

South Placer Municipal Utility District

Operating and Capital Budget
For the Fiscal Year Ending June 30, 2025



SOUTH PLACER MUNICIPAL UTILITY DISTRICT

FINAL ANNUAL BUDGET

FISCAL YEAR 2024/2025

PROTECT public health and the water environment.

PROVIDE efficient and effective sanitary sewer service.

PREPARE for the future.

PREPARED BY THE ADMINISTRATIVE SERVICES DEPARTMENT

HERB NIEDERBERGER, GENERAL MANAGER

EMILIE COSTAN, ADMINISTRATIVE SERVICES MANAGER

TABLE OF CONTENTS

TABLE OF CONTENTS	I
BUDGET MESSAGE	1
REPORT ORGANIZATION	1
GOVERNMENT FINANCE OFFICERS ASSOCIATION DISTINGUISHED BUDGET PRESENTATION AWARD	2
KEY ACCOMPLISHMENTS	3
DISTRICT OVERVIEW	5
Figure 1 – District Boundaries	6
TABLE 1 – DISTRICT STATISTICS	7
BOARD OF DIRECTORS	8
DEPARTMENTS	9
Figure 2 – Organizational Chart	10
PERFORMANCE MEASURES	11
STRATEGIC PLAN PRIORITIES, WORK PLAN, AND ACTIONS STEPS	11
BUDGET PROCESS	13
TABLE 2 – BUDGET TIMELINE	13
BUDGET OVERVIEW	14
RATE STUDIES/LONG-TERM FINANCIAL PLANS	14
BUDGETARY CONTROLS	15
DISTRICT RESERVE POLICY – DISTRICT POLICY #3130	15
Operations and Maintenance Reserve	15
Emergency Reserves	16
OTHER FINANCIAL POLICIES	16
Budget Preparation – District Policy #3105	16
Fixed Asset Capitalization and Accounting Control – District Policy # 3115	16
Recordation of Assets for Depreciation Purposes – District Policy #3251	16
Investment Policy – District Policy #3120	17
Funding of CalPERS Other Post-Employment Benefits (OPEB) – District Policy #2575	17
Funding of CalPERS Unfunded Accrued Liability (UAL) – District Policy #2576	17
Purchasing Policy– District Policy #3150	17
Check Processing – District Policy #3140	18
ACCOUNTING SYSTEM AND CONTROLS	18
BUDGET SUMMARY	19
OPERATING REVENUES	19
Figure 3 – Operating Fund Revenues Chart	19
NON-OPERATING REVENUES	20
Figure 4 – Operating Revenues by Fund Chart	20
OPERATING EXPENSES	21
Figure 5 – Operating Fund Expenditures Chart	21
TABLE 3 – FISCAL YEAR 2024/25 OPERATING REVENUE & EXPENDITURE SUMMARY	22
CAPITAL EXPENSES	23

Figure 6 – Capital Expenditures By Fund Chart	23
REVENUE BUDGET	25
OPERATING REVENUES	25
NON-OPERATING REVENUES	25
TOTAL REVENUES	26
TABLE 4 – FISCAL YEAR 2024/25 REVENUE BUDGET	26
OPERATIONS EXPENSE BUDGET	27
SALARY & BENEFITS	27
TABLE 5 – FISCAL YEAR 2024/25 PERSONNEL CLASSIFICATIONS	28
Figure 7 – Positions by Department	29
Figure 8 – Salaries by Department	29
TABLE 6A – FISCAL YEAR 2024/25 SALARY SCHEDULE JULY	30
TABLE 6B – FISCAL YEAR 2024/25 SALARY SCHEDULE JANUARY	31
SERVICES AND SUPPLIES	32
OPERATIONS & MAINTENANCE INCLUDING REGIONAL WASTEWATER TREATMENT	33
TABLE 7 – REGIONAL WASTEWATER TREATMENT FLOWS & EXPENSES	34
TABLE 8 – FISCAL YEAR 2024/25 OPERATING EXPENSE BUDGET	35
DEPARTMENT SCHEDULES	36
ADMINISTRATIVE SERVICES DEPARTMENT	36
Administrative Services Department Goals	36
Proposed Budget and Position Changes	37
Administrative Services Department Expense Summary	37
Administrative Service Department Performance Measures	38
FIELD SERVICES DEPARTMENT	39
Field Services Department Goals	39
Proposed Budget and Position Changes	40
Field Services Department Expense Summary	40
Field Service Department Performance Measures	41
TECHNICAL SERVICES DEPARTMENT	42
Technical Services Department Goals	42
Proposed Budget and Position Changes	43
Technical Services Expense Summary	43
Technical Service Department Performance Measures	44
TABLE 9 - FISCAL YEAR 2024/25 LOCAL OPERATING EXPENSES BY DEPARTMENT	45
CAPITAL OUTLAY BUDGET	46
Operating Fund Capital Outlay Summary \$1,661,000	46
Capital Improvement & Expansion Outlay Summary \$10,484,000	46
Capital Replacement & Rehabilitation Outlay Summary \$7,606,000	47
TABLE 10 – FISCAL YEAR 2024/25 PROGRAMMED CAPITAL OUTLAY SUMMARY	47
TABLE 11 – FISCAL YEAR 2024/25 PROGRAMMED CAPITAL OUTLAY DETAIL	47
OPERATING FUND CAPITAL OUTLAY DETAILS \$1,661,000	48
CAPITAL IMPROVEMENT & EXPANSION CAPITAL DETAILS \$10,484,000	49
REPLACEMENT & REHABILITATION CAPITAL OUTLAY DETAILS \$7,606,000	49
FUND BALANCES, DEBT, AND RESERVES	52
DEBT	52

CASH AND INVESTMENT BALANCES	52
TABLE 12 – FUND BALANCE BREAKDOWN	52
Figure 9 – Allocation by Fund as of March 31, 2024	53
TABLE 13 INVESTMENT ACCOUNT BALANCES AS OF MARCH 31, 2024	53
TABLE 14 – FUND BALANCE SOURCES AND USES	54
COMPLIANCE WITH DISTRICT RESERVE POLICY 3130	55
TABLE 15 – OPERATING FUND RESERVE REQUIREMENTS	55
REGIONAL WASTEWATER TREATMENT PLANT	56
LONG RANGE PLANNING & PROJECTIONS	57
TABLE 16 – FIVE YEAR REVENUE PROJECTIONS	59
TABLE 17 – FIVE YEAR OPERATING FUND PROJECTIONS	60
TABLE 18 – FIVE YEAR CAPITAL EXPENSE PROJECTIONS	61
TABLE 19 – FIVE YEAR NET POSITION PROJECTIONS	62
STATISTICAL AND SUPPLEMENTAL INFORMATION	63
TABLE S1 – EQUIVALENT DWELLING UNITS	63
Figure S1 – Historical Growth	63
TABLE S2 – RATES & PARTICIPATION FEES	65
Figure S2 - Monthly Sewer Rate Comparison for Placer County (Collection & Treatment)	65
TABLE S3 – DISTRICT HISTORICAL BENCHMARKS	66
TABLE S4 – DISTRICT HISTORICAL STATISTICS	67
TABLE S5 – CONNECTION FEE REPORT	68
TABLE S6 – TEN LARGEST CUSTOMERS	69
TABLE S7 – PLACER COUNTY DEMOGRAPHIC & ECONOMICAL STATISTICS	70
TABLE S8 – TEN LARGEST EMPLOYERS IN PLACER COUNTY	71
TABLE S9 – TEN LARGEST TAXPAYERS IN PLACER COUNTY	72
SUMMARY	73
ACRONYMS & ABBREVIATIONS	74
GLOSSARY	78

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

Vision Mission & Values

VISION

Our Vision is to be a reliable, innovative, sustainable, efficient, and cost-effective sewer service provider.

MISSION

We are a customer-owned Utility dedicated to:

PROTECT public health and the water environment

PROVIDE efficient and effective sanitary sewer service

PREPARE for the future

VALUES

Our Core Values are:

INTEGRITY:

We will be trustworthy, truthful, and honest

STEWARDSHIP:

We will be accountable and committed to responsible management and respect our environment

SERVICE:

We will be responsive, reliable, and respectful; putting the needs of the District and customers first

QUALITY:

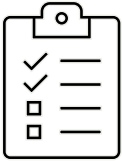
We will be dedicated to continuous improvement

SOUTH PLACER MUNICIPAL UTILITY DISTRICT STRATEGIC PRIORITIES



PROVIDE EXCEPTIONAL VALUE FOR THE COST OF SEWER SERVICE

- ✓ **Maintain Low Service Charges while Meeting Established Service Levels**
- ✓ **Use Investment Vehicles with the Best Return**
- ✓ **Become more Involved with the Determination of South Placer Wastewater Authority (SPWA) Treatment Costs**



MAINTAIN AN EXCELLENT REGULATORY COMPLIANCE RECORD

- ✓ **Reduce Sanitary Sewer Overflows**
- ✓ **Comply with Statewide Sanitary Sewer Systems General Order Reissuance**



PREPARE FOR THE FUTURE AND FORESEEABLE EMERGENCIES

- ✓ **Pay Down Unfunded Actuarial Liability (UAL)**
- ✓ **Prepare Written Contingency Plans for Emergencies**



MAKE THE DISTRICT A GREAT PLACE TO WORK

- ✓ **Employee Recognition**
- ✓ **Team Building Events**



LEVERAGE EXISTING AND APPLICABLE TECHNOLOGIES TO IMPROVE EFFICIENCIES

- ✓ **Tactical Asset Management Plan (TAMP)**
- ✓ **Update Supervisory Control & Data Acquisition (SCADA)**
- ✓ **Reduce Reliance on Energy**

BUDGET MESSAGE

To the Honorable Board of Directors and Customers of the South Placer Municipal Utility District

The South Placer Municipal Utility District (District) staff is pleased to present the operating budget and supplemental information for the Fiscal Year beginning July 1, 2024, and ending June 30, 2025. Each year staff makes careful consideration in its budget development to ensure the District's mission, strategic goals, and commitments are being financially supported.

The District prepares the budget after carefully setting sewer rates and charges to address the many challenges facing the sewer industry which include a more stringent regulatory environment, continued inflationary pressures, and aging infrastructure. The District's budget priorities align with the strategic plan priorities, work plans, and action steps and include maintaining a low sewer service rate, preventing sanitary sewer overflows, continuing an excellent compliance record, extending the useful life of District assets, and ensuring assets are replaced when needed at the best value to customers of the District. The budget's primary use is as a financial planning tool to accomplish the District's strategic goals. This budget incorporates the District's Five-Year Cost of Service Study and Capacity Charge Study adopted on June 1, 2023.

REPORT ORGANIZATION

This Annual Budget is intended to provide the Board with an overview of the District's fiscal plan of action, including revenue and expense details for the upcoming Fiscal Year 2024/25. This report is organized into a General Manager's budget message, District overview, budget overview, budget summary, revenue budget, expense budget, department schedules, capital outlay budget, fund balances, debt, and reserves, regional wastewater treatment plants and rate stabilization reserves, long range planning and projections, and statistical and supplemental information.

The total adopted budget for Fiscal Year 2024/25 is \$41.06 million.

The District's Board of Directors and staff members are proud to serve the City of Rocklin, the Town of Loomis, and the unincorporated communities of Penryn, Newcastle, and the Rogersdale area of Granite Bay. The District is a recognized leader in local government and demonstrates continued excellence in governance, transparency, operations, finance, and strategic planning. The adoption of this budget confirms the District's commitment to preventing sanitary sewer overflows and maintaining and improving facilities, services, and infrastructure in a fiscally responsible manner. The budget is a management tool and is not a legal document.

**GOVERNMENT FINANCE OFFICERS ASSOCIATION
DISTINGUISHED BUDGET PRESENTATION AWARD**



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**South Placer Municipal Utility District, CA
California**

For the Fiscal Year Beginning

July 01, 2023

Christopher P. Morill

Executive Director

KEY ACCOMPLISHMENTS

The District strives to be a reliable, innovative, sustainable, efficient, and cost-effective sewer service provider. To that end, the District had the following key accomplishments in Fiscal Year 2023/24:

- ✓ Received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association.
- ✓ Received the Distinguished Budget Award from the Government Finance Officers Association.
- ✓ Obtained new staff certifications for Senior Human Resource Professional from the Society for Human Resource Management (SHRM) and Certified Special District Manager from the California Special Districts Association (CSDA).
- ✓ Invested in Fixed-Income-Securities to reduce interest rate risk and provide stable long-term returns on a portion of the District’s reserve funds.
- ✓ Added new Standard Operating Procedures to ensure uniformity and continuity of District services.
- ✓ Completed the Building Addition and Tenant Improvement Project which included significant staff involvement in project management and IT networking.
- ✓ Oversaw the replacement of twelve new grease control devices at existing food service establishments throughout the District to comply with the District’s updated Fats, Oils, and Grease (FOG) Control Program.
- ✓ Hosted representatives from the City of Palo Alto and the City of Roseville to educate on the implementation of the District’s FOG Control Program. Served as a resource for the City of San Luis Obispo’s FOG Control Program.
- ✓ Completed the design of the Taylor Road Crossing Project, the Jack in the Box Sewer Line Replacement Project, and the Del Rio Court and Delmar Sewer Trunk Extension Project.
- ✓ Completed the preliminary engineering and environment analysis for the feasibility of the Johnson Springview Creek Crossing.
- ✓ Initiated preliminary engineering and environmental review for two capital projects (Cameo Court Trunk and Lift Station Abandonment and Sierra College Trunk and Lift Station Abandonment) that would eliminate two lift station facilities.

- ✓ Coordinated with Placer County Water Agency (PCWA) to replace two difficult-to-access damaged sewer laterals during a waterline replacement project.
- ✓ Initiated the Municipal Services Review and Sphere of Influence Study in coordination with Placer County Local Agency Formation Commission (LAFCO).
- ✓ Initiated updates to the District's Standard Specifications and Improvement Standards for Sanitary Sewer to align with Sewer Code updates and to Chapter 4 – Wastewater Pump Stations.
- ✓ Continued implementation of the industrial source control program in cooperation with the City of Roseville.
- ✓ Completed a brewery study in collaboration with the City of Roseville and initiated source control measures to mitigate impacts to the District's collection system.
- ✓ Initiated the State of California application for the consolidation of the Castle City Mobile Home Park in Newcastle.
- ✓ Initiated new outreach measures including a comic book and postcard along with joint outreach opportunities with PCWA. In addition, the District participated in multiple community outreach events.
- ✓ Continued cross training, collaboration, outreach, and coordination efforts with partner agencies and stakeholders, including the City of Rocklin, the Town of Loomis, Placer County, and PCWA.
- ✓ Completed the first annual report on the 2023/2027 District Strategic Plan.
- ✓ Substantially completed the design of the replacement Supervisory Control and Data Acquisition (SCADA) system.
- ✓ Chemically treated 33,659 feet of mainline to slow root growth and lessen the chance of blockages in the sewer system.
- ✓ Inspected over 1,550 sewer mainlines with closed caption television (CCTV).
- ✓ Created a new Workplace Violence Prevention Plan to comply with California Labor Code §6401.9.

DISTRICT OVERVIEW

The District, originally called the Rocklin-Loomis Municipal Utility District, was created in 1956 to provide sanitary sewer service to Rocklin and Loomis. While the service area has expanded, this remains the District’s core service. The District service area is divided into five wards and is governed by an elected five-member Board of Directors who establish policy and oversee the General Manager. The General Manager is responsible for managing the day-to-day operations of the District. In the 1970s, the District decommissioned its sewage treatment facilities and began using the City of Roseville Dry Creek Wastewater Treatment Plant.

In the 1980s, the name of the District was changed to the South Placer Municipal Utility District (District) to reflect its expanding service area. In 2000, the District, the City of Roseville, and Placer County created the South Placer Wastewater Authority (SPWA) under a Joint Powers Agreement to finance the construction of a second wastewater treatment plant, the Pleasant Grove Wastewater Treatment Plant.

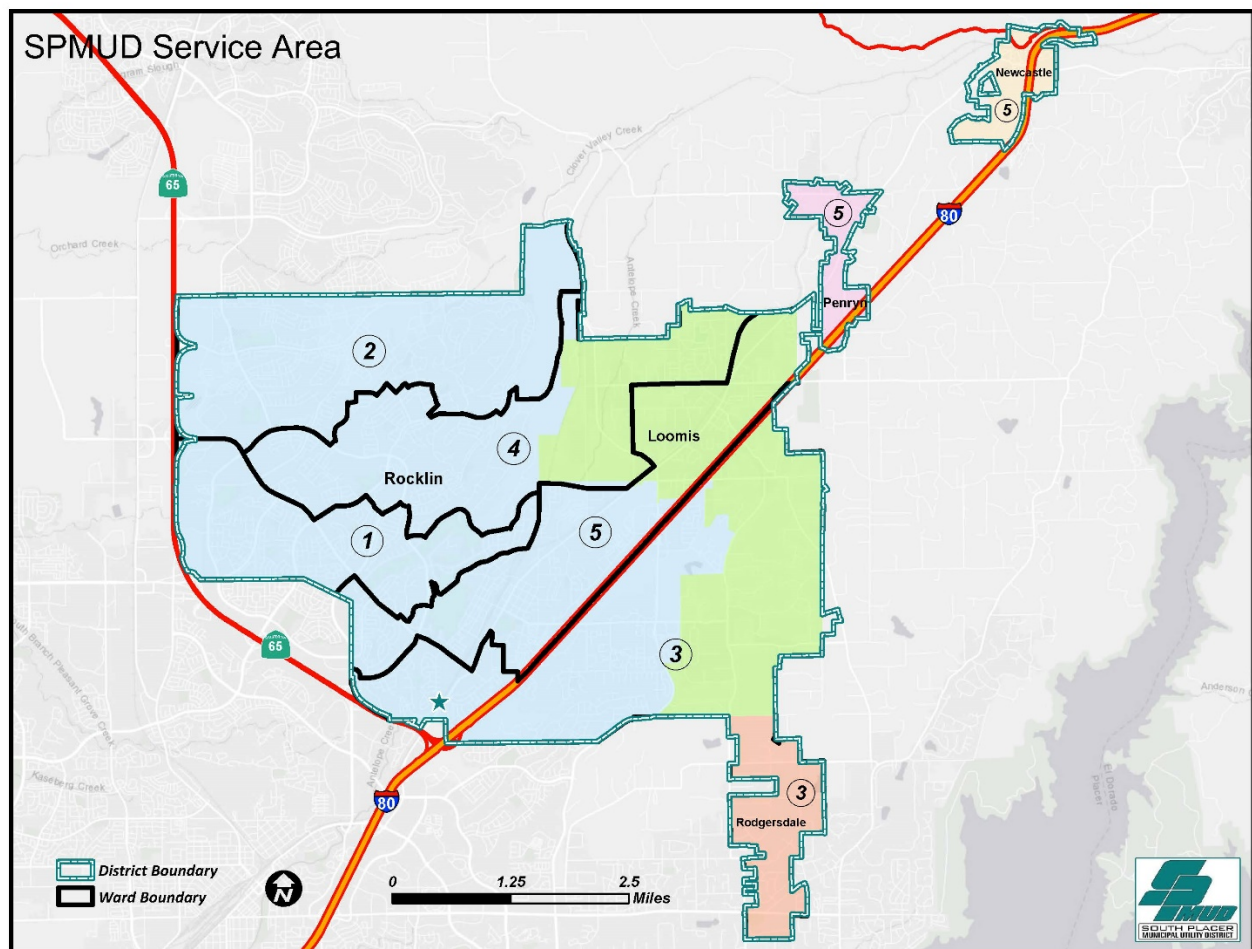
In 2010, the District annexed the Newcastle Sanitary District (NSD) area. The District currently provides sewer collection services in southwestern Placer County, California, and currently serves residents and businesses in the City of Rocklin, the Town of Loomis, and the unincorporated communities of Penryn, Newcastle, and the Rogersdale area of Granite Bay. Sewage is collected by the District and conveyed to the two regional wastewater treatment plants, Dry Creek and Pleasant Grove, which are operated by the City of Roseville.

In March 2022, the District adopted Ordinance 22-01. This Ordinance transitioned the District from at-large/from-district elections to by-district/from-district elections requiring that each director shall reside in a particular ward and be elected by only those voters residing within that same ward. The Ordinance also established new ward boundaries in accordance with the California Elections Code Section 21500(c) giving due consideration to topography, geography, cohesiveness, contiguity, integrity, compactness of territory, communities of interest, and balance of the population.

The District adopts a five-year Strategic Plan. The purpose of the Strategic Plan is to describe and reaffirm the mission, vision, and core values of the District. It also outlines strategic priorities and combines those with work plans to direct the work of the District departments to implement the priorities. These strategic priorities reflect the direction, insights, and expertise of the District Board of Directors and District staff. An annual progress report is presented to the Board of Directors. In September 2023, the District

adopted the 2023-2027 Strategic Plan. Prior to adoption, a public workshop was held to solicit feedback from constituents. This Strategic Plan presents performance measures using the Effective Utility Management framework to provide a mechanism for reporting progress, identifying, and making course corrections, and ensuring accountability. In October 2023, the District presented the first Strategic Plan Annual Report to the Board of Directors. The 2023-2027 Strategic Plan and Annual Report are available on the District website at <https://spmud.ca.gov/strategic-plan>.

FIGURE 1 – DISTRICT BOUNDARIES



The South Placer Municipal Utility District service area covers thirty-one square miles as shown in Table 1 and includes all of the incorporated limits of the City of Rocklin and Town of Loomis, plus portions of southern Placer County around the unincorporated communities of Penryn, Newcastle, and the Rodgersdale area of Granite Bay. Rocklin makes up 88%, Loomis is 9%, and 3% is in unincorporated Placer County. The District serves a population of approximately 86,976 people with 26,433 connections to the

District’s collection system. This equates to 36,840 Equivalent Dwelling Units (EDU) (80% residential and 20% commercial) with an average dry weather sewer flow of about 4.5 million gallons per day. The District collects the sewage and transports this via 292 miles of District-owned and operated sewer mains (from 4” to 42” diameter). The District maintains an additional 123 miles of lower laterals within our easement or public right-of-way. Other assets include our Headquarters, Maintenance, and Corporation Yard facilities, 6,915 manholes/flushing branches, 15 lift stations, 12 metering sites, and related buildings, facilities, and equipment.

TABLE 1 – DISTRICT STATISTICS

STATISTICS	UNIT	TOTAL
SERVICE AREA	Square Miles	31
ESTIMATED POPULATION	Each	86,976
EQUIVALENT DWELLING UNITS	EDU	36,840
CUSTOMERS CONNECTED	Each	26,433
ANNUAL FLOW TO WWTP	Million Gallons	1,878
SEWER MAINS	Miles	292
LOWER LATERALS	Miles	123
MANHOLES/FLUSHING BRANCHES	Each	6,915
LIFT STATIONS	Each	15
FORCE MAINS	Miles	7
FLOW RECORDER STATIONS	Each	12
EASEMENTS	Miles	69
CREEK CROSSINGS	Each	80

The District’s monthly service charge is a fixed amount that is billed quarterly in arrears. Bills are due two months after the billing date. Quarterly bills not paid by the due date are assessed a late fee. The monthly service charge for Fiscal Year 2023/24 was \$37.44 per equivalent dwelling unit (EDU). The monthly late fee was \$2.50 per EDU, and the Local Sewer Capacity Charge to “connect” a home or business to the sewer system was \$4,915 per EDU. The monthly service charge for Fiscal Year 2024/25 will adjust to \$38.94 per EDU, the monthly late fee will remain \$2.50 per EDU, and the Local Sewer Capacity Charge will adjust to \$4,926 per EDU.

BOARD OF DIRECTORS

Gerald Mitchell **WARD 1:** West Central area of the City of Rocklin lying East of Highway 65; including the Blue Oaks Town Center, the Sunset Whitney Recreation Area, the West Oaks, portions of Stanford Ranch, Fairway Heights (north of Sunset), Parker Whitney, and Mission Hills neighborhoods.

