



## STEGE SANITARY DISTRICT

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*District Manager/Engineer:*  
Rex Delizo, P.E.

*District Counsel:*  
Kristopher Kokotaylo

*Board of Directors:*  
Tessa Beach  
Juliet Christian-Smith  
Paul Gilbert-Snyder  
Dwight Merrill  
Beatrice R. O'Keefe

# Memorandum

**To:** Board of Directors

**From:** Rex Delizo, District Manager

**Date:** June 20, 2024

**Re:** Budget for Fiscal Year 2024-25

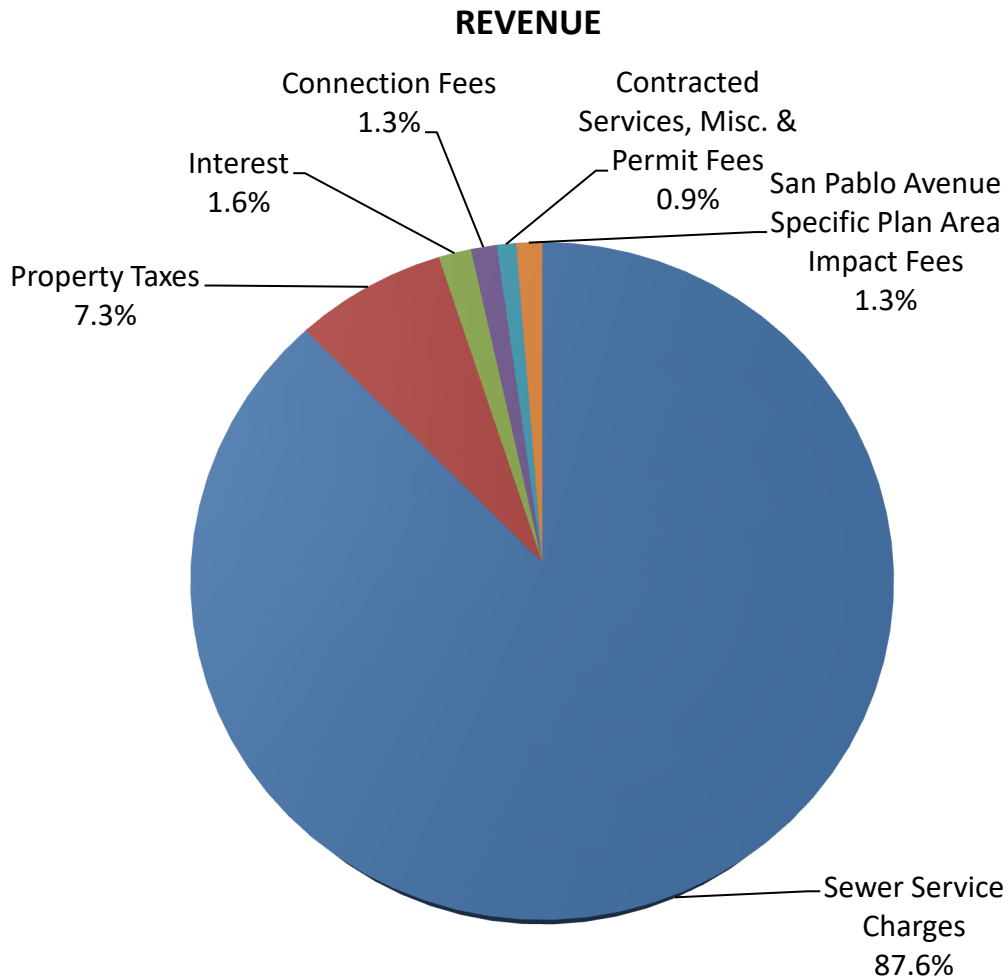
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The Fiscal Year (FY) 2024-25 budget is presented for review and consideration by the Board of Directors. The budget includes all revenue and expenses for FY 2024-25 including supplemental data regarding fund target levels.

