

REGULAR BOARD MEETING AGENDA
December 16, 2014 2:00 PM
Saddle Creek Lodge, Members Lounge
1001 Saddle Creek Drive, Copperopolis, CA

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. CHANGES TO ORDER OF AGENDA

5. PUBLIC COMMENT (Each speaker is limited to two (2) minutes)
Members of the public appreciated for taking the time to attend this meeting and provide comments on matters of District business. Any member of the public may address the Board relating to any matter within the Board's jurisdiction. This need not be related to any item on the agenda; however, the Board cannot act on an item unless it was noticed on the agenda.

6. CONSENT CALENDAR
Consent Calendar items are considered routine and will be acted upon by one motion. There will be no separate discussion on these items unless a member of the Board, Staff or a member of the Public requests specific items be set aside for separate discussion.
 - a. Review of monthly financial report and approval of bills and claims for the month of November 2014.
 - b. Approval of the minutes of the Special Board Meeting of November 11, 2014

7. OLD BUSINESS
 - a. None

8. NEW BUSINESS
 - a. Public Hearing
A public hearing will be conducted to receive public comments and questions regarding the proposed draft 2015 budget. Upon the close of the public hearing, the Board will consider approval of the 2015 budget.
 - b. Second review and approval of a Resolution adopting the 2015 Budget.
 - c. Consideration of providing recognition to outgoing Board Directors for their years of service.

9. STAFF REPORTS:
Brief reports will be provided by District staff to inform the Board and public on the status of general operational and administrative matters. No action will be taken by the Board during Reports, however items discussed may be recommended for discussion and action on a future meeting agenda.
 - a. Site Manager
 - b. General Manager

10. DIRECTORS REPORTS:

Brief reports will be provided by District Board members to inform on matters of general interest. No action will be taken by the Board during Reports, however items discussed may be recommended for discussion and action on a future meeting agenda.

11. ADJOURNMENT

Agenda Materials: May be viewed on the bulletin boards outside the Saddle Creek Pro Shop, on the Sports Club Bulletin Board and at the CSD Website on the Saturday proceeding each meeting date. Materials will also be available at the meeting.

Americans with Disabilities Act Compliance: If you require special assistance to participate in Board Meetings, please contact the CSD Clerk at (209) 785-0100. Advance notification will enable the District to make reasonable arrangements to insure accessibility.

SADDLE CREEK COMMUNITY SERVICES DISTRICT
FY 2014 MONTHLY BUDGET REPORT
November 2014

	Current Year - 2014			Prior Year - 2013		
	(Approved) FY 2014	(Expenditures) Month of November	(Expenditures) Year to Date	(Approved) FY 2013	(Expenditures) Month of November	(Expenditures) Year to Date - Prior Year
OPERATIONAL EXPENSES						
Audit Expense	\$ 7,500	\$ -	\$ 7,500	\$ 7,500	\$ -	\$ 7,500
Accounting & Bookkeeping	\$ 6,000	\$ 675	\$ 6,475	\$ 5,000	\$ 925	\$ 5,571
On-line Back-up/Notary Fees/Bonds	\$ 1,000	\$ -	\$ 351	\$ 700	\$ -	\$ 936
Legal Expenses	\$ 1,500	\$ -	\$ 500	\$ 1,500	\$ -	\$ 406
Management Fees	\$ 28,500	\$ 4,750	\$ 23,750	\$ -	\$ -	\$ -
Insurance (Property Loss/Liability)	\$ 8,000	\$ -	\$ 6,359	\$ 7,000	\$ -	\$ 6,065
Miscellaneous/Contingency	\$ 5,000	\$ 1,249	\$ 3,607	\$ 5,000	\$ 206	\$ 2,159
Professional Development (Travel/Training)	\$ 5,000	\$ 207	\$ 4,694	\$ 5,000	\$ -	\$ 4,134
Dues, Certifications & Subscriptions	\$ 4,000	\$ 24	\$ 1,813	\$ 4,000	\$ 66	\$ 2,001
Uniform Expenses	\$ 1,600	\$ -	\$ 1,862	\$ 1,600	\$ 320	\$ 1,555
Electric Power/Water/Sewer	\$ 5,000	\$ 548	\$ 4,627	\$ 5,000	\$ 545	\$ 4,542
Telephone/Pager Service	\$ 5,000	\$ 335	\$ 3,881	\$ 5,000	\$ 357	\$ 4,070
Internet Service	\$ 1,200	\$ 98	\$ 946	\$ 1,200	\$ 88	\$ 1,036
Office Supplies/Postage	\$ 4,500	\$ 146	\$ 3,537	\$ 4,500	\$ 153	\$ 4,185
Office Equipment Repair/Replacement	\$ 2,300	\$ 119	\$ 1,907	\$ 2,300	\$ 377	\$ 2,277
Gate Maintenance & Opener Purchase	\$ 4,000	\$ 401	\$ 2,895	\$ 16,500	\$ -	\$ 16,922
Street & Main Gate Lighting Maint/Repair	\$ 13,500	\$ 2,075	\$ 7,711	\$ 8,300	\$ 155	\$ 5,289
Landscape Supplies & Repairs	\$ 21,000	\$ 30	\$ 20,082	\$ 21,000	\$ 382	\$ 20,535
Landscape Equipment Repair/Replacement	\$ 16,500	\$ -	\$ 16,466	\$ 16,583	\$ 47	\$ 15,919
Lease/Purchase Tractor	\$ -	\$ -	\$ -	\$ 3,909	\$ -	\$ 3,127
Landscape Equipment Gas & Oil	\$ 7,000	\$ 874	\$ 6,295	\$ 7,000	\$ 1,114	\$ 4,474
Mosquito Control Products (4)	\$ 13,500	\$ -	\$ 14,587	\$ 11,000	\$ -	\$ 10,970
Mosquito Abatement Monitoring & Testing	\$ 3,000	\$ 98	\$ 1,571	\$ 2,800	\$ 143	\$ 1,697
Mosquito Abatement Vehicles Gas & Oil	\$ 13,000	\$ -	\$ 8,679	\$ 13,000	\$ 895	\$ 9,972
Mosquito Abatement Equipment Maintenance	\$ 5,000	\$ -	\$ 5,890	\$ 5,000	\$ -	\$ 5,015
County Fees/LAFCO (2)	\$ 6,500	\$ -	\$ 2,897	\$ -	\$ 78	\$ 3,201
Reimbursable Maint/Repair Expense (1)	\$ -	\$ -	\$ 4,204	\$ -	\$ -	\$ 10,534
Total Operational Expenses:	\$ 189,100	\$ 11,629	\$ 163,086	\$ 160,392	\$ 5,851	\$ 154,092
PERSONNEL EXPENSES						
Worker Compensation Insurance	\$ 16,000	\$ -	\$ 8,207	\$ 15,500	\$ -	\$ 7,817
Health Insurance	\$ 58,780	\$ 5,384	\$ 44,607	\$ 57,000	\$ 3,873	\$ 39,508
Payroll Taxes	\$ 28,000	\$ 1,376	\$ 18,038	\$ 27,000	\$ 1,752	\$ 21,653
Processing Fees	\$ 1,400	\$ 111	\$ 1,253	\$ 1,400	\$ 115	\$ 1,251
Directors Stipend	\$ 6,000	\$ -	\$ 900	\$ 6,000	\$ -	\$ -
Employee Wages	\$ 281,500	\$ 16,454	\$ 206,981	\$ 309,500	\$ 21,614	\$ 244,953
Total Personnel Expenses:	\$ 391,680	\$ 23,325	\$ 279,986	\$ 416,400	\$ 27,354	\$ 315,182

