

**GARDEN GROVE SANITARY DISTRICT
A SUBSIDIARY DISTRICT OF THE
CITY OF GARDEN GROVE**

**OPERATIONS AND CAPITAL BUDGET AMENDMENT
FISCAL YEAR 2019/20**

Presented By:

**CITY OF GARDEN GROVE
DEPARTMENT OF PUBLIC WORKS**

GARDEN GROVE SANITARY DISTRICT

BUSINESS PRINCIPLES

1. Enterprise fund should break even, not operate in a deficit.
2. In order to operate efficiently, a two month cash flow is required, as well as maintenance of \$500,000 in reserves for contingencies.
3. Establish uniform service throughout the district.
4. Develop a replacement sinking fund. Ideal amount of fund should approach 5% of system replacement value.
5. Improve system and facilities up to industry standards by adequately funding new Capital Improvement Programs.
6. Satisfy Debt Covenant conditions under which outstanding Sanitary District debt was issued.
7. Implement the 10-year financial plan.

GARDEN GROVE SANITARY DISTRICT
SEWER BUDGET
FY 2019-20 - FY 2020-21
(\$000)

<u>FUNDS AVAILABLE</u>	FY 18-19 Amended Budget	FY 18-19 Projected Year End	FY 19-20 Proposed Budget	FY 20-21 Proposed Budget
BEGINNING BALANCE	\$ 22,501.9	\$ 30,769.2	\$ 27,332.1	\$ 24,582.0
BOND PROCEEDS	0.0	0.0	0.0	0.0
REVENUES	10,448.0	11,035.1	11,023.1	11,464.0
ADJUSTMENT	0.0	0.0	0.0	
FUNDS AVAILABLE	\$ 32,949.9	\$ 41,804.3	\$ 38,355.2	\$ 36,046.0
 <u>OPERATIONS EXPENDITURES</u>				
OPERATIONS				
LABOR	\$ 3,336.9	\$ 3,336.9	\$ 3,492.5	\$ 3,745.4
CONTRACTUAL SERVICES	1,381.9	1,381.9	1,499.2	1,564.1
COMMODITIES	354.3	354.3	293.7	299.9
VEHICLE/EQUIPMENT RENTALS	458.6	458.6	469.8	479.2
INSURANCE	41.7	41.7	41.7	41.7
ADMIN SUPPORT	745.1	745.1	673.9	673.9
BOND ISSUANCE COSTS	0.0	0.0	0.0	0.0
DEBT SERVICE	1,201.0	1,201.0	1,194.4	1,206.6
CAPITAL EQUIPMENT	190.0	190.0	0.0	100.0
ENTERPRISE RESOURCE PLANNING	300.0	300.0	0.0	0.0
LATERAL LOAN PROGRAM	0.0	0.0	0.0	0.0
OPERATING RESERVE	0.0	0.0	0.0	0.0
SEWER SYSTEM CONTINGENCY RESERVE	0.0	0.0	0.0	0.0
TOTAL OPERATIONS EXPENDITURES	\$ 8,009.5	\$ 8,009.5	\$ 7,665.2	\$ 8,110.8
 <u>SEWER CAPITAL</u>				
CAPITAL REPLACEMENT	\$ 1,962.7	\$ 1,962.7	\$ 1,808.0	\$ 1,716.8
NEW CAPITAL IMPROVEMENTS	\$ 4,500.0	\$ 4,500.0	\$ 4,300.0	\$ 4,000.0
CAPITAL EXPENDITURES	\$ 6,462.7	\$ 6,462.7	\$ 6,108.0	\$ 5,716.8
 TOTAL EXPENDITURES	 \$ 14,472.2	 \$ 14,472.2	 \$ 13,773.2	 \$ 13,827.60
 FUNDS AVAILABLE	 32,949.9	 41,804.3	 38,355.2	 36,046.0
EXPENDITURES	14,472.2	14,472.2	13,773.2	13,827.6
ENDING BALANCE	18,477.7	27,332.1	24,582.0	22,218.4

CAPITAL IMPROVEMENTS - PUBLIC WORKS
SEWER
(\$000)

FY 2019-20

DESCRIPTION	CURRENT ESTIMATED COSTS	
	NEW CAPITAL	REPLACEMENT
Sewer Main Improvements	4,300	1,808
TOTAL	<u>\$ 4,300</u>	<u>\$ 1,808</u>

