



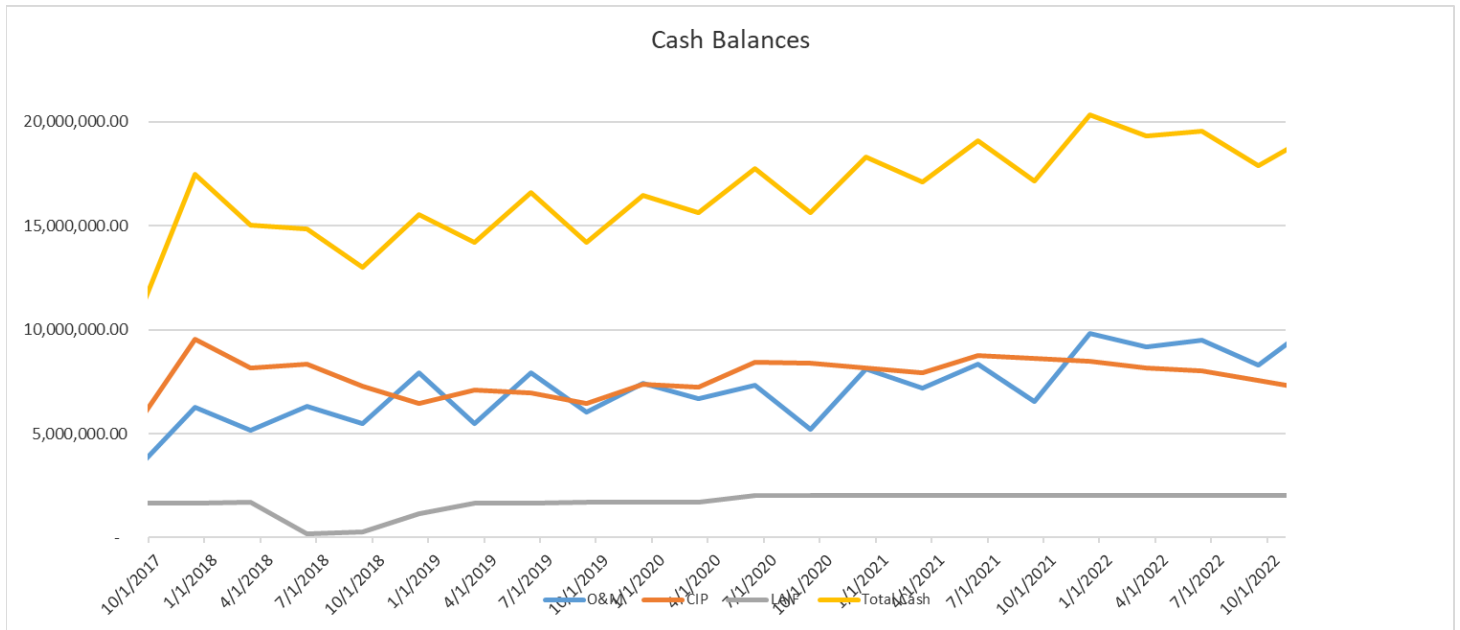
# **Fiscal Year 2022-23 Unaudited Third Quarter Financial Summary Memo**

**For the Period Ended 3/31/2023**

## FINANCIAL HEALTH AND CASH POSITIONS

As of March 31, 2023, the District is in solid fiscal health and 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 **\$2M** in its LAIF account, which is equal to approximately **4.65** months of Operations & Maintenance (O&M) expenditures (currently **\$430,063** 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 12/31/2022	Balance at 3/31/2023	Difference
Operations & Maintenance	\$ 10,299,189	\$ 9,473,925	\$ (825,264)
Capital Improvement Projects	7,102,134	6,956,410	(145,724)
LAIF (Reserve)	2,032,674	2,043,293	10,619
<b>Total Available Cash</b>	<b>\$ 19,433,997</b>	<b>\$ 18,473,628</b>	<b>\$ (960,369)</b>

*Table 1 - Fiscal Year 2022-23 Cash Balances – Prior Quarter vs. Current Quarter*

## REVENUES

For Fiscal Year 2022-23, the District expects approximately **\$7.4M** in revenues between its two main revenue types: Operating and Non-operating revenue. The District receives 96% of its revenues through two allocations from the County of Santa Barbara’s Property Tax apportionment, in December and April. The District received approximately **\$3,935,000** in its first apportionment from the County and expects another approximately **\$3,500,000** in April 2023. 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 obligations.