SADDLE CREEK COMMUNITY SERVICES DISTRICT
FY 2014 MONTHLY BUDGET REPORT
November 2014

	Current Year - 2014			Prior Year - 2013		
	(Approved) FY 2014	(Expenditures) Month of November	(Expenditures) Year to Date	(Approved) FY 2013	(Expenditures) Month of November	(Expenditures) Year to Date - Prior Year
	<u>CAPITAL OUTLAY</u>					
2" SDS Rotary Hammer (2013)	\$ -	\$ -	\$ -	\$ 1,350	\$ -	\$ 1,349
Workman MDE Cart (2013)	\$ -	\$ -	\$ -	\$ 12,500	\$ -	\$ 11,886
<u>Total Capital Outlay:</u>	\$ -	\$ -	\$ -	\$ 13,850	\$ -	\$ 13,235
<u>Total Expenses:</u>	\$ 580,780	\$ 34,954	\$ 443,072	\$ 590,642	\$ 33,205	\$ 482,509

PAYMENTS AND ASSESSMENTS RECEIVED

Assessment Income

	Date Rec'd:	Amount:	Date Rec'd:	Amount:
Payment No. 1:	Feb 7, 2014	\$ 305,793	Feb 15, 2013	\$ 299,925
Payment No. 2:	May 30, 2014	\$ 224,421	Jun 10, 2013	\$ 217,111
Payment No. 3:	Aug 29, 2014	\$ 28,053	Sep 13, 2013	\$ 27,710
Adjustment to Income (3)			Oct. 31, 2013	\$ 2,703

Reimbursement Income

From:	For:	Date Rec'd:	Amount:	Date Rec'd:	Amount:
Castle & Cooke	Various			Various	\$ 9,854
Toro Equipment	Gate Repairs			Sep 13, 2013	\$ 680
Castle & Cooke	Tractor/Equipment Repairs	Mar-Aug, 2014	\$ 4,204		

Other Income

From:	For:	Date Rec'd:	Amount:	Date Rec'd:	Amount:
Castle & Cooke	Weed Abatement	Oct, 2014	\$ 2,500	Jul-Aug, 2013	\$ 3,000
Lot Owners	Weed Abatement	Aug-Nov 2014	\$ 1,700	Jul-Nov, 2013	\$ 2,200
Lot Owners	Gate Openers/Cards	Jan-Nov 2014	\$ 493	Jan-Nov, 2013	\$ 1,326
Umpqua Bank	CD Interest	Jan-Nov 2014	\$ 238	Jan-Nov, 2013	\$ 384
Calaveras County	Interest Received	Jan-Sept 2014	\$ 314	Jan-Dec, 2013	\$ 516
Various	Other Miscellaneous	Jan-Oct, 2014	\$ 264	Jan-Dec, 2013	\$ 55
Central Life Sciences	Adapco Rebate (4)	Aug 15, 2014	\$ 1,724		

Notes

- (1) Equip Maint/Repair expenses billed to Castle & Cooke - Payment shown in Reimbursement Income
- (2) County Admin/LAFCO Fees recorded from County Auditor's Statement
- (3) Adjustment to Income made to reallocate County/LAFCO Fees and County Interest Received to their proper accounts (2013)
- (4) Net expenditures for Acct OE22 - Mosquito Control Products: \$ 12,863 Available: \$ 637

Saddle Creek Community Services District
Balance Sheet
As of November 30, 2014

	Nov 30, 14
ASSETS	
Current Assets	
Checking/Savings	
1000 · Umpqua Bank Checking	322,903.47
1020 · Cash - Fund 2188	25.94
1080 · Umpqua Bank CD Accounts	
1081 · CD 7405	25,788.57
1082 · CD 46165	25,119.06
1083 · CD 46207	25,119.06
1084 · CD 46249	25,086.45
1085 · CD 46124	25,086.45
Total 1080 · Umpqua Bank CD Accounts	126,199.59
Total Checking/Savings	449,129.00
Total Current Assets	449,129.00
Fixed Assets	
1500 · Capital Assets	
1501 · Equipment	196,071.70
1503 · Roads	2,360,462.00
1504 · Easements	10,344,000.00
1505 · Buildings	79,000.00
Total 1500 · Capital Assets	12,979,533.70
1600 · Accumulated Depreciation	
1601 · Equipment	-175,726.94
1603 · Roads	-569,656.38
1605 · Buildings	-15,010.00
Total 1600 · Accumulated Depreciation	-760,393.32
Total Fixed Assets	12,219,140.38
TOTAL ASSETS	12,668,269.38
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	7,748.41
Total Accounts Payable	7,748.41
Credit Cards	
2060 · CSD Visa - MLB	1,490.23
Total Credit Cards	1,490.23
Other Current Liabilities	
2100 · Payroll Liabilities	601.69
2150 · Accrued Payroll	8,600.23
2200 · Sales Tax Payable	20.93
Total Other Current Liabilities	9,222.85
Total Current Liabilities	18,461.49
Total Liabilities	18,461.49
Equity	
3800 · Developer Capital Contributions	12,198,795.62
3900 · Retained Earnings	630,172.26
Net Income	-179,159.99
Total Equity	12,649,807.89
TOTAL LIABILITIES & EQUITY	12,668,269.38

12/11/14

Saddle Creek Community Services District
Check Detail
November 2014

Num	Date	Name	Account	Paid Amount
DD	11/5/2014	Mark A. Dunlop	1000 · Umpqua Bank Checking	
			PE06 · Employee Wages	-113.44
			PE06 · Employee Wages	-1,134.40
			PE06 · Employee Wages	-113.44
			PE03 · Payroll Taxes	-104.14
			2100 · Payroll Liabilities	41.89
			2100 · Payroll Liabilities	354.82
TOTAL				-1,068.71
DD	11/5/2014	Gregory Hebard	1000 · Umpqua Bank Checking	
			PE06 · Employee Wages	-3,215.63
			PE03 · Payroll Taxes	-245.99
			2100 · Payroll Liabilities	232.75
			2100 · Payroll Liabilities	1,099.79
TOTAL				-2,129.08
DD	11/5/2014	Ralph M. McGeorge	1000 · Umpqua Bank Checking	
			PE06 · Employee Wages	-1,872.67
			PE03 · Payroll Taxes	-143.27
			2110 · Wage Garnishments Payable	103.00
			2100 · Payroll Liabilities	37.18
			2100 · Payroll Liabilities	427.44
TOTAL				-1,448.32
DD	11/5/2014	BRADLEY D NICKELL	1000 · Umpqua Bank Checking	
			PE06 · Employee Wages	-1,058.88
			PE03 · Payroll Taxes	-81.01
			2100 · Payroll Liabilities	15.49
			2100 · Payroll Liabilities	213.82
TOTAL				-910.58
DD	11/5/2014	JASON M PRICE	1000 · Umpqua Bank Checking	
			PE06 · Employee Wages	-1,058.88
			PE03 · Payroll Taxes	-128.65
			2100 · Payroll Liabilities	41.30
			2100 · Payroll Liabilities	18.50
			2100 · Payroll Liabilities	6.35
			2100 · Payroll Liabilities	216.22
TOTAL				-905.16
DD	11/5/2014	PHYLLIS J RICHARDS	1000 · Umpqua Bank Checking	
			PE06 · Employee Wages	-72.00
			PE03 · Payroll Taxes	-8.75
			2100 · Payroll Liabilities	2.81
			2100 · Payroll Liabilities	0.72
			2100 · Payroll Liabilities	0.43
			2100 · Payroll Liabilities	11.02
TOTAL				-65.77
DD	11/20/2014	DOLORES C BAKER	1000 · Umpqua Bank Checking	
			PE06 · Employee Wages	-393.75
			PE03 · Payroll Taxes	-47.83
			2100 · Payroll Liabilities	15.35

