

ENTERPRISE FUNDS

The Recreation, Hazardous Disposal, Fire Paramedic, Parking, Sewer, Refuse Disposal, Electric and Water operations make up the Enterprise section of the budget. These activities primary source of revenues are charges for services, and reflect characteristics that are more properly accounted for as enterprise operations. Summarized below are the 2002-03 budgets compared to 2001-02:

	2001-02 Appropriation	2002-03 Appropriation	\$ Change	% Change
Recreation	1,992,671	2,168,942	176,271	8.8 %
Hazardous Disposal	1,468,899	1,553,761	84,862	5.8 %
Fire Paramedic	3,027,176	6,016,625	2,989,449	98.8 %
Parking	7,552,168	7,767,938	215,770	2.9 %
Sewer	26,047,307	34,003,290	7,955,983	30.5 %
Refuse Disposal	13,054,668	14,064,870	1,010,202	7.7 %
Electric	276,487,400	247,240,800	(29,246,600)	(10.6 %)
Water	30,508,400	32,829,800	2,321,400	7.6 %
TOTAL	<u>\$ 360,138,689</u>	<u>\$ 345,646,026</u>	<u>(\$ 14,492,663)</u>	<u>(4.0 %)</u>

The 2002-03 Enterprise Budgets show an approximate \$14.5 million dollar decrease when compared to the 2001-02 budget or an overall 4.0% decrease.

The Recreation Fund shows an expected net loss of \$6,442 for 2002-03.

The Hazardous Disposal Fund shows no appreciable difference from the prior year.

The Fire Paramedic Fund was created by the City Council during the first quarter of FY 1998-99. This fund currently has 18 Firefighters and one Fire Captain fully trained as paramedics. This program became fully operational on March 1, 2000. The projected net income is \$315,375.

The Parking Fund continues to operate at a net loss in 2002-03 at approximately \$900,000. We have invested well approximately \$30 million in three garages {Glendale Urban Garage, Marketplace Garage and Orange Street Garage}. However, we are not recovering our investment in these three structures. With a negative net income, the depreciation on these three garages is not being provided for, even though we depreciate these garages over 40 years. We have a budgeted net loss in this fund; therefore, we are not saving for the

replacement of these garages. Since the Parking Fund is accounted for as a business we need to set aside funds to replace all of our capital purchases, including these garages.

The Sewer Fund continues to post strong net income in the range of \$10-\$12 million each year. The increