

Budget and Long-Term Financial Plan

FY 2022-23



Fairfield-Suisun Sewer District

1010 Chadbourne Road
Fairfield, CA 94534

2022 Board of Directors

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MEMORANDUM

DATE: May 23, 2022

TO: Board of Directors

FROM: Talyon Sortor
General Manager

James Russell-Field
Director of Administrative Services

SUBJECT: FY 2022-23 Budget and Long-Term Financial Plan

SUMMARY

We are pleased to submit an annual budget for Fiscal Year 2022-23, along with the Long-Term Financial Plan, for Board adoption. The Long-Term Financial Plan has proven to be a reliable tool for more than 25 years to project revenues, expenses, and required reserves. The Board has relied on long-term capital and financial planning to guide their decisions on budgets. Through prudent management, the District keeps costs to its ratepayers low and has one of the lowest sewer service charges in the San Francisco Bay Area.

The District operates cost-efficient, award-winning wastewater and stormwater utility that protects public health and the environment. For approximately \$1.45 per day, the District collects, conveys, treats, and safely disposes an average of 230 gallons of sewage per day from each residential customer in the community. The average dry weather flow of wastewater at the District is 11.7 million gallons per day.

The District maintains 85 miles of 12-inch to 48-inch diameter sewers and utilizes 13 pump stations and one treatment plant to serve a population of approximately 146,100. The Budget and Long-Term Financial Plan is developed to maintain high-quality service to District customers by ensuring the wastewater system is adequately maintained and repairs or replacements requiring significant funding are planned in advance, thereby avoiding rate spikes or debt that can result from short-term planning.

This District continues to proactively maintain aging infrastructure with preventative maintenance and updates to treatment plant facilities. In the last year, the District completed the Digester Reliability Improvement Project and substantially completed Phase One of the Electrical Replacement Project, and began work on Phase Two of the Electrical Replacement Project, Primary Clarifier Rehabilitation, Bioenergy Generation Project, and Peabody Walters Relief Sewer.

The District strengthened data driven decision making with the completion of the Collection System Asset Management Plan (CSAMP) to address aging collection system assets maintained by the District and cities of Fairfield and Suisun City. The District incorporated detailed CSAMP data into the 2022 Cost of Service and Rate Study to develop a Collection

System Rehabilitation and Replacement (R&R) reserve for each city, and a mechanism to address the funding need of each agency.

The District presented the results of the Cost of Service and Rate Study to the Board in January 2022 and completed a Proposition 218 Notice and public hearing on March 28, 2022. At that meeting, the Board adopted a five-year rate schedule effective July 1, 2022 which is incorporated into the Budget and Long-Term Financial Plan.

GOALS

Under the Board of Directors' guidance, District management set the following long-term financial goals:

- 1) Maintain operating cash reserves of at least three months of operating expenses to ensure smooth cash flow.
- 2) Maintain minimum debt service coverage ratio as legally mandated.
- 3) Pay system expansion capital improvement plan from capacity fees.
- 4) Manage long-term employment-related liabilities to a sustainable level.
- 5) Build up major maintenance/replacement reserves to ensure a source of funds for major maintenance and repairs, upgrades and eventual replacement of the treatment plant and sewer system.
- 6) Minimize debt and long-term borrowing.

FINANCIAL OVERVIEW

The District maintains six funds. The Budget Summary presents the total revenues and expenses of all funds combined, while the Long-Term Financial Forecast and schedules provides detail on the funds individually.

- The Operations Fund is primarily funded from sewer service charges and funds operating expenses and maintenance projects.
- Related to the Operations Fund are the Collection System R&R Reserve Funds for the cities of Fairfield and Suisun City. Each city's Collection System Reserve reserves are held in a separate funds per the District's amended 1965 Agreement with the cities, and are funded from Sewer Service Charges.
- Capacity Fee Funds are funded from capacity fees, which are assessed on new development. Capacity Fee funds are held in two reserves. Capacity fee revenue collected prior to July 1, 2022 is held in a fund restricted for growth-related expenditures in the District's services area. Capacity fee revenue collected after July 1, 2022 will be held in a separate fund restricted for repair and rehabilitation projects identified in the Major Maintenance and CIP budget.
- The Drainage Maintenance Fund is primarily funded from a fee charged to each property in the service area to pay for expenses related to storm drain facilities.

- Related to the Drainage Maintenance Fund is the Solano Stormwater Alliance (Alliance) Fund. Per an Agreement between the District, Vallejo Flood and Wastewater District, and cities of Fairfield, Suisun City, and Vallejo, the funds related to the Alliance are required to be maintained in a separate fund.

PROPOSED FY 2022-23 BUDGET SUMMARY

Figures 1 and 2 provide a visual summary of the Proposed FY 2022-23 Revenues and Expenses, followed by additional details on each of the components. There is no attempt to match expenses to revenues in any single year. Rather, the District relies on long-term financial planning where reserves are periodically built up to fund major projects in future years. This philosophy is instrumental in keeping sewer service rates from experiencing large swings year to year while still maintaining the system adequately. As part of the long-term financial planning, the District plans to draw down existing reserves over the next several fiscal years for increased capital spending. The variance between revenues of \$44.9 million in Figure 1 and expenses of \$57.8 million in Figure 2 indicates the drawdown of reserves.

Figure 1

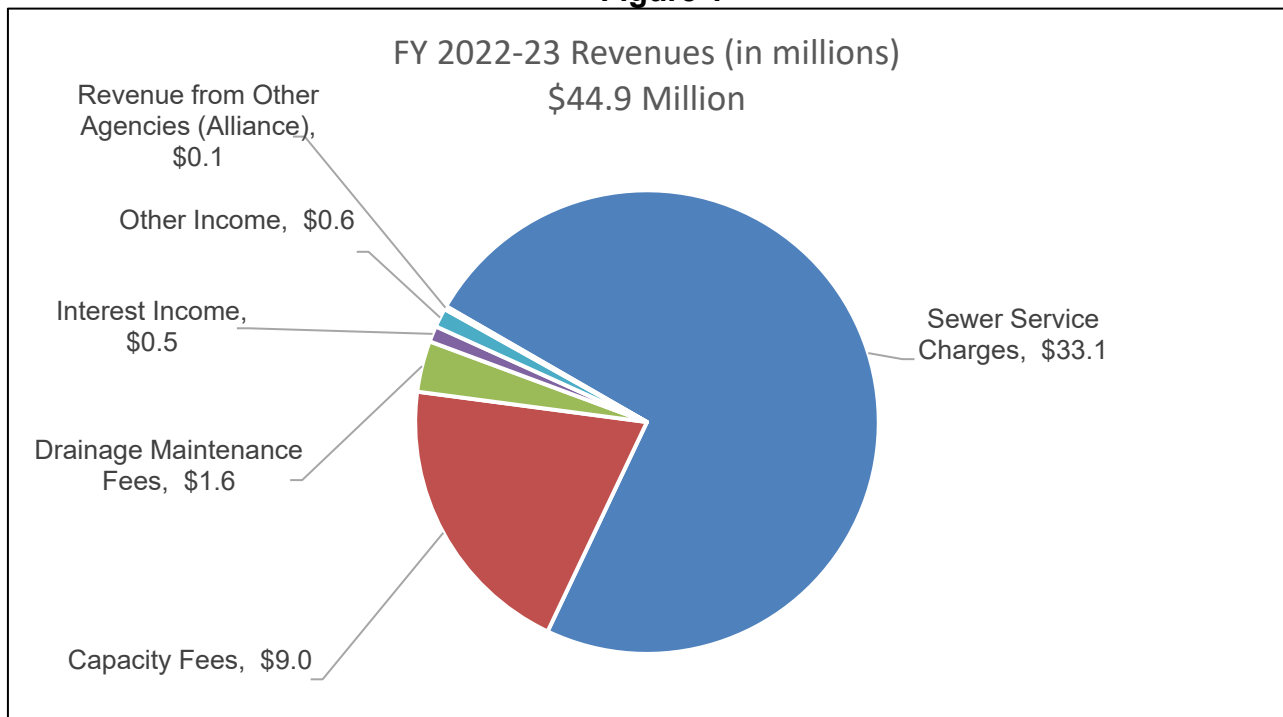
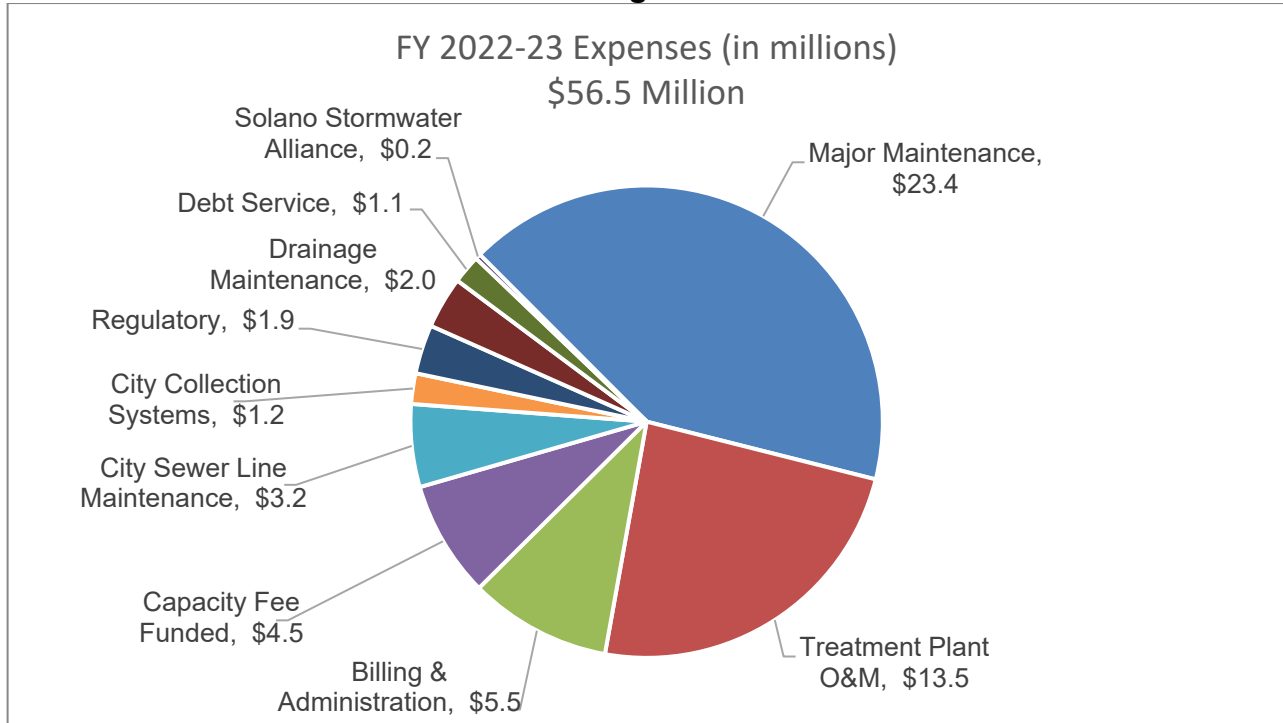


