

AGENDA

For the Special Meeting of
The Finance Committee on:
Monday, June 5, 2023

The special meeting of the Finance Committee will begin at **10:00 a.m. on June 5, 2023** in the District's Board Room at 1042 Monte Cristo Lane.

The public may attend the meeting in person or participate remotely via Zoom using the following virtual meeting details:

By visiting: <https://us02web.zoom.us/j/87899881610>

Or by calling: 1-669-900-6833

Meeting ID: 878 9988 1610

1. CALL TO ORDER/ROLL CALL

2. PUBLIC COMMENT

Public comment is **limited to 3 minutes** and is at the discretion of the Committee Chair. For further instructions, please see [Instructions for Public Comment](#) on the District's website.

3. NEW BUSINESS

A. FY2023-24 DRAFT BUDGET

It is recommended that the Finance Committee members:

- i) Receive a presentation from the General Manager and the District Administrator on the Draft FY2023-2024 Budget Memo, FY 2023-2024 Operations & Maintenance Budget, and FY 2023-2024 Capital Improvement Programs budget
- ii) Review and discuss the District's plan for finalizing the FY2023-2024 Budget.

4. ITEMS FOR THE NEXT COMMITTEE AGENDA

5. ADJOURNMENT

Note: Montecito Sanitary District has resumed in-person meeting in accordance with the Brown Act. Alternatively, the District also provides remote participation methods which permit members of the public to observe and address public meetings telephonically and/or electronically. These methods of participation can be accessed through the internet link provided at the top of this agenda.

The Americans with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in, or denied the benefits of, the District's programs, services or activities because of any disability. If you need special assistance to participate

in this meeting, please contact the District Office at 805-969-4200. Notification at least twenty-four (24) hours prior to the meeting will enable the District to make appropriate arrangements.

This agenda was posted on the District website, and at the Montecito Sanitary District Bulletin Board in accordance with the requirements of the Brown Act. Attested by:

A handwritten signature in blue ink, appearing to read "Stephen Williams".

Stephen Williams
District Administrator/Clerk of the Board



Montecito Sanitary District

1042 Monte Cristo Lane
Santa Barbara, CA 93108

A Public Service Agency

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

FISCAL YEAR 2023-24 PROPOSED BUDGET MEMO

MISSION STATEMENT

“To protect the public health and safety and to preserve the natural environment through the collection, treatment, and disposal of wastewater in the most cost-effective way possible.”

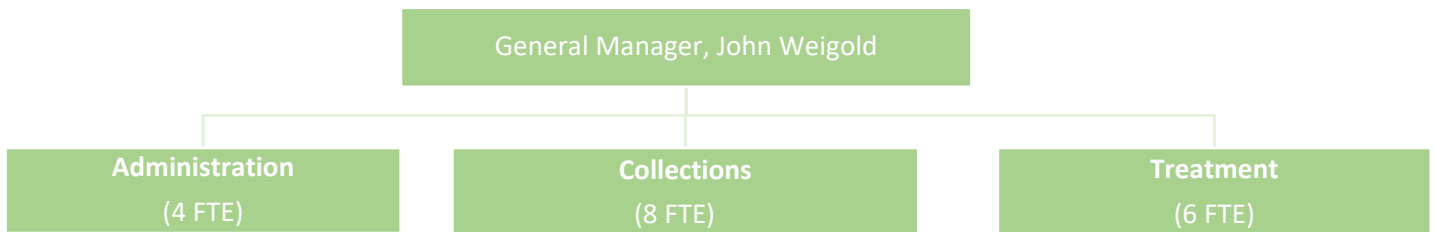
PURPOSE

The District was organized in 1947 pursuant to the Sanitary District Act of 1923 (Division 6 of the California Health and Safety Code) to provide for the collection, treatment and disposal of wastewater to residents within its service area. The District has a service area of approximately 8.9 square miles and an estimated population of approximately 9,000 people. The District currently serves 3,185 properties.

The wastewater collection system includes approximately 77 miles of gravity sewer mains, five lift stations and 2.2 miles of sewer forcemains. The collection system's underground network of pipes range in size from 6-inch to 21-inch in diameter. The majority of the facilities were installed between 1961 and 1969.

Wastewater is conveyed to the District's Wastewater Treatment Plant for treatment. The Treatment Plant, which has a capacity to treat an average of 1.5 million gallons per day, provides full secondary treatment that includes conventional activated sludge tanks, secondary clarification, and disinfection. In 2021, the wastewater treatment reliably treated approximately 539,000 gallons per day and discharged the effluent through the 1,500 foot long ocean outfall.

ORGANIZATION



BUDGET STRUCTURE

Montecito Sanitary District utilizes an Enterprise Fund accounting method, appropriate for the type of utility service business that the District operates. The budget is a non-appropriated budget which supports funding the District's critical operations and capital improvement program. The flexible budget varies according to system demands and level of activity within the District on a year to year basis.

**DISTRICT RECOMMENDED OPERATIONS AND MAINTENANCE
 BUDGET SUMMARY**

Source of Funds		Use of Funds	
Operating Revenues	\$ 6,850,000	Salaries and Benefits	\$ 3,282,900
Non-Operating Revenues	\$ 900,000	Operating Expenses	\$ 2,170,700
Total Source of Funds	\$ 7,750,000	Total Use of Funds	\$ 5,453,600

OPERATION & MAINTENANCE REVENUES

The District has four main types of revenues, three of which are Operating and the other Non-Operating. A description of these revenues are as follows:

Operating Revenues:

- **Sewer Service Charges:** The District’s primary source of revenues comes from Sewer Service Charges. The County of Santa Barbara collects these funds from the District’s customers on their annual property tax statements, and the District receives the total amount of Sewer Service Charges revenue reported to the County each year. Sewer Service Charges constitute approximately 91% of total District revenues and 97% of its total operating revenue. This revenue source is relatively stable as any increases would come in the form of an increase to the number of connections or a rate increase. No rate increase is proposed for the upcoming Fiscal Year and amounts are allocated to the District twice during the fiscal year, typically in November and April.
- **Connection Fees:** Connection Fees are established to reimburse existing customers for their investment in the wastewater collection and treatment capacity. As new customers connect to the District facilities, their connection fees contribute to future capacity upgrades. The District’s current connection fee is \$8,400 per equivalent residential unit (per Resl No. 2022-944).
- **Other Services:** The District also receives revenue in the form of miscellaneous fees for services such as plan check, processing agreements, engineering review and inspections. Total fees received for Fiscal Year 2023-2024 are projected to be around \$75,000.

