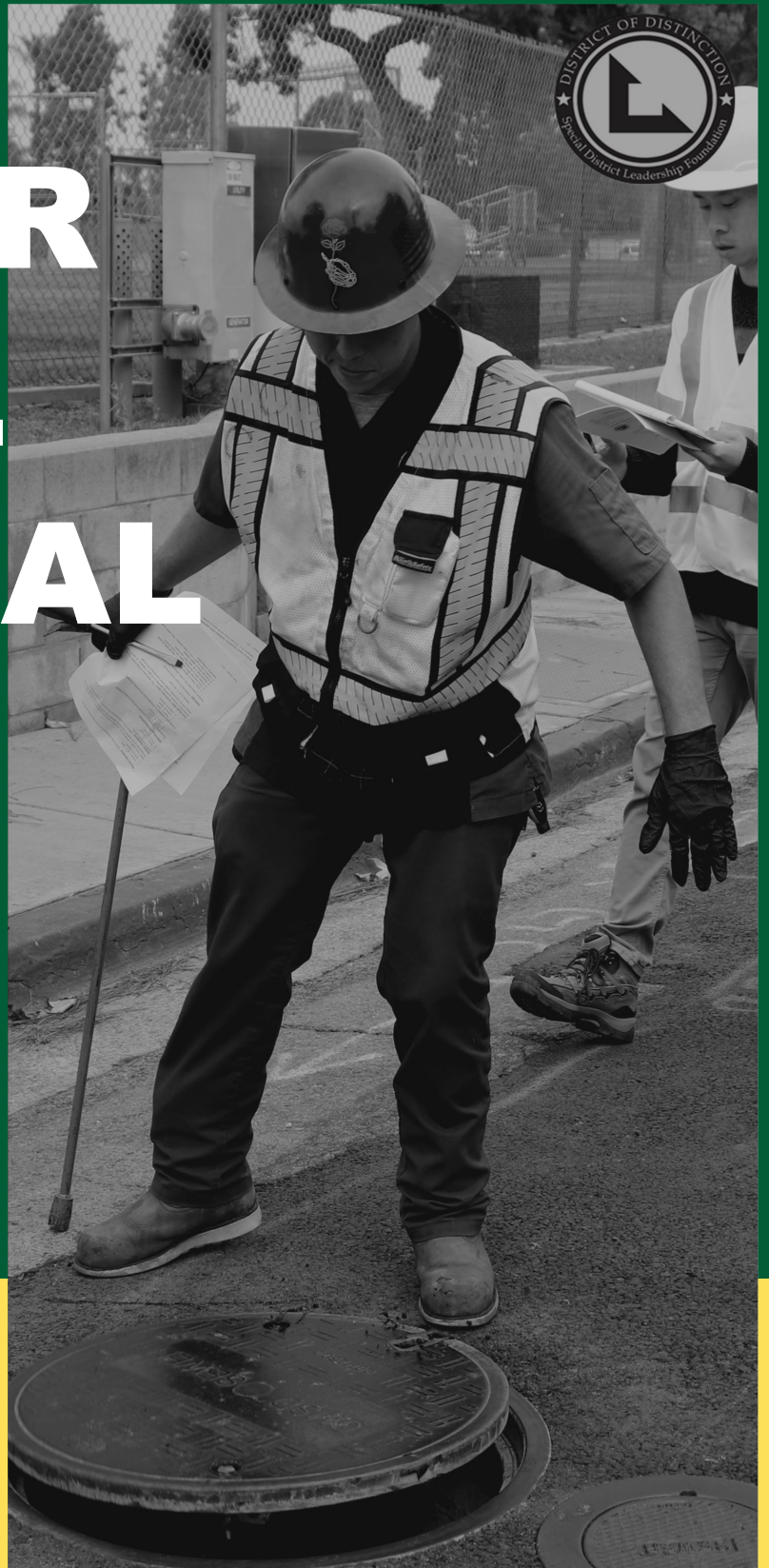


# POPULAR ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR  
ENDED JUNE 30, 2021



**COSTA MESA  
SANITARY DISTRICT  
COSTA MESA, CA**



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Government Finance Officers Association

## Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Costa Mesa Sanitary District  
California**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO

## Popular Annual Financial Reporting Award

The Government Finance Officers Association (GFOA) encourages governments to demonstrate accountability and transparency in the Popular Annual Financial Reporting (PAFR) program by making financial information of the highest quality readily accessible to the general public and other interested parties. The GFOA recognizes governments that meet certain standards based on information presented, reader appeal, understandability, distribution, and other elements. The District met these requirements and received an award for the 2020 PAFR, the sixth consecutive year for this achievement. The PAFR is presented in conformity with generally accepted accounting principles.

