

Consolidated Budget.....

TRIUNFO WATER & SANITATION DISTRICT
FISCAL YEAR 2020 BUDGET SUMMARY
CONSOLIDATED

Description	Actual FY 2016 Yearend	Actual FY 2017 Yearend	Actual FY 2018 Yearend	Adjusted FY 2019 Budget	Estimated FY 2019 Yearend	Proposed FY 2020 Budget
Operating revenues:						
Fees, sales	\$ 13,165,367	\$ 14,638,499	\$ 16,978,210	\$ 18,521,712	\$ 17,041,711	\$ 18,902,477
Service charges	1,379,077	1,679,051	2,034,687	2,045,445	2,111,942	2,151,160
Rental revenue - Cell Towers	112,270	111,672	175,394	142,389	169,306	176,020
Penalty revenue	75,845	92,983	109,754	86,400	97,827	93,960
Other revenue	397,821	183,402	107,609	64,500	108,208	97,500
Total operating revenues	15,130,380	16,705,608	19,405,654	20,860,445	19,528,995	21,421,117 [1]
Operating expenses:						
Wastewater treatment, Potable & R/W purchase	8,469,527	8,649,458	8,393,124	9,161,839	8,406,064	8,942,180 [2]
VRSD contract services - Operations	2,646,919	2,396,920	2,969,457	3,441,584	3,706,628	3,700,393 [3]
VRSD contract services - Administration	1,145,935	1,289,744	1,348,034	1,620,469	1,517,701	1,525,655 [3]
Operating materials and supplies	-	-	-	-	-	-
Contract services	-	-	-	-	-	-
Professional services	94,031	230,423	103,494	223,720	269,329	560,322 [4]
Insurance	40,124	53,993	67,872	91,367	80,923	88,104 [5]
Board member fees and reimbursable expenses	48,675	49,998	57,074	69,950	58,357	76,455 [6]
Membership and dues	22,921	21,648	30,953	49,773	40,773	51,073 [7]
Conference and seminars	4,299	11,228	33,313	34,423	20,967	48,423 [8]
Management and administrative	19,462	22,751	102,168	45,700	132,158	28,200 [9]
Utilities	123,442	145,292	161,221	199,530	209,301	218,730 [10]
Bank service charges	-	-	-	-	45,975	54,000 [11]
Permits, licenses and fees	286,827	258,176	301,560	454,345	310,047	260,578 [12]
Total operating expenses	12,902,162	13,129,633	13,568,268	15,392,700	14,798,224	15,554,113
Operating income(loss) before depreciation	2,228,218	3,575,975	5,837,386	5,467,745	4,730,771	5,867,004
Depreciation and amortization	1,288,281	1,271,389	1,563,459	1,611,873	1,497,496	1,497,496
Operating income(loss)	939,937	2,304,587	4,273,927	3,855,873	3,233,275	4,369,509
Non-operating revenues(expenses):						
Interest and investment earnings	69,338	50,627	160,050	60,000	315,499	300,708
Gain(loss) on sales and/or disposals of assets	1,953	-	-	-	-	-
Debt service interest expense	(367,450)	(444,336)	(684,922)	(659,764)	(659,764)	(619,507) [13]
Contributed capital assets	-	-	-	-	-	-
Overhead cost allocation	-	-	-	-	-	-
Other, net	-	-	-	-	-	-
Total non-operating revenues(expenses)	(296,159)	(393,709)	(524,873)	(599,764)	(344,265)	(318,799)
Change in net assets before capital expenses	\$ 643,778	\$ 1,910,878	\$ 3,749,055	\$ 3,256,108	\$ 2,889,010	\$ 4,050,710 [14]
Capital expenses	1,827,859	1,874,056	1,744,428	7,124,839	4,672,150	5,039,512 [15]
Capital expenses - contra	-	-	-	-	-	-
Capital expenses, net	1,827,859	1,874,056	1,744,428	7,124,839	4,672,150	5,039,512
Change in net assets	\$ (1,184,082)	\$ 36,822	\$ 2,004,627	\$ (3,868,731)	\$ (1,783,140)	\$ (988,802)

TRIUNFO WATER & SANITATION DISTRICT
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COMMENTS

The Consolidated budget summary provides a single page view of Central Administration, Wastewater, Potable Water, and Recycled Water, budget division activities, which includes Capital Expenses.

