

Board of Public Utilities

FY 2022/23 O&M, CIP and Regional Budget
Recommendation

April 21, 2022



OUR FUTURE IN EVERY DRÖP

Nick Harvey
Administrative Analyst

Overview

- Water, Wastewater and Regional Budgets
- Revenue to Expenditures
- Reserves
- Regional Partner Contribution Allocations
- CIP Review
- Budget Schedule

Increases

- Salaries - \$1,727,788
 - Two years of increases at 5.5%
 - Employee wellness - \$500 per employee
- Benefits - \$1,098,171
- Professional Services – \$430k
 - Biosolids, accreditation program requirements
- O&M Projects – \$1.5m
 - Phosphorus credits, continued failures at treatment plant
- Energy, Vehicle, Operational Supplies, Insurance and IT- \$2.3m
- Purchase of Water - \$870k

Staffing Changes

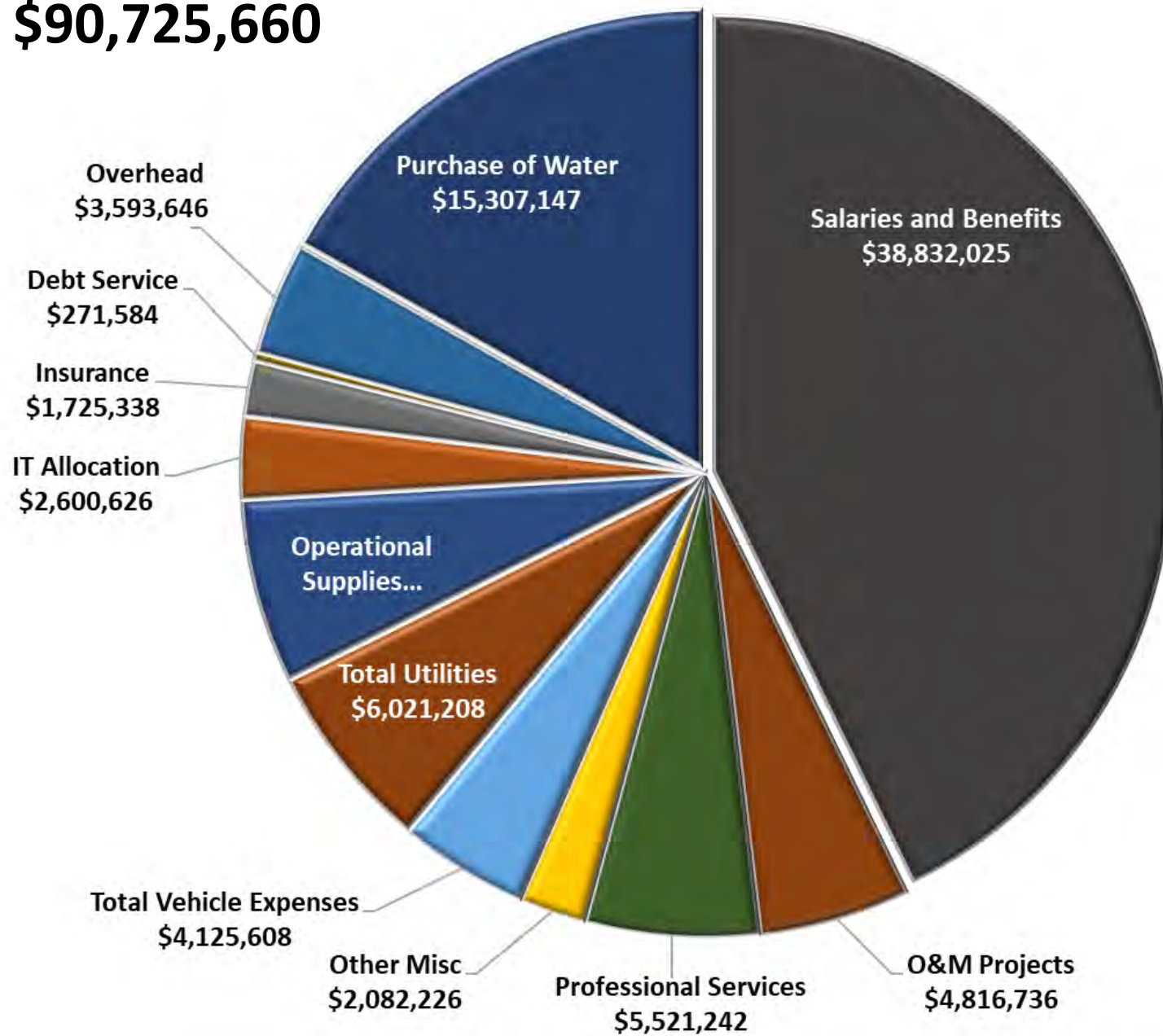
- New Staff – \$338k
 - 2-Utility System Operators, 1 Supervising Lab Analyst, increase half time Civil Engineering Technician to full time
- Reclassifications - \$98k
 - All vacant positions
- Vehicles - \$125k
 - 1 new vehicle for new USO's, 1 replacement vehicle not in replacement program

