



FALLBROOK PUBLIC UTILITY DISTRICT
MEETING OF THE FISCAL POLICY AND INSURANCE COMMITTEE

AGENDA

WEDNESDAY, APRIL 10, 2024
10:30 A.M.

FALLBROOK PUBLIC UTILITY DISTRICT
990 E. MISSION RD., FALLBROOK, CA 92028
PHONE: (760) 728-1125

THIS MEETING WILL BE HELD AT THE ABOVE DATE, TIME, AND LOCATION AND MEMBERS OF THE PUBLIC MAY ATTEND IN PERSON AT THE DISTRICT OFFICE LOCATED AT 990 E. MISSION RD., FALLBROOK, CA 92028. FOR THE CONVENIENCE OF MEMBERS OF THE PUBLIC WHO DO NOT WISH TO ATTEND IN PERSON, FALLBROOK PUBLIC UTILITY DISTRICT PROVIDES A MEANS TO OBSERVE AND PROVIDE PUBLIC COMMENTS AT THE MEETING VIA WEB CONFERENCE USING THE BELOW CALL-IN AND WEBLINK INFORMATION. PLEASE NOTE THAT IN THE EVENT OF TECHNICAL ISSUES THAT DISRUPT THE ABILITY OF MEMBERS OF THE PUBLIC TO VIEW THE MEETING OR PROVIDE PUBLIC COMMENTS THROUGH THE WEB CONFERENCE OPTION, THE MEETING WILL CONTINUE.

Join Zoom Meeting

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PUBLIC COMMENTS: Members of the public may submit public comments and comments on agenda items in one of the following ways:

SUBMIT COMMENTS BEFORE THE MEETING:

- By emailing to our Board Secretary at leckert@fpud.com
- By mailing to the District Offices at 990 E. Mission Rd., Fallbrook, CA 92028
- By depositing them in the District's Payment Drop Box located at 990 E. Mission Rd., Fallbrook, CA 92028

All comments submitted before the meeting by whatever means must be received at least 1 hour in advance of the meeting. All comments will be read to the Board during the appropriate portion of the meeting. Please keep any written comments to 3 minutes.

REMOTELY MAKE COMMENTS DURING THE MEETING: The Board President will inquire prior to Board discussion if there are any comments from the public on each item.

- Via Zoom Webinar go to the "Participants List," hover over your name and click on "raise hand." This will notify the moderator that you wish to speak during oral communication or during a specific item on the agenda.
- Via phone, you can raise your hand by pressing *9 to notify the moderator that you wish to speak during the current item.

MAKE IN-PERSON COMMENTS DURING THE MEETING: The Board President will inquire prior to Board discussion if there are any comments from the public on each item, at which time members of the public attending in person may make comments.

THESE PUBLIC COMMENT PROCEDURES SUPERSEDE THE DISTRICT'S STANDARD PUBLIC COMMENT POLICIES AND PROCEDURES TO THE CONTRARY.

If you have a disability and need an accommodation to participate in the meeting, please call the Board Secretary at (760) 999-2704 for assistance.

I. PRELIMINARY FUNCTIONS

CALL TO ORDER / ROLL CALL

PUBLIC COMMENT

II. ACTION / DISCUSSION -----(ITEM A)

- A. REVIEW PRELIMINARY DRAFT FISCAL YEAR 2024-25 OPERATING AND CAPITAL BUDGET EXPENDITURES

III. ADJOURNMENT OF MEETING

* * * * *

DECLARATION OF POSTING

I, Lauren Eckert, Executive Assistant/Board Secretary of the Fallbrook Public Utility District, do hereby declare that I posted a copy of the foregoing agenda in the glass case at the entrance of the District Office located at 990 East Mission Road, Fallbrook, California, at least 72 hours prior to the meeting in accordance with Government Code § 54954.2.

I, Lauren Eckert, further declare under penalty of perjury and under the laws of the State of California that the foregoing is true and correct.

April 4, 2024
Dated / Fallbrook, CA

/s/ Lauren Eckert
Executive Assistant/Board Secretary

MEMO

TO: Fiscal Policy & Insurance Committee
FROM: Jack Bebee, General Manager
David Shank, Assistant General Manager/CFO
DATE: April 10, 2024
SUBJECT: Review Preliminary Draft Fiscal Year 2024-25 Operating and Capital Budget Expenditures

Purpose

As laid out in the District's budget development process, the initial steps in developing an annual budget include staff and management developing and reviewing the preliminary operating and capital budgets. This is followed by the Committee's review and consideration. The review is intended to provide detailed cost data and solicit the Committee's feedback and comments.

Summary

Staff have developed the preliminary Fiscal Year 2024-25 Annual Budget (the Budget). The preliminary draft is broken down into six sections. The sections are as follows:

Draft Total Operating Budget

1. **Cost of Water** – The cost of water includes the cost of water purchased from Eastern Municipal Water District (EMWD), what the District pays to Camp Pendleton to wheel the District's Santa Margarita River Water (Local Supply) to the SMGTP, water inventory costs and some system pumping. These are preliminary numbers since MWD has not yet published its CY 2025 rates and charges.
2. **Labor** – The labor budget includes staff non-capital salary expenditures for the fiscal year
3. **Non-labor** – This includes any expenditures for the year that are not labor related and includes services, equipment, materials and training.
4. **Benefits** – The District's expected expenditures for health care, pension and other District provided benefits
5. **Debt Service** – The Districts debt payment schedule

Draft Capital Budget

6. **Capital Improvement Program Budget** – This is the updated capital expenditure projection for the next 10-years.

DRAFT OPERATING BUDGET:

The table below provides a summary of the Preliminary Draft Fiscal Year 2024-25 Operating Budget compared to both Fiscal Years 2022-2023 and 2023-2024. The breakdown shows Water Supply Costs, Debt Service, Labor and Non-Labor expenses and Benefit expenditures for the District's operations. In addition, the expenditures related to the Community Benefit Program are also included in Operating Budgets. The 10.6% overall budget decrease is being driven the sharp decrease in the District's Cost of Water. Fiscal Year 2023-24 Projected Expenditures have been updated and are on track with the Amended Fiscal Year 2023-24 Budget and appropriations. Staff will continue to monitor expenditures as the year winds down.

