

Leavitt Lake



Community Services District

Fiscal Year 2023/2024
Proposed Budget

Tap Water – Cost versus Value

\$0.0083 TAP WATER PER GALLON



VS.



\$2.07 per gallon



\$39.33 per gallon

\$2.57 per gallon



\$22.93 per gallon

- **Local government** - A 5-member Board of Directors governs the District. They are elected to staggered four- year terms. The Directors set the policies for operations of water and wastewater systems and the general government. Regular meetings of the Board of Directors are held on the third Tuesday of each month. In accordance with the State Budget Law, the District's Board of Directors holds a public hearing in the spring each year to approve the budget and appropriate the funds for the ensuing year. An appropriation is the legal spending limit authorizing the expenditure set forth in the budget by the governing board. The budget is merely a fiscal plan for the coming year, while the appropriation is the legal authority to spend that money.

Board of Directors

Steve Anderson, Board *Chairman*

Carrie Base, *Vice Chairman*

Dallas Langley, *Director*

Nicole Bush, *Director*

Stu Speer, *Director*

DEPARTMENTS

- **Administration** - This department includes governmental budgeting and accounting, customer service, information technology, and the management of the District's most valuable asset, human capital. This involves salary and benefits analysis, management of employee assistance programs, enforcing compliance with safety regulations, education and training of employees, and consultation with legal counsel regarding employee matters and capital project management, project design.
- **Operations** - Water Treatment and Distribution and Wastewater Treatment and Collection – This department includes the operation and maintenance of water treatment facilities, management of water sources, preventive and corrective maintenance, and operation of the water distribution system. This department also includes the operations and maintenance of the wastewater treatment facility, laboratory services, preventive and corrective maintenance of the sewer system including collection lines and lift stations.

SERVICES

Leavitt lake Community Services District (LLCSD) owns and maintains its water distribution system and wastewater collection systems. LLCSD bills close to 258 customers in the District. The system includes:

- 1 water storage tanks: Water service is provided to existing developed areas though a distribution system that includes a 286,000 gallons capacity storage tanks
- 2 Ground water wells: One is currently not operating due to its high iron volume. The current active well is treated and tested regularly. (CCR Reports are mailed yearly to every resident)
- 3 water pumps: one 5HP and two 15 HP
- 2 wastewater lift stations
- 252 residential pressure regulating valve (PRV) vaults and 42 in the streets

- **Service Charges** - The District's major sources of revenues are water and wastewater service charges. The District has base rates for residential and commercial customers. Residential and commercial water revenue is forecasted using an average of 250 residents multiplied by base Rates. The fiscal year (FY) 23/24 residential water base rate is \$44.19 for the first 10,000 gallons of water and \$1.00 per 1,000 gallons over the allotted 10,000 gallons. The base rate for commercial water usage in FY 23/24 is \$64.58 for the first 10,000 gallons and \$1.00 per 1,000 gallons after. Residential and commercial wastewater revenue is forecasted using an average of 250 residents multiplied by the base rate. Base rates cover the fixed costs associated with the treatment and delivery of water and the treatment and collection of sewer.
- **Meter Fee** - This is a fixed charge on the bill at a rate of \$5.51. It is for all the activities involved in maintenance of the meters and is billed monthly to all water accounts
- **Street Lights Fee** - This is a fee of \$1.91, billed to each active account for the eclectic cost billed to the district from the electric company.
- **Park Fee** - A fee of \$2.90 is billed to each active account for replacements, safety, equitable and accessible park updates repairs and renovations.
- **Surcharge** - The board of Directors unanimously voted to extend the surcharge of \$10.00 on May 23, 2023. The District currently receives a surcharge each month, billed to each customer approx. 6 months, to end with usage billed at the end of Feb. During that time the surcharge will be determined accordingly to the financial need.
- **Property Tax** - In 1978, California passed Proposition 13, which reduced the existing property tax to a combined 1% of assessed values, and one year later the State passed AB 8, which defined how that 1% property tax revenue was to be divided among existing agencies: county, cities, county libraries, schools, and special districts on a yearly basis.

The District also receives miscellaneous revenue from fees such as late charges applied to accounts at 10% rate, after hour callouts, and \$5 for each door hanger due to delinquency.