Water and Local Wastewater Fund Changes

- Water Fund up – 6.0%
- Wastewater Fund up – 8.3%
- Subregional Fund up – 12.3%

Santa Rosa Water FY 2022/23

\$90,725,660

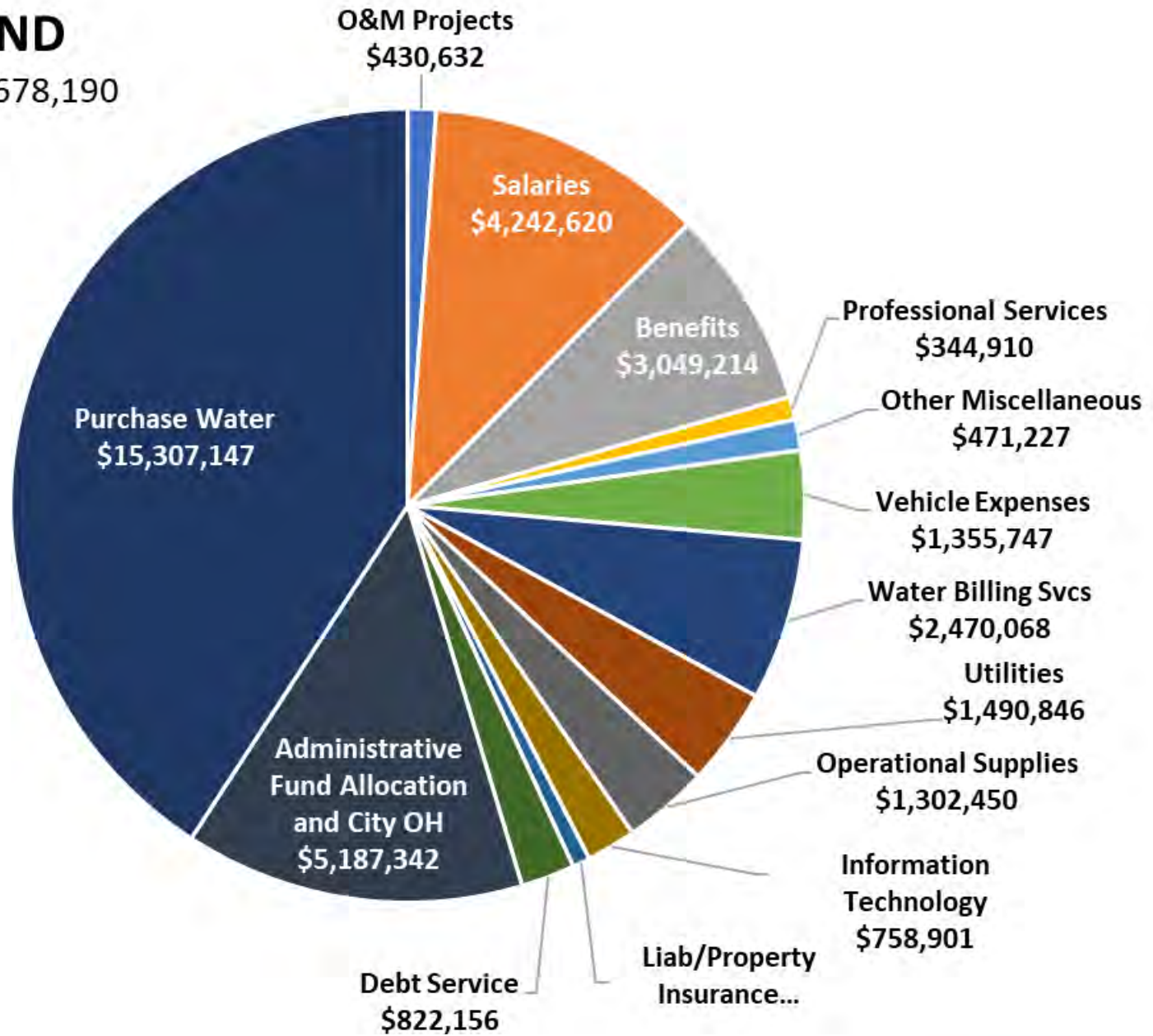


Purchase of Water

- Remaining Flat
 - Drought reduction made last year
- Sonoma Water increase 6.04%
 - From \$ 1,000.46 /Acre-foot to \$1,061.04/Acre-foot
- Long-range financial model incorporates 6% increase

