



GOLETA SANITARY
Water Resource Recovery District

BUDGET
FISCAL YEAR 2018-2019

Governing Board of Directors
Meeting of June 18, 2018

**BUDGET
FOR
FISCAL YEAR
2018-2019**

***Approved by the Governing Board
Regular Board Meeting June 18, 2018***

**GOLETA SANITARY DISTRICT
BUDGET
FISCAL YEAR 2018-2019**

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GOLETA SANITARY DISTRICT

Budget for Fiscal Year 2018-19

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 the following four public agencies.

- 1. Goleta West Sanitary District**
- 2. University of California at Santa Barbara**
- 3. Santa Barbara Municipal Airport**
- 4. County of Santa Barbara**

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 that are distributed by the Water District for landscape irrigation of the campus of the University of California at Santa Barbara (UCSB), as well as 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 off shore to a depth of approximately 93 feet below the ocean surface.

DISTRICT GOVERNANCE

A five-member Governing Board of Directors elected at-large from 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 37 regular employees that work in three interrelated Departments. These departments are 1) Administration; 2) Collection System; 3) Treatment

and Reclamation Facilities. Each department is managed by one supervising employee who is responsible for the day to day operations of, and all employees associated with, the respective department. The 3 departmental supervisors 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 early each year for adoption by the Board in June of the same year. The budget is prepared by each department supervisor 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 users' 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 fiscal year 2018-19. Withdrawals from the District's designated funds for capital improvement projects are shown separately.

Total Estimated Expenditures without depreciation:	\$13,340,804
Total Anticipated Revenues:	\$14,240,657
Total change in Fund balance:	\$ 899,853

***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 must 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 fees with property taxes. The District receives its 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 \$3,986,062 as of June 30, 2019. This fund constitutes approximately 17% of the total District funds as of that date. The District will periodically review the balance of this fund to ensure the balance is adequate to cover the period between July, 2018 and December, 2018.

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 must not exceed \$25,000. The balance of this fund as of June 30, 2018 is estimated to be \$34,109 which includes accrued interest for the year. The anticipated value by June 30, 2019 is \$34,791 (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, 2019 is \$5,865,423 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 book value.

The fund, with its anticipated balance of \$13,257,590 at the end of FY 2018-19 as shown in the designated fund balance summary sheet, 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 in order to maximize their useful life and minimize lifecycle costs. The District's contribution to this this fund in FY 2018-19 is \$3,386,465. The summary sheet shows a breakdown of this fund among the District's facilities.

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 FY18-19 the annual contribution to this fund is approximately \$331,000. The District periodically reviews this annual funding level in order 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 remaining loan balance was paid off in FY14-15 leaving the District essentially debt free since then.

Plant Upgrading Fund – 4670

In 2007, the District created the "Plant Upgrading Fund" to pay for the Upgrading Project costs including but not limited to planning, design, environmental review, permitting and construction. Partial funding of the project was provided by a transfer from the Capital Reserve Fund in the amount of \$3,700,000 and from the Replacement Reserve Fund in the amount of \$2,000,000 . These interfund loans were paid off in FY15-16.

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, 2019 is \$578,109 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 FY 2018-19. The total value of the District's funds will increase by \$899,852 or 3.9% of its value the end of FY 2018-19.

**DESIGNATED FUND BALANCE
SUMMARY**

Fund No. and Name	Estimated Cash Balance	
	6/30/2018	6/30/2019
<u>4640 Running Expense</u>		
Administration	380,012	446,660
Collection System	571,891	672,191
Firestone Pump Station	37,852	44,490
Main Pump Station	61,351	72,111
Industrial Waste Control Program	105,807	124,364
Wastewater Treatment Facilities	2,181,599	2,564,213
Effluent Disposal Ocean Outfall	52,777	62,034
Subtotal	\$3,391,290	\$3,986,062
		a
<u>4645 Plant Reserve</u>	34,109	34,791
		b
<u>4650 Capital Reserve</u>		
Collection System	3,258,841	3,437,088
Wastewater Treatment Facilities	2,038,564	2,150,066
Effluent Disposal Ocean Outfall	263,838	278,269
Subtotal	5,561,243	5,865,423
		c
<u>4655 Replacement Reserve</u>		
Collection System	9,805,575	9,796,138
Administration Facilities	173,311	173,144
Wastewater Treatment & Pumping Facilities	2,571,493	2,569,018
Effluent Disposal Ocean Outfall	719,983	719,290
Subtotal	13,270,362	13,257,590
		d
<u>4660 Retiree Health Insurance Fund</u>	(67)	1,588
		e
<u>4675 District Emergency Fund</u>	566,774	\$578,109
		f
TOTALS	\$22,823,711	\$23,723,564

NOTES:

^a Designated to meet half of the annual operations and maintenance costs for FY2018-2019.

^b Designated for emergency repairs.

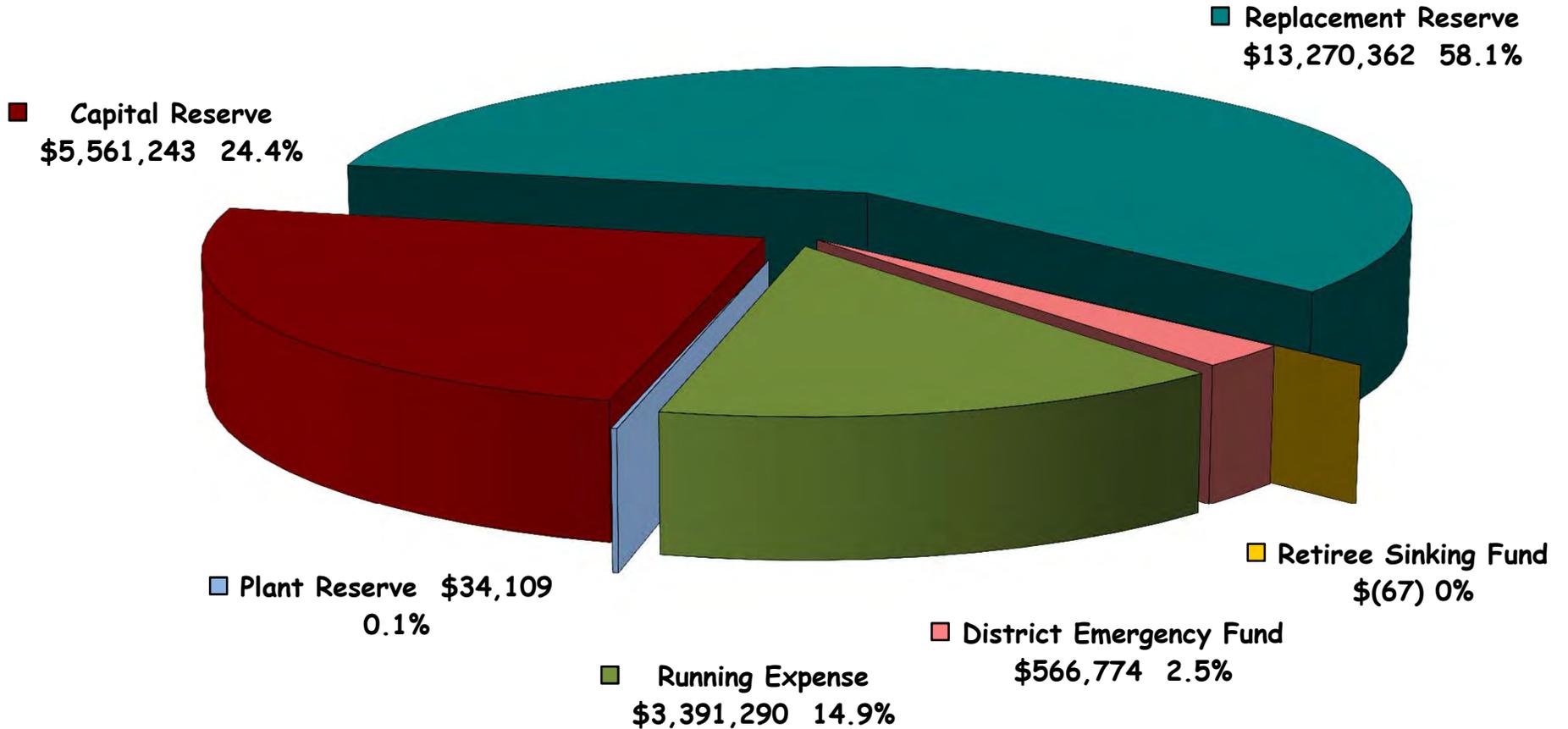
^c Designated for facilities capacity expansion.

^d Designated for facilities replacement projects. Distributed relative to the replacement value of facilities.

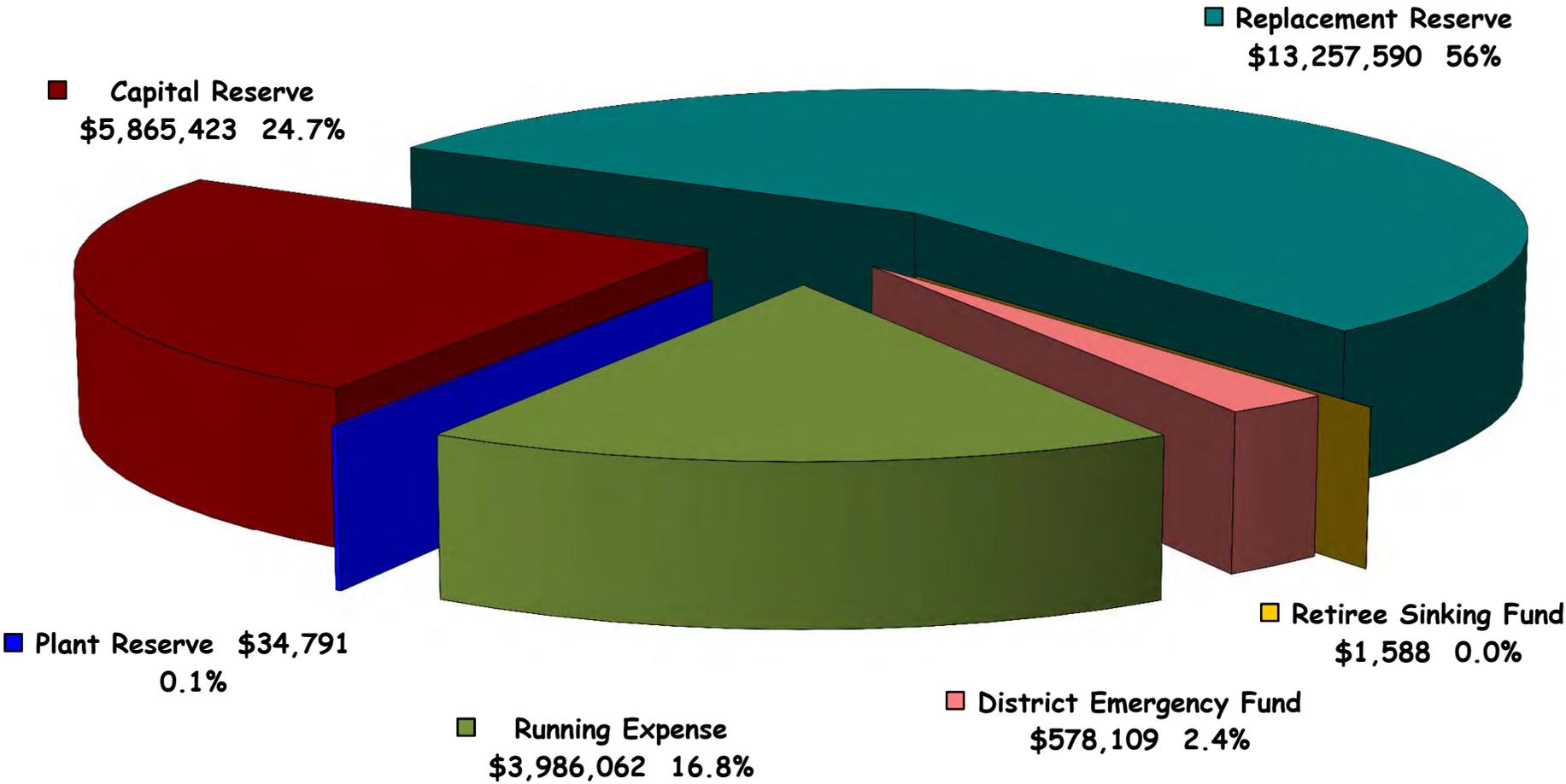
^e Designated for retiree medical insurance, OPEB.

^f Designated for costs associated with emergency projects.

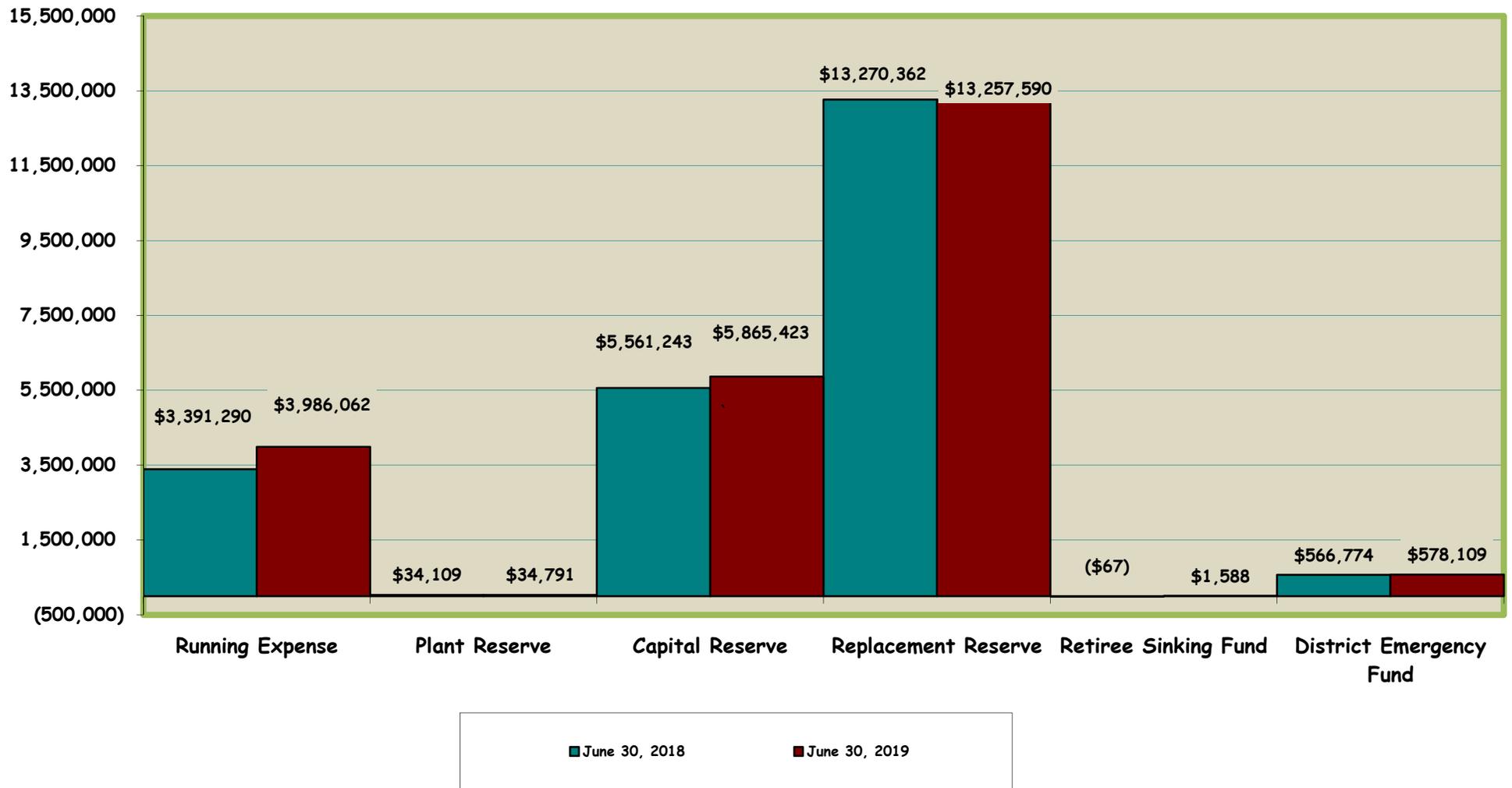
Fund Balance June 30, 2018



Fund Balance June 30, 2019



Fund Balance June 30, 2018 and June 30, 2019



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.