## BUDGET OVERVIEW

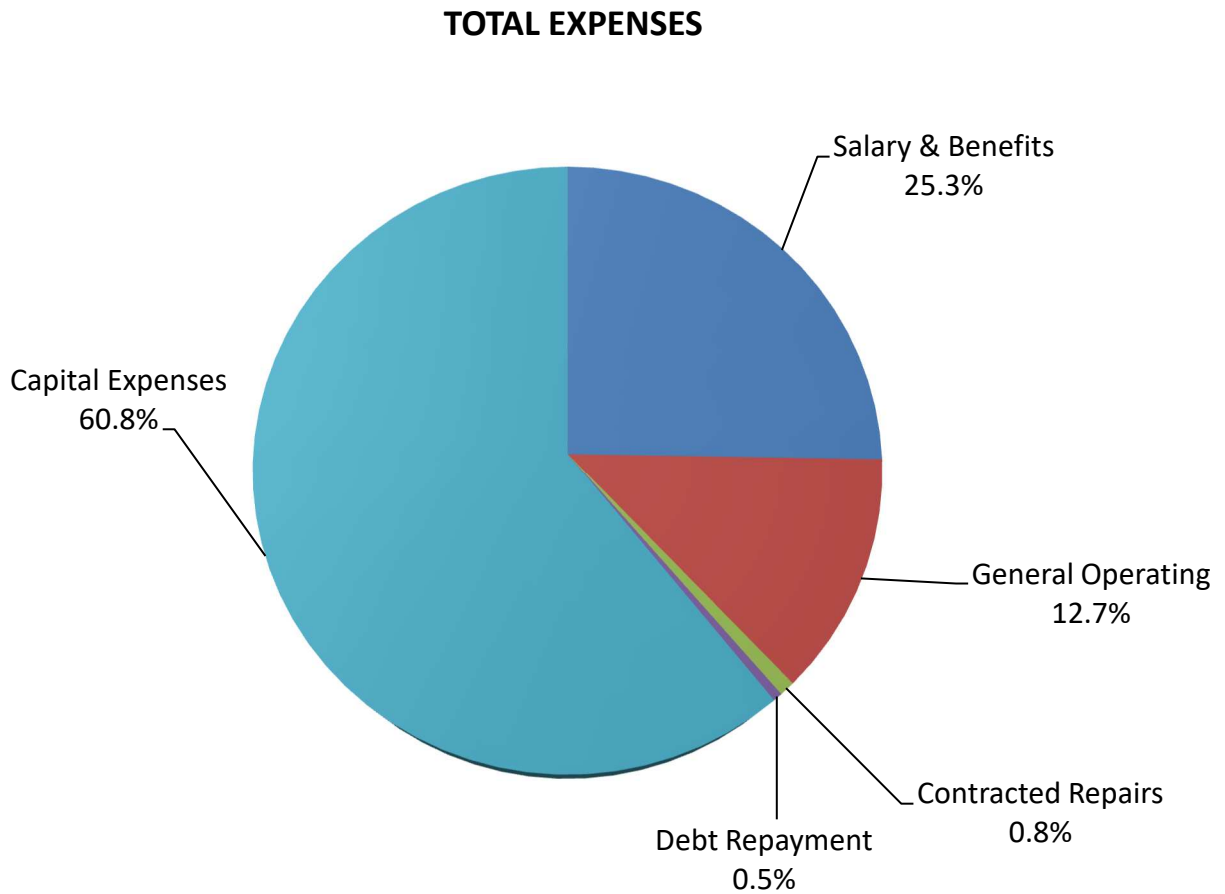
### Revenue

The FY 2024-25 budget includes \$7,970,500 in revenue, exclusive of the transfer of funds. The budget estimates service charge revenue at \$6,984,000 (87.6% of total revenue), property tax at \$585,500 (7.3%), interest income at \$126,000 (1.6%), connection fees at \$100,000 (1.3%), San Pablo Avenue Specific Plan Area Impact Fees at \$100,000 (1.3%), and contracted services, miscellaneous income and permit fees at \$75,000 (0.9%).



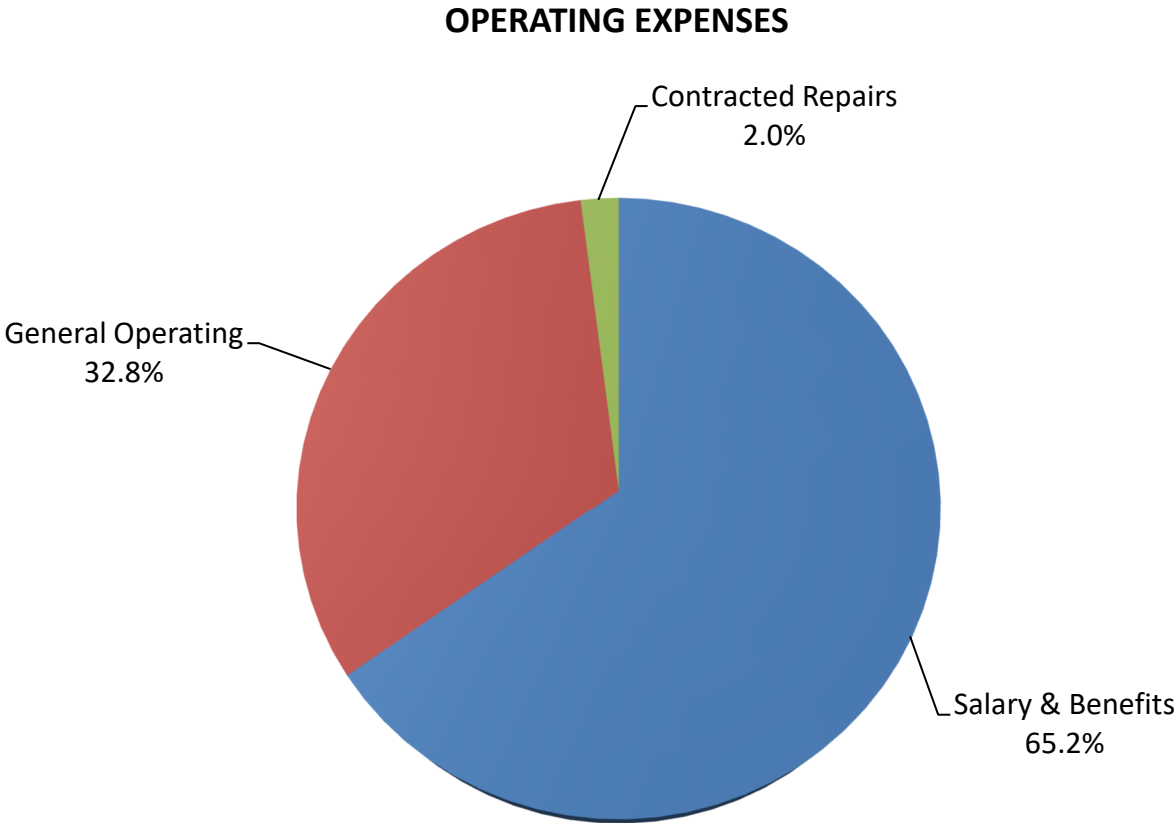
**Expenses**

The Total Operating and Capital Expenses for FY 2024-25 amounts to \$9,521,763. Salary and benefit expenses are budgeted at \$2,405,077 (25.3% of total expenses), operating and general expenses at \$1,209,976 (12.7%), debt repayment at \$43,900 (0.5%), repairs at \$74,000 (0.8%), and capital expenses (excluding debt) at \$5,788,810 (60.8%).



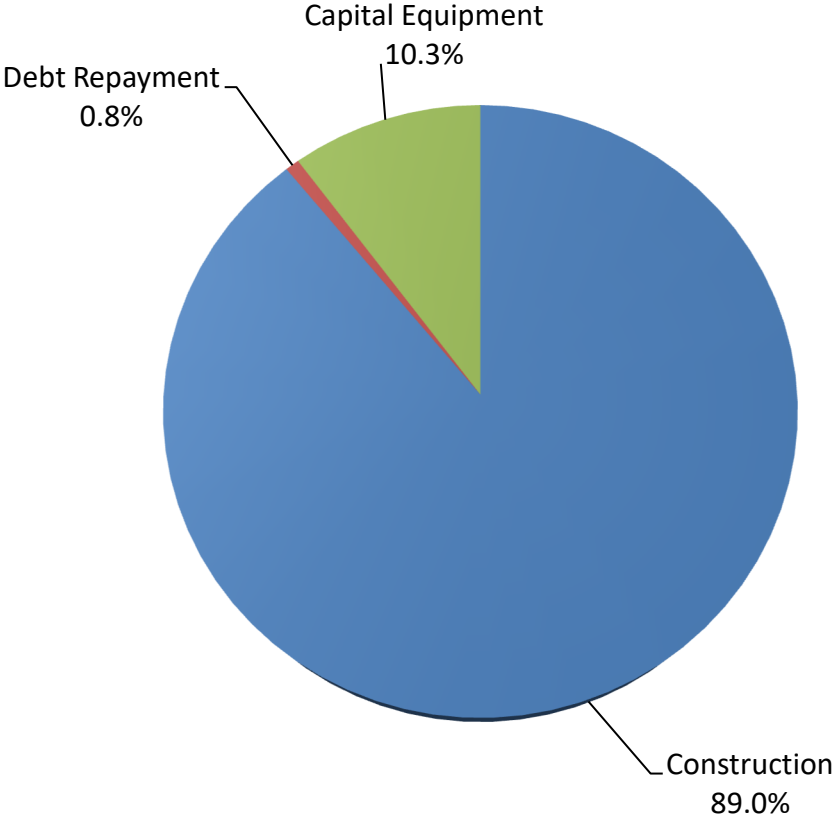
The budget estimates a deficit of \$1,551,263 which will transfer from the Working Capital and Reserve Fund.