Figure 2



Revenues

	FY 2020-21	FY 2021-22	FY 2022-23
	Actual	Projected	Budget
Sewer Service Charges	29,227	30,959	33,054
Capacity Fees	5,354	6,329	8,991
Drainage Maintenance Fees	1,647	1,647	1,655
Interest Income	568	491	527
Other Income	598	643	627
Revenue - Other Agencies (Alliance)	-	-	70
Total Revenues	37,394	40,069	44,924

(In Thousands)

Sewer Service Charges

The largest source of District revenue is derived from residential, commercial, and industrial customers. This budget includes slightly increasing rates consistent with the most recent Cost of Service and Rate Study and subsequent Proposition 218 Notice. Residential customers will see an increase of \$1.67 per month in FY 2022-23 in order for the District to keep up with increased capital needs to reinvest in aging infrastructure. In addition to the

rate increase, Sewer Service Charges are projected to increase due to an estimated residential growth rate of 2.96 percent in FY 2022-23. Customer class growth rates are estimated based on projected development provided from Fairfield and Suisun City.

Capacity Fees

Capacity fees are one-time fees charged to new connections or to existing connections where a change in use will result in increased discharge to the treatment plant facilities. Sewer capacity charges are designed to help recover the costs of infrastructure and assets benefiting new development.

Capacity fee revenue is budgeted at \$9.0 million in FY 2022-23, an increase of \$2.7 million compared to the FY 2021-22 projected actual. The increase is primarily due to City of Fairfield residential and commercial growth projections. Over 1,400 residential units and 135 commercial equivalent dwelling units are estimated to connect to the sewer system in FY 2022-23.

Drainage Maintenance Fees

On March 1, 1988, the District entered a "Drainage Maintenance Agreement" with Fairfield and Suisun City. This agreement provided a mechanism for funding the maintenance of the "Fairfield Streams" federal flood control project which serves both cities as well as local storm drainage facilities. Although the District does not own any storm drainage facilities, it is authorized by statute to provide storm drainage services. The District created a storm drainage maintenance enterprise fund and established fees for users of the system which are collected on the county tax roll each year. Revenues are shared by the cities and the District for drainage maintenance activities.

Since 2001, annual rates have remained unchanged at \$20.23 per residence. Annual drainage maintenance revenue is expected to remain flat in FY 2022-23 and is budgeted at \$1.7 million.

For approximately 10 years, the District worked with the Vallejo Flood & Wastewater District (VFWD), Cities of Fairfield, Suisun City, and Vallejo to coordinate compliance with the Regional Water Quality Control Board's Municipal Regional Stormwater Permit (MRP) through the Fairfield-Suisun Urban Runoff Management Program. Beginning in FY 2022-23, the Solano Stormwater Alliance (Alliance) will become effective and replace the Fairfield-Suisun Urban Runoff Management Program.

The Alliance represents effective and efficient collaboration between the District, VFWD, and the cities of Fairfield, Suisun City, and Vallejo to manage required regulatory stormwater programs while providing other benefits including monitoring, public education, and staff training. The District will serve as the Alliance Fiscal Agent and Manager, responsible for administrative and technical coordination consistent with the MRP requirements.

Interest Income

Available cash is invested primarily with the Local Agency Investment Fund (LAIF), an investment pool, created by statute as an investment alternative for local governments and special districts. Participation in LAIF is voluntary. Additionally, the District also works with the California Asset Management Program (CAMP), a California Joint Powers Authority, providing professional investment services to California public agencies. Both LAIF and CAMP are permitted investment for local agencies under California Government Code Section 53601.

Interest income is budgeted at \$0.5 million for FY 2022-23, a slight increase compared to the projected actual of FY 2021-22. The slight increase is primarily due to anticipated increases by the Federal Reserve System during the fiscal year. However, these increases will be limited in FY 2022-23 as the District is anticipating holding less cash due to increases in Major Maintenance and CIP expenses.

Other Income

The District receives a combination of miscellaneous and/or nonrecurring revenues such as cell tower and other property leases, as well as insurance dividends. Other income includes revenue related to the District’s share in Lystek biosolids processing, which offsets the District’s biosolids processing costs.

Revenue from Other Agencies

Revenue from Other Agencies is a new line item in the District’s budget for FY 2022-23, and represents the contributions from the City of Vallejo and the Vallejo Flood and Wastewater District for the Solano Stormwater Alliance.

Expenses

The District’s budgeted expenses are grouped into several categories presented in the table below:

	FY 2020-21	FY 2021-22	FY 2022-23
	Actual	Projected	Budget
Treatment Plant O&M	\$10,468	\$11,890	\$13,521
Regulatory	1,359	1,962	1,886
Billing & Administration	8,746	5,388	5,512
City Sewer Line Maint.	2,552	2,672	3,148
Major Maintenance	7,875	10,135	23,432
Fairfield Collection System	-	-	500
Suisun City Collection System	-	-	685
Capacity Fee Funded	1,355	3,294	4,525
Debt Service	1,535	1,069	1,069
Drainage Maintenance	1,338	1,422	2,022
Solano Stormwater Alliance	-	-	154
Total Expenses	\$35,227	\$37,832	\$56,454

Operating Expenses

Treatment Plant Operations and Maintenance (O&M) expenses are projected to increase to \$13.5 million in FY 2021-22. The increase is primarily due to increases in chemical costs, electricity and biosolids processing costs, as well as cost allocation increases related to safety and information technology. 55 percent of District staff allocate time to Treatment Plant O&M, which means the variance between the FY 2021-22 projected actuals and FY 2022-23 budget is impacted by vacancies and unfilled positions that occur throughout the year. The FY 2022-23 budget assumes all positions are filled for the duration of the fiscal year.

City Sewer Line Maintenance is budgeted at \$3.2 million in FY 2022-23, an increase of \$0.5 million compared to the FY 2021-22 projected actual. Remittances to the cities for local sewer maintenance funding are tied to CPI and will increase 6.5 percent in FY 2022-23. The City of Fairfield's remittance for local sewer funding will also increase 10 percent to support the transfer of a collection system vehicle and inspection responsibilities.

Regulatory increases are budgeted at \$1.9 million in FY 2022-23, a decrease of \$0.1 million from the FY 2021-22 projected actuals. However, this decrease is due to a delayed invoice for the District's NPDES permit. As a result of the delayed invoice, the FY 2021-22 projected actuals reflect two NPDES permit invoices. Excluding this aberration, Regulatory costs are increasing approximately 6 percent year over year.

Salaries and benefits are allocated across the programs in the table above based on employee functions and represent the largest component of the operating budget. By resolution, salaries are adjusted each July between 2 and 6 percent based on April CPI. Salary expenses are anticipated to increase by 6 percent based on the anticipated April 2022 CPI. Other increases are built into salary costs to account for merit adjustments and promotions throughout the fiscal year.

The District continues to face rising healthcare costs. 2022 healthcare premiums for the Kaiser family plan increased 5.4 percent in 2022 and are anticipated to increase 6 percent in 2023. Increases in healthcare impact District costs for active employees and retirees. To manage retiree healthcare costs, the District maintains an Other Post Employment Benefit (OPEB) trust through CalPERS, and contributes the Actuarially Determined Contribution (ADC) each fiscal year. The FY 2022-23 budget includes the ADC of \$251,000.