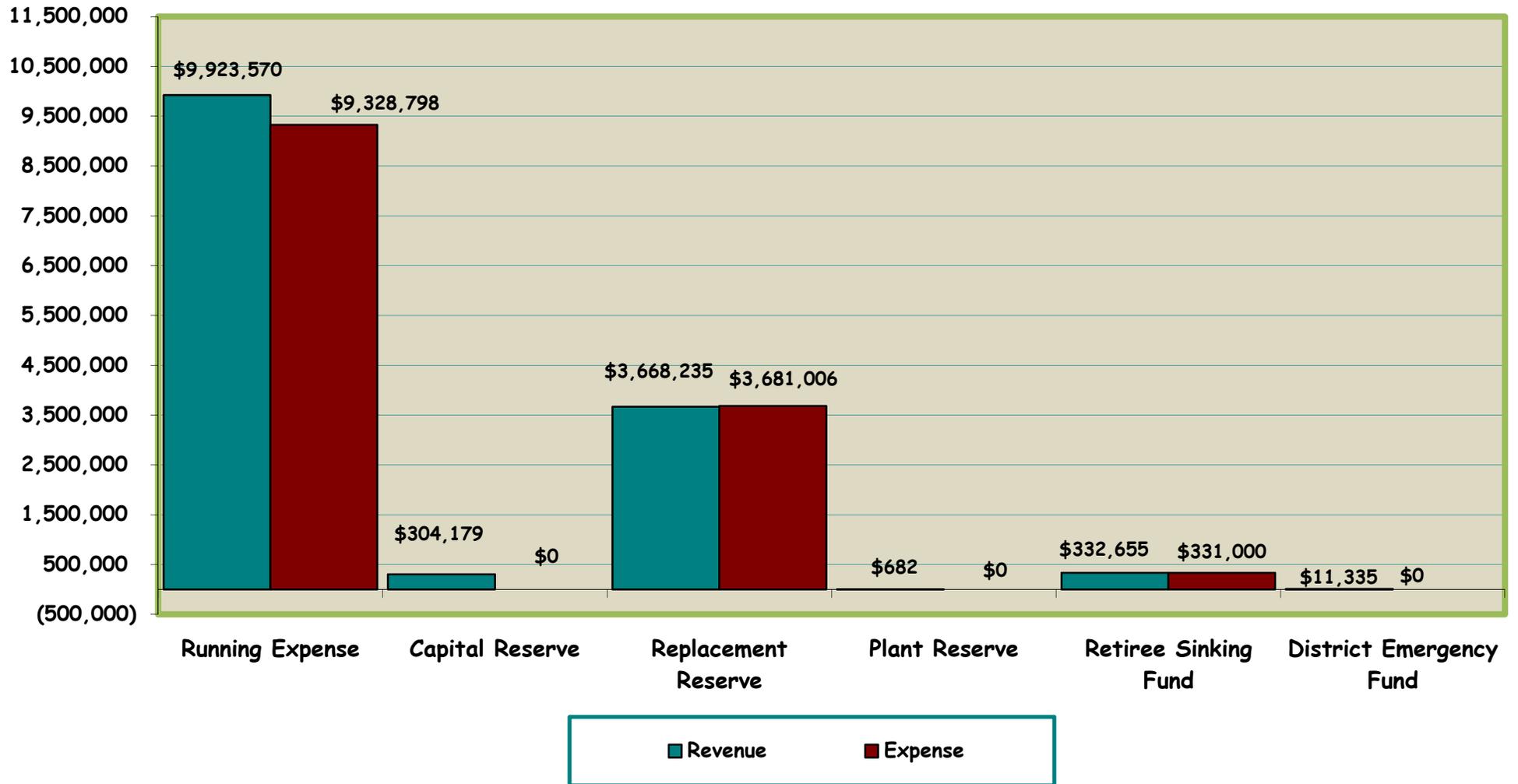
For FY 2018-19, the District anticipates an increase in its overall fund balances by \$899,852. The overall balance of all of the District's funds is anticipated to be \$23,723,564 by the end of fiscal year 2018-19. Enclosed in this budget is a fund activity tabulation and associated bar chart illustrating the activities of the District's designated funds in FY 2018-19.

FUND CASH ACTIVITY

Fund No. and Name	Estimated Cash Balance 6/30/2018	Estimated Revenue 2018-2019	Estimated Cash Expenditures 2018-2019	Estimated Cash Balance 6/30/2019
640 Running Expense	\$3,391,290	Interest \$68,658 Revenue \$9,090,995 GWD WWRec O&M \$722,107 Admin Chg: WWRec \$41,811	O & M Expense \$8,606,691 WWRec O & M Expense \$722,107	\$3,986,062
Subtotal		\$9,923,570	\$9,328,798	
645 Plant Reserve	\$34,109	Interest \$682	\$0	\$34,791
Subtotal		\$682	\$0	
650 Capital Reserve	\$5,561,243	Interest \$114,634 Connection & Annex Chgs \$189,546	Sewer line capacity related \$0	\$5,865,423
Subtotal		\$304,179	\$0	
655 Replacement Reserve	\$13,270,362	Interest \$281,770 Revenue \$3,386,465	Collection System Replacements \$1,458,660 Administration & Outfall \$339,633 Plant and Pump Stations Projects \$1,882,713	\$13,257,590
Subtotal		\$3,668,235	\$3,681,006	
660 Retiree Health Insurance	-\$67	Interest \$1,655 Revenue \$331,000	\$331,000	\$1,588
Subtotal		\$332,655	\$331,000	
675 District Emergency Fund	\$566,774	Interest \$11,335	\$0	\$578,109
Subtotal		\$11,335	\$0	
TOTALS	\$22,823,711		\$23,723,564	

(Note: Depreciation Expense is a non-cash activity and does not reduce the fund balance)

Fund Activity June 2018-June 2019



REVENUES
FISCAL YEAR 2018-19

DISTRICT REVENUES FOR FISCAL YEAR 2018-19

The District estimates FY 2018-19 revenues from several sources as outlined in the following table:

REVENUE SOURCES			
Sewer Service Charges	\$	9,244,007	64.9%
Other Government Agencies	\$	4,098,415	28.8%
Permits, Inspections and Fees	\$	28,900	0.2%
Annexation and Capacity Fees	\$	189,546	1.3%
Property Taxes and related	\$	156,056	1.1%
Interest and Other Income	\$	523,733	3.7%
	\$	14,240,657	100.0%

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

The sewer service charges (SSCs) may also 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 the collected District 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.

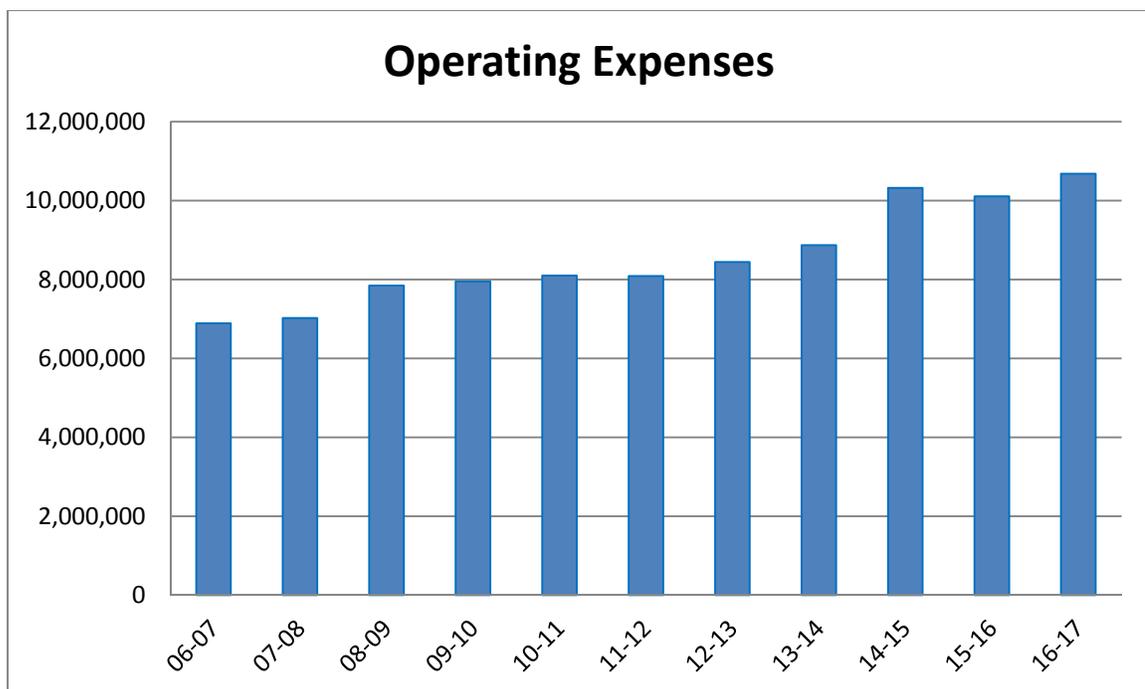
The District reviews its Sewer Service Charge (SSC) rate on an annual basis to ensure adequate revenues are being collected to cover the following costs:

1. **Operations and Maintenance:** 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 (rate) 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 fund the District's O&M costs we will eventually not be able to provide sewer services to the community.

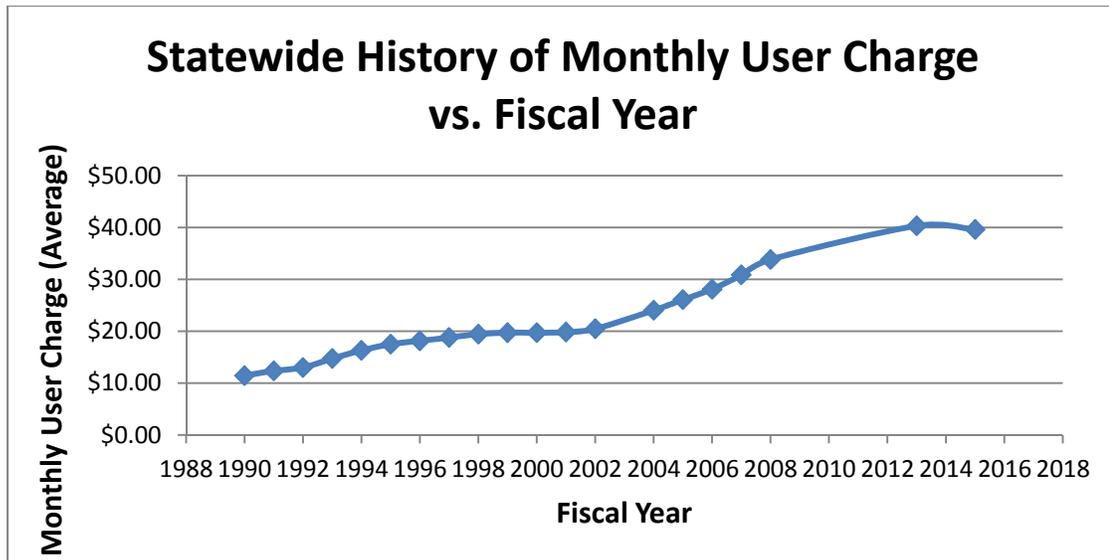
A detailed rate analysis conducted in 2017 revealed that the District was not collecting enough SSC revenue to funding its ongoing O&M costs. This resulted in the balance of the Running Expense Fund being drawn down below the level needed to ensure the coverage of expenses during the dry financing period between property tax payments.

Further analysis of recent audited financial reports has shown a steady annual increase in O&M costs as shown in the following table.



The average annual increase in the District's audited O&M costs over the last 10 years is approximately 4.6%. This is due to a combination of increases in personnel costs, supplies and materials, contracts, and just about everything that is funded out of the Running Expense Fund #640.

This issue is not unique to the District as the statewide average user charges has increased an average of approximately 5.2% over the last 36 years as shown in the following table.



While there is no way to completely mitigate the increases in O&M costs, the impacts can be mitigated through incremental rate adjustments. This method is used by several other local wastewater agencies. They increased their SSC rate a set amount each year based on a published cost index and/or rate. One such index is the Consumer Price Index (CPI) published by the Bureau of Labor and Statistics. These indexes are based on regional data to better reflect local inflationary cost impacts.

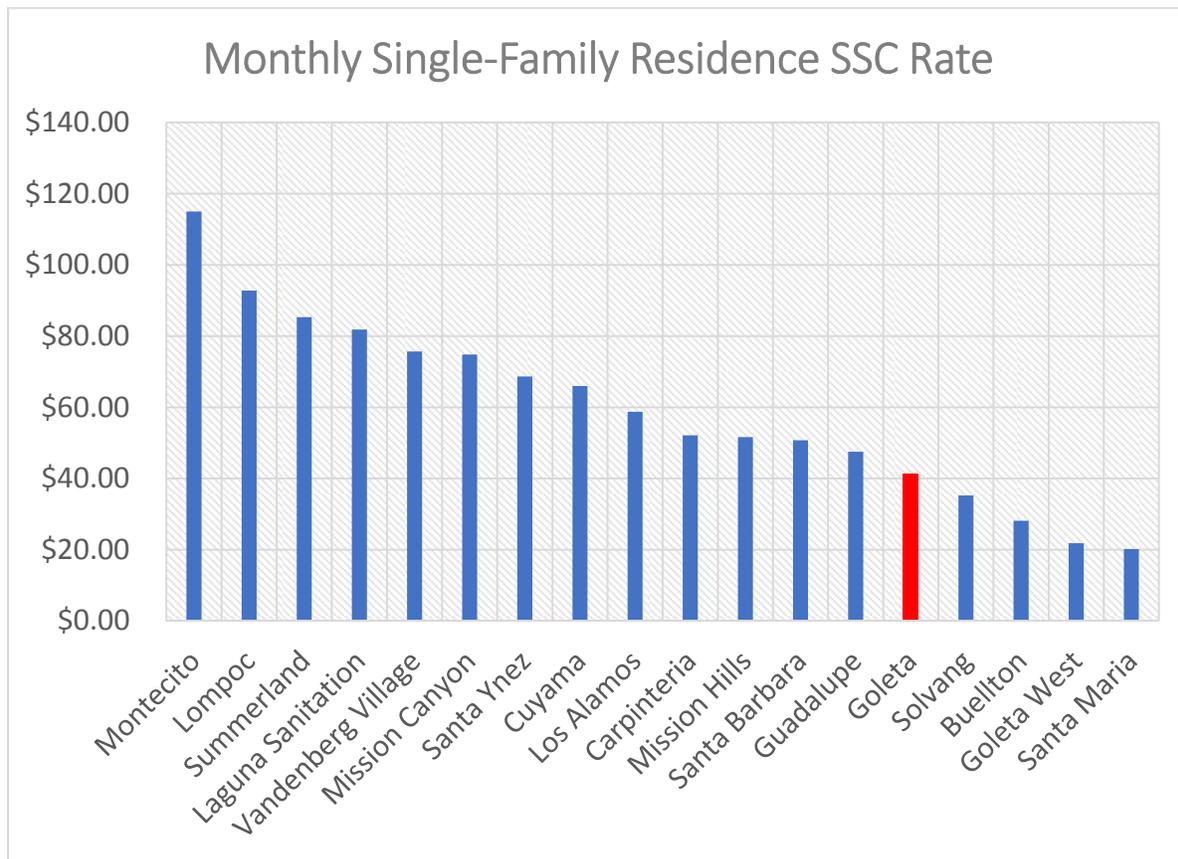
In light of this historic and ongoing increase in the District's O&M costs, the Governing Board authorized the filing of a proposition 218 notice to increase the District's SSC by the CPI for 2 consecutive years. The rate increase would be based on the average of the monthly 12-month average change in the CPI for the period of April 2017 through March 2018 as published by the United States Department of Labor, Bureau of Labor Statistics, for all Urban Consumers, All Items, for the Los Angeles-Long Beach-Anaheim areas.

If approved, the first CPI increase of 3.1% would go into effect on August 1, 2018. Since the increase isn't for the full 12 months of the fiscal year, the actual effective rate increase in FY 2018-19 is approximately 2.84%. A breakdown of the proposed rate increase for FY2018-19 is shown in the following table

SSC Rate Component	Existing FY16-17 Rate/Mo/ERU	Proposed FY18-19 Rate/Mo/ERU	Difference Rate/Mo/ERU
Operations & Maintenance	\$31.44	\$32.33	\$0.89
Depreciation	\$7.94	\$8.17	\$0.23
Capital Improvements	\$2.00	\$2.06	\$0.06
Total	\$41.38	\$42.56	\$1.18

The proposed FY2018-19 budget assumes the SSC rate increase of 2.84% as set forth above. The difference in the existing and proposed rate is expected to generate approximately \$247,154 in additional SSC revenue in FY2018-19 for budgeted expenditures.

