



BOARD MEETING AGENDA SUBMITTAL

TO: CVCS Board of Directors

FROM: Peter Kampa, General Manager

DATE: May 19, 2020

SUBJECT: **Item 7a) Presentation and review of the Draft Preliminary 2020/21 Fiscal Year Budget**

i. Discussion regarding adding a line item for “tree maintenance” to the budget (Kurtz)

RECOMMENDED ACTION

Staff seeks direction from the Board for preparation of a final 2020/21 fiscal year budget for adoption on June 16, 2020.

BACKGROUND

The District adopts an annual budget, with the upcoming budget effective July 1, 2020 and extending through June 30, 2021. The adoption of a budget is required by generally accepted accounting principles for special districts; with a preliminary budget due by June 30 and a final budget to be adopted prior to September 1. CVCS historically adopts its final budget in June each year.

The attached preliminary draft budget contains known and estimated expenses for the upcoming year. General materials and supplies, labor, fuel and chemical budget line items are estimated at 5% over our estimated expenses through June 30, 2020. Sidewalk improvements, cart/truck purchases and other major purchases are estimated based on quotes received. Medical, liability and workers compensation insurances are proposed based on costs quoted from our providers. Reserve amounts and loan payments are based on prior board approved payment schedules. Estimated reimbursements to CV Holdings for water, power and property lease are included in the preliminary budget.

The primary purpose of this agenda item is to receive board and public input on the draft budget, so an acceptable final budget can be prepared and distributed 15 days in advance of its adoption in June.

**COPPER VALLEY COMMUNITY SERVICES DISTRICT
2020-2021 Proposed BUDGET WORKSHEET**

5/15/2020

	Budget	Projected Actuals 6-30-2020	Proposed BUDGET	Proposed Change	Proposed Change Notes
Income					
IN01 Assessments	1,244,442.00	1,244,442.00	1,281,800.00	37,358.00	Projected actual plus 3%
IN05 Interest Income	2,900.00	2,506.67	2,600.00	(300.00)	
IN06 Interest - County		0.00	0.00	0.00	
IN07 Rebates Received	1,300.00	1,893.33	2,000.00	700.00	
IN30 Expense Reimbursement Revenue	1,000.00	624.00	700.00	(300.00)	
IN41 Gate Opener Income	700.00	1,453.33	1,500.00	800.00	
IN59 Other Misc. Revenue	15,800.00	4,548.00	4,800.00	(11,000.00)	
Services		0.00	0.00	0.00	
TOTAL INCOME	\$ 1,266,142.00	\$ 1,255,467.33	1,293,400.00	\$ 27,258.00	

Expenses

Services & Supplies

Administrative Expenses

OE01 Audit Expense	8,000.00	8,050.00	8,500.00	500	Estimated	
OE02 Finance Expenses	500.00	533.33	600.00	100		
OE02-1 Financial Assessment (NBS)	5,500.00	1,452.00	6,000.00	500		
OE03 Advertising	500.00	510.67	500.00	0		
OE04 Legal Expenses	1,900.00	5,300.00	5,600.00	3,700		
OE05 Management Fees	77,000.00	53,660.00	0.00	(77,000)		Pete Kampa is now an employee
OE41 HR Consultant	6,000.00	8,166.67	8,600.00	2,600		
OE06 Insurance (Prop Loss & Liab)	10,700.00	14,638.00	15,400.00	4,700		
OE07 Miscellaneous/Contingency	4,000.00	4,429.33	4,700.00	700		
OE08 Professional Development	12,300.00	8,920.00	9,400.00	(2,900)		
OE09 Dues, Certs, Bonds & Subscriptions	5,400.00	6,853.33	7,200.00	1,800		
OE10 Uniform Expense	3,800.00	5,137.33	5,400.00	1,600		
OE11 Water/Sewer office	13,100.00	21,000.00	22,100.00	9,000		Per interim agreement plus 5% increase
OE11.5 Electric for office	0.00	9,000.00	11,000.00	11,000		Per Interim agreement
OE12 Telephone & Internet	7,100.00	5,588.00	5,900.00	(1,200)		
OE14 Office Supplies/Postage	5,800.00	8,064.00	8,500.00	2,700.00		
OE15 Office Equipment Repair/Replace	7,900.00	3,233.33	3,400.00	(4,500.00)		
OE21 Office Equipment Lease	2,700.00	3,834.67	4,000.00	1,300.00		
OE26 County Fees/LAFCO	7,100.00	7,000.00	7,400.00	300.00		
OE29 Accounting Services	21,600.00	22,104.00	23,200.00	1,600.00		
OE30 Reimbursable Maintenance Exp	900.00	0.00	0.00	(900.00)		
OE 31 Office Lease	0.00	1,635.20	1,635.20	1,635.20	Per Interim agreement	
Total Administrative Expenses	\$ 201,800.00	\$ 199,109.87	42% \$ 159,035.20	\$ (42,764.80)		

