



June 3, 2024

TO: LOCSO Finance Advisory Committee (FAC)

FROM: Ron Munds, General Manager

SUBJECT: **Agenda Item 3 – 06/03/2024 Board Meeting**
Updates to the Final Budget for Fiscal Year 2024-2025

STAFF RECOMMENDATION

Review and provide comments

DISCUSSION

The preliminary budget was reviewed by the FAC at the April 29th meeting. The Board provided comments and input at their May 2nd meeting. The following are the changes that were made since the FAC review. The proposed final budget is posted on the District’s website.

Zone A Property Tax Allocation

At the May 2, 2024 Board meeting, the Board approved using the option below to allocate Zone A revenues to the various funds.

Option 2 - 2024-25		
Zone A Property Tax Allocation	Estimated Tax Revenue	
	\$317,120.00	
	% Allocation	\$ Allocation
Fund 301 - Fire	41.7%	\$132,239.04
Fund 500 - Water	15.8%	\$50,104.96
Fund 900 - Parks & Rec	0.0%	\$0.00
Fund 800 - Drainage	42.5%	\$134,776.00
Total	100.0%	\$317,120.00

Fund 100 – Administration

No Change from April 29, 2024 Board Meeting.

The following table summarizes the proposed budget for Fund 100.

100 - ADMINISTRATION			
Fund 100 Budget Category	2023-2024 Budget	2024-2025 Budget	Increase/ (Decrease)
Revenue	\$715,136.00	\$753,887.50	\$38,751.50
Expenditures			
Personnel	\$413,303.50	\$430,079.50	\$16,776.00
Services & Supplies	\$301,832.50	\$323,808.00	\$21,975.50
TOTAL Expenditures	\$715,136.00	\$753,887.50	\$38,751.50
TOTAL Revenue	\$715,136.00	\$753,887.50	\$38,751.50

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Fund 200 – Bayridge Estates

No Change from April 29, 2024 Board Meeting.

The following table summarizes the proposed budget for Fund 200.

200 - Bayridge			
Fund 200 Budget Category	2023-2024 Budget	2024-2025 Budget	Increase/ (Decrease)
Revenue	\$10,000.00	\$10,000.00	\$0.00
Expenditures			
Services & Supplies	\$7,399.16	\$7,399.16	\$0.00
Transfers	\$1,787.84	\$1,884.72	\$96.88
TOTAL Expenditures	\$9,187.00	\$9,283.88	\$96.88
TOTAL Revenue	\$10,000.00	\$10,000.00	\$0.00
Net Revenue/Expenses		\$716.12	

Fund 301 – Fire

Changes from April 29, 2024 meeting:

Per Board direction, the Zone A property tax revenue allocation remains the same as last fiscal year at 41.7% which equates to \$132,239.04. There is an increase in GL 301-7234, Oxygen Supplies, from \$500 to \$1,800. Schedule A charges have been updated with the estimated amount to be \$2,819,174. The result is a \$297,251.00 increase (10.5%) over FY 2023-24 in Contract Services. The increase in cost is associated with a wage increase negotiated with the firefighter union and the reduced work week schedule from 72-hour shifts to 66 hours. This requires adding a position at the station for the required personnel coverage.

The Schedule A costs also includes 4.71% countywide overhead charge which is being disputed by staff. The recommendation will be for the Board to accept the Schedule A costs minus the countywide overhead charge and direct staff to convey to the County the action taken.

Another major change is the addition of \$33,924 to the Personnel Protection Equipment (PPE) line item (6440) to fund the District share of PPE needed for Cal Fire personnel at the station. The expense coming from the operating budget will save on the administration costs for both Cal Fire and the County.

The following table summarizes the revenue and proposed expenditures for the Fund 301 budget. The noted negative value for revenue versus expenditures will be balanced by using operating cash or reserves if and when needed.