Saddle Creek Community Services District
Check Detail
November 2014

12/11/14

Num	Date	Name	Account	Paid Amount
			2100 · Payroll Liabilities	3.94
			2100 · Payroll Liabilities	2.36
			2100 · Payroll Liabilities	60.24
TOTAL				-359.69
DD	11/20/2014	Mark A. Dunlop	1000 · Umpqua Bank Checking	
			PE06 · Employee Wages	-1,098.95
			PE06 · Employee Wages	-35.45
			PE03 · Payroll Taxes	-86.78
			2100 · Payroll Liabilities	29.28
			2100 · Payroll Liabilities	286.06
TOTAL				-905.84
DD	11/20/2014	Ralph M. McGeorge	1000 · Umpqua Bank Checking	
			PE06 · Employee Wages	-1,872.67
			PE03 · Payroll Taxes	-143.25
			2110 · Wage Garnishments Payable	103.00
			2100 · Payroll Liabilities	37.18
			2100 · Payroll Liabilities	427.40
TOTAL				-1,448.34
DD	11/20/2014	BRADLEY D NICKELL	1000 · Umpqua Bank Checking	
			PE06 · Employee Wages	-72.80
			PE06 · Employee Wages	-562.53
			PE06 · Employee Wages	-36.40
			PE03 · Payroll Taxes	-51.38
			2100 · Payroll Liabilities	6.71
			2100 · Payroll Liabilities	111.18
TOTAL				-605.22
DD	11/20/2014	JASON M PRICE	1000 · Umpqua Bank Checking	
			PE06 · Employee Wages	-882.40
			PE03 · Payroll Taxes	-107.20
			2100 · Payroll Liabilities	34.41
			2100 · Payroll Liabilities	12.84
			2100 · Payroll Liabilities	5.29
			2100 · Payroll Liabilities	171.57
TOTAL				-765.49
DD	11/20/2014	Gregory Hebard	1000 · Umpqua Bank Checking	
			PE06 · Employee Wages	-3,215.63
			PE03 · Payroll Taxes	-246.00
			2100 · Payroll Liabilities	232.75
			2100 · Payroll Liabilities	1,099.81
TOTAL				-2,129.07
DD	11/20/2014	MICHELE L MENZIES	1000 · Umpqua Bank Checking	
			PE06 · Employee Wages	-168.00
			PE03 · Payroll Taxes	-20.42
			2100 · Payroll Liabilities	6.55
			2100 · Payroll Liabilities	11.68
			2100 · Payroll Liabilities	1.01
			2100 · Payroll Liabilities	35.72
TOTAL				-133.46

12/11/14

Saddle Creek Community Services District Check Detail November 2014

Num	Date	Name	Account	Paid Amount
DD	11/20/2014	PHYLLIS J RICHARDS	1000 · Umpqua Bank Checking	
			PE06 · Employee Wages	-168.00
			PE03 · Payroll Taxes	-20.41
			2100 · Payroll Liabilities	6.55
			2100 · Payroll Liabilities	1.68
			2100 · Payroll Liabilities	1.01
			2100 · Payroll Liabilities	25.70
TOTAL				-153.47
P/R Fee	11/2/2014	Intuit Full Service Payroll	1000 · Umpqua Bank Checking	
			PE04 · Processing Fees	-111.00
TOTAL				-111.00
P/R Tax	11/5/2014	IRS	1000 · Umpqua Bank Checking	
			2100 · Payroll Liabilities	-137.70
TOTAL				-137.70
P/R Tax	11/5/2014	CA EDD	1000 · Umpqua Bank Checking	
			2100 · Payroll Liabilities	-9.00
TOTAL				-9.00
P/R Tax	11/13/2014	IRS	1000 · Umpqua Bank Checking	
			2100 · Payroll Liabilities	-2,323.11
TOTAL				-2,323.11
P/R Tax	11/13/2014	CA EDD	1000 · Umpqua Bank Checking	
			2100 · Payroll Liabilities	-346.53
TOTAL				-346.53
PR Tax	11/26/2014	IRS	1000 · Umpqua Bank Checking	
			2100 · Payroll Liabilities	-2,217.68
TOTAL				-2,217.68
PR Tax	11/26/2014	CA EDD	1000 · Umpqua Bank Checking	
			2100 · Payroll Liabilities	-336.06
TOTAL				-336.06
1648	11/5/2014	California State Disbursement Unit	1000 · Umpqua Bank Checking	
	11/5/2014		2110 · Wage Garnishments Payable	-103.00
TOTAL				-103.00
1650	11/11/2014	Calaveras Telephone - Internet	1000 · Umpqua Bank Checking	
10/01/14-10/31/14	10/31/2014		OE13 · Internet Service	-74.95
TOTAL				-74.95
1651	11/11/2014	Calaveras Telephone Co.	1000 · Umpqua Bank Checking	

Saddle Creek Community Services District
Check Detail
November 2014

12/11/14

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Paid Amount</u>
10/01/14-10/31/14	10/31/2014		OE12 · Telephone & Pager Service	-246.47
TOTAL				-246.47
1652	11/11/2014	California Waste Recovery Systems	1000 · Umpqua Bank Checking	
10/01/14-10/31/14	11/1/2014		OE18 · Landscape Supplies & Repairs	-30.45
TOTAL				-30.45
1653	11/11/2014	Ewing	1000 · Umpqua Bank Checking	
8905361	10/31/2014		OE18 · Landscape Supplies & Repairs	-108.15
TOTAL				-108.15
1654	11/11/2014	Gold Electric, Inc.	1000 · Umpqua Bank Checking	
9225	11/3/2014		OE17 · Street/Main Gate Lighting Maint	-1,989.26
TOTAL				-1,989.26
1655	11/11/2014	Golden State Cellular	1000 · Umpqua Bank Checking	
2453170	10/21/2014		OE12 · Telephone & Pager Service	-89.80
			OE12 · Telephone & Pager Service	-93.88
TOTAL				-183.68
1656	11/11/2014	Karen F. Roberts	1000 · Umpqua Bank Checking	
140014	10/31/2014		OE02 · Accounting & Bookkeeping	-700.00
TOTAL				-700.00
1657	11/11/2014	Lake Tulloch True Value Hardware	1000 · Umpqua Bank Checking	
9/16-10/25/2014	10/25/2014		OE18 · Landscape Supplies & Repairs	-40.58
TOTAL				-40.58
1658	11/11/2014	PG&E - 7193	1000 · Umpqua Bank Checking	
10/09/14-11/06/14	11/7/2014		OE11 · Electric Power/Water/Sewer	-262.01
TOTAL				-262.01
1659	11/11/2014	SDRMA-Health Ins.	1000 · Umpqua Bank Checking	
15853	11/5/2014		PE02 · Health Insurance	-4,614.48
			PE02 · Health Insurance	-769.08
TOTAL				-5,383.56
1660	11/11/2014	Turf Star, Inc.	1000 · Umpqua Bank Checking	
6872215-00	10/29/2014		OE22 · Mosquito Control Products	-74.31
TOTAL				-74.31
1661	11/11/2014	Valley Farm Supply Stores, Inc.	1000 · Umpqua Bank Checking	
H114539	10/31/2014		OE18 · Landscape Supplies & Repairs	-484.26
TOTAL				-484.26

Saddle Creek Community Services District
Check Detail
November 2014

12/11/14

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Paid Amount</u>
1662	11/11/2014	Jason Price	1000 · Umpqua Bank Checking	
Mileage	11/5/2014		OE08 · Professional Development	-48.16
TOTAL				-48.16
1663	11/11/2014	Ralph McGeorge	1000 · Umpqua Bank Checking	
Mileage	11/5/2014		OE08 · Professional Development	-48.16
TOTAL				-48.16
1664	11/11/2014	MLB Visa	1000 · Umpqua Bank Checking	
	11/6/2014		2060 · CSD Visa - MLB	-282.19
TOTAL				-282.19
1665	11/20/2014	California State Disbursement Unit	1000 · Umpqua Bank Checking	
	11/20/2014		2110 · Wage Garnishments Payable	-103.00
TOTAL				-103.00

Draft
SADDLE CREEK COMMUNITY SERVICES DISTRICT
MINUTES FOR THE MEETING OF THE BOARD OF DIRECTORS

November 11, 2014

CALL TO ORDER

The Saddle Creek Community Services District (CSD) Board of Directors held their monthly meeting on Tuesday November 11, 2014. President Lazarus called the meeting to order at 2:05PM in the Members Lounge and led Directors and staff in the Pledge of Allegiance.