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Common Areas						
OE16 Gate Maint/Repair/Staff/Openers	23,000.00	12,540.00		13,200.00	(9,800)	
OE18 Landscape Supplies & Repairs	37,400.00	41,760.00		43,800.00	6,400	
OE18-1 CCWD Water	0.00	30,000.00		31,500.00	31,500	Per Interim Agreement, increased water rates by 5%
OE18-3 Landscape Equip Gas & Oil	12,500.00	11,777.33		12,400.00	(100)	
OE18-4 Landscape Equipment Repair & Replacement	28,400.00	22,589.33		23,700.00	(4,700)	
Total Common Areas	\$ 101,300.00	88,666.67	33%	124,600.00	23,300	
OE22 Mosquito Abatement Expense						
OE22-1 Mosquito Control Products	19,000.00	23,636.00		24,800.00	5,800	
OE22-2 Mosquito Abatement Monitor/Test	4,000.00	3,213.33		3,400.00	(600)	
OE22-3 Mosquito Abate Vehicles Gas/Oil	18,600.00	18,600.00		22,500.00	3,900	Paying fuel cost per agreement
OE22-4 Mosquito Abatement Equip Maint	8,000.00	13,153.33		13,800.00	5,800	
Total OE22 Mosquito Abatement Expense	\$ 49,600.00	57,104.00	17%	64,500.00	14,900	
Total OE17 Streets	\$ 24,800.00	\$ 25,529.33	7%	26,800.00	2,000	
Total Services & Supplies	\$ 377,500.00	\$ 342,896.00	100%	374,935.20	(2,565)	
PE Personnel Expense						
PE01 Workers' Compensation Insurance	17,600.00	14,638.00		14,600.00	(3,000)	See Payroll Info Worksheet
PE02 Health Insurance	75,900.00	62,322.67		65,400.00	(10,500)	See Payroll Info Worksheet
PE03 Payroll Taxes	27,600.00	29,432.00		33,900.00	6,300	8% of projected wages
PE04 Processing Fees	1,800.00	1,734.67		1,800.00	-	Actual plus 5%
PE05 Directors' Stipend	6,000.00	5,400.00		6,000.00	-	See Payroll Info Worksheet
PE06 Employee Wages	344,800.00	355,757.33		423,900.00	79,100	See Payroll Info Worksheet
Total Salaries & Benefits	\$ 473,700.00	\$ 469,284.67		545,600.00	71,900	
Equipment Replacement						
Cart Replacement Program	0.00	0.00		30,000.00	30,000	
Heavy Duty truck replacement	0.00	0.00		57,000.00	57,000	
Total Equipment Replacement	\$ -	\$ -		87,000.00	87,000	

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Capital Projects					
OE53-2 Landscape Improvements	0.00	8,000.00	0.00	-	Separate Project Budget Approved March 2020\
OE53-1 Landscape Design/Survey	0.00	3,413.33	0.00	-	
Total Landscape Project	\$ -	3,413.33	0.00	-	
OE51-4 Road Improvements	198,531.00	0.00	1,300,000.00	1,101,469	
OE51-1 Road Project Design & Constr Mgmt	35,035.00	60,794.00	0.00	(35,035)	
TBD Office Building Paint	10,437.00	0.00	0.00	(10,437)	
OE54-2 Office Building Siding and Trim	12,000.00	7,114.67	0.00	(12,000)	
Total Road Improvement Project	\$ 256,003.00	67,908.67	1,300,000.00	1,043,997	
Total Capital Projects	\$ 256,003.00	\$ 71,322.00	1,300,000.00	1,043,997	
Debt Service					
OE20 John Deere Financing	28,645.00	28,644.12	27,308.00	(1,337)	Per amortization schedule
OE21 John Deere Financing		0.00	0.00	-	
Phase 1 Road Improvements	83,745.00	83,745.00	81,722.00	(2,023)	Per amortization schedule
Phase 2 Road Improvements	0.00	0.00	115,160.00	115,160	Per amortization schedule
Total Debt Service	\$ 112,390.00	\$ 112,389.12	224,190.00	\$ 111,800.00	
TOTAL EXPENDITURES	\$ 1,219,593.00	\$ 995,891.79	2,531,725.20	1,312,132	
Other Financing Sources/(Uses)					
Equipment Replacement Reserve	46,550.00	46,550.00	(87,000.00)	(40,450)	\$40,500 withdrawn from reserves
	\$ 46,550.00	\$ 46,550.00	(87,000.00)	(40,450)	
Excess of revenues over (under) expenditures	\$ 93,099.00	\$ 306,125.55	61,674.80	(25,324)	