

**Borrego Water District Board of Directors
Audit & Budget Standing Committee
Wednesday, March 15, 2023 @ 1:00 p.m.
806 Palm Canyon Drive
Borrego Springs, CA 92004**

THIS MEETING WILL BE HELD IN PERSON ATTENDANCE AT THE ADDRESS ABOVE.

- I. OPENING PROCEDURES**
 - A. Call to Order
 - B. Pledge of Allegiance
 - C. Committee Members Roll Call: President Dice, Director Moran

- II. ITEM FOR AUDIT & BUDGET COMMITTEE CONSIDERATION AND POSSIBLE ACTION**
 - A. Audit & Budget Process Overview – J. Clabaugh
 - B. Draft Budget for FY24 Review – J. Clabaugh
 - C. Next Steps – J. Clabaugh

- III. CLOSING PROCEDURE:** Next Committee Meeting - TBA

AUDIT & BUDGET COMMITTEE AGENDA: March 15, 2023

All Documents for public review on file with the District's secretary located at 806 Palm Canyon Drive, Borrego Springs CA 92004. Any public record provided to a majority of the Board of Directors less than 72 hours prior to the meeting, regarding any item on the open session portion of this agenda, is available for public inspection during normal business hours at the Office of the Board Secretary, located at 806 Palm Canyon Drive, Borrego Springs CA 92004.

The Borrego Springs Water District complies with the Americans with Disabilities Act. Persons with special needs should call Geoff Poole at (760) 767 – 5806 at least 48 hours in advance of the start of this meeting, in order to enable the District to make reasonable arrangements to ensure accessibility.

If you challenge any action of the Board of Directors in court, you may be limited to raising only those issues you or someone else raised at the public hearing, or in written correspondence delivered to the Board of Directors (c/o the Board Secretary) at, or prior to, the public hearing.

**Borrego Water District Board of Directors
Audit & Budget Standing Committee
March 15, 2023 @ 1:00p.m.
806 Palm Canyon Drive
Borrego Springs, CA 92004**

ITEM II. A.

March 15, 2022

To: Audit & Budget Committee

From: Jessica Clabaugh, Finance Officer

Subject: Audit & Budget Process Overview

RECOMMENDED ACTION

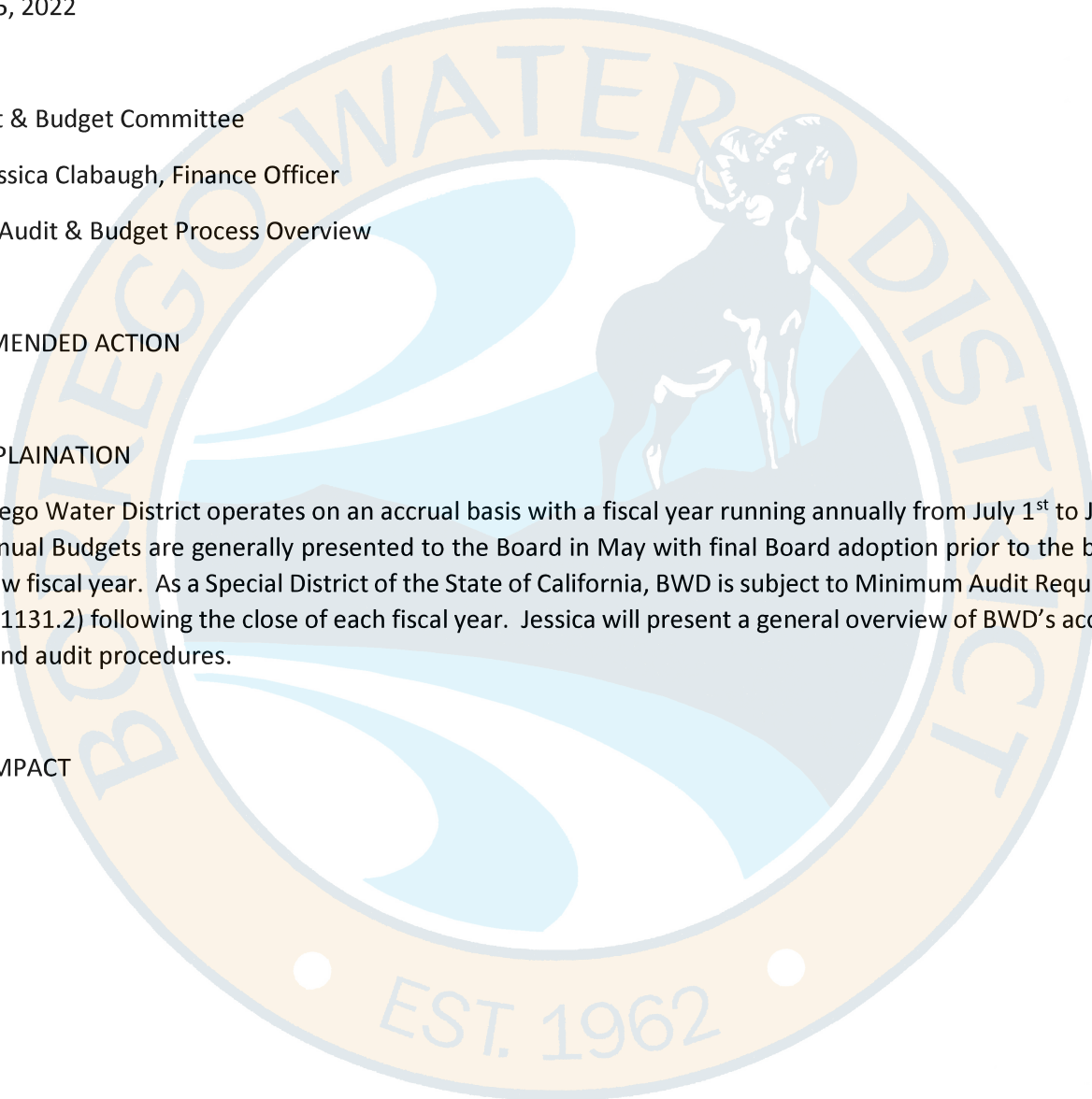
None.

