

Notice and Agenda

REGULAR MEETING — BOARD OF DIRECTORS — COUNTY SANITATION DISTRICT NO. 8

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 CARSON CITY HALL\* Council Chambers 701 East Carson Street Carson, CA 90745

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. The meeting is not required to be broadcast via Zoom, but as a courtesy for public attendance. 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: WEDNESDAY, May 8, 2024, At 1:30 P.M., Governing Body, Director, Alternate. Rows include CARSON, COMPTON, LONG BEACH, LOS ANGELES CITY, LOS ANGELES COUNTY.

- 1. Public Comment
2. Approve Minutes of Regular Meeting Held April 10, 2024
3. Approve February 2024 Expenses in Amount of \$2,613

Summary: Local District expenses represent costs that are the sole responsibility of the individual District. Allocated expenses, which are generally distributed twice per year in conjunction with the receipt of the District's service charge revenue, represent the District's proportionate share of expenses made by the Joint Outfall System pursuant to the Joint Outfall Agreement.

Local District Expenses: Operations & Maintenance \$2,613, Total Expenses \$2,613

- 4. 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 \$17.33 per month (\$208 per year).

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.
Document Requests: Links to supporting documents are available online at the time of posting.



February 9, 2024

Boards of Directors  
Los Angeles County Sanitation Districts

Directors:

**Wastewater Revenue Program for Fiscal Year 2024-25**

The agendas for the upcoming meetings of the Boards of Directors contain an item regarding the District's service charges for residential, commercial, and small industrial dischargers which are collected on the property tax roll.

**Service charge rate ordinances have previously been adopted by the Boards and no changes are being proposed to these ordinances. However, to continue to collect the service charge on the property tax roll the Boards must take certain actions.** Specifically, pursuant to state law, the Boards must: (1) order a Service Charge Report be filed with the District Clerk, (2) establish the date, time, and place for a public hearing on the report; and (3) order the publication of the required notices.

**BUDGET FOR FISCAL YEAR 2024-25**

Enclosed for your review is the preliminary budget for fiscal year 2024-25; 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 funds and reserves were established and funded in accordance with the District's *Wastewater Financial Reserve Policy*. For the Joint Outfall System (JOS) Districts, a preliminary budget for the JOS for fiscal year 2024-25, and information on JOS reserves has also been included to provide more detail on the District's share of Joint Outfall expenses, but will only be adopted by District No. 2, the administrative District for the JOS.

A final budget will be presented to the Board for consideration in June as part of the overall budgetary process, adoption of which will authorize budget appropriations.

**SERVICE CHARGE AND SURCHARGE RATES**

No change to previously-adopted rates is proposed for fiscal year 2024-25. Multi-family residential units will pay 60% of the adopted single-family home rate and condominiums will pay 75% of the adopted single-family home rate. Likewise, commercial and industrial dischargers will pay in proportion to their use of the wastewater management system compared to a single-family home. Dischargers with verified low water usage (particularly seniors and retirees) may qualify for a reduced charge.

LOW WATER REBATE PROGRAM

Because the cost of metering wastewater discharges from individual parcels is impractical and cost prohibitive, discharges are estimated using standard loading factors based on the size and types of facilities located on the parcel. With the ongoing efforts by local communities to conserve water and install low-flow plumbing fixtures, many parcels may be discharging at lower rates than is currently estimated. The Districts' low water rebate program allows parcel owners to apply for a reduction in their service charge rate based on their actual water usage. Staff has conducted a concerted public outreach program, including information on the program in our Proposition 218 notices, newspaper advertisements, and the Districts' website, to ensure that parcel owners are aware of the program.

SUMMARY OF REQUIRED ACTIONS

As previously discussed, the Board must order the filing of a Service Charge Report (enclosed) with the District Clerk. The Boards must also schedule a public hearing and instruct the District Clerk to publish newspaper notices to inform the public of the hearing. After the close of its public hearing, the Boards will consider adoption of the Service Charge Report, as is required under the California Health and Safety Code for the District to continue to collect the previously approved wastewater service charge as a separate line item on the property tax roll. This is the most cost-effective and efficient means of collecting the service charges. It is recommended that the public hearing be set for the date, time and location listed on the agenda.

At the June Board meetings, final budgets will be presented to the Boards of Directors for consideration as part of the overall budgetary process, adoption of which will authorize budget appropriations. In addition, the Boards must take certain administrative actions that are required of all agencies that receive ad valorem taxes. These include establishing by resolution the amount of the tax levy Districts will request from the Los Angeles County Tax Collector and adopting a limit on authorized expenditures of tax proceeds.

Very truly yours,



Robert C. Ferrante

RCF:gc  
Enclosures

# COUNTY SANITATION DISTRICT NO. 8 SERVICE CHARGE REPORT FOR FISCAL YEAR 2024-25

## INTRODUCTION

County Sanitation District No. 8 of Los Angeles County encompasses all or portions of the cities of Carson, Compton, Long Beach, and Los Angeles and unincorporated Los Angeles County.

District No. 8 is one of seventeen (17) contiguous sanitation districts within the urbanized Los Angeles Basin signatory to the Amended Joint Outfall Agreement. These Districts, known as the Joint Outfall Districts, have formed a regional wastewater management system known as the Joint Outfall System. This regional system provides for operation and maintenance of large sewers, pumping plants, inland water reclamation plants, and the Joint Water Pollution Control Plant. These services are essential to protect the public health of the people served by the system.

District No. 8, as a member of the Joint Outfall System, must provide a proportionate share of the revenue required to operate and maintain the facilities. Additionally, District No. 8 is responsible for any costs associated with the local sewers and pumping plants that are owned by District No. 8 and are solely for its benefit. 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, grants, state low-interest loans, 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. 8 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. 8 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;

- FLOW<sub>sfh</sub> = Average flow of wastewater from a single-family home in gallons per day;
- COD<sub>sfh</sub> = Average loading of COD in the wastewater from a single-family home in pounds per day;
- SS<sub>sfh</sub> = Average loading of suspended solids in the wastewater from a single-family home in pounds per day;
- FLOW<sub>avg</sub> = Estimated flow of wastewater which will enter the sewerage system from a user in gallons per day;
- COD<sub>avg</sub> = Estimated loading of COD which will enter the sewerage system from a user in pounds per day;
- SS<sub>avg</sub> = Estimated loading of suspended solids which will enter the sewerage system from a user in pounds per day.

For fiscal year 2024-25, 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. 8.

Based upon presently anticipated sources of funds, the service charge rate for fiscal year 2024-25 is \$213 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. 8 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 2024-25 Tax Rate Areas as shown in Table 2 are receiving or benefiting from the services and facilities of District No. 8. 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**

<b><u>DESCRIPTION</u></b>	<b><u>UNIT OF MEASURE</u></b>	<b><u>FLOW (Gallons per Day)</u></b>	<b><u>COD (Pounds per Day)</u></b>	<b><u>SUSPENDED SOLIDS (Pounds per Day)</u></b>
<b>RESIDENTIAL</b>				
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
<b>COMMERCIAL</b>				
Hotel/Motel/Rooming House	Room	125	0.54	0.28
Store	1000 ft <sup>2</sup>	100	0.43	0.23
Supermarket	1000 ft <sup>2</sup>	150	2.00	1.00
Shopping Center	1000 ft <sup>2</sup>	325	3.00	1.17
Regional Mall	1000 ft <sup>2</sup>	150	2.10	0.77
Office Building	1000 ft <sup>2</sup>	200	0.86	0.45
Medical, Dental, Veterinary Clinic or Building	1000 ft <sup>2</sup>	300	1.29	0.68
Restaurant	1000 ft <sup>2</sup>	1,000	16.68	5.00
Indoor Theatre	1000 ft <sup>2</sup>	125	0.54	0.28
Car Wash:				
Tunnel – No Recycling	1000 ft <sup>2</sup>	3,700	15.86	8.33
Tunnel – Recycling	1000 ft <sup>2</sup>	2,700	11.74	6.16
Wand	1000 ft <sup>2</sup>	700	3.00	1.58
Bank, Credit Union	1000 ft <sup>2</sup>	100	0.43	0.23
Service Shop, Vehicle Maintenance & Repair Shop	1000 ft <sup>2</sup>	100	0.43	0.23
Animal Kennels	1000 ft <sup>2</sup>	100	0.43	0.23
Gas Station	1000 ft <sup>2</sup>	100	0.43	0.23
Auto Sales	1000 ft <sup>2</sup>	100	0.43	0.23
Wholesale Outlet	1000 ft <sup>2</sup>	100	0.43	0.23
Nursery/Greenhouse	1000 ft <sup>2</sup>	25	0.11	0.06
Manufacturing	1000 ft <sup>2</sup>	200	1.86	0.70
Light Manufacturing	1000 ft <sup>2</sup>	25	0.23	0.09
Lumber Yard	1000 ft <sup>2</sup>	25	0.23	0.09
Warehousing	1000 ft <sup>2</sup>	25	0.23	0.09
Open Storage	1000 ft <sup>2</sup>	25	0.23	0.09
Drive-In Theatre	1000 ft <sup>2</sup>	20	0.09	0.05
Night Club	1000 ft <sup>2</sup>	350	1.50	0.79
Bowling/Skating	1000 ft <sup>2</sup>	150	1.76	0.55
Club & Lodge Halls	1000 ft <sup>2</sup>	125	0.54	0.27
Auditorium, Amusement	1000 ft <sup>2</sup>	350	1.50	0.79
Golf Course and Park (Structures and Improvements)	1000 ft <sup>2</sup>	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 <sup>2</sup>	3,825	16.40	8.61

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

**TABLE 2  
TAX RATE AREAS IN SANITATION DISTRICT NO. 8**

000038	000075	000076	000077	000080
000081	000082	000083	000084	000085
000086	000087	000088	000089	000090
000091	000092	000093	000094	000095
000096	000097	000098	000099	000100
000101	000103	000104	000106	000109
000110	000114	000130	000172	000173
000174	000175	000176	000177	000178
000182	000183	000266	000267	000314
000316	000318	000319	000320	000321
000322	000375	000376	000377	000394
000399	000423	000424	000425	000426
000427	000483	000510	000988	000989
000990	000991	000992	000993	000999
001000	001001	001002	001003	001004
001005	001007	001009	001011	001013
001014	001015	001016	001018	001020
001021	001022	001023	001024	001025
001026	001027	001028	001029	001030
001031	001034	001035	001036	001037
001038	001039	001041	001042	001043
001044	001045	001046	001047	001050
001051	001052	001054	001055	001056
001057	001062	001063	001065	001066
001067	001068	001069	001071	001072
001073	001075	001077	001081	001082
001083	001085	001086	001087	001088
001089	001090	001092	001093	001094
001096	001098	001099	001100	001101



001102	001104	001105	001107	001108
001109	001110	001111	001112	001113
001114	001115	001118	001119	001120
001121	001122	001123	001125	001126
001127	001128	001129	001130	001131
001132	001133	001134	001135	001136
001137	001138	001139	001140	001141
001142	001143	001144	001145	001146
001147	001148	001150	001153	001154
001158	001161	001175	001177	001181
001182	001183	001184	001188	001189
001190	001191	001192	001194	001196
001199	001201	001202	001205	001206
001210	001211	001212	001213	001217
001218	001222	001223	001227	001230
001232	001233	001234	001235	001237
001240	001243	001246	001247	001248
001249	001250	001251	001253	001254
001255	001256	001257	001258	001261
001262	001263	001264	001266	001267
001269	001270	001278	001310	001311
001312	001315	001345	001356	001358
001406	001411	001412	001413	001414
001415	001417	001418	001419	001421
001426	001501	001506	001507	001511
001519	001520	001533	001576	001580
001601	001609	001615	001621	001630
001633	001637	001639	001643	001652
001654	001655	001660	001662	001663
001664	001672	001673	001675	001676
001677	001678	001679	001683	001708

