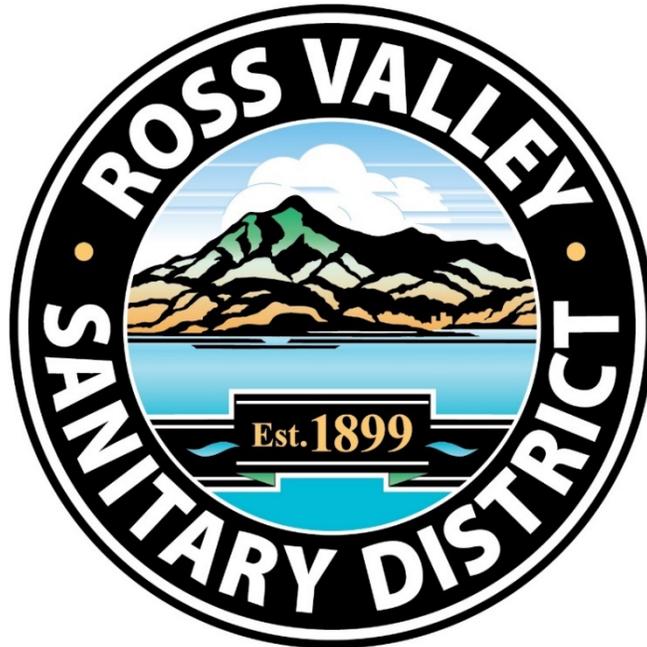
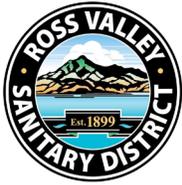


ANNUAL BUDGET
FISCAL YEAR 2021 -2022
JULY 1 – JUNE 30



Adopted by the Board of Directors
June 16, 2021

ROSS VALLEY SANITARY DISTRICT
2960 Kerner Blvd., San Rafael, CA 94901
www.rvsd.org



ROSS VALLEY SANITARY DISTRICT

FISCAL YEAR 2021 - 2022 BUDGET ACKNOWLEDGMENTS

BOARD OF DIRECTORS

MARY SYLLA, PRESIDENT

ELECTED: JUNE 2012

MICHAEL BOORSTEIN, SECRETARY

ELECTED: JUNE 2014

THOMAS GAFFNEY, TREASURER

ELECTED: JUNE 2014

PAMELA MEIGS, ALTERNATE SECRETARY

ELECTED: JUNE 2010

DOUG KELLY, ALTERNATE TREASURER

ELECTED: JUNE 2016

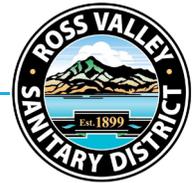
EXECUTIVE AND FINANCE TEAM

STEVE MOORE, GENERAL MANAGER

FELICIA NEWHOUSE, ASSISTANT GENERAL MANAGER

BEN CONNER, ACTING OPERATIONS AND MAINTENANCE MANAGER

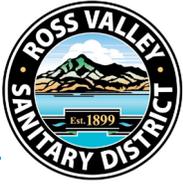
MELVIN GARCIA, FINANCE SUPERVISOR



Mission and Values Statement	ii
Budget Introduction.....	1
Budget Document Guide.....	1
Budget Overview.....	2
Operating Budget.....	6
Capital Budget.....	15
Minimum Reserves and Reserve Targets.....	19
Five-Year Financial Forecast.....	20
CIP Project Sheets	42

LIST OF FINANCIAL SCHEDULES:

- Schedule 1 – Budget Summary
- Schedule 2 – Funding Sources Detail
- Schedule 3 – Budget Details
- Schedule 4 – Expenditures by Department
- Schedule 5 – Debt Service Summary
- Schedule 6 – Position Allocation
- Schedule 7 – Organization Chart
- Schedule 8 – Five-Year Forecast Summary
- Schedule 9 – Five-Year Forecast Details
- Schedule 10 – Capital Projects, Studies, Special Projects and Equipment
- Schedule 11 – CIP Project Sheets



ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22

MISSION AND VALUES STATEMENT

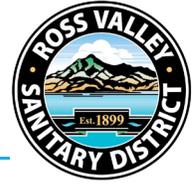
OUR MISSION

Our mission is to provide our customers with high quality wastewater collection service, through a system that has no avoidable sanitary sewer overflows, at the lowest sustainable cost, and to protect public health and the environment.

OUR VALUES

We strive to conduct our daily activities in a way that reflects pride, efficiency, professionalism, and competence with a team oriented and supportive approach. Individually and as a team we hold and practice the following core values:

- Being fiscally responsible
- Protecting our natural resources
- Developing solutions that work today and for future generations
- Providing excellent quality service and creating quality work products
- Collaborating with each other and our stakeholders
- Being industry leaders
- Supporting efficiency and alignment with the mission through our resources and work



BUDGET INTRODUCTION

The Ross Valley Sanitary District (“RVSD” or “District”) is a special enterprise district that was formed under the Sanitary District Act of 1923 (California Health and Safety Code, Section 6400 et. seq.). The District was established on May 27, 1899 and serves approximately 15,000 residential and commercial connections over approximately 20 square miles within the incorporated municipalities of Fairfax, Larkspur, Ross and San Anselmo, and the unincorporated areas of Ross Valley in Marin County.

The Fiscal Year 2021-22 Budget supports the following Strategic Plan goals:

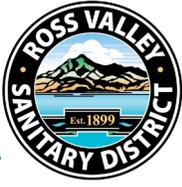
- Utilize best practices of public utility financial planning.
- Manage utility rates to ensure predictable, smooth trends in rates.
- Achieve and maintain the highest possible bond credit rating.
- Track and adequately fund long-term pension and OPEB liabilities.
- Continue progress on critical infrastructure improvements and preventative maintenance.
- Selective use of capital debt to smooth cash flow and support a transition to pay-go funding.
- Fund emergency and capital reserves to ensure greater financial resiliency in the future.

BUDGET DOCUMENT GUIDE

The FY 2021-22 Budget document is organized into the following sections:

- FY 2021-22 Budget Overview
 - Revenue Summary
 - Expenditures Summary
- Operating Budget
 - Operating Revenues
 - Operating Expenditures
- Capital Budget
 - Capital Revenues
 - Capital Expenditures
- Reserve Requirements
- Five-Year Financial Forecast

A complete set of financial schedules for the Budget are included in the Appendix to this report. Schedule 11 of the budget is a set of Capital Improvement Plan (CIP) Project Sheets, providing individual descriptions, costs, scope and status of District CIP projects.



ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22

BUDGET OVERVIEW

This section presents a summary of the Budget, by revenue sources and expenses, and between Operations, Administration and Capital. Each of these areas are addressed in greater detail in later sections of this report. Table 1 below shows the District's Fiscal Year 20-21 Budget (adopted and projected/ revised) and compares it to the proposed Fiscal Year 21-22 Budget.

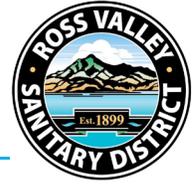
In summary, the proposed Budget includes \$34.3 million in total revenue, \$42.8 million in total spending, and an ending fiscal year balance of \$21.8 million. The Capital Budget for Fiscal Year 21-22 of \$15.5 million will be funded by net operating funds of \$4.3 million (as shown on line 23 of Schedule 3), and unrestricted cash from the prior fiscal year.

TABLE 1 – BUDGET SUMMARY

Type	FY 2021		FY 2022
	Adopted	Projected	Budget
Revenue			
1 Sewer Service Charges	23,548,000	23,582,290	24,349,000
2 Property Tax (Ad Valorem)	6,600,000	7,546,940	7,800,000
3 Proceeds from Financing Activities	-	-	1,300,000
4 Other Revenue	1,060,000	1,670,870	900,000
5 Total Revenue	31,208,000	32,800,100	34,349,000
Expenditures			
6 CMSA Charges	8,356,000	8,331,950	8,400,000
7 Operations	8,354,000	6,968,110	8,597,000
8 Administration	2,537,000	2,353,800	2,670,000
9 Outside Services	920,000	919,850	945,000
10 Debt Service	6,652,000	6,651,540	6,638,000
11 Capital Projects, Studies, & Equipment	15,710,000	12,779,810	15,527,000
12 Total Operating Expenditure	42,529,000	38,005,060	42,777,000
13 Net Revenue Less Expenditures	(11,321,000)	(5,204,960)	(8,428,000)
Fund Balances			
14 Operating Reserves	10,084,000	10,084,000	10,306,000
15 Emergency Reserves	2,000,000	2,000,000	2,000,000
16 Capital Improvement Reserves	3,188,000	3,188,000	3,165,000
17 Total Reserves	15,272,000	15,272,000	15,471,000
18 CERBT/CEPPT Fund	450,000	450,000	450,000
19 Bond Proceeds for Projects	-	33,270	-
20 Bond Proceeds for Canyon Road	43,000	42,070	43,000
21 Total Restricted Funds	493,000	525,340	493,000
22 Cash Balance	8,860,940	14,412,600	5,817,940
23 Total Reserves, Restricted, And Cash Fund Balances	24,625,940	30,209,940	21,781,940

ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22

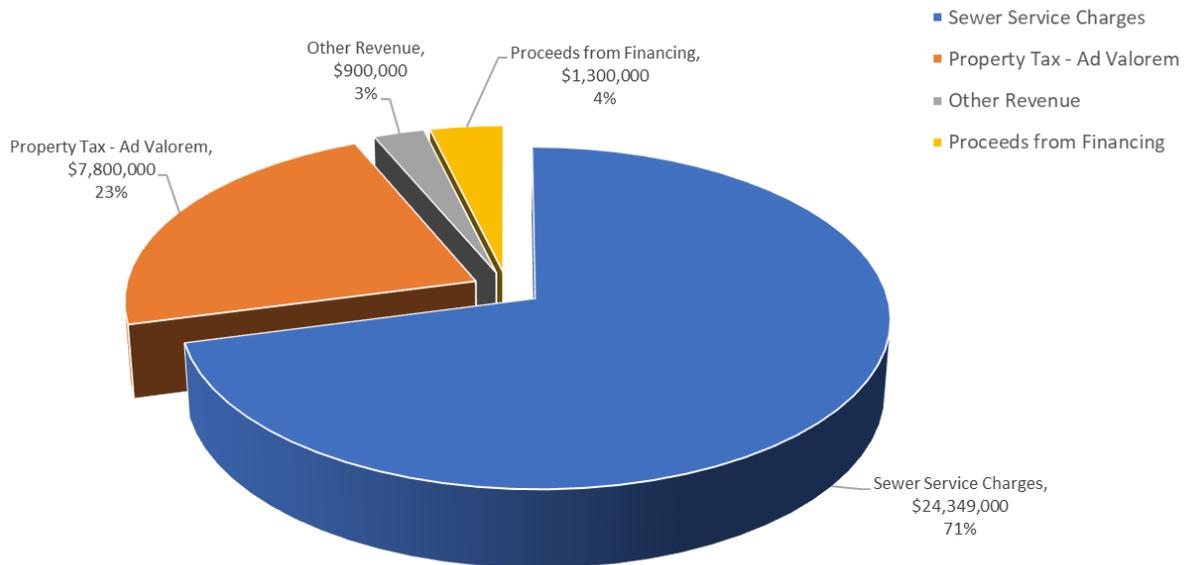


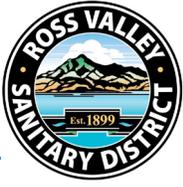
The District maintains an Operating Reserve of 50% of its annual operating budget, and Emergency Reserves of \$2 million. Reserves are discussed in more detail in the Minimum Reserves and Reserve Targets section of this budget on page 21.

REVENUE SUMMARY

The District has two major recurring sources of annual revenue: sewer service charges and ad valorem (property taxes). Additionally, the District receives other minor revenue from permit and capacity charges, bank deposit interest and other income. Total revenues for FY 21-22 are budgeted at \$34.3 million with sewer service charges accounting for 71% of revenue and property taxes accounting for 23%. The District has budgeted \$1.3 million in State Revolving Fund loan proceeds.

CHART 1 – BUDGETED REVENUE BY SOURCE



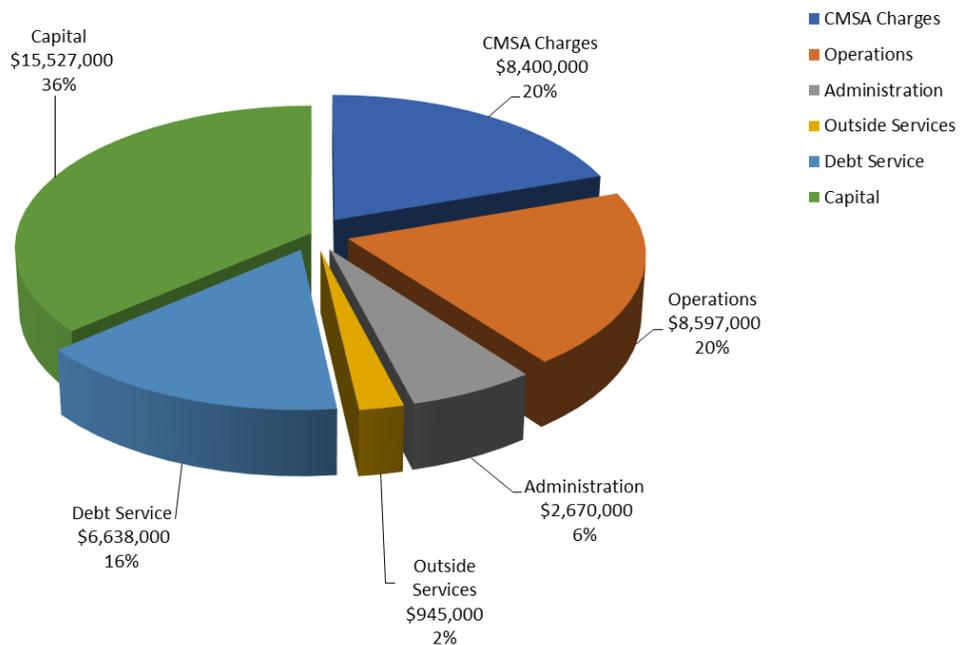


ROSS VALLEY SANITARY DISTRICT ANNUAL BUDGET FY 2021-22

EXPENDITURES SUMMARY

Chart 2 below shows the breakdown of major expenditure categories in FY 21-22, with CMSA Charges, Operations, Administration and Outside Services comprising 48% of the budget and capital spending comprising 52% (Capital plus Debt Service).

CHART 2 – BUDGETED EXPENDITURES BY TYPE

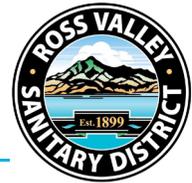


CMSA charges for wastewater treatment and disposal are established by CMSA and apportioned to the member agencies, which then must collect the required cost of service in their respective rates. The District's allocation for FY 21-22 is approximately 47% of the CMSA operating budget and 43% of CMSA's debt service obligations, which together totals \$8.4 million in FY 21-22, up from \$8.3 million in FY 20-21.

Operations and Administration expenditures are costs associated with the general operations of the District and are generally categorized as salaries and benefits, system maintenance, general and administrative costs, facilities and utilities, and Board expenditures. Professional consultant services are captured under the category of Outside Services. Total Outside Services are \$945,000, which is higher by \$25,000 from the FY 20-21 budget. Operations expenditures are increased by 3% from the prior year's budget and Administration expenditures are higher by 5%. Budget Schedule 4 – Departmental Budget Summary shows District expenditures by department for FY 20-21 (adopted and projected), FY 21-22 (proposed), and the percentage change between the two fiscal years.

