



**Dublin San Ramon
Services District**

Water, wastewater, recycled water

Operating Budget Presentation

***Board Meeting
May 18, 2021***

**Dublin San Ramon Services District
Operating Budget FYE 2022 and 2023**

5/18/2021

The Budget Process



Major Policy and Operational Issues

- **Changing Regulatory Requirements**
- **Emergency Response**
- **Energy Uncertainty & Cost Control**
- **Financial Sustainability**
- **Updated Interagency Agreements**



Revenue Assumptions

- **Service Charges - Rates**
 - Local Wastewater – final year of aggressive 5-year program
 - Regional Wastewater & Water @ CPI
 - Water demand - Growth tempered by drought conservation
- **Capacity Reserve Fees**
 - Increased revenue after COVID
 - Based on city projected DUEs

District Operating Revenues All Funds

Revenues	FYE19 Actual	FYE20 Actual	FYE21 Estimated	FYE22 Budget	FYE23 Budget
Service Charges	54,992,658	61,338,555	63,563,998	62,979,805	66,357,836
Capacity Reserve Fees	27,667,385	14,631,801	7,087,697	15,665,369	24,135,485
Other Revenues	9,757,491	11,607,044	6,236,843	6,390,120	6,472,053
Interest	7,136,567	7,102,866	2,108,529	2,062,721	1,853,188
Total	99,554,101	94,680,266	78,997,067	87,098,016	98,818,562
% Change		-4.90%	-16.56%	10.25%	13.46%

District Growth Since 2009

- **Our Service Area has expanded**
 - Potable water lines - 14.2% +
 - Sewer lines - 11.6% +
 - Recycled Water lines - 33.3% +
 - Recycled Water flows – 57%+
 - Customers - 45% +
- **Our Staffing has kept status quo**
 - 134 FTE vs 131 proposed

Expenditure Assumptions

- **New Employees**
- **CalPERS UAL at required payment level**
- **Replacement Funding**
- **Water Purchases – conservative estimate**
- **Contracts & Studies**

District Operating Expenditures All Funds

Expenses	FYE19 Actual	FYE20 Actual	FYE21 Estimated	FYE22 Budget	FYE23 Budget
Wages and Benefits	21,822,628	23,108,273	25,488,243	25,956,204	26,461,966
Materials	18,419,850	20,628,631	20,645,670	21,638,421	22,803,818
Contracts	5,925,183	8,130,434	6,872,495	8,104,870	7,957,528
Other Expenses / JPA / Debt Payments	18,563,513	14,652,905	14,825,773	14,147,001	14,216,522
Capital Outlay	83,489	925,922	724,500	1,702,670	380,000
Total	64,814,663	67,446,166	68,556,680	71,549,167	71,819,834
% Change		4.06%	1.65%	4.36%	0.38%

Operating Budget Summary

- **New 2022-2026 Strategic Plan –**
 - Fiscal Sustainability
 - Investments in Information Systems
 - Update our Business Practices
 - Integrated Asset Management System
 - Enhance Response to Emergencies
 - Water Supply & Energy Issues
 - Meet all Federal & State Regulatory Requirements

Overall Conclusions

➤ Local Wastewater

- Recovered sooner than anticipated

➤ Regional Wastewater

- Extraordinarily well-funded

➤ Water Fund

- Strong Working Capital

Department Overviews

- **Department Functions**
- **Top Department Goals**
- **Budget Highlights**

Board of Directors & Office of the General Manager



Goals

"District of Distinction Accreditation" Award

District-wide Incident Command System

Emergency Training

Budget Highlights

Board bi-annual election & divisions (\$300K)

Administrative Services Department



Goals

ERP Conversion

Refunding of the LAVWMA debt in 2021

Cybersecurity and network resiliency

New delinquent utility bill collection policy

Budget Highlights

Support for ERP Implementation

Support for ECMS expansion

Professional fees (\$100K)

3 Major Finance Rates Studies

Engineering Services Department



Goals

Asset replacement project

EnerGOV

Master Plan Updates

District Energy Policy

Budget Highlights

Support for ERP, RW, CW Programs (\$100K)

Asset Mgmt. Model (\$100K)

Standard Specifications & Water Loss (\$200K)

Operations Department



Goals

DERWA and LAVWMA agreements

Emergency Response Plan and the Emergency Operations Center (EOC).

