CRESCENTA VALLEY WATER DISTRICT

2700 FOOTHILL BOULEVARD
LA CRESCENTA, CALIFORNIA

To be held on
May 15, 2023 at 4:00 PM

Agenda for the Meeting of the Finance Committee
of the Crescenta Valley Water District

Posted May 14, 2023 at 4:00 PM

TELECONFERENCING NOTICE

This meeting will be conducted in person at the address listed above. Members of the public may also participate virtually by using a touchtone phone. You may select any of the following phone numbers (there are more than one for increased reliability during this time of increase phone traffic).

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[Pursuant to the above Executive Order, the public may not attend the meeting in person]

Those members of the public who are able to and would like to additionally participate with a computer through videoconference may access the Zoom videoconferencing tool available at the following link:

https://us02web.zoom.us/j/87015782381

If there is a disruption of service, this meeting will continue without remote participation. The remote participation option is provided a convenience to the public and is not required.

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by contacting the District by phone or in writing at customerservice@cvwd.com. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that District staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the District to provide the requested accommodation.

Call to Order

Adoption of Agenda

Public Comment:

At this time, members of the public shall have an opportunity to address the Committee on items of interest that are within the subject matter jurisdiction of this Committee. This opportunity is non-transferable, and speakers are limited to three (3) minutes each. Under the provisions of the Brown Act, the Board is prohibited from taking action on items not listed on the agenda, except under certain circumstances.

Action Item(s)

The public shall have an opportunity to comment on any action item as each item is considered by the Committee. This opportunity is non-transferrable and speakers are limited to one two-minute (2) comment each.

1. Discuss FY 2023-24 preliminary Water and Wastewater Fund budgets

2. Discuss RFP for the District's auditor for the three fiscal years beginning FY 2022-23.

Committee Members' Request for Future Agenda Items

Adjournment

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CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Information Item No. 1
May 15, 2023

To: Finance Committee

From: James Lee – Interim General Manager

Subject: **FY 2023-24 Preliminary Water and Wastewater Fund Budgets**

ACTION ITEM:

Discussion regarding the District's FY 2023-24 Water and Wastewater Fund budgets and related items.

BACKGROUND:

The District is considering a capital charge on the property tax roll to fund pipeline replacement. As this is an ongoing consideration ahead of a public hearing scheduled in June, staff is presenting two budget alternatives for the Water Fund – one budget if the capital charge is approved at the recommended amount of $4 million and one budget if the charge is not approved following the public hearing. One budget will be presented for the Wastewater Fund.

WATER FUND – WITH CAPITAL CHARGE

1. Revenues
   a. *Water sales* – Water sales during Fiscal Year 2022-23 (the current FY) were markedly impacted by a confluence of events which included a persistent historic drought and associated public messaging, MWD's shutdown of the Upper Feeder pipeline, and a subsequent winter with historic rains. As a result, water usage is down by double-digit percentages for all three tiers. Based on analysis of consumption data, including AMI data as available, it is staff's determination that lower water sales is significantly more a function of conservation than precipitation and temperature. Because MWD's allocation is 100% for the first time in years and is expected to remain so next year, there is expected to be no additional conservation messaging and thus an increase in usage next year. Based on this, but to remain conservative, staff is projecting 3,600 AF of water sales next year, and revenue includes the last year of a 3-year rate increase of 8% annually.[1]

   b. *Cell tower revenues* – The District recently approved policies and procedures to allow marketing of the District's assets to cell carriers. Successful implementation of 6 such sites would net approximately $200K in revenue. This is a "none-rate revenue", which means it would also support an expanded bill assistance program to complement the charge on the capital charge. This amount has been budgeted as revenue.

   c. *Grant revenue* – Staff is currently pursuing a number of grants such as for: 1) large meters for AMI; 2) fleet replacement; 3) safety; 4) wellness. The success rate is accounted for conservatively, and these potential revenues are included within 'Construction/Grant Revenue'.

[1] 3,600 AF of sales is associated with overall production of 3,750 AF, which incorporates an assumption for 5% system water loss due to leaks, a flushing program, etc. Current-year sales were projected at 3,750 AF.

2. Operating Expenses
   a. *Imported water* – As mentioned above, staff is projecting 3,600 AF of water sales next year. Based on historical groundwater levels and ability for wells to pump groundwater, staff is expecting a 54%/46% split between groundwater production and imported water. Increased groundwater levels are expected to yield higher well production, and this split represents higher production. However, this split is also a conservative estimate because based on past experience, wells may be damaged following strained operation through a drought. Staff will need to observe whether wells respond to increased throttling as groundwater levels rise. Based on this, the District is expected to purchase 1,725 AF from FMWD next year. The FMWD cost/AF is based on a number of factors, and the cost/AF depends in part on the volume of purchases. At 1,725 AF of purchases, the cost will be ~$2,050/AF, which represents an ~8% increase comprised mostly of the MWD passthrough and increased energy costs.

   b. *Labor and benefits* –
      i. Operations & Maintenance – The District has reduced compensation costs in recent years through the reduction of full-time employees (FTEs). However, the District has recently developed a focus on a comprehensive asset management program in the Operations & Maintenance department, as this will substantially reduce costs to the District in the long run. Examples of asset management include: 1) valve replacement (greater than 10x average increase); 2) sewer system inspection and cleaning (greater than 10x average increase); and 3) hydrant inspection and replacement (average of 30/month as opposed to no maintenance beyond painting them previously). Additionally, the O&M crew is completing other efforts such as accelerated AMI-related installations, in-house replacement of pressure-reducing stations and chlorination, accelerated water meter replacement program, etc. In order support the asset management program and in order to provide resiliency for an increasing rate of leaks in the distribution system, the District has recently employed use of limited-time employee (LTEs), who are contracted on a 2-3 year basis, and temporary employees. This is a modular approach that saves on benefits while providing staffing flexibility.

      ii. System Operations – The District recently separated System Operations from O&M based on recent changes in the organizational structure and to be able to account for operations and budgets more effectively. Based on this, compensation for the department reflects a 29% increase, most of which is a function of how it is accounted for.

      iii. Engineering – Staff is pursuing an in-house "construction management & inspection" business model. This means that more labor will be capitalized, leading to a reduction in how labor expense is shown.[2] Please see 'CIP' below for further detail on this.

[2] "Capitalization" refers to when labor (or other effort such as a preliminary study) relates to a capital project such as pipeline replacement or reservoir rehabilitation. When such projects are completed, labor and other qualifying costs are included within the final cost of the project. This accounting of costs is capitalization, and it increases the asset value of the completed project on the District's balance sheet.

c. *Operating costs (other than labor, water supply, energy, etc.)* – Most increases in operating costs are attributable to continued inflation and asset management as described above. There is also a focus on investment in personnel/professional development, particularly as staff adjusts to ongoing retirements of long-standing employees.

d. *Bill assistance program* – Staff is currently completing analysis on an expanded bill assistance program in anticipation of providing qualifying customer relief if the capital charge on the property roll is approved. The current program is budgeted for $150K, and staff has proposed $350K as placeholder while the analysis is considered by the Policy and Finance Committees and then the full Board. This is 233% of the current budget, and the amount will likely be updated based on Board direction.