Summary of Preliminary Draft Fiscal Year 2024-25 Operating Budget

	FY 2022-23	FY 2023-24			FY 2024-25	Amnd. Bgt to
	Actual	Recommended	Amended Budget	Projected	Recommended	Bgt % Change
Water Supply Costs	\$ 10,716,859	\$ 9,558,078	\$ 9,558,078	\$ 6,794,693	\$ 3,433,211	-64.1%
Debt Service	3,822,936	5,463,081	5,463,081	5,463,081	6,141,364	12.4%
Total Labor	6,500,369	6,813,579	7,069,662	7,069,662	7,318,240	3.5%
Total Non-Labor*	6,172,082	7,625,467	8,158,253	7,879,295	9,258,491	13.5%
Operating Expense Total	\$ 27,212,247	\$ 29,460,206	\$ 30,249,075	\$ 27,206,730	\$ 26,151,306	-13.5%
Benefits Expenditures (Ops)	4,279,809	4,400,781	4,400,781	4,400,781	4,835,681	9.9%
Total	\$ 31,492,056	\$ 33,860,987	\$ 34,649,856	\$ 31,607,511	\$ 30,986,987	-10.6%

*Total Non-Labor Includes \$542,367 for Community Benefit Program

The Attachment A includes a detailed line item budget for all of the District's administration, operations and maintenance activities, which includes Administrative (two pages), Water (two pages), Recycled Water and Wastewater Services and the Community Benefit Program. The tables show the actual expenditures for Fiscal Year 2022-23, the Original Budget, Amended Budget and Projected expenditures for Fiscal Year 2023-24. The table also shows the Fiscal Year 2024-25 preliminary draft budget. Attachment B is a summary of significant (greater than 5%) change budget to budget in any line item. The code in red to the right in Attachment A corresponds to the description of the change provided in Attachment B. **Use the Reference Codes in Attachment A (on right in red) to find the explanation in Attachment B.**

Water Supply Costs

Attachment C shows a breakdown of the Water Supply Costs for the Budget. The decrease in Water Supply Costs is being driven by a reduction in wholesale water costs and a significant increase in the amount of Local Supply available to the District. Local Supply is the District's lowest cost water supply, which is driving down Water Supply Costs. While the Local Supplies reduce Water Supply Costs, it is important to note that the Water Services utility and chemical costs are higher due to the treatment of higher flows, which are part of the District's Labor and Non-Labor costs. While the Water Supply Costs cannot be finalized until MWD has set CY 2025 Rates and Charges, the Budget reflects the latest estimates that have been provided.

Labor

Labor is showing an increase in line with the COLA increase and other changes in the most recent Memorandums of Understanding (MOUs). As shown in Attachment A, the increase varies depending on the impact of the MOUs on the Division staffing. In some cases, as noted, cost allocations were shifted due to the cost of service analysis included in the 2022 Water, Wastewater and Recycled Water Rate Study. Use the Reference Codes in Attachment A (on right in red) to find the explanation in Attachment B. An additional FTE has also been added to Administrative Service under the Engineering Department bringing the FTE count to 71 from 70. Overall, the increase in labor costs are in line with inflation.

Non-labor

The non-labor expenses are broken into eight main categories to make the budget more reader friendly. The expense categories include Director Expenses, Contractor Services, Equipment (Non Capital), Materials/Services/Supplies, Professional Services,

Membership/Training/Permit, Santa Margarita Water master and Utilities. Attachment B provides detail on the drivers behind the changes. Use the Reference Codes in Attachment A (on right in red) to find the explanation in Attachment B. Overall Non-labor is up due to inflationary pressures on goods and services and the increased water production at SMGTP, which requires additional utility and chemical supplies to operate.

Benefits

The District's total benefit budget, which includes both operating (87%) and capital (13%) portions and is shown in Attachment D, is increasing 11.2%. The increase is being driven by increases in the District's healthcare costs and the scheduled increase in the Unfunded Actuarial Liability (UAL) portion of the District's annual pension payments. The increase in healthcare costs is being driven by increases in premiums and new hires that are predominantly selecting family coverage, which is a higher cost option for the District. The Board could elect to offset the increases by decreasing its voluntary contribution to the District's Pension/OPEB Liability Trust, which is currently budgeted at \$500,000.

Debt Service

The District's debt service schedule and payments for Fiscal Year 2024-25 are provided in Attachment E. The debt service payment by Service for Fiscal Year 2024-25 is shown below the debt service schedules. The increase in budgeted debt service is due to the issuance of the 2024 Water Revenue Bonds. This debt issuance provided the liquidity necessary to fund the Detachment Fee paid to the San Diego County Water Authority and is allocated to Water Service.

DRAFT CAPITAL BUDGET:

Utility districts require long-term investments in extensive capital facilities. The District maintains over 370 miles of buried water and sewer pipe that must be maintained and replaced. The District also has pump stations, lift stations, and treatment facilities that require significant expenses to replace and maintain. It is critical to develop plans to reduce the overall cost of operating these facilities by completing pro-active capital projects to replace and rehabilitate these assets versus waiting for system failures. A well-planned Capital Program is critical to the long-term stability of the District.

The annual Capital Improvement Budget is used to implement the District's long-range capital goals. These goals are developed using the District's Strategic Plan, Urban Water Management Plan, Asset Management Plan and Master Plans. These plans are utilized to develop the lowest lifecycle cost to meet water and wastewater needs and maintain system reliability for the District's customers. Projects are selected based on prioritized needs versus available capital funds. Individual project costs are estimated based on current construction cost information. While some projects are well into the design phase and costs can be fairly accurately estimated, others are based on early stage planning estimates. Additionally, unforeseen changes to priorities can result from changing materials and construction costs, pipeline failures, extreme weather, etc. Changing conditions resulting from these complexities can alter the individual project priorities. Continuous capital project updates are provided throughout the year to provide key performance metrics and to inform the board and the public of any changes to priorities.

A summary of the CIP is provided below.

Water Capital Projects:

The most crucial component of the water capital plan is the pipeline and valve replacement program. The portion of the annual budget for these efforts is based on asset analysis performed in 2017, and routinely updated, with the intent to increase the annual budget in 20-year increments in order to achieve a 100-year replacement cycle. The Board also adopted a capital improvement charge and an escalation value to the charge to help make incremental progress towards reaching the 100 year replacement target. There are 7,153 total valves and 268 miles (1,415,040 feet) of water main in the existing distribution system. Currently the goal is to replace 100 valves and 5,000 linear feet of water main per year. Since the drastic changes to supply chain that occurred during the pandemic, procurement times have increased significantly, causing challenges achieving the pipeline replacement goals. Materials that previously required 6 to 8 weeks lead time are now taking as long as a full year to procure. With this in mind, staff have been focused on more advanced planning to catch up and then keep up with the replacement goals. Completed pipeline replacement in linear feet since FY 19/20 is shown in the following table:

Year	Goal	Replaced
FY 18/19	5,000	5,386
FY 19/20	5,000	4,950
FY 20/21	8,150	6,620
FY 21/22	7,680	5,670
FY 22/23	7,500	3,085
FY 23/24	9,000	8,900

In FY20/21, the replacement goal was higher because an additional 3,150 linear feet was planned to be replaced as part of the SMRCUP. Because the goal was not met that year, higher goals were set with the intention of catching up in subsequent years. While the challenging procurement issues encountered since FY20/21 have continued to slow down planned replacements, the original goal of 5,000 linear feet per year has been exceeded, with more than 34,000 linear feet of water main replaced over the past 6 years.

