

**AVILA BEACH  
COMMUNITY SERVICES DISTRICT**

Post Office Box 309, Avila Beach, CA. 93424

TO: Board of Directors

FROM: Brad Hagemann, General Manager

DATE: May 9th, 2023

SUBJECT: Consider Adoption of the FY 2023-24 Annual Budget including: Resolutions No.'s 2023-06, a Resolution for Determination of Appropriation Limitation for the FY 2023-24 and Resolution No. 2023-07 Adopting the FY 2023-24 Budget.

Recommendation:

1. Receive Staff Report and Board Comment on the Proposed FY 2023/24 Budget
2. Open Public Hearing and Receive any Public Comment
3. Close the Public Hearing
4. Consider any further changes to the proposed budget
5. Adopt as Final, the Proposed Budget for FY 2023-24, by adopting Resolution Nos. 2023-06 and 2023-07, or if necessary, continue this item to a date certain for further consideration.

Discussion:

Each year the District prepares and adopts an operating and capital projects budget for the coming Fiscal Year. The budget preparation process typically includes any adjustments to the water and/or sewer fee schedules. In late 2019 the Board retained a consultant to prepare a Cost of Services and Rate Study. In May 2020, the Board concluded the Prop 218 Hearing process and adopted a 5-year rate schedule included a maximum 3% increase in both water and wastewater revenues each year through FY 2024/25.

Staff presented the FY 2023/24 Preliminary Budget to the Board at the April 18, 2023, Board meeting. The Board reviewed the estimated FY 2022/23 year end revenues and expenses; the projected FY 2023/24 revenues and expenses; and the proposed FY 2023/24 Capital Improvement Program.

The Board reviewed the Preliminary Budget and provided an opportunity for public comment at the April 18, 2023, Board meeting. After careful consideration and discussion, the Board directed staff to prepare the Draft Final Budget to include a 3% increase in the water and sewer rates in accordance with the 2020 Rate Study. The Board directed staff to prepare the Draft Final FY 2023/24 budget and public notice and schedule the hearing for May 9<sup>th</sup>, 2023, Regular Board meeting.

Attached is the Draft Final FY 2023/24 Budget for the Board's review and approval. The Draft Final budget anticipates:

- A 3% increase in the Water and Sewer revenues consistent with the 2020 Rate Study
- 3% increase in county tax revenue;
- Increase in interest revenue from \$15,000 to \$50,000;
- Little or no Connection Fee revenue;
- 12% increase in utility expenses and 5% – 10% 6% increase in other O&M expenses;
- Cal Fire Annual Contract increase from \$215,000 to \$235,000.

The Capital Improvement Program budget anticipates:

- The annual WWTP Project loan payment of \$206,000. The Harbor District will reimburse the CSD for 33% of the loan payment (approximately \$68,000 per year);
- A project to update and integrate the WWTP SCADA system (\$150,000);
- Installation of an Automated Meter Reading (AMR) System (\$150,000); and
- A project to repair the fascia and paint the exterior of the District Admin building (\$25,000)

Following staff's presentation/summary of the Final Draft Budget, the Board should open the public hearing, receive public comment, close the public hearing, consider any further changes and then consider adoption of Resolution No. 2023-06, (which increases the District's Appropriation Limitations) and Resolution No. 2023-07 which formally adopts the FY 2023/24 District Budget.

Attachments:

1. Resolution No. 2023-06
2. Resolution No. 2023-07
3. Final Draft of the FY 2023-24 Budget

**AVILA BEACH COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2023-06**

**A RESOLUTION FOR DETERMINATION OF  
APPROPRIATION LIMITATION FOR THE  
2023-2024 FISCAL YEAR  
AND  
REQUESTING DISTRIBUTION OF  
SPECIAL DISTRICT AUGMENTATION FUNDS**

WHEREAS, Article XIII B of the California Constitution specifies that appropriations made by governmental entities may increase annually by the change in population and the change in either the California Per Capita Personal Income or the change in the local assessment roll due to local residential construction; and

WHEREAS, the State Department of Finance has determined that the percent change in the California Per Capita Personal Income (CPCPI) is **1.0444** and the percent change in the population (POP) of the unincorporated areas of San Luis Obispo County is **-0.77** and,

WHEREAS, the appropriation, subject to limitation (estimated net tax proceeds excluding Augmentation Funds) has been determined to be **\$7,001,283**; and

WHEREAS, the appropriation limit exceeds the appropriation subject to limitation; and,

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED by the Board of Directors, of the Avila Beach Community Services District, San Luis Obispo County, California, as follows:

1. That the ratio of change is and is determined as follows:

$$1.0444 \times 0.9965 = 1.0363$$

2. That the 2023-2024 Appropriation Limit is and is determined as follows:

2022-2023 Limitation		\$ <u>7,001,283</u>
2023-2024 Ratio of Change	X	<u>1.0363</u>
2023-2024 Appropriation Limitation		<u>\$ 7,255,836</u>

3. That the Appropriation Limitation (\$7,255,836) exceeds the Appropriation subject to Limitation (\$478,389) by \$6,777,447.

4. No further adjustment to the 2023-2024 Appropriation Limitation has been made for mandated costs. However, any new mandated costs or increases in existing mandated costs would increase the limitation by the amount of "Proceeds from Taxes" used to finance mandates in fiscal year 2023-2024.
  
5. That the County of San Luis Obispo distribute to the District, the District's share of the Special District's Augmentation Funds, if any, as determined by the Board of Supervisors.

Upon motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, and on the following roll call vote to wit:

AYES:

NOES:

ABSENT:

The foregoing Resolution is hereby adopted this 9<sup>th</sup> day of May, 2023.

\_\_\_\_\_  
Peter Kelley, President

ATTEST:

\_\_\_\_\_  
Secretary to the Board of Directors

**AVILA BEACH COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2023-07**

**A RESOLUTION ADOPTING THE 2023-2024 FISCAL YEAR BUDGET**

WHEREAS, The District is required, pursuant to state codes to designate a custodian for its monies; and,

WHEREAS, such custodianship requires that proper methods be used for the acquisition and disbursement of District monies; and,

WHEREAS, the District desires to make known its planned activities and associated costs for the 2023-2024 fiscal year.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED by the Board of directors, Avila Beach Community Services District, San Luis Obispo County, California, as follows:

1. That the proposed budget entitled, "Avila Beach Community Services District 2023/24 Fiscal Year Budget," be adopted as submitted or amended.
2. That the budget be administered as established by past policies and practices.

