



Summerland Sanitary District

PROPOSED FISCAL YEAR 2021/22 BUDGET



Board of Directors

David Novis – President
James Witmer – Vice-President
Jolene Colomy – Secretary
John Franklin – Director
Martin Tucker – Director

District Staff

Marjon Souza – District Administrative Manager
Noe Aguilar Vega – Operations Manager



Board of Directors

June 7, 2021

President:

David Novis

Governing Board of Directors

Vice- President:

James Witmer

Summerland Sanitary District

Secretary:

Jolene Colomy

Subject: Letter of Transmittal – Proposed FY2021/22 Annual Budget

Director:

John Franklin

Director:

Martin Tucker

Submitted for your review is the proposed FY2021/22 Annual Budget for the Summerland Sanitary District. The financial guideline projects the administrative, operating & maintenance, and capital improvement funding requirements for the upcoming fiscal year. Based upon projected revenues and beginning fund balances, adequate resources are available to fund the proposed appropriations and maintain fund balances at or near policy levels. Inflationary effects have been taken into consideration, as have projected staffing and resource levels necessary to carry out the District's budgetary goals and objectives.

During FY2017/18 the District conducted a comprehensive Wastewater Rates & Fees Study. The study included a comprehensive review of the District's financial plan, user classifications, and rate structure. The study also reviewed the District's revenue requirements to determine the appropriate level of revenue adjustment to maintain financial sufficiency and rate stability. Based on the findings, the District's Board of Directors authorized a series of 3.5 % annual rate increases beginning in FY2018/19 and continuing for the following four fiscal years with a total of five rate increases. This is the fourth year of the 3.5% serial rate increase.

For FY2021/22, the sewer service charge for a single-family residential unit will increase from \$1,137 to \$1,177. Non-residential rates will increase proportionally. The Capital Recovery Fee will increase with 0.93% from \$12,204 to \$12,317 based on the ENR-CCI- Los Angeles Index.

Operations Fund 5215 Revenue Projection

Overall, in FY2021/22 we modestly expect revenues to increase to \$1,322,021 which is an increase of \$47,695 or 3.7% from the prior year. Revenues in excess of the projected operating and capital expenditures for FY2021-22 will continue to fund the Capital Replacement and Repair fund 5217 as set by Resolution 2017-06.

Operations Fund 5215 Operating Expenses

Overall operating expenses for fund 5215 are projected to be \$1,120,939, a 9.2% increase from the previous fiscal year. For the upcoming Fiscal Year the Board of Directors has requested to perform a comprehensive Wastewater Rates & Fees Study.

Non-Operating Expenses

Proposed Capital Improvement Projects for FY2021/22 is \$143,824 covering the cost projected for the blower unit replacement of \$110,000, a new Composite Sampler with a cost of \$6,642 and \$12,200 for the internal inspection of the ocean outfall pipeline and other smaller capital improvement projects.

Cash Positions

The Cash position on July 1, 2020 was \$2,112,663.

The Cash position for July 1, 2021, is estimated as follows:

Fund 5215	\$ 747,293 (8 months of Operating Expenses)
Fund 5216	\$ 249,614
Fund 5217	\$1,261,231

Total Projected Cash Position per July 1, 2021: \$2,258,138

For FY2021/22 staff will continue to control cost and strive to stay within the budget, make appropriate investments in maintenance and equipment to ensure the community of Summerland has a reliable collection system and wastewater treatment facility.

On behalf of the Summerland Sanitary District

N. Aguilar Vega, Operations Manager
M. Souza, District Administrative Manager

Attachments:

Resolution No. 2021-02
Exhibit A- Budget Snapshot
Detailed Explanation Budget FY2021/22

RESOLUTION NO. 2021-02

RESOLUTION OF THE GOVERNING BOARD OF DIRECTORS OF THE SUMMERLAND SANITARY DISTRICT ADOPTING OPERATIONS BUDGET FUND 5215, CAPITAL FACILITIES BUDGET FUND 5216 AND CAPITAL REPLACEMENT AND REPAIR BUDGET FUND 5217

WHEREAS, the Board of Directors of Summerland Sanitary District has reviewed the proposed budget for Fiscal Year 2021/22.

NOW, THEREFORE, the Board of Directors of the Summerland Sanitary District hereby resolves as follows:

1. That the Budget that is on file with the Clerk of the Board, a summary of which is attached hereto as Exhibit A – Budget Snapshot, is adopted as the final Operations Budget Fund 5215, Capital Facilities Budget Fund 5216 and Capital Replacement and Repair Budget Fund 5217.
2. That the amount designated in the Fiscal Year 2021/22 Operations budget is hereby appropriated and may be expended for which they are designated, and such appropriation shall neither increase, nor decrease, except as provided herein.
3. The following controls are hereby in place on the use and transfer of budgeted funds:
 - a) The District Administrative Manager is responsible to keep expenditure within budget allocations for salaries, benefits and administrative expenses and the Operations Manager is responsible to keep expenditure within budget allocations for operating expenses and capital acquisitions. No expenditure of funds shall be authorized unless sufficient funds have been appropriated by the Board.
 - b) The District Administrative Manager and Operations Manager may exercise discretion in administration of the budget to respond to changed circumstances, provided any modification in excess of \$5,000 shall require approval of the Board.
 - c) The Board must approve any increase in the overall operations budget, capital budget, salary budget above the level identified in the final operating and capital budgets.
 - d) Authorization is made for any carry over, or continuing appropriation from Operations Fund 5215 to the Capital Replacement and Repair Fund 5217

- c. A copy of the written report will be available for inspection by the public on June 15, 2021, at the District office located at 2435 Wallace Avenue, Summerland, California 93067, phone number 805-969-4344.

3. That the Clerk to the Board shall be and hereby is authorized and directed to give the notice in form as required by law and to do any and all such other things as necessary for the holding of said hearing.

PASSED AND ADOPTED by the Governing Board of the Summerland Sanitary District on the 9th day of June 2021 by the following votes:

AYES : Jolene Colomy, John Franklin, David Novis, Martin Tucker

NAYS : X

ABSENT : Jim Witmer

ABSTENTIONS : X

Resolution No. 2021-03 was thereupon declared, carried, and adopted.



APPROVED:

David Novis
President of the Governing Board of
SUMMERLAND SANITARY DISTRICT

Jolene Colomy
Secretary of the Governing Board of
SUMMERLAND SANITARY DISTRICT

I, M. Souza, Clerk of the Board of the SUMMERLAND SANITARY DISTRICT, hereby certify that the foregoing is a true copy of the resolution duly and legally adopted by the Governing Board of the DISTRICT at a legal meeting of said body duly and regularly held on June 9, 2021.