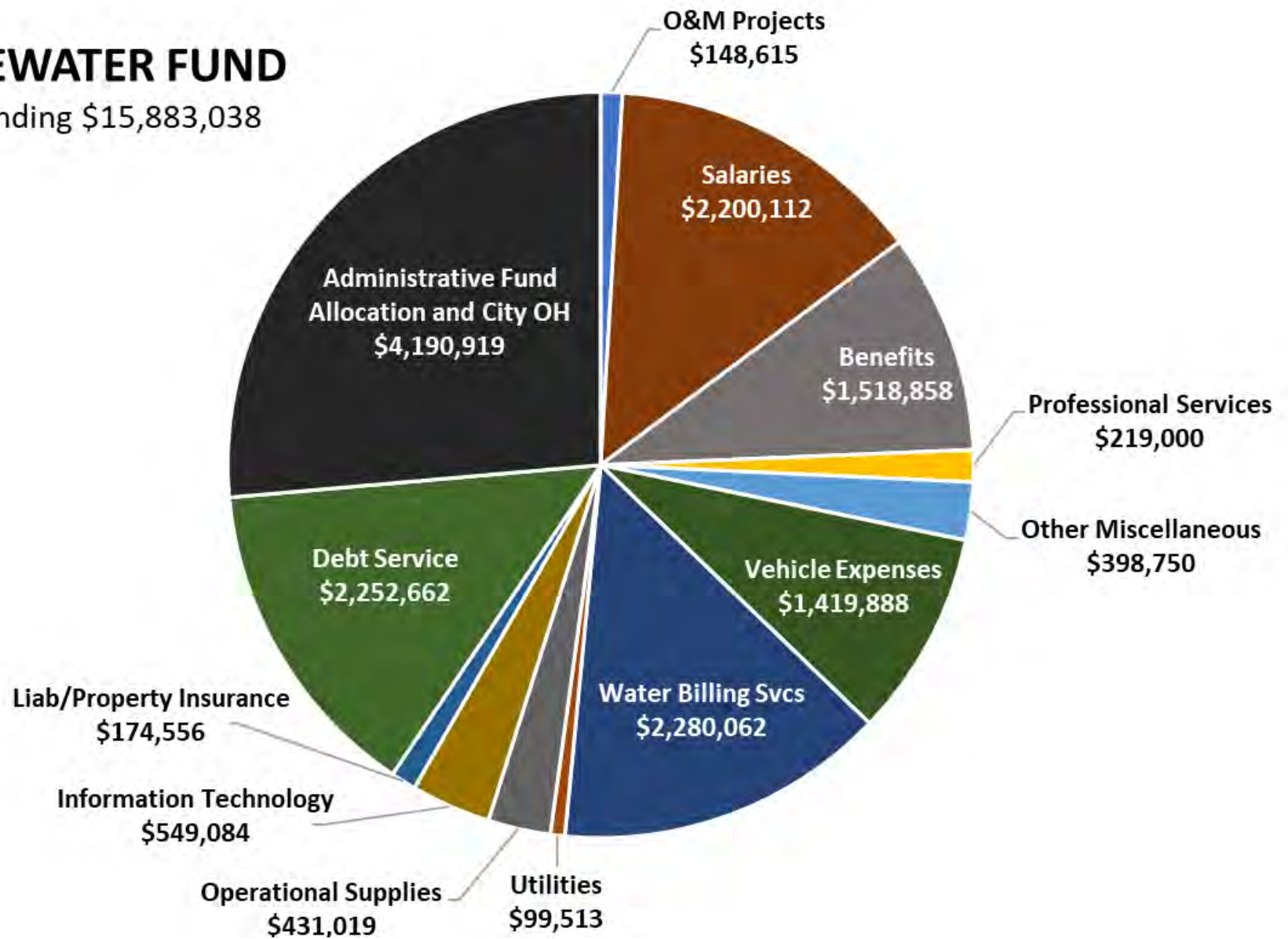
WATER FUND

Total Funding \$36,678,190



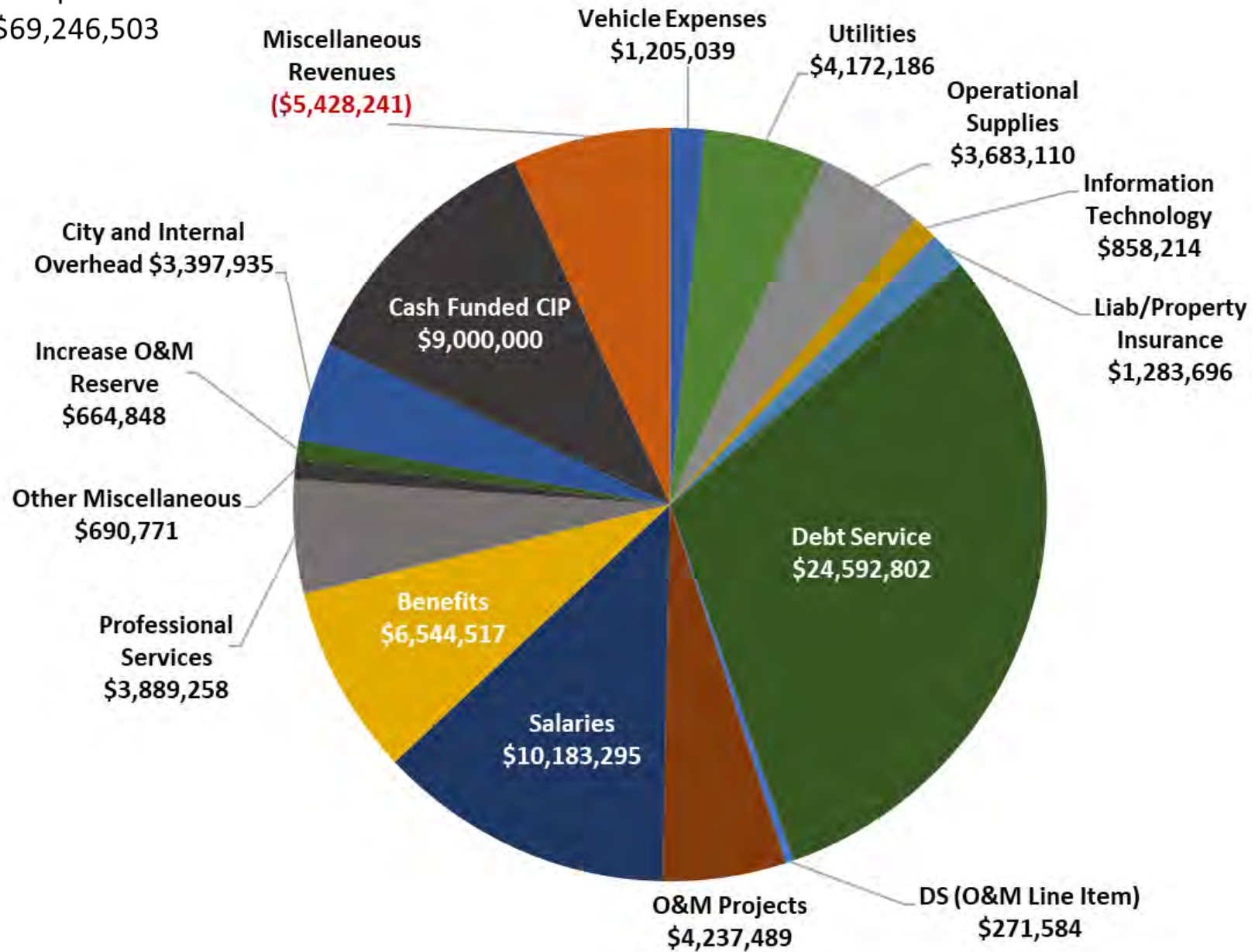
WASTEWATER FUND

Total Funding \$15,883,038



Regional Fund

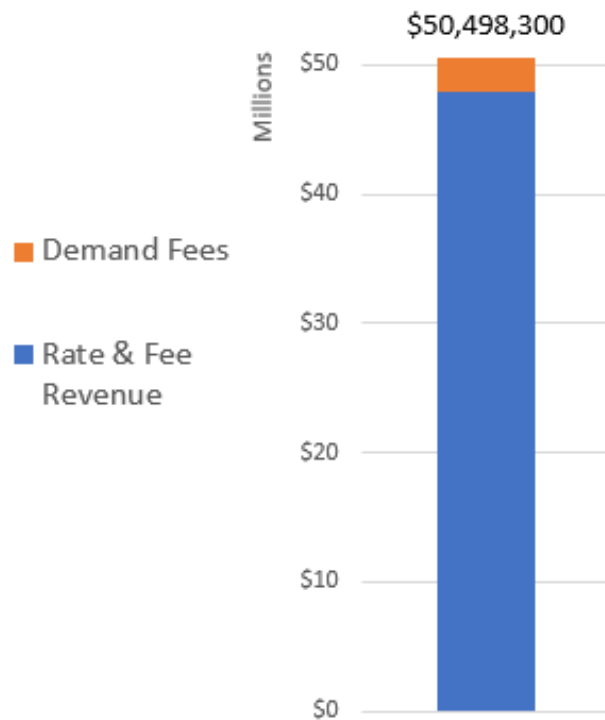
Total Expenditures
\$69,246,503



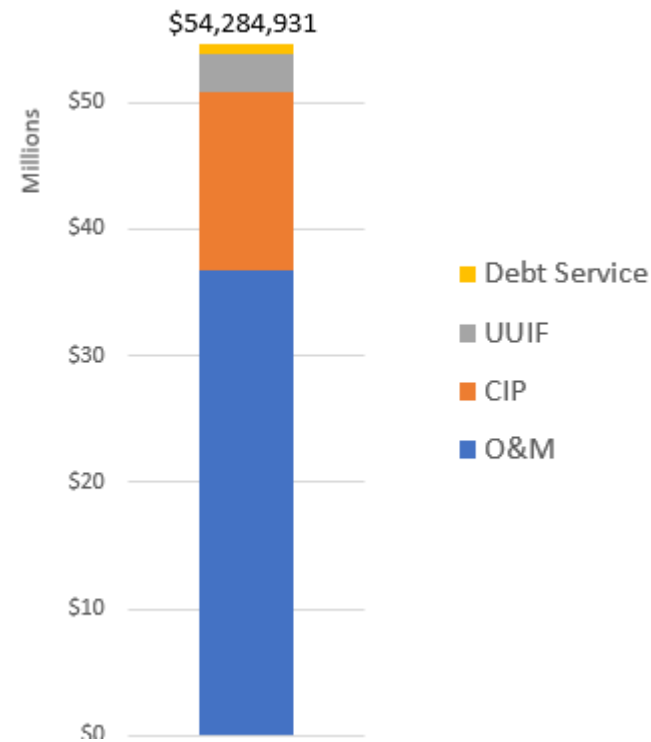
Water Fund

Revenues to Expenditures

Revenue



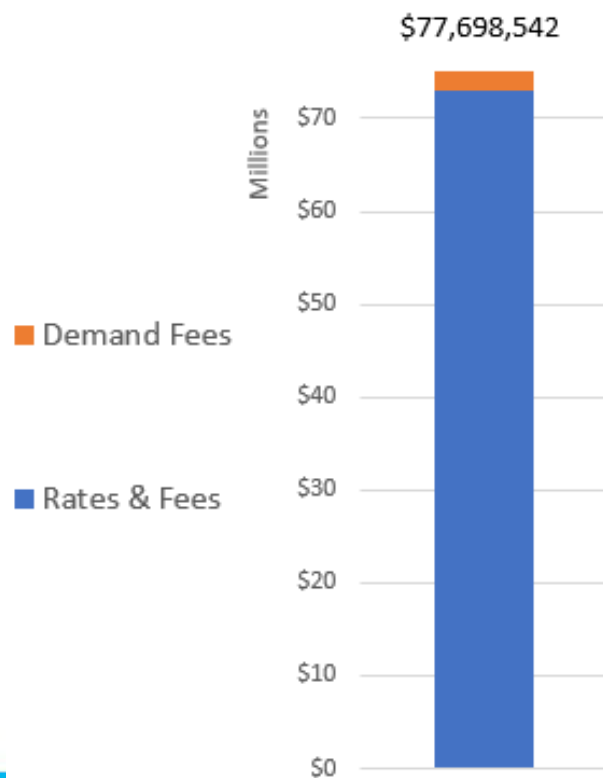
Expenditures