The goal for FY23/24 will return to 5,000 linear feet of pipe replaced. This goal will be achieved and exceeded with continued increased focus on pipeline replacement. Two projects have already been awarded to be completed in the coming fiscal year:

- Via Arroyo Pipeline Replacement – 5,000 linear feet of 8-inch and 12-inch water main
- Ross Lake Pipeline Replacement – 2,450 linear feet of 8-inch and 12-inch water main

Additionally, staff are working on multiple pipeline replacement projects totaling over 15,000 linear feet of pipe to be awarded over the next 12 months with the intention to stay on track with District goals.

The valve replacement program is tracking ahead of goal. Internal field crews are likely to meet the goal of 100 replaced valves, in addition to approximately 50 valves replaced by contractors as part of the pipeline replacement projects.

The table below shows Budget vs Projected Actuals for FY 2023-24 and the proposed budget for FY 2024-25. The primary drivers of the expenditure shortfall in FY24 are due to:

- 1) Removing a phase of pipeline replacement from an existing contract (as noted above, pipeline replacement goals were met in spite of this change). This phase will be part of a future pipeline replacement project currently being designed.
- 2) Deferring work at the Kaufman Pressure Reducing Station for a more comprehensive replacement in the upcoming year.

Significant projects planned for FY 2024-25 not mentioned above include:

- 1) De Luz and Toyon Pump Stations to be awarded and begin construction
- 2) Rattlesnake Tank Site Improvements
- 3) 8 MG Tank Chlorination System

Water Capital Projects	Budget FY 2024	Projected FY 2024	Proposed FY 2025
Pipelines and Valve Replacement Projects by District	\$680,000	\$1,066,816	\$630,000
Pipeline Replacement Projects by Contractors	\$5,760,000	\$3,896,201	\$4,725,000
Deluz ID Projects	\$100,000	\$185,266	\$100,000
Pump Stations	\$100,000	\$39,246	\$1,250,000
Meter Replacement	\$20,000	\$51,031	\$0
Pressure Reducing Stations	\$40,000	\$4,500	\$250,000
Red Mountain Reservoir Improvements	\$24,000	\$19,350	\$90,000
Steel Reservoir Improvements	\$162,000	\$129,314	\$840,000
Treatment Plant R&R	\$200,000	\$193,396	\$310,000
SCADA Upgrades/ Security/Telemetry	\$150,000	\$133,478	\$150,000
Vehicles and Heavy Equipment	\$143,500	\$138,546	\$163,750
Total Water Capital Projects	\$7,379,500	\$5,857,146	\$8,508,750

Wastewater/Recycled Water Capital Projects:

In FY2023-24, several planned wastewater projects were deferred for various reasons. Due to long lead times, the scrubber replacement at the WRP and the replacement vector truck will not be completed until next fiscal year. The planned Main Ave Sewer Replacement was delayed due to unknown utility conflicts requiring a re-design. And the planned WRP Creek Crossing is being redesigned with a new approach due to uncompetitive and over-budget bid results. All of these projects will be completed in the coming fiscal year, as well as previously planned capital projects.

In addition to the above, collections system projects will continue with the relining of manholes and mainlines, replacement of outfall valves, and a rehabilitation of the Anthony's Corner Lift Station pumps and odor control system.

At the Water Reclamation Plant (WRP), planned work includes the replacement of aging mechanical equipment and pumps, and the centrifuge system.

For the recycled water system, two distribution system pumps will be rebuilt and valves and actuators in the tertiary filter outlets will be replaced.

The table below shows Budget vs Projected Actuals for FY 2023-24 and the proposed budget for FY 2024-25.

Recycled Water Capital Projects	Budget FY 2024	Projected FY 2024	Proposed FY 2025
Recycled Water Improvements	\$119,000	\$121,312	\$124,000
Total Recycled Water Capital Projects	\$119,000	\$121,312	\$124,000
Waste Water Capital Projects	Budget FY 2024	Projected FY 2024	Proposed FY 2025
WRP Improvements	\$855,000	\$226,437	\$1,280,000
Collection System Improvements	\$390,000	\$298,582	\$690,000
Outfall Improvements	\$25,000	\$35,255	\$50,000
Vehicles and Heavy Equipment	\$495,000	\$0	\$491,250
Total Waste Water Capital Projects	\$1,765,000	\$560,274	\$2,511,250

Administrative Capital Projects:

Administrative capital projects in the coming year will be focused on initiating the process for replacing the Enterprise Resource Planning (ERP) system, as well as the installation of electric vehicle charging facilities. The EV charging facilities were planned for FY 2024 but, due to long lead time on the equipment, will not be completed until the coming year. Eighty percent of the vehicle charging facilities cost will be reimbursed by an SDG&E grant program. The table below shows Budget vs Projected Actuals for FY 2023-24 and the proposed budget for FY 2024-25.

Administrative Capital Projects	Budget FY 2024	Projected FY 2024	Proposed FY 2025
Administrative Upgrades	\$50,000	\$43,589	\$205,000
Engineering and Operations Information Systems	\$0	\$0	\$0
Facility Improvements/Upgrades/Security	\$496,000	\$469,427	\$65,000
District Yard Improvements	\$420,000	\$3,731	\$312,000
Total Administrative Capital Projects	\$966,000	\$516,746	\$582,000

Total Capital Budget Summary:

	Budget FY 2024	Projected FY 2024	Proposed FY 2025
Total all Capital Budget Projects	\$10,229,500	\$7,055,479	\$11,726,000

Note that the previous long term plan for FY 2025 total CIP was \$9,216,162. The additional budget is due to the unexecuted projects in FY 2024 as described above. Because these projects are already underway, with several of them already awarded, it is a reasonable expectation that they will be completed along with the other planned work in the coming fiscal year.

Next steps:

Any comments or changes requested by the Committee will be incorporated and a more complete draft document provided for a mid-May Committee meeting. It should be noted that the revenues and financial projections can only be completed once the MWD rates are finalized. Staff anticipate having a Final Draft Fiscal Year 2024-25 Budget for the Committee to review in late May.

The following Attachments have been included to provide time to review in advance of the meeting:

- Attachment A – Draft Fiscal Year 2024-25 Operating Budget for labor and non-labor expenses and benefit allocations for the District’s Services
- Attachment B – Summary of Significant Percent Changes by Budget Category
- Attachment C – Draft Fiscal Year 2024-25 Cost of Water
- Attachment D – Draft Fiscal Year 2024-25 benefit expenditures
- Attachment E – Fiscal Year 2024-25 debt service schedule

Recommended Action

This item is for discussion only. No action is required.