William Dickinson **WARD 2:** Northwest area of the City of Rocklin, East of Highway 65, directly South of the Town of Lincoln; including William Jessup University, Whitney High School, Whitney Ranch, and portions of the Whitney Oaks neighborhoods.

Christy Jewell **WARD 3:** Southeast area of the City of Rocklin, South area of the Town of Loomis (east of I-80), and the Rodgersdale area of Granite Bay; including Sierra College, the Crossings Shopping Center, Southside Ranch, Sierra de Montserrat, and the Woodside neighborhoods.

James Durfee **WARD 4:** Central area of the City of Rocklin and a portion of the Western area of the Town of Loomis; including Rocklin High School, Twin Oaks Park, Sunrise Loomis Park, Clover Valley, and portions of the Stanford Ranch neighborhoods.

James Williams **WARD 5:** Central area of the City of Rocklin, Central area of the Town of Loomis, the community of Penryn, and the community of Newcastle along the Interstate 80 corridor; including the downtown areas of Rocklin and Loomis, the Quarry District, Johnson-Springview Park, Del Oro High School, Fairway Heights (south of Sunset), Yankee Hill, and Lemos Ranch neighborhoods.

MANAGEMENT

- Herb Niederberger General Manager
- Emilie Costan Administrative Services Manager and Board Secretary
- Eric Nielsen Superintendent
- Carie Huff District Engineer

DEPARTMENTS

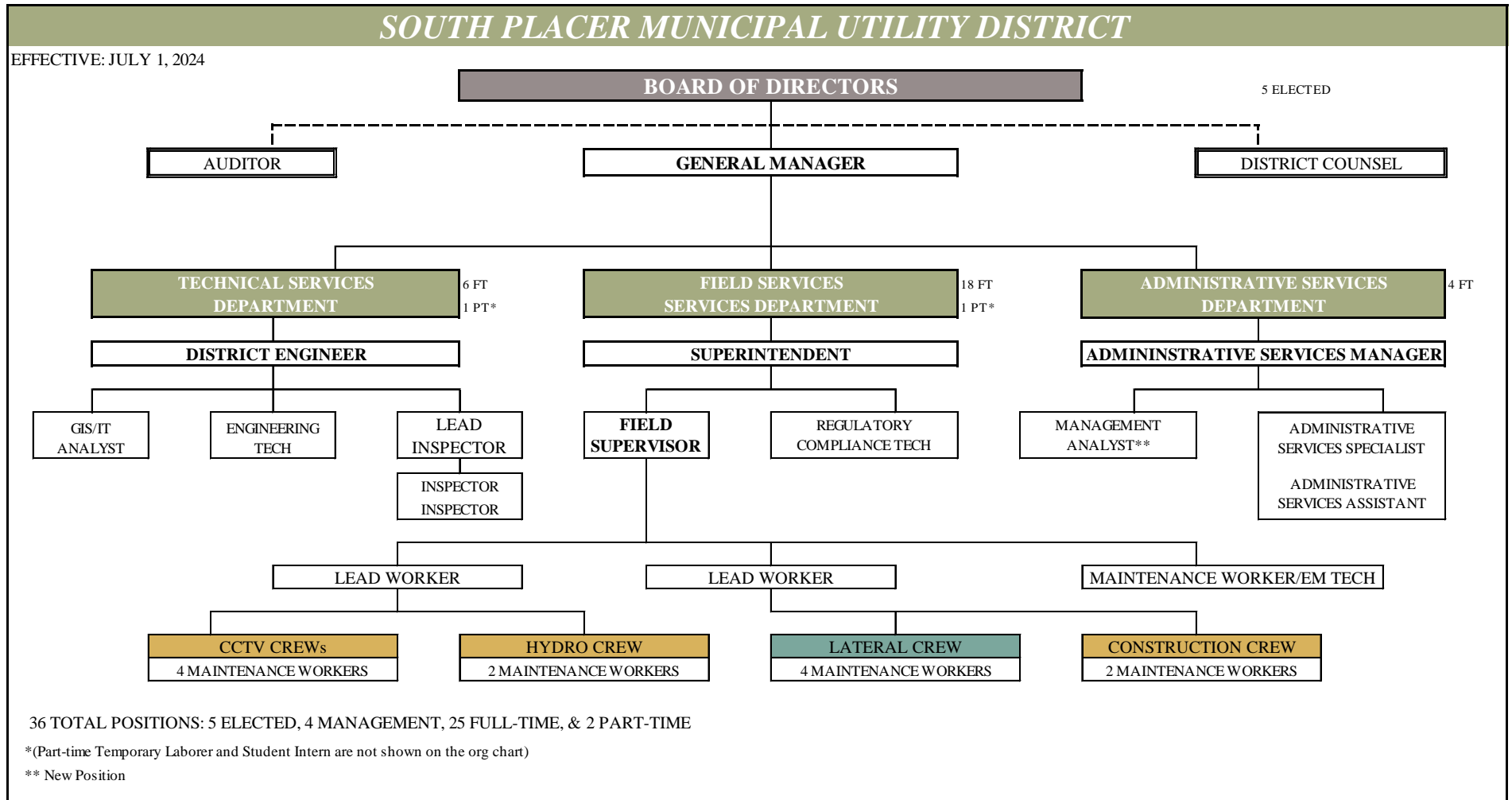
The District is organized into three departments: Administrative Services, Field Services, and Technical Services which are shown in Figure 2.

Administrative Services Department – *provides administrative support to the Board of Directors, the General Manager, and all departments, including the areas of utility billing and account services, finance, and human resources.*

Field Services Department – *provides for the maintenance and construction of infrastructure within the District and oversees the collection of wastewaters within the jurisdiction.*

Technical Services Department – *provides the review and approval of capital projects and development activity within the District, including permitting, plan review, inspections, and geographic information systems.*

FIGURE 2 – ORGANIZATIONAL CHART



PERFORMANCE MEASURES

District Managers present a monthly report to the Board of Directors that summarizes activities occurring during the previous month and provides the Board with monthly performance data. As of April 2024, the District had 2,770 days, equivalent to 7.6 years, without a lost time accident or injury. Monthly performance measures are available on the District website at <https://spmud.ca.gov/district-performance-measures>.

Strategic Plan Progress Reports are made to the Board of Directors annually in the Fall of every year. The most recent Strategic Plan Performance Measures are shown by department in the individual department schedules included later in this budget document. More detailed information on the Strategic Plan Performance Measures is available in the Strategic Plan Annual Report located on the District website at <https://spmud.ca.gov/strategic-plan>. Additionally, Board reports presented to the Board of Directors throughout the year include the Strategic Plan Priorities supported by the Board action.

STRATEGIC PLAN PRIORITIES, WORK PLAN, AND ACTIONS STEPS

PRIORITIES	WORK PLAN	ACTION STEPS AND TIMELINE
Maintain an excellent regulatory compliance record	(1) Reduce SSOs	<ul style="list-style-type: none"> • Maintain a compliant Sewer System Management Plan (SSMP) • Conduct biennial audits of the SSMP
	(2) Comply with Statewide Sanitary Sewer Systems General Order Reissuance (Order)	<ul style="list-style-type: none"> • Attend industry conferences and workshops to stay abreast of updates • Fully comply with all requirements by Order Effective Date
Prepare for the future and foreseeable emergencies	(1) Pay down Unfunded Actuarial Liability (UAL)	<ul style="list-style-type: none"> • Analyze rates of return of investments and current UAL liability • Present findings to Fee & Finance Committee for consideration annually
	(2) Prepare written contingency plans for emergencies	<ul style="list-style-type: none"> • Develop a list of contingency plans by Dec 2022 • Develop two plans per fiscal year
Leverage existing and applicable technologies to improve efficiencies	(1) Develop Tactical Asset Management Plan (TAMP)	<ul style="list-style-type: none"> • Update asset inventory by Jul 2023 • Establish criteria for renewal decisions by Dec 2023 • Assess all lift stations by Jul 2024 • Draft TAMP by Dec 2025 • Final TAMP by Dec 2026
	(2) Update SCADA	<ul style="list-style-type: none"> • Design by Jul 2023

PRIORITIES	WORK PLAN	ACTION STEPS AND TIMELINE
	(3) Reduce reliance on energy	<ul style="list-style-type: none"> • Complete Phase 1 (HQ & FRs) by Dec 2024 • Complete Phase 2 (LSs) by Jul 2026 • Determine the cost of District-wide energy use by Jul 2023 • Develop options for energy savings by Jul 2024
Provide exceptional value for the cost of sewer service	(1) Maintain low service charge while meeting established service levels	<ul style="list-style-type: none"> • Complete Rate study by Mar 2023 • Adopt new rates (if necessary) by Jul 2023
	(2) Use investment vehicles with the best return	<ul style="list-style-type: none"> • Evaluate investments • Present options to Fee & Finance Committee
	(3) Become more involved with determination of SPWA treatment costs	<ul style="list-style-type: none"> • Staff attends all SPWA Board Meetings • Staff from partners agencies meet to discuss treatment cost options
Make SPMUD a great place to work	(1) Employee Recognition	<ul style="list-style-type: none"> • Hold monthly employee recognition events • Promote the Masters Program
	(2) Team Building Events	<ul style="list-style-type: none"> • Support Employee Engagement Committee • Monthly “All Hands” meetings • Annual employee team-building activity

BUDGET PROCESS

The District adopted its annual budget for Fiscal Year 2025 at the regularly scheduled meeting of the Board of Directors on June 27, 2024.

The Annual Budget is a blueprint of planned operating and capital expenditures for each fiscal year beginning on July 1st and ending on June 30th. For each fiscal year, the South Placer Municipal Utility District adopts an annual budget that provides the Board of Directors with the upcoming fiscal year revenues and expenses for the Operating and Capital Funds. The Budget’s primary use is as a financial planning tool to accomplish the District’s strategic goals and objectives.

District staff work with the Board of Directors Fee & Finance Committee to develop the annual budget. Staff present the budget at a public workshop before adoption.

The District held its annual budget workshop on June 6, 2024, to obtain feedback from the Board of Directors and receive public input. No changes were recommended to the proposed budget. Following the budget workshop, staff updated the budget worksheets incorporated in this document to more accurately reflect the proposed revenue from the local capacity charge and the property and liability expense based on information received after the workshop.

The annual budget conforms to all policies previously adopted by the Board of Directors.

TABLE 2 – BUDGET TIMELINE

Month	Responsibility	Budget Function
January	Administrative Services Manager/Department Managers	Prepare Mid-Year Calculations / Provide Year-End Estimates
February	Administrative Services Manager/General Manager	Present Mid-Year Budget Report to the Board of Directors
April	Administrative Services Manager/Department Managers	Prepare Budget Projections / Review Prior Year
May	Fee & Finance Committee	Review Proposed Expenditures
June	Administrative Services Manager/General Manager	Present Budget Workshop to the Board of Directors
July	Board of Directors	Considers and Adopts the Budget

BUDGET OVERVIEW

The South Placer Municipal Utility District budget is developed in conformance with the generally accepted account principles (GAAP). The budget is prepared on an accrual basis whereby revenues and expenses are reported as they are earned and incurred, respectively. The program budget by fund format is used versus a line-item detail format to provide the most valuable information to the reader on all of the District’s major areas of service; although, additional detail is included throughout for reference.

The South Placer Municipal Utility District is a stand-alone Special District operating as a single enterprise fund. For budgeting purposes, the District separates its single enterprise into three different proprietary funds: an Operating Fund (100), a Capital Improvement Project & Expansion Fund (300), and a Replacement & Rehabilitation Fund (400).

The Operating Fund is used to support the general maintenance and operations of the District. The Capital Improvement Project (CIP) & Expansion Fund is used to fund construction projects for new infrastructure or infrastructure improvements and enlargements, and the Replacement & Rehabilitation (R&R) Fund is funded through a transfer of the calculated depreciation expense and is used to finance the rehabilitation and replacement of existing infrastructure.

The District does not have any outstanding debt and does not anticipate potential issuance of debt until 2033. The District, the City of Roseville, and Placer County are participants in the South Placer Wastewater Authority (SPWA). SPWA has its own debt issuance which is discussed in more detail in the section of this report titled Regional Wastewater Treatment Plant Funding, Debt & Rate Stabilization Reserve Fund.

RATE STUDIES/LONG-TERM FINANCIAL PLANS

It is the District’s policy to develop rate studies and long-term financial plans every five years using current budgetary and year-end actual information and incorporating anticipated changes. These are presented to the Board of Directors for discussion and consideration and adopted through the Proposition 218 process. Staff continually reviews, maintains, and updates the long-term financial plans to evaluate the impact of operating factors and performance on rates and reserves. The District underwent a cost of service and rate study in Fiscal Year 2022/23. The proposed monthly service rates for Fiscal Year 2023/24 through 2027/28 are incorporated in this budget document.

The South Placer Municipal Utility District’s primary funding goals are:

- Fully funding all Operations, Maintenance, and Regulatory Obligations.
- Providing adequate funding for Capital Investments.

- Fully funding the District's obligations to CalPERS.
- Fully funding the District's actuarial determined contributions (ADC) for Other Post-Employment Benefits (OPEB).
- Maintaining minimum reserve fund balances.
- Meeting the Debt Coverage Ratio mandated by the South Placer Wastewater Authority (SPWA) debt indenture.

BUDGETARY CONTROLS

The District prepares an annual budget where revenues and available reserves exceed expenses and provide adequate funding for capital projects and minimum reserve requirements unless otherwise approved by the Board. District management uses the approved budget as the tool for ensuring adequate resources to meet the District's stated needs, complying with the District's primary funding goals, and assessing planned versus actual activities throughout the fiscal year. The General Manager is authorized to reallocate up to \$50,000 in funds within the operating and capital expense budgets.

DISTRICT RESERVE POLICY – DISTRICT POLICY #3130

Reserve funds are accumulated and maintained in a manner that allows the funding of costs and capital investments consistent with the District's Capital and Financial Plans while avoiding significant rate fluctuations due to changes in cash flow requirements. In accordance with the District's Reserve Policy #3130, the Operating Fund Assigned Fund Balance Reserves consists of two parts: the Operation and Maintenance Reserve and the Emergency Reserve, discussed in more detail below. The reserve policy was revised in June 2023 following adoption of the Cost of Service and Rate Study covering fiscal years 2023/24 through 2027/28. The new policy eliminated the Rate Stabilization Reserve and reduced the Emergency Reserve from \$3 million to \$1 million. The classification of these reserve fund balances is in conformance with Government Accounting Standards Board (GASB) Statement No.54 (Fund balance reporting and governmental fund type definitions).

OPERATIONS AND MAINTENANCE RESERVE

The purpose of the District Operation and Maintenance Reserve Fund is to ensure that the District will have sufficient funding available at all times to meet its operating obligations. Operating revenue is primarily received from monthly service charges which are a flat rate and consistent over the year. Delinquencies are trued-up through tax liens which are recoverable twice a year. Operating expenses are generally incurred uniformly over the year; however, work can be planned or deferred during the year to accommodate minor fluctuations in revenue. The source of funding for this reserve is Sewer Service Charges. The District shall

maintain an Operation and Maintenance Reserve Fund equivalent to 3 months of Operation and Maintenance expenses.

EMERGENCY RESERVES

The purpose of the Emergency Reserve Fund is to provide funds for emergency response for potential repair or replacement of capital facilities due to damage from a natural disaster or unanticipated failure. The Emergency Reserve would be used when capital improvement funds have otherwise been purposefully spent down to a preset limit on planned projects. The source of funding for this reserve is Sewer Service Charges. The District shall maintain an Emergency Reserve of \$1 million.

OTHER FINANCIAL POLICIES

The District adopts financial policies to provide the General Manager with operational guidance on financial transactions and decision making.

BUDGET PREPARATION – DISTRICT POLICY #3105

The District's Budget Policy requires the adoption of an annual budget that is used as a financial planning tool to accomplish the District's strategic goals and objectives.

FIXED ASSET CAPITALIZATION AND ACCOUNTING CONTROL – DISTRICT POLICY # 3115

The Fixed Asset Capitalization and Accounting Control Policy defines capital assets and sets the capitalization threshold at an original cost of \$5,000 or more. The policy also specifies that the District will use straight-line depreciation calculated over the estimated useful life of the asset, and the established estimated useful life of the District's capital assets.

RECORDATION OF ASSETS FOR DEPRECIATION PURPOSES – DISTRICT POLICY #3251

The Recordation of Assets for Depreciation Purposes Policy specifies that an amount equal to 115% of the annual calculated depreciation shall be accumulated in the Capital Replacement and Rehabilitation Fund (400). The policy also requires the annual adoption of a schedule of values that is used to determine the value of developer-installed assets.

INVESTMENT POLICY – DISTRICT POLICY #3120

The District's current Investment Policy was developed and approved in accordance with California Government Code Section 53600. This Policy is reviewed annually by the Board of Directors.

The District holds a diversified investment portfolio that includes the Placer County Treasury Pool, the Local Agency Investment Fund, CalTrust, CA CLASS, Wells Fargo Securities, and Five Star Bank.

FUNDING OF CALPERS OTHER POST-EMPLOYMENT BENEFITS (OPEB) – DISTRICT POLICY #2575

The District participates in a Section 115 OPEB Trust through CalPERS called CERBT. The trust is used to prefund retiree health benefits and is reported in the District's GASB 75 Report. The Section 115 Trust allows the District to set aside extra resources for retiree health contributions at reduced investment risk and smooths volatility from year-to-year fluctuations in annual required contributions. The District is invested in CERBT Strategy 2 with an expected long-term return on trust assets of 5.5% per year.

FUNDING OF CALPERS UNFUNDED ACCRUED LIABILITY (UAL) – DISTRICT POLICY #2576

The District also participates in a Section 115 Pension Trust through CalPERS called CEPPT. The trust is used to prefund employer contributions including unfunded accrued liabilities from the District's defined benefit pension obligations. The Section 115 Trust allows the District to set aside extra resources for pension contributions at reduced investment risk and smooths volatility from year-to-year fluctuations in annual required contributions. The District is invested in CEPPT Strategy 1 with an expected long-term return on trust assets of 4.5% per year. While these funds are not shown in the GASB 68 Report, they are reported along with other District investments and reflected as restricted funds in the District's Statement of Net Position.

PURCHASING POLICY– DISTRICT POLICY #3150

The District purchasing policy establishes efficient, equitable, and uniform procedures for purchasing goods and services and public construction projects. The Policy sets the purchasing authority of the General Manager at \$50,000, Department Managers at \$5,000, and other approved staff members at \$1,000.

The policy sets the purchasing requirements for goods, services, and public construction projects and specifies when a purchase order is required.

CHECK PROCESSING – DISTRICT POLICY #3140

The Check Processing Policy prescribes the approved signatories for all District payments and requires a minimum of two signatures on all District checks. The policy also requires that a monthly register of all issued checks be presented to the Board of Directors at the monthly board meeting and sets a bi-weekly payroll schedule and a monthly retiree health reimbursement schedule.

ACCOUNTING SYSTEM AND CONTROLS

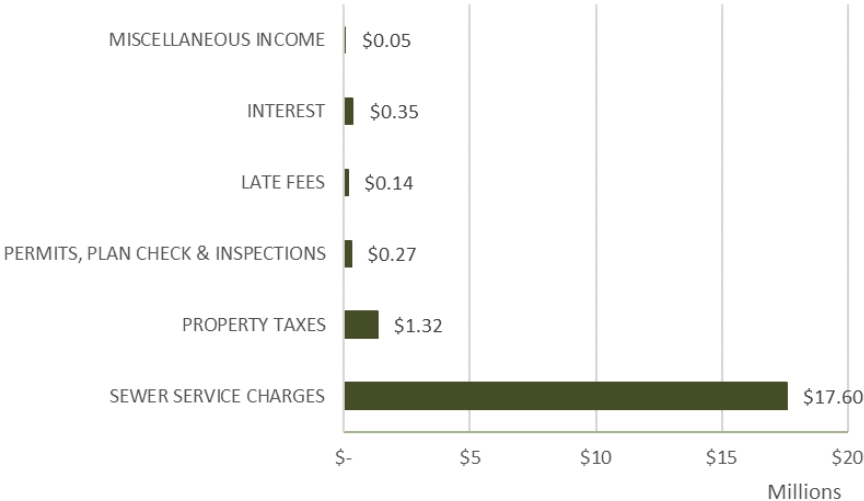
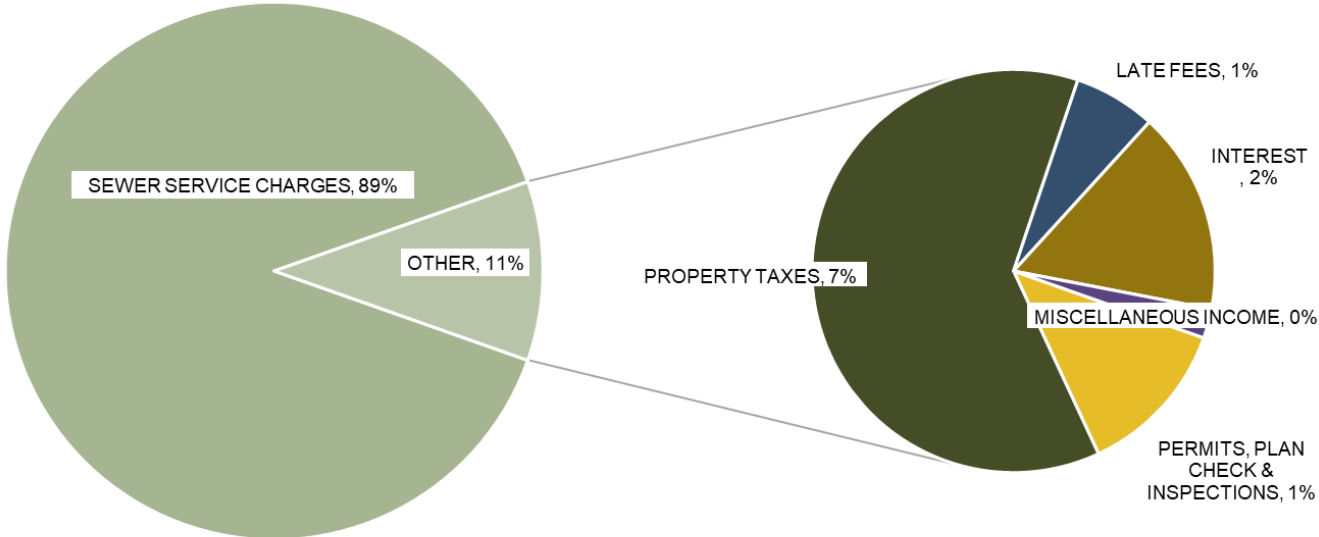
The District utilizes program and project cost accounting to record financial transactions throughout the year. The District uses the accrual basis for accounting and auditing whereby revenues and expenses are reported as they are earned and incurred, respectively. At the end of each fiscal year, ended June 30, the District prepares an Annual Comprehensive Financial Report (ACFR) containing a management discussion and analysis, financial statements and notes, statistical data, and other information. An independent auditing firm audits the District annually and provides the financial statements and notes and reports its audit findings to the Board. The District's financial audit is conducted in conformance with the generally accepted account principles (GAAP). The District has been awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers' Association for its ACFR for fiscal years ending 2019, 2020, 2021, 2022, and 2023.

BUDGET SUMMARY

OPERATING REVENUES

The District’s Operating Fund Revenues are projected to be \$19.80 million. Operating Fund Revenues are primarily comprised of monthly service charges which make up 89% of the District’s operating revenues. Additional revenues consist of fees for services such as plan review, permitting, inspection, property taxes, and interest revenue. This budget projections interest earnings of 3% on operating reserves. The District has the lowest monthly residential customer service fees in the region, \$38.94 a month for Fiscal Year 2024/25.