ITEM EXPLANATION

The Borrego Water District operates on an accrual basis with a fiscal year running annually from July 1st to June 30th. Draft Annual Budgets are generally presented to the Board in May with final Board adoption prior to the beginning of the new fiscal year. As a Special District of the State of California, BWD is subject to Minimum Audit Requirements (2 CCR § 1131.2) following the close of each fiscal year. Jessica will present a general overview of BWD's accounting, budget and audit procedures.

FISCAL IMPACT

None.



**Borrego Water District Board of Directors
 Audit & Budget Standing Committee
 March 15, 2023 @ 1:00 p.m.
 806 Palm Canyon Drive
 Borrego Springs, CA 92004**

ITEM II. B.

March 15, 2023

To: Audit & Budget Committee
 From: Jessica Clabaugh, Finance Officer
 Subject: Budget Discussion Workshop

RECOMMENDED ACTION

None.

ITEM EXPLANATION

This is an opportunity for the Board to provide input and ask questions pertaining to specific inputs, changes and events that will have a material effect on the District’s finances. Items to consider;

- Annual Inflatons *(Borrego Water District Water and Wastewater Study – Raftelis 2021)*

Table 2-1: Water Inflationary Assumptions

Escalation Factors	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026
General	2.5%	2.5%	2.5%	2.5%	2.5%
Salary	5.0%	5.0%	5.0%	5.0%	5.0%
Benefits	5.0%	5.0%	5.0%	5.0%	5.0%
Power	5.0%	5.0%	5.0%	5.0%	5.0%
Groundwater Management	3.0%	3.0%	3.0%	3.0%	3.0%

Table 2-2: Wastewater Inflationary Assumptions

Escalation Factors	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026
General	2.5%	2.5%	2.5%	2.5%	2.5%
Salary	5.0%	5.0%	5.0%	5.0%	5.0%
Benefits	5.0%	5.0%	5.0%	5.0%	5.0%
Power	5.0%	5.0%	5.0%	5.0%	5.0%

- Capital Improvement Program – *Staff developing*
 - Infrastructure Projects
 - Short-Lived Assets
- Studies/Professional Contracts
 - Engineering Studies
 - Air Quality Study

- Groundwater Management
- Operational Changes
 - Staffing Structure Changes
 - AMR
- Other???
- Overall Budget Package Sample
 - <https://www.borregoed.org/wp-content/uploads/2020/11/BUDGET-ADOPTED-FYE-2021-1.pdf>

