

VALLEY SANITARY DISTRICT OPERATING AND CAPITAL BUDGET

Fiscal Year 2022/23



Prepared by:
The Administration Department



BOARD OF DIRECTORS

VALLEY SANITARY DISTRICT OPERATING & CAPITAL IMPROVEMENT BUDGET FISCAL YEAR 2022/23

Scott Sear
Board President



Dennis Coleman
Secretary/Treasurer



William Teague
Director



Debra Canero
Board Vice President



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.



SENIOR ADMINISTRATION

VALLEY SANITARY DISTRICT

OPERATING & CAPITAL IMPROVEMENT BUDGET

FISCAL YEAR 2022/23

Jeanette Juarez
**Chief Administrative
Officer**



Dave Commons
Chief Operating Officer



Beverli Marshall
General Manager



Ron Buchwald
District Engineer

Contact Us



45500 Van Buren St Indio, CA 92201

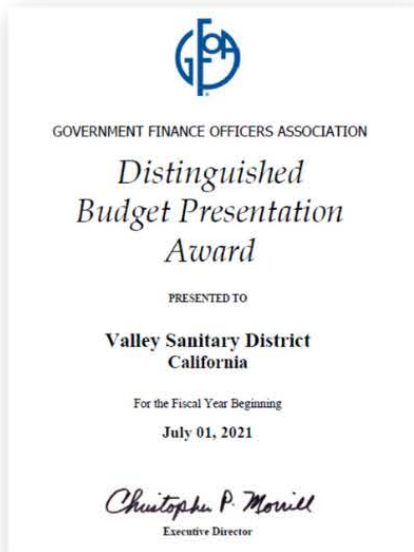


(760) 238-5400



www.valley-sanitary.org

AWARDS AND ACCOMPLISHMENTS



GFOA's Distinguished Budget Presentation Award

To earn recognition, budget documents must meet program criteria and excel as a policy document, financial plan, operations guide, and communication tool.



CSFMO's Operating Budget Meritorious Award for FY 2021-2022

The California Society of Municipal Finance Officers (CSMFO) awarded Valley Sanitary District with the Operating Budget Meritorious Award for Fiscal Year 2021-2022.

Table of Contents

BUDGET MESSAGE.....	1
DISTRICT OVERVIEW	10
BUDGET GUIDE	19
Purpose of the Budget.....	20
Budget Process and Strategy.....	21
Budget Development.....	22
Basis of Budgeting	25
Fiscal Policies	26
FUND SUMMARY.....	33
Financial Management.....	34
Fund Balance	35
Revenue by Source	36
Revenue Descriptions	37
Expense by Category	39
Expense Variance Summary	41
PERSONNEL SUMMARY.....	43
Valley Sanitary District Organizational Chart.....	44
Staffing Range Assignments	45
Wage Schedule	46
Position Count by Department.....	47
BUDGET BY DEPARTMENT	49
Department Description	50
Expense Summary by Department	50
BOARD OF DIRECTORS	55
Board of Directors Organizational Chart.....	56
Board of Directors Department Description.....	56
Board of Directors Metrics.....	58
Board of Directors Accomplishments	59
Board of Directors Goals	59
Board of Directors Personnel Summary	59

Table of Contents

Board of Directors Expense Budget Summary	60
Board of Directors Budget Detail.....	61
ADMINISTRATION	63
Administration Organizational Chart	64
Administration Department Description	64
Administration Metrics	65
Administration Accomplishments	71
Administration Goals.....	72
Administration Personnel Summary	73
Administration Expense Budget Summary	74
Administration Budget Detail	75
SANITATION COLLECTIONS.....	81
Sanitation Collections Organizational Chart	82
Sanitation Collections Department Description	82
Sanitation Collections Metrics	83
Sanitation Collections Accomplishments	85
Sanitation Collections Goals	85
Sanitation Collections Personnel Summary	86
Sanitation Collections Expense Budget Summary	87
Sanitation Collections Budget Detail.....	88
ENGINEERING	91
Engineering Organizational Chart.....	92
Engineering Department Description.....	92
Engineering Metrics.....	93
Engineering Accomplishments.....	93
Engineering Goals.....	93
Engineering Personnel Summary	94
Engineering Expense Budget Summary.....	95
Engineering Budget Detail	96
ENVIRONMENTAL COMPLIANCE SERVICES.....	99
Environmental Compliance Services Organizational Chart	100
Environmental Compliance Services Administration Department Description	100

Table of Contents

Environmental Compliance Services Metrics	101
Environmental Compliance Services Accomplishments	103
Environmental Compliance Services Goals	103
Environmental Compliance Services Personnel Summary	104
Environmental Compliance Services Expense Budget Summary	105
Environmental Compliance Services Budget Detail.....	106
MAINTENANCE	111
Maintenance Organizational Chart	112
Maintenance Department Description	112
Maintenance Metrics	113
Maintenance Accomplishments	113
Maintenance Goals	114
Maintenance Personnel Summary	114
Maintenance Expense Budget Summary	115
Maintenance Budget Detail.....	116
OPERATIONS	121
Operations Organizational Chart.....	122
Operations Department Description.....	123
Operations Metrics.....	124
Operations Accomplishments.....	126
Operations Goals.....	126
Operations Personnel Summary	126
Operations Expense Budget Summary.....	127
Operations Budget Detail.....	128
CAPITAL BUDGET	133
Capital Improvement Program.....	134
Prioritization of Capital Improvement Projects	134
CIP Budget Overview.....	135
Funding Summary	136
Twenty-Year Capital Improvement Program	137
Capital Project Justification Worksheets	141



CCTV Van

"Clarifier 2"



Budget Message



Coachella Valley Date Museum



Budget Message

Fiscal Year 2022/23

July 01, 2022

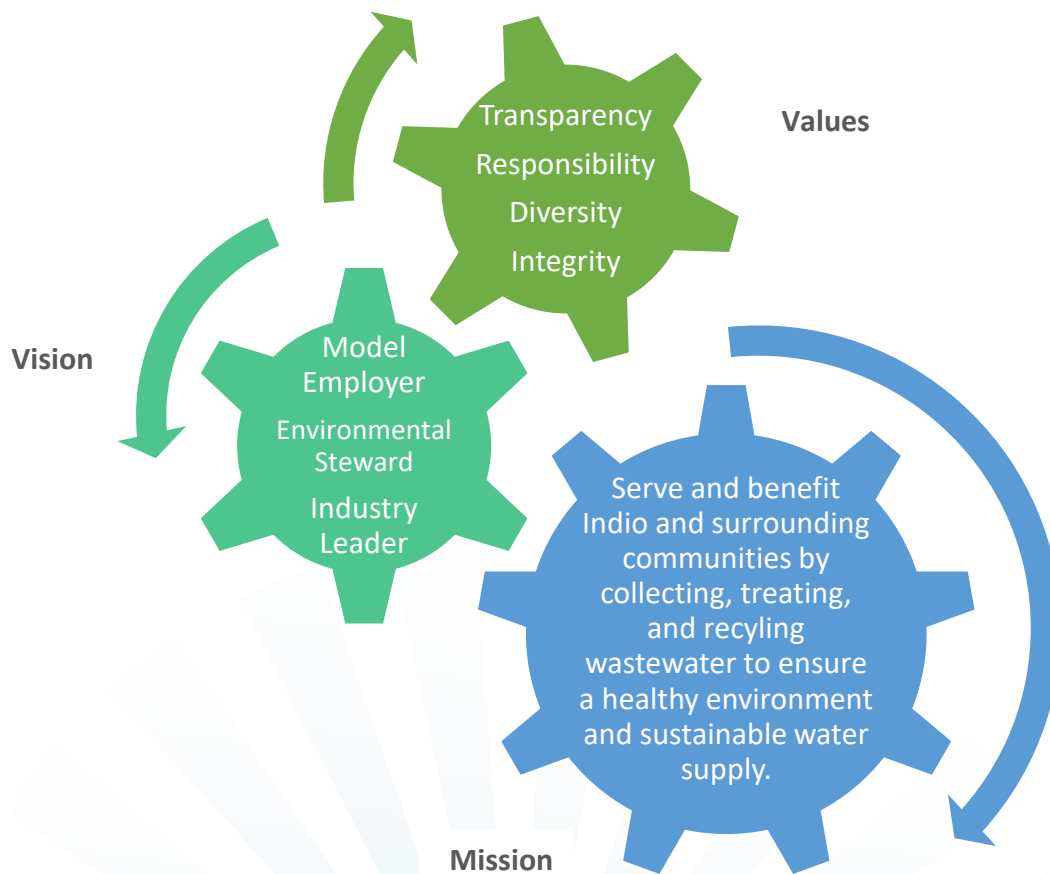
Honorable Board of Directors,

I am pleased to present to you the Operating and Capital Budget for Fiscal Year (FY) 2022/23. This budget is a guide for the District and establishes a path for staff to follow in making day-to-day decisions to further the District's goals and objectives, as outlined in the Strategic Plan, and to provide transparency for the communities and citizens that it serves.

In FY 2022/23, the VSD will focus on four (4) critical infrastructure projects: Recycled Water Project – Phase I, Emergency Sewer Siphon Project, Sewer Main Rehabilitation/Replacement Project, and Influent Rehabilitation Project. In addition to these projects, the District will continue to be committed to its mission of providing a healthy environment and will continue to be a partner in developing a sustainable water supply for Coachella Valley.

BUDGET PROCESS

Each year the budget process starts in November with the Board of Directors' review of the Strategic Plan including reaffirmation of the District's mission statement, vision, and values.



Scott A. Sear
President

Debra A. Canero
Vice President

Dennis M. Coleman
Secretary/Treasurer

Mike L. Duran
Director

William R. Teague
Director

General Manager
Beverli A. Marshall

As part of the Strategic Plan review, the Board evaluates the goals and objectives that direct and guide staff in developing the budget. Staff then implements programs and activities, detailed in the department sections of the budget, to meet these goals and objectives. For FY 2022/23, the Board of Directors reaffirmed the following district-wide goals and objectives.



1.4: Maintain and build upon strong staff culture



2.1: Increase recycling and reuse of resources and byproducts
2.2: Improve sustainability of the overall operations
2.3: Become environmental leader in the community and industry



3.1: Facilities are managed using comprehensive long-range plans that are integrated with the financial plan



4.1: Increase community understanding and support for the District
4.2: Rebrand VSD to increase public recognition and move toward reuse and recycling



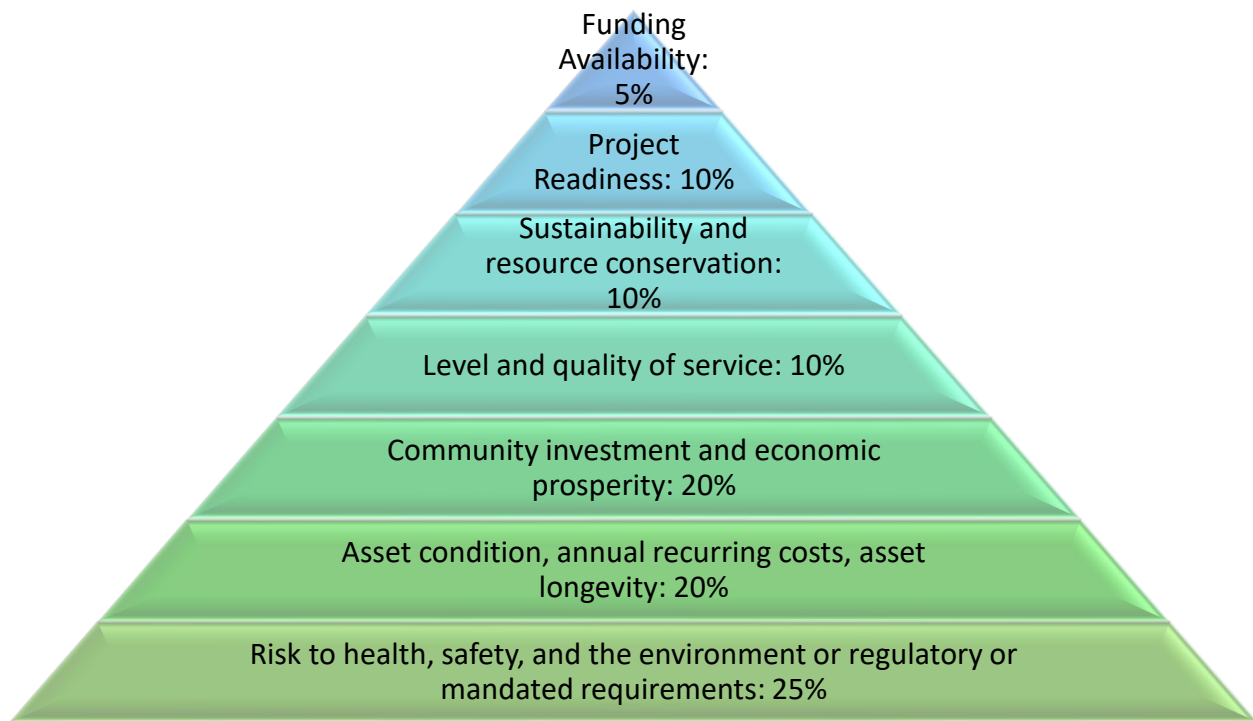
5.1: Align long-term financial planning with strategic priorities
5.2: Extend financial planning to meet long-term needs while maintaining affordability for customers



6.2: Increase regional collaboration
6.3: Improve state level legislative advocacy
6.6: Comply with regulatory, legislative, and permit requirements

Another essential step in the budget process is a review of the Capital Improvement Plan (CIP). The CIP is a 20-year document that identifies rehabilitation, replacement, and new equipment and infrastructure needed to comply with current, emerging, and future regulatory requirements.

To prioritize these projects and to ensure the optimal use of available resources, District staff developed a scorecard based on the following weighted criteria. Based on the scores received, staff prepares a list of projects for the upcoming fiscal year and presents them to the Operations Committee, which makes recommendations to the Board.



The budget process concludes with the budget adoption in June. The community has opportunities at the budget workshop, Budget & Finance Committee, and Board of Directors meetings to provide input and feedback on the goals, objectives, budget, capital improvement plan (CIP), sewer rates, and fees.

BUDGET SUMMARY

The District has been able to maintain financial stability throughout the pandemic and related fiscal uncertainty. The Comprehensive Budget for FY 2022/23 reflects the District's commitment to transparent government, fiscal responsibility, and environmental stewardship. Revenue projected for FY 2022/23 is \$17.8 million and proposed expenditures of \$49.7 million.

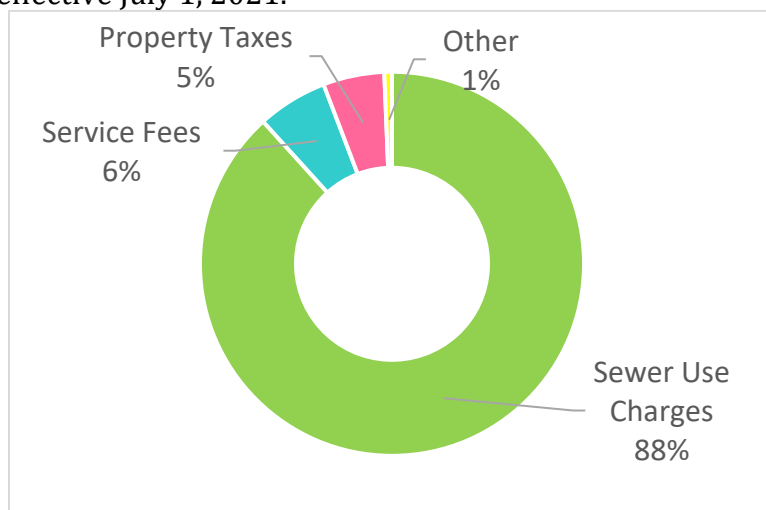
	FY 2021 Actuals	FY 2022 Adopted	FY 2022 Projected	FY 2023 Proposed	\$ Change	% Change
<u>Revenue</u>						
Operating	\$12,771,681	\$14,602,749	\$17,813,502	\$16,683,405	\$ 2,080,656	14.2%
Non-Operating	\$ 1,062,446	\$ 1,247,359	\$ 596,978	\$ 998,618	(\$ 248,741)	-19.9%
Total Revenue	\$13,834,127	\$15,850,108	\$18,410,480	\$17,767,816	\$1,917,708	12.1%
<u>Expenses</u>						
Operating	\$ 9,074,916	\$ 9,948,282	\$ 9,236,427	\$11,776,106	\$ 2,539,679	27.5%
Debt Service	\$ 1,021,090	\$ 1,018,873	\$ 1,018,873	\$ 4,412,971	\$ 3,394,098	333%
Capital Projects	\$ 2,529,251	\$13,232,934	\$13,232,934	\$33,545,663	\$20,312,729	154%
Total Expenses	\$12,625,257	\$24,200,089	\$23,488,234	\$49,734,740	\$26,246,506	112%

To balance the budget, the District proposes to use fiscal year revenue for day-to-day operations and maintenance expenses and restricted and unrestricted capital improvement fund balances, along with loan proceeds and FEMA reimbursements, to pay for CIP projects.

REVENUE

Staff estimates revenue based on the adopted rates and fees, historical service levels, and anticipated changes in economic factors such as residential and commercial development in the area. Sewer service charges are analyzed at least once every five years. The most recent analysis was completed in 2021 and the Board of Directors adopted a new rate structure and Five-Year Rate Plan effective July 1, 2021.

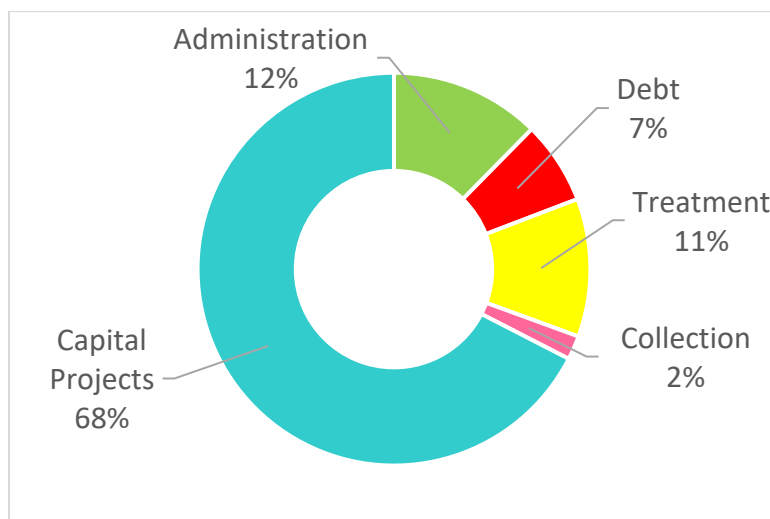
Revenue consists of sewer use charges, property taxes, service fees, and miscellaneous other revenue including interest income.



Revenue projections for Fiscal Year 2022/23 are \$16.8 million in operating revenue and \$1 million in non-operating revenue, for a total of \$17.8 million. This is an increase of \$1.9 million over the Fiscal Year 2021/22, largely due to planned sewer rate increases identified in the adopted 5-year Sewer Use Charge rate plan.

EXPENSES

Proposed expenses were developed to achieve the Strategic Plan goals and objectives, meet operational needs, complete CIP projects, and stay within the projected revenue and debt ratio.



Expenses consist of collection, treatment, and discharge of wastewater, administration and support services, capital projects, and debt service payments.

The proposed expenditures for FY 2022/23, excluding CIP project-related expenses, are \$16.2 million. This is an overall increase of \$5.2 million (47.6%), largely due to:

- Increasing utilities, supplies, and contract service costs;
- Wage and benefit changes to stay competitive with the employment market;
- Payment to CalPERS for the annual unfunded accrued liability (UAL) previously reflected as a balance sheet adjustment rather than as a budgeted expense; and
- Debt service payments for the new loan with Bank of America.

CAPITAL IMPROVEMENT PROGRAM

The District adopted a 20-Year Capital Improvement Plan for its equipment, facilities, and infrastructure with an estimated \$260 million in improvements and replacement of assets. The FY 2022/23 budget includes \$33.5 million for CIP expenditures, which consists of design and construction costs for an increase of \$20.3 million (154%) over FY 2021/22.

Key projects are:

- | | |
|---|--|
| • Recycled Water Project – Phase I (\$17.8 million) | • Influent Pump Station Rehabilitation Project (\$3.3 million) |
| • Emergency Sewer Siphon Replacement Project (\$5.1 million) | • Water Reclamation Facility Master Plan (\$600,000) |
| • Sewer Main Rehabilitation/Replacement Project (\$4.9 million) | • Steel Waterline Replacement – Phase II (\$350,000) |
| | • Recycled Water Use Plan (\$300,000) |

Of the \$33.5 million in CIP expenditures proposed for FY 2022/23, \$17.8 million will be funded by loan proceeds (see Debt section), \$4.3 million in reimbursements from FEMA in response to a flood event on February 14, 2019, and the remaining funds from the restricted and unrestricted capital improvement funds.

Like most special districts, the District did not receive allocations by the federal government through the Coronavirus Aid, Relief, and Economic Security (CARES) or

American Rescue Plan Act (ARPA). The District has made repeated requests to the state, Riverside County, and the City of Indio to designate a portion of their allocations to fund critical infrastructure improvements to reduce the impact of rate increases on the District's ratepayers. While these requests have not been successful, the District continues to apply for grant funds, low-interest loans, and identify public-private partnerships to fund its infrastructure projects.

STAFFING

As identified in the Strategic Plan, the District is committed to being a model employer by providing a healthy work environment and exceptional training opportunities for staff. As part of this commitment, the District completed a staffing analysis and succession plan to ensure that there is sufficient staff in the classifications and program areas to meet the goals and objectives now and into the future. Over the past three years, the District has added six (6) positions for a total full-time equivalent (FTE) of 36 budgeted positions with a plan for five (5) additional positions over the next three years.

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Proposed	% Change
Administration						
Administrative Services	5	5	5	6	6	0%
Environmental Compliance	2	3	3	3	3	0%
Engineering						
Development Services	4	4	4	5	5	0%
Collection System	4	5	5	5	5	0%
Operations						
Maintenance	6	6	7	8	8	0%
Operations	8	8	8	9	9	0%
Total FTEs	29	31	32	36	36	0%

The budget and accounting system are organized by departments that are further organized by divisions. These organizational units provide both functional and planning workflow that enables the District to meet its regulatory obligations as well as its strategic goals and objectives.



Administration

Board of Directors – legislative body responsible for developing policies and providing oversight of the District.

Administrative Services – responsible for overseeing the finances, personnel, technology, and customer service responsibilities.
Environmental Compliance – the laboratory is responsible for performing NPDES

permit compliance monitoring, managing the District's commercial F.O.G. pre-treatment program, and issuing and overseeing industrial user permits.



Engineering

Development Services – provides permit review, inspection of residential and commercial construction, and assists with the District’s GIS mapping needs.
Collection System – cleans, assesses, and responds to emergency

issues within the District’s sewer main lines and lift stations.



Operations

Maintenance - repairs and maintains vehicles, equipment, and structures at the Water Reclamation Facility.
Operations – responsible for treating and discharging wastewater and biosolids management.

The departments and divisions, along with their respective goals and objectives, are described in the Budget by Department section. Detailed information on wages and benefits is presented in the Personnel Summary section.

CHALLENGES

The District’s greatest challenge is addressing its aging infrastructure and preparing to meet the changing regulatory requirements while maintaining its affordability for ratepayers. The District’s sewer rate analysis identified that the District will need to borrow approximately \$165 million over the next 10 years to complete these critical projects. The District is actively looking for other revenue sources, such as grants, partnerships with private companies, and low-interest loans to offset capital improvement project costs.

Another significant challenge is the District’s ability to manage increases in wages and wage-driven benefits in response to the sizable increase in the Riverside-San Bernardino-Ontario region consumer price index (CPI). As of March 2022, this index was at 9.9%. The CPI also affects services, supplies, and other expenses that drive up the overall day-to-day operating costs. There does not appear to be any relief in the near future and the underlying assumptions for the rate analysis needs revisions to reflect current conditions.

DEBT

In May 2022, the District executed a \$71 million loan through Bank of America’s Environmental Business Initiative Program to finance the Recycled Water Project – Phase I over a 20-year period at a 2.7% interest rate. By financing this project, rather than paying for it directly from sewer rate revenue, the District is able to achieve its capital improvement goals while maintaining affordability for its customers.

The budget and Five-Year Sewer Use Rate plan demonstrate the District’s ability to meet debt service requirements by maintaining a debt ratio of at least 1.25. Additional rate increases will be necessary over the next five to 10 years to meet capital expenditure needs and to maintain the established minimum debt ratio.

ACKNOWLEDGEMENTS

I would like to recognize and thank the Board of Directors for their support, collaboration, and assistance in developing a fiscally responsible budget. I would also like to acknowledge the District staff whose efforts and dedication enabled the smooth and timely completion of the budget process and the production of this document.

Respectfully,

A handwritten signature in blue ink, reading "Beverli A. Marshall". The signature is fluid and cursive, with the first name "Beverli" and last name "Marshall" clearly legible.

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



Overview

"ASP Contact
Chamber & Tanks"

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, Arizona. 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 located 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)

Overview

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.

Arts and Entertainment	Golfing	Festivals	Dining	Shopping
<ul style="list-style-type: none"> ▪ Coachella Valley Art Center ▪ Coachella Valley History Museum ▪ Desert Cahuilla Village ▪ History of Date Industry in the Coachella Valley ▪ Indio Performing Arts ▪ Rebirth 	<ul style="list-style-type: none"> ▪ The Lights at Indio Golf Course ▪ Eagle Falls Golf Course ▪ Golf Club at Terra Lago ▪ Big Rock Golf Course ▪ Shadow Hills Golf Club 	<ul style="list-style-type: none"> ▪ Riverside County Fair and National Date Festival ▪ Coachella Valley Music & Arts Festival ▪ Stagecoach California's Country Music Festival ▪ Indio Tree Lighting Ceremony ▪ Indio International Tamale Festival 	<ul style="list-style-type: none"> ▪ TKB Bakery & Deli ▪ uniQue Bite Eatery ▪ El Mexicali Cafe II ▪ POM ▪ Heirloom Craft Kitchen ▪ Sloan's ▪ CV Barbeque ▪ Tack Room Tavern ▪ Mario's ▪ The Café at Shields 	<ul style="list-style-type: none"> ▪ Citrus Plaza ▪ Heritage Court ▪ Indio Grand Market Place ▪ Indio Town Center ▪ The Palms ▪ Showcase at Indio ▪ Indio Plaza ▪ Shadow Hills Plaza ▪ Jefferson Plaza

CLIMATE

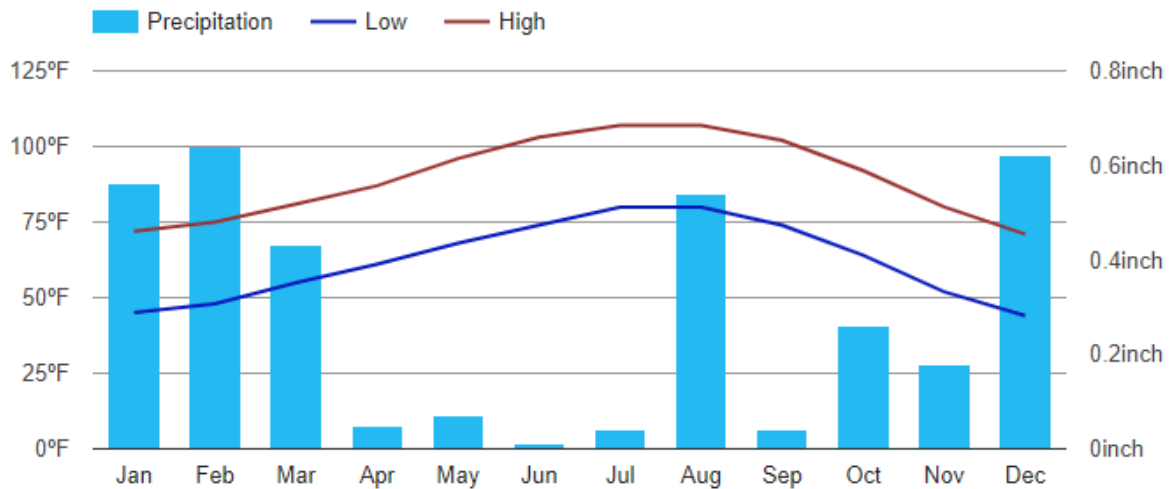
Due to its unique geographical location and high mountain ranges, Indio has some of the warmest winters on the west coast. The city has a warm winter and hot summer climate primarily due to its desert climate. There is very little rainfall throughout the year. The average annual temperature in Indio is 75.5 °F, with an estimated 3.44 inches of annual precipitation.¹

Climate Indio - California	Jan	Feb	Mar	Apr	May	Jun
Average high in °F	72	75	81	87	96	103
Average low in °F	45	48	55	61	68	74
Average precipitation in inch	0.56	0.64	0.43	0.05	0.07	0.01

	Jul	Aug	Sep	Oct	Nov	Dec
Average high in °F	107	107	102	92	80	71
Average low in °F	80	80	74	64	52	44
Average precipitation in inch	0.04	0.54	0.04	0.26	0.18	0.62

Overview

Indio Climate Graph - California Climate Chart



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

ECONOMIC INDICATORS

In fiscal year 2021/22, the District concentrated on slow and steady growth and progress. The District's new rate structure for the Sewer Use Charge (SUC) was implemented on July 1, 2021, and will continue through June 30, 2026. In the fiscal year 2022/23 the District is projecting an increase of 12.5% or \$1.9M due to the rate increase. The additional revenues are needed to maintain operating service levels, fund critical high-risk projects identified in the 20-Year District-Wide Master Plan, and 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. The District has already commenced its financing initiatives by successfully closing a \$71 million dollar loan through Banc of America Corp for the Recycled Water Project Phase 1.

In fiscal year 2021/22, the District received higher than projected revenues by \$3 million. The additional revenue was mainly attributed to connection fees from increased development activities. The City of Indio permitted a mixed-use affordable housing development consisting of 184 residential units known as Arroyo Crossing. Phase II of the Arroyo Crossing project has been entitled and is proposing to develop 214 units. Additionally, the City of Indio is continuing with its \$40 million renovations to the Indio Marketplace that will include new retail and dining establishments.²

Overview

The COVID-19 Pandemic created an uncertainty in the economy that influenced many agencies to make conservative projections and strategically plan expenditures. The City of Indio was no exception budgeting in Fiscal 2021/22 projecting a deficit of \$9.4M.

