



Montecito Sanitary District

1042 Monte Cristo Lane *A Public Service Agency*
Santa Barbara, CA 93108

Phone: (805) 969-4200
www.montsan.org

BOARD LIST OF PAYABLES – FEBRUARY 2024

<u>CHECK DATE</u>	<u>SUMMARY & TYPE</u>	<u>BATCH TOTAL</u>
02/02/2024	ACCOUNTS PAYABLE	77,938.44
02/16/2024	ACCOUNTS PAYABLE	167,949.70
	Subtotal	\$ 245,888.14
02/02/2024	CAPITAL IMPROVEMENT PROJECTS	105,427.45
02/16/2024	CAPITAL IMPROVEMENT PROJECTS	531,450.90
	Subtotal	\$ 636,878.35
02/04/2024	PAYROLL	99,280.60
02/18/2024	PAYROLL	93,613.53
	Subtotal	\$ 192,893.84
	<u>TOTAL</u>	<u>\$ 1,075,660.33</u>

*All Invoices were reviewed and approved by Department Managers

**All Invoices and Payments were reviewed and approved and checks signed by the General Manager

***Board Treasurer, Edwin Martin, approved all payables by email prior to check mailing

Check History Report
Sorted By Check Number
Activity From: 2/1/2024 to 2/29/2024
MONTECITO SANITARY DISTRICT (MSD)

Bank Code: B OPERATING CASH (MBT)				
Check Number	Check Date	Name	Check Amount	Description
0000029035	2/2/2024	ACWA/JPIA	28,502.79	Medical/Dental/Life Insurance Premium-January
0000029036	2/2/2024	AT&T MOBILITY	176.88	Office Data Port, Lift Station 4 Data Port, Standby Cell
0000029037	2/2/2024	AUTOZONE, INC	64.00	Vehicle Supplies
0000029038	2/2/2024	COMPUVISION COMMUNICATIONS	2,652.25	IT Services-December
0000029039	2/2/2024	CORT	44.00	Deed Report-December
0000029040	2/2/2024	COX BUSINESS	160.39	Wireless Internet Services-January
0000029041	2/2/2024	D&H WATER SYSTEMS	1,749.97	Analyzer Parts
0000029042	2/2/2024	DLT SOLUTIONS, LLC	1,281.90	Annual Autodesk Single User Renewal
0000029043	2/2/2024	FRONTIER	637.86	Phone Service for WWTP & Lift Station 1, 2, 4-January
0000029044	2/2/2024	GLS COMPANIES	750.00	Landscape Services-January
0000029045	2/2/2024	GOLD COAST ENVIRONMENTAL	1,680.00	Calibration of Gas Sensors & Multi-Gas Detectors
0000029046	2/2/2024	GRAINGER	180.00	Drill Driven Pump Kit, Liquid Compound, Vacuum Breaker
0000029047	2/2/2024	HADRONEX, INC	304.94	Lift Station 5 Smartcover Supplies
0000029048	2/2/2024	HASA	8,377.35	Sodium Hypochlorite
0000029049	2/2/2024	IN GETTY WE TRUST	2,300.00	Deposit Refund - 1143 Hill Road
0000029050	2/2/2024	JERRY THE PLUMBER	2,875.00	Cancellation of Permit - 285 Middle Road
0000029051	2/2/2024	KIMBALL MIDWEST	111.79	Plant Maintenance Materials
0000029052	2/2/2024	KINGSTON OAK TRUST	2,300.00	Deposit Refund - 2690 Sycamore Canyon Road
0000029053	2/2/2024	MCCORMIX CORP	656.98	Vehicle Fuel 01/01-01/15/2024
0000029054	2/2/2024	MCMaster-CARR SUPPLY COMPANY	121.89	Telephone & Telephone Cord for Lift Station
0000029055	2/2/2024	MONTECITO WATER DISTRICT	749.77	Water Service-December
0000029056	2/2/2024	O'CONNOR PEST CONTROL WEST	150.00	Rats, Mice Traps @ WWTP
0000029057	2/2/2024	OILFIELD ENVIRONMENTAL &	994.69	Annual NPDES Required Sampling, Monthly lab Analyses
0000029058	2/2/2024	JOSHUA PEREZ	98.00	Collection System Maintenance Tech Renewal
0000029059	2/2/2024	PITNEY BOWES GLOBAL FINANCIAL	143.84	Quarterly Postage Meter Lease Payment
0000029060	2/2/2024	PLANETBIDS, INC.	4,110.99	Annual Vendor & Bid Management Services
0000029061	2/2/2024	PLUMBERS DEPOT, INC	3,951.90	Repair CCTV Camera
0000029062	2/2/2024	PITNEY BOWES BANK INC PURCHASE	12.21	Postage Meter Cleaning Kit
0000029063	2/2/2024	PURETEC INDUSTRIAL WATER	78.40	Water Softener Sodium Tank Exchange
0000029064	2/2/2024	RINGCENTRAL, INC.	708.02	Phone Service-January
0000029065	2/2/2024	SANTA BARBARA COUNTY CLERK-	113.00	Agreement Recording Fees
0000029066	2/2/2024	SANTA BARBARA LOCKSMITHS, INC	299.12	Lift Station Door Locks
0000029067	2/2/2024	CLIFF SCHOLLE	2,300.00	Deposit Refund - 427 Pimiento Lane
0000029068	2/2/2024	TRI-CO REPROGRAPHICS	24.03	Collection System Sewer Mainline Map
0000029069	2/2/2024	UNIVAR SOLUTIONS	5,337.72	Sodium Bisulfite
0000029070	2/2/2024	VERIZON BUSINESS	3,938.76	Tablets for Collections/Field Staff
0000029071	2/16/2024	ACWA/JPIA	28,502.79	Medical/Dental/Life Insurance Premium-February
0000029072	2/16/2024	AMAZON CAPITAL SERVICES	995.99	Stylus & USB Cables for iPads, White Board, Surge
0000029073	2/16/2024	AQUA-FLO SUPPLY	18.94	Plant Maintenance Materials
0000029074	2/16/2024	BIG GREEN CLEANING COMPANY	2,603.00	Janitorial Services-February
0000029075	2/16/2024	CANON FINANCIAL SERVICES INC	272.61	Canon Copier Lease Payment-February
0000029076	2/16/2024	CHAZ SPORTSWEAR	5,484.93	Shirts, Jackets, Caps, Beanies, Totes w/ MSD Logo
0000029077	2/16/2024	CINTAS CORPORATION #684	2,070.53	Uniforms, Towels, Floor Mats-Cleaning/Rental-January
0000029078	2/16/2024	COLANTUONO, HIGHSMTIH & WHATLEY	3,075.00	Legal Counsel Services-January
0000029080	2/16/2024	CORT	44.00	Deed Report-January
0000029082	2/16/2024	ENGEL & GRAY, INC	8,636.89	Biosolids Hauling, Bin Rental-January