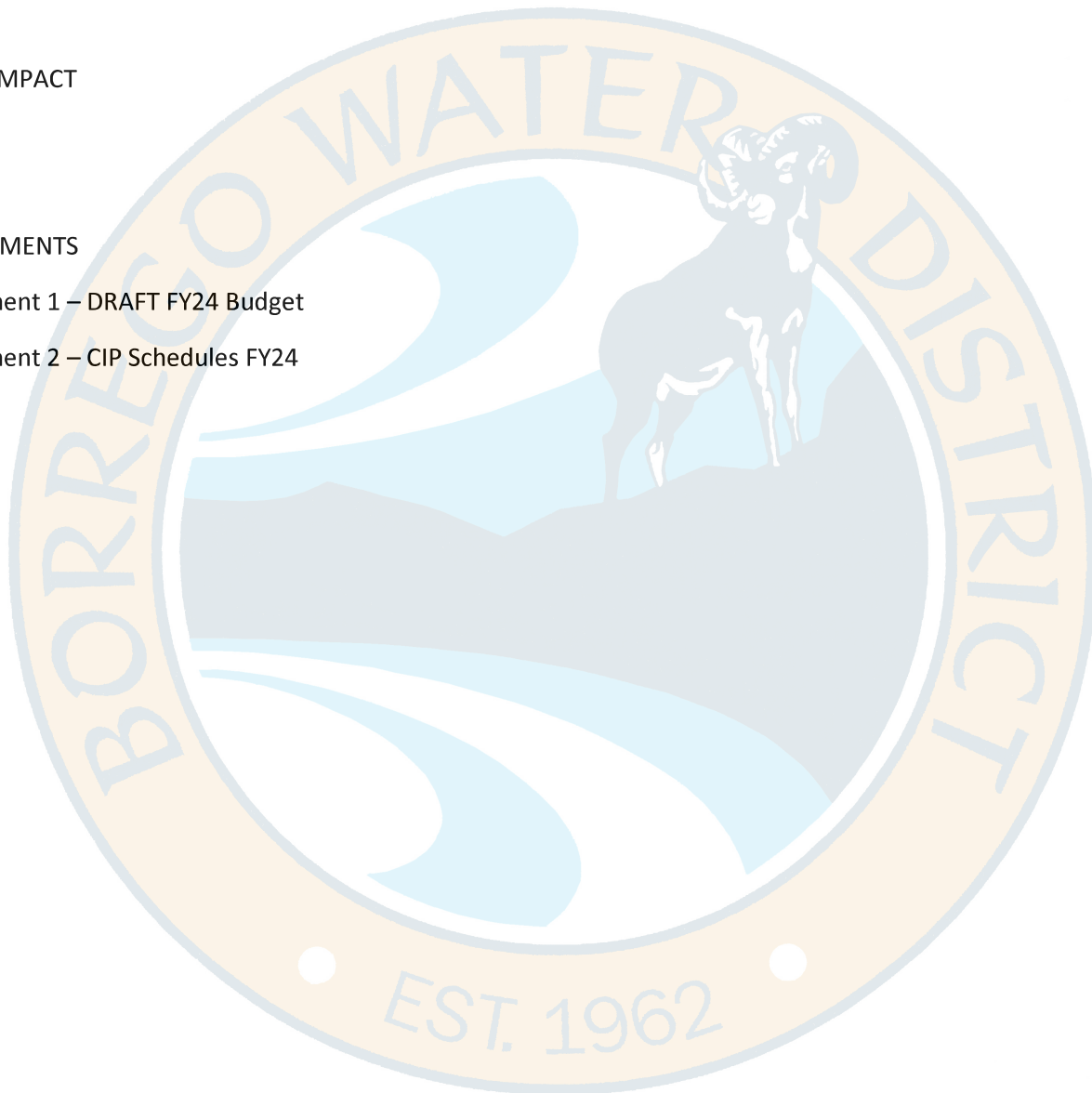
FISCAL IMPACT

None.

