

**Clear Creek
Community Services District**



**Fiscal Year
2023-2024**

Budget

CLEAR CREEK CSD 2023-2024 BUDGET

Introduction

The District Board of Directors presents this budget and narrative for the community and District Customers.

The District's mission is a commitment to our customers for a dependable delivery of high-quality water, while maintaining superior customer service at an affordable price. We pride ourselves on fiscal responsibility and good stewardship of the water supply as active members of the greater Happy Valley community.

This document is laid out to give a brief overview of the District and its history, the assets, revenue, and expenses to operate for this fiscal year.

The Clear Creek Community Services District is a special district in California that provides one service to the community – water. The District is run by a five-member board of Directors, elected or selected from within the District.

The Board of Directors for the adoption of this budget:

Chair: **Beverly Fickes** Vice-Chair: **Terry Lincoln**
Directors: **Pam Beaver, Irwin Fust, Scott McVay**

The General Manager Paul Kelley is tasked to develop the Budget with the input of the board and community. This Budget was started in May, reviewed by the Finance Committee (as a special meeting of the board) twice and then the final budget was approved by the board at the June 21st 2023 meeting.

History and Background

The Clear Creek CSD was formed in 1963 to provide water for domestic use, irrigation, sanitation, industrial use, individual use, fire protection, and recreation. The District boundaries include approximately 21,800 acres. Prior to 1963, there was long history water for agricultural and some domestic uses in Happy Valley and the District was formed to have a community run district for agreements for water at to expand the uses of water delivery.

The District entered into a water service contract with the United States Bureau of Reclamation in 1963 providing an annual allocation of 15,300 acre-feet of water per year. Over the years there have been multiple contracts with lengths from interim to a 25-year term. In 2020 the District signed a conversion contract that used the Water Infrastructure Improvements for the Nation Act (WIIN) monies to fund the Districts long term infrastructure obligation, and when the District pays off the WIIN act the contract converts the term contract to a perpetual contract for the 15,300 acre-feet allocation.

In 2001, the District took ownership from the USBR of all the facilities currently within the District. The title of the Distribution system and other facilities, except the Muletown conduit, went directly to District ownership.

For Ground Water management the District participates with the Enterprise Anderson Groundwater Sustainability Agency, the state designated agency for state reports, monitoring and other state regulated ground water activities. The District participation is important since the District has three wells within the District and within the Anderson Ground water basin. These wells are critical to the District in response to droughts, and when there are major leaks or maintenance related to the Muletown conduit.

The Clear Creek CSD owns and operates the treatment plant at the base of Whiskeytown dam and sends water from that facility into the Muletown conduit. When it reaches the Clear Creek CSD – it enters at the North Booster station where a four-million-gallon tank also resides. The Centerville CSD also receives water through the same conduit and has its own water service contract with the Bureau. The District has a contract with Centerville CSD to pay for their portion of the treatment operations, maintenance, and administrative costs.

Facilities

Treatment:

The Treatment facility is at the base of the Whiskeytown dam and was originally constructed in the 1970's. Then, in response to new Surface Water treatment rules and regulations, the District upgraded the plant in 1995/96 to comply with those updated regulations. The Treatment facility is a T5 facility – and the District employes a Chief Plant Operator who has certification at the T5 level. This facility operates 24 hours a day and 7 days a week, and it's connected to electronic monitoring in real time. The facility has backwash ponds, piping of raw water, chlorination facilities, filters, and treated water pipes to the holding tank at the start of the Muletown conduit.

Distribution:

The Muletown Conduit from the Whiskeytown Dam to the start of the District is both 45" and 42" steel conduit. This conduit is eight and a half miles long and primarily follows the Muletown road. The District is a closed piping system, and gravity fed and uses no pumps for pressurization except after the two booster pump stations.

Within the District boundaries there are approximately 100+ miles of pipeline in the ground. The pipe sizes range from 2" to 42". The type of pipe varies – between transite pipe (AC), ductile iron, steel, and PVC. The transite pipe in particular have reached their effective life, and subject to many challenging ruptures, breaks or leaks. The Distribution system needs a thorough assessment and rehabilitation.

The District has a North Booster station, that is the starting point of the District where the Muletown conduit enters the system. At this location there is one four-million-gallon tank, a second smaller tank of 250 thousand gallons, pressure pumps, a pump house, and telemetry assets at this location. The District has a South Booster station with a one-million-gallon tank, a 350-thousand-gallon tank, pump house with pumps and telemetry assets. The South Booster station is primarily to receive well water from the southern well field and pump into the distribution system from the lower area of the Districts distribution system.

The District developed a well field that is primarily used during water shortages or if the Muletown conduit has challenges. The well field has three wells with a 1500 gallons per minute capacity.

The District has five water storage tanks. The four tanks at the Booster stations plus the one-million-gallon tank near the treatment plant provides a total capacity of 5.6 million gallons of water.

Financial: The District operates based on an annual budget.

The District has these sources of revenue (Described more in each year):

1. Customer accounts
2. Revenue from Water services
3. General Taxes
4. Interest
5. Grants

The District has these primary expenses (Described more in each year):

1. Source of Supply
2. Water Treatment
3. Conduit
4. Distribution System
5. Wells and So. Booster pumps
6. Administration
7. Customer Service / Accounts
8. Regulatory and Debt Service

Reserve Accounts:

There are reserve accounts that get funded from customer charges – as designated reserves:

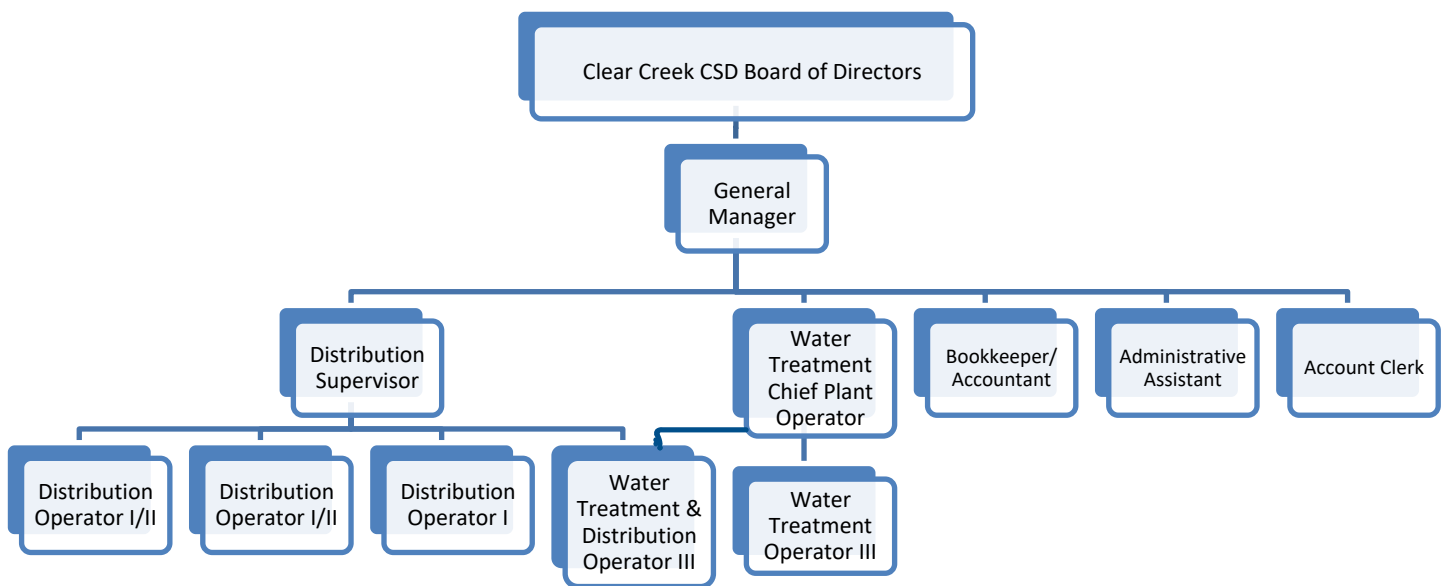
- 1. Filter Plant Repayment
- 2. Recycle Backwash Water
- 3. State Loan Repayment
- 4. WIIN act Repayment

There are reserve accounts that get funded by customer charges (Base Rate and Usage) that are used to fund infrastructure modernization, and operating and maintenance.

- 1. Operating Reserve
- 2. Capital Improvement, Expansion and Modernization
- 3. USBR Emergency Reserve
- 4. Emergency Fund Reserve
- 5. Fund Balance Discretionary Reserve
- 6. Other Reserves

Staffing:

The District has an approved Memorandum of Understanding that covers the Staff of the District managed by the General Manager. The District Board of Directors has an approved Employment Agreement with the General Manager. The current organizational chart is below:



2023-2024 Budget Categories

Revenue

11000 - Customer Accounts Revenue:

This revenue area is generated by the Base Rate Charge for each customer, Water sales – Domestic and Agricultural water, penalties, and reconnection fees. This budget uses 90% collection rate and proposes moving an employee to full time to get beyond the previous budgets use of 85% collection rate. The District goal is to get to 98% collection rate over time.

11005 - Base Rate Calculation – 2577 accounts at \$57.11 – at 90% collection rate.
(FYI there are 122 accounts at \$10.81)

11010 - Water Sales (Domestic) – 2000 AF of M&I at .52/HCF (at 90% collection rate)

11020 - Agricultural Water Sales- 1000 AF of Irrigation at .51/HCF

11050 - Penalty and Reconnection Fee – No drought penalties, potential Late Fees.

11000 - Customer Accounts Revenue Total: \$2,197,000

12000 - Water Service Revenue:

This revenue area is mainly generated from Centerville administrative and O&M charges to Centerville for the treatment plant to provide water to their district. This area also includes Backflow revenue on some customer accounts, Interest/Investment revenue, and Convenience fee.

12015 - Centerville Admin O&M - Monthly charge for Treatment services costs.

12000 - Water Service Revenue Total: \$207,000

13000 - Designated Revenue:

This area is not included in Operating Revenue. In the 2023-24 budget the District will identify these designated revenues to be expensed into their reserve accounts. All the designated accounts that make up the \$10.81 – These amounts are on the 2700 accounts charged the fee and at a 90% collection. (Rates per month identified)

13005 - Filter Plant Repayment Charge (\$7.55/Mo)

13010 - Recycle Backwash Water Charge (\$.38/Mo)

13015 - State Loan Repayment Charge (\$1.00/Mo)

13025 - WIIN Act Repayment Charge (\$1.88/Mo)

13000 - Designated Revenue Total: \$315,000

14000 - Use of Reserves – (New District item)

The District has not budgeted in the past for use of carryover funds, reserves or other discretionary reserve uses. For Budgeting and operational purposes, there should be a “fund balance” that tracks the end balance of a budget and rolls it into the next year’s budget. This will also be used to track the usage of reserves for the WIIN Act repayment to the Operating fund.

14010 - WIIN Act Reserves to Operating:

The District has paid their WIIN Act payments by borrowing against Operating revenue. The WIIN Act charge on monthly customer bills is to pay for the cost of the WIIN Act payments. Borrowing from the Operating revenue fund to pay off the WIIN Act obligation, obligates the WIIN Act customer fee (identified before) to stay in effect for the period of time to pay off the loan from the Operating fund – (approximately 13 years at \$50,000 per year) at the Boards discretion in the future.