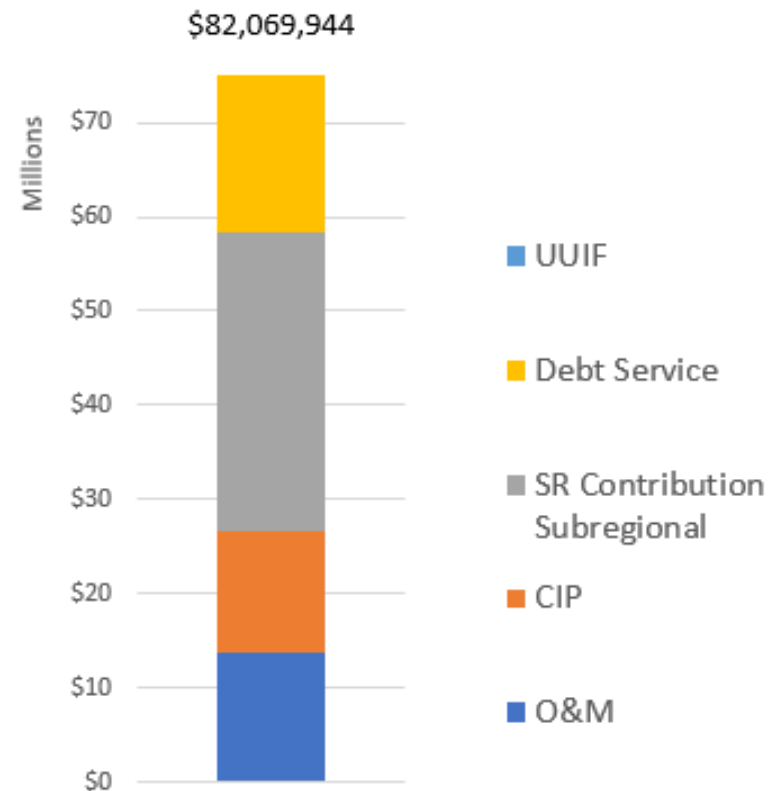
Wastewater Fund

Revenues to Expenditures

Revenues



Expenditures



Reserves

June 30, 2021

Water

- **Operating**
 - \$5,118,576
- **Catastrophic**
 - \$5,750,000
- **Undesignated**
 - \$22,230,432

Wastewater

- **Operating**
 - \$1,765,799
- **Catastrophic**
 - \$6,800,000
- **Undesignated**
 - \$24,552,030
- **Rate Stabilization**
 - \$1,000,000

Regional

- **Operating**
 - \$4,953,436
- **Catastrophic**
 - \$1,700,000
- **Undesignated**
 - \$8,891,707
- **Geysers**
 - \$1,250,000

Regional Contribution Allocations 2022/23



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Fund Summary 2022/23

	2022/23 Budget
Operating Expenditure Request	\$40,417,094
Regional WW Capital (Cash funded CIP)	\$9,000,000
Additional Operating Reserve needed	\$664,848
Expenditures Change in Operating Reserve	\$50,081,942