0000029083	2/16/2024	FAMCON PIPE & SUPPLY, INC	4,863.30	Valve, Hand Wheel for Lift Station 1
0000029084	2/16/2024	FIRST FINANCIAL ASSET MANAGEMENT	2,576.34	Vehicle Damage Claims Payment
0000029085	2/16/2024	FISHER SCIENTIFIC	805.00	Lab Testing Supplies
0000029086	2/16/2024	GEOGRAPHIC DATA & MANAGEMENT	550.00	Updates to District GIS
0000029087	2/16/2024	GRAINGER	695.71	Broom, Green Marking Paint
0000029088	2/16/2024	HASA	14,718.48	Sodium Hypochlorite
0000029089	2/16/2024	HAYWARD SANTA BARBARA	92.34	Orange Safety Fencing, Bit & Screw Holder
0000029090	2/16/2024	IDEXX DISTRIBUTION, INC	1,145.21	Lab Testing Supplies
0000029091	2/16/2024	KIMBALL MIDWEST	360.93	Brass Fittings & Washers Restock
0000029092	2/16/2024	MARBORG INDUSTRIES	1,755.89	Refuse Disposal/Recycling-Dec/Jan, Portable Restroom
0000029093	2/16/2024	MONTECITO BANK & TRUST	7,028.94	December/January Credit Card Statements: Staff/Board
0000029094	2/16/2024	MCCORMIX CORP	2,208.43	Veh Fuel 01/15-01/31/24, WWTP Diesel Tank Replen.
0000029095	2/16/2024	MOUNTAIN SPRING WATER	119.60	Bottled Drinking Water, Cooler Rental-January
0000029096	2/16/2024	MONTECITO WATER DISTRICT	853.36	Water Service-January
0000029097	2/16/2024	MY SAFEDOMAIN	295.00	Annual Montsan.org domain fees
0000029098	2/16/2024	OILFIELD ENVIRONMENTAL &	157.50	Outside Lab Analyses 02/07/24
0000029099	2/16/2024	NOEE ORTIZ	222.00	Collection System Maint 3 Test Fee Reimbursement
0000029100	2/16/2024	PAYCHEX OF NEW YORK, LLC	619.20	Payroll & W-2 Services-January
0000029101	2/16/2024	PERRY FORD MAZDA	246.81	Oil & Filters for Unit #7
0000029102	2/16/2024	PHOENIX CIVIL ENGINEERING	1,170.00	Engineering Services for Proposal Support
0000029103	2/16/2024	PITNEY BOWES GLOBAL FINANCIAL	35.00	Late Fee for Postage Meter Lease Payment
0000029104	2/16/2024	PLUMBERS DEPOT, INC	40.95	CCTV Loaner Tractor Shipping
0000029105	2/16/2024	PURETEC INDUSTRIAL WATER	308.87	Quarterly Water Softener Tank Rental
0000029106	2/16/2024	ROBERT D. NIEHAUS, INC	3,875.00	Rate Study Services-January
0000029107	2/16/2024	RED WING BUSINESS ADVANTAGE	450.00	Boot Allowance for Ortiz & Martinez
0000029108	2/16/2024	ROLLINS, CAROLE	787.76	Travel Expense Reimbursement
0000029109	2/16/2024	ROYAL ADHESIVES & SEALANTS, LLC	475.24	Epoxy for Collections
0000029110	2/16/2024	SANTA BARBARA COUNTY-APCD	2,682.40	Annual Generator Emissions Permitting for Lift Stations
0000029111	2/16/2024	SANTA BARBARA FASTENERS, INC	11.81	Bolt for Vac-Con
0000029112	2/16/2024	S B HOME IMPROVEMENT CENTER	58.45	Mechanic Tools, Property Maintenance Materials
0000029113	2/16/2024	SANTA BARBARA & VENTURA COUNTY	6,275.00	Furnish/Install Metal Door at Lift Station 4, Troubleshoot
0000029114	2/16/2024	SB TREE CARE INC.	18,850.00	Remove Eucalyptus Trees on railroad tracts behind
0000029115	2/16/2024	SOUTHERN CALIFORNIA EDISON CO	17,923.67	Electric Service 12/22/23 - 01/23/24
0000029116	2/16/2024	SEIU LOCAL 620	759.68	Union Dues for Payroll's 01/21/24 & 02/04/24
0000029117	2/16/2024	SEWER EQUIPMENT COMPANY	1,081.03	Parts for Small Jetter Truck
0000029118	2/16/2024	SOCAL GAS	759.14	Gas Service-January
0000029119	2/16/2024	STANDARD INSURANCE COMPANY	3,220.36	Short/Long Term Disability-January/February
0000029120	2/16/2024	STAPLES BUSINESS CREDIT	46.84	Office Supplies
0000029121	2/16/2024	STREAMLINE	375.00	Website Managements Services-February
0000029122	2/16/2024	SWRCB-ELAP FEES	4,615.00	Annual ELAP Accreditation Program Fees
0000029123	2/16/2024	TRI-CO REPROGRAPHICS	24.03	Collections Wall Map
0000029124	2/16/2024	UNIVAR SOLUTIONS	6,353.16	Sodium Bisulfite
0000029125	2/16/2024	UNDERGROUND SERVICE ALERT	162.25	87 New Dig Alert Tickets-January
0000029126	2/16/2024	VENTURA AIR CONDITIONING CO.	370.00	Troubleshoot Lab HVAC System
0000029127	2/16/2024	MIGUEL VILLAFANA	182.10	Boot Allowance Reimbursement
0000029128	2/16/2024	ZWORLD GIS	2,280.00	GIS Development & Support Services-February
Bank B Total:			245,888.14	

