

# **Agenda**

## **Sacramento Suburban Water District Finance and Audit Committee**

3701 Marconi Avenue, Suite 100  
Sacramento, CA 95821

Monday, June 28, 2021  
3:30 p.m.

**This meeting will be conducted both in-person in the District’s Boardroom at the address above, and by videoconference and teleconference using the information provided below. The public is invited to listen, observe, and provide comments during the meeting by any method provided. The Chairperson will call for public comment on each agenda item at the appropriate time and all votes will be taken by roll call. For members of the public interested in viewing and having the ability to comment at the public meeting via Zoom, an internet enabled computer equipped with a microphone and speaker or a mobile device with a data plan is required. Use of a webcam is optional. You also may call in to the meeting using teleconference without video. Please use the following login information for videoconferencing or teleconferencing:**

**Join the meeting from a computer, tablet or smartphone:**

<https://us02web.zoom.us/j/88438213783?pwd=d0RmMFN3bm02eGZDVFM1dE4zTEF1QT09>

**Meeting ID:** 884 3821 3783

**Password:** 953853

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**Please mute your line.**

Where appropriate or deemed necessary, the Committee may take action on any item listed on the agenda, including items listed as information items. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the District’s Administrative Office at the address listed above.

The public may address the Committee concerning an agenda item either before or during the Committee’s consideration of that agenda item. Persons who wish to comment on either agenda or non-agenda items should fill out a Comment Card and give it to the General Manager. The President will call for comments at the appropriate time. Comments will be subject to reasonable time limits (3 minutes).

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, then please contact Sacramento Suburban Water District Human Resources at 916.679.3972. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

**Call to Order**

**Roll Call**

**Announcements**

**Public Comment**

This is an opportunity for the public to comment on non-agenda items within the subject matter jurisdiction of the Committee. Comments are limited to 3 minutes.

**Consent Items**

The committee will be asked to approve all Consent Items at one time without discussion. Consent Items are expected to be routine and non-controversial. If any member of the Committee, staff or interested person requests that an item be removed from the Consent Items, it will be considered with the action items.

1. **Minutes of the May 5, 2021 Finance and Audit Committee Meeting**  
*Recommendation: Approve subject minutes.*

**Items for Discussion and/or Action**

2. **Proposed Changes to Monthly Board Financial Reports**  
*Recommendation: Discuss and direct staff as appropriate on proposed changes to financial report.*
3. **Regulation 7 and Facility Development Charge Setting Policy Update**  
*Recommendation: Review and approve staff recommendations as follows; Update Regulation No. 7, New or Additional Service Connections, Resolution for update to Regulation No. 7., Update to Facility Development Charge Setting Policy PL-Fin 010 along with changing the name to Capacity Fee Setting Policy, and consider recommending approval of the items listed above to full Board of Directors.*
4. **COVID-19 Temporary Regulation Suspension Update**  
*Recommendation: Receive presentation from staff and discuss options for maintaining current COVID-19 temporary suspension of regulations or resume activities not restricted by the Executive Order N-42-20.*

**Adjournment**

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**Upcoming Meetings:**

- Wednesday, July 7, 2021, at 3:00 p.m., Carmichael Water District/Sacramento Suburban Water District 2x2 Ad Hoc Committee Meeting
- Monday, July 19, 2021, at 6:00 p.m., Regular Board Meeting
- Wednesday, August 11, 2021 at 4:00 p.m., Regulatory Compliance Committee Meeting

\* \* \* \* \*

I certify that the foregoing agenda for the June 28, 2021 meeting of the Sacramento Suburban Water District Finance and Audit Committee was posted by June 25, 2021 in a publicly-accessible location at the Sacramento Suburban Water District office, 3701 Marconi Avenue, Suite 100, Sacramento, California, and was made available to the public during normal business hours.

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Dan York  
General Manager/Secretary  
Sacramento Suburban Water District



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## **Agenda Item: 1**

**Date:** June 28, 2021

**Subject:** Minutes of the May 5, 2021, Finance and Audit Committee Meeting

**Staff Contact:** Dan York, General Manager

**Recommended Board Action:**

Approve the draft minutes of the May 5, 2021, Finance and Audit Committee Meeting.

**Attachment:**

1 – Draft Minutes

# Minutes

## Sacramento Suburban Water District Finance and Audit Committee Wednesday, May 5, 2021

### Location:

Video and Audio Conference Only at 1-669-900-6833, or Zoom at Meeting Id #820 2232 6370

### Call to Order – Videoconference/Audioconference Meeting

Chair Thomas called the meeting to order at 4:00 p.m.

### Roll Call

Directors Present: Kevin Thomas and Dave Jones.

Directors Absent: None.

Staff Present: General Manager Dan York, Director of Finance and Administration Jeff Ott, Lynn Pham, Susan Schinnerer, and Heather Hernandez-Fort.

Public Present: William Eubanks, and David Alvey.

### Announcements

None.

### Public Comment

None.

### Consent Items

#### 1. Minutes of the January 20, 2021, Finance and Audit Committee Meeting

The Committee unanimously approved the minutes of the January 20, 2021, Finance and Audit Committee meeting.

AYES:	Jones and Thomas.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:			

### Items for Discussion and/or Action

#### 2. 2020 Comprehensive Annual Financial Report and Annual Audit Results

Jeff Ott (Mr. Ott) presented the staff report, and introduced David Alvey (Mr. Alvey) with Maze & Associates, an independent auditor, who presented the PowerPoint presentation.

Mr. Alvey answered clarifying questions.

William Eubanks expressed that financial handlings have been one of the strengths of the District, which he noted, was a huge credit to the staff. He stated that he has never had any concerns about fraud at the District.

The Committee requested to present the Item to the full Board with a recommendation to accept the results of the audit and the 2020 financial report.

**Adjournment**

Chair Thomas adjourned the meeting at 4:24 p.m.

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Dan York  
General Manager/Secretary  
Sacramento Suburban Water District

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## Agenda Item: 2

**Date:** June 28, 2021

**Subject:** Proposed Changes to Monthly Financial Reports

**Staff Contact:** Jeffery S. Ott, Director of Finance and Administration

### **Recommended Committee Action:**

Receive presentation from staff on proposed new financial reports to be included in monthly Board packet. Discuss and direct staff as appropriate on proposed changes to financial report including proposed resolution and new policy for payment of demands. Consider recommending to full Board proposed changes to financial reports with any edits proposed by the Committee and adoption of the resolution and new policy for the payment of demands.

### **Summary:**

Staff are requesting a change to the monthly financial report(s) submitted to the Board. Where staff currently presents one financial report with up to 8 topical areas, staff is now proposing to submit two reports – Treasurer’s Report and Financial Report. The Treasurer’s Report will contain all of the items required by Government or Water Code (Code) to be submitted, approved, reviewed or ratified by the Board of Directors and other financial information deemed pertinent for Board action. This report will contain current financial information and be submitted monthly as a Consent Item. The Financial Report will contain other financial information that is not required by Code, but may be required by covenant or District policy and does not require specific Board action. This information will be for the previous month and will be submitted monthly as an Information Item. The final item for consideration is the District’s Investment Policy which staff is recommending Board review and approval on an annual basis (instead of biennially as is the current practice).

### **Background:**

The current structure of the monthly Board Financial Report has evolved over many years and was brought about in an effort for the District to be as transparent as possible regarding its financial affairs. The purpose of the report is to inform the Board, the public and other interested stakeholders about the financial condition of the District and to meet certain legal requirements. Preparing the report is time consuming and requires significant coordination with District departments (production for water purchases) as well as outside parties (banks and investment agents) for monthly activity statements that must be reconciled with the District’s financial records. Finance staff have always taken the responsibility to prepare a complete report and have it ready for the monthly Board meeting that occurs on the third Monday of each month. The Board agenda packet has traditionally been publically posted the Thursday prior to the Board Meeting.

This allowed Finance staff more time to complete the full general ledger reconciliation and monthly close process to be able to prepare complete financial statements for the just completed (current) month, along with the investment activities and balances. Finance staff have been able to present current financial information at each monthly Board meeting. However, with the new process of publishing the Board agenda packet one week prior to the Board meeting, Finance staff will be unable to complete the reconciliation and close process in time to meet the new deadlines for staff report submissions. In addition, staff have reviewed various Code sections that relate to the approving and reporting of financial transactions and activities. Certain transactions and activities need to be approved, ratified or reviewed by the Board within certain timeframes established in Code or District policy.

**Discussion:**

As a result of these new deadlines, Finance staff have investigated what is required for Board reporting. District policy, Code sections and external stakeholders place certain requirements on the District for financial information and the approving, ratifying and reviewing of various transactions.

District Budget Policy PL-Fin 012, Section 200.20 states “Board oversight will be accomplished through regular reporting of budget-to-actual expenditures during the year and review of this Policy”.

Water Code Section 31302 and Government Code Section 53910 regulate the approval and payment of demands (warrants) against the District. Staff is recommending a new Payment of Demands Policy PL – Fin 014, be approved by the Board after approval, by resolution, of practices with respect to form, issuance, delivery, endorsement and payment of warrants it deems convenient, efficient and in the public interest. Staff have prepared a resolution (see Attachment 1) and related policy (see Attachment 2) to govern the practices of the District regarding the payment of demands (warrants).

District Investment Policy PL-Fin 003, Section 800.00 states “On a regular basis, the Finance Director /District Treasurer will provide a report to the public and Board of Directors showing the holdings and investment transactions, issuers, maturity dates, par and dollar amounts invested, cash balances, amounts held by the Local Agency Investment Fund and any other amounts under the management of contracted parties. On a monthly basis, in accordance with GC 53607, the Finance Director/District Treasurer shall make a monthly report of transactions to the legislative body”.

District Directors Compensation & Reimbursement Policy PL-BOD 003, Section 300.50 states “This information will be included with the agenda materials for each regular monthly Board of Directors meeting”.

Government Code section 53065.5 states that each Special District shall at least annually disclose any reimbursements paid by the district within the immediately preceding fiscal year of at least one hundred dollars (\$100.00) for each individual charge for services or product received.... to any employee or member of the governing body of the district.



District Purchasing Card Policy PL – Fin 006, states that a detailed listing of all transactions made using the District’s purchasing cards shall be provided to the Board as part of the monthly Finance Report.

The District’s Letter of Credit agreement with Sumitomo Mitsui Banking Corp (SMBC) requires the District to comply with the following covenant:

“As soon as available, and in any event not later than the date on which such statements are made available to the Applicant’s board of directors, the Applicant shall provide to the Bank, the unaudited monthly financial statements of the Applicant in the form provided to the Applicant’s board of directors including a statement of (i) all Revenues and expenses of the Applicant during such calendar month with a comparison to budget, (ii) the amount of such Revenues received by the applicant during such calendar month that is available to make debt service payments on all Contracts and Bonds and the Obligations and (iii) a schedule providing a listing of all debt service payments on all Contract and Bonds coming due in the following six (6) months. A written notice send by email from the Applicant to the Bank stating that the Applicants monthly financial statements are available on its website shall constitute delivery of such monthly financial statements to the Bank for purposes of this section.”

Taking into consideration these policies, Code sections and covenants, Finance staff have developed an outline for the new financial report(s). The current financial report contains the following items:

- Financial Highlights – Not Required
- Financial Statements – Not Required
- Investments Outstanding and Activity – Activity Monthly, Portfolio on a quarterly basis
- Cash Expenditures (Warrants) – Current payments made prior to Board Meeting
- Credit Card Expenditures – Not required by law but by policy
- Directors Compensation and Expense Accounting – Quarterly (Policy states monthly) at least annually.
- District Reserve Balances – Not Required
- Information Required by LOC Agreement – Required monthly by SMBC
- Financial Markets Report – Not Required

Staff is recommending the creation of two reports: 1) Treasurer’s Report and 2) Financial Report.

**Treasurer’s Report** – This report will include the items that need to be reported currently such as the warrant listing, credit card activity, monthly investment activity report, quarterly portfolio report, annual Directors reimbursements and compensation and annual employee reimbursements. Staff is proposing the following format:

- Demands for Payment – Current, Monthly (PL-Fin014) (WC31302, GC53910)
- Credit Card Expenditures – Current (PL-Fin006)
- Investment Activity – Current, Monthly (PL-Fin003) (GC 53646)
- Investment Portfolio – Current, Quarterly (PL-Fin003) (GC 53646)
- Directors Compensation and Expense Accounting – Annually GC 53065.5 (PL-BOD003)
- Employee Reimbursements – Annually GC 53065.5

An example treasurer's report is included with this staff report as Attachment 3.

**Financial Report** – This report will include the items that are not required to be reported by Code or reported currently, but from the previous month such as monthly financial data (statement of net position, statement of revenues ,expenses and changes in net position, budget to actual report, and net revenues as required by SMBC). Staff is proposing the following format:

- Financial Statements – Previous Month, Monthly
- Budget to Actual Reconciliation – Previous Month, Monthly (PL-Fin 012)
- Information Required by LOC Agreement – Previous Month, Monthly

An example report is included with this staff report as Attachment 4.

Staff is also recommending one additional change to current procedures: the annual review of the Investment Policy PL-Fin 003. Government Code section 53607 authorizes the Board of Directors to delegate their investment authority to the District Treasurer for a period of one year. Subject to review, the Board of Directors may renew this delegation each year. District Investment Policy PL-Fin 003 establishes the Board's desire to delegate this authority. In addition, Code section 53646 allows the District Treasurer to render annually to the Board of Directors a statement of investment policy, which the Board shall review at a public meeting. The annual review of this policy would suffice as the annual review required by GC 53607 and 53646. This policy should be reviewed after the California legislative session has recessed for the year to allow inclusion of any new laws affecting District investment activities.

Staff sought comment from legal counsel on the items required to be reported to the Board. This new report structure was developed based on the comments obtained from legal counsel. Legal counsel has reviewed the Resolution and proposed Payment of Demands Policy. Pending the Committee's review and comments, staff may submit the proposed new reporting structure back to legal counsel for final review and comment.

**Fiscal Impact:**

There is no fiscal impact from this item.

**Strategic Plan Alignment:**

Goal B: Optimize Operational and Organizational Efficiencies

Goal C: Ensure Fiscal Responsibility and Affordable Rates

**Attachments:**

1. Proposed Resolution for Adopting Procedures for Payment of Demands
2. Proposed new Payment of Demands Policy PL – Fin 014
3. Example New Treasurer's Report
4. Example New Financial Report

**RESOLUTION NO. 21-XX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SACRAMENTO SUBURBAN WATER DISTRICT  
ADOPTING PROCEDURES FOR PAYMENT OF DEMANDS**

WHEREAS, Section 31302 of the California Water Code requires that the Board of Directors authorize the payment of all disbursements, claims, and warrants (“demands”);

WHEREAS, Section 53910 of the Government Code authorizes the Board to adopt procedures concerning the payment of demands it deems convenient, efficient and in the public interest;

WHEREAS, the Board of Directors approves an annual budget for the authorization of District disbursements, and District staff regularly reports to the Board on budget status and expenditures made for the operation of the District;

WHEREAS, some of the District’s demands are due before the monthly Board meeting, and a delay in the payment of these demands would result in imposition of a late charge, penalty, and/or interest charges;

WHEREAS, the Board desires to adopt policies and procedures regarding the payment of demands to avoid late fees, penalties, and interest charges that may be imposed for delays in payments; and

WHEREAS, the Board desires for the General Manager to create a policy for the Payment of Demands under the direction of the Director of Finance and Administration/ District Treasurer which conforms to this resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sacramento Suburban Water District as follows:

1. Payroll warrants and disbursements, and warrants and disbursements drawn for payment of demands that have been certified by the Director of Finance and Administration/District Treasurer or the General Manager as conforming to a budget approved by the Board of Directors, need not be approved by the Board of Directors prior to payment.
2. Following audit of the demands, the Director of Finance and Administration/District Treasurer shall prepare a register of demands showing claimant’s name, amount of demand, description of the demand and any other information requested by the Board of Directors, and shall transmit the register to the Board of Directors for ratification at the earliest regular Board meeting following the month of payment. Due to privacy concerns, payroll demands will be publicly reported for the aggregated payroll and not on a per-employee basis.
3. No check, order, warrant or payment of any kind upon the district treasury shall be drawn unless there are sufficient monies in the fund upon which it is drawn. All checks, orders, warrants

and payments of any kind upon the district treasury of any money shall bear the signature or approval of the persons authorized by the Board of Directors.

4. The General Manager is directed to create a policy for the payment of demands which conforms to this resolution and which shall be presented to the Board for approval.

5. This Resolution shall take effect as of August 1, 2021.

PASSED AND ADOPTED by the Board of Directors of the Sacramento Suburban Water District on the 19th day of July 2021, by the following vote:

AYES:.

NOES:.

ABSENT:.

By: \_\_\_\_\_  
Robert Wichert  
President, Board of Directors  
Sacramento Suburban Water District

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I hereby certify that the foregoing resolution was duly and regularly adopted and passed by the Board of Directors of Sacramento Suburban Water District at a regular meeting hereof held on the 19th day of July 2021.

(SEAL)

By: \_\_\_\_\_  
Daniel R. York  
General Manager/Secretary  
Sacramento Suburban Water District

Sacramento Suburban Water District

**Payment of Demands Policy**

Adopted: July 19, 2021

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**100.00 Purpose**

The purpose of this policy is to govern the process for the payment of demands made against the District for the purchase of goods and services and for the payment of employee salaries and benefits in compliance with the requirements of the California Water and Government Codes.

**200.00 Authority and Responsibility**

Section 31302 of the California Water Code requires that the Board of Directors authorize the payment of all disbursements, claims, and warrants (“demands”). In addition, section 53910 of the Government Code authorizes the Board to adopt procedures by resolution concerning the payment of demands it deems convenient, efficient and in the public interest. The Board of Directors has adopted Resolution 21-xx, which establishes procedures for the payment of demands and authorizes the General Manager to create this policy for the payment of demands that is convenient, efficient and in the public interest in conformance with Resolution 21-xx, California law, and Generally Accepted Accounting Principles applicable to public agencies.

The General Manager and the Director of Finance and Administration/District Treasurer are responsible for carrying out the directives of this policy.

**300.00 Scope**

This policy covers all demands against the District regardless of how the demand is satisfied, be it through cash, check, EFT, direct debit or any other method against any depository account, cash fund or any other store of monies held by the District.

**400.00 Policy**

Per District Policy PL – Fin 012, Budget Policy, the District prepares an Annual Budget each year that is approved by the Board of Directors and which directs District staff in the authorized spending of District funds for the budgeted year. As required by the Budget Policy, District staff regularly reports to the Board of Directors on the status of the Annual Budget and provides monthly information on expenditures in the Financial Report delivered for each board meeting.

The District has implemented a framework of internal controls that governs the procurement of materials, supplies and services. These internal controls establish procedures for the recording, authorization, storing and payment of demands presented to the District for purchased materials, supplies and services, and for the processing and disbursement of payroll.

To allow for the efficient processing of demands, the following directives are hereby established for the payment of demands.

**400.10 General**

No check, order, warrant or payment of any kind upon the district treasury shall be drawn unless there are sufficient monies in the fund upon which it is drawn. All checks, orders, warrants and payments of any kind upon the district treasury of any money shall bear the signature or approval of the persons authorized by the Board of Directors.

**400.20 Approval of Demands (Warrants)**

Payroll warrants and disbursements, and warrants and disbursements drawn for payment of demands that have been certified by the Director of Finance and Administration/District Treasurer or the General Manager as conforming to a budget approved by the Board of Directors, need not be approved by the Board of Directors prior to payment.

Following audit of the demands, the Director of Finance and Administration/District Treasurer shall prepare a register of demands showing claimant's name, amount of demand, description of the demand and any other information requested by the Board of Directors, and shall transmit the register to the Board of Directors for ratification at the earliest regular Board meeting following the month of payment. Due to privacy concerns, payroll demands will be publicly reported for the aggregated payroll and not on a per-employee basis. Notwithstanding this policy, confidential staff members shall prepare and maintain a payroll showing all expenditures for employee salaries and benefits on a per-employee basis, which shall be subject to appropriate review and audit.

**300.00 Policy Review**

This Policy shall be reviewed by the Board of Directors at least biennially.



## Agenda Item: X

**Date:** April 19, 2021

**Subject:** Treasurer's Report

**Staff Contact:** Jeffery S. Ott, Director of Finance and Administration

### Recommended Board Actions:

Staff request the Board of Directors to take the following actions on the items included in the Treasurer's report.

1. Ratify the SSWD Warrant Register as submitted for the period March 1, 2021 through March 31, 2021.
2. Accept the credit card expenditures listing for the period March 1, 2021 through March 31, 2021.
3. Ratify the Investment Activity register for the period March 1, 2021 through March 31, 2021.
4. Accept the Investment Portfolio Register as of the end of 1<sup>st</sup> Quarter of 2021.
5. Accept the Debt Portfolio Register as of the end of 1<sup>st</sup> Quarter of 2021.
6. Ratify the Annual Directors Compensation and Expense Register for 2020
7. Accept the Annual Employee Reimbursement Register for 2020

### Background:

The Treasurer's report contains several items required by various Government and Water Code sections that need to be presented to the Board of Directors periodically for various actions including ratification, acceptance or approval.

Per District Policy PL – Fin 014, Payment of Demands, the Board of Directors will ratify all demands for payment at the first regular Board Meeting following the month of payment. The Board has also requested to receive and file a register of credit card transactions. District policy PL – Fin 003, Investment Policy, and Government Code Section's 53607 and 53646 require the District Treasurer to report to the Board of Directors monthly on the investment transactions conducted and quarterly on the status of the investment portfolio. Government Code Section 53065.5 requires the annual reporting of reimbursements to any employee or member of the governing body. This Treasurer's report satisfies the requirements of the above listed policies and government code sections for the reporting to and ratification of the Board of Directors the various financial transactions of the District.

## **Discussion:**

Seven (7) registers are attached for Board review and acceptance or ratification:

- Cash Expenditures (AP Warrants) Register – March 2021
- Credit Card Expenditures Register – March 2021
- Investment Activity Register – March 2021
- Investment Portfolio Register – 1st Quarter 2021
- Debt Portfolio Register – 1st Quarter 2021
- Directors Compensation and Expense Register – Year 2020
- Employee Reimbursements Register – Year 2020

### **Cash Expenditures (AP Warrants) Register– March 2021**

During the month of March 2021, the District made cash payments totaling \$4.4 million. The primary expenditures were: \$0.1 million for debt service, \$2.6 million for 2020 capital improvement projects, \$1.0 million for payroll, pension and health benefits, \$0.3 million for water costs including pumping and chemical costs, and \$0.4 million for all other O&M expenses. Per District Policy PL – Fin 014, the District Treasurer confirms that the cash expenditures contained in this register conform to the approved 2021 Annual Budget. The Cash Expenditures (AP Warrants) Register is included as Attachment 1.

### **Credit Card Expenditures Register – March 2021**

Per the District's Purchasing Card Policy (PL – FIN 006), a monthly report detailing each purchasing card transaction by cardholder is provided.

During the month, the District spent \$9,891 for various purchases on the six District purchasing cards. Details by vendor and purpose are included in this report as Attachment 2.

### **Investment Activity Register – March 2021**

During the month of March 2021, the District purchased one Corporate Note for \$0.1 million (par) and one Certificate of Deposit for \$0.3 million (par). The district received principal pay downs on four Federal Agency Collateralized Mortgage Obligations for \$1,889, (par) and four Asset-Backed Security Obligations for \$68,586 (par). The district sold one Certificate of Deposit for \$0.3 million (par). Four Corporate Notes were matured for \$0.9 million (par). See "Investment Activity" section in the attached report for further details.

All investments are invested and accounted for in accordance with the District Investment Policy (PL - FIN 003) and Government Code. As required by California Government Code 53646, the District affirms its ability to meet its pool's expenditure requirements for the next six months.



### **Investment Portfolio Register – 1<sup>st</sup> Quarter 2021**

Excess and reserve funds are invested in diverse investments that consist of corporate notes, Federal Agency bonds and discount notes, U.S. Treasury bonds, notes and bills, Supra-National Agency notes, commercial paper, municipal bonds, negotiable certificates of deposit, asset-backed securities, collateralized mortgage obligations, and Local Agency Investment Fund (LAIF). The District's investments are under the day-to-day management of PFM Asset Management, LLC (PFM). PFM manages the portfolio in compliance with the District's Investment Policy and provides monthly and quarterly reporting, analytics, and proposes strategies for the District. The market portfolio is currently earning a rate of 1.53% per annum, while LAIF is earning 0.36%. District staff monitors investment assets quarterly and reviews/approves the effective duration of the District's portfolio against its benchmark index on a quarterly basis as well.

### **Summary of District's Investment Portfolio March 31 2021):**

<b>Fair Market Value</b>	<b>Security Type</b>	<b>Yield</b>
\$ 2,224,334.59	Money Market	0.03%
7,375,774.33	LAIF	0.36%
2,237,045.58	Asset-Backed Securities	1.76%
3,355,749.84	Certificates of Deposit	2.02%
5,803,865.76	Corporate Notes	2.21%
8,152,951.22	Federal Agency Securities Bonds/Notes	0.55%
670,142.94	Federal Agency Collateralized Mortgage Obligation	2.36%
1,687,547.70	Municipal Obligations	1.01%
1,579,624.80	Supra-National Agency Bond	1.86%
16,174,442.25	Treasury Bonds/Notes	1.64%
<b>\$ 49,261,479.01</b>		<b>1.29%</b>

The portfolio details are included with this report as Attachment 4.

All investments are invested and accounted for in accordance with the District Investment Policy (PL - FIN 003) and Government Code.

### **Debt Portfolio Register – 1<sup>st</sup> Quarter 2021**

The following table shows the District's long-term debt obligations. Scheduled 2021 principal payments of 5.0 million are not due until the end of October. Total principal outstanding as of March 31, 2021, is now \$65.3 million.

### **Summary of District's Debt Portfolio:**

<b><u>Debt</u></b>	<b><u>Original Par</u></b>	<b><u>Outstanding</u></b>	<b><u>Issuance</u></b>	<b><u>Credit Enhancement</u></b>	<b><u>Final Maturity</u></b>
2009A	\$ 42,000,000	\$ 42,000,000	Adjustable Rate Revenue COP's	Sumitomo Bank*	11/1/2034
2012A	\$ 29,200,000	\$ 10,990,000	Fixed Rate Revenue Bond		11/1/2027
2018A	\$ 19,615,000	\$ 12,275,000	Fixed Rate Revenue Bond		11/1/2028
	<u>\$ 90,105,000</u>	<u>\$ 65,265,000</u>			

\* Credit enhancement expires 6/30/2023

### **Current Status of District's Variable-Rate Debt Portfolio:**

<b><u>Debt</u></b>	<b><u>Outstanding</u></b>	<b><u>Credit Enhancement</u></b>	<b><u>Bank Owned</u></b>	<b><u>Sold in Market</u></b>	<b><u>Market Rate</u></b>
2009A	\$42,000,000	Sumitomo Bank LOC	None	\$42,000,000	0.68%
	<b><u>Notional Amount</u></b>	<b><u>Counterparty</u></b>	<b><u>FMV</u></b>	<b><u>Receive Rate</u></b>	<b><u>Fixed Rate</u></b>
Swap	\$33,300,000	Wells Fargo Bank, N.A.	(\$6,544,412)	0.244%	3.283%

### **Directors Compensation and Expense Register – Year 2020**

Director meetings attended during 2020 (that Directors have reported to staff) and expense reimbursements are attached in accordance with the District's Directors' Compensation and Expense Reimbursement Policy (PL – BOD 003) and Government Code Section 53065.5. Directors who have not reported their meeting attendance to District staff are not included in this report and are expected to make an oral report at the Board meeting. Director's Compensation and Expense Register is included with this report as Attachment 5.

### **Employee Reimbursement Register – Year 2020**

Employee expense reimbursements for 2020 are attached to this report (Attachment 6) in accordance with Government Code Section 53065.5.

### **Attachments:**

1. Cash Expenditures (AP Warrants) Register – March 2021
2. Credit Card Expenditures Register – March 2021
3. Investment Activity Register – March 2021
4. Investment Portfolio Register – 1st Quarter 2021
5. Directors Compensation and Expense Register – Year 2020
6. Employee Reimbursements Register – Year 2020

**Cash Expenditures  
March 2021**

## AP Warrant List from 3/1/2021 to 3/31/2021

Group	Vendor Name	Amount	Description
<b>Benefits</b>			
	ACWA JPIA INSURANCE/EAP - Invoices:2	\$323.68	Miscellaneous Employee Benefits
	AFLAC - Invoices:1	\$737.77	Supplemental Insurance
	BASIC PACIFIC - Invoices:3	\$115.50	Miscellaneous Employee Benefits
	CIGNA-DENTAL INS - Invoices:3	\$27,404.40	Employee Benefit - Dental Insurance
	AMERITAS (VISION) - Invoices:1	\$1,956.00	Employee Benefit - Vision Insurance
	PERS HEALTH - Invoices:2	\$114,963.44	Employee Benefit - Heath Insurance
	EMPLOYMENT DEVELOPMENT - Invoices:1	\$3,150.00	Miscellaneous Employee Benefits
	MED 7 URGENT CARE CENTERS - Invoices:1	\$556.00	Miscellaneous Employee Benefits
	OCCU-MED LTD - Invoices:1	\$125.35	Miscellaneous Employee Benefits
	PAYROLL - 2	\$494,379.90	Payroll
	PERS PENSION - Invoices:3	\$43,499.13	Employee Benefit - PERS Retirement--ER
	UNUM - Invoices:1	\$4,839.28	Employee Benefit - LTD Insurance
<b>CIP &amp; OCB</b>			
	AUBURN CONSTRUCTORS - Invoices:2	\$156,750.00	Construction In Progress
	BADGER METER INC - Invoices:5	\$85,238.51	Communication
	BENNETT ENGINEERING SERVICES -	\$22,744.96	Construction In Progress
	CITY OF CITRUS HEIGHTS - Invoices:1	\$822.60	Construction In Progress
	COUNTY OF SAC PUBLIC WORKS -	\$1,082.15	Construction In Progress
	DOMENICHELLI & ASSOCIATES - Invoices:1	\$1,417.58	Construction In Progress
	ERC CONTRACTING - Invoices:1	\$4,875.00	Construction In Progress
	ERROL L MONTGOMERY & ASSOCIATES	\$8,793.00	Construction In Progress
	FLOWLINE CONTRACTORS INC - Invoices:5	\$183,559.09	Construction In Progress
	GM CONSTRUCTION & DEVELOPERS -	\$69,718.81	Construction In Progress
	HYDROSCIENCE ENGINEERS INC -	\$31,274.96	Construction In Progress
	KIRBY PUMP AND MECHANICAL - Invoices:2	\$24,327.45	Construction In Progress
	LEONARD RICE ENGINEERS INC -	\$945.00	Construction In Progress
	LOEWEN PUMP MAINTENANCE - Invoices:2	\$43,389.00	Construction In Progress
	ONE STOP TRUCK SHOP - Invoices:4	\$5,408.15	Construction In Progress
	PACE SUPPLY CORP - Invoices:4	\$2,659.72	Construction In Progress
	PETERSON BRUSTAD INC - Invoices:2	\$7,212.98	Construction In Progress
	RAWLES ENGINEERING - Invoices:5	\$38,896.07	Construction In Progress
	S E AHLSTROM INSPECTION - Invoices:1	\$1,260.00	Construction In Progress
	SENSUS USA INC - Invoices:5	\$404,304.78	Construction In Progress
	TESCO - Invoices:2	\$44,771.57	Construction In Progress
	WEST YOST & ASSOCIATES - Invoices:5	\$54,140.75	Construction In Progress
	WOOD RODGERS ENGINEERING -	\$12,886.25	Construction In Progress
<b>Debt Service</b>			
	SUMITOMO MITSUI BANKING	\$974.93	2009A COP Interest Expense
	WELLS FARGO SWAP - Invoices:2	\$160,362.44	2009A COP Interest Expense
<b>Financial Services</b>			
	BARTKIEWICZ KRONICK & SHANAHAN -	\$9,829.50	Legal Services
	PFM ASSET MANAGEMENT LLC - Invoices:1	\$3,776.64	Financial Services
	ADP, INC - Invoices:1	\$2,305.78	Financial Services
	WESTAMERICA BANK ANALYSIS FEES -	\$6,571.60	Financial Services
	WESTAMERICA CARD PROCESSING STMT -	\$9,816.62	Financial Services
	QUADIENT FINANCE USA - POSTAGE -	\$15.00	Financial Services

## AP Warrant List from 3/1/2021 to 3/31/2021

Group	Vendor Name	Amount	Description
Other			
	A.I. ELECTRIC - Invoices:2	\$4,132.60	Contract Services
	ACWA JPIA INSURANCE AUTHORITY -	\$24,880.06	Workers Compensation
	ADT - Invoices:1	\$616.44	Building Service Expense - Office & Yard
	AIRGAS USA LLC - Invoices:1	\$105.09	Operating Supplies
	ALL PRO BACKFLOW - Invoices:1	\$3,537.00	Backflow Services
	ALLIED UNIVERSAL - Invoices:1	\$694.38	Building Service Expense - Office & Yard
	ALLTECH GATES - Invoices:3	\$845.00	Building Maintenance - Office & Yard
	AMERICAN TRUCK & TRAILER BODY CO	\$128.51	Vehicle Maintenance Supplies
	ANNE OSBORNE - Invoices:1	\$500.00	BMP Rebates
	ANSWERNET - Invoices:1	\$711.00	Communication
	APPLIED BEST PRACTICES - Invoices:1	\$68.00	Consulting Services
	ARMANINO - Invoices:1	\$14,552.27	Licenses, Permits & Fees
	AT&T - Invoices:7	\$8,173.08	Communication
	AT&T CALNET 3 - Invoices:1	\$251.81	Communication
	ATLAS DISPOSAL - Invoices:2	\$266.32	Building Service Expense - Office & Yard
	BARTEL ASSOCIATES LLC - Invoices:1	\$1,450.00	Consulting Services
	BENDER ROSENTHAL INC - Invoices:2	\$473.81	Consulting Services
	BROADRIDGE MAIL LLC - Invoices:18	\$32,137.13	Contract Services
	BROWER MECHANICAL - Invoices:3	\$1,276.00	Building Maintenance - Office & Yard
	BRYCE CONSULTING INC - Invoices:1	\$225.00	Consulting Services
	BUD'S TRI COUNTY TREE SERVICE -	\$3,700.00	Construction Services
	BURTON ROBB /BURT'S LAWN & GARDEN	\$16,150.00	Contract Services
	CALIFORNIA ASSOCIATION OF JPA -	\$100.00	Employment Ads
	CALIFORNIA LABORATORY SERVICES -	\$3,587.00	Inspection & Testing
	CALIFORNIA RURAL WATER ASSOCIATION -	\$1,367.00	Membership & Dues
	CALIFORNIA WATER EFFICIENCY	\$1,000.00	Membership & Dues
	CAPITAL SWEEPER SERVICE - Invoices:2	\$340.00	Building Service Expense - Office & Yard
	CDWG - Invoices:1	\$24.26	Operating Supplies
	CELL ENERGY INC - Invoices:1	\$125.51	Vehicle Maintenance Services
	CENTRAL VALLEY ENG & ASPHALT -	\$41,452.00	Building Maintenance - Office & Yard
	CINTAS - Invoices:6	\$1,102.07	Building Maintenance - Office & Yard
	CITY OF SACRAMENTO DEPT OF UTILITIES	\$55.90	Utilities
	CLEAR VISION WINDOW CLEANING -	\$225.00	Building Service Expense - Office & Yard
	COLLECTION PLUS - Invoices:1	\$1,514.50	Employment Cost
	COMCAST - Invoices:1	\$65.70	Communication
	CONSOLIDATED COMMUNICATIONS -	\$464.44	Communication
	COTTON SHOPPE - Invoices:1	\$19.90	Uniforms
	COUGHRAN MECHANICAL SERVICE -	\$48,753.61	Contract Services
	COUNTY OF SAC UTILITIES - Invoices:6	\$1,147.43	Utilities
	Customer Refunds: 279	\$29,778.85	Refund Clearing Account
	DAWSON OIL CO - Invoices:1	\$51.49	Operating Supplies
	DEKREEK CONSTRUCTION INC - Invoices:1	\$2,186.70	Hydrant Permit Refund
	DIANA BRADEN - Invoices:1	\$150.00	BMP Rebates
	DITCH WITCH EQUIPMENT CO - Invoices:1	\$101.32	Equipment Maintenance Services
	DOMCO PLUMBING - Invoices:4	\$1,350.00	Building Maintenance - Office & Yard
	ELEVATOR TECHNOLOGY INC - Invoices:2	\$210.00	Building Service Expense - Office & Yard