3. <u>Capital Improvement Program</u>
    a. *Separation of pipeline CIP* – If the property roll charge is approved in June, per the associated Resolution No. 785 as recently approved by the Board, collected charges are to be applied to pipelines and associated costs. To better track this, the pipeline replacement portion of CIP has been delineated separately. When the property roll charge discussion began, the expectation for pipeline CIP was approximately $3 million. However, pipeline CIP costs are proposed at $3.9 million for several reasons. First, costs have increased since then as well, and more is required to "catch up" on pipelines. Second, there are economies of scales to benefit from (such as from reduced mobilization costs). For example, staff is proposing to complete both the 2400-2500 a 2600-2700 blocks of Montrose Ave. Finally, this year's pipeline CIP represents a collaboration between Engineering, which designs and completes jobs, and O&M/System Operations, which has a keener understanding based on experience which sections of the distribution are particularly prone to leaks. Addressing these areas as soon as possible will lead to significant long-term savings as well as increased safety from a better-rested crew which was stretched thin during last summer's rash of leaks.

    b. *Reduction of "CMI" costs* –For the past several years, the District has implemented a "construction management & inspection" (CMI) business model, which incorporates the use of consultants to manage and inspect CIP jobs. However, as mentioned above, costs for pipeline replacement (and all other CIP) continue to rise. And while the CMI model served the District well in terms of jumpstarting the "Roadmap" plan at the time, staff believes that at this time, the District should perform CMI tasks in-house to save costs. This is also supported by a recent hire for the Senior Engineer position, as this employee was a consultant with particular expertise in CMI and can perform these duties and train other staff as well. This adjustment to the District's business model will decrease CIP costs by the difference between what it costs to pay consultants and the District's labor rates. The Water Fund budget also benefits through the capitalization of labor as mentioned above.

4. *Summary of Water Fund* – Based on the above, staff is proposing a Water Fund budget that will reduce reserves by $124K. Based on projections, the Water Fund's ending balance would be $6.3 million by June 30, 2024, which is $516K above the target level. This cushion is intended to account for lower-than-anticipated revenues, cost overruns, a larger bill assistance program, and the possibility that no cell tower revenue is collected next year.

WATER FUND – WITHOUT CAPITAL CHARGE

The Water Fund budget as proposed should the capital charge not be approved differs from the preceding scenario in the following areas –

1. Tax roll capital charge – There is no revenue collected for pipeline replacement through the property tax roll.

2. Labor and benefits – CIP for pipelines would be limited to the Orange Ave replacement project that was started during the current FY but deferred to the next in order to minimize impact to the community. With reduced CIP, there would be reduced savings from bringing CMI in-house, and there would be less labor capitalized in the Engineering department.

3. Affordability program – The "low-income discount" program would likely not be expanded to a "bills assistance" program with associated increase in programming budget.

4. CIP
    a. Pipeline replacement – As mentioned above, pipeline replacement would be limited to what has already been scheduled for the Orange Ave, project.
    b. Non-pipeline CIP – Non-pipeline CIP would also be reduced in order to maintain a reasonable cushion in reserves for unanticipated circumstances.

WASTEWATER FUND

The Wastewater Fund's revenues are based on prior-year winter water usage. As detailed earlier, FY 2022-23 (current year) water usage was substantially lower. This means that user charges for next year will be substantially lower, even with the scheduled increase of 8%. Fortunately, the treatment cost charge by City of Los Angeles is expected to remain at approximately $1.9 million including anticipated reconciliations. There is no CIP anticipated at this time.

Based on the above, the Wastewater Fund is projected to decrease by $621K, with the ending balance of $2.0 million to be $1.0 million below the reserve target.

Water Fund Budget Category		Proposed WITH Capital Charge		Proposed WITHOUT Capital Charge
Revenues				
Water Sales - Fixed	$	3,796,108	$	3,796,108
Water Sales - Metered		10,950,000		10,950,000
Interest Income Water		170,000		170,000
Tax Roll Capital Charge		3,955,439		-
Other Income Water		365,600		365,600
Construction/Grant Revenue		247,500		247,500
Revenues:	**$**	**19,484,647**	**$**	**15,529,208**
Expenses				
Labor & Benefits		3,557,997		3,772,997
Imported Water (Foothill)		3,530,000		3,530,000
Imported Water (Glendale)		68,000		68,000
Affordability Program		350,000		150,000
Power Cost		910,000		910,000
Operating Cost		3,535,416		3,535,416
Expenses:	**$**	**11,951,413**	**$**	**11,966,413**
Debt Service	**$**	**579,781**	**$**	**579,781**
CIP & OPEB				
Pipeline		3,949,300		979,700
All Other CIP		2,887,700		2,018,500
Capital Outlays & Equip		240,000		240,000
OPEB		-		-
Total (CIP, Outlays, OPEB:		**7,077,000**		**3,238,200**
Change (draw from) in Reserves:		**(123,547)**		**(255,186)**
Summary of Impact on Water Fund				
Water Reserve Fund				
Beginning Balance (July 1, 2023)	$	6,400,000	$	6,400,000
Changes to Reserves (during FY)		(123,547)		(255,186)
Restricted Cash (Bond Proceeds)		-		-
Ending Balance (June 30, 2024)		**6,276,453**		**6,144,814**
Target (per Reserve Policy)		5,760,000		5,760,000
Above (below) Target:	**$**	**516,453**	**$**	**384,814**

Wastewater Fund Budget Category		Proposed Budget
Revenues		
Wastewater - User Charges	$	3,734,795
Interest Income Wastewater		1,000
Other Income Wastewater		25,200
Construction Revenue		24,000
Revenues:	**$**	**3,784,995**
Expenses		
Labor & Benefits		1,520,307
City of LA Treatment Services		1,850,000
Operating Cost		875,383
Expenses:	**$**	**4,245,690**
CIP & OPEB		
Infrastructure		-
Capital Outlays & Equip		160,000
OPEB		-
CIP & OPEB:		**160,000**
Change in Reserve		**(620,695)**
Summary of Impact on Wastewater Fund		
Wastewater Reserve Fund		
Beginning Balance (July 1, 2023)	$	2,628,000
Changes to Reserves (during FY)		(620,695)
Ending Balance (June 30, 2024)		**2,007,305**
Target (per Reserve Policy)		3,007,600
Above (Below) Target:	**$**	**(1,000,295)**

RECOMMENDATION

Discuss the Water and Wastewater Fund budgets as presented.

Prepared by:

Arturo Montes
Finance & Administration Manager

Submitted by:

James Lee
Interim General Manager

Attachment(s): Detailed operating expenses by department and fund

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Crescenta Valley Water District
Water Enterprise Budget
FY 2023-24

GL#	Description	Proposed Budget	FY23 Budget	$ Change	% Change
Compensation and Benefits					
01-01-5000-100	Director Fees	$ 12,000	$ 10,800	$ 1,200	11%
01-01-5060-000	Taxes and Payroll	974	1,059	(85)	-8%
01-01-5085-000	Worker's Compensation Ins	204	150	54	36%
Compensation and Benefits		**$ 13,178**	**$ 12,009**	**$ 1,169**	**10%**
Gen'l and Admin Expenses					
01-01-5320-000	Conferences & Seminars	$ 5,625	$ 5,625	$ -	0%
01-01-51400-000	Election Expense	-	67,500	(67,500)	-100%
Gen'l and Admin Expenses		**$ 5,625**	**$ 73,125**	**$ (67,500)**	**-92%**
Board - Water					
Totals		**$ 18,803**	**$ 85,134**	**$ (66,331)**	**-78%**

Crescenta Valley Water District
Water Enterprise Budget
FY 2023-24

Water Maintenance and Operations

GL#	Description	Proposed Budget	FY23 Budget	$ Change	% Change
Compensation and Benefits					
01-02-5000-300	Administrative Service- Labor	$ 92,468	$ 82,152	$ 10,316	13%
01-02-5000-310	Administrative Service- OT	-	750	(750)	-100%
01-02-5000-400	Mainenance Labor	633,633	449,871	183,762	41%
01-02-5000-410	Mainenance Labor OT	63,363	47,250	16,113	34%
01-02-5000-800	Standby Pay	39,700	27,165	12,535	46%
01-02-5047-000	Phone Allowance	-	-	-	
01-02-5050-000	Employer Portion of PERS	59,939	49,133	10,806	22%
01-02-5060-000	Taxes-Payroll	69,539	48,024	21,515	45%
01-02-5070-000	Sick Leave/Vacation	65,571	43,936	21,635	49%
01-02-5080-000	Health Dental Vision	111,514	92,642	18,872	20%
01-02-5082-000	Life and Disability Insurance	3,046	2,568	478	19%
01-02-5083-000	Self Insurance	1,800	1,800	-	0%
01-02-5084-000	Wellness Program	1,800	1,440	360	25%
01-02-5085-000	Workers' Compensation Ins	36,401	19,740	16,661	84%
Compensation and Benefits		**$ 1,178,774**	**$ 866,471**	**$ 312,303**	**36%**
Gen'l and Admin Expenses					
01-02-5180-000	Office Supplies & Misc Expense	$ 5,250	$ 7,000	$ (1,750)	-25%
01-02-5180-100	Misc Expense - COVID-19	-	1,500	(1,500)	-100%
01-02-5300-000	Training-Plant	9,750	7,875	1,875	24%
01-02-5310-000	Certifications-Educ	12,750	5,600	7,150	128%
01-02-5311-000	Tuition Reimbursment	1,875	5,250	(3,375)	-64%
01-02-5320-000	Conferences & Seminars	11,250	6,750	4,500	67%
01-02-5355-000	Memberships/Subscriptions	1,950	1,875	75	4%
Gen'l and Admin Expenses		**$ 42,825**	**$ 35,850**	**$ 6,975**	**19%**