Table 2 below shows the breakdown of revenue received for the period ending **March 31, 2023**.

## OPERATIONS & MAINTENANCE BUDGET TO ACTUAL SUMMARY

### OPERATING AND NONOPERATING REVENUES

	2022-23 Budget	2022-23 Actuals	Difference
<b>Operating Revenues</b>			
Service Charges	\$ 6,600,000	\$ 3,631,673	\$ (2,968,327)
Connection Fees	100,000	171,832	71,832
Other Services	75,000	32,809	(42,191)
<b>Total Operating Revenues</b>	<b>\$ 6,775,000</b>	<b>\$ 3,836,314</b>	<b>\$ (2,938,686)</b>
<b>Nonoperating Revenues</b>			
Property Taxes	\$ 665,000	\$ 422,361	\$ (242,639)
Interest Income	-	113,893	113,893
Reimbursements	-	2,108	
<b>Total Nonoperating Revenues</b>	<b>\$ 665,000</b>	<b>\$ 538,362</b>	<b>\$ (126,638)</b>
<b>Total Revenues</b>	<b>\$ 7,440,000</b>	<b>\$ 4,374,676</b>	<b>\$ (3,065,324)</b>

*Table 2 - Fiscal Year 2022-23 Budget to Actuals for Revenue*

Below is an analysis of estimated revenues budgeted and actual revenues collected to date:

#### 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 **\$6,717,577**, so Staff anticipates Sewer Service Charges revenue coming in higher than budgeted for Fiscal Year 2022-23. This increase is mostly attributed to our Commercial account holders as a result of increased water usage coming out of the pandemic.
- Connection Fees** – The District has seen a higher number of connection fees processed than anticipated for the fiscal year. These properties have paid for their connection fees through the permitting process and will be included in the Property Tax Roll next fiscal year. The District also recently approved a Notice of Completion for the Lilac/Oak Grove Sewermain Extension Project which has the capacity to service 23 additional parcels, so the District anticipates even more connection fees in the final quarter of Fiscal Year 2022-23.
- Property Tax** – The District's ½ of 1% Property Tax Revenue is collected in the same manner as the Sewer Service Charges. During the second quarter the County released estimated property tax revenue figures and the District will receive **\$720,423**, which is **\$55,423** higher than budgeted for Fiscal Year 2022-23.

## OPERATING EXPENDITURES

	2022-23 Budget	2022-23 Actuals	Difference	% of Budget
<b>Operating Expenditures</b>				
Salaries and Benefits	\$ 3,143,763	\$ 2,176,967	\$ 966,796	69%
Insurance	86,000	35,043	50,957	41%
Maintenance & Repairs	180,000	92,928	87,072	52%
Goods & Supplies	148,500	69,846	78,654	47%
Professional Services	360,000	147,397	212,603	41%
Administrative Costs	385,000	151,374	233,626	39%
Plant & Lab Operating Costs	538,000	433,912	104,088	81%
Safety, Training, & Travel	53,500	24,826	28,674	46%
Utilities	266,000	215,854	50,146	81%
<b>Total Operating Expenditures</b>	<b>\$ 5,160,763</b>	<b>\$ 3,348,147</b>	<b>\$ 1,812,616</b>	<b>65%</b>

*Table 3 - Fiscal Year 2022-23 Budget to Actuals for Expenditures*

The District’s Operations and Maintenance expenditures are currently lower than anticipated at the end of the **third quarter of Fiscal Year 2022-23**.

Salaries and Benefits expenditures are currently at approximately **69%** of utilization, which includes a large Unfunded Actuarial Liability (UAL) payment made during the first quarter as well as the settling of Labor Negotiations with SEIU Local 620. That agreement included a 5.5% Cost of Living Adjustment which was retroactive back to the first full pay period of Fiscal Year 2022-23. The Management Group’s contract is currently under negotiation, but even if that were to settle in the current fiscal year staff does not anticipate the need for a budget revision at this time.

