



5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121 Fax: (530) 357-3723

Board of Directors

Directors - Beverly Fickes, Committee Chair: Scott McVay

General Manager: Paul Kelley

FINANCE COMMITTEE

September 12th 2023 at 5:30PM : District Office Board Room

Committee Responsibility

The Board's standing Financial Committee shall be concerned with the financial management of the Clear Creek CSD including the preparation and oversight of an annual budget, and oversight of reserve accounts and major expenditures

AGENDA

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. OPEN TIME/PUBLIC COMMENT: Pursuant to Gov. code S54950, persons wishing to address the Board of Directors on matters not listed on the agenda should notify the Secretary prior to the start of the meeting. To speak at this time and for any item listed on the agenda – raise your hand, and when recognized by the Chair – proceed to the podium to address the Board.

5. OLD BUSINESS/NEW BUSINESS (Discussion/Action)

- a. Activity Reports – July – Discussion
- b. Audit update – FY22 and Auditor Planning Letter - Discussion
- c. Water Usage and Revenue March through August & Rate Ordinance update– Discussion
- d. WIIN Act Payment Schedule & Balance – Discussion
- e. Bank Account & Loan Balances report - Discussion

6. ADJOURN THE MEETING

ADA Related Disabilities:

Contact the front office and speak with a Staff Member if special consideration is needed to attend any public meeting for disability related accommodations or aide is needed. Please give 72 hours - notice prior to the meeting to allow staff to meet your requests appropriately.

“This District is an Equal Opportunity Provider”



5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121 Fax: (530) 357-3723

MEMO

Date: September 12th 2023
To: Board of Directors
From: General Manager – Paul Kelley
Re: **5 – Old Business/New Business**

Discussion:

5.a – Activity Reports - Discussion

The Board saw the July Activity (P&L) report and this is an opportunity to discuss and review and provide input from the Finance committee.

Also – in preparation for October when Staff plans to have FY Q1 (July, August, September) YTD actuals vs Quarterly Budget. And this would be an opportunity for an updated budget or budget adjustments.

5.b – Audit update – FY22 and Auditor Planning Letter - Discussion

The Districts Auditor – Horton McNulty & Saeteurn, LLP completed the FY21 audit in December of 2022, then started in April on FY 22 audit. The Board confirmed the engagement letter (Signed in October of 2022) in March of 2023 and the auditor recently sent this attached letter and suggested that the board have an opportunity to review the letter.

The Auditor also informed the District Bookkeeper/Accounting that they have submitted the FY22 state controller report – in compliance with the Controllers request in March of 2023.

The Auditor reports that they continue to work through difficulties of dealing with the old District accounting system (BUCS) and that Melissa is working hard to get all the information they have requested. The FY22 Audit is behind their original schedule, but they plan to finish by November.

5.c – Water Usage and Revenue March through August, and Rate Ordinance - Discussion

The GM is working with staff on doing a review (audit) and analysis of the Water reported going through the Treatment plant, and the resulting revenue from water sales.

We are working on this for March through July. We are working to track the water from both ends of the system; from the Treatment plant through the North Booster to customer meters. And then from the other direction, from customer payments (water usage revenue), to Customer water usage bills, to meter reads. One real challenge is that FREYS software seems limited in reporting water usage, water billed, and payments posted to usage. We are working on this – and today's meeting is part of that discussion with the committee.

For example: July

The District reported to the Bureau 297 AF of M&I through the treatment plant (197AF Bureau water + 100 McConnell water). Based on the Total revenue of \$39,219.77 that equals 173AF, and that is 123AF short of what we reported through the plant for M&I.

For Irrigation/Ag the District reported to the Bureau 116AF. Based on Ag usage revenue of \$13,426.64 that equals 60AF. Almost 56AF short, In June the Revenue for Ag water usage was almost exactly what the District reported to the Bureau.

The committee has asked about the Districts water usage revenue, and how water loss can be accounted for in reporting, rate setting and reporting. There are different methods on water loss and if the District was an “urban” water supplier the rules for water loss and audits would be very challenging.

This is primarily a reporting and tracking issue that needs the Districts attention and for the committees consideration and input. Water loss in the system and or from leaks etc. is common and the District should be considering this during water usage scheduling and rate setting.

Water Usage Rate Ordinance.