The information in this report is drawn from our Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021, and Adopted Budget Document for the fiscal year 2019-21, which can both be found online at [www.cmsdca.gov](http://www.cmsdca.gov).



# A MESSAGE FROM **SCOTT CARROLL** GENERAL MANAGER

## OUR VISION

Leading a community that is free from solid waste and wastewater pollution.

## OUR MISSION

To protect public health and the environment for current and future generations.

## CORE VALUES

Balance, dedication, integrity, fiduciary responsibility, respect, professional development, teamwork, transparency.

Dear Customers,

On behalf of the Board of Directors and staff of the Costa Mesa Sanitary District's (District) it is my pleasure to present to you our Popular Annual Financial Report (PAFR). The District is committed to openness and transparency because we believe openness will strengthen our democracy and promote efficiency and effectiveness in government while transparency promotes accountability and provides information for citizens about what their government is doing. This PAFR is a demonstration of the District's commitment to openness and transparency by sharing with you a summary of the financial activities of District, including sources of revenues, expenditures, assets, liabilities and reserves for the fiscal year ending June 30, 2021.

The PAFR draws directly from our Annual Comprehensive Financial Report (ACFR) that is more detailed and contains audited information. While the budget document is a plan for spending money, the ACFR describe the actual expenditures that occurred over the course of one fiscal year and will identify fund balances and the financial condition of the District. However, the ACFR can be difficult to read and understand so the PAFR is intended to convey the financial results of District operations to anyone who does not necessarily have a background in public finance.

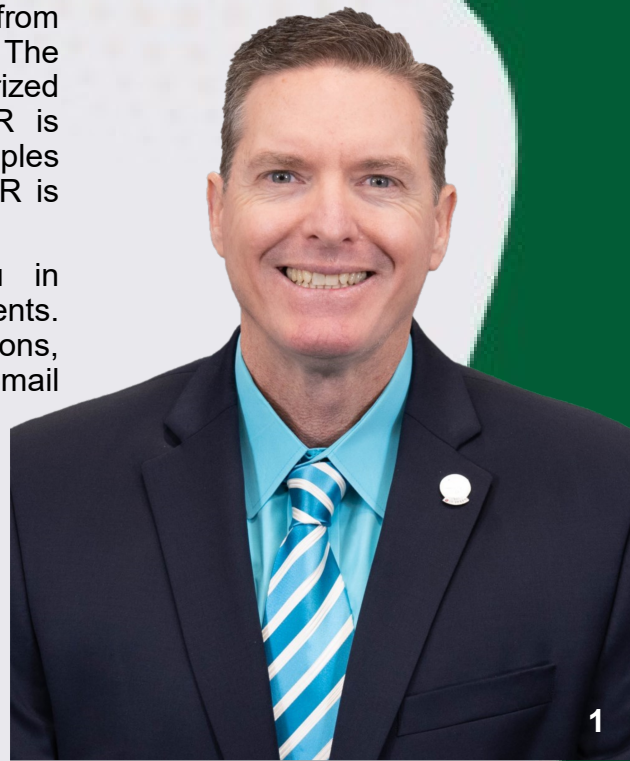
For the sixth year, the District's PAFR earned the prestigious Award for Outstanding Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association (GFOA) in 2020. The information presented in this year's report has been summarized reflecting the District's more detailed 2021 ACFR. The ACFR is prepared in conformity with generally accepted accounting principles and audited by Teaman, Ramirez & Smith, Inc. The 2021 ACFR is available for review on the District's website at [www.cmsdca.gov](http://www.cmsdca.gov).

I hope the Popular Annual Financial Report assists you in understanding the District's financial picture and future commitments. Please do not hesitate to contact the District if you have any questions, comments and or feedback at 949-645-8400 or e-mail [info@cmsdca.gov](mailto:info@cmsdca.gov).