Services and Supplies budget has utilized approximately **58%** of the estimated budget at the end of the **third quarter**. Many of the special projects that were incorporated into the FY 2022-23 Budget have not been started as there have been other priorities at the District. These projects will be considered during the FY 2023-24 budget process where ultimately staff will fine tune the areas they wish to prioritize and include it in the Budget that is brought to the Board in June.

Below is a deeper analysis of some of the expenditure items staff feels a need to highlight for the Board from its Operations & Maintenance budget to actuals:

### Operating Expenditures Noteworthy Items:

- **Salaries and Benefits** – This quarter labor negotiations were settled with the represented group and a 5.5% COLA was implemented retroactively to the first full pay period of Fiscal Year 2022-23. The Management Group has not been settled, but even if a similar package was approved the District does not expect to need a budget revision prior to the end of the fiscal year.
- **7091 – Property Insurance** – This line item is overbudget due to an approximate \$10,000 increase in the California Sanitation Risk Management Authority Pooled Liability Insurance premium cost. This will be factored into next fiscal years’ budget.

- **7461 – Professional Services – Legal** – This line item is for legal services provided solely by the District’s Legal Counsel. Through three quarters **96%** of the years legal budget has been utilized and will require a budget revision in the fourth quarter.
- **7466 – Professional Services – Human Resources** – This line budgets for and tracks costs for Human Resources legal support by Price, Postel and Parma for Human Resource Special under a retainer agreement along with District payments to the District’s payroll software provider (Paychex). Current period costs are in alignment with what the District budgeted for the fiscal year.
- **7467 – Professional Services – Special Legal Counsel** – This new line item for Fiscal Year 2022-23 tracks costs associated with special legal counsel hired by the District for special projects. Currently, that is Liebert, Cassidy, and Whitmore for work performed on negotiations with SEIU Local 620. The District entered into a not to exceed contract for \$25,000, of which the District is currently under that budget at the end of the **third quarter**. This line item also tracks expenditures that have been made for legal review from Colantuonno, Highsmith and Whatley related to the Special District Consolidation Feasibility Study, of which no expenditures have been made during the fiscal year up until this point.
- **7510 - Contracted Services/Labor** - The District has currently spent 78% of its budget for contracted services, wherein a large annual payment was planned for, and made, in September for its Smartcover System Service Warranty. This large expenditure early in the year is causing the percentage of budget utilized to be high, however, this was planned for during the budget process and the remaining transactions (mostly electrical and communication services) are expected to be within the budgeted amount.
- **7652 – Biosolids Disposal** – Disposal costs have increased slightly with inflation. Staff doesn’t expect to be too far over budget on this particular line item this year but will factor the current prices into next years budget.
- **7653 – Chemicals** – Plant chemicals costs associated with the delivery of sodium hypochlorite (Hypo) and sodium bisulfate (Bisulfate) used for the disinfection process are one of the largest expenditure categories in the operation and maintenance budget. The District’s supplier, Univar, has provided both chemicals since 2010. Since then, prices have trended very closely with inflation. This fiscal year has been a period of hyper-inflation, and as such, Univar has instituted multiple price increases totaling 16% for Hypo and 14% for Bisulfate. District staff completed a Request for Quote for both chemicals and began receiving more advantageous terms (namely a guarantee of future cost increases not exceeding certain thresholds) near the end of the second quarter of Fiscal Year 2022-23. A budget revision will be needed in the fourth quarter for this line item.
- **7657 – Plant Maintenance Materials** – The District budgeted the same amount in Fiscal Year 2022-23 as it had in Fiscal Year 2021-22. The combination of increased prices due to inflation along with the need for more maintenance materials as a result of emergency events (January rain storms and the force main break on Channel Drive) drove this line item to go over budget. Staff will look to bring a budget revision to the Board at an upcoming meeting.