ATTACHMENTS

Attachment 1 – DRAFT FY24 Budget

Attachment 2 – CIP Schedules FY24



Item II. B. Attachment 1 – FY24 DRAFT
Budget



Borrego Water District Draft Budget for Fiscal Year 2024

	Actual FY2021	Actual FY2022	Budget FY2023	Projected FY2023	Proposed FY2024	Budg 23 vs Prop 24 \$ Change	Budg 23 vs Prop 24 % Change
INCOME							
RATE REVENUE							
Water Rates Revenues							
Commodity Rates							
Residential	1,403,327	1,467,839	1,516,320	1,516,320	1,592,136	75,816	5.00%
Commercial	646,294	644,685	740,154	683,962	777,162	37,008	5.00%
Irrigation	314,987	317,025	338,140	355,639	355,047	16,907	5.00%
Total Commodity	2,364,608	2,429,549	2,594,614	2,555,921	2,724,345	129,731	5.00%
Non-Commodity Charges							
Base Meter Charges	1,262,966	1,315,110	1,398,665	1,376,040	1,468,598	69,933	5.00%
Meter Install/Repair	2,765	12,258	35,000	150	35,000	-	0.00%
New Connection BPA Fee	-	24,813	24,880	95,000	24,880	-	0.00%
Backflow Testing/Install	5,643	7,815	5,700	5,700	5,700	-	0.00%
Bulk Water Sales	6,327	105,285	82,500	45,000	82,500	-	0.00%
Total Non-Commodity	1,277,701	1,465,281	1,546,745	1,521,890	1,616,678	69,933	4.52%
Total Water Rate Revenues	3,642,309	3,894,830	4,141,359	4,077,811	4,341,023	199,664	4.82%
Sewer Rates							
TCS Holder Fees (SA2)	246,151	212,820	157,666	158,132	163,973	6,307	4.00%
TCS User Fees (SA2)	101,349	115,115	125,419	129,374	130,436	5,017	4.00%
RH Sewer User Fees (ID1)	-	137,158	158,448	158,104	164,786	6,338	4.00%
Sewer Capacity Fees		5,994		34,718		-	0.00%
Sewer User Fees (ID5)	304,047	183,128	179,354	178,526	186,528	7,174	4.00%
Total Sewer Rates	651,547	654,215	620,887	658,854	645,722	24,835	4.00%
Availability Charges Collected thru Tax Roll							
ID1 - Water/Sewer/Flood Standby	106,256	106,786	105,000	105,652	105,000	-	0.00%
ID3/ID4 - Water Standby	119,280	116,477	117,000	117,000	117,000	-	0.00%
Pest Control Standby	16,429	16,353	16,000	16,000	16,000	-	0.00%
Total Availability (Tax Roll)	241,965	239,616	238,000	238,652	238,000	-	0.00%
TOTAL RATE REVENUE	4,535,821	4,788,660	5,000,246	4,975,317	5,224,745	224,499	4.49%
Non-Rate Revenue							
Penalties & Fees	1,580	61,860	40,000	56,809	40,000	-	0.00%
BSUSD Agreement	15,478	46,053	35,000	45,000	35,000	-	0.00%
1% Property Assessments	71,486	72,848	70,000	71,000	70,000	-	0.00%
Interest Income	28,442	8,290	5,000	5,000	35,000	30,000	600.00%
Groundwater Mgmt Income(FY23-Meter Reading)	104,351	106,855	3,500	5,000	3,500	-	0.00%
TOTAL NON-RATE REVENUE	221,337	295,906	153,500	182,809	183,500	30,000	19.54%
GROSS INCOME	4,757,158	5,084,567	5,153,746	5,158,126	5,408,245	254,499	4.94%



Borrego Water District Draft Budget for Fiscal Year 2024 (Con't)

Operating Expenses

	Actual FY2021	Actual FY2022	Budget FY2023	Projected FY2023	Proposed FY2024	<i>Budg 23 vs Prop 24 \$ Change</i>	<i>Budg 23 vs Prop 24 % Change</i>
EXPENSES							
OPERATING EXPENSES							
Operations & Maintenance Expense							
R&M Water	133,704	223,070	258,500	245,000	275,303	16,803	6.50%
R&M WWTF	49,335	37,445	124,080	100,000	132,145	8,065	6.50%
Telemetry	3,914	7,061	5,170	9,414	5,506	336	6.50%
Trash Removal (includes CSD)	6,297	6,767	6,204	6,720	6,607	403	6.50%
Vehicle Expense	29,690	35,835	23,000	23,000	24,495	1,495	6.50%
Fuel & Oil	33,585	46,327	51,000	51,000	54,315	3,315	6.50%
Lab/Testing	26,519	36,017	31,020	35,000	33,036	2,016	6.50%
Permit Fees	29,997	34,979	37,741	36,500	40,194	2,453	6.50%
Pumping Electricity	330,936	422,335	440,000	479,400	500,000	60,000	13.64%
Total Operations & Maintenance Expense	643,977	849,836	976,715	986,034	1,071,601	94,886	9.71%
Professional Services							
Accounting (Tax & Debt Filings)	1,595	1,973	4,446	4,446	4,735	289	6.50%
Air Quality Study	42,154	13,690	21,077	21,077	36,341	15,264	72.42%
<i>Contra - Air Quality Study (BVEF Cont.)</i>	(10,888)	(21,766)	-	-	-	-	0.00%
Payroll Services	3,864	3,866	3,205	3,205	3,413	208	6.50%
Audit Fees	21,645	21,480	20,163	20,163	21,474	1,311	6.50%
IT & Cyber Security	39,644	45,915	40,000	40,000	42,600	2,600	6.50%
Financial Consulting	89,119	16,621	82,720	20,100	88,097	5,377	6.50%
Engineering	20,935	83,184	23,265	16,880	24,777	1,512	6.50%
Legal Services - General	83,000	70,922	74,540	74,540	79,385	4,845	6.50%
Advocacy	15,000	60,000	62,040	60,000	66,073	4,033	6.50%
Total Professional Services	306,067	295,885	331,456	260,411	366,895	35,439	10.69%
Insurance Expense							
ACWA/JPIA Program Insurance	71,809	69,690	75,900	85,636	91,080	15,180	20.00%
ACWA/JPIA Workers Comp	15,023	16,344	20,700	20,700	24,840	4,140	20.00%
Total Insurance Expense	86,832	86,034	96,600	106,336	115,920	19,320	20.00%



Borrego Water District Draft Budget for Fiscal Year 2024 (Con't)