Non-Operating Revenues:

- **Property Tax:** The District’s second highest form of revenue comes from one-half of the 1% of total property tax revenue that is collected by the County of Santa Barbara for parcels within its service area, whether or not they are a customer of the District. This revenue source is also relatively flat as it increases/decreases with the total assessed value of properties within District boundaries. Amounts are allocated to the District twice during the fiscal year along with the Sewer Service Charges, typically in November and April.

Montecito Sanitary District
 Fiscal Year 2023-2024 Proposed Budget Memo

	2022-23 Approved Budget	2022-23 Projected Actuals Budget	Difference	2023-24 Proposed Budget
Operating Revenues				
Service Charges	\$ 6,600,000	\$ 6,569,609	\$ (30,391)	\$ 6,650,000
Connection Fees	100,000	188,612	88,612	125,000
Other Services	75,000	41,554	(33,446)	75,000
Total Operating Revenues	\$ 6,775,000	\$ 6,799,775	\$ 24,775	\$ 6,850,000
Nonoperating Revenues				
Property Taxes	\$ 665,000	\$ 715,000	\$ 50,000	\$ 725,000
Interest Income	\$ -	\$ 226,134	\$ 226,134	\$ 175,000
Total Nonoperating Revenues	\$ 665,000	\$ 941,134	\$ 276,134	\$ 900,000
Total Revenues	\$ 7,440,000	\$ 7,740,909	\$ 300,909	\$ 7,750,000

REVENUE PROJECTIONS

Overall, Staff is projecting an increase in total budget revenues of approximately \$290,000 in Fiscal Year 2023-24 when compared to Fiscal Year 2022-23 primarily attributed to the following:

- \$175,000 increase in interest income as interest hasn't been budgeted in prior fiscal years.
- \$50,000 increase in Sewer Service Charges due to new connections established.
- \$60,000 increase in Property Tax Revenue to align with current County of Santa Barbara estimates.
- \$25,000 increase in Connection Fees based on anticipated connection projects in the coming year.

OPERATION & MAINTENANCE EXPENDITURES

The Districts' Operations & Maintenance expenditures account for all the routine business expenses related to operating the treatment plant, including: Salaries and Benefits, Insurances, Maintenance and Repairs, Good and Supplies, Professional Services provided by external parties, Administrative Fees, Plant and Lab Operating Costs, Safety, Training, and Travel Costs, and Utilities.

EXPENDITURE PROJECTIONS

The District's Operations & Maintenance costs, along with the District's Capital Improvement Program, make up the vast majority of the District's overall expenditures for the Fiscal Year. The following sections includes a discussion of Fiscal Year 2022-2023 year-end projections and Fiscal Year 2023-2024 anticipated expenditures.

Montecito Sanitary District
 Fiscal Year 2023-2024 Proposed Budget Memo

	2022-23 Approved Budget	2022-23 Projected Actuals	Difference	2023-24 Proposed Budget	2022-23 Variance
Operating Expenditures					
Salaries and Benefits	\$ 3,143,763	\$ 2,881,078	\$ 262,685	\$ 3,282,900	\$ 139,137
Insurance	86,000	112,371	(26,371)	119,200	33,200
Maintenance & Repairs	180,000	149,352	30,648	185,000	5,000
Goods & Supplies	148,500	105,638	42,862	138,500	(10,000)
Professional Services	360,000	215,103	144,897	342,000	(18,000)
Administrative Costs	385,000	241,371	143,629	400,000	15,000
Plant & Lab Operating Costs	538,000	566,902	(28,902)	635,000	97,000
Safety, Training, & Travel	53,500	31,291	22,209	48,500	(5,000)
Utilities	266,000	264,129	1,871	302,500	36,500
Total Operating Expenditures	\$ 5,160,763	\$ 4,567,234	\$ 593,529	\$ 5,453,600	\$ 292,837

Current Fiscal Year 2022-23

District staff is projecting the Fiscal Year End Operating and Maintenance Fund expenditures to be approximately **\$4,567,234**, or **88.4%** of the budgeted amount.

Next Fiscal Year 2023-2024

Operating Expenditures: For Fiscal Year 2023-24, District staff is proposing an Operating Budget to cover anticipated expenditures of total operating expenditures of **\$5,453,600**, an increase of **5.6%**. A summary of the proposed operating budget and high-level discussion are as follows:

Salaries and Benefits Summary

- \$181,000 increase in regular salaries as a result of two fiscal years of COLAs being implemented during Fiscal Year 2022-23. A current vacant position is also budgeted to be fully staffed for the fiscal year.
- \$25,000 decrease in Group Medical Insurance to align projected medical premiums
- \$20,000 decrease in CalPERS contributions as a result of Classic CalPERS members leaving the District and new PEPRAs employees being hired in their place.
- \$15,000 decrease in CalPERS contributions due to new staff being enrolled in PEPRAs plans in roles that used to be held by Classic members
- \$7,800 decrease in Board salaries based on a current Director’s election to not receive payment for meetings
- \$5,000 decrease in Retirement Medical Benefits to align projected medical premiums

Net Result: These are the main factors that comprise the increase of approximately **\$139,000** in Salaries and Benefits when compared to Fiscal Year 2022-23.

Note: Current labor agreements with the District’s Management Group along with Service Employees International Union (SEIU) 620 have been factored into this budget. Per those agreements all staff will receive a 5% Cost-of-Living Adjustment the first full pay period of July with the exception of select Management employees.