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, 2021		90,416
Population Growth since April 1, 2020		1.4%
Housing		
Owner-occupied housing unit rate, 2015-2019		72.2%
Median value of owner-occupied housing units, 2016-2020	\$	290,200
Median selected monthly owner costs - with a mortgage, 2016-2020	\$	1,793
Median selected monthly owner costs - without a mortgage, 2016-2020	\$	627
Median gross rent, 2016-20	\$	1,113
Gender (% of population)		
Female		51.2%
Male		48.8%
Age (% of population)		
Under 18 Years		22.2%
65 years and over		19.6%
Education (% of Population)		
Highschool graduate or higher		79.4%
Bachelor's Degree or Higher		18.0%
Income		
Median Household income	\$	53,434
Employment (% of Population)		
Retail Trade		13.3%
Admin/Support/Waste Management Services		9.9%
Accommodation/Food Services		9.0%
Healthcare/Social Assistance		8.7%
Construction		7.0%
Transportation/Warehousing		6.4%
Educational Services		4.9%
Finance/Insurance		3.2%
Agriculture		1.6%
Manufacturing		1.0%
Real Estate/Rental/Leasing		1.0%
Arts/Entertainment/Recreation		0.9%
Professional/Scientific/Tech Services		0.9%

1. U.S. Department of Commerce. QuickFacts Indio City, California. <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

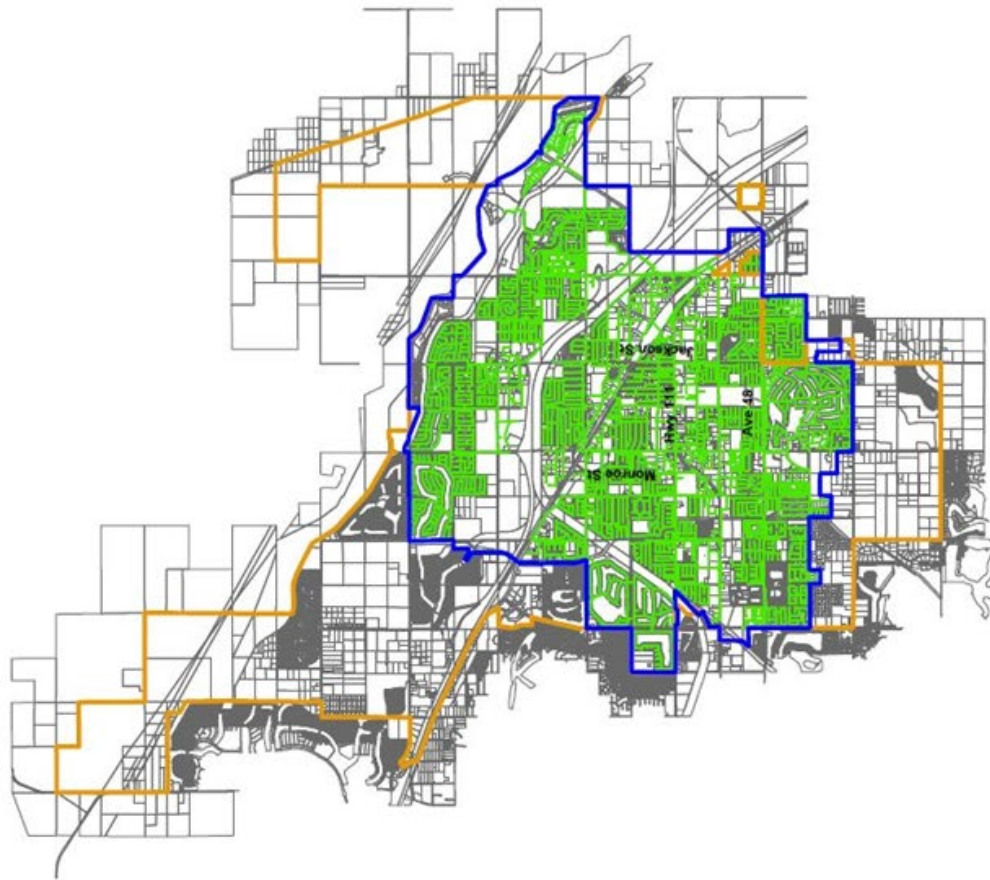
DISTRICT GOVERNANCE

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 on 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 meets on the second and fourth Tuesdays of 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 (located in the eastern desert area of Riverside County) provides sanitary sewer services to approximately 28,028 connections within its 19.5 square mile service area. 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 the 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's 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 employees 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 the success of the vision of the District. The Strategic Plan was created in a way that best articulates the Board of Directors' vision and strategy for the District over the next several years.

In November 2021 the Board of Directors attended a workshop hosted by John Bramble and Julie Hernandez of Management Partners. The workshop included discussions on effective

Board roles and responsibilities, strategic planning for the Board and General Manager, and ways to expand community participation. The District's strategic plan was reviewed and discussed, and no changes to the strategic plan were made.

SUMMARY OF STRATEGIC GOALS AND OBJECTIVES

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 2: Increase Recycling, Reuse, and Sustainability

- OBJECTIVE 2.1: Increase recycling and reuse of resources and byproducts
- OBJECTIVE 2.2: Improve sustainability of the overall operations (e.g., lower carbon footprint)
- OBJECTIVE 2.3: Become an environmental leader in the community and industry

GOAL 3: Excellent Facilities

- OBJECTIVE 3.1: Facilities are managed using comprehensive long-range plans that are integrated with the financial plan
- OBJECTIVE 3.2: Increase the use of technology to lower costs and improve reliability

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
- OBJECTIVE 5.2: Extend financial planning to meet long-term needs while maintaining affordability for customers
- OBJECTIVE 5.3: Update rate structure to ensure it is up-to-date and fair to all classes of customers

GOAL 6: Improve Planning, Administration, and Governance

- OBJECTIVE 6.1: Meet evolving operational and customer demands
- OBJECTIVE 6.2: Increase regional collaboration
- OBJECTIVE 6.3: Improve administration and management
- OBJECTIVE 6.4: Increase emergency preparedness
- OBJECTIVE 6.5: Improve State Level Legislative Advocacy
- OBJECTIVE 6.6: Improve Governance
- OBJECTIVE 6.7: Maintain compliance with all regulatory, legislative, and permit requirements



Old Town Indio



"Boiler"

Budget Guide

PURPOSE OF THE BUDGET

The District creates an annual budget that serves as a financial plan and operating guide for the upcoming fiscal year. The budget document is a cooperative component amongst all departments that allocates resources aligned with departmental and strategic goals. The annual budget allows for greater transparency and accountability for the District as a whole.

The annual budget serves to accomplish the following:

- Alignment with District strategic goals and departmental goals
- Detailed revenue projections and expense breakdown by department
- Sound financial management and transparency through the allocation of resources based on needs and requirements
- Presents Key Performance Indicators (KPI) and establishes targets based on goals

Once approved, the budget provides legal authority for expenditures and is also a control for expenditure levels throughout the fiscal year. The action for approval and adoption of the annual budget is completed in June of each calendar year.

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 it serves.

The presentation of the budget to the Board of Directors in a publicly held meeting allows for in-depth review and alignment with District approved strategic goals. Additionally, the Board of Directors and the public are given the opportunity for a detailed review of the financial plan for the year department by department. This allows for greater distribution of information and an opportunity for the Board of Directors to ensure the adequacy of the distribution of resources, personnel staffing, and service requirements.

OPERATING BUDGET

The operating budget is composed of revenues and expenditures produced from the services rendered by the wastewater treatment facility. The operating budget encompasses such costs as personnel, California Public Employees' Retirement System (CalPERS) Unfunded Accrued Liability (UAL), debt service, insurance premiums, supplies, materials, and other overhead costs to run day-to-day operations.

CAPITAL BUDGET

The capital budget incorporates key projects to further advance the District's Capital Improvement Program (CIP). These projects are intended to maintain, repair, and expand infrastructure.

Capital projects are categorized into two (2) categories depending on the system they impact.

1. Plant Facility
2. Sewage Collection

CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program (CIP) is a separate twenty-year planning document that details planned capital expenditures. The capital projects include rehabilitation and replacement of infrastructure and equipment, as well as large construction projects. The CIP aligns capital projects to various funding sources and the projected timeframe of when the work will take place. For some of the larger projects that require financing the financial impact can span over twenty to thirty years.

BUDGET PROCESS AND STRATEGY

The District operates on a fiscal year commencing July 1 and ending June 30. The budget process for the District is a collaborative effort among all departments that is based on sound financial management and longevity. The budget focuses on allocating and using resources within the framework of the strategic plan to ensure the long-term success and development of the District as a whole.

The budget is created through five (5) guiding principles.

CONTINUE BUILDING MOMENTUM

The District is utilizing all of its efforts to continue slow and steady progress. The COVID-19 Pandemic created an atmosphere unlike any other ever encountered. The District had to quickly adapt to a changing environment guiding an essential workforce. This year the District will continue to make progress in upgrades to implement the Recycled Water Process. It will continue to build momentum using strategies that widely communicate “why this is necessary?” and acknowledge and celebrate progress.

RESOURCE PRIORITIZATION

The District examines all resources and conducts an analysis of resource requests to ensure program/service effectiveness and alignment with both short and long-term goals. A financial plan is created that the Board of Directors can use to prioritize the allocation of limited financial resources.

STRATEGIC GOAL ALIGNMENT

All departments must create annual goals that align with the Board-approved strategic plan. The departmental budgets are built on this premise ensuring organizational strategic alignment.

SOUND FINANCIAL MANAGEMENT

Financial accuracy and transparency are key to sound financial management. The District achieves this objective through full disclosure of funding requirements and addressing any

projected financial challenges. The District maintains a structurally balanced budget with recurring revenues supporting recurring expenditures. The District also has a reserve requirement to provide financial reserves for unanticipated expenditures, and revenue shortfalls, and to respond to emergency situations.

LONGEVITY AND GROWTH

Having a set vision, mission, and strategic plan ensures business continuity and growth. In the fiscal year 2022/23 the District will be updating its Master Plan to establish a framework for orderly growth and development of capital improvements on campus.



CONTINUE
BUILDING
MOMENTUM



RESOURCE
PRIORITIZATION



STRATEGIC GOAL
ALIGNMENT



SOUND FINANCIAL
MANAGEMENT



LONGEVITY AND
GROWTH

BUDGET DEVELOPMENT

STRATEGIC PLAN REVIEW

In November, the Board of Directors holds a strategic plan workshop that gives the Board the opportunity to examine and make modifications to the existing plan. The Board of Directors approves the plan for the upcoming fiscal year.

BUDGET KICK-OFF

In January the Administration Department holds a budget kick-off meeting with all departments where each department is presented with a technical memorandum of the budget processes, goals, and updates to the strategic plan. 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.

BUDGET TIMELINE

The department heads are provided a budget timeline with important deliverable dates and meeting schedules.

Fiscal Year 2022/23 Budget

Valley Sanitary District

Task	Assigned To	Date
Phase 1 January		
Task 1.1 Budget Worksheets Distributed To All Departments	Administration Department	4-Jan-22
Task 1.2 Budget Kickoff Meetings With All Departments	Administration Department	4-Jan-22
Task 1.3 Budget Worksheets Due To Administration Department	All Departments	25-Jan-22
Task 1.4 Review Of Budget Worksheets	Administration Department	7-Feb-22
Phase 2 February		
Task 2.1 Operations Committee Reviews 10 Year Capital Improvement Plan	Operations Committee	1-Feb-22
Task 2.2 Department Overview Meetings With Administration Department	Administration Department	7-Feb-22
Task 2.3 Departmental Summaries And Goals Due To Administration Department	All Departments	8-Feb-22
Task 2.4 Organizational Charts Due To Administration Department	All Departments	8-Feb-22
Task 2.5 Departmental Performance Metrics Due To Administration Department	All Departments	15-Feb-22
Task 2.6 Budget Worksheets Due To Administration Department	All Departments	22-Feb-22
Task 2.7 Capital Improvement Project Worksheets Due	All Departments	22-Feb-22
Phase 3 March		
Task 3.1 Review Capital Project Requests With Administration Department	Administration Department	1-Mar-22
Task 3.2 Budget Meetings With The General Manager And Department Heads	Administration Department	17-Mar-22
Task 3.3 Develop Budget Presentation	Administration Department	22-Mar-22
Task 3.4 Budget And Finance Committee Review And Recommendations	Budget And Finance Committee	29-Mar-22
Phase 4 April		
Task 4.1 Draft Budget Book	Administration Department	14-Apr-22
Task 4.2 Board Study Session For The Fiscal Year 2022/23 Fees, Charges, 10 Year Cip, And Budget	Board Of Directors	19-Apr-22
Task 4.3 Department Overview Meetings With Administration Department To Discuss Board Comments And Edit Requests	Administration Department	21-Apr-22
Task 4.4 Final Worksheets Submitted To Administration Department	All Departments	28-Apr-22
Phase 5 May		
Task 5.1 Budget Meetings With The General Manager And Department Heads	Administration Department	5-May-22
Task 5.2 Draft Budget And Budget Presentation Posted To Board Agenda	Clerk Of The Board	19-May-22
Task 5.3 Board Adopts Fiscal Year 2022/23 Fees And Charges For District Services	Board Of Directors	24-May-22
Task 5.4 Board Adopts 10 Year Capital Improvement Plan	Board Of Directors	24-May-22
Task 5.5 Board Reviews Draft Budget And Makes Final Changes	Board Of Directors	24-May-22
Task 5.6 Department Overview Meetings With Administration Department To Discuss Final Changes	Administration Department	25-May-22
Phase 6 June		
Task 6.1 Final Edits Due To Administration Department	All Departments	1-Jun-22
Task 6.2 Review Final Budget With General Manager And Department Heads	Administration Department	6-Jun-22
Task 6.3 Final Budget Posted To Board Agenda	Clerk Of The Board	9-Jun-22
Task 6.4 Board Adopts The Fiscal Year 2022/23 Budget	Board Of Directors	14-Jun-22
Task 6.5 Fiscal Year 2022/23 Final Budget Posted To District Website	Administration Department	29-Jun-22

BUDGET STUDY SESSION

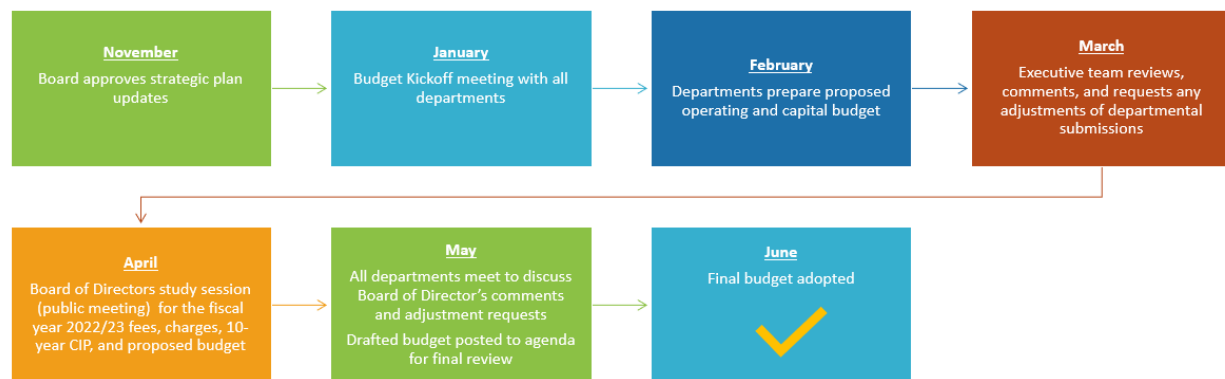
In April the Board holds a study session (public meeting) to review and discuss fees, charges, 10-year CIP, and the proposed budget. The study session allows ample time for the Board to review, give staff direction, and modify before the June approval.

FINAL REVIEW OF PROPOSED BUDGET

In May, all departments meet to discuss the Board of Directors' comments and adjustment requests from the budget study session. The proposed draft budget is posted to the May agenda for final Board of Director review and comment.

BUDGET ADOPTION

The action for approval and adoption of the annual budget is completed in June of each calendar year. The final draft, including any changes requested in the May meeting, of the operating and capital budget, is submitted to the Board of Directors for approval. The budget becomes effective July 1.



CONTINUED BUDGET MONITORING

Every month a budget variance report is submitted in the consent calendar to the Board of Directors for approval. The budget variance report compares revenues and expenses to the respective line-item budgets. The report identifies current monthly revenues and expenses as well as fiscal year-to-date (FYTD) values by category.

MID-YEAR BUDGET REVIEW

In January, the Administration Department submits a mid-year budget report to the Board of Directors. The report provides details on revenue and expenditure trends, changes in fund balances, and projections for the fiscal year-end. Along with the monthly variance report, the Board of Directors also receive a detailed summary by category explaining variances.

ADJUSTMENTS TO THE ADOPTED BUDGET

Budget transfers within the departments may be made administratively and are noted in the budget variance report. Appropriation of funds above the total operating budget requires a budget amendment and Board approval.

BASIS OF BUDGETING: ACCOUNTING VERSUS BUDGETARY BASIS

ACCOUNTING BASIS

The District conforms to Generally Accepted Accounting Principles (GAAP) as applicable to local governments. The financial statements are reported using the “economic resources” measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as all eligibility requirements have been met. Interest associated with the current fiscal period is susceptible to accrual and so has been recognized as revenue in the current fiscal period.

BUDGETARY BASIS

The basis of budgeting refers to the conversions for recognition of costs and revenue in budget development and in establishing and reporting appropriations, which is the legal authority to spend or collect revenues. The District budget conforms to 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 that 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.

The District uses a modified accrual basis for budgeting. All operating and capital basis of budgeting and accounting expenditures and revenue are identified in the budgeting process because of the need for appropriation authority. The budget is fully reconciled to the accounting system at the beginning of the fiscal year, and in preparing the Annual Comprehensive Financial Report (ACFR) at the end of the fiscal year. Several (GAAP) adjustments are made to reflect balance sheet requirements and their effect on the budget. These include changes in designations and recognition, via studies and analysis, of accrued liabilities. Amounts needed for such long-term liabilities as the future payoff of accumulated employee vacation are budgeted as projections and once recognized are adjusted for actual amounts.

The District’s basis for budgeting is consistent with GAAP and the ACFR with the exception of the following items:

- Capital expenditures within the capital improvement fund are recorded as assets on an accounting basis but are shown as expenditures on a budgetary basis.

- Depreciation of capital assets and amortization of deferred charges are recorded on an accounting basis only. These charges are not reflected in the budget document.
- Principal payments on long-term debt within the general fund are applied to the outstanding liability on an accounting basis but are shown as expenditures on a budgetary basis.
- Carryover funds represent previously budgeted funds unexpended at the end of the applicable budget period. Carryover requests approved by the Board of Directors are added to the District's current budget period but are not included in the budget document or original budget submission to the Board of Directors.

FISCAL POLICIES

FINANCIAL MANAGEMENT

The District's 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 that comprises 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 three special revenue funds:
 - 2015 Wastewater Revenue Refunding Bonds
 - State Water Resources Control Board Revolving Fund Loan
 - Bank of America Loan Recycled Water Project Phase I
- **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 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 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).

2022 DEBT FINANCING BANC OF AMERICA CAPITAL CORP

The District executed the installment sale agreement with Banc of America Capital Corp for the Recycled Water Project Phase 1. The Reclaimed Water Project – Phase 1 will replace an aging and capacity restricting grit chamber and provide redundancy by adding a second digester and expanding the bar screens. This project will also include adding a sludge thickener unit. This project is necessary to meet anticipated regulatory requirements, tertiary treatment, and recycled water production. The total amount of the loan funded was \$71,000,000 at an interest rate of 2.75%. The District will make installment payments commencing December 1, 2022, and scheduled to end June 1, 2042.

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

District's Outstanding Debt

	2022
2015 Revenue Refunding Bond	\$ 3,165,000
Bond Premium	393,673
SWRCB Loan	11,550,856
Bank of America Loan	71,000,000
Total	<u>\$ 86,109,529</u>



Fund Summary

"Iron Sponges"

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 that 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.

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 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 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 the 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

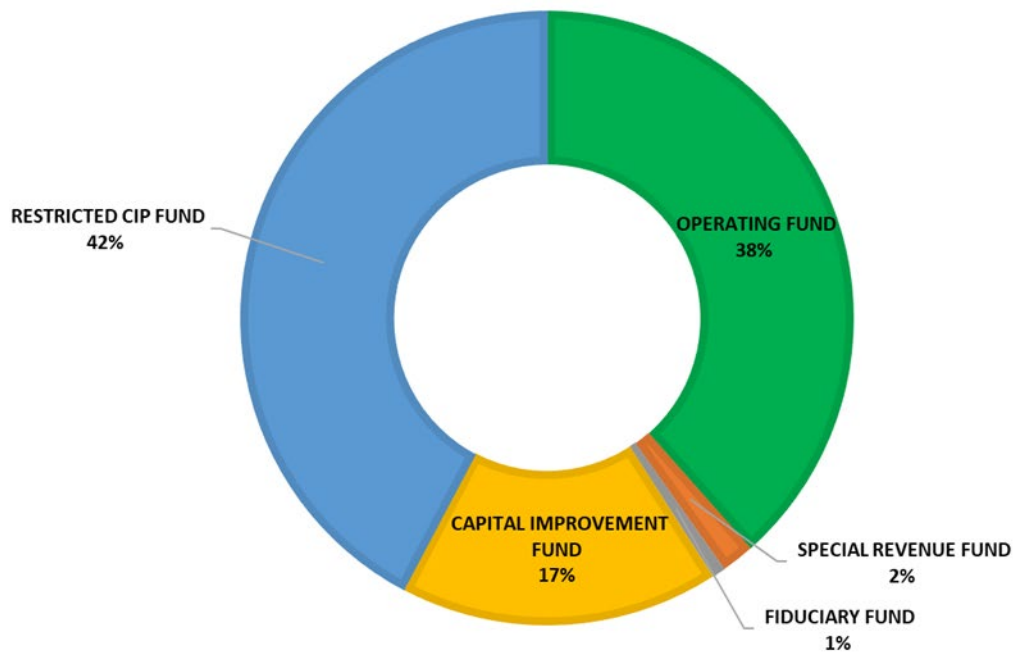
Fund Summary

provides a detailed explanation of the purpose of the fund and its planned budget for each fiscal year.

FUND BALANCE

Percentage of Fund Balance by Source

Fund	UNAUDITED FUND BALANCE AS OF 3/31/2022
OPERATING FUND	\$ 23,506,173
SPECIAL REVENUE FUND	1,063,858
FIDUCIARY FUND	429,464
CAPITAL IMPROVEMENT FUND	10,288,217
RESTRICTED CIP FUND	25,824,010
Total	\$ 61,111,722



Fund Summary

REVENUE BY SOURCE

The tables below depict the revenues by source.

Fund 11 (General Fund) Revenues by Source	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percent Change
OPERATING REVENUES:						
11-4120000-0 SEWER SERVICE CHGS-CURRENT	\$ 11,872,945	\$ 13,550,998	\$ 14,575,652	\$ 15,686,490	\$ 2,135,492	15.8%
11-4210000-0 PERMIT & INSPECTION FEES	37,270	30,355	34,350	35,874	5,519	18.2%
11-4260000-0 SADDLES/DISCONNECT FEES	80		-		-	-
11-4270000-0 PLAN CHECK FEES	11,275	11,671	13,650	14,704	3,033	26.0%
11-4285000-0 OTHER SERVICES	1,920		3,435	3,397	3,397	-
11-4310000-0 SALE OF SURPLUS PROPERTY	16,213	18,115	17,419	31,818	13,703	75.6%
Subtotal	\$ 11,939,703	\$ 13,611,139	\$ 14,644,506	\$ 15,772,283	\$ 2,161,144	15.9%
						-
NON-OPERATING REVENUES:						-
11-4430000-0 TAXES - CURRENT SECURED	\$ 948,640	\$ 1,002,212	\$ 479,845	\$ 855,412	\$ (146,800)	-14.6%
11-4440000-0 TAXES - CURRENT UNSECURED	30,448	61,266	30,272	55,294	(5,972)	-9.7%
11-4450000-0 TAXES - PRIOR SECURED	18,198		12,702		-	-
11-4470000-0 SUPPLE PROP. TAXES - CURRENT	14,281	9,196	185		(9,196)	-100.0%
11-4480000-0 SUPPLE PROP. TAXES - PRIOR	6,713	8,328	9,644		(8,328)	-100.0%
11-4500000-0 HOMEOWNERS TAX RELIEF	5,669	-	5,001	6,090	6,090	-
11-4510000-0 INTEREST INCOME	15,587	140,906	30,285	36,068	(104,838)	-74.4%
11-4520000-0 UNREALIZED GAINS (LOSSES)	(4,262)		(30,466)		-	-
11-4574000-0 NON-OPERATING REVENUES - FND 11	362	451	3,151	5,156	4,705	1043.2%
11-4573000-0 REBATE INCOME	1,435	-	17,785	3,836	3,836	-
12-4510000-0 INTEREST INCOME	18,182	-	30,175	32,151	32,151	-
Subtotal	\$ 1,055,254	\$ 1,222,359	\$ 588,578	\$ 994,007	\$ (228,352)	-18.7%
Fund 11 Total Revenues by Source	\$ 12,994,958	\$ 14,833,498	\$ 15,233,085	\$ 16,766,290	\$ 1,932,792	13.0%

Fund 13 (Capital Improvement Fund) Revenues by Source	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percent Change
OPERATING REVENUES:						
13-4200000-0 CONNECTION FEES	\$ 831,978	\$ 991,610	\$ 3,168,996	\$ 996,915	\$ 5,305	0.5%
Subtotal	\$ 831,978	\$ 991,610	\$ 3,168,996	\$ 996,915	\$ 5,305	0.5%
NON-OPERATING REVENUES:						
13-4510000-0 INTEREST INCOME	\$ 7,192	\$ 25,000	\$ 8,400	\$ 4,611	\$ (20,389)	-81.6%
Subtotal	\$ 7,192	\$ 25,000	\$ 8,400	\$ 4,611	\$ (20,389)	-81.6%
Fund 13 Total Revenues by Source	\$ 839,170	\$ 1,016,610	\$ 3,177,395	\$ 1,001,526	\$ (15,084)	-1.5%

Combined Total Revenues	\$ 13,834,128	\$ 15,850,108	\$ 18,410,480	\$ 17,767,816	\$ 1,917,708	12.1%
--------------------------------	----------------------	----------------------	----------------------	----------------------	---------------------	--------------

REVENUE DESCRIPTIONS

11-4120000-0 SEWER SERVICE CHGS-CURRENT

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

11-4210000-0 PERMIT & INSPECTION FEES

Fees collected for lateral and mainline inspections.

11-4270000-0 PLAN CHECK FEES

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

11-4285000-0 OTHER SERVICES

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

11-4310000-0 SALE OF SURPLUS PROPERTY

Revenue is generated from the 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, airplanes, vessels, and vehicles. If this property cannot be donated to a state or public agency, or nonprofit organization, the public can buy it.

11-4430000-0 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.

11-4440000-0 TAXES - CURRENT UNSECURED

The 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%

11-4450000-0 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. The estimated revenue is based on current year activity.

Fund Summary

11-4470000-0 SUPPLEMENTAL PROPERTY TAXES - CURRENT

Funds are derived from supplemental tax roll changes due to the 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.

R 11-4480000-0 SUPPLEMENTAL PROPERTY TAXES - PRIOR

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

11-4500000-0 HOMEOWNERS TAX RELIEF

The portion of tax funds is 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.

11-4574000-0 NON-OPERATING REVENUES - FUND 11

This account includes revenue from other undefined sources.

11-4510000-0 INTEREST INCOME

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

13-4200000-0 CONNECTION FEES

Connection Capacity Fee: \$6353 per equivalent dwelling unit (EDU).

13-4510000-0 INTEREST INCOME

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

Fund Summary

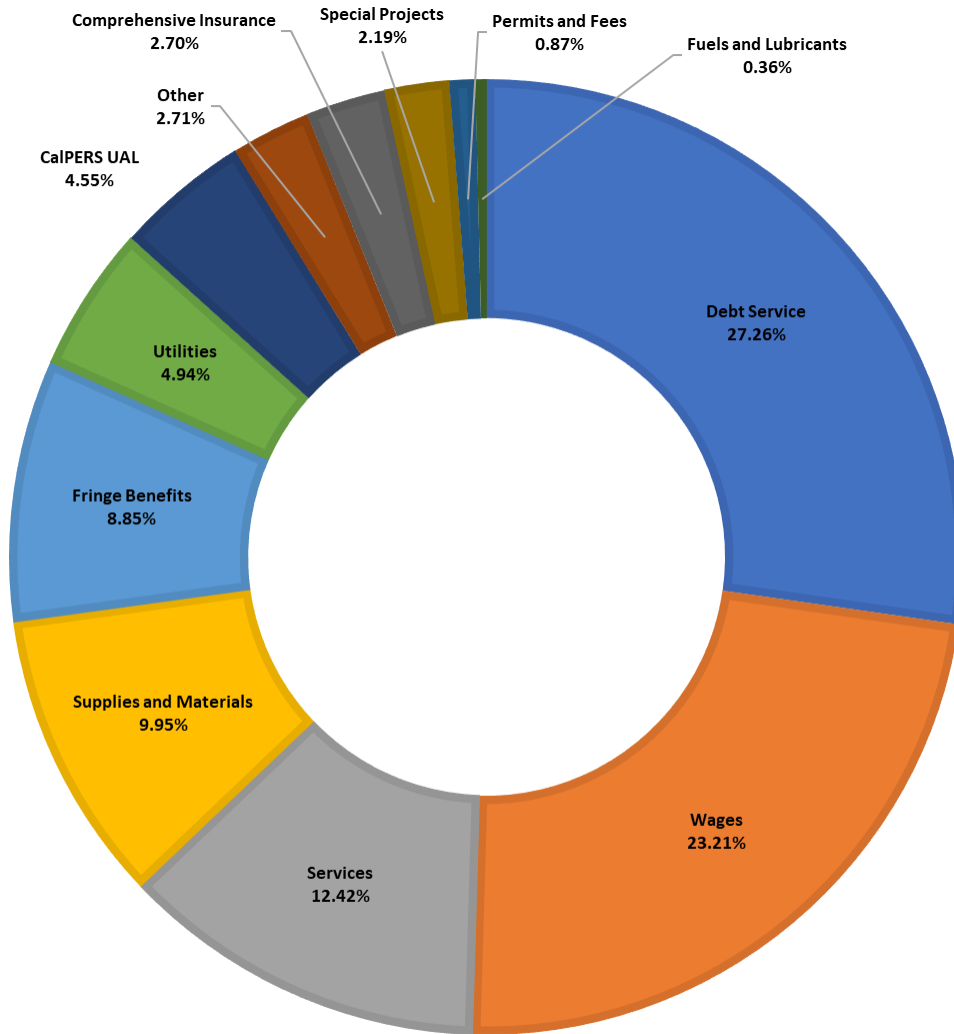
EXPENSE BY CATEGORY

The following table depicts the expense by category.

Total Expense by Category	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percentage Change
Wages	\$ 3,078,058	\$ 3,296,023	\$ 3,115,482	\$ 3,710,329	\$ 414,306	12.6%
Fringe Benefits	2,132,474	1,264,703	1,086,252	1,431,739	167,036	13.2%
Services	837,843	1,773,241	1,354,613	2,059,609	286,368	16.1%
Supplies and Materials	1,176,774	1,523,871	1,179,598	1,610,772	86,901	5.7%
Fuels and Lubricants	34,094	52,000	43,782	58,000	6,000	11.5%
Casualty and Liability	309,876	411,406	395,504	435,429	24,023	5.8%
Projects	86,134	303,550	303,550	354,000	50,450	16.6%
Utilities	647,030	853,711	805,113	800,500	(53,211)	-6.2%
Debt Services	1,021,090	1,018,873	1,018,873	4,412,971	3,394,098	333.1%
Permits and Fees	63,131	126,750	50,894	141,025	14,275	11.3%
Other	227,122	343,027	201,219	438,097	95,070	27.7%
CalPERS UAL	482,379	-	700,420	736,606	736,606	-
Total	\$ 10,096,006	\$ 10,967,155	\$ 10,255,300	\$ 16,189,077	\$ 5,221,922	47.6%

Fund Summary

Expense by Category as a Percentage of FY23 Budget



EXPENSE VARIANCE SUMMARY

WAGES

The increase in wages is attributed to budgeted merit increases and a cost-of-living adjustment for a cap of 5% to the updated wage schedule. The Riverside-San Bernardino-Ontario, CA CPI-U Index was at 8.5% as of January 2022 and 9.9% as of March 2022. Additionally, some positions have been budgeted to the next step in the job series due to new and anticipated certification achievements.

SERVICES

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

SUPPLIES AND MATERIALS

The increased supplies and materials cost increased due to plant structure painting, asphalt removal, camera replacements, BIT inspections, increased chemical usage, and repair parts needed for aging fleet vehicles, machinery, and facility.

FRINGE BENEFITS

The District contracts with CalPERS for the purpose of providing employees with medical insurance benefits. The proposed Operating Budget includes a proposed 8.0% increase in the monthly cafeteria plan. The adjustment was determined using the Medical Care index of 8.49% CPI-U Index as of December 2021 and the estimated increases to the CalPERS Medical Premiums. In August of 2022, the medical premiums among the offered plans increased between 5.85% and 25.14%.

DEBT SERVICE

Debt services have increased due to the Banc of America Public Capital Corp debt financing for the Recycled Water Project Phase I for \$71M.

UTILITIES

The increase in utilities is due to an increase in the electricity rate and usage. Water and trash usage have also increased therefore increasing costs.

CASUALTY AND LIABILITY

The increase in casualty and liability is due to reclassing workers' compensation insurance into 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.

Fund Summary

Additionally, there was a slight increase in pollution and earthquake insurance premiums.

OTHER

Other expenditures have increased due to projected election costs in the fiscal year 2022/23.

PROJECTS

The increase in projects is due to an increase in costs for the District's share of the recycled water process, Integrated Regional Water Management Plan, and Salt and Nutrient Management Plan. Also, there are small capital purchases including the replacement of six (6) computers.