GL#	Description	Proposed Budget	FY23 Budget	$ Change	% Change
Operation Expense					
01-02-5150-000	Building Maintenance	19,500	9,263	10,238	111%
01-02-5170-000	Landscaping Expense	6,000	4,200	1,800	43%
01-02-5200-000	Utilities-Plant	8,250	8,625	(375)	-4%
01-02-5330-000	Safety & Security	27,750	20,213	7,538	37%
01-02-5340-000	Uniforms	16,500	17,115	(615)	-4%
01-02-5350-000	Misc- Administration	3,750	1,250	2,500	200%
01-02-5360-000	Emergency Operations/Repairs	17,250	11,500	5,750	50%
01-02-5370-000	Permit & Assessment Fees	-	-	-	
01-02-5380-000	Tools and Eq Maintenance	34,013	17,250	16,763	97%
01-02-5441-000	Inventory Shrinkage/Overage	-	3,000	(3,000)	-100%
01-02-5442-000	Inventory Disposal	-	-	-	
01-02-5445-000	Telemetering & Signal System	-	-	-	
01-02-5460-000	Water Treatment Expense	-	-	-	
Operation Expense		**$ 133,013**	**$ 92,415**	**$ 40,598**	**44%**
Distribution System Expense					
01-02-5423-100	Pipelines - Maintenance	$ 48,500	$ 46,750	$ 1,750	4%
01-02-5423-300	Fire Hydrant Repair/Replace	44,615	25,000	19,615	78%
01-02-5423-500	Pipelines-Trench Plate Rentals	5,000	-	5,000	
01-02-5423-700	Pipelines - Valves	108,400	79,000	29,400	37%
01-02-5425-100	Meter Maintenance	7,000	12,000	(5,000)	-42%
01-02-5425-300	Meter Repair/Replace/Upgrade	27,000	20,500	6,500	32%
01-02-5425-400	Lateral Maintenance	121,000	114,000	7,000	6%
01-02-5425-450	Lateral Leaks and Repairs	88,000	70,000	18,000	26%
01-02-5425-500	Meters - Trench Plate Rentals	-	2,000	(2,000)	-100%

GL#	Description	Proposed Budget	FY23 Budget	$ Change	% Change
01-02-5434-000	Emergency Power Generators	-	-	-	
01-02-5440-100	Auto/Truck Maintenance	43,500	39,075	4,425	11%
01-02-5440-200	Auto/Truck Maintenance-Gas	33,000	29,700	3,300	11%
01-02-5440-300	Auto/Truck Maintenance-Diesel	21,825	15,000	6,825	46%
Distribution System Expense		**$ 547,840**	**$ 453,025**	**$ 94,815**	**21%**
Operations - Water					
Totals		**$ 1,902,452**	**$ 1,447,761**	**$ 454,691**	**31%**

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Compensation and Benefits					
01-07-5000-500	System Operations OT	$ 440,071	$ 400,290	$ 39,781	10%
01-07-5000-510	System Operations OT	18,400	18,000	400	2%
01-07-5000-800	Standby Pay	49,940	27,165	22,775	84%
01-07-5047-000	Phone Allowance	-	-	-	
01-07-5050-000	Employer Portion of PERS	71,133	40,275	30,858	77%
01-07-5060-000	Taxes-Payroll	42,014	25,551	16,463	
01-07-5070-000	Sick Leave/Vacation	42,614	31,558	11,056	35%
01-07-5080-000	Health Dental Vision	92,845	53,601	39,244	73%
01-07-5082-000	Life and Disability Insurance	2,563	1,446	1,117	77%
01-07-5083-000	Self Insurance	3,000	1,800	1,200	67%
01-07-5084-000	Wellness Program	1,200	720	480	67%
01-07-5085-000	Workers' Compensation Ins	26,494	10,306	16,188	157%
Compensation and Benefits		**$ 790,273**	**$ 610,712**	**$ 179,561**	29%
Gen'l and Admin Expenses					
01-07-5310-000	Certifications-Educ	1,800	2,000	$ (200)	-10%
01-07-5311-000	Tuition Reimbursment	3,000	1,200	1,800	150%
01-07-5320-000	Conferences & Seminars	11,025	9,500	1,525	16%
01-07-5355-000	Memberships/Subscriptions	-	-	-	
Gen'l and Admin Expenses		**$ 15,825**	**$ 12,700**	3,125	25%

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Operation Expense					
01-07-5340-000	Uniforms	1,200	-	$ 1,200	
01-07-5350-000	Misc- Administration	-	-	-	
01-07-5380-000	Tools and Eq Maintenance	5,000	-	5,000	
01-07-5390-100	Nitrate Plant - Glenwood	70,000	121,700	(51,700)	-42%
01-07-5390-200	Nitrate Plant - Aronite			-	
01-07-5445-100	Telemetering & Signal System	101,650	47,250	54,400	115%
01-07-5460-000	Water Treatment Expense	130,000	128,300	1,700	1%
Operation Expense		**$ 307,850**	**$ 297,250**	**$ 10,600**	**4%**

Crescenta Valley Water District
Water Enterprise Budget
FY 2023-24

Water System Operations

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Water System Expense					
01-07-5400-000	Water Usage Cost Exp Well 16	$ 68,000	$ 82,047	$ (14,047)	-17%
01-07-5401-000	Purchased Water FMWD	3,530,000	3,102,748	427,252	14%
01-07-5402-000	Power Purchased - Pumping	910,000	850,630	59,370	7%
Water System Expense		**$ 4,508,000**	**$ 4,035,425**	**$ 472,575**	**12%**
Distribution System Expense					
01-07-5423-700	Pipelines - Valves	34,000	-	34,000	
01-07-5424-100	Reservoir Maintenance	130,000	165,000	$ (35,000)	-21%
01-07-5424-200	Reservoir Landscape	30,500	30,000	500	2%
01-07-5432-100	Well Site - Maintenance	60,000	59,000	1,000	2%
01-07-5432-200	Well Site - Landscape	12,560	15,000	(2,440)	-16%
01-07-5433-000	Booster Pumps - Maintenance	66,000	46,000	20,000	43%
01-07-5434-000	Emergency Power Generators	52,500	-	52,500	
Distribution System Expense		**$ 351,560**	**$ 315,000**	**$ 36,560**	**12%**
Operations - Water					
Totals		**$ 5,973,508**	**$ 5,271,086**	**$ 702,422**	**13%**

Crescenta Valley Water District
Water Enterprise Budget
FY 2023-24

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Compensation and Benefits					
01-03-5000-000	Engineering Labor	117,036	$ 361,993	$ (244,957)	-68%
01-03-5000-010	Engineering Labor OT	7,500	7,500	-	0%
01-03-5045-000	Autombile Allowance	2,100	3,150	(1,050)	-33%
01-06-5047-000	Phone Allowance	605	605	-	0%
01-03-5050-000	Employee Portion of PERS	52,602	58,333	(5,730)	-10%
01-03-5060-000	Taxes-Payroll	35,767	31,702	4,065	13%
01-03-5070-000	Sick Leave/Vacation	36,927	40,374	(3,447)	-9%
01-03-5080-000	Health Dental Vision	52,958	57,796	(4,838)	-8%
01-03-5082-000	Life and Disability Insurance	1,963	2,612	(648)	-25%
01-03-5083-000	Self Insurance	1,800	3,600	(1,800)	-50%
01-03-5084-000	Wellness Program	900	1,260	(360)	-29%
01-03-5085-000	Workers' Compensation Ins	3,903	4,104	(201)	-5%
Compensation and Benefits		**$ 314,061**	**$ 573,029**	**$ (258,968)**	**-45%**