Operating Expenses

These expenses consist mainly of payroll, employment taxes, utilities, insurance, licensing and permits, maintenance, interest expenses, treatment chemicals and depreciation of capital assets.

- **Non-operating Expenses** –Non-operating expenses include interest on long-term debt. The district currently has 3 loans through USDA. See below for details.

Total projected operating expense for Fiscal Year 2023 / 2024 is \$325,942.08 with major operating expenses generally results from Payroll and providing water and wastewater services to our customers.

Capital Improvement Budget Summary

Capital Improvement Upgrades / Replacement / Repair	Grant	23/24 Budget	Water	Sewer	Park
Asphalt For Road Repair Due to water main repairs		\$ 1,500.00	\$ 1,500.00		
Backhoe Packet and Pallet Forks		\$ 2,000.00	\$ 750.00	\$ 750.00	\$ 500.00
Badger Meter (6 Total)		2683.03	2683.08		
Park Addition	\$ 177,952.00	\$ 177,952.00			\$ 177,952.00
Subtotal	\$ 177,952.00	\$ 184,135.03	\$ 4,933.08	\$ 750.00	\$ 178,452.00

Relevant Strategic Plan Objectives: Develop long term equipment upgrades and replacement plan to build and maintain a reliable infrastructure for current and future customers; stay current with legal and regulatory requirements.

Relevant Strategic Plan Vision Elements: Invest in our infrastructure to provide high quality and efficient services * Manage long term costs to protect future affordability.

Depreciation of Assets

Depreciation of assets acquired concurrent with the District's formation and acquired assets is calculated on the value of assets, using estimated lives ranging from 5 to 50 years. List is currently under review and update

(See next 3 pages for Depreciation Summary)

