

PUBLIC COMMENT for 9/22/2020 CVWD Board Mtg (from Marilyn Tyler)

1. Kudos to CVWD Staff for pulling together a clearly written preliminary FY2019-20 financial close-out summary, and kudos to the Staff again for the significant cost-savings shown therein. The bottom line is that for multiple positive reasons, in FY2019-20 approximately \$200K was ADDED to water reserves.
2. There is a not-insignificant typo in the Staff Report---as shown in the table in the Staff Report's Attachment 1, the amount estimated to be added to water reserves is \$187,569 (NOT \$162K as erroneously stated in the Staff Report).
3. I did my own calculations using information provided at prior Finance Committee meetings, and came up with \$265,055 as the amount added to water reserves (see calculations below).

RE: Rate Increase? HOW MUCH ADDITIONAL REVENUE IS ACTUALLY NEEDED?

4. To be fair to the community, the CVWD Board should address the question: HOW MUCH ADDITIONAL REVENUE IS ACTUALLY NEEDED?
Given:
 - Metered Water Sales have been increasing by 27% (WHAT ARE THE METERED WATER SALES FOR JULY AND AUGUST 2020?)
 - Water Reserves are being added to, not depleted
 - For FY2020-21, the budget for Water Sales – Metered has been reduced by \$282,827 from FY2019-20 and so will be easier to meet
FY2020-21 Water Sales – Metered \$8,858,374 Budget
FY2019-20 Water Sales – Metered \$9,141,201 Budget
 - With bond funding, the CIP budget has essentially doubled, to \$5M/year from \$2.5M/year, for the next two years

HOW MUCH ADDITIONAL REVENUE IS ACTUALLY NEEDED?

WHAT ARE THE METERED WATER SALES FOR JULY AND AUGUST 2020?

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1. Calculations to determine Actuals for FY2019-20 Water Sales – Metered = \$8,742,256

(from the minutes for the Finance Committee's mtg on May 21, 2020:)

3rd Qtr Actual for Water Sales - Metered: \$6,412,256

(from Arturo's bar chart presented at Finance Committee on August 13, 2020:)

Water Sales - Metered April 2020 - \$630K

May 2020 - \$800K

June 2020 - \$900K

\$2,330K Metered Water Sales for 4th Qtr (est.)
+ \$6,412,256 Metered Water Sales thru 3rd Qtr

\$8,742,256 Metered Water Sales for FY2019-20 2.

2. My calculations for Amount Added to Reserves = \$265,055

Water Sales – Metered	\$9,141,201	Budgeted
Minus	\$8,742,256	My Actual

	\$398,945	less than Budgeted
Minus	\$113,000	Investment income mitigation

	\$285,945	shortfall
Plus	\$720,000	Budgeted to be drawn from Reserves

	\$1,005,945	shortfall
Minus	\$873,000	Operating expenses reduction
Minus	\$398,000	Capital expenses reduction

	\$265,055	Added To Reserves