

Los Trancos County Water District Income Statement: Actual vs Budget by Account July 2010 through June 2011

	Jul '10 - Jun 11	Budget	Jul '10 - Jun 11	YTD Budget
Ordinary Income/Expense				
Income				
43400 · Direct Public Support				
43405 · Property Tax Revenue	276,445.32	259,837.80	276,445.32	259,837.80
Total 43400 · Direct Public Support	276,445.32	259,837.80	276,445.32	259,837.80
45000 · Investments				
45030 · Interest-Savings, Short-term CD	1,027.84	2,000.00	1,027.84	2,000.00
Total 45000 · Investments	1,027.84	2,000.00	1,027.84	2,000.00
46400 · Other Types of Income				
46430 · Miscellaneous Revenue	5,069.80		5,069.80	
Total 46400 · Other Types of Income	5,069.80		5,069.80	
Total Income	282,542.96	261,837.80	282,542.96	261,837.80
Expense				
61100 · Water Use Efficiency				
60904 · WUE Rebate - Exterior	1,066.67	23,750.00	1,066.67	23,750.00
61102 · WUE Rebate - Interior	3,800.00	4,980.00	3,800.00	4,980.00
Total 61100 · Water Use Efficiency	4,866.67	28,730.00	4,866.67	28,730.00
61200 · Emergency Preparedness				
61205 · Fire Safety Escape Routes	39,653.87	35,000.00	39,653.87	35,000.00
61207 · Fire Safety Community Buffer	26,455.77	30,000.00	26,455.77	30,000.00
61208 · Fire Safety Residential Program	41,074.82	38,000.00	41,074.82	38,000.00
Total 61200 · Emergency Preparedness	107,184.46	103,000.00	107,184.46	103,000.00
61900 · Offset Program				
61901 · Offset	43,520.00	29,400.00	43,520.00	29,400.00
61905 · Offset admin fee	2,160.00	600.00	2,160.00	600.00
Total 61900 · Offset Program	45,680.00	30,000.00	45,680.00	30,000.00
62800 · Lands				
62801 · Restrtn Supls, Plants Irrrgtn	4,739.88	5,000.00	4,739.88	5,000.00
62802 · Fuel load reduction/SOD treatme	2,000.00	2,000.00	2,000.00	2,000.00
62803 · Maintenance	8,432.10	8,000.00	8,432.10	8,000.00
62840 · Capital Projects	8,385.00	8,000.00	8,385.00	8,000.00
62850 · Contingency	1,000.00	1,000.00	1,000.00	1,000.00
62890 · Utilities - Water	203.00	1,000.00	203.00	1,000.00
Total 62800 · Lands	24,759.98	25,000.00	24,759.98	25,000.00

excellent agreement if you include recover of lost funds from previous years. D'oh: maybe we're ~5k off if you consider the 5k from PV.

big gap

overshoot, minor

need analysis of actual expenditures to residents

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	Jul '10 - Jun 11	Budget	Jul '10 - Jun 11	YTD Budget
62900 · Water Movement Control				
62901 · Mapping, Drafting, Engineering	17,923.98	50,000.00	17,923.98	50,000.00
62903 · Water testing	2,075.00	22,000.00	2,075.00	22,000.00
62904 · Ramona Road Study	28,814.45	40,000.00	28,814.45	40,000.00
62905 · Residential Incentive Program	3,863.59	30,000.00	3,863.59	30,000.00
Total 62900 · Water Movement Control	52,677.02	142,000.00	52,677.02	142,000.00
64800 · Contract Services				
64801 · Recording Secretary	5,060.00	5,200.00	5,060.00	5,200.00
64805 · Bookkeeping	6,200.00	6,300.00	6,200.00	6,300.00
64810 · Accounting Fees	4,725.00	4,500.00	4,725.00	4,500.00
64840 · Legal Fees	7,561.25	4,000.00	7,561.25	4,000.00
Total 64800 · Contract Services	23,546.25	20,000.00	23,546.25	20,000.00
65000 · Operations				
65020 · Postage, Mailing Service	46.73	26.97	46.73	26.97
65030 · Printing and Copying	3,398.42	2,300.00	3,398.42	2,300.00
65040 · Supplies	863.48	900.00	863.48	900.00
65050 · Telephone, Telecommunications	48.00	254.00	48.00	254.00
65060 · Technology	743.45		743.45	
Total 65000 · Operations	5,100.08	3,480.97	5,100.08	3,480.97
65100 · Other Types of Expenses				
65105 · Insurance, Liability	4,124.32	2,936.26	4,124.32	2,936.26
65120 · Insurance - D and O	2,045.00	1,195.00	2,045.00	1,195.00
65150 · Memberships and Dues	644.00		644.00	
65155 · Grants and Donations	1,000.00		1,000.00	
65160 · Other Costs	129.00	100.00	129.00	100.00
65170 · Staff Development	350.00		350.00	
65180 · LAFCO	136.00	130.00	136.00	130.00
Total 65100 · Other Types of Expenses	8,428.32	4,361.26	8,428.32	4,361.26
68300 · Travel and Meetings				
68310 · Conference, Convention, Meeting	313.63		313.63	
68320 · Travel	203.04	2,500.00	203.04	2,500.00
Total 68300 · Travel and Meetings	516.67	2,500.00	516.67	2,500.00
Total Expense	272,759.45	359,072.23	272,759.45	359,072.23
Net Ordinary Income	9,783.51	-97,234.43	9,783.51	-97,234.43
Net Income	9,783.51	-97,234.43	9,783.51	-97,234.43