Operating Expenses

OPERATING EXPENSES (Con't)	Actual FY2021	Actual FY2022	Budget FY2023	Projected FY2023	Proposed FY2024	<i>Budg 23 vs Prop 24 \$ Change</i>	<i>Budg 23 vs Prop 24 % Change</i>
Personnel Expense							
Board Meeting Expense	22,995	24,701	23,782	23,782	25,328	1,546	6.50%
Salaries & Wages	1,009,263	1,069,451	1,212,281	1,212,218	1,372,579	160,298	13.22%
<i>Contra Account - Salaries & Wages</i>	(106,948)	(83,395)	(60,000)	(75,000)	(60,000)	-	0.00%
Contract Labor/Consulting	1,625	-	10,340	-	11,012	672	6.50%
Payroll Taxes	25,607	28,451	32,328	30,034	36,603	4,275	13.22%
Benefits - Medical	234,007	266,394	263,670	263,670	298,535	34,865	13.22%
Benefits - CalPERS	150,891	168,234	242,456	242,456	274,516	32,060	13.22%
Trainings & Conferences	7,703	10,555	18,612	18,612	19,822	1,210	6.50%
Uniforms	6,605	7,352	7,238	7,238	7,708	470	6.50%
Safety Compliance & Emergency Prep	1,919	3,896	5,170	5,170	5,506	336	6.50%
Total Personnel Expense	<u>1,353,667</u>	<u>1,495,639</u>	<u>1,755,877</u>	<u>1,728,180</u>	<u>1,991,608</u>	<u>235,731</u>	<u>13.43%</u>
Office Expense							
Office Supplies	14,507	18,481	24,816	24,816	26,429	1,613	6.50%
Office Equipment	20,359	45,002	51,700	38,000	55,061	3,361	6.50%
Postage & Freight	14,137	13,141	15,510	15,510	16,518	1,008	6.50%
Property Tax	2,610	2,618	3,102	3,102	3,304	202	6.50%
Telephone Expense	20,234	24,297	23,000	23,300	30,000	7,000	30.43%
Dues & Subscriptions (ACWA/AWWA)	15,211	18,689	23,782	23,782	25,328	1,546	6.50%
Printing & Publication	3,260	1,996	5,170	5,170	5,506	336	6.50%
Office/Shop utilities	5,046	6,807	7,500	10,000	10,000	2,500	33.33%
Total Office Expense	<u>95,364</u>	<u>131,031</u>	<u>154,580</u>	<u>143,680</u>	<u>172,145</u>	<u>17,565</u>	<u>11.36%</u>
TOTAL OPERATING EXPENSES	2,485,907	2,858,425	3,315,228	3,224,641	3,718,169	402,941	12.15%



Borrego Water District
Draft Budget for Fiscal Year 2024 (Con't)
Debt Service & GWM Expenses (Con't)

	Actual FY2021	Actual FY2022	Budget FY2023	Projected FY2023	Proposed FY2024	<i>Budg 23 vs Prop 24 \$ Change</i>	<i>Budg 23 vs Prop 24 % Change</i>
DEBT SERVICE							
Compass Bank Note 2018A/B - Principal	306,538	314,537	305,000	322,751	341,189	36,189	11.87%
Compass Bank Note 2018A/B - Interest	85,000	73,644	85,000	33,994	49,821	(35,179)	-41.39%
Pacific Western 2018 IPA - Principal	317,000	104,070	427,960	-	-		
Pacific Western 2018 IPA - Interest	184,850	89,540	159,759	-	-		
Capital One Public Funding 2021 - Principal	-	-	-	427,960	427,960	427,960	-
Capital One Public Funding 2021 - Interest	-	82,223	-	82,223	159,759	159,759	-
TOTAL DEBT SERVICE	893,387	664,014	977,719	866,928	978,729	588,729	60.21%
GROUNDWATER MANAGEMENT EXPENSES							
Pumping Fees	123,888	49,776	100,000	75,000	100,000	-	0.00%
GWM Expense	61,438	861	72,561	72,561	77,277	4,716	6.50%
Legal Expense	355,389	10,310	150,000	60,000	100,000	(50,000)	-33.33%
Engineering/TAC Expense	48,339	58,601	50,000	120,000	120,000	70,000	140.00%
TOTAL GROUNDWATER MGMT EXPENSES	589,054	119,548	372,561	327,561	397,277	24,716	6.63%
<u>TOTAL EXPENSES</u>	<u>3,968,349</u>	<u>3,641,987</u>	<u>4,665,508</u>	<u>4,419,130</u>	<u>5,094,175</u>	<u>1,016,387</u>	<u>21.79%</u>
<u>NET INCOME</u>	<u>788,809</u>	<u>1,442,580</u>	<u>488,238</u>	<u>738,996</u>	<u>314,070</u>	<u>(761,887)</u>	<u>-156.05%</u>



