

April 27, 2021

3rd Quarter Financial Statement Memo

Authored by: Jennifer Flores, Administrative Services Manager

WATER FUND

REVENUE

Fixed rates are on track with the adopted budget and variable rates are exceeding the budgeted figure by 17%. Other Operating Revenue is under budget by 17% with the main contributing factor being the District's continued suspension of late fees and disconnection charges. Other nonoperating revenue includes \$13,385 in earned interest from District's LAIF account and \$8,680 in grant reimbursement revenue for the Downtown Groveland/Big Oak Flat Planning Study.

EXPENSES

Other District Operating Expense is currently 19% under budget. Utilities are currently 10% over budget due to higher TCPA electric utility rates. Leases will be over budget as the District had to pay off the old Avaya phone lease that was not expected during the development of the budget.

CAPITAL OUTLAY

1st Quarter

1st quarter capital expense includes \$20,911 fund share expense for the software upgrade to the District's new server, \$18,000 for the initial deposit for the new Tank 4 generator (this has been reimbursed by the county from their PG&E PSPS relief fund), \$15,346 in engineering fees for the Big Creek/Second Garrotte Clearwell Project, and \$12,279 fund share expense for the Honda utility vehicle purchased to access off road District properties including water and sewer easements for inspections.

2nd Quarter

2nd quarter capital expense includes the fund share of \$97,760 for the purchase of the District's new crane truck (budgeted originally in the 2019/20 FY and carried to this year due to delays in truck delivery), \$44,335 for the Tank #2 generator/asphalt improvement project, \$57,232 for the purchase of mixers for Tanks 2, 4, and 5 to improve water quality and regulatory compliance, \$50,494 for the remaining balance for the purchase of the new Tank 4 generator, and \$17,910 in engineering fees (contract initiation, notice to proceed, contractor meetings, preparation of the budget package for the state) for the Big Creek/Second Garrotte Clearwell Project.

3rd Quarter

3rd quarter capital expense includes \$3,938 for a surge valve replacement at the Big Creek Transmission Main, \$9,767 for the installation of tank mixers for Tanks 2, 4, and 5, \$1,283,747 in construction and engineering expense for the Big Creek/Second Garrotte Clearwell Project, and \$4,569 fund share expense for the purchase of a vehicle diagnostic scanner.

WATER CAPITAL OUTLAY		
CIP Project	2020/21 Adopted	2020/21 YTD Spent
Downtown Groveland/BOF Planning Study	15,000	\$ 12,811
General Water Distribution System Improv.	30,000	9,182
Water Pump Replacements	20,000	
Admin Parking Lot Upgrade (5 Yr Plan)	98,000	2,476
Fuel Tank Painting/Electronic Logging	50,400	
Treatment Plant General Improvements/Replacements	20,000	
Crane Body Truck	97,920	97,760
Big Creek WTP A/C Upgrade	5,500	4,130
2G WTP A/C Upgrade	5,500	4,130
Tank #2 Generator/Asphalt Improvement	95,000	44,335
Truck #6 Replacement	25,971	
Truck #8 Replacement	17,660	
District Camera System	14,840	
Tank Mixers for T2, 4 and 5	113,000	66,999
Server OS Upgrade	19,972	15,585
Tank 4 Generator	105,000	58,494
Big Creek-2G Clearwell, Butler Way Bypass	3,400,000	1,317,003
2020 Honda UTV	12,279	12,279
Tank #2 A/C Heater	3,672	3,672
Unbudgeted Items		
Pro Link Edge Master Scanner		4,569
TOTAL WATER CAPITAL OUTLAY	4,149,714	1,653,425

SEWER FUND

REVENUE

Fixed rates are on track with the approved budget and variable rates are exceeding the budgeted figure by 8%. Other Operating Revenue is under budget by 30% with the main contributing factor being the District's continued suspension of late fees and disconnection charges. Other nonoperating revenue

includes \$9,554 in earned interest from District's LAIF account and \$3,000 for items sold as surplus. In addition, the District has not received \$20,000 for grant reimbursement for the completed Lift Station 16 Project and is why this line item is 35% under budget.

EXPENSES

District salaries are currently 14% under budget. District utilities are currently under budget by 21% and Other District Operating Expense is 24% under budget. Leases will be over budget as the District had to pay off the old Avaya phone lease that was not expected during the development of the budget. The District has paid its annual PERS unfunded accrued liability (UAL) bill, the remaining \$2,345 is the 3% cost savings the District receives for paying this in one lump sum.

CAPITAL OUTLAY

1st Quarter

1st quarter capital expense includes \$13,082 fund share expense for the software upgrade to the District's new server, \$21,340 for the Skate Park Manhole Repair Project (project completed), \$3,533 for new Sewer Treatment Plant blower, \$3,265 for new flow meter for PML mixing pond (required for calculating mixture of District reclaimed water and lake water for golf course watering), and \$5,778 fund share expense for the Honda utility vehicle purchased to access off road District properties including water and sewer easements for inspections.