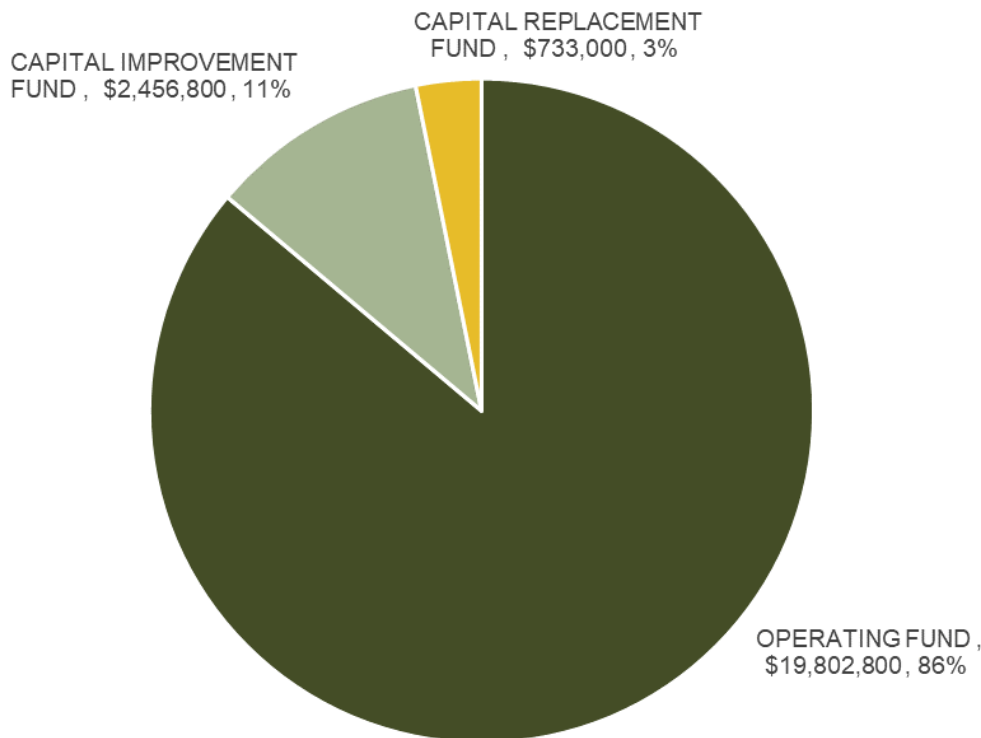
FIGURE 3 – OPERATING FUND REVENUES CHART



NON-OPERATING REVENUES

Non-operating Capital Outlay funds revenues are made up of sewer capacity charges, and investment interest income. The sewer capacity charges for Fiscal Year 2024/25 are \$14,728 per EDU which is comprised of a \$4,926 Local Capacity Charge and a \$9,802 Regional Capacity Charge that is collected by the District but paid to the City of Roseville monthly. Capital non-operating revenue is projected to be \$3.19 million, based upon a three hundred additional EDU projection for the year and interest earnings of 3% on capital reserves.

FIGURE 4 – OPERATING REVENUES BY FUND CHART



OPERATING EXPENSES

Operating Fund expenses are projected to be \$21.31 million, or \$18.63 million before Depreciation. Operating expenses are the Districtwide costs to operate the sewer collection system and pay for wastewater treatment. They are comprised of personnel, administrative and operational costs, and capital projects that are less than \$5,000.

This year's expense budget allocates 43% of the total operating fund expenses to pay for Regional Wastewater Treatment operated by the City of Roseville and financed through the South Placer Wastewater Authority. The District's Local Collection System operations and maintenance expenses make up 44% of the spending plan with an additional 13% allocated to rehabilitation and replacement of the Local Collection System.

FIGURE 5 – OPERATING FUND EXPENDITURES CHART

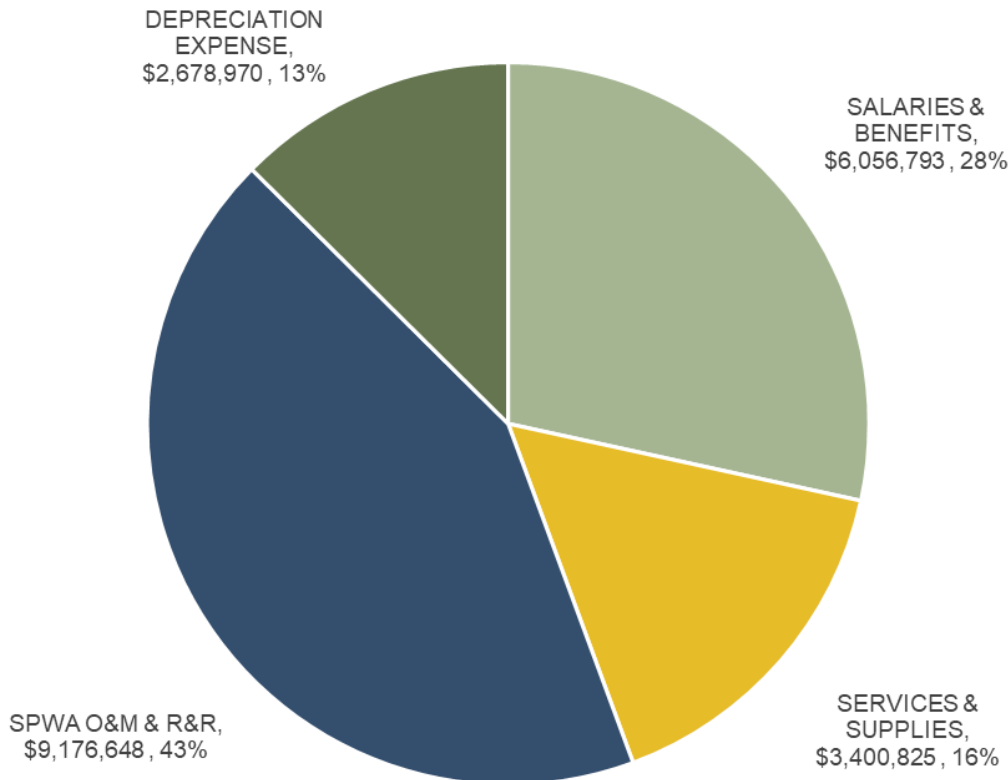


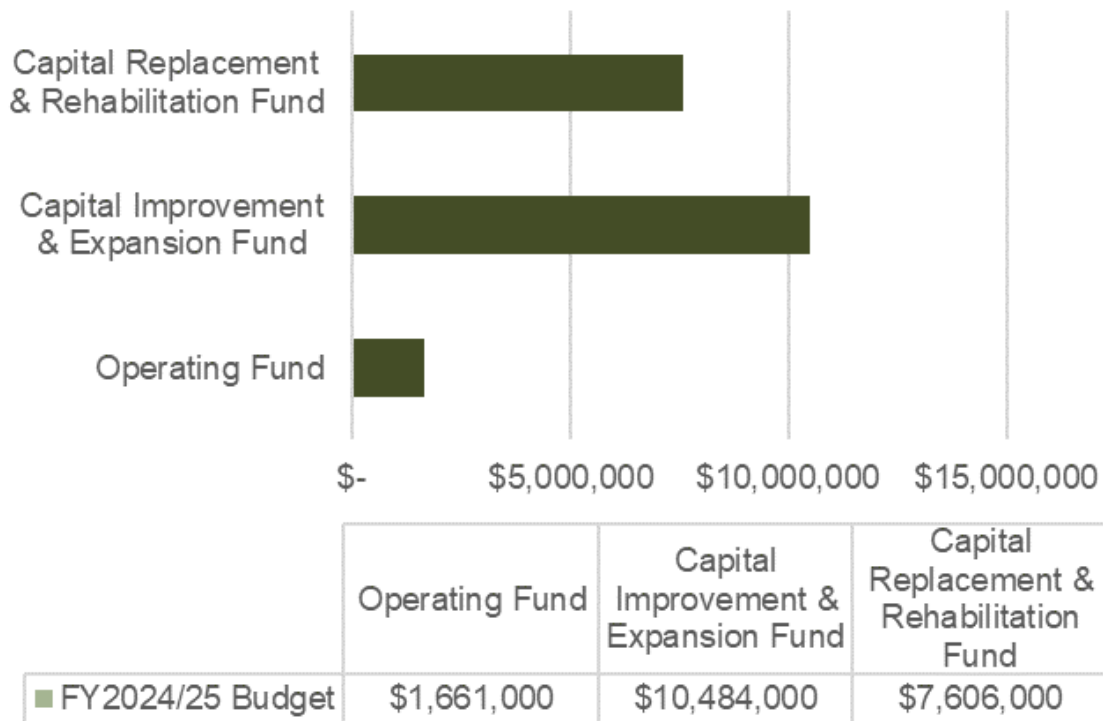
TABLE 3 – FISCAL YEAR 2024/25 REVENUE & EXPENDITURE SUMMARY

	AUDITED FINANCIALS		PROJECTED	PROPOSED
	FISCAL YEAR 2021/22	FISCAL YEAR 2022/23	FISCAL YEAR 2023/24	FISCAL YEAR 2024/25
OPERATING REVENUES	\$ 17,456,479	\$ 18,216,612	\$ 19,561,884	\$ 19,802,800
SEWER SERVICE CHARGES	\$ 15,825,794	\$ 16,143,342	\$ 16,897,496	\$ 17,602,000
PERMITS, PLAN CHECK FEES & INSPECTIONS	255,155	\$ 263,345	496,388	\$ 269,800
PROPERTY TAXES	1,190,070	\$ 1,290,539	1,300,000	\$ 1,320,000
LATE FEES	130,032	\$ 129,800	143,000	\$ 140,000
INTEREST	46,631	48,944	350,000	\$ 346,000
MISCELLANEOUS INCOME	478,946	\$ 134,579	75,000	\$ 50,000
Interest Income from CEPPT (Restricted)	\$ (434,002)	\$ 184,070	\$ 300,000	\$ 75,000
OPERATING FUND EXPENSES	\$ 15,651,221	\$ 23,480,856	\$ 19,105,627	\$ 22,974,236
SALARIES/WAGES	\$ 2,699,905	\$ 2,884,440	\$ 2,961,391	\$ 3,356,000
FICA - SOCIAL SECURITY	\$ 201,418	\$ 214,556	\$ 226,546	\$ 256,734
RETIREMENT BENEFITS	\$ 763,989	\$ 1,285,493	\$ 958,338	\$ 941,807
INSURANCE BENEFITS	\$ 656,252	\$ 755,812	\$ 857,640	\$ 1,008,240
OPEB BENEFITS	\$ 446,369	\$ 379,945	\$ 394,378	\$ 494,012
ASPHALT PAVING/ ROOT CONTROL	\$ 67,810	\$ 139,655	\$ 102,000	\$ 154,000
BUILDING & GROUNDS MAINTENANCE	\$ 49,812	\$ 38,090	\$ 46,000	\$ 97,000
EASEMENTS	\$ 22,053	\$ 51,816	\$ -	\$ 155,000
ELECTION EXPENSE	\$ -	\$ 30,094	\$ -	\$ 80,000
GENERAL OPERATING SUPPLIES & MAINTENANCE	\$ 133,149	\$ 183,470	\$ 249,838	\$ 252,950
LATERAL CAMERA REPAIRS	\$ -	\$ -	\$ -	\$ 29,000
LIFT STATION & FLOW RECORDER PROGRAMS	\$ 38,685	\$ 56,578	\$ 88,000	\$ 96,000
PROFESSIONAL DEVELOPMENT/ ENGAGEMENT	\$ 32,095	\$ 32,431	\$ 48,800	\$ 67,625
PROFESSIONAL SERVICES	\$ 260,609	\$ 568,408	\$ 716,920	\$ 1,194,000
PROPERTY & LIABILITY INSURANCE	\$ 255,095	\$ 322,423	\$ 410,375	\$ 340,000
REGULATORY COMPLIANCE/GOVERNMENT FEES	\$ 56,824	\$ 68,645	\$ 85,276	\$ 91,500
REPAIR/MAINTENANCE AGREEMENTS	\$ 119,279	\$ 142,807	\$ 184,000	\$ 171,200
SAFETY GEAR/UNIFORMS	\$ 21,468	\$ 22,097	\$ 27,300	\$ 32,750
UTILITIES / GAS & OIL	\$ 228,195	\$ 245,204	\$ 252,000	\$ 279,000
UTILITY BILLING/BANKING EXPENSE/PRINTING	\$ 237,369	\$ 269,358	\$ 256,354	\$ 280,800
VEHICLE REPAIR & MAINTENANCE	\$ 69,169	\$ 60,609	\$ 75,000	\$ 80,000
RWWTP EXPENSE	\$ 6,667,689	\$ 9,925,424	\$ 8,229,071	\$ 9,176,648
TOTAL OPERATIONS EXPENSE LESS DEPRECIATION	\$ 13,027,234	\$ 17,677,355	\$ 16,169,227	\$ 18,634,266
DEPRECIATION EXPENSE	\$ 2,218,607	\$ 2,330,061	\$ 2,551,400	\$ 2,678,970
OPERATING FUND CAPITAL EXPENSE	\$ 405,380	\$ 3,473,440	\$ 385,000	\$ 1,661,000
CAPITAL FUND REVENUES	\$ 3,678,538	\$ 2,536,735	\$ 3,324,500	\$ 3,189,800
SEWER PARTICIPATION FEES	\$ 3,476,886	\$ 1,443,652	\$ 1,474,500	\$ 1,477,800
INTEREST	201,652	\$ 1,093,083	1,850,000	1,712,000
CAPITAL FUND EXPENSES	\$ 1,082,766	\$ 1,580,122	\$ 2,266,000	\$ 18,090,000
CIP & EXPANSION	\$ 124,732	\$ 61,424	\$ 200,000	\$ 10,484,000
REPLACEMENT & REHABILITATION	\$ 958,034	\$ 1,518,698	\$ 2,066,000	\$ 7,606,000

CAPITAL EXPENSES

Fiscal Year 2024/25 Capital Projects are projected to be \$19.75 million. Major Capital expenses for Fiscal Year 2024/25 include design and construction of the Placer County Water Agency Old State Highway Construction Project, design and construction of the Taylor Road Crossing Project, preliminary engineering for the Sierra College Trunk, abandonment of the Cameo Court Lift Station, developer reimbursements for trunk line extensions at Del Rio & Del Mar, the Boyington Lift Station, and College Park South, preliminary engineering and environmental review of the Antelope Creek A Project, design and construction of the Jack in the Box Line, the King Road Replacement Project, the Farron Street Project, the SCADA Master Plan Implementation, Cured in Place Pipe, participation in several regional projects, replacement vehicle purchases, and easement upgrades.

FIGURE 6 – CAPITAL EXPENDITURES BY FUND CHART



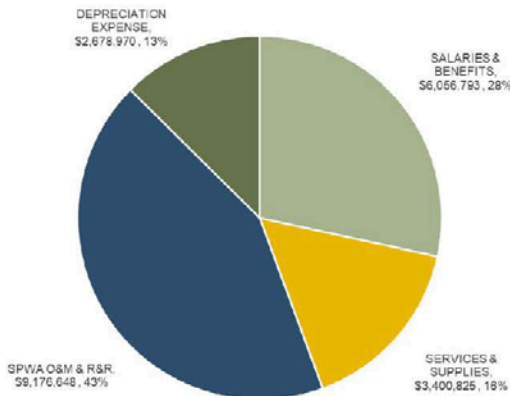
South Placer Municipal Utility District

Budget-at-a-Glance Fiscal Year 2024/25



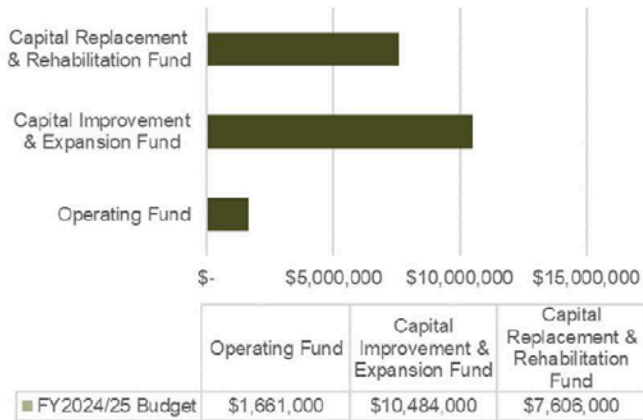
The Fiscal Year 2024/25 Budget supports the District's Vision to be a reliable, innovative, sustainable, efficient, and cost-effective sewer service provider.

Fiscal Year 2024/25 Operating Fund revenues are projected to be \$19.80 Million. Operating Fund revenues are comprised of monthly service fees, other service fees, property taxes, and interest revenues. The District has one of the lowest monthly residential customer service fees in the region at \$38.94 a month.



This year's budget allocates 43% of the operating fund expenses to Regional Wastewater Treatment operated by the City of Roseville and financed through the South Placer Wastewater Authority. Local Collection System operations and maintenances expenses make up 44% of the spending plan with an additional 13% allocated to repair & rehabilitation of the Local Collection System.

Major Fiscal Year 2024/25 Capital Expenses include the Taylor Road Crossing and Old State Highway and Buena Vista Sewer Replacement projects in Newcastle, Participation in Regional Projects, Trunk Extension Reimbursements, SCADA Implementation, Cured-in-Place Pipe, Vehicle Purchases, Easement Upgrades, and System Rehabilitation Projects.



REVENUE BUDGET

The Revenue Budget is made up of Operating Revenues and Capital Outlay Revenues. Revenue projections are based on trend analysis and include projected growth within the District’s service area.

OPERATING REVENUES

Operating Fund revenues are projected to be \$19.80 million. Operating Fund revenues are comprised of monthly service charges, service fees collected during the year, property taxes, and interest revenues. In accordance with District Ordinance 23-01, monthly service charges for Fiscal Year 2024/25 are \$38.94 per EDU. The District currently has the lowest monthly customer service fees in the region, see *Figure S2 Monthly Sewer Rate Comparison for Placer County*.

	FISCAL YEAR 2024/25
OPERATING FUND	
SEWER SERVICE CHARGES	\$ 17,602,000
PERMITS, PLAN CHECK & INSPECTIONS	\$ 269,800
PROPERTY TAXES	\$ 1,320,000
LATE FEES	\$ 140,000
INTEREST	\$ 346,000
GAIN/LOSS ON SALE FIXED ASSET DISPOSAL	\$ -
MISCELLANEOUS INCOME	\$ 50,000
OPERATING FUND less CEPPT Interest Earnings	\$ 19,727,800
Interest Income from CEPPT (Restricted)	\$ 75,000
OPERATING FUND	\$ 19,802,800

NON-OPERATING REVENUES

Non-operating Capital Outlay funds are made up of sewer participation charges and investment interest income. The sewer participation fees for Fiscal Year 2024/25 are \$14,728 per EDU which is comprised of a \$9,802 Regional Capacity Charge used to fund treatment plant expansion and enlargement and a \$4,926 Local Capacity Charge adopted by Ordinance 23-02 and used to fund collection system expansion and enlargement. Capital non-operating revenue is projected to be \$3.19 million, based upon an estimated three hundred additional EDU projection for the year.

		<u>FISCAL YEAR 2024/25</u>
CAPITAL IMPROVEMENT FUND		
SEWER PARTICIPATION FEES		\$ 1,477,800
INTEREST		979,000
	CAPITAL IMPROVEMENT FUND	\$ 2,456,800
CAPITAL REPLACEMENT FUND		
INTEREST		\$ 733,000
	CAPITAL REPLACEMENT FUND	\$ 733,000
	TOTAL SPMUD REVENUE	\$ 22,992,600

TOTAL REVENUES

The District's total revenues for Fiscal Year 2024/25 are projected to be approximately \$22.99 million. Revenues are expected to increase slightly due to a moderate increase in the monthly service charge from the Proposition 218 approved rate increase and the adjusted local participation fee. The District is adopting a revenue budget with less conservative interest earnings due to the purchase of a series of fixed-income-securities in Fiscal Year 2023/24 which is discussed in more detail in the section titled *Cash and Investment Balances*.

TABLE 4 – FISCAL YEAR 2024/25 REVENUE BUDGET

	<u>AUDITED FINANCIALS</u>		<u>PROJECTED</u>	<u>PROPOSED</u>
	<u>FISCAL YEAR 2021/22</u>	<u>FISCAL YEAR 2022/23</u>	<u>FISCAL YEAR 2023/24</u>	<u>FISCAL YEAR 2024/25</u>
OPERATING FUND				
SEWER SERVICE CHARGES	\$ 15,825,794	\$ 16,143,342	\$ 16,897,496	\$ 17,602,000
PROPERTY TAXES	1,190,070	\$ 1,290,539	1,300,000	\$ 1,320,000
PERMITS, PLAN CHECK & INSPECTIONS	255,155	\$ 263,345	496,388	\$ 269,800
LATE FEES	130,032	\$ 129,800	143,000	\$ 140,000
INTEREST	48,944	\$ 340,185	400,000	\$ 346,000
GAIN/LOSS ON SALE OF FIXED ASSET DISPOSAL	21,993	\$ 13,900	-	\$ -
MISCELLANEOUS INCOME	478,946	\$ 134,579	75,000	\$ 50,000
OPERATING FUND less CEPPT Interest Earnings	\$ 17,950,934	\$ 18,315,690	\$ 19,311,884	\$ 19,727,800
Interest Income from CEPPT (Restricted)	\$ (434,002)	\$ 184,070	\$ 300,000	\$ 75,000
OPERATING FUND	\$ 17,516,932	\$ 18,499,760	\$ 19,611,884	\$ 19,802,800
CAPITAL IMPROVEMENT FUND				
SEWER PARTICIPATION FEES	\$ 3,476,886	\$ 1,443,652	\$ 1,474,500	\$ 1,477,800
INTEREST	100,826	\$ 648,461	1,000,000	979,000
CAPITAL IMPROVEMENT FUND	\$ 3,577,712	\$ 2,092,113	\$ 2,474,500	\$ 2,456,800
CAPITAL REPLACEMENT FUND				
INTEREST	\$ 100,826	\$ 444,622	\$ 850,000	\$ 733,000
CAPITAL REPLACEMENT FUND	\$ 100,826	\$ 444,622	\$ 850,000	\$ 733,000
TOTAL SPMUD REVENUE	\$ 21,195,470	\$ 21,036,495	\$ 22,936,384	\$ 22,992,600

OPERATIONS EXPENSE BUDGET

The following discussion details the Fiscal Year 2024/25 operational expenses. Operating expenses are the Districtwide costs to operate the sewer collection system. They are comprised of personnel, administrative and operational costs, and capital projects that are less than \$5,000.

SALARY & BENEFITS

District salary and benefit expenses are projected to be \$6,056,793. The District adopted two-year Memorandums of Understanding (MOUs) with the Employees and Managers on August 3, 2023, covering the Fiscal Years of 2023/24 and 2024/25. The MOUs provided for a two percent cost of living increase in July of each fiscal year covered by the MOUs and a one percent cost of living increase in January of each fiscal year covered by the MOUs. Health Insurance Premiums are expected to continue to increase at a rate higher than inflation, and Workers Compensation Insurance is projected to increase from \$75,000 to \$120,000 due to three District claims in Fiscal Year 2023/24 and the rising costs of insurance in the limited California insurance market.

The budget includes payment of the required minimum CalPERS unfunded liability payments of \$492,044 for Tier I, \$4,961 for Tier II, and \$4,716 for Tier III. Other Post-Employment Benefits (OPEB) payments for retiree medical benefits are expected to increase to \$430,000 with an Actuarial Determined Contribution (ADC) to the CalPERS CERB Trust of \$64,012. Total Salary and Benefits are programmed to increase by \$658,500 (11%) over the prior year.

	FISCAL YEAR
	2024/25
SALARIES/WAGES	\$ 3,356,000
FICA - SOCIAL SECURITY	\$ 256,734
CALPERS RETIREMENT	\$ 297,000
CALPERS UNFUNDED ACCRUED LIABILITY	\$ 502,507
457 & 401A RETIREMENT	\$ 142,300
INSURANCE BENEFITS	\$ 1,008,240
RETIREE HEALTH/OPEB	\$ 494,012
SALARIES & BENEFITS	\$ 6,056,793

The District is under the direction of a five-member elected board and managed by the General Manager. The District is organized into three departments: Field Services, Technical Services, and Administrative Services. The District has thirty-eight funded positions comprised of twenty-five full-time, two part-time, five elected, two contracted, and four management. The Fiscal Year 2024/25 budget includes the reclassification of an Administrative Services Assistant I/II/III position to a Management Analyst I/II and

separates the Administrative Services Assistant I/II/III job specification into an Administrative Services Assistant I/II and an Administrative Services Specialist in the Administrative Services Department. The budget also provides for a part-time Temporary Laborer in the Field Services Department and a Student Intern in the Technical Services Department.

