

"Recycling Wastewater Into Safe Water"



FISCAL YEAR 2021/22 OPERATING AND CAPITAL BUDGET





VSD



FISCAL YEAR 2021/22 OPERATING AND CAPITAL BUDGET

Valley Sanitary District Board of Directors



Scott Sear
Board President



Dennis Coleman
Vice President



Debra Canero
Secretary/Treasurer



William Teague
Director



Mike Duran
Director

Mission Statement

Valley Sanitary District serves and benefits Indio and the surrounding communities by collecting, treating, and recycling wastewater to ensure a healthy environment and sustainable water supply.



VSD

Senior Administration



Beverli Marshall
General Manager



Ron Buchwald
Engineering Services
Manager



Jeanette Juarez
Business Services
Manager



Anna Bell
Interim Facility
Operations Manager

Contact Information



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BUDGET MESSAGE





VSD



TO: Honorable Board of Directors
Customers Served by Valley Sanitary District

FROM: Beverli A. Marshall, General Manager

DATE: July 1, 2021

SUBJECT: Operating and Capital Budget for Fiscal Year 2021/22

On behalf of the Management Team, I am pleased to present to you the operating and capital Budget for fiscal Year 2021/22. The District proudly operates in accordance with all applicable laws and regulations. This budget, which is effective July 1, 2021 through June 30, 2022 provides a financial framework for all District activities. It is balanced and consistent with policy direction from the Board of Directors and priorities identified in the Strategic Plan.

The budget is a guide for the District and establishes a path for staff to follow in making day-to-day decisions as the District strives to stay ahead of changing environmental requirements, maintain critical infrastructure and meet the needs of the communities and citizens that it serves.

ECONOMIC CONDITIONS

In fiscal year 2021/22, the COVID-19 Pandemic impacted the economy at a national and global level. Businesses, schools, entertainment venues and other services deemed non-essential were forced to close as public health policies were enforced to reduce the spread of the virus. The COVID-19 Pandemic created a unique economy, according to the Employment Development Department, California's unemployment rate rose to a record high of 15.5% in April 2020. The Leisure & Hospitality industry posted the largest job loss at 866,200.¹ Given that the City of Indio's two (2) main contributions to the local economy are year-round agriculture and tourism the state mandated shut down resulted in an economic atmosphere with high levels of uncertainty. The last year has been a true test to economic resiliency, not just for the City of Indio and the Coachella Valley, but the State of California as a whole. However, Government action through Paycheck Protection Program (PPP) loan, extended unemployment insurance, and direct checks provided financial assistance and relief to many.

At the March 3, 2021, City Council Meeting, the Indio City Manager Mark Scott delivered the fiscal year 2020/21 Midyear Budget update. In his update, the City Manager confirmed that the revenue and expenditure trends are better than initially anticipated in June of 2019. According to the City Manager

the favorable trends are attributed to “robust sales citywide, which have generated more sales tax and Measure X use tax revenues, in spite of the economic pressures placed on businesses by the pandemic”.² Analysts at the state level are also projecting that California will recover faster than the rest of the nation due to a combination of COVID-19 economic relief packages and increased vaccinations. Tourism is also expected to increase in California due to international travel restrictions.

There are now signs of recovery as the unemployment in Riverside County decreased to 8.0% as of February 2021.³ Locally, the City of Indio has seen an increase in home building, new shopping centers have opened, and more are scheduled to open within the coming fiscal year. The city has also spent \$47 million in infrastructure and capital improvements.⁴ The city has large capital projects programmed for fiscal year 2021/22 that will encourage new commercial development. These initiatives benefit the District because they encourage residential and commercial development within the service area which in turn leads to an increase in sewer connections. The District, like the City of Indio will build on the current momentum to take full advantage of the opportunities and realize goals through strategic planning.

1. Feler, L. (2021, March). Robust Economic Growth and Recovery After a Dreadful Year. *UCLA Anderson Forecast*, (), 1-13.
2. Scott, M. (2021). Budgets and Quarterly Reports. <https://www.indio.org/civicax/filebank/blobdload.aspx?t=51086.23&BlobID=31725>
3. YCHARTS. (2021). *Riverside County, CA Unemployment Rate*. https://ycharts.com/indicators/riverside_county_ca_unemployment_rate#:~:text=Riverside%20County%2C%20CA%20Unemployment%20Rate%20is%20at%208.00%25%2C%20compared,month%20and%204.10%25%20last%20year.
4. CVEP. (2020). Greater Palm Springs Economic Report. https://cvep.com/wp-content/uploads/2021/02/CVEP-2020-Economic-Report_02-01-21.pdf

BUDGET OVERVIEW

This budget is based on the services, goals, and objectives outlined by the Board of Directors in the Strategic Plan. For fiscal year 2021/22, the anticipated total operating revenue is \$15.8 million. The proposed operating and capital budgets are \$10.9 million and \$15.9 million, respectively.

| | FY21 Budget | FY22 Budget | Budget Change | Percent Change |
|---------------------|----------------------|----------------------|---------------------|-------------------|
| Operating Budget | \$ 9,151,339 | \$ 10,967,155 | \$ 1,815,816 | 19.8% |
| Capital Budget | 10,395,887 | 15,912,465 | 5,516,578 | 53.1% |
| Total Budget | \$ 19,547,226 | \$ 26,879,620 | \$ 7,332,394 | 37.5% |

The increase in operating expenditures is due to:

- regulatory changes requiring new or increased treatment processes;
- increasing utilities, supplies, and contract service costs;
- increasing staff to meet changing needs;
- wage changes to be more competitive with other agencies in the region to address recruitment and retention issues;
- allocating funds to replace and repair equipment as it reaches the end of its useful life; and
- reserves to meet debt service requirement

The increase in capital improvement program expenditures is due to:

- replacing and repairing collection system main lines;
- upgrading existing treatment equipment and infrastructure to meeting changing regulatory requirements;
- additional treatment equipment and infrastructure to provide redundancy and service continuity; and,
- implementing a recycled water program to recharge the Coachella Valley aquifer.

The budget reflects an increase of three (3) budgeted full-time positions compared to FY 2020/21. The budget includes a fund transfer from the Operating Fund to the Capital Improvement Fund of \$1.0 million toward projects identified in the 5-Year Capital Improvement Plan. The budget also demonstrates the District's ability to meet debt service requirements by maintaining a debt ratio of no less than 1.25.

SEWER USE CHARGE

The District receives revenue from limited sources, the Sewer Use Charge (SUC) being the primary source of both operating and capital improvement revenue. In fiscal year 2020/21 the District hired an independent consultant to complete a Comprehensive Wastewater Rate Study. The study addressed three (3) key issues:

- The development of net revenue requirements from FY22 to FY41
- The establishment and maintenance of reserve funds and targets
- The funding of the Districts' Capital Improvement Program (CIP)

The findings of the completed study showed a significant funding shortfall in coming years if no adjustment to rates is implemented. In other words, the District will not be able to fund both operating and maintenance costs as well as the planned capital improvements if it does not implement rate increases to generate the additional revenue needed to fund these obligations.

The CIP identifies approximately \$139 million in capital improvements over the next five (5) years. A new SUC rate and connection fee structure was proposed and presented to the Board of Directors for review.

The public had opportunities to comment on the proposed rate increases during the Board meetings on January 5, January 19, February 16, and March 9, 2021. At its meeting on March 9, 2021, the Board approved the proposed SUC rates to be published for public comment, to become effective July 1, 2021, and set the public hearing for May 11, 2021. Following all Prop 218 mandates, the District mailed out notices to its customers that it would be considering an increase of the SUC rates each year for the next five (5) years.

The proposed rates are needed to maintain operating service levels, fund critical, high risk projects identified in the 20-Year District-Wide Master Plan and to meet debt service requirements. In addition to using the additional SUC revenue, the District plans to finance \$165 million through various loan programs to bridge the gap.

CHALLENGES

The District is not immune to increasing costs in key areas such as: utility rates; aging infrastructure and replacement needs; mandatory retirement benefit contributions; health care premiums; post-employment benefits; and regulatory changes. The District has addressed these challenges through implementation of efficiency methods, installation of a 1 Mega Watt solar power system, and replacement of high-energy use equipment with more efficient equipment.

The District's biggest current challenge is to address its aging infrastructure and changing regulatory requirements. The 20-Year Master Plan indicates a need for over \$260 million in improvements and replacement of assets. The District's rate analysis reflects that the District will need to borrow approximately \$165 million with a 30-year repayment schedule for each loan at a 2.5% interest rate.

The District continues to look for other revenue sources, such as grants and partnerships with private companies, to offset the cost of both operations and capital improvements.

ACKNOWLEDGEMENTS

I would like to recognize and thank the support, collaboration, and assistance of the Board of Directors in developing a fiscally responsible budget. I would also like to acknowledge District staff whose hard work enabled the smooth and timely completion of the budget process.

Respectfully submitted,

Beverli A. Marshall

Beverli A. Marshall, ICMA-CM, CSDM
General Manager

OVERVIEW



INDIO, CALIFORNIA “CITY OF FESTIVALS”

In 1876, the City of Indio was originally a railroad town that served as a rest area between Los Angeles, California and Yuma, AZ. Soon the Southern Pacific Depot Station and Hotel were built to help retain workers in the area. The city began to grow and became an agricultural region producing dates, onions, citrus, and cotton.¹ On May 16, 1930, Indio became the first incorporated city in the Coachella Valley. Today Indio is home to over 90,000 residents and an estimated 1.4 million people visit annually to attend the Coachella Valley Music and Arts Festival and Stagecoach Country Music Festival.¹ Nicknamed the “City of Festivals”, Indio has fast become an abundant community that offers a variety of exceptional dining, shopping, golfing, art, and entertainment experiences.

Indio is part of Riverside County and resides 75 miles east of Riverside, 127 miles east of Los Angeles, and 148 miles northeast of San Diego. The city covers roughly 29 square miles and is 99.97% land and 0.03% water.³ Indio lies just three (3) miles from the San Andreas Fault, one of the largest faults in the world. The high mountain ranges contribute to Indio’s warm climate year-round.



Image borrowed from the Riverside County 2021 webpage²

1. Indio City of Festivals. (2021). <https://www.indio.org/about/history.htm>
2. Riverside County. (2021). Riverside County. <https://rivco4.org/Cities/Indio>
3. U.S. Department of Commerce. (). QuickFacts Indio City, California. [http://Indio City of Festivals. \(2021\). https://www.indio.org/about/history.htm](http://Indio City of Festivals. (2021). https://www.indio.org/about/history.htm)

POINTS OF ATTRACTION

Adorned with a gorgeous desert backdrop, Indio has over 348 days of sunshine per year, perfect for outdoor activities. The City of Indio offers world class golf courses, unique restaurants, a mix of retail stores, outdoor adventures, and renowned music festivals. The city has something for everyone.



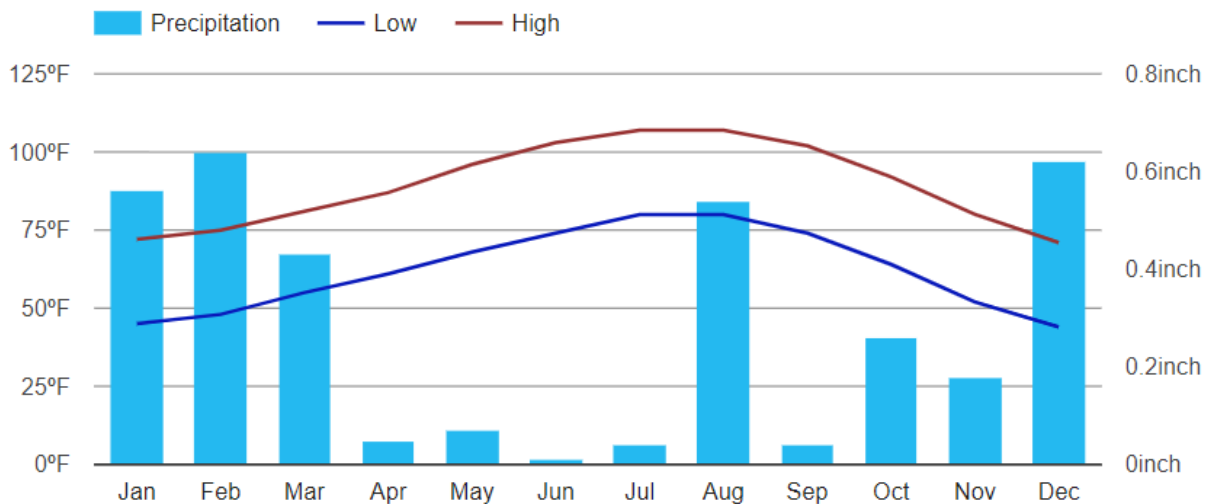
CLIMATE

Due to its unique geographical location and high mountain ranges, Indio has some of the warmest winters on the west coast. The city has a warm winter and hot summer climate primarily due to its desert climate. There is very little rainfall throughout the year. The average annual temperature in Indio is 75.5 °F, with an estimated 3.14 inches of annual precipitation.¹

Climate Indio- Annual Average¹

| Month | January | February | March | April | May | June |
|---------------------------------|---------|----------|-------|-------|------|------|
| Average high in °F | 72 | 75 | 81 | 87 | 96 | 103 |
| Average low in °F | 45 | 48 | 55 | 61 | 68 | 74 |
| Average precipitation in inches | 0.56 | 0.64 | 0.43 | 0.05 | 0.07 | 0.01 |

| Month | July | August | September | October | November | December |
|---------------------------------|------|--------|-----------|---------|----------|----------|
| Average high in °F | 107 | 107 | 102 | 92 | 80 | 71 |
| Average low in °F | 80 | 80 | 74 | 64 | 52 | 44 |
| Average precipitation in inches | 0.04 | 0.54 | 0.04 | 0.26 | 0.18 | 0.62 |

Indio Climate Graph¹

1. U.S. Climate Data. (2021). U.S. Climate Data. <https://www.usclimatedata.com/climate/indio/california/united-states/usca0512>

ECONOMIC INDICATORS

To summarize the impact COVID-19 had on the City of Indio and the Coachella Valley, one can quote the Coachella Valley Economic Partnership (CVEP) economic report, “One year ago. Have those words ever meant more?” (P. 5).¹ The past year has been a true test to economic resiliency, not just for the Coachella Valley, but the State of California as a whole. State mandated shutdowns pushed many businesses to close temporarily or close permanently. However, according to the UCLA Anderson Forecast 2021 quarterly report, as county and state restrictions begin to be lifted California’s economy is expected to recover faster than the rest of the US, post pandemic.

- GDP is expected to have 6.3% growth in 2021, 4.6% growth in 2022, and 2.7% growth in 2023.
- Unemployment is expected to be at 5.2% in Q4 of 2021, 4.2% in Q4 2022, and 3.7 in Q4 2023.
- Core Personal Consumption Expenditures (PCE) inflation is projected at 1.9% in 2021, 2% in 2022, and stabilize at 1.9% in 2023.²

A combination of COVID-19 economic relief packages and increased vaccinations contribute to the growth forecast for California. Government action through Paycheck Protection Program (PPP) loan, extended unemployment insurance, and direct checks provided financial assistance and relief to many. The number of people who have already received the vaccination and those that have recovered from COVID-19 implies that most of the state has some protection from COVID-19 (UCLA Anderson Forecast, 2021).² According to COVID19.CA.GOV as of April 11, 2021, 22.9M doses have been administered statewide in California.³

The California budget assumed the state would face an estimated 15% revenue decline from the three (3) largest taxes; personal income, corporate, and sales tax (Legislative Analyst's Office, 2021).⁴ However, according to the Legislative Analyst's Office (2021) website, “actual collections in recent months have been much better than anticipated. Between August and October, collections from the three (3) largest taxes were 9% higher than the prior year. As a result, actual collections so far in 2020-21 are 22% (\$11 billion) ahead of budget act assumptions” (Para 15).⁴

The economy in Indio, unincorporated Riverside County, and Coachella continues to face challenges due to the COVID-19 pandemic. According to CVEP (2020), 76% of total employment losses from March 2020 to April 2020 were in the five (5) sectors of; Leisure and Hospitality, Education and Health Services, Professional and Business Services, Retail Trade, and Other Services.¹ There are now signs of recovery as the unemployment in Riverside County decreased to 8.0% as of February 2021, down from its peak of 15.9% in May 2020.⁵ The decrease in the unemployment rate is mainly attributed to many restaurants and businesses reopening.

At the March 3, 2021, City Council Meeting, the Indio City Manager, Mark Scott, delivered the fiscal year 2020/21 Midyear Budget update. In his update, the City Manager confirmed that the revenue and expenditure trends are better than initially anticipated in June of 2019. According to the City Manager the favorable trends are attributed to “robust sales citywide, which have generated more sales tax and Measure X use tax revenues, in spite of the economic pressures placed on businesses by the pandemic”.⁶ However, the increase in projected revenue is offset by the loss of revenue caused by the cancelation of the Coachella Valley Music and Arts Festival and Stagecoach Country Music Festival.

The City of Indio has continued to find opportunities amongst the COVID-19 Pandemic. The city has seen an increase in home building, and new shopping centers have opened, and more are schedule to open within the coming fiscal year. Additionally, the city spent \$47 million in infrastructure and capital improvements. The City of Indio also released \$2.2 million in Community Development Block Grant funds to assist the community needs due to COVID-19. There is also momentum in the College of the Desert Indio Campus Expansion and the remodeling and redesign of Indio Fashion Mall into the Indio Market Place. The new Indio Market Place will feature a “community mall with shopping, dining, entertainment, one large or two small hotels, and apartment housing”.⁷ This new development is expected to act as a catalyst for future development. In summary the City of Indio is taking full advantage of the opportunities to rebuild and implement strategic planning to actualize its goals. These initiatives benefit the District because they encourage residential and commercial development within the service area which in turn leads to an increase in sewer connections.

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1. CVEP. (2020). Greater Palm Springs Economic Report. https://cvep.com/wp-content/uploads/2021/02/CVEP-2020-Economic-Report_02-01-21.pdf
 2. Feler, L. (2021, March). Robust Economic Growth and Recovery After a Dreadful Year. UCLA Anderson Forecast, (), 1-13.
 3. CA.GOV. (2021). Vaccines. <https://covid19.ca.gov/vaccines/#California-vaccines-dashboard>
 4. Legislative Analyst's Office. (2021). California's Fiscal Outlook. <https://lao.ca.gov/Publications/Report/4297>
 5. YCHARTS. (2021). Riverside County, CA Unemployment Rate. https://ycharts.com/indicators/riverside_county_ca_unemployment_rate#:~:text=Riverside%20County%2C%20CA%20Unemployment%20Rate%20is%20at%208.00%25%2C%20compared,month%20and%204.10%25%20last%20year.
 6. Scott, M. (2021). Budgets and Quarterly Reports. <https://www.indio.org/civicax/filebank/blobdload.aspx?t=51086.23&BlobID=31725>
 7. Vision 2020-2021. (2021, November). Vision 2020-2021, (), 44-47. <https://flipbook.pub/vision/2020-2021/#>

CITY OF INDIO STATISTICAL INFORMATION

The table below depicts a snapshot of the City of Indio's demographics that portray the characteristics of the population and the city.

| Population | | |
|--|----|---------|
| Population as of July 1, 2019 | | 91,765 |
| Population Growth since 2010 | | 15.9% |
| Housing | | |
| Owner-occupied housing unit rate, 2015-2019 | | 70.6% |
| Median value of owner-occupied housing units, 2015-2019 | \$ | 281,400 |
| Median selected monthly owner costs -with a mortgage, 2015-2019 | \$ | 1,743 |
| Median selected monthly owner costs -without a mortgage, 2015-2019 | \$ | 611 |
| Median gross rent, 2015-2019 | \$ | 1,084 |
| Gender (% of population) | | |
| Female | | 51.4% |
| Male | | 48.6% |
| Age (% of population) | | |
| Under 18 Years | | 22.3% |
| 65 years and over | | 19.2% |
| Education (% of Population) | | |
| Highschool graduate or higher | | 80.3% |
| Bachelor's Degree or Higher | | 17.2% |
| Income | | |
| Median Household income | \$ | 53,669 |
| Employment (% of Population) | | |
| Healthcare/Social Assistance | | 12.6% |
| Construction | | 7.3% |
| Retail Trade | | 12.3% |
| Accommodation/Food Services | | 9.4% |
| Admin/Support/Waste Management Services | | 9.1% |
| Educational Services | | 5.1% |
| Other Services (Excluding Public Administration) | | 6.1% |
| Arts/Entertainment/Recreation | | 1.0% |
| Public Administration | | 11.6% |
| Manufacturing | | 3.8% |
| Real Estate/Rental/Leasing | | 3.5% |
| Professional/Scientific/Tech Services | | 3.3% |

1. U.S. Department of Commerce. (). QuickFacts Indio City, California. [http://Indio City of Festivals. \(2021\). https://www.indio.org/about/history.htm](http://Indio City of Festivals. (2021). https://www.indio.org/about/history.htm)

2. CVEP. (2020). Greater Palm Springs Economic Report. https://cvep.com/wp-content/uploads/2021/02/CVEP-2020-Economic-Report_02-01-21.pdf

ABOUT VALLEY SANITARY DISTRICT

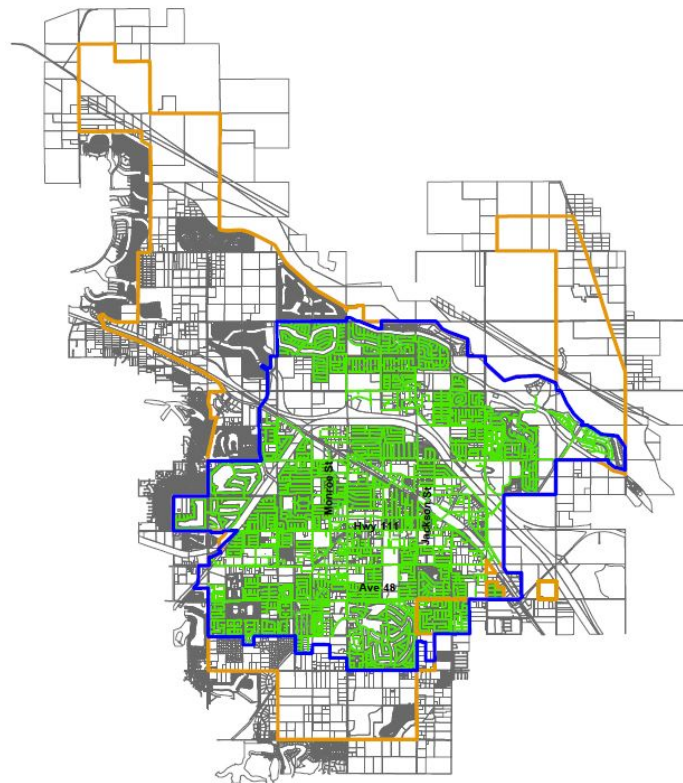
DISTRICT GOVERNANCE

Valley Sanitary District is a California special district, which operates under the authority of the Health and Safety Code, Sanitary District Act of 1923, § 6400 et seq. The District was formed June 1, 1925 and is governed by a five (5) member Board of Directors. Each Director is elected through a ward-based election system. Each Director represents a specific geographic area within the District known as a ward. Under California law the Board of Directors establishes and implements policies for the operation of the District. The Board of Directors establishes goals and objectives, manages sound fiscal policy and control, sets rates and fees, approves the annual operating and capital budget, approves capital improvement plans, maintains strong communication between the Board of Directors and the General Manager, and advocates for the District. The Board of Directors makes decisions to serve the best interests of the community. The District's Board of Directors meet on the second and fourth Tuesday each month. Meetings are publicly noticed, and citizens are encouraged to attend.

The U.S. Environmental Protection Agency, the California Regional Water Quality Control Board, the California Health Service Department, as well as other regulatory agencies provide the permits and standards that the District must meet in order to collect, treat, recycle, reuse and dispose of wastewater.

DISTRICT SERVICES

The District provides sanitary sewer services to approximately 28,028 connections within its 19.5 square mile service area, located in the eastern desert area of Riverside County. The District encompasses portions of the City of Indio, the City of Coachella, and adjacent unincorporated areas of Riverside County, California. Residential customers represent approximately 97% of the District's customer base and produce an estimated 81% of the sewage flow. The District operates and maintains approximately 254 miles of sanitary sewer line and delivers over 6 million gallons per day of wastewater to its wastewater reclamation facility. The reclamation facility has the capacity to treat 12.5 million gallons per day. The treated wastewater is discharged into the Whitewater Storm Channel and becomes a source of freshwater replenishment to the Salton Sea.



Valley Sanitary District
Boundary Map

Legend

-  VSD Boundary
-  Indio Limits
-  Sewer Pipe

STRATEGIC PLAN

In calendar year 2020 the District retained the services of Rauch Communication Consultants, Inc. to facilitate and coordinate the development of the District's Strategic Plan. Rauch Communication Consultants first gathered input from the Board of Directors through Board workshops. Rauch Communication Consultants then gathered input from District employees in a meeting to allow direct and "ground level" input to the board during the final workshop.

The Board of Directors supported this process to allow all to participate in the foundation of the Strategic Plan. Three (3) Board workshops were conducted. At these workshops, the Board of Directors reviewed all input, revisited, and refined the existing Mission Statement of the District, developed core values, and created a new vision statement for the District. The Board of Directors also identified six (6) strategic goals and objectives around and within which to organize implementation action that will support the mission and assure success of the vision of the District. The Strategic Plan was created in a way that best articulates the Board of Director's vision and strategy for the District over the next several years.

STRATEGIC GOALS

Goal 1: Fully Staffed with a Highly Trained and Motivated Team

Goal 2: Increase Recycling, Reuse, and Sustainability

Goal 3: Excellent Facilities

Goal 4: Increase Community Understanding and Support

Goal 5: Long-Term Financial Strength

Goal 6: Improve Planning, Administration and Governance

DISTRICT GOALS AND OBJECTIVES FOR FISCAL YEAR 2021/22

In fiscal year 2021/22 the District will focus on continued implementation of Strategic Goals 1, 4, 5, and 6.