2nd Quarter

2nd quarter capital expense includes \$94,064 for the Headworks Replacement Project at the Wastewater Treatment Plant (WWTP), \$47,207 for the purchase of a new Bobcat used at the WWTP, \$26,562 for the purchase of the Smart Manhole Cover System which is in place and operational, \$16,389 in engineering fees for preparation of the final plans and specifications for the Downtown Groveland/Big Oak Flat Collection System Rehab Project, and the fund share of \$46,005 for the purchase of the District's new crane truck.

3rd Quarter

3rd quarter capital expense includes \$4,569 fund share expense for the purchase of a vehicle diagnostic scanner and \$3,774 for the purchase of a replacement Polymer Tank Mixer which keeps polymer from solidifying.

SEWER CAPITAL OUTLAY		
CIP Project	2020/21 Adopted	2020/21 YTD Spent
Downtown Groveland/BOF		226,339
Wastewater Pump Replacements	24,000	
Sewer Imp-Headworks, LS2, Irrigation, Sludge Pump, Influent Pump	1,470,000	95,444
Admin Parking Lot Upgrade (5 Yr Plan)	66,500	1,680
Fuel Tank Painting/Electronic Logging	34,200	
Concrete grading by Screw Press	120,000	
Road Maintenance	100,000	
New Bobcat	45,000	45,000
Truck # 8 Replacement	8,311	
District Camera System	10,070	
Server OS Upgrade	13,553	10,575
Skate Park Manhole Repair/Replacement	25,000	21,340
Smart (manhole) Cover System	26,000	26,562
Annual Contingency for Future Capital Projects	100,000	
Crane Body Truck	46,080	46,005
Gaembsa Blower (2)	3,533	7,067
Flow Meter MV 806	3,265	3,265
2020 Honda UTV	5,779	5,778
Tank #2 A/C Heater	1,728	1,728
Unbudgeted Items		
ProLink Edge Master Scanner		4,569
Polymer Tank Mixer		3,774
TOTAL SEWER CAPITAL OUTLAY	2,103,019	499,127

FIRE FUND

REVENUE

The District will receive its second large annual disbursement from the county in April. Other nonoperating revenue includes \$28,250 in equipment rental revenue, \$3,300 in grants funds from the State of California for new turnouts, and \$3,850 in earned interest from District's LAIF account. The District is supposed to receive an additional \$53,000 in equipment rental revenue prior to the close of the fiscal year. Other non-operating revenue includes \$140,768 in grant money for the Jones Hill Fuel Break Project.

EXPENSES

The District has paid \$598,150 to CAL FIRE for the Schedule A contract. Utilities are over budget due to higher water usage. Other operating expense includes \$17,500 in consultant fees to NBS for the creation of a Communities Facility District (CFD) Study, \$18,760 in legal fees for review and response related to the Under Canvas and Terra Vi Lodging projects, \$9,500 to SCI Consulting for fire tax consulting services, \$16,800 in apparatus repair work, and \$7,500 for SCBA equipment. This line item is currently 23% under budget as a result of the District not engaging SCI Consulting for the preparation of an independent fire tax measure as originally planned. Non-operating expense includes \$149,800 for the Jones Hill Fuel Break Project.

CAPITAL OUTLAY

1st Quarter

1st quarter capital expense includes \$1,392 fund share expense for the software upgrade to the District's new server, \$59,228 for the Fire Department Building Upgrade Project (This item was not budgeted for in the current fiscal year as it was projected to be completed by the close of the previous fiscal year where it was budgeted for in the amount of \$59,000).

2nd Quarter

2nd quarter capital expense includes \$100 fund share expense for the Admin Parking Lot Upgrade Project.

3rd Quarter

3rd quarter capital expense includes \$4,569 fund share expense for the purchase of a vehicle diagnostic scanner.

FIRE CAPITAL OUTLAY		
CIP Project	2020/21 Adopted	2020/21 YTD Spent
Admin Parking Lot Upgrade (5 Yr Plan)	8,750	221
Fuel Tank Painting/Electronic Logging	4,500	-
Station Restroom Upgrades	5,000	2,091
District Camera System	1,325	-
Server OS Upgrade	1,783	1,392
Fire Dept Building Upgrade	60,000	62,345
Unbudgeted Items		
ProLink Edge Master Scanner		4,569
TOTAL FIRE CAPITAL OUTLAY	81,358	70,617

PARKS FUND

REVENUE

The District will receive its second large annual disbursement from the county in April. Other operating revenue includes \$25,300 from PG&E for the purchase of two (2) easements for the Pre-Installed Interconnection Hub (PIH), \$40,329 in cell tower rent, \$9,500 from PG&E for the use of Mary Laveroni Park for their community resource center during the last PSPS event, and \$1,232 in earned interest from District's LAIF account.