Water System Distribution Operations and Maintenance Plan

WWTP Electrical Master Plan

Budget Highlights

Emergency Response Initiative (\$300K)

Compliance Initiatives (\$200K)

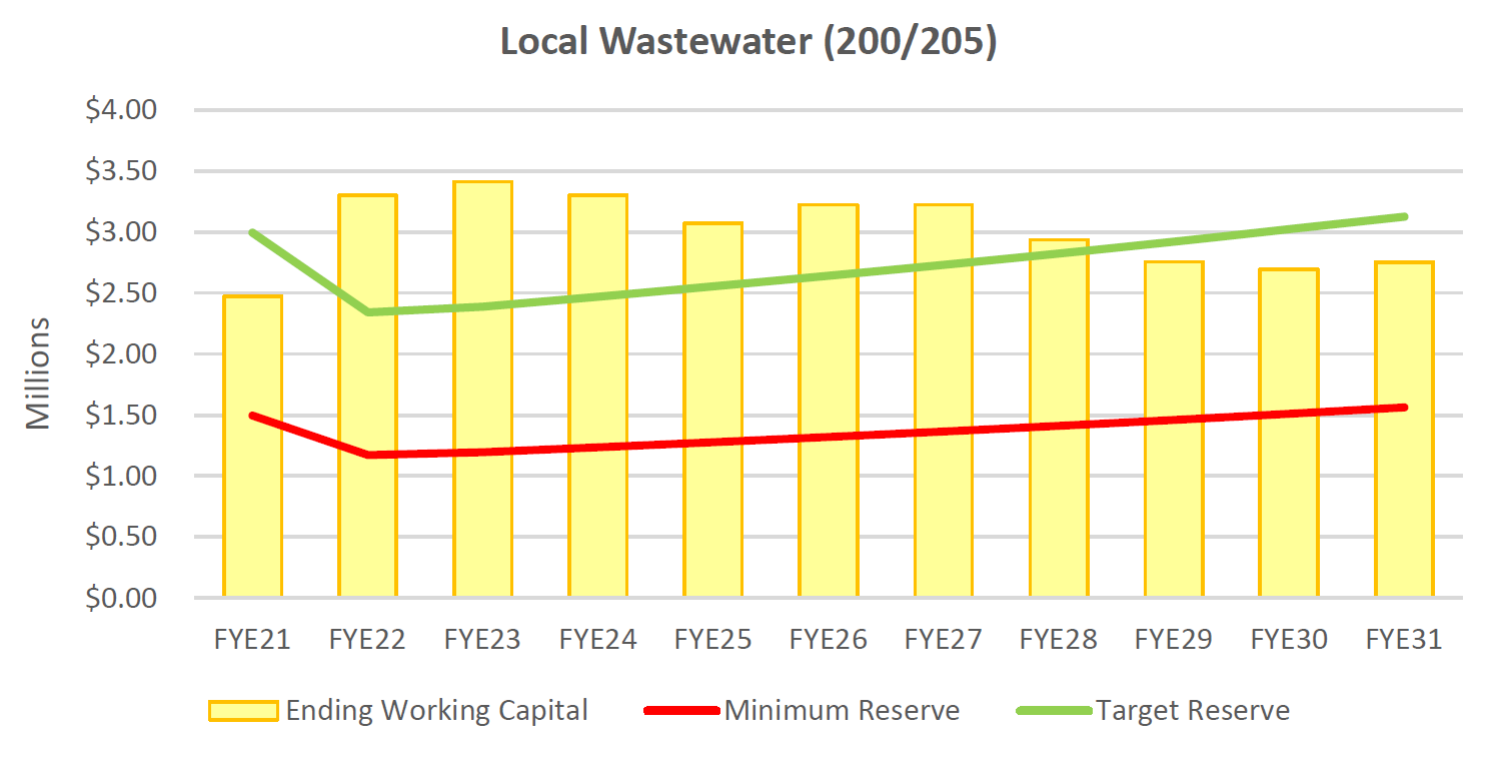
Energy Cost & Electrical Projects(\$600K)

