

Final Budget Fiscal Year 2019–20

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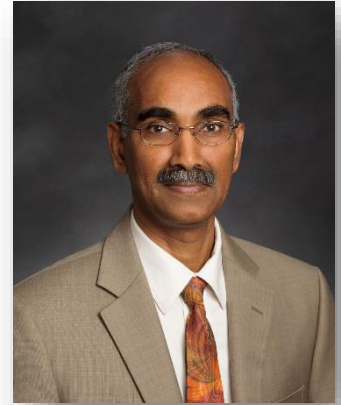
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Message from the District Engineer

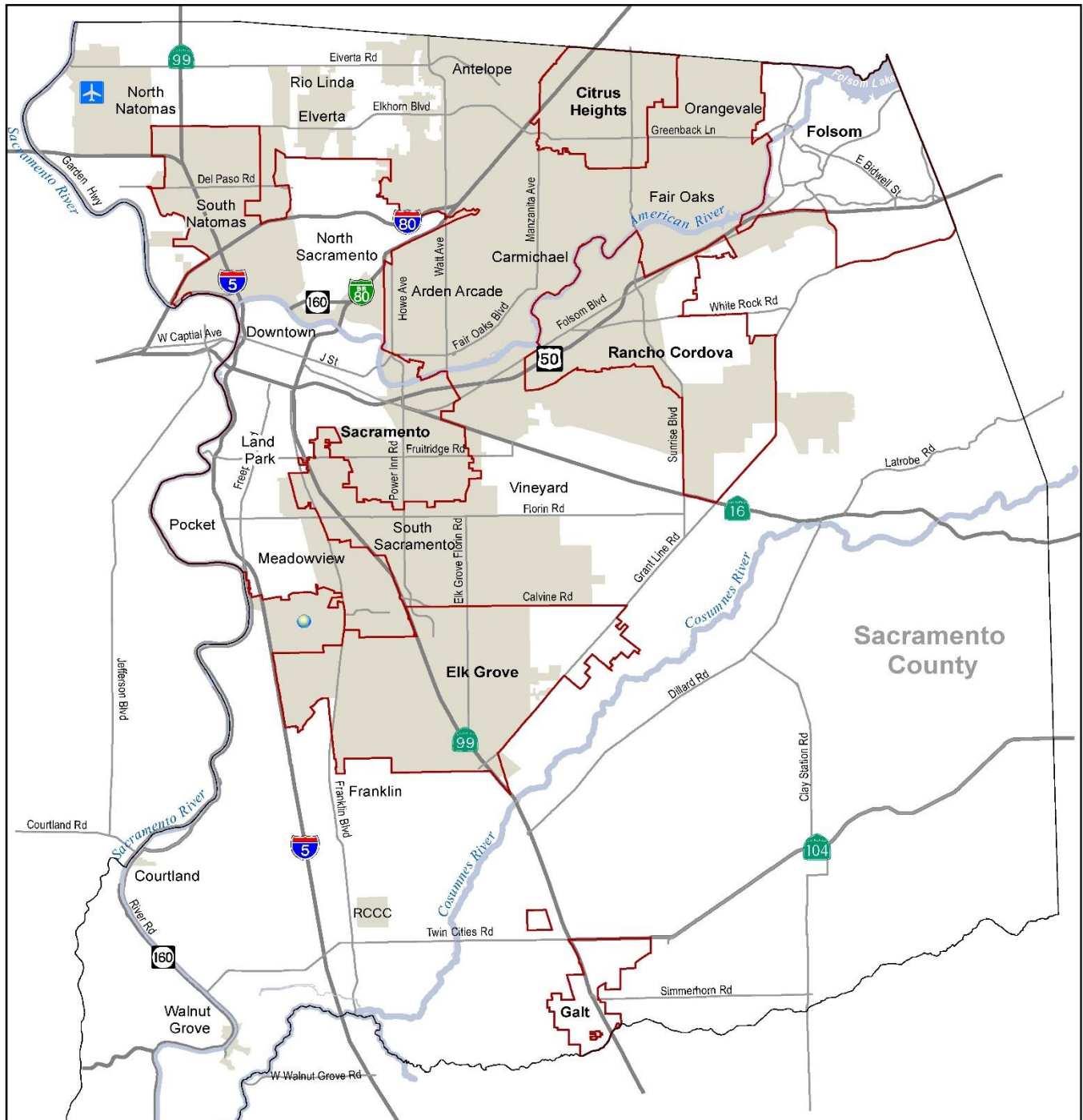
The Sacramento Area Sewer District (SASD) is proud to present its 2019-20 Budget. This budget book presents to our ratepayers, stakeholders, Board of Directors, and staff a summary of our fiscal plans for the upcoming year. It is critical in guiding our expenditures as we continue to strive toward our vision of *"setting the bar for essential sewage collection services."*

The proposed operating budget, net of depreciation, is approximately \$237,102, or 0.3 percent, under the prior year budget. The salaries and benefit budget increased by approximately \$2 million to fund cost of living adjustments and increased retirement. However, this increase was offset by a reduction in the budget of services and supplies. In addition, no new positions are being requested in this year's budget.

We have not had a monthly service rate increase in nine years, and thanks to the hard work and dedication of staff, we are projecting no increase in rates for several more years. To learn more about SASD, review previous budget books, and explore our activities and performance, please visit us at www.sacsewer.com.