The District's proposed FY2018-19 SSC rate of \$42.56/month for a single-family home is still 28% less than the average rate of \$59.31 charged in 2016 by other sanitary agencies in Santa Barbara County as shown in the following graph.



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 treatment facilities; and from SBMA for Firestone and the Main pump stations. The value of this revenue is based on the Airport's percentages of the annual flow and expenses of the Main Pump Station and the percentage flow for the Firestone pump station only.

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.

FY18-19 Total anticipated revenue with interest in the Running Expense Fund is \$9,923,571.

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 current District Capacity Fee is \$2,058 per ERU.

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 \$1,905 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.

FY18-19 Total anticipated revenue with interest in the Capital Reserve Fund is \$304,179.

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 \$42.56 anticipated SSC revenue per single-family dwelling for FY 2018-19, \$2.06, which amounts to \$447,431 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 \$1,774,519 in FY 2018-19. The total amount of sewer service charges expected to be

received by the District and deposited into the replacement reserve fund in FY 2018-19 from these sources is \$2,221,950.

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 \$155,556 in FY 2018-19.

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 FY 2018-19 is \$1,008,959

FY18-19 Total anticipated revenue with interest in the Replacement Reserve Fund is \$3,668,235.

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.

FY18-19 Total deposit into the Retiree Health Insurance Fund with interest is \$332,655.

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 2.0%.

FY18-19 Total interest anticipated is \$478,733.

FY18-19 TOTAL DISTRICT REVENUE ANTICIPATED IS \$14,240,657.

**Fiscal Year 2018-2019
REVENUE**

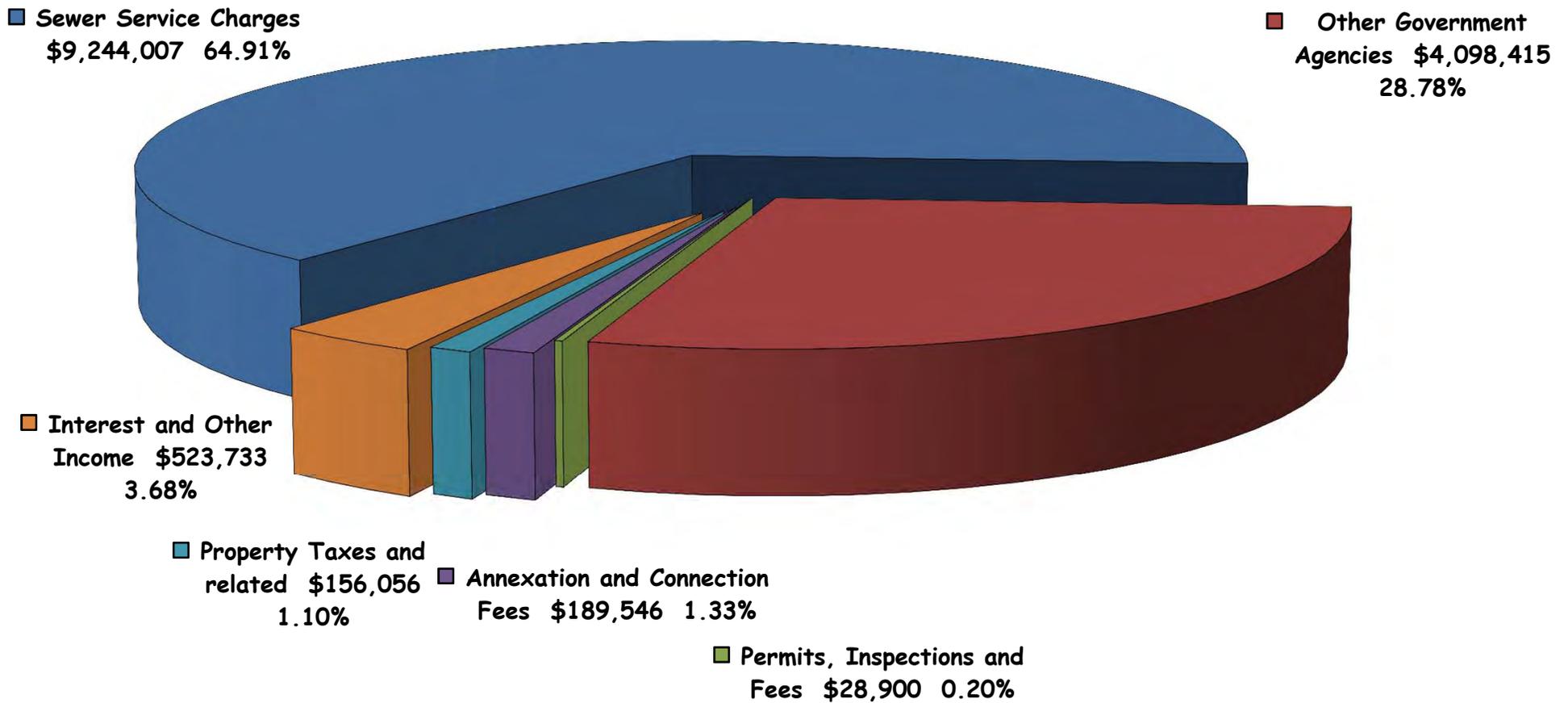
Fund Name and Number	Acct	Revenue Classification	Budgeted Revenue 2017-18	Revenue to date 5/22/2018	Projected Actual 2017-18	Over(Under) Budget 2017-18	Revenue Projection 2018-19	Percent Change from last FY
4640	3100	*Sewer Service Charges	\$6,505,049	\$5,932,832	\$6,505,049	\$0	\$6,691,057	3%
Running Expense	3120	Permits and Inspections	\$28,000	\$26,764	\$28,000	\$0	\$28,000	0%
	3140	Admin Chgs - Treatment	\$134,673	\$99,033	\$118,839	-\$15,834	\$129,555	-4%
	3145	Admin Chgs - Reclamation	\$40,742	\$27,633	\$33,159	-\$7,583	\$41,811	3%
	3150	Treatment & Disposal Cost Reimb.	\$2,416,838	\$1,808,967	\$2,170,761	-\$246,077	\$2,190,784	-9%
	3155	GWD WWRec O&M Cost Reimb.	\$440,415	\$276,329	\$331,594	-\$108,821	\$722,107	64%
	3160	IWC Analysis Reimbursement	\$500	\$0	\$0	-\$500	\$500	0%
	3170	Homeowners Exemption	\$500	\$390	\$500	\$0	\$500	0%
	3205	Annexation Processing Fee	\$400	\$0	\$0	-\$400	\$400	0%
	3240	**RFOGA - Running Expense	\$7,147	\$3,683	\$4,419	-\$2,728	\$5,200	-27%
	3260/3301	Other Revenue - Running Exp.	\$45,000	\$109,847	\$110,000	\$65,000	\$45,000	0%
		Subtotal	\$9,619,262	\$8,285,477	\$9,302,321	-\$316,942	\$9,854,913	2%
4650	3130	Capacity Fees	\$183,678	\$198,703	\$200,000	\$16,322	\$185,736	1%
Capital Reserve	3200	Annexation Charges	\$3,810	\$0	\$0	-\$3,810	\$3,810	0%
		Subtotal	\$187,488	\$198,703	\$200,000	\$12,512	\$189,546	1%
4655	3100	*Sewer Service Charges	\$2,161,158	\$2,162,093	\$2,161,158	\$0	\$2,221,950	3%
Replacement Reserve	3220	Property Tax Revenue	\$137,405	\$146,323	\$146,323	\$8,918	\$155,556	13%
	3260	**RFOGA - Capital Projects	\$701,797	\$255,725	\$306,870	-\$394,927	\$1,008,959	44%
		Subtotal	\$3,000,360	\$2,564,142	\$2,614,352	-\$386,009	\$3,386,465	13%
4660	3100	*Sewer Service Charges	\$330,646	\$330,802	\$330,802	\$156	\$331,000	0%
Retirees Ins		Subtotal	\$330,646	\$330,802	\$330,802	\$156	\$331,000	0%
All Funds		Interest Earnings						
4640	3230	Running Expense Fund	\$13,807	\$16,013	\$26,737	\$12,930	\$68,658	397%
4645	3230	Plant Reserve Fund	\$269	\$271	\$372	\$103	\$682	153%
4650	3230	Capital Reserve Fund	\$43,453	\$55,359	\$71,916	\$28,464	\$114,634	164%
4655	3230	Replacement Reserve Fund	\$103,174	\$118,975	\$160,463	\$57,290	\$281,770	173%
4660	3230	Retiree Health Insurance Fund	\$661	\$420	\$500	-\$161	\$1,655	150%
4670	3230	Plant Upgrading Fund	\$0	\$0	\$0	\$0	\$0	0%
4675	3230	District Emergency Fund	\$4,476	\$5,305	\$7,268	\$2,792	\$11,335	153%
		Subtotal	\$165,840	\$196,344	\$267,257	\$101,417	\$478,733	189%
		Total Revenue	\$13,303,596	\$11,575,467	\$12,714,731	-\$588,866	\$14,240,657	7%

*Sewer Service Charges are deposited directly to the respective funds. Values shown under 2018-2019 Revenue Estimate have been pro-rated accordingly.

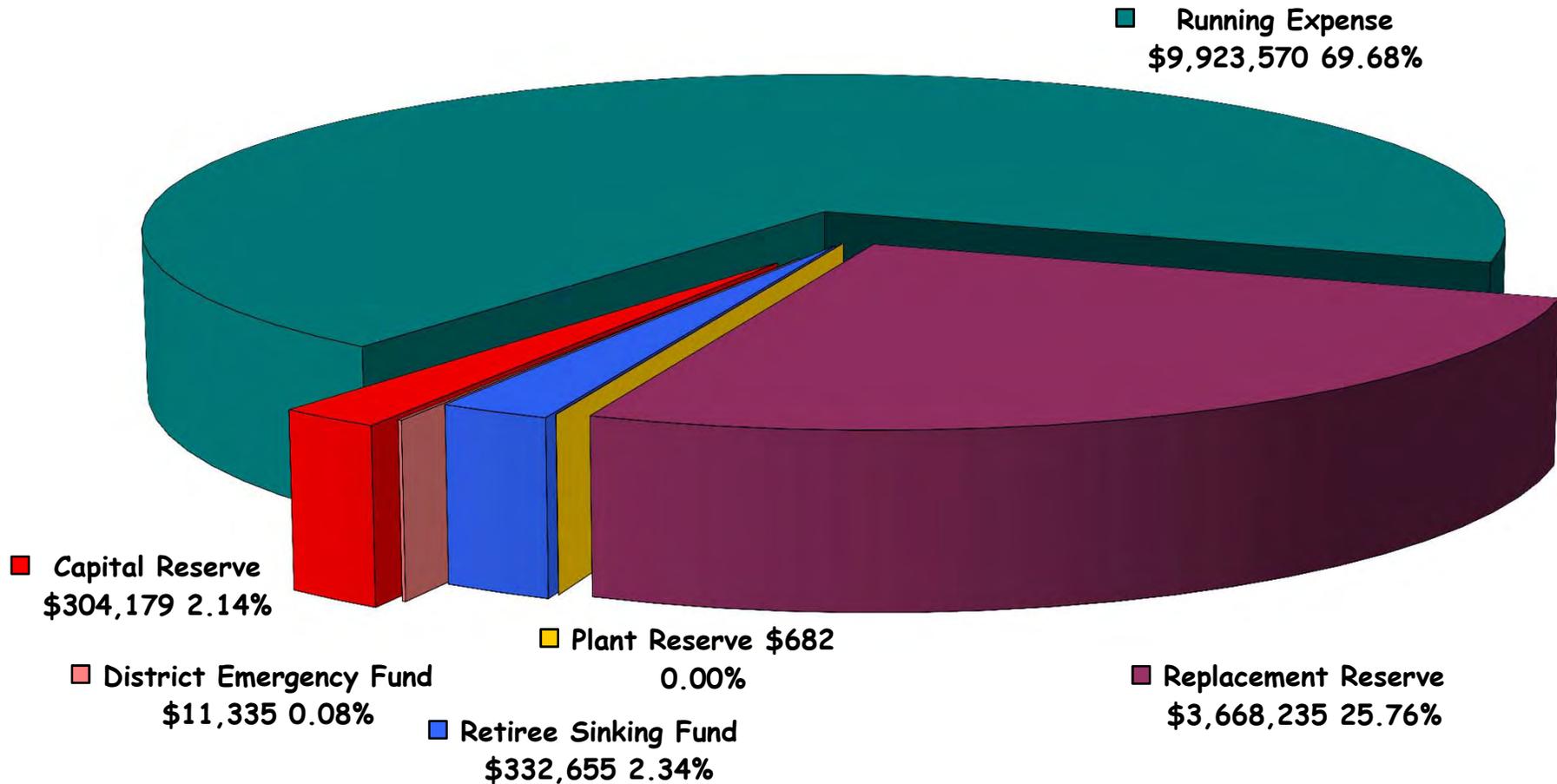
Total Sewer Service Charges: \$8,996,853 \$9,244,007 2.75%

**RFOGA = Revenue From Other Gov't Agencies

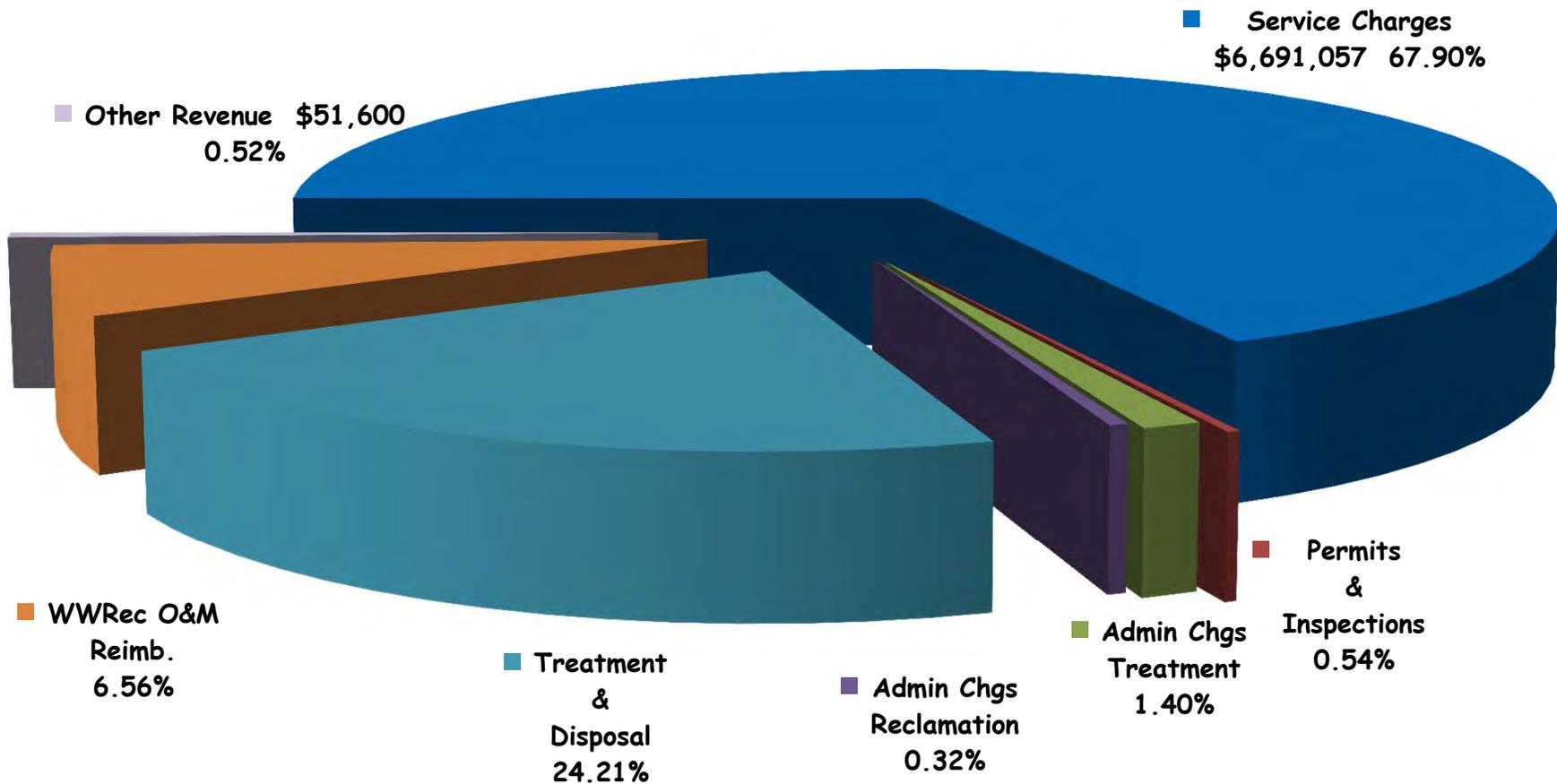
Revenues by Source 2018-19



Revenues by Fund 2018-19



Running Expense Revenues 2018-19



EXPENDITURES
FISCAL YEAR 2018-19

DISTRICT COMBINED EXPENDITURES IN FISCAL YEAR 2018-19

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, debt service and capital outlay. The total operating and personnel expenses proposed for FY 2018-19 are anticipated to be above last year's budget. The capital outlay projects are anticipated to be about 5% 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</u>	<u>% with</u>
Personnel Cost:	\$ 5,191,486	39%	30%
Operating Expenses:	\$ 4,020,812	30%	24%
Sub-Total:	\$ 9,212,298	69%	54%
Capital Outlay:	\$ 4,128,506	31%	25%
Total Expenses w/o depreciation:	\$ 13,340,804	100%	79%
Depreciation Expense:	\$ 3,467,300		21%
TOTAL EXPENDITURES:	\$ 16,808,104		100%

The enclosed graph shows the above distribution of expenditures for FY 2018-19.

