MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
COUNTY SANITATION DISTRICT NO. 27
HELD IN THE HEARING ROOM OF THE BOARD OF
SUPERVISORS, KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA

June 10, 2025
9:30 o'clock, A.M.

The Board of Directors of County Sanitation District No. 27 of Los Angeles County met in regular session.

There were present: Janice Hahn, Director from Los Angeles County
Lindsey Horvath, Director from Los Angeles County
Holly Mitchell, Director from Los Angeles County
Hilda Solis, Director from Los Angeles County
Kathryn Barger, Chairperson, Director from Los Angeles County

Absent: None

Also present: Kimberly S. Christensen, Secretary to the Board

RE: MINUTES

Upon motion of Director Mitchell, duly seconded and unanimously carried, the minutes of the regular meeting held March 11, 2025, were approved.

RE: DISTRICT EXPENSES

The following expenses for the months of January, February, and March 2025, were presented and upon motion of Director Mitchell, duly seconded and unanimously carried, were approved:

Local Expenses:	
Operations & Maintenance	$69,651
Capital	21,994
Allocated Expenses	
Joint Administration	2,142
Total Expenses	$93,787

RE: WASTEWATER FINANCIAL RESERVE POLICY - ADOPT

The *Wastewater Financial Reserve Policy* (Policy) is the cornerstone of the Districts' financial practices and is crucial to maintaining the Districts' financial stability. As part of the continuing effort to ensure the Districts follows best practices as it relates to its financial matters, revisions to the Policy are being recommended. Proposed revisions simplify and consolidate funds, reduce reserve target levels, ensure current practices are incorporated, and clarify certain provisions. On March 26, 2025, the Personnel Committee, comprised of the Chairpersons of all active Districts, unanimously endorsed the proposed revisions. A letter summarizing the proposed revisions, together with the updated Policy, was attached to the agenda. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to plan for both short-term and long-term needs to minimize the need for significant rate increases. A recommendation was made to adopt the Policy.

Upon motion of Director Mitchell, duly seconded and unanimously carried, the *Wastewater Financial Reserve Policy* was adopted.

RE: APPROPRIATIONS LIMIT FOR FISCAL YEAR 2025-26 ESTABLISH AND ADOPT

A copy of the proposed final budget for fiscal year 2025-26 for District No. 27 with a breakdown of the items included in the sewerage system budget was attached to the Agenda. The general revenue source available to the District is the pro rata share of the ad valorem (property) taxes. The sewerage system budget was prepared in accordance with the Joint Administration Agreement. In the case of Districts which contract with the City of Los Angeles for sewerage service (District No. 27), the Joint Administration Agreement states that these Districts shall pay one one-hundredth of one percent of all joint expenses. District No. 27 currently owns and operates trunk sewers within the District. However, the Districts does not own or operate any treatment and disposal facilities. The Districts contracts for these services with the City of Los Angeles. Districts' staff has no direct control over the City of Los Angeles costs. Thus, the portion of the proposed budget attributable to contract disposal Operations and Maintenance (O&M) and capital is a direct reflection of the City of Los Angeles O&M

and capital costs. The local O&M and local capital costs only reflect the cost of operating and maintaining the District's local sewer system.

The appropriations limit for fiscal year 2025-26 has been determined by adjusting the previous fiscal year's limits using the factors specified in the Government Code. The appropriations limit has also been adjusted to include mandated costs, all in accordance with the procedures outlined in Article XIIIB of the Constitution and Section 7910 of the Government Code. A recommendation was made that, in order to comply with legal requirements, this Board adopt an appropriations limit of $1,253,293 for fiscal year 2025-26.

Upon motion of Director Mitchell, duly seconded and unanimously carried, the following resolution was adopted:

BE IT RESOLVED, that pursuant to Section 7910 of the Government Code of the State of California, the Board of Directors of County Sanitation District No. 27 of Los Angeles County does hereby establish and adopt an appropriations limit of $1,253,293 for fiscal year 2025-26, utilizing the population change and the change in the personal per capita income.

RE: BUDGET 2025-26
OPERATING FUND

In a letter dated May 1, 2025, to the Board, matters were discussed pertaining to the budget for the 2025-26 fiscal year. A sewerage system final budget for the 2025-26 fiscal year was presented and a recommendation was made that the budget be adopted.

Upon motion of Director Mitchell, duly seconded and unanimously carried, the sewerage system final budget for 2025-26 was approved, adopted, and ordered filed.

RE: TAX LEVY
OPERATING FUND

Data for the tax levy necessary for the Operating Fund was presented and a recommendation was made that the tax levy be requested in accordance therewith.

Upon motion of Director Mitchell, duly seconded and unanimously carried, the following resolution was adopted:

BE IT HEREBY DETERMINED, RESOLVED, AND ORDERED AS FOLLOWS:

That pursuant to the provisions of Article 6, Section 4815 of the County Sanitation District Act (Chapter 3, Part 3, Division V, of the Health & Safety Code of the State of California), the Board of Directors of County Sanitation District No. 27 of Los Angeles County does hereby find and declare that the sum of $558,000 is and will be the amount necessary to maintain, operate, extend, or repair any work or improvements of the District for the collection, treatment, and disposal of sewage, and to defray all other expenses incidental to the exercise of any of the District's powers, except the amounts necessary to acquire, construct, maintain, and operate a refuse transfer or disposal system, or both, and any other expenses incidental to the operation of the system during the ensuing year and prior to the annual levy of taxes for the fiscal year 2026-27, and the Board of Supervisors of Los Angeles County is hereby requested to cause to be levied and collected at the same time and in the same manner as the next general tax levy for the County a tax upon the real property in the District, in an amount sufficient to raise the required amount, to wit: $558,000, to be paid into the County Treasury to the credit of the Operating Fund of the District.

The Secretary is hereby instructed to furnish a copy of this resolution and statement to the Board of Supervisors of Los Angeles County at least fifteen (15) days before the first day of September 2025.

RE: APPROPRIATIONS
OPERATING FUND 2025-26

Upon motion of Director Mitchell, duly seconded and unanimously carried, the appropriations from the Operating Fund for Fiscal Year 2025-26 were ordered made as shown in the Operating Fund Final Wastewater Budget that was attached to the agenda.

The meeting was adjourned by the Chairperson.

KATHRYN BARGER
Chairperson

ATTEST:

KIMBERLY S. CHRISTENSEN
Secretary
/ee