Regional System Reserves for 2022/23	
Operating Reserves (15% of expenditures)	\$6,095,843
Geysers Reserves	\$1,250,000
Catastrophic Reserve	\$1,700,000
User Agency Reserve	\$5,000,000
	\$13,254,170

Agency Contribution Calculation:

Expenditures Change in Operating Reserve	\$50,081,942
Less Revenue	(\$5,428,241)
Fund Balance Applied	\$0
Agency Contribution	\$44,653,701

Total Allocation

	Total 2021/22	2022/23 Budgeted O&M	2022/23 CIP Contribution	Sub Total O&M and CIP	2022/23 Debt Service	Total 2022/23	Difference
Santa Rosa	\$47,406,487	\$25,848,933	\$6,368,400	\$32,217,333	\$18,488,988	\$50,706,321	\$3,299,834
Rohnert Park	\$11,365,826	\$6,595,935	\$1,773,000	\$8,368,935	\$3,923,369	\$12,292,304	\$926,478
Sebastopol	\$1,747,669	\$891,343	\$293,400	\$1,184,743	\$719,116	\$1,903,859	\$156,190
Cotati	\$2,215,506	\$1,212,226	\$265,500	\$1,477,726	\$888,408	\$2,366,134	\$150,628
SPCSD	\$1,811,594	\$1,105,265	\$299,700	\$1,404,965	\$572,921	\$1,977,886	\$166,291
	\$64,547,081	\$35,653,701	\$9,000,000	\$44,653,701	\$24,592,802	\$69,246,503	\$4,699,422

