



**REGULAR MEETING OF THE BOARD OF DIRECTORS
PICO WATER DISTRICT**

4843 S. Church Street
Pico Rivera, California, 90660

5:30 PM Wednesday, June 05, 2024

AGENDA

Any member of the public may attend this meeting in person or by accessing the Zoom link below. Any member of the public wishing to make any comments to the Board may do so through that Zoom link. The meeting Chair will acknowledge such individual(s) at the appropriate time in the meeting prior to making his or her comment. Members of the public wishing to make a comment are asked to state their name for the record and will be provided three (3) minutes to comment, the Board secretary will alert those commenting when they only have 30 seconds remaining. All members of the public will be disconnected from the Zoom link immediately before the Board of Directors adjourns into Closed Session.

Join Zoom Meeting

<https://us06web.zoom.us/j/9521779948?pwd=dGNxcXh3YitEc2NlVVdrUzVvNm4rZz09>

Join by Telephone: +1 669 900 6833

Meeting ID: 952 177 9948 Passcode: 421745

1. **ROLL CALL.**
2. **PLEDGE OF ALLEGIENCE.**
3. **INVOCATION.**

4. TIME RESERVED FOR PUBLIC COMMENTS.

*Members of the public shall be allowed three minutes to address the Board on any matter on the agenda and/or within the jurisdiction of the District, which is not on the Agenda. All comments should be addressed to the presiding officer of the meeting. Additional public comments shall be allowed when a listed agenda item is being considered, but such comments made at that time must be confined to the subject that is being discussed at the time such comments are made. Members of the public are asked to state their name for the record. Due to all Board Meetings being run as Zoom Meetings all participants will be placed on mute at the start of the meeting and when the meeting is open for public comment the participant will be asked to raise their hand through the button on the video conference screen if participating by video conference or by pressing *9 on their phone if participating by teleconference.*

5. ADOPTION OF AGENDA.

6. APPROVAL OF CONSENT CALENDAR.

(All matters on the Consent Calendar are to be approved on one motion, unless a Board Member requests a separate action on a specific item).

A. Consider approval of May 15, 2024 Regular Board Meeting Minutes.

7. ACTION/DISCUSSION ITEMS.

A. Consider Board Approval of 2025 Fiscal Year Budget & Capital Improvement Projects; presentation by EideBailly and the General Manager; Recommended Action – Board Discussion /Approve

8. REPORTS.

A. General Manager.

B. Legal Counsel.

9. INFORMATIONAL ITEMS

A. None at this time

10. DIRECTOR'S REQUEST OF FUTURE AGENDA ITEMS.

11. BOARD MEMBER COMMENTS.

A. Report on Meetings Attended/Comments.

12. CLOSED SESSION.

A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
[Government Code Section 54956.9(d)(1)]: *Pico Water District v. City of Pico Rivera*, Los Angeles County Superior Court Case No. 22NWCV00967.

B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
[Government Code Section 54956.9(d)(1)]: *City of Pico Rivera v. Pico Water District*, Los Angeles County Superior Court Case No. 24NWCP00165.

13. CLOSED SESSION REPORT.

14. ADJOURNMENT.

AGENDA POSTED ON: May 30, 2024

Next regularly scheduled meeting: June 19, 2024

NOTE: To comply with the Americans with Disabilities Act, if you need special assistance to participate in any Board meeting, please contact the District office at (562) 692-3756 at least 48 hours prior to a Board meeting to inform the District of your needs and to determine if accommodation is feasible.

Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the District office, located at 4843 S. Church Street, Pico Rivera, California.

CONSENT CALENDAR ITEMS

6. APPROVAL OF CONSENT CALENDAR.

(All matters on the Consent Calendar are to be approved on one motion, unless a Board Member requests a separate action on a specific item).

- A. Consider approval of May 15, 2024 Regular Board Meeting Minutes.

PICO WATER DISTRICT

**MINUTES
of
BOARD MEETING
05/15/2024**



MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF THE PICO WATER DISTRICT

A regular meeting of the Board of Directors of the Pico Water District was held in the District's Boardroom located at 4843 South Church Street, Pico Rivera, California, on Wednesday, May 15, 2024 at 5:30 p.m.

The District's General Manager, Joe D. Basulto, proceeded with the roll call of the attending Board members. Present from the beginning of the meeting were Director David Angelo, Director David Gonzales, Director Pete Ramirez, Vice President Victor Caballero, President Raymond Rodriguez, and Mr. Jim Ciampa, Legal Counsel for the District.

Director Pete Ramirez led everyone in the Pledge of Allegiance and Vice President Victor Caballero gave the invocation.

President Raymond Rodriguez proceeded to the next item on the Agenda, Public Comments. There were no people in attendance via zoom. There were no public comments.

President Raymond Rodriguez proceeded to the adoption of the Agenda. Director Pete Ramirez made the motion to adopt the agenda as presented and Director David Gonzales seconded the motion. The General Manager announced that the motion passed by roll-call vote, 5 – 0.