DATE CERTIFIED: 06/09/2021

EXHIBIT A
Budget Snapshot

6/1/2021

Fund 5215 --- Proposed Summerland Sanitary District Operations Budget FY2021/22

Revenues		Adopted FY 2019/20	Actuals 30-Jun 2020	% < > 82%	Adopted FY 2020/21	Actuals 27-Apr 2021	% < > 82%	Proposed FY 2021/22	%
Property Tax Allocations									
3010	Property Tax-Current Secured*	220,000	223,789	102%	230,000	236,099	103%	240,000	104%
3011	Property Tax-Unitary		3,115			1,908			
3015	PT PY Corr/Escapes Secured		-1,102			802			
3020	Property Tax-Current Unsecd	9,500	8,051	85%	9,500	8,485	89%	9,500	100%
3023	Property Tax- PY Corr		-31			92			
3040	Property Tax-Prior Secured		-33			-30			
3050	Property Tax-Prior Unsecured		282			166			
3054	Supplemental Pty Tax-Current	3,500	4,261	122%	3,500	734	21%	3,500	100%
3056	Supplemental Pty Tax-Prior		129			-5			
3057	Property Tax-506 Int. 480 CLOS		-41			10			
4160	State Aid for Disaster		548						
4220	Homeowners Prop. Tax Relief	1,000	1,101	110%	1,000	534	53%	1,000	100%
Total Property Tax Allocations		234,000	240,069	103%	244,000	248,794	102%	254,000	104%
Interest									
3380	Interest Income	9,000	17,895	199%	15,000	3,599	24%	7,500	50%
3381	Unrealized Gain/Loss Inv.	4,372	10,011	229%	2,000	694	35%	1,000	50%
Total Interest Revenues		13,372	27,906	209%	17,000	4,293	25%	8,500	50%
District Administrative Fees									
5091	Plan Check Fee	0	1,570		1,200	2,744	229%	2,800	233%
5433	Inspection Fees	2,000	3,573	179%	2,700	3,925	145%	4,800	178%
5746	Administrative Rev	0	2,416		2,700	3,208	119%	4,200	156%
Total District Admin Fees		2,000	7,559	378%	6,600	9,877	150%	11,800	179%
Annual Sewer Service Charges									
5430	Sewer Service Charges	925,000	936,347	101%	1,006,726	977,790	97%	1,047,721	104%
Total Sewer Service Charges		925,000	936,347	101%	1,006,726	977,790	97%	1,047,721	104%
Total Revenues		1,174,372	1,211,880	103.2%	1,274,326	1,240,754	97.4%	1,322,021	104%

Expenses		Adopted Budget 2019/20	Actuals 30-Jun 2020	% < > 75%	Adopted Budget 2020/21	Actuals 31-Mar 2021	% < > 75%	Proposed Budget 2021/22	%
Salaries and Employee Benefits								Including 2.2% COLA	
6100	Regular Salaries	443,489	408,479	92%	409,214	294,454	72%	423,718	104%
6200	Extra Help/Labor	0	5,427		0	2,704		0	
6270	Standby	17,546	15,622	89%	12,500	7,075	57%	12,500	100%
6300	Overtime	5,600	5,143	92%	4,200	3,159	75%	4,200	100%
6400	Retirement	159,797	165,103	103%	145,889	111,470	76%	161,254	111%
6475	Retirement Healthcare Contr.	4,900	5,000	102%	9,800	4,502	46%	6,000	61%
6500	District Contr. (Fica & Med)	32,205	29,448	91%	31,305	23,594	75%	33,371	107%
6600	Health & Dental, LI. Contrib	82,610	60,046	73%	72,812	60,689	83%	80,095	110%
6900	Workers' Comp.	12,281	10,987	89%	16,866	16,052	95%	17,304	103%
Total Salaries & Empl. Benefits		758,428	705,255	93%	702,586	523,699	75%	738,442	105%
Services and Supplies									
7030	Uniforms/ Boots	2,000	1,630	82%	2,100	2,141	102%	2,100	100%
7053	Telephone/Internet	8,500	9,266	109%	9,000	6,911	77%	8,440	94%
7090	Liability Insurance	25,000	24,525	98%	36,800	37,899	103%	42,554	116%
7110	Directors Fees	12,000	17,150	143%	15,000	11,550	77%	15,000	100%
7121	Operating Supplies	25,000	22,320	89%	26,700	21,341	80%	32,800	123%
7324	Audit & Acct's	23,000	22,879	99%	25,000	23,221	93%	24,000	96%
7362	Maint. Buildings & Grounds	8,000	4,480	56%	8,000	5,410	68%	8,000	100%
7363	Maintenance Equipment	14,000	9,605	69%	14,000	11,885	85%	30,000	214%
7404	Lab Services	23,000	23,372	102%	23,200	18,705	81%	24,200	104%
7430	Memberships	6,625	7,622	115%	8,490	7,187	85%	8,530	100%
7450	Office Expense	4,000	3,999	100%	4,000	3,365	84%	4,000	100%
7454	Books & Subscrip.	240	272	113%	290	48	17%	213	73%
7459	IT Profesional Serv./Hardware	4,000	1,920	48%	4,000	2,759	69%	4,000	100%
7460	Prof. & Special Service	4,000	6,952	174%	12,350	7,395	60%	44,400	360%
7508	Legal Fees	30,000	55,104	184%	45,000	49,579	110%	45,000	100%
7510	Contract Services	6,000	7,465	124%	12,940	5,016	39%	8,240	64%
7516	Permitting Services	7,200	8,007	111%	9,600	9,554	100%	9,560	100%
7530	Publications & Legal Notices	300	651	217%	300	206	69%	600	200%
7546	Administration Expense	3,300	3,432	104%	3,600	0	0%	3,600	100%
7630	Small Tools & Instruments	300	732	244%	500	204	41%	500	100%
7653	Training Fees & Supplies	1,200	785	65%	7,175	2,746	38%	6,300	88%
7671	Special Projects	5,500	5,320	97%	11,900	13,073	110%	8,800	74%
7730	Transportation & Travel	350	384	110%	1,000	403	40%	1,000	100%
7731	Gas-Oil-Fuel	1,500	3,291	219%	2,400	1,449	60%	2,900	121%
7761	Electricity	29,000	36,493	126%	34,500	27,100	79%	41,000	119%
7763	Water	1,600	1,515	95%	2,000	1,266	63%	2,560	128%
7764	Trash/Marborg Disposal	3,400	3,725	110%	4,000	2,981	75%	4,200	105%
Total Services & Supplies		249,015	282,897	114%	323,845	273,393	84%	382,497	118%
Total Expenses		1,007,443	988,152	98%	1,026,431	797,092	78%	1,120,939	109%

FY2020/21

Projected Revenues FY20/21	\$ 1,274,326
Projected Expenses FY20/21	\$ 1,026,431
Projected Surplus to Fund 5217	\$ 247,895

FY2021/22

Projected Revenues FY21/22	\$1,322,021
Projected Expenses FY21/22	\$1,120,939
Surplus to Fund 5217	\$ 201,082

Sewer Service Charges includes a 3.5% rate increase

Fund 5216 --- Proposed Summerland Sanitary District Capital Facilities Fund FY2021/22

Revenues		Adopted FY 2020-21	Actuals 27-Apr 2021	% < > 83%	Proposed FY 2021-22	% < >
3380	INTEREST INCOME	6,300	1,107	18%	2,000	32%
3381	UNREALIZED GAIN/LOSS INV	2,013	0	0%	0	
Charges for services						
5432	CONNECTION FEES	12,385	4,170	34%	12,317	100%
Total Revenues		20,698	5,277	25.5%	14,317	69.2%

