



Wednesday, March 27, 2024 at 1:00 PM
Valley Sanitary District Board Room
45500 Van Buren St., Indio, CA 92201

**BUDGET & FINANCE
COMMITTEE MEETING
AGENDA**

Valley Sanitary District is open to the public and board meetings will be conducted in person. In addition to attending in person, members of the public may view and participate in meeting via the following:

Zoom link: <https://us06web.zoom.us/j/89552721234>

Meeting ID: 895 5272 1234

To address the Board of Directors during the virtual live session via zoom, please email the Clerk of the Board at hgould@valley-sanitary.org or, alternatively, during the specific agenda item or general comment period (i.e. non-agenda items), please use the "raise your hand" function in zoom in order to be recognized by the Clerk of the Board in order to provide comments in real time.

The Clerk of the Board will facilitate to the extent possible any email requests to provide oral testimony that are sent during the live meeting. Members of the public may provide Oral testimony in person or during the virtual live session and are limited to three minutes each. To address the Board in person please complete speaker request card located at in the Board Room and give it to the Clerk of the Board.

If you are unable to provide comments during the meeting, written public comments on agenda or non-agenda items may be submitted by email to the Clerk of the Board at hgould@valley-sanitary.org. Written comments must be received by the Clerk of the Board no later than 11:00 a.m. on the day of the meeting.

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. PUBLIC COMMENT
5. DISCUSSION / ACTION ITEMS
- 5.1 [APPROVE MINUTES FOR THE JANUARY 2, 2024, BUDGET & FINANCE COMMITTEE MEETING](#)

Recommendation: Approve

5.2 **SELECT BUDGET & FINANCE CHAIRPERSON**

Recommendation: Approve

5.3 **REVIEW AND DISCUSSION OF VALLEY SANITARY DISTRICT DRAFT FISCAL YEAR 2024/25 OPERATING AND CAPITAL BUDGET**

Recommendation: Discussion

6. ADJOURNMENT

POSTED March 26, 2024

Holly Gould

Clerk of the Board

Valley Sanitary District

PUBLIC NOTICE

In compliance with the Americans with Disabilities Act, access to the Board Room and Public Restrooms has been made. If you need special assistance to participate in this meeting, please contact Valley Sanitary District (760) 235-5400. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA TITLE II). All public records related to open session items contained on this Agenda are available upon request at the Administrative Office of Valley Sanitary District located at 45-500 Van Buren Street, Indio, CA 92201. Copies of public records are subject to fees and charges for reproduction.



Valley Sanitary District

DATE: March 27, 2024
TO: Budget & Finance Committee
FROM: Jeanette Juarez, Chief Administration Officer
SUBJECT: APPROVE MINUTES FOR THE JANUARY 2, 2024, BUDGET & FINANCE COMMITTEE MEETING

Suggested Action

Approve

Strategic Plan Compliance

GOAL 6: Improve Planning, Administration and Governance

Fiscal Impact

There is no fiscal impact to this report.

Environmental Review

This item does not qualify as a project defined by the California Environmental Quality Act (CEQA).

Background

The minutes from the January 2, 2024, Budget & Finance Committee meeting are presented for review and approval.

Recommendation

Approve the minutes from the January 2, 2024, Budget & Finance Committee meeting.

Attachments

[02 Jan 2024 Meeting Minutes.edited.doc](#)

**VALLEY SANITARY DISTRICT
BUDGET & FINANCE COMMITTEE MEETING MINUTES**
January 2, 2024

A regular meeting of the Valley Sanitary District (VSD) Budget & Finance Committee was held at 45-500 Van Buren Street in Indio, California, on Tuesday, January 2, 2024.

1. CALL TO ORDER

Committee Member Debra Canero called the meeting to order at 1:00 p.m.

2. ROLL CALL

Directors Present:

Committee Member Debra Canero

Committee Member Scott Sear

Staff Present:

Jason Dafforn, General Manager; Jeanette Juarez, Chief Administrative Officer; and Holly Gould, Clerk of the Board

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT – None.

5. DISCUSSION / ACTION ITEMS

5.1 Approve Minutes for the November 7, 2023, Budget & Finance Committee

Committee Member Sear motioned to approve the minutes of the November 7, 2023, Budget & Finance Committee meeting. Committee Member Canero seconded the motion. Motion carried.

5.2 Review Budget Timeline for the Fiscal Year 2024/25

The action for approval and adoption of the annual budget is completed in June each calendar year. In preparation for the fiscal year 2024/25 budget, staff has prepared a budget timeline for the Budget and Finance Committee to review. The timeline includes deliverable due dates and meeting dates. The timeline will serve as a guide during the upcoming weeks to continue budget discussions and allow for any modifications if needed. The Committee discussed engaging with the surrounding cities and keeping the community involved with updating the District's master plan and future financial model. The Committee suggested highlighting some of the completed capital projects as part of the District's outreach.

6. ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 1:22 p.m. The next regular committee meeting will be on March 5, 2024.

Respectfully submitted,
Holly Gould, Clerk of the Board
Valley Sanitary District



Valley Sanitary District

DATE: March 27, 2024
TO: Budget & Finance Committee
FROM: Jeanette Juarez, Chief Administrative Officer
SUBJECT: SELECT BUDGET & FINANCE CHAIRPERSON

Suggested Action

Approve

Strategic Plan Compliance

GOAL 6: Improve Planning, Administration and Governance

Fiscal Impact

There is no fiscal impact.

Environmental Review

This item does not qualify as a project for the purposes of CEQA.

Background

Each year the Board President appoints directors to serve on the various committees. Each committee then selects which director shall serve as chairperson.

Recommendation

Staff recommends that the Committee members select a chairperson.



Valley Sanitary District

DATE: March 27, 2024
TO: Budget & Finance Committee
FROM: Jeanette Juarez, Chief Administrative Officer
SUBJECT: REVIEW AND DISCUSSION OF VALLEY SANITARY DISTRICT DRAFT FISCAL YEAR 2024/25 OPERATING AND CAPITAL BUDGET

Suggested Action

Discussion

Strategic Plan Compliance

GOAL 5: Long-Term Financial Strength

Fiscal Impact

The proposed operating and capital budget for the fiscal year 2024/25 is \$18,797,619 and \$38,935,000 respectively.

Environmental Review

This item does not qualify as a project defined by the California Environmental Quality Act (CEQA).

Background

The action for approval and adoption of the annual budget is completed in June of each calendar year. In preparation for the fiscal year 2024/25 budget, staff has prepared a technical memo for the Budget and Finance Committee to review.

The proposed operating and capital budget for the fiscal year 2024/25 is \$18,797,619 and \$38,935,000 respectively. The operating budget encompasses such costs as personnel, California Public Employees' Retirement System (CalPERS) Unfunded Accrued Liability (UAL), debt service, insurance premiums, and other overhead costs to run day-to-day operations. The capital budget incorporates key projects to further advance the District's Capital Improvement Program (CIP). There are 23 capital projects requested in the fiscal year 2024/25. The CIP for the fiscal year 2024/25 includes the Recycled Water Project Phase I, the Recycled Water Project Phase II Design, Laboratory and Operations building designs, and the design of a biosolids conversion project.

This discussion item allows the Budget and Finance Committee to review the draft budget and allow

for comments and direction.

Recommendation

Receive and file this report as information.

Attachments

[Technical Memo FY2024-25 Proposed Budgets.pdf](#)

[FY25 Budget Tables.pdf](#)



Technical Memo Budget Variance FY2024/25

March 27, 2024

To: Budget and Finance Committee

From: Jeanette Juarez, Chief Administrative Officer

The purpose of this report is to provide the Budget and Finance Committee with the proposed fiscal year 2024/25 operating and capital budget for review.

The action for approval and adoption of the annual budget is completed in June of each calendar year. In preparation for the fiscal year 2024/25 budget, staff prepared a technical memo for the Budget and Finance Committee to review.

The proposed operating and capital budget for the fiscal year 2024/25 is \$18,797,619 and \$38,935,000 respectively. The operating budget encompasses such costs as personnel, California Public Employees' Retirement System (CalPERS) Unfunded Accrued Liability (UAL), debt service, insurance premiums, and other overhead costs to run day-to-day operations. The capital budget incorporates key projects to further advance the District's Capital Improvement Program (CIP). There are 23 capital projects requested in the fiscal year 2024/25. The CIP for the fiscal year 2024/25 includes the Recycled Water Project Phase I, the Recycled Water Project Phase II Design, Laboratory and Operations building designs, and the design of a biosolids conversion project.

This discussion item allows the Budget and Finance Committee to review the draft budget and allow for comments and direction.