TABLE 5 – FISCAL YEAR 2024/25 PERSONNEL CLASSIFICATIONS

	AUDITED FINANCIALS		PROJECTED	PROPOSED
	FISCAL	FISCAL	FISCAL YEAR	FISCAL YEAR
	YEAR	YEAR		
	2021/22	2022/23	2023/24	2024/25
GENERAL MANAGER	1	1	1	1
ADMINISTRATIVE SERVICES MANAGER	1	1	1	1
MANAGEMENT ANALYST I/II (a) (b)	0	0	0	1
ADMINISTRATIVE SERVICES SPECIALIST	1	1	1	1
ADMINISTRATIVE SERVICES ASSISTANT I/II (a)	2	2	2	1
ADMINISTRATIVE SERVICES TOTAL	5	5	5	5
DISTRICT ENGINEER	1	1	1	1
ASSOCIATE ENGINEER (b)	0	0	0	0
GIS TECH/ANALYST (a)	0	0	1	1
ENGINEERING TECHNICIAN I/II (a)	2	2	1	1
LEAD INSPECTOR	1	1	1	1
INSPECTOR I/II (a)	2	2	2	2
STUDENT INTERN I/II/III (a) (b) (c)	0	0	0	1
TECHNICAL SERVICES TOTAL	6	6	6	7
SUPERINTENDENT	1	1	1	1
REGULATORY COMPLIANCE TECH/SPEC (a)	1	1	1	1
FIELD SUPERVISOR	2	1	1	1
LEADWORKER	3	2	2	2
MAINTENANCE WORKER/INSPECTOR	1	1	1	1
MAINTENANCE WORKER/ELECTRO-MECHANICAL TECH	0	2	2	2
MAINTENANCE WORKER I/II (a)	9	10	10	10
TEMPORARY LABORER I/II/III (a) (b) (c)	1	0	0	1
FIELD SERVICES TOTAL	18	18	18	19
TOTAL REGULAR POSITIONS	29	29	29	31
BOARD OF DIRECTORS	5	5	5	5
DISTRICT LEGAL COUNSEL	1	1	1	1
CONTRACT AUDITOR	1	1	1	1
MISCELLANEOUS TOTAL	7	7	7	7
TOTAL AUTHORIZED POSITIONS	36	36	36	38

***Full Time Equivalent Positions (FTE)**

(a) Promotional/Flexible Classification

(b) Vacant position

(c) part-time (up to 20 hrs per week/non-benefitted) or temporary (full time for up to 6 months or 1,000 hours/non-benefitted).

FIGURE 7 – POSITIONS BY DEPARTMENT

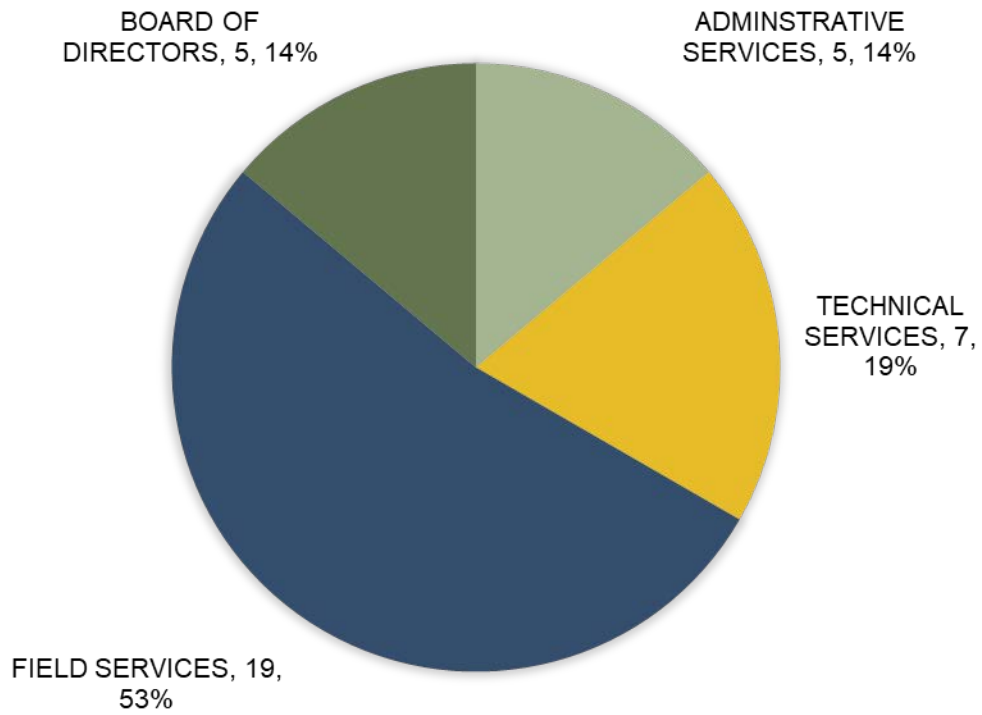


FIGURE 8 – SALARIES BY DEPARTMENT

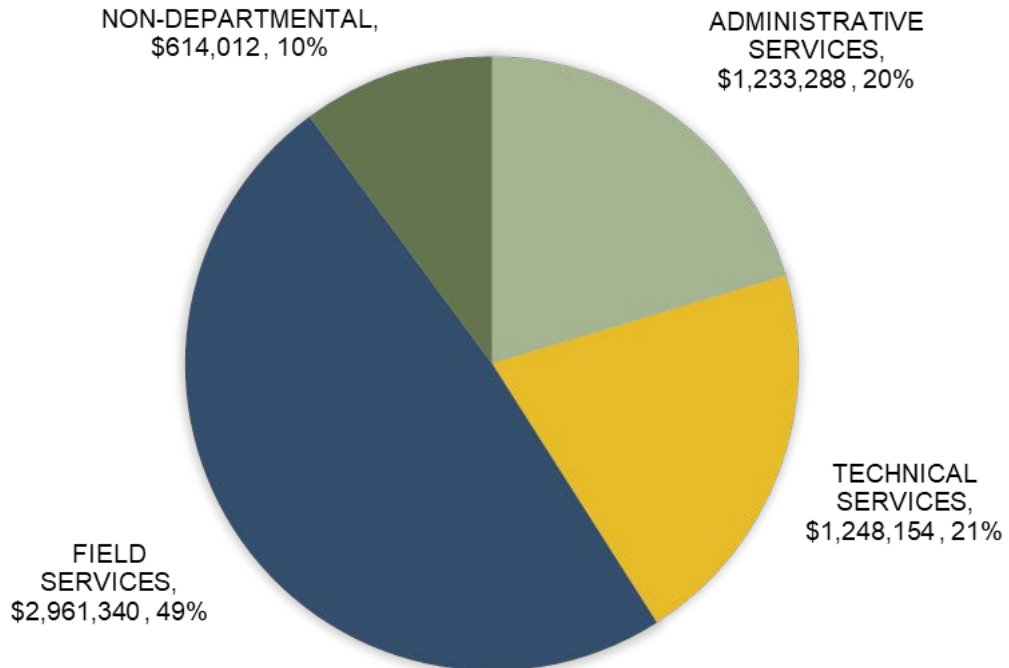


TABLE 6A – FISCAL YEAR 2024/25 SALARY SCHEDULE JULY

SALARY SCHEDULE - HOURLY RATES		STEPS (\$/HR)				
RANGE	POSITION	A	B	C	D	E
9	Student Intern I	18.37	19.29	20.25		
15	Student Intern II	21.30	22.37	23.49		
21	Student Intern III	24.70	25.94	27.24		
17	Temporary Laborer I	22.38	23.50	24.68		
23	Temporary Laborer II	25.96	27.25	28.62		
29	Temporary Laborer III	30.10	31.61	33.19		
22	Admin Services Asst I	25.32	26.59	27.92	29.31	30.78
29	Maintenance Worker I	30.10	31.61	33.19	34.85	36.59
33	Admin Services Asst II	33.23	34.89	36.63	38.46	40.39
34	GIS Tech	34.06	35.76	37.55	39.42	41.40
35	Maintenance Worker II / Engineering Tech I	34.91	36.65	38.49	40.41	42.43
36	MW/Inspector	35.78	37.57	39.45	41.42	43.49
37	MW/Elec-Mech Tech	36.67	38.51	40.43	42.46	44.58
38	Inspector I	37.59	39.47	41.44	43.52	45.69
41	Inspector II	40.48	42.51	44.63	46.86	49.21
42	Admin Services Spec / Mgmt Analyst I	41.49	43.57	45.75	48.03	50.44
43	Reg Compliance Tech / Leadworker	42.53	44.66	46.89	49.24	51.70
44	Engineering Tech II / Lead Inspector	43.59	45.77	48.06	50.47	52.99
45	GIS Analyst	44.68	46.92	49.26	51.73	54.31
47	Mgmt Analyst II	46.95	49.29	51.76	54.35	57.06
49	Reg Compliance Spec	49.32	51.79	54.38	57.10	59.95
50	Field Supervisor	50.56	54.41	55.74	58.53	61.45
53	Associate Engineer	54.44	57.17	60.02	63.03	66.18
62	Admin Services Mgr	67.99	71.39	74.96	78.71	82.65
64	Superintendent I	71.43	75.01	78.76	82.69	86.83
65	Superintendent II / District Engineer	73.22	76.88	80.73	84.76	89.00
	General Manager	Salary Range \$194,952 - \$236,965				

TABLE 6B – FISCAL YEAR 2024/25 SALARY SCHEDULE JANUARY

SALARY SCHEDULE - HOURLY RATES		STEPS (\$/HR)				
RANGE	POSITION	A	B	C	D	E
9	Student Intern I	18.55	19.48	20.45		
15	Student Intern II	21.51	22.59	23.72		
21	Student Intern III	24.95	26.20	27.51		
17	Temporary Laborer I	22.60	23.73	24.92		
23	Temporary Laborer II	26.21	27.52	28.90		
29	Temporary Laborer III	30.40	31.92	33.51		
22	Admin Services Asst I	25.57	26.85	28.19	29.60	31.08
29	Maintenance Worker I	30.40	31.92	33.51	35.19	36.95
33	Admin Services Asst II	33.55	35.23	36.99	38.84	40.79
34	GIS Tech	34.39	36.11	37.92	39.81	41.81
35	Maintenance Worker II / Engineering Tech I	35.25	37.02	38.87	40.81	42.85
36	MW/Inspector	36.13	37.94	39.84	41.83	43.92
37	MW/Elec-Mech Tech	37.04	38.89	40.83	42.88	45.02
38	Inspector I	37.96	39.86	41.86	43.95	46.15
41	Inspector II	40.88	42.93	45.07	47.33	49.69
42	Admin Services Spec / Mgmt Analyst I	41.90	44.00	46.20	48.51	50.94
43	Reg Compliance Tech / Leadworker	42.95	45.10	47.36	49.72	52.21
44	Engineering Tech II / Lead Inspector	44.03	46.23	48.54	50.97	53.51
45	GIS Analyst	45.13	47.38	49.75	52.24	54.85
47	Mgmt Analyst II	47.41	49.78	52.27	54.88	57.63
49	Reg Compliance Spec	49.81	52.30	54.92	57.66	60.55
50	Field Supervisor	51.06	54.95	56.29	59.11	62.06
53	Associate Engineer	54.98	57.73	60.62	63.65	66.83
62	Admin Services Mgr	68.67	72.10	75.70	79.49	83.46
64	Superintendent I	72.14	75.75	79.54	83.51	87.69
65	Superintendent II / District Engineer	73.95	77.64	81.53	85.60	89.88
75	General Manager	94.66	99.39	104.36	109.58	115.06

SERVICES AND SUPPLIES

Operating Fund Expenses for Services and Supplies are projected to be \$3,400,825. These expenses are anticipated to increase due to continued inflationary pressures as well as continued increases in construction and project activity by District staff. Expenses such as gas and utilities have been most notably impacted by inflationary pressures.

The service and supply budget includes spending for professional services for regional participation in the Placer County Water Agency Old State Highway Construction Project, the Taylor Road Crossing Project, updated modeling for the 2025 SECAP, a Fleet Conversion Master Plan, easement maintenance including tree removal, a Labor Negotiator, the General Manager recruitment, and on-call services for engineering, surveying, and plan review. The service and supply budget also includes spending for remote site repairs, property and liability insurance, board member elections, and employee engagement. Total Services and Supplies are programmed to increase by \$1.03 million (29%) over the prior year.

	FISCAL YEAR
	2024/25
ASPHALT PAVING	\$ 75,000
BUILDING & GROUNDS MAINTENANCE	\$ 97,000
COMPUTER EQUIPMENT & SMALL OFFICE	\$ 8,750
EASEMENT MAINTENANCE	\$ 155,000
ELECTION EXPENSE	\$ 80,000
EMPLOYEE ENGAGEMENT	\$ 2,500
GAS & OIL EXPENSE	\$ 75,000
GENERAL OPERATING SUPPLIES & MAINTENANCE	\$ 225,700
LATERAL CAMERA REPAIRS	\$ 29,000
LEGAL SERVICES	\$ 125,000
LIFT STATION & FLOW RECORDER PROGRAMS	\$ 96,000
OTHER OPERATING EXPENSE	\$ 2,500
PROFESSIONAL DEVELOPMENT	\$ 65,125
PROFESSIONAL SERVICES	\$ 1,069,000
PROPERTY & LIABILITY INSURANCE	\$ 340,000
REGULATORY COMPLIANCE/GOVERNMENT FEES	\$ 91,500
REPAIR/MAINTENANCE AGREEMENTS	\$ 171,200
ROOT CONTROL PROGRAM	\$ 79,000
SAFETY GEAR/UNIFORMS	\$ 32,750
TOOLS & EQUIPMENT	\$ 16,000
UTILITIES	\$ 204,000
UTILITY BILLING/BANKING EXPENSE/PRINTING	\$ 280,800
VEHICLE REPAIR & MAINTENANCE	\$ 80,000
SERVICES & SUPPLIES	\$ 3,400,825

OPERATIONS & MAINTENANCE INCLUDING REGIONAL WASTEWATER TREATMENT

South Placer Wastewater Authority (SPWA) expenses for Operations and Maintenance (O&M) costs and the annual Replacement and Rehabilitation (R&R) projects are projected to be \$9,176,648.

Wastewater treatment expenses are paid to the City of Roseville, which owns and operates the two Regional Wastewater Treatment Plants (Dry Creek and Pleasant Grove) providing sewage treatment for the three regional South Placer Wastewater Authority (SPWA) partners, the South Placer Municipal Utility District, Placer County, and the City of Roseville. The District pays for its share of the Regional Wastewater Treatment Plant Operation & Maintenance (O&M) and Replacement & Rehabilitation (R&R) costs based on the District's proportional share of total flows (currently around 26%). The Regional Wastewater Treatment Plants are discussed in more detail in the section titled *Regional Wastewater Treatment Plants Funding, Debt, and Rate Stabilization Reserve*.

For Fiscal Year 2024/25, the Regional Wastewater Treatment Plant costs are budgeted to be \$9.18 million. The \$9.18 million wastewater treatment expense is comprised of O&M costs of \$7.73 million and R&R costs of \$1.44 million, an increase of \$0.95 million or 10% from Fiscal Year 2023/24.

Fiscal Year 2024/25 O&M treatment costs are continuing to experience cost increases due to several factors including salary and benefit increases, equipment costs, information technology expenses, and an increase in the indirect costs from the City of Roseville's cost allocation plan. Fiscal Year 2024/25 R&R costs include carryover expenses on several projects that were budgeted for last fiscal year but have been delayed due to supply chain issues and changes to project management and consultant staffing. The Regional Wastewater Treatment Plants are discussed in more detail in the section titled *Regional Wastewater Treatment Plants Funding, Debt, and Rate Stabilization Reserve*.

	<u>FISCAL YEAR</u>
	<u>2024/25</u>
RWWTP MAINTENANCE & OPERATIONS	\$ 7,734,919
RWWTP REPLACEMENT & REHABILITATION	\$ 1,441,729
SPWA O&M & R&R	\$ 9,176,648

TABLE 7 – REGIONAL WASTEWATER TREATMENT FLOWS & EXPENSES

	2019/20	2020/21	2021/22	2022/23	2023/24
O&M ESTIMATED PAYMENT	\$ 5,152,756	\$ 4,965,123	\$ 4,942,000	\$ 7,054,000	\$ 8,181,000
R&R ESTIMATED PAYMENT	\$ 790,725	\$ 576,156	\$ 1,659,750	\$ 2,611,000	\$ 2,246,000
TOTAL ESTIMATED	\$ 5,943,481	\$ 5,541,279	\$ 6,601,750	\$ 9,665,000	\$ 10,427,000
TOTAL PAYMENTS	\$ 5,943,481	\$ 5,541,279	\$ 6,751,750	\$ 9,665,000	\$ 7,820,250
DISTRICT FLOWS	1,635	1,632	1,705	1,878	1,760
SPWA FLOWS	6,262	6,226	6,473	7,129	6,813
DISTRICT PERCENTAGE	26.11%	26.21%	26.34%	26.34%	25.83%
O&M AUDITED PAYMENT	\$ 4,941,969	\$ 5,517,195	\$ 6,040,879	\$ 7,009,559	TBD
R&R AUDITED PAYMENT	949,044	113,329	\$ 226,637	\$ 280,857	TBD
TOTAL AUDITED	5,891,013	5,630,525	\$ 6,267,516	\$ 7,290,416	TBD
TRUE UP/CREDIT BALANCE	\$ (566,232)	(655,476)	(171,242)	2,230,342	TBD

Estimated

The Fiscal Year 2024/25 Operating Fund Expense Budget of \$21.31 million is comprised of the following: \$6.05 million for salaries and benefits, \$3.40 million for services and supplies, \$9.18 million for Regional Wastewater Treatment Plant expenses, and \$2.68 million for depreciation expense. This represents an increase of \$2.59 million (12%) over the projected expenses for Fiscal Year 2023/24, primarily due to wastewater treatment expense true-up credits of \$2.23 million from Fiscal Year 2022/23 that were applied in Fiscal Year 2023/24 and professional services for capital projects that are being carried over from the prior year's budget.

TABLE 8 – FISCAL YEAR 2024/25 OPERATING EXPENSE BUDGET

	AUDITED FINANCIALS		PROJECTED	PROPOSED
	FISCAL YEAR	FISCAL YEAR	FISCAL YEAR	FISCAL YEAR
	2021/22	2022/23	2023/24	2024/25
SALARIES/WAGES	\$ 2,699,905	\$ 2,884,440	\$ 2,961,391	\$ 3,356,000
FICA - SOCIAL SECURITY	\$ 201,418	\$ 214,556	\$ 226,546	\$ 256,734
CALPERS RETIREMENT	\$ 236,219	\$ 241,103	\$ 271,164	\$ 297,000
CALPERS UNFUNDED ACCRUED LIABILITY	\$ 410,507	\$ 470,864	\$ 412,354	\$ 502,507
457 & 401A RETIREMENT	\$ 117,263	\$ 105,787	\$ 147,875	\$ 142,300
INSURANCE BENEFITS	\$ 656,252	\$ 755,812	\$ 857,640	\$ 1,008,240
RETIREE HEALTH/OPEB	\$ 446,369	\$ 379,945	\$ 394,378	\$ 494,012
SALARIES & BENEFITS	\$ 4,767,933	\$ 5,520,246	\$ 5,398,293	\$ 6,056,793
ASPHALT PAVING	\$ 12,500	\$ 4,950	\$ 25,000	\$ 75,000
ARCHIVING/DISASTER PLAN	\$ 5,140	\$ 5,140	\$ -	\$ -
BUILDING & GROUNDS MAINTENANCE	\$ 49,812	\$ 38,090	\$ 46,000	\$ 97,000
COMPUTER EQUIPMENT & SMALL OFFICE	\$ 5,205	\$ 16,154	\$ 21,000	\$ 8,750
EASEMENT/ACCESS ROAD UPGRADES	\$ 846	\$ 14,849	\$ -	\$ -
EASEMENT ACQUISITION	\$ 21,207	\$ 36,967	\$ -	\$ -
EASEMENT MAINTENANCE	\$ -	\$ -	\$ -	\$ 155,000
ELECTION EXPENSE	\$ -	\$ 30,094	\$ -	\$ 80,000
EMPLOYEE ENGAGEMENT	\$ -	\$ -	\$ 2,500	\$ 2,500
GAS & OIL EXPENSE	\$ 60,225	\$ 63,707	\$ 66,000	\$ 75,000
GENERAL OPERATING SUPPLIES & MAINTENANCE	\$ 124,094	\$ 168,252	\$ 228,838	\$ 225,700
LATERAL CAMERA REPAIRS	\$ -	\$ -	\$ -	\$ 29,000
LEGAL SERVICES	\$ 92,460	\$ 293,830	\$ 96,920	\$ 125,000
LIFT STATION & FLOW RECORDER PROGRAMS	\$ 38,685	\$ 56,578	\$ 88,000	\$ 96,000
OTHER OPERATING EXPENSE	\$ 150	\$ (936)	\$ -	\$ 2,500
PARTICIPATION IN REGIONAL PROJECTS	\$ -	\$ 78,192	\$ -	\$ -
PROFESSIONAL DEVELOPMENT	\$ 32,095	\$ 32,431	\$ 46,300	\$ 65,125
PROFESSIONAL SERVICES	\$ 168,149	\$ 274,578	\$ 620,000	\$ 1,069,000
PROPERTY & LIABILITY INSURANCE	\$ 255,095	\$ 322,423	\$ 410,375	\$ 340,000
REGULATORY COMPLIANCE/GOVERNMENT FEES	\$ 56,824	\$ 68,645	\$ 85,276	\$ 91,500
REPAIR/MAINTENANCE AGREEMENTS	\$ 113,144	\$ 112,554	\$ 184,000	\$ 171,200
ROOT CONTROL PROGRAM	\$ 55,310	\$ 56,513	\$ 77,000	\$ 79,000
SAFETY GEAR/UNIFORMS	\$ 21,468	\$ 22,097	\$ 27,300	\$ 32,750
SOFTWARE/DATA ACQUISITION	\$ 995	\$ 25,113	\$ -	\$ -
SYSTEM IMPROVEMENTS	\$ 3,700	\$ -	\$ -	\$ -
TOOLS & EQUIPMENT	\$ -	\$ -	\$ -	\$ 16,000
UTILITIES	\$ 167,970	\$ 181,497	\$ 186,000	\$ 204,000
UTILITY BILLING/BANKING EXPENSE/PRINTING	\$ 237,369	\$ 269,358	\$ 256,354	\$ 280,800
VEHICLE REPAIR & MAINTENANCE	\$ 69,169	\$ 60,609	\$ 75,000	\$ 80,000
SERVICES & SUPPLIES	\$ 1,591,612	\$ 2,231,685	\$ 2,541,863	\$ 3,400,825
RWWTP MAINTENANCE & OPERATIONS	\$ 5,007,939	\$ 7,314,424	\$ 6,544,571	\$ 7,734,919
RWWTP REPLACEMENT & REHABILITATION	\$ 1,659,750	\$ 2,611,000	\$ 1,684,500	\$ 1,441,729
SPWA O&M & R&R	\$ 6,667,689	\$ 9,925,424	\$ 8,229,071	\$ 9,176,648
OPERATING EXPENSE LESS DEPRECIATION	\$ 13,027,234	\$ 17,677,355	\$ 16,169,227	\$ 18,634,266
DEPRECIATION EXPENSE	\$ 2,218,607	\$ 2,330,061	\$ 2,551,400	\$ 2,678,970
OPERATING FUND EXPENSES	\$ 15,245,841	\$ 20,007,416	\$ 18,720,627	\$ 21,313,236

DEPARTMENT SCHEDULES

ADMINISTRATIVE SERVICES DEPARTMENT

The Administrative Services Department provides clerical and administrative support to the Board of Directors, the General Manager, District staff, and customers. The department is responsible for utility billing and account services, finance, budget, purchasing, accounts payable and receivable, human resources and employee benefits, payroll, Board Clerk/Secretary, elections, and the District websites.