big miss

minor misses. ok if new budget is adjusted.

9:51 AM

07/25/11

Accrual Basis

Los Trancos County Water District
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 July 2010 through June 2011

	<u>Annual Budget</u>
Ordinary Income/Expense	
Income	
43400 · Direct Public Support	
43405 · Property Tax Revenue	259,837.80
Total 43400 · Direct Public Support	<u>259,837.80</u>
45000 · Investments	
45030 · Interest-Savings, Short-term CD	2,000.00
Total 45000 · Investments	<u>2,000.00</u>
46400 · Other Types of Income	
46430 · Miscellaneous Revenue	
Total 46400 · Other Types of Income	<u> </u>
Total Income	261,837.80
Expense	
61100 · Water Use Efficiency	
60904 · WUE Rebate - Exterior	23,750.00
61102 · WUE Rebate - Interior	4,980.00
Total 61100 · Water Use Efficiency	<u>28,730.00</u>
61200 · Emergency Preparedness	
61205 · Fire Safety Escape Routes	35,000.00
61207 · Fire Safety Community Buffer	30,000.00
61208 · Fire Safety Residential Program	38,000.00
Total 61200 · Emergency Preparedness	<u>103,000.00</u>
61900 · Offset Program	
61901 · Offset	29,400.00
61905 · Offset admin fee	600.00
Total 61900 · Offset Program	<u>30,000.00</u>
62800 · Lands	
62801 · Restrtn Supls, Plants Irrrgtn	5,000.00
62802 · Fuel load reduction/SOD treatme	2,000.00
62803 · Maintenance	8,000.00
62840 · Capital Projects	8,000.00
62850 · Contingency	1,000.00
62890 · Utilities - Water	1,000.00
Total 62800 · Lands	<u>25,000.00</u>

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07/25/11

Accrual Basis

Los Trancos County Water District
Income Statement: Actual vs Budget by Account
July 2010 through June 2011

	<u>Annual Budget</u>
62900 · Water Movement Control	
62901 · Mapping, Drafting, Engineering	50,000.00
62903 · Water testing	22,000.00
62904 · Ramona Road Study	40,000.00
62905 · Residential Incentive Program	30,000.00
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Total 62900 · Water Movement Control	142,000.00
64800 · Contract Services	
64801 · Recording Secretary	5,200.00
64805 · Bookkeeping	6,300.00
64810 · Accounting Fees	4,500.00
64840 · Legal Fees	4,000.00
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Total 64800 · Contract Services	20,000.00
65000 · Operations	
65020 · Postage, Mailing Service	26.97
65030 · Printing and Copying	2,300.00
65040 · Supplies	900.00
65050 · Telephone, Telecommunications	254.00
65060 · Technology	
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Total 65000 · Operations	3,480.97
65100 · Other Types of Expenses	
65105 · Insurance, Liability	2,936.26
65120 · Insurance - D and O	1,195.00
65150 · Memberships and Dues	
65155 · Grants and Donations	
65160 · Other Costs	100.00
65170 · Staff Development	
65180 · LAFCO	130.00
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Total 65100 · Other Types of Expenses	4,361.26
68300 · Travel and Meetings	
68310 · Conference, Convention, Meeting	
68320 · Travel	2,500.00
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Total 68300 · Travel and Meetings	2,500.00
Total Expense	<hr/> 359,072.23
Net Ordinary Income	<hr/> -97,234.43
Net Income	<hr/> <hr/> -97,234.43

Stan Gage letter to board, 9-1-11

Two issues where I feel the board has dropped the ball have to do with community priorities that were expressed back in 2003 and 2004 and 1997- 1998 and are truly the ONLY reason that the BOD did not move in 2005 to dissolve the District after the sale to CWS.