COMPANY # 1560

APP BY Robert W Johnson, CPA

Ball Lake Community Services District
 Depreciation Summary - Book Data

ended 05/31/2020

ASSET	QTY	DATE PL	DEPRECIATION	DEPR. BASIS	SEC 179 EXPENSE	05/31/2020 ACCUM DEPR	05/31/2020 ACCUM DEPR	NET BOOK VALUE
100.0 TRAIN SAW	1	05/01/00	SL	423	0	423	0	0
101.0 CEMENT SAW	4	01/01/06	SL	555	0	555	0	0
102.0 SAPE	10	03/01/07	SL	363	0	363	0	0
103.0 DUMP TRAILER	1/2	03/01/07	SL	2,785	0	2,785	0	0
104.0 BRUSH DOG	1/2	03/01/07	SL	509	0	509	0	0
105.0 TANNON COPIER	1	05/15/10	SL	3,413	0	3,413	0	0
106.0 BACKHOE	1/2	07/15/10	SL-Y	28,954	0	28,954	0	0
107.0 SHOP	1/2	07/15/10	SL-Y	1,143	0	1,143	0	0
108.0 SHOP	1/2	07/15/10	SL-Y	1,250	0	1,250	0	0
109.0 SHOP TRAWL	1	12/01/18	SL-Y				19,701	24,077
13 assets				41,773	0	41,773	19,701	24,077
3: EQUIPMENT								
66: SEWAGE DISPOSAL								
41.0 10" MAIN	50	07/01/79	SL	18,930	0	18,930	0	0
42.0 8" MAIN	50	07/01/79	SL	45,750	0	45,750	0	0
43.0 6" MAIN	50	07/01/79	SL	9,430	0	9,430	0	0
44.0 5" MAIN	7	07/01/79	SL	30,520	0	30,520	0	0
45.0 LATERALS	5	07/01/79	SL	2,000	0	2,000	0	0
46.0 FITTINGS	25	07/01/79	SL	3,000	0	3,000	0	0
47.0 MISC	35	07/01/79	SL	9,000	0	9,000	0	0
48.0 LIFT STATION #	35	07/01/79	SL	15,000	0	15,000	0	0
49.0 MAN HOLES	50	07/01/81	SL-Y	2,740	0	2,740	0	0
50.0 MAN HOLES	50	01/01/92	SL-Y	152,338	0	152,338	0	0
51.0 POND #1	10	12/01/92	SL	295	0	295	0	0
52.0 1000 LB WINCH	10	12/01/92	SL	124	0	124	0	0
53.0 REMOTE W/ WINCH	10	12/01/94	SL	1,425	0	1,425	0	0
54.0 SNAGG CABLE	10	03/01/94	SL	365	0	365	0	0
55.0 PLASTIC FENCE #	5	07/01/90	SL	3,247	0	3,247	0	0
56.0 SEWAGE PUMP	3	07/01/90	SL	3,500	0	3,500	0	0
57.0 SEWER LINE	30	07/01/91	SL	13,812	0	13,812	0	0
58.0 PUMPS	3	07/01/92	SL	2,649	0	2,649	0	0
59.0 SEWAGE PUMP	3	12/01/92	SL	10,380	0	10,380	0	0
60.0 ADDITIONS	5	01/01/93	SL	10,380	245	10,625	245	1,100
61.0 SEWER CONTROLS	30	01/01/93	SL	4,899	0	4,899	0	0
62.0 SEWER PUMP	3	02/01/95	SL	2,649	0	2,649	0	0
63.0 SEWER PUMP	3	03/01/95	SL	3,502	0	3,502	0	0
64.0 SEWER PUMP	3	11/01/97	SL	4,049	0	4,049	0	0
65.0 SEWAGE PUMP & FL	3	02/01/98	SL	4,049	0	4,049	0	0
66.0 SEWAGE PUMP	3	02/01/98	SL	3,243	0	3,243	0	0
67.0 LIFT STATION #	30	07/01/90	SL-Y	139,341	0	139,341	4,611	89,925
68.0 LIFT STATION ADD	30	07/01/90	SL-Y	3,105	0	3,105	104	572
69.0 Pond Project	10	12/15/16	SL-Y	109,185	0	109,185	2,730	99,631
70.0 Genex Camera	10	12/15/16	SL-Y	10,256	0	10,256	513	73,177
71.0 SHOP 11/2	20	12/15/16	SL-Y	82,292	0	82,292	4,616	30,087
72.0 GENERATOR	10	01/01/18	SL-Y	36,105	0	36,105	2,407	9,895
73.0 SHOP	10	01/01/18	SL-Y	158,300	0	158,300	3,959	148,405
74.0 POND	10	01/01/18	SL-Y	265,425	0	265,425	7,594	216,465
75.0 LIFT STATION	15	01/01/18	SL-Y		0		11,376	765,600
32 assets				1,143,962	0	1,143,962	29,340	899,255
66: SEWAGE DISPOSAL								
67: SEWAGE TREATMENT								
75.0 PIPE	50	07/01/79	SL	13,000	0	13,000	260	10,660
76.0 FITTINGS	10	07/01/79	SL	5,700	0	5,700	0	5,700
77.0 TEST WALLS	10	07/01/79	SL	2,500	0	2,500	50	2,050
78.0 MISC	10	07/01/79	SL	4,000	0	4,000	0	4,000
79.0 FENCE	10	07/01/79	SL	15,000	0	15,000	0	15,000
80.0 FENCE	10	07/01/79	SL	15,000	0	15,000	0	15,000
81.0 ROTARY CUTTER	5	03/01/90	SL	3,275	0	3,275	0	339
82.0 SEWER TREATMENT	30	07/01/99	SL	939	0	939	461	11,297
83.0 BARRIAGE LIGHTS	10	07/01/99	SL	13,801	0	13,801	0	170
84.0 TRACTOR W/ SIDL	10	07/01/99	SL	170	0	170	0	2,166
85.0 VENTILATOR	5	07/01/99	SL	2,166	0	2,166	0	791
86.0 METER (CONFR'D)	5	07/01/99	SL	170	0	170	0	2,221
87.0 POND	30	07/01/99	SL	734	0	734	0	0
88.0 GATE VALVE - PON	15	07/01/99	SL	2,721	0	2,721	0	0
89.0 TRASH PUMP	5	07/01/99	SL	150,000	0	150,000	0	120,000
90.0 LETTER TRAILER	15	07/01/99	SL	1,277	0	1,277	0	1,277
91.0 USED ABRATORS	5	07/01/99	SL	1,500	0	1,500	0	1,250
92.0 BUILDING ADDITION	15	06/30/16	SL-Y	1,277	0	1,277	100	8,384
18 assets				239,234	0	239,234	5,925	193,169
67: SEWAGE TREATMENT				1,104,960	0	1,104,960	36,925	834,765
68: SEWER				2,667,705	0	2,667,705	72,925	1,442,010
124 assets								