Operating Expenditures Summary

- \$80,000 increase to Chemicals for Plant based on estimated usage in conjunction with recently negotiated price terms
- \$75,000 decrease to Public Outreach budget based on current Board feedback
- \$50,000 to implement a Computerized Maintenance Management System (CMMS)
- \$50,000 to conduct a rate study to align rates with District needs by Fiscal Year 2024-25
- \$50,000 to perform a Coastal Hazards Monitoring Plan pursuant to new requirements of the District's NPDES permit
- \$50,000 increase in Professional Engineering Services to assist with Engineering projects planned in Fiscal Year 2023-24
- \$40,000 increase in electricity costs based on estimated usage and current rates
- \$35,000 increase for an SSMP Audit and Updates
- \$35,000 decrease in COVID-19 expenditures
- \$30,000 increase in anticipated General Counsel legal fees
- \$25,000 decrease in Special Legal Counsel fees due to the completion of labor negotiations
- \$20,000 included to implement a Document Management System
- \$15,000 included to conduct a Salary Study
- \$15,000 increase in Plant Maintenance Materials based on price increases seen during Fiscal Year 2022-23 along with known materials needed in the new fiscal year that were not needed in 2022-23

Net Result: These are the main factors that comprise the increase of approximately **\$153,700** in Operating Expenditures when compared to Fiscal Year 2022-23.

The full, detailed chart of the Operations and Maintenance Budget is provided in **Attachment A – FY2023-24 Operating Budget - Proposed**. Below are some of the notable line items with some background on why they are being included in next years budget:

- **7461 – Professional Services – Legal** – This line item will now only budget and track costs for the District's General Legal Counsel (Colantuono Highsmith & Whatley). Staff recommends increasing this line item in Fiscal Year 2023-24 to allow for similar resources to be utilized as Fiscal Year 2022-23.
- **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. Staff recommends keeping budget consistent with prior years as no pending human resources matters need to be addressed in the near term.
- **7467 – Professional Services – Special Legal Counsel** – This line item is specifically for Special Legal Counsel as it relates to services provided by Colantuono, Highsmith, & Whatley for the Special District Consolidation Feasibility study with Montecito Water District. This project will continue in Fiscal Year 2023-24 and currently have a not-to-exceed contract with Holly Whatley of \$25,000.
- **7430 – Memberships** – In preparation for the budget, District Staff have reviewed all professional memberships and their dues that constitute the budgeted amount for Fiscal Year 2023-24. Some of the organizations the District is a member of result in discounts for technical trainings, conferences or certification testing, while others support the District by lobbying and representing the Districts' interest in state legislation.

- **7645 – NPDES Permit Requirements – Operations** – The District received its updated National Pollution Discharge Elimination System (NPDES) permit in Fiscal Year 2022-23. Included with that new permit are updated requirements for the District to complete, including a Coastal Hazards Monitoring Plan that is estimated to cost around \$50,000 and will be due in May of 2024.
- **7670 – Special Projects** – The Special Projects line includes some of the infrequent studies such as the ongoing Rate Study (typically every 6 years) and the Districts’ Sewer System Management Plan Audit (once every two years by regulation). Also included is the implementation of a document management system to help chronicle historical District documents into an easily accessible and identifiable network as well as a Salary and Compensation Study.
- **7671 – Asset Management** – This line item includes services to upgrade and consolidate the District’s Geographic Information Systems and begin implementation a Computerized Maintenance Management System (CMMS) for the collection and treatment operations. The District has historically used a combination of in-house software systems and paper work orders to track work completed and plan out future work. Implementing a CMMS for the District’s asset management program should increase efficiency by upgrading workflows, support record retention, and facilitate succession planning.

CAPITAL IMPROVEMENT PROGRAM EXPENDITURES

Current Fiscal Year 2022-23

The District is projected to spend approximately \$2,362,187 of Capital Replacement (CIP) funds by June 30, 2023, well under the budgeted amount of \$4,980,500. The District’s CIP Collection System Projects in Fiscal Year 2022-23 included the completion of the Lilac/Oak Grove Sewer Main Extension Project, the beginning of costs associated with the Highway 101 Sewer Main Relocation project, various manhole adjustments, disinfection pumps replacements, and Recycled Water Feasibility Study costs. Some of the projects are in the beginning stages of their timeline and will continue into the next fiscal year.

Next Fiscal Year 2023-24

The District is proposing an extensive CIP schedule for Fiscal Year 2023-24. Some of these projects have been identified in this year’s mini master plan as critical infrastructure needs and some of these projects have come about as a result of damage incurred during the January Winter Storm.

The following summary table is a high-level breakdown of the proposed capital expenditures for the upcoming Fiscal Year. It is important to note that the figures in the summary table include both soft costs (planning, design, and construction management), as well as construction, equipment purchases and some contingency to account for minor changes in scope or purchasing factors such as inflation.

Montecito Sanitary District
 Fiscal Year 2023-2024 Proposed Budget Memo

Program	2023/2024
Collections	\$ 4,020,000
Lift Stations	\$ 565,000
Treatment & Laboratory	\$ 2,830,000
Facilities	\$ 99,000
Sewer Main Extensions	\$ 70,000
Total	\$ 7,584,000

A brief description of each project included in the six CIP programs is provided below. A full breakdown of the proposed CIP Budget can be seen in **Attachment B – FY2022-23 CIP Budget – Proposed**.

Collections Program

- Collection System Condition Assessment & Prioritization Plan – Develop a comprehensive gameplan to efficiently prioritize and address collection system maintenance items.
- Highway 101 Sewer Main Protect-In-Place – Continue work related to CalTRANS widening of Highway 101 by protecting-in-place District infrastructure in the construction zone.
- Large Diameter Sewer Main Rehabilitation – Design – Complete design work on rehabbing the District’s main input sewer main to the Treatment plant.
- Manhole Rehab Project (Lining) – Complete lining work on approximately 22 prioritized manholes that require repair work.
- Emergency Bypass Pumper – Obtain an Emergency Bypass Pumper for use in emergency situations.
- FEMA Rehabilitation – The Board has been given reports on four project areas requiring rehab work after the January Winter Storm. The District is eligible for FEMA Reimbursement for these projects and staff has been working diligently with FEMA to ensure eligibility.
- Manhole Adjustments – Annual raising and lower of manholes on an as needed basis.
- Collection O/M Emergencies – Miscellaneous budget set aside for Collections System emergency events. Ideally this money would not be utilized in the fiscal year.
- Equipment Replacement – Staff is looking to replace its VacCon truck as well as a District Utility Truck.