## AP Warrant List from 3/1/2021 to 3/31/2021

Group	Vendor Name	Amount	Description
Other			
	EMCOR SERVICES - Invoices:1	\$1,066.04	Contract Services
	EMIGH ACE HARDWARE - Invoices:3	\$56.50	Operating Supplies
	EMPLOYEE RELATIONS NETWORK -	\$133.44	Employment Cost
	ERIC SHONTZ - Invoices:2	\$200.00	BMP Rebates
	EUROFINS EATON ANALYTICAL - Invoices:2	\$5,878.00	Inspection & Testing
	FASTENAL COMPANY - Invoices:7	\$1,524.22	Operating Supplies
	FLEETWASH INC - Invoices:3	\$1,199.30	Vehicle Maintenance Services
	FUTURE FORD - Invoices:1	\$2,602.95	Vehicle Maintenance Services
	GRAINGER - Invoices:4	\$1,626.78	Operating Supplies
	GREG BUNDESEN - Invoices:1	\$50.00	Required Training
	HACH COMPANY - Invoices:2	\$1,073.66	Operating Supplies
	HARRINGTON PLASTICS - Invoices:1	\$794.12	Operating Supplies
	HARROLD FORD - Invoices:4	\$1,517.17	Vehicle Maintenance Services
	HD Supply/WHITE CAP - Invoices:2	\$856.59	Operating Supplies
	HOLT OF CALIFORNIA - Invoices:3	\$2,711.36	Contract Services
	HOPKINS TECHNICAL PRODUCT -	\$2,290.70	Operating Supplies
	ICONIX WATERWORKS (US) INC -	\$5,026.80	Operating Supplies
	IN COMMUNICATIONS - Invoices:1	\$4,529.62	Public Relations
	IRON MOUNTAIN OFF SITE DATA	\$499.58	Equipment Maintenance Services
	JILL FOSTER - Invoices:1	\$150.00	BMP Rebates
	JOY YOSHIOKA - Invoices:1	\$650.00	BMP Rebates
	LES SCHWAB TIRE CENTER/MADISON -	\$4,661.94	Equipment Maintenance Services
	LODI TRUCK AND EQUIPMENT - Invoices:1	\$2,750.00	Vehicle Maintenance Services
	MARTIN GENERAL ENGINEERING INC -	\$2,238.03	Hydrant Permit Refund
	MESSENGER PUBLISHING GROUP -	\$309.00	Public Relations
	MICHAEL PHILLIPS LANDSCAPE CORP -	\$6,660.00	Building Service Expense - Office & Yard
	NEW PIG - Invoices:1	\$2,171.24	Operating Supplies
	NINJIO LLC - Invoices:1	\$132.75	Equipment Maintenance Services
	NORTHERN CALIF WATER ASSOCIATION -	\$4,300.50	Consulting Services
	OFFICE DEPOT INC - Invoices:2	\$603.30	Office Supplies
	PATRICK DOWNS - Invoices:1	\$150.00	BMP Rebates
	PEOPLEREADY - Invoices:3	\$3,883.00	Temporary Help
	PEST PROS - Invoices:4	\$338.15	Building Service Expense - Office & Yard
	PUMP EFFICIENCY TESTING SERVICES -	\$500.00	Contract Services
	RAMOS ENVIRONMENTAL SERVICES -	\$108.00	Hazardous Waste Disposal
	RAY MORGAN CO - Invoices:1	\$156.35	Equipment Maintenance Services
	RESOURCE TELECOM LLC - Invoices:1	\$652.50	Equipment Maintenance Services
	RUE EQUIPMENT INC - Invoices:12	\$2,048.38	Equipment Maintenance Services
	Sacramento - Invoices:1	\$400.00	Building Maintenance - Office & Yard
	SACRAMENTO SUBURBAN WATER	\$209.52	Office Supplies
	SDS REALTY CORP - Invoices:1	\$997.74	BMP Rebates
	SHRED-IT - Invoices:2	\$250.77	Contract Services
	SIERRA NATIONAL CONSTRUCTION INC -	\$2,188.03	Hydrant Permit Refund
	SONITROL - Invoices:2	\$2,857.58	Building Service Expense - Office & Yard
	STAT PADS LLC - Invoices:3	\$375.00	Building Service Expense - Office & Yard
	SUBURBAN PROPANE - Invoices:1	\$4,244.34	Operating Supplies

## AP Warrant List from 3/1/2021 to 3/31/2021

Group	Vendor Name	Amount	Description
Other			
	TEE JANITORIAL & MAINTENANCE -	\$4,108.00	Building Service Expense - Office & Yard
	TERRENCE L SOOHOO - Invoices:1	\$113.12	BMP Rebates
	THOMPSONS COLLISION - Invoices:1	\$456.35	Vehicle Maintenance Services
	TINA LYNN DESIGN - Invoices:1	\$320.00	Contract Services
	TULLY & YOUNG - Invoices:1	\$880.00	Consulting Services
	ULINE SHIPPING SUPPLY SPECIALISTS -	\$686.03	Operating Supplies
	US BANK CORPORATE PAYMENT SYSTEM -	\$23,841.78	Vehicle Maintenance Supplies
	UTILITY SERVICES ASSOCIATES -	\$10,266.00	Consulting Services
	VALLEY REDWOOD & YARD SUPPLY -	\$20.47	Operating Supplies
	VERIZON WIRELESS/DALLAS TX -	\$6,155.99	Communication
	VOCANTAS - Invoices:1	\$8,789.35	Licenses, Permits & Fees
	VOYAGER FLEET SYSTEMS - Invoices:1	\$9,772.13	Operating Supplies
	WALKERS EXPRESS OFFICE PRODUCTS -	\$1,064.15	Office Supplies
	WASTE MANAGEMENT - Invoices:2	\$292.73	Building Service Expense - Office & Yard
	WATERWISE CONSULTING, INC. -	\$2,575.00	Consulting Services
	WHITE CAP - Invoices:1	\$471.12	Operating Supplies
	WOLF CONSULTING - Invoices:1	\$375.00	Consulting Services
Water Costs			
	CITY OF SACRAMENTO WATER - Invoices:2	\$1,001.36	Purchased Water-City of Sacramento
	PG&E - Invoices:4	\$5,849.19	Utilities
	SAN JUAN WATER DISTRICT - Invoices:1	\$442,305.81	Water
	SMUD - Invoices:4	\$273,004.10	Electrical Charges
		\$3,212,198.15	

**Credit Card Expenditures  
March 2021**



**Sacramento Suburban Water District  
US Bank Purchasing Card Program  
CalCard Expenditures  
March 2021**

<b>Vendor Name</b>	<b>Description</b>	<b>Amount</b>	<b>Proj/GLAcct</b>
AMAZON.COM	YEARLY WALL CALENDAR - HEATHER HERNADEZ-FORT	\$ 16.69	03-52108
AMAZON.COM	AVERY UNPUNCHED PRINT-ON DIVIDERS - ENGINEERING DEPARTMENT	\$ 106.60	15-52108
CA-NV SECTION, AWWA	DEVELOPING EFFECTIVE STANDARD OPERATING PROCEDURES - GREG BUNDESEN	\$ 150.00	13-51406
AMAZON.COM	PITNEY BOWES POSTAGE TAPE	\$ 30.06	03-52108
AMAZON.COM	YEARLY WALL CALENDAR - REPLACEMENT - HEATHER HERNANDEZ-FORT	\$ 18.85	03-52108
COSTCO	KITCHEN SUPPLIES- WALNUT	\$ 96.87	03-52108
AMAZON	FACE MASKS- COVID	\$ 376.75	05-52101
COSTCO	KITCHEN SUPPLIES- WALNUT	\$ 64.64	03-52108
AMAZON	KITCHEN SUPPLIES-WALNUT	\$ 197.14	03-52108
COSTCO	KITCHEN SUPPLIES- WALNUT (REFUND-DELIVERY NEVER ARRIVED)	\$ (10.49)	03-52108
COSTCO	KITCHEN SUPPLIES- WALNUT (REFUND-DELIVERY NEVER ARRIVED)	\$ (11.99)	03-52108
COSTCO	KITCHEN SUPPLIES- WALNUT (REFUND-DELIVERY NEVER ARRIVED)	\$ (11.85)	03-52108
COSTCO	KITCHEN SUPPLIES-WALNUT (REFUND- DELIVERY NEVER ARRIVED)	\$ (10.76)	03-52108
COSTCO	KITCHEN SUPPLIES-WALNUT (REFUND-DELIVERY NEVER ARRIVED)	\$ (11.62)	03-52108
COSTCO	KITCHEN SUPPLIES- WALNUT (REFUND DELIVERY NEVER ARRIVED )	\$ (11.62)	03-52108
SMARTSIGN	WELL N8 ACCESS SIGN	\$ 50.13	06-52101
HOME DEPOT	REFUND-WAREHOUSE SUPPLIES	\$ (15.62)	05-52101
AMAZON	WAREHOUSE SUPPLIES	\$ 13.34	05-52101
HOME DEPOT	WAREHOUSE SUPPLIES	\$ 69.20	05-52101
AMAZON	WAREHOUSE SUPPLIES	\$ 269.26	05-52101
AMAZON	WAREHOUSE SUPPLIES	\$ 673.15	05-52101
VALLEY BATTERY	WAREHOUSE SUPPLIES	\$ 10.78	05-52101
HOME DEPOT	WAREHOUSE SUPPLIES	\$ 58.03	05-52101
AMAZON	WAREHOUSE SUPPLIES	\$ 87.60	08-52101
AMAZON	KITCHEN SUPPLIES-WALNUT	\$ 41.85	03-52108
FED EX OFFICE	SAFETY PROGRAM SUPPLIES	\$ 150.30	05-52101
HOME DEPOT	REFUND- WATER CONSERVATION SUPPLIES	\$ (60.99)	13-52101
HARBOR FREIGHT TOOLS	FIELD SERVICES SUPPLIES	\$ 9.69	08-52101
AMAZON	WAREHOUSE SUPPLIES	\$ 70.03	05-52101
HOME DEPOT	WATER CONSERVATION SUPPLIES	\$ 60.99	13-52101
HOME DEPOT	FIELD SERVICES SUPPLIES	\$ 179.24	08-52101
HOME DEPOT	WATER CONSERVATION SUPPLIES	\$ 121.97	13-52101
SMART & FINAL	KITCHEN SUPPLIES-WALNUT	\$ 118.96	03-52108
SMART & FINAL	JUICE FOR STAFF COMMUNICATIONS & TEAM BUILDING	\$ 32.38	02-51403
CHICK FIL A	BREAKFAST FOR STAFF COMMUNICATIONS & TEAM BUILDING	\$ 240.84	02-51403
CHICK FIL A	BREAKFAST FOR STAFF COMMUNICATIONS & TEAMBUILDING	\$ 94.00	02-51403
MITCH'S CERTIFIED CLASSES	TRAINING- HANNAH DUNRUD	\$ 700.00	06-51406

**Sacramento Suburban Water District  
US Bank Purchasing Card Program  
CalCard Expenditures  
March 2021**

Vendor Name	Description	Amount	Proj/GLAcct
AMAZON	DISTRIBUTION SUPPLIES	\$ 145.46	07-52101
MITCH'S CERTIFIED CLASSES	TRAINING-WILLIAM SADLER	\$ 1,200.00	06-51407
AMAZON	WAREHOUSE SUPPLIES	\$ 112.59	05-52101
AWWA	TRAINING SUPPLIES-WILLIAM SADLER	\$ 57.50	06-52502
YRC	SHIPPING	\$ 63.50	08-52101
US BANK	LATE FEE	\$ 28.09	03-54503
US BANK	LATE FEE	\$ 28.83	03-54503
COSTCO	SPACE HEATER FOR OFFICE	\$ 43.49	12-52101
ACWA	DAN YORK ACWA CONFERENCE REGISTRATION	\$ 375.00	02-55001
HANNIBALS	TEAMBULIDING LUNCH FOR ALL STAFF - MARCONI STAFF	\$ 540.70	02-51403
HANNIBALS	TEAMBUILDING LUNCH FOR ALL STAFF - WALNUT STAFF	\$ 652.02	02-51403
POST OFFICE	CERTIFIED MAIL	\$ 4.15	15-53003
RIDGE TOOL COMPANY	REPAIR FREEZE MACHINE #349	\$ 681.25	12-54003
J&J LOCKSMITH	KEYS FOR CABINET WALNUT SHOP - BACKFLOW	\$ 8.08	12-52101
THE HOME DEPOT	SUPPLIES TO MOUNT DRAIN COVERS AT WALNUT AND ANTELOPE	\$ 49.34	12-52101
SCELZI EQUIPMENT INC.	REPLACE BIN LOCK ON VEHICLE #75 - 2 FOR STOCK	\$ 67.75	12-54005
PEP BOYS	WIPERS FOR VEHICLE #55	\$ 36.61	12-54005
THE HOME DEPOT	SILICONE ADHESIVE REMOVER	\$ 8.84	12-52101
AMAZON.COM	12 PACK OF DRY LOCK LUBE FOR LOCKS ON BIN DOORS- VEHICLES	\$ 48.64	12-54006
BLINDS.COM	BLINDS FOR NEW WINDOWS IN FINANCE AND WATER CONSERVATION	\$ 176.02	12-54008
CARHARTT	JACKETS FOR GENOVA AND ANN BRADFORD (GENOVA'S 1ST JACKET DID NOT FIT)	\$ 280.12	12-51408
NEW PIG	ABSORBANT FLOATING PILLOWS TO REMOVE DIESEL SHEEN SECONDARY CONTAINMENT DIESEL AT ANTELOPE	\$ 249.59	12-52101
THE HOME DEPOT	REPLACED DAMAGED RECEIVER CO-AX AT ANTELOPE ENTERANCE GATE	\$ 22.30	12-52101
AMAZON MARKETPLACE	MONITOR CABLES	\$ 48.25	18-52101
AMAZON MARKETPLACE	MOUNTING SCREWS FOR LARGE SCADA MONITORS AT WALNUT	\$ 11.84	18-52101
AMAZON MARKETPLACE	BLUETOOTH ADAPTERS FOR CUSTOMER SERVICE HEADSETS	\$ 84.00	18-52101
LOGMEIN	ANNUAL LICENSE RENEWAL FOR REMOTE SUPPORT OF KP AMI	\$ 3,499.99	18-54509
TERAMIND	MONTHLY FEE FOR MONITORING REMOTE TELEWORKING	\$ 264.00	18-54003
LOGMEIN	ANNUAL LICENSE RENEWAL FOR REMOTE SUPPORT FROM VENDORS	\$ 1,539.99	18-54509
AMAZON MARKETPLACE	LABELS FOR BACKUP TAPES	\$ 15.35	18-52101
AMAZON MARKETPLACE	HEADSET FOR CUSTOMER SERVICE PC SOFTPHONE	\$ 25.97	18-52101
AMAZON MARKETPLACE	PATCH CABLES	\$ 86.29	18-52101
AMAZON MARKETPLACE	ERGONOMIC ROLLERMOUSE FOR NEW ACCOUNTANT	\$ 319.69	18-52101
	Totals:	\$ 14,739.64	

**Investment Activity  
March 2021**



## Managed Account Security Transactions & Interest

For the Month Ending **March 31, 2021**

### SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
<b>BUY</b>										
03/16/21	03/18/21	CHARLES SCHWAB CORP NOTES (CALLABLE) DTD 03/18/2021 0.750% 03/18/2024	808513BN4	135,000.00	(134,932.50)	0.00	(134,932.50)			
03/19/21	03/23/21	CREDIT SUISSE NEW YORK CERT DEPOS DTD 03/23/2021 0.590% 03/17/2023	22552G3C2	300,000.00	(300,000.00)	0.00	(300,000.00)			
<b>Transaction Type Sub-Total</b>				<b>435,000.00</b>	<b>(434,932.50)</b>	<b>0.00</b>	<b>(434,932.50)</b>			
<b>INTEREST</b>										
03/01/21	03/01/21	PACCAR FINANCIAL CORP NOTE DTD 03/01/2019 2.850% 03/01/2022	69371RP75	150,000.00	0.00	2,137.50	2,137.50			
03/01/21	03/01/21	MONEY MARKET FUND	MONEY0002	0.00	0.00	24.74	24.74			
03/01/21	03/25/21	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	199,216.17	0.00	512.98	512.98			
03/01/21	03/25/21	FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	275,000.00	0.00	701.71	701.71			
03/01/21	03/25/21	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	107,079.73	0.00	186.68	186.68			
03/01/21	03/25/21	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	27,324.30	0.00	72.93	72.93			
03/01/21	03/25/21	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	34,351.64	0.00	101.91	101.91			
03/04/21	03/04/21	FEDERAL HOME LOAN BANK NOTES DTD 09/11/2020 0.375% 09/04/2025	3130AK5E2	200,000.00	0.00	360.42	360.42			
03/08/21	03/08/21	FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023	3137EAEW5	850,000.00	0.00	1,086.11	1,086.11			
03/15/21	03/15/21	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	244,634.32	0.00	656.44	656.44			
03/15/21	03/15/21	COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	800,000.00	0.00	1,146.67	1,146.67			
03/15/21	03/15/21	CARMX 2021-1 A3 DTD 01/27/2021 0.340% 12/15/2025	14316NAC3	65,000.00	0.00	18.42	18.42			
03/15/21	03/15/21	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	185,819.04	0.00	489.32	489.32			



## Managed Account Security Transactions & Interest

For the Month Ending **March 31, 2021**

### SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
<b>INTEREST</b>										
03/15/21	03/15/21	ALLYA 2018-3 A3 DTD 06/27/2018 3.000% 01/15/2023	02007JAC1	117,292.28	0.00	293.23	293.23			
03/15/21	03/15/21	TAOT 2018-B A3 DTD 05/16/2018 2.960% 09/15/2022	89238TAD5	116,374.85	0.00	287.06	287.06			
03/15/21	03/15/21	CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025	14316HAC6	150,000.00	0.00	62.50	62.50			
03/15/21	03/15/21	NY ST URBAN DEV CORP TXBL REV BONDS DTD 12/23/2020 0.870% 03/15/2025	650036DT0	425,000.00	0.00	842.21	842.21			
03/16/21	03/16/21	GMCAR 2020-4 A3 DTD 10/14/2020 0.380% 08/18/2025	36260KAC8	135,000.00	0.00	42.75	42.75			
03/20/21	03/20/21	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	200,000.00	0.00	308.33	308.33			
03/20/21	03/20/21	VWALT 2020-A A4 DTD 12/03/2020 0.450% 07/21/2025	92868VAD1	265,000.00	0.00	99.38	99.38			
03/23/21	03/23/21	FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	450,000.00	0.00	834.38	834.38			
<b>Transaction Type Sub-Total</b>				<b>4,997,092.33</b>	<b>0.00</b>	<b>10,265.67</b>	<b>10,265.67</b>			
<b>MATURITY</b>										
03/12/21	03/12/21	JOHN DEERE CAPITAL CORP NOTES DTD 03/13/2018 2.875% 03/12/2021	24422EUD9	250,000.00	250,000.00	3,593.75	253,593.75	170.00	0.00	
03/15/21	03/15/21	BANK OF NEW YORK MELLON CORP(CALLED, OMD) DTD 10/15/2020 2.500% 03/15/2021	06406FAA1	225,000.00	225,000.00	2,343.75	227,343.75	(5,170.50)	0.00	
03/15/21	03/15/21	NATIONAL RURAL UTIL COOP NOTE DTD 02/26/2018 2.900% 03/15/2021	63743HER9	225,000.00	225,000.00	3,262.50	228,262.50	951.75	0.00	
03/15/21	03/15/21	NATIONAL RURAL UTIL COOP NOTE DTD 02/26/2018 2.900% 03/15/2021	63743HER9	150,000.00	150,000.00	2,175.00	152,175.00	166.50	0.00	
<b>Transaction Type Sub-Total</b>				<b>850,000.00</b>	<b>850,000.00</b>	<b>11,375.00</b>	<b>861,375.00</b>	<b>(3,882.25)</b>	<b>0.00</b>	
<b>PAYDOWNS</b>										



