

Notice and Agenda

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

To be held at the OFFICE OF THE DISTRICT
1955 Workman Mill Road, Whittier, California

In response to concerns about the Novel Coronavirus (COVID-19), and in accordance with the Governor’s Executive Order N-29-20, Directors will attend these meetings via teleconference. To join the meeting, 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: www.lacsd.org/aboutus/governance/agenda_and_minutes/default.asp

THE DISTRICT MAY TAKE ACTION ON ANY AGENDA ITEM LISTED BELOW

WEDNESDAY June 9, 2021 At 1:30 P.M.

Governing Body	Director	Alternate
CARSON	DAVIS-HOLMES	DEAR
COMPTON	BROWN	CHAMBERS
LONG BEACH	R. GARCIA	-----
LOS ANGELES CITY	N. MARTINEZ	BUSCAINO (Chairperson)
LOS ANGELES COUNTY	SOLIS	MITCHELL

1. Public Comment
2. Approve Minutes of Regular Meeting Held May 12, 2021
3. Approve March 2021 Expenses in Amount of \$1,629,930.72

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 either the Joint Administration Agreement or the Joint Outfall Agreement. These Agreements provide for the joint administration, technical support and management of the operations, maintenance, and capital costs associated with all of the shared facilities for all of the signatory Districts, along with the methodology for determining the proportionate costs for each District. A listing of Districts’ payments and previously approved budgets can be found on the Districts’ websites at lacsd.org/financial-documents. This item is consistent with the Districts’ Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship.

Local District Expenses:	
Operations & Maintenance (O & M)	\$ 101,916.69
Capital	255,703.19
Allocated Expenses:	
Joint Administration	215,473.63
Technical Support	293,961.71
Joint Outfall	762,875.50
Total Expenses	<u>\$1,629,930.72</u>

4. Accept Contract No. 5274 and Order Final Payment to Spiniello Infrastructure West, Inc., for Construction of *Main Street Trunk Sewer Rehabilitation* (Project); Resulting in Total Contract Amount of \$2,240,010.50

Summary: The Project consisted of rehabilitating approximately 2,871 linear feet of existing 33-inch-diameter clay-tile-lined reinforced concrete pipe with fiberglass pipe liners. The Project also included the rehabilitation of 13 manholes with a protective lining system. The work is located in the City of Carson. One no-cost change order for a time extension was approved for this Project. The Project was previously determined to be exempt from the California Environmental Quality Act by the Board on November 14, 2018.

5. Re: Wastewater Budget Matters for Fiscal Year 2021-22
 - (a) Establish by Resolution Appropriations Limit of \$10,640,062 as Required by California Government Code Section 7910
 - (b) Adopt Operation Budget
 - (c) Adopt Resolution Requesting Tax Levy of \$2,278,000
 - (d) Authorize Appropriations per Budget

5. Contd.

Summary: A letter discussing 2021-22 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.



June 4, 2021

Boards of Directors
Los Angeles County Sanitation Districts

Dear Directors:

Wastewater Budget Matters for Fiscal Year 2021-22

The agendas for the upcoming meetings of the Boards of Directors for most Districts contain items relating to wastewater budget matters for fiscal year (FY) 2021-22. These items include establishing an 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, an appropriations limit for each fiscal year. The appropriations limit for FY 2021-22 has been determined by adjusting the previous limit for FY 2020-21 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 days prior to its establishment by the Board of Directors.

FINAL BUDGET FOR FISCAL YEAR 2021-22

Enclosed for your review are the proposed final fiscal year 2021-22 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 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

Districts 4, 9, and 17 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 FY 2021-22; adopt a resolution requesting the tax levy; authorize appropriations in the sewerage system budget; and adopt the Service Charge Report (certain Districts), all as shown on the agenda.