President Raymond Rodriguez proceeded to the next item on the Agenda, approval of Consent Calendar, consisting of (i) approval of May 1, 2024 Regular Board Meeting Minutes; (ii) approval of accounts now due and payable and receive and file bills approved by General Manager – March 2024; and (iii) approval of March 2024 Financial Statements. Director Pete Ramirez made the motion to adopt the Consent Calendar items and Vice President Victor Caballero seconded the motion. The General Manager announced that the motion passed by roll-call vote, 5–0.

President Raymond Rodriguez proceeded to the next item on the Agenda, Action/ Discussion Items. Action Item 7A. Consider Board Approval of 2024 Scholarship Program Applicant. The General Manager recommended the sole applicant, Lillian Rodriguez, to receive the scholarship, as she was the only qualified applicant for the 2024 Scholarship Program. Director Pete Ramirez made the motion to approve the award of the District's 2024 Scholarship to Lillian Rodriguez and that she be awarded the full scholarship amount of \$1000.00, as funded by the District's Directors. President Raymond Rodriguez seconded the motion. The General Manager announced that the motion passed by roll-call vote, 5–0.

President Raymond Rodriguez proceeded to the next item on the Agenda, General Manager's Report. The General Manager reported the field staff is finishing their monthly meter reading today. Billing re-reads will start the following week. Staff will be done with their billing schedule at the end of the month and this billing period will reflect the new rates for residential accounts. Going forward, both residential and commercial accounts will be impacted with the new rate increase. Last week, there were 15 residential turn offs and by the end of the day there was one that remained turned off. The next day that residential customer paid their account and service was restored. The following day 6 commercial accounts were turned off and only one commercial account was not restored. At Well #5, General Pump completed their work in flushing and sampling the well. The General Manager is currently waiting for the results of the samples. Once the results come in that the samples were good, the State Engineer will be contacted and the well will be turned back on. The State Engineer is still reviewing the permit amendment for Well #11 when the General Manager contacted them. Management staff, along with Eide Bailly, are currently working on the draft of the budget. The Finance Committee will meet on May 16 to review the draft budget. If the meeting goes well, the budget will be agendaized for approval at the June 5 Board meeting. The General Manager is still receiving applications for the open maintenance worker position and the application period will be closed at the end of this month.

President Raymond Rodriguez proceeded to the next item on the Agenda, Legal Counsel Report. Legal Counsel, Jim Ciampa, reported on the cost estimate for the Delta Connivance Project that is going to be released tomorrow along with the new cost-benefit analysis. There was also an article in the LA Times about the amount of water the county was able to capture through the storms this year was a pretty astounding amount of billions of gallons of water. It was enough to supply water to about 9 million people for a year. That all got replenished either in the Main San Gabriel Basin or the Central Basin. The Legislature is still going through the appropriations committee process at this point. Next Friday, May 24, is the deadline for the bills to get through their house of origin.

President Raymond Rodriguez proceeded to the next item on the Agenda, Informational Items. The General Manager reported on Informational Item A. Election Results; LAFCO Voting Representative. The election results were received and Donald Dear was re-elected to serve as the Special District LAFCO Representative with his term ending May 1, 2028. Informational Item B. Water Level Report & State Reservoir Conditions – May 07, 2024, the General Manager reported that for the month of April, all static levels are up. Well #4 was up by 10 feet, Well #5A was up by 7 feet, Well #8 was up by 17 feet, Well #10 was up by 6 feet, and Well #11 was up by 6 feet. The condition of the state reservoirs is that all are above the historical average, which is positive news. The Director of Operations, Matt Tryon, reported on Informational Item C. Field Operations Monthly Activity Report – April 2024. He reported there were no main leaks, a few service line leaks, and a few meter leaks. There were some valves exercised, and a fire hydrant was hit and repaired this past week. Also, 12 new meters were installed and a new service was installed on Bequette. There were 267 Dig Alerts to which the field responded. Data has been compiled for the annual Consumer Confidence Report that will be completed by June 2024. There was also a meeting with the contractor on site for El Rancho High School because they are going to build a new field and pool. The water facilities installation will be a new fire service, a domestic 3-inch line and an irrigation meter. Payment for those facilities has been received. Mr. Tryon also reported on Informational Item D. Monthly Ground Water Well Production – April 2024, stating the District produced 176 acre feet in April, which is below the 3-year average. With the mild weather, the District continues to encourage customers to use water necessary, but to conserve where possible.

President Raymond Rodriguez proceeded to the next item on the Agenda, Future Agenda Items. There were none at this time.

President Raymond Rodriguez proceeded to the next item on the Agenda, Board Member Comments. Director Pete Ramirez commented on attending the WRD meeting with Director David Gonzales. He was approached by a lady leaving the meeting, she thanked him and the Board of Directors for their contribution for the scholarship for the students. Director David Gonzales also commented on attending the WRD meeting and speaking to a gentleman regarding funding for water agencies.

