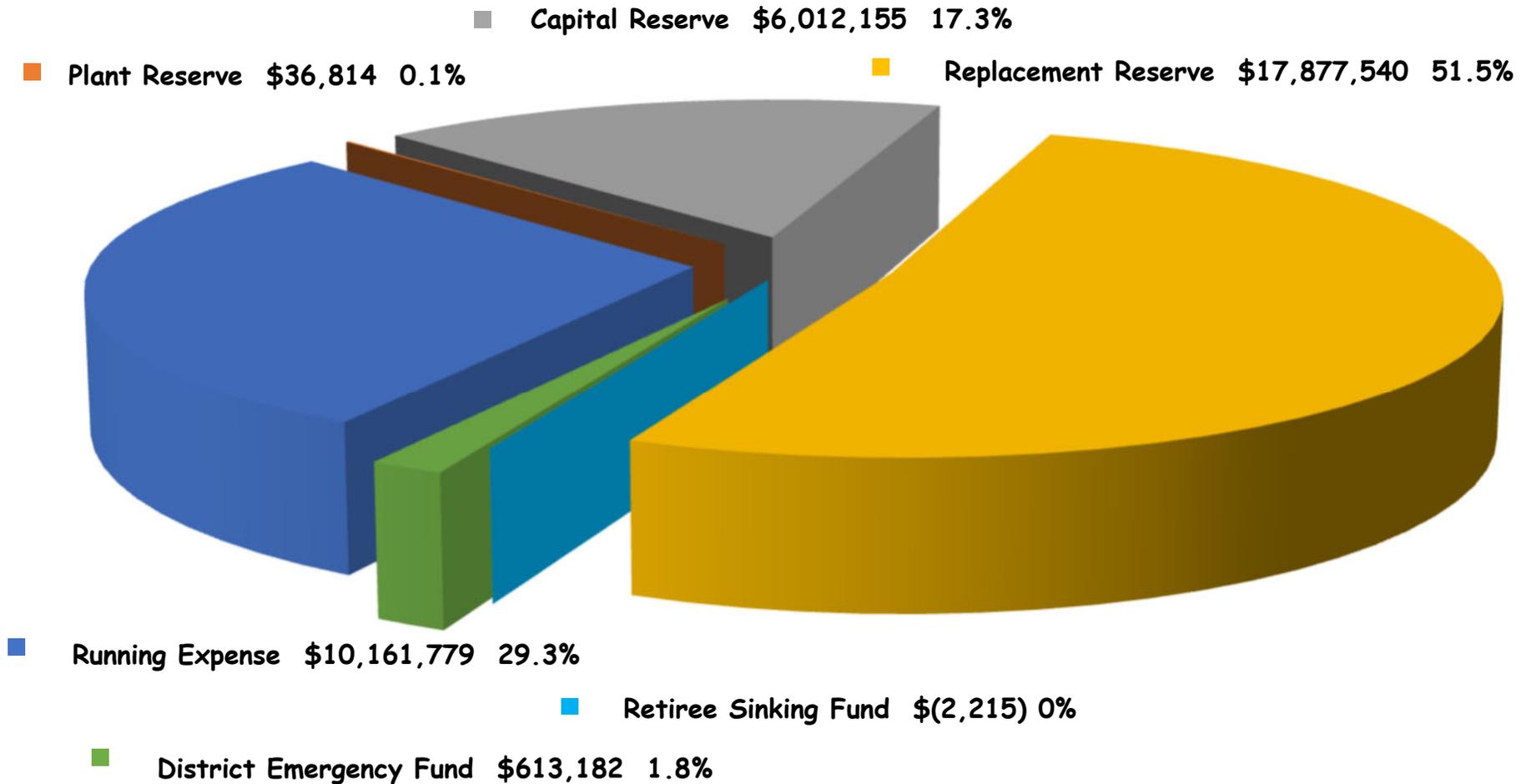
c Designated for facilities capacity expansion.

d Designated for facilities replacement projects.

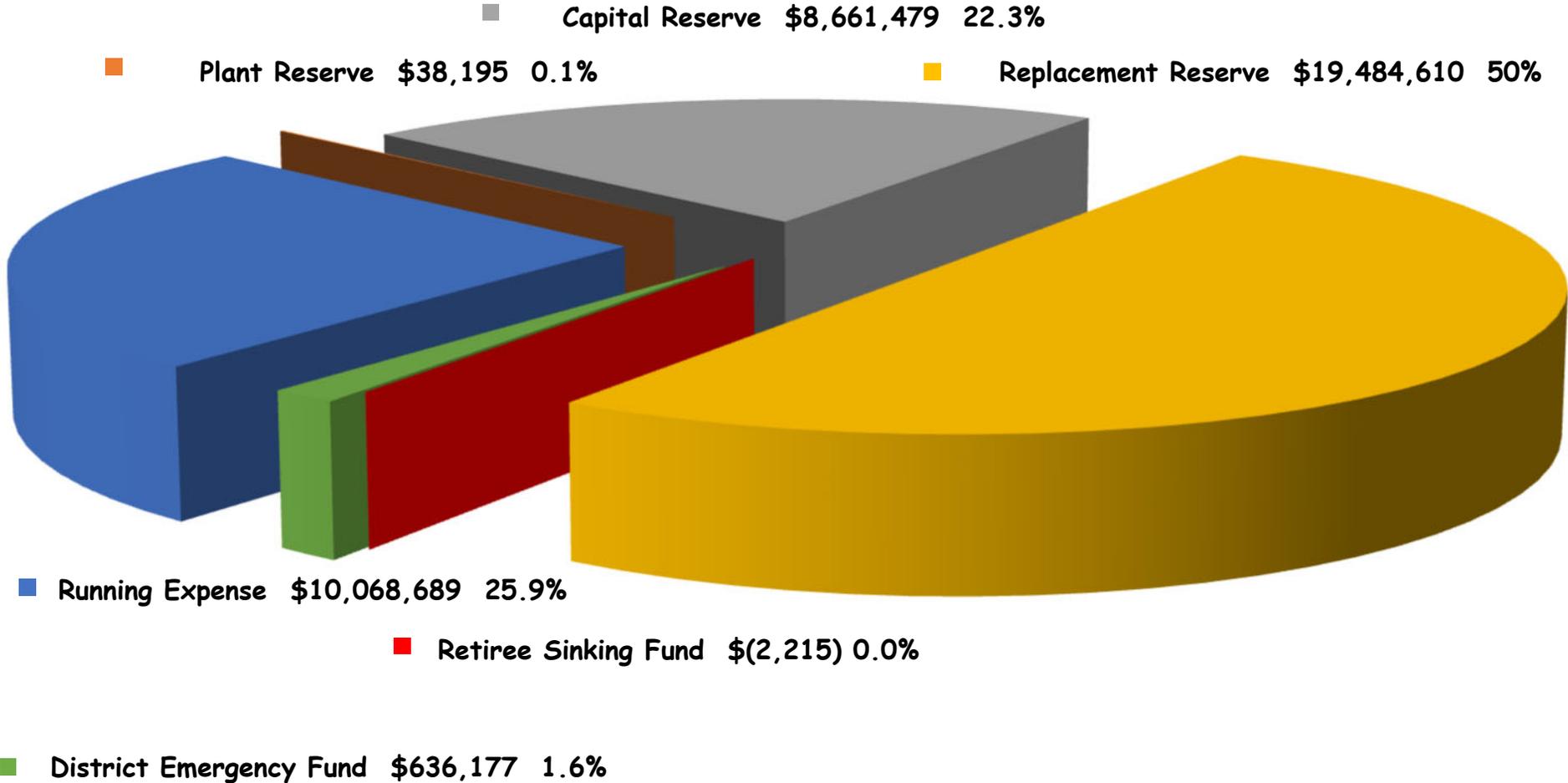
e Designated for retiree medical insurance, reimbursing retirees and contributions to CERBT, OPEB

f Designated for costs associated with emergency projects.

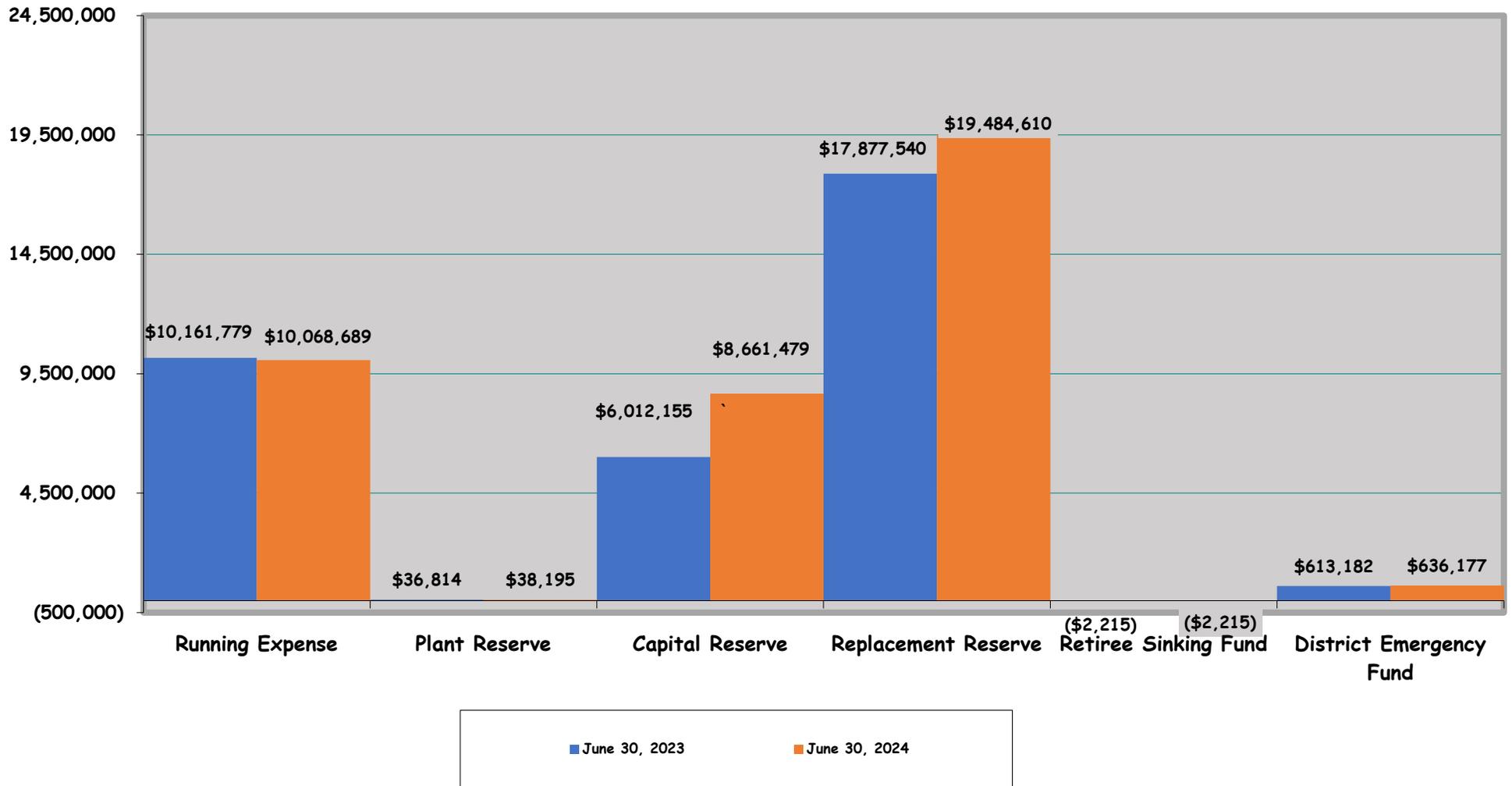
# Fund Balance June 30, 2023



# Fund Balance June 30, 2024



## Fund Balance June 30, 2023 and June 30, 2024



## **ACTIVITIES OF DISTRICT FUNDS**

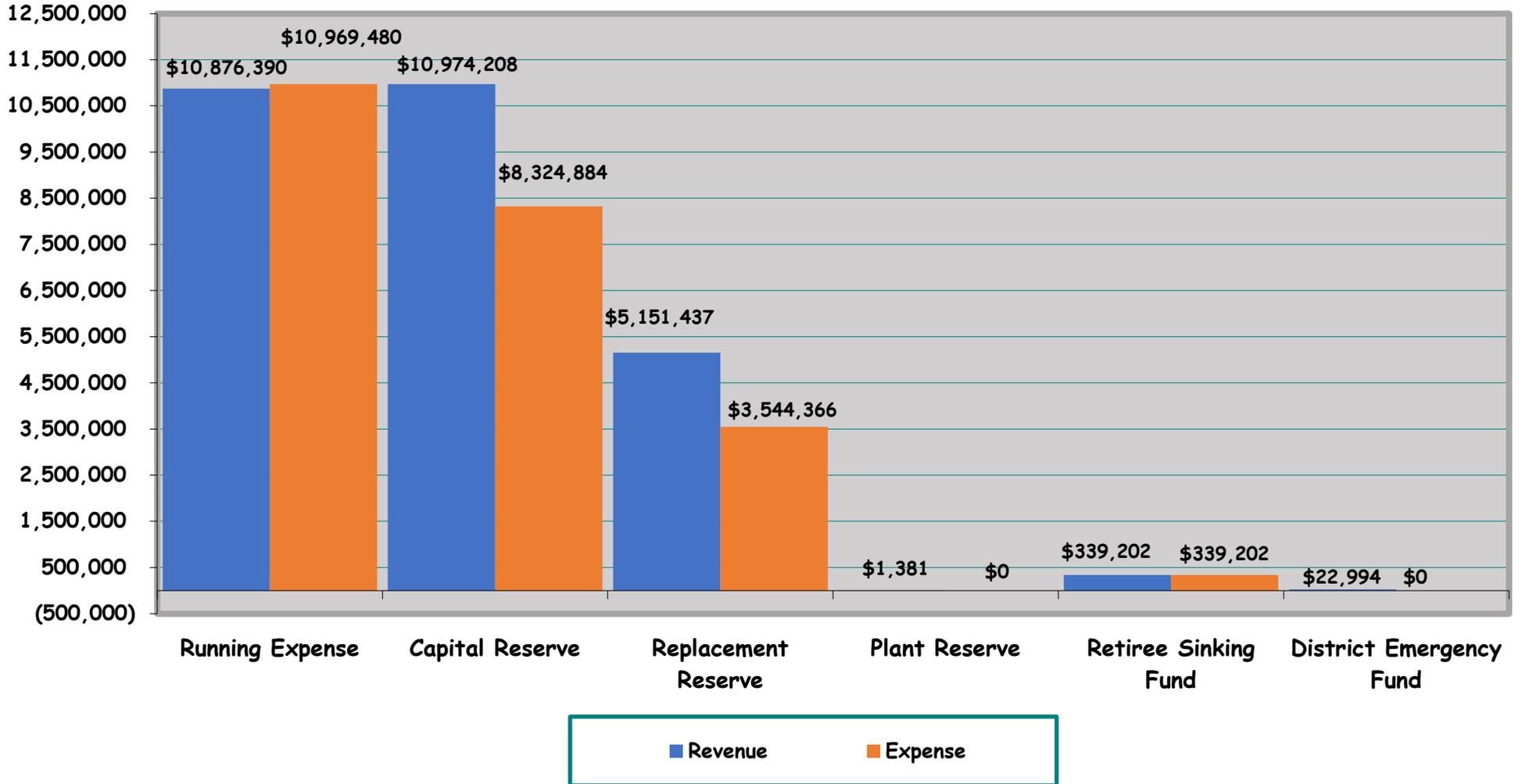
The enclosed fund activity sheet shows the District's fund balances at the beginning and end of the fiscal year, as well as the activity of each fund during the year. Each fund's name and number are shown in the extreme two left columns, followed by the cash balance of the fund at the beginning of the year in the third column. The fourth and fifth columns designate the activity in terms of revenues and expenditures for each fund as demanded by the District's budget. The last column to the right of the sheet shows the anticipated ending balance of each fund at the end of the fiscal year. The main objective of the enclosed fund activity sheet is to provide a record of allocating revenues and expenditures to meet the District's operating objectives.

For FY23-24, the District anticipates a increase from \$34,699,255 at the beginning of the year to \$38,886,935 at the end of the year based on the projected revenues and planned expenditures and loan drawdown requests. Enclosed in this budget is a fund activity tabulation and associated bar chart illustrating the activities of each of the District's designated funds in FY23-24.

## FUND CASH ACTIVITY

Fund No. and Name	Estimated Cash Balance 6/30/2023	Estimated Cash In-flow 2023-2024	Estimated Cash Out-flow 2023-2024	Estimated Cash Balance 6/30/2024
<b>640</b> Running Expense	\$10,161,779	Interest \$316,360	O & M Expense \$10,576,845	\$10,068,689
Adjusted 06/30/23 Estimate	<u>\$10,161,779</u>	Revenue \$6,249,512	WWRec O & M Expense \$392,635	
		RFOGA \$3,878,620		
		GWD WWRec O&M \$392,635		
		Admin Chg: WWRec \$39,264		
<b>Subtotal</b>		<u>\$10,876,390</u>	<u>\$10,969,480</u>	
<b>645</b> Plant Reserve	\$36,814	Interest \$1,381	\$0	\$38,195
<b>Subtotal</b>		<u>\$1,381</u>	<u>\$0</u>	
<b>650</b> Capital Reserve	\$6,012,155	Interest \$182,168	Plant Projects (non-BESP) \$500,000	\$8,661,479
		Connection/Annex/RFOGA \$3,911,204	Loan P&I installment \$944,048	
		BESP Loan Proceeds: \$6,880,836	BESP Project \$6,880,836	
<b>Subtotal</b>		<u>\$10,974,208</u>	<u>\$8,324,884</u>	
<b>655</b> Replacement Reserve	\$17,877,540	Interest \$672,623	Collection System Replacements \$722,929	\$19,484,610
	<u>\$17,877,540</u>	SSC/Prop. Tax/RFOGA \$4,078,814	Administration, Outfall, WWRec \$491,014	
		Inter-Fund Loan P&I \$400,000	Plant, Lab, IWC Projects \$632,656	
<b>Subtotal</b>		<u>\$5,151,437</u>	<u>\$1,697,768</u>	
			<u>\$3,544,366</u>	
<b>660</b> Retiree Health Insurance	-\$2,215	Interest \$6,202		-\$2,215
		Revenue \$333,000	\$339,202	
<b>Subtotal</b>		<u>\$339,202</u>	<u>\$339,202</u>	
<b>675</b> District Emergency Fund	\$613,182	Interest \$22,994	\$0	\$636,177
<b>Subtotal</b>		<u>\$22,994</u>	<u>\$0</u>	
<b>TOTALS</b>	<u><u>\$34,699,255</u></u>		<u><u>\$0</u></u>	<u><u>\$38,886,935</u></u>

# Fund Activity June 2023-June 2024



***REVENUES***  
***FISCAL YEAR 2023-24***

**DISTRICT REVENUES FOR FISCAL YEAR 2023-24**

The District estimates FY 2023-24 revenues from several sources as outlined in the following table:

<b>REVENUE SOURCES</b>		
Sewer Service Charges	\$ 9,536,943	34.84%
From Other Government Agencies	9,013,632	32.94%
Permit, Inspections and Fees	28,900	0.11%
Annexation and Capacity Fees	63,575	0.23%
Property Taxes and related	205,000	0.75%
Loan Proceeds	7,280,836	26.61%
Interest and Other Income	<u>1,236,727</u>	<u>4.52%</u>
	<b>\$ 27,365,612</b>	<b>100.00%</b>

The District has grouped its revenues under the various funds utilized for the District’s operations as discussed earlier in previous sections of this budget. These funds may change over time depending on the specific purpose of establishing the fund. Currently the District has allocated its various revenues to the following six funds.

- 1. Running Expense Fund**
- 2. Plant Reserve Fund**
- 3. Capital Reserve Fund**
- 4. Replacement Reserve Fund**
- 5. Retiree Health Insurance Fund**
- 6. District Emergency Fund**

**Running Expense Fund - 4640**

The running expense fund is where most of the operating revenues of the District are deposited when received. This fund has several accounts that hold the revenues from a variety of sources. The most significant revenues are the user fees or charges, as noted in this budget. Revenues from the various sources are accounted for under separate District internal accounts carrying different account numbers in order to track these revenues by their respective sources and allocate or designate them for their required and/or intended purposes. District revenues shown in the budget are estimates based on revenues from previous years, in addition to information associated with specific developments in the community. The running expense fund is used to fund the operations and maintenance activities of the District.

Sewer Service Charges – Account 3100

Sewer service charges (SSCs) may be described as the utility charge paid by the District’s users for the services rendered by the District. These charges are very similar to telephone, gas, or electric charges invoiced monthly by the utilities to their customers. The District collects its sewer service charges, also known as users’ fees, through the property tax collection process of the County. The District’s annual SSCs are placed on the tax roll, and are separately shown on property tax statements mailed by the County to the District’s users. The County forwards a majority of the SSC fees to the District twice annually, immediately following tax collection in December and April of each year.

The SSCs are based on a mathematical model, which calculates rates using various parameters associated with flows and types of wastewater. The SSC model is based on

guidelines established by the Federal and State governments in accordance with the Clean Water Act, which applies to agencies like the District, that received Federal and State grants for construction of wastewater treatment and disposal facilities. The District has classified its users into 28 categories used in calculating the user fees.

The District reviews its Sewer Service Charge (SSC) rate on an annual basis to ensure adequate revenues are being collected to cover the following costs:

1. **Operations and Maintenance (O&M):** Costs associated with providing for the collection, treatment, and disposal of wastewater for the District’s customers and contract entities.
2. **Depreciation:** Costs associated with the replacement and/or repair of the District’s existing assets.
3. **Capital Improvement Program:** Costs associated with planned improvements to the District collection and treatment facilities required to maintain the community’s investment in the District’s infrastructure.

The above cost components are listed in order of their importance. The most important and critical costs that the SSC revenue must cover is the ongoing Operations and Maintenance (O&M) costs. This component of the SSC revenue funds the District’s Running Expense Fund #4640. If there isn’t enough revenue collected through the District’s adopted SSC rates to cover the ongoing O&M needs, the District will eventually not be able to provide sewer services to the community.

A review of the District’s SSC rate has shown that the current rate is adequate to meet the District’s current financial needs. As such, no change to the District’s SSC rates are proposed for FY23-24. This is the third year that no change has been made to the SSC rate. The District’s long term average annual increase in the O&M costs have been around 5% per year. However, recent improvements and efficiency efforts by staff have resulted in cost savings that have mitigated other increases in O&M costs for FY23-24, however current inflationary pressures will likely require a rate increase for FY24-25.

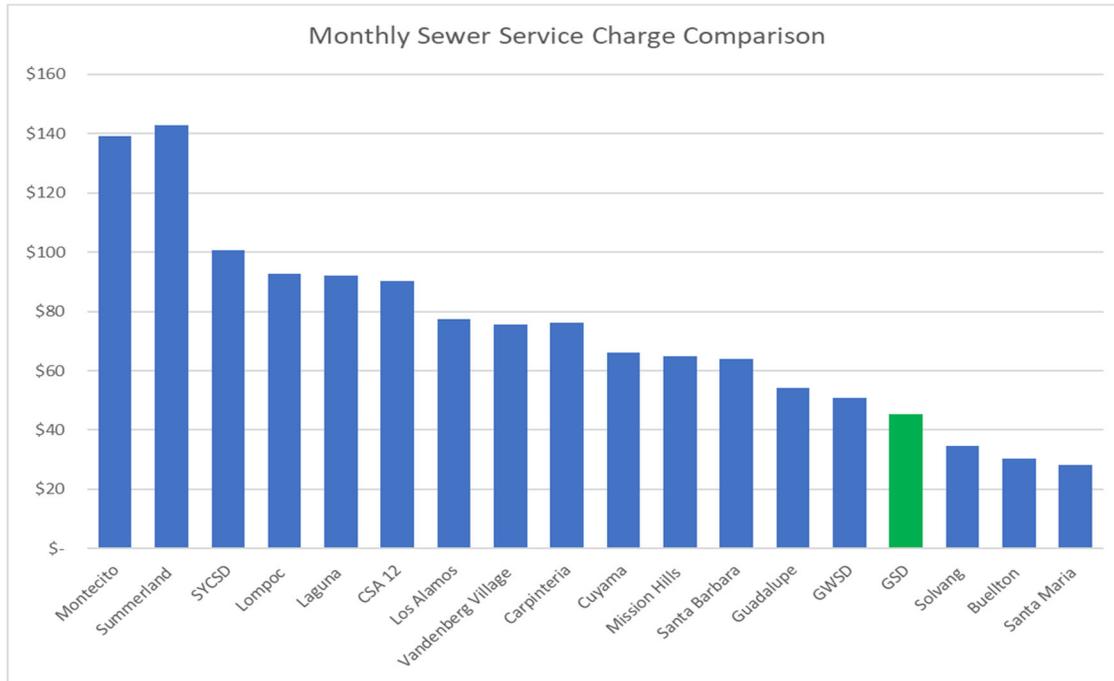
The District has been participating in a State-wide wastewater flow and loadings study that will provide updated information related to the generation of waste water from the various user categories, The information from this study will be used as the basis for a new sewer service rate study in the future. The flow and loadings study was delayed due COVID-19 and has now restarted and is expected to be completed by January 2024.

A summary of the District’s SSC rate allocation over the last few years is show in the following table.

<b>SSC Rate Component Allocation</b>	<b>FY19-20 (\$/Mo/ERU)</b>	<b>FY20-21 (\$/Mo/ERU)</b>	<b>FY21-22 (\$/Mo/ERU)</b>	<b>FY22-23 (\$/Mo/ERU)</b>	<b>FY22-23 (\$/Mo/ERU)</b>
Capital Reserve Fund	\$ 2.13	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Replacement Reserve Fund	\$ 8.49	\$ 8.74	\$ 9.24	\$ 9.11	\$ 9.04
Operations & Maintenance Cost	\$ 33.58	\$ 30.46	\$ 29.96	\$ 30.09	\$ 30.16
<b>Total SSC Rate</b>	<b>\$ 44.20</b>				

This year a reallocation in the rate structure is proposed to cover increases in O&M costs due inflationary pressures.

