

BCPUD's Budget Proposal and Financial Considerations for FY 2025/2026

Special Meeting of the Board of Directors

April 14, 2025

Presented by Georgia Woods

Discussion Overview

- Next Meeting (Wednesday, April 16) you will be voting to approve the Prop 218 Notice
- This notice will likely include increases in annual rate charges for the Water and the Sewer Systems and the Septic-Drainage Program
- These Rate Increases are required to address:
 - Capital Improvement Plan for Next 5 years
 - Some Anticipated Increased Expenditures for FY 2025/2026
 - Better management of our Status of Reserves
- Proposed Rate Increases in the Water and Sanitary Sewer Systems to address shortfalls and CIPs
- "Rejuvenation" of the Septic/Drainage Program, Proposed Rate Increases to fund the program and Capital Purchases of mobile equipment
- Overview of Resource Recovery Program and Fees and Funding

But first, why this meeting?

Why this meeting, and modifications to the Budget Process going forward...

Director's Responsibility in Budget Related Matters:

- One of your most important duties as a Director of the BCPUD is your fiduciary oversight.
- One of your most consequential decisions is your approval of the budget and rate structures; our rate structure has impactful ethical implications.
- As a Director of this board, it is important for you to have enough understanding of the financial needs of the district to be able to evaluate whether a rate increase is needed or not.
- As an elected official and a representative of your constituents, it's important for you to consider the impact these rate increases will have on the members of the community.
- The BCPUD provides multiple services: water, sanitary sewer, septic/drainage, resource recovery, and many general community benefits; residential parking program, management of "green space", bike path, maintenance of the beach groin, liaison with the County of Marin.
- We collect multiple "pots" of money to support these services; it is important for you to consider how we use these pots of money, as this has important ethical implications as to "who is paying for what".
- While traditionally BCPUD has used its revenue to support general community needs, it's also important to recognize that as a Special District we are subject to the Prop 218 process and must use the revenue we collect for the expressed intentions. We do receive a portion of general property tax revenue from the County of Marin, which gives us some flexibility on how we use this money.

Scrutiny of the "Financial Committee" Model for Developing the Budget and Recommended Rate Increases:

- Currently, we develop our Fiscal Year Budget by way of ~6 Finance Committee meetings. 2 Directors sit on this Committee and these meetings happen in the middle of the workday.
- Given my view that one of your primary roles as a Director is the approval of the budget, I do not support the pared-down role that the other 3 Directors play in our current format, where the "Finance Committee" does all the heavy lifting.
- This "Finance Committee" format does not accomplish its other main goal: to bring about public transparency. No members of the public are attending 6 meetings in the middle of the day!

Modifications to Development of the Budget:

- Next year I would like to change the way we do this!
- Instead, individual Committees will examine their finances in the Fall. For example, the Septic/Drainage Committee can look at the Septic/Drainage Budget.
- Instead, a standalone "Special" Zoomed meeting (as we are having today) in the evening to promote public input (Ideally, this meeting would have happened in March).
- But we can talk about this more at our July meeting when I hope to discuss the upcoming annual meeting Calander.

Capital Improvement Plan for the Next 5 Years

- Shared Enterprise "Projects" (Water/Sewer/Septic/Drainage):
 - Vehicle & Equipment Purchases
 - Shared District Facility Upgrades
- Sewer System CIP
- Water System CIP
- Community Benefit CIP's

CIP: Vehicle and Equipment Purchases

- **Vehicle Purchases**

- **4 WD-Truck**

- We have no 4 WD-Truck and have had a plan for several years to purchase one.
 - In FY 2024/2025 we collected \$50K in a Designated Reserve fund to purchase said truck, but unfortunately there is only \$15,953 remaining because the fund paid a \$34k overage for the purchase of the backhoe a couple of years ago.

- **Replacement Trucks for 2 unusable old Trucks**

- We have staff driving their own cars for work related activities (our insurer will not cover any claim in this case).
 - We have 2 old trucks that we have run into the ground that we need to replace, a 2009 Ford and 2008 Nissan.
 - We recently sold the Ford for \$500 and we are working to selling the Nissan for \$1000.

- **Electric Vehicle**

- We "likely" have a State requirement to electrify a portion of our fleet by 2027—this landscape is quickly changing, and it's not currently clear what our statutory obligations will be. (Regardless Staff is supportive of having an electric vehicle in our fleet for driving to get our mail, dropping off water samples etc.)

CIP: Vehicle and Equipment Purchases

- **Equipment Purchases**

- **Excavator and Trailer**

- We do not currently have an Excavator (or a Trailer needed to haul the excavator).
 - As we will discuss later, I would like us to augment our Septic/Drainage Program. We need an excavator to maintain ditches as we are currently having to do this work with hand digging.
 - An excavator would also be useful to complete some water repairs in-house.

- **Herco-Vac**

- We have an old Herco-Vac with broken components (valve exerciser no longer works) that needs to be replaced. This equipment is essential for the Water, Sewer and Septic/Drainage Programs.

- **Establishment of Vehicle/Equipment Replacement Fund**

- I would like to establish a designated reserve to enable replacement of our vehicles in a more "pro-active" and cyclical basis.

5-Year CIP: Vehicle and Equipment Purchases

2025-2026		2026-2027		2027-2028		2028-2029		2029-2030	
VEHICLE/EQUIPMENT (Tier 0)	Cost	VEHICLE / EQUIPMENT (Tier 0)	Cost	VEHICLE / EQUIPMENT (Tier 0)	Cost	VEHICLE / EQUIPMENT (Tier 0)	Cost	VEHICLE / EQUIPMENT (Tier 0)	Cost
Replace 2009 Ford 250 with 4WD model	\$75,000	Replace Nissan - EV Vehicle with Clearance Non- Truck Commuter	\$30,000		\$0	2 X Ford 250 Replacements	\$100,000	Annual Contribution to Designated Vehicle/Equipment Replacement Fund	\$20,000
Purchase Excavator	\$100,000	Replace HurcoVac	\$45,000						
Hauling Trailer	\$20,000								

"Tier 0" describes project/purchase that will be undertaken within the next FY, or are at the point of "no-return" (e.g. have already bid, etc.)

For Vehicle and Equipment Purchase CIP 2025/26

KEY	Project Expenditure from Designated CIP Reserve
	Service Charge Collected to Replenish Overages
	Start/Complete Project Same Year
	Service Charge Collected to stock Designated CIP Reserve

		PROJECTED RESERVES			2025-2026						
CIP Prog. #	Water System Components & Project Titles	Projected RESERVE going into 2025-2026	SEWER: Projected RESERVE going into 2025-2026	SEPTIC/DRAINAGE: Projected RESERVE going into 2025-2026	WATER:	WATER:	SEWER:	SEWER:	SEPTIC/ DRAINAGE:	SEPTIC/ DRAINAGE:	TOTAL 2025-2026
				\$163,652							
VEHICLE/EQUIPMENT (Tier 0 & 1)											
Tier 0: V	Replace 2009 Ford 250 with 4WD model	\$15,953	\$0	\$15,000	\$21,547	\$15,953	\$22,500			\$15,000	\$75,000
Tier 0:E	Purchase Excavator	\$50,000		\$50,000	\$50,000					\$50,000	\$100,000
Tier 0: E	Hauling Trailer			\$20,000						\$20,000	\$20,000
Tier 1: V	Replace Nissan - EV Vehicle with Clearance Non-Truck Commuter				\$5,000		\$3,000		\$2,000		\$10,000
Tier 1: V	2 X Ford 250 Replacements										
Tier 1:E	Replace HurcoVac										
Tier 1:E	Annual Contribution to Designated Vehicle/Equipment Replacement Fund										
	Vehicle/Equipment				\$76,547	\$15,953	\$25,500	\$0	\$2,000	\$85,000	\$205,000

For Vehicle and Equipment Purchase CIP 2026/27

KEY	Project Expenditure from Designated CIP Reserve
	Service Charge Collected to Replenish Overages
	Start/Complete Project Same Year
	Service Charge Collected to stock Designated CIP Reserve

	2026-2027						
Water System Components & Project Titles	WATER:	WATER:	SEWER:	SEWER:	SEPTIC/ DRAINAGE:	SEPTIC/ DRAINAGE:	TOTAL 2026-2027
VEHICLE/EQUIPMENT (Tier 0 & 1)							
Replace 2009 Ford 250 with 4WD model							\$0
Purchase Excavator							\$0
Hauling Trailer							\$0
Replace Nissan - EV Vehicle with Clearance Non-Truck Commuter	\$10,000	\$5,000	\$6,000	\$3,000	\$4,000	\$2,000	\$30,000
2 X Ford 250 Replacements							
Replace HurcoVac	\$15,000		\$15,000		\$15,000		\$45,000
Annual Contribution to Designated Vehicle/Equipment Replacement Fund							
Vehicle/Equipment	\$25,000	\$5,000	\$21,000	\$3,000	\$19,000	\$2,000	\$75,000

For Vehicle and Equipment Purchase CIP 2027/28

KEY	Project Expenditure from Designated CIP Reserve
	Service Charge Collected to Replenish Overages
	Start/Complete Project Same Year
	Service Charge Collected to stock Designated CIP Reserve

	2027-2028						
Water System Components & Project Titles	WATER:	WATER:	SEWER:	SEWER:	SEPTIC/ DRAINAGE:	SEPTIC/ DRAINAGE:	TOTAL 2027-2028
<u>VEHICLE/EQUIPMENT (Tier 0 & 1)</u>							
Replace 2009 Ford 250 with 4WD model							\$0
Purchase Excavator							\$0
Hauling Trailer							\$0
Replace Nissan - EV Vehicle with Clearance Non-Truck Commuter							\$0
2 X Ford 250 Replacements	\$25,000		\$15,000		\$10,000		\$100,000
Replace HurcoVac							
Annual Contribution to Designated Vehicle/Equipment Replacement Fund							
Vehicle/Equipment	\$25,000	\$0	\$15,000	\$0	\$10,000	\$0	\$100,000

For Vehicle and Equipment Purchase CIP 2028/29

KEY	Project Expenditure from Designated CIP Reserve
	Service Charge Collected to Replenish Overages
	Start/Complete Project Same Year
	Service Charge Collected to stock Designated CIP Reserve