Very truly yours,



Robert C. Ferrante

RCF:gc

Enclosures

Exhibit 1

SUMMARY OF 2021-22 APPROPRIATIONS LIMIT FOR EACH SANITATION DISTRICT

DISTRICT NUMBER	2020-21 APPRO. LMT. EXCLUDING MANDATED COSTS	POPULATION CHANGE FACTOR	APPRO. LMT.* CHANGE FACTOR	2021-22 APPRO. LMT. EXCLUDING MANDATED COSTS	2021-22 MANDATED COSTS	2021-22 APPRO. LMT. INCLUDING MANDATED COSTS	ESTIMATED AD VALOREM TAX REVENUES	DISTRICT NUMBER
1	\$ 19,204,731	0.9915	1.0483	\$ 20,131,580	\$ 2,219,732	\$ 22,351,312	\$ 4,111,000	1
2	33,019,457	0.9928	1.0497	34,659,907	3,308,977	37,968,884	8,314,000	2
3	23,242,506	0.9912	1.0480	24,358,378	2,467,177	26,825,555	6,329,000	3
4	3,045,496	0.9940	1.0509	3,200,565	-	3,200,565	775,000	4
5	48,591,297	0.9919	1.0487	50,956,938	3,684,997	54,641,935	13,866,000	5
8	9,098,812	0.9930	1.0499	9,553,242	1,086,820	10,640,062	2,278,000	8
9	1,169,324	0.9911	1.0479	1,225,323	-	1,225,323	113,000	9
14	54,166,232	0.9976	1.0548	57,133,053	12,443,534	69,576,587	1,843,000	14
15	19,213,498	0.9953	1.0524	20,219,455	2,751,012	22,970,467	8,989,000	15
16	13,475,457	0.9987	1.0559	14,228,614	1,508,932	15,737,546	6,454,000	16
17	1,874,114	0.9911	1.0479	1,963,865	194,075	2,157,940	694,000	17
18	14,467,671	0.9927	1.0496	15,185,496	1,712,711	16,898,207	5,003,000	18
19	5,675,185	0.9935	1.0504	5,961,377	516,724	6,478,101	1,704,000	19
20	43,707,697	0.9945	1.0515	45,958,888	12,881,483	58,840,371	1,606,000	20
21	55,167,641	0.9911	1.0479	57,809,621	2,115,417	59,925,038	5,108,000	21
22	12,848,423	0.9942	1.0512	13,505,684	1,622,951	15,128,635	5,097,000	22
23	6,463,450	0.9933	1.0502	6,788,019	237,742	7,025,761	514,000	23
27	975,892	0.9911	1.0479	1,022,627	-	1,022,627	417,000	27
28	1,099,696	0.9922	1.0491	1,153,639	60,648	1,214,287	778,000	28
29	911,875	0.9933	1.0502	957,666	77,630	1,035,296	165,000	29
SBC	25,453,182	0.9932	1.0502	26,729,927	693,818	27,423,745	6,487,000	SBC
SCV	23,040,225	0.9995	1.0568	24,347,964	-	24,347,964	8,249,000	SCV
34						N/A**		34
NR						N/A**		NR

* This column represents the net change resulting from the percent change in population and the percent change in Per Capita Income of 5.73%.

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

County Sanitation District No. 8 of Los Angeles County
Operating Fund Final Wastewater Budget (\$000)
Fiscal Year 2021-22

	2020-21	2021-22
<u>Beginning Balance</u>	\$ 21,057	\$ 14,050
<u>Sources of Funds</u>		
Service Charge	\$ 11,204	\$ 11,933
Industrial Waste	8,661	7,700
Total Operating Revenues	19,865	19,633
Ad Valorem Taxes	1,996	2,278
Interest	219	149
Total Non-Operating Revenues	2,215	2,427
Loan Proceeds	1,100	6,600
Total Capital Revenues	1,100	6,600
Transfers from Capital Improvement Funds	734	2,615
Total Transfers In	734	2,615
Total Sources of Funds	\$ 23,914	\$ 31,275
<u>Use of Funds</u>		
Joint Administration Operations	\$ 5,935	\$ 4,888
Joint Outfall Operations	8,657	8,722
District No. 8 Sewer System Operations	967	1,037
Other Operational Expenditures	57	99
Total Operations and Maintenance Expenditures	15,617	14,747
Joint Administration Capital	267	345
District No. 8 Sewer System Capital	9,161	8,870
Total Capital Expenditures	9,428	9,215
Share of Joint Outfall Debt Service	1,288	1,211
Total Debt Service	1,288	1,211
Transfers to Designated Reserves	2,671	3,645
Total Use of Funds	\$ 29,004	\$ 28,818
<u>Ending Balance</u>	\$ 15,967	\$ 16,508