PERMITS AND FEES

The increase in permits and fee costs is due to higher fees for the State General Discharge Annual Permit Fee (SWRCB), the annual NPDES permit, SCAQMD permit, and the Environmental Laboratory Certification Program (ELAP) + Onsite Assessment (OSA), and the County audit and assessor fees.

FUELS AND LUBRICANTS

There is an increase in the projected fuel costs due to inflation.

CALPERS Unfunded Accrued Liability (UAL)

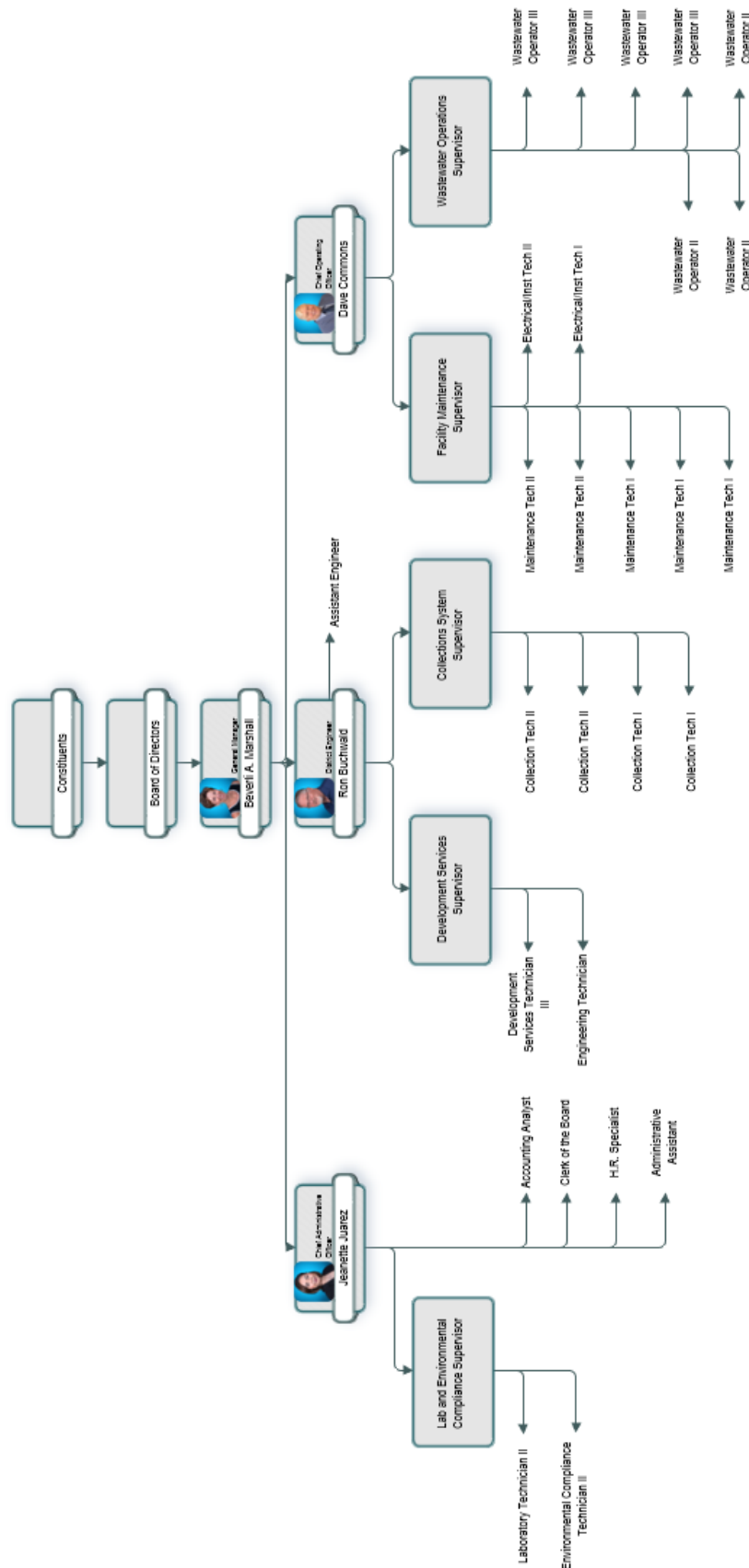
Annual payment of the Unfunded Accrued Liability (UAL) is the amortized dollar amount needed to fund past service credit earned (or accrued) for members who are currently receiving benefits, active members, and for members entitled to deferred benefits, as of the valuation date.

"Valley Sanitary District Staff"



Personnel Summary

Personnel Summary



Personnel Summary

STAFFING RANGE ASSIGNMENTS

 <div> Valley Sanitary District Staffing Range Assignments </div>		
DEPARTMENT	CLASSIFICATION	AUTHORIZED POSITIONS
ADMINISTRATION	Accounting Analyst	1
	Administrative Assistant	1
	Chief Administrative Officer	1
	General Manager	1
	Clerk of the Board	1
	Human Resources Specialist	1
	Subtotal	6
SANITATION COLLECTIONS	Collection System Supervisor	1
	Collection System Technician I	2
	Collection System Technician II	2
	Subtotal	5
ENGINEERING	Assistant Engineer	1
	Development Services Supervisor	1
	Development Services Technician III	1
	District Engineer	1
	Engineering Technician	1
	Subtotal	5
ENVIRONMENTAL COMPLIANCE SERVICES	Environmental Compliance Technician II	1
	Laboratory and Environmental Compliance Supervisor	1
	Laboratory Technician II	1
	Subtotal	3
MAINTENANCE	Electrician/Instrumentation Technician I	1
	Electrician/Instrumentation Technician II	1
	Facilities Maintenance Supervisor	1
	Maintenance Technician I	3
	Maintenance Technician II	2
	Subtotal	8
OPERATIONS	Chief Operating Officer	1
	Wastewater Operations Supervisor	1
	Wastewater Operator II	3
	Wastewater Operator III	4
	Subtotal	9
TOTAL POSITIONS		36

Personnel Summary

WAGE SCHEDULE



Valley Sanitary District

Wage Schedule, Effective July 1, 2022

Bi-Weekly Rate

Job Title	Steps						
	A	B	C	D	E	F	G
Accounting Technician	2,312	2,427	2,548	2,676	2,810	2,950	3,098
Accounting Analyst	2,933	3,080	3,234	3,395	3,565	3,743	3,931
Administrative Assistant	2,207	2,317	2,433	2,554	2,682	2,816	2,957
Assistant Engineer	3,253	3,416	3,587	3,766	3,954	4,152	4,360
Associate Engineer	3,635	3,816	4,007	4,207	4,418	4,639	4,870
Collection System Technician-in-Training	1,929	2,026	2,127	2,233	2,345	2,462	2,585
Collection System Technician I	2,144	2,251	2,363	2,481	2,605	2,736	2,872
Collection System Technician II	2,363	2,481	2,605	2,736	2,872	3,016	3,167
Collection System Technician III	2,605	2,736	2,872	3,016	3,167	3,325	3,491
Clerk of the Board	2,537	2,664	2,797	2,937	3,084	3,238	3,400
Development Services Technician I	2,525	2,651	2,783	2,922	3,069	3,222	3,383
Development Services Technician II	2,783	2,922	3,069	3,222	3,383	3,552	3,730
Development Services Technician III	3,069	3,222	3,383	3,552	3,730	3,916	4,112
Electrician/Instrumentation Technician-in-Training	2,127	2,233	2,345	2,462	2,585	2,714	2,850
Electrician/Instrumentation Technician I	2,393	2,513	2,639	2,771	2,909	3,055	3,207
Electrician/Instrumentation Technician II	2,639	2,771	2,909	3,055	3,207	3,368	3,536
Electrician/Instrumentation Technician III	2,909	3,055	3,207	3,368	3,536	3,713	3,898
Engineering Technician	2,757	2,895	3,040	3,192	3,352	3,519	3,695
Environmental Compliance Technician I	2,353	2,471	2,594	2,724	2,860	3,003	3,153
Environmental Compliance Technician II	2,594	2,724	2,860	3,003	3,153	3,311	3,477
Environmental Compliance Technician III	2,860	3,003	3,153	3,311	3,477	3,650	3,833
Human Resources Specialist	2,793	2,933	3,080	3,234	3,395	3,565	3,743
Laboratory Technician-in-Training	2,117	2,223	2,334	2,451	2,573	2,702	2,837
Laboratory Technician I	2,353	2,471	2,594	2,724	2,860	3,003	3,153
Laboratory Technician II	2,594	2,724	2,860	3,003	3,153	3,311	3,477
Laboratory Technician III	2,860	3,003	3,153	3,311	3,477	3,650	3,833
Maintenance Technician-in-Training	1,929	2,026	2,127	2,233	2,345	2,462	2,585
Maintenance Technician I	2,144	2,251	2,363	2,481	2,605	2,736	2,872
Maintenance Technician II	2,363	2,481	2,605	2,736	2,872	3,016	3,167
Maintenance Technician III	2,605	2,736	2,872	3,016	3,167	3,325	3,491
Management Analyst	3,166	3,325	3,491	3,665	3,848	4,041	4,243
Procurement Technician	2,345	2,462	2,585	2,715	2,850	2,993	3,143
Wastewater Operator-in-Training	1,998	2,098	2,203	2,313	2,429	2,550	2,678
Wastewater Operator I	2,220	2,331	2,448	2,570	2,699	2,833	2,975
Wastewater Operator II	2,448	2,570	2,699	2,833	2,975	3,124	3,280
Wastewater Operator III	2,699	2,833	2,975	3,124	3,280	3,444	3,616
Collection System Supervisor	3,154	3,312	3,477	3,651	3,833	4,025	4,226
Development Services Supervisor	3,375	3,544	3,721	3,907	4,103	4,308	4,523
Electrical/Instrumentation Supervisor	3,368	3,536	3,713	3,899	4,094	4,298	4,513
Facilities Maintenance Supervisor	3,368	3,536	3,713	3,899	4,094	4,298	4,513
Laboratory and Environmental Compliance Supervisor	3,420	3,591	3,771	3,959	4,157	4,365	4,583
Wastewater Operations Supervisor	3,455	3,628	3,809	4,000	4,199	4,409	4,630
Chief Administrative Officer	5,092	5,347	5,614	5,894	6,189	6,499	6,824
District Engineer	5,485	5,759	6,047	6,349	6,667	7,000	7,350
Chief Operations Officer	4,935	5,182	5,441	5,713	5,999	6,299	6,614
General Manager (Contract)							-

POSITION COUNT BY DEPARTMENT

Department	FY22 Base FTE's	Changes to Base	Proposed New Positions	FY23 Base FTE's	Variance
Administration					
Administration	6.00	-	-	6.00	-
Environmental Compliance Services	3.00	-	-	3.00	-
Engineering					
Sanitation Collections	5.00	-	-	5.00	-
Engineering	5.00	-	-	5.00	-
Operations					
Maintenance	8.00	-	-	8.00	-
Operations	9.00	-	-	9.00	-
Total FTEs	36.00	-	-	36.00	-

NOTES

Full-Time Employee (FTE)

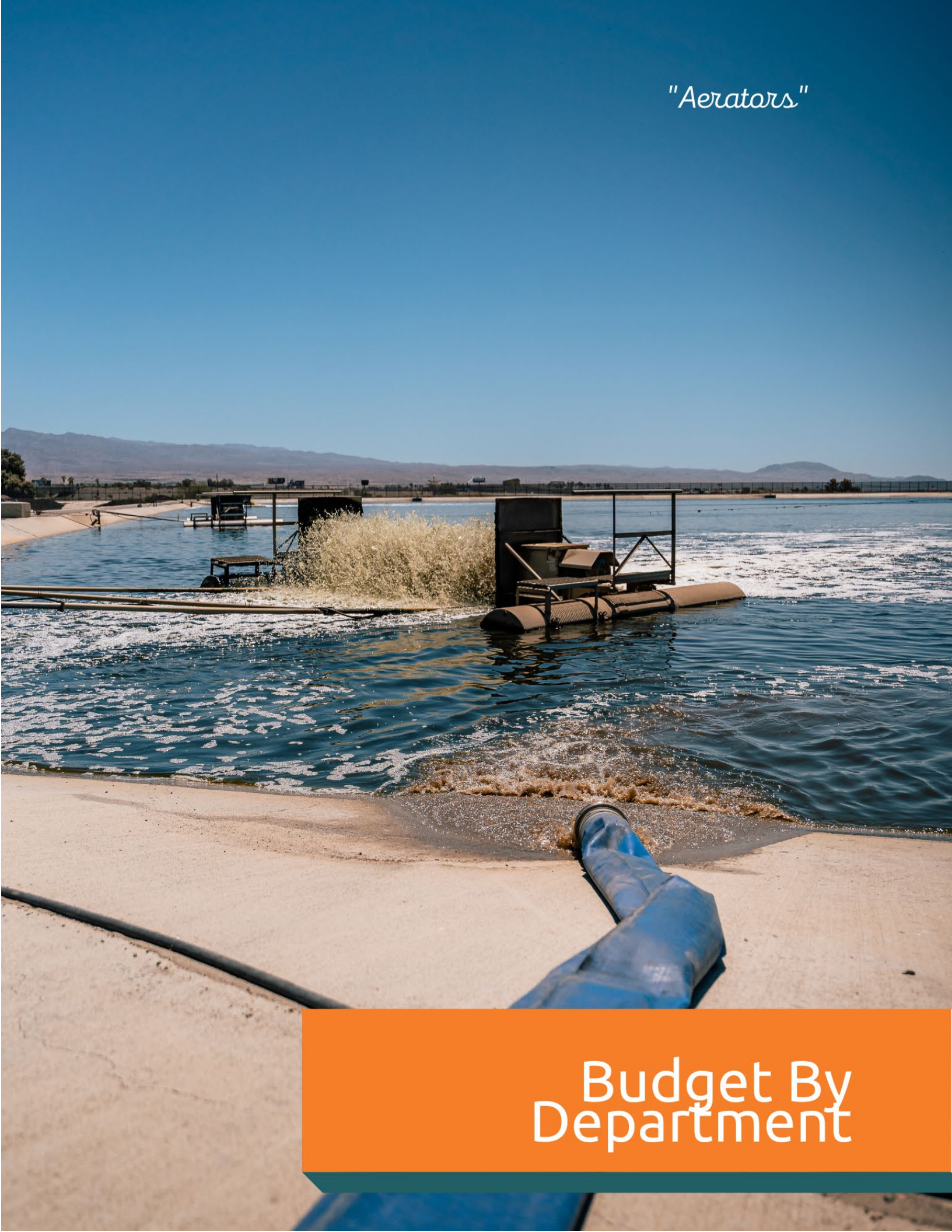
Changes to base Full-Time Employee (FTE)s are due to inter-department transfers, changes in employee status from part-time (PT) to full-time (FT), changes in grant-funded salaries, and allocations to other departments.

Full-time employees (FTEs) may be less than one (1) due to salaries being allocated to capital projects or for part-time employees.



Oasis Street

"Aerators"



Budget By
Department

DEPARTMENT DESCRIPTION

The 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, the fiscal year 2022/23 goals, accomplishments, metrics, 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 the year-to-date budget. Budget transfers within the department may be made administratively. Appropriation of funds above the total operating budget requires a budget amendment and Board approval.

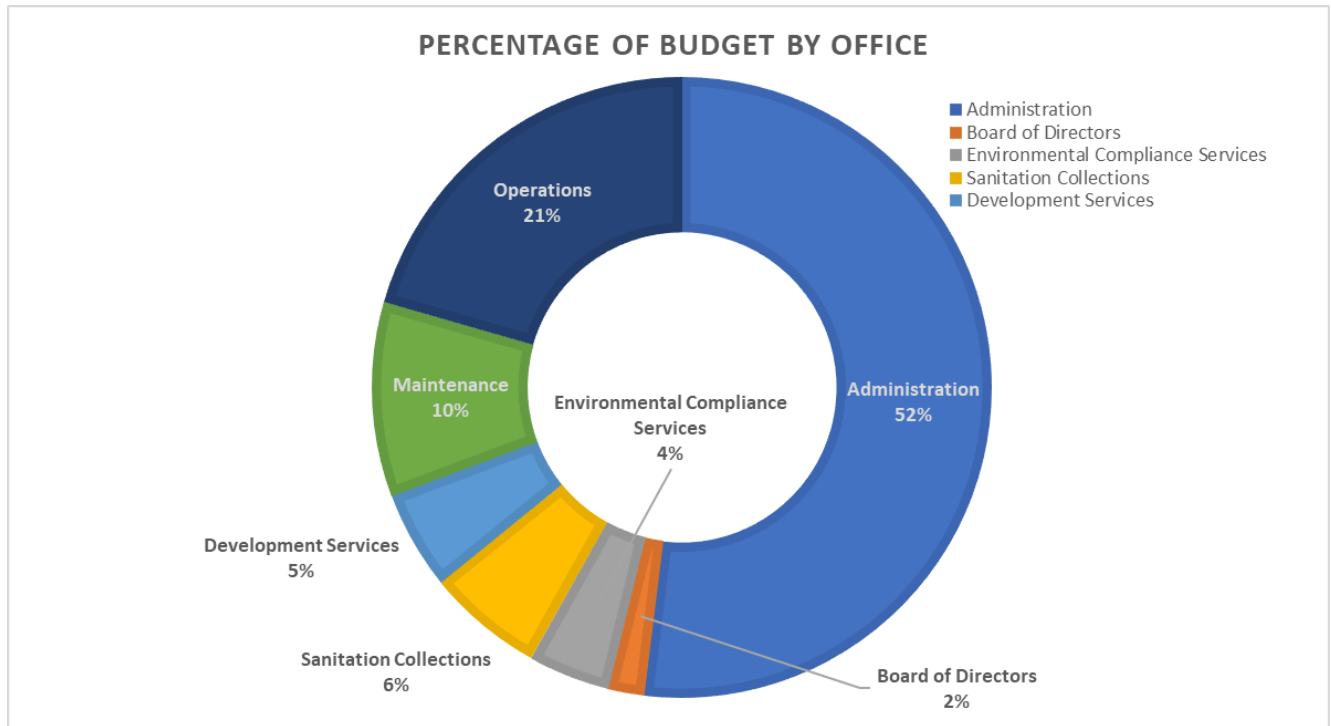
EXPENSE SUMMARY BY DEPARTMENT

The table below illustrates the expense summary by the department.

Department	Department Name	FY22 Budget	FY23 Budget	Variance
ADMINISTRATION				
414-3	Administration	\$ 3,794,757	\$ 8,408,388	\$ 4,613,631
414-4	Board of Directors	188,079	308,469	120,390
414-2	Environmental Compliance Services	606,834	689,928	83,094
ENGINEERING				
410-1	Sanitation Collections	904,457	983,201	78,744
414-1	Engineering	806,031	829,974	23,943
OPERATIONS				
412-1	Maintenance	1,562,021	1,642,188	80,167
411-1	Operations	3,104,976	3,326,928	221,952
Total		\$ 10,967,155	\$ 16,189,076	\$ 5,221,921

Budget By Department

The pie chart below depicts the percentage of the 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 2022/23, 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

In alignment with Valley Sanitary Districts GOAL 1: Fully Staffed with a Highly Trained and Motivated Team, the fiscal year 2022/23 budget includes merit increases, promotional advancement for those expected to complete the next step in their certification process, a 5% Cost of Living Adjustment (COLA), and an 8% increase to healthcare premiums. Like many entities, the District is not immune to the economic trend of “the Great Resignation”, an economic trend that commenced in 2021 whereby employees voluntarily resign. Economists state some probable causes include “wage stagnation amid the rising cost of living, long-lasting job dissatisfaction, safety concerns of the COVID-19 pandemic, and the

Budget By Department

desire to work for companies with better remote-working policies”¹. By ensuring that employees are adequately compensated, the District is taking a proactive approach to ensure that employees are motivated and remain engaged, as well as increase employee morale and retention.

The table below illustrates the personnel summary by the department from the fiscal year 2018/19 through the fiscal year 2022/23.

Department	FY19	FY20	FY21	FY22	FY23
Administration					
Administration	5.00	5.00	5.00	6.00	6.00
Environmental Compliance Services	1.00	2.00	3.00	3.00	3.00
Engineering					
Sanitation Collections	4.00	5.00	5.00	5.00	5.00
Engineering	4.00	5.00	4.00	5.00	5.00
Operations					
Maintenance	6.00	6.00	7.00	8.00	8.00
Operations	9.00	9.00	9.00	9.00	9.00
Total FTEs	29.00	32.00	33.00	36.00	36.00

1. Kaplan, Juliana. “The Psychologist Who Coined the Phrase ‘Great Resignation’ Reveals How He Saw It Coming and Where He Sees It Going. ‘Who We Are as an Employee and as a Worker Is Very Central to Who We Are.’” *Insider Inc.*, Insider Inc., 2022-10-02, www.businessinsider.com/why-everyone-is-quitting-great-resignation-psychologist-pandemic-rethink-life-2021-10.

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS)

The District participates in CalPERS, one of the nation’s largest public pension funds. 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.

The 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:

Budget By Department

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.

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 payments².

Tier	Member Type	Hire Date	Retirement Formula	Employer Normal Contribution	Employer Amortization of Unfunded Accrued	Employee Contribution
1	Classic	Before 01/01/2013	2.5% @ 55	12.400%	\$ 719,198	7.960%
2	PEPRA	After 12/31/2012	2.0% @ 62	7.760%	\$ 17,408	7.250%

2. 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 post-employment 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 pre-funding OPEB.

The benefits provided by the plan are as follow:

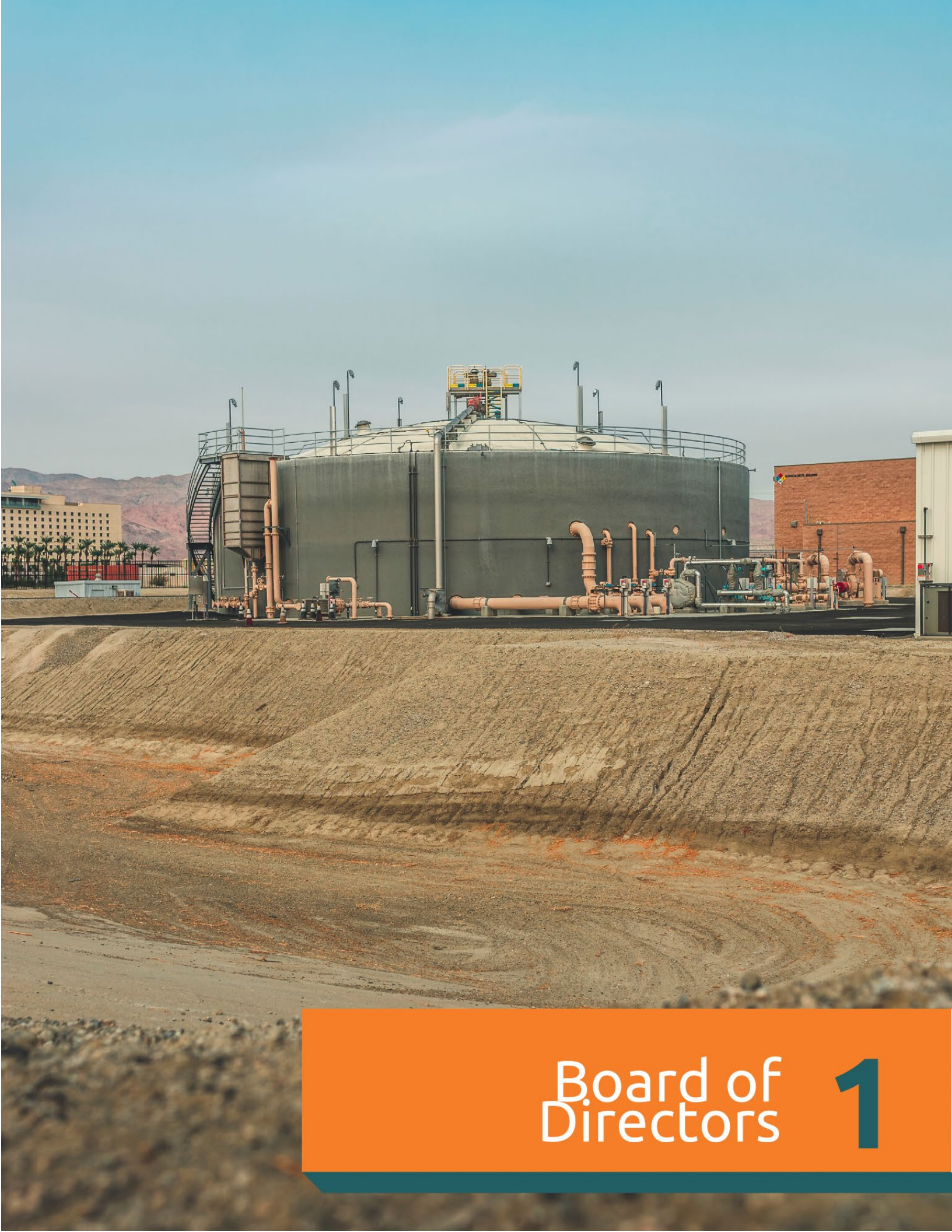
Benefits Provided by Plan	
Benefit Types Provided	Medical Only
Duration of Benefits	Lifetime
Required Services	5 Years
Minimum Age	50
Dependent Coverage	Yes
District Contribution Percentage	1
District Cap	\$133.00 per month*

*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 the fiscal year 2022/23 there is a budgeted payment of \$68,000.



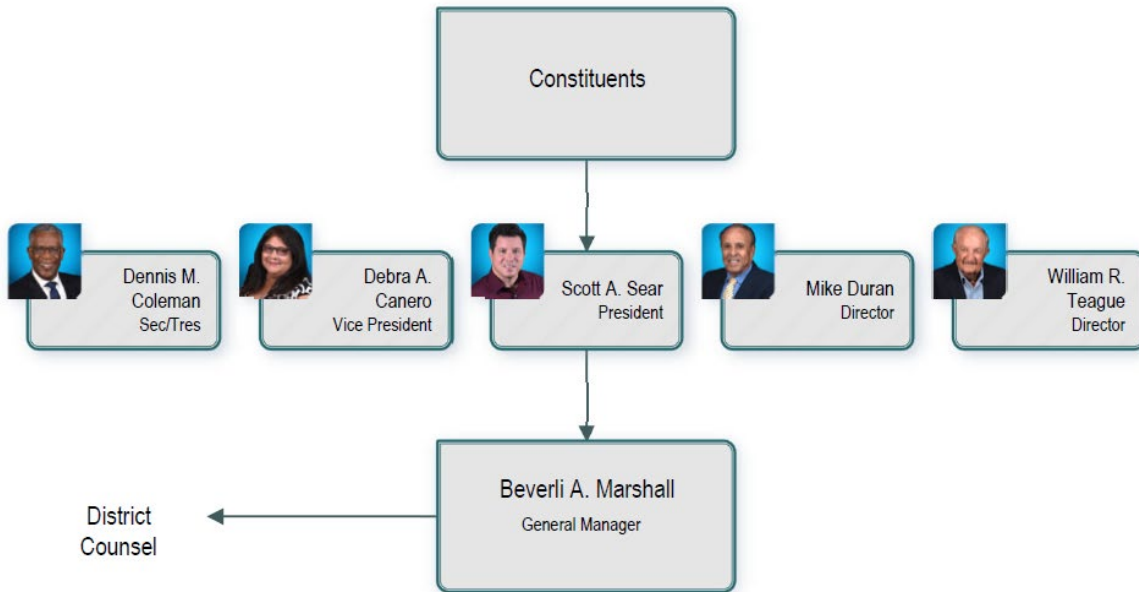
Coachella Valley History Museum



Board of
Directors

1

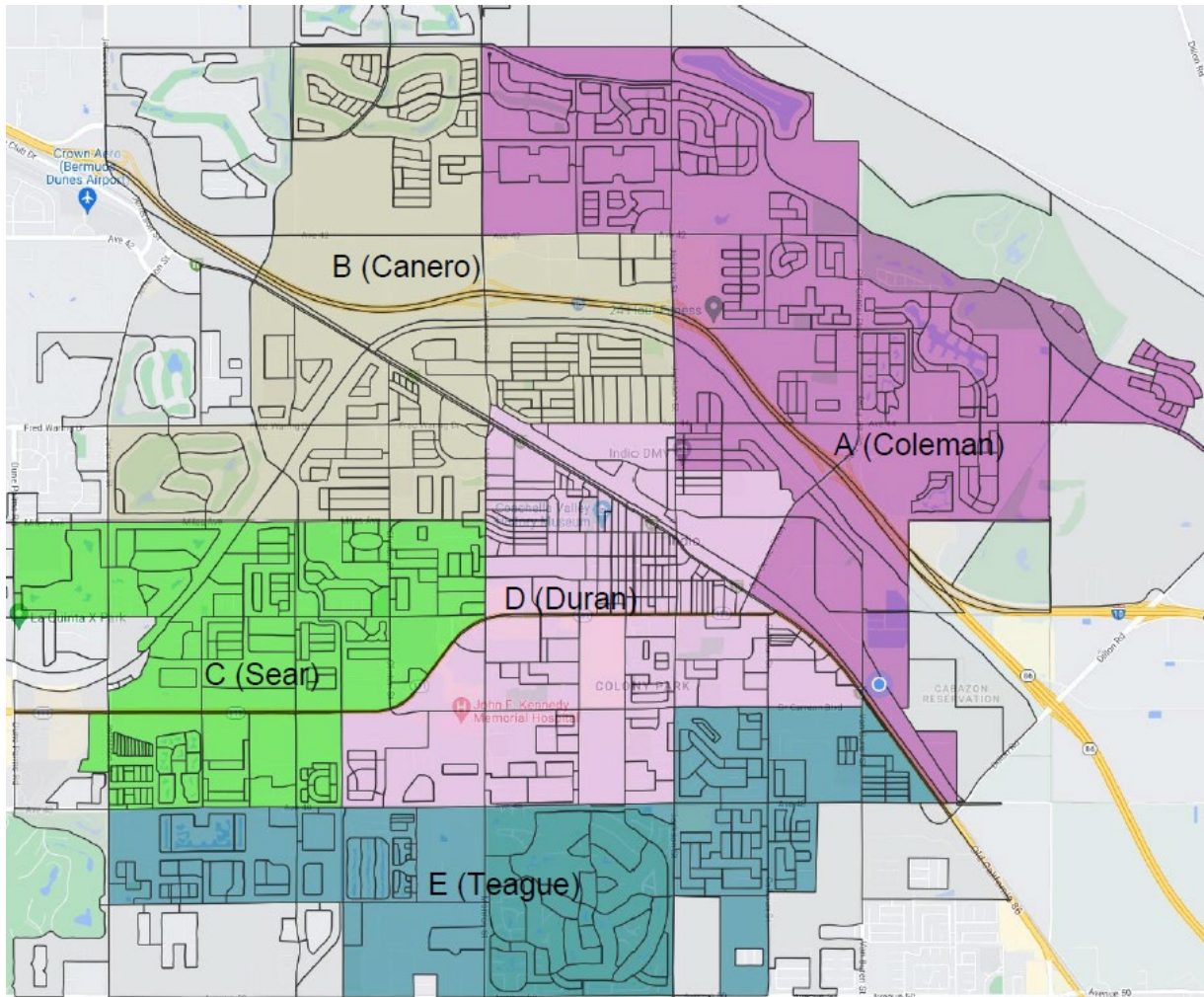
Board of Directors



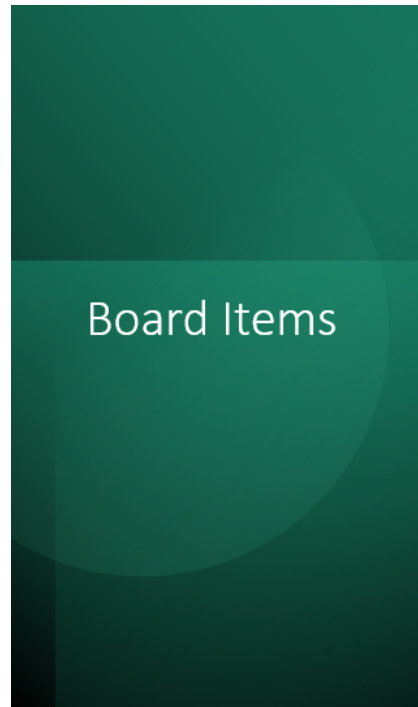
DESCRIPTION

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 meets on the second and fourth Tuesday, each month. Meetings are publicly noticed and citizens are encouraged to attend.