GRAND TOTALS

ASSET SUMMARY

Assets	Original Cost	Depreciable Basis
Beginning	2,667,705	2,667,705
Additions-Full Cost	0	0
Dispositions	0	0
179 Expense	0	0
Basis Reduction	0	0
Recovery	0	0
Ending	2,667,705	2,667,705

Leavitt Lake Community Services District
Proposed Budget
July 2023 through June 2024

<u>Revenue</u>	<u>Total</u>
* Service Income	\$ 346,345.60
Late Fees	\$ 5,500.00
Property Tax	\$ 12,000.00
Park Rental	\$ 200.00
Total Revenue	\$ 364,045.60

<u>Operational Expenses</u>	
Analysis Expense	\$ 8,343.00
Automobile Expense	\$ 7,500.00
Business Licenses and Permits	\$ 17,500.00
Continued Education	\$ 300.00
* Contracted Services	\$ 7,400.00
Employee Benefits	\$ 8,700.00
Employment Tax Expense	\$ 45,000.00
Equipment Rental	\$ 2,000.00
* Insurance Expenses	\$ 14,000.00
* Interest Expense	\$ 16,018.00
Maintenance and Repairs	\$ 14,500.00
Office Supplies	\$ 2,163.00
Operating Expenses	\$ 2,100.00
Payroll	\$ 125,000.00
Postage and Delivery	\$ 2,500.00
Publishing	\$ 75.00
Telephones	\$ 660.00
Travel Expense	\$ 500.00
Utilities	\$ 35,000.00
Total Operational Expenses	\$ 309,259.00

(+)	Reserves**	\$ 10,000.00
(+)	CAP*	\$ 6,683.08
	Total Expenditures	\$ 325,942.08
(-)	<i>Depreciation</i>	\$ 72,825.00
(=)	Net	\$ (34,721.48)

<u>Capital Improvements (CAP) *</u>	<u>Grant Funds</u>	<u>District Funds</u>
Ashphalt for Road Repair		\$ 2,000.00
Backhoe Packet		\$ 2,000.00
Badger Meters		\$ 2,683.08
Park Addition	\$ 177,952.00	
Total:	\$ 177,952.00	\$ 6,683.08
	GRAND TOTAL:	\$ 184,635.08

<u>Reserves*</u>	<u>District Funds</u>
General Reserve	\$ 1,000.00
Operator Fleet/Pick-Up	\$ 3,000.00
Staff Training	\$ 6,000.00
Total:	\$ 10,000.00

Leavitt Lake Community Services District
Income and Expense Comparison
July 2022 through June 2023