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.

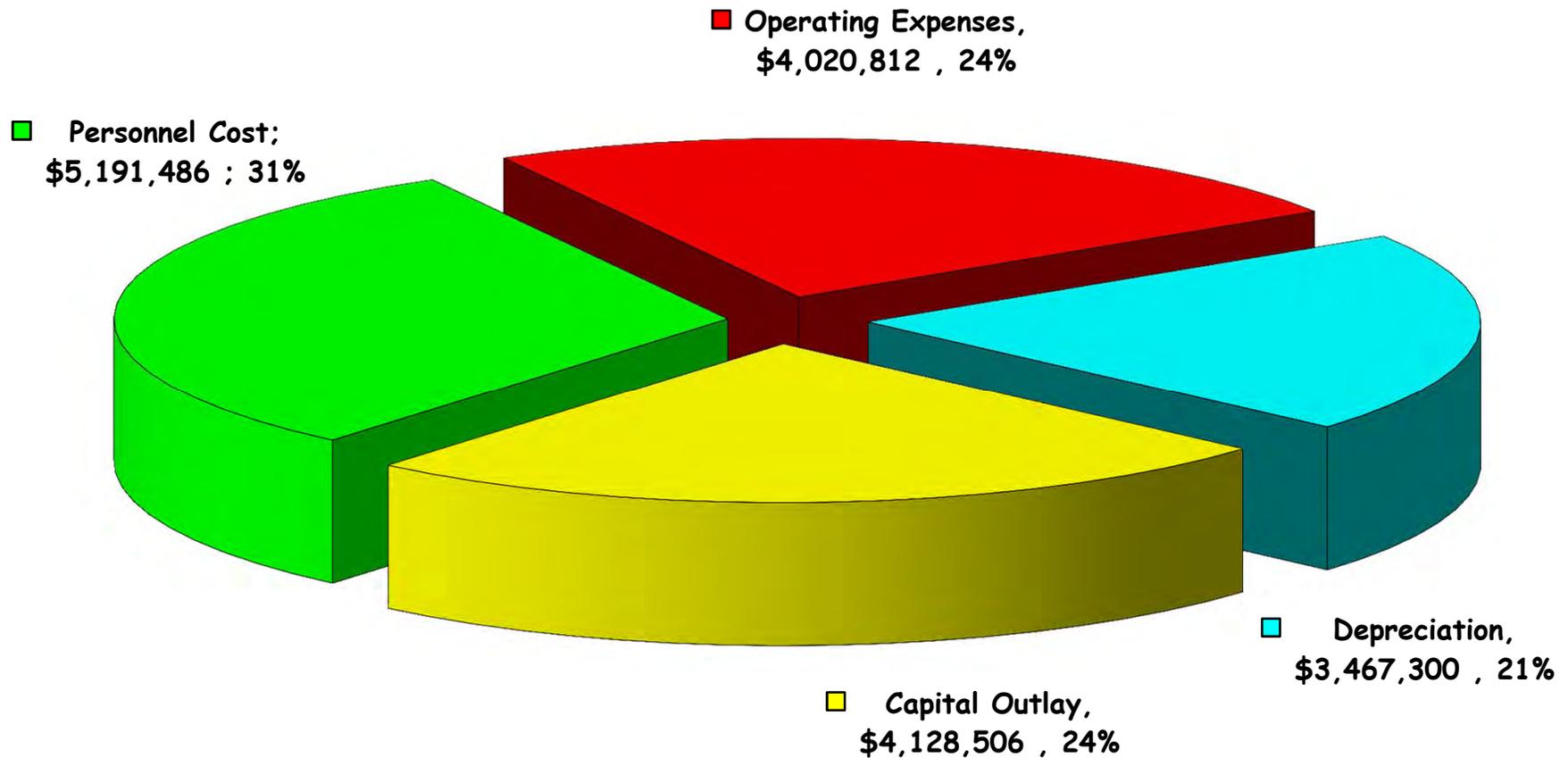
Summary

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.

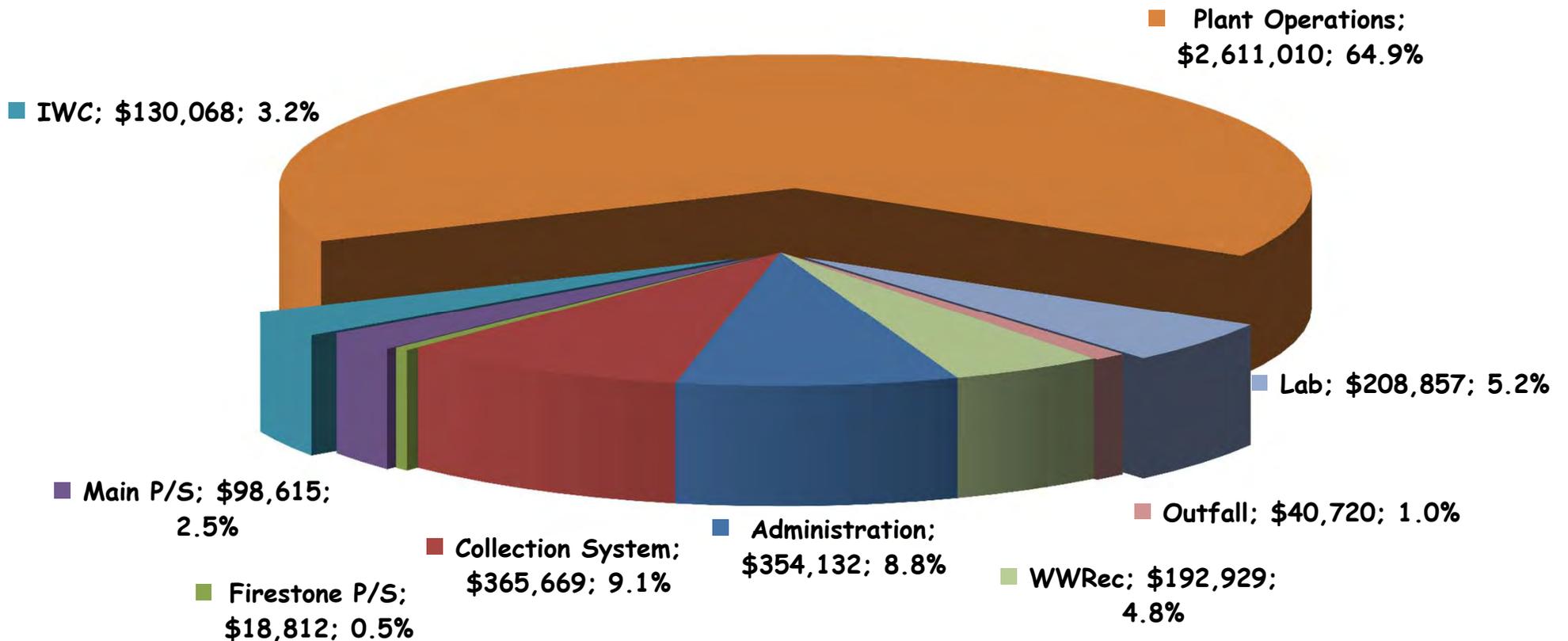
**Fiscal Year 2018-2019
EXPENDITURES**

Description	Budgeted	To Date	Projected	Under(Over)	Proposed	Percent Change from last FY
	2017-18	5/22/2018	Actual 2017-18	Budget 2017-18	Budget 2018-19	
PERSONNEL						
Basic Salaries	2,898,993	2,562,386	3,057,773	(158,780)	2,983,989	3%
Overtime	22,100	14,815	17,550	4,550	16,800	-24%
Temporary	20,500	4,539	5,365	15,135	19,500	-5%
Directors Fees	76,000	35,669	50,400	25,600	76,000	0%
Worker's Compensation	102,470	79,713	95,656	6,814	92,768	-9%
Retirement	553,209	524,370	560,481	(7,272)	572,620	4%
Active Employee Insurance-Health/Dental/Vision/Disability	849,611	707,774	808,072	41,539	871,744	3%
Retiree Health Insurance OPEB Funding	330,646	323,081	330,865	(219)	331,000	0%
FICA	177,815	156,075	184,659	(6,844)	177,659	0%
Medicare	42,064	36,622	43,335	(1,271)	43,642	4%
Unemployment Insurance	5,880	5,586	6,093	(213)	5,765	-2%
<i>Subtotal</i>	5,079,289	4,450,632	5,160,249	(80,960)	5,191,486	2%
OPERATING EXPENSES						
Public Education	75,000	25,392	60,470	14,530	75,000	0%
Janitorial Service	46,360	40,470	43,693	2,667	45,760	-1%
Uniforms	14,675	10,900	16,261	(1,586)	17,175	17%
Licenses & Permits	115,092	54,310	103,370	11,722	142,132	23%
Freight & Postage	2,515	1,298	1,909	606	2,669	6%
Subscriptions	5,650	3,981	6,499	(849)	8,922	58%
Vehicle Repairs & Maintenance	56,500	27,092	48,935	7,565	55,100	-2%
Liability & Property Insurance	146,917	125,803	135,881	11,036	141,651	-4%
Dues & Memberships	38,789	18,573	35,259	3,530	40,345	4%
Office Supplies	16,000	11,511	14,358	1,642	16,470	3%
Analysis & Monitoring	222,025	149,035	218,638	3,387	190,150	-14%
Operating Supplies	687,525	460,438	666,648	20,877	789,510	15%
Attorney Fees	112,850	119,076	122,736	(9,886)	115,650	2%
Printing & Publications	7,568	1,530	6,272	1,296	8,058	6%
Repairs and Maintenance	472,570	244,996	461,432	11,138	544,892	15%
Travel	62,950	46,994	49,203	13,747	68,850	9%
Seminars, Conferences, Training, Employee Recognition	41,100	26,919	35,956	5,144	58,900	43%
Utilities	673,725	481,956	638,182	35,543	682,885	1%
Election Expense	0	0	0	0	10,000	0%
Computer Service & Maintenance	97,900	79,787	90,337	7,563	122,725	25%
Lease/Rentals	7,650	5,867	7,089	561	9,063	18%
Consulting Services	37,900	0	6,000	31,900	43,600	15%
Biosolids Hauling	358,875	356,688	428,025	(69,150)	420,000	17%
Professional Services	277,490	50,741	71,234	206,256	396,555	43%
Other Expense	12,550	20,461	4,591	7,959	14,750	18%
<i>Subtotal</i>	3,590,176	2,363,819	3,272,977	317,198	4,020,812	12%
Total Personnel and Operating Expenses	8,669,465	6,814,450	8,433,226	236,238	9,212,298	6%
DEPRECIATION FUNDING						
Replacement Reserve	3,344,757	2,844,330	3,413,195	(68,438)	3,467,300	4%
<i>Subtotal</i>	3,344,757	2,844,330	3,413,195	(68,438)	3,467,300	4%
CAPITAL OUTLAY						
Machinery and Equipment (Fund 640)	485,500	455,155	465,992	19,508	143,500	-70%
Capital Projects (Fund 655)	3,463,662	1,486,676	1,560,000	1,903,662	3,985,006	15%
Capital Projects (Fund 650)	0	0	0	0	0	0%
<i>Subtotal</i>	3,949,162	1,941,831	2,025,992	1,923,170	4,128,506	5%
Total Operating & Non-Operating w/o Depreciation	\$ 12,618,627	\$ 8,756,281	\$ 10,459,219	\$ 2,159,408	\$ 13,340,804	6%
Total Operating & Non-Operating with Depreciation	\$ 15,963,384	\$ 11,600,610	\$ 13,872,414		\$ 16,808,104	5%