Lift Station Program

- Lift Station Condition Assessment & Prioritization Plan - Develop a comprehensive gameplan to efficiently prioritize and address lift station maintenance items.
- Channel Lift Station Improvement – Address needed improvement to the Channel Lift Station that recently failed in Fiscal Year 2022-23. This budget is for only the lift station component of the project.
- Eucalyptus Lift Station Upgrade – Begin work in Fiscal Year 2023-24 on improvements to the Eucalyptus Lift Station with work continuing into Fiscal Year 2024-25.
- Bonnymede Lift Station Electrical Controls Upgrade - Begin work in Fiscal Year 2023-24 on improvements to the electrical controls for the Bonnymede Lift Station with work continuing into Fiscal Year 2024-25.
- Lift Station Emergency Repairs - Miscellaneous budget set aside for lift station emergency events. Ideally this money would not be utilized in the fiscal year.

Treatment & Laboratory Program

- Electrical Rehabilitation and Aeration Blower Replacement - This is a carryover from the prior Fiscal Year. Due to the complexity of the project and potential available funding sources, District staff

Montecito Sanitary District
Fiscal Year 2023-2024 Proposed Budget Memo

anticipates requesting proposals from qualified firms to complete the design as it currently is scoped. Ideally, the construction work would be initiated in the latter half of Fiscal Year 2023-24 and a portion of the budgeted amount would be spent this fiscal year.

- Skimmer Troughs Installation – Installation of the replacement skimmer troughs each of the four clarifiers by contractors.
- SCADA System Improvements - The District will be working in Fiscal Year 2023-24 to improve its SCADA system along with the electrical rehab project. This serves as a “backbone” Supervisory Control and Data Acquisition (SCADA) system for critical and basic treatment processes. Staff is proposing to budget some money in the next two Fiscal Years to map out the existing system, develop the plan and then implement additional functionality when new equipment is installed. The first projects that will be critical to incorporate the SCADA upgrades in are the Electrical Rehabilitation and Aeration Blower Replacement Project.
- IPS Channel Improvements – Staff is proposing to complete design work related to IPS Channel Improvements with construction beginning in the next fiscal year.
- Bar Screen Design – Staff is proposing to do design work to install a bar screen to help mitigate future damage to equipment/infrastructure. Construction would begin in the next fiscal year.
- Clarifier Maintenance – Staff is proposing to perform maintenance work on its four clarifiers.
- Bisulfate Tank Replacement - The District’s bisulfate tank is past its useful life and should be replaced prior to potential hazardous leaks occurring.
- Treatment O/M Emergencies - Miscellaneous budget set aside for Treatment System emergency events. Ideally this money would not be utilized in the fiscal year.

Facilities Maintenance Program

- Maintenance Building Restroom Alterations – Staff is proposing to do design work for alterations to the Maintenance Building Restroom, with the thought of providing the ability to have overnight accommodations for staff in the event of an emergency.
- Admin/Operations Roof Replacement - The roof for the Admin/Operations Building is a carryover from the prior Fiscal Year. The roof requires different repair method and will be completed in Fiscal Year 2023-24.

Sewer Main Extension Program

- Septic-to-Sewer Strategic Plan – Staff is proposing hiring a consultant to help develop a comprehensive Septic-to-Sewer Strategic Plan with input from the Board.

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

In May 2017 the District refunded its 2007 Certificates of Participation (COP) This refunding decreased the maturity term by seven years, removed the requirement for a reserve fund, and took advantage of lower interest rates.

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, \$224,100 will be applied to interest. After all Fiscal Year 2023-24 payments are made the remaining balance of the bond will be \$4,970,000 and the bond is expected to be paid off by July 1, 2030.

ANNUAL DEPRECIATION FUNDING

Annually, the Board considers contributing to the District’s 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 2021-22 Financial Audit would be \$1,243,993. It should be noted that the District may withdraw monies from the Capital Replacement Fund at any time to fund capital projects or to meet any operational needs of the District.

FY 2023-24 PROJECTED OPERATIONS & MAINTENANCE AND CIP CASH POSITION

Taking into account the projected remaining expenditures for Fiscal Year 2022-23 and the proposed budget for Fiscal Year 2023-24, the District’s projected cash position for its Operations and Maintenance fund and Capital Replacement fund are as follows:

Operations and Maintenance Funds

	2022-23 Projected	2023-24 Projected	Difference
Beginning Cash Balance	\$ 9,500,348	\$ 10,398,121	\$ 897,773
Plus: Revenues	7,645,500	7,750,000	104,500
Less: Expenditures	(4,567,234)	(5,453,600)	(886,366)
Less: Bond Payments	(936,500)	(934,100)	2,400
Less: Capital Replacement Fund Contribution	(1,243,993)	(1,275,000)	(31,007)
Projected Ending Cash Balance	\$ 10,398,121	\$ 10,485,421	\$ 87,300

Capital Replacement Funds

	2022-23 Projected	2023-24 Projected	Difference
Beginning Cash Balance	\$ 9,500,348	\$ 8,382,154	\$ (1,118,194)
Plus: Revenues	1,243,993	1,275,000	31,007
Less: Expenditures	(2,362,187)	(7,584,000)	(5,221,813)
Projected Ending Cash Balance	\$ 8,382,154	\$ 2,073,154	\$ (6,309,000)

The District anticipates a cash balance of approximately \$10,485,421 in its Operations and Maintenance funds and \$2,073,154 in its Capital Replacement funds at 6/30/2024, based on the proposed budgetary figures presented in Attachments A and B.