Attachment A

FPUD Expense Summary
Fiscal Year 2024-25 Operating Budget

Description	Div	FY 2022-23	FY 2023-24		FY 2024-25	% Change	Reference
		Actual	Amended Budget	Projected	Budget	Bgt to Bgt	Code
Administrative Services							
Office of the General Manager	50						
Labor Expenses:							
Salaries		\$ 479,044	\$ 506,019	\$ 506,429	\$ 535,324	5.8%	1-1
Non-Labor Expenses:							
Director Expenses		33,307	40,000	38,693	41,500	3.8%	
Contractor Services	C	10,940	14,500	24,315	88,600	511.0%	1-2
Materials/Services/Supplies	M	81,685	83,800	95,300	79,800	-4.8%	
Equipment (Non Capital)	E	-	-	-	-	NA	
Professional Services	P	511,706	677,535 ⁽¹⁾	677,535	412,000	-39.2%	1-3
Memberships/Training/Permits	T	89,296	91,000	91,425	91,200	0.2%	
Santa Margarita Watermaster		125,188	131,447	131,447	138,020	5.0%	1-4
		-	-	-	-		
Total Non-Labor		<u>\$ 852,122</u>	<u>\$ 1,038,283</u> ⁽²⁾	<u>\$ 1,058,715</u>	<u>\$ 851,120</u>	-18.0%	
Division Operating Total		<u>\$ 1,331,166</u>	<u>\$ 1,544,302</u>	<u>\$ 1,565,144</u>	<u>\$ 1,386,444</u>	-10.2%	
		(1) Budget Amendment for increase of \$267,535 for professional services required for detachment efforts. Budget Amendment for increase of \$8,506,750 for detachment payment to SDCWA.					
		(2) Does not include Budget Amendment for increase of \$8,506,750 for detachment payment to SDCWA.					
Finance & Customer Service							
Labor Expenses:	53						
Salaries	54	\$ 847,547	\$ 920,737	\$ 881,907	\$ 961,080	4.4%	
Non-Labor Expenses:							
Contractor Services	C	27,401	24,000	29,589	36,500	52.1%	1-5
Equipment (Non Capital)	E	833	4,500	4,500	1,500	-66.7%	1-6
Materials/Services/Supplies	M	142,037	147,700	149,822	150,200	1.7%	
Professional Services	P	180,515	123,500	119,401	122,500	-0.8%	
Memberships/Training/Permits	T	1,752	2,700	2,080	2,700	0.0%	
Utilities	U	-	-	-	-	NA	
Total Non-Labor		<u>\$ 352,538</u>	<u>\$ 302,400</u>	<u>\$ 305,391</u>	<u>\$ 313,400</u>	3.6%	
Division Operating Total		<u>\$ 1,200,085</u>	<u>\$ 1,223,137</u>	<u>\$ 1,187,299</u>	<u>\$ 1,274,480</u>	4.2%	
Warehouse & Purchasing							
Labor Expenses:	60						
Salaries		\$ 197,685	\$ 213,567	\$ 207,590	\$ 228,071	6.8%	1-1
Non-Labor Expenses:							
Contractor Services	C	154,489	150,000	150,000	145,000	-3.3%	
Equipment (Non Capital)	E	1,099	1,000	1,000	1,000	0.0%	
Materials/Services/Supplies	M	156,201	139,500 ⁽¹⁾	144,663	133,500	-4.3%	
Professional Services	P	-	-	-	-	NA	
Memberships/Training/Permits	T	658	1,000	250	1,000	0.0%	
Utilities	U	70,535	45,000	68,107	75,000	66.7%	1-7
Total Non-Labor		<u>\$ 382,981</u>	<u>\$ 336,500</u>	<u>\$ 364,020</u>	<u>\$ 355,500</u>	5.6%	
Division Operating Total		<u>\$ 580,666</u>	<u>\$ 550,067</u>	<u>\$ 571,610</u>	<u>\$ 583,571</u>	6.1%	
		(1) Budget Amendment for increase of \$15,000 for materials and services required for emergency repairs.					
Human Resources							
Labor Expenses:	70						
Salaries		\$ 256,159	\$ 270,962	\$ 370,962	\$ 254,134	-6.2%	1-8
Non-Labor Expenses:							
Contractor Services	C	11,691	13,000	21,381	13,000	0.0%	
Equipment (Non Capital)	E	72	-	-	350	NA	
Materials/Services/Supplies	M	17,978	18,300	8,240	12,000	-34.4%	1-9
Professional Services	P	8,636	10,000	14,484	10,000	0.0%	
Memberships/Training/Permits	T	72,736	102,450	90,164	92,400	-9.8%	1-10
Education Funding	NA	6,315	5,000	2,262	17,000	240.0%	1-11
Utilities	U	-	-	-	-	NA	
Total Non-Labor		<u>\$ 117,428</u>	<u>\$ 148,750</u>	<u>\$ 136,532</u>	<u>\$ 144,750</u>	-2.7%	
Division Operating Total		<u>\$ 373,587</u>	<u>\$ 419,712</u>	<u>\$ 507,494</u>	<u>\$ 398,884</u>	-5.0%	

