

Las Gallinas Valley Sanitary District

Preliminary Budget 2016-17

Revenue

Operating Revenue

The District is in the second year of a five year rate increase based on the capital outlay plan adopted by the Board in June 2015. The rate used in preparing the budget is from the preliminary calculations for the user charge for 2016-17 based on the water usage data provided by Marin Municipal Water District for summer 2015 and winter 2016. In order to meet projected revenue requirements, the sanitary sewer rate will be the maximum amount of \$835, an increase of \$101 from the prior year. The anticipated increase was \$85, from \$734 to \$819, however due to a decrease in sanitary units from the planned number of 15,800 to 15,500, the amount per sanitary unit increased. When the rate increase plan was approved in June 2015, a drought adjustment of 5% and 10% was provided for in case conservation efforts resulted in reduced flows and necessitated a higher per sanitary unit charge.

Educational Revenue Augmentation Funds (ERAF) are determined by state statute. Special districts are allocated a certain amount of property tax revenues; however a portion is shifted from counties, cities, special districts, and redevelopment agencies to K-12 schools and community colleges. The District is subject to ERAF I and II tax shifts, which are specified by the State, using population and other factors and are adjusted yearly per the incremental growth rate in assessed property tax values. Staff has budgeted \$295,000 based on projected 2015-16 receipts; this is an increase from the 2015-16 budget of \$2,000.

Recycled water revenue is the estimated cost of providing water to North Marin Water District based on the projected costs for 2017.

The Private Sewer Lateral Assistance program began in July 2012; the budget reflects the projected repayments for 2017.

Franchise fees, permits and application fees, bank interest, supplemental property taxes, and Home Owner Property Tax Relief funds are projected to remain the same which is consistent with prior year budgets.

Interest on reserves, which are invested in the Bank of Marin and the Local Agency Investment Fund with the State of California, are expected to continue to yield low rates. As the District has built up cash for construction projects, the earnings have increase; however with the Secondary Treatment Plant and Recycled Water Upgrade and Recycled Water projects are under design, staff expects reserves to be drawn down.

Miscellaneous revenue is comprised of insurance policy dividends; staff is projecting a \$5,000 increase in 2017 from the projected actual for 2016.

Funds in excess of the amount needed to fund the Operating and Maintenance and Debt Service budgets are transferred to General Construction.

Las Gallinas Valley Sanitary District

Preliminary Budget 2016-17

Capacity Related Revenue

Activity for second units has increased from prior years but larger projects are proceeding slowly. Since the District is substantially built out and the pace of development is difficult to predict, staff is not budgeting any connection fees for 2017. The interest income for this category is for existing funds on deposit, which may be expended by June 30, 2017.

General Construction Revenue

Secured property taxes are calculated based on the value of real property, land and personal property, such as structures, located upon real property. Secured property is taxed at a general rate of 1% of the assessed value. Property taxes projections for 2016 are expected to be higher than budgeted and for 2017 are projected to remain consistent with 2016 levels.

Operating Transfer In consists of funds in excess of the amount needed to fund the Operating and Maintenance and Debt Service budgets.

Other Sources of Funds

The District has submitted the loan application to fund the Treatment Plant Secondary Process Upgrade (project 12600-02), the Administration Building Improvement (project 12100-01); planning for the Miller Creek maintenance project is underway (project 11500-09).