Bank Code: G CAPITAL IMPROVEMENT CASH (MBT)

Check Number	Check Date	Name	Check Amount	Description
0000001438	2/2/2024	BEST CONTRACTING SERVICES, INC.	88,537.53	CIP No. F001; Admin/Ops Roof Replacement
0000001439	2/2/2024	SANTA BARBARA COUNTY PUBLIC	566.57	CIP No. C002; Posilipo Force Main Relocation County
0000001440	2/2/2024	STANTEC CONSULTING SERVICES INC.	16,323.35	CIP No. C010; FEMA-Facilities Rehabilitation Design
0000001441	2/16/2024	ASPECT ENGINEERING GROUP	1,107.06	CIP No. T003; SCADA Implementation Services
0000001442	2/16/2024	FILIPPIN ENGINEERING	15,070.00	CIP No. C002; Hwy 101 Sewer Main Protect-In-Place /
0000001443	2/16/2024	RINCON CONSULTANTS, INC	2,472.75	CIP No. C002; Hwy 101 Sewer Main Protect-In-Place /
0000001444	2/16/2024	ROBOTIC SEWER SOLUTIONS, INC	32,700.00	CIP No. CIP C002; Sewer Mainline Spot Repairs at
0000001445	2/16/2024	STANTEC CONSULTING SERVICES INC.	7,179.94	CIP No. C010; Engineering Services for MSD Facilities
0000001446	2/16/2024	TIERRA CONTRACTING INC	464,281.15	CIP No. C002; Hwy 101 Sewer Main Protect-In-Place
0000001447	2/16/2024	TIERRA CONTRACTING INC	8,640.00	CIP No. C003; Carryover - Olive Mill/San Ysidro
Bank G Total:			<u>636,878.35</u>	



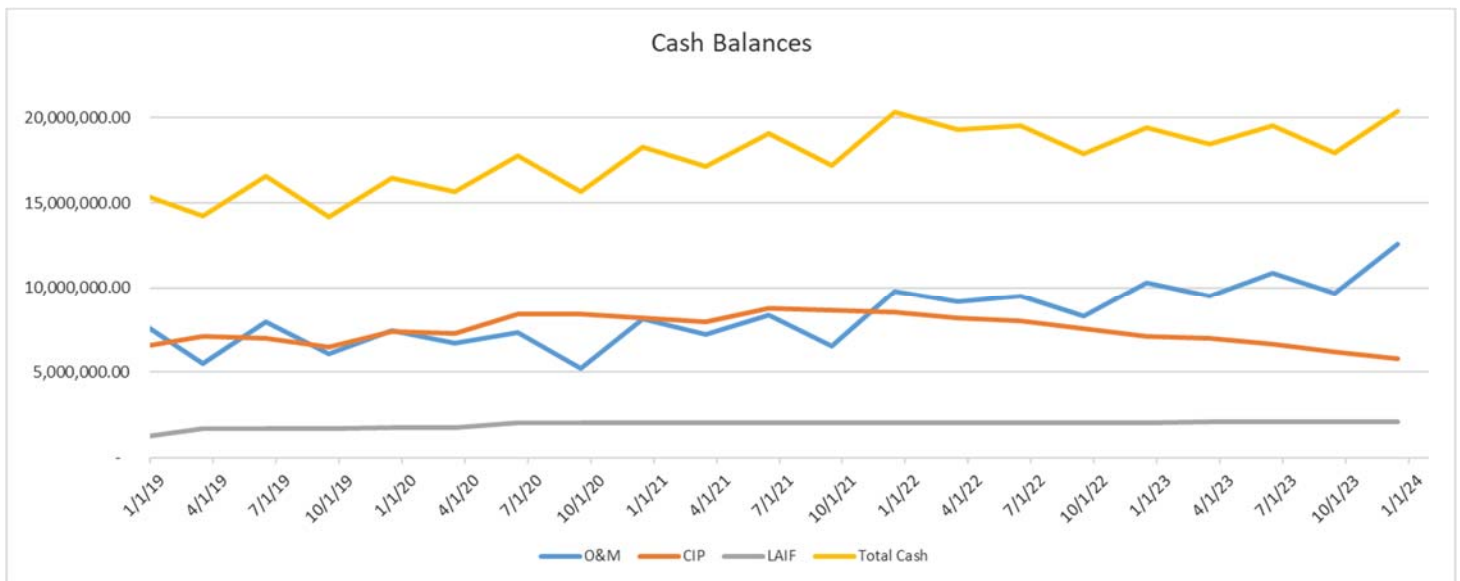
Fiscal Year 2023-24 Unaudited Quarterly Financial Summary Memo

For the Quarter Ended 12/31/2023

FINANCIAL HEALTH AND CASH POSITIONS

As of **December 31, 2023**, the District is in a sound financial position. It maintains a healthy cash balance sufficient to cover its short term and long term obligations. The District also maintains an unofficial reserve balance of approximately **\$2.1M** in its LAIF account, which is equal to approximately **4.61** months of Operations & Maintenance (O&M) expenditures (currently **\$455,883** per month). Typical business practice is to hold at least 3-6 months of cash on hand for emergencies, along with adequate insurance holdings. Based on this metric the District is within that range with its LAIF account.