Crescenta Valley Water District
Water Enterprise Budget
FY 2023-24

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Gen'l and Admin Expenses					
01-03-5130-000	Administrative Consultants	$ 389,610	$ 257,250	$ 132,360	51%
01-03-5135-000	Interns	12,900	8,640	4,260	49%
01-03-5180-000	Office Supplies and Misc Expens	1,313	1,500	(188)	-13%
01-03-5180-100	Misc Expense - COVID-19	225	300	(75)	-25%
01-03-5260-000	Engineering Expense	-	3,750	(3,750)	-100%
01-03-5300-000	Training	4,500	3,000	1,500	50%
01-03-5310-000	Certifications-Educ	2,000	6,900	(4,900)	-71%
01-03-5311-000	Tuition Reimbursment	2,000	3,000	(1,000)	-33%
01-03-5320-000	Conferences & Seminars	8,000	10,470	(2,470)	-24%
01-03-5350-000	Misc- Administration	1,100	250	850	340%
01-03-5355-000	Memberships/Subscriptions	1,400	1,500	(100)	-7%
Gen'l and Admin Expenses		**$ 423,048**	**$ 296,560**	**$ 126,488**	**43%**
Operation Expense					
01-03-5370-000	Permit & Assessment Fees	$ 2,516			
Operation Expense		**$ 2,516**	**$ -**	**$ 2,516**	

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Distribution System Expense					
01-03-5410-000	Backflow Expense	$ 750	$ 750	$ -	0%
01-03-5423-200	Pipelines - Paving	-	-	-	
01-03-5423-400	Pipelines - Leak Detect/Repair	33,000	31,500	1,500	5%
01-03-5424-100	Reservoir Maintenance	-	20,000	(20,000)	-100%
01-03-5425-100	Meter Maintenance	-	-	-	
01-03-5425-200	Meters - Paving	200,000	200,000	-	0%
01-03-5425-700	D-Job Meters/Hydrants	-	-	-	
01-03-5431-000	Land Lease Well 16	17,160	17,600	(440)	-3%
01-03-5432-300	Well Site - Lease Payment	300	300	-	0%
01-03-5433-000	Booster Pumps - Maintenance	-	-	-	
Distribution System Expense		**$ 251,210**	**$ 270,150**	**$ (18,940)**	**-7%**
Engineering - Water					
Totals		**$ 990,834**	**$ 1,139,739**	**$ (148,904)**	**-13%**

Crescenta Valley Water District

Water Enterprise Budget

FY 2023-24

Water - Regulatory

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Compensation and Benefits					
01-04-5000-300	Administrative Service- Labor	$ 103,643	$ 128,637	$ (24,994)	-19%
01-04-5045-000	Automobile Allowance	1,800	1,500	300	20%
01-04-5050-000	Employer Portion of PERS	15,880	14,045	1,835	13%
01-04-5060-000	Taxes-Payroll	7,288	8,813	(1,525)	-17%
01-04-5070-000	Sick Leave/Vacation	14,439	10,248	4,192	41%
01-04-5080-000	Health Dental Vision	14,733	13,452	1,281	10%
01-04-5082-000	Life and Disability Insurance	594	973	(378)	-39%
01-04-5083-000	Self Insurance	1,800	1,800	-	0%
01-04-5084-000	Wellness Program	180	180	-	0%
01-04-5085-000	Workers' Compensation Ins	960	581	379	65%
Compensation and Benefits		**$ 161,317**	**$ 180,228**	**$ (18,911)**	**-10%**
Gen'l and Admin Expenses					
01-04-5130-000	Administrative Consultants	$ 50,000	$ 82,500	$ (32,500)	-39%
01-04-5135-000	Interns	45,000	10,000	35,000	350%
01-04-5180-000	Office Supplies & Misc Expense	1,000	500	500	100%
01-04-5270-000	Water Conservation Expense	55,000	55,000	-	0%
01-04-5270-400	Water Conservation Rebates	5,000	1,000	4,000	400%
01-04-5270-600	Community Outreach	70,000	70,000	-	0%
01-04-5320-000	Conferences & Seminars	5,000	1,875	3,125	167%
01-04-5355-000	Memberships/Subscriptions	2,000	750	1,250	167%
Gen'l and Admin Expenses		**$ 233,000**	**$ 221,625**	**$ 11,375**	**5%**
Operation Expense					
01-04-5450-100	Lab & Sampling Expense	$ 160,000	$ 150,000	$ 10,000	7%

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
01-04-5450-200	Non-Lab & Sampling	15,000	15,000	-	0%
Operation Expense		**$ 175,000**	**$ 165,000**	**$ 10,000**	**6%**
Regulatory - Water					
Totals		**$ 569,317**	**$ 566,853**	**$ 2,464**	**0%**

Crescenta Valley Water District
Water Enterprise Budget
FY 2023-24

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Gen'l and Admin Expenses					
01-05-5130-000	Administrative Consultants	$ 106,185	$ 64,035	$ 42,150	66%
01-05-5190-000	Computers and Network	11,153	-	11,153	
01-05-5195-000	Computers Software	175,780	56,923	118,857	209%
01-05-5225-000	Communications	60,075	11,625	48,450	417%
01-05-5226-000	Data	-	26,250	(26,250)	-100%
01-05-5227-000	Data Communications - Fiber	-	16,500	(16,500)	-100%
Gen'l and Admin Expenses		**$ 353,193**	**$ 175,333**	**$ 177,860**	**101%**
Operation Expense					
01-05-5445-100	Telemetering & Signal System	$ -			
01-05-5445-200	SCADA Hardware	-			
01-05-5445-300	SCADA Software	-			
01-05-5445-400	SCADA Phone Lines	-			
Operation Expense		**$ -**	**$ -**		
Technology - Water					
Totals		**$ 353,193**	**$ 175,333**	**$ 177,860**	**101%**

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Compensation and Benefits					
01-06-5000-200	Officer Salaries	$ 118,476	$ 228,423	$ (109,947)	-48%
01-06-5000-300	Administrative Service- Labor	372,264	285,564	86,700	30%
01-06-5000-310	Administrative Service OT	14,000	6,000	8,000	133%
01-06-5045-000	Automobile Allowance	5,025	5,400	(375)	-7%
01-06-5047-000	Phone Allowance	907	1,210	(302)	-25%
01-06-5050-000	Employer Portion of PERS	244,670	254,452	(9,782)	-4%
01-06-5060-000	Taxes-Payroll	37,311	39,101	(1,790)	-5%
01-06-5070-000	Sick Leave/Vacation	71,836	51,517	20,320	39%
01-06-5080-000	Health Dental Vision	76,117	83,774	(7,657)	-9%
01-06-5080-100	Retiree Health Care Expense	144,792	144,792	-	0%
01-06-5082-000	Life and Disability Insurance	2,361	2,989	(628)	-21%
01-06-5083-000	Self Insurance	5,400	9,000	(3,600)	-40%
01-06-5084-000	Wellness Program	2,460	2,220	240	11%
01-06-5085-000	Workers' Compensation Ins	4,774	3,939	835	21%
Compensation and Benefits		**$ 1,100,394**	**$ 1,118,381**	**$ (17,987)**	**-2%**