Attachments:

- Attachment A – FY2023-24 Operating Budget – Proposed
- Attachment B – FY2023-24 CIP Budget – Proposed

DRAFT PROPOSED BUDGET FOR FISCAL YEAR 2023-24

A/C No	DESCRIPTION	BASED ON ACTUAL EXPENSES THROUGH 5/31/2023					FY2023-24 Proposed Budget
		FY2022-23 Approved Budget	Actual Expense	Balance Remaining	Projected Year End	Projected % of Budget	
6100	Regular Salaries	1,910,563	1,725,207	185,356	1,882,044	99%	2,092,000
6105	Board Salaries	52,800	34,672	18,128	37,824	72%	45,000
6108	Auto Allowance - GM	3,600	3,600	-	3,600	100%	3,600
6270	Standby Pay	33,000	35,010	(2,010)	38,193	116%	33,000
6300	Overtime	30,000	8,216	21,784	8,963	30%	30,000
6400	CalPERS Contribution	435,000	357,371	77,629	389,859	90%	415,000
6410	Employee Benefits	65,000	46,701	18,299	50,946	1000%	60,000
6500	FICA / Social Security Contribution	117,000	105,684	11,316	115,292	99%	135,000
6510	Medicare Contribution	27,500	25,479	2,021	27,796	101%	32,000
6520	Unemployment Tax - SUI	3,500	2,884	616	3,146	90%	3,500
6600	Group Medical Insurance	325,000	206,869	118,131	225,675	69%	300,000
6605	Retirement Medical Benefits	25,000	13,661	11,339	14,903	60%	20,000
6610	Life Insurance	7,300	4,809	2,492	5,246	72%	7,300
6615	Short / Long Term Disability	26,000	14,197	11,803	15,487	60%	26,000
6620	Worker's Compensation	50,000	38,650	11,350	42,164	84%	50,000
6640	Dental Insurance	21,000	9,746	11,254	10,632	51%	19,000
6650	Uniform Allowance	11,500	8,533	2,967	9,308	81%	11,500
Total Salaries and Benefits		\$ 3,143,763	\$ 2,641,288	\$ 502,475	\$ 2,881,078	92%	\$ 3,282,900
7090	Pooled Liability Insurance	60,000	76,236	(16,236)	76,236	127%	80,000
7091	Property Insurance	15,000	25,878	(10,878)	25,878	173%	28,000
7093	Crime Policy	1,000	849	151	849	85%	1,200
7094	Public Entity Physical Damage	10,000	9,408	592	9,408	94%	10,000
7110	New Employee Physicals/Expenses	2,500	1,845	655	2,013	81%	2,500
7121	Property Maintenance	65,000	83,739	(18,739)	89,764	138%	70,000
7122	Vehicle Maintenance	13,000	12,921	79	14,096	108%	15,000
7126	Coll - Equipment Rental	1,000	-	1,000	-	0%	1,000
7656	Plant Equipment Rental	5,000	-	5,000	-	0%	5,000
7127	Coll - Safety Equipment	8,000	488	7,843	532	3%	8,000
7659	Safety Expenses	5,000	2,514	2,486	2,743	55%	5,000
7129	Lift Station Parts	30,000	16,018	13,982	17,474	58%	30,000
7133	VacCon Equipment / Repairs	15,000	11,546	3,454	12,596	84%	15,000
7134	CCTV Equipment / Repairs	15,000	1,078	13,922	1,176	8%	15,000
7135	Private Lateral Replacement Incentive	-	-	-	-	0%	-
7136	Miscellaneous Collection Tools/Supplies	10,000	4,781	5,219	5,216	52%	10,000
7138	Jetter Truck Equipment / Repairs	8,000	3,466	-	3,781	47%	6,000
7150	Mechanical Maintenance	5,000	1,810	3,190	1,975	39%	5,000
7200	General Operating Supplies	10,000	8,343	1,657	9,101	91%	10,000
7201	Drinking, Bottled Water	2,500	1,527	973	1,666	67%	2,500
7202	Gloves	8,000	6,188	1,812	6,751	84%	8,000
7205	Community & Employee Goodwill	6,000	1,348	4,652	1,471	25%	6,000