The Operating Expenses for FY 2024-25 total \$3,689,053. The budget includes all operations, maintenance, and administrative expenses. The budget also includes the funding of the annual required contribution for “other post-employment benefits” or retiree health care funding. No additional staff is requested in this budget. Salary and benefit expenses are budgeted at \$2,405,077 (65.2%) of the operating budget. The operating and general expenses are budgeted at \$1,209,976 (32.8%) and contracted repairs at \$74,000 (2.0%).



The Capital Expenses for FY 2024-25 total \$5,832,710. Construction costs total \$5,188,810 (89.0%) which includes \$3,593,600 for the annual sewer rehabilitation project, \$285,210 for the Private Sewer Lateral Replacement Loan Program (funding limited to property tax revenue), \$50,000 for interceptor cleaning, \$50,000 for manhole adjustments, and \$10,000 for capital work on the administration building (funded by the Building Reserve Fund). The capital equipment expenses total \$600,000 (10.3%) and the annual debt service payment for an outstanding State Revolving Fund (SRF) loan is \$43,900 (0.8%).

### CAPITAL EXPENSES



## BUDGET CONTENTS

The budget detail sheets are similar to those used in previous years and show the budget amounts for the previous and upcoming fiscal year. A brief description of the exhibits attached to the budget detail sheets is as follows:

1. Revenue and Expenses Summary (Exhibits A & B). This information shows current sources of revenue, expenses, and compares them with the forecasts for proposed revenue and expenses for the upcoming fiscal year.
2. Budget Composite (Exhibit C). This item shows the allocation of expenses by the two District departments (Operations and Administration).
3. Reconciliation of Fund Balances (Exhibit D). This table shows the allocation of revenue to and expenses from the various funds of the District as well as internal fund transfers necessary to meet the targeted balances established by the Board.
4. 10 Year Financial Model. The spreadsheet and graph indicate the estimated operating and capital expenses, and how the financial state of the District is affected. Planned sewer service charge rates to support District expenses and target balances are also projected for the period shown.

## FISCAL YEAR BUDGET

(Ref: Exhibits A-D & Detail Sheets)

### Revenue

The District's principal revenue source is the annual sewer service charge which is allocated into both the Operation Fund (\$3,209,000) and the Capital Fund (\$3,775,500) based on the Sewer Rate Study prepared by public finance consulting firm, Lechowicz & Tseng Municipal Consultants. Due to the District being in a strong financial position with fiscal year end funds projected to exceed target levels, the annual sewer service charge rate is unchanged from the previous fiscal year.

The total amount of projected interest revenue of \$116,000 is split between both the Operation Fund and the Capital Fund. Expected revenue from miscellaneous income is set at \$30,000, permit and inspection fees at \$12,000, and contracted services at \$33,000, all of which are around the average amounts over the last several years. Property tax revenue has been projected up to \$585,500 based on recent trends exclusive of unpredictable redevelopment assessment pass-through payments. District wide connection fee revenue is projected to be \$100,000 and the San Pablo Avenue Specific Plan Area Impact Fee revenue is estimated at \$100,000 in anticipation of proposed developments as outlined in the City of El Cerrito San Pablo Avenue Corridor - Major Projects Report.

### Operating Expenses

The proposed operating budget for FY 2024-25 of \$3,689,053 represents an 9% increase versus last year's budget. Salary (\$1,635,700) and benefits (\$769,377) combined are 65% of the operating budget which is slowly declining compared to past fiscal years as shown in the following table.

### Salary and Benefits as Percentage of Operating Budget

Fiscal Year	Operating Budget (\$)	Salary (\$)	%	Benefits (\$)	%	Salary & Benefits (\$)	%
<b>2024-25</b>	3,689,053	1,635,700	44%	769,377	21%	2,405,077	65%
<b>2023-24</b>	3,470,661	1,574,160	45%	715,446	21%	2,289,606	66%
<b>2022-23</b>	3,328,307	1,515,960	46%	692,363	21%	2,208,323	66%
<b>2021-22</b>	3,138,636	1,429,460	46%	668,561	21%	2,098,021	67%
<b>2020-21</b>	3,063,711	1,247,160	41%	790,810	26%	2,037,970	67%

The retiree health “contribution” to fully fund the annual required contribution (ARC) as determined by the latest “Roll-forward” Actuarial Analysis of Retiree Health Benefits as of June 30, 2022 is \$23,417. Actual payments to retirees are anticipated to be about \$27,256, including administrative fees.

Contracted main line repair expenses are included as part of the operating expenses and increased slightly to \$74,000 which is consistent with the projections from the Sewer Rate Study.

Operating budget items notably different from the previous budget include:

- adding 4% to salaries which is a cost-of-living adjustment based on the latest April CPI-W figures,
- adding \$47,000 to Health Care Premiums (split between Operations and Administration) to account for increased health care premium rates and an employee choosing to receive health care coverage instead of cash-in-lieu,
- adding \$40,000 for the anticipated expenses due to the 2024 Board of Directors November election, and
- adding \$65,500 (20%) for liability and property insurance premiums as recommended by California Sanitation Risk Management Authority (CSRMA) due to market pressure created by wildfires, storms, civil disorders, and ‘social inflation’ (more litigation, more plaintiff-friendly judgements, and larger jury awards reflecting public sentiment more than actual damage).

### **Capital Expenses**

The capital equipment expense of \$600,000 includes \$560,000 to replace a combination water jetting and vacuum system sewer cleaning truck and \$40,000 to replace a District passenger vehicle which are both at the end of their useful lives.

A full rehabilitation of the Canon Pump Station is included at a budget amount of \$1,200,000. Also included is \$50,000 for manhole adjustments based on anticipated paving projects in El Cerrito, Richmond, and Kensington, \$50,000 for large interceptor cleaning by way of a professional services contract, and \$10,000 to spend the Building Reserve Fund for any needed capital work on the Administration Building.

The Standard Sewer Rehabilitation (pipe-bursting) Project, at a budget amount of \$3,593,600, continues to be the primary means of flexible and efficient main line replacement. This amount has been increased by 3% (\$120,600) over last year’s budget, based on the projection of the Sewer Rate Study, to adequately fund the aggressive schedule of collection system rehabilitation required by the



USEPA Consent Decree. Also included is \$285,210 to continue funding the Private Sewer Lateral Replacement Loan Program from property tax revenue.