President Raymond Rodriguez proceeded to the next item on the Agenda, Closed Session. Closed session began at 6:05 p.m. Closed session ended at 6:28 p.m. Legal Counsel, Jim Ciampa reported on the closed session report. The closed session was held under 12A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION [Government Code Section 54956.9(d)(1)]: Pico Water District v. City of Pico Rivera, Los Angeles County Superior Court Case No. 22NWCV00967. Board was updated on the status of that litigation and no reportable action was taken. 12B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION [Government Code Section 54956.9(d)(1)]: City of Pico Rivera v. Pico Water District , Los Angeles County Superior Court Case No. 24NWCP00165. The board was briefed about the facts and circumstances of that litigation and direction was given to legal counsel.

There being no further business to come before the Board, the Board meeting adjourned at 6:29 p.m. Next Meeting to be held on June 5, 2024 at 5:30 pm.

Raymond Rodriguez, President

Attest:

Joe D. Basulto, Secretary
(Seal)

ACTION / DISCUSSION ITEMS

7. ACTION/DISCUSSION ITEMS.

- A. Consider Board Approval of 2025 Fiscal Year Budget & Capital Improvement Projects; presentation by EideBailly and the General Manager; Recommended Action – Board Discussion /Approve

STAFF REPORT

To: Honorable Board of Directors

From: Joe D. Basulto, General Manager

Meeting Date: June 05, 2024

Subject: Consider approval of proposed Fiscal Year 2025 Operating Budget and Capital Improvements Projects

Recommendation

Per Recommendation from Finance Committee, that Board of Directors Approve Budget

Fiscal Impact

The Proposed 2025 FY Budget are total operating revenues is \$6,443,100 and our operating projected expenses are \$5,221,600.00 Capital Improvement Projects Expense \$1,646,000.00 giving us an operating loss/deficit of \$424,500.00 for FY 2025.

Background

Presentation of 2025 FY Budget by Eide Bailly Staff & the Pico Water District General Manager. Please review attached FY 2025 Budget Narrative and Proposed Budget.

Pico Water District

FY 2025

Budget Narrative



Pico Water District FY 24/25 Proposed Budget

Schedule A: FY 24/25 Proposed Budget Summary

Column (A) is the Adopted Budget for FY 24. Column (B) represents projected year-end balances for Fiscal Year 24. These amounts are estimates; actual results will vary. Column (C) displays the Proposed Budget for FY 25. Columns (D) and (E) display \$ and % differences from Projected FY 24 results to the FY 25 Proposed Budget.

REVENUES

Line 2 WS 1 – Potable Charges: Volumetric water sales including residential, commercial, multiuser, industrial, government, and construction water sales. Revenues for FY 25 are budgeted with a 29% increase over FY 24 projected ending due to a 25% scheduled volumetric rate increase per adopted rate schedule beginning March of 2024 and a 20% scheduled volumetric rate increase beginning January of 2025.

Line 3 WS 2 – Recycled Water Charges: Includes revenue for recycled water charges. Revenues for FY 25 are budgeted with 28% increase over FY 24 projected ending due to a 25% scheduled volumetric rate increase per adopted rate schedule beginning March of 2024 and a 20% scheduled volumetric rate increase beginning January of 2025.

Line 4 MS 1 - Meter Charges: Fixed water charges including residential, commercial, multiuser, industrial, government, and construction water sales. This is a flat, fixed monthly charge for all meter service connections. Revenues for FY 25 are budgeted with 31% increase over FY 24 projected ending due to a 25% scheduled fixed meter rate increase per adopted rate schedule beginning March of 2024 and a 20% scheduled fixed meter rate increase beginning January of 2025.

Line 5 MS 2 – Multi Unit Charges: Includes meter service charges for multi dwelling units. Revenues for FY 25 are budgeted with a 43% increase over FY 24 projected ending due to 25% scheduled volumetric rate increase per adopted rate schedule beginning March of 2024 and a 20% scheduled volumetric rate increase beginning January of 2025.

Line 6 MS 3 – Fire Protection Charges: This is the flat, fixed monthly charge for all private fire service connections. Revenues for FY 25 are budgeted with a 27% increase over FY 24 projected ending due to 25% scheduled fixed private fire rate increase per adopted rate schedule beginning March of 2024 and a 20% scheduled fixed private fire rate increase beginning January of 2025.

Lines 8 Late Fees & Other Water Charges: Includes hydrant setup, application charges, late fees, reconnection fees, lock charges, credit collections and meter flow sampling. Revenues for FY 25 are budgeted at FY 24 projected ending with no increase to remain conservative.



Line 9 Backflow Program: Includes backflow device fees. Revenues for FY 25 are budgeted at FY 24 projected ending with no increase to remain conservative.

Line 10 Water Rights Income: Includes Virginia Country Club water lease payment. Revenues for FY 25 are in line with prior year budget due to static water rights agreement.