DRAFT PROPOSED BUDGET FOR FISCAL YEAR 2023-24

A/C No	DESCRIPTION	FY2022-23 Approved Budget	BASED ON ACTUAL EXPENSES THROUGH 5/31/2023				FY2023-24 Proposed Budget
			Actual Expense	Balance Remaining	Projected Year End	Projected % of Budget	
7220	Mailing / Shipping Expenses	5,000	585	4,415	638	13%	5,000
7430	Memberships	60,000	50,775	9,225	55,391	92%	50,000
7440	Miscellaneous Expenses	2,500	-	2,500	-	0%	2,500
7450	Office Expenses	15,000	10,679	4,321	11,650	78%	15,000
7452	Scanning & Shredding	10,000	-	10,000	-	0%	10,000
7454	Books / Subscriptions / Study Guides	2,000	813	1,187	887	44%	2,000
7456	Computer Hardware/Software/Licensing	37,500	16,577	20,923	18,084	48%	37,500
7461	Prof Services - Legal	70,000	84,270	(14,270)	101,931	146%	100,000
7462	Prof Services - Accounting	45,000	24,470	20,530	26,695	59%	45,000
7463	Prof Services - Engineering	50,000	4,226	45,774	4,610	9%	100,000
7464	Prof Services - Computer	60,000	45,792	14,208	49,955	83%	60,000
7466	Prof Services - Human Resources	10,000	12,384	(2,384)	13,510	135%	12,000
7467	Prof Services - Special Legal Counsel	50,000	18,403		18,403		25,000
7500	Public Outreach/Education	75,000	-	75,000	-	0%	-
7506	Administrative Fees	30,000	27,694	2,306	30,212	101%	30,000
7508	Collection/Treatment Fines	10,000	-	10,000	-	0%	10,000
7510	Contracted Services/Labor	95,000	84,557	10,443	87,744	92%	95,000
7530	Notices / Ads for Publication	3,000	2,345	655	2,558	85%	3,000
7610	Furniture & Fixtures	10,000	1,933	8,067	2,109	21%	10,000
7641	NPDES Permit Requirements - Lab	15,000	14,808	192	16,154	108%	17,000
7645	NPDES Permit Requirements - Operations	50,000	29,641	20,359	32,336	65%	100,000
7650	Election Expenses	7,000	-	7,000	-	0%	-
7652	Biosolids Disposal	60,000	59,141	859	64,517	108%	65,000
7653	Chemicals for Plant	220,000	292,213	(72,213)	318,778	145%	300,000
7654	Generator Servicing - Plant	10,000	2,140	7,860	2,335	23%	10,000
7655	Hazardous Materials Disposal	2,000	231	1,769	252	13%	2,000
7657	Plant Maintenance Materials	75,000	83,153	(8,153)	90,712	121%	90,000
7658	Plant Maintenance Projects	5,000	4,837	163	5,277	106%	5,000
7661	Polymer	10,000	9,665	335	10,544	105%	10,000
7662	Small Tools/ Equipment - Plant	4,000	3,072	928	3,351	84%	4,000
7670	Special Projects	115,000	1,800	113,200	1,964	2%	120,000
7671	Asset Management	100,000	16,632		18,144		97,000
7675	COVID-19 Expenses	35,000	10,466	24,534	11,417	33%	-
7681	2023 Winter Storm	-	54,865		54,865		-
7700	Laboratory Consumables & Small Equipment	32,000	25,442	6,558	27,755	87%	32,000
7702	Laboratory Equipment Maintenance	10,000	14,278	(4,278)	15,576	156%	10,000
7703	Contract Laboratory Analyses	10,000	8,736	1,264	9,530	95%	10,000
7704	ELAP Accreditation	-	120	(120)	131	100%	-
7722	Board Training/Conf. Registration	2,500	-	2,500	-	0%	2,500
7723	Board Meetings/Travel Expenses	1,000	556	444	607	61%	1,000
7724	Staff Training/Conf. Registration	15,000	10,608	4,392	11,572	77%	15,000

DRAFT PROPOSED BUDGET FOR FISCAL YEAR 2023-24

A/C No	DESCRIPTION	BASED ON ACTUAL EXPENSES THROUGH 5/31/2023					FY2023-24 Proposed Budget
		FY2022-23 Approved Budget	Actual Expense	Balance Remaining	Projected Year End	Projected % of Budget	
7725	Staff Travel Expenses	15,000	5,032	9,968	5,489	37%	10,000
7726	Staff Certifications/Licenses	8,000	6,766	1,234	7,381	92%	8,000
7727	OSHA Required Training	5,000	1,985	3,015	2,165	43%	5,000
7728	Safety Boot Allowance	4,500	2,931	1,569	3,197	71%	4,500
7729	Apparel and Uniforms	2,500	-	2,500	-	0%	2,500
7731	Local Meeting Expenses	2,500	805	1,695	878	35%	2,500
7740	Fuel and Oil	25,000	20,886	4,114	22,785	91%	25,000
7761	Water	15,000	6,460	8,540	7,047	47%	10,000
7762	Natural Gas	5,000	4,969	31	5,421	108%	5,500
7763	Electricity	175,000	167,888	7,112	183,151	105%	215,000
7766	Trash & Recycling Service	16,000	15,827	173	17,266	108%	17,000
7767	Communications	18,000	14,551	3,449	15,874	88%	18,000
7768	Telephone - Cellular	12,000	11,537	463	12,586	105%	12,000
Total Operating Expenses		\$ 2,017,000	\$ 1,557,527	\$ 395,170	\$ 1,686,156	84%	\$ 2,170,700
Total Expenses		5,160,763	4,198,815	897,645	4,567,234	88%	5,453,600

DRAFT Fiscal Year 2023-24 Capital Improvement Program (CIP)

Collections:

Project No.	Description	Estimated Cost	2023/2024
C001	Collection System Condition Assessment & Prioritization Plan	\$ 40,000	\$ 50,000
C002	Highway 101 Sewer Main Protect-In-Place	\$ 860,000	\$ 1,700,000
C003	Large Diameter Sewer Main Rehabilitation - Design	\$ 75,000	\$ 75,000
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
C010	FEMA Rehabilitation - Construction	\$ 950,000	\$ 950,000
CMAN	Manhole Adjustments	\$ 60,000	\$ 60,000
CEME	Collection O/M Emergencies	\$ 50,000	\$ 50,000
CEQU	Equipment Replacement	Various	830,000
Collections Total			\$ 4,020,000

Lift Stations:

Project No.	Description	Estimated Cost	2023/2024
L001	Lift Station Condition Assessment & Prioritization Plan	\$ 100,000	\$ 50,000
L002	Channel Lift Station Improvement	\$ 480,000	\$ 420,000
L003	Eucalyptus Lift Station Upgrade	\$ 410,000	\$ 50,000
L004	Bonnymede Lift Station Electrical Controls Upgrade	\$ 65,000	\$ 15,000
LEME	Lift Station Emergency Repairs	\$ 120,000	\$ 30,000
Lift Stations Total			\$ 565,000

Treatment & Laboratory:

Project No.	Description	Estimated Cost	2023/2024
T001	Electrical Rehabilitation & Aeration Blower Replacement Project - Design	\$ 200,000	\$ 200,000
T001	Electrical Rehabilitation & Aeration Blower Replacement Project - Construction	\$ 2,000,000	\$ 2,000,000
T002	Skimmer Troughs Installation	\$ 70,000	\$ 70,000
T003	SCADA System Improvements	\$ 50,000	\$ 50,000
T005	IPS Channel Improvements - Design	\$ 40,000	\$ 40,000
T011	Bar Screen Design	\$ 75,000	\$ 75,000
T012	Clarifier Maintenance	\$ 220,000	\$ 220,000
T013	Bisulfate Tank Replacement	\$ 75,000	\$ 75,000
TEME	Treatment O/M Emergencies	\$ 100,000	\$ 100,000
Treatment & Laboratory Total			\$ 2,830,000