ROLL CALL Roll call indicated the following directors were present:

President:	Kent Lazarus
Director	Darlene DeBaldo
Director	Sue Russ

Staff:	The following staff members were present:	
	General Manager	Peter Kampa
	Site Manager:	Greg Hebard
	Clerk/Treasurer:	Michele Menzies
	Clerk/Treasurer:	Phyllis Richards

Public:	Castle & Cooke:	Dave Haley
	Director Elect:	Larry Hoffman

PLEDGE OF ALLEGIANCE

CHANGES TO THE ORDER OF AGENDA

None suggested.

PUBLIC COMMENT

None received

CONSENT CALENDAR

- a. Review of monthly financial report and approval of bills and claims for the month of August 2014.
- b. Approval of the minutes of the Regular Board Meeting of August 19, 2014 with changes as mentioned.

Motion by Director Russ and Second by Director DeBaldo to move approval of expenditures incurred by the district during the month of October, and approval of the minutes. Motion passed unanimously.

OLD BUSINESS

- a. GM gave an update report on water supply concerns related to wetlands maintenance management and compliance with Army Corps of Engineers 404 Permit.
- Still a struggle, luckily it's cooled down.
 - Dave submitted a request for a specified amount of water and CCWD approved it.
 - Dave Eggerton has been appointed as CCWD manager and is someone Peter has worked with in past he's familiar with 404 & compliance issues.
 - We need a water metering system to conserve water, possibility with grant money
 - Greg Hebard- stated that he is positive we are not receiving the gallons of water a day as reported by CCWD.
 - Dave Haley-"We need calibration results from the CCWD meter; we can't trust what they say.
 - Peter Kampa-"We can demand meter accuracy from CCWD, there's ways to document.

NEW BUSINESS

- a. Initial review and consideration of the draft District Budget for 2015.
- Finished numbers with bookkeeper Karen Roberts.
 - In the future we will be taking a different approach to budget, revamping budget categories to reflect the cost of the various services.
 - Expenses are far below our budget which is good.
 - No regulations or major changes.
 - Treasurer needs to be making reports quarterly on investments.
 - Added bookkeeper and clerk into salary scale along with the field staff, rather than separately with no salary steps
 - This budget includes a proposed CPI increase to all wages.

President Lazarus requested GM Kampa submit budget recommendations to board within next week so that budget can be approved in Decembers meeting.

GM Recommendation: Discuss the draft budget narrative and direct staff to develop the draft final budget proposal for approval on December 16, 2014.

- b. Approval and acceptance of the installation of Yield signs to replace existing Stop signs located in the Saddle Creek traffic circle.

- Cost is \$ 9,700 paid by Castle & Cooke

GM Recommendation: Approve and accept of the installation of Yield signs to replace existing Stop signs located in the Saddle Creek traffic circle. Motion by Director Russ, second by Director DeBaldo- Motion Passed Unanimously

STAFF REPORTS

- Ethics compliance is required and the class is scheduled for 11/21/14-please sign up.
- The staff is requesting a new pickup truck and 3 utility carts be purchased for next year's budget.

DIRECTORS REPORTS

President Lazarus –Thanked Director DeBaldo for her service and welcomed Director Hoffman as a new Board member.

Secretary Robinson – Absent

Director Russ – None

Director DeBaldo –Thanked Board for all its hard work, I'm leaving in good hands. Welcomed new Director Hoffman.

ADJOURNMENT – Having no further business, President Lazarus adjourned the meeting at 3:50PM. CSD's next board meeting date is December 16, 2014.

Phyllis Richards, CSD Clerk/Treasurer

Peter Kampa, General Manager

APPROVED BY:

Kent Lazarus, Board President

Sue Russ, Director

SEAL

Saddle Creek Community Services District

Regular Meeting of December 16, 2014

AGENDA SUPPORTING DATA

8. NEW BUSINESS

- b. Second review and approval of a Resolution adopting the 2015 Budget.

Background

The California Government Code requires that a community services district may adopt a preliminary budget annually before July 1, or every two years; with a final budget being adopted on or before September 1 of each year. The fact that the Saddle Creek CSD uses a calendar year does pose some timing challenges with regard to compliance with these and some other Government Code requirements, but budgeting on a calendar year is likely not prohibited by law. Our District has used a budgeting procedure of preliminary review of a draft budget in November of each year, with a final draft budget presented to the Board for final approval in December, for a budget effective date of January 1 of the following year.

During the special Board meeting of November 11, 2014, the Board reviewed the 2015 preliminary draft budget memo, and then received the actual budget numbers by email on November 14, 2014. Since the November preliminary Board review of the budget, a number of amendments have been made as reflected in the attached final draft 2015 budget and narrative and summarized below.

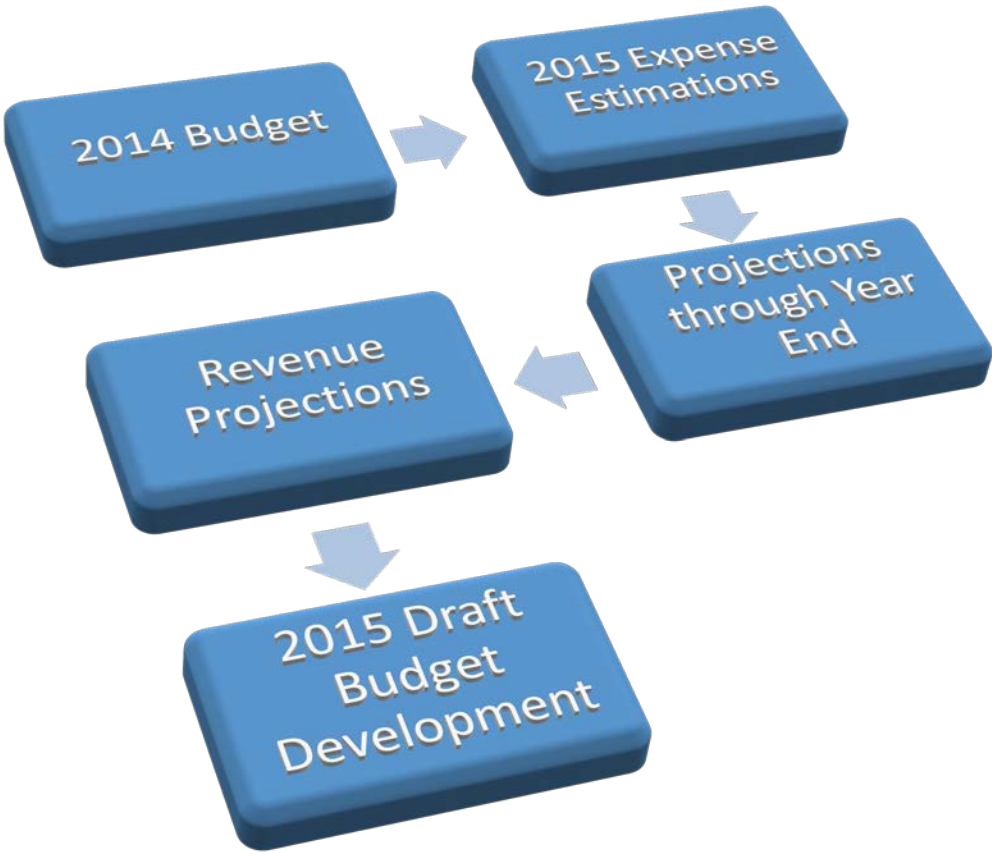
The primary changes from the first and second budget versions are:

- Corrected duplication on equipment maintenance expenses and capital outlay for equipment
- Increased salaries for both the Maintenance I and Maintenance II positions
- Recalculated various personnel expenses
- Corrected discrepancies between the budget narrative and budget numbers

Recommendation

I move to approve the 2015 budget as presented.

