



SEWER AUTHORITY MID-COASTSIDE
Finance Committee *Special Meeting* Agenda
11 am to 12 pm on Thursday April 28, 2022

Join Zoom Meeting

<https://us02web.zoom.us/j/87355534988?pwd=V3Z3VIM5M3o3ZWx6Ti9TU1NUV2Vjdz09>

Meeting ID: 873 5553 4988

Passcode: 965346

One tap mobile

+16699006833,,87355534988#,,,,*965346# US (San Jose)

Dial by your location

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1. ROLL CALL

Debbie Ruddock (HMB)

Barbara Dye (GCSD)

Kathryn Slater-Carter (MWSD)

2. REGULAR BUSINESS

A. Approval of Minutes March 21, 2022

B. Budget vs Actual -Q3, FY21-22

D. Any other issues

3. NEXT REGULAR MEETING

May 19, 2022

SEWER AUTHORITY MID-COASTSIDE
Finance Committee Meeting Minutes - Special Meeting
March 21, 2022

1. CALL TO ORDER –3:07 PM

A. Roll Call – All Present

Barbara Dye (GCSD) – Present

Debbie Ruddock (HMB) – Present

Kathryn Slater-Carter (MWSD) – Present

2. REGULAR BUSINESS

A. Approval of Minutes February 25, 2022 – Approved by All

B. Collections Budget FY2022-2023 Audit – Conditional Approval by All

The budget was reviewed. Cosmetic errors were noted with the presentation. These will be corrected prior to presentation to the Board.

C. General Budget FY2022-2023 – Conditional Approval by All

The budget was reviewed. Cosmetic errors were noted with the presentation. These will be corrected prior to presentation to the Board.

D. Any other Issues

Kishen presented our updated Cash Position report as well as our updated CIP and Capital Expenditures draft reports. Potential Cash Flow options were presented regarding Infrastructure funding by the agencies. After detailed discussion of the reports and the options, it was decided that neither option was to be taken at this time. Furthermore it was decided that, while the CIP and Capital Expenditure draft reports were helpful in their current state, staff should continue modification and, once a format is agreed upon, present the findings to the Finance Committee on a regular basis, specifically, no less than quarterly. Staff will continue to modify the report layouts and present to the committee for feedback.

3. Meeting Adjourned 4:21 PM

NEXT SCHEDULED REGULAR MEETING: April 21, 2022 11:00 am



Quarterly Budget Review

Sewer Authority Mid-Coastside

3rd Quarter of Fiscal Year 2021/2022 - Unaudited Financial Statements

" HELPING OUR CLIENTS SUCCEED "

Sewer Authority Mid-Coastside Budget Analysis

Budget vs. Actual: Revenue and Expense Category
07/01/2021 - 03/31/2022



BUDGET BY REVENUE AND EXPENSES CATEGORY - O&M

<Statement of Revenues, Expenses, and Changes in Net Position>

OPERATING REVENUE	July 1, 2021 - March 31, 2022	YTD Budget	Total Budget	Variance \$ to YTD budget	Variance % to YTD Budget	% of Total Budget
Operating and maintenance assessments	3,588,919	3,588,919	4,785,226	-	0%	75%
Other income	23,831	86,216	115,000	(62,384)	-72%	21%
Total operating revenue	3,612,751	3,675,135	4,900,226	(62,384)		
OPERATING EXPENSES						
Treatment	3,274,783	2,591,744	3,457,060	(683,039)	-26%	95%
Environmental Compliance [Lab]	262,020	137,395	183,267	(124,625)	-91%	143%
Administration	1,086,706	959,538	1,279,899	(127,168)	-13%	85%
Infrastructure	211,188	1,857,996	2,478,320	1,646,809	89%	9%
Total operating expense	4,834,697	5,546,673	7,398,546	711,977		
OPERATING SURPLUS (LOSS)	(1,221,946)	(1,871,538)	(2,498,320)	(649,592)	35%	
NON-OPERATING REVENUES (EXPENSES)						
Interest and dividend income	5,875	14,994	20,000	(9,119)	-61%	29%
Total non-operating revenues (expenses)	5,875	14,994	20,000	(9,119)		
Increase before contributions	(1,216,071)	(1,856,544)	(2,478,320)	640,473	-34%	
Capital contributions	1,858,740	1,858,740	2,478,321	-	0%	75%
CHANGE IN NET POSITION	642,669	2,196	1	640,473		

Sewer Authority Mid-Coastside

Budget Analysis

Budget vs. Actual: Revenue and Expense Category
07/01/2021 - 03/31/2022



NARRATIVES

Other Income: Total revenue of \$23,831 generated; \$62,384 or 72% under budget.