Respectfully,



Scott Carroll, CSDM, ICMA-CM  
General Manager



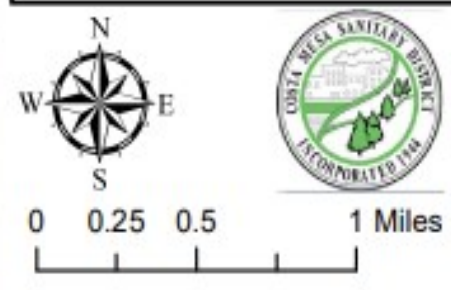
**COSTA MESA  
SANITARY DISTRICT  
SERVICE AREA**

**Legend**

- Boundary
- City of Costa Mesa
- Unincorporated

0 0.25 0.5 1 Miles

2





# ABOUT THE DISTRICT

The District was formed in 1944 pursuant to the Sanitary Act of 1923. Established as an independent special district, the District is authorized to provide solid waste and wastewater collection services and to levy rates and fees to support those services.

The District's headquarters is located in the City of Costa Mesa, California. The District provides solid waste and wastewater services to the City of Costa Mesa, portions of the City of Newport Beach and some County of Orange unincorporated areas. The District serves approximately 116,700 residents. Sewage from the District's service area is transported to the Orange County Sanitation District's facilities where it is treated to federally mandated standards to protect the public's health. The District has an agreement with CR&R Incorporated for collection of all solid waste from single family dwellings and small multi-family residences utilizing cart collection. CR&R transports all the solid waste to its subsidiary-owned recycling and transfer station located in Stanton, California or the Anaerobic Digestion Facility in Perris, California.

The affairs of the District are directed by a five-member Board of Directors (the Board) elected by-division by the registered voters residing in the District. The Board members are also residents and have the same concerns as their constituents. The Board members, who serve four-year staggered terms, are responsible for establishing policy and ordinances, adopting the biennial budget, and appointing the District's General Manager, District Counsel and District Treasurer. The General Manager is responsible for carrying out the policies and ordinances of the Board and for overseeing the day-to-day operations of the District. District Counsel provides legal advice to the Board of Directors, while the District Treasurer is responsible for ensuring the safety of District funds by making prudent investments.

## Board of Directors



Robert Ooten  
**President**  
Term: 2018-2022



Michael Scheafer  
**Vice President**  
Term: 2018-2022



Arlene Schafer  
**Secretary**  
Term: 2018-2022



Arthur Perry  
**Director**  
Term: 2020-2024



Brett Eckles  
**Director**  
Term: 2020-2024

## Appointed Officials

Scott Carroll, General Manager  
Alan Burns, District Counsel  
Marc Davis, District Treasurer



**Costa Mesa**  
**Sanitary District**  
Providing Wastewater Collection Services



# Solid Waste & Wastewater Rates

In 2019, the District implemented solid waste adjustments for the first time in fifteen years. FY 2020-21 will be the second consecutive year of adjusting annual solid waste fees with an increase this year of seven percent, going from \$224.88 to \$240.60. The adjustments were necessary because the District successfully reduced excess funds in the Solid Waste Fund Balance, and the need to fund one of the biggest changes in public behavior in the solid waste industry since the implementation 32 years ago of Assembly Bill 939, the California Integrated Waste Management Act. The District currently utilizes a two-cart system wherein single-family homes discard their trash and recyclables (e.g., aluminum, glass, paper, tin, plastic, etc.) in a black cart and place their organics (green waste and food scraps) in a green cart. The recyclables are separated at a Material Recovery Facility and shipped to various markets.

Wastewater fees have remained steady for five consecutive years (2017-2022). The COVID-19 pandemic caused the fees to remain constant in FY 2020-21, but due to inflation and increases in operational expenses, fee adjustments are required. The District will perform a wastewater rate study in FY 2021-22 with the anticipation of adjustments going into effect in July 2022.

## Solid Waste Rates

Customer Class	Fiscal Year 2018-19		Fiscal Year 2019-20		Fiscal Year 2020-21	
	Per Month	Per Year	Per Month	Per Year	Per Month	Per Year
Single Family	\$18.00	\$216.00	\$18.74	\$224.88	\$20.05	\$240.60

## Wastewater Collection Rates

Customer Class	Fiscal Year 2018-19		Fiscal Year 2019-20		Fiscal Year 2020-21	
	Per Month	Per Year	Per Month	Per Year	Per Month	Per Year
Residential (Per Dwelling Unit)						
Single Family	\$7.70	\$92.38	\$7.70	\$92.38	\$7.70	\$92.38
Multi Family	\$4.52	\$54.21	\$4.52	\$54.21	\$4.52	\$54.21
Non-Residential (Per 1,000 sq. ft.)						
Commercial – Ave Strength	\$3.42	\$41.09	\$3.42	\$41.09	\$3.42	\$41.09
Commercial – High Strength	\$3.73	\$44.81	\$3.73	\$44.81	\$3.73	\$44.81
Industrial	\$8.79	\$105.48	\$8.79	\$105.48	\$8.79	\$105.48