Goal 1: Fully Staffed with a Highly Trained and Motivated Team

- Objective 1.1: Enough staff to fulfill goals and objectives safely and efficiently
- Objective 1.2: Improve preparation for both unexpected events and planned succession of all key positions
- Objective 1.3: Improve training and professional development
- Objective 1.4: Maintain and build upon strong staff culture

GOAL 4: Increase Community Understanding and Support

- Objective 4.1: Increase community understanding and support for the District and its program
- Objective 4.2: Increase the District's understanding of community wants, needs, and interests
- Objective 4.3: Rebrand Valley Sanitary District to increase public recognition of the District's move toward reuse and recycling

GOAL 5: Long-Term Financial Strength

- Objective 5.1: Align long-term financial planning with strategic priorities

GOAL 6: Improve Planning, Administration and Governance

- Objective 6.1: Meet evolving operational and customer demands
- Objective 6.5 Improve state level legislative advocacy

FINANCIAL POLICIES AND PROCEDURES

FINANCIAL MANAGEMENT

The Valley Sanitary District budget conforms to Generally Accepted Accounting Principles (GAAP) as applicable to local governments. While it is an enterprise agency, the accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, liabilities, fund balances, revenues and expenditures. The District prepares its budget on a fund accounting basis, which segregates funds according to their intended purpose and it is used to aid management in demonstrating compliance with financial related legal and contractual provisions. The District maintains the minimum number of funds consistent with legal and managerial requirements. The District reports the following funds in its annual budget:

- **Operating Fund:** This is the general operating fund of the District. The primary revenue source for this fund is derived from rates charged to customers for services provided and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges, and maintenance costs not paid through other funds are paid from this fund.
- **Special Revenue Funds:** These funds receive support from various sources, mainly in the form of grants, loans and other aid and are restricted to expenditures for particular purposes. Currently, the District has two special revenue funds:
 - 2015 Wastewater Revenue Refunding Bonds
 - State Water Resources Control Board Revolving Fund Loan
- **Fiduciary Fund:** The District reports an Agency Fund. The Agency Fund is purely custodial in nature (assets equal liabilities), and thus does not involve measurement of results of operations. The Agency Fund is used to account for assets for the Assessment District No. 2004 (Shadow Hills Interceptor) for which the District acts as an agent for its debt service activities.
- **Capital Improvement Fund:** Indicates the amount allocated for capital expenditures for identified projects.
- **Restricted CIP Fund:** Indicates the current fiscal year resource allocation and amount allocated for capital expenditures for increased capacity-related projects.

Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and how activities are controlled. The overview of each fund provides a detailed explanation of the purpose of the fund and its planned budget for each fiscal year.

BUDGETING STRUCTURE

The following principals are applied in preparing the District's Annual Operating Budget:

1. Structurally Balanced Budget: The District maintains a structurally balanced budget with recurring revenues supporting recurring expenditures. Recurring expenditures primarily consist of personnel and operating costs required to operate the District but do not include one-time cost items such as new capital assets or replacement assets. Recurring revenues include charges and fees but do not include the use of fund balance. For purposes of this section, District wide surplus for any fiscal year is defined as the increase in unreserved operating fund balance as reflected in the District's audited financial statements. District-wide deficit for any fiscal year is defined as the decrease in unreserved operating fund balance as reflected in the District's audited financial statements. Budget surplus of any department is defined as the excess of budgeted expenses over actual expenses in any fiscal year.
2. Budget Preparation and Presentation: The District prepares and presents its budget using current financial resources and the modified accrual basis of accounting.
 - a. Inter-fund Borrowing: The District does not borrow or use operating transfers to obtain cash from one fund type or reserve to fund activities of another fund type or reserve unless such use is deemed lawful, and unless the Board of Directors has determined that (a) the funds to be loaned will not be needed during the lending period, and (b) the funds for repayment will be available within a two (2) year period. Any actions taken to borrow funds under these conditions must be separately presented to and approved by the Board of Directors and the term of such borrowing shall not extend beyond the last day of the subsequent fiscal year.
 - b. Prompt Reimbursement Submission: Recognizing that some programs are funded by grants or other entities on a reimbursement basis, the District applies for reimbursements on a timely basis to minimize the period that District funds are used as float. In the event requests for reimbursements extend beyond the end of a fiscal year, such reimbursements are reflected as receivables in the annual financial statements to the extent allowed under accounting principles generally accepted in the United States of America (GAAP).
 - c. Reserve Policy: The District shall retain an Operating reserve equal to 40% of annual operating expenses. This reserve may be used for funding emergency and unanticipated necessary expenditures during a given fiscal year. Fund balances in excess of the 40% threshold may be used for capital improvements, or one-time expenditures.
 - d. Capital Improvement Plan: The Board annually adopts a Ten-Year Capital Improvement Plan ("CIP") each fiscal year. The CIP shall address cost estimates for all necessary infrastructure improvements. Funded, partially funded and unfunded projects are clearly delineated. The CIP is detailed for the current fiscal year and for nine (9) additional years.

- e. Financial Oversight and Reporting: The District provides regular financial reports on all funds comparing budgeted revenue and expenditure information to actual on a monthly and year-to-date basis each month. The Administration Department is responsible for issuing the monthly reports to departments, the General Manager and Board of Directors and provides any information regarding any potentially adverse trends or conditions. As soon after the closing of the fiscal year as is practicable, the annual audit reports of the District are prepared and reviewed by management. Financial reports, offering statements and other financial-related documents issued to the public, provide full and complete disclosure of all material financial matters. The final report is presented to the Board of Directors at a regularly scheduled meeting and is posted on the District's website.
- f. Basic Financial Practices: The District strives to maintain formal policies and/or procedures that reflect "best practices" in:
 - i. Budget development and adjustments: Establish proper budgetary preparation procedures and guidelines, calendar of events, planning models by fund, budget adjustment procedures, establishment of rates and fees, indirect costs, and interest income. The budget should be scheduled to allow sufficient review by the Board of Directors while allowing for sufficient citizen input. The budget document reflecting all final actions as adopted by the Board of Directors, on or before June 30th of each year, is made available within 30 days of such adoption in both hard copy at the District office and on the District's web site.
 - ii. Cash management and investments: Comply with all related government codes.
 - iii. Debt management: Address affordability, capacity, debt issuance and management.
 - iv. Equipment and Vehicle Replacement: Established guidelines for determining the useful life and replacement of capitalized equipment and vehicles and provides a basis for establishing a budget and funding methodology.
 - v. Procurement: Establish District-wide policies and procedures and provide appropriate checks and balances to ensure that departments adhere to the District's purchasing policies.

RESERVE POLICY

PURPOSE

Prudent financial planning and fiscal responsibility includes anticipating and preparing for future funding requirements as well as unforeseen and unexpected emergencies, disasters, and other events. The Valley Sanitary District has established reserve funds for its long term organizational and

operational stability and the reserve funds enable the District to minimize significant rate fluctuations due to unforeseen and expected cash flow requirements. This Reserve Fund Policy is to ensure that the District accumulates, manages, maintains, and uses certain financial resources only for specific purposes.

TYPES OF RESERVE FUNDS

The District maintains two (2) types of funds:

1. **Restricted Reserves:** Restricted reserves are reserves that are restricted by an outside source, such as by statute, court, or contract.
2. **Designated Reserves:** Designated reserves are reserves that are established and set aside to be used only for a specific, designated purpose.

SPECIFIC RESERVE FUNDS

The District maintains the following reserve funds:

1. ***Capital Replacement Reserve Fund*** - The Capital Replacement Reserve Fund (Fund 12) is a designated reserve to be used to fund the capital improvement program and for unforeseen capital projects that are necessary to meet regulatory requirements, system reliability, repair, and replacement of District Assets. It is the goal of the District to fund the Capital Replacement Reserve at 40% of the annual operating budget (Fund 11).
2. ***Capital Improvement Reserve Fund*** - The Capital Improvement Reserve Fund (Fund 13) is a designated reserve to be used to fund the capital improvements that are required due to growth and new users in the system. It is primarily funded by developer impact fees, special developer agreements and capacity connection charges.
3. ***Debt Service Reserve Fund*** - The Debt Service Reserve Fund is a restricted reserve that is governed by legal bond covenants and is to be used if the District is unable to meet the required debt service obligation. The bond covenants require that the Debt Service Reserve be maintained at a level sufficient to fund the maximum annual debt service payments.
4. ***Emergency Reserve Fund*** - The Emergency Reserve Fund is to be used only to cover cash flow shortages caused by an unexpected event, such as a natural disaster, water shortage situation, or other unforeseen expense. It is the goal of the District to maintain the Emergency Reserve at 5% of the annual operating budget (Fund 11).

5. ***Operating Reserve Fund*** - The Operating Reserve Fund is a designated reserve to be used only to cover cash flow shortages caused by a short-term, unexpected disruption of anticipated revenue or when expenses become due before the anticipated revenue to pay those expenses is received. It is the goal of the District to maintain the Operating Reserve in excess of 50%, or six (6) months, of the annual operating budget.
6. ***Vehicle & Equipment Replacement Reserve Fund*** – The Vehicle & Equipment Replacement Reserve Fund is a designated reserve that is designated to adequately fund replacement of major vehicles and equipment by the District. This fund shall be funded on an annual basis and the by amount established annually in the District operating budget.

MANAGEMENT OF RESERVE FUNDS

The Board of Directors, in consultation with the General Manager, is responsible for managing the reserve funds. The Board of Directors must authorize the expenditure of money from all of the District's reserve funds. The Board annually will review the balance of the reserve funds, work collaboratively with the General Manager to ensure the accuracy of the annual report, and evaluate the goals and purpose of each reserve fund and recommend adjustments as may be necessary or desirable.

In accordance with the District's Investment Policy, financial reserves may be invested or otherwise held in District financial accounts, as deemed appropriate by the Board of Directors, in carrying out their fiduciary responsibilities.

INVESTMENT MANAGEMENT

The District operates within an established formal investment policy, which applies to all investments of public funds. The overall goal is to safeguard the available operating and capital funds and achieve a maximum return on investment. Investment portfolios are managed to meet anticipated cash flow requirements. The District participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF) which has invested a portion of the pooled funds in structured notes and asset-backed securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these structured notes and asset-back securities are subject to market risk and to change in interest rates. The District also participates in the CalTrust Medium Term Fund.

DEBT MANAGEMENT

Debt premiums and discounts are deferred and amortized over the life of the debt using the effective interest method. Long-term debt is reported net of the applicable bond premium or discount. Debt issuance costs are expensed when incurred.

The District currently has two (2) outstanding long-term loans.

2015 WASTEWATER REVENUE REFUNDING BONDS

On August 26, 2006, the District issued the 2006 Certificates of Participation in the amount of \$12,915,000. The purpose of the Certificates was to fund Phase I of the District's treatment plant expansion. Interest ranging from 3.50% to 4.375% is payable semi-annually on February 1st and August 1st commencing February 1, 2007.

On June 18, 2015, the District issued Wastewater Revenue Refunding Bonds, Series 2015 in the amount of \$7,540,000. The purpose of the bond issuance was to provide funds to decrease and refund on current basis the District's outstanding 2006 Certificates of Participation (Treatment Plan Expansion) and pay the costs of issuing the bonds. The bonds are payable from and secured by a lien on net revenue of the wastewater system of the District. The aggregate difference in debt service as result of the refinancing was in the amount of \$1,596,780. The economic gain on the refinancing was \$500,181. Interest rate of 5% (except for 2.125% in 2023) is payable semi-annually on each December 1 and June 1 beginning December 1, 2015. The bonds are not subject to redemption prior to maturity. The outstanding balance as of June 30, 2021 is \$3,880,000.

STATE WATER RESOURCES CONTROL BOARD REVOLVING FUND LOAN

The District executed the installment sale agreement with the State Water Resources Control Board (the "SWRCB") for the construction of the Requa Avenue Sewer Interceptor Project. As part of the Requa Avenue Sewer Interceptor Project, the District constructed 4.2 miles of new gravity flow sewer pipeline and related utility improvements designed to collect and convey sanitary sewer flow within an existing public right-of-way through central Indio, California, to the existing District's Water Reclamation Plant. The SWRCB provided financial assistance. The total amount of the loan funded was \$12,920,155 with no unused credit. There was no pledged asset as collateral. In event of default, the District upon demand by SWRCB, will immediately repay an amount equal to project funds disbursed, accrued interests, penalty assessments, and additional payments. Beginning June 2019, the District will repay the principal of the project funds, together with all interest accruing thereon, annually to the SWRCB. As of June 30, 2021, the outstanding balance of the SWRCB revolving fund loan is \$11,901,885.

A reserve account is required to be maintained equal to one (1) year of the SWRCB revolving fund loan debt service payments from unrestricted net revenues. The reserve requirement is \$553,360 for the duration of the loan. Debt covenants of the SWRCB revolving fund loan require that the District have net revenues that are at least 125% of the total debt service payments (including 2015 Wastewater Revenue Refunding Bonds).

The table below shows the debt balances as of June 30, 2021.

DISTRICT'S OUTSTANDING DEBT

| | <u>2021</u> |
|--------------------------------|-----------------------------|
| 2015 Revenue refunding bond | \$ 3,880,000 |
| Bond premium | 494,185 |
| SWRCB loan | <u>11,901,885</u> |
| Total | <u><u>\$ 16,276,070</u></u> |



VSD

FUND SUMMARY



FINANCIAL MANAGEMENT

The Valley Sanitary District budget conforms to Generally Accepted Accounting Principles as applicable to local governments. While it is an enterprise agency, the accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, liabilities, fund balances, revenues and expenditures. The District prepares its budget on a fund accounting basis, which segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with financial related legal and contractual provisions. The District maintains the minimum number of funds consistent with legal and managerial requirements.

OPERATING FUND

This is the general operating fund of the District. The primary revenue source for this fund is derived from fees charged to customers for services provided and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges, and maintenance costs not paid through other funds are paid from this fund.

SPECIAL REVENUE FUNDS

These funds receive support from various sources, mainly in the form of grants, loans and other aid and are restricted to expenditures for specific purposes. Currently, the District has two (2) special revenue funds:

- 2015 Wastewater Revenue Refunding Bonds
- State Water Resources Control Board Revolving Fund Loan

FIDUCIARY FUND

The District reports an Agency Fund. The Agency Fund is purely custodial in nature (assets equal liabilities), and thus does not involve measurement of results of operations. The Agency Fund is used to account for assets for the Assessment District No. 2004 (Shadow Hills Interceptor) for which the District acts as an agent for its debt service activities.

CAPITAL IMPROVEMENT FUND

Indicates the amount allocated for capital expenditures for identified projects.

RESTRICTED CIP FUND

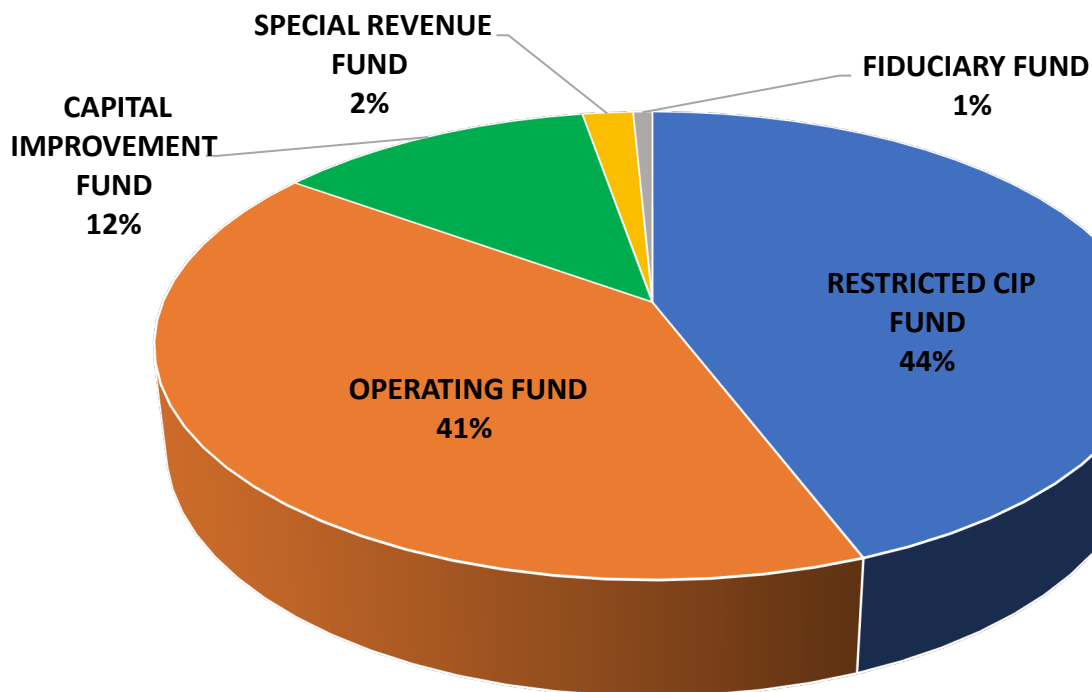
Indicates the current fiscal year resource allocation and amount allocated for capital expenditures for increased capacity-related projects.

Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and how activities are controlled. The overview of each fund provides a detailed explanation of the purpose of the fund and its planned budget for each fiscal year.

FUND BALANCE

| Fund | Unaudited Fund Balance FY21 (As of 04/30/21) |
|--------------------------|--|
| OPERATING FUND | \$ 21,357,823 |
| SPECIAL REVENUE FUND | 1,097,200 |
| FIDUCIARY FUND | 416,057 |
| CAPITAL IMPROVEMENT FUND | 6,985,222 |
| RESTRICTED CIP FUND | 24,350,967 |
| Total | \$ 54,207,269 |

Percentage of Fund Balance by Source



REVENUE BY SOURCE

The table below shows the revenues by source.

| Fund 11 (General Fund) Revenues by Source | FY20 Actual | FY21 Budget | FY21 Projected | FY22 Budget | Budget Change | Percent Change |
|---|----------------------|----------------------|----------------------|----------------------|---------------------|-------------------|
| OPERATING REVENUES: | | | | | | |
| 11-00-4010 SEWER SERVICE CHGS-CURRENT | \$ 11,198,100 | \$ 11,979,000 | \$ 11,453,982 | \$ 13,550,998 | \$ 1,571,998 | 13.1% |
| 11-00-4016 PERMIT & INSPECTION FEES | 21,225 | 15,000 | 34,362 | 30,355 | 15,355 | 102.4% |
| 11-00-4022 PLAN CHECK FEES | 9,900 | 10,000 | 10,230 | 11,671 | 1,671 | 16.7% |
| 11-00-4025 OTHER SERVICES | 3,740 | 1,800 | 96 | - | (1,800) | -100.0% |
| 11-00-4031 SALE OF SURPLUS PROPERTY | 6,996 | - | 19,455 | 18,115 | 18,115 | - |
| Subtotal | \$ 11,239,961 | \$ 12,005,800 | \$ 11,518,125 | \$ 13,611,139 | \$ 1,605,339 | 13.4% |
| NON-OPERATING REVENUES: | | | | | | |
| 11-00-4110 TAXES-CURRENT SECURED | \$ 854,968 | \$ 700,000 | \$ 653,706 | \$ 1,002,212 | \$ 302,212 | 43.2% |
| 11-00-4113 TAXES-CURRENT UNSECURED | 26,361 | 25,000 | 34,784 | 61,266 | 36,266 | 145.1% |
| 11-00-4116 TAXES-PRIOR SECURED | 12,601 | 6,000 | 13,687 | - | (6,000) | -100.0% |
| 11-00-4119 TAXES-PRIOR UNSECURED | 1,074 | - | - | - | - | - |
| 11-00-4125 SUPPLE PROP. TAXES-CURRENT | 5,146 | 6,000 | 8,332 | 9,196 | 3,196 | 53.3% |
| 11-00-4128 SUPPLE PROP. TAXES-PRIOR | 2,721 | 2,000 | 5,517 | 8,328 | 6,328 | 316.4% |
| 11-00-4131 HOMEOWNERS TAX RELIEF | 6,203 | 6,000 | 3,972 | - | (6,000) | -100.0% |
| 11-00-4134 OTHER REVENUE | 231,657 | 500 | (2,782) | 451 | (49) | -9.8% |
| 11-00-4210 INTEREST INCOME | 419,261 | 300,000 | (5,113) | 140,906 | (159,094) | -53.0% |
| 11-00-4215 GAIN/LOSS ON INVESTMENTS | 23,174 | - | 341 | | | |
| 11-00-6061 MISCELLANEOUS-PAYMENT-2022 | 350 | - | 1,722 | | | |
| Subtotal | \$ 1,583,518 | \$ 1,045,500 | \$ 714,165 | \$ 1,222,359 | \$ 176,859 | 16.9% |
| Fund 11 Total Revenues by Source | 12,823,478 | 13,051,300 | 12,232,290 | 14,833,498 | 1,782,198 | 13.7% |

| Fund 13 (Capital Improvement Fund) Revenues by Source | FY20 Actual | FY21 Budget | FY21 Projected | FY22 Budget | Budget Change | Percent Change |
|--|----------------------|----------------------|----------------------|----------------------|---------------------|-------------------|
| OPERATING REVENUES: | | | | | | |
| 13-00-4040 CONNECTION FEES | \$ 832,348 | \$ 748,000 | \$ 780,986 | \$ 991,610 | \$ 243,610 | 32.6% |
| Subtotal | \$ 832,348 | \$ 748,000 | \$ 780,986 | \$ 991,610 | \$ 243,610 | 32.6% |
| NON-OPERATING REVENUES: | | | | | | |
| 13-00-4210 INTEREST INCOME | \$ 144,754 | \$ 100,000 | \$ 1,281 | \$ 25,000 | \$ (75,000) | -75.0% |
| Subtotal | \$ 144,754 | \$ 100,000 | \$ 1,281 | \$ 25,000 | \$ (75,000) | -75.0% |
| Fund 13 Total Revenues by Source | \$ 977,102 | \$ 848,000 | \$ 782,266 | \$ 1,016,610 | \$ 168,610 | 19.9% |
| Combined Total Revenues | \$ 13,800,580 | \$ 13,899,300 | \$ 13,014,557 | \$ 15,850,108 | \$ 1,950,808 | 14.0% |

REVENUE DESCRIPTIONS***11-00-4010 SEWER SERVICE CHGS-CURRENT***

Sewer service revenue is projected to be 36,300 Equivalent Dwelling Units (EDUs).

11-00-4016 PERMIT & INSPECTION FEES

Fees collected for lateral and mainline inspections.

11-00-4022 PLAN CHECK FEES

Anticipated revenue is based on a \$150 per hour fee with one-hour minimum fee for plan checking.

11-00-4025 OTHER SERVICES

Income for administrative services provided for the VSD 2004 Assessment District.

11-00-4031 SALE OF SURPLUS PROPERTY

Revenue generated from sale of surplus property. Surplus Property is property a government entity no longer needs. Personal property includes assets ranging from office equipment and furniture to scientific equipment, heavy machinery, vessels, and vehicles. If this property cannot be donated to a state or public agency, or nonprofit organization, the public may buy it.

11-00-4110 TAXES-CURRENT SECURED

Secured property is generally non-movable property, such as houses, buildings, etc. Revenues are based on general valuation. The portion of revenue designated for special districts is 1%. VSD is estimated to receive 0.00028257% of the general-purpose funds county-wide.

11-00-4113 TAXES-CURRENT UNSECURED

Unsecured property includes items such as motor homes, airplanes, boats and other moveable personal property. The portion of revenue designated for special districts is 1%. Of this 1%, VSD is estimated to receive 0.00028257%

11-00-4116 TAXES-PRIOR SECURED

Prior secured payments are received for prior year taxes, are similar to secured, and the revenue is based on the same formula.

11-00-4119 TAXES-PRIOR UNSECURED

Funds derived from prior unsecured properties are similar to unsecured properties mentioned above; however, these payments are for prior year taxes. The revenue is based on the same formula. Estimated revenue is based on current year activity.

11-00-4125 SUPPLEMENTAL PROPERTY TAXES-CURRENT

Funds derived from supplemental tax roll changes due to sale of property or new construction. Since July 1983, state law requires the County Assessor to reappraise property as of the date of change in ownership or completion of new construction rather than at the next tax year.

11-00-4128 SUPPLEMENTAL PROPERTY TAXES-PRIOR

Funds derived from supplemental tax roll changes due to sale of property or new construction from the prior year.

11-00-4131 HOMEOWNERS TAX RELIEF

The portion of tax funds replaced by state resources for tax relief for homeowners. For example, if a homeowner's exemption deducts \$7,000 of the property's valuation for calculating the property owner's tax, the state replaces the taxes that the \$7,000 valuation would have provided to the county.

11-00-4134 OTHER REVENUE

This account includes revenue from other undefined sources.

11-00-4210 INTEREST INCOME

Return on invested funds that are held with the Local Agency Investment Fund (LAIF) and CalTRUST.

13-00-4040 CONNECTION FEES

Connection Capacity Fee: \$5,833 per equivalent dwelling unit (EDU).

13-00-4210 INTEREST INCOME

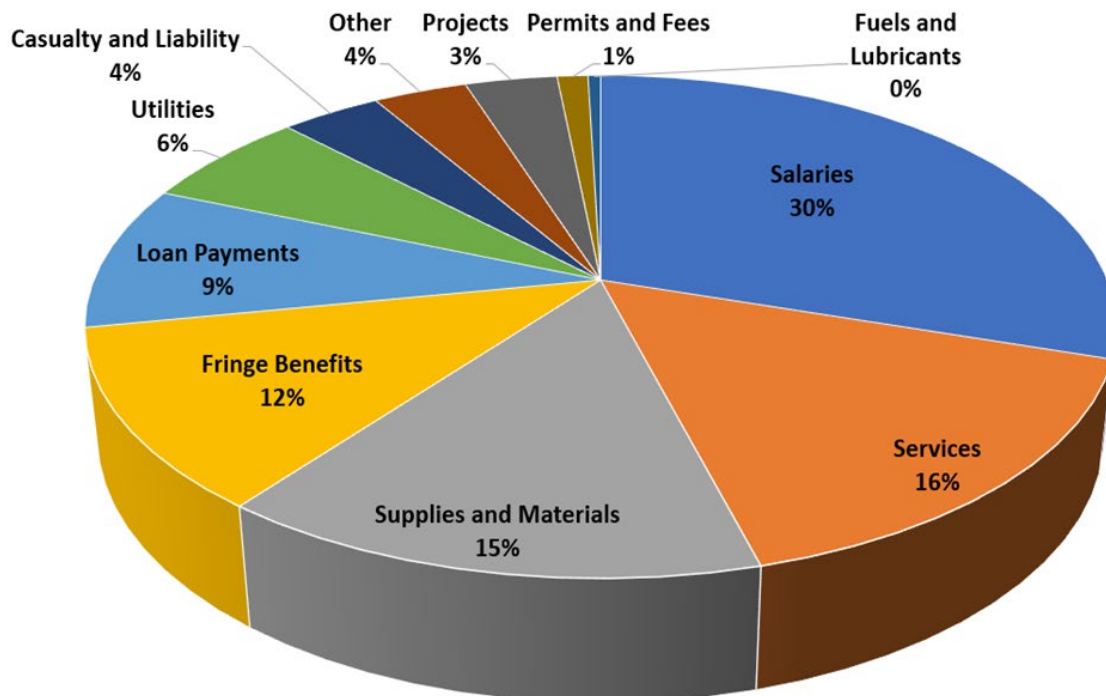
Return on invested funds that are held with the Local Agency Investment Fund (LAIF) and CalTRUST.