Saddle Creek Community Services District



Final Draft 2015 Budget

Saddle Creek Community Services District

Final Draft 2015 Budget Preparation Memorandum
December 15, 2014

1 BUDGET OVERVIEW

1.1 PURPOSE

We are pleased to present to the Board of Directors the proposed 2015 Calendar Year budget. The development of the small public agency budget is as much an exercise in public outreach and education as it is in finance and fiscal accountability. Effective special district budgets tie directly to management goals and objectives, are simply presented and easily understood by the average District service customer.

1.2 TRANSPARENCY

To provide a basis of budget understanding, the assumptions, criteria and procedure of budget development is articulated in this memorandum to offer the reader with the background necessary to comprehend the methodology used and performance to budget within the year currently coming to a close; as well as the ability to transition into the upcoming budget year with the information necessary to identify trends, financial red flags, budget influences and other factors. The budgeting exercise is therefore used as a vehicle to increase financial transparency and accountability.

1.3 ACCOUNTABILITY

Budgeting is also a management tool used to continuously refine financial accounting methods to evaluate the impact of delivering various levels of public services. For example, we need to be able to not only quickly recognize when we have underestimated cost for materials and supplies; we should also have the ability to know whether it was the wetlands maintenance or mosquito control activities that produced the overrun. Throughout the upcoming year, we will be refining our accounting practices to allow for this level of expense tracking so that in future budgets, we can easily understand the value and cost of our administrative overhead as well as each of the services we provide.

1.4 SERVICE LEVELS

Special districts are truly the most responsive vehicle in which to respond to a community's service provision needs. In some cases, a district is formed to provide a single public service such as water or wastewater, and in others such as Saddle Creek, a district is formed to serve as a stable entity in the delivery of services that were mandated as a condition of development. Considering these differences, it is important to understand the fact that some of our service levels are fixed by law, and others are at the discretion of the community through its district Board of Directors.

For example, the Local Agency Formation Commission (LAFCO) Resolution that formed the Saddle Creek CSD assigns to us the responsibility to maintain compliance with the US Army Corps of Engineers, Clean Water Act Section 404 Permit. This permit is an example of a service in which our actions and service levels are for the most part fixed by others. We have a fiduciary responsibility under the permit to employ the staff, purchase the materials and supplies and apply the methods necessary to meet the specific operational conditions detailed in the 100 page permit. Budgetary limitations are not an excuse for noncompliance with permit conditions.

Road maintenance is an example of a service where we have the discretion to set service levels. For the District to accept responsibility for any roads, we require approval of all construction plans and specifications, as well as verification that the roads have been constructed to all applicable standards. There are no state or federal mandates that require us to perform ongoing road maintenance to a specific level; however lack of maintenance or conducting our work in a manner that leaves a *Dangerous and Defective Condition of Public Property* is one of the few instances where a public agency can be held liable for damages determined to be caused by such defects.

Although not mandatory, performing road maintenance to an established standard will reduce all liability to a minimum and maximize the useful life of the road itself; thereby reducing long term costs. Road maintenance to the full industry standard can be extremely expensive for a small community, especially in exclusive (private gated) areas where special districts perform the maintenance and receive NO property taxes, gas tax appropriations, state or federal subventions or transportation grants; such as with SCCSD. This high cost often leads the special district Board to under-fund necessary maintenance work, thus making a conscious decision to perform a lower level of service than required for optimal road life. The Board does have the option to adopt, fund and implement fully compliant industry standard practices.

In order for the Board to direct a road maintenance service level, a condition assessment must be performed, compared to standards and a thorough Capital Improvement Program (CIP) and maintenance program developed. From this evaluation, a financial plan is created to support the CIP and maintenance program, and the Board is then able to make knowledge based decisions on the level of service desired; in particular, whether fully or partially funded. Through the recently adopted Management Objectives, this Board has directed the completion of the condition assessment and CIP development which will significantly affect budget decisions next year.

1.5 2015 BUDGET HIGHLIGHTS:

- Projected 2014 expenditures of \$508,357; \$72,000 under the approved budget
- Total expenses of \$612,400 proposed; an increase of 5.2% from the 2014 approved budget
- Total special tax revenues of \$572,275
- Three of our maintenance vehicles (carts) have reached their useful life and are proposed to be replaced rather than major maintenance performed
- Purchasing one pickup truck
- The adopted Management Objectives will produce additional staff effort, temporarily increasing administrative staff costs by up to 25%
- Approximately \$285,000 available in unassigned funds (total cash and investments for 2015, less one month's cash reserve, less projected 2015 expenses)
- Much future planning will be conducted in the 2015 budget year; while implementation of the approved plans will be considered in 2016

2 2014 BUDGET PERFORMANCE

Overall, it is projected that revenue and expenses for 2014 will be in line with initial predictions. The 2014 budget was prepared in a manner consistent with previous budgets; primarily to continue operations in a fairly constant state and in compliance with wetlands permits and other requirements. Due to limited revenues, previous budgets did not contain significant capital improvements or purchases, so performance to budget may not necessarily be the best measure of the service performance of the District.

In the last few months, purchases of necessary materials and supplies, as well as necessary repairs to equipment were not made to ensure performance to budget. This deferral of expenses at the end of the calendar year is historically typical for the District and will result in a significantly increased level of spending in the first quarter of 2015. Of primary concerns with this practice is the continued deferral of major maintenance for the District's cart fleet. The condition of this equipment if for the most part poor for equipment over five year old (one in stock), with fatal failure expected in carts over 10 years old (currently 2 in stock). So although the 2014 performance to budget appears to be very healthy, the level of expenditures planned in 2014 was inadequate to sustain the current level of services in the long term.

3 2015 BUDGET DISCUSSION

The District's budget is developed for the ensuing calendar year by the Bookkeeper and General Manager, with input from the Operations Supervisor and staff typically beginning in the fall of each year. Expenses and revenue through the first six to eight months of the year are closely analyzed and then projected through the end of the calendar year. To understand financial trends and identify potential budgeting inaccuracies, the expenses and revenue are then compared to previous years' budgets and actual fiscal year-end figures. These identified trends, as well as areas where we had in previous years budgeted too high or low, are taken into consideration in development of the next fiscal year's budget. Further, budget criteria are established and assumptions about known changes in expenses and revenue for the next year are forecasted and further guide budget development.

This budget proposal is very simply constructed and presented, due to the relatively stable and very limiting nature of our funding and limited expense fluctuations; therefore this narrative is very important in understanding the financial condition of the District. A high level of detail is produced behind the scenes in forecasting expenses in the short and long term. This information is used primarily for budget evaluation by management and not publicly presented in an effort to keep the budget focused for board and public understanding.

Following are some basic assumptions and criteria used in our budget development. Additional detail regarding any proposed changes in operation and resulting in increased or decrease expenses is described in Section 4 below.