Expenses		Adopted Budget 2020-21	Actuals 31-Mar 2021	% < > 75%	Proposed Budget 2021-22	% < >
Capital Assets						
8200	Structures & Improvements	10,000	2,361	24%	10,000	100%
8300	Equipment	20,000	9,928	50%	20,000	100%
8400	Infrastructure	60,000	66,903	112%	0	0%
Total Capital Assets		90,000	79,192	88%	30,000	33%
Total Expenses		90,000	79,192	88%	30,000	33%

Revenues		Adopted FY 2020/21	Actuals 27-Apr 2021	% < > 83	Proposed FY 2021-22	% < >
3380	INTEREST INCOME	8,500	3,000	35%	3,000	
3381	UNREALIZED GAIN/LOSS INV	6,529	0	0%		
	Total Revenues	15,029	3,000	20.0%	3,000	

Expenses		Actual Budget 2020/21	Actuals 31-Mar 2021	% < > 75%	Proposed Budget 2021/22	% < >
Capital Assets						
8200	Structures & Improvements	6,000	1,975	33%	10,000	167%
8300	Equipment	45,000	0	0%	120,000	267%
8400	Infrastructure	100,000	0	0%	15,000	15%
Total Expenses		151,000	1,975	1%	145,000	96%

Detailed Explanation of FY2021-22 Budget

Index

Budget Message	Page 2
Revenues	Page 3
Cost of Living Adjustments (COLA) Information	Page 4
Total Personnel Expenses Schedule 1 & 2	Page 5
Salaries & Benefits Overview Schedules	Page 6
Operating Expense Budget – Worksheet	Page 7, 8, 9
Explanation of Operating, Maintenance and Supplies Expense	Page 10, 11
Fund 5215 Equipment Maintenance Project	Page 12, 13
Fund 5216 Capital Facilities Fund	Page 14
Fund 5216 Proposed Capital Projects	Page 15, 16, 17
Fund 5217 Capital Replacement and Repair Fund	Page 18
Fund 5217 Proposed Capital Projects	Page 19, 20, 21, 22

BUDGET MESSAGE

This section provides the Board of Directors with a comprehensive overview of the District's proposed annual budget for the 2021/22 fiscal year. The budget has been developed to uphold the main tenet of providing the users of the wastewater system the most environmentally sound and cost-effective method of collecting and treating wastewater, regardless of the demands placed upon the system. The budget has been prepared with continued focus on achieving the desired outcomes stated in its mission, goals and objectives as outlined below.

Summerland Sanitary District Mission

"We provide a community service committed to protect public health and safety; we are committed to preserving the natural environment through responsible collection, treatment and disposal of wastewater in the most cost-effective way possible."

Revenues:

Fund 5215 --- Operations Fund Budget FY 2021/22

Revenues	Adopted FY 2019/20	Actuals 30-Jun 2020	Adopted FY 2020/21	Actuals 27-Apr 2021	% < > 82%	Proposed FY 2021/22	%
Property Tax Allocations							
3010 Property Tax-Current Secured*	220,000	223,789	230,000	236,099	103%	240,000	104%
3011 Property Tax-Unitary		3,115		1,908			
3015 PT PY Corr/Escapes Secured		-1,102		802			
3020 Property Tax-Current Unsecd	9,500	8,051	9,500	8,485	89%	9,500	100%
3023 Property Tax- PY Corr		-31		92			
3040 Property Tax-Prior Secured		-33		-30			
3050 Property Tax-Prior Unsecured		282		166			
3054 Supplemental Pty Tax-Current	3,500	4,261	3,500	734	21%	3,500	100%
3056 Supplemental Pty Tax-Prior		129		-5			
3057 Property Tax-506 Int. 480 CLOS		-41		10			
4160 State Aid for Disaster		548					
4220 Homeowners Prop. Tax Relief	1,000	1,101	1,000	534	53%	1,000	100%
Total Property Tax Allocations	234,000	240,069	244,000	248,794	102%	254,000	104%
Interest							
3380 Interest Income	9,000	17,895	15,000	3,599	24%	7,500	50%
3381 Unrealized Gain/Loss Inv.	4,372	10,011	2,000	694	35%	1,000	50%
Total Interest Revenues	13,372	27,906	17,000	4,293	25%	8,500	50%
District Administrative Fees							
5091 Plan Check Fee	0	1,570	1,200	2,744	229%	2,800	233%
5433 Inspection Fees	2,000	3,573	2,700	3,925	145%	4,800	178%
5746 Administrative Rev	0	2,416	2,700	3,208	119%	4,200	156%
Total District Admin Fees	2,000	7,559	6,600	9,877	150%	11,800	179%
Annual Sewer Service Charges							
5430 Sewer Service Charges	925,000	936,347	1,006,726	977,790	97%	1,047,721	104%
Total Sewer Service Charges	925,000	936,347	1,006,726	977,790	97%	1,047,721	104%
Total Revenues	1,174,372	1,211,880	1,274,326	1,240,754	97.4%	1,322,021	104%

Property Tax Allocations

The 4% increase has been proposed due to the rise of property values and sales.

Interest Revenues

A decrease of 50% is projected due to the FY2020-21 actuals revenue information.

District Administration Fees

Plan Check Fee, Inspection Fees and Administrative Fees revenues have come in higher due to ADU applications. We foresee this trend to continue in the upcoming fiscal year. An adjustment in projected revenues in this category has been made.

Sewer Service Charges

The 3.5% rate increase has been implemented for the annual sewer service charges. New ADU's and sewer connections are included in the calculation up to March 2021.

Cost of Living Adjustment (COLA) information

COST OF LIVING ADJUSTMENT

SUMMERLAND SANITARY DISTRICT FY 2021-22

The Board of Directors shall consider cost-of-living pay adjustments on an annual basis, generally in May of each year.

The award of any pay adjustment is at the discretion of the Board, considering such pertinent factors as the District's financial status and the rise in the Consumer Price Index.

The Consumer Price Index is calculated from the following resource:

- Bureau of Labor Statistics: Urban Wage Earners
- Los Angeles-Long Beach-Anaheim, CA
- From March previous year to March of the year the budget is compiled.

