

Notice and Agenda

REGULAR MEETING — BOARD OF DIRECTORS — COUNTY SANITATION DISTRICT NO. 4

To be held in person and via teleconference per Brown Act, Section 54953(b)&(c), at the:

OFFICE OF THE DISTRICT 1955 Workman Mill Road Whittier, CA 90601 and BEVERLY HILLS CITY HALL* 4TH FLOOR 455 N. Rexford Drive Beverly Hills, CA 90210

For the public to join the meeting virtually, click https://us02web.zoom.us/j/8091438308 or enter the Meeting ID 809 143 8308 into the Zoom app on your smartphone or computer. Alternatively, you may join by phone by calling (669) 900-9128 and entering the Meeting ID. You may find further information at: http://www.lacsd.org/agendas

THE DISTRICT MAY TAKE ACTION ON ANY AGENDA ITEM LISTED BELOW

Table with 3 columns: Date (WEDNESDAY June 14, 2023 At 1:30 P.M.), Governing Body (BEVERLY HILLS, LOS ANGELES CITY, WEST HOLLYWOOD), Director (BOSSE, KREKORIAN, SHYNE), and Alternate (NAZARIAN*, MC OSKER (Chairperson), ERICKSON)

- 1. Public Comment
2. Approve Minutes of Regular Meeting Held February 8, 2023
3. Approve December 2022, January, February, and March 2023 Expenses in Amount of \$417,698

Summary: Local District expenses represent costs incurred for operations, maintenance, and capital projects that are the sole responsibility of the individual District. Allocated expenses represent the District's proportionate share of expenses made by District No. 2, the administrative District, on its behalf pursuant to the Joint Administration Agreement.

Table showing expense breakdown: Local District Expenses (Operations & Maintenance \$85,630, Capital 329,134), Allocated Expenses (Joint Administration 2,423, Technical Support 511), Total Expenses \$417,698

- 4. Adopt Resolution of the Board of Directors of County Sanitation District No. 4 of Los Angeles County Adopting Policies and Procedures for Providing Priority Service to Affordable Housing Projects (Resolution)

Summary: California Government Code Section 65589.7 requires public agencies that provide water or sewer services to adopt written policies and procedures with specific objective standards for providing priority service to housing projects that include lower income units.

- 5. Re: Wastewater Revenue Program
(a) Hold Public Hearing on Service Charge Report
(b) Adopt Service Charge Report

Summary: Holding a public hearing and then adopting the Service Charge Report is required each year to collect the wastewater service charge on the property tax roll. The current service charge rate per single-family home is \$12.50 per month (\$150 per year) and no increase is recommended for fiscal year 2023-24.

5. Contd.

Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to plan for both short-term and long-term needs to minimize the need for significant rate increases.

6. Re: Wastewater Budget Matters for Fiscal Year 2023-24

- (a) Establish by Resolution Appropriations Limit of \$3,564,885 as Required by California Government Code Section 7910
- (b) Adopt Operation Budget
- (c) Adopt Resolution Requesting Tax Levy of \$912,000
- (d) Authorize Appropriations per Budget

Summary: A letter discussing 2023-24 fiscal year budgetary matters accompanies the agenda. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to plan for both short-term and long-term needs to minimize the need for significant rate increases.

Adjourn

Status Report: Prior to or during the meeting session, the Chief Engineer and General Manager may update the Directors on various matters concerning the Districts that may be of current interest to the Directors.

Public Comment: Members of the public may address the Board of Directors on any item shown on the agenda or matter under the Board's authority. A "Request to Address Board of Directors" form is available. In compliance with the Americans with Disabilities Act, if you require special assistance to participate in this meeting, please contact the Secretary to the Boards' Office (562) 908-4288, extension 1100. Notification of 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility to this meeting. (28CFR 35.101 et seq. ADA Title II).

Document Requests: Links to supporting documents are available online at the time of posting. Agendas and supporting documents or other writings that will be distributed to Board members in connection with matters subject to discussion or consideration at this meeting that are not exempt from disclosure under the Public Records Act are available for inspection following the posting of this agenda at the office of the Secretary to the Boards of Directors located at the Districts' Joint Administration Building, 1955 Workman Mill Road, Whittier, California, 90601, or at the time of the meeting at the address posted on this agenda.