A comparison of the District’s current monthly SSC rate with monthly SSC rates of other local agencies in June 2022 shows that the District’s total service rate (including direct property tax payments) of **\$45.36/month** remains significantly less (36%) than the average of all other local agencies total sewer service rate of **\$71.18** per month as shown in the following table:



Permit and Inspection Fees – Account 3120

Permit, Inspection, and Plan check fees are collected for issuing permits to connect to District facilities. Inspection fees are charges for the District’s inspection of the construction of new developments connecting to the District’s facilities. This estimated revenue is projected based on past history and knowledge of proposed developments in the upcoming year.

Administration Charges – Accounts 3140 and 3145

These revenues are charges levied on the District’s contractual users for administrative costs associated with treatment, disposal, and reclamation of wastewater. These charges are fixed percentages of the operating costs as defined in separate agreements with these users.

Treatment and Disposal Revenue – Account 3150

This revenue is the monthly expense charged to the District’s contractual users in accordance with an agreement with the District for treatment and disposal of their respective wastewaters. The charge to each user is based on each user’s percentage of the monthly-metered flow into the plant applied to the total monthly expense of the treatment plant only. Fixed assets charged to the treatment plant are expensed to the contractual users based on

their respective fixed capacity percentage allocations of the total treatment plant and outfall capacities as defined in the agreements between the District and its users.

Goleta Water District Reclamation O&M Cost Reimbursement – Account 3155

This revenue is the total estimated annual expense invoiced to the Goleta Water District for production of reclaimed water. Fixed assets purchased for the reclamation facility are included in this estimated revenue. This revenue was estimated based on the projected demand of reclaimed water as defined by the Goleta Water District.

Industrial Waste Control (IWC) Analysis Reimbursement – Account 3160

This revenue source is projected based on historical data, and accounts for reimbursements to the District by industries for costs of re-sampling their respective discharges to the District following violations of their respective permit limits.

Homeowners Exemption – Account 3170

Homeowners' exemption revenues are the District's share of the annual revenue received by the County from the State for tax exemptions offered to homeowners. This amount is usually estimated by Santa Barbara County, and does not vary greatly from year to year.

Annexation Processing – Account 3205

This estimated revenue is the administration fee charged for processing applications for annexations submitted to the District each year. The projected amount is based on an application fee of \$200 per application, and is estimated based on past history and knowledge of any known future annexations.

Revenue from Other Government Agencies (RFOGA) – Running Expense – Account 3240

This revenue is received from the Santa Barbara Municipal Airport and Santa Barbara County for their shares of the operations and maintenance of the Main Pump Station. The Airport is charged based upon flow. This revenue value also includes the direct cost charged to the Contract users' for their annual flow meter calibration.

Other Revenue-Running Expense – Account 3260

Other revenues account for all undesignated sources. Examples of these revenues would be reimbursements for travel from agencies on which members of Governing Board serve (CSDA and CSRMA), miscellaneous invoices to other agencies, and reimbursements for miscellaneous expenses. Projections of this revenue are based on historical data and are usually conservative.

***Total FY23-24 Estimated Running Expense Fund Revenue with interest is \$10,876,390.***

### **Capital Reserve Fund – 4650**

The Capital Reserve fund is the depository of funds allocated for expansion of the District's facilities to accommodate the community's growth. Funds collected from capacity and annexation fees are directed to this fund for capacity-related capital improvements.

#### Capacity Fees – Account 3130

Capacity Fees are generally understood to be the costs of buying a unit of capacity in the District's facilities. The simplest form of measuring capacity for the purpose of determining Capacity Fees is by equivalency to the capacity normally utilized by a normal single-family residence. A capacity unit is expressed as one equivalent residential unit (ERU). Therefore, the Capacity Fee is the cost of buying capacity units expressed in ERUs. The value of the Capacity Fee is normally the price of one ERU.

Since Capacity Fees are associated with capacity of service, they should be used for expansion of the existing facilities where capacity for serving additional growth in the community is required. In this respect, Capacity Fees are mandated by law to be kept in a separate fund designated by the District as the Capacity Reserve Fund.

Capacity Fee revenue estimates are based on historical data and estimates of growth and development anticipated in the fiscal year. The District Capacity Fee is \$2,583 per ERU for FY23-24.

#### Annexation Charges – Account 3200

Annexation to the District is the process of entering a land parcel into the service area of the District. The District's annexation fees were developed based on equity in maintenance of the District's facilities over a period of several years. The underlying assumption is that a new customer, when annexed to the District, would have to pay certain annexation charges to catch up with the operations and maintenance costs paid by existing customers for a certain defined period of time. These fees are clearly separate from Capacity Fees in that there is no overlap of both fee structures.

Currently the annexation charge revenue is based on a fee of \$2,392 per acre to be annexed. The District's annual projection of this revenue is based on historical data of the anticipated number of parcels to be annexed.

#### Loan Proceeds

Loan reimbursement requests are shown in this fund to offset expenditures associated with the Biosolids and Energy Strategic Plan improvements, estimated to be \$6,880,836.

***Total FY22-23 Estimated Revenue in the Capital Reserve Fund with interest is \$10,974,208.***

### **Replacement Reserve Fund – 4655**

The replacement reserve fund is designated to hold and disburse funds for the District's capital improvement projects that are needed to maintain the District's facilities. This fund does not hold nor disburse funds for major projects where capacity increases are required. The District annually deposits funds from sewer service charges into this fund to account for its facilities depreciation.

Sewer Service Charges – Account 3100

Of the monthly \$44.20 anticipated SSC revenue per single-family dwelling for FY23-24, \$5.00, which amounts to \$1,078,840 in total revenue, will be deposited into the Replacement Reserve Fund 4655 for future capital improvement projects in addition to the District's portion of the annual depreciation value estimated to be \$1,949,719 in FY23-24. The total amount of sewer service charges expected to be received by the District and deposited into the replacement reserve fund in FY23-24 from these sources is \$3,028,559.

Property Tax – Account 3220

This revenue is the District's share of the property taxes collected by the County based on the District's percentage of property tax revenues to the County. The District's percentage is defined based on separate property tax negotiations during the process of property annexations to the District. Current annual property tax revenues to the District are predominantly based on the District's percentage in effect prior to Proposition 13. Property tax revenue is based on data submitted by Santa Barbara County. Because the District's budget is approved before the actual amount of property taxes is calculated, the amount shown is an estimate based on the previous year. The amount of property tax revenue received by the District does not vary considerably from year to year and is estimated to be \$204,500 in FY23-24.

RFOGA – Capital Projects – Account 3260

This revenue is received from the District's contractual users' for their share of the plant capital project expenditures. Each entity pays according to its capacity percentage entitlement as defined in the agreement between the District and these users. The total RFOGA revenue to the Replacement Reserve Fund for FY23-24 is \$845,755.

***Total FY23-24 Estimated Revenue in the Replacement Reserve Fund with interest and interfund loan payment is \$5,151,437.***

**Retiree Health Insurance Fund – 4660**

The Retiree Health Insurance fund was established by the District in 2004. The District contributes annually into this fund for to cover the future medical insurance premiums for eligible District retirees. The District annually transfers cash from this fund to the CERBT fund as part of the required annual contribution required by GASB 45.

***FY23-24 Total deposit into the Retiree Health Insurance Fund with interest is \$339,202.***

Interest Earnings Account - 3230

Each of the District funds has an Interest Earning account and interest is accrued per fund based upon balances in the interest-bearing account. The interest calculation for each fund for this year is calculated based on an annual percentage of 3.75%.

***Total FY22-23 Estimated Interest Revenue is \$1,201,727.***

**FY22-23 TOTAL ANTICIPATED DISTRICT REVENUE IS \$27,365,612.**

**Fiscal Year 2023-2024  
REVENUE**

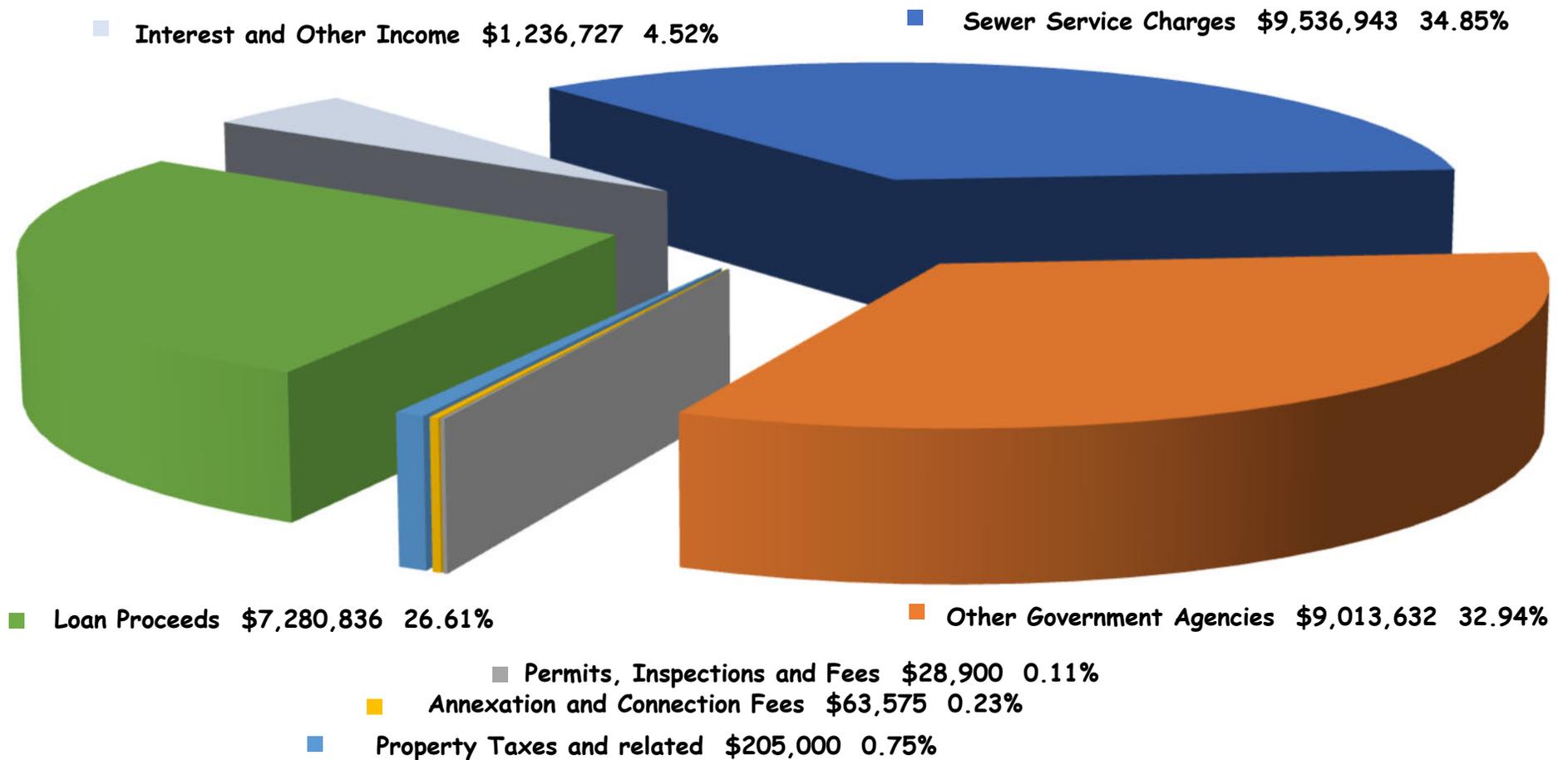
Fund Name and Number	Acct	Revenue Classification	Budgeted Revenue 2022-23	Revenue to date 4/30/2023	Projected Actual 2022-23	Over(Under) Budget 2022-23	Revenue Projection 2023-24	% Change from FY 2022-23	Change from FY 2022-23
<b>4640 Running Expense</b>	3100	*Sewer Service Charges	\$6,112,590	\$5,641,379	\$6,112,590	\$0	\$6,175,383	1%	\$62,793
	3120	Permits and Inspections	\$28,000	\$31,620	\$37,944	\$9,944	\$28,000	0%	\$0
	3140	Admin Chgs - Treatment	\$183,126	\$118,510	\$158,014	(\$25,112)	\$218,571	19%	\$35,445
	3145	Admin Chgs - Reclamation	\$58,056	\$26,706	\$35,608	(\$22,448)	\$39,264	-32%	-\$18,792
	3150	Treatment & Disposal Cost Reimb.	\$3,058,618	\$2,021,603	\$2,695,471	(\$363,147)	\$3,660,049	20%	\$601,431
	3155	GWD WWRec O&M Cost Reimb.	\$580,560	\$267,061	\$356,081	(\$224,479)	\$392,635	-32%	-\$187,924
	3160	IWC Analysis Reimbursement	\$500	\$0	\$0	(\$500)	\$500	0%	\$0
	3170	Homeowners Exemption	\$500	\$377	\$500	\$0	\$500	0%	\$0
	3205	Annexation Processing Fee	\$400	\$400	\$400	\$0	\$400	0%	\$0
	3240	**RFOGA - Running Expense	\$3,942	\$5,994	\$7,992	\$4,050	\$9,729	147%	\$5,787
<b>3260/3301</b>		Other Revenue - Running Exp.	\$35,000	\$15,933	\$21,243	(\$13,757)	\$35,000	0%	\$0
		<b>Subtotal</b>	<b>\$10,061,292</b>	<b>\$8,129,583</b>	<b>\$9,425,843</b>	<b>(\$635,449)</b>	<b>\$10,560,031</b>	<b>5%</b>	<b>\$498,739</b>
<b>4650 Capital Reserve</b>	3130	Capacity Fees	\$95,412	\$128,375	\$132,000	\$36,588	\$37,545	-61%	-\$57,867
	3200	Annexation Charges	\$26,030	\$9,842	\$9,842	(\$16,187)	\$26,030	0%	\$0
	3260	**RFOGA - Capital Projects	\$2,725,397	\$151,866	\$480,770	(\$2,244,628)	\$3,847,630	41%	\$1,122,232
	1300	Loan Proceeds	\$4,728,079	\$504,102	\$922,252	(\$3,805,827)	\$6,880,836	46%	\$2,152,757
		<b>Subtotal</b>	<b>\$7,574,918</b>	<b>\$794,185</b>	<b>\$1,544,864</b>	<b>(\$6,030,054)</b>	<b>\$10,792,040</b>	<b>42%</b>	<b>\$3,217,122</b>
<b>4655 Replacement Reserve</b>	3100	*Sewer Service Charges	\$3,022,509	\$2,787,062	\$2,992,284	(\$30,225)	\$3,028,560	0%	\$6,051
	3220	Property Tax Revenue	\$182,500	\$193,142	\$193,142	\$10,642	\$204,500	12%	\$22,000
		Interfund Loan	\$0	\$0	\$0	\$0	\$400,000	+100%	\$400,000
	3260	**RFOGA - Capital Projects	\$707,723	\$53,611	\$104,000	(\$603,723)	\$845,755	20%	\$138,031
		<b>Subtotal</b>	<b>\$3,912,732</b>	<b>\$3,033,815</b>	<b>\$3,289,426</b>	<b>(\$623,306)</b>	<b>\$4,478,814</b>	<b>14%</b>	<b>\$566,082</b>
<b>4660 Retirees Ins All Funds</b>	3100	*Sewer Service Charges	\$333,000	\$333,000	\$333,000	\$0	\$333,000	0%	\$0
		<b>Subtotal</b>	<b>\$333,000</b>	<b>\$333,000</b>	<b>\$333,000</b>	<b>\$0</b>	<b>\$333,000</b>	<b>0%</b>	<b>\$0</b>
		<b>Interest Earnings</b>							
<b>4640</b>	3230	Running Expense Fund	\$106,016	\$136,804	\$140,104	\$34,088	\$316,360	198%	\$210,344
<b>4645</b>	3230	Plant Reserve Fund	\$521	\$906	\$920	\$399	\$1,381	165%	\$860
<b>4650</b>	3230	Capital Reserve Fund	\$70,198	\$441,016	\$442,641	\$372,443	\$182,168	160%	\$111,970
<b>4655</b>	3230	Replacement Reserve Fund	\$280,248	\$356,831	\$364,981	\$84,733	\$672,623	140%	\$392,374
<b>4660</b>	3230	Retiree Health Insurance Fund	\$2,414	\$674	\$674	(\$1,741)	\$6,202	157%	\$3,788
<b>4670</b>	3230	Plant Upgrading Fund	\$0	\$0	\$0	\$0	\$0	0%	\$0
<b>4675</b>	3230	District Emergency Fund	\$8,670	\$15,084	\$15,304	\$6,634	\$22,994	165%	\$14,325
		<b>Subtotal</b>	<b>\$468,067</b>	<b>\$951,313</b>	<b>\$964,622</b>	<b>\$496,556</b>	<b>\$1,201,727</b>	<b>157%</b>	<b>\$733,661</b>
		<b>Total Revenue</b>	<b>\$22,350,009</b>	<b>\$13,241,896</b>	<b>\$15,557,755</b>	<b>(\$6,792,254)</b>	<b>\$27,365,612</b>	<b>22%</b>	<b>\$5,015,603</b>

\*Sewer Service Charges are deposited directly to the respective funds. Values shown under 2020-2021 Revenue Estimate have been pro-rated accordingly.

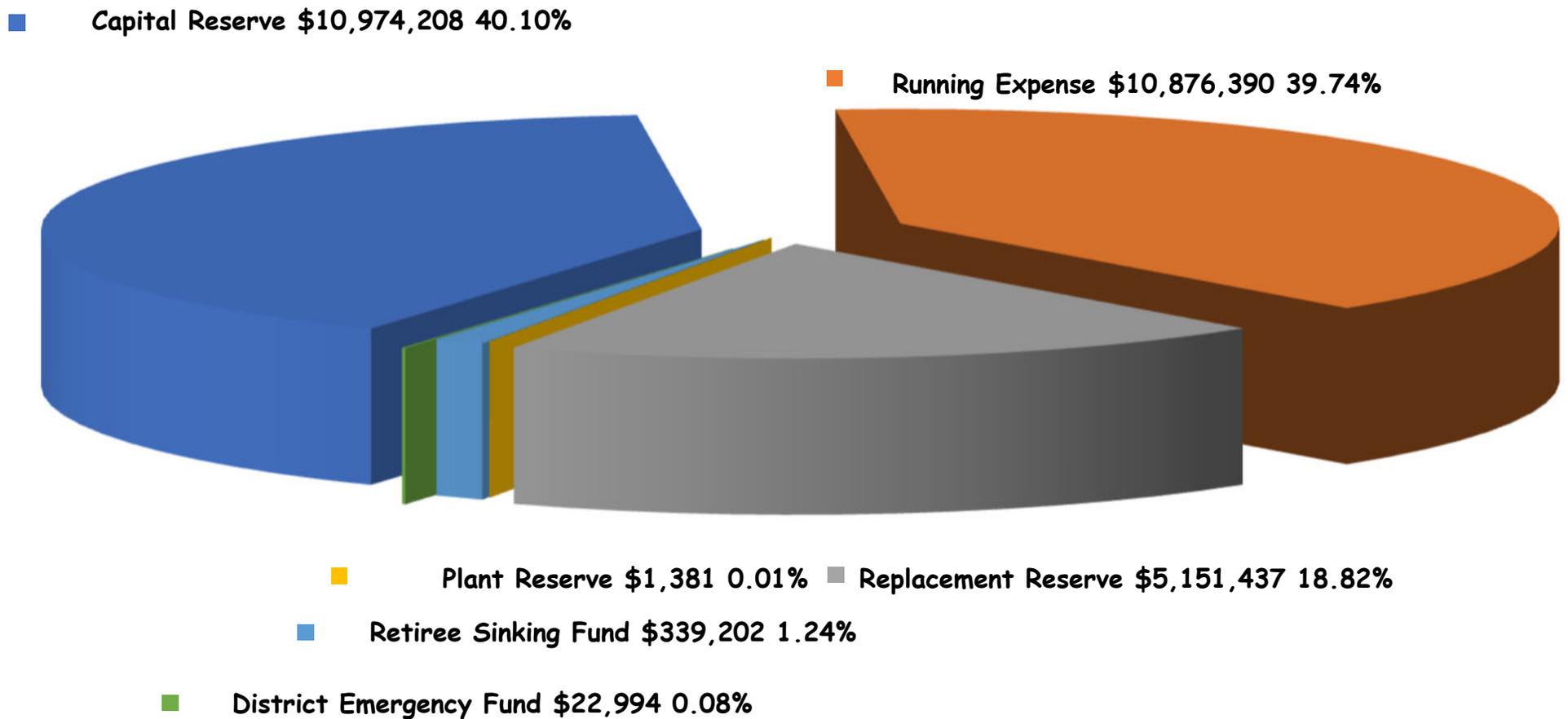
**Total Sewer Service Charges: \$9,468,099 \$8,761,441 \$9,437,874 \$9,536,943 0.73% \$68,844**

\*\*RFOGA = Revenue From Other Gov't Agencies

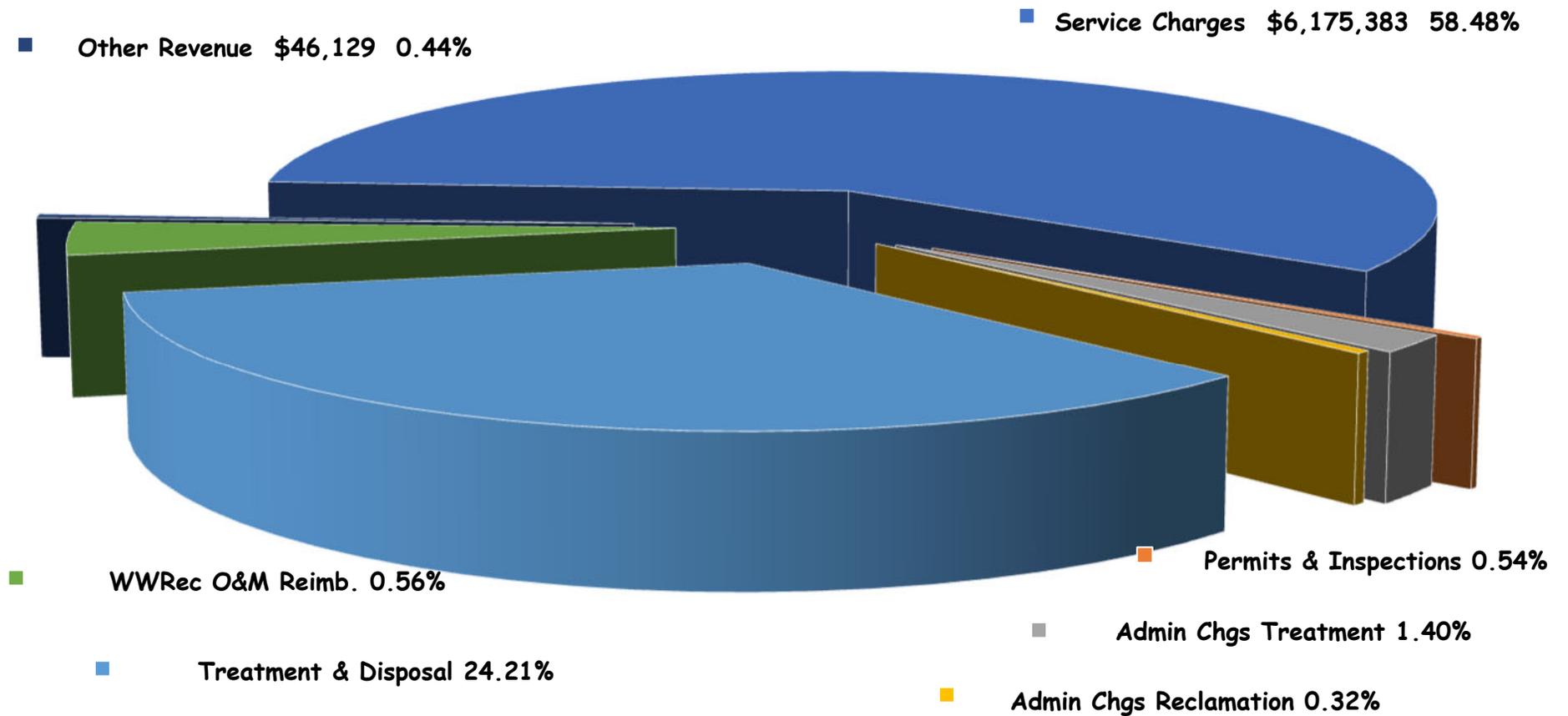
# Revenues by Source 2023-24



# Revenues by Fund 2023-24



# Running Expense Revenues 2023-24



***EXPENDITURES***  
***FISCAL YEAR 2023-24***

## DISTRICT COMBINED EXPENDITURES IN FY23-24

The combined expenditures for the District's operating departments are shown in a combined expenditure sheet with comparisons to the previous fiscal year's expenditures. The budget expenditures are shown under various categories such as personnel expenses, operating expenses, depreciation reserves funding, and capital outlay. The total operating and personnel expenses proposed for FY23-24 are anticipated to be above last year's budget by 4%. The capital outlay projects are anticipated to be about 8% more than last year's expenditures.

The main categories of expenditures in the combined budget with and without depreciation are as follows:

<u>DESCRIPTION</u>	<u>EXPENDITURES</u>	<u>% w/o Depr</u>	<u>% with Depr</u>
Personnel Cost:	\$ 6,433,343	28%	24%
Operating Expenses:	\$ 4,784,340	21%	18%
Sub-Total:	\$ 11,217,683	49%	42%
Capital Outlay:	\$ 11,960,250	51%	45%
Total Expenses w/o depreciation:	\$ 23,177,933	100%	87%
Depreciation Expense:	\$ 3,652,628		13%
<b>TOTAL EXPENDITURES:</b>	<b>\$ 26,830,561</b>		<b>100%</b>

The enclosed graph shows the above distribution of expenditures for FY23-24.

The District has separated accounting of its expenses into seven separate service categories. These categories are mostly associated with specific service programs and/or facilities shared by separate groups of users. The main purpose of segregating expenses is to appropriately charge the customer base served by each program and/or facility. The District's seven service departments and corresponding customer base are described below.

### Administration Expenses

All District users share these expenses. The District's contractual users pay, as administrative costs, a fixed percentage of their respective operating costs in the treatment and disposal facilities.

### Collection System

All users in the Goleta Sanitary District's service area share the expenses associated with the collection system. The District's contractual users do not share in the cost of the collection system.

## **Main and Firestone Pump Stations**

All users in GSD's service area share the expenses associated with the main pump station. The Santa Barbara Municipal Airport and the County of Santa Barbara are the only contractual users of the District that share in this cost. All other contractual users do not use the main pump station. The District and the Airport only share the costs of the Firestone Pump Station in accordance with an agreement between the two agencies such that the Airport's share is based upon flow through the station.