Below is a chart detailing the District’s cash positions over the past five years:



Below is a chart detailing the current cash balances the District maintains compared to last quarter:

	Balance at 9/30/2023	Balance at 12/31/2023	Difference
Operations & Maintenance	\$ 9,677,162	\$ 12,547,592	\$ 2,870,430
Capital Improvement Projects	6,169,269	5,756,007	(413,262)
LAIF (Reserve)	2,073,215	2,091,910	18,695
Total Available Cash	\$ 17,919,646	\$ 20,395,509	\$ 2,475,863

REVENUES

For Fiscal Year 2023-24, the District expects approximately **\$7.75M** in revenues between its two main revenue types: Operating and Non-operating revenue. The District receives approximately 96% of its revenues through two allocations from the County of Santa Barbara’s Property Tax apportionment, which occurs in December and April of each year. The District received its first apportionment totaling **\$4,102,011**. The District has sufficient cash on hand to handle the timing of revenues, so no temporary borrowing is necessary for the District to meet its current and expected obligations.

Table 1 below shows the breakdown of revenue received for the period ending December 31, 2023.

OPERATIONS & MAINTENANCE BUDGET TO ACTUAL SUMMARY

OPERATING AND NONOPERATING REVENUES

	2023-24 Budget	2023-24 Actuals	Difference
Operating Revenues			
Service Charges	\$ 6,650,000	\$ 3,667,618	\$ (2,982,382)
Connection Fees	125,000	156,342	31,342
Other Services	75,000	25,924	(49,076)
Total Operating Revenues	\$ 6,850,000	\$ 3,849,884	\$ (3,000,116)
Nonoperating Revenues			
Property Taxes	\$ 725,000	\$ 434,393	\$ (290,607)
Interest Income	175,000	169,616	(5,384)
Total Nonoperating Revenues	\$ 900,000	\$ 604,009	\$ (295,991)
Total Revenues	\$ 7,750,000	\$ 4,453,893	\$ (3,296,107)

Table 1. Fiscal Year 2022-23 Budget to Actuals for Revenue

Below is a deeper analysis or estimated versus actual revenues collected:

Operating and Non-operating Revenue Noteworthy Items:

- Sewer Service Charges - The District's primary source of revenues comes from Sewer Service Charges.** The District submitted all Sewer Service Charges to the County for inclusion on connected properties Property Tax bills in early July. This method saves a substantial amount of administrative time having to bill, collect, and reconcile over 3,000 sewer service bills to customers. Total amount reported to the Auditor was **\$6,621,552**, and the District has received \$3,667,618 through the end of the calendar year. Staff anticipates Sewer Service Charges will be roughly in line with what was estimated.
- Connection Fees** – The District has seen a higher number of connection fees processed in the first quarter of the fiscal year than anticipated, primarily due to properties connecting to the recently completed Lilac/Oak Grove sewermain extension. These properties have paid for their connection fees through the permitting process and will be included in the Property Tax Roll in the next fiscal year.
- Other Services** – The District collects various fees as it relates to inspection services, sewer availability inquiries, engineering review services, agreements, and administrative certifications. As of the end of **Q2**, Staff does not anticipate any material overages or underages in this revenue source.
- Property Tax** – The District's ½ of 1% Property Tax Revenue is collected in the same manner as the Sewer Service Charges. The County released an estimated property tax revenue figures in mid-October and the District is expected to receive **\$770,332**, which is **\$45,332** higher than budgeted for Fiscal Year 2023-24. To date the District has received **\$434,393** of its property tax allocation.

- **Interest Income** – The District began budgeting for Interest Income in Fiscal Year 2023-24. Currently staff expects higher interest earnings than budgeted, coupled by increasing interest rates and the transition out of LAIF and into Charles Schwab in the third quarter of Fiscal Year 2023-24.

OPERATING EXPENDITURES

	2023-24 Budget	2023-24 Actuals	Difference	% of Budget
Operating Expenditures				
Salaries and Benefits	\$ 3,289,900	\$ 1,580,996	\$ 1,708,904	48%
Insurance	119,200	46,102	73,098	39%
Maintenance & Repairs	180,000	89,535	90,466	50%
Goods & Supplies	138,500	51,008	87,492	37%
Professional Services	352,000	82,509	269,491	23%
Administrative Costs	400,000	212,186	187,814	53%
Plant & Lab Operating Costs	635,000	261,918	373,082	41%
Safety, Training, & Travel	53,500	16,234	37,266	30%
Utilities	302,500	129,674	172,826	43%
Total Operating Expenditures	\$ 5,470,600	\$ 2,470,162	\$ 3,000,438	45%

The District’s Operations and Maintenance expenditure budget is in alignment with what the District anticipated for end of Q1. Salaries and Benefits expenditures are sitting at approximately **26%** of utilization, even with a large Unfunded Actuarial Liability (UAL) payment being made during the first quarter. Services and Supplies budget has utilized approximately **14%** of the anticipated budget at the end of the first quarter, and we expect that percentage to increase as some of the larger projects begin later on in the fiscal year.