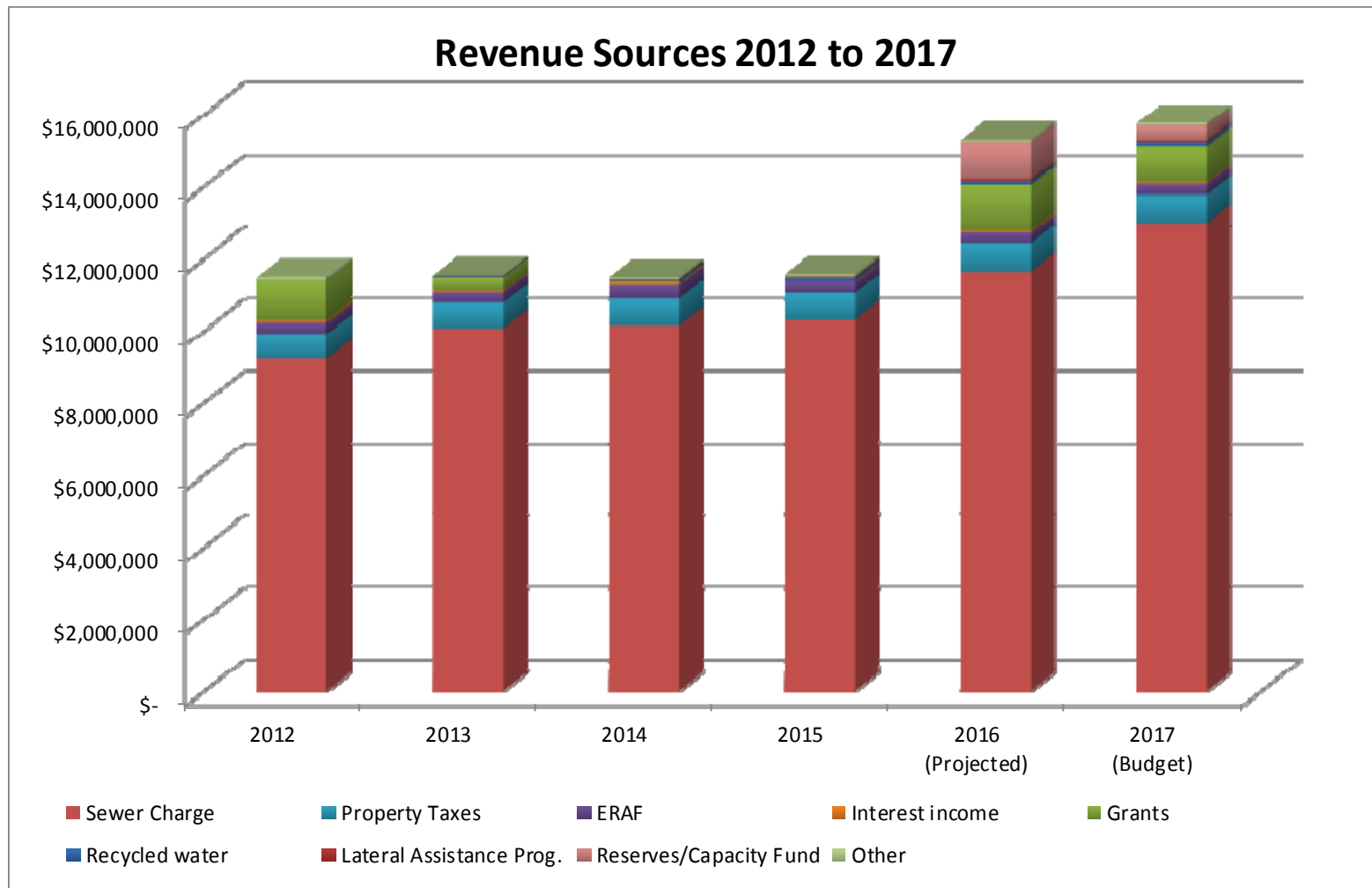
Utilization of Prior Year Reserves

Staff has budgeted \$364,815 of prior year operating reserves to cover costs for the 2016/17 year.

The District collects a special assessment from the property owners in Captains Cove to fund operations, maintenance and capital outlay that benefit this development. Staff is planning the Pump Station Alarm Upgrades (project 17350-04) for 2017 and will transfer funds held in reserve to pay for the project.

The following is a graph showing the composition of District revenues for the past five fiscal years plus the budget for 2017:

Las Gallinas Valley Sanitary District Preliminary Budget 2016-17



Las Gallinas Valley Sanitary District

Preliminary Budget 2016-17

Operating and Maintenance Expenses

Employee Expenses:

Regular staff salaries are based on 2016 projected wages with the maximum 3.25% increase per the Memorandum of Understanding. The additional increase reflects a full year of staffing for 2017; during 2016 several positions were vacant for several months. Scheduled step changes have been applied where appropriate.

Contract personnel and Extra hire costs are budgeted based on 2017 not having long-term vacancies.

Overtime is estimated based on prior year trends.

Vacation and sick accrual is also estimated based on the prior three years trend; however it is difficult to predict how much time staff will accumulate rather than use.

Stand by time is based on projected wages, the regular rotation of personnel on duty, and additional staff who are on call during storm events.

Director salaries are projected based on the 2015 and 2016 amounts with the maximum 5% increase. Board members have received the same per meeting compensation since 2008.

Director benefits are based on the maximum allowance of \$200 per month per eligible director.

Social security tax is 7.65% of covered wages for all employees.

Group life insurance and long term disability insurance are projected from 2016 amounts with adjustments for changes in census data.

CalPERS contributions are projected from regular wages with the anticipated employer contribution rate for 2017 and increased staff cost participation of 0.75% and 1%, depending on membership date. Some newly hired employees are covered by the retirement tier created in 2013 resulting in lower retirement contributions by the District.

Health insurance is projected based on the known rates for July through December 2016 with application of the average rate increase from 2009-2016 of 8% to January through June 2017. This is higher than the health care trend rate of 6.4%. Other Post-Employment Benefits are retiree health benefits for prior and current employees and is based on the actuarial valuation for the post-employment benefits dated January 1, 2015.

Dental insurance is paid through a self-insured plan and is based on actual claims made. Since claim expenses vary from person to person and from year to year, the budget is based on the average of the prior three years.

Vision insurance is a set amount.

Auto allowance and commute stipend are based on the know amounts for covered staff.

Las Gallinas Valley Sanitary District

Preliminary Budget 2016-17

Insurance:

Workers compensation insurance is based on projected wages for 2017 with a 5% rate increase and the application of an 89% mod factor. The mod factor is applied to rates to adjust for an employer's claim history in relation to the pool in total.

Unemployment insurance is paid based on claims made and the District has historically budgeted \$5,000.

Pooled liability insurance includes general liability and mobile equipment. These are billed separately with the general liability insurance premium period on the calendar year and the mobile equipment on the fiscal year. The liability insurance is the larger premium for which half of the years cost is known based on the current billing. For both policies an overall 3.8% increase has been budgeted to be conservative.

Fidelity bond for the cost of commercial crime insurance coverage is based on prior years.

Repairs and Maintenance:

Vehicle parts and maintenance is based on 2016 year to date results with adjustments for projected activity during the remainder of the fiscal year.

Building maintenance consists of quarterly HVAC service and other routine maintenance.

Grounds maintenance is budgeted based on projected activity for 2017; the staff position was vacant for part of 2016 resulting in less activity during the summer and fall.

Power generation maintenance and repairs consists of work performed on the photo voltaic system and the co-gen plant. There were warranty issues with the photo voltaic system for 2015 which have not occurred in 2016 and with the construction during 2016 of the new Biogas Recovery System the quarterly co-gen maintenance was not performed.

Equipment maintenance and repair is expected to be lower for 2017 on an overall basis. The amounts for Captains Cove and Marin Lagoon are from the budgets for those developments.

Capital repairs/replacements consist of items that are long-lived or life extending in nature but are not budgeted for in the capital budget. They are either items that are capital in nature but the replacement/repair is not anticipated as part of the initial capital outlay budget or items such as small pumps and equipment with a cost under the \$5,000 capitalization threshold.

Other Operating Expenses:

Chemical costs are estimated based on past usage and expenditures.

