

# **Agenda**

## **Sacramento Suburban Water District Finance and Audit Committee**

3701 Marconi Avenue, Suite 100  
Sacramento, CA 95821

Monday, August 2, 2021  
4:00 p.m.

Where appropriate or deemed necessary, the Committee may take action on any item listed on the agenda, including items listed as information items. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the District's Administrative Office at the address listed above.

The public may address the Committee concerning an agenda item either before or during the Committee's consideration of that agenda item. Persons who wish to comment on either agenda or non-agenda items should fill out a Comment Card and give it to the General Manager. The President will call for comments at the appropriate time. Comments will be subject to reasonable time limits (3 minutes).

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, then please contact Sacramento Suburban Water District Human Resources at 916.679.3972. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

### **Call to Order**

### **Roll Call**

### **Announcements**

### **Public Comment**

This is an opportunity for the public to comment on non-agenda items within the subject matter jurisdiction of the Committee. Comments are limited to 3 minutes.

### **Consent Items**

The committee will be asked to approve all Consent Items at one time without discussion. Consent Items are expected to be routine and non-controversial. If any member of the Committee, staff or interested person requests that an item be removed from the Consent Items, it will be considered with the action items.

- 1. Minutes of the June 28, 2021 Finance and Audit Committee Meeting**  
*Recommendation: Approve subject minutes.*

**Items for Discussion and/or Action**

**2. 2021 Mid-Year Budget Update**

*Recommendation: No action. Receive presentation from staff and discuss the 2021 first half financial results.*

**Adjournment**

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**Upcoming Meetings:**

- Monday, August 9, 2021, at 4:00 p.m., Employee Benefits Committee Meeting
- Wednesday, August 11, 2021 at 4:00 p.m., Regulatory Compliance Committee Meeting
- Monday, August 16, 2021, at 6:00 p.m., Regular Board Meeting
- Tuesday, August 24, 2021, at 3:30 p.m., CWD/SSWD 2x2 Ad Hoc Committee Meeting

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I certify that the foregoing agenda for the August 2, 2021 meeting of the Sacramento Suburban Water District Finance and Audit Committee was posted by July 29, 2021 in a publicly-accessible location at the Sacramento Suburban Water District office, 3701 Marconi Avenue, Suite 100, Sacramento, California, and was made available to the public during normal business hours.

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Dan York  
General Manager/Secretary  
Sacramento Suburban Water District



## **Agenda Item: 1**

**Date:** August 2, 2021

**Subject:** Minutes of the June 28, 2021, Finance and Audit Committee Meeting

**Staff Contact:** Dan York, General Manager

**Recommended Board Action:**

Approve the draft minutes of the June 28, 2021, Finance and Audit Committee Meeting.

**Attachment:**

1 – Draft Minutes

**Minutes**

**Sacramento Suburban Water District  
Finance and Audit Committee  
Wednesday, June 28, 2021**

**Location:**

Video and Audio Conference Only at 1-669-900-6833, or Zoom at Meeting Id #884 3821 3783

**Call to Order – Videoconference/Audioconference Meeting**

Chair Thomas called the meeting to order at 3:29 p.m.

**Roll Call**

Directors Present: Kevin Thomas and Dave Jones.

Directors Absent: None.

Staff Present: General Manager Dan York, Director of Finance and Administration Jeff Ott, Susan Schinnerer, and Heather Hernandez-Fort.

Public Present: William Eubanks and Craig Locke.

**Announcements**

General Manager Dan York (GM York) announced:

- Reminder of the July 7, 2021, Carmichael Water District/SSWD 2x2 Ad Hoc Committee Meeting at 3:00 pm at the District Office.
- Happy 4<sup>th</sup> of July to all.

**Public Comment**

None.

**Consent Items**

**1. Minutes of the May 5, 2021 Finance and Audit Committee Meeting**

The Finance and Audit Committee (Committee) unanimously approved the minutes of the May 5, 2021, Finance and Audit Committee meeting.

