

SAM Board Meeting

FY 2024/25 Operating Budget Review

4/8/2024



Budget Points



1. All authorized positions are included in the budget
2. All applicable merit step increases at one step up are included in the budget
3. Applied 3% CPI to all non-personnel costs, unless other changes were needed due to actual or anticipated events
4. Included a buffer for anticipated increase in labor costs. Labor negotiations with Local No. 39 are set to begin with the approval beginning January 31, 2025
5. Infrastructure budget has been reduced by \$218,011 from last years budget amount

General Budget: Change from FY 2023/24

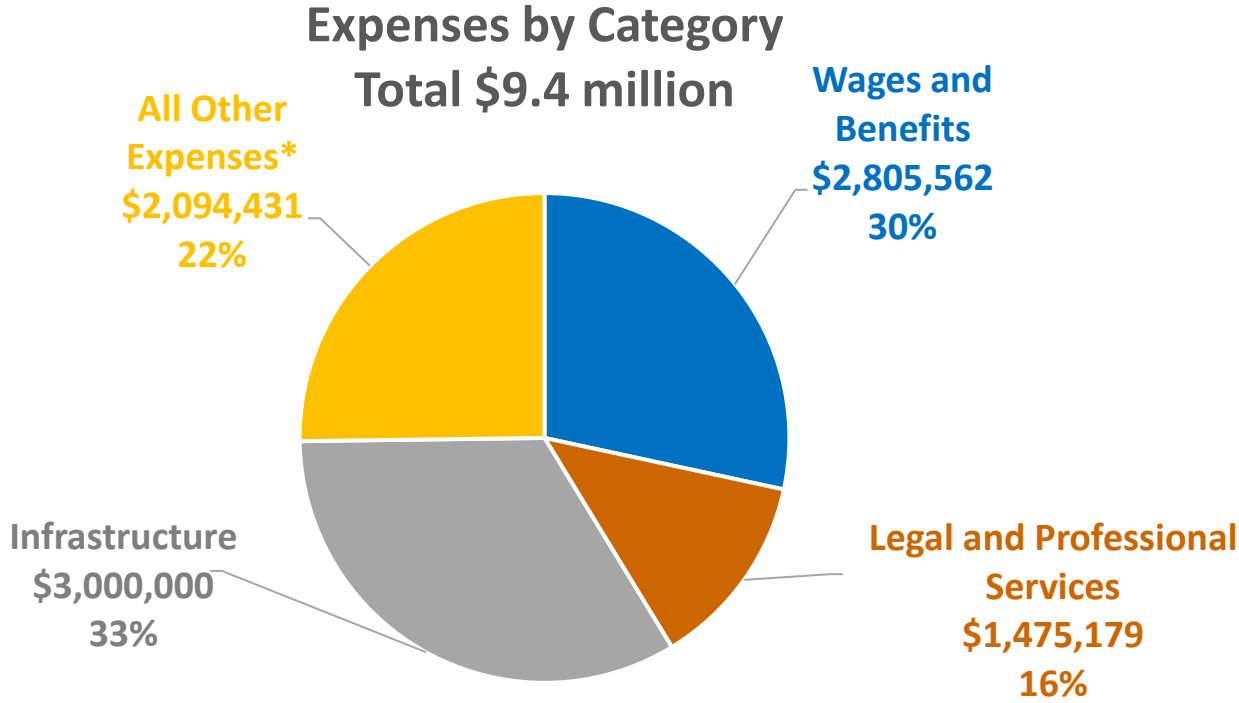
	FY 2023/24 Adopted	FY 2024/25 Proposed	\$ Change	% Change
Wages and Benefits	\$2,518,457	\$2,805,562	\$287,105	10%
Legal/Engineering/ Professional Services	\$1,226,130	\$1,475,179	\$249,049	17%
All Other Expenses*	\$1,802,021	\$2,094,432	\$292,409	14%
Total Operating Budget (less Infrastructure)	\$5,546,608	\$6,375,173	\$828,564	13%
Infrastructure **	\$3,218,011	\$3,000,000	\$(218,011)	(7%)
Total General Budget	\$8, 764,619	\$9,375,173	\$610,554	7%

*All Other Expenses include: Utilities, Insurance, Equipment Rental, Maintenance Services, Chemicals, Permits, Supplies, Equipment, and Claims.