- **7702 – Lab Equipment Maintenance** – The lab required higher than anticipated preventative maintenance on its HVAC system, along with higher maintenance and repair work on its heating and cooling systems during the fiscal year. This will be factored into next years budget and the overage is not expected to create the need for a budget revision during the fourth quarter.
- **7763 – Electricity** – The combination of increased electricity rates during the fiscal year in conjunction with two emergency events in the quarter that required substantial use of extra pumps (at our Treatment Plant and at our lift station on Channel Drive) will lead to the District going over budget in the fourth quarter. Staff recommends a budget revision in the fourth quarter to increase the electricity budget.

### **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 **\$7,102,134**.

The budget passed for **Fiscal Year 2022-23** 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 **\$4,991,945**. The following table shows total budget and amount expended through the quarter by program.

	<b>2022-2023 Approved Budget</b>	<b>Project Expenditures Through 3/31/2023</b>
<b>Collections</b>	\$ 2,638,445	\$ 1,298,295
<b>Lift Stations</b>	\$ 140,000	\$ -
<b>Treatment &amp; Laboratory</b>	\$ 2,026,000	\$ 112,612
<b>Facilities</b>	\$ 117,500	\$ -
<b>Sewer Main Extensions</b>	\$ 70,000	\$ -
<b>Recycled Water</b>	\$ -	\$ 118,287
<b>Total</b>	<b>\$ 4,991,945</b>	<b>\$ 1,529,194</b>

*Table 4 - Fiscal Year 2022-23 CIP Budget to Actuals*

The following highlights noteworthy capital expenditures for the third quarter and Attachment C provided includes all CIP activity through the period ending **March 31, 2023**.

- **FY 2021-22 Carryover – Lilac-Oak Grove Sewer Main Extension** –A large portion of Collections CIP expenditures for Q3 was for the Lilac-Oak Grove Sewer Main Extension project as the final retention payment was made.
- **Recycled Water** – The Recycled Water Feasibility Study that has been ongoing jointly with the Montecito Water District was billed in the third quarter to the District (Montecito Water District paid the invoices and our District paid them for 50% of the services). The District received a grant for this project and will be reimbursed a large portion of the project.

- **T006** – Grinder No. 2 Replacement – One other large purchase that is reflected in the current quarter CIP costs is the Influent Grinder No. 2 replacement that came in at \$35,013. This grinder was actually damaged in the January rain storm events and the District has put through a FEMA Reimbursement project that will replace the damaged grinder.

### **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 2022-23 totaling \$936,500. Of this total \$685,000 will be applied to principal and \$251,500 will be applied to interest.

### **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 2020-21 Financial Audit was \$1,228,291. The Fiscal Year 2021-22 audit is very close to being finalized and that figure will be \$1,243,993. This amount will be transferred from the District’s Operations & Maintenance account to its Capital Improvement Program account at the end of the fiscal year.

#### **Attachments:**

- Attachment A – Quarterly Cash and Investments Holdings as of **3/31/2023**
- Attachment B – Quarterly Operations & Maintenance Expenditure Status Report as of **3/31/2023**
- Attachment C – Quarterly Capital Improvement Projects Expenditure Status Report as of **3/31/2023**
- Attachment D – Quarterly Investment Certification