AYES:	Jones and Thomas.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:			

**Items for Discussion and/or Action**

**2. Proposed Changes to Monthly Board Financial Reports**

Jeff Ott (Mr. Ott) presented the staff report and answered clarifying questions.

The Committee recommended quarterly reporting of the Directors Compensation.

Chair Thomas noted he appreciated the work staff puts into the Financial Report, noting he reviews it every month.

The Committee supported the staff recommendation and recommended presenting the item to the full Board at the next regular Board meeting with support for approval. The Committee recommended placing the item on Consent at the July regular Board meeting.

**3. Regulation 7 and Facility Development Charge Setting Policy Update**

Mr. Ott presented the staff report and answered clarifying questions.

The Committee supported the staff recommendation and recommended to place it on Consent at the July regular Board meeting.

**4. COVID-19 Temporary Regulation Suspension Update**

Mr. Ott presented the staff report and answered clarifying questions.

Director Jones inquired what the amount of interest the District could charge on past due amounts on customer accounts.

Mr. Ott expressed he was unsure but would look into it and provide him with an answer.

Mr. Ott stated there would be a follow up information item at the July regular Board meeting.

The Committee supported the staff recommendation.

**Adjournment**

Chair Thomas adjourned the meeting at 4:11 p.m.

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Dan York  
General Manager/Secretary  
Sacramento Suburban Water District



## Agenda Item: 2

**Date:** August 2, 2021

**Subject:** 2021 Mid-Year Budget Update

**Staff Contact:** Jeffery S. Ott, Director of Finance and Administration

**Recommended Committee Action:**

No action. Receive presentation from staff and discuss 2021 mid-year financial results compared to budget.

**Discussion:**

At the conclusion of the first six months of the budget year, staff will present a mid-year budget update to the Finance and Audit Committee (Committee) reviewing the assumptions used for the 2021 Calendar Year budget and presenting an update on the financial performance for the first six months of the current year. The assumptions used to develop the 2021 budget were determined approximately 12 months ago. These assumptions were used to develop the 2021 Calendar Year budget. Staff will review these assumptions to actual results and discuss any variances with the Committee. In addition to the 2021 budget assumptions, staff will present the financial budget to actual results for the first half of 2021.

**Fiscal Impact:**

There is no fiscal impact related to this item.