## Managed Account Security Transactions & Interest

For the Month Ending **March 31, 2021**

### SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
<b>PAYDOWNS</b>										
03/01/21	03/25/21	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	1,207.49	1,207.49	0.00	1,207.49	(24.02)	0.00	
03/01/21	03/25/21	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	41.80	41.80	0.00	41.80	0.00	0.00	
03/01/21	03/25/21	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	368.76	368.76	0.00	368.76	(3.14)	0.00	
03/01/21	03/25/21	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	271.43	271.43	0.00	271.43	0.01	0.00	
03/15/21	03/15/21	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	17,966.87	17,966.87	0.00	17,966.87	3.44	0.00	
03/15/21	03/15/21	ALLYA 2018-3 A3 DTD 06/27/2018 3.000% 01/15/2023	02007JAC1	17,062.77	17,062.77	0.00	17,062.77	1.17	0.00	
03/15/21	03/15/21	TAOT 2018-B A3 DTD 05/16/2018 2.960% 09/15/2022	89238TAD5	15,581.03	15,581.03	0.00	15,581.03	0.23	0.00	
03/15/21	03/15/21	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	17,975.75	17,975.75	0.00	17,975.75	2.69	0.00	
<b>Transaction Type Sub-Total</b>				<b>70,475.90</b>	<b>70,475.90</b>	<b>0.00</b>	<b>70,475.90</b>	<b>(19.62)</b>	<b>0.00</b>	
<b>SELL</b>										
03/19/21	03/23/21	CREDIT SUISSE NEW YORK CERT DEPOS DTD 08/07/2020 0.520% 02/01/2022	22549L6F7	300,000.00	300,599.70	988.00	301,587.70	599.70	599.70	FIFO
<b>Transaction Type Sub-Total</b>				<b>300,000.00</b>	<b>300,599.70</b>	<b>988.00</b>	<b>301,587.70</b>	<b>599.70</b>	<b>599.70</b>	
<b>Managed Account Sub-Total</b>					<b>786,143.10</b>	<b>22,628.67</b>	<b>808,771.77</b>	<b>(3,302.17)</b>	<b>599.70</b>	
<b>Total Security Transactions</b>					<b>\$786,143.10</b>	<b>\$22,628.67</b>	<b>\$808,771.77</b>	<b>(\$3,302.17)</b>	<b>\$599.70</b>	

**Outstanding Debt & Investments Portfolio  
March 2021**

## Debt & Investment Portfolio Summary March 31, 2021

### Summary of District's Debt Portfolio:

Debt	Original Par	Outstanding	Issuance	Credit Enhancement	Final Maturity
2009A	\$ 42,000,000	\$ 42,000,000	Adjustable Rate Revenue COP's	Sumitomo Bank*	11/1/2034
2012A	\$ 29,200,000	\$ 10,990,000	Fixed Rate Revenue Bond		11/1/2027
2018A	<u>\$ 19,615,000</u>	<u>\$ 12,275,000</u>	Fixed Rate Revenue Bond		11/1/2028
	<u>\$ 90,105,000</u>	<u>\$ 65,265,000</u>			

\* Credit enhancement expires 6/30/2023

### Current Status of District's Variable-Rate Debt Portfolio:

Debt	Outstanding	Credit Enhancement	Bank Owned	Sold in Market	Market Rate
2009A	\$42,000,000	Sumitomo Bank LOC	None	\$42,000,000	0.68%
	Notional Amount	Counterparty	FMV	Receive Rate	Fixed Rate
Swap	\$33,300,000	Wells Fargo Bank, N.A.	(\$6,544,412)	0.244%	3.283%

### Current Status of District's Investment Portfolio (March 31 2021):

Fair Market Value	Security Type	Yield
\$ 2,224,334.59	Money Market	0.03%
7,375,774.33	LAIF	0.36%
2,237,045.58	Asset-Backed Securities	1.76%
3,355,749.84	Certificates of Deposit	2.02%
5,803,865.76	Corporate Notes	2.21%
8,152,951.22	Federal Agency Securities Bonds/Notes	0.55%
670,142.94	Federal Agency Collateralized Mortgage Obligation	2.36%
1,687,547.70	Municipal Obligations	1.01%
1,579,624.80	Supra-National Agency Bond	1.86%
16,174,442.25	Treasury Bonds/Notes	1.64%
<b>\$ 49,261,479.01</b>		<b>1.29%</b>





## Managed Account Detail of Securities Held

For the Month Ending **March 31, 2021**

### SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 05/31/2014 2.000% 05/31/2021	912828WN6	300,000.00	AA+	Aaa	09/01/16	09/02/16	310,781.25	1.22	2,010.99	300,373.48	300,937.50
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	375,000.00	AA+	Aaa	07/06/17	07/11/17	377,270.51	1.85	652.17	375,228.25	378,046.88
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	475,000.00	AA+	Aaa	10/05/17	10/10/17	463,997.07	1.85	2,493.10	473,418.61	478,339.82
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	570,000.00	AA+	Aaa	08/30/17	08/31/17	561,004.69	1.64	2,991.71	568,741.13	574,007.78
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	135,000.00	AA+	Aaa	01/03/18	01/04/18	133,286.13	2.18	1,062.85	134,571.80	137,594.54
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	950,000.00	AA+	Aaa	05/03/18	05/07/18	919,644.53	2.73	7,479.28	941,774.38	968,257.86
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	1,050,000.00	AA+	Aaa	07/03/18	07/06/18	1,018,992.19	2.69	8,266.57	1,041,235.96	1,070,179.74
US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022	912828TJ9	500,000.00	AA+	Aaa	09/05/18	09/07/18	479,023.44	2.76	1,010.01	492,691.75	510,312.50
US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	25,000.00	AA+	Aaa	01/07/19	01/10/19	24,639.65	2.51	133.55	24,841.31	25,859.38
US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	1,375,000.00	AA+	Aaa	01/30/19	01/31/19	1,353,193.36	2.55	7,345.04	1,365,255.63	1,422,265.62
US TREASURY NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	300,000.00	AA+	Aaa	06/03/19	06/07/19	297,644.53	1.83	1,633.93	298,720.21	309,187.50
US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	650,000.00	AA+	Aaa	07/01/19	07/03/19	645,708.98	1.78	4,435.08	647,440.59	672,953.13
US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	2,050,000.00	AA+	Aaa	10/02/19	10/04/19	2,061,771.48	1.48	13,987.57	2,057,460.02	2,122,390.62
US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	375,000.00	AA+	Aaa	02/03/20	02/07/20	385,180.66	1.36	1,885.36	382,522.91	393,984.38



## Managed Account Detail of Securities Held

For the Month Ending **March 31, 2021**

### SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	475,000.00	AA+	Aaa	03/02/20	03/06/20	498,137.70	0.85	2,388.12	492,400.96	499,046.87
US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	650,000.00	AA+	Aaa	11/01/19	11/06/19	663,152.34	1.55	3,267.96	659,186.50	682,906.25
US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	925,000.00	AA+	Aaa	01/02/20	01/07/20	938,622.07	1.66	4,650.55	934,875.17	971,828.12
US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	1,925,000.00	AA+	Aaa	12/02/19	12/05/19	1,953,875.00	1.66	9,678.18	1,945,518.72	2,022,453.13
US TREASURY NOTES DTD 12/31/2019 1.750% 12/31/2024	912828YY0	550,000.00	AA+	Aaa	08/05/20	08/07/20	587,855.47	0.18	2,419.54	582,272.55	573,718.75
US TREASURY NOTES DTD 12/31/2019 1.750% 12/31/2024	912828YY0	975,000.00	AA+	Aaa	06/03/20	06/05/20	1,036,356.45	0.36	4,289.19	1,025,334.33	1,017,046.88
US TREASURY NOTES DTD 12/31/2019 1.750% 12/31/2024	912828YY0	1,000,000.00	AA+	Aaa	07/01/20	07/06/20	1,065,312.50	0.28	4,399.17	1,054,593.12	1,043,125.00
<b>Security Type Sub-Total</b>		<b>15,630,000.00</b>					<b>15,775,450.00</b>	<b>1.64</b>	<b>86,479.92</b>	<b>15,798,457.38</b>	<b>16,174,442.25</b>
<b>Supra-National Agency Bond / Note</b>											
INTER-AMERICAN DEVELOPMENT BANK NOTE DTD 04/19/2018 2.625% 04/19/2021	4581X0DB1	225,000.00	AAA	Aaa	04/12/18	04/19/18	224,505.00	2.70	2,657.81	224,991.87	225,205.65
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 07/25/2018 2.750% 07/23/2021	459058GH0	750,000.00	AAA	Aaa	07/18/18	07/25/18	748,245.00	2.83	3,895.83	749,818.72	755,934.75
INTL BK RECON & DEVELOP CORPORATE NOTES DTD 11/24/2020 0.250% 11/24/2023	459058JM6	600,000.00	AAA	Aaa	11/17/20	11/24/20	598,710.00	0.32	529.17	598,860.79	598,484.40
<b>Security Type Sub-Total</b>		<b>1,575,000.00</b>					<b>1,571,460.00</b>	<b>1.86</b>	<b>7,082.81</b>	<b>1,573,671.38</b>	<b>1,579,624.80</b>
<b>Municipal Bond / Note</b>											



## Managed Account Detail of Securities Held

For the Month Ending **March 31, 2021**

### SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	S&P Par Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value	
<b>Municipal Bond / Note</b>											
CA ST EARTHQUAKE AUTH TXBL REV BONDS DTD 11/24/2020 1.477% 07/01/2023	13017HAK2	85,000.00	NR	NR	11/13/20	11/24/20	85,000.00	1.48	313.86	85,000.00	87,193.85
CHAFFEY UHSD, CA TXBL GO BONDS DTD 12/05/2019 2.101% 08/01/2024	157411TK5	100,000.00	AA-	Aa1	11/06/19	12/05/19	100,000.00	2.10	350.17	100,000.00	104,109.00
SAN JUAN USD, CA TXBL GO BONDS DTD 10/29/2020 0.702% 08/01/2024	798306WN2	200,000.00	NR	Aa2	10/16/20	10/29/20	200,000.00	0.70	234.00	200,000.00	198,226.00
NY ST URBAN DEV CORP TXBL REV BONDS DTD 12/23/2020 0.870% 03/15/2025	650036DT0	425,000.00	AA+	NR	12/16/20	12/23/20	425,000.00	0.87	164.33	425,000.00	423,635.75
UNIV OF CAL TXBL REV BONDS DTD 07/16/2020 0.883% 05/15/2025	91412HGE7	100,000.00	AA	Aa2	07/10/20	07/16/20	100,000.00	0.88	333.58	100,000.00	99,887.00
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	75,000.00	AA	Aa3	09/03/20	09/16/20	75,530.25	1.11	235.87	75,470.52	75,585.75
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	105,000.00	AA	Aa3	09/03/20	09/16/20	105,696.15	1.12	330.22	105,617.74	105,820.05
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	200,000.00	AA	Aa3	09/03/20	09/16/20	200,000.00	1.26	629.00	200,000.00	201,562.00
MN ST TXBL GO BONDS DTD 08/25/2020 0.630% 08/01/2025	60412AVJ9	130,000.00	AAA	Aa1	08/11/20	08/25/20	130,000.00	0.63	136.50	130,000.00	129,452.70
LOS ANGELES CCD, CA TXBL GO BONDS DTD 11/10/2020 0.773% 08/01/2025	54438CYK2	175,000.00	AA+	Aaa	10/30/20	11/10/20	175,000.00	0.77	225.46	175,000.00	172,963.00
NJ TURNPIKE AUTHORITY TXBL REV BONDS DTD 02/04/2021 1.047% 01/01/2026	646140DP5	90,000.00	A+	A2	01/22/21	02/04/21	90,000.00	1.05	149.20	90,000.00	89,112.60
<b>Security Type Sub-Total</b>		<b>1,685,000.00</b>					<b>1,686,226.40</b>	<b>1.01</b>	<b>3,102.19</b>	<b>1,686,088.26</b>	<b>1,687,547.70</b>
<b>Federal Agency Collateralized Mortgage Obligation</b>											
FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	33,144.15	AA+	Aaa	04/11/18	04/30/18	33,803.42	2.93	98.33	33,226.83	33,144.15



## Managed Account Detail of Securities Held

For the Month Ending **March 31, 2021**

### SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Federal Agency Collateralized Mortgage Obligation</b>											
FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	198,847.41	AA+	Aaa	04/04/18	04/09/18	200,540.73	2.88	512.03	199,371.00	204,179.94
FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	27,282.50	AA+	Aaa	12/07/18	12/17/18	27,282.42	3.20	72.82	27,282.46	27,865.45
FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FO3V3	106,808.30	AA+	Aaa	11/20/19	11/26/19	106,805.72	2.09	186.20	106,806.48	109,133.24
FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	275,000.00	AA+	Aaa	03/19/20	03/25/20	288,621.09	1.95	701.71	285,661.37	295,820.16
<b>Security Type Sub-Total</b>		<b>641,082.36</b>					<b>657,053.38</b>	<b>2.36</b>	<b>1,571.09</b>	<b>652,348.14</b>	<b>670,142.94</b>
<b>Federal Agency Bond / Note</b>											
FHLB GLOBAL NOTE DTD 07/14/2016 1.125% 07/14/2021	3130A8OS5	975,000.00	AA+	Aaa	07/14/16	07/15/16	969,071.03	1.25	2,346.09	974,662.13	978,039.08
FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	130,000.00	AA+	Aaa	08/17/16	08/19/16	129,555.27	1.32	198.61	129,966.35	130,592.54
FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	420,000.00	AA+	Aaa	08/17/16	08/19/16	418,299.00	1.33	641.67	419,871.31	421,914.36
FREDDIE MAC NOTES DTD 08/21/2020 0.250% 08/24/2023	3137EAEV7	1,200,000.00	AA+	Aaa	08/19/20	08/21/20	1,198,776.00	0.28	308.33	1,199,024.59	1,199,986.80
FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023	3137EAEW5	365,000.00	AA+	Aaa	09/02/20	09/04/20	365,066.65	0.24	58.30	365,053.97	364,818.96
FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023	3137EAEW5	485,000.00	AA+	Aaa	09/02/20	09/04/20	484,839.95	0.26	77.46	484,870.39	484,759.44
FREDDIE MAC NOTES DTD 10/16/2020 0.125% 10/16/2023	3137EAEY1	415,000.00	AA+	Aaa	10/14/20	10/16/20	413,452.05	0.25	237.76	413,688.13	413,367.39
FREDDIE MAC NOTES DTD 11/05/2020 0.250% 11/06/2023	3137EAEZ8	450,000.00	AA+	Aaa	11/03/20	11/05/20	449,595.00	0.28	456.26	449,649.32	449,529.30
FANNIE MAE NOTES DTD 11/25/2020 0.250% 11/27/2023	3135G06H1	400,000.00	AA+	Aaa	11/23/20	11/25/20	399,544.00	0.29	350.00	399,596.79	399,572.00



## Managed Account Detail of Securities Held

For the Month Ending **March 31, 2021**

### SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Federal Agency Bond / Note</b>											
FREDDIE MAC NOTES DTD 12/04/2020 0.250% 12/04/2023	3137EAF2	400,000.00	AA+	Aaa	12/02/20	12/04/20	399,604.00	0.28	325.00	399,646.67	399,569.20
FEDERAL HOME LOAN BANK NOTES DTD 04/16/2020 0.500% 04/14/2025	3130AJHU6	450,000.00	AA+	Aaa	04/15/20	04/16/20	447,768.00	0.60	1,043.75	448,196.29	446,787.45
FANNIE MAE NOTES DTD 04/24/2020 0.625% 04/22/2025	3135G03U5	450,000.00	AA+	Aaa	04/22/20	04/24/20	449,073.00	0.67	1,242.19	449,246.81	449,197.65
FREDDIE MAC NOTES DTD 07/23/2020 0.375% 07/21/2025	3137EAEU9	500,000.00	AA+	Aaa	07/21/20	07/23/20	497,510.00	0.48	364.58	497,854.01	491,450.50
FANNIE MAE NOTES DTD 08/27/2020 0.375% 08/25/2025	3135G05X7	450,000.00	AA+	Aaa	08/25/20	08/27/20	447,894.00	0.47	168.75	448,144.55	442,332.00
FEDERAL HOME LOAN BANK NOTES DTD 09/11/2020 0.375% 09/04/2025	3130AK5E2	200,000.00	AA+	Aaa	09/10/20	09/11/20	199,400.00	0.44	56.25	199,466.63	196,315.20
FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	450,000.00	AA+	Aaa	09/23/20	09/25/20	448,645.50	0.44	37.50	448,785.11	442,003.05
FANNIE MAE NOTES DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	450,000.00	AA+	Aaa	11/09/20	11/12/20	448,389.00	0.57	868.75	448,512.86	442,716.30
<b>Security Type Sub-Total</b>		<b>8,190,000.00</b>					<b>8,166,482.45</b>	<b>0.55</b>	<b>8,781.25</b>	<b>8,176,235.91</b>	<b>8,152,951.22</b>
<b>Corporate Note</b>											
AMERICAN EXPRESS CREDIT (CALLED, OMD 05/ DTD 05/05/2016 2.250% 04/05/2021	0258M0EB1	225,000.00	A-	A2	05/25/16	05/31/16	224,478.00	2.30	2,053.13	224,998.82	225,006.75
PEPSICO INC CORP (CALLABLE) NOTE DTD 10/10/2017 2.000% 04/15/2021	713448DX3	225,000.00	A+	A1	10/05/17	10/10/17	224,955.00	2.01	2,075.00	224,999.51	225,114.30
HERSHEY COMPANY CORP NOTES DTD 05/10/2018 3.100% 05/15/2021	427866BA5	150,000.00	A	A1	05/03/18	05/10/18	149,896.50	3.12	1,756.67	149,995.86	150,484.50
STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021	857477AV5	110,000.00	A	A1	05/19/16	05/24/16	109,532.50	2.04	786.50	109,987.68	110,212.85



## Managed Account Detail of Securities Held

For the Month Ending **March 31, 2021**

### SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Corporate Note</b>											
CHARLES SCHWAB (CALLABLE) CORP NOTES DTD 05/22/2018 3.250% 05/21/2021	808513AW5	250,000.00	A	A2	05/17/18	05/22/18	249,992.50	3.25	2,934.03	249,999.66	250,525.00
PACCAR FINANCIAL CORP NOTE DTD 03/01/2019 2.850% 03/01/2022	69371RP75	150,000.00	A+	A1	02/22/19	03/01/19	149,868.00	2.88	356.25	149,959.77	153,551.55
JPMORGAN CHASE & CO BONDS DTD 03/22/2019 3.207% 04/01/2023	46647PBB1	675,000.00	A-	A2	03/15/19	03/22/19	675,000.00	3.21	10,823.63	675,000.00	692,769.38
CATERPILLAR FINL SERVICE CORPORATE NOTES DTD 07/08/2020 0.650% 07/07/2023	14913R2D8	300,000.00	A	A3	07/06/20	07/08/20	299,832.00	0.67	455.00	299,873.00	300,870.00
TOYOTA MOTOR CREDIT CORP CORPORATE NOTES DTD 08/14/2020 0.500% 08/14/2023	89236THF5	250,000.00	A+	A1	08/11/20	08/14/20	249,807.50	0.53	163.19	249,847.93	250,258.50
JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 10/09/2020 0.400% 10/10/2023	24422EVJ5	100,000.00	A	A2	10/06/20	10/09/20	99,884.00	0.44	191.11	99,902.42	100,038.00
PNC BANK NA CORP NOTES DTD 01/23/2019 3.500% 01/23/2024	693475AV7	380,000.00	A-	A3	02/12/19	02/15/19	382,705.60	3.34	2,512.22	381,541.13	409,989.60
CHARLES SCHWAB CORP NOTES (CALLABLE) DTD 03/18/2021 0.750% 03/18/2024	808513BN4	135,000.00	A	A2	03/16/21	03/18/21	134,932.50	0.77	36.56	134,933.36	135,669.87
MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	61746BDO6	375,000.00	BBB+	A1	07/19/19	07/23/19	396,483.75	2.59	6,135.42	388,862.08	408,275.25
AMERICAN HONDA FINANCE CORP NOTE DTD 06/27/2019 2.400% 06/27/2024	02665WCZ2	375,000.00	A-	A3	07/11/19	07/15/19	373,140.00	2.51	2,350.00	373,783.65	393,178.13
GOLDMAN SACHS GROUP INC BONDS DTD 07/08/2014 3.850% 07/08/2024	38141EC23	375,000.00	BBB+	A2	07/08/19	07/11/19	392,467.50	2.84	3,328.65	386,434.32	406,678.50
BB&T CORPORATION CORP BONDS DTD 07/29/2019 2.500% 08/01/2024	05531FBH5	400,000.00	A-	A3	08/01/19	08/05/19	400,664.00	2.46	1,666.67	400,443.64	421,212.80