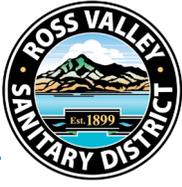
ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22



Capital expenditures include costs incurred to purchase or build any capital asset, or to rehabilitate and extend the useful life of the District's existing assets. Details of these expenditures can be found in Schedule 10 – Capital Projects, Studies, Special Projects and Equipment, and Schedule 11 – CIP Project Sheets.

The total capital expenditures budgeted for FY 21-22 are \$15.5 million, which includes \$14.2 million for capital projects and \$1.3 million for capital studies and programs, and vehicle/equipment replacement, a decrease of approximately \$200,000 from the prior year budget.



ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22

OPERATING BUDGET

The Operating Budget is used for all District operational expenditures. Its revenue source is primarily annual sewer service charges. Operating Expenditures include Central Marin Sanitation Agency (CMSA) charges, District operation and administrative costs, and outside services. Net operating revenue is used to support needed improvements of the District's infrastructure assets (Capital Budget).

OPERATING REVENUE

Total Operating Revenue is budgeted at approximately \$24.9 million. Sewer service charges are a primary and recurring source of revenue and will increase approximately 3% or \$800,000 in FY 21-22. Other Income in the Operating fund is \$590,000 and includes revenue received by the District for inspection services, interest earned on bank deposits, and other miscellaneous income, including payments from the lease of the 1111 Andersen Drive building. Projected lease revenue is lower than the actual revenue received in the previous year due to an anticipated decrease upon execution of a new lease agreement with Comcast.

SEWER SERVICE CHARGES (SSC)

Sewer service charges (rate revenue) are the primary source of revenue for the District. Sewer service charge revenue of \$24.3 million provides 71% of the District's total revenue in FY 21-22. This revenue is used primarily for operational expenses, with any remaining balance allocated toward the District's capital program expenses. Rate revenue will contribute \$4.3 million in funding towards capital program costs in FY 21-22.

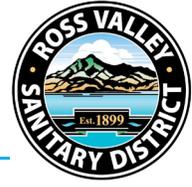
District customers are charged a Sewer Service Charge (SSC) based on equivalent dwelling units (EDU), which is designed to reflect the average volume and strength of flows from single family residences. A single-family residential account pays an SSC rate of one EDU, while for multi-family residential customers, the rate is approximately 0.9 SSC per EDU. Commercial customers are assigned an EDU value based on the respective account's average daily winter water usage, or a minimum charge for no metered water usage.

2019 Sewer Rate Study and Murray Park Annexation. A 2019 rate study (Hildebrand Consulting, 2019 Sewer Rate Study, April 18, 2019) identified the cost of providing sewer service to various customer classes and recommended rate revenue to support a multi-year financial management plan. The rate study also recommended modifications to the District's existing rate structures so that the District equitably recovered the cost of service and comported with industry standards and California's legal requirements.

A ten-year financial plan was developed to allow the District to meet its revenue requirements and financial performance objectives throughout the projection period while striving to minimize rate increases. District expenses include all operating and maintenance expenses, CMSA payments, debt

ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22

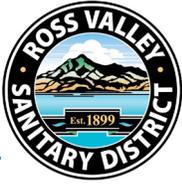


service requirements, and capital spending. Projected revenues and expenses were entered into a financial planning model, which concluded with the proposed five-year schedule of rate adjustments detailed in Table 2 on the following page.

The District's rate classes were split into Ross Valley rates and Larkspur rates because the District receives ad valorem tax revenue from Ross Valley customers but not from Larkspur customers. The rate study proposed to modify the differential between the Ross Valley sewer rates and Larkspur sewer rates in order to more accurately reflect the financial contributions from property taxes paid by Ross Valley customers.

Also in 2019, the District Board of Directors, in concert with the County of Marin Board of Supervisors and the Local Agency Formation Commission (LAFCo) initiated the annexation of the Murray Park Sewer Maintenance District. The reorganization was finalized in July 2020 and the administration of sewer charges onto the Murray Park property owner tax bills will be in effect for Fiscal Year 2021-22.

In conjunction with the rate study, a five-year rate schedule was adopted in 2019. The annual rate increases that were adopted as a result of the 2019 study average approximately 6% per year for five years (through Fiscal Year 23-24). Table 2 shows the five-year schedule of rates proposed by the rate study and approved in June 2019. Fiscal Year 21-22 is the third year of the adopted five-year rate plan.



ROSS VALLEY SANITARY DISTRICT ANNUAL BUDGET FY 2021-22

TABLE 2 – EDU FIVE-YEAR RATE PLAN



Rate Zone/Customer Class	FY 2019/20		FY 2020/21		FY 2021/22		FY 2022/23		FY 2023/24	
	Rate	% change								
Ross Valley Rate Zone										
Single Family Residential	\$961	5.7%	\$1,024	6.6%	\$1,083	5.8%	\$1,146	5.8%	\$1,212	5.8%
Single Family w /ADU	\$1,441	-20.7%	\$1,536	6.6%	\$1,625	5.8%	\$1,719	5.8%	\$1,819	5.8%
Multi-Family Residential	\$861	5.4%	\$918	6.6%	\$971	5.8%	\$1,027	5.8%	\$1,087	5.8%
Commercial Low -Strength	\$961	5.7%	\$1,024	6.6%	\$1,083	5.8%	\$1,146	5.8%	\$1,212	5.8%
Commercial High-Strength	\$2,216	4.2%	\$2,362	6.6%	\$2,499	5.8%	\$2,644	5.8%	\$2,797	5.8%
Commercial Minimum	\$721	n/a	\$769	6.6%	\$814	5.8%	\$861	5.8%	\$911	5.8%
Larkspur Rate Zone										
Single Family Residential	\$1,356	15.1%	\$1,445	6.6%	\$1,529	5.8%	\$1,618	5.8%	\$1,712	5.8%
Single Family w /ADU	\$2,034	-13.7%	\$2,168	6.6%	\$2,294	5.8%	\$2,427	5.8%	\$2,568	5.8%
Multi-Family Residential	\$1,215	15.2%	\$1,295	6.6%	\$1,370	5.8%	\$1,449	5.8%	\$1,533	5.8%
Commercial Low -Strength	\$1,356	15.1%	\$1,445	6.6%	\$1,529	5.8%	\$1,618	5.8%	\$1,712	5.8%
Commercial High-Strength	\$3,114	12.6%	\$3,320	6.6%	\$3,513	5.8%	\$3,717	5.8%	\$3,933	5.8%
Commercial Minimum	\$1,017	n/a	\$1,084	6.6%	\$1,147	5.8%	\$1,214	5.8%	\$1,284	5.8%

Schedule 2 in the Budget Appendix shows the projected EDU’s for the Ross Valley and Larkspur rates zones for FY 21-22 as compared to FY 20-21. Murray Park has a unique single-family rate of \$472 per year which will remain in effect until RVSD adopts the next five year rate schedule, effective July 1, 2024.

OPERATING EXPENDITURES

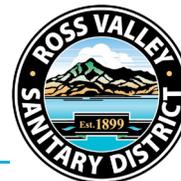
Operating Expenditures are costs associated with the general operations of the District and include the following: Central Marin Sanitation Agency (CMSA) charges, personnel costs, other operational and administrative expenses, Board fees, insurance, and outside services.

CMSA CHARGES

Central Marin Sanitation Agency (CMSA) charges are allocated for the wastewater treatment costs and debt service from the CMSA annual budget and represents one of the District’s largest operating expenditures. Costs for wastewater treatment are established by CMSA and apportioned to the three member agencies, which then must collect the required cost of service in their respective rates. CMSA’s long term debt service payments have a fixed allocation between the member agencies set in the 2016 Debt Service MOU between the members. RVSD’s share of the debt service payments is fixed at 43% of CMSA’s total debt service. RVSD recovers this debt service payment cost in its wastewater utility service charge to customers, similar to the treatment charges.

ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22



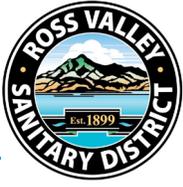
The treatment charges are allocated based on the trailing three years of average wastewater flow and strength. This is calculated using 36 months of data from each member agency. The budgeted treatment charge allocation to RVSD for FY 21-22 is \$6.0 million and the debt service cost to the District is estimated at \$2.4 million, totaling \$8.4 million in FY 21-22.

The CMSA Board approved a five-year revenue plan for FY 18-19 to FY 22-23 with a target CMSA average rate increase of less than 4% per year. The adopted CMSA five-year rate schedule is shown in the table below and is based on the average EDU rate in the CSMA service area, capital fee, and CMSA debt service obligations. CMSA's budget is posted on their website at www.cmsa.us.

TABLE 3 – CMSA FIVE-YEAR RATE SCHEDULE

	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
Regional Charge	221	229	237	226	234
Capital Fee	17	21	26	14	19
Debt Service	103	103	103	109	109
Total EDU Rate	\$ 341	\$ 353	\$ 366	\$ 349	\$ 362
Increase from Prior Year (%)		3.5%	3.6%	-4.5%	3.5%
	FY 17/18	FY 19/20	FY 20/21	FY 21/22	FY 22/23
CMSA Total Charge to RVSD	7,774,773	8,058,200	8,356,400	8,400,200	8,703,400
% Increase		3.6%	3.7%	0.5%	3.6%

Of the District's total annual expenditures, CMSA charges make up 41% of the District's operating expenses, with the remainder made up of personnel costs and other operational expenditures.



ROSS VALLEY SANITARY DISTRICT ANNUAL BUDGET FY 2021-22

PERSONNEL COSTS

Personnel wages and benefits are those expenditures related to payroll and staffing. They include salary and wages of employees, overtime, payroll taxes, health insurance benefits and retirement benefits. This category also includes costs for other post-employment benefits (OPEB).

CHART 3 – FY 2021/22 TOTAL PERSONNEL COSTS

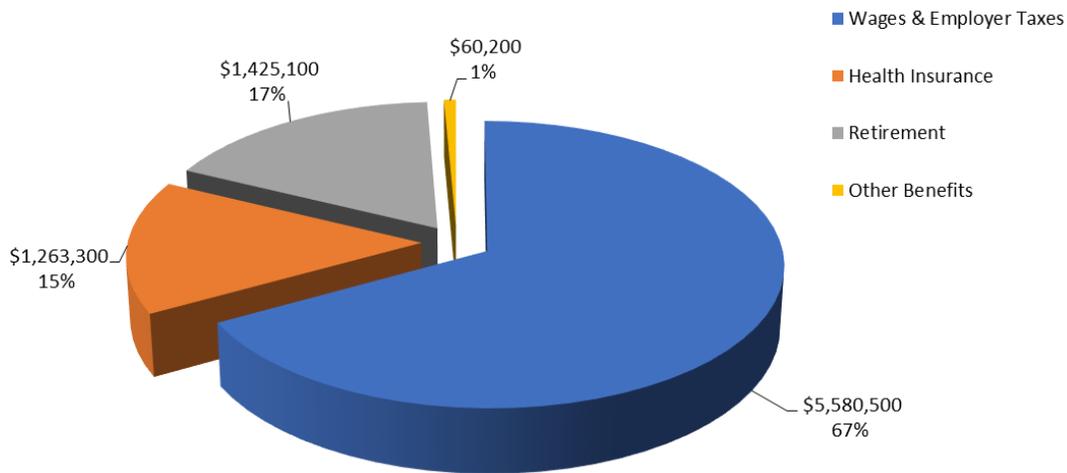
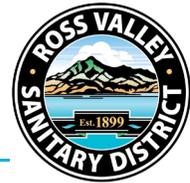


Chart 3 shows the breakdown of total personnel costs for the new fiscal year. Salaries have been adjusted by an increase of 4.3%, based on the CPI SF Area – April 2021 of 3.8% plus 0.5% per employment agreements. Projected increases affect the salaries, payroll taxes and retirement contributions. Insurance costs are estimated based on actual costs adjusted for inflation. Retirement benefit contributions were budgeted based on a percentage, as provided by CalPERS, of the employee’s base salary. Additional contributions to OPEB and pension are included based on the Board of Directors’ 2019 funding strategy to pay down unfunded liabilities.

OPEB Liabilities Funding Strategy. As of the latest actuarial reporting date, June 30, 2020 (Valuation Date June 30, 2019), the District’s Total OPEB Liability was calculated to be \$1,000,234. Of that amount, the District has currently funded \$586,265 or 59%. The net unfunded OPEB Liability is \$413,969. Paying down

ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22



the unfunded actuarial liability will improve the District’s overall balance sheet and credit rating, decrease the District’s long-term payments and annual operational cost, and provide benefit security for current and former employees. In April 2019, the District Board of Directors adopted a funding strategy to contribute the minimum required contribution plus an additional \$100,000 per year for six years to achieve a fully funded OPEB liability, resulting in an anticipated savings of \$428,000 over the longer term of the funding strategy.

Pension Liabilities Funding Strategy. As of June 30, 2020 (Valuation Date June 30, 2019), the District’s combined pension liability was \$25,868,282. Of that amount, the District’s market value of assets in the plan is \$18,406,279. The net unfunded pension liability is \$7,462,003. The District’s pension plans are currently 71.2% funded. Each year the District is required to contribute an amount based on net normal cost expressed as a percent of payroll and an additional cash amount toward paying off the District’s unfunded actuarial liability. The District’s annual required contribution for Fiscal Year 2021-22 is \$1.13 million, or approximately 27% of payroll.

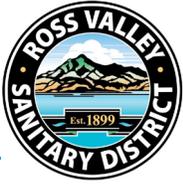
With the Board’s funding strategy to pay additional funds toward its unfunded pension liability, the District increases its funded position in the plan, reduces the long-term liability, and stabilizes future contribution requirements. The funding strategy to pay down the District’s pension liability includes contributing the minimum required contribution plus \$350,000 per year over the next 12 years. If experience matches current assumptions, this would be sufficient to fully fund the District’s pension obligation. Eliminating the unfunded liability would reduce the District’s required contributions beginning from an annual cost of over \$1.0 million to an annual cost of approximately \$400,000 in Fiscal Year 2030, resulting in an anticipated net savings of \$1.76 million over the longer term of the funding strategy.

The District will regularly review the level of these planned contributions. It should be noted that the District initially considered higher annual contributions (\$125,000 for OPEB over five years and \$450,000 for pensions over ten years) but elected the lower contributions over longer time periods to minimize rate increases.

Annual Changes to Personnel Costs. Personnel costs include all salaries, benefits, and payroll taxes. Total personnel costs in FY 20-21 were \$8 million and personnel costs budgeted for FY 21-22 are \$8.3 million, an overall increase of 4%. Benefits and payroll taxes are projected at a lower cost due to staff vacancies and new employees having lower benefit structures than incumbents.

TABLE 4 – PERSONNEL COST COMPARISON BETWEEN FISCAL YEARS

	FY 2021	FY 2022	VARIANCE	%
SALARIES & OVERTIME	\$4,647,940	\$5,073,000	\$425,060	9%
BENEFITS & PAYROLL TAXES	3,362,350	3,254,000	(108,350)	-3%
TOTAL	\$8,010,290	\$8,327,000	\$316,710	4%



ROSS VALLEY SANITARY DISTRICT ANNUAL BUDGET FY 2021-22

The difference between the prior fiscal year and the FY 21-22 budget year in salaries includes a cost of living adjustment (COLA) of 4.3%, anticipated annual step increases within applicable classifications, executive bonuses, and longevity pay (5%) to six employees hired in July 2011.