## **Industrial Waste Control Program**

Similar to the collection system, the expenses associated with the Industrial Waste Control program are shared by all users in the Goleta Sanitary District's service area. The District's contractual users do not share in the cost of this program.

## **Wastewater Treatment Facilities**

All District users share in the cost of the treatment of wastewater, including all contractual users. The contractual users share in the operating costs based on a corresponding percentage of their flows compared to the total flow into the treatment facilities. Fixed assets are charged based on the respective percentage of the treatment facilities' capacity allocation to each contractual user.

## **Wastewater Disposal Outfall**

All District users share in the cost of wastewater disposal including all contractual users. The contractual users share in the operating costs and fixed assets based on the corresponding percentage of their outfall capacity allocation to each contractual user.

## **Reclamation Facilities**

The operating costs, including a 10% administration cost, are invoiced to the Goleta Water District monthly. Fixed assets are invoiced without the administrative charge.

## **Summary**

Enclosed in this budget is a graph showing the distribution of the expenditures by each of the service categories described above. Details of each category's proposed expenditures are also included in this budget with a narrative explanation of the purposes of these expenditures.

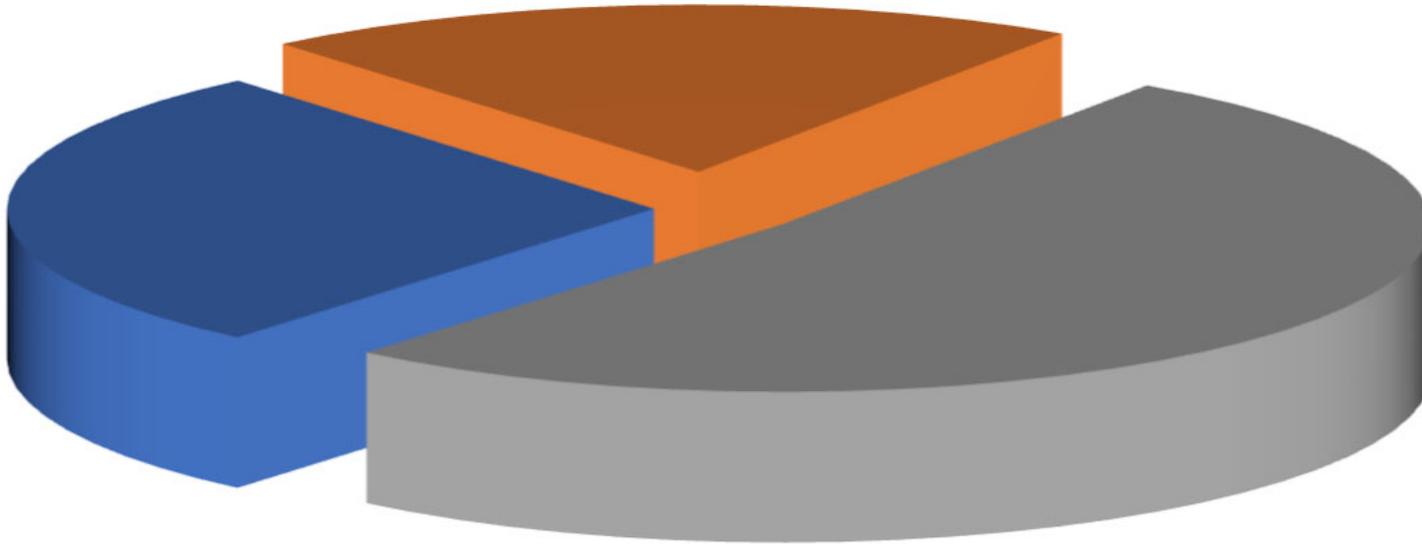
**Fiscal Year 2023-2024  
EXPENDITURES**

Description	Budgeted	To Date	Projected	Under(Over)	Proposed	Percent	\$ Change
	2022-23	5/19/2023	Actual 2022-23	Budget 2022-23	Budget 2023-24	Change from last FY	from FY 2022-23
<b>PERSONNEL</b>							
Basic Salaries	3,507,446	2,798,643	3,096,371	411,075	3,694,402	5%	186,956
Overtime	16,800	11,726	12,974	3,826	16,800	0%	0
Temporary	33,086	6,953	7,691	25,395	36,396	10%	3,310
Directors Fees	81,000	37,678	41,686	39,314	85,000	5%	4,000
Worker's Compensation	77,700	63,910	69,719	7,981	77,389	0%	(311)
Retirement	879,623	772,964	880,121	(498)	946,872	8%	67,249
Active Employee Insurance-Health/Dental/Vision/Disability	957,022	765,890	835,516	121,506	955,126	0%	(1,896)
Retiree Health Insurance OPEB Funding	335,414	323,261	335,414	0	339,202	1%	3,788
FICA	211,658	170,358	188,481	23,177	222,976	5%	11,319
Medicare	51,581	39,842	44,080	7,501	54,340	5%	2,759
Unemployment Insurance	5,987	3,951	4,372	1,615	4,838	-19%	(1,148)
<i>Subtotal</i>	6,157,318	4,995,175	5,516,425	640,893	6,433,343	4%	276,025
<b>OPERATING EXPENSES</b>							
Public Education	75,000	33,859	40,631	34,369	75,000	0%	0
Janitorial Service & Supplies	49,600	40,620	48,744	856	49,800	0%	200
Uniforms	17,175	9,242	11,820	5,355	17,175	0%	0
Licenses & Permits	145,367	81,024	77,760	67,607	150,882	4%	5,515
Freight & Postage	3,265	2,574	2,998	267	3,265	0%	0
Subscriptions	7,900	3,759	5,230	2,670	7,900	0%	0
Vehicle Repairs & Maintenance	66,286	46,671	68,924	(2,638)	68,751	4%	2,465
Liability & Property Insurance	306,208	254,780	254,780	51,428	306,608	0%	400
Dues & Memberships	45,628	46,642	43,065	2,563	45,833	0%	205
Office Supplies	16,900	10,592	13,408	3,492	16,900	0%	0
Analysis & Monitoring	169,000	74,035	91,964	77,036	181,200	7%	12,200
Operating Supplies	651,415	385,928	513,122	138,293	782,005	20%	130,590
Attorney Fees	99,000	57,513	75,579	23,421	99,000	0%	0
Printing & Publications	8,058	2,544	3,703	4,355	8,058	0%	0
Repairs and Maintenance	488,892	402,868	502,826	(13,935)	571,392	17%	82,500
Travel	66,350	22,193	54,745	11,605	66,350	0%	0
Seminars, Conferences, Training, Employee Recognition	57,570	23,196	43,753	13,818	57,270	-1%	(300)
Utilities	761,612	702,291	842,747	(81,135)	769,887	1%	8,275
Election Expense	12,000	0	0	12,000	12,000	0%	0
Computer Service & Maintenance	192,725	138,511	150,860	41,865	207,785	8%	15,060
Lease/Rentals	189,263	49,382	104,072	85,191	129,263	-32%	(60,000)
Biosolids Hauling	654,810	242,672	575,000	79,810	654,810	0%	0
Professional Services	525,455	162,632	356,523	168,932	480,455	-9%	(45,000)
Other Expense	22,750	21,121	21,121	1,629	22,750	0%	0
<i>Subtotal</i>	4,632,230	2,814,648	3,903,374	728,855	4,784,340	3%	152,110
<b>Total Personnel and Operating Expenses</b>	<b>10,789,547</b>	<b>7,809,823</b>	<b>9,419,800</b>	<b>1,369,748</b>	<b>11,217,683</b>	<b>4%</b>	<b>428,135</b>
<b>DEPRECIATION FUNDING</b>							
Replacement Reserve	3,638,572	3,308,994	3,610,221	28,351	3,652,628	0%	14,056
<i>Subtotal</i>	3,638,572	3,308,994	3,610,221	28,351	3,652,628	0%	
<b>CAPITAL OUTLAY</b>							
Machinery and Equipment (Fund 640)	55,500	33,999	41,893	13,607	91,000	64%	35,500
Capital Projects - Replacement Reserve Fund (4655)	5,320,800	1,458,300	2,669,864	2,650,936	3,544,366	-33%	(1,776,433)
Capital Projects - Capital Reserve Fund (4650)	5,228,079	422,599	667,714	4,560,365	7,380,836	41%	2,152,757
Debt Service	472,025	472,025	472,025	0	944,048	100%	472,024
<i>Subtotal</i>	11,076,403	2,386,923	3,851,496	7,224,907	11,960,250	8%	883,847
<b>Total Operating &amp; Non-Operating w/o Depreciation</b>	<b>21,865,951</b>	<b>\$ 10,196,746</b>	<b>\$ 13,271,296</b>	<b>\$ 8,594,655</b>	<b>23,177,933</b>	<b>6%</b>	<b>1,311,982</b>
<b>Total Operating &amp; Non-Operating with Depreciation</b>	<b>25,504,523</b>	<b>\$ 13,505,740</b>	<b>\$ 16,881,517</b>		<b>26,830,561</b>	<b>5%</b>	<b>1,326,038</b>

# District's Combined Expenditures

## Without Depreciation

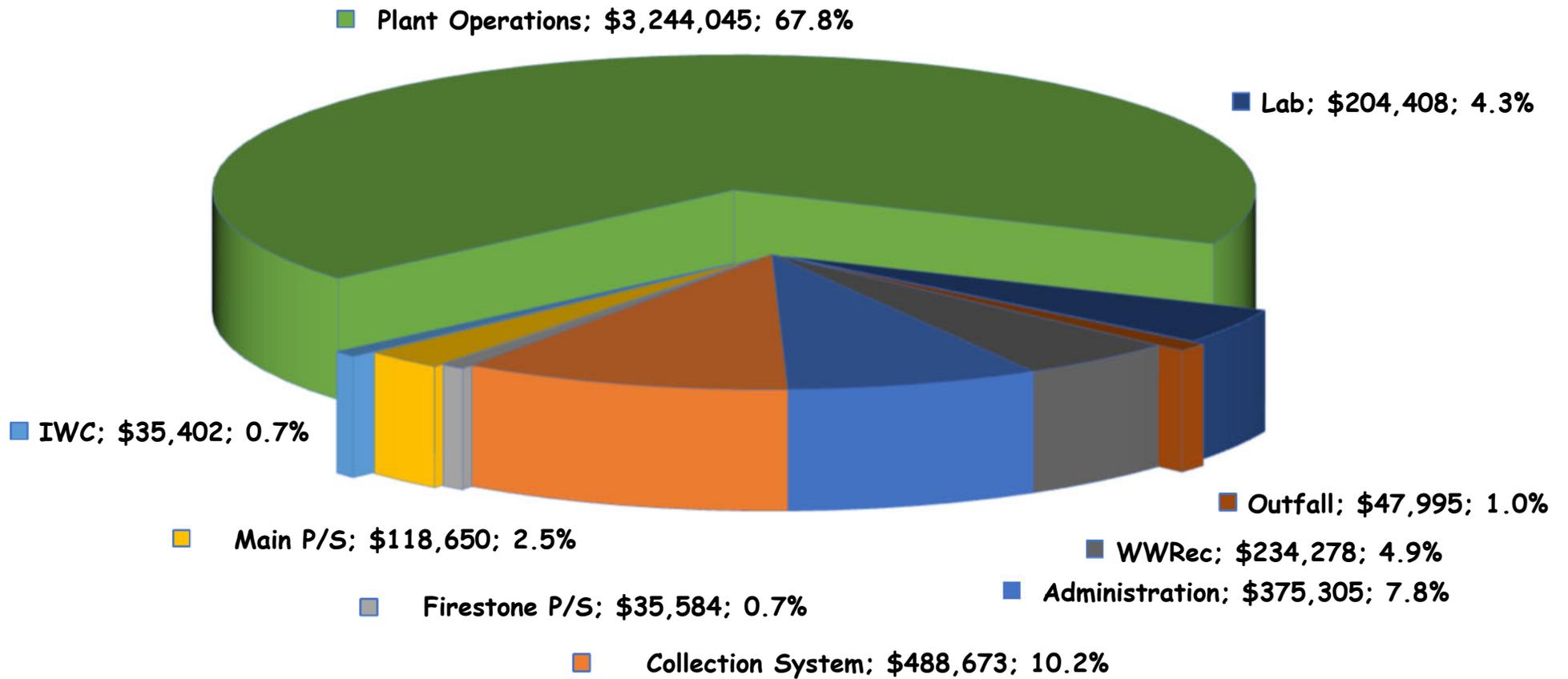
■ Operating Expenses \$4,784,340 21%



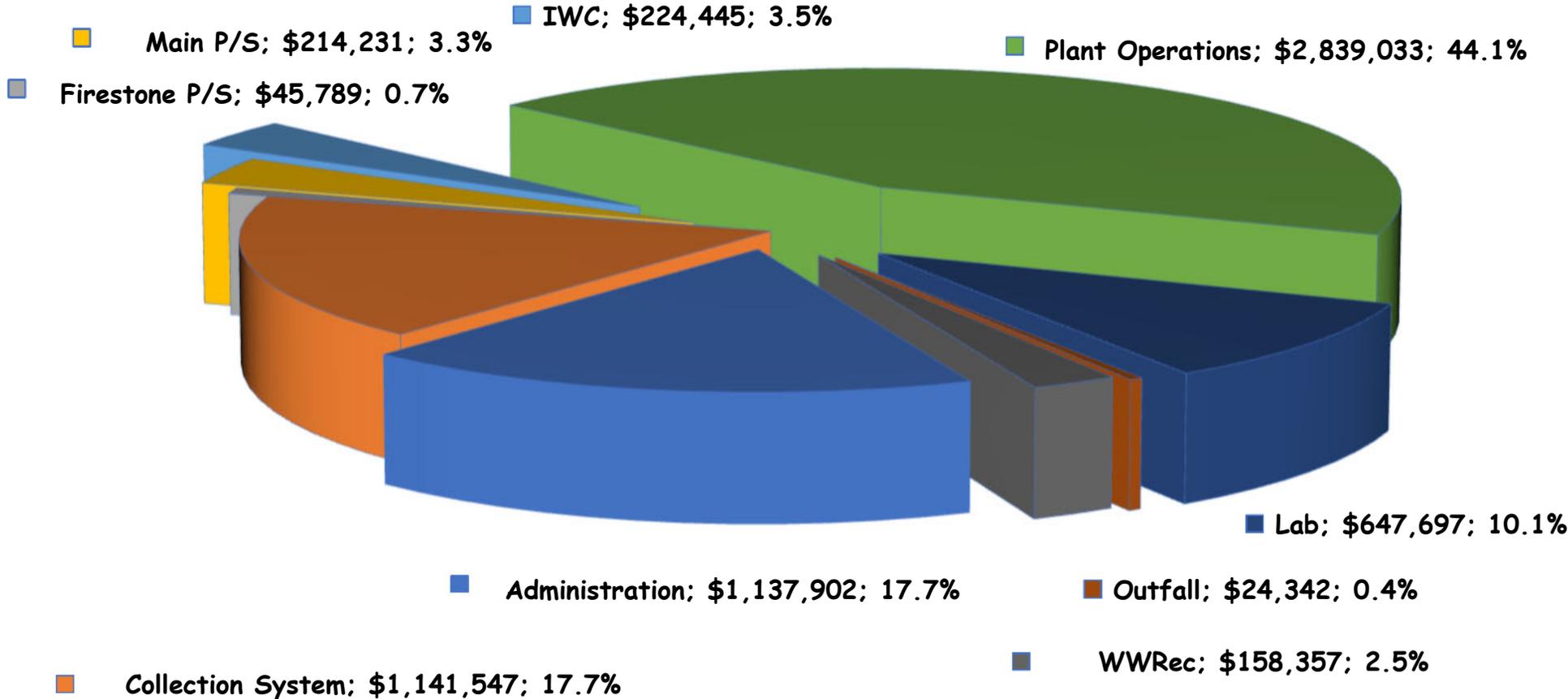
■ Personnel Cost \$6,433,343 28%

■ Capital Outlay \$11,960,250 51%

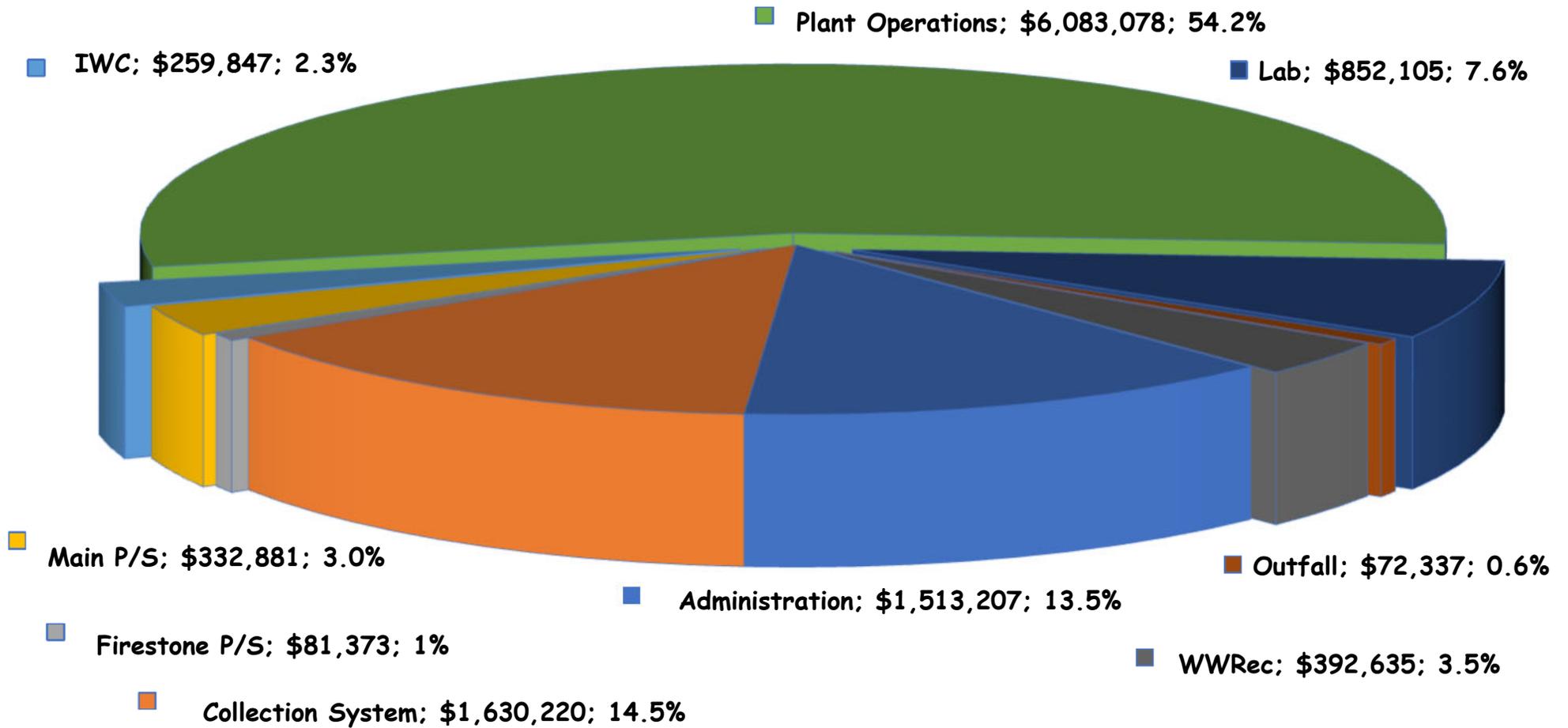
# Distribution of Operating Costs



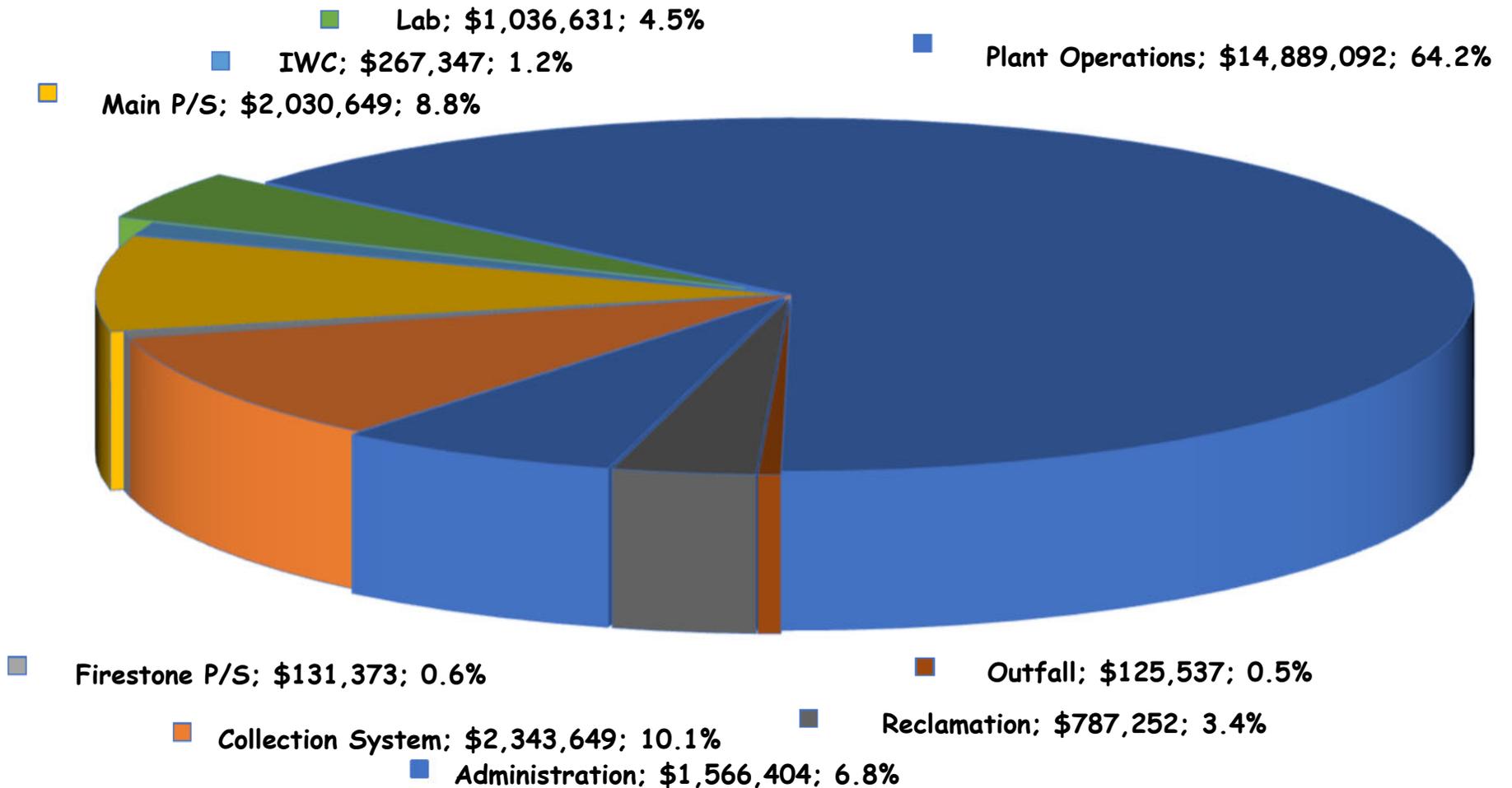
# Distribution of Personnel Cost



# Distribution of Personnel & Operating Costs



# Distribution of Total Expenditures by Service Category



***COMPARISON SUMMARY  
OF EXPENSES AND REVENUES***

## COMPARISON SUMMARY OF EXPENSES AND REVENUES

The budget contains a summary of the anticipated expenses and revenues for FY23-24. This summary explains the relationship between expenses and revenues in such a manner that defines the sources of revenues to meet budgeted expenditures. The categories discussed below have been selected on where proposed expenditures are anticipated to occur.

- ◆ **Running Expenses and Revenues**
- ◆ **Reclamation Facilities Expenses and Revenues**
- ◆ **Debt Service Expenses and Revenues**
- ◆ **Capital Improvements Expenses and Revenues**

### Running Expense Fund

The summary reflects the expected expenditures to operate the District, other than the Reclamation Facilities.

***The total anticipated running expense expenditures in FY23-24 are \$10,576,845***

On the revenue side the total revenue projected for this fund includes most revenue sources described under the running expense revenue discussion except for revenues associated with the reclamation facilities. The revenues shown in this category are considered new funds collected annually from the District's users. As noted below, the expenses in this fund are projected to be slightly higher than the anticipated revenues.

***The total anticipated running expense revenue in FY23-24 are \$10,444,491***

### Reclamation Facilities

The reclamation facilities are accounted for separately in this summary comparison, since the associated operations and maintenance costs are paid for separately by the Goleta Water District. As noted in the budget, the amount of revenue anticipated is higher than the anticipated expenses due to the 10 percent administration charge, which is charged to the Goleta Water District per an agreement between the two agencies.

***The total anticipated revenues for the reclamation facilities in FY23-24 are \$826,516***

***The total anticipated expenses for the reclamation facilities in FY23-24 are \$787,252***

### Debt Service

The District has obtained a loan in the amount of \$14M for the design and construction of the Biosolids and Energy Strategic Plan improvement projects. The term of the loan is 20 years and the debt service for FY23-24 consists of two payments of \$472,024, one in July, 2023 and one in January, 2024.

Additionally, interfund loan payments totaling \$400,000 from the 4640 fund to the 4655 fund will be made during the fiscal year.

## **Capital Improvements**

This summary includes all the expenditures projected for capital improvements of the treatment plant and collection system. Depending on the type of project, the funds are segregated to reflect whether the capital improvement under consideration is a replacement project, a capacity expansion project, or both. On the revenue side sewer services charges are included which fund the District's replacement reserve fund as well as revenues for the facilities upgrading project fund.