EXPENSE BY CATEGORY

The following table depicts the expense by category.

| Total Expense by Category | FY20 Actual | FY21 Budget | FY21 Projected | FY22 Budget | Budget Change | Percentage Change |
|---------------------------|----------------------|---------------------|---------------------|----------------------|---------------------|-------------------|
| Wages | \$ 2,777,219 | \$ 2,910,228 | \$ 3,000,234 | \$ 3,287,767 | \$ 377,539 | 13.0% |
| Services | 768,260 | 939,277 | 751,428 | 1,737,820 | 798,543 | 85.0% |
| Supplies and Materials | 1,092,635 | 1,440,380 | 1,198,372 | 1,596,896 | 156,516 | 10.9% |
| Fringe Benefits | 1,641,311 | 1,142,215 | 1,095,916 | 1,271,600 | 129,385 | 11.3% |
| Loan Payments | - | 1,021,090 | 1,021,090 | 1,018,873 | (2,217) | -0.2% |
| Utilities | 614,093 | 660,750 | 639,625 | 699,353 | 38,603 | 5.8% |
| Casualty and Liability | 289,120 | 308,300 | 308,294 | 411,406 | 103,106 | 33.4% |
| Other | 2,822,393 | 381,805 | 169,850 | 385,256 | 3,451 | 0.9% |
| Projects | - | 179,644 | 179,644 | 379,434 | 199,790 | 111.2% |
| Permits and Fees | 97,088 | 115,650 | 71,367 | 126,750 | 11,100 | 9.6% |
| Fuels and Lubricants | 29,179 | 52,000 | 32,703 | 52,000 | - | 0.0% |
| Total | \$ 10,131,300 | \$ 9,151,339 | \$ 8,468,524 | \$ 10,967,155 | \$ 1,815,816 | 19.8% |

Expense by Category as a Percentage of FY22 Budget



SALARIES

The increase in wages is attributed to the addition of three (3) Full Time Employees (FTE). Also, the wage schedule was increased to be more competitive with other agencies in the region to address recruitment and retention issues.

SERVICES

The increase in service costs is due to additional contracted services needed for grant support, advocacy, marketing, media relations, general master plan development, janitorial, and rental services.

SUPPLIES AND MATERIALS

The increase in supplies and materials is due to additional chemical usage, COVID-19 supplies, repair parts needed for aging fleet vehicles, machinery, and facility.

FRINGE BENEFITS

The increase in fringe benefits is attributed to the addition of three (3) FTEs.

LOAN PAYMENTS

There is a small decrease in loan payments due to a reduction in loan balances.

UTILITIES

The increase in utilities is due to increased electricity usage and trash disposal costs.

CASUALTY AND LIABILITY

The increase in casualty and liability is due to reclassing workers' compensation insurance to the casualty and liability insurance category. Also, there was an increase in insurance premiums for the business policy attributed to the California Sanitation Risk Management Authority (CSRMA) pool. The increase in the pool premiums is due to the losses from the previous year's California wildfires. Additionally, there was a slight increase in the pollution and earthquake insurance premiums.

OTHER

Other expenditures have a slight increase due to increased costs for memberships, training, and certification programs.

PROJECTS

The increase in project expenditures is due to an increase in costs for the District's share of the Recycled Water Project, Integrated Regional Water Management Plan, and Salt and Nutrient Management Plan. There are also new projects such as the telemetrics for the district vehicles and upgrade of the district alarm system.

PERMITS AND FEES

The increase in permits and fee costs is due to higher fees for the Department of Health and the Environmental Laboratory Certification Program (ELAP) and Onsite Assessment (OSA).

FUELS AND LUBRICANTS

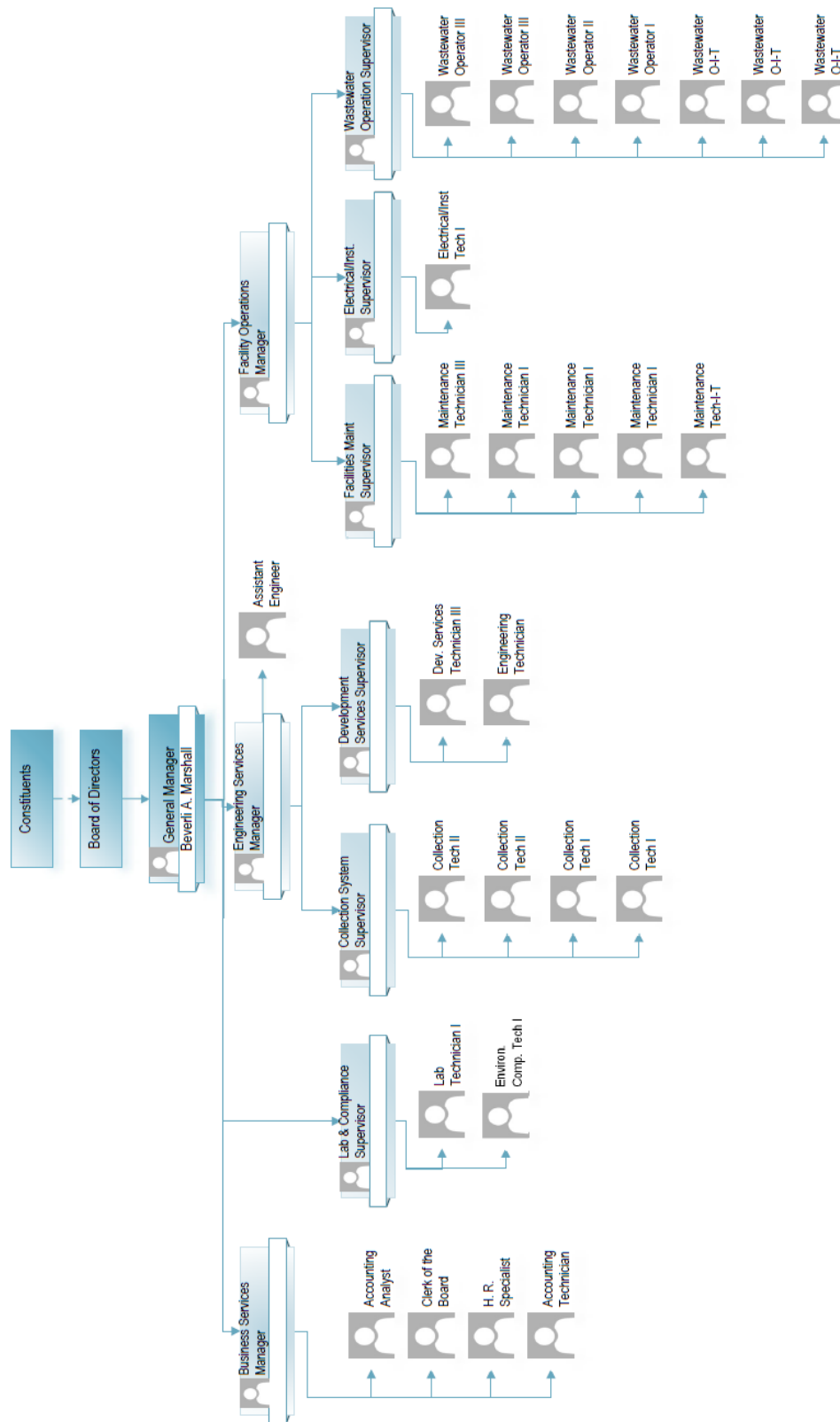
There is no anticipated change to the fuel and lubricants costs.

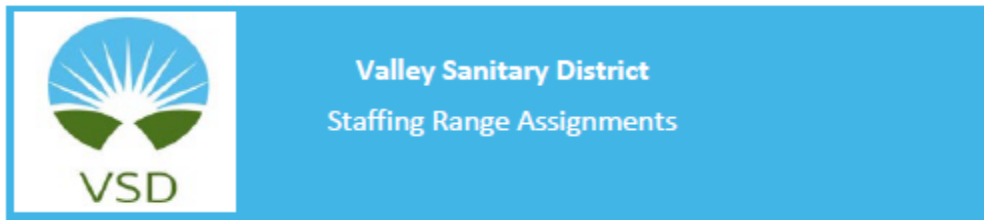


VSD

PERSONNEL SUMMARY







| DEPARTMENT | CLASSIFICATION | AUTHORIZED POSITIONS |
|---------------------------|---------------------------------------|----------------------|
| ADMINISTRATION | General Manager | 1 |
| | Accounting Analyst | 1 |
| | Accounting Technician | 1 |
| | Clerk of the Board | 1 |
| | Business Services Manager | 1 |
| | Human Resources Specialist | 1 |
| | Subtotal | 6 |
| COLLECTIONS | Collection Systems Supervisor | 1 |
| | Collection Systems Tech I | 2 |
| | Collection Systems Tech II | 2 |
| | Subtotal | 5 |
| ENGINEERING | Assistant Engineer | 1 |
| | Development Services Supervisor | 1 |
| | Development Services Tech III | 1 |
| | Engineering Services Manager | 1 |
| | Engineering Technician | 1 |
| | Subtotal | 5 |
| LABORATORY AND COMPLIANCE | Environmental Comp Tech II | 1 |
| | Laboratory and Compliance Supervisor | 1 |
| | Lab Technician I | 1 |
| | Subtotal | 3 |
| MAINTENANCE | Electrical Instrumentation Supervisor | 1 |
| | Electrical Instrumentation Tech I | 1 |
| | Maintenance Supervisor | 1 |
| | Maintenance Tech I | 3 |
| | Maintenance Tech III | 1 |
| | Maintenance Tech-in-Training | 1 |
| | Subtotal | 8 |
| OPERATIONS | Facility Operations Manager | 1 |
| | Wastewater Operations Supervisor | 1 |
| | Wastewater Operator I | 1 |
| | Wastewater Operator II | 1 |
| | Wastewater Operator III | 2 |
| | Wastewater Operator-in-Training | 3 |
| | Subtotal | 9 |
| | TOTAL POSITIONS | 36 |



Valley Sanitary District
(Amended) Wage Schedule, Effective July 1, 2021
Bi-Weekly Rate

| Job Title | Steps | | | | | | |
|---------------------------------------|-------|-------|-------|-------|-------|-------|-------|
| | A | B | C | D | E | F | G |
| Accounting Technician | 2,201 | 2,311 | 2,427 | 2,548 | 2,675 | 2,809 | 2,950 |
| Accounting Analyst | 2,793 | 2,933 | 3,079 | 3,233 | 3,395 | 3,565 | 3,743 |
| Administrative Assistant | 2,101 | 2,206 | 2,316 | 2,432 | 2,554 | 2,681 | 2,816 |
| Assistant Engineer | 3,098 | 3,253 | 3,416 | 3,586 | 3,766 | 3,954 | 4,152 |
| Associate Engineer | 3,461 | 3,634 | 3,816 | 4,007 | 4,207 | 4,417 | 4,638 |
| Collection System Tech-in-Training | 1,837 | 1,929 | 2,025 | 2,126 | 2,233 | 2,344 | 2,462 |
| Collection System Tech I | 2,041 | 2,143 | 2,250 | 2,363 | 2,481 | 2,605 | 2,735 |
| Collection System Tech II | 2,245 | 2,357 | 2,475 | 2,599 | 2,729 | 2,865 | 3,009 |
| Collection System Tech III | 2,471 | 2,594 | 2,724 | 2,860 | 3,003 | 3,153 | 3,311 |
| Clerk of the Board | 2,416 | 2,537 | 2,664 | 2,797 | 2,937 | 3,084 | 3,238 |
| Development Services Tech I | 2,387 | 2,506 | 2,632 | 2,763 | 2,901 | 3,046 | 3,199 |
| Development Services Tech II | 2,626 | 2,757 | 2,895 | 3,040 | 3,192 | 3,351 | 3,519 |
| Development Services Tech III | 2,922 | 3,068 | 3,222 | 3,383 | 3,552 | 3,729 | 3,916 |
| Electrician/Inst Tech-in-Training | 2,025 | 2,126 | 2,233 | 2,344 | 2,461 | 2,584 | 2,714 |
| Electrician/Inst Tech I | 2,279 | 2,393 | 2,513 | 2,638 | 2,770 | 2,909 | 3,054 |
| Electrician/Inst Tech II | 2,475 | 2,599 | 2,729 | 2,865 | 3,008 | 3,159 | 3,317 |
| Electrician/Inst Tech III | 2,723 | 2,859 | 3,002 | 3,152 | 3,309 | 3,475 | 3,648 |
| Engineering Technician | 2,626 | 2,757 | 2,895 | 3,040 | 3,192 | 3,351 | 3,519 |
| Environmental Comp Tech I | 2,241 | 2,353 | 2,470 | 2,594 | 2,724 | 2,860 | 3,003 |
| Environmental Comp Tech II | 2,465 | 2,588 | 2,718 | 2,854 | 2,996 | 3,146 | 3,303 |
| Environmental Comp Tech III | 2,712 | 2,847 | 2,989 | 3,139 | 3,296 | 3,461 | 3,634 |
| Human Resources Specialist | 2,660 | 2,793 | 2,933 | 3,079 | 3,233 | 3,395 | 3,565 |
| Lab Technician-in-Training | 2,016 | 2,117 | 2,223 | 2,334 | 2,450 | 2,573 | 2,702 |
| Lab Technician I | 2,241 | 2,353 | 2,470 | 2,594 | 2,724 | 2,860 | 3,003 |
| Lab Technician II | 2,465 | 2,588 | 2,718 | 2,854 | 2,996 | 3,146 | 3,303 |
| Lab Technician III | 2,712 | 2,847 | 2,989 | 3,139 | 3,296 | 3,461 | 3,634 |
| Maintenance Tech-in-Training | 1,837 | 1,929 | 2,025 | 2,126 | 2,233 | 2,344 | 2,462 |
| Maintenance Tech I | 2,041 | 2,143 | 2,250 | 2,363 | 2,481 | 2,605 | 2,735 |
| Maintenance Tech II | 2,245 | 2,357 | 2,475 | 2,599 | 2,729 | 2,865 | 3,009 |
| Maintenance Tech III | 2,471 | 2,594 | 2,724 | 2,860 | 3,003 | 3,153 | 3,311 |
| Management Analyst | 3,015 | 3,166 | 3,324 | 3,490 | 3,665 | 3,848 | 4,040 |
| Procurement Technician | 2,233 | 2,345 | 2,462 | 2,585 | 2,714 | 2,850 | 2,992 |
| Wastewater Operator-in-Training | 1,903 | 1,998 | 2,098 | 2,202 | 2,313 | 2,428 | 2,550 |
| Wastewater Operator I | 2,114 | 2,220 | 2,331 | 2,447 | 2,570 | 2,698 | 2,833 |
| Wastewater Operator II | 2,325 | 2,442 | 2,564 | 2,692 | 2,827 | 2,968 | 3,116 |
| Wastewater Operator III | 2,558 | 2,686 | 2,820 | 2,961 | 3,109 | 3,265 | 3,428 |
| Collection System Supervisor | 3,003 | 3,153 | 3,311 | 3,477 | 3,650 | 3,833 | 4,025 |
| Development Services Supervisor | 3,214 | 3,375 | 3,544 | 3,721 | 3,907 | 4,102 | 4,307 |
| Electrical/Instrumentation Supervisor | 3,207 | 3,367 | 3,536 | 3,713 | 3,898 | 4,093 | 4,298 |
| Facilities Maintenance Supervisor | 3,207 | 3,367 | 3,536 | 3,713 | 3,898 | 4,093 | 4,298 |
| Laboratory and Compliance Supervisor | 3,257 | 3,420 | 3,591 | 3,770 | 3,959 | 4,157 | 4,365 |
| Wastewater Operations Supervisor | 3,290 | 3,455 | 3,627 | 3,809 | 3,999 | 4,199 | 4,409 |
| Business Services Manager | 4,849 | 5,091 | 5,346 | 5,613 | 5,894 | 6,189 | 6,498 |
| Engineering Services Manager | 5,223 | 5,484 | 5,758 | 6,046 | 6,349 | 6,666 | 6,999 |
| Facility Operations Manager | 4,700 | 4,935 | 5,182 | 5,441 | 5,713 | 5,999 | 6,298 |
| General Manager (Contract) | | | | | | | 9,657 |

POSITION COUNT BY DEPARTMENT

| Department | FY21 Base FTEs | Changes to Base | New Positions | FY22 Base FTEs | Variance |
|----------------------------------|-------------------|--------------------|------------------|-------------------|-------------|
| Administration | | | | | |
| Administration | 5.00 | 1.00 | 1.00 | 6.00 | 1.00 |
| Development Services | | | | | |
| Collections | 5.00 | - | - | 5.00 | - |
| Engineering | 4.00 | 1.00 | 1.00 | 5.00 | 1.00 |
| Laboratory and Compliance | | | | | |
| Laboratory and Compliance | 3.00 | - | - | 3.00 | - |
| Operations | | | | | |
| Maintenance | 7.00 | 1.00 | 1.00 | 8.00 | 1.00 |
| Operations | 9.00 | - | - | 9.00 | - |
| Total FTEs | 33.00 | 3.00 | 3.00 | 36.00 | 3.00 |

Notes:

- Full Time Employee (FTE)
- Changes to base Full Time Employee (FTE)s are due to inter-department transfers, changes in employee status from part-time (PT) to full-time (FT), changes in grant funded salaries, and allocations to other departments.
- Full-time employees (FTEs) may be less than one (1) due to salaries being allocated to capital projects, or for part time employees.

Administration Department

- The Administration Department is requesting one (1) FTE Accounting Technician to continue effective monitoring and control of the organization's financial matters. Also, the department retitled the Administrative Assistant position to Clerk of the Board.

Engineering Department

- The Engineering Department is requesting one (1) FTE Engineering Technician to administer and manage the District's new asset management system.

Maintenance Department

- The Maintenance Department is requesting one (1) FTE Maintenance Technician to assist with increased work orders for facility and vehicle maintenance.



VSD

BUDGET BY DEPARTMENT



DEPARTMENT DESCRIPTION

Valley Sanitary District is composed of seven (7) departments that work in unison to ensure that the District's purpose is fulfilled. In this section each department will be presented individually with its own organizational chart, department description, fiscal year 2021/22 goals, personal summary, budget summary, and budget detail.

Operating expenses are monitored at the department level. Every month a budget variance report is submitted to the department managers for review. Quarterly meetings are held with the department managers to analyze year-to-date expenditures versus year-to-date budget. Budget transfers within the department may be made administratively. Appropriation of funds above the total operating budget require a budget amendment and Board approval.

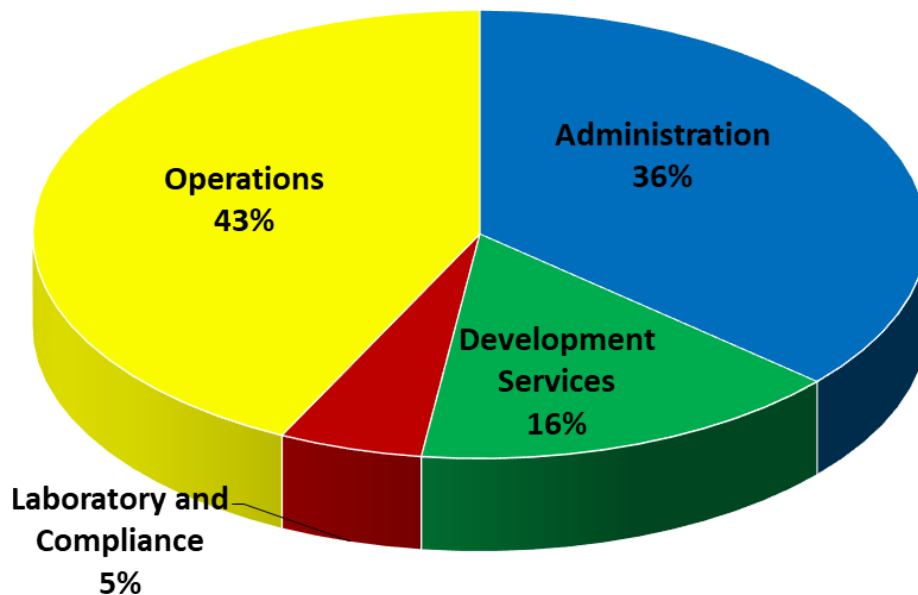
EXPENSE SUMMARY BY DEPARTMENT

The table below illustrates the expense summary by department.

| Department | FY20 Actual | FY21 Budget | FY21 Projection | FY22 Budget | Budget Change | Budget Percentage Change |
|-------------------------------------|----------------------|---------------------|---------------------|----------------------|---------------------|--------------------------------|
| ADMINISTRATION | | | | | | |
| Administration | \$ 1,976,608 | \$ 3,063,380 | \$ 2,930,032 | \$ 3,831,752 | \$ 768,372 | 25.1% |
| Board of Directors | - | - | - | 163,052 | 163,052 | 0.0% |
| Subtotal | \$ 1,976,608 | \$ 3,063,380 | \$ 2,930,032 | \$ 3,994,804 | \$ 931,424 | 30.4% |
| DEVELOPMENT SERVICES | | | | | | |
| Collections | \$ 3,483,049 | \$ 881,102 | \$ 758,357 | \$ 904,457 | \$ 23,355 | 2.7% |
| Engineering | - | 605,108 | 587,997 | 813,384 | 208,276 | 34.4% |
| Subtotal | \$ 3,483,049 | \$ 1,486,210 | \$ 1,346,355 | \$ 1,717,841 | \$ 231,631 | 15.6% |
| LABORATORY AND COMPLIANCE | | | | | | |
| Laboratory and Compliance | \$ 56,607 | \$ 521,385 | \$ 445,853 | \$ 569,839 | \$ 48,454 | 9.3% |
| Subtotal | \$ 56,607 | \$ 521,385 | \$ 445,853 | \$ 569,839 | \$ 48,454 | 9.3% |
| OPERATIONS | | | | | | |
| Maintenance | \$ - | \$ 1,373,656 | \$ 1,294,422 | \$ 1,712,021 | \$ 338,365 | 24.6% |
| Operations | 4,615,036 | 2,706,708 | 2,451,862 | 2,972,650 | 265,942 | 9.8% |
| Subtotal | \$ 4,615,036 | \$ 4,080,364 | \$ 3,746,284 | \$ 4,684,671 | \$ 604,307 | 14.8% |
| Total Expenses by Department | \$ 10,131,300 | \$ 9,151,339 | \$ 8,468,524 | \$ 10,967,155 | \$ 1,815,816 | 19.8% |

The pie chart below depicts the percentage of total operating budget by department.

Percentage of Total Operating Budget By Department



Budget Allocation

The budget process for the District is a collaborative effort among all departments that is based on sound financial management and longevity. For the fiscal year 2021/22 the operating budget focuses on allocating and using resources within the framework of the strategic plan to ensure long term success and development of the District as a whole. At the budget kick off for the new budget, the department heads are given budget request spreadsheets. The spreadsheets include all expenditures by category that include the last two (2) fiscal year expenditures, current fiscal year budget, and current fiscal year projections. All non-recurring expenditures from the previous year are deleted, and new requests are submitted for review and approval.

Wages and Benefits

Based on the completed succession plan, the goals, and objectives of the District for the next five (5) years, staff determined that in fiscal year 2021/22 the District needs to add three (3) Full Time Employees (FTE) to meet changing needs. The addition of staff is in alignment with Strategic Goal 1:

Fully Staffed with a Highly Trained and Motivated Team. The fiscal year 2021/22 budget reflects 36 FTEs with payroll related expenditures of \$4.6 million, an increase of \$506,924 or 12.5%.

The table below illustrates the personnel summary by department from fiscal year 2017/18 through fiscal year 2021/22.

| Department | Budget FY18 | Budget FY19 | Budget FY20 | Budget FY21 | Budget FY22 |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|
| Administration | | | | | |
| Administration | 4 | 5 | 5 | 5 | 6 |
| Development Services | | | | | |
| Collections | 4 | 4 | 5 | 5 | 5 |
| Engineering | 4 | 4 | 5 | 4 | 5 |
| Laboratory and Compliance | | | | | |
| Laboratory and Compliance | 1 | 1 | 2 | 3 | 3 |
| Operations | | | | | |
| Maintenance | 6 | 6 | 6 | 7 | 8 |
| Operations | 9 | 9 | 9 | 9 | 9 |
| Total FTEs | 28 | 29 | 32 | 33 | 36 |

California Public Employees' Retirement System (CalPERS)

The District participates in CalPERS one of the nation's largest public pension fund. CalPERS serves an estimated 2 million members in the retirement system. CalPERS offers a defined benefit plan where retirement benefits are based on a formula, rather than contributions and earnings to a savings plan. Retirement benefits are calculated based on a member's years of service credit, age at retirement, and final compensation (average salary for a defined period of employment).

On January 1, 2013, the California Public Employees' Pension Reform Act (PEPRA) was enacted, creating a mandatory two (2) tiered CalPERS pension system. Employees hired before 01/01/2013 are part of Tier 1 also known as Classic Members. The retirement formula for Classic members is 2.5% @ 55. Employees hired after 12/31/12 and not a prior Classic Member of CalPERS are part of Tier 2 PEPRA Members. The retirement formula for PEPRA Members is 2.0% @ 62.

Public agency required employer contributions are determined by periodic actuarial valuations. These valuations are based on the benefit formulas the agency provides and the employee groups covered. The minimum required employer contribution includes the sum of two (2) components:

1. Normal Cost (NC) Rate, which represents the annual cost of service accrual for the upcoming fiscal year, for active employees. Normal cost is shown as a percentage of payroll and paid as part of the payroll reporting process.

2. 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. The UAL is billed at the beginning of the fiscal year, with the option of prepayment at a discounted rate or monthly payments.

| Hire Date | Retirement Formula | Employer Normal Contribution | Employer Amortization of Unfunded Accrued | Employee Contribution |
|-------------------|--------------------|------------------------------|---|-----------------------|
| Before 01/01/2013 | 2.5% @ 55 | 12.380% | \$ 708,181 | 8.000% |
| After 12/31/2012 | 2.0% @ 62 | 7.730% | \$ 16,339 | 7.250% |

California Public Employees' Retirement System (CalPERS). (2021). Public Agency Required Employer Contributions. <https://www.calpers.ca.gov/page/employers/actuarial-resources/employer-contributions/public-agency-contributions>

Other Post-Employment Benefits (OPEB)

The District contributes to a single employer defined benefit plan to provide postemployment medical benefits. Specifically, the District offers post-retirement medical benefits to all employees who retire from the District after attaining age 50 with at least five (5) years of service. The District participates in the California Employers' Retiree Benefit Trust (CERBT) Fund, a Section 115 trust fund dedicated to prefunding OPEB.