**RESOLUTION OF THE BOARD OF DIRECTORS OF COUNTY SANITATION
DISTRICT NO. 4 OF LOS ANGELES COUNTY ADOPTING POLICIES AND
PROCEDURES FOR PROVIDING PRIORITY SERVICE TO AFFORDABLE
HOUSING PROJECTS
(California Government Code Section 65589.7)**

WHEREAS, the California legislature has declared that the lack of affordable housing is a matter of vital statewide importance; and

WHEREAS, Government Code Section 65589.7 enhances the priority granted to lower-income housing by requiring that public agencies that provide water or sewer services shall adopt written policies and procedures with specific objective standards for providing priority service to housing projects that include lower income units; and

WHEREAS, the Sanitation Districts of Los Angeles County are continually evaluating system requirements and capacity, monitoring planned and proposed project development, and working to ensure there is adequate capacity for future development throughout the Sanitation Districts of Los Angeles County service areas.

NOW, THEREFORE, BE IT RESOLVED, that the following guidelines are hereby adopted by the Board of Directors of County Sanitation District No. 4 of Los Angeles County (“District”) with respect to providing priority service to housing projects that include lower income units:

- (1) The District shall devote its best efforts to plan for and, to a reasonable degree (as determined on a case-by-case basis), prioritize providing sewer connections to residential housing projects that include lower income units as specified in the housing element of a general plan adopted by the legislative body of a county or city within the District’s boundaries;
- (2) Development projects that include lower income housing units shall not be denied approval of an application for service, nor shall conditions be imposed thereon or services reduced which are applied for, unless the District makes specific findings that the denial, condition, or reduction is necessary due to the existence of one or more of the following:
 - a. Insufficient water supply or insufficient water treatment or distribution capacity;
 - b. A State Department of Health Services order prohibiting new water connections;
 - c. Insufficient sewer treatment or collection capacity;
 - d. A Regional Water Quality Control Board order prohibiting new sewer connections; or
 - e. The applicant has failed to agree to reasonable terms and conditions.

- (3) Areas with Available Capacity – In times where the District has available capacity in its wastewater collection, treatment and disposal facilities, the provision of public sewer service to residential housing developments will be on an income-neutral basis.
- (4) Areas with Limitations in Capacity – In times where the District experiences service limitations due to capacity or regulatory constraints, service priority shall be given to planned developments that include housing units affordable to lower income households in accordance with Government Code Section 65589.7 and the limitations set therein.
- (5) Procedure – Whenever housing units affordable to lower income households are identified in a city or county housing element, or amendment thereto, from any city or county within the service area of the District, and a developer where the District is the local sewer agency applies for a connection permit, the District will give highest priority to the provision of services to that development and particularly to the affordable housing units contained therein.
- (6) At least once every five (5) years, the District shall update and approve the provisions of this Resolution by subsequent Resolution.

ADOPTED, SIGNED AND APPROVED this ____ day of _____, 2023.

**COUNTY SANITATION DISTRICT NO. 4
OF LOS ANGELES COUNTY**

By: _____
Chairperson, Board of Directors

ATTEST:

Secretary to the Board



June 2, 2023

Boards of Directors
Los Angeles County Sanitation Districts

Dear Directors:

Wastewater Budget Matters for Fiscal Year 2023-24

The agendas for the upcoming meetings of the Boards of Directors contain items relating to wastewater budget matters for fiscal year 2023-24. These items include establishing the appropriations limit on the proceeds of taxes; adopting the sewerage system final budget; requesting the tax levy; authorizing appropriations per the sewerage system budget; and, for certain Districts, actions related to the previously filed Service Charge Report.