**Fund Balances (Ref: Exhibit D)**

Exhibit D presents the reconciliation of fund balances for FY 2023-24, based on the projected ending balances estimated for June 30, 2024. The table shows the allocation of revenue and expenses to and from the respective funds, produces the year-end balance of each fund, and compares each fund balance to its target balance.

The Operating Target Balance is equal to 60% of budgeted operating and maintenance costs. This is the District's rough costs from May to December to reflect the lag in the collection of tax revenue and also provides a built-in mechanism to adjust for inflationary increases. The Operating Target Balance for FY 2024-25 is calculated to be \$2,213,432.

The Capital Target Balance is equal to the 3-year rolling average of the annual capital cost (i.e. average of the previous, current, and future year capital cost) plus the annual debt service cost. This is to ensure that the District will have adequate funds available on an annual basis to conduct sewer pipeline replacements or in case of an emergency such as an earthquake, and also provides a built-in mechanism to adjust for inflationary increases. The Capital Target Balance for FY 2024-25 is calculated to be \$3,551,867.

Based on the budgeted figures as shown, the total fund balance at the end of FY 2024-25 is projected to be about \$3.5M more than the total target balance. Note that this amount is based on estimated expenditures for FY 2023-24. Actual expenditures will not be finalized until after July. But as shown, the information gives indication that the District continues to be in a solid financial position while keeping rates unchanged from the previous fiscal year.

**FY 2023-24 BUDGET PERFORMANCE**

The final expenses for FY 2023-24 have not been settled, but staff is confident that the total operating expenses should be less than the budgeted amount. Several significant unencumbered balances which will not be fully expended include operating supplies (rods, augers, hoses, and nozzles), sewer materials (pipe, fittings, manholes, and castings), professional services (technical/legal support, litigation

expenses, labor relations, and flow monitoring modeling), and penalties & fines. No other operating expenses are expected to be of material variance to the budgeted amounts.

Similarly, total capital expenses are expected to be less than the budgeted amount since some capital expenses will not be expended in FY 2023-24. The Canon Pump Station Rehabilitation and delivery of the combination water jetting and vacuum system sewer cleaning truck have both been delayed until next fiscal year and their respective budget amounts (\$1,000,000 and \$560,000) have been carried over into the FY 2024-25 budget. The budget amounts for flow meters (\$175,000) and the Private Sewer Lateral Replacement Loan Program (\$326,400) will not be fully expended. Manhole adjustments (\$25,000) were not expended due to the lack of paving projects by the City of El Cerrito, City of Richmond, and Kensington requiring this level of work. No other capital expenses are expected to be of material variance to the budgeted amounts.

## **FUTURE COSTS**

The operating expenses included in this budget are similar to what can be expected in the near future. The capital expense to fund collection system rehabilitation will continue to gradually rise over the next ten years to reflect inflation and fund the gradual ramp up of work as required by the USEPA Consent Decree and as projected in the Sewer Rate Study.

# EXHIBIT A

## STEGE SANITARY DISTRICT REVENUE SUMMARY

FISCAL YEAR 2024-2025

ITEM	Fiscal Year 2023-2024 Budget	Fiscal Year 2024-2025 Budget	% Change
<b>REVENUE</b>			
I. SEWER OPERATION FUND (3418)			
Non Operating Income:			
Interest	\$ 15,000	\$ 110,000	633%
Miscellaneous	\$ 21,000	\$ 30,000	43%
Operating Income:			
Permit & Inspection Fees	\$ 12,000	\$ 12,000	0%
Sewer Service Charges	\$ 3,209,000	\$ 3,209,000	0%
Contracted Services	\$ 33,000	\$ 33,000	0%
Subtotal	<b>\$ 3,290,000</b>	<b>\$ 3,394,000</b>	<b>3%</b>
II. CAPITAL FUND (3423)			
Non-Operating Income:			
Interest	\$ 5,000	\$ 16,000	220%
Operating Income:			
Property Tax	\$ 500,000	\$ 585,500	17%
Capital Service Charges	\$ 3,775,000	\$ 3,775,000	0%
Connection Fees	\$ 50,000	\$ 100,000	100%
San Pablo Ave. Impact Fee	\$ 50,000	\$ 100,000	100%
Subtotal	<b>\$ 4,380,000</b>	<b>\$ 4,576,500</b>	<b>4%</b>
<b>TOTAL REVENUE</b>	<b>\$ 7,670,000</b>	<b>\$ 7,970,500</b>	<b>4%</b>

**EXHIBIT B****STEGE SANITARY DISTRICT  
EXPENSE SUMMARY****FISCAL YEAR 2024-2025**

<b>ITEM</b>	<b>Fiscal Year 2023-2024 Budget</b>	<b>Fiscal Year 2024-2025 Budget</b>	<b>% Change</b>
<b>EXPENSES</b>			
<b>I. OPERATING EXPENSES:</b>			
Dept 41 - Maintenance/Engineering	\$ 2,232,974	\$ 2,412,208	8%
Dept 41 - Pump Stations	\$ 40,020	\$ 40,020	0%
Dept 41 - Contracted Repairs	\$ 72,000	\$ 74,000	3%
Dept 45 - General & Administration	\$ 1,053,273	\$ 1,162,825	10%
<b>SUBTOTAL OPERATING EXPENSES</b>	<b>\$ 3,398,267</b>	<b>\$ 3,689,053</b>	<b>9%</b>
<b>II. CAPITAL EXPENSES:</b>			
Dept 41 - Capital Equipment	\$ 785,000	\$ 600,000	-24%
Dept 41 - Debt Repayment (SRF)	\$ 43,900	\$ 43,900	0%
Dept 41 - Sewer Rehabilitation	\$ 4,884,400	\$ 5,188,810	6%
<b>SUBTOTAL CAPITAL EXPENSES</b>	<b>\$ 5,713,300</b>	<b>\$ 5,832,710</b>	<b>2%</b>
<b>TOTAL</b>	<b>\$ 9,111,567</b>	<b>\$ 9,521,763</b>	<b>5%</b>
<b>OTHER EXPENSES:</b>			
Transfer from Capital Fund	\$ -	\$ -	0%
Retiree Medical Fund	\$ -	\$ -	0%
<b>SUBTOTAL OTHER EXPENSES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>
<b>TOTAL EXPENSES</b>	<b>\$ 9,111,567</b>	<b>\$ 9,521,763</b>	<b>5%</b>