ON MOTION of Director \_\_\_\_\_ seconded by Director \_\_\_\_\_, and on the following roll call vote to wit:

AYES:

NOES:

ABSENT:

The foregoing resolution is hereby adopted this 9<sup>th</sup> day of May 2023.

\_\_\_\_\_  
Peter Kelley, President

ATTEST:

\_\_\_\_\_  
Secretary to the Board of Directors



# **Avila Beach Community Services District**

## **2023/24 Fiscal Year Budget**

Presented to the Board of Directors

May 9, 2023

Peter Kelley, President  
Ara Najarian, Vice President  
Kristin Berry  
Howie Kennett  
John Janowitz

Proposed by:

Brad Hagemann  
General Manager/District Engineer

**Avila Beach Community Services District  
2023-24 Fiscal Year Budget**

**Fund Balances**

**AVILA BEACH COMMUNITY SERVICES DISTRICT**  
*Cash Account Balances*  
*Estimated FY 2022/23 Ending Balances*

**General Checking - Pacific Premier**

Approx Ending Balance	06/30/23	\$ <u>930,000</u>
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**LAIF - Account Balance**

Beginning Balance	07/01/22	\$ 3,889,000
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Transfer In/Out		\$ 0.00
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Interest earned		\$ 50,000
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<b><u>LAIF Approx Ending Balance</u></b>	06/30/23	<b>\$ <u>3,939,000</u></b>
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**Reserve Account Balances**

**Water**

Operating Reserve		\$ 375,000
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Capital Replacement Reserve		\$ 225,000
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Emergency Capital Reserve		\$ 75,000
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Rate Stabilization		\$ 75,000
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	Total Water	<u>\$ 750,000</u>
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**Wastewater**

Operating Reserve		\$ 475,000
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Capital Replacement Reserve		\$ 1,500,000
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Emergency Capital Reserve		\$ 175,000
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Rate Stabilization		\$ 85,000
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	Total Wastewater	<u>\$ 2,235,000</u>
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Unallocated General Reserves		\$ 954,000
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Total Approx Ending Balance	06/30/23	<b>\$ <u>4,869,000</u></b>
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**Avila Beach Community Services District  
2023-24 Fiscal Year Budget**

**Budget Summary**

Avila Beach Community Services District  
 Operations Maintenance Budget  
 Combined Detail - Draft

Fiscal Year 2023/24  
 (May 9, 2023)

Ordinary Income/Expense	Combined	Admin/Gen	Sanitary	Water	Street Lights	Solid Waste	Total
Income							
4010 · Operating Revenue	0	460,000	475,000	0	0	0	935,000
4012 · S W Franchise Fee						27,000	27,000
4020 · Ambulance Franchise Fee	4,500	0	0	0	0	0	4,500
4030 · County Taxes	470,000	200,000	100,000	15,000	0	0	785,000
4050 · Harbor O & M Reimbursement	0	100,000	0	1,000	0	0	101,000
4100 · Misc Income	0	0	0	0	0	0	0
4600 · Interest Income	50,000	0	0	0	0	0	50,000
<b>Total Income</b>	<b>524,500</b>	<b>760,000</b>	<b>575,000</b>	<b>16,000</b>	<b>27,000</b>	<b>1,902,500</b>	
Expense							
5100 · Merch CC Fees TIB	7,500	0	0	0	0	0	7,500
5210 · Gross Wages	50,000	0	0	0	0	2,000	52,000
5230 · Payroll Taxes	1,000	0	0	0	0	0	1,000
5242 · Health Insurance	9,600	0	0	0	0	0	9,600
5254 · CaIPERS Kathy	16,000	0	0	0	0	0	16,000
5256 · CaIPERS Kristi	5,000	0	0	0	0	0	5,000
5260 · Work Comp Insurance	1,300	0	0	0	0	0	1,300
5280 · Payroll Admin & Misc	1,500	0	0	0	0	0	1,500
6102 · Accounting	15,500	0	0	0	0	500	16,000
6103 · Accounting Audit	10,000	0	0	0	0	1,000	11,000
6120 · Dues & Subscriptions	9,500	500	1,000	0	0	0	11,000
6130 · LAFCo Fees	6,000	0	0	0	0	1,000	7,000
6135 · Legal	15,000	5,000	2,000	0	0	5,000	27,000
6140 · Office Supplies & Postage	7,000	1,000	1,000	0	0	0	9,000
6145 · Public Notices	1,000	0	0	0	0	0	1,000
6150 · Rate Assistance	0	0	0	0	0	9,500	9,500
6155 · Rent	0	0	0	0	0	0	0
6160 · Training	2,500	0	0	0	0	0	2,500
6165 · Fuel & Travel	1,000	1,000	0	0	0	0	2,000
6170 · Web Site	3,000	0	0	0	0	0	3,000
6503 · Chemicals	0	55,000	2,000	0	0	0	57,000
6505 · Contract Labor O & M	4,000	240,000	70,000	0	0	0	314,000
6506 · Contract Labor GM	55,000	0	0	0	0	3,000	58,000
6507 · Contract Labor District Engr	0	55,000	25,000	0	0	0	80,000
6510 · Critical Spare Parts	0	6,000	4,000	0	0	0	10,000
6515 · Engineering	0	3,500	5,000	0	0	0	8,500
6520 · Equip Repairs & Maintenance	3,000	90,000	12,000	3,000	0	0	108,000
6525 · Fat Oil & Grease Program	0	5,000	0	0	0	0	5,000

Avila Beach Community Services District  
 Operations Maintenance Budget  
 Combined Detail - Draft

Fiscal Year 2023/24  
 (May 9, 2023)

