

**WCSD RESOLUTION 2023.4**

**OPERATING BUDGET FOR FISCAL YEAR 2023-2024**

WHEREAS,

The State of California, Government Code Section 61110 requires that community services districts adopt an annual budget on or before July 1, now therefore

BE IT RESOLVED,

The Board of Directors of the Westhaven Community Services District hereby adopts the attached Operating Budget for Fiscal Year 2022-2023, beginning July 12, 2023.

BE IT FURTHER RESOLVED,

The rates for water service associated with the attached Operating Budget shall become effective with the August 2023 billing cycle.

PASSED, APPROVED, and ADOPTED this 12<sup>th</sup> day of July, 2023 by the following roll call vote:

AYES: Verick, Cline, Llanos, Hankin

NOES: None

ABSTAIN: None

ABSENT: Swisher



William Verick, President  
Westhaven Community Services District

ATTEST:



Christy Chandler, Secretary  
Westhaven Community Services District



WESTHAVEN COMMUNITY SERVICES DISTRICT (#					
ANNUAL OPERATING BUDGET		2022-2023	2023-2024	INCREASE	
Approved July 12, 2023				(DECREASE)	
					Revenue from monthly bills
					Commodity rate expenses (variable operating costs)
					Base rate expenses (fixed operating costs)
					Expenses part commodity, part base
<b>OPERATING REVENUES</b>					<b>NOTES</b>
<b>411.00</b>	<b>WATER SALES</b>	<b>\$ 285,721</b>	<b>\$ 294,564</b>	<b>8,843</b>	
	Base Rate Residential	\$ 169,582	\$ 181,370	11,788	
	Commodity Rate Residential	\$ 113,170	\$ 110,149	(3,021)	Estimated residential income is linked to estimated average bill
411.10	Total Residential	\$ 282,752	\$ 291,518	8,766	229 residential
	Base Rate Business	\$ 1,481	\$ 1,584	103	
	Commodity Rate Business	\$ 988	\$ 962	(26)	
411.20	Total Business	\$ 2,469	\$ 2,546	77	2 Business (+ WVFD - no charge)
411.70	Other water sales	\$ 500	\$ 500	0	Emergency no deliveries last 2 fiscal years
<b>421.00</b>	<b>WATER SERVICES</b>	<b>\$ 3,366</b>	<b>\$ 3,417</b>	<b>51</b>	Total includes Fire & backflow, excludes other water services
421.10	Fire prevention	\$ 741	\$ 792	51	Merryman's fire system - pays base rate only
421.30	Backflow valve testing charges	\$ 2,625	\$ 2,625	0	Equals Backflow Program Expense - Not part of water rates
421.40	Water Service charges				Water service repair / relocation
421.50	Other water services	\$ 2,400	\$ 1,000	(1,400)	Charges for late payment, returned checks, reconnection, etc.
	<b>TOTAL OPERATING REVENUES</b>	<b>\$ 288,587</b>	<b>\$ 297,481</b>	<b>8,894</b>	Total does not include 411.70 & 421.50
	<b>REVENUE PAID TO CAPITAL EXPENSES</b>	<b>\$ 46,402</b>	<b>\$ 20,000</b>	<b>(26,402)</b>	Annual contribution to Capital Reserve. The \$26,402 difference is from the DWR loan that has been paid in full.
	<b>TOTAL OP. REV. AFTER CAP. EXPENSE</b>	<b>\$ 242,185</b>	<b>\$ 277,481</b>	<b>35,296</b>	
<b>OPERATING EXPENSES</b>		<b>COLA 2%</b>	<b>2.2%</b>	<b>0.20%</b>	<b>COLA = 10 yr. running avg. of avg. of COLA &amp; CPI</b>
					40/37.50 Mg/Op - Hrs/Wk- 23/24 Base Wage = 31.68/hr (less 6% for grant admin)
					22.00 Op 1 - hours / week - 23/24 Base Wage = 22.87/hr.