Proposed FY2024/25 Operating Budget Variance Report Summary

Revenue	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget	Budget Change	Percentage Change
SEWER SERVICE CHGS-CURRENT	\$ 15,224,732	\$ 17,466,637	\$ 17,066,857	\$ 18,725,133	\$ 20,362,242	\$ 3,295,385	19.3%
TAXES - CURRENT SECURED	1,031,138	1,300,862	615,751	1,064,175	1,265,434	649,683	105.5%
CONNECTION FEES	4,242,643	1,047,104	767,790	1,157,834	900,000	132,210	17.2%
INTEREST INCOME FUND 12	49,628	567,596	622,164	973,009	534,316	(87,849)	-14.1%
INTEREST INCOME FUND 11	38,503	639,901	419,905	757,280	460,327	40,422	9.6%
INTEREST INCOME FUND 13	16,150	234,664	248,919	417,935	239,860	(9,059)	-3.6%
TAXES - CURRENT UNSECURED	34,714	38,230	37,592	64,340	60,712	23,120	61.5%
SUPPLE PROP. TAXES - CURRENT	4,865	36,147	14,478	19,110	36,075	21,597	149.2%
SUPPLE PROP. TAXES - PRIOR	11,256	9,497	8,653	19,963	19,952	11,299	130.6%
TAXES - PRIOR SECURED	8,468	11,987	8,168	18,856	18,571	10,403	127.4%
PERMIT & INSPECTION FEES	44,130	26,975	20,817	18,390	16,161	(4,656)	-22.4%
SALE OF SURPLUS PROPERTY	18,247	21,032	21,274	17	11,357	(9,917)	-46.6%
NON-OPERATING REVENUES - FND 11	63,565	40,558	28,876	48,783	7,530	(21,346)	-73.9%
PLAN CHECK FEES	12,350	10,200	8,800	7,425	6,935	(1,865)	-21.2%
HOMEOWNERS TAX RELIEF	6,668	7,023	3,552	5,027	5,190	1,638	46.1%
UNREALIZED GAINS (LOSSES)	(43,863)	(18,394)	-	11,674	4,972	4,972	0.0%
OTHER SERVICES	3,810	6,370	1,568	2,655	4,455	2,887	184.1%
REBATE INCOME	2,100	2,252	2,278	3,358	3,751	1,473	64.7%
SEWER SERVICE PENALTIES	-	-	-	1,655	-	-	0.0%
TAXES - PRIOR UNSECURED	-	2,398	-	-	-	-	0.0%
SADDLES/DISCONNECT FEES	-	320	243	360	-	(243)	-100.0%
TOTAL REVENUE	\$ 20,769,105	\$ 21,451,359	\$ 19,897,685	\$ 23,316,980	\$ 23,957,840	\$ 4,060,155	20.4%

- Projections for the annual revenue were determined both using linear and weighted average computations. The data markers used were actuals for FY22, FY23, and Projected FY24. The weighted average data used was actuals for FY2020-2023 and projections for FY24.
- The interest rate was budgeted at ½ the projection due to the Federal Reserve's plan to cut interest rates three (3) times within the next year. The connection fees were also adjusted to match current projections.

Wages	FY24	FY25	Variance	Variance (%)
Maintenance	\$ 702,073	\$ 804,200	\$ 102,127	14.5%
Operations	\$ 984,735	\$ 1,061,937	\$ 77,202	7.8%
Engineering	\$ 675,473	\$ 721,596	\$ 46,123	6.8%
Laboratory	\$ 393,597	\$ 437,772	\$ 44,175	11.2%
Collections	\$ 463,892	\$ 505,394	\$ 41,502	8.9%
Board	\$ 113,400	\$ 113,400	\$ -	0.0%
Administration	\$ 867,869	\$ 860,953	\$ (6,916)	-0.8%
Total	\$ 4,201,039	\$ 4,505,252	\$ 304,213	7.2%

- The change to the wages is attributed to a Cost-of-Living Adjustment (COLA) of 5.0% as per the annual average of Consumer Price Index, Riverside for the calendar year 2023. Also, there are the projected positions that will be promoted to the next classification

due to certification (e.g. Wastewater Operator III will be promoted to Wastewater Operator IV). In FY2024/25 the Maintenance Department anticipates six (6) anticipated certification upgrades.

Fringe Benefits	FY24	FY25	Variance	Variance (%)
Maintenance	\$ 335,627	\$ 378,598	\$ 42,971	12.8%
Laboratory	\$ 143,504	\$ 168,497	\$ 24,993	17.4%
Engineering	\$ 221,913	\$ 240,050	\$ 18,137	8.2%
Collections	\$ 222,211	\$ 239,099	\$ 16,888	7.6%
Administration	\$ 334,831	\$ 344,534	\$ 9,703	2.9%
Operations	\$ 404,652	\$ 410,367	\$ 5,715	1.4%
Board	\$ 19,266	\$ 19,806	\$ 540	2.8%
Total	\$ 1,682,004	\$ 1,800,951	\$ 118,947	7.1%

- Fringe benefits had an increase due to a budgeted 8% increase in health insurance contributions, a 3% increase in PEMCHA contributions, and an 8% in vision and dental contributions. These projections are consistent with market trends over the past three (3) years.

Services	FY24	FY25	Variance	Variance (%)
Administration	\$ 1,097,869	\$ 1,437,361	\$ 339,492	30.9%
Engineering	\$ 8,700	\$ 33,110	\$ 24,410	280.6%
Collections	\$ 120,920	\$ 139,450	\$ 18,530	15.3%
Operations	\$ 679,700	\$ 686,645	\$ 6,945	1.0%
Board	\$ 78,600	\$ 78,600	\$ -	0.0%
Laboratory	\$ 44,163	\$ 43,022	\$ (1,141)	-2.6%
Maintenance	\$ 213,590	\$ 205,866	\$ (7,724)	-3.6%
Total	\$ 2,243,542	\$ 2,624,054	\$ 380,512	17.0%

- Uniform services increased \$14K across all departments in anticipation of an RFP.
- The Administration Department had an increase in contracts of \$120K due to a sewer rate and capacity fee study that needs to be completed. \$30,000 for Prop 218 notices. \$100K was budgeted for the centennial planning. And an increase of \$82K for the marketing and outreach program. Medical services increased \$42K with the inclusion of a health and wellness program.
- The Engineering Department had an increase of \$8K in the contracts budget for ArcGISPro licenses that need to be upgraded. Also, there is \$15K budgeted for a new aerial photo for the GIS system.