3.1 SERVICES ASSUMPTIONS

- There will be no changes in the type or extent of the services provided. For example, additional mosquito abatement activities over last year will not be required.
- No new regulations will be enacted to cause a dramatic change in operations

- Additional field staff time of approximately 5% to 10% will be freed up and available to increase work output
- Implementation of the 2014-15 management objectives will produce a short term (12 to 18 month) increase in administrative effort of approximately 25% as follows:
 - Board Clerk and GM development and implementation of records management systems, policy manual and Board Orientation Manual
 - Increased level of public communication and outreach activities
 - Development of the Capital Improvement Program (CIP)
 - Development of financial data management system to better understand cost impacts of the various services and associated CIP
 - Development of proposals for increased revenue to fund the CIP and sustain services/service levels for the long term

3.2 REVENUE FORECASTS

- There will be no changes in the type of revenue received; ie no new taxes adopted or fees charged
- With the July 1, 2014 and July 1, 2015 CPI adjustment in the existing special tax, there will be an increase of 2% in the special tax revenue
- We will continue to charge the \$50 fee for vacant lot mowing and will pursue collections more diligently than last year
- \$126,143 in two Certificate of Deposits but these funds are not currently planned or needed for 2015 cash flow
- Approximately \$250,000 in cash is readily available in the bank accounts

3.3 EXPENSE ASSUMPTIONS AND CRITERIA

- Increased all positions and all step levels of the Salary Scale by the 2014 CPI (Bay Area) of 3%
- The Maintenance I salary range was increased by 25% and the Maintenance II salary range was increased by 5.23% to maintain separation between the two ranges for promotion
- Step increases will not be provided in 2015 for regular employees that are due in 2015 based on SCCSD policy and assuming performance expectations are met, maintain 5% between steps
- Added the Clerk and Bookkeeper positions to the salary scale with a starting wage at 3% increase from 2014 and salary steps mirroring field positions
- Health insurance is calculated based on 2015 quoted rates and are increased by 6.76% from 2014
- Workers Compensation is estimated based on 2014 rates
- Bookkeeper position estimated at 25 hours per month; up from 20 hours per month in 2014.
- Board Clerk position:

- Estimated at approximately 9 hours per week, 38 hours per month (an increase of 25% over 2014)
- Added training cost of \$1000 for attendance at Board Secretary Conference
- One time (only) contracted services cost of \$2,400 to organize policies, records, Board actions and establish the long term records management system
- Adding the Bookkeeper as a staff position versus contractor resulted in increases in payroll taxes and insurance, with a zero bottom line cost change for Bookkeeper in 2015
- Elimination of contracted Bookkeeper expense
- Increase uniform/safety supplies by \$600 to include a boot allowance
- Increased purchase of office equipment such as a fireproof file cabinet, appropriate scanning hardware and additional organizational supplies and equipment
- Secure a five year lease to purchase (1) ½ ton pickup, (2) Toro maintenance carts and (1) Toro utility dump cart
- Lease/purchase of new equipment results in an immediate reduction in vehicle and equipment maintenance costs of \$2,500 in 2015, increasing to \$5,000+ savings in 2016

4 RATIONALE FOR OPERATIONAL CHANGES/CHANGES IN EXPENSES

Two major changes in operation are proposed and funded in this budget and result in a short term increases in expenses (<5years) and produce increases in long term work productivity, predictability in work assignments and expected deliverables, and reduced cost related to employee recruitment and training.

4.1 TRANSITION FROM EQUIPMENT MAINTENANCE TO A REPLACEMENT SCHEDULE

Historically the District has acquired maintenance equipment such as carts and then used them until they were worn out to the point where repair costs were no longer cost effective. District employees perform regular routine maintenance and in many cases larger repairs in-house, and transport the equipment to a repair facility in the valley for service beyond our capabilities. Increasing equipment repair, transport and employee maintenance time caused by aging equipment results in lost productivity in our service delivery and unpredictability in scheduling of routine work and projects. When an employee's cart breaks down, they will not go home for the day but typically double up with another maintenance employee, which reduces the diversity and amount of total work we can complete in a day.

This budget starts the trend of replacing the carts with new before major maintenance is needed; typically after five years of continuous full time use. The 2015 budget contains a total of \$15,719 in lease payments for two regular carts, one high powered service/dump cart and a ½ ton pickup. Each of the new carts will reduce the immediate and long term maintenance line item to a minimal level, covering only routine fluids, tires, filters and other employee replaced items. Current cart, vehicle and equipment maintenance cost \$16,000 to \$20,000 annually and will be reduced to less than \$10,000 within two years. The amount of lease payments from the 2015 budget should be carried forward in future budgets to replace carts on an approximate five year rotating basis. The cart purchase this year

leaves two carts remaining in inventory that should last an additional five years, being replaced in the next round.

4.2 INCREASE MAINTENANCE I SALARIES TO REDUCE EMPLOYEE TURNOVER

The typical maintenance employee tenure with the District is less than two years, with only one employee of over five years tenure and many working less than one year. Although the work performed is not highly technical or skilled, lacking Human Resources or other full time administrative staff, the load for employee recruitment, training, development and discipline falls on our working managers. Although the level of our salary has not been directly linked to employee departures, the qualified and quality of the local labor pool combined with our low entry wage has resulting in historical employment of persons with a history of short term job movement, poor performance at other jobs (and ours), less-than desired work ethic and other concerns that result in an early end to the employment relationship.

Another recent turnover in Maintenance I after the Board's November meeting resulted in a cursory evaluation of the average wages paid locally for similar work. Considering the fact that we provide full time employees with paid medical coverage (employee only), our entry level wages appear to be approximately 25% low which is undoubted the cause of our high turnover. Therefore, an increase in the Maintenance I wage scale is proposed prior to our recruitment to fill the current vacant position. Please see the Salary Schedule Notes contained in the draft budget for additional information on how salary step increases are awarded and the relationship between the various salary ranges.

5 AREAS OF BUDGETARY CONCERN

5.1 OPERATIONS

We are staffed with four full time maintenance staff, one full time supervisor and one full time Maintenance Manager. Turnover in maintenance staff is normal, but we have only one (field) maintenance staff person with a tenure of over five years. Although only moderate training time is necessary for employees to become fully qualified, it can take a year or more working in our systems to become fully efficient in the work.

5.1.1 **Solutions** - The cost of turnover should be evaluated as well as the reasons for the turnover. It is recommended that the salary, benefits and advancement opportunities offered be evaluated based on similar industries and similar local government jobs. The effectiveness of the salary adjustment in Section 4 above should be further evaluated.

The only existing District vehicle is a one ton flatbed truck used for all purposes including travel to mandatory training classes, out of town parts and supplies pickup and field work requiring heavy supplies or equipment to be delivered or hauled. The flatbed was purchased with a one time grant and deprecation (replacement) funds have not been previously budgeted and set aside. Due to its use for unintended miscellaneous purposes as the only district truck, the service life of this critical vehicle is being reduced.

- 5.1.2 **Solutions** – (Budgeted for purchase this year) Reserve the one-ton truck for work within its intended purpose of Mosquito Abatement and purchase a standard ½ ton pickup to be used for all other purposes. The life of the one-ton will be extended by five years or more and the ½ ton truck can last easily up to 10 years.

5.2 ADMINISTRATION

Until a permanent location for a District office is identified, limited investment should be made in office equipment and other related infrastructure. The past recordkeeping system needs to be completely renovated and updated to include technology and efficient processes. Finding even the simplest adopted policy currently requires a search of meeting minutes to ensure accuracy. District management needs clear direction of Board policy to ensure that the operation is conducted in accordance with Board expectations. Due to the difficulty in knowing what the Board has and has not adopted, there will undoubtedly be some duplication of effort and missteps until the system renovation is complete.

- 5.2.1 **Solutions** – Resolve the long term office location and review all Board adopted actions, begin compiling a policy manual and develop processes and procedures for future documentation efficiency.

Adopting a deficit budget is not recommended if long term revenue and expense are not predicted to come in line with each other. Although a deficit budget I proposed this year, the effect of the changes in operation detailed above may well result in the ability to reduce expenses in the near future, for the long term. Within three years of adoption of this budget, we expect revenue and expense to come in line and produce a positive funding source for much needed reserves.

- 5.2.2 **Solutions** – Direct staff to report on the effectiveness of the operational changes and resulting reduction in expense. In addition, evaluate the current and potential future revenue sources available to the District to ensure a long term balanced budget.