## Managed Account Detail of Securities Held

For the Month Ending **March 31, 2021**

### SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Corporate Note</b>											
WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	400,000.00	BBB+	A2	09/03/19	09/06/19	398,368.00	1.84	602.78	398,881.81	412,936.00
BANK OF NY MELLON CORP DTD 10/24/2019 2.100% 10/24/2024	06406RAL1	150,000.00	A	A1	01/21/20	01/28/20	150,660.00	2.00	1,373.75	150,496.43	157,934.40
CITIGROUP INC CORP NOTES DTD 04/27/2015 3.300% 04/27/2025	172967JP7	275,000.00	BBB+	A3	08/28/20	09/01/20	305,236.25	0.88	3,882.08	301,463.39	295,775.98
BANK OF AMERICA CORP NOTES DTD 07/30/2015 3.875% 08/01/2025	06051GFS3	275,000.00	A-	A2	08/18/20	08/20/20	314,011.50	0.93	1,776.04	309,175.54	303,384.40
<b>Security Type Sub-Total</b>		<b>5,575,000.00</b>					<b>5,681,915.10</b>	<b>2.21</b>	<b>45,258.68</b>	<b>5,660,580.00</b>	<b>5,803,865.76</b>
<b>Certificate of Deposit</b>											
ROYAL BANK OF CANADA NY CD DTD 06/08/2018 3.240% 06/07/2021	78012UEE1	650,000.00	A-1+	P-1	06/07/18	06/08/18	650,000.00	3.24	6,669.00	650,000.00	653,798.60
SOCIETE GENERALE NY CERT DEPOS DTD 02/19/2020 1.800% 02/14/2022	83369XDL9	400,000.00	A-1	P-1	02/14/20	02/19/20	400,000.00	1.80	940.00	400,000.00	404,684.00
MUFG BANK LTD/NY CERT DEPOS DTD 02/28/2019 2.980% 02/25/2022	55379WZU3	375,000.00	A-1	P-1	02/27/19	02/28/19	375,000.00	2.96	1,055.42	375,000.00	384,607.88
SUMITOMO MITSUI BANK NY CERT DEPOS DTD 07/14/2020 0.700% 07/08/2022	86565CKU2	380,000.00	A	A1	07/10/20	07/14/20	380,000.00	0.70	613.28	380,000.00	382,119.26
NORDEA BANK ABP NEW YORK CERT DEPOS DTD 08/29/2019 1.850% 08/26/2022	65558TLL7	400,000.00	AA-	Aa3	08/27/19	08/29/19	400,000.00	1.84	698.89	400,000.00	409,274.80
SKANDINAV ENSKILDA BANK LT CD DTD 09/03/2019 1.860% 08/26/2022	83050PDR7	400,000.00	A+	Aa2	08/29/19	09/03/19	400,000.00	1.85	702.67	400,000.00	409,330.80
DNB BANK ASA/NY LT CD DTD 12/06/2019 2.040% 12/02/2022	23341VZT1	400,000.00	AA-	Aa2	12/04/19	12/06/19	400,000.00	2.03	2,720.00	400,000.00	411,982.80
CREDIT SUISSE NEW YORK CERT DEPOS DTD 03/23/2021 0.590% 03/17/2023	22552G3C2	300,000.00	A+	Aa3	03/19/21	03/23/21	300,000.00	0.59	44.25	300,000.00	299,951.70
<b>Security Type Sub-Total</b>		<b>3,305,000.00</b>					<b>3,305,000.00</b>	<b>2.02</b>	<b>13,443.51</b>	<b>3,305,000.00</b>	<b>3,355,749.84</b>



## Managed Account Detail of Securities Held

For the Month Ending **March 31, 2021**

### SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Asset-Backed Security</b>											
TAOT 2018-B A3 DTD 05/16/2018 2.960% 09/15/2022	89238TAD5	100,793.82	AAA	Aaa	05/09/18	05/16/18	100,792.31	2.96	132.60	100,793.31	101,541.63
ALLYA 2018-3 A3 DTD 06/27/2018 3.000% 01/15/2023	02007JAC1	100,229.51	AAA	Aaa	06/19/18	06/27/18	100,222.65	3.00	133.64	100,226.81	100,842.69
HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	167,843.29	AAA	Aaa	11/20/18	11/28/18	167,818.21	3.16	235.73	167,832.42	170,130.62
NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	226,667.45	AAA	Aaa	12/04/18	12/12/18	226,624.01	3.22	324.39	226,646.21	230,135.85
VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	200,000.00	AAA	Aaa	01/21/20	01/29/20	199,976.58	1.85	113.06	199,982.71	203,926.00
COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	800,000.00	AAA	NR	08/28/19	09/05/19	799,798.56	1.73	611.56	799,862.58	815,767.20
VWALT 2020-A A4 DTD 12/03/2020 0.450% 07/21/2025	92868VAD1	265,000.00	AAA	NR	11/24/20	12/03/20	264,945.20	0.45	36.44	264,949.06	264,897.42
CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025	14316HAC6	150,000.00	AAA	NR	10/14/20	10/21/20	149,966.99	0.50	33.33	149,970.03	150,167.22
GMCAR 2020-4 A3 DTD 10/14/2020 0.380% 08/18/2025	36260KAC8	135,000.00	AAA	NR	10/06/20	10/14/20	134,971.15	0.38	21.38	134,973.91	134,866.58
CARMX 2021-1 A3 DTD 01/27/2021 0.340% 12/15/2025	14316NAC3	65,000.00	AAA	NR	01/20/21	01/27/21	64,987.16	0.34	9.82	64,987.62	64,770.37
<b>Security Type Sub-Total</b>		<b>2,210,534.07</b>					<b>2,210,102.82</b>	<b>1.76</b>	<b>1,651.95</b>	<b>2,210,224.66</b>	<b>2,237,045.58</b>
<b>Managed Account Sub-Total</b>		<b>38,811,616.43</b>					<b>39,053,690.15</b>	<b>1.53</b>	<b>167,371.40</b>	<b>39,062,605.73</b>	<b>39,661,370.09</b>
<b>Securities Sub-Total</b>		<b>\$38,811,616.43</b>					<b>\$39,053,690.15</b>	<b>1.53%</b>	<b>\$167,371.40</b>	<b>\$39,062,605.73</b>	<b>\$39,661,370.09</b>
<b>Accrued Interest</b>											<b>\$167,371.40</b>
<b>Total Investments</b>											<b>\$39,828,741.49</b>



**Directors Compensation and Expense Accounting  
Fourth Quarter, 2020**

Sacramento Suburban Water District  
Board of Directors Meetings Attended (1)  
Pay Rate per Diem is \$100.00  
**4th Quarter 2020**

## Director Thomas:

09/25/2020 Meeting with GM  
09/28/2020 AD Hoc Water Banking and Transfer  
10/08/2020 Sacramento Groundwater Authority  
10/14/2020 Water Forum  
10/15/2020 Meeting with GM  
10/19/2020 SSWD Regular Board Meeting  
10/22/2020 Meeting with GM  
10/27/2020 Facilities and Operations Committee Meeting  
10/28/2020 San Juan Water District Board Meeting  
11/03/2020 Del Paso Water District Board Meeting  
11/12/2020 Regional Water Authority  
11/13/2020 Meeting with GM  
12/11/2020 Meeting with Director Locke  
12/19/2020 Meeting with GM  
12/17/2020 Webinar California's Drought  
12/18/2020 Webinar Folsom's Pinhole Problem  
12/21/2020 SSWD Regular Board Meeting  
12/22/2020 Meeting with GM  
12/23/2020 Meeting with GM

## Director Jones:

10/08/2020 Sacramento Groundwater Authority  
10/12/2020 SSWD Board Workshop  
10/19/2020 SSWD Regular Board Meeting  
10/26/2020 Meeting with Director Locke GM Review  
10/27/2020 Facilities and Operations Committee Meeting  
10/28/2020 AWWA Fall Conference (Virtual)  
10/29/2020 AWWA Fall Conference (Virtual)  
12/09/2020 Facilities & Operations Committee  
12/10/2020 Sacramento Groundwater Authority  
12/21/2020 SSWD Regular Board Meeting

Director Wichert: - No Pay Verbal Report

## Director McPherson:

No Pay Verbal Report

## Director Locke:

10/07/2020 Meeting with GM to review Board Package  
10/08/2020 SGA Meeting  
10/12/2020 SSWD Board Workshop  
10/13/2020 Leadership Training  
10/14/2020 Water Forum  
10/15/2020 NACWA Celebrate California Event  
10/19/2020 SSWD Regular Board Meeting  
10/20/2020 Water Leadership Training  
10/21/2020 Cal EPA Water Sector Safety Power Shutoff Webinar  
10/26/2020 Meeting with Director Jones for GM Review  
11/10/2020 AWWA/SWAN Virtual Smart Water Symposium  
11/11/2020 AWWA/SWAN Virtual Smart Water Symposium  
11/12/2020 Regional Water Authority  
11/16/2020 SSWD Board Meeting  
11/17/2020 Intro to Water Meta Data  
11/18/2020 EPA's Small Drinking Water Systems Webinar  
11/23/2020 Meeting with Director Jones regarding GM Review  
11/24/2020 SSWD Special Board Meeting  
12/01/2020 Del Paso Manor Water District Board Meeting  
12/02/2020 League of CA Cities Engineering Solutions to COVID  
12/08/2020 ACWA Groundwater  
12/09/2020 Webinar Creating the Water Workforce of the Future  
12/10/2020 ACWA Membership Meeting  
12/11/2020 Meeting with Board President to regarding GM Review  
12/14/2020 RWA Executive Committee Special Meeting  
12/15/2020 SSWD Special Meeting  
12/16/2020 San Juan Water District Board Meeting  
12/18/2020 Webinar Folsom's Pinhole Problem  
12/21/2020 SSWD Regular Board Meeting

(1) Meetings attended during the current month as reported by individual directors.

This report meets the reporting requirements of Government Code section 53065.5. This information will be included with the agenda materials for each regular monthly Board of Directors meeting.

DRAFT

**Directors Expense Report  
Calendar Year 2020  
Current Quarter**

<b>Event/Purpose</b>	<b>Jones</b>	<b>Locke</b>	<b>McPherson</b>	<b>Thomas</b>	<b>Wichert</b>	<b>Total</b>
Local Meeting Mileage						-
Reimbursed by District						
Local Meeting Expenses						
Reimbursed by District						
Paid Directly by District						
Conferences						
Reimbursed by District						-
Paid Directly by District						-
<b>Total</b>	-	-	-	-	-	-

**Directors Expense Report  
2020 Year to Date**

<b>Event/Purpose</b>	<b>Jones</b>	<b>Locke</b>	<b>McPherson</b>	<b>Thomas</b>	<b>Wichert</b>	<b>Total</b>
Local Meeting Mileage						-
Reimbursed by District						-
Local Meeting Expenses						-
Reimbursed by District		36.23				36.23
Paid Directly by District						-
Conferences						-
Reimbursed by District		4,363.20				4,363.20
Paid Directly by District	3,385.80	35.00				3,420.80
Refunded by Director *		(1,745.00)				(1,745.00)
Refunded Directly by Vendor *	(3,304.00)	(35.00)				(3,339.00)
<b>Total</b>	<b>81.80</b>	<b>2,654.43</b>	-	-	-	<b>2,736.23</b>

This report meets the reporting requirements of Government Code sections 53065.5 and 53232.3 and is in conformance with District Policy. Per section 300.10 of the Director's Compensation and Expense Reimbursement Policy (PL-BOD003), a Director's total annual reimburseable expenses, excluding registration fees, may not exceed \$4,000.00.

\* Meeting and Conference costs were refunded due to cancellation because of COVID-19.



## Agenda Item: X

**Date:** April 19, 2021

**Subject:** Financial Report

**Staff Contact:** Jeffery S. Ott, Director of Finance and Administration

### **COVID-19 Financial Update:**

Calendar year 2021 budget has factored in 6 months of COVID-19 related revenue reductions and expenses. The allowance for doubtful accounts has been increased \$500,000 to reflect potential uncollectable amounts from 2020 deferred payments related to Executive Order 20-42. As of March 31, 2021, there are approximately 1,550 accounts that would move to the collections two-day notice (Shut-off). The amount in receivables related to these 1,550 accounts is \$912,985. Staff will continue to monitor and report the financial effects of the COVID-19 pandemic. The following table lists historical customer delinquency balances as of the end of each month listed.

Month	Accounts	Amount	Month to Month Change
March 2021	1,550	\$ 912,985	
April 2021	1,487	858,633	-63: -54,352

### **Summary:**

This staff report contains summarized information on the District's financial condition for the period ended February 28, 2021. More detailed information can be found in the following attached financial reports:

- Financial Statements – February 2021
- Budget to Actual Reports – February 2021
- Information Required by LOC Agreement – February 2021

### **Financial Highlights – February 2021**

Financial Highlights from the Statements of Net Position and Statements of Revenues, Expenses, and Changes in Net Position are presented in the following table. They are gleaned from the financial statements attached to this report.

### Statements of Net Position

	Year-To-Date 2/28/2021	Year-To-Date 2/28/2020
<b>Liquidity:</b>		
Cash and cash equivalents	\$12,644,482	\$4,581,604
<b>Reserves:</b>		
Investments	40,567,485	39,117,060
<b>Customer Balances:</b>		
Accounts Receivable	2,960,103	2,140,301
<b>Capital Assets:</b>		
Property, plant and equipment	504,928,343	493,926,580
Accumulated depreciation	(201,517,498)	(191,471,038)
Property, plant and equipment; net	303,410,845	303,326,006
<b>Liabilities:</b>		
Long Term Debt	(70,740,340)	(76,171,463)
<b>Net Position:</b>		
Net Position	273,964,323	260,243,499

### Statements of Revenues, Expenses and Changes in Net Position

	Year-To-Date 2/28/2021	Year-To-Date 2/28/2020
<b>Income and Expense:</b>		
Operating Revenue	6,723,498	6,507,481
Operating Expense	(2,197,093)	(2,554,042)
Other, Net	(2,666,725)	(1,938,630)
<b>Change in Net Position</b>	<b>\$1,859,680</b>	<b>\$2,014,808</b>

Key information from this report indicates the District's cash balance is \$8.0 million more and investments are \$2.1 million more than on February 29, 2020; long term debt has decreased by \$5.4 million; and net position has increased by \$13.9 million in the last 12 months as the District continues to invest in capital infrastructure replacements while decreasing its outstanding debt. With the Governor of California's Executive Order 20-42 suspending the disconnection of water service for non-payment for residential and certain commercial customers, the District is closely monitoring payment activity and accounts receivable balances. Accounts receivable have increased \$0.8 million year to date compared to the same period last year. Operating revenues increased \$0.2 million while operating expenses decreased \$0.4 million year to date compared to the same period a year ago.

**Budgets:**

<b>Budget Item</b>	<b>Actual Amount</b>	<b>Budget Amount</b>	<b>Variance</b>
Revenues and Sources of Funds	\$ 6,913,030	\$ 6,857,350	\$ 55,680
Operations and Maintenance	2,197,093	3,862,097	1,665,004
Capital	953,569	3,521,040	2,567,471
Debt Service	263,957	427,775	163,817

The District's operating and maintenance expenditures through February 2021 came in less than the approved budget by \$1.7 million. Most of this positive variance is due to: 1) water cost savings from not purchasing PCWA surface water due to PCWA surface water unavailability (\$0.6 million) and 2) timing differences.

Operating Capital Program (OCP) expenditures in February 2021 were \$0.2 million. The 2021 budget for the year is \$1.9 million plus \$0.1 million in roll-over funds from 2020 budget for a total of \$2.0 million.

The District's Capital Improvement Program (CIP) budget for 2021 is \$17.1 million plus \$4.0 million in roll-over funds from 2020 budget for a total of \$21.1 million. For 2021, \$0.8 million has been spent while an additional \$8.4 million is under commitment. Expenditures continue to be primarily in new well construction, distribution system replacements, well rehabilitation, meter retrofit, and meter reading system projects.

The District's Debt budget for 2021 is \$7.x million consisting of \$5.0 million for principal payments and \$2.x million for interest. Interest expense consists of: 1) interest paid to bondholders, 2) letter-of-credit facility fees, 3) remarketing fees, 4) arbitrage rebate liabilities, and 5) net SWAP interest.

For the first two months of 2021, the District has incurred interest expense of \$263,957 versus a forecast of \$427,775, or a \$163,817 positive variance. The last reset for the week of February 28 saw rates at 0.02% compared to 1.23%, the pre-pandemic level in the municipal VRDO market.

**Required by LOC Agreement**

Per Article 5.2 (b) of the 2009A COP Reimbursement Agreement with Sumitomo Mitsui Banking Corporation (LOC Provider), year-to-date net revenues available for the payment of debt service costs and an estimate of debt service payments for the upcoming six months are provided.

	<b>Actual Year-To-Date 2/28/2021</b>	<b>Budget Year-To-Date 2/28/2021</b>
Revenues	6,913,029	6,857,350
Expenses	2,191,793	3,862,097
Net Revenue	4,721,236	2,995,253

The estimated total debt service payments for the next 6 months is \$1,104,019.



