



# TRIUNFO

WATER & SANITATION DISTRICT

## Proposed Budget Fiscal Year 2024

May 16, 2023  
Budget Workshop





# Significant Budget Impacts

- Final Step of Transition Plan
- Salaries & Benefits
- Rate Studies
- Public Outreach Enhancements
- Programmed Rate Increases
- Increase in Potable Water and Wastewater Revenue
- Increase in JPA Budget
- Capital Improvement Program



# Transition Plan Update & Impact

- FY2022: Finance & Administration – Completed
- FY2023: Limited Field Services Support from VRSD
- To Date, We've Experienced Significant Savings
- Now in Final Step of Transition Plan



# Transition Plan – Final Step

- Rent/Purchase Sewer Cleaning Machine
- Hire Electrical/Instrumentation Position
- Hire Additional Water/Wastewater Worker
- Purchase Additional Maintenance Truck
- Terminate VRSD Contract



# FY2024 Budget Overview: Salaries & Employee Benefits

- Salaries & Employee Benefits: \$3.57M (↑\$685K)
  - Administration: \$2.13M (↑\$294K)
    - Reclassify Accounting Assistant to Fiscal Technician
    - Increase in Hours
    - 5% Cost-of-Living Adjustment
    - Merit Increases
  - Operations: \$1.43M (↑\$391K)
    - 2 New Positions (Electrical/Instrumentation & Water/Wastewater Worker)
    - 5% Cost-of-Living Adjustment
    - Merit Increases



# FY2024 Budget Overview: VRSD Contract Services

- VRSD Contract Services: \$975.2K (↑\$25.2K)
  - Maintenance
    - Wastewater Collection
    - CCTV
    - Preventative Maintenance
  - SCADA



# FY2024 Budget Overview: Rates

- Potable Water Rate Impacts:
  - Programmed 4% Rate Increase, Effective 07/01/2023:
    - Tier 1: \$0.32 Increase, from \$8.06 to \$8.38/HCF
  - CMWD Pass-Through Increase of \$0.22/HCF, Effective 01/01/2024:
    - Tier 1: Increase from \$8.38 to \$8.60/HCF



# FY2024 Budget Overview: Rates

- Recycled Water Rate Impacts:
  - Retail
    - Programmed 2% Rate Increase, Effective 07/01/2023:
      - \$0.11 Increase, from \$6.07 to \$6.18/HCF
    - CMWD's 6% Pass-Through Rate Increase, Effective 01/01/2024:
      - \$0.37 Increase from \$6.18 to \$6.55/HCF (~76% of Potable Tier 1)
  - Wholesale
    - Rate Increase Based Upon 80% of CMWD's Tier 1 Potable Water Rate to Oak Park, Effective 01/01/2024:
      - \$78.40 Increase, from \$1,305.60 to \$1,384.00/AF





# FY2024 Budget Overview: Rates

- Wastewater Rate Impact:
  - Programmed 15% Rate Increase, Effective 07/01/2023:
    - Single Family Home Increase from \$91.22/month to \$104.91/month



# FY2024 Budget Overview: TWSD-Only Capital

- TWSD-Only Capital Requirement: \$135K (↓\$1.2M)
  - Administration: \$110K (↓\$132.5K)
    - Bishopswood Expansion Feasibility Study (\$25K)
    - Truck for Electrical/Instrumentation Position (\$85K)
  - Wastewater: No Capital Budgeted (↓\$1.1M)
  - Potable Water: \$25K (↑\$25K)
    - Savoy Pump Station Replacement Design (\$25K)
  - Recycled Water: No Capital Budgeted
- Nearly Complete Update to 20-Year Capital Improvement Plan



# FY2024 Budget Overview: TWSD Portion of the JPA

- JPA Capital Requirement: \$7.93M (↑\$4.01M)
  - Wastewater: \$4.00M (↑\$1.65M)
  - Recycled Water: \$31K (↓\$31.3K)
  - Pure Water Project: \$3.90M (↑\$2.39M)
- JPA Operations & Maintenance: \$6.92M (↑\$353.3K)



# FY2024 Budget Summary

- Operating Revenue: \$30,178,533 (↑\$4.51M)
- Operating Expenses: \$18,390,931 (↑\$1.30M)
- Depreciation & Amortization: \$1,439,167 (↑\$31K)
- Non-Operating Revenue: \$118,110 (↑\$406K)
- Capital Expenses: \$8,062,422 (↑\$2.81M)
- Change in Net Assets: \$2,404,123 (↑\$774K)



# FY2024 Year-End Reserves

- Consolidated: \$33,474,304
- Wastewater: \$13,071,542
  - Meets all Reserve Requirements
    - Includes both TWSD-Only and JPA Capital, Exclusive of the Pure Water Project
- Potable Water Division: \$15,028,656
  - Meets all Reserve Requirements
- Recycled Water Division: \$5,374,107
  - Meets all Reserve Requirements



# Areas of Concern

- Capital Improvement Plan (CIP) Update, Including 20-Year Planning Horizon
- Rate Studies
- Future Costs Associated With The Pure Water Project
  - Inflation
  - Grants
- Increasing JPA Costs
- Uncertainty in Water Demand



## Recommendation

Direct staff to make changes, if necessary, and bring the Proposed FY2024 Budget back to the Board for approval on May 22<sup>nd</sup>



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WATER & SANITATION DISTRICT