** As amended via mid-year budget adjustment

NOTE: Minor differences due to rounding

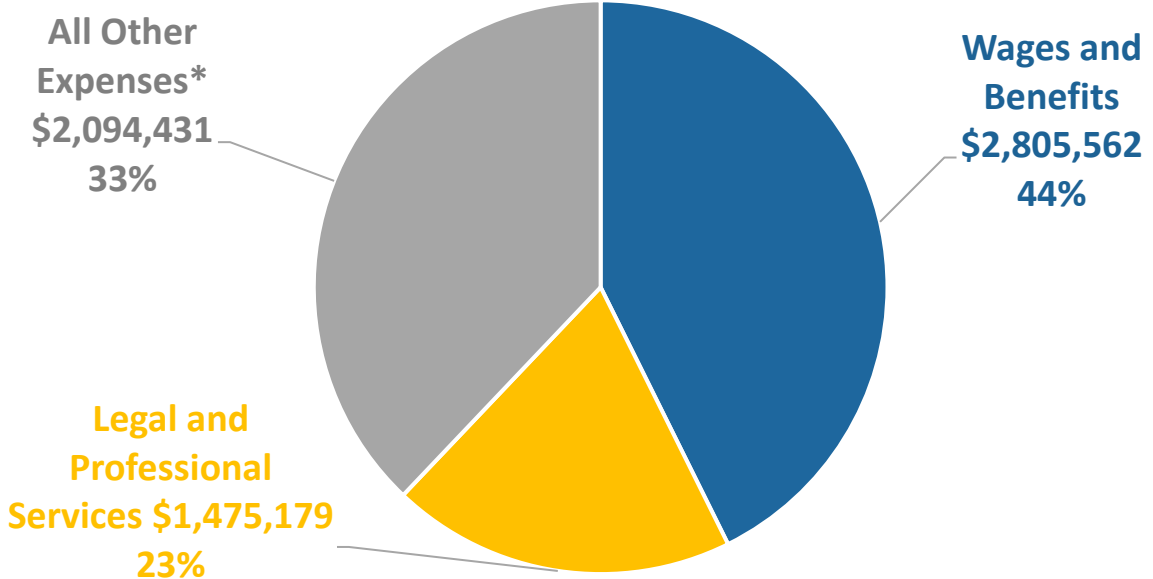
General Budget



*All Other Expenses include: Utilities, Insurance, Equipment Rental, Maintenance Services, Chemicals, Permits, Supplies, Equipment, and Claims.

Operating Budget (does not include Infrastructure)

Operating Expenses by Category Total \$6.38 million



*All Other Expenses include: Utilities, Insurance, Equipment Rental, Maintenance Services, Chemicals, Permits, Supplies, Equipment, and Claims.

Staffing Information

<u>Classifications</u>	<u>Authorized Positions</u>	
<u>Administrative Services:</u>		
General Manager	1.0	13.0 Employees in General Budget
Finance Officer	1.0	
Accounting Tech	1.0	
Administrative Assistant	<u>1.0</u> 4.0	
<u>Operations & Maintenance:</u>		
Engineering & Construction Contracts Manager (<i>Defunded</i>)	0.0	1.0 GM- Contract
Plant Superintendent	0.75	
Maintenance Mechanic I/II/III	2.0	6.0 Employees Scheduled for Step Increase 6.0 Employees Currently at Top Step
Operator I/II/III	2.0	
Lead Operator	4.0	
Utility Worker (<i>Defunded</i>)	<u>0.0</u> 8.75	
<u>Environmental Compliance:</u>		
Plant Superintendent	0.25	Vacant Positions Budgeted at Mid-Step
Total Authorized	13.0	
	6	

General Budget does not include Collections.