**County Sanitation District No. 8 of Los Angeles County
Local Capital Project Final Wastewater Budget (\$000)
July 1, 2021 through June 30, 2022**

Project	Description	2021-22 Budget	Expected Completion	Total Budget (1)
216th Street Replacement Trunk Sewer Phase 2	Replacement of corroded sewer	\$ 8,000	2022-23	\$ 14,000
Main Street Pumping Plant Facility Upgrades	Upgrades to force main	500	2025-26	20,000
216th Street Relocation Trunk Sewer Rehabilitation	Relocation of corroded sewer	200	2023-24	2,500
Davidson City Pumping Plant VFD Replacement	Replacement of pumping plant's variable frequency drive	170	2021-22	225
District No. 8 Sewer System		\$ 8,870		
Total Capital Projects		\$ 8,870		

(1) Includes past, current, and future amounts

**County Sanitation District No. 8 of Los Angeles County
Reserve Funds Final Budget (\$000)
Fiscal Year 2021-22**

	Unrestricted	Designated			Restricted	Total
	Operating Fund	Emergency Fund	O&M Financial Stability Fund	Capital Project Financial Stability Fund	Capital Improvement Fund	
Beginning Balance	\$ 14,050	\$ 565	\$ 163	\$ 100	\$ 11,866	\$ 26,744
Total Operating Revenues	19,633	-	-	-	-	19,633
Total Non-operating Revenues (1)	2,427	-	-	-	119	2,546
Total Capital Revenues (2)	6,600	-	-	-	59	6,659
Total O&M Expenditures	14,747	-	-	-	-	14,747
Total Capital Expenditures	9,215	-	-	-	-	9,215
Total Debt Service	1,211	-	-	-	-	1,211
Net Transfer to (from) Fund	(1,030)	(51)	3,696	-	(2,615)	-
Ending Balance	\$ 16,508	\$ 514	\$ 3,859	\$ 100	\$ 9,429	\$ 30,409

(1) Total Non-operating Revenues for Designated and Restricted Reserves represent interest revenue restricted to that fund.

(2) Total Capital Revenues for the Capital Improvement Fund are Connection Fees Received.

**County Sanitation District No. 8 of Los Angeles County
Final Wastewater Budget Rate and Other Information Summary
Fiscal Year 2021-22**

	<u>2020-21</u>	<u>2021-22</u>
<u>Service Charge Rate (\$ per Sewage Unit)</u>	198.00	198.00
<u>Industrial Waste (Surcharge) Rates</u>		
Flow (\$ per million gallon per year)	923.00	923.00
COD (\$ per 1000 lb)	163.00	163.00
SS (\$ per 1000 lb)	461.10	461.10
Peak Flow (\$ per gpm)	122.10	122.10
Short Form Rate (\$ per million gallon per year)	3,913.00	3,913.00
Liquid Waste Disposal (\$ per 100 gallon)	6.60	6.60
<u>Connection Fee Rate (\$ per Capacity Unit)</u>	1,555	1,555
<u>Projected Sewage Units</u>		
Residential and Commercial	56,587	60,268
Industrial Waste	36,325	23,468
Total Served Sewage Units	<u>92,911</u>	<u>83,736</u>