	2028-2029						
Water System Components & Project Titles	WATER:	WATER:	SEWER:	SEWER:	SEPTIC/ DRAINAGE:	SEPTIC/ DRAINAGE:	TOTAL 2029-2030
VEHICLE/EQUIPMENT (Tier 0 & 1)							
Replace 2009 Ford 250 with 4WD model							\$0
Purchase Excavator							\$0
Hauling Trailer							\$0
Replace Nissan - EV Vehicle with Clearance Non-Truck Commuter							\$0
2 X Ford 250 Replacements	\$25,000	\$25,000	\$15,000	\$15,000	\$10,000	\$10,000	\$100,000
Replace HurcoVac							
Annual Contribution to Designated Vehicle/Equipment Replacement Fund							
Vehicle/Equipment	\$25,000	\$25,000	\$15,000	\$15,000	\$10,000	\$10,000	\$100,000

For Vehicle and Equipment Purchase CIP 2029/30

KEY	Project Expenditure from Designated CIP Reserve
	Service Charge Collected to Replenish Overages
	Start/Complete Project Same Year
	Service Charge Collected to stock Designated CIP Reserve

[illegible]

5-Year CIP: WATER SYSTEM

• Tier 0 & Tier 1 Water System CIP's

- **Raw Water Transmission**
 - Rehab Radial Gate
 - Drought Relief Well Projects
 - Emergency: Rehab of Arroyo Hondo Access Road
- **Treatment & Storage**
 - Upgrade of Components for Filters and Water Treatment in the Plant
 - Replace Coagulation Plumbing Inside Treatment Plant
- **Storage and "Trunk" Distribution**
 - Tank Site Replacement Project
 - West Tank Rehab
- **Distribution System**
 - Wharf Rd.; Brighton Ave.; Mesa Rd Replacement and Upgrades of Mains
 - Pilot Program: Use Force Account Labor (In-House) to replace individual lines in piecemeal manner

For WATER SYSTEM

CIP 2025/26-2029/30

KEY	Project Expenditure from Designated CIP Reserve
	Service Charge Collected to Replenish Overages
	Start/Complete Project Same Year
	Service Charge Collected to stock Designated CIP Reserve

		2025-2026			FY 2026-27			2027-28			2028-2029			2029-2030			Total over 5 year Cycle
TOTAL TIER 0 & 1		\$349,000			\$310,000			\$300,000			\$722,571			\$487,300			\$1,681,571
TOTAL TIER 0 Expended from Reseves		\$115,000			\$90,000			\$20,000			\$442,571			\$187,300			\$854,871
		\$30,000	Assessment of Radial Gate		\$75,000	Rehab Wharf/Brighton/Mesa		\$20,000	300 Block of Cedar		\$362,571	West Tank Rehab		\$187,300	Rehab of radial Gate		
		\$20,000	Assesment of Coag Wall		\$15,000	400 Block of Birch						Replace Booster Pump Line					
		\$50,000	Assessment of Wharf/Brighton/Mesa														
		\$15,000	Pilot Study Kale Road														
TOTAL TIER 0 Expended to Replenish Designated CIP Overages		\$184,000			\$0			\$0			\$0			\$0			\$184,000
		\$100,000	Wells Project;														
		\$64,000	Tank Site Replacement Project														
		\$20,000	Filter upgrades in Plant														
TOTAL TIER 0 Expended to Start Complete Project		\$50,000			\$150,000			\$0			\$230,000			\$0			\$430,000
		\$50,000	Arroyo Hondo Access Road		\$110,000	Rehab work on Wharf/Brighton/Mesa					\$150,000	West Tank Rehab					
					\$20,000	500 Block of Birch					\$80,000	Replace Booster Pump Line					
					\$20,000	Rehab of Coag Wall											
TOTAL TIER 1 Revenue Placed in CIP Designated Reserve		\$0			\$70,000			\$280,000			\$50,000			\$300,000			\$700,000
					\$50,000	Rehab of radial Gate		\$50,000	Rehab of radial Gate		\$50,000	Rehab of radial Gate		\$300,000	Rehab Wharf/Brighton/Mesa		
					\$20,000	300 Block of Cedar		\$150,000	West Tank Rehab								
Total Revenue Collected for CIP: (Blue + Red + Purple)		Annual Target: \$250K-\$300K	\$234,000		\$220,000			\$280,000			\$280,000			\$300,000			
Total Expenditures on CIPs/Year: (Green + Blue + Red)		Total Expenditures on CIPs / year	\$349,000		\$240,000			\$20,000			\$672,571			\$187,300	CAPITAL RESERVE TARGET		\$293,774

5-Year CIP: SEWER SYSTEM

• Tier 0 & Tier 1 Water System CIPs

- **Collection**

- Inspection of Force Main
- Force Main Clean out Assembly and Replacement Project
- Wet-well Rehab and Recoating Project
- Lift Station Control Center
- Various Manhole Replacement & Rehab Projects

- **Treatment & Expansion of Service Area**

- Canyon Road Lateral Connection Project
- Enhancement of Ground Water Monitoring Program/Installation of new Monitoring Wells
- Addressing Technical Order: Needs for Analysis; Analysis of Alternatives; Facility Upgrade Plan
- Connect Recirculation Pump to Pond 1A; Install emitters around the Pond 1A

- **Disposal**

- Drain Valve Rehab & Replacement

For SEWER SYSTEM

CIP 2025/26-2029/30

KEY	Project Expenditure from Designated CIP Reserve
	Service Charge Collected to Replenish Overages
	Start/Complete Project Same Year
	Service Charge Collected to stock Designated CIP Reserve

		FY 2025-2026			FY 2026-27			FY 2027-28			FY 2028-2029			FY 2029-2030			Total over 5 year Cycle
TOTAL TIER 0 & 1		\$135,710			\$295,000			\$499,725			\$370,000			\$295,000			\$1,300,435
TOTAL TIER 0 Expended from Reseves		\$35,000			\$100,000			\$299,725			\$160,000			\$80,000			\$674,725
		\$25,000	Emergency Drain Valve		\$25,000	Inspection of Force Main		\$269,725	Wetwell Rehab		\$130,000	Lift Station Motor Control		\$80,000	Manhole Rehab		
		\$10,000	Canyon Road Research/Consulting (from LAIF)		\$75,000	Replacement of Force Main Clean Out		\$30,000	Manhole Rehab		\$30,000	Manhole Rehab					
TOTAL TIER 0 Expended to Replenish Designated CIP Overages		\$710			\$0			\$0			\$0			\$0			\$710
		\$710	Monitoring Well Work Plan														
TOTAL TIER 0 Expended to Start Complete Project		\$100,000			\$100,000			\$85,000			\$170,000			\$115,000			\$570,000
		\$0	Emergency Prep Work for Wharf Road		\$100,000	Interim Prog. Report for Tech Order		\$75,000	Analysis of Alternative for Tech Order		\$85,000	Lift Station Motor Control		\$75,000	Back-up Lift Station Pump Replacement		
		\$100,000	Installation of Ground Wells					\$10,000	Manhole Rehab		\$10,000	Manhole Rehab		\$40,000	Manhole Rehab		
											\$75,000	Facility Upgrade Plan due for Tech Order					
TOTAL TIER 1 Revenue Placed in CIP Designated Reserve		\$0			\$95,000			\$115,000			\$40,000			\$100,000			\$350,000
					\$65,000	Lift Station Motor Control		\$65,000	Lift Station Motor Control		\$40,000	Manhole Rehab		\$100,000	Pond 1A Recirculation Upgrade		
					\$30,000	Rehab of Manholes		\$50,000	Rehab of Manholes								
Total Revenue Collected for CIP: (Blue + Red + Purple)	Annual Target: \$160K-\$200K	\$100,710			\$195,000			\$200,000			\$210,000			\$215,000			
Total Expenditures on CIPs/Year:(Green + Blue + Red)		\$135,710			\$200,000			\$384,725			\$330,000			\$195,000		CAPITAL RESERVE TARGET	\$249,087

5-Year CIP: District Wide/Community Benefits

- **Tier 1 District/Broad Community Benefit CIP's**
 - **District Wide Benefitting ALL enterprises (Water, Sewer & Septic/Drainage)**
 - Rehab or Rebuild District Office & Meeting Room
 - Facility & Yard Upgrades
 - **Community Benefit Projects**
 - BEP Project
 - Bike Path Repair Project
 - Groin Rehab Project

LET'S TALK ABOUT IT! Traditionally these types of "district wide" projects have been paid for by water customers as our "widest" customer base. However, it is important to keep in mind that when we generate a budget in this manner, by lumping in expenditures under our water system in this way, it may have the unintended consequence of making it appear that our water costs are very high. This is not ideal as we have a statutory obligation to deliver water at an "affordable" rate.

This also is a potential concern outside of CIP's, in our general operating budget, when we don't have other enterprises (RRP, Sewer and Septic/Drainage) pay their "fair share" of the administrative or "keep the lights on" costs.

Conversely, we also receive a proportion of tax revenue, by way of the County. The bulk of this (75%) goes to "subsidizing" our Water System, (25%) goes to "subsidizing" our Sewer System.

How these competing forces (tax revenue vs. expenditures on "Community Projects") impact overall cost of providing water to households, is not straight forward.

These issues do point to the value of better separating Water System from a "General District Operations" and "Community Benefit System", so that the true cost of delivering service can be teased apart.

For DISTRICT/COMMUNITY PROJECTS CIP 2025/26

KEY	Project Expenditure from Designated CIP Reserve
	Service Charge Collected to Replenish Overages
	Start/Complete Project Same Year
	Service Charge Collected to stock Designated CIP Reserve

		PROJECTED RESERVES			2025-2026						
CIP Prog. #	Water System Components & Project Titles	Projected RESERVE going into 2025-2026	SEWER: Projected RESERVE going into 2025-2026	SEPTIC/DRAINAGE: Projected RESERVE going into 2025-2026	WATER:	WATER:	SEWER:	SEWER:	SEPTIC/ DRAINAGE:	SEPTIC/ DRAINAGE:	TOTAL 2025-2026
BCPUD DISTRICT OFFICE REPLACEMENT (Tier 0 & 1)											
Tier 1 - B	BCPUD Office Building Replacement Project	\$83,099									\$0
											\$0
	Subtotal Tier 0 & 1 - District Wide Projects				\$0						\$0
											\$0
OTHER (Tier 0 & 1)											
Tier 1 - OTH	Bolinas Beach Groin Rehabilitation Project	\$184,924			\$38,000	\$5,000					\$43,000
Tier 1 - OTH	Rehab of Bike Path	\$37,877									\$0
Tier 1 - OTH	Tree Removal in Euc Grove	\$0									\$0
											\$0
	Subtotal Tier 0 & 1 - Community Projects				\$38,000						\$38,000

Anticipated Increased Expenditures for FY 2025/2026 Across the Water and Sewer Enterprises

“HIGHLIGHTS”

Anticipated Increased Expenditures for FY 2025/2026

Big Picture in the Water System:

Employee Wages & Benefits look to remain relatively stable. This assumes a 3.5% Wage Increase for Next Year as defined in the draft MOU, negotiated between Personnel Committee and BCPUD Staff.

