

Proposed FY 2021-22 Budget Update

*Wally Ritchie,
Controller*

*Operations
Committee*

June 2, 2021

OC SAN
ORANGE COUNTY SANITATION DISTRICT

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Overview

- FY 2021-22 Update
 - 2nd Year of 2-Year Adopted Budget
 - Stable Revenues
 - Expenses Include
 - Operating
 - Capital Improvement Program
 - Debt Service
 - Staffing – No New Positions (639 FTE)
 - No New Debt

*All figures in millions unless otherwise noted

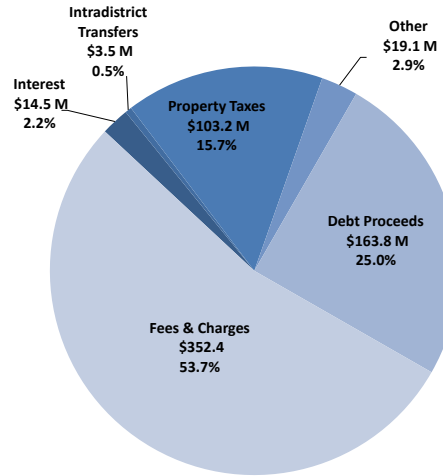
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REVENUE

Where the Money Comes From

Category	2020-21 Adopted	2021-22 Adopted	2021-22 Proposed
Service Fees	\$316.7	\$325.4	\$323.2
Property Taxes	99.9	102.0	103.2
Capital Facilities Capacity Charges	20.1	20.7	16.6
Permit User Fees	12.8	13.0	12.6
Interest	13.2	13.1	14.5
Intradistrict Transfers	6.1	3.5	3.5
Debt Proceeds*	0.0	0.0	163.8
Other Revenue	16.0	16.7	19.1
Total Funding Sources	\$484.8	\$494.4	\$656.5



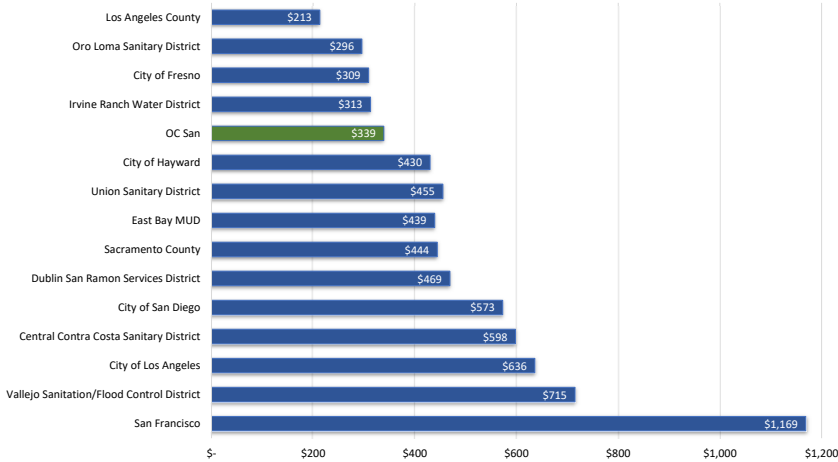
* 2021A Refunding

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REVENUE - RATES

Annual Single Family Residential Rates
(July 2020)



SFR Rate for FY 2021-22

\$343

\$4 or 1.2% Increase

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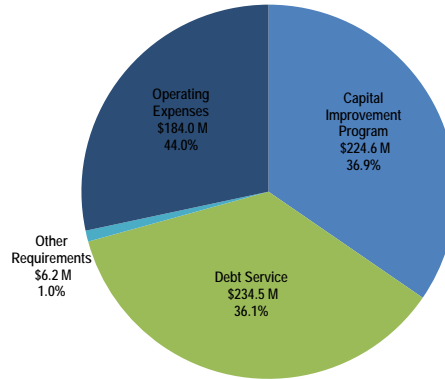
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EXPENSES

Where the Money Goes

Category	2020-21 Adopted	2021-22 Adopted	2021-22 Proposed
Capital Improvement Program, Net	\$147.6	\$240.8	\$224.6
Operating Expenses	174.3	174.5	184.0
Debt Service*	72.8	168.9	234.5
Other Requirements	6.1	6.5	6.2
Total Funding Uses	\$400.8	\$590.7	\$649.4

*2021A Refunding - \$163.8M



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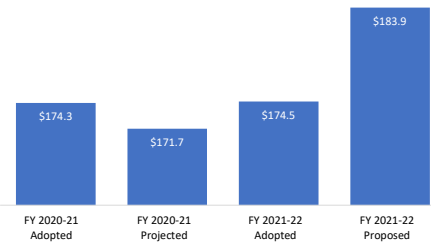
OPERATING EXPENSES

Department	Budget 2020-21	Adopted 2021-22	Percent Change	Proposed 2021-22	Percent Change
<i>Administration Units</i>					
General Manager's Office	\$4.3	\$4.4	2.3%	\$4.1	(6.8%)
Human Resources	6.6	7.0	6.1%	7.2	2.9%
Administrative Services	27.7	28.5	2.9%	30.1	5.6%
<i>Sub-Total</i>	<i>\$38.6</i>	<i>\$39.9</i>	<i>3.4%</i>	<i>\$41.4</i>	<i>3.8%</i>
<i>Operating Units</i>					
Environmental Services	19.3	20.3	5.2%	21.2	4.4%
Engineering	5.6	5.6	0.0%	5.4	(3.6%)
Operations & Maintenance	110.8	108.7	(1.9%)	115.9	6.6%
<i>Sub-Total</i>	<i>\$135.7</i>	<i>\$134.6</i>	<i>(0.8%)</i>	<i>\$142.5</i>	<i>5.9%</i>
Total	\$174.3	\$174.5	0.1%	\$183.9	5.4%