DISTRICT WARD MAP

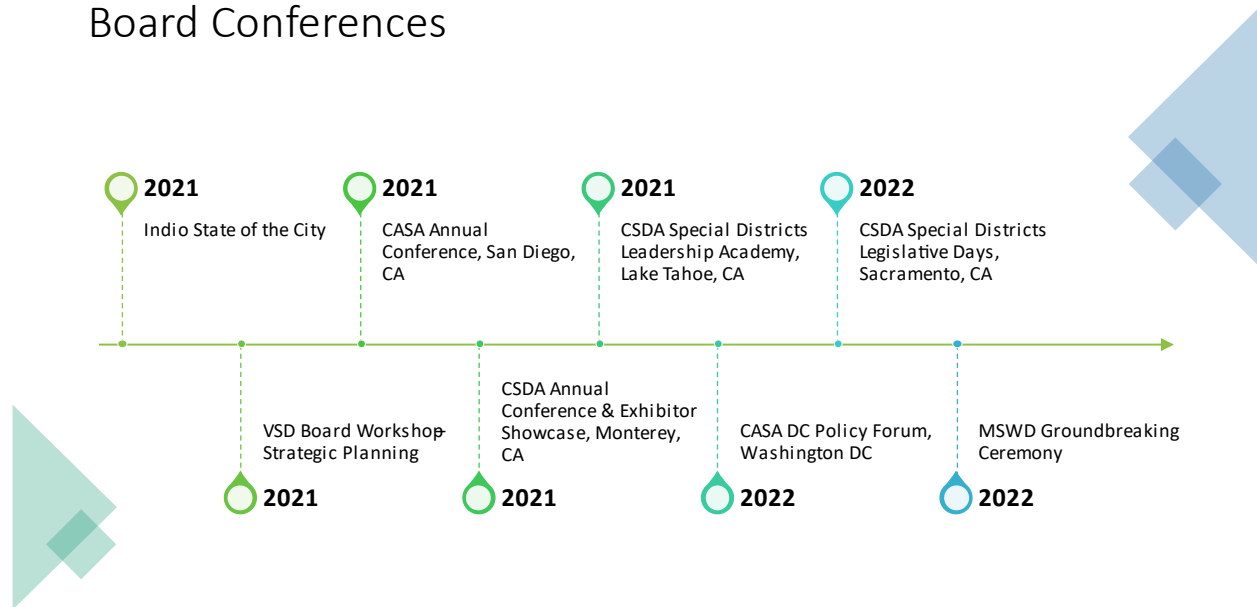


METRICS



	FY2019/20	FY2020/21	YTD-April FY2021/22
Regular Board Meetings	21	23	18
Special Board Meetings	7	4	2
East Valley Reclamation Authority Meetings	4	4	2
Budget & Finance Committee Meetings	0	7	5
Operations Committee Meetings	0	5	5
Community Engagement Committee Meetings	0	0	3
Board/Committee Minutes Compiled	32	43	35
General Manager's Reports	6	12	10
Documents Notarized	4	5	3
Public Records Requests	1	3	3

Board Conferences



FISCAL YEAR 2021/22 ACCOMPLISHMENTS

- Completed strategic plan review workshop.
- Established Community Engagement Committee.

FISCAL YEAR 2022/23 GOALS

STRATEGIC PLAN

- GOAL 4: Increase Community Understanding and Support
- GOAL 6: Improve Planning, Administration, and Governance

GOALS

- 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

FY23 Physical Count	Classification	FY22 Base	FY23 Base	Variance
5	Director	5.00	5.00	0.00
5	Total	5.00	5.00	0.00

EXPENSE BUDGET SUMMARY

General Ledger Code	FY20 Actual	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percent Change
11-5030414-4 SALARIES AND WAGES	-	-	\$61,756	\$ 54,150	\$ 94,985	\$ 33,229	53.8%
11-5116414-4 FICA AND MEDICARE	-	-	13,171	14,180	14,180	1,009	7.7%
11-5126414-4 HEALTH INSURANCE	-	-	900	900	900	-	-
11-5225414-3 ELECTION	-	-	-	-	70,000	70,000	-
11-5500414-4 CONTRACTS	-	-	25,000	21,750	35,000	10,000	40.0%
11-5552414-4 LEGAL SERVICES	-	-	25,625	25,350	30,000	4,375	17.1%
11-5400414-4 OFFICE SUPPLIES	-	-	1,500	1,092	2,500	1,000	66.7%
11-5950414-4 OTHER EXPENSES	-	-	10,000	8,306	10,000	-	-
11-5901414-4 TELEPHONE AND INTERNET	-	-	3,600	1,229	3,600	-	-
11-5800414-4 CONFERENCES AND MEETINGS	-	-	46,527	36,636	47,304	777	1.7%
Total Expenses	-	-	188,079	163,594	\$308,469	\$120,390	64.0%

BOARD OF DIRECTOR'S BUDGET DETAIL

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5030414-4 SALARIES AND WAGES		\$ 61,756	\$ 94,985	\$ 33,229
11-5116414-4 FICA AND MEDICARE		13,171	14,180	1,009
11-5126414-4 HEALTH INSURANCE		900	900	-
	Subtotal	\$ 75,827	\$ 110,065	\$ 34,238
11-5225-414-4 ELECTION				
	A governing board member election shall be held biennially on the first Tuesday after the first Monday in November of each succeeding odd-numbered year to fill the offices of members whose terms expire on the first Friday in December next succeeding the election.	\$ -	\$ 70,000	\$ 70,000
	Subtotal	\$ -	\$ 70,000	\$ 70,000
11-5500414-4 CONTRACTS				
	Professional and Technical Services	\$ 25,000	\$ 35,000	\$ 10,000
	Subtotal	\$ 25,000	\$ 35,000	\$ 10,000
11-5552414-4 LEGAL SERVICES				
	Costs Associated with General Legal Counsel	\$ 25,625	\$ 30,000	\$ 4,375
	Subtotal	\$ 25,625	\$ 30,000	\$ 4,375
11-5400414-4 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	\$ 2,500	\$ 1,000
	Subtotal	\$ 1,500	\$ 2,500	\$ 1,000
11-5950414-4 OTHER EXPENSES				
	Miscellaneous Expense Contingency Fund	\$ 10,000	\$ 10,000	\$ -
	Subtotal	\$ 10,000	\$ 10,000	\$ -
11-5901414-4 TELEPHONE AND INTERNET				
	Cell Phones-4 Board Members	\$ 3,600	\$ 3,600	\$ -
	Subtotal	\$ 3,600	\$ 3,600	\$ -

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5800414-4 CONFERENCES AND 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.	\$ 46,527	\$ 47,304	\$ 777
	Subtotal	\$ 46,527	\$ 47,304	\$ 777
	Total Expenses	\$ 188,079	\$ 308,469	\$ 120,390

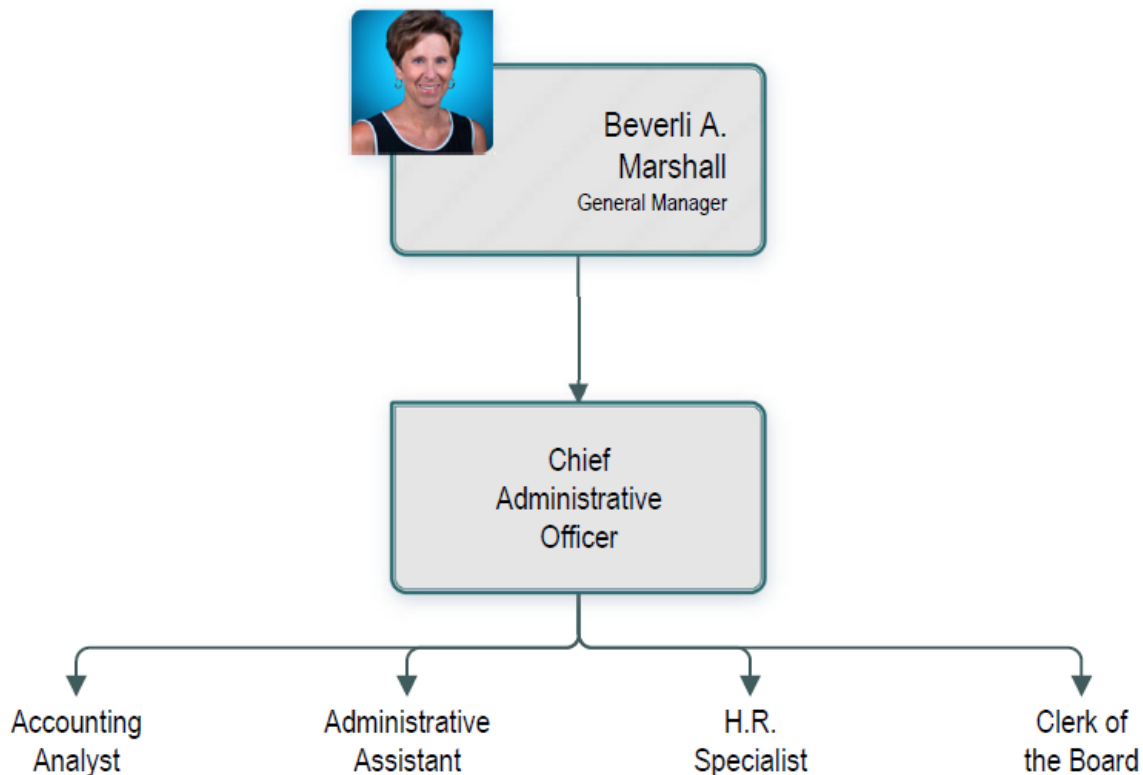
"Sludge Judging"



Administration

2

Administration



DESCRIPTION

The Administration Department includes Human Resources, Finance, 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, benefits 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.

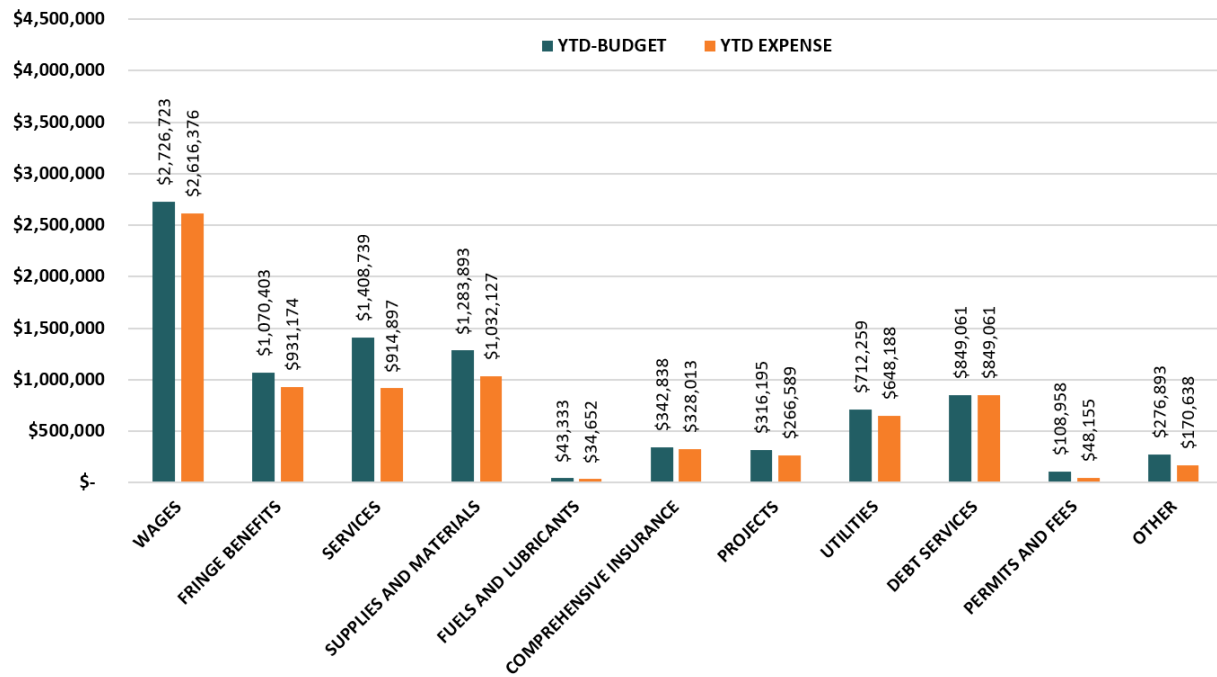
The Clerk of the Board is responsible for preparing and publishing postings, maintaining records of Board actions, processing public records requests, providing administrative support to the Board of Directors, and coordinating required legal filings.

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

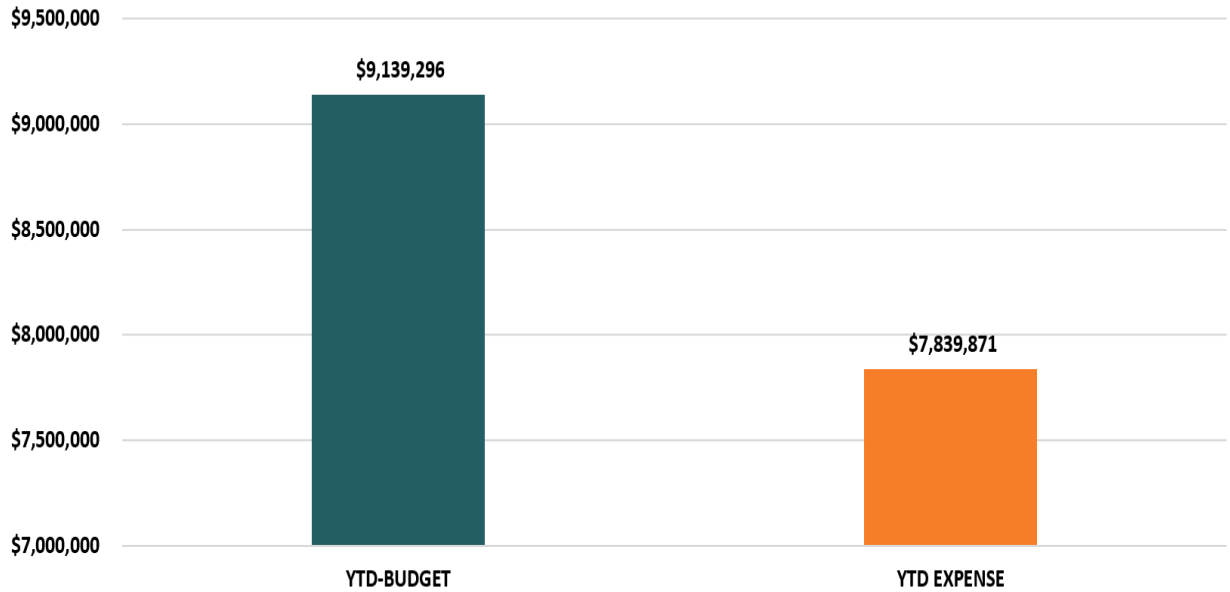
METRICS

FINANCE

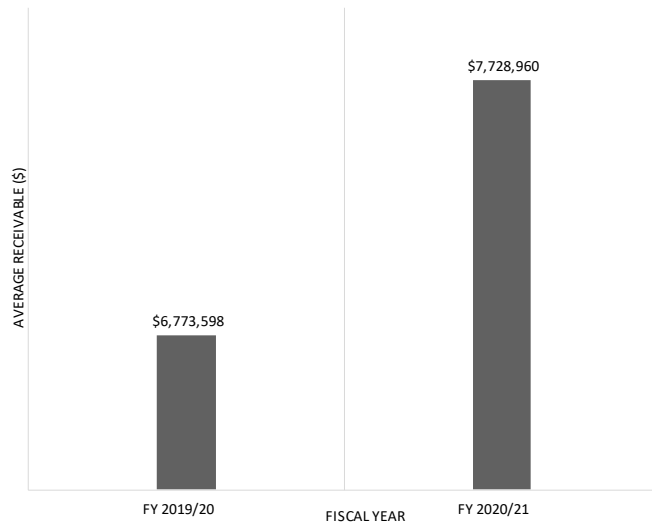
YTD Budget vs Expenditures – April 2022



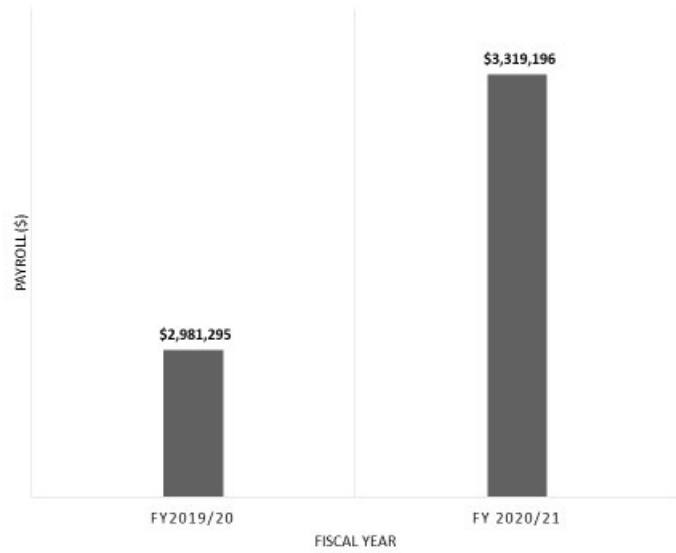
YTD Budget vs Expenditures – April 2022



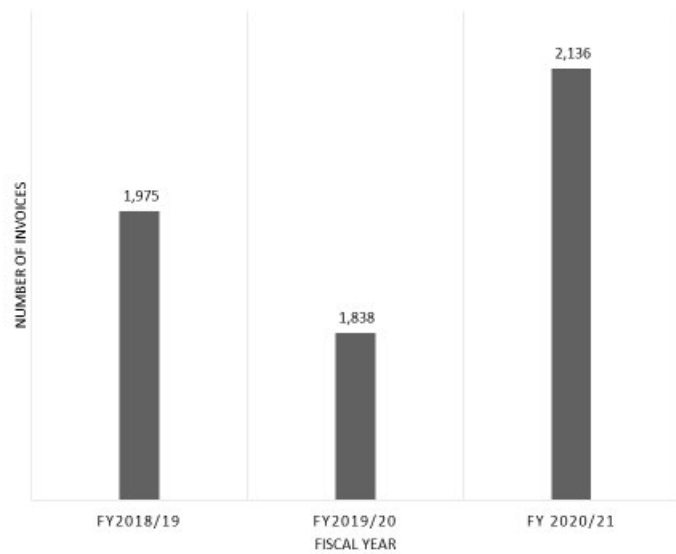
AVERAGE ACCOUNTS RECEIVABLE



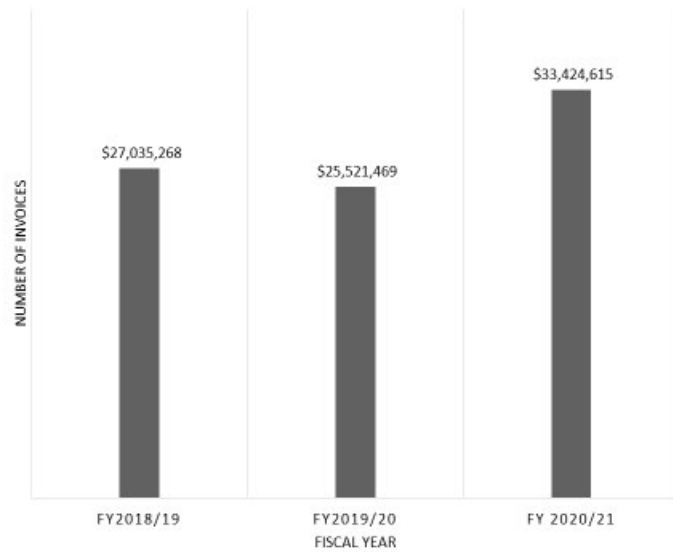
PAYROLL



NUMBER OF INVOICES PROCESSED



TOTAL PAYMENTS



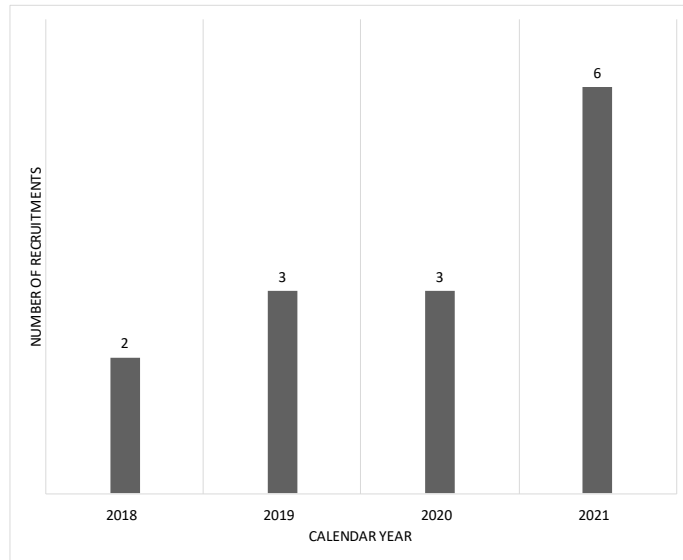
CLERK OF THE BOARD

Board Items

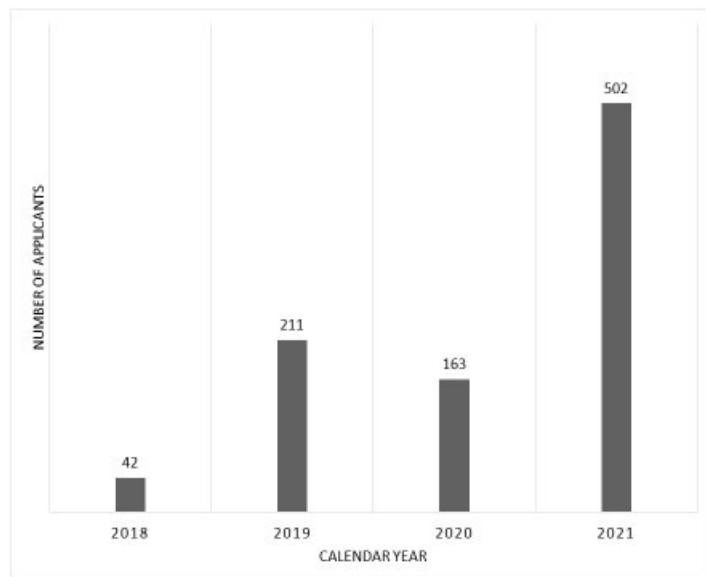
	FY2019/20	FY2020/21	YTD-April FY2021/22
Regular Board Meetings	21	23	18
Special Board Meetings	7	4	2
East Valley Reclamation Authority Meetings	4	4	2
Budget & Finance Committee Meetings	0	7	5
Operations Committee Meetings	0	5	5
Community Engagement Committee Meetings	0	0	3
Board/Committee Minutes Compiled	32	43	35
General Manager's Reports	6	12	10
Documents Notarized	4	5	3
Public Records Requests	1	3	3

HUMAN RESOURCES

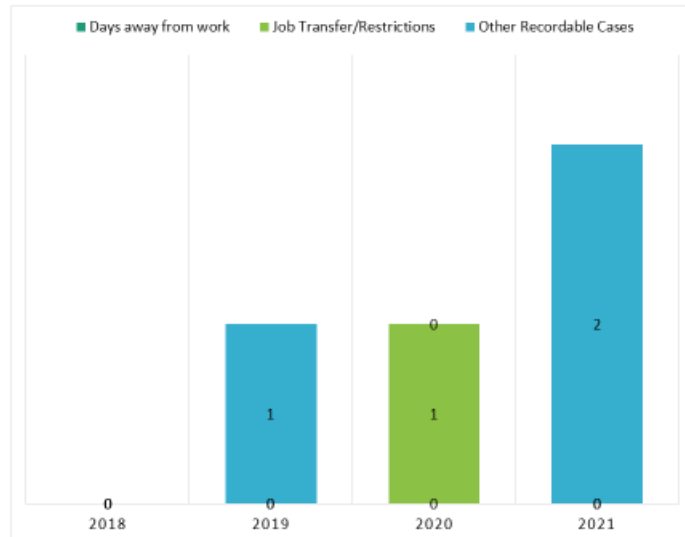
RECRUITMENTS



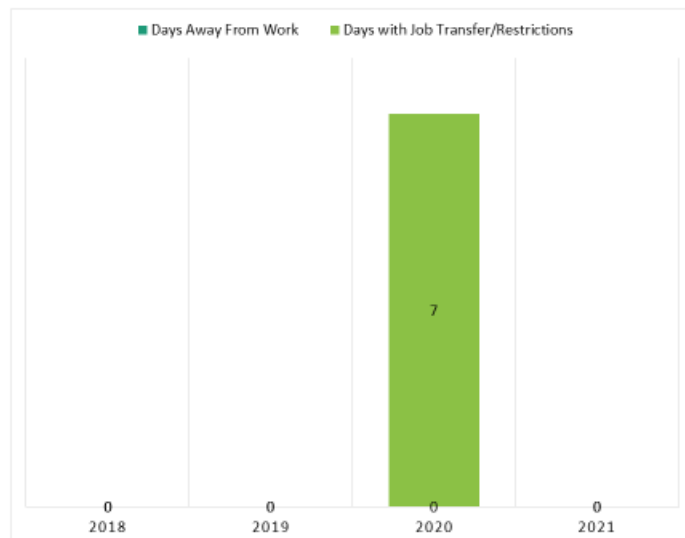
APPLICANTS



WORK-RELATED INJURIES – NUMBER OF CASES



WORK-RELATED INJURIES – DAYS AWAY FROM WORK



FISCAL YEAR 2021/22 ACCOMPLISHMENTS

Finance

- Received GFOA's Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2021.
- Received CSMFO's Operating Budget Meritorious Award for the fiscal year 2021/22.
- Submitted the sewer service fees to the County of Riverside using the new rate information per Resolution 2021-1142.
- Successfully billed and updated direct billing reports using the new rate information per Resolution 2021-1142.
- Published COVID-19 surveillance information on the District website.
- Completed debt financing for Recycled Water Project Phase 1 through Banc of America Corp.

Clerk of the Board

- Upgraded the audio-visual equipment in Board Room to accommodate live stream and virtual public meetings.
- Implementation of Peak Agenda Management software to streamline agenda creation and posting requirements.
- Implementation of iLegislate to optimize accessibility and transparency by publishing agenda and minutes to an online, searchable web portal that can generate and publish ADA-friendly agendas and minutes.
- Implementation of govMeetings Video to provide convenient access to live and archived streaming video. The indexed video is fully searchable, making it easy for the community to access meeting videos using keywords of the topics that are of interest to them.

Human Resources

- Fully staffed with 36 employees.
- No lost days due to work injuries in 2021.

FISCAL YEAR 2022/23 GOALS

STRATEGIC PLAN

- Strategic Goal 3: Excellent facilities.
- Strategic Goal 6: Improve planning, administration, and governance.
- Strategic Goal 4.1: Increase community understanding and support for the District.
- Strategic Goal 6.7: Maintain compliance with all regulatory, legislative, and permit requirements.
- Strategic Goal 1.1: Enough staff to fulfill goals and objectives safely and efficiently.
- Strategic Goal 3.2: Increase the use of technology to lower costs and improve reliability.

GOALS

FINANCE GOALS

- Research, select and implement a new timekeeping system.
- Complete upgrade conversion to accounting system cloud-based software.
- Conduct quarterly meetings with chiefs and their selected staff to review the status of capital project funding to further advance the Capital Improvement Program.
- Improve efficiency and timeliness of procurements and improve inventory levels.
- Identify and maximize software utilization by staff to create efficiencies.
- Increase intradepartmental development through training.
- Analyze revenue streams and diversify revenue sources for the District.

CLERK OF THE BOARD GOALS

- Champion the Send Agenda feature of Peak that enables constituents to subscribe and get emailed the District's meeting agendas once they are posted.
- Implement an improved contract management process.

HUMAN RESOURCES GOALS

- Conduct outreach and promote the District and wastewater industry jobs to local high school and community college students.
- Establish working relationships with the College of the Desert and Mt. San Jacinto College.
- Update and consolidate Human Resources policies.
- Update job descriptions.