1) District lands

If, or in the minds of some of the current directors *when*, the District is dissolved by whatever power is put in the hands of various governmental agencies, the real estate and any other assets of the District will revert to the ownership of the County. The County in the past expressed total disinterest in retaining the lands and expressed that the lands would be sold to whatever party offered the most money after any other government agencies had had a crack at them for free. Since we already know that other agencies are not interested it seems as if, in the event of dissolution of the District, that the lands could become land that may be of interest to developers. This is something that the local residents were STRONGLY in opposition to and more than anything else delayed dissolution of the District while the Boards worked on creating a Trust that could take over the lands and manage and improve the lands in perpetuity. This effort was promptly abandoned when the makeup of the Board changed in 2005. I would posit that if the local residents knew that the continued existence of the District was frequently, openly questioned by some of the Board members and that nothing had been done to secure the lands as permanent open space there might be some very legitimate concern from members of the public.

2) Construction Loan

In the 1997, 1998 time frame when the contract was being negotiated with Blue Oaks, a public concern and something that the Board expressed and worked toward was to insure that the Blue Oaks addition to the District would not create ANY financial obligations on the members to the then current District. We tried to write this into the contract in the form of wording that in effect says that repayment of the loan will not required until such time as 32 homes (I think that is the number) had been constructed and were ***paying service connection fees to the District***. The Board set service connection

fees for Blue Oaks homes at that time to \$50 per month where the balance of the District paid \$25 e month. The extra \$25 per month would create sufficient cash flow to cover the required payment of \$9000 per YEAR to retire the no interest loan. Unfortunately, the contract failed to anticipate the sale of the District to another entity that did not assume the indebtedness of the District. I think there is legitimate argument that in the absence to payment of offsetting fees to the District by the property owners in Blue Oaks that the loan repayment may be a mute issue. I believe that this is an issue that needs to be carefully explored by Sandy Sloane with perhaps some review in conjunction with Sandy by the then Board members to see is there is adequate documentation to establish that this was the objective of the wording in the contract. In the absence of resolving this issue, the county has expressed in the past that the indebtedness would somehow be split up and assessed to the homeowners on some TBD basis. I feel quite certain that the County, in its infinite wisdom, would find someway to charge large amounts of money to homeowners in the District even though at most \$9000, escalating to \$11000 per year (\$35 - \$42 per home) is the most that is ever due annually on the no interest \$617,000 loan. Again, if the continued existence of the District is in question, this is an issue that should be at the forefront of the Board's priorities to insure that no large assessments ever appear on homeowners property tax bills and that the spirit of the original contract is honored.

Stan Gage

This is from the almost final final final version of the contract. I can't seem to locate the final version in my electronic files but I'm sure Sandy has it.

f. Loan Payments. Both the Initial and Adjusted Loan ("Loan") shall be interest-free loans. No payments shall be due on the Loan until thirty-two (32) houses in the Property have connected to the District. After such time as 32 houses have connected, the District will pay off the loan at the

rate of Nine Thousand Dollars (\$9,000) per year, on a quarterly basis of Two Thousand Two Hundred Fifty Dollars (\$2,250) ~~per~~ ~~quarter~~. The first payment of \$2,250 will be due at the end of the first full calendar quarter during which at least 32 houses were connected and paying for water service for the entire quarter. After such time as thirty-six (36) houses have connected, the District will pay off the loan at the rate of Eleven Thousand Dollars (\$11,000) per year, on a quarterly basis of Two Thousand Seven Hundred Fifty Dollars (\$2,750) ~~per~~ ~~quarter~~. The first payment of \$2,750 will be due at the end of the first full calendar quarter during which at least 36 houses were connected and paying for water service for the entire quarter.