**FY2022-23 Quarterly Cash and Investment Activity  
Quarter 3**

	<u>1/1/2023</u>	<u>Income</u>	<u>Interest</u>	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Withdrawals</u>	<u>3/31/2023</u>	<u>Net Change</u>	
<b>Investment Accounts/ County Treasury</b>									
Cash with LAIF	2,032,674		10,619				2,043,293	10,619	Quarterly Interest: \$10,619
Cash with County-Operating	9,532,525	99,030	26,415		(1,000,000)	-	8,657,970	(874,555)	Property Tax/SSCs: \$99,030 Quarterly Interest: \$26,415 Transfers to MBT O&M: \$1,000,000
Cash with County - Capital Replacement	5,661,853		19,934				5,681,787	19,934	Quarterly Interest: \$19,934
Cash with County-Retiree Medical	185,350		642				185,992	642	Quarterly Interest: \$642
<b>Cash Accounts</b>									
MBT Operating account	468,088	166,070		1,000,000	(1,022)	(1,117,876)	515,260	47,172	Income: connection, permit, & other fees Transfers In: \$1,000,000 from County O&M Transfers Out: \$1,022 to Revolving Fund Withdrawals: O&M Expenses (Salary, A/P)
MBT Capital Improvement account	465,252					(169,846)	295,406	(169,846)	Withdrawals: Pmts on Capital Projects
Revolving fund account	428			1,022			1,450	1,022	Withdrawals: replenish immediate O&M expenses paid outside normal processing
Insurance Reimbursement Acct	112,548		455				113,003	455	Quarterly Interest: \$455
MBT Recycled Water account	975,029		4,187				979,216	4,187	Quarterly Interest: \$4,187 Withdrawals: Recycled Water Project Pymts
Petty Cash	250						250	-	
<b>Total Cash &amp; Investment accounts</b>	<b>19,433,998</b>	<b>265,100</b>	<b>62,252</b>	<b>1,001,022</b>	<b>(1,001,022)</b>	<b>(1,287,722)</b>	<b>18,473,628</b>	<b>(960,370)</b>	