- The Collections Department had an increase to contracted services for \$16,000 for the roach control program and emergency contingency services. The prices for materials have increased and therefore the service price has increased.
- The Operations Department increased its contracted services budget by \$1,500 for IT Upgrades and MCR Technologies - Annual Flow Meter Calibrations. The department also increased its uniform services by \$450 for new hats for District employees.
- The Maintenance Department had a decrease in contracted services due to the inclusion of services in the Janitorial contract for tree trimming \$11K.

Supplies and Materials	FY24	FY25	Variance	Variance (%)
Maintenance	\$ 517,615	\$ 546,265	\$ 28,650	5.5%
Operations	\$ 926,700	\$ 942,500	\$ 15,800	1.7%
Administration	\$ 53,875	\$ 67,498	\$ 13,623	25.3%
Collections	\$ 166,000	\$ 168,000	\$ 2,000	1.2%
Engineering	\$ 1,000	\$ 1,000	\$ -	0.0%
Board	\$ 3,000	\$ 3,000	\$ -	0.0%
Laboratory	\$ 160,800	\$ 153,100	\$ (7,700)	-4.8%
Total	\$ 1,828,990	\$ 1,881,363	\$ 52,373	2.9%

- The Maintenance Department increased the tools and equipment budget \$28K for Safety Table Saw, Electrolysis Cleaning Tool, and Miscellaneous Small Tool Acquisition and Replacement.
- The Operations Department increased \$4,800 for polymer for the belt presses and four (4) belt replacements. There is \$10K budgeted in repairs in maintenance for plant rehabilitation/paint. Also, there was a \$1K increase for small tools.
- The Administration Department had an increase of \$13K in the budget to cover the cost of replacing computers for the District.
- The Collections Department had an increase of \$2K for pump station repairs and pumps.
- The Laboratory Department had a decrease of \$4,500 for Contingency for Instrument Repairs and Maintenance. The department also decreased the research and monitoring budget by \$2,500 as more tests are being conducted onsite. (e.g., Biosolids Testing for Sludge Samples).

Fuels and Lubricants	FY24	FY25	Variance	Variance (%)
Engineering	\$ -	\$ -	\$ -	0.0%
Collections	\$ -	\$ -	\$ -	0.0%
Operations	\$ 70,000	\$ 70,000	\$ -	0.0%
Maintenance	\$ -	\$ -	\$ -	0.0%
Laboratory	\$ -	\$ -	\$ -	0.0%
Administration	\$ -	\$ -	\$ -	0.0%
Board	\$ -	\$ -	\$ -	0.0%
Total	\$ 70,000	\$ 70,000	\$ -	0.0%

- Fuels and lubricants had no change. The FY2023/24 projected expense is \$ \$47K. Fuel prices have started to increase in March of 2024 and as a conservative projection the fuel budget will stay at \$70K.

Comprehensive Insurance	FY24	FY25	Variance	Variance (%)
Administration	\$ 525,926	\$ 587,185	\$ 61,259	11.6%
Engineering	\$ -	\$ -	\$ -	0.0%
Collections	\$ -	\$ -	\$ -	0.0%
Operations	\$ -	\$ -	\$ -	0.0%
Maintenance	\$ -	\$ -	\$ -	0.0%
Laboratory	\$ -	\$ -	\$ -	0.0%
Board	\$ -	\$ -	\$ -	0.0%
Total	\$ 525,926	\$ 587,185	\$ 61,259	11.6%

- Insurance premiums increased for general liability by \$34K due to CPI and an increase in assets. The earthquake insurance increased by \$15K due to the insurance pool increase. Workers' compensation insurance increased by \$10K due to an increase in projected wages and insurance pool x-mod.

Projects	FY24	FY25	Variance	Variance (%)
Engineering	\$ -	\$ -	\$ -	0.0%
Collections	\$ -	\$ -	\$ -	0.0%
Operations	\$ -	\$ -	\$ -	0.0%
Maintenance	\$ -	\$ -	\$ -	0.0%
Laboratory	\$ -	\$ -	\$ -	0.0%
Board	\$ -	\$ -	\$ -	0.0%
Administration	\$ 464,000	\$ 398,000	\$ (66,000)	-14.2%
Total	\$ 464,000	\$ 398,000	\$ (66,000)	-14.2%

- The Administration Department had a decrease in general projects due to a decrease in EVRA contribution of \$100K. New projects include a \$64K Collection System Upgrade - Cloud Based Asset Management System and Server Replacement for \$25K.