## Local Economy

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates. The District continues to benefit from its unique geographical location. The local economy is primarily based on retail commercial business and light manufacturing of electronics, pharmaceuticals, and plastics. The District's service area includes several major regional facilities: John Wayne Airport, Orange Coast College, Vanguard University, State of California Fairview Developmental Center, Orange County Department of Education, Orange County Fairgrounds, Segerstrom Performing Arts Center, South Coast Repertory Theater, and the South Coast Plaza shopping complex. The volume of sales generated by South Coast Plaza, on the strength of 250 stores and 30 restaurants, secures its place as the second highest sales-volume shopping center in California.

As an independent special district having the ability to adjust service rates as required, the District's operating revenues are somewhat insulated from the local economy. The District has a secure revenue stream in the form of an annual charge, which is collected on the District's behalf by the County of Orange via the property tax bills.



# Demographics & Economic Statistics

Calendar Year	City of Costa Mesa (a)			County of Orange (b)	
	District Service Population	Unemployment Rate	Population	Personal Income* (in thousands)	Personal Income Per Capita
2012	111,675	6.80%	3,090,132	161,743,827	52,342
2013	112,174	5.60%	3,114,363	169,792,810	54,519
2014	112,784	5.60%	3,145,515	173,305,650	55,096
2015	113,204	4.50%	3,169,776	183,052,341	57,749
2016	112,822	3.70%	3,172,532	196,920,661	62,071
2017	113,825	2.70%	3,190,400	208,653,019	65,400
2018	113,615	2.30%	3,185,968	220,684,684	69,268
2019	113,003	6.50%	3,175,692	227,732,561	71,711
2020	c	4.3%	c	236,303,451	74,618
2021	c	c	c	c	c

Notes: a) Approximate population of Costa Mesa Sanitary District is the same as the population of the City of Costa Mesa. b) The District has chosen to use County data since the District believes that the County data is representative of the conditions and experience of the District. c) Data not currently available.

\* Total personal income estimates are in thousands of dollars, not adjusted for inflation.

## Economic Factors & Next Year's Budgets

Though most communities experienced lost revenues from the COVID-19 pandemic, the District's enterprise funds have insulated the District from financial constraints. An enterprise fund is a proprietary fund type used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered mainly through user charges. The District's revenues are primarily derived from solid waste and wastewater fees placed on customers' property tax bills through the County of Orange.

In September 2016, Governor Brown set methane emissions reduction targets for California in a state-wide effort to reduce emissions of short-lived climate pollutants. SB1383 directs the Department of Resources Recycling & Recovery (CalRecycle) to adopt regulations and requirements to achieve state-wide goals. Additional funding may be needed for SB1383 to accommodate community outreach and enforcement activities in which the District will have to commission a new solid waste study.

On January 1, 2022, municipalities and county agencies will be responsible for implementing SB 1383. Per the regulations, municipalities and county agencies must: provide organic waste collection to all residents and businesses, establish a food recovery program, conduct outreach and education, conduct capacity planning: evaluate the City's readiness to implement SB 1383, procure recycled organic waste products like compost, mulch, and renewable natural gas (RNG) and electricity, Inspect and enforce compliance with SB 1383, maintain accurate and timely records of SB 1383 compliance. Even though the primary burdens for compliance with the new law fall on cities and counties, the law does apply to special districts. CMSD will ensure full compliance with the new law, or the District could face fines for non-compliance from CalRecycle that could be as high as \$10,000 per day. On November 22, 2021, the District adopted a mandatory organic waste disposal reduction ordinance that amended the District's Operations Code so that the Code is consistent with new state regulations.

In 2022, the District will continue focusing on replacing its infrastructure to ensure the collection system is operating at its optimal level by completing the following projects: Sewer Siphon Improvements, Ductile Iron Pipe Rehabilitation Phase 3, Calcium Removal Phase 1, Aviemore Pump Station Force Main, Gisler Pump Station Force Main, Manhole Rehabilitation Phases 3 and 4, Elden Pump Station Force Main, and Grade 4 Segments.



# COMMUNITY RELATIONS & RECOGNITION

## Sustainability Stars

Each month, CMSD selects and features a “Sustainability Hero” on social media to promote the outstanding sustainability efforts of our local residents and businesses.

