

# BOLINAS COMMUNITY PUBLIC UTILITY DISTRICT

BCPUD

BOX 390 270 ELM ROAD BOLINAS CALIFORNIA 94924

415 868 1224



May 26, 2020

## Notice To All Owners of Property Served By a BCPUD Water Connection

On the reverse side of this notice is a copy of the *proposed* BCPUD budget for the 2020-21 fiscal year (“FY”), which begins on July 1, 2020 and concludes on June 30, 2021. We are pleased to let you know that if the budget is adopted by the BCPUD Board of Directors at its July 15, 2020 regular meeting with no further changes, **no increases** in the charges for water or sewer service, **no increases** to the quarterly metered water rates, and **no increase** in the charge for services related to septic systems and drainage on the Gridded Mesa will be implemented; in fact, the charge for services related to septic systems and drainage on the Gridded Mesa will be **decreased** from \$70 per parcel to \$40 per parcel because the Board has determined that the district has sufficient funds in reserves to cover anticipated expenditures not met by the reduced service charge revenue.

The proposed FY 2020-21 budget has been carefully structured to enable the BCPUD to continue to provide important and high quality services to our customers in a cost-efficient manner and to implement critical improvement projects *without* increasing annual service charges and *without* increasing quarterly metered water rates. In recent years, the district has pursued an aggressive capital improvement strategy to replace or rehabilitate aging infrastructure throughout its water and sewer enterprises and has annually proposed increases to the district’s water and/or sewer service charges in part to fund these projects. The district is very grateful that the community has strongly supported the district’s approach and many capital improvements have been installed in recent years. The Board’s commitment to its capital improvement projects has not waned but, in light of the Coronavirus pandemic and the unprecedented financial consequences thereof – including but not limited to the resulting impact on so many of our customers – the district has determined that adjustments to the capital improvement project schedule are prudent at this time.

By realizing employee services cost reductions, implementing cost-saving measures and adjusting our Five-Year Capital Improvement Plan, the district proposes in the draft FY 2020-21 budget to hold overall planned district expenditures virtually even with the last fiscal year. More specifically, the district’s budgeted employee and benefits costs will decline overall by approximately \$8,225 as compared to last fiscal year, and the district’s debt and capital improvement costs will decline by \$40,000. These reductions more than off-set an increase of approximately \$38,635 in the district’s budgeted maintenance and operating costs and an increase of approximately \$2,000 in contributions to the district’s reserves. The BCPUD Board of Directors recommends in the draft FY 2020-21 budget that the district continue to fund its employee services, maintenance and operations, and debt servicing costs (all of which have been adjusted for inflation and/or to reflect specific adjustments needed based on current and prior fiscal year actual expenditures); however, the Board recommends that the district’s previously-approved capital improvement project schedule be slightly adjusted (with some projects deferred to upcoming years) in order to avoid the need to propose any increase in service charges or quarterly metered water rates. These recommendations will be reflected in the district’s updated Five-Year Capital Improvement Plan, as well. Specifically, the Board recommends deferring the previously scheduled expenditure of an additional: \$50,000 toward the engineering of a water main replacement plan for the Bolinas Mesa, \$50,000 toward the purchase of a new backhoe or excavator; and \$25,000 toward a data system for the Woodrat Water Treatment Plant. That said, the district will proceed as planned during FY 2020-21 to install and fund the remaining costs of the East Tank Rehabilitation Project (\$275,000), the Woodrat Reservoir Rehabilitation Project (\$20,000), and the Irrigation Pump Station Replacement Project (\$110,000).

**There will be a public hearing on the draft FY 2020-21 budget at the June 17, 2020 regular meeting of the BCPUD Board of Directors. The meeting will begin promptly at 7:30 p.m., at the District office at 270 Elm Road, Bolinas (if possible under then-applicable shelter-in-place orders related to the Coronavirus pandemic), or via teleconference.** The public hearing on the draft FY 2020-21 budget will be the third item of business, following the Manager's Report, and Community Expression. **Approval of the FY 2020-21 budget is scheduled for the July 15, 2020 regular meeting of the BCPUD Board of Directors**, following further public discussion at that meeting. A copy of the draft FY 2020-21 budget is printed on the reverse side of this notice. It is also on the District’s website at <http://www.bcpud.org>. Please direct any questions about this notice and/or the BCPUD’s draft FY 2020-21 budget to: Jennifer Blackman, General Manager, BCPUD, P.O. Box 390, Bolinas, California 94924 (415) 868-1224 or [bcpud@bcpud.org](mailto:bcpud@bcpud.org).

