

MEMORANDUM

Date: October 9, 2019
 To: Board of Directors
 From: Tom Hennig, Director of Administration
 Subject: Administration / Financial Update

Finance staff began working on the tasks associated with The Pun Group to address specific matters of concern as approved by the Board in September. We have also initiated the annual audit preparation, including a detailed accounting of our fixed assets.

Residential Water Consumption – Fiscal year-to-date residential water usage was approximately 0.2% over September 2018. Listed below are year-to-date water consumption numbers using weighted averages.

	12 month rolling % increase	2019	2019	2019	Last FY	Last FY	Last FY	Last FY	Last FY	Last FY	Last FY	Last FY	
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Residences	0.2%	2,550	2,549	2,546	2,543	2,537	2,545	2,545	2,546	2,541	2,546	2,547	2,547
	Weighted Average	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Cubic Feet	2,602	2,537	2,668	2,727	1,930	1,522	864	678	584	569	837	1,528	2,194
Gallons Per Day	649	633	665	680	481	379	215	169	146	142	209	381	547
Same Period Last FY	640												

Commercial/Other Water Consumption – Year-to-date commercial water usage was approximately 21.3% over budget. This increase is mainly due large user accounts. Listed below are year-to-date water consumption numbers in cubic feet.

	YTD Totals	2019	2019	2019	Last FY	Last FY	Last FY	Last FY	Last FY	Last FY	Last FY	Last FY	Last FY
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Commercial	497,126	128,844	223,508	144,774	96,405	74,880	50,290	39,726	45,277	39,987	53,880	86,611	114,939
Parks	208,519	66,818	83,041	58,660	32,739	16,480	878	501	758	602	3,561	36,481	58,540
Raw Water	256,539	91,268	83,265	82,006	51,101	10,110	100	0	25	3,905	611	18,376	26,118
CSD	49,255	18,333	16,941	13,981	15,032	12,730	11,057	11,663	10,925	9,269	5,330	7,632	13,255
Totals	1,011,439	305,263	406,755	299,421	195,277	114,200	62,325	51,890	56,985	53,763	63,382	149,100	212,852

Lock-Offs – During the month of September 2019, there were six (6), new lock-offs which resulted in reconnection fee payments. There are currently fifteen properties within the District which have remained locked off from services for an extended period. These properties are either vacant homes or empty lots with water meters.

Connection Fees – There were no connection fees received in September.

Aging Report – Amount past due of more than sixty (60) days totals \$22,098. Most past due utility charges are attributed to large undeveloped properties.

Summary of Reserve Accounts as of September 30, 2019 – The ending balance of the District’s reserve accounts is \$5,733,064 as of September 30th, 2019 and it is an increase of \$137,686 compared with last month. Staff continues to validate all reserve contributions and expects there will be additional adjustments as we continue to identify past practices for allocation of monthly interest and sales revenue. We expect this activity to take place as part of the FY 2018-19 year-end closing process. Staff continues to work on a detailed analysis of all reserve funds and plans to prepare a report for Finance Committee review in early 2020.

Reserve Fund Balances

<i>Reserve Descriptions</i>	<i>Fiscal Yr Beg Balance 7/1/2019</i>	<i>Increases</i>	<i>Decreases</i>	<i>Period End Balance 9/30/2019</i>
Water Capital Replacement (200-2505)	1,579,551	66,347		1,645,898
Sewer Capital Replacement (250-2505)	2,836,178	103,113	1,756	2,937,535
Drainage Capital Replacement (260-2505)	28,898		17,029	11,869
Security Capital Replacement (500-2505)	100,635	39	5,881	94,794
Admin Capital Replacement (xxx-2505-99)	87,210			87,210
Sewer Capital Improvement Connection (250-2500)	4,209			4,209
Capital Improvement (xxx-2510)	388,502	141,145	39	529,608
Water Supply Augmentation (200-2511)	1,719,244	140,961	690,818	1,169,387
WTP Construction Fund Reserve (200-2513)	-743,314	49,347	58,178	-752,145
Security Impact Fee Reserves (500-2513)	-7,450	18,000	5,850	4,700
<i>Total Reserves</i>	<i>5,993,663</i>	<i>518,952</i>	<i>779,551</i>	<i>5,733,064</i>

Inter-fund Borrowing Balances

<i>Inter-fund Borrowing</i>	<i>Fiscal Yr Beg Balance 1-Jul-19</i>	<i>YTD Interest</i>	<i>YTD Repayment</i>	<i>Period End Balance 30-Sep-19</i>
WTP Construction Loan from Sewer	856,042	4,926	35,255	820,787
WTP Construction Loan from WSA	285,353	1,642	11,752	273,602
Security N. Gate Loan from Drainage Fund	18,341	96	5,709	12,632
<i>Total Inter-fund Borrowing</i>	<i>1,159,736</i>	<i>6,664</i>	<i>52,715</i>	<i>1,107,021</i>