					16.00 Op 2- hours/week 23/24 Base wage = 22.89/hr (14 Operator/2 Clerical per week)
					10.00 Office Asst base wage = 20/hr
					15.00 S/B - hours / week -23/24 Base Wage = 23.96/hr.
<b>REGULAR OPERATING EXPENSES</b>					
<b>SOURCE OF SUPPLY</b>					
511.10	Wages - Operator/GM	\$ 536	\$ 725	\$ 189	1 Mg/Op - apox hours/week
511.20	Wages - 2nd & 3rd Operators	\$ 350	\$ 1,047	\$ 697	1 Op - apox hours/week
<b>511.00</b>	<b>Total wages</b>	<b>\$ 886</b>	<b>\$ 1,771</b>	<b>\$ 885</b>	
512.00	Maintenance, structure, & improvements	\$ 200	\$ 200	\$ -	Historically \$0 spent. Est amount does not include Earthquake Leak Expense
513.00	Purchased water	\$ -	\$ -	\$ -	Emergency water deliveries were accounted for under Transmission & Distribution
	<b>TOTAL SOURCE OF SUPPLY</b>	<b>\$ 1,086</b>	<b>\$ 1,971</b>	<b>\$ 885</b>	
<b>PUMPING</b>					
521.10	Wages - Operator/GM	\$ 536	\$ 1,450	\$ 914	1 Mg/Op - apox hours/week
521.20	Wages - 2nd & 3rd Operators	\$ 2,000	\$ 4,190	\$ 2,190	4 Op -apox hours/week
<b>521.00</b>	<b>Total wages</b>	<b>\$ 2,536</b>	<b>\$ 5,639</b>	<b>\$ 3,103</b>	
522.00	Maint, structure, & improvements	\$ 800	\$ -	\$ (800)	Per income/expense report
523.10	Fuel or power used for pumping - booster	\$ 6,000	\$ 6,200	\$ 200	Includes tank fan and shop storage room dehumidifier
523.20	Fuel or power used for pumping - well	\$ 2,200	\$ 2,500	\$ 300	Per income/expense report
	<b>TOTAL PUMPING</b>	<b>\$ 11,536</b>	<b>\$ 14,339</b>	<b>\$ 2,803</b>	
<b>WATER TREATMENT</b>					
531.10	Wages - Operator/GM	\$ 6,540	\$ 2,899	\$ (3,641)	2 Mg/Op -apox hours/week
531.20	Wages - 2nd & 3rd Operators	\$ 26,930	\$ 21,996	\$ (4,934)	21 Op --apox hours/week
<b>531.00</b>	<b>Total wages</b>	<b>\$ 33,470</b>	<b>\$ 24,896</b>	<b>\$ (8,574)</b>	
532.00	Maint, structure & improvements	\$ 800	\$ 800	\$ -	Per expense reports (sand filter expense excluded???)
533.10	Chemical	\$ 7,000	\$ 10,000	\$ 3,000	Chlorine & Calcite - may increase with new well(s)
533.20	Outside lab expense	\$ 5,000	\$ 7,000	\$ 2,000	North Coast Labs - increased sampling requirements
533.30	Water testing supplies - WCSO	\$ 3,000	\$ 3,000	\$ -	Reagents and Instrument maintenance.
	<b>TOTAL WATER TREATMENT</b>	<b>\$ 49,270</b>	<b>\$ 45,696</b>	<b>\$ (3,574)</b>	
<b>TRANSMISSION &amp; DISTRIBUTION</b>					
541.10	Wages - Operator/GM	\$ 2,100	\$ 4,349	\$ 2,249	3 Mg/Op - apox hours/week
541.20	Wages - 2nd & 3rd Operators	\$ 5,000	\$ 8,380	\$ 3,380	8 Op - apox hours/week
<b>541.00</b>	<b>Total wages</b>	<b>\$ 7,100</b>	<b>\$ 12,729</b>	<b>\$ 5,629</b>	
542.00	Maint, structure, & improvements	\$ 2,000	\$ 2,000	\$ -	Totall reflects normal business with minor leak repairs. FY 22-23 had unprecedented leaks with the following expenses: Vac Trk \$3200; Emergency leak Contractor invoices of \$8345; Leak repair supplies, including inventory for the future, \$2500.
543.00	District Vehicle O&M	\$ 2,000	\$ 2,000	\$ -	Fuel, maintenance, etc.
544.00	Backflow Program Expense	\$ 2,625	\$ 2,625	\$ -	Not part of regular rate calculations - program is self- supporting
	<b>TOTAL TRANSMISSION &amp; DISTRIBUTION</b>	<b>\$ 13,725</b>	<b>\$ 19,354</b>	<b>\$ 5,629</b>	

