

## Sanitation Districts Enterprise Funds – Consolidated

### DESCRIPTION OF MAJOR SERVICES

The Special Districts Department provides for the management, funding, and maintenance of sanitation collection systems and wastewater treatment facilities throughout the County Service Areas (CSA) and Zones. Sources include property taxes, service charges and user fees.

Budget at a Glance	
Total Requirements (Excl. Reimb.)	\$8,304,318
Total Sources (Incl. Reimb.)	\$7,785,276
Use of / (Contribution To) Net Position	\$519,042
Total Staff	0

**CSA 42 Oro Grande** was established by an act of the County of San Bernardino Board of Supervisors on December 27, 1965, to provide sewer services. This sanitation CSA is funded by user fees and service charges 194 Equivalent Dwelling Units (EDU). The sewage collection system is operated by the Department and the Victor Valley Wastewater Reclamation Authority (VWRA) provides sewer services.

**CSA 53B Fawnskin** was established by an act of the County of San Bernardino Board of Supervisors on January 2, 1968, to provide sewer services. This sanitation Zone CSA is funded by user fees and service charges and provides sewer services to 1,258 EDUs. The sewage collection system is operated by the Department and includes an innovative vacuum system. Sewage treatment is provided by contract with Big Bear Area Regional Water Agency (BBARWA).

**CSA 64 Spring Valley Lake** was established by an act of the County of San Bernardino Board of Supervisors on December 30, 1968, to provide sewer services. This sanitation CSA is funded by property tax revenue, user fees, and service charges to 4,349 EDUs. The sewage collection system is operated by the Department and the VWRA provides sewer services and maintains three lift stations.

**CSA 70 BL Bloomington** was established by an act of the County of San Bernardino Board of Supervisors on November 19, 2013, to provide sewer services. This sanitation Zone will be funded by user fees and service charges. The sewer fees will be submitted in a mid-year fee Resolution establishing various fees for sewer services.

**CSA 70 GH Glen Helen** was established by an act of the County of San Bernardino Board of Supervisors on August 17, 2004, to provide park and recreation, sewer, and streetlight services to the Glen Helen area. This sanitation Zone is funded by developer contributions, user fees, and service charges to 1,143 EDUs. This Zone provides sanitation services to the San Bernardino Sheriff’s Department Detention facility as well as a Master Planned community currently in development.

**CSA 70 S-3 Lytle Creek** was established by an act of the County of San Bernardino Board of Supervisors on December 2, 1974, to provide sewer services. This sanitation Zone is funded by user fees and service charges to 797 EDUs. The Zone provides sanitation services to residents in the Lytle Creek Community and the U.S. Forest Service.

**CSA 70 S-7 Lenwood** was established by an act of the County of San Bernardino Board of Supervisors on December 19, 1977, to provide sewer services. This sanitation Zone completed construction of a new sewer system to replace individual septic systems within Lenwood but is limited to specific property owners who approved assessments to pay the debt service. The City of Barstow performs routine maintenance of the system. This sanitation Zone is responsible for non-routine repairs.

