

**COTTONWOOD
IMPROVEMENT
DISTRICT**

2022

Adopted Budget
November 16, 2021



COTTONWOOD IMPROVEMENT DISTRICT 2022 BUDGET

Background

Cottonwood Improvement District (the District or CID) operates approximately 340 miles of sewer collection system serving areas of Sandy, Cottonwood Heights, Holladay, Midvale, Murray and Millcreek. Primary activities of the District are to clean, inspect, repair, replace, construct sewer pipes and pumping stations and fund sewage treatment. On an average day, the District delivers approximately seven million gallons of sewage to the Central Valley Water Reclamation Facility (CVWRF) for treatment.

Sewage enters the District's collection system through the drains and toilets of the 25,000 homes and businesses of the District. As a result, there is no practical way to shut off sewer flows. Sewage contains harmful bacteria, viruses, parasitic organisms, and inhaled molds and fungi. These pathogens can cause life-threatening ailments such as cholera, dysentery, infections, hepatitis, and severe gastroenteritis. The activities of the District are vital to protect public health by keeping sewage out of rivers, roadways, basements, and playgrounds.

Budget Calendar

The District prepares an annual budget as required by Utah law. The usual schedule is as follows:

July - September - District management prepares a draft budget based on anticipated needs.

October - Tentative budget presented to the Board at the monthly board meeting. The Board discusses, asks questions, and proposes changes. Then, pursuant to state law, the Board will "tentatively adopt the tentative budget" that is then made available for public inspection (after any requested changes are made) and sets the date and time for the public hearing.

November – Public hearing on tentatively adopted tentative budget - planned for **Tuesday, November 16, 2021 at 6:00pm**. After the public hearing, the Board can 1) adopt the final budget 2) continue to review the tentative budget 3) insert any new items or 4) increase or decrease expenditures that were proper consideration at the public hearing. Typically, the Board adopts the final budget immediately after the public hearing or uses the time in between the November and December meeting to consider public input received at the public hearing before adopting the final budget in December.

December – Adopt final budget (if not done in the November meeting). The budget must be adopted no later than December 31 and submitted to the Utah State Auditor within 30 days of adoption.

Budget Basis

The District's budget is presented on the accrual basis of accounting and is formatted to be consistent with the Statement of Revenues, Expenses, and Changes in Net Position in the District's annual audited financial statements. However, the District does not budget for the following non-cash items: (1) the actuarial calculated pension expense, which is an annual adjustment received from Utah Retirement Systems, (2) contributed lines from developers and (3) gain/loss on investment in Central Valley Water Reclamation Facility (CVWRF). These amounts, however, are recognized for financial reporting purposes and are presented in the District's annual audited financial statements and related notes.

The District budgets for depreciation. This non-cash item has been included in an effort to follow prior guidance from the Utah State Auditor's Office.

COTTONWOOD IMPROVEMENT DISTRICT
Operating and Capital Budget
 Adopted November 16, 2021