WESTHAVEN COMMUNITY SERVICES DISTRICT (#					
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<b>CUSTOMER ACCOUNTS</b>					
551.10	Wages - billing	\$ 2,413	\$ 2,193	\$ (220)	2 S/B - apox hours/week
551.20	Wages - cash receipts/clerical support	\$ 2,680	\$ 10,982	\$ 8,302	12 Clerical - apox hours/week
551.30	Wages - meter reading - Operator/GM	\$ 536	\$ -	\$ (536)	0 Mg/Op - apox hours/week
551.40	Wages - meter reading - 2nd/3rd Operator	\$ 2,500	\$ 2,095	\$ (405)	2 Op - apox hours/week
<b>551.00</b>	<b>Total wages</b>	<b>\$ 8,129</b>	<b>\$ 15,270</b>	<b>\$ 7,141</b>	
551.50	Billing Supplies	\$ 1,200	\$ 1,200	\$ -	Per income/expense report
552.00	Uncollectible accounts	\$ -	\$ -	\$ -	
553.00	Customer Leak Adjustments	\$ 2,000	\$ 2,000	\$ -	Based on 10 year average
	<b>TOTAL CUSTOMER ACCOUNTS</b>	<b>\$ 11,329</b>	<b>\$ 18,470</b>	<b>\$ 7,141</b>	
<b>ADMINISTRATIVE &amp; GENERAL</b>					
561.10	Wages - Manager	\$ 37,450	\$ 44,940	\$ 7,490	31 GM - Apox hours/week (Less Grant Admin covered by grants)
561.20	Wages - Clerical	\$ 13,676	\$ 14,253	\$ 577	13 S/B --apox hours/week
<b>561.00</b>	<b>Total wages</b>	<b>\$ 51,126</b>	<b>\$ 59,193</b>	<b>\$ 8,067</b>	
562.10	Office supplies	\$ 1,600	\$ 1,600	\$ -	Per income/expense report
562.20	Office equipment	\$ 750	\$ 750	\$ -	Average over several years.
562.30	Office utilities (phone / electric / internet)	\$ 3,000	\$ 3,000	\$ -	Per income/expense report
562.40	Postage	\$ 1,900	\$ 1,500	\$ (400)	Per income/expense report
562.50	Employee / director education	\$ 350	\$ 350	\$ -	Staff need CPR certification
562.60	Operator certification	\$ 300	\$ 300	\$ -	Estimate 3 new certifications and 1 renewal
562.70	Employee / director mileage reimbursement	\$ 100	\$ 300	\$ 200	Per income/expense report - current rate 0.56 per mile
563.10	Accountant	\$ 8,380	\$ 9,900	\$ 1,520	Annual St Financial Tran Rep & Yr end consulting \$2400. Est 1/2 of upcoming audt \$7,500.
563.20	Legal	\$ 500	\$ 500	\$ -	Default-Historical range from \$0 to \$7,657/yr (93-94) 20-21 lowered to \$1000 from \$1500
563.30	Consultants, Engineering etc.	\$ 350	\$ 350	\$ -	Does not include project expenses
564.00	Property and liability insurance	\$ 5,000	\$ 5,500	\$ 500	SDRMA estimates \$5364 to \$5501
565.10	Wages - Compensated Absences - all employees	\$ 14,517	\$ 16,348	\$ 1,831	Vacation, holiday, sick, etc.
565.20	Payroll Tax Expenses	\$ 9,850	\$ 11,285	\$ 1,435	Current rates
565.30	Workers' Comp. Insurance	\$ 4,240	\$ 5,163	\$ 923	Estimate Per SDRMA
