



RANCHO MURIETA COMMUNITY SERVICES DISTRICT

15160 Jackson Road, Rancho Murieta, CA 95683

Office - 916-354-3700 * Fax - 916-354-2082

FINANCE COMMITTEE

(Directors John Merchant and Tim Maybee)

Special Meeting

January 3, 2019 at 10:00 a.m.

All persons present at District meetings will place their cellular devices in silent and/or vibrate mode (no ringing of any kind). During meetings, these devices will be used only for emergency purposes and, if used, the party called/calling will exit the meeting room for conversation. Other electronic and internet enabled devices are to be used in the "silent" mode. Under no circumstances will recording devices or problems associated with them be permitted to interrupt or delay District meetings.

AGENDA

- 1. Call to Order**
- 2. Comments from the Public**
- 3. Mid-Year Budget Review**
- 4. FY 2020-21 Budget Schedule**
- 5. CFD 2014-1 Outstanding Delinquencies Update**
- 6. Directors and Staff Comments/Suggestions**
- 7. Adjournment**

In accordance with California Government Code Section 54957.5, any writing or document that is a public record, relates to an open session agenda item and is distributed less than 72 hours prior to a regular meeting will be made available for public inspection in the District offices during normal business hours. If, however, the document is not distributed until the regular meeting to which it relates, then the document or writing will be made available to the public at the location of the meeting.

Note: This agenda is posted pursuant to the provisions of the Government Code commencing at Section 54950. The date of this posting is December 31, 2020. Posting locations are: 1) District Office; 2) Post Office; 3) Rancho Murieta Association; 4) Murieta Village Association.

MEMORANDUM

Date: January 2, 2020
To: Finance Committee
From: Tom Hennig, Director of Administration
Subject: Recommendations for Mid-Year Budget Adjustments Between Line Items

RECOMMENDED ACTION

Discuss recommended mid-year budget adjustments for General Manager's authority to move budgeted funds between line items. The budget bottom line is not affected by these changes.

BACKGROUND

Based on the discussion we will have at the Finance Committee meeting on January 3, 2020. Please approve the mid-year budget adjustments below:

| From/To Budget Line Item | Annual Budget | Actuals Plus Projection | Year-end est. Before ADJ | Move In | Move Out | Year-end est. After ADJ | From/To Budget Line Item |
|-------------------------------------|--------------------------|------------------------------------|-------------------------------------|--------------------|---------------------|------------------------------------|-------------------------------------|
| Salaries & Wages | 2,495,975 | 2,331,473 | 164,502 | | (105,000) | 59,502 | Clerical Services |
| Pension Expense | 445,443 | 306,662 | 138,781 | | (60,000) | 78,781 | Consulting |
| Clerical Services | 61,350 | 167,167 | (105,817) | 105,000 | | (817) | Salaries & Wages |
| Legal | 155,950 | 69,141 | 86,809 | | (25,000) | 61,809 | Consulting |
| Consulting | 102,400 | 160,000 | (57,600) | 85,000 | | 27,400 | Legal |

In District Code Chapter 2, the Community Services District Law, the enabling statute under which the District was organized and now operates, defines the General Manager as the highest-level management appointee who is directly responsible to the Board for the implementation of the policies established by the Board (see Government Code section 61002(f), 61040 and 61050 et seq.). The General Manager serves as the District's Chief Executive Officer and is responsible for the day to day operations and functions of the District.

The primary powers and duties of the General Manager specified by the law are as follows (Government Code section numbers are shown in parentheses):

- If authorized by the Board, transfer funds between budget categories, other than transfers from the designated reserve for capital outlay (61111(b)).