5.3 CAPITAL NEEDS

The special tax funding approved in 2001 was intended to provide the base level funding to keep the District in compliance with permits, then current service expectations, etc. In calculating the 2001 special tax, the cost of major road repairs and improvements, vehicle purchase and replacements, service demands for such items as West Nile Virus and dramatically increasing costs were not contemplated. We have lived within the limited budget for many years, but we are approaching a period of time where additional expenditures will be required; either for direct expenses or to establish adequate reserves for major future projects and purchases.

It is obvious that if we continue with only the 2001 special tax funding as the sole source of revenue, discretionary service levels will have to decrease. We currently do not have adequate revenue to perform major road maintenance that is becoming necessary, vehicles and equipment need to be replaced and specific infrastructure and equipment reserve funds established and funded. Continuing to operate in the same manner fiscally will result in deferred expenses placing an undue financial burden on future generations.

- 5.3.1 **Solutions** – Maintain diligence on expense control, evaluate service delivery expenses and needs, identify and fund needed reserves, and plan to increase revenue. Increasing revenue will require significant planning and public engagement to be successful and the time to plan is now.

6 RECOMMENDATIONS

Staff recommends that the Board approve the budget as presented, with the clear understanding of its potential for accomplishments as well as shortcomings. It is further recommended that the Board authorize and direct staff, concurrent with the completion of service planning pursuant to the approved Management Objectives, the evaluation of possible additional funding sources for District services including special taxes, fees, assessments, grants and the provision of additional services.

Saddle Creek Community Services District
Draft 2015 Budget

SADDLE CREEK COMMUNITY SERVICES DISTRICT
DRAFT 2015 BUDGET-EXHIBIT "A" Page 1 of 2

FY 2015 Proposed Budget (Operational Expenses, Personnel & Capital Outlay)	<u>\$612,400</u>
FY 2015 Projected General Fund Balance (Unassigned Funds):	
Stabilization Funds (Internal Info Only)	<u>\$51,033</u>
Other Unassigned Funds (Internal Info Only)	<u>\$284,760</u>
Total Unassigned Funds	<u>\$335,793</u>

FY 2014 Actual Beginning Balance	\$304,035	FY 2014 Projected Assessment Revenue	\$558,267	FY 2014 Projected Expenditures	\$508,357
FY 2015 Projected Beginning Balance (3)	\$375,919	FY 2015 Projected Assessment Revenues	\$572,275	FY 2015 Projected Total Funds Available	\$948,194

REVENUE

	<u>Proposed FY 2015</u>
Special Tax	\$ 572,275
Reimbursement for Maintenance and Repair	\$ 10,000
Other Revenue (Vacant Lot Mowing Fee)	\$ 5,000
TOTAL REVENUE	\$87,275

OPERATIONAL EXPENSES

	<u>Actual 2012</u>	<u>Actual 2013</u>	<u>Approved 2014</u>	<u>Projected FY 2014</u>	<u>Proposed FY 2015</u>
Audit Expenses	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500
Accounting & Bookkeeping	\$ 5,626	\$ 6,152	\$ 6,000	\$ 6,800	\$ 500
Misc. Fees (Notary/Bonds/etc.)	\$ 476	\$ 936	\$ 1,000	\$ 351	\$ 351
Legal Expenses	\$ -	\$ 406	\$ 1,500	\$ 500	\$ 1,500
Records Management Services	\$ -	\$ -	\$ -	\$ -	\$ 2,400
Management Fees	\$ -	\$ -	\$ 28,500	\$ 28,500	\$ 57,000
Insurance (Property Loss/Liability)	\$ 6,052	\$ 6,065	\$ 8,000	\$ 6,359	\$ 8,000
Miscellaneous/Contingency	\$ 2,192	\$ 4,746	\$ 5,000	\$ 5,000	\$ 2,000
Professional Development (Travel/Training)	\$ 4,847	\$ 4,816	\$ 5,000	\$ 5,000	\$ 6,000
Dues, Certificates & Subscriptions	\$ 4,093	\$ 3,476	\$ 4,000	\$ 3,290	\$ 4,000
Uniform Expenses	\$ 1,513	\$ 1,555	\$ 1,600	\$ 1,862	\$ 2,200
Electric Power/Water/Sewer	\$ 4,888	\$ 4,826	\$ 5,000	\$ 5,049	\$ 6,000
Telephone Service	\$ 4,417	\$ 4,412	\$ 5,000	\$ 4,155	\$ 5,000
Internet Service	\$ 1,011	\$ 1,111	\$ 1,200	\$ 999	\$ 1,200
Office Supplies/Postage	\$ 4,507	\$ 4,395	\$ 4,500	\$ 4,500	\$ 5,000
Office Equipment Repair/Replacement	\$ 2,166	\$ 2,277	\$ 2,300	\$ 2,300	\$ 3,000
Gate Maintenance & Opener Purchase	\$ 3,264	\$ 16,922	\$ 4,000	\$ 4,000	\$ 4,000
Streets, Sidewalks & Lighting Maintenance	\$ 3,275	\$ 7,416	\$ 13,500	\$ 13,500	\$ 13,500
Landscape Supplies & Repairs	\$ 18,663	\$ 20,566	\$ 21,000	\$ 21,000	\$ 21,000
Landscape Equipment Repair/Replacement	\$ 11,901	\$ 16,270	\$ 16,500	\$ 16,466	\$ 14,000
Lease/Purchase Tractor	\$ 9,382	\$ 3,127	\$ -	\$ -	\$ -
Landscape Equipment Gas & Oil	\$ 5,576	\$ 6,933	\$ 7,000	\$ 7,000	\$ 7,000
Mosquito Control Products	\$ 8,188	\$ 10,970	\$ 13,500	\$ 14,513	\$ 14,513
Mosquito Abatement Monitoring & Testing	\$ 2,903	\$ 1,697	\$ 3,000	\$ 3,000	\$ 3,000
Mosquito Abatement Vehicle Gas & Oil	\$ 12,148	\$ 11,423	\$ 13,000	\$ 13,000	\$ 13,000
Mosquito Abatement Vehicle Maintenance	\$ 4,379	\$ 5,059	\$ 5,000	\$ 5,890	\$ 5,890
County Fees/LAFCO (1)	\$ 2,750	\$ 6,006	\$ 6,500	\$ 5,578	\$ 6,000
Reimbursable Maint/Repair Expense (2)	\$ 9,830	\$ 10,534	\$ -	\$ 4,204	\$ 10,000
Total Operational Expenses	\$141,547	\$169,596	\$ 189,100	\$ 190,316	\$ 223,554

- (1) County Fees/LAFCO deducted directly from Assessments.
(2) Reimbursements paid or due to be paid by Castle & Cooke.
(3) Beginning balance includes Misc. Income (Reimbursements/Fees & Interest).

Saddle Creek Community Services District
Draft 2015 Budget

Personnel Expenses

	<u>Actual 2012</u>	<u>Actual 2013</u>	<u>Approved 2014</u>	<u>Projected FY 2014</u>	<u>Proposed FY 2015</u>
Workers' Compensation Insurance (13)	\$ 12,840	\$ 10,381	\$ 16,000	\$ 10,787	\$ 14,241
Health Insurance (6)	\$ 50,676	\$ 44,897	\$ 58,780	\$ 48,764	\$ 60,000
Payroll Taxes (13)	\$ 24,716	\$ 25,968	\$ 28,000	\$ 20,177	\$ 24,182
Processing Fees (13)	\$ 1,253	\$ 1,366	\$ 1,400	\$ 1,372	\$ 1,400
Directors' Stipend (5)	\$ 4,700	\$ 5,600	\$ 6,000	\$ 6,000	\$ 6,000
Employee Wages (8)	\$283,134	\$273,455	\$ 281,500	\$ 230,941	\$ 267,304
<u>Total Personnel Expenses</u>	<u>\$377,319</u>	<u>\$361,667</u>	<u>\$ 391,680</u>	<u>\$ 318,041</u>	<u>\$ 373,127</u>

- * Annual employee merit increases (step raises) are reflected.
- * Cost of living increases are reflected.
- * Includes IRA contribution for Maintenance Manager (\$3500) & Maintenance Supervisor (\$3000) - adjusted FY 2014.
- * Directors, General Manager & CSD Clerk/Treasurer do not receive Health Insurance Benefits.