OPERATING EXPENSE:

Lines 13 Source of Supply: Includes operating salaries and wages, recycled water purchases, and ground water replenishment. FY 25 budget is budgeted with a 3% increase over FY 24 projected ending. See schedule B for more detail.

Line 14 Pumping: Includes salaries and wages, pumping maintenance at various sites, and power relating to pumping. FY 25 budget is budgeted with an 11% increase over FY 24 projected ending. See schedule B for more detail.

Line 15 Water Treatment: Includes salaries and wages, maintenance, and water treatment regulations. FY 25 budget is budgeted with a significant increase over FY 24 projected ending primarily due to the addition of PFAS treatment maintenance costs. See schedule B for more detail.

Line 16 Transmission & Distribution: Includes salaries and wages, field supplies, safety expense, and maintenance for backhoe, hydrants, meters, main lines, valves, and vehicle maintenance and fuel. FY 25 budget is budgeted with a 9% increase over FY 24 projected ending. The increase is primarily related to the budgets for construction in progress maintenance being moved to general fund. See schedule B for more detail.

Line 17 Customer Accounts: Includes meter reading labor, billing/customer service salaries & wages, and supplies expense. FY 25 budget is budgeted with a 4% decrease from FY 24 projected ending primarily due to an anticipated decrease in field worker allocation to billing and customer service salaries and wages. See schedule B for more detail.

Line 18 General Administrative: Includes administrative and director compensation, employee benefits and taxes, travel and office expenses, professional services, software licensing and support, insurance, education and conservation expense, and election costs. FY 25 budget is budgeted with a 34% increase over FY 24 projected ending primarily due to an increase in legal and election expenses. See schedule B for more detail.



NON-OPERATING INCOME:

Line 22 Infrastructure: Includes infrastructure surcharges. Revenues for FY 25 are budgeted with a 29% increase over FY 24 projected ending due to a 25% scheduled monthly infrastructure rate increase per adopted rate schedule beginning March of 2024 and a 20% scheduled monthly infrastructure rate increase beginning January of 2025.

Line 23 Interest & Investment Income: Includes Cantella certificate of deposit, Local Agency Investment Fund (LAIF), and California Cooperative Liquid Assets Securities System (CLASS) investment income. FY 25 budget is based on FY 24 projected ending with no increase. Cantella CD was withdrawn in April 2024, so FY 25 only includes budget for CLASS and LAIF interest.

Line 25 Other Income: Includes miscellaneous refunds and admin fees for project close outs, which are normally budgeted at zero due to their unpredictable nature. FY 25 budget is set at \$308K to account for PFAS settlement funds anticipated to be received in FY 25.

Line 26 House Rental Income: Includes monthly rent charges collected from rental property. FY 25 budget is based on FY 24 projected ending with a 5% increase based on current contract.

NON-OPERATING EXPENSE:

Line 29, 30, 31: Loan Principal, Interest Expense, Annual Loan Fee: Includes iBank loans 1 and 2. FY 25 budget is based on corresponding debt repayment schedules.

Line 32 Other Non-Operating Expense: Includes late reporting fees and compliance fines. FY 25 has no budget due to the infrequency of such charges.

Line 33 Rental House Expense: Includes repair and maintenance expenses for the rental house property. FY 25 budget is set equal to FY 24 budget to account for any unanticipated repairs in FY 25.

Line 36 Capital Improvement Projects (District Funded): See schedule C for more detail.



Schedule B: FY 24/25 Proposed Operating Expense Budget

Column (A) is the Adopted Budget for FY 24. Column (B) represents projected year-end balances for Fiscal Year 24. These amounts are estimates; actual results will vary. Column (C) displays the Proposed Budget for FY 25. Columns (D) and (E) display \$ and % differences from Projected FY 24 results to the FY 25 Proposed Budget.

OPERATING EXPENSE DETAIL

LINES 2-6 SOURCE OF SUPPLY

Line 3 Salaries & Wages: Includes source of supply salaries and wages. FY 25 budget is based on FY 24 projected ending with a 5% salary increase.

Line 4 Recycled Water: Includes recycled water charges reimbursed by Central Basin Municipal Water District. FY 25 budget is based on FY 24 projected ending with a 3.3% Water Replenishment District rate increase.

Line 5 Ground Water Replenishment: Includes ground water charges reimbursed by the Water Replenishment District. FY 25 budget is based on FY 24 projected ending with a 3.3% Water Replenishment District rate increase.

LINES 7-11 PUMPING

Line 8 Salaries & Wages: Includes salaries and wages related to pumping. FY 25 budget is based on FY 24 projected ending with a 5% salary increase.

Line 9 Maintenance: Includes maintenance at well and reservoir sites, and miscellaneous pumping maintenance. FY 25 is seeing a 5% decrease from FY 24 projected ending primarily due to large maintenance projects at Well 5 and Well 6 that were driving up projected ending over its normal activity.