Below is a deeper analysis of some of the areas the District wishes to highlight for the Board from its Operations & Maintenance budget to actuals:

Operating Expenditures Noteworthy Items:

- **6400 – CalPERS Contribution** – Every year the District elects to prepay its UAL in July rather than paying in monthly installments in order to save money. This large expenditure early in the year is causing the percentage of budget utilized to be high, however, based on the UAL payment and estimated contributions for the rest of the fiscal year the District expects to be slightly under budget at year end.
- **6620 – Workers’ Compensation** – Every year the District pays its Workers’ Compensation premium in July with a true up around December. As such the percentage of budget utilized is high, but staff expects to be within budget for this item as there are very minimal costs during the rest of the fiscal year.
- **7091 – Property Insurance** – The District’s saw an increase to its property insurance and Workers Compensation insurance of approximately **26.1%** and **12.7%** respectively. While the District did anticipate higher premiums in its budget, these percentages surpassed our estimates. The District receives its largest premium bill in December, so the next quarters’ financial reports will include any recommendation for a budget revision at that time.

- **7121 – Property Maintenance** – Repairs to the Operations Building HVAC and Laboratory HVAC were required in the first quarter of the fiscal year causing the percent utilization to be higher than anticipated. If further unanticipated maintenance is necessary the need for a budget adjustment might arise. Staff will advise the Board in future Financial Summary Memos if that will be needed.
- **7129 – Lift Station Parts** – Approximately \$4,500 in unanticipated Generator Service costs were incurred during the first quarter spiking the amount anticipated in the first quarter. Staff doesn't expect further costs that would necessitate a budget revision in the later part of the fiscal year.
- **7461 – Professional Services – Legal – This line item will now only track costs for the District's General** Legal Counsel (Colantuono Highsmith & Whatley). Based on current costs realized through the first quarter and a normal utilization of our General Legal Counsel, Staff expects this to be in line with annual budgetary figures. Staff will continue to monitor this line item at future financial reports in order to provide projections on budget to actuals.
- **7464 – Professional Fees – Computer/GIS** – In the first quarter staff implemented Office 365 which moves the District into a cloud-based network setup. This transition saves the District money when compared to replacing the physical servers it used to house on site as well as creates efficiencies with data backup/integration with the District's new GIS upgrades. This large project is leading to the high percent utilization. Staff will monitor in future quarters to see if a budget revision is necessary.
- **7510 - Contracted Services/Labor** - The District paid its annual Smartcover System Service Warranty in September totaling **\$32,760**, the District's GIS upgrade project began during this quarter, and there have been more than expected needs for on-call electrical system work. Staff will continue to monitor during the third quarter and recommend to the Board if a budget adjustment is needed.
- **7653 – Chemicals** – Staff completed a bid process for its chemicals near the end of fiscal year 2022-23. As such chemical costs are coming in as expected during the fiscal year. As price increases were negotiated staff does not expect costs to increase at a rate higher than budgeted for as had happened in the prior fiscal year.
- **7763 – Electricity** – The Board has expressed concern about electricity bills in the past. So far the District is in alignment with the Budget and doesn't expect to go over during Fiscal Year 2023-24.

CAPITAL IMPROVEMENTS PROJECTS

The District maintains separate Capital Improvement Project band of accounts from its Operations and Maintenance funds. As of the end of the period the balance held in CIP accounts totals **\$5,756,007**.

The budget passed for Fiscal Year 2023-24 utilizes estimates for the anticipated expenditures for CIP work including permitting, design, construction management, and all other costs associated with projects. The annual budget passed by the Board this Fiscal Year totaled **\$7,495,000**. The following table shows total budget and amount expended through the quarter by program.

Program	2023-24 Approved Budget	Project Expenditures Through 12/31/2023
Collections	\$ 4,020,000	\$ 452,919
Lift Stations	\$ 500,000	\$ 6,518
Treatment & Lab Facilities	\$ 2,830,000	\$ 195,385
Sewer Main Extens	\$ 75,000	\$ -
	\$ 70,000	\$ -
Total	\$ 7,495,000	\$ 654,822

The following highlights noteworthy capital expenditures for Q2 and Attachment C provides includes all CIP activity through the period ending December 31, 2023.

- C002 – Highway 101 Sewer Main Protect-In-Place** – The most notable capital expenditures during the quarter were related to the Highway 101 Sewermain Protect-in-Place project. The District will be reimbursed for these costs once completed, so CIP cash will eventually be replenished. The project is anticipated to be completed during the third quarter of the current fiscal year.
- T012 – Skimmer Troughs Installation** – The only other notable capital expenditure during the quarter was to the Districts’ clarifiers. The District spent \$63,520 of its budgeted \$220,000 to begin maintenance on this critical component of the treatment plant.

The District spent a great portion of the first quarter planning for capital improvement projects, so expenditures are expected to increase sharply over the next three quarters. Updates to CIP projects will also be included in the monthly General Manager’s report heard at Regular Board Meetings.

2017 SEWER REFUNDING REVENUE BONDS – CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) FINANCE CORPORATION

In May 2017 the District refunded its 2007 Certificates of Participation (COP). The District will make two payments on its bond during Fiscal Year 2023-24 totaling \$934,100. Of this total \$710,000 will be applied to principal and \$224,100 will be applied to interest. The next payment due date is January 1, 2023. After all payments are made in Fiscal Year 2023-24 the remaining bond debt will be \$4,970,000 and is expected to be paid off by July 1, 2030.

ANNUAL DEPRECIATION FUNDING

Annually, District’s Operations & Maintenance accounts contribute to the Capital Replacement Fund. Typically, this contribution has been based on the prior fiscal year’s annual depreciation expense. The current year contribution based on the Fiscal Year 2022-23 Financial Audit, and that unofficial figure is **\$1,271,840**. Once the Fiscal Year 2022-23 audit is finalized staff will initiate the contribution from its County Operations and Maintenance fund to its County Capital Improvement Program fund.