Benefits provided by the plan are as follow:

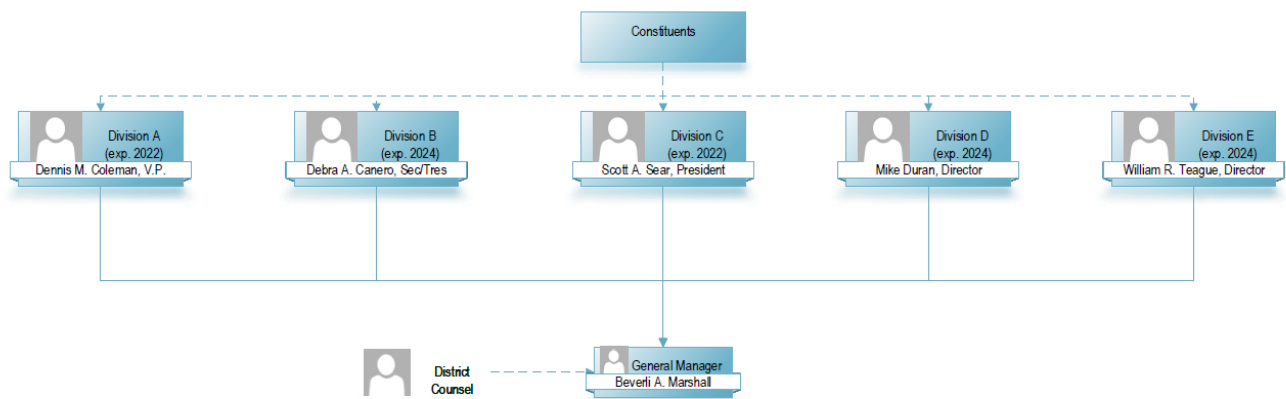
| Benefits Provided by Plan | |
|----------------------------------|---------------------|
| Benefit Types Provided | Medical Only |
| Duration of Benefits | Lifetime |
| Required Services | 5 Years |
| Minimum Age | 50 |
| Dependent Coverage | Yes |
| District Contribution Percentage | 1 |
| District Cap | \$133.00 per month* |

*This amount will increase as provided in California Government Code Section 22892

Annual OPEB costs are calculated based on the Annual Required Contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of Governmental Accounting Standards Board (GASB) Statement 45. In fiscal year 2021/22 there is a budgeted payment of \$43,534.

BOARD OF DIRECTORS





DEPARTMENT DESCRIPTION

Valley Sanitary District is governed by a five (5) member Board of Directors elected by ward from within the District's service area. Each Director represents a specific geographic area known as a ward. Under California law the Board of Directors establishes and implements policies for the operation of the District. The Board of Directors establishes goals and objectives, manages sound fiscal policy and control, sets rates and fees, approves the annual operating and capital budget, approves capital improvement plans, maintains strong communication between the Board of Directors and the General Manager, and advocates for the District. The Board of Directors makes decisions to serve the best interests of the community. The District's Board of Directors meet on the second and fourth Tuesday each month. Meetings are publicly noticed and citizens are encouraged to attend.

FY 2021-2022 GOALS AND OBJECTIVES

- Continue implementation of approved strategic plans, goals, and objectives.
- Ensure that all decisions executed uphold the District's mission, vision, and values.
- Continue to be a source of support for the community and the District.

PERSONNEL SUMMARY

| FY22 Physical | Classification | FY21 Base | FY22 Base | Variance |
|------------------|----------------|--------------|--------------|-------------|
| 5 | Director | 5.00 | 5.00 | 0.00 |
| 5 | Total | 5.00 | 5.00 | 0.00 |

Notes:

- New Department for FY22

EXPENSE BUDGET SUMMARY

| General Ledger Code | FY20 Actual | FY21 Budget | FY21 Projected | FY22 Budget | Budget Change | Percent Change |
|-------------------------------------|----------------|----------------|-------------------|-------------------|-------------------|-------------------|
| 11-20-5010 SALARIES AND WAGES | - | - | - | \$ 55,756 | \$ 55,756 | - |
| 11-20-5210 FICA AND MEDICARE | - | - | - | 13,171 | 13,171 | - |
| 11-20-5228 HEALTH INSURANCE | - | - | - | 900 | 900 | - |
| 11-20-6024 CONTRACTS | - | - | - | 25,000 | 25,000 | - |
| 11-20-6034 LEGAL SERVICES | - | - | - | 20,625 | 20,625 | - |
| 11-20-6044 OFFICE SUPPLIES | - | - | - | 1,500 | 1,500 | - |
| 11-20-6052 OTHER EXPENSES | - | - | - | 10,000 | 10,000 | - |
| 11-20-6122 TELEPHONE AND INTERNET | - | - | - | 3,600 | 3,600 | - |
| 11-20-6210 CONFERENCES AND MEETINGS | - | - | - | 32,500 | 32,500 | - |
| Total Expenses | - | - | - | \$ 163,052 | \$ 163,052 | - |

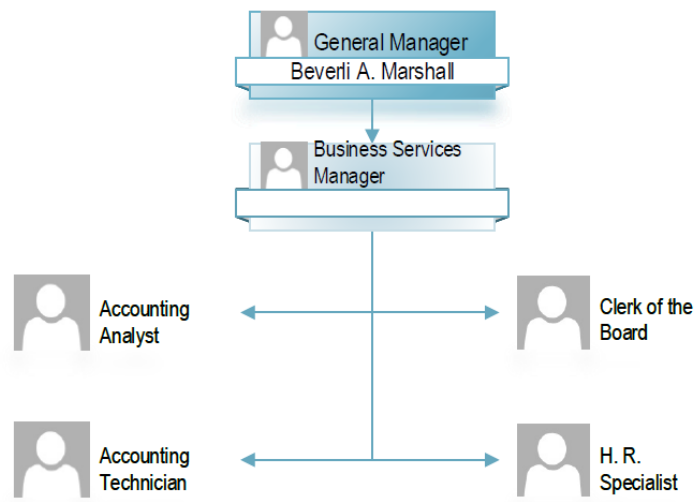
BUDGET DETAIL WORKSHEET

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|--|---|----------------|----------------|-----------|
| 11-20-5010 SALARIES AND WAGES | | \$ - | \$ 55,756 | \$ 55,756 |
| 11-20-5210 FICA AND MEDICARE | | - | 13,171 | 13,171 |
| 11-20-5228 HEALTH INSURANCE | | - | 900 | 900 |
| | Subtotal | \$ - | \$ 69,827 | \$ 69,827 |
| 11-20-6024 CONTRACTS | | | | |
| | Professional and Technical Services | \$ - | \$ 25,000 | \$ 25,000 |
| | Subtotal | \$ - | \$ 25,000 | \$ 25,000 |
| 11-20-6034 LEGAL SERVICES | | | | |
| | Costs Associated with General Legal Counsel | \$ - | \$ 20,625 | \$ 20,625 |
| | Subtotal | \$ - | \$ 20,625 | \$ 20,625 |
| 11-20-6044 OFFICE SUPPLIES | | | | |
| | Cost of Office Supplies and Services such as Postage, Courier, Letterhead, Envelopes, Business Cards, Copy Paper, Binders, Calendars, File Folders, Pens, Pencils, Pads, Mailing Labels, Etc. | \$ - | \$ 1,500 | \$ 1,500 |
| | Subtotal | \$ - | \$ 1,500 | \$ 1,500 |
| 11-20-6052 OTHER EXPENSES-BOARD | | | | |
| | Miscellaneous Expense Contingency Fund | \$ - | \$ 10,000 | \$ 10,000 |
| | Subtotal | \$ - | \$ 10,000 | \$ 10,000 |

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|--|--|----------------|-------------------|-------------------|
| 11-20-6122 TELEPHONE/INTERNET | | | | |
| | Cell Phones-4 Board Members | \$ - | \$ 3,600 | \$ 3,600 |
| | Subtotal | \$ - | \$ 3,600 | \$ 3,600 |
| 11-20-6210 CONFERENCES/MEETINGS | | | | |
| | Expenses Incurred for Attending the California Association of Sanitation Agencies (CASA) and or California Special Districts Association (CSDA) Conferences Held Two (2) Times a Year, Including Hotel and Travel Expenses Incurred While Attending Meetings, Conferences, and Various Educational Seminars. | \$ - | \$ 32,500 | \$ 32,500 |
| | Subtotal | \$ - | \$ 32,500 | \$ 32,500 |
| | Total Expenses | \$ - | \$ 163,052 | \$ 163,052 |

ADMINISTRATION





DEPARTMENT DESCRIPTION

The Administration Department includes Human Resources, Finance, the Clerk of the Board as well as functional areas including Media Relations, Safety, Drug and Alcohol, and Compliance.

Human Resources manages the recruiting and hiring of qualified talent, onboarding, training, benefit administration, and maintenance of employee records. Human Resources helps employees thrive by managing programs geared toward career growth, continuing education, training and support, and championing health and wellness initiatives.

Finance is responsible for financial accounting and reporting, cash management, payroll, investment portfolio, debt financing structure, contracts, procurement, and materials management. Finance is also responsible for all financial statements, coordination of financial audits, grant management, development and maintenance of the operating and capital budget, and preparation of long and short-term financial plans.

The Clerk of the Board is responsible for preparing and publishing postings, maintaining records of Board actions, processing public records requests, providing administrative support to the Board of Directors, and coordinating required legal filings.

The Administration Department provides the overall management and implementation of policies, goals, and strategic plans for the District.

FY 2021-2022 GOALS AND OBJECTIVES

- Update the Employee Handbook and Policies and Procedures Manual to reflect current organizational policies and employment laws.
- Successfully complete accounting software conversion.
- Commence cross-training on day-to-day functions involving Accounts Payable, Accounts Receivable, and Financial Reporting.
- Develop and implement an effective public outreach program that will increase public awareness of Valley Sanitary District.

PERSONNEL SUMMARY

| FY22 Physical Count | Classification | FY21 Base FTEs | FY22 Base FTEs | Variance |
|---------------------------|----------------------------|-------------------|-------------------|-------------|
| 1 | General Manager | 1.00 | 1.00 | 0.00 |
| 1 | Accounting Analyst | 1.00 | 1.00 | 0.00 |
| 1 | Accounting Technician | 0.00 | 1.00 | 1.00 |
| 0 | Administrative Assistant | 1.00 | 0.00 | (1.00) |
| 1 | Business Services Manager | 1.00 | 1.00 | 0.00 |
| 1 | Clerk of the Board | 0.00 | 1.00 | 1.00 |
| 1 | Human Resources Specialist | 1.00 | 1.00 | 0.00 |
| 6 | Total FTEs | 5.00 | 6.00 | 1.00 |

Notes:

- Added Accounting Technician
- Added Clerk of the Board
- Deleted Administrative Assistant

EXPENSE BUDGET SUMMARY

| General Ledger Code | FY20 Actual | FY21 Budget | FY21 Projected | FY22 Budget | Budget Change | Percent Change |
|---|---------------------|---------------------|---------------------|---------------------|-------------------|-------------------|
| 11-00-3280 CSWRCB RESERVE FUND | \$ - | \$ 553,361 | \$ 553,361 | \$ 553,361 | \$ - | - |
| 11-00-7410 DEPRECIATION & AMORTIZATION | 5,500.00 | - | - | - | - | 0.0% |
| 11-00-9108 TRANSFER TO FUND 06 | - | 467,729 | 467,729 | 465,512 | (2,217) | -0.5% |
| 11-10-5010 SALARIES AND WAGES | 575,227 | 579,986 | 582,083 | 684,410 | 104,424 | 18.0% |
| 11-10-5110 BONUS, AWARDS, AND RECERTIFICATION | - | - | - | 1,200 | 1,200 | - |
| 11-10-5116 LONGEVITY | 1,800 | 3,000 | 1,744 | 3,200 | 200 | 6.7% |
| 11-10-5119 OVERTIME | 831 | 500 | 5,063 | 5,000 | 4,500 | 900.0% |
| 11-10-5210 FICA AND MEDICARE | 47,654 | 43,600 | 39,109 | 55,425 | 11,825 | 27.1% |
| 11-10-5213 RETIREMENT CONTRIBUTIONS | 196,736 | 64,900 | 56,644 | 76,508 | 11,608 | 17.9% |
| 11-10-5216 UNEMPLOYMENT PAYMENTS | 485 | - | (170) | - | - | - |
| 11-10-5219 VISION INSURANCE | - | 3,820 | - | 2,076 | (1,744) | -45.7% |
| 11-10-5222 WORKERS' COMPENSATION | 1,912 | 1,270 | 1,333 | 70,413 | 69,143 | 5444.3% |
| 11-10-5225 LIFE INSURANCE | 1,511 | 1,300 | 1,187 | 1,632 | 332 | 25.5% |
| 11-10-5228 HEALTH INSURANCE | 96,848 | 106,300 | 91,607 | 109,464 | 3,164 | 3.0% |
| 11-10-5234 DENTAL INSURANCE | 15,317 | - | 18,182 | 8,004 | 8,004 | - |
| 11-10-5237 LONG TERM DISABILITY | 2,107 | 1,700 | 1,594 | 1,596 | (104) | -6.1% |
| 11-10-6010 ACCOUNTING SERVICES | - | 58,320 | - | 87,707 | 29,387 | 50.4% |
| 11-10-6018 CERTIFICATIONS | 50 | 250 | - | - | (250) | -100.0% |
| 11-10-6022 COMPREHENSIVE INSURANCE | 289,120 | 308,300 | 308,294 | 340,993 | 32,693 | 10.6% |
| 11-10-6024 CONTRACTS | 157,605 | 182,700 | 246,276 | 556,769 | 374,069 | 204.7% |
| 11-10-6026 COUNTY EXPENSE | 16,611 | 22,000 | 23,332 | 22,000 | - | - |
| 11-10-6028 ELECTION EXPENSE | - | 70,000 | - | - | (70,000) | -100.0% |
| 11-10-6034 LEGAL SERVICES | 346,817 | 40,000 | 171,713 | 30,000 | (10,000) | -25.0% |
| 11-10-6036 MEDICAL SERVICES | - | 31,500 | - | 32,443 | 943 | 3.0% |
| 11-10-6038 MEMBERSHIPS | 47,680 | 33,445 | 39,229 | 47,107 | 13,662 | 40.8% |
| 11-10-6042 MISC. PROFESSIONAL SERVICES | - | 82,930 | - | 95,392 | 12,462 | 15.0% |
| 11-10-6044 OFFICE SUPPLIES | 13,887 | 16,000 | 16,460 | 20,800 | 4,800 | 30.0% |
| 11-10-6046 SUPPLIES | 7,810 | 11,000 | 11,418 | 11,000 | - | - |
| 11-10-6048 OPEB HEALTH INSURANCE | - | 56,325 | - | 57,253 | 928 | 1.6% |
| 11-10-6052 OTHER EXPENSES | 11,166 | 28,000 | 17,402 | 10,000 | (18,000) | -64.3% |
| 11-10-6056 PERMITS AND FEES | 3,049 | 3,000 | 3,532 | 3,000 | - | - |
| 11-10-6060 PUBLICATIONS | 3,717 | 2,000 | 3,141 | 2,500 | 500 | 25.0% |
| 11-10-6062 REPAIRS AND MAINTENANCE | 4,397 | 3,500 | 2,462 | 13,375 | 9,875 | 282.1% |
| 11-10-6070 TUITION REIMBURSEMENT | - | - | - | 12,000 | 12,000 | - |
| 11-10-6122 TELEPHONE AND INTERNET | 19,297 | 20,500 | 21,059 | 27,655 | 7,155 | 34.9% |
| 11-10-6210 CONFERENCES AND MEETINGS | 59,725 | 40,000 | 22,205 | 44,523 | 4,523 | 11.3% |
| 11-10-7035 ADMINISTRATIVE FACILITIES | - | - | - | 33,449 | 33,449 | - |
| 11-20-6010 DIRECTOR FEE AND PAYROLL TAX-BOARD | 49,750 | 46,500 | 44,400 | - | (46,500) | -100.0% |
| 11-70-7025 GENERAL PLANT FACILITIES | - | 179,644 | 179,644 | 345,985 | 166,341 | 92.6% |
| Total Expenses | \$ 1,976,608 | \$ 3,063,380 | \$ 2,930,032 | \$ 3,831,752 | \$ 768,372 | 25.1% |

BUDGET DETAIL WORKSHEET

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|--|--|-------------------|-------------------|-------------------|
| 11-10-5010 SALARIES AND WAGES | | \$ 579,986 | \$ 684,410 | \$ 104,424 |
| 11-10-5110 BONUS, AWARDS, AND RECERTIFICATION | | - | 1,200 | 1,200 |
| 11-10-5119 OVERTIME | | 500 | 5,000 | 4,500 |
| 11-10-0000 TOTAL FRINGE BENEFITS | | 225,890 | 257,905 | 32,015 |
| | Subtotal | \$ 806,376 | \$ 948,515 | \$ 142,139 |
| 11-00-3280 CSWRCB RESERVE FUND | | | | |
| | Principal and Interest Payment for State Revolving Fund (SRF) | \$ 553,361 | \$ 553,361 | \$ - |
| | Subtotal | \$ 553,361 | \$ 553,361 | \$ - |
| 11-00-9108 TRANSFER TO FUND 06 | | | | |
| | Principal and Interest Payment for Revenue Refunding Bonds, 2015 | \$ 465,229 | \$ 463,012 | \$ (2,217) |
| | Annual Administrative Expenses for Revenue Refunding Bonds, 2015 | 2,500 | 2,500 | - |
| | Subtotal | \$ 467,729 | \$ 465,512 | \$ (2,217) |
| 11-10-5222 WORKERS COMPENSATION | | | | |
| | Workers Compensation Insurance Premium | \$ - | \$ 70,413 | \$ 70,413 |
| | Subtotal | \$ - | \$ 70,413 | \$ 70,413 |
| 11-10-6010 ACCOUNTING SERVICES | | | | |
| | Annual Audit | \$ 15,500 | \$ 30,810 | \$ 15,310 |
| | Annual Sewer Service Charge Administration Services (NBS) | 18,000 | 18,000 | - |
| | Annual Software Support (Caselle) | - | 16,800 | 16,800 |
| | Annual Software Support (Blackbaud) | 16,000 | 11,000 | (5,000) |
| | Payroll Processing | 4,100 | 5,377 | 1,277 |
| | Timekeeping System (CTE) | 3,600 | 3,600 | - |
| | Annual Report Submittal To GFOA | 1,120 | 1,120 | - |
| | Budget Report Submittal To GFOA | - | 1,000 | 1,000 |
| | Subtotal | \$ 58,320 | \$ 87,707 | \$ 29,387 |

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|---|---|-------------------|-------------------|-------------------|
| 11-10-6018 CERTIFICATIONS | | | | |
| | Certified Public Accountant (CPA) Renewal (Business Services Manager) | \$ 250 | \$ - | \$ (250) |
| | Subtotal | \$ 250 | \$ - | \$ (250) |
| 11-10-6022 COMPREHENSIVE INSURANCE | | | | |
| | Earthquake Insurance | \$ 177,000 | \$ 192,000 | \$ 15,000 |
| | Umbrella Business Insurance (e.g., Liability, Auto, and General) | 115,000 | 125,000 | 10,000 |
| | Environmental Pollution | 16,300 | 23,993 | 7,693 |
| | Subtotal | \$ 308,300 | \$ 340,993 | \$ 32,693 |
| 11-10-6024 CONTRACTS | | | | |
| | Grant Assistance | \$ - | \$ 100,000 | \$ 100,000 |
| | Public Relations (e.g., Outreach, Social Media, and Advertising) | - | 97,025 | 97,025 |
| | Plant Security (Superior Protection Consultants) | 79,000 | 79,000 | - |
| | Federal Advocacy | - | 69,000 | 69,000 |
| | Other IT Support | - | 39,500 | 39,500 |
| | Computer Maintenance (Southwest Networks) | 25,100 | 39,444 | 14,344 |
| | State Advocacy | - | 30,000 | 30,000 |
| | General Consulting for Human Resource Training and Development, Benefits, and Legal Compliance | - | 25,000 | 25,000 |
| | Outreach Newsletter | 15,000 | 25,000 | 10,000 |
| | Temporary Help Services | - | 18,000 | 18,000 |
| | Services Related to the Shadow Hills and Indio Terrace Assessment Districts (Willdan) | - | 10,000 | 10,000 |
| | Business Continuity Update | - | 10,000 | 10,000 |
| | Backup/Disaster Recovery Storage (Southwest Networks) | 8,400 | 8,400 | - |
| | CalPERS Actuarial Study for GASB 68 Requirements | 1,700 | 1,800 | 100 |
| | Section 125 Plan | 1,000 | 1,800 | 800 |
| | CalPERS Health Plan Annual Fee | 1,400 | 1,400 | - |
| | Postage Meter Lease (Pitney Bowes) | 700 | 700 | - |
| | CalPERS 218 Fee (Social Security Agreement) | 400 | 700 | 300 |
| | Sewer Rate and Capacity Fee Study (NBS) | 50,000 | - | (50,000) |
| | Subtotal | \$ 182,700 | \$ 556,769 | \$ 374,069 |

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|------------------------------------|---|------------------|------------------|--------------------|
| 11-10-6026 COUNTY EXPENSE | | | | |
| | County Auditor Fees Special Assessments to the Tax Roll | \$ 11,000 | \$ 11,000 | \$ - |
| | County Treasurer Fees for Collection of Special Assessments | 11,000 | 11,000 | - |
| | Subtotal | \$ 22,000 | \$ 22,000 | \$ - |
| 11-10-6028 ELECTION EXPENSE | | | | |
| | Costs Associated Board Member Election | \$ 70,000 | \$ - | \$ (70,000) |
| | Subtotal | \$ 70,000 | \$ - | \$ (70,000) |
| 11-10-6034 LEGAL SERVICES | | | | |
| | Costs Associated with General Legal Counsel | \$ 40,000 | \$ 30,000 | \$ (10,000) |
| | Subtotal | \$ 40,000 | \$ 30,000 | \$ (10,000) |
| 11-10-6036 MEDICAL SERVICES | | | | |
| | Wellness Program | \$ 29,500 | \$ 30,000 | \$ 500 |
| | Medical Exams-DMV & Pre-Employment | 1,000 | 1,243 | 243 |
| | First Aid Medical | 500 | 700 | 200 |
| | Drug/Alcohol Testing Five (5) Employees | 500 | 500 | - |
| | Subtotal | \$ 31,500 | \$ 32,443 | \$ 943 |

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|-------------------------------|--|------------------|------------------|------------------|
| 11-10-6038 MEMBERSHIPS | | | | |
| | California Association of Sanitation Agencies (CASA) | \$ 14,000 | \$ 14,000 | \$ - |
| | California Special Districts Association (CSDA) | 7,700 | 7,805 | 105 |
| | National Association Clean Water Agency (NACWA) | - | 7,680 | 7,680 |
| | Liebert Cassidy Whitmore (LCW) | 5,000 | 5,625 | 625 |
| | Southern California Allowance of Publicly Owned Treatment Works (SCAP) | 5,100 | 5,100 | - |
| | WaterReuse Membership | - | 3,103 | 3,103 |
| | Greater Coachella Valley Chamber of Commerce | 700 | 760 | 60 |
| | California Society of Municipal Finance Officers (CSMFO) | 220 | 600 | 380 |
| | Government Finance Officers Association (GFOA) | - | 480 | 480 |
| | California Public Employer Labor Relations Association (CalPERLA) | - | 370 | 370 |
| | American Water Works Association (AWWA) | 300 | 300 | - |
| | California Clerk of The Board of Supervisors Association (CCBSA) | | 300 | 300 |
| | California Association of Public Procurement Officials (CAPPO) | 225 | 225 | - |
| | Society for Human Resource Management (SHRM) | - | 219 | 219 |
| | California Water Environment Association (CWEA) | 200 | 200 | - |
| | Professionals In Human Resources Association (PIHRA) | - | 150 | 150 |
| | Palm Springs Desert Sun Subscription | - | 100 | 100 |
| | Municipal Management Association of Southern California (MMASC) | - | 90 | 90 |
| | Subtotal | \$ 33,445 | \$ 47,107 | \$ 13,662 |

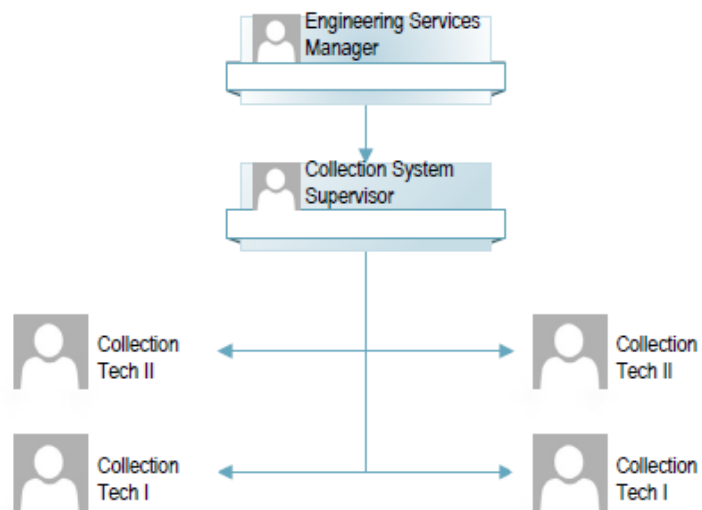
| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|---|--|------------------|------------------|--------------------|
| 11-10-6042 MISC. PROFESSIONAL SERVICES | | | | |
| | Computer Consulting | \$ 50,000 | \$ 70,000 | \$ 20,000 |
| | Government Job Listing Service (NeoGov) | 7,500 | 8,139 | 639 |
| | Office 365 Annual Billing | 5,430 | 5,670 | 240 |
| | Body Temperature Scanner (Turing Video) | - | 3,234 | 3,234 |
| | Board Meeting Software | - | 3,150 | 3,150 |
| | Video Conferencing | 3,000 | 3,000 | - |
| | Website Annual Service (CivicPlus) | 2,000 | 2,199 | 199 |
| | Prop 218 Mailing | 15,000 | - | (15,000) |
| | Subtotal | \$ 82,930 | \$ 95,392 | \$ 12,462 |
| 11-10-6044 OFFICE SUPPLIES | | | | |
| | General Office Supplies (e.g., Letterhead, Envelopes, Business Cards, Copy Paper, Binders, Calendars, File Folders, Pens, Pencils) | \$ 14,596 | \$ 15,353 | \$ 757 |
| | Printed Employee Handbook | - | 2,000 | 2,000 |
| | Printed Budget Book | - | 2,000 | 2,000 |
| | Postage | 1,404 | 1,447 | 43 |
| | Subtotal | \$ 16,000 | \$ 20,800 | \$ 4,800 |
| 11-10-6046 SUPPLIES | | | | |
| | Office Software Upgrades | \$ 7,000 | \$ 7,000 | \$ - |
| | Computer Supplies-Printer Cartridges and Toner | 4,000 | 4,000 | - |
| | Subtotal | \$ 11,000 | \$ 11,000 | \$ - |
| 11-10-6048 OPEB HEALTH INSURANCE | | | | |
| | OPEB Annual Required Contribution (ARC) | \$ 47,825 | \$ 43,534 | \$ (4,291) |
| | CalPERS OPEB Health Insurance fees | 8,500 | 10,119 | 1,619 |
| | Biennial OPEB Actuarial Study (Due in 2021/2022) | - | 3,600 | 3,600 |
| | Subtotal | \$ 56,325 | \$ 57,253 | \$ 928 |
| 11-10-6052 OTHER EXPENSES | | | | |
| | Miscellaneous Expense Contingency Fund | \$ 28,000 | \$ 10,000 | \$ (18,000) |
| | Subtotal | \$ 28,000 | \$ 10,000 | \$ (18,000) |