PERSONNEL SUMMARY

FY23 Physical Count	Classification	FY22 Base FTEs	FY23 Base FTEs	Variance
1	General Manager	1.00	1.00	0.00
1	Chief Administrative Officer	0.00	1.00	1.00
1	Accounting Analyst	1.00	1.00	0.00
0	Accounting Technician	1.00	0.00	(1.00)
1	Administrative Assistant	0.00	1.00	1.00
0	Business Services Manager	1.00	0.00	(1.00)
1	Clerk of the Board	1.00	1.00	0.00
1	Human Resources Specialist	1.00	1.00	0.00
6	Total FTEs	6.00	6.00	0.00

Notes:

- Retitled Accounting Technician to Administrative Assistant
- Retitled Business Services Manager to Chief Administrative Officer

EXPENSE BUDGET SUMMARY

General Ledger Code	FY20 Actual	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percent Change
11-3650000-0 CSWRCB RESERVE FUND	\$ -	\$ 553,361	\$ 553,361	\$ 553,361	\$ 553,361	\$ -	-
11-7010000-0 DEPRECIATION & AMORTIZATION	5,500	-	-	-	-	-	-
11-9160000-0 TRANSFER TO FUND 6	-	467,729	465,512	465,512	889,188	423,676	91.0%
11-5030414-3 SALARIES AND WAGES	575,227	604,533	684,410	678,720	785,662	101,252	14.8%
11-5060414-3 BONUS, AWARDS, AND RECERTIFICATION	-	1,300	2,500	2,440	2,800	300	12.0%
11-5110414-3 LONGEVITY	1,800	1,823	3,200	3,115	3,600	400	12.5%
11-5070414-3 OVERTIME	831	4,359	5,000	1,698	5,000	-	-
11-5116414-3 FICA AND MEDICARE	47,654	44,007	55,425	38,333	71,736	16,311	29.4%
11-5112414-3 RETIREMENT CONTRIBUTIONS	196,736	291,402	76,508	65,237	82,778	6,270	8.2%
11-5118414-3 UNEMPLOYMENT PAYMENTS	485	(142)	-	-	-	-	-
11-5128414-3 VISION INSURANCE	-	-	2,076	1,610	1,416	(660)	-31.8%
11-5122414-3 WORKERS' COMPENSATION	1,912	8,483	70,413	65,757	77,364	6,951	9.9%
11-5124414-3 LIFE INSURANCE	1,511	1,186	1,632	1,369	1,488	(144)	-8.8%
11-5126414-3 HEALTH INSURANCE	96,848	90,323	106,150	90,513	115,435	9,285	8.7%
11-5129414-3 DENTAL INSURANCE	15,317	16,999	8,004	6,974	7,548	(456)	-5.7%
11-5132414-3 LONG TERM DISABILITY	2,107	1,592	1,901	1,900	2,100	199	10.5%
11-5554414-3 ACCOUNTING SERVICES	-	-	87,707	61,581	77,771	(9,936)	-11.3%
11-5801414-3 CERTIFICATIONS	50	-	-	-	-	-	-
11-5300414-3 COMPREHENSIVE INSURANCE	289,120	309,876	340,993	329,747	371,193	30,200	8.9%
11-5500414-3 CONTRACTS	157,605	197,377	595,353	595,353	737,511	142,158	23.9%
11-5410414-3 COUNTY EXPENSE	16,611	20,521	22,000	20,507	23,100	1,100	5.0%
11-5225414-3 ELECTION EXPENSE	-	6,470	-	-	-	-	-
11-5552414-3 LEGAL SERVICES	346,817	294,241	30,000	27,172	40,000	10,000	33.3%
11-5555414-3 MEDICAL SERVICES	-	-	27,143	18,521	32,943	5,800	21.4%
11-5350414-3 MEMBERSHIPS	47,680	34,957	47,107	47,107	48,148	1,041	2.2%
11-5553414-3 MISC. PROFESSIONAL SERVICES	-	-	95,392	95,392	109,391	13,999	14.7%
11-5400414-3 OFFICE SUPPLIES	13,887	16,427	20,800	20,800	23,500	2,700	13.0%
11-5450414-3 SUPPLIES	7,810	10,775	11,000	6,233	11,000	-	0.0%
11-5545414-3 OPEB HEALTH INSURANCE	-	-	57,253	57,253	81,719	24,466	42.7%
11-5950414-3 OTHER EXPENSES	11,166	32,800	10,000	10,392	10,000	-	-
11-5420414-3 PERMITS AND FEES	3,049	2,957	3,000	-	3,000	-	-
11-5600414-3 PUBLICATIONS	3,717	3,673	2,500	2,334	3,500	1,000	40.0%
11-5700414-3 REPAIRS AND MAINTENANCE	4,397	2,651	17,375	20,850	19,375	2,000	11.5%
11-5810414-3 TUITION REIMBURSEMENT	-	-	12,000	6,450	12,000	-	-
11-5901414-3 TELEPHONE AND INTERNET	19,297	20,911	30,969	29,147	30,969	-	0.0%
11-5800414-3 CONFERENCES AND MEETINGS	59,725	25,008	44,523	44,523	97,764	53,241	119.6%
11-8680000-0 ADMINISTRATIVE FACILITIES	-	40,019	33,449	33,449	60,000	26,551	79.4%
11-5150414-4 DIRECTOR FEE	49,750	48,350	-	-	-	-	-
11-8660000-0 GENERAL PLANT FACILITIES	-	46,115	270,101	270,101	309,000	38,899	14.4%
11-22820000-0 UNFUNDED ACCRUED LIABILITY CALPERS	459,350	482,379	-	700,420	736,606	736,606	-
11-9170000-0 BANK OF AMERICA LOAN	-	-	-	-	2,970,422	2,970,422	-
Total Expenses	\$ 2,435,958	\$ 3,682,462	\$ 3,794,757	\$ 4,373,871	\$ 8,408,388	\$ 4,613,631	121.6%

Administration

ADMINISTRATION BUDGET DETAIL

General Ledger Code	FY22 Budget	FY23 Budget	Variance
11-5030414-3 SALARIES AND WAGES	\$ 684,410	\$ 785,662	\$ 101,252
11-5060414-3 BONUS, AWARDS, AND RECERTIFICATION	2,500	2,800	300
11-5070414-3 OVERTIME	5,000	5,000	-
11-0000414-3 TOTAL FRINGE BENEFITS	254,896	286,101	31,205
Subtotal	\$ 946,806	\$ 1,079,563	\$ 132,757
11-3650000-0 CSWRCB RESERVE FUND			
Principal and Interest Payment for State Revolving Fund (SRF)	\$ 553,361	\$ 553,361	\$ -
Subtotal	\$ 553,361	\$ 553,361	\$ -
11-9160000-0 TRANSFER TO FUND 6			
Principal and Interest Payment for Revenue Refunding Bonds, 2015	\$ 463,012	\$ 886,688	\$ 423,676
Annual Administrative Expenses for Revenue Refunding Bonds, 2015	2,500	2,500	-
Subtotal	\$ 465,512	\$ 889,188	\$ 423,676
11-9170000-0 BANK OF AMERICA LOAN			
Principal and Interest Payment for Recycled Water Project Phase 1	\$ -	\$ 2,970,422	\$ 2,970,422
Subtotal	\$ -	\$ 2,970,422	\$ 2,970,422
11-5122414-3 WORKERS' COMPENSATION			
Workers Compensation Insurance Premium	\$ 70,413	\$ 77,364	\$ 6,951
Subtotal	\$ 70,413	\$ 77,364	\$ 6,951
11-5554414-3 ACCOUNTING SERVICES			
Annual Audit	\$ 30,810	\$ 31,105	\$ 295
Annual Sewer Service Charge Administration Services (NBS)	18,000	18,000	-
Annual Software Support (Blackbaud)	11,000	17,502	6,502
Payroll Processing	5,377	5,444	67
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	-
Annual Software Support (Caselle)	16,800	-	(16,800)
Subtotal	\$ 87,707	\$ 77,771	\$ (9,936)

Administration

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5300414-3 COMPREHENSIVE INSURANCE				
	Earthquake Insurance	\$ 192,000	\$ 202,902	\$ 10,902
	Umbrella Business Insurance (e.g., Liability, Auto, and General)	125,000	133,798	8,798
	Environmental Pollution	23,993	23,993	-
	Cyber Insurance	-	10,500	10,500
	Subtotal	\$ 340,993	\$ 371,193	\$ 30,200
11-5500414-3 CONTRACTS				
	Public Relations (e.g., Outreach, Social Media, and Advertising)	\$ 97,025	\$ 117,416	\$ 20,391
	Plant Security (Superior Protection Consultants)	101,492	134,004	32,512
	Federal Advocacy	69,000	85,000	16,000
	State Advocacy	30,000	86,071	56,071
	Grant Assistance	100,000	80,000	(20,000)
	Sewer Rate and Capacity Fee Study (NBS)	-	44,557	44,557
	Computer Maintenance (Southwest Networks)	39,444	41,196	1,752
	Other IT Support	39,500	36,256	(3,244)
	Coachella Valley History Museum	30,000	30,000	-
	Outreach Newsletter	23,392	23,392	-
	General Consulting for Human Resource Training and Development, Benefits, and Legal Compliance	25,000	22,278	(2,722)
	Temporary Help Services	15,700	13,367	(2,333)
	Services Related to the Shadow Hills and Indio Terrace Assessment Districts (Willdan)	10,000	8,911	(1,089)
	Backup/Disaster Recovery Storage (Southwest Networks)	8,400	7,859	(541)
	CalPERS Actuarial Study for GASB 68 Requirements	1,800	2,216	416
	Section 125 Plan	1,800	1,604	(196)
	CalPERS Health Plan Annual Fee	1,400	1,247	(153)
	Paper Shredding (Desert Arc)	-	891	891
	Postage Meter Lease (Pitney Bowes)	700	623	(77)
	CalPERS 218 Fee (Social Security Agreement)	700	623	(77)
	Subtotal	\$ 595,353	\$ 737,511	\$ 142,158
11-5410414-3 COUNTY EXPENSE				
	County Auditor Fees Special Assessments to the Tax Roll	\$ 11,000	\$ 11,550	\$ 550
	County Treasurer Fees for Collection of Special Assessments	\$ 11,000	\$ 11,550	\$ 550
	Subtotal	\$ 22,000	\$ 23,100	\$ 1,100

Administration

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5552414-3 LEGAL SERVICES				
	Costs Associated with General Legal Counsel	\$ 30,000	\$ 40,000	\$ 10,000
	Subtotal	\$ 30,000	\$ 40,000	\$ 10,000
11-5555414-3 MEDICAL SERVICES				
	Wellness Program	\$ 24,700	\$ 29,500	\$ 4,800
	Medical Exams-DMV & Pre-Employment	1,243	1,243	-
	Background Checks	-	1,000	1,000
	First Aid Medical	700	700	-
	Drug/Alcohol Testing Five (5) Employees	\$ 500	\$ 500	\$ -
	Subtotal	\$ 27,143	\$ 32,943	\$ 5,800
11-5350414-3 MEMBERSHIPS				
	California Association of Sanitation Agencies (CASA)	\$ 14,000	\$ 14,000	\$ -
	California Special Districts Association (CSDA)	7,805	7,805	-
	National Association Clean Water Agency (NACWA)	7,680	7,680	-
	Liebert Cassidy Whitmore (LCW)	5,625	5,625	-
	Southern California Allowance of Publicly Owned Treatment Works (SCAP)	5,100	5,100	-
	WaterReuse Membership	3,103	3,418	315
	Greater Coachella Valley Chamber of Commerce	760	760	-
	California Society of Municipal Finance Officers (CSMFO)	600	800	200
	Government Finance Officers Association (GFOA)	480	480	-
	California Public Employer Labor Relations Association (CalPERLA)	370	740	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	-
	International Public Management Association for Human Resources (IPMA-HR)	-	156	156
	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	\$ 47,107	\$ 48,148	\$ 1,041

Administration

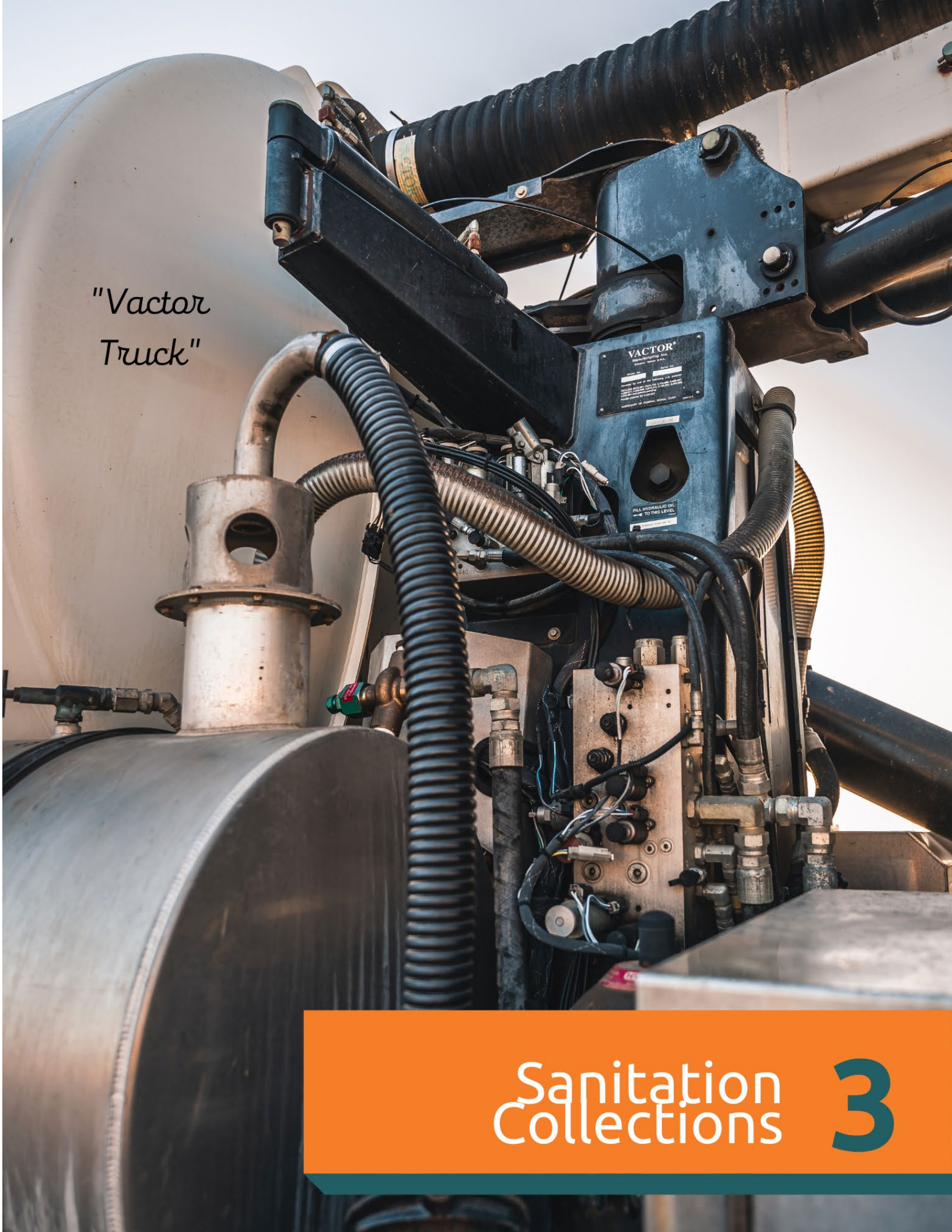
General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5553414-3 MISC. PROFESSIONAL SERVICES				
	Computer Consulting	\$ 70,000	\$ 70,000	\$ -
	Government Job Listing Service (NeoGov)	8,139	8,139	-
	Office 365 Annual Billing	5,670	5,670	-
	CART Captioning Services for Board Meeting Live Stream		4,800	4,800
	Peak Agenda Management (Granicus)	-	4,305	4,305
	Civic Plus	-	3,500	3,500
	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)	2,199	2,199	-
	Flipping Book	-	600	600
	e skill	-	450	450
	Canva Pro	-	200	200
	Grammarly PRO	-	144	144
	Subtotal	\$ 95,392	\$ 109,391	\$ 13,999
11-5400414-3 OFFICE SUPPLIES				
	General Office Supplies (e.g., Letterhead, Envelopes, Business Cards, Copy Paper, Binders, Calendars, File Folders, Pens, Pencils)	\$ 15,353	\$ 17,500	\$ 2,147
	Printed Employee Handbook	2,000	2,000	-
	Printed Budget Book	2,000	2,000	-
	Postage	1,447	2,000	553
	Subtotal	\$ 20,800	\$ 23,500	\$ 2,700
11-5450414-3 SUPPLIES				
	Office Software Upgrades	\$ 7,000	\$ 7,000	\$ -
	Computer Supplies-Printer Cartridges and Toner	4,000	4,000	-
	Subtotal	\$ 11,000	\$ 11,000	\$ -
11-5545414-3 OPEB HEALTH INSURANCE				
	OPEB Annual Required Contribution (ARC)	\$ 43,534	\$ 68,000	\$ 24,466
	CalPERS OPEB Health Insurance fees	10,119	10,119	-
	Biennial OPEB Actuarial Study (Due in 2021/2022)	3,600	3,600	-
	Subtotal	\$ 57,253	\$ 81,719	\$ 24,466
11-5950414-3 OTHER EXPENSES				
	Miscellaneous Expense Contingency Fund	\$ 10,000	\$ 10,000	\$ -
	Subtotal	\$ 10,000	\$ 10,000	\$ -

Administration

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-22820000-0 UNFUNDED ACCRUED LIABILITY CALPERS				
	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.	\$ -	\$ 736,606	\$ 736,606
	Subtotal	\$ -	\$ 736,606	\$ 736,606
11-5420414-3 PERMITS AND 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	\$ -
11-5600414-3 PUBLICATIONS				
	Costs For Publication of Official Notices and Bid Requests in Online Platforms	\$ 2,500	\$ 3,500	\$ 1,000
	Subtotal	\$ 2,500	\$ 3,500	\$ 1,000
11-5700414-3 REPAIRS AND MAINTENANCE				
	Replacement Computers	\$ 10,000	\$ 12,000	\$ 2,000
	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	\$ 17,375	\$ 19,375	\$ 2,000
11-5810414-3 TUITION REIMBURSEMENT				
	Tuition Assistance Program	\$ 12,000	\$ 12,000	\$ -
	Subtotal	\$ 12,000	\$ 12,000	\$ -
11-5901414-3 TELEPHONE AND INTERNET				
	VOIP Main Telephone System (Spectrum)	\$ 14,000	\$ 14,000	\$ -
	Cell Phones Employee (Verizon Wireless)	13,314	13,314	-
	Fire Control Alarms (Frontier)	3,655	3,655	-
	Subtotal	\$ 30,969	\$ 30,969	\$ -

Administration

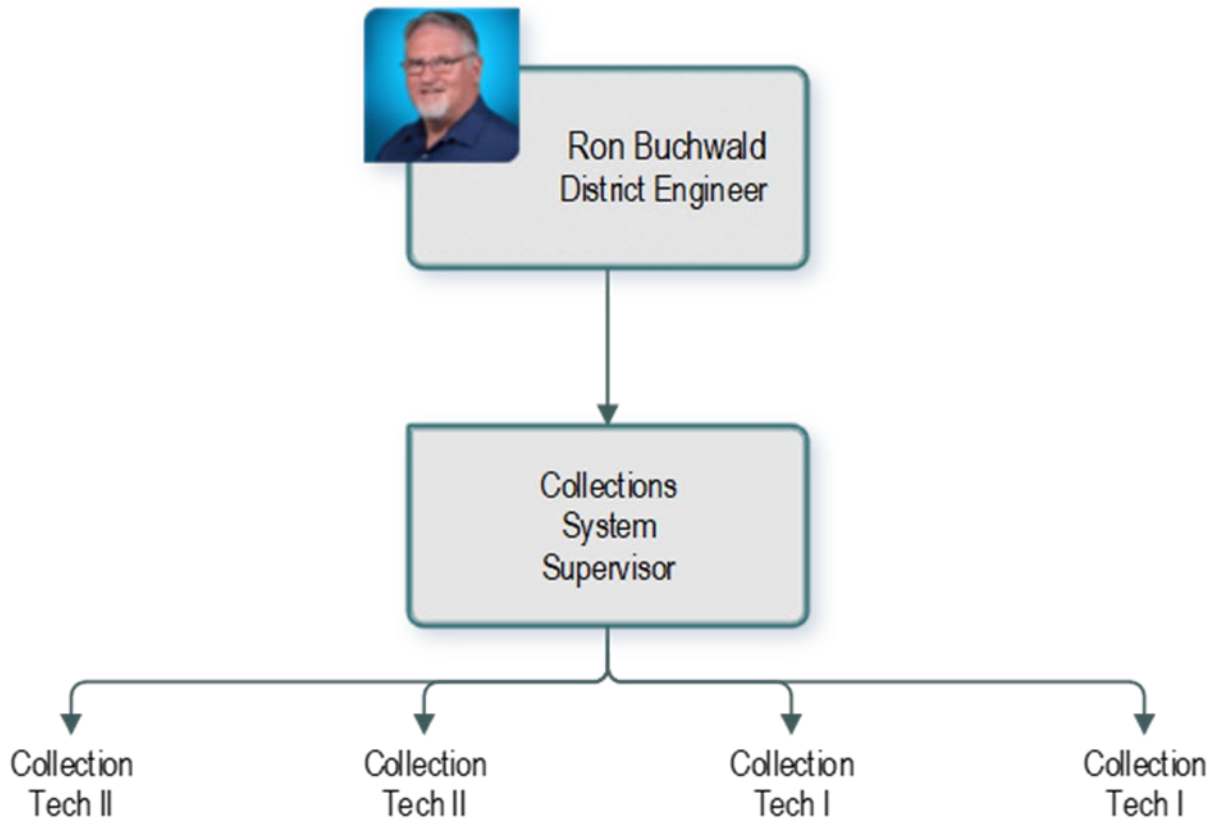
General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5800414-3 CONFERENCES AND MEETINGS				
	Leadership Academy	\$ 20,000	\$ 25,000	\$ 5,000
	ARC Flash Training (Electrical Safety)	-	25,000	25,000
	Costs Associated with Employee Travel and Training	12,000	14,302	2,302
	Harassment Training		5,000	5,000
	Confined Space & Temporary Traffic Control		5,000	5,000
	DFK Solutions Group	-	4,740	4,740
	Association of California Water Agencies (ACWA)	4,709	4,709	-
	California Association of Sanitation Agencies (CASA)	4,709	4,709	-
	Government Finance Officers Association (GFOA) Conference	-	2,500	2,500
	CPR Training		2,500	2,500
	CalPERLA	2,130	2,130	-
	Government Finance Officers Association (GFOA)	575	575	-
	Fire Extinguisher Training	-	500	500
	Procurement Uniform Guidance Training	-	500	500
	California Society of Municipal Finance Offices (CSMFO)	400	400	-
	Pryor Learning	-	199	199
	Subtotal	\$ 44,523	\$ 97,764	\$ 53,241
11-8680000-0 ADMINISTRATIVE FACILITIES				
	New Time Keeping System	\$ 25,000	\$ 30,000	\$ 5,000
	Procurement Software	-	30,000	30,000
	Server Replacement	8,449	-	(8,449)
	Subtotal	\$ 33,449	\$ 60,000	\$ 26,551
11-8660000-0 GENERAL PLANT FACILITIES				
	Water Reuse Project (EVRA JPA)	\$ 124,116	\$ 200,000	\$ 75,884
	Coachella Valley Integrated Regional Water Management Plan (IRWMP)	50,000	50,000	-
	Salt and Nutrient Management Plan (SNMP)	50,000	50,000	-
	Phase 1 Gap Monitoring Well Plan	9,000	9,000	-
	Telemetric for District Vehicles	20,925	-	(20,925)
	District Building Alarm System Replacement	16,060	-	(16,060)
	Subtotal	\$ 270,101	\$ 309,000	\$ 38,899
	Total Expense	\$ 3,794,757	\$ 8,408,388	\$ 4,613,631



*"Vactor
Truck"*

Sanitation
Collections

3

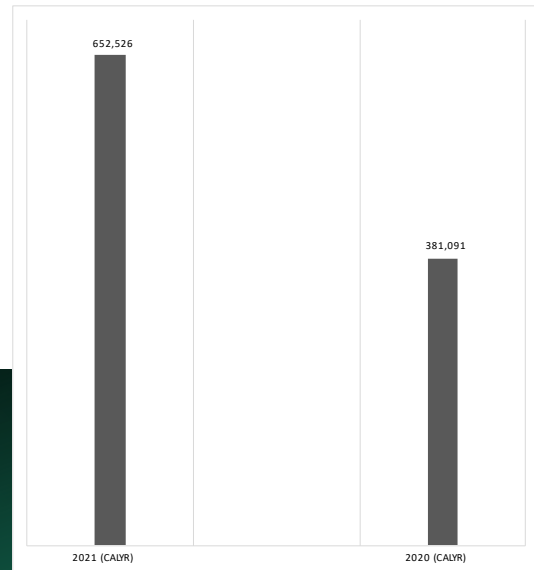


DESCRIPTION

The Sanitation Collections Department services and maintains 254 miles of sewer main with pipe sizes 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.

METRICS

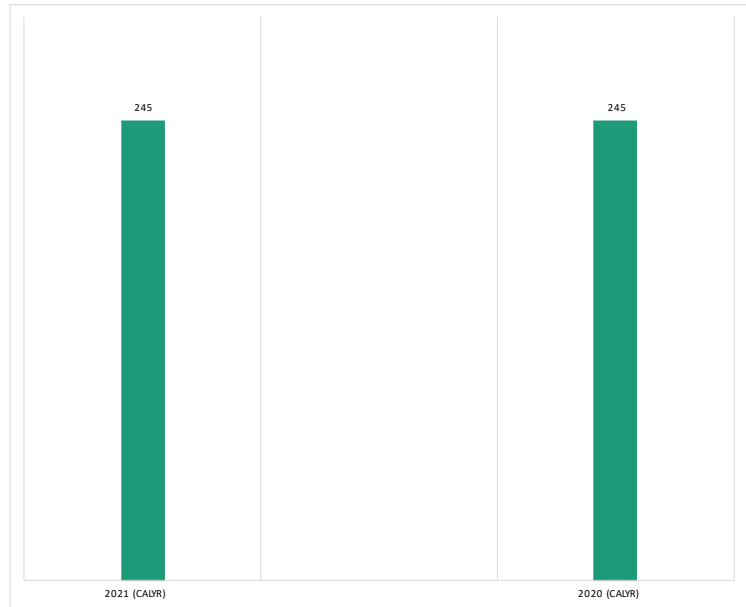
VACTOR/ JETTING
OF LINES- LINEAR
FEET



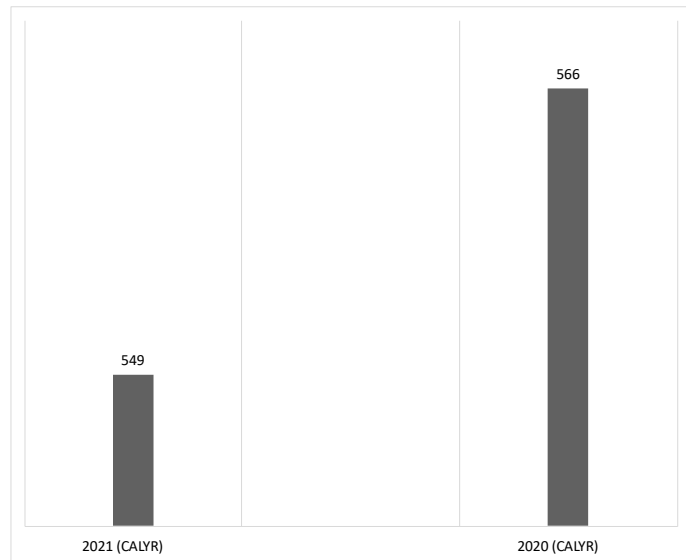
PIPE ASSESSMENT
INSPECTION –
LINEAR FEET



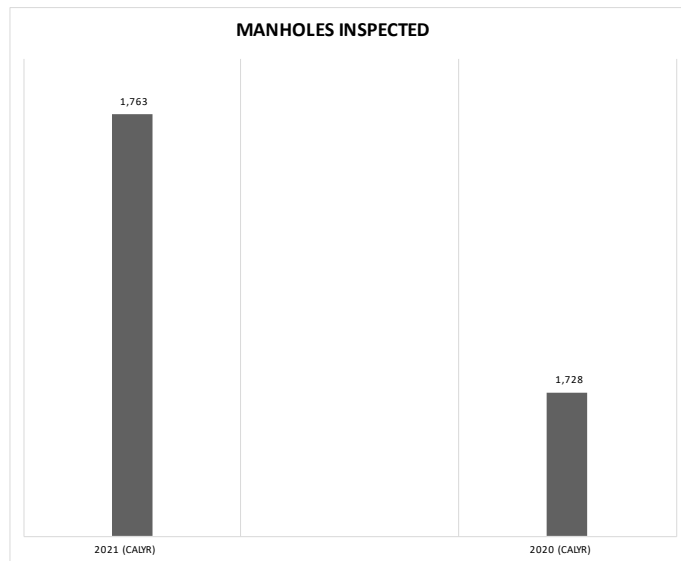
LIFT STATION MAINTENANCE



UNDERGROUND SERVICE ALERT MARKINGS



MANHOLES INSPECTED



Note:

- Hot spot cleaning is performed quarterly

FISCAL YEAR 2021/22 ACCOMPLISHMENTS

- Completed the Collection System Annual Pipeline Assessment Inspection (including an increase of CCTV inspection by 16%).
- Assisted with the design and planning of the Indio Blvd. Rehab Project #1, lining 2,250 linear feet of sewer main.
- Completed the State-mandated 2-year Sanitary Sewer Master Plan (SSMP) self-assessment audit.
- Team members acquired in-vocation certifications.

FISCAL YEAR 2022/23 GOALS

STRATEGIC PLAN

- Strategic Goal 1.1: Enough staff to fulfill goals and objectives safely and efficiently.
- Strategic Goal 3.1: Facilities are managed using comprehensive long-range plans that are integrated with the financial plan.

- Strategic Goal 6.7: Maintain compliance with all regulatory, legislative, and permit requirements.
- Strategic Goal 1.3: Improve training and professional development.

GOALS

- Meet or exceed annual sewer main cleaning production of 130 miles per year. Meet the 2-year benchmark for cleaning the entire sewer system.
- Meet or exceed annual CCTV production of 30 miles per year. Meet the 10-year benchmark of inspecting the entire system.
- To meet and exceed the requirements of the Statewide General Waste Discharge Requirements (WDR), Sewer System Management Plan (SSMP) to prevent Sanitary Sewer Overflows (SSO).
- Assist in the design and planning of the Collection system rehabilitation program, a 10-year project focusing on lift stations, manholes, and sewer main infrastructure.

PERSONNEL SUMMARY

FY23 Physical Count	Classification	FY22 Base FTEs	FY23 Base FTEs	Variance
1	Collection System Supervisor	1.00	1.00	0.00
2	Collection System Technician I	2.00	2.00	0.00
2	Collection System Technician 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 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percent Change
11-7010000-0 DEPRECIATION & AMORTIZATION	\$ 710,000	\$ -	\$ -	\$ -	\$ -	\$ -	-
11-5030410-1 SALARIES AND WAGES	1,276,434	368,024	359,757	336,963	382,518	22,761	6.3%
11-5060410-1 BONUS, AWARDS, AND RECERTIFICATION	-		1,200	1,111	1,250	50	4.2%
11-5080410-1 CALLOUT	3,615	2,950	2,500	3,871	5,000	2,500	100.0%
11-5110410-1 LONGEVITY	16,892	2,308	4,000	3,738	5,200	1,200	30.0%
11-5070410-1 OVERTIME	5,318	697	1,600	678	1,600	-	-
11-5090410-1 STANDBY PAY	17,403	18,794	34,100	27,926	41,216	7,116	20.9%
11-5116410-1 FICA AND MEDICARE	99,503	13,886	30,989	27,219	39,311	8,322	26.9%
11-5112410-1 RETIREMENT CONTRIBUTIONS	402,643	493,724	40,301	31,466	40,900	599	1.5%
11-5128410-1 VISION INSURANCE	10,815	-	1,308	1,161	1,392	84	6.4%
11-5122410-1 WORKERS' COMPENSATION	27,749	8,723	-	-	-	-	-
11-5124410-1 LIFE INSURANCE	2,960	785	1,244	793	912	(332)	-26.7%
11-5126410-1 HEALTH INSURANCE	205,092	84,940	85,704	83,624	110,153	24,449	28.5%
11-5129410-1 DENTAL INSURANCE	-	7,082	6,396	6,526	8,448	2,052	32.1%
11-5132410-1 LONG TERM DISABILITY	5,262	1,108	1,133	1,076	1,248	115	10.2%
11-5801410-1 CERTIFICATIONS	3,858	2,716	4,000	5,124	5,120	1,120	28.0%
11-5500410-1 CONTRACTS	131,894	74,767	118,375	78,917	112,583	(5,792)	-4.9%
11-5350410-1 MEMBERSHIPS	4,415	1,647	1,700	1,476	2,050	350	20.6%
11-5450410-1 SUPPLIES	37,693	5,400	5,000	2,712	5,000	-	-
11-5950410-1 OTHER EXPENSES	13,028	3,129	10,000	-	10,000	-	-
11-5420410-1 PERMITS AND FEES	15,516	16,998	18,500	17,852	23,600	5,100	27.6%
11-5430410-1 PRETREATMENT - COLLECTIONS	1,268	-	-	-	-	-	0.0%
11-5700410-1 REPAIRS AND MAINTENANCE	421,616	51,484	146,700	121,009	154,500	7,800	5.3%
11-5720410-1 TOOLS AND EQUIPMENT	24,647	292	2,000	2,246	2,000	-	-
11-5152410-1 UNIFORM SERVICES	13,061	6,798	6,950	4,387	5,700	(1,250)	-18.0%
11-5902410-1 ELECTRICITY	3,834	4,429	4,500	5,420	6,000	1,500	33.3%
11-5905410-1 WATER	5,673	5,849	6,500	5,250	7,500	1,000	15.4%
11-5800410-1 CONFERENCES AND MEETINGS	22,859	7,327	10,000	3,054	10,000	-	-
Total Expenses	\$ 3,483,049	\$ 1,183,857	\$ 904,457	\$ 773,599	\$ 983,201	\$ 78,744	8.7%

SANITATION COLLECTIONS BUDGET DETAIL

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5030410-1 SALARIES AND WAGES		\$ 359,757	\$ 382,518	\$ 22,761
11-5060410-1 BONUS, AWARDS, AND RECERTIFICATION		1,200	1,250	50
11-5080410-1 CALLOUT		2,500	5,000	2,500
11-5070410-1 OVERTIME		1,600	1,600	-
11-5090410-1 STANDBY PAY		34,100	41,216	7,116
11-0000410-1 TOTAL FRINGE BENEFITS		171,075	207,564	36,489
Subtotal		\$ 570,232	\$ 639,148	\$ 68,916
11-5801410-1 CERTIFICATIONS				
	Pipe Assessment Certification Program (PACP) for Two (2) Employees	\$ 2,000	\$ 3,000	\$ 1,000
	California Water Environment Association (CWEA) Allowance for Advancement (Certification Testing)	1,400	1,400	-
	CWEA Technical Certification Programs Collection System Technician I and III (5)	480	600	120
	CWEA Technical Certification Programs Collection System Supervisor	120	120	-
Subtotal		\$ 4,000	\$ 5,120	\$ 1,120
11-5500410-1 CONTRACTS				
	Roach Control Program (Golden Bell)	\$ 49,400	\$ 51,300	\$ 1,900
	Emergency Contingency Service (Rain for Rent)	25,000	16,383	(8,617)
	Root Control Program (Duke's Root Control)	15,000	15,000	-
	Emergency Response Consultant	1,675	10,000	8,325
	ERICA Radio Member Fee (City of Indio)	6,000	6,000	-
	Dig Alerts and Board Fees (Underground Dig Alert)	3,500	4,000	500
	Annual Monitoring Fee/Pump Stations (2 yr Service Discount Rate)	2,000	3,500	1,500
	Software Support Fee (Pipelogix)	3,000	3,000	-
	After Hours Answering Service (Around the Clock)	1,800	2,000	200
	Miscellaneous Contractual Services	1,000	1,000	-
	Wireless Beepers (SPOK)		400	400
	Asset Management Annual Renewal (Lucity)	10,000	-	(10,000)
Subtotal		\$ 118,375	\$ 112,583	\$ (5,792)