The following Consumer Price Index information reflects the status of the CPI from Bureau of Labor Statistics [BLS.gov](https://www.bls.gov)

<u>March 2020</u>	<u>March 2021</u>
276.589	282.648

Formula for Calculating the Percent Change

Index Point Change

• CPI	282.648
• Less previous Index	276.589
• Equals Index point change	6.059

Percent Change

• Equals Index point change	6.059
• Divided by Previous Index %	276.589
• Times 100 = equals percent change	2.190% = (2.2%)

COLA proposals other Districts:

Carp Sanitary	1.7%
Goleta Sanitary	1.3%
Goleta West Sanitary	2.2%
Montecito Sanitary	1.6%
Ojai Sanitary District	Moved COLA calculation until end of June 2021

Personnel Expenses

Schedule 1. Including 2.2% COLA

5215 - SSD EMPLOYEE SALARY AND BENEFITS COST PROJECTION FY2021-22 - Including 2.2% COLA												
Salaries and Benefits												
Job Title	Current Empl.				Retired Empl.							Total
	6100 Base Pay	6270 Standby	6300 O.T	Base Salary plus Stand-by	6400 Retirement	6475 Retirement Healthcare	6500 Social Security	Medicare	6900 Work. Comp.	6600 Medical Ins.	Dental Vision & LI	
District Admin. Manager	109,901				47,268		6,814	1,594	484	21,423	1,244	188,727
Operations Manager	109,901				37,608		6,814	1,594	5,891	10,776	771	173,354
Lead Collections/Op. II	70,797	8,000	1,400	78,797	24,227		4,885	1,143	3,795	10,776	771	125,793
TP Operator II	60,699	4,500	1,400	65,199	20,771		4,042	945	3,253	10,776	771	107,158
TP Sr. Operator I	72,420		1,400		31,380		4,490	1,050	3,882	21,423	1,364	137,408
Total	423,718	12,500	4,200		161,254	6,000	27,046	6,325	17,304	75,174	4,921	738,442
							Total 6500	33,371		Total 6600	80,095	

Personnel Cost make up 68.3% of the Operating Budget Fund 5215. This budget account funds all the department wages, benefits, overtime, and standby duty cost, plus the retired employee's health insurance contribution cost (OPEB). Overall Personnel Cost FY2021-22 is estimated at \$738,442 an increase of 5.1% compared to the FY2020-21 budgeted personnel cost of \$702,586.

The following District Staff will receive a salary increase per July 1, 2021

Lead Collections/Operator II will receive a Step increase from \$68,939 to \$70,797 (2.7% increase)

Treatment Plant Operator II: This position is currently fulfilled by the TP Operator I with a salary of \$53,710 and is expected to be placed into the TP Operator II Scale Step A per July 1, 2021 with a base salary of \$60,699 (13% increase).

Treatment Plant Sr. Operator I will receive a 2.2% COLA increase from \$70,861 to \$72,349.

Employee Benefits expenses last year included a projected 5% increase per January 2021 but actually increased 10%. For the upcoming year an estimated increase of 5% per January 2022 is included in the calculation.

Retirement rates are adjusted to the new salaries and include a 2.2% increase for employees in Plan 5A and a 2.6% increase for employees in Plan 8-3.

Healthcare cost for District retirees decreased 61% from \$9,800 in the previous year to \$6,000 and is attributable to the exit of one District retiree out of the system.

Salaries and Benefits Overview Schedule

With 2.2% COLA

Expenses		Adopted Budget 2019/20	Actuals 30-Jun 2020	% < > 75%	Adopted Budget 2020/21	Actuals 31-Mar 2021	% < > 75%	Proposed Budget 2021/22	%
Salaries and Employee Benefits									
6100	Regular Salaries	443,489	408,479	92%	409,214	294,454	72%	423,718	104%
6200	Extra Help/Labor	0	5,427		0	2,704		0	
6270	Standby	17,546	15,622	89%	12,500	7,075	57%	12,500	100%
6300	Overtime	5,600	5,143	92%	4,200	3,159	75%	4,200	100%
6400	Retirement	159,797	165,103	103%	145,889	111,470	76%	161,254	111%
6475	Retirement Healthcare Contr.	4,900	5,000	102%	9,800	4,502	46%	6,000	61%
6500	District Contr. (Fica & Med)	32,205	29,448	91%	31,305	23,594	75%	33,371	107%
6600	Health & Dental, LI. Contrib	82,610	60,046	73%	72,812	60,689	83%	80,095	110%
6900	Workers' Comp.	12,281	10,987	89%	16,866	16,052	95%	17,304	103%
Total Salaries & Empl. Benefits		758,428	705,255	93%	702,586	523,699	75%	738,442	105%

Operations Expenses Budget – (See for explanation of the increased budgets pages 10 & 11)

Operating, Maintenance & Supplies		Adopted	Actual 3/31	75%	Proposed	< >
Acct No.	Description	Budget 2020-21	Budget 2020-21	Elapsed 31-Mar	Budget 2021-22	%
7030	Uniforms/ Boots	2,100	2,141	101.9%	2,100	100%
7053	Telephone /Internet	9,000	6,911	77%	8,440	94%
	Cox Internet	4,466	3,421	77%	1,440	32%
	Frontier Landline Plant/Office	0			2,300	
	Frontier LS Alarm Phone Lines	1,950	1,480	76%	2,000	103%
	Verizon Mobile Phone Service	2,584	2,009	78%	2,700	104%
7090	Liability Insurance	36,800	37,899	103%	42,554	116%
7110	Directors Fees	15,000	11,550	77%	15,000	100%
7121	Operation Supplies	26,700	21,341	80%	32,800	123%
	Sodium Bisulfite	9,500	10,054	106%	13,000	137%
	Sodium Hypochlorite	12,000	9,805	82%	14,500	121%
	Polymer	1,700	0	0%	1,800	106%
	Lab Supplies/Gloves	3,500	1,483	42%	3,500	100%
7324	Audit & Acct's	25,000	23,221	93%	24,000	96%
	Accounting BP&W	4,500	4,755	106%	4,500	100%
	Audit BP&W	15,000	15,460	103%	15,000	100%
	Fin Accounting fees	5,500	3,007	55%	4,500	82%
7362	Maint. Build. & Grounds	8,000	5,410	68%	8,000	100%
	Buildings	5,000	4,326	87%	5,000	100%
	Grounds	3,000	1,083	36%	3,000	100%
7363	Maint. Equipment	14,000	11,885	85%	30,000	214%
	Plant Equipment	7,000	3,441	49%	9,000	129%
	Mobile Equipment	7,000	8,444	121%	15,800	226%
	TP, LS 1,2,3 Transfer Switch				5,200	
7404	Lab Services	23,200	18,705	81%	24,200	104%
	FGL	19,000	14,890	78%	20,000	105%
	Annual Sampling ABC/SD	4,200	3,815	91%	4,200	100%
7430	Memberships	8,490	7,187	85%	8,530	100%
	CASA	1,700	1,700	100%	2,500	147%
	SWRCB-Cert. operators	450	550	122%	150	33%
	CSDA	4,000	3,861	97%	4,000	100%
	SAMA lunch meet (skip due to Co	0	0	0%	0	
	CWEA- Cert. Ops Collection Syste	390	182	0%	390	100%
	CWEA Membership/ Tri-Counties	600	0		600	100%
	LAFCO	750	587	78%	600	80%
	Summerland Citizen Memb	140	25	0%	140	100%
	AAA Membership	160	132	83%	0	0%
	SBCSDA	300	150	50%	150	50%
7450	Office Expense	4,000	3,365	84%	4,000	100%
	Stationary & Newsletters (2)	1,000		0%	300	30%
	Office & Household Supplies	2,500	2,945	118%	3,500	140%
	Outdoor Canopy				200	
	Bottled water (moved to water a	500	420	84%	0	0%