FPUD Expense Summary
Fiscal Year 2024-25 Operating Budget

Description	Div	FY 2022-23	FY 2023-24		FY 2024-25	% Change	Reference
		Actual	Amended Budget	Projected	Budget	Bgt to Bgt	Code
Administrative Services							
Information Management	51						
Labor Expenses:							
Salaries		\$ 102,208	\$ 107,306	\$ 114,822	\$ 329,935	207.5%	1-12
Non-Labor Expenses:							
Contractor Services	C	65,760	101,025	101,025	104,877	3.8%	
Equipment (Non Capital)	E	25,381	30,000	30,000	30,000	0.0%	
Materials/Services/Supplies	M	197,690	183,338	170,938	205,930	12.3%	1-13
Professional Services	P	-	50,000	50,000	50,000	0.0%	
Memberships/Training/Permits	T	-	-	-	-		NA
Utilities	U	-	-	-	-		NA
Total Non-Labor		<u>\$ 288,831</u>	<u>\$ 364,363</u>	<u>\$ 351,963</u>	<u>\$ 390,807</u>	7.3%	
Division Operating Total		<u>\$ 391,039</u>	<u>\$ 471,669</u>	<u>\$ 466,785</u>	<u>\$ 720,743</u>	52.8%	
Engineering Services	52						
Labor Expenses:							
Salaries		\$ 544,594	\$ 585,757	\$ 544,875	\$ 497,023	-15.1%	1-14
Non-Labor Expenses:							
Contractor Services	C	17,210	55,000	75,819	25,000	-54.5%	1-15
Equipment (Non Capital)	E	-	-	-	-		NA
Materials/Services/Supplies	M	37,330	47,000	41,001	48,500	3.2%	
Professional Services	P	-	-	-	-		NA
Memberships/Training/Permits	T	-	500	62	500	0.0%	
Utilities	U	-	-	-	-		NA
Total Non-Labor		<u>\$ 54,540</u>	<u>\$ 102,500</u>	<u>\$ 116,882</u>	<u>\$ 74,000</u>	-27.8%	
Division Operating Total		<u>\$ 599,134</u>	<u>\$ 688,257</u>	<u>\$ 661,758</u>	<u>\$ 571,023</u>	-17.0%	
Safety & Risk	57						
Labor Expenses:							
Salaries		\$ 174,113	\$ 241,955	\$ 236,187	\$ 246,708	2.0%	
Non-Labor Expenses:							
Contractor Services	C	21,944	40,000	66,584	55,000	37.5%	1-16
Equipment (Non Capital)	E	75,417	66,550	68,182	66,550	0.0%	
Materials/Services/Supplies	M	31,707	30,200	29,741	30,200	0.0%	
Professional Services	P	445,816	599,865	597,936	810,000	35.0%	1-17
Memberships/Training/Permits	T	1,297	2,700	1,933	2,700	0.0%	
Utilities	U	-	-	-	-		NA
Total Non-Labor		<u>\$ 576,181</u>	<u>\$ 739,315</u>	<u>\$ 764,376</u>	<u>\$ 964,450</u>	30.5%	
Division Operating Total		<u>\$ 750,294</u>	<u>\$ 981,270</u>	<u>\$ 1,000,563</u>	<u>\$ 1,211,158</u>	23.4%	
Vehicle Services & Shop	65						
Labor Expenses:							
Salaries		\$ 91,742	\$ 100,745	\$ 96,761	\$ 104,933	4.2%	
Non-Labor Expenses:							
Contractor Services	C	36,514	45,000 ⁽¹⁾	45,000	40,000	-11.1%	1-18
Equipment (Non Capital)	E	-	-	-	-		NA
Materials/Services/Supplies	M	369,291	339,251 ⁽¹⁾	345,000	356,000	4.9%	
Professional Services	P	-	-	-	-		NA
Memberships/Training/Permits	T	-	-	-	-		NA
Utilities	U	-	-	-	-		NA
Total Non-Labor		<u>\$ 405,805</u>	<u>\$ 384,251</u>	<u>\$ 390,000</u>	<u>\$ 396,000</u>	3.1%	
Division Operating Total		<u>\$ 497,548</u>	<u>\$ 484,996</u>	<u>\$ 486,761</u>	<u>\$ 500,933</u>	3.3%	
⁽¹⁾ Budget Amendment for increase of \$11,000 for contract services required for fleet software. Budget Amendment for increase of \$39,251 for fleet repairs and maintenance due to emergency repairs.							
Total Labor		\$ 2,693,092	\$ 2,947,047	\$ 2,959,534	\$ 3,157,209	7.1%	
Total Non-Labor Expenses		<u>3,030,424</u>	<u>3,416,362</u>	<u>3,487,879</u>	<u>3,490,027</u>	2.2%	
Operating Total		<u>\$ 5,723,517</u>	<u>\$ 6,363,408</u>	<u>\$ 6,447,413</u>	<u>\$ 6,647,236</u>	4.5%	
Allocated Benefits Expenditures*		<u>1,772,566</u>	<u>1,903,450</u>	<u>1,903,450</u>	<u>2,086,192</u>	9.6%	
Total Budget		<u>\$ 7,496,083</u>	<u>\$ 8,266,858</u>	<u>\$ 8,350,863</u>	<u>\$ 8,733,428</u>	5.6%	

* Includes transfer to Pension/OPEB Trusts

FPUD Expense Summary
Fiscal Year 2024-25 Operating Budget

Description	Div	FY 2022-23		FY 2023-24		FY 2024-25	% Change	Reference Code
		Actual	Amended Budget	Projected	Budget	Bgt to Bgt		
Water Services	30							
Treatment	30							
Labor Expenses:								
Salaries		\$ 314,282	\$ 483,866 ⁽¹⁾	\$ 484,793	\$ 548,117		13.3%	2-1
Non-Labor Expenses:								
Contractor Services	C	67,009	136,000	125,000	140,000		2.9%	
Equipment (Non Capital)	E	1,514	8,000	7,348	8,000		0.0%	
Materials/Services/Supplies	M	402,845	495,121 ⁽¹⁾	612,500	929,088		87.6%	2-2
Professional Services	P	-	-	-	-			NA
Memberships/Training/Permits	T	-	-	-	-			NA
Utilities	U	412,070	939,454	806,012	1,203,000		28.1%	2-3
Total Non-Labor		<u>\$ 883,438</u>	<u>\$ 1,578,575</u>	<u>\$ 1,550,860</u>	<u>\$ 2,280,088</u>		44.4%	
Division Operating Total		<u>\$ 1,197,720</u>	<u>\$ 2,062,441</u>	<u>\$ 2,035,653</u>	<u>\$ 2,828,205</u>		37.1%	

(1) Budget Amendment for increase of \$100,000 for chemicals required for SMGTP. Budget Amendment for increase of \$65,768 for labor allocated to SMGTP.

Production & Distribution	31							
Labor Expenses:								
Salaries		\$ 667,618	\$ 564,591	\$ 688,161	\$ 567,887		0.6%	
Non-Labor Expenses:								
Contractor Services	C	103,410	192,581	191,275	215,732		12.0%	2-4
Equipment (Non Capital)	E	7,704	20,000	17,586	20,000		0.0%	
Materials/Services/Supplies	M	190,178	259,700	294,980	345,200		32.9%	2-5
Professional Services	P	-	-	-	-			NA
Memberships/Training/Permits	T	80,384	90,000	90,000	90,000		0.0%	
Utilities	U	76,010	92,000	85,000	180,000		95.7%	2-6
Total Non-Labor		<u>\$ 457,686</u>	<u>\$ 654,281</u>	<u>\$ 678,841</u>	<u>\$ 850,932</u>		30.1%	
Division Operating Total		<u>\$ 1,125,304</u>	<u>\$ 1,218,872</u>	<u>\$ 1,367,002</u>	<u>\$ 1,418,819</u>		16.4%	

Pipeline Maintenance & Construction	32							
Labor Expenses:								
Salaries		\$ 668,304	\$ 658,713 ⁽¹⁾	\$ 658,713	\$ 710,808		7.9%	2-7
Non-Labor Expenses:								
Contractor Services	C	59,896	46,000	46,000	46,000		0.0%	
Equipment (Non Capital)	E	13,643	10,000	8,500	10,000		0.0%	
Materials/Services/Supplies	M	88,499	45,000	54,356	50,000		11.1%	2-8
Professional Services	P	-	-	-	-			NA
Memberships/Training/Permits	T	-	-	-	-			NA
Utilities	U	-	-	-	-			NA
Total Non-Labor		<u>\$ 162,038</u>	<u>\$ 101,000</u>	<u>\$ 108,856</u>	<u>\$ 106,000</u>		5.0%	
Division Operating Total		<u>\$ 830,342</u>	<u>\$ 759,713</u>	<u>\$ 767,568</u>	<u>\$ 816,808</u>		7.5%	

(1) Budget Amendment for increase of \$90,748 for labor allocated to emergency repairs.