Background and complete description of the WIIN Act obligation: For reference the WIIN Act obligation started at \$859,452. The contract with the Bureau for 15,300 AF/Year requires repayment of the capital costs over the life of the contract ending in 2030. This WIIN Act payment converts the contract to a perpetual contract, without an end. In December of 2020, when the District signed this conversion contract with the Bureau, the WIIN Act covered the infrastructure obligation cost and the District was to payback the WIIN Act loan. The District met with the Bureau in September of 2021 to work out a payment plan since no payment had been made at that point. The Bureau and the District found a credit, that was applied as payment through 2021, and the rest to be paid over the subsequent years. The calculation of what was to be paid, was based on the \$859,452 minus the credit of \$207,952 for a total of \$651,500 obligation to the WIIN Act to be paid by 2024. The District did not attain a loan / note to pay off this amount at one time, and then pay off the note using the monthly charge. The District started making payments in early 2022 from the Operating revenue of the District – effectively borrowing from the Operating account to pay the WIIN Act by 2024. This WIIN Act Reserve repayment to the Operating account through this “use of Reserves” from the WIIN Act Reserve will clearly identify the reimbursement payment for the District and customers. The \$1.88/ month will raise approximately \$52,000 to \$60,000 a year (based on collection rates) and this WIIN Act reserve will pay back the operating revenue account that is being borrowed against to pay off the WIIN Act by the date required by the Bureau/WIIN Act. The suggested budgeted rate of \$50K/year will take approximately 13 years for this customer charge “WIIN Act reserves” to repay the operating fund, with the boards for earlier payoff.

14020 - Penalties Reserve to Operating:

The board entered into a purchase agreement with the McConnell Foundation in March based on information available at the time and committed to using \$100,000 of the 2022-23 penalties and fees account. This is where those funds enter the 2023-24 budget to help pay for McConnell water payments.

14090 - Discretionary Fund Balance Reserve: (\$0.00)

The District should track use of previous year’s fund balance, or use of other reserves in a fiscal year’s budget. This line item is for that purpose and not proposed to identify any use at this point.

14000 - Use of Reserves Total: \$150,000

15000 - Revenue – Taxes & Assessments

The District receives property tax share from the County of Shasta twice a year. The current amount as revenue in the Budget is a projection based on last year’s property tax.

15000 - Taxes Revenue Total: \$390,000

Total Revenue: \$3,259,000

Expenses:

29000 - Supply Cost:

This Expense section contains the cost of the water supply into the District for this year. Primarily made up of purchase costs from the Bureau. It can include water purchased from outside sources like the McConnell foundation or other sources. This section also has the WIIN Act payments to the Bureau that is a cost of water till 2024.

29005 - USBR Water Purchase: Bureau Schedule water cost for M&I and Ag Water.
(For this year: 2000 AF of mix of M&I (668AF McConnell foundation)
2000AF – 668AF (McC) = 1332AF @ \$57.18/AF (USBR) = \$76,164)
(and 1000AF of AG/IRR @ \$51.75 (per AF Bureau) = \$51,750)

29015 - McConnell Water Purchase: The District entered into a purchase agreement in March for 500AF at \$250, then provided an extra 168AF at no cost.

29100 - WIIN Act Payments – This is currently a cost of supply to secure Contract – and completing the WIIN Act payoff.

29000 - Supply Cost Total: \$453,000

30000 - Water Treatment Plant

The Treatment Division is managed by the Chief Plant Operator who oversees and manages the Treatment Plant and Treatment Division employees as well as the expenses spelled out in this section. New for 2023-24, is that the Wages/Salary/On-Call/OT is grouped in the Salary Expenses section for Treatment. The treatment plant will be processing more water than in the past few years of drought, and the current maintenance, long term maintenance, and upgrades will need to be considered now and in future years.

30100 - Utilities: PG&E has announced up to a 17% increase.

20135 - Office Supplies / postage: An expense not previously tracked to this Div.

30140 - WTP Computer & Software: ongoing support of SCADA machine and Lic.

30150 - Safety Equip & Training: For OSHA Compliance and more.

30200 - WTP Repair & Maintenance – List of items from CPO – and more water impacts.

30400 - Water Analysis – Similar to last year but increases in coming year.

30405 - Chemicals – increased over 30%. The cost at \$23.90/AF.

30500 - Vehicle Maintenance and Fuel: Based on previous year's actuals.

30600 - Capital Improvement: New budget item – Expenses for treatment division to track for supporting the grant funded Backwash ponds project, the Electrical Repairs/SCADA – a grant reimbursed item. The Treatment plant also has the November 22 2022 – State Water Board survey of the Treatment plant and suggested projects. These need engineering review and estimates for future Capital Projects.

30000 - Total Expense Treatment Plant Division: \$278,700

30700 - Transmission & Conduit

This section is for separate tracking of Muletown Conduit work, repairs and maintenance primarily, the wages / salary expenses will be tracked in the payroll expenses at the end of the report. This will continue to be a separate section since the Muletown Conduit is owned by the Bureau, but maintenance responsibilities are the Districts.

30700 - Total Expense Transmission & Conduit: \$3,000

40000 - Distribution & Transmission

The Distribution and Transmission Division is managed by the Distribution Supervisor managing the division employees and dealing with the maintenance and repairs for the District's 100 miles of pipe, meter reading, pipe breaks, leak repair, wells and booster station operations, and other general district maintenance duties. The previous year had several leaks, and this budget provides more expense tracking in more categories.

40200 & 300 - Utilities and Safety equipment & training: For expenses tracking purposes, previous budgets did not have Distribution Utilities –North Booster Station.

The district supplies muck boots, waders, for operators and all old items that need to be upgraded and tracked.

40400 - Repair & Maintenance: Current O&M for the Distribution system had more items expensed to it, and this section is adding a few of the items for tracking purposes.

40405 - Backflow Testing: cost tracking – to help with revenue offset.

40410 - USA – Utility Service Alignment – Need to separate for tracking.

40415 - Meter Replacement – For meter transponders and updating for better meter reading, last year the District purchased transponders to start the process for replacement and upgrading of all applicable meter.

40420 - Tank Inspection – Annual inspections.

40430 - Inventory – New / Updated category for materials for repairs – often a leak/repair needs a part or material to be purchased or taken from District inventory. This to help track inventory of key materials replaced for next time and is now separate from O&M.

40400 - Repair & O&M – For leak repair, equipment rental, materials, and more expense tracking and now some in the new category for Inventory.

40480 - Capital Projects: Expense line to track cost for distribution rehab projects, Taffy lane improvement, and South Booster & Wells grant (reimbursable).

40500 - Vehicle Maintenance / Fuel: Fuel prices steady, aging vehicles need maintenance.