**Joint Outfall System
Operating Fund Final Wastewater Budget (\$000)
Fiscal Year 2021-22**

	2020-21	2021-22
<u>Beginning Balance</u>	\$ 40,498	\$ 34,590
<u>Sources of Funds</u>		
Industrial Waste	16,341	\$ 13,609
Contract Revenue	15,437	12,716
Operating Payments by Districts	173,144	194,695
Total Operating Revenues	204,922	221,020
Grants	1,151	1,337
Loan Proceeds	54,156	58,593
Loan Payments by Districts	25,756	27,027
Total Capital Revenues	81,063	86,957
Transfers from Capital Improvement Funds	122,068	187,945
Total Transfers In	122,068	187,945
Total Sources of Funds	\$ 408,053	\$ 495,922
<u>Use of Funds</u>		
Joint Outfall Sewer System Operations	32,526	33,640
Treatment Plant Operations	161,445	170,583
Composting Facilities Operations	9,008	8,800
Other Operational Expenditures	1,943	7,997
Total Operations and Maintenance Expenditures	204,922	221,020
Joint Outfall Sewer System Capital	16,265	13,729
Treatment Plant Capital	159,949	227,253
Composting Facility Capital	860	1,310
Field Office Capital	300	5,582
Total Capital Expenditures	177,375	247,874
Loan Repayment	25,756	27,027
Total Debt Service	25,756	27,027
Total Use of Funds	\$ 408,053	\$ 495,922
<u>Ending Balance</u>	\$ 40,498	\$ 34,590

Joint Outfall System
Capital Project Final Wastewater Budget (\$000)
July 1, 2021 through June 30, 2022

Project	Description	2021-22 Budget	Expected Completion	Total Budget (1)
District 5 Interceptor Sewer Rehabilitation Phase 1	Rehabilitation of corroded sewer	\$ 2,000	2022-23	\$ 3,750
District 21 Interceptor Sewer Rehabilitation Phase 1	Rehabilitation of corroded sewer	1,800	2022-23	6,140
Joint Outfall B Unit 6G Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	1,500	2022-23	6,200
Other Sewer Repair and Rehabilitation Projects	Rehabilitation of corroded sewer	5,547	Various	N/A
Pumping Plant Projects	Pumping plant improvements at various locations	2,883	Various	N/A
Joint Outfall Conveyance System		13,729		
Tunnel and Ocean Outfall Projects	Construction of a third tunnel to convey the effluent from the Joint Water Pollution Control Plant (JWPCP) in Carson to the ocean	110,100	2025-26	804,000
Secondary Treatment Projects	Capital expenses related to repairs and general improvements to the Secondary Treatment Systems at various facilities	30,709	2024-25	61,550
Power Distribution System Improvements	Modernization of the power distribution systems at the various treatment plants to include redundant power feeds to improve the maintainability and reliability of those systems	19,439	2024-25	92,140
Contingency for Treatment Plant Projects	Contingency funding for unplanned capital projects at the various treatment plants	6,641	Various	N/A
Treatment Plant Concrete Protection Projects	Replacement of protective liners at the various treatment plants that have been subjected to significant corrosion	14,000	2024-25	72,500
Solids Handling Projects	Capital expenses related to repairs and general improvements to the Solids Handling Systems at various facilities	1,500	2024-25	40,000
Primary Treatment Projects	Capital expenses related to repairs and general improvements to the Primary Treatment Systems at various facilities	6,509	2024-25	38,750
MWD Advanced Water Treatment Projects	Remediation of contaminated soil on undeveloped land slated for future AWTF project being pursued with MWD and project planning	8,200	2022-23	17,400
Treatment Plant Security Improvements	Improvements to security at various treatment plants	4,334	2023-24	6,550
Process Air Compressor Replacement	Replacement of outdated PACs to improve efficiency and reduce energy costs at various facilities	15,643	2024-25	41,400
Laboratory Improvements	Improvements to various Laboratory facilities	3,042	Various	N/A
Treatment Plant Optimization Analysis	Technical analysis of WRPs to optimize operations	1,350	2022-23	2,600
JWPCP Flare Station Expansion	Replacement of outdated flares and installation of additional flares and necessary electrical upgrades to accommodate additional gas from the Food Waste Receiving Facility	5,180	2022-23	8,300
Filtration Projects	Capital expenses related to repairs and general improvements to the Filter Systems at various facilities	607	2022-23	1,950
Treatment Plants		227,253		
Tulare Lake Composting Projects	Improvements to the Tulare Lake Composting facility	1,310	Various	N/A
Composting Facilities		1,310		
Field Office Improvements	Renovations to Compton Field Office	\$ 5,582	2024-25	\$ 71,092
Field Office		\$ 5,582		
Total Capital Projects		\$247,874		