Sanitation Collections

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5350410-1 MEMBERSHIPS				
	CWEA Membership Renewal	\$ 1,350	\$ 1,650	\$ 300
	National Association of Sewer Service Companies; Updates New Criteria Related to PACP Inspection Standards	350	400	50
	Subtotal	\$ 1,700	\$ 2,050	\$ 350
11-5450410-1 SUPPLIES				
	Traffic Control Signs/Cones/Safety Equipment	\$ 3,000	\$ 3,000	\$ -
	Miscellaneous Supplies	2,000	2,000	-
	Subtotal	\$ 5,000	\$ 5,000	\$ -
11-5950410-1 OTHER EXPENSES				
	Miscellaneous Expense Contingency Fund	\$ 10,000	\$ 10,000	\$ -
	Subtotal	\$ 10,000	\$ 10,000	\$ -
				\$ -
11-5420410-1 PERMITS AND FEES				-
	State General Waste Discharge Annual Permit Fee (SWRCB)	\$ 16,000	\$ 21,000	\$ 5,000
	Annual Encroachment Permit (City Of Indio)	1,500	1,600	100
	Miscellaneous Permits and/or Fees	1,000	1,000	-
	Subtotal	\$ 18,500	\$ 23,600	\$ 5,100
11-5700410-1 REPAIRS AND MAINTENANCE				
	Vactor Parts/Repairs/Planned Expenditures	\$ 75,200	\$ 80,500	\$ 5,300
	Mainline Repair	20,000	20,000	-
	TV Van Parts and Repair	15,000	16,500	1,500
	Manhole Covers	15,000	15,000	-
	Pump Station Repairs And Parts	11,000	12,000	1,000
	Equipment Rentals	8,500	8,500	-
	Equipment Repairs	2,000	2,000	-
	Subtotal	\$ 146,700	\$ 154,500	\$ 7,800

Sanitation Collections

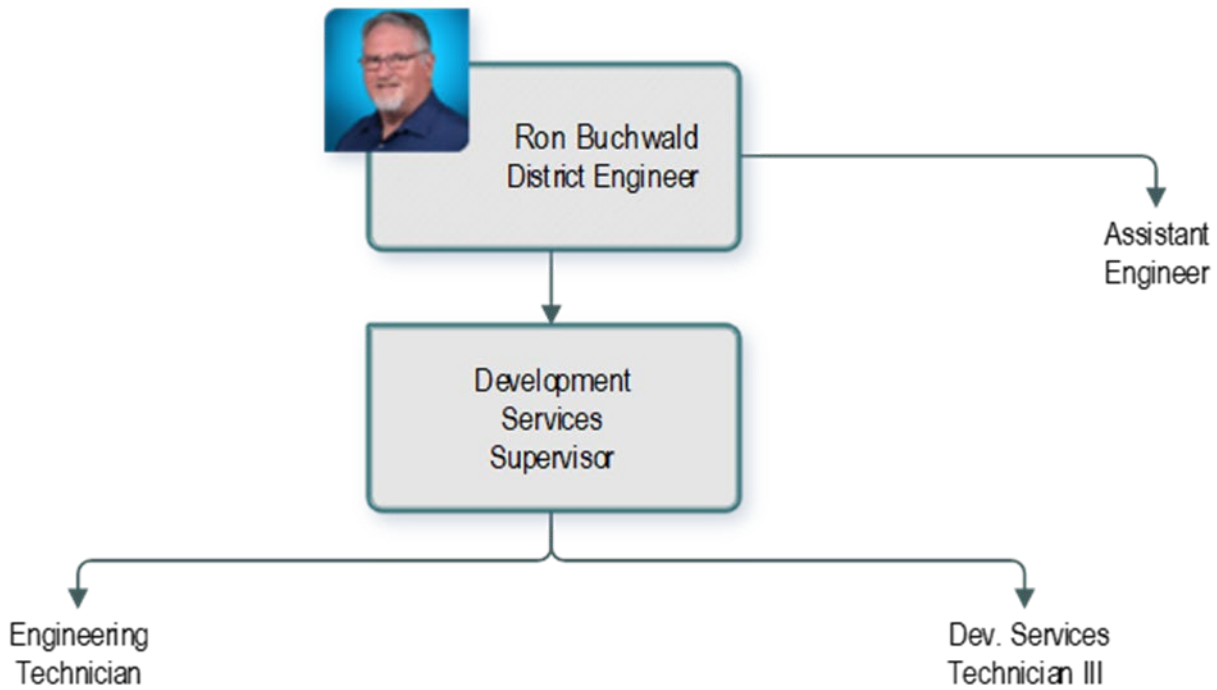
General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5720410-1 TOOLS AND EQUIPMENT				
	Miscellaneous Small Tool Acquisition and Replacement	\$ 2,000	\$ 2,000	\$ -
	Subtotal	\$ 2,000	\$ 2,000	\$ -
11-5152410-1 UNIFORM SERVICES				
	Uniforms-Five (5) Employees (Cintas)	\$ 4,300	\$ 2,700	\$ (1,600)
	PPE Gloves/Clothing/Gear	1,400	1,500	100
	Boots-Five (5) Employees	1,250	1,500	250
	Subtotal	\$ 6,950	\$ 5,700	\$ (1,250)
11-5902410-1 ELECTRICITY				
	Imperial Irrigation District (IID)	\$ 4,500	\$ 6,000	\$ 1,500
	Subtotal	\$ 4,500	\$ 6,000	\$ 1,500
11-5905410-1 WATER				
	Hydrant Water (Indio Water Authority)	\$ 6,500	\$ 7,500	\$ 1,000
	Subtotal	\$ 6,500	\$ 7,500	\$ 1,000
11-5800410-1 CONFERENCES AND MEETINGS				
	Travel Expenses for Conferences and Training Seminars, Registration Fees, Meals, Lodging and Related Expenses	\$ 10,000	\$ 10,000	\$ -
	Subtotal	\$ 10,000	\$ 10,000	\$ -
				-
	Total Expenses	\$904,457	\$983,201	\$ 78,744

"VSD Treatment Plant"



Engineering 4

Engineering



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 and 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.

METRICS



	FY21	FY22
New Projects	32	56
Projects Permitted	37	28
Projects Finaled	31	28
Single Family Finaled	208	160
Development Review Comments	31	16
Request for Sewer location	19	15

FISCAL YEAR 2021/22 ACCOMPLISHMENTS

- Provided high-quality and customer-friendly Plan Check process.
- Provided high-quality and developer-friendly inspection services.
- Returned plan check comments within 30 days.
- Hired a new employee to fill a new Asset Management position within the department.

FISCAL YEAR 2022/23 GOALS

STRATEGIC PLAN

- Strategic Goal 1.1: Fully Staffed
- Strategic Goal 3.2: Increase the use of technology
- Strategic Goal 4.2: Increase community understanding
- Strategic Goal 6: Improve Planning, Administration, and Governance

GOALS

- To provide a high-quality and customer-friendly Plan Check process.
- To provide high-quality and developer-friendly inspection services.

Engineering

- To the return plan check comments within 30 days.
- To coach the employee in the newly developed Engineering Technician position to be successful in supporting the plant maintenance and operations personnel in their endeavor to manage the plant assets with the recently launched Lucy asset management system.

PERSONNEL SUMMARY

FY23 Physical Count	Classification	FY22 Base FTEs	FY23 Base FTEs	Variance
1	District Engineer	0.00	1.00	1.00
0	Engineering Services Manager	1.00	0.00	(1.00)
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	1.00	1.00	0.00
5	Total FTEs	5.00	5.00	0.00

Notes

- Retitled Engineering Services Manager to District Engineer

EXPENSE BUDGET SUMMARY

General Ledger Code	FY20 Actual	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percent Change
11-5030414-1 SALARIES AND WAGES	\$ -	\$485,492	\$549,295	\$521,517	\$ 612,551	\$ 63,256	11.5%
11-5060414-1 BONUS, AWARDS, AND RECERTIFICATION	-	-	1,000	760	1,250	250	25.0%
11-5070414-1 OVERTIME	-	-	-	61	1,000	1,000	-
11-5110414-1 LONGEVITY	-	5,769	6,600	6,577	7,500	900	13.6%
11-5116414-1 FICA AND MEDICARE	-	46,951	44,552	34,457	56,007	11,455	25.7%
11-5112414-1 RETIREMENT CONTRIBUTIONS	-	61,221	67,578	57,048	68,485	907	1.3%
11-5128414-1 VISION INSURANCE	-	-	1,908	718	932	(976)	-51.2%
11-5122414-1 WORKERS' COMPENSATION	-	1,789	-	-	-	-	-
11-5124414-1 LIFE INSURANCE	-	1,000	1,065	1,019	1,248	183	17.2%
11-5126414-1 HEALTH INSURANCE	-	27,183	42,435	28,023	51,774	9,339	22.0%
11-5129414-1 DENTAL INSURANCE	-	2,822	4,836	3,209	4,896	60	1.2%
11-5132414-1 LONG TERM DISABILITY	-	1,469	1,542	1,523	1,800	258	16.7%
11-5801414-1 CERTIFICATIONS	-	-	3,470	144	3,870	400	11.5%
11-5500414-1 CONTRACTS	-	-	64,850	4,767	4,000	(60,850)	-93.8%
11-5350414-1 MEMBERSHIPS	-	-	1,200	447	1,200	-	-
11-5950414-1 OTHER EXPENSES	-	-	4,000	-	-	(4,000)	-100.0%
11-5420414-1 PERMITS AND FEES	-	-	1,000	-	1,000	-	-
11-5720414-1 TOOLS AND EQUIPMENT	-	-	1,000	-	1,000	-	-
11-5152414-1 UNIFORM SERVICES	-	-	4,700	2,360	4,700	-	-
11-5800414-1 CONFERENCES AND MEETINGS	-	-	5,000	2,678	6,761	1,761	35.2%
Total Expenses	\$ -	\$633,696	\$806,031	\$665,306	\$ 829,974	\$ 23,943	3.0%

ENGINEERING BUDGET DETAIL

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5030414-1 SALARIES AND WAGES		\$ 549,295	\$ 612,551	\$ 63,256
11-5060414-1 BONUS, AWARDS, AND RECERTIFICATION		1,000	1,250	250
11-5080414-1 CALLOUT		-	-	-
11-5070414-1 OVERTIME		-	1,000	1,000
11-5090414-1 STANDBY PAY		-	-	-
11-0000414-1 TOTAL FRINGE BENEFITS		170,516	192,642	22,126
	Subtotal	\$ 720,811	\$ 807,443	\$ 86,632
11-5801414-1 CERTIFICATIONS				
	Pipe Assessment Certification Program	\$ 2,000	\$ 2,400	\$ 400
	California Water Environment Association	450	450	-
	American Water Works Association (AWWA)	300	300	-
	State Water Resource Control Board	170	170	-
	SWRCB Board Operator Certification	170	170	-
	Professional Engineer (PE) (District Engineer and Associate Engineer)	150	150	-
	CWEA Technical Certification Programs	120	120	-
	CWEA Technical Certification Programs	110	110	-
	Subtotal	\$ 3,470	\$ 3,870	\$ 400
11-5500414-1 CONTRACTS				
	ESRI ARCVIEW 10.0 Annual Renewal	\$ 3,000	\$ 3,000	\$ -
	Autocad Annual Maintenance and Helpdesk	1,000	1,000	-
	Consultant for General Master Plan	60,000	-	(60,000)
	Cell Phones-Two (2) Employees (Verizon Wireless)	850	-	(850)
	Subtotal	\$ 64,850	\$ 4,000	\$ (60,850)

Engineering

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5350414-1 MEMBERSHIPS				
	California Water Environment Association	\$ 1,200	\$ 1,200	\$ -
	Subtotal	\$ 1,200	\$ 1,200	\$ -
11-5950414-1 OTHER EXPENSES				
	Miscellaneous Expense Contingency Fund	\$ 4,000	\$ -	\$ (4,000)
	Subtotal	\$ 4,000	\$ -	\$ (4,000)
11-5420414-1 PERMITS AND FEES				
	Miscellaneous Permits and/or Fees	\$ 1,000	\$ 1,000	\$ -
	Subtotal	\$ 1,000	\$ 1,000	\$ -
11-5720414-1 TOOLS AND EQUIPMENT				
	Small Tool Acquisition and Replacement	\$ 1,000	\$ 1,000	\$ -
	Subtotal	\$ 1,000	\$ 1,000	\$ -
11-5152414-1 UNIFORM SERVICES				
	Uniforms-Three (4) employees (Cintas)	\$ 2,700	\$ 2,700	\$ -
	Boots-Three (4) Employees	1,000	1,000	-
	Gloves	1,000	1,000	-
	Subtotal	\$ 4,700	\$ 4,700	\$ -
11-5800414-1 CONFERENCES AND MEETINGS				
	Travel Expenses for Conferences and Training	\$ 5,000	\$ 6,761	\$ 1,761
	Subtotal	\$ 5,000	\$ 6,761	\$ 1,761
	Total Expenses	\$ 806,031	\$ 829,974	\$ 23,943



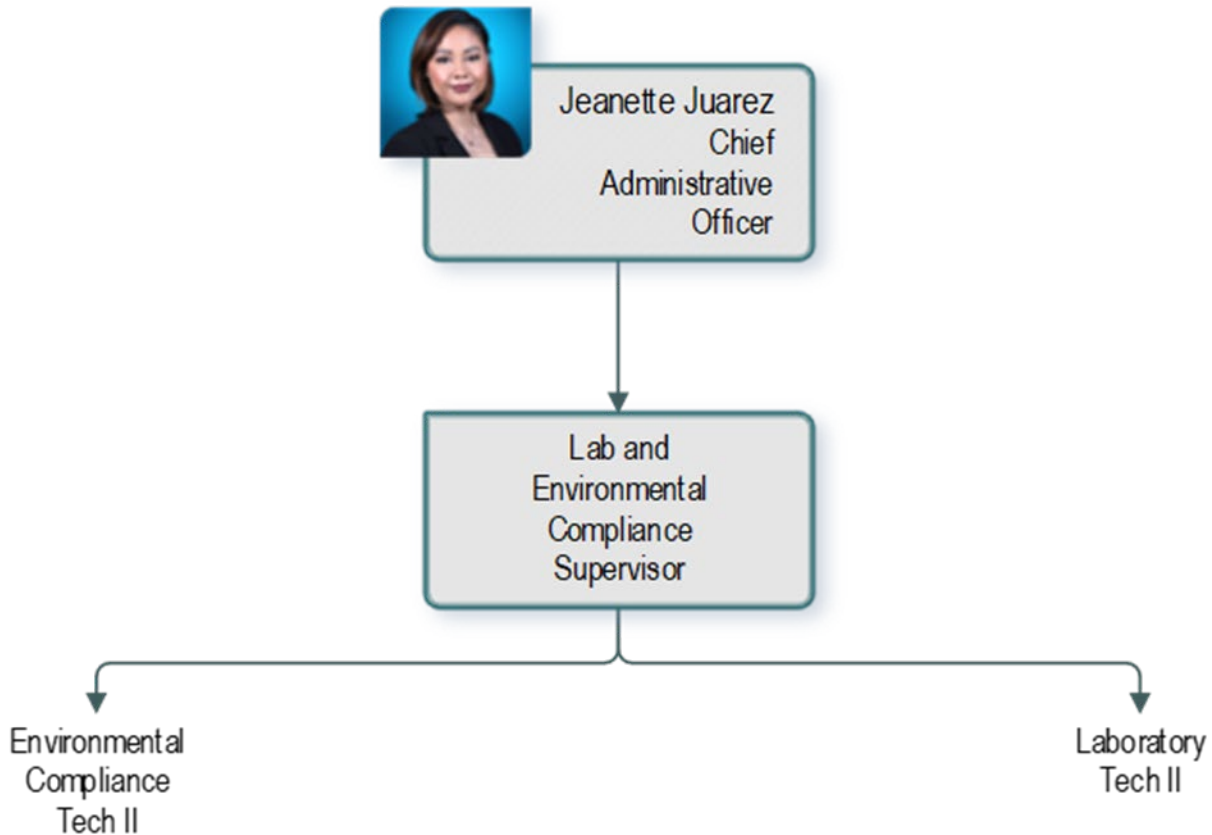
Digester Heating Pipes

"BOD Testing"



Environmental
Compliance
Services

5



DESCRIPTION

The Environmental Compliance Services Department is comprised of the Laboratory Division and the Pretreatment Division. The focus of the divisions is to develop and implement programs to comply with local, state, and federal regulations protecting water quality and environmental resources.

LABORATORY

Maintains a state-certified laboratory to perform timely and high-quality sample analysis and reporting need to determine compliance with water quality regulations.

Implements a Laboratory Information Management System (LIMS) needed to meet state and federal electronic reporting requirements and prove an effective data storage system for performing water quality evaluations.

Trains District staff to perform sample collection and water quality analysis.

PRETREATMENT

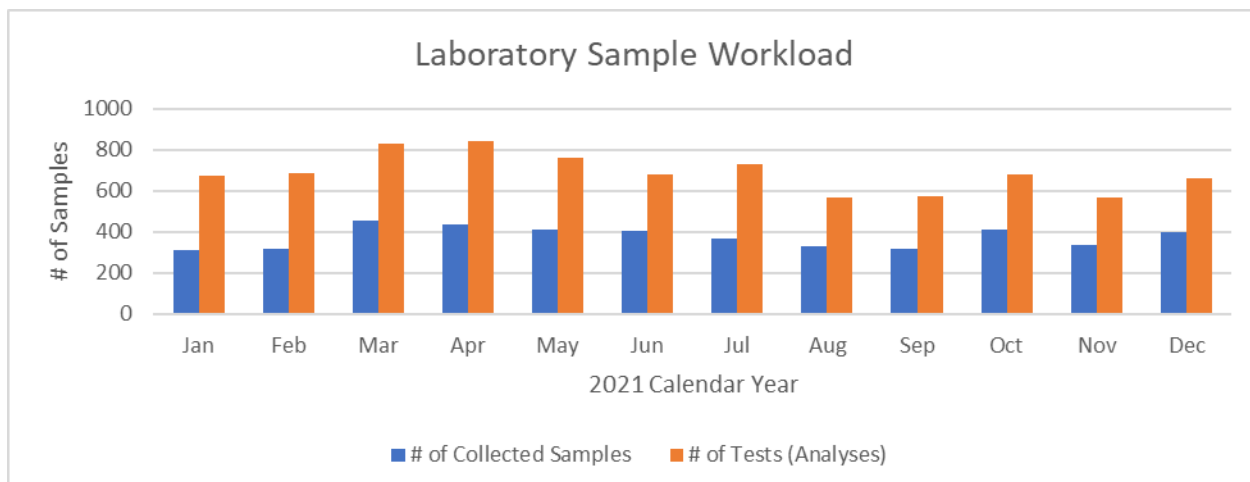
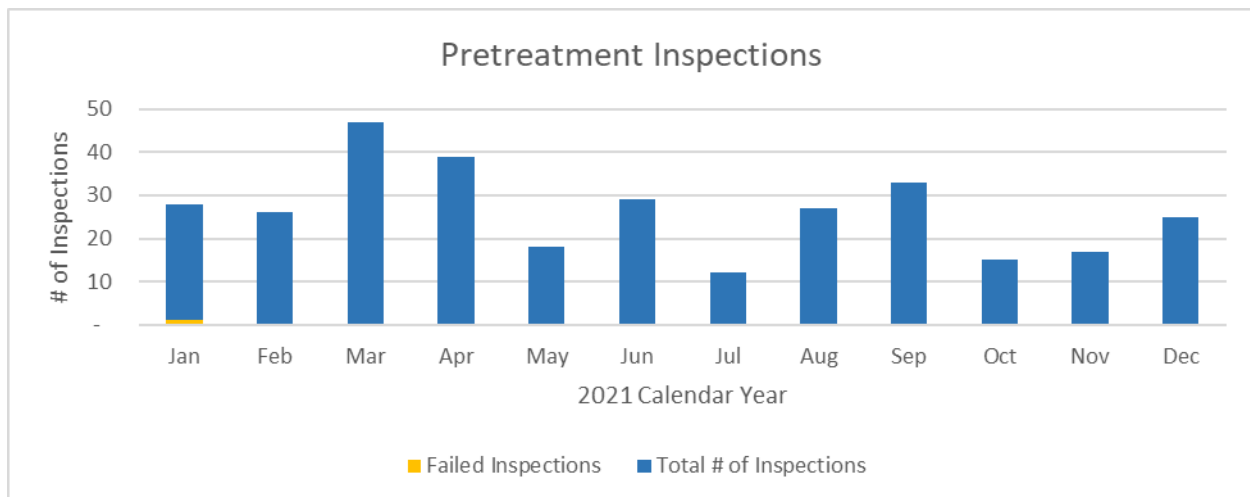
Evaluates, inspects, and permits the commercial use of District wastewater collection and treatment facilities.

Develops and implements programs that enforce sanitation regulations protecting District wastewater collection and treatment facilities.

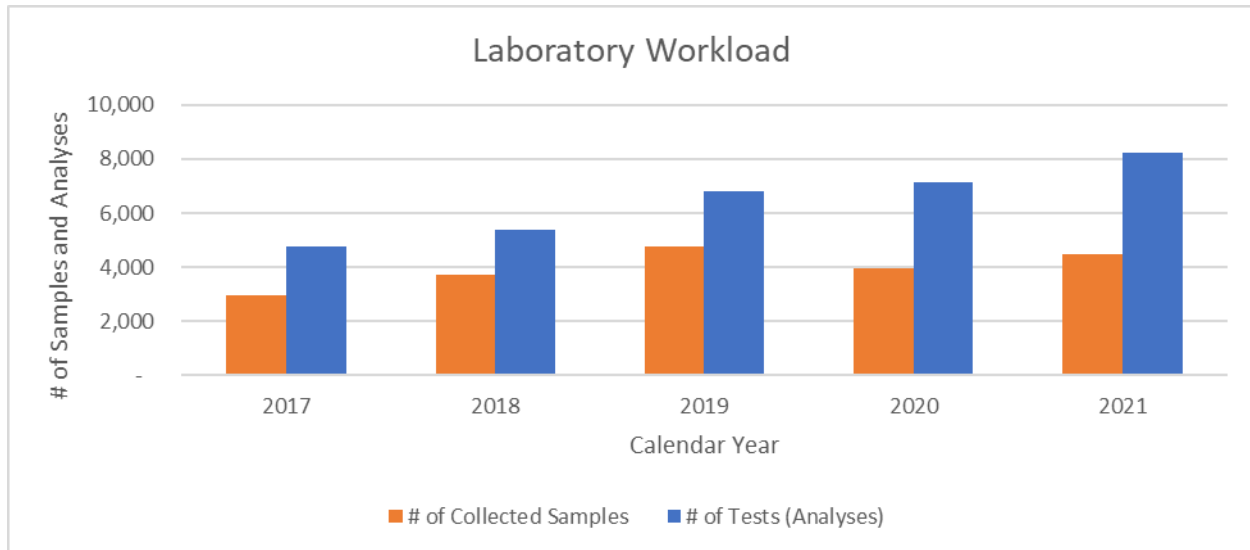
Inspects manufacturing processes as sources of industrial waste and their effects on wastewater treatment processes by monitoring sample handling and preservation, field testing equipment and procedures, and documentation of the sample chain of custody (COC).

METRICS

Compliance Services metrics are reflected in calendar year (CY) versus fiscal year (FY), because of existing state reporting requirements. The first graph shows the number of inspections performed by the pretreatment division staff, while the second graph depicts the number of samples collected and the number of analyses performed by the laboratory division staff.



Laboratory Division metrics for number of samples collected and number of analyses performed in-house for the past five calendar years are reflected in the following graph. Samples collected and analyzed include the NPDES compliance samples, operational process Control samples, and those for special projects.



Compliance Services Key Performance Indicator Metrics for 2021

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Pretreatment													
Change of Ownership Inspection	1	1							1		1		
FOG-FSE Inspections Completed	27	26	47	39	18	29	12	27	33	15	17	25	315
Failed Inspections	1												1
Total # of Inspections	27	26	47	39	18	29	12	27	33	15	17	25	315
Laboratory													
# of Collected Samples	309	315	453	438	414	407	369	331	316	410	334	399	4,495
# of Tests (Analyses)	674	685	831	841	762	679	729	566	576	680	566	658	8,247
# of Samples sent to Contract Labs	4	4	5	11	19	14	12	27	14	21	13	19	163
% of Samples performed In-House	98.7%	98.7%	98.9%	97.5%	95.4%	96.6%	96.7%	91.8%	95.6%	94.9%	96.1%	95.2%	96.4%

FISCAL YEAR 2021/22 ACCOMPLISHMENTS

LABORATORY

- Participated in 12-week grant-funded program to establish a national wastewater surveillance program for COVID-19.
- Selected to participate in a 6-month, grant-funded public health program to monitor the presence of COVID, its variants, and influenza on a national scale.
- Obtained approval from ELAP for the biennial renewal of Laboratory certification.
- Laboratory Analyst obtained laboratory analyst certification – Grade II.

PRETREATMENT DIVISION

- Completed assisting RWQCB with Dental Amalgam Rule compliance within VSD service area.
- Updated the inspection report forms, Kitchen best management practices, and Wastewater Discharge Application forms.
- Updated and streamlined the District's website with the new pretreatment forms for the public and contractors.
- Environmental Compliance Inspector (ECI) obtained a higher level of environmental compliance inspector certification – Grade II.
- Environmental Compliance Inspector (ECI) awarded CWEA's P3S Person of the Year. Recognition for P3S professionals for exceptional achievement and contribution to the profession.

FISCAL YEAR 2022/23 GOALS

STRATEGIC PLAN

- Strategic Goal 1.1: Enough staff to fulfill goals and objectives safely and efficiently.
- Strategic Goal 1.3: Improve training and professional development.
- Strategic Goal 3.2: Increase the use of technology to lower costs and improve reliability.
- Strategic Goal 4.1: Increase community understanding and support for the District and its program.
- Strategic Goal 6.1: Meet evolving operational and customer demands.
- Strategic Goal 6.7: Maintain compliance with all regulatory, legislative, and permit requirements.

GOALS

LABORATORY GOALS

- Complete onsite assessment of laboratory per new State Board Environmental Laboratory Accreditation Program (ELAP) regulations.

- Implement and complete data migration into the new Laboratory Information Management System (LIMS).
- Recruit and train new Quality Control (QC) Analyst.

PRETREATMENT GOALS

- Update the Sewer Use Ordinance (SUO), Enforcement Response Plan (ERP) and Local Limit documents to maintain NPDES State regulatory compliance.
- Improve Key Performance Indicator (KPI) metrics to evaluate the successes of the division.
- Participate in Engineering Services and Collections Department monthly meetings to ensure interdepartmental communications and notification of investigations are resolved in a timely manner.

PERSONNEL SUMMARY

FY23 Physical Count	Classification	FY22 Base FTEs	FY23 Base FTEs	Variance
1	Environmental Compliance Technician II	0.00	1.00	1.00
0	Environmental Technician I	1.00	0.00	(1.00)
0	Lab and Compliance Supervisor	1.00	0.00	(1.00)
1	Laboratory and Environmental Compliance Supervisor	0.00	1.00	1.00
0	Laboratory Technician I	1.00	0.00	(1.00)
1	Laboratory Technician II	0.00	1.00	1.00
3	Total FTEs	3.00	3.00	0.00

Notes

- Retitled Laboratory and Compliance Supervisor to Laboratory and Environmental Compliance Supervisor
- Removed Laboratory Technician I
- Added Laboratory Technician II
- Removed Environmental Technician I
- Added Environmental Compliance Technician II

EXPENSE BUDGET SUMMARY

General Ledger Code	FY20 Actual	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percent Change
11-5030414-2 SALARIES AND WAGES	\$ -	\$208,272	\$252,612	\$258,310	\$ 289,422	\$ 36,810	14.6%
11-5060414-2 BONUS, AWARDS, AND RECERTIFICATION	-	-	600	570	750	150	25.0%
11-5080414-2 CALLOUT	-	560	-	-	-	-	-
11-5110414-2 LONGEVITY	-	1,108	1,200	554	1,200	-	-
11-5070414-2 OVERTIME	-	469	3,300	189	2,500	(800)	-24.2%
11-5090414-2 STANDBY PAY	-	1,840	-	-	-	-	-
11-5116414-2 FICA AND MEDICARE	-	20,269	20,353	14,930	26,448	6,095	29.9%
11-5112414-2 RETIREMENT CONTRIBUTIONS	-	18,974	22,524	16,070	22,552	28	0.1%
11-5128414-2 VISION INSURANCE	-	-	864	445	612	(252)	-29.2%
11-5122414-2 WORKERS' COMPENSATION	-	6,089	-	-	-	-	-
11-5124414-2 LIFE INSURANCE	-	552	732	428	648	(84)	-11.5%
11-5126414-2 HEALTH INSURANCE	-	31,196	31,440	19,216	45,840	14,400	45.8%
11-5129414-2 DENTAL INSURANCE	-	2,976	3,216	2,026	3,576	360	11.2%
11-5132414-2 LONG TERM DISABILITY	-	756	643	585	924	281	43.7%
11-5801414-2 CERTIFICATIONS	-	283	1,250	752	1,350	100	8.0%
11-5500414-2 CONTRACTS	-	9,096	51,750	26,255	87,600	35,850	69.3%
11-5350414-2 MEMBERSHIPS	-	4,828	3,100	2,550	3,100	-	-
11-5450414-2 SUPPLIES	665	25,091	52,000	33,290	45,806	(6,194)	-11.9%
11-5950414-2 OTHER EXPENSES	-	611	10,000	-	10,000	-	-
11-5420414-2 PERMITS AND FEES	-	5,902	9,700	6,014	11,200	1,500	15.5%
11-5700414-2 REPAIRS AND MAINTENANCE	-	11,443	25,000	17,710	20,000	(5,000)	-20.0%
11-5750414-2 RESEARCH AND MONITORING	55,941	54,698	100,000	76,479	97,000	(3,000)	-3.0%
11-5720414-2 TOOLS AND EQUIPMENT	-	4,020	8,000	460	8,000	-	-
11-5152414-2 UNIFORM SERVICES	-	2,650	4,050	3,995	5,400	1,350	33.3%
11-5800414-2 CONFERENCES AND MEETINGS	-	2,937	4,500	2,736	6,000	1,500	33.3%
Total Expenses	\$ 56,607	\$ 414,620	\$ 606,834	\$ 483,562	\$ 689,928	\$ 83,094	13.7%

ENVIRONMENTAL COMPLIANCE SERVICES

BUDGET DETAIL

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5030414-2 SALARIES AND WAGES		\$ 252,612	\$ 289,422	\$ 36,810
11-5060414-2 BONUS, AWARDS, AND		600	750	150
11-5080414-2 CALLOUT		-	-	-
11-5070414-2 OVERTIME		3,300	2,500	(800)
11-5090414-2 STANDBY PAY		-	-	-
11-0000414-2 TOTAL FRINGE BENEFITS		80,972	101,800	20,828
Subtotal		\$ 337,484	\$ 394,472	\$ 56,988
11-5801414-2 CERTIFICATIONS				
	California Water Environment Association (CWEA) Allowance for Advancement (Certification Testing)	\$ 800	\$ 800	\$ -
	CWEA Lab Analyst (Supervisor)	100	100	-
	CWEA Lab Analyst (Lab)	100	100	-
	CWEA Lab Analyst (Lab)	-	100	100
	Environmental Compliance Inspector	100	100	-
	State Water Resources Control Board (SWRCB) Wastewater Operator V	150	150	-
Subtotal		\$ 1,250	\$ 1,350	\$ 100