The Other issue is that the board approved the current water rates in May. The current \$.52/HCF for Domestic and \$.51/HCF for Ag/Irrigation water usage rates. In the 2022 water year, there was a zero allocation and the total cost per AF (From McConnell or wells) was the input for the water rates cost sheet – and eventual “drought rate”. For the 2023 water year, and eventual full allocation – the total cost of the water from the rate sheet was used to calculate the base per HCF, then added in the treatment cost and the reserve amount. This calculation provided the current rates. That rate sheet (February 2023) had the CVP Restoration charge for FY22-23. So – This rate sheet the water rates for the 2023 water year (March 23 – February 24) and the Restoration fund charges for the FY23.

The Bureau just sent the updated Restoration charge for which is for the Federal Fiscal Year – October 2023 – September 2024. This rate went up 8% - for M&I \$24.05 to \$25.99 (\$1.94 per AF), and Irrigation \$12.02/AF to \$13.00/AF. Since the Restoration Charge is part of the total usage charge – this is for the Boards consideration.

5.d – WIIN Act Payment Schedule and Balance - Discussion

There are two WIIN act balances.

1. The Balance that the District owes the Bureau due by 12/30/2023: The District sent a payment the end of July, that brings this balance to \$149,394.38. It's the District's intention to make the next three payments of \$50K each by October and complete the payments prior to 12/30/2023 and secure our supply contract. This was verbally reported at the board and for the finance committee consideration.

Total Balance after Construction credit of \$207,000.		\$651,500.38
Paid FY 22	\$ 102,106.00	\$549,394.38
Paid FY 23	\$ 350,000.00	\$199,394.38
Paid FY 24	\$ 50,000.00	\$149,394.38

2. The balance for what the District owes its own operating fund to pay off the WIIN act balance owed to the Bureau to be paid back through the WIIN act fee: That is approximately \$450,000, and will be \$600K by end of this year. As described in the Budget narrative the District owed \$651,500.38 to “purchase” the Water supply contract of 15,300AF/Y in perpetuity. The District did not get a loan for that amount to be paid off over a number of years (ie:15 years). The District fell behind in making payments to the Bureau, and made

a few payments in FY22, and then started making payments and catch up payments in FY23. These payments to the Bureau are currently paid from Operating funds (Borrowing from Operating to pay this off) and is in the District's budget as a cost of water. This borrowing from the Operating Account will eventually be \$651,500.38 from operating funds. The \$1.88 WIIN fee, will be deposited into a reserve account "WIIN Act Fee" and from that account the District will get paid back at a rate of \$50K/year – taking about 12-13 years depending on collections and subsequent board budget decisions.

5.e – Bank Account and Loan Balances Report - Discussion

Account Balance Report:

<u>Account</u>	<u>Current Bal</u>
Gen. Checking	\$ 135,535.85
Merchant Acct	\$ 470,668.02
OP Reserves Savings	\$ 1,004.37
Expansion & Modernization Res	\$ 104,399.17
Emergency Reserve System Replacement	\$ 448.55
OPEB Employee Contrib Acct	\$ 71,267.73
Carr Fire Acct	\$ 177,571.54
Carr Fire Backwash Ponds Project	\$ 15,074.94
Filtration Plant Repayment	\$ 211,320.07
Backwash Recycle	\$ 24,750.40
State Loan Repayment Reserve	\$ 33,418.43
WIIN Act Repayment Reserve	\$ 62,479.37
Total	\$ 1,307,938.44

Filter Plant Loan: \$7.55/Month Fee

Two loans: \$4.4 Mil (2.95%)
\$ 445,000 (2.54%)

For the \$4.4 Mil loan – Just made 50th of 60 payments (5 years to go at 2 payments /year)
Principle left: \$928,112.81 (Payment Amount \$110,938 – of P&I)

For the \$455,000 loan – just made the 47th of 60 payments (6.5) years
Principle left: \$127,105.18 (Payment amount 10,669 (P&I))

Backwash Recycle: \$.38 / Month Fee for loan of \$413,094.99

Just made the 5th payment of 30 yearly payments of \$17,689.08 – P&I. Final payment 2048

Clear Creek Community Services District
Profit & Loss
July 2023

4:42 PM

08/10/2023

Accrual Basis

Jul 23

Ordinary Income/Expense

Income

11000 · Revenue - Customer Accts

11005 · Base Rate Charge	144,270.51
11010 · Water Sales	39,219.77
11020 · Agricultural Water Sales	13,426.64
11050 · Penalty-Exceeded WA Allocation	2,819.63