**STEGE SANITARY DISTRICT  
TRANSFER TO/(FROM) RESERVES****FISCAL YEAR 2024-2025**

<b>ITEM</b>	<b>Fiscal Year 2023-2024 Budget</b>	<b>Fiscal Year 2024-2025 Budget</b>	<b>% Change</b>
REVENUE	\$ 7,670,000	\$ 7,970,500	4%
EXPENSES	\$ (9,111,567)	\$ (9,521,763)	5%
<b>SUBTOTAL</b>	<b>\$ (1,441,567)</b>	<b>\$ (1,551,263)</b>	
<b>TRANSFER TO/(FROM) RESERVES</b>	<b>\$ (1,441,567)</b>	<b>\$ (1,551,263)</b>	

# EXHIBIT C

## STEGE SANITARY DISTRICT BUDGET - COMPOSITE

FISCAL YEAR 2024-2025

ITEM	FISCAL YEAR 2023-2024 BUDGET	FISCAL YEAR 2024-2025 BUDGET	% Change	OPERATIONS	GENERAL & ADMIN.
<b>OPERATING EXPENSES:</b>					
010 Salaries & Wages	\$ 1,574,160	\$ 1,635,700	4%	\$ 1,359,260	\$ 276,440
020 Employee Benefits	\$ 715,446	\$ 769,377	8%	\$ 602,741	\$ 166,635
030 Directors' Expenses	\$ 45,478	\$ 37,449	-18%	\$ -	\$ 37,449
040 Election Expense	\$ -	\$ 40,000	0%	\$ -	\$ 40,000
060 Gasoline, Oil, Fuel	\$ 28,000	\$ 28,000	0%	\$ 28,000	\$ -
070 Insurance	\$ 320,000	\$ 385,500	20%	\$ 15,000	\$ 370,500
080 Memberships	\$ 19,100	\$ 19,100	0%	\$ 4,000	\$ 15,100
090 Office Expense	\$ 10,100	\$ 10,100	0%	\$ -	\$ 10,100
100 Operating Supplies	\$ 40,000	\$ 40,000	0%	\$ 40,000	\$ -
110 Contractual Services	\$ 102,300	\$ 105,300	3%	\$ 105,300	\$ -
120 Professional Services	\$ 176,100	\$ 166,100	-6%	\$ 84,000	\$ 82,100
130 Printing & Publications	\$ 29,000	\$ 23,500	-19%	\$ -	\$ 23,500
140 Rents & Leases	\$ 1,800	\$ 1,800	0%	\$ 1,000	\$ 800
150 Repairs & Maintenance	\$ 128,370	\$ 143,520	12%	\$ 125,520	\$ 18,000
160 Revenue Collection Expenses	\$ 14,600	\$ 14,600	0%	\$ -	\$ 14,600
170 Travel & Meetings	\$ 18,500	\$ 18,500	0%	\$ 14,000	\$ 4,500
190 Utilities	\$ 47,700	\$ 48,500	2%	\$ 10,000	\$ 38,500
200 Other Expenses	\$ 64,600	\$ 64,600	0%	\$ -	\$ 64,600
203 First Aid Supplies	\$ 500	\$ 500	0%	\$ 500	\$ -
204 Safety Equipment and Gloves	\$ 4,500	\$ 4,500	0%	\$ 4,500	\$ -
205 Uniforms and Boots	\$ 17,137	\$ 17,137	0%	\$ 17,137	\$ -
206 Safety Incentive Program	\$ 1,250	\$ 1,250	0%	\$ 1,250	\$ -
207 Contracted Repairs	\$ 72,000	\$ 74,000	3%	\$ 74,000	\$ -
410 Pump Stations	\$ 40,020	\$ 40,020	0%	\$ 40,020	\$ -
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 3,470,661</b>	<b>\$ 3,689,053</b>	<b>6%</b>	<b>\$ 2,526,228</b>	<b>\$ 1,162,825</b>
<b>CAPITAL EXPENSES:</b>					
650 DEBT REPAYMENT	\$ 43,900	\$ 43,900	0%	\$ 43,900	\$ -
300 CAPITAL EQUIPMENT	\$ 785,000	\$ 600,000	-24%	\$ 600,000	\$ -
400 CONSTRUCTION	\$ 4,884,400	\$ 5,188,810	6%	\$ 5,188,810	\$ -
<b>TOTAL CAPITAL EXPENSES</b>	<b>\$ 5,713,300</b>	<b>\$ 5,832,710</b>	<b>2%</b>	<b>\$ 5,832,710</b>	<b>\$ -</b>
TRANSFER TO CAPITAL FUND		\$ -		\$ -	\$ -
<b>TOTAL BUDGET</b>	<b>\$ 9,183,961</b>	<b>\$ 9,521,763</b>	<b>4%</b>	<b>\$ 8,358,938</b>	<b>\$ 1,162,825</b>

# DETAIL SHEET

**STEGE SANITARY DISTRICT  
ACCOUNT NO. 41 - OPERATIONS**

**FISCAL YEAR 2024-2025**

ITEM	Fiscal Year 2023-2024 Budget	Fiscal Year 2024-2025 Budget	% Change
<b>010 SALARIES AND WAGES</b>			
011 Engineering Salaries	\$ 614,100	\$ 636,200	4%
011.6 Cell Phone (3)	2,160	2,160	0%
012 Collection System Salaries	600,800	622,400	4%
012.6 Cell Phone (5)	3,600	3,600	0%
013 Overtime - Service Calls	15,400	15,400	0%
014 Overtime - Engineering/Inspection	500	500	0%
015 Standby	60,000	67,000	12%
017 Performance Incentive	12,000	12,000	0%
<b>TOTAL SALARIES AND WAGES</b>	<b>\$ 1,260,660</b>	<b>\$ 1,359,260</b>	<b>8%</b>
<b>020 EMPLOYEE BENEFITS</b>			
021 Retirement	\$ 345,410	\$ 354,240	3%
021a Deferred Comp Match	27,000	27,000	0%
022 Health Care Premiums & Admin Fees	81,634	123,721	52%
023 Life Insurance/Dental/LTD	13,680	13,680	0%
024 Workers' Compensation Insurance	21,200	22,300	5%
025 Unemployment Insurance	6,200	6,400	3%
026 Medicare	21,800	22,500	3%
027 Cash in Lieu (Dependent Care & Medical) Retiree Medical & ARC	24,000	18,000	-25%
'028 Retiree Medical (AnnReq'dContrib ARC)	1,456	-	-100%
'029 Retiree Health Care Premium	11,900	11,900	0%
030 Social Security (On Call Maintenance)	3,000	3,000	0%
<b>TOTAL EMPLOYEE BENEFITS</b>	<b>\$ 537,257</b>	<b>\$ 602,741</b>	<b>12%</b>
<b>MAINTENANCE</b>			
<b>060 GAS, OIL AND FUEL</b>	\$ 28,000	\$ 28,000	0%
<b>070 CLAIMS</b>	15,000	15,000	0%
<b>080 MEMBERSHIPS</b>	4,000	4,000	0%
<b>100 OPERATING SUPPLIES</b>			
101 Rods and Augers	5,000	5,000	0%
102 Chemicals	1,000	1,000	0%
104 Hose and Nozzles	25,000	25,000	0%
105 Emergency Readiness	500	500	0%
107 Engineering and Inspection Supplies	2,000	2,000	0%
108 Computer/Supplies	6,500	6,500	0%
<b>Forward totals to next page</b>	<b>87,000</b>	<b>87,000</b>	<b>0%</b>

