

Julie Kennedy, President
Lisa Palmer, Vice President
Tom Fayram, Director
Greg Parks, Director
Tom Nelson, Director



LOS OLIVOS COMMUNITY SERVICES DISTRICT **Posted: 3-24-2025**
FINANCE SUBCOMMITTEE MEETING
April 4, 2025 – 8:30 AM
St. Mark's In The Valley
2901 Nojoqui Avenue, Los Olivos, California 93441
Please observe decorum and instructions from the Subcommittee Chair

Finance Committee: President Julie Kennedy (Chair) and Director Parks

This meeting will be held both in-person and electronically via Zoom Meetings. In-person the meeting will be held at the above locations.

The public will also be able to hear and participate electronically via Zoom by using the following links:

Zoom: <https://us06web.zoom.us/j/84350602040?pwd=2VNVNnaY2fzB7MI6OML33oz2sND8RU.1>
By Phone: +1 669 900 6833 US (San Jose) Meeting ID: 843 5060 2040 Passcode: 909261
One tap mobile: +16694449171,,84350602040#,,,,*909261# US

The Los Olivos Community Services District is committed to ensuring equal access to meetings. In compliance with the American Disabilities Act, if you need special assistance to participate in the meeting or need this agenda provided in a disability-related alternative format, please call 805.500.4098 or email to losolivoscscsd@gmail.com. Any public records, which are distributed less than 72 hours prior to this meeting to all, or a majority of all, of the District's Board members in connection with any agenda item (other than closed sessions) will be available for public inspection at the time of such distribution at a location to be determined in Los Olivos, California 93441.

MEETING AGENDA

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC COMMENTS

Members of the public may address the Board of Directors on any items of interest within the subject matter and jurisdiction of the Board but not on the agenda today (Gov. Code - 54954.3). The public may also request future agenda topics at this time. Speakers are limited to a maximum of 3 minutes. Due to the requirements of the Ralph M. Brown Act, the Board of Directors cannot take action today on any matter not on the agenda, but a matter raised during Public Comments can be referred to District staff for discussion and possible action at a future meeting.

ADMINISTRATIVE ITEMS:

All matters listed hereunder constitute an administrative / consent agenda and will be acted upon by a single vote of the Board. Matters listed on the Consent Agenda will be read only on the request of a member of the Subcommittee, in which event the matter may be removed from the Consent Agenda and considered as a separate item. Public may comment on any of the items prior to the vote being taken by the Subcommittee.

4. CONSENT AGENDA

A. MINUTES APPROVAL

Approval of the minutes from January 3, 2025.

Note: Although no meeting was held on February 7, 2025 or March 7, 2025 as originally planned, a copy of the "minutes" noting that those meeting did not occur due to a lack of a quorum is attached.

BUSINESS ITEMS:

All matters listed hereunder will be acted upon separately and public comment will be held for each item.

Los Olivos Community Services District, P.O. Box 345, Los Olivos, CA 93441, (805) 500-4098

losolivoscscsd@gmail.com, www.losolivoscscsd.com

Agenda Packet

Page 1 of 32

5. INVOICE REVIEW AND RECOMMENDATION

The Subcommittee will review and recommend to the full Board of Directors, payment of those unpaid invoices that were received on or before March 3, 2025.

No.	Invoice Date	Invoice #	Provider	Amount
1	1-31-2025	I-6794	MLH – FY 2023-24 Audit Services	\$ 3,500.00
2	3-13-2025	64191	A&W – Legal Services	\$ 1,076.40
3	3-23-2025	20253	GWS – General Manager Services	\$ 4,750.00

Project	Vendor	To Date (inc. above)	Total Authorization
City of Solvang Connection	Stantec – LOCSD to Sunny Field Park force main	\$ 45,239.50	\$ 56,250.00
Groundwater Monitoring	GSI – Bi-annual sampling and testing	\$ 7,414.01	\$ 14,300.00
FY 2023-24 Audit	MLH	\$ 3,500.00	\$ 3,250.00

6. DRAFT BUDGET FY 2025-26

The General Manager has prepared a draft budget for the fiscal year 2025-26 (FY 2025-26). The District’s FY 2025-26 budget runs from July 1, 2025 through June 30, 2026. The Subcommittee will review the draft budget and may make one or more recommendations to the full Board of Directors.

7. BUDGET REPORTS

The General Manager will review the most recent budget reports (attached) and comment on changes to financial systems.

INFORMATIONAL ITEMS:

All matters listed hereunder are informational only, no action will be taken, and public comment not received.

8. SUBCOMMITTEE MEMBER COMMENTS

Subcommittee members will give reports on any meetings that they attended on behalf of the Subcommittee and/or choose to comment on various Subcommittee activities. Subcommittee member requests for future agenda items may also be made at this time.

9. ADJOURNMENT

ITEM 4A – MINUTES

MINUTES

Julie Kennedy, President
Lisa Palmer, Vice President
Tom Fayram, Director
Greg Parks, Director
Tom Nelson, Director



**LOS OLIVOS COMMUNITY SERVICES DISTRICT
FINANCE SUBCOMMITTEE MEETING**

Posted: 12-30-2024

January 3, 2025 – 8:30 AM

St. Mark's In The Valley

2901 Nojoqui Avenue, Los Olivos, California 93441

Please observe decorum and instructions from the Subcommittee Chair

Finance Subcommittee: President Julie Kennedy (Chair) and Director Parks

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MEETING AGENDA

1. CALL TO ORDER

President Kennedy (Chair) calls the meeting to order at 8:31 AM

2. ROLL CALL

Present: President Kennedy, Director Parks

Absent: None

3. PUBLIC COMMENTS

Members of the public may address the Board of Directors on any items of interest within the subject matter and jurisdiction of the Board but not on the agenda today (Gov. Code - 54954.3). The public may also request future agenda topics at this time. Speakers are limited to a maximum of 3 minutes. Due to the requirements of the Ralph M. Brown Act, the Board of Directors cannot take action today on any matter not on the agenda, but a matter raised during Public Comments can be referred to District staff for discussion and possible action at a future meeting.

Chair Kennedy opens the floor to public comment.

No requests to speak.

ADMINISTRATIVE ITEMS:

All matters listed hereunder constitute an administrative / consent agenda and will be acted upon by a single vote of the Board. Matters listed on the Consent Agenda will be read only on the request of a member of the Subcommittee, in which event the matter may be removed from the Consent Agenda and considered as a separate item. Public may comment on any of the items prior to the vote being taken by the Subcommittee.

4. CONSENT AGENDA

A. MINUTES APPROVAL

Approval of the minutes from December 6, 2024.

Chair Kennedy opens the floor to public comment.