Total 11000 · Revenue - Customer Accts 199,736.55

12000 · Revenue - Water Service

12010 · Turn On Fees	631.12
12015 · Centerville Admin O&M	32,593.24
12025 · Interest / Investment Income	232.65
12035 · Backflow Maint Charge	686.66
12100 · Misc. Revenue	94.78

Total 12000 · Revenue - Water Service 34,238.45

13000 · Designated Revenue -Non Op

13005 · Filter Plant Repayment Charge	22,138.15
13010 · Recycle Backwash Water Charge	1,460.12
13015 · State Loan Repayment Charge	3,279.74
13025 · WIIN Act Repayment Charge	5,786.83

Total 13000 · Designated Revenue -Non Op 32,664.84

15000 · Revenue - Taxes & Assessments

15005 · Taxes-General Property	18,669.81
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Total 15000 · Revenue - Taxes & Assessments 18,669.81

Total Income 285,309.65

Gross Profit 285,309.65

Expense

29000 · Supply Cost

29005 · Water Purchase

29010 · USBR Water Purchased	33,233.72
29015 · McConnell Water Purchased	25,000.00

Total 29005 · Water Purchase 58,233.72

29100 · WIIN Act Repayment Exp 50,000.00

Total 29000 · Supply Cost 108,233.72

30000 · Water Treatment Plant

30100 · Utilities

30105 · WTP - PGE 8185	6,519.49
30110 · Pond - PGE 3611	1,011.96
30125 · Internet	50.00

	Jul 23
Total 30100 · Utilities	7,581.45
30135 · Office Supplies WTP	117.95
30145 · Postage	35.96
30150 · Safety Equipment & Training	
30160 · Personal Safety Equipment	230.83
Total 30150 · Safety Equipment & Training	230.83
30200 · WTP Repair & Maintenance O&M	9,723.32
30400 · Water Quality Analysis	1,584.60
30500 · Vehicle Maintenance & Expense	
30505 · Fuel Expense	362.47
Total 30500 · Vehicle Maintenance & Expense	362.47
Total 30000 · Water Treatment Plant	19,636.58
30700 · Transmission & Conduit	
30705 · Repair and Maintenance - O&M	0.00
30700 · Transmission & Conduit - Other	0.00
Total 30700 · Transmission & Conduit	0.00
40000 · Distribution	
40200 · Utilities	
40205 · Cloverdale Rd N.Boost- PGE 4189	653.23
40210 · Clear Crk/HV - PGE 9574	69.31
Total 40200 · Utilities	722.54
40300 · Safety Equipment & Training	
40305 · Safety Equipment - General	206.99
40310 · Personal Safety Equipment	1,296.62
Total 40300 · Safety Equipment & Training	1,503.61
40400 · Repair & Maintenance (O&M)	
40405 · Backflow Device Testing	65.00
40430 · Inventory/Tools	327.12
40400 · Repair & Maintenance (O&M) - Other	12,754.76
Total 40400 · Repair & Maintenance (O&M)	13,146.88
40500 · Vehicle Maintenance & Expense	
40505 · Fuel Expense	3,095.13
40500 · Vehicle Maintenance & Expense - Other	87.94
Total 40500 · Vehicle Maintenance & Expense	3,183.07
Total 40000 · Distribution	18,556.10
41000 · Wells & Booster Station	
41100 · Utilities	
41105 · Wells 1 & 2 - PGE 2671	836.02
41110 · Well #3 - PGE 2838	683.91
41120 · So. Booster - Internet	30.00
Total 41100 · Utilities	1,549.93
41200 · Water Quality Analysis	1,631.19
41300 · Repair & Maintenance (O&M)	460.37