Attachments:

Attachment A – Quarterly Cash and Investments Holdings as of **12/31/2023**

Attachment B – Quarterly Operations & Maintenance Expenditure Status Report as of **12/31/2023**

Attachment C – Quarterly Capital Improvement Projects Expenditure Status Report as of **12/31/2023**

Attachment D – Quarterly Investment Certification

**FY2023-24 Quarterly Cash and Investment Activity
Quarter 2**

	<u>10/1/2023</u>	<u>Income</u>	<u>Interest</u>	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Withdrawals</u>	<u>12/31/2023</u>	<u>Net Change</u>	
Investment Accounts									
Cash with LAIF	2,073,215		18,695				2,091,910	18,695	
Cash with County-Operating	8,911,270	4,072,908	52,448		(1,000,000)	(112,050)	11,924,576	3,013,306	Property Tax/SSCs: \$4,072,908 Quarterly Interest: \$52,448 Transfers to MBT O&M: \$1,000,000 Bond Interest Pymt: \$112,050
Cash with County - Capital Replacement	4,887,014		28,148		(750,000)		4,165,161	(721,852)	Quarterly Interest: \$28,148 Transfers: \$750,000 to MBT CIP
Cash with County-Retiree Medical	187,841		1,038				188,879	1,038	Quarterly Interest: \$1,038
Cash Accounts									
MBT Operating account	462,432	226,807		1,000,000		(1,371,182)	318,057	(144,375)	Income: connection, permit, & other fees Transfers: \$1,000,000 from County O&M Withdrawals: O&M Expenses (A/P, Payroll)
MBT Capital Improvement account	408,779			750,000		(445,160)	713,619	304,840	Transfers: \$750,000 from County CIP Withdrawals: pmts on Capital Projects
Revolving fund account	1,450						1,450	-	Withdrawals: payments on O&M expenses paid outside normal processing
Insurance Reimbursement Acct	113,919		461				114,380	461	Quarterly Interest: \$461
MBT Recycled Water account	873,476		3,751				877,227	3,751	Withdrawals: pmts on Recycled Water Projects
Petty Cash	250						250	-	
Total Cash & Investment accounts	17,919,645	4,299,716	104,541	1,750,000	(1,750,000)	(1,928,392)	20,395,509	2,475,864	