Crescenta Valley Water District

Water Administration

Water Enterprise Budget

FY 2023-24

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Gen'l and Admin Expenses					
01-06-5090-000	GL, Property, Fidelity Ins	$ 100,000	$ 85,083	$ 14,917	18%
01-06-5100-000	Accounting	26,250	10,250	16,000	156%
01-06-5125-000	Legal	125,000	154,500	(29,500)	-19%
01-06-5130-000	Administrative Consultants	94,875	19,650	75,225	383%
01-06-5140-000	Election Expense	-	-	-	
01-06-5150-000	Building Maintenance	12,150	7,220	4,930	68%
01-06-5170-000	Landscaping Expense	15,750	8,934	6,816	76%
01-06-5180-000	Office Supplies & Misc Expense	6,930	4,200	2,730	65%
01-06-5180-100	Misc Expense - COVID-19	750	2,138	(1,388)	-65%
01-06-5200-000	Utilities	21,600	22,255	(655)	-3%
01-06-5230-000	Printing Postage Stationery	49,500	31,820	17,680	56%
01-06-5250-000	Water System Fees	65,000	59,600	5,400	9%
01-06-5300-000	Training	4,500	4,125	375	9%
01-06-5310-000	Certifications-Educ	-	3,226	(3,226)	-100%
01-06-5311-000	Tuition Reimbursment	450	-	450	
01-06-5320-000	Conferences & Seminars	9,156	5,349	3,807	71%
01-06-5350-000	Misc Administration	15,000	5,649	9,351	166%
01-06-5355-000	Memberships/Subscriptions	20,000	18,900	1,100	6%
01-06-5365-000	Bank Charges	42,000	30,000	12,000	40%
Gen'l and Admin Expenses		**$ 608,911**	**$ 472,899**	**$ 136,012**	**29%**

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Non-Operating Expense					
01-06-5910-000	Interest Expense - Notes	$ 29,000	$ 29,100	$ (100)	0%
01-06-5920-100	Rental Expenses - PA House	1,500	1,350	150	11%
01-06-5920-200	Rental Expenses - Sycamore	1,500	1,350	150	11%
01-06-5920-300	Rental Expenses - Mills	1,500	1,350	150	11%
Non-Operating Expense		**$ 33,500**	**$ 33,150**	**$ 350**	**1%**
Operation Expense					
01-06-5145-000	Taxes-Property	$ 16,500	$ 15,655	$ 845	5%
Operation Expense		**$ 16,500**	**$ 15,655**	**$ 845**	**5%**
Administration - Water					
Totals		**$ 1,759,305**	**$ 1,640,085**	**$ 119,221**	**7%**

Crescenta Valley Water District
Wastewater Enterprise Budget
FY 2023-24

Account #	Description	Annual Budget	FY23 Budget	$ Change	% Change
Compensation and Benefits					
02-01-5000-100	Director Fees	$ 12,000	$ 10,800	$ 1,200	11%
02-01-5060-000	Taxes - Payroll	974	706	268	38%
02-01-5085-000	Workers Compensation Ins	204	100	104	104%
Compensation and Benefits		**$ 13,178**	**$ 11,606**	**$ 1,572**	**14%**
Gen'l and Admin Expenses					
02-01-5320-000	Conferences & Seminars	$ 1,875	$ 1,875	$ -	0%
02-01-5140-000	Election Expense	-	22,500	(22,500)	-100%
Gen'l and Admin Expenses		**$ 1,875**	**$ 24,375**	**$ (22,500)**	**-92%**
Board - Wastewater					
Totals		**$ 15,053**	**$ 35,981**	**$ (20,928)**	**-58%**

Crescenta Valley Water District
Wastewater Enterprise Budget
FY 2023-24

Operations WW

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Compensation and Benefits					
02-02-5000-300	Administrative Service	$ 30,823	$ 27,384	$ 3,439	13%
02-02-5000-310	Administrative Service OT		250	(250)	-100%
02-02-5000-400	Maintenance Labor	211,211	188,873	22,338	12%
02-02-5000-410	Maintenance Labor OT	21,121	22,000	(879)	-4%
02-02-5000-800	Standby	13,250	18,110	(4,860)	-27%
02-02-5050-000	Employer Portion of PERS	39,959	59,605	(19,646)	-33%
02-02-5060-000	Taxes-Payroll	23,181	44,075	(20,894)	-47%
02-02-5070-000	Sick Leave/Vacation	21,857	25,165	(3,308)	-13%
02-02-5080-000	Health Dental Vision	74,343	97,496	(23,153)	-24%
02-02-5082-000	Life and Disability Insurance	1,994	2,676	(682)	-25%
02-02-5083-000	Self Insurance	1,200	2,400	(1,200)	-50%
02-02-5084-000	Wellness Program	1,200	1,440	(240)	-17%
02-02-5047-000	Phone Allowance	-	-	-	
02-02-5085-000	Workers' Compensation Ins	23,526	19,367	4,159	21%
Compensation and Benefits		**$ 463,665**	**$ 508,841**	**$ (45,176)**	**-9%**
Gen'l and Admin Expenses					
02-02-5180-000	Office Supplies & Misc Expense	$ 1,750	$ 7,000	$ (5,250)	-75%
02-02-5320-000	Conferences & Seminars	3,750	2,250	1,500	67%
02-02-5355-000	Memberships/Subscriptions	650	625	25	4%
Gen'l and Admin Expenses		**$ 6,150**	**$ 9,875**	**$ (3,725)**	**-38%**

Crescenta Valley Water District
Wastewater Enterprise Budget
FY 2023-24

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Operation Expense					
02-02-5150-000	Building Maintenance-Plant	$ 6,500	$ 3,088	$ 3,412	110%
02-02-5170-000	Landscaping Expense-Plant	2,000	2,800	(800)	-29%
02-02-5200-000	Utilities-Plant	2,750	2,875	(125)	-4%
02-02-5300-000	Training-Plant	3,250	2,625	625	24%
02-02-5310-000	Certifications-Educ	4,250	1,400	2,850	204%
02-02-5311-000	Tuition Reimbursment	625	1,750	(1,125)	-64%
02-02-5330-000	Safety & Security	9,250	6,738	2,513	37%
02-02-5350-000	Misc Administration	1,250	1,250	-	0%
02-02-5340-000	Uniforms	5,500	5,705	(205)	-4%
02-02-5360-000	Emergency Operations/Repairs	5,750	11,500	(5,750)	-50%
02-02-5380-000	Tools and Eq Maintenance	28,838	17,250	11,588	67%
02-02-5441-000	Inventory Shrinkage/Overage	-	2,000	(2,000)	-100%
02-02-5445-100	Telemetering & Signal System	-	15,750	(15,750)	-100%
02-02-5402-000	Power Purchased - Lift Stn	-	600	(600)	-100%
Operation Expense		**$ 69,963**	**$ 75,331**	**$ (5,368)**	**-7%**

Crescenta Valley Water District

Operations WW

Wastewater Enterprise Budget

FY 2023-24

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Collection System Expense					
02-02-5423-100	Pipelines - Maintenance	$ 100,000	$ 111,250	$ (11,250)	-10%
02-02-5440-100	Auto/Truck Maintenance	14,500	13,025	1,475	11%
02-02-5440-200	Auto/Truck Maintenance-Gas	11,000	9,900	1,100	11%
02-02-5440-300	Auto/Truck Maintenance-Diesel	7,275	5,000	2,275	46%
02-02-5621-000	Sewer Flow Monitoring Expense	-	-	-	
02-02-5624-000	Sewer Camera Van Inspection	5,000	15,000	(10,000)	-67%
02-02-5625-000	Sewer Interceptor Maintenance	10,000	29,000	(19,000)	-66%
02-02-5628-000	Sewer Lift Station Maintenance	25,000	21,000	4,000	19%
Collection System Expense		**$ 172,775**	**$ 204,175**	**$ (31,400)**	**-15%**
Wastewater System Expense					
02-02-5434-000	Emergency Power Generators	$ -	$ -	$ -	
02-02-5700-000	Wastewater System Expense	1,850,000	1,809,800	40,200	2%
Wastewater System Expense		**$ 1,850,000**	**$ 1,809,800**	**$ 40,200**	**2%**
Operations - Wastewater					
Totals		**$ 2,562,553**	**$ 2,608,022**	**$ (45,469)**	**-2%**