RANCHO MURIETA CSD
Summary of All CSD Funds
Budget to Actual Comparison Detail

| Description | Period Budget | Period Actual | YTD Budget | YTD Actual | YTD Budget (Over)/Under | Annual Budget | Projection Rest of Year | Actuals Plus Projection | Budget | Note | Last FY |
|--------------------------------------|----------------|----------------|------------------|------------------|-------------------------|------------------|-------------------------|-------------------------|-----------------|--|------------------------------|
| | | | | | | | | | (Over) Under | | last FY |
| Charges for Services - Residential | \$453,863 | \$460,154 | \$2,423,926 | \$2,435,254 | (\$11,328) | \$5,540,771 | 3,145,517 | \$5,580,771 | (40,000) | increased estimate due to higher than planned home sales | \$5,112,440 (468,331) |
| Charges for Services - Commercial | 47,133 | 51,526 | 285,879 | 311,277 | (25,399) | 586,254 | 274,977 | 586,254 | 0 | use the budget amount to be conservative | \$577,002 (9,252) |
| Availability Charges | 0 | 0 | 0 | 0 | 0 | 460 | 460 | \$460 | 0 | use the budget amount to be conservative | \$540 80 |
| Sales Other | 700 | 772 | 3,500 | 4,356 | (856) | 8,400 | 6,098 | \$10,454 | (2,054) | recycled residential and commercial included in here | \$9,473 (981) |
| CIA Ditch Service Charges | 0 | 0 | 0 | 0 | 0 | 1,800 | 1,800 | \$1,800 | 0 | use the budget amount to be conservative | 0 |
| Property Taxes | 0 | 0 | 0 | 0 | 0 | 674,370 | 674,370 | \$674,370 | 0 | use the budget amount to be conservative | \$682,880 8,510 |
| Property Taxes (Reserve Alloc) | 0 | 0 | 0 | 0 | 0 | (82,000) | (82,000) | (\$82,000) | 0 | use the budget amount to be conservative | 0 |
| Total General Income | 501,696 | 512,452 | 2,713,305 | 2,750,887 | (37,583) | 6,730,055 | 4,021,222 | 6,732,109 | (42,054) | | 6,382,335 (469,974) |
| Interest Income | 20 | 1 | 3,050 | 10,461 | (7,411) | 10,765 | 4,539 | \$15,000 | (4,235) | under budgeted when compared to last year's amount | \$22,763 7,763 |
| Total Earnings Income | 20 | 1 | 3,050 | 10,461 | (7,411) | 10,765 | 4,539 | 22,763 | | | 22,763 7,763 |
| Meter Installation Fee | 0 | 9,000 | 4,800 | 37,095 | (32,295) | 4,800 | - | 37,095 | (32,295) | increased estimate due to higher than planned home sales | \$3,200 (33,895) |
| Inspection Fees | 0 | 3,289 | 1,518 | 12,777 | (11,259) | 5,693 | - | 12,777 | (7,084) | increased estimate due to higher than planned home sales | \$365 (12,412) |
| Telephone Line Contracts | 598 | 572 | 2,990 | 2,289 | 701 | 7,175 | 3,205 | \$5,494 | 1,681 | | \$6,866 1,372 |
| Fines/Rule Enforcement | 175 | 175 | 875 | 875 | 0 | 2,100 | 1,225 | \$2,100 | 0 | | \$2,100 0 |
| Late Charges | 6,450 | 5,456 | 32,250 | (630) | 32,880 | 77,400 | 78,030 | 77,400 | 0 | use the budget amount to be conservative | \$81,898 4,498 |
| Title Transfer Fees | 1,350 | 2,550 | 6,750 | 18,450 | (11,700) | 16,200 | 6,550 | 25,000 | (8,800) | increased estimate due to higher than planned home sales | \$12,650 (12,350) |
| Security Gate Bar Code Income | 650 | 430 | 3,250 | 2,080 | 1,170 | 7,800 | 2,912 | \$4,992 | 2,808 | | \$9,410 4,418 |
| Project Reimbursement | 2,182 | 872 | 10,910 | 16,254 | (5,344) | 26,184 | 18,746 | \$35,000 | (8,816) | increased estimate due to higher than planned project activity | \$30,084 (4,916) |
| Misc Income | 1,208 | 596 | 6,042 | 4,818 | 1,224 | 14,500 | 9,682 | \$14,500 | 0 | use the budget amount to be conservative | \$26,582 12,082 |