APPROPRIATIONS LIMIT

The Constitution of the State of California places a limit on the authorization to expend the proceeds of taxes levied by state and local governments in California. In addition, the Government Code requires the governing body for each local jurisdiction to establish, by resolution, the appropriations limit for each fiscal year. The appropriations limit for fiscal year 2023-24 has been determined by adjusting the previous limit for fiscal year 2022-23 based upon population change factors for Los Angeles County and the change in the California Personal Per Capita Income. The appropriations limit has also been adjusted to include the increased operation and maintenance and capital costs of treatment processes and facilities needed to comply with state and federal requirements. All of this is in accordance with the procedures outlined in *Article XIII B* of the Constitution and *Section 7910* of the Government Code. The proposed appropriations limit and anticipated tax revenue are enclosed. This information has been available to the public at the Districts' Joint Administration Office in conformance with the requirement that the documentation used in the determination of the appropriations limit be available fifteen (15) days prior to its establishment by the Board of Directors. This item does not apply to the Newhall Ranch Sanitation District (NRSD) since this District does not receive ad valorem taxes.

FINAL BUDGET FOR FISCAL YEAR 2023-24

Enclosed for your review are the proposed final fiscal year 2023-24 budgets for the District and the Joint Outfall System (JOS), if applicable. Budgets include a list of proposed capital projects (if any) along with descriptions of the projects; a list of user fees; information on the monies set aside in various funds/reserves; and an explanation of terms used in the budget. The JOS budget will only be adopted by District No. 2, the administrative District for the JOS. Joint Administration and Joint Outfall costs are allocated to each District according to the ratio of the number of sewage units in a District to the total number of sewage units in all the Districts signatory to each agreement. A sewage unit represents the average daily sewage flow and strength (measured in terms of chemical oxygen demand and suspended solids) from a single-family home. This method of allocating costs considers flow as well as the strength of sewage from all types of users and is the most equitable way to distribute joint costs.

SERVICE CHARGE REPORT

District Nos. 4, 9, 16, 17, and NRSD only will also have an item regarding the Service Charge Report previously filed with the District Clerk. Adoption of the Report is needed for the continued collection of service

charges on the property tax roll for residential, commercial, and small industrial dischargers. This is the most cost-effective and efficient means of collecting the service charges.

Prior to considering adoption of the Report, the Board must hold a public hearing. The date, time, and location of the public hearing will be held as listed on the agenda. Notice of the public hearing was published twice in newspapers of general circulation within the District. Public testimony will be accepted at the hearing and all written comments must be received at or by this time. After all public input has been received by the Board, the public hearing will be closed, and the Board will consider adoption of the Report. A copy of the Service Charge report is attached for Districts considering this action.

SUMMARY OF REQUIRED ACTIONS

At the June Board meetings, it will be recommended that the Boards of Directors adopt a resolution establishing the appropriations limit on the proceeds of taxes; adopt the budget for fiscal year 2023-24; adopt a resolution requesting the tax levy; authorize appropriations in the sewerage system budget; and adopt the Service Charge Report (District Nos. 4, 9, 16, and 17 only), all as shown on the agenda.

Very truly yours,



Robert C. Ferrante

RCF:gc

Enclosures

COUNTY SANITATION DISTRICT NO. 4 SERVICE CHARGE REPORT FOR FISCAL YEAR 2023-24

INTRODUCTION

County Sanitation District No. 4 of Los Angeles County encompasses all or portions of the cities of Beverly Hills, Los Angeles, and West Hollywood.

District No. 4, unlike other Sanitation Districts within the urbanized Los Angeles basin, does not own treatment and disposal facilities. Although District No. 4 owns and operates several large trunk sewers within the District, the District contracts for treatment and disposal services with the City of Los Angeles. These services are essential to protect the public health of the people served by the system.

District No. 4 must provide the revenue required to operate and maintain its facilities and pay its proportionate share of the operation and maintenance and capital costs of the facilities owned by the City of Los Angeles. The general revenue sources currently available to the District include a pro rata share of the ad valorem (property) taxes, service charges, industrial wastewater surcharges, interest income, contract revenue and reserves. Any surplus will be transferred to designated reserves to meet targeted reserve requirements.

PROPOSED SYSTEM DESCRIPTION

The supplemental revenue required under the *Master Service Charge Ordinance of County Sanitation District No. 4 of Los Angeles County* will be allocated among classes of developed parcels of real property on the basis of use of the sewerage system. The revenue derived from the service charge will be used for operation and maintenance and capital costs.