Additionally, CMSD recognizes solid waste customers who properly sort their waste into the correct trash carts. These customers are deemed our “Sustainability Stars” and they receive a \$25 gift card and a shoutout in our quarterly Living Green newsletter and on social media.



Only Flush  
THE 3 Ps



## Public Awareness Campaigns

CMSD launched several public awareness campaigns to promote the following solid waste and wastewater initiatives: Only Flush The 3 Ps , Keep Pipes FOG-Free, Use a FREE Kitchen Pail to Easily Recycle Food Scraps, How to Recycle Using Your Mixed Waste Cart.

## Hosted District Event

CMSD hosted our first-ever virtual Citizens Environmental Protection Academy (CEPA) in the Spring of 2021 live on YouTube and Facebook. The recording of the virtual event was made available on-demand for residents to watch throughout the year.



## Recognition

Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for our Annual Comprehensive Financial Report for the years ended 2011 through 2020.

Government Finance Officers Association Award for Outstanding Achievement in Popular Annual Financial Reporting for our Popular Annual Financial Report for the year ended 2015 through 2020.



## Contributed

\$50,000 for Costa Mesa Bridge Shelter restroom facilities.





# STRATEGIC GOALS

The District’s Board of Directors is aware of the need to ensure the District’s financial stability. Through a coordinated strategic process, the Board has established a series of policies and plans to effectively meet the District’s anticipated future needs. The cornerstone of these policies is the District’s Strategic Plan for Fiscal Years 2020-2025 that serves as a framework for planning and decision making over the next five years (See below). The District utilizes this information to anticipate future expense obligations and to develop and estimate service rates to ensure these expense obligations are fully funded.



## Solid Waste Goals

- Focus on generating less contaminated materials
- Collect sharps and pharmaceuticals
- Provide a convenient method of disposing Household Hazardous Waste (HHW)
- Biomass conversion of solid waste material
- Provide a program for collecting large items
- Improve waste stream and recycling reporting
- Exemplifying sustainability internally
- Recycle green waste and food scraps
- Enhance Code Enforcement presence
- Collect and retire American flags

## Wastewater Goals

- Prevent Sanitary Sewer Overflows (SSOs)
- Clean the District's entire mainline system
- Maintain the asset management system
- Audit & update the Sewer System Management Plan (SSMP)
- Perform preventative maintenance at all lift stations
- Rehabilitate and/or replace infrastructure before reaching the end of its life cycle
- Repair infrastructure after deficiencies have been identified
- Enforce the District's Fats, Oils & Grease (FOG) Program
- Clean lift station wet wells to remove grease and control odors
- Monitor inflow after significant weather events
- Closed Circuit Televis (CCTV) pipeline
- Inventory equipment and replacement parts
- Assess the capacity of the wastewater collection system
- Plan check designs and perform inspections in accordance with the
- Standard Plans and Specifications for the Construction of Sanitary Sewers
- Make GIS data remotely accessible
- Incentivize residential property owners to maintain private sewer laterals

# FINANCIAL STATEMENTS

## Financial Highlights

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position report information about the District in a way that helps answer this question. These statements include all assets, deferred inflows/outflows of resources, and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current fiscal year's revenues and expenses are taken into account regardless of when cash is received or paid.

Net position may gradually serve over time as a useful indicator of a government's financial position. Net position of the District was \$63,296,052 and \$62,127,109 for the years ended June 30, 2021, and June 30, 2020, respectively.

One of the largest portions of the District's net position reflects the District's investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that are still outstanding. Investments in capital assets as of June 30, 2021, represent \$43,726,063, or 69%, of the total net position. The District uses the capital assets to provide services to customers within the District's area. Consequently, these assets are not available for future spending.

Unrestricted net position represents 31% of the District's net position, which comprises assets that may be used to meet the District's ongoing obligations to citizens and creditors in accordance with the District's fiscal policies. As of June 30, 2021, unrestricted net position increased from \$19,538,846 to \$19,569,989, or a \$31,143 increase. This increase was primarily attributed to a capital contribution of two manholes donated by the developer.

So, is the District better off or worse off as a result of the year's activities? The District's overall financial position is better off by \$168,943 over the prior year.