**Strategic Plan Alignment:**

Goal C: Ensure Fiscal Responsibility and Affordable Rates

**Attachments:**

1 – 2021 Mid-Year Budget Update Presentation

# 2021 Mid-Year Budget Update

August 2, 2021

# 2021 Budget Assumptions Update

Key Assumptions	2021-Approved		2021-Updated	
	Approved Increase	4.00% 0.52%	Updated: Increase	4.00% 1.00%
1 Rate Increase (Approved via Prop 218)				
2 New Service Connections (Growth)				
3 Water Production: (A)	<u>Cost/AF</u>	<u>AF</u>	<u>Cost/AF</u>	<u>AF</u>
a. Water Supply Forecast Based on 5 Year Average		31,400 AF		35,230 AF
b. SSA Surface Water (City) (B)	\$ 120.00	3,500 AF	\$ 120.00	AF
c. SSA Surface Water (City at NO Cost)	\$ -	6,500 AF	\$ -	AF
d. SSA Surface Water (Electrical Cost to Lift City's Water)	\$ 17.00	10,000 AF	\$ 17.00	AF
e. SSA Groundwater (Variable costs)	\$ 133.84	3,700 AF	\$ 133.84	17,738 AF
f. NSA Surface Water (PCWA Water) (C)	\$ 281.47	10,000 AF	\$ 284.53	AF
j. NSA Surface Water (SJWD Water)	\$ 273.16	AF	\$ 273.16	1,676 AF
k. NSA Groundwater (Variable costs)	\$ 116.17	7,700 AF	\$ 116.17	15,816 AF
l. NSA Bureau 215 Water	\$ 304.51	AF	\$ 319.74	AF
m. NSA Wheel Water to Cal-AM (Cost)	\$ 281.47	2,000 AF	\$ 284.53	AF
n. NSA Wheel Water to Cal-AM (Revenue)	\$ (400.89)	2,000 AF	\$ (404.41)	AF
4 Anticipated Outside Water Sales, Net	\$ -	0	\$ -	0
5 Investment Yield		2.00%		1.11%
6 Variable Debt Interest Rate		3.86%		3.86%
7 Electrical Cost Increase		4.50%		4.50%
8 COLA (D)		1.80%		1.80%
9 Merit Program		5.00%		5.00%
10 Construction Inflation (E)		1.80%		1.80%
11 Health Care Cost (F)		4.32%		4.32%
12 Tier 1 Pension Cost (% of Salaries)	\$ 708,931	24.32%	\$ 694,888	24.24%
13 Tier 2 Pension Cost (% of Salaries)	\$ 25,999	18.20%	\$ 25,946	18.13%
14 Tier 3 Pension Cost (% of Salaries)	\$ 5,502	7.89%	\$ 5,463	7.80%
15 New Hires		1		1
16 Prefunding of Post Retirement Benefits (G)		\$ 482,500		\$ 482,500
18 Retiree Benefit Payments (G)		\$ 418,464		\$ 418,464
19 Reserve Funds (Uses)		None		None
<b>Footnotes:</b>				
(A)	SSA = South Service Area; NSA = North Service Area			
(B)	City Rate at \$120/AF on a trial basis for 9,500 AF from Oct -2019 to Sept 2020. Assume City will extend this trial rate (\$120.00) for 2021. Current contract rate is \$500.68/AF.			
(C)	Take-or-Pay contract for 2021 reduced to 8,000 AF.			
(D)	District is now West - Size Class B/C (2.5 million or less). Previously District was classified as West - Class A			
(E)	20 Cities CCI Index, Source: ENR			
(F)	Same as prior year, Western Health Advantage			
(G)	Actuarially determined prefunding amount is \$482,497 in 2021 and does not include retiree premiums (2021 actuarial estimate \$450,254) which will be broken out separately (item 18).			



# 2021 Goals Update

## **Budget Will Allow the District to Accomplish the Following:**

- Water Deliveries of 33,400AF (Forecast - 35,230 AF)
  - 31,400 AF to Customers (Forecast - 35,230 AF)
  - 2,000 AF Wheeled to Cal-American – (Forecast – 0 AF)
- Source of Supply
  - 12,000 AF from PCWA – (Forecast - 0 AF)
  - 0 AF from San Juan Water District (Forecast - 1,676 AF)
  - 6,500 AF from City of Sacramento at no cost (Water Transfer)- (Forecast – 0 AF)
  - 3,500 AF from City of Sacramento at \$120/AF – (Forecast – 0 AF)
  - 11,400 AF from SSWD Groundwater (Forecast - 33,554 AF)
- Update the Urban Water Management Plan (Completed)
- Water infrastructure asset replacements include:
  - Replace up to 0.75 miles of Distribution Main Lines (Completed)
  - Complete ODS Main Replacement Program (Completed)
  - SSA Well Rehabilitation (Not start)
  - Install (Retrofit) an Additional 1,120 Water Meters (Retrofitted ~800 Meters, others in progress)
  - Replace 1,000 Old Meters and 10,000 Endpoints that have outlived their useful life (In progress)
  - Continue work on Butano, Verner Well and Walnut Well (In progress)
  - Destroy 2 Abandoned Well Sites (Completed)
  - Continue Multi-Year Process to Acquire Property for Future Well Sites (In Contract Negotiation with 2 properties)