All industrial dischargers in District No. 4 discharging more than 1.0 million gallons per year are required to file a wastewater surcharge statement as prescribed in the *Wastewater Ordinance* to pay their appropriate share of the costs based on their use of the sewerage system. All other users of the sewerage system, except for contractual and local government users, will pay service charges.

The basic term used to define the service charge is a sewage unit. A sewage unit represents the average daily quantity of sewage flow and strength from a single-family home measured in terms of flow, chemical oxygen demand, and suspended solids. The number of sewage units (SU) per unit of measure shall be determined by the following formula:

$$\text{SU} = A \left(\frac{\text{FLOW}_{\text{avg}}}{\text{FLOW}_{\text{sfh}}} \right) + B \left(\frac{\text{COD}_{\text{avg}}}{\text{COD}_{\text{sfh}}} \right) + C \left(\frac{\text{SS}_{\text{avg}}}{\text{SS}_{\text{sfh}}} \right)$$

Where:

- A = The proportion of the total operation and maintenance and capital costs required for conveyance, treatment, and disposal of wastewater for the fiscal year which is attributable to flow;
- B = The proportion of the total operation and maintenance and capital costs required for conveyance, treatment, and disposal of wastewater for the fiscal year which is attributable to COD;
- C = The proportion of the total operation and maintenance and capital costs required for conveyance, treatment, and disposal of wastewater for the fiscal year which is attributable to suspended solids;

**COUNTY SANITATION DISTRICT NO. 4
SERVICE CHARGE REPORT FOR FISCAL YEAR 2023-24**

- FLOW_{sfh} = Average flow of wastewater from a single-family home in gallons per day;
- COD_{sfh} = Average loading of COD in the wastewater from a single-family home in pounds per day;
- SS_{sfh} = Average loading of suspended solids in the wastewater from a single-family home in pounds per day;
- FLOW_{avg} = Estimated flow of wastewater which will enter the sewerage system from a user in gallons per day;
- COD_{avg} = Estimated loading of COD which will enter the sewerage system from a user in pounds per day;
- SS_{avg} = Estimated loading of suspended solids which will enter the sewerage system from a user in pounds per day.

For fiscal year 2023-24, the proportions of the total operation and maintenance and capital costs attributable to flow, chemical oxygen demand, and suspended solids have been assigned the following values:

A	=	0.3049
B	=	0.3348
C	=	0.3603

The service charge for each sewage unit is determined by dividing the total required supplemental revenue by the total number of sewage units in the District. The service charge for each parcel is determined by multiplying the service charge for each sewage unit by the number of sewage units attributable to the parcel, which in turn, is determined by the class of real property and the sewage unit formula and the flow, COD and SS loadings from **Table 1**, which shows the corresponding value for each class of real property in District No. 4.

Based upon presently anticipated sources of funds, the service charge rate for fiscal year 2023-24 is \$150 per sewage unit. Parcels with significantly lower water usage may be eligible for a reduced rate pursuant to the terms of the *Master Service Charge Ordinance of County Sanitation District No. 4 of Los Angeles County*.

DESCRIPTION OF PARCELS RECEIVING SERVICES AND IDENTIFICATION OF AMOUNT OF CHARGE FOR EACH PARCEL

All parcels of real property within the 2023-24 Tax Rate Areas as shown in **Table 2** are receiving or benefiting from the services and facilities of District No. 4. Additionally, the parcels listed in **Table 3**, which do not fall within the Tax Rate Areas shown in **Table 2**, are receiving, or benefiting from the services and facilities of District No. 4. Said parcels are more particularly described in maps prepared in accordance with Section 327, Revenue and Taxation Code, which are on file in the office of the County Assessor, which maps are hereby incorporated herein by reference.

All commercial and institutional parcels assessed a service charge based on the Los Angeles County Assessor's current tax roll shall be charged on the basis of not less than one (1.0) sewage unit.

No charge shall be imposed on the owner or owners of any parcels as to which the fair market value of improvements is less than \$1,000 as determined on the basis of the Assessor's current tax roll. This assumption is predicated on the fact that this type of parcel would be a vacant piece of land; however, should subsequent evaluation reveal that the property is not vacant, then an appropriate service charge would be levied.