OTHER OPERATIONAL EXPENDITURES

Other Operational Expenditures are made up of system maintenance, general and administration, facilities and utilities, annual software licensing fees, outside services, and Board-related expenditures. Total Other Operational Expenditures for FY 21-22 are budgeted at \$2.9 million, reflecting an overall flat budget from the prior fiscal year.

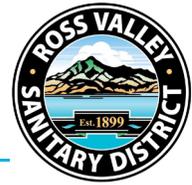
System maintenance costs are the expenditures related to the general costs of maintaining the sewer system. Some of the costs included in this category are vehicle fuel and repair, equipment repair, materials, parts and tools and emergency repairs. General and administration are the types of expenditures that contribute to the general operations of the District, such as liability insurance and deductibles, office equipment, software and maintenance, and printing. Facilities and utilities are overhead costs incurred in the daily operations of the District. Utilities include gas, electric and water use for pump stations and for the District headquarters, and broadband/telephone related costs. Facilities include rent, garbage, security, building maintenance and janitorial services. Board expenditures are the fees paid to Board members for participation in regular and special meetings.

Vehicle Fleet Leasing. Five District vehicles (PT02, PT03, PT04, PT05 and PT14) used daily by Line Maintenance, Line Repair and Condition Assessment crews have been identified as needing replacement. These vehicles have high mileage, are near the end of their useful service life or are in need of costly repairs which would potentially exceed the vehicles' value. If the District were to purchase the five identified vehicles outright, it would be at a cost of over \$200,000. Entering a lease agreement with Enterprise Fleet Management would be an upfront cost of approximately \$13,000, with an additional yearly cost of approximately \$47,000. Total estimated equity return to the District at the end of the lease term is \$158,000.

Pump Station Odor Control. Recent pump station upgrades include state of the art odor control systems at PS 12 (by the Chevron station and pizza restaurant on Sir Francis Drake Blvd.), PS 13 (by Bank of America and nearby apartment buildings), and PS 15 (near Kent Middle School, the multi-use path, and adjacent residences). These systems require changing of filter media periodically. The operations budget includes \$120,000 to test and supply filter media and UV bulbs (PS 12 only) so that the odor control systems continue to function effectively. These systems have made a positive change in the community, with less (or zero) complaints compared to before the projects were completed. The photoionization odor control technology used at PS 12 (UV light plus granular activated carbon air filter) is also being specified this year in the capital project for PS 14 (Larkspur), adjacent to Hall Middle School and next to Central Marin Police

ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22



Station, which will incrementally increase future costs in this category, justified based on the positive results at PS 12.

Outside Services. Outside services are provided to the District as professional services provided by specialty firms. These types of services are generally structured with terms and are facilitated through a contract. Outside services include costs for contracted services to provide community outreach, legal services, competency-based training, information technology (IT), annual financial audits, and other professional services.

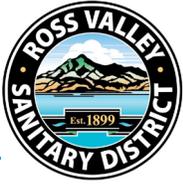
The FY 21-22 budget for outside services totals \$945,000, an increase of \$25,000 over the prior fiscal year budget. Specific outside services include the following:

- **Community Outreach.** \$250,000 is budgeted which is a flat expense over last year in communication expenditures. This budget item includes ongoing general communications and outreach by NV5, similar to the preceding fiscal year (public notifications on NextDoor, website maintenance, capital project construction information, general manager bulletins, press releases, etc.) as well as public service announcements (PSAs) videos and fliers/door hangers produced by Goldstreet Designs. In the last year, outreach was developed for the District's easement initiative, including a webpage entitled "Sewer Utility Easements", a fact sheet and FAQs, and an informational video for landowners with sewer easements to facilitate ongoing access and improved communication.

PSAs to date have included topics regarding the importance of keeping items such as fats, oil and grease (FOG), disposable wipes, unused drugs, and sump pump discharges out of the sewer system. Information regarding the District's lateral replacement grant and loan program has also been aired. These PSAs are being shown on local cable channels, funded by the District along with other Marin County sanitary districts. The PSAs are also on the District's website under "Sustainability".

In the coming fiscal year, public outreach is planned for the District's process of determining the disposition of its surplus land at Larkspur Landing, in addition to the capital improvement program and other topics such as the current drought.

- **Legal Services.** General legal services are budgeted at \$220,000 which is a flat expense over last year for legal work related to Board agenda preparation, Board meeting attendance, contract review, and miscellaneous other legal review work.
- **IT Services.** IT services are budgeted at \$100,000 which is same as the prior fiscal year. Ongoing IT support services are provided by IT Hub for an annual flat cost of approximately \$70,000. IT Hub delivers network, application, system and e-management services for a fixed monthly fee, providing the District with predictable IT support costs and a proactive approach to IT management. Additional expenditures in IT services include lease renewal for server equipment



ROSS VALLEY SANITARY DISTRICT ANNUAL BUDGET FY 2021-22

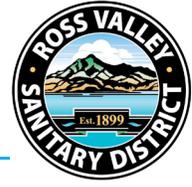
(\$45,000 for a three-year term) with new hardware providing speed and capacity improvements, and new back-up and redundancy equipment/cloud service costs for approximately \$25,000. The old back-up system has been in place for almost eight years and the hardware that the District has been using for site-to-site redundancy is aging. New technology is available for business continuity which would be more streamlined for the District's combined use of cloud and on-premise services. The IT budget also anticipates several replacement laptops for staff at a cost of approximately \$15,000 to join the existing laptop leasing program. These laptops were planned to be phased in later than the initial laptop leasing program because they were still under warranty. As their warranties are now expiring, those laptops will be retired and replaced with leased units.

- **Professional Services.** These services include auditors, actuaries, human resource consultant services, safety consultant services, annual sewer service charge consultant services, competency-based training consultant services, and records management consultant services. The budget for these services is \$375,000, a \$25,000 increase over the prior fiscal year.

Specific expenditures in this category include records and information management consultant services budgeted at \$30,000. The records and information management consultant is continuing to assist the District with its new enterprise content management (ECM) solution for improved electronic document management. The ECM solution will support an organizational structure and system for maintaining, filing, retrieving, and legally destroying the District's 100-plus-year accumulation of records. This project was slightly delayed due to COVID and is anticipated to be fully implemented in the next fiscal year.

Also, in this category is the Competency Based Training (CBT)/Certification Program. For FY 21-22, \$80,000 is budgeted to complete the remaining modules of the technical training program that supports the reliable operation of the District collections systems, including pump station operator technical training, overflow emergency response, collection system worker on-call SOPs, and supervisor/manager training. This program was stalled in FY 20-21 due to COVID and these unused funds will carry over to resume the program in FY 21-22.

A new item in this budget category includes \$30,000 for a training program called Culture Wise, based on High Performing Culture founder David Friedman's work *Culture by Design*. The program is designed to intentionally build and "institutionalize" a high-performing culture using an 8-step framework, including defining employee behaviors that drive success and ritualizing the practice of preferred behaviors. This item is a continuation of a FY 20-21 RVSD Business Plan objective for employee and leadership development.



CAPITAL BUDGET

The total capital program expenditures of \$15.5 million include the following major categories: \$14.2 million in capital projects, and \$1.3 million in special programs, equipment and studies, including \$650,000 dedicated to the lateral replacement program financial assistance (grants and loans).

Funding sources for the FY 21-22 Capital Budget include \$7.8 million in dedicated capital revenue from property tax (ad valorem), capacity charges and other revenue, \$1.3 million in financing proceeds, and \$4.3 million from net operating funds.

CAPITAL REVENUE

The District has two primary recurring revenue sources to the capital fund: ad valorem and capacity charges. In addition, the District can utilize long-term debt in the form of bonds and/or government loan programs such as the Clean Water State Revolving Fund (SRF). Ad valorem, capacity charges, a \$1.3 million SRF loan, and net operating fund sources will support the FY 21-22 Capital Budget.

AD VALOREM

Ad valorem revenue is budgeted at \$7.8 million for FY 21-22, an increase over last fiscal year, in part due to the inclusion of anticipated revenue from Educational Revenue Augmentation Funds (ERAF).

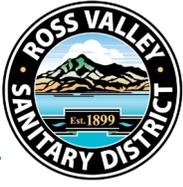
Ad valorem revenue represents 23% of total District revenue. Marin County property values and turnover in real estate sales are the driving contributors to this generally positive revenue stream. An average 3% increase is forecast for future ad valorem revenue based on the County of Marin Department of Finance revenue projections.

CAPACITY CHARGES

New development or major remodels of existing structures represent 3% of recurring capital revenue sources and are based on limited growth expectations in the communities served by the District.

DEBT FINANCING

In 2013 and 2014, the District issued revenue bonds of \$17.8 million and \$30 million respectively. Proceeds from the 2013 Bond was used to retire debt and to fund capital projects beginning in FY 13-14. The 2014 Bond issuance was the first of two anticipated under the 2014 Rate Study and five-year financial plan. The District received \$25 million in proceeds from a bond issuance in January 2018 and \$35 million from a bond issuance in July 2019. Proceeds from the 2013, 2014, 2018, and 2019 Bonds are fully expended as of fiscal year end 2021. Budget Schedule 5 – Debt Service Summary provides details of the District’s debt issuances.



ROSS VALLEY SANITARY DISTRICT ANNUAL BUDGET FY 2021-22

CAPITAL EXPENDITURES

The District continues to make capital investments in its sewer system in compliance with a Cease and Desist Order, and based on its Infrastructure Asset Management Plan and condition assessment data. The Capital Budget is grouped into the following categories: gravity sewer projects, pump station projects, force main projects, other capital projects, and lateral program, equipment, special projects and studies. Total capital spending is budgeted at \$15.5 million. Budget Schedule 10 – Capital Projects, Studies, Special Projects and Equipment and Budget Schedule 11 – Capital Improvement Project Sheets provide specific cost information and project details..

In FY 19-20, a \$35 million revenue bond was necessary in order to complete critical capital projects while minimizing sewer rate increases. A portion of the bond proceeds were dedicated to fund the acquisition and improvement of a new headquarters facility at 1111 Andersen Drive in San Rafael. The bond proceeds also fund the remediation of PCB-contaminated soils at the Larkspur Landing Property. The District's capital program, which peaked at over \$30 million for FY 19-20, has decreased to \$15.5 million this year and estimated at \$5.5 million the following year. Future years, as shown in Schedule 9 – Five Year Financial Forecast Summary project \$5.5 to \$7.4 million per year for capital projects and studies, special projects and equipment. With the capital obligations of the Cease and Desist Order coming to a close, the coming years are planned to be a PayGo program, i.e., cash financing for all capital projects.

GRAVITY SEWER PROJECTS

Gravity Sewer Projects (\$9.4 million) include a mix of restoration, rehabilitation, and replacement work. Except for the as-needed construction services, these projects have completed designs currently and will be constructed in 2021. Approximately two and one-half miles of gravity sewer lines will be upgraded with these projects, all of which are included in the high-risk areas identified by condition assessment and risk modeling in the 2013 IAMP.

PUMP STATION PROJECTS

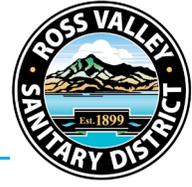
During the 2019 and 2020 wet seasons, there were issues identified at Pump Station 14 (PS 14 – Larkspur), including electrical problems with the backup power generator, the condition of the roof, and other items, which will be addressed in the coming construction project. During the Public Safety Power Shutoffs (PSPS) by PG&E in October 2019, backup generators at Pump Stations 24 and 25 were determined to be deficient, and these facilities are both located along South Eliseo Drive in Larkspur. Expenditures for construction are estimated at \$1.9 million this fiscal year, and design of Lift Station 20 renovation, a priority of the 2021 IAMP Update, is budgeted at \$100,000. Other miscellaneous pump station equipment upgrades are budgeted at \$130,000.

FORCE MAIN PROJECTS

There are no force main projects proposed, as condition assessment conducted in the 2021 IAMP update did not identify any priorities for rehabilitation. The Force Main Appurtenance projects were constructed

ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22



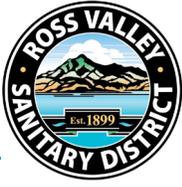
to address the remaining force main work identified in the 2013 IAMP, including eight valves, and eliminated several high failure risk areas of the system. The budgeted funds (\$15,000) will be used for follow-up work on this project and force main condition assessment as part of the 2021 IAMP update.

OTHER CAPITAL PROJECTS

- **Larkspur Landing EPA Clearance Activities.** In March 2019, U.S. EPA provided the District conditional approval of a remediation plan for the PCB-contaminated soils at its facilities at 2000 Larkspur Landing Circle in Larkspur. The work was spread over two dry seasons and completed in the summer of 2020. A completion report was submitted to U.S. EPA on January 15, 2021 and is under review. The goal of the project is to obtain a cleanup completion acknowledgement letter from U.S. EPA which will release the property for unrestricted land use.
- **Andersen Building Improvements.** In April 2019, the District invested in a new headquarters building located at 1111 Andersen Drive in San Rafael. The new building will serve as a consolidated facility for all operational and administrative functions of the District. The District currently operates partly out of the Larkspur Landing property and partly out of the 2960 Kerner Boulevard property in San Rafael. The cost for building improvements has been updated from the draft budget based on cost estimates from the District's architectural firm. The District architect is currently developing construction plans which will be the basis of future bid documents. The project experienced delays due to the COVID-19 pandemic.

LATERAL PROGRAM, FIXED ASSETS/EQUIPMENT, IAMP UPDATE AND STUDIES

- **Lateral Replacement Grant and Loan Funding.** Financial assistance funding and maximum amounts for lateral replacement are established each fiscal year as part of the annual budget process. Funding for financial assistance in FY 21-22 includes lateral replacement grant and lateral replacement loan funding of \$650,000, lower than FY 20-21 funding by \$50,000.
- **Fixed Assets/Equipment.** To equip the new IBAK vehicle purchased in FY 20-21 the condition assessment crew recommends the purchase of a 4k Orion 3 Zoom Hd/SD Adaptive 3d IBAK camera for \$31,000. This camera will upgrade the quality of video in small four-inch through six-inch diameter sewers from standard definition to high definition, enabling more accurate assessment of these small pipes, which make up 80% of the District's sewer system. The condition assessment division is also requesting a new IBAK pan-and-tilt camera at a discount price of \$26,000 (normally \$45,000) that will replace the Aries Seeker camera purchased in 2017. Aries rebuilt the seeker reel body in 2019-20; it is already showing signs of failure in its wireless features and is no longer sending a reliable video signal to the recording computer. The proposed IBAK camera matches the equipment in the other TV vehicle, eliminating the need to re-code CCTV inspections at a later date.



ROSS VALLEY SANITARY DISTRICT ANNUAL BUDGET FY 2021-22

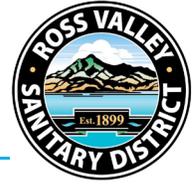
A standby generator is budgeted for \$90,000 to replace the District's existing 1990s-era generator that is out of compliance for current air quality emission requirements. It also replaces one that RVSD rents for \$3,000 per month. The replacement generator will be used for the essential need to provide power to the 12 small lift stations that do not have on-site back-up power.

Pump station wet well level controllers are an important part of our system. They provide a reading based on monitoring equipment (pressure transducers) and, depending on preset levels, they turn pumps on/off and/or send alarms if levels get too high threatening overflow, or too low signifying other malfunctions. Currently, at seven of our smaller lift stations (LS20, 21, 22, 23, 31, 32 and 36), the existing controllers are unreliable Micromac controllers (1980s technology) unable to communicate with the CMSA SCADA (Supervisory Control and Data Acquisition) remote monitoring system. New Simplex models are proposed to be installed at these lift stations for a total budget of \$110,000, and will be able to monitor the stations via radio, computer and CMSA SCADA.