Maintenance & Operations are expected to increase substantially!

Contribution to Designated Funds discussed earlier when we looked at contributions to CIPs.

FY 2025/2026		Budget Comparison	Comparison % Dif
Water:		FY 2024/2025	FY 2024/2025
WATER:TOTAL Employee/Benefits	\$923,255	\$896,306	2.92%
WATER:MAINTENANCE & OPERATIONS	\$553,325	\$426,148	22.98%
WATER:CONTRIBUTION TO DESIGNATED FUNDS	\$324,947	\$412,400	-26.91%

WATER:Employee Wages	\$557,894	\$535,325	4.05%
71001 Administrative/Clerical	\$265,848	\$259,711	2.31%
71002 Operators	\$292,047	\$275,614	5.63%
WATER:Benefits	\$365,361	\$360,981	1.20%

Highlights from the Negotiated Staff MOU:

Employee Wages & Benefits

- Wages are proposed to increase for all employees by 3.5 %
- The 3 Operators will receive a \$1/hr wage increase associated with their taking the lead on Backflow Program, RRP and Septic/Drainage, respectively.
- Standby-Pay is proposed to increase from \$57 to \$60 (and have an annual CPI applied from now on).

MOU Negotiated Terms	
General Wage increase for all employees	3.50%
Hourly Wage increase due to Backflow, RRP and Septic/Drainage	\$1.00
New Stand-By	\$60.00

Let's look at some of the increased costs driving up Maintenance and Operations...

Anticipated Increased Expenditures for FY 2025/2026

Keep in mind: there are different strategies to develop a budget!

You can use last year's budget to formulate this year's budget—but that strategy can lead you further and further astray from reality.

Some line items for the 2024/2025 budget were already erroneous out the gate.

For example, we already had a massive PG&E True-Up right at the start of the Fiscal Year, that blew-up the Power Expenditures.

Keep in mind: I've already started to modify some of the ways we are tracking expenditures that make a comparison between last year's budget and this year's budget - it's complicated!

For example, I separated 270 Elm phone/internet; from other facility sites. In this revised budget, all enterprises are contributing to 270 Elm phone/internet (with Water; Sewer; Septic/Drainage; RRP contributing 80%; 10%; 5%; 5% "Split").

Sewer will be paying for its phone bill at the lift station, and Water will be paying for its phone bill at the treatment plant.

	FY 2025-2026	Budget Comparison	
		FY 2024/2025	Comparison % Dif FY 2024/2025
WATER: MAINTENANCE & OPERATIONS	\$553,325	\$426,148	
73000 Roads ==> rock (General)	\$3,600	\$0	100.00%
73000 Roads ==> rock (Water)	\$5,937	\$6,156	-3.68%
73100 Plant	\$95,539	\$92,721	2.95%
73200 Lab supplies/tests	\$23,738	\$18,299	22.91%
73300 Association Dues/Permit Fees	\$21,574	\$19,511	9.56%
73300 · County of Marin Permit Fee	\$0	\$0	
73400 270 Elm Building/Grounds Maint./Path Upkeep/Portable Office Rental	\$6,522	\$32,872	-404.02%
73400 400 Mesa Road_ Building/Grounds Maint.	\$4,500	\$0	100.00%
73500 Travel/Education	\$12,171	\$5,053	58.48%
73600 Power (general-270 Elm)	\$2,664	\$0	100.00%
73610 Power (water-Woodrat TP)	\$27,668	\$20,836	24.69%
73700 General 270 Telephone/Fax/Internet	\$5,973	\$13,936	-133.31%
73700 400 Mesa Telephone line	\$2,912	\$0	100.00%
73800 Fuel	\$7,920	\$13,082	-65.18%
73900 Uncollectible Accounts	\$512	\$500	2.34%
74000 Office Supplies (General)	\$21,579	\$22,092	-2.38%
74000 Office Supplies (Water)	\$100	\$0	100.00%
74100 Insurance	\$70,871	\$37,654	46.87%
74110 Director Fees	\$16,000	\$15,000	6.25%
74140 Miscellaneous	\$632	\$600	5.04%
74150 · Payroll Fees	\$2,152	\$0	100.00%
74200 Vehicles / Mobile Equipment (maintenance)	\$5,582	\$5,653	-1.28%
74300 Tools / Supplies (General)	\$2,500	\$0	100.00%
74310 Tools / Supplies (Water)	\$10,360	\$15,000	-44.79%
74500 Legal (general)	\$8,000	\$0	100.00%
74510 Legal (water-general)	\$25,913	\$15,000	42.11%
74600 Bookkeeping	\$11,844	\$12,867	-8.64%
74700 Audit	\$11,387	\$11,815	-3.76%
74800 Other Contract Services/Emergency Repairs	\$117,528	\$40,000	65.97%
74950 Engineering & Consulting	\$25,600	\$25,000	2.34%
75130 Election Expense	\$2,048	\$2,500	-22.07%

Anticipated Increased Expenditures for FY 2025/2026

SEWER SYSTEM

Sewer: Employee Wages		\$97,610	\$88,011	9.83%
71001	Administrative/Clerical	\$39,544	\$38,055	3.77%
71002	Operators	\$58,065	\$49,956	13.97%

Keep in mind: In previous Budgets, some sewer expenditures were not appropriately attributed as a sewer related expense.

For example, the Sewer enterprise was not traditionally contributing to “Stand-by per diem pay”, even though we are required to have someone on-call for both our water and sewer systems. (In my revised budget, the Sewer enterprise would now be contributing 15% to this “split” and the Water enterprise would contribute the remaining 85%.)

This has shifted some of the labor costs of the operators from Water to the Sewer system. I would argue that this is an appropriate shift.

Anticipated Increased Expenditures for FY 2025/2026

Costs of our New Tech Order: We have a newish “Technical Order” that our Sanitary Sewer System Facility will need to comply with over the next several years. This is effectively a regulatory order from the Regional Water Quality Control Board (State regulators that oversee our Wastewater collection, treatment and disposal). Complying with this new order will mean substantially more **lab testing** and increased cost next year.

Installation of New Monitoring Wells: As we saw in the Sewer CIP earlier, we will need to install new monitoring wells in our Sewer Facility next year (to comply with this new Technical Order) to ensure that our treatment facility is not negatively impacting ground water quality. Currently, this is expected to cost ~\$100,000.

Considering that we only have 162 customers, the cost of installing these wells alone will cost \$620/customer!

	FY 2025-2026	Budget Comparison	
		FY 2024/2025	Comparison % Dif
		FY 2024/2025	FY 2024/2025
SEWER: MAINTENANCE & OPERATIONS	\$221,884	\$164,793	
73000 Roads ==> rock (General)	\$600	\$0	100.00%
73000 Roads ==> rock (sewer)	\$0	\$0	
73100 Plant	\$33,979	\$35,000	-3.00%
73200 Lab supplies/tests	\$25,694	\$7,437	71.05%
73300 Association Dues/Permit Fees	\$14,038	\$10,176	27.51%
73300 · County of Marin Permit Fee	\$0	\$0	
73400 270 Elm Building/Grounds Maint./Path Upkeep/Portable Office Rental	\$815	\$0	100.00%
73400 101 Mesa Building/Grounds Maintenance	\$11,000	\$10,763	2.16%
73500 Travel/Education	\$2,832	\$200	92.94%
73600 Power (general -270 Elm)	\$333	\$0	100.00%
73610 Power (sewer ponds)	\$27,996	\$21,466	23.33%
73700 General 270 Elm Telephone/Fax/Internet	\$747	\$0	100.00%
73700 45 Wharf Rd-Telephone line	\$5,247	\$1,491	71.59%
73800 Fuel	\$4,752	\$2,309	51.42%
74000 Office Supplies (General)	\$2,697	\$3,509	-30.10%
74000 Office Supplies (Sewer)	\$0	\$0	
74100 Insurance	\$8,859	\$3,945	55.47%
74110 Director Fees	\$2,000	\$0	100.00%
74140 Miscellaneous	\$51	\$50	2.34%
74150 · Payroll Fees	\$307	\$0	100.00%
74200 Vehicles / Mobile Equipment	\$3,349	\$2,319	30.76%
74300 Tools / Supplies (General)	\$1,500	\$0	100.00%
74310 Tools / Supplies (Sewer)	\$1,933	\$1,888	2.34%
74500 Legal (general)	\$1,000	\$0	100.00%
74510 Legal (sewer-general)	\$5,713	\$5,579	2.34%
74600 Bookkeeping	\$1,481	\$2,271	-53.40%
74700 Audit	\$1,423	\$1,390	2.34%
74800 Other Contract Services/Emergency Repairs	\$30,000	\$30,000	0.00%
74950 Engineering & Consulting	\$33,000	\$25,000	24.24%
75130 Election Expense	\$538	\$0	100.00%

Status of Reserves in Water and Sewer Systems

Status of Reserve for Water System:

- This has been memorialized in the memo I recently presented to the Finance Committee

Current Status of the Non-Earmarked Water Reserve:

- After completing these Internal Transfers, there is currently:
 - \$100,470 in the Non-Earmarked General Water Reserve Fund
 - Plus \$642,083 in the Water Reserve Fund, which is designated for specific projects.
- The “ending balance” on June 30, 2024, in the Non-Earmarked Water Reserve was \$192,033.
- Therefore, this Non-Earmarked Water Reserve is projected to have lost ~\$91,563 in FY:2024-25.
- In addition, the financial Reserve Policy intends that we maintain \$302,766 by the end of FY:2024-25 in this reserve
- It is expected that by June 30, 2025, this reserve will be at least \$202,296 short of the minimum recommended fund balance.
- ***Therefore, I advise that the District aim to replenish this reserve in the next 2-3 years.***