# DETAIL SHEET

**STEGE SANITARY DISTRICT  
ACCOUNT NO. 41 - OPERATIONS**

**FISCAL YEAR 2024-2025**

ITEM	Fiscal Year 2023-2024 Budget	Fiscal Year 2024-2025 Budget	% Change
<b>Totals from previous page</b>	\$ 87,000	\$ 87,000	0%
<b>110 CONTRACTUAL SERVICES</b>			
111 Phone Service (Answering Service)	\$ 1,500	\$ 4,500	200%
112 Manhole Level Monitors	3,400	3,400	0%
115 Sewer Root Foaming	75,000	75,000	0%
116 Radio and Test Equipment Maintenance	500	500	0%
117 Utility Marking Service	6,000	6,000	0%
118 DOT Regulatory Compliance	900	900	0%
119 Collection System JPA	15,000	15,000	0%
<b>120 PROFESSIONAL SERVICES</b>			
121 Technical/Legal Support	\$ 62,000	\$ 62,000	0%
122 Safety Consultant	1,000	1,000	0%
123 Flow Monitoring Modeling	15,000	15,000	0%
124 Enforcement	6,000	6,000	0%
<b>140 RENTS AND LEASES</b>	1,000	1,000	0%
<b>150 REPAIRS AND MAINTENANCE</b>			
151 Vehicle Maintenance	\$ 50,000	\$ 55,000	10%
152 Equipment and Shop Maintenance	9,000	12,000	33%
153 Sewer Materials			
a. Pipe and Fittings	4,000	4,000	0%
b. Manholes	4,500	4,500	0%
c. Castings	1,000	1,000	0%
154 Emergency Sewer Replacement	12,500	12,500	0%
156 Building Maintenance	1,800	1,800	0%
157 Janitorial Services	5,700	5,700	0%
158 Yard Maintenance	2,520	2,520	0%
159 Refuse Service	5,100	5,100	0%
159a Refuse Service-Vactor	2,250	6,400	184%
160 Video Inspection Equipment Repair	15,000	15,000	0%
<b>170 TRAVEL AND MEETINGS</b>			
171 Training and Testing	\$ 3,000	\$ 3,000	0%
173 Travel Reimbursement	6,000	6,000	0%
174 Meetings and Conference	5,000	5,000	0%
<b>Forward totals to next page</b>	\$ 401,670	\$ 416,820	4%

# DETAIL SHEET

**STEGE SANITARY DISTRICT  
ACCOUNT NO. 41 - OPERATIONS**

**FISCAL YEAR 2024-2025**

ITEM	Fiscal Year 2023-2024 Budget	Fiscal Year 2024-2025 Budget	% Change
<b>Totals from previous page</b>	\$ 401,670	\$ 416,820	4%
<b>193 WATER - HYDRO FLUSHER</b>	\$ 10,000	\$ 10,000	0%
<b>203 FIRST AID SUPPLIES</b>	500	500	0%
<b>204 SAFETY EQUIPMENT AND GLOVES</b>	4,500	4,500	0%
<b>205 UNIFORMS AND BOOTS</b>	17,137	17,137	0%
<b>206 SAFETY INCENTIVE PROGRAM</b>	1,250	1,250	0%
<b>TOTAL MAINTENANCE/ENGINEERING</b>	<b>\$ 435,057</b>	<b>\$ 450,207</b>	<b>3%</b>
<b>41.2 BURLINGAME PUMP STATION</b>			
150 Repairs (Contracted)	\$ 20,000	\$ 20,000	0%
150a Annual Inspection	2,500	2,500	0%
151 Electricity	1,800	1,800	0%
152 Telemetry	350	350	0%
153 Maintenance and Landscaping	960	960	0%
<b>41.4 CANON PUMP STATION</b>			
150 Repairs (Contracted)	10,000	10,000	0%
150a Annual Inspection	2,500	2,500	0%
151 Electricity	1,560	1,560	0%
<b>TOTAL PUMP STATIONS</b>	<b>\$ 40,020</b>	<b>\$ 40,020</b>	<b>0%</b>
<b>207 CONTRACTED REPAIRS</b>	72,000	74,000	3%
<b>TOTAL - MAINT/ENG EMPLOYEE SALARIES</b>	<b>\$ 1,260,660</b>	<b>\$ 1,359,260</b>	<b>8%</b>
<b>TOTAL - MAINT/ENG EMPLOYEE BENEFITS</b>	<b>537,257</b>	<b>602,741</b>	<b>12%</b>
<b>TOTAL OTHER MAINTENANCE/ENGINEERING</b>	<b>435,057</b>	<b>450,207</b>	<b>3%</b>
<b>TOTAL - PUMP STATIONS</b>	<b>40,020</b>	<b>40,020</b>	<b>0%</b>
<b>TOTAL CONTRACTED REPAIRS</b>	<b>72,000</b>	<b>74,000</b>	<b>3%</b>
<b>TOTAL OPERATIONS</b>	<b>\$ 2,344,994</b>	<b>\$ 2,526,228</b>	<b>8%</b>