Pollution prevention program is contracted with Central Marin Sanitary Agency. The budget is based on their budget adjusted for actual results in prior years.

Las Gallinas Valley Sanitary District

Preliminary Budget 2016-17

Lab contract services are budgeted lower than 2016 based on current year expenditures for the treatment plant and the recycled water facility.

Small tools are budgeted based on needed items and prior year expenditures for each individual department.

Outside services consist of the cost of pagers, answering service, alarm system monitoring, security patrol, pre-employment screening, and portable restrooms in the reclamation area. This cost in addition to janitorial and uniform service is projected for 2017 based on current year costs.

Aquatic review is conducted twice a year by contract. During 2016 additional work was performed due to the algae bloom in reclamation.

Damage claims are budgeted based on the maximum deductible for one sewer overflow claim for the year.

Sludge Disposal is the cost for injecting digested biosolids in the District's dedicated disposal site. The amount is based on the projected cost for 2016. The District solicits for bids for this service each June.

Regulatory consultant budget is based on a proposal for 2017. The cost is lower primarily because the NPDES permit special studies will taper down.

Engineering consultant is an estimate by staff based on 2016 activity. Some of this cost is reimbursed by project owners who apply for capacity.

Consultants include costs for updating the strategic plan, implementing the Canada goose management plan, and labor relations. The cost for 2017 is expected to be less than prior years since sewer rate methodology and connection fee studies are not planned.

General operating supplies are budgeted by department based on prior year trends.

Utility power is primarily for the pump stations which are not served by the photovoltaic systems. In the prior year, the District received a large refund from Marin Clean Energy for excess power generation; to be conservative this has not been budgeted for 2017.

Telephone and water are budgeted based on 2016 costs.

Fuel and oil budget is based on a three year average since fuel costs have decreased substantially in 2016 but have been volatile in the past. There is minimal oil use projected for the recycled water plant.

Safety equipment and supplies and safety services are budgeted based on a proposal for 2017 after adjustment of unusual, one-time costs and the addition of the electronic database for the Material Safety Data Sheets (MSDS).

Lateral rehab assistance program is budgeted based on the amount in the 2017 rate plus reinvestment of the projected repayments from existing agreements.

Las Gallinas Valley Sanitary District

Preliminary Budget 2016-17

General and Administrative:

Conferences and mileage/travel are budgeted based on 2016 activity with an increase for additional staff attending technical conferences.

Office supplies and expense is budgeted based on annualizing 2016 activity.

Computer support and supplies includes annual software renewals, the replacement of computers as needed and outside computer network support.

User charge collection fee is charged by the County of Marin for collecting the property taxes and user charges on the tax rolls. Staff is projecting the amount based on 2016 rates.

Publications and legal ads are for contract/public bidding advertising, chemical procurement, public hearings, and recruiting.

Public education and outreach is for the joint efforts with other Marin County sewage treatment agencies, web site maintenance, special mailings and for the District's newsletter and annual sewer rate change mailings.

Taxes, other is the annual LAFCO charge and is based on the projected 2017 charge.

Memberships and permits are based on the 2016 costs with an increase for some permits.

Fines are budgeted based on known violations which are not charged for several months after the event.

Rents and leases for administration are costs for the lease of the postage machine, off-site records storage, railroad easements and copiers. Rents and leases for pumpstations are for portable stand by generators for storm events.

Legal expense is projected to decrease from 2016 activity due to a reduction in personnel legal counsel.

Audit expense is based on the proposal accepted by the Board in 2012 for a five year agreement.

Employee recognition is based on 2016 activity.

Employee training and education includes the cost for the District to participate in the Liebert Cassidy Whitmore employment relations consortium and other offsite training. The District expects to continue to send staff for training in 2017.

Operating reserves are budgeted based on the target balance established in 2009 and increase each year by 5%. Captains Cove and Marin Lagoon reserves are the excess of special assessments over projected operations, maintenance and capital expenditures which are collected for these developments.

Las Gallinas Valley Sanitary District

Preliminary Budget 2016-17

Debt Service

The District has four issuances of debt outstanding. They are as follows:

- Certificates of Participation (COP) with an original principal amount of \$10,000,000, which were issued in 2005, and have annual principal and interest payments through December 2025. The District refinanced them at a reduced interest rate of 3.3% which will save interest over the remaining life and will result in lower annual payments. The principal balance remaining is projected to be \$6,003,800 as of July 1, 2016.
- State Revolving Fund Loan (SRF) was a construction loan which originated in 2010 and was completely drawn down in 2012. The original principal amount was \$4,314,750 with annual principal and interest payments through June 2032. The interest rate is 2.7%. The principal balance remaining is projected to be \$3,669,387 as of July 1, 2016.
- Bank of Marin Loan which originated in 2011 with a principal amount of \$4,600,000. Monthly principal and interest payments are due through June 2031. The interest rate is 3.88%. The principal balance remaining is projected to be \$3,764,194 as of July 1, 2016.
- Bank of Marin Loan which originated in 2012 with a principal amount of \$2,000,000. Monthly principal and interest payments are due through August 2022. The interest rate is 3.25%. The principal balance remaining is projected to be \$1,311,648 as of July 1, 2016.

A new debt issuance is planned for 2016 to fund the Treatment Plant Secondary Process Upgrade (\$32,407,000), the Miller Creek Maintenance (\$1,200,000), and the Administration Building Improvement (\$1,000,000). The debt service for 2017 is based on collecting debt reserve funds required for a State Revolving Fund loan, at 4% with a 20 year repayment term, for which an application has been prepared by staff. The actual loan amount and interest rate will not be known for several months.