301 - Fire			
Fund 301 Budget Category	2023-2024 Budget	2024-2025 Budget	Increase/ (Decrease)
Revenue	\$3,584,505.00	\$3,741,184.04	\$156,679.04
Expenditures			
Total Personnel	\$299,165.00	\$304,625.00	\$5,460.00
Services & Supplies	\$2,786,550.00	\$3,143,264.00	\$356,714.00
Capital Outlay	\$102,567.00	\$100,000.00	-\$2,567.00
Reserves	\$193,318.00	\$220,000.00	\$26,682.00
Transfers	\$75,089.28	\$79,158.19	\$4,068.91
Total Expenditure	\$3,456,689.28	\$3,847,047.19	\$390,357.91
Total Revenue	\$3,584,505.00	\$3,741,184.04	\$156,679.04
Net Revenue/Expenses		-\$105,863.15	

Fund 400 – Vista de Oro

No Change from April 29, 2024 Board Meeting.

The following table summarizes the proposed Fund 400 budget.

400 - VISTA DE ORO			
Fund 400 Budget Category	2023-2024 Budget	2024-2025 Budget	Increase/ (Decrease)
Revenue	\$6,000.00	\$6,000.00	\$0.00
Expenditures			
Services & Supplies	\$3,360.00	\$3,360.00	\$0.00
Transfers	\$1,787.84	\$1,884.72	\$96.88
TOTAL Expenditures	\$5,147.84	\$5,244.72	\$96.88
TOTAL Revenue	\$6,000.00	\$6,000.00	\$0.00
Net Revenue/Expenses	\$852.16	\$755.28	

Fund 500 – Water

Changes made after the April 29, 2024 meeting:

Per Board direction, the Zone A property tax revenue allocation is set at a rate \$50,104.96. There is an increase in GL 6641, Repair & Maintenance Wells, of approximately \$22,200 to retrofit the 10th Street well with variable frequency drive (VFD). This will add energy efficiency and operational flexibility to the operation of the well.

Capital Outlay Summary of Changes

The following projects are recommended to be included in the 2024-25 Capital Improvement Plan:

	FY 24/25 Projects	Budgeted (Estimated)	FY 23/24 Expenditures	Carryover Balance
500/9006	Program "C" Well Construction	\$970,000.00	\$970,000.00	\$408,000.00
500/9006	Heavy Equipment Storage Structure	\$100,000.00		\$100,000.00
500/9006	Valve Replacement Program	\$540,000.00		
500/9006	Water Yard Office-Phase 1	\$50,000.00		
500/9006	10th Street Tank Interior Coating	\$150,000.00		
500/9006	SCADA	\$750,000.00		
	TOTAL	\$2,560,000.00		\$508,000.00

The following table summarizes the revenue and expenditures projections for the proposed Fund 500 budget. The noted negative value for revenue versus expenditures will be balanced by using Capital Outlay reserves if and when needed.

500 - Water			
Fund 500 Budget Category	2023-2024 Budget	2024-2025 Budget	Increase/ (Decrease)
Revenue	\$3,309,526.10	\$3,383,376.01	\$73,849.91
Expenditures			
Total Personnel	\$972,160.00	\$1,030,970.00	\$58,810.00
Services & Supplies	\$672,365.00	\$792,323.00	\$119,958.00
Capital Outlay	\$2,730,000.00	\$2,671,000.00	-\$59,000.00
Debt Service	\$264,890.53	\$263,690.04	-\$1,200.49
Reserves	\$57,000.00	\$57,000.00	\$0.00
Transfers	\$543,503.36	\$572,954.50	\$29,451.14
TOTAL Expenditures	\$5,239,918.89	\$5,387,937.54	\$148,018.65
TOTAL Revenue	\$3,309,526.10	\$3,383,376.01	\$73,849.91
Net		-\$2,004,561.53	

Fund 600 – Wastewater

No Change from April 29, 2024 Board Meeting.

The following table summarizes the proposed Fund 600 budget.

600 - Wastewater			
Fund 600 Budget Category	2023-2024 Budget	2024-2025 Budget	Increase/ (Decrease)
Revenue	\$21,082.85	\$22,241.56	\$1,158.71
Expenditures			
Services & Supplies	\$17,812.17	\$18,472.12	\$659.95
Debt Service	\$0.00	\$0.00	\$0.00
Transfers	\$3,575.68	\$3,769.44	\$193.76
TOTAL Expenditures	\$21,387.85	\$22,241.56	\$853.71
TOTAL Revenue	\$21,082.85	\$22,241.56	\$1,158.71
Net	\$ 305.00	\$0.00	

Fund 650 – Solid Waste

No changes made since the April 29, 2024 meeting.

The following table summarizes the proposed budget for Fund 650.

650 - Solid Waste			
Fund 800 Budget Category	2023-2024 Budget	2024-2025 Budget	Increase/ (Decrease)
Revenue	\$350,000.00	\$380,000.00	\$30,000.00
Expenditures			
Total Personnel	\$0.00	\$0.00	\$0.00
Services & Supplies	\$48,000.00	\$48,000.00	\$0.00
Capital Outlay	\$0.00	\$0.00	\$0.00
Debt Services	\$120,000.00	\$120,000.00	\$0.00
Reserves	\$0.00	\$100,000.00	\$100,000.00
Transfers	\$71,513.60	\$75,388.75	\$3,875.15
TOTAL Expenditures	\$239,513.60	\$343,388.75	\$103,875.15
TOTAL Revenue	\$350,000.00	\$380,000.00	\$30,000.00
Net Revenue/Expenses	\$141,486.40	\$36,611.25	

Fund 800 – Drainage

Changes made since the April 29, 2024 Meeting:

Per Board direction, the Zone A property tax revenue allocation is set at \$134,776.00.

The following table summarizes the proposed Fund 800 budget.

800 - Drainage			
Fund 800 Budget Category	2023-2024 Budget	2024-2025 Budget	Increase/ (Decrease)
Revenue	\$247,331.39	\$275,554.00	\$28,222.61
Expenditures			
Total Personnel	\$12,200.00	\$9,200.00	-\$3,000.00
Services & Supplies	\$43,600.00	\$37,050.00	-\$6,550.00
Capital Outlay	\$70,000.00	\$70,000.00	\$0.00
Reserves	\$0.00	\$0.00	\$0.00
Transfers	\$14,302.72	\$15,077.75	\$775.03
Debt Service	\$63,890.50	\$66,221.49	\$2,330.99
TOTAL Expenditures	\$203,993.22	\$197,549.24	-\$6,443.98
TOTAL Revenue	\$247,331.39	\$275,554.00	\$28,222.61
Net	\$104,988.17	\$78,004.76	

Fund 900 – Parks and Recreation

Changes made since the April 29, 2024 meeting:

Per Board direction, no Zone A property tax revenue allocation was provided to Fund 900.

The following table summarizes the proposed Fund 900 budget.

900 - Parks & Recreation			
Fund 900 Budget Category	2023-2024 Budget	2024-2025 Budget	Increase/ (Decrease)
Revenue	\$25,000.00	\$10,000.00	-\$15,000.00
Expenditures			
Services & Supplies	\$1,600.00	\$1,600.00	\$0.00
Capital Outlay	\$0.00	\$0.00	\$0.00
Transfers	\$3,575.68	\$3,769.44	\$193.76
TOTAL Expenditures	\$5,175.68	\$5,369.44	\$193.76
TOTAL Revenue	\$25,000.00	\$10,000.00	-\$15,000.00
Net Revenue/Expenses	\$19,824.32	\$4,630.56	

Attachments

Schedule A Budget Document



John Owens, Unit Chief

LOS OSOS SERVICE AGREEMENT

Schedule A

Cost for Providing Fire Protection Services

Fiscal Year 24/25 (July 1, 2024, through June 30, 2025)

Fiscal Year 24/25	
Personnel State	\$2,220,658
Personnel State Admin Fee 12.10%	\$268,700
Fuel & Maintenance	\$70,060
Fuel/Maint. State Admin Fee 12.10%	\$8,477
Projected 5% labor (PS) contract increase (24/25)	\$124,468
State Total	\$2,692,363
CWOH @4.71%	\$126,811
Total with CWOH	\$2,819,174

Staffing increase of one (1) FAE to meet the 66-hour work week and a staffing factor of 3 personnel per position. Also included is the upgrade from Office Tech to Staff Service Analysis.

This schedule is modified annually for application in the subsequent fiscal year. Costs shown above are total budgeted costs to operate Los Osos. Actual Costs associated with Los Osos will be billed quarterly beginning in December.