	Admin/Gen	Sanitary	Water	Street Lights	Solid Waste	Total
<b>Combined</b>						
6530 · Generator Maintenance		7,000		0	0	7,000
6535 · Insurance P/L	8,500	8,000	8,000	0	0	24,500
6540 · Lab Tests	0	65,000	2,000	0	0	67,000
6542 · Bldg Maintenance & Janitorial	5,000	0	0	0	0	5,000
6545 · Miscellaneous	0	0	2,000	0	0	2,000
6550 · Operating Supplies	0	5,000	3,000	0	0	8,000
6555 · Permits & Fees	0	13,000	5,000	0	0	18,000
6560 · Plan Checks	0	0	1,000	0	0	1,000
6565 · Regulatory Permit Compliance		5,000	2,000	0	0	7,000
6567 · Bldg Repairs	17,000					17,000
6570 · Safety Gear	0	1,000	500	0	0	1,500
6575 · Small Tools	0	500	500	0	0	1,000
6580 · Solids Handling		30,000		0	0	30,000
6585 · Telephone	3,000	4,500	0	0	0	7,500
6590 · Utilities	2,500	55,000	3,000	12,500	0	73,000
6591 · Yard Maintenance		3,500				
6802 · Lopez Water	0		160,000	0	0	160,000
6805 · State Water	0	0	205,000	0	0	205,000
6900 · Yard Improvements	0	0	1,000	0	0	1,000
<b>Sub total Operating Expense</b>	<b>260,400</b>	<b>659,500</b>	<b>515,000</b>	<b>15,500</b>	<b>22,000</b>	<b>1,468,900</b>
<b>6600 · Cal Fire Contract Labor</b>	<b>235,000</b>					
<b>Total Expense</b>	<b>495,400</b>	<b>659,500</b>	<b>515,000</b>	<b>15,500</b>	<b>22,000</b>	<b>1,707,400</b>
<b>8050 · Fixed Assets Depreciation</b>	<b>0</b>	<b>100,000</b>	<b>40,000</b>	<b>0</b>	<b>0</b>	<b>140,000</b>
<b>Total Expenses</b>	<b>0</b>	<b>100,000</b>	<b>40,000</b>	<b>0</b>	<b>0</b>	<b>1,847,400</b>
<b>Net Profit/ Loss</b>	<b>29,100</b>	<b>500</b>	<b>20,000</b>	<b>500</b>	<b>5,000</b>	<b>55,100</b>

**Avila Beach Community Services District  
2023-24 Fiscal Year Budget**

**Administrative Fund**

Avila Beach Community Services District  
Admin FY2023/24 Budget  
May 9, 2023

Administrative/General Ordinary Income/Expense	22/23 Budget	22/23 Projected	22/23 Comments	23/24 Proposed Budget	23/24 Comments
Income					
4010 · Operating Revenue	0	0			
4020 · Contract Services Ambulance	4,000	4,500		4,500	
4030 · County Taxes	460,000	470,000		470,000	
4050 · Harbor Charges	0				
4070 · Late Charge Penalty	0				
4600 · Interest Income	11,000	50,000	Interest Rates Increasing	50,000	Interest Rates Increasing
<b>Total Income</b>	<b>475,000</b>	<b>524,500</b>		<b>524,500</b>	
Expense					
5100 · Merchant CC Fees TIB	6,500	7,000		7,500	
5210 · Gross Wages	43,000	48,000		50,000	5% Salary Increase
5230 · Payroll Taxes	1,000	950		1,000	
5242 · Health Insurance	9,600	9,600		9,600	\$800 monthly stipend
5254 · CalPERS Kathy	15,000	15,000		16,000	Retiree Unfunded Liability
5256 · CalPERS Kristi	5,000	4,500		5,000	EE Unfunded Liability
5260 · Work Comp Insurance	1,300	1,300		1,300	
5280 · Payroll Admin & Misc.	1,500	1,500		1,500	Payroll Processing Fees
6102 · Accounting Labor	15,000	15,000		15,500	Contract Controller
6103 · Accounting Audit	10,000	9,500		10,000	
6120 · Dues & Subscriptions	9,000	9,000		9,500	CSDA and USA Membership
6130 · LAFCo Fees	5,600	5,600		6,000	
6135 · Legal	15,000	5,600	Attend Mtgs as needed	15,000	
6140 · Office Supplies & Post	7,000	6,500		7,000	
6145 · Public Notices	1,000	500		1,000	
6150 · Rate Assistance	0	0	Funded from SW revenue	0	Funded from SW Revenue
6160 · Training	2,500	1,000		2,500	Required Director Training
6165 · Travel	1,000	500		1,000	
6170 · Webpage Host & Support	2,800	2,800		3,000	Streamline
6505 · Contract Labor Admin	4,000	3,000	Haz Mat Annual Fee	4,000	Haz Mat Annual Fee
6506 · Contract Labor GM	55,000	55,000		55,000	Contract GM Admin
6507 · Contract Labor District Engr					
6520 · Equip Repairs & Maint	3,000	2,800		3,000	Copier & IT Support/Back-up
6535 · Insurance	8,000	8,000		8,500	
6542 · Bldg Maint & Janitorial	5,000	5,000	Pest Control issues	5,000	
6567 · Bldg Repairs	17,000	4,500		17,000	Adm Office Repairs
6585 · Telephone & Internet	3,000	2,800		3,000	Admin Office
6590 · Utilities, Electrical	2,500	2,300		2,500	Admin Office, Electrical
SubTotal Admin Expenses	249,300	227,250		260,400	
6600 · Cal Fire Contract Labor	215,000	225,000		235,000	Cal Fire Contract Services
<b>Total Admin Expense</b>	<b>464,300</b>	<b>462,250</b>		<b>495,400</b>	

**Avila Beach Community Services District  
2023-24 Fiscal Year Budget**

**Sanitary Fund**

Avila Beach Community Services District  
**Sanitary Budget**  
 Fiscal Year 2023/24  
 May 9, 2023

Sanitary	22/23 Budget	22/23 Projected	22/23 Comments	23/24 Proposed Budget	23/24 Comments
<b>Income</b>					
4003 · Operating Revenue	460,000	450,000		460,000	Assumes 3% rate increase
4050 · Harbor O & M Reimbursement	65,000	125,000	Influent strength	100,000	
4030 · County Taxes	200,000	200,000		200,000	Transfer from General as Needed
<b>Total Income</b>	<u>725,000</u>	<u>775,000</u>		<u>760,000</u>	
<b>Expense</b>					
6120 · Dues & Subscriptions	500	500		500	Underground Service Alert
6135 · Legal	15,000	8,000		5,000	WWTP Upgrade Project
6140 · Office Supplies & Postage	1,000	1,000		1,000	
6150 · Rate Assistance				0	Fund w/Franchise Fees
6165 · Travel	1,000	1,000		1,000	
<b>6503 · Chemicals</b>	75,000	50,000		55,000	
6505 · Contract Labor O&M	200,000	190,000		240,000	Anticipates 20% increase (MBR)
6507 · Contract Labor District Engr	60,000	50,000		55,000	Support to WWTP Project
6510 · Critical Spare Parts	5,000	5,200		6,000	
6515 · Engineering	3,500	3,000		3,500	Contract as needed Non-CIP
6520 · Equip Repairs & Maintenance	80,000	100,000		90,000	Age of equipment
6525 · Fat Oil & Grease Program	5,000	4,000		5,000	Contract program
6530 · Generator Maintenance	7,000	6,000		7,000	
6535 · Insurance	7,500	8,000		8,000	
6540 · Lab Tests	52,000	55,000		65,000	MBR Testing
6502 · Misc - Benthic Monitoring					Once every five years
6550 · Operating Supplies	4,000	5,000		5,000	
6555 · Permits & Fees	12,000	12,000		13,000	Anticipates 10% Increase