In FY 2021-22, the District completed the third year of a pension funding plan to make additional discretionary payments to CalPERS. The additional discretionary payments decreased the total Unfunded Actuarial Liability (UAL) as well as the required annual UAL payments as shown in Figures 3 and 4, respectively. The decrease in annual UAL payments represents interest savings and essentially pays off a debt that would have been owed by the District over the next 15 to 20 years. The District continues to closely monitor CalPERS rate of returns. If CalPERS fails to reach their 6.8 percent investment target for June 30, 2022, the District's UAL payments may start to increase again in future fiscal years.

The FY 2022-23 Budget includes \$1.0 million to strategically make an additional payment directly to CalPERS or fund a pension trust. The determination relies on analysis for the

option that will provide the greatest savings to ratepayers. The proactive approach to reducing unfunded pension costs reflects the District’s desire to manage long-term employment liabilities and keep costs at a reasonable level.

Figure 3

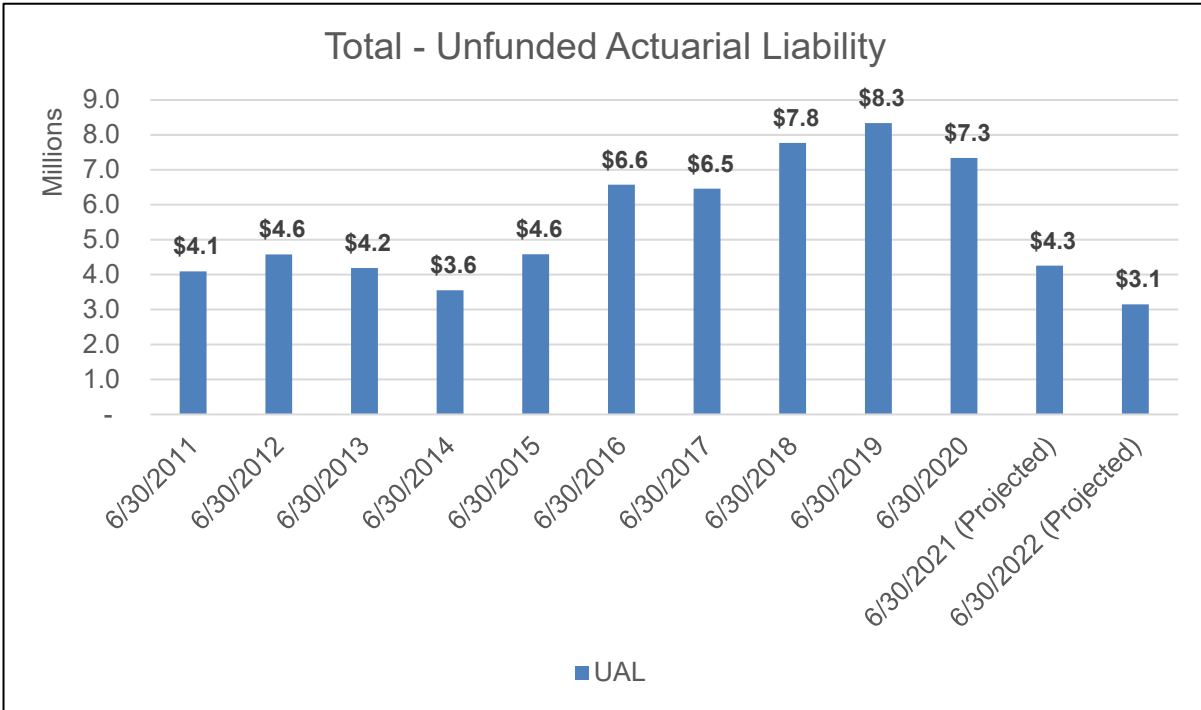
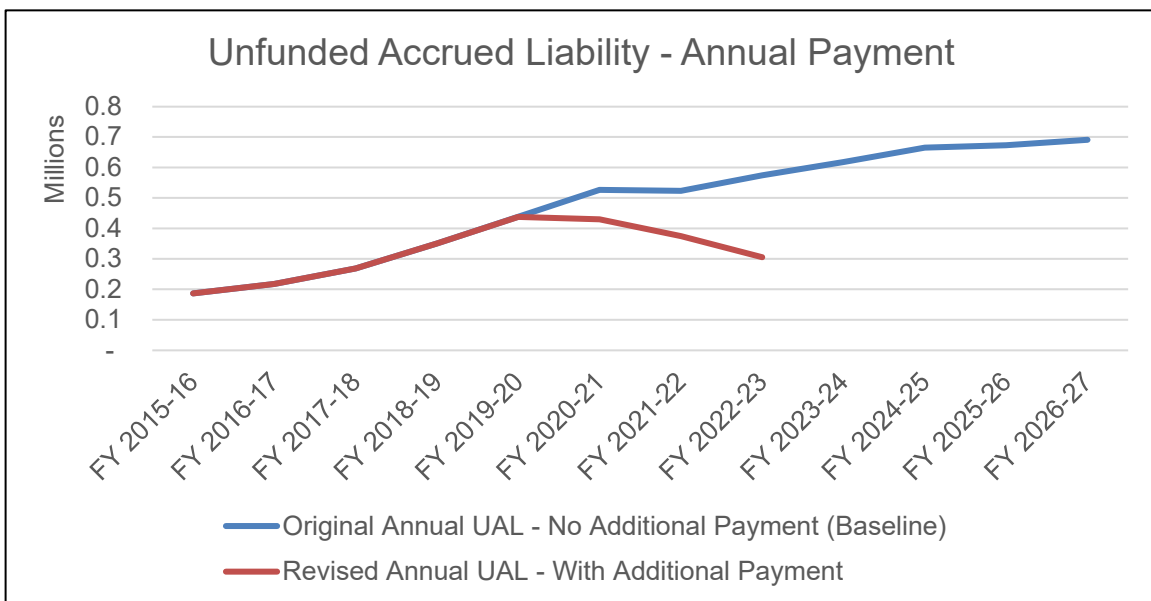


Figure 4



Major Maintenance and Capacity Fee Funded Projects

Major Maintenance expenses are budgeted at \$23.4 million in FY 2022-23 and include both routine maintenance as well as major repairs, upgrades, and replacements. The increase in the budget compared to the FY 2020-21 actual and FY 2021-22 projected actual is the result of a planned drawdown of reserves to reinvest in aging infrastructure. Major Maintenance projects are often large in scope and multi-year in nature, and budgetary estimates cross fiscal years as projects are started during the fiscal year. The largest Major Maintenance projects budgeted for FY 2022-23 are \$4.0 million for the 75 percent of the Bioenergy Generation Project, \$3.7 million for the Phase Two of the Electrical Replacement Project, \$1.9 million for District collection system repair and replacement, and \$1.1 million for the HVAC Rehabilitation Project. Beginning July 1, 2022, Capacity Fee revenue can fund Major Maintenance and CIP project expenses for repair and rehabilitation projects.

Capacity Fee expenses for growth related projects are budgeted at \$3.8 million in FY 2022-23. The primary Capacity Fee-funded projects budgeted for FY 2021-22 are \$2.5 million for Phase 1B of the Peabody Walters Relief Sewer Project, and \$1.3 million for 25 percent of the Bioenergy Generation Project.

City Collection System Reserves

The City of Fairfield and City of Suisun City Collection system reserves are new line items in the FY 2022-23 Budget. CSAMP data was included in the 2022 Cost of Service and Rate Study to develop a mechanism for the District and cities to fund aging collection system infrastructure. Each city has provided the District with their anticipated FY 2022-23 expenditures for the Collection System Reserves. On July 1, the District will fully fund the reserves by transferring \$1.83M into the City of Fairfield Collection System Reserve and \$1.77M into the City of Suisun City Collection System Reserve. By August 1, the District will appropriate the budgeted amounts into each City's collection system enterprise fund. Unused reserves will be held by the District and accrue interest until "trued up" for the next fiscal year.

Debt Service

Debt Service expenses are budgeted at \$1.1 million in FY 2022-23. The remaining outstanding debt service includes an SRF Loan for the UV Project, and an SRF Loan for the Blower Project. The debt service for the SRF Loan for the blower project is split between the Operations Fund and Capital Fund at 75 percent and 25 percent, respectively.