**Financial Statements**  
**DRAFT - February 28, 2021**

**Sacramento Suburban Water District  
Balance Sheet**

As Of	Month End <u>2/28/2021</u>	Year End <u>12/31/2020</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$12,644,482.17	\$8,442,657.93
Restricted Cash and cash equivalents	39.69	39.69
Accounts receivable, net of allowance for uncollectible accounts	2,960,102.94	3,308,831.98
Interest receivable	137,979.70	133,920.34
Grants receivables	7,296.94	7,296.94
Other receivables	60,697.50	1,309,442.20
Inventory	665,738.59	763,599.95
Prepaid expenses and other assets	648,280.45	829,833.39
<b>TOTAL CURRENT ASSETS</b>	<b>\$17,124,617.98</b>	<b>14,795,622.42</b>
<b>NONCURRENT ASSETS</b>		
Investments	40,567,484.90	41,212,045.33
<b>TOTAL NONCURRENT ASSETS</b>	<b>40,567,484.90</b>	<b>41,212,045.33</b>
Property, plant and equipment	504,928,342.51	503,966,119.11
Accumulated depreciation	(201,517,498.00)	(199,117,498.00)
<b>TOTAL CAPITAL ASSETS</b>	<b>303,410,844.51</b>	<b>304,848,621.11</b>
<b>TOTAL ASSETS</b>	<b>361,102,947.39</b>	<b>360,856,288.86</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred amount on long-term debt refunding	4,592,611.34	4,702,735.40
Deferred outflow of effective swaps	1,162,609.00	1,162,609.00
Pension contribution subsequent to measurement date	1,960,128.00	1,960,128.00
Other post-employment benefits	240,049.00	240,049.00
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>369,058,344.73</b>	<b>368,921,810.26</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Current portion of long-term debt and capital leases	4,965,000.00	4,965,000.00
Current portion of Compensated Absences	880,000.00	880,000.00
Accounts payable	372,358.07	1,920,986.96
Accrued interest	311,228.95	210,326.61
Deferred revenue and other liabilities	3,741,414.63	3,658,254.59
Accrued expenses	630,240.32	943,346.10
<b>TOTAL CURRENT LIABILITIES</b>	<b>10,900,241.97</b>	<b>12,577,914.26</b>
<b>NONCURRENT LIABILITIES</b>		
Long-term debt	65,775,340.10	65,874,532.40
Compensated absences	419,859.36	366,140.02
Net pension liability	10,600,173.00	10,600,173.00
Net other post-employment benefits liability	4,642,228.00	4,642,228.00
Fair value of interest rate swaps	1,162,609.00	1,162,609.00
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>82,600,209.46</b>	<b>82,645,682.42</b>
<b>TOTAL LIABILITIES</b>	<b>93,500,451.43</b>	<b>95,223,596.68</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Employee pensions	481,215.00	481,215.00
Other post-employment benefits	1,112,355.00	1,112,355.00
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	238,711,824.11	238,711,824.11
Restricted	39.69	39.69
Unrestricted	35,252,459.50	33,392,779.78
<b>TOTAL NET POSITION</b>	<b>273,964,323.30</b>	<b>272,104,643.58</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>	<b>369,058,344.73</b>	<b>368,921,810.26</b>

**Sacramento Suburban Water District**  
**Statements of Revenues, Expenses and Changes in Net Position**  
**Period Ended**

	<u>Year-To-Date</u> <u>2/28/2021</u>	<u>Year-To-Date</u> <u>2/29/2020</u>
<b>OPERATING REVENUES</b>		
Water consumption sales	\$1,551,549.33	\$1,425,675.32
Water service charge	5,139,996.33	4,927,378.51
Wheeling water charge	624.23	30.00
Other charges for services	31,328.47	154,396.84
<b>TOTAL OPERATING REVENUES</b>	<u><b>6,723,498.36</b></u>	<u><b>6,507,480.67</b></u>
<b>OPERATING EXPENSES</b>		
Source of supply	50,405.39	205,521.04
Pumping	354,579.07	436,573.98
Transmission and distribution	506,741.18	638,764.06
Water conservation	61,322.79	59,612.25
Customer accounts	170,843.29	183,856.31
Administrative and general	1,053,201.55	1,029,714.40
<b>TOTAL OPERATING EXPENSES</b>	<u><b>2,197,093.27</b></u>	<u><b>2,554,042.04</b></u>
Operating income before depreciation	4,526,405.09	3,953,438.63
Depreciation and amortization	(2,400,000.00)	(2,287,221.25)
<b>OPERATING INCOME</b>	<u><b>2,126,405.09</b></u>	<u><b>1,666,217.38</b></u>
<b>NON-OPERATING REV. (EXP.)</b>		
Rental income	54,194.84	47,170.86
Interest and investment income	(73,623.01)	624,274.05
Interest expense and debt related costs	(274,889.20)	(347,692.05)
Other non-operating revenues	612.00	15,578.35
Other non-operating expenses	5,300.00	4.70
Gain(loss) on disposal of capital assets	21,680.00	9,255.00
<b>NON-OPERATING REV. (EXP.)</b>	<u><b>(266,725.37)</b></u>	<u><b>348,590.91</b></u>
<b>NET INCOME (LOSS) BEFORE CAPITAL</b>	<u><b>1,859,679.72</b></u>	<u><b>2,014,808.29</b></u>
<b>CAPITAL CONTRIBUTIONS</b>		
<b>CHANGE IN NET POSITION</b>	<u><b>1,859,679.72</b></u>	<u><b>2,014,808.29</b></u>
Net position at beginning of period	272,104,643.58	259,455,982.23
<b>NET POSITION AT END OF PERIOD</b>	<u><u><b>273,964,323.30</b></u></u>	<u><u><b>261,470,790.52</b></u></u>

**Budget to Actual Reports  
February 2021**

**Sacramento Suburban Water District  
Operations and Maintenance Budget  
Period Ended**

	<b>2021 YTD</b>		
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
<b>BUDGETED OPERATING EXPENSES</b>			
<b>Board of Directors</b>	\$3,417.37	\$8,652.04	\$5,234.67
<b>Administrative</b>	319,392.10	444,150.26	124,758.16
<b>Finance</b>	121,870.66	208,830.90	86,960.24
<b>Customer Services</b>	165,323.38	201,961.56	36,638.18
<b>Field Operations</b>	103,050.30	103,878.46	828.16
<b>Production</b>	324,291.66	1,314,337.52	990,045.86
<b>Environmental Compliance</b>	80,692.80	137,144.92	56,452.12
<b>Distribution</b>	304,196.81	390,178.04	85,981.23
<b>Field Services</b>	195,790.07	254,245.06	58,454.99
<b>Maintenance</b>	79,124.55	117,316.30	38,191.75
<b>Water Conservation</b>	61,322.79	66,146.44	4,823.65
<b>Engineering</b>	200,676.61	267,585.06	66,908.45
<b>GIS/CAD</b>	50,078.54	60,521.74	10,443.20
<b>Human Resources</b>	30,736.99	51,770.60	21,033.61
<b>Information Technology</b>	151,608.73	200,204.46	48,595.73
<b>Community Outreach</b>	5,519.91	35,174.00	29,654.09
<b>TOTAL OPERATING EXPENSES</b>	<b>2,197,093.27</b>	<b>3,862,097.36</b>	<b>1,665,004.09</b>

SACRAMENTO SUBURBAN WATER DISTRICT  
OPERATING CAPITAL BUDGET  
2/28/2021

Project Number	Project Name	2021 Original Budget	2021 Changes	2021 Amended Budget	Roll-Over From Prior Year Budget	Total Budget Available	Current Month Expenditures	Expenditures Year-To-Date	Committed Year- To-Date	Remaining Balance
SF20-485	OFF FURNITURE/WORKSTATIONS	\$ -	\$ -	\$ -	\$ 3,407.75	\$ 3,407.75	\$ -	\$ -	\$ -	\$ 3,407.75
SF20-493	BOARD ROOM WALL MAP	\$ -	-		4,000.00	4,000.00				\$ 4,000.00
SF21-500	PROPERTY ACQUISITION	\$ 700,000.00	(15,000.00)	\$ 685,000.00		685,000.00				\$ 685,000.00
SF21-501	UPDATE URBAN WTR MGMT PLAN	\$ 175,000.00		175,000.00		175,000.00			75,064.00	\$ 99,936.00
SF21-502	CALIBRATION HYDROLIC MODEL	\$ 130,000.00		130,000.00		130,000.00				\$ 130,000.00
SF21-503	DEV PIPELINE CA GUIDELINE	\$ 75,000.00		75,000.00		75,000.00				\$ 75,000.00
SF21-504	WATT/ELKH TREE REPL/IRRIGA MOD	\$ 55,500.00		55,500.00		55,500.00				\$ 55,500.00
SF21-505	FENCE REPL - 3 SITES	\$ 24,000.00		24,000.00		24,000.00				\$ 24,000.00
SF20-487	VEHICLE REPL - TRUCK# 46	\$ -		-	32,000.00	32,000.00	27,116.46	27,116.46	-	\$ 4,883.54
SF20-488	VEHICLE REPL - TRUCK# 49	\$ -		-	6,288.52	6,288.52	6,249.52	6,249.52	-	\$ 39.00
SF20-489	VEHICLE REPL - TRUCK# 54	\$ -		-	1,987.04	1,987.04	1,878.57	1,878.57	-	\$ 108.47
SF20-490	VEHICLE REPL - TRUCK# 56	\$ -		-	6,188.52	6,188.52	6,123.07	6,123.07	-	\$ 65.45
SF20-491	VEHICLE REPL - TRUCK# 4	\$ -		-	30,800.00	30,800.00	30,791.17	30,791.17	-	\$ 8.83
SF20-492	VEHICLE REPL - TRUCK# 16	\$ -		-	30,800.00	30,800.00	30,791.17	30,791.17	-	\$ 8.83
SF21-506	VEHICLE REPL-TRUCK# 9	\$ 32,500.00		32,500.00		32,500.00				\$ 32,500.00
SF21-507	VEHICLE REPL - TRUCK# 42	\$ 32,500.00		32,500.00		32,500.00				\$ 32,500.00
SF21-508	VEHICLE REPL - TRUCK# 50	\$ 47,000.00		47,000.00		47,000.00				\$ 47,000.00
SF21-509	VEHICLE REPL - TRUCK# 57	\$ 47,000.00		47,000.00		47,000.00				\$ 47,000.00
SF21-510	2020 JOHN DEERE 320G SKID STE	\$ 100,000.00		100,000.00		100,000.00				\$ 100,000.00
SF21-511	VACUUM TRAILER REPL-METER PM	\$ 51,000.00		51,000.00		51,000.00			50,830.00	\$ 170.00
SF21-512	IT - HARDWARE REFESH	\$ 166,500.00		166,500.00	27,197.32	193,697.32	50,091.49	50,091.49	40,174.82	\$ 103,431.01
SF21-513	IT - SOFTWARE UPGRADE/ENHANCE	\$ 125,000.00		125,000.00		125,000.00				\$ 125,000.00
SF21-514	MARCONI OFFICE IMPRV/CUS SERV	\$ 100,000.00	15,000.00	115,000.00		115,000.00				\$ 115,000.00
SF21-515	HVAC/ROOF/BUILDING REPAIRS	\$ 20,000.00		20,000.00		20,000.00	13,958.00	13,958.00	5,964.00	\$ 78.00
<b>TOTAL</b>		<b>\$ 1,881,000.00</b>	<b>\$0.00</b>	<b>\$1,881,000.00</b>	<b>\$142,669.15</b>	<b>\$2,023,669.15</b>	<b>\$166,999.45</b>	<b>\$166,999.45</b>	<b>\$172,032.82 #</b>	<b>\$1,684,636.88</b>

**Sacramento Suburban Water District  
Capital Improvement Project Budget  
2/28/2021**

Project No.	Project Name	2021 Original Budget	Roll-Over From Prior Year Budget	Total Budget Available	Current Month Expenditures	Expenditures Year- To-Date	Committed Year-To- Date	Remaining Balance
SC21-009	WELL REHAB/PUMP ST IMPROVEMENT	\$1,890,000.00	\$737,876.57	\$2,627,876.57	\$ 16,388.75	\$ 16,388.75	\$ 1,100,915.59	\$ 1,510,572.23
SC21-010	SCADA/COMMUNICATION IMPROVE	\$785,000.00	\$1,031,117.43	\$1,816,117.43	10,817.75	10,817.75	544,388.50	\$ 1,260,911.18
SC21-011	WELL DESTRUCTION/SITE DEMOLIT	\$152,000.00	\$81,697.28	\$233,697.28	2,856.10	4,348.10	205,128.68	\$ 24,220.50
SC21-012	WELL NEW CONSTRUCTION	\$4,620,000.00	\$965,531.71	\$5,585,531.71	24,146.75	24,146.75	3,679,627.72	\$ 1,881,757.24
SC21-018	DISTRIBUTION MAIN REPL/IMPROV	\$5,083,000.00	\$355,211.39	\$5,438,211.39	105,445.25	105,445.25	1,116,739.07	\$ 4,216,027.07
SC21-024	METER RETROFIT PROGRAM	\$2,000,000.00	\$88,078.56	\$2,088,078.56	-	-	1,307,657.01	\$ 780,421.55
SC21-034	RESERVIOR/TANK IMPROVEMENT	\$345,000.00	\$160,903.16	\$505,903.16	-	-	254,563.31	\$ 251,339.85
SC21-035	CORROSION CONTROL-TRAN MAIN	\$50,000.00	-	\$50,000.00	-	-	-	\$ 50,000.00
SC21-037	VALVE/HYDRANT/SERV REPL	\$300,000.00	-	\$300,000.00	34,435.34	34,435.34	73,890.23	\$ 191,674.43
SC21-038	LARGE METER REPLACEMENT	\$40,000.00	-	\$40,000.00	-	-	-	\$ 40,000.00
SC21-039	METER REPLACEMENT-PM	\$250,000.00	-	\$250,000.00	145.62	36,253.38	11,655.00	\$ 202,091.62
SC21-040	AMI ENDPOINTS	\$1,400,000.00	\$463,779.30	\$1,863,779.30	99,174.19	554,734.47	74,692.00	\$ 1,234,352.83
SC21-048	SPECIAL PROJECTS	\$5,000.00	\$77,042.17	\$82,042.17	-	-	567.50	\$ 81,474.67
SC21-049	WATER RELATED STREET IMPROV	\$200,000.00	\$50,000.00	\$250,000.00	-	-	73,860.00	\$ 176,140.00
		<b>\$ 17,120,000.00</b>	<b>\$ 4,011,237.57</b>	<b>\$ 21,131,237.57</b>	<b>\$ 293,409.75</b>	<b>\$ 786,569.79</b>	<b>\$ 8,443,684.61</b>	<b>\$ 11,900,983.17</b>

## **Information Required by LOC Agreement**



**Sacramento Suburban Water District  
Schedule of Net Revenues  
As Of**

	<b>Actual Year-To-Date 2/28/2021</b>	<b>Budget Year-To-Date 2/28/2021</b>
<b>REVENUES</b>		
Water sales charges	\$6,723,498.36	\$6,617,018.00
Facility development charges		50,000.00
Interest and investment income	113,044.72	139,500.00
Rental & other income	76,486.84	50,832.00
<b>TOTAL REVENUES</b>	<b>6,913,029.92</b>	<b>6,857,350.00</b>
<b>EXPENSES</b>		
Source of supply	50,405.39	646,184.00
Pumping	354,579.07	805,298.44
Transmission and distribution	506,741.18	650,256.44
Water conservation	61,322.79	66,146.44
Customer accounts	170,843.29	237,135.56
Administrative and general	1,047,901.55	1,457,076.48
<b>TOTAL EXPENSES</b>	<b>2,191,793.27</b>	<b>3,862,097.36</b>
<b>NET REVENUE</b>	<b>4,721,236.65</b>	<b>2,995,252.64</b>

**Sacramento Suburban Water District**  
**6 - Months Debt Service Schedule**  
**2/28/2021**

<b>Total SSWD Debt Service</b>						
Month	Principal	Interest Adjustable/Fixed/Swap	Facility Fee	Remarketing	Debt Service	
Mar-21	\$ -	\$ 85,020.87	\$ 50,400.00	\$ 13,125.00	\$ 148,545.87	
Apr-21	-	551,864.25	-	-	551,864.25	
May-21	-	85,020.87	-	-	85,020.87	
June-21	-	85,020.87	50,400.00	13,125.00	148,545.87	
July-21	-	85,020.87	-	-	85,020.87	
August-21	-	85,020.87	-	-	85,020.87	

<b>Series 2012A Fixed Rate Bonds (\$23,440,000.00)</b>						
Month	Principal	Interest - Fixed 4.25%			Debt Service	
Mar-21	\$ -	\$ -	\$ -	\$ -	\$ -	
Apr-21	-	259,118.75	-	-	259,118.75	
May-21	-	-	-	-	-	
June-21	-	-	-	-	-	
July-21	-	-	-	-	-	
August-21	-	-	-	-	-	

<b>Series 2009A Adjustable Rate COPs (\$42,000,000.00)</b>						
Month	Principal	Interest, Adjustable 0.02%	Facility Fee 0.480%	Remarketing 0.125%	Debt Service	
Mar-21		\$ 700.00	\$ 50,400.00	\$ 13,125.00	\$ 64,225.00	
Apr-21		700.00			700.00	
May-21		700.00			700.00	
June-21		700.00	50,400.00	13,125.00	64,225.00	
July-21		700.00			700.00	
August-21		700.00			700.00	

<b>Series 2018A Fixed Rate COPs (\$27,915,000)</b>						
Month	Principal	Interest - Fixed 3.17%			Debt Service	
Mar-21	\$ -	\$ -	\$ -	\$ -	\$ -	
Apr-21	-	207,724.63	-	-	207,724.63	
May-21	-	-	-	-	-	
June-21	-	-	-	-	-	
July-21	-	-	-	-	-	
August-21	-	-	-	-	-	

<b>2012 SWAP Interest, Net (\$33,000,000.00)</b>						
Month	Principal	Interest, Swap Net 3.283%-(0.06441 +.18)%			Debt Service	
Mar-21		\$ 84,320.87	-	-	84,320.87	
Apr-21		\$ 84,320.87	-	-	84,320.87	
May-21		\$ 84,320.87	-	-	84,320.87	
June-21		\$ 84,320.87	-	-	84,320.87	
July-21		\$ 84,320.87	-	-	84,320.87	
August-21		\$ 84,320.87	-	-	84,320.87	



## Agenda Item: 3

**Date:** June 28, 2021

**Subject:** Regulation 7 and Facility Development Charge Setting Policy Update

**Staff Contact:** Jeffery S. Ott, Director of Finance and Administration

### Recommended Committee Action:

Review and approve staff recommendations as follows:

- Update Regulation No. 7, New or Additional Service Connections.
- Resolution for update to Regulation No. 7.
- Update to Facility Development Charge Setting Policy PL–Fin 010 along with changing the name to Capacity Fee Setting Policy.

Consider recommending approval of the items listed above to full Board of Directors.

### Summary:

Approximately every 5 years the District conducts an independent Rate Study to determine the appropriate Facility Development Charges (FDCs) to apply to new or updated service connections. Per Regulation 7, Section H.5, “Each year the Facilities Development Charges will be adjusted to reflect cost changes in materials, labor, or real property applied to projects or project capacity. This adjustment in cost is not considered a change in the Facilities Development Charge methodology. The cost adjustment shall be made by applying one or more specific cost indexes or other periodic data sources”. This method is used between Rate Studies to adjust the FDCs annually by an inflation factor and does not consider annual asset additions, deletions, or the change in outstanding debt. This approach can lead to significant increases in years in which a rate study is performed as the charges need to catch up with the past asset additions, deletions, and changes in outstanding debt. As was the case in 2019, the FDCs had a significant increase after the Rate Study methodology was fully applied.