7363:
Previously
\$21,200 Incl.
Backhoe
servicing

7450:
Previously
\$3,700. More
printing cost
expected for
Rate Study

Operating, Maintenance & Supplies		Adopted	Actual 3/31	75%	Proposed	< >
Acct No.	Description	Budget 2020-21	Budget 2020-21	Elapsed 31-Mar	Budget 2021-22	%
7454	Books & Subscrip.	290	48	17%	213	73%
	SB NewsPress	250	0	0%	0	0%
	Live Web Camera Annual Subscr.	0	0		165	
	Subscription ENR	40	48	120%	48	120%
7459	IT Profesional Serv.	4,000	2,759	69%	4,000	100%
	Computer Consultant	2,000	1,135	57%	2,000	100%
	Software & Computer (equip.)	2,000	1,624	81%	2,000	100%
7460	Prof & Special Serv.	12,350	7,395	60%	44,400	360%
	Annual Instrument Calibrations	3,900	1,353	35%	2,500	64%
	Electrical Troubleshoot/ Repairs	3,000	4,134	138%	4,400	147%
	Backflow testing	100	95	95%	100	100%
	Website	850	0	0%	400	47%
	Salary Analysis	2,500	2,314	93%	0	0%
	Rate Study				35,000	
	GIS/ Atlas Updates	2,000	-500	-25%	2,000	100%
7508	Legal Fees	45,000	49,579	110%	45,000	100%
7510	Contract Services	12,940	5,016	39%	8,240	64%
	Rate Calculation Consulting	5,000	0	0%	0	0%
	Payroll Prog. + email relays	840	560	67%	840	100%
	Fire Ext. Service	500	831	166%	500	100%
	Central Communications	600	450	75%	650	108%
	Sludge Hauling	6,000	2,926	49%	6,000	100%
	Cal PERS Old Age Ins. Adm. Fee		250		250	
7516	Permitting Services	9,600	9,554	100%	9,560	100%
	NPDES Permit	6,800	7,150	105%	7,510	110%
	Air Polution Control District	2,000	1,835	92%	1,050	53%
	Underground Service Alert	200	106	53%	200	100%
	County Roads Dep.	100	0	0%	100	100%
	SB Hazardous Permit	500	464		500	100%
	CA DIR Pressure Vessel Permit				200	
7530	Public. & Legal Notices	300	206	69%	600	200%
7546	Administration Expense	3,600	0	0%	3,600	100%
	County of SB Adm Exp	3,600	0		3,600	100%
7630	Small Tools & Instr.	500	204	41%	500	100%
	Gen. Tools	500	204		500	100%
7653	Training Fees & Supplies	7,175	2,746	38%	6,300	88%
	Staff Educational Classes/ Semin	2,500	621	25%	2,500	100%
	Board Members Training/ Semin	2,000	1,050	53%	2,000	100%
	Biennial Ethics Training	875	875	100%	0	0%
	Manuals/ Books	500	0	0%	500	100%
	Safety training	600	200	33%	600	100%
	Other training (FIT, CPR)	700	0	0%	700	100%

7460:
Previously
\$14,400:
includes Est.
Rate Study
Cost of \$35,000
and removed
Cap.
Replacement
study cost of
\$5,000

7516:
Previously
\$9,360
includes
vessel
permit fee
\$200

7530:
Previously
\$300.
Includes
extra
publication
cost of \$300

Operating, Maintenance & Supplies		Adopted	Actual 3/31	75%	Proposed	< >
Acct No.	Description	Budget 2020-21	Budget 2020-21	Elapsed 31-Mar	Budget 2021-22	%
7671	Special Projects	11,900	13,073	110%	8,800	74%
	Outfall Inspection/Maintenance	6,300	7,487		8,420	134%
	Ocean Water Sampling	5,600	5,586	100%	380	7%
7730	Transportation & Travel	1,000	403	40%	1,000	100%
	Mileage, lodging & Meals	1,000	403	40%	1,000	100%
7731	Gas-Oil-Fuel	2,400	1,449	60%	2,900	121%
	Gasoline	1,600	1,449	91%	2,100	131%
	Diesel	800	0	0%	800	100%
7761	Electricity	34,500	27,100	79%	41,000	119%
		34,500	27,100	79%	41,000	119%
7763	Water	2,000	1,266	63%	2,560	128%
	Montecito Water District	1,700	1,173	69%	1,750	103%
	Water Usage Line Cleaning	300	93	31%	310	103%
	Bottled Water	0	0	0%	500	
7764	Trash Services	4,000	2,981	75%	4,200	105%
	Totals	323,845	273,394	84%	382,497	118%

Explanation of Operating, Maintenance and Supplies Expenses

Explanation of proposed expenses that increase more than 100% of the prior year's Fiscal Year.

Line item 7090 Liability Insurance

The total budget for this category is \$42,554 with an increase of 16% from the prior year (\$36,800). The estimated amount is for a \$2.5M liability policy (per occurrence) instead of the current \$5M liability policy, which would cost \$45,247. SDRMA consulted with staff and said that the \$2.5M coverage is appropriate for the Summerland Sanitary District. After discussion with the Finance Committee, it is proposed to switch over from the \$5M liability policy to \$2.5 dollar liability policy.

Line item 7121 Operating Supplies

The total budget for this category is \$32,800 with an increase of 23% from the prior year (\$26,700). The estimated additional increase is \$3,500 for Sodium Bisulfite and \$2,500 for Sodium Hypochlorite due to the treatment plant chemical pumps using more chemicals. The pumps are now being operated by the treatment plant SCADA system. The chemical pumps operate automatically depending on the demand to chlorinate and dechlorinate the wastewater. Prior, the pumps were set to run at a constant rate, regardless of the demand of chemical.

Line item 7363 Maintenance Equipment

The total budget for this category is \$30,000 with an increase of 114% from the prior year (\$14,000). The estimated additional increase is \$2,000 for plant equipment that will need to be replaced, \$8,800 for servicing the district's backhoe, and \$5,200 for the maintenance of the treatment plant and lift stations automatic transfer switches (see Equipment Maintenance Project sheets page 12 and 13). The transfer switch maintenance will be performed commencing FY21/22 and every three years thereafter.

Line item 7404 Lab Services

The total budget for this category is \$24,200 with an increase of 4% from the prior year (\$23,200). The estimated additional increase is \$1,000 due to a rate increase and an adjustment due to the total expenses for lab services last year going over budget with a total of \$172 totaling \$23,372.

Line item 7460 Prof & Professional Services

The total budget for this category is \$44,400 with an increase of 360% from the prior year (\$12,350). The additional increase is due to the proposed Rate Study project (estimated cost).

Line item 7530 Public & Legal Notices

The total budget for this category is \$320 with an increase of 7% from the prior year (\$300). This increase is attributable to estimated publication cost of two legal notices.

Line item 7731 Gas-Oil-Fuel

The total budget for this category is \$2,900 with an increase of 21% from the prior year (\$2,400). The estimated additional increase is \$500 for gasoline that is projected to increase due to more mainline cleaning for FY21/22.

Line item 7761 Electricity

The total budget for this category is \$41,000 with an increase of 19% from the prior year (\$34,500). The estimated additional cost of \$6,500 is due to increasing energy rates and going over \$1,993 over last year's budget totaling \$36,493.

