

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

OPERATIONS AND CAPITAL BUDGET  
FISCAL YEAR 2016/17

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.