565.40	Employee medical benefits	\$ 23,148	\$ 24,190	\$ 1,042	Manager, 13.58% increase
565.50	Employee retirement benefits	\$ 8,468	\$ 9,813	\$ 1,345	7% contribution to employee SEP IRA
567.00	Rents & leases	\$ 5,400	\$ 5,400	\$ -	Per rental agreement, \$450 per month
568.00	Maintenance-general plant	\$ 1,000	\$ 2,000	\$ 1,000	Per income/expense ( New roof to be paid for out of capital reserve)
569.00	Other admin & general expenses	\$ 6,000	\$ 11,000	\$ 5,000	Per income/expense report -
	<b>TOTAL ADMINISTRATIVE &amp; GENERAL</b>	<b>\$ 145,979</b>	<b>\$ 168,443</b>	<b>\$ 22,464</b>	
	<b>TOTAL REGULAR OPERATING EXPENSE</b>	<b>\$ 232,925</b>	<b>\$ 268,273</b>	<b>\$ 35,348</b>	
<b>OTHER OPERATING EXPENSES</b>					
573.00	Contribution to Operating Reserves	\$ 10,000	\$ 10,000	\$ -	Operating Reserves currently = \$ 37,844. - target is \$68,085 per Financial Procedure Manual
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 242,925</b>	<b>\$ 278,273</b>	<b>\$ 35,348</b>	<b>14.55% Total annual operating revenue required</b>
	<b>OPERATING SURPLUS (DEFICIT)</b>	<b>\$ (741)</b>	<b>\$ (792)</b>	<b>\$ (51)</b>	
	<b>TOTAL FIXED OPERATING EXPENSE</b>	<b>\$ 126,142</b>	<b>\$ 164,538</b>	<b>\$ 38,396</b>	<b>30.44%</b> Expense independent of actual water use
	<b>TOTAL BASE RATE EXPENSE</b>	<b>\$ 172,544</b>	<b>\$ 184,538</b>	<b>\$ 11,994</b>	<b>6.95%</b> Fixed operating expense, including \$20,000 contribution to Capital reserve
	<b>TOTAL COMMODITY RATE EXPENSE</b>	<b>\$ 114,158</b>	<b>\$ 111,111</b>	<b>\$ (3,047)</b>	<b>-2.67%</b> Variable operating expense = Commodity Rate expense
	<b>TOTAL EXPENSE TO CUSTOMERS</b>	<b>\$ 286,702</b>	<b>\$ 295,648</b>	<b>\$ 8,946</b>	<b>3.12%</b> Equals Total Operating Expense
	<b>MONTHLY BASE RATE</b>	<b>\$ 61.71</b>	<b>\$ 66.00</b>	<b>\$ 4.29</b>	<b>6.95%</b> Total Base Rate expense per month per customer
	<b>COMMODITY RATE CHARGE PER K GAL.</b>	<b>\$ 15.99</b>	<b>\$ 17.09</b>	<b>\$ 1.10</b>	<b>6.90%</b>
	<b>AVG. MONTHLY COMMODITY EXPENSE</b>	<b>\$ 46.41</b>	<b>\$ 45.17</b>	<b>\$ (1.24)</b>	<b>-2.68%</b> Total Commodity Rate exp per mo. per cust (233 active meters only)
	<b>AVERAGE MONTHLY BILL</b>	<b>\$ 108.12</b>	<b>\$ 111.17</b>	<b>\$ 3.05</b>	<b>2.82%</b> <b>AVERAGE OF ACTIVE ACCOUNTS ONLY</b>
	<b>PROJECTED ANNUAL GALLONS SOLD</b>	<b>7,137,300</b>	<b>6,500,000</b>	<b>-637300</b>	<b>-8.93%</b> <b>Projected gallons sold vs actual gallons over 10 years</b>