No requests to speak.

Los Olivos Community Services District, P.O. Box 345, Los Olivos, CA 93441, (805) 500-4098

losolivoscscsd@gmail.com, www.losolivoscscsd.com

Agenda Packet

Motion to approve the minutes from December 6, 2024.

Motion by: Director Parks, Second: Chair Kennedy

Voice vote: 2-0

BUSINESS ITEMS:

All matters listed hereunder will be acted upon separately and public comment will be held for each item.

5. INVOICE REVIEW AND RECOMMENDATION

The Subcommittee will review and recommend to the full Board of Directors, payment of those unpaid invoices that were received on or before December 30, 2024.

NOTE: There was a \$45.40 charge from A&W on their November bill, that the GM authorized to be paid with the rest of the bill (92002).

No.	Invoice Date	Invoice #	Provider	Amount
1	11/20/2024	88074	MNS – Engineering and Support Services	\$ 987.50
2	12/17/2024	88303	MNS – Engineering and Support Services	\$ 802.50
3	12/06/2024	876.006-1	GSI – Bi-annual sampling and testing	\$ 5,395.26
4	11/11/2024	FB59056	Carollo – City of Solvang WWTP Engineering	\$ 2,291.00
5	11/14/2024	92001	A&W – Legal Services	\$ 1,846.80
6	12/30/2024	202412	Savage – General Manager Services	\$ 5,070.00

Project	Vendor	To Date (inc. above)	Total Authorization
City of Solvang Connection	WSC – Treatment Infrastructure (pumps, pipes)	\$ 17,032.50	\$ 18,787.00
City of Solvang Connection	Carollo – Treatment Plant Impacts	\$ 15,131.25	\$ 40,240.00
FY 2023-24 Audit	MLH		\$ 3,250.00

GM Savage introduces the item noting that there was one “hold over” charge from A&W in the amount of \$45.40 that he approved last month. It was contained in the Finance Subcommittee and Regular Meeting packets, just not separately approved.

GM Savage goes on to note that the Stantec work is well underway and that MLH has begun the FY 2023-24 Audit work.

Chair Kennedy opens the floor to public comment.

No requests to speak.

Motion to accept the invoices and recommend the invoices for approval at the full board.

Motion by: Director Parks, Second: Chair Kennedy

Voice vote: 2-0

6. BUDGET REPORTS

The General Manager will review the most recent budget reports (attached) and comment on changes to financial systems.

GM Savage briefly walks through the budget reports contained in the agenda packet..

Chair Kennedy asks about the State grant, with GM Savage responding that DE Pike is still working with the State on getting the funds.

Chair Kennedy opens the floor to public comment.

No requests to speak.

INFORMATIONAL ITEMS:

All matters listed hereunder are informational only, no action will be taken, and public comment not received.

7. SUBCOMMITTEE MEMBER COMMENTS

Subcommittee members will give reports on any meetings that they attended on behalf of the Subcommittee and/or choose to comment on various Subcommittee activities. Subcommittee member requests for future agenda items may also be made at this time.

Chair Kennedy - None

Director Parks - None


8. ADJOURNMENT

Motion to adjourn at 8:37 AM

Motion by: Director Parks, Second: Chair Kennedy

Voice vote: 2-0

Respectfully submitted:



Guy W. Savage

General Manager – Los Olivos Community Services District

Approved:

President Julie Kennedy

Julie Kennedy, President
Lisa Palmer, Vice President
Tom Fayram, Director
Greg Parks, Director
Tom Nelson, Director



**LOS OLIVOS COMMUNITY SERVICES DISTRICT
FINANCE SUBCOMMITTEE MEETING**

Posted: 1-30-2025

February 7, 2025 – 8:30 AM

St. Mark's In The Valley

2901 Nojoqui Avenue, Los Olivos, California 93441

Please observe decorum and instructions from the Subcommittee Chair

Finance Committee: President Julie Kennedy (Chair) and Director Parks

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This meeting was cancelled due to a lack of a quorum.

Respectfully submitted:

Guy W. Savage
General Manager – Los Olivos Community Services District

Julie Kennedy, President
Lisa Palmer, Vice President
Tom Fayram, Director
Greg Parks, Director
Tom Nelson, Director



**LOS OLIVOS COMMUNITY SERVICES DISTRICT
FINANCE SUBCOMMITTEE MEETING**

Posted: 3-3-2025

March 7, 2025 – 8:30 AM

St. Mark's In The Valley

2901 Nojoqui Avenue, Los Olivos, California 93441

Please observe decorum and instructions from the Subcommittee Chair

Finance Committee: President Julie Kennedy (Chair) and Director Parks

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This meeting was cancelled due to a lack of a quorum.

Respectfully submitted:

Guy W. Savage
General Manager – Los Olivos Community Services District

ITEM 5 - INVOICES

INVOICES

Moss, Levy & Hartzheim LLP
 2400 Professional Parkway, Suite 205
 Santa Maria, CA 93455
 805-925-2579

Invoice to:

LOS OLIVOS CSD
 PO Box 345
 Los Olivos, CA 93441

January 31, 2025

Inv #: I-6794
 ID #: LOCSO

For Professional Services Rendered:

2024 Audit		3,500.00
	Invoice Total	\$3,500.00
	Prior Balance	
	Payments Received – Thank You	
	Total Due	\$3,500.00

AR Summary Aging

Current	Over 30	Over 60	Over 90	Over 120	Total AR
3,500.00	0.00	0.00	0.00	0.00	3,500.00



1 Park Plaza, Suite 1000
 Irvine, CA 92614
 P (949) 223-1170 • F (949) 223-1180
 awattorneys.com

Federal Tax ID: 55-0814676

**LOS OLIVOS COMMUNITY SERVICES DISTRICT (01245)
 MONTHLY BILLING SUMMARY**

Billing Period: February 2025

Matter Description	Total Hours	Total Fees	Total Costs	Total Other Charges	Total Billed	Comments
0001 General	4.60	1,076.40	0.00	0.00	1,076.40	
TOTALS:	4.60	1,076.40	0.00	0.00	1,076.40	



1 Park Plaza, Suite 1000
 Irvine, CA 92614
 Phone: (949) 223-1170
 Fax: (949) 223-1180
 Federal Tax ID: 55-0814676

Los Olivos Community Services District
 General Manager
 PO Box 345
 Los Olivos, CA 93441