FPUD Expense Summary
Fiscal Year 2024-25 Operating Budget

Description	Div	FY 2022-23		FY 2023-24		FY 2024-25	% Change	Reference Code
		Actual	Amended Budget	Projected	Budget	Bgt to Bgt		
Water Services	30							
System Services	42							
Labor Expenses:								
Salaries		\$ 571,207	\$ 617,868 ⁽¹⁾	\$ 617,868	\$ 622,380		0.7%	
Non-Labor Expenses:								
Contractor Services	C	85,028	200,000 ⁽¹⁾	200,000	200,000		0.0%	
Equipment (Non Capital)	E	2,439	-	625	5,000		NA	
Materials/Services/Supplies	M	145,487	117,000	118,039	137,000		17.1% 2-9	
Professional Services	P	-	-	-	-		NA	
Memberships/Training/Permits	T	-	-	-	-		NA	
Utilities	U	-	-	-	-		NA	
Total Non-Labor		<u>\$ 232,954</u>	<u>\$ 317,000</u>	<u>\$ 318,664</u>	<u>\$ 342,000</u>		7.9%	
Division Operating Total		<u>\$ 804,161</u>	<u>\$ 934,868</u>	<u>\$ 936,532</u>	<u>\$ 964,380</u>		3.2%	
<p>(1) Budget Amendment for increase of \$99,567 for labor allocated to emergency repairs. Budget Amendment for increase of \$100,000 for paving relating to emergency repairs.</p>								
Total Labor		\$ 2,221,411	\$ 2,325,039	\$ 2,449,535	\$ 2,449,192		5.3%	
Total Non-Labor		1,736,116	2,650,856	2,657,220	3,579,020		35.0%	
Operating Total		<u>\$ 3,957,527</u>	<u>\$ 4,975,895</u>	<u>\$ 5,106,755</u>	<u>\$ 6,028,212</u>		21.1%	
Allocated Benefits Expenditures		1,436,730	1,337,251	1,337,251	1,620,756		21.2%	
Total Direct Water Costs		<u>\$ 5,394,257</u>	<u>\$ 6,313,146</u>	<u>\$ 6,444,006</u>	<u>\$ 7,648,968</u>		21.2%	
Allocation of Administrative Services		4,797,493	5,077,806	5,344,552	5,589,394		10.1%	
Total Budget		<u>\$ 10,191,750</u>	<u>\$ 11,390,952</u>	<u>\$ 11,788,558</u>	<u>\$ 13,238,362</u>		16.2%	

FPUD Expense Summary
Fiscal Year 2024-25 Operating Budget

Description	Div	FY 2022-23	FY 2023-24		FY 2024-25	% Change	Reference Code
		Actual	Amended Budget	Projected	Budget	Bgt to Bgt	
Wastewater Services	32						
Collections	31						
Labor Expenses:							
Salaries		\$ 540,269	\$ 624,127	\$ 595,573	\$ 570,918	-8.5%	3-1
Non-Labor Expenses:							
Contractor Services	C	26,856	93,500	93,500	65,000	-30.5%	3-2
Equipment (Non Capital)	E	4,810	5,000	1,381	5,000	0.0%	
Materials/Services/Supplies	M	162,817	219,000	204,625	232,600	6.2%	3-3
Professional Services	P	-	-	-	-		NA
Memberships/Training/Permits	T	4,478	2,000	2,000	2,000	0.0%	
Utilities	U	180,954	118,000	206,040	226,476	91.9%	3-4
Total Non-Labor		<u>\$ 379,915</u>	<u>\$ 437,500</u>	<u>\$ 507,545</u>	<u>\$ 531,076</u>	21.4%	
Division Operating Total		<u>\$ 920,184</u>	<u>\$ 1,061,627</u>	<u>\$ 1,103,118</u>	<u>\$ 1,101,994</u>	3.8%	
Treatment	30						
Labor Expenses:							
Salaries		\$ 838,997	\$ 912,841	\$ 849,052	\$ 896,338	-1.8%	
Non-Labor Expenses:							
Contractor Services	C	331,811	348,000	328,770	338,000	-2.9%	
Equipment (Non Capital)	E	5,731	17,000	12,147	17,000	0.0%	
Materials/Services/Supplies	M	262,736	287,500	214,884	313,500	9.0%	3-5
Professional Services	P	-	-	-	-		NA
Memberships/Training/Permits	T	75,444	95,000	95,000	90,500	-4.7%	
Utilities	U	137,907	144,000	120,000	144,000	0.0%	
Total Non-Labor		<u>\$ 813,629</u>	<u>\$ 891,500</u>	<u>\$ 770,801</u>	<u>\$ 903,000</u>	1.3%	
Division Operating Total		<u>\$ 1,652,626</u>	<u>\$ 1,804,341</u>	<u>\$ 1,619,853</u>	<u>\$ 1,799,338</u>	-0.3%	
Total Labor		\$ 1,379,266	\$ 1,536,968	\$ 1,444,625	\$ 1,467,256	-4.5%	
Total Non-Labor		1,193,544	1,329,000	1,278,346	1,434,076	7.9%	
Operating Total		<u>\$ 2,572,810</u>	<u>\$ 2,865,968</u>	<u>\$ 2,722,971</u>	<u>\$ 2,901,332</u>	1.2%	
Allocated Benefits Expenditures		916,553	992,703	992,703	969,520	-2.3%	
Total Direct Wastewater Costs		<u>\$ 3,489,363</u>	<u>\$ 3,858,671</u>	<u>\$ 3,715,674</u>	<u>\$ 3,870,852</u>	0.3%	
Allocation of Administrative Services		2,623,629	2,564,878	2,922,802	3,056,700	19.2%	
Total Budget		<u>\$ 6,112,992</u>	<u>\$ 6,423,549</u>	<u>\$ 6,638,476</u>	<u>\$ 6,927,552</u>	7.8%	