001710	001716	001717	001719	001720
001722	001726	001727	001728	001783
001826	001827	002389	002390	002810
002813	002834	002838	002839	002852
002855	002856	002858	002859	002896
002939	002953	002967	002970	002971
002976	002989	003011	003014	003130
003206	003740	003749	003752	003755
003758	003762	003764	003765	003766
003769	003773	003780	003784	003785
003786	003788	003789	003796	003798
003801	003802	003806	003807	003809
003812	003813	003814	003821	003833
003835	003836	003837	003838	003839
003840	003841	003842	003843	003844
003845	003846	003847	003849	003854
003855	003856	004969	004987	005475
005477	005478	005479	005483	005489
005491	005493	005514	005530	005572
005604	005826	005984	005989	005997
005998	005999	006014	006021	006195
006473	006501	006608	006839	007893
007896	007897	007898	009743	009744
010348	010362	010381	010382	010383
010384	010388	010389	010390	010391
010392	010568	010569	011255	011258
011263	011264	011265	011355	011448
011457	011508	011602	011603	011614
011615	011617	011618	011619	011890
011895	011919	011920	011940	011952
011994	011995	011996	012070	012935

013281	013282	013283	013284	013285
013286	013287	013288	013289	013290
013291	013292	013293	013294	013295
013296	013297	013298	013299	013300
013354	013355	013356	013357	013358
013359	013360	013403	013404	013405
013406	013407	013413	013421	013422
013434	013435	013436	013557	013628
013726	013730	013731	013734	013736
013738	013739	013740	013741	013770
013785	013820	013896	013983	013984
013985	013986	014057	014126	014149
014150	014151	014152	014156	014157
014159	014160	014161	014162	014167
014168	014169	014170	014171	014173
014174	014175	014191	014192	014193
014194	014195	014196	014197	014198
014199	014200	014201	014202	014203
014204	014205	014206	014207	014208
014209	014216	014247	014248	014263
014264	014265	014266	014267	014268
014271	014281	014323	014343	014344
014434	014438	014441	014489	014491
014492	014505	014514	014515	014516
014517	014518	014519	014603	014616
014618	014619	014723	014727	014819
014825	014830	014831	014834	014861
014964	014965	014972	014980	014981
014982	014985	014986	014989	014995
015045	015047	015048	015049	015091
015200	015201	015202	015209	015212

015213	015250	015251	015252	015253
015254	015257	015265	015283	015285
015294	015312	015318	015319	015488
015498	015499	015500	015512	015524
015534	015595	015706	015707	015713
015716	015717	015718	015719	015720
015724	015728	015731	015732	015735
015751	015752	015781	015782	015783
015814	015815	015816	015817	015833
015918	016216	016226	016229	016230
016231	016245	016248	016249	016416
016436	016437	016438	016442	016443
016444	016445	016471	016472	016473
016725	016726	016747	016748	016749
016867	016868	016896	016903	016904
016905	016906	016907	016909	016959
017002	017010	017011	017019	017021
017022	017140	017141	017142	017143
017145	017146	017155	017183	017184
017225	017264	017265	017266	017267
017268	017269	017270	017271	017272
017273	017274	017275	017276	017277
017278	017279	017280	017281	017282
017283	017284	017285	017286	017287
017288	017289	017290	017291	017292
017293	017294	017295	017296	017297
017298	017299	017300	017301	017302
017303	017304	017305	017306	017307
017308	017309	017310	017311	017312
017313	017314	017315	017316	017317
017318	017319	017320	017321	

**County Sanitation District No. 8 of Los Angeles County  
Preliminary Operating Fund Budget (\$ in thousands)  
Fiscal Year 2024-25**