ADMINISTRATIVE SERVICES DEPARTMENT GOALS

The Administrative Service Department has the following goals for Fiscal Year 2024/25:

Goal	Strategic Plan Priority
Provide efficient and friendly customer service.	Provide exceptional value for the cost of sewer service.
Provide increased administrative support to other departments.	Provide exceptional value for the cost of sewer service.
Control rising insurance premiums.	Provide exceptional value for the cost of sewer service.
Continue to digitize paper records.	Leverage existing and applicable technologies to improve efficiencies.
Begin the process of integrating asset and account data currently stored in multiple software systems.	Leverage existing and applicable technologies to improve efficiencies.
Move the two remaining school contracts to standardized billing.	Prepare for the future and foreseeable emergencies.
Review all commercial accounts to ensure appropriate billing and account information.	Prepare for the future and foreseeable emergencies.
Complete a successful recruitment for a new General Manager.	Make SPMUD a great place to work.
Complete labor negotiations and adopt new Amended and Restated Memorandums of Understanding.	Make SPMUD a great place to work.
Support District employees and communicate updates regularly.	Make SPMUD a great place to work.

PROPOSED BUDGET AND POSITION CHANGES

Fiscal Year 2023/24		Fiscal Year 2024/25	
General Manager	1	General Manager	1
Administrative Services Manager	1	Administrative Services Manager	1
Administrative Services Assistant I/II/III	3	Management Analyst I/II	1
		Administrative Services Specialist	1
		Administrative Services Assistant I/II	1
Total Positions	5	Total Positions	5

The Administrative Services Department budget includes position changes for Fiscal Year 2024/25. The Administrative Services Assistant I/II/III job description has been split into two separate and distinct job descriptions, an Administrative Services Assistant I/II and an Administrative Services Specialist. Additionally, a new job description for Management Analyst I/II has been created. The budget proposes moving from three Administrative Services Assistant I/II/III positions to a Management Analyst I/II, an Administrative Services Specialist, and an Administrative Services Assistant I/II. There is no proposed change to the number of positions.

ADMINISTRATIVE SERVICES DEPARTMENT EXPENSE SUMMARY

	<u>PROJECTED</u>	<u>PROPOSED</u>
	<u>FISCAL YEAR</u>	<u>FISCAL YEAR</u>
	<u>2023/24</u>	<u>2024/25</u>
SALARIES/WAGES	\$ 666,145	\$ 775,000
FICA - SOCIAL SECURITY	\$ 50,960	\$ 59,288
CALPERS RETIREMENT	\$ 68,500	\$ 73,000
CALPERS UNFUNDED ACCRUED LIABILITY	\$ -	\$ 3,500
457 & 401A RETIREMENT	\$ 75,000	\$ 59,100
INSURANCE BENEFITS/WORKERS COMP INSURANCE	\$ 255,890	\$ 383,400
RETIREE HEALTH/OPEB	\$ 394,378	\$ 494,012
SALARIES & BENEFITS	\$ 1,510,873	\$ 1,847,300

The Administrative Services Department is budgeting for general increases to Salary and Benefits from cost-of-living, step increases, and increased insurance premiums as well as the final payout for the current General Manager in Fiscal Year 2024/25. A large increase in Worker's Compensation Insurance Premiums from \$75 thousand to \$120 thousand due to three claims in Fiscal Year 2023/24 and the limited California insurance market is also increasing costs for Fiscal Year 2024/25. The District is budgeting for the payment of Other Post-Employment Benefits (OPEB) for twenty-five District retirees. The Actuarially Determined Contribution to the District's CalPERS CERB Section 115 OPEB Trust of \$64,012 is included along with the Retiree Health/OPEB budget in the Administrative Services Department Salary and Benefit expenses. Total Salary and

Benefit Expenses for the Administrative Services Department are expected to increase by \$336 thousand from Fiscal Year 2023/24 or 22 percent.

	<u>PROJECTED</u>	<u>PROPOSED</u>
	<u>FISCAL YEAR</u>	<u>FISCAL YEAR</u>
	<u>2023/24</u>	<u>2024/25</u>
ELECTION EXPENSE	\$ -	\$ 80,000
EMPLOYEE ENGAGEMENT	\$ 2,500	\$ 2,500
GENERAL OPERATING SUPPLIES & MAINTENANCE	\$ 15,838	\$ 25,000
LEGAL SERVICES	\$ 96,920	\$ 125,000
PROFESSIONAL DEVELOPMENT	\$ 15,000	\$ 20,000
PROFESSIONAL SERVICES	\$ 112,000	\$ 145,000
PROPERTY & LIABILITY INSURANCE	\$ 410,375	\$ 340,000
REGULATORY COMPLIANCE/GOVERNMENT FEES	\$ 30,776	\$ 36,000
REPAIR/MAINTENANCE AGREEMENTS	\$ 62,000	\$ 65,000
UTILITY BILLING/BANKING EXPENSE/PRINTING	\$ 253,354	\$ 277,750
SERVICES & SUPPLIES	\$ 998,763	\$ 1,116,250

The Administrative Services Department is budgeting for additional costs to recruit and hire a new General Manager and three potential board member seats to be placed on the November 2024 ballot. Funding for labor negotiations beginning in 2025, the Property and Liability Insurance Premium, and the impact of inflationary pressures on reoccurring services and supplies are included in the Administrative Services Department Service and Supply expenses. Total Service and Supply Expenses for the Administrative Services Department are expected to increase by \$117 thousand from Fiscal Year 2023/24 or 12 percent.

ADMINISTRATIVE SERVICE DEPARTMENT PERFORMANCE MEASURES

Key Measure	FY2020/21 Actuals	FY2021/22 Actuals	FY2022/23 Actuals	FY2023/24 Estimate	FY2024/25 Target
Error-Driven Billing Adjustment Rate	Not Tracked	.002%	.002%	0%	0%
Customer Newsletters	2	2	2	2	2
Transparency Certification	N/A	N/A	Yes	N/A	N/A
Obtain GFOA Award	Yes	Yes	Unknown	Yes	Yes
Comparative Sewer Service Rate Ranking	53%	54%	54%	56%	58%
Debt Ratio	4.5%	4.5%	5.6%	7%	7%
Financial Procedure Integrity	100%	100%	100%	100%	100%
Revenue-to-Expenditure Ratio	119%	131%	84%	100%	95%
Sewer Service Charges Compared to Inflation	11.4%	6.2%	-3.1%	-1.7%	-1.4%
Customer Accounts per Employee	872	896	904	896	907
Personnel Cost as a % of Revenue	31%	26%	33%	31%	34%
Personnel Cost per EDU	\$136	\$117	\$144	\$141	\$155
Voluntary Turnover Rate	15%	15%	4%	7%	6%

Experience Turnover Rate	23%	33%	1%	5%	5%
Payment Options	5	5	6	6	6
Number of Web Payments	20%	30%	36%	37%	38%
Number of Customers on e-bills	12%	14%	14%	18%	20%
Converting Paper Archive Records	1.5%	1.9%	0.71%	0.89%	1.0%
Bill Affordability	0.48%	0.45%	0.41%	0.37%	0.35%
Low-Income Billing Assistance Accounts	131	137	141	145	150

For additional information including definitions, descriptions, analyses, charts, and graphs on any of the performance measures please view the District's Strategic Plan Annual Performance Report located on the District's website at <https://spmud.ca.gov/strategic-plan>.

FIELD SERVICES DEPARTMENT

The Field Services Department is the largest department in the District. The department is responsible for the maintenance and construction of the District's infrastructure and oversees the collection of wastewaters within the jurisdiction. The department is responsible for regulatory compliance and prevention of sanitary sewer overflows.

FIELD SERVICES DEPARTMENT GOALS

The Field Service Department has the following goals for Fiscal Year 2024/25:

Goal	Strategic Plan Priority
Prevent Sanitary Sewer Overflows.	Maintain an excellent regulatory compliance record.
Develop a Fleet Conversion Master Plan.	Maintain an excellent regulatory compliance record.
Complete the Sewer System Management Plan Internal Audit.	Maintain an excellent regulatory compliance record.
Use preventative practices wherever possible to extend the life of District assets.	Provide exceptional value for the cost of sewer service.
Provide quality maintenance of the District's sewer infrastructure in an efficient manner.	Provide exceptional value for the cost of sewer service.
Develop a Draft Tactical Asset Management Plan.	Leverage existing and applicable technologies to improve efficiencies.
Complete the SCADA Replacement Project.	Leverage existing and applicable technologies to improve efficiencies.
Perform maintenance on District easements.	Prepare for the future and foreseeable emergencies.

Develop two written contingency plans.	Prepare for the future and foreseeable emergencies.
Promote and provide support for the District Master's Program.	Make SPMUD a great place to work.

PROPOSED BUDGET AND POSITION CHANGES

Fiscal Year 2023/24		Fiscal Year 2024/25	
Superintendent	1	Superintendent	1
Regulatory Compliance Tech/Spec	1	Regulatory Compliance Tech/Spec	1
Field Supervisor	1	Field Supervisor	1
Lead Worker	2	Lead Worker	2
Maintenance Worker/Inspector	1	Maintenance Worker/Inspector	1
Maintenance Worker/Electro-Mechanical Tech	2	Maintenance Worker/Electro-Mechanical Tech	2
Maintenance Worker I/II	10	Maintenance Worker I/II	10
Temporary Laborer I/II/III	0	Temporary Laborer I/II/III	1
Total Positions	18	Total Positions	19

The Field Services Department budget does not include any position changes for Fiscal Year 2024/25. The budget includes one Temporary Laborer for a limited-term duration of six months.

FIELD SERVICES DEPARTMENT EXPENSE SUMMARY

	<u>PROJECTED</u>	<u>PROPOSED</u>
	<u>FISCAL YEAR</u>	<u>FISCAL YEAR</u>
	<u>2023/24</u>	<u>2024/25</u>
SALARIES/WAGES	\$ 1,581,098	\$ 1,795,000
FICA - SOCIAL SECURITY	\$ 120,954	\$ 137,318
CALPERS RETIREMENT	\$ 128,014	\$ 145,000
CALPERS UNFUNDED ACCRUED LIABILITY	\$ 316,273	\$ 332,222
457 & 401A RETIREMENT	\$ 50,425	\$ 59,800
INSURANCE BENEFITS	\$ 477,900	\$ 492,000
SALARIES & BENEFITS	\$ 2,674,664	\$ 2,961,340

The Field Services Department is budgeting for general increases to Salary and Benefits from cost-of-living, step increases, and increased insurance premiums in Fiscal Year 2024/25. The budget is also higher than Fiscal Year 2023/24 due to two Maintenance Workers positions that were vacant for the first half of Fiscal Year 2023/24. Total Salary and Benefit Expenses for the Field Services Department are expected to increase by \$286 thousand from Fiscal Year 2023/24 or 11 percent.

	<u>PROJECTED</u>	<u>PROPOSED</u>
	<u>FISCAL YEAR</u>	<u>FISCAL YEAR</u>
	<u>2023/24</u>	<u>2024/25</u>
ASPHALT PAVING	\$ 25,000	\$ 75,000
BUILDING & GROUNDS MAINTENANCE	\$ 46,000	\$ 97,000
EASEMENT MAINTENANCE	\$ -	\$ 155,000
GAS & OIL EXPENSE	\$ 66,000	\$ 75,000
GENERAL OPERATING SUPPLIES & MAINTENANCE	\$ 196,000	\$ 189,000
LATERAL CAMERA REPAIRS	\$ -	\$ 29,000
LIFT STATION & FLOW RECORDER PROGRAMS	\$ 88,000	\$ 96,000
OTHER OPERATING EXPENSE	\$ -	\$ 2,500
PROFESSIONAL DEVELOPMENT	\$ 29,000	\$ 28,000
PROFESSIONAL SERVICES	\$ 8,000	\$ 147,000
REGULATORY COMPLIANCE/GOVERNMENT FEES	\$ 40,000	\$ 41,000
ROOT CONTROL PROGRAM	\$ 77,000	\$ 79,000
SAFETY GEAR/UNIFORMS	\$ 25,000	\$ 29,000
TOOLS & EQUIPMENT	\$ -	\$ 16,000
UTILITIES	\$ 186,000	\$ 204,000
VEHICLE REPAIR & MAINTENANCE	\$ 75,000	\$ 80,000
SERVICES & SUPPLIES	\$ 861,000	\$ 1,342,500

The Field Services Department is budgeting for remote site repairs, easement maintenance including tree removal services, and a consultant to complete a Fleet Conversion Master Plan to comply with the Advanced Clean Fleets Rule. Many of the Field Services Department's Services and Supplies such as gas and utilities have been notably impacted by inflationary pressures that are anticipated to continue into Fiscal Year 2024/25. Total Service and Supply Expenses for the Field Services Department are expected to increase by \$481 thousand from Fiscal Year 2023/24 or 56 percent.

FIELD SERVICE DEPARTMENT PERFORMANCE MEASURES

Key Measure	FY2020/21 Actuals	FY2021/22 Actuals	FY2022/23 Actuals	FY2023/24 Estimate	FY2024/25 Target
Number of Sewer Spills	20	23	32	20	22
Number of Spills per 100 miles of Sewer Main	4	3	5	1.4	2.0
Volume of Sewer Spills to Waters	8,305	113	39	9,767	0
Sewer Successfully Conveyed	99.99%	99.99%	99.99%	99.99%	99.99%
Number of Blockages	17	13	13	7	10
Service Call Response Time	96%	98%	97.4%	97.0%	95%
Customer Satisfaction Surveys	97%	100%	100%	100%	100%
Miles of Sewer per Employee	24	23	23	23	23
O&M Cost per Mile of Sewer	\$28,958	\$30,293	\$42,591	\$39,000	\$40,000
Energy Use per Volume Conveyed	Not Tracked	171	175	170	175

Total Training Hours per Employee	19.8	27.5	25.7	22.5	20.0
Certification Coverage	95%	95%	89%	89%	100%
Lost Time Hours	0	0	0	0	0
Total Recordable Incident Rate	0	0	3.9	4.0	4.0
Critical Staff Resiliency	93%	87%	100%	81%	100%
Emergency Response Plan in Place	Yes	Yes	Yes	Yes	Yes
Contingency Plans in Place	Not Tracked	Not Tracked	6%	19%	31%
Fuel Supply Adequacy	No	No	Yes	Yes	Yes
Sewer Main Condition Assessment	6.3%	5.9%	5.2%	5.5%	5.0%
Lower Lateral Condition Assessment	79%	109%	130%	142%	100%
Collection System Failure Rate (O&M)	20	22	30	20	22
Repeat Customer Service Calls	2	3	1	0	0
Property Line Cleanouts	80%	81%	81%	82%	98%
Number of Insurance Claims per Employee Hours Worked	0	8.1	3.9	8.1	0
Severity of Insurance Claims per Employee Hours Worked	0	\$51,204	\$78,021	\$343,251	\$0

For additional information including definitions, descriptions, analyses, charts, and graphs on any of the performance measures please view the District's Strategic Plan Annual Performance Report located on the District's website at <https://spmud.ca.gov/strategic-plan>.

TECHNICAL SERVICES DEPARTMENT

The Technical Services Department provides the review and approval of capital projects and development activity within the District, including permitting, plan review, inspections, and geographic information systems.

TECHNICAL SERVICES DEPARTMENT GOALS

The Technical Service Department has the following goals for Fiscal Year 2024/25:

Goal	Strategic Plan Priority
Update the District's Pump Station Standards.	Maintain an excellent regulatory compliance record.
Complete plan reviews and inspections by their targeted completion dates.	Provide exceptional value for the cost of sewer service.
Complete an as-built study of the infrastructure located in Newcastle.	Leverage existing and applicable technologies to improve efficiencies.
Prevent Fats, Oils, and Greases from entering the collection system through inspection, education, and other methods of prevention.	Prepare for the future and foreseeable emergencies.

Complete the Del Rio Court and Delmar Sewer Extension Project.	Prepare for the future and foreseeable emergencies.
Complete the Jack-in-the-Box Sewer Replacement Project.	Prepare for the future and foreseeable emergencies.
Complete the Taylor Road Crossing Project.	Prepare for the future and foreseeable emergencies.
Begin work on the Placer County Water Agency Old State Highway Construction Project.	Prepare for the future and foreseeable emergencies.
Assist with the State funding application for the Newcastle Mobile Home Park.	Prepare for the future and foreseeable emergencies.
Promote and support leadership development and opportunities at the District.	Make SPMUD a great place to work.

PROPOSED BUDGET AND POSITION CHANGES

Fiscal Year 2023/24		Fiscal Year 2024/25	
District Engineer	1	District Engineer	1
Associate Engineer	0	Associate Engineer	0
GIS Tech/Analyst	1	GIS Tech/Analyst	1
Engineering Technician	1	Engineering Technician	1
Lead Inspector	1	Lead Inspector	1
Inspector I/II	2	Inspector I/II	2
Student Intern I/II/III	0	Student Intern I/II/III	1
Total Positions	6	Total Positions	7

The Technical Services Department budget does not include any position changes for Fiscal Year 2024/25. The budget includes one part-time Student Intern.

TECHNICAL SERVICES EXPENSE SUMMARY

	<u>PROJECTED</u>	<u>PROPOSED</u>
	<u>FISCAL YEAR</u>	<u>FISCAL YEAR</u>
	<u>2023/24</u>	<u>2024/25</u>
SALARIES/WAGES	\$ 714,148	\$ 786,000
FICA - SOCIAL SECURITY	\$ 54,632	\$ 60,129
CALPERS RETIREMENT	\$ 74,650	\$ 79,000
CALPERS UNFUNDED ACCRUED LIABILITY	\$ 158,137	\$ 166,785
457 & 401A RETIREMENT	\$ 22,450	\$ 23,400
INSURANCE BENEFITS	\$ 123,850	\$ 132,840
SALARIES & BENEFITS	\$ 1,147,867	\$ 1,248,154

The Technical Services Department is budgeting for general increases to Salary and Benefits from cost-of-living, step increases, and increased insurance premiums in Fiscal Year 2024/25. Total Salary and Benefit Expenses for the Technical Services Department are expected to increase by \$100 thousand from Fiscal Year 2023/24 or 9 percent.

	<u>PROJECTED</u>	<u>PROPOSED</u>
	<u>FISCAL YEAR</u>	<u>FISCAL YEAR</u>
	<u>2023/24</u>	<u>2024/25</u>
COMPUTER EQUIPMENT & SMALL OFFICE	\$ 21,000	\$ 8,750
GENERAL OPERATING SUPPLIES & MAINTENANCE	\$ 17,000	\$ 11,700
PROFESSIONAL DEVELOPMENT	\$ 2,300	\$ 17,125
PROFESSIONAL SERVICES	\$ 500,000	\$ 777,000
REGULATORY COMPLIANCE/GOVERNMENT FEES	\$ 14,500	\$ 14,500
REPAIR/MAINTENANCE AGREEMENTS	\$ 122,000	\$ 106,200
SAFETY GEAR/UNIFORMS	\$ 2,300	\$ 3,750
UTILITY BILLING/BANKING EXPENSE/PRINTING	\$ 3,000	\$ 3,050
SERVICES & SUPPLIES	\$ 682,100	\$ 942,075

The Technical Services Department is budgeting for professional services for two large Newcastle projects, the Placer County Water Agency Old State Highway Construction Project and the Taylor Road Crossing Project. The Technical Services Department Services and Supplies budget also includes spending on updated modeling for the 2025 SECAP and on-call services for engineering, surveying, and plan review. Total Service and Supply Expenses for the Technical Services Department are expected to increase by \$260 thousand from Fiscal Year 2023/24 or 38 percent.

TECHNICAL SERVICE DEPARTMENT PERFORMANCE MEASURES

Key Measure	FY2020/21 Actuals	FY2021/22 Actuals	FY2022/23 Actuals	FY2023/24 Estimate	FY2024/25 Target
Development Review Response Time	95%	95%	100%	100%	100%
Tenant Improvement Review Response Time	Not Tracked	Not Tracked	90%	98.4%	100%
Stakeholder Consultation Meetings	5	5	10	11	11
Partnering in the Community Events	1	5	6	7	7
Cybersecurity Resiliency	Yes	Yes	Yes	Yes	Yes
Watershed Protection	No	No	Yes	Yes	Yes
Asset Inventory Data	69%	69%	90%	91%	92%
Asset Renewal	20.7%	19.3%	20.2%	Pending Audit	20%
Collection System Failure Rate (Structural)	0	1	1	2	1
Capacity Assurance	Yes	Yes	Yes	Yes	Yes
Watershed-based Infrastructure Planning	Yes	Yes	Yes	Yes	Yes

For additional information including definitions, descriptions, analyses, charts, and graphs on any of the performance measures please view the District's Strategic Plan Annual Performance Report located on the District's website at <https://spmud.ca.gov/strategic-plan>.

TABLE 9 - FISCAL YEAR 2024/25 LOCAL OPERATING EXPENSES BY DEPARTMENT

	ASD	FSD	TSD	COMBINED
SALARIES/WAGES	\$ 775,000	\$ 1,795,000	\$ 786,000	\$ 3,356,000
FICA - SOCIAL SECURITY	\$ 59,288	\$ 137,318	\$ 60,129	\$ 256,735
CALPERS RETIREMENT	\$ 73,000	\$ 145,000	\$ 79,000	\$ 297,000
CALPERS UNFUNDED ACCRUED LIABILITY	\$ 3,500	\$ 332,222	\$ 166,785	\$ 502,507
457 & 401A RETIREMENT	\$ 59,100	\$ 59,800	\$ 23,400	\$ 142,300
INSURANCE BENEFITS/WORKERS COMP INSURANCE	\$ 383,400	\$ 492,000	\$ 132,840	\$ 1,008,240
RETIREE HEALTH/OPEB	\$ 494,012	\$ -	\$ -	\$ 494,012
SALARIES & BENEFITS	\$ 1,847,300	\$ 2,961,340	\$ 1,248,154	\$ 6,056,794
ASPHALT PAVING	\$ -	\$ 75,000	\$ -	\$ 75,000
BUILDING & GROUNDS MAINTENANCE	\$ -	\$ 97,000	\$ -	\$ 97,000
COMPUTER EQUIPMENT & SMALL OFFICE	\$ -	\$ -	\$ 8,750	\$ 8,750
EASEMENT MAINTENANCE	\$ -	\$ 155,000	\$ -	\$ 155,000
ELECTION EXPENSE	\$ 80,000	\$ -	\$ -	\$ 80,000
EMPLOYEE ENGAGEMENT	\$ 2,500	\$ -	\$ -	\$ 2,500
GAS & OIL EXPENSE	\$ -	\$ 75,000	\$ -	\$ 75,000
GENERAL OPERATING SUPPLIES & MAINTENANCE	\$ 25,000	\$ 189,000	\$ 11,700	\$ 225,700
LATERAL CAMERA REPAIRS	\$ -	\$ 29,000	\$ -	\$ 29,000
LEGAL SERVICES	\$ 125,000	\$ -	\$ -	\$ 125,000
LIFT STATION & FLOW RECORDER PROGRAMS	\$ -	\$ 96,000	\$ -	\$ 96,000
OTHER OPERATING EXPENSE	\$ -	\$ 2,500	\$ -	\$ 2,500
PROFESSIONAL DEVELOPMENT	\$ 20,000	\$ 28,000	\$ 17,125	\$ 65,125
PROFESSIONAL SERVICES	\$ 145,000	\$ 147,000	\$ 777,000	\$ 1,069,000
PROPERTY & LIABILITY INSURANCE	\$ 340,000	\$ -	\$ -	\$ 340,000
REGULATORY COMPLIANCE/GOVERNMENT FEES	\$ 36,000	\$ 41,000	\$ 14,500	\$ 91,500
REPAIR/MAINTENANCE AGREEMENTS	\$ 65,000	\$ -	\$ 106,200	\$ 171,200
ROOT CONTROL PROGRAM	\$ -	\$ 79,000	\$ -	\$ 79,000
SAFETY GEAR/UNIFORMS	\$ -	\$ 29,000	\$ 3,750	\$ 32,750
TOOLS & EQUIPMENT	\$ -	\$ 16,000	\$ -	\$ 16,000
UTILITIES	\$ -	\$ 204,000	\$ -	\$ 204,000
UTILITY BILLING/BANKING EXPENSE/PRINTING	\$ 277,750	\$ -	\$ 3,050	\$ 280,800
VEHICLE REPAIR & MAINTENANCE	\$ -	\$ 80,000	\$ -	\$ 80,000
SERVICES & SUPPLIES	\$ 1,116,250	\$ 1,342,500	\$ 942,075	\$ 3,400,825

CAPITAL OUTLAY BUDGET

Fiscal Year 2024/25 Capital Projects are projected to be approximately \$19.75 million. Capital Projects are necessary to maintain and replace existing infrastructure and assets and complete necessary expansions to support the collection of sewage within the District boundaries. Annual capital projects are ongoing costs that do not substantially impact future operating budgets. Capital Expansion Projects are identified in the District's System Evaluation and Capacity Plan (SECAP). The timing of these projects depends largely on development proposals and staff budgets for these expenses based on the anticipated project timelines in coordination with the City of Rocklin, Town of Loomis, and County of Placer. Capital Replacement and Rehabilitation Projects are identified through asset data such as age, material, and use, routine maintenance and inspection, and coordination with other development and municipal projects. Staff meet regularly to determine the timing of projects that have or will be budgeted over the next five years. Potential projects are brought to the Infrastructure Advisory Committee who provide recommendations on when projects receive funding. Completion of the capital projects and purchases identified in the Fiscal Year 2024/25 Capital Outlay Budget support the District's Strategic Plan Priorities:

- Maintain an Excellent Regulatory Compliance Record.
- Prepare for the Future & Foreseeable Emergencies.
- Leverage Existing and Applicable Technologies to Improve Efficiencies.
- Provide Exceptional Value for the Cost of Service.
- Make the District a Great Place to Work.