TO: Finance Committee

FROM: Georgia

RE: (1) FY 2023-24 Year End/Financial Reserve Policy Review; &
(2) Internal Funding Transfers within the Designated Reserves [QB Acct#:13106] carried out by BCPUD's General Manager in March 2025

Date: 03/27/2025

You can read the full memo here:

[Final 2025 03 27 Transfer & Status of Reserve Memo to Finance Committee](#)

Status of Reserve for Sewer System:

- This has been memorialized in the memo I recently presented to the Finance Committee

Current Status of the Non-Earmarked Sewer Reserve:

- After completing these Internal Transfers, there is currently:
 - \$113,345 in the Non-Earmarked General Sewer Reserve Fund
 - Plus \$416,015 in the Sewer Reserve Fund, which is designated for specific projects.
- The “ending balance” on June 30, 2024, in this Non-Earmarked Reserve was \$132,050.
- Therefore, this Non-Earmarked Water Reserve is projected to have lost \$18,705 in FY:2024-25.
- The financial Reserve Policy intends that we maintain \$192,945 by the end of FY:2024-25 in this reserve.
- It is projected that by June 30, 2025, this reserve will be at least \$79,600 short of the minimum recommended fund balance.
- ***Therefore, I advise that the District aim to replenish this reserve in the next 2-3 years.***

TO: Finance Committee

FROM: Georgia

RE: (1) FY 2023-24 Year End/Financial Reserve Policy Review; &
(2) Internal Funding Transfers within the Designated Reserves [QB Acct#:13106] carried out by BCPUD's General Manager in March 2025

Date: 03/27/2025

You can read the full memo here:

[Final 2025 03 27 Transfer & Status of Reserve Memo to Finance Committee](#)

Contributions TO and FROM General Non-Earmarked Reserves for FY 2025/2026

Not yet filling our Reserves: Ideally, we would be replenishing our reserves. We are not expressly planning to do that next year, as we don't have the financing to do so. However, my hope is that with a more conservative/cautionary budget, we will not continue to dwindle these reserves and that we can soon begin to build up our reserves within 2-3 years.

TO:

Replenishment/Establishment of Operating and CIP Reserve WATER	\$14,000
WATER Non-ear Marked CIP Reserve	\$0
General Water OR	\$0
Azolla	\$14,000
Other	

Replenishment/Establishment of Operating and CIP Reserve SEWER	\$0
SEWER Non-ear Marked CIP Reserve	\$0
General Sewer OR	\$0
Other	\$0

FROM:

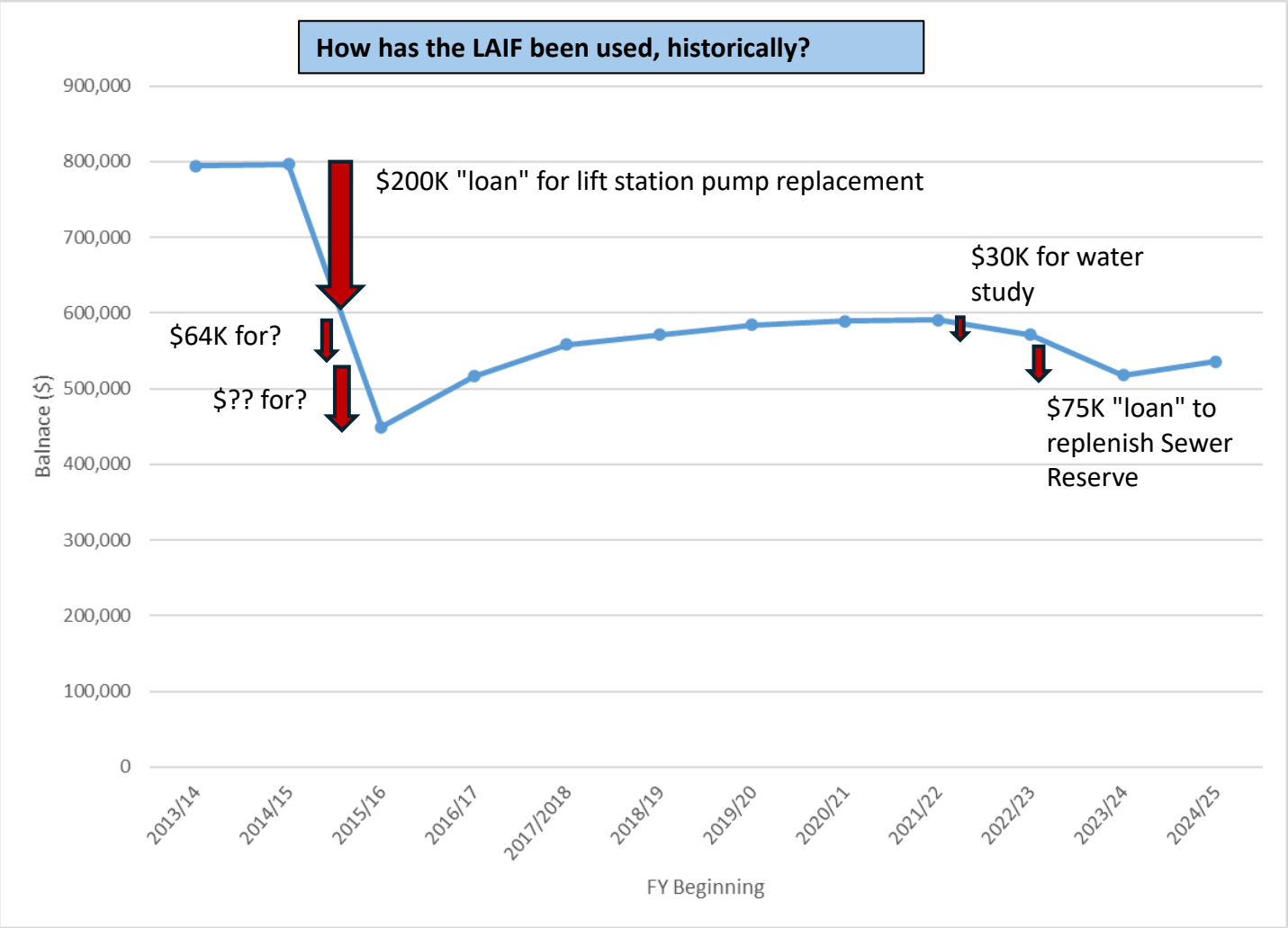
Water:	
Expenditures from General Reserve for Gen WATER Ops	\$12,316
Contribution from WATER General Reserve to WATER Operating budget	\$0
Contribution from LAIF to WATER Operating budget	\$12,316
Other	\$0

Sewer:	
Expenditures from General Reserve for Gen. SEWER Ops	\$1,057
Contribution from SEWER General Reserve to Gen SEWER Operating budget	\$1,057
Contribution from LAIF to SEWER Operating budget	\$0
Other	\$0

Proposed Contributions FROM the Local Agency Investment Fund (LAIF) to General Operations and CIP/Projects for FY 2025/2026

The LAIF fund was set up in 2013/2014 through the sale of District Property.

EXPENDATURES FROM NON-EAR MARKED RESERVES FOR GEN. OPERATIONS	\$44,693
Contribution from ~ General Reserve to Operating budget	\$32,377
Contribution From LAIF to General ~ Operating Budget	\$12,316
Other	\$0
Expenditure from LAIF for CIP/Projects	\$60,000
Contribution to Excavator Purchase	\$50,000
Investigation of Canyon Road Sewer Project	\$10,000
Other	\$0
TOTAL LAIF FUND EXPENDATURES PROPOSED FOR FY 2025/2026	\$72,316



Proposed Fiscal Year Budget and Rate Increases for FY 2025/2026 in order to balance budgets

- Water System Proposed Balanced Budget
- Sanitary Sewer System Proposed Balanced Budget

Water System

		Budget Comparison	Comparison % Dif
Water:		FY 2024/2025	FY 2024/2025
TOTAL REVENUE	\$1,801,527	\$1,721,357	4.45%
TOTAL EXPENDATURES	\$1,801,527	\$1,721,357	4.45%
Subtotal Employee Services	\$934,822	\$896,306	4.12%
Administrative Clerical Wages	\$265,848	\$259,711	2.31%
Operator/Maintenance Wages	\$292,047	\$275,614	5.63%
Benefits	\$349,145	\$334,472	4.20%
Worker Compensation Insurance	\$14,937	\$13,872	7.13%
Employer Taxes	\$12,846	\$12,637	1.62%
Subtotal Maintenance	\$553,325	\$426,148	22.98%
WATER:CONTRIBUTION TO DESIGNATED FUNDS/DEBT	\$324,947	\$398,903	-22.76%
BALANCE	\$0	\$0	
PLANNED RESERVE EXPENDATURES	\$193,269	\$27,000	86.03%
TOTAL EXPENDATURES	\$1,994,796	\$1,721,357	13.71%

Proposed Rate Increase:

Annual Service Charges: Proposes a 10% increase

Metered Water Sales: Proposes a 25% increase across all Tiers

PROP 218

Service charges/meter	# of connections
Previous year	Total:
\$1,866	573
Proposed increase	County Collected:
1.10	558
Proposed Annual Service Charge/meter	District Collected:
\$2,053	15
Absolute Value Change	
\$187	
Metered Charge (FOLD)* increase across all Tiers	
1.25	

* We will need to include additional info on Tiered Rates to the Prop 218 notice if we decide to change metered rates

What do we expect "WATER Revenue" to look like if we implement these increases in 2025/2026?

Keep in mind:

Annual Service Charges: We’ve been overestimating our service charges, that is why, despite a porposed 10% increase in annual rate service charges, the net revenue is not projected to be a full 10% higher (but is closer to 8%).

Revenues Transferred from Reserve: As described earlier, this \$12K would be coming from the LAIF to make up this budget shortfall.

Revenue from OTHER (Interest etc.): The bulk of this revenue stems from interest accrued in our reserve accounts. Interest revenue varies wildly and is not generally considered "operating" revenue, although the BCPUD has traditionally used it to balance our operating budget. While we are on pace to bring in \$71K from interest (slightly above budget projections) there is a lot of financial uncertainty right now. In addition, we have less funds in our reserve accounts, accruing this interest. So, the projected revenue here (\$50K) has been adjusted to reflect a more conservative expectation for next year.

Taxes: We often use a 9% escalator on taxes to predict revenue from taxes. This is a very high annual adjustment (higher than the school uses for their budget), so I am using 5% instead (that is 5% on top of what we are currently projected to bring in, not a 5% increase from what we budgeted last year.)