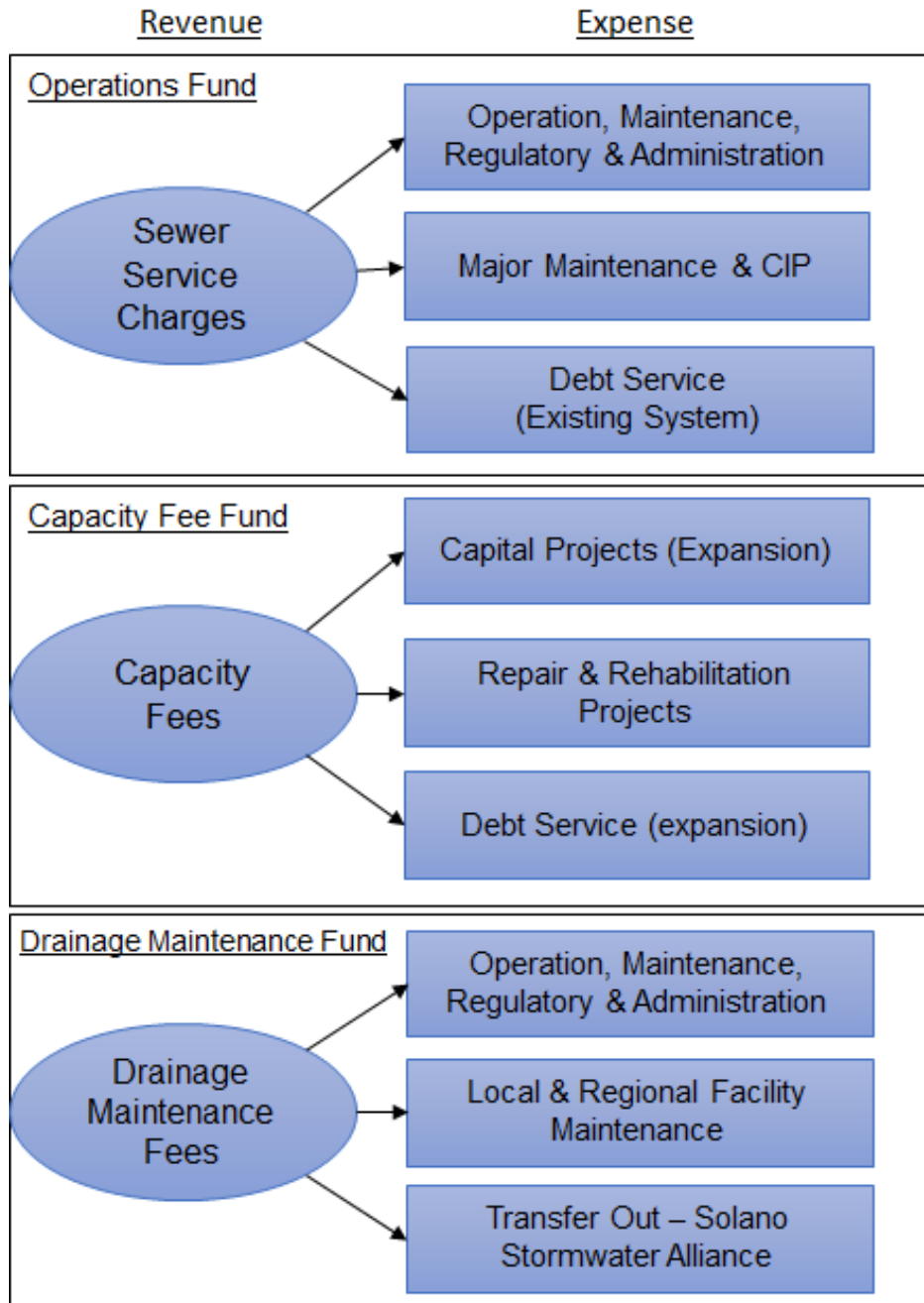
Drainage Maintenance

Drainage Maintenance expenses are budgeted at \$2.0 million for FY 2022-23, an increase of \$0.6 million compared to the FY 2021-22 projected actuals. The increase is primarily related to \$575,000 for the Air Base Parkway and State Street Pump Station Replacement project.

LONG-TERM FINANCIAL PLAN AND RESERVES

The Long-Term Financial Plan projects revenues and expenses for District funds. Figure 5 highlights the flow of funds and utilization of the District’s Operations Fund, Capacity Fees Fund, and Drainage Maintenance Fund. Schedules 2 to 6 provide a comprehensive 10-year estimate of each revenue, expense, and reserve amount.

Figure 5



Schedule 2 – Wastewater Operations Fund Forecast

- The Operations Fund pays for all treatment plant and sewer system operating expenses, including collection, treatment, maintenance, major repairs, upgrades to facilities and eventual replacement, billing, regulatory activities, and administration. It receives revenue from user fees and related interest income. The Operations Fund receives no property tax revenues.
- Operating reserves are maintained at 25 percent, or three months, of total operating expenses (Schedule 2, Line 26) and are intended to fund operational expenses in case of emergencies.
- Net revenue (revenues less expenses) is allocated to debt service payments and the operating reserve target before funding the Fairfield and Suisun City Collection System Reserves. Remaining funding is transferred to the Major Maintenance and CIP Reserve.
- Contributions to the Fairfield and Suisun City Collection System Reserves are new to the FY 2022-23 budget, and a result of the Collection System Asset Management Plan completed during FY 2021-22.

Schedule 3 – Capacity Fee Fund Forecast

- The Capacity Fee Funds receive revenues from capacity fees and related interest income and pays for debt service, growth-related construction projects, and repair and rehabilitation projects.
- Capacity fee revenues are based on growth forecasts for Fairfield and Suisun City. The cities are projecting a significant increase in residential and commercial growth between FY 2022-23 and FY 2025-26, which results in higher forecasted capacity fee revenues.
- The 2022 Cost of Service and Rate Study changed the methodology used to calculate capacity fees. As a result, beginning on July 1, 2022, Capacity Fee revenue will be available to fund repair and rehabilitation projects identified in the Major Maintenance and CIP Budget. The District will maintain Capacity Fee reserves in two separate funds to distinguish reserves restricted for growth-related expenses and reserves restricted for repair and rehabilitation projects.

Schedule 4 – Major Maintenance and Capital Improvement Program

- This represents the District's projects funded by growth-restricted Capacity Fees and Major Maintenance and CIP reserves (consisting of Sewer Service Charges and repair and rehabilitation restricted Capacity Fees).
- Total growth-restricted Capacity Fee projects total \$15.2 million through FY 2030-31.
- Total Major Maintenance and CIP expenses total \$146.2 million through FY 2030-31.

- The District's long-term financial planning for Major Maintenance and CIP expenses helps assist the District with the strategy to fund projects with cash ("pay as you go") instead of debt.
- Major Maintenance and Capacity Fee project expenses are estimates that are re-evaluated each budget cycle. Because the projects are multi-year, significant planning is required to estimate timing of necessary financial resources. Due to variables with identifying individual projects, the outyears of the forecast partially rely on historical averages.

Schedule 5 –Reserves

Debt Service Reserve

- In compliance with the State Revolving Fund (SRF) loan agreements, the District established a debt service reserve account of \$737,000 in November 2011 for the UV Project, which was increased by \$332,000 in FY 2019-20 for the Blower Project. This reserve is funded out of the Operations Fund and is not available to the District until the loan is paid in full.

Capacity Fee Reserve

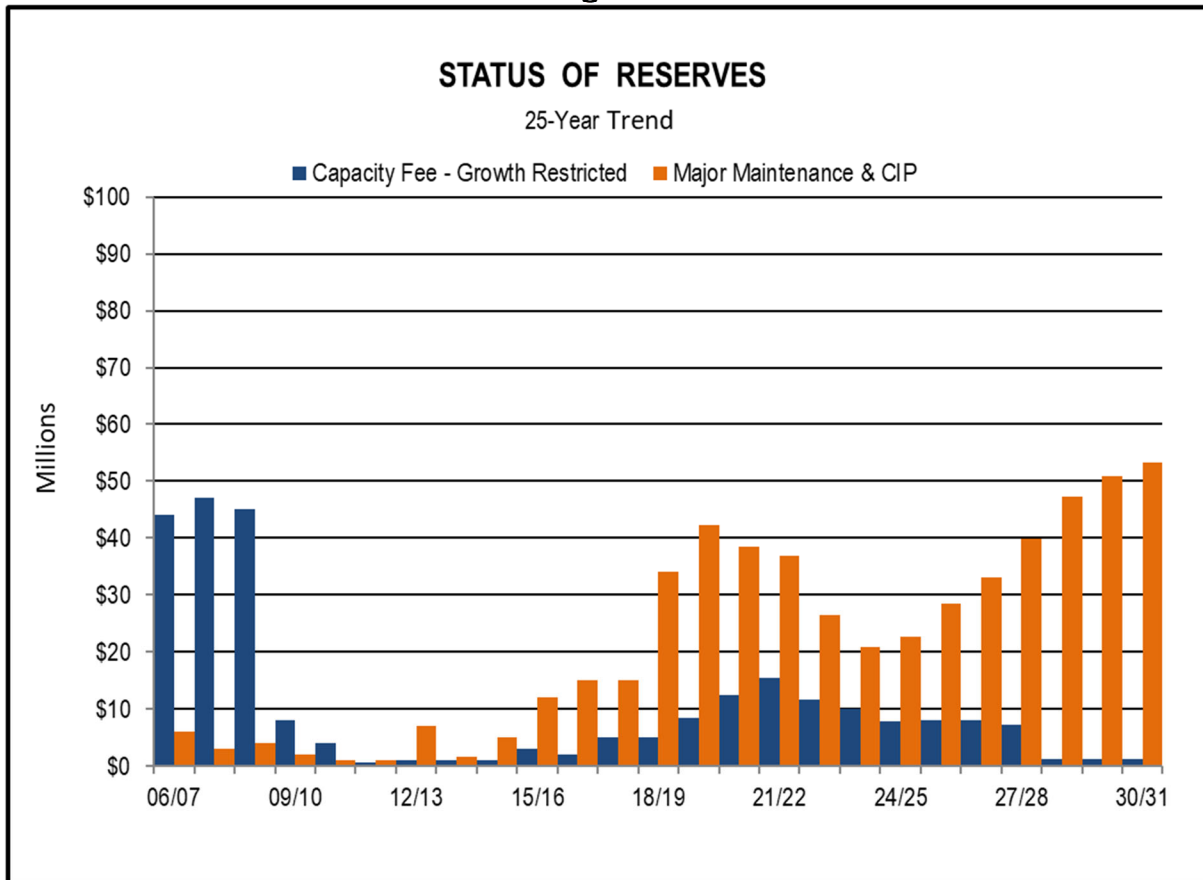
- This reserve accumulates annual net revenues for two purposes: making cash contributions to capital projects and making debt service payments if capacity fee shortages are experienced.
- Because new Capacity Fee revenue will be utilized for Major Maintenance and CIP projects, the Capacity Fee Reserve restricted for growth will eventually be drawn down over remainder of the forecast.
- Figure 6 shows the "life cycle" of the Capacity Fee and Major Maintenance Reserves. Significant balances are periodically built up, then subsequently drawn down to pay for sewer and treatment plant expansion projects.

