

**Santa Lucia Preserve
Community Services District
2020–2021 Operating Budget
Executive Summary**

FY 2019-2020 Results

Revenues for the fiscal year ending June 30, 2020 are expected to finish higher than planned, by \$62K primarily due to higher water sales over the prior year and an increase in work orders in the Roads department (mowing). Operating Expenses were better than planned by approximately \$44K. Planned projects were under budget by approximately \$209K. Approximately \$194K is planned in this year's budget (wells and gate pedestals) as work in progress.

FY 2020-2021 Budget

FY 2020-2021 is the final year of our five year plan. The draft budget includes the 4% fee increase in Property Related Fees (PRF) and an assesment of potential capital project costs and the funding of such. Total Revenues improved by \$280K over the prior year, with Property Related Fees (PRF) increasing by 4% and water meter billings up with more homes online. Total expenses, as well, have increased \$170K as compared to the prior year, due primarily to increases to General and Administration costs, including Payroll & Related and the Admin Cost Reimbursement line.

The Budget reflects an Operating Surplus, after \$160K in debt service, of approximately \$1.43M. Capital and Reserve Expenditures of approximately \$1.32M are described on the **Considerations** page.

The District's overall surplus of \$143K for the fiscal year will bring the District's estimated total Net Position at June 30, 2021, to \$4.72M. The management team, as always, will consistently explore options to reduce costs of the District at every opportunity so as to increase its financial resources wherever possible.

**COMMUNITY SERVICES DISTRICT
CONSOLIDATED STATEMENT OF OPERATIONS
2020-21 Operating Budget**

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	<u>Budget 19-20</u>	<u>Unaudited 19-20</u>	<u>Budget 20-21</u>	<u>% Rev</u>	<u>Variance \$ YOY</u>	<u>Variance % YOY</u>
REVENUES (by Source):						
Property Related Fees - Roads, Water & Security	5,468,814	5,467,394	5,687,562	82.9%	220,168	4.0%
Property Related Fees - Wastewater (Sewer & Septic)	368,985	368,989	384,405	5.6%	15,416	4.2%
Water Meter Charges	454,821	474,913	515,711	7.5%	40,798	8.6%
Security & Gatehouse Operations	16,916	12,171	14,916	0.2%	2,745	22.6%
Road & Drainage Maintenance	193,636	242,032	242,851	3.5%	819	0.3%
Housing Management Fee	7,200	7,200	7,200	0.1%	0	0.0%
Miscellaneous Income	6,000	6,000	6,000	0.1%	0	0.0%
TOTAL REVENUES	6,516,372	6,578,699	6,858,645	100.0%	279,946	4.3%
EXPENSES (by Department):						
Water Service	1,409,455	1,389,152	1,478,849	21.6%	(89,697)	-6.5%
Wastewater Collection & Treatment	230,648	206,718	207,908	3.0%	(1,190)	-0.6%
Road & Drainage Maintenance	858,617	982,400	913,362	13.3%	69,038	7.0%
Security & Gatehouse Operations	1,154,168	1,144,327	1,200,834	17.5%	(56,508)	-4.9%
General and Administrative	1,433,810	1,381,403	1,473,277	21.5%	(91,874)	-6.7%
TOTAL EXPENSES	5,148,023	5,104,000	5,274,231	76.9%	(170,231)	-3.3%
OPERATING SURPLUS (DEFICIENCY) - Before Loan Pmts	1,368,349	1,474,699	1,584,414	23.1%	109,715	7.4%
Loan Payments (Prin + Int)	159,804	159,804	159,804	2.3%	0	0.0%
OPERATING SURPLUS (DEFICIENCY)	1,208,545	1,314,895	1,424,610	20.8%	109,715	8.3%
OTHER CASH FLOW (USE)						
Interest Income	12,000	48,179	24,000	0.3%	(24,179)	-50.2%
Gain (Loss) on Sale of Fixed Assets	17,000	2,500	15,000	0.2%	12,500	500.0%
Fiber Deployment	(75,375)	0	0	0.0%	0	0.0%
Considerations	(1,547,451)	(1,338,871)	(1,320,638)	-19.3%	18,233	-1.4%
TOTAL OTHER CASH FLOW (USE)	(1,593,826)	(1,288,192)	(1,281,638)	-18.7%	6,554	-0.5%
TOTAL SURPLUS (DEFICIENCY)	(385,281)	26,703	142,972	2.1%	116,269	-435.4%
NET POSITION						
Beginning Unrestricted Net Position	4,501,294	4,547,034	4,573,737			
Total Surplus (Deficiency)	(385,281)	26,703	142,972			
Ending Unrestricted Net Position	4,116,013	4,573,737	4,716,709			
TOTAL COMBINED UNRESTRICTED NET POSITION	4,116,013	4,573,737	4,716,709			