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|---|---|------------------|------------------|------------------|
| 11-10-6056 PERMITS & FEES | | | | |
| | The Cortese Knox-Hertzberg Local Government Reorganization Act Of 2000 States that Special Districts are Responsible for Paying One-Third of the Cost of LAFCO. | \$ 3,000 | \$ 3,000 | \$ - |
| | Subtotal | \$ 3,000 | \$ 3,000 | \$ - |
| 11-10-6060 PUBLICATIONS | | | | |
| | Costs For Publication of Official Notices and Bid Requests in Online Platforms | \$ 2,000 | \$ 2,500 | \$ 500 |
| | Subtotal | \$ 2,000 | \$ 2,500 | \$ 500 |
| 11-10-6062 REPAIRS AND MAINTENANCE | | | | |
| | Replacement Computers (3) | \$ - | \$ 6,000 | \$ 6,000 |
| | Copier II Lease & Maintenance | - | 3,875 | 3,875 |
| | Innovative Document Solutions - Monthly Maintenance Costs For Copier | 2,000 | 2,000 | - |
| | Miscellaneous | 1,500 | 1,500 | - |
| | Subtotal | \$ 3,500 | \$ 13,375 | \$ 9,875 |
| 11-10-6070 TUITION REIMBURSEMENT | | | | |
| | Tuition Assistance Program | \$ - | \$ 12,000 | \$ 12,000 |
| | Subtotal | \$ - | \$ 12,000 | \$ 12,000 |
| 11-10-6122 TELEPHONE/INTERNET | | | | |
| | VOIP Main Telephone System (Spectrum) | \$ 14,000 | \$ 14,000 | \$ - |
| | Cell Phones-One (1) Employee (Verizon Wireless) | 4,000 | 10,000 | 6,000 |
| | Fire Control Alarms (Frontier) | 2,500 | 3,655 | 1,155 |
| | Subtotal | \$ 20,500 | \$ 27,655 | \$ 7,155 |

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|--|--|---------------------|---------------------|--------------------|
| 11-10-6210 CONFERENCES/MEETINGS | | | | |
| | Leadership Academy | \$ - | \$ 20,000 | \$ 20,000 |
| | Costs Associated with Employee Travel and Training | 8,000 | 12,000 | 4,000 |
| | Association of California Water Agencies (ACWA) | 16,000 | 4,709 | (11,291) |
| | California Association of Sanitation Agencies (CASA) | 16,000 | 4,709 | (11,291) |
| | CalPERLA | - | 2,130 | 2,130 |
| | Government Finance Officers Association (GFOA) | - | 575 | 575 |
| | California Society of Municipal Finance Offices (CSMFO) | - | 400 | 400 |
| | Subtotal | \$ 40,000 | \$ 44,523 | \$ 4,523 |
| 11-10-7035 ADMINISTRATIVE FACILITIES | | | | |
| | New Time Keeping System | \$ - | \$ 25,000 | \$ 25,000 |
| | Server Replacement | - | 8,449 | 8,449 |
| | Subtotal | - | 33,449 | 33,449 |
| 11-20-6010 DIRECTOR FEE/PAYROLL TAX-BOARD | | | | |
| | Day of Service Fees for Five (5) Board Members | \$ 46,500 | \$ - | \$ (46,500) |
| | Subtotal | \$ 46,500 | \$ - | \$ (46,500) |
| 11-70-7025 GENERAL PLANT FACILITIES | | | | |
| | Water Reuse Project (EVRA JPA) | \$ 100,000 | \$ 200,000 | \$ 100,000 |
| | Coachella Valley Integrated Regional Water Management Plan (IRWMP) | 40,000 | 50,000 | 10,000 |
| | Salt and Nutrient Management Plan (SNMP) | - | 50,000 | 50,000 |
| | Telemetry for District Vehicles | - | 20,925 | 20,925 |
| | District Building Alarm System Replacement | - | 16,060 | 16,060 |
| | Phase 1 Gap Monitoring Well Plan | - | 9,000 | 9,000 |
| | 11 Laptops (Includes Warranty, Programming, and Licensing) | 18,802 | - | (18,802) |
| | 7 Phones for New Cubicles | 1,371 | - | (1,371) |
| | Covid-19 Screening Thermal Scanners | 9,700 | - | (9,700) |
| | 7 Desktops (Includes Warranty, Programming, and Licensing) | 9,771 | - | (9,771) |
| | Subtotal | \$ 179,644 | \$ 345,985 | \$ 166,341 |
| | Total Expense | \$ 3,063,380 | \$ 3,831,752 | \$ 768,372 |

COLLECTIONS SYSTEMS





DEPARTMENT DESCRIPTION

The Collections Department services and maintains 254 miles of sewer main with pipe size ranging from 6 to 54 inches. There are four (4) lift stations that consist of a total of eight (8) pumps, wet wells, and dry wells that require periodic maintenance and inspection. There are a total of 4,500 manholes in the collection system that require periodic maintenance and inspections to prevent and/or identify deterioration of the structures.

FY 2021-2022 GOALS AND OBJECTIVES

- Meet or exceed annual sewer main cleaning production of 130 miles per year in order to complete the 2-year benchmark for cleaning the entire sewer system.
- Meet or exceed annual CCTV production of 30 miles per year in order to complete the 10-year benchmark of inspecting the entire system.
- Meet and exceed the requirements of the Statewide General Waste Discharge Requirements (WDR), Sewer System Management Plan (SSMP) to prevent Sanitary Sewer Overflows (SSO).

PERSONNEL SUMMARY

| FY22 Physical Count | Classification | FY21 Base FTEs | FY22 Base FTEs | Variance |
|---------------------------|------------------------------|-------------------|-------------------|-------------|
| 1 | Collection System Supervisor | 1.00 | 1.00 | 0.00 |
| 2 | Collection System Tech I | 2.00 | 2.00 | 0.00 |
| 2 | Collection System Tech II | 2.00 | 2.00 | 0.00 |
| 5 | Total FTEs | 5.00 | 5.00 | 0.00 |

EXPENSE BUDGET SUMMARY

| General Ledger Code | FY20 Actual | FY21 Budget | FY21 Projected | FY22 Budget | Budget Change | Percent Change |
|---|---------------------|-------------------|-------------------|-------------------|------------------|-------------------|
| 11-00-7410 DEPRECIATION & AMORTIZATION | \$ 710,000 | \$ - | \$ - | \$ - | \$ - | - |
| 11-30-5010 SALARIES AND WAGES | 1,276,434 | 332,392 | 369,652 | 359,757 | 27,365 | 8.2% |
| 11-30-5110 BONUS, AWARDS, AND RECERTIFICATION | - | - | - | 1,000 | 1,000 | - |
| 11-30-5113 CALLOUT | 3,615 | 4,000 | 1,890 | 2,500 | (1,500) | -37.5% |
| 11-30-5116 LONGEVITY | 16,892 | 2,500 | 2,326 | 4,000 | 1,500 | 60.0% |
| 11-30-5119 OVERTIME | 5,318 | 1,600 | 821 | 1,600 | - | - |
| 11-30-5122 STANDBY PAY | 17,403 | 18,700 | 17,786 | 19,100 | 400 | 2.1% |
| 11-30-5210 FICA AND MEDICARE | 99,503 | 26,800 | 29,525 | 30,989 | 4,189 | 15.6% |
| 11-30-5213 RETIREMENT CONTRIBUTIONS | 402,643 | 30,800 | 31,641 | 40,301 | 9,501 | 30.8% |
| 11-30-5219 VISION INSURANCE | 10,815 | 4,200 | 7,128 | 1,308 | (2,892) | -68.9% |
| 11-30-5222 WORKERS' COMPENSATION | 27,749 | 9,000 | 9,619 | - | (9,000) | -100.0% |
| 11-30-5225 LIFE INSURANCE | 2,960 | 950 | 800 | 1,244 | 294 | 30.9% |
| 11-30-5228 HEALTH INSURANCE | 205,092 | 91,300 | 86,135 | 85,704 | (5,596) | -6.1% |
| 11-30-5234 DENTAL INSURANCE | - | - | - | 6,396 | 6,396 | - |
| 11-30-5237 LONG TERM DISABILITY | 5,262 | 1,100 | 1,139 | 1,008 | (92) | -8.4% |
| 11-30-6018 CERTIFICATIONS | 3,858 | 4,910 | 2,698 | 4,000 | (910) | -18.5% |
| 11-30-6024 CONTRACTS | 131,894 | 140,850 | 85,939 | 133,700 | (7,150) | -5.1% |
| 11-30-6038 MEMBERSHIPS | 4,415 | 2,300 | 1,969 | 1,700 | (600) | -26.1% |
| 11-30-6046 SUPPLIES | 37,693 | 5,000 | 5,098 | 5,000 | - | - |
| 11-30-6052 OTHER EXPENSES | 13,028 | 10,000 | 3,755 | 10,000 | - | - |
| 11-30-6056 PERMITS AND FEES | 15,516 | 18,500 | 17,341 | 18,500 | - | - |
| 11-30-6058 PRETREATMENT - COLLECTIONS | 1,268 | - | - | - | - | - |
| 11-30-6062 REPAIRS AND MAINTENANCE | 421,616 | 146,700 | 61,512 | 146,700 | - | - |
| 11-30-6068 TOOLS AND EQUIPMENT | 24,647 | 2,000 | 239 | 2,000 | - | - |
| 11-30-6072 UNIFORM SERVICES | 13,061 | 8,000 | 7,071 | 6,950 | (1,050) | -13.1% |
| 11-30-6110 ELECTRICITY | 3,834 | 4,000 | 4,392 | 4,500 | 500 | 12.5% |
| 11-30-6125 WATER | 5,673 | 6,500 | 5,826 | 6,500 | - | - |
| 11-30-6210 CONFERENCES AND MEETINGS | 22,859 | 9,000 | 4,053 | 10,000 | 1,000 | 11.1% |
| Total Expenses | \$ 3,483,049 | \$ 881,102 | \$ 758,357 | \$ 904,457 | \$ 23,355 | 2.7% |

BUDGET DETAIL WORKSHEET

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|--|---|-------------------|-------------------|------------------|
| 11-30-5010 SALARIES AND WAGES | | \$ 332,392 | \$ 359,757 | \$ 27,365 |
| 11-30-5110 BONUS, AWARDS, AND RECERTIFICATION | | - | 1,000 | 1,000 |
| 11-30-5113 CALLOUT | | 4,000 | 2,500 | (1,500) |
| 11-30-5119 OVERTIME | | 1,600 | 1,600 | - |
| 11-30-5122 STANDBY PAY | | 18,700 | 19,100 | 400 |
| 11-30-0000 TOTAL FRINGE BENEFITS | | 166,650 | 170,950 | 4,300 |
| | Subtotal | \$ 523,342 | \$ 554,907 | \$ 31,565 |
| 11-30-6018 CERTIFICATIONS | | | | |
| | Pipe Assessment Certification Program (PACP) for Two (2) Employees | \$ 2,000 | \$ 2,000 | \$ - |
| | California Water Environment Association (CWEA) Allowance for Advancement (Certification Testing) | 1,400 | 1,400 | - |
| | CWEA Technical Certification Programs Collection System Technician I and II (4) | 400 | 480 | 80 |
| | CWEA Technical Certification Programs Collection System Supervisor | 110 | 120 | 10 |
| | State Water Resource Control Board (SWRCB) Operator Certification Programs Operator TI | 170 | - | (170) |
| | SWRCB Operator Certification Programs Operator DI | 170 | - | (170) |
| | CWEA Technical Certification Programs Development Service Technician I | 100 | - | (100) |
| | CWEA Technical Certification Programs Development Service Technician II | 110 | - | (110) |
| | American Water Works Association (AWWA) Grade D4/T3 (District Engineer) | 300 | - | (300) |
| | Professional Engineer (PE) (District Engineer and Associate Engineer) | 150 | - | (150) |
| | Subtotal | \$ 4,910 | \$ 4,000 | \$ (910) |

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|-------------------------------|--|-------------------|-------------------|-------------------|
| 11-30-6024 CONTRACTS | | | | |
| | Roach Control Program (Golden Bell) | \$ 47,500 | \$ 49,400 | \$ 1,900 |
| | Emergency Contingency Service (Rain for Rent) | 25,000 | 25,000 | - |
| | Asset Management Annual Renewal (Lucity) | 15,000 | 15,000 | - |
| | Root Control Program (Duke's Root Control) | 15,000 | 15,000 | - |
| | Emergency Response Consultant | 10,000 | 10,000 | - |
| | ERICA Radio Member Fee (City of Indio) | 6,000 | 6,000 | - |
| | Dig Alerts and Board Fees (Underground Dig Alert) | 3,500 | 3,500 | - |
| | Software Support Fee (Pipelogix) | 3,000 | 3,000 | - |
| | Cell Phones-Four (4) Phones/Devices (Verizon Wireless) | 4,000 | 2,000 | (2,000) |
| | Annual Monitoring Fee/Pump Stations | 2,000 | 2,000 | - |
| | After Hours Answering Service (Around the Clock) | - | 1,800 | 1,800 |
| | Miscellaneous Contractual Services | 1,000 | 1,000 | - |
| | Bentley Enterprise Annual Licensing - Sewergems | 4,500 | - | (4,500) |
| | ESRI ARCVIEW 10.0 Annual Renewal | 3,000 | - | (3,000) |
| | Autocad Annual Maintenance and Helpdesk | 1,000 | - | (1,000) |
| | Wireless Beepers (SPOK) | 350 | - | (350) |
| | Subtotal | \$ 140,850 | \$ 133,700 | \$ (7,150) |
| 11-30-6038 MEMBERSHIPS | | | | |
| | CWEA Membership Renewal | \$ 1,950 | \$ 1,350 | \$ (600) |
| | National Association of Sewer Service Companies; Updates New Criteria Related to PACP Inspection Standards | 350 | 350 | - |
| | Subtotal | \$ 2,300 | \$ 1,700 | \$ (600) |
| 11-30-6046 SUPPLIES | | | | |
| | Traffic Control Signs/Cones/Safety Equipment | \$ 3,000 | \$ 3,000 | \$ - |
| | Miscellaneous Supplies | 2,000 | 2,000 | - |
| | Subtotal | \$ 5,000 | \$ 5,000 | \$ - |

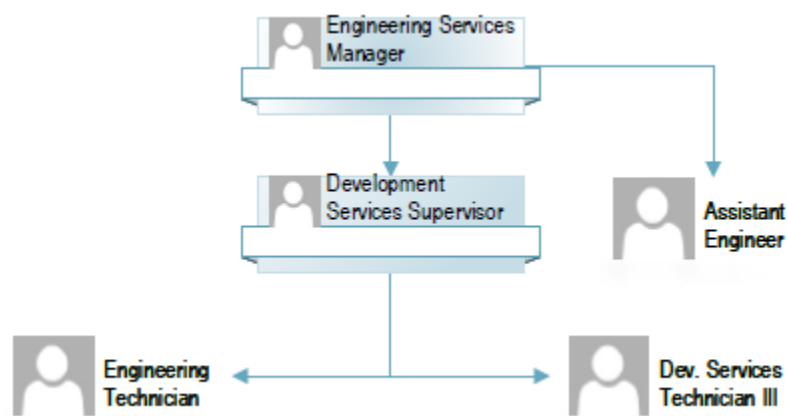
| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|---|---|-------------------|-------------------|-------------------|
| 11-30-6052 OTHER EXPENSES | | | | - |
| | Miscellaneous Expense Contingency Fund | \$ 10,000 | \$ 10,000 | \$ - |
| | Subtotal | \$ 10,000 | \$ 10,000 | \$ - |
| 11-30-6056 PERMITS AND FEES | | | | |
| | State General Waste Discharge Annual Permit Fee (SWRCB) | \$ 16,000 | \$ 16,000 | \$ - |
| | Annual Encroachment Permit (City Of Indio) | 1,500 | 1,500 | - |
| | Miscellaneous Permits and/or Fees | 1,000 | 1,000 | - |
| | Subtotal | \$ 18,500 | \$ 18,500 | \$ - |
| 11-30-6062 REPAIRS AND MAINTENANCE | | | | |
| | Vactor Parts/Repairs/Planned Expenditures | \$ 75,200 | \$ 75,200 | \$ - |
| | Mainline Repair | 20,000 | 20,000 | - |
| | TV Van Parts and Repair | 15,000 | 15,000 | - |
| | Manhole Covers | 15,000 | 15,000 | - |
| | Pump Station Repairs And Parts | 11,000 | 11,000 | - |
| | Equipment Rentals | 8,500 | 8,500 | - |
| | Equipment Repairs | 2,000 | 2,000 | - |
| | Subtotal | \$ 146,700 | \$ 146,700 | \$ - |
| 11-30-6068 TOOLS AND EQUIPMENT | | | | |
| | Miscellaneous Small Tool Acquisition and Replacement | \$ 2,000 | \$ 2,000 | \$ - |
| | Subtotal | \$ 2,000 | \$ 2,000 | \$ - |
| 11-30-6072 UNIFORM SERVICES | | | | |
| | Uniforms-Five (5) Employees (Cintas) | \$ 4,600 | \$ 4,300 | \$ (300) |
| | PPE Gloves/Clothing/Gear | 1,400 | 1,400 | - |
| | Boots-Five (5) Employees | 2,000 | 1,250 | (750) |
| | Subtotal | \$ 8,000 | \$ 6,950 | \$ (1,050) |
| 11-30-6110 ELECTRICITY | | | | |
| | Imperial Irrigation District (IID) | \$ 4,000 | \$ 4,500 | \$ 500 |
| | Subtotal | \$ 4,000 | \$ 4,500 | \$ 500 |
| 11-30-6125 WATER | | | | |
| | Hydrant Water (Indio Water Authority) | \$ 6,500 | \$ 6,500 | \$ - |
| | Subtotal | \$ 6,500 | \$ 6,500 | \$ - |
| 11-30-6210 CONFERENCES/MEETINGS | | | | |
| | Travel Expenses for Conferences and Training Seminars, Registration Fees, Meals, Lodging and Related Expenses | \$ 9,000 | \$ 10,000 | \$ 1,000 |
| | Subtotal | \$ 9,000 | \$ 10,000 | \$ 1,000 |
| | Total Expenses | \$ 881,102 | \$ 904,457 | \$ 23,355 |



VSD

ENGINEERING





DEPARTMENT DESCRIPTION

The Engineering Department is responsible for Development Services and the Capital Improvement Program.

Development Services is responsible for tracking new development within the District's service area to ensure that all District development standards are being followed. It conducts plan checks for new developments, provides permitting and inspection services for new construction and/or remodeling/tenant improvements involving commercial, industrial, and residential properties.

The District has a robust Capital Improvement Program including the Reclaimed Water Phase 1 Treatment Upgrade project, the Influent Pump Station Rehabilitation project and the Collection System Sewer Main Rehabilitation and Replacement Program as well as many smaller projects.

FY 2021-2022 GOALS AND OBJECTIVES

- Provide a high quality and customer friendly plan check process.
- Provide high quality and developer friendly inspection services.
- Research and find alternative funding sources for capital projects.
- Continue to deliver projects per schedule.
- Maintain a high-quality wastewater treatment plant and collection system by continuing to repair and replace items that have met their useful life.

PERSONNEL SUMMARY

| FY22 Physical Count | Classification | FY21 Base FTEs | FY22 Base FTEs | Variance |
|---------------------------|-------------------------------------|-------------------|-------------------|-------------|
| 1 | Engineering Services Manager | 1.00 | 1.00 | 0.00 |
| 1 | Assistant Engineer | 1.00 | 1.00 | 0.00 |
| 1 | Development Services Supervisor | 1.00 | 1.00 | 0.00 |
| 1 | Development Services Technician III | 1.00 | 1.00 | 0.00 |
| 1 | Engineering Technician | 0.00 | 1.00 | 1.00 |
| 5 | Total FTEs | 4.00 | 5.00 | 1.00 |

Notes:

- Added Engineering Technician

EXPENSE BUDGET SUMMARY

| General Ledger Code | FY20 Actual | FY21 Budget | FY21 Projected | FY22 Budget | Budget Change | Percent Change |
|---|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 11-40-5010 SALARIES AND WAGES | \$ - | \$ 465,988 | \$ 464,621 | \$ 549,295 | \$ 83,307 | 17.9% |
| 11-40-5110 BONUS, AWARDS, AND RECERTIFICATION | - | - | - | 1,000 | 1,000 | - |
| 11-40-5116 LONGEVITY | - | 6,000 | 5,815 | 6,600 | 600 | 10.0% |
| 11-40-5210 FICA AND MEDICARE | - | 35,000 | 33,421 | 44,552 | 9,552 | 27.3% |
| 11-40-5213 RETIREMENT CONTRIBUTIONS | - | 54,300 | 50,785 | 67,578 | 13,278 | 24.5% |
| 11-40-5219 VISION INSURANCE | - | 1,595 | 2,618 | 1,908 | 313 | 19.6% |
| 11-40-5222 WORKERS' COMPENSATION | - | 6,700 | 1,170 | - | (6,700) | -100.0% |
| 11-40-5225 LIFE INSURANCE | - | 1,200 | 999 | 1,065 | (135) | -11.3% |
| 11-40-5228 HEALTH INSURANCE | - | 32,595 | 27,099 | 49,788 | 17,193 | 52.7% |
| 11-40-5234 DENTAL INSURANCE | - | - | - | 4,836 | 4,836 | - |
| 11-40-5237 LONG TERM DISABILITY | - | 1,730 | 1,469 | 1,392 | (338) | -19.5% |
| 11-40-6018 CERTIFICATIONS | - | - | - | 3,470 | 3,470 | - |
| 11-40-6024 CONTRACTS | - | - | - | 65,000 | 65,000 | - |
| 11-40-6038 MEMBERSHIPS | - | - | - | 1,200 | 1,200 | - |
| 11-40-6052 OTHER EXPENSES | - | - | - | 4,000 | 4,000 | - |
| 11-40-6056 PERMITS AND FEES | - | - | - | 1,000 | 1,000 | - |
| 11-40-6068 TOOLS AND EQUIPMENT | - | - | - | 1,000 | 1,000 | - |
| 11-40-6072 UNIFORM SERVICES | - | - | - | 4,700 | 4,700 | - |
| 11-40-6210 CONFERENCES AND MEETINGS | - | - | - | 5,000 | 5,000 | - |
| Total Expenses | \$ - | \$ 605,108 | \$ 587,997 | \$ 813,384 | \$ 208,276 | 34.4% |

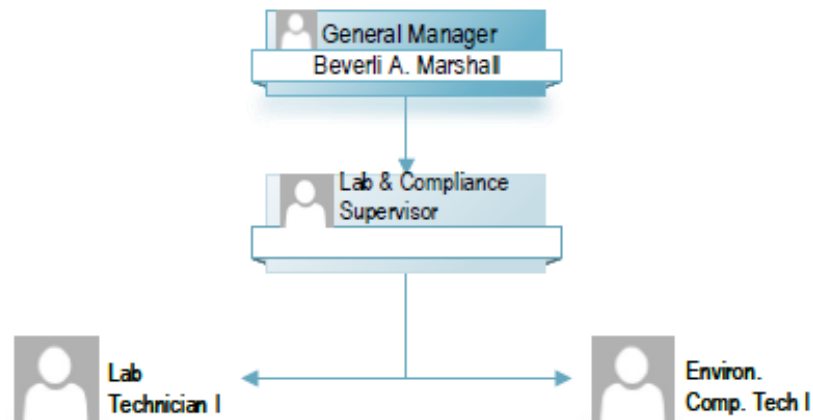
BUDGET DETAIL WORKSHEET

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|--|---|-------------------|-------------------|-------------------|
| 11-40-5010 SALARIES AND WAGES | | \$ 465,988 | \$ 549,295 | \$ 83,307 |
| 11-40-5110 BONUS, AWARDS, AND RECERTIFICATION | | - | 1,000 | 1,000 |
| 11-40-5113 CALLOUT | | - | - | - |
| 11-40-5119 OVERTIME | | - | - | - |
| 11-40-5122 STANDBY PAY | | - | - | - |
| 11-40-0000 TOTAL FRINGE BENEFITS | | 139,120 | 177,719 | 38,599 |
| | Subtotal | \$ 605,108 | \$ 728,014 | \$ 122,906 |
| 11-40-6018 CERTIFICATIONS | | | | |
| | Pipe Assessment Certification Program (PACP) for Two (2) Employees | \$ - | \$ 2,000 | \$ 2,000 |
| | California Water Environment Association (CWEA) Allowance for Advancement (Certification Testing) | - | 450 | 450 |
| | American Water Works Association (AWWA) Grade D4/T3 (District Engineer) | - | 300 | 300 |
| | State Water Resource Control Board (SWRCB) Operator Certification Programs Operator TI | - | 170 | 170 |
| | SWRCB Board Operator Certification Programs Operator DI | - | 170 | 170 |
| | Professional Engineer (PE) (District Engineer and Associate Engineer) | - | 150 | 150 |
| | CWEA Technical Certification Programs Development Services Supervisor (CST IV) | - | 120 | 120 |
| | CWEA Technical Certification Programs Development Service Technician III (CST II) | - | 110 | 110 |
| | Subtotal | \$ - | \$ 3,470 | \$ 3,470 |
| 11-40-6024 CONTRACTS | | | | |
| | Consultant For General Master Plan | | \$ 60,000 | \$ 60,000 |
| | ESRI ARCVIEW 10.0 Annual Renewal | | 3,000 | 3,000 |
| | Cell Phones-Two (2) Employees (Verizon Wireless) | | 1,000 | 1,000 |
| | Autocad Annual Maintenance and Helpdesk | | 1,000 | 1,000 |
| | Subtotal | \$ - | \$ 65,000 | \$ 65,000 |
| 11-40-6038 MEMBERSHIPS | | | | |
| | California Water Environment Association (CWEA) Membership Renewal | | \$ 1,200 | \$ 1,200 |
| | Subtotal | \$ - | \$ 1,200 | \$ 1,200 |

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|--|---|-------------------|-------------------|-------------------|
| 11-40-6052 OTHER EXPENSES | | | | |
| | Miscellaneous Expense Contingency Fund | \$ - | \$ 4,000 | \$ 4,000 |
| | Subtotal | \$ - | \$ 4,000 | \$ 4,000 |
| | | | | |
| 11-40-6056 PERMITS AND FEES | | | | |
| | Miscellaneous Permits and/or Fees | \$ - | \$ 1,000 | \$ 1,000 |
| | Subtotal | \$ - | \$ 1,000 | \$ 1,000 |
| | | | | |
| 11-40-6068 TOOLS AND EQUIPMENT | | | | |
| | Small Tool Acquisition and Replacement | \$ - | \$ 1,000 | \$ 1,000 |
| | Subtotal | \$ - | \$ 1,000 | \$ 1,000 |
| | | | | |
| 11-40-6072 UNIFORM SERVICES | | | | |
| | Uniforms-Three (3) employees (Cintas) | \$ - | \$ 2,700 | \$ 2,700 |
| | Boots-Three (3) Employees | - | 1,000 | 1,000 |
| | Gloves | - | 1,000 | 1,000 |
| | Subtotal | \$ - | \$ 4,700 | \$ 4,700 |
| | | | | |
| 11-40-6210 CONFERENCES/MEETINGS | | | | |
| | Travel Expenses for Conferences and Training Seminars, Registration Fees, Meals, Lodging and Related Expenses | \$ - | \$ 5,000 | \$ 5,000 |
| | Subtotal | \$ - | \$ 5,000 | \$ 5,000 |
| | | | | |
| | Total Expenses | \$ 605,108 | \$ 813,384 | \$ 208,276 |

LABORATORY





DEPARTMENT DESCRIPTION

The Laboratory & Compliance Department is comprised of the Environmental Laboratory Accreditation Program (ELAP) accredited Laboratory and the Pretreatment Program. The mission of the department is to be an active leader in the preservation, protection, and promotion of health of the public at large through the creation of a healthy, sustainable environment. The pretreatment program is a component of the National Pollutant Discharge Elimination System (NPDES) program and is a cooperative effort of federal, state, and local environmental regulatory agencies established to protect water quality. The pretreatment division regulates industrial users of the sanitary system in accordance with the Clean Water Act. Inspectors survey, inspect, and monitor wastewater from District-zoned businesses to prevent toxic or harmful substances from entering the sewer collection system and reaching the Treatment plant. The department supports the environmental protection functions of state government by performing chemical and bacteriological analyses of environmental wastewater samples. The Laboratory ensures that testing capacity is available to support the District and environmental protection objectives of the state. The goal of the department is to assure the public that the accredited laboratory meets the minimum quality standards and are not only competent at generating data of known quality but strive for excellence.