FPUD Expense Summary
Fiscal Year 2024-25 Operating Budget

Description	Div	FY 2022-23	FY 2023-24		FY 2024-25	% Change	Reference Code
		Actual	Amended Budget	Projected	Budget	Bgt to Bgt	
Recycled Water Services	31						
Production	30						
Labor Expenses:							
Salaries		\$ 184,467	\$ 229,979	\$ 196,258	\$ 220,966	-3.9%	
Non-Labor Expenses:							
Contractor Services	C	27,198	36,000	36,000	36,000	0.0%	
Equipment (Non Capital)	E	1,252	4,000	4,000	4,000	0.0%	
Materials/Services/Supplies	M	115,656	96,500	91,090	92,000	-4.7%	
Professional Services	P	-	-	-	-	NA	
Memberships/Training/Permits	T	-	-	-	-	NA	
Utilities	U	59,103	62,000	50,000	62,000	0.0%	
Total Non-Labor		<u>\$ 203,209</u>	<u>\$ 198,500</u>	<u>\$ 181,090</u>	<u>\$ 194,000</u>	-2.3%	
Division Operating Total		<u>\$ 387,676</u>	<u>\$ 428,479</u>	<u>\$ 377,348</u>	<u>\$ 414,966</u>	-3.2%	
Distribution	31						
Labor Expenses:							
Salaries		\$ 22,133	\$ 29,165	\$ 18,246	\$ 19,984	-31.5%	4-1
Non-Labor Expenses:							
Contractor Services	C	1,622	-	-	-	NA	
Equipment (Non Capital)	E	-	-	-	-	NA	
Materials/Services/Supplies	M	7,255	19,000	9,162	19,000	0.0%	
Professional Services	P	-	-	-	-	NA	
Memberships/Training/Permits	T	-	-	-	-	NA	
Utilities	U	(184)	-	20	-	NA	
Total Non-Labor		<u>\$ 8,693</u>	<u>\$ 19,000</u>	<u>\$ 9,182</u>	<u>\$ 19,000</u>	0.0%	
Division Operating Total		<u>\$ 30,826</u>	<u>\$ 48,165</u>	<u>\$ 27,428</u>	<u>\$ 38,984</u>	-19.1%	
Total Labor		\$ 206,600	\$ 259,144	\$ 214,504	\$ 240,950	-7.0%	
Total Non-Labor		211,902	217,500	190,272	213,000	-2.1%	
Operating Total		<u>\$ 418,502</u>	<u>\$ 476,644</u>	<u>\$ 404,776</u>	<u>\$ 453,950</u>	-4.8%	
Allocated Benefits Expenditures		153,960	167,377	167,377	159,213	-4.9%	
Total Direct Recycled Water Costs		<u>\$ 572,462</u>	<u>\$ 644,021</u>	<u>\$ 572,153</u>	<u>\$ 613,163</u>	-4.8%	
Allocation of Administrative Services		74,961	73,282	83,509	87,334	19.2%	
Total Budget		<u>\$ 647,423</u>	<u>\$ 717,303</u>	<u>\$ 655,662</u>	<u>\$ 700,497</u>	-2.3%	

FPUD Expense Summary
Fiscal Year 2024-25 Operating Budget

Description	Div	FY 2022-23		FY 2023-24		FY 2024-25	% Change	Reference
		Actual	Amended Budget	Projected	Budget	Bgt to Bgt	Code	
Community Benefit Program	15							
Community Benefit Program	0							
Labor Expenses:								
Salaries		\$ -	\$ 1,464	\$ 1,464	\$ 3,633		148.1%	5-1
Non-Labor Expenses:								
Contractor Services	C	96	544,536	265,577	542,367		-0.4%	NA
Equipment (Non Capital)	E	-	-	-	-			NA
Materials/Services/Supplies	M	-	-	-	-			NA
Professional Services	P	-	-	-	-			NA
Memberships/Training/Permits	T	-	-	-	-			NA
Utilities	U	-	-	-	-			NA
Total Non-Labor		<u>\$ 96</u>	<u>\$ 544,536</u>	<u>\$ 265,577</u>	<u>\$ 542,367</u>		-0.4%	NA
Division Operating Total		<u>\$ 96</u>	<u>\$ 546,000</u>	<u>\$ 267,041</u>	<u>\$ 546,000</u>		0.0%	
Total Labor		\$ -	\$ 1,464	\$ 1,464	\$ 3,633		148.1%	
Total Non-Labor		96	544,536	265,577	542,367		-0.4%	
Operating Total		\$ 96	\$ 546,000	\$ 267,041	\$ 546,000		0.0%	
Allocated Benefits Expenditures		-	-	-	-			NA
Total Direct Water Costs		\$ 96	\$ 546,000	\$ 267,041	\$ 546,000		0.0%	
Allocation of Administrative Services		-	-	-	-			NA
Total Budget		<u>\$ 96</u>	<u>\$ 546,000</u>	<u>\$ 267,041</u>	<u>\$ 546,000</u>		0.0%	

Attachment B

FY 2024-25 Operating Budget Justifications (+/- 5%)

Administration

- 1-1** Increased budget for 3.8% COLA and expected merit salary increases
- 1-2** Added anticipated administrative costs for new regional CropSWAP program
- 1-3** Reduction due to completion of detachment efforts
- 1-4** Increase based on adopted watermaster budget
- 1-5** Increase for deferred comp consulting and Debt Book services
- 1-6** Reduction due to less equipment required for next FY
- 1-7** Decreased budget to align with projections for utilities
- 1-8** Decreased budget reflects new HR manager
- 1-9** Decreased budget to align with projections for recruiting expenses
- 1-10** Decreased budget to align with projections for training expenses
- 1-11** Increased participation in tuition reimbursement
- 1-12** Additional IT staffing
- 1-13** Increased costs for point to point connection for Spectrum \$9K; Additional Verizon devices and monthly plans \$4K
- 1-14** Additional hours budgeted to CIP projects
- 1-15** Reduction due to completion of Energy Efficiency contract in previous FY
- 1-16** Increased budget due to additional required safety training
- 1-17** Increased budget due to insurance and safety increases
- 1-18** Reduction due to completed implementation of fleet monitoring software

Water Services

- 2-1** Increased labor allocation and overtime by total of \$66K for emergency repairs
- 2-2** Additional costs for increased water expected at Santa Margarita Groundwater Treatment Plant (SMGTP)
- 2-3** Additional utilities based on FY25 projected deliveries
- 2-4** Increased contract services for additional specialized services needed to maintain and operate the distribution SCADA system
- 2-5** Changes in operations to allow for increased chemical costs and UV operations
- 2-6** Increased utility costs due to increased volumes from SMGTP for operation of distribution system
- 2-7** Additional OT added to align with trending emergency repairs; less hours allocated to CIP
- 2-8** Increased for welding supplies reduced from warehouse budget
- 2-9** Increased for replacement meters supplied from warehouse

Wastewater Services

- 3-1** Reduced Collections staffing
- 3-2** Reduced contract services for SCADA
- 3-3** Increased chemicals for lift station operations
- 3-4** Increased utilities for lift station operation
- 3-5** Increased maintenance materials for SCADA

Recycled Water Services

- 4-1** Reduced labor to align with actuals

Community Benefit Program

- 5-1** Additional administrative services needed for FY25

Attachment 7

Cost of Water

	FY 2022-23 Actual	FY 2023-24		FY 2024-25 Budget	Budget to Budget Change (%)
		Amended Budget	Projected		
Variable Costs:					
SDCWA Variable Cost	\$ 6,511,543	\$ 4,814,288	\$ 2,485,367	\$ -	-100.0%
EMWD Variable Cost	-		862,141	772,590	N/A
SMRCUP Supply Cost*	477,678	1,219,265	1,185,026	1,600,288	31.3%
Inventory Withdrawal	-	-	-	240,177	N/A
System Pumping	339,098	140,904	297,532	283,000	100.8%
Fixed Costs:					
SDCWA Supply Reliability	\$ 684,190	\$ 726,804	\$ 353,568	\$ -	-100.0%
SDCWA Storage	1,048,485	1,048,920	522,204	-	-100.0%
SDCWA Customer service	555,891	547,662	275,004	-	-100.0%
MWD Capacity	237,025	209,694	208,365	220,867	5.3%
MWD Readiness to Serve	259,181	242,400	304,124	316,289	30.5%
SDCWA IAC	603,768	608,142	301,362	-	-100.0%
Total Water Supply Costs	\$ 10,716,859	\$ 9,558,078	\$ 6,794,693	\$ 3,433,211	-64.1%

* This estimate does not include the SMGTP LRP credit of \$305/AF @ 3,100 estimated AF; \$945,500.