Operating Budget: Key Changes

Personnel Costs: Net Increase due to Wage increases (COLA & Merit) and increased health & retirement costs as well as anticipated increase due to labor negotiations	\$287,105
Engineering Services (Treatment): Based on Year-to-Date Actuals	\$3,863
Professional Services: Based on anticipated needs for FY 24-25	\$245,187
Insurance Premiums: Based on Year-to-Date Actuals – Increase due to prior year’s claims and new flood policy	\$111,740
Utilities: Based on increased PG&E costs as well as solid waste	\$67,968
Equipment Rental: Generators as well as tanks	\$35,146
All Other Operating Expenses: Net Decrease due to reduced utilization of supplies and equipment rentals	<u>\$77,555</u>
Sum of Operating General Budget Key Changes	\$828,564

Legal and Professional Services Detail

	FY 2023/24 <u>Adopted</u>	FY 2024/25 <u>Proposed</u>	\$ <u>Change</u>	% <u>Change</u>
Legal and Professional Services	\$1,097,380	\$1,342,567	\$245,187	18%

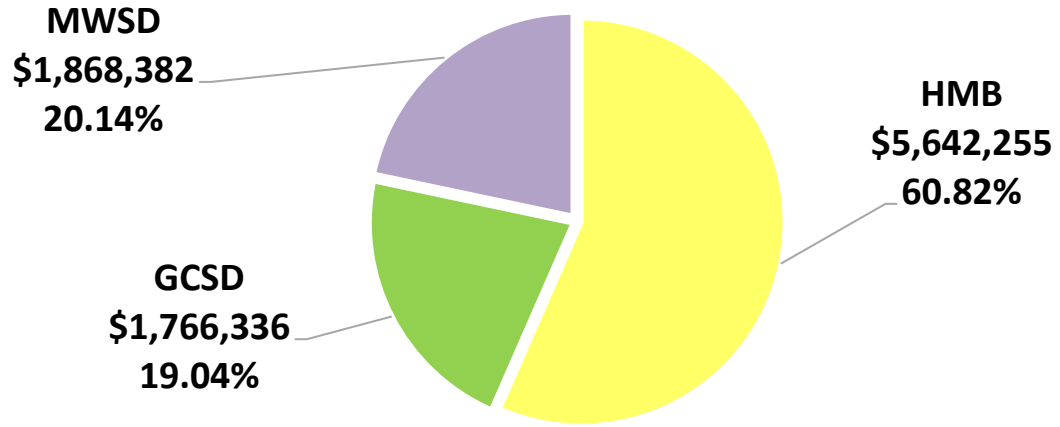
Major Vendors	Service(s)
Calcon Systems, Inc.	Equipment Maintenance
Rutan & Tucker, LLC	General Counsel
Boucher Law, PC	Employment Counsel
RVE Accounting & Advisory	Accounting Services
Precision IT Consulting	IT Consulting
Koffler Electrical, Inc	Equipment Maintenance
Peninsula Pump & Equipment, Inc.	Equipment Maintenance
Integral Consulting	Plant Studies
Alpha Analytical Laboratories, Inc.	Testing

CalPERS Rates

	FY 2023/24	FY 2024/25
<u>Employer Rate</u>		
Classic Members	13.26%	13.31%
PEPRA Members	8.00%	8.18%
<u>Employee Rate</u>		
Classic Members	7.00%	7.00%
PEPRA Members	7.25%	7.25%
<u>Unfunded Liability Payment (on \$3M)</u>		
PERS - Classic	\$253,473	\$308,440
PERS - PEPRA	\$0	\$4,381
Total Payment for Unfunded Liability	\$253,473	\$312,821