**Avila Beach Community Services District**  
**Sanitary Budget**  
 Fiscal Year 2023/24  
 May 9, 2023

Sanitary	22/23 Budget	22/23 Projected	22/23 Comments	23/24 Proposed Budget	23/24 Comments
6565 · Regulatory Permit Compliance	5,000	5,000		5,000	As Needed
6570 · Safety Gear	1,000	750		1,000	Gloves/Safety gear
6575 · Small Tools	500	500		500	
6580 · Solids Handling	37,000	30,000		30,000	Bio Solids Transport & Disposal
6585 · Telephone	4,500	4,000		4,500	SCADA line & plant line
6590 · Utilities	40,000	40,000		55,000	MBR Unit
6591 · Yard Maintenance	3,500	3,500		3,500	Landscape Maintenance at WWTP
<b>Sub Total Operating Expense</b>	<b>620,000</b>	<b>582,450</b>		<b>659,500</b>	
<b>Total Operating Expense</b>	<b>620,000</b>	<b>582,450</b>		<b>659,500</b>	
<b>170 · Fixed Assets Depreciation</b>	<b>100,000</b>	<b>100,000</b>		<b>100,000</b>	
<b>Net Income/ Expense</b>	<b>5,000</b>	<b>92,550</b>		<b>500</b>	
<b>Other Income</b>					
7210 · Connection Fees Paid	60,000	0		0	
7220 · SL HD CIP Reimbursement		150,000		100,000	



**Avila Beach Community Services District  
2023-24 Fiscal Year Budget**

**Water Fund**

**Avila Beach Community Services District**  
**Water Budget**  
**Fiscal Year 2023/24**  
 May 9, 2023

Water	22/23		22/23 Comments	23/24	
	Budget	Projected		Budget	Proposed Budget
<b>Income</b>					
4003 · Operating Revenue	465,000	470,000		475,000	Assumes 3% increase
4009 · County Taxes	100,000	100,000		100,000	As Needed
<b>Total Income</b>	<u>565,000</u>	<u>570,000</u>		<u>575,000</u>	
<b>Expense</b>					
6120 · Dues & Subscriptions	1000	600		1000	Rural Water Assc
6135 · Legal	2,000	2,000		2,000	
6140 · Office Supplies & Postage	1,000	1,000		1,000	
6549 · Rate Study				0	No Rate Study
6150 · Rate Assistance	0	0		0	Fund w/Franchise Fees
<b>6503 · Chemicals</b>	2,000	2,000		2,000	
<b>6505 · Contract Labor O &amp;M</b>	65,000	63,000		70,000	Contract Operations
<b>6507 · Contract Labor District Engr</b>	25,000	25,000		25,000	Contract District Engineer
<b>6510 · Critical Spare Parts</b>	4,000	3,500		4,000	
<b>6515 · Engineering</b>	5,000	1,500		5,000	Contract as needed Non-CIP
<b>6520 · Equip Repairs &amp; Maint</b>	15,000	10,000		12,000	
<b>6535 · Insurance P/L</b>	8,000	8,000		8,000	
<b>6540 · Lab Tests</b>	2,000	1,800		2,000	
<b>6542 · Maintenance</b>	2000	2,000		2000	
<b>6550 · Operating Supplies</b>	4,000	2,300		3,000	
<b>6555 · Permits &amp; Fees</b>	4,000	4,500		5,000	
<b>6560 · Plan Checks</b>	1,000	1,000		1,000	Consultant Support As Needed
<b>6565 · Regulatory Permit Compliance</b>	1,000	1,500		2,000	Contract as needed
<b>6570 · Safety Gear</b>	500	125		500	
<b>6575 · Small Tools</b>	500	250		500	
<b>6590 · Utilities</b>	3,000	2,500		3,000	Slight increase
<b>6591 · Yard Improvements</b>	1,000	500		1,000	

**Avila Beach Community Services District  
Water Budget**

Fiscal Year 2023/24  
May 9, 2023

Water	22/23		23/24 Proposed Budget	22/23 Comments	23/24 Comments
	Budget	Projected			
6805 - State Water	205,000	180,000	205,000		Anticipates 10% Increase
6802 - Lopez Water	153,000	155,000	160,000		
<b>Sub Total Operating Expense</b>	<b>505,000</b>	<b>468,075</b>	<b>515,000</b>		
<b>Total Operating Expense</b>	<b>505,000</b>	<b>468,075</b>	<b>515,000</b>		
<b>Net Income/ Expense</b>	<b>30,000</b>	<b>72,245</b>	<b>60,000</b>		
<b>Other Income</b>					
7210 - Connection Fees Paid	40,000	35,000	40,000		
<b>Other Expenses</b>					
1600 - Fixed Assets Depreciation	30,000	29,680	40,000		
8200 - Capital Replacement Transfer			80,000		
<b>Net Net Income/ Expense</b>			<b>-20,000</b>		

**Avila Beach Community Services District  
2023-24 Fiscal Year Budget**

**Solid Waste Fund**

**Avila Beach Community Services District**  
**Solid Waste Budget**  
 Fiscal Year 2023/24  
 May 9, 2023

**23/24**

	<b>22/23 Budget</b>	<b>22/23 Projected</b>	<b>22/23 Comments</b>	<b>Proposed Budget</b>	<b>23/24 Comments</b>
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
4012 · Solid Waste Franchise Fees	22,000	26,000		27,000	Franchise Fee
4070 · Late Charge Penalty	0	0		0	
4100 · Misc Income	0	0		0	
<b>Total Income</b>	<u>22,000</u>	<u>26,000</u>		<u>27,000</u>	
<b>Expense</b>					
5210 · Gross Wages	2,000	2,000		2,000	
6102 · Accounting	500	500		500	
6103 · Accounting Audit	1,000	1,000		1,000	
6130 · LAFCO Fees	1,000	1,000		1,000	
6135 · Legal	5,000	6,000		5,000	SB 1383 costs
6150 · Rate Assistance	9,500	9,500		9,500	
6506 · Contract Labor GM	2,000	2,000		3,000	SB 1383 costs
6542 · Maintenance	0			0	
6543 · Management	0			0	
6545 · Miscellaneous	0			0	
6550 · Operating Supplies	0			0	
6567 · Repairs	0			0	
<b>Sub Total Operating Expense</b>	<u>21,000</u>	<u>22,000</u>		<u>22,000</u>	
<b>Total Operating Expense</b>	<u>21,000</u>	<u>22,000</u>		<u>22,000</u>	
<b>Net Income/ Expense</b>	<b>1,000</b>	<b>4,000</b>		<b>5,000</b>	