Line 10 Power: Includes electrical expense at all Well sites. FY 25 budget is based on FY 24 projected ending with an 8% energy increase at wells 2, 4, 6, 7, 10, and reservoir site. FY 25 budget also incorporates a 15% increase at wells 5, 8, and 11 to account for increased usage associated with PFAS treatment going live.

LINE 12-16 WATER TREATMENT

Line 13 Salaries & Wages: Includes salaries and wages relating to PFAS treatment and the treatment of wastewater. FY 25 budget is based on FY 24 projected ending with a \$16K increase to account for more field labor being allocated here for PFAS treatment.



Line 14 Maintenance: Includes chemical treatment and PFAS treatment maintenance. FY 25 budget is budgeted based on FY 24 projected ending with a 5% chemical rate increase and an additional \$101,700 budgeted for valve maintenance, pre-filter replacements and sampling all related to PFAS treatment.

Line 15 Water Treatment Regulations: Includes lab testing fees and permits. FY 25 budget is budgeted based on FY 24 projected ending with a 7% increase. Increase primarily due to an increase in water sampling in conjunction with the PFAS project.

LINE 17-21 TRANSMISSION & DISTRIBUTION

Line 18 Salaries & Wages: Includes wages and salary related to transmission and distribution. FY 25 budget is based on FY 24 projected ending with a 5% salary increase.

Line 19 Maintenance: Includes field supplies, small tools, safety expense, cross connection expense, first aid expense, uniforms and maintenance/repair expenses for backhoes, hydrants, meters, mainlines and valves. FY 25 budget is generally based on FY 24 projected ending with a 4% inflation increase. FY 25 budget for valve repair and maintenance has been increased to \$15K to accommodate the movement of CIP budget to the general budget.

Line 20 Vehicle Maintenance & Fuel: Includes maintenance expenses for all District vehicles and fuel charges. FY 25 budget is based on FY 24 projected ending with a 5% fuel increase.

LINE 22-26 CUSTOMER ACCOUNTS

Line 23 Meter Reading Labor: Includes salaries and wages related to service calls and meter readings. FY 25 budget is based on FY 24 projected ending with a 5% salary increase.

Line 24 Billing/Customer Service Salaries & Wages: Includes salaries and wages related to customer service and billing. FY 25 budget is budgeted with a 9% decrease from FY 24 projected ending. This is primarily due to more labor being allocated to PFAS treatment project once it goes live and less to billing and customer service.

Line 25 Supplies: Includes billing and collection supplies such as copier lease, answering services, postage, and payment processing fees as well as billing communication expenses relating to mobile service orders. FY 25 budget is based on FY 24 projected ending with a 4% inflation increase.

LINES 27-55 GENERAL & ADMINISTRATIVE

Line 28 Salaries: Includes salaries and wages relating to office administration and includes the general manager, office manager, and vacant office manager assistant position. FY 25 budget consists of a large increase due to FY 24 having a vacant office manager position for the first 5



months of the fiscal year. FY 25 is also budgeting for the vacant office manager assistant position.

Line 29 Vacation/Holiday/Other Payroll: Includes compensated absences, phone allowance, and car allowance regardless of wage allocation. FY 25 budget increase is in line with salary increases.

Line 30 Directors Compensation: Includes director's stipends and is budgeted at \$8,400 per director for 5 directors. FY 25 budget is set equal to FY 24 projected ending.

Line 31 Travel/Meetings (Board): Includes travel and meeting charges for 5 directors at \$3K each. FY 25 budget is set equal to FY 24 budget to account for an assumed activity level of activity.

Line 32 Travel/Meetings (Staff): Includes travel and meeting charges for all staff. FY 25 budget is increased to \$10K to account for all staff because FY 24 was budgeted only for the general manager.

Line 33 Board Room Expenses: Includes expenses related to board meetings. FY 25 budget is based on FY 24 projected ending with an inflationary increase.

Line 34 Office Supplies: Includes office supplies and payroll fees. FY 25 budget is based on FY 24 projected ending with a 4% inflation increase.

Line 35 Office Utilities: Includes electrical, phone and internet service at the District office. FY 25 budget is based on FY 24 projected ending with an 8% electricity increase.

Line 37 Accounting: Includes accounting, auditing, and actuarial valuation services. FY 25 budget is based on FY 24 projected ending with a 10% increase for accounting services and a 5% increase for actuarial valuation services. FY 24 saw a spike in accounting services due to the office manager position being vacant for 5 months.

Line 38 Computer: Includes email hosting, offsite backups, and server checkups. FY 25 budget is based on FY 24 projected ending with a 4% inflation increase.

Line 39 Engineering: Includes engineering services not related to capital projects. FY 25 budget is budgeted in line with prior year budget to be conservative.

Line 40 Legal: Includes legal services for board meetings, general matters, and ongoing litigation. FY 25 budget is increased 62% over FY 24 projected ending to account for increased legal fees regard PFAS settlement in starting in June and another legal matter beginning in October.



Line 41 Miscellaneous: Includes annual dues paid to the County of LA for LAFCO fees. FY 25 budget is based on FY 24 projected ending with an inflation increase.