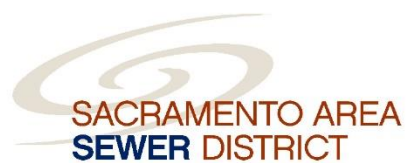


SASD Service Area



LEGEND

- SASD Service Area
- City Boundary
- Highway
- Main Road
- River
- Sacramento Regional Wastewater Treatment Plant



N
 Not to Scale
 May 23, 2018

SASD Board of Directors

Sacramento County Board of Supervisors



Phil Serna
District 1



Patrick Kennedy
District 2



Susan Peters
District 3



Sue Frost
District 4



Don Nottoli
District 5

City Representatives



Jeannie Bruins
Citrus Heights



Pat Hume
Elk Grove



Kerri Howell
Folsom



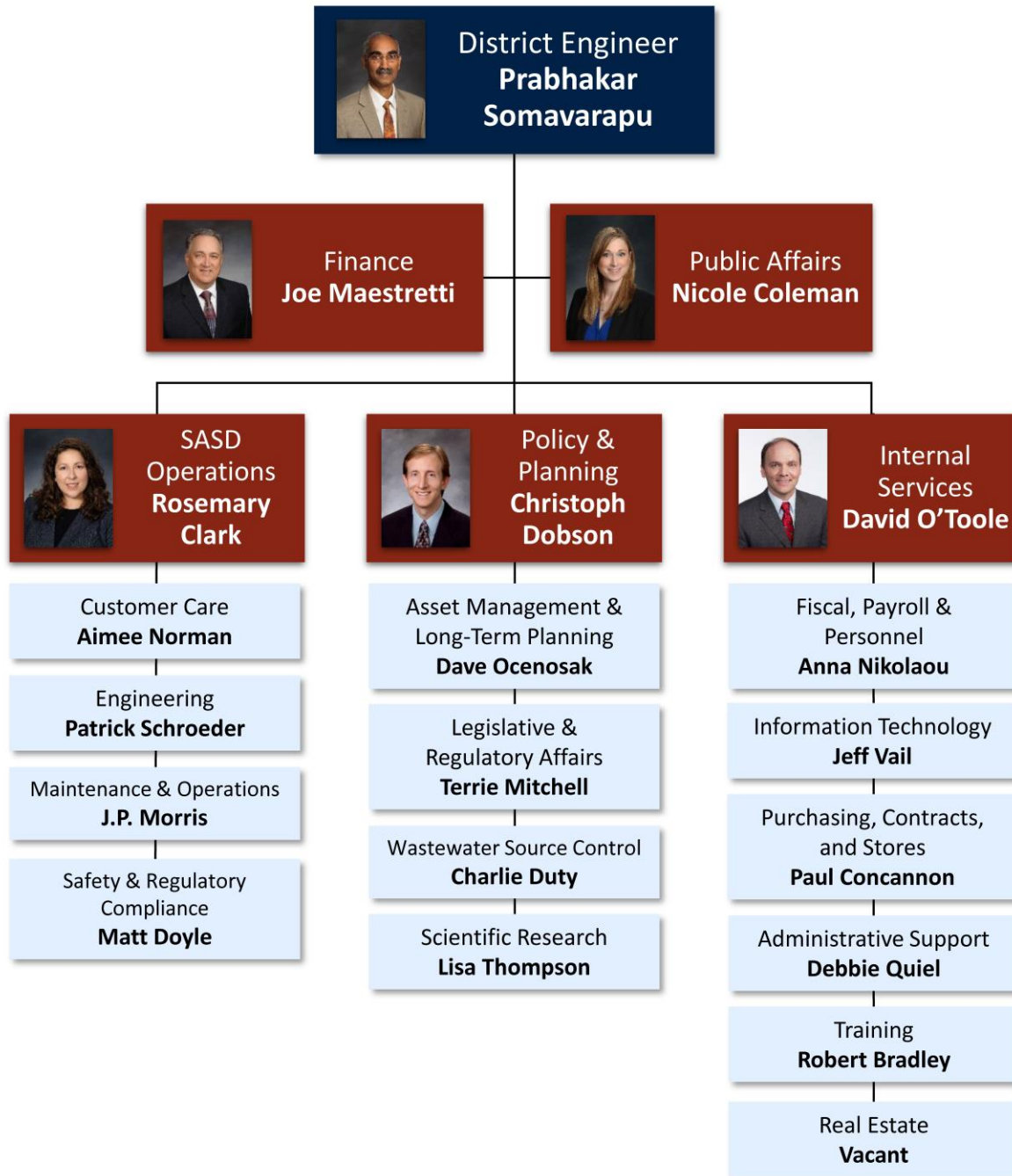
Robert McGarvey
Rancho Cordova



Larry Carr
Sacramento

Organization Chart

Executive Management Team



February 2019

SASD Overview

The Sacramento Area Sewer District (SASD) is the largest sewage collection utility in the Sacramento region and is responsible for operating and maintaining the sewer system that collects sewage from homes and businesses.