***The total anticipated expenses for capital improvements in FY23-24 are \$11,474,634***

***The total anticipated depreciation expenses in FY23-24 are \$3,652,628***

***The total anticipated revenue and loan proceeds for capital improvements in FY23-23 is \$15,755,403***

### **THE TOTAL PLANNED EXPENDITURES FOR FY23-24**

**INCLUDING DEPRECIATION ARE \$26,830,561**

**WITHOUT DEPRECIATION ARE \$23,177,933**

**THE TOTAL ESTIMATED REVENUE FOR FY23-24 IS \$27,365,612**

**COMPARISON SUMMARY OF  
EXPENSES AND REVENUES  
Fiscal Year 2023-2024**

EXPENDITURES	REVENUES																																																										
<p><b><u>RUNNING EXPENSE (4640)</u></b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Personnel</td> <td style="text-align: right;">\$5,535,784</td> </tr> <tr> <td>Operating Expense</td> <td style="text-align: right;">4,550,061</td> </tr> <tr> <td>Machinery and Equipment</td> <td style="text-align: right;">91,000</td> </tr> <tr> <td style="padding-left: 20px;">Sub-Total</td> <td style="text-align: right; border-top: 1px solid black;">\$10,176,845</td> </tr> <tr> <td> CalPERS UAL Loan Payment</td> <td style="text-align: right; border-top: 1px solid black;"> \$400,000</td> </tr> <tr> <td> Running Expense Fund Disbursements</td> <td style="text-align: right; border-top: 1px solid black;"> <b>\$10,576,845</b></td> </tr> </table>	Personnel	\$5,535,784	Operating Expense	4,550,061	Machinery and Equipment	91,000	Sub-Total	\$10,176,845	 CalPERS UAL Loan Payment	 \$400,000	 Running Expense Fund Disbursements	 <b>\$10,576,845</b>	<p><b><u>RUNNING EXPENSE (4640)</u></b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Sewer Service Charges</td> <td style="text-align: right;">\$6,175,383</td> </tr> <tr> <td>Permit and Inspection Fees</td> <td style="text-align: right;">28,000</td> </tr> <tr> <td>Administration Charges - Treatment</td> <td style="text-align: right;">218,571</td> </tr> <tr> <td>RFOGA - Treatment and Disposal</td> <td style="text-align: right;">3,660,049</td> </tr> <tr> <td>IWC Analysis Reimbursement</td> <td style="text-align: right;">500</td> </tr> <tr> <td>Homeowners Property Tax Relief</td> <td style="text-align: right;">500</td> </tr> <tr> <td>Annexation Processing Fee</td> <td style="text-align: right;">400</td> </tr> <tr> <td>Payments from Other Governmental Agencies</td> <td style="text-align: right;">9,729</td> </tr> <tr> <td>Other Revenue</td> <td style="text-align: right;">35,000</td> </tr> <tr> <td>Interest</td> <td style="text-align: right;">316,360</td> </tr> <tr> <td style="text-align: right;"><b>Total</b></td> <td style="text-align: right; border-top: 1px solid black;"><b>\$10,444,491</b></td> </tr> </table>	Sewer Service Charges	\$6,175,383	Permit and Inspection Fees	28,000	Administration Charges - Treatment	218,571	RFOGA - Treatment and Disposal	3,660,049	IWC Analysis Reimbursement	500	Homeowners Property Tax Relief	500	Annexation Processing Fee	400	Payments from Other Governmental Agencies	9,729	Other Revenue	35,000	Interest	316,360	<b>Total</b>	<b>\$10,444,491</b>																								
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Debt Service	944,048																																																										
Sub-total	\$8,324,884																																																										
Administration	\$43,197																																																										
Firestone Pump Station	50,000																																																										
Pump Station Projects	1,697,768																																																										
Plant, Lab and IWC Projects	632,656																																																										
Sewer Line Projects	672,929																																																										
Outfall Projects	53,200																																																										
Sub-total	\$3,149,750																																																										
	\$0																																																										
Sub-total	\$0																																																										
	\$0																																																										
Sub-total	\$0																																																										
Connection/Annexation/RFOGA	\$3,911,204																																																										
Interest	\$182,168																																																										
Loan Proceeds (BESP)	6,880,836																																																										
Sub-total	\$10,974,208																																																										
Sewer Service Charges (\$/ERU+GSD Depr)	\$3,028,560																																																										
RFOGA - Capital Projects	451,138																																																										
Property Tax Revenue	204,500																																																										
Interest	672,623																																																										
Interfund Loan	400,000																																																										
Sub-total	\$4,756,820																																																										
Interest	\$1,381																																																										
Sub-total	\$1,381																																																										
Interest	\$22,994																																																										
Sub-total	\$22,994																																																										
<p><b><u>Depreciation</u></b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Depreciation Expense</td> <td style="text-align: right;">\$3,652,628</td> </tr> </table>	Depreciation Expense	\$3,652,628																																																									
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<p><b><u>Retiree Medical Insurance Retirement Fund (660)</u></b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Disbursements Directly to CERBT</td> <td style="text-align: right;">\$181,435</td> </tr> <tr> <td>Disbursements District Retirees and/or PERS</td> <td style="text-align: right;">\$157,768</td> </tr> <tr> <td style="text-align: right;"><b>Total</b></td> <td style="text-align: right; border-top: 1px solid black;"><b>\$339,202</b></td> </tr> </table>	Disbursements Directly to CERBT	\$181,435	Disbursements District Retirees and/or PERS	\$157,768	<b>Total</b>	<b>\$339,202</b>	<p><b><u>Retiree Medical Insurance Retirement Fund (660)</u></b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Sewer Service Charges</td> <td style="text-align: right;">\$333,000</td> </tr> <tr> <td>Interest</td> <td style="text-align: right;">\$6,202</td> </tr> <tr> <td style="text-align: right;"><b>Total</b></td> <td style="text-align: right; border-top: 1px solid black;"><b>\$339,202</b></td> </tr> </table>	Sewer Service Charges	\$333,000	Interest	\$6,202	<b>Total</b>	<b>\$339,202</b>																																														
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Interest	\$6,202																																																										
<b>Total</b>	<b>\$339,202</b>																																																										
<p><b>TOTAL EXPENSE WITHOUT DEPRECIATION:</b></p> <p style="text-align: right; border-top: 1px solid black;"><b>\$23,177,933</b></p> <p><b>TOTAL EXPENSE WITH DEPRECIATION:</b></p> <p style="text-align: right; border-top: 1px solid black;"><b>\$26,830,561</b></p>	<p><b>TOTAL REVENUE:</b></p> <p style="text-align: right; border-top: 1px solid black;"><b>\$27,365,612</b></p>																																																										

***SERVICE CATEGORY EXPENSE DATA***

## ADMINISTRATION

Description	Budgeted	To Date	Projected	Under(Over)	Proposed	Percent	\$ Change
	2022-23	5/19/2023	Actual	Budget	Budget	Change	from FY
			2022-23	2022-23	2023-24	from last	2022-23
						FY	
<b>PERSONNEL</b>							
Basic Salaries	579,817	543,152	600,934	(21,117)	621,511	7%	41,694
Overtime	100	0	0	100	100	0%	0
Temporary	3,143	2,220	2,456	687	3,698	18%	555
Directors Compensation	81,000	37,678	41,686	39,314	85,000	5%	4,000
Workers' Compensation	12,845	10,565	11,525	1,320	13,019	1%	175
Retirement	140,943	133,024	140,943	0	152,003	8%	11,060
Active Employee Insurance-Health/Dental/Vision/Disability	158,206	107,090	116,826	41,380	160,681	2%	2,476
Retiree Health Insurance OPEB Funding	55,447	53,438	55,447	0	57,064	3%	1,617
FICA	32,134	31,925	35,321	(3,187)	34,982	9%	2,848
Medicare	8,454	7,466	8,261	193	9,067	7%	613
Unemployment Insurance	941	636	704	237	775	-18%	(166)
<i>Subtotal</i>	1,073,031	927,195	1,014,104	58,927	1,137,902	6%	64,871
<b>OPERATING EXPENSES</b>							
Public Education	13,875	6,433	7,720	6,155	13,875	0%	0
Janitorial Service & Supplies	6,100	5,504	6,605	(505)	6,100	0%	0
Uniforms	0	0	0	0	0	0%	0
Licenses & Permits	0	0	0	0	0	0%	0
Freight & Postage	400	156	187	213	400	0%	0
Subscriptions	900	150	900	0	900	0%	0
Vehicle Repairs & Maintenance	4,000	168	1,000	3,000	4,000	0%	0
Liability & Property Insurance	5,410	5,329	5,329	81	5,410	0%	0
Dues & Memberships	32,000	37,504	32,000	0	32,000	0%	0
Office Supplies	6,000	4,865	5,838	162	6,000	0%	0
Analysis & Monitoring	0	0	0	0	0	0%	0
Operating Supplies	400	925	400	0	400	0%	0
Attorney Fees	64,200	38,049	50,732	13,468	64,200	0%	0
Printing & Publications	2,500	618	1,875	625	2,500	0%	0
Repairs and Maintenance	7,000	352	3,500	3,500	7,000	0%	0
Travel	38,000	13,619	36,000	2,000	38,000	0%	0
Seminars, Conferences, Training, Employee Recognition	20,000	10,756	18,000	2,000	20,000	0%	0
Utilities	15,520	15,023	18,027	(2,507)	15,520	0%	0
Election Expense	12,000	0	0	12,000	12,000	0%	0
Computer Service & Maintenance	30,000	8,760	10,512	19,488	30,000	0%	0
Lease/Rentals	1,000	477	750	250	1,000	0%	0
Biosolids Hauling	0	0	0	0	0	0%	0
Professional Services	134,000	35,716	50,000	84,000	96,000	-28%	(38,000)
Other Expense	20,000	20,959	20,959	(959)	20,000	0%	0
<i>Subtotal</i>	413,305	205,362	270,334	142,971	375,305	-9%	(38,000)
<b>Total Personnel and Operating Expenses</b>	<b>1,486,336</b>	<b>1,132,556</b>	<b>1,284,438</b>	<b>201,898</b>	<b>1,513,207</b>	<b>2%</b>	<b>26,871</b>
<b>DEPRECIATION FUNDING</b>							
Replacement Reserve	57,400	49,765	54,289	3,111	54,300	-5%	(3,100)
<i>Subtotal</i>	57,400	49,765	54,289	3,111	54,300	-5%	
<b>CAPITAL OUTLAY</b>							
Machinery and Equipment	10,000	5,351	5,351	4,649	10,000	0%	0
Capital Projects - Replacement Reserve Fund (4655)	0	0	0	0	43,197	+100%	43,197
Capital Projects - Capital Reserve Fund (4650)	0	0	0	0	0	0%	0
Debt Service	0	0	0	0	0	0%	0
<i>Subtotal</i>	10,000	5,351	5,351	4,649	53,197	432%	43,197
<b>Total Operating &amp; Non-Operating w/o Depreciation</b>	<b>1,496,336</b>	<b>1,137,907</b>	<b>1,289,788</b>	<b>206,547</b>	<b>1,566,404</b>	<b>5%</b>	<b>70,068</b>
<b>Total Operating &amp; Non-Operating with Depreciation</b>	<b>1,553,736</b>	<b>1,187,672</b>	<b>1,344,078</b>		<b>1,620,704</b>	<b>4%</b>	<b>66,968</b>

## ADMINISTRATION

### I. **Personnel:**

This account has been based on projected labor needs that are anticipated for administrative duties, which provides for six positions.

- 1 - General Manager/District Engineer
- 0 – Assistant General Manager/Assistant District Engineer
- 1 – Finance Director
- 1 – Communications and Human Resources Manager
- 1 – Administrative Supervisor
- 1 – Accounting Technician
- 1 – Administration Assistant
- 1 – Outreach Intern (Temp. prorated to all departments)

### II. **Operating Expenses:**

- A. Public Education  
This account provides for expenses incurred to inform the public about the District.
- B. Vehicle Repairs and Maintenance Expense  
This account provides for fuel and the maintenance and operation of the vehicles used for administration.
- C. Liability & Property Insurance  
This account provides for allocation of the insurance coverage applicable to the administration department.
- D. Dues and Memberships  
This account provides for memberships in various organizations such as CASA, CSDA, SBCSDA, WEF, CWEA, SCAP, etc.
- E. Office Supplies  
This account provides for office supplies such as letterhead, copy paper, postage, office machine and computer supplies, etc.
- F. Attorney Fees  
This account provides for legal counsel to handle the District's legal matters as well as to research, prepare for and attend Governing Board meetings.
- G. Printing and Publication  
This account provides for various publications of legal notices and recruitment ads.
- H. Repairs and Maintenance  
This account provides for general repair and maintenance of the administration building.



## COLLECTION SYSTEM

Description	Budgeted	To Date	Projected	Under(Over)	Proposed	Percent	\$ Change
	2022-23	5/19/2023	Actual	Budget	Budget	Change from last FY	from FY 2022-23
<b>PERSONNEL</b>							
Basic Salaries	657,010	537,211	594,361	62,649	678,104	3%	21,094
Overtime	2,000	251	278	1,722	2,000	0%	0
Temporary	2,647	935	1,034	1,613	3,114	18%	467
Directors Compensation	0	0	0	0	0	0%	0
Workers' Compensation	14,555	11,972	13,060	1,495	14,205	-2%	(350)
Retirement	142,738	130,956	142,738	0	154,144	8%	11,407
Active Employee Insurance-Health/Dental/Vision/Disability	179,268	176,657	192,717	(13,449)	175,313	-2%	(3,956)
Retiree Health Insurance OPEB Funding	62,829	60,553	62,829	0	62,260	-1%	(569)
FICA	40,055	32,885	36,383	3,672	41,670	4%	1,614
Medicare	9,594	7,691	8,509	1,085	9,907	3%	313
Unemployment Insurance	1,047	816	903	144	831	-21%	(216)
<i>Subtotal</i>	1,111,743	959,925	1,052,812	58,931	1,141,547	3%	29,804
<b>OPERATING EXPENSES</b>							
Public Education	12,000	5,417	6,501	5,499	12,000	0%	0
Janitorial Service & Supplies	13,300	10,222	12,266	1,034	13,300	0%	0
Uniforms	3,675	2,111	2,533	1,142	3,675	0%	0
Licenses & Permits	4,100	0	0	4,100	4,100	0%	0
Freight & Postage	600	764	916	(316)	600	0%	0
Subscriptions	1,100	790	948	152	1,100	0%	0
Vehicle Repairs & Maintenance	45,000	42,657	51,188	(6,188)	45,000	0%	0
Liability & Property Insurance	72,620	64,431	64,431	8,189	72,620	0%	0
Dues & Memberships	2,858	2,167	2,600	258	2,858	0%	0
Office Supplies	2,700	1,998	2,397	303	2,700	0%	0
Analysis & Monitoring	1,000	0	0	1,000	1,000	0%	0
Operating Supplies	8,000	3,778	4,534	3,466	8,000	0%	0
Attorney Fees	8,600	4,039	4,847	3,753	8,600	0%	0
Printing & Publications	800	1,023	1,228	(428)	800	0%	0
Repairs and Maintenance	85,000	27,411	85,000	0	85,000	0%	0
Travel	9,400	4,513	7,050	2,350	9,400	0%	0
Seminars, Conferences and Training	12,770	4,899	9,578	3,193	12,770	0%	0
Utilities	19,490	18,463	22,155	(2,665)	19,490	0%	0
Election Expense	0	0	0	0	0	0%	0
Computer Service & Maintenance	42,250	38,920	46,704	(4,454)	49,810	18%	7,560
Lease/Rentals	1,500	857	1,028	472	1,500	0%	0
Biosolids Hauling	0	0	0	0	0	0%	0
Professional Services	120,450	85,281	102,337	18,113	133,350	11%	12,900
Other Expense	1,000	30	30	970	1,000	0%	0
<i>Subtotal</i>	468,213	319,771	428,271	39,943	488,673	4%	20,460
<b>Total Personnel and Operating Expenses</b>	<b>1,579,956</b>	<b>1,279,696</b>	<b>1,481,083</b>	<b>98,874</b>	<b>1,630,220</b>	<b>3%</b>	<b>50,264</b>
<b>DEPRECIATION FUNDING</b>							
Replacement Reserve	697,200	636,039	693,032	4,168	696,667	0%	(533)
<i>Subtotal</i>	697,200	636,039	693,032	4,168	696,667	0%	
<b>CAPITAL OUTLAY</b>							
Machinery and Equipment	33,000	12,553	20,447	12,553	40,500	23%	7,500
Capital Projects - Replacement Reserve Fund (4655)	454,935	186,831	268,104	186,831	672,929	48%	217,994
Capital Projects - Capital Reserve Fund (4650)	0	0	0	0	0	0%	0
Debt Service	0	0	0	0	0	0%	0
<i>Subtotal</i>	487,935	199,384	288,551	199,384	713,429	46%	225,494
<b>Total Operating &amp; Non-Operating w/o Depreciation</b>	<b>2,067,892</b>	<b>1,479,080</b>	<b>1,769,634</b>	<b>298,258</b>	<b>2,343,649</b>	<b>13%</b>	<b>275,758</b>
<b>Total Operating &amp; Non-Operating with Depreciation</b>	<b>2,765,092</b>	<b>2,115,119</b>	<b>2,462,666</b>		<b>3,040,316</b>	<b>10%</b>	<b>275,224</b>

## COLLECTION SYSTEM

### I. **Personnel:**

This account has been based on projected labor needs that are anticipated for proper and efficient sewer line maintenance. The projections for labor requirements have been based on experience and modified for projected efforts. The following seven are the personnel included in this area.

- 1 - Collections Maintenance Manager
- 1 - Collections Maintenance Supervisor (Tech III)
- 2 - Collections Maintenance Technician II
- 3 - Collections Maintenance Technician I

Projections for overtime have been made to provide for emergency response required during non-working hours and holidays.

### II. **Operating Expenses:**

#### A. Public Education

This account provides for the collection system share of expenses incurred in order to inform the public about the District.

#### B. Vehicle Repairs and Maintenance

This account provides for fuel and the maintenance and operation of the vehicles used to maintain the sewer collection system. This includes the large commercial trucks.

#### C. Liability & Property Insurance

This account provides for the allocation of insurance costs that are associated with the collection system department.

#### D. Dues and Memberships

This account provides for costs associated with certifications, CWEA/WEF membership, and Class B licenses.

#### E. Office Supplies

This account provides for codebooks and office, computer, and map room supplies.

#### F. Operating Supplies

This account provides for the purchase of chemicals, safety equipment, calibration supplies, employee boot allowances, employee uniforms and supplies for special events.

#### G. Attorney Fees

This account provides for legal counsel for matters pertaining specifically to the collection system such as legal research or personnel matters.

- H. Printing and Publication  
This account provides for miscellaneous legal notices as required.
- I. Repair and Maintenance  
This account provides for routine repair and maintenance of the sewer line system and related facilities, including manhole rising relative to the Santa Barbara County chip seal and overlay program. In addition, this account provides for root control services. This account also provides for numerous repairs of various sewer lines and rental of necessary equipment.
- J. Travel  
This account provides for travel to attend traffic safety/defensive driving courses, training conferences and relative education courses.
- K. Seminar and Conference Registration  
This account provides for fees paid in order for collection system staff to attend conferences and seminars such as those hosted by CWEA.
- L. Utilities  
This account provides for power costs associated with the two lift stations within the sewage collection system, in addition to other proportionate costs for telephone service, mobile radios, pager service and drinking water.
- M. Computer Service and Maintenance  
This account provides for computer software assistance, GIS, Lucity, Innovye Flow monitoring program, Smartcover service agreement, and Parcel Data Base system maintenance.
- N. Professional Services  
This account provides for other miscellaneous professional services not mentioned above including but not limited to Collection System Master Plan updates, CPR/first aid training, Innoyze hydraulic model, Sewer System Maintenance Plan (SSMP) updates and competency-based training program phase II.
- O. Replacement Reserve  
As a result of the revenue program that has been prepared in accordance with Clean Water Grant guidelines, the annual replacement reserve allocation of \$696,667 will be added to the replacement reserve fund for adequate replacement of the collection system facilities.

**III. Capital Outlay:**

- A. Machinery and Equipment  
Machinery and Equipment costs funded from Sewer Service Charge Revenue for FY 2023-24 include the following budgeted items:

Manhole covers and frames (annual allowance)	\$ 18,000
Smart covers and flow meters (annual allowance)	15,000
Dump Trailer (proration, shared cost with plant)	7,500

**Total Machinery and Equipment** **\$ 40,500**

B. Capital Projects

This account provides for the construction of capital improvement projects for the collection system facilities.

1. The following projects are budgeted for FY 2023-24 and funded from replacement reserve fund #4655.

- a. Manhole Raising Program (annual allowance) \$ 20,000
- b. Vactor Jetter Truck 370,000

2. The following projects were budgeted for FY 2021-22 and funded from replacement reserve fund #4655.

- a. GSD 2021 Lines CIP projects \$ 282,929

**Fund 4655 Total** **\$ 672,929**

**Total Capital Projects** **\$ 713,429**

## FIRESTONE PUMP STATION

Description	Budgeted	To Date	Projected	Under(Over)	Proposed	Percent	\$ Change
	2022-23	5/19/2023	Actual	Budget	Budget	Change	
			2022-23	2022-23	2023-24	from last	from FY
						FY	2022-23
<b>PERSONNEL</b>							
Basic Salaries	20,261	20,157	22,302	(2,041)	28,107	39%	7,846
Overtime	100	1,761	1,948	(1,848)	100	0%	0
Temporary	165	58	64	101	195	18%	29
Directors Compensation	0	0	0	0	0	0%	0
Workers' Compensation	449	369	403	46	589	31%	140
Retirement	4,272	4,312	4,770	(498)	4,812	13%	540
Active Employee Insurance-Health/Dental/Vision/Disability	5,528	4,909	5,355	173	7,267	31%	1,738
Retiree Health Insurance OPEB Funding	1,938	1,868	1,938	0	2,581	33%	643
FICA	1,191	1,296	1,434	(243)	1,692	42%	501
Medicare	298	303	335	(37)	412	38%	114
Unemployment Insurance	34	32	35	(1)	35	4%	1
<i>Subtotal</i>	34,237	35,065	38,584	(4,347)	45,789	34%	11,553
<b>OPERATING EXPENSES</b>							
Public Education	750	339	406	344	750	0%	0
Janitorial Service & Supplies	0	0	0	0	0	0%	0
Uniforms	0	0	0	0	0	0%	0
Licenses & Permits	500	857	857	(357)	500	0%	0
Freight & Postage	15	0	15	0	15	0%	0
Subscriptions	0	0	0	0	0	0%	0
Vehicle Repairs & Maintenance	600	0	600	0	600	0%	0
Liability & Property Insurance	7,600	6,110	6,110	1,490	7,600	0%	0
Dues & Memberships	0	0	0	0	0	0%	0
Office Supplies	0	0	0	0	0	0%	0
Analysis & Monitoring	100	0	0	100	100	0%	0
Operating Supplies	1,000	0	0	1,000	1,000	0%	0
Attorney Fees	300	57	69	231	300	0%	0
Printing & Publications	20	0	0	20	20	0%	0
Repairs and Maintenance	20,000	24,113	28,936	(8,936)	20,000	0%	0
Travel	0	0	0	0	0	0%	0
Seminars, Conferences and Training	0	0	0	0	0	0%	0
Utilities	4,599	5,857	7,028	(2,429)	4,599	0%	0
Election Expense	0	0	0	0	0	0%	0
Computer Service & Maintenance	0	23	28	(28)	0	0%	0
Lease/Rentals	100	76	91	9	100	0%	0
Biosolids Hauling	0	0	0	0	0	0%	0
Professional Services	0	0	0	0	0	0%	0
Other Expense	0	0	0	0	0	0%	0
<i>Subtotal</i>	35,584	37,432	44,140	(8,557)	35,584	0%	0
<b>Total Personnel and Operating Expenses</b>	<b>69,820</b>	<b>72,496</b>	<b>82,724</b>	<b>(12,904)</b>	<b>81,373</b>	<b>17%</b>	<b>11,553</b>
<b>DEPRECIATION FUNDING</b>							
Replacement Reserve	84,546	77,500	77,500	7,046	84,546	0%	0
<i>Subtotal</i>	84,546	77,500	77,500	7,046	84,546	0%	0
<b>CAPITAL OUTLAY</b>							
Machinery and Equipment	0	10,849	10,849	(10,849)	0	0%	0
Capital Projects - Replacement Reserve Fund (4655)	50,000	0	0	50,000	50,000	0%	0
Capital Projects - Capital Reserve Fund (4650)	0	0	0	0	0	0%	0
Debt Service	0	0	0	0	0	0%	0
<i>Subtotal</i>	50,000	10,849	10,849	39,151	50,000	0%	0
<b>Total Operating &amp; Non-Operating w/o Depreciation</b>	<b>119,820</b>	<b>83,345</b>	<b>93,572</b>	<b>26,248</b>	<b>131,373</b>	<b>10%</b>	<b>11,553</b>
<b>Total Operating &amp; Non-Operating with Depreciation</b>	<b>204,366</b>	<b>160,845</b>	<b>171,072</b>		<b>215,919</b>	<b>6%</b>	<b>11,553</b>

**FIRESTONE PUMP STATION**

I. **Personnel:**

This account has been projected based on labor requirements anticipated for the operation of the Firestone pump station. The projections for labor requirements have been based on past experience and modified for projected efforts.

II. **Operating Expenses:**

The major operating expenses which are budgeted in this area provide for the utilities account and the repair and maintenance account.

A. Utilities

This account provides for power costs and telephone service associated with the Firestone pump station.

B. Repair and Maintenance

This account provides for the purchase of spare parts and continual work required in the repair and maintenance of the pump station.

III. **Replacement Reserve**

As a result of the revenue program, which has been prepared in accordance with Clean Water Grant guidelines, the annual replacement reserve allocation for the Firestone pump station is included in the Wastewater Treatment Facilities replacement reserve fund. This will provide adequate funding for replacement of the pump station facilities

IV. **Capital Outlay:**

A. Machinery and Equipment

This account provides for the purchase of equipment for the Firestone pump station.

B. Capital Projects

This account provides for the construction of capital improvement projects for the Firestone pump station facilities.