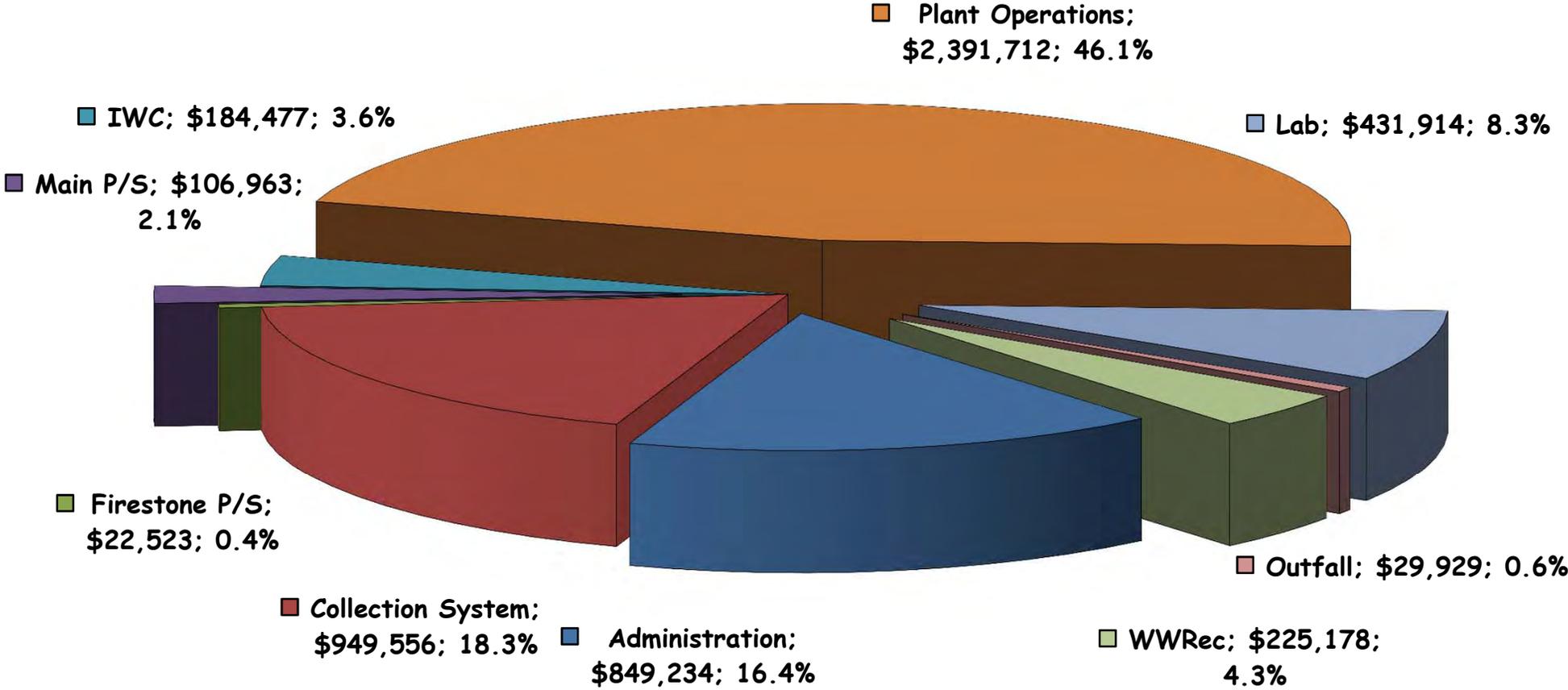
District's Combined Expenditures



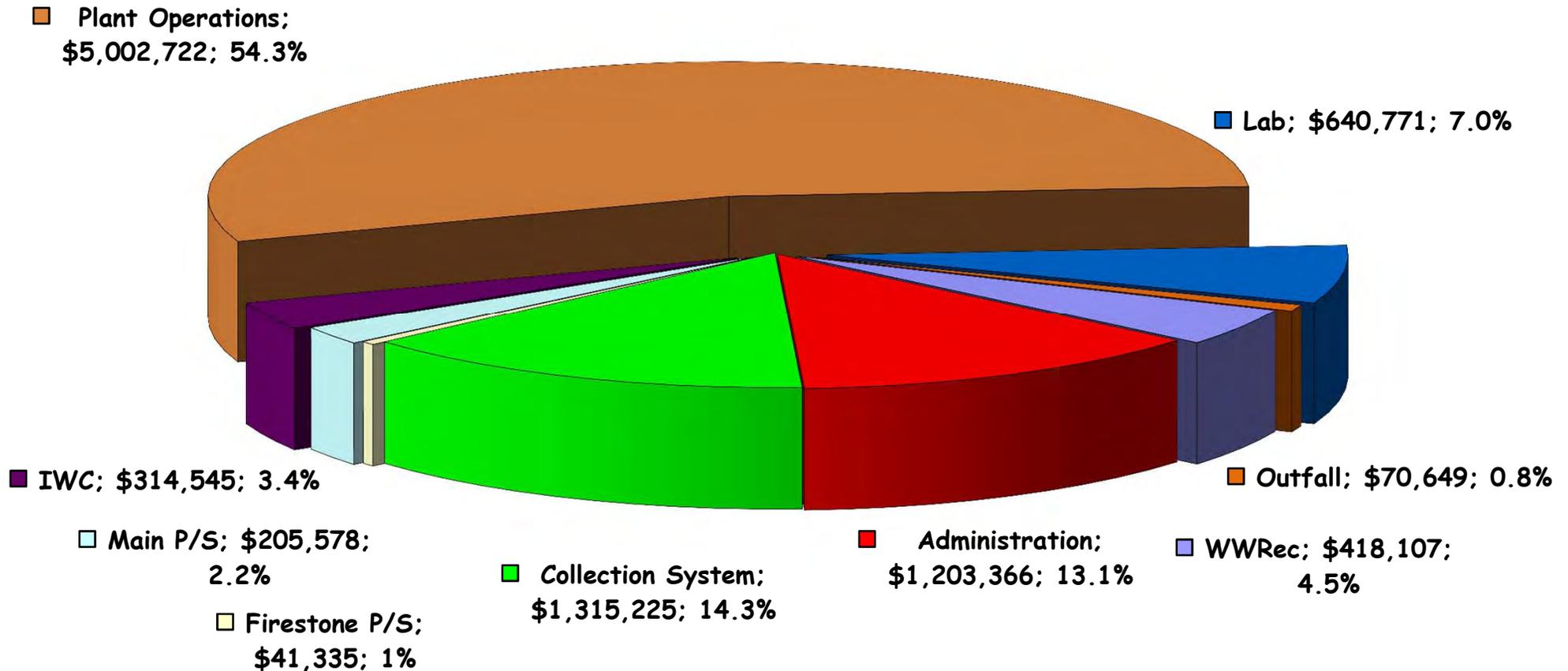
Distribution of Operating Costs



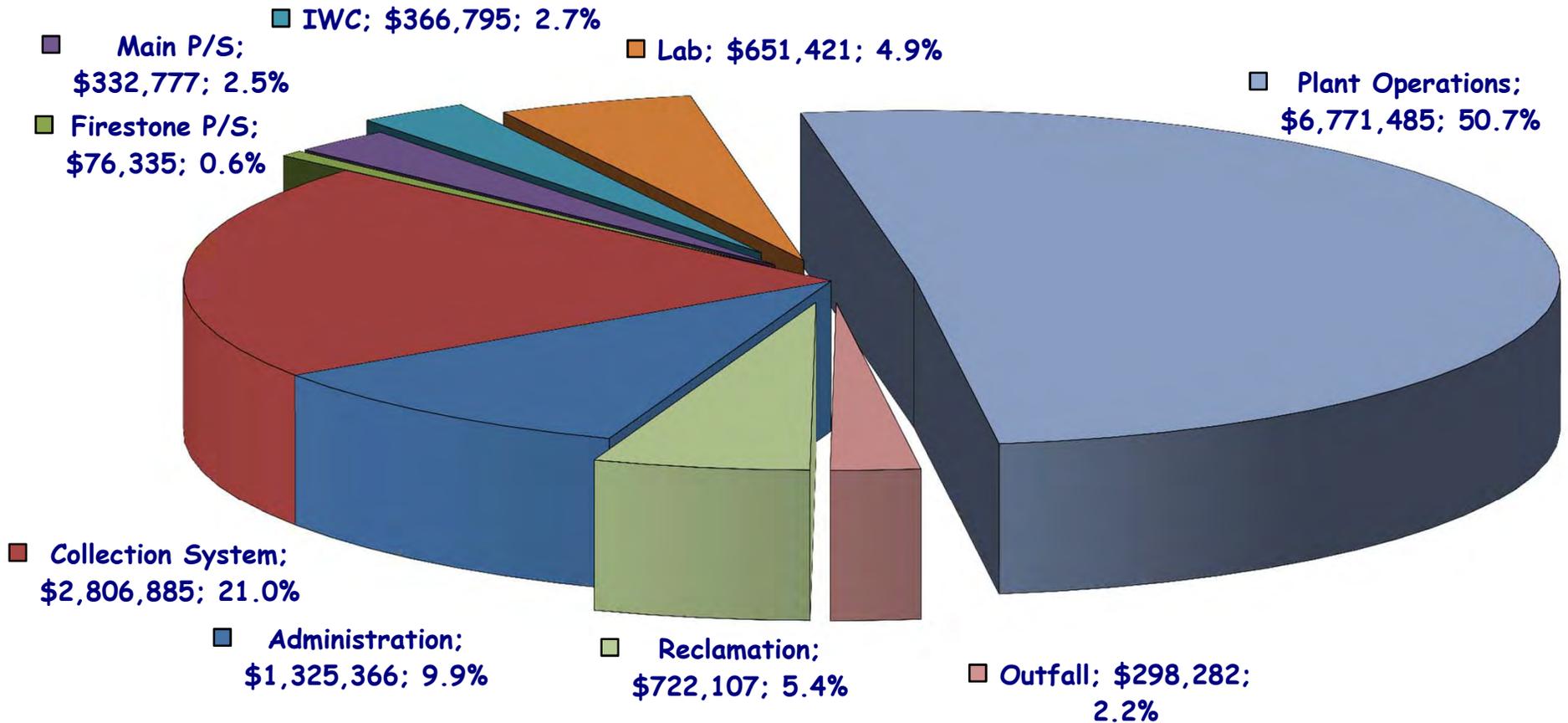
Distribution of Personnel Cost



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 fiscal year 2018-19. 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 the basis of 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.

The total anticipated running expense expenditures in FY 2018-19 are \$8,606,691

On the revenue side the total revenue projected for this fund includes most revenue sources described under the running expense revenue discussion with the exception of 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 higher than the anticipated revenues.

The total anticipated running expense revenue in FY 2018-19 are \$9,159,653

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 expenses for the reclamation facilities in FY 2018-19 are \$722,107

The total anticipated revenues for the reclamation facilities in FY 2018-19 are \$763,918

Debt Service

Both the external debt to SRF and the internal inter-fund loan debt have been paid in full; the District currently is debt free.

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 FY 2018-19 \$3,681,006

The total anticipated depreciation expenses in FY 2018-19 \$3,467,300

The total anticipated revenue for capital improvements in FY 2018-19 is \$3,984,432

THE TOTAL EXPENDITURES FOR FY 2018-19

INCLUDING DEPRECIATION COMES TO \$16,808,104

WITHOUT DEPRECIATION TO \$13,340,804

THE TOTAL REVENUE FOR FY 2018-19 IS \$14,240,657

**COMPARISON SUMMARY OF
EXPENSES AND REVENUES
Fiscal Year 2018-2019**

EXPENDITURES	REVENUES																																																		
<p><u>RUNNING EXPENSE (4640)</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Personnel</td> <td style="text-align: right;">\$4,635,308</td> </tr> <tr> <td>Operating Expense</td> <td style="text-align: right;">3,827,883</td> </tr> <tr> <td>Machinery and Equipment</td> <td style="text-align: right;">143,500</td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: right;">\$8,606,691</td> </tr> </table>	Personnel	\$4,635,308	Operating Expense	3,827,883	Machinery and Equipment	143,500	Total	\$8,606,691	<p><u>RUNNING EXPENSE (4640)</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Sewer Service Charges</td> <td style="text-align: right;">\$6,691,057</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;">129,555</td> </tr> <tr> <td>RFOGA - Treatment and Disposal</td> <td style="text-align: right;">2,190,784</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;">5,200</td> </tr> <tr> <td>Other Revenue</td> <td style="text-align: right;">45,000</td> </tr> <tr> <td>Interest</td> <td style="text-align: right;">68,658</td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: right;">\$9,159,653</td> </tr> </table>	Sewer Service Charges	\$6,691,057	Permit and Inspection Fees	28,000	Administration Charges - Treatment	129,555	RFOGA - Treatment and Disposal	2,190,784	IWC Analysis Reimbursement	500	Homeowners Property Tax Relief	500	Annexation Processing Fee	400	Payments from Other Governmental Agencies	5,200	Other Revenue	45,000	Interest	68,658	Total	\$9,159,653																				
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<p><u>CAPITAL IMPROVEMENT</u></p> <p><u>Capacity Reserve Fund (4650)</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Sewer lines capacity related projects</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td style="text-align: right;">Sub-total</td> <td style="text-align: right;">\$0</td> </tr> </table> <p><u>Replacement Reserve Fund (4655):</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Administration</td> <td style="text-align: right;">\$112,000</td> </tr> <tr> <td>Firestone Pump Station</td> <td style="text-align: right;">35,000</td> </tr> <tr> <td>Pump Station Projects</td> <td style="text-align: right;">127,200</td> </tr> <tr> <td>Plant Projects</td> <td style="text-align: right;">1,720,513</td> </tr> <tr> <td>Sewer line Projects</td> <td style="text-align: right;">1,458,660</td> </tr> <tr> <td>Outfall Projects</td> <td style="text-align: right;">227,633</td> </tr> <tr> <td style="text-align: right;">Sub-total</td> <td style="text-align: right;">\$3,681,006</td> </tr> </table> <p><u>District Plant Reserve Fund (4645)</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Sub-total</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td style="text-align: right;">Sub-total</td> <td style="text-align: right;">\$0</td> </tr> </table> <p><u>District Emergency Fund (4675)</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Sub-total</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td style="text-align: right;">Sub-total</td> <td style="text-align: right;">\$0</td> </tr> </table> <p style="text-align: right;">Total</p> <p style="text-align: right;">\$3,681,006</p>	Sewer lines capacity related projects	\$0	Sub-total	\$0	Administration	\$112,000	Firestone Pump Station	35,000	Pump Station Projects	127,200	Plant Projects	1,720,513	Sewer line Projects	1,458,660	Outfall Projects	227,633	Sub-total	\$3,681,006	Sub-total	\$0	Sub-total	\$0	Sub-total	\$0	Sub-total	\$0	<p><u>CAPITAL IMPROVEMENT</u></p> <p><u>Capacity Reserve Fund (4650)</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Connection/Annexation Fees</td> <td style="text-align: right;">\$189,546</td> </tr> <tr> <td>Interest</td> <td style="text-align: right;">114,634</td> </tr> <tr> <td style="text-align: right;">Sub-total</td> <td style="text-align: right;">\$304,179</td> </tr> </table> <p><u>Replacement Reserve Fund (4655)</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Sewer Service Charges (\$2.00/ERU+GSD Depr)</td> <td style="text-align: right;">\$2,221,950</td> </tr> <tr> <td>RFOGA - Capital Projects</td> <td style="text-align: right;">1,008,959</td> </tr> <tr> <td>Property Tax Revenue</td> <td style="text-align: right;">155,556</td> </tr> <tr> <td>Interest</td> <td style="text-align: right;">281,770</td> </tr> <tr> <td style="text-align: right;">Sub-total</td> <td style="text-align: right;">\$3,668,235</td> </tr> </table> <p><u>District Plant Reserve Fund (4645)</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Interest</td> <td style="text-align: right;">\$682</td> </tr> <tr> <td style="text-align: right;">Sub-total</td> <td style="text-align: right;">\$682</td> </tr> </table> <p><u>District Emergency Fund (4675)</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Interest</td> <td style="text-align: right;">\$11,335</td> </tr> <tr> <td style="text-align: right;">Sub-total</td> <td style="text-align: right;">\$11,335</td> </tr> </table> <p style="text-align: right;">Total</p> <p style="text-align: right;">\$3,984,432</p>	Connection/Annexation Fees	\$189,546	Interest	114,634	Sub-total	\$304,179	Sewer Service Charges (\$2.00/ERU+GSD Depr)	\$2,221,950	RFOGA - Capital Projects	1,008,959	Property Tax Revenue	155,556	Interest	281,770	Sub-total	\$3,668,235	Interest	\$682	Sub-total	\$682	Interest	\$11,335	Sub-total	\$11,335
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<p>TOTAL EXPENSE WITHOUT DEPRECIATION:</p> <p style="text-align: right;">\$13,340,804</p>	<p>TOTAL REVENUE:</p> <p style="text-align: right;">\$14,240,657</p>																																																		
<p>TOTAL EXPENSE WITH DEPRECIATION:</p> <p style="text-align: right;">\$16,808,104</p>																																																			

SERVICE CATEGORY EXPENSE DATA

ADMINISTRATION

Description	Budgeted	To Date	Projected	Under(Over)	Proposed	Percent
	2017-18	5/22/2018	Actual 2017-18	Budget 2017-18	Budget 2018-19	Change 2017-18
PERSONNEL						
Basic Salaries	419,455	383,149	452,813	(33,358)	458,519	9%
Overtime	500	0	0	500	100	-80%
Temporary	3,000	0	0	3,000	3,000	0%
Directors Compensation	76,000	35,669	50,400	25,600	76,000	0%
Workers' Compensation	14,826	11,533	13,839	987	14,255	-4%
Retirement	70,802	67,892	70,802	0	79,072	12%
Active Employee Insurance-Health/Dental/Vision/Disability	122,930	90,354	98,568	24,362	133,952	9%
Retiree Health Insurance OPEB Funding	47,841	46,746	47,873	(32)	50,861	6%
FICA	24,494	24,415	28,854	(4,360)	25,966	6%
Medicare	6,082	5,556	6,566	(484)	6,650	9%
Unemployment Insurance	808	767	767	41	858	6%
<i>Subtotal</i>	786,739	666,082	770,482	16,257	849,234	8%
OPERATING EXPENSES						
Public Education	13,875	4,243	5,092	8,783	13,875	0%
Janitorial Service	5,800	5,816	6,979	(1,179)	5,800	0%
Uniforms	0	0	0	0	0	0%
Licenses & Permits	0	300	360	(360)	0	0%
Freight & Postage	400	185	222	178	400	0%
Subscriptions	900	182	900	0	900	0%
Vehicle Repairs & Maintenance	4,000	190	1,000	3,000	4,000	0%
Liability & Property Insurance	21,257	29,245	21,257	0	21,257	0%
Dues & Memberships	26,000	10,980	26,000	0	26,000	0%
Office Supplies	6,000	5,556	6,668	(668)	6,000	0%
Analysis & Monitoring	0	0	0	0	0	0%
Operating Supplies	400	0	400	0	400	0%
Attorney Fees	75,000	73,843	70,000	5,000	75,000	0%
Printing & Publications	2,500	601	2,500	0	2,500	0%
Repairs and Maintenance	7,000	4,941	6,000	1,000	7,000	0%
Travel	38,000	29,217	30,000	8,000	38,000	0%
Seminars, Conferences, Training, Employee Recognition	25,000	12,423	20,000	5,000	25,000	0%
Utilities	30,000	12,174	14,609	15,391	30,000	0%
Election Expense	0	0	0	0	10,000	0%
Computer Service & Maintenance	20,000	14,138	16,965	3,035	20,000	0%
Lease/Rentals	1,000	589	707	293	1,000	0%
Consulting Services	25,000	0	6,000	19,000	25,000	0%
Biosolids Hauling	0	0	0	0	0	0%
Professional Services	30,000	14,287	17,144	12,856	30,000	0%
Other Expense	11,000	31,785	15,000	(4,000)	12,000	9%
<i>Subtotal</i>	343,132	250,694	267,803	75,329	354,132	3%
Total Personnel and Operating Expenses	1,129,871	916,776	1,038,285	91,586	1,203,366	7%
DEPRECIATION FUNDING						
Replacement Reserve	51,000	49,582	59,499	(8,499)	60,000	18%
<i>Subtotal</i>	51,000	49,582	59,499	(8,499)	60,000	18%
CAPITAL OUTLAY						
Machinery and Equipment	10,000	20,019	20,019	(10,019)	10,000	0%
Capital Projects	112,000	0	0	112,000	112,000	0%
<i>Subtotal</i>	122,000	20,019	20,019	101,981	122,000	0%
Total Operating & Non-Operating w/o Depreciation	1,251,871	936,795	1,058,304	193,567	1,325,366	6%
Total Operating & Non-Operating with Depreciation	1,302,871	986,378	1,117,803		1,385,366	6%

ADMINISTRATION

I. Personnel:

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

- 1 - General Manager/District Engineer
- 0 – Assistant General Manager/Assistant District Engineer
- 1 – Finance and Human Resources Manager
- 1 – Management Analyst
- 1 – Project Engineer (new hire shared with other Departments)
- 1 – Administrative Supervisor
- 1 – Accounting Technician
- 1 – Administration Assistant

II. Operating Expenses:

- A. Public Education
This account provides for expenses incurred in order 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.