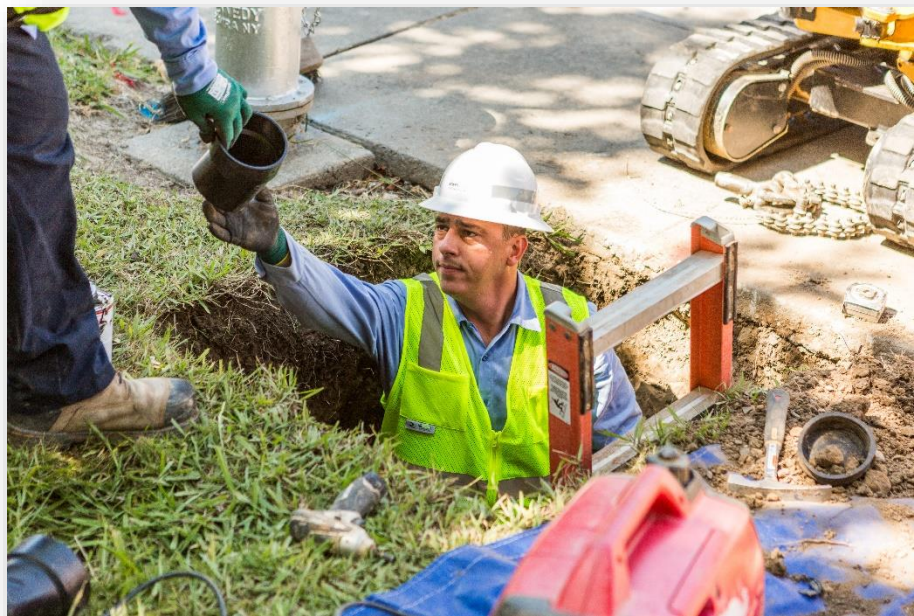
SASD provides service to approximately 1.2 million people in the 278-square-mile service area that includes the following:

- unincorporated Sacramento County
- cities of Citrus Heights, Elk Grove, and Rancho Cordova
- portions of the cities of Folsom and Sacramento
- the communities of Locke, Walnut Grove, and Courtland

SASD's vision is to set the bar for essential sewage collection services, and our mission is to protect public health and the environment by efficiently and effectively collecting sewage for our community.

SASD maintains 4,600 miles of lower lateral and main line pipes; 105 pump stations; 80 miles of force mains; and 66,000 manholes—all vital components of the region's complex sewer infrastructure. A wide range of duties is performed to keep the sewer system running smoothly, including maintenance and operations, engineering, business and long-term planning, safety, communications, information technology, and administration.

SASD is governed by a 10-member Board of Directors that includes five members from the Sacramento County Board of Supervisors and one representative each from the cities of Citrus Heights, Elk Grove, Folsom, Rancho Cordova, and Sacramento.



Operating Fund Budget Summary

The proposed 2019-20 Operating Fund budget is \$86,234,841, net of depreciation and amortization. This is a decrease of \$237,102, or 0.3 percent from the 2018-19 budget. Highlights of the budget are as follows:

- Salaries and benefits increased by \$1.9 million, or 4.7 percent, from the 2018-19 budget primarily due to cost of living adjustments (COLA's).
- Services and supplies decreased by \$2.2 million, or 5.8 percent, from the 2018-19 budget primarily due to completion of a lower lateral TV inspection program and reduction of corresponding corrective work
- Contingency funding remained the same at \$1,000,000 for the 2019-20 budget. Contingency funding may be used to accommodate an increase in operating costs due to weather or other abnormal conditions that are not included in routine budget request. Use of contingency funding is authorized as needed by the District Engineer. The contingency fund is 1.2 percent of the Operating Fund budget.
- Depreciation and amortization increased to \$38,200,000 for the 2019-20 budget. Depreciation and amortization are non-cash budget items. Ultimately they do not affect the operating budget.
- Operating reserves will increase by \$409,700 in 2019-20. Designated operating reserves are estimated to be \$26.1 million.
- The undesignated cash reserves are an indication of short-term financial strength. The estimated ending balance for the 2018-19 fiscal year undesignated cash reserves is \$60,450,254. The 2019-20 Operating Fund budget results in a decrease of \$2,987,541 to an estimated \$57,462,713.

Funding for the Operating Fund budget is primarily derived from monthly sewer service charges and interest earnings on cash balances. This budget is based on a sewer rate of \$19.85 per month per equivalent single-family dwelling, which became effective July 1, 2010. No rate increases are planned for several more years.

Official Operating Fund Budget Schedule

FISCAL YEAR 2019-20

FUND # 267A

OPERATING BUDGET 3005000

Operating Details	Actual 2017-18	Budget 2018-19	Estimated 2018-19	Requested & Recommended 2019-20
Revenues				
Monthly Service Charges	78,108,408	79,600,000	79,614,203	79,760,000
Capital Labor	1,517,061	2,139,000	2,025,100	1,987,000
Regional San Labor	423,826	300,000	570,195	555,000
Other Revenue	1,998,873	1,525,000	5,500,838	425,000
Interest Income	990,332	1,000,000	1,675,509	930,000
Total Operating Revenues	83,038,500	84,564,000	89,385,845	83,657,000
Expenses				
Salaries & Benefits	38,643,701	41,062,158	38,856,722	42,935,360
Services & Supplies	36,399,223	40,272,521	35,739,098	38,076,039
Depreciation & Amortization	36,633,007	36,200,000	36,893,676	38,200,000
Loss on Disposal of Assets	239,425	10,000	10,000	10,000
Other Charges	135,637	1,069,994	789,257	1,117,685
Fixed Assets				
Equipment	2,350,420	3,067,270	1,915,000	3,105,757
Contingency	0	1,000,000	0	1,000,000
Total Operating Expenses	114,401,413	122,681,943	114,203,754	124,444,841
Depreciation/Amortization Offset	(36,633,007)	(36,200,000)	(36,893,676)	(38,200,000)
Loss on Disposal of Assets Offset	(239,425)	(10,000)	(10,000)	(10,000)
Operating Fund Budget	77,528,981	86,471,943	77,300,078	86,234,841
SOURCE (USE) OF CASH RESERVES	5,509,519	(1,907,943)	12,085,767	(2,577,841)
Designated Reserve Contribution	0	(3,197,250)	(3,197,250)	(409,700)
Designated Reserve Release	0	1,000,000	1,000,000	0
Net Change Increase (Decrease)	5,509,519	(4,105,193)	9,888,517	(2,987,541)
Beginning Undesignated Cash Reserves	45,052,217	50,561,736	50,561,736	60,450,254
Ending Undesignated Cash Reserves	50,561,736	46,456,543	60,450,254	57,462,713