- During October of 2020, we halted accepting trucked leachate from Browning Ferris Industries (Ox Mountain/Republic).
 - Prior to that time, they averaged about \$7K per month in other income. \$60K was budgeted to date.

Environmental Compliance Expenses: Total expense of \$262,020 incurred; \$124,625 or 91% over budget. Notable budget over runs include:

- 100-2022-5330 Misc. Professional Services (Over YTD \$118,302)
 - Related to the need for additional testing from EBS BioStar and Alpha Labs due to heightened BOD levels experienced in the plant

Treatment Expenses: Total expense of \$3,274,783 incurred; \$683,039 or 26% over budget. Notable budget over runs and significant expenditures include the following:

- 100-2021-5330 Misc. Professional Services (Over YTD \$170,446)
 - \$94,415 has been spent on WWTP capacity and treatment process review study
- 100-2021-5318 Engineering & Architectural Services (Over YTD \$90,879)
 - \$139,836 has been spent on Engineering Support
- 100-2021-5326 Equipment Maintenance (Over YTD \$95,450)
 - \$386,709 has been spent on Main Plant service calls
- 100-2021-6015 Princeton Pump Station (Over YTD \$69,510) **Capitalize at fiscal year-end**
 - \$81,998 has been spent on the Odor Control System
- 100-2021-6121 Machinery and equipment (Over YTD \$130,226) **Capitalize at fiscal year-end**
 - \$29,996 has been spent on a Supply Tank Safety Ladder
 - \$21,000 has been spent on an HD VFD & Spare for the Princeton Pump Station
 - \$20,240 has been spent on the Hypo Tank for the Montara Pump Station
- 100-2021-6016 Portola Pump Station (Over YTD \$105,498) **Capitalize at fiscal year-end**
 - \$23,500 has been spent on repairs for the Portola Pump Station
 - \$81,998 has been spent on the Odor Control System

Sewer Authority Mid-Coastside

Budget Analysis

Budget vs. Actual: Revenue and Expense Category

07/01/2021 - 03/31/2022



Administration Expenses: Total expense of \$1,086,706 incurred; \$127,168 or 13% over budget. Notable budget over runs include the following:

- 100-1010-5311 Employment Legal Fees (Over \$40,167)
- 100-1010-5330 Misc. Professional Services (Over \$16,700)
- 100-1010-5322 Computer & Network Maintenance (Over \$24,723)

Infrastructure Expenses: Total expense of \$211,188 incurred; \$1,646,809 or 89% under budget

- \$1,292,723 budgeted for Misc. Professional Services, for which expenses of \$16,700 have thus far been incurred
- 100-4041-6016 Portola Pump Station (Under \$147,318) **Capitalize at fiscal year-end**

Sewer Authority Mid-Coastside Budget Analysis

Budget vs. Actual: Revenue and Expense Category
07/01/2021 - 03/31/2022



BUDGET BY REVENUE AND EXPENSES CATEGORY - Collections

<Statement of Revenues, Expenses, and Changes in Net Position>

OPERATING REVENUE	July 1, 2021 - March 31, 2022	YTD Budget	Total Budget	Favorable/ (Unfavorable) Variance \$ to YTD budget	Variance % to YTD Budget	% of Total Budget
Collection assessments	655,210	655,210	873,613	-	0%	75%
Pass-through	176,768	-	-	176,768	-	-
Total operating revenue	831,978	655,210	873,613	176,768		
OPERATING EXPENSES						
Administration	419,387	488,876	652,099	69,488	14%	64%
Utilities	6,006	6,190	8,256	184	3%	73%
Equipment & Supplies	209,407	159,880	213,258	(49,527)	-31%	98%
CS Repair: Pass-through	172,067	-	-	(172,067)	-	-
Total operating expense	806,866	654,945	873,613	(151,921)		
OPERATING SURPLUS (LOSS)	25,112	265	-	24,847	9378%	
CHANGE IN NET POSITION	25,112	265	-	24,847		

Sewer Authority Mid-Coastside

Budget Analysis

Budget vs. Actual: Revenue and Expense Category
07/01/2021 - 03/31/2022



NARRATIVES

Administration Expenses: Total expense of \$419,387 incurred; \$69,488 or 14% under budget

- Major variance is from wages and insurance premiums

Equipment & Supplies Expenses: Total expense of \$209,407 incurred; \$49,527 or 31% over budget

- Major variance is from mechanical related supplies (Object 5821), the purchase of the Pipehunter Truck set these accounts over the YTD budget. As the year finishes, these accounts will fall within reasonable expectation of budget