



Budget for Fiscal Year 2021-2022

July 21, 2021

Budget Summary (Table 1)

The approved budget for Fiscal Year 2021-2022 is summarized in the attached table. The table shows the budgeted expenditures and capital spending for FY 21/22 compared to the previous FY 20/21. The MOWD Budget/Rate Committee will establish proposed new rates at a future time, however, due to the ongoing COVID-19 pandemic, the budgeted revenue portion will remain unchanged from FY 20/21.

Expenses (Table 2)

The operating expenses by category are comparable to the prior three years; capital expenses differ substantially each year.

Some highlights of the budgeted expenses are:

- Liability and group insurance cost increases by providers;
- System maintenance increase of \$25,000 to address preventive and backlog of maintenance;
- Purchased water was previously budgeted at \$75,000; FY 20/21 exceeded the budget by \$132,000. Anticipating a continued drought status the purchased water item was increased to \$150,000;
- Shifted funds within the water distribution system items to address valve replacements by postponing zone 2 main relocation, as well as funds for tank cleaning and estimated cost of removing the Meiners Rd. tank;
- Structures and Improvements has the largest increase in funds, to more accurately reflect the cost of the replacement Treatment Plant final engineering design, and set aside funds toward the construction of the new plant. Hazardous material safety items were added to this category for installation of Chlorine alarms at each well site, as well as CL17s;
- Field equipment that had previously been deferred, including a well sounder, welder, truck generator, air compressor, crane and tools for the new service truck have been added, totaling \$45,500;
- New GL codes will be added, for more accurate expense tracking, for example Security Systems and Rental Equipment.



New Rates & Rate Structure

Due to the ongoing COVID-19 pandemic the MOWD Board of Directors postponed a rate increase. The budgeted revenue will remain unchanged from FY20/21. Based on FY 20/21 total revenues for FY 21/22 are budgeted at \$1,734,284. A Prop 218 process will be followed to propose any new water rates.



Table 1: Budget Summary for Fiscal Year 2021-2022

Total Operating Expenditures	\$1,695,500.00
Capital Expenses	<u>\$724,500.00</u>
Total Operating & Capital Expenses	\$2,420,000.00
Projected Revenues	\$1,734,284.00
Shortfall (absorbed by reserves)	<\$685,716.00>

Table 1: FY 2021/2022 BUDGET EXPENDITURES

Expenditures	FY 2021-22	APPROVED FY 2020-21	FY 21/22 v. FY 20/21
Salaries	600,000.00	575,000.00	25,000.00
Payroll Taxes	45,000.00	60,000.00	(15,000.00)
Retirement Contributions	55,000.00	51,000.00	4,000.00
Group Insurance	96,000.00	86,000.00	10,000.00
Company Uniforms	4,500.00	2,500.00	2,000.00
Phone Office	9,000.00	9,000.00	-
Janitorial Service	4,400.00	5,000.00	(600.00)
Refuse Disposal	4,500.00	3,400.00	1,100.00
Liability Insurance	54,000.00	40,000.00	14,000.00
Workers Compensation	18,000.00	18,000.00	-
Wells	10,000.00	10,000.00	-
Truck Maintenance	3,500.00	3,500.00	-
Office Equip. Maintenance	5,000.00	5,000.00	-
<i>*Security System (New GL Code)</i>	600.00		600.00
Cell Phones	4,500.00	4,500.00	-
System Maintenance	100,000.00	75,000.00	25,000.00
Safety Equipment	6,000.00	3,000.00	3,000.00
Laboratory Services	12,000.00	11,000.00	1,000.00
Membership and Dues	9,000.00	8,000.00	1,000.00
Printing and Binding	2,500.00	3,500.00	(1,000.00)
Office Supplies	6,000.00	5,000.00	1,000.00
Postage and Express	11,000.00	10,000.00	1,000.00
B.O.D. Fees	15,000.00	15,000.00	-
Engineering & Technical Services	30,000.00	50,000.00	(20,000.00)
Computer Services	17,000.00	17,000.00	-
Other Prof. & Regulatory Fees	40,000.00	40,000.00	-
Public and Legal Notices	2,000.00	2,000.00	-
Attorney Fees	75,000.00	75,000.00	-
GSA Fees	50,000.00	50,000.00	-
VR/SBC/City of VTA Law Suit	75,000.00	75,000.00	-
State Water	-	20,000.00	(20,000.00)
Audit Fees	25,000.00	25,000.00	-
Small Tools	5,000.00	3,000.00	2,000.00
<i>*Rental Equipment (New GL Code)</i>	-		-
Election Supplies	2,500.00	2,500.00	-
Water Purchase	150,000.00	75,000.00	75,000.00
CMWD Standby Charges	20,000.00	20,000.00	-
Treatment Plant	20,000.00	20,000.00	-
Fuel	13,000.00	13,000.00	-
Travel Exp./Seminars	2,000.00	2,000.00	-
Utilities	3,500.00	3,500.00	-
Power and Pumping	80,000.00	80,000.00	-
Meters	10,000.00	10,000.00	-
Total Expenditures	1,695,500.00	1,586,400.00	109,100.00

Expenditures	FY 2021-22	APPROVED FY 2020-21	FY 21/22 v. FY 20/21
Water Distribution System	-	-	-
<i>Automating Fairview Conn. Design</i>	-	-	-
<i>Fairview Connection (FY 22/23)</i>	-	-	-
<i>Well 8 Nitrate Removal/Blending</i>	8,000.00	5,000.00	3,000.00
<i>4 Valve Replacements/Deadends</i>	100,000.00	-	100,000.00
<i>Relocate 6" Main for Z-2</i>	-	150,000.00	(150,000.00)
<i>El Sol to Lomita Tie-In Engineering</i>	5,000.00	5,000.00	-
<i>Tank Cleaning</i>	6,000.00	-	6,000.00
<i>Repairs to Meiners Rd. 80K Gallon Tank</i>	30,000.00	50,000.00	(20,000.00)
Structures and Improvements	-	-	-
<i>T.P. Final Eng. 100% Design</i>	175,000.00	50,000.00	125,000.00
<i>Treatment Plant Set-Aside Fund</i>	200,000.00	-	200,000.00
<i>Chlorine Alarms</i>	40,000.00	-	40,000.00
<i>Wells 4 & 7 CL17</i>	15,000.00	-	15,000.00
Vehicles	-	-	-
<i>1 Ton Service Truck</i>	-	75,000.00	(75,000.00)
Furniture and Fixtures	-	-	-
<i>General Managers Desk</i>	-	2,500.00	(2,500.00)
Office Machines	-	-	-
<i>New Meter Reading Handhelds/Software</i>	-	6,000.00	(6,000.00)
<i>Radio/Cellular Meters (FY22/23)</i>	-	-	-
Field Equipment	-	-	-
<i>Sounder</i>	2,500.00	-	2,500.00
<i>Vibraplate</i>	-	-	-
<i>Welder</i>	3,500.00	-	3,500.00
<i>New Truck Generator</i>	3,500.00	-	3,500.00
<i>Air Compressor (tow behind)</i>	16,000.00	-	16,000.00
<i>Crane for New Truck</i>	15,000.00	-	15,000.00
<i>New Truck Tools</i>	5,000.00	-	5,000.00
Appropriations for Contingencies	100,000.00	100,000.00	-
Total CIP Spending	724,500.00	443,500.00	281,000.00
GRAND TOTAL	2,420,000.00	2,029,900.00	390,100.00