Major Maintenance and CIP Reserve

- Accumulating a sufficient Major Maintenance and CIP Reserve is critical for funding major repairs of the treatment plant facilities, upgrades to infrastructure to meet regulatory requirements, and the eventual treatment plant replacement.
- The Major Maintenance Reserve allows funding for future replacement and rehabilitation projects that have not yet been specifically scoped and planned.
- Effective FY 2022-23, the Major Maintenance and CIP reserve target is set to the five-year rolling average of estimated Major Maintenance and CIP expenditures. This target better ties the necessary reserves to estimated expenditures to help mitigate rate impacts.

- The current reserve forecast is heavily dependent on the projected growth rate for residential and commercial additions in each city. Figure 6 shows the forecasted reserves at the end of FY 2031-31 based on the current growth forecast. Reserves are thoroughly reviewed each year as changes in the anticipated and actual growth rate can have significant impacts to planned spending for Major Maintenance & CIP projects.

Figure 6



Schedule 6 – Drainage Maintenance and Solano Stormwater Alliance

- Budgeted expenses for FY 2022-23 include operating expenses of \$1.4 million as well as \$575,000 for Fairfield Flood Pump Station Replacements.
- Drainage Maintenance Rates, as illustrated on page 23, Ordinance 2022-01, remain unchanged.
- The bottom of Schedule 6 includes the Solano Stormwater Alliance (Alliance) forecast. Fairfield and Suisun City contributions to the Alliance are represented by Transfers Out from Drainage Maintenance funds and Transfers In to the Alliance, while contributions to the Alliance from Vallejo and Vallejo Flood and Wastewater District are shown as Revenue from Other Agencies.

CONCLUSION

The Board's continued support of long-range fiscal planning as produced a stable financial structure to meet the District's current and future needs given a range of possible community growth rates. In particular, the Board's long-range planning will allow the District proceed with a \$13.3 million increase in Major Maintenance and CIP expenses in FY 2022-23 without the use of debt. Prudent cost management and the District's philosophy of building up reserves were instrumental in positioning the District to invest in infrastructure and continue to provide critical services to the community.

ACKNOWLEDGMENT

We thank the Board for its guidance and continued support of developing a sustainable budget and long-term financial plan. Special appreciation is given to department managers and District staff who assisted in the preparation of this budget.

**SCHEDULE 1
FY 2021-22 PROJECTED ACTUAL COMPARED TO BUDGET**

(Dollars in 000s)

	Schedule Reference	2021/22 Adopted Budget	2021/22 Revised Budget	2021/22 Projected Actual	Dollar Variance	Percent Variance	
1	REVENUES & REVENUE SOURCES:						
2	Sewer Service Charges	Sched 2, line 2	\$31,192	\$31,192	\$30,959	(\$233)	-1%
3	Capacity Fees	Sched 3, lines 2-3	4,014	4,014	6,329	2,315	58%
4	Drainage Maintenance Fees	Sched 6, line 2	1,676	1,676	1,647	(29)	-2%
5	Interest Income	All Schedules	611	611	491	(120)	-20%
6	Other Income	Sched 2, lines 4 and 5	363	363	643	280	77%
7	Total Revenues		<u>\$37,856</u>	<u>\$37,856</u>	<u>\$40,068</u>	<u>\$2,212</u>	<u>6%</u>
8	EXPENSES:						
9	Treatment Plant O&M	Sched 2, lines 8-9	\$11,709	\$11,709	\$11,890	\$181	2%
10	Regulatory	Sched 2, line 16	1,833	1,833	1,962	129	7%
11	Billing & Administration	Sched 2, lines 12-14	5,637	5,637	5,388	(249)	-4%
12	City Sewer Line Maint.	Sched 2, line 11	2,733	2,733	2,672	(61)	-2%
13	Major Maintenance	Sched 2, line 10, Sched 4 line 28	12,520	12,520	10,011	(2,509)	-20%
14	Capacity Fee Funded	Sched 4, line 11 and Sched 3 line 8	4,007	4,011	3,294	(717)	-18%
15	Debt Service	Sched 2, line 19 and Sched 3, line 10	1,069	1,069	1,069	0	0%
16	Drainage Maintenance	Sched 6, lines 11,21,26,31	1,530	1,530	1,422	(108)	-7%
17	Total Expenses		<u>\$41,038</u>	<u>\$41,042</u>	<u>\$37,708</u>	<u>(\$3,334)</u>	<u>-8%</u>

RESERVE BALANCES AT YEAR-END

		2021-22 Projected	
18	Capacity Fee - Growth Restricted	Schedule 5, line 11	\$15,470
19	Major Maintenance & CIP	Schedule 5, line 19	\$36,945
20	Operating	Schedule 2, line 25	\$5,667
21	Debt Service	Schedule 5, line 5	\$1,069
22	Drainage Maintenance	Schedule 6, lines 17, 22, 27, 32	\$3,136

**SCHEDULE 2
WASTEWATER OPERATIONS FUND FORECAST**

(Dollars in 000s)

	Actual	Projected Actual	FORECAST								
	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
1 REVENUES:											
2 Sewer Service Charges	\$29,227	\$30,959	\$33,054	\$35,477	\$37,989	\$40,182	\$42,558	\$45,005	\$47,371	\$49,854	\$52,460
3 Interest Income	100	51	22	25	29	32	36	36	36	36	36
4 Biosolids Host & Facility Charge	364	404	420	437	454	473	492	511	532	553	575
5 Other Income	234	239	207	211	215	220	224	229	233	238	243
6 Total Revenues	29,925	31,653	33,702	36,150	38,687	40,906	43,310	45,781	48,172	50,681	53,313
7 EXPENSES:											
8 Treatment Plant O&M	8,185	9,309	10,701	11,236	11,798	12,388	13,007	13,657	14,340	15,057	15,573
9 Electricity and Chemicals	2,283	2,581	2,820	2,954	3,094	3,241	3,395	3,556	3,725	3,902	4,088
10 District Sewer Line Maintenance	467	757	881	907	935	963	992	1,021	1,052	1,084	1,116
11 City Sewer Line Maintenance (1)	2,552	2,672	3,148	3,305	3,471	3,644	3,826	4,018	4,219	4,430	4,651
12 Admin, Legal, Board	4,193	3,679	3,693	3,316	3,445	3,581	3,723	3,871	3,527	3,527	3,527
13 Utility Billing Fees - Fairfield	520	545	573	596	620	645	670	697	725	726	727
14 Utility Billing Fees - Suisun	145	150	158	164	171	178	185	192	200	201	202
15 Financial & Personnel Services	888	1,014	1,088	1,132	1,177	1,224	1,273	1,324	1,377	1,432	1,489
16 Regulatory Programs (2)	1,359	1,962	1,886	2,046	2,259	2,151	2,248	2,349	2,454	2,640	2,880
17 Total Expenses	20,592	22,669	24,948	25,656	26,969	28,014	29,318	30,686	31,619	36,980	38,235
18 Net Revenue before Debt & Transfers	9,333	8,984	8,754	10,494	11,718	12,893	13,991	15,095	16,553	13,700	15,078
19 Debt Service Pymt - SRF	(986)	(986)	(986)	(986)	(986)	(986)	(986)	(986)	(986)	(986)	(986)
20 Transfer to Operating Reserve (Line 25)	(283)	(519)	(570)	(177)	(328)	(261)	(326)	(342)	(233)	(1,340)	(314)
21 Tfr Out-Fairfield Collection System Res.	-	-	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)
22 Tfr Out-Suisun City Collection System Res.	-	-	(1,770)	(1,770)	(1,770)	(1,770)	(1,770)	(1,770)	(1,770)	(1,770)	(1,770)
23 Transfer to Maj. Maint. Reserve (Sch. 5)	(8,065)	(7,478)	(3,599)	(5,731)	(6,804)	(8,045)	(9,079)	(10,167)	(11,733)	(7,774)	(10,179)
24 Operating Reserves, beginning	4,865	5,148	5,667	6,237	6,414	6,742	7,003	7,330	7,671	7,905	9,245
25 Operating Reserves, ending (3)	\$5,148	\$5,667	\$6,237	\$6,414	\$6,742	\$7,003	\$7,330	\$7,671	\$7,905	\$9,245	\$9,559
26 Target Operating Reserve	5,148	5,667	6,237	6,414	6,742	7,003	7,330	7,671	7,905	9,245	9,559
27 Operating Reserve Target Met?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Note 1 - This is maintenance for under-12" sewers owned by the cities and includes tv inspection of city sewer lines performed by the District. Trunk sewer maintenance is funded from the Major Maintenance Reserve.