	Adopted Budget 2022	Adopted Budget 2021	\$ Change	% Chge	Est. Annual Sep 30 2021	Actual 2020
Operating Revenues						
Service Charges	\$ 9,588,000	\$ 9,363,000	\$ 225,000	2.4%	\$ 9,419,610	\$ 9,444,950
Other Income	81,500	31,500	50,000	158.7%	139,764	55,503
Total Operating Revenues	<u>9,669,500</u>	<u>9,394,500</u>	<u>275,000</u>	2.9%	<u>9,559,373</u>	<u>9,500,453</u>
Operating Expenses						
Collection System:						
Salaries & Wages	2,410,609	2,260,697	149,912	6.6%	2,145,502	2,070,384
Employee Benefits	1,310,399	1,227,324	83,075	6.8%	1,031,857	953,481
Payroll Taxes & WC Ins.	258,807	247,339	11,468	4.6%	175,038	172,556
Board Costs	19,900	114,900	(95,000)	-82.7%	15,095	15,000
Property and Liability Ins.	108,000	91,700	16,300	17.8%	119,396	82,750
Materials & Supplies	245,000	236,000	9,000	3.8%	138,924	119,620
Miscellaneous	1,100	1,100	-	0.0%	405	429
Office & Postage	144,000	142,000	2,000	1.4%	93,814	85,725
Outside Services	136,500	128,300	8,200	6.4%	102,240	97,140
Professional Fees	90,000	170,000	(80,000)	-47.1%	33,367	83,511
Repairs and Maintenance	729,000	719,000	10,000	1.4%	232,831	227,497
Professional Development	47,000	47,000	-	0.0%	13,132	5,304
Subscriptions & Dues	20,000	20,000	-	0.0%	17,987	14,531
Telephone	43,600	43,600	-	0.0%	33,556	33,335
Utilities	103,000	103,000	-	0.0%	76,745	85,584
Depreciation	1,600,000	1,600,000	-	0.0%	1,286,161	1,492,127
Total Collection System	<u>7,266,915</u>	<u>7,151,960</u>	<u>114,955</u>	1.6%	<u>5,516,048</u>	<u>5,538,973</u>
Treatment (paid to CVWRF):						
CVWRF Operations	3,724,667	4,050,269	(325,602)	-8.0%	2,961,022	3,222,633
CVWRF Debt Service	4,121,690	2,650,473	1,471,217	55.5%	2,374,306	1,660,849
Total Treatment	<u>7,846,357</u>	<u>6,700,742</u>	<u>1,145,615</u>	17.1%	<u>5,335,328</u>	<u>4,883,482</u>
Total Operating Expenses	<u>15,113,272</u>	<u>13,852,702</u>	<u>1,260,570</u>	9.1%	<u>10,851,377</u>	<u>10,422,455</u>
Total Loss from Operations	<u>(5,443,772)</u>	<u>(4,458,202)</u>	<u>(985,570)</u>	22.1%	<u>(1,292,003)</u>	<u>(922,002)</u>
Non-Operating Revenues/(Expenses)						
Property Taxes	1,520,000	1,505,000	15,000	1.0%	1,580,243	1,585,185
Impact Fees	100,000	100,000	-	0.0%	780,712	471,463
Interest Income	115,000	115,000	-	0.0%	153,462	277,857
Other Income	5,000	5,000	-	0.0%	3,256	2,986
Gain(Loss) on Sale of Assets	50,000	50,000	-	0.0%	400,400	743,679
Total Non-Operating	<u>1,790,000</u>	<u>1,775,000</u>	<u>15,000</u>	0.8%	<u>2,918,074</u>	<u>3,081,170</u>
NET INCOME/(LOSS)	<u>\$ (3,653,772)</u>	<u>\$ (2,683,202)</u>	<u>\$ (970,570)</u>		<u>\$ 1,626,070</u>	<u>\$ 2,159,168</u>
Capital Expenditures						
CVWRF Pay-go CIP	1,048,651	1,321,774	(273,123)		840,471	603,072
Collection System	980,000	776,000	204,000		-	137,830
Facilities	220,000	80,000	140,000		-	-
Vehicles and Equipment	99,000	874,000	(775,000)		672,690	204,706
Total Capital Expenditures	<u>\$ 2,347,651</u>	<u>\$ 3,051,774</u>	<u>\$ (704,123)</u>	-23%	<u>\$ 1,513,161</u>	<u>\$ 945,608</u>



COTTONWOOD IMPROVEMENT DISTRICT 2022 BUDGET

BUDGET DISCUSSION

This section contains an overview of the primary areas of the budget and explanation of significant changes from the prior year adopted budget. Attachments A through D contain ledger account level budget information.

Revenues and Operating Expenses

Service Charges - The monthly fee for sewer service is \$20.00 per residential equivalent unit (RE). There is no rate increase for 2022. The District is facing a sharp increase in costs related to the rebuild of CVWRF. A sewer rate study is currently underway by a consulting firm with results expected in early 2022.

Property Taxes - No tax increase is budgeted for 2022. The certified tax rate decreased 8.7% to .000147 from 2020 to 2021. The certified tax rate is the rate which will yield the same revenue budgeted in the previous year, excluding new growth.

Salary and Wages - The District has 27 positions representing 26.5 full time equivalent employees (FTE), which is an increase in .5 FTEs over the 2021 budget. The increase occurred when a full time receptionist was hired to replace a part time receptionist that quit. This has provided more coverage and continuity of critical customer service and administrative functions.