# DETAIL SHEET

## STEGE SANITARY DISTRICT

### ACCOUNT NO. 45 - ADMINISTRATIVE AND GENERAL

### FISCAL YEAR 2024-2025

ITEM	Fiscal Year 2023-2024 Budget	Fiscal Year 2024-2025 Budget	% Change
<b>010 SALARIES AND WAGES</b>			
011 Administration Salaries	\$ 262,100	\$ 271,500	4%
012 Cell Phone	-	1,440	0%
017 Performance Incentive	3,500	3,500	0%
<b>TOTAL - SALARIES &amp; WAGES</b>	<b>\$ 265,600</b>	<b>\$ 276,440</b>	<b>4%</b>
<b>020 EMPLOYEE BENEFITS</b>			
021 Retirement	\$ 102,420	\$ 104,300	2%
021a Deferred Comp Match	6,000	6,000	0%
022 Health Care Premiums & Admin Fees	19,800	25,249	28%
023 Life Insurance/Dental/LTD	2,196	2,196	0%
024 Workers' Compensation Insurance	4,600	4,800	4%
025 Unemployment Insurance	500	500	0%
026 Medicare	9,050	9,890	9%
Retiree Medical			
'028 Retiree Medical (AnnReq'dContrib(ARC))	-	-	0%
'029 Retiree Health Care Premiums	11,900	11,900	0%
029a Social Security	1,700	1,800	6%
<b>TOTAL - EMPLOYEE BENEFITS</b>	<b>\$ 158,166</b>	<b>\$ 166,635</b>	<b>5%</b>
<b>GENERAL EXPENSES</b>			
<b>030 DIRECTORS' EXPENSES</b>			
031 Board Meeting Compensation	\$ 24,478	\$ 16,449	-33%
032 Travel Reimbursement	10,000	10,000	0%
033 Meetings & Conference	10,000	10,000	0%
034 Training	1,000	1,000	0%
<b>TOTAL - DIRECTORS' EXPENSES</b>	<b>\$ 41,007</b>	<b>\$ 37,449</b>	<b>-9%</b>
<b>040 ELECTION EXPENSES</b>	\$ -	\$ 40,000	100%
<b>070 INSURANCE</b>			
071 Liability and Property Insurance	\$ 327,500	\$ 393,000	20%
072 Dividends (CREDIT)	(22,500)	(22,500)	0%
<b>080 MEMBERSHIPS</b>			
081 Memberships	\$ 15,000	\$ 15,000	0%
082 Memberships - Board	100	100	0%
<b>Forward totals to next page</b>	<b>361,107</b>	<b>463,049</b>	<b>28%</b>

# DETAIL SHEET

**STEGE SANITARY DISTRICT**  
**ACCOUNT NO. 45 - ADMINISTRATIVE AND GENERAL**      **FISCAL YEAR 2024-2025**

ITEM	Fiscal Year 2023-2024 Budget	Fiscal Year 2024-2025 Budget	% Change
<b>Totals from previous page</b>	\$ 361,107	\$ 463,049	28%
<b>090 OFFICE EXPENSES</b>			
091 Stationery, Postage, Supplies	\$ 4,000	\$ 4,000	0%
092 Subscriptions	5,000	5,000	0%
094 Public Notice Postage	400	400	0%
096 Bank Charges	700	700	0%
<b>120 PROFESSIONAL SERVICES</b>			
121 Legal Services	\$ 35,000	\$ 45,000	29%
123 Audit and Special Reports	40,000	20,000	-50%
124 Resources Consultant	5,000	5,000	0%
125 Administrative Support	1,000	1,000	0%
126 Labor Relations/HR Training	100	100	0%
127 Litigation Expenses	5,000	5,000	0%
129 ADP Payroll Expenses	6,000	6,000	0%
<b>130 PRINTING AND PUBLICATIONS</b>			
131 Meetings and Hearings Notices	\$ 1,000	\$ 1,000	0%
132 Newsletters	20,000	20,000	0%
133 Publications (Ordinances & Notices)	7,500	2,000	-73%
134 Job Advertising	500	500	0%
<b>140 RENTS AND LEASES</b>			
	\$ 800	\$ 800	0%
<b>150 BUILDING REPAIRS AND MAINTENANCE</b>			
151 Administration Offices	\$ 9,000	\$ 12,000	33%
155 Office Equipment	6,000	6,000	0%
<b>Forward totals to next page</b>	508,107	597,549	18%

# DETAIL SHEET

STEGE SANITARY DISTRICT

ACCOUNT NO. 45 - ADMINISTRATIVE AND GENERAL

FISCAL YEAR 2024-2025

ITEM	Fiscal Year 2023-2024 Budget	Fiscal Year 2024-2025 Budget	% Change
<b>Totals from previous page</b>	\$ 508,107	\$ 597,549	18%
<b>160 REVENUE COLLECTION EXPENSES</b>			
161 EBMUD	\$ 600	\$ 600	0%
162 CCC Assessment Collection Fees	14,000	14,000	0%
<b>170 TRAVEL AND MEETINGS</b>			
173 Travel Reimbursement	\$ 1,500	\$ 1,500	0%
174 Meetings and Conferences	3,000	3,000	0%
<b>190 UTILITIES</b>			0%
191 Gas and Electricity	\$ 15,000	\$ 15,000	0%
192 Telephone & Computer Internet	14,000	14,000	0%
193 Water	4,200	5,000	19%
194 Security System	4,500	4,500	0%
<b>200 OTHER EXPENSES</b>			
201 Miscellaneous	\$ 7,500	\$ 7,500	0%
202 Property Taxes	100	100	0%
203 LAFCO Net Cost Apportionment	4,000	4,000	0%
204 Public Outreach	18,000	18,000	0%
205 Penalties & Fines	35,000	35,000	0%
<b>TOTAL - GENERAL EXPENSES</b>	<b>\$ 629,507</b>	<b>\$ 719,749</b>	<b>14%</b>
<b>TOTAL - ADMIN. EMPLOYEE SALARIES</b>	<b>\$ 265,600</b>	<b>\$ 276,440</b>	<b>4%</b>
<b>TOTAL - ADMIN. EMPLOYEE BENEFITS</b>	<b>\$ 158,166</b>	<b>\$ 166,635</b>	<b>5%</b>
<b>TOTAL - ADMINISTRATION &amp; GENERAL</b>	<b>\$ 1,053,273</b>	<b>\$ 1,162,825</b>	<b>10%</b>
<b>TOTAL OPERATIONS &amp; ADMIN. (3418)</b>	<b>\$ 3,398,267</b>	<b>\$ 3,689,053</b>	<b>9%</b>

# DETAIL SHEET

STEGE SANITARY DISTRICT  
ACCOUNT NO. 41 - CAPITAL EQUIPMENT EXPENSES

FISCAL YEAR 2024-2025

ITEM	Fiscal Year 2023-2024 Budget	Fiscal Year 2024-2025 Budget	% Change
<b>CAPITAL EQUIPMENT EXPENSES</b>			
<b>300 CAPITAL OPERATIONS (3421)</b>			
315 Flow Meters	\$ 175,000	\$ -	-100%
324 Vehicle Replacement	610,000	600,000	-2%
<b>Sub-Total Capital Operations</b>	<b>\$ 785,000</b>	<b>\$ 600,000</b>	<b>-24%</b>
<b>TOTAL - CAPITAL EQUIPMENT EXPENSES (3421)</b>	<b>\$ 785,000</b>	<b>\$ 600,000</b>	<b>-24%</b>