1. The following projects were budgeted for FY 2021-22 and funded from replacement reserve fund #4655.

a.	Jocky Pump to regulate flow	\$ 50,000
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<b>Total 655 Fund Capital Projects</b>		<b>\$ 50,000</b>
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## MAIN PUMP STATION

Description	Budgeted	To Date	Projected	Under(Over)	Proposed	Percent	\$ Change
	2022-23	5/19/2023	Actual 2022-23	Budget 2022-23	Budget 2023-24	Change from last FY	from FY 2022-23
<b>PERSONNEL</b>							
Basic Salaries	65,492	90,478	100,103	(34,611)	128,130	96%	62,638
Overtime	300	582	643	(343)	300	0%	0
Temporary	165	58	64	101	195	18%	29
Directors Compensation	0	0	0	0	0	0%	0
Workers' Compensation	1,451	1,193	1,302	149	2,684	85%	1,233
Retirement	15,602	19,613	15,602	0	28,249	81%	12,647
Active Employee Insurance-Health/Dental/Vision/Disability	17,870	12,085	13,184	4,686	33,126	85%	15,256
Retiree Health Insurance OPEB Funding	6,263	6,036	6,263	0	11,764	88%	5,501
FICA	3,932	5,574	6,167	(2,235)	7,768	98%	3,836
Medicare	956	1,304	1,442	(486)	1,865	95%	909
Unemployment Insurance	102	144	159	(57)	151	47%	48
<i>Subtotal</i>	112,134	137,066	144,929	(32,796)	214,231	91%	102,098
<b>OPERATING EXPENSES</b>							
Public Education	750	339	406	344	750	0%	0
Janitorial Service & Supplies	100	60	72	28	100	0%	0
Uniforms	0	0	0	0	0	0%	0
Licenses & Permits	0	0	0	0	0	0%	0
Freight & Postage	100	130	100	0	100	0%	0
Subscriptions	0	0	0	0	0	0%	0
Vehicle Repairs & Maintenance	200	0	0	200	200	0%	0
Liability & Property Insurance	7,200	5,873	5,873	1,327	7,600	6%	400
Dues & Memberships	100	0	100	0	100	0%	0
Office Supplies	200	25	200	0	200	0%	0
Analysis & Monitoring	0	0	0	0	0	0%	0
Operating Supplies	250	0	250	0	1,000	300%	750
Attorney Fees	400	76	400	0	400	0%	0
Printing & Publications	50	0	0	50	50	0%	0
Repairs and Maintenance	20,000	20,753	20,000	0	22,000	10%	2,000
Travel	100	0	0	100	100	0%	0
Seminars, Conferences and Training	0	0	0	0	0	0%	0
Utilities	71,175	66,503	79,803	(8,628)	78,300	10%	7,125
Election Expense	0	0	0	0	0	0%	0
Computer Service & Maintenance	4,000	994	1,200	2,800	6,500	63%	2,500
Lease/Rentals	250	127	153	97	250	0%	0
Biosolids Hauling	0	0	0	0	0	0%	0
Professional Services	1,000	0	0	1,000	1,000	0%	0
Other Expense	0	0	0	0	0	0%	0
<i>Subtotal</i>	105,875	94,880	108,557	(2,682)	118,650	12%	12,775
<b>Total Personnel and Operating Expenses</b>	<b>218,009</b>	<b>231,947</b>	<b>253,486</b>	<b>(35,478)</b>	<b>332,881</b>	<b>53%</b>	<b>114,873</b>
<b>DEPRECIATION FUNDING</b>							
Replacement Reserve	0	0	0	0	0	0%	0
<i>Subtotal</i>	0	0	0	0	0	0%	
<b>CAPITAL OUTLAY</b>							
Machinery and Equipment	0	0	0	0	0	0%	0
Capital Projects - Replacement Reserve Fund (4655)	3,988,554	1,190,786	2,290,786	1,697,768	1,697,768	-57%	(2,290,786)
Capital Projects - Capital Reserve Fund (4650)	0	0	0	0	0	0%	0
Debt Service	0	0	0	0	0	0%	0
<i>Subtotal</i>	3,988,554	1,190,786	2,290,786	1,697,768	1,697,768	-57%	(2,290,786)
<b>Total Operating &amp; Non-Operating w/o Depreciation</b>	<b>4,206,562</b>	<b>1,422,732</b>	<b>2,544,272</b>	<b>1,662,290</b>	<b>2,030,649</b>	<b>-52%</b>	<b>(2,175,913)</b>
<b>Total Operating &amp; Non-Operating with Depreciation</b>	<b>4,206,562</b>	<b>1,422,732</b>	<b>2,544,272</b>		<b>2,030,649</b>	<b>-52%</b>	<b>(2,175,913)</b>



## INDUSTRIAL WASTE CONTROL

Description	Budgeted	To Date	Projected	Under(Over)	Proposed	Percent	\$ Change
	2022-23	5/19/2023	Actual 2022-23	Budget 2022-23	Budget 2023-24	Change from last FY	from FY 2022-23
<b>PERSONNEL</b>							
Basic Salaries	115,700	93,824	103,805	11,895	113,385	-2%	(2,315)
Overtime	200	0	0	200	200	0%	0
Temporary	18,197	584	646	17,551	18,880	4%	682
Directors Compensation	0	0	0	0	0	0%	0
Workers' Compensation	2,563	2,108	2,300	263	2,375	-7%	(188)
Retirement	37,156	32,634	37,156	0	39,384	6%	2,228
Active Employee Insurance-Health/Dental/Vision/Disability	31,569	27,204	29,677	1,892	29,314	-7%	(2,256)
Retiree Health Insurance OPEB Funding	11,064	10,663	11,064	0	10,410	-6%	(654)
FICA	8,177	5,816	6,435	1,742	8,144	0%	(33)
Medicare	1,944	1,360	1,505	439	1,921	-1%	(24)
Unemployment Insurance	557	129	143	414	433	-22%	(124)
<i>Subtotal</i>	227,127	174,323	192,731	34,396	224,445	-1%	(2,683)
<b>OPERATING EXPENSES</b>							
Public Education	7,500	3,386	4,063	3,437	7,500	0%	0
Janitorial Service & Supplies	1,100	833	999	101	1,100	0%	0
Uniforms	500	339	407	93	500	0%	0
Licenses & Permits	0	0	0	0	0	0%	0
Freight & Postage	100	43	52	48	100	0%	0
Subscriptions	450	278	334	116	450	0%	0
Vehicle Repairs & Maintenance	1,000	276	800	200	1,000	0%	0
Liability & Property Insurance	570	456	456	114	570	0%	0
Dues & Memberships	600	312	374	226	600	0%	0
Office Supplies	1,100	335	650	450	1,100	0%	0
Analysis & Monitoring	9,000	(1,544)	(1,853)	10,853	9,000	0%	0
Operating Supplies	1,000	413	551	449	1,000	0%	0
Attorney Fees	3,400	3,011	3,285	115	3,400	0%	0
Printing & Publications	500	0	100	400	500	0%	0
Repairs and Maintenance	3,000	158	3,558	(558)	3,000	0%	0
Travel	1,500	1,624	1,500	0	1,500	0%	0
Seminars, Conferences and Training	1,400	879	1,172	228	1,400	0%	0
Utilities	1,232	450	540	692	1,232	0%	0
Election Expense	0	0	0	0	0	0%	0
Computer Service & Maintenance	1,000	677	600	400	1,000	0%	0
Lease/Rentals	300	319	425	(125)	300	0%	0
Biosolids Hauling	0	0	0	0	0	0%	0
Professional Services	0	0	0	0	0	0%	0
Other Expense	150	132	132	19	150	0%	0
<i>Subtotal</i>	35,402	12,377	18,145	17,257	35,402	0%	0
<b>Total Personnel and Operating Expenses</b>	<b>262,529</b>	<b>186,700</b>	<b>210,876</b>	<b>51,653</b>	<b>259,847</b>	<b>-1%</b>	<b>(2,683)</b>
<b>DEPRECIATION FUNDING</b>							
Replacement Reserve	4,026	3,691	4,026	0	4,026	0%	0
<i>Subtotal</i>	0	0	0	0	0	0%	0
<b>CAPITAL OUTLAY</b>							
Machinery and Equipment	0	0	0	0	7,500	+100%	7,500
Capital Projects - Replacement Reserve Fund (4655)	0	0	0	0	0	0%	0
Capital Projects - Capital Reserve Fund (4650)	0	0	0	0	0	0%	0
Debt Service	0	0	0	0	0	0%	0
<i>Subtotal</i>	0	0	0	0	7,500	+100%	7,500
<b>Total Operating &amp; Non-Operating w/o Depreciation</b>	<b>262,529</b>	<b>186,700</b>	<b>210,876</b>	<b>51,653</b>	<b>267,347</b>	<b>2%</b>	<b>4,817</b>
<b>Total Operating &amp; Non-Operating with Depreciation</b>	<b>262,529</b>	<b>186,700</b>	<b>210,876</b>		<b>267,347</b>		<b>4,817</b>

## INDUSTRIAL WASTE CONTROL

### I. **Personnel:**

This account has been based on projected labor needs that are anticipated for implementation of the expanded Industrial Waste Control Program, which now includes permitting, inspecting, and monitoring restaurants.

This account provides for three positions as follows:

- 1 - Industrial Waste Control Officer
- 1 - Intern (Temporary part-time)

### II. **Operating Expenses:**

- A. Vehicle Repairs and maintenance  
This account provides for fuel and the maintenance and operation of the vehicles used for Industrial Waste Control Program operations.
- B. Dues and Memberships  
This account provides for CWEA membership and for fees associated with the CWEA technical certification program.
- C. Office Supplies  
This account provides for office supplies such as folders, binders, pens, paper, etc. It also provides for purchase of necessary regulatory books, manuals, handbooks, subscriptions, etc.
- D. Operating Supplies  
This account provides for the purchase of equipment and supplies necessary for program implementation.
- E. Attorney Fees  
This account provides for District counsel legal services.
- F. Printing and Publication  
This account provides for publication of legal notices for significant noncompliance, in addition to outside printing of Industrial Waste Control Program material such as educational newsletters.
- G. Repair and Maintenance  
This account provides for general repair and maintenance of Industrial Waste Control Program equipment, and for the purchase of tools and materials for in-house maintenance.
- H. Travel  
This account provides for travel to seminars and conferences related to the Industrial Waste Control Program.

III. **Capital Outlay:**

A. Machinery and Equipment

This account provides for purchase of equipment used for the IWC program.

B. Capital Projects

This account provides for the construction of capital improvement projects for the IWC program. The rehabilitation of the Old-lab facility has been on hold for a number of years and remains on hold for the foreseeable future and has been removed until such time as the work will be performed.

1. The following projects are budgeted for FY 2023-24 and funded from replacement reserve fund #4655

a. Replacement Sampler \$ 7,500

**TOTAL 655 Fund Capital Projects: \$ 7,500**

## LABORATORY

Description	Budgeted	To Date	Projected	Under(Over)	Proposed	Percent	\$ Change
	2022-23	5/19/2023	Actual	Budget	Budget	Change	from FY
			2022-23	2022-23	2023-24	from last	2022-23
						FY	
<b>PERSONNEL</b>							
Basic Salaries	308,753	259,942	287,596	21,157	363,916	18%	55,163
Overtime	3,000	2,103	2,327	673	3,000	0%	0
Temporary	827	292	323	504	973	18%	146
Directors Compensation	0	0	0	0	0	0%	0
Workers' Compensation	6,840	5,626	6,137	703	7,623	11%	783
Retirement	105,348	92,331	105,348	0	116,247	10%	10,899
Active Employee Insurance-Health/Dental/Vision/Disability	84,245	85,733	93,527	(9,282)	94,084	12%	9,840
Retiree Health Insurance OPEB Funding	29,526	28,456	29,526	0	33,413	13%	3,887
FICA	19,207	16,195	17,918	1,289	22,671	18%	3,464
Medicare	4,532	3,788	4,191	341	5,334	18%	802
Unemployment Insurance	483	347	384	99	435	-10%	(48)
<i>Subtotal</i>	562,761	494,813	547,276	15,485	647,697	15%	84,935
<b>OPERATING EXPENSES</b>							
Public Education	4,000	1,693	2,032	1,968	4,000	0%	0
Janitorial Service & Supplies	3,800	3,370	4,044	(244)	4,000	5%	200
Uniforms	1,820	1,318	1,582	238	1,820	0%	0
Licenses & Permits	10,585	5,753	6,903	3,682	16,100	52%	5,515
Freight & Postage	750	669	803	(53)	750	0%	0
Subscriptions	850	339	406	444	850	0%	0
Vehicle Repairs & Maintenance	240	159	190	50	240	0%	0
Liability & Property Insurance	1,680	1,354	1,354	326	1,680	0%	0
Dues & Memberships	3,070	1,811	2,173	897	3,275	7%	205
Office Supplies	800	482	578	222	800	0%	0
Analysis & Monitoring	50,000	22,167	26,600	23,400	60,000	20%	10,000
Operating Supplies	48,200	36,790	44,148	4,052	57,996	20%	9,796
Attorney Fees	2,400	458	549	1,851	2,400	0%	0
Printing & Publications	490	0	0	490	490	0%	0
Repairs and Maintenance	6,622	115	138	6,484	6,622	0%	0
Travel	4,000	1,080	1,295	2,705	4,000	0%	0
Seminars, Conferences and Training	2,700	919	1,103	1,597	2,700	0%	0
Utilities	8,800	7,686	9,223	(423)	9,950	13%	1,150
Election Expense	0	0	0	0	0	0%	0
Computer Service & Maintenance	5,130	2,303	2,763	2,367	5,130	0%	0
Lease/Rentals	700	479	575	125	700	0%	0
Biosolids Hauling	0	0	0	0	0	0%	0
Professional Services	10,705	263	316	10,389	20,705	93%	10,000
Other Expense	200	0	0	200	200	0%	0
<i>Subtotal</i>	167,542	89,205	106,775	60,767	204,408	22%	36,866
<b>Total Personnel and Operating Expenses</b>	<b>730,303</b>	<b>584,018</b>	<b>654,051</b>	<b>76,252</b>	<b>852,105</b>	<b>17%</b>	<b>121,801</b>
<b>DEPRECIATION FUNDING</b>							
Replacement Reserve	0	0	0	0	0	0%	0
<i>Subtotal</i>	0	0	0	0	0	0%	0
<b>CAPITAL OUTLAY</b>							
Machinery and Equipment	12,500	5,247	5,247	7,253	25,500	104%	13,000
Capital Projects - Replacement Reserve Fund (4655)	160,000	974	974	159,026	159,026	-1%	(974)
Capital Projects - Capital Reserve Fund (4650)	0	0	0	0	0	0%	0
Debt Service	0	0	0	0	0	0%	0
<i>Subtotal</i>	172,500	6,221	6,221	166,279	184,526	7%	12,026
<b>Total Operating &amp; Non-Operating w/o Depreciation</b>	<b>902,803</b>	<b>590,239</b>	<b>660,272</b>	<b>242,531</b>	<b>1,036,631</b>	<b>15%</b>	<b>133,828</b>
<b>Total Operating &amp; Non-Operating with Depreciation</b>	<b>902,803</b>	<b>590,239</b>	<b>660,272</b>		<b>1,036,631</b>	<b>15%</b>	<b>133,828</b>

**LABORATORY**

**I. Personnel:**

This account has been based on projected labor needs that are anticipated for proper plant operations and reporting program requirements. The following three personnel are included in this area.

- 1 - Technical Services/Lab Manager
- 1 - Lab Analyst II
- 2 - Lab Analyst I

**II. Operating Expense:**

In prior fiscal years the Laboratory was a cost center under the Treatment Plant Department and beginning last fiscal year an additional department was created with its own departmental budget. The prior year values are included on the summary page for this department.

A. Vehicle Repairs and Maintenance

This account provides for fuel and the maintenance and operation of vehicles used for laboratory operations.

B. Liability & Property Insurance

This account provides for the allocation of the insurance coverage applicable to the lab operations and facilities.

C. Analysis & Monitoring

This account provides for outside professional services such as laboratory analysis and ocean monitoring.

OEC/ABC Labs, Bioassay, Ocean monitoring	\$ 55,000
Outside Laboratories	5,000
<b>Total Analysis &amp; Monitoring</b>	<b>\$ 60,000</b>

D. Operating Supplies

This account provides for the purchase of laboratory supplies, and other related items as follows:

Laboratory Supplies	\$ 25,000
Safety Equipment	2,800
Bacteriological Analysis Supplies	15,000
Lab DI water	4,500
Other Miscellaneous Operating Supplies	10,696
<b>Total Operating Supplies</b>	<b>\$ 57,996</b>

- E. Printing and Publication  
This account provides for miscellaneous legal notices as required.
- F. Professional Services  
This account provides for the other professional services not included in other line items.
- G. Seminar and Conference Registration  
This account provides for registration and attendance at training conferences and seminars such as those hosted by CWEA for assigned plant personnel.
- H. Utilities  
This account provides for utilities used in the lab facilities, with electric power being the major cost factor.

III. **Capital Outlay:**

- A. Machinery and Equipment  
This account provides for the purchase of equipment for use in the Treatment Plant.

24 Hour Refrigerated Composite Sampler	\$ 15,500
Laboratory Equipment Replacement(s)	10,000
<b>Total Machinery and Equipment</b>	<b>\$ 25,500</b>

- B. Capital Projects  
This account provides for the construction of capital improvement projects for the Lab.

- 1. The following project is budgeted for Fiscal Year 2023-24 and funded from replacement reserve fund #4655.

Continuation of the HVAC Air Scrubber project	\$ 159,026
<b>Total Capital Projects</b>	<b>\$ 159,026</b>

**PLANT**

Description	Budgeted	To Date	Projected	Under(Over)	Proposed	Percent	\$ Change
	2022-23	5/19/2023	Actual	Budget	Budget	Change	
	2022-23	5/19/2023	2022-23	2022-23	2023-24	from last	from FY
						FY	2022-23
<b>PERSONNEL</b>							
Basic Salaries	1,577,809	1,163,859	1,287,674	290,135	1,655,503	5%	77,695
Overtime	9,000	5,717	6,326	2,674	9,000	0%	0
Temporary	6,286	2,221	2,458	3,828	7,396	18%	1,110
Directors Compensation	0	0	0	0	0	0%	0
Workers' Compensation	34,953	28,750	31,363	3,590	34,679	-1%	(274)
Retirement	387,710	327,990	387,710	0	426,665	10%	38,954
Active Employee Insurance-Health/Dental/Vision/Disability	430,512	324,288	353,769	76,743	428,003	-1%	(2,509)
Retiree Health Insurance OPEB Funding	150,885	145,418	150,885	0	152,000	1%	1,116
FICA	95,672	71,090	78,653	17,019	99,518	4%	3,847
Medicare	23,100	16,626	18,395	4,705	24,243	5%	1,143
Unemployment Insurance	2,513	1,755	1,942	571	2,025	-19%	(487)
<i>Subtotal</i>	2,718,440	2,087,716	2,319,175	399,265	2,839,033	4%	120,593
<b>OPERATING EXPENSES</b>							
Public Education	29,000	12,866	15,440	13,560	29,000	0%	0
Janitorial Service & Supplies	23,500	19,133	22,960	540	23,500	0%	0
Uniforms	11,180	5,474	7,298	3,882	11,180	0%	0
Licenses & Permits	128,682	74,414	70,000	58,682	128,682	0%	0
Freight & Postage	1,100	721	800	300	1,100	0%	0
Subscriptions	4,600	2,202	2,642	1,958	4,600	0%	0
Vehicle Repairs & Maintenance	15,046	3,412	15,046	0	17,511	16%	2,465
Liability & Property Insurance	163,928	133,284	133,284	30,644	163,928	0%	0
Dues & Memberships	6,900	4,848	5,818	1,082	6,900	0%	0
Office Supplies	5,900	2,837	3,605	2,295	5,900	0%	0
Analysis & Monitoring	98,900	49,430	62,438	36,462	99,100	0%	200
Operating Supplies	564,490	327,179	436,239	128,251	681,534	21%	117,044
Attorney Fees	17,100	11,327	15,103	1,997	17,100	0%	0
Printing & Publications	3,500	903	500	3,000	3,500	0%	0
Repairs and Maintenance	310,000	309,387	335,000	(25,000)	390,500	26%	80,500
Travel	13,000	1,359	8,900	4,100	13,000	0%	0
Seminars, Conferences and Training	20,600	5,743	13,900	6,700	20,300	-1%	(300)
Utilities	539,400	512,346	614,815	(75,415)	539,400	0%	0
Election Expense	0	0	0	0	0	0%	0
Computer Service & Maintenance	108,800	86,041	88,000	20,800	113,800	5%	5,000
Lease/Rentals	125,000	46,783	100,713	24,287	125,000	0%	0
Biosolids Hauling	654,810	242,672	575,000	79,810	654,810	0%	0
Professional Services	233,300	37,502	200,000	33,300	193,300	-17%	(40,000)
Other Expense	400	0	0	400	400	0%	0
<i>Subtotal</i>	3,079,136	1,889,863	2,727,501	351,635	3,244,045	5%	164,909
<b>Total Personnel and Operating Expenses</b>	<b>5,797,576</b>	<b>3,977,578</b>	<b>5,046,676</b>	<b>750,900</b>	<b>6,083,078</b>	<b>5%</b>	<b>285,502</b>
<b>DEPRECIATION FUNDING</b>							
Replacement Reserve	2,268,615	2,058,362	2,262,615	6,000	2,285,485	1%	16,870
<i>Subtotal</i>	2,268,615	2,058,362	2,262,615	6,000	2,285,485	1%	
<b>CAPITAL OUTLAY</b>							
Machinery and Equipment	0	0	0	0	7,500	+100%	7,500
Capital Projects - Replacement Reserve Fund (4655)	436,008	79,709	110,000	326,008	473,630	9%	37,622
Capital Projects - Capital Reserve Fund (4650)	5,228,079	422,599	667,714	4,560,365	7,380,836	41%	2,152,757
Debt Service (P&I)	472,025	472,025	472,025	0	944,048	100%	472,024
<i>Subtotal</i>	6,136,112	974,333	1,249,739	4,886,373	8,806,014	44%	2,669,902
<b>Total Operating &amp; Non-Operating w/o Depreciation</b>	<b>11,933,687</b>	<b>4,951,911</b>	<b>6,296,415</b>	<b>5,637,273</b>	<b>14,889,092</b>	<b>25%</b>	<b>2,955,404</b>
<b>Total Operating &amp; Non-Operating with Depreciation</b>	<b>14,202,302</b>	<b>7,010,273</b>	<b>8,559,030</b>		<b>17,174,577</b>	<b>21%</b>	<b>2,972,274</b>

**PLANT**

**I. Personnel:**

This account has been based on projected labor needs that are anticipated for proper plant operations and reporting program requirements. The following 19 personnel are included in this area.

- 1 - Plant Operations Manager
- 0 - Treatment Plant Operations Supervisor
- 2 - Senior Operator (Grade IV)
- 1 - Senior Project Engineer
- 1 - Safety & Regulatory Compliance Manager
- 4 - Treatment Plant Operator Grade III
- 0 - Treatment Plant Operator Grade II
- 1 - Treatment Plant Operator Grade I
- 1 - Treatment Plant Operator in Training (OIT-III)
- 1 - Facility Maintenance Supervisor
- 1 - Instrumentation Technician
- 1 - Senior Plant Maintenance Technician
- 1 - Electrician
- 0 - Maintenance Technician II
- 1 - Maintenance Technician I
- 2 - Maintenance Workers

Projections for overtime have been made to provide for emergency response required during non-working hours and holidays. In addition, temporary help has been budgeted to implement approved maintenance and repair programs.

**II. Operating Expense:**

A. Vehicle Repairs and Maintenance

This account provides for fuel and the maintenance and operation of vehicles used for plant operations.

B. Liability & Property Insurance

This account provides for the allocation of the insurance coverage applicable to the treatment facilities.

C. Analysis & Monitoring

This account provides for outside professional services such as laboratory analysis and ocean monitoring.

Annual Flow and Gas meter Calibration	\$ 14,000
Investigation Analysis and outside labs	74,692
APCD Annual Source Testing / Certification	10,408

**Total Analysis & Monitoring** **\$ 99,100**

D. Operating Supplies

This account provides for the purchase of chemicals for the plant operations, uniforms, laboratory supplies, and other related items as follows:

Sodium Hypochlorite	\$ 200,000
Sodium Bisulfite	60,000
Ferric Chloride	140,000
Polymer for Sludge Dewatering and thickening	164,000
Grease, Oils, Lubrication	8,000
Generator/Tractor Diesel Fuel	55,000
Herbicides/Lawn Products	2,500
Solvents/Degreasers/Make-up Water Inhibitors	1,500
Boiler Chemical Inhibitors	4,500
Boiler water softener tanks	5,000
Deodorizers/Grit Dumpster at head works	1,500
Safety Boot Allowance	5,104
Safety Equipment and fall protection	17,000
Welding Gases and supplies	3,850
H2S Gas Detector Tubes ( Draeger Tubes)	5,000
Fuel/Oil/Propane	10,080

**Total Operating Supplies** **\$ 681,534**

E. Printing and Publication

This account provides for miscellaneous legal notices as required.

F. Repairs and Maintenance

This account provides for the general repair and maintenance of the plant facilities as outlined below:

Area Signs and Pipe Identification Signs	\$ 5,000
Pipe and Fittings	50,000
Steel	15,000
Flow Meter Parts	15,000
Paint Supplies	20,000
Mower Parts	2,000
Miscellaneous Parts	15,000
Electrical Parts/Equipment	20,000
Safety Equipment Repairs	8,000
O&M Cleaning supplies	1,500
Waste Oil	2,000
Landscape Supplies	6,000
Heavy Equip. Repair (Tractors/Loaders)	15,000
Repair Services/Machine Shop	12,000
Misc. Pumps, Process Equip. Mechanical Parts	80,000
Dredge Repairs	8,000
Outside Contractor Repairs	15,000
Tree removal & chipping	8,000
Cat 200 Generator Load Bank testing & service	5,000
Flygt Parts for RAS Station	20,000
Vogelsang WSS Pump Spare wear parts	28,000

Huber Thickener Parts	25,000
Generac Generator Spare Parts	15,000

**Total Repairs and Maintenance: \$ 390,500**

G. Seminar and Conference Registration  
This account provides for registration and attendance at training conferences and seminars such as those hosted by CWEA for assigned plant personnel.

H. Utilities  
This account provides for utilities used in the treatment facilities, with electric power being the major cost factor.

I. Biosolids Hauling  
This account provides for Biosolids disposal and hauling **\$ 654,810**

J. Professional Services  
This account provides for other professional services not included in other line items such as emergency generator service; Boiler Maintenance; Competency Based Training, SDS Management; Engineering Services; Cathodic Protection Study; Plant Model; Lucity Training and Instruction; Health physicals and testing.

K. Replacement Reserve  
As a result of the revenue program that has been prepared in accordance with Clean Water Grant guidelines, the annual replacement reserve allocation of \$1,094,062 will be added to the replacement reserve fund for adequate replacement of all the wastewater treatment facilities.

**III. Capital Outlay:**

A. Machinery and Equipment  
This account provides for the purchase of equipment for use in the Treatment Plant.

Dump Trailer (proration, shared cost with collections) **\$ 7,500**

B. Capital Projects  
This account provides for the construction of capital improvement projects for the treatment facilities.