Assessments for Each Agency

Assessments for FY 2024/25 Based on Calendar Year 2023 Flow



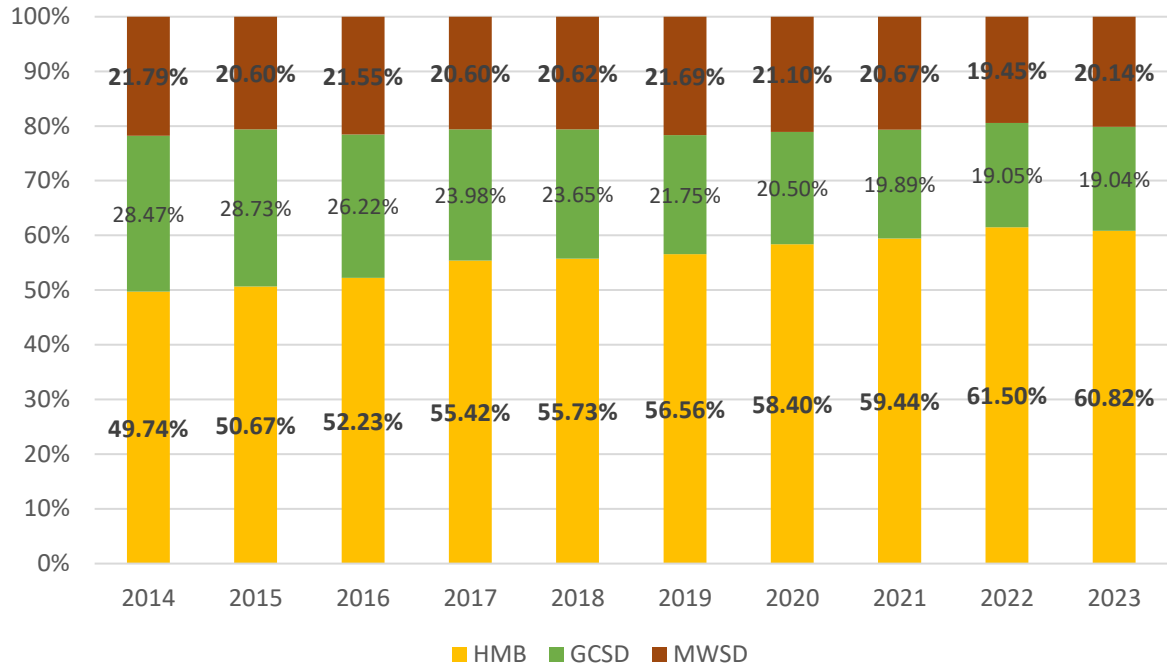
General Budget: Assessments

	FY 2021/22 <u>Actual</u>	FY 2022/23 <u>Actual</u>	FY 2023/24 <u>Adopted</u>	FY 2024/25 <u>Proposed</u>	\$ <u>Change</u>	% <u>Change*</u>
Half Moon Bay	\$4,241,911	\$4,871,480	\$5,331,606	\$5,642,255	\$310,648	6%
Granada CSD	\$1,489,027	\$1,630,110	\$1,651,497	\$1,766,336	\$114,838	7%
Montara WSD	\$1,532,608	\$1,694,036	\$1,1686,175	\$1,868,382	\$182,207	11%
Total	\$7,307,067	\$8,195,626	\$8,669,279	\$9,276,973	\$607,694	7%

**Due to changes in the flow rates, the percentage changes are not the same for the three agencies.*

Historical Flow Allocations

Historical Flow Allocations



Division Budgets by Fiscal Year

	FY 2021/22 <u>Actual</u>	FY 2022/23 <u>Actual</u>	FY 2023/24 <u>Adopted</u>	FY 2024/25 <u>Proposed</u>	\$ <u>Change</u>	% <u>Change</u>
Administration	\$1,465,910	\$1,444,707	\$1,582,520	\$1,890,712	\$308,192	16%
Treatment	\$3,664,180	\$3,933,860	\$3,885,111	\$4,232,565	\$347,454	8%
Environmental Compliance	<u>\$308,206</u>	<u>\$166,946</u>	<u>\$237,396</u>	<u>\$251,896</u>	<u>\$14,500</u>	<u>6%</u>
Total Operating Budget	\$5,438,296	\$5,545,513	\$5,705,027	\$6,375,173	\$670,146	7%
Infrastructure	<u>\$1,412,419</u>	<u>\$4,656,907</u>	<u>\$3,059,595</u>	<u>\$3,000,000</u>	<u>(\$59,592)</u>	<u>(2%)</u>
Total General Budget	\$6,850,715	\$10,202,420	\$8,764,622	\$9,375,173	\$610,554	7%

Questions and Discussion