Miscellaneous Revenues removed from 2022/23 O&M

Capital Improvement Program 2022-23



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Santa Rosa Water - Assets



627 Miles of Water Mains
615 Miles of Sewer Main



23 Reservoirs



12,392 Sewer Manholes



20 Pump Stations
17 Sewer Lift Stations



29,292 Water Valves



6,507 Hydrants

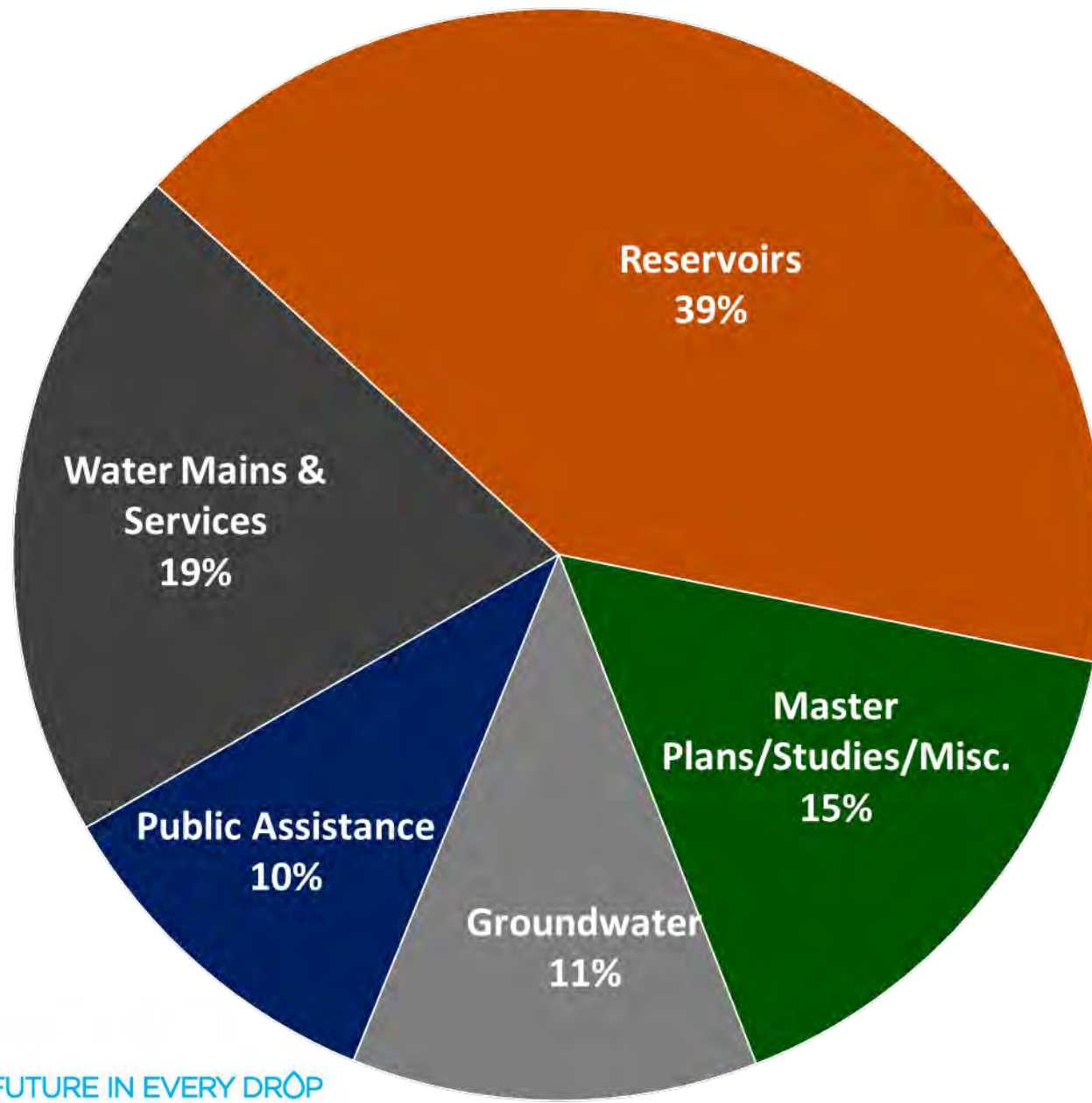


Geysers Operations

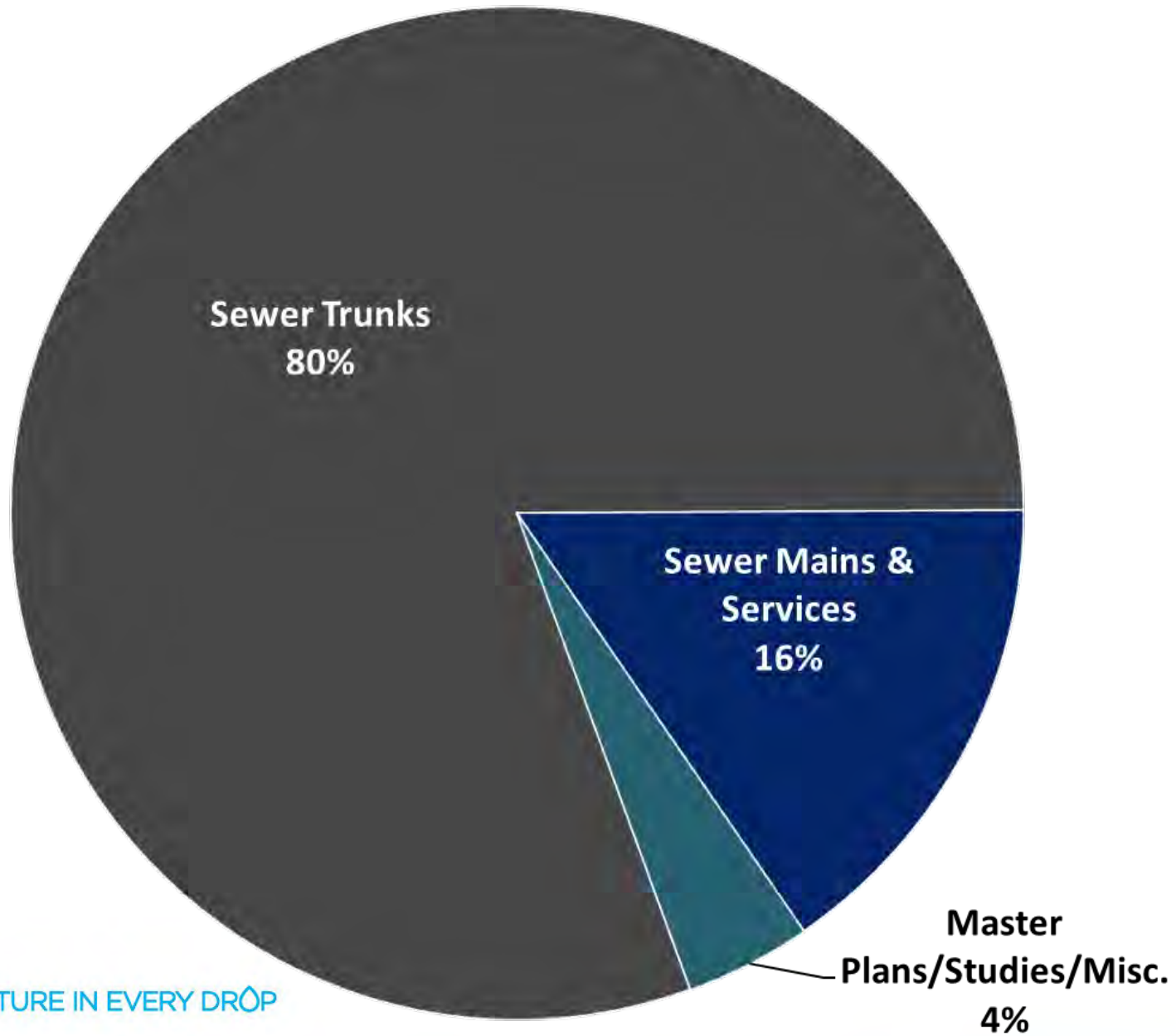


Laguna Treatment Plant

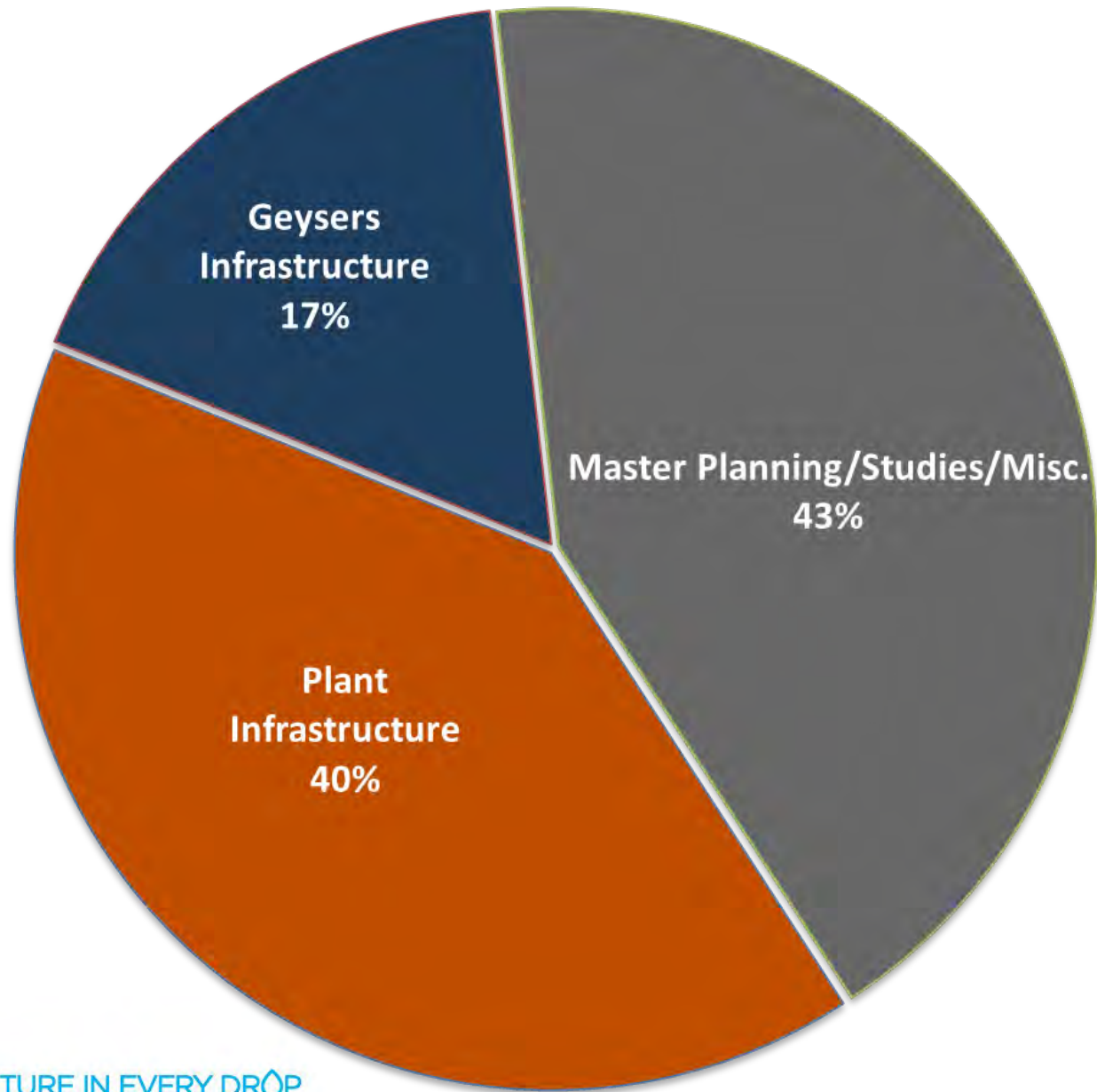
Water - \$14,203,700



Wastewater - \$13,111,900



Regional - \$9,000,000



Budget Schedule

- **BPU** – March 17th
 - Sonoma Water Rate Increase
- **City Council** – March 29th
 - Sonoma Water Rate Increase
- **Regional Partners** – February 10th, March 10th & April 7th
- **BPU Budget Subcommittee** – February 23rd & March 15th
- **BPU** – April 7th
 - O&M, CIP and Regional Study Session
- **BPU** – April 21st
 - Budget Recommendation to City Council
- **City Council** – April 26th
 - Preliminary approval of Regional Budget
- **City Council** – May 10th & 11th
 - Budget Study Sessions
- **City Council** – June 21st
 - Budget Adoption

2022/23 Water and Wastewater Budget Recommendation

It is recommended by Santa Rosa Water and the Budget Review Subcommittee that the Board of Public Utilities, by resolution, recommend that the City Council approve the Fiscal Year 2022/23 Water Fund and Local Wastewater Fund operations and maintenance and capital expenditure appropriation requests.

2022/23 Regional Budget Recommendation

It is recommended by Santa Rosa Water, the Subregional Wastewater Technical Advisory Committee and the Budget Review Subcommittee that the Board of Public Utilities, by resolution, recommend that the City Council approve the Preliminary FY 2022/23 Regional Water Reuse System Operations and Maintenance, Capital Improvement, and Debt Service Budgets and Allocation of Costs for the purpose of notifying the Regional Water Reuse User Agencies of their allocation of such costs by May 2022.

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