EXPENSES

Salaries and benefits are currently 38% under budget and Other Operating Expense is currently 16% under budget.

CAPITAL OUTLAY

1st Quarter

1st quarter capital expense includes \$278 fund share expense for the software upgrade to the District's new server.

2nd Quarter

2nd quarter capital expense includes \$20 fund share expense for the Admin Parking Lot Upgrade Project.

3rd Quarter

Nothing notable.

PARK CAPITAL OUTLAY		
Projects	2020/21 Proposed	2020/21 YTD Spent
Admin Parking Lot Upgrade (5 Yr Plan)	1,750	44
Fuel Tank Painting/Electronic Logging	900	-
Park Door Upgrades	10,670	-
District Camera System	265	-
Server OS Upgrade	357	278
TOTAL PARK CAPITAL OUTLAY	13,942	323

Budget to Actual 3rd Quarter Report

Groveland Community Services District

For 3rd Quarter Ended March 31, 2021

Total - District-Wide	2020/21 Annual Budget	Year-to-date Actuals	CY Actual Vs. CY Budget-Remaining \$	CY Actual Vs. CY Budget-Remaining%
Fixed rates	\$ 3,316,016	\$ 2,488,676	\$ (827,340)	25%
Variable rates	1,418,170	1,254,659	\$ (163,511)	12%
Property taxes	1,204,893	704,683	\$ (500,210)	42%
Other operating revenues	198,515	92,757	\$ (105,758)	53%
Other nonoperating revenues	3,701,770	261,261	\$ (3,440,509)	93%
Total Revenues	9,839,364	4,802,036	(5,037,328)	
Salaries and benefits	(2,177,787)	(1,450,747)	727,040	33%
Cost of water	(215,000)	(146,995)	68,005	32%
Utilities	(291,628)	(200,923)	90,705	31%
Cal Fire contract	(1,056,071)	(598,150)	457,921	43%
Other operating expenses	(2,183,426)	(1,175,316)	1,008,110	46%
Leases: prin+interest	(14,862)	(12,404)	2,458	17%
Sewer Project Imp Loan	(105,838)	(105,838)		
Transfer to Pension	(248,241)	(239,983)	8,258	3%
Non Operating Expenses-Jones Hill	(166,300)	(149,800)		
Total Expenses	(6,459,153)	(4,080,155)	2,362,498	
Capital outlay (fixed assets)	(6,348,033)	(2,224,081)	4,123,952	65%
Net profit (loss)	\$ (2,967,822)	\$ (1,502,200)	\$ 1,449,122	
Debt Service Collections	934,906	712,156		
Debt Service: Prin/Interest	(986,341)	(730,299)		
	(51,435)	(18,143)		

Budget to Actual 3rd Quarter Report

Groveland Community Services District

For 3rd Quarter Ended March 31, 2021

Water	2020/21 Annual Budget	Year-to-date Actuals	CY Actual Vs. CY Budget- Remaining \$	CY Actual Vs. CY Budget- Remaining%
Fixed rates	\$ 1,642,114	\$ 1,233,521	\$ (408,593)	25%
Variable rates	898,880	823,676	(75,204)	8%
Other operating revenues	83,310	47,957	(35,353)	42%
Other nonoperating revenues	3,448,500	23,598	(3,424,902)	99%
Total Revenue	6,072,804	2,128,752	(3,944,052)	
Salaries	(787,992)	(538,691)	249,301	32%
Benefits	(341,092)	(262,299)	78,793	23%
Cost of water	(215,000)	(146,995)	68,005	32%
Utilities	(100,000)	(85,213)	14,787	15%
Other operating expenses	(1,093,556)	(611,416)	482,140	44%
Leases	(10,875)	(9,411)	1,464	13%
Pension Unfunded Liability	\$ (103,886)	\$ (100,430)	3,456	3%
Total Expenses	(2,652,401)	(1,754,455)	897,946	
Capital outlay (Fixed assets)	(4,149,714)	(1,653,826)	2,495,888	60%
Net profit (loss)	\$ (729,311)	\$ (1,279,529)	\$ (550,218)	
Debt Service Collections	607,042	466,022		
Debt Service Prin/Interest	(688,676)	(432,634)		
	(81,634)	33,388		