	Jul 23
Total 41000 · Wells & Booster Station	3,641.49
50000 · Administration/ General	
50100 · Utilities	
50105 · Oak St.- PGE 2838	1,379.24
50110 · 2 Outdoor Lights - PGE 3564	20.07
50120 · Verizon - On-call Cell Phone	51.89
50130 · Answering Service	382.01
50135 · Telephone - TDS	311.45
Total 50100 · Utilities	2,144.66
50200 · Office Supplies	
50205 · Janitorial supplies	55.76
50210 · Ink and Toner	30.00
50200 · Office Supplies - Other	130.39
Total 50200 · Office Supplies	216.15
50315 · Postage	1,134.30
50320 · Meal and Reimbursments	39.35
50330 · Bank Service Fee/Finance Charge	863.71
50400 · Insurance	
50415 · Property & Liability Insurance	16,485.05
Total 50400 · Insurance	16,485.05
50500 · Special & Professional Services	
50505 · Audit Services	4,300.00
50510 · Director Fees	300.00
50515 · Server & Computer Maintenance	
50516 · Municipal Software	
50516.1 · Municipal Software Upgrade	10,675.00
50516 · Municipal Software - Other	5,699.83
Total 50516 · Municipal Software	16,374.83
50517 · Software Subscriptions	224.92
50515 · Server & Computer Maintenance - Other	1,081.36
Total 50515 · Server & Computer Maintenance	17,681.11
50520 · Legal	450.00
50530 · Equipment Maintenance & Lease	139.63
50535 · Building & Ground Maint.-Office	
50536 · Waste Management	192.20
50535 · Building & Ground Maint.-Office - Other	1,571.18
Total 50535 · Building & Ground Maint.-Office	1,763.38
50540 · OPEB Valuation & Actuarial	3,160.00
Total 50500 · Special & Professional Services	27,794.12
50700 · Regulatory	
50705 · Water District Regulatory Fees	
50725 · LAFCO Expense	6,172.71
Total 50705 · Water District Regulatory Fees	6,172.71
Total 50700 · Regulatory	6,172.71

	Jul 23
51400 · Employee Benefits	
51405 · Guardian - Vision, Dental, Life	-14.41
51415 · UNUM-Disability, Life, Accident	1,153.00
51435 · CalPERS Health Insurance Exp	15,748.05
51440 · CalPERS Retirement Contribution	2,341.52
51455 · Uniform Service	294.61
Total 51400 · Employee Benefits	19,522.77
51600 · Retiree Benefits	
51605 · Retiree Health Benefit - Direct	7,569.42
Total 51600 · Retiree Benefits	7,569.42
51900 · License and Permits	96.00
52000 · Interest Expense	
52005 · RCAC Loan Interest (dump truck)	727.04
Total 52000 · Interest Expense	727.04
53000 · Customer Accounts & Billing	
53015 · Supplies	
53025 · Billing Supplies & Materials	1,361.00
Total 53015 · Supplies	1,361.00
53030 · Chargebacks, NSF, Acct Refunds	1,174.73
53000 · Customer Accounts & Billing - Other	5,005.44
Total 53000 · Customer Accounts & Billing	7,541.17
Total 50000 · Administration/ General	90,306.45
60000 · Payroll Expense -Salary & Wages	
60100 · Payroll Exp - Administration/GM	11,264.40
60200 · Payroll Exp - Distribution	27,502.91
60300 · Payroll Exp - Water Treatment	16,366.08
60500 · Payroll Exp - Customer Accts	12,468.49
60000 · Payroll Expense -Salary & Wages - Other	170.62
Total 60000 · Payroll Expense -Salary & Wages	67,772.50
66900 · Reconciliation Discrepancies	-14,231.00
70000 · Designated to Reserves - Non Op	
72205 · Filter Plant Repayment Reserve	0.00
72210 · Recycle Backwash Water Reserve	0.00
72215 · State Loan Repayment Reserve	0.00
72218 · Penalties Reserve - Tracking	0.00
72225 · WIIN Act Repayment Reserve	0.00
75100 · Operating Reserve (4.1% usage)	0.00
75200 · Capital Imp & Mod Res (1.8% BR)	0.00
75300 · Emergency Fund Reserve	0.00
75400 · USBR Emergency Reserve	0.00
75900 · Discretionary Fund Bal Reserve	0.00
70000 · Designated to Reserves - Non Op - Other	0.00
Total 70000 · Designated to Reserves - Non Op	0.00
Total Expense	293,915.84

	Jul 23
Net Ordinary Income	-8,606.19
Other Income/Expense	
Other Income	0.00
Other Expense	
99999 - Suspense	0.00
99999.9 - Ask My Accountant	0.00
Total Other Expense	0.00
Net Other Income	0.00
Net Income	-8,606.19



August 20, 2023

Board of Directors
Clear Creek Community Services District
5880 Oak Street
Anderson, CA 96007

55 Independence Circle, Suite 102
Chico, CA 95973
530.588.7427

Dear Board of Directors:

We have been engaged to audit the financial statements of Clear Creek Community Services District (the District), for the year ended June 30, 2022. A copy of the engagement letter for the year ended June 30, 2022, is enclosed for your reference. Please feel free to contact us if you have any questions regarding engagement letter or this letter. Professional standards require that we provide you with the following information related to our audit.