40000 - Total Expense Distribution Division: \$247,000

41000 - Wells & Booster Station

This section is to track the expenses and maintenance costs for the South Booster station and the Districts three Wells in the Southern portion of the District. In drought years these wells are relied upon for district supply, and can be used when the Muletown Conduit or Treatment Plant is in repair of there is an Emergency.

41100 - Utilities: PG&E Standby, Usage for Testing, and emergency needs.

41200 - Water Analysis – Low usage this year.

41300 - Repairs and Maintenance – Tracking for Maintenance and Grant project support.

41305 - Chemicals: tracking line for this item.

41000 - Total Expense Wells & Booster Station: \$57,500

50000 - Administration General

This Division is for most of the rest of the operations of the District. This budget has some changes from the past. This section now includes the Regulatory section and the Customer Accounts and Billing section. This division will also include the Employee benefits that identifies the District costs of these expenses. The employee's contribution to these expenses are through payroll deductions. This Division includes the wages for the General Manager – now part of Payroll expenses. The other three positions in the office are in the Customer Accounts & Billing section and separately identified in the Payroll Expenses section.

50100 - Utilities: Previous budget didn't track administrative office utilities expenses

50200 - Office supplies: Tracking at this expense to actuals

50300 - Organizational Dues:

Currently members of:

- Association of California Water Agencies – ACWA that gives District access to all this association information, advocacy and JPIA (Joint Powers Insurance Agency)
- AWWA – American Water Works Association – training and other resources.
- CVPWA – Central Valley Project Water Association

Suggest consideration:

Special Districts Association (CSDA) –

Others to consider: California Rural Water Association

50315 - Postage: To track Admin postage needs, outside of customer billing

50320 - Meals and Reimbursements – Tracking for travel meals and staff when leaks or other projects trigger need to provide meals.

50325 - Mileage/Travel: Increased for more General Manager and Board member attendance at US Bureau Conference, ACWA/JPIA Conference, and driving travel for mailings.

50330 - Bank Service Fee/Finance Charge: Customer accts and Bank fees

50400 - Insurance: Cyber, Liability, Auto and other JPIA related expenses.

50500 - Professional Services – For expense tracking, this budget is creating a section for all the needs in this area:

50505 - Audit Services Cost – Based on contracted cost from Auditor.

50510 - Director Fees – Based on the current policy.

50512 - Director Elections – Identified here, no planned elections in this fiscal year. Next year's budget will need to have an amount for Nov. of 2024.

50515 - Server & Computer Maintenance: "Information Technology"

Municipal Software – Current FREYS/CUBIC Subscription

Customer Software Upgrade: Potential update for this software

Software subscriptions: For updated technology (MS 360, QuickBooks, other)

Computer Maintenance: More desktop replacements, cabling and eventually need to replace server.

- 50520 - Legal** – Increase from previous for Grant agreement review and other District needs.
- 50525 - Engineering** – A new category for the District to track expenses. The District has PACE as its District Engineer and needs to track expenses for this.
- 50530 - Equipment Leases** – Folding machine, Printer/Scanner/Copier.
- 50535 - Building and Grounds** – More tracking of this expense is closer to current year. Includes security, exterminator services, garbage pickup, and maintenance.
- 50540 - OPEB Valuation and Actuarial** – The bi-annual actuarial for District OPEB Trust and scenarios for the MOU required review of potential changes to the Retiree medical program.
- 50500 - Special and Professional** – For HR services to support Admin Assistant and Bookkeeper – Employee Handbook, and other HR / Payroll compliance and services. Also, to assist Bookkeeper for Audit and previous system (BUCS) work.

Total Professional Services: \$179,000

50700 - Regulatory: (Section is broken out – Within Administration)

- 50710 - SWRCB – Water Fee:** Small Communities water utility fee by the State.
- 50711 - SWRCB – CDTFA - Water Rights:** New for tracking of this fee.
- 50715 - Risk Management Plan:** Fee for day’s review and compliance
- 50720 - Groundwater Sustainability Act:** GSA Costs if no GSA grant
- 50725 - LAFCO Expense:** Cost from LAFCO for Special District
- 50800 - Safety Equipment & Materials:** Small items for reg. compliance
- 50900 - Testing and License Fees:** For employee certifications

Total Regulatory expense: \$63,000

51400 - Employee Benefits – (Section in Administration – To quantify and track the expense of these items to the District. The Employee portion of these expenses through withholding.)

- 50410 - Workers Compensation:** JPIA – Workers Compensation Expense
- 51405 - Guardian – Vision, Dental, Life:** District Covers Dental and life portion, employees pay the Vision component through payroll deduction.
- 51415 - UNUM – Districts Disability Insurance:** All District expense.
- 51435 - CalPERS – Health Expense:** District Cost based on current and Future costs. 2nd half of year could have a higher cost from CalPERs Health.
- 51440 - CalPERS – Retirement Contribution.** CalPERS has updated the District Contribution as of July 1 2023 to 7.68%.
- 51615 - Medicare** – District Cost: Not identified prior years budgets.
- 51650 - Uniform & Service Expense** – Operator pants cleaning, shirts, hats
- 51500 - Boot Allowance** – as per MOU

Employee Benefits Total: \$335,700

51600 - Retiree Benefits – (To track District cost of Retiree benefits – The unfunded Liability calculated by actuarial is for a yearly accounting of long-term liability, not a current year operating expense for budget)

51605 - Retiree health benefit – Direct: The District covers the retiree health as per agreement for its retirees – for tracking purposes.

51610 - The CalPERS Health Ins – Retiree: expense is a yearly expense to the District for the Retirees currently covered by Retiree Health benefits. And paid directly to CalPERS Health insurance.

Retiree Benefits total: \$100,000

51700 - Property Taxes – The District pays special district expenses, like mosquito abatement district.

51900 - License and Permits: Air permit, CUPA etc.

52000 - Interest expense: For payments on loans – like Dump Truck.

53000 - Customer Accounts – (Section now within Administration for tracking the expenses for Customer accounts, billings and staff - This Budget adds hours and duties to the Account Clerk position to make it full time)

53020 - Postage: For Customer billing.