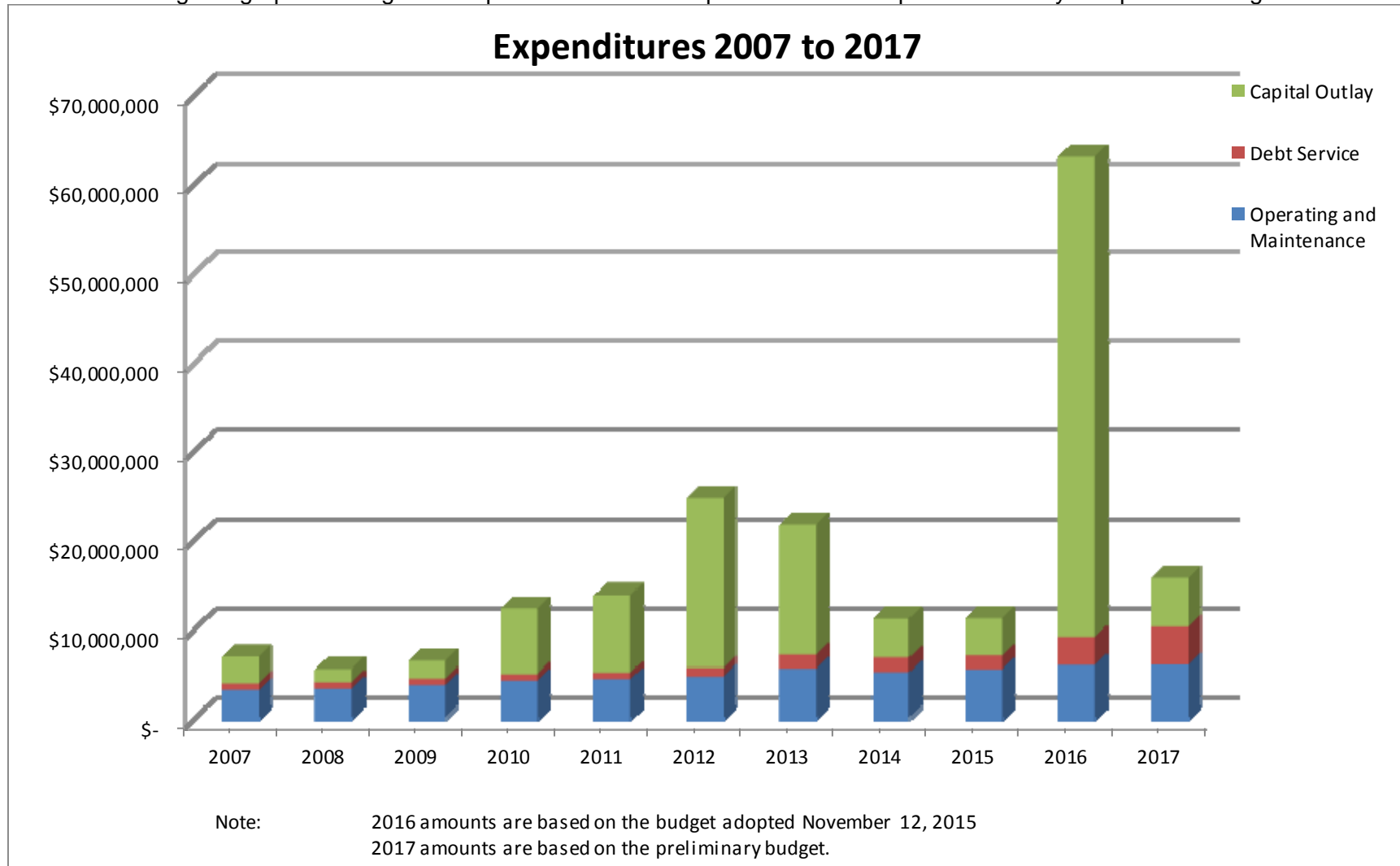
Capital Outlay

The Capital Outlay budget contains projects specifically identified in the Five Year plan for 2015/2016 through 2019/2020 plus miscellaneous capital needs that change yearly. See the separate Capital Outlay Budget for the list of projects and summary descriptions.

s:\accounting\budget\2016-17 budget\preliminary budget memo updated 2016-17 06 09 2016.docx

Las Gallinas Valley Sanitary District Preliminary Budget 2016-17

The following is a graph showing the composition of District expenditures for the past five fiscal years plus the budget for 2017.



**LAS GALLINAS VALLEY SANITARY DISTRICT
2016-17 REVENUE BUDGET
ADOPTED JUNE 9, 2016**

Revenue Description	2014-15 Final Actual	2015-16 Revised Budget	2015-16 Projected Actual	2016-17 Preliminary Budget
OPERATING REVENUE				
User Charges	\$ 10,311,215	\$ 11,614,992	\$ 11,646,499	\$ 12,989,000
Educational Revenue Augmentation Fund	307,862	293,000	297,820	295,000
Recycled Water	120,037	102,000	95,000	106,913
Franchise Fees	25,000	25,000	25,000	25,000
Inspection/Permits/Application Fee	1,824	5,000	6,000	5,500
Interest	632	400	400	400
Interest on Reserves	44,962	39,000	50,000	45,000
Suppl. Property Tax Assess.	11,021	17,000	12,000	12,000
Homeowner Property Tax Relief	4,521	4,000	4,000	4,000
Private Sewer Lateral Assistance Program	29,516	35,000	55,000	50,000
Miscellaneous Revenue	19,617	30,000	15,000	20,000
Sale of Assets	1,117	-	-	5,000
Operating Transfer Out	-	(3,238,884)	(3,238,884)	(3,290,995)
Total Operating Revenue	<u>10,877,324</u>	<u>8,926,509</u>	<u>8,967,835</u>	<u>10,266,817</u>
CAPACITY RELATED REVENUE				
Annex and Connection Fees	37,370	-	-	-
Interest	959	900	900	500
Total Capacity Related Revenue	<u>38,329</u>	<u>900</u>	<u>900</u>	<u>500</u>
GENERAL CONSTRUCTION REVENUE				
Property Tax	767,999	735,000	780,356	780,000
Operating Transfer In	-	3,238,884	3,238,884	3,290,995
Rate Stabilization Fund	-	-	-	-
	<u>767,999</u>	<u>3,973,884</u>	<u>4,019,240</u>	<u>4,070,995</u>
OTHER SOURCES OF FUNDS				
Loan	-	37,607,000	-	1,000,000
Federal Grant	-	1,000,000	-	-
State Grant	34,900	1,280,583	1,280,583	-
	<u>34,900</u>	<u>39,887,583</u>	<u>1,280,583</u>	<u>1,000,000</u>
UTILIZATION OF PRIOR YEAR RESERVES				
Reserves	-	366,256	366,256	386,369
Private Sewer Lateral Assistance Funds	-	215,676	215,676	-
Prior Year Capital Project Carryover	2,942,797	8,905,902	8,905,902	-
Captains Cove Reserve Fund	-	-	-	30,000
Capacity Fund	-	664,305	664,305	-
	<u>2,942,797</u>	<u>10,152,139</u>	<u>10,152,139</u>	<u>416,369</u>
TOTAL REVENUES	<u>\$ 14,661,349</u>	<u>\$ 62,941,014</u>	<u>\$ 24,420,697</u>	<u>\$ 15,754,682</u>