The objectives of this correspondence are as follows:

- To discuss the auditors' responsibilities under auditing standards generally accepted in the United States of America (GAAS);
- To provide those charged with governance an overview of our engagement, including the planned scope and timing;
- To identify significant areas of accounting and auditing emphasis, and how we propose to address these areas;
- To note significant risks that have been identified during the planning phase of the audit; and
- To discuss the concept of materiality in planning and executing the audit.

Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP). Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. As part of the audit we will consider the internal control of the District. Such considerations are solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Planned Scope and Timing of the Audit

Audit Planning and Risk Assessment

The initial phase of our audit involves various planning procedures, including the following:

- Developing an understanding of internal and external factors affecting the District, such as changes in management or regulation.
- Performing preliminary analytical procedures, covering all accounts, to identify any significant new accounts or programs and any significant changes from the prior year.
- Assessing various organizational risks such as those related to the District's operating characteristics and environment, information technology, financial characteristics and business strategies. This also involves discussing with management what they see as the significant risks to the District.
- Obtaining an understanding of the District's internal controls, including the control environment, management's risk-assessment process, management's consideration for internal controls, and management's internal control monitoring process.
- Performing an evaluation of the design of internal controls relating to each significant transaction cycle as well as financial reporting to identify weaknesses in the system of controls that may contribute to the risk of a material financial statement error occurring without detection.
- Assessing of fraud risk, including consideration of the requirements of AU-C 240, *Consideration of Fraud in a Financial Statement Audit*. This also includes conducting a fraud brainstorming session with all members of the audit team to discuss the potential for material misstatement due to fraud and to enforce the concept of approaching the audit with professional skepticism.
- Designing our audit procedures and taking into consideration our preliminary analytical procedures, various risk assessments, our understanding of the various aspects of the District's internal controls, and those audit areas that are considered to be significant.

Although we are currently in the planning state of our audit, we have identified the following significant risks during or audit to date that require special audit consideration: management override of internal controls. Although not a risk solely specific to the District, override of internal controls warrants attention as intentional override may be more difficult to detect than an unintentional error.

Audit Fieldwork

Depending on the significant areas selected and the extent of testing that is determined to be appropriate during the planning process, we will perform audit procedures as part of our audit fieldwork. These procedures include inspection of documents, recalculation of various amounts, inquiry of appropriate personnel as well as other means to verify account balances. Significant accounts or risk areas are identified as follows:

- Cash and cash equivalents.
- Accounts receivable.
- Inventory.
- Capital assets.
- Accounts payable and cut off.
- Advances from customers.
- Long-term debt and related balances.
- Related-party transactions.
- Possible unrecorded liabilities.
- Revenue recognition.
- Susceptibility of accounts to material misstatement arising from either error or fraud.

Materiality

Financial Accounting Standards Board (FASB) Statement of Financial Accounting Concepts No. 2 (CON-2), *Qualitative Characteristics of Accounting Information*, defines materiality as the "magnitude of an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement." In planning and performing the audit, we use professional judgment to determine a level of materiality. Factors considered in this evaluation include the components of the financial statements believed to be the most critical to users and the extent of adjustments detected in prior audits.

Audit Completion and Reporting

Once audit fieldwork has concluded, a complete final review will be performed of the audit workpapers, ensuring that any outstanding questions or issues have been resolved and that the testing and results are properly documented. Deliverables will be as follows:

- Draft financial statements, including footnotes.
- Draft letter of required communication to those charged with governance that includes information on the auditors' responsibility in performing the audit and significant findings noted during the audit process that are required to be reported, such as any significant or unusual transactions or any significant sensitive estimates.
- Draft report on internal control that reports any significant deficiencies or material weaknesses in internal controls that were noted during the audit process, if applicable.

All of the draft documents are reviewed with management and those charged with governance before the final financial statements and correspondence letters are issued.

Communication

Effective communication between the auditor and those charged with governance is emphasized in the recent audit standards, and we feel it is paramount to a truly effective and successful audit. For these reasons, we encourage you to contact us with any questions or concerns that you may have regarding any aspect of the audit. The following points may assist you in this critical communication effort:

- Are there any matters you feel warrant particular attention during the audit?
- Are there any areas where you request that additional or special procedures be performed?
- Describe how you exercise oversight of the District's internal controls.
- Describe your understanding of the risks of fraud at the District.
- Are you aware of any suspected or actual fraud at the District?
- Are there any other matters you think we should be aware of?