**TABLE 1
LOADINGS FOR EACH CLASS OF LAND USE**

<u>DESCRIPTION</u>	<u>UNIT OF MEASURE</u>	<u>FLOW (Gallons per Day)</u>	<u>COD (Pounds per Day)</u>	<u>SUSPENDED SOLIDS (Pounds per Day)</u>
RESIDENTIAL				
Single Family Home	Dwelling Unit	260	1.22	0.59
Condominiums	Dwelling Unit	195	0.92	0.44
Multi-Unit Residential	Dwelling Unit	156	0.73	0.35
Mobile Home Parks	No. of Spaces	156	0.73	0.35
COMMERCIAL				
Hotel/Motel/Rooming House	Room	125	0.54	0.28
Store	1000 ft ²	100	0.43	0.23
Supermarket	1000 ft ²	150	2.00	1.00
Shopping Center	1000 ft ²	325	3.00	1.17
Regional Mall	1000 ft ²	150	2.10	0.77
Office Building	1000 ft ²	200	0.86	0.45
Medical, Dental, Veterinary Clinic or Building	1000 ft ²	300	1.29	0.68
Restaurant	1000 ft ²	1,000	16.68	5.00
Indoor Theatre	1000 ft ²	125	0.54	0.28
Car Wash:				
Tunnel - No Recycling	1000 ft ²	3,700	15.86	8.33
Tunnel - Recycling	1000 ft ²	2,700	11.74	6.16
Wand	1000 ft ²	700	3.00	1.58
Bank, Credit Union	1000 ft ²	100	0.43	0.23
Service Shop, Vehicle Maintenance & Repair Shop	1000 ft ²	100	0.43	0.23
Animal Kennels	1000 ft ²	100	0.43	0.23
Gas Station	1000 ft ²	100	0.43	0.23
Auto Sales	1000 ft ²	100	0.43	0.23
Wholesale Outlet	1000 ft ²	100	0.43	0.23
Nursery/Greenhouse	1000 ft ²	25	0.11	0.06
Manufacturing	1000 ft ²	200	1.86	0.70
Light Manufacturing	1000 ft ²	25	0.23	0.09
Lumber Yard	1000 ft ²	25	0.23	0.09
Warehousing	1000 ft ²	25	0.23	0.09
Open Storage	1000 ft ²	25	0.23	0.09
Drive-in Theatre	1000 ft ²	20	0.09	0.05
Night Club	1000 ft ²	350	1.50	0.79
Bowling/Skating	1000 ft ²	150	1.76	0.55
Club & Lodge Halls	1000 ft ²	125	0.54	0.27
Auditorium, Amusement	1000 ft ²	350	1.50	0.79
Golf Course and Park (Structures and Improvements)	1000 ft ²	100	0.43	0.23
Campground, Marina, Recreational Vehicle Park	Sites, Slips, or Spaces	55	0.34	0.14
Convalescent Home	Bed	125	0.54	0.28
Horse Stables	Stalls	25	0.23	0.09
Laundromat	1000 ft ²	3,825	16.40	8.61

**TABLE 1
LOADINGS FOR EACH CLASS OF LAND USE**

<u>DESCRIPTION</u>	<u>UNIT OF MEASURE</u>	<u>FLOW (Gallons per Day)</u>	<u>COD (Pounds per Day)</u>	<u>SUSPENDED SOLIDS (Pounds per Day)</u>
COMMERCIAL				
Mortuary, Funeral Home	1000 ft ²	100	1.33	0.67
Health Spa, Gymnasium:				
With Showers	1000 ft ²	600	2.58	1.35
Without Showers	1000 ft ²	300	1.29	0.68
Convention Center, Fairground, Racetrack, Sports Stadium/Arena	Average Daily Attendance	10	0.04	0.02
INSTITUTIONAL				
College/University	Student	20	0.09	0.05
Private School	1000 ft ²	200	0.86	0.45
Library, Museum	1000 ft ²	100	0.43	0.23
Post Office (Local)	1000 ft ²	100	0.43	0.23
Post Office (Regional)	1000 ft ²	25	0.23	0.09
Church	1000 ft ²	50	0.21	0.11