March 13, 2025
 Bill No. 94191

For Legal Services Rendered Through 2/28/25

CLIENT: 01245 - Los Olivos Community Services District
 MATTER: 0001 - General

PROFESSIONAL SERVICES

Date	Attorney	Description	Hours	Amount
02/04/25	MDK	REVIEW PP FOR BROWN ACR PRESENTATION (.2); TELEPHONE CONFERENCE WITH G. SAVAGE RE SAME	0.40	93.60
02/06/25	MDK	TELEPHONE CONFERENCE WITH G. SAVAGE RE PROP 218 PROCESS AND TIMING	0.40	93.60
02/07/25	MDK	TELEPHONE CONFERENCE WITH S. O'NEILL RE PROP 218 HEARING TIMING	0.20	46.80
02/07/25	SON	TELEPHONE CONFERENCE WITH MK RE TAX ASSESSMENT	0.20	46.80
02/08/25	MDK	REVIEW BOARD AGENDA PACKET	0.40	93.60
02/12/25	MDK	REVIEW AND REVISE BROWN ACT PRESENTATION FOR THE BOARD	0.50	117.00
02/12/25	MDK	ATTEND BOARD MEETING VIA ZOOM	2.10	491.40
02/13/25	MDK	EXCHANGE EMAIL WITH G. SAVAGE RE LEVEL OF ENVIRONMENTAL REVIEW FOR PIPELINE PROJECT	0.20	46.80
02/19/25	MDK	REVIEW PM SUBCOMMITTEE AGENDA PACKET AND EMAIL G.SAVAGE RE SAME	0.20	46.80
Total Professional Services			4.60	\$1,076.40

PROFESSIONAL SERVICES SUMMARY

Client: 01245 - Los Olivos Community Services District
Matter: 0001 - General

March 13, 2025
Page 2

Code	Name	Hours	Rate	Amount
MDK	Martin D. Koczanowicz	4.40	234.00	1,029.60
SON	Steven O'Neill	0.20	234.00	46.80
Total Professional Services		4.60		\$1,076.40

CURRENT BILL TOTAL AMOUNT DUE **\$1,076.40**

Balance Forward: 2,941.80

Receipts Since Last Bill

Date	Description	Total Applied
02/21/25	ACH Payment - Thank you	-1,846.80
02/21/25	ACH Payment - Thank you	-182.40
Less Total Payments		<u>-2,029.20</u>

Payments & Adjustments: -2,029.20

Total Due: **\$1,989.00**

Please return this page with remittance

to
Aleshire & Wynder LLP

Bill Number: 94191
Bill Date: March 13, 2025
Client Code: 01245
Client Name: Los Olivos Community Services District
Matter Code: 0001
Matter Name: General

Total Professional Services:	1,076.40
Total Disbursements:	0.00
CURRENT BILL TOTAL AMOUNT DUE	<u>\$1,076.40</u>
Balance Forward:	2,941.80
Payments & Adjustments:	-2,029.20
Total Due:	<u>\$1,989.00</u>

Amount enclosed: _____

Thank You

INVOICE

FROM:

Guy W. Savage
PO Box 894
Los Olivos, Ca 93441

BILL TO:

Via electronic delivery
President Julie Kennedy
Los Olivos Community Services District
PO Box 345
Los Olivos, Ca 93441

Invoice #: 20253
Invoice Date: 3/23/2025

Dear President Kennedy,

Please see the below for professional services provided, plus any expenditures made on behalf of the District. The attached tally of hours (units) exceeds those being billed below. This is being done to track the hours for future reference. Per agreement, the hours will be capped at thirty (30) or as authorized by the District.

Date	Description	Units	Rate	Amount
3/23/2025	General Manager Services - LOCSD (3/1/25-3/24/25) See Attached for Details	30	\$ 145.00	\$ 4,350.00
3/18/2025	HISCOX Insurance - Annual	1	\$ 400.00	\$ 400.00
Total				\$ 4,750.00

Thank you for your continued support.



Email: GM.LOCSD@gmail.com

Date	Description	Grant			Amount Grant Reimbursable	
		Hours	Reimbursable	Rate		
3-Mar	Finance and Tech agenda and post	0.75	\$	145.00	\$ 108.75	\$ -
	Technical agenda and post	0.25	\$	145.00	\$ 36.25	\$ -
	County of SB - WorkDay	0.25	\$	145.00	\$ 36.25	\$ -
	City of Solvang follow-up	0.25	\$	145.00	\$ 36.25	\$ -
	LAFCO prep - letter, schedule	1	\$	145.00	\$ 145.00	\$ -
4-Mar	Regular agenda and post	0.75	\$	145.00	\$ 108.75	\$ -
	FY 2025-26 Budget	0.25	\$	145.00	\$ 36.25	\$ -
	Planning - spreadsheet, timeline	0.5	\$	145.00	\$ 72.50	\$ -
5-Mar	Emails, Geoff Green follow up	0.5	\$	145.00	\$ 72.50	\$ -
7-Mar	Finance subcommittee (no quorum) postings, minutes, etc.	0.75	\$	145.00	\$ 108.75	\$ -
10-Mar	Stantec design review	1.25	\$	145.00	\$ 181.25	\$ -
11-Mar	Tech Subcommittee, minutes, and post	2.75	\$	145.00	\$ 398.75	\$ -
	Minutes and follow up	0.5	\$	145.00	\$ 72.50	\$ -
	Audit finalize, post, State of California, inc. Compensation post (GCC)	2.25	\$	145.00	\$ 326.25	\$ -
	FY 2025-26 Budget	0.75	\$	145.00	\$ 108.75	\$ -
	Regular meeting addendum	0.75	\$	145.00	\$ 108.75	\$ -
12-Mar	Resubmit compensation (GCC) data, SCO office	0.25	\$	145.00	\$ 36.25	\$ -
	Regular meeting prep, meeting	4.25	\$	145.00	\$ 616.25	\$ -
13-Mar	Regular and prior PM minutes and post	1	\$	145.00	\$ 145.00	\$ -
	LAFCO prep for 4-3 - presentation	1.25	\$	145.00	\$ 181.25	\$ -
	Save the date	0.5	\$	145.00	\$ 72.50	\$ -
	Quarterly newsletter, LAFCO prep	1.25	\$	145.00	\$ 181.25	\$ -
17-Mar	LAFCO, quarterly newsletter	0.75	\$	145.00	\$ 108.75	\$ -
	Billing	0.25	\$	145.00	\$ 36.25	\$ -
	May 14 workshop prep	0.75	\$	145.00	\$ 108.75	\$ -
18-Mar	Quarterly newsletter, post, mailer, LAFCO prep, emails	1	\$	145.00	\$ 145.00	\$ -
	EDDM mailer	0.25	\$	145.00	\$ 36.25	\$ -
	Community calls	0.5	\$	145.00	\$ 72.50	\$ -
19-Mar	Budget	1.25	\$	145.00	\$ 181.25	\$ -
	City of Solvang connection, Dunn, emails	0.5	\$	145.00	\$ 72.50	\$ -
	Parcel mapping, exemptions	0.75	\$	145.00	\$ 108.75	\$ -
	Kennedy	0.75	\$	145.00	\$ 108.75	\$ -
	Workday training - DTC	1	\$	145.00	\$ 145.00	\$ -
21-Mar	May 14 workshop prep	0.5	\$	145.00	\$ 72.50	\$ -
23-Mar	Finance and PM Sub agendas and post	1	\$	145.00	\$ 145.00	\$ -
Totals		31.25	0	\$	4,531.25	\$ -
Grand Totals		Hours	31.25	\$	4,531.25	\$ -