Tools & Equipment (\$700K)

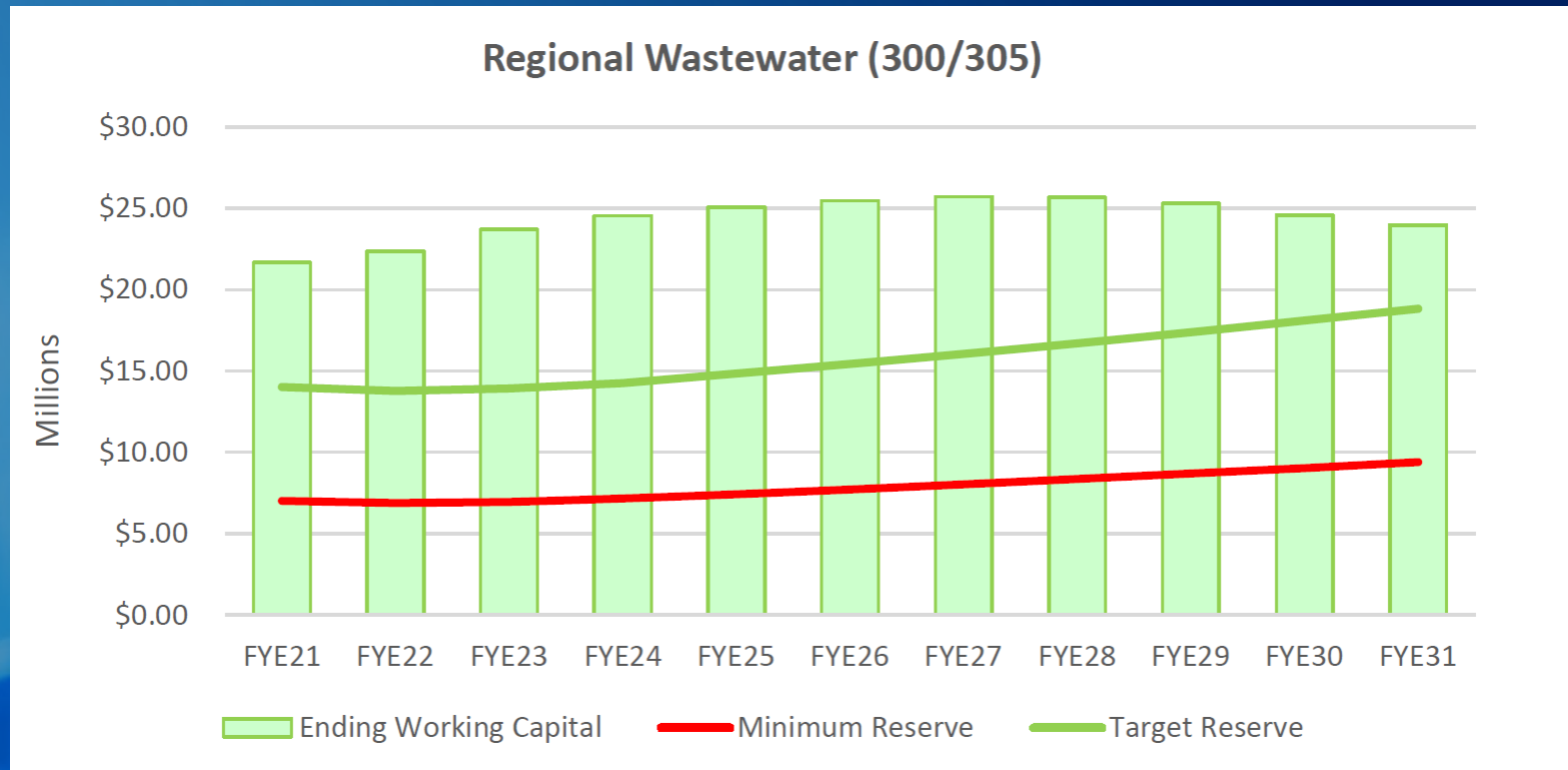
10-Year Financial Planning Models

- **Second Generation**
- **Planning tool to forecast Long-Term Financial Sustainability**
- **New Assumptions**
 - Vacancy Factors
 - Targeted Growth Factors by Category
 - Adjustment for one-time projects
 - Detailed Analysis of Cost Allocations