Wage adjustments are as follows:

- Cost of living (COLA) adjustment of 5.3%. The COLA is based on the Consumer Price Index (CPI), West Region, published by the Bureau of Labor Statistics (BLS). The BLS report is included as attachment E.
- Merit adjustments (based on results of performance evaluations) of: (1) 0%-2% for employees above their respective pay band midpoint, (2) 0%-4% for those below midpoint, or (3) merit bonuses in lieu of pay increase of 0%-2% for employees not eligible for merit raises under the District's current pay plan.

The total dollar increase to salaries and wages budget is an increase of 6.6%

Employee Benefits – The primary components of this category are retirement contributions and health insurance.

The District participates in the Utah Retirement Systems (URS) Public Employees Noncontributory Retirement Systems Tier I and Tier II plans. The District is statutorily required to contribute a percentage of salary and wages of eligible employees to URS. Contribution rates are determined annually by the Utah State Retirement Board and take effect each July 1. State law prohibits participating employers from withdrawing from URS.

The preliminary URS Tier I contribution rate beginning July 1, 2022 is 17.97%, down from 18.47% for 2021. URS will finalize rates in early 2022. Employees that entered the URS system before July 1, 2011 are in the Tier I system. Those that entered thereafter are part of the Tier II system. The Tier II system has a slightly lower contribution rate. Most District employees are part of the Tier I plan.

Health insurance rates renew annually on July 1 and are not determined until mid-March 2022. National forecasts by the Society for Human Resource Management and PWC estimate increases for 2022 in the range of 6% to 7%. For planning purposes, a 10% increase has been budgeted.

The health insurance budget has also increased due to (a) the number of employees selecting coverage and (b) a change in the composition of single, double and family coverage. Both of these changes are a result of employee turnover occurring since the previous budget was prepared.



COTTONWOOD IMPROVEMENT DISTRICT 2022 BUDGET

Payroll Taxes and Workers Compensation Insurance – The District is subject to social security and Medicare payroll employer taxes of 7.65%.

The finalized workers compensation insurance renewal hasn't been received from Utah Local Governments Trust (UTLGT). The renewal rates are anticipated to be received in early November and the budget will be updated before adoption.

Board Costs - The decrease is due to no board elections in 2022. Elections are held in odd numbered years in conjunction with the municipal elections. Trustee terms start January 1 of the following year. The District board consists of three members elected to four-year terms with at least one board member up for election every two years. In election years the District contracts with Salt Lake County to conduct the election. The contract amount is a not-to-exceed estimate with the actual amount billed subsequent to the election. Actual cost is based on the number of offices scheduled for election, number of voters, the number of jurisdictions participating and any direct costs incurred.

Property and Liability Insurance – Finalized renewal rates have not been received from Utah Local Governments Trust (UTLGT). However, the budget has been increased due to (1) an increase of liability limits that occurred after the 2021 budget was adopted and (2) preliminary communications from UTLGT indicating a premium increase is probable. The District has been with UTLGT since at least 2014 and this is the first liability premium increase.

Materials and Supplies - Fuel costs are budgeted at \$3.75 per gallon, an increase of \$.25 per gallon from the prior year budget. Average price in 2021 January through September was \$3.23 per gallon, with recent months reaching over \$3.50 per gallon.

The budgeted small tools and equipment under \$5,000 can be found in the detail at attachment B.

Office and Postage – Increase due to USPS 7% increase in postage rate for customer billings and miscellaneous increases in several categories.

Outside Services - Increase due primarily to Blue Stakes and internet payment processing gateway fees.

Blue Stakes notification volume has increased in 2021 and will likely continue in 2022. Although the fee decreased from \$.93 to \$.90 per notification in 2021, increases in the volume of notifications are more than offsetting this decrease. Blue Stakes links property owners and contractors with underground utility providers so that underground utility lines are marked before commencing any excavation.

The District's internet payment processing gateway, Xpress Bill Pay (XBP), imposed price increases during 2021, resulting in an approximately 17% overall increase based on the District's transaction mix. XBP provides the online payment portal through which customers make credit card and e-check payments, set up auto payment, schedule future payments, and a variety of other related services. XBP aggregates all electronic payment transactions, including bank bill-pay payments customers initiate outside of XBP through their own bank, into a file that is uploaded into the District's accounting software and directly to the customer account, eliminating the need to manually input each transaction. Approximately half of the District's payments come through XBP with the remainder received through the mail or in person.