- I. Travel
This account provides for travel by administrative staff and Board Members to attend meetings and conventions on behalf of the District.
- J. Seminars, Conferences, Training and Employee Recognition
This account provides for fees paid in order for District staff and Board Members to attend seminars and conventions such as CASA, CWEA, CSDA, SWRCB, Regional Board hearings, training as well as the Employee Recognition Program.
- K. Utilities
This account provides for utilities used in the administration building, such as telephone, electricity, and water.
- L. Computer Service and Maintenance
This account provides for installation, repairs, and service on the administrative staff's computers, servers and software.
- M. Lease/Rentals
This account provides for a leased copier.
- N. Consulting and Other Professional Services
This account provides for other miscellaneous professional services not mentioned above such as audit services, CIP master plan update, Strategic Plan implementation and various rate / financial model updates.
- P. Other Expense
This account provides for SBLAFCO dues, bank fees and other expenses.

III. **Capital Outlay:**

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

Miscellaneous Furniture, Fixtures and Equipment \$ 10,000
- B. Capital Projects
This account provides for the construction of capital improvement projects for the administrative facilities, for FY 2017-2018

New Phone Systems (prorated) \$ 12,000
Administration Building Roof replacement 100,000

Total Capital Projects \$122,000

COLLECTION SYSTEM

Description	Budgeted	To Date	Projected	Under(Over)	Proposed	Percent
	2017-18	5/22/2018	Actual 2017-18	Budget 2017-18	Budget 2018-19	Change 2017-18
PERSONNEL						
Basic Salaries	506,703	431,716	499,000	7,703	562,858	11%
Overtime	2,000	3,462	4,092	(2,092)	2,000	0%
Temporary	0	0	0	0	0	0%
Directors Compensation	0	0	0	0	0	0%
Workers' Compensation	17,910	13,941	16,729	1,181	17,498	-2%
Retirement	83,494	80,540	83,494	0	96,614	16%
Active Employee Insurance-Health/Dental/Vision/Disability	148,500	145,879	159,141	(10,641)	164,434	11%
Retiree Health Insurance OPEB Funding	57,793	56,471	57,831	(38)	62,435	8%
FICA	30,555	26,237	31,008	(453)	34,472	13%
Medicare	7,376	6,136	7,252	124	8,190	11%
Unemployment Insurance	976	1,237	1,300	(324)	1,054	8%
<i>Subtotal</i>	855,308	765,620	859,847	(4,539)	949,556	11%
OPERATING EXPENSES						
Public Education	12,000	3,669	12,000	0	12,000	0%
Janitorial Service	13,300	11,027	13,300	0	13,300	0%
Uniforms	3,675	2,758	3,675	0	3,675	0%
Licenses & Permits	3,500	2,645	3,174	326	3,800	9%
Freight & Postage	600	278	400	200	600	0%
Subscriptions	2,100	1,750	2,100	0	2,100	0%
Vehicle Repairs & Maintenance	42,000	19,432	38,000	4,000	40,000	-5%
Liability & Property Insurance	25,679	22,144	26,573	(894)	25,679	0%
Dues & Memberships	2,264	1,315	1,578	686	2,415	7%
Office Supplies	3,000	1,229	1,800	1,200	2,700	-10%
Analysis & Monitoring	1,000	0	0	1,000	1,000	0%
Operating Supplies	8,000	2,997	8,000	0	8,000	0%
Attorney Fees	10,050	10,896	13,075	(3,025)	10,050	0%
Printing & Publications	800	69	800	0	800	0%
Repairs and Maintenance	90,000	40,996	90,000	0	85,000	-6%
Travel	12,000	5,802	7,000	5,000	12,900	8%
Seminars, Conferences and Training	6,200	5,908	6,200	0	20,100	224%
Utilities	14,000	13,405	16,086	(2,086)	14,000	0%
Election Expense	0	0	0	0	0	0%
Computer Service & Maintenance	30,900	24,384	30,000	900	34,900	13%
Lease/Rentals	1,500	906	1,087	413	1,500	0%
Consulting Services	300	0	0	300	300	0%
Biosolids Hauling	0	0	0	0	0	0%
Professional Services	43,890	35,707	39,000	4,890	69,850	59%
Other Expense	1,000	117	1,000	0	1,000	0%
<i>Subtotal</i>	327,758	207,433	314,848	12,910	365,669	12%
Total Personnel and Operating Expenses	1,183,066	973,053	1,174,695	8,371	1,315,225	11%
DEPRECIATION FUNDING						
Replacement Reserve	531,705	452,568	543,081	(11,377)	568,100	7%
<i>Subtotal</i>	531,705	452,568	543,081	(11,377)	568,100	7%
CAPITAL OUTLAY						
Machinery and Equipment	100,000	101,153	104,491	(4,491)	33,000	-67%
Capital Projects - Replacement Reserve Fund (4655)	1,852,958	893,746	920,000	932,958	1,458,660	-21%
Capital Projects - Capital Reserve Fund (4650)	0	0	0	0	0	0%
<i>Subtotal</i>	1,952,958	994,899	1,024,491	928,467	1,491,660	-24%
Total Operating & Non-Operating w/o Depreciation	3,136,024	1,967,952	2,199,186	936,838	2,806,885	-10%
Total Operating & Non-Operating with Depreciation	3,667,728	2,420,520	2,742,267		3,374,985	-8%

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 past 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. 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 and Parcel Data Base system maintenance.
- N. Other Professional Services
This account provides for other miscellaneous professional services not mentioned above such as Collection System Master Plan updates, CPR/first aid training, hydraulic model update and Sewer System Maintenance Plan (SSMP) updates.
- 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 \$568,100 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 funded from Sewer Service Charge Revenue FY 2018-2019:

Manhole covers and frames	\$18,000
Smart covers	15,000
Total Machinery and Equipment	\$33,000

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 2018-2019 and funded from depreciation replacement reserve fund #4655.

a. Nogal Bike Path and Old Town Goleta Sewer Rehabilitation projects additional	\$519,926
b. GSD 2019 Pipeline Rehabilitation project, design	50,000
c. Ongoing Manhole Raising Program additional	21,489

2. The following projects are budgeted for FY 2017-2018 and funded from depreciation replacement reserve fund #4655.

a. Nogal Bike Path and Old Town Goleta Sewer Rehabilitation projects	\$700,654
b. Asset Management Program, net additional	16,260
c. Capital Improvement Master Plan (proration)	127,570
d. New Phone System (proration)	14,250
e. Ongoing Manhole Raising Program additional	8,511

Fund 4655 Total **\$1,458,660**

Total Capital Projects **\$1,491,660**

FIRESTONE PUMP STATION

Description	Budgeted	To Date	Projected	Under(Over)	Proposed	Percent
	2017-18	5/22/2018	Actual 2017-18	Budget 2017-18	Budget 2018-19	Change 2017-18
PERSONNEL						
Basic Salaries	12,382	6,550	7,741	4,641	13,354	8%
Overtime	100	144	170	(70)	100	0%
Temporary	0	0	0	0	0	0%
Directors Compensation	0	0	0	0	0	0%
Workers' Compensation	438	339	407	31	415	-5%
Retirement	2,120	1,593	1,824	296	2,271	7%
Active Employee Insurance-Health/Dental/Vision/Disability	3,629	3,367	3,673	(44)	3,901	8%
Retiree Health Insurance OPEB Funding	1,412	1,380	1,413	(1)	1,481	5%
FICA	751	414	489	262	779	4%
Medicare	180	95	112	68	195	9%
Unemployment Insurance	24	20	23	1	25	5%
<i>Subtotal</i>	21,034	13,900	15,852	5,182	22,523	7%
OPERATING EXPENSES						
Public Education	750	230	750	0	750	0%
Janitorial Service	0	0	0	0	0	0%
Uniforms	0	0	0	0	0	0%
Licenses & Permits	500	430	500	0	500	0%
Freight & Postage	15	12	15	0	15	0%
Subscriptions	0	0	0	0	0	0%
Vehicle Repairs & Maintenance	600	0	600	0	600	0%
Liability & Property Insurance	627	469	563	64	627	0%
Dues & Memberships	0	0	0	0	0	0%
Office Supplies	0	0	0	0	0	0%
Analysis & Monitoring	100	0	0	100	100	0%
Operating Supplies	1,000	0	0	1,000	1,000	0%
Attorney Fees	300	185	221	79	300	0%
Printing & Publications	20	0	0	20	20	0%
Repairs and Maintenance	10,000	472	567	9,433	10,000	0%
Travel	0	0	0	0	0	0%
Seminars, Conferences and Training	0	0	0	0	0	0%
Utilities	4,000	3,449	4,138	(138)	4,200	5%
Election Expense	0	0	0	0	0	0%
Computer Service & Maintenance	0	0	0	0	0	0%
Lease/Rentals	100	45	54	46	100	0%
Consulting Services	100	0	0	100	100	0%
Biosolids Hauling	0	0	0	0	0	0%
Professional Services	500	0	0	500	500	0%
Other Expense	0	0	0	0	0	0%
<i>Subtotal</i>	18,612	5,292	7,408	11,204	18,812	1%
Total Personnel and Operating Expenses	39,647	19,192	23,260	16,387	41,335	4%
DEPRECIATION FUNDING						
Replacement Reserve	81,687	68,770	82,523	(836)	85,500	5%
<i>Subtotal</i>	81,687	68,770	82,523	(836)	85,500	5%
CAPITAL OUTLAY						
Machinery and Equipment	45,000	44,201	44,201	799	0	-100%
Capital Projects	10,000	0	0	10,000	35,000	250%
<i>Subtotal</i>	55,000	44,201	44,201	10,799	35,000	-36%
Total Operating & Non-Operating w/o Depreciation	94,647	63,393	67,461	27,185	76,335	-19%
Total Operating & Non-Operating with Depreciation	176,334	132,162	149,985		161,835	-8%

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 are budgeted for FY 2018-2019 and funded from depreciation replacement reserve fund #4655.

a.	Laser meter to replace flodar meter	\$25,000
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2. The following projects are budgeted for FY 2017-2018 and funded from depreciation replacement reserve fund #4655.

a.	Jockey Pump for reduced flow	\$10,000
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Total Capital Projects:		\$35,000
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MAIN PUMP STATION

Description	Budgeted 2017-18	To Date 5/22/2018	Projected Actual 2017-18	Under(Over) Budget 2017-18	Proposed Budget 2018-19	Percent Change 2017-18
PERSONNEL						
Basic Salaries	59,501	57,990	68,534	(9,033)	62,839	6%
Overtime	400	183	216	184	300	-25%
Temporary	0	0	0	0	0	0%
Directors Compensation	0	0	0	0	0	0%
Workers' Compensation	2,103	1,635	1,962	141	1,954	-7%
Retirement	11,591	12,246	11,000	591	11,649	1%
Active Employee Insurance-Health/Dental/Vision/Disability	17,438	14,330	15,633	1,805	18,358	5%
Retiree Health Insurance OPEB Funding	6,786	6,631	6,790	(4)	6,970	3%
FICA	3,695	3,495	4,131	(436)	3,860	4%
Medicare	863	841	994	(131)	916	6%
Unemployment Insurance	115	111	131	(16)	118	3%
<i>Subtotal</i>	102,492	97,462	109,391	(6,900)	106,963	4%
OPERATING EXPENSES						
Public Education	750	229	750	0	750	0%
Janitorial Service	100	66	79	21	100	0%
Uniforms	0	0	0	0	0	0%
Licenses & Permits	0	0	0	0	0	0%
Freight & Postage	100	46	100	0	100	0%
Subscriptions	0	0	0	0	0	0%
Vehicle Repairs & Maintenance	200	0	0	200	200	0%
Liability & Property Insurance	3,015	2,254	3,015	0	3,015	0%
Dues & Memberships	100	0	100	0	100	0%
Office Supplies	200	39	200	0	200	0%
Analysis & Monitoring	0	0	0	0	0	0%
Operating Supplies	250	0	250	0	250	0%
Attorney Fees	500	308	400	100	500	0%
Printing & Publications	50	0	0	50	50	0%
Repairs and Maintenance	20,000	18,056	20,000	0	20,000	0%
Travel	100	0	0	100	100	0%
Seminars, Conferences and Training	0	0	0	0	0	0%
Utilities	65,000	42,439	50,927	14,073	65,000	0%
Election Expense	0	0	0	0	0	0%
Computer Service & Maintenance	4,000	756	1,200	2,800	4,000	0%
Lease/Rentals	250	136	163	87	250	0%
Consulting Services	4,000	0	0	4,000	4,000	0%
Biosolids Hauling	0	0	0	0	0	0%
Professional Services	0	0	0	0	0	0%
Other Expense	0	0	0	0	0	0%
<i>Subtotal</i>	98,615	64,328	77,184	21,431	98,615	0%
Total Personnel and Operating Expenses	201,107	161,790	186,576	14,531	205,578	2%
DEPRECIATION FUNDING						
Replacement Reserve	0	0	0	0	0	0%
<i>Subtotal</i>	0	0	0	0	0	0%
CAPITAL OUTLAY						
Machinery and Equipment	0	0	0	0	0	0%
Capital Projects	113,000	12,356	5,000	108,000	127,200	13%
<i>Subtotal</i>	113,000	12,356	5,000	108,000	127,200	13%
Total Operating & Non-Operating w/o Depreciation	314,107	174,146	191,576	122,531	332,777	6%
Total Operating & Non-Operating with Depreciation	314,107	174,146	191,576	332,777		

MAIN PUMP STATION

I. Personnel:

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

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 associated with the plant 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 facility and the maintenance of the odor reduction tower (ORT).

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 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 plant pump station.

B. Capital Projects

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

1. The following project is budgeted for Fiscal Year 2018-19 and funded from depreciation replacement reserve fund #4655.

- | | |
|----------------------|----------|
| a. Plug valve 9103 | \$10,000 |
| b. Pump 9103 rebuild | 15,000 |

2. The following project is budgeted for Fiscal Year 2017-18 and funded from depreciation replacement reserve fund #4655.