Top 10 Budgeted Expenditures

Depreciation and Amortization	19-20 18-19	\$38,200,000 \$36,200,000	Depreciation expense charged against SASD assets is increasing by \$2,000,000 due to a large purchase of new vehicles. This is a non-cash account used for asset accounting purposes. Includes amortization of intangible assets.
Salaries	19-20 18-19	\$27,833,079 \$26,715,960	Increase of \$1,117,119 primarily due to estimated Cost of Living Adjustments (COLA's) and equity increases from labor negotiations.
Construction Services & Supplies	19-20 18-19	\$8,910,000 \$7,750,000	Requested amount increased \$1,160,000 due to requirements to restore larger areas of the road, and increased number of repairs planned for fiscal year 2019-20.
Retirement	19-20 18-19	\$7,332,186 \$6,656,438	Retirement contributions reflect an increase of \$675,748 due to higher allocated cost from County.
Water Quality Services	19-20 18-19	\$6,036,402 \$5,769,350	Increase of \$267,052 for services and support from the District Engineer, Policy & Planning, Internal Services, and Office of Finance and Public Affairs.
Group Ins - Employer Cost	19-20 18-19	\$4,445,948 \$4,399,795	Health Dental, Life and Vision insurance costs reflect an increase of \$46,153.
Equipment-Prop	19-20 18-19	\$3,105,757 \$3,067,270	Increase of \$38,487 due to purchase of vehicles.
Temporary Services	19-20 18-19	\$2,459,802 \$3,219,221	Decrease of \$759,419 primarily due to a decrease in the use of temporary help within Operations Support.
Social Security & Medicare	19-20 18-19	\$2,064,197 \$1,999,205	Increase of Social Security Insurance and Medicare of \$64,992 driven by salary increases.
Public Works Stores	19-20 18-19	\$1,389,700 \$1,492,600	Decrease of \$102,900 primarily due to a decrease in sewer relief valves for contractors.

Budget Program Summary

Program	FY 2017-2018 Actual	FY 2018-2019 Budget	FY 2018-2019 Est Year End	FY 2019-2020 Recommended
Customer Care	\$3,441,507	\$4,021,723	\$3,228,421	\$4,331,979
Engineering	\$23,812,584	\$25,835,354	\$20,980,672	\$22,546,834
Fiscal-Admin	\$3,342,451	\$4,217,394	\$3,733,272	\$4,282,303
Information Technology	\$4,306,366	\$5,014,422	\$5,526,644	\$4,970,008
Maintenance and Operations	\$37,555,672	\$40,313,466	\$38,875,460	\$42,838,917
Office of Finance	\$1,277,659	\$443,000	\$832,250	\$869,016
Office of Public Affairs	\$729,333	\$1,083,150	\$938,375	\$1,404,446
Office of the Director	\$1,779,526	\$2,494,834	\$1,906,303	\$1,982,744
Policy and Planning	\$617,375	\$1,142,000	\$425,313	\$1,091,500
Purchasing and Stores	\$884,745	\$901,400	\$851,378	\$889,760
Wastewater Source Control	\$21,188	\$15,200	\$11,990	\$37,334
Contingency	\$0	\$1,000,000	\$0	\$1,000,000
Depreciation & Amortization	\$36,633,007	\$36,200,000	\$36,893,676	\$38,200,000
Expenditure Total	\$114,401,413	\$122,681,943	\$114,203,754	\$124,444,841

Program Description & Budgets

Customer Care

Provides service and interfaces directly to SASD ratepayers in the areas of call center operations, permitting services, customer complaints, and damage claims. Provides sewer impact fee quotes for prospective customers; responds to customer inquiries concerning rates, fees, and related calculations; and dispatches crews to respond to service calls. Oversees the Backup-into-Structure (BIS) claims process; works with County Utility Billing Systems staff on billing-related matters; serves as the primary point of contact for elevated customer service matters; and provides ombudsman role for customer concerns. Monitors customer feedback and satisfaction levels and identifies potential enterprise-wide customer service improvement opportunities. Provides enterprise-wide business process/systems analyst support.

The 2018-19 estimated year-end is \$793,302 under budget. CUBS cost savings (allocated and direct) projected to total \$365,926. BIS claims projected to close the year with at least \$75,000 in savings. Extended staffing vacancies also resulted in significant savings over projected staffing costs.

Salaries and benefits are 34 percent of the budget and include COLAs. Salaries and benefits costs increased by \$153,591, due to the reorganization and addition of positions in PSU, including a Field Auditor. The remaining net increase is due to projected increases in CUBS costs tied to DTech allocated costs, labor rate increases, and their taking over additional Sewer Lifeline Rate Assistance Program activities for SASD.