A skid steer vehicle, a loader used for pipe materials, asphalt, roadbase, rock and manhole frame/covers, is included in this year's budget for \$100,000. This vehicle will replace a 1990 backhoe that has exceeded its useful life, and to replace a forklift that RVSD has been renting for \$1,700 per month. It will be used for open cut repair jobs to load material into dump trucks. It will also be used for functions currently served by the forklift to load and move materials around the corporation yard. The skid steer will be useful with the Mr. Manhole system for raising and/or repairing upper manhole sections identified in the 2021 IAMP Update for in-house manhole rehabilitation, as well as to accommodate paving projects. To replace a backhoe and forklift separately, the cost estimate is \$170,000, so this will be a cost effective alternative.

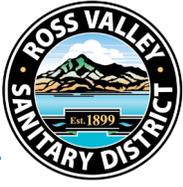
The repair crew uses cameras every day to install point repairs in the system, and proposes two IBAK pan-and-tilt cameras for \$52,000 in this year's budget. They are used to detect if a lateral is located within the pipe defect the crew is repairing. The pan-and-tilt camera is helpful to detect if a lateral is inactive, so that it can be sealed as a possible source of I&I. The crew is currently using a seven year-old Aries camera that requires repairs on a regular basis at \$4,000 to \$5,000 per repair, and creates productivity issues when the camera is not available. These cameras are normally \$45,000 each, so the discount price of \$26,000 each is a good value for the District.

The line maintenance crew proposes new push cameras (Verisight Pro Plus 100M/330ft) to go with the new Ramjet vehicles authorized by the Board in last year's budget, at a total of \$25,000. One of the cameras will replace a 200 foot camera that is eight years old and has been repaired several times. These cameras are used for service calls, inspection of the condition of pipe, QA/QC cleaning of pipes, to confirm and check the correct frequency of cleaning, and for SSO follow-up. The camera system includes a reel of 100 meters of push cable, self-leveling camera, control unit with text generation, video recording and digital output.



The budget includes purchase of 33 SmartCover subsonic (dual) sensors at \$26,000. Last year's purchase of SmartCovers for remote monitoring of system water levels has enhanced the District's ability to manage the system remotely during storm conditions and throughout the year. The District now has 60 SmartCovers deployed in the system for various purposes, but 25 of them have standard sensors that can be set up for either flow monitoring or level monitoring, but not both. The new subsonic sensor provides for both flow and level monitoring, which will allow the District to distribute meters more effectively throughout the system and collect consistent information at each location.

- **Infrastructure Asset Management Plan (IAMP) Update.** The 2021 IAMP Update is almost complete. Except for projects planned for this year and described below, RVSD completed the capital program work identified in its first five-year Infrastructure Asset Management Plan (2013 IAMP). All of the associated capital projects will be completed in calendar year 2021. The risk profile of the system has been significantly improved with the risk-based focus of gravity sewer line projects in the first five-year IAMP. The 2013 IAMP projects will have replaced or rehabilitated over 37 miles of gravity sewer lines. The 2021 IAMP update shifted focus from pipeline structural stability, major pump stations, and force mains to focus on future priority needs. These include I&I reduction work, high risk creek crossing pipes, and on-going restoration/maintenance actions that maintain the system at its targeted level of service and condition. The updated plan retains the risk-based approach. Outside engineering consulting and technical services to update the IAMP were retained to develop the plan, conduct updated risk modeling, complete condition assessment on the force mains, and update the collections system hydraulics model. The remaining budget for the consultant activities related to the IAMP update, wrapping up in July 2021, is \$50,000.
- **Studies.** Three capacity projects suggested in the 2006 SHECAP and listed in the 2013 IAMP may not need to be constructed. Flow monitoring and an update of the District's hydraulic model with 2021 as-built information will help determine if cumulative system improvements (i.e., capital, in-house repair, and lateral replacements which reduce infiltration and inflow (I&I)) have rendered the suggested capital projects unnecessary as expected. To fund this work over next winter, \$150,000 was placed in the FY 2021-22 budget. An additional \$50,000 was added to fund a purple pipe study (CMSA non-potable water) of the Larkspur Landing area for a total of \$200,000 in planned studies for the next fiscal year.



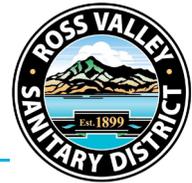
ROSS VALLEY SANITARY DISTRICT ANNUAL BUDGET FY 2021-22

DEBT SERVICE

The 2013 Infrastructure Asset Management Plan (IAMP) anticipated a total of approximately \$95 million in long-term debt financing to pay for the related capital program. The District's current debt issues total \$101 million with an annual debt service obligation of approximately \$6.6 million. The projected debt service ratio for FY 21-22 is 1.87 compared to the prior adopted fiscal year debt service ratio of 1.66. The projected debt service for FY 20-21 is more favorable at 2.14.

In June 2019, RVSD was upgraded from AA- ("double A minus") to a better AA ("double A") rating from Standard & Poor for its consistently strong financial performance. This AA rating was increased in concert with the bond issuance and proposed sewer rate increases.

In April 2021, RVSD maintained its AA- Fitch rating, reflecting the District's moderate debt and funds available for debt service within the framework of both very strong revenue defensibility and a midrange operating cost burden and decreasing capital needs.



MINIMUM RESERVES AND RESERVE TARGETS

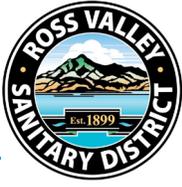
Cash reserves for the District are balances retained for specific cash flow needs. The District relies on reserves for financial stability; credit rating agencies evaluate utilities in part on their adherence to formally adopted reserve targets; and lending agencies require utilities to maintain specific debt reserves for outstanding loans. The District updated its Financial Policies in December 2019 which includes the following three reserve types: Operating Reserves, Capital Reserves, and Emergency Reserves.

Minimum Reserves vs. Reserve Targets. The 2019 Rate Study recommended that the District distinguish between “minimum reserves” and “reserve targets” in order to meet revenue requirements and financial performance objectives while striving to minimize rate increases. Operating Reserves and Emergency Reserves are typically maintained for the purpose of mitigating unexpected expenses or events. For this reason, the District designates Operating and Emergency Reserves as minimum reserves. Conversely, the Study proposed that the purpose of the Capital Reserve should be to smooth the inherent volatility of a capital spending program. Having such a reserve is an integral component of a “PayGo” model (pay as you go, i.e., cash financing for all capital projects), so that spikes in sewer service charge rates aren’t needed in order to pay for outlier capital spending years. This reserve is designed as a target rather than a minimum, because it is expected to get drawn down during years of higher-than-average capital spending and built-up during years when capital spending is below average.

Operating Reserve. The Operating Reserve is maintained in order to meet the liquidity needs for the District’s day-to-day operations. This reserve ensures continuity of service regardless of short-term changes in cash flow or sudden increases in operating costs. The adopted policy for this reserve is an amount at least equal to 50% of the annual operating budget for the coming fiscal year. Given the FY 21-22 operating budget of \$20.6 million, a 50% Operating Reserve is \$10.3 million.

Emergency Reserve. The Emergency Reserve is intended to be used during operational or financial emergencies, which constitute significant unforeseen events that have a dramatic and immediate impact on the operations, assets or financial condition of the District. The amount of this reserve is equal to ten percent (10%) of the budgeted annual operating expenses, but not less than \$2 million. The FY 21-22 Budget has a \$2 million Emergency Reserve.

Capital Reserves. The 2019 Rate Study recommended that the Capital Reserve be designed to give the District some cushion to absorb peaks in the capital spending program, and to allow the District to draw down on this reserve with the intention of subsequently replenishing the reserve. The adopted policy states this is a target reserve, equal to 50% of the average annual capital expenditures forecasted in the five-year or ten-year capital spending projections (forward-looking). Since the average capital spending for FY 22-23 to FY 26-27 is projected at \$6.3 million, the target for this reserve is approximately \$3.2 million. Although capital spending is proposed to continue at an elevated pace, the District meets this target reserve for FY 21-22.



FIVE-YEAR FINANCIAL FORECAST

As part of the District's budget process, a rolling five-year financial forecast is developed each fiscal year. Influential financial variables such as service rates, capital program costs, operating costs, CMSA annual charges, and debt service schedules are updated and incorporated into the forecast. Other factors that may be reasonably estimated, such as inflation factors and wage and benefit adjustments, are also incorporated. The five-year financial forecast is shown in Schedule 8 (Summary) and Schedule 9 (Details).

The updated five-year financial forecast supports the following summary observations and conclusions. In FY 21-22, revenue is sufficient to cover operating expenses. Revenue of \$7.8 million in property tax (including ERAF) less \$6.6 million in annual debt service, provides RVSD with net revenue of just over \$1 million to support capital programs. Capital funding requirements will continue to exceed available revenues, but the deficit will decrease as capital expenditures decrease and level off beginning next year, FY 22-23.

Recognizing the limitations in forecasting influential cost and revenue factors, the forecast results indicate RVSD can maintain sound financial health through FY 26-27, with timely and reasonable adjustments to revenue and expenses each new fiscal year. The following is a summary of key factors influencing the forecast, and how these could vary from the projection.

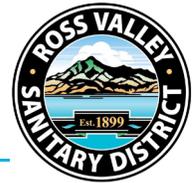
RWQCB CDO Compliance. Most of the 2013 Cease and Desist Order (CDO) work was complete in FY 20-21, with three capital projects currently underway (Butterfield/Arroyo-Kenrick Capacity, FY 20/21 Gravity Sewer, and PS 14, 24, 25 (Larkspur) Pump Stations Improvements) to complete the list of projects from the 2013 Infrastructure Asset Management Plan (IAMP) that was submitted to the RWQCB as the revised compliance plan for the CDO. The 605 pipe defects to be rehabilitated in the CDO have been addressed by the June 2021 deadline with a few possible exceptions.

In a March 2021 letter to the RWQCB, RVSD documented anticipated compliance with this CDO requirement and RWQCB staff acknowledged that a handful of these sites may require a little more time and have accepted a proposal of documenting compliance in the January 2022 annual report. Three capacity projects suggested in the 2006 SHECAP and listed in the 2013 CDO and IAMP may not need to be constructed. RVSD proposed to RWQCB that flow monitoring and an update of the District's hydraulic model with 2021 as-built information will help determine if cumulative system improvements (i.e., capital, in-house repair, and lateral replacements which all reduce infiltration and inflow (I&I)) have rendered the suggested capital projects unnecessary as expected, and RWQCB staff accepted the proposal of documenting this process in 2022 as well.

With resolution of these outstanding issues of the 2013 CDO, RVSD will work with RWQCB to possibly rescind the order in 2022 or 2023, depending on whether adequate rainfall occurs to support the flow monitoring study. The financial forecast assumes a significant reduction from over five miles per year to two miles or less per year of major rehabilitation work, which is supported by RVSD's asset condition data,

ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22



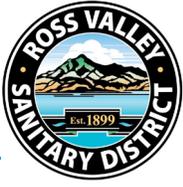
recent system performance, and analyses from the 2021 IAMP Update. For example, new projects for creek crossings will include stabilization outside the pipe to prevent pipeline failures near sensitive environmental resources, shifting the project focus away from miles of pipe rehabilitated to pipe protection.

Larkspur Landing Property. Due to bond covenant restrictions on the property disposition, the property may only be sold or leased after January 2022. While the lease or sale of the property would create revenue for the District to offset debt and/or use the proceeds for other capital improvement project needs, this potential revenue source is not captured in the five-year financial forecast.

Kerner Building. After renovation of the 1111 Andersen Drive building and relocation of staff, the Kerner property was anticipated to be sold. Due to COVID and the need to minimize contact in the workplace to prevent spread, the Kerner building is being retained to enhance the operational efficiency of the District during the pandemic.

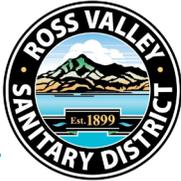
Capital Borrowing Costs. The District successfully completed a \$35 million bond issuance in July 2019, and these proceeds were used by the end of FY 20-21. Ongoing debt service of approximately \$6.6 million is projected each year of the five-year forecast.

The forecast assumes borrowing of \$1.3 million from a State Revolving Fund (SRF) loan for one gravity sewer project (Project #947 – Butterfield / Arroyo-Kenrick). The SRF loan is assumed to have a repayment period of 20 years and a matching cost of 15% as an up-front contribution, and then will receive loan funds for approximately 85% of the project cost. The District is required to pay 100% of the project cost (at 0% interest) over the 20-year term. Two additional points were awarded to applicants choosing this type of match financing. The District's application was submitted in December 2019. In May 2020, the District was notified that the project scored a 14 which qualified it for recommended funding by the State. The District has met SRF requirements in the bidding of this project, confirmed by the State Water Board, and upon confirmation of environmental requirements and financing agreements should qualify for reimbursement of project costs with SRF loan proceeds, to be determined in the early part of the fiscal year. The District recognizes the uncertainty in timing and availability of any SRF funds.

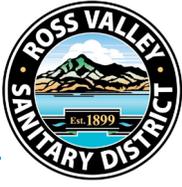


ROSS VALLEY SANITARY DISTRICT ANNUAL BUDGET FY 2021-22

THIS PAGE INTENTIONALLY LEFT BLANK



APPENDIX OF FINANCIAL SCHEDULES



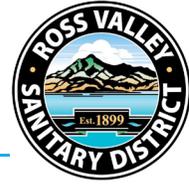
ROSS VALLEY SANITARY DISTRICT ANNUAL BUDGET FY 2021-22

SCHEDULE 1 –BUDGET SUMMARY

	Type	FY 2021		FY 2022
		Adopted	Projected	Budget
Revenue				
1	Sewer Service Charges	23,548,000	23,582,290	24,349,000
2	Property Tax (Ad Valorem)	6,600,000	7,546,940	7,800,000
3	Proceeds from Financing Activities	-	-	1,300,000
4	Other Revenue	1,060,000	1,670,870	900,000
5	Total Revenue	31,208,000	32,800,100	34,349,000
Expenditures				
6	CMSA Charges	8,356,000	8,331,950	8,400,000
7	Operations	8,354,000	6,968,110	8,597,000
8	Administration	2,537,000	2,353,800	2,670,000
9	Outside Services	920,000	919,850	945,000
10	Debt Service	6,652,000	6,651,540	6,638,000
11	Capital Projects, Studies, & Equipment	15,710,000	12,779,810	15,527,000
12	Total Operating Expenditure	42,529,000	38,005,060	42,777,000
13	Net Revenue Less Expenditures	(11,321,000)	(5,204,960)	(8,428,000)
Fund Balances				
15	Operating Reserves	10,084,000	10,084,000	10,306,000
16	Emergency Reserves	2,000,000	2,000,000	2,000,000
17	Capital Improvement Reserves	3,188,000	3,188,000	3,165,000
18	Total Reserves	15,272,000	15,272,000	15,471,000
19	CERBT/CEPPT Fund	450,000	450,000	450,000
20	Bond Proceeds for Projects	-	33,270	-
21	Bond Proceeds for Canyon Road	43,000	42,070	43,000
22	Total Restricted Funds	493,000	525,340	493,000
23	Cash Balance - Unrestricted	8,860,940	14,412,600	5,817,940
24	Total Reserves, Restricted, And Cash Fund Balances	24,625,940	30,209,940	21,781,940
--				

ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22

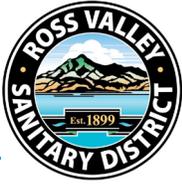


SCHEDULE 2 – FUNDING SOURCES DETAIL

Funding	FY 2021		FY 2022	% Change
	Adopted	Projected	Budget	
Sewer Service Revenue [1]				
1 Ross Valley - Single Family with Murray Park	10,981,000	11,124,010	11,648,000	6.1%
2 Ross Valley - Single Family with ADU	389,000	262,440	442,000	13.6%
3 Ross Valley - Multi Family with Murray Park	4,857,000	5,488,360	4,798,000	-1.2%
4 Ross Valley - Commercial High Strength	1,157,000	508,280	1,008,000	-12.9%
5 Ross Valley - Commercial Low Strength	1,889,000	1,913,300	2,008,000	6.3%
6 Ross Valley - Commercial Minimum	109,000	147,490	129,000	18.3%
	19,382,000	19,443,880	20,033,000	3.4%
7 Larkspur - Single Family	2,045,000	2,021,350	2,164,000	5.8%
8 Larkspur - Single Family with ADU	78,000	51,430	83,000	6.4%
9 Larkspur - Multi Family	1,471,000	1,622,790	1,556,000	5.8%
10 Larkspur - Commercial High Strength	232,000	100,000	219,000	-5.6%
11 Larkspur - Commercial Low Strength	322,000	318,560	276,000	-14.3%
12 Larkspur - Commercial Minimum	18,000	24,280	18,000	0.0%
	4,166,000	4,138,410	4,316,000	3.6%
13 Total Sewer Service Charges	23,548,000	23,582,290	24,349,000	3.4%
Property Taxes				
14 Property Taxes Collected - Ad Valorem	6,600,000	7,546,940	7,800,000	18.2%
15 Total Property Taxes	6,600,000	7,546,940	7,800,000	18.2%
Other Revenue Sources				
16 Inspections	150,000	152,390	150,000	0.0%
17 Interest and Dividends	250,000	147,690	110,000	-56.0%
18 Miscellaneous	450,000	576,460	330,000	-26.7%
19 Proceeds from Financing Activities	-	-	1,300,000	0.0%
20 Capacity Charges	200,000	791,800	300,000	50.0%
21 Public Sewer Extensions	10,000	2,530	10,000	0.0%
22 Total Other Revenue	1,060,000	1,670,870	2,200,000	107.5%
23 Total Revenue and Other Sources	31,208,000	32,800,100	34,349,000	10.1%

[1] Revenues from sewer rates are calculated by multiplying EDU count by the adopted fiscal year rate (Budget Table 2). Commercial customers are assigned an EDU count based on their average daily winter water usage, or a minimum charge for no metered water usage.

	FY 2021		FY 2022	% Change
	Adopted	Projected	Budget	
Equivalent Dwelling Units (EDU's)				
Ross Valley - Single Family	10,724	10,724	10,807	0.8%
Ross Valley - Single Family with ADU	253	253	272	7.5%
Ross Valley - Multi Family	5,291	5,291	4,942	-6.6%
Ross Valley - Commercial - High	490	490	404	-17.6%
Ross Valley - Commercial - Low	1,845	1,845	1,854	0.5%
Ross Valley - Commercial (minimum)	142	142	158	11.1%
Larkspur - Single Family	1,415	1,415	1,415	0.0%
Larkspur - Single Family with ADU	36	36	36	0.0%
Larkspur - Multi Family	1,136	1,136	1,136	0.0%
Larkspur - Commercial - High	70	70	62	-10.9%
Larkspur - Commercial - Low	223	223	180	-19.1%
Larkspur - Commercial (minimum)	17	17	16	-5.9%
Total # of EDU's	21,642	21,642	21,282	-1.7%
Rate Per EDU				
Rate per EDU - Ross Valley Single Family	\$ 1,024	\$ 1,024	\$ 1,083	5.8%
Rate per EDU - Ross Valley Single Family with ADU	\$ 1,536	\$ 1,536	\$ 1,625	5.8%
Rate per EDU - Ross Valley Multi Family	\$ 918	\$ 918	\$ 971	5.8%
Rate per EDU - Ross Valley Commercial - High	\$ 2,362	\$ 2,362	\$ 2,499	5.8%
Rate per EDU - Ross Valley Commercial - Low	\$ 1,024	\$ 1,024	\$ 1,083	5.8%
Rate per EDU - Ross Valley Commercial (minimum)	\$ 769	\$ 769	\$ 814	5.9%
Rate per EDU - Larkspur Single Family	\$ 1,445	\$ 1,445	\$ 1,529	5.8%
Rate per EDU - Larkspur Single Family with ADU	\$ 2,168	\$ 2,168	\$ 2,294	5.8%
Rate per EDU - Larkspur Multi Family	\$ 1,295	\$ 1,295	\$ 1,370	5.8%
Rate per EDU - Larkspur Commercial - High	\$ 3,320	\$ 3,320	\$ 3,513	5.8%
Rate per EDU - Larkspur Commercial - Low	\$ 1,445	\$ 1,445	\$ 1,529	5.8%
Rate per EDU - Larkspur Commercial (minimum)	\$ 1,084	\$ 1,084	\$ 1,147	5.8%



ROSS VALLEY SANITARY DISTRICT

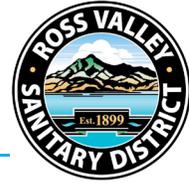
ANNUAL BUDGET FY 2021-22

SCHEDULE 3 – BUDGET DETAIL

		FY 2021		FY 2022
		Adopted	Projected	Budget
Operating Fund				
Sources of Operating Revenue				
1	Sewer Service Charges	23,548,000	23,582,290	24,349,000
2	Other Income	850,000	876,540	590,000
3	Total Sources of Operating Revenues	24,398,000	24,458,830	24,939,000
Uses of Operating Expenditures				
CMSA Expenditures				
4	Treatment Charges - CMSA	6,227,000	6,202,680	5,965,000
5	Debt Service - CMSA	2,129,000	2,129,270	2,435,000
6	Total CMSA Expenditures	8,356,000	8,331,950	8,400,000
Maintenance/Repair/Inspection Expenditures				
7	Salaries & Benefits - Operations	6,284,000	5,267,020	6,512,000
8	Other Operational Expenditures	2,070,000	1,701,090	2,085,000
9	Total General Operating Expenditures	8,354,000	6,968,110	8,597,000
Administrative Expenditures				
10	Salaries & Benefits - Administration	1,721,000	1,618,330	1,815,000
11	Office Supplies & Equipment	115,000	59,440	135,000
12	General Administrative Expenditures	353,000	280,060	342,000
13	Facilities & Utilities - Administration	95,000	96,050	95,000
14	Board Fees & Other Expenditures	63,000	48,450	63,000
15	Insurance (includes Excess Liability)	190,000	251,470	220,000
16	Total Administrative Expenditures	2,537,000	2,353,800	2,670,000
Outside Services				
17	Community Outreach - Public Outreach	250,000	189,430	250,000
18	Information Technology (IT)	100,000	87,470	100,000
19	Legal - General	220,000	262,970	220,000
20	Professional Services - Other	350,000	379,980	375,000
21	Total Outside Services	920,000	919,850	945,000
22	Total Uses of Operating Expenditures	20,167,000	18,573,710	20,612,000
23	Net Operating Results	4,231,000	5,885,120	4,327,000

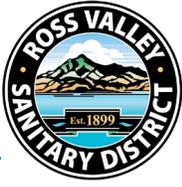
ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22



FY 2021/22 Budget Schedule 3 - Budget Detail (continued)

		FY 2021		FY 2022
		Adopted	Projected	Budget
Capital Fund				
Sources of Capital Revenue				
24	Property Tax (Ad Valorem)	6,600,000	7,546,940	7,800,000
25	Proceeds from Bonds	-	-	-
26	Proceeds from SRF Loan	-	-	1,300,000
27	Capacity Charges	200,000	791,800	300,000
28	Other	10,000	2,530	10,000
29	Total Sources of Capital Revenue	6,810,000	8,341,270	9,410,000
Uses of Capital Expenditures				
<i>Debt Service</i>				
30	Interest Expense on Debt	4,107,000	4,106,540	4,003,000
31	Principal Payments on Debt	2,545,000	2,545,000	2,635,000
32	Bond Administrative Expenditures	-	-	-
33	Total Debt Service and Related Costs	6,652,000	6,651,540	6,638,000
<i>Studies, Special Projects & Equipment</i>				
34	Studies	135,000	32,400	200,000
35	Lateral Grant Programs	500,000	443,900	450,000
36	Lateral Loan Programs	200,000	139,940	200,000
37	Assessments and Updates	650,000	726,550	50,000
38	Fixed Assets and Equipment	885,000	768,490	451,000
39	Total Studies, Special Projects & Equipment	2,370,000	2,111,280	1,351,000
<i>Capital Projects</i>				
40	Gravity Sewer Improvements	3,860,000	3,981,200	9,371,000
41	Pump Station Improvements	1,130,000	326,220	1,890,000
42	Force Main Improvements	1,300,000	1,336,970	15,000
43	Other Capital Projects	7,050,000	5,024,140	2,900,000
44	Total Capital Projects	13,340,000	10,668,530	14,176,000
45	Total Uses of Capital Expenditures	22,362,000	19,431,350	22,165,000
46	Net Capital Results	(15,552,000)	(11,090,080)	(12,755,000)
47	Beginning Balance - Operations and Capital	35,946,940	35,414,900	30,209,940
48	Net Results - Operations and Capital	(11,321,000)	(5,204,960)	(8,428,000)
49	Ending Balance - Operations and Capital	24,625,940	30,209,940	21,781,940
Breakdown of Ending Balance - Operations and Capital				
50	Reserve for Operations (50% of Operations Budget)	10,084,000	10,084,000	10,306,000
51	Reserve for Emergency Reserves	2,000,000	2,000,000	2,000,000
52	Reserve for Capital Improvement	3,188,000	3,188,000	3,165,000
53	Total Reserves	15,272,000	15,272,000	15,471,000
54	Restricted for CERBT/CEPPT	450,000	450,000	450,000
55	Restricted Bond Proceeds for Projects	-	33,270	-
56	Restricted Bond Proceeds for Canyon Road	43,000	42,070	43,000
57	Total Restricted Funds	493,000	525,340	493,000
58	Cash Balance - Unrestricted	8,860,940	14,412,600	5,817,940
59	Total Reserve, Restricted, Cash Funds Balances	24,625,940	30,209,940	21,781,940



ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22

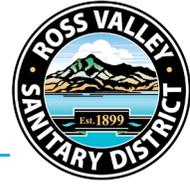
SCHEDULE 4 – DEPARTMENTAL BUDGET SUMMARY

District Expenditures by Department	FY 2021 Adopted	FY 2021 Projected	FY 2022 Budget	% Change
Operational expenditures				
1 Treatment Charges	8,356,000	8,331,960	8,400,000	1%
2 Operations	8,354,000	6,968,110	8,597,000	3%
3 Administration	2,537,000	2,353,800	2,670,000	5%
4 Outside Services	920,000	919,850	945,000	3%
5 Total Operational Expenditures	20,167,000	18,573,720	20,612,000	2%
6 Capital Expenditures	22,362,000	19,431,350	22,165,000	-1%
7 Total District Expenditures by Department	42,529,000	38,005,070	42,777,000	1%

District Expenditures by Category	FY 2021 Adopted	FY 2021 Projected	FY 2022 Budget	% Change
District Operations				
Salaries & Benefits				
8 Salaries	4,834,000	4,400,030	5,073,000	5%
9 Benefits & Payroll Taxes	3,171,000	2,485,320	3,254,000	3%
10 Total Salaries and Benefits	8,005,000	6,885,350	8,327,000	4%
Other Operational Expenditures				
11 System Maintenance	1,400,000	1,036,840	1,296,000	-7%
12 General & Administration	902,000	809,880	1,014,000	12%
13 Facilities & Utilities	521,000	541,390	567,000	9%
14 Board Expenditures	63,000	48,450	63,000	0%
15 Total Other Operational Expenditures	2,886,000	2,436,560	2,940,000	2%
Outside Services				
16 Outside Services	920,000	919,850	945,000	3%
17 Total Operational expenditures	11,811,000	10,241,760	12,212,000	3%
CMSA Charges				
18 Treatment and Debt Service Charges	8,356,000	8,331,960	8,400,000	1%
Capital Expenditures				
19 Debt Service	6,652,000	6,651,540	6,638,000	0%
20 Capital Budget	15,710,000	12,779,810	15,527,000	-1%
21 Total Capital Expenditures	22,362,000	19,431,350	22,165,000	-1%
22 Total District Expenditures by Category	42,529,000	38,005,070	42,777,000	1%

ROSS VALLEY SANITARY DISTRICT

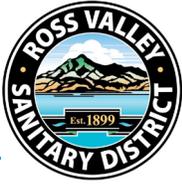
ANNUAL BUDGET FY 2021-22



Administration

Administration Expenditures Summary	FY 2021 Adopted	FY 2021 Projected	FY 2022 Budget	% Change
1 Salaries	1,013,000	1,019,530	1,098,000	8%
2 Benefits & Payroll Taxes	708,000	598,800	717,000	1%
3 Total Salaries and Benefits	1,721,000	1,618,330	1,815,000	5%
4 General & Administration	658,000	590,970	697,000	6%
5 Facilities & Utilities	95,000	96,050	95,000	0%
6 Board Expenditures	63,000	48,450	63,000	0%
7 Total Other Expenditures	816,000	735,470	855,000	5%
8 Total Administration Expenditures Summary	2,537,000	2,353,800	2,670,000	5%

Administration Expenditures by Category	FY 2021 Adopted	FY 2021 Projected	FY 2022 Budget	% Change
Salaries & Benefits				
9 Salaries - Admin	1,009,000	1,018,370	1,098,000	9%
10 Overtime - Admin	4,000	1,160	-	-100%
11 Subtotal Salaries/Wages	1,013,000	1,019,530	1,098,000	8%
Benefits & Payroll Taxes				
12 Employee Fitness - Admin	4,000	3,030	4,000	0%
13 Insurance - Medical/Dental/Vision Admin	192,000	150,600	219,000	14%
14 Insurance - Other Admin	7,000	7,660	7,000	0%
15 Insurance - Workers Comp & Unemployment Admin	6,000	4,770	5,000	-17%
16 Payroll Taxes Admin	77,000	64,660	84,000	9%
17 Recruiting/Retention Admin	15,000	3,940	15,000	0%
18 Retirement - Employer Admin	282,000	271,230	259,000	-8%
19 Compensated Absences Admin	5,000	1,310	4,000	-20%
20 Temporary Help Admin	120,000	91,600	120,000	0%
21 Subtotal Benefits & Payroll Taxes	708,000	598,800	717,000	1%
Total Salaries & Benefits				
	1,721,000	1,618,330	1,815,000	5%
General & Administration				
22 Membership Dues/Certifications - Admin	45,000	63,160	45,000	0%
23 Bank Fees	10,000	11,260	10,000	0%
24 Conferences/Trainings/Meetings- Admin	6,000	12,630	6,000	0%
25 Insurance - Deductibles	110,000	76,180	80,000	-27%
26 Insurance - Liability	80,000	175,290	140,000	75%
27 Collection Fee - County of Marin	50,000	44,270	60,000	20%
28 Customer Refunds	30,000	16,150	30,000	0%
29 Miscellaneous	4,000	6,980	4,000	0%
30 Office Equipment	65,000	34,350	110,000	69%
31 Office Supplies - Admin	50,000	25,090	25,000	-50%
32 Postage & Shipping	10,000	4,060	2,000	-80%
33 Property Taxes	83,000	32,280	80,000	-4%
34 Software & Maintenance - Admin	100,000	80,020	90,000	-10%
35 Travel & Meals - Admin	15,000	9,250	15,000	0%
36 Total General & Administration	658,000	590,970	697,000	6%



ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22

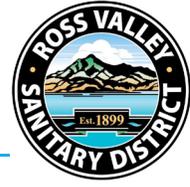
Administration - Continued

Administration Expenditures by Category	FY 2021 Adopted	FY 2021 Projected	FY 2022 Budget	% Change
Facilities & Utilities				
37 Utilities - Admin	30,000	29,110	30,000	0%
38 Utilities - Telephone/Internet	25,000	28,990	25,000	0%
39 Facilities - Maintenance	40,000	37,950	40,000	0%
40 Total Facilities & Utilities	95,000	96,050	95,000	0%
Board Fees				
41 Board Fees	50,000	43,870	50,000	0%
42 Travel & Meals - Board	6,000	1,500	6,000	0%
43 Conferences/Trainings/Meetings - Board	7,000	3,080	7,000	0%
44 Total Board Expenditures	63,000	48,450	63,000	0%
45 Subtotal Other Expenditures	816,000	735,470	855,000	5%
46 Total Administration Expenditures by Category	2,537,000	2,353,800	2,670,000	5%

Outside Services	FY 2021 Adopted	FY 2021 Projected	FY 2022 Budget	% Change
1 Community Outreach - Public Outreach	250,000	189,430	250,000	0%
2 Information Technology (IT)	100,000	87,470	100,000	0%
3 Legal - General	220,000	262,970	220,000	0%
5 Professional Services - Other	350,000	379,980	375,000	7%
6 Total Outside Services	920,000	919,850	945,000	3%

ROSS VALLEY SANITARY DISTRICT

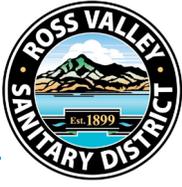
ANNUAL BUDGET FY 2021-22



Operations

Operating Expenditures Summary	FY 2021 Adopted	FY 2021 Projected	FY 2022 Budget	% Change
1 Salaries	3,821,000	3,380,500	3,975,000	4%
2 Benefits & Payroll Taxes	2,463,000	1,886,520	2,537,000	3%
3 Total Salaries and Benefits	6,284,000	5,267,020	6,512,000	4%
4 System Maintenance	1,400,000	1,036,840	1,296,000	-7%
5 General & Administration	244,000	218,910	317,000	30%
6 Facilities & Utilities	426,000	445,340	472,000	11%
7 Total Other Expenditures	2,070,000	1,701,090	2,085,000	1%
8 Total Operating Expenditures Summary	8,354,000	6,968,110	8,597,000	3%

Operating Expenditures by Category	FY 2021 Adopted	FY 2021 Projected	FY 2022 Budget	% Change
Salaries & Benefits				
<i>Salaries/Wages</i>				
9 Salaries	3,519,000	3,142,770	3,721,000	6%
10 Overtime	203,000	152,310	166,000	-18%
11 Standby Overtime	99,000	85,420	88,000	-11%
12 Subtotal Salaries/Wages	3,821,000	3,380,500	3,975,000	4%
<i>Benefits & Payroll Taxes</i>				
13 Boot Allowance	6,000	7,440	6,000	0%
14 Employee Fitness	12,000	5,590	13,000	8%
15 Insurance - Medical/Dental/Vision	797,000	578,830	779,000	-2%
16 Insurance - Other	27,000	22,310	25,000	-7%
17 Insurance - Workers Comp & Unemployment	238,000	190,270	228,000	-4%
18 Payroll Taxes	291,000	245,680	303,000	4%
19 Retirement - Employer	1,078,000	832,200	1,166,000	8%
20 Compensated Absences	14,000	4,200	17,000	21%
21 Subtotal Benefits & Payroll Taxes	2,463,000	1,886,520	2,537,000	3%
22 Total Salaries & Benefits	6,284,000	5,267,020	6,512,000	4%
System Maintenance				
23 Emergency Response	150,000	44,290	50,000	-67%
24 Equipment Rental	128,000	67,030	90,000	-30%
25 Equipment Repair	175,000	108,130	155,000	-11%
26 Fats, Oils, & Grease (FOG) Program	24,000	22,020	50,000	108%
27 Materials, Parts, Concrete & Paving	465,000	458,610	481,000	3%
28 Permits	40,000	22,780	35,000	-13%
29 Safety Equipment & Gear	65,000	60,700	65,000	0%
30 Tools	108,000	55,770	75,000	-31%
31 Uniforms	25,000	26,690	25,000	0%
32 Vehicle - Fuel	95,000	77,720	95,000	0%
33 Vehicle - Repair	125,000	93,100	125,000	0%
34 Vehicle - Lease	-	-	50,000	0%
35 Total System Maintenance	1,400,000	1,036,840	1,296,000	-7%



ROSS VALLEY SANITARY DISTRICT

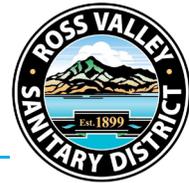
ANNUAL BUDGET FY 2021-22

Operations - Continued

Operating Expenditures by Category	FY 2021 Adopted	FY 2021 Projected	FY 2022 Budget	% Change
General & Administration				
36 Conferences/Trainings/Meetings	21,000	9,810	21,000	0%
37 Engineering Studies	50,000	20,850	35,000	-30%
38 Membership Dues/Certifications	31,000	23,700	21,000	-32%
39 Office Supplies	15,000	17,540	15,000	0%
40 Software & Maintenance	110,000	139,930	208,000	89%
41 Travel & Meals	17,000	7,080	17,000	0%
42 Total General & Administration	244,000	218,910	317,000	30%
Facilities & Utilities				
43 Facilities - Maintenance - Ops & Maint	48,000	47,990	50,000	4%
44 Facilities - Rent - Ops & Maint	50,000	45,690	52,000	4%
45 Utilities - Ops & Maint	228,000	254,910	270,000	18%
46 Utilities - Telephone/Internet - Ops & Maint	100,000	96,750	100,000	0%
47 Total Facilities & Utilities	426,000	445,340	472,000	11%
48 Subtotal Other Expenditures	2,070,000	1,701,090	2,085,000	1%
49 Total Operating Expenditures by Category	8,354,000	6,968,110	8,597,000	3%

ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22



SCHEDULE 5 – DEBT SERVICE SUMMARY

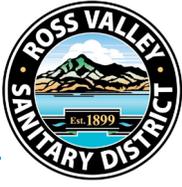
Debt Issues	Original Principal	Outstanding Principal	FY21/22 Debt Service	FY 2021			FY 2022
				Adopted	Projected	Budget	
2013 Revenue Bonds	17,780,000	15,180,000	1,142,000	31,208,000	32,800,100	33,049,000	
2014 Revenue Bonds	30,155,000	24,490,000	1,885,000	(20,167,000)	(18,573,710)	(20,612,000)	
2018 Revenue Bonds	21,870,000	19,810,000	1,547,000	11,041,000	14,226,390	12,437,000	
2019 Revenue Bonds	31,455,000	28,540,000	2,064,000	(6,652,000)	(6,652,000)	(6,638,000)	
	101,260,000			4,389,000	7,574,390	5,799,000	
Total Current and Debt Issues		88,020,000	6,638,000				
Debt Service Ratio							
Sources of Revenue				31,208,000	32,800,100	33,049,000	
Less: Operating Expenditure				(20,167,000)	(18,573,710)	(20,612,000)	
Net Operating Revenue				11,041,000	14,226,390	12,437,000	
Less: Debt Service				(6,652,000)	(6,652,000)	(6,638,000)	
Net Revenues in excess of Annual Debt Service				4,389,000	7,574,390	5,799,000	
Net Revenues as ratio of annual Debt Service				1.66	2.14	1.87	
Debt Ratio per District Financial Policy				1.50	1.50	1.50	

2013 Revenue Bonds					2014 Revenue Bonds					TOTAL				
Original Principal	Rate	Term	Maturity		Original Principal	Rate	Term	Maturity		Original Principal	Rate	Term	Maturity	
17,780,000	3.0% - 5.0%	30 yrs	1/1/2040		30,155,000	3.5% - 5.0%	25 yrs	1/1/2040		101,260,000				
Fiscal Year Ended June 30,	Principal	Interest	Total		Fiscal Year Ended June 30,	Principal	Interest	Total		Fiscal Year Ended June 30,	Principal	Interest	Total	
2023	400,000	739,500	1,139,500		2023	975,000	908,390	1,883,390		2023	2,760,000	3,885,590	6,645,590	
2024	420,000	719,000	1,139,000		2024	1,025,000	859,640	1,884,640		2024	2,880,000	3,760,940	6,640,940	
2025	440,000	697,500	1,137,500		2025	1,075,000	808,390	1,883,390		2025	3,015,000	3,624,990	6,639,990	
2026	465,000	677,200	1,142,200		2026	1,130,000	754,640	1,884,640		2026	3,160,000	3,484,840	6,644,840	
2027	485,000	658,200	1,143,200		2027	1,165,000	720,740	1,885,740		2027	3,290,000	3,362,940	6,652,940	
2028 - 2032	2,770,000	2,910,000	5,680,000		2028 - 2032	6,380,000	3,051,390	9,431,390		2028 - 2032	18,500,000	14,729,690	33,229,690	
2033 - 2037	3,540,000	2,124,750	5,664,750		2033 - 2037	7,505,000	1,922,900	9,427,900		2033 - 2037	22,655,000	10,556,950	33,211,950	
2038 - 2042	4,520,000	1,121,750	5,641,750		2038 - 2042	5,235,000	424,400	5,659,400		2038 - 2042	24,290,000	5,119,600	29,409,600	
2043 - 2044	2,140,000	108,250	2,248,250		2043 - 2044	-	-	-		2043 - 2044	7,470,000	473,500	7,943,500	
	15,180,000	9,756,150	24,936,150			24,490,000	9,450,490	33,940,490			88,020,000	48,999,040	137,019,040	

2018 Revenue Bonds					2019 Revenue Bonds				
Original Principal	Rate	Term	Maturity		Original Principal	Rate	Term	Maturity	
21,870,000	4.0% - 5.0%	25 yrs	1/1/2043		31,455,000	4.0% - 5.0%	25 yrs	1/1/2044	
Fiscal Year Ended June 30,	Principal	Interest	Total		Fiscal Year Ended June 30,	Principal	Interest	Total	
2023	560,000	984,900	1,544,900		2023	825,000	1,252,800	2,077,800	
2024	580,000	962,500	1,542,500		2024	855,000	1,219,800	2,074,800	
2025	610,000	933,500	1,543,500		2025	890,000	1,185,600	2,075,600	
2026	640,000	903,000	1,543,000		2026	925,000	1,150,000	2,075,000	
2027	675,000	871,000	1,546,000		2027	965,000	1,113,000	2,078,000	
2028 - 2032	3,910,000	3,814,500	7,724,500		2028 - 2032	5,440,000	4,953,800	10,393,800	
2033 - 2037	4,995,000	2,733,500	7,728,500		2033 - 2037	6,615,000	3,775,800	10,390,800	
2038 - 2042	6,370,000	1,353,750	7,723,750		2038 - 2042	8,165,000	2,219,700	10,384,700	
2043 - 2044	1,470,000	73,500	1,543,500		2043 - 2044	3,860,000	291,750	4,151,750	
	19,810,000	12,630,150	32,440,150			28,540,000	17,162,250	45,702,250	

2019 Revenue Bonds				
Principal	Rate	Maturity	Callable	
Serial Bonds	\$ 20,335,000	4%	1-Jan-38	Optional Redemption Date - January 1, 2029 at par
Term Bonds	11,120,000	5%	1-Jan-44	Optional Redemption Date - February 1, 2022 at par
Total	\$ 31,455,000			

Note: The district shall direct the redemption of all or portion of the 2044 Maturity Bonds upon Sale of Larkspur Landing Property



ROSS VALLEY SANITARY DISTRICT ANNUAL BUDGET FY 2021-22

SCHEDULE 6 – POSITION ALLOCATION

Position	Salary Range [3] Monthly		Full Time Positions	
	Step 1	Step 6	2020-21	2021-22
Administration				
General Manager [1]	\$ 22,540		1	1
Finance & Administrative Services Manager/AGM [2]	\$ 15,920	\$ 20,530	1	1
Finance Supervisor	\$ 12,280	\$ 15,670	1	1
Clerk of the Board II	\$ 9,360	\$ 11,940	1	1
Senior Accountant	\$ 8,270	\$ 10,560	1	1
Senior Administrative Coordinator	\$ 6,620	\$ 8,450	1	1
Administrative Coordinator II	\$ 6,000	\$ 7,660	1	1
Administration Total			7	7
Operations				
Operations & Maintenance Manager [2]	\$ 13,280	\$ 17,110	1	1
O&M Superintendent	\$ 11,120	\$ 14,200	1	1
Operations Supervisor	\$ 9,590	\$ 12,240	4	4
Crew Lead	\$ 8,380	\$ 10,690	1	1
Senior Collection System Worker	\$ 8,070	\$ 10,300	2	2
Collection System Worker II	\$ 6,790	\$ 8,660	13	13
Operations Total			22	22
Engineering				
Senior Engineer	\$ 12,280	\$ 15,670	1	1
Assistant/Associate Engineer	\$ 10,590	\$ 13,510	1	1
Business Systems Analyst II	\$ 9,130	\$ 11,650	1	1
Compliance Officer	\$ 9,590	\$ 12,240	1	1
Inspector	\$ 8,690	\$ 11,090	2	2
Engineering Total			6	6
Total Employee Count (All positions are full time)			35	35

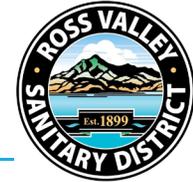
[1] The General Manager's salary is an annual amount that is set by contract.

[2] Executive Management Salary is a range from low to high.