Borrego Water District
Draft Budget for Fiscal Year 2024 (Con't)
Cash Funded Capital Improvement Projects

	Actual FY2021	Actual FY2022	Budget FY2023	Projected FY2023	Proposed FY2024
<u>CAPITAL IMPROVEMENT PROJECTS (CIP)</u>					
CASH FUNDED CIP					
Water Projects					
Office Improvements (<i>FY22 Cameras</i>)	-	13,700	50,000	-	50,000
BPA Acquisition	-	-	-	601,250	521,250
Congressional Appropriations Cash Funded Poriton	-	-	-	-	850,167
Total Water Projects	-	13,700	50,000	601,250	1,421,417
Sewer Projects					
Manhole Refurbishments			47,408	14,000	49,978
LCDZ Gravity Main Completion	-	102,623	-	11,000	-
Oxygen Injection Station	-	6,293	-	4,000	-
Total Sewer Projects	-	108,916	47,408	29,000	49,978
Short Lived Asset Replacements					
ID5-5 Electrical Upgrades		29,853			
Booster Station 3 Upgrades	-	17,387	-	30,000	-
Paddock Well - Convert to Monitoring	-	10,323	7,779	10,211	-
10-15 kw Backup Diesel Generator	-	-	15,000	15,000	-
Main Server Replacement	-	7,924			-
Well ID4-11 Rehab	-	194,113			-
ID4-9 Motor Rebuild & Shaft Repair	-	-		120,000	-
ID5-5 Replacement VFD	-	-			200,000
Trash Pump	-	-			-
Trailer Mounted Vacuum Unit	-	90,630			-
Track Skid Steer	-	103,948			-
Pickup Truck	29,000	-	60,000	64,856	-
Total Short Lived Assets	29,000	454,178	82,779	240,067	-
CASH FUNDED CIP	29,000	576,794	180,187	870,317	1,671,395



Draft Budget for Fiscal Year 2024 (Con't)

Contributed Capital and Bond Funded Capital Improvement Projects

	Actual FY2021	Budget FY2022	Budget FY2023	Projected FY2023	Proposed FY2024
CONTRIBUTED CAPITAL PROJECTS					
Ocotillo Solar					
ID 4-10 Filling Station		9,151		-	
Ocotillo Solar Reimbursements		<u>(1,883)</u>		-	
Ocotillo Solar Net Expenses For FY		7,268			
SDGE Pipeline					
BVR Pipeline n/o Palm Canyon		154,230		185,000	
SDGE Reimbursement Income		<u>(175,875)</u>		(163,355)	
SDGE Pipeline Net Income for FY		(21,645)			
CONTRIBUTED CAPITAL NET INCOME		(14,377)	-	-	-
2021 BOND FUNDED CIP					
Bond Funded Water Projects					
ID 5-15 Completion		560,135	300,000		
ID 4-10 Inspection and Repairs			225,621		
BPA Acquisition	-		1,300,000		
Pipeline Replacements		<u>357,750</u>	615,500		
2021 BOND FUNDED CIP TOTAL	-	917,885	2,441,121	-	



Borrego Water District
Draft Budget for Fiscal Year 2024 (Con't)
Grant Funded Capital Improvement Projects

	Actual FY2021	Actual FY2022	Budget FY2023	Projected FY2023	Proposed FY2024
GRANT FUNDED CIP					
Water Projects- DWR Grant Net \$2,048,362					
Twin Tanks	2,836	20,353	891,165	891,165	9,647
Wilcox Diesel Motor	-	-	83,333	83,333	-
Indian Head Reservoir Replacement	-	-	474,000	474,000	450,000
Rebulid Rams Hill Tank #2	-	21,516	474,000	474,000	450,000
Total Water Projects - Water Reservoirs Grant	<u>2,836</u>	<u>41,869</u>	<u>1,922,498</u>	<u>1,922,498</u>	<u>909,647</u>
Sewer Projects - DWR Grant - \$788,912					
WWTP Upgrade/Rehabilitation	32,338	468,843	288,912	228,912	-
WWTP Grant Reimbursement Received	-	(479,672)	-	-	-
WWTP Upgrade Grant Net Income	<u>32,338</u>	<u>(10,829)</u>	<u>288,912</u>	<u>228,912</u>	<u>-</u>
Prop 68 Grant					
AMI	-	-	455,000	20,000	455,000
WWTP Monitoring Wells	-	5,002	141,000	80,000	60,000
Admin/Acquisition Costs	-	93,465	75,000	20,000	75,000
Total - Prop 68 Grant	<u>-</u>	<u>98,467</u>	<u>671,000</u>	<u>120,000</u>	<u>590,000</u>
2022 Appropriations Bill					
BSR Pipeline	-	584	912,406	-	912,406
Sungold Pipeline	-	334	2,488,260	-	2,488,260
2022 Appropriations Bill Total	<u>-</u>	<u>918</u>	<u>3,400,666</u>	<u>-</u>	<u>3,400,666</u>
NET GRANT FUNDED CIP	35,173	- 130,425	6,283,076	2,271,410	4,900,313

