

**COSTA MESA SANITARY DISTRICT
ANNUAL COMPLIANCE REPORT FOR REQUIREMENTS OF
GOVERNMENT CODE SECTION 66013
Fiscal Year Ended June 30, 2022**

Government Code Section 66013(d) requires that capacity charges collected be deposited in a separate fund, and that the District shall, within one hundred eighty (180) days of the close of the fiscal year, make available to the public the following information:

- (1) A description of the charges deposited in the fund.

Capacity Charges – The purpose of these capacity charges, or fixture fees, is for the acquisition, construction, or reconstruction of local sewer facilities. These fees provide the facilities or infrastructure to accommodate the demands generated by future development within the District.

- (2) The beginning and ending balance of the fund and the interest earned from investment of moneys in the fund.

A summary of fund activity is as follows:

Beginning balance on July 1, 2021	<u>\$467,217</u>
Increases:	
Fixture fees collected	138,384
Investment earnings	<u>-14,631</u>
Total increases	123,753
Decreases:	
Transfer to Wastewater Fund for reimbursement of project costs	(\$235,000)
Refunds	(51.75)
Total decreases	<u>(235,051.75)</u>
Ending balance on June 30, 2022	<u>\$355,918.26</u>

- (3) The amount of charges collected in the fiscal year.

The Facilities Revolving Fund collected **\$138,332** in capacity charges (fixture fees) net of refunds for the year ended June 30, 2022.

(4) An identification of all of the following:

- (a) Each public improvement on which charges were expended and the amount of the expenditure for each improvement, including the percentage of the total cost of the public improvement that was funded with those charges if more than one source of funding was used.

The Capacity Charges (fixture fees) in the amount of \$235,000 were transferred to the Wastewater Fund for the Drought Tolerant Landscape and the Solar Photovoltaic System Battery Storage projects at headquarters.

- (b) Each public improvement on which charges were expended that was completed during that fiscal year

The Drought Tolerant Landscape project is ongoing as of June 30, 2022.

- (c) Each public improvement that is anticipated to be undertaken in the following fiscal year.

The Drought Tolerant Landscape project at Headquarters is ongoing and will be completed in phases. The project is expected to be undertaken during the year ending June 30, 2023, would be funded \$161,000 with Capacity Charges (fixture fees).

- (5) A description of each interfund transfer or loan made from the capital facilities fund. The information provided, in the case of an interfund transfer, shall identify the public improvements on which the transferred moneys are, or will be, expended. The information, in the case of an interfund loan, shall include the date on which the loan will be repaid, and the rate of interest that the fund will receive on the loan.

The Drought Tolerant Landscape and the Solar Photovoltaic System Battery Storage projects at headquarters as noted in item (4)(a) above were paid for through a transfer from the Facility Revolving Fund in the amount of \$235,000 into the Wastewater Fund.