TABLE 2
TAX RATE AREAS IN SANITATION DISTRICT NO. 4

000043	000193	000490	000944	001319
001320	001329	001349	001362	001364
002407	002411	002420	009970	012150
013623				

TABLE 3
PARCEL NUMBERS SERVED IN SANITATION DISTRICT NO. 4
OUTSIDE OF TAX RATE AREAS

4240005011	4336007037	5548020061	5555022028	5555022029	5555022030
5555022031					

**County Sanitation District No. 4 of Los Angeles County
Final Operating Fund Budget (\$ in thousands)
Fiscal Year 2023-24**

	Adopted 2022-23 ⁽¹⁾	Proposed 2023-24 ⁽¹⁾
<u>Starting Balance</u>	\$ 3,073	\$ 3,773
 <u>Sources of Funds</u>		
Service Charge	\$ 3,850	\$ 3,789
Industrial Waste Charges	13	15
Total Operating Revenue	3,863	3,804
 Ad Valorem Tax Revenue	 837	 912
Interest	15	94
Total Non-Operating Revenue	852	1,006
 Transfers from Restricted Funds	 2,296	 2,431
Total Transfers In	2,296	2,431
 Total Sources of Funds	\$ 7,011	\$ 7,240
 <u>Use of Funds</u>		
Joint Administration Operations	\$ 9	\$ 13
Sewer System Operations	61	67
Contract Disposal Operations	2,841	3,271
Other Operational Expenditures	6	11
Operations and Maintenance Expense	2,918	3,362
 Joint Administration Capital	 1	 2
Contract Disposal Capital	2,295	2,429
Capital Expense	2,296	2,431
 Transfers to Designated Reserves	 2,442	 2,151
Transfers Out	2,442	2,151
 Total Use of Funds	\$ 7,656	\$ 7,944
 <u>Ending Balance</u>	\$ 2,428	\$ 3,069

(1) The Adopted FY 22-23 Budget is presented as adopted by the Board in 2022. The ending balance reflects the estimate at that time, and therefore will not match the current estimated starting balance for the Proposed FY 23-24 Budget.

**County Sanitation District No. 4 of Los Angeles County
Reserve Funds Proposed Budget (\$ in thousands)
Fiscal Year 2023-24**

	Unrestricted	Designated			Restricted	Total
	Operating	Emergency	O&M Financial Stability	Capital Projects Financial Stability	Capital Improvement	
Starting Balance	\$ 3,773	173	2,971	34,587	6,521	48,024
Operating Revenue	3,804	-	-	-	-	3,804
Non-Operating Revenue	1,006	4	74	865	163	2,112
Capital Revenue	-	-	-	-	174	174
Transfers In	2,431	-	36,582	-	-	39,012
Operations and Maintenance Expense	3,362	-	-	-	-	3,362
Capital Expense	2,431	-	-	-	-	2,431
Transfers Out	2,151	4	-	34,426	2,431	39,012
Ending Balance	<u>3,069</u>	<u>173</u>	<u>39,626</u>	<u>1,026</u>	<u>4,427</u>	<u>48,321</u>

**County Sanitation District No. 4 of Los Angeles County
Wastewater Budget Rate and Other Information Summary
Fiscal Year 2023-24**

	<u>Adopted 2022-23</u>	<u>Proposed 2023-24</u>
<u>Service Charge Rate (\$ per Sewage Unit)</u>	150.00	150.00
<u>Industrial Waste (Surcharge) Rates</u>		
Flow (\$ per MGY)	528.00	528.00
COD (\$ per 1000 lbs)	111.20	111.20
SS (\$ per 1000 lbs)	335.30	335.30
Peak Flow (\$ per gpm)	45.60	45.60
Short Form Rate (\$ per million gallon per year)	2,129.00	2,129.00
<u>Total Connection Fee Rate (\$ per Capacity Unit)</u>	1,710.00	1,710.00
<u>Projected Sewage Units</u>		
Residential/Commercial	25,668	25,262
Industrial Waste	25	79
Contract Out	-25,693	-25,340
Total Served Sewage Units	<u>0</u>	<u>0</u>

Sanitation Districts of Los Angeles County

Wastewater Budget Explanation and Glossary of Terms

Fiscal Year 2023-24

INTRODUCTION

The budget package for each District consists of the following sections:

- **Operating Fund Wastewater Budget:** Details of the sources and uses of funds for the Operating Fund, which is the only Unrestricted Reserve fund as described in the District’s wastewater reserve policy. The budget for the upcoming fiscal year is compared to the final adopted budget for the current fiscal year.
- **Proposed Capital Projects:** Shows major capital projects budgeted expenditures for the fiscal year. If a District has no major capital projects budgeted, this section is omitted.
- **Designated and Restricted Reserve Budget:** Provides beginning and ending balances of each category of reserves along with major inflows to and outflows from that reserve.
- **Rate and Other Information Summary:** Shows current and budgeted rates for the various user fees; summary of projected sewage units; and other metrics.

TERMS USED IN THE BUDGET

Below are explanations of budget line items and other terms used in the budgets. *Note that some terms may not apply for certain Districts.*

Ad Valorem Taxes Revenue	The District’s share of Ad Valorem (property) taxes paid by property owners in the District.
Agricultural and Recycled Water Sales Revenue	Sales of reclaimed water.
Bond Proceeds	Funds received from the issuance of bonds.
Bond Repayment	Interest and principal payments toward bond debt.
Capital Payments by Districts	Payments received by Joint Outfall System Districts to be used toward system’s capital expenditures.
Composting Facility Capital Expenditures	Capital expenditures related to upgrade, repair, or expansion of composting facilities.
Composting Facility Operations and Maintenance Expenditures	Expenditures related to operating and maintaining composting facilities.
Contract Disposal Capital Expenditures	Capital expenditures related to conveyance and treatment of wastewater performed by another entity.

Contract Disposal Operations and Maintenance Expenditures	Expenditures related to the operation and maintenance for conveyance and treatment of wastewater performed by another entity.
Contract Revenue	Commodity and energy revenue; leases; and other similar sources of revenue.
District Sewer System Capital Expenditures	Capital expenditures related to rehabilitation or expansion of the District's sewers and pumping plants.
District's Sewer System Operations Expenditures	Expenditures related to operating and maintaining the District's sewers and pumping plants.
Field Office Capital Expenditures	Capital expenditures related to upgrade, repair, or expansion of field offices.
Grant Revenue	Grant proceeds received, generally state and/or federal grants toward capital projects.
Industrial Waste Revenue	Fees paid by large industrial users of the District's wastewater system.
Interest Revenue	Interest generated by District's Reserves.
Joint Administration Capital Expenditures	The District's share of Joint Capital Expenses minus Joint Capital Revenues.
Joint Administration Operations Expenditures	The District's share of Joint Administration Operating Expenditures less any operational or non-operational Joint Administration Revenues.
Joint Outfall Capital Expenditures	The District's share of the Joint Outfall capital payment.
Joint Outfall Operations Expenditures	The District's share of Joint Outfall System Operating Expenditures less any operational or non-operational Joint Outfall System Revenues.
Loan Proceeds	Funds received from loans taken out to finance capital projects, primarily State Revolving Fund Clean Water Loans.
Loan Repayment	Interest and principal payments toward loans, primarily State Revolving Fund Clean Water Loans.
Operating Fund Ending Balance	Projected balance in the Operating Fund as of June 30 at the end of the fiscal year shown.
Operating Fund Starting Balance	Projected cash balance in the Operating Fund as of July 1 at the beginning of the fiscal year shown.