	<b>Adopted 2023-24 <sup>(1)</sup></b>	<b>Proposed 2024-25 <sup>(1) (2)</sup></b>
<b><u>Starting Balance</u></b>	<b>\$ 1,354</b>	<b>\$ 4,199</b>
 <b><u>Sources of Funds</u></b>		
Service Charge	\$ 12,562	\$ 12,821
Total Operating Revenue	12,562	12,821
Ad Valorem Tax Revenue	2,595	3,192
Interest	34	64
Total Non-Operating Revenue	2,629	3,257
 <b>Total Sources of Funds</b>	<b>\$ 15,191</b>	<b>\$ 16,078</b>
 <b><u>Use of Funds</u></b>		
Joint Outfall Operations	\$ 11,737	\$ 13,250
Other Operational Expenditures	60	72
Operations and Maintenance Expense	11,798	13,322
Joint Outfall Capital	2,003	861
Capital Expense	2,003	861
Transfers to Joint Outfall System	-	1,626
Transfers Out	-	1,626
 <b>Total Use of Funds</b>	<b>\$ 13,801</b>	<b>\$ 15,809</b>
 <b><u>Ending Balance</u></b>	<b>\$ 2,744</b>	<b>\$ 4,467</b>

(1) The Adopted FY 23-24 Budget is presented as adopted by the Board in 2023. The ending balance reflects the estimate at that time, and therefore may not match the current estimated starting balance for the Proposed FY 24-25 Budget.

(2) District only has operating fund.

**County Sanitation District No. 8 of Los Angeles County  
Wastewater Budget Rate and Other Information Summary  
Fiscal Year 2024-25**

	<u>Adopted 2023-24</u>	<u>Proposed 2024-25</u>
<b><u>Service Charge Rate (\$ per Sewage Unit)</u></b>	208.00	213.00
<b><u>Industrial Waste (Surcharge) Rates</u></b>		
Flow (\$ per MGY)	839.00	865.00
COD (\$ per 1000 lbs)	167.80	173.00
SS (\$ per 1000 lbs)	401.30	413.90
Peak Flow (\$ per gpm)	114.80	118.40
Short Form Rate (\$ per million gallon per year)	3,709.51	3,824.92
Liquid Waste Disposal (\$ per 100 gallon)	5.50	5.70
<b><u>Total Connection Fee Rate (\$ per Capacity Unit)</u></b>	1,778.00	1,783.00
<b><u>Projected Sewage Units</u></b>		
Residential/Commercial	<u>60,393</u>	<u>60,194</u>
Total Served Sewage Units	<b>60,393</b>	<b>60,194</b>

**Joint Outfall System**  
**Preliminary Operating Fund Budget (\$ in thousands)**  
**Fiscal Year 2024-25**

	<b>Adopted 2023-24 <sup>(1)</sup></b>	<b>Proposed 2024-25 <sup>(1)</sup></b>
<b>Starting Balance</b>	<b>\$ 297,791</b>	<b>\$ 397,211</b>
 <b>Sources of Funds</b>		
Industrial Waste Charges	\$ 64,909	\$ 66,982
Operating Payments by Districts	331,563	376,429
Contract Revenue	5,185	5,629
Agricultural and Recycled Water Sales	9,784	10,405
Total Operating Revenue	411,440	459,445
 Interest	 7,636	 9,971
Total Non-Operating Revenue	7,636	9,971
 Loan Proceeds	 141,647	 102,442
Bond Proceeds	145,775	286,000
Capital Payments by Districts	56,585	24,466
Total Capital Revenue	344,007	412,908
 Transfers from Designated Funds	 271,965	 80,117
Transfers from Restricted Funds	166,547	-
Transfers from Districts	7,654	1,626
Total Transfers In	446,167	81,743
 <b>Total Sources of Funds</b>	<b>\$ 1,209,250</b>	<b>\$ 964,068</b>
 <b>Use of Funds</b>		
Joint Administration Operations	\$ 115,111	\$ 120,873
Sewer System Operations	60,931	81,406
Treatment Plant Operations	214,640	237,592
Composting Facility Operations	16,216	16,224
Contract Disposal Operations <sup>(2)</sup>	1,863	-
Other Operational Expenditures	10,317	13,321
Operations and Maintenance Expense	419,077	469,416
 Joint Administration Capital	 16,377	 22,609
Sewer System Capital	158,280	145,437
Treatment Plant Capital	276,090	170,859
Composting Facility Capital	375	-
Field Office Capital	2,150	1,000
Contract Disposal Capital	698	591
Capital Expense	453,969	340,496
 Loan Repayment	 600	 5,859
Bond Repayment	10,733	10,733
Debt Service	11,333	16,592
 <b>Total Use of Funds</b>	<b>\$ 884,379</b>	<b>\$ 826,504</b>
 <b>Ending Balance</b>	<b>\$ 622,662</b>	<b>\$ 534,775</b>