Budget to Actual Comparison Details (year-to-date through September 30, 2019)

Revenues

Water Charges, year-to-date, are **above** budget \$14,438 or 2%

Sewer Charges, year-to-date, are **below** budget \$7,055 or (2%)

Drainage Charges, year-to-date, are **above** budget \$609 or 1.2%

Solid Waste Charges, year-to-date, are **above** budget \$1,350 or 0.8%

Security Charges, year-to-date, are **above** budget \$6,114 or 2%

Expenses

The District's overall expenditures for FY 2019-20 are \$23,762 below budget through September 2019. We will continue to focus on closing FY 2018-19 and preparing for the annual audit. This work will also result in recommendations for transferring any FY 2018-19 savings to specific reserve accounts.

Finance Committee Update

There was no Finance Committee meeting this month.

RANCHO MURIETA CSD
Summary of All CSD Funds
For the Three Months Ending 9/30/2019
Budget to Actual Comparison Detail

Description	Period Budget	Period Actual	YTD Budget	YTD Actual	YTD Budget (Over)/Under	Annual Budget
Charges for Services - Residential	\$503,856	\$488,516	\$1,516,106	\$1,496,981	\$19,125	\$5,540,771
Charges for Services - Commercial	59,596	67,824	186,970	220,791	(33,820)	586,254
Availability Charges	0	0	0	0	0	460
Sales Other	700	904	2,100	2,863	(763)	8,400
CIA Ditch Service Charges	0	0	0	0	0	1,800
Property Taxes	0	0	0	14,104	(14,104)	674,370
Property Taxes (Reserve Alloc)	0	0	0	0	0	(82,000)
Total General Income	564,152	557,245	1,705,176	1,734,738	(29,561)	6,730,055
Interest Income	20	24	60	2,659	(2,599)	10,765
Total Earnings Income	20	24	60	2,659	(2,599)	10,765
Meter Installation Fee	4,800	0	4,800	28,095	(23,295)	4,800
Inspection Fees	1,518	0	1,518	9,488	(7,970)	5,693
Telephone Line Contracts	598	572	1,794	1,716	77	7,175
Fines/Rule Enforcement	175	175	525	525	0	2,100
Late Charges	6,450	8,686	19,350	(8,691)	28,041	77,400
Title Transfer Fees	1,350	1,950	4,050	9,450	(5,400)	16,200
Security Gate Bar Code Income	650	180	1,950	1,650	300	7,800
Project Reimbursement	2,182	1,747	6,546	13,076	(6,530)	26,184
Misc Income	1,208	752	3,625	3,727	(102)	14,500
Total Other Income	18,931	14,063	44,158	59,035	(14,878)	161,851
TOTAL REVENUE	583,103	571,332	1,749,394	1,796,432	(47,038)	6,902,671
Salaries & Wages	185,730	171,943	561,846	525,267	36,579	2,495,975
Employer Costs	48,708	45,300	146,515	138,951	7,564	608,878
Payroll Taxes	12,203	9,355	36,458	36,338	120	173,281
Other Employer Costs	13,114	11,473	40,316	33,097	7,219	161,318
Pension Expense	35,551	38,468	106,576	102,297	4,279	445,443
Tuition Reimbursement	0	0	0	0	0	2,870
Total Employee Services	295,307	276,539	891,711	835,949	55,762	3,887,766
Clerical Services	5,100	11,832	15,300	43,338	(28,038)	61,350
Recruitment	1,505	1,378	4,515	1,764	2,751	18,060
Travel/Meetings	2,240	444	5,720	1,600	4,120	21,880
Office Supplies	2,470	2,095	7,410	8,306	(896)	29,640
CWRS Contract Charges	52,662	51,299	157,987	153,900	4,087	631,949
Mail Machine Lease	0	0	700	0	700	2,800
Copy Machine Maintenance	1,520	1,996	4,560	5,908	(1,348)	18,240
Insurance	12,247	11,641	36,740	34,924	1,816	146,958
Postage	1,500	1,500	4,500	4,500	0	18,000
Telephones	4,120	3,480	12,360	13,155	(795)	49,439
Memberships	870	935	5,710	1,698	4,013	19,325
Audit	0	0	0	0	0	16,275
Legal	10,250	3,531	17,150	8,315	8,835	155,950
Training/Safety	6,100	1,386	13,700	5,239	8,461	53,200
Community Communications	1,000	0	3,000	0	3,000	13,700
Equipment Maint	2,250	0	3,100	616	2,484	3,550
Consulting	15,250	18,577	17,300	19,421	(2,121)	102,400
CIA Ditch Operations	250	598	750	598	153	3,000
Total Administrative Services	119,334	110,691	310,502	303,283	7,219	1,365,716
Uniforms	1,430	749	4,290	3,557	733	17,560
Equipment Repairs	400	0	1,200	573	627	4,800
Building/Grounds Maint/Pest Cntr	2,665	2,509	8,075	11,259	(3,184)	32,315
Bar Codes	0	2,525	2,300	5,050	(2,750)	6,900
Vehicle Maint	3,750	11,172	11,250	18,752	(7,502)	45,000
Vehicle Fuel	3,250	3,210	9,750	6,959	2,791	47,000
Vehicle Lease	397	0	1,190	0	1,190	4,762
Off Duty Sheriff	0	0	3,000	3,768	(768)	8,000
Power	29,475	41,344	87,665	97,774	(10,109)	297,320