| Total Other Income | 12,613 | 22,940 | 69,385 | 94,008 | (24,623) | 161,852 | 120,350 | 202,892 | (52,506) | | 173,154 (41,203) |
| TOTAL REVENUE | 514,329 | 535,393 | 2,785,740 | 2,855,356 | (69,617) | 6,902,672 | 4,146,111 | 6,957,764 | (94,560) | | 7,118,864 (503,414) |
| Salaries & Wages | 276,164 | 264,451 | 1,023,260 | 971,447 | 51,813 | 2,495,975 | 1,360,026 | 2,331,473 | 164,502 | propose to move 105,000 to Clerical / (temp employee costs) | \$2,051,693 (279,780) |
| Employer Costs | 48,708 | 60,532 | 243,931 | 261,303 | (17,372) | 608,878 | 365,824 | 627,127 | (18,249) | | \$534,670 (92,457) |
| Payroll Taxes | 18,110 | 63,515 | 66,672 | 102,866 | (36,194) | 173,281 | 70,415 | 173,281 | 0 | use the budget amount; | \$127,017 (46,264) |
| Other Employer Costs | 13,289 | 21,305 | 66,719 | 64,974 | 1,745 | 161,318 | 90,964 | 155,938 | 5,380 | | \$155,247 (691) |
| Pension Expense | 43,928 | 19,129 | 186,095 | 127,776 | 58,319 | 445,443 | 178,886 | 306,662 | 138,781 | propose to move 60,000 to Consulting | \$322,127 15,465 |
| Tuition Reimbursement | 0 | 0 | 0 | 0 | 0 | 2,870 | 2,870 | 2,870 | 0 | | (2,870) |
| Total Employee Services | 400,199 | 428,932 | 1,586,677 | 1,528,366 | 58,311 | 3,887,765 | 2,068,985 | 3,597,351 | 290,414 | | \$3,190,754 (406,597) |
| Clerical Services | 5,100 | 14,595 | 25,500 | 69,653 | (44,153) | 61,350 | 97,514 | 167,167 | (105,817) | receive \$105,000 from salary savings | \$185,519 |
| Recruitment | 1,505 | 401 | 7,525 | 2,576 | 4,949 | 18,060 | 3,606 | 6,182 | 11,878 | | \$5,897 (9,636) |
| Travel/Meetings | 1,740 | 4,465 | 9,200 | 6,472 | 2,728 | 21,880 | 9,061 | 15,533 | 6,347 | | \$37,913 1,085 |
| Office Supplies | 2,470 | 3,506 | 12,350 | 15,345 | (2,995) | 29,640 | 21,483 | 36,828 | (7,188) | | \$590,162 (27,336) |
| CWRS Contract Charges | 52,662 | 103,391 | 263,312 | 257,291 | 6,021 | 631,949 | 360,207 | 617,498 | 14,451 | | \$3,005 1,337 |
| Mail Machine Lease | 700 | 0 | 1,400 | 695 | 705 | 2,800 | 973 | 1,668 | 1,132 | | \$18,517 (5,121) |
| Copy Machine Maintenance | 1,520 | 2,040 | 7,600 | 9,849 | (2,249) | 18,240 | 13,789 | 23,638 | (5,398) | | \$123,938 (18,036) |
| Insurance | 12,247 | 12,592 | 61,233 | 59,156 | 2,076 | 146,958 | 82,818 | 141,974 | 4,984 | | \$20,293 3,063 |
| Postage | 1,500 | 1,179 | 7,500 | 7,179 | 321 | 18,000 | 10,051 | 17,230 | 770 | | \$59,708 6,452 |
| Telephones | 4,120 | 3,473 | 20,600 | 17,752 | 2,848 | 49,439 | 35,504 | 53,256 | (3,817) | | \$12,088 (7,237) |
| Memberships | 1,550 | 0 | 10,010 | 2,888 | 7,122 | 19,325 | 16,437 | 19,325 | 0 | | \$17,000 725 |
| Audit | 0 | 0 | 0 | 0 | 0 | 16,275 | 16,275 | 16,275 | 0 | | \$57,125 (12,016) |
| Legal | 7,850 | 8,923 | 36,250 | 23,047 | 13,203 | 155,950 | 46,094 | 69,141 | 86,809 | propose to move 25,000 to Consulting | \$16,757 (21,885) |
| Training/Safety | 5,200 | 6,700 | 25,050 | 16,101 | 8,949 | 53,200 | 22,541 | 38,642 | 14,558 | | \$3,040 1,998 |
| Community Communications | 100 | 434 | 7,600 | 434 | 7,166 | 13,700 | 608 | 1,042 | 12,658 | | \$11,284 9,412 |
| Equipment Maint | 50 | 9 | 3,200 | 780 | 2,420 | 3,550 | 1,092 | 1,872 | 1,678 | | \$85,858 (74,142) |
| Consulting | 8,000 | 6,295 | 39,000 | 34,344 | 4,656 | 102,400 | 125,656 | 160,000 | (57,600) | move 60,000 from Pension and 25,000 from Legal | (\$30,758) (33,758) |
| CIA Ditch Operations | 250 | 1,374 | 1,250 | 2,212 | (962) | 3,000 | 788 | 3,000 | 0 | as budgeted | \$1,217,346 (185,095) |
| Total Administrative Services | 106,564 | 169,377 | 538,580 | 525,774 | 12,805 | 1,365,716 | 864,497 | 1,332,671 | (24,555) | | |