Metered Water Sales: We will talk about these on the next few slides...

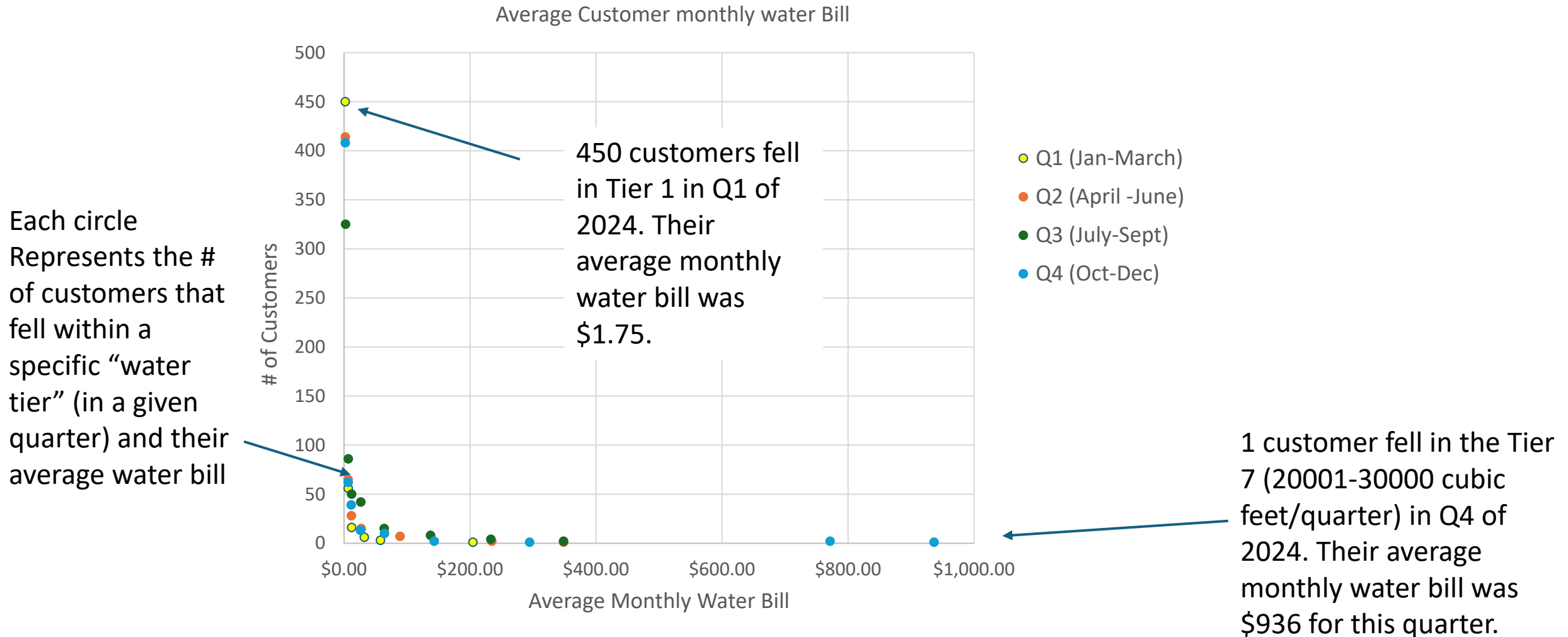
		Budget Comparison	Comparison % Dif
Water:		FY 2024/2025	FY 2024/2025
WATER: Revenue from SERVICE CHARGES	\$1,270,356	\$1,170,970	7.82%
WATER: REVENUE TRANSFERED FROM GEN. RESERVE or DES. FUNDS	\$12,316	\$36,503	-196.39%
WATER: Revenue from TAXES	\$459,605	\$440,776	4.10%
WATER: Revenue from OTHER (Interest etc)	\$59,250	\$73,108	-23.39%

41000 Metered Water Sales	\$94,216	\$90,721	3.71%
41100 Base Charge	\$1,145,351	\$1,054,079	7.97%
41101 Base Charge (tep)	\$30,789	\$26,098	15.24%
41300 Water Service Restoration Fees	\$0	\$0	
41400 Water Meter Installation Fees	\$0	\$0	
41500 Water Permit Fees	\$0	\$0	
41600 Other Water Income	\$0	\$0	

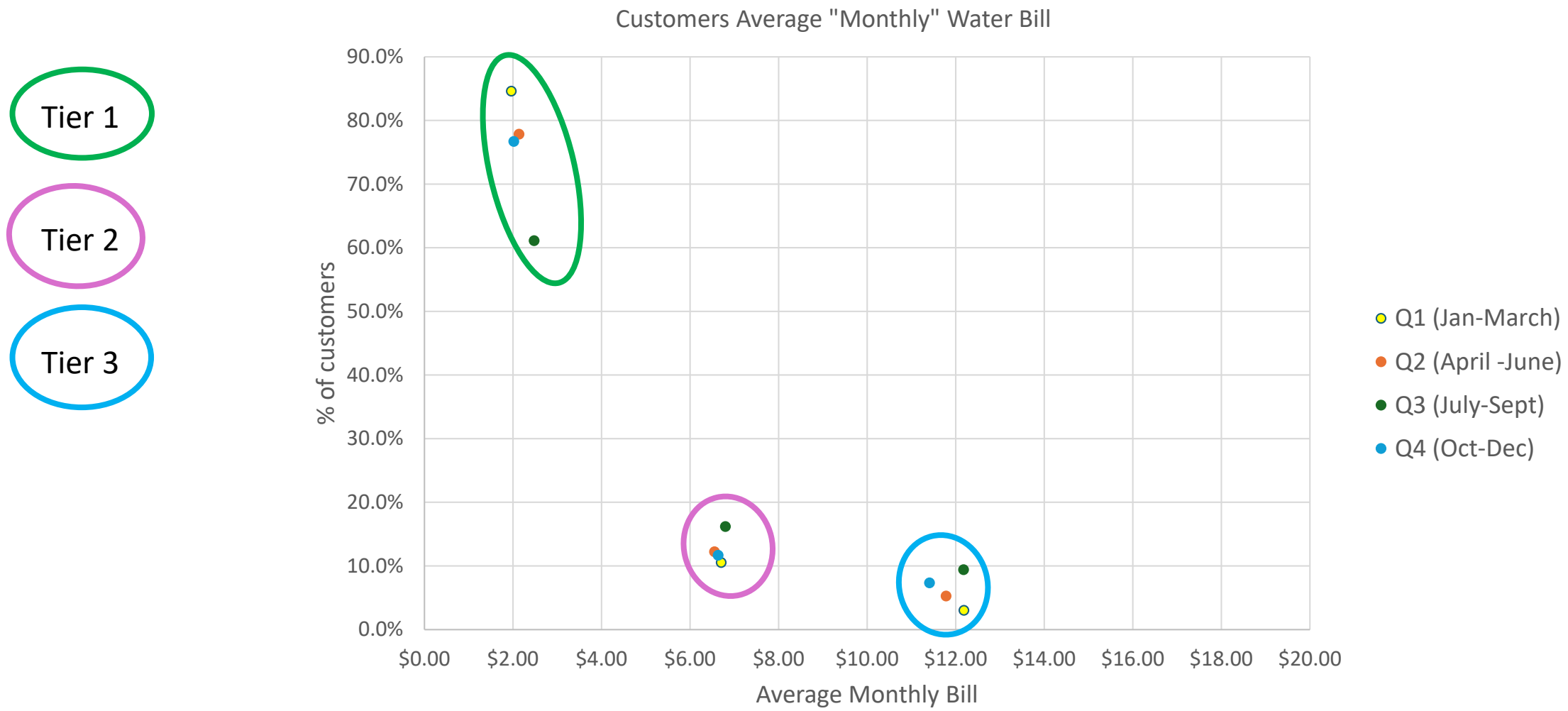
Analysis of Metered Water Sales

- In 2024/2025 we budgeted for \$92,643 in metered sales.
- We are on pace for ~\$75,000; FY 2023/2024 we brought in \$74,485.
- I am proposing that we increase metered water sales by 25%
 - See analysis on next slide for rationale for proposed increase.
 - Additionally, this increase is proposed to make up the difference in “lost” revenue.

Water Bill Analysis from 2024 Billing Cycle—Average Bill for Customers in each Tier in each of the 4 annual Quarters

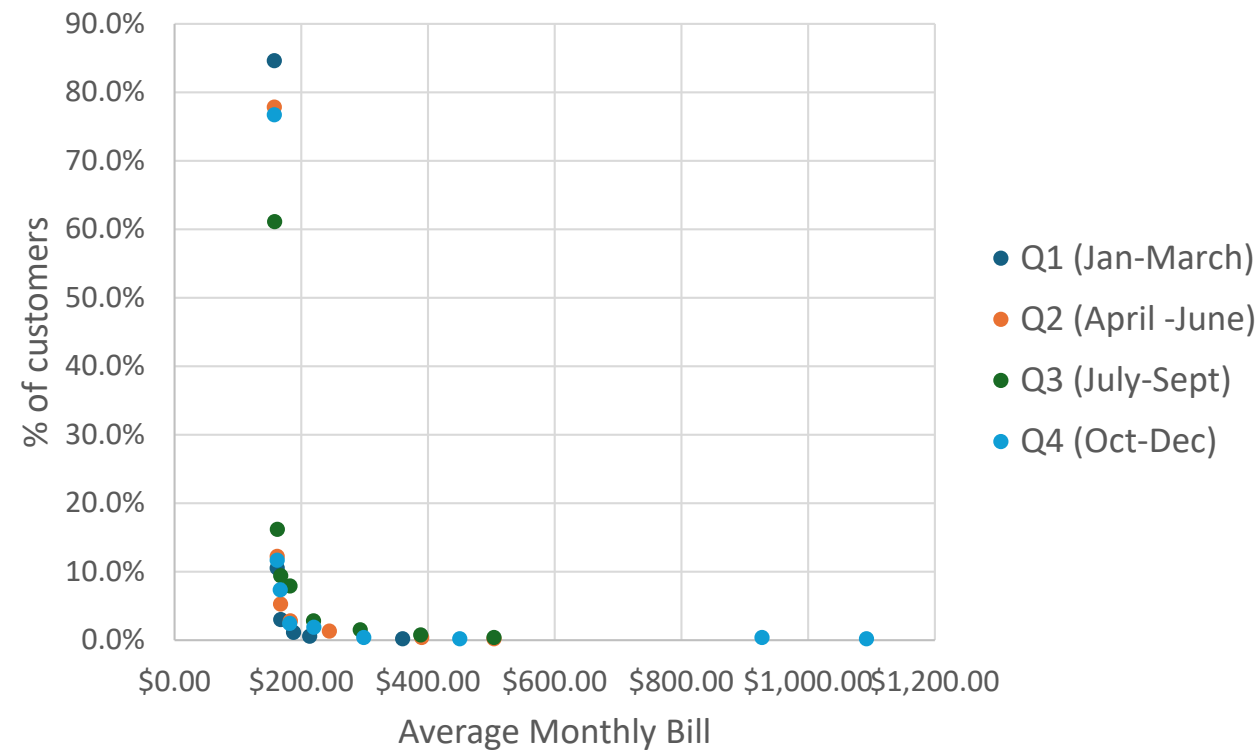


Water Bill Analysis from 2024 Billing Cycle—Zooming-in on the majority of customers...