Utilities	FY24	FY25	Variance	Variance (%)
Operations	\$ 1,064,000	\$ 1,178,000	\$ 114,000	10.7%
Engineering	\$ -	\$ -	\$ -	0.0%
Laboratory	\$ -	\$ -	\$ -	0.0%
Administration	\$ -	\$ -	\$ -	0.0%
Board	\$ -	\$ -	\$ -	0.0%
Collections	\$ 17,000	\$ 15,500	\$ (1,500)	-8.8%
Maintenance	\$ -	\$ -		0.0%
Total	\$ 1,081,000	\$ 1,193,500	\$ 112,500	10.4%

- The Operations Department increased the electricity budget by \$114K in anticipation for both rate increases from IID and a usage increase and the construction of the new digester progresses.
- The Collections Department decreased its electricity budget by \$1,500 due to actual use projections.

Loan Payments	FY24	FY25	Variance	Variance (%)
Engineering	\$ -	\$ -	\$ -	0.0%
Collections	\$ -	\$ -	\$ -	0.0%
Operations	\$ -	\$ -	\$ -	0.0%
Maintenance	\$ -	\$ -	\$ -	0.0%
Laboratory	\$ -	\$ -	\$ -	0.0%
Board	\$ -	\$ -	\$ -	0.0%
Administration	\$ 5,270,359	\$ 4,590,650	\$ (679,709)	-12.9%
Total	\$ 5,270,359	\$ 4,590,650	\$ (679,709)	-12.9%

- The Administration Department decreased loans payable due to an adjustment in the loan schedule for the Bank of America loan for FY2024/25. The Bank of America loan payment will be \$681,459 lower in comparison to the previous year. However, the loan payment will be adjusted in FY2025/26.

Permits and Fees	FY24	FY25	Variance	Variance (%)
Collections	\$ 24,200	\$ 27,400	\$ 3,200	13.2%
Administration	\$ 26,100	\$ 28,500	\$ 2,400	9.2%
Maintenance	\$ 2,310	\$ 2,600	\$ 290	12.6%
Engineering	\$ 1,000	\$ 1,000	\$ -	0.0%
Board	\$ -	\$ -	\$ -	0.0%
Laboratory	\$ 10,000	\$ 7,700	\$ (2,300)	-23.0%
Operations	\$ 85,260	\$ 84,610	\$ (650)	-0.8%
Total	\$ 148,870	\$ 151,810	\$ 2,940	2.0%

- The Collections Department increased the State General Waste Discharge Annual Permit Fee (SWRCB) by \$3K due to anticipated changes. The department also added \$200 for new CARB annual fees.
- The Administration Department increased \$500 for LAFCO fees. The department also increased the county permit budget expenditures by \$1,900 due to current projections.
- The Maintenance Department increased the permitting budget by \$290 for the Fire Department (Fuel Tank Permit).
- The Laboratory Department decreased the Environmental Laboratory Certification Program (ELAP) fees by \$2,500 due to completion of the audit.
- The Operations Department had a decrease of \$650 for Occupational Lead Poisoning Prevention/Toxic Substance fees.

Other	FY24	FY25	Variance	Variance (%)
Board	\$ 59,640	\$ 129,640	\$ 70,000	117.4%
Administration	\$ 182,917	\$ 189,547	\$ 6,630	3.6%
Engineering	\$ 11,831	\$ 16,985	\$ 5,154	43.6%
Operations	\$ 53,510	\$ 55,975	\$ 2,465	4.6%
Maintenance	\$ 37,590	\$ 39,020	\$ 1,430	3.8%
Collections	\$ 27,170	\$ 27,170	\$ -	0.0%
Laboratory	\$ 21,785	\$ 20,645	\$ (1,140)	-5.2%
Total	\$ 394,443	\$ 478,982	\$ 84,539	21.4%

- The increase in the Board of Directors Department is attributed to \$70K budgeted for anticipated election costs.
- The Administration Department increased memberships by \$6,205 due to the addition of the Great Places to Work and increases in membership dues for; the National Association Clean Water Agency (NACWA), California Association of Sanitation Agencies (CASA), and WateReuse Membership.
- The Engineering Department increases \$4,739 due to anticipated conferences and training for the department. The certification budget increased \$415 for CWEA Technical Certification Programs Engineering Tech (CST I, E&IT I), CWEA Technical Certification Programs Development Service Technician III (CST II& ECI), and Professional Engineer (PE) (District Engineer and Associate Engineer).
- The Operations Department increased the training budget by \$1,610 for WEFTEC and the CWEA annual conference. The certification budget increased by \$855 for SWRCB and CWEA renewals.
- The Maintenance Department increased the training budget by \$1,760 to include the CWEA annual conference.
- The Laboratory Department decreased its membership budget by \$1,075 by removing the Coalition of Accredited Laboratories (CAL) membership.