Category Name	FY 2018-2019 Approved Budget:	FY 2018-2019 Est Year End:	FY 2019-2020 Budget Request:
Salaries & Benefits	1,322,668	1,065,839	1,476,259
Utility Billing Service	1,013,347	672,074	1,190,670
BIS CLAIMS	900,000	825,000	900,000
Other Professional Services	439,000	379,000	424,000
Other	346,708	286,508	341,050
GRAND TOTAL	4,021,723	3,228,421	4,331,979

Program Description & Budgets

Engineering

Maintains the Sewer System Management and Asset Management Plans; performs hydraulic modeling and capacity analysis; analyzes performance indicators to meet service level agreements and regulatory compliance; prepares asset and strategy-level business case evaluations; provides engineering support to Maintenance and Operations; reviews video inspections of assets to identify needed repairs and determine appropriate maintenance strategies; researches asset and property information, and investigates solutions to support others within SASD; plans, schedules, and oversees sewer maintenance, repair, relief, and rehabilitation projects and programs; plans, designs, and oversees construction of sewer pipelines and pump stations; reviews and approves new sewer infrastructure plans, facilitates sewer portion of the land-use entitlement process; maintains multiple database applications including Geographic Information System (GIS), Maximo, GraniteNet, and SDA Sewer Viewer; and supports data and GIS needs.

The 2018-19 estimated year-end is \$4,854,682 under budget. Savings in salaries and benefits are attributable to the timing of filling approved vacant positions. For services and supplies, an increase in construction costs was largely offset by delays in project scheduling due to limited contractor resources.

Salaries and benefits are 62 percent of the budget and include COLAs. In addition to COLAs, budget increases are attributable to equity increases resulting from labor contract negotiations. The Other services and supplies budget decrease is representative of a larger percentage of maintenance related construction work being completed using internal M&O staff instead of contractor resources.

Category Name	FY 2018-2019 Approved Budget:	FY 2018-2019 Est Year End:	FY 2019-2020 Budget Request:
Salaries & Benefits	13,330,267	12,328,145	13,891,182
M & O Support	9,125,000	6,386,600	6,169,000
Geographic Information Systems	222,849	222,855	222,849
Other Professional Services	288,000	40,000	187,000
Chemical Supplies	160,000	170,000	175,000
Other	2,709,238	1,833,072	1,901,803
GRAND TOTAL	25,835,354	20,980,672	22,546,834

Program Description & Budgets

Fiscal-Admin

Includes the District Engineer and all fiscal and general administration staff for both Regional San and SASD. Responsible for program cost accounting; accounts payable and receivable; personnel and payroll; training; administrative support, along with assisting in budget development and monitoring.

The 2018-19 estimated year-end is \$484,122 under budget. The decrease is primarily due to the Sewer Lifeline Rate Assistance Program and Budget Development process moving to Office of Finance.

The proposed budget includes higher costs from the County of Sacramento allocations (e.g., liability insurance and county overhead). SASD reimburses Regional San for services provided, which is included under District Support.

Category Name	FY 2018-2019 Approved Budget:	FY 2018-2019 Est Year End:	FY 2019-2020 Budget Request:
District Support	2,338,150	2,338,150	2,457,929
County Overhead	238,994	238,994	402,685
Liability Insurance	240,620	240,617	304,520
Other Professional Services	261,000	184,186	222,805
Other	1,138,630	731,325	894,364
GRAND TOTAL	4,217,394	3,733,272	4,282,303

Program Description & Budgets

Information Technology

Provides staffing for SASD's IT help desk; troubleshooting; hardware and software configuration; systems administration; programming; intranet development and maintenance; network and server support; video conferencing and conference room audio-visual support; and IT project management.

The 2018-19 estimated year-end is \$512,222 over budget. The overage is principally attributable to an unexpected opportunity to renew our Maximo maintenance at a discount by purchasing a 3-year extension instead of the planned 1-year extension.

SASD reimburses Regional San for services provided, which is included under District Support.

Category Name	FY 2018-2019 Approved Budget:	FY 2018-2019 Est Year End:	FY 2019-2020 Budget Request:
District Support	1,253,000	1,159,865	1,421,933
D-Tech Services	1,227,049	1,215,457	1,333,038
Consulting Contracts	1,118,923	1,050,000	944,822
Hardware & Software Maint.	774,484	1,515,386	706,447
Hardware & Software Purchase	295,960	277,516	351,292
Other	345,006	308,420	212,476
GRAND TOTAL	5,014,422	5,526,644	4,970,008

Program Description & Budgets

Maintenance and Operations

Responds to routine and or emergency service requests 24 hours a day, 7 days a week to reduce sewage backups, overflows, and loss of service for SASD customers. Conducts sewer inspections, preventative maintenance, corrective repairs, and rehabilitation of aging assets. Operates and maintains 4,600 miles of sewer lines, and 105 pump stations.

The 2018-19 estimated year-end is \$1,438,006 under budget. Savings in salaries and benefits are attributable to vacant positions due to turnover, reductions in overtime, and reduced group insurance costs. Savings in services and supplies are attributable to some fixed assets being delayed.

Salaries and benefits are 61 percent of the budget and include COLAs. In addition to COLAs, the budget increases will cover additional extra help needed for increased work load, and increased employer retirement costs. Budget increases in service and supplies are due to increases in construction inspection and restoration costs, increased fuel costs and other operating service expenses.

Category Name	FY 2018-2019 Approved Budget:	FY 2018-2019 Est Year End:	FY 2019-2020 Budget Request:
Salaries & Benefits	25,163,413	24,299,770	26,330,753
Heavy/Light Equip, Maint & Rental	6,097,270	2,529,341	4,461,757
Construction Services & Supplies	2,000,000	4,000,000	4,000,000
Building & Yards	1,668,091	1,722,038	2,405,025
Electricity	570,000	570,000	575,700
Chemicals	246,500	246,500	258,000
Other	4,568,192	5,507,812	4,807,682
GRAND TOTAL	40,313,466	38,875,460	42,838,917

Program Description & Budgets

Office of Finance

Responsible for financial activities including the preparation of the Comprehensive Annual Financial Report and other financial reports; debt issuance and management; investment management; long-term financial planning and revenue projections; development of financial policies and procedures; budget preparation and monitoring; the Sewer Lifeline Rate Assistance Program; and auditing of contributing agencies and internal financial activities.