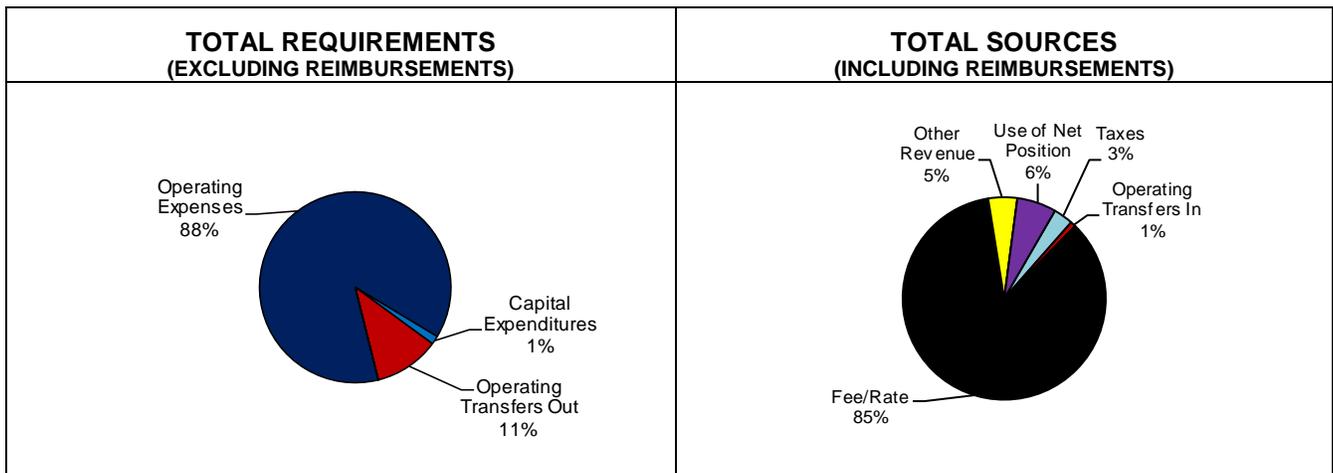
**CSA 70 SP-2 High Country** was established by an act of the County of San Bernardino Board of Supervisors on May 20, 1985, to provide sewer services. This sanitation Zone is funded by user fees and service charges to 231 EDUs in the High Country Development tract of homes. Through an out-of-area service agreement with the City of Hesperia, the Zone also provides service to 517 EDUs within city boundaries.



**CSA 79 Green Valley Lake** was established by an act of the County of San Bernardino Board of Supervisors on September 7, 1971, to provide sewer services. This sanitation CSA is funded by user fees and service charges to 1,222 EDUs. The sewage collection system and interceptor is operated by the Department, with sewage treatment provided through a contract with Running Springs Water District (RSWD).

**CSA 82 Searles Valley** was established by an act of the County of San Bernardino Board of Supervisors on June 28, 1976, to provide sewer services. On June 6, 2000, this sanitation CSA was combined and included Zones SV-3 (Trona) and SV-4 (Pioneer Point) through the Board of Supervisors Resolution No. 2000-132. The newly combined sanitation CSA 82 is funded by property tax revenue, user fees, and service charges to 755 EDUs as well as streetlight services.

**2016-17 RECOMMENDED BUDGET**



## ANALYSIS OF 2016-17 RECOMMENDED BUDGET

GROUP: Special Districts  
 DEPARTMENT: Special Districts  
 FUND: Sanitation Districts - Consolidated

BUDGET UNIT: Various  
 FUNCTION: Public Ways & Facilities  
 ACTIVITY: Public Facilities

	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	(A) <u>2015-16</u>	<u>2015-16</u>	(B) <u>2016-17</u>	(B-A)
	Actual	Actual	Actual	Modified Budget	Estimate	Recommended Budget	Change From Prior Year Modified Budget
<b>Requirements</b>							
Staffing Expenses	0	0	0	0	0	0	0
Operating Expenses	5,050,388	5,174,923	5,845,313	7,701,933	7,187,622	7,268,125	(433,808)
Capital Expenditures	7,813	1,472,216	1,072,857	301,000	10,000	120,000	(181,000)
Total Exp Authority	5,058,201	6,647,139	6,918,170	8,002,933	7,197,622	7,388,125	(614,808)
Reimbursements	0	0	0	0	0	0	0
Total Appropriation	5,058,201	6,647,139	6,918,170	8,002,933	7,197,622	7,388,125	(614,808)
Operating Transfers Out	2,276,704	2,068,210	1,299,668	991,684	946,114	916,193	(75,491)
Total Requirements	7,334,905	8,715,349	8,217,838	8,994,617	8,143,736	8,304,318	(690,299)
<b>Sources</b>							
Taxes	233,224	269,211	242,845	289,010	283,317	259,533	(29,477)
Realignment	0	0	0	0	0	0	0
State/Fed/Other Government	615	597	538	597	543	538	(59)
Fee/Rate	4,779,164	8,029,289	6,434,005	6,843,257	6,109,901	7,069,484	226,227
Other Revenue	769,278	1,155,407	(40,636)	684,527	468,450	383,610	(300,917)
Total Revenue	5,782,281	9,454,504	6,636,753	7,817,391	6,862,211	7,713,165	(104,226)
Operating Transfers In	0	69,654	671,853	150,846	150,846	72,111	(78,735)
Total Financing Sources	5,782,281	9,524,158	7,308,606	7,968,237	7,013,057	7,785,276	(182,961)
<b>Net Position</b>							
Use of/ (Contribution to) Net Position	1,552,624	(808,809)	909,232	1,026,380	1,130,679	519,042	(507,338)
Est. Net Position Available						899,238	
Total Est. Unrestricted Net Position						1,418,280	
Budgeted Staffing*	0	0	0	0	0	0	0