1. The following projects are budgeted for FY 2023-24 and funded from replacement reserve fund #4650.

Biosolids & Energy Strategic Plan project continuation	\$ 5,974,371
Biosolids & Energy Strategic Plan Solids-Handling-Improvement-Project continuation	\$ 906,464

2. The following projects are budgeted for FY 2021-22 and funded from replacement reserve fund #4650.

Biosolids Reduction Sludge Treatment (Lystek)	\$ 250,000
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3. The following projects are budgeted for FY 2020-21 and funded from replacement reserve fund #4650.

Advanced Water Treatment Plant Preliminary Engineering	\$ 250,000
<b>Fund 4650 Total</b>	<b>\$ 7,380,835</b>

1. The following projects are budgeted for FY 2023-24 and funded from replacement reserve fund #4655.

PM Building AHU Replacement additional	\$ 50,000
Plant Bisulfite Pumps, Control Skid, & Programing	60,000
IPC's (touch control screens) Aveva (Wonderware) upgrades	20,000
Neuros Variable Frequency Drive VFD spare	25,000
Weld shop upgrades, welder/tool boxes	25,000

2. The following projects were budgeted for FY 2022-23 and funded from replacement reserve fund #4655

Chemical Storage Discharge Pump	\$ 40,000
Vehicle Lift	16,467
Fire System Isolation Valve replacement	20,000

3. The following projects were budgeted for FY 2021-22 and funded from replacement reserve fund #4655.

PM Building AHU Replacement	\$ 50,000
Wemco Grit Pump CCW	35,000
Air Relief Valves Plantwide	25,000

4. The following projects were budgeted for FY 2020-21 and funded from replacement reserve fund #4655.

Solids Building Transfer Pumps	\$ 47,163
Hypochlorite Feed Pipe continuation	35,000
Replacement Pump	25,000

**Fund 4655 Total** **\$ 473,630**

Loan payment \$ 944,048

**Total Capital Projects** **\$ 8,806,014**

## OUTFALL

Description	Budgeted	To Date	Projected	Under(Over)	Proposed	Percent	\$ Change
	2022-23	5/19/2023	Actual	Budget	Budget	Change	
			2022-23	2022-23	2023-24	from last	from FY
						FY	2022-23
<b>PERSONNEL</b>							
Basic Salaries	9,775	4,449	4,923	4,852	14,963	53%	5,188
Overtime	0	0	0	0	0	0%	0
Temporary	331	117	129	202	389	18%	58
Directors Compensation	0	0	0	0	0	0%	0
Workers' Compensation	217	178	194	23	313	45%	97
Retirement	1,785	1,282	1,785	0	2,305	29%	520
Active Employee Insurance-Health/Dental/Vision/Disability	2,667	1,274	1,390	1,277	3,868	45%	1,201
Retiree Health Insurance OPEB Funding	935	901	935	0	1,374	47%	439
FICA	586	249	276	310	883	51%	297
Medicare	147	58	64	83	223	52%	76
Unemployment Insurance	22	6	7	15	23	8%	2
<i>Subtotal</i>	16,464	8,516	9,703	6,761	24,342	48%	7,879
<b>OPERATING EXPENSES</b>							
Public Education	1,125	677	813	312	1,125	0%	0
Janitorial Service & Supplies	60	40	48	12	60	0%	0
Uniforms	0	0	0	0	0	0%	0
Licenses & Permits	0	0	0	0	0	0%	0
Freight & Postage	50	26	25	25	50	0%	0
Subscriptions	0	0	0	0	0	0%	0
Vehicle Repairs & Maintenance	100	0	0	100	100	0%	0
Liability & Property Insurance	9,130	7,342	7,342	1,788	9,130	0%	0
Dues & Memberships	0	0	0	0	0	0%	0
Office Supplies	100	25	60	40	100	0%	0
Analysis & Monitoring	8,000	0	0	8,000	8,000	0%	0
Operating Supplies	75	0	0	75	75	0%	0
Attorney Fees	1,300	248	297	1,003	1,300	0%	0
Printing & Publications	48	0	0	48	48	0%	0
Repairs and Maintenance	2,000	0	2,000	0	2,000	0%	0
Travel	150	0	0	150	150	0%	0
Seminars, Conferences and Training	0	0	0	0	0	0%	0
Utilities	657	95	113	544	657	0%	0
Election Expense	0	0	0	0	0	0%	0
Computer Service & Maintenance	0	47	56	(56)	0	0%	0
Lease/Rentals	200	118	142	58	200	0%	0
Biosolids Hauling	0	0	0	0	0	0%	0
Professional Services	25,000	3,870	3,870	21,130	25,000	0%	0
Other Expense	0	0	0	0	0	0%	0
<i>Subtotal</i>	47,995	12,487	14,766	33,229	47,995	0%	0
<b>Total Personnel and Operating Expenses</b>	<b>64,459</b>	<b>21,003</b>	<b>24,469</b>	<b>39,990</b>	<b>72,337</b>	<b>12%</b>	<b>7,879</b>
<b>DEPRECIATION FUNDING</b>							
Replacement Reserve	106,141	97,296	97,296	8,845	106,141	0%	0
<i>Subtotal</i>	106,141	97,296	97,296	8,845	106,141	0%	0
<b>CAPITAL OUTLAY</b>							
Machinery and Equipment	0	0	0	0	0	0%	0
Capital Projects - Replacement Reserve Fund (4655)	53,200	0	0	53,200	53,200	0%	0
Capital Projects - Capital Reserve Fund (4650)	0	0	0	0	0	0%	0
Debt Service	0	0	0	0	0	0%	0
<i>Subtotal</i>	53,200	0	0	53,200	53,200	0%	0
<b>Total Operating &amp; Non-Operating w/o Depreciation</b>	<b>117,659</b>	<b>21,003</b>	<b>24,469</b>	<b>93,190</b>	<b>125,537</b>	<b>7%</b>	<b>7,879</b>
<b>Total Operating &amp; Non-Operating with Depreciation</b>	<b>223,800</b>	<b>118,299</b>	<b>121,765</b>		<b>231,678</b>	<b>4%</b>	<b>7,879</b>

## OUTFALL

Goleta Sanitary District, Goleta West Sanitary District, University of California, Santa Barbara Municipal Airport, and the County of Santa Barbara all share in the costs associated with the maintenance of the outfall facility based on their contractual outfall capacity percentage. The following is a summary of the costs associated with the maintenance of the outfall facility:

### **I. Personnel:**

This account has been projected based on labor requirements anticipated for the maintenance of the District's outfall. This budget projection and allocation of personnel will be closely monitored and adjusted as necessary.

### **II. Operating Expenses:**

- A. **Analysis and Monitoring**  
This account provides for inspecting the impressed current cathodic protection system and underwater inspection of the outfall.
- B. **Repair and Maintenance**  
This account provides for miscellaneous repairs to electrical box and access vault.
- C. **Professional Services**  
This account provides for services related to inspection services of both the interior and exterior of the outfall line.

### **III. Replacement Reserve**

As a result of the revenue program that has been prepared in accordance with Clean Water Grant guidelines, the annual replacement reserve allocation of \$59,331 will be added to the replacement reserve fund, the District's share, for adequate replacement of the outfall facility.

### **IV. Capital Outlay**

- A. *Machinery and Equipment*  
This account provides for purchase of equipment for use in the ocean outfall facilities. No equipment was specified for this operation.
- B. *Capital Projects*  
This account provides for the construction of capital projects for the Ocean Outfall Facilities.

Cathodic Well Replacement Project	\$ 53,200
<b>Total Capital Projects</b>	<b>\$ 53,200</b>

## RECLAMATION OPERATIONS

Description	Budgeted	To Date	Projected	Under(Over)	Proposed	Percent	\$ Change
	2022-23	5/19/2023	Actual 2022-23	Budget 2022-23	Budget 2023-24	Change from last FY	from FY 2022-23
<b>PERSONNEL</b>							
Basic Salaries	172,829	85,570	94,673	78,156	90,782	-47%	(82,046)
Overtime	2,100	1,312	1,452	648	2,100	0%	0
Temporary	1,323	467	517	806	1,557	18%	234
Directors Compensation	0	0	0	0	0	0%	0
Workers' Compensation	3,829	3,149	3,435	394	1,902	-50%	(1,927)
Retirement	44,069	30,823	44,069	0	23,064	-48%	(21,005)
Active Employee Insurance-Health/Dental/Vision/Disability	47,157	26,648	29,071	18,086	23,470	-50%	(23,687)
Retiree Health Insurance OPEB Funding	16,527	15,928	16,527	0	8,335	-50%	(8,192)
FICA	10,704	5,327	5,894	4,810	5,648	-47%	(5,055)
Medicare	2,556	1,246	1,378	1,178	1,369	-46%	(1,186)
Unemployment Insurance	289	86	95	194	129	-55%	(159)
<i>Subtotal</i>	301,382	170,556	197,111	104,270	158,357	-47%	(143,024)
<b>OPERATING EXPENSES</b>							
Public Education	6,000	2,709	3,250	2,750	6,000	0%	0
Janitorial Service & Supplies	1,640	1,458	1,750	(110)	1,640	0%	0
Uniforms	0	0	0	0	0	0%	0
Licenses & Permits	1,500	0	0	1,500	1,500	0%	0
Freight & Postage	150	65	100	50	150	0%	0
Subscriptions	0	0	0	0	0	0%	0
Vehicle Repairs & Maintenance	100	0	100	0	100	0%	0
Liability & Property Insurance	38,070	30,601	30,601	7,469	38,070	0%	0
Dues & Memberships	100	0	0	100	100	0%	0
Office Supplies	100	25	80	20	100	0%	0
Analysis & Monitoring	2,000	3,982	4,779	(2,779)	4,000	100%	2,000
Operating Supplies	28,000	16,842	27,000	1,000	31,000	11%	3,000
Attorney Fees	1,300	248	297	1,003	1,300	0%	0
Printing & Publications	150	0	0	150	150	0%	0
Repairs and Maintenance	35,270	20,578	24,694	10,576	35,270	0%	0
Travel	200	0	0	200	200	0%	0
Seminars, Conferences and Training	100	0	0	100	100	0%	0
Utilities	100,740	75,869	91,043	9,697	100,740	0%	0
Election Expense	0	0	0	0	0	0%	0
Computer Service & Maintenance	1,545	748	997	548	1,545	0%	0
Lease/Rentals	60,213	146	195	60,018	213	-100%	(60,000)
Biosolids Hauling	0	0	0	0	0	0%	0
Professional Services	1,000	0	0	1,000	11,100	1010%	10,100
Other Expense	1,000	0	0	1,000	1,000	0%	0
<i>Subtotal</i>	279,178	153,272	184,886	94,292	234,278	-16%	(44,900)
<b>Total Personnel and Operating Expenses</b>	<b>580,560</b>	<b>323,828</b>	<b>381,997</b>	<b>198,563</b>	<b>392,635</b>	<b>-32%</b>	<b>(187,924)</b>
<b>DEPRECIATION FUNDING</b>							
Replacement Reserve	420,644	386,341	421,463	(819)	421,463	0%	819
<i>Subtotal</i>	420,644	386,341	421,463	(819)	421,463	0%	
<b>CAPITAL OUTLAY</b>							
Machinery and Equipment	0	0	0	0	0	0%	0
Capital Projects - Replacement Reserve Fund (4655)	178,103	0	0	178,103	394,617	122%	216,514
Capital Projects - Capital Reserve Fund (4650)	0	0	0	0	0	0%	0
Debt Service	0	0	0	0	0	0%	0
<i>Subtotal</i>	178,103	0	0	178,103	394,617	122%	216,514
<b>Total Operating &amp; Non-Operating w/o Depreciation</b>	<b>758,663</b>	<b>323,828</b>	<b>381,997</b>	<b>376,666</b>	<b>787,252</b>	<b>4%</b>	<b>28,590</b>
<b>Total Operating &amp; Non-Operating with Depreciation</b>	<b>1,179,306</b>	<b>710,169</b>	<b>803,460</b>		<b>1,208,715</b>	<b>2%</b>	<b>29,408</b>

FISCAL YEAR 2023-24

## RECLAMATION FACILITIES

All costs associated with the operation and maintenance of the wastewater reclamation facilities are reimbursed by the Goleta Water District as per the agreement for construction and operation of the wastewater reclamation facilities between the Goleta Sanitary District and the Goleta Water District. The following is a summary of the costs associated with the operation and maintenance of the reclamation facilities:

### I. Personnel:

This account has been projected based on labor requirements anticipated for the operation of the reclamation facilities. This budget projection and allocation of personnel was based on full operation of the facilities to reclaim the production volume projected by the Goleta Water District.

### II. Operating Expenses:

The major operating expenses that are budgeted in this area provide for the following accounts based on full operation as projected by the Goleta Water District.

#### A. Operating Supplies

This account provides for the purchase of chemicals and lab supplies for the reclamation facilities.

Reclaimed Water Production:

Coagulant and Polymer:	\$ 31,000
Sodium Hypochlorite (free to GWD in exchange for Irrigation water (3W)	
<b>Total</b>	<b>\$ 31,000</b>

#### B. Repair and Maintenance

This account provides for the general repair and maintenance of the reclamation facilities.

Electrical Parts/Circuit Boards	\$ 17,500
Mechanical Parts	15,270
Lubricants & Misc.	800
Paint	700
Miscellaneous	<u>1,000</u>
<b>Total</b>	<b>\$ 35,270</b>

#### C. Utilities

This account provides for utilities used in the reclamation facilities, including water and electricity for distribution system pumps.

#### D. Professional Services

This account provides for professional services not included in other line items.

III. **Capital Outlay:**

A. Machinery and Equipment

This account provides for the purchase of equipment for use in the reclamation plant:

B. Capital Projects

This account provides for the construction of capital projects for the wastewater reclamation facilities.

The following projects are budgeted for FY 2023-24

In-line UV disinfection study	\$ 180,000
UV Trans Prob	20,000
Filter PLC and Controls, additional	63,474

The following projects were budgeted for FY 2020-21.

Filter PLC and Controls	\$ 131,143
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**Total Capital Projects** **\$ 394,617**

**CAPITAL PROJECTS SUMMARY  
FISCAL YEAR 2023-24**

The following projects will be funded from the replacement reserve fund #4655.

**Administration:**

1. Capital Improvement Projects Budgeted for FY 2023-24		
a. Admin office modifications and construction	\$	10,000
b. Springbrook upgrade to cloud with timekeeping module		33,197
<b>Total</b>	<b>\$</b>	<b>43,197</b>

**Collection System:**

2. Capital Improvement Projects Budgeted for FY 2023-24		
a. Manhole raising program (annual allowance)	\$	20,000
b. Vactor Jetter Truck		370,000
3. Capital Improvement Projects Budgeted for FY 2021-22		
a. GSD 2021 Lines CIP projects	\$	282,929
<b>Total</b>	<b>\$</b>	<b>672,929</b>

**Firestone Lift Station:**

1. Capital Improvement Projects Budgeted for FY 2021-22		
a. Jockey pump to regulate flows	\$	50,000
<b>Total</b>	<b>\$</b>	<b>50,000</b>

**Main Pump Station:**

1. Capital Improvement Projects Budgeted for FY 2023-24		
a. Continuation of 2019 Lift Station Rehabilitation project	\$	1,697,767
<b>Total</b>	<b>\$</b>	<b>1,697,767</b>

**Laboratory:**

1. Capital Improvement Projects Budgeted included in FY 2023-24 Budget		
a. Continuation of the HVAC Air Scrubber project	\$	159,026
<b>Total</b>	<b>\$</b>	<b>159,026</b>

**Wastewater Treatment Facilities:**

The following projects will be funded from the capacity reserve fund #4650.

1. Capital Improvement Projects Budgeted for FY 2023-24		
a. Biosolids & Energy Strategic Plan continuation	\$	5,974,371
b. Biosolids & Energy Strategic Plan Solids-Handling-Improvement-Project continuation	\$	906,464
2. Capital Improvement Projects Budgeted for FY 2021-22		
a. Biosolids Reduction Sludge Treatment (Lystek)		250,000
3. Capital Improvement Projects included in FY 2020-21 Budget		
a. Advanced water Treatment Plant Preliminary Engineering	\$	250,000

**Total** **\$ 7,380,836**

Additionally, a BESP Loan Payment will be made in FY 2023-24 of \$ 944,048

The following projects will be funded from the replacement reserve fund #4655.

**Plant:**

1. Capital Improvement Projects Budgeted for FY 2023-24		
a. PM Building AHU Replacement additional	\$	50,000
b. Plant Bisulfite Pumps, Control Skid, & Programing		60,000
c. IPC's (touch control screens) Aveva (Wonderware) upgrades		20,000
d. Neuros Variable Frequency Drive VFD spare		25,000
e. Weld shop upgrades, welder/tool boxes		25,000
2. Capital Improvement Projects Budgeted for FY 2022-23		
a. Chemical Storage Discharge Pump	\$	40,000
b. Vehicle Lift		16,467
c. Fire System Isolation Valve Replacement		20,000
3. Capital Improvement Projects Budgeted for FY 2021-22		
a. PM Building AHU Replacement		50,000
b. Wemco Grit Pump CCW		35,000
c. Air Relief Valves Plantwide		25,000
4. Capital Improvement Projects included in FY 2020-21 Budget		
a. Solids Building Transfer Pumps		47,163
b. Hypochlorite Feed Piping		35,000
c. Replacement Pump		25,000
	<b>Total</b>	<b>\$ 473,630</b>

**Outfall:**

1. Capital Improvement Projects Budgeted		
a. Cathodic Well Replacement Project additional	\$	53,200
	<b>Total</b>	<b>\$ 53,200</b>

**Reclamation Facilities:**

1. Capital Improvement Projects Budgeted for FY 2021-22		
a. In-line UV disinfection Study	\$	180,000
b. UV Trans Prob		20,000
c. Filter PLC and Controls additional		63,474
2. Capital Improvement Projects Budgeted for FY 2021-22		
a. Filter PLC and Controls	\$	131,143
	<b>Total</b>	<b>\$ 394,617</b>

**Total District Capital Projects FY 2023-24** **\$ 10,925,202**

# **AGENDA ITEM #3**

**AGENDA ITEM: 3**

**MEETING DATE: June 20, 2023**

**I. NATURE OF ITEM**

Consideration and Adoption of Resolution No. 23-703 Approving Revised Organization Chart and Employee Pay Schedule

**II. BACKGROUND INFORMATION**

The current employee pay schedule and organizational chart for the District was adopted by Resolution No. 22-688 on September 19, 2022. On April 17, 2023 the Governing Board approved a cost of living adjustment (COLA) of 6.7% for Fiscal Year 2023-24 (FY23-24) for eligible employees, and that adjustment is reflected in the FY23-24 Pay Schedule attached as Exhibit B to Resolution No. 23-703.

The adoption of a formal resolution relating to changes to employee compensation is necessary to comply with existing regulations (Title 2, California Code of Regulations Section 570.5), which set forth specific requirements pertaining to publicly available pay schedules.

**III. COMMENTS AND RECOMMENDATIONS**

Included in the resolution are two exhibits, both exhibits include changes. The pay schedule shows the changes as discussed in the review of the draft FY23-24 Budget. In order to meet the above-referenced requirements associated with the approval of public employee pay schedules, and to reflect the personnel costs to be included in the FY23-24 Budget, it is recommended that the Board adopt Resolution No. 23-703 approving and adopting a revised organizational chart and revised employee pay schedule.

**IV. REFERENCE MATERIAL**

Resolution No. 23-703 with Exhibits A and B

**RESOLUTION NO. 23-703**

**RESOLUTION OF THE GOVERNING BOARD OF THE GOLETA  
SANITARY DISTRICT APPROVING AND ADOPTING A REVISED  
ORGANIZATION CHART AND REVISED EMPLOYEE PAY SCHEDULE**

**WHEREAS**, on June 20, 2022, the Governing Board (the “Board”) of the Goleta Sanitary District (the “District”) adopted Resolution No. 22-688 approving and adopting a revised organization chart and a revised pay schedule relating to the District’s employees; and

**WHEREAS**, on September 19, 2022 the Board of the District adopted Resolution No. 22-693 approving and adopting a revised organization chart (the “Current Organization Chart”) and a revised pay schedule (the “Current Pay Schedule”) relating to the District’s employees for employee retention and succession planning purposes; and

**WHEREAS**, on April 17, 2023 the Board approved a 6.7% cost of living adjustment to the rate of pay of all eligible employees, effective as of July 1, 2023 (the “Approved COLA”); and

**WHEREAS**, on June 20, 2023 the Board adopted the Fiscal Year 2023-24 (FY23-24) budget that included changes to the District’s organization chart and the Approved COLA; and

**WHEREAS**, the Board desires to revise the Current Organization Chart and the Current Pay Schedule to reflect the approved FY23-24 Budget.

**NOW, THEREFORE, BE IT RESOLVED** by the Governing Board of the Goleta Sanitary District as follows:

**1. Organization Chart.** The Board hereby approves the revised organization chart attached hereto as Exhibit “A” and incorporated herein by this reference.

**2. Adoption of Revised Pay Schedule.** The Board hereby approves and adopts the revised pay schedule attached hereto as Exhibit “B” and incorporated herein by this reference to reflects the approved COLA (the “2023-24 Pay Schedule”), effective as of July 1, 2023.

**3. Requirements Applicable to Revised Pay Schedule.** The 2023-24 Pay Schedule shall be immediately accessible and available for public review from the District during normal business hours and shall be retained by the District and available for public inspection for not less than five years.

**4. Future Revisions.** Any revisions that are made to the 2023-24 Pay Schedule in the future shall be approved by the Board in accordance with the requirements of applicable public meetings laws, and shall comply in all other respects with Title 2, California Code of Regulations Section 570.5. Further, pursuant to Resolution No. 14-579, (i) any future increases in Board member compensation shall be approved in accordance with Health & Safety Code Section 6489, Chapter 2 of Division 10 of the Water Code, and other applicable provisions of

law, and (ii) Board member compensation shall not be subject to Resolution No. 11-522, which sets forth the procedure for calculating cost of living adjustments to the salary scale for employees of the District.

**PASSED AND ADOPTED** this 20th day of June, 2023, by the following vote of the Governing Board of the Goleta Sanitary District:

**AYES:**        **Rose, Fuller, Smith, Majoewsky, Emerson**

**NOES:**        **None**

**ABSENT:**    **None**

**ABSTAIN:**   **None**

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Sharon Rose,  
President of the Governing Board

**COUNTERSIGNED:**

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Robert O. Mangus, Jr.,  
Secretary of the Governing Board

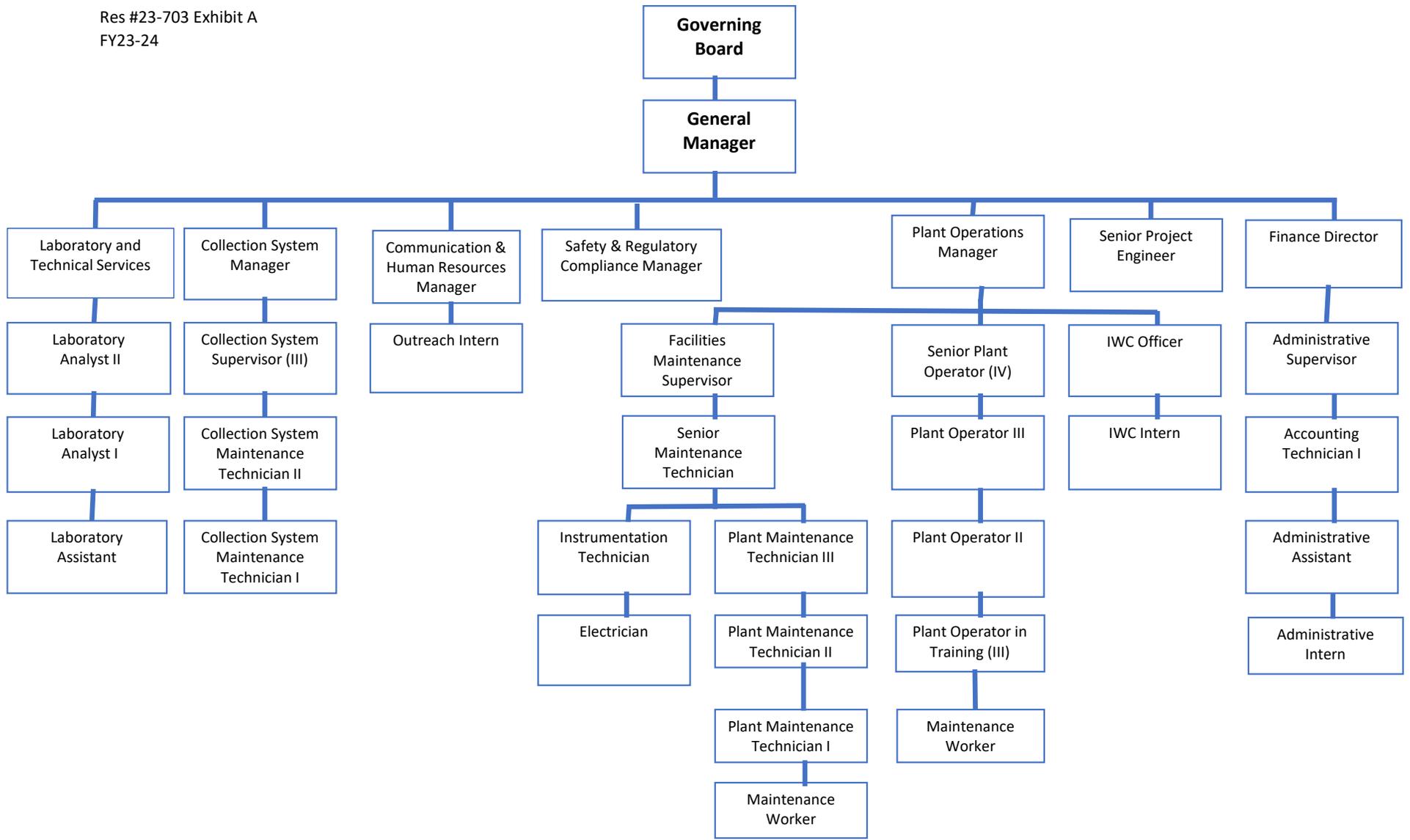
CERTIFICATION

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the Goleta Sanitary District Governing Board held on September 19, 2022.

ATTEST:

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Robert O. Mangus, Jr.,  
Secretary of the Governing Board  
of the Goleta Sanitary District



## GOLETA SANITARY DISTRICT

## Resolution 23-702 EXHIBIT B

## PAY SCHEDULE

Schedule presented to the GSD Board 06/20/23.