- | | |
|---------------------------------|----------|
| a. Replace Effluent Knife Valve | \$35,000 |
|---------------------------------|----------|

b. Spare Jockey Pump and Motor	19,758
c. Gas Monitoring System parts	2,442
d. Replace Dry Well Exhaust Fan, additional	15,000
3. The following projects were budgeted for Fiscal Year 2016-17 and funded form depreciation replacement reserve fund #4655.	
a. Replace Dry Well Exhaust Fan	\$10,000
b. Paint Dry Well and Pump Room	20,000
Total Capital Projects	\$127,200

INDUSTRIAL WASTE CONTROL

Description	Budgeted 2017-18	To Date 5/22/2018	Projected Actual 2017-18	Under(Over) Budget 2017-18	Proposed Budget 2018-19	Percent Change 2017-18
PERSONNEL						
Basic Salaries	99,508	80,718	99,508	0	96,774	-3%
Overtime	550	0	0	550	200	-64%
Temporary	15,000	4,539	5,365	9,635	15,000	0%
Directors Compensation	0	0	0	0	0	0%
Workers' Compensation	3,517	2,735	3,282	235	3,009	-14%
Retirement	21,760	19,963	21,115	645	22,222	2%
Active Employee Insurance-Health/Dental/Vision/Disability	29,163	26,872	29,315	(152)	28,272	-3%
Retiree Health Insurance OPEB Funding	11,349	11,089	11,357	(8)	10,735	-5%
FICA	7,334	5,230	6,181	1,153	6,422	-12%
Medicare	1,443	1,170	1,383	60	1,515	5%
Unemployment Insurance	339	264	312	27	328	-3%
<i>Subtotal</i>	189,963	152,582	177,818	12,145	184,477	-3%
OPERATING EXPENSES						
Public Education	7,500	4,794	5,753	1,747	7,500	0%
Janitorial Service	1,100	821	985	115	1,100	0%
Uniforms	500	407	543	(43)	500	0%
Licenses & Permits	0	0	0	0	0	0%
Freight & Postage	100	185	247	(147)	100	0%
Subscriptions	450	299	399	51	450	0%
Vehicle Repairs & Maintenance	1,000	440	800	200	1,000	0%
Liability & Property Insurance	5,043	3,769	5,043	0	5,043	0%
Dues & Memberships	600	353	471	129	600	0%
Office Supplies	1,100	448	650	450	1,100	0%
Analysis & Monitoring	9,000	3,726	4,968	4,032	9,000	0%
Operating Supplies	1,000	106	141	859	1,000	0%
Attorney Fees	4,000	3,080	2,000	2,000	4,000	0%
Printing & Publications	500	0	0	500	500	0%
Repairs and Maintenance	3,000	411	3,811	(811)	3,000	0%
Travel	1,500	1,158	1,500	0	1,500	0%
Seminars, Conferences and Training	1,400	868	1,157	243	1,400	0%
Utilities	1,125	889	1,067	58	1,125	0%
Election Expense	0	0	0	0	0	0%
Computer Service & Maintenance	1,000	189	600	400	1,000	0%
Lease/Rentals	300	181	242	58	300	0%
Consulting Services	7,500	0	0	7,500	7,500	0%
Biosolids Hauling	0	0	0	0	0	0%
Professional Services	2,200	403	537	1,663	82,200	3636%
Other Expense	150	0	0	150	150	0%
<i>Subtotal</i>	50,068	22,527	30,913	19,154	130,068	160%
Total Personnel and Operating Expenses	240,031	175,109	208,731	31,300	314,545	31%
DEPRECIATION FUNDING						
Replacement Reserve	0	0	0	0	0	0%
<i>Subtotal</i>	0	0	0	0	0	0%
CAPITAL OUTLAY						
Machinery and Equipment	0	0	0	0	40,000	0%
Capital Projects	12,250	0	0	12,250	12,250	0%
<i>Subtotal</i>	12,250	0	0	12,250	52,250	327%
Total Operating & Non-Operating w/o Depreciation	252,281	175,109	208,731	43,550	366,795	45%
Total Operating & Non-Operating with Depreciation	252,281	175,109	208,731	366,795		

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.

- I. Consulting Services – This account provides for special project consulting services such as local limit development and updates for industrial dischargers.

III. **Capital Outlay:**

- A. Machinery and Equipment

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

IWC Truck and equipment including crane	\$40,000
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- B. Capital Projects

This account provides for the construction of capital improvement projects for the IWC program.

The following project is budgeted for Fiscal Year 2017-18 and funded from depreciation replacement reserve fund #4655.

New Phone System (prorated)	\$2,250
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The following project was budgeted for Fiscal Year 2016-17 and funded from depreciation replacement reserve fund #4655.

Rehabilitate Old Lab into IWC sampler processing station (prorated)	\$10,000
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Total Capital Projects	\$ 12,250
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LABORATORY

Description	Approximate 2017-18	To Date 5/22/2018	Projected Actual 2017-18	Under(Over) Approximate 2017-18	Proposed Budget 2018-19	Percent Change 2017-18
PERSONNEL						
Basic Salaries	246,498	207,231	248,677	(2,179)	256,882	4%
Overtime	2,344	2,294	2,753	(409)	2,500	7%
Temporary	0	0	0	0	0	0%
Directors Compensation	0	0	0	0	0	0%
Workers' Compensation	7,200	5,616	6,739	461	7,986	11%
Retirement	25,000	22,453	26,943	(1,943)	43,428	74%
Active Employee Insurance-Health/Dental/Vision/Disability	72,000	64,263	70,105	1,895	75,046	4%
Retiree Health Insurance OPEB Funding	23,189	22,658	23,204	(15)	28,495	23%
FICA	15,462	11,446	13,735	1,727	13,336	-14%
Medicare	3,574	3,005	3,606	(32)	3,761	5%
Unemployment Insurance	441	395	474	(33)	481	9%
<i>Subtotal</i>	395,709	339,361	396,236	(528)	431,914	9%
OPERATING EXPENSES						
Public Education	4,000	0	0	4,000	4,000	0%
Janitorial Service	3,709	0	0	3,709	3,360	-9%
Uniforms	1,583	1,369	1,643	(60)	1,820	15%
Licenses & Permits	16,523	5,492	6,591	9,932	8,000	-52%
Freight & Postage	166	0	0	166	154	-7%
Subscriptions	332	0	0	332	672	103%
Vehicle Repairs & Maintenance	1,282	0	0	1,282	600	-53%
Liability & Property Insurance	12,511	538	646	11,865	9,544	-24%
Dues & Memberships	1,466	0	0	1,466	1,660	13%
Office Supplies	829	191	229	600	770	-7%
Analysis & Monitoring	150,000	120,000	144,000	6,000	70,000	-53%
Operating Supplies	35,000	25,682	30,819	4,181	45,120	29%
Attorney Fees	3,015	0	0	3,015	2,800	-7%
Printing & Publications	528	0	0	528	490	-7%
Repairs and Maintenance	9,000	39	47	8,953	6,622	-26%
Travel	1,000	579	695	305	5,000	400%
Seminars, Conferences and Training	2,500	2,166	2,599	(99)	2,400	-4%
Utilities	7,100	5,191	6,229	871	6,960	-2%
Election Expense	0	0	0	0	0	0%
Computer Service & Maintenance	2,000	1,422	1,706	294	2,280	14%
Lease/Rentals	250	0	0	250	700	180%
Consulting Services	0	0	0	0	1,000	0%
Biosolids Hauling	0	0	0	0	0	0%
Professional Services	34,000	288	346	33,654	34,705	2%
Other Expense	100	0	0	100	200	100%
<i>Subtotal</i>	286,894	162,957	195,550	91,344	208,857	-27%
Total Personnel and Operating Expenses	682,603	502,318	591,786	90,816	640,771	-6%
DEPRECIATION FUNDING						
Replacement Reserve	0	0	0	0	0	0%
<i>Subtotal</i>	0	0	0	0	0	0%
CAPITAL OUTLAY						
Machinery and Equipment	7,500	0	7,500	0	10,650	42%
Capital Projects	0	0	0	0	0	0%
<i>Subtotal</i>	7,500	0	7,500	0	10,650	42%
Total Operating & Non-Operating w/o Depreciation	690,103	502,318	599,286	90,816	651,421	-6%
Total Operating & Non-Operating with Depreciation	690,103	502,318	599,286		651,421	-6%

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
- 1 - Lab Analyst I

II. Operating Expense:

In prior fiscal years the Laboratory was a cost center under the Treatment Plant Department and beginning this fiscal year will be an additional department with a departmental budget. The prior year values on the summary page for this department were extracted from the Plant's values and that department's values adjusted accordingly.

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.

FGL/ABC Labs, Bioassay, Ocean monitoring	60,000
Outside Laboratories	10,000

Total Analysis & Monitoring **\$70,000**

D. Operating Supplies

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

Laboratory Supplies	18,000
Safety Equipment	2,500
Bacteriological Analysis Supplies	10,950
Lab DI water	4,000
Other Miscellaneous Operating Supplies	9,670

Total Operating Supplies **\$45,120**

- E. Printing and Publication
This account provides for miscellaneous legal notices as required.
- F. Professional Services
This account provides for the outside laboratories.
- 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 Lab and sampling areas.

Machinery and Equipment funded from Sewer Service Charge Revenue FY 2018-2019:

24Hr. Refrigerator Composite Sampler additional	\$ 700
Analytical Balance	3,050
Mettle Top-load Balance	4,500
TSS Oven	2,400
Total Machinery and Equipment	\$10,650

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

PLANT

Description	Approximate 2017-18	To Date 5/22/2018	Projected Actual 2017-18	Under(Over) Budget 2017-18	Proposed Budget 2018-19	Percent Change 2017-18
PERSONNEL						
Basic Salaries	1,390,920	1,278,839	1,573,000	(182,080)	1,384,062	0%
Overtime	13,206	6,141	7,258	5,948	9,000	-32%
Temporary	2,500	0	0	2,500	1,500	-40%
Directors Compensation	0	0	0	0	0	0%
Workers' Compensation	50,677	39,406	47,287	3,390	43,029	-15%
Retirement	309,148	293,647	316,000	(6,852)	289,692	-6%
Active Employee Insurance-Health/Dental/Vision/Disability	407,880	329,580	395,496	12,384	404,340	-1%
Retiree Health Insurance OPEB Funding	163,568	159,826	163,676	(108)	153,528	-6%
FICA	85,617	77,555	91,655	(6,038)	83,717	-2%
Medicare	20,168	18,138	21,436	(1,268)	20,221	0%
Unemployment Insurance	2,861	2,601	2,861	0	2,622	-8%
<i>Subtotal</i>	2,446,545	2,205,731	2,618,669	(172,124)	2,391,712	-2%
OPERATING EXPENSES						
Public Education	29,000	10,045	29,000	0	29,000	0%
Janitorial Service	20,891	21,542	20,891	0	20,640	-1%
Uniforms	8,917	6,366	10,400	(1,483)	11,180	25%
Licenses & Permits	93,069	45,816	93,069	0	128,332	38%
Freight & Postage	934	498	800	134	1,100	18%
Subscriptions	1,868	1,750	3,100	(1,232)	4,800	157%
Vehicle Repairs & Maintenance	7,218	7,029	8,435	(1,217)	8,500	18%
Liability & Property Insurance	70,471	61,173	70,471	0	68,173	-3%
Dues & Memberships	8,259	5,925	7,110	1,149	9,470	15%
Office Supplies	4,671	3,971	4,671	0	5,500	18%
Analysis & Monitoring	52,925	11,360	52,925	0	101,050	91%
Operating Supplies	606,800	416,475	606,800	0	690,665	14%
Attorney Fees	16,985	28,919	34,703	(17,718)	20,000	18%
Printing & Publications	2,972	860	2,972	0	3,500	18%
Repairs and Maintenance	296,300	148,015	296,300	0	376,000	27%
Travel	10,000	10,232	10,000	0	11,000	10%
Seminars, Conferences and Training	6,000	5,555	6,000	0	9,900	65%
Utilities	461,900	340,944	454,592	7,308	469,000	2%
Election Expense	0	0	0	0	0	0%
Computer Service & Maintenance	38,000	37,499	38,000	0	59,000	55%
Lease/Rentals	3,750	3,692	4,431	(681)	5,000	33%
Consulting Services	1,000	0	0	1,000	5,000	400%
Biosolids Hauling	358,875	356,688	428,025	(69,150)	420,000	17%
Professional Services	118,400	41,850	55,800	62,600	153,800	30%
Other Expense	300	154	184	116	400	33%
<i>Subtotal</i>	2,219,505	1,566,356	2,238,679	(19,174)	2,611,010	18%
Total Personnel and Operating Expenses	4,666,050	3,772,088	4,857,348	(191,298)	5,002,722	7%
DEPRECIATION FUNDING						
Replacement Reserve	2,186,016	1,851,210	2,221,451	(35,435)	2,247,000	3%
<i>Subtotal</i>	2,186,016	1,851,210	2,221,451	(35,435)	2,247,000	3%
CAPITAL OUTLAY						
Machinery and Equipment	323,000	289,781	289,781	33,219	60,500	-81%
Capital Projects	1,113,454	558,207	635,000	478,454	1,708,263	53%
<i>Subtotal</i>	1,436,454	847,988	924,781	511,673	1,768,763	23%
Total Operating & Non-Operating w/o Depreciation	6,102,504.84	4,620,075.93	5,782,129.19	320,375.65	6,771,485.22	11%
Total Operating & Non-Operating with Depreciation	8,288,521.24	6,471,285.43	8,003,580.59	9,018,485.22	9%	

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 twenty personnel are included in this area.

- 1 - Plant Manager
- 1 - Treatment Plant Operations Supervisor
- 1 - Senior Operator (Grade IV)
- 1 - Project Engineer (prorated)
- 4 - Treatment Plant Operator Grade III
- 0 - Treatment Plant Operator Grade II
- 3 - Treatment Plant Operator Grade I
- 1 - Facility Maintenance Supervisor
- 1 - Instrumentation Technician
- 1 - Maintenance Technician III
- 1 - Electrician
- 0 - Maintenance Technician II
- 2 - Maintenance Technician I
- 3 - Maintenance Workers (including temporary)

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	\$12,000
Investigation Analysis and outside labs	80,000
APCD Annual Source Testing / Certification	9,050

Total Analysis & Monitoring **\$101,050**

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	\$150,000
Sodium Bisulfite	90,000
Ferrous Chloride	80,000
Polymer for Sludge Dewatering and thickening	167,000
Ammonium Sulfate for disinfection	87,000
Grease, Oils, Lubrication	6,000
Generator/Tractor Diesel Fuel	8,000
Herbicides/Lawn Products	5,000
Solvents/Degreasers/Make-up Water Inhibitors	1,200
Boiler Chemical Inhibitors	3,750
Boiler water softener tanks	5,000
Deodorizers/Grit Dumpster at head works	1,000
Safety Equipment	28,515
Welding Gases and supplies	7,500
H2S Gas Detector Tubes (Draeger Tubes)	3,700
Bio-augmentation	24,000
Other Miscellaneous Operating Supplies	23,000

Total Operating Supplies **\$690,665**

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	30,700
Steel	15,000
Flow Meter Parts	15,000
Paint Supplies	15,000
Mower Parts	2,000
Miscellaneous Parts	15,000
Electrical Parts/Equipment	25,000
Safety Equipment Repairs	5,500
O&M Cleaning supplies	1,800
Waste Oil	1,500
Landscape Supplies	11,000
Heavy Equip. Repair (Tractors/Loaders)	39,000
Repair Services/Machine Shop	10,000

Misc. Pumps, Process Equip. Mechanical Parts	55,000
Dredge Repairs	10,500
Outside Contractor Repairs	25,000
Fence Material for EQ and Aeration Basins	10,000
Tree removal & chipping	10,000
MSA Safety Equipment at wet well	3,000
Flygt EQ Basin Pump wear parts	15,000
Flygt Parts for RAS Station	20,000
Vogelsang WSS Pump Spare wear parts	5,000
Huber Thickener Parts	15,000
DO Probes for Aeration Basin (3)	6,000
Generac Generator Spare Parts	10,000

Total Repairs and Maintenance: \$376,000

- 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 **\$420,000**
- J. Consulting and Professional Services
These accounts provide for Plant emergency generator consulting; Boiler Maintenance; SDS Management; Engineering Services; Cathodic Protection Study; Biosolids and Energy Strategic Plan; 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 \$1,045,817 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.