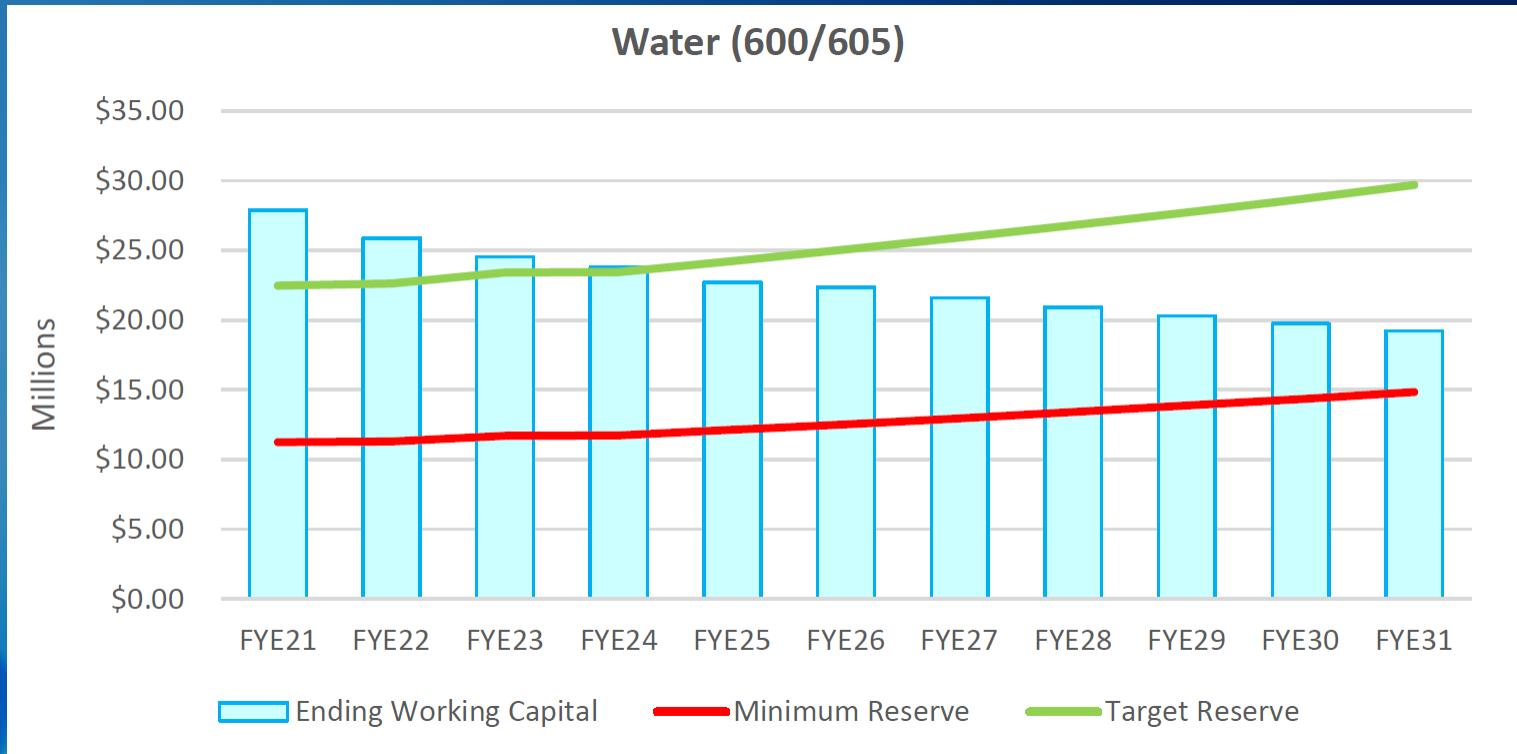
LOCAL WASTEWATER



REGIONAL WASTEWATER



WATER



Next Steps

- **Receive Board Direction and Incorporate Changes**
- **“True Up” DERWA & LAWVMA Budgets**
- **Hold Public Hearing – 6/1/21**
- **Adopt Budget -6/1/21**

Questions?