



Collection of FY23/24 Sewer Service Charges on County Tax Roll

Special Board of Directors Meeting
May 23, 2023



FY23/24 Operating Budget, 5-Year CIP Overview



Operating Budget

Proposed FY23/24 Operating Budget = \$32.3M

- **+\$0.6M** increase (+2.0%) relative to FY22/23 (\$31.7M)
 - WW Operating Budget (funded by SSCs) = \$25.8M (equal to FY22/23 budget)
- **Significant positive financial outcome** given ongoing labor, chemicals, biosolids management, utilities, and outside services cost increase pressures

5-Year CIP

Proposed 5-Year CIP = \$138.7M

- **+\$2.8M** increase relative to current CIP (\$135.8M)
 - Required FY23/24 CIP Budget Appropriation = **\$11.8M**
 - Estimated FY23/24 Carryover Expenditures = \$4.6M
 - Estimated FY23/24 CIP Expenditures = **\$16.4M**

FY23/24 Sewer Service Charges

Fiscal Responsibility

Manage financial resources effectively to meet funding needs and maintain fair and reasonable rates

- Staff confirmed that no SSC increase is necessary for FY23/24 (i.e., maintain SSCs at same level as FY22/23)
 - Rates set by Ordinance No. 122 adopted on June 22, 2022, and remain in effect until changed by future Board action
 - May recommend Board consideration a multi-year rate setting process next year
- Public hearing is required for Board to consider adopting resolution to collect FY23/24 SSCs on County tax roll
 - Written Report identifying parcels and associated SSC rate will be on file with Secretary to the Board
 - Notice of public hearing will be published twice in advance of Board Meeting on June 14, 2023

Recommendations

- Set Public Hearing for June 14, 2023, at 5:30 pm to consider adopting a resolution authorizing collection of FY23/24 SSCs on the County tax roll
- Direct the Secretary to cause notice of the filing of a Written Report and Publish Hearing to be published in accordance with Health and Safety Code Section 5473.1, and other applicable laws

Next Steps

- Staff to request approval of FY23/24 SSC collection on tax roll and FY23/24 Budget at Board Meeting on June 14, 2023