Note 2 - Regulatory Programs include Air Quality Compliance, Regional Monitoring Program fees, Hazardous Materials fees, NPDES permit studies and fees, Laboratory costs, Source Control (Industrial Monitoring and Pollution Prevention programs mandated by RWQCB) and \$45,000 participation in Fairfield-Suisun household hazardous waste programs.

Note 3 - Operations Reserve target is set to 25% (3 months) of Schedule 2 Operating Expenses.

**SCHEDULE 3
WASTEWATER CAPACITY FEE FORECAST**

(Dollars in 000s)

	Actual	Projected Actual	FORECAST									
			20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30
1 REVENUES & OTHER FUNDING SOURCES:												
2 Fairfield Capacity Fees	\$5,336	\$5,400	\$8,441	\$9,321	\$9,720	\$8,669	\$6,408	\$6,113	\$6,296	\$6,485	\$6,680	
3 Suisun City Capacity Fees	18	929	551	108	113	117	117	121	126	129	133	
4 Total Revenues	5,354	6,329	8,991	9,430	9,833	8,786	6,525	6,234	6,422	6,614	6,813	
5 EXPENSES & DEBT SERVICE												
6 Project Planning & Administration	97	107	441	435	456	479	503	528	555	582	612	
7 New Development Review / Inspection	75	144	244	251	259	267	275	283	291	300	309	
8 Total Expenses	172	251	685	686	715	746	778	811	846	882	921	
9 Interfund Loan Repayment - MM	466	0	0	0	0	0	0	0	0	0	0	
10 SRF Loan Repayment - Blower Proj	83	83	83	83	83	83	83	83	83	83	83	
11 Total Debt Service	549	83	83	83	83	83	83	83	83	83	83	
12 Total Expenses and Debt Service	721	334	768	769	798	829	861	894	929	965	1,004	
13 Rev. & Other Funding Sources less Exp.	4,633	5,995	8,223	8,661	9,035	7,957	5,664	5,340	5,493	5,649	5,809	
14 Tfr Out-Capacity Fee Reserve for Growth (1)	(4,633)	(5,995)	0	0	0	0	0	0	0	0	0	
15 Tfr Out-Capacity Fee Reserve for R&R (2)	0	0	(8,223)	(8,661)	(9,035)	(7,957)	(5,664)	(5,340)	(5,493)	(5,649)	(5,809)	
16 Ending Available Cash Balance (3)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

Note 1 - Revenue collected FY 2021-22 and prior is restricted for growth-related projects based on the methodology used to calculate the Capacity Fee.

Note 2 - Starting FY 2022-23, Capacity Fee revenue is restricted to Repair & Rehabilitation (R&R) projects per the District's 2022 Cost of Service and Rate Study.

Note 3 - No unrestricted Net Position is maintained; all net revenues are transferred to Capacity Fee Reserves.

**SCHEDULE 4
CAPITAL IMPROVEMENT PROGRAM & COLLECTION SYSTEM RESERVES**

(Dollars in 000s)

	Project Name	Actual	Projected Actual	FORECAST									Total Forecast
		20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	
1	Cordelia Pump Station Expansion	\$0	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000
2	Northeast Fairfield Pump Station	166	2,200	-	-	-	-	-	-	-	-	-	-
3	Peabody Walters Relief Sewer - Phase 1B	0	500	2,500	-	-	-	-	-	-	-	-	2,500
4	Peabody Walters Relief Sewer - Phase 2	0	-	-	-	-	-	-	1,000	5,500	-	-	6,500
5	Lopes Lift Station/Force Main Capacity Improvements	0	-	-	500	1,200	-	-	-	-	-	-	1,700
6	Collection System Master Plan	17	15	15	15	15	15	15	15	400	15	15	520
7	Digester Feedback/Biogas Master Plan	158	-	-	-	-	-	-	-	-	-	-	-
8	Flow Monitoring	0	50	-	-	50	-	-	50	-	-	50	150
9	Digester Reliability Improvement (25%)	814	78	-	-	-	-	-	-	-	-	-	-
10	Bioenergy Generation Project (25%)	28	200	1,325	1,325	-	-	-	-	-	-	-	2,650
11	Total Capacity Fee - Growth Restricted	\$1,183	\$3,043	\$3,840	\$1,840	\$2,265	\$15	\$15	\$1,065	\$5,900	\$15	\$65	\$15,197
12	Suisun Force Main Rehabilitation	\$0	\$0	\$300	\$6,000	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0	\$12,300
13	Digester Reliability Improvement (75%)	2,441	235	-	-	-	-	-	-	-	-	-	2,911
14	Electrical Replacement - Phase I	2,643	1,500	-	-	-	-	-	-	-	-	-	4,898
15	Electrical Replacement - Phase II	0	100	3,740	4,400	325	-	-	-	-	-	-	8,588
16	Electrical Replacement - Phase III	0	-	-	-	350	4,500	-	-	-	-	-	4,850
17	Electrical Replacement - 12kV Distribution	0	-	-	-	-	500	5,000	5,000	-	-	-	10,500
18	Primary Clarifier Rehab	209	405	-	-	-	-	-	-	-	-	-	1,019
19	Primary Clarifier Rehab No. 2 and 4	0	100	460	-	-	-	-	-	-	-	-	560
20	HVAC Rehabilitation	89	114	1,100	-	-	-	-	-	-	-	-	1,367
21	Bioenergy Generation Project (75%)	85	600	3,975	3,975	-	-	-	-	-	-	-	9,167
22	Crystal Pump Station Generator / ATS	0	-	-	100	-	-	-	-	-	-	-	100
23	Secondary Clarifier 2 Floor Grout	0	-	-	150	-	-	-	-	-	-	-	150
24	Secondary Clarifier 3 Floor Grout	0	-	-	-	-	150	-	-	-	-	-	150
25	Tertiary Filer 4/5 VFD Replacement	0	-	125	-	-	-	-	-	-	-	-	125
26	Maintenance Replacements / Upgrades	1,941	6,200	10,949	3,859	4,777	3,142	4,552	3,905	10,366	10,366	10,366	73,281
27	FSSD Collection System R&R	-	-	1,902	1,751	2,863	2,488	1,038	550	550	550	4,544	16,236
28	Total Major Maintenance	\$7,408	\$9,254	\$22,551	\$20,235	\$14,315	\$10,780	\$10,590	\$9,455	\$10,916	\$10,916	\$14,910	\$146,201

	Actual	Projected Actual	FORECAST									
			20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30
29	City of Fairfield - Collection System R&R Reserve											
30	\$0	\$0	\$0	\$1,352	\$48	\$77	\$110	\$146	\$1,713	\$3,280	\$3,346	\$3,346
31	-	-	1,830	1,830	1,830	1,830	1,830	1,830	1,830	1,830	1,830	1,830
32	-	-	22	26	29	33	37	37	37	37	37	37
33	-	-	(500)	(3,160)	(1,830)	(1,830)	(1,830)	(300)	(300)	(1,800)	(300)	(300)
34	\$0	\$0	\$1,352	\$48	\$77	\$110	\$146	\$1,713	\$3,280	\$3,346	\$4,913	\$4,913
35	City of Suisun City - Collection System R&R Reserve											
36	\$0	\$0	\$0	\$1,106	\$2,343	\$3,614	\$4,834	\$5,952	\$7,557	\$9,262	\$10,968	\$10,968
37	-	-	1,770	1,770	1,770	1,770	1,770	1,770	1,770	1,770	1,770	1,770
38	-	-	21	25	28	32	35	35	35	35	35	35
39	-	-	(685)	(558)	(527)	(582)	(688)	(200)	(100)	(100)	(100)	(100)
40	\$0	\$0	\$1,106	\$2,343	\$3,614	\$4,834	\$5,952	\$7,557	\$9,262	\$10,968	\$12,673	\$12,673

**SCHEDULE 5
WASTEWATER RESERVE FORECAST**

(Dollars in 000s)