What about when you factor in the Annual Service Charge?

Customer Average "Monthly" Water Bill-Including Service Charge in 2024

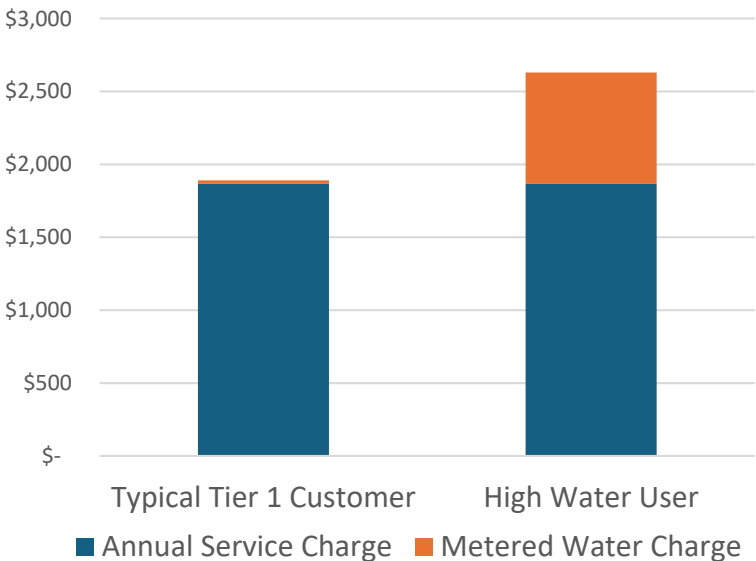


If we don't ever increase the metered water charge, and continue to only increase the annual service charge, the metered water becomes proportionally less of the water bill. This has the net impact of "diminishing" the tiered rates.

By not increasing the metered rates, while increasing service charges, we risk that the metered use becomes "a drop in the bucket."



Total Annual Water System Payment for Exemplar Customers



For example, consider the following data from January 2024:

Date	Usage Category	Customer Count	Cubic Feet	Water Charge	Average Cubic Feet/ month	Average Monthly Bill	Price per 100 Cubic foot	Average monthly Bill Including Service Charge	Price per Cubic foot
Jan-24	0-1500	158	110,500	\$1,105.00	233.12	\$2.33	\$1.00	\$157.33	\$0.67
	1501-2100	28	51,700	\$565.50	615.48	\$6.73	\$1.09	\$161.73	\$0.26
	2101-2800	7	18,100	\$270.00	861.90	\$12.86	\$1.49	\$167.86	\$0.19
	2801-4000	3	11,100	\$297.00	1233.33	\$33.00	\$2.68	\$188.00	\$0.15
	4001-6000	2	9,600	\$394.00	1600.00	\$65.67	\$4.10	\$220.67	\$0.14
	6001-7500								
	7501-10000	1	7,900	\$614.00	2633.33	\$204.67	\$7.77	\$359.67	\$0.14
	10001-20000								
	20001-30000								
	30001-40000								
	Over 40000								

While our tiered rates suggest that a water customer in Tier 7 is being charged more than 7 times as much per cubic foot than a customer in Tier 1, when you factor in the service charge, you can make a compelling argument that the Tier 1 customer is actually paying almost 5 times as much per cubic foot as the Tier 7 customer.

Of course, the annual service charge is paying for general water hook-up and upgrades to our system etc. But you can see that never increasing the metered rates has some ethical implications, and engaging in the practice of only increasing annual service charges diminishes the impact of our tiering system.

I suggest that we increase the metered rates by 25% at this time:

Date	Usage Category	Customer Count	Cubic Feet	Water Charge	Average Cubic Feet/ month	Average Monthly Bill	NEW Average Monthly Bill	NEW Average Quarterly Bill
Jan-24	0-1500	158	110,500	\$1,105.00	233.12	\$2.33	\$2.91	\$8.74
	1501-2100	28	51,700	\$565.50	615.48	\$6.73	\$8.42	\$25.25
	2101-2800	7	18,100	\$270.00	861.90	\$12.86	\$16.07	\$48.21
	2801-4000	3	11,100	\$297.00	1233.33	\$33.00	\$41.25	\$123.75
	4001-6000	2	9,600	\$394.00	1600.00	\$65.67	\$82.08	\$246.25
	6001-7500							
	7501-10000	1	7,900	\$614.00	2633.33	\$204.67	\$255.83	\$767.50
	10001-20000							

- Even after these increases, the vast majority of customers will still have a monthly bill under \$10.
- This should go to closing the gap on our budget shortfall (projecting \$94K vs. \$75K with this increase).

Sanitary Sewer System

		Comparison	Comparison % Dif
Sewer:		FY 2024/2025	FY 2024/2025
TOTAL REVENUE	\$504,853	\$462,930	8.30%
TOTAL EXPENDATURES	\$504,853	\$462,930	8.30%
Sewer TOTAL Employee Services	\$158,022	\$148,137	6.26%
Administrative Clerical Wages	\$39,544	\$38,055	3.77%
Operator/Maintenance Wages	\$58,065	\$49,956	13.97%
Benefits	\$56,001	\$55,988	0.02%
Worker Compensation Insurance	\$2,774	\$2,163	22.03%
Employer Taxes	\$1,636	\$1,975	-20.69%
Subtotal Maintenance	\$221,884	\$164,793	25.73%
Sewer CONTRIBUTION TO DESIGNATED FUNDS	\$126,210	\$150,000	-18.85%
BALANCE	\$0	\$0	
PLANNED RESERVE EXPENDATURES	\$36,057	\$319,725	-786.72%
TOTAL EXPENDATURES	\$540,910	\$782,655	-44.69%

Proposed Rate Increase:
Annual Service Charges: Proposes a 10% increase

PROP 218	
Service charges/meter	# of connections
Previous year	Total:
\$1,847	162
Proposed increase	County Collected:
1.10	155
Proposed Annual Service Charge/Connection	District Collected:
\$2,032	7
Absolute Value Change	
\$185	

What do we expect "Sewer Revenue" to look like if we implement these increases in 2025/2026?

Keep in mind:

Annual Service Charges: Annual charges would be expected to go up by 10%.

Revenues Transferred from Reserve: As described earlier, \$1,057 will be coming from the general Sewer reserve to make up this budget shortfall.

Revenue from Interest: Contributions, of revenue earned from interest, to the Sewer enterprise has fluctuated. Last year it was only budgeted at 18%, but the year prior it was 38%. I have budgeted 25% of this revenue to Sewer and 75% to Water (the same “Split” BCPUD has traditionally used for the “dispersal” of tax revenue). However, there may be a more rational way to set up these contributions.

Taxes: BCPUD often use a 9% escalator on taxes to predict revenue from taxes. This is very high, and I am using 5% instead (that is 5% on top of what we are currently projected to bring in, not a 5% increase from what we budgeted last year.)

		Budget Comparison	Comparison % Dif
Sewer:		FY 2024/2025	FY 2024/2025
SEWER: Revenue from SERVICE CHARGES	\$332,845	\$301,005	9.57%
SEWER: REVENUE TRANSFERED FROM DESIGNATED FUNDS	\$1,057	\$0	100.00%
SEWER: Revenue from TAXES	\$153,202	\$146,925	4.10%
SEWER: Revenue from OTHER (Interest etc)	\$17,750	\$15,000	15.49%

S41100 Base Sewer Charge	\$314,914	\$289,962	7.92%
S41200 Base Sewer Charge (tep)	\$14,222	\$11,043	22.35%
S41300 Sewer Connection Fees			
S41500 Sewer Permit Fees			
S41600 Other Sewer Income (Commercial Customer Surcharge)	\$3,709	\$0	100.00%

Septic/Drainage Program and Funding

Analysis of Septic/Drainage Historic Funding

Decreased funding for Septic/Drainage Program Over the Years: In 2015, the S/D program was collecting \$140 per metered household on the Gridded Mesa. (That would equate to \$194 today, adjusted for inflation.)

Over the years, BCPUD was not been doing the work related to this program (or in some cases, may have been doing the work, but may not have been attributing expenditures to the S/D program). A reserve started to accumulate associated with the program (currently sits at \$163K).

Therefore, in recent years it was decided to diminish the annual service charge. Currently, it stands at \$35 per metered address and only brings in \$12,600 annually.

Year	Actual Customer Base Charges for S/D	# of affected meters on grided Mesa	Total Revenue	Plus CPI	Projected Revenue had we kept this base charge and applied the previous years CPI
2015-2016	\$140.00	362	\$50,680.00		
2016-2017	\$70.00	364	\$25,480.00	\$143.58	\$52,264.58
2017-2018	\$70.00	364	\$25,480.00	\$147.98	\$52,828.03
2018-2019	\$70.00	364	\$25,480.00	\$152.82	\$54,708.32
2019-2020	\$70.00	364	\$25,480.00	\$158.68	\$56,967.81
2020-2021	\$40.00	357	\$14,280.00	\$163.95	\$59,023.09
2021-2022	\$40.00	358	\$14,320.00	\$166.82	\$60,055.99
2022-2023	\$35.00	359	\$12,565.00	\$172.14	\$61,799.64
2023-2024	\$35.00	360	\$12,600.00	\$181.68	\$65,405.02
2024-2025	\$35.00	360	\$12,600.00	\$188.40	\$67,825.00
2025-2026	n/a	360	n/a	\$193.73	\$69,744.45

Planned Rejuvenation of the Program: We will be looking to purchase equipment (with the reserve) and augment this program next year.