## Condensed Statement of Net Position

	FY 2019	FY 2020	FY 2021
<b>Assets:</b>			
Current	\$19,908,689	\$20,571,373	\$ 21,326,694
Noncurrent	43,528	54,494	63,887
Capital Assets	43,447,263	43,588,263	43,726,063
<b>Total assets</b>	<b>63,399,480</b>	<b>64,214,130</b>	<b>65,116,644</b>
<b>Deferred outflows of resources</b>			
<b>Pension and OPEB related</b>	<b>458,945</b>	<b>398,189</b>	<b>348,261</b>
<b>Liabilities:</b>			
Current	1,220,265	1,180,916	1,834,191
Noncurrent	147,885	228,778	307,851
<b>Total liabilities</b>	<b>1,368,150</b>	<b>1,409,694</b>	<b>2,142,042</b>
<b>Deferred inflows of resources</b>			
<b>Pension and OPEB related</b>	<b>112,806</b>	<b>75,516</b>	<b>26,811</b>
<b>Net position:</b>			
Net investment in capital assets	43,447,263	43,588,263	43,726,063
Unrestricted	18,930,206	19,538,846	19,569,989
<b>Total net position</b>	<b>\$62,377,469</b>	<b>\$63,127,109</b>	<b>\$63,296,052</b>



The Condensed Statement of Revenues, Expenses and Changes in Net Position shows how the District's net position changed during the years. In the case of the District, net position increased by \$168,943 and \$749,640 for the years ended June 30, 2021, and 2020, respectively. A closer examination of the sources of changes in net position reveals that:

### Operating Revenues

- The solid waste assessment increased by \$394,384 as a result of implementing the second year of the five-year Solid Waste Rate Study adopted by the Board in June 2019 and additional new solid waste customers' accounts opened during the fiscal year.
- Wastewater assessments submitted to the County were higher than the prior year by \$63,376 due to an increase in the number of wastewater customers' accounts.
- Other services and charges such as permit, inspection, and connection fees decreased by \$237,688 due to less home renovation and remodeling projects received during the year.

### Non-operating Revenues

- Investment earnings decreased by \$419,249 primarily as a result of unrealized losses associated with the change in fair market value of the District's investments.
- Other non-operating revenues increased by \$171,137. The loss on disposal of assets decreased by \$150,008. The loss on sale of assets for FY 2019-20 was higher due to the disposal of Port Generator and the Vacall Sewer Truck. The remaining increase was the result of additional container charges, property taxes, and the regional Waste Disposal Agreement (WDA) from OC Waste & Recycling revenues.

### Operating Expenses

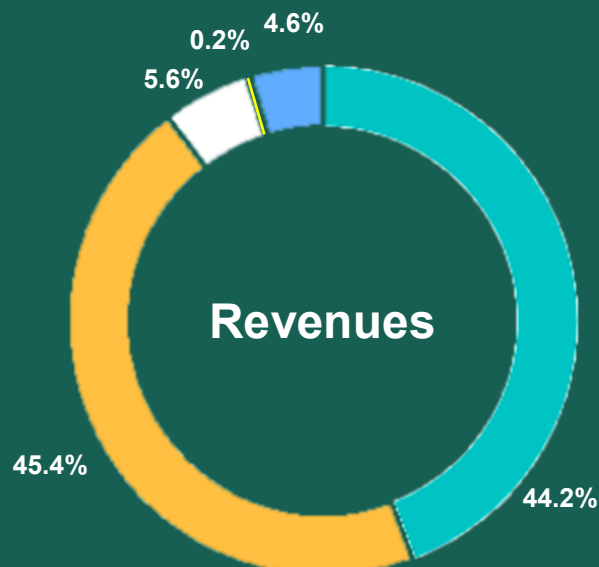
- Solid waste disposal expenses decreased by \$13,709 as a result of the Battery Recycling Program being cancelled for the entire fiscal year.
- Wastewater disposal expenses increased by \$369,517 as a result of recorded maintenance expense for the Sewer Siphon Evaluation #331 and the Elden Force Main Air Release Valve Replacement #333 projects. Expenses did not meet the Capitalization Policy.
- General and administrative expenses increased by \$224,849 compared to the prior year. The wastewater salary and benefits increased due to the hiring of the in-house District Engineer. The District's goal was to increase program awareness and effective outreach methods to maximize resident engagement; therefore, in FY 2020-21, the District hired a consultant to assist in developing and implementing a communications plan.