March 18, 2025

Guy Savage
2833 Grand Avenue
Los Olivos, CA 93441

Named Insured: Guy Savage
Policy: Professional Liability Insurance
Policy Number: P101.172.366.4

NOTICE OF RENEWAL

Dear Guy Savage,

Thank you for choosing Hiscox to protect your business. It's been our pleasure to serve you this past year. As your next period of coverage approaches, we want to make you aware of certain changes that will go into effect when your policy renews.

Important Policy Information:

Your new period of policy coverage is scheduled to begin on May 2, 2025 at which time your current policy will expire. Please see your new policy documents enclosed and review them carefully, as the following updates have been made to your policy.

- New Endorsement - Anti-Stacking Endorsement (Single Limit) DPL E0005 CW (12/23)
- New Endorsement - Misappropriation of Funds Exclusion Endorsement DPL E0003 CW (08/23)

Important Premium Information:

We've updated your policy to account for year-over-year economic trends and the average rate of business growth so that your business can maintain a sufficient level of coverage. If you have made any changes to your business, it is important to let us know so that we can customize your policy accordingly. Your annual revenues are estimated to be \$51,000.00.

Your annual premium for your next period of coverage is \$400.00.

Your payment(s) will be collected in the amount(s) and on the date(s) outlined in the billing summary also enclosed, and they will be charged to the same account you provided to us.

Important Reminders:

Your business doesn't stand still, and neither should your insurance. Each new policy year is a good opportunity to review your coverage against any changes in your business to make sure your policy still fits your needs. Have any of the following happened in the last year?

- Your business grew or reduced gross sales or payroll by more than 25%.
- You have merged with or acquired another organization.
- Your business operations or services changed.
- Someone else bought your business.
- You or your business had a claim made against you or experienced a loss.
- Your card or payment information on file with Hiscox has changed.

If any of these took place, or if you have any questions about your renewing policy, please call us at 855-740-2349 and have your policy number ready so we can discuss the relevant details with you. If we do not hear from you, your policy will renew based on the information we already have on file, at our current rates. Your next period of coverage will then start on the date referenced above.

We look forward to helping protect your business for another year.

Sincerely,

Hiscox

ITEM 6 – DRAFT BUDGET FY 2025-26

DRAFT BUDGET FY 2025-26

FY 2025-26 Budget Process and Timeline Review

PROPOSED STEPS		DATE
1	DRAFT Budget to Finance Subcommittee	4/4/2025
2	Budget Workshop, after Regular Meeting concludes	4/9/2025
3	GM prepares recommended DRAFT Budget	4/30/2025
4	Finance Committee prepares and approves recommended DRAFT Budget to present to Board	5/9/2025
5	Board Approves a PRELIMINARY budget at a Regular Meeting and determines a Hearing Date, after Community Workshop concludes	5/14/2025
6	<p>The District will publish a notice stating that the GM has prepared a proposed final budget which is available for inspection on the website; and include the date, time, and place when the Board will meet to adopt the final budget and that any person may appear and be heard regarding any item in the budget or regarding the addition of other items.</p> <p>Publication must be at least 2 weeks before Budget adoption meeting in at least one newspaper of general circulation in the district. NOTE: The notice must be PUBLISHED at least two weeks before the hearing, (Santa Maria Times). It only needs to be published one time. Post DRAFT Budget on Website.</p>	5/20/2024 - publication must be at least 2 weeks before 6/11/2025 meeting
7	FINAL Budget hearing, part of Regular Meeting	6/11/2025
8	Post FINAL Budget on website	6/20/2025



FY 2025-26 PROPOSED BUDGET

BOARD OF DIRECTORS

Julie Kennedy, President

Lisa Palmer, Vice President

Tom Fayram, Director

Tom Nelson, Director

Greg Parks, Director

General Manager

Guy Savage

Board of Directors:

The following pages provide an overview of the Proposed Budget for the Los Olivos Community Service District (LOCSD) for the Fiscal Year 2025-26 (FY 2025-26). The LOCSD fiscal year begins on July 1; therefore, FY 2025-26 runs from July 1, 2025 to June 30, 2026. Details of the Proposed Budget can be found on Page 4 of this document and are based on input from your March 12, 2024 Strategic and Budget Planning session, coupled with subsequent commentary in open session and from your Finance Subcommittee.

The LOCSD Proposed Budget for FY 2025-26 has been prepared consistent with the current FY 2024-25 budget. By law, the LOCSD is required to develop and adopt a balanced budget. A balanced budget is one where the total expected revenues are equal to total planned spending.

For FY 2025-26, the LOCSD anticipates \$610,630 in total cash and revenues to be available for expenditure during the fiscal year. This includes \$310,853 in fund balance from FY 2024-25, \$4,903 in Interest Income, and \$294,874 in Special Tax Revenues.

Expenses for FY 2025-26 are anticipated to be \$585,268, including all normal and professional services expenditures. Of particular note is \$425,000 in Professional and Special Services expense that are intended to set aside funding for 80% design, engineering, and cost studies (\$300,000) and environmental review (\$125,000).

Reserves are anticipated to be set at \$58,975 for the fiscal year.

Importantly, should the two Professional and Special Services expenses and normal service expenditures forecast be accurate, the LOCSD will need to use \$33,612 of its reserves to cover the forecast costs, leaving just \$25,362 in reserves at the end of the year. While not a preferred approach, the General Manager believes that this is a reasonable approach particularly as the District does not have assets that must be maintained and can manage its other professional services expenditures throughout the year. One significant downside is that very little funds will be carried into the subsequent fiscal year (FY 2026-27) and future activities will need to be curtailed until additional funding is obtained.

FY 2024-25 to FY 2025-26 Comparisons

The Adopted FY 2024-25 budget included \$236,756 in Special Tax Assessment revenues. The FY 2025-26 Proposed Budget assumes \$294,874 in Special Tax Assessments revenues. The FY 2025-26 figure is based on actual receipts in FY 2025-26 and assumes a 2.5% increase. No grant funds are assumed or budgeted for in FY 2025-26.