**LAS GALLINAS VALLEY SANITARY DISTRICT
2016-17 OPERATING AND MAINTENANCE EXPENSE
APPROVED JUNE 9, 2016**

Expense Description	2014-15 Total Actual	2015-16 Revised Budget	2015-16 Year to Date 3/31/2016	2016-17 Preliminary Budget
Regular Staff Salaries				
100 Administration	\$ 499,137	\$ 539,000	\$ 398,780	\$ 571,000
125 Engineering	288,016	312,000	221,645	344,000
200 Collection	409,999	408,770	307,083	439,589
350 Captain's Cove	1,848	2,130	1,552	3,011
360 Marin Lagoon	3,525	4,100	3,010	6,400
400 Lab	183,625	193,000	111,284	175,000
600 Treatment Plant	547,871	679,000	459,657	788,000
650 Recycled Water	21,911	25,000	18,493	25,000
Extra Hire	-	-	-	-
Contract Personnel	14,396	10,000	988	2,000
Over Time				
100 Administration	9,526	6,000	7,005	10,800
125 Engineering	1,732	1,500	1,181	3,000
200 Collection	9,025	4,000	8,925	12,000
300 Pump Stations	336	-	-	-
350 Captain's Cove	110	-	253	-
360 Marin Lagoon	-	-	501	-
400 Lab	8,550	4,500	2,979	4,800
500 Reclamation	-	-	-	-
600 Treatment Plant	30,250	30,000	33,569	30,000
650 Recycled Water	1,832	2,000	2,467	3,000
Vacation and Sick Accrual				
100 Administration	15,906	7,000	11,566	8,500
125 Engineering	499	7,500	647	5,500
200 Collection	6,921	15,000	16,914	12,500
400 Lab	3,186	5,000	1,841	3,800
600 Treatment Plant	51,314	20,000	9,052	17,700
Stand By				
200 Collection	26,942	26,000	20,913	28,000
400 Lab	971	1,000	951	1,000
600 Treatment Plant	34,705	33,000	29,668	38,000
Directors Salary	49,276	55,000	34,367	55,000
Directors Benefits	6,513	7,200	7,200	9,600
Social Security				
100 Administration	31,700	33,000	22,614	34,000
125 Engineering	19,511	21,000	13,833	22,000

**LAS GALLINAS VALLEY SANITARY DISTRICT
2016-17 OPERATING AND MAINTENANCE EXPENSE
APPROVED JUNE 9, 2016**

Expense Description	2014-15 Total Actual	2015-16 Revised Budget	2015-16 Year to Date 3/31/2016	2016-17 Preliminary Budget
150 Directors	3,770	4,200	2,629	4,175
200 Collection	30,533	34,520	27,585	38,280
350 Captain's Cove	863	170	-	230
360 Marin Lagoon	1,641	310	-	490
400 Lab	12,924	15,000	9,165	14,000
600 Treatment Plant	41,686	55,000	40,985	64,088
650 Recycled Water	12,831	3,000	-	1,913
Group Life Insurance				
100 Administration	1,112	1,176	784	1,176
125 Engineering	600	606	376	605
200 Collection	1,405	1,236	829	1,266
400 Lab	154	162	118	204
600 Treatment Plant	1,207	1,374	871	1,608
PERS				
100 Administration	88,663	85,000	55,330	91,466
125 Engineering	48,979	49,500	24,643	47,818
200 Collection	72,706	71,000	38,851	79,550
400 Lab	30,015	25,000	9,858	10,000
600 Treatment Plant	90,015	111,000	54,151	128,561
900 Other	-	-	66,344	
Health Insurance				
100 Administration	66,888	70,500	52,635	76,005
125 Engineering	41,315	44,000	28,238	42,850
200 Collection	66,429	82,000	57,186	85,750
400 Lab	28,506	35,000	21,590	30,000
600 Treatment Plant	96,438	120,000	58,665	97,700
900 Other Post-Employment Benefits	85,501	115,361	85,905	136,663
900 Retirees	93,236	96,500	74,383	83,010
Dental Insurance				
100 Administration	5,909	4,500	2,033	4,200
125 Engineering	2,433	2,400	1,895	1,700
200 Collection	4,855	8,000	4,482	5,300
400 Lab	3,387	1,800	1,245	2,400
600 Treatment Plant	4,348	6,900	5,177	6,300
Vision Insurance				
100 Administration	448	490	355	465
125 Engineering	347	370	223	350
200 Collection	565	610	444	580
400 Lab	232	245	140	235