(1) Includes past, current, and future amounts

**Joint Outfall System
Reserve Funds Final Budget (\$000)
Fiscal Year 2021-22**

	Unrestricted	Restricted		Total
	Operating Fund	Capital Improvement Fund	TLC Corrective Action Fund	
Beginning Balance	\$ 34,590	\$ 295,484	\$ 410	\$ 330,484
Total Operating Revenues	221,020	-	4	221,024
Total Non-operating Revenues (1)	-	2,955	-	2,955
Total Capital Revenues (2)	86,957	5,198	-	92,155
Total O&M Expenditures	221,020	-	-	221,020
Total Capital Expenditures	247,874	-	-	247,874
Total Debt Service	27,027	-	-	27,027
Net Transfer to (from) Fund	187,945	(187,945)	-	-
Ending Balance	<u>\$ 34,590</u>	<u>\$ 115,692</u>	<u>\$ 414</u>	<u>\$ 150,696</u>

(1) Total Non-operating Revenues for Designated and Restricted Reserves represent interest revenue restricted to that fund

(2) Total Capital Revenues for the Capital Improvement Fund are Connection Fees Received.

Sanitation Districts of Los Angeles County
Wastewater Budget Explanation and Glossary of Terms
Fiscal Year 2021-22

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 preliminary 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.

Operating Fund Beginning Balance	Projected cash balance in the Operating Fund as of July 1 at the beginning of the fiscal year shown.
Ad Valorem Taxes Revenue	The District’s share of Ad Valorem (property) taxes paid by property owners in the District.
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.
Industrial Waste Revenue	Fees paid by large industrial users of the District’s wastewater system.
Contract Revenue	Sales of reclaimed water; commodity and energy revenue; leases; and other similar sources of revenue.
Interest Revenue	Interest generated by District’s Unrestricted and Designated Reserves.
Grant Revenue	Grant proceeds received, generally state and/or federal grants toward capital projects.

Loan Proceeds	Funds received from loans taken out to finance capital projects, primarily State Revolving Fund Clean Water Loans.
Transfers from Capital Improvement Funds	Funds transferred from Capital Improvement Funds to be used toward capital expenditures.
Joint Administration Operations Expenditures	The District's share of Joint Administration Operating Expenditures less any operational or non-operational Joint Administration Revenues
Joint Outfall Operations Expenditures	The District's share of Joint Outfall System Operating Expenditures less any operational or non-operational Joint Outfall System Revenues
District's Sewer System Operations Expenditures	Expenditures related to operating and maintaining the District's sewers and pumping plants.
Treatment Plant Operations Expenditures	Expenditures related to operating and maintaining treatment plants.
Composting Facility Operations and Maintenance Expenditures	Expenditures related to operating and maintaining composting facilities.
Contract Disposal Operations and Maintenance Expenditures	Expenditures related to the operation and maintenance for conveyance and treatment of wastewater performed by another entity.
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.
Joint Administration Capital Expenditures	The District's share of Joint Capital Expenses minus Joint Capital Revenues.
District Sewer System Capital Expenditures	Capital expenditures related to rehabilitation or expansion of the District's sewers and pumping plants.
Treatment Plant Capital Expenditures	Capital expenditures related to upgrade, repair or expansion of treatment plants.
Composting Facility Capital Expenditures	Capital expenditures related to upgrade, repair or expansion of composting facilities.
Field Office Capital Expenditures	Capital expenditures related to upgrade, repair or expansion of field offices.
Contract Disposal Capital Expenditures	Capital expenditures related to conveyance and treatment of wastewater performed by another entity.

Loan Repayment	Interest and principal payments toward loans, primarily State Revolving Fund Clean Water Loans.
Bond Repayment	Interest and principal payments toward bond debt.
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.
Operating Fund Ending Balance	Projected balance in the Operating Fund as of June 30 at the end of the fiscal year shown.