CalPers UAL	FY24	FY25	Variance	Variance (%)
Engineering	\$ -	\$ -	\$ -	0.0%
Collections	\$ -	\$ -	\$ -	0.0%
Operations	\$ -	\$ -	\$ -	0.0%
Maintenance	\$ -	\$ -	\$ -	0.0%
Laboratory	\$ -	\$ -	\$ -	0.0%
Board	\$ -	\$ -	\$ -	0.0%
Administration	\$ 712,721	\$ 515,872	\$ (196,849)	-27.6%
Total	\$ 712,721	\$ 515,872	\$ (196,849)	-27.6%

- Annual payment on the Unfunded Accrued Liability (UAL) is the amortized dollar amount needed to fund past service credit earned (or accrued) for members who are currently receiving benefits, active members, and for members entitled to deferred benefits, as of the valuation date.
- In September 2023 the Board of Directors approved the Five-Year Fresh Start payoff option for the CalPERS UAL to pay the \$2.1M balance.

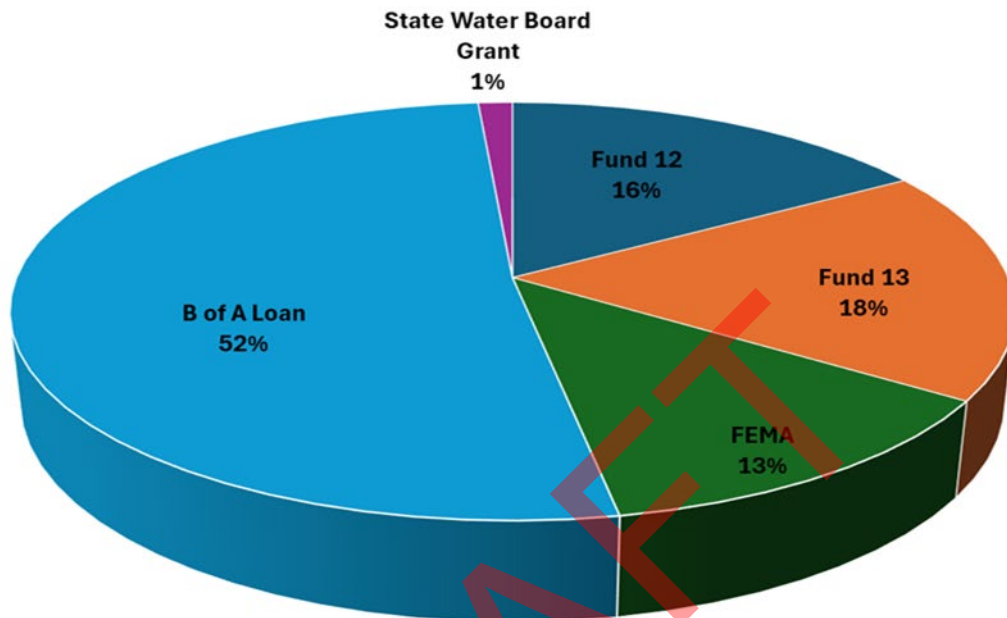
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Proposed FY2024/25 Capital Budget Summary

The capital budget incorporates key projects to further advance the District’s Capital Improvement Program (CIP). There are 23 capital projects requested in the fiscal year 2024/25. The CIP for the fiscal year 2024/25 includes the Recycled Water Project Phase I, the Recycled Water Project Phase II Design, Laboratory and Operations building designs, and the design of a biosolids conversion project.

System	Recurring Project	Project	Fund 12	Fund 13	FEMA	B of A Loan	State Water Board Grant	Total
Plant Facility		Recycled Water Project Phase 1 (Amend #1 & #2)	\$ -	\$6,000,000	\$ -	\$ 20,100,000	\$ -	\$ 26,100,000
Plant Facility		Biosolids Conversion Project		1,000,000				1,000,000
Plant Facility		1 MGD Tertiary Water Treatment Project	1,500,000					1,500,000
Plant Facility		Laboratory Building - Final Design	1,000,000					1,000,000
Plant Facility		Training & Office Building - Design	1,000,000					1,000,000
Plant Facility		Water Reclamation Facility Master Plan	400,000					400,000
Plant Facility	✓	Vehicle & Major Equipment Replacement Fund	800,000					800,000
Plant Facility		Concrete Repairs to ASP Plant	150,000					150,000
Plant Facility		Upgrade District Security Cameras	150,000					150,000
Plant Facility		Repairs to Primary Clarifiers (2)	130,000					130,000
Plant Facility		Amonia / Nitrification Process Upgrade	100,000					100,000
Plant Facility		Lighting and Camera Installation at Gate Entrances	30,000					30,000
Plant Facility		Polymer Pump Replacement at Belt Filter Press	15,000					15,000
Plant Facility		Boiler Gas Compressor Rebuild	25,000					25,000
Plant Facility		Ferric Chloride Skid and Concrete Pad Installation	150,000					150,000
Plant Facility		Recycled Water Use Plan					500,000	500,000
Sewage Collection	✓	Lateral Grant Program	50,000					50,000
Sewage Collection	✓	Sewer Repairs and/or Rehabilitation	125,000					125,000
Sewage Collection		Emergency Sewer Siphon Replacement Design	50,000		750,000			800,000
Sewage Collection		Emergency Sewer Siphon Replacement Const.	331,250		4,218,750			4,550,000
Sewage Collection		Emergency Response Trailer	75,000					75,000
Sewage Collection		Software Upgrades for Lucity and GIS systems	85,000					85,000
Sewage Collection	✓	Contingency	200,000					200,000
TOTAL			\$ 6,366,250	\$ 7,000,000	\$ 4,968,750	\$ 20,100,000	\$ 500,000	\$ 38,935,000