**LAS GALLINAS VALLEY SANITARY DISTRICT
2016-17 OPERATING AND MAINTENANCE EXPENSE
APPROVED JUNE 9, 2016**

Expense Description	2014-15 Total Actual	2015-16 Revised Budget	2015-16 Year to Date 3/31/2016	2016-17 Preliminary Budget
600 Treatment Plant	710	730	554	815
Long Term Disability				
100 Administration	3,523	4,600	3,068	4,800
125 Engineering	2,237	2,870	1,605	3,040
200 Collection	3,110	3,900	2,595	4,390
400 Lab	1,126	1,800	775	1,600
600 Treatment Plant	4,522	6,600	3,580	7,450
Auto Allowance	7,954	7,200	5,618	10,800
Commute Stipend	-	-	3,577	33,000
Payroll Processing	<u>8,173</u>	<u>8,000</u>	<u>7,193</u>	<u>9,000</u>
Total Employee Expense	<u>3,250,429</u>	<u>3,534,330</u>	<u>2,504,618</u>	<u>3,787,032</u>
Workers' Comp Insurance	57,337	60,000	35,303	55,000
Unemployment Insurance	-	5,000	-	5,000
Pooled Liability Insurance	99,678	106,000	73,259	110,000
Fidelity Bond	<u>1,232</u>	<u>1,250</u>	<u>924</u>	<u>1,250</u>
Total Insurance Expense	<u>158,247</u>	<u>172,250</u>	<u>109,486</u>	<u>171,250</u>
Vehicle Parts & Maintenance				
100 Administration	6,438	3,000	1,784	3,000
125 Engineering	3,057	2,000	695	1,000
200 Collection	29,496	35,000	17,950	30,000
400 Lab	-	500	497	500
600 Treatment Plant	5,392	5,000	3,987	2,500
Building maintenance	15,340	10,000	8,303	10,000
Grounds Maintenance	3,582	5,000	1,017	5,000
Power Generation Maintenance & Repair				
500 Reclamation	19,257	6,000	2,457	6,000
600 Treatment Plant	12,292	8,000	1,956	2,000
Equipment Maintenance				
100 Administration	125	500	200	500
125 Engineering	-	500	-	500
200 Collection	3,070	1,000	248	1,000
300 Pump Stations	20,105	25,000	18,705	25,000

**LAS GALLINAS VALLEY SANITARY DISTRICT
2016-17 OPERATING AND MAINTENANCE EXPENSE
APPROVED JUNE 9, 2016**

Expense Description	2014-15 Total Actual	2015-16 Revised Budget	2015-16 Year to Date 3/31/2016	2016-17 Preliminary Budget
400 Lab	552	500	638	500
500 Reclamation	324	1,000	-	1,000
600 Treatment Plant	21,216	17,000	11,356	17,000
650 Recycled Water Plant	12,785	17,000	2,070	3,000
Equipment Repair				
100 Administration	3,610	500	-	500
125 Engineering	-	500	-	500
200 Collection system	5,506	5,000	3,541	5,000
300 Pump Stations	11,446	15,000	23,420	20,000
350 Captain's Cove	152	2,000	-	2,000
360 Marin Lagoon	3,149	5,797	-	3,300
400 Lab	883	1,000	2,395	2,000
500 Reclamation	5,210	6,000	118	3,000
600 Treatment Plant	45,466	60,000	30,697	50,000
650 Recycled Water	13,672	14,000	1,430	3,000
Capital Repairs/Replacements				
100 Administration	-	-	-	-
125 Engineering	-	-	-	-
200 Collection system	4,433	10,000	5,781	10,000
300 Pump Stations	37,469	30,000	25,195	30,000
350 Captain's Cove	-	-	-	-
360 Marin Lagoon	-	11,420	-	-
400 Lab	-	2,000	-	-
500 Reclamation	-	10,000	982	5,000
600 Treatment Plant	56,476	50,000	22,281	40,000
650 Recycled Water	30,988	2,000	25,560	25,000
Total Repairs and Maintenance	<u>371,491</u>	<u>362,217</u>	<u>213,263</u>	<u>307,800</u>
Hypochlorite				
600 Plant	43,370	50,000	38,192	50,000
650 Recycled Water	578	1,000	280	1,000
Bisulfite	28,895	32,000	31,291	35,000
Miscellaneous Chemicals				
600 Plant	37,019	45,000	47,363	42,000
650 Recycled Water	8,291	5,000	8,611	12,000
Pollution Prevention Program				
200 Collection	11,240	12,000	8,188	12,000
600 Plant	7,541	6,800	2,988	4,000

**LAS GALLINAS VALLEY SANITARY DISTRICT
2016-17 OPERATING AND MAINTENANCE EXPENSE
APPROVED JUNE 9, 2016**

Expense Description	2014-15 Total Actual	2015-16 Revised Budget	2015-16 Year to Date 3/31/2016	2016-17 Preliminary Budget
Lab Contract Services				
400 Lab	51,076	50,000	23,678	35,000
650 Recycled Water	4,606	7,000	3,330	7,000
Special Monitoring/Pilot Testing	(4,134)	-	-	-
Small Tools				
125 Engineering	60	500	17	500
200 Collection	712	1,000	137	6,000
300 Pump Stations	-	-	-	-
400 Lab	-	-	-	-
600 Treatment Plant	2,467	2,000	1,798	2,000
650 Recycled Water	123	500	22	100
Outside Services	32,916	19,000	13,473	17,000
Janitorial	8,788	8,000	7,461	9,500
Aquatic Review	1,828	3,600	5,197	3,600
Uniform Service	4,073	4,500	4,307	6,000
Damage Claim	10,000	10,000	5,867	10,000
Sludge Disposal				
600 Treatment Plant	41,555	46,000	20,000	45,000
650 Recycled Water	-	2,000	-	2,000
Regulatory Consultant				
600 Treatment Plant	148,681	157,400	117,042	152,500
650 Recycled Water	10,181	11,600	7,544	11,900
Engineering Consultant	8,623	11,000	2,390	8,000
Consultants	64,463	50,000	22,392	40,000
General Operating Supplies				
100 Administrative	4,789	4,000	5,270	5,000
125 Engineering	848	1,000	161	1,000
150 Board	4,568	3,500	3,325	3,400
200 Collection	1,846	2,000	1,552	2,500
300 Pump Stations	924	1,500	840	1,000
400 Lab	16,356	20,000	18,489	22,000
500 Reclamation	250	750	1,337	750
600 Treatment Plant	18,374	20,000	9,736	15,000
650 Recycled Water	542	1,500	518	1,000