RANCHO MURIETA CSD
Summary of All CSD Funds
Budget to Actual Comparison Detail

| Description | Period Budget | Period Actual | YTD Budget | YTD Actual | YTD Budget (Over)/Under | Annual Budget | Projection Rest of Year | Actuals Plus Projection | Budget | Note | Last FY | |
|----------------------------------|----------------|----------------|------------------|------------------|-------------------------|------------------|-------------------------|-------------------------|------------------|--|--------------------|--------------------|
| | | | | | | | | | (Over) Under | | last FY | (Over) Under |
| Uniforms | 1,430 | 1,089 | 7,350 | 6,771 | 579 | 17,560 | 9,479 | 16,250 | 1,310 | | \$16,337 | 87 |
| Equipment Repairs | 400 | 0 | 2,000 | 4,600 | (2,600) | 4,800 | 6,440 | 11,040 | (6,240) | | \$4,009 | (7,031) |
| Building/Grounds Maint/Pest Cntr | 2,750 | 4,332 | 13,490 | 19,119 | (5,629) | 32,315 | 16,798 | \$35,917 | (3,602) | use last year's amount to be conservative | \$35,917 | 0 |
| Bar Codes | 0 | 0 | 2,300 | 5,125 | (2,825) | 6,900 | 7,175 | 12,300 | (5,400) | | \$4,625 | (7,675) |
| Vehicle Maint | 3,750 | 4,731 | 18,750 | 17,382 | 1,368 | 45,000 | 32,618 | 50,000 | (5,000) | monioring for future budget adjustment | \$47,648 | (2,352) |
| Vehicle Fuel | 3,250 | 2,965 | 16,250 | 12,957 | 3,293 | 47,000 | 24,043 | 37,000 | 10,000 | based on actual and last year | \$39,286 | 2,286 |
| Vehicle Lease | 397 | 1,799 | 1,984 | 1,799 | 185 | 4,762 | 2,963 | 4,762 | 0 | as budgeted | | |
| Off Duty Sheriff | 0 | 0 | 6,000 | 7,907 | (1,907) | 8,000 | 11,070 | 18,977 | (10,977) | | \$3,051 | (15,926) |
| Power | 21,780 | 18,208 | 142,570 | 139,741 | 2,829 | 297,320 | 168,000 | 307,741 | (10,421) | | \$317,049 | 9,308 |
| Information System Maint | 11,824 | 5,806 | 59,120 | 56,615 | 2,506 | 141,889 | 93,385 | 150,000 | (8,111) | | \$131,856 | (18,144) |
| Supplies | 2,575 | 2,662 | 12,875 | 14,595 | (1,720) | 30,900 | 20,433 | 35,028 | (4,128) | | \$43,756 | 8,728 |
| Equipment Rental | 1,650 | 0 | 5,250 | (64) | 5,314 | 13,800 | 7,064 | 7,000 | 6,800 | | \$1,706 | (5,294) |
| Road Paving | 2,000 | 4,400 | 10,000 | 7,600 | 2,400 | 24,000 | 16,400 | 24,000 | 0 | as budgeted | \$22,547 | (1,453) |
| Maintenance/Repairs | 23,600 | 34,924 | 111,700 | 171,583 | (59,883) | 300,700 | 240,216 | 411,799 | (111,099) | evaluate for reserve exp | \$315,777 | (96,022) |
| Non-routine Maint/Repair | 3,000 | 0 | 15,000 | 0 | 15,000 | 36,000 | 36,000 | 36,000 | 0 | evaluate potential offset of general maintenance/repairs | \$1,242 | (34,758) |