Professional Fees – An impact fee analysis, capital facilities plan update and a rate study commenced in 2020. Work stopped temporarily in 2021 pending updated flow data from CVWRF. These studies have resumed but will not be completed in 2021. The 2022 budget includes a carryover of some of these fees.

Repairs and Maintenance - Increase is primarily due to anticipated refurbishment of the District's camera equipment in the two TV vans. The camera systems were purchased several years ago and experience significant wear and tear in the harsh environment of the sewer pipes.



COTTONWOOD IMPROVEMENT DISTRICT 2022 BUDGET

Dues and Subscriptions – The largest portion of this category are membership dues in the Utah Association of Special Districts (UASD). The UASD fights to protect the interests of local districts at the state legislature and state agencies.

Central Valley Water Reclamation Facility (CVWRF)

The CVWRF treatment plant treats the sewage of the District. The District is one of seven member entities that own the CVWRF treatment plant. Member entities pay their share of CVWRF operating and capital expenditures on a monthly basis. Operating expenses are allocated based on each entity's 12-month average of volume and strength of the sewage as of the prior month. Capital costs are allocated based on each entity's 12-month average of volume and strength of sewage as of August of the preceding year. The District's share of CVWRF operating costs as of August 2021 was approximately 16%.

In late 2017 CVWRF began a complete rebuild of the treatment plant to meet new state and federal water quality requirements with a January 1, 2025 deadline. Estimated remaining capital costs are approximately \$215 million for 2022 through 2024. CVWRF is funding the rebuild with a combination of cash contributions from member entities, issuance of bonds, and a low interest loan obtained from the Utah Department of Water Quality (DWQ).

Member entities are required to pay a portion of their capital cost allocation monthly as pay-as-you-go (pay-go) capital contributions. The remaining allocation can be paid either as (1) non pay-go cash capital contributions and/or (2) proceeds from CVWRF issued bonds and the DWQ loan. The District has used proceeds from CVWRF issued bonds to satisfy its non-pay-go capital obligations. The District is obligated to pay to CVWRF the related debt service over the life of the bonds.

Detail relating to the CVWRF portion of the District's budget is on attachment C.

Treatment Expense (CVWRF Operations) – The District's portion CVWRF operating and related expense budget decreased 8% from the prior year. The change is made up of the following: 14% decrease due to the change in the District's contribution percent, 5% increase due to increase of costs at CVWRF, 1% increase due to increase in the District's contingency. The contingency is for potential variations in the allocation percentage, which is estimated for budgeting purposes but is recomputed and billed monthly based on the District's actual strength and flow.

CVWRF Capital – Capital costs in the adopted CVWRF 2022 budget total \$124,595,670. The District's portion is \$19,409,513. This will be funded as follows: cash (pay-go): \$1,008,318, CVWRF 2021A, B and C bond proceeds: \$13,665,483, CVWRF state loan proceeds: \$4,735,712.

For informational purposes, the District's capital obligation to CVWRF for 2017 through August 2021 is \$30.6 million, of which \$3.1 million has been funded through pay-go contributions and \$27.5 million funded through CVWRF issued bonds.



COTTONWOOD IMPROVEMENT DISTRICT 2022 BUDGET

CVWRF Debt Service - Increase due to the first full year of debt service on the 2021A, B and C bonds. The state loan debt service is interest only until proceeds are fully deployed at which time principal payments will begin. This is expected to be in mid-2023.

Summary of CID debt service obligation to CVWRF:

	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Estimate 2021	Budget 2022*	Forecast 2023
2017A Bond	230,737	972,954	719,215	720,310	610,812	633,637	625,605
2019A Bond	-	-	444,279	940,539	693,252	703,187	698,305
2020A DWQ Loan	-	-	-	-	141,720	325,974	238,127
2021A BoU	-	-	-	-	191,364	235,006	234,180
2021B Bond	-	-	-	-	245,061	252,214	251,391
2021C Bond	-	-	-	-	492,098	1,813,145	908,046
	230,737	972,954	1,163,494	1,660,849	2,374,306	3,963,163	2,955,654

* Excludes CID contingency

Capital Expenditures

Capital expenditures are listed on attachment D. The capital budget excluding CVWRF is 25% less than the prior year budget due to less equipment purchases. Pipelining includes \$180,000 carried over from 2021. The metal building is needed at the Murray shop location to secure supplies, equipment and shelter emergency sewer pipe from UV light found in sun light.