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Gen'l and Admin Expenses					
02-07-5310-000	Certifications-Educ	200	-		
02-07-5320-000	Conferences & Seminars	1,225	-		
02-07-5355-000	Memberships/Subscriptions	-	-		
Gen'l and Admin Expenses		**$ 1,425**	**$ -**		
Operation Expense					
02-07-5445-100	Telemetering & Signal System	5,350	-		
Operation Expense		**$ 5,350**	**$ -**		
Operations - Water					
Totals		**$ 6,775**	**$ -**		

Crescenta Valley Water District
Wastewater Enterprise Budget
FY 2023-24

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Compensation and Benefits					
02-03-5000-000	Engineering Labor	$ 147,345	$ 162,331	$ (14,986)	-9%
02-03-5000-010	Engineering Labor OT	2,500	2,500	-	0%
02-03-5045-000	Automobile Allowance	2,100	3,150	(1,050)	-33%
02-03-5050-000	Employer Portion of PERS	35,068	38,889	(3,820)	-10%
02-03-5060-000	Taxes and Payroll	12,083	20,155	(8,072)	-40%
02-03-5070-000	Sick Leave/Vacation	12,309	13,458	(1,149)	-9%
02-03-5080-000	Health Dental Vision	35,305	38,531	(3,225)	-8%
02-03-5082-000	Life and Disability Insurance	1,309	1,741	(432)	-25%
02-03-5083-000	Self Insurance	1,200	2,400	(1,200)	-50%
02-03-5084-000	Wellness Program	600	840	(240)	-29%
02-03-5047-000	Phone Allowance	403	403	-	0%
02-03-5085-000	Workers' Compensation Ins	2,602	2,736	(134)	-5%
Compensation and Benefits		**$ 252,825**	**$ 287,133**	**$ (34,309)**	**-12%**

Gen'l and Admin Expenses					
02-03-5130-000	Administrative Consultants	$ 164,890	$ 400,750	$ (235,860)	-59%
02-03-5135-000	Interns	4,300	-	4,300	0%
02-03-5180-000	Office Supplies & Misc Expense	438	-	438	0%
02-03-5180-100	Misc-Expense-COVID-19	75	-	75	0%
02-03-5260-000	Engineering Expense	-	1,250	(1,250)	-100%
02-03-5300-000	Training	4,500	500	4,000	800%
02-03-5320-000	Conferences & Seminars	8,000	3,375	4,625	137%
02-03-5310-000	Certifications-Educ	2,000	800	1,200	150%
02-03-5350-000	Misc-Administration	1,100	250	850	340%
02-03-5311-000	Tuition Reimburment	2,000	1,000	1,000	100%
02-03-5355-000	Memberships/Subscriptions	1,400	1,300	100	8%
Gen'l and Admin Expenses		**$ 188,703**	**$ 409,225**	**$ (220,523)**	**-54%**
Collection System Expense					
02-03-5621-000	Sewer Flow Monitoring Expense	$ 19,000	$ 19,000	$ -	0%
02-03-5410-000	Backflow Expense	-	250	(250)	-100%
Collection System Expense		**$ 19,000**	**$ 19,250**	**$ (250)**	**-1%**
Engineering - Wastewater					
Totals		**$ 460,527**	**$ 715,608**	**$ (255,081)**	**-36%**

Crescenta Valley Water District
Wastewater Enterprise Budget
FY 2023-24

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Compensation and Benefits					
02-04-5000-300	Administrative Service- Labor	$ 34,548	$ 42,879	$ (8,331)	-19%
02-04-5045-000	Automobile Allowance	1,800	1,500	300	20%
02-04-5050-000	Employer Portion of PERS	10,586	9,363	1,223	13%
02-04-5060-000	Taxes and Payroll	4,537	5,652	(1,116)	-20%
02-04-5070-000	Sick Leave/Vacation	4,813	3,416	1,397	41%
02-04-5080-000	Health Dental Vision	9,822	8,968	854	10%
02-04-5082-000	Life and Disability Insurance	396	648	(252)	-39%
02-04-5083-000	Self Insurance	1,200	1,200	-	0%
02-04-5084-000	Wellness Program	120	120	-	0%
02-04-5085-000	Workers' Compensation Ins	640	387	253	65%
Compensation and Benefits		**$ 68,462**	**$ 74,134**	**$ (5,672)**	**-8%**
Gen'l and Admin Expenses					
02-04-5130-000	Administrative Consultants	$ 27,500	$ 27,500	$ -	0%
02-04-5135-000	Interns	-	-	-	
02-04-5180-000	Office Supplies & Misc Expense	500	500	-	0%
02-04-5320-000	Conferences and Seminars	625	625	-	0%
02-04-5355-000	Memberships and Subscriptions	750	750	-	0%
Gen'l and Admin Expenses		**$ 29,375**	**$ 29,375**	**$ -**	**0%**
Regulatory - Wastewater					
Totals		**$ 97,837**	**$ 103,509**	**$ (5,672)**	**-5%**

Crescenta Valley Water District
Wastewater Enterprise Budget
FY 2023-24

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Gen'l and Admin Expenses					
02-05-5130-000	Administrative Consultants	$ 35,395	$ 21,345	$ 14,050	66%
02-05-5190-000	Computers and Network	3,717	-	3,717	
02-05-5195-000	Computer Software	58,593	18,974	39,619	209%
02-05-5225-000	Communication	20,025	3,875	16,150	417%
02-05-5226-000	Wireless Voice & Data	-	8,750	(8,750)	-100%
02-05-5227-000	Data Communications - Fiber	-	5,500	(5,500)	-100%
Gen'l and Admin Expenses		**$ 117,730**	**$ 58,444**	**$ 59,286**	**101%**
Operation Expense					
02-05-5445-100	Telemetering & Signal System	$ -	$ -	$ -	
02-05-5445-200	SCADA Hardware	-	-	-	
02-05-5445-300	SCADA Software	-	-	-	
Operation Expense		**$ -**	**$ -**	**$ -**	**0%**
Technology - Wastewater					
Total Expense		**$ 117,730**	**$ 58,444**	**$ 59,286**	**101%**

Crescenta Valley Water District
Wastewater Enterprise Budget
FY 2023-24

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Compensation and Benefits					
02-06-5000-200	Officer Salaries	$ 118,476	$ 228,423	$ (109,947)	-48%
02-06-5000-300	Administrative Service - Labor	216,217	164,790	51,427	31%
02-06-5000-310	Administrative Service - OT	14,000	6,000	8,000	133%
02-06-5045-000	Automobile Allowance	5,025	5,400	(375)	-7%
02-06-5047-000	Phone Allowance	605	806	(202)	-25%
02-06-5050-000	Employer Portion of PERS	163,113	169,635	(6,521)	-4%
02-06-5060-000	Taxes-Payroll	23,527	25,045	(1,517)	-6%
02-06-5070-000	Sick Leave/Vacation	23,945	17,172	6,773	39%
02-06-5080-000	Health Dental Vision	50,744	55,849	(5,105)	-9%
02-06-5080-100	Retiree Health Care Expense	96,528	96,528	-	0%
02-06-5082-000	Life and Disability Insurance	1,574	1,993	(419)	-21%
02-06-5083-000	Self Insurance	3,600	6,000	(2,400)	-40%
02-06-5084-000	Wellness Program	1,640	1,480	160	11%
02-06-5085-000	Workers' Compensation Ins	3,182	2,626	556	21%
Compensation and Benefits		**$ 722,178**	**$ 781,747**	**$ (59,569)**	**-8%**
Gen'l and Admin Expenses					
02-06-5090-000	GL, Property, Fidelity Ins	$ 100,000	$ 85,083	$ 14,917	18%
02-06-5100-000	Accounting	8,750	10,250	(1,500)	
02-06-5125-000	Legal	50,000	51,500	(1,500)	-3%
02-06-5130-000	Administrative Consultants	6,125	6,550	(425)	-6%
02-06-5150-000	Building Maintenance	4,050	2,388	1,662	70%
02-06-5170-000	Landscaping Expense	5,250	3,066	2,184	71%
02-06-5180-000	Office Supplies & Misc Expense	2,310	4,200	(1,890)	-45%
02-06-5200-000	Utilities	7,200	7,385	(185)	-3%