Annually / Monthly / Biweekly / Hourly

GSD Board approved COLA 04/17/23:

6.70% Effective 07/01/23

POSITION	RANGE	AA	A	B	C	D	E
Part-time, Hourly Maintenance/Intern; but meet or exceed CA Minimum wage	100	16.29	17.11	17.96	18.86	19.80	20.79
		52,915	55,557	58,344	61,256	64,314	67,536
		4,410	4,630	4,862	5,105	5,360	5,628
		2,035	2,137	2,244	2,356	2,474	2,598
<b>Administrative Assistant</b>	300	25.44	26.71	28.05	29.45	30.92	32.47
		55,931	58,718	61,651	64,730	67,974	71,375
		4,661	4,893	5,138	5,394	5,665	5,948
		2,151	2,258	2,371	2,490	2,614	2,745
<b>Maintenance Worker</b>	320	26.89	28.23	29.64	31.12	32.68	34.32
		62,691	65,832	69,118	72,571	76,190	80,007
		5,224	5,486	5,760	6,048	6,349	6,667
		2,411	2,532	2,658	2,791	2,930	3,077
<b>Collection System Maintenance Technician I</b>	460	30.14	31.65	33.23	34.89	36.63	38.47
		63,398	66,560	69,888	73,382	77,043	80,895
		5,283	5,547	5,824	6,115	6,420	6,741
		2,438	2,560	2,688	2,822	2,963	3,111
<b>Accounting Technician</b>	500	30.48	32.00	33.60	35.28	37.04	38.89
		66,352	69,680	73,174	76,835	80,683	84,712
		5,529	5,807	6,098	6,403	6,724	7,059
		2,552	2,680	2,814	2,955	3,103	3,258
<b>Plant Maintenance Technician I</b>	540	31.90	33.50	35.18	36.94	38.79	40.73
		68,099	71,510	75,088	78,832	82,784	86,932
		5,675	5,959	6,257	6,569	6,899	7,244
		2,619	2,750	2,888	3,032	3,184	3,344
<b>Laboratory Analyst I</b>	560	32.74	34.38	36.10	37.90	39.80	41.79
		68,286	71,698	75,275	79,040	82,992	87,131
		5,691	5,975	6,273	6,587	6,916	7,261
		2,626	2,758	2,895	3,040	3,192	3,351
<b>Operator in Training III</b>	565	32.83	34.47	36.19	38.00	39.90	41.89
		68,411	71,822	75,421	79,186	83,138	87,287
		5,701	5,985	6,285	6,599	6,928	7,274
		2,631	2,762	2,901	3,046	3,198	3,357
<b>Treatment Plant Operator I</b>	570	32.89	34.53	36.26	38.07	39.97	41.97
		72,717	76,357	80,184	84,198	88,400	92,814
		6,060	6,363	6,682	7,017	7,367	7,735
		2,797	2,937	3,084	3,238	3,400	3,570
<b>Collection System Maintenance Technician II</b>	620	34.96	36.71	38.55	40.48	42.50	44.62
		73,403	77,064	80,912	84,947	89,190	93,656
		6,117	6,422	6,743	7,079	7,433	7,805
		2,823	2,964	3,112	3,267	3,430	3,602
<b>Accounting/Administration Specialist</b>	660	35.29	37.05	38.90	40.84	42.88	45.03
		76,627	80,454	84,469	88,691	93,122	97,785
		6,386	6,705	7,039	7,391	7,760	8,149
		2,947	3,094	3,249	3,411	3,582	3,761
<b>Treatment Plant Operator II</b>	690	36.84	38.68	40.61	42.64	44.77	47.01

## GOLETA SANITARY DISTRICT

## Resolution 23-702 EXHIBIT B

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POSITION	RANGE	AA	A	B	C	D	E
Plant Maintenance Technician II	700	76,814	80,662	84,698	88,941	93,392	98,051
		6,401	6,722	7,058	7,412	7,783	8,171
		2,954	3,102	3,258	3,421	3,592	3,771
		36.93	38.78	40.72	42.76	44.90	47.14
Collection System Maintenance Technician III	760	79,955	83,949	88,150	92,560	97,178	102,047
		6,663	6,996	7,346	7,713	8,098	8,504
		3,075	3,229	3,390	3,560	3,738	3,925
		38.44	40.36	42.38	44.50	46.72	49.06
Laboratory Analyst II	800	81,557	85,634	89,918	94,411	99,133	104,087
		6,796	7,136	7,493	7,868	8,261	8,674
		3,137	3,294	3,458	3,631	3,813	4,003
		39.21	41.17	43.23	45.39	47.66	50.04
Industrial Waste Control Officer	840	82,368	86,486	90,813	95,347	100,110	105,109
		6,864	7,207	7,568	7,946	8,343	8,759
		3,168	3,326	3,493	3,667	3,850	4,043
		39.60	41.58	43.66	45.84	48.13	50.53
Electrician	860	83,595	87,776	92,165	96,782	101,629	106,706
		6,966	7,315	7,680	8,065	8,469	8,892
		3,215	3,376	3,545	3,722	3,909	4,104
		40.19	42.20	44.31	46.53	48.86	51.30
Plant Maintenance Technician III	900	84,531	88,754	93,184	97,843	102,731	107,860
		7,044	7,396	7,765	8,154	8,561	8,988
		3,251	3,414	3,584	3,763	3,951	4,148
		40.64	42.67	44.80	47.04	49.39	51.86
Treatment Plant Operator III	950	85,675	89,960	94,453	99,174	104,125	109,325
		7,140	7,497	7,871	8,265	8,677	9,110
		3,295	3,460	3,633	3,814	4,005	4,205
		41.19	43.25	45.41	47.68	50.06	52.56
Administrative Supervisor	970	86,944	91,291	95,846	100,630	105,664	110,945
		7,245	7,608	7,987	8,386	8,805	9,245
		3,344	3,511	3,686	3,870	4,064	4,267
		41.80	43.89	46.08	48.38	50.80	53.34
Instrumentation Technician	980	90,189	94,702	99,445	104,416	109,637	115,118
		7,516	7,892	8,287	8,701	9,136	9,593
		3,469	3,642	3,825	4,016	4,217	4,428
		43.36	45.53	47.81	50.20	52.71	55.35
Senior Plant Maintenance Technician	1150	92,144	96,741	101,587	106,662	111,987	117,582
		7,679	8,062	8,466	8,889	9,332	9,799
		3,544	3,721	3,907	4,102	4,307	4,522
		44.30	46.51	48.84	51.28	53.84	56.53
Senior Plant Operator (IV)	1150	92,144	96,741	101,587	106,662	111,987	117,582
		7,679	8,062	8,466	8,889	9,332	9,799
		3,544	3,721	3,907	4,102	4,307	4,522
		44.30	46.51	48.84	51.28	53.84	56.53
Safety & Regulatory Compliance Manager	1200	93,163	97,822	102,710	107,848	113,235	118,891
		7,764	8,152	8,559	8,987	9,436	9,908
		3,583	3,762	3,950	4,148	4,355	4,573
		44.79	47.03	49.38	51.85	54.44	57.16

## GOLETA SANITARY DISTRICT

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POSITION	RANGE	AA	A	B	C	D	E			
Facilities Maintenance Supervisor	1330	102,586	107,723	113,110	118,768	124,717	130,942			
		8,549	8,977	9,426	9,897	10,393	10,912			
		3,946	4,143	4,350	4,568	4,797	5,036			
		49.32	51.79	54.38	57.10	59.96	62.95			
Plant Operations Supervisor	1350	103,355	108,514	113,942	119,642	125,632	131,918			
		8,613	9,043	9,495	9,970	10,469	10,993			
		3,975	4,174	4,382	4,602	4,832	5,074			
		49.69	52.17	54.78	57.52	60.40	63.42			
Laboratory and Technical Services Manager	1400	107,307	112,674	118,310	124,218	130,437	136,958			
		8,942	9,390	9,859	10,352	10,870	11,413			
		4,127	4,334	4,550	4,778	5,017	5,268			
		51.59	54.17	56.88	59.72	62.71	65.85			
Communications and Human Resources Manager	1450	107,848	113,235	118,893	124,842	131,082	137,634			
		8,987	9,436	9,908	10,404	10,924	11,470			
		4,148	4,355	4,573	4,802	5,042	5,294			
		51.85	54.44	57.16	60.02	63.02	66.17			
Collection System Manager	1600	110,386	115,898	121,701	127,795	134,181	140,885			
		9,199	9,658	10,142	10,650	11,182	11,740			
		4,246	4,458	4,681	4,915	5,161	5,419			
		53.07	55.72	58.51	61.44	64.51	67.73			
Senior Project Engineer	1700	131,706	138,299	145,205	152,464	160,077	168,072			
		10,976	11,525	12,100	12,705	13,340	14,006			
		5,066	5,319	5,585	5,864	6,157	6,464			
		63.32	66.49	69.81	73.30	76.96	80.80			
Plant Operations Manager	1800	138,299	145,205	152,464	160,077	168,085	176,484			
		11,525	12,100	12,705	13,340	14,007	14,707			
		5,319	5,585	5,864	6,157	6,465	6,788			
		66.49	69.81	73.30	76.96	80.81	84.85			
Director of Finance	2000	165,963	174,262	182,978	192,130	201,739	211,827			
		13,830	14,522	15,248	16,011	16,812	17,652			
		6,383	6,702	7,038	7,390	7,759	8,147			
		79.79	83.78	87.97	92.37	96.99	101.84			
Assistant General Manager / Assistant District Engineer	2500	187,429	196,810	206,648	216,986	227,843	239,225			
		15,619	16,401	17,221	18,082	18,987	19,935			
		7,209	7,570	7,948	8,346	8,763	9,201			
		90.11	94.62	99.35	104.32	109.54	115.01			
General Manager / District Engineer	GM	General Manager's compensation is set annually by the Board in accordance with an employment contract dated 07/01/2015.					271,468	22,622	10,441	130.51
Governing Board Members	Governing Board Members are compensated on a per meeting basis, compensation is limited to six meetings per month. The rate of per meeting increased July 1, 2023 to \$236.25.						236.25			

Note, employees, by job title, will fall within the range values, from AA to E.

CalPERS Compliance Reviewers have verified that as long as an employee, by job title, falls within the range of values from AA to E, the compensation rate meets the CalPERS requirements. An individual does not have to fall on the exact value, or cog, only between the lowest and highest values in the range.

# **AGENDA ITEM #4**

**AGENDA ITEM: 4**

**MEETING DATE: June 20, 2023**

**I. NATURE OF ITEM**

Discussion and Action on Audit Services Contract

**II. BACKGROUND INFORMATION**

Moss, Levy and Hartzheim (MLH) of Santa Maria was hired to prepare the District's annual audit and review its financial statements from 2013 until 2018. In 2018 the District elected to issue a Request for Proposals (RFP) for the Fiscal Year 2017-18 (FY17-18) audit services and engaged Fechter & Company CPAs (Fechter) from the list of respondents. While Fechter is a qualified audit services firm and completed the District's FY17-18 audit report, staff had some difficulties with their process and found that they were not quick to correct errors once identified. As such, staff recommended a change in audit services for FY18-19. MLH was selected for the FY18-19, FY19-20, FY20-21, and FY21-22 audits. The audit for FY22-23 would be the fifth consecutive year that MLH's partner Adam Guise has been the lead.

MLH has been serving many local agencies for over 40 years and performed well while engaged with the District. District staff requested the attached proposal from MLH for consideration and approval for FY22-23 audit services.

Assembly Bill 1345 added section 12410.6.(b) to Government Code regarding auditor rotation requirements of public accounting firms providing audit services to local agencies.

Government Code section 12410.6.(b) indicates that commencing in FY13-14, a local agency shall not employ a public accounting firm to provide audit services to a local agency if the lead audit partner or coordinating audit partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has performed audit services for that local agency for six consecutive fiscal years. For purposes of calculating the six consecutive fiscal years, the local agency shall not take into account any time that a public accounting firm was employed by that local agency prior to the FY13-14. The Controller may waive this requirement if he or she finds that another eligible public accounting firm is not available to perform the audit.

**III. COMMENTS AND RECOMMENDATIONS**

Staff recommends the Board direct the General Manager to retain MLH to conduct the District's annual audit for FY22-23 as described in the attached proposal from MLH.

**IV. REFERENCE MATERIAL**

Proposal from MLH



April 27, 2023

To the Board of Directors  
Goleta Sanitary District  
1 Moffett Place  
Goleta, CA 93117

We are pleased to confirm our understanding of the services we are to provide Goleta Sanitary District for the fiscal year ended June 30, 2023.

### **Audit Scope and Objectives**

We will audit the financial statements of the business-type activities including the major fund and the disclosures, which collectively comprise the basic financial statements of Goleta Sanitary District as of and for the fiscal year ended June 30, 2023. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Schedule of Proportionate Share of Net Pension Liability
- 3) Schedule of Pension Contributions
- 4) Schedule of Changes in the Net OPEB Liability and Related Ratios
- 5) Schedule of OPEB Contributions

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of Goleta Sanitary District and other procedures we consider necessary to enable us to express such

opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

Our audit of financial statements does not relieve you of your responsibilities.

#### **Audit Procedures—Internal Control**

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

## **Other Services**

We will also assist in preparing the financial statements and related notes of Goleta Sanitary District in conformity with accounting principles generally accepted in the United States of America based on information provided by you. In addition, we will prepare the District's Financial Transactions Report. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

## **Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial

statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Moss, Levy & Hartzheim LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the County of Santa Barbara, the State of California, or the U.S. Government Accountability Office for the purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Moss, Levy & Hartzheim LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Adam V. Guise is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit on approximately July 10, 2023 and to issue our reports no later than November 30, 2023.

Our fee for services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$16,400. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

### **Reporting**

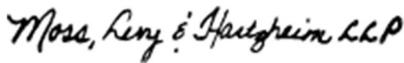
We will issue a written report upon completion of our audit of Goleta Sanitary District's financial statements. Our report will be addressed to management and the Board of Directors of Goleta Sanitary District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section,

or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that Goleta Sanitary District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to Goleta Sanitary District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,



Moss, Levy & Hartzheim LLP

RESPONSE:

This letter correctly sets forth the understanding of Goleta Sanitary District.

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# **AGENDA ITEM #5**

**AGENDA ITEM: 5**

**MEETING DATE: June 20, 2023**

**I. NATURE OF ITEM**

Update on Search for New Legal Services Provider and Consideration of Legal Services Retainer Agreement

**II. BACKGROUND INFORMATION**

On April 17, 2023 the Board was informed of the upcoming retirement of District General Counsel Rick Battles at the end June 2023. On May 1, 2023 the Board elected to form an ad hoc committee to assist with the process of selecting a new legal services provider and appointed Directors Majoewsky and Smith to the committee. The ad hoc committee met on May 4, 2023 and recommended that a request for proposal (RFP) for General Counsel Legal Services be sent to qualified firms. The ad hoc committee met again on May 18, 2023 to review the draft RFP. The RFP was issued on May 22, 2023 and was sent out to 19 firms that have experience in providing legal services to public entities like ours. The proposals were due on June 14, 2023 and six proposals were received. The ad hoc committee will conduct a preliminary review of the proposals and rank them in order to develop a short list of qualified firms for consideration by the entire Board. Selection of a new legal services provider is anticipated by the end of September 2023.

The ad hoc committee also recommended that a retainer agreement with Rick Battles be considered to provide ongoing legal support while the search, selection, and onboarding of a new legal services provider is being conducted.

**III. COMMENTS AND RECOMMENDATIONS**

Attached for the Board's consideration is a draft legal services retainer agreement with Rick Battles as recommended by the ad hoc committee. The agreement includes a flat monthly retainer fee of \$2,400 that allows for up to six hours of Rick's time. Any time over the six hours per month will be billed at the current hourly rate of \$400 per hour.

Staff recommends the Board approve the retainer agreement subject to any changes it so desires.

Staff will provide another update to the Board once the ad hoc committee has reviewed and ranked the legal services proposals.

**IV. REFERENCE MATERIALS**

Proposed Legal Services Retainer Agreement with Rick Battles



HOWELL MOORE & GOUGH  
ATTORNEYS AT LAW • LLP

Weldon U. Howell, Jr. \*  
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May 19, 2023

Governing Board  
Goleta Sanitary District  
c/o Steve Wagner, General Manager  
1 William Moffett Place  
Goleta, CA 93117

**Subject: Retainer Agreement for Legal Services**

Dear Directors:

I am writing to confirm the engagement of Howell Moore & Gough LLP to provide services to the Goleta Sanitary District (the "District") following my retirement on June 30, 2023. This letter is provided pursuant to the California Business and Professions Code, which requires written fee agreements between attorneys and clients in connection with most legal matters. The agreement is required to contain the fee arrangement that is applicable to the case, the general nature of the services to be provided, and the respective responsibilities of the attorney and the client. When signed by you, this letter, together with the enclosed General Terms of Representation, will constitute our written agreement pertaining to the services to be provided by our firm, and will supersede all prior fee agreements between the District and Howell Moore & Gough LLP.

**Description of Services**

Our office currently serves as general counsel to the District. Upon my retirement, the District will be retaining a new attorney or law firm to serve as general counsel. Pursuant to this agreement, I will be available to assist District staff and the District's new general counsel during the transition process. The purpose of this arrangement will be to (i) facilitate the transfer of institutional knowledge to the District's new attorney/law firm, (ii) answer questions about how legal matters have been addressed at the District in the past and provide background information pertaining to such matters, and (iii) assist in locating information contained in legal files and computer records. I will be the lawyer at our firm responsible for providing these services.

**Fees for Services**

For services provided to the District, I will bill a flat monthly retainer fee of \$2,400, which represents the equivalent of six (6) hours of time at a billing rate of \$400 per hour. In the event that I spend more than six (6) hours of time providing services to the District during any calendar month, the additional time will be billed at the rate of \$400 per hour.

**Term of Agreement**

Subject to each party's right of termination as set forth in the enclosed General Terms of Representation, the term of this agreement shall be one (1) year commencing on July 1, 2023.

\*\*\*\*\*

If the foregoing terms meet with your approval, please sign and date this letter below where indicated and return the signed copy to me. You should also retain a signed copy for the District's records.

I appreciate the opportunity to assist the District with the transition to new legal counsel.

Sincerely yours,



Richard G. Battles of  
HOWELL MOORE & GOUGH LLP

**READ AND APPROVED**

**GOLETA SANITARY DISTRICT**

By \_\_\_\_\_  
Sharon Rose, Board President

Dated: \_\_\_\_\_

**Countersigned**

By \_\_\_\_\_  
Robert O. Mangus, Jr., Board Secretary

Dated: \_\_\_\_\_

## **GENERAL TERMS OF REPRESENTATION**

The terms upon which **HOWELL MOORE & GOUGH LLP** provides legal services are summarized below. These terms apply in each case in which we accept representation unless different terms are set forth in a separate written fee agreement at the time representation commences.

### **RESPECTIVE RESPONSIBILITIES**

Our law firm undertakes during the course of our representation:

- (1) To provide the legal services you request when and as necessary to competently represent your interests. Our firm maintains errors and omissions insurance coverage for the services that we provide.
- (2) To make ourselves reasonably available to meet with you and to promptly review and respond to you regarding materials you send to us.
- (3) To keep you informed of significant developments in the representation and of information or assistance required from you.

As our client, you undertake the following responsibilities:

- (1) To provide us promptly and candidly with all relevant information in your possession or reasonably available to you.
- (2) To cooperate fully with us, to make yourself reasonably available to meet with us, to promptly review and respond to us regarding materials we send you, and otherwise to communicate with us as necessary to advance your interests.
- (3) To pay our statements promptly upon receipt.

### **DETERMINATION OF LEGAL FEES**

With the exception of any agreed upon monthly retainer fee, our fees will be calculated based on our hourly rates and the amount of time required to provide the services you request. This will include time expended for telephone and office conferences with clients, other counsel, consultants, witnesses, court personnel, government agency staffs and other interested persons; conferences among our legal personnel; factual investigations, including discovery and deposition proceedings; legal research; the preparation of letters, transaction documents, pleadings, briefs and other written materials; travel time; and time waiting in court or before public agencies.

### **COSTS AND EXPENSES; DOCUMENT CHARGES**

In addition to our fees, we will bill you for costs we incur for such items as large photocopy projects done in-house, long distance telephone calls, secretarial overtime, access charges to legal research data bases, and the like. Certain of these items may be charged at more than our direct cost to cover our overhead. We may also incur costs from time to time for such items as photocopying by outside service providers, filings fees with government agencies, travel, and delivery services. If your account with us is current and the cost is insubstantial, we will advance these expenses on your behalf and include them in your next monthly statement. However, in certain instances we will have the bill sent directly to you for payment or will request that you promptly remit payment to us.

In performing our services, we may also utilize specialized legal documents that our firm has developed for specific legal problems and transactions. These documents enable us to respond quickly to our clients' needs at a significantly lesser cost than would be incurred if the documents were specially created for each individual transaction. Because these documents represent the investment of substantial time and expertise by our firm, our fees may include a standard document charge, which is in addition to our fees for adapting the documents to your specific needs, but which will be included in any fee quotation or estimate that we provide to you.

#### **BILLING ARRANGEMENTS AND PAYMENTS**

Unless other arrangements have been made, we will submit monthly statements during the course of our representation for services rendered and for costs we incur or advance on your behalf. Our statements are due upon presentation and are considered delinquent after thirty (30) days. A service charge of 10% per annum is assessed against accounts that are not paid within thirty (30) days of the date of the statement, and if our statements are not paid in a timely manner, we will be entitled to suspend further legal services or to discontinue representation until acceptable payment arrangements are made. All payments received are first applied against any outstanding costs advanced.

#### **ESTIMATES**

Any estimates we make as to anticipated costs or fees are only estimates and should not be considered as fee quotes. The amount of our fees will depend both on the considerations discussed above and a variety of other factors that are beyond our ability to control, including the negotiating positions adopted by the parties, the skills, experience and level of expertise of opposing counsel, and the extent to which changes occur in the law, the facts communicated to us, or the terms of the transaction during the course of our representation. For these reasons, it usually is not feasible to make a firm commitment as to the total costs and fees that will be incurred in a particular matter, and any fixed fee quotations that we give will be set forth in a separate written agreement.

#### **BILLING INQUIRIES**

It is of paramount concern to us that our clients not only receive the quality of legal service we provide, but that they be satisfied that our statements for those services are fair and reasonable. We therefore encourage you to contact our accounting department or the attorney responsible for your account if at any time you have any questions concerning our statements, the manner in which they are prepared, or the amounts included in them.

#### **TERMINATION AND MODIFICATION**

Our engagement may be terminated at any time by you or our firm by providing sixty (60) days prior written notice of such termination to the other party. Any other modification to the terms of our engagement requires the written approval of both you and our firm.

# **AGENDA ITEM #6**

**AGENDA ITEM: 6**

**MEETING DATE: June 20, 2023**

**I. NATURE OF ITEM**

Consideration and Approval of Resolution No. 23-704 Electing to Have Sewer Service Charges Collected on the Tax Roll for Fiscal Year 2023-24, Directing the Preparation and Filing of the Report, Fixing Time and Place for Hearing, and Providing for Notice Thereof

**II. BACKGROUND INFORMATION**

In order to provide for the collection of the District's service charges on the Santa Barbara County tax roll for the Fiscal Year 2023-24, the Board needs to adopt a resolution formally making that election. The resolution also needs to provide for (i) the preparation and filing of a written report containing a description of each parcel of property receiving service, and the amount of the service charge for each such parcel, (ii) the scheduling of a public hearing on the report, and (iii) the publication of a notice of the hearing.

**III. COMMENTS AND RECOMMENDATIONS**

Staff has prepared a proposed resolution providing for the Board's election to have the District's service charges collected on the tax roll. It is recommended that the Board adopt the proposed resolution. The adoption of the resolution must be by 2/3 approval, which requires the affirmative vote of four Board members.

**IV. REFERENCE MATERIALS**

Resolution No. 23-704 Electing to have Sewer Service Charges Collected on the Tax Roll for Fiscal Year 2023-24, Directing the Preparation and Filing of the Report, Fixing Time and Place for Hearing, and Providing for Notice Thereof

**RESOLUTION NO. 23-704**

**RESOLUTION OF THE GOVERNING BOARD OF THE GOLETA  
SANITARY DISTRICT ELECTING TO HAVE SEWER SERVICE CHARGES  
COLLECTED ON THE TAX ROLL FOR FISCAL YEAR 2023-24, DIRECTING  
THE PREPARATION AND FILING OF REPORT, FIXING TIME AND PLACE  
FOR HEARING, AND PROVIDING FOR NOTICE THEREOF**

**WHEREAS**, the Governing Board of the Goleta Sanitary District (the “District”) has passed and adopted an ordinance prescribing sewer service charges; and

**WHEREAS**, pursuant to California Health and Safety Code Section 5473 et seq., the Governing Board desires to have said service charges for Fiscal Year 2023-24 (the “Service Charges”) collected on the Santa Barbara County tax roll with the general taxes.

**NOW, THEREFORE, IT IS HEREBY RESOLVED** as follows:

- 1.** Pursuant to Health and Safety Code Section 5473, the election is hereby made to have the Service Charges collected on the Santa Barbara County tax roll in the same manner, by the same persons, at the same time as, together with, and not separately from, the general taxes.
- 2.** District staff is directed to prepare and file with the Secretary of the Board a written report containing a description of each parcel of real property receiving sewer service and the amount of the Service Charges for each such parcel (the “Report”).
- 3.** A hearing on the Report shall be held before this Board on Monday, July 17, 2023, at 6:30 p.m., at One William Moffett Road, Goleta, California.
- 4.** Pursuant to Health and Safety Code Section 5473.1, the Secretary shall cause a notice of the filing of the Report and of the time and place set for the hearing, at which oral or written presentation can be made, to be published pursuant to Government Code Section 6066 once a week for two successive weeks preceding said hearing with at least five (5) days intervening between the respective publication dates, not counting such publication dates, and the first publication date being not less than fourteen (14) days prior to the date set for hearing.
- 5.** The Secretary is hereby authorized and directed to sign and publish said notice on behalf of the Board as ordered above.
- 6.** The above-mentioned notice shall be in the form set forth in Exhibit “A” attached hereto and by this reference made a part hereof.

**PASSED AND ADOPTED** this 20th day of June, 2023, by the following vote of the Governing Board of the Goleta Sanitary District.