[1] Estimated FY2020 Operating Revenues include approximately \$9.92M in Wastewater, \$8.52M in Potable Water, and \$2.99M in Recycled Water. For a detailed breakdown of Operating Revenue within each segment, please see pages 22-23, 54-55, and 82-83.

[2] These estimated FY2020 expenses include approximately \$4.82M for wastewater treatment, \$3.40M for the purchase of potable water, and \$0.71M for the purchase of recycled water. For a detailed breakdown within each segment, please see pages 22-23, 54-55, and 82-83.

VRSD Contract Categories	FY 2019 Budget	FY 2020 Budget	Change	% Change
Labor	\$ 3,602,475	\$ 3,829,797	\$ 227,322	6.3%
Supplies	\$ 178,059	\$ 186,415	\$ 8,356	4.7%
Services	\$ 156,129	\$ 228,919	\$ 72,790	46.6%
Permits & Fees	\$ 4,451	\$ 4,364	\$ (87)	-1.9%
General Administrative	\$ 107,643	\$ 207,337	\$ 99,694	92.6%
Laboratory Services	\$ 73,600	\$ 32,315	\$ (41,285)	-56.1%
Other Professional Services	\$ 695,557	\$ 484,458	\$ (211,099)	-30.3%
Fleet Vehicles/Equipment	\$ 244,143	\$ 252,444	\$ 8,301	3.4%
	\$ 5,062,057	\$ 5,226,049	\$ 163,992	3.2%

For a detailed breakdown of VRSD Contract Services within each project, please see pages 18-20, 25-51, 57-80, and 84-87.

[4] Budgeted items include the TWSD General Manager (\$253.5K), rate studies (\$125K), baseline legal fees (\$63K), as-needed engineering consultant contracts (\$50K), a benchmarking study (\$25K), fees for the TWSD audit (\$24.6K), TSD's share of the JPA audit (\$5K), marketing and advertising/sponsorship (\$2.2K), and website design (\$2K).

[5] Budgeted items include liability insurance and workers' compensation (\$51.4K), the Recycled Water system (\$24K), and the AMI system (\$12.7K).

[6] This includes 315 days of service, which are primarily at TWSD Board Meetings, JPA Board Meetings, committee meetings, training, CASA attendance, ACWA attendance, CSDA attendance, and lobbying efforts in Washington DC.

[7] For a detailed breakdown, please see page 237.

[8] For a detailed breakdown, please see page 237.

[9] FY2020 management and administrative expenses include tax collector fees to collect sewer fees through the tax rolls (\$25K) and water conservation rebates (\$3.2K).

[10] Utilities are comprised of water, electricity, and telephone services, including a toll-free 800 telephone number.

[11] Credit Card Service Fees. Prior to FY2020, this expense was budgeted within Permits, Licenses, and Fees.

[12] These expenses are primarily comprised of capacity reservation charges and capacity rights obligations to the City of Los Angeles for use of the Tillman treatment plant (\$203.8K); SWRCB, Encroachment, and EHD (\$23K); and LAFCO (\$10.9K).

[13] For a detailed breakdown of debt service, please see page 235.

[14] On a consolidated basis, it is estimated that the Triunfo Sanitation District FY 2020 revenues will exceed expenses by approximately \$4.05M before capital.

[15] For a list of all capital projects, please see page 24. Joint Powers Authority related capital improvement projects are identified and discussed in the attached *Las Virgenes - Triunfo Joint Powers Authority FY 2019/20 Infrastructure Investment Plan* (Pages 188-227).

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