# 2021 Budget – Mid-Year Update

	Actual	Budget	Forecast	Budget
	Year-To-Date	Year-To-Date	Year-To-Date	Year-To-Date
	6/30/2021	6/30/2021	12/31/2021	12/31/2021
Water Sales Charge	6,289,314.69	6,211,630.00	16,471,634.98	14,907,912.04
Water Service Charge	16,476,124.06	16,400,580.00	32,601,167.00	32,801,167.76
Wheeling Water Charge	2,395.97	323,496.00	5,000.00	647,000.00
Other Charges for Services	257,628.88	265,002.00	530,000.00	530,000.00
<b>Income From Customers</b>	<b>23,025,463.60</b>	<b>23,200,708.00</b>	<b>49,607,801.98</b>	<b>48,886,079.80</b>
Water Transfers	-			-
Interest Income	326,214.69	418,500.00	756,214.69	837,000.00
Other Income (Leases, Cells, Etc.)	247,285.87	152,496.00	400,000.00	305,000.00
Facility Development Charges	907,899.00	150,000.00	1,000,000.00	300,000.00
Grant Income	-	350,000.00	-	700,000.00
<b>Total Other Income</b>	<b>1,481,399.56</b>	<b>1,070,996.00</b>	<b>2,156,214.69</b>	<b>2,142,000.00</b>
Reserve Use				-
<b>Total Revenue</b>	<b>24,506,863.16</b>	<b>24,271,704.00</b>	<b>51,764,016.67</b>	<b>51,028,079.80</b>
Expenditures:				
Operations and Maintenance	9,442,539.85	11,593,576.22	21,667,475.10	23,063,675.00
Capital	6,356,995.17	9,500,500.00	19,001,000.00	19,001,000.00
Debt Service (Forecast)	1,020,973.00	1,283,323.00	7,231,647.00	7,531,647.00
Reserve Funding		1,894,304.78	3,863,894.57	1,431,758.00
<b>Total Cost</b>	<b>16,820,508.02</b>	<b>24,271,704.00</b>	<b>51,764,016.67</b>	<b>51,028,080.00</b>
<b>Capital - Roll-Over from 2020</b>	<b>2,476,602.00</b>	<b>3,993,906.82</b>	<b>3,993,906.82</b>	<b>3,993,906.82</b>
<b>Ending Reserve Balance - 12/31/21</b>	<b>43,016,219.00</b>	<b>43,741,734.78</b>	<b>45,711,324.57</b>	<b>43,279,188.00</b>