# MONTECITO SANITARY DISTRICT OPERATIONS AND MAINTENANCE EXPENDITURE STATUS REPORT

FOR THE PERIOD ENDED 3/31/2023

			2022-23 BUDGET	2022-23 ACTUALS	VARIANCE	% OF BUDGET
<b>OPERATING EXPENDITURES</b>						
<b>SALARIES AND BENEFITS</b>						
6100	1	STAFF SALARIES	\$ 1,910,563	\$ 1,358,802	\$ 551,761	71%
6105	1	BOARD SALARIES	52,800	26,587	26,213	50%
6108	1	AUTO ALLOWANCE - GM	3,600	2,700	900	75%
6270	1	STANDBY PAY	33,000	26,085	6,915	79%
6300	1	OVERTIME	30,000	12,885	17,115	43%
6400	1	PERS CONTRIBUTION	435,000	332,324	102,676	76%
6410	1	EMPLOYEE BENEFITS	65,000	38,328	26,672	59%
6500	1	FICA CONTRIBUTION	117,000	83,109	33,891	71%
6510	1	MEDICARE	27,500	20,200	7,300	73%
6520	1	UNEMPLOYMENT TAX - STATE	3,500	2,790	710	80%
6600	1	GROUP MEDICAL - ACWA	325,000	186,174	138,826	57%
6605	1	RETIREE MEDICAL BENEFITS	25,000	14,496	10,504	58%
6610	1	LIFE INSURANCE - ACWA	7,300	4,336	2,964	59%
6615	1	DISABILITY INS - STANDARD	26,000	14,197	11,803	55%
6620	1	WORKER'S COMPENSATION	50,000	38,650	11,350	77%
6640	1	DENTAL INSURANCE - ACWA	21,000	8,634	12,366	41%
6650	1	UNIFORM SERVICE - MISSION	11,500	6,671	4,829	58%
<b>TOTAL SALARIES AND BENEFITS</b>			<b>\$ 3,143,763</b>	<b>\$ 2,176,967</b>	<b>\$ 966,796</b>	<b>69%</b>
<b>SERVICES AND SUPPLIES</b>						
7090	2	INS (GEN LIAB/AUTO/E&O) - CSRMA	\$ 60,000	\$ (1,092)	\$ 61,092	-2%
7091	2	PROPERTY INSURANCE	15,000	25,878	(10,878)	173%
7093	2	INS (EMP DISHONESTY BOND) - CSRMA	1,000	849	151	85%
7094	2	INS (MOBILE EQUIP) - CSRMA	10,000	9,408	592	94%
7110	6	EMPLOYEE PHYSICALS	2,500	1,845	655	74%
7121	3	PROPERTY MAINTENANCE	65,000	47,799	17,201	74%
7122	3	VEHICLE MAINTENANCE	13,000	12,399	601	95%
7126	3	COLL - EQUIPMENT RENTAL	1,000	-	1,000	0%
7127	3	COLL - SAFETY EQUIPMENT/SUPPLIES	8,000	488	7,512	6%
7129	3	LIFT STATION PARTS	30,000	10,401	19,599	35%
7133	3	VACCON EQUIPMENT & REPAIRS	15,000	11,077	3,923	74%
7134	3	CCTV EQUIPMENT/REPAIRS	15,000	1,078	13,922	7%
7136	3	COLL - MISC COLLECTION TOOLS	10,000	4,498	5,502	45%
7138	3	JETTER TRUCK EQUIP / REPAIRS	8,000	3,466	4,534	43%
7150	3	MECHANICAL MAINTENANCE	5,000	998	4,002	20%
7200	4	GENERAL OPERATING SUPPLIES	10,000	6,590	3,410	66%
7201	4	DRINKING WATER	2,500	1,391	1,109	56%
7202	4	GLOVES	8,000	6,001	1,999	75%
7205	4	COMMUNITY & EMPLOYEE GOODWILL	6,000	630	5,370	11%
7220	4	MAILING/SHIPPING EXPENSES	5,000	585	4,415	12%
7430	4	MEMBERSHIPS	60,000	30,421	29,579	51%
7440	4	MISCELLANEOUS EXPENSES	2,500	-	2,500	0%
7450	4	OFFICE EXPENSES	15,000	8,930	6,070	60%
7452	6	SCANNING & SHREDDING	10,000	-	10,000	0%
7454	4	BOOKS/SUBSCRIPTIONS/STUDY GUIDES	2,000	328	1,672	16%
7456	4	COMPUTER HARDWARE/SOFTWARE/LICENSING	37,500	14,969	22,531	40%
7461	5	PROFESSIONAL SERVICES/FEES - LEGAL	70,000	67,413	2,587	96%
7462	5	PROFESSIONAL FEES - ACCOUNTING	45,000	27,260	17,740	61%
7463	5	PROF SERVICES - ENGINEERING	50,000	-	50,000	0%
7464	5	PROFESSIONAL FEES - COMPUTER/GIS	60,000	25,404	34,596	42%
7466	5	PROF SERVICES - HUMAN RESOURCES	10,000	8,917	1,083	89%
7467	5	PROF SERVICES - SPECIAL LEGAL COUNSEL	50,000	18,403	31,598	37%
7500	5	PUBLIC OUTREACH	75,000	-	75,000	0%
7506	6	ADMINISTRATIVE FEES	30,000	20,409	9,591	68%
7508	6	COLLECTION/TREATMENT FINES	10,000	-	10,000	0%
7510	6	CONTRACTED SERVICES/LABOR	95,000	74,217	20,783	78%
7530	6	ADS/NOTICES FOR PUBLICATION	3,000	1,626	1,374	54%
7610	6	FURNITURE/FIXTURES	10,000	1,933	8,067	19%
7641	6	NPDES PERMIT EXPENSES-LAB	15,000	10,058	4,942	67%
7645	6	NPDES PERMIT REQUIREMENTS - OPERATIONS	50,000	25,141	24,859	50%
7650	6	ELECTION EXPENSES	7,000	-	7,000	0%
7651	7	ANALYZER CHEMICALS	-	2,466	(2,466)	100%
7652	7	BIOSOLIDS DISPOSAL	60,000	47,231	12,769	79%
7653	7	CHEMICALS	220,000	242,375	(22,375)	110%
7654	7	GENERATOR SERVICE	10,000	2,140	7,860	21%