Work will include:

- *proactive management of the ditches to improve drainage as outline in the Todd drainage plan, important for lowering ground water levels and septic system function;*
- *proactive maintenance of dirt roads that are important for emergency egress and ingress and;*
- *management and maintenance of the right-of-way.*

Anticipated Increased Expenditures for FY 2025/2026

What is BPCUD role in maintaining the Dirt (non-County maintained) Roads on the Gridded Mesa?

We have been asked by the Bolinas Fire Department to contribute to road maintenance and brush clearance of dirt roads on the gridded Mesa. While BCPUD has contributed to such brush removal and road grading from our general Operating Water budget, in my opinion, it would be more appropriate if this work were supported by the Septic/Drainage program.

TOTAL EXPENDATURES	\$60,120
Septic Drainage TOTAL Employee Services	\$21,696
Administrative Clerical Wages	\$6,229
Operator/Maintenance Wages	\$6,989
Benefits	\$7,666
Worker Compensation Insurance	\$595
Employer Taxes	\$217
Subtotal Maintenance	\$35,318
Septic Drainage CONTRIBUTION TO DESIGNATED FUNDS	\$3,289

Septic Drainage: MAINTENANCE & OPERATIONS	\$35,318	\$5,885	83.34%
73000 Roads ==> rock (General)	\$1,800	\$0	100.00%
73000 Roads ==> rock (S/D)	\$5,000	\$0	100.00%
73100 Plant (S/D = Culverts; materials for Road maintenance)	\$5,000	\$0	100.00%
73400 · 270 Elm Building/Grounds	\$408	\$0	100.00%
73500 Travel/Education	\$0	\$53	
73600 Power (general-270 Elm)	\$167	\$0	100.00%
73700 General 270 Elm Telephone/Fax/Internet	\$373	\$282	24.46%
73800 Fuel	\$3,168	\$0	100.00%
74000 Office Supplies (General)	\$1,354	\$585	56.78%
74000 Office Supplies (S/D)	\$0	\$0	
74100 Insurance	\$4,429	\$0	100.00%
74110 Director Fees	\$1,000	\$0	100.00%
74140 Miscellaneous	\$153	\$95	37.81%
74150 · Payroll Fees	\$154	\$0	100.00%
74200 Vehicles / Mobile Equipment (maintenance)	\$2,233	\$0	100.00%
74300 Tools / Supplies (General)	\$1,000	\$0	100.00%
74310 Tools / Supplies (S/D)	\$1,000	\$0	100.00%
74500 Legal (general)	\$500	\$0	100.00%
74510 Legal (S/D-general)	\$0	\$0	
74600 Bookkeeping	\$740	\$286	61.32%
74700 Audit	\$712	\$278	60.94%
74800 Drainage Projects/Other Contract Services	\$5,000	\$4,305	13.90%
74950 Engineering & Consulting	\$1,000	\$0	100.00%
75130 Election Expense	\$128	\$0	100.00%


Where do we need to be to balance the Septic/Drainage Budget?

Balancing the Septic/Drainage Budget: The program is currently budgeted to have expenditures totaling \$60K. Therefore, our goal would be to get back up to a funding level that can fully support the program. With this goal in mind, the aim here would be to get back to \$170 per meter, by FY 2027/28.

TOTAL EXPENDATURES	\$60,120
Septic Drainage TOTAL Employee Services	\$21,696
Administrative Clerical Wages	\$6,229
Operator/Maintenance Wages	\$6,989
Benefits	\$7,666
Worker Compensation Insurance	\$595
Employer Taxes	\$217
Subtotal Maintenance	\$35,318
Septic Drainage CONTRIBUTION TO DESIGNATED FUNDS	\$3,289

Year	Actual Customer Base Charges for S/D	# of affected meters on grided Mesa	Total Revenue	Plus CPI	Projected Revenue had we kept this base charge and applied the previous year's CPI
2015-2016	\$140.00	362	\$50,680.00		
2016-2017	\$70.00	364	\$25,480.00	\$143.58	\$52,264.58
2017-2018	\$70.00	364	\$25,480.00	\$147.98	\$52,828.03
2018-2019	\$70.00	364	\$25,480.00	\$152.82	\$54,708.32
2019-2020	\$70.00	364	\$25,480.00	\$158.68	\$56,967.81
2020-2021	\$40.00	357	\$14,280.00	\$163.95	\$59,023.09
2021-2022	\$40.00	358	\$14,320.00	\$166.82	\$60,055.99
2022-2023	\$35.00	359	\$12,565.00	\$172.14	\$61,799.64
2023-2024	\$35.00	360	\$12,600.00	\$181.68	\$65,405.02
2024-2025	\$35.00	360	\$12,600.00	\$188.40	\$67,825.00
2025-2026	n/a	360	n/a	\$193.73	\$69,744.45

Proposed Increase over the next 3 years:

By 2027-2028	\$170.00	360	\$61,200.00		
<p>In the interim, the budgetary shortfall can be covered with funds from the Septic/Drainage reserve.</p> 				Septic/Drainage	
				S/D: Revenue from SERVICE CHARGES	\$28,800
				S/D: REVENUE TRANSFERRED FROM DESIGNATED FUNDS	\$31,320
				S/D: Revenue from TAXES	\$0
				S/D: Revenue from OTHER (Interest etc)	\$0

In the interim, the budgetary shortfall can be covered with funds from the Septic/Drainage reserve.

Septic/Drainage Program: Updated Proposal

		Comparison	Comparison % Dif
Septic/Drainage		FY 2024/2025	FY 2024/2025
TOTAL REVENUE	\$60,120	\$19,482	67.59%
TOTAL EXPENDATURES	\$60,120	\$19,481	67.60%
Septic Drainage TOTAL Employee Services	\$21,696	\$13,597	37.33%
Administrative Clerical Wages	\$6,229	\$4,164	33.15%
Operator/Maintenance Wages	\$6,989	\$6,220	11.01%
Benefits	\$7,666	\$2,361	69.20%
Worker Compensation Insurance	\$595	\$510	14.28%
Employer Taxes	\$217	\$342	-57.92%
Subtotal Maintenance	\$35,318	\$5,885	83.34%
Septic Drainage CONTRIBUTION TO DESIGNATED FUNDS	\$3,289	\$0	100.00%
BALANCE	\$0	\$1	
PLANNED RESERVE EXPENDATURES	\$116,320	\$7,197	93.81%
TOTAL EXPENDATURES	\$176,440	\$26,678	84.88%

PROP 218	
Service charges/meter	# of connections
Previous year	360
\$35	157
Proposed increase	6
129%	
Proposed Annual Service Charge/Address	
\$80	
Absolute Value Change	
\$45.00	

FY 2026/27 proposed service charge would be \$125 (\$80+\$45); and FY 2027/2028 would be \$170 (\$125 + \$45)

Resource Recovery Project and Funding

Bolinas-Stinson Resource Recovery Project

Resource Recovery:	
TOTAL REVENUE	\$158,582
TOTAL EXPENDATURES	\$158,582
RRP TOTAL Employee Services	\$86,444
Administrative Clerical Wages	\$5,110
Operator/Maintenance Wages	\$64,905
Benefits	\$9,102
Worker Compensation Insurance	\$1,797
Employer Taxes	\$5,530
Subtotal Maintenance	\$66,537
RRP TOTAL CONTRIBUTION TO DESIGNATED FUNDS	\$10,460
BALANCE	\$0
PLANNED RESERVE EXPENDATURES	\$0
TOTAL EXPENDATURES	\$158,582

PROP 218 N/A	
Drop Off Green Waste/Yard	Projected Total drop offs (yds)
\$30.00	4850

		Budget Comparison	Comparison % Dif
Resource Recovery:		FY 2024/2025	FY 2024/2025
RRP: Revenue from SERVICE CHARGES	\$148,581	\$119,865	
RRP: REVENUE TRANSFERED FROM DESIGNATED FUNDS	\$0	\$0	
RRP: Revenue from TAXES	\$2,500	\$0	
RRP: Revenue from OTHER (Interest etc)	\$7,501	\$0	

The 3 other "Founding Districs", Bolinas Fire, Stinson Fire and Stinson Water are likely to contribute \$2,500 each annually. (The Fire Districs have already committed; Stinson Water is waiting for their Board's approval.)

We will be contributing \$2,500 from our tax revenue to the program

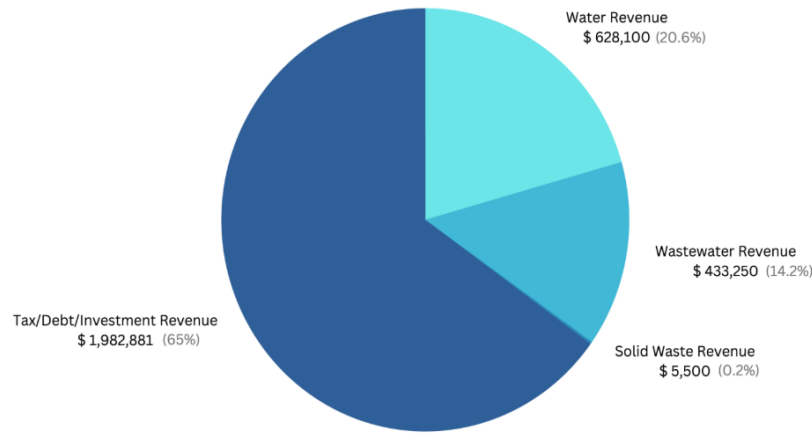
Since 2007-2024 the running deficit of the RRP has totaled -\$31,689. However, there is profit/loss data that predates this period from (1998-2006, in paper files). We will look for that data. It is possible that it was running a surplus during these early days. Regardless, I would like to set up a reserve fund for RRP and better account for the profit/loss associated with the program. I would also like to consider that if it turns out that it has run a deficit, and that it runs a surplus in the coming years, that it pay back water customers for “fronting this deficit.”