Board of Directors
Clear Creek Community Services District
August 20, 2023
Page 5

Our contact information is listed below, and we encourage you to maintain open communication with us regarding the above points and any other matters you deem appropriate.

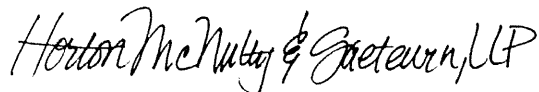
Kalah M. Horton, CPA 530.588.7427 x307 kalah.horton@hms-cpas.com

Closing

The information in this letter is intended solely for the use of those charged with governance of the District and is not intended to be and should not be used by anyone other than these specified parties.

We sincerely appreciate the opportunity to provide services to the District and hope you find the information included in this correspondence useful and informative. If you have any questions or wish to discuss any of the items further, please let me know.

Very truly yours,

A handwritten signature in black ink, reading "Horton McNulty & Saeteurn, LLP". The signature is written in a cursive, flowing style.

Horton McNulty & Saeteurn, LLP

Exhibit B
CLEAR CREEK COMMUNITY SERVICES DISTRICT
2023 Rates and Charges
(Per Acre-Foot)

District Form - Irrigation/M&I
Contract No. 14-06-200-489-A-P

	Irrigation Water	M&I Water
COST-OF-SERVICE (COS) RATES		
Capital Component	\$0.00	\$0.00
O&M Component		
Water Marketing	\$22.77	\$15.52
Storage	\$13.04	\$17.23
Conveyance	\$0.00	\$0.00
Deficit Cost Component		
Interest Bearing	\$3.92	\$0.38
TOTAL COS RATE <i>(Tier 1 Rate)</i>	\$39.73	\$33.13
IRRIGATION FULL COST RATE (RRA)		
Section 202(3) Rate is applicable to a Qualified Recipient or to a Limited Recipient receiving irrigation water on or before October 1, 1981.	TBD	
Section 205(a)(3) Rate is applicable to a Limited Recipient that did not receive irrigation water on or before October 1, 1981.	TBD	
M&I FULL COST RATE		
		TBD
CHARGES AND ASSESSMENTS <i>(Payments in Addition to Rates)</i>		
P.L. 102-575 Surcharges (Restoration Fund Payments) ² [Section 3407(d)(2)(A)]	\$12.02	\$24.05
P.L. 106-377 Assessment (Trinity Public Utilities District) ³ [Appendix B, Section 203]	\$0.15	\$0.15

- 2 The surcharges were determined pursuant to Title XXXIV of P.L. 102-575. Restoration Fund surcharges under P.L. 102-575 are determined on a fiscal year basis (10/1-9/30).
- 3 The Trinity Public Utilities District Assessment is applicable to each acre-foot of water delivered from 3/1 - 2/29 and is adjusted annually.

Recent Historic Use, as defined in the CVP M&I Water Shortage Policy, is 2,265 acre-feet.

Additional details of the rate components are available on the Internet at
www.usbr.gov/mp/cvpwaterrates/ratebooks.



United States Department of the Interior

BUREAU OF RECLAMATION
2800 Cottage Way
Sacramento, CA 95825-1898



IN REPLY REFER TO:

CGB-3000

1.3.11

AUG 23 2023

To: Central Valley Project Water Contractors

Subject: Charges for the Central Valley Project (CVP) Restoration Fund, Central Valley Improvement Act (CVPIA), Public Law 102-575

Dear Water Contractor:

This letter provides notification of the CVP Restoration Fund charge/surcharge amounts for Fiscal Year 2024 (FY 2024) beginning October 1, 2023, through September 30, 2024. The FY 2024 amounts for mitigation and restoration charges, Friant surcharges, and Municipal and Industrial (M&I) surcharges are detailed here.

- The mitigation and restoration charges for FY 2024 are \$13.00 and \$25.99 per acre-foot of sold and delivered CVP agricultural and M&I water, respectively. Mitigation and restoration charges are assessed on all sold agricultural and M&I water delivered to the contractor or any approved transferee(s) receiving CVP water pursuant to the contractor's entitlement. The requirement to pay mitigation and restoration charges is the sole responsibility of the water contractor and may not be delegated to a transferee.
- The Friant Surcharge paid by Friant Division water contractors on delivered CVP water will remain at \$7.00 per acre-foot.
 - (The reduction prescribed in the San Joaquin River Restoration Settlement Act will be a \$3.00 per acre-foot reduction to the Operations and Maintenance (O&M) rate paid by Friant Division water contractors).
- The M&I surcharge will be \$54.15 per acre-foot for CVP water delivered to water contractors that are subject to this charge.