53025 - Billing Supplies & Materials: Paper, envelopes etc.

53016 - Meter License: This is for the Software integration between reading meters and loading into customer accounts.

Customer Accounts Total: \$42,000

50000 - Administration/General Total: \$866,300

60000 - Payroll Expense

This section includes the Salary/wages/on-call/overtime expenses for each of the divisions. In the past, the District had these expenses within each division. This budget now has a Payroll expense section and broken out by divisions and sections for ongoing tracking of the expenses attributed to each area. The District approved an MOU in early 2023, and per MOU section 9.7 the job classifications covered by the MOU will receive an annual COLA. The COLA is a range of 2%-4% and based on the yearly CPI-W through May. This budget estimates the expenses based on a 4% COLA as of July 1, 2023.

60100 - Payroll Expense - Admin/GM: Based on Employment Agreement

60200 - Payroll Expense - Distribution Division: Based on classifications at highest step. The On-Call is estimated closely on current rates, and Overtime is estimated on past hours per pay period.

60300 - Payroll Expense – Water Treatment: Based on classifications at highest step. The On-Call is estimated closely on current rates, and Overtime is estimated on past hours per pay period.

60400 - Payroll Expense – Customer Accounts: For office staff, and this budget includes an increase cost for a full time Account Clerk.

60500 - Payroll Expense – Conduit: For separate tracking.

60600 - Payroll Expense – Well Field: For tracking of Expenses in this section.

60000 - Total Payroll Expense – Salary & Wages: \$964,000

70000 - Designated to Reserve (new)

This is a new expense section for the District to expense revenue to reserves. The first section is to clearly expense to reserves of the “Designated Revenue” from the revenue section. The charges on Customer’s bills (see designated revenue section for specific charges) that are to go to specific reserves for specific expenses/projects. This helps track and show the reserve amounts and growth for these designated reserves.

The second portion of this section is to show and track the expense to Reserves for other “non-designated” reserves. As per the approved rate schedule (August 2021), it calls for the District to put 4.1% of Usage rate to reserves and 1.8% of Base rate to reserves. The District also needs to build an emergency reserve identified in this section. The USBR Emergency reserve is identified as part of the contract with the Bureau for Muletown Conduit repairs. The District currently has a Certificate of Deposit that has the Bureau contracted amount in reserve.

When a District like Clear Creek creates a budget, there should be some amount of revenue in excess of expenses – when a year ends, this amount is to be put into a fund balance that can (or not) be used for the next year’s budget. This new “Discretionary Fund Balance” has an amount of resources that could be used at the midyear budget review and adjustments or put into other reserves at year end.

72205 - Filter Plant Reserves: Same as Budgeted Revenue

72210 - Recycle Backwash Water Reserve: Same as Budgeted Revenue

72215 - State Loan Repayment Reserve: Same as Budgeted Revenue

72218 - WIIN Act Repayment Reserve: Same as Budgeted

72225 - Penalties Reserve: To put Penalties into a reserve for future use.

75100 - Operating Reserve (4.1% Usage): Water Sales Revenue * 4.1%

75200 - Capital Improvement & Modernization Reserve (1.8% Base Rate):

75300 - Emergency Fund Reserve: As stated, start building a reserve here.