OPERATING FUND CAPITAL OUTLAY SUMMARY

\$1,661,000

Fund 100 capital projects are funded through rates and charges and pay for new capital assets or the replacement of capital assets that were not previously included in the District's fixed asset schedule. Projects include the Taylor Road Crossing Project in Newcastle, design and a portion of the construction of the Old State Highway and Buena Vista Sewer Replacement project in coordination with Placer County Water Agency in Newcastle, new IT equipment, and upgrades to District easements.

CAPITAL IMPROVEMENT & EXPANSION OUTLAY SUMMARY

\$10,484,000

Fund 300 capital projects are funded through the capacity charge and pay for expansion and enlargement projects. Projects include preliminary engineering for the Sierra College Trunk and Lift Station Abandonment, preliminary engineering and environmental for the abandonment of the Cameo Court Lift Station, preliminary engineering for the Antelope Creek A Project, and construction of the Del Rio and Delmar Sewer Trunk Extension, and developer reimbursements for trunk extensions at Boyington and College Park South.

CAPITAL REPLACEMENT & REHABILITATION OUTLAY SUMMARY

\$7,606,000

Fund 400 capital projects are funded through an annual accumulated depreciation transfer from the operating fund based on the assets in the District’s fixed asset schedule and pay for the repair or replacement of current assets. Projects include the design and construction of the Jack in the Box Line, preliminary engineering for the abandonment of the Cameo Court Lift Station Abandonment, preliminary engineering for the Antelope Creek A project, the King Road Replacement Project, the Farron Street Project, the SCADA Master Plan Implementation, Cured in Place Pipe, easement repair work, new vehicle purchases, and participation in several regional projects.

TABLE 10 – FISCAL YEAR 2024/25 PROGRAMMED CAPITAL OUTLAY SUMMARY

	AUDITED FINANCIALS		PROJECTED	PROPOSED
	FISCAL YEAR 2021/22	FISCAL YEAR 2022/23	FISCAL YEAR 2023/24	FISCAL YEAR 2024/25
OPERATING FUND	\$ 405,380	\$ 3,473,440	\$ 385,000	\$ 1,661,000
CIP & EXPANSION	\$ 124,732	\$ 61,424	\$ 200,000	\$ 10,484,000
REPLACEMENT & REHABILITATION	\$ 958,034	\$ 1,518,698	\$ 2,066,000	\$ 7,606,000
TOTAL CAPITAL INVESTMENT	\$ 1,488,146	\$ 5,053,562	\$ 2,651,000	\$ 19,751,000

TABLE 11 – FISCAL YEAR 2024/25 PROGRAMMED CAPITAL OUTLAY DETAIL

CAPITAL IMPROVEMENTS			PROGRAMMED CAPITAL OUTLAY		
			OPERATING	CIP & EXPANSION	REPLACEMENT & REHABILITATION
COMPUTERS/OFFICE FURNITURE	\$ 60,000	\$ 60,000	\$ -	\$ -	
CY MASTER PLAN CAPITAL IMPROVEMENTS	\$ 95,000	\$ 75,000	\$ -	\$ 20,000	
EASEMENT/ACCESS ROADS	\$ 321,000	\$ 160,000	\$ -	\$ 161,000	
EASEMENT ACQUISITION	\$ 150,000	\$ 150,000	\$ -	\$ -	
EASEMENT INSPECTION PROGRAM	\$ 25,000	\$ 25,000	\$ -	\$ -	
PARTICIPATION IN REGIONAL PROJECTS	\$ 830,000	\$ 50,000	\$ -	\$ 780,000	
SYSTEM IMPROVEMENTS	\$ 1,125,000	\$ 1,125,000	\$ -	\$ -	
TOOLS & EQUIPMENT	\$ 16,000	\$ 16,000	\$ -	\$ -	
EXPANSION PROJECTS	\$ 5,034,000	\$ -	\$ 5,034,000	\$ -	
TRUNK EXTENSION REIMBURSEMENT	\$ 5,450,000	\$ -	\$ 5,450,000	\$ -	
CURED IN PLACE PIPE	\$ 750,000	\$ -	\$ -	\$ 750,000	
HIGH-RISK FACILITY CREEK CROSSINGS	\$ 500,000	\$ -	\$ -	\$ 500,000	
LATERAL CAMERA REPLACEMENTS	\$ 13,000	\$ -	\$ -	\$ 13,000	
SCADA	\$ 3,800,000	\$ -	\$ -	\$ 3,800,000	
SYSTEM REHABILITATION	\$ 1,366,000	\$ -	\$ -	\$ 1,366,000	
VEHICLE PURCHASES	\$ 216,000	\$ -	\$ -	\$ 216,000	
TOTAL CAPITAL IMPROVEMENTS	\$ 19,751,000	\$ 1,661,000	\$10,484,000	\$ 7,606,000	

OPERATING FUND CAPITAL OUTLAY DETAILS**\$1,661,000****COMPUTERS/OFFICE FURNITURE** **\$60,000**

For the purchase of various computers and office furniture components.

CORPORATION YARD MASTER PLAN CAPITAL IMPROVEMENTS **\$75,000**

The District completed construction on the 2022 Corporation Yard Addition and Tenant Improvement Project during the last fiscal year. The project includes the reconfiguration of the customer lobby area, the addition of a large training/multipurpose room, and the reconfiguration of the locker rooms and Field Service Department offices. The budgeted amount is to hire an architectural consultant to create plans for now underutilized spaces like the old breakroom in the headquarters building.

EASEMENT/ACCESS ROADS NEW & UPGRADES **\$160,000**

The District makes ongoing efforts to improve security and access to sewer facilities in easements. The budgeted amount is planned to pave new access roads with asphalt through contracted services.

EASEMENT/PROPERTY ACQUISITION **\$150,000**

The District plans to acquire property where the Taylor Road Lift Station is located as well as easements within the Blue Goose Parking Lot and two other private properties in Loomis.

EASEMENT INSPECTION PROGRAM **\$25,000**

The District will pursue a professional services agreement with a drone service to collect and process data collected through inspections of the District's easements. The data from these inspections will document the condition of easements, demonstrate the change in condition of easements over time, and be used to evaluate the potential encroachment of other improvements in easements.

PARTICIPATION IN REGIONAL PROJECTS **\$50,000**

The District coordinates with regional agencies to protect District assets during the construction of other agency improvements. The cost of CCTV inspection before and after the agency's project to ensure damage caused by construction is repaired and debris does not enter the sewer system and the cost to adjust District assets to conform to newly finished grades is borne by the District.

SYSTEM IMPROVEMENTS

\$1,125,000

The District plans to design and reconstruct a substandard sewer crossing on Taylor Road in Newcastle to improve access and to meet State minimum separation standards as well as design improvements to the Taylor Road Lift Station. The District also budgeted a portion of the Old State Highway and Buena Vista Sewer Replacement project construction in anticipation that PCWA initiates construction in early 2025. In addition, improvements to Keller Court remain in the budget and will be completed once the homeowner provides easements and a Bill of Sale for the existing improvements.

TOOLS & EQUIPMENT

\$16,000

The District uses many different tools and equipment to improve efficiency and increase the safety of the work performed by its forces. This budgeted amount is to purchase larger tools and equipment to support the construction crew.

CAPITAL IMPROVEMENT & EXPANSION CAPITAL DETAILS

\$10,484,000

EXPANSION PROJECTS

\$5,034,000

The District plans to complete the design, environmental, and construction of the Del Rio Court and Delmar Sewer Trunk Extension, the preliminary engineering and environmental of the Cameo Court Lift Station Abandonment, the preliminary engineering for the Sierra College Trunk, and the preliminary engineering for Antelope Creek A.

TRUNK EXTENSION REIMBURSEMENT

\$5,450,000

The District is currently aware of two projects that would be eligible for reimbursement agreements and may be approved and constructed in the upcoming year: the Boyington Road Extension (Hidden Grove), and College Park South. This line item will be used only if reimbursement agreements are approved by the Board.

REPLACEMENT & REHABILITATION CAPITAL OUTLAY DETAILS

\$7,606,000

CORPORATION YARD MASTER PLAN CAPITAL IMPROVEMENTS

\$20,000

The District completed the construction of the 2022 Corporation Yard Addition and Tenant Improvement Project during the last fiscal year. The project included accommodations for improved redundancy in the housing of the District's IT network. The cooling system

in the server room has reached the end of its useful life and needs to be replaced to protect the value of the IT equipment. This budgeted amount is for the costs to purchase and install a new mini split air conditioner.

CURED IN PLACE PIPE \$750,000

This budgeted amount is for the rehabilitation of pipes by installing Cured-In-Place-Pipe (CIPP) liners into sewer mainlines, lateral pipes, and installing lateral seals.

DISTRICT PARTICIPATION IN REGIONAL PROJECTS \$780,000

The District continues to coordinate with its stakeholders and other regional agencies. These municipalities and agencies plan projects in areas where existing District facilities are located. The District enters into construction cooperation agreements with these partners in the region to participate in the adjustment of manholes to grade and, in some cases, rehabilitate or replace some or all of the existing sewer facilities as part of the project. This line item pays for this work. This is advantageous to the stakeholders because it decreases the likelihood that the District will need to do work soon after they finish their projects. It is advantageous to the District because the rehabilitation or replacement of the sewer facilities is less impactful to customers when combined with other improvements. The anticipated projects include multiple City of Rocklin pavement rehabilitation projects, (Park Drive, Five Star Boulevard, Destiny Drive, Mission Hills, Bluffs – Phase 1 and 2, Sunset Widening, Rocklin Road Widening, and Aguilar Road).

EASEMENT/ACCESS ROAD REPLACEMENTS \$161,000

The District has an ongoing easement road upgrade program. The District is committed to paving select access roads with asphalt through contracted services to improve the accessibility to sewer facilities in all weather conditions. This budgeted amount is to replace existing easement access roads with paved access roads.

HIGH-RISK FACILITY CREEK CROSSINGS \$500,000

The District is planning to replace a creek crossing identified in the High-Risk Facilities Master Plan. The project includes preliminary engineering, layout and design, and preparation of the necessary environmental and cultural resource documents.

LATERAL CAMERA REPLACEMENTS \$13,000

The District owns and operates the lower lateral (i.e., the portion of the sewer service that is located within the public right of way. Lateral cameras are a vital tool for assessing the condition of lower laterals and diagnosing issues when responding to callouts. The frequent use of lateral cameras to perform these functions means they receive a lot of

wear over time. The budgeted amount is for the planned replacement of lateral cameras over time.

SCADA IMPLEMENTATION

\$3,800,000

The District's Supervisory Control and Data Acquisition (SCADA) system's hardware and software are proprietary and are supported by only one service provider on the West Coast. Staff have concerns about the service provider's ability to support the system into the future. The District retained a consultant to prepare a Master Plan to outline phased improvements to the SCADA system to increase reliability and harden security. The design of the improvements commenced last year. The budgeted amount is for the final design, preparation of bid packages, services during construction, and construction of the improvements.

SYSTEM REHABILITATION

\$1,366,000

System rehabilitation projects programmed for Fiscal Year 2024/25 include the Jack in the Box sewer main line replacement adjacent to Rocklin Road, preliminary engineering and environmental for the Cameo Court Lift Station Abandonment, preliminary engineering and environmental for the Antelope Creek A Project, the King Road Replacement Project, and the Farron Street Replacement Project.

VEHICLE PURCHASES

\$216,000

This budgeted amount is for the purchase of one replacement vehicle, one replacement trailer-mounted generator, one medium-duty service truck, and one compact tractor.

FUND BALANCES, DEBT, AND RESERVES

DEBT

Since formation in 1956, the District has never issued debt and does not have any outstanding debt obligations. The District has not obtained a bond or credit rating since there has never been a need to consider the issuance of debt. The District does not anticipate potential issuance of debt until 2033 when a large portion of the District’s infrastructure will require replacement.

CASH AND INVESTMENT BALANCES

Cash balances are invested in accordance with the District’s Investment Policy 3120 in the Local Agency Investment Fund (LAIF); the Placer County Treasury; CalTRUST, California CLASS, and Five Star Bank Money Market. The breakdown of these investments is shown in Table 12 – Investment Account Balances as of March 31, 2024. In April 2024, the District moved \$15 million from the Placer County Treasury to a new account with Wells Fargo Securities. The District purchased four US Agency fixed-income-securities with maturity dates in 2026, 2027, 2028, and 2029. The purchase of these securities is intended to provide a long-term stable return on reserve balances while minimizing future interest rate risk.

As of March 31, 2024, District investment balances were \$16.07 million in Fund 100, \$32.96 million in Fund 300, and \$24.71 million in Fund 400. Additionally, the balance of the CalPERS CEPP Trust which is restricted for pension expenses was \$3.40 million. The District’s investment portfolio balance as of March 31, 2024, increased \$3.86 million or 5.3% from the Fiscal Year 2022/23 audited numbers. The Fund 100 balance will be adjusted at year-end to account for fund balance transfers with Funds 300 and 400 that occurred throughout Fiscal Year 2023/24.

TABLE 12 – FUND BALANCE BREAKDOWN

FUND	AUDITED FISCAL YEAR 2021/22	AUDITED FISCAL YEAR 2022/23	FUNDS AS OF 03/31/2024
FUND 100 OPERATING	\$ 25,250,688	\$ 14,808,953	\$ 16,074,947
FUND 300 CIP & EXPANSION	\$ 27,140,321	\$ 31,500,531	\$ 32,963,576
FUND 400 CAPITAL R&R	\$ 21,959,738	\$ 23,829,176	\$ 24,709,518
CALPERS CEPPT - RESTRICTED	\$ 3,006,901	\$ 3,156,947	\$ 3,405,541
TOTALS	\$ 77,357,648	\$ 73,295,607	\$ 77,153,582

FIGURE 9 – ALLOCATION BY FUND AS OF MARCH 31, 2024

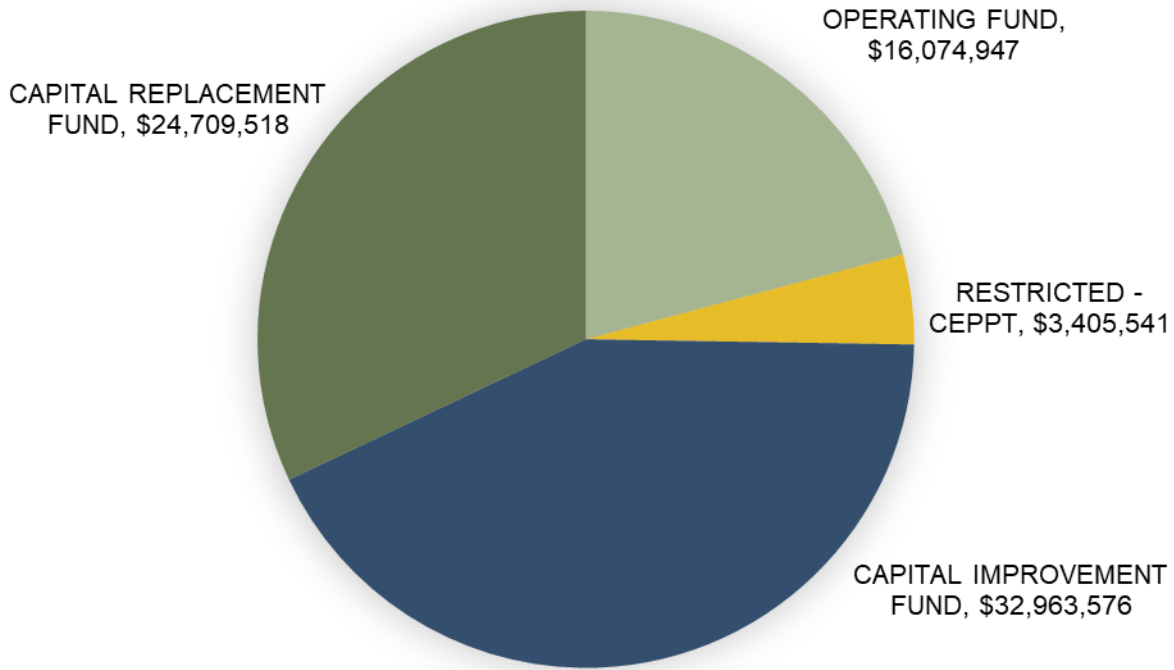


TABLE 13 INVESTMENT ACCOUNT BALANCES AS OF MARCH 31, 2024

INVESTMENT	PRIOR YEAR Jan 23 - Mar 23	PRIOR QUARTER Oct 23 - Dec 23	MARKET VALUE Jan 24 - Mar 24	QUARTERLY RETURN	% OF PORTFOLIO
LAIF	\$ 25,364,678	\$ 26,053,485	\$ 26,331,860	1.03%	34%
PLACER COUNTY TREASURY	\$ 25,290,891	\$ 20,336,691	\$ 20,509,592	0.76%	27%
CA CLASS	\$ -	\$ 10,221,511	\$ 10,360,722	1.36%	13%
CALTRUST	\$ 6,365,411	\$ 6,615,467	\$ 6,683,877	1.25%	9%
FIVE STAR MONEY MARKET	\$ 6,054,558	\$ 5,399,545	\$ 5,453,683	1.03%	7%
CASH	\$ 9,247,405	\$ 3,315,863	\$ 4,408,307	0.13%	6%
RESTRICTED - CEPPT	\$ 3,102,584	\$ 3,328,455	\$ 3,405,541	2.41%	4%
TOTAL/AVERAGE	\$ 75,425,527	\$ 75,271,016	\$ 77,153,582	1.03%	100%

TABLE 14 – FUND BALANCE SOURCES AND USES

Fund 100 Operating Fund

PROJECTED BALANCE AS OF JULY 1, 2024	\$ 14,315,047
Proposed Revenues	
<i>Fund 100 Revenues</i>	\$ 19,381,800
<i>Interest</i>	\$ 346,000
<i>Total Fund 100 Revenues</i>	\$ 19,727,800
Proposed Expenditures	
<i>Local Operations & Maintenance Expenses</i>	\$ (9,457,618)
<i>Regional Operations & Maintenance Expenses</i>	\$ (9,176,648)
<i>Depreciation</i>	\$ (2,678,970)
<i>SubTotal Fund 100 Expenses</i>	\$ (21,313,236)
 <i>Capital Projects</i>	 \$ (1,661,000)
<i>Total Fund 100 Expenditures</i>	\$ (22,974,236)
 100 ENDING FUND BALANCE	 \$ 11,068,611
 <i>Minimum Operating Fund Reserve Requirement per Policy #3130</i>	 \$ 5,658,567
 100 FUND BALANCE (LESS RESERVE REQUIREMENT) AVAILABLE FOR USE	 \$ 5,410,044

Fund 300 CIP & Expansion

PROJECTED BALANCE AS OF JULY 1, 2024	\$ 34,147,251
Proposed Revenues	
<i>Sewer Participation Charges</i>	\$ 1,477,800
<i>Interest</i>	\$ 979,000
<i>Total Fund 300 Revenues</i>	\$ 2,456,800
Proposed Expenditures	
<i>Capital Projects</i>	\$ (10,484,000)
<i>Total Fund 300 Expenditures</i>	\$ (10,484,000)
 300 ENDING FUND BALANCE	 \$ 26,120,051

Fund 400 Replacement & Rehab

PROJECTED BALANCE AS OF JULY 1, 2024 \$ 25,527,483

Proposed Revenues

Depreciation \$ 2,678,970

Interest \$ 733,000

Total Fund 400 Revenues \$ 3,411,970

Proposed Expenditures

Capital Projects \$ (7,606,000)

Total Fund 400 Expenditures \$ (7,606,000)

400 ENDING FUND BALANCE \$ 21,333,453

COMPLIANCE WITH DISTRICT RESERVE POLICY 3130

As indicated in *Table 14 Fund Balance Sources and Uses*, the District is projecting an Operating Fund Reserve balance of \$11.07 million by year-end which exceeds the minimum requirement of \$5.66 million. This budget allows the District to demonstrate continued compliance with Reserve Policy #3130.

TABLE 15 – OPERATING FUND RESERVE REQUIREMENTS

<u>RESERVE FUND</u>	<u>REQUIREMENT</u>	<u>CALCULATION</u>	<u>AMOUNT</u>
EMERGENCY RESERVE	\$1 million	\$1 million	\$ 1,000,000
OPERATIONS & MAINTENANCE RESERVE	3 months of operating expense (before depreciation)	25% of \$18,634,266	\$ 4,658,567
		TOTAL	<u><u>\$ 5,658,567</u></u>

REGIONAL WASTEWATER TREATMENT PLANT

FUNDING, DEBT, & RATE STABILIZATION RESERVE FUND

The District, the City of Roseville, and Placer County are participants in the South Placer Wastewater Authority (SPWA). The District collects and transports about 1.8 billion gallons of raw sewage annually to the Dry Creek and Pleasant Grove Regional Wastewater Treatment Plants in Roseville. The two Regional Wastewater Treatment Plants and infrastructure used by all three partners make up the regional facilities. The District pays its share of annual Operations and Maintenance and Rehabilitation and Replacement costs for the Regional Wastewater Treatment Plants based on its proportional flows which are approximately 26% of total flows into the plants. The City of Roseville provides the District with the annual estimated treatment expenses. A true-up of actual flows and expenses is completed after the close of the fiscal year and the District receives an invoice for additional charges or a credit towards future payments. The District received a true-up credit from Fiscal Year 2022/23 of \$2.20 million due to delayed spending on Rehabilitation and Replacement projects. The credit was applied towards the Fiscal Year 2023/24 Regional Wastewater Treatment Plant expenses. The District is budgeting to pay the SPWA for Fiscal Year 2024/25 based on the numbers in the District's Cost of Service and Rate Study approved by the District Board of Directors on March 2, 2023, for a total expense of \$9.18 million. These treatment expenses are the largest operational expense of the District and comprise over 43% of the District's operating revenues.