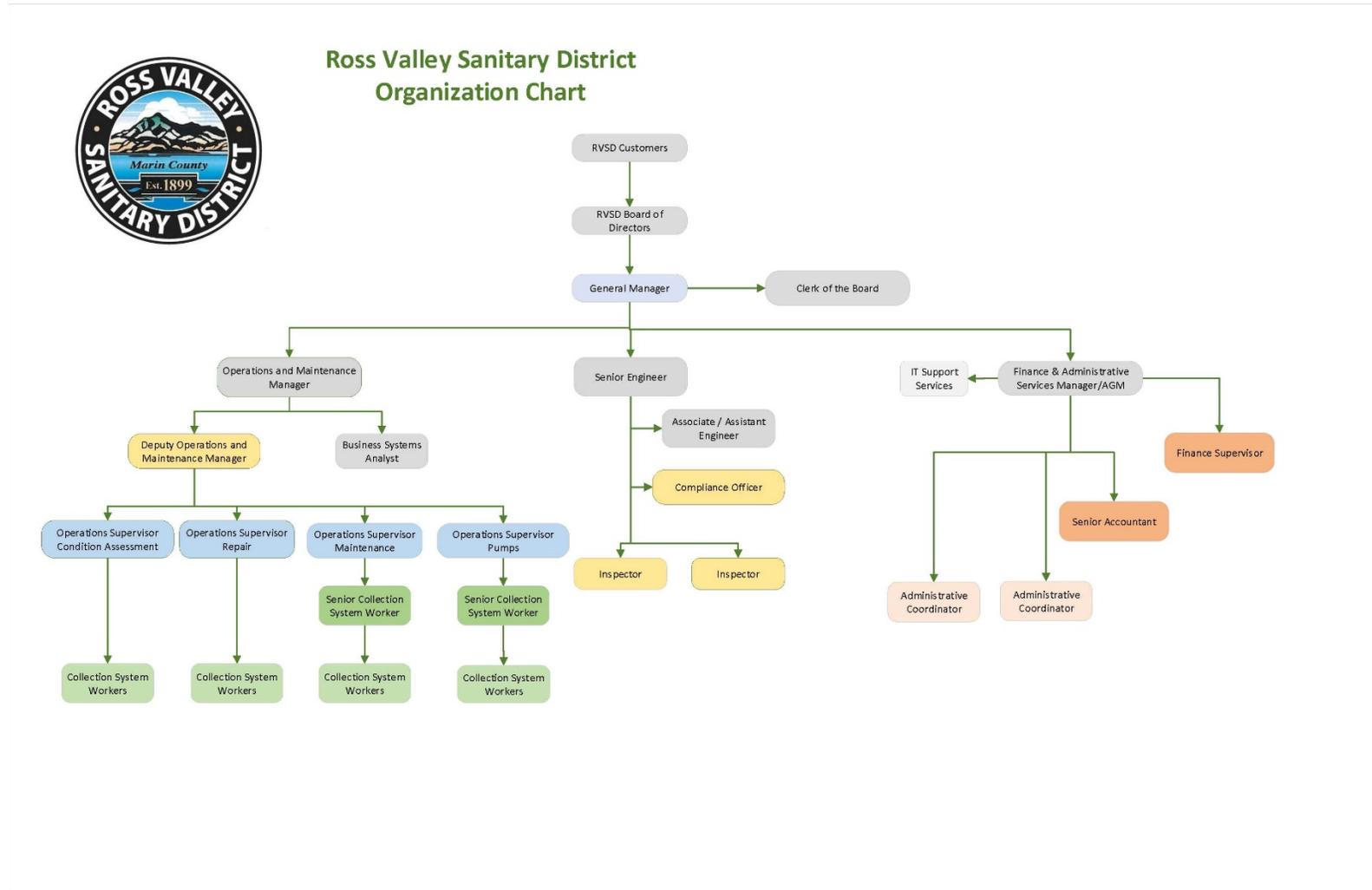
[3] April CPI percent is at 3.80%

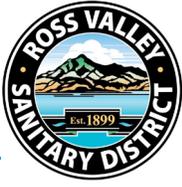
ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 20-21



SCHEDULE 7 – ORGANIZATION CHART





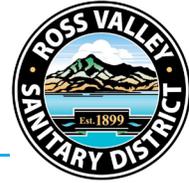
ROSS VALLEY SANITARY DISTRICT ANNUAL BUDGET FY 2021-22

SCHEDULE 8 – FIVE YEAR FINANCIAL FORECAST SUMMARY

	FY 2022 Budget	FY 2023 Forecast	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast	FY 2027 Forecast
Revenues and Other Sources						
1 Sewer Service Charges	24,349,000	27,470,000	29,060,000	30,240,000	31,450,000	32,690,000
2 Property Tax - Ad Valorem	7,800,000	8,200,000	8,410,000	8,620,000	8,840,000	9,060,000
3 Proceeds from SRF Loan	1,300,000	-	-	-	-	-
4 Other Revenue	900,000	915,000	935,000	955,000	975,000	995,000
5 Expected Revenues and Other Sources	34,349,000	36,585,000	38,405,000	39,815,000	41,265,000	42,745,000
Expenditures and Other Uses						
6 CMSA Charges	8,400,000	8,700,000	8,940,000	9,190,000	9,450,000	9,720,000
7 Operations	8,597,000	9,020,000	9,460,000	9,930,000	10,420,000	10,930,000
8 Administration	2,670,000	2,790,000	2,920,000	3,050,000	3,190,000	3,330,000
9 Outside Services	945,000	970,000	990,000	1,020,000	1,050,000	1,080,000
10 Total Operations & Maintenance	20,612,000	21,480,000	22,310,000	23,190,000	24,110,000	25,060,000
11 Debt Service	6,638,000	6,650,000	6,640,000	6,640,000	6,640,000	6,650,000
12 Studies, Special Projects & Equipment	1,351,000	720,000	720,000	720,000	720,000	720,000
13 Capital Projects	14,176,000	4,780,000	5,580,000	6,700,000	4,820,000	6,170,000
14 Total Capital Projects and Other Uses	15,527,000	5,500,000	6,300,000	7,420,000	5,540,000	6,890,000
15 Total Expected Expenditures and Other Uses	42,777,000	33,630,000	35,250,000	37,250,000	36,290,000	38,600,000
16 Net Revenue Less Expenditures	(8,428,000)	2,955,000	3,155,000	2,565,000	4,975,000	4,145,000
17 Beginning Fund Balance	30,210,000	21,782,000	24,737,000	27,892,000	30,457,000	35,432,000
18 Ending Fund Balance	21,782,000	24,737,000	27,892,000	30,457,000	35,432,000	39,577,000
Minimum Reserve Requirements						
19 Operating Reserve	10,306,000	10,740,000	11,160,000	11,600,000	12,060,000	12,530,000
20 Emergency Reserve	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
21 Capital Improvement	3,165,000	3,170,000	3,170,000	3,170,000	3,170,000	3,170,000
Total Reserve Requirement	15,471,000	15,910,000	16,330,000	16,770,000	17,230,000	17,700,000
Restricted Funds Allocation						
22 Restricted CERBT/CEPPT Fund	450,000	450,000	450,000	450,000	450,000	450,000
23 Restricted Bond Proceeds for Projects	-	-	-	-	-	-
24 Restricted Bond Proceeds for Canyon Road	43,000	43,000	43,000	43,000	43,000	43,000
25 Total Restricted Funds	493,000	493,000	493,000	493,000	493,000	493,000
26 Cash Balance	5,818,000	8,334,000	11,069,000	13,194,000	17,709,000	21,384,000
27 Debt Service Ratio (Net Operating Revenues/Debt Service)	1.87	2.27	2.42	2.50	2.58	2.66

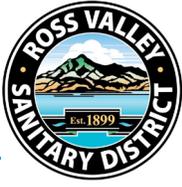
ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22



SCHEDULE 9 – FIVE YEAR FINANCIAL FORECAST DETAIL

	Assmpts	FY 2022 Budget	FY 2023 Forecast	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast	FY 2027 Forecast
Operating Fund							
Operating Revenues							
1	Sewer Service Charges	5.8% - 4.0%	24,349,000	27,470,000	29,060,000	30,240,000	31,450,000
2	Other Income	3.0%	590,000	605,000	625,000	645,000	665,000
3	Total Operating Revenues		24,939,000	28,075,000	29,685,000	30,885,000	32,115,000
Operating Expenditures							
CMSA Expenditures							
4	Treatment Charges - CMSA		5,965,000	6,270,000	6,440,000	6,620,000	6,810,000
5	Debt Service - CMSA		2,435,000	2,430,000	2,500,000	2,570,000	2,640,000
6	Total CMSA Expenditures		8,400,000	8,700,000	8,940,000	9,190,000	9,450,000
			3.1%	3.6%	2.8%	3.0%	3.0%
Maintenance/Repair/Inspection Expenditures							
7	Salaries & Benefits - Operations	5.5%	6,512,000	6,870,000	7,250,000	7,650,000	8,070,000
8	Other Operational Expenditures	3.0%	2,085,000	2,150,000	2,210,000	2,280,000	2,350,000
9	Total General Operating Expenditures		8,597,000	9,020,000	9,460,000	9,930,000	10,420,000
Administrative Expenditures							
10	Salaries & Benefits - Administration	5.5%	1,815,000	1,910,000	2,020,000	2,130,000	2,250,000
11	Office Supplies & Equipment	3.0%	135,000	140,000	140,000	140,000	140,000
12	General Administrative Expenditures	3.0%	342,000	350,000	360,000	370,000	380,000
13	Facilities & Utilities - Administration	3.0%	95,000	100,000	100,000	100,000	100,000
14	Board Fees & Other Expenditures	1.5%	63,000	60,000	60,000	60,000	60,000
15	Insurance (includes Excess Liability)	3.0%	220,000	230,000	240,000	250,000	260,000
16	Total Administrative Expenditures		2,670,000	2,790,000	2,920,000	3,050,000	3,190,000
Outside Services							
17	Community Outreach	3.0%	250,000	260,000	270,000	280,000	290,000
18	Professional Services - Accounting/IT/Other	3.0%	475,000	490,000	500,000	520,000	540,000
19	Professional Services - Legal	0.0%	220,000	220,000	220,000	220,000	220,000
20	Total Outside Services		945,000	970,000	990,000	1,020,000	1,050,000
21	Total Operating Expenditures		20,612,000	21,480,000	22,310,000	23,190,000	24,110,000
22	Net Operating Revenue		4,327,000	6,595,000	7,375,000	7,695,000	8,005,000
Transfer Out to:							
23	Capital Fund		(4,327,000)	(6,595,000)	(7,375,000)	(7,695,000)	(8,005,000)
24	Total Transfers Out		(4,327,000)	(6,595,000)	(7,375,000)	(7,695,000)	(8,005,000)
25	Net Operating Results		-	-	-	-	-



ROSS VALLEY SANITARY DISTRICT

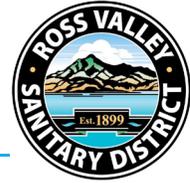
ANNUAL BUDGET FY 2021-22

Schedule 9 - Five Year Forecast Detail (continued)

	FY 2022 Budget	FY 2023 Forecast	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast	FY 2027 Forecast
Capital Fund						
Capital Revenues and Other Sources						
26 Property Tax - Ad Valorem Average 3.05%	7,800,000	8,200,000	8,410,000	8,620,000	8,840,000	9,060,000
27 Capacity Charges	300,000	300,000	300,000	300,000	300,000	300,000
28 Sale of Property - Kerner Building	-	-	-	-	-	-
29 Proceeds from SRF Loans	1,300,000	-	-	-	-	-
30 Other	10,000	10,000	10,000	10,000	10,000	10,000
31 Total Revenue & Other Sources	9,410,000	8,510,000	8,720,000	8,930,000	9,150,000	9,370,000
Transfer In from:						
32 Operating Fund	4,327,000	6,595,000	7,375,000	7,695,000	8,005,000	8,315,000
33 Total Transfers In	4,327,000	6,595,000	7,375,000	7,695,000	8,005,000	8,315,000
34 Total Revenues, Other Sources and Transfers	13,737,000	15,105,000	16,095,000	16,625,000	17,155,000	17,685,000
Expenditures and Other Uses						
Debt Service						
35 Bond Interest Expense on Debt	4,003,000	3,890,000	3,760,000	3,620,000	3,480,000	3,360,000
36 Bond Principal Payments on Debt	2,635,000	2,760,000	2,880,000	3,020,000	3,160,000	3,290,000
37 Total Debt Service	6,638,000	6,650,000	6,640,000	6,640,000	6,640,000	6,650,000
Studies, Special Projects & Equipment						
38 Studies	200,000	120,000	120,000	120,000	120,000	120,000
39 Lateral Grant Program	450,000	400,000	400,000	400,000	400,000	400,000
40 Lateral Loan Program	200,000	200,000	200,000	200,000	200,000	200,000
41 Assessments and Updates	50,000	-	-	-	-	-
42 Fixed Assets and Equipment	451,000	-	-	-	-	-
43 Total Studies, Special Projects & Equipment	1,351,000	720,000	720,000	720,000	720,000	720,000
Capital Projects [Sch 10]						
44 Gravity Sewer Improvements	9,371,000	3,400,000	4,300,000	4,530,000	4,150,000	4,100,000
45 Pump Station Improvements	1,890,000	1,130,000	1,230,000	1,970,000	670,000	870,000
46 Force Main Improvements	15,000	50,000	50,000	200,000	-	1,200,000
47 Other Capital Projects	2,900,000	200,000	-	-	-	-
48 Total Capital Projects	14,176,000	4,780,000	5,580,000	6,700,000	4,820,000	6,170,000
49 Total Expenditures and Other Uses	22,165,000	12,150,000	12,940,000	14,060,000	12,180,000	13,540,000
50 Net Results	(8,428,000)	2,955,000	3,155,000	2,565,000	4,975,000	4,145,000
51 Beginning Fund Balance	30,210,000	21,782,000	24,737,000	27,892,000	30,457,000	35,432,000
52 Ending Fund Balance	21,782,000	24,737,000	27,892,000	30,457,000	35,432,000	39,577,000
Debt Ratio Service Ratio (Net Revenues/Debt Service)						
53 Net Operating Revenues (Exp) and Debt Service Revenues	12,437,000	15,105,000	16,095,000	16,625,000	17,155,000	17,685,000
54 Annual Debt Service	(6,638,000)	(6,650,000)	(6,640,000)	(6,640,000)	(6,640,000)	(6,650,000)
55 Net Revenues in excess of Annual Debt Service	5,799,000	8,455,000	9,455,000	9,985,000	10,515,000	11,035,000
56 Net Revenues as ratio of annual Debt Service	1.87	2.27	2.42	2.50	2.58	2.66
57 Debt Ratio per District Financial Policy	1.50	1.50	1.50	1.50	1.50	1.50

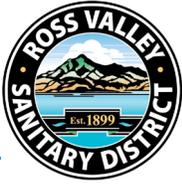
ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22



SCHEDULE 10 – CAPITAL PROJECTS, STUDIES, SPECIAL PROJECTS AND EQUIPMENT

Project #	Project Description	FY 2021		FY 2022
		Budget	Projected	Budget
Capital Projects				
917	District Capitalized Repairs	250,000	213,800	350,000
918	As-Needed, On Call Sanitary Sewer System Construction Services	250,000	121,340	350,000
931	FY 2015/16 Gravity Sewer Improvements	-	2,060	-
932	FY 2016/17 Gravity Sewer Rehabilitation	50,000	-	-
942	Large Diameter Gravity Sewer Project II-3A	-	11,380	-
944	Ross Creek Sewer Removal (Addendum to LDGS II-3B Lower Shady/Poplar Avenue)	50,000	115,830	100,000
945	FY 2016/17 Gravity Sewer Improvements Butterfield/Meadowcroft-Arroyo	30,000	5,100	-
946	Winship Bridge Sewer Relocation	200,000	36,640	20,000
947	Butterfield/Arroyo-Kenrick Gravity Sewer Improvements	170,000	103,440	2,506,000
949	Laurel Grove Gravity Sewer Improvements	2,310,000	2,975,300	30,000
951	FY 2020/21 Gravity Sewer Improvements	300,000	352,110	5,765,000
952	Nokomis Bridge Sewer Relocation	50,000	10,200	-
953	FY 2022/23 Gravity Sewer Improvements	-	-	250,000
981	Inflow and Infiltration Reduction Program	200,000	34,000	-
Gravity Sewer Total		3,860,000	3,981,200	9,371,000
902	PS 15 Kentfield Pump Station Improvements	-	13,030	-
904	PS 12 Bon Air and PS 13 Greenbrae Pump Station Rehabilitation	-	11,850	-
905	Pump Station Equipment Upgrades FY 2018/19	130,000	32,460	130,000
906	PS 14, 24, 25 Larkspur Pump Station Improvements	1,000,000	268,880	1,660,000
907	LS 20 Larkspur Landing A Improvements	-	-	100,000
Pump Station Total		1,130,000	326,220	1,890,000
960	FY 2019/20 Force Main Appurtenance Projects	1,300,000	1,336,970	15,000
Force Main Total		1,300,000	1,336,970	15,000
900	Larkspur Landing Excavation and Remediation Project	4,150,000	4,418,590	-
901	Andersen Building Improvements	2,900,000	605,550	2,900,000
Other Capital Projects Total		7,050,000	5,024,140	2,900,000
Capital Projects Total		13,340,000	10,668,530	14,176,000
Studies, Special Projects & Equipment				
Project #	Project Description	FY 2021		FY 2022
		Adopted	Projected	Budget
978	Lateral Replacement Grant Program	500,000	443,900	450,000
	Lateral Replacement Loan Program	200,000	139,940	200,000
935	Capital Equipment Purchase	640,000	751,020	329,000
950	Fixed Asset Hardware/Software	245,000	17,470	122,000
982	Infrastructure Asset Management Program Support/Plan Update	650,000	726,550	50,000
979	Studies/Reviews/Software/Miscellaneous	135,000	32,400	200,000
Studies, Special Projects and Equipment Total		2,370,000	2,111,280	1,351,000
Total		15,710,000	12,779,810	15,527,000