Item II. B. Attachment 2 – CIP Schedules

CAPITAL IMPROVEMENT PROJECTS	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 23-FY34
CASH RESERVE FUNDED WATER PROJECTS													
<u>Water Projects</u>													
1 Pipeline Replacements													\$ -
2 ID-5 Well VFD		\$ 200,000											\$ 200,000
3 Replace and upgrade Booster Pump Station 5			\$ 125,000										\$ 125,000
4 Facilities Maint - Office	\$ 50,000												\$ 50,000
5 Water Treatment Facility (phase 2)							\$ 250,000						\$ 250,000
16 Borrego Springs Road Pipeline Replacement (Cash Portion)		\$ 228,102											
17 Sun Gold Pipeline Replacement (Cash Portion)		\$ 622,065											
FY23+ Water Supply Acquisition \$3,800,000	\$ 601,250	\$ 521,200	\$ 521,250	\$ 432,250	\$ 432,250	\$ 512,250	\$ 512,250	\$ 636,250					
6 FY23 Water Supply Acquisition \$1,320,000	\$ 278,962												
7 Emergency System repairs	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 720,000
SUBTOTAL WATER CASH RESERVE PROJECTS	\$ 882,332	\$ 1,631,417	\$ 706,250	\$ 482,250	\$ 482,250	\$ 572,250	\$ 822,250	\$ 696,250	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 7,060,248
<u>Sewer Projects</u>													
8 Manhole Replacements/Refurbishment (2/year)	\$ 47,408	\$ 49,778	\$ 52,267	\$ 54,880	\$ 57,624	\$ 60,605	\$ 63,631	\$ 66,707	\$ 70,042	\$ 73,546	\$ 77,222	\$ 81,083	\$ 754,591
SUBTOTAL SEWER CASH RESERVE PROJECTS	\$ 47,408	\$ 49,778	\$ 52,267	\$ 54,880	\$ 57,624	\$ 60,605	\$ 63,631	\$ 66,707	\$ 70,042	\$ 73,546	\$ 77,222	\$ 81,083	\$ 754,591
TOTAL CASH WATER/SEWER CIP PROJECTS 2021 THROUGH 2029	\$ 1,029,740	\$ 1,681,194	\$ 758,517	\$ 647,130	\$ 649,874	\$ 632,755	\$ 885,781	\$ 762,957	\$ 130,042	\$ 133,546	\$ 137,222	\$ 141,083	\$ 7,389,840
<u>FACILITIES MAINTENANCE DETAIL</u>													
Stucco Building and Replace Failing Solar Cells	\$ 20,000												
Carpet/Paint Office and Install Energy Efficient Lighting	\$ 30,000												
TOTAL CASH RESERVES CAPITAL IMPROVEMENTS PROGRAM	\$ 1,029,740	\$ 1,681,194	\$ 758,517	\$ 647,130	\$ 649,874	\$ 632,755	\$ 885,781	\$ 762,957	\$ 130,042	\$ 133,546	\$ 137,222	\$ 141,083	\$ 7,389,840
TOTAL CASH RESERVES SHORT LIVED ASSETS	\$ 82,779	\$ 287,000	\$ 249,250	\$ 250,163	\$ 332,550	\$ 211,888	\$ 205,500	\$ 187,633	\$ 237,253	\$ 152,807	\$ 397,753	\$ -	\$ -
TOTAL CASH RESERVES CIP AND SHORT LIVED ASSETS ANNUAL BL.	\$ 1,112,519	\$ 1,938,194	\$ 1,007,767	\$ 797,293	\$ 782,424	\$ 844,643	\$ 1,091,281	\$ 950,490	\$ 367,295	\$ 286,351	\$ 534,975	\$ 141,083	\$ 9,864,313
GRANT FUNDED CIP PROJECTS													
<u>Water Projects</u>													
DWR Grant Net \$2,855,333													\$ -
9 Replace Twin Tanks	\$ 924,000.00												\$ 924,000
10 Replace Wilcox Diesel Motor	\$ 83,333.00												\$ 83,333
11 Replace Indianhead Reservoir	\$ 924,000.00												\$ 924,000
12 Rams Hill #2, 1980 gal/x, 0.44 MG recasting	\$ 924,000.00												\$ 924,000
<u>Groundwater Management P88 Grant</u>													
DWR Grant Net \$1,731,000													\$ -
13 A/I	\$ 455,000.00	\$ 455,000.00	\$ 455,000.00										\$ 1,365,000
14 Monitoring Wells	\$ 141,000.00												\$ 141,000
15 Administration	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 225,000
<u>2022 Appropriations Bill</u>													
16 Borrego Spring Road Pipeline Replacement		\$ 912,406.40	\$ -										
17 Sun Gold Pipeline Replacement	\$ -	\$ 2,488,280.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Potential Pipeline Grants</u>													
18 Club Circle Water and Sewer Pipeline Replacement Project	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,286,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL WATER/SEWER GRANT CIP PROJECTS	\$ 3,626,333	\$ 3,930,666	\$ 530,000	\$ -	\$ -	\$ -	\$ 2,286,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,272,899
2021 BOND FUNDED CIP PROJECTS													
19 Well ID-5 Completion	\$ 300,000												\$ -
20 Well ID-4-10 Inspection and Repairs	\$ 225,621												\$ -
21 FY23 Water Supply Acquisition \$1,320,000	\$ 1,048,916												\$ -
TOTAL 2021 BOND FUNDED CIP PROJECTS	\$ 1,574,537												#REF!
POTENTIAL BOND FUNDED CIP PROJECTS													
<u>Wells, Booster Stations, Reservoirs & Associated Transmission Mains</u>													
22 Deep Well Pipeline Replacement				\$ 2,225,000									\$ 2,225,000
23 West and East Star Road Pipeline Replacement					\$ 450,000								\$ 450,000
24 Country Club Tank Recasting, 1999 1.0 MG						\$ 250,000							\$ 250,000
25 Water Treatment Facility (phase 1)							\$ 900,000						\$ 900,000
26 Water Treatment Facility (phase 2)								\$ 650,000					\$ 650,000
27 New production well									\$ 2,000,000				\$ 2,000,000
28 Solar *Updated to convert approximately 85% of BWD Wells to Solar										\$ 1,200,000			\$ 1,200,000
29 Well 5 Transmission Main Project											\$ 1,215,000		\$ 1,215,000
30 Projected Water Supply Costs										\$ 2,000,000			\$ 2,000,000
TOTAL FUTURE BOND CIP PROJECTS	\$ -	\$ -	\$ -	\$ -	\$ 2,225,000	\$ 450,000	\$ 250,000	\$ 900,000	\$ 650,000	\$ 4,000,000	\$ 1,200,000	\$ 1,215,000	\$ 10,890,000
Total Annual CIP Spend:	\$ 6,213,391	\$ 6,868,861	\$ 1,537,767	\$ 797,293	\$ 3,007,424	\$ 1,294,643	\$ 3,627,281	\$ 1,850,490	\$ 1,017,295	\$ 4,286,351	\$ 1,734,975	\$ 1,356,083	\$ 31,017,313

