

2020 05 09 Treasurer's Report

Errors on LB 20 & 30 and status of 2019-20 budget:

There were several errors on the 2019-20 LB 20 & LB 30 Budget Reports submitted to the Department of Revenue, last July. These just became evident at the end of April when the budget was finally entered into Quickbooks and we were able to compare with actual income and expenses.

1) Cash Carryover from 6/30/19, listed on the LB 20 (Resources, or Revenue) as \$ 25,894.00. was inadvertently added to revenue anticipated from water sales and other sources for 2019-20. Cash carryover is supposed to be the amount set aside to get through the first month of the next fiscal year—it is not part of revenue that will be received for this fiscal year.

2) \$6,000.00, identified as "Future LID for System Repairs" is included as revenue anticipated for 2019-20. There had been some general discussion about how an LID could be used at the time the 19-20 budget was prepared, but there was/is no LID in process. In any case, an LID would have been a completely separate Special Fund budget (ie., a tax).

Because of the above overstatements of revenue, when the second part of the budget (the Expenditures side) was prepared, it appeared that there was \$31,894.00. more revenue to spend than there would ever be. At this late hour, we are faced with only 6 more weeks in which we can tighten the belt to reduce spending—which has already started. It will be impossible to make up the entire difference this way, so it is probable that savings will have to be used to get through the beginning of 20-21 fiscal year.

Note that we are evidently not the first district to make the cash carryover mistake: the previous LB20 forms are somewhat deceiving. The new forms for 20-21 have been revised and it should not be so easy to misinterpret what should be included as Resources. SDAO has advised that we are not required to reconvene the Budget Committee to produce an amended budget.

Bank Statements for April are reconciled. Today's balances are as follows

Checking: \$29,485.73	Savings (Treasury) \$66,974.57	Community Center Fund \$366.79
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Accounts Payable: May (so far) invoices totaling \$2,193.72, were paid yesterday.

Accounts Receivable: Customer billings went out via email yesterday, USPS bills went last Friday. We currently have only \$650.00 past due accounts. These represent only 2 accounts, which are expected to be paid in full before the end of the month.

We had an unanticipated expense in April when a car crashed off Otter Crest Loop onto our water line that parallels the road. The driver was uninsured, and our liability insurance does not cover such an event. The district has to absorb the cost of \$893.00. Fortunately the line did not break. Superintendent Jim Osburn was able to temporarily re-support the above ground pipe on its piers. To completely and properly repair the aged pipe would be extremely expensive as replacement would be required to meet today's engineering and seismic standards.

FINANCIAL/OFFICE:

Jim has requested a debit or credit card for purchasing all the miscellaneous supplies he cannot obtain from our larger suppliers, but needs to get locally. Columbia Bank will issue credit card with a \$500.00 credit limit. Part of the application process is that we need to assign a second card to someone? Who should that be? Also need Board resolution for both things.