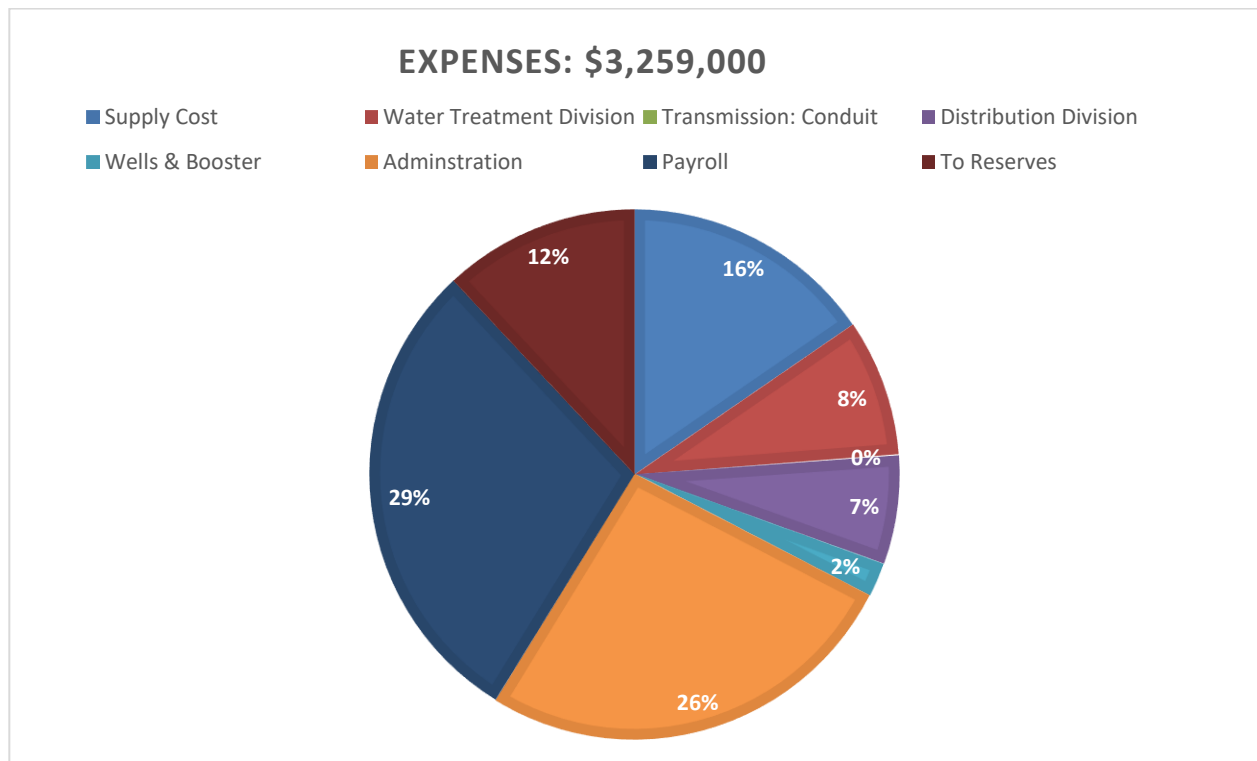
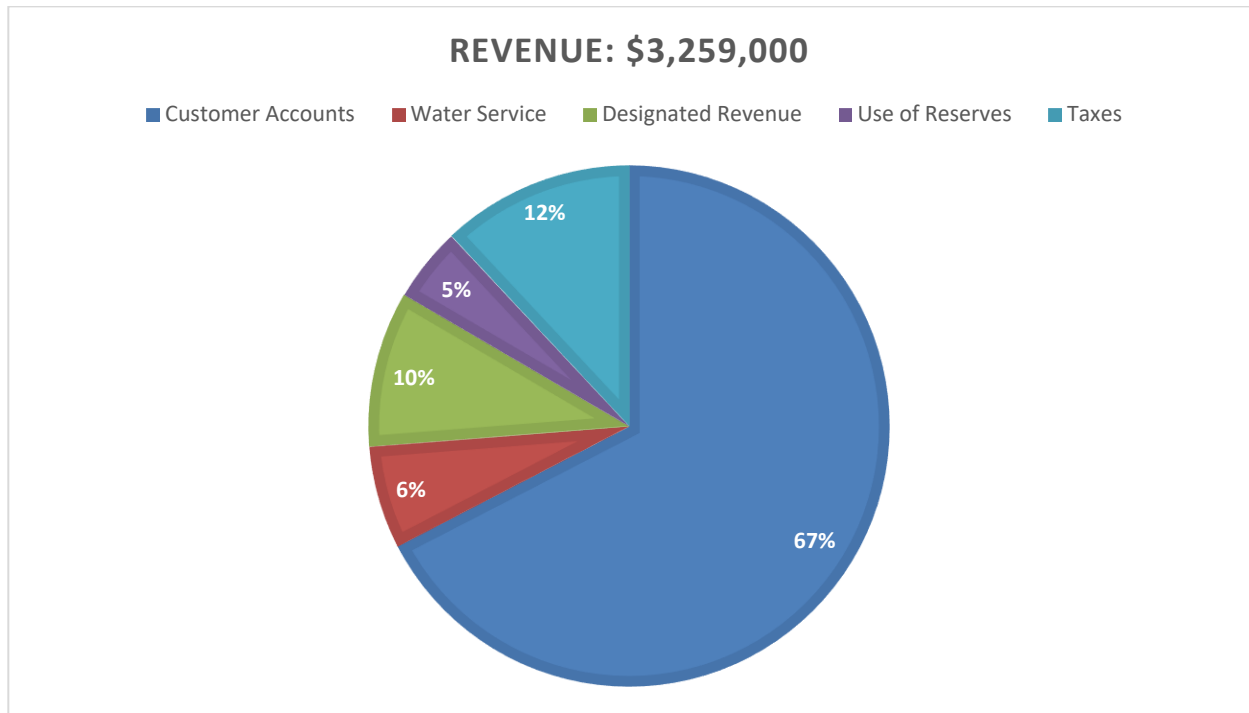
75400 - USBR Emergency Reserve: Here if needed.

75900 - Discretionary Fund Balance Reserve: For this budget revenue in excess of expenses and for current year.

70000 – Expense Designated to Reserves Total: \$389,500

Total Expenses: \$3,259,000

Clear Creek CSD Budget in Chart



Non-Operating Budget Items

Grants

Grants

- “Emergency Electrical/SCADA repairs” for the Wells –
 - The District received a grant of \$477,000 for emergency electrical work and SCADA upgrades for the South Booster and Wells portion of the Districts operations.
 - The 2022 drought heightened the need for the District to utilize this well field and the lack of up-to-date SCADA and Electrical work made it challenging for the wells to operate efficiently and at full capacity.
 - The District in February of 2023 authorized signing funding agreement D2118158, and approved PACE engineering to provide engineering and construction management services.
 - The project is expected to be completed by October 2023.
 - This project is funded by a non-matching grant – and is reimbursable. The District pays invoices and for supplies. Then applies to the state for reimbursement.
- The Backwash Ponds project – Combo of State and FEMA through CalOES. (Approximately \$5 Mil)
 - The Backwash ponds have been slated to be redone and concrete lined for a number of years.
 - The State has provided a funding agreement for their portion of this project and PACE engineering has begun working on the design of the project.
 - The FEMA money, through CalOES is still in holding pattern. The longer they take to finalize funding the more this project will cost. The recent communication from CalOES is that they would not fund “concrete” lining of the ponds, since it was an improvement to the current or “at fire” condition.
 - The District is proceeding with concrete lining of the ponds, using other funds (State funds), and CalOES is still analyzing their funding agreement.
 - In this fiscal year, the design should make significant progress for potential construction in next fiscal year.
- Distribution improvement grant
 - The District applied to the State for funding to do an assessment of the District’s distribution system for eventual use for further grant applications for replacement of pipelines as identified in the investigation.
 - The State communicated in March of 2023 that their department was reviewing the application and funding agreement, and that it may not report back to the District till late 2023.
- Shasta County ARPA Grant for Water Districts–
 - The Shasta County Supervisors allocated ARPA funds for water districts, the Clear Creek District applied for funds to update more meters in the District.
 - If funded in this Fiscal year, a budget amendment could be made, and then meters ordered.

Items for the Future:

The District in this fiscal year will be looking for more Grant monies to continue the process of upgrading and updating the infrastructure.

The District will also begin the work of a more comprehensive Capital Improvement Plan (CIP). The general layout of a CIP for the District would be along Division lines. The assets in each will need to be considered and have some engineering estimates made for eventual inclusion in a CIP. Once a CIP is created, the Board and manager can start the process of funding the plan through specific funding or a combination of grants, loans, rates and reserves.