FY 2021-2022 GOALS AND OBJECTIVES

- Improve interdepartmental relationships through implementation of monthly reviews with various departments.
- Procure and implement a Laboratory Information Management System (LIMS) to conform to the new elements of the ELAP-TNI regulations.
- Standardizing forms and documents to improve efficiency and streamline the program to make them more available to the public, commercial, and industrial users.

PERSONNEL SUMMARY

| FY22 Physical Count | Classification | FY21 Base FTEs | FY22 Base FTEs | Variance |
|---------------------------|-------------------------------|-------------------|-------------------|-------------|
| 1 | Environmental Technician I | 1.00 | 1.00 | 0.00 |
| 1 | Lab AND Compliance Supervisor | 1.00 | 1.00 | 0.00 |
| 1 | Lab Technician I | 1.00 | 1.00 | 0.00 |
| 3 | Total FTEs | 3.00 | 3.00 | 0.00 |

EXPENSE BUDGET SUMMARY

| General Ledger Code | FY20 Actual | FY21 Budget | FY21 Projected | FY22 Budget | Budget Change | Percent Change |
|---|------------------|-------------------|-------------------|-------------------|------------------|-------------------|
| 11-50-5010 SALARIES AND WAGES | \$ - | \$ 228,390 | \$ 248,724 | \$ 252,612 | \$ 24,222 | 10.6% |
| 11-50-5110 BONUS, AWARDS, AND RECERTIFICATION | - | - | - | 600 | 600 | - |
| 11-50-5113 CALLOUT | - | 2,100 | 672 | - | (2,100) | -100.0% |
| 11-50-5116 LONGEVITY | - | 1,200 | 1,163 | 1,200 | - | - |
| 11-50-5119 OVERTIME | - | 3,300 | 563 | 3,300 | - | - |
| 11-50-5122 STANDBY PAY | - | 3,200 | 2,208 | - | (3,200) | -100.0% |
| 11-50-5210 FICA AND MEDICARE | - | 17,800 | 18,648 | 20,353 | 2,553 | 14.3% |
| 11-50-5213 RETIREMENT CONTRIBUTIONS | - | 17,750 | 18,093 | 22,524 | 4,774 | 26.9% |
| 11-50-5216 UNEMPLOYMENT PAYMENTS | - | - | - | - | - | - |
| 11-50-5219 VISION INSURANCE | - | - | - | 864 | 864 | - |
| 11-50-5222 WORKERS' COMPENSATION | - | 6,200 | 6,259 | - | (6,200) | -100.0% |
| 11-50-5225 LIFE INSURANCE | - | 615 | 552 | 732 | 117 | 19.0% |
| 11-50-5228 HEALTH INSURANCE | - | 32,175 | 31,287 | 31,440 | (735) | -2.3% |
| 11-50-5234 DENTAL INSURANCE | - | 1,580 | 2,812 | 3,216 | 1,636 | 103.5% |
| 11-50-5237 LONG TERM DISABILITY | - | 850 | 757 | 948 | 98 | 11.5% |
| 11-50-6018 CERTIFICATIONS | - | 1,100 | 340 | 1,250 | 150 | 13.6% |
| 11-50-6024 CONTRACTS | - | 17,850 | 2,362 | 14,450 | (3,400) | -19.0% |
| 11-50-6038 MEMBERSHIPS | - | 1,925 | 2,630 | 3,100 | 1,175 | 61.0% |
| 11-50-6046 SUPPLIES | 665 | 30,100 | 24,504 | 52,000 | 21,900 | 72.8% |
| 11-50-6052 OTHER EXPENSES | - | 10,000 | 733 | 10,000 | - | - |
| 11-50-6056 PERMITS AND FEES | - | 5,700 | 7,082 | 9,700 | 4,000 | 70.2% |
| 11-50-6062 REPAIRS AND MAINTENANCE | - | 25,000 | 15,321 | 25,000 | - | - |
| 11-50-6064 RESEARCH AND MONITORING | 55,941 | 100,000 | 52,367 | 100,000 | - | - |
| 11-50-6068 TOOLS AND EQUIPMENT | - | 8,000 | 4,550 | 8,000 | - | - |
| 11-50-6072 UNIFORM SERVICES | - | 3,550 | 2,609 | 4,050 | 500 | 14.1% |
| 11-50-6210 CONFERENCES AND MEETINGS | - | 3,000 | 1,619 | 4,500 | 1,500 | 50.0% |
| Total Expenses | \$ 56,607 | \$ 521,385 | \$ 445,853 | \$ 569,839 | \$ 48,454 | 9.3% |

BUDGET DETAIL WORKSHEET

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|--|---|-------------------|-------------------|-------------------|
| 11-50-5010 SALARIES AND WAGES | | \$ 228,390 | \$ 252,612 | \$ 24,222 |
| 11-50-5110 BONUS, AWARDS, AND RECERTIFICATION | | - | 600 | 600 |
| 11-50-5113 CALLOUT | | 2,100 | - | (2,100) |
| 11-50-5119 OVERTIME | | 3,300 | 3,300 | - |
| 11-50-5122 STANDBY PAY | | 3,200 | - | (3,200) |
| 11-50-0000 TOTAL FRINGE BENEFITS | | 78,170 | 81,277 | 3,107 |
| Subtotal | | \$ 315,160 | \$ 337,789 | \$ 22,629 |
| 11-50-6018 CERTIFICATIONS | | | | |
| | California Water Environment Association (CWEA) Allowance for Advancement (Certification Testing) | \$ 800 | \$ 800 | \$ - |
| | State Water Resources Control Board (SWRCB) Wastewater Operator | - | 150 | 150 |
| | CWEA Lab Analyst/Coordinator | 100 | 100 | - |
| | CWEA Lab Technician | 100 | 100 | - |
| | Environmental Compliance Inspector | 100 | 100 | - |
| Subtotal | | \$ 1,100 | \$ 1,250 | \$ 150 |
| 11-50-6024 CONTRACTS | | | | |
| | Lab Information Management System (LIMS) Annual Support (WaterTrax) | \$ 8,500 | \$ 6,000 | \$ (2,500) |
| | Hazardous Waste Disposal | - | 5,000 | 5,000 |
| | Calibration/Replacement of Class I Scale Weights | 1,300 | 1,300 | - |
| | Calibration/Certification of Fume Hood | 1,000 | 1,000 | - |
| | Scale Calibration Service (2 Balances) | 750 | 750 | - |
| | Calibration of NIST Certified Thermometer | 300 | 400 | 100 |
| | Third Party Assessor Authority (TPAA for On-Site Assessment (OSAs) | 6,000 | - | (6,000) |
| Subtotal | | \$ 17,850 | \$ 14,450 | \$ (3,400) |

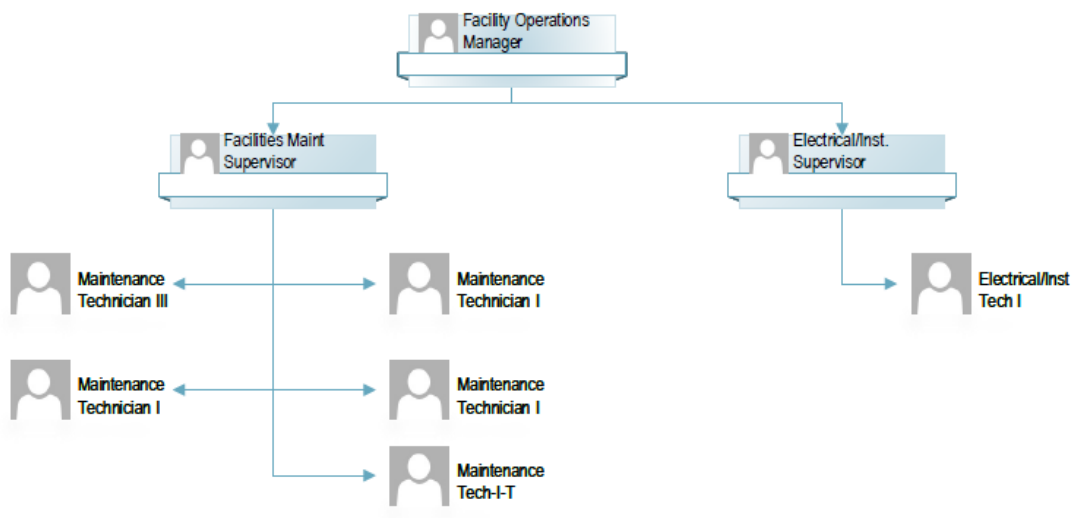
| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|------------------------------------|--|------------------|------------------|------------------|
| 11-50-6038 MEMBERSHIPS | | | | |
| | Coalition of Accredited Laboratories (CAL) | \$ 1,000 | \$ 2,000 | \$ 1,000 |
| | California Water Environment Association (CWEA) Membership Renewal | 600 | 600 | - |
| | Water Environment Federation | 250 | 400 | 150 |
| | TNI (NELAC) Association | 75 | 100 | 25 |
| | Subtotal | \$ 1,925 | \$ 3,100 | \$ 1,175 |
| 11-50-6046 SUPPLIES | | | | |
| | Laboratory Chemicals, Reagents, Detergents, Filters, Glassware, Instrument Batteries, Dissolved Oxygen (DO) Probe Modules, Buffers, Storage Solutions, Medias, Quality Controls and Miscellaneous Supplies | \$ 20,000 | \$ 25,000 | \$ 5,000 |
| | Field Ammonia Sensors and DO Sensor Probe Replacements | - | 16,900 | 16,900 |
| | Distilled Water for Laboratory | 5,000 | 5,000 | - |
| | Miscellaneous Small Tools, Torches, Pliers, Small Air Pumps, etc. | 2,000 | 2,000 | - |
| | Outreach Materials for Distribution for Public Relations Efforts | 1,600 | 1,600 | - |
| | Laptop/Tablet With Printer for Field Work | 1,500 | 1,500 | - |
| | Subtotal | \$ 30,100 | \$ 52,000 | \$ 21,900 |
| 11-50-6052 OTHER EXPENSES | | | | |
| | Miscellaneous Expense Contingency Fund | \$ 10,000 | \$ 10,000 | \$ - |
| | Subtotal | \$ 10,000 | \$ 10,000 | \$ - |
| 11-50-6056 PERMITS AND FEES | | | | |
| | Environmental Laboratory Certification Program (ELAP) + Onsite Assessment (OSA) | \$ 4,000 | \$ 8,000 | \$ 4,000 |
| | Quality Assurance Proficiency Testing Required by the Health and Safety Code §100870 | 1,500 | 1,500 | - |
| | Miscellaneous | 200 | 200 | - |
| | Subtotal | \$ 5,700 | \$ 9,700 | \$ 4,000 |

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|---|--|-------------------|-------------------|---------------|
| 11-50-6062 REPAIRS AND MAINTENANCE | | | | |
| | Laboratory Instrument Replacement | \$ 15,000 | \$ 15,000 | \$ - |
| | Contingency for Instrument Repairs and Maintenance | 5,000 | 5,000 | - |
| | Meter and Probe Replacement | 5,000 | 5,000 | - |
| | Subtotal | \$ 25,000 | \$ 25,000 | \$ - |
| 11-50-6064 RESEARCH AND MONITORING | | | | |
| | Contingency for Two (2) Toxicity Identification Evaluation Ph. I, Ph. II and III Base Line, Estimated Ten (10) Accelerated Monitoring of Bioassays, and Grit/Screening Samples | \$ 35,000 | \$ 35,000 | \$ - |
| | Monthly EFF-001C Plant Effluent Testing (Caltest) | 15,000 | 15,000 | - |
| | Biosolids Testing for Sludge 12 Samples (E S Babcock) | 15,000 | 15,000 | - |
| | Bioassay Monitoring (Nautilus Environmental) | 10,000 | 10,000 | - |
| | Pretreatment IU Sampling Requirements | 6,000 | 6,000 | - |
| | Delivery for Lab Samples (Fed Ex) | 5,000 | 5,000 | - |
| | Additional Testing - Laboratory Reserve | 4,000 | 4,000 | - |
| | California Toxics Rule (CTR) Annually | 4,000 | 4,000 | - |
| | Quarterly Testing (RSW-002, EFF-001C, INF, Etc. (E S Babcock) | 4,000 | 4,000 | - |
| | Additional Testing as Required by Permit Overlimit Regulations | 2,000 | 2,000 | - |
| | Subtotal | \$ 100,000 | \$ 100,000 | \$ - |
| 11-50-6068 TOOLS AND EQUIPMENT | | | | |
| | Composite Sampler Supplies | \$ 5,000 | \$ 5,000 | \$ - |
| | Sampling Bottles | 2,000 | 2,000 | - |
| | Replacement | 1,000 | 1,000 | - |
| | Subtotal | \$ 8,000 | \$ 8,000 | \$ - |
| 11-50-6072 UNIFORM SERVICES | | | | |
| | Uniforms-Three (3) Employees (Cintas) | \$ 2,500 | \$ 3,000 | \$ 500 |
| | Boots-Three (3) Employees | 750 | 750 | - |
| | Gloves, Ear Plugs, Safety Items-Three (3) Employees | 300 | 300 | - |
| | Subtotal | \$ 3,550 | \$ 4,050 | \$ 500 |

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|--|---|-------------------|-------------------|------------------|
| 11-50-6210 CONFERENCES/MEETINGS | | | | |
| | Travel Expenses for Conferences and Training Seminars, Registration Fees, Meals, Lodging and Related Expenses | \$ 3,000 | \$ 4,500 | \$ 1,500 |
| | Subtotal | \$ 3,000 | \$ 4,500 | \$ 1,500 |
| | | | | |
| | Total Expenses | \$ 521,385 | \$ 569,839 | \$ 48,454 |

MAINTENANCE





DEPARTMENT DESCRIPTION

The Maintenance Department is responsible for all mechanical equipment at the District's main plant and assists with the four (4) lift stations located throughout the community. The department performs necessary preventative maintenance on all equipment located throughout the facility including office and plant buildings. The department is also responsible for the maintenance of all fleet and construction equipment such as trucks, tractors, and heavy-duty equipment. The department works closely with all departments to ensure safety and compliance with all federal, state and local regulatory agencies.

FY 2021-2022 GOALS AND OBJECTIVES

- Complete implementation of the new asset management system, Lucity.
- Reduce reactive maintenance through new work order processes.
- Increase departmental communication by encouraging information sharing, input, and education.

PERSONNEL SUMMARY

| FY22 Physical Count | Classification | FY21 | FY22 | Variance |
|---------------------------|-----------------------------------|-------------|-------------|-------------|
| | | Base FTEs | Base FTEs | |
| 1 | Electrical/Inst. Supervisor | 1.00 | 1.00 | 0.00 |
| 1 | Electrical/Inst. Technician I | 1.00 | 1.00 | 0.00 |
| 1 | Facilities Maintenance Supervisor | 1.00 | 1.00 | 0.00 |
| 1 | Maintenance Technician-I-T | 0.00 | 1.00 | 1.00 |
| 2 | Maintenance Technician I | 3.00 | 3.00 | 0.00 |
| 1 | Maintenance Technician III | 1.00 | 1.00 | 0.00 |
| 7 | Total FTEs | 7.00 | 8.00 | 1.00 |

Notes:

- Added Maintenance Technician in Training

EXPENSE BUDGET SUMMARY

| General Ledger Code | FY20 Actual | FY21 Budget | FY21 Projected | FY22 Budget | Budget Change | Percent Change |
|---|----------------|---------------------|---------------------|---------------------|-------------------|-------------------|
| 11-60-5010 SALARIES AND WAGES | \$ - | \$ 519,283 | \$ 547,516 | \$ 616,118 | \$ 96,835 | 18.6% |
| 11-60-5110 BONUS, AWARDS, AND RECERTIFICATION | - | - | - | 1,600 | 1,600 | - |
| 11-60-5113 CALLOUT | - | 600 | 920 | 1,000 | 400 | 66.7% |
| 11-60-5116 LONGEVITY | - | 9,600 | 9,305 | 9,700 | 100 | 1.0% |
| 11-60-5119 OVERTIME | - | 2,400 | 3,657 | 5,000 | 2,600 | 108.3% |
| 11-60-5122 STANDBY PAY | - | 3,200 | 2,906 | 3,820 | 620 | 19.4% |
| 11-60-5210 FICA AND MEDICARE | - | 39,500 | 42,266 | 50,699 | 11,199 | 28.4% |
| 11-60-5213 RETIREMENT CONTRIBUTIONS | - | 52,650 | 52,234 | 68,574 | 15,924 | 30.2% |
| 11-60-5219 VISION INSURANCE | - | 5,341 | 9,211 | 2,292 | (3,049) | -57.1% |
| 11-60-5222 WORKERS COMPENSATION | - | 14,250 | 14,107 | - | (14,250) | -100.0% |
| 11-60-5225 LIFE INSURANCE | - | 1,390 | 1,273 | 2,124 | 734 | 52.8% |
| 11-60-5228 HEALTH INSURANCE | - | 113,630 | 107,594 | 128,712 | 15,082 | 13.3% |
| 11-60-5234 DENTAL INSURANCE | - | - | - | 10,092 | 10,092 | - |
| 11-60-5237 LONG TERM DISABILITY | - | 1,920 | 1,738 | 1,764 | (156) | -8.1% |
| 11-60-6018 CERTIFICATIONS | - | 2,850 | 665 | 4,830 | 1,980 | 69.5% |
| 11-60-6024 CONTRACTS | - | 126,117 | 94,729 | 215,281 | 89,164 | 70.7% |
| 11-60-6038 MEMBERSHIPS | - | 1,875 | 1,132 | 2,635 | 760 | 40.5% |
| 11-60-6046 SUPPLIES | - | 38,500 | 34,474 | 59,240 | 20,740 | 53.9% |
| 11-60-6052 OTHER EXPENSES | - | 10,000 | 2,130 | 10,000 | - | - |
| 11-60-6056 PERMITS AND FEES | - | 2,500 | 2,524 | 2,800 | 300 | 12.0% |
| 11-60-6062 REPAIRS AND MAINTENANCE | - | 321,150 | 349,592 | 371,120 | 49,970 | 15.6% |
| 11-60-6068 TOOLS AND EQUIPMENT | - | 22,500 | 5,194 | 25,000 | 2,500 | 11.1% |
| 11-60-6072 UNIFORM SERVICES | - | 8,400 | 6,063 | 14,620 | 6,220 | 74.0% |
| 11-60-6073 COVID-19 SUPPLIES | - | 44,000 | - | 64,000 | 20,000 | 45.5% |
| 11-60-6210 CONFERENCES AND MEETINGS | - | 32,000 | 5,193 | 41,000 | 9,000 | 28.1% |
| Total Expenses | \$ - | \$ 1,373,656 | \$ 1,294,422 | \$ 1,712,021 | \$ 338,365 | 24.6% |

BUDGET DETAIL WORKSHEET

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|--|--|-------------------|-------------------|-------------------|
| 11-60-5010 SALARIES AND WAGES | | \$ 519,283 | \$ 616,118 | \$ 96,835 |
| 11-60-5110 BONUS, AWARDS, AND RECERTIFICATION | | - | 1,600 | 1,600 |
| 11-60-5113 CALLOUT | | 600 | 1,000 | 400 |
| 11-60-5119 OVERTIME | | 2,400 | 5,000 | 2,600 |
| 11-60-5122 STANDBY PAY | | 3,200 | 3,820 | 620 |
| 11-60-0000 TOTAL FRINGE BENEFITS | | 238,281 | 273,957 | 35,676 |
| | Subtotal | \$ 763,764 | \$ 901,495 | \$ 137,731 |
| 11-60-6018 CERTIFICATIONS | | | | |
| | California Water Environment Association (CWEA) Allowance For Advancement (Certification Testing) | \$ 1,400 | \$ 3,200 | \$ 1,800 |
| | CWEA Maintenance Technician I (3) | 300 | 360 | 60 |
| | State Water Resource Control Board (SWRCB) Operator III | 300 | 300 | - |
| | SWRCB Operator TI | 170 | 170 | - |
| | SWRCB Operator DI | 170 | 170 | - |
| | CWEA Electrical Instrumentation Supervisor | 110 | 150 | 40 |
| | CWEA Collection System Technician I (1) | 100 | 120 | 20 |
| | CWEA Maintenance Supervisor (1) | 100 | 120 | 20 |
| | CWEA Maintenance Technician III (1) | 100 | 120 | 20 |
| | CWEA Electrical/Instrumentation Technician (1) | 100 | 120 | 20 |
| | Subtotal | \$ 2,850 | \$ 4,830 | \$ 1,980 |

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|-------------------------------|---|-------------------|-------------------|------------------|
| 11-60-6024 CONTRACTS | | | | |
| | Janitorial And Landscaping Services (Desert Arc) | \$ 28,936 | \$ 60,000 | \$ 31,064 |
| | COVID-19 Cubicle Rentals | 35,781 | 35,781 | - |
| | Trailer Rental | - | 25,000 | 25,000 |
| | Central Square EAM Asset Management | - | 17,500 | 17,500 |
| | Tree Trimming and Spraying | 15,000 | 15,000 | - |
| | Boiler Maintenance Service Contract | 14,000 | 14,000 | - |
| | Annual Fire Suppression Service for Sodium Hypochlorite Facility | 4,000 | 8,000 | 4,000 |
| | My Safety Officer | 5,200 | 7,000 | 1,800 |
| | Offsite Restroom Rental | - | 6,000 | 6,000 |
| | Parts, Washer Service, Light Bulb Disposal and Batteries (Safety Kleen) | 4,500 | 5,000 | 500 |
| | Building Alarm Monitoring (Alliance) | 4,500 | 5,000 | 500 |
| | Pest Control Service for Building and Facilities (Rudy's) | 2,700 | 4,000 | 1,300 |
| | Annual AQMD Test (Western Pump) | 2,500 | 3,500 | 1,000 |
| | Annual Fire Extinguisher Service | 2,800 | 2,800 | - |
| | Gantry Crane Service | 2,000 | 2,500 | 500 |
| | Fire Alarm Monitoring (Pyro Comm) | 1,750 | 1,750 | - |
| | Used Oil Filter Disposal (Safety Kleen) | 1,050 | 1,050 | - |
| | Miscellaneous Contractual Services | 1,000 | 1,000 | - |
| | Recycling (Desert Arc) | 400 | 400 | - |
| | Subtotal | \$ 126,117 | \$ 215,281 | \$ 89,164 |
| 11-60-6038 MEMBERSHIPS | | | | |
| | California Water Environment Association (CWEA) Membership Renewal | \$ 1,400 | \$ 1,760 | \$ 360 |
| | National Fire Protection Association (NFPA) | 475 | 475 | - |
| | Water Environmental Federation (WEF) | - | 400 | 400 |
| | Subtotal | \$ 1,875 | \$ 2,635 | \$ 760 |