### Discussion:

The 2019 Rate Study provided the District with the model to calculate the FDCs. The methodology used follows previous rate studies as well as AWWA recommendations. Staff would like to use the full model to calculate the FDC’s each year between rate studies to have more accurate and consistent FDCs between rate studies. In addition, the standard industry description for these types of charges is “Capacity Fee” and not “Facility Development Charge”. Staff are also recommending changing the name of the Facility Development Charges to Capacity Fees.

Staff have discussed with the Board the impacts of using the inflation factor versus using the 2019 Rate Study methodology and the Board desires to change the annual update process. Staff concur that utilizing the full model is more accurate and beneficial to the District and its customers.

The proposed updates to Regulation 7, Facility Development Charge Setting Policy PL–Fin 010 and the Resolution to adopt the changes have been reviewed by legal counsel.

Proposed language changes to Regulation 7 are as follows:

General – Change name and references from Facility Development Charge to Capacity Fee.

#### Section H.5

- (a) Each year the Capacity Fees will be adjusted utilizing the model from the most recent Rate Study. Staff will update the model assumptions and parameters and calculate the new Capacity Fee values.  
The effective date of the updated Capacity Fees will be June 1<sup>st</sup>. A comprehensive review and update of Capacity Fee methodology shall occur at least every five years.
- (b) The existing sub-section (a) will become sub-section (b).

Proposed language changes to Facility Development Charge Setting Policy PL–Fin 010 are as follows:

#### General

- (a) Change name from Facility Development Charge Setting Policy to Capacity Fee Setting Policy.
- (b) Change all reference to Facility Development Charge to Capacity Fee.
- (c) Minor language and grammatical updates for clarity.

Section 200.00 item E – Change the method of the annual update to correspond to the updated Regulation 7, Section H.5.

#### **Fiscal Impact:**

FDCs are likely to increase more each year than they would by using the current method of applying an inflation factor to adjust the charges.

#### **Strategic Plan Alignment:**

Goal C: Ensure Fiscal Responsibility and Affordable Rates

Having FDCs that represent the full amount required to buy into District facilities is beneficial to the District and its existing customers.

#### **Attachments:**

- 1 – Regulation 7 – New or Additional Services – redline
- 2 – Facility Development Charge Setting Policy PL–Fin 010 redline
- 3 – Proposed Resolution amending Regulation 7.

## Regulation No. 7 New or Additional Service Connections

Adopted: July 19, 2004

Amended: ~~March 15~~August 16, 2021

Water Service from Sacramento Suburban Water District is not transferable or assignable and is subject to full compliance with the District's Regulations Governing Water Service, including the following terms and conditions:

### A. New or Additional Service Connections Generally

No New Service shall be connected to the District Water System unless there exists a District water main in a street or right-of-way fronting an Applicant's property accessible to the proposed location of the Applicant's service. A New Service will be located only in the front of a Parcel if an existing water main fronts a Customer's property. A New Service shall only be permitted in a backyard when no other viable option is available. A District water main available to serve a New Service shall have Adequate and Reserve Capacity and pressure to provide safe and reliable water service for domestic and fire protection use as solely and conclusively determined by the District. The District, in determining the adequacy of the existing facilities, will take into consideration all factors such as the water requirements of the project to be served by a New Service, the flows required for fire protection, and whether the use of the water will significantly impair service to existing Customers. If the District determines that the New Service will not be connected into the District Water System unless the Applicant provides such adequate extensions or additions as may be necessary in accordance with District Standards, regulations, and Master Plan, then the District shall determine the location, capacity, and design of such extensions or additions and provide its determination to the Applicant. In making this determination, the District may consider all factors, including but not limited to, anticipated future land uses, water requirements, the desirability of looping water mains to increase reliability and adequacy of service, required flows needed for fire protection, and the long range plans for capital improvements of the District Water System. The District's determination will be conclusive on the Applicant.

### B. No Prior Service

#### 1. Adequate Main Abuts Applicant's Parcel

A New Service will be connected provided the following conditions are fulfilled:

- (a) The Parcel to be served is within the District's geographical boundaries or is annexed to the District in accordance with an order of LAFCO;
- (b) The Applicant's Parcel is or has been made subject to applicable bonded indebtedness of the District, if any;

- (c) The District possesses adequate water supply to serve the Applicant's requested needs;
- (d) A District water main of Adequate and Reserve Capacity exists in a public right-of-way fronting the Principal Boundary or Principal Boundaries of the Applicant's Parcel, where the public right-of-way is less than 80 feet wide. For public rights-of-way 80 feet or wider, a water main of Adequate and Reserve Capacity shall exist fronting the Applicant's Principal Boundary from within the area measured from the centerline of the public right-of-way to the Applicant's property line contiguous to the public right-of-way; and
- (e) An Application for Water Service has been filed with the District in compliance with Section D, hereof.

2. No Adequate Main Abuts Applicant's Parcel

Service will be connected provided the following conditions are fulfilled:

- (a) The Parcel to be served is within the District's geographical boundaries or is annexed to the District in accordance with an order of LAFCO;
- (b) The Applicant's Parcel is or has been made subject to applicable bonded indebtedness of the District, if any;
- (c) The District possesses adequate water supply to serve the Applicant's requested needs;
- (d) The Applicant will provide a main of Adequate and Reserve Capacity at his/her own cost and expense, which main shall be constructed in a public right-of-way fronting the entire frontage of the Applicant's Parcel or an approved easement. Should the Applicant's Parcel front two or more rights-of-way, the Applicant shall be required to install the main along the Parcel's Principal Boundary as designated in the District's Master Plan as the right-of-way necessary to provide for future extension of the District Water System. Should the Applicant be required to service the Parcel from a right-of-way other than the principal right-of-way (service shall also mean fire service if required by the applicable fire agency), then the Applicant shall be required to install water mains of Adequate and Reserve Capacity along both the principal and the service frontage. All provisions for main extensions shall be in accordance with all applicable District Standards, Regulations, Master Plans; and
- (e) An Application for Water Service has been filed with the District in compliance with Section D, hereof.

### C. Prior Service

1. A Parcel to which service has been discontinued will be re-connected upon the filing of a new application together with the payment of all fees and the upgrade of all District facilities affected by the re-connection as required by District Regulations.
2. If any one of the following, but not limited to, conditions exists on an Applicant's Parcel, the District will require an upgrade of the existing service before reconnection to the District Water System will be permitted:
  - (a) An improvement on the Parcel requires an increase in water pressure or quantity. The District's increase of water pressure or quantity determination shall be based on the quantity of added water use facilities to be installed as a result of the improvement. The Applicant's engineer shall submit to the District a record of all the plumbing fixtures and flows required to serve all existing and proposed improvements on the Applicant's Parcel. Based on this information, the District shall determine if the existing service is adequate to serve the Premises. The District shall use AWWA Standards to determine the adequacy of all services and the consequent need for upgrades.
  - (b) An improvement on the Parcel requires increased water pressure or quantity in order to meet fire demand as computed under the fire suppression rating schedule, published by the California Fire Code (Edition 2013, or latest edition).
  - (c) An improvement changes a multiple unit Premises from master-metered to individually-metered units.
3. In those cases when service has not been interrupted but the Parcel has been improved, the provisions and requirements of Regulations Nos. 7 and 9 hereof shall apply if any one of the conditions described above in subparagraph 2 exists.

### D. Application for Service

1. The District will not provide or continue service to any Parcel unless the present Landowner has filed an Application for Water Service with the District.
2. Application for service shall be made in writing on forms provided by the District and signed by the Landowner.
3. Applications shall be supported by plat maps and a legal description of the Parcel, and a project description that includes construction type and number of living units, plan of water distribution, project approval by the appropriate fire service district, the planned service date, the name and billing address of the Landowner, the domestic water requirements in gallons per minute, and the total fire-flow

requirements, as well as the location of existing and/or proposed fire hydrants to meet applicable fire-flow requirements.

4. The failure of an Applicant to request the connection of his or her Parcel to the District Water System within one year of the District's Plan Approval shall automatically terminate the application and entitle the Applicant to the return of all fees paid except the plan check fee, any annexation fee, and other fees as described in Subsection G hereof. A request for refunding of fees shall be made in writing to the District.
5. The Applicant must deposit with the District, on or before the Plan Approval date, an amount equal to the cost of all Extension Facilities proposed to be constructed by the District, together with all service charges, fees, and ~~Facilities Development Charges~~Capacity Fees in effect on the date of the Final Approval.
6. Any decision by the District's staff concerning an application for service is appealable to the District Board of Directors or the Board's Facilities and Operations Committee. An Applicant's appeal must comply with the applicable requirements provided in Regulation 17, Procedures for Variance Application.
7. In situations where a retail municipal water supplier must allocate service connections due to supply limitations, Government Code section 65889.7 requires the District to provide a service priority to proposed residential developments that include units affordable to lower income households, as such are defined in Health & Safety Code sections 50052.5, 50053 and 50079.5. The District currently has sufficient supplies to serve all anticipated new demands and given its largely built-out condition, expects to have sufficient supplies to meet all future new demands. If, however, an allocation of new services becomes necessary, the following states the District's low income housing priority policy. An application for service to a proposed development that includes housing units affordable to lower income households, as defined by Government Code section 65589.7(d)(1), shall not be denied, conditionally approved, or the amount of service applied for reduced without specific written findings that the denial, condition, or reduction is necessary due to one or more of the following:
  - a. The District does not have "sufficient water supply," as defined in paragraph (2) of subdivision (a) of Section 66473.7, or is operating under a water shortage emergency or distribution capacity to serve the needs of the proposed development, as demonstrated by a written engineering analysis and report;
  - b. The District is subject to a compliance order issued by the State Department of Public Health that prohibits new water connections;
  - c. The Applicant has failed to agree to reasonable terms and conditions relating to the provisions of service generally applicable to development projects seeking service from the District, including, but not limited, the requirements of local, state, or federal laws and regulations or payment



of a connection fee or capacity charge imposed pursuant to Government Code section 66013.

In accordance with Water Code section 10631.1, the District will include in its Urban Water Management Plans projections of water use by single- and multiple-family housing needed for low income families.

#### E. Water Main Sizes

1. The size of water mains to be installed in accordance with this Regulation 7 shall be in compliance with District Standards, Section D - Design Standards.
2. Whenever Extension Facilities are required to be installed in accordance with this Regulation 7, the District may require, in accordance with its approved Master Plan and for the purposes of public convenience, necessity, and safety, the installation of an Up-Sized Line. Whenever the District requires the installation of an Up-Sized Line, the line shall be designed in accordance with one of the following procedures at the District's option:
  - (a) An Applicant, with approval from the District, shall have his or her engineer design the Up-Sized Line. The Applicant shall competitively bid and in accordance with the lowest responsive and responsible bid, construct the extension facility in accordance with the following conditions:
    - (1) The Applicant's engineer will prepare a spreadsheet detailing the Applicant's cost of installation of the line size required in accordance with provisions of District Standards, Section D - Design Standards.
    - (2) The Applicant's engineer will prepare a spreadsheet detailing the cost of the installation of the Up-Sized Line.
    - (3) The Applicant's engineer shall design plans and specifications for both the main size required in accordance with District Standards and Regulations and the Up-Sized Line. The design of the water mains shall be according to District Standards with plan review, revisions, and Plan Approval by District staff.
    - (4) The District shall pay to the Applicant, when the job is completed and accepted by the District, the difference in cost between the cost of the Up-Sized Line based on the lowest responsive and responsible bid and the cost of the installation of the line of the size required to adequately serve his or her Parcel, based on the average of the three lowest responsive and responsible bids. The District shall pay for the Up-Sized Line in accordance with Regulation 9, Section L.
    - (5) The Applicant shall pay to the contractor the full cost of the main installed.

- (6) The Applicant shall pay all of the District's fees, charges and costs required for the installation of the water main.
  - (7) The Applicant shall comply with all applicable regulations of the District and any amendments adopted from time to time by the Board of Directors.
- (b) The District shall design plans and call for separate bidding to construct the Extension Facilities as follows:
- (1) District staff will prepare spreadsheets detailing the cost of installing the line size required in accordance with District Standards, Section D - Design Standards.
  - (2) District staff will prepare spreadsheets detailing the cost of installing the Up-Sized Line.
  - (3) The Applicant shall pay to the District the full cost of the installation of the line of the size required to adequately serve his or her Parcel, based on the average of the three lowest responsive and responsible bids, and the District will pay the difference for the cost of the Up-Sized Line as contained in those bids. Applicant's payment to the District shall be no later than 30 calendar days after the District has awarded the project.
  - (4) The Applicant shall comply with all District Standards and Regulations and any amendments adopted from time to time by the Board of Directors.

#### F. District Final Plan Approval

The date of the District's final Plan Approval is defined as that date when the District shall, after receipt of all applicable fees, charges, applications and grants of easements, date and sign the Applicant's plans as approved for construction, or where no Extension Facilities are required, on that date when the District shall, after receipt of all applicable fees, charges, application and grants of easements, approve and date the said application. Should Applicant not obtain District's approval of his or her plans, the Applicant shall not be allowed to connect to the District Water System until he or she has obtained final Plan Approval. The District's Final Plan Approval is subject to all time limits and other restrictions provided in this Regulation 7 and such approval does not create any vested right in an Applicant except to the extent provided herein.

#### G. Expired Plans/Un-Built Projects

If construction of the required extension has not begun on the one-year anniversary date of Plan Approval or the District receives a written statement from an Applicant that the project will not be built, the District shall deem the plans void. The District will refund collected

fees upon the Applicant's written request, except for plan review, hydrant permit, construction water, annexation, and fire hydrant flow test fees. Should an Applicant resubmit plans for approval, the District will review the plans in accordance with District Standards, this Regulation 7 and Regulation 9. New and/or additional fees will be calculated and assessed for review of resubmitted plans. New Plan Approval shall be per Section F hereof.

## H. Charges for New or Improved Service Connections

### 1. Plan Check Fee

A charge shall be assessed by the District for the review of the Applicant's construction plans for new or improved water service. The charge for plan check shall be in accordance with Regulation 3, Section Q.. In addition, the District may charge staff time or consultant fees at cost for any additional services required as part of the review, including but not limited to, hydraulic analyses, site verification, and research. The District shall estimate the cost of reviewing such plans and notify the Applicant of the estimated costs for the services required. The Applicant shall deposit with the District the estimated plan check costs as a condition precedent to plan review. In the event that the actual cost for plan checking incurred by the District exceeds the amount deposited, the Applicant shall pay the excess fees due to the District before final Plan Approval.

### 2. Service Line Charge

The District charge for the installation of a new metered water service line from the existing water main to an Applicant's Parcel shall equal the District's actual cost of materials, installation, labor, equipment, and normal overhead charges.

### 3. Service Line Relocation

The District charge for the relocation of a service line from the existing water main to an Applicant's Parcel (which will be relocated according to District Standards) shall equal the District's actual cost of materials, installation, labor, equipment, and normal overhead charges.

### 4. Water Meters

District charges for installing and setting water meters will consist of the District's actual cost of materials, labor, equipment, installation, and overhead. The installation of a metered New Service shall be charged according to Section H.2 of this Regulation 7, provided that all applicable conditions of the District's Regulations have been satisfied.

### 5. ~~Facilities Development Charge~~Capacity Fees

To cover a portion of the District's costs incurred for the installation of wells, pumps, and storage and treatment facilities, and to provide a fund for

reimbursement of a portion of Customers’ costs of Extension Facilities pursuant to Regulation No. 9, Section A, a Capacity Fee (formerly, a Facilities Development Charge) will be imposed in accordance with the following schedule for each new or improved service:

Meter Size	Facilities Development Charge*Capacity Fee
5/8”	\$4,143
3/4”	\$6,216
1”	\$10,359
1 ½”	\$20,719
2”	\$33,151
3”	\$66,300
4”	\$103,594
6”	\$207,189
8”	\$372,940
10”	\$497,254
12”	\$699,263

~~\* Each year the Facilities Development Charges will be adjusted to reflect cost changes in materials, labor or real property applied to projects or project capacity. This adjustment in cost is not considered a change in the Facilities Development Charge methodology. The cost adjustment shall be made by applying one or more specific cost indexes or other periodic data sources. A specific cost index or periodic data source must be:~~

- ~~1. A relevant measure of the average change in prices or cost over an identified time period for materials, labor, real property or a combination of the three;~~
- ~~2. Published by a recognized organization or agency that produces the index or data source for reasons that are independent of the Facilities Development Charges methodology;~~
- ~~3. Publicly available and generally recognized in the utility industry as an authoritative resource for calculating periodic cost adjustments; and~~
- ~~4. Shall be adopted from time to time by Resolution of the Board~~

~~(a) Each year, Capacity Fees the Facilities Development Charges will be adjusted utilizing the model developed for and used in from the most recent ratefee study. Staff will update the model data, assumptions, and parameters and calculate the new FDCCapacity Fee values.~~

The effective date of the recalculated ~~Facilities Development Charges~~ Capacity Fees will be ~~April~~ June 1st. A comprehensive review and update of ~~Facility Development Charge~~ Capacity Fee methodology shall occur at least every five years.

(ab) In the event that ~~the Facilities Development Charge~~ a Capacity Fee assessed to ~~the an~~ Applicant imposes a financial burden on his or her project, the Applicant may request that the District enter into a deferred payment plan on the all of following terms:

- (1) The written application includes a request for deferment of the payment of all or part of the ~~Facilities Development Charge~~ Capacity Fee.
- (2) The District Board of Directors must approve the request.
- (3) The request is accompanied by a surety bond or an irrevocable letter of credit in an amount equal to the Capacity Fee ~~Facilities Development Charge~~ imposed on the Applicant as specified above, and the specified security is issued by a surety or financial institution authorized to do business and in good standing with the appropriate agency of the State of California.
- (4) The deferment request is accompanied by an executed Contract on a form provided by the District, which Contract includes the provisions of this subsection and provides for the payment of such Capacity Fee ~~Facilities Development Charge~~ as may be in effect on the date of payment, together with interest at the legal rate. The Contract also will provide that the Applicant will pay the Capacity Fee ~~Facilities Development Charge~~ in full no later than a date that is no more than 12 months from the date of the filing of the Service Application with the District.
- (5) The written application and accompanying plans must comply with all applicable District Standards, Ordinances, and Regulations.
- (6) The deferment rights granted to an Applicant, if any, are not assignable except upon the District's written consent.

#### 6. Supervision and Inspection Charges

A charge shall be assessed for District supervision and inspection of water system improvements. The charge for supervision and inspection shall be in accordance with Regulation 3, Section R.. At the time of service application, the District will estimate the minimum cost for District supervision and inspection of the proposed water system improvements, which the Applicant shall deposit with the District in advance of Plan Approval, in addition to all other charges owing under the District's regulations. In the event that actual supervision and inspection costs for

supervision and inspection incurred by the District exceed the amount deposited, the Applicant will pay the excess fees due to the District as a condition precedent to final District acceptance of the water system improvements and connection of service. Should any additional costs be required due to damage to District facilities by Applicant's contractor during construction, the cost shall be billed separately to the contractor. The contractor's payment of billed damages shall be due as a condition of commencing water service and final District acceptance of the improvements.