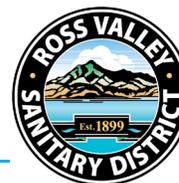
ROSS VALLEY SANITARY DISTRICT ANNUAL BUDGET FY 2021-22

SCHEDULE 11 – CAPITAL IMPROVEMENT PROJECT SHEETS

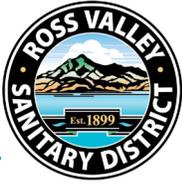
Butterfield/Arroyo-Kenrick Gravity Sewer Improvements									
Project Number:	947			<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p style="margin: 0;">Location Map:</p> </div> <div style="width: 50%;"></div> </div>					
Total Project Costs:	\$2,712,000								
Facility Type:	Gravity Sewer								
Status:	Construction								
Project Description:	0.3 mi of diversion and replacement gravity sewer in San Anselmo including open-cut methods in Butterfield Rd between Arroyo and Kenrick; plus 0.3 mi of rehabilitation and upsizing of gravity sewer in Sleepy Hollow on Fawn Drive at Butterfield Rd., half of the length by open cut to remove sags, and half of the length by trenchless pipebursting.								
Project Scope:	1,600 LF of open cut and 1,050 LF of abandonment on Butterfield between Arroyo Ave. and Kenrick. 780 LF of open cut and 770 LF of pipeburst on lower Fawn Drive at Butterfield.								
Useful Life of Completed Project	100 years								
Risk Assessment/ Justification:	Structural rehabilitation and O&M improvements by realignment out of private property and elimination of sags. Capacity increase.								
Operating Impact:	Pipe will be more accessible in new location and maintenance frequency will decrease. Capacity improvements for trunk system. Traffic control requirements will increase.								
Cross-Reference Project(s):	FY 2016/17 Gravity Sewer Butterfield/Meadowcroft-Arroyo								
Planning Document(s):	2013 IAMP								
Source of Funds (in \$000)	Prior Years	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	Future Years	Total
Capital Fund	210	1,191							1,401
Revenue Bonds									
SRF Loans		1,311							1,311
Other									
Total	210	2,502							2,712

ROSS VALLEY SANITARY DISTRICT

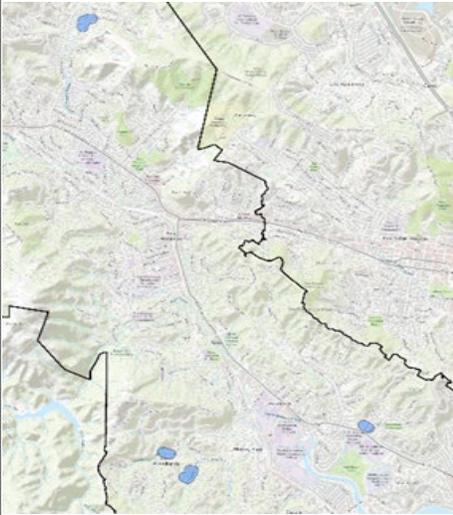
ANNUAL BUDGET FY 2021-22



FY 2020/21 Gravity Sewer Improvements									
Project Number:		951			Location Map: 				
Total Project Costs:		\$6,115,000							
Facility Type:		Gravity Sewer							
Status:		Construction							
Project Description:		Approx. 2 miles of gravity sewer rehabilitation and additional restoration in Greenbrae (El Portal easement), Larkspur (South Eliseo and Country Mart), San Anselmo (Sequoia Park), Kent Woodlands (Rancheria and Tamalpais Creek), and Ross (Skyland).							
Project Scope:		Upsize of 4" sewer in El Portal Easement and install manhole at blind tee, Removal of sags and replacement of asbestos cement pipe in South Eliseo and Corte Real sewers, pipe repair near Bed Bath and Beyond in Country Mart, Upsizing and restoration of 4" and 5" sewers in Sequoia Park including replacement of easement sewers with sewers in roadways, Rehabilitation of clay sewers in Rancheria area to reduce I&I and reduce line maintenance hours in difficult access areas. Upsize of 4" sewer on Skyland in Ross.							
Useful Life of Completed Project		100 years							
Risk Assessment/ Justification:		Structural rehabilitation, I&I reduction, SSO reduction, and O&M improvements							
Operating Impact:		Reduce frequency of line maintenance activities and SSOs on public and private sewers							
Cross-Reference Project(s):									
Planning Document(s):		2013 IAMP							
Source of Funds (in \$000)	Prior Years	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	Futur e Years	Total
Capital Fund	350	5,765							6,115
Revenue Bonds									
SRF Loans									
Other									
Total	350	5,765							6,115

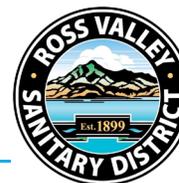


ROSS VALLEY SANITARY DISTRICT ANNUAL BUDGET FY 2021-22

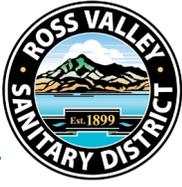
FY 2022/23 Gravity Sewer Improvements									
Project Number:	953				Location Map:				
Total Project Costs:	\$2,500,000								
Facility Type:	Gravity Sewer								
Status:	Construction								
Project Description:	Sewer segments near creek crossings and other higher risk assets prioritized in the 2021 IAMP Update								
Project Scope:	Lining and/or stabilization of gravity sewers that cross or parallel creeks in the service area, rehabilitation of pipe and manhole assets with higher risk of failure identified in 2021 Infrastructure Asset Management Plan (IAMP), specific scope to be determined.								
Useful Life of Completed Project	100 years								
Risk Assessment/ Justification:	Structural rehabilitation, I&I reduction, SSO reduction, and O&M improvements								
Operating Impact:	Reduce frequency of line maintenance activities and SSOs on public and private sewers, lower the risk of SSOs and I&I associated with Creek Crossings.								
Cross-Reference Project(s):	N/A								
Planning Document(s):	2021 IAMP								
Source of Funds (in \$000)	Prior Years	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	Future Years	Total
Capital Fund		250	2,250						2,500
Revenue Bonds									
SRF Loans									
Other									
Total		250	2,250						2,500

ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22



PS 14, 24, 25 Larkspur Pump Stations Improvements											
Project Number:		906								Location Map: 	
Total Project Costs:		\$1,810,000									
Facility Type:		Pump Station									
Status:		Construction									
Project Description:		Backup electrical system improvements to address reliability issues of generator power at PS14 (Larkspur) and PS24 (S Eliseo) and PS25 (S Eliseo at Bon Air). Roofing, platform and site improvements at PS 14, as well as a new variable frequency drive (VFD) and automatic transfer switch (ATS). Odor control improvements at PS 14 next to Hall Middle School.									
Project Scope:		Backup electrical system improvements to address reliability issues of generator power. Roofing, platform and site improvements at PS 14. New VFD and ATS. New odor control system next to middle school.									
Useful Life of Completed Project		15 to 30 years									
Risk Assessment/ Justification:		Pump station reliability during power outages such as PSPS, replacement of aging generators at PS 14, 24, 25.									
Operating Impact:		Improve reliability at major pump stations									
Cross-Reference Project(s):		N/A									
Planning Document(s):		2013 IAMP									
Source of Funds (in \$000)	Prior Years	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	Future Years	Total		
Capital Fund		810							810		
Revenue Bonds	150	850							1,000		
SRF Loans											
Other											
Total	150	1,660							1,810		

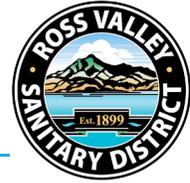


ROSS VALLEY SANITARY DISTRICT ANNUAL BUDGET FY 2021-22

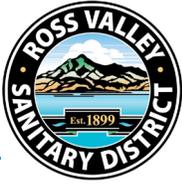
LS 20 Larkspur Landing A Lift Station Improvements									
Project Number:	907			Location Map:					
Total Project Costs:	\$1,000,000								
Facility Type:	Pump Station								
Status:	Planning								
Project Description:	Convert aging pump station to submersible pump station.								
Project Scope:	Convert aging pump station to submersible pump station.								
Useful Life of Completed Project:	15 to 30 years								
Risk Assessment/ Justification:	Lift station reliability								
Operating Impact:	Improve reliability at minor lift station, reducing O&M staff costs and overtime costs and reducing risk of overflows.								
Cross-Reference Project(s):									
Planning Document(s):	2021 IAMP								
Source of Funds	Prior	FY	FY	FY	FY	FY	FY	Future	
(in \$000)	Years	21/22	22/23	23/24	24/25	25/26	26/27	Years	Total
Capital Fund		100	900						1,000
Revenue Bonds									
SRF Loans									
Other									
Total		100	900						1,000

ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22



Ross Creek Sewer Removal (Addendum to LDGS II-3B Lower Shady/Poplar Ave.)																																																																					
Project Number:		944			Location Map: 																																																																
Total Project Costs:		\$276,000																																																																			
Facility Type:		Gravity Sewer																																																																			
Status:		Design																																																																			
Project Description:		Remove abandoned 24" sewer from creek bed of Ross Creek at the Shady Lane bridge.																																																																			
Project Scope:		Based on a geomorphic study, replace grade control function after removing abandoned sewer from creek bed in order to minimize upstream erosion. Use natural rock features to create a sustainable riffle structure in place of the sewer (which was originally installed in 1926 and replacement siphon installed in Oct 2019).																																																																			
Useful Life of Completed Project:		70-100 years																																																																			
Risk Assessment/ Justification:		Restore creek functions, including outmigration of juvenile steelhead																																																																			
Operating Impact:		Improve aesthetics of creek crossing at Shady Lane by removing concrete structure and installing natural rock and stream riffle. No maintenance except annual regulatory reports on streambank revegetation for 5 years.																																																																			
Cross-Reference Project(s):		Large Diameter Gravity Sewer Improvements: II-3B Lower Shady																																																																			
Planning Document(s):		Large Diameter Gravity Sewer Condition Assessment																																																																			
<table border="1"> <thead> <tr> <th>Source of Funds (in \$000)</th> <th>Prior Years</th> <th>FY 21/22</th> <th>FY 22/23</th> <th>FY 23/24</th> <th>FY 24/25</th> <th>FY 25/26</th> <th>FY 26/27</th> <th>Future Years</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Capital Fund</td> <td>125</td> <td>81</td> <td>10</td> <td>10</td> <td>10</td> <td>10</td> <td></td> <td></td> <td>246</td> </tr> <tr> <td>Revenue Bonds</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>SRF Loans</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Other (CDFW grant)</td> <td></td> <td>30</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>30</td> </tr> <tr> <td>Total</td> <td>125</td> <td>111</td> <td>10</td> <td>10</td> <td>10</td> <td>10</td> <td></td> <td></td> <td>276</td> </tr> </tbody> </table>										Source of Funds (in \$000)	Prior Years	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	Future Years	Total	Capital Fund	125	81	10	10	10	10			246	Revenue Bonds										SRF Loans										Other (CDFW grant)		30							30	Total	125	111	10	10	10	10			276
Source of Funds (in \$000)	Prior Years	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	Future Years	Total																																																												
Capital Fund	125	81	10	10	10	10			246																																																												
Revenue Bonds																																																																					
SRF Loans																																																																					
Other (CDFW grant)		30							30																																																												
Total	125	111	10	10	10	10			276																																																												



ROSS VALLEY SANITARY DISTRICT ANNUAL BUDGET FY 2021-22

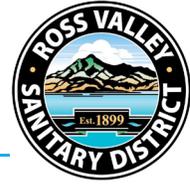
Winship Capacity Improvements and Bridge Sewer Relocation

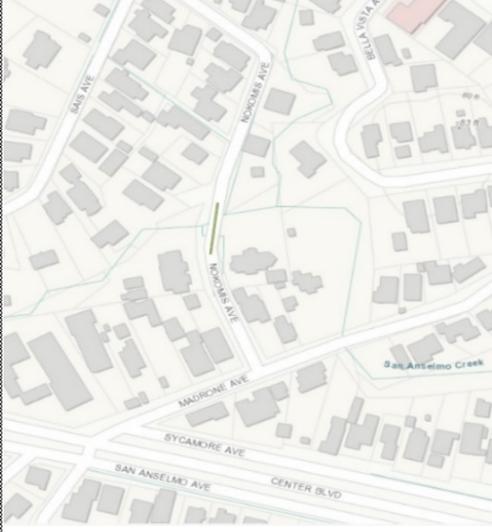
Project Number: 946	Location Map:
Total Project Costs \$1,028,000	
Facility Type: Gravity Sewer	
Status: Design	
Project Description: Replacement of gravity sewer attached to bridge with a double-barrel siphon and redirection of system for hydraulic capacity deficiencies and coordination with Town of Ross flood control improvements at Winship Bridge	
Project Scope:	100 LF double barrel siphon under San Anselmo Creek at Winship Bridge and 120 LF to redirect sewer southbound on Sir Francis Drake Blvd.
Useful Life of Completed Project:	70 Years
Risk Assessment/ Justification:	Hydraulic capacity deficiencies and elimination of an aerial creek crossing.
Operating Impact:	New siphon
Cross-Reference Project(s):	Town of Ross Winship Bridge
Planning Document(s):	IAMP, SHECAP 2006

Source of Funds (in \$000)	Prior Years	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	Futur e Years	Total
Capital Fund	17		200	751					968
Revenue Bonds	60								60
SRF Loans									
Other									
Total	77		200	751					1,028

ROSS VALLEY SANITARY DISTRICT

ANNUAL BUDGET FY 2021-22



Nokomis Bridge Sewer Relocation									
Project Number:		952			Location Map: 				
Total Project Costs:		\$838,000							
Facility Type:		Gravity Sewer							
Status:		Design							
Project Description:		Replacement of gravity sewer attached to bridge with a double-barrel siphon for structural rehabilitation and coordination with Town of San Anselmo flood control improvements at Nokomis Bridge. Estimated project timing: 2024							
Project Scope:		100 LF double barrel siphon under San Anselmo Creek at Nokomis Bridge							
Useful Life of Completed Project:		70 years							
Risk Assessment/ Justification:		Structural rehabilitation and elimination of an aerial creek crossing							
Operating Impact:		New siphon							
Cross-Reference Project(s):		Town of San Anselmo Nokomis Bridge							
Planning Document(s):									
Source of Funds (in \$000)	Prior Years	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	Future Years	Total
Capital Fund	11			50	777				838
Revenue Bonds									
SRF Loans									
Other									
Total	11			50	777				838