**EXPENDITURES**

	Water	Sewer	Septic/ Drainage	RRP	Total
<b>Employee Services</b>					
Administrative/Clerical	\$147,592	\$19,561	\$3,473	\$4,071	\$174,697
Chief Operator Transition	\$24,287	\$10,409			\$34,696
Operators	\$240,081	\$46,315	\$8,510	\$73,195	\$368,101
Benefits	\$201,172	\$34,788	\$2,300	\$2,119	\$240,379
Workers Compensation Insurance	\$11,888	\$1,338	\$349	\$2,076	\$15,651
Employer Taxes	\$8,069	\$2,083	\$411	\$6,306	\$16,869
<b>subtotal - employee services</b>	<b>\$633,089</b>	<b>\$114,494</b>	<b>\$15,043</b>	<b>\$87,767</b>	<b>\$850,393</b>
<b>Maintenance</b>					
Association Dues	\$17,601	\$9,000			\$26,601
Audit	\$10,754	\$1,913	\$215	\$261	\$13,143
Bookkeeping	\$10,481	\$1,850	\$244	\$613	\$13,187
Building/Grounds	\$12,000	\$7,951		\$3,075	\$23,026
Director Fees	\$15,000				\$15,000
Election Expense	\$2,500				\$2,500
Fuel	\$13,543	\$1,901		\$1,845	\$17,290
Insurance	\$20,000	\$2,304		\$417	\$22,721
Legal	\$8,200	\$2,050			\$10,250
Miscellaneous	\$127	\$50	\$86	\$4,500	\$4,763
Office Expenses	\$16,000	\$1,334	\$527	\$771	\$18,631
Contractual Services/Projects	\$6,626	\$5,724	\$10,085	\$30,000	\$52,435
Plant	\$65,692	\$23,704			\$89,396
Power	\$7,000	\$9,428			\$16,428
Roads	\$3,000				\$3,000
Lab supplies/Analyses	\$16,183	\$6,741			\$22,924
Telephone/Fax	\$19,600	\$1,319	\$254		\$21,173
Tools/Supplies	\$10,782	\$1,670			\$12,452
Travel/Education	\$1,375	\$200	\$49		\$1,624
Uncollectible Accounts	\$500				\$500
Vehicles/Mobile Equipment	\$5,000	\$2,050		\$541	\$7,591
<b>subtotal - maintenance</b>	<b>\$261,963</b>	<b>\$79,189</b>	<b>\$11,460</b>	<b>\$42,024</b>	<b>\$394,635</b>
<b>Debt</b>					
Loan Repayment	\$30,400				\$30,400
Bond Principle and Interest					
CREB's (solar bonds)	\$37,812	\$14,125			\$51,937
<b>Capital</b>					
Capital Improve. Projects (not incl. staff time)	\$295,000	\$125,000			\$420,000
[Reserved]					
Capital Purchases					
<b>subtotal - debt + capital</b>	<b>\$363,212</b>	<b>\$139,125</b>			<b>\$502,337</b>
<b>Reserves</b>					
Water, Sewer, Septic/Drainage					
Hazardous Trees	\$18,000				\$18,000
Groin/Seawall Maintenance	\$5,000				\$5,000
Solar	\$31,258	\$15,606			\$46,864
<b>subtotal - Reserves</b>	<b>\$54,258</b>	<b>\$15,606</b>			<b>\$69,864</b>
<b>Total - All Expenditures</b>	<b>\$1,312,522</b>	<b>\$348,414</b>	<b>\$26,503</b>	<b>\$129,791</b>	<b>\$1,817,230</b>
<b>REVENUE</b>					
Annual Service Charges	\$825,150	\$229,939	\$14,040		\$1,069,129
General Obligation Bonds					
Interest	\$20,000	\$11,850		\$200	\$32,050
Prior Period Revenue					
Other Income	\$5,000				\$5,001
LAIF Reserve Funds					
Property Rentals	\$5,040				\$5,040
Water, Sewer, Septic/Drainage Designated Funds			\$12,463		\$12,463
RRP (chipping/greenwaste)				\$129,491	\$129,491
Water/Product Sales	\$122,020			\$100	\$122,120
Taxes	\$297,500	\$92,500			\$390,000
Solar Designated Funds	\$37,812	\$14,125			\$51,937
<b>Total - All Revenue</b>	<b>\$1,312,522</b>	<b>\$348,414</b>	<b>\$26,503</b>	<b>\$129,791</b>	<b>\$1,817,230</b>