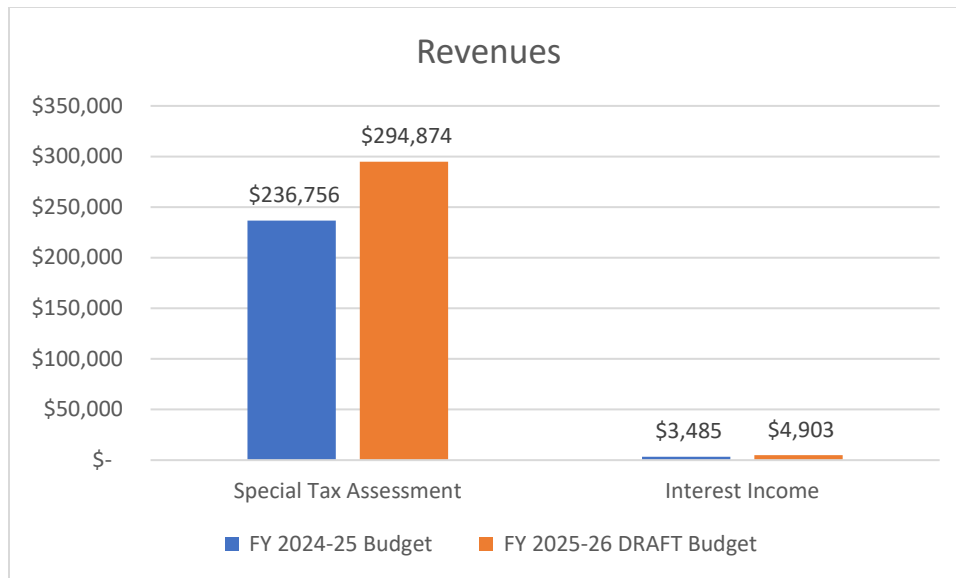


Chart 1 – Comparison of FY 2024-25 to FY 2025-26 Revenue Sources

Expenses

The expenses in the FY 2025-26 Proposed Budget includes those activities that are required to operate the LOCS D during a typical year plus any planned projects. The proposed Services and Supplies expense totals \$585,268.

Annually incurred expenses such as insurance, audit, and office expenses comprise the majority of the smaller amounts included in the Proposed Budget. The amounts used for these expenses in the FY 2025-26 Proposed Budget were based on quotes from existing service providers or prior year actuals.

Expenses related to Legal Fees and Contractual Services (GM and DE contracts) are based on a straight-line projection of FY 2024-25 actuals, plus any contractually agreed to increases. Where a contractually agreed increase is expected, a 2.5% Consumer Price Index (CPI) increase was assumed. Unlike prior years, a specific budget line item has been added for Groundwater Monitoring Well testing. The budgeted amount is based on the contract with GSI Water Solutions, who has been doing the LOCS D’s testing since the District drilled its first wells in 2023.

As part of your FY 2025-26 budget discussions, your Board emphasized increased public engagement. For this reason, five public notifications, including mailers to all property owners within the LOCS D, have been assumed. Additionally, the LOCS D is required to provide public notice in a local newspaper for its Budget Hearing. Combined, these Publication and Legal Notice costs are estimated to be \$1,750 for FY 2025-26.

The other significant expense shown in the FY 2025-26 Proposed Budget is Professional & Special Service. Based on recommendations from the Finance Subcommittee, an amount of \$425,000 is shown in the Proposed Budget for Professional and Special Services. This amount includes \$300,000 for 80% design, engineering, and cost estimating and \$125,000 for environmental review.

Additional notable expenses include staff contracts for the General Manager, District Engineer, and District Counsel. Each of these was estimated based on current year costs through March and then a calculation was made to estimate a full 12-month expense amount, then a 2.5% CPI adjustment was added.

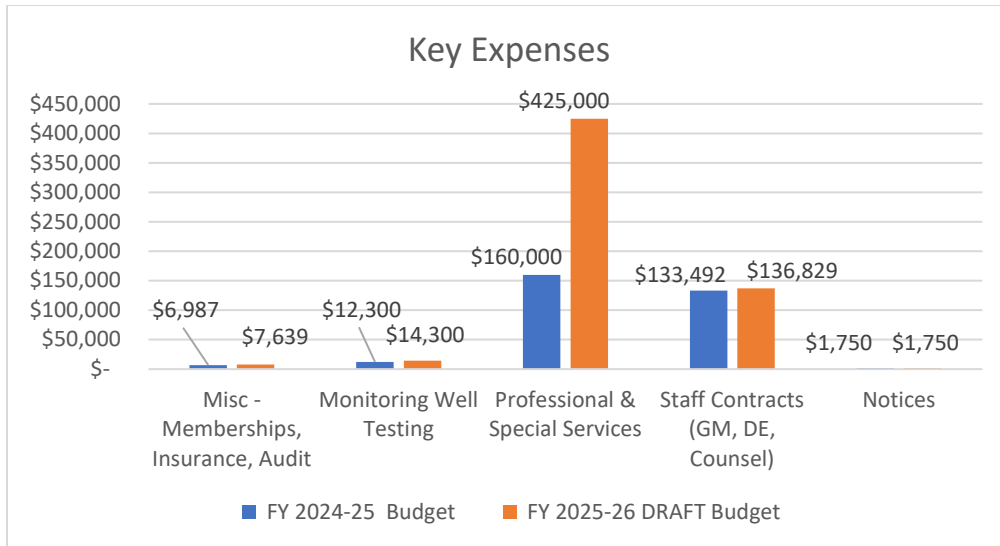


Chart 2 – Comparison of FY 2024-25 to FY 2025-26 Key Expenses

Reserves

The final amount shown on FY 2025-26 Proposed Budget is a Reserve. Per Board Policy, this amount should be budgeted no less than 10% of the current operating budget. As was done beginning in FY 2023-24, instead of using an amount tied directly to the operating budget, a calculation related to the Special Tax Revenues was used. Therefore, the amount shown for Operational Reserve is \$58,975, or 20% of the Special Tax Revenues.

Unallocated Funds

After expenditures, and setting aside an operational reserve, the District has no unallocated funds. This amount will be highly dependent on the amount of funds “carried over” from FY 2024-25. Meaning it is driven by funds that were not spent in FY 2024-25. This amount can be targeted as the year progresses towards new efforts your Board would like to see completed.