All Enterprises Combined

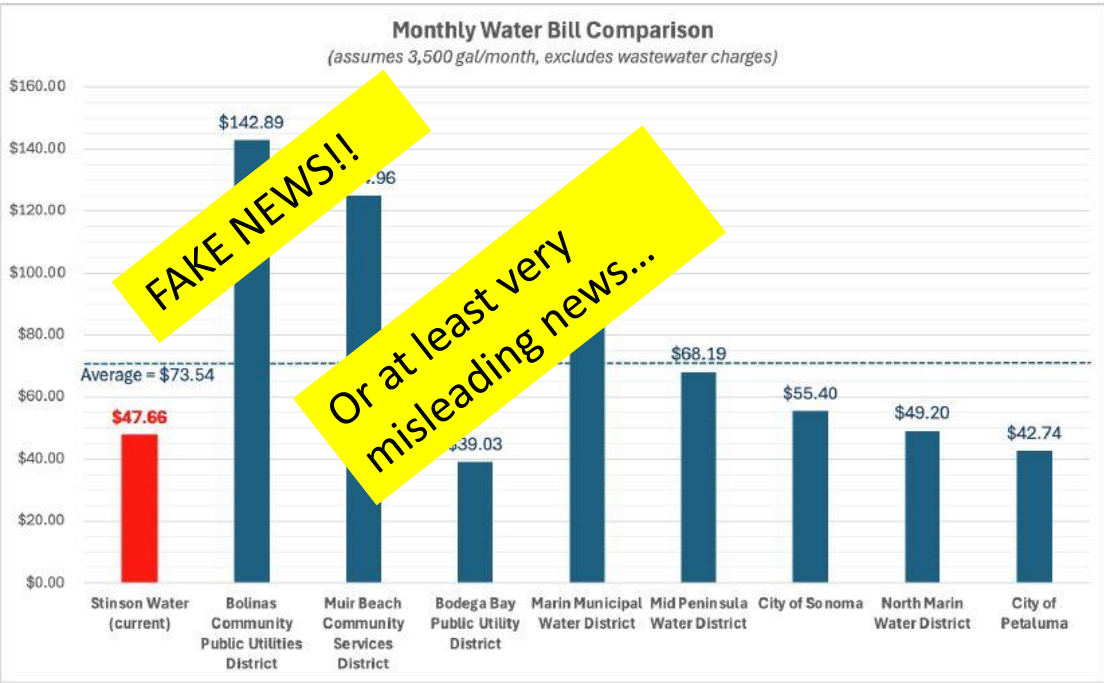
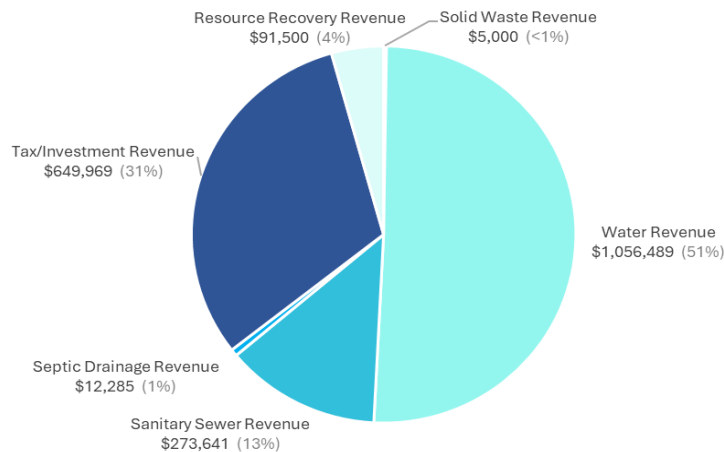
BALANCED BUDGET		Budget Comparison	Comparison % Dif
	ALL ENTERPRISES	FY 2024/2025	FY 2024/2025
TOTAL REVENUE	\$2,525,082	\$2,323,634	7.98%
TOTAL BALANCED EXPENDATURES	\$2,525,083	\$2,323,633	7.98%
Subtotal Employee Services	\$1,200,983	\$1,146,052	4.57%
Administrative Clerical Wages	\$316,731	\$306,880	3.11%
Operator/Maintenance Wages	\$422,006	\$404,349	4.18%
Benefits	\$421,915	\$394,679	6.46%
Worker Compensation Insurance	\$20,103	\$18,897	6.00%
Employer Taxes	\$20,228	\$21,247	-5.04%
Subtotal Maintenance	\$877,064	\$628,679	28.32%
CONTRIBUTION TO DESIGNATED FUNDS/DEBT	\$464,906	\$548,903	-18.07%
BALANCE	-\$1	\$1	
PLANNED RESERVE EXPENDATURES	\$345,646	\$699,562	-102.39%
TOTAL EXPENDATURES	\$2,870,729	\$3,023,195	-5.31%

How do our water rates and revenue sources compare to Stinson Water's?

Fiscal Year 2023-2024 Revenue
Stinson Water



BCPUD's Fiscal Year 2023-2024 Revenue



A Recent Post on NextDoor of Monthly Water Bill Comparison: Some of you may have seen a recent post by Stinson Water comparing monthly water bills, which shows BCPUD as the having the highest monthly water rates across local utility providers in the area (and 3X as high as Stinson's).

Like BCPUD, Stinson Water also receives a large portion of their funding from their hefty tax base (in 2023/24 Stinson received \$1,982,281; BCPUD received \$649,969). Both entities are Utility Districts, regulated by prop 218 funding apparatus. We don't turn profits: our budgets must be balanced. Ultimately the tax revenue that both Districts bring in goes to "subsidizing" the utility services we provide. In 2023-2024, Stinson's employee costs alone (\$1,692,648) were greater than their revenue from their wastewater and water revenue (\$1,061,350), highlighting the fact that tax revenue goes to "subsidizing" nearly 60% of their employee costs. This enables them to charge less for service costs.

Calculating the true and precise cost of water service is very complicated for both our districts, making cost comparisons difficult. However, because Stinson Water did not factor tax revenue into their calculations of monthly water service (which represents the bulk of their revenue), the bar graph, above, does not accurately portray the actual monthly cost to customers. Therefore, it is not accurate to say that BCPUD's water service is 3X as expensive as Stinson's!

Budget Summary and Supportive Documents

BOLINAS COMMUNITY PUBLIC UTILITY DISTRICT

FY 2025-2026

BALANCED BUDGET									
	ALL ENTERPRISES	Water:		Sewer:		Septic/Drainage		Resource Recovery:	
TOTAL REVENUE	\$2,525,082	TOTAL REVENUE	\$1,801,527	TOTAL REVENUE	\$504,853	TOTAL REVENUE	\$60,120	TOTAL REVENUE	\$158,582
TOTAL BALANCED EXPENDATURES	\$2,525,083	TOTAL EXPENDATURES	\$1,801,527	TOTAL EXPENDATURES	\$504,853	TOTAL EXPENDATURES	\$60,120	TOTAL EXPENDATURES	\$158,582
Subtotal Employee Services	\$1,200,883	Subtotal Employee Services	\$934,822	Sewer TOTAL Employee Services	\$158,022	Septic Drainage TOTAL Employee Services	\$21,696	RRP TOTAL Employee Services	\$86,444
Administrative clerical Wages	\$316,731	Administrative clerical Wages	\$265,848	Administrative clerical Wages	\$39,544	Administrative clerical Wages	\$6,229	Administrative clerical Wages	\$5,110
Operator/Maintenance Wages	\$422,006	Operator/Maintenance Wages	\$292,047	Operator/Maintenance Wages	\$58,065	Operator/Maintenance Wages	\$6,989	Operator/Maintenance Wages	\$64,905
Benefits	\$421,915	Benefits	\$349,145	Benefits	\$56,001	Benefits	\$7,666	Benefits	\$9,102
Worker Compensation Insurance	\$20,103	Worker Compensation Insurance	\$14,937	Worker Compensation Insurance	\$2,774	Worker Compensation Insurance	\$595	Worker Compensation Insurance	\$1,797
Employer Taxes	\$20,228	Employer Taxes	\$12,846	Employer Taxes	\$1,636	Employer Taxes	\$217	Employer Taxes	\$5,530
Subtotal Maintenance	\$877,064	Subtotal Maintenance	\$553,325	Subtotal Maintenance	\$221,884	Subtotal Maintenance	\$35,318	Subtotal Maintenance	\$86,537
CONTRIBUTION TO DESIGNATED FUNDS/DEBT	\$464,906	WATER: CONTRIBUTION TO DESIGNATED FUNDS/DEBT	\$324,947	Sewer CONTRIBUTION TO DESIGNATED FUNDS	\$126,210	Septic Drainage CONTRIBUTION TO DESIGNATED FUNDS	\$3,289	RRP TOTAL CONTRIBUTION TO DESIGNATED FUNDS	\$10,480
BALANCE	-\$1	BALANCE	\$0	BALANCE	\$0	BALANCE	\$0	BALANCE	\$0
PLANNED RESERVE EXPENDATURES	\$345,646	PLANNED RESERVE EXPENDATURES	\$193,269	PLANNED RESERVE EXPENDATURES	\$36,057	PLANNED RESERVE EXPENDATURES	\$ 116,320	PLANNED RESERVE EXPENDATURES	\$0
TOTAL EXPENDATURES	\$2,870,729	TOTAL EXPENDATURES	\$1,994,796	TOTAL EXPENDATURES	\$540,910	TOTAL EXPENDATURES	\$ 176,440	TOTAL EXPENDATURES	\$158,582

PROP 218	WATER	PROP 218	SEWER	PROP 218	SEPTIC DRAINAGE	PROP 218 N/A	RRP
Service charges/meter	# of connections	Service charges/meter	# of connections	Service charges/meter	# of connections	Drop Off Green Waste/Yard	Projected Total drop offs (yds)
Previous year	Total:	Previous year	Total:	Previous year	360	\$30.00	4850
\$1,866	573	\$1,847	162	\$35	157		
Proposed increase	County Collected:	Proposed increase	County Collected:	Proposed increase	6		
1.10	558	1.10	155	129%			
Proposed Annual Service Charge/meter	District Collected:	Proposed Annual Service Charge/ Connection	District Collected:	Proposed Annual Service Charge/Address			
\$2,053	15	\$2,032	7	\$80			
Absolute Value Change		Absolute Value Change		Absolute Value Change			
\$187		\$185		\$45.00			
Metered Charge (FOLD) increase across all Tiers							
1.25				Step increase in base charge	\$44		

CIP DOCs:

[Water CIP \(2026-2030\)](#)

[Sewer CIP \(2026 - 2030\)](#)

[Building, Office, Vehicle CIP \(2026- 2030\)](#)

BUDGET DOCs:

- [FY 25 26 Balanced Budget Simple Summary](#)
- [FY 25 26 Balanced Budget Comprehensive](#)

BUDGET DOCs (Comps to Last Year):

- [FY 25 26 Balanced Budget Comprehensive CompToLastYear](#)