RANCHO MURIETA CSD
Summary of All CSD Funds
For the Three Months Ending 9/30/2019
Budget to Actual Comparison Detail

Description	Period Budget	Period Actual	YTD Budget	YTD Actual	YTD Budget (Over)/Under	Annual Budget
Information System Maint	11,824	7,318	35,472	25,654	9,818	141,889
Supplies	2,575	1,866	7,725	8,484	(759)	30,900
Equipment Rental	650	0	1,950	(64)	2,014	13,800
Road Paving	2,000	0	6,000	3,200	2,800	24,000
Maintenance/Repairs	21,900	41,661	64,700	102,558	(37,858)	300,700
Non-routine Maint/Repair	3,000	0	9,000	0	9,000	36,000
Permits	0	0	0	0	0	6,000
Chemicals	15,800	9,061	46,900	43,929	2,971	167,250
Chemicals - T&O	1,000	0	6,500	5,944	556	11,000
Lab Tests	2,250	6,360	6,750	21,233	(14,483)	27,000
Removal (Hazardous Waste)	0	0	0	464	(464)	10,000
Permits	0	0	25,100	8,052	17,048	75,300
Tools	950	1,055	2,700	1,305	1,395	14,800
Dam Inspection Costs	0	0	0	0	0	63,500
Water Meters/Boxes	3,000	363	9,000	10,448	(1,448)	36,000
Drainage Improvements	100	0	300	0	300	5,150
Total Operational Costs	106,416	129,191	350,818	378,899	(28,082)	1,426,946
Miscellaneous	11,471	18,580	27,412	36,168	(8,755)	100,900
Admin Contingency	0	0	1,262	1,262	0	35,000
Director Exp/Reimbursements	450	0	1,350	428	922	5,400
Director Meeting Payments	1,500	900	4,500	1,800	2,700	18,000
Conservation	600	200	7,440	6,078	1,362	13,260
Sacto Water Authority	0	0	15,000	9,279	5,721	15,000
CGWA/SE Area Water	0	0	10,000	11,000	(1,000)	10,000
Interest Expense	1,959	1,646	5,793	6,872	(1,079)	24,684
Total Other Expenses	15,980	21,327	72,757	72,887	(130)	222,244
Total Operating Costs	537,037	537,748	1,625,788	1,591,018	34,770	6,902,671

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

INVESTMENT REPORT

CASH BALANCE AS OF September 30, 2019

INSTITUTION	YIELD	BALANCE
CSD FUNDS		
<i>EL DORADO SAVINGS BANK</i> SAVINGS	0.03%	\$ 545,636.50
CHECKING	0.02%	\$ 445,582.29
PAYROLL	0.02%	\$ 40,273.14
<i>BANNER BANK</i> EFT	0.00%	\$ 174,901.54
<i>LOCAL AGENCY INVESTMENT FUND (LAIF)</i> UNRESTRICTED	2.43%	\$ 1,056,730.12
RESTRICTED RESERVES	2.43%	\$ 5,089,371.66
<i>CALIFORNIA ASSET MGMT (CAMP)</i> OPERATION ACCOUNT	2.48%	\$ 632,509.93
<i>US BANK</i> PARS GASB45 TRUST	4.17%	\$ 2,021,827.70
TOTAL CSD		\$ 10,006,832.88

BOND FUNDS

COMMUNITY FACILITIES DISTRICT NO. 2014-1 (CFD)

<i>BANK OF AMERICA</i> CHECKING	0.00%	\$ 159,036.86
<i>WILMINGTON TRUST - 9/30/19 est.</i> BOND RESERVE FUND	2.08%	\$ 399,326.72
BOND ADMIN EXPENSE	2.10%	\$ 20,427.32
BOND SPECIAL TAX FUND		\$ -
BOND ACQ & CONSTRUCTION	2.08%	\$ 6,710.64
BOND REDEMPTION ACCOUNT		\$ -
BOND COI		\$ -
BOND SURPLUS	2.08%	\$ 59.70
TOTAL CFD		\$ 585,561.24

TOTAL ALL FUNDS **\$ 10,592,394.12**

**Investments comply with the CSD adopted investment policy.*

PREPARED BY: Tom Hennig, Director of Administration

REVIEWED BY:  District Treasurer