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5500414-2 CONTRACTS				
	National Pollutant Discharge Elimination System (NPDES) Permit Implementation Consulting Services	\$ 37,300	\$ 37,300	\$ -
	Temporary Laboratory Analyst (4 month assignment)	-	35,000	35,000
	Lab Information Management System (LIMS) Annual Support	6,000	6,000	-
	Third Party Assessor Authority (TPAA for On-Site Assessment (OSAs)	-	5,000	5,000
	Calibration/Replacement of Class I Scale Weights	1,300	1,300	-
	Hazardous Waste Disposal	5,000	1,000	(4,000)
	Calibration/Certification of Fume Hood	1,000	1,000	-
	Scale Calibration Service (2 Balances)	750	500	(250)
	Calibration of NIST Certified Thermometer	400	500	100
	Subtotal	\$ 51,750	\$ 87,600	\$ 35,850
11-5350414-2 MEMBERSHIPS				
	Coalition of Accredited Laboratories (CAL)	\$ 2,000	\$ 2,000	\$ -
	California Water Environment Association (CWEA) Membership Renewal	600	600	-
	Water Environment Federation	400	400	-
	TNI (NELAC) Association	100	100	-
	Subtotal	\$ 3,100	\$ 3,100	\$ -
11-5450414-2 SUPPLIES				
	Laboratory Chemicals, Reagents, Detergents, Filters, Glassware, Instrument Batteries, Dissolved Oxygen (DO) Probe Modules, Buffers, Storage Solutions, Medias, Quality Controls and Miscellaneous Supplies	\$ 25,000	\$ 18,806	\$ (6,194)
	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	-
	Office supplies (i.e. computer, printer, etc.)	1,500	1,500	-
	Subtotal	\$ 52,000	\$ 45,806	\$ (6,194)

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5950414-2 OTHER EXPENSES				
	Miscellaneous Expense Contingency Fund	\$ 10,000	\$ 10,000	\$ -
	Subtotal	\$ 10,000	\$ 10,000	\$ -
				-
11-5420414-2 PERMITS AND FEES				-
	Environmental Laboratory Certification Program (ELAP) + Onsite Assessment (OSA)	\$ 8,000	\$ 10,000	\$ 2,000
	Quality Assurance Proficiency Testing Required by the Health and Safety Code §100870	1,500	1,000	(500)
	Contingency	200	200	-
	Subtotal	\$ 9,700	\$ 11,200	\$ 1,500
11-5700414-2 REPAIRS AND MAINTENANCE				
	Laboratory Instrument Replacement	\$ 15,000	\$ 10,000	\$ (5,000)
	Contingency for Instrument Repairs and Maintenance	5,000	5,000	-
	Meter and Probe Replacement	5,000	5,000	-
	Subtotal	\$ 25,000	\$ 20,000	\$ (5,000)
11-5750414-2 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	15,000	15,000	-
	Biosolids Testing for Sludge 12 Samples	15,000	10,000	(5,000)
	Delivery for Lab Samples (Courier Service)	5,000	10,000	5,000
	Additional Testing - Laboratory Reserve	4,000	10,000	6,000
	Bioassay Monitoring (Nautilus Environmental)	10,000	5,000	(5,000)
	Pretreatment IU Sampling Requirements	6,000	5,000	(1,000)
	California Toxics Rule (CTR) Annually	4,000	5,000	1,000
	Quarterly Testing (RSW-002, EFF-001C, INF)	4,000	2,000	(2,000)
	Additional Testing as Required by Permit Overlimit Regulations	2,000	-	(2,000)
	Subtotal	\$ 100,000	\$ 97,000	\$ (3,000)

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5720414-2 TOOLS AND EQUIPMENT				
	Composite Sampler Supplies	\$ 5,000	\$ 5,000	\$ -
	Sampling Bottles	2,000	2,000	-
	Sampling Equipment Acquisition and Replacement	1,000	1,000	-
	Subtotal	\$ 8,000	\$ 8,000	\$ -
11-5152414-2 UNIFORM SERVICES				
	Uniforms-Four (4) Employees (Cintas)	\$ 3,000	\$ 4,000	\$ 1,000
	Boots-Four (4) Employees	750	1,000	250
	Gloves, Ear Plugs, Safety Items-Four (4) Employees	300	400	100
	Subtotal	\$ 4,050	\$ 5,400	\$ 1,350
11-5800414-2 CONFERENCES AND MEETINGS				
	Travel Expenses for Conferences and Training Seminars, Registration Fees, Meals, Lodging and Related Expenses	\$ 4,500	\$ 6,000	\$ 1,500
	Subtotal	\$ 4,500	\$ 6,000	\$ 1,500
	Total Expenses	\$ 606,834	\$ 689,928	\$ 83,094



Old Town Indio Murals

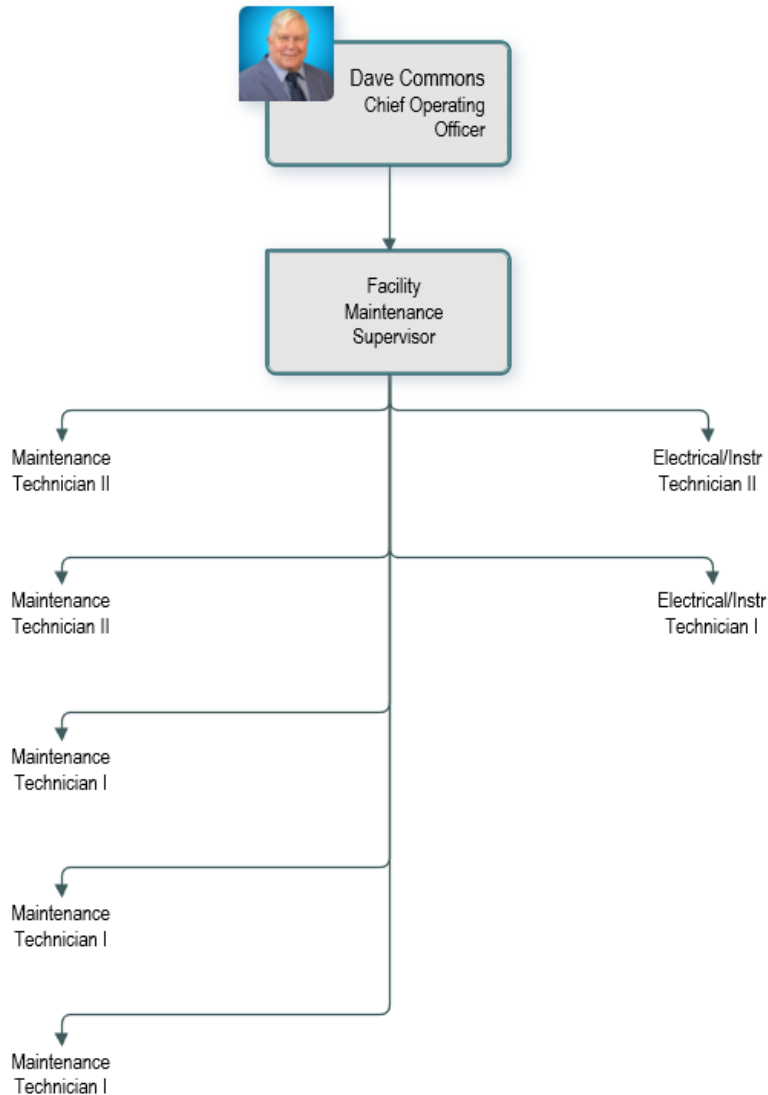
"Headworks"



Maintenance

6

Maintenance



DESCRIPTION

The Maintenance Department is responsible for all mechanical, electrical, and instrumentation equipment at the District's main plant and assists with the four (4) lift stations located throughout the District service area. 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 also installs new equipment including pumps, meters, and electrical switchgear. The department works closely with all departments and outside contractors to ensure safety and compliance with all federal, state, and local regulatory agencies.

METRICS



	FY22
Maintained Fleet Vehicles	40
Replaced Vehicles	2
Replaced Backhoe	1
New EV Carts	4
Replaced Flow Meters	3
Replaced/ Repair Pumps	4
Replaced/Repair Motors	5
Completed Projects	42
Maintained Buildings	20
Maintained Assets	1,356
Completed Work Orders	520

FISCAL YEAR 2021/22 ACCOMPLISHMENTS

- The maintenance team started using Lucy, the new asset management program.
- Several team members took and passed CWEA Mechanical & Electrical/ Instrumentation test.
- Staff trained on utility locations and emergency shutdown procedures.
- Maintenance staff worked with US metals to recycle all retired metal equipment and worked with Desert Arc to recycle cardboard and electronic waste.
- Staff sold several District vehicles and replaced them with new more efficient hybrid models.
- The team worked to find a lower cost vendor for drinking and lab water. Staff reduced cost by 40 percent.
- The Maintenance team completed the following projects related to Excellent Facilities.
- Rented and installed a temporary Maintenance trailer.
- The department also completed beautification projects for the Administration Building, lawn & painting inside of main office.
- The Maintenance team also completed the following work:

Maintenance

Rebuilt the plant water pumps, ordered all parts for the rebuilding of the Belt Filter Presses, Diesel and Gas fuel tanks and replaced the Weirs on the Secondary Clarifiers.

FISCAL YEAR 2022/23 GOALS

STRATEGIC PLAN

- Strategic Goal 1: Fully staffed, highly trained & motivated team
- Strategic Goal 2: Increase recycling, reuse & sustainability
- Strategic Goal 3: Excellent facilities

GOALS

- Train Maintenance and Electrical staff on plant processes, location of utilities, staff reports, Board reports, Budget, and Excel through online courses.
- Continue to learn and improve the District's Lucity database.
- Have the Maintenance crew work on inputting plant equipment assets in Lucity. Arranging work orders to reduce power consumption by having efficient running equipment.

PERSONNEL SUMMARY

FY23 Physical Count	Classification	FY22 Base FTEs	FY23 Base FTEs	Variance
0	Electrician/Instrumentation Supervisor	1.00	0.00	(1.00)
1	Electrician/Instrumentation Technician I	1.00	1.00	0.00
1	Electrician/Instrumentation Technician II	0.00	1.00	1.00
1	Facilities Maintenance Supervisor	1.00	1.00	0.00
0	Maintenance Technician-In-Training	1.00	0.00	(1.00)
3	Maintenance Technician I	3.00	3.00	0.00
2	Maintenance Technician II	0.00	2.00	2.00
0	Maintenance Technician III	1.00	0.00	(1.00)
8	Total FTEs	8.00	8.00	0.00

Notes

- Added Electrical/Instrumentation Technician II
- Added two (2) Maintenance Technician II
- Removed Electrical/Instrumentation Supervisor
- Removed Maintenance Technician-In-Training
- Removed Maintenance Technician III

Maintenance

EXPENSE BUDGET SUMMARY

General Ledger Code	FY20 Actual	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percent Change
11-5030412-1 SALARIES AND WAGES	\$ -	\$ 554,920	\$ 546,118	\$ 490,715	\$ 615,401	\$ 69,283	12.7%
11-5060412-1 BONUS, AWARDS, AND RECERTIFICATION	-	-	1,600	1,713	2,000	400	25.0%
11-5080412-1 CALLOUT	-	807	1,000	1,204	1,500	500	50.0%
11-5110412-1 LONGEVITY	-	9,046	9,700	8,723	9,700	-	-
11-5070412-1 OVERTIME	-	4,125	5,000	2,232	5,000	-	-
11-5090412-1 STANDBY PAY	-	3,316	3,820	4,322	2,473	(1,347)	-35.3%
11-5116412-1 FICA AND MEDICARE	-	49,305	50,699	38,461	57,247	6,548	12.9%
11-5112412-1 RETIREMENT CONTRIBUTIONS	-	55,964	68,574	42,950	52,577	(15,997)	-23.3%
11-5128412-1 VISION INSURANCE	-	-	2,292	1,684	2,100	(192)	-8.4%
11-5122412-1 WORKERS COMPENSATION	-	12,692	-	-	-	-	-
11-5124412-1 LIFE INSURANCE	-	1,240	2,124	1,262	1,380	(744)	-35.0%
11-5126412-1 HEALTH INSURANCE	-	107,903	128,712	124,139	144,797	16,085	12.5%
11-5129412-1 DENTAL INSURANCE	-	9,330	10,092	8,234	11,232	1,140	11.3%
11-5132412-1 LONG TERM DISABILITY	-	1,691	1,764	1,704	1,860	96	5.4%
11-5801412-1 CERTIFICATIONS	-	960	4,830	-	4,960	130	2.7%
11-5500412-1 CONTRACTS	-	105,911	215,281	144,451	180,520	(34,761)	-16.1%
11-5350412-1 MEMBERSHIPS	-	1,327	2,635	1,703	2,900	265	10.1%
11-5450412-1 SUPPLIES	-	36,937	59,240	41,499	63,000	3,760	6.3%
11-5950412-1 OTHER EXPENSES	-	9,665	10,000	1,944	10,000	-	-
11-5420412-1 PERMITS AND FEES	-	2,103	2,800	-	2,100	(700)	-25.0%
11-5700412-1 REPAIRS AND MAINTENANCE	-	345,680	321,120	261,046	392,762	71,642	22.3%
11-5720412-1 TOOLS AND EQUIPMENT	-	10,155	25,000	18,827	32,300	7,300	29.2%
11-5152412-1 UNIFORM SERVICES	-	6,524	14,620	8,005	14,620	-	-
11-5650412-1 COVID-19 SUPPLIES	-	-	34,000	4,426	15,759	(18,241)	-53.7%
11-5800412-1 CONFERENCES AND MEETINGS	-	6,074	41,000	7,491	16,000	(25,000)	-61.0%
Total Expenses	\$ -	\$ 1,335,676	\$ 1,562,021	\$ 1,216,736	\$ 1,642,188	\$ 80,167	5.1%

Maintenance

MAINTENANCE BUDGET DETAIL

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5030412-1 SALARIES AND WAGES		\$ 546,118	\$ 615,401	\$ 69,283
11-5060412-1 BONUS, AWARDS, AND RECERTIFICATION		1,600	2,000	400
11-5080412-1 CALLOUT		1,000	1,500	500
11-5070412-1 OVERTIME		5,000	5,000	-
11-5090412-1 STANDBY PAY		3,820	2,473	(1,347)
11-0000412-1 TOTAL FRINGE BENEFITS		273,957	280,893	6,936
	Subtotal	\$ 831,495	\$ 907,267	\$ 75,772
11-5801412-1 CERTIFICATIONS				
	California Water Environment Association (CWEA) Allowance For Advancement (Certification Testing)	\$ 3,200	\$ 2,520	\$ (680)
	CWEA Maintenance Technician I (7)	360	840	480
	CWEA Electrical/Instrumentation Technician (4)	120	480	360
	AWWA/Ca AWWA	120	400	280
	State Water Resource Control Board (SWRCB) Operator III	300	300	-
	SWRCB Operator T3	170	190	20
	CWEA Electrical Instrumentation Supervisor	150	150	-
	SWRCB Operator D2	170	80	(90)
	CWEA Collection System Technician I (1)	120	-	(120)
	CWEA Maintenance Technician III (1)	120	-	(120)
	Subtotal	\$ 4,830	\$ 4,960	\$ 130

Maintenance

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5500412-1 CONTRACTS				
	Janitorial And Landscaping Services (Desert Arc)	\$ 60,000	\$ 65,000	\$ 5,000
	Central Square EAM Asset Management Lucy	17,500	30,000	12,500
	Boiler Maintenance Service Contract	14,000	14,000	-
	Trailer Rental	25,000	10,000	(15,000)
	Tree Trimming and Spraying	15,000	10,000	(5,000)
	Annual Fire Suppression Service for Sodium Hypochlorite Facility	8,000	8,000	-
	Geotab Electronic Logs Vehicles	-	8,000	8,000
	Offsite Restroom Rental (Diamond Environmental)	6,000	6,600	600
	Building Alarm Monitoring (Alliance)	5,000	5,500	500
	Parts, Washer Service, Light Bulb Disposal and Batteries (Safety Kleen)	5,000	5,000	-
	Annual AQMD Test (Western Pump)	3,500	3,500	-
	Annual Fire Extinguisher Service	2,800	3,080	280
	Pest Control Service for Building and Facilities (Rudy's Pest Control)	4,000	3,000	(1,000)
	Gantry Crane Service (Kono Crane)	2,500	2,500	-
	Fire Alarm Monitoring (Pyro Comm)	1,750	2,000	250
	Used Oil Filter Disposal (Safety Kleen)	1,050	2,000	950
	Miscellaneous Contractual Services	1,000	1,100	100
	Fuel Station monitoring	-	800	800
	Recycling (Desert Arc)	400	440	40
	COVID-19 Cubicle Rentals (ABM)	35,781	-	(35,781)
	My Safety Officer, Arc Flash & Confined Space Training	7,000	-	(7,000)
	Subtotal	\$ 215,281	\$ 180,520	\$ (34,761)
11-5350412-1 MEMBERSHIPS				
	California Water Environment Association (CWEA) Membership Renewal	\$ 1,760	\$ 1,937	\$ 177
	National Fire Protection Association (NFPA)	475	523	48
	Water Environmental Federation (WEF)	400	440	40
	Subtotal	\$ 2,635	\$ 2,900	\$ 265

Maintenance


General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5450412-1 SUPPLIES				
	Mats, Shop Towels, Etc. (Cintas)	\$ 20,240	\$ 22,500	\$ 2,260
	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	7,000	8,500	1,500
	First Aid	5,000	5,000	-
	Miscellaneous Supplies	2,500	2,500	-
	Subtotal	\$ 59,240	\$ 63,000	\$ 3,760
11-5950412-1 OTHER EXPENSES				
	Miscellaneous Expense Contingency Fund	\$ 10,000	\$ 10,000	\$ -
	Subtotal	\$ 10,000	\$ 10,000	\$ -
11-5420412-1 PERMITS AND FEES				
	Fire Department (Fuel Tank Permit)	\$ 2,800	\$ 2,100	\$ (700)
	Subtotal	\$ 2,800	\$ 2,100	\$ (700)
11-5700412-1 REPAIRS AND MAINTENANCE				
	Routine Miscellaneous Repairs and Maintenance Contingency	\$ 83,600	\$ 93,500	\$ 9,900
	Boiler Maintenance	30,000	30,000	-
	Plant structure painting	-	30,000	30,000
	General Facility Maintenance	27,000	27,000	-
	Rebuild Two (2) Primary Sludge Pumps	25,000	25,000	-
	Equipment Rentals	25,000	25,000	-
	Flare Parts	20,000	20,000	-
	Asphalt, concrete and rubble removal	-	20,000	20,000
	Belt Press Building Maintenance Parts	15,000	15,000	-
	Service Generators 2,3 & 4	15,000	15,000	-
	Dredge Panel and Spare Parts	14,000	14,000	-
	Vehicle Repairs and Smog Checks	8,000	8,800	800
	90 Day Bit Inspections	4,000	8,000	4,000
	Clean District Flooring	7,000	7,700	700
	Turblex Blower Parts	7,000	7,700	700
	Cat Tractor and Dump Truck Repairs	5,000	5,500	500
	Fleet Vehicle Operating Supplies	5,000	5,500	500
	Gas Detectors for Confined Space Entry	5,000	5,500	500
	Aerator Maintenance	5,000	5,000	-
	Safety Equipment for Confined Space Entry	4,100	4,100	-
	Arc Flash Safety Equipment	2,750	3,025	275
	Irrigation Repairs and Maintenance	3,000	3,000	-
	Road Base for All Dirt Roads Around Treatment Plant	3,000	3,000	-
	District camera replacement	-	3,000	3,000
	Replacement of Facilities Equipment	2,500	2,750	250
	Hose Replacement	2,100	2,310	210
	Replace Hose Reel Swivels	1,900	2,090	190
	Gallery Sump Pump Replacements	1,170	1,287	117
	Subtotal	\$ 321,120	\$ 392,762	\$ 71,642

Maintenance

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5720412-1 TOOLS AND EQUIPMENT				
	Safety Table Saw and Fabrication Tooling	\$ 12,500	\$ 18,550	\$ 6,050
	Miscellaneous Small Tool Acquisition and Replacement	12,500	13,750	1,250
	Subtotal	\$ 25,000	\$ 32,300	\$ 7,300
11-5152412-1 UNIFORM SERVICES				
	Uniforms Eight (8) Employees (Cintas)	\$ 7,820	\$ 7,820	\$ -
	VSD Uniform UV Exposure PPE	4,000	4,000	-
	Boots Eight (8) Employees	2,000	2,000	-
	Gloves Eight (8) Employees	800	800	-
	Subtotal	\$ 14,620	\$ 14,620	\$ -
11-5650412-1 COVID-19 SUPPLIES				
	Personal Protective Equipment (PPE)	\$ 14,000	\$ 10,000	\$ (4,000)
	COVID-19 Compliance Expenditures	20,000	5,759	(14,241)
	Subtotal	\$ 34,000	\$ 15,759	\$ (18,241)
11-5800412-1 CONFERENCES AND MEETINGS				
	Allowance for Eight (8) Employees	\$ 16,000	\$ 16,000	\$ -
	Safety Training	25,000	-	(25,000)
	Subtotal	\$ 41,000	\$ 16,000	\$ (25,000)
	Total Expenses	\$ 1,562,021	\$ 1,642,188	\$ 80,167



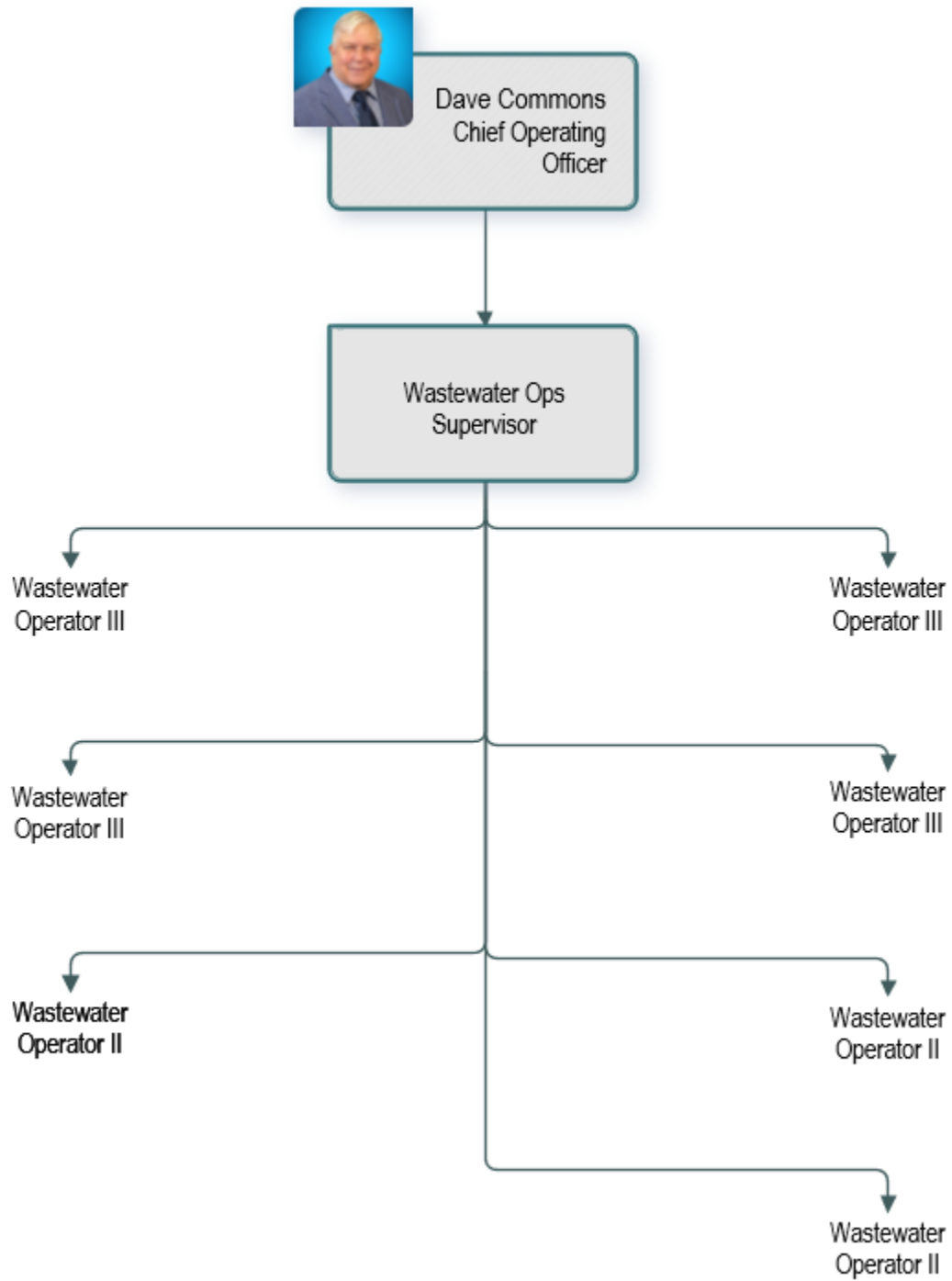
Ferric Chloride Tank



*"Treatment
Plant"*

Operations **7**

Operations



DESCRIPTION

Valley Sanitary District operates the Water Reclamation Facility to treat wastewater within its 19.5 square mile service area. The District complies with all local, state, and federal regulations and endeavors to develop and maintain a sustainable environmental process to safeguard public health and safety.

The Water Reclamation Facility treats approximately 5.5 – 6.5 million gallons per day (MGD) of wastewater. The wastewater is treated through one of two individual treatment processes:

- Activated sludge process
- Oxidation ponds

The activated sludge process treats most of the wastewater that enters the Water Reclamation Facility which is currently 5.5 - 6.5 million gallons each day. The activated sludge process currently has a maximum treatment capacity of 10 million gallons per day.

The oxidation ponds receive all waste solids and approximately 0.5 million gallons of wastewater each day. The maximum treatment capacity of the oxidation ponds is 2.5 MGD.

The two treatment processes combined give the Water Reclamation Facility a total treatment capacity of 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.

METRICS

CHEMICAL USE SODIUM HYPOCHLORITE

Month	CY19	CY20	CY21
Jan	8,914	7,130	10,916
Feb	8,339	8,231	9,507
Mar	7,901	9,322	16,640
Apr	8,008	13,479	13,405
May	11,517	16,278	11,872
Jun	11,301	16,792	14,613
Jul	14,328	13,383	11,564
Aug	10,619	15,777	13,488
Sep	13,813	13,172	14,561
Oct	11,646	9,604	9,459
Nov	11,780	14,078	10,838
Dec	9,564	11,146	12,799
Total	127,730	148,392	149,662

CHEMICAL USE SODIUM BISULFITE

Month	CY19	CY20	CY21
Jan	5,919	6,428	5,306
Feb	5,458	5,129	4,856
Mar	6,315	5,767	5,531
Apr	5,806	4,912	4,575
May	5,076	4,019	4,717
Jun	5,540	4,948	4,360
Jul	6,336	5,739	5,558
Aug	6,697	4,261	5,795
Sep	5,328	5,213	5,521
Oct	4,655	5,528	6,031
Nov	5,353	4,930	5,786
Dec	5,771	5,622	5,502
Total	68,254	62,496	63,538

BIOSOLIDS TRANSPORT SUMMARY (METRIC TONS)

Month	CY2020	CY2021	CY2022
Jan		89.19	24.38
Feb		88.02	47.61
Mar		112.20	23.81
Apr		95.34	71.11
May		90.25	
Jun		108.11	
Jul		90.30	
Aug	16.09	90.38	
Sept	101.81	118.82	
Oct	98.04	91.81	
Nov	68.51	95.00	
Dec	65.98	65.19	
Total	350.43	1,134.61	166.91

FISCAL YEAR 2021/22 ACCOMPLISHMENTS

Retired the North Cell.

Piloted an ammonia study to determine if 3.0 P.P.M could be achieved.

Completed aeration basin #4 pilot study.

No longer discharging from ponds.

Installed scale for biosolids.

FISCAL YEAR 2022/23 GOALS

STRATEGIC PLAN

- Strategic Goal 1: Fully staffed with a highly trained and motivated team

GOALS

- 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 Water Reclamation Facility upgrades.