# DETAIL SHEET

**STEGE SANITARY DISTRICT  
ACCOUNT NO. 41 - CAPITAL EXPENSES**

**FISCAL YEAR 2024-2025**

ITEM	Fiscal Year 2023-2024 Budget	Fiscal Year 2024-2025 Budget	% Change
<b>411 MANHOLES</b>			
Manhole Adjustments	\$ 25,000	\$ 50,000	100%
<b>428 RENEWAL &amp; REPLACEMENT</b>			
a. Interceptor Cleaning	\$ 50,000	\$ 50,000	0%
b. Pump Station Rehab	1,000,000	1,200,000	20%
c. Admin Building	10,000	10,000	0%
<b>SUB TOTAL (428)</b>	<b>\$ 1,060,000</b>	<b>\$ 1,260,000</b>	<b>19%</b>
<b>434 STANDARD SEWER REHABILITATION (3423)</b>			
a. Construction Costs	\$ 3,473,000	\$ 3,593,600	3%
e. San Pablo Ave. Specific Plan Upgrades	-	-	0%
f. Private Sewer Lateral Replacement Loan Program*	326,400	285,210	-13%
<b>SUB-TOTAL (434)</b>	<b>\$ 3,799,400</b>	<b>\$ 3,878,810</b>	<b>2%</b>
<b>TOTAL CONSTRUCTION COSTS (400s)</b>	<b>\$ 4,884,400</b>	<b>\$ 5,188,810</b>	<b>6%</b>
<b>650 DEBT REPAYMENT (SRF LOANS)</b>			
b. Repayment Project 02203	43,900	43,900	0%
<b>TOTAL DEBT REPAYMENT (650)</b>	<b>\$ 43,900</b>	<b>\$ 43,900</b>	<b>0%</b>
<b>TOTAL CAPITAL EXPENSES (400-650)</b>	<b>\$ 5,713,300</b>	<b>\$ 5,832,710</b>	<b>2%</b>

\* Funding limited to property tax revenue.

# EXHIBIT D

## STEGE SANITARY DISTRICT FISCAL YEAR 2023-2024 RECONCILIATION OF FUND BALANCES

	FISCAL YEAR 2023-2024 BUDGET	3418 OPERATIONS FUND	3423 CAPITAL FUND
<b>Total Fund Balances As of 6/30/2024 (est.)</b>	<b>\$ 11,488,031</b>	<b>\$ 2,500,000</b>	<b>\$ 8,988,031</b>
<b>OPERATING FUND</b>			
<b>REVENUE</b>			
Contracted Services	\$ 33,000	\$ 33,000	
Interest Income	\$ 110,000	\$ 110,000	
Permit, Inspection Fees	\$ 12,000	\$ 12,000	
Sewer Service Charges	\$ 3,209,000	\$ 3,209,000	
Miscellaneous	\$ 30,000	\$ 30,000	
Subtotal	\$ 3,394,000	\$ 3,394,000	
<b>EXPENSES</b>			
General & Administration	\$ (1,162,825)	\$ (1,162,825)	
Operating/Pump Stations	\$ (2,526,228)	\$ (2,526,228)	
Subtotal	\$ (3,689,053)	\$ (3,689,053)	
<b>Net Gain (Loss)*</b>	<b>\$ (295,053)</b>	<b>\$ (295,053)</b>	
<b>CAPITAL FUND</b>			
<b>REVENUE</b>			
Property Tax Collection	\$ 585,500		\$ 585,500
Capital Service Charges	\$ 3,775,000		\$ 3,775,000
San Pablo Impact Fee	\$ 100,000		\$ 100,000
Interest Income	\$ 16,000		\$ 16,000
Connection Fees	\$ 100,000		\$ 100,000
Subtotal	\$ 4,576,500		\$ 4,576,500
<b>EXPENSES</b>			
Capital Equipment	\$ (600,000)		\$ (600,000)
Construction	\$ (5,188,810)		\$ (5,188,810)
Debt Repayment (SRF Loan)	\$ (43,900)		\$ (43,900)
Subtotal	\$ (5,832,710)		\$ (5,832,710)
<b>Net Gain (Loss)*</b>	<b>\$ (1,256,210)</b>		<b>\$ (1,256,210)</b>
<b>Fund Balances</b>			
<b>Before transfers</b>	\$ 9,936,769	\$ 2,204,947	\$ 7,731,822
<b>Transfers between Reserves</b>		\$ 8,485	\$ (8,485)
*Used from Reserves			
<b>Fund Balances As of 6/30/2025 (est.)</b>	<b>\$ 9,936,769</b>	<b>\$ 2,213,432</b>	<b>\$ 7,723,337</b>
<b>TARGET BALANCE</b>	<b>\$ 6,421,478</b>	<b>\$ 2,213,432</b>	<b>\$ 4,208,046</b>

(60% of annual O&M)      (3Yr Avg. of Capital Costs)

**STEGE SANITARY DISTRICT - 10 YEAR FINANCIAL MODEL  
(\$ THOUSAND)**

FISCAL YEAR ENDING	(1) ANNUAL DEBT SERVICE	(2) DISTRICT O&M COSTS	(3) SYSTEM REHAB.	(4) CAPITAL EQUIP COSTS	(5) OTHER CAP COSTS	(6) TOTAL COSTS (1) thru (5)	(7) MONTH USER CHARGE	(8) TOTAL REVENUE	(9) CASH FLOW (8)-(6)	(10) FUND INTEREST	(11) FUND BALANCE	(12) TARGET BALANCE	(13) RESERVE RATIO (11)/(6)
<b>2024</b>	44	3471	4884	50	50	8499	35.75	8419	-80	20	11420	6543	1.35
<b>2025</b>	44	3598	3594	610	1310	9156	35.75	8141	-1015	20	10405	6982	1.25
<b>2026</b>	44	3705	3719	10	110	7588	35.75	8162	574	20	10980	6822	1.37
<b>2027</b>	0	4529	3850	420	85	8883	35.75	8183	-700	20	10279	6839	1.24
<b>2028</b>	0	3932	3983	60	85	8061	35.75	8204	143	20	10423	6721	1.28
<b>2029</b>	0	4049	4122	395	85	8651	35.75	8226	-425	20	9998	6946	1.20
<b>2030</b>	0	4172	4265	465	90	8992	35.75	8217	-775	20	9222	7162	1.11
<b>2031</b>	0	4297	4414	50	90	8851	35.75	8217	-634	20	8589	7295	1.04
<b>2032</b>	0	4426	4568	70	140	9203	36.92	8466	-737	20	7851	7431	0.93
<b>2033</b>	0	4558	4891	20	85	9553	42.75	9712	159	20	8010	7989	0.82
<b>2034</b>	0	4696	5060	810	120	10685	48.58	10958	273	20	8283	8259	0.75

# Fund Balance vs. Target Balance FY 2024-25