The 2018-19 estimated year-end is \$389,250 over budget. The increase is due to the implementation of the Sewer Lifeline Rate Assistance Program for SASD.

Increases for 2019-20 are the result of moving the Budget Development process from Fiscal Administration to the Office of Finance and the addition of the Sewer Lifeline Rate Assistance Program to SASD. SASD reimburses Regional San for services provided, which is included under District Support.

Category Name	FY 2018-2019 Approved Budget:	FY 2018-2019 Est Year End:	FY 2019-2020 Budget Request:
District Support	385,000	471,874	480,000
Other	58,000	360,376	389,016
GRAND TOTAL	443,000	832,250	869,016

Program Description & Budgets

Office of Public Affairs

Provides communications support to SASD for awareness campaigns, construction projects, and employee communications; produces print and internet-based materials; facilitates media relations; oversees public education programs; coordinates public meetings, communications training, event planning, and strategic communications.

The 2018-19 estimated year-end is \$144,775 under budget. Savings are primarily due to a reduction in consultant costs as well as postage and printing costs.

The increase in the requested budget is primarily due to printing and postage costs for the upcoming fiscal year. SASD reimburses Regional San for services provided, which is included under District Support.

Category Name	FY 2018-2019 Approved Budget:	FY 2018-2019 Est Year End:	FY 2019-2020 Budget Request:
District Support	395,000	452,198	398,546
Other Operating Expenses & Supplies	48,550	63,026	358,550
Consulting Contracts	211,600	107,000	203,000
Other	428,000	316,152	444,350
GRAND TOTAL	1,083,150	938,375	1,404,446

Program Description & Budgets

Office of the Director

Responsible for oversight of day-to-day operations; office and field-staff safety, regulatory compliance audits and inspections; and renewal of regulatory permits. Responsible for enforcement of the SASD Ordinance.

The 2018-19 estimated year-end is \$588,531 under budget. Decreases are due to a reduction in environmental and real estate services, and other professional services not expended for Strategic Action Plan efforts.

Salaries and benefits are 56 percent of the budget and include COLAs. The budget decrease is due to a reduction in other professional services for Strategic Action Plan implementation and for engineering and consultant contracts.

Category Name	FY 2018-2019 Approved Budget:	FY 2018-2019 Est Year End:	FY 2019-2020 Budget Request:
Salaries & Benefits	1,124,114	1,047,969	1,115,588
Safety	155,665	177,905	165,651
Legal Services	100,000	100,000	100,000
Consultant Contracts	144,000	35,000	80,000
Other	971,055	545,429	521,505
GRAND TOTAL	2,494,834	1,906,303	1,982,744

Program Description & Budgets

Policy and Planning

Monitors and engages in regulatory and legislative processes at the state and federal levels. Significant state issues include sanitary sewer overflow regulatory requirements and policy enforcement. Advocates and applies for funding for projects and works with regulatory agencies to develop permits for SASD facilities (i.e. air permits). Develops methodologies for rates and fees and develops and oversees ordinances. Manages the Confluence Regional Partnership program for SASD, and implements portions of the Program.

The 2018-19 estimated year-end is \$716,687 under budget. Estimated year-end totals are lower due to decreased legal services and staff time for work on a groundwater contamination site. Spending on the Confluence Regional Partnership Program was also lower than expected due to expenditure timing.

This year's budget is \$50,500 lower than last year's budget due to lower projected legal costs. SASD reimburses Regional San for services provided, which is included under District Support.

Category Name	FY 2018-2019 Approved Budget:	FY 2018-2019 Est Year End:	FY 2019-2020 Budget Request:
Consultant Contracts	300,000	135,639	462,500
District Support	450,000	209,275	294,000
Other	392,000	80,398	335,000
GRAND TOTAL	1,142,000	425,313	1,091,500

Program Description & Budgets

Purchasing and Stores

Provides contract and procurement services, issuance and control of inventory, and operation of two SASD warehouses. In addition, the Purchasing and Stores section administers the procurement card and surplus property programs.

The 2018-19 estimated year-end is \$50,022 under budget. This decrease is primarily due to a decrease in District Support.

SASD reimburses Regional San for services provided, which is included under District Support.

Category Name	FY 2018-2019 Approved Budget:	FY 2018-2019 Est Year End:	FY 2019-2020 Budget Request:
District Support	873,000	830,066	861,560
Other	28,400	21,312	28,200
GRAND TOTAL	901,400	851,378	889,760

Program Description & Budgets

Wastewater Source Control

Responsible for source reduction and source control programs impacting SASD sewer system. Programs involve inspections, sampling, permitting, and regulatory enforcement of businesses, including dry cleaners, ground water remediation dischargers, surface cleaners, temporary dischargers, industrial dischargers, and other non-residential dischargers requiring permitting, oversight, and potential enforcement. Additional activities include incident response; Fats, Oils, and Grease (FOG) Program response; and special projects support.

The 2018-19 estimated year-end is \$3,210 under budget.

Wastewater Source Control Section related costs for SASD can fluctuate based on services performed. However, the overall budget estimates have remained consistent over the years; in the \$10,000-\$40,000 range. SASD reimburses Regional San for services provided, which is included under District Support.