\*Data represents modified budgeted staffing

Note: Unlike governmental funds, the 2015-16 Modified Budget and Estimate columns do not include information on Estimated Net Position Available or Total Estimated Unrestricted Net Position because GAAP requires that internal service and enterprise funds include line items such as depreciation, which are not budgeted, in the Net Position calculation.



## DETAIL OF 2016-17 RECOMMENDED BUDGET

	2016-17				
	Requirements	Sources	Use of / (Contribution to) Net Position	Estimated Net Position Available	Staffing
<b>Enterprise Funds</b>					
CSA 42 Oro Grande (Fund EAP)	226,622	231,312	(4,690)	15,253	0
CSA 53B Fawnskin (Fund EBA)	983,191	903,104	80,087	105,528	0
CSA 64 Spring Valley Lake (Fund EBM)	2,492,405	2,428,738	63,667	308,361	0
CSA 70 BL Bloomington (Fund EAR)	862,615	937,666	(75,051)	107,451	0
CSA 70 GH Glen Helen (Fund ELH)	998,246	994,157	4,089	77,288	0
CSA 70 S-3 Lytle Creek (Fund ECP)	551,980	470,405	81,575	62,134	0
CSA 70 S-7 Lenwood (Fund ECR)	88,091	81,989	6,102	0	0
CSA 70 SP-2 High Country (Fund EFA)	278,224	271,732	6,492	19,959	0
CSA 79 Green Valley Lake (Fund EFP)	1,271,980	1,055,691	216,289	97,317	0
CSA 82 Searles Valley (Fund EFY)	550,964	410,482	140,482	105,947	0
Total Enterprise Funds	8,304,318	7,785,276	519,042	899,238	0

**CSA 42 Oro Grande** includes \$226,622 in requirements to fund operations and maintenance costs, charges from VVWRA for waste processing, transfers for allocated indirect costs and Operating Transfers Out to a replacement reserve fund for future capital improvement projects. Sources of \$231,312 are primarily from user fees and service charges. Contribution to Net Position of \$4,690 will support future operations.

**CSA 53B Fawnskin** includes \$983,191 in requirements to fund operations and maintenance costs, charges from BBARWA for waste processing, transfers for allocated indirect costs and Operating Transfers Out to a replacement reserve fund for future capital improvement projects. Sources of \$903,104 are primarily from user fees and service charges. Net Position of \$80,087 is being used to support ongoing operations. The department is reviewing operations in an effort to make adjustments to expenses and/or revenue in order to eliminate reliance on Net Position.

**CSA 64 Spring Valley Lake** includes \$2.5 million in requirements to fund operations and maintenance costs, charges from VVWRA for waste processing, transfers for allocated indirect costs and Operating Transfers Out to a replacement reserve fund for future capital improvement projects. Sources of \$2.4 million are primarily from taxes, user fees, and service charges. Net Position of \$63,667 is being used to support ongoing operations. The department is reviewing operations in an effort to make adjustments to expenses and/or revenue in order to eliminate reliance on Net Position.