Los Olivos Community Services District
FY 2025-26 Budget (DRAFT) - 4/4/2025

Line Item Account	FY 2024-25 Budget	FY 2024-25 Budget (as of 3/11/25)	FY 2025-26 DRAFT Budget w/carry over	FY 2025-26 DRAFT Budget zero based	Notes
Beginning Balance	\$ 302,199	\$ 285,475	\$ 310,853	\$ -	
Revenues					
Taxes					
3066 -- Special Tax Assessment	\$ 236,756	\$ 143,841	\$ 294,874	\$ 294,874	2x amount recv'd by 3/11 (one payment * 2)+2.5%
Taxes	\$ 236,756	\$ 143,841	\$ 294,874	\$ 294,874	
Use of Money and Property					
3380 -- Interest Income	\$ 3,485	\$ 4,903	\$ 4,903	\$ 4,903	YTD
3381 -- Unrealized Gain/Loss Invstmnts	\$ -	\$ -	\$ -	\$ -	
Use of Money and Property	\$ 3,485	\$ 4,903	\$ 4,903	\$ 4,903	
Intergovernmental Revenue					
4339 -- State - Other	\$ -	\$ -	\$ -	\$ -	
4840 -- Other Governmental Agencies	\$ -	\$ -	\$ -	\$ -	
Intergovernmental Revenue-Other	\$ -	\$ -	\$ -	\$ -	
Miscellaneous Revenue					
5895 and 5909 -- Donations	\$ -	\$ -	\$ -	\$ -	
Miscellaneous Revenue	\$ -	\$ -	\$ -	\$ -	
Total Cash & Revenues	\$ 555,767	\$ 434,219	\$ 610,630	\$ 299,777	
Expenditures					
Services and Supplies					
7090 -- Insurance	\$ 2,787	\$ 2,770	\$ 2,839	\$ 2,839	SALY+2.5%
7324 -- Audit and Accounting Fees	\$ 2,900	\$ -	\$ 3,500	\$ 3,500	Actual 2023-24
7325 -- Other Professional Services (Well Testing)	\$ 12,300	\$ 7,414	\$ 14,300	\$ 14,300	Per contract, twice a year, all 5 wells, nitrates only
7430 -- Memberships	\$ 1,300	\$ -	\$ 1,300	\$ 1,300	SALY
7450 -- Office Expense	\$ -	\$ -	\$ -	\$ -	Included in Prof & Special Services
7460 -- Professional & Special Service (Project, Planning & Studies)	\$ 160,000		\$ 425,000	\$ 425,000	\$300K 80% Design, \$125k Environmental
7508 -- Legal Fees	\$ 28,061	\$ 12,335	\$ 28,762	\$ 28,762	SALY+2.5%
7510 -- Contractual Services (GM Contract, Engineer)	\$ 105,431	\$ 50,847	\$ 108,067	\$ 108,067	SALY+2.5%
7530 -- Publications & Legal Notices	\$ 1,750	\$ -	\$ 1,500	\$ 1,500	Budget notices + 3 workshops mailers, etc. at \$300 per workshop
7671 -- Special Projects	\$ -	\$ -	\$ -	\$ -	
7732 -- Training	\$ -	\$ -	\$ -	\$ -	
Services and Supplies	\$ 314,529	\$ 73,366	\$ 585,268	\$ 585,268	
Other Charges					
7894 - Communication Services	\$ -	\$ -	\$ -	\$ -	
Other Charges	\$ -	\$ -	\$ -	\$ -	
Operational Reserve					
Reserve	\$ 47,351	\$ -	\$ 58,975	\$ 58,975	20% of Special Tax Revenues
Total Expenditures	\$ 361,880	\$ 73,366	\$ 644,243	\$ 644,243	
Ending Balance	\$ 193,888	\$ 360,853	\$ (33,612)	\$ (344,466)	