	Projected Year end				Approved Budget	Proposed Budget
	2019-2020	2020-2021	2021-2022	2022-2023	2022-2023	Jul '23 - Jun 24
Ordinary Income/Expense						
Income						
40000 - Service Income						
Door Hanger Fee	0.00		0.00	702.52		700.00
Park Maintenance Fee	0.00		0.00	6,940.41		7,500.00
Sewer Base Rate	0.00		0.00	142,319.81		143,456.84
Sewer Service Income	0.00		0.00	1,218.88		1,200.00
Street Light Income	0.00		0.00	4,569.17		4,500.00
Surcharge	0.00		0.00	7,645.66		30,000.00
Water Service Income	0.00	2,190.13	0.00	121,073.77	285,790.78	132,570.00
Water Usage Rate	0.00		0.00	8,721.69		10,500.00
40000 - Service Income - Other	303,937.93	304,578.77	287,380.66			
Total 40000 - Service Income	303,937.93	306,768.90	287,380.66	293,191.91	285,790.78	346,345.60
42000 - Late Fees	3,796.80	4,280.16	5,455.05	5,784.64	5,400.00	5,500.00
43000 - Property Taxes	7,960.45	13,595.82	14,318.50	12,414.40	14,248.56	12,000.00
44000 - Interest Income	(4.56)	0.01	(0.51)	0.00		
44010 - Other Income-Fees	0.00	(601.57)	0.00	(205.00)		
49900 - Park Rental	0.00	0.00	0.00	20.00		200.00
Total Income	315,692.62	324,043.30	307,153.70	311,186.92	315,439.32	364,045.60
Gross Profit	315,692.62	324,043.30	307,153.70	311,186.92	315,439.32	364,045.60
Expense						
60000 - Analysis Expense	9,401.00	8,514.00	6,383.00	7,093.60	9,000.00	8,343.00
60025 - Automobile Expense	4,603.73	2,365.87	3,282.42	6,885.07	7,200.00	7,500.00
60400 - Bank Service Charges	1,397.79	(212.11)	(44.05)	721.63		
61000 - Business Licenses and Permits	10,301.80	8,196.76	13,310.02	17,838.53		17,500.00
61425 - Continued Education	120.00	401.53	325.00	225.00	600.00	300.00
61430 - Compliance			50.00			
61450 - Contracted Services	110.00			700.00		
Annual Service Contracts			300.00	0.00		
61452 - Engineering	1,265.00		2,160.00	1,250.00	1,820.00	
61454 - Outside Bookkeeping	1,525.00	1,300.00	7,200.00	10,000.00	6,000.00	6,700.00
61456 - Auditor	260.00	2,500.00	7,200.00	10,000.00		
61459 - Outside Services	1,739.00	388.70	247.50	0.00		700.00
61450 - Contracted Services - Other	3,552.01	1,842.91	1,712.65	563.26		
Total 61450 - Contracted Services	10,681.01	6,031.61	11,620.15	12,513.26	7,420.00	7,400.00
62400 - Depreciation Expense	72,825.00	72,396.00	72,003.00	72,003.00		72,825.00
62500 - Dues and Subscriptions	2,942.45	5,040.45	2,292.00	1,314.75	13,200.00	
62505 - Employee Benefits	8,700.00	7,260.00	7,508.08	7,920.00	8,800.00	8,700.00
62510 - Employment Taxes Expense	11,899.89	12,248.86	41,825.97	43,336.16	45,000.00	45,000.00
62515 - Equipment Expense	203.64	7,647.85	4,734.66			
62516 - Badger - Cellular Meter				447.18		
62600 - Equipment Rental	378.54	510.62	97.96	1,662.06		2,000.00
63300 - Insurance Expense	11,402.46	(363.44)	3,223.31	10,942.65	13,200.00	14,000.00
Property/Liability Renewal		9,844.39		10,666.00		
63360 - Workers Comp		2,683.13		2,808.18		
Total 63300 - Insurance Expense		12,164.08		24,416.83	26,212.00	16,018.00
63400 - Interest Expense	17,624.47	17,156.07	16,528.66	16,471.03	26,212.00	16,018.00
63460 - Maintenance and Repair	11,308.54	27,271.93	13,174.19	16,767.72	18,000.00	14,500.00
64700 - Miscellaneous Expense	0.00		0.00	225.00		
64900 - Office Supplies	4,103.35	4,395.96	5,228.12	1,858.26	6,500.00	2,163.00
64950 - Operating Supplies	9,181.75	4,754.27	12,000.99	7,216.00	6,750.00	2,100.00
66000 - Payroll Expenses	140,280.84	138,605.47	118,113.16	122,794.94	108,000.00	125,000.00
66500 - Postage and Delivery	2,695.00	2,200.00	2,144.46	2,505.41		2,500.00
66700 - Professional Fees	0.00		0.00	35.00		
66725 - Publishing	65.00		75.00			75.00
66900 - Reconciliation Discrepancies	378.17	(93.99)	0.00	138.77		
68100 - Telephone - Cell Phone	660.00	660.00	1,311.67	660.00		660.00
68400 - Travel Expense	151.07		261.66	398.22		500.00
68600 - Utilities	25,307.49	30,435.09	37,760.51	34,563.48	31,200.00	35,000.00
Total Expense	356,722.99	368,000.12	373,159.94	329,007.90	311,082.00	325,942.08
	(41,030.37) #	(43,956.82) #	(66,006.24) #	(16,820.98) #	4,357.32 #	38,103.52
					4,357.32 #	(34,721.48)