Line item 7763 Water

The total budget for this category is \$2,560 with an increase of 28% from the prior year (\$2,000). The estimated additional increase is \$560 for treatment plant water usage due to a water rate increase for FY21/22 of 2.8%. Additionally, the Bottled Water budget of \$500 was relocated from line-item account 7450 Office Expenses to this account.

Line item 7764 Trash

The total budget for this category is \$4,200 with an increase of 5% from the prior year (\$4,000). The estimated additional increase of \$200 is due to a rate increase for FY21/22.

Fund 5215- Equipment Maintenance Project

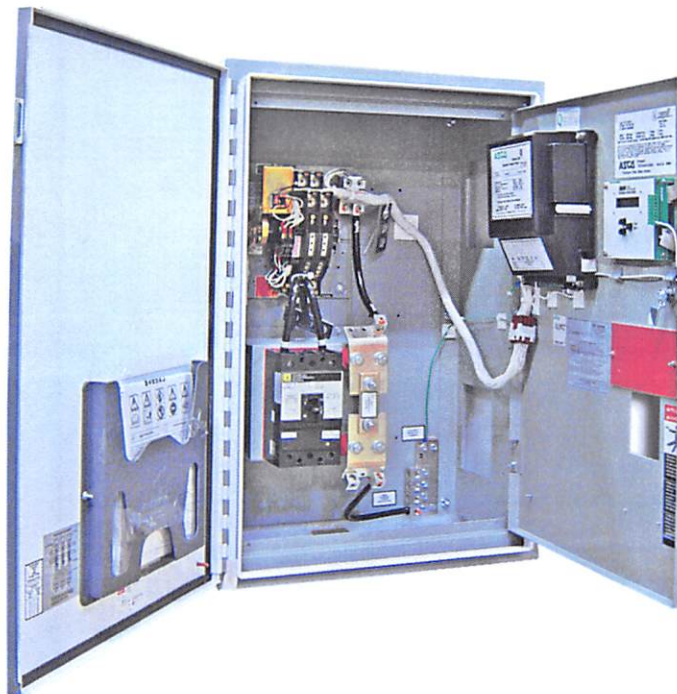
PROJECT TITLE: Transfer Switch Maintenance

DESCRIPTION: Maintenance to be performed on all lift stations and treatment plant transfer switches.

BUDGET COST: \$5,200

FUND SOURCE: Operational Expense Fund 5215 - Line item 7363 Maintenance Equipment

JUSTIFICATION: Over the years district staff strives to perform preventative maintenance on treatment plant and collections system equipment. There are a total of four automatic transfer switches (ATS); three located at each lift station and one at the treatment plant. The treatment plant and lift stations depend highly on the ATS to be in optimal working condition whenever there is a power outage. The ATS automatically transfers emergency generator power to the facility whenever the main source of power is not available. The ATS's have never been maintenance and therefore a technical maintenance is required to keep the units reliable when the district's facilities depend on emergency power.



Fund 5215- Equipment Maintenance Project

PROJECT TITLE: John Deer Backhoe Service

DESCRIPTION: The district's backhoe will be hauled to Coastline Equipment in Oxnard for service on its leaking hydraulic cylinders and for general maintenance. The hydraulic cylinders will be resurfaced and resealed with new gaskets.

BUDGET

ESTIMATE: \$8,800

FUND SOURCE: Operations Fund 5215- Line item 7363 Maintenance Equipment.

JUSTIFICATION: The district's backhoe hydraulic system is leaking hydraulic fluid at various cylinders throughout the vehicle. A well operating hydraulic system is critical to the operation of the vehicle since it controls the movement of the backhoe buckets and arms. Servicing the backhoe will provide a reliable source of transportation for the biosolids that exit the belt press and are set out to dry on the sludge holding bed.



Fund 5216 Capital Facilities – Proposed Budget FY2021/22

Revenues		Adopted FY 2020-21	Actuals 27-Apr 2021	% < > 83%	Proposed FY 2021-22	% < >
3380	INTEREST INCOME	6,300	1,107	18%	2,000	32%
3381	UNREALIZED GAIN/LOSS INV	2,013	0	0%	0	
Charges for services						
5432	CONNECTION FEES	12,385	4,170	34%	12,317	100%
Total Revenues		20,698	5,277	25.5%	14,317	69.2%
Expenses		Adopted Budget 2020-21	Actuals 31-Mar 2021	% < > 75%	Proposed Budget 2021-22	% < >
Capital Assets						
8200	Structures & Improvements	10,000	2,361	24%	10,000	100%
8300	Equipment	20,000	9,928	50%	20,000	100%
8400	Infrastructure	60,000	66,903	112%	0	0%
Total Capital Assets		90,000	79,192	88%	30,000	33%
Total Expenses		90,000	79,192	88%	30,000	33%

Budget Notes:

Funds from Fund 5216 are used for Treatment Plant and Infrastructure Improvements.
Fund 5216 Cash Balance as of April 30, 2021: \$244,356

Proposed Capital Facilities Projects

8300 Equipment - \$11,942 (see page 15, 16 and 17)

Fund 5216- Capital Facilities Project

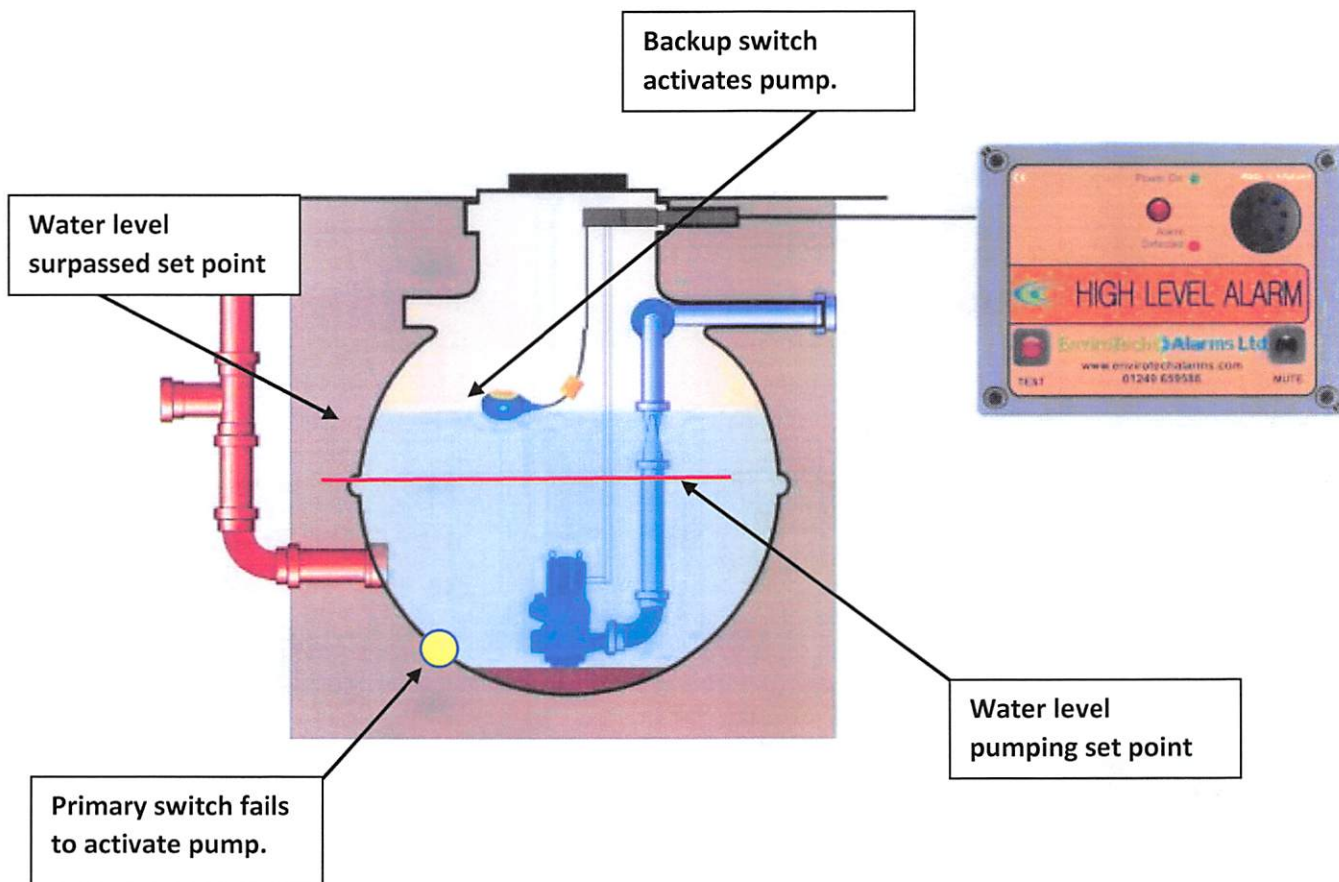
PROJECT TITLE: Lift Station #2 & 3 Backup Alarm System