Attachment 8

Breakdown of District's Employee Benefit Costs

Description	FY 2022-23	FY 2023-24		FY 2024-25	Budget to
	Actual	Amended Budget	Projected	Budget	Budget Change (%)
Auto Allowance	\$ 23,500	\$ 21,750	\$ 23,500	\$ 22,795	4.8%
Insurance - Dental	76,903	84,731	78,609	86,348	1.9%
Insurance - Vision	13,648	14,818	13,961	15,135	2.1%
Insurance - Health	1,143,203	1,310,890	1,253,363	1,500,314	14.5%
Insurance - Life and Disability	55,359	57,390	65,675	61,894	7.8%
Insurance - Worker's Comp	134,287	153,532	107,138	129,207	-15.8%
FICA - Employer's share	535,293	529,000	567,827	591,992	11.9%
CalPERS Annual Contribution	669,948	803,005	779,764	842,390	4.9%
CalPERS Unfunded Liability Payment	1,243,218	1,237,755	1,237,755	1,476,796	19.3%
Pension/OPEB Liability Trust Payment *	500,000	500,000	500,000	500,000	0.0%
Employer's share (401 & 457)	81,680	125,489	119,041	138,038	10.0%
District Share of Retiree Medical Insurance	48,590	53,318	54,792	50,849	-4.6%
Merit Increase/Performance Bonus	47,000	33,000	48,061	83,771	55.7%
Uniforms & Boots	50,473	45,543	49,971	50,248	10.3%
Total	\$ 4,623,102	\$ 4,991,021	\$ 4,899,457	\$ 5,549,777	11.2%

*\$500,000 transferred to the District's Section 115 Pension Trust.

Attachment 9

Fiscal Year 2024-25 Debt Service Schedule

Year Ending June 30	Red Mountain State Revolving Fund Loan		Wastewater Revenue Refunding Bonds		QECB* Loan		SMRCUP State Revolving Funds		Water Revenue Bonds		District Annual Debt Service
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
	2024	\$ 324,764	\$ 71,087	\$ 1,120,000	\$ 610,746	\$ 410,388	\$ 111,302	\$ 1,600,373	\$ 1,214,422	\$ -	
2025	333,166	62,685	1,130,000	603,575	433,953	87,409	1,630,780	1,184,015	65,000	610,782	\$ 6,141,364
2026	341,786	54,065	1,145,000	584,934	458,515	62,150	1,661,765	1,153,030	180,000	496,750	\$ 6,137,994
2027	350,628	45,222	1,185,000	546,700	484,114	35,465	1,693,339	1,121,456	190,000	487,500	\$ 6,139,425
2028	359,700	36,151	1,230,000	498,400	254,219	7,296	1,725,512	1,089,283	200,000	477,750	\$ 5,878,311
2029	369,006	26,844	1,280,000	448,200	-	-	1,758,297	1,056,498	210,000	467,500	\$ 5,616,346
2030	378,553	17,297	1,335,000	395,900	-	-	1,791,704	1,023,091	220,000	456,750	\$ 5,618,296
2031	388,347	7,503	1,390,000	341,400	-	-	1,825,747	989,048	230,000	445,500	\$ 5,617,546
2032	-	-	1,445,000	284,700	-	-	1,860,436	954,359	245,000	433,625	\$ 5,223,120
2033	-	-	1,505,000	225,700	-	-	1,895,784	919,011	255,000	421,125	\$ 5,221,620
2034	-	-	1,565,000	164,300	-	-	1,931,804	882,991	270,000	408,000	\$ 5,222,095
2035	-	-	1,630,000	100,400	-	-	1,968,509	846,287	280,000	394,250	\$ 5,219,445
2036	-	-	1,695,000	33,900	-	-	2,005,910	808,885	295,000	379,875	\$ 5,218,570
2037	-	-	-	-	-	-	2,044,022	770,773	310,000	364,750	\$ 3,489,545
2038	-	-	-	-	-	-	2,082,859	731,936	330,000	348,750	\$ 3,493,545
2039	-	-	-	-	-	-	2,122,433	692,362	345,000	331,875	\$ 3,491,670
2040	-	-	-	-	-	-	2,162,759	652,036	360,000	314,250	\$ 3,489,045
2041	-	-	-	-	-	-	2,203,852	610,943	380,000	295,750	\$ 3,490,545
2042	-	-	-	-	-	-	2,245,725	569,070	400,000	276,250	\$ 3,491,045
2043	-	-	-	-	-	-	2,288,394	526,401	420,000	255,750	\$ 3,490,545
2044	-	-	-	-	-	-	2,331,873	482,922	445,000	234,125	\$ 3,493,920
2045	-	-	-	-	-	-	2,376,179	438,616	465,000	213,700	\$ 3,493,495
2046	-	-	-	-	-	-	2,421,326	393,469	480,000	194,800	\$ 3,489,595
2047	-	-	-	-	-	-	2,467,332	347,464	500,000	175,200	\$ 3,489,995
2048	-	-	-	-	-	-	2,514,211	300,584	520,000	154,800	\$ 3,489,595
2049	-	-	-	-	-	-	2,561,981	252,814	545,000	133,500	\$ 3,493,295
2050	-	-	-	-	-	-	2,610,658	204,137	565,000	111,300	\$ 3,491,095
2051	-	-	-	-	-	-	2,660,261	154,534	590,000	88,200	\$ 3,492,995
2052	-	-	-	-	-	-	2,710,806	103,989	610,000	64,200	\$ 3,488,995
2053	-	-	-	-	-	-	2,762,311	52,484	635,000	39,300	\$ 3,489,095
2054	-	-	-	-	-	-	-	-	665,000	13,300	\$ 678,300

*Qualified Energy Conservation Revenue Bonds. Debt service is not adjusted for interest rate subsidy payments.

Debt Service Budget Summary

Debt Issuance	Service				Total Debt Service
	Water	Wastewater	Recycled Water		
2018 SRF Loan	\$ 2,814,795	\$ -	\$ -	\$ -	\$ 2,814,795
2011 SRF Loan	395,851	-	-	-	395,851
2021 WWRRB*	-	1,213,502	520,072	-	1,733,575
2024 WRB	675,782	-	-	-	675,782
2010 QECB	-	521,362	-	-	521,362
Total	\$ 3,866,428	\$ 1,734,864	\$ 520,072	\$ -	\$ 6,141,364

*70% is allocated to wastewater and 30% of the debt service is allocated to recycled water.