**Avila Beach Community Services District  
2023-24 Fiscal Year Budget**

**Street Lighting Fund**

**Avila Beach Community Services District**  
**Street Light Budget**  
**Fiscal Year 2023/24**  
 May 9, 2023

Light Ordinary Income/Expense	22/23 Budget	22/23 Projected	22/23 Comments	23/24 Proposed Budget	23/24 Comments
Income					
4010 · Operating Revenue	0			0	
4030 · County Taxes	15,000	15,000		15,000	
4050 · Harbor Charges	1,000	1,000		1,000	
4070 · Late Charge Penalty	0			0	
4100 · Misc Income					
<b>Total Income</b>	<u>16,000</u>	<u>16,000</u>		<u>16,000</u>	
Expense					
5200 · Payroll Expenses					
5210 · Gross Wages	0	0		0	
<b>Total 5200 · Payroll Expenses</b>	<u>0</u>	<u>0</u>		<u>0</u>	
5230 · Payroll Taxes					
503M · Medicare	0	0		0	
<b>Total 5230 · Payroll Taxes</b>	<u>0</u>	<u>0</u>		<u>0</u>	
6542 · Maintenance	3,000	2,500		3,000	Repairs to Dist. Owned lights as needed
6545 · Miscellaneous	0			0	
6567 · Repairs	0			0	
6590 · Utilities	12,500	12,000		12,500	
Town Lights	7,200	7,200		7,200	
Front Street	5,300	5,300		5,300	
<b>Sub Total Operating Expense</b>	<u>15,500</u>	<u>14,500</u>		<u>15,500</u>	
6104 · Administrative Transfer	0			0	
<b>Total Operating Expense</b>	<u>15,500</u>	<u>14,500</u>		<u>15,500</u>	
<b>Net Income/ Expense</b>	<b>500</b>	<b>1,500</b>		<b>500</b>	

**Avila Beach Community Services District  
2023-24 Fiscal Year Budget**

**Water and Sewer Rates**



## Proposed Water Fixed and Variable Charges

	Rate	July 1, FY 20-21	July 1, FY 21-22	July 1, FY 22-23	July 1, FY 23-24	July 1, FY 24-25
Fixed Charge (\$ per month)						
All Customers		\$47.88	\$47.88	\$49.32	\$50.80	\$52.33
Variable Charge (\$ per HCF)						
<b>All Customers</b>						
Tier 1 - 0 to 5 units		\$4.05	\$4.05	\$4.18	\$4.31	\$4.44
Tier 2 - Over 5 units		\$11.67	\$11.67	\$12.02	\$12.39	\$12.77

## Proposed Wastewater Fixed and Variable Charges

	July 1, FY 20-21	July 1, FY 21-22	July 1, FY 22-23	July 1, FY 23-24	July 1, FY 24-25
Fixed Charge (\$ per HCF)					
All Customers	\$9.50	\$9.50	\$9.79	\$10.08	\$10.38
Variable Charge (\$ per HCF)					
<b>Single-family</b>					
0 to 5 HCF	\$13.46	\$13.46	\$13.86	\$14.28	\$14.71
Over 5 HCF	13.46	13.46	13.86	14.28	14.71
<b>Multifamily</b>					
0 to 5 HCF	13.07	13.07	13.46	13.86	14.28
Over 5 HCF	13.07	13.07	13.46	13.86	14.28
<b>Commercial</b>					
0 to 5 HCF	16.41	16.41	16.90	17.41	17.93
Over 5 HCF	16.41	16.41	16.90	17.41	17.93
<b>Hotels</b>					
0 to 5 HCF	18.13	18.13	18.67	19.23	19.81
Over 5 HCF	18.13	18.13	18.67	19.23	19.81
<b>Restaurants</b>					
0 to 5 HCF	39.25	39.25	40.43	41.64	42.89
Over 5 HCF	39.25	39.25	40.43	41.64	42.89
<b>Industrial</b>					
0 to 5 HCF	14.98	14.98	15.43	15.89	16.37
Over 5 HCF	\$14.98	\$14.98	\$15.43	\$15.89	\$16.37

**Avila Beach Community Services District  
2023-24 Fiscal Year Budget**

**Water and Sewer Capacity Fees**

**RESOLUTION NO. 2013- 08**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
AVILA BEACH COMMUNITY SERVICES DISTRICT  
ADOPTING CAPACITY FEES FOR BOTH WATER AND SEWER**

**WHEREAS**, the Avila Beach Community Services District (herein "District") is a community services district organized under Govt. Code §61000 et seq.; and

**WHEREAS**, the District has amongst its active powers the power to provide water for any beneficial uses (Govt. Code §61100(a)) and to collect and to dispose of sewage and wastewater (Govt. Code §61100(b)); and

**WHEREAS**, the Board of Directors has reviewed the recommendations of NBS and has determined that those charges do not exceed the amount anticipated and are necessary for providing these services to new connections to the water and sewer services within the District (Govt. Code §66013); and

**WHEREAS**, that Notice of this Public Hearing was appropriately published pursuant to Govt. Code §61016; and

**WHEREAS**, that the honorable Board has considered the report of NBS regarding capacity fees on at least four (4) occasions. At the District's last meeting on November 12, 2013, the Board gave direction that the adoption of capacity charges be placed on the upcoming agenda; and

**WHEREAS**, the Board recognizes that the adoption of these new connection fees could cause a hardship upon property owners/developers who have not perfected their right to connect to the District's water and sewer services and wishes to provide a one (1) month grace period before these new connection/capacity charges take effect.