DESCRIPTION: Installation of a backup switch at lift station # 2 & 3 wells that will activate the lift station pumps to pump down the well if the primary pumping switch fails.

BUDGET COST: \$2,900

FUND SOURCE: Capital Facilities Fund 5216- Line item 8300 equipment

JUSTIFICATION: Over the years district staff strives to keep the district's collections system in good working condition by performing preventative maintenance on both the sewer system and its lift stations to prevent sanitary sewer overflows. As an effort to prevent overflows staff strives to be proactive and install appropriate instrumentation at the collections system lift stations. Currently lift station # 2 & 3 depend on one system, individually, to pump down sewage whenever the water level in its well reaches a certain level. If that system fails, the wells continue to fill up past its pumping set point and can eventually lead to a sewer overflow. Installing the backup switches will turn on the lift station pumps, if the primary switch fails, and will prevent a sewer overflow.



Fund 5216- Capital Facilities Project

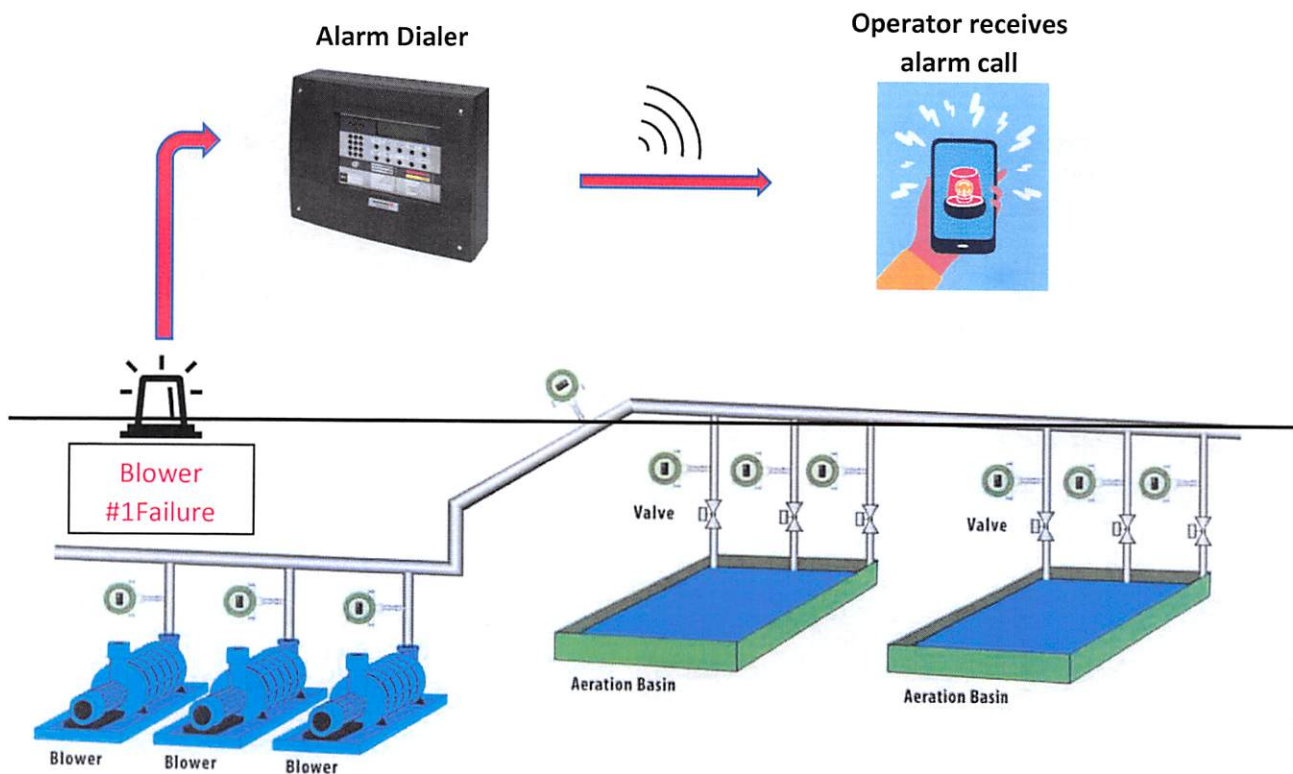
PROJECT TITLE: Connection of Blower's to Alarm System

DESCRIPTION: Connection of blowers# 1,2, and 3 to the treatment plant alarm system.

BUDGET COST: \$2,400

FUND SOURCE: Capital Facilities Fund 5216- Line item 8300 equipment

JUSTIFICATION: Over the years district staff strives to keep the district's treatment plant process in optimal condition. As an effort to reach optimal process condition staff strives to be proactive and install appropriate instrumentation that monitors and notifies staff of any plant process equipment malfunctions. Currently the districts blowers are not connected to the treatment plants alarms system, therefore when blower failure occurs no alarms are triggered hence staff is not notified. By connecting the blowers to the treatment plants alarm system, whenever any blower fails, staff will immediately be notified and be allowed to take appropriate action to restore air production for the treatment plant process rather than acting once staff finds the blower not operating. This will prevent any upset in the treatment plant process, which can result in a violation.