## Condensed Statement of Revenues, Expenses & Changes in Net Position

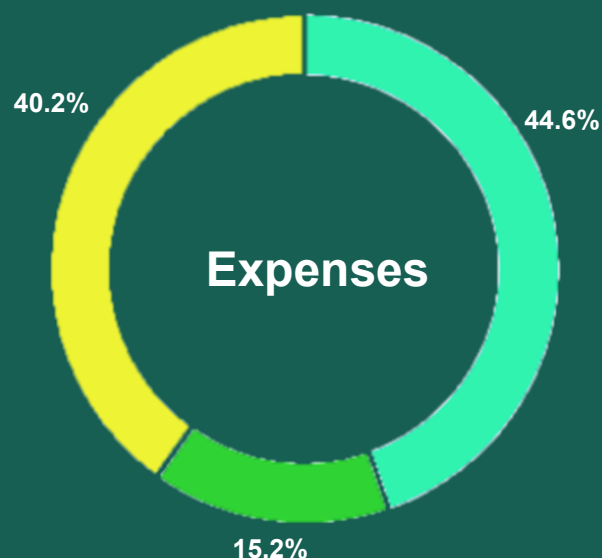
	FY 2019	FY 2020	FY 2021
<b>Operating revenues:</b>			
Trash assessments	\$ 4,907,485	\$ 5,151,672	\$ 5,546,056
Wastewater assessments	5,644,174	5,624,274	5,687,650
Other services and charges	820,341	933,937	696,249
Total operating revenues	11,372,000	11,709,883	11,929,955
<b>Non-operating revenues:</b>			
Investment earnings	661,506	445,719	26,470
Other non-operating revenues	486,242	407,301	578,438
Total non-operating revenues	1,147,748	853,020	604,908
<b>Total revenues</b>	<b>12,519,748</b>	<b>12,562,903</b>	<b>12,534,863</b>
<b>Operating expenses:</b>			
Solid waste disposal	5,090,936	5,544,397	5,530,688
Wastewater disposal	2,044,275	1,514,716	1,884,233
General and administrative	4,844,215	4,754,150	4,978,999
Total operating expenses	11,979,426	11,813,263	12,393,920
<b>Total expenses</b>	<b>11,979,426</b>	<b>11,813,263</b>	<b>12,393,920</b>
Change in net position	550,322	749,640	140,943
Capital contributions	-	-	28,000
Net position at beginning of year	61,827,147	62,377,469	63,127,109
Prior period adjustment	-	-	-
<b>Net position at end of year</b>	<b>\$ 62,377,469</b>	<b>\$ 63,127,109</b>	<b>\$ 63,296,052</b>



# Total Revenues and Expenses



- Trash assessments
- Wastewater assessments
- Other services and charges
- Investment earnings
- Other non-operating revenues



- Solid waste disposal
- Wastewater disposal
- General and administrative

## Capital Asset

At the end of fiscal years 2021 and 2020, the District's investment in capital assets were \$43,726,063 and \$43,588,263 (net of accumulated depreciation), respectively, showing an increase of \$137,800. The investment in capital assets includes land, property rights, subsurface wastewater lines, pump stations, buildings and structures, equipment, vehicles, and construction in progress, etc.

Changes in capital assets for the year ended June 30, 2021, were as follows:

	Balance June 30, 2020	Additions	Transfers/ Deletions	Balance June 30, 2021
Non-depreciable assets	\$ 4,842,003	\$ 1,569,800	\$ (542,420)	\$ 5,869,383
Depreciable assets	102,228,916	846,990	(57,526)	103,018,380
Accumulated depreciation	(63,482,656)	(1,726,363)	47,319	(65,161,700)
<b>Total capital assets, net</b>	<b>\$ 43,588,263</b>	<b>\$ 690,427</b>	<b>\$ (552,627)</b>	<b>\$ 43,726,063</b>

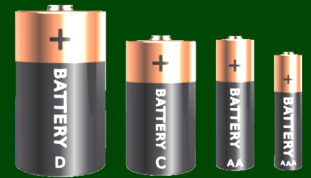
Changes in capital assets for the year ended June 30, 2020, were as follows:

	Balance June 30, 2019	Additions	Transfers/ Deletions	Balance June 30, 2020
Non-depreciable assets	\$ 4,718,910	\$ 1,527,006	\$ (1,403,913)	\$ 4,842,003
Depreciable assets	100,657,663	2,084,653	(513,400)	102,228,916
Accumulated depreciation	(61,929,310)	(1,792,586)	239,240	(63,482,656)
<b>Total capital assets, net</b>	<b>\$ 43,447,263</b>	<b>\$ 1,819,073</b>	<b>\$ (1,678,073)</b>	<b>\$ 43,588,263</b>

# DISTRICT FUNDS



Provides **23,040** household units with solid waste disposal.