The CIP would have some general categories along these lines:

Distribution Division:

Assets: Pipelines, Meters, Wells, Boosters, Tanks

Treatment Division:

Assets: Plant building, Filter trains, Ponds, Tank, Meters

Comment: The annual State Water Board “Survey Inspection” – has identified items that should be studied, estimated and included in a CIP

Administration Division:

Assets: Buildings, Office, Yard, Garage, Shed

Other Assets for Management: Vehicles, Equipment, Inventory

This updated budgeting process with more expense tracking provides an opportunity for the District to look at other items that need attention. For example – updating Internet service, phone systems, Information Technology and Customer billing data base software are some of the items that have not been considered for years and by beginning the process in 2023 through this fiscal year, it will benefit the District and its customers for years to come.

The essential assets of the District are its employees. At the time of the adoption of this final budget, the District will be fully staffed for the first time in years. When the District approved the Memorandum of Understanding with the employee union in February of 2023, it was a strong step forward for the District for staff expectations, and a clearer quantification of staff expense for budgeting purposes. There are a few items in the MOU that the District will work on in the coming fiscal year. Two main ones are the other post-employment benefits (retiree health) program and an employee handbook. For this fiscal year, District can operate more efficiently and effectively with the current staff and facilitate many of the projects and programs for improvement in the future.

Clear Creek Community Services District

Final Budget

July 2023 Through June 2024

Ordinary Revenue/Expense	Budget	Budget
	Jul '23 - Jun 24	Jul '22 - Jun 23
	Amended 10/18/23 & 01/17/24	
Income		
11000 - Revenue - Customer Accts		
11005 - Base Rate Charge	1,589,000.00	1,475,000.00
11010 - Water Sales	408,000.00	750,000.00
11020 - Agricultural Water Sales	200,000.00	100,000.00
11050 - Penalty-Exceeded WA Allocation	0.00	124,500.00
11055 - Reconnection Fee	0.00	0.00
Total 11000 - Revenue - Customer Accts	2,197,000.00	2,449,500.00
12000 - Revenue - Water Service		
12010 - Turn On Fees	2,000.00	0.00
12015 - Centerville Admin O&M	200,000.00	190,000.00
12025 - Interest / Investment Income	750.00	1,075.00
12035 - Backflow Maintenance Charge	3,500.00	0.00
12030 - Convenience Fees	750.00	0.00
12100 - Misc. Revenue	0.00	14,872.00
Total 12000 - Revenue - Water Service	207,000.00	205,947.00
13000 - Designated Revenue - Non-Operating		
13005 - Filter Plant Repayment Charge	220,000.00	212,000.00
13010 - Recycle Backwash Water Charge	11,000.00	17,000.00
13015 - State Loan Repayment Charge	29,000.00	28,080.00
13025 - WIIN Act Repayment Charge	55,000.00	52,850.00
Total 13000 - Designated Revenue - Non-Operating	315,000.00	309,930.00
14000 - Use of Reserves		
14010 - WIIN Act Reserves To Operating	50,000.00	
14020 - Penalties Reserve to Operating	100,000.00	
14090 - Discretionary Fund Balance Reserve	0.00	
Total 14000 - Use of Reserves	150,000.00	
15000 - Revenue - Taxes & Assessments		
15005 - Taxes-General Property	390,000.00	340,000.00
Total 15000 - Revenue - Taxes & Assessments	390,000.00	340,000.00
Total Income	3,259,000.00	3,305,377.00
Gross Revenue	3,259,000.00	3,305,377.00

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Expense

29000 · Supply Cost

29005 · Water Purchase

29010 · USBR Water Purchased 128,000.00 30,000.00

29015 · McConnell Water Purchased 125,000.00 300,000.00

Total 29005 · Water Purchase 253,000.00 330,000.00

29100 · WIIN Act Repayment Exp 200,000.00 250,000.00

Total 29000 · Supply Cost 453,000.00 580,000.00

30000 · Water Treatment Plant

30100 · Utilities 75,000.00 61,800.00

30135 · Office Supplies WTP 400.00 0.00

30140 · WTP Computer & Software 5,000.00 8,000.00

30145 · Postage 100.00 0.00

30150 · Safety Equipment & Training 7,200.00 0.00

30200 · WTP Repair & Maintenance O&M 80,000.00 75,000.00

30400 · Water Analysis 17,500.00 17,500.00

30405 · Chemicals WTP 70,000.00 48,000.00

30500 · Vehicle Maintenance & Expense 8,500.00 16,500.00

30600 · Capital Improvements 15,000.00 0.00

30000 · Water Treatment Plant - Other 0.00 0.00

Total 30000 · Water Treatment Plant 278,700.00 226,800.00

30700 · Transmission & Conduit

30705 · Repair and Maintenance - O&M 3,000.00 3,000.00

Total 30700 · Transmission & Conduit 3,000.00 3,000.00

40000 · Distribution

40200 · Utilities 8,000.00 0.00

40300 · Safety Equipment & Training 6,000.00 0.00

40400 · Repair & Maintenance (O&M)