7655	7	HAZARDOUS MATERIALS DISPOSAL	2,000	-	2,000	0%
7656	3	PLANT EQUIPMENT RENTAL	5,000	-	5,000	0%
7657	7	PLANT MAINTENANCE MATERIALS	75,000	74,635	365	100%
7658	7	PLANT MAINTENANCE PROJECTS	5,000	4,837	163	97%
7659	3	PLANT SAFETY EXPENSES	5,000	724	4,276	14%
7661	7	POLYMER	10,000	9,665	335	97%
7662	7	SMALL TOOLS/EQUIP	4,000	3,045	955	76%
7670	6	SPECIAL PROJECTS	115,000	1,800	113,200	2%
7671	7	ASSET MANAGEMENT	100,000	14,348	85,652	14%
7675	6	COVID-19 EXPENSES	35,000	10,284	24,716	29%
7681	6	2023 WINTER STORM	-	3,940	(3,940)	100%
7700	7	LAB CONSUMABLES-SMALL EQUIPMENT	32,000	13,883	18,117	43%
7702	7	LAB EQUIPMENT MAINTENANCE	10,000	11,722	(1,722)	117%
7703	7	CONTRACT LAB ANALYSES	10,000	7,565	2,435	76%
7704	6	ELAP ACCREDITATION	-	120	(120)	100%
7722	8	BOARD TRAINING/CONF REGISTRATION	2,500	-	2,500	0%
7723	8	BOARD MEETINGS/TRAVEL EXPENSES	1,000	281	719	28%
7724	8	STAFF TRAINING/CONF REGISTRN	15,000	8,493	6,507	57%
7725	8	STAFF TRAVEL EXPENSES	15,000	4,127	10,873	28%
7726	8	STAFF CERTIFICATIONS/LICENSES	8,000	6,574	1,426	82%
7727	8	OSHA REQUIRED TRAINING	5,000	1,985	3,015	40%
7728	8	SAFETY BOOT ALLOWANCE	4,500	2,566	1,934	57%
7729	6	APPAREL AND UNIFORMS	2,500	-	2,500	0%
7731	8	LOCAL MEETING EXPENSES	2,500	800	1,700	32%
7740	9	FUEL AND OIL	25,000	17,705	7,295	71%
7761	9	WATER	15,000	6,266	8,734	42%
7762	9	NATURAL GAS	5,000	4,753	247	95%
7763	9	ELECTRICITY	175,000	151,592	23,408	87%
7766	9	TRASH / RECYCLING	16,000	13,836	2,164	86%
7767	9	TELEPHONE - LOCAL/LD	18,000	12,342	5,658	69%
7768	9	TELEPHONE CELLULAR	12,000	9,360	2,640	78%
		<b>TOTAL SERVICES AND SUPPLIES</b>	<b>\$ 2,017,000</b>	<b>\$ 1,171,180</b>	<b>\$ 845,820</b>	<b>58%</b>
		<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 5,160,763</b>	<b>\$ 3,348,147</b>	<b>\$ 1,812,616</b>	<b>65%</b>

## Fiscal Year 2022-23 Capital Improvement Program (CIP) Plan

Adopted by the Board on June 23, 2022

**Collections:**

Project No.	Description	Estimated Project Cost	Project Expenditures Through 6/30/2022	2022-23 Approved Budget	Project Expenditures Through 3/31/2023
<b>FY2021-2022 Carryover</b>	Highway 101 Sewer Main Relocation - Design	\$ 194,127	\$ -	\$ 89,445	\$ 72,817
<b>FY2021-2022 Carryover</b>	Lilac-Oak Grove Sewer Main Extension	\$ 2,051,473	\$ 1,564,325	\$ 750,000	\$ 1,023,140
C001	Collection System Condition Assessment & Prioritization Plan	\$ 40,000		\$ 40,000	
C002	Highway 101 Sewer Main Relocation - Construction	\$ 860,000		\$ 860,000	\$ 90,676
C003	Olive Mill/San Ysidro Roundabout Relocation	\$ 250,000		\$ 250,000	\$ 41,689
C004	Large Diameter Sewer Main Rehabilitation	\$ 875,000		\$ 75,000	
C005	Manhole Rehab lining project	\$ 25,000		\$ 25,000	
CMAN	Manhole Adjustments	\$ 60,000	\$ -	\$ 60,000	\$ 28,405
CEME	Collection System Emergency Repairs	\$ 30,000	\$ -	\$ 30,000	\$ 34,746
CEQU	Equipment Replacement	\$ 459,000		459,000	6,822
<b>Collections Subtotal</b>			<b>\$ 1,564,325</b>	<b>\$ 2,638,445</b>	<b>\$ 1,298,295</b>