| Permits | 6,000 | 0 | 6,000 | 5,692 | 308 | 6,000 | 7,969 | 13,661 | (7,661) | | \$5,865 | (7,796) |
| Chemicals | 13,250 | 3,770 | 74,650 | 57,809 | 16,841 | 167,250 | 109,441 | 167,250 | 0 | verified with Paul | \$108,797 | (58,453) |
| Chemicals - T&O | 0 | 0 | 6,500 | 5,944 | 556 | 11,000 | 8,322 | 14,266 | (3,266) | | \$5,488 | (8,778) |
| Lab Tests | 2,250 | 3,476 | 11,250 | 27,439 | (16,189) | 27,000 | 38,415 | 65,854 | (38,854) | increased expense due to manganese event | \$33,331 | (32,523) |
| Removal (Hazardous Waste) | 10,000 | 7,668 | 10,000 | 8,131 | 1,869 | 10,000 | 4,369 | 12,500 | (2,500) | | \$6,537 | (5,963) |
| Permits | 3,500 | 28,317 | 28,800 | 54,140 | (25,340) | 75,300 | 21,160 | 75,300 | 0 | as budgeted | \$5,865 | (69,435) |
| Tools | 950 | 37 | 4,600 | 1,748 | 2,852 | 14,800 | 13,052 | 14,800 | 0 | as budgeted | \$12,008 | (2,792) |
| Dam Inspection Costs | 0 | 0 | 0 | 0 | 0 | 63,500 | 63,500 | 63,500 | 0 | as budgeted | \$52,877 | (10,623) |
| Water Meters/Boxes | 3,000 | 1,455 | 15,000 | 20,070 | (5,070) | 36,000 | 24,930 | 45,000 | (9,000) | | \$23,766 | (21,234) |
| Drainage Improvements | 0 | 0 | 500 | 0 | 500 | 5,150 | 5,150 | 5,150 | 0 | as budgeted | | |
| Total Operational Costs | 117,356 | 125,639 | 581,939 | 646,703 | (64,763) | 1,426,946 | 988,391 | 1,592,024 | (208,148) | | \$1,239,340 | (\$385,842) |
| Miscellaneous | 7,221 | (1,657) | 51,604 | 37,712 | 13,892 | 100,900 | 63,188 | 100,900 | 0 | as budgeted | \$56,860 | (44,040) |
| Admin Contingency | 0 | 0 | 16,262 | 13,598 | 2,664 | 35,000 | 21,402 | 35,000 | 0 | as budgeted | \$25,000 | (10,000) |
| Director Exp/Reimbursements | 450 | 10 | 2,250 | 494 | 1,756 | 5,400 | 4,906 | 5,400 | 0 | | | |
| Director Meeting Payments | 1,500 | 2,600 | 7,500 | 6,000 | 1,500 | 18,000 | 8,400 | 14,400 | 3,600 | | \$11,800 | (2,600) |
| Conservation | 600 | 600 | 8,780 | 6,878 | 1,902 | 13,260 | 9,629 | 16,507 | (3,247) | | \$11,348 | (5,159) |
| SACTO Regional Water Authority | 0 | 0 | 15,000 | 9,279 | 5,721 | 15,000 | 5,721 | 15,000 | 0 | as budgeted | | |
| SCGA Ground Water Authority | 0 | 0 | 10,000 | 11,000 | (1,000) | 10,000 | - | 11,000 | (1,000) | | | |
| Interest Expense | 2,015 | 1,470 | 9,795 | 9,898 | (103) | 24,684 | 13,857 | 23,755 | 929 | | \$22,308 | (1,447) |
| Total Other Expenses | 11,786 | 3,023 | 121,191 | 94,859 | 26,332 | 222,244 | 127,103 | 216,241 | 282 | | \$127,316 | (63,246) |
| Total Operating Costs | 635,905 | 726,971 | 2,828,387 | 2,795,702 | 32,685 | 6,902,671 | 4,048,977 | 6,844,679 | 57,992 | | | |