Table 1 – FY 2025-26 Proposed Budget

Year Over Year Comparison of Budgets

Los Olivos Community Services District FY 2025-26 Budget (DRAFT)												
Line Item Account	FY 2020-21 Budget	FY 2020-21 (as of 6/30/2021)	FY 2021-22 Budget	FY 2021-22 (as of 6/30/2022)	FY 2022-23 Budget	FY 2022-23 YTD Actuals (as of 6/30/23)	FY 2023-24 Budget	FY 2023-24 YTD Actuals (as of 6/30/24)	FY 2024-25 Budget	FY 2024-25 Budget (as of 3/11/25)	FY 2025-26 DRAFT Budget w/carry over	Notes
Beginning Balance	\$ 193,885	\$ 193,885	\$ 213,370	\$ 213,370	\$ 136,475	\$ 136,475	\$ 48,678	\$ 87,567	\$ 259,257	\$ 285,475	\$ 310,853	
Revenues												
Taxes												
3066 -- Special Tax Assessment	\$ 188,887	\$ 197,023	\$ 196,253	\$ 200,931	\$ 203,121	\$ 227,650	\$ 227,650	\$ 239,513	\$ 236,756	\$ 143,841	\$ 294,874	2x amount rec'd by 3/11 (one payment * 2)+2.5%
Taxes	\$ 188,887	\$ 197,023	\$ 196,253	\$ 200,931	\$ 203,121	\$ 227,650	\$ 227,650	\$ 239,513	\$ 236,756	\$ 143,841	\$ 294,874	
Use of Money and Property												
3380 -- Interest Income		\$ 839	\$ -	\$ 764	\$ 724	\$ 1,191	\$ 744	\$ 6,014	\$ 3,485	\$ 4,903	\$ 4,903	YTD
3381 -- Unrealized Gain/Loss Invstmnts		\$ (1,157)	\$ (80)	\$ (6,602)		\$ -		\$ -	\$ -	\$ -	\$ -	
Use of Money and Property		\$ (319)	\$ (80)	\$ (5,838)	\$ 724	\$ 1,191	\$ 744	\$ 6,014	\$ 3,485	\$ 4,903	\$ 4,903	
Intergovernmental Revenue												
4339 -- State - Other	\$ 180,000	\$ 44,986	\$ 274,000	\$ 43,386	\$ 169,804	\$ 30,131	\$ -	\$ 75,000	\$ -	\$ -	\$ -	
4840 -- Other Governmental Agencies								\$ 105,508	\$ -	\$ -	\$ -	
Intergovernmental Revenue-Other								\$ 180,508	\$ -	\$ -	\$ -	
Miscellaneous Revenue												
5895 and 5909 -- Donations								\$ 20,020	\$ -	\$ -	\$ -	
Miscellaneous Revenue	\$ 180,000	\$ 44,986	\$ 274,000	\$ 43,386	\$ 169,804	\$ 30,131	\$ -	\$ 20,020	\$ -	\$ -	\$ -	
Total Cash & Revenues	\$ 562,772	\$ 435,575	\$ 683,543	\$ 451,849	\$ 510,124	\$ 395,447	\$ 277,072	\$ 533,622	\$ 555,767	\$ 434,219	\$ 610,630	
Expenditures												
Services and Supplies												
7090 -- Insurance	\$ 2,320	\$ -	\$ 2,500	\$ 162	\$ 2,500	\$ 2,800	\$ 2,934	\$ 2,933	\$ 2,787	\$ 2,770	\$ 2,839	SALY+2.5%
7324 -- Audit and Accounting Fees	\$ 4,000	\$ 2,000	\$ 4,000	\$ 178	\$ 4,000	\$ 7,775	\$ 2,500	\$ 844	\$ 2,900	\$ -	\$ 3,500	Actual 2023-24
7325 -- Other Professional Services (Well Testing)		\$ -	\$ 10,000	\$ -		\$ -			\$ 12,300	\$ 7,414	\$ 14,300	Per contract, twice a year, all 5 wells, nitrates only
7430 -- Memberships	\$ 1,200	\$ 3,533	\$ 1,200	\$ 1,102	\$ 1,200	\$ 1,287	\$ 1,300	\$ 1,244	\$ 1,300	\$ -	\$ 1,300	SALY
7450 -- Office Expense	\$ 2,000		\$ 2,000	\$ 600	\$ 2,000	\$ -		\$ 756	\$ -	\$ -	\$ -	Included in Prof & Special Services
7460 -- Professional & Special Service (Project, Planning & Studies)	\$ 193,500	\$ 54,191	\$ 439,000	\$ 156,283	\$ 189,908	\$ 219,384	\$ 78,886	\$ 148,986	\$ 160,000		\$ 425,000	\$300K 80% Design, \$125k Environmental
7508 -- Legal Fees	\$ 27,000	\$ 17,921	\$ 27,000	\$ 27,165	\$ 30,000	\$ 36,481	\$ 45,529	\$ 23,268	\$ 28,061	\$ 12,335	\$ 28,762	SALY+2.5%
7510 -- Contractual Services (IGM Contract, Engineer)	\$ 80,400	\$ 95,023	\$ 67,000	\$ 103,038	\$ 49,000	\$ 79,041	\$ 98,643	\$ 95,761	\$ 105,431	\$ 50,847	\$ 108,067	SALY+2.5%
7530 -- Publications & Legal Notices	\$ 1,000	\$ -	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ 1,750		\$ 1,750	\$ -	\$ 1,500	Budget notices + 3 workshops mailers, etc. at \$300 per workshop
7671 -- Special Projects	\$ 8,000	\$ -	\$ 15,000	\$ -	\$ 175,000	\$ -		\$ 574	\$ -	\$ -	\$ -	
7732 -- Training	\$ 1,500	\$ -	\$ 1,500	\$ -	\$ 1,500	\$ -			\$ -	\$ -	\$ -	
Services and Supplies	\$ 320,920	\$ 172,668	\$ 574,200	\$ 288,527	\$ 460,108	\$ 346,769	\$ 231,542	\$ 274,365	\$ 314,529	\$ 73,366	\$ 585,268	
Other Charges												
7894 - Communication Services	\$ 930	\$ 600	\$ 930	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other Charges	\$ 930	\$ 600	\$ 930	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Operational Reserve												
Reserve							\$ 45,530	\$ -	\$ 47,351	\$ -	\$ 58,975	20% of Special Tax Revenues
Total Expenditures	\$ 321,850	\$ 173,268	\$ 575,130	\$ 288,527	\$ 460,108	\$ 346,769	\$ 277,072	\$ 274,365	\$ 361,880	\$ 73,366	\$ 644,243	
Ending Balance	\$ 240,922	\$ 262,307	\$ 108,413	\$ 163,321	\$ 49,293	\$ 48,678	\$ 0	\$ 259,257	\$ 193,888	\$ 360,853	\$ (33,612)	

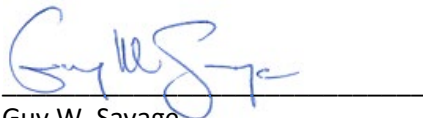
FY 2025-26 Budget Timeline

PROPOSED STEPS		DATE
1	DRAFT Budget to Finance Subcommittee	4/4/2025
2	Budget Workshop, after Regular Meeting concludes	4/9/2025
3	GM prepares recommended DRAFT Budget	4/30/2025
4	Finance Committee prepares and approves recommended DRAFT Budget to present to Board	5/9/2025
5	Board Approves a PRELIMINARY budget at a Regular Meeting and determines a Hearing Date, after Community Workshop concludes	5/14/2025
6	The District will publish a notice stating that the GM has prepared a proposed final budget which is available for inspection on the website; and include the date, time, and place when the Board will meet to adopt the final budget and that any person may appear and be heard regarding any item in the budget or regarding the addition of other items. Publication must be at least 2 weeks before Budget adoption meeting in at least one newspaper of general circulation in the district. NOTE: The notice must be PUBLISHED at least two weeks before the hearing, (Santa Maria Times). It only needs to be published one time. Post DRAFT Budget on Website.	5/20/2024 - publication must be at least 2 weeks before 6/11/2025 meeting
7	FINAL Budget hearing, part of Regular Meeting	6/11/2025
8	Post FINAL Budget on website	6/20/2025

Table 2 – FY 2025-26 Budget Timeline

As a resident of the District, I would like to thank you for your ongoing support of the Los Olivos Community Services District’s mission to improve groundwater quality by converting septic systems to a community wastewater collection, treatment, and reclamation facility in the Los Olivos area.