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**COUNTERSIGNED:**

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Sharon Rose,  
President of the Governing Board

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Robert O. Mangus, Jr.  
Secretary of the Governing Board

**EXHIBIT “A”**

**NOTICE OF FILING AND HEARING  
ON REPORT OF SEWER SERVICE CHARGES  
LEVIED BY THE GOLETA SANITARY DISTRICT**

NOTICE IS HEREBY GIVEN that, pursuant to Section 5473 of the California Health and Safety Code, there has been filed with the Secretary of the Goleta Sanitary District, a report containing: (a) a proposal to have sewer service charges for the Fiscal Year 2023-24 collected on the tax roll, (b) a description of each parcel of real property receiving services and facilities furnished by the Goleta Sanitary District in connection with its wastewater system, and (c) the amount of the sewer service charge to be levied upon each parcel for the Fiscal Year 2023-24, computed in conformity with the charges prescribed by an ordinance duly passed and approved by the Governing Board of the Goleta Sanitary District; and that the time and place for a hearing on said report has been set for Monday, July 17, 2023 at 6:30 p.m., at the office of the Goleta Sanitary District, One William Moffett Place, Goleta, California 93117.

DATED: June 20, 2023

GOLETA SANITARY DISTRICT

By \_\_\_\_\_  
Robert O. Mangus, Jr.  
Secretary of the Governing Board

# **GENERAL MANAGER'S REPORT**

## **GOLETA SANITARY DISTRICT GENERAL MANAGER'S REPORT**

The following summary report describes the District's activities from June 6, 2023, through June 20, 2023. It provides updated information on significant activities under three major categories: Collection System, Treatment/Reclamation and Disposal Facilities, and General and Administration Items.

### **1. COLLECTION SYSTEM REPORT**

#### **LINES CLEANING**

Staff has been conducting priority areas lines cleaning through-out the District.

#### **CCTV INSPECTION**

Staff continues with routine Closed-Circuit Television (CCTV) inspections in the area of Calle Real and Turnpike Road.

#### **GREASE AND OIL INSPECTIONS**

Staff continues with Grease and Oil Inspections.

#### **REPAIR AND MAINTENANCE**

Staff repaired the CCTVI truck water pump and the Vactor hose reel swivel lock. Santa Barbara County Public Works crews have begun paving several streets near Hollister Avenue and Turnpike Road including S. San Antonio Road and Payton Street. Sixteen manholes and clean outs are being lowered and raised to grade as part of this project.

#### **SEWER SERVICE CHARGES**

Staff continues to update the FY 2023-24 sewer service charges, which will be collected on the Santa Barbara County tax roll (County). Deadline for submittal to the County is August 11, 2023. County staff is requesting an early submittal date of July 28, 2023.

#### **CALIFORNIA WATER ENVIRONMENT ASSOCIATION (CWEA)**

Staff continues assistance with the CWEA effort to verify that the Collection System Certification Exam questions are in alignment with the State Water Board Waste Discharge Requirements.

### **2. TREATMENT, RECLAMATION AND DISPOSAL FACILITIES REPORT**

Plant flows for the month of May averaged 4.8 million gallons per day (MGD). The Reclamation Plant was not restarted on June 12, 2023. We discovered that the chemical lines and our coagulant did not work. We have cleaned the chemicals lines and are waiting for our new coagulant to arrive. The Goleta Water District has been made aware of the issues and are continuing to fill the reservoir with potable water. High concentrations and loadings during the weekends continue to cause intermittent challenges and various levels of Plant interference.

The Nanobubbler has been online since February 22, 2023. We received the sample information back from the lab, and are reviewing it to integrate with the previous data points, which will give us a complete picture.

The construction phase of the Influent Pump Station Rehabilitation Project continues. The bypass is expected to remain in place through this August due to the delay in obtaining the main switchgear. The general contractor, GSE Construction and electrical subcontractor, Smith Electric continue to work on electrical improvements.

The Operations staff has been working on cleaning up the Plant. The Sentry probe has been installed at the Headworks effluent channel, and we are already receiving data. The dredge line has been fixed and we are starting to dredge to the Solids Handling building again.

Maintenance staff continue repairing air valves at the Lift Station, working on vehicle maintenance and flow meters, as well as performing general plant maintenance.

### **GENERAL AND ADMINISTRATIVE ITEMS**

#### **Financial Report**

The District account balances as of June 20, 2023 shown below are approximations to the nearest dollar and indicate the overall funds available to the District at this time.

Operating Checking Accounts:	\$ 581,862
Investment Accounts:	<u>\$ 34,251,584</u>
Total District Funds:	\$ 34,833,446

The following transactions are reported herein for the period 06/06/23 – 06/20/23

Regular, Overtime, Cash-outs and Net Payroll:	\$ 128,546
Claims:	\$ 161,009
Total Expenditures:	\$ 289,555
Total Deposits:	\$ 59,334

Transfers of funds:

LAIF to Community West Bank Operational (CWB):	\$ - 0 -
CWB Operational to CWB Money Market:	\$ - 0 -
CWB Money Market to CWB Operational:	\$ - 0 -
CWB Operational to CA-Class Investment Account	\$ - 0 -
CA-Class Investment Account to CWB Operational	\$ - 0 -

The District's investments comply with the District's Investment Policy adopted per Resolution No. 16-606. The District has adequate funds to meet the next six months of normal operating expenses.

#### **Local Agency Investment Fund (LAIF)**

LAIF Monthly Statement – Previously submitted.

LAIF Quarterly Report – Previously submitted.

PMIA/LAIF Performance – May, 2023

PMIA Effective Yield – May, 2023

**CA-Class Investment Account**

CA-Class Investment Account – Previously submitted.

**Community West Bank (CWB)**

CWB Money Market Account – Previously submitted.

**Deferred Compensation Accounts**

CalPERS 457 Deferred Compensation Plan – May, 2023

Lincoln 457 Deferred Compensation Plan – Previously submitted.

**Personnel Update**

A verbal update will be provided at the meeting.

**Summer Conference Schedule**

Registration has opened for the annual CASA Summer Conference. This year's conference will be held in San Diego from August 9-11, 2023.



# PMIA/LAIF Performance Report as of 06/07/23



## PMIA Average Monthly Effective Yields<sup>(1)</sup>

May	2.993
April	2.870
March	2.831

## Quarterly Performance Quarter Ended 03/31/23

LAIF Apportionment Rate <sup>(2)</sup> :	2.74
LAIF Earnings Ratio <sup>(2)</sup> :	0.00007493902135155
LAIF Fair Value Factor <sup>(1)</sup> :	0.986510329
PMIA Daily <sup>(1)</sup> :	2.87
PMIA Quarter to Date <sup>(1)</sup> :	2.63
PMIA Average Life <sup>(1)</sup> :	275

## Pooled Money Investment Account Monthly Portfolio Composition <sup>(1)</sup> 04/30/23 \$185.4 billion

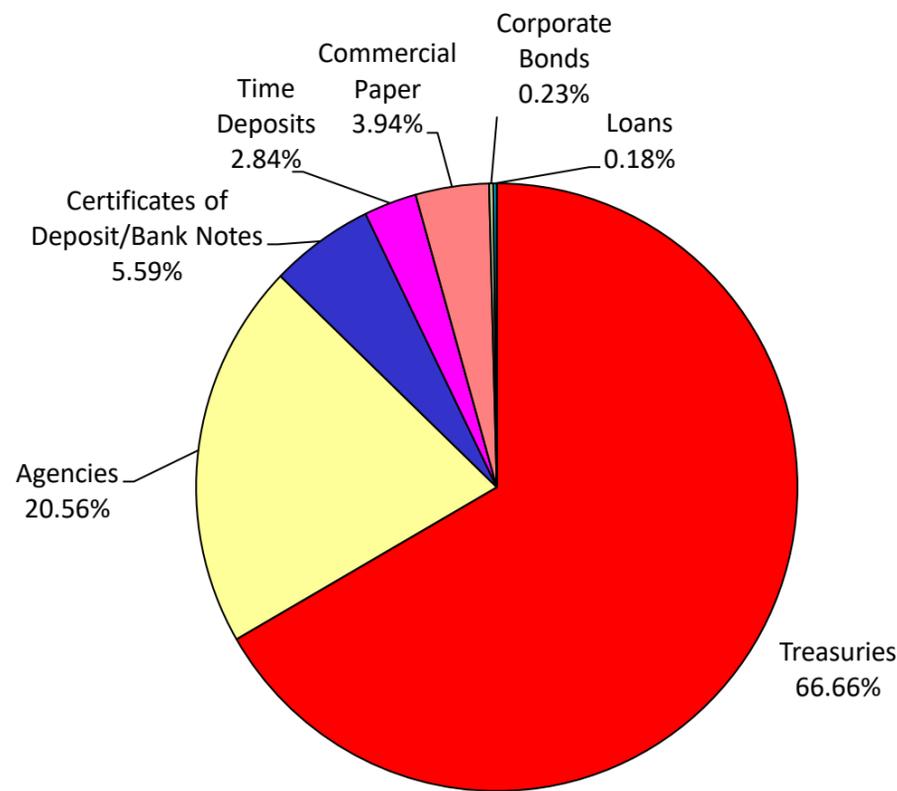


Chart does not include \$3,011,000.00 in mortgages, which equates to 0.002%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

<sup>(1)</sup> State of California, Office of the Treasurer

<sup>(2)</sup> State of California, Office of the Controller



**POOLED MONEY INVESTMENT ACCOUNT**

**PMIA Average Monthly Effective Yields**

06/12/23

Max: 12.844

Min: 0.203

YEAR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1982	11.683	12.044	11.835	11.773	12.270	11.994	12.235	11.909	11.151	11.111	10.704	10.401
1983	10.251	9.887	9.688	9.868	9.527	9.600	9.879	10.076	10.202	10.182	10.164	10.227
1984	10.312	10.280	10.382	10.594	10.843	11.119	11.355	11.557	11.597	11.681	11.474	11.024
1985	10.579	10.289	10.118	10.025	10.180	9.743	9.656	9.417	9.572	9.482	9.488	9.371
1986	9.252	9.090	8.958	8.621	8.369	8.225	8.141	7.844	7.512	7.586	7.432	7.439
1987	7.365	7.157	7.205	7.044	7.294	7.289	7.464	7.562	7.712	7.825	8.121	8.071
1988	8.078	8.050	7.945	7.940	7.815	7.929	8.089	8.245	8.341	8.397	8.467	8.563
1989	8.698	8.770	8.870	8.992	9.227	9.204	9.056	8.833	8.801	8.771	8.685	8.645
1990	8.571	8.538	8.506	8.497	8.531	8.538	8.517	8.382	8.333	8.321	8.269	8.279
1991	8.164	8.002	7.775	7.666	7.374	7.169	7.098	7.072	6.859	6.719	6.591	6.318
1992	6.122	5.863	5.680	5.692	5.379	5.323	5.235	4.958	4.760	4.730	4.659	4.647
1993	4.678	4.649	4.624	4.605	4.427	4.554	4.438	4.472	4.430	4.380	4.365	4.384
1994	4.359	4.176	4.248	4.333	4.434	4.623	4.823	4.989	5.106	5.243	5.380	5.528
1995	5.612	5.779	5.934	5.960	6.008	5.997	5.972	5.910	5.832	5.784	5.805	5.748
1996	5.698	5.643	5.557	5.538	5.502	5.548	5.587	5.566	5.601	5.601	5.599	5.574
1997	5.583	5.575	5.580	5.612	5.634	5.667	5.679	5.690	5.707	5.705	5.715	5.744
1998	5.742	5.720	5.680	5.672	5.673	5.671	5.652	5.652	5.639	5.557	5.492	5.374
1999	5.265	5.210	5.136	5.119	5.086	5.095	5.178	5.225	5.274	5.391	5.484	5.639
2000	5.760	5.824	5.851	6.014	6.190	6.349	6.443	6.505	6.502	6.517	6.538	6.535
2001	6.372	6.169	5.976	5.760	5.328	4.958	4.635	4.502	4.288	3.785	3.526	3.261
2002	3.068	2.967	2.861	2.845	2.740	2.687	2.714	2.594	2.604	2.487	2.301	2.201
2003	2.103	1.945	1.904	1.858	1.769	1.697	1.653	1.632	1.635	1.596	1.572	1.545
2004	1.528	1.440	1.474	1.445	1.426	1.469	1.604	1.672	1.771	1.890	2.003	2.134
2005	2.264	2.368	2.542	2.724	2.856	2.967	3.083	3.179	3.324	3.458	3.636	3.808
2006	3.955	4.043	4.142	4.305	4.563	4.700	4.849	4.946	5.023	5.098	5.125	5.129
2007	5.156	5.181	5.214	5.222	5.248	5.250	5.255	5.253	5.231	5.137	4.962	4.801
2008	4.620	4.161	3.777	3.400	3.072	2.894	2.787	2.779	2.774	2.709	2.568	2.353
2009	2.046	1.869	1.822	1.607	1.530	1.377	1.035	0.925	0.750	0.646	0.611	0.569
2010	0.558	0.577	0.547	0.588	0.560	0.528	0.531	0.513	0.500	0.480	0.454	0.462
2011	0.538	0.512	0.500	0.588	0.413	0.448	0.381	0.408	0.378	0.385	0.401	0.382
2012	0.385	0.389	0.383	0.367	0.363	0.358	0.363	0.377	0.348	0.340	0.324	0.326
2013	0.300	0.286	0.285	0.264	0.245	0.244	0.267	0.271	0.257	0.266	0.263	0.264
2014	0.244	0.236	0.236	0.233	0.228	0.228	0.244	0.260	0.246	0.261	0.261	0.267
2015	0.262	0.266	0.278	0.283	0.290	0.299	0.320	0.330	0.337	0.357	0.374	0.400
2016	0.446	0.467	0.506	0.525	0.552	0.576	0.588	0.614	0.634	0.654	0.678	0.719
2017	0.751	0.777	0.821	0.884	0.925	0.978	1.051	1.084	1.111	1.143	1.172	1.239
2018	1.350	1.412	1.524	1.661	1.755	1.854	1.944	1.998	2.063	2.144	2.208	2.291
2019	2.355	2.392	2.436	2.445	2.449	2.428	2.379	2.341	2.280	2.190	2.103	2.043
2020	1.967	1.912	1.787	1.648	1.363	1.217	0.920	0.784	0.685	0.620	0.576	0.540
2021	0.458	0.407	0.357	0.339	0.315	0.262	0.221	0.221	0.206	0.203	0.203	0.212
2022	0.234	0.278	0.365	0.523	0.684	0.861	1.090	1.276	1.513	1.772	2.007	2.173
2023	2.425	2.624	2.831	2.870	2.993							

# CalPERS 457 Plan

May 31, 2023

This document includes important information to help you compare the investment options under your retirement plan. If you want additional information about your investment options, you can go to <https://calpers.voya.com>.

A free paper copy of the information available on the website can be obtained by contacting:

Voya Financial  
Attn: CalPERS 457 Plan  
P.O. Box 389  
Hartford, CT 06141  
(800) 260-0659

## **Document Summary**

This document has two parts. Part I consists of performance information for the plan investment options. This part shows you how well the investments have performed in the past. Part I also shows the total annual operating expenses of each investment option.

Part II provides additional information concerning Plan administrative fees that may be charged to your individual account.

# CalPERS 457 PLAN

## Part I. Performance Information For Periods Ended May 31, 2023

<https://calpers.voya.com>

Table 1 focuses on the performance of investment options that do not have a fixed or stated rate of return. Table 1 shows how these options have performed over time and allows you to compare them with an appropriate benchmark for the same time periods<sup>1</sup>. Past performance does not guarantee how the investment option will perform in the future. Your investment in these options could lose money. Information about an investment option's principal risks is available on the website listed above.

Table 1 also shows the Total Annual Operating Expenses of each investment option. Total Annual Operating Expenses are expenses that reduce the rate of return of the investment option<sup>2</sup>. The cumulative effect of fees and expenses can substantially reduce the growth of your retirement savings. Visit the U.S. Department of Labor's website for an example showing the long-term fees and expenses at <http://www.dol.gov/ebsa>. Fees and expenses are only one of many factors to consider when you decide to invest in an option. You may also want to think about whether an investment in a particular option, along with your other investments, will help you achieve your financial goals.

**Table 1 - Variable Net Return Investments**

Name of Fund / Name of Benchmark	Performance		Annualized Performance				Total Annual Operating Expenses <sup>3</sup>	
	3 Month	1 Year	5 Years	10 Years	Since Inception	Inception Date	As a %	Per \$1000
<b>Equity Funds</b>								
State Street Russell All Cap Index Fund - Class I	4.10	1.80	9.75	-	10.91	10/07/13	0.25%	\$2.50
<i>Russell 3000 Index</i>	4.17	2.03	10.07	-	11.26			
State Street Global All Cap Equity ex-US Index Fund - Class I	0.37	-1.84	2.03	-	3.35	10/07/13	0.26%	\$2.60
<i>MSCI ACWI ex-USA IMI Index (net)</i>	0.22	-1.86	2.09	-	3.50			
<b>Fixed Income</b>								
State Street US ShortTerm Gov't/Credit Bond Index Fund - Class I	1.46	0.03	0.86	-	0.59	10/07/13	0.26%	\$2.60
<i>Bloomberg US 1-3 yr Gov't/Credit Bond Index</i>	1.49	0.22	1.22	-	1.02			
State Street US Bond Fund Index - Class I	1.98	-2.41	0.52	-	1.26	10/07/13	0.25%	\$2.50
<i>Bloomberg US Aggregate Bond Index</i>	2.04	-2.14	0.81	-	1.56			
<b>Real Assets</b>								
State Street Real Asset Fund - Class A	-4.47	-12.86	4.75	-	2.94	10/08/13	0.38%	\$3.80
<i>State Street Custom Benchmark<sup>4</sup></i>	-4.44	-12.71	5.00	-	3.29			
<b>Cash (Cash Equivalents)</b>								
State Street STIF	1.23	3.51	1.39	-	0.92	09/02/14	0.27%	\$2.70
<i>BofA ML 3-month US T-Bill</i>	1.14	3.14	1.49	-	1.07			
<b>Target Retirement Date Funds<sup>5</sup></b>								
CalPERS Target Income Fund	1.91	-1.42	2.99	2.88	4.51	12/01/08	0.26%	\$2.60
<i>SIP Income Policy Benchmark<sup>6</sup></i>	1.92	-1.26	3.17	3.11	4.99			
CalPERS Target Retirement 2020	1.98	-1.37	3.69	3.66	6.11	12/01/08	0.26%	\$2.60
<i>SIP 2020 Policy Benchmark<sup>6</sup></i>	1.99	-1.21	3.85	3.88	6.57			
CalPERS Target Retirement 2025	2.15	-0.93	4.33	4.49	6.92	12/01/08	0.26%	\$2.60
<i>SIP 2025 Policy Benchmark<sup>6</sup></i>	2.15	-0.78	4.47	4.69	7.37			
CalPERS Target Retirement 2030	2.20	-0.80	4.78	5.11	7.70	12/01/08	0.26%	\$2.60
<i>SIP 2030 Policy Benchmark<sup>6</sup></i>	2.20	-0.66	4.98	5.34	8.15			
CalPERS Target Retirement 2035	2.39	-0.38	5.34	5.79	8.38	12/01/08	0.26%	\$2.60
<i>SIP 2035 Policy Benchmark<sup>6</sup></i>	2.38	-0.24	5.52	6.00	8.87			
CalPERS Target Retirement 2040	2.47	-0.19	5.82	6.40	8.89	12/01/08	0.26%	\$2.60
<i>SIP 2040 Policy Benchmark<sup>6</sup></i>	2.45	-0.06	6.01	6.62	9.35			
CalPERS Target Retirement 2045	2.48	0.05	5.93	6.71	9.07	12/01/08	0.26%	\$2.60
<i>SIP 2045 Policy Benchmark<sup>6</sup></i>	2.46	0.18	6.11	6.92	9.57			
CalPERS Target Retirement 2050	2.48	0.05	5.93	6.71	9.14	12/01/08	0.26%	\$2.60
<i>SIP 2050 Policy Benchmark<sup>6</sup></i>	2.46	0.18	6.11	6.92	9.57			
CalPERS Target Retirement 2055	2.48	0.05	5.92	-	6.36	10/07/13	0.26%	\$2.60
<i>SIP 2055 Policy Benchmark<sup>6</sup></i>	2.46	0.18	6.11	-	6.65			
CalPERS Target Retirement 2060	2.48	0.05	-	-	7.80	11/01/18	0.26%	\$2.60
<i>SIP 2060 Policy Benchmark<sup>6</sup></i>	2.46	0.18	-	-	7.99			
CalPERS Target Retirement 2065	2.48	-	-	-	2.49	12/01/22	0.26%	\$2.60
<i>SIP 2065 Policy Benchmark<sup>6</sup></i>	2.46	-	-	-	2.89	-		
<b>Broad-Based Benchmarks<sup>7</sup></b>								
<i>Russell 3000 Index</i>	4.17	2.03	10.07	11.45	-	-	-	-
<i>MSCI ACWI ex-USA IMI Index (net)</i>	0.22	-1.86	2.09	3.96	-	-	-	-
<i>Bloomberg US Aggregate Bond Index</i>	2.04	-2.14	0.81	1.39	-	-	-	-

## Part II. Explanation of CalPERS 457 Plan Expenses May 31, 2023

<https://calpers.voya.com>

Table 2 provides information concerning Plan administrative fees and expenses that may be charged to your individual account if you take advantage of certain features of the Plan. In addition to the fees and expenses described in Table 2 below, some of the Plan's administrative expenses are paid from the Total Annual Operating Expenses of the Plan's investment options.

Table 2 - Fees and Expenses				
Individual Expenses <sup>8</sup>				
Service	Fee Amount	Frequency	Who do you pay this fee to?	Description
Loan Origination Fee	\$50	Per loan application	Voya	The charge covers the processing of your loan and applies each time you request a loan from your retirement account. This fee is deducted from your Plan account.
Maintenance Fee (For loans taken on or after April 1, 2020)	\$35 (\$8.75 assessed quarterly)	Annual	Voya	The charge covers the maintenance costs of your loan and applies on a quarterly basis. This fee is deducted from your Plan account.
Self-Managed Account (SMA) Maintenance Fee	\$50	Annual fee deducted monthly on a pro-rata basis	Voya	Schwab Personal Choice Retirement Account is available to you if your Employer has elected it as an option. This fee is deducted pro rata on a monthly basis from your core fund investments <sup>9</sup> in your CalPERS 457 account. For more information about SMAs, including a complete list of fees charged by Schwab for different types of investment transactions, please contact Schwab at (888) 393-PCRA (7272). Fees may also be incurred as a result of actual brokerage account trades. Before purchasing or selling any investment through the SMA, you should contact Schwab at (888) 393-PCRA (7272) to inquire about any fees, including any undisclosed fees, associated with the purchase or sale of such investment.
Self-Managed Account (SMA) Plan Administrative Fee	0.23% (\$2.30 per \$1,000)	Annual fee deducted monthly on a pro-rata basis	Voya	The SMA Plan Administrative fee pays for recordkeeping costs for assets in your SMA account. This fee is deducted pro rata on a monthly basis from your core fund investments in your CalPERS 457 account. The SMA Plan Administrative Fee is subject to change based on total Plan assets.

### Footnotes for Table 1 and Table 2:

<sup>1</sup> Fund returns shown are net of investment management and administrative expenses and fees unless otherwise noted. Benchmark performance returns do not reflect any management fees, transaction costs or expenses. Benchmarks are unmanaged. You cannot invest directly in a benchmark.

<sup>2</sup> Historical annual operating expenses are not available. Reported annual operating expenses are estimated based on SSGA investment management, Voya recordkeeping, and SSGA capped operating expenses.

<sup>3</sup> Total annual operating expenses are comprised of investment management and administrative expenses and fees incurred by the funds.

<sup>4</sup> State Street Real Asset Fund has a custom benchmark comprised of 25% Bloomberg Roll Select Commodity Index, 25% S&P® Global Large MidCap Commodity and Resources Index, 10% Dow Jones US Select REIT Index, 20% Bloomberg US Government Inflation-Linked 1-10 Year Bond Index, and 20% S&P® Global Infrastructure Index.

<sup>5</sup> If the ending market value (EMV) falls to zero in any one month, the inception date resets to the next month with an EMV. Performance is then calculated from the new inception date.

<sup>6</sup> The benchmark for each Target Retirement Date Fund is a composite of asset class benchmarks that are weighted according to each Fund's policy target weights. The asset class benchmarks are Russell 3000 Index, MSCI ACWI ex-USA IMI Index (net), Bloomberg US Aggregate Bond Index, the SSGA customized benchmark for Real Assets (see footnote 4), and BofA ML 3-month US T-Bill.

<sup>7</sup> Broad-based benchmarks grouped here provide comparative performance standards for domestic equity, international equity and fixed income.

<sup>8</sup> The CalPERS Board of Administration periodically reviews the plan administrative fees and adjusts fees to reflect expenses incurred by the Plan. Participant fees are charged to reimburse CalPERS for actual administrative fees of the Plan.

<sup>9</sup> Core fund investments are listed in Table 1 above the Target Retirement Date funds. Core funds include: State Street Russell All Cap Index Fund (Class I), State Street Global All Cap Equity ex-US Index Fund (Class I), State Street US Short Term Government/Credit Bond Index Fund (Class I), State Street US Bond Fund Index (Class I), State Street Real Asset Fund (Class A), and State Street Short Term Investment Fund ("STIF").

**DISTRICT  
CORRESPONDENCE**  
Board Meeting of June 20, 2023



**Date:**                      **Correspondence Sent To:**

1. 06/06/2023    Mr. Evan Lundin  
Gateway Pacific Contractors, Inc.  
**Subject:** Notice of Award  
Biosolids and Energy Phase 1 Project
  
2. 06/08/2023    Alexis Chapman  
**Subject:** Sewer Service Availability  
Proposed Tenant Improvement for a Preschool Facility  
A.P.N. 067-230-042 at 4860 Calle Real, Santa Barbara, CA 93111
  
3. 06/08/2023    Ross Trust 8/9/90 or Current Resident  
**Subject:** Roots at Sewer Mainline Connection  
A.P.N. 067-270-054 at 4878 Via Los Santos
  
4. 06/08/2023    David & Barbara Mizes or Current Resident  
**Subject:** Roots at Sewer Mainline Connection  
A.P.N. 067-270-032 at 4885 Via Los Santos

***Hard Copies of the Correspondence are available at the District's Office for review***