Capital Funding by Source



DRAFT

FY2024/25 Revenues

Revenue	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget	Budget Change	Percentage
SEWER SERVICE CHGS-CURRENT	\$ 15,224,732	\$ 17,466,637	\$ 17,066,857	\$ 18,725,133	\$ 20,362,242	\$ 3,295,385	19.3%
TAXES - CURRENT SECURED	1,031,138	1,300,862	615,751	1,064,175	1,265,434	649,683	105.5%
CONNECTION FEES	4,242,643	1,047,104	767,790	1,157,834	900,000	132,210	17.2%
INTEREST INCOME FUND 12	49,628	567,596	622,164	973,009	534,316	(87,849)	-14.1%
INTEREST INCOME FUND 11	38,503	639,901	419,905	757,280	460,327	40,422	9.6%
INTEREST INCOME FUND 13	16,150	234,664	248,919	417,935	239,860	(9,059)	-3.6%
TAXES - CURRENT UNSECURED	34,714	38,230	37,592	64,340	60,712	23,120	61.5%
SUPPLE PROP. TAXES - CURRENT	4,865	36,147	14,478	19,110	36,075	21,597	149.2%
SUPPLE PROP. TAXES - PRIOR	11,256	9,497	8,653	19,963	19,952	11,299	130.6%
TAXES - PRIOR SECURED	8,468	11,987	8,168	18,856	18,571	10,403	127.4%
PERMIT & INSPECTION FEES	44,130	26,975	20,817	18,390	16,161	(4,656)	-22.4%
SALE OF SURPLUS PROPERTY	18,247	21,032	21,274	17	11,357	(9,917)	-46.6%
NON-OPERATING REVENUES - FND 11	63,565	40,558	28,876	48,783	7,530	(21,346)	-73.9%
PLAN CHECK FEES	12,350	10,200	8,800	7,425	6,935	(1,865)	-21.2%
HOMEOWNERS TAX RELIEF	6,668	7,023	3,552	5,027	5,190	1,638	46.1%
UNREALIZED GAINS (LOSSES)	(43,863)	(18,394)	-	11,674	4,972	4,972	0.0%
OTHER SERVICES	3,810	6,370	1,568	2,655	4,455	2,887	184.1%
REBATE INCOME	2,100	2,252	2,278	3,358	3,751	1,473	64.7%
SEWER SERVICE PENALTIES	-	-	-	1,655	-	-	0.0%
TAXES - PRIOR UNSECURED	-	2,398	-	-	-	-	0.0%
SADDLES/DISCONNECT FEES	-	320	243	360	-	(243)	-100.0%
TOTAL REVENUE	\$ 20,769,105	\$ 21,451,359	\$ 19,897,685	\$ 23,316,980	\$ 23,957,840	\$ 4,060,155	20.4%