(1) The Adopted FY 23-24 Budget is presented as adopted by the Board in 2023. The ending balance reflects the estimate at that time, and therefore may not match the current estimated starting balance for the Proposed FY 24-25 Budget.

(2) Contract Disposal Operations is included in the Other Operational Expenditures line in the preliminary 2024-25 budget, and will be separated for final budgets.

**Joint Outfall System  
Reserve Funds Proposed Budget (\$ in thousands)  
Fiscal Year 2024-25**

	Unrestricted	Designated			Restricted		Total
	Operating	Emergency	O&M Financial Stability	Capital Projects Financial Stability	Capital Improvement	Closure/ Postclosure Reserves	
Starting Balance	\$ 397,211	13,223	170,735	100	667	474	582,410
Operating Revenue	459,445	-	-	-	-	-	459,445
Non-Operating Revenue	9,971	331	4,268	3	17	12	14,601
Capital Revenue	412,908	-	-	-	8,596	-	421,504
Transfers In	81,743	319	-	-	-	-	82,063
Operations and Maintenance Expense	469,416	-	-	-	-	-	469,416
Capital Expense	340,496	-	-	-	-	-	340,496
Debt Service	16,592	-	-	-	-	-	16,592
Transfers Out	-	-	80,434	3	-	-	80,437
Ending Balance	<u>534,775</u>	<u>13,873</u>	<u>94,570</u>	<u>100</u>	<u>9,279</u>	<u>486</u>	<u>653,082</u>



# Sanitation Districts of Los Angeles County

## Wastewater Budget Explanation and Glossary of Terms

### Fiscal Year 2024-25

#### INTRODUCTION

The budget package for each District consists of the following sections: Note that some sections may not apply for certain Districts.

- **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. Note this section may be omitted from the preliminary budget package or if a District has no major capital projects.
- **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.*

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

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

<b>Operating Payments by Districts</b>	Payments received by Joint Outfall System Districts to be used for Joint Outfall system’s net operating expenditures.
<b>Other Capital Expenditures</b>	Capital expenditures not related to District’s sewers, treatment plants, composing facilities, field offices, or contract disposal.
<b>Other Operational Expenditures</b>	The District’s operational expenditures that are not directly related to the District’s facilities, such as insurance, annexations, and certain regulatory work.
<b>Service Charge Revenue</b>	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.
<b>Total Served Sewage Units</b>	Total number of Sewage Units (single family home equivalent dischargers) that are served by treatment plants owned by the Districts.
<b>Transfers from Designated Funds</b>	Funds transferred from Designated Funds when projected operating reserve balance is below target; these funds are to be used toward operating expenditures.
<b>Transfers from Districts</b>	Payments received from Joint Outfall System Districts to fund the Joint Outfall reserves per June 1, 2022, Joint Outfall Agreement.
<b>Transfers from Restricted Funds</b>	Funds transferred from Restricted Funds to be used toward capital expenditures.
<b>Transfers to Designated Reserves</b>	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.
<b>Transfers to Joint Outfall System</b>	Individual District’s contribution to the Joint Outfall System reserves per June 1, 2022, Joint Outfall Agreement.
<b>Treatment Plant Capital Expenditures</b>	Capital expenditures related to upgrade, repair, or expansion of treatment plants.
<b>Treatment Plant Operations Expenditures</b>	Expenditures related to operating and maintaining treatment plants.