Per the SPWA Debt Review Board Report dated January 3, 2024, the SPWA has outstanding debt of \$189 million. An SPWA Funding Agreement establishes a Rate Stabilization Account to be used for the payment of debt service on the Bonds and other costs of the Authority. Monthly contributions of regional capacity charges are deposited into the Authority's Rate Stabilization Account and SPWA pays the debt service and other costs from the account, based on each member's proportionate share. The District maintains a balance of \$65.46 million in the SPWA Rate Stabilization Account. The annual SPWA Debt assigned to the District for Fiscal Year 2023/24 was \$3.18 million. At the current debt service, the District has approximately 20 years' worth of debt service on account with SPWA. The adoption of this budget allows the District to demonstrate compliance with the required Debt Coverage Ratio required by the SPWA Bond Indenture. The District's Proportionate Share of Debt Service is to be paid from the Participant Net Revenues in the SPWA Rate Stabilization Fund. To the extent that the District's Proportionate Share of Debt Service is not paid in full from the Rate Stabilization Fund, the District pledges payment directly to the SPWA from the District's Operating Fund.

LONG RANGE PLANNING & PROJECTIONS

In Fiscal Year 2022/23, the District hired a consultant to perform a Wastewater Cost of Service Rate Study. IB Consulting reviewed the financial health of the District and determined that the District was in a strong financial position with a healthy reserve balance. However, without a rate increase the annual net operating income would diminish over the years and the District's Capital Improvement Plan (CIP) would draw down reserves below the District's minimum reserve requirements over the next five years. Much of the District's collection system was installed prior to 1970 and the assets are approaching the end of their useful life. A significant number of replacements will occur over the next decade, with a peak in the fiscal year 2033. The rehabilitation and replacement capital spending in the fiscal year 2033 is expected to be funded through debt issuance.

The financial plan developed by the consultant utilized a fifteen-year project model to establish rates for the next five years. The plan modified the reserve requirement by eliminating the local rate stabilization reserve and reducing the emergency reserve from \$3 million to \$1 million. The financial plan provides for modest rate increases and a long-term strategy to implement cost-containing strategies and issue debt to fund necessary capital replacements in the fiscal year 2033.

Monthly Service Charges were adopted by Ordinance 23-01 at the June 2023 District Board Meeting.

Implementation Schedule of Monthly Service Charges

Implementation Date	July 1, 2023	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027
Monthly Service Charge (\$/EDU)	\$ 37.44	\$ 38.94	\$ 40.50	\$ 42.53	\$ 44.66

The consultant also completed a Capacity Fee Study based on the reasonable cost to accommodate additional demand from new development or the expansion of existing development. The incremental cost approach was used to determine the appropriate fee. The capacity or participation fee was adopted by Ordinance 23-02 at the June 2023 District Board Meeting. The fee for Fiscal Year 2023/24 was set at \$4,915 and will adjust on July 1st of each successive year by the change in the average of the Construction Cost Index (20-City) and the Construction Cost Index (San Francisco, CA) as reported in the Engineering News Records for the preceding 12-month period ending the prior May. The fee for Fiscal Year 2024/25 is \$4,926.

The long-term financial plan aligns the District with its mission to, “Protect, Provide, and Prepare,” its vision, “To be a Reliable, Innovative, Sustainable, Efficient, and Cost-effective sewer service provider,” and its core values of, “Integrity, Stewardship, Service, and Quality.”

The long-term financial plan supports the strategic plan priority “Maintain an Excellent Regulatory Compliance Record” by ensuring that funding is available for appropriate staffing, root control, pipe lining, and other items that prevent sanitary sewer overflows and ensure compliance. The long-term financial plan supports the strategic plan priority “Prepare for the Future and Foreseeable Emergencies” by identifying long-term financing of capital improvements and strategies to mitigate future financial liabilities. The long-term financial plan supports the strategic plan priority “Leverage Existing and Applicable Technologies to Improve Efficiencies” by focusing on methods to create efficiency and improve the utilization of resources. The long-term financial plan supports the strategic plan priority “Provide Exceptional Value for the Cost of Service” by ensuring that the District maintains one of the lowest monthly service rates in the area. The long-term financial plan supports the strategic plan priority “Make the District a Great Place to Work” by ensuring the long-term financial stability of the District and programs that support the District’s greatest asset, its dedicated workforce.

The long-range budget includes projections for annual growth that are based on anticipated projects within the District’s service area. Revenues and expenditures are projected using trend analysis and the following assumptions from the Cost of Service and Rate Study:

SEWER SERVICE CHARGES	Adopted rates plus additional EDU growth
GENERAL COSTS	2.48% escalation
INTEREST	2.48% escalation based on projected ending fund balances
CAPITAL CONSTRUCTION	3.30% based on 20-year average engineering news index record (ENIR)
SALARY & BENEFIT COSTS	5% escalation
ENERGY COSTS	5% escalation
PROPERTY & LIABILITY INSURANCE	5% escalation

The District maintains its minimum reserve balances through Fiscal Year 2027/28 with the potential use of the CERBT and CEPPT accounts to assist with CalPERS minimum unfunded accrued liability payments and Other Post-Employment Benefit payments if needed. The District is scheduled to undergo a new five-year cost of service and rate study beginning in Fiscal Year 2027/28 and covering the fiscal years 2028/29 through 2032/33.

TABLE 16 – FIVE YEAR REVENUE PROJECTIONS

	<u>PROPOSED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>
	<u>FISCAL YEAR</u> <u>2024/25</u>	<u>FISCAL YEAR</u> <u>2025/26</u>	<u>FISCAL YEAR</u> <u>2026/27</u>	<u>FISCAL YEAR</u> <u>2027/28</u>	<u>FISCAL YEAR</u> <u>2028/29</u>	<u>FISCAL YEAR</u> <u>2029/30</u>
OPERATING FUND						
MONTHLY SEWER SERVICE CHARGE PER EDU	\$ 38.94	\$ 40.50	\$ 42.53	\$ 44.66	\$ 44.66	\$ 44.66
SEWER SERVICE CHARGES REVENUES	\$ 17,602,000	\$ 18,006,300	\$ 19,010,910	\$ 20,070,204	\$ 20,177,388	\$ 20,284,572
PERMITS, PLAN CHECK FEES & INSPECTIONS	\$ 269,800	205,416	205,416	164,333	164,333	\$ 164,333
PROPERTY TAXES	\$ 1,320,000	1,352,736	1,386,284	1,420,664	1,455,896	\$ 1,492,002
LATE FEES SEWER SERVICE CHARGES	\$ 140,000	143,472	147,030	150,676	154,413	\$ 158,243
INTEREST	\$ 346,000	250,000	256,200	262,554	269,065	\$ 275,738
MISCELLANEOUS INCOME	\$ 50,000	51,240	52,511	53,813	55,148	\$ 56,515
OPERATING FUND less CEPPT Interest Earnings	\$ 19,727,800	\$ 20,009,164	\$ 21,058,351	\$ 22,122,244	\$ 22,276,243	\$ 22,431,403
Interest Income from CEPPT (Restricted)	\$ 75,000	\$ 76,860	\$ 78,766	\$ 80,720	\$ 82,721	\$ 84,773
TOTAL OPERATING FUND	\$ 19,802,800	\$ 20,086,024	\$ 21,137,117	\$ 22,202,963	\$ 22,358,964	\$ 22,516,176
CAPITAL IMPROVEMENT FUND						
EDU GROWTH	300	250	250	200	200	200
SEWER PARTICIPATION FEES	\$ 1,477,800	\$ 1,272,140	\$ 1,311,394	\$ 1,083,824	\$ 1,119,565	\$ 1,156,547
INTEREST	979,000	\$ 800,000	\$ 819,840	\$ 859,192	\$ 880,500	\$ 902,337
TOTAL CAPITAL IMPROVEMENT FUND	\$ 2,456,800	\$ 2,072,140	\$ 2,131,234	\$ 1,943,016	\$ 2,000,066	\$ 2,058,883
CAPITAL REPLACEMENT FUND						
INTEREST	\$ 733,000	\$ 600,000	\$ 614,880	\$ 630,129	\$ 645,756	\$ 645,755
TOTAL CAPITAL REPLACEMENT FUND	\$ 733,000	\$ 600,000	\$ 614,880	\$ 630,129	\$ 645,756	\$ 645,755
TOTAL SPMUD REVENUE	\$ 22,992,600	\$ 22,681,304	\$ 23,804,464	\$ 24,695,389	\$ 24,922,065	\$ 25,136,042

TABLE 17 – FIVE YEAR OPERATING FUND PROJECTIONS

	<u>PROPOSED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>
	<u>FISCAL YR</u>	<u>FISCAL YR</u>	<u>FISCAL YR</u>	<u>FISCAL YR</u>	<u>FISCAL YR</u>	<u>FISCAL YR</u>
	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>2029/30</u>
SALARIES/WAGES	\$ 3,356,000	\$ 3,476,550	\$ 3,650,378	\$ 3,832,896	\$ 4,024,541	\$ 4,225,768
FICA - SOCIAL SECURITY	\$ 256,734	\$ 265,956	\$ 279,254	\$ 293,217	\$ 307,877	\$ 323,271
CALPERS RETIREMENT	\$ 297,000	\$ 311,850	\$ 327,443	\$ 343,815	\$ 361,005	\$ 379,056
CALPERS UNFUNDED ACCRUED LIABILITY	\$ 502,507	\$ 547,210	\$ 584,567	\$ 613,540	\$ 686,330	\$ 700,673
457 & 401A RETIREMENT	\$ 142,300	\$ 145,146	\$ 148,049	\$ 151,010	\$ 154,030	\$ 157,111
INSURANCE BENEFITS	\$ 1,008,240	\$ 1,058,652	\$ 1,111,585	\$ 1,167,164	\$ 1,225,522	\$ 1,286,798
RETIREE HEALTH/ OPEB	\$ 494,012	\$ 518,713	\$ 544,648	\$ 571,881	\$ 600,475	\$ 630,498
SALARIES & BENEFITS	\$ 6,056,793	\$ 6,324,077	\$ 6,645,923	\$ 6,973,522	\$ 7,359,781	\$ 7,703,175
ASPHALT PAVING	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
BUILDING & GROUNDS MAINTENANCE	\$ 97,000	\$ 99,406	\$ 101,871	\$ 104,397	\$ 106,986	\$ 109,640
COMPUTER EQUIPMENT & SMALL OFFICE	\$ 8,750	\$ 8,967	\$ 9,189	\$ 9,417	\$ 9,651	\$ 9,890
EASEMENT MAINTENANCE	\$ 155,000	\$ 158,844	\$ 162,783	\$ 166,820	\$ 170,958	\$ 175,197
ELECTION EXPENSE	\$ 80,000	\$ -	\$ 80,000	\$ -	\$ 80,000	\$ -
EMPLOYEE ENGAGEMENT	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
GAS & OIL EXPENSE	\$ 75,000	\$ 76,860	\$ 78,766	\$ 80,720	\$ 82,721	\$ 84,773
GENERAL OPERATING SUPPLIES & MAINTENANCE	\$ 228,200	\$ 233,859	\$ 239,659	\$ 245,603	\$ 251,694	\$ 257,936
LATERAL CAMERA REPAIRS	\$ 29,000	\$ 29,719	\$ 30,456	\$ 31,212	\$ 31,986	\$ 32,779
LEGAL SERVICES	\$ 125,000	\$ 128,100	\$ 131,277	\$ 134,533	\$ 137,869	\$ 141,288
LIFT STATION & FLOW RECORDER PROGRAMS	\$ 96,000	\$ 98,381	\$ 100,821	\$ 103,321	\$ 105,883	\$ 108,509
PROFESSIONAL DEVELOPMENT	\$ 65,125	\$ 66,740	\$ 68,395	\$ 70,091	\$ 71,830	\$ 73,611
PROFESSIONAL SERVICES	\$ 1,069,000	\$ 350,175	\$ 358,859	\$ 367,759	\$ 376,879	\$ 386,226
PROPERTY & LIABILITY INSURANCE	\$ 340,000	\$ 357,000	\$ 374,850	\$ 393,593	\$ 413,272	\$ 433,936
REGULATORY COMPLIANCE/GOVERNMENT FEES	\$ 91,500	\$ 93,769	\$ 96,095	\$ 98,478	\$ 100,920	\$ 103,423
REPAIR/MAINTENANCE AGREEMENTS	\$ 171,200	\$ 175,446	\$ 179,797	\$ 184,256	\$ 188,825	\$ 193,508
ROOT CONTROL PROGRAM	\$ 79,000	\$ 80,959	\$ 82,967	\$ 85,025	\$ 87,133	\$ 89,294
SAFETY GEAR/UNIFORMS	\$ 32,750	\$ 33,562	\$ 34,395	\$ 35,248	\$ 36,122	\$ 37,017
TOOLS & EQUIPMENT	\$ 16,000	\$ 16,397	\$ 16,803	\$ 17,220	\$ 17,647	\$ 18,085
UTILITIES	\$ 204,000	\$ 209,059	\$ 214,244	\$ 219,557	\$ 225,002	\$ 230,582
UTILITY BILLING/BANKING EXPENSE/PRINTING	\$ 280,800	\$ 287,764	\$ 294,900	\$ 302,214	\$ 309,709	\$ 317,390
VEHICLE REPAIR & MAINTENANCE	\$ 80,000	\$ 81,984	\$ 84,017	\$ 86,101	\$ 88,236	\$ 90,424
SERVICES & SUPPLIES	\$ 3,400,825	\$ 2,664,491	\$ 2,817,645	\$ 2,813,063	\$ 2,970,823	\$ 2,971,008
RWWTP MAINTENANCE & OPERATIONS	\$ 7,734,919	\$ 7,926,745	\$ 8,123,328	\$ 8,324,787	\$ 8,531,242	\$ 8,742,816
RWWTP REPLACEMENT & REHABILITATION	\$ 1,441,729	\$ 1,489,306	\$ 1,538,453	\$ 1,589,222	\$ 1,641,666	\$ 1,695,841
SPWA O&M & R&R	\$ 9,176,648	\$ 9,416,051	\$ 9,661,781	\$ 9,914,009	\$ 10,172,908	\$ 10,438,658
OPERATIONS EXPENSE LESS DEPRECIATION	\$ 18,634,266	\$ 18,404,619	\$ 19,125,349	\$ 19,700,594	\$ 20,503,512	\$ 21,112,841
DEPRECIATION EXPENSE	\$ 2,678,970	\$ 2,767,376	\$ 2,858,699	\$ 2,953,036	\$ 3,050,487	\$ 3,151,153
OPERATING FUND EXPENSES	\$ 21,313,236	\$ 21,171,995	\$ 21,984,049	\$ 22,653,630	\$ 23,553,999	\$ 24,263,994

TABLE 18 – FIVE YEAR CAPITAL EXPENSE PROJECTIONS

	<u>PROPOSED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>
	<u>FISCAL YR 2024/25</u>	<u>FISCAL YR 2025/26</u>	<u>FISCAL YR 2026/27</u>	<u>FISCAL YR 2027/28</u>	<u>FISCAL YR 2028/29</u>	<u>FISCAL YR 2029/30</u>
OPERATING FUND						
COMPUTERS/OFFICE FURNITURE	\$ 60,000	\$ 61,488	\$ 63,013	\$ 64,576	\$ 66,177	\$ 67,818
CY MASTER PLAN CAPITAL IMPROVEMENTS	\$ 75,000	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -
EASEMENTS/ACCESS ROADS	\$ 160,000	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000
EASEMENT ACQUISITION	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
EASEMENT INSPECTION PROGRAM	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
PARTICIPATION IN REGIONAL PROJECTS	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
SYSTEM IMPROVEMENTS	\$ 1,125,000	\$ 800,000	\$ 800,000	\$ 150,000	\$ 150,000	\$ 150,000
TOOLS & EQUIPMENT	\$ 16,000	\$ 16,397	\$ 16,803	\$ 17,220	\$ 17,647	\$ 18,085
TOTAL FUND 100 CAPITAL IMPROVEMENTS	\$ 1,661,000	\$ 1,361,488	\$ 1,363,013	\$ 614,576	\$ 616,177	\$ 617,818
CIP & EXPANSION FUND						
EXPANSION PROJECTS	\$ 5,034,000	\$ 2,000,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
TRUNK EXTENSION REIMBURSEMENT	\$ 5,450,000	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL FUND 300 CAPITAL IMPROVEMENTS	\$ 10,484,000	\$ 2,000,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
REPLACEMENT & REHAB FUND						
CY MASTER PLAN CAPITAL IMPROVEMENTS	\$ 20,000	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -
CURED IN PLACE PIPE	\$ 750,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000
EASEMENTS/ACCESS ROADS	\$ 161,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
HIGH-RISK FACILITY CREEK CROSSINGS	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -
LATERAL CAMERA REPLACEMENTS	\$ 13,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
PARTICIPATION IN REGIONAL PROJECTS	\$ 780,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
SCADA	\$ 3,800,000	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -
SYSTEM REHABILITATION	\$ 1,366,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
VEHICLE PURCHASES	\$ 216,000	\$ 555,000	\$ 525,000	\$ 411,000	\$ 328,000	\$ 525,000
TOTAL FUND 400 CAPITAL IMPROVEMENTS	\$ 7,606,000	\$ 5,230,000	\$ 2,200,000	\$ 1,986,000	\$ 1,903,000	\$ 2,100,000
TOTAL CAPITAL IMPROVEMENTS	\$ 19,751,000	\$ 8,591,488	\$ 4,063,013	\$ 3,100,576	\$ 3,019,177	\$ 3,217,818

TABLE 19 – FIVE YEAR NET POSITION PROJECTIONS

	<u>PROPOSED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>
	<u>FISCAL YEAR</u>	<u>FISCAL YEAR</u>	<u>FISCAL YEAR</u>	<u>FISCAL YEAR</u>	<u>FISCAL YEAR</u>	<u>FISCAL YEAR</u>
	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>2029/30</u>
OPERATING FUND						
MONTHLY SEWER SERVICE CHARGE PER EDU	\$ 38.94	\$ 40.50	\$ 42.53	\$ 44.66	\$ 44.66	\$ 44.66
TOTAL REVENUES	\$ 19,802,800	\$ 20,086,024	\$ 21,137,117	\$ 22,202,963	\$ 22,358,964	\$ 22,516,176
TOTAL O&M EXPENSES	\$ 21,313,236	\$ 21,171,995	\$ 21,984,049	\$ 22,653,630	\$ 23,553,999	\$ 24,263,994
TOTAL CAPITAL EXPENSES	\$ 1,661,000	\$ 1,361,488	\$ 1,363,013	\$ 614,576	\$ 616,177	\$ 617,818
ENDING FUND BALANCE	\$ 11,068,611	\$ 8,621,152	\$ 6,411,207	\$ 5,345,964	\$ 3,534,752	\$ 1,169,116
CAPITAL IMPROVEMENT FUND						
EDU GROWTH	300	250	250	200	200	200
TOTAL REVENUES	\$ 2,456,800	\$ 2,072,140	\$ 2,131,234	\$ 1,943,016	\$ 2,000,066	\$ 2,058,883
TOTAL EXPENSES	\$ 10,484,000	\$ 2,000,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
ENDING FUND BALANCE	\$ 26,120,051	\$ 26,192,191	\$ 27,823,425	\$ 29,266,440	\$ 30,766,506	\$ 32,325,390
CAPITAL REPLACEMENT FUND						
TOTAL REVENUES	\$ 733,000	\$ 600,000	\$ 614,880	\$ 630,129	\$ 645,756	\$ 645,755
TOTAL EXPENSES	\$ 7,606,000	\$ 5,230,000	\$ 2,200,000	\$ 1,986,000	\$ 1,903,000	\$ 2,100,000
ENDING FUND BALANCE	\$ 21,333,453	\$ 19,516,372	\$ 20,884,816	\$ 22,630,188	\$ 24,629,249	\$ 26,594,124

STATISTICAL AND SUPPLEMENTAL INFORMATION

Statistical and Supplemental Information is based on audited numbers from Fiscal Year 2022/23 and does not include projected numbers for Fiscal Year 2023/24. This section presents detailed information as a context for understanding the District’s economic condition and overall health.

TABLE S1 – EQUIVALENT DWELLING UNITS

For the Fiscal Year Ending	Total EDU'S	Increase	% Increase
June 30,			
2023	36,840	829	2.25%
2022	36,011	689	1.91%
2021	35,322	463	1.31%
2020	34,859	685	1.97%
2019	34,174	729	2.13%
2018	33,445	620	1.85%
2017	32,825	991	3.02%
2016	31,834	593	1.86%
2015	31,241	341	1.09%
2014	30,900	230	0.74%

FIGURE S1 – HISTORICAL GROWTH

Figure S1 - Historical Growth shows how growth in the District has varied year over year. The District is forecasting growth of 300 EDUs in Fiscal Year 2024/25, 250 EDUS in Fiscal Years 2025/26 and 2026/27, and then a drop to 200 EDUs in Fiscal Years 2027/28, 2028/29, and 2029/30. This drop is due to a decrease in greenfield development projects as the City of Rocklin continues to have less land available for traditional subdivision development.

SPMUD Annual EDUs Added FY81/82 through FY22/23

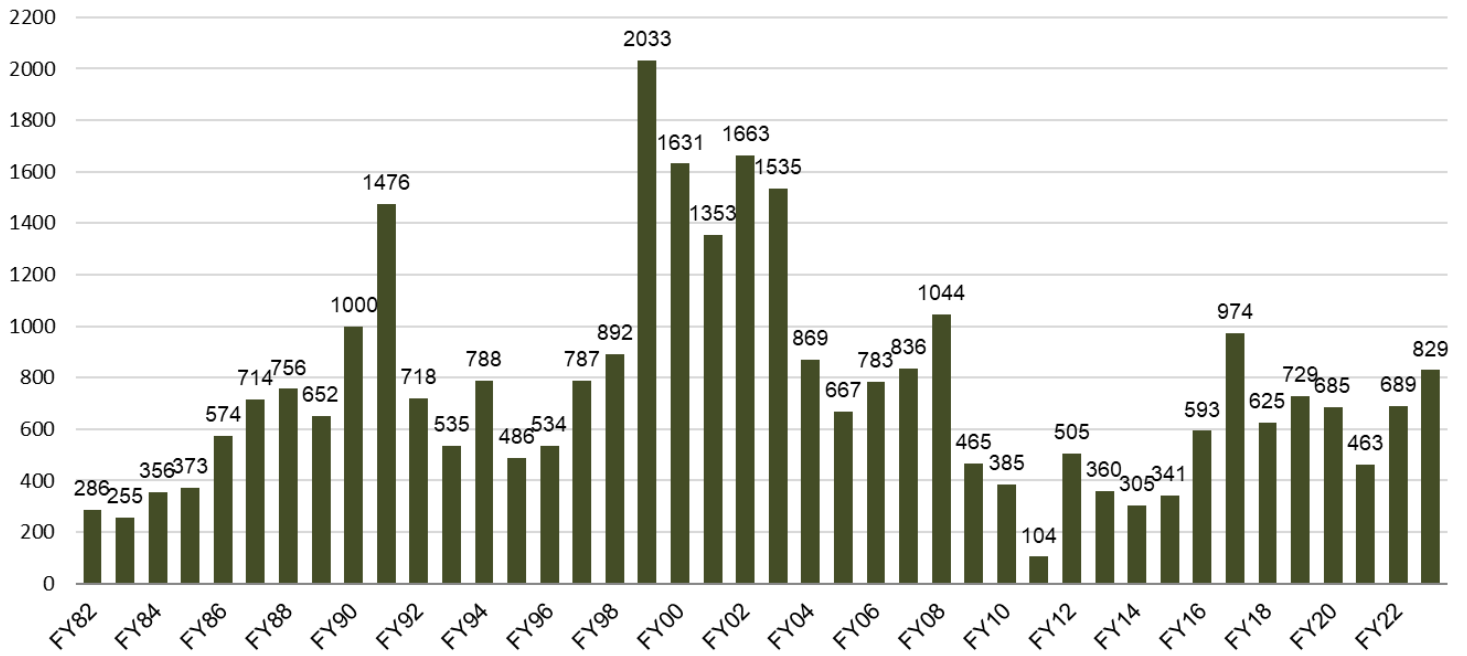


TABLE S2 – RATES & PARTICIPATION FEES

For the Fiscal Year Ending June 30,	Sewer Service Rates per Month	Local Sewer Participation Fees
2024	\$ 37.44	\$ 4,915
2023	\$ 36.00	\$ 4,827
2022	\$ 36.00	\$ 4,330
2021	\$ 36.00	\$ 4,129
2020	\$ 36.00	\$ 4,014
2019	\$ 34.00	\$ 3,923
2018	\$ 31.00	\$ 3,750
2017	\$ 28.00	\$ 3,750
2016	\$ 28.00	\$ 3,000
2015	\$ 28.00	\$ 3,000
2014	\$ 28.00	\$ 2,100

FIGURE S2 - MONTHLY SEWER RATE COMPARISON FOR PLACER COUNTY (COLLECTION & TREATMENT)

Figure S2 -Monthly Sewer Rate Comparison for Placer County shows a comparison of other local agencies' service fees; the District is the lowest-cost sewer service provider in Placer County (as well as the major Sacramento Metropolitan area).