**Cottonwood Improvement District
Attachment A - Revenue Budget Detail
2022**

	Adopted Budget 2022	Adopted Budget 2021		Est. Annual Sep 30 2021	Actual 2020
Service Charges					
410 Service Charges					
38200 RE's @ \$20/mo x 12mos	9,168,000	9,120,000			9,131,023
Canyon Billings	448,000	270,000			340,549
Total	9,616,000	9,390,000	2%	9,449,690	9,471,572
416 Paid to Other Entities	(28,000)	(27,000)		(30,080)	(26,622)
Total Service Charges	9,588,000	9,363,000	2%	9,419,610	9,444,950
Other Operating Income					
415 Finance Charge Income	20,000	5,000	300%	20,390	5,489
417 Collection Admin Cost Fee	40,000	10,000	300%	66,533	7,918
430 Inspections - Laterals	10,000	10,000	0%	19,833	14,259
431 Tee-On Fee	-	-	0%	759	1,407
432 Inspection Fees-Main Line	1,500	1,500	0%	9,353	6,369
450 Outside Party Repair	5,000	5,000	0%	15,587	19,810
451 Dump Station Revenue	5,000	-	0%	7,296	251
455 Lease Income	-	-	0%	13	-
Total Other Operating Income	81,500	31,500	159%	139,764	55,503
Property Taxes					
420 Property Tax - Ad Valorem					
Property Tax - Current years collection	1,450,000	1,420,000		1,500,000	1,483,043
Property Tax - Prior years collection	-	-		-	29,513
Total	1,450,000	1,420,000	2%	1,500,000	1,512,556
422 Fee In Lieu Of Taxes-Vehicle	70,000	85,000	-18%	80,243	72,629
Total Property Taxes	1,520,000	1,505,000	1%	1,580,243	1,585,185
Other Non-Operating Income					
440 Impact Fees	100,000	100,000	0%	780,712	471,463
460 Interest Income	75,000	75,000	0%	70,928	163,525
461 Investment Income	40,000	40,000	0%	82,534	114,332
480 Other Income	5,000	5,000	0%	3,256	2,986
470 Gain (Loss) On Sale Of Assets	50,000	50,000	0%	400,400	743,679

**Cottonwood Improvement District
Attachment B - O&M Expense Budget Detail
2022**

	Adopted Budget 2022	Adopted Budget 2021		Est. Annual Sep 30 2021	Actual 2020
Salaries & Wages					
501 Salaries & Wages	2,410,609	2,260,697	6.6%	2,145,502	2,070,384
Employee Benefits					
502 Retirement Plan Contribution	412,430	397,234	3.8%	370,135	368,047
505 Health & Life Insurance	860,294	793,215	8.5%	638,340	568,219
507 Other Employee Benefits	18,800	18,500	1.6%	9,384	4,966
555 Uniforms	18,875	18,375	2.7%	13,998	12,249
Total Employee Benefits	1,310,399	1,227,324	6.8%	1,031,857	953,481
Payroll Taxes and Workers Compensation Insurance					
503 Payroll Taxes	208,807	197,339	5.8%	152,275	147,005
504 Workers Comp. Insurance	50,000	50,000	0.0%	22,763	25,551
Total Payroll Taxes & Workers Comp Ins.	258,807	247,339	4.6%	175,038	172,556
Board Costs					
520 Board Costs	19,900	19,900	0.0%	15,095	15,000
521 Election Expense	-	95,000	-100.0%	-	-
Total Board Costs	19,900	114,900	-82.7%	15,095	15,000
Insurance					
523 Insurance					
General Liability	80,000	65,000			61,410
Property Insurance	10,000	8,700			8,867
Auto	18,000	18,000			14,289
Premium Relief Credit	-	-			(1,816)
Total Insurance	108,000	91,700	17.8%	119,396	82,750
Materials and Supplies					
525 Materials & Supplies	77,000	77,000	0.0%	39,176	26,085
556 Small Tools And Equipment					
Traffic control signs	5,000	5,000			-
Operator tablet replacements (12)	10,000	9,600			-
Misc.	18,000	18,400			29,191
Total	33,000	33,000	0.0%	1,199	29,191
550 Fuel	135,000	126,000	7.1%	98,549	64,344
Total Materials and Supplies	245,000	236,000	3.8%	138,924	119,620
Office and Postage Expense					
527 Office Expense	46,000	46,000	0.0%	20,902	23,306
554 Postage	46,000	45,000	2.2%	30,906	30,647
549 Software Services And Licenses					
Caselle license	12,000	12,000			10,116
TV inspection software (POSM)	6,750	6,500			6,000
Blue stakes (Blue Review)	6,000	6,000			4,000
Offsite data storage (Carbonite-was Mozy)	2,600	2,000			11
Flow modeling license (Innovyze/XP Swimm)	3,100	3,000			2,915
GIS/CAD, civil eng., mapping license (DLT)	3,200	3,200			2,812
Maintenance tracking software (Infor)	820	750			773
Traffic Control Rapidplan annual license (Invarion)	375	375			375
Misc.	1,155	1,175			3,130
Total	36,000	35,000	2.9%	32,065	30,132
557 Office and comp. equipment \$500-\$5000	16,000	16,000	0.0%	9,941	1,640
Total Office Expense	144,000	142,000	1.4%	93,814	85,725