	Actual	Projected	FORECAST								
	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
1 DEBT SERVICE RESERVE (1):											
2 Beginning Cash Balance	\$1,069	\$1,069	\$1,069	\$1,069	\$1,069	\$1,069	\$1,069	\$1,069	\$1,069	\$1,069	\$1,069
3 Trans Out-Capital/Debt Service Fund	0	0	0	0	0	0	0	0	0	0	0
4 Trans In-Major Maintenance Reserve	0	0	0	0	0	0	0	0	0	0	0
5 Ending Cash Balance	\$1,069	\$1,069	\$1,069	\$1,069	\$1,069	\$1,069	\$1,069	\$1,069	\$1,069	\$1,069	\$1,069
6 CAPACITY FEE RESERVE (Growth Restricted):											
7 Beginning Cash Balance	\$8,860	\$12,431	\$15,470	\$11,751	\$10,039	\$7,885	\$7,998	\$8,127	\$7,188	\$1,295	\$1,288
8 Transfer In - Capacity Fee Fund	4,633	5,995	0	0	0	0	0	0	0	0	0
9 Interest Income	121	87	121	128	111	128	144	125	8	7	6
10 Capacity Fee Funded CIP (Growth) - Schedule 4	(1,183)	(3,043)	(3,840)	(1,840)	(2,265)	(15)	(15)	(1,065)	(5,900)	(15)	(65)
11 Ending Cash Balance (2)	\$12,431	\$15,470	\$11,751	\$10,039	\$7,885	\$7,998	\$8,127	\$7,188	\$1,295	\$1,288	\$1,229
12 MAJOR MAINT & CIP RESERVE (3):											
13 Beginning Balance	\$37,065	\$38,515	\$36,945	\$26,523	\$20,954	\$22,815	\$28,510	\$33,271	\$40,054	\$47,359	\$50,989
14 Transfer In- Net Revenues From Schedule 2	8,065	7,478	3,599	5,731	6,804	8,045	9,079	10,167	11,733	7,774	10,179
15 Transfer In - Capacity Fee - R&R (4)	0	0	8,223	8,661	9,035	7,957	5,664	5,340	5,493	5,649	5,809
16 Interfund Loan Repayment - Capital	466	0	0	0	0	0	0	0	0	0	0
17 Interest Income	328	205	308	275	337	473	608	730	995	1,123	1,287
18 Maj. Maint & CIP - Schedule 4	(7,408)	(9,254)	(22,551)	(20,235)	(14,315)	(10,780)	(10,590)	(9,455)	(10,916)	(10,916)	(14,910)
19 Ending Cash Balance	\$38,515	\$36,945	\$26,523	\$20,954	\$22,815	\$28,510	\$33,271	\$40,054	\$47,359	\$50,989	\$53,354
20 Target Major Maintenance & CIP Reserve (5)	19,000	19,000	19,294	16,675	14,811	14,131	14,957	15,149	15,847	16,513	18,510
21 Major Maintenance & CIP Reserve Target Met?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
22 TOTAL REPLACEMENT COST OF											
23 TREATMENT PLANT AND SEWERS:											
24 Beginning Replacement Cost	\$706,412	\$758,502	\$822,236	\$883,172	\$943,707	\$990,993	\$1,038,271	\$1,080,648	\$1,124,021	\$1,164,948	\$1,203,934
25 Inflationary Increases	46,623	60,680	49,334	44,159	37,748	39,640	36,339	37,823	33,721	34,948	36,118
26 Plant/Sewer Additions	5,467	3,054	11,602	16,376	9,538	7,638	6,038	5,550	7,206	4,038	11,207
27 Ending Replacement Cost	\$758,502	\$822,236	\$883,172	\$943,707	\$990,993	\$1,038,271	\$1,080,648	\$1,124,021	\$1,164,948	\$1,203,934	\$1,251,259

Note 1 - These funds are restricted cash held by trustee and/or District for debt service reserves until bond issues and other debt obligations are paid off, and are not available for other purposes.

Note 2 - These funds are restricted for growth related projects.

Note 3 - Major Maintenance & CIP Reserve funds projects to repair and upgrade existing treatment facilities and trunk sewers and pays for replacement when they reach the end of their useful lives.

Note 4 - These funds are restricted for Repair & Rehabilitation projects and are maintained in a separate fund. They are included with Sewer Service Charge reserves to present a better forecast of total reserves available for Major Maintenance and CIP project costs.

Note 5 - Major Maintenance & CIP Reserve target is equal to five year rolling average of Major Maintenance & CIP costs.

**SCHEDULE 6
DRAINAGE MAINTENANCE FUND FORECAST**

(Dollars in 000s)

	Actual	Projected Actual	FORECAST									
			20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30
1 REVENUES:												
2 Drainage Maintenance Fees	\$1,647	\$1,647	\$1,655	\$1,664	\$1,672	\$1,680	\$1,689	\$1,697	\$1,706	\$1,714	\$1,723	
3 Interest Income	19	24	34	39	48	59	70	75	79	84	88	
4 Total Revenues	1,666	1,671	1,689	1,702	1,720	1,739	1,758	1,772	1,785	1,798	1,810	
5 EXPENSES:												
6 Local Facility Maintenance	959	959	959	959	959	959	959	959	959	959	959	
7 Regional Facility Maintenance	84	82	114	117	121	125	128	132	136	140	144	
8 Admin, Billing, Capital Outlay	30	18	289	319	332	346	361	376	392	437	455	
9 Stormwater Regulatory Program (1)	265	223	0	0	0	0	0	0	0	0	0	
10 Tfr Out - Solano Stormwater Alliance (2)	0	0	85	85	85	85	85	85	85	85	85	
11 Total Expenses	1,338	1,282	1,447	1,480	1,497	1,515	1,533	1,552	1,572	1,621	1,644	
12 Revenues less Expenses	328	390	241	222	223	224	225	219	213	176	166	
13 Tfr In/(Out)-Desilting Reserve	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	
14 Tfr In/(Out)-Major Maint. Reserve	(150)	(360)	(211)	(192)	(193)	(194)	(195)	(189)	(183)	(146)	(136)	
15 Tfr In/(Out)-Operations Reserve	(150)	0	0	0	0	0	0	0	0	0	0	
16 Beginning Cash Balance	312	310	310	310	310	310	310	310	310	310	310	
17 Ending Available Cash Balance	\$310	\$310	\$310	\$310	\$310	\$310	\$310	\$310	\$310	\$310	\$310	
18 OPERATIONS RESERVE: (3)												
19 Beginning Cash Balance	\$850	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	
20 Transfer In/(Out)	150	0	0	0	0	0	0	0	0	0	0	
21 Expenses	0	0	0	0	0	0	0	0	0	0	0	
22 Ending Cash Balance	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	
23 DESILTING RESERVE (4):												
24 Beginning Cash Balance	\$368	\$398	\$428	\$458	\$488	\$518	\$548	\$578	\$608	\$638	\$668	
25 Transfer In/(Out)	30	30	30	30	30	30	30	30	30	30	30	
26 Expenses	0	0	0	0	0	0	0	0	0	0	0	
27 Ending Cash Balance	\$398	\$428	\$458	\$488	\$518	\$548	\$578	\$608	\$638	\$668	\$698	
28 MAJOR MAINT RESERVE: (5)												
29 Beginning Cash Balance	\$1,028	\$1,178	\$1,398	\$1,034	\$998	\$1,191	\$1,384	\$1,579	\$1,769	\$1,951	\$2,098	
30 Transfer In/(Out)	150	360	211	192	193	194	195	189	183	146	136	
31 Expenses	0	(140)	(575)	(228)	0	0	0	0	0	0	0	
32 Ending Cash Balance	\$1,178	\$1,398	\$1,034	\$998	\$1,191	\$1,384	\$1,579	\$1,769	\$1,951	\$2,098	\$2,234	

SOLANO STORMWATER ALLIANCE (ALLIANCE) FORECAST

	Actual	Projected Actual	FORECAST								
			20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29
33 Tfr In - From Drainage Maint.	\$0	\$0	\$85	\$85	\$85	\$85	\$85	\$85	\$85	\$85	\$85
34 Revenue from Other Agencies	-	-	70	70	70	70	70	70	70	70	70
35 Interest Income	-	-	0	0	0	0	0	0	0	0	0
36 Total Revenues	\$0	\$0	\$155	\$155	\$155	\$155	\$155	\$155	\$155	\$155	\$155
37 Expenses	\$0	\$0	\$154	\$155	\$155	\$155	\$155	\$155	\$155	\$155	\$155
38 Revenues less Expenses	\$0	\$0	\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
39 ALLIANCE RESERVE (6)	\$0	\$0	\$1	\$1	\$2	\$2	\$2	\$2	\$3	\$3	\$3

- Note 1 - This is a federally-mandated regulatory program. Starting FY 2022-23, program is known as the Solano Stormwater Alliance.
- Note 2 - This transfer represents Fairfield and Suisun City's contribution to Solano Stormwater Alliance.
- Note 3 - Reserve accumulated for unexpected operations expense.
- Note 4 - Reserve for 33 percent of City of Suisun City dredging costs.
- Note 5 - Reserve for unanticipated cost increases in maintenance projects.
- Note 6 - Remaining Alliance funds are maintained in a separate fund and reserve.