Capital Outlay

	<u>Actual 2012</u>	<u>Actual 2013</u>	<u>Approved 2014</u>	<u>Projected FY 2014</u>	<u>Proposed FY 2015</u>
Vrisimo Flail Mower	\$ 6,900				
2" SDS Max Rotary Hammer with attachments		\$ 1,349	\$ -	\$ -	\$ -
Workman MDX Cart (2 proposed for 5 year lease)		\$ 11,886	\$ -	\$ -	\$ 5,040
Workman HD w/dump bed (1 proposed for 5 year lease)					\$ 4,269
1/2 ton Pickup (1 proposed for 5 year lease)					\$ 6,410
<u>Total Capital Outlay</u>	<u>\$ 6,900</u>	<u>\$ 13,235</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,719</u>
TOTAL BUDGET	\$525,766	\$544,498	\$ 580,780	\$ 508,357	\$ 612,400

Exhibit "B"
SADDLE CREEK COMMUNITY SERVICES DISTRICT
FY 2015 EMPLOYEE CLASSIFICATION & SALARY SCHEDULE

Employee Classification

FY 2015 Salary Schedule

(5) Directors (Elected)
 (1) General Manager

\$100 per Board Meeting Attended
 \$57,000 Annual amount paid monthly

FY 2015 SALARY SCHEDULE

<u>Employee Classification</u>	Positions Authorized	Positions Filled		(Step 1)	(Step 2)	(Step 3)	(Step 4)	
				<u>Start</u>	<u>After 1 Yr.</u>	<u>After 2 Yrs.</u>	<u>After 3 Yrs.</u>	
Maintenance Manager	1	1	(A)	\$68,495	\$72,100	\$75,705	\$79,490	16%
Maintenance Supervisor	1	1	(A)	\$39,518	\$41,776	\$44,034	\$46,293	17%
Landscape Maint. II	1	0	(H)	\$16.07	\$16.77	\$17.85	\$18.93	18%
Landscape Maint. I	3	4	(H)	\$14.61	\$15.99	\$17.38	\$18.78	29%
Part-Time Maint. I	0	0	(H)	\$11.36	NA	NA	NA	
Bookkeeper	0	1	(H)	\$23.18	\$24.33	\$25.55	\$26.83	16%
CSD Clerk/Treasurer	1	1	(H)	\$12.36	\$13.54	\$14.71	\$15.90	29%

(A)=Annual Salary (H)=Hourly Salary

Saddle Creek Community Services District
Draft 2015 Budget

- a) Salary steps are not automatic and are intended to provide employees advancement opportunity both in responsibility and pay. Typically, a minimum of one year is worked at a particular salary step before consideration of advancement. Following one year, a positive performance evaluation showing added value to the District, the supervisor may request that an employee be advanced to the next salary step
- b) When entire salary step ranges are adjusted at budget development at a rate >the amount an employee would receive with the cost of living increase (if awarded) plus the amount of the next step increase for which they are eligible, then those employees within the adjusted range will be placed at the appropriate step where they receive a pay increase equal to or greater than the % of CPI adjustments, and may not be eligible for consideration for the merit step increase during that budget year. This provides additional future advancement steps
- c) The Maintenance II position is intended as an opportunity for advancement with a 10% salary increase at step 1; intended to prepare the employee for the supervisory position. In advancing from Maintenance I to Maintenance II, the employee will advance to the step within the Maintenance II scale that provides a minimum 5% salary increase
- d) Health Insurance Benefits are provided to the following Employee Classifications after completion of 90 days full time employment with the District; 1) Maintenance Manager, 2) Maintenance Supervisor, 3) Maintenance II and 4) Maintenance I. The District does not pay for Health Insurance Coverage for 1) Employee Dependents, 2) Directors, 3) the General Manager, 4) the CSD Clerk/Treasurer, 5) the Bookkeeper or 6) Part-Time Employees.
- e) Upon completion of each full calendar year of employment with the District in the position of Maintenance Supervisor, the District provides a \$3,000 IRA contribution. This benefit is paid during the month of January in the year following each full calendar year of employment. All payroll costs associated with this benefit are borne by the District.
- f) Upon completion of each full calendar year of employment with the District in the position of Maintenance Manager, the District provides a \$3,500 IRA contribution. This benefit is paid during the month of January in the year following each full calendar year of employment. All payroll costs associated with this benefit are borne by the District.
- g) The Part-Time Maintenance I position is filled only when necessary to provide an adequate level of service during times when full time positions are vacant.
- h) Saddle Creek CSD meets on the third Tuesday of each month. Directors receive a stipend of \$100 for attending the meeting. Directors who miss a meeting are not compensated. The annual stipend for a director who attends all CSD meetings is \$1,200. Directors are also compensated for approved training, conferences, special board meetings and other approved functions

Exhibit "C"

SADDLE CREEK COMMUNITY SERVICES DISTRICT
FY 2015 BUDGET CATEGORY IDENTIFICATION
(Operational Expenses & Capital Outlay)

Operational Expenses

- OE 01/Audit: Costs for annual independent audit of District Finances.
- OE 02/Bookkeeping: Cost for accounting and bookkeeping services.
- OE 03/Misc. Fees: Cost for notary/bonds/online backup/etc.
- OE 04/Legal Expenses: Cost for CSD Attorney and other legal professionals.
- OE 05/Management Fees: Cost for monthly management services
- OE 06/Insurance: Cost for SDRMA property loss & liability insurance.
- OE 07/Contingency: Funds available to GM for unanticipated District expenses.
- OE 08/Professional Development: Cost for business related meetings, travel & meal expenses.
- OE 09/Dues, Certifications & Subscriptions: Cost for professional dues, certifications, etc.
- OE 10/Uniform Expense: Cost for uniform purchase.
- OE 11/Electric/Water/Sewer: Cost for PG&E/CCWD services to facilities under District control.
- OE 12/Telephone Service: Cost for all District landline and cell phones.
- OE 13/Internet Service: Cost for Caltel Internet service.
- OE 14/Office Supplies: Cost for purchase of office supplies and mailings.
- OE 15/Office Equipment: Cost for purchase and maintenance of office equipment.
- OE 16/Gate maintenance: Cost for gate maintenance/repair and opener purchase.
- OE 17/Street & Gate Lighting: Cost for maintenance and repair of lighting under District control.
- OE 18/Landscape Supplies/Repairs: Cost for landscape supplies, repairs, etc.
- OE 19/Landscape Equipment Repair: Cost for maintenance and replacement of landscape equipment.
- OE 20/Tractor Lease/Purchase: Lease purchase payment for tractor.
- OE 21/Landscape Equipment Gas/Oil: Gas & oil for landscape equipment tools/vehicles.

Exhibit "C"

SADDLE CREEK COMMUNITY SERVICES DISTRICT
FY 2015 BUDGET CATEGORY IDENTIFICATION
(Operational Expenses & Capital Outlay)

Operational Expenses

OE 22/Mosquito Control Products: Cost of chemicals, supplies and employee after-hour meals for mosquito abatement operations.

OE 23/Mosquito Monitoring & Testing: Cost for testing of mosquitos/birds and sentinel chicken flock.

OE 24/Mosquito Vehicle Gas & Oil: Cost of gas and oil for mosquito abatement operations.

OE 25/Mosquito Abatement Maintenance: Cost for maintenance/repair of abatement vehicles/equipment.

OE 26/County Fees/LAFCO

Capital Outlay

CO-1 2" SDS Max Rotary Hammer with Attachments

CO-2 Workman MDX Cart

Saddle Creek CSD Budget Overview Charts