**LAS GALLINAS VALLEY SANITARY DISTRICT
2016-17 OPERATING AND MAINTENANCE EXPENSE
APPROVED JUNE 9, 2016**

Expense Description	2014-15 Total Actual	2015-16 Revised Budget	2015-16 Year to Date 3/31/2016	2016-17 Preliminary Budget
Utility Power				
300 Pump Stations	48,846	53,000	47,920	56,000
350 Captain's Cove	1,910	2,300	1,805	2,500
360 Marin Lagoon	4,032	4,223	3,897	5,420
500 Reclamation	583	250	1,465	-
600 Treatment Plant	(28,536)	10,000	(1,208)	-
650 Recycled Water	8,567	10,000	5,316	10,000
Telephone				
100 Administration	12,312	10,000	10,113	12,000
125 Engineering	1,840	1,700	1,973	2,400
150 Board	38	200	-	200
200 Collection	2,652	2,500	2,219	3,000
300 Pump Stations	4,100	4,100	2,827	3,500
350 Captain's Cove	3,725	3,300	2,739	3,500
400 Lab	690	900	473	800
600 Treatment Plant	6,172	6,500	4,563	6,200
Water	6,053	7,000	2,693	3,000
Fuel & Oil				
900 General	29,549	35,000	15,117	25,000
650 Recycled Water	-	1,000	-	1,000
Safety Equipment & Supplies	28,358	22,000	18,845	25,000
Safety Services	29,440	25,920	19,440	29,160
Lateral Rehabilitation Assistance Program	172,808	335,676	245,527	176,300
Conferences				
150 Board	18,734	17,500	22,818	25,000
900 General Staff	35,394	23,000	21,000	35,000
Mileage and Travel				
150 Board	-	-	-	50
900 General Staff	1,453	1,500	992	1,000
Election Expense	-	1,000	250	-
Office Supplies and Expense	22,145	18,000	12,015	18,000
Computer Support and Supplies	56,349	30,000	23,992	33,000
Bank Charges	180	-	(10)	-
User Charge Collection Fee	31,175	33,000	19,992	32,000

**LAS GALLINAS VALLEY SANITARY DISTRICT
2016-17 OPERATING AND MAINTENANCE EXPENSE
APPROVED JUNE 9, 2016**

Expense Description	2014-15 Total Actual	2015-16 Revised Budget	2015-16 Year to Date 3/31/2016	2016-17 Preliminary Budget
Publication and Legal Ads	20,821	12,000	7,588	16,000
Public Education and Outreach	77,674	75,000	35,742	70,000
Taxes, Other	5,737	7,000	4,896	7,000
Memberships	39,930	41,000	31,970	44,000
Permits				
200 Collection	490	500	490	500
300 Pump Stations	3,478	1,000	2,390	1,000
400 Laboratory	2,359	2,400	1,376	2,000
600 Treatment Plant	30,671	40,000	27,774	40,000
650 Recycled Water	-	-	-	-
900 General	6,434	2,000	1,526	2,000
Fines	-	-	6,000	6,000
Rents and Leases				
100 Administration	13,484	10,000	10,340	14,000
300 Pump Stations	23,597	10,000	13,987	10,000
600 Treatment Plant	1,455	1,000	1,023	2,000
Legal Expense	143,218	115,000	83,918	100,000
Audit	23,200	25,000	31,533	28,000
Employee Recognition	4,077	4,500	2,509	4,500
Employee Training and Education	20,125	20,000	17,664	22,000
Interest Expense - General	-	-	-	-
Miscellaneous expense	19	1,000	-	1,000
Reserves				
100 Operating	255,250	268,013	147,407	282,721
350 Captains Cove	-	-	-	4,759
360 Marin Lagoon	-	-	-	40,360
OPERATING EXPENSE TOTALS	<u>\$ 5,522,204</u>	<u>\$ 5,953,929</u>	<u>\$ 4,155,069</u>	<u>\$ 6,036,701</u>

100 Administration 125 Engineering 200 Collection System 300 Pump Station 350 Captains Cove
360 Marin Lagoon Laboratory 400 600 Treatment Plant 900 Other / General