**SCHEDULE 7
WASTEWATER FORECAST ASSUMPTIONS**

(Dollars in 000s)

	Actual	Actual	Projected	FORECAST								
	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
1 GROWTH RATE:												
2 Residential	0.74%	5.42%	1.97%	2.96%	2.74%	2.44%	2.09%	2.25%	2.05%	1.47%	1.45%	1.42%
3 Commercial/Industrial	0.15%	1.08%	0.39%	0.59%	0.55%	0.49%	0.42%	0.45%	0.41%	0.29%	0.29%	0.28%
4 Commercial Special Strength	0.15%	1.08%	0.39%	0.59%	0.55%	0.49%	0.42%	0.45%	0.41%	0.29%	0.29%	0.28%
5 Travis Air Force Base	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
6 Anheuser-Busch	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
7 SEWER RATE (per HCF, except Residential):												
8 Residential (Flat Rate per Month)	\$40.40	\$41.85	\$43.35	\$45.02	\$47.27	\$49.63	\$51.62	\$53.68	\$55.83	\$58.06	\$60.38	\$62.80
9 Commercial - Regular Strength	\$3.23	\$3.35	\$3.46	\$3.60	\$3.78	\$3.97	\$4.13	\$4.30	\$4.47	\$4.65	\$4.84	\$5.03
10 Industrial - Regular Strength	\$3.23	\$3.35	\$3.46	\$3.60	\$3.78	\$3.97	\$4.13	\$4.30	\$4.47	\$4.65	\$4.84	\$5.03
11 Commercial - Special Strength	\$5.32	\$5.48	\$5.62	\$6.23	\$6.54	\$6.87	\$7.14	\$7.43	\$7.73	\$8.04	\$8.36	\$8.69
12 Industrial - Special Strength	\$5.32	\$5.48	\$5.62	\$6.23	\$6.54	\$6.87	\$7.14	\$7.43	\$7.73	\$8.04	\$8.36	\$8.69
13 Anheuser-Busch (Case by Case Avg)	\$3.29	\$3.40	\$3.51	\$3.75	\$3.94	\$4.14	\$4.30	\$4.48	\$4.66	\$4.84	\$5.04	\$5.24
14 Travis Air Force Base	\$2.48	\$2.59	\$2.71	\$2.90	\$3.05	\$3.20	\$3.33	\$3.46	\$3.60	\$3.74	\$3.89	\$4.05
15 SEWER REVENUES:	\$29,029	\$29,227	\$30,959	\$33,054	\$35,477	\$37,989	\$40,182	\$42,558	\$45,005	\$47,371	\$49,854	\$52,460
16 Residential (Fairfield)	18,011	17,994	19,063	20,394	22,001	23,664	25,125	26,717	28,355	29,921	31,568	33,299
17 Residential (Suisun)	4,746	4,925	5,218	5,582	6,022	6,477	6,877	7,313	7,761	8,190	8,640	9,114
18 Commercial - Regular Strength	2,119	2,117	2,210	2,312	2,441	2,576	2,690	2,810	2,935	3,061	3,193	3,330
19 Industrial - Regular Strength	1,059	1,058	1,105	1,156	1,221	1,288	1,345	1,405	1,467	1,530	1,596	1,665
20 Commercial - Special Strength	297	315	350	391	413	435	455	475	496	517	540	563
21 Industrial - Special Strength	694	734	784	838	879	923	960	999	1,039	1,080	1,123	1,168
22 Anheuser-Busch	1,141	1,196	1,277	1,364	1,432	1,504	1,564	1,627	1,692	1,759	1,830	1,903
23 Travis Air Force Base	962	888	950	1,017	1,068	1,121	1,166	1,212	1,261	1,311	1,364	1,418
24 Consumer Price Index	2.00%	4.29%	6.00%	4.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
25 Interest Earnings Rate	1.75%	0.94%	1.00%	1.20%	1.40%	1.60%	1.80%	2.00%	2.00%	2.00%	2.00%	2.00%
26 Bond Interest Rate	1.50%	1.95%	2.30%	2.50%	2.75%	2.75%	2.75%	3.00%	3.00%	3.00%	3.00%	3.00%
27 Construction Cost Index	3.00%	6.60%	8.00%	6.00%	5.00%	4.00%	4.00%	3.50%	3.50%	3.00%	3.00%	3.00%
28 Project Inflationary Cost Factor	1.2668	1.3504	1.4584	1.5459	1.6232	1.6881	1.7557	1.8171	1.8807	1.9371	1.9952	2.0551
29 New Residential Units - Fairfield	331	294	694	1,347	1,345	1,226	1,075	858	800	800	800	800
30 New Residential Units - Suisun	0	5	235	80	15	15	15	15	15	15	15	15
31 Total New Residential Units	331	299	929	1,427	1,360	1,241	1,090	873	815	515	515	515
32 Total DUs in District (year-end)	44,782	47,211	48,140	49,567	50,927	52,168	53,258	54,455	55,570	56,385	57,200	58,015
34 Capacity Fee Per EDU	\$6,281	\$6,281	\$6,281	\$6,883	\$7,227	\$7,516	\$7,817	\$8,090	\$8,374	\$8,625	\$8,884	\$9,150
35 New Commercial EDU	40.0	51.3	88.5	135.3	183.2	131.3	121.2	63.6	50.0	50.0	50.0	50.0
36 DEBT SERVICE COVENANT												
37 Avg Debt Service Ratio (1.15 min.)	7.67	8.82	11.88	5.86	9.48	10.94	12.37	13.38	15.36	9.80	5.32	5.53

FAIRFIELD-SUISUN SEWER DISTRICT
ORDINANCE NO. 2022-01

AN ORDINANCE AMENDING ORDINANCE NO. 88-2 AND ADOPTING WITHOUT INCREASE THE FAIRFIELD-SUISUN SEWER DISTRICT ANNUAL STORM DRAIN MAINTENANCE SERVICE CHARGES

1. THE BOARD OF DIRECTORS OF THE FAIRFIELD-SUISUN SEWER DISTRICT DOES HEREBY AMEND PARAGRAPH 2 OF SECTION 1 OF ORDINANCE NO. 88-2 AS FOLLOWS:

“2. **Schedule of Charges.** The storm drain maintenance charges continue unchanged for fiscal year 2022-23 at the same rates as 2021-22, and such charges are assigned to lots or parcels of land as follows:

CATEGORY	RATE
A. Residential: Single-family to Four-plex (Improved property in County Assessor Codes 1000, 1011, 1012, 1013, 1019, 1200, 1500, 2100 – 4 units or less)	\$20.23 per lot or parcel
B. Multiple Family and Institutional (Improved property in County Assessor Codes 2100 and 2190 – greater than 4 units, 2700, 8100, 8200, 8300, 8500, 8700)	\$250.51 per acre
C. Commercial and Industrial (Improved property in County Assessor codes 3100, 3200, 3300 3400, 3500, 3510, 3520, 3530, 3540, 3550, 3560, 3570, 3580, 3585, 3590, 3800, 4400, 4442, 4443, 4444, 4449)	\$313.14 per acre
D. Undeveloped (Unimproved property greater than 0.1 acres in all above County Assessor Code Categories, plus all property in County Assessor Codes 1100, 1113, 1116, 1117, 1118, 2000, 3000, 4000, 5000, 5051, 5052, 5053, 5054, 5059, 6100, 6400, 6462, 6463, 6464, 8400, 9000, 9500, 9600, and 9999)”	\$1.06 per acre or portion thereof

2. This Ordinance shall be posted for one week in three public places in the City of Fairfield and three public places in the City of Suisun City and shall take effect upon expiration of the week of such posting.

PASSED AND ADOPTED this 23rd day of May 2022, by the following vote:

AYES: Directors Day-Hernandez-Hudson-Panduro-Price
Timm-Tonnesen-Williams-Vaccaro

NOES: Directors None

ABSENT: Directors None


President

ATTEST:

District Clerk

FAIRFIELD-SUISUN SEWER DISTRICT
RESOLUTION NO. 2022-13

A RESOLUTION APPROVING REVISED FISCAL YEAR 2021-22 REVENUE AND EXPENSE PROJECTIONS AND ADOPTING THE FISCAL YEAR 2022-23 BUDGET AND LONG-TERM FINANCIAL PLAN

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FAIRFIELD-SUISUN SEWER DISTRICT:

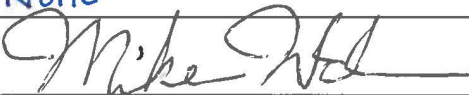
- 1. The District hereby adopts the estimated revenues, expenses and interfund transfers for all funds and reserves for the fiscal year 2021-22, which are attached hereto and made a part thereof.
- 2. The District hereby adopts the Proposed Budget for Fiscal Year 2022-23 and Long-Term Financial Plan, attached hereto and made a part hereof, as an operating guideline for the scheduling and financing of future capital projects and debt issuance, provided that all projects and debts are subject to subsequent Board approval.
- 3. The General Manager is hereby authorized and directed to allocate net operations revenue to the District's reserves in accordance with the District's reserve policy.
- 4. The General Manager is hereby authorized and directed to amend the Fiscal Year 2022-23 Budget when the Solano Stormwater Alliance budget is adopted.
- 4. The General Manager is hereby authorized and directed to take all steps necessary and proper to implement this resolution in accordance with District policies and procedures.
- 5. The District finds that the activities authorized herein are statutorily or categorically exempt under one or more of the following CEQA Guidelines: 15378 (The activity is not a "project" as defined in Section 15378); 15061(b)(3) (It can be seen with certainty that there is no possibility that this activity may have a significant effect on the environment); 15378(b)(4) (Government fiscal activities which do not involve any commitment to any specific project); 15262 (Feasibility and Planning Studies); and 15306 (Information Collection). Staff is hereby authorized to file a Notice of Exemption under CEQA Guidelines 15062.

PASSED AND ADOPTED this 23rd day of May 2022, by the following vote:

		Day-Hernandez-Hudson-Panduro-Price
AYES:	Directors	Timm-Tonnesen-Williams-Vaccaro

NOES:	Directors	None

ABSENT:	Directors	None

		President

ATTEST:



District Clerk