Sincerely,

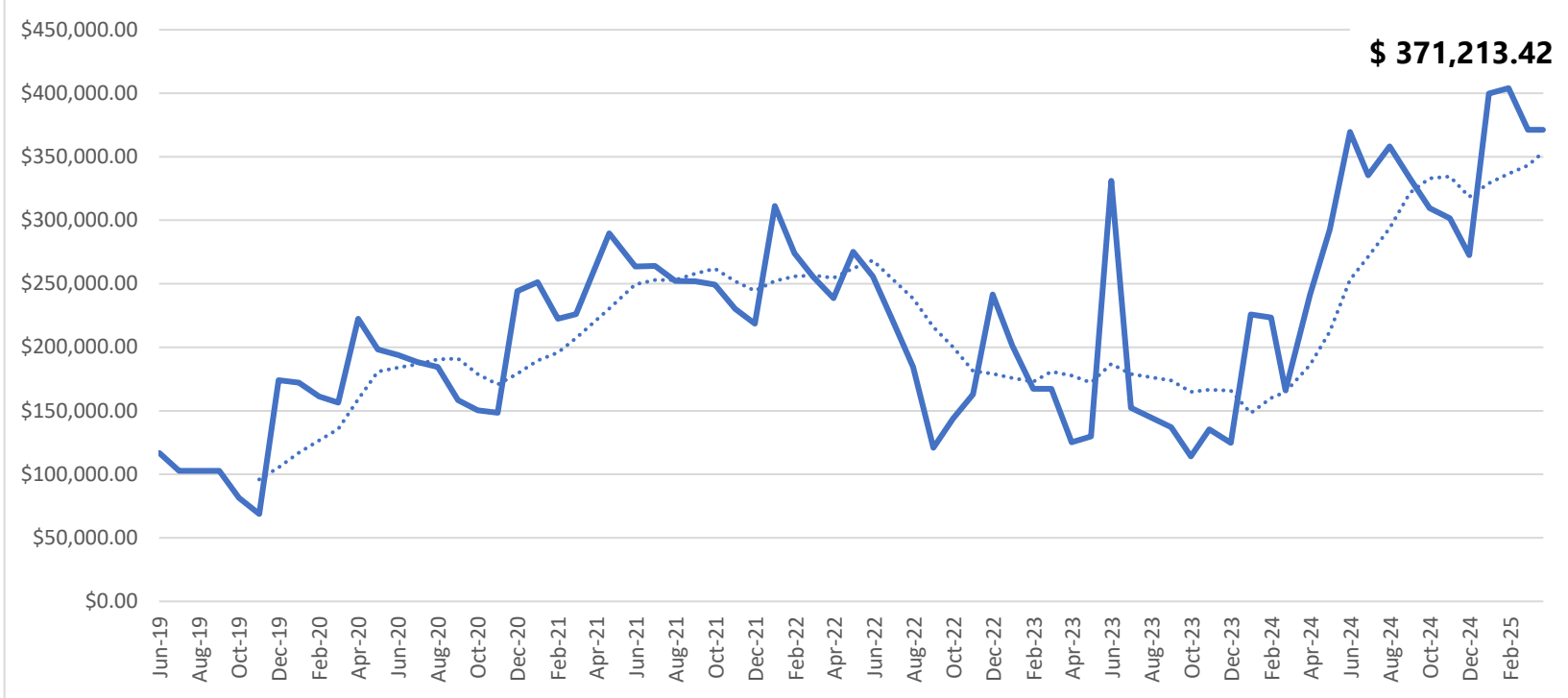


Guy W. Savage
General Manager
Los Olivos Community Services District

ITEM 7 – BUDGET REPORTS

BUDGET REPORTS

Los Olivos CSD Cash Balance History - w/6 month Trendline



General Ledger Trial Balance

As of: 3/23/2025
Accounting Period: OPEN

Selection Criteria: Fund = 3490

Layout Options: Summarized By = Fund; Page Break At = Fund

Fund 3490 -- Los Olivos CSD

	Beginning Balance 7/1/2024	Year-To-Date Debits	Year-To-Date Credits	Ending Balance 3/31/2025
Assets & Other Debits				
Assets				
0110 -- Cash in Treasury	324,224.67	331,451.32	284,462.57	371,213.42
0240 -- Interest Receivable	2,259.32	4,903.21	7,162.53	0.00
Total Assets	326,483.99	336,354.53	291,625.10	371,213.42
Total Assets & Other Debits	326,483.99	336,354.53	291,625.10	371,213.42
Liabilities, Equity & Other Credits				
Liabilities				
1010 -- Warrants Payable	0.00	2,900.00	2,900.00	0.00
1015 -- EFT Payable	0.00	133,723.13	133,723.13	0.00
1210 -- Accounts Payable	0.00	136,623.13	136,623.13	0.00
Total Liabilities	0.00	273,246.26	273,246.26	0.00
Equity				
2200 -- Fund Balance-Residual	-326,483.99	0.00	0.00	-326,483.99
2710 -- Revenues/Other Fin Sources	0.00	147,839.44	329,192.00	-181,352.56
2810 -- Expenditures/Other Fin Uses	0.00	136,623.13	0.00	136,623.13
Total Equity	-326,483.99	284,462.57	329,192.00	-371,213.42
Total Liabilities, Equity & Other Credits	-326,483.99	557,708.83	602,438.26	-371,213.42
Total Los Olivos CSD	0.00	894,063.36	894,063.36	0.00

Cash Balances

As of: 3/23/2025
Accounting Period: OPEN

Selection Criteria: Fund = 3490

Layout Options: Summarized By = Fund; Page Break At = Fund

Fund	3/1/2025 Beginning Balance	Month-To-Date Cash Receipts (+)	Month-To-Date Treasury Credits (+)	Month-To-Date Warrants and Wire Transfers (-)	Month-To-Date Treasury Debits (-)	3/23/2025 Ending Balance
3490 -- Los Olivos CSD	371,213.42	0.00	0.00	0.00	0.00	371,213.42
Total Report	371,213.42	0.00	0.00	0.00	0.00	371,213.42

Financial Status

As of: 3/23/2025 (73% Elapsed)
Accounting Period: OPEN

Selection Criteria: Fund = 3490

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 3490 -- Los Olivos CSD

Line Item Account	6/30/2025 Fiscal Year Adjusted Budget	3/23/2025 Year-To-Date Actual	6/30/2025 Fiscal Year Variance	6/30/2025 Fiscal Year Pct of Budget
Revenues				
Taxes				
3066 -- Special Tax Assessment	0.00	143,840.93	143,840.93	--
Taxes	0.00	143,840.93	143,840.93	--
Use of Money and Property				
3380 -- Interest Income	0.00	4,903.21	4,903.21	--
Use of Money and Property	0.00	4,903.21	4,903.21	--
Intergovernmental Revenue-Other				
4840 -- Other Governmental Agencies	0.00	32,608.42	32,608.42	--
Intergovernmental Revenue-Other	0.00	32,608.42	32,608.42	--
Revenues	0.00	181,352.56	181,352.56	--
Expenditures				
Services and Supplies				
7090 -- Insurance	0.00	2,769.86	-2,769.86	--
7324 -- Audit and Accounting Fees	0.00	2,900.00	-2,900.00	--
7460 -- Professional & Special Service	0.00	67,771.52	-67,771.52	--
7508 -- Legal Fees	0.00	12,334.80	-12,334.80	--
7510 -- Contractual Services	0.00	50,846.95	-50,846.95	--
Services and Supplies	0.00	136,623.13	-136,623.13	--
Expenditures	0.00	136,623.13	-136,623.13	--
Los Olivos CSD	0.00	44,729.43	44,729.43	--
Net Financial Impact	0.00	44,729.43	44,729.43	--