Crescenta Valley Water District
Wastewater Enterprise Budget
FY 2023-24

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
02-06-5230-000	Printing Postage Stationery	16,500	31,820	(15,320)	-48%
02-06-5300-000	Training	1,500	1,375	125	9%
02-06-5320-000	Conferences & Seminars	3,052	1,751	1,301	74%
02-06-5350-000	Misc Administration	5,000	2,401	2,599	108%
02-06-5355-000	Memberships/Subscriptions	7,000	6,300	700	11%
02-06-5180-100	Misc Expense- COVID- 19	250	713	(463)	-65%
02-06-5310-000	Certifications-Educ	-	374	(374)	-100%
02-06-5311-000	Tuition Reimbursment	150	-	150	
02-06-5365-000	Bank Charges	42,000	30,000	12,000	40%
Gen'l and Admin Expenses		**$ 259,137**	**$ 245,155**	**$ 13,982**	**6%**

GL#	Description	Annual Budget	FY23 Budget	$ Change	% Change
Non-Operating Expense					
02-06-5920-100	Rental Expenses - PA House	$ 500	$ 450	$ 50	11%
02-06-5920-200	Rental Expenses - Sycamore	500	450	50	11%
02-06-5920-300	Rental Expenses - Mills	500	450	50	11%
Non-Operating Expense		**$ 1,500**	**$ 1,350**	**$ 150**	**11%**
Operation Expense					
02-06-5145-000	Taxes-Property	$ 5,500	$ 5,255	$ 245	5%
Operation Expense		**$ 5,500**	**$ 5,255**	**$ 245**	**5%**
Administration - Wastewater					
Total Expense		**$ 988,315**	**$ 1,033,508**	**$ (45,193)**	**-4%**

CRESCENTA VALLEY WATER DISTRICT

REQUEST FOR PROPOSALS

For Providing

PROFESSIONAL AUDITING SERVICES

For the Fiscal Years ending June 30, 2023 to 2025

2700 Foothill Blvd.
La Crescenta, California 91214
(818)248-3925

PURPOSE

The Crescenta Valley Water District (the "District" or "CVWD") is a public utility providing water conveyance and wastewater collection services and is requesting proposals from qualified certified public accounting firms to audit its annual financial statements for three years beginning with the fiscal year ending June 30, 2023. The District is looking for a committed and qualified firm that has demonstrated experience with governmental audits as applied to water and wastewater districts.

DISTRICT BACKGROUND

The District was formed in 1950 and provides water and wastewater service for approximately 8,400 connections in La Crescenta, Montrose, and portions of Glendale and La Cañada.

The District, along with the City of Glendale, has groundwater pumping rights to the adjudicated Verdugo Basin. The balance of water demand is imported through Foothill Municipal Water District, a member agency of the Metropolitan Water District. The District's wastewater is collected and routed to the City of Los Angeles, which treats the wastewater effluent per agreement with the City.

The District is governed by a board of five directors elected at large from the service area. Each director is elected to a term of four years by the qualified voters within the District boundaries.

A more detailed history of the District and the previous three years audited financial statements are available for viewing on the District's website located at www.cvwd.com.

SCOPE OF WORK

The selected auditor will be required to provide the following services: (Note: this may not be a complete list of all services required to complete the annual audit. The auditor is expected to provide a more detailed scope of work with their RFP.)

1. Audit the District's basic financial statements in accordance with the California State Controller's audit requirements for special districts Generally Accepted Accounting Principles (GAAP), Governmental Accounting Standards Board (GASB) guidelines, and any other applicable standards;
2. Express an opinion on financial statements for both enterprises as to whether they present fairly, in all material respects, the financial position of the District and the changes in financial position and cash flows in conformity with GAAP and issue an independent auditors' report stating this opinion;
3. Test internal controls for financial reporting and in compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters, in accordance with Government Auditing Standards and those issue by the Comptroller General of the United States and issue an independent auditors' report on their consideration;
4. Prepare the Required Supplementary Information (RSI), Management's Discussion and Analysis (MD&A) and the Supplementary Information;

5. Prepare a Report to the Board of Directors which identifies significant audit findings and difficulties encountered in performing the audit, identify any corrected and uncorrected misstatements, disagreements with management, management representations, control deficiencies, significant deficiencies, and material weaknesses, if any, and the auditor's recommendations for improvements in accounting and administrative controls;
6. Prepare the Annual Audited Financial Statements, including all required notes and Management Discussion and Analysis and the Supplementary Information contained in the Audited Financial Statements. A draft of these reports will be provided to the General Manager prior to issuing the final reports for review;
7. Present and discuss the results of the audit and the annual financial statements to the Finance Committee of the Board (target is early September) and the full Board of Directors (target is an October meeting);
8. Communicate immediately and in writing all irregularities and illegal acts or indications of illegal acts of which the auditor becomes aware, to the appropriate level of management and/or Board of Directors;
9. Retain at auditor's expense audit working papers for five (5) years, unless the firm is notified in writing by the District of the need to extend the retention period. In addition, the firm shall respond to reasonable inquiries of the District and successor auditors and allow the District and successor auditors to review working papers relating to matters of continuing accounting significance;

TIMING AND OTHER REQUIREMENTS

1. Key Dates for Proposal Evaluation and Selection
    a. Inquiries concerning this RFP should be addressed to Arturo Montes, Finance and Administration Manager, at **amontes@cvwd.com** on or before May 26, 2023. Any questions received after this date will not be answered.
    b. Proposals must be received by 4:00 pm on June 2, 2023, by email or hard copy
        i. Via email at amontes@cvwd.com
        ii. Hard copy delivered to:
        Crescenta Valley Water District
        Attn: Arturo Montes, Finance and Administration Manager
        2700 Foothill Blvd.
        La Crescenta, CA 91214
    c. Late submissions after the deadline or proposals delivered via fax will not be accepted.
    d. The Board of Directors will tentatively select and approve the firm at the June 13, 2023 meeting.
    e. All submitting firms will be notified by email of the final decision by June 16, 2023.
    f. The Audit Services contract will become effective upon the execution of the contract for three (3) years at the discretion of the Board.

g. The District will make every effort to administer the proposal process in accordance with the terms and dates discussed in this RFP. However, the District reserves the right to modify the proposal process and dates as deemed necessary, and reserves the right to not award a contract. The District assumes no obligation for any costs incurred by any proposer in preparing the response to this request, attending an interview, or any other activity prior to awarding the contract to the selected firm.

2. Tentative Schedule for the annual Audit

   a. The auditor shall provide the District with a list of schedules and other work requested for year-end field work at the end of June.
   b. The District expects to have all records and other schedules ready for the year- end audit by the end of August. District facilities and staff will be available for year-end field work the second or third week in September.
   c. The auditor shall complete field work in time to allow for preparation and discussion of the draft audited financial statements by the end of December. District staff shall have the opportunity to discuss and comment upon the audited financial statements and financial statements after receiving the draft.
   d. A draft of the required communication letter(s) shall also be provided by the end of December. District staff shall have the opportunity to discuss and comment upon any findings and recommendations noted in the required communication letter(s) after receiving the draft.
   e. Ten (10) bound copies of the final Audited Financial Statements and Management Letter will be provided to the Finance and Administration Manager one week before the Board Meeting. The senior auditor will attend one of the Board meetings in January and review the statements and answer any questions the Board may ask.

3. Assistance Provided to the Auditor

   a. Staff will be available during audit field work to assist the firm by providing access and direction to information and will be available for explanations of all inquiries. District staff will provide clerical assistance for preparation of confirmations and other routine correspondence if requested.
   b. The District will provide the auditors with reasonable and secure workspace and District wireless internet access.