**Cottonwood Improvement District
Attachment B - O&M Expense Budget Detail
2022**

	Adopted Budget 2022	Adopted Budget 2021		Est. Annual Sep 30 2021	Actual 2020
Outside Services					
526 Outside Services					
Garbage	2,400	2,184			2,120
CVWRF Lab	2,200	2,200			1,080
Alarm	1,240	1,240			1,401
Truck GPS monitoring	3,480	3,480			3,377
Answering Service (Apello)	2,100	2,000			1,712
Cafeteria plan administration	1,560	1,560			1,460
HSA plan administration	180	150			137
Other (Drug testing, SLCO, website, etc.)	11,840	11,186			1,696
Total	25,000	24,000	4.2%	13,959	12,983
551 Blue Stakes	10,500	9,300	12.9%	11,175	8,268
552 Billings	17,000	17,000	0.0%	11,488	11,583
553 Bank And Merchant Fees					
Merchant fees	39,600	39,600			31,834
Online payment provider	37,200	31,200			27,371
Bank fees	7,200	7,200			5,101
Total	84,000	78,000	7.7%	65,618	64,306
Total Outside Services	136,500	128,300	6.4%	102,240	97,140
Professional Fees					
529 Professional Fees					
Audit	10,000	10,000			10,000
Legal	50,000	50,000			38,188
IFFA, IFP, Rate study	30,000	65,500			23,637
Other/contingency	-	44,500			11,686
Total Professional Fees	90,000	170,000	-47.1%	33,367	83,511
Repairs and Maintenance					
530 R & M - Facilities					
Landscaping service - Sandy office/shop	12,000	12,000			9,428
Janitorial	14,400	14,400			12,804
Parking lot crack seal	20,000	20,000			6,675
HVAC related	15,000	15,000			10,974
Misc. repair/maint.	58,600	58,600			31,542
Total	120,000	120,000	0.0%	68,475	71,423
535 R & M - Facilities Projects					
Office/shop carpet	30,000	30,000			4,660
Misc office/shop projects	20,000	20,000			58,611
Total	50,000	50,000	0.0%	198	63,271
531 R & M - Equipment					
TV Cables (2)	15,000	15,000			-
Camera maintenance and parts	10,000	-			-
Nozzles	15,000	15,000			-
Flusher hoses - 800 ft main (2)	9,000	9,000			4,811
Vapex oder control maint. kit	3,000	3,000			-
Camera grit wheels	4,000	4,000			2,940
Misc. repair/maint.	29,000	29,000			21,707
Total	85,000	75,000	13.3%	39,835	29,458
532 R & M - System					
Repairs contingency	300,000	300,000			-
Root control supplies	8,500	8,500			7,827
Rings and lids	12,000	12,000			6,284
Manhole coating	7,000	7,000			-
Misc. repair/maint.	21,500	21,500			15,239
Total	349,000	349,000	0.0%	65,768	29,350
534 R & M - System Contracted	60,000	60,000	0.0%	34,134	-
533 R & M - Vehicles	65,000	65,000	0.0%	24,420	33,995
Total Repairs and Maintenance	729,000	719,000	1.4%	232,831	227,497