**CSA 70 BL Bloomington** includes \$862,615 in requirements to fund operations and maintenance costs and transfers for allocated indirect costs. Sources of \$937,666 are primarily from user fees. Contribution to Net Position of \$75,051 will support future operations.

**CSA 70 GH Glen Helen** includes \$998,246 in requirements to fund operations and maintenance costs, transfers for allocated indirect costs and Operating Transfers Out to a replacement reserve fund for future capital improvement projects. Sources of \$994,157 are primarily from user fees, service charges, and developer contributions. Net Position of \$4,089 is being used to support ongoing operations. The department is reviewing operations in an effort to make adjustments to expenses and/or revenue in order to eliminate reliance on Net Position.

**CSA 70 S-3 Lytle Creek** includes \$551,980 in requirements to fund operating and maintenance costs, transfers for allocated indirect costs and Operating Transfers Out to a replacement reserve fund for future capital improvement projects. Sources of \$470,405 are primarily from user fees and service charges. Net Position of



\$81,575 is being used to support ongoing operations. The department is reviewing operations in an effort to make adjustments to expenses and/or revenue in order to eliminate reliance on Net Position.

**CSA 70 S-7 Lenwood** includes \$88,091 in requirements to fund operating and maintenance costs and transfers for allocated indirect costs. Sources of \$81,989 are primarily from revenues from an out-of-area service agreement with the City of Barstow. Net Position of \$6,102 is being used to support ongoing operations. The department is reviewing operations in an effort to make adjustments to expenses and/or revenue in order to eliminate reliance on Net Position.

**CSA 70 SP-2 High Country** includes \$278,224 in requirements to fund operating and maintenance costs, professional services including an agreement with the City of Hesperia for waste processing, and transfers for allocated indirect costs. Sources of \$271,732 are primarily from user fees and service charges. Net Position of \$6,492 is being used to support ongoing operations. The department is reviewing operations in an effort to make adjustments to expenses and/or revenue in order to eliminate reliance on Net Position.

**CSA 79 Green Valley Lake** includes \$1.3 million in requirements to fund operating and maintenance costs, professional services including charges from RSWD for waste processing, transfers for allocated indirect costs and Operating Transfers Out to a replacement reserve fund for future capital improvement projects. Sources of \$1.1 million are primarily from user fees and service charges. Net Position of \$216,289 is being used to support ongoing operations. The department is reviewing operations in an effort to make adjustments to expenses and/or revenue in order to eliminate reliance on Net Position.

**CSA 82 Searles Valley** includes \$550,964 in requirements to fund operating and maintenance costs, transfers for allocated indirect costs, Operating Transfers Out to fund maintenance in the CSA 82 park/rest stop, and to the replacement reserve fund for future capital improvement projects. Sources of \$410,482 are primarily from taxes, user fees, and service charges. Net Position of \$140,482 is being used to support ongoing operations. The department is reviewing operations in an effort to make adjustments to expenses and/or revenue in order to eliminate reliance on Net Position.

## **BUDGET CHANGES AND OPERATIONAL IMPACT**

Requirements are decreasing by \$690,299 primarily as a result of one-time expenditures in 2015-16 for an emergency project in CSA 70 GH (Glen Helen). In addition, Capital Expenditures have decreased due to one-time purchases in the prior year. Sources are decreasing by \$182,961, primarily due to a reduction of charges for current services to better align with current revenue trends.

## **ANALYSIS OF NET POSITION**

In 2016-17, eight sanitation districts will use Net Position of \$598,783 to support ongoing costs. The department is reviewing operations in an effort to make adjustments to expenses and/or revenue in order to eliminate reliance on Net Position in future years. However, two sanitation districts will contribute to Net Position of \$79,741, which will be used to support future operations. The majority of the decrease in net position is a result of ongoing operation costs exceeding sources.

## **STAFFING CHANGES AND OPERATIONAL IMPACT**

There is no staffing associated with these budget units.