# Capital Budget – CIP Projects

## 2021 Mid-Year Update

Project No.	Project Name	2021 Original Budget	2021 Amended Budget	Roll-Over From Prior Year Budget	Total Budget Available	Expenditures Year-To-Date	Committed Year-To-Date	Remaining Balance
SC21-009	WELL REHAB/PUMP ST IMPROVEMENT	\$1,890,000.00	\$1,890,000.00	\$737,876.57	\$2,627,876.57	\$ 525,006.92	\$ 1,182,302.42	\$ 920,567.23
SC21-010	SCADA/COMMUNICATION IMPROVE	\$785,000.00	\$860,000.00	\$1,031,117.43	\$1,891,117.43	256,989.44	1,581,422.99	\$ 52,705.00
SC21-011	WELL DESTRUCTION/SITE DEMOLIT	\$152,000.00	\$152,000.00	\$81,697.28	\$233,697.28	23,645.90	192,573.38	\$ 17,478.00
SC21-012	WELL NEW CONSTRUCTION	\$4,620,000.00	\$6,020,000.00	\$955,531.81	\$6,975,531.81	556,921.76	5,971,272.08	\$ 447,337.97
SC21-018	DISTRIBUTION MAIN REPL/IMPROV	\$5,083,000.00	\$4,321,000.00	\$205,211.39	\$4,526,211.39	1,981,657.25	1,695,977.59	\$ 848,576.55
SC21-024	METER RETROFIT PROGRAM	\$2,000,000.00	\$1,450,000.00	\$88,078.56	\$1,538,078.56	1,154,831.24	340,473.19	\$ 42,774.13
SC21-034	RESERVIOR/TANK IMPROVEMENT	\$345,000.00	\$345,000.00	\$160,903.16	\$505,903.16	163,611.71	159,180.80	\$ 183,110.65
SC21-035	CORROSION CONTROL-TRAN MAIN	\$50,000.00	\$50,000.00	-	\$50,000.00	-	-	\$ 50,000.00
SC21-037	VALVE/HYDRANT/SERV REPL	\$300,000.00	\$300,000.00	-	\$300,000.00	179,368.91	71,728.00	\$ 48,903.09
SC21-038	LARGE METER REPLACEMENT	\$40,000.00	\$40,000.00	-	\$40,000.00	-	-	\$ 40,000.00
SC21-039	METER REPLACEMENT-PM	\$250,000.00	\$250,000.00	-	\$250,000.00	88,002.66	8,897.24	\$ 153,100.10
SC21-040	AMI ENDPOINTS	\$1,400,000.00	\$1,175,000.00	\$463,779.30	\$1,638,779.30	1,048,964.21	177,137.88	\$ 412,677.21
SC21-048	SPECIAL PROJECTS	\$5,000.00	\$5,000.00	\$77,042.17	\$82,042.17	61,399.75	3,269.92	\$ 17,372.50
SC21-049	WATER RELATED STREET IMPROV	\$200,000.00	\$200,000.00	\$50,000.00	\$250,000.00	-	73,860.00	\$ 176,140.00
		<b>\$ 17,120,000.00</b>	<b>\$ 17,058,000.00</b>	<b>\$ 3,851,237.67</b>	<b>\$ 20,909,237.67</b>	<b>\$ 6,040,399.75</b>	<b>\$ 11,458,095.49</b>	<b>\$ 3,410,742.43</b>

