

Fund 69000: Sewer Revenue

FUND STATEMENT

Category	FY 2023 Actual	FY 2024 Adopted Budget Plan	FY 2024 Revised Budget Plan	FY 2024 Third Quarter Estimate	Increase (Decrease) (Col. 5-4)
Beginning Balance	\$119,748,967	\$125,433,768	\$128,879,970	\$128,879,970	\$0
Revenue:					
Lateral Spur Fees	\$0	\$10,000	\$10,000	\$10,000	\$0
Water Reuse Charges ¹	280,844	275,000	275,000	275,000	0
Sales of Service ¹	8,577,811	10,288,000	10,288,000	10,288,000	0
Availability Charges	23,514,131	18,300,000	18,300,000	18,300,000	0
Connection Charges	559,175	250,000	250,000	250,000	0
Sewer Service Charges	232,904,778	251,365,500	251,365,500	251,365,500	0
Sewer Hauled Charges ¹	179,787	200,000	200,000	200,000	0
Miscellaneous Revenue	222,897	400,000	400,000	400,000	0
Sale Surplus Property	30,589	100,000	100,000	100,000	0
Interest on Investments	4,663,990	800,000	800,000	800,000	0
Total Revenue	\$270,934,002	\$281,988,500	\$281,988,500	\$281,988,500	\$0
Total Available	\$390,682,969	\$407,422,268	\$410,868,470	\$410,868,470	\$0
Transfers Out:					
Sewer Operation and Maintenance (69010)	\$122,100,000	\$125,000,000	\$125,000,000	\$132,200,000	\$7,200,000
Sewer Bond Parity Debt Service (69020)	28,500,000	38,400,000	38,400,000	38,400,000	0
Sewer Bond Subordinate Debt Service (69040)	22,200,000	22,400,000	22,400,000	22,400,000	0
Sewer Construction Improvements (69300)	89,002,999	90,000,000	90,000,000	90,000,000	0
Total Transfers Out	\$261,802,999	\$275,800,000	\$275,800,000	\$283,000,000	\$7,200,000
Total Disbursements	\$261,802,999	\$275,800,000	\$275,800,000	\$283,000,000	\$7,200,000
Ending Balance²	\$128,879,970	\$131,622,268	\$135,068,470	\$127,868,470	(\$7,200,000)
Management Reserves:					
Operating and Maintenance Reserve ³	\$45,000,000	\$45,000,000	\$45,000,000	\$45,000,000	\$0
New Customer Reserve ⁴	30,000,000	30,000,000	30,000,000	30,000,000	0
Capital Reinvestment Reserve ⁵	53,879,970	56,622,268	60,068,470	52,868,470	(7,200,000)
Total Reserves	\$128,879,970	\$131,622,268	\$135,068,470	\$127,868,470	(\$7,200,000)
Unreserved Balance	\$0	\$0	\$0	\$0	\$0

¹ In order to account for revenues and expenditures in the proper fiscal year, audit adjustments are reflected as a decrease of \$143,141.61 to the FY 2023 Water Reuse Charges, Sales of Service, and Sewer Hauled Charges to properly record revenue in the proper fiscal period. The Annual Comprehensive Financial Report (ACFR) reflects all audit adjustments in FY 2023. Details of the audit adjustments are found in Attachment VI of the FY 2024 Third Quarter Package.

² The Wastewater Management Program maintains fund balances at adequate levels relative to projected debt service requirements, operation and maintenance expenses and capital improvements.

³ The Operating and Maintenance Reserve provides for unforeseen expenses associated with sewer system emergencies. This reserve is targeted to be maintained at a level between \$25.0 and \$45.0 million. This level of reserve is based on an industry practice to maintain existing customer reserves at a level that can support 30 and 180 days of working capital and approximately 50 percent of one year's requirements for rehabilitation and replacement of the current system's assets.

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⁴ The New Customer Reserve provides for debt service and administrative expenses associated with new customer debt, until such time as adjustments to availability charges can be accommodated. This reserve is based on payment expenses associated with one year of debt service and administrative expenses associated with new customer debt.

⁵ The Capital Reinvestment Reserve is intended to address both anticipated and unanticipated increases within the Capital Improvement Program. This reserve will provide for significant rehabilitation and replacement of emergency infrastructure repairs. A reserve of 3.0 percent of the five-year capital plan is consistent with other utilities and is recommended by rating agencies. Based on the total five-year capital plan, an amount of \$30.0 million would be required to reach 3.0 percent.