Line 42 PWAG – Emergency Services Coordinator: Includes monthly emergency service trainings and radios. FY 25 budget is based on FY 24 projected ending with a 4% inflation increase.

Line 43 Tyler Technologies Licensing & Support: Includes Tyler maintenance fees, Tyler web service, Neptune software, and SCADA maintenance. FY 25 budget is based on FY 24 projected ending with a 4% inflation increase.

Line 44 Nobel Systems – GIS Program: Includes annual subscriptions for GIS support. FY 25 budget is based on FY 24 projected ending with a 4% inflation increase.

Line 45 Insurance: Includes health, dental, life, vision and retiree insurance as well as worker's compensation, property, earthquake, liability, and cyber security insurance. Notable changes for FY 25 include an increase in dental due to updated conservative budgeting assuming all employees use their maximum permitted dental allowance. Worker's compensation increased in line with salaries at 5%. FY 25 budget for Property, earthquake, liability, and cyber security insurance are based on FY 24 projected ending with a 10% insurance increase.

Line 46 Payroll Taxes: FY 25 budget increase is in line with salary increases.

Line 47 Pension: Includes CalPERS payments for CLASS and PEPRA members as well as the unfunded accrued liability payment. FY 25 budget increased by 29% primarily due to budgeting the new vacant office manager assistant position and FY 24 had a vacancy in the office manager position for the first 5 months.

Line 48 OPEB Trust Contributions: Includes other post-employment benefit trust contributions. No trust contribution is budgeted for FY 25.

Line 49 Maintenance: Includes maintenance at general plant, district office, and district yard. FY 25 budget is based off FY 24 projected ending with a 4% inflation increase.

Line 50 Dues & Subscriptions: Includes ACWA, AWWA, CWSA, and miscellaneous small renewals. FY 25 budget is based off FY 24 projected ending with a 4% inflation increase.

Line 51 Noticing: Includes quarterly noticing related to informing customers of PFAS levels in the water. FY 25 budget is based on FY 24 projected ending with a 4% inflation increase.

Line 52 Education Expense: Includes training and educational reimbursements for employees. FY 25 budget is based on FY 24 projected ending with an inflationary increase.



Line 53 Conservation Expense: Includes expenses related to social media and website updates relating to water conservation efforts. FY 25 budget is based on FY 24 projected ending with a 4% inflation increase.

Line 54 Election Expense: Includes expenses relating to board member elections. FY 25 budget is increased to \$60K to account for upcoming election in 2025.



Schedule C: FY 24/25 Proposed Capital Budget

Column (A) is the Adopted Budget for FY 24. Column (B) represents projected year-end balances for Fiscal Year 24. These amounts are estimates; actual results will vary. Column (C) displays the Proposed Budget for FY 25.

LINES 1-4 STUDIES & PLANS

Line 2 Water Master Plan: Project completed in FY 24.

Line 3 Rate Study: Project completed in FY 24.

LINES 5-9 OFFICE EQUIPMENT PURCHASE

Line 6 Office & Boardroom AC Upgrade: Air conditioning repaired in FY 24 and has not experienced anymore issues so upgrade is removed for FY 25 budget. FY 25 budget consists of new office furniture.

Line 7 Tyler Document Management Program & Scanners: Project budgeted by previous management. No longer occurring.

Line 8 Server Upgrade for Tyler Migration: FY 25 budget consists of \$10K for server upgrades.

LINES 10-12 FIELD EQUIPMENT REPURCHASE

Line 11 Utility Truck – 2023: Purchased in FY 24.

LINES 13-19 REPLACEMENT PROGRAMS

Line 14 Main Lines: FY 25 budget moved to general operating expense.

Line 15 Hydrants: FY 25 budget moved to general operating expense.

Line 16 Service Lines: FY 25 budget moved to general operating expense.

Line 17 Meters: FY 25 budget consists of \$329.6K that will be used to replace all meters and may be a multi-year project.

Line 18 Valves: FY 25 budget moved to general operating expense.

LINES 20-23 WELLS & EQUIPMENT UPGRADE



Line 21 Well 5A Waste Water Discharge Line Installation: FY 25 budget consist of rollover from FY 24.

Line 22 Well 8 Waste Water Discharge Line Installation: Project completed in FY 24.

LINES 24-28 PFAS REMEDIATION TREATMENT PLANTS

Line 25 Treatment Plants Wells 11, 8, 5: FY 25 budget consists of rollover from FY 24.

Line 26 PFAS Vessel Media Replacement: FY 25 budget consists of \$618,000 used to replace vessel media. This project may carry over into FY 26 because once PFAS treatment goes live, the vessel media should last a year before needing to be replaced.

Line 27 WRD – PFAS Capital Contributions: FY 25 removed budget because the rest of the PFAS treatment project will be District funded.