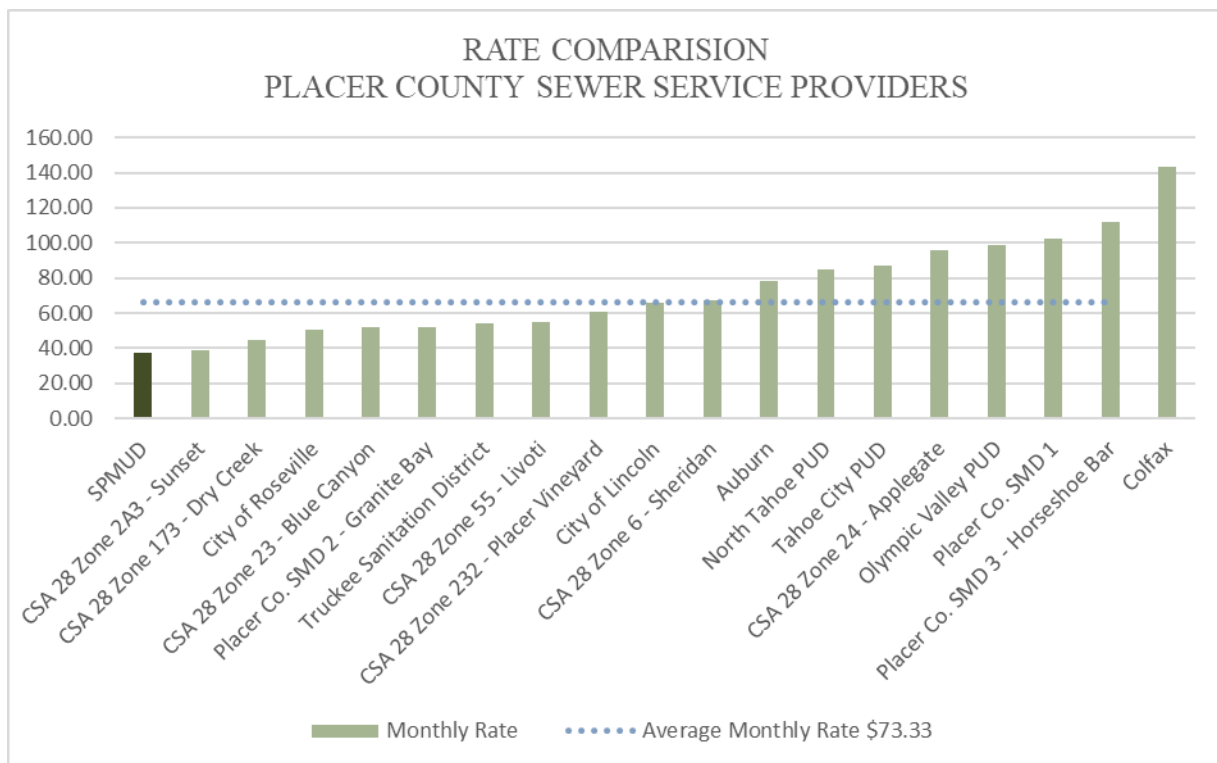


TABLE S3 – DISTRICT HISTORICAL BENCHMARKS

	2018/19	2019/20	2020/21	2021/2022	2022/2023
Personnel Costs	\$ 4,306,176	\$ 4,870,744	\$ 4,789,242	\$ 4,221,548	\$ 5,390,497
Sewer Service Revenue	\$ 14,336,548	\$ 15,383,211	\$ 15,605,794	\$ 15,955,824	\$ 16,273,142
Personnel Cost/ Sewer Service	30%	32%	31%	26%	33%
Equivalent Dwelling Units	34,174	34,859	35,322	36,011	36,840
Personnel Costs/ Per EDU	\$ 126.01	\$ 139.73	\$ 135.59	\$ 117.23	\$ 146.32
FSD Employees	16	17	17	18	18
Miles of Pipe	388	396	404	412	415
Miles of Pipe/ FSD Employees	24.25	23.29	23.76	22.89	23.06

TABLE S4 – DISTRICT HISTORICAL STATISTICS

Item	Unit	2023	2022	2021	2020	2019
District Employees	Each	28	26	27	28	27
Service Charges	Dollars (M)	\$16.27	\$15.95	\$15.58	\$15.38	\$14.33
Customer Accounts	Each	25298	25,091	24,402	23,888	23,430
Equal Dwelling Units	EDU	36840	36,011	35,322	34,859	34,174
Service Fee per EDU	Monthly	\$37.44	\$36.00	\$36.00	\$36.00	\$34.00
Annual Flow to WWTP	Gallons (M)	1878	1,705	1,632	1,642	1,533
Sewer Mains	Miles	292	290	287	285	280.32
Lower Service Laterals	Miles	123	122	117	111	108.5
Manhole/Flushing Branch	Each	6879	6,843	6,791	6706	6619
Lift Stations	Each	17	13	15	13	13
Force Mains	Miles	7	7	7	7	6.8

Item	Unit	2018	2017	2016	2015	2014
District Employees	Each	26	25	24	24	23
Service Charges	Dollars (M)	\$12.34	\$10.98	\$10.91	\$10.75	\$10.20
Customer Accounts	Each	22,775	22,175	21,658	21,108	20,930
Equal Dwelling Units	EDU	33,445	32,825	31,676	31,241	30,900
Service Fee per EDU	Monthly	\$34.00	\$28.00	\$28.00	\$28.00	\$28.00
Annual Flow to WWTP	Gallons (M)	1,570	1,675	1,411	1,500	1,495
Sewer Mains	Miles	276.9	273.5	266.9	257.3	256
Lower Service Laterals	Miles	133	127	123	139	135
Manhole/Flushing Branch	Each	6,399	6,365	6,083	6,050	5,900
Lift Stations	Each	13	13	13	13	13
Force Mains	Miles	6.8	6.8	6.8	6.8	6.7

TABLE S5 – CONNECTION FEE REPORT

Per Government Code Section 66013 (d) and (e)

Fiscal Year Ended June 30, 2023

Beginning Balance July 1, 2022	\$	27,140,321
Revenue & Expense True-up Transfer	\$	3,761,618
Cash flow from investing activities		625,791
Unrealized Investment Gain/Loss		-27,199
	\$	4,360,210
Ending Balance June 30, 2023	\$	31,500,531
FY 2022/23 Revenue		
Local Participation Fees Collected	\$	1,443,652
Total Revenue	\$	2,092,113
FY 2022/23 Expenditures		
Lower Clover Valley Trunk Design		61,424
Total Expenditures	\$	61,424
2023 Revenue & Expense True-up Transfer	\$	972,228

TABLE S6 – TEN LARGEST CUSTOMERS

2023	2022	2021	2020
Meridian Apts	Meridian Apts	Meridian Apts	Meridian Apts
Rocklin Ranch Apts	Rocklin Ranch Apts	Rocklin Ranch Apts	Rocklin Ranch Apts
Sunset Summit Apts	Sunset Summit Apts	Sunset Summit Apts	Sunset Summit Apts
Rocklin Elem.Schools	Garnet Creek Apts	Garnet Creek Apts	Garnet Creek Apts
Garnet Creek Apts	Rocklin Elem.Schools	Rocklin High Schools	Rocklin High Schools
Rocklin High Schools	Rocklin High Schools	Villa Serena Apts	Villa Serena Apts
Villa Serena Apts	Villa Serena Apts	Sierra Lakes MH Park	Rocklin Elem.Schools
Sierra Lakes MH Park	Sierra Lakes MH Park	Rocklin Elem.Schools	Sierra Lakes MH Park
Winstead Apts	Winstead Apts	Broadstone Apts	Broadstone Apts
Sierra Gateway Apts	Sierra Gateway Apts	Ansel Park Sr Living	Sagora Senior Living
2019	2018	2017	2016
Meridian Apts	MW Investment	Sunset West Apts	Sunset West Apts
Rocklin Ranch Apts	Sunset West Apts	William Jessup Univ	William Jessup Univ
Sunset Summit Apts	William Jessup Univ	Rocklin High Schools	Rocklin High Schools
Garnet Creek Apts	Rocklin High Schools	Rocklin Elem.Schools	Rocklin Elem.Schools
Rocklin High Schools	Rocklin Elem.Schools	Del Oro High School	Del Oro High School
Senior Living	Del Oro High School	Sierra College	Sierra College
Sierra Lakes MH Park	Sierra College	Walmart Rocklin	Walmart Rocklin
Broadstone Apts	Walmart (Rocklin)	Loomis RV Park	Loomis RV Park
Sagora Senior Living	Loomis RV Park	Howard Johnson	Howard Johnson
William Jessup	Studio Movie Grill	Blue Oaks Marketplace	Blue Oaks Marketplace
2015	2014	2013	2012
Sunset West Apts	William Jessup Univ	William Jessup Univ	Sierra College
William Jessup Univ	Rocklin High Schools	Rocklin High Schools	Whitney High School
Rocklin High Schools	Rocklin Elem.Schools	Rocklin Elem.Schools	Rocklin High School
Rocklin Elem.Schools	Del Oro High School	Del Oro High School	Del Oro High School
Del Oro High School	Sierra College	Sierra College	William Jessup Univ
Sierra College	Walmart Rocklin	Walmart Rocklin	Loomis RV Park
Walmart Rocklin	Loomis RV Park	Loomis RV Park	Howard Johnson
Loomis RV Park	Howard Johnson	Howard Johnson	RC Willey
Howard Johnson	Blue Oaks Marketplace	Blue Oaks Marketplace	Rocklin Lodging Grp
Blue Oaks Marketplace	RC Willey	RC Willey	Five Star Plaza

TABLE S7 – PLACER COUNTY DEMOGRAPHIC & ECONOMICAL STATISTICS

Fiscal Year Ending June 30,	Placer County Workforce	Number of Employed	Number of Unemployed	Unemployment Rate %	District Population	Median Household Income
2023	194,300	186,900	7,400	3.8%	85,775	109,895
2022	191,800	185,500	6,300	3.3%	84,591	104,226
2021	186,900	176,900	10,000	5.3%	76,672	95,371
2020	181,000	167,000	14,000	7.7%	76,136	89,691
2019	186,600	180,400	6,200	3.3%	68,415	84,357
2018	183,900	177,800	6,100	3.3%	68,325	80,728
2017	179,800	171,800	8,000	4.5%	66,525	76,600
2016	176,800	167,900	8,900	5.0%	64,974	71,435
2015	175,800	164,800	11,000	6.3%	63,324	70,490
2014	175,800	162,300	13,500	7.7%	62,790	70,100
2013	174,900	158,500	16,400	9.4%	61,800	69,800
2012	173,700	154,900	18,800	10.8%	61,200	68,800

TABLE S8 – TEN LARGEST EMPLOYERS IN PLACER COUNTY

2023		2013	
Business or Organization	No. of Employees	Business or Organization	No. of Employees
Sutter Health	6,223	Kaiser Permanente	3,860
Kaiser Permanente	5,865	Hewlett-Packard	3,200
Placer County	2,585	Sutter Health	2,299
Thunder Valley Casino Resort	2,300	Placer County	2,240
Sierra Joint Community College	1,900	Union Pacific Railroad	2,000
Palisades Tahoe	1,321	Thunder Valley Casino Resort	2,000
City of Roseville	1,320	Northstar CA	1,950
Roseville City School District	1,286	Roseville City School District	1,140
Safeway	1,217	PRIDE Industries	1,021
Pacific Gas & Electric	1,120	City of Roseville	982

Source: *Sacramento Business Journal*, May 2023 & June 2013

TABLE S9 – TEN LARGEST TAXPAYERS IN PLACER COUNTY

<u>Taxpayer Name</u>	<u>Total Tax</u>	<u>Net Taxable Value</u>
Pacific Gas and Electric Company	\$ 19,016,323	\$ 1,017,055,004
Roseville Shoppingtown LLC	\$ 5,556,753	\$ 533,694,999
Cellco Partnership	\$ 3,916,041	\$ 209,413,947
John Mourier Construction INC	\$ 3,168,123	\$ 130,944,837
Liberty Utilities (Calpeco Electric), LLC	\$ 2,526,250	\$ 135,093,603
Briet Wave MF SC Owner LLC	\$ 1,693,991	\$ 164,001,133
Roseville Fountains LP	\$ 1,610,625	\$ 77,984,814
Harvest-USIV LLC & Harvest-USIII LLC	\$ 1,601,087	\$ 115,816,058
Taylor Morrison Of California LLC	\$ 1,565,358	\$ 60,328,071
Bickford Improvement Company LLC	\$ 1,530,375	\$ 14,201,454

Source: Placer County

SUMMARY

The total Fiscal Year 2024/25 revenues from all sources are projected to be \$22.99 million with Operating Fund revenues projected to be \$19.80 million (86% of the total), and Capital Fund Revenues projected to be \$3.19 million (14% of the total). Fiscal Year 2024/25 Operating Fund expenses are projected to be \$21.31 million (\$18.63 million before depreciation). Capital Projects are projected to be approximately \$19.75 million. This can be broken down into the following categories: Operating Fund Capital Projects (Fund 100) - \$1.66 million; Capital Improvement & Enlargement Projects (Fund 300) – \$10.48 million; and Capital Replacement & Rehabilitation Projects (Fund 400) - \$7.61 million.

The total adopted budget for Fiscal Year 2024/25 is \$41.06 million.

The proposed budget represents an expenditure plan designed to accomplish the District’s Strategic Plan Goals and Objectives and aligns with the District’s Vision, Mission, and Values. The budget provides for the service needs of both present and future customers in the South Placer Municipal Utility District service area.

ACRONYMS & ABBREVIATIONS

Actuarial Determined Contribution (ADC): the annual contribution calculated by the District Actuary to fully fund expected benefit payments.

Closed Caption Television (CCTV): video surveillance technology.

Cost of Living Adjustment (COLA): an increase in pay or benefits that often depends on the rising cost of goods and services.

Consumer Price Index (CPI): a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services.

Capital Improvement Program (CIP): a plan that helps organizations budget for large projects and improvements based on goals and resources.

California Employers Pension Prefunding Trust (CEPPT): a Section 115 trust fund dedicated to prefunding employer contributions to defined benefit pension systems for eligible California public agencies.

California Employers Benefit Trust (CERBT): a Section 115 Trust fund dedicated to prefunding Other Postemployment Benefits for all California public agencies.

California Public Employees Retirement System (CALPERS): a public employee pension and health system.

California Special Districts Association (CSDA): a not-for-profit association that was formed in 1969 to promote good governance and improve core local services through professional development, advocacy, and other services for all types of independent special districts.

Cured in Place Pipe (CIPP): a trenchless rehabilitation method used to repair and extend the life of existing pipelines.

Equivalent Dwelling Unit (EDU): the typical volume and strength of wastewater generated by a single-family residence or 190 gallons per day of wastewater flow.

Fats, Oils, & Grease (FOG): Fats, Oils, and Grease that are deposited into the sanitary sewer system.

Geographical Information Systems (GIS): a system that creates, manages, analyzes, and maps data.

Generally Accepted Account Principles (GAAP): a set of accounting rules, standards, and procedures issued and frequently revised by the Financial Accounting Standards Board (FASB). Public companies in the U.S. must follow GAAP when their accountants compile their financial statements. GAAP is also widely used in governmental accounting.

Governmental Accounting Standards Board (GASB): National advisory board of accounting standards for public agencies that is responsible for the procedures, methods, and standards used to present financial information about public agencies.

Government Finance Officer Association (GFOA): a professional organization for finance.

Grease Control Device (GCD): a grease interceptor or a grease trap that attaches to wastewater plumbing fixtures and lines for the purpose of trapping or collecting Fats, Oils, and Grease prior to discharge into the private lateral and/or the public sewer system.

Ground Penetrating Radar (GPR): a geophysical locating method that uses radio waves to capture images below the surface of the ground in a minimally invasive way.

Joint Powers Authority (JPA): a separate public agency formed pursuant to a joint exercise of powers agreement.

Local Agency Formation Commission (LAFCO): state-mandated quasi-judicial countywide commissions whose purview is to oversee boundary changes of cities and special districts, the formation of new agencies, including the incorporation of new cities and districts, and the consolidation or reorganization of special districts and or cities.

Local Agency Investment Fund (LAIF): a voluntary program created by statute, began in 1977 as an investment alternative for California's local governments and special districts.

Memorandum of Understanding (MOU): an agreement between the employee and/or manager group and the District.

Other Post-Employment Benefits (OPEB): benefits, other than pension distributions, that employees may begin to receive from their employer once they retire. They may include life insurance, health insurance, or deferred compensation.

Operations & Maintenance (O&M): the performance of day-to-day activities required to maintain facilities (buildings, grounds, equipment, systems) to the maximum extent possible for the benefit of the facility users.

Placer County Water Agency (PCWA): the water agency serving the District's jurisdictional area.

Private Lateral Sewer Discharge (PLSD): sewage discharges that are caused by blockages or other problems within privately owned laterals.

Property Line Clean Out (PLCO): an access point for a sewer line located near the property line that is used for cleaning and unclogging the sewer line.

Replacement & Rehabilitation (R&R): any project to repair, rehabilitate, remodel, renovate, reconstruct, or finish existing facilities or buildings; to improve, replace, or add utilities or fixed equipment.

Regional Wastewater Treatment Plants (RWWTP): the Dry Creek Wastewater Treatment Plant and Pleasant Grove Wastewater Treatment Plant.

Sanitary Sewer Overflow (SSO): any overflow, spill, release, discharge, or diversion of untreated or partially treated wastewater from a sanitary sewer system.

Society for Human Resource Management (SHRM): a professional membership organization for human resources professionals that supports members and their workplaces.

South Placer Wastewater Authority (SPWA): a joint powers authority formed to finance wastewater treatment.

South Placer Municipal Utility District (SPMUD): the District, created in 1956, formerly the Rocklin Loomis Municipal Utility District.

Supervisory Control and Data Acquisition (SCADA): a category of software applications for controlling industrial processes, which gather data in real-time from remote locations in order to control equipment and conditions.

System Evaluation and Capacity Assurance Plan (SECAP): a document that ensures compliance with the California State Water Resources Control Board by outlining the District's efforts to ensure capacity for existing customers and prepare and plan for future development.

Unfunded Accrued Liability (UAL): in a defined benefit pension plan, the difference between the estimated cost of future benefits and the assets that have been set aside to pay for those benefits.

Wastewater Treatment Plant (WWTP): the facilities used for the treatment of wastewater from public sewer systems.

GLOSSARY

811: a phone number that serves as the communication link between anyone who wants to dig and the utility companies that have buried lines.

Accrual Basis: The recognition of revenues or expenditures in a fiscal year though the actual cash may not be received or paid until the following fiscal year.

CA CLASS: a Joint Powers Authority investment pool that provides public agencies the opportunity to invest funds on a cooperative basis in rated pools that are managed in accordance with state law with the primary objectives of offering Participants maximum safety, daily and next-day liquidity, and optimized returns.

CalTRUST: a Joint Powers Authority created by public agencies in 2003 to provide a convenient method for public agencies to pool their assets for investment purposes.

Capital Asset: Assets owned by the District that cost over \$5,000. Capital assets include land, buildings, vehicles, equipment, and infrastructure.

Capital Outlay: (also called capital expenditures) expenditures for the acquisition cost of capital assets, such as equipment, or expenditures to make improvements to capital assets that materially increase their value or useful life.

Capacity Fee: (also called a participation or connection fee) a charge for public facilities in existence at the time a charge is imposed or charges for new facilities to be constructed in the future that are of benefit to the person or property being charged.

Collection System: any system of pipes or sewer lines used to convey wastewater to a treatment facility.

Collection System (Local): the District's system of pipes or sewer lines used to convey wastewater to the regional treatment facility.

Effective Utility Management: a framework and primer developed by the Environmental Protection Agency and a ten-partner coalition to help water, wastewater, and stormwater systems meet the challenges of aging infrastructure, rapidly evolving technology, enhanced customer expectations, rising costs and affordability, and ongoing regulatory requirements.

Enterprise Fund: a self-supporting government fund that sells goods and services to the public for a fee.

Force Main: pipelines that convey wastewater under pressure from the discharge side of a pump or pneumatic ejector to a discharge point.

Flow Recorder Stations: a station used for monitoring, measuring, or recording the rate of flow, pressure, or discharge of sewage.

Flushing Branch: a line built specifically to allow the introduction of large quantities of water to the collection system so the lines can be flushed out with water.

Fixed Income Securities: an investment that provides a return through fixed periodic interest payments and the eventual return of principal at maturity. Examples include treasury bonds and bills, municipal bonds, corporate bonds, and certificates of deposit.

Fund Balance: the net position of governmental funds calculated in accordance with generally accepted accounting principles (GAAP).

Lift Station: a pumping station that moves wastewater from a lower elevation to a higher elevation.

Industrial Source Control: stopping industrial pollutants at their source before they enter a system or the environment.

Infrastructure: basic physical and organizational structures and facilities such as buildings, roads, and sewer systems.

Monthly Service Charge: the primary source of revenue for the District used solely to fund operations and maintenance costs for wastewater collection and treatment, rehabilitation and replacement of infrastructure, labor, materials, and regulatory compliance.

Ordinance: a piece of legislation enacted by a municipal authority.

Proprietary Fund: used in governmental accounting to account for activities that involve business-like interactions. These funds are considered self-supporting in that the services rendered by them are generally financed through use charges or on a cost reimbursement basis.

Proposition 218: a California proposition, which amended the state constitution relating to the passage of property-related fees. It requires that the District inform property owners and ratepayers that: 1) proposed rate increases are being proposed; 2) the proposed rate increases are calculated based on the cost to provide the service; and 3) a public hearing on the proposed rate increases be held at least 45 days after the public notification.

Rate Stabilization Reserve Account: cash reserves that can mitigate the effects of occasional shortfalls in revenue thereby allowing for stable rates and charges.

Resolution: a formal expression of opinion or intention agreed on by a legislative body, committee, or other formal meeting, typically after taking a vote.

Sewer Lateral: the segment of pipe that connects a home or building to a sewer main, which is usually located beneath a street or easement.

Sewer Lateral (Lower): the portion of a lateral from the property line to the sewer main that the District is responsible for maintaining.

Sewer Lateral (Upper): (also called a private lateral) the portion of a lateral from the building foundation to the property line that the private property owner is responsible for maintaining.

Sewer Trunk: one of the main sewer lines in the wastewater collection system.

Special District: A form of local government created by the people of a community to deliver specialized services essential to their health, safety, economy, and well-being.

Unincorporated: communities that are not officially considered to be municipal areas of their own accord.

Ward: a division or district of a municipality that is typically represented by an elected official.