# Capital Budget – OCP Projects

## 2021 Mid-Year Update

Project Number	Project Name	2021 Original Budget	2021 Amended Budget	Roll-Over From Prior Year Budget	Total Budget Available	Expenditures YTD 6/30/21	Committed YTD 6/30/21	Remaining Balance
SF20-485	OFF FURNITURE/WORKSTATIONS	\$ -	\$ -	\$ 3,407.75	\$ 3,407.75	\$ -	\$ -	\$ 3,407.75
SF20-493	BOARD ROOM WALL MAP	\$ -		4,000.00	4,000.00	-		\$ 4,000.00
SF21-500	PROPERTY ACQUISITION	\$ 700,000.00	\$ 682,000.00		682,000.00	-	\$ 10,707.50	\$ 671,292.50
SF21-501	UPDATE URBAN WTR MGMT PLAN	\$ 175,000.00	85,000.00		85,000.00	68,941.50	6,122.50	\$ 9,936.00
SF21-502	CALIBRATION HYDROLOGIC MODEL	\$ 130,000.00	130,000.00		130,000.00	-		\$ 130,000.00
SF21-503	DEV PIPELINE CA GUIDELINE	\$ 75,000.00	-		-	-		\$ -
SF21-504	WATT/ELKH TREE REPL/IRRIGA MOD	\$ 55,500.00	55,500.00		55,500.00	-		\$ 55,500.00
SF21-505	FENCE REPL - 3 SITES	\$ 24,000.00	24,000.00		24,000.00	-		\$ 24,000.00
SF20-487	VEHICLE REPL - TRUCK# 46	\$ -	-	32,000.00	32,000.00	31,634.68	-	\$ 365.32
SF20-488	VEHICLE REPL - TRUCK# 49	\$ -	-	6,288.52	6,288.52	6,249.52	-	\$ 39.00
SF20-489	VEHICLE REPL - TRUCK# 54	\$ -	-	1,987.04	1,987.04	1,878.57	-	\$ 108.47
SF20-490	VEHICLE REPL - TRUCK# 56	\$ -	-	6,188.52	6,188.52	6,123.07	-	\$ 65.45
SF20-491	VEHICLE REPL - TRUCK# 4	\$ -	-	30,800.00	30,800.00	30,791.17	-	\$ 8.83
SF20-492	VEHICLE REPL - TRUCK# 16	\$ -	-	30,800.00	30,800.00	30,791.17	-	\$ 8.83
SF21-506	VEHICLE REPL-TRUCK# 9	\$ 32,500.00	32,500.00		32,500.00	-	27,993.00	\$ 4,507.00
SF21-507	VEHICLE REPL - TRUCK# 42	\$ 32,500.00	32,500.00		32,500.00	-	27,993.00	\$ 4,507.00
SF21-508	VEHICLE REPL - TRUCK# 50	\$ 47,000.00	47,000.00		47,000.00	-	42,944.00	\$ 4,056.00
SF21-509	VEHICLE REPL - TRUCK# 57	\$ 47,000.00	47,000.00		47,000.00	-	42,944.00	\$ 4,056.00
SF21-510	2020 JOHN DEERE 320G SKID STE	\$ 100,000.00	75,000.00		75,000.00	1,842.53	70,414.00	\$ 2,743.47
SF21-511	VACUUM TRAILER REPL-METER PM	\$ 51,000.00	51,000.00		51,000.00	-	50,912.00	\$ 88.00
SF21-512	IT - HARDWARE REFRESH	\$ 166,500.00	166,500.00	27,197.32	193,697.32	89,295.53	-	\$ 104,401.79
SF21-513	IT - SOFTWARE UPGRADE/ENHANCE	\$ 125,000.00	98,000.00		98,000.00	-		\$ 98,000.00
SF21-514	MARCONI OFFICE IMPRV/CUS SERV	\$ 100,000.00	167,000.00		167,000.00	-	138,190.00	\$ 28,810.00
SF21-515	HVAC/ROOF/BUILDING REPAIRS	\$ 20,000.00	20,000.00		20,000.00	19,780.85		\$ 219.15
SF21-516	2021 MASTER CIP SCHEDULE	\$ -	32,000.00		32,000.00	24,741.25	7,258.75	\$ -
SF21-517	SCADA ASSET MGMT PLAN	\$ -	93,000.00		93,000.00	4,525.58	88,182.42	\$ 292.00
SF21-518	WELL PUMP/MOTOR STANDARDIZATION	\$ -	85,000.00		85,000.00	-	80,638.00	\$ 4,362.00
SF21-519	AMP IMPLEMENTATION	\$ -	20,000.00		20,000.00	-	14,685.00	\$ 5,315.00
	<b>TOTAL</b>	<b>\$ 1,881,000.00</b>	<b>\$1,943,000.00</b>	<b>\$142,669.15</b>	<b>\$2,085,669.15</b>	<b>\$316,595.42</b>	<b>\$ 608,984.17</b>	<b># \$1,160,089.56</b>