Category Name	FY 2018-2019 Approved Budget:	FY 2018-2019 Est Year End:	FY 2019-2020 Budget Request:
District Support	15,200	11,990	37,334
Other	0	0	0
GRAND TOTAL	15,200	11,990	37,334

Capital Fund Budget Summary

The requested Capital Fund budget is \$30,445,000; a decrease of \$5,036,000 from the 2018-19 budget.

Funding for the capital budget is derived from sewer impact fees charged to new users of SASD facilities, a portion of the monthly service charge for projects benefiting existing users, interest earned on cash balances, and cash reserves. All bond proceeds have been expended.

Notable Elements of the 2019-20 capital budget include:

- Impact Fee Revenue - Budgeted at \$3,500,000, reflects the increase in impact fees effective July 1, 2019.
 - Impact fees from relief areas: \$1,050,000.
 - Impact fees from expansion areas: \$2,450,000.
- Debt Service on outstanding bonds - approximately \$11 million
- Designated Capital Reserves have decreased by \$4,441,160 in 2019-20. Designated Capital Reserves are estimated to total \$19.6 million.
- The undesignated cash reserves are an indication of short-term financial strength. The estimated ending balance for the 2018-19 fiscal year undesignated cash reserves is \$14,216,054. The 2019-20 Capital Fund budget results in an increase of \$4,566,160 to an estimated \$18,728,214.

A complete list of the projects planned to be designed or constructed this fiscal year is found on page 24.

Official Capital Fund Budget Schedules

FISCAL YEAR 2019-20

FUND # 268A

CAPITAL BUDGET 3006000

Capital Details	Actual 2017-18	Budget 2018-19	Estimated 2018-19	Requested & Recommended 2019-20
Revenues				
Monthly Service Charges	20,683,854	19,900,000	19,914,000	19,940,000
Impact Fees - Relief	439,508	655,730	1,050,000	2,450,000
Impact Fees - Expansion	2,890,390	2,344,270	3,151,224	1,050,000
Other Revenue	2,280,372	6,060,250	5,923,086	6,660,000
Interest Income	553,474	500,000	540,000	470,000
Total Capital Revenues	26,847,598	29,460,250	30,578,310	30,570,000
Expenses				
Service & Supplies	16,030,634	24,481,000	17,199,978	17,445,000
Depreciation & Amortization	(77,629)	0	0	100,000
Other Charges	2,500	400,000	2,399,916	400,000
Debt Service				
Principal	990,000	1,100,000	1,765,714	1,100,000
Interest	9,128,704	9,500,000	8,103,478	9,500,000
Fixed Assets				
Improvements	0	0	0	2,000,000
Total Capital Expenses	26,074,209	35,481,000	29,469,087	30,545,000
Depreciation/Amortization Offset	77,629	0	0	(100,000)
Capital Fund Budget	26,151,838	35,481,000	29,469,087	30,445,000
SOURCE (USE) OF CASH RESERVES	695,760	(6,020,750)	1,109,223	125,000
Designated Reserve Contribution	(460,257)	(31,000)	(31,000)	(31,840)
Designated Reserve Release	0	5,000,000	5,000,000	4,473,000
Net Change Increase (Decrease)	235,503	(1,051,750)	6,078,223	4,566,160
Beginning Undesignated Cash Reserves	7,848,328	8,083,831	8,083,831	14,162,054
Ending Undesignated Cash Reserves	8,083,831	7,032,081	14,162,054	18,728,214

Capital Projects List FY 19-20

Project Name	Project Description (and status)	Total Project Budget	2019-20 Budget
(NEA-51) Arden Gold Sewer Replacement	Addresses predicted capacity deficiencies east of Main Avenue near Dredger Way. (Construction)	\$20,000	\$20,000
(ARD-4&5) Don Julio/Watt Sewer Replacement	Addresses predicted capacity deficiencies in the area of Don Julio Boulevard and Watt Avenue. (Design)	\$14,850,000	\$1,035,000
(RIO-3) Rio Linda 5th Street Relief Project	Addresses predicted capacity deficiencies in the area of Rio Linda Blvd. and 5th Street. (Planning)	\$700,000	\$250,000
Mission Trunk Rehabilitation Project	Functional renewal of portions of the Mission Trunk. (Design)	\$11,000,000	\$1,575,000
Lower Lateral Replacement Projects	Annual replacement of lower laterals in various areas throughout SASD. (Construction)	\$68,600,000	\$7,200,000
Lower Lateral Cured In Place Pipe Projects	Annual lining to renew lower laterals in various areas throughout SASD. (Construction)	\$7,400,000	\$515,000
Main Line Cured In Place Pipe Projects	Lining to renew main lines in various areas throughout SASD. (Construction)	\$11,500,000	\$1,315,000
Rosemont Pump Station Rehab Project	Functional renewal of the Rosemont Pump Station (S032). (Construction)	\$615,000	\$615,000
Walnut Grove Pump Station Rehab Project	Abandonment of the Walnut Grove Pump Station (S064) and conversion to gravity sewer. (Construction)	\$1,025,000	\$1,025,000
Capitola Pump Station Rehab Project	Functional renewal of the Capitola Pump Station (S077). (Design)	\$1,000,000	\$275,000
Sailor Bar Pump Station Rehab Project	Functional renewal of the Sailor Bar Pump Station (S073). (Design)	\$3,500,000	\$870,000
Rio Consumes Correction Center Pump Station Rehab Project	Functional renewal of the RCCC Pump Station (S012). (Planning)	\$10,900,000	\$200,000
Freeport Septic Conversion Project	Conversion of septic systems to sewer in the Freeport community. (Construction)	\$2,500,000	\$2,500,000
Septic Conversion Focus Areas	Conversion of septic systems to sewer in various communities. (Planning)	\$11,500,000	\$800,000
Total Capital Projects		\$145,110,000	\$18,195,000