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS OF THE AVILA BEACH COMMUNITY SERVICES DISTRICT AS FOLLOWS:**

1. The above recitals are true and correct.
2. That the Board hereby adopts the connection/capacity charges set forth in Attachment "A" to this Resolution.
3. That the effect of these charges be delayed thirty (30) days as to those holding unperfected preliminary will serves to allow for District processing but shall take effect immediately as to all new applications for District water and sewer services

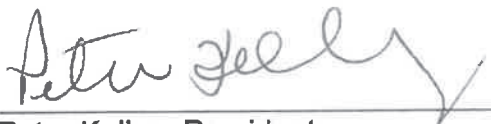
**PASSED AND ADOPTED** by the Board of Directors of the Avila Beach Community Services District this 10th day of December, 2013, on the following roll call vote:

AYES: Rowe, Janowicz, Waldron, Kelley

NOES: None

ABSENT: Richards

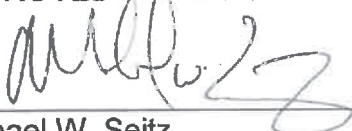
ABSTAIN: None

  
\_\_\_\_\_  
Peter Kelley, President  
Avila Beach Community Services District

ATTEST:

  
\_\_\_\_\_  
John Wallace  
District General Manager and  
Secretary to the Board

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Michael W. Seitz  
District Legal Counsel

AVILA BEACH COMMUNITY SERVICES DISTRICT  
 Water and Wastewater Capacity Charge Analysis  
 Water Fee Classification and Calculation of Maximum Fee

**EXHIBIT 10**  
 Preliminary Draft: Do Not Cite / Distribute.

UPDATED WATER CAPACITY FEES BASED ON NO. OF EDU'S:

Type of Use	Existing Water Capacity Fee <sup>1,2</sup>	Equivalence to a 2-Bedroom SFR Unit <sup>3</sup>	Scenario 1	Scenario 2
			Updated Capacity Fee Based on 2-Bedroom Equivalency	Updated Capacity Fee Based on 2-Bedroom Equivalency
Single Family Residence or Condominium, per Residence				
One Bedroom	\$4,780.57	0.67	\$3,442	\$4,301
Two Bedroom	\$7,170.86	1.00	\$5,163	\$6,452
Three Bedroom	\$9,561.15	1.33	\$6,884	\$8,602
Four Bedroom	\$11,951.43	1.67	\$8,605	\$10,753
Multi Dwelling				
One Bedroom	\$3,824.46	0.53	\$2,754	\$3,441
Two Bedroom	\$5,736.69	0.80	\$4,130	\$5,161
Three Bedroom	\$7,648.92	1.07	\$5,507	\$6,882
Mobile Home	\$4,780.57	0.67	\$3,442	\$4,301
Barber Shop (per chair)	\$1,912.23	0.27	\$1,377	\$1,720
Beauty Shop (per chair)	\$2,390.29	0.33	\$1,721	\$2,151
Dentist Office (per chair)	\$14,341.72	2.00	\$10,321	\$12,903
Department Store (per employee)	\$764.89	0.11	\$551	\$688
or, if larger, (per 1,000 square feet)	\$2,292.92	0.32	\$1,652	\$2,065
Drug Store	\$9,561.15	1.33	\$6,884	\$8,602
w/Fountain Service add:	\$25,815.10	3.60	\$18,517	\$23,226
if Serving Meals add (per seat):	\$956.11	0.13	\$688	\$860
Laundry				
(per Standard washing machine)	\$19,122.29	2.67	\$11,168	\$17,205
Meat Market				
(per 1,000 square feet of floor area)	\$956.11	0.13	\$688	\$860
Motel or Hotel (per room)	\$2,390.29	0.33	\$1,721	\$2,151
Office Building				
(per employee)	\$478.06	0.07	\$344	\$430
or, if larger, (per 1,000 square feet)	\$2,294.68	0.32	\$1,652	\$2,065
Physicians Office				
(per examining room)	\$3,824.46	0.53	\$2,754	\$3,441
Restaurant				
(per seat at 20 gallons per day per seat)	\$382.45	0.05	\$275	\$344
Theatre (per seat)	\$57.37	0.01	\$41	\$52
Other non water intensive establishments:				
(per 500 gallons per day)	\$9,561.15	1.33	\$6,884	\$8,602
Boarding School, Elem (per student)	\$1,434.17	0.20	\$1,033	\$1,290
Boarding School, Senior (per student)	\$1,912.23	0.27	\$1,377	\$1,720
Church (per seat)	\$57.37	0.01	\$41	\$52
Country Club (per member)	\$478.06	0.07	\$344	\$430
Civic Club (per member)	\$57.37	0.01	\$41	\$52
Elementary School (per student)	\$305.96	0.04	\$220	\$275
Nursing Homes (per bed)	\$2,868.34	0.40	\$2,065	\$2,581
Rooming House (per resident)	\$1,912.23	0.27	\$1,377	\$1,720
Summer Camps (per resident or camper)	\$1,147.34	0.16	\$826	\$1,032

1. ABCSD currently refers to the Capacity Fee as a Hookup Fee, however NBS recommends the District use "Capacity Fee" as the term for this fee to be consistent with industry standards and because it more appropriately describes what the fee is.

2. For uses not specifically included in this schedule, and for hybrid uses, assessments shall be determined by calculating annual water usage of the use in acre feet and multiplying by \$17,057.09.

3. Per ABCSD staff, current capacity fees are based on Metcalf and Eddy strength/flow factors. NBS has calculated updated capacity fees based on the relationship of current fees for 2-bedroom and 3-bedroom SFR units to all other customer classes.