Facilities:

Project No.	Description	Estimated Cost	2023/2024
F001	Maintenance Building Restroom Alterations - Design	\$ 15,000	\$ 15,000
F006	Admin/Operations Roof Replacement	\$ 50,000	\$ 60,000
Facilities Total			\$ 75,000

Sewer Main Extensions:

Project No.	Description	Estimated Cost	2023/2024
S001	Sepitc to Sewer Strategic Plan	\$ 70,000	\$ 70,000
Sewer Main Extensions Total			\$ 70,000

Program	2023/2024
Collections	\$ 4,020,000
Lift Stations	\$ 565,000
Treatment & Laboratory	\$ 2,830,000
Facilities	\$ 75,000
Sewer Main Extensions	\$ 70,000
Total	\$ 7,560,000

Montecito Sanitary District Annual Salary Range Table - Represented Fiscal Year 2023-24

Per MOU Approved at 2/8/23 Board Meeting

Division	Role	EMPLOYMENT CLASSIFICATION	Step:	A	B	C	D	E
			Annually	Annually	Annually	Annually	Annually	
Admin	Admin Asst	Accounting/Admin. Assistant		\$ 95,344.49	\$ 100,090.97	\$ 105,113.95	\$ 110,367.35	\$ 115,874.19
Maint	Line	Facilities Maintenance		\$ 74,077.46	\$ 77,764.05	\$ 81,658.01	\$ 85,736.31	\$ 90,021.97
Maint	Supv	Chief Maintenance Mechanic		\$ 103,846.69	\$ 109,054.00	\$ 114,491.72	\$ 120,228.98	\$ 126,242.73
Collections	Trainee	Collections Operator in Training (OIT)		\$ 54,169.86	\$ 56,888.72	\$ 59,745.83	\$ 62,718.15	\$ 65,851.75
Collections	Line	Collections I		\$ 66,105.20	\$ 69,400.09	\$ 72,879.32	\$ 76,519.83	\$ 80,344.66
Collections	Line	Collections II		\$ 74,077.46	\$ 77,764.05	\$ 81,658.01	\$ 85,736.31	\$ 90,021.97
Collections	Line	Collections III		\$ 83,040.48	\$ 87,187.90	\$ 91,542.69	\$ 96,127.89	\$ 100,943.50
Collections	Line	Collections IV		\$ 91,519.65	\$ 96,081.80	\$ 100,897.41	\$ 105,943.44	\$ 111,242.91
Collections	Supv	Collections Lead Operator		\$ 105,943.44	\$ 111,242.91	\$ 116,795.84	\$ 122,648.31	\$ 128,777.27
Ops	Trainee	Operations Operator in Training (OIT)		\$ 59,354.13	\$ 62,326.45	\$ 65,437.01	\$ 68,708.86	\$ 72,142.00
Ops	Line	Operator I		\$ 67,072.93	\$ 70,413.91	\$ 73,939.21	\$ 77,648.84	\$ 81,519.77
Ops	Line	Operator II		\$ 73,916.17	\$ 77,625.80	\$ 81,496.72	\$ 85,575.02	\$ 89,860.68
Ops	Line	Operator III		\$ 81,519.77	\$ 85,598.06	\$ 89,883.72	\$ 94,376.76	\$ 99,100.20
Ops	Line	Operator IV		\$ 89,883.72	\$ 94,376.76	\$ 99,077.16	\$ 104,031.02	\$ 109,238.33
Ops	Line	Operator V		\$ 109,653.07	\$ 115,136.88	\$ 120,874.14	\$ 126,933.97	\$ 133,270.30

Montecito Sanitary District Annual Management Salary Range Table - Unrepresented FY 2023-24 COLA TBD.

Per Management Terms Agreement at 5/26/2023 Board Meeting

MANAGERS			Annual Low			Annual High
Ops	Manager	Laboratory & Pretreatment Manager	\$ 107,556.32			\$ 140,758.69
Collections	Manager	Chief Plant Operator/Treatment Superintendent	\$ 139,929.21			\$ 170,090.14
Ops	Manager	Operations Manager (Vacant)	\$ 132,233.45			\$ 173,062.45
Admin	Manager	District Administrator	\$ 130,989.22			\$ 171,449.57
Collections/Ops	Manager	Collections & Maintenance Superintendent	\$ 144,214.87			\$ 175,297.45
Admin	Manager	Engineering Manager	\$ 136,818.65			\$ 179,076.21

NOTE: No managers salary can exceed \$163,000 in Fiscal Year 2023-24

EXECUTIVE			Annual Rate
Admin	Executive	General Manager	\$ 180,000.00

Montecito Sanitary District Monthly Salary Range Table - Represented Fiscal Year 2023-24