Fund 5216- Capital Facilities Project

PROJECT TITLE: ISCO Influent Composite Sampler Replacement

DESCRIPTION: Purchasing of a 5800 ISCO composite sampler to replace the district's non-compliant Influent composite sampler

BUDGET COST: \$6,642

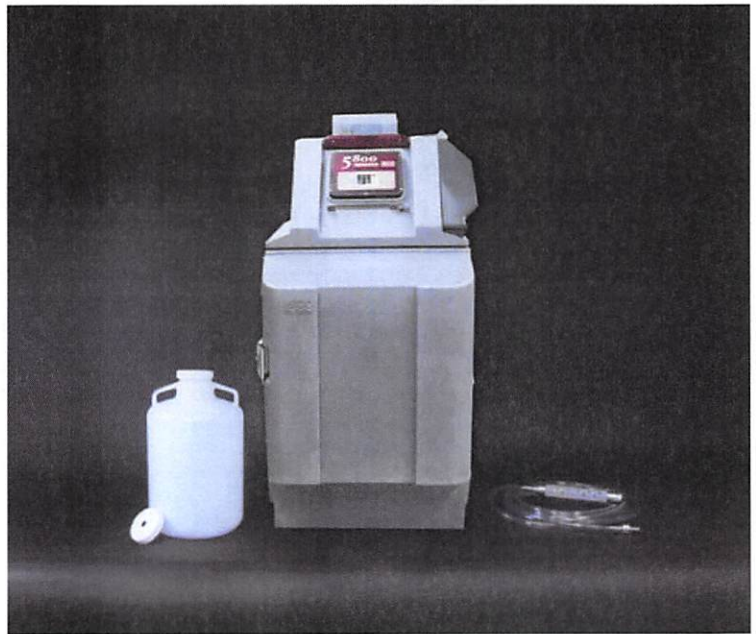
FUND SOURCE: Capital Facilities Fund 5216- Line item 8300 equipment

JUSTIFICATION: The district's current influent composite sampler refrigeration system failed. Staff retrofit the sampler by replacing its non-operational refrigeration system with a standard refrigerator to temporarily comply with the *General Monitoring Provisions* listed in the district's NPDES permit. To be in full compliance with the *General Monitoring Provisions*, the retrofit sampler must be replaced with a compliant sampler. The new sampler will be a downgrade model to the current sampler used for effluent sampling. Downgrading will remove features that are not used on the sampler and will reduce the cost for the sampler by \$1,500.

Current Retrofitted Sampler



Proposed Sampler



Fund 5217 Capital Facilities – Proposed Budget FY2021/22

Revenues		Adopted FY 2020/21	Actuals 27-Apr 2021	% < > 83	Proposed FY 2021-22	% < >
3380	INTEREST INCOME	8,500	3,000	35%	3,000	
3381	UNREALIZED GAIN/LOSS INV	6,529	0	0%		
Total Revenues		15,029	3,000	20.0%	3,000	

Expenses		Actual Budget 2020/21	Actuals 31-Mar 2021	% < > 75%	Proposed Budget 2021/22	% < >
Capital Assets						
8200	Structures & Improvements	6,000	1,975	33%	10,000	167%
8300	Equipment	45,000	0	0%	120,000	267%
8400	Infrastructure	100,000	0	0%	15,000	15%
Total Expenses		151,000	1,975	1%	145,000	96%

Budget Notes:

Funds from Fund 5217 are used for capital expenditures and emergency funding.
Fund 5217 Cash Balance as of April 30, 2021: \$750,131

Proposed Capital Facilities Projects

8300 Equipment - \$119,682 (see page 19, 20 and 21)

8400 Infrastructure - \$12,200 (see page 22)

Total \$131,882

Fund 5217- Capital Replacement Project

PROJECT TITLE: Riding Lawn Mower Replacement

DESCRIPTION: Replacement of the District's riding lawn mower that was purchased in the late 90's.

BUDGET COST: \$3,000

FUND SOURCE: Capital Replacement & Repair Fund 5217 - Line item 8300 equipment

JUSTIFICATION: Over the years district staff strives to keep the district's old riding lawn mower operational. Due to its old age, replacement parts are either obsolete, or too expensive compared to the cost of a new mower. The current mower needs a new blade housing assembly that is obsolete and has had various parts replaced in the past years. Purchasing a new lawn mower will be cost effective and ensure proper safety for staff when operating the vehicle.



Fund 5217- Capital Replacement Project

PROJECT TITLE: Outfall Buoy Replacement

DESCRIPTION: Replacement of the outfall buoy and servicing of the ground tackle that holds the buoy in place.

BUDGET COST: \$6,682

FUND SOURCE: Capital Replacement and Repair Fund 5217 - Line item 8300 equipment

JUSTIFICATION: Over the years annual maintenance and inspection has been performed on the district's outfall pipeline as preventative maintenance to ensure that the outfall pipe is maintained in good condition throughout its lifetime. For the past three years the annual outfall inspection report has reported the buoy to be listing (lean to the side). The buoy and has been resealed to prevent ocean water from saturating it and causing it to sink. Replacing the buoy and servicing the ground tackle that keeps it in place, would ensure that the buoy remains visible for inspection and continues to serve as an indication for boats that pass by informing them that there is a pipeline located within the marked area.



Fund 5217- Capital Replacement Project

PROJECT TITLE: Blower # 1 Replacement

DESCRIPTION: Replacement of the district's non-operational Aerzen blower #1. The current blower will be removed and replaced with the newest Aerzen blower model that meets the same specifications of the current blower. The new blower will require modifying of the existing discharge airline and reconfiguring the electrical system.

ESTIMATED

BUDGET COST: \$110,000

FUND SOURCE: Capital Replacement & Repair Fund 5217 - Line item 8300 Equipment

JUSTIFICATION: Over the years district staff strives to keep the district's treatment plant process in optimal condition by being proactive with maintaining the treatment plants equipment. Currently the districts blower #1 is non-operational. Removing the blower and shipping it to the manufacture to have it rebuilt results the same cost for a new blower. Rebuilding the unit does not ensure the unit will remain in a good operating condition due to its age. Blower #1 along with the other two blowers at the district were installed in 1990. By replacing blower #1, the district will be able rely on its aeration system to keep the treatment plant process with the appropriate oxygen supply and keep its biological process active in the case that any other of the blowers fail. The district will also benefit from the new unit by saving energy cost since the unit is energy efficient.



Fund 5217- Capital Replacement Project

PROJECT TITLE: Internal Inspection of Outfall Pipeline

DESCRIPTION: An internal inspection to be performed on the district's ocean outfall pipeline via a remotely operated vehicle to assess the condition of the internal condition of the pipe.

ESTIMATED

BUDGET COST: \$12,200

FUND SOURCE: Capital Replacement & Repair Fund 5217 - Line item 8400 Infrastructure

JUSTIFICATION: During the fiscal year 20/21, a repair clamp was installed on the outfall pipeline. The outfall inspection reports have showed a deterioration of the pipeline and it has been advised to replace or slip line the pipe in the upcoming future. District staff and board have explored the possibility of lining the districts ocean outfall. A hydraulic study was completed that determined lining to be feasible. A hydraulic study determines if reducing the outfall pipe will continue to maintain the proper capacity to carry the treatment plants effluent. The hydraulic study does not determine the physical condition of the pipe. Performing an internal inspection of the outfall will ensure that the liner will not come across any obstacles when being pulled through the existing outfall pipe.

DT3 20 MINI
PIPE CRAWLER