Designated Reserves Schedule

Reserve Name	Reserve Description	Reserves Balance 6/30/2019	Adopted Decrease	Adopted Increase	Total Reserves for 6/30/2020
SASD - OPERATING FUND #267A					
General Reserve	For unexpected expenses not included in budget. Approximately 25 percent of operating expenses.	\$19,601,000	\$0	\$358,000	\$19,959,000
Reserve for Metro Airpark	For additional maintenance expenses at Metro Airpark.	2,585,000	0	51,700	2,636,700
Reserve for Confluence Program	To manage the non-rate and non-fee expenditure fluctuations to maintain a balance of \$3 million.	3,000,000	0	0	3,000,000
Reserve for Upper-Lateral Revolving Loan Fund	To provide low interest loans for customers that need to replace upper lateral sewer pipes.	500,000	0	0	500,000
TOTAL		\$25,686,000	\$0	\$409,700	\$26,095,700
SASD - CAPITAL (TRUNK) FUND #268A					
Reserve for McClellan Business Park	Future diversion project to create interceptor capacity.	\$1,592,000	0	31,840	1,623,840
Reserve for Relief Projects	Provide relief or improve capacity in existing infrastructure.	2,609,000	2,609,000	0	0
Reserve for Asset Replacement	Replace assets as they reach the end of their useful lives.	15,884,000	1,864,000	0	14,020,000
Reserve for Rate Stabilization	Required by bond documents to ensure 120 percent coverage is met.	4,000,000	0	0	4,000,000
TOTAL		\$24,085,000	\$4,473,000	\$31,840	\$19,643,840
GRAND TOTAL		\$49,771,000	\$4,473,000	\$441,540	\$45,739,540

Appendix A

Summary of Positions

Following is a summary of the positions with class designations allocated to the Sacramento Area Sewer District as of April 14, 2019. To meet operational needs some positions may have been reallocated to different positions. Other reallocations may occur for the same reason in this fiscal year. No new positions are being requested.

27603	Admin Svcs Officer 1	1.0
27604	Admin Svcs Officer 2	1.0
27706	Assoc Civil Engineer	14.0
27914	Assoc Electrical Engineer	1.0
27711	Asst Engineer - Civil Lv 2	24.0
28159	Asst Mechanical Maint Technician	6.0
28537	Asst Undergrnd Constr Maint Spec	22.0
27640	Building Maintenance Wkr	1.0
29593	Customer Service Officer	1.0
29409	Dir of Sac Area Sewer District Ops	1.0
27932	Electrician	4.0
27961	Engineering Technician Lv 2	9.0
28956	Environmental Specialist Lv 2	1.0
28957	Environmental Specialist 3	1.0
29293	Fleet Manager	1.0
29291	Geographic Info System Analyst Lv 2	2.0
29302	Geographic Info Systems Tech Lv 2	1.0
29303	Geographic Info Systems Tech 3	1.0
29610	Information Technology Applications Analyst Lv 2	1.0
28157	Mechanical Maintenance Supv	2.0
28158	Mechanical Maintenance Technician	8.0
28238	Principal Civil Engineer	2.0
28245	Principal Engineering Technician	16.0
28399	Safety Specialist	1.0
29086	Safety Technician	2.0
29435	Sanitation Dist Assoc Business Analyst	1.0
29434	Sanitation Dist Asst Business Analyst	1.0
29487	Sanitation Dist Data Mgt Supv	1.0
29484	Sanitation Dist Data Mgt Tech Lv 2	3.0
29423	Sanitation Dist Planner Scheduler 1	1.0
29424	Sanitation Dist Planner Scheduler 2	5.0
29425	Sanitation Dist Planner Scheduler 3	2.0
29426	Sanitation Dist Planner Scheduler Mgr	1.0
29486	Sanitation Dist Prin Data Mgt Tech	1.0
29436	Sanitation Dist Sr Business Analyst	1.0
29485	Sanitation Dist Sr Data Mgt Tech	2.0

Appendix A (continued)

Summary of Positions

29502	Sanitation District Maint & Ops Asst	34.0
28571	Sanitation District Maint & Ops AsstSupt	2.0
29401	Sanitation District Maint & Ops Mgr	5.0
29504	Sanitation District Maint & Ops Sr Tech	10.0
28570	Sanitation District Maint & Ops Supt	1.0
29505	Sanitation District Maint & Ops Supv	5.0
29503	Sanitation District Maint & Ops Tech	34.0
27526	Sr Administrative Analyst Rng B	1.0
27709	Sr Civil Engineer	6.0
27958	Sr Engineering Technician	8.0
27936	Sr Equipment Mechanic	2.0
29292	Sr Geographic Information System Analyst	1.0
28203	Sr Office Assistant	3.0
29087	Sr Safety Specialist	1.0
28567	Sr Water Quality Control System Tech	2.0
28376	Stationary Engineer 1	1.0
27959	Supv Engineering Technician	9.0
28535	Underground Constr and Maint Spec	24.0
28536	Underground Constr and Maint Supv	6.0
28565	Water Quality Control System Supv	1.0
28566	Water Quality Control System Technician	2.0
Total		301.0