# O&M Expense By Category

## 2021 Mid-Year Update

	Actual 6 Months 6/30/2021	Budget 6 Months 6/30/2021	Variance 6 Months 6/30/2021	Projected 12 Months 12/31/2021	Budget 12 Months 12/31/2021	Variance 12 Months 12/31/2021
<b>Salaries</b>	\$3,060,300.62	\$3,440,788.86	\$380,488.24	<b>\$6,606,289.76</b>	\$6,783,178.00	176,888.24
<b>Benefits</b>	1,485,408.16	1,640,859.00	155,450.84	<b>3,181,518.00</b>	3,281,718.00	100,200.00
<b>Other Employee Costs</b>	291,500.24	373,831.58	82,331.34	<b>778,692.00</b>	808,692.00	30,000.00
<b>OPEB</b>	437,523.67	450,481.98	12,958.31	<b>900,964.00</b>	900,964.00	-
<b>Water Costs</b>	1,779,031.13	2,747,964.00	968,932.87	<b>4,526,833.34</b>	5,395,945.00	869,111.66
<b>Operating Supplies</b>	281,783.64	329,140.98	47,357.34	<b>663,985.00</b>	663,985.00	-
<b>Outside Services</b>	978,876.22	1,178,178.50	199,302.28	<b>2,315,251.00</b>	2,405,251.00	90,000.00
<b>Licenses, Permits, Fee &amp; Dues</b>	639,343.27	807,727.48	168,384.21	<b>1,526,755.00</b>	1,576,755.00	50,000.00
<b>Building/Equipment/Vehicle Maintenance</b>	201,014.37	210,845.92	9,831.55	<b>421,700.00</b>	421,700.00	-
<b>General and Administrative</b>	287,758.53	413,757.92	125,999.39	<b>745,487.00</b>	825,487.00	80,000.00
<b>Total Operating Expenses</b>	<b>9,442,539.85</b>	<b>11,593,576.22</b>	<b>2,151,036.37</b>	<b>21,667,475.10</b>	<b>23,063,675.00</b>	<b>1,396,199.90</b>

# O&M Expense-Water Production

## 2021 Mid-Year Update

<b>Production (AF)</b>	<b>Budget</b>	<b>Forecast</b>	<b>Changes</b>
<b>Surface Water - NSA</b>	10,000.00	1,676.00	(8,324.00)
<b>Surface Water - SSA</b>	10,000.00	-	(10,000.00)
<b>Sutotal Surface Water</b>	20,000.00	1,676.00	(18,324.00)
<b>Ground Water - NSA</b>	3,700.00	17,738.00	14,038.00
<b>Ground Water - SSA</b>	7,700.00	15,816.00	8,116.00
<b>Sutotal Ground Water</b>	11,400.00	33,554.00	22,154.00
<b>Total Production (AF)</b>	<b>31,400.00</b>	<b>35,230.00</b>	<b>3,830.00</b>

# O&M Expense - Water Costs

## 2021 Mid-Year Update

<b>Surface Water Saving</b>	<b>\$ 3,000,000.00</b>
<b>Ground Water - Additional Costs</b>	
<b>SMUD</b>	<b>\$ (1,993,860.00)</b>
<b>Chemical -HFA</b>	<b>\$ (73,453.05)</b>
<b>Chemical -HYPO</b>	<b>\$ (63,575.29)</b>
<b>Additional Cost</b>	<b>\$ (2,130,888.34)</b>
<b>Net Water Costs Saving</b>	<b>\$ 869,111.66</b>

# Reserve Balance Detail

## 2021 Mid-Year Update

	<b>Actual</b>	<b>Forecast</b>	<b>Budget</b>
	<b><u>6/30/2021</u></b>	<b><u>12/31/2021</u></b>	<b><u>12/31/2021</u></b>
<b>Debt Service Reserve</b>	\$ -	\$ -	\$ -
<b>Facilities Reimbursement</b>	-	-	-
<b>Emergency/Contingency</b>	10,872,626	10,872,626	10,872,626
<b>Operating</b>	9,869,424	12,564,530	10,132,393
<b>Rate Stabilization</b>	5,217,769	5,217,769	5,217,769
<b>Interest Rate Risk</b>	-	-	-
<b>Grant</b>	500,000	500,000	500,000
<b>Well Property Acquisition</b>	350,000	350,000	350,000
<b>Capital Asset</b>	16,206,400	16,206,400	16,206,400
<b>TOTAL</b>	<b>\$ 43,016,219</b>	<b>\$ 45,711,325</b>	<b>\$ 43,279,188</b>
<b>Reserve Target</b>	<b>\$ 48,633,279.00</b>	<b>\$ 48,633,279.00</b>	<b>\$ 48,633,279.00</b>
<b>Min. Reserve Targe</b>	<b>\$ 42,931,961.00</b>	<b>\$ 42,931,961.00</b>	<b>\$ 42,931,961.00</b>

Reserve's targets come from 2019 rate study.