4. Additional Services

   If it should become necessary for the District to request the auditor to render any additional services to either supplement the services requested in this RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the District and the auditor. Any such additional work agreed to between the District and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the Proposal Data Sheet and the contents of the Technical Proposal.

5. Payment

Progress payments will be made on work completed during the course of the engagement. Interim billings shall be at the discretion of the auditor, but only for work performed up to the time of invoice preparation.

PROPOSAL REQUIREMENTS AND CONTENTS

Please submit one (1) original, signed hard copy or one (1) proposal by email.

1. Format of Technical Proposal
   a. Include a title page that shows the proposal subject, the name of your firm, address, telephone number, name of contract person, email address and the date of submission.
   b. Table of Contents
   c. Include a signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the specified time, a statement why the firm believes itself to be the best qualified to perform the engagement and a statement that the proposal is a final and irrevocable offer for a period of sixty (60) calendar days from the submitted date
   d. A statement of how long the firm has been in business and how many financial audits were performed by the firm for public agencies and county water districts during the past five (5) years
   e. Name(s) of person(s) authorized to represent the proposer, title, address, telephone number, email address, and
   f. Detailed proposal following the order set forth in section 2 below.
   g. Signature.

2. Contents of Technical Proposal

   The purpose of the Technical Proposal is to demonstrate the qualifications, competence, and capacity of the firms seeking to undertake the independent audit of the District in conformity with the requirements of this RFP. The Technical Proposal should demonstrate the qualifications of the firm and of the staff intended to be assigned to this engagement. It should also specify an audit approach that will meet the RFP requirements.

   the Technical Proposal should address all the points in the order outlined in the RFP. The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of this RFP. While additional data may be presented, the areas detailed below must be included. They represent the criteria against which the proposal will be evaluated.

a. License to Practice in California - An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed or supervised by certified public accountants in good standing duly authorized to practice in California.
b. Independence - The firm should provide an affirmative statement that it is independent of the District as defined by GAAS, Government Auditing Standards, American Institute of Certified Public Accountants (AICPA) Standards, Minimum Audit Requirements and Reporting Guidelines for Special Districts as required by the State Controller's Office, and those issued by the Comptroller General of the United States.
c. Firm Qualification and Experience
    i. To qualify, the firm must have extensive experience in audits of local governments, preferably public water and wastewater districts and reporting in compliance with GAAP, GAAS, Minimum Audit Requirements and Reporting Guidelines for Special Districts as required by the State Controller's Office, and Government Auditing Standards as issued by the Comptroller General of the United States.
    ii. The proposal should briefly introduce the firm, indicating whether the firm is local, regional, national, or international. State the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed (the District has a strong preference to work with a firm with an office and assigned staff located in Southern California), and the number and nature of the professional staff to be employed in this engagement on a full-time basis, and the number and nature of the staff to be so employed on a part-time basis. Indicate the name of the person who will be authorized to answer questions, the person's title, address, email address and telephone number.
    iii. Provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

d. If the firm participates in a peer review or quality review program, provide the year, month and result of the most recent review and submit a copy of the report on the firm's most recent external quality control (peer) review, along with a statement as to whether that quality control review included a review of specific government engagements (required by Government Audit Standards).

e. Proposals shall identify the senior-level staff, including engagement partner and manager/supervisor, who would be assigned to this engagement on an on-going basis. Indicate whether these individuals have CPA licenses authorized to practice in California and their standing with the Board of Accountancy. Please provide information on the governmental auditing experience of these individuals, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit. The District reserves the right to approve or reject any replacements in the senior level staff participating in the District's audit. Please identify a primary staff member who will be responsible for presenting the audit results to the board as well as second and third options, as available.
f. Proposals shall identify junior-level staff who may be assigned to this engagement. Indicate the stability of this team of individuals in relation to being assigned to this engagement on an annual basis. Please indicate their experience as outlined above for senior level staff. Indicate how the quality of the junior-level staff will be assured to the District over the term of the agreement. The District reserves the right to approve or reject any replacements in the junior level staff participating in the District's audit.
g. Proposals shall indicate prior engagements of the firm with the District, the scope of work, date, engagement partners, total hours, and the location of the firm's office from which the engagement was performed.
h. Proposals shall set forth a work plan, including an explanation of the audit methodology to be followed to perform the services required in Section Ill, above.
i. Proposals shall set forth an estimate of the total required hours, an estimate of out-of-pocket expenses, and the resulting all-inclusive total maximum fee for which the requested work will be done for each year. Attendance for approximately sixty minutes at each meeting with the District's Finance Committee and the Board of Directors relating to matters concerning the audit shall be considered in calculating the fee proposed. Any requested attendance beyond the required two will be compensated for on an hourly rate basis.
j. Proposals shall provide an hourly rate schedule for those job classifications to be billed to the audit and identify all other costs to be billed.
k. Proposals shall include a specific time frame to complete the various phases of the audit.
l. Proposals will include three (3) references for similar types of audits of county water districts or similar government entities in the past 5 years. As a minimum, please include the client's name, audit type, description, total fee, contact name and title, address, phone number, and e-mail address.

m. Proposals must disclose any actual, apparent, direct or indirect, or potential conflicts of interest that may exist with respect to the firm, management, or employees of the firm or other persons relative to the services to be provided under the Agreement for auditing services to be awarded pursuant to this RFP. If a firm has no conflicts of interest, a statement to that effect shall be included in the Proposal.
n. Proposals must provide a statement that nothing contained in the submitted proposal will be proprietary. All proposals shall become the property of the District once submitted.
o. Proposals shall provide a summary of the firm's insurance coverage.
p. Proposals shall be signed by an official authorized to bind the consulting firm and shall expressly state that the proposal is valid for 90 days.

SELECTION PROCESS

Qualification-based selection methods will be used for award of this audit contract. Specifically, proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposal evaluated and scored for both technical qualifications and price. The following represents the principal selection criteria, which will be considered during the evaluation process:

1. Mandatory Elements
    a. The audit firm and its team anticipated to be assigned to the District audit are independent, insured, licensed and in good standing to practice in California.
    b. The firm has no conflict of interest with regard to any other work to be performed for the District.
    c. The firm adhered to the instructions in this RFP.
    d. The firm has experience with GAAP and GAAS.
    e. The firm submits a copy of its last external quality control review report and the firm has record of quality audit work.
2. Technical Quality
    a. Expertise and Experience
        i. The firm has adequate past experience in performing the required audits on government agencies comparable to the District.
        ii. The quality and stability of the firm's professional staff to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation is proficient and acceptable to the District.
    b. Audit Approach
        i. The firm provided proposed plans for the various segments of the engagement which are acceptable to the District.

ii. The firm presented a thorough understanding of the objectives, scope and issues for this type of engagement.
iii. Adequacy of proposed staffing plan.
iv. The firm is committed to the timeliness in the conduct and completion of the audit.
v. Location of firm managing and conducting audit.
vi. References

3. Price - Evaluation of the proposed fee to conduct the audit on a per annum basis
4. Oral Presentation (if determined necessary)

   During the evaluation process between selected finalists, the committee may, at its discretion, request the finalists to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the committee may have on a firm's proposal.
5. Final Decision

   It is anticipated that the Board of Directors will select a firm on June 13, 2023. Following notification of the firm selected, it is expected a contract will be executed between both parties by June 23, 2023.

PROPOSAL TERMS AND CONDITIONS

The District will not pay any costs incurred by the firm in preparing or submitting the proposal. The District reserves the right to modify or cancel, in part or in its entirety, this RFP. The District reserves the right to reject any or all proposals, to waive defects or informalities, and to offer the contract with any firm in response to any RFP. This RFP does not constitute any form of offer to contract.

STANDARD HOLD HARMLESS AGREEMENT

The Consultant shall defend, indemnify and save and hold harmless the District, its officers, agents and employees from any claims, suits or actions of every name, kind and description brought forth, or an account of, injuries to or death of any persons, including, but not limited to, works and the public or damage to property, resulting from or arising out of the Consultant's negligence or willful misconduct in the performance of this project.