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|--|--|------------------|------------------|------------------|
| 11-60-6046 SUPPLIES | | | | |
| | Mats, Shop Towels, Etc. (Cintas) | \$ 17,600 | \$ 20,240 | \$ 2,640 |
| | Landscaping Supplies | 12,500 | 12,500 | - |
| | Drinking Water Service | - | 12,000 | 12,000 |
| | 55-Gallon Cleaning Concentrates, Cleaning Supplies, Paper Towels, Toilet Paper, Cups, Soap, and Cleaners | 6,400 | 7,000 | 600 |
| | First Aid | - | 5,000 | 5,000 |
| | Miscellaneous Supplies | 2,000 | 2,500 | 500 |
| | Subtotal | \$ 38,500 | \$ 59,240 | \$ 20,740 |
| 11-60-6052 OTHER EXPENSES - MAINTENANCE | | | | |
| | Miscellaneous Expense Contingency Fund | \$ 10,000 | \$ 10,000 | \$ - |
| | Subtotal | \$ 10,000 | \$ 10,000 | \$ - |
| 11-60-6056 PERMITS AND FEES - MAINTENANCE EXPENSE | | | | |
| | Fire Department (Fuel Tank Permit) | \$ 2,500 | \$ 2,800 | \$ 300 |
| | Subtotal | \$ 2,500 | \$ 2,800 | \$ 300 |

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|---|---|-------------------|-------------------|------------------|
| 11-60-6062 REPAIRS AND MAINTENANCE | | | | |
| | Routine Miscellaneous Repairs and Maintenance Contingency | \$ 70,000 | \$ 85,000 | \$ 15,000 |
| | Rebuild Gas Pumps | 35,000 | 35,000 | - |
| | Boiler Maintenance | 30,000 | 30,000 | - |
| | General Facility Maintenance | 27,000 | 27,000 | - |
| | Rebuild Two (2) Influent Pumps | 25,000 | 25,000 | - |
| | Equipment Rentals | 20,000 | 25,000 | 5,000 |
| | Flare Parts | - | 20,000 | 20,000 |
| | Belt Press Building Maintenance Parts | 15,000 | 15,000 | - |
| | Service Generators 2,3 and 4 | 12,000 | 15,000 | 3,000 |
| | Dredge Panel and Spare Parts | 14,000 | 14,000 | - |
| | Aerator Maintenance | 10,000 | 10,000 | - |
| | Safety Equipment for Confined Space Entry | 8,200 | 8,200 | - |
| | Vehicle Repairs and Smog Checks | 8,000 | 8,000 | - |
| | Clean District Flooring | 7,000 | 7,000 | - |
| | Turblex Blower Parts | 7,000 | 7,000 | - |
| | Cat Tractor and Dump Truck Repairs | 5,000 | 5,000 | - |
| | Fleet Vehicle Operating Supplies | 5,000 | 5,000 | - |
| | Gas Detectors for Confined Space Entry | 5,000 | 5,000 | - |
| | Check Valves for Drainage Pumps | 4,500 | 4,500 | - |
| | 90 Day Bit Inspections | - | 4,000 | 4,000 |
| | Irrigation Repairs and Maintenance | 3,000 | 3,000 | - |
| | Road Base for All Dirt Roads Around Treatment Plant | 2,750 | 3,000 | 250 |
| | Arc Flash Safety Equipment | 2,700 | 2,750 | 50 |
| | Replacement of Facilities Equipment | - | 2,500 | 2,500 |
| | Hose Replacement | 2,000 | 2,100 | 100 |
| | Replace Hose Reel Swivels | 2,000 | 1,900 | (100) |
| | Gallery Sump Pump Replacements | 1,000 | 1,170 | 170 |
| | Subtotal | \$ 321,150 | \$ 371,120 | \$ 49,970 |
| 11-60-6068 TOOLS AND EQUIPMENT | | | | |
| | Safety Guarding Fabrication Tooling | \$ - | \$ 12,500 | \$ 12,500 |
| | Miscellaneous Small Tool Acquisition and Replacement | 10,000 | 12,500 | 2,500 |
| | Electrical Conduit Bender | 12,500 | - | (12,500) |
| | Subtotal | \$ 22,500 | \$ 25,000 | \$ 2,500 |

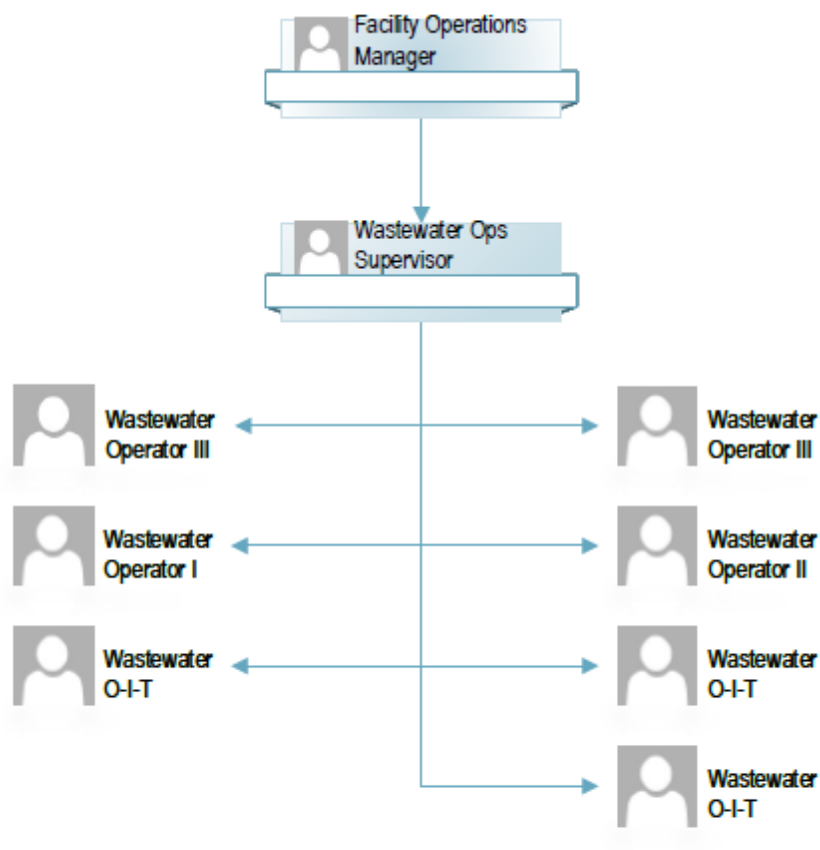
| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|--|---------------------------------------|---------------------|---------------------|-------------------|
| 11-60-6072 UNIFORM SERVICES | | | | |
| | Uniforms Eight (8) Employees (Cintas) | \$ 5,950 | \$ 7,820 | \$ 1,870 |
| | VSD Uniform UV Exposure PPE | - | 4,000 | 4,000 |
| | Boots Eight (8) Employees | 1,750 | 2,000 | 250 |
| | Gloves Eight (8) Employees | 700 | 800 | 100 |
| | Subtotal | \$ 8,400 | \$ 14,620 | \$ 6,220 |
| 11-60-6073 COVID-19 SUPPLIES | | | | |
| | COVID-19 Compliance Expenditures | \$ 44,000 | \$ 44,000 | \$ - |
| | Personal Protective Equipment (PPE) | - | 20,000 | 20,000 |
| | Subtotal | \$ 44,000 | \$ 64,000 | \$ 20,000 |
| 11-60-6210 CONFERENCES/MEETINGS | | | | |
| | Safety Training | \$ 25,000 | \$ 25,000 | \$ - |
| | Allowance for Eight (8) Employees | 7,000 | 16,000 | 9,000 |
| | Subtotal | \$ 32,000 | \$ 41,000 | \$ 9,000 |
| | Total Expenses | \$ 1,373,656 | \$ 1,712,021 | \$ 338,365 |



VSD

OPERATIONS





DEPARTMENT DESCRIPTION

The Operations Department operates its own water reclamation facility to treat wastewater within its 19.5 square mile service area. The District complies with all federal, state, and local regulations and develops and maintains a sustainable environmental process to safeguard the public health and safety.

The treatment plant treats approximately 5.5 – 6.5 Million Gallons per Day (MGD) of wastewater. The wastewater is treated through either the activated sludge process or the oxidation ponds.

The activated sludge process treats most of the wastewater that enters the treatment plant. The activated sludge process currently has a maximum treatment capacity of 10 MGD.

The oxidation ponds receive and treat approximately 0.5 MDG of wastewater. The maximum treatment capacity of the oxidation ponds is 2.5 MGD.

The combination of the two (2) treatment processes gives the treatment plant a total treatment capacity of 12.5 MGD. The treated wastewater is discharged into the Whitewater Storm Channel and becomes a source of freshwater replenishment to the Salton Sea.

FY 2021-2022 GOALS AND OBJECTIVES

- Strive for 100% compliance of the National Pollutant Discharge Elimination System (NPDES) permit effluent requirements.
- Continue to develop operator skills and knowledge through education, training, experience, and certification advancement.
- Continue staff involvement with the treatment plant upgrades.

PERSONNEL SUMMARY

| FY22 Physical Count | Classification | FY21 | FY22 | Variance |
|---------------------------|----------------------------|-------------|-------------|-------------|
| | | Base FTEs | Base FTEs | |
| 1 | Facility Operation Manager | 1.00 | 1.00 | 0.00 |
| 3 | Wastewater O-I-T | 3.00 | 3.00 | 0.00 |
| 1 | Wastewater Operator I | 1.00 | 1.00 | 0.00 |
| 1 | Wastewater Operator II | 1.00 | 1.00 | 0.00 |
| 2 | Wastewater Operator III | 2.00 | 2.00 | 0.00 |
| 1 | Wastewater Ops Supervisor | 1.00 | 1.00 | 0.00 |
| 9 | Total FTEs | 9.00 | 9.00 | 0.00 |

EXPENSE BUDGET SUMMARY

| General Ledger Code | FY20 Actual | FY21 Budget | FY21 Projected | FY22 Budget | Budget Change | Percent Change |
|---|---------------------|---------------------|---------------------|---------------------|-------------------|-------------------|
| 11-00-7410 DEPRECIATION & AMORTIZATION | \$ 1,863,315 | \$ - | \$ - | \$ - | \$ - | - |
| 11-70-5010 SALARIES AND WAGES | 852,318 | 706,689 | 719,427 | 737,785 | 31,096 | 0.04 |
| 11-70-5110 BONUS, AWARDS, AND RECERTIFICATION | | - | - | 1,800 | 1,800 | - |
| 11-70-5113 CALLOUT | 9,008 | 9,500 | 3,007 | 6,000 | (3,500) | -36.8% |
| 11-70-5116 LONGEVITY | 15,416 | 15,600 | 15,065 | 16,900 | 1,300 | 8.3% |
| 11-70-5119 OVERTIME | 18,839 | 16,000 | 14,317 | 18,000 | 2,000 | 12.5% |
| 11-70-5122 STANDBY PAY | 18,225 | 12,400 | 14,400 | 15,270 | 2,870 | 23.1% |
| 11-70-5210 FICA AND MEDICARE | 66,323 | 53,600 | 53,793 | 63,660 | 10,060 | 18.8% |
| 11-70-5213 RETIREMENT CONTRIBUTIONS | 259,990 | 77,000 | 72,863 | 93,745 | 16,745 | 21.7% |
| 11-70-5219 VISION INSURANCE | | 3,930 | - | 2,712 | (1,218) | -31.0% |
| 11-70-5222 WORKERS' COMPENSATION | 21,850 | 18,600 | 18,189 | - | (18,600) | -100.0% |
| 11-70-5225 LIFE INSURANCE | 1,499 | 1,575 | 1,460 | 1,680 | 105 | 6.7% |
| 11-70-5228 HEALTH INSURANCE | 109,640 | 93,709 | 82,582 | 107,436 | 13,727 | 14.6% |
| 11-70-5234 DENTAL INSURANCE | 5,597 | - | 6,627 | 7,620 | 7,620 | 0.0% |
| 11-70-5237 LONG TERM DISABILITY | 3,282 | 2,340 | 2,151 | 1,968 | (372) | -15.9% |
| 11-70-6018 CERTIFICATIONS | 758 | 3,700 | 415 | 7,185 | 3,485 | 94.2% |
| 11-70-6020 CHEMICALS | 385,206 | 427,560 | 407,218 | 464,521 | 36,961 | 8.6% |
| 11-70-6024 CONTRACTS | 107,663 | 180,185 | 126,210 | 326,750 | 146,565 | 81.3% |
| 11-70-6032 GAS, OIL AND FUEL | 29,179 | 52,000 | 32,703 | 52,000 | - | - |
| 11-70-6038 MEMBERSHIPS | 3,112 | 1,950 | 922 | 2,500 | 550 | 28.2% |
| 11-70-6046 SUPPLIES | 81,778 | 130,600 | 115,229 | 113,600 | (17,000) | -13.0% |
| 11-70-6052 OTHER EXPENSES | 5,677 | 49,000 | 10,346 | 20,000 | (29,000) | -59.2% |
| 11-70-6056 PERMITS AND FEES | 61,912 | 63,950 | 17,556 | 69,750 | 5,800 | 9.1% |
| 11-70-6062 REPAIRS AND MAINTENANCE | 58,759 | 107,770 | 92,734 | 115,015 | 7,245 | 6.7% |
| 11-70-6068 TOOLS AND EQUIPMENT | 236 | 1,000 | - | 1,000 | - | - |
| 11-70-6072 UNIFORM SERVICES | 9,368 | 7,800 | 7,224 | 10,400 | 2,600 | 33.3% |
| 11-70-6110 ELECTRICITY | 557,553 | 603,750 | 583,980 | 633,988 | 30,238 | 5.0% |
| 11-70-6113 NATURAL GAS | 2,926 | 6,000 | 4,104 | 6,000 | - | - |
| 11-70-6116 GRIT AND SCREENING REMOVAL | 30,681 | 25,500 | 28,738 | 31,865 | 6,365 | 25.0% |
| 11-70-6125 WATER | 13,427 | 15,000 | 12,585 | 16,500 | 1,500 | 10.0% |
| 11-70-6210 CONFERENCES AND MEETINGS | 21,501 | 20,000 | 8,015 | 27,000 | 7,000 | 35.0% |
| Total Expenses | \$ 4,615,036 | \$ 2,706,708 | \$ 2,451,862 | \$ 2,972,650 | \$ 265,942 | 11.9% |

BUDGET DETAIL WORKSHEET

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|--|---|---------------------|---------------------|------------------|
| 11-70-5010 SALARIES AND WAGES | | \$ 706,689 | \$ 737,785 | \$ 31,096 |
| 11-70-5110 BONUS, AWARDS, RECERTIFICATION | | - | 1,800 | 1,800 |
| 11-70-5113 CALLOUT | | 9,500 | 6,000 | (3,500) |
| 11-70-5119 OVERTIME | | 16,000 | 18,000 | 2,000 |
| 11-70-5122 STANDBY PAY | | 12,400 | 15,270 | 2,870 |
| 11-70-0000 TOTAL FRINGE BENEFITS | | 266,354 | 295,721 | 29,367 |
| | Subtotal | \$ 1,010,943 | \$ 1,074,576 | \$ 63,633 |
| 11-70-6018 CERTIFICATIONS | | | | |
| | Allowance for Advancement (Certification Testir | \$ 2,500 | \$ 2,515 | \$ 15 |
| | State Water Resource Control Board (SWRCB) Certification Application | - | 1,920 | 1,920 |
| | California Water Environment Association (CWEA) Technical Certification (Test) | - | 1,800 | 1,800 |
| | CWEA Technical Certification (Renewal) | - | 500 | 500 |
| | SWRCB Operator III (Renewal) | 600 | 300 | (300) |
| | SWRCB Operator II (Renewal) | 150 | 150 | - |
| | SWRCB Operator IV (Renewal) | 150 | - | (150) |
| | SWRCB Operator I (Renewal) | 300 | - | (300) |
| | Subtotal | \$ 3,700 | \$ 7,185 | \$ 3,485 |
| 11-70-6020 CHEMICALS | | | | |
| | Sodium Hypochlorite (Univar) | \$ 236,740 | \$ 279,217 | \$ 42,477 |
| | Sodium Bisulfite (Univar) | 126,110 | 114,231 | (11,879) |
| | Ferric Chloride (Univar) | 59,710 | 66,073 | 6,363 |
| | Calcium Hypochlorite (Foster Gardner) | 5,000 | 5,000 | - |
| | Subtotal | \$ 427,560 | \$ 464,521 | \$ 36,961 |

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|-------------------------------------|--|-------------------|-------------------|-------------------|
| 11-70-6024 CONTRACTS | | | | |
| | Sludge Disposal And Transportation (Denali) | \$ 60,000 | \$ 90,000 | \$ 30,000 |
| | Contractor Contingency | | 50,000 | 50,000 |
| | Trimax Treatment Plant Upgrades for SCADA System | 45,000 | 45,000 | - |
| | Trimax PLC Upgrades | | 40,000 | 40,000 |
| | Temporary Help Service | - | 36,000 | 36,000 |
| | Piping and Instrumentation Diagram Drawing Updates | | 32,000 | 32,000 |
| | IT Upgrades | 15,000 | 15,000 | - |
| | Switchboard "S" Cleaning and Testing | | 10,000 | 10,000 |
| | MCR Technologies - Annual Calibrations | 5,000 | 5,000 | - |
| | Cell Phones-Five (5) Employees (Verizon Wireless) | 3,750 | 3,750 | - |
| | After Hours Answering Service (Around the Clock) | 1,800 | - | (1,800) |
| | Dredge CPU and Input/Output Modules (Trimax) | 14,000 | - | (14,000) |
| | Auto Dialer Installation (Trimax) | 13,975 | - | (13,975) |
| | Ammonia Analyzer Equipment and Programming (Trimax) | 9,500 | - | (9,500) |
| | Low Fire Programming (Trimax) | 7,500 | - | (7,500) |
| | Waste Valve Programming (Trimax) | 4,660 | - | (4,660) |
| | Subtotal | \$ 180,185 | \$ 326,750 | \$ 146,565 |
| 11-70-6032 GAS, OIL AND FUEL | | | | |
| | Gas and Oil for District Vehicles (SC Fuels) | \$ 52,000 | \$ 52,000 | \$ - |
| | Subtotal | \$ 52,000 | \$ 52,000 | \$ - |
| 11-70-6038 MEMBERSHIPS | | | | |
| | California Water Environment Association (CWEA) Membership Renewal | \$ 1,600 | \$ 2,100 | \$ 500 |
| | Water Environment Federation | 350 | 400 | 50 |
| | Subtotal | \$ 1,950 | \$ 2,500 | \$ 550 |

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|------------------------------------|---|-------------------|-------------------|--------------------|
| 11-70-6046 SUPPLIES | | | | |
| | Polymer for Belt Press 18 Totes at \$3,700 per Tote (Polydyne) | \$ 48,000 | \$ 66,600 | \$ 18,600 |
| | Miscellaneous Operating Supplies Including Reagents for Chlorination and Dechlorination Analyzers | 19,000 | 20,000 | 1,000 |
| | Four (4) Belts for Belt Press at \$3,750 per Belt | 15,000 | 15,000 | - |
| | Miscellaneous Small Tools, Torches, Pliers, Small Air Pumps, Etc. | 2,000 | 7,000 | 5,000 |
| | Lock Out/Tag Out Supplies | - | 3,000 | 3,000 |
| | Student Materials for Distribution for Public Relations Efforts | 1,600 | 2,000 | 400 |
| | Three (3) Reagentless CL2 Analyzers | 35,000 | - | (35,000) |
| | One (1) Self Dumping Hopper for the Grit Chamber | 8,000 | - | (8,000) |
| | First-Aid Supplies | 2,000 | - | (2,000) |
| | Subtotal | \$ 130,600 | \$ 113,600 | \$ (17,000) |
| 11-70-6052 OTHER EXPENSES | | | | |
| | Miscellaneous Expense Contingency Fund | \$ 49,000 | \$ 20,000 | \$ (29,000) |
| | Subtotal | \$ 49,000 | \$ 20,000 | \$ (29,000) |
| 11-70-6056 PERMITS AND FEES | | | | |
| | Annual NPDES Permit Fee (SWRCB) | \$ 45,000 | \$ 47,000 | \$ 2,000 |
| | South Coast Air Quality Management District (SCAQMD) Facility Permits | 15,500 | 15,500 | - |
| | Dept of Environmental Health | | 3,500 | 3,500 |
| | Fire Service Permit (City of Indio) | 2,000 | 2,000 | - |
| | Alarm System Permit (City of Indio) | 500 | 500 | - |
| | Occupational Lead Poisoning Prevention/Toxic Substance | 500 | 500 | - |
| | Miscellaneous | 200 | 500 | 300 |
| | Hot Spot Program (SCAQMD) | 250 | 250 | - |
| | Subtotal | \$ 63,950 | \$ 69,750 | \$ 5,800 |

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|---|--|-------------------|-------------------|-----------------|
| 11-70-6062 REPAIRS AND MAINTENANCE | | | | |
| | Contingency | \$ 5,000 | \$ 35,000 | \$ 30,000 |
| | Iron Sponge Media and Nets | 18,500 | 18,500 | - |
| | MCC A and F Breaker Upgrades | - | 15,000 | 15,000 |
| | MCC-Power Meters | - | 12,000 | 12,000 |
| | Activated Sludge Plant Flow Meters | - | 7,515 | 7,515 |
| | Flare Parts | - | 7,500 | 7,500 |
| | Analyzer Parts | - | 7,500 | 7,500 |
| | Clarifier Density Meter | - | 4,800 | 4,800 |
| | Mag-Flow Meter for the Belt Press | 4,500 | 4,700 | 200 |
| | Bar Screen Panel Upgrades | - | 2,500 | 2,500 |
| | Blower Relays, Starters and Fuses | 18,370 | - | (18,370) |
| | Pond Building Electrical Equipment Upgrade | 10,000 | - | (10,000) |
| | MCC-B And MCC-C Breaker Upgrade | 9,400 | - | (9,400) |
| | Boiler Panel | 8,000 | - | (8,000) |
| | Two (2) Replacement VFD'S for the Belt Press | 8,000 | - | (8,000) |
| | Replacement Power Meters | 8,000 | - | (8,000) |
| | Valve | 6,500 | - | (6,500) |
| | Influent Pump Leak and Temp Sensor Relays | 3,500 | - | (3,500) |
| | Ultra-Violet Scanner for Flare | 3,500 | - | (3,500) |
| | Bubbler Level Control Upgrade at Grit Chamber | 2,500 | - | (2,500) |
| | Influent Pump 4 and 5 Relay Replacement | 2,000 | - | (2,000) |
| | Subtotal | \$ 107,770 | \$ 115,015 | \$ 7,245 |
| 11-70-6068 TOOLS AND EQUIPMENT | | | | |
| | Miscellaneous Small Tool Acquisition and Replacement | \$ 1,000 | \$ 1,000 | \$ - |
| | Subtotal | \$ 1,000 | \$ 1,000 | \$ - |
| 11-70-6072 UNIFORM SERVICES | | | | |
| | Uniforms Nine (9) Employees | \$ 5,000 | \$ 6,500 | \$ 1,500 |
| | Boots Nine (9) Employees | 2,000 | 3,000 | 1,000 |
| | Gloves, Ear Plugs, Safety Items Nine (9) Employees | 800 | 900 | 100 |
| | Subtotal | \$ 7,800 | \$ 10,400 | \$ 2,600 |

| General Ledger Code | | FY21 Budget | FY22 Budget | Variance |
|--|---|---------------------|---------------------|-------------------|
| 11-70-6110 ELECTRICITY | | | | |
| | Imperial Irrigation District (IID) | \$ 483,000 | \$ 507,200 | \$ 24,200 |
| | Tesla PPA | 120,750 | 126,788 | 6,038 |
| | Subtotal | \$ 603,750 | \$ 633,988 | \$ 30,238 |
| 11-70-6113 NATURAL GAS | | | | |
| | Natural Gas Usage for the Administration, Laboratory, Operations Buildings and Digester Boiler (SoCalGas) | \$ 6,000 | \$ 6,000 | \$ - |
| | Subtotal | \$ 6,000 | \$ 6,000 | \$ - |
| 11-70-6116 GRIT AND SCREENING REMOVAL | | | | |
| | Screenings and Grit Hauling to Lambs Canyon, California (Burrtec) | \$ 25,500 | \$ 31,865 | \$ 6,365 |
| | Subtotal | \$ 25,500 | \$ 31,865 | \$ 6,365 |
| 11-70-6125 WATER | | | | |
| | Potable Water (Indio Water Authority) | \$ 15,000 | \$ 16,500 | \$ 1,500 |
| | Subtotal | \$ 15,000 | \$ 16,500 | \$ 1,500 |
| 11-70-6210 CONFERENCES/MEETINGS | | | | |
| | Conferences, Training Seminars, Lodging and Related Expenses | \$ 8,000 | \$ 13,500 | \$ 5,500 |
| | Safety Training | 10,000 | 10,000 | - |
| | National Fire Protection Agency (NFPA) and NEC Training | 2,000 | 3,500 | 1,500 |
| | Subtotal | \$ 20,000 | \$ 27,000 | \$ 7,000 |
| | Total Expenses | \$ 2,706,708 | \$ 2,972,650 | \$ 265,942 |



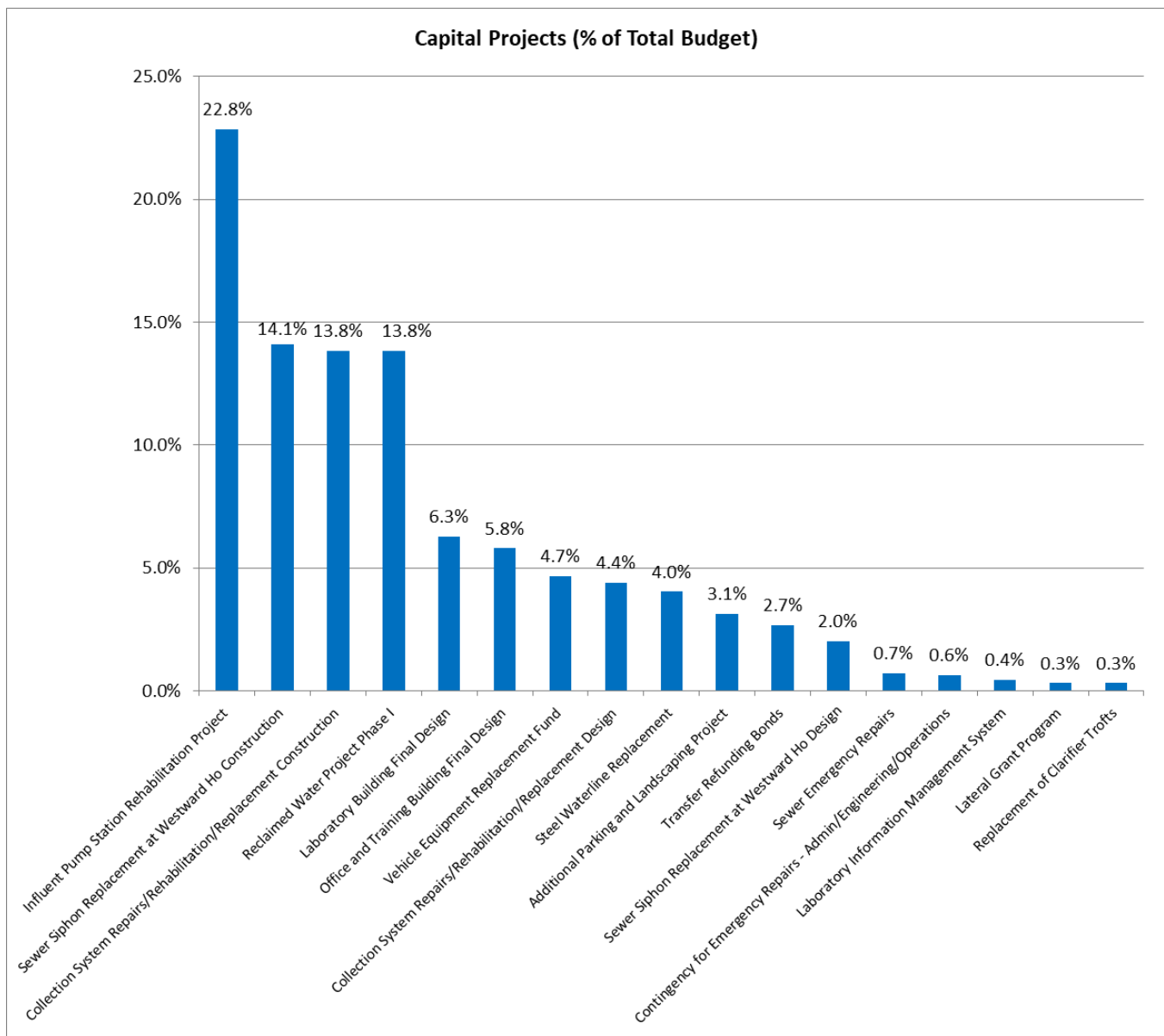
VSD

CAPITAL BUDGET



SUMMARY OF CAPITAL PROJECTS

The capital budget incorporates key projects to further advance the District's Capital Improvement Program (CIP). There are 17 new capital projects requested in fiscal year 2021/22 for a total value of \$15,912,465. The CIP for fiscal year 2021/22 includes the Reclaimed Water Phase I Treatment Upgrade project, the Influent Pump Station Rehabilitation project, and the Collection System Sewer Main Rehabilitation and Replacement Program.