These charges are payable to the Bureau of Reclamation before the end of the month following the month of delivery and must be consistent with the quantities of agricultural and M&I water deliveries as shown in Reclamation's monthly water statement. Past due payments will be assessed delinquent charges according to the Debt Collection Act of 1982.



— BUREAU OF —
RECLAMATION

CVPIA CHARGES/SURCHARGES

Fiscal Year	FY Dates	Mitigation & Restoration Charges - IRR	Mitigation & Restoration Charges - M&I	Friant Surcharges	M&I Surcharges	Pre-Renewal Charges - IRR	Pre-Renewal Charges - M&I
1993	10/1/1992 - 9/30/1993	6.00	12.00	4.00	25.00	-	-
1994	10/1/1993 - 9/30/1994	6.20	12.40	4.00	25.69	-	-
1995	10/1/1994 - 9/30/1995	6.35	12.69	4.00	26.36	-	-
1996	10/1/1995 - 9/30/1996	6.53	13.06	4.00	27.10	-	-
1997	10/1/1996 - 9/30/1997	6.70	13.39	4.00	27.91	-	-
1998	10/1/1997 - 9/30/1998	6.88	13.76	5.00	28.49	-	-
1999	10/1/1998 - 9/30/1999	6.98	13.96	5.00	28.92	-	-
2000	10/1/1999 - 9/30/2000	7.10	14.20	7.00	29.59	-	-
2001	10/1/2000 - 9/30/2001	7.28	14.56	7.00	30.34	10.92	21.84
2002	10/1/2001 - 9/30/2002	7.54	15.08	7.00	31.42	11.31	22.62
2003	10/1/2002 - 9/30/2003	7.69	15.38	7.00	32.04	11.53	23.06
2004	10/1/2003 - 9/30/2004	7.82	15.64	7.00	32.58	11.73	23.46
2005	10/1/2004 - 9/30/2005	7.93	15.87	7.00	33.06	11.90	23.80
2006	10/1/2005 - 9/30/2006	8.24	16.49	7.00	34.35	12.36	24.74
2007	10/1/2006 - 9/30/2007	8.58	17.15	7.00	35.74	12.87	25.74
2008	10/1/2007 - 9/30/2008	8.79	17.57	7.00	36.61	13.19	26.36
2009	10/1/2008 - 9/30/2009	9.06	18.12	7.00	37.75	13.59	27.18
2010	10/1/2009 - 9/30/2010	9.11	18.23	7.00	37.97	13.67	27.35
2011	10/1/2010 - 9/30/2011	9.29	18.59	7.00	38.72	13.94	27.89
2012	10/1/2011 - 9/30/2012	9.39	18.78	7.00	39.13	14.09	28.17
2013	10/1/2012 - 9/30/2013	9.79	19.58	7.00	40.80	14.69	29.37
2014	10/1/2013 - 9/30/2014	9.99	19.98	7.00	41.63	14.99	29.97
2015	10/1/2014 - 9/30/2015	10.07	20.14	7.00	41.97	15.11	30.21
2016	10/1/2015 - 9/30/2016	10.21	20.41	7.00	42.52	15.32	30.62
2017	10/1/2016 - 9/30/2017	10.23	20.45	7.00	42.61	15.35	30.68
2018	10/1/2017 - 9/30/2018	10.47	20.94	7.00	43.63	15.71	31.41
2019	10/1/2018 - 9/30/2019	10.63	21.26	7.00	44.29	15.95	31.89
2020	10/1/2019 - 9/30/2020	10.91	21.82	7.00	45.46	16.37	32.73
2021	10/1/2020 - 9/30/2021	11.11	22.23	7.00	46.31	16.67	33.35
2022	10/1/2021 - 9/30/2022	11.23	22.46	7.00	46.79	16.85	33.69
2023	10/1/2022 - 9/30/2023	12.02	24.05	7.00	50.10	18.03	36.08
2024	10/1/2023 - 9/30/2024	13.00	25.99	7.00	54.15	19.50	38.99