**Cottonwood Improvement District
Attachment B - O&M Expense Budget Detail
2022**

	<u>Adopted Budget 2022</u>	<u>Adopetd Budget 2021</u>		<u>Est. Annual Sep 30 2021</u>	<u>Actual 2020</u>
Subscription and Dues					
538 Subscription & Dues	20,000	20,000	0.0%	17,987	14,531
Telephone					
540 Telephone	43,600	43,600	0.0%	33,556	33,335
Professional Development					
528 Professional Development	13,000	13,000	0.0%	5,152	2,313
541 Transportation and Lodging	34,000	34,000	0.0%	7,980	2,991
Total Professional Development	47,000	47,000		13,132	5,304
Utilities					
544 Electricity	39,760	41,000	(0)	31,381	30,773
545 Natural Gas	32,000	32,000			
546 Water	31,240	30,000	4.1%	26,539	28,248
Total Utilities	103,000	103,000	0.0%	76,745	85,584
Miscellaneous					
524 Miscellaneous	1,100	1,100	0.0%	405	429

**Cottonwood Improvement District
Attachment C - CVWRF Budget Detail
2022**

	CVWRF Budget Page #	CVWRF Adopted Budget 2022	CVWRF Budget* 2021		Est. Annual Sep 30 2021	Actual 2020
CVWRF Operations						
Operations:						
Operations	Page 6	2,352,779	2,574,108			
Administration	Page 6	682,406	770,789			
Contingency	Page 6	62,312	54,475			
Engineering	Page 6	257,564	299,848			
Board	Page 6	10,040	11,443			
		3,365,101	3,710,663	-9.3%	2,781,763	3,041,515
Pretreatment	Page 6	50,054	34,061		35,291	30,892
Interceptor	Page 6	-	-		-	682
Lab	Page 6	166,256	187,576		143,968	149,544
Less: Revenue (n/a post 2018)		-	-		-	-
		216,310	221,637	-2.4%		
Total Before Contingency		3,581,411	3,932,300	-8.9%		
CID Contingency Factor		1.040	1.030			
Total CVWRF Operations		3,724,667	4,050,269	-8.0%	2,961,022	3,222,633
CVWRF Debt Service						
2017A Bond:						
Principal	Page 7	306,255	332,424			
Interest	Page 7	326,682	385,726			
Trustee Fees	Page 7	700	700			
		633,637	718,850	-11.9%	610,812	720,310
2019A Bond:						
Principal	Page 7	313,413	346,594			
Interest	Page 7	388,899	468,505			
Trustee Fees	Page 7	875	875			
		703,187	815,974	-13.8%	693,252	940,539
2020A State Loan:						
Principal	Page 8	165,439	92,964			
Interest	Page 8	159,952	132,107			
Issuance	Page 8	-	-			
Trustee Fees	Page 8	583	583			
		325,974	225,654	44.5%	141,720	-
2021A Bond:						
Principal	Page 8	172,137	-			
Interest	Page 8	62,369	440,357			
Issuance	Page 8	-	371,857			
Trustee Fees	Page 8	500	583			
		235,006	812,797	-71.1%	191,364	-
2021B Bond:						
Principal	Page 9	120,730	-			
Interest	Page 9	130,984	-			
Trustee Fees	Page 9	500	875			
		252,214	875		245,061	-
2021C Bond:						
Principal	Page 9	791,159	-			
Interest	Page 9	1,021,402	-			
Trustee Fees	Page 9	584	-			
		1,813,145	-		492,098	-
Total Before Contingency		3,963,163	2,574,150	54.0%		
CID Contingency Factor		1.040	1.030			
Total CVWRF Debt Service		4,121,690	2,651,375	55.5%	2,374,306	1,660,849
Capital Contribution						
Pay-go	Page 6	1,008,318	1,283,276		840,471	603,072
Non Pay-go	Page 6	-	-		-	-
Total Before Contingency		1,008,318	1,283,276	-21.4%		
CID Contingency Factor		1.040	1.030			
Total Capital		1,048,651	1,321,774	-20.7%	840,471	603,072
Total CVWRF w/contingency		8,895,007	8,023,418	10.9%	6,175,799	5,486,554
Total CVWRF w/o contigency		8,552,892	7,789,726	9.8%		