Per MOU Approved at 2/8/23 Board Meeting

Division	Role	EMPLOYMENT CLASSIFICATION	Step:	A	B	C	D	E
			Monthly	Monthly	Monthly	Monthly	Monthly	
Admin	Admin Asst	Accounting/Admin. Assistant		\$ 7,945.37	\$ 8,340.91	\$ 8,759.50	\$ 9,197.28	\$ 9,656.18
Maint	Line	Facilities Maintenance		\$ 6,173.12	\$ 6,480.34	\$ 6,804.83	\$ 7,144.69	\$ 7,501.83
Maint	Supervisor	Chief Maintenance Mechanic		\$ 8,653.89	\$ 9,087.83	\$ 9,540.98	\$ 10,019.08	\$ 10,520.23
Collections	Trainee	Collections Operator in Training (OIT)		\$ 4,514.16	\$ 4,740.73	\$ 4,978.82	\$ 5,226.51	\$ 5,487.65
Collections	Line	Collections I		\$ 5,508.77	\$ 5,783.34	\$ 6,073.28	\$ 6,376.65	\$ 6,695.39
Collections	Line	Collections II		\$ 6,173.12	\$ 6,480.34	\$ 6,804.83	\$ 7,144.69	\$ 7,501.83
Collections	Line	Collections III		\$ 6,920.04	\$ 7,265.66	\$ 7,628.56	\$ 8,010.66	\$ 8,411.96
Collections	Line	Collections IV		\$ 7,626.64	\$ 8,006.82	\$ 8,408.12	\$ 8,828.62	\$ 9,270.24
Collections	Supervisor	Collections Lead Operator		\$ 8,828.62	\$ 9,270.24	\$ 9,732.99	\$ 10,220.69	\$ 10,731.44
Ops	Trainee	Operations Operator in Training (OIT)		\$ 4,946.18	\$ 5,193.87	\$ 5,453.08	\$ 5,725.74	\$ 6,011.83
Ops	Line	Operator I		\$ 5,589.41	\$ 5,867.83	\$ 6,161.60	\$ 6,470.74	\$ 6,793.31
Ops	Line	Operator II		\$ 6,159.68	\$ 6,468.82	\$ 6,791.39	\$ 7,131.25	\$ 7,488.39
Ops	Line	Operator III		\$ 6,793.31	\$ 7,133.17	\$ 7,490.31	\$ 7,864.73	\$ 8,258.35
Ops	Line	Operator IV		\$ 7,490.31	\$ 7,864.73	\$ 8,256.43	\$ 8,669.25	\$ 9,103.19
Ops	Line	Operator V		\$ 9,137.76	\$ 9,594.74	\$ 10,072.84	\$ 10,577.83	\$ 11,105.86

Montecito Sanitary District Monthly Management Salary Range Table - Unrepresented FY 2023-24 COLA TBD.

Per Management Terms Agreement at 5/26/2023 Board Meeting

MANAGERS			Monthly Low			Monthly High
Ops	Manager	Laboratory & Pretreatment Manager	\$ 8,963.03			\$ 11,729.89
Collections	Manager	Chief Plant Operator/Treatment Superintendent	\$ 11,660.77			\$ 14,174.18
Ops	Manager	Operations Manager (Vacant)	\$ 11,019.45			\$ 14,421.87
Admin	Manager	District Administrator	\$ 10,915.77			\$ 14,287.46
Collections/Ops	Manager	Collections & Maintenance Superintendent	\$ 12,017.91			\$ 14,608.12
Admin	Manager	Engineering Manager	\$ 11,401.55			\$ 14,923.02

NOTE: No managers salary can exceed \$163,000 in Fiscal Year 2023-24

EXECUTIVE			Monthly Rate
Admin	Executive	General Manager	\$ 15,000.00

Montecito Sanitary District Hourly Salary Range Table - Represented Fiscal Year 2023-24

Per MOU Approved at 2/8/23 Board Meeting

Division	Role	EMPLOYMENT CLASSIFICATION	Step:	A	B	C	D	E
			Hourly	Hourly	Hourly	Hourly	Hourly	
Admin	Admin Asst	Accounting/Admin. Assistant		\$ 45.84	\$ 48.12	\$ 50.54	\$ 53.06	\$ 55.71
Maint	Line	Facilities Maintenance		\$ 35.61	\$ 37.39	\$ 39.26	\$ 41.22	\$ 43.28
Maint	Supervisor	Chief Maintenance Mechanic		\$ 49.93	\$ 52.43	\$ 55.04	\$ 57.80	\$ 60.69
Collections	Trainee	Collections Operator in Training (OIT)		\$ 26.04	\$ 27.35	\$ 28.72	\$ 30.15	\$ 31.66
Collections	Line	Collections I		\$ 31.78	\$ 33.37	\$ 35.04	\$ 36.79	\$ 38.63
Collections	Line	Collections II		\$ 35.61	\$ 37.39	\$ 39.26	\$ 41.22	\$ 43.28
Collections	Line	Collections III		\$ 39.92	\$ 41.92	\$ 44.01	\$ 46.22	\$ 48.53
Collections	Line	Collections IV		\$ 44.00	\$ 46.19	\$ 48.51	\$ 50.93	\$ 53.48
Collections	Supervisor	Collections Lead Operator		\$ 50.93	\$ 53.48	\$ 56.15	\$ 58.97	\$ 61.91
Ops	Trainee	Operations Operator in Training (OIT)		\$ 28.54	\$ 29.96	\$ 31.46	\$ 33.03	\$ 34.68
Ops	Line	Operator I		\$ 32.25	\$ 33.85	\$ 35.55	\$ 37.33	\$ 39.19
Ops	Line	Operator II		\$ 35.54	\$ 37.32	\$ 39.18	\$ 41.14	\$ 43.20
Ops	Line	Operator III		\$ 39.19	\$ 41.15	\$ 43.21	\$ 45.37	\$ 47.64
Ops	Line	Operator IV		\$ 43.21	\$ 45.37	\$ 47.63	\$ 50.01	\$ 52.52
Ops	Line	Operator V		\$ 52.72	\$ 55.35	\$ 58.11	\$ 61.03	\$ 64.07

Montecito Sanitary District Hourly Management Salary Range Table - Unrepresented FY 2023-24 COLA TBD

Per Management Terms Agreement at 5/26/2023 Board Meeting

MANAGERS			Hourly Low			Hourly High
Ops	Manager	Laboratory & Pretreatment Manager	\$ 51.71			\$ 67.67
Collections	Manager	Chief Plant Operator/Treatment Superintendent	\$ 67.27			\$ 81.77
Ops	Manager	Operations Manager (Vacant)	\$ 63.57			\$ 83.20
Admin	Manager	District Administrator	\$ 62.98			\$ 82.43
Collections/Ops	Manager	Collections & Maintenance Superintendent	\$ 69.33			\$ 84.28
Admin	Manager	Engineering Manager	\$ 65.78			\$ 86.09

NOTE: No managers salary can exceed \$163,000 in Fiscal Year 2023-24

EXECUTIVE			Hourly Rate
Admin	Executive	General Manager	\$ 86.54