Machinery and Equipment funded from Sewer Service Charge Revenue FY 2018-2019:

Grit Pump Motor and Pump Parts	\$ 10,000
Dustless Blasting Equipment	15,000

New SCBA Air Pack (2)	10,500
Effluent De-chlor Analyzer	15,000
Suction and Discharge Parts for 10" Trash Pump	10,000
Total Machinery and Equipment	\$ 60,500

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 2018-2019 and funded from depreciation replacement reserve fund #4655.

EDS 110V Electrical Panel	\$ 15,000
Service Air Compressor #2, Drying Unit & Instrumentation add'l	5,000
Man-lift	75,000
Hazen/Sawyer Biosolids and Energy Strategic Plan Phases 3-5	237,500
Replace UCSB Flow meter	7,500
SS Air Valves on HW	90,000
Huber Dewatering Screw Press Rehab	40,000
Huber Step Screens Rehab	40,000
Primary Clarifier 2+3 ODS Sludge Pump Rehab	35,000
New Electric Maintenance Cart	10,000
Air Handling Unit for Generator/Boiler Room	25,000
Effluent Pumping System to for Solids Building	20,000
Hypochlorite Feed Piping	10,000
Replacement Perth Assembly for Digester	15,000
PM Building Interior Double Doors to MCC Replacement (Safety)	20,000
Green Business Restroom Upgrades	25,000
Ammonium Sulfate Dosing System	60,000
Truck Scale	50,000
Digester Sludge Recirculation Pump	35,000
Installation of New Ferrous Chloride Tanks additional	70,000
Digester Sludge Recirculation Pump	35,000

2. The following projects are budgeted for FY 2017-2018 and funded from depreciation replacement reserve fund #4655.

New Phone System (prorated)	\$ 46,500
Storage Shed improvements throughout plant	33,339
Electrical Conduits/lights/outlets/switches	5,100
New Water System for Boilers	25,000
ODS Pump Replacement	12,168
Roll-Up Door for Solids Building (Rear) additional	40,000
Capital Improvement Master Plan (proration)	127,570
Solids pad improvement project additional	50,000
New 6k gallon Diesel Tank additional	80,000

3. The following projects were budgeted for FY 2016-2017 and funded from depreciation replacement reserve fund #4655.

Replace Service Air Compressor #2	\$ 25,000
Roll Up Door for Solids Building	50,000
Asset management Additional	53,740
Rehabilitate Old Lab (prorated)	10,000

3. The following projects were budgeted for FY 2015-2016 and funded from depreciation replacement reserve fund #4655.

Repair/Replace asphalt curb lagoon #3	\$ 5,000
Rebuild EDS Eff. Pump Motors	25,000

4. The following projects were budgeted for FY 2014-2015 and funded from depreciation replacement reserve fund #4655.

Concrete Pad at Biosolids Handling Area	\$ 126,264
FOG Facility Feasibility Study	20,000

5. The following projects were budgeted for FY 2013-2014 and funded from depreciation replacement reserve fund #4655.

Six thousand gallon diesel tank, pad, parts and installation	\$ 48,581
Ferrous Chloride installation at Head works	5,000

Total Capital Projects **\$1,708,262**

OUTFALL

Description	Budgeted 2017-18	To Date 5/22/2018	Projected Actual 2017-18	Under(Over) Budget 2017-18	Proposed Budget 2018-19	Percent Change 2017-18
PERSONNEL						
Basic Salaries	33,780	6,578	10,000	23,780	17,735	-47%
Overtime	0	0	0	0	0	0%
Temporary	0	0	0	0	0	0%
Directors Compensation	0	0	0	0	0	0%
Workers' Compensation	1,194	920	1,104	90	551	-54%
Retirement	4,826	2,598	1,604	3,222	3,269	-32%
Active Employee Insurance-Health/Dental/Vision/Disability	9,900	3,981	4,343	5,557	5,181	-48%
Retiree Health Insurance OPEB Funding	3,853	3,765	3,856	(3)	1,967	-49%
FICA	1,848	392	463	1,385	935	-49%
Medicare	490	92	108	382	257	-47%
Unemployment Insurance	65	6	7	58	33	-49%
<i>Subtotal</i>	55,955	18,332	21,485	34,471	29,929	-47%
OPERATING EXPENSES						
Public Education	1,125	344	1,125	0	1,125	0%
Janitorial Service	60	44	59	1	60	0%
Uniforms	0	0	0	0	0	0%
Licenses & Permits	0	(523)	(523)	523	0	0%
Freight & Postage	50	23	25	25	50	0%
Subscriptions	0	0	0	0	0	0%
Vehicle Repairs & Maintenance	100	0	0	100	100	0%
Liability & Property Insurance	1,712	1,279	1,712	0	1,712	0%
Dues & Memberships	0	0	0	0	0	0%
Office Supplies	100	39	60	40	100	0%
Analysis & Monitoring	8,000	13,904	16,685	(8,685)	8,000	0%
Operating Supplies	75	0	0	75	75	0%
Attorney Fees	1,500	923	1,107	393	1,500	0%
Printing & Publications	48	0	0	48	48	0%
Repairs and Maintenance	2,000	37	2,000	0	2,000	0%
Travel	150	6	8	142	150	0%
Seminars, Conferences and Training	0	0	0	0	0	0%
Utilities	600	445	534	66	600	0%
Election Expense	0	0	0	0	0	0%
Computer Service & Maintenance	0	0	0	0	0	0%
Lease/Rentals	200	136	163	37	0	-100%
Consulting Services	0	0	0	0	200	0%
Biosolids Hauling	0	0	0	0	0	0%
Professional Services	48,000	(41,793)	(41,793)	89,793	25,000	-48%
Other Expense	0	(11,593)	(11,593)	11,593	0	0%
<i>Subtotal</i>	63,720	(36,730)	(30,431)	94,151	40,720	-36%
Total Personnel and Operating Expenses	119,675	(18,398)	(8,947)	128,622	70,649	-41%
DEPRECIATION FUNDING						
Replacement Reserve	106,105	88,451	106,141	(36)	106,200	0%
<i>Subtotal</i>	106,105	88,451	106,141	(36)	106,200	0%
CAPITAL OUTLAY						
Machinery and Equipment	0	0	0	0	0	0%
Capital Projects	250,000	22,367	0	250,000	227,633	-9%
<i>Subtotal</i>	250,000	22,367	0	250,000	227,633	-9%
Total Operating & Non-Operating w/o Depreciation	369,675	3,969	(8,947)	378,622	298,282	-19%
Total Operating & Non-Operating with Depreciation	475,780	92,420	97,194	404,482	404,482	-15%

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

Due to the vault damage from the winter storms, this account provides for services related to emergency repair, engineering, and permitting actions.

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 \$58,769 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.

Outfall Vault Relocation Study	\$177,633
Cathodic Well Replacement Project	50,000
Total Capital Projects	\$227,633

RECLAMATION OPERATIONS

Description	Budgeted 2017-18	To Date 5/22/2018	Projected Actual 2017-18	Under(Over) Budget 2017-18	Proposed Budget 2018-19	Percent Change 2017-18
PERSONNEL						
Basic Salaries	130,246	109,615	98,500	31,746	130,964	1%
Overtime	3,000	2,590	3,061	(61)	2,600	-13%
Temporary	0	0	0	0	0	0%
Directors Compensation	0	0	0	0	0	0%
Workers' Compensation	4,604	3,589	4,307	297	4,071	-12%
Retirement	24,470	23,438	27,699	(3,229)	24,402	0%
Active Employee Insurance-Health/Dental/Vision/Disability	38,171	29,149	31,798	6,373	38,260	0%
Retiree Health Insurance OPEB Funding	14,855	14,515	14,865	(10)	14,527	-2%
FICA	8,059	6,890	8,143	(84)	8,171	1%
Medicare	1,889	1,589	1,878	11	1,937	3%
Unemployment Insurance	251	185	218	33	245	-2%
<i>Subtotal</i>	225,544	191,560	190,469	35,076	225,178	0%
OPERATING EXPENSES						
Public Education	6,000	1,838	6,000	0	6,000	0%
Janitorial Service	1,400	1,155	1,400	0	1,400	0%
Uniforms	0	0	0	0	0	0%
Licenses & Permits	1,500	149	199	1,301	1,500	0%
Freight & Postage	150	70	100	50	150	0%
Subscriptions	0	0	0	0	0	0%
Vehicle Repairs & Maintenance	100	0	100	0	100	0%
Liability & Property Insurance	6,601	4,933	6,601	0	6,601	0%
Dues & Memberships	100	0	0	100	100	0%
Office Supplies	100	39	80	20	100	0%
Analysis & Monitoring	1,000	45	60	940	1,000	0%
Operating Supplies	35,000	15,179	20,238	14,762	43,000	23%
Attorney Fees	1,500	923	1,230	270	1,500	0%
Printing & Publications	150	0	0	150	150	0%
Repairs and Maintenance	35,270	32,030	42,707	(7,437)	35,270	0%
Travel	200	0	0	200	200	0%
Seminars, Conferences and Training	0	0	0	0	100	0%
Utilities	90,000	63,021	90,000	0	92,000	2%
Election Expense	0	0	0	0	0	0%
Computer Service & Maintenance	2,000	1,400	1,866	134	1,545	-23%
Lease/Rentals	300	181	242	58	213	-29%
Consulting Services	0	0	0	0	500	0%
Biosolids Hauling	0	0	0	0	0	0%
Professional Services	500	0	200	300	500	0%
Other Expense	0	0	0	0	1,000	0%
<i>Subtotal</i>	181,871	120,963	171,023	10,848	192,929	6%
Total Personnel and Operating Expenses	407,415	312,523	361,491	45,924	418,107	3%
DEPRECIATION FUNDING						
Replacement Reserve	388,244	333,750	400,500	(12,256)	400,500	3%
<i>Subtotal</i>	388,244	333,750	400,500	(12,256)	400,500	3%
CAPITAL OUTLAY						
Machinery and Equipment	0	0	0	0	0	0%
Capital Projects	0	0	0	0	304,000	0%
<i>Subtotal</i>	0	0	0	0	304,000	0%
Total Operating & Non-Operating w/o Depreciation	407,415	312,523	361,491	45,924	722,107	77%
Total Operating & Non-Operating with Depreciation	795,659	646,273	761,991	1,122,607	41%	41%

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. Office Supplies

This account provides for office supplies such as manuals.

Flow Charts, log book	\$ 100
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B. Operating Supplies

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

Reclaimed Water Use for Fiscal Year 2018-2019 is estimated to be 1324 acre-feet.

Alum:	\$ 12,725
Polymer:	12,860
Sodium Hypochlorite:	
Free to GWD in exchange for Irrigation water (3W)	
Antracite Coal removal and replenishment	8,000
Bacteriological	7,000
R&M Samplers	200
General Lab Supplies	1,715
Chlorine Analyzer Reagents	<u>500</u>

Total	\$ 43,000
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C. Repair and Maintenance

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

Electrical Parts/Circuit Boards	\$ 17,500
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**CAPITAL PROJECTS SUMMARY
FISCAL YEAR 2018-2019**

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

Administration:

1.	Capital Improvement Projects Budgeted for FY 2017-2018	
a.	Administration Building Roof, demo and replace	\$100,000
b.	New Phone System (prorated)	12,000
	Total	\$112,000

Collection System:

1.	Capital Improvement Projects Budgeted for FY 2018-2019	
a.	Nogal Bike Path and Old Town Goleta Sewer Rehab add'l	\$519,926
b.	GSD 2019 Pipeline Rehabilitation project – design	50,000
c.	Ongoing Manhole raising program, additional	21,489
2.	Capital Improvement Projects Budgeted for FY 2017-2018	
a.	Nogal Bike Path and Old Town Goleta Sewer Rehab	\$700,654
b.	Asset Management Program, net	16,260
c.	Capital Improvement Master Plan (proration)	127,570
d.	New Phone System (prorated)	14,250
e.	Manhole raising program, additional	8,511
	Total	\$1,458,660

Firestone Lift Station:

1.	Capital Improvement Project Budgeted for FY 2018-2019	
a.	Laser meter to replace flodar meter	\$25,000
2.	Capital Improvement Project Budgeted for FY 2017-2018	
a.	Jockey Pump for reduced flow	\$10,000
	Total	\$35,000

Main Pump Station:

1.	Capital Improvement Projects Budgeted for FY 2018-2019	
a.	Plug valve 9103	\$10,000
b.	Pump 9103 rebuild	15,000
2.	Capital Improvement Projects Budgeted for FY 2017-2018	
a.	Replace Effluent Knife Valve	\$35,000
b.	Spare Jockey Pump and motor	19,758
c.	Gas Monitoring System parts	2,442
d.	Replace Dry Well Exhaust fan, additional	15,000
3.	Capital Improvement Projects Budgeted for FY 2016-2017	
a.	Replace Dry Well Exhaust fan	\$10,000
b.	Paint Dry Well and Pump Room	20,000
	Total	\$127,200

Industrial Waste Control:

1. Capital Improvement Project Budgeted for FY 2017-2018	
a. New Phone System (prorated)	\$2,250
2. Capital Improvement Project Budgeted for FY 2016-2017	
a. Rehabilitate Old Lab (prorated)	10,000
	Total
	\$12,250

Wastewater Treatment Facilities:

1. Capital Improvement Projects Budgeted for FY 2018-2019	
a. EDS 110V Electrical Panel	\$ 15,000
b. Service Air Compressor #2, Drying Unit & Instrumentation add'l	5,000
c. Man-lift	75,000
d. Hazen/Sawyer Biosolids and Energy Strategic Plan Phases 3-5	237,500
e. Replace UCSB Flow meter	7,500
f. SS Air Valves on HW	90,000
g. Huber Dewatering Screw Press Rehab	40,000
h. Huber Step Screens Rehab	40,000
i. Primary Clarifier 2+3 ODS Sludge Pump Rehab	35,000
j. New Electric Maintenance Cart	10,000
k. Air Handling Unit for Generator/Boiler Room	25,000
l. Effluent Pumping System to for Solids Building	20,000
m. Hypochlorite Feed Piping	10,000
n. Replacement Perth Assembly for Digester	15,000
o. PM Building Interior Double Doors to MCC Replacement (Safety)	20,000
p. Green Business Restroom Upgrades	25,000
q. Ammonium Sulfate Dosing System	60,000
r. Truck Scale	50,000
s. Digester Sludge Recirculation Pump	35,000
t. Installation of New Ferrous Chloride Tanks additional	70,000
u. Digester Sludge Recirculation Pump	35,000
2. Capital Improvement Projects Budgeted for FY 2017-2018	
a. New Phone System (prorated)	\$46,500
b. Storage Shed improvements throughout plant	33,339
c. Electrical Conduits/lights/outlets/switches	5,100
d. New Water System for Boilers	25,000
e. Roll-Up Door for Solids Building (Rear) additional	40,000
f. Capital Improvement Master Plan (proration)	127,570
g. Solids pad improvement project additional	50,000
h. New 6k gallon Diesel Tank additional	80,000
3. Capital Improvement Projects Budgeted for FY 2016-2017	
a. Replace Service Air Compressor #2	25,000
c. Roll Up Door for Solids Building	50,000
d. Asset management Additional	53,740
e. Rehabilitate Old Lab (prorated)	10,000
4. Capital Improvement Projects Budgeted for FY 2015-2016	
a. Repair/Replace asphalt curb lagoon #3	\$5,000
b. Rebuild EDS Eff. Pump Motors	25,000

5. Capital Improvement Projects Budgeted for FY 2014-2015		
a. Concrete Pad at Biosolids handling area		\$126,264
b. FOG Facility Feasibility Study		20,000
6. Capital Improvement Projects Budgeted for FY 2013-2014		
a. Six thousand gallon diesel tank, pad, parts and installation		\$48,581
b. Ferrous Chloride installation at the Head works		5,000
	Total	\$1,708,262
Outfall:		
1. Capital Improvement Projects Budgeted for FY 2017-2018		
a. Outfall vault relocation study		\$177,633
b. Cathodic Well Replacement Project		50,000
	Total	\$227,633
Reclamation Facilities:		
1. The following projects are budgeted for FY 2018-2019		
a. Virtual PID Control for Sodium Hypochlorite		14,000
b. Sodium Hypochlorite Feed Piping		5,000
c. Panel P Upgrade		10,000
d. Filter PLC and Controls		250,000
2. The following projects are budgeted for FY 2016-2017		
a. Replace Storage Tank Level Indicators and Floats		10,000
b. Repair/Replace glass-block skylights		15,000
	Total	\$ 304,000
Total District Capital Projects FY 2018-2019		\$3,985,006