Recycled **826** pounds of alkaline batteries.

## Solid Waste Fund

The District is one of the few agencies in Orange County that offers a co-mingled services method of recycling which allows residents to mix their trash and recycling materials in the same standardized containers without any sorting. The trash is taken to a recycling facility where it is mechanically and hand sorted to remove the recyclables. The District reached 50% diversion prior to the year 2000 and is in full compliance with all State mandates. The District currently has approximately a 61.18% diversion rate with a goal of 75%.

Special programs offered to District residents include: Christmas Tree Recycling, Medication Disposal, Large Item Pickups, House Hold Hazardous Waste, Sharps, Electronic and Universal Waste Collections, U.S Flag Drop Off, as well as school fundraising programs such as Alkaline Battery Recycling.



Collected and recycled **39.24** tons of Christmas trees for the two weeks following Christmas Day or **3,371** trees.



**102.9** pounds of pharmaceuticals and **1,454.3** pounds of sharps were properly disposed of and diverted away from the landfills.



Collected **119** worn, faded or damaged American flags that were respectfully disposed/retired by a local Boy Scout troop.



Completed **623** Door-to-Door household hazardous waste collections.



Completed **6,443** large item collections or **443.17** tons of material.



**11,636.08** tons of material were recycled.



Collected **9,841.65** Organic tonnage are taken to CR&R's Anaerobic Digestion Facility to be converted into renewable natural gas, which is used to fuel CR&R's collection fleet.

## Solid Waste Customers Breakdown:

Single Family Residential  
**21,037 Units \$4,431,656**

Multi-Family Residential  
**2,931 Units \$1,364,220**

Total Estimated Assessment:  
**\$5,795,876**

## Wastewater Fund

The purpose of our wastewater system is to collect and convey all wastewater produced within the District to the Orange County Sanitation District (OCSD) treatment plants in Fountain Valley and Huntington Beach. This is accomplished through establishing specifications for the construction of sewer lines, inspecting lines for compliance with those specifications, conducting preventive maintenance of the system, repairing and replacing defective elements of the system, and managing flow rates to stay within the capacity of the collection system. The collection system includes 224 miles of sewer mains ranging from 8-inches to 30-inches in diameter and approximately 5,110 sewer manholes within the system, which are used as access points for cleaning and inspection purposes. There are 20 sewer pumping stations located within the collection system that are necessary to convey flow from low lying areas to higher elevations where the liquid waste can again flow by gravity.

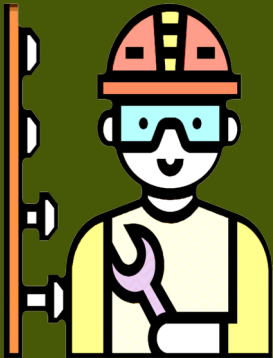
### Wastewater Customers Breakdown:

Single Family Residential	21,051 Units	\$1,941,512
Multi-Family Residential	24,660 Units	\$1,336,170
Commercial	1,580 Units	\$1,349,311
Industrial	775 Units	\$990,739

**Total Estimated Assessment: \$5,617,732**

Commercial Buildings Square Feet	31,481,782
Industrial Buildings Square Feet	9,392,668

Generated **298** permits for projects that required reconfiguration or construction of a new and/or existing sewer lateral.



One crew maintains **20** sewer pump stations by performing annual preventive maintenance on control panels and pumps, and they routinely exercise emergency backup generators and by-pass pumps to ensure equipment is ready to operate during emergencies, such as power outages.



Two cleaning crews are out in the field on a daily basis conducting the routine maintenance on the sewer system and cleaned a total of **793,017** linear feet of sewer main this fiscal year.



Sewer Spill Occurrence (SSO) is when sewage that is released from the sewer system due to a blockage or pump station failure. In total of **2** SSO's occurred resulting in **4,125** gallons of sewage spilled and recovered.



In total of **\$5,569** was refunded to **21** homeowners that participated in our Sewer Inspection Rebate Program (SIRP) by performing a closed circuit television (CCTV) video of their sewer lateral or installing a clean-out.





Costa Mesa Sanitary District  
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Copies of the Popular Annual Financial Report, Annual Comprehensive Financial Report and Budget Document are available online at [www.cmsdca.gov](http://www.cmsdca.gov).  
Hard copies can be requested by calling (949) 845-8400.

This report was prepared by Costa Mesa Sanitary District, Finance Department.