.FY19-20.CSD.BUDGET-ACTUAL MO_YTD
DETAIL BY FUND

Revenue vs. Expenses **113,085**

MEMORANDUM

Date: January 3, 2020
To: Finance Committee
From: Tom Hennig, Director of Administration
Subject: Updated Fiscal Year 2020-21 Budget Schedule

FY 2020-21 Budget Schedule

January 03, 2020, Budget Kick-off Meeting / Staff

January 21, 2020, Budget Meeting / Staff (revisions/updates provided to Tom Hennig (TH))

January 23, 2020, Board Goal Setting Meeting

Mid-Late Feb 2020, Board Budget Workshop (tentative)

February 4, 2020, Finance Committee Budget Meeting
(Review revenue projections, rate impact & cost reductions)

February 21, 2020, Budget Meeting / Staff
(Revisions/updates provided to TH)

March 03, 2020, Finance Committee Budget Meeting
(Review & update as needed)

March 18, 2020, Board Meeting
(Present Draft Budget, request approval to mail Prop 218 rate notice, and schedule budget hearings for May and June board meetings)

March 25, 2020, Mail Prop 218 rate increase notice

March 26, 2020, Budget Meeting / Staff
(Review and incorporate Board comments, if any; provide updates to TH)

April 03, 2020, Budget Meeting – Draft CIP documents due
(Review & update as needed)

April 17, 2020, Budget Meeting / Staff
(Input for “final” draft as needed)

May 20, 2020, Board Meeting
(Budget presentation and first reading)

June 17, 2020, Board Meeting
(Budget second reading and approval)

CFD 2014-1 Parcels Total Property Tax Delinquencies*
(Status as of 12/12/19)

| Parcel # | Location | Delinquent Amt. |
|-----------------|----------------------------|------------------------|
| 073-0090-062 | Around Calero | \$ 152,159.42 |
| 073-0800-003 | N & E of Chesbro/Clementia | \$ 490,858.88 |
| 073-0790-023 | S of Clementia | \$ 431,976.06 |
| 073-0800-009 | W of Clementia | \$ 141,414.26 |
| 073-0090-007 | Murieta Pkwy/Cam Del Lago | \$ 396.67 |
| 073-0800-008 | S of Murieta Pkwy | \$ 298,206.12 |
| 073-0180-029 | Industrial S of Hwy 16 | Taxes Current |
| | TOTAL | \$ 1,515,011.41 |

*NOTE: These numbers represent the total tax delinquencies on the parcels including CFD 2014-1, RMCSD utilities, Fire District, Sacramento Co. Water Agency Studies Includes past delinquent amounts and penalties. CFD 2014-1 covenants explicitly state that unpaid assessments enrolled in County's Teeter plan are not considered "delinquent."

Source: Sacramento County - eproptax.saccounty.net