**Lift Stations:**

Project No.	Description	Estimated Project Cost	Project Expenditures Through 6/30/2022	2022-23 Approved Budget	Project Expenditures Through 3/31/2023
L001	Lift Station Condition Assessment & Prioritization Plan	\$ 50,000		\$ 50,000	
L002	Channel Lift Station Improvement	\$ 60,000		\$ 60,000	
LEME	Lift Station Emergency Repairs	\$ 30,000		\$ 30,000	
<b>Lift Stations Subtotal</b>			<b>\$ 1,564,325</b>	<b>\$ 140,000</b>	<b>\$ -</b>

**Treatment & Laboratory:**

Project No.	Description	Estimated Project Cost	Project Expenditures Through 6/30/2022	2022-23 Approved Budget	Project Expenditures Through 3/31/2023
T001	Electrical Rehabilitation & Aeration Blower Replacement Project	\$ 1,440,000		\$ 1,440,000	\$ 356
T002	Skimmer troughs replacement	\$ 140,000		\$ 140,000	\$ 20,912
T003	SCADA Implementation	\$ 100,000		\$ 75,000	
T004	Disinfection Process -Pumps Replacement	\$ 40,000		\$ 40,000	\$ 51,070
T005	IPS Channel Improvements	\$ 141,000		\$ 141,000	
T006	Grinder No. 2 Replacement	\$ 40,000		\$ 40,000	\$ 35,013
TEME	Treatment O/M Emergencies	\$ 100,000		\$ 100,000	
TEQU	Equipment Replacement	\$ 50,000	\$ -	\$ 50,000	\$ 5,261
<b>Treatment Subtotal</b>			\$ -	\$ 2,026,000	\$ 112,612

**Facilities:**

Project No.	Description	Estimated Project Cost	Project Expenditures Through 6/30/2022	2022-23 Approved Budget	Project Expenditures Through 3/31/2023
F001	Roof for Admin/Operations Building	\$ 65,000		\$ 65,000	
F002	Maintenance Gate controller with new keypads	\$ 13,500		\$ 13,500	
F003	Main Gate replacement with motorized gate and keypads	\$ 24,000		\$ 24,000	
F004	Remodel Men's Restroom in Maintenance Building	\$ 15,000		\$ 15,000	
<b>Facilities Subtotal</b>			\$ -	\$ 117,500	\$ -

**Sewer Main Extensions:**

Project No.	Description	Estimated Project Cost	Project Expenditures Through 6/30/2022	2022-23 Approved Budget	Project Expenditures Through 3/31/2023
S001	Septic to Sewer Strategic Plan (Alisos/Ashley & E Mountain 30% Design)	\$ 70,000		\$ 70,000	
<b>Sewer Main Extensions Subtotal</b>			\$ -	\$ 70,000	\$ -

**Recycled Water:**

Project No.	Description	Estimated Project Cost	Project Expenditures Through 6/30/2022	2022-23 Approved Budget	Project Expenditures Through 3/31/2023
T011	Recycled Water Final Design, Update CDP, and Title 22 Report for first phase	Unknown		\$ -	\$ 113,716
T012	Recycled Water Construction for first phase	Unknown		\$ -	\$ 4,571
T008	Recycled Water Construction for remaining phases	Unknown		\$ -	
<b>Recycled Water Subtotal</b>			\$ -	\$ -	\$ 118,287

	2022-2023 Approved Budget	Project Expenditures Through 3/31/2023
<b>Collections</b>	\$ 2,638,445	\$ 1,298,295
<b>Lift Stations</b>	\$ 140,000	\$ -
<b>Treatment &amp; Laboratory</b>	\$ 2,026,000	\$ 112,612
<b>Facilities</b>	\$ 117,500	\$ -
<b>Sewer Main Extensions</b>	\$ 70,000	\$ -
<b>Recycled Water</b>	\$ -	\$ 118,287
<b>Total</b>	<b>\$ 4,991,945</b>	<b>\$ 1,529,194</b>



# Montecito Sanitary District

1042 Monte Cristo Lane  
Santa Barbara, CA 93108

*A Public Service Agency*

Phone: (805) 969-4200  
[www.montsan.org](http://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**

**March 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