Total FY 20-21 &
FY 21-22 Adopted Budgets \$348.8

Total FY 20-21 Projected &
FY 21-22 Proposed Budgets \$355.7

Operating Expenses
(in millions)

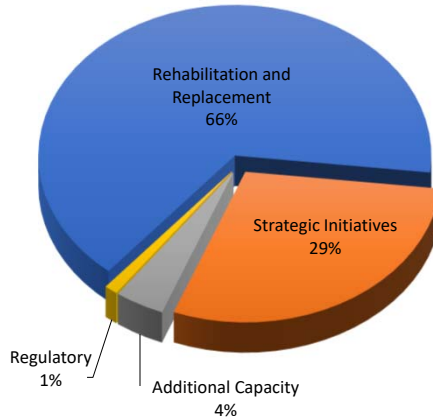


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CAPITAL IMPROVEMENT PROGRAM

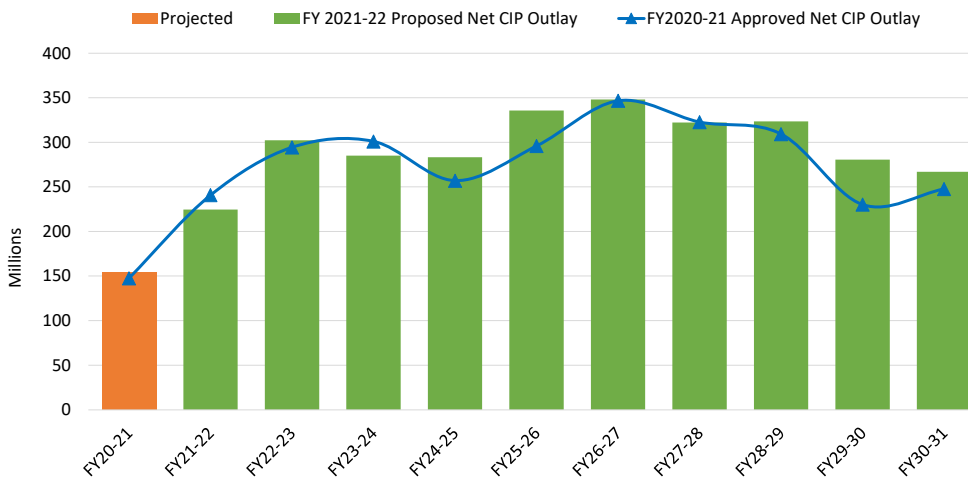
<u>CIP Categories</u>	
Treatment Projects	\$ 194.1
Collection Projects	40.5
Equipment	5.0
FY 2021-22 CIP Authority	239.6
CIP Savings & Deferrals	(15.0)
FY 2021-22 Net CIP	\$ 224.6
10-Year Net CIP Outlay	\$ 3.0 Billion



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CAPITAL IMPROVEMENT PROGRAM



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DEBT SERVICE

Total Outstanding COP Balance 7/1/21	\$ 909,620,000
Blended Interest Rate	3.05%
FY 2021-22 Debt Service	\$ 234.5M*

* Refunding debt will be issued to replace 2011A and 2018A in the amount of \$163.8M

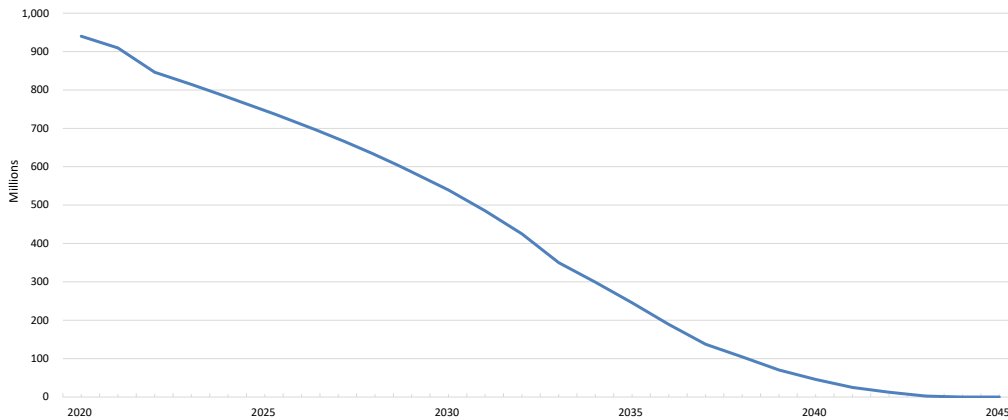
* All outstanding debt to be paid off by 2044

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DEBT SERVICE

Outstanding Debt



* No New Debt Issues are Planned

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SUMMARY

Revenue

	Proposed FY 2021-22
Fees & Charges	\$ 352.4
Property Taxes	103.2
Refunding Debt	163.8
Interest	14.5
Intradistrict Transfers	3.5
Other Revenue	<u>19.1</u>
	\$ 656.5

Expenses

	Proposed FY 2021-22
Operating Expenses	\$ 183.9
Capital Improvement Program	224.6
Debt Service	234.5
Other Requirements	<u>6.2</u>
	\$ 649.2

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Questions



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