CIP-SHORT LIVED ASSETS	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<u>Facility Components</u>							
Backup Generator Office and Shop		\$ 100,000					
<u>WELLS</u>							
Paddock Well - Convert to Monitoring	\$ 7,779						
ID1-8, 125 Hp - Well out of service life		\$ 60,000					
ID-1 Well 12 pump and casing/cleaning				\$ 181,913			
ID-1 16 - Inspection			\$ 173,250			\$ 199,238	
ID4-11, 200 Hp					\$ 120,000		
ID4-18 - Inspect to make a monitoring well		\$ 10,000					
Other Well Rehabilitation							\$ 132,000
<u>TANKS</u>							
Reservoir cleaning/video inspection		\$ 37,000			\$ 42,550		
<u>BOOSTER/PRESSURE REDUCING STATIONS</u>							
<u>WASTEWATER TREATMENT FACILITY</u>							
Clarifier Rehab - Every 10 years		\$ 50,000					
RAS pumps							
Trash Pump							
Lift Station Pump			\$ 11,000			\$ 12,650	
<u>EQUIPMENT</u>							
10-15kw Backup Diesel Generator	\$ 15,000						
Pickup - Every 1.5 to 2 years 3/4 ton	\$ 60,000		\$ 65,000	\$ 68,250	\$ 70,000		\$ 73,500
TOTAL SHORT LIVED ASSETS REPLACEMENT PROGRAM	\$ 82,779	\$ 257,000	\$ 249,250	\$ 250,163	\$ 232,550	\$ 211,888	\$ 205,500

**Borrego Water District Board of Directors
Audit & Budget Standing Committee
March 15, 2023 @ 1:00 a.m.
806 Palm Canyon Drive
Borrego Springs, CA 92004**

ITEM II. C.

March 15, 2023

To: Audit & Budget Committee

From: Jessica Clabaugh, Finance Officer

Subject: Next Steps

RECOMMENDED ACTION

None.

ITEM EXPLANATION

- Draft Audit Report Review (Late March/Early April)
- Schedule next working meeting in April with Reserves and Cash Flow Review
- Working meetings as necessary in April and May
- Present Draft Budget to Board (last May)
- Present Final to Board (June)

FISCAL IMPACT

None.