Operating Payments by Districts	Payments received by Joint Outfall System Districts to be used for system’s net operating expenditures.
Other Capital Expenditures	Capital expenditures not related to District’s sewers, treatment plants, composing facilities, field offices, or contract disposal.
Other Operational Expenditures	The District’s operational expenditures that are not directly related to the District’s facilities, such as insurance, annexations, and certain regulatory work.
Service Charge Revenue	Fees paid by residential, commercial, and small industrial users of the District’s wastewater system. These fees are generally collected on the property tax bill as a separate line item.
Total Served Sewage Units	Total number of Sewage Units (single family home equivalent dischargers) that are served by treatment plants owned by the Districts.
Transfers from Designated Funds	Funds transferred from Designated Funds when projected operating reserve balance is below target; these funds are to be used toward operating expenditures.
Transfers from Districts	Payments received from Joint Outfall System Districts to fund the Joint Outfall reserves per June 1, 2022, Joint Outfall Agreement.
Transfers from Restricted Funds	Funds transferred from Restricted Funds to be used toward capital expenditures.
Transfers to Designated Reserves	Surplus funds at the end of the fiscal year not required for operating or cash-flow purposes that are transferred to designated reserves. Designated reserves are primarily used to help stabilize future rates and to set aside funds for future capital projects.
Transfers to Joint Outfall System	Individual District’s contribution to the Joint Outfall System reserves per June 1, 2022, Joint Outfall Agreement.
Treatment Plant Capital Expenditures	Capital expenditures related to upgrade, repair, or expansion of treatment plants.
Treatment Plant Operations Expenditures	Expenditures related to operating and maintaining treatment plants.

SUMMARY OF 2023-24 APPROPRIATIONS LIMIT FOR EACH SANITATION DISTRICT

DISTRICT NUMBER	2022-23 APPROX. LMT. EXCLUDING MANDATED COSTS	POPULATION CHANGE FACTOR	¹ APPROX. LMT. CHANGE FACTOR	2023-24 APPROX. LMT. EXCLUDING MANDATED COSTS	2023-24 MANDATED COSTS	2023-24 APPROX. LMT. INCLUDING MANDATED COSTS	ESTIMATED AD VALOREM TAX REVENUES	DISTRICT NUMBER
1	\$ 21,508,177	0.9925	1.0366	\$ 22,294,667	\$ 2,356,197	\$ 24,650,864	\$ 4,760,000	1
2	37,012,065	0.9925	1.0366	38,365,485	3,560,414	41,925,899	9,195,000	2
3	26,207,171	0.9949	1.0391	27,232,398	2,944,559	30,176,957	7,107,000	3
4	3,427,067	0.9960	1.0402	3,564,885	-	3,564,885	912,000	4
5	54,415,077	0.9925	1.0366	56,404,873	4,253,252	60,658,125	15,977,000	5
8	10,208,198	0.9932	1.0373	10,588,922	973,272	11,562,194	2,595,000	8
9	1,309,005	0.9925	1.0366	1,356,871	-	1,356,871	130,000	9
14	61,039,763	0.9942	1.0383	63,380,443	13,979,874	77,360,317	2,285,000	14
15	21,602,258	0.9932	1.0373	22,407,081	3,073,779	25,480,860	10,442,000	15
16	15,219,485	0.9947	1.0388	15,810,387	1,833,820	17,644,207	7,564,000	16
17	2,097,999	0.9925	1.0366	2,174,717	241,943	2,416,660	789,000	17
18	16,264,689	0.9925	1.0366	16,859,440	1,954,791	18,814,231	5,503,000	18
19	6,365,940	0.9925	1.0366	6,598,723	646,098	7,244,821	2,013,000	19
20	49,077,840	0.9933	1.0374	50,914,574	13,013,759	63,928,333	1,752,000	20
21	61,977,849	0.9944	1.0386	64,367,402	2,507,412	66,874,814	6,235,000	21
22	14,422,233	1.0001	1.0445	15,063,593	2,086,760	17,150,353	5,730,000	22
23	7,248,681	0.9925	1.0366	7,513,744	54,987	7,568,731	662,000	23
27	1,092,466	0.9925	1.0366	1,132,414	-	1,132,414	477,000	27
28	1,231,929	0.9935	1.0376	1,278,264	79,731	1,357,995	874,000	28
29	1,022,657	0.9925	1.0366	1,060,052	93,478	1,153,530	169,000	29
SBC	28,543,925	0.9925	1.0366	29,587,691	833,055	30,420,746	7,548,000	SBC
SCV	26,223,857	1.0041	1.0486	27,499,173	8,570,272	36,069,445	9,092,000	SCV
34						² N/A		34
NR						² N/A		NR

¹ This column represents the net change resulting from the percent change in population and the percent change in Per Capital Income of 4.44%

² This District is not subject to an appropriations limit as it does not receive any proceeds of taxes.