PERSONNEL SUMMARY

FY23 Physical Count	Classification	FY22 Base FTEs	FY23 Base FTEs	Variance
1	Chief Operating Officer	0.00	1.00	1.00
0	Facility Operation Manager	1.00	0.00	(1.00)
0	Wastewater Operator-In-Training	3.00	0.00	(3.00)
0	Wastewater Operator I	1.00	0.00	(1.00)
3	Wastewater Operator II	1.00	3.00	2.00
4	Wastewater Operator III	2.00	4.00	2.00
1	Wastewater Operations Supervisor	1.00	1.00	0.00
9	Total FTEs	9.00	9.00	0.00

Operations

EXPENSE BUDGET SUMMARY

General Ledger Code	FY20 Actual	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percent Change
11-7010000-0 DEPRECIATION & AMORTIZATION	\$ 1,863,315	\$ -	\$ -	\$ -	\$ -	\$ -	-
11-5030411-1 SALARIES AND WAGES	852,318	785,754	737,785	692,890	858,046	120,261	16.3%
11-5060411-1 BONUS, AWARDS, AND RECERTIFICATION	-	-	1,800	2,077	2,250	450	25.0%
11-5080411-1 CALLOUT	9,008	3,278	6,000	2,886	6,500	500	8.3%
11-5110411-1 LONGEVITY	15,416	14,862	16,900	14,262	15,800	(1,100)	-6.5%
11-5070411-1 OVERTIME	18,839	13,491	18,000	13,432	18,000	-	-
11-5090411-1 STANDBY PAY	18,225	15,077	15,270	15,048	18,135	2,865	18.8%
11-5116411-1 FICA AND MEDICARE	66,323	60,173	63,660	58,906	82,686	19,026	29.9%
11-5112411-1 RETIREMENT CONTRIBUTIONS	259,990	376,559	89,387	76,156	89,785	398	0.4%
11-5128411-1 VISION INSURANCE	-	-	2,712	1,628	1,704	(1,008)	-37.2%
11-5122411-1 WORKERS' COMPENSATION	21,850	16,494	-	-	-	-	-
11-5124411-1 LIFE INSURANCE	1,499	1,482	1,680	1,641	1,584	(96)	-5.7%
11-5126411-1 HEALTH INSURANCE	109,640	84,942	114,789	125,869	146,475	31,686	27.6%
11-5129411-1 DENTAL INSURANCE	5,597	6,787	7,620	8,020	8,532	912	12.0%
11-5132411-1 LONG TERM DISABILITY	3,282	2,165	2,468	2,464	2,484	16	0.6%
11-5801411-1 CERTIFICATIONS	758	471	7,185	2,597	8,780	1,595	22.2%
11-5470411-1 CHEMICALS	385,206	407,342	464,521	424,324	529,620	65,099	14.0%
11-5500411-1 CONTRACTS	107,663	131,868	301,723	136,562	370,122	68,399	22.7%
11-5250411-1 GAS OIL AND FUEL	29,179	34,094	52,000	43,782	58,000	6,000	11.5%
11-5350411-1 MEMBERSHIPS	3,112	1,152	2,500	977	2,900	400	16.0%
11-5450411-1 SUPPLIES	81,778	115,608	113,600	79,745	122,500	8,900	7.8%
11-5950411-1 OTHER EXPENSES	5,677	28,692	20,000	9,574	20,000	-	-
11-5420411-1 PERMITS AND FEES	61,912	14,650	69,750	6,521	77,025	7,275	10.4%
11-5700411-1 REPAIRS AND MAINTENANCE	58,759	78,498	115,015	45,508	64,000	(51,015)	-44.4%
11-5720411-1 TOOLS AND EQUIPMENT	236	273	1,000	1,342	1,000	-	-
11-5152411-1 UNIFORM SERVICES	9,368	7,512	10,400	9,832	15,200	4,800	46.2%
11-5902411-1 ELECTRICITY	557,553	591,519	783,988	742,914	720,000	(63,988)	-8.2%
11-5903411-1 NATURAL GAS	2,926	3,886	6,000	5,237	7,000	1,000	16.7%
11-5904411-1 GRIT AND SCREENING REMOVAL	30,681	28,502	31,865	26,821	40,000	8,135	25.5%
11-5905411-1 WATER	13,427	12,846	20,858	19,469	20,000	(858)	-4.1%
11-5800411-1 CONFERENCES AND MEETINGS	21,501	7,718	26,500	4,562	18,800	(7,700)	-29.1%
Total Expenses	\$ 4,615,036	\$ 2,845,694	\$ 3,104,976	\$ 2,575,046	\$ 3,326,928	\$ 221,952	7.1%

OPERATIONS BUDGET DETAIL

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5030411-1 SALARIES AND WAGES		\$ 737,785	\$ 858,046	\$ 120,261
11-5060411-1 BONUS, AWARDS, AND RECERTIFICATION		1,800	2,250	450
11-5080411-1 CALLOUT		6,000	6,500	500
11-5070411-1 OVERTIME		18,000	18,000	-
11-5090411-1 STANDBY PAY		15,270	18,135	2,865
11-0000411-1 TOTAL FRINGE BENEFITS		299,216	349,050	49,834
	Subtotal	\$ 1,078,071	\$ 1,251,981	\$ 173,910
11-5801411-1 CERTIFICATIONS				
	Allowance for Advancement (Certification Testing)	\$ 2,515	\$ 2,800	\$ 285
	State Water Resource Control Board (SWRCB) Certification Application	1,920	2,200	280
	California Water Environment Association (CWEA) Technical Certification (Test)	1,800	2,000	200
	SWRCB Operator III (Renewal)	300	600	300
	CWEA Technical Certification (Renewal)	500	500	-
	SWRCB Operator II (Renewal)	150	450	300
	SWRCB Operator V (Renewal)	-	110	110
	Distribution II		60	60
	Treatment II	-	60	60
	Subtotal	\$ 7,185	\$ 8,780	\$ 1,595
11-5470411-1 CHEMICALS				
	Sodium Hypochlorite (Univar)	\$ 279,217	\$ 307,200	\$ 27,983
	Sodium Bisulfite (Univar)	114,231	126,000	11,769
	Ferric Chloride (Univar)	66,073	90,920	24,847
	Calcium Hypochlorite (Foster Gardner)	5,000	5,500	500
	Subtotal	\$ 464,521	\$ 529,620	\$ 65,099

Operations

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5500411-1 CONTRACTS				
	Sludge Disposal And Transportation	\$ 90,000	\$ 200,000	\$ 110,000
	Trimax Treatment Plant Upgrades for SCADA System	45,000	45,000	-
	Temporary Help Service	36,000	36,000	-
	Piping and Instrumentation Diagram Drawing Updates	32,000	35,500	3,500
	Contractor Contingency	50,000	21,122	(28,878)
	IT Upgrades	15,000	16,500	1,500
	Switchboard "S" Cleaning and Testing	10,000	10,000	-
	MCR Technologies - Annual Calibrations	5,000	6,000	1,000
	Cell Phones-Five (5) Employees (Verizon Wireless)	3,750	-	(3,750)
	Trimax PLC Upgrades	14,973	-	(14,973)
	Subtotal	\$ 301,723	\$ 370,122	\$ 68,399
11-5250411-1 GAS OIL AND FUEL				
	Gas and Oil for District Vehicles (SC Fuels)	\$ 52,000	\$ 58,000	\$ 6,000
	Subtotal	\$ 52,000	\$ 58,000	\$ 6,000
11-5350411-1 MEMBERSHIPS				
	California Water Environment Association (CWEA) Membership Renewal	\$ 2,100	\$ 2,100	\$ -
	Water Environment Federation	400	800	400
	Subtotal	\$ 2,500	\$ 2,900	\$ 400
11-5450411-1 SUPPLIES				
	Polymer for Belt Press 18 Totes at \$3,700 per Tote (Polydyne)	\$ 66,600	\$ 74,000	\$ 7,400
	Miscellaneous Operating Supplies Including Reagents for Chlorination and Dichlorination Analyzers	20,000	20,000	-
	Four (4) Belts for Belt Press at \$3,750 per Belt	15,000	16,500	1,500
	Miscellaneous Small Tools, Torches, Pliers, Small Air Pumps, Etc.	7,000	7,000	-
	Lock Out/Tag Out Supplies	3,000	3,000	-
	Student Materials for Distribution for Public Relations Efforts	2,000	2,000	-
	Subtotal	\$ 113,600	\$ 122,500	\$ 8,900

Operations

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5950411-1 OTHER EXPENSES				
	Miscellaneous Expense Contingency Fund	\$ 20,000	\$ 20,000	\$ -
	Subtotal	\$ 20,000	\$ 20,000	\$ -
11-5420411-1 PERMITS AND FEES				
	Annual NPDES Permit Fee (SWRCB)	\$ 47,000	\$ 52,000	\$ 5,000
	South Coast Air Quality Management District (SCAQMD) Facility Permits	15,500	17,000	1,500
	Dept of Environmental Health	3,500	3,900	400
	Fire Service Permit (City of Indio)	2,000	2,200	200
	Alarm System Permit (City of Indio)	500	550	50
	Occupational Lead Poisoning Prevention/Toxic Substance	500	550	50
	Miscellaneous	500	550	50
	Hot Spot Program (SCAQMD)	250	275	25
	Subtotal	\$ 69,750	\$ 77,025	\$ 7,275
11-5700411-1 REPAIRS AND MAINTENANCE				
	Contingency	\$ 35,000	\$ 35,000	\$ -
	Iron Sponge Media and Nets	18,500	21,000	2,500
	Analyzer Parts	7,500	8,000	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)
	Clarifier Density Meter	4,800	-	(4,800)
	Mag-Flow Meter for the Belt Press	4,700	-	(4,700)
	Bar Screen Panel Upgrades	2,500	-	(2,500)
	Subtotal	\$ 115,015	\$ 64,000	\$ (51,015)
11-5720411-1 TOOLS AND EQUIPMENT				
	Miscellaneous Small Tool Acquisition and Replacement	\$ 1,000	\$ 1,000	\$ -
	Subtotal	\$ 1,000	\$ 1,000	\$ -

Operations

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5152411-1 UNIFORM SERVICES				
	Uniforms Nine (9) Employees	\$ 6,500	\$ 7,000	\$ 500
	Boots Nine (9) Employees	3,000	3,200	200
	Hats	-	4,000	4,000
	Gloves, Ear Plugs, Safety Items Nine (9) Employees	900	1,000	100
	Subtotal	\$ 10,400	\$ 15,200	\$ 4,800
11-5902411-1 ELECTRICITY				
	Imperial Irrigation District (IID)	\$ 644,521	\$ 580,533	\$ (63,988)
	Tesla PPA	139,467	139,467	-
	Subtotal	\$ 783,988	\$ 720,000	\$ (63,988)
11-5903411-1 NATURAL GAS				
	Natural Gas Usage for the Administration, Laboratory, Operations Buildings and Digester Boiler (SoCalGas)	\$ 6,000	\$ 7,000	\$ 1,000
	Subtotal	\$ 6,000	\$ 7,000	\$ 1,000
11-5904411-1 GRIT AND SCREENING REMOVAL				
	Screenings and Grit Hauling to Lambs Canyon, California (Burrtec)	\$ 31,865	\$ 40,000	\$ 8,135
	Subtotal	\$ 31,865	\$ 40,000	\$ 8,135
11-5905411-1 WATER				
	Potable Water (Indio Water Authority)	\$ 20,858	\$ 20,000	\$ (858)
	Subtotal	\$ 20,858	\$ 20,000	\$ (858)
11-5800411-1 CONFERENCES AND MEETINGS				
	Conferences, Training Seminars, Lodging and Related Expenses	\$ 13,500	\$ 14,900	\$ 1,400
	National Fire Protection Agency (NFPA) and NEC Training	3,500	3,900	400
	Safety Training	9,500	-	(9,500)
	Subtotal	\$ 26,500	\$ 18,800	\$ (7,700)
	Total Expenses	\$ 3,104,976	\$ 3,326,928	\$ 221,952



1909 School House

*"New Training
and
Office Building"*



Capital Budget

8

CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program (CIP) is a separate twenty-year planning document that details planned capital expenditures. The capital projects include rehabilitation and replacement of infrastructure and equipment, as well as large construction projects including Recycled Water Project Phase 1 Design-Build, Office and Training Building, and Sewer Main Rehabilitation or Replacement Construction. The CIP aligns capital projects to various funding sources and the projected timeframe of when the work will take place. For some of the larger projects that require financing the financial impact can span over twenty to thirty years.

PRIORITIZATION OF CAPITAL IMPROVEMENT PROJECTS

The District has developed a capital planning process that optimizes the use of available resources for projects competing from the same fund or multiple fund sources. The department heads or designees develop a needs list, including a scope of work and submit the information to the District Engineer. The District Engineer develops capital projects based on the needs list. The District's management team then reviews and scores each project using a capital project ranking scorecard that prioritizes projects based on specific criteria and scoring weights.

CRITERIA

- Risk to Health, Safety, and Environment, and Regulatory or Mandated Requirements 25%
- Asset Condition, Annual Recurring Costs, and Asset Longevity 20%
- Community Investment and Economic Prosperity 20%
- Level and Quality of Service 10%
- Sustainability and Conservation 10%
- Funding Availability 5%
- Project Readiness 10%

Once the projects are scored, the District Engineer implements the projects into the twenty-year capital improvement program for the Board of Directors to review and approve.

CIP BUDGET OVERVIEW

The capital budget incorporates key projects to further advance the District's Capital Improvement Program (CIP). There are 18 capital projects requested in the fiscal year 2022/23 for a total of \$33,195,663. The capital budget for the fiscal year 2022/23 includes the Recycled Water Project Phase I, Influent Pump Station Rehabilitation project, and Collection System Sewer Main Rehabilitation and Replacement Program. These projects are intended to maintain, repair, and expand infrastructure.

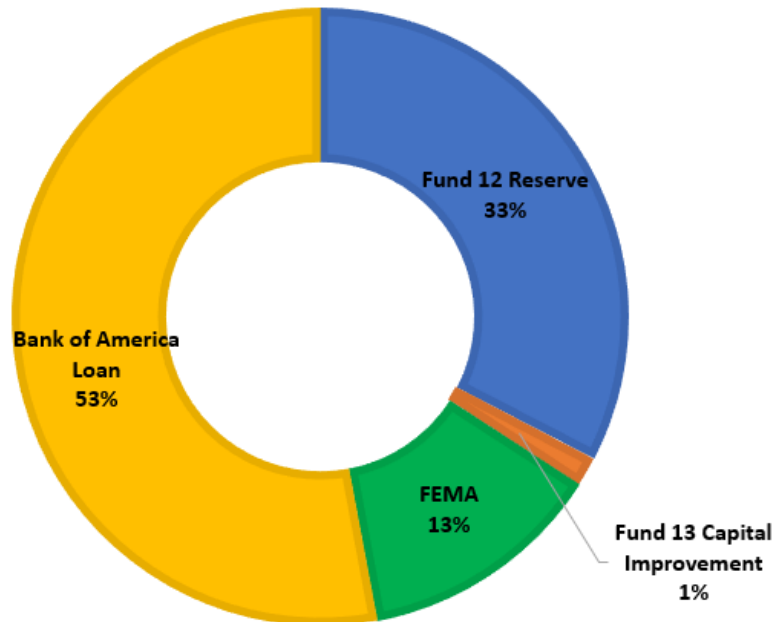
System	Recurring Project	Project Number	Project	Fund 12	Fund 13	FEMA	B of A Loan	Total
Plant Facility	✓	21-0001	Vehicle and Equipment Replacement Fund	\$ 760,000	\$ -	\$ -	\$ -	\$ 760,000
Sewage Collection	✓	21-0002	Lateral Grant Program	50,000	-	-	-	50,000
Sewage Collection	✓	21-0003	Sewer Emergency Repairs	115,000	-	-	-	115,000
Sewage Collection	✓	21-0004	Contingency for Emergency Repairs	100,000	-	-	-	100,000
Sewage Collection		21-0005	Sewer Main Rehabilitation or Replacement Design	1,228,340	-	-	-	1,228,340
Sewage Collection		21-0006	Sewer Main Rehabilitation or Replacement Const.	3,666,667	-	-	-	3,666,667
Plant Facility		21-0007	Recycled Water Project Phase 1	-	-	-	17,763,656	17,763,656
Sewage Collection		21-0008	Emergency Sewer Siphon Replacement Design/CM	95,700	-	542,300	-	638,000
Sewage Collection		21-0009	Emergency Sewer Siphon Replacement Const.	669,600	-	3,794,400	-	4,464,000
Plant Facility		21-0010	Influent Pump Station Rehabilitation Project	3,300,000	-	-	-	3,300,000
Plant Facility		21-0013	Laboratory Information Management System (LIMS)	-	70,000	-	-	70,000
Plant Facility		23-0001	Asphalt Repairs Treatment Plant	50,000	-	-	-	50,000
Plant Facility		23-0002	Concrete Repairs to ASP Plant	50,000	-	-	-	50,000
Plant Facility		23-0003	Electrical Control Panel Replacements Blower Building	120,000	-	-	-	120,000
Plant Facility		23-0004	New Office Building for Belt Filter Press	-	20,000	-	-	20,000
Plant Facility		23-0005	Trimax PLC Upgrades SCADA	-	120,000	-	-	120,000
Plant Facility		23-0006	Water Reclamation Facility Master Plan	300,000	300,000	-	-	600,000
Plant Facility		23-0007	12.5 Ton Air Conditioner, Blower Building	30,000	-	-	-	30,000
Plant Facility		23-0008	Steel Waterline Replacement Phase 2	350,000	-	-	-	350,000
Sewage Collection		23-0009	Replacement of Calhoun Lift Station Pumps (2)	50,000	-	-	-	50,000
Total				\$ 10,935,307	\$ 510,000	\$ 4,336,700	\$ 17,763,656	\$ 33,545,663

FUNDING SUMMARY

Funding for the planned capital improvement projects is provided through four (4) funding sources. Most of the funding (approximately 53.5% or \$17.8M) will come from issued debt issued through Bank of America for the Recycled Water Project Phase 1 Design-Build. The District will also use Federal Emergency Management Agency (FEMA) funding of 13.1% or \$4.3M for the Emergency Sewer Siphon Replacement Design and Construction. All other projects will be funded using the District's Capital Improvement Fund 13 and Replacement Fund 12.

Funding Source	FY23 Budget
Fund 12 Reserve	\$ 10,935,307
Fund 13 Capital Improvement	510,000
FEMA	4,336,700
Bank of America Loan	17,763,656
Total Funds Requested	\$ 33,545,663

CAPITAL FUNDING SUMMARY BY SOURCE



TWENTY YEAR CAPITAL IMPROVEMENT PROGRAM

The following table lists all capital projects included in the fiscal year 2022-2042 CIP by the system.

Project Description	2021/22	2022/23	2023/24	2024/25	2025/26
PLANT FACILITY					
Recycled Water Project Phase 1 Design Build	\$ 8,007,676	\$ 17,763,656	\$ 32,214,017	\$ 11,954,246	\$ -
Recycled Water Project Phase 2 Design Build	-	-	-	4,952,347	20,403,670
Recycled Water Project Phase 3 Design	-	-	-	-	10,456,564
Recycled Water Project Phase 3 Construction	-	-	-	-	-
Future Plant Expansion 2040 & beyond	-	-	-	-	-
Influent Pump Station Rehabilitation Design Build	1,000,000	3,300,000	-	-	-
New Office Building for Belt Filter Press	-	20,000	-	-	-
Laboratory Building - Final Design	-	-	1,000,000	-	-
Laboratory Building - Construction	-	-	-	4,000,000	3,000,000
Training & Office Building - Design (Carry Over)	-	-	1,000,000	-	-
Training & Office Building - Construction	-	-	-	5,000,000	4,000,000
Master Plan	-	600,000	-	-	-
Steel Waterline Replacement	-	350,000	-	-	-
12.5 Ton Air conditioner, Blower Building	-	30,000	-	-	-
Electrical Control Panel Replacements Blower Building	-	120,000	-	-	-
Vehicle & Major Equipment Replacement Fund	740,000	760,000	760,000	760,000	760,000
Laboratory Information Management System (LIMS)	-	70,000	-	-	-
Treatment Plant Asphalt Repair	-	50,000	-	-	-
ASP Concrete Repair	-	50,000	-	-	-
Additional Parking & Landscaping	-	-	-	500,000	-
SCADA	-	120,000	-	-	-
SUBTOTAL - PLANT	\$ 9,747,676	\$ 23,233,656	\$ 34,974,017	\$ 27,166,593	\$ 38,620,234
SEWAGE COLLECTION					
Lateral Grant Program	\$ 50,000	\$ 50,000	\$ 51,000	\$ 52,020	\$ 53,060
Sewer Main Rehabilitation or Replacement Design	700,000	1,228,340	1,468,000	1,191,667	1,272,570
Sewer Main Rehabilitation or Replacement Const.	2,200,000	3,666,667	5,433,333	6,250,000	5,973,890
Manhole Rehabilitation	-	-	-	-	-
Replacement of Calhoun Lift Station Pumps (2)	-	50,000	-	-	-
Sewer Main Emergency Repairs	115,000	115,000	118,450	122,004	125,664
Avenue 48 Sewer Main Upgrade Design	-	-	-	-	-
Avenue 48 Sewer Main Upgrade Construction	-	-	-	-	-
Interim Collection System CIP Design	-	-	-	-	-
Interim Collection System CIP Construction	-	-	-	-	-
Build-out Collection System CIP projects	-	-	-	-	-
Emergency Sewer Siphon Replacement Design	320,258	638,000	-	-	-
Emergency Sewer Siphon Replacement Const.	-	4,464,000	-	-	-
SUBTOTAL - COLLECTIONS	\$ 3,385,258	\$ 10,212,007	\$ 7,070,783	\$ 7,615,691	\$ 7,425,184
CONTINGENCY	\$ 100,000	\$ 100,000	\$ 102,000	\$ 104,040	\$ 106,121
TOTAL	\$ 13,232,934	\$ 33,545,663	\$ 42,146,800	\$ 34,886,324	\$ 46,151,539

Capital Improvement

Project Description	2026/27	2027/28	2028/29	2029/30	2030/31
PLANT FACILITY					
Recycled Water Project Phase 1 Design Build	\$ -	\$ -	\$ -	\$ -	\$ -
Recycled Water Project Phase 2 Design Build	-	-	-	-	-
Recycled Water Project Phase 3 Design	-	-	-	-	-
Recycled Water Project Phase 3 Construction	35,005,414	36,055,577	-	-	-
Future Plant Expansion 2040 & beyond	-	-	-	-	-
Influent Pump Station Rehabilitation Design Build	-	-	-	-	-
New Office Building for Belt Filter Press	-	-	-	-	-
Laboratory Building - Final Design	-	-	-	-	-
Laboratory Building - Construction	-	-	-	-	-
Training & Office Building - Design (Carry Over)	-	-	-	-	-
Training & Office Building - Construction	-	-	-	-	-
Master Plan	-	-	-	-	-
Steel Waterline Replacement					
12.5 Ton Air conditioner, Blower Building	-	-	-	-	-
Electrical Control Panel Replacements Blower Building	-	-	-	-	-
Vehicle & Major Equipment Replacement Fund	760,000	760,000	760,000	760,000	760,000
Laboratory Information Management System (LIMS)	-	-	-	-	-
Treatment Plant Asphalt Repair	-	-	-	-	-
ASP Concrete Repair	-	-	-	-	-
Additional Parking & Landscaping	-	-	-	-	-
SCADA	-	-	-	-	-
SUBTOTAL - PLANT	\$ 35,765,414	\$ 36,815,577	\$ 760,000	\$ 760,000	\$ 760,000
SEWAGE COLLECTION					
Lateral Grant Program	\$ 54,121	\$ 55,203	\$ 56,307	\$ 57,433	\$ 58,582
Sewer Main Rehabilitation or Replacement Design	1,027,430	782,280	537,130	537,130	291,990
Sewer Main Rehabilitation or Replacement Const.	4,989,490	4,005,080	3,020,670	2,036,260	1,051,850
Manhole Rehabilitation	-	-	-	-	-
Replacement of Calhoun Lift Station Pumps (2)	-	-	-	-	-
Sewer Main Emergency Repairs	129,434	133,317	137,317	141,437	145,680
Avenue 48 Sewer Main Upgrade Design	-	-	-	-	-
Avenue 48 Sewer Main Upgrade Construction	-	-	-	-	-
Interim Collection System CIP Design	-	-	-	-	-
Interim Collection System CIP Construction	-	-	-	-	-
Build-out Collection System CIP projects	-	-	-	-	-
Emergency Sewer Siphon Replacement Design	-	-	-	-	-
Emergency Sewer Siphon Replacement Const.	-	-	-	-	-
SUBTOTAL - COLLECTIONS	\$ 6,200,475	\$ 4,975,880	\$ 3,751,424	\$ 2,772,260	\$ 1,548,102
CONTINGENCY	\$ 108,243	\$ 110,408	\$ 112,616	\$ 114,868	\$ 117,165
TOTAL	\$ 42,074,132	\$ 41,901,865	\$ 4,624,040	\$ 3,647,128	\$ 2,425,267

Capital Improvement

Project Description	2031/32	2032/33	2033/34	2034/35	2035/36
PLANT FACILITY					
Recycled Water Project Phase 1 Design Build	\$ -	\$ -	\$ -	\$ -	\$ -
Recycled Water Project Phase 2 Design Build	-	-	-	-	-
Recycled Water Project Phase 3 Design	-	-	-	-	-
Recycled Water Project Phase 3 Construction	-	-	-	-	-
Future Plant Expansion 2040 & beyond	-	-	-	-	-
Influent Pump Station Rehabilitation Design Build	-	-	-	-	-
New Office Building for Belt Filter Press	-	-	-	-	-
Laboratory Building - Final Design	-	-	-	-	-
Laboratory Building - Construction	-	-	-	-	-
Training & Office Building - Design (Carry Over)	-	-	-	-	-
Training & Office Building - Construction	-	-	-	-	-
Master Plan	-	-	-	-	-
Steel Waterline Replacement					
12.5 Ton Air conditioner, Blower Building	-	-	-	-	-
Electrical Control Panel Replacements Blower Building	-	-	-	-	-
Vehicle & Major Equipment Replacement Fund	760,000	760,000	760,000	760,000	760,000
Laboratory Information Management System (LIMS)	-	-	-	-	-
Treatment Plant Asphalt Repair	-	-	-	-	-
ASP Concrete Repair	-	-	-	-	-
Additional Parking & Landscaping	-	-	-	-	-
SCADA	-	-	-	-	-
SUBTOTAL - PLANT	\$ 760,000	\$ 760,000	\$ 760,000	\$ 760,000	\$ 760,000
SEWAGE COLLECTION					
Lateral Grant Program	\$ 59,754	\$ 60,949	\$ 62,168	\$ 63,411	\$ 64,679
Sewer Main Rehabilitation or Replacement Design	-	-	-	-	-
Sewer Main Rehabilitation or Replacement Const.	-	-	-	-	-
Manhole Rehabilitation	150,000	154,500	159,135	163,909	168,826
Replacement of Calhoun Lift Station Pumps (2)	-	-	-	-	-
Sewer Main Emergency Repairs	150,050	154,552	159,189	163,965	168,884
Avenue 48 Sewer Main Upgrade Design	248,455	-	-	-	-
Avenue 48 Sewer Main Upgrade Construction	-	2,387,715	-	-	-
Interim Collection System CIP Design	-	-	302,856	-	-
Interim Collection System CIP Construction	-	-	-	2,912,776	-
Build-out Collection System CIP projects	-	-	-	-	7,020,147
Emergency Sewer Siphon Replacement Design	-	-	-	-	-
Emergency Sewer Siphon Replacement Const.	-	-	-	-	-
SUBTOTAL - COLLECTIONS	\$ 608,259	\$ 2,757,716	\$ 683,348	\$ 3,304,061	\$ 7,422,536
CONTINGENCY	\$ 119,508	\$ 121,898	\$ 124,336	\$ 126,823	\$ 129,359
TOTAL	\$ 1,487,767	\$ 3,639,614	\$ 1,567,684	\$ 4,190,884	\$ 8,311,895

Capital Improvement

Project Description	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42
PLANT FACILITY						
Recycled Water Project Phase 1 Design Build	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Recycled Water Project Phase 2 Design Build	-	-	-	-	-	-
Recycled Water Project Phase 3 Design	-	-	-	-	-	-
Recycled Water Project Phase 3 Construction	-	-	-	-	-	-
Future Plant Expansion 2040 & beyond	-	-	-	-	-	146,981,233
Influent Pump Station Rehabilitation Design Build	-	-	-	-	-	-
New Office Building for Belt Filter Press	-	-	-	-	-	-
Laboratory Building - Final Design	-	-	-	-	-	-
Laboratory Building - Construction	-	-	-	-	-	-
Training & Office Building - Design (Carry Over)	-	-	-	-	-	-
Training & Office Building - Construction	-	-	-	-	-	-
Master Plan	-	-	-	-	-	-
Steel Waterline Replacement						
12.5 Ton Air conditioner, Blower Building	-	-	-	-	-	-
Electrical Control Panel Replacements Blower Building	-	-	-	-	-	-
Vehicle & Major Equipment Replacement Fund	760,000	760,000	760,000	760,000	760,000	760,000
Laboratory Information Management System (LIMS)	-	-	-	-	-	-
Treatment Plant Asphalt Repair	-	-	-	-	-	-
ASP Concrete Repair	-	-	-	-	-	-
Additional Parking & Landscaping	-	-	-	-	-	-
SCADA	-	-	-	-	-	-
SUBTOTAL - PLANT	\$ 760,000	\$ 760,000	\$ 760,000	\$ 760,000	\$ 760,000	\$ 147,741,233
SEWAGE COLLECTION						
Lateral Grant Program	\$ 65,973	\$ 67,292	\$ 68,638	\$ 70,011	\$ 71,411	\$ -
Sewer Main Rehabilitation or Replacement Design	-	-	-	-	-	-
Sewer Main Rehabilitation or Replacement Const.	-	-	-	-	-	-
Manhole Rehabilitation	173,891	179,108	184,481	190,015	195,715	-
Replacement of Calhoun Lift Station Pumps (2)	-	-	-	-	-	-
Sewer Main Emergency Repairs	173,951	179,170	184,545	190,081	195,783	-
Avenue 48 Sewer Main Upgrade Design	-	-	-	-	-	-
Avenue 48 Sewer Main Upgrade Construction	-	-	-	-	-	-
Interim Collection System CIP Design	-	-	-	-	-	-
Interim Collection System CIP Construction	-	-	-	-	-	-
Build-out Collection System CIP projects	-	-	-	-	-	-
Emergency Sewer Siphon Replacement Design	-	-	-	-	-	-
Emergency Sewer Siphon Replacement Const.	-	-	-	-	-	-
SUBTOTAL - COLLECTIONS	\$ 413,815	\$ 425,570	\$ 437,664	\$ 450,107	\$ 462,909	\$ -
CONTINGENCY	\$ 131,946	\$ 134,585	\$ 137,277	\$ 140,023	\$ 142,823	\$ 142,823
TOTAL	\$ 1,305,761	\$ 1,320,155	\$ 1,334,941	\$ 1,350,130	\$ 1,365,732	\$ 147,884,056



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0001 Recurring Project

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 twenty 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
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8660000-0	2022/23	\$ 760,000
Total			\$ 760,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0002 Recurring Project

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
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8632000-0	2022/23	\$ 50,000
Total			\$ 50,000



FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification

Project Number: 21-0003 Recurring Project

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 sink holes 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
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8632000-0	2022/23	\$ 115,000
Total			\$ 115,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0004 Recurring Project

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
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8632000-0	2022/23	\$ 50,000
12 Replacement Fund	12-8660000-0	2022/23	\$ 25,000
12 Replacement Fund	12-8680000-0	2022/23	\$ 25,000
Total			\$ 100,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0005

Project Name: Sewer Main Rehabilitation or 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
Jul-21	Jun-26

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8632000-0	2022/23	\$ 1,228,340
Total			\$ 1,228,340



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0006

Project Name: Sewer Main Rehabilitation or Replacement Const.

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
Jul-21	Jun-26

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8632000-0	2022/23	\$ 3,666,667
Total			\$ 3,666,667



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0007

Project Name: Recycled Water Project Phase 1

Category: Infrastructure – Treatment Plant

Sub-Category: Expansion

Project Description: Reclaimed Water Project Phase 1 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
Jul-20	Dec-25

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
Bank of America Loan	12-8642000-0	2022/23	\$ 17,763,656
Total			\$ 17,763,656



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0008

Project Name: Emergency Sewer Siphon Replacement Design/CM

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
Feb-19	Dec-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8632000-0	2022/23	\$ 95,700
FEMA	12-8632000-0	2022/23	\$ 542,300
Total			\$ 638,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0009

Project Name: Emergency Sewer Siphon Replacement 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
Feb-19	Dec-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8632000-0	2022/23	\$ 669,600
FEMA	12-8632000-0	2022/23	\$ 3,794,400
Total			\$ 4,464,000



**FY 2022/23 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 it's 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
Jul-20	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8642000-0	2022/23	\$ 3,300,000
Total			\$ 3,300,000



**FY 2022/23 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
Jul-21	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
13 Capital Improvement	13-8643000-0	2022/23	\$ 70,000
Total			\$ 70,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 23-0001

Project Name: Asphalt Repairs - Treatment Plant

Category: Improvements-General

Sub-Category: Rehabilitation/Improvement

Project Description: Seal and repair damaged asphalt in the treatment plant.

Project Justification: Wear and tear on asphalt can be caused by many things such as for overweight trucks, constant vehicle traffic, water, and age. As time goes by, the structural integrity of asphalt can weaken and fail – even without water or mechanical forces acting upon it. Crack sealing can help increase the life of the asphalt pavement by sealing small cracks that will allow water to seep and cause structural failure.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8660000-0	2022/23	\$ 50,000
Total			\$ 50,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 23-0002

Project Name: Concrete Repairs to ASP Plant

Category: Improvements-General

Sub-Category: Rehabilitation/Improvement

Project Description: Repair broken and damaged concrete on ASP plant basins and related tanks.

Project Justification: Concrete repair is the process of fixing a hardened concrete surface that over time has lost the ability to hold the binding concrete materials together due to damage or environmental exposure.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-866000-00	2022/23	\$ 50,000
Total			\$ 50,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 23-0003

Project Name: Electrical Control Panel Replacements Blower Building

Category: Infrastructure – Treatment Plant

Sub-Category:

Project Description: Replacement of the Master Control Panel (MCP) and three (3) Local Control Panels (LCP) in the Blower Building.

Project Justification: The panels have met their useful life and must be replaced.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8642000-0	2022/23	\$ 120,000
Total			\$ 120,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 23-0004

Project Name: New Office Building for Belt Filter Press

Category: Buildings – Modular

Sub-Category: Upgrade

Project Description: New office building for belt filter press work area.

Project Justification: The new office building will provide a better work environment for the belt filter press operator as well as protect office equipment.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-866000-0	2022/23	\$ 20,000
Total			\$ 20,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 23-0005

Project Name: Trimax PLC Upgrades SCADA

Category: Software

Sub-Category: Upgrade

Project Description: Upgrade and improve the SCADA system for the Treatment Plant

Project Justification: The SCADA system needs upgrades and improvements to better allow employees to operate the treatment plant remotely.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
13 Capital Improvement	13-8643000-0	2022/23	\$ 120,000
Total			\$ 120,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 23-0006

Project Name: Water Reclamation Facility Master Plan

Category: Improvements General

Sub-Category: Study

Project Description: Review and revise the facilities master plan.

Project Justification: A facilities master plan establishes a framework for orderly growth and development of capital improvements on campus.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Reserve Fund	12-8660000-0	2022/23	\$ 300,000
13 Capital Improvement	13-8660000-0	2022/23	\$ 300,000
Total			\$ 600,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 23-0007

Project Name: Air Conditioner for Blower Building

Category: Improvement/General

Sub-Category: Rehabilitation/Improvement

Project Description: Install an additional air conditioner for the Blower Building.

Project Justification: The additional air conditioner will assist in regulating the temperature in the Blower Building. The Blower building now has two (2) air blowers online and requires an additional air conditioning unit to keep the temperature controlled.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
13 Capital Improvement	13-8660000-0	2022/23	\$ 30,000
Total			\$ 30,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 23-0008

Project Name: Steel Waterline Replacement Phase 2

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
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8642000-0	2022/23	\$ 350,000
Total			\$ 350,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 23-0009

Project Name: Replacement of Calhoun Lift Station Pumps (2)

Category: Infrastructure – Manholes

Sub-Category: Replacement

Project Description: Replace two (2) pumps.

Project Justification: Due to the use of flushable wipes, the current pumps are becoming plugged. This has led to an increase in unscheduled maintenance and after-hour response.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8632000-0	2022/23	\$ 50,000
Total			\$ 50,000



Biosolids Collection

"Indio Railway"



Valley Sanitary District

45500 Van Buren Street
Indio, CA 92201
(760) 238-5400
www.valley-sanitary.org