FY 2020-21

DESCRIPTION	CURRENT ESTIMATED COSTS	
	NEW CAPITAL	REPLACEMENT
Sewer Main Improvements	4,000	1,717
TOTAL	<u>\$ 4,000</u>	<u>\$ 1,717</u>

SEWER CAPITAL PROJECTS

¹
FIVE YEAR PLAN

(\$000)

<u>PROJECTS</u>	<u>18-19</u>	<u>19-20</u>	<u>20-21</u>	<u>21-22</u>	<u>22-23</u>
1. SEWER MAINS	\$ 4,500	\$ 4,300	\$ 4,000	\$ 4,000	\$ 4,000
TOTAL	\$ 4,500	\$ 4,300	\$ 4,000	\$ 4,000	\$ 4,000

SEWER REPLACEMENT PROGRAM

FIVE YEAR PLAN

(\$000)

BEGINNING BALANCE	\$ 0
REVENUES	<u>0</u>
DEPRECIATION RESERVES - TRANSFER	<u>0</u>
DEPRECIATION - TRANSFER	<u>\$ 1,808</u>
LESS REPLACEMENT COSTS	<u>(1,808)</u>
ENDING BALANCE	<u><u>\$ 0</u></u>

<u>PROJECTS</u>	<u>18-19</u>	<u>19-20</u>	<u>20-21</u>	<u>21-22</u>	<u>22-23</u>
1. SEWER MAIN REPLACEMENT	\$ 1,763	\$ 1,608	\$ 1,517	\$ 1,568	\$ 1,621
2. MANHOLE REHABILITATION	200	200	200	200	200
TOTAL	<u>\$ 1,963</u>	<u>\$ 1,808</u>	<u>\$ 1,717</u>	<u>\$ 1,768</u>	<u>\$ 1,821</u>

SEWER REPLACEMENT PROJECTS

1. Replace deficient sewer mains on an as-needed basis.
2. Replace deficient manholes as needed.

GARDEN GROVE SANITARY DISTRICT
 REFUSE SERVICES BUDGET
 FY 2018-19 - FY 2020-21
 (\$000)

<u>FUNDS AVAILABLE</u>	<u>FY 18-19 Adopted Budget</u>	<u>FY 18-19 Projected Year End</u>	<u>FY 19-20 Proposed Budget</u>	<u>FY 20-21 Proposed Budget</u>
BEGINNING BALANCE	\$ 4,783.5	\$ 5,247.2	\$ 6,142.1	\$ 6,853.3
REVENUES	\$ 2,901.0	\$ 3,034.0	\$ 3,132.8	\$ 3,159.4
FUNDS AVAILABLE	<u>\$ 7,684.5</u>	<u>\$ 8,281.2</u>	<u>\$ 9,274.9</u>	<u>\$ 10,012.7</u>
 <u>OPERATIONS EXPENDITURES</u>				
OPERATIONS (REFUSE)				
LABOR	\$ 520.4	\$ 575.0	\$ 600.5	\$ 645.0
CONTRACTUAL SERVICES	675.1	420.8	665.4	675.4
COMMODITIES	26.9	26.9	27.0	27.8
INSURANCE	13.9	13.9	13.9	13.9
STREET REPAIR CHARGE	512.5	512.5	525.3	538.4
ADMIN SUPPORT	90.0	90.0	89.5	89.5
ENTERPRISE RESOURCE PLANNING	200.0	0.0	0.0	0.0
OPERATING RESERVE	0.0	0.0	0.0	0.0
LANDFILL RESERVE	500.0	500.0	500.0	500.0
TOTAL OPERATIONS EXPENDITURES	<u>\$ 2,538.8</u>	<u>\$ 2,139.1</u>	<u>\$ 2,421.6</u>	<u>\$ 2,490.0</u>
 FUNDS AVAILABLE				
	7,684.5	8,281.2	9,274.9	10,012.7
EXPENDITURES	<u>2,538.8</u>	<u>2,139.1</u>	<u>2,421.6</u>	<u>2,490.0</u>
ENDING BALANCE	<u>5,145.7</u>	<u>6,142.1</u>	<u>6,853.3</u>	<u>7,522.7</u>