CAPITAL BUDGET SUMMARY

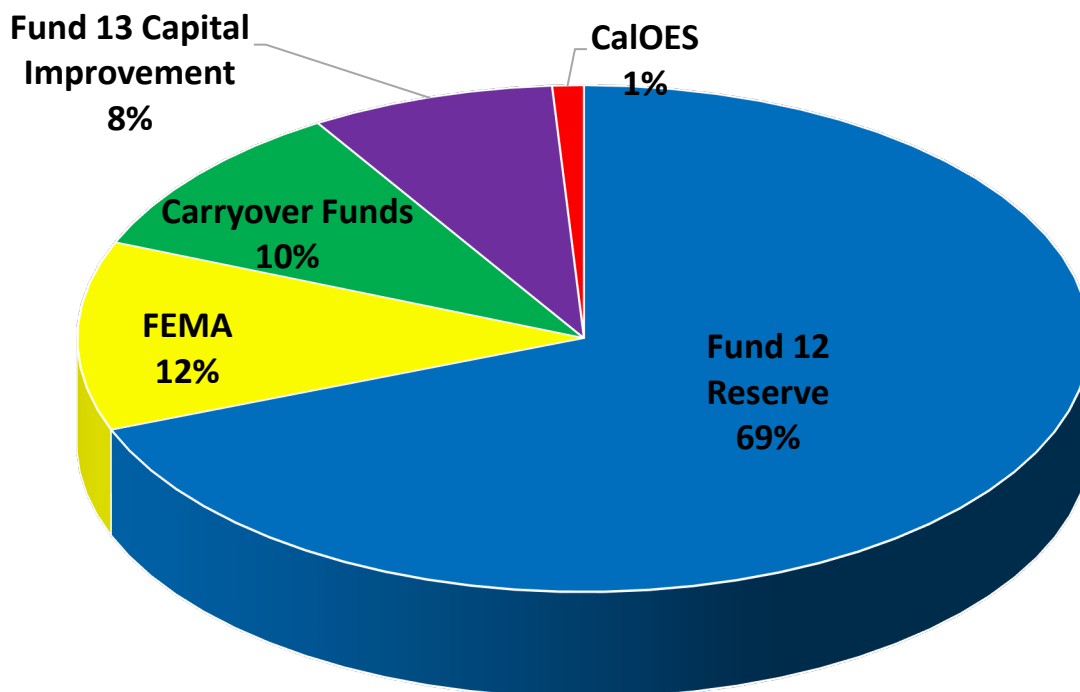
The table below depicts each project by name, fiscal year 2021/22 budget, and estimated cost at completion.

| Project Name | Project Number | FY22 Budget | Estimated Project Costs at Completion |
|---|----------------|----------------------|---------------------------------------|
| Influent Pump Station Rehabilitation Project | 21-0010 | \$ 3,634,476 | \$ 3,634,476 |
| Sewer Siphon Replacement at Westward Ho Construction | 21-0009 | 2,241,805 | 4,918,637 |
| Collection System Repairs/Rehabilitation/Replacement Construction | 21-0006 | 2,200,000 | 45,310,836 |
| Reclaimed Water Project Phase I | 21-0007 | 2,200,000 | 50,000,000 |
| Laboratory Building Final Design | 21-0012 | 1,000,000 | 1,000,000 |
| Office and Training Building Final Design | 21-0011 | 922,000 | 922,000 |
| Vehicle Equipment Replacement Fund | 21-0001 | 740,000 | 740,000 |
| Collection System Repairs/Rehabilitation/Replacement Design | 21-0005 | 700,000 | 11,033,017 |
| Steel Waterline Replacement | 21-0015 | 642,000 | 642,000 |
| Additional Parking and Landscaping Project | 21-0016 | 500,000 | 500,000 |
| Transfer Refunding Bonds | 21-0017 | 426,926 | 2,133,404 |
| Sewer Siphon Replacement at Westward Ho Design | 21-0008 | 320,258 | 702,663 |
| Sewer Emergency Repairs | 21-0003 | 115,000 | 115,000 |
| Contingency for Emergency Repairs - Admin/Engineering/Operations | 21-0004 | 100,000 | 100,000 |
| Laboratory Information Management System | 21-0013 | 70,000 | 70,000 |
| Lateral Grant Program | 21-0002 | 50,000 | 50,000 |
| Replacement of Clarifier Trofts | 21-0014 | 50,000 | 50,000 |
| TOTAL | | \$ 15,912,465 | \$ 121,922,033 |

FUNDING SUMMARY

Valley Sanitary District will use five (5) funding sources for the fiscal year 2021/22 capital budget.

| Funding Source | FY22 Budget |
|---|----------------------|
| Fund 12 Reserve | \$ 10,996,789 |
| Federal Emergency Management Agency (FEMA) | 1,921,547 |
| Carryover Funds | 1,592,000 |
| Fund 13 Capital Improvement | 1,242,000 |
| California Governor's Office of Emergency Services (CalOES) | 160,129 |
| Total Funds Requested by Fiscal Year | \$ 15,912,465 |



FUNDING BY SOURCE

The table below depicts each project programmed in fiscal year 2021/22 by funding source.

| Project Name | Project Number | Fund 12 | Fund 13 | FEMA | Carryover Funds | CALOES | FY22 Budget |
|---|----------------|----------------------|---------------------|---------------------|---------------------|-------------------|----------------------|
| Vehicle Equipment Replacement Fund | 21-0001 | \$ 740,000 | \$ - | \$ - | \$ - | \$ - | \$ 740,000 |
| Lateral Grant Program | 21-0002 | 50,000 | - | - | - | - | 50,000 |
| Sewer Emergency Repairs | 21-0003 | 115,000 | - | - | - | - | 115,000 |
| Contingency for Emergency Repairs Admin/Engineering/Operations | 21-0004 | 100,000 | - | - | - | - | 100,000 |
| Collection System Repairs/Rehabilitation/Replacement Design | 21-0005 | 700,000 | - | - | - | - | 700,000 |
| Collection System Repairs/Rehabilitation/Replacement Construction | 21-0006 | 2,200,000 | - | - | - | - | 2,200,000 |
| Reclaimed Water Project Phase I | 21-0007 | 2,200,000 | - | - | - | - | 2,200,000 |
| Sewer Siphon Replacement at Westward Ho Design | 21-0008 | 60,048 | - | 240,194 | | 20,016 | 320,258 |
| Sewer Siphon Replacement at Westward Ho Construction | 21-0009 | 420,338 | - | 1,681,354 | | 140,113 | 2,241,805 |
| Influent Pump Station Rehabilitation Project | 21-0010 | 2,434,476 | - | - | 1,200,000 | - | 3,634,476 |
| Office and Training Building Final Design | 21-0011 | - | 922,000 | - | - | - | 922,000 |
| Laboratory Building Final Design | 21-0012 | 1,000,000 | - | - | - | - | 1,000,000 |
| Laboratory Information Management System | 21-0013 | - | 70,000 | - | - | - | 70,000 |
| Replacement of Clarifier Trofts | 21-0014 | 50,000 | - | - | - | - | 50,000 |
| Steel Waterline Replacement | 21-0015 | 500,000 | - | - | 142,000 | - | 642,000 |
| Additional Parking and Landscaping Project | 21-0016 | - | 250,000 | - | 250,000 | - | 500,000 |
| Transfer Refunding Bonds | 21-0017 | 426,926 | - | - | - | - | 426,926 |
| Total | | \$ 10,996,789 | \$ 1,242,000 | \$ 1,921,547 | \$ 1,592,000 | \$ 160,129 | \$ 15,912,465 |
| Total FY22 Budget | | | | | | | \$ 15,912,465 |



**FY 2021/22 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0001

Project Name: Vehicle and Equipment Replacement Fund

Category: Equipment – Heavy Duty
Vehicle – Truck, Heavy Duty (Hydro, Vactor, Dump, etc.)

Sub-Category: Replacement

Project Description: This fund is used to replace District vehicles and significant, higher cost equipment. The annual contribution is based on data collected on all vehicles and equipment using a 10 to 20 year replacement schedule.
The total cost is calculated over a 20 year window using an estimated inflation percentage.

Project Justification: This fund is necessary in order to maintain an efficient vehicle fleet and equipment to proper specifications.

Project Schedule:

| Start Date | Completion Date |
|------------|-----------------|
| July 2021 | June 2022 |

Project Funding Sources (Requested):

| Fund Type | GL No. | Fiscal Year | Amount |
|---------------------|------------|-------------|------------|
| 12 Replacement Fund | 12-80-7025 | 2021/22 | \$ 740,000 |
| Total | | | \$ 740,000 |



FY 2021/22 Capital Expenditures
Valley Sanitary District
Capital Project Justification

Project Number: 21-0002

Project Name: Lateral Grant Program

Category: Infrastructure – Sewer Lines

Sub-Category: Replacement - Private Lateral

Project Description: The Private Lateral Replacement Grant Program is designed to help the property owner defray a portion of the costs required to replace or repair their lateral. The maximum amount of assistance for any one (1) private sewer lateral replacement or repair is 50% of the approved cost up to a maximum reimbursement of \$4,000.

Project Justification: This grant program is offered to customers to help offset the major cost of repairing or replacing a sewer lateral.

Project Schedule:

| Start Date | Completion Date |
|------------|-----------------|
| July 2021 | June 2022 |

Project Funding Sources (Requested):

| Fund Type | GL No. | Fiscal Year | Amount |
|---------------------|------------|-------------|-----------|
| 12 Replacement Fund | 12-30-7015 | 2021/22 | \$ 50,000 |
| Total | | | \$ 50,000 |



**FY 2021/22 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0003

Project Name: Sewer Emergency Repairs

Category: Infrastructure – Sewer Lines

Sub-Category: Emergency Repairs

Project Description: This fund is to repair sewer mains that are in need of emergency repair such as holes or severe cracks which could lead to sinkholes or cause other damage.

Project Justification: Video inspection of sewer pipelines may reveal deficiencies that include severe cracks or holes that require immediate attention or may create further damage to the sewer main or street above.

Project Schedule:

| Start Date | Completion Date |
|------------|-----------------|
| July 2021 | June 2022 |

Project Funding Sources (Requested):

| Fund Type | GL No. | Fiscal Year | Amount |
|---------------------|------------|-------------|------------|
| 12 Replacement Fund | 12-30-7015 | 2021/22 | \$ 115,000 |
| Total | | | \$ 115,000 |



**FY 2021/22 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0004

Project Name: Contingency for Emergency Repairs

Category: Improvements – General

Sub-Category: Emergency Repairs

Project Description: There are no anticipated expenditures to be funded from this category; however, this account provides a contingency amount in the Capital Improvement Program for replacement of critical equipment or systems which could unexpectedly fail during the fiscal year.

Project Justification: Contingency fund needed to pay for the repair or replacement of critical equipment or systems

Project Schedule:

| Start Date | Completion Date |
|------------|-----------------|
| July 2021 | June 2022 |

Project Funding Sources (Requested):

| Fund Type | GL No. | Fiscal Year | Amount |
|---------------------|------------|-------------|------------|
| 12 Replacement Fund | 12-30-7015 | 2021/22 | \$ 50,000 |
| 12 Replacement Fund | 12-80-7025 | 2021/22 | \$ 25,000 |
| 12 Replacement Fund | 12-10-7035 | 2021/22 | \$ 25,000 |
| Total | | | \$ 100,000 |



**FY 2021/22 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0005

Project Name: Collection System Repairs/Rehabilitation/Replacement Design

Category: Infrastructure – Sewer Lines

Sub-Category: Rehabilitation/Improvement

Project Description: This is a 12-year repair, rehabilitation and replacement program for the collections system. The purpose of this project is to repair, rehabilitate, replace and/or realign aging or defective pipelines and/or segments projected to reach capacity within the foreseeable future.

Project Justification: Defective sewer mains lead to sewer overflows, sink holes and other costly issues and may lead to regulatory violations. Maintaining the sewer collection system requires repairing, rehabilitation and/or replacement of sewer mains and manholes.

Project Schedule:

| Start Date | Completion Date |
|------------|-----------------|
| July 2021 | June 2026 |

Project Funding Sources (Requested):

| Fund Type | GL No. | Fiscal Year | Amount |
|---------------------|------------|-------------|------------|
| 12 Replacement Fund | 12-30-7015 | 2021/22 | \$ 700,000 |
| Total | | | \$ 700,000 |



**FY 2021/22 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0006

Project Name: Collection System Repairs/Rehabilitation/Replacement Construction:

Category: Infrastructure – Sewer Lines

Sub-Category: Rehabilitation/Improvement

Project Description: This is a 12-year repair, rehabilitation and replacement program for the collections system. The purpose of this project is to repair, rehabilitate, replace and/or realign aging or defective pipelines and/or segments projected to reach capacity within the foreseeable future.

Project Justification: Defective sewer mains lead to sewer overflows, sink holes and other costly issues and may lead to regulatory violations. Maintaining the sewer collection system requires repairing, rehabilitation and/or replacement of sewer mains and manholes.

Project Schedule:

| Start Date | Completion Date |
|------------|-----------------|
| July 2021 | June 2026 |

Project Funding Sources (Requested):

| Fund Type | GL No. | Fiscal Year | Amount |
|---------------------|------------|-------------|--------------|
| 12 Replacement Fund | 12-30-7015 | 2021/22 | \$ 2,200,000 |
| Total | | | \$ 2,200,000 |



FY 2021/22 Capital Expenditures
Valley Sanitary District
Capital Project Justification

Project Number: 21-0007

Project Name: Reclaimed Water Project Phase 1

Category: Infrastructure – Treatment Plant

Sub-Category: Expansion

Project Description: Reclaimed Water Project Phase I will replace an aging and capacity restricting grit chamber, and provide redundancy by adding a second digester, expanding the bar screens, adding a biofilter, a sludge holding tank and a sludge thickener.

Project Justification: These improvements are necessary in order to meet future regulations and produce reclaimed water.

Project Schedule:

| Start Date | Completion Date |
|------------|-----------------|
| July 2021 | January 2025 |

Project Funding Sources (Requested):

| Fund Type | GL No. | Fiscal Year | Amount |
|---------------------|------------|-------------|--------------|
| 12 Replacement Fund | 12-70-7020 | 2021/22 | \$ 2,200,000 |
| Total | | | \$ 2,200,000 |



FY 2021/22 Capital Expenditures
Valley Sanitary District
Capital Project Justification

Project Number: 21-0008

Project Name: Sewer Siphon Replacement at Westward Ho Design

Category: Infrastructure – Sewer Lines

Sub-Category: Replacement

Project Description: Replace the sewer siphon crossing the Coachella Stormwater Channel at Westward Ho Drive damaged and exposed by the flooding event on February 14, 2019.

Project Justification: The existing siphon is only slightly buried and would be damaged beyond repair during the next flood event. The new siphon will be constructed below the new scour depth of the channel to avoid the sewer main becoming exposed during future storm events.

Project Schedule:

| Start Date | Completion Date |
|------------|-----------------|
| July 2021 | June 2022 |

Project Funding Sources (Requested):

| Fund Type | GL No. | Fiscal Year | Amount |
|---------------------|------------|-------------|------------|
| 12 Replacement Fund | 12-30-7015 | 2021/22 | \$ 60,048 |
| FEMA | 12-30-7015 | 2021/22 | \$ 240,194 |
| CalOES | 12-30-7015 | 2021/22 | \$ 20,016 |
| Total | | | \$ 320,258 |



FY 2021/22 Capital Expenditures
Valley Sanitary District
Capital Project Justification

Project Number: 21-0009

Project Name: Sewer Siphon Replacement at Westward Ho Construction

Category: Infrastructure – Sewer Lines

Sub-Category: Replacement

Project Description: Replace the sewer siphon crossing the Coachella Stormwater Channel at Westward Ho Drive damaged and exposed by the flooding event on February 14, 2019.

Project Justification: The existing siphon is only slightly buried and would be damaged beyond repair during the next flood event. The new siphon will be constructed below the new scour depth of the channel to avoid the sewer main becoming exposed during future storm events.

Project Schedule:

| Start Date | Completion Date |
|------------|-----------------|
| July 2021 | February 2022 |

Project Funding Sources (Requested):

| Fund Type | GL No. | Fiscal Year | Amount |
|---------------------|------------|-------------|--------------|
| 12 Replacement Fund | 12-30-7015 | 2021/22 | \$ 420,338 |
| FEMA | 12-30-7015 | 2021/22 | \$ 1,681,354 |
| CalOES | 12-30-7015 | 2021/22 | \$ 140,113 |
| Total | | | \$ 2,241,805 |



**FY 2021/22 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0010

Project Name: Influent Pump Station Rehabilitation Project

Category: Infrastructure – Treatment Plant

Sub-Category: Rehabilitation/Improvement

Project Description: Rehabilitate the Influent Pump Station to allow for proper operation and extend its lifecycle. Proposed improvements to the pump station include: repair/replacement of leaking and broken valves, repair of interior concrete coating, installation of new valves for proper isolation/drainage, installation of a new jockey pump in the empty pump bay.

Project Justification: The Influent Pump Station structure is showing significant signs of deterioration and is in need of improvements.

Project Schedule:

| Start Date | Completion Date |
|------------|-----------------|
| July 2021 | June 2022 |

Project Funding Sources (Requested):

| Fund Type | GL No. | Fiscal Year | Amount |
|---------------------|------------|-------------|--------------|
| 12 Replacement Fund | 12-70-7020 | 2021/22 | \$ 2,434,476 |
| Carryover Funds | 12-70-7020 | 2020/21 | \$ 1,200,000 |
| Total | | | \$ 3,634,476 |



**FY 2021/22 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0011

Project Name: Office and Training Building - Final Design

Category: Buildings – Office Buildings

Sub-Category: Expansion

Project Description: SGH Architects is developing the initial design for a new Office and Training building to be located southeast of the existing Operations building.

Project Justification: The District is need of additional office space to meet staffing needs. The existing training room is also used as a desk area for a number of employees. This creates challenges when employees need to use their desk when training is in session.

Project Schedule:

| Start Date | Completion Date |
|------------|-----------------|
| July 2021 | June 2022 |

Project Funding Sources (Requested):

| Fund Type | GL No. | Fiscal Year | Amount |
|------------------------|------------|-------------|------------|
| 13 Capital Improvement | 13-00-1640 | 2021/22 | \$ 922,000 |
| Total | | | \$ 922,000 |



**FY 2021/22 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0012

Project Name: Laboratory Building - Final Design

Category: Buildings – Office Buildings

Sub-Category: Expansion

Project Description: SGH Architects is developing the initial design for a new laboratory building to be located south of the existing laboratory building and next to Operations.

Project Justification: The current laboratory cannot maintain proper temperature and humidity as required by lab standards. It will cost more to repair the current lab than to replace it.

Project Schedule:

| Start Date | Completion Date |
|------------|-----------------|
| July 2021 | June 2022 |

Project Funding Sources (Requested):

| Fund Type | GL No. | Fiscal Year | Amount |
|------------------------|------------|-------------|--------------|
| 13 Capital Improvement | 12-70-7020 | 2021/22 | \$ 1,000,000 |
| Total | | | \$ 1,000,000 |



**FY 2021/22 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0013

Project Name: Laboratory Information Management System (LIMS)

Category: Software

Sub-Category: Systems

Project Description: Laboratory Information Management System (LIMS) is a type of software designed to improve laboratory productivity and efficiency by keeping track of data associated with samples, experiments, laboratory workflows and instruments.

Project Justification: Environmental Laboratory Accreditation Program (ELAP) regulations are adopting the TNI 2016 Standard. The updated regulations require additional documentation and management of inventory, equipment maintenance, consumables, samples, and scientific data and results. Utilizing LIMS software can act as an additional staff member by automating workflows and tracking important information, data, and QA/QC that the laboratory generates daily.

Project Schedule:

| Start Date | Completion Date |
|------------|-----------------|
| July 2021 | June 2023 |

Project Funding Sources (Requested):

| Fund Type | GL No. | Fiscal Year | Amount |
|------------------------|------------|-------------|-----------|
| 13 Capital Improvement | 13-00-1640 | 2021/22 | \$ 70,000 |
| Total | | | \$ 70,000 |



FY 2021/22 Capital Expenditures
Valley Sanitary District
Capital Project Justification

Project Number: 21-0014

Project Name: Replacement of Clarifier Weirs & Trofts

Category: Infrastructure – Treatment Plant

Sub-Category: Replacement

Project Description: The weirs and trofts on each of the three (3) clarifiers are reaching their useful lives and need to be replaced.

Project Justification: Replacement of the weirs and trofts will maintain the efficiency and extend the useful life of the clarifiers.

Project Schedule:

| Start Date | Completion Date |
|------------|-----------------|
| July 2021 | June 2022 |

Project Funding Sources (Requested):

| Fund Type | GL No. | Fiscal Year | Amount |
|---------------------|------------|-------------|-----------|
| 12 Replacement Fund | 12-70-7020 | 2021/22 | \$ 50,000 |
| Total | | | \$ 50,000 |



FY 2021/22 Capital Expenditures
Valley Sanitary District
Capital Project Justification

Project Number: 21-0015

Project Name: Steel Waterline Replacement

Category: Infrastructure – Treatment Plant

Sub-Category: Replacement

Project Description: Replace the above ground, steel waterline adjacent to the aeration basins and activated sludge tank including adjacent piping and froth sprayers.

Project Justification: The steel waterline and adjacent pipelines are old and prone to leaks, especially at the grooved joints, and has outlived its useful life. The new steel waterline will have traditional joints that will provide a longer life.

Project Schedule:

| Start Date | Completion Date |
|------------|-----------------|
| July 2021 | June 2022 |

Project Funding Sources (Requested):

| Fund Type | GL No. | Fiscal Year | Amount |
|---------------------|------------|-------------|------------|
| 12 Replacement Fund | 12-70-7020 | 2021/22 | \$ 500,000 |
| Carryover Funds | 12-70-7020 | 2020/21 | \$ 142,000 |
| Total | | | \$ 642,000 |



**FY 2021/22 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0016

Project Name: Additional Parking and Landscaping Project

Category: Improvements – General

Sub-Category: Expansion

Project Description: Staff proposes to remove the lawn at the front of the property and replace it with additional parking and drought tolerant landscaping.

Project Justification: The District is need of additional parking for employees, customers, vendors, and contractors.

Project Schedule:

| Start Date | Completion Date |
|------------|-----------------|
| July 2021 | June 2022 |

Project Funding Sources (Requested):

| Fund Type | GL No. | Fiscal Year | Amount |
|------------------------|------------|-------------|------------|
| 13 Capital Improvement | 13-00-1640 | 2021/22 | \$ 250,000 |
| Carryover Funds | 13-30-1640 | 2020/21 | \$ 250,000 |
| Total | | | \$ 500,000 |



FY 2021/22 Capital Expenditures
Valley Sanitary District
Capital Project Justification

Project Number: 21-0017

Project Name: Transfer Refunding Bonds

Category: Improvements – General

Sub-Category: Expansion

Project Description: Principal and interest payment for Revenue Refunding Bonds, 2015

Project Justification: On August 5, 2006 the District issued \$12,915,000 Certificates of Participation to fund Phase I of the District's treatment Plant Expansion. The bonds were refinanced on June 1, 2015 for \$7,540,000 at 2.4% interest payable semi-annually on December 1 and June 1, commencing December 1, 2015.

Project Schedule:

| Start Date | Completion Date |
|------------|-----------------|
| July 2021 | June 2022 |

Project Funding Sources (Requested):

| Fund Type | GL No. | Fiscal Year | Amount |
|---------------------|------------|-------------|------------|
| 12 Replacement Fund | 12-00-9106 | 2021/22 | \$ 426,926 |
| Total | | | \$ 426,926 |



VSD



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