40405 · Backflow Device Testing 8,000.00 8,057.00

40410 · USA Underground 5,000.00 0.00

40415 · Meter Replacement 25,000.00 25,000.00

40420 · Tank Inspection 10,000.00 10,000.00

40430 · Inventory / Tools 20,000.00 0.00

40400 · Repair & Maintenance (O&M) - Other 110,000.00 120,000.00

Total 40400 · Repair & Maintenance (O&M) 163,000.00 163,057.00

40480 · Capital Improvements 15,000.00 0.00

40500 · Vehicle Maintenance & Fuel Expense 40,000.00 28,000.00

Total 40000 · Distribution 247,000.00 191,057.00

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41000 - Wells & Booster Station		
41100 - Utilities	50,000.00	175,000.00
41200 - Water Analysis	1,000.00	1,000.00
41300 - Repair & Maintenance (O&M)	5,000.00	18,000.00
41305 - Chemicals	1,500.00	0.00
Total 41000 - Wells & Booster Station	57,500.00	194,000.00
50000 - Administration/ General		
50100 - Utilities	25,000.00	15,000.00
50200 - Office Supplies	9,000.00	9,500.00
50300 - Organizational Dues	18,000.00	34,000.00
50310 -Advertising & Public Notices	2,000.00	
50315 - Postage	2,000.00	
50320 - Meal and Reimbursements	2,000.00	0.00
50325 - Mileage/ Travel Reimbursement	8,500.00	1,200.00
50330 - Bank Service Fee/Finance Charge	10,000.00	
50400 - Insurance		
50405 - JPIA - Cyber	3,000.00	
50415 - Property & Liability Insurance	16,000.00	0.00
50400 - Insurance - Auto	36,000.00	42,350.00
Total 50400 - Insurance	55,000.00	42,350.00
50500 - Special & Professional Services		
50505 - Audit Services	16,000.00	20,000.00
50510 - Director Fees	10,000.00	10,000.00
50512 - Director Elections (Even Year November)	0.00	
50515 - Server & Computer Maintenance		
50516 - Municipal Software	10,000.00	9,000.00
505xx - Customer Software Upgrade	35,000.00	
50517 - Software Subscriptions	15,000.00	0.00
50515 - Server & Computer Upgrades & Maint.	10,000.00	10,000.00
Total 50515 - Server & Computer Maintenance	70,000.00	19,000.00
50520 - Legal	20,000.00	14,000.00
50525 - Engineering	10,000.00	0.00
50530 - Equipment Maintenance & Lease	18,000.00	18,000.00
50535 - Building & Ground Maint.-Office	12,000.00	9,000.00
50540 - OPEB Valuation & Actuarial	8,000.00	3,500.00
50500 - Special & Professional Services - Other	15,000.00	9,500.00
Total 50500 - Special & Professional Services	179,000.00	103,000.00
50700 - Regulatory		
50705 - Water Fee		
50710 - SWRCB - Water Fee	18,000.00	18,000.00

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50711 · SWRCB - CDTFA - Water Rights	21,000.00	20,000.00
50715 · Risk Management Plan	7,000.00	5,600.00
50720 · Groundwater Sustainability Act	10,000.00	10,000.00
50905 · LAFCO Expense	5,000.00	5,500.00
50705 · Water Fee - Other	0.00	0.00
Total 50705 · Water Fee	60,000.00	59,100.00
50800 · Safety Equipment & Materials	1,000.00	8,500.00
50900 · Testing & License Fees	1,000.00	2,000.00
Total 50700 · Regulatory	63,000.00	69,600.00
51400 · Employee Benefits		
50410 · JPIA - Workers Comp	22,000.00	20,500.00
51405 · Guardian - Vision, Dental, Life	18,000.00	22,500.00
51415 · UNUM-Disability, Life, Accident	18,000.00	16,000.00
51435 · CalPERS Health Insurance Exp	180,000.00	179,000.00
51440 · CalPERS Retirement Contribution	80,000.00	80,000.00
51615 · Medicare - District Cost	12,000.00	0.00
51650 · Uniform and Service	5,000.00	
51500 · Boot Allowance	700.00	600.00
51400 · Employee Benefits - Other	0.00	0.00
Total 51400 · Employee Benefits	335,700.00	318,600.00
51600 · Retiree Benefits		
51605 · Retiree Health Benefit - Direct	5,000.00	174,000.00
51610 · CalPERS Health Ins- Retiree	95,000.00	110,000.00
51600 · Retiree Benefits - Other	0.00	0.00
Total 51600 · Retiree Benefits	100,000.00	284,000.00
51700 · Property Taxes	400.00	0.00
51800 · General Tax Expense	200.00	0.00
51900 · License and Permits	5,000.00	10,000.00
52000 · Interest Expense		
52005 · RCAC Loan Interest (dump truck)	4,500.00	0.00
52000 · Interest Expense - Other	5,000.00	10,000.00
Total 52000 · Interest Expense	9,500.00	10,000.00
53000 · Customer Accounts & Billing		
53015 · Supplies		
53020- Postage	14,000.00	
53025 · Billing Supplies & Materials	13,000.00	0.00
53015 · Supplies - Other	1,000.00	40,000.00
Total 53015 · Supplies	28,000.00	40,000.00
53016 · Meter Reading/ License	4,000.00	3,000.00
53030 · Chargebacks, NSF, Acct Refunds	10,000.00	
Total 53000 · Customer Accounts & Billing	42,000.00	43,000.00
55000 · Miscellaneous	0.00	1,000.00
Total 50000 · Administration/ General	866,300.00	941,250.00

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60000 - Payroll Expense -Salary & Wages		
60100 - Payroll Exp - Administration/GM	150,000.00	120,000.00
60200 - Payroll Exp - Distribution	355,000.00	327,000.00
60300 - Payroll Exp - Water Treatment	250,000.00	207,000.00
60400 - Payroll Exp - Conduit Labor	4,000.00	3,500.00
60500 - Payroll Exp - Customer Accts	185,000.00	177,320.00
60600 - Payroll Exp-Well Field Stations	20,000.00	18,000.00
60000 - Payroll Expense -Salary & Wages - Other	0.00	0.00
Total 60000 - Payroll Expense -Salary & Wages	<u>964,000.00</u>	<u>852,820.00</u>
70000 - Designated to Reserves		
72205 - Filter Plant Repayment Reserve	220,000.00	212,000.00
72210 - Recycle Backwash Water Reserve	11,000.00	17,000.00
72215 - State Loan Repayment Reserve	29,000.00	28,000.00
72218 - Penalties Reserve - For tracking		125,000.00
72225 - WIIN Act Repayment Reserve	55,000.00	52,850.00
	<u>315,000.00</u>	<u>309,850.00</u>
75100 - Operating Reserve (4.1% Usage)	24,900.00	
75200 - Capital Imp. & Modernization Res. (1.8% Base Rate)	28,602.00	
75300 - Emergency Fund Reserve	10,000.00	
75400 - USBR Emergency Reserve	0.00	
75900 - Discretionary Fund Balance Reserve	10,998.00	
Total 70000 - Designated To Reserves -Non Op	<u>389,500.00</u>	<u>309,850.00</u>
Total Expense	<u>3,259,000.00</u>	<u>3,298,777.00</u>
Net Ordinary Revenue	0.00	6,600.00