**UPDATED SEWER CAPACITY FEES BASED ON NO. OF EDU'S:**

Type of Use	Existing Water Capacity Fee <sup>1,2</sup>	Equivalence to a 2-Bedroom SFR Unit <sup>3</sup>	Scenario 1	Scenario 2
			Updated Capacity Fee Based on 2-Bedroom Equivalency	Updated Capacity Fee Based on 2-Bedroom Equivalency
Single Family Residence or Condominium, per Residence				
One Bedroom	\$980.94	0.67	\$6,253	\$8,320
Two Bedroom	\$1,471.41	1.00	\$9,379	\$12,481
Three Bedroom	\$1,961.88	1.33	\$12,505	\$16,641
Four Bedroom	\$2,452.35	1.67	\$15,632	\$20,801
Multi Dwelling*				
One Bedroom	\$784.75	0.53	\$5,002	\$6,856
Two Bedroom	\$1,177.13	0.80	\$7,503	\$9,985
Three Bedroom	\$1,569.51	1.07	\$10,004	\$13,313
Mobile Home*	\$980.94	0.67	\$6,253	\$8,320
Barber Shop** (per chair)	\$392.38	0.27	\$2,501	\$3,328
Beauty Shop** (per chair)	\$490.47	0.33	\$3,126	\$4,160
Dentist Office** (per chair)	\$2,942.83	2.00	\$18,755	\$24,982
Department Store (per employee)	\$156.95	0.11	\$1,000	\$1,331
or, if larger, (per 1,000 square feet)	\$470.49	0.32	\$2,991	\$3,991
Drug Store**	\$1,961.88	1.33	\$12,505	\$16,641
w/Fountain Service add:	\$5,297.09	3.60	\$33,715	\$44,931
If Serving Meals add (per seat):	\$196.19	0.13	\$1,251	\$1,664
Laundry**	\$3,923.77	2.67	\$23,011	\$33,282
(per Standard washing machine)				
Meat Market**	\$196.19	0.13	\$1,251	\$1,664
(per 1,000 square feet of floor area)				
Motel or Hotel (per room)	\$490.47	0.33	\$3,126	\$4,160
Office Building**				
(per employee)	\$98.09	0.07	\$625	\$832
or, if larger, (per 1,000 square feet)	\$470.85	0.32	\$3,011	\$3,994
Physicians Office**	\$784.75	0.53	\$5,002	\$6,856
(per examining room)				
Restaurant**	\$78.48	0.05	\$500	\$666
(per seat at 20 gallons per day per seat)				
Theatre** (per seat)	\$11.77	0.01	\$75	\$100
Other non water intensive establishments**:				
(per 500 gallons per day)	\$1,961.88	1.33	\$12,505	\$16,641
Boarding School, Elem (per student)	\$294.28	0.20	\$1,876	\$2,496
Boarding School, Senior (per student)	\$392.38	0.27	\$2,501	\$3,328
Church (per seat)	\$11.77	0.01	\$75	\$100
Country Club (per member)	\$98.09	0.07	\$625	\$832
Civic Club** (per member)	\$11.77	0.01	\$75	\$100
Elementary School (per student)	\$62.78	0.04	\$400	\$533
Nursing Homes (per bed)	\$588.57	0.40	\$3,752	\$4,992
Rooming House (per resident)	\$392.38	0.27	\$2,501	\$3,328
Summer Camps (per resident or camper)	\$235.43	0.16	\$1,501	\$1,997

1. ABCSD currently refers to the Capacity Fee as a Hookup Fee, however NBS recommends the District use "Capacity Fee" as the term for this fee to be consistent with industry standards and because it more appropriately describes what the fee is.
2. For those uses not specifically included in the foregoing Schedule, and for hybrid uses, assessments shall be determined by calculating annual water usage of the use in acre feet and multiplying by the applicable acre foot rate for that use(s) under Paragraph A, B, or C of this section.
3. For ABCSD staff, current capacity fees are based on Metcalf and Eddy strength/flow factors. NBS has calculated updated capacity fees based on the relationship of current fees for 2-bedroom and 3-bedroom SFR units to all other customer classes.

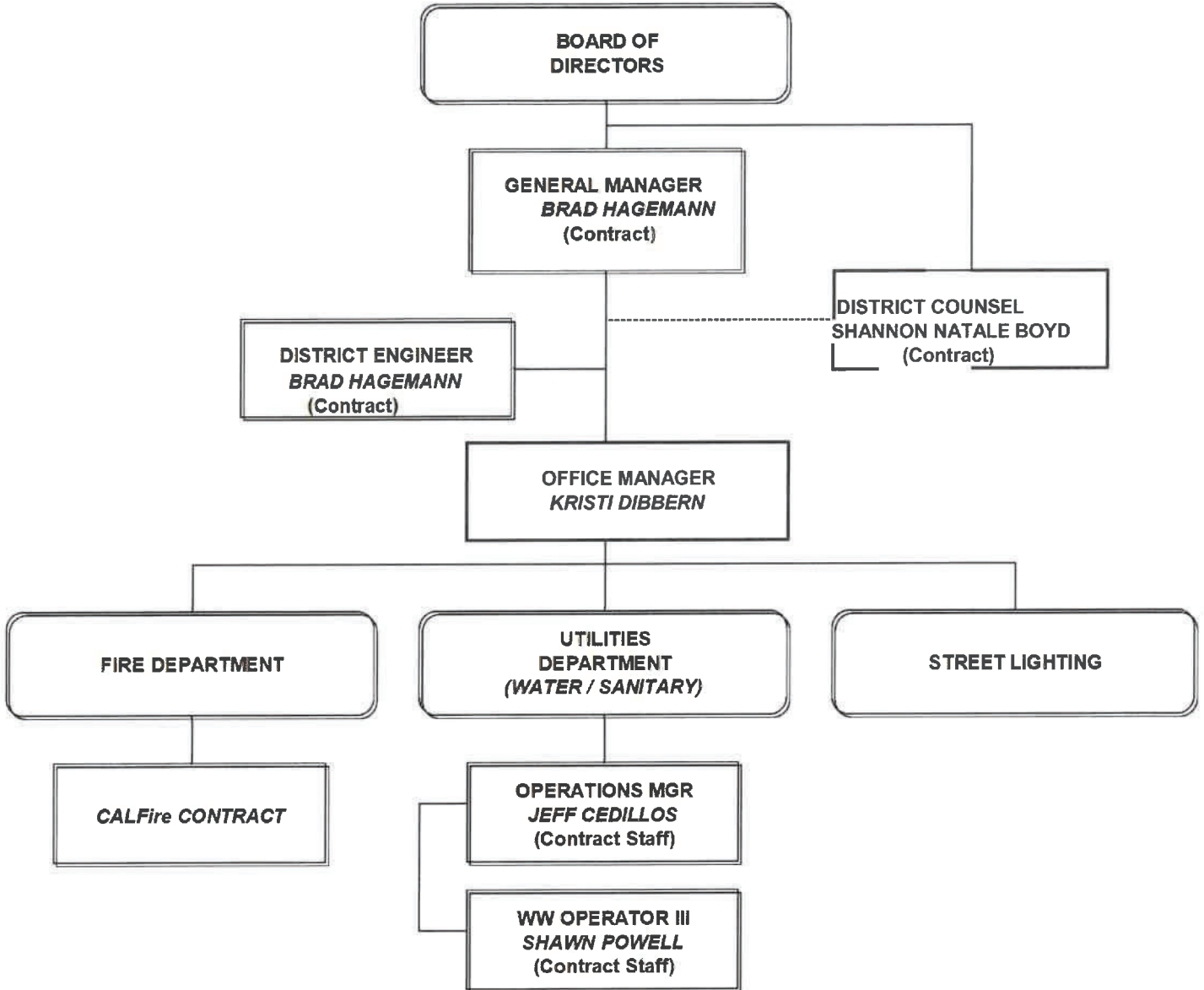
The following notes are applicable to the existing capacity fees:

- A. Uses in which a ratio of water used to sewage produced is essentially - 100% water used, 80% sewage produced; based upon \$1,987.54 per acre foot annual water use.
- B. Uses in which a ratio of water used to sewage produced is essentially - 100% water used, 90% sewage produced; based upon \$2,208.38 per acre foot of water used, marked by \*.
- C. Uses in which essentially 100% of the water used is converted to sewage; based upon \$3,229.74 per acre foot of water used, marked by \*\*

**Avila Beach Community Services District  
2023-24 Fiscal Year Budget**

**District Organization Chart**

**AVILA BEACH COMMUNITY SERVICES DISTRICT**  
*FY 2023/24 Organization Chart*





**Avila Beach Community Services District  
2023-24 Fiscal Year Budget**

**Compensation  
Effective 7/1/23**

**2023/24 Fiscal Year Budget  
Avila Beach Community Services District**

**Proposed Pay Grades and Related Steps  
for Permanent Employees  
To Be Effective 7/1/23**

	GRADE 5		GRADE 7		GRADE 9	
	Existing	Proposed	Existing	Proposed	Existing	Proposed
STEP 1	19.09	20.04	22.78	23.92	31.24	32.80
STEP 2	20.24	21.25	24.15	25.35	33.11	34.77
STEP 3	21.45	22.52	25.60	26.88	35.10	36.86
STEP 4	22.74	23.87	27.13	28.49	37.21	39.07
STEP 5	24.10	25.31	28.76	30.20	39.44	41.41
STEP 6	25.55	26.82	30.48	32.01	41.81	43.90

**DEPARTMENT**  
Administration

Billing Clerk

Accountant/Controller

Office Manager

**STEP PARAMETERS INCLUDE A 6% INCREASE PER STEP**

Step 1 is typically the starting wage. Hiring above Step 1 may be approved subject to the Personnel Committee concurrence.  
 Step 2 Increase is available with satisfactory six month review, completion of probation period and General Manager's approval.  
 Step 3 is available after 1 year of service at Step 2, satisfactory annual review and General Manager's approval.  
 Step 4 is available after 1 year of service in Step 3, satisfactory annual review and General Manager's approval.  
 Step 5 is available after 1 year of service in Step 4, satisfactory annual review and General Manager's approval.  
 Step 6 is available after 1 year of service in Step 5, satisfactory annual review and General Manager's approval.

**\*COST OF LIVING ADJUSTMENT (This table includes 3% COLA)**

Yearly on July 1, all employees will be eligible for a cost of living adjustment if approved by the Board of Directors. The percent will be applied to all grades and steps equally and the above schedule will be recalculated to reflect such Board action. The applicable percent shall be based on the consumer's price index for inflation released for the previous year by the Federal Government and proposed to the Board by the General Manager along with his recommendation for approval or defer depending on the fiscal impact on the District. This Adjustment is applicable to all employees as a group, but not guaranteed.

**Avila Beach Community Services District  
2023-24 Fiscal Year Budget**

**Capital Equipment/Projects**

**2023/24 Fiscal Year Budget**  
**Avila Beach Community Services District**  
**Capital Improvement Program**  
(May 9, 2023)

Item Description	Total 5 Years	Fiscal Year				
		2023/24 1	2024/25 2	2025/26 3	2026/27 4	2027/28 5
<b>General/Administration</b>						
ADM-1 General/Administrative Capital Improvements	\$ 55,000	\$ 25,000	\$ 15,000	\$ 0.00	\$ 15,000	\$ 0.00
<b>Subtotal:</b>	<b>\$ 55,000</b>	<b>\$ 25,000</b>	<b>\$ 15,000</b>	<b>\$ 0.00</b>	<b>\$ 15,000</b>	<b>\$ 0.00</b>
<b>Water</b>						
W-2022/23 - 1 Water System Meter/Valve Replacement	\$ 200,000	\$ 150,000	\$ 50,000	\$ 0.00	\$ 0.00	\$ 0.00
W-2022/23 - 2 Misc Water Line Replacement/Repair (As Needed)	\$ 125,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
W-2022/23 - 3 Re-Coat/Maintain Water Tank #1	\$ 175,000	\$ 0.00	\$ 150,000	\$ 25,000		
W-Future Water Tank #2 Maintenance or Replace	\$ 175,000	\$ 0.00	\$ 100,000	\$ 75,000		
W-Future Develop Well Water Source	\$ 75,000	\$ 0.00	\$ 0.00	\$ 75,000		
<b>Subtotal:</b>		<b>\$ 175,000</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>	<b>\$ 100,000</b>	<b>\$ 25,000</b>
<b>Wastewater</b>						
WW- 2022/23-1 WWTP Improvements/Redundancy Project (loan payment)	\$ 1,095,000	\$ 210,000	\$ 210,000	\$ 225,000	\$ 225,000	\$ 225,000
WW- 2022/23-2 WWTP SCADA Upgrade	\$ 225,000	\$ 150,000	\$ 50,000	\$ 25,000		
WW - 2022/23 - 3 Wastewater Collection Line Repair (As Needed)	\$ 115,000	\$ 15,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
WW -2022/23 -4 Miscellaneous Wastewater Projects (As Needed)	\$ 250,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
WW - F1 Brine Receiving Facilities	\$ 75,000	\$ 0	\$ 0	\$ 60,000	\$ 15,000	\$ 0.00
WW- F3 First Street Sewer Line Replacement	\$ 250,000	\$ 0	\$ 0	\$ 50,000	\$ 200,000	
WW- F5 Front Street Sewer Line Replacement	\$ 0.00	\$ 0	\$ 0	\$ 0		
<b>Subtotal:</b>		<b>\$ 425,000</b>	<b>\$ 335,000</b>	<b>\$ 385,000</b>	<b>\$ 385,000</b>	<b>\$ 500,000</b>
<b>Street Lighting</b>						
L-1 Repair or Replace Lights and Electrical Systems (As Needed)	\$ 37,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500
<b>Subtotal:</b>		<b>\$ 7,500</b>	<b>\$ 7,500</b>	<b>\$ 7,500</b>	<b>\$ 7,500</b>	<b>\$ 7,500</b>
<b>Total Capital Equipment / Projects by Fiscal year:</b>		<b>\$ 632,500</b>	<b>\$ 582,500</b>	<b>\$ 617,500</b>	<b>\$ 487,500</b>	<b>\$ 532,500</b>
<b>Total 5-Year Capital Equipment / Projects</b>	<b>\$ 2,852,500</b>					

**KEY**

- W-F#= FUTURE WATER -
- WW#= WASTEWATER
- WW-F#= FUTURE WASTEWATER -