Pico Water District

FY 2025

Proposed Budget



Pico Water District

FY 2024-25 Proposed Budget Summary

Schedule A

		A	B	C	D = C-B	E = D/B
		Adopted Budget FY 24	Projected Ending FY 24	Proposed Budget FY 25	\$ Difference	% Difference
1	OPERATING REVENUES					
2	WS 1 - Potable Water Charges	\$ 2,253,800	\$ 2,261,500	\$ 2,919,800	\$ 658,300	29%
3	WS 2 - Recycled Water Charges	50,600	41,400	53,100	11,700	28%
4	MS 1 - Meter Charges	1,633,500	1,698,700	2,217,700	519,000	31%
5	MS 2 - Multi Unit Charges	-	700	1,000	300	43%
6	MS 3 - Fire Protection Charges	83,800	90,700	115,500	24,800	27%
7	<u>Misc. Charges</u>					
8	Late Fees & Other Water Charges	82,700	85,600	85,600	-	0%
9	Backflow Program	33,300	33,200	33,200	-	0%
10	Water Rights Income	21,600	21,600	21,600	-	0%
11	TOTAL OPERATING REVENUES	4,159,300	4,233,400	5,447,500	1,214,100	29%
12	OPERATING EXPENSE					
13	Source of Supply	1,204,600	1,146,500	1,185,600	39,100	3%
14	Pumping	583,300	678,600	754,500	75,900	11%
15	Water Treatment	135,800	134,600	260,700	126,100	94%
16	Transmission & Distribution	196,700	314,600	343,500	28,900	9%
17	Customer Accounts	248,700	293,300	282,600	(10,700)	-4%
18	General & Administrative	1,597,600	1,476,400	1,972,500	496,100	34%
19	TOTAL OPERATING EXPENSE	3,966,700	4,044,000	4,799,400	755,400	19%
20	OPERATING INCOME (LOSS)	192,600	189,400	648,100	458,700	242%
21	NON-OPERATING INCOME					
22	Infrastructure Surcharge [RESTRICTED]	425,000	484,500	625,700	141,200	29%
23	Interest & Investment Income	31,600	42,800	38,400	(4,400)	-10%
24	Grant Revenue	-	-	-	-	0%
25	Other Income	-	38,600	308,000	269,400	698%
26	House Rental Income	22,400	22,400	23,500	1,100	5%
27	TOTAL NON-OPERATING INCOME	479,000	588,300	995,600	407,300	69%
28	NON-OPERATING EXPENSE					
29	Loan Principal	169,900	169,900	176,200	6,300	4%
30	Interest Expense	231,100	231,100	224,800	(6,300)	-3%
31	Annual Loan Fee Expense	19,100	19,100	18,600	(500)	-3%
32	Other Non-Operating Expense	-	-	-	-	0%
33	Rental House Expense	2,600	900	2,600	1,700	189%
34	TOTAL NON-OPERATING EXPENSE	422,700	421,000	422,200	1,200	0%
35	NET INCOME / (LOSS) BEFORE CAPITAL & DEPR.	248,900	356,700	1,221,500	864,800	242%
36	Capital Improvement Projects (District Funded)	(547,900)	(1,438,600)	(1,646,000)	(207,400)	
37	NET CHANGE IN CASH & INVESTMENTS	\$ (299,000)	\$ (1,081,900)	\$ (424,500)		