**LAS GALLINAS VALLEY SANITARY DISTRICT
2016-17 CAPITAL OUTLAY BUDGET
ADOPTED JUNE 9, 2016**

Project Description			Funding Source							
			Total Project Cost FY 2017	Carryover from FY 2016	Loan	Grants	Reserves	Capacity Fund	Current Year	
100 ADMINISTRATION										
12100	01	Administrative Building Improvement <i>Improve functionality of building</i>	Project Total:	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -
17100	01	Vehicle <i>Replace existing van</i>	Project Total:	\$ 34,000	\$ -					\$ 34,000
Total			Total	\$ 1,034,000	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 34,000
200 COLLECTION SYSTEM										
11200	03	John Duckett Sewage Main Capacity and Storage <i>Phase 1 of 3 phases; Phase 1 will include the design of all 3 phases and deepening of the Duckett pump station, eliminating the visible Gallinas Creek crossing and a new Highway 101 crossing.</i>	Project Total:	\$ 1,687,548	\$ -					\$ 1,687,548
17200	01	Sewer Main Rehabilitation 2016-17 <i>Annual sewer system rehabilitation.</i>	Project Total:	\$ 943,410	\$ -					\$ 943,410
17200	02	Manhole/Rodhole Repair and Replacement <i>Roadwork, repair and replacement.</i>	Project Total:	\$ 50,000						\$ 50,000
17200	03	GIS Software <i>Upgrade existing software to improve functionality</i>	Project Total:	\$ 30,000						\$ 30,000
17200	04	Trailer Mounted Vector <i>Develop a contingency plan for pump stations</i>	Project Total:	\$ 80,000	\$ -					\$ 80,000
Total			Total	\$ 2,790,958	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,790,958
300 PUMPSTATIONS / FORCE MAINS										
12300	05	Rafael Meadows Pump Station <i>Design and install a stationary emergency generator, upgrade panel and seal leaking wet well.</i>	Project Total:	\$ 150,000	\$ -					\$ 150,000
14300	05	Force main Repair/Replacement <i>Line force main line to plant as part of large plant project</i>	Project Total:	\$ 232,160	\$ -					\$ 232,160
14300	06	Descanso Pump Station <i>Design and install a emergency generator, upgrade panel and replace pump discharge pipes.</i>	Project Total:	\$ 150,000	\$ -					\$ 150,000
17300	01	Supervisory Control and Data Acquisition (SCADA) <i>Programming upgrades.</i>	Project Total:	\$ 10,000	\$ -					\$ 10,000
17300	02	Trash Pump 6" <i>Emergency bypass pumps and hoses.</i>	Project Total:	\$ 60,000						\$ 60,000
17300	03	Trash Pump 8" <i>Emergency bypass pumps and hoses.</i>	Project Total:	\$ 80,000						\$ 80,000

**LAS GALLINAS VALLEY SANITARY DISTRICT
2016-17 CAPITAL OUTLAY BUDGET
ADOPTED JUNE 9, 2016**

Project Description			Funding Source						
			Total Project Cost FY 2017	Carryover from FY 2016	Loan	Grants	Reserves	Capacity Fund	Current Year
17350	04	Captains Cove Pump Station Upgrades <i>Upgrade alarm system for stations</i>	Project Total: \$ 30,000	\$ -			\$ 30,000		\$ -
Total			\$ 712,160	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ 682,160
400 LABORATORY									
17400	01	Centrifuge <i>Replace existing equipment.</i>	Project Total: \$ 5,000	\$ -					\$ 5,000
Total			\$ 5,000	\$ -					\$ 5,000
500 RECLAMATION									
17500	01	Levee Maintenance <i>Accumulate funding for periodic levee maintenance.</i>	Project Total: \$ 32,113	\$ -					\$ 32,113
17500	02	North Bay Water Reuse Authority <i>Continued participation in Phase 1.</i>	Project Total: \$ 41,633	\$ -					\$ 41,633
17500	03	Freshwater Marsh Cattail Removal <i>Remove invasive plants</i>	Project Total: \$ 100,000	\$ -					\$ 100,000
17500	04	Algae Control	Project Total: \$ 70,000	\$ -					\$ 70,000
17500	05	McInnis March Restoration <i>Financial participation with County of Marin</i>	Project Total: \$ 100,000						\$ 100,000
Total			\$ 343,746	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 343,746
600 TREATMENT PLANT									
12200	03	Emergency Radio System <i>Add radios to mobile equipment</i>	Project Total: \$ 7,000	\$ -					\$ 7,000
12600	02	Treatment Plant Secondary Process Upgrade <i>Phase 1 of project is completed, additional costs to be recouped.</i>	Project Total: \$ 110,000	\$ -					\$ 110,000
14600	04	Biogas Energy Recovery System <i>Design replacement for cogen digester gas and heating systems</i>	Project Total: \$ 450,000	\$ -		\$ -			\$ 450,000
17600	01	Supervisory Control and Data Acquisition <i>Continued panel and programming upgrades.</i>	Project Total: \$ 25,000	\$ -					\$ 25,000
Total			\$ 592,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 592,000

**LAS GALLINAS VALLEY SANITARY DISTRICT
2016-17 CAPITAL OUTLAY BUDGET
ADOPTED JUNE 9, 2016**

Project Description	Funding Source						
	Total Project Cost FY 2017	Carryover from FY 2016	Loan	Grants	Reserves	Capacity Fund	Current Year
650 TERTIARY FACILITY							
17650 01 Supervisory Control and Data Acquisition <i>Continue programming</i>							
Project Total:	\$ 10,000						\$ 10,000
Total	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000
Total Capital Project	\$ 5,487,864	\$ -	\$ 1,000,000	\$ -	\$ 30,000	\$ -	\$ 4,457,864

**LAS GALLINAS VALLEY SANITARY DISTRICT
2016-17 DEBT SERVICE BUDGET
ADOPTED JUNE 9, 2016**

Expenditure	2013-14 Total Actual	2014-15 Total Actual	2015-16 Adopted Budget	2016-17 Preliminary Budget
2005 Certificates of Participation/ Refunded 2014	\$ 734,058	\$ 686,638	\$ 686,045	\$ 689,876
2010 State Revolving Fund Loan	285,464	285,464	285,464	285,464
2011 Bank of Marin Loan	332,681	332,681	332,681	332,681
2012 Bank of Marin Loan	235,346	235,346	235,346	235,346
2016 Treatment Plant Upgrade	-	-	1,558,720	2,512,520
2016 Miller Creek Maintenance	-	-	90,000	95,034
2017 Administration Building Expansion	-	-	-	79,195
	<u>\$ 1,587,549</u>	<u>\$ 1,540,129</u>	<u>\$ 3,188,256</u>	<u>\$ 4,230,116</u>