* 2020 budget percentages used

**Cottonwood Improvement District
Attachment D - Capital Expenditures
FY 2022**

	Adopted Budget 2022
Collection System Betterments	
Capital Facilities Plan (CFP) Projects	600,000
Non-CFP Projects	-
Pipe Lining	330,000
Contingency	50,000
Total	980,000
Facilities	
Roof - Murray shop	65,000
Sandy HVAC replacements	15,000
Murray metal building	140,000
Total	220,000
Vehicles (Gross)	
Pickups	84,000
Total	84,000
Equipment > \$5,000	
Murray shop cameras	15,000
Total	15,000
TOTAL CAPITAL RELATED	1,299,000

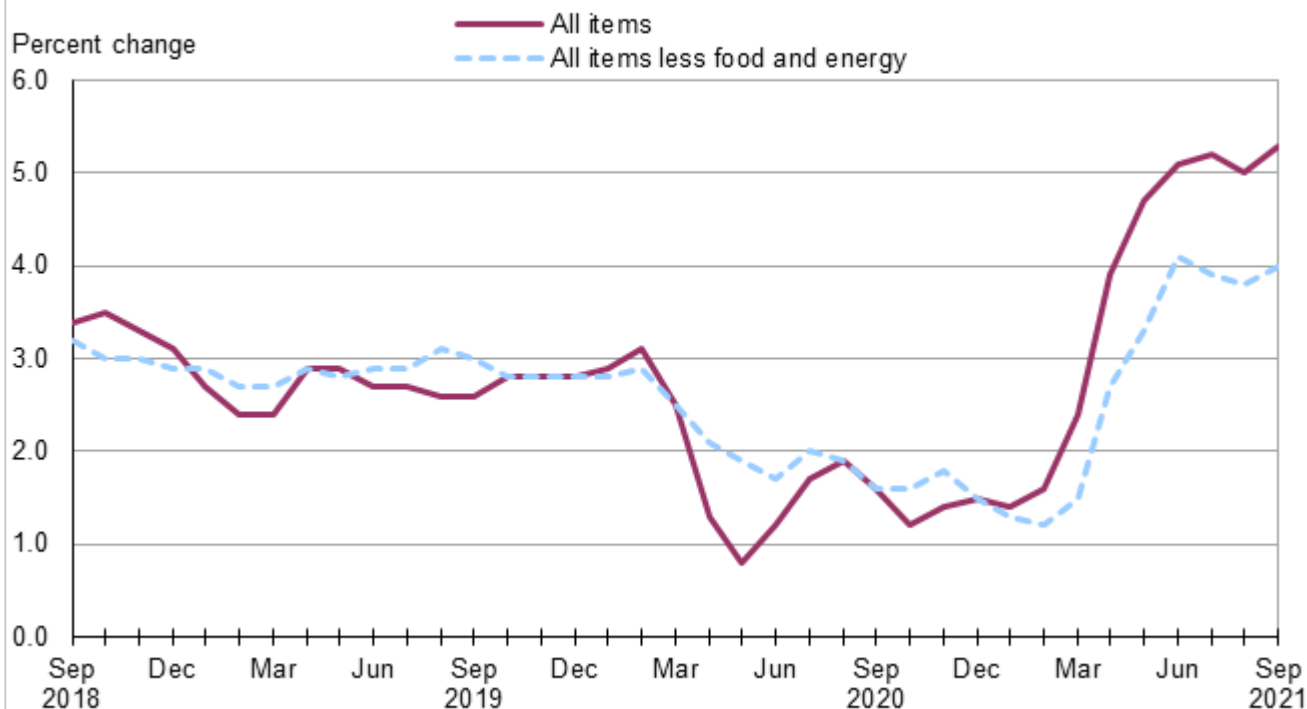
Consumer Price Index, West Region — September 2021

Area prices were up 0.2 percent over the past month, up 5.3 percent from a year ago

Prices in the West Region, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), crept up 0.2 percent in September, the U.S. Bureau of Labor Statistics reported today. (See [table A](#).) The September increase was influenced by higher prices for shelter and food at home. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U increased 5.3 percent. (See [chart 1](#) and [table A](#).) Food prices increased 4.7 percent. Energy prices jumped 25.1 percent, largely the result of an increase in the price of gasoline. The index for all items less food and energy increased 4.0 percent over the year. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, West region, September 2018–September 2021



Source: U.S. Bureau of Labor Statistics.