Pico Water District

FY 2024-25 Proposed Budget

Operating Expense Detail

Schedule B

	A	B	C	D = C-B	E = D/B
	Adopted Budget FY 24	Projected Ending FY 24	Proposed Budget FY 25	\$ Difference	% Difference
1 OPERATING EXPENSE					
2 SOURCE OF SUPPLY					
3 Salaries & Wages	\$ 70,000	\$ 70,600	\$ 74,100	\$ 3,500	5%
4 Recycled Water	46,300	30,600	31,600	1,000	3%
5 Ground Water Replenishment	1,088,300	1,045,300	1,079,900	34,600	3%
6 TOTAL SOURCE OF SUPPLY	1,204,600	1,146,500	1,185,600	39,100	3%
7 PUMPING					
8 Salaries & Wages	240,000	274,200	287,900	13,700	5%
9 Maintenance	66,600	87,500	83,100	(4,400)	-5%
10 Power	276,700	316,900	383,500	66,600	21%
11 TOTAL PUMPING	583,300	678,600	754,500	75,900	11%
12 WATER TREATMENT					
13 Salaries & Wages	20,000	5,200	21,000	15,800	304%
14 Maintenance	39,800	35,200	138,700	103,500	294%
15 Water Treatment Regulations	76,000	94,200	101,000	6,800	7%
16 TOTAL WATER TREATMENT	135,800	134,600	260,700	126,100	94%
17 TRANSMISSION & DISTRIBUTION					
18 Salaries & Wages	95,000	102,800	107,900	5,100	5%
19 Maintenance	69,500	176,700	198,800	22,100	13%
20 Vehicle Maintenance & Fuel	32,200	35,100	36,800	1,700	5%
21 TOTAL TRANSMISSION & DISTRIBUTION	196,700	314,600	343,500	28,900	9%
22 CUSTOMER ACCOUNTS					
23 Meter Reading Labor	35,000	31,900	33,500	1,600	5%
24 Billing/Customer Service Salaries & Wages	133,800	178,000	162,400	(15,600)	-9%
25 Supplies	79,900	83,400	86,700	3,300	4%
26 TOTAL CUSTOMER ACCOUNTS	248,700	293,300	282,600	(10,700)	-4%
27 GENERAL & ADMINISTRATIVE					
28 Salaries	358,300	207,300	347,900	140,600	68%
29 Vacation/Holiday/Other Payroll	176,000	155,100	160,000	4,900	3%
30 Directors Compensation	35,000	42,000	42,000	-	0%
31 Travel & Meetings (Board)	15,000	4,000	15,000	11,000	275%
32 Travel & Meetings (Staff)	3,100	5,900	10,000	4,100	69%
33 Board Room Expenses	2,600	1,700	1,800	100	6%
34 Office Supplies	11,300	13,600	14,100	500	4%
35 Office Utilities	24,900	21,300	23,000	1,700	8%
36 <u>Professional Services</u>					
37 Accounting	90,400	96,700	107,000	10,300	11%
38 Computer	5,400	7,300	7,600	300	4%
39 Engineering	3,100	-	3,100	3,100	0%
40 Legal	45,000	123,200	200,000	76,800	62%
41 Miscellaneous	4,000	1,500	1,600	100	7%
42 PWAG - Emergency Services Coordinator	15,200	16,300	17,000	700	4%
43 Tyler Technologies Licensing and Support	28,200	28,500	29,600	1,100	4%
44 Nobel Systems - GIS Program	24,100	26,100	27,100	1,000	4%
45 Insurance	341,000	351,000	450,000	99,000	28%



Pico Water District

FY 2024-25 Proposed Budget

Operating Expense Detail

Schedule B

	Adopted Budget FY 24	Projected Ending FY 24	Proposed Budget FY 25	\$ Difference	% Difference
46 Payroll Taxes	\$ 93,800	\$ 81,000	\$ 99,800	\$ 18,800	23%
47 Pension	227,500	205,300	264,200	58,900	29%
48 OPEB Trust Contribution	-	-	-	-	0%
49 Maintenance	18,000	22,200	23,100	900	4%
50 Dues & Subscriptions	19,700	25,600	26,600	1,000	4%
51 Noticing	27,500	21,700	22,600	900	4%
52 Education Expense	3,500	5,800	6,000	200	3%
53 Conservation Expense	25,000	12,900	13,400	500	4%
54 Election Expense	-	400	60,000	59,600	14900%
55 TOTAL GENERAL & ADMINISTRATIVE	1,597,600	1,476,400	1,972,500	496,100	34%
56 TOTAL OPERATING EXPENSE	\$ 3,966,700	\$ 4,044,000	\$ 4,799,400	\$ 755,400	19%

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Pico Water District

FY 2024-25 Proposed Budget

Capital Improvement Projects

		A	B	C
		Adopted Budget FY 24	Projected Ending FY 24	Proposed Budget FY 25
1	Studies & Plans			
2	Water Master Plan	\$ 85,900	\$ 13,800	\$ -
3	Rate Study	-	58,400	-
4	Total Studies & Plans	85,900	72,200	-
5	Office Equipment Purchase			
6	Office & Boardroom AC Upgrade	25,000	-	15,000
7	Tyler Document Management Program & Scanners	17,000	-	-
8	Server Upgrade for Tyler Migration	-	-	10,000
9	Total Office Equipment Purchase	42,000	-	25,000
10	Field Equipment Purchase			
11	Utility Truck - 2023	40,000	46,700	-
12	Total Field Equipment Purchase	40,000	46,700	-
13	Replacement Programs			
14	Main Lines	50,000	5,800	-
15	Hydrants	12,500	-	-
16	Service Lines	12,500	-	-
17	Meters	90,000	-	329,600
18	Valves	15,000	-	-
19	Total Replacement Programs	180,000	5,800	329,600
20	Wells & Equipment Upgrade			
21	Well 5A Waste Water Discharge Line Installation *	200,000	14,900	185,100
22	Well 8 Waste Water Discharge Line Installation	-	66,500	-
23	Total Wells & Equipment Upgrade	200,000	14,900	185,100
24	PFAS Remediation Treatment Plants			
25	Treatment Plants Wells 11, 8, 5 *	1,862,900	1,374,600	488,300
26	PFAS Vessel Media Replacement	-	-	618,000
27	WRD - PFAS Capital Contributions	(1,862,900)	(142,100)	-
28	Net PFAS Remediation Treatment Plants	-	1,232,500	1,106,300
29	TOTAL CAPITAL IMPROVEMENT PROJECTS	\$ 547,900	\$ 1,438,600	\$ 1,646,000

**FY 24 Carryover Projects*