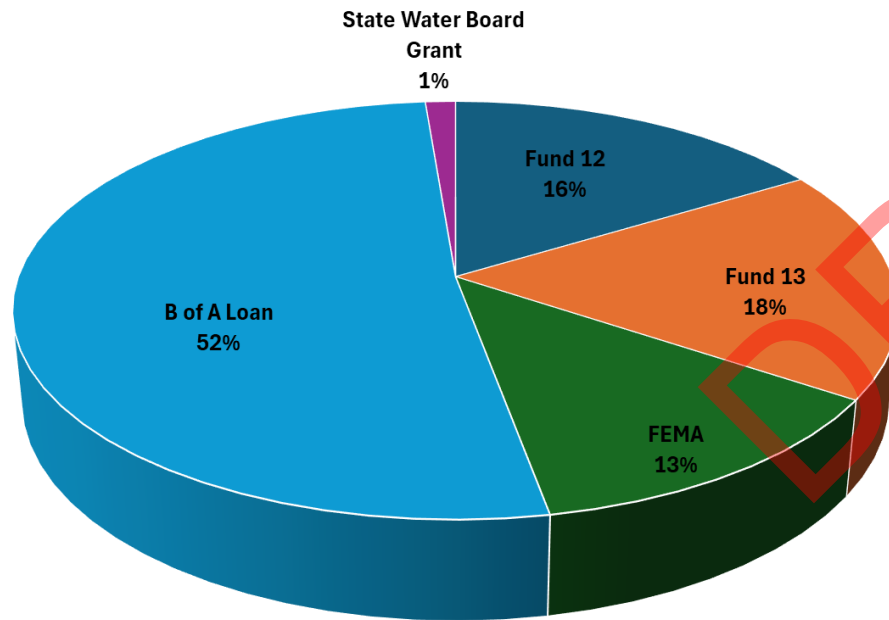
FY2024/25 Operating Budget

Expenses	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget	Budget Change	Percentage Change
Debt Service	\$ 1,018,873	\$ 4,412,971	\$ 5,270,359	\$ 5,270,359	\$ 4,590,650	\$ (679,709)	-12.9%
Wages	3,158,780	3,574,886	4,201,039	4,026,598	4,505,252	304,213	7.2%
Services	1,181,047	1,083,587	2,243,542	1,056,513	2,624,054	380,512	17.0%
Supplies and Materials	1,200,601	1,430,979	1,828,990	1,317,176	1,881,363	52,373	2.9%
Fringe Benefits	1,130,355	1,306,126	1,682,004	1,503,914	1,800,951	118,947	7.1%
Utilities	758,223	867,892	1,081,000	1,064,447	1,193,500	112,500	10.4%
Comprehensive Insurance	407,825	419,814	525,926	523,660	587,185	61,259	11.6%
Unfunded Accrued Liability	700,420	736,606	712,721	-	515,872	(196,849)	-27.6%
Other	196,297	194,924	394,443	256,371	478,982	84,539	21.4%
Projects	313,389	32,400	464,000	59,464	398,000	(66,000)	-14.2%
Permits and Fees	57,370	73,633	148,870	90,299	151,810	2,940	2.0%
Fuels and Lubricants	44,267	55,479	70,000	47,255	70,000	-	0.0%
TOTAL EXPENSES	\$ 10,167,446	\$ 14,189,298	\$ 18,622,894	\$ 15,216,056	\$ 18,797,619	\$ 174,725	0.9%

FY2024/25 Capital Budget

System	Recurring Project	Project	Fund 12	Fund 13	FEMA	B of A Loan	State Water Board Grant	Total
Plant Facility		Recycled Water Project Phase 1 (Amend #1 & #2)	\$ -	\$ 6,000,000	\$ -	\$ 20,100,000	\$ -	\$ 26,100,000
Plant Facility		Biosolids Conversion Project		1,000,000				1,000,000
Plant Facility		1 MGD Tertiary Water Treatment Project	1,500,000					1,500,000
Plant Facility		Laboratory Building - Final Design	1,000,000					1,000,000
Plant Facility		Training & Office Building - Design	1,000,000					1,000,000
Plant Facility		Water Reclamation Facility Master Plan	400,000					400,000
Plant Facility	✓	Vehicle & Major Equipment Replacement Fund	800,000					800,000
Plant Facility		Concrete Repairs to ASP Plant	150,000					150,000
Plant Facility		Upgrade District Security Cameras	150,000					150,000
Plant Facility		Repairs to Primary Clarifiers (2)	130,000					130,000
Plant Facility		Amonia / Nitrification Process Upgrade	100,000					100,000
Plant Facility		Lighting and Camera Installation at Gate Entrances	30,000					30,000
Plant Facility		Polymer Pump Replacement at Belt Filter Press	15,000					15,000
Plant Facility		Boiler Gas Compressor Rebuild	25,000					25,000
Plant Facility		Ferric Chloride Skid and Concrete Pad Installation	150,000					150,000
Plant Facility		Recycled Water Use Plan					500,000	500,000
Sewage Collection	✓	Lateral Grant Program	50,000					50,000
Sewage Collection	✓	Sewer Repairs and/or Rehabilitation	125,000					125,000
Sewage Collection		Emergency Sewer Siphon Replacement Design	50,000		750,000			800,000
Sewage Collection		Emergency Sewer Siphon Replacement Const.	331,250		4,218,750			4,550,000
Sewage Collection		Emergency Response Trailer	75,000					75,000
Sewage Collection		Software Upgrades for Lucity and GIS systems	85,000					85,000
Sewage Collection	✓	Contingency	200,000					200,000
TOTAL			\$ 6,366,250	\$ 7,000,000	\$ 4,968,750	\$ 20,100,000	\$ 500,000	\$ 38,935,000

Capital Funding By Source



Funding Source	FY25 Budget
Fund 12	6,366,250
Fund 13	7,000,000
FEMA	4,968,750
B of A Loan	20,100,000
State Water Board Grant	500,000
Total Funds Requested	38,935,000