Budget to Actual 3rd Quarter Report

Groveland Community Services District

For 3rd Quarter Ended March 31, 2021

Sewer	2020/21 Annual Budget	Year-to-date Actuals	CY Actual Vs. CY Budget- Remaining \$	CY Actual Vs. CY Budget- Remaining%
Fixed rates	\$ 1,673,902	\$ 1,255,154	\$ (418,748)	25%
Variable rates	519,290	430,983	(88,307)	17%
Other operating revenues	32,000	14,250	(17,750)	55%
Other nonoperating revenues	32,620	12,995	(19,625)	60%
Total Revenue	2,257,812	1,713,382	(544,430)	
Salaries	(625,419)	(382,114)	243,305	39%
Benefits	(262,890)	(186,888)	76,002	29%
Utilities	(126,000)	(68,325)	57,675	46%
Other operating expenses	(811,715)	(416,888)	394,827	49%
Leases	(3,987)	(2,993)	994	25%
Sewer Improvement Project Loan-P/I	(105,838)	(105,838)	0	0%
Pension Unfunded Liability	(70,494)	(68,149)	2,345	3%
Total Expenses	(2,006,343)	(1,231,195)	775,148	
Capital Outlay (fixed assets)	(2,103,019)	(499,315)	1,603,704	76%
Net profit (loss)	\$ (1,851,550)	\$ (17,128)	\$ 1,834,422	
Debt Service Collections	327,864	246,133		
Debt Service:Prin/Interest	(297,665)	(297,665)		
	30,199	(51,531)		

Budget to Actual 3rd Quarter Report

Groveland Community Services District

For 3rd Quarter Ended March 31, 2021

Total - Governmental Funds	2020/21 Annual Budget	Year-to-date Actuals	CY Actual Vs. CY Budget- Remaining \$	CY Actual Vs. CY Budget- Remaining%
Property taxes	1,204,893	704,683	(500,210)	42%
Other operating revenues	83,205	30,550	(52,655)	63%
Other nonoperating revenues	220,650	224,669	4,019	-2%
Total Revenues	1,508,748	959,902	(548,846)	
Salaries and benefits	(160,394)	(80,754)	79,640	50%
Utilities	(65,628)	(47,385)	18,243	28%
Cal Fire Contract	(1,056,071)	(598,150)	457,921	43%
Other operating expenses	(278,155)	(147,012)	131,143	47%
Transfer to Pension/Unfunded	(73,861)	(71,404)	2,457	3%
Non-Operating Exp.-Jones Hill	(166,300)	(149,800)	16,500	10%
Total Expenses	(1,800,409)	(1,094,505)	705,904	
Capital outlay (fixed assets)	(95,300)	(70,940)	24,360	26%
Net profit (loss)	\$ (386,961)	\$ (205,543)	\$ 181,418	

Budget to Actual 3rd Quarter Report

Groveland Community Services District

For 3rd Quarter Ended March 31, 2021

Fire	2020/21 Annual Budget	Year-to-date Actuals	CY Actual Vs. CY Budget- Remaining \$	CY Actual Vs. CY Budget- Remaining%
Property taxes	\$ 1,108,503	\$ 648,308	\$ (460,195)	42%
Other operating revenues	81,205	28,253	(52,952)	65%
Other nonoperating revenues	174,650	147,918	\$ (26,732)	15%
Total Revenues	1,364,358	824,480	(539,878)	
Salaries and benefits	(120,793)	(66,101)	54,692	45%
Cal Fire Contract	(1,056,071)	(598,150)	457,921	43%
Utilities	(18,628)	(15,166)	3,462	19%
Other operating expenses	(235,087)	(121,665)	113,422	48%
Tfr. to PERS Unfunded Liability	(72,006)	(69,610)	\$ 2,396	3%
Non Operating Exp - Jones Hill	(166,300)	(149,800)	\$ 16,500	10%
Total Expenses	(1,668,885)	(1,020,492)	648,393	
Capital Outlay (fixed assets)	(81,358)	(70,617)	\$ 10,741	
Net Profit (Loss)	\$ (385,885)	\$ (266,630)	\$ 119,255	

Budget to Actual 3rd Quarter Report

Groveland Community Services District

For 3rd Quarter Ended March 31, 2021

Parks	2020/21 Annual Budget	Year-to-date Actuals	CY Actual Vs. CY Budget-Remaining \$	CY Actual Vs. CY Budget-Remaining%
Property taxes	\$ 96,390	\$ 56,375	\$ (40,015)	42%
Other operating revenues	2,000	2,298	298	-15%
Other nonoperating revenues	46,000	76,750	30,750	-67%
Total Revenue	144,390	135,422	(8,968)	
Salaries and benefits	(39,601)	(14,653)	24,948	63%
Utilities	(47,000)	(32,219)	14,781	31%
Other operating expenses	(43,068)	(25,347)	17,721	41%
Transfer to Pension	(1,855)	(1,794)	61	3%
Total Expenses	(131,524)	(74,013)	57,511	
Capital outlay (fixed assets)	(13,942)	(323)	13,620	98%
Net Profit (Loss)	\$ (1,076)	\$ 61,087	\$ 62,163	