Should the need for an inspection occur weekdays between 4:30 p.m. and 8:00 a.m. the following day, or on weekends or holidays, the requested inspection shall be scheduled through the District to ensure the availability of personnel for the time requested. Overtime costs for inspections outside of normal business hours by District personnel shall be calculated and paid by the Applicant in advance of scheduling the after-hours work. The overtime charge shall be at least one and one-half (1½) times the standard hourly rate for inspection.

7. Fire Hydrant Flow Test

When requested by the local fire agency having jurisdiction over a project within the District, a fire hydrant flow test will be performed to determine the flow available at the test date. The flow test will only demonstrate the pressure and distribution capabilities at the time and under the conditions existing when the test is performed. The District will not guarantee that the flow test results obtained will be consistent with flows available at all times and under all conditions.

Flow tests will be performed either in the field or using the District's water model. Tests will be performed by District staff as time allows but not to exceed 4 weeks after a request is made. For design purposes, fire flow tests using the water model will be run with the most conservative assumptions reasonable in order to establish the projected worst case conditions prevailing in the District's water system.

A charge will be assessed for the District to supervise and perform the test and to provide written results. The charge shall be in accordance with Regulation 3, Section S.

8. Bacteriological Testing

After installation and disinfection, the District will sample all new Extension Facilities and have the sample tested by a certified laboratory for bacteria. The Extension Facilities will be super-chlorinated and flushed using at least three times the volume of water in the facilities before bacteria testing is to begin. After flushing is complete, the first set of bacteria testing will be collected from the Extension Facilities. Twenty-four (24) hours after the first collection, a second set of bacteria testing will be collected. If the new Extension Facilities fail to meet applicable federal, state and local bacteriological standards, the Applicant will be responsible for re-disinfecting and re-testing those facilities until they pass. A

charge for this test and any required retests will be assessed in accordance to Regulation 3, Section J.

9. Backflow Prevention Assembly Test Charge

A charge will be assessed for the District to test all Backflow Prevention Assemblies as part of a new development to verify the operating status of each such device. If a Backflow Prevention Assembly does not pass the first inspection, the Applicant will be required to repair the Backflow Prevention Assembly and re-test it at the Applicant's expense. Each backflow test charge shall be in accordance with Regulation 3, Section D.

10. Environmental Document Charge

Whenever the District determines that an environmental impact report or other environmental document is required for a proposed Extension Facility necessary to serve an Applicant's Parcel, the District will estimate the cost of preparing such a document, including overhead expenses, preparation, and hearings. In addition to all other costs that may be due to the District for provision of service, the Applicant shall deposit with the District the estimated Environmental Document Charge as a condition precedent to the District's approval of an environmental document. In the event that the actual cost to prepare an environmental document exceeds the amount deposited, the Applicant will pay the excess amount before Final Approval. If the deposit exceeds the cost, the District will refund the balance.

In the event that the Applicant delivers to the District a certified copy of an environmental document duly approved and filed by the County of Sacramento relevant to the Applicant's Parcel, the District may determine, in its sole discretion, that the provisions of this paragraph do not apply.

11. Furnish-Only Fees

Meters, as shown on the standard detail drawing of the District Standards, are required on all new or improved Service Connections and shall be Furnish-Only Materials by the District. The District will charge fees for Furnish-Only Materials to an Applicant in accordance with the number, the cost, and the District's inventory and overhead cost for furnishing the required Meter(s).

I. Water Service

The District shall make water service available to an Applicant's new or improved Service Connection subject to the following terms and conditions:

1. No service shall be granted or continued unless an Applicant has filed an application for service on a District-furnished form.
  - (a) All new construction, improved Parcels, and replacement mains shall have a Meter installed on the Principal Boundary no more than one foot behind a sidewalk or curb.

- (b) Monthly water billing shall be computed on actual consumption based on the Metered Rates in Regulation No. 3.
  - (c) A separate Service Connection and Meter shall be installed on each Parcel. A separate Service Connection may include multiple meters except as otherwise limited by this Regulation 7.
  - (d) If a Parcel is found to be served by more than one Service Connection, it will be at the sole discretion of the District, in consultation with the Customer, to determine how the parcel will receive water through a metered connection(s). The owner of the parcel will be responsible for the cost of any changes to the service configuration, including the abandonment of any existing unused Service Connection or the upgrade to District current standards of additional Service Connections as determined necessary by the District.
  - (e) The minimum water service size for a new residential Service Connection shall be one inch in diameter.
  - (f) No more than one Service Connection per Single Family Residential Parcel will be permitted unless otherwise determined by the District.
  - (g) Each residential unit is required to have its own District-approved Service Connection.
  - (h) A separate metered irrigation service shall be required for all non-residential units.
  - (i) No credit will be allowed for vacancies in multiple family residential units.
  - (j) All non-residential services and multi-family residential structures containing 5 or more units fed from a single connection services shall have water meters with an approved Backflow Prevention Assembly.
2. Use of a 5/8" meter shall be limited to multi-family residential units fed by a single water service such as, but not limited to, duplexes, triplexes, fourplexes, apartment buildings with five or more residential units, and condominiums.
3. Voluntary Meter Installation on an Existing Residential Service
- (a) At a Customer's request, the District will install a permanent Meter on an existing un-metered Service Connection for a residential Parcel at no direct charge. However, should the Parcel be within a current main replacement project area that is scheduled for a new water service installation a new meter will be installed only after the installation of the new water main.



- (b) Upon installation of a Meter, the District will compute and charge the Parcel's water bill based on actual consumption at the Metered Rates stated in Regulation No. 3.

J. Connection to Facilities Extended by District

1. If an Applicant for water service to a Parcel fronting Extension Facilities built with District funds desires to connect to such facilities, he or she shall deposit with the District, together with a New Service application, a portion of the total cost of designing and installing the Extension Facilities. The Applicant's cost share shall be determined by comparing the length of the Applicant's frontage along the right-of-way in which the water service facilities will or have been located to the total combined frontage along said right-of-way of all Parcels served by the Extension Facilities. The District also will calculate and charge all other applicable fees and charges established by District Regulations.
2. If an Applicant chooses, payment of the costs and charges to connect to District-constructed Extension Facilities as defined in Regulation 9, Section A may be deferred for a period not to exceed 12 months from the date on which the District approves the Application for Water Service, provided:
  - (a) The Applicant requests the District defer the charges in writing before the date the application is approved, and
  - (b) The full amount of such fees and charges together with interest thereon at the legal rate is guaranteed by a surety bond issued by a surety company acceptable to the District, and the Applicant executes an agreement to make such payment together with interest at the legal rate within the 12-month deferment period, and
  - (c) The deferment is not transferable.
3. Reimbursement for eligible costs of Extension Facilities as defined by Regulation 9, Section A will not be made until all connection charges have been paid by the Applicant.

K. Abandonment of Service Line

The District charge for the abandonment of an existing water service from the existing water main to the Applicant's Parcel shall equal the District's actual cost of materials, labor, equipment and normal overhead charges. The charge for service abandonment shall be in accordance with Regulation 3, Section T.

L. Existing Services

All Service Connections that are not directly affected by an improvement, but which exist on a Parcel to be improved, shall be upgraded to current District Standards if the Landowner intends to use such service(s) in the future. If the unaffected Service

Connection(s) will not be used, the Landowner shall be required to abandon such service(s) in accordance with District Standards. This requirement applies to all services that serve other buildings or appurtenances on the Parcel being improved.

District-required upgrades of existing Service Connection(s) shall include, but are not limited to, repair, upgrade and/or replacement of existing facilities to current District Standards.

Credit will be given for existing unused services on improvement projects affecting the Parcel. Credit will be given in the amount of the existing ~~Facilities Development Charge~~Capacity Fee on the Plan Approval date, subject to abandonment of the unused Service Connection(s) as required herein. Credit will only apply to new ~~Facilities Development Charges~~Capacity Fees and will not exceed the total for the project.

M. Existing Services on Split Parcels

After a parcel split, the existing service will serve only the Parcel on which it is installed. If any unserved portion of a split Parcel will be developed, the Landowner shall be required to install a New Service on such Parcel in accordance with all applicable District Standards, Ordinances, and Regulations.

Sacramento Suburban Water District

**Facility Development Charge Capacity Fee Setting Policy**

Adopted: September 15, 2014

Approved with Changes: ~~June 17~~ August 16 ~~July 19~~, 2019

**100.00 Purpose of the Policy**

Capacity Fees (formerly called Facility Development Charges (~~FDCs~~)) provide the means of balancing the District's cost requirements for new infrastructure between existing customers and new customers. ~~The~~ A portion of the costs of buying into existing infrastructure that will provide service (capacity) to new customers is included in the District's ~~FDCs~~ Capacity Fees. In contrast, the District has future capital improvement projects that are related to renewal and replacement of existing infrastructure. These infrastructure costs are typically included within the rates charged to the District's customers, and are not included in the Capacity Fees ~~FDCs~~. By establishing cost-based Capacity Fees ~~FDCs~~, the District will continue its policy of having "growth pay for growth" and existing District customers, for the most part, be sheltered from the financial impacts of growth. The establishment of Capacity Fees ~~FDCs~~ will include consideration of:

- A. Growth-Related Capital Projects – Within the District's capital improvement plans and rate studies, growth-related capital projects will be clearly identified.
- B. Growth Related Capital – The District's intent is for the cost of growth-related assets to be paid for by the use of Capacity Fees ~~FDCs~~. In other words, growth should pay for growth, and existing customers should be sheltered from the costs of serving growth.
- C. Use of Capacity Fee ~~FDC~~ Proceeds – Capacity Fee ~~FDC~~ revenues will only be used for two purposes – to pay for growth-related debt service or to directly pay for growth-related capital improvements.
- D. Limitation on the Use of Capacity Fees ~~FDCs~~ to Pay Debt Service – The use of Capacity Fee ~~FDC~~ revenues to pay for growth-related debt service will be limited in any year, for planning and rate setting purposes, to fifty percent (50%) of the annual Capacity Fee ~~FDC~~ revenue projected to be collected. If growth and the corresponding Capacity Fee ~~FDC~~ revenue is less than projected, the District should still have sufficient Capacity Fee ~~FDC~~ revenue to make the annual debt service payments associated with the growth-related capital projects.

**200.00 Policy**

Capacity Fees ~~FDCs~~ are intended to reflect the cost of growth and capacity expansion to serve new customers and additional capacity requirements. Capacity Fees ~~FDCs~~ are a common method of assessing the cost of expansion and its additional capacity

requirements. In establishing Capacity FeesFDCs, and in concert with Regulation No. 7, “New or Additional Service Connections”, the following will be considered:

- A. Meeting Legal Requirements – Capacity FeesFDCs will be established and administered to ~~conform and meet any~~comply with applicable legal requirements.
- B. Methodologies – Capacity FeesFDCs will be established using “generally accepted” methodologies and will include a debt service credit to fairly account for the method of financing used for growth and expansion projects.
- C. Determination of Cost-Basis – As appropriate, Capacity FeesFDCs will be calculated to determine the cost-based levels for new customers seeking ~~to~~ connections to the District’s water system.
- D. Establishing Final Capacity FeesFDCs – The Board will establish the final Capacity FeesFDCs, taking into consideration the cost-based levels of the charges and the Board’s policy ~~or philosophy~~ as it relates to the sharing of growth-related costs between existing rate-payers and new customers connecting to the water system. At no time will the Board establish or adopt Capacity FeesFDCs greater than the calculated cost-based Capacity FeesFDCs except as permitted under Government Code section 66013.
- E. Adjustments – In accordance with Regulation No. 7, section H. 5 - Capacity FeesFDCs will be adjusted annually utilizing the methodology from model used in the most recent ratecapacity fee study~~annually “to reflect cost changes in materials, labor or real property applied to projects or project capacity” using an appropriate cost index~~. Further, “a comprehensive review and update of the Capacity FeeFDC methodology shall occur at least every five years.”
- F. Master Plan and Capacity FeesFDCs – Every three to five years, or whenever the Water System Master Plan is updated, the Capacity FeesFDCs will be updated to reflect the changes in planning, infrastructure, and capital financing.

### **300.00 FDC Consideration and Approval Process**

California Government Code sections 66013 and 66016 require that new or updated Capacity FeesFDCs or similar charges be properly noticed. Under section 66016, the District must agendize consideration of the proposed new or increased fees on the agenda of at least one regular Board meeting and permit the public to present oral or written comments on the proposal. In addition, the District must mail written notice of the meeting at which the matter will be heard, including a “general explanation of the matter to be considered, and a statement that the data required by this section is available”, at least 14 days before the meeting to all parties that have filed a written request with the District for mailed notice of meetings at which new or increased fees and charges will be considered (any such request is valid for one year from the date on which it is filed and any renewal request must be filed by April 1 of the following year).

Also, the District must make publicly available the FDC capacity fee study and any related data at least 10 days before the meeting at which ~~the a fee~~-proposal to adjust Capacity Fees will be considered. If the Board proposes to adopt the ~~new or increased FDCs~~proposed Capacity Fees, with or without change, the Board may take

that action only by ordinance or resolution. A formal public hearing on the issue is not required.

**400.00 Authority**

The General Manager and District Treasurer are responsible for ~~adherence to~~compliance with this policy and regular reporting of the District's financial status, including the Capacity Fees accounting required under Government Code section 66013, subdivisions (c) through (f). Board oversight will be accomplished through regular reporting of financial status and review of this Policy.

**500.00 Policy Review**

This Policy will be reviewed by the Board of Directors at least biennially.

**RESOLUTION NO. 21-XX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SACRAMENTO SUBURBAN WATER DISTRICT  
AMENDING REGULATION NO. 7 OF THE  
REGULATIONS GOVERNING WATER SERVICE**

WHEREAS, on July 19, 2004, the Board enacted Ordinance 2004-03, entitled “An Ordinance of the Board of Directors of Sacramento Suburban Water District Adopting Regulations Governing Water Service”;

WHEREAS, the Board now desires to amend Regulation No. 7 of the Regulations Governing Water Service as described in this Resolution and as further set forth in the revised version of the regulation as Attachment 1 hereto;

WHEREAS, in addition to revamping the methodology used to annually adjust its fees for new development to acquire capacity in the District water system, the amendments to Regulation No. 7 include changing the name of this fee from “Facilities Development Charge” to “Capacity Fee” in order to more accurately reflect the purpose of the fee and the terms public entities commonly use for such fees in accordance with Government Code section 66013; and

WHEREAS, none of the described amendments to Regulation No. 7 are subject to Proposition 218’s notice and hearing requirements as provided in Article XIII D, section 6 of the California Constitution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sacramento Suburban Water District as follows:

1. Regulation No. 7 is hereby amended as shown in Attachment 1, which is attached to and made a part of this Resolution.
2. The Board authorizes and directs the General Manager and staff to take all actions necessary to amend Regulation No. 7 and to enforce such amended regulation in accordance with the authority granted by this Resolution.
3. Except as modified by the terms of this Resolution, the existing District Regulations Governing Water Service shall remain in full force and effect. Any provisions in the existing regulations that conflict with the amendments approved in this Resolution are deemed superseded and of no further effect.
4. This Resolution shall take effect as of August 16, 2021.

PASSED AND ADOPTED by the Board of Directors of the Sacramento Suburban Water District on the 16th day of August 2021, by the following vote:

AYES:  
NOES:  
ABSENT:

By: \_\_\_\_\_  
Robert M. Wichert  
President, Board of Directors  
Sacramento Suburban Water District

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I hereby certify that the foregoing resolution was duly and regularly adopted and passed by the Board of Directors of Sacramento Suburban Water District at a regular meeting hereof held on the 16th day of August 2021.

(SEAL)

By: \_\_\_\_\_  
Daniel R. York  
General Manager/Secretary  
Sacramento Suburban Water District



## Agenda Item: 4

**Date:** June 28, 2021

**Subject:** COVID-19 Temporary Regulation Suspension Update

**Staff Contact:** Jeffery S. Ott, Director of Finance and Administration

### **Recommended Committee Action:**

Receive presentation from staff and discuss options for maintaining current COVID-19 temporary suspension of regulations or resume activities not restricted by the Executive Order N-42-20.

### **Summary:**

Staff is seeking guidance from the Board on continuing the current restrictions on imposing late fees and processing collection notices for delinquent accounts and the potential of adding large past due balances to the property tax levy. Executive Order N-42-20 is set to expire on September 30, 2021. No guidance has been received from the state on how to manage the transition back to allowing shut-offs for non-payment when the Executive Order expires. There are discussions surrounding a one billion dollar amount from the American Rescue Plan Act to be used for direct payments to water systems to address customer arrearages and revenue gaps related to the pandemic. The District's CY2021 budget does account for six months of reduced fee revenue.

### **Background:**

Executive Order N-42-20 placed a moratorium on the disconnection of water service for non-payment for residential and critical infrastructure sector small businesses. In addition to this Executive Order the District's Board adopted Resolution 20-07, which temporarily suspended portions of Regulation 5 and 6 pertaining to water service terminations and the imposition and collection of penalties and late fees for all customer classes. Since April 2020, staff have suspended the imposition of late fees and the processing of disconnection notices as directed in the Resolution. As part of the CY2021 budget preparation, staff budgeted for six months of revenue and expenses related to late fees and collection notices. During the 2020 year-end closing, the District increased the allowance for doubtful accounts by \$500,000 to cover potential losses related to unpaid customer accounts. Staff have continued to report to the Board monthly the financial impacts of the COVID-19 pandemic. The District has issued two separate notices to customers with unpaid balances over 90 days providing not only a reminder of their delinquent balances, but also of state grant funds available to assist with utility bill payments.

### **Discussion:**

Over fourteen months have passed since the Board adopted Resolution 20-07. The Governor has extended Executive Order N-42-20 to September 30, 2021. The state is gradually beginning to



open back up. Restrictions are being lifted or removed. As of May 31, 2021, there are 1,616 delinquent customers with a combined balance of \$983,104. There are a total of eight accounts with balances greater than \$5,000. Seven of these are apartment/multi-family accounts and one is a commercial enterprise. To date, the state has not provided any guidance on how agencies should handle the resumption of disconnections and the collection of past due balances after Executive Order N-42-20 expires. Information obtained from the State Water Resources Control Board, Division of Drinking Water (DDW) indicates that the Governor is proposing one billion dollars from the American Rescue Plan Act funds be used to provide direct payments to water systems to address customer arrearages and revenue gaps related to the pandemic. Staff is seeking direction from the Board on when to resume the imposition of late fees and the resumption of disconnections in light of the proposed September 30, 2021 expiration of Executive Order N-42-20. Disconnections cannot resume until the Executive Order N-42-20 expires, however the District may resume the imposition of late fees and potential tax levies as this was not mandated by the Governor's Executive Order. Until more information on the passage of the Governor's budget proposal for water district relief payments is obtained, staff will continue the current process of not imposing late fees or processing collections. Staff will notify the Board promptly if and when any guidance is received on how to handle the resumption of disconnections and collection of past due balances.

**Fiscal Impact:**

Retaining the status of not imposing late fees will begin to affect the 2021 revenue budget after June as the budget included six months of late fee revenue. This revenue is approximately \$40,000 per month. Additional costs associated with communications with delinquent customers as each mailing costs approximately \$2,500.00.

**Strategic Plan Alignment:**

Goal C: Ensure Fiscal Responsibility and Affordable Rates.

Benefit to District customers by continuing to afford relief to customers impacted by the pandemic.