MONTECITO SANITARY DISTRICT OPERATIONS AND MAINTENANCE EXPENDITURE STATUS REPORT
FOR THE PERIOD ENDED 12/31/2023

	2023-24 BUDGET	2023-24 ACTUALS	VARIANCE	% OF BUDGET	
OPERATING EXPENDITURES					
SALARIES AND BENEFITS					
6100	STAFF SALARIES	\$ 2,099,000.00	\$ 961,478.93	\$ 1,137,521.07	46%
6105	BOARD SALARIES	45,000.00	14,553.00	30,447.00	32%
6108	AUTO ALLOWANCE - GM	3,600.00	1,800.00	1,800.00	50%
6270	STANDBY PAY	33,000.00	26,100.00	6,900.00	79%
6300	OVERTIME	30,000.00	8,265.28	21,734.72	28%
6400	PERS CONTRIBUTION	415,000.00	298,711.84	116,288.16	72%
6410	EMPLOYEE BENEFITS	60,000.00	29,527.79	30,472.21	49%
6500	FICA CONTRIBUTION	135,000.00	60,032.00	74,968.00	44%
6510	MEDICARE	32,000.00	14,440.64	17,559.36	45%
6520	UNEMPLOYMENT TAX - STATE	3,500.00	160.57	3,339.43	5%
6600	GROUP MEDICAL - ACWA	300,000.00	93,700.90	206,299.10	31%
6605	RETIREE MEDICAL BENEFITS	20,000.00	7,343.40	12,656.60	37%
6610	LIFE INSURANCE - ACWA	7,300.00	2,125.00	5,175.00	29%
6615	DISABILITY INS - STANDARD	26,000.00	8,012.90	17,987.10	31%
6620	WORKER'S COMPENSATION	50,000.00	44,958.00	5,042.00	90%
6640	DENTAL INSURANCE - ACWA	19,000.00	4,294.00	14,706.00	23%
6650	UNIFORM SERVICE - MISSION	11,500.00	5,492.22	6,007.78	48%
	TOTAL SALARIES AND BENEFITS	\$ 3,289,900.00	\$ 1,580,996.47	\$ 1,708,903.53	48%
SERVICES AND SUPPLIES					
7090	INS (GEN LIAB/AUTO/E&O) - CSRMA	\$ 80,000.00	\$ -	\$ 80,000.00	0%
7091	PROPERTY INSURANCE	28,000.00	36,130.84	(8,130.84)	129%
7093	INS (EMP DISHONESTY BOND) - CSRMA	1,200.00	891.00	309.00	74%
7094	INS (MOBILE EQUIP) - CSRMA	10,000.00	9,080.00	920.00	91%
7110	EMPLOYEE PHYSICALS	2,500.00	369.00	2,131.00	15%
7121	PROPERTY MAINTENANCE	70,000.00	40,806.29	29,193.71	58%
7122	VEHICLE MAINTENANCE	15,000.00	3,539.97	11,460.03	24%
7126	COLL - EQUIPMENT RENTAL	1,000.00	-	1,000.00	0%
7127	COLL - SAFETY EQUIPMENT/SUPPLIES	8,000.00	544.22	7,455.78	7%
7129	LIFT STATION PARTS	30,000.00	22,066.71	7,933.29	74%
7133	VACCON EQUIPMENT & REPAIRS	15,000.00	1,424.22	13,575.78	9%
7134	CCTV EQUIPMENT/REPAIRS	15,000.00	7,991.18	7,008.82	53%
7136	COLL - MISC COLLECTION TOOLS	10,000.00	8,383.08	1,616.92	84%
7138	JETTER TRUCK EQUIP / REPAIRS	6,000.00	2,972.24	3,027.76	50%
7150	MECHANICAL MAINTENANCE	5,000.00	1,319.31	3,680.69	26%
7200	GENERAL OPERATING SUPPLIES	10,000.00	4,789.69	5,210.31	48%
7201	DRINKING WATER	2,500.00	1,007.61	1,492.39	40%
7202	GLOVES	8,000.00	1,299.01	6,700.99	16%
7205	COMMUNITY & EMPLOYEE GOODWILL	6,000.00	2,453.69	3,546.31	41%
7220	MAILING/SHIPPING EXPENSES	5,000.00	350.00	4,650.00	7%
7430	MEMBERSHIPS	50,000.00	21,871.17	28,128.83	44%
7440	MISCELLANEOUS EXPENSES	2,500.00	-	2,500.00	0%
7450	OFFICE EXPENSES	15,000.00	6,026.77	8,973.23	40%
7452	SCANNING & SHREDDING	10,000.00	-	10,000.00	0%
7454	BOOKS/SUBSCRIPTIONS/STUDY GUIDES	2,000.00	-	2,000.00	0%
7456	COMPUTER HARDWARE/SOFTWARE/LICENSING	37,500.00	13,210.00	24,290.00	35%
7461	PROFESSIONAL SERVICES/FEEES - LEGAL	100,000.00	26,493.00	73,507.00	26%
7462	PROFESSIONAL FEES - ACCOUNTING	45,000.00	8,105.00	36,895.00	18%
7463	PROF SERVICES - ENGINEERING	100,000.00	1,850.00	98,150.00	2%
7464	PROFESSIONAL FEES - COMPUTER/GIS	60,000.00	42,888.20	17,111.80	71%
7466	PROF SERVICES - HUMAN RESOURCES	12,000.00	2,673.00	9,327.00	22%
7467	PROF SERVICES - SPECIAL LEGAL COUNSEL	25,000.00	-	25,000.00	0%
7500	PUBLIC OUTREACH	10,000.00	500.00	9,500.00	5%
7506	ADMINISTRATIVE FEES	30,000.00	13,665.21	16,334.79	46%
7508	COLLECTION/TREATMENT FINES	10,000.00	-	10,000.00	0%
7510	CONTRACTED SERVICES/LABOR	95,000.00	96,912.48	(1,912.48)	102%
7530	ADS/NOTICES FOR PUBLICATION	3,000.00	462.50	2,537.50	15%
7610	FURNITURE/FIXTURES	10,000.00	692.52	9,307.48	7%
7641	NPDES PERMIT EXPENSES-LAB	17,000.00	6,835.91	10,164.09	40%
7645	NPDES PERMIT REQUIREMENTS - OPERATIONS	100,000.00	27,057.00	72,943.00	27%
7650	ELECTION EXPENSES	-	-	-	0%
7651	ANALYZER CHEMICALS	-	479.62	(479.62)	0%
7652	BIO SOLIDS DISPOSAL	65,000.00	28,458.97	36,541.03	44%
7653	CHEMICALS	300,000.00	115,692.06	184,307.94	39%
7654	GENERATOR SERVICE	10,000.00	868.35	9,131.65	9%

7655	HAZARDOUS MATERIALS DISPOSAL	2,000.00	37.80	1,962.20	2%
7656	PLANT EQUIPMENT RENTAL	5,000.00	-	5,000.00	0%
7657	PLANT MAINTENANCE MATERIALS	90,000.00	36,639.99	53,360.01	41%
7658	PLANT MAINTENANCE PROJECTS	5,000.00	-	5,000.00	0%
7659	PLANT SAFETY EXPENSES	-	487.28	(487.28)	100%
7661	POLYMER	10,000.00	-	10,000.00	0%
7662	SMALL TOOLS/EQUIP	4,000.00	732.30	3,267.70	18%
7670	SPECIAL PROJECTS	120,000.00	64,163.13	55,836.87	53%
7671	ASSET MANAGEMENT	97,000.00	47,275.00	49,725.00	49%
7675	COVID-19 EXPENSES	-	1,211.21	(1,211.21)	100%
7681	2023 WINTER STORM	-	817.25	(817.25)	100%
7700	LAB CONSUMABLES-SMALL EQUIPMENT	32,000.00	26,646.41	5,353.59	83%
7702	LAB EQUIPMENT MAINTENANCE	10,000.00	2,143.83	7,856.17	21%
7703	CONTRACT LAB ANALYSES	10,000.00	2,944.03	7,055.97	29%
7722	BOARD TRAINING/CONF REGISTRATION	2,500.00	1,300.00	1,200.00	52%
7723	BOARD MEETINGS/TRAVEL EXPENSES	1,000.00	1,980.81	(980.81)	198%
7724	STAFF TRAINING/CONF REGISTRN	15,000.00	2,062.92	12,937.08	14%
7725	STAFF TRAVEL EXPENSES	15,000.00	5,725.82	9,274.18	38%
7726	STAFF CERTIFICATIONS/LICENSES	8,000.00	1,590.00	6,410.00	20%
7727	OSHA REQUIRED TRAINING	5,000.00	-	5,000.00	0%
7728	SAFETY BOOT ALLOWANCE	4,500.00	816.38	3,683.62	18%
7729	APPAREL AND UNIFORMS	2,500.00	-	2,500.00	0%
7731	LOCAL MEETING EXPENSES	2,500.00	2,757.59	(257.59)	110%
7740	FUEL AND OIL	25,000.00	8,602.58	16,397.42	34%
7761	WATER	10,000.00	4,445.46	5,554.54	44%
7762	NATURAL GAS	5,500.00	603.96	4,896.04	11%
7763	ELECTRICITY	215,000.00	98,441.23	116,558.77	46%
7766	TRASH / RECYCLING	17,000.00	5,050.86	11,949.14	30%
7767	TELEPHONE - LOCAL/LD	18,000.00	6,192.93	11,807.07	34%
7768	TELEPHONE CELLULAR	12,000.00	6,337.10	5,662.90	53%
	TOTAL SERVICES AND SUPPLIES	\$ 2,180,700.00	\$ 889,165.69	\$ 1,291,534.31	41%
	TOTAL OPERATING EXPENDITURES	\$ 5,470,600.00	\$ 2,470,162.16	\$ 3,000,437.84	45%

Fiscal Year 2023-24 Capital Improvement Program (CIP)

Adopted by the Board on June 22, 2023

Collections:

Project No.	Description	Estimated Project Cost	2023-24 Approved Budget	Project Expenditures Through 12/31/2023
C001	Collection System Condition Assessment & Prioritization Plan	\$ 40,000	\$ 50,000	
C002	Highway 101 Sewer Main Protect-In-Place	\$ 1,700,000	\$ 1,700,000	\$ 327,376
C003	Large Diameter Sewer Main Rehabilitation - Design	\$ 75,000	\$ 75,000	\$ 5,220
C005	Manhole rehab project (Lining)	\$ 100,000	\$ 100,000	
C009	Emergency Bypass Pumper	\$ 80,000	\$ 80,000	
C010	FEMA Rehabilitation - Design/Permitting	\$ 125,000	\$ 125,000	\$ 13,595
C010	FEMA Rehabilitation - Construction	\$ 950,000	\$ 950,000	\$ 92,837
CMAN	Manhole Adjustments	\$ 60,000	\$ 60,000	
CEME	Collection O/M Emergencies	\$ 50,000	\$ 50,000	\$ 13,892
CEQU	Equipment Replacement	Various	\$ 830,000	
Collections Subtotal			\$ 4,020,000	\$ 452,919

Lift Stations:

Project No.	Description	Estimated Project Cost	2023-24 Approved Budget	Project Expenditures Through 12/31/2023
L001	Lift Station Condition Assessment & Prioritization Plan	\$ 50,000	\$ 50,000	
L002	Channel Lift Station Improvement	\$ 840,000	\$ 420,000	
LEME	Lift Station Emergency Repairs	\$ 36,518	\$ 30,000	\$ 6,518
Lift Stations Subtotal			\$ 500,000	\$ 6,518

Treatment & Laboratory:

Project No.	Description	Estimated Project Cost	2023-24 Approved Budget	Project Expenditures Through 12/31/2023
T001	Electrical Rehabilitation & Aeration Blower Replacement Proje	\$ 200,000	\$ 200,000	
T001	Electrical Rehabilitation & Aeration Blower Replacement Proje	\$ 2,000,000	\$ 2,000,000	
T002	Skimmer Troughs Installation	\$ 70,000	\$ 70,000	\$ 78,417
T003	SCADA System Improvements	\$ 50,000	\$ 50,000	\$ 960
T005	IPS Channel Improvements - Design	\$ 40,000	\$ 40,000	
T011	Bar Screen Design	\$ 75,000	\$ 75,000	
T012	Clarifier Maintenance	\$ 220,000	\$ 220,000	\$ 63,520
T013	Bisulfate Tank Replacement	\$ 75,000	\$ 75,000	
TEME	Treatment O/M Emergencies	\$ 100,000	\$ 100,000	\$ 52,487
Treatment Subtotal		\$	2,830,000	\$ 195,385

Facilities:

Project No.	Description	Estimated Project Cost	2023-24 Approved Budget	Project Expenditures Through 12/31/2023
F001	Maintenance Building Restroom Alterations - Design	\$ 15,000	\$ 15,000	
F006	Admin/Operations Roof Replacement	\$ 50,000	\$ 60,000	
Facilities Subtotal		\$	75,000	\$ -

Sewer Main Extensions:

Project No.	Description	Estimated Project Cost	2023-24 Approved Budget	Project Expenditures Through 12/31/2023
S001	Septic to Sewer Strategic Pla	\$ 70,000	\$ 70,000	
Sewer Main Extensions Subtotal			\$ 70,000	\$ -

Program	2023-24 Approved Budget	Project Expenditures Through 12/31/2023
Collections	\$ 4,020,000	\$ 452,919
Lift Stations	\$ 500,000	\$ 6,518
Treatment & Lab Facilities	\$ 2,830,000	\$ 195,385
Sewer Main Extensions	\$ 75,000	\$ -
Sewer Main Extensions	\$ 70,000	\$ -
Total	\$ 7,495,000	\$ 654,822



Montecito Sanitary District

1042 Monte Cristo Lane
Santa Barbara, CA 93108

A Public Service Agency

Phone: (805) 969-4200
www.montsan.org

QUARTERLY CERTIFICATION STATEMENTS FOR THE MONTECITO SANITARY DISTRICT

in accordance with
RESOLUTION NO. 2013-883, MSD INVESTMENT POLICY

For the Quarter Ended

December 31, 2023

As Treasurer of the Montecito Sanitary District, I, **Edwin Martin** certify that:

- (1) All investment actions executed since the last report have been made in full compliance with the Montecito Sanitary District Investment Policy;
- (2) A complete and timely record of all investment transactions is maintained in the District office from reports supplied by LAIF and the S. B. County Treasurer's office; and
- (3) The Montecito Sanitary District is able to meet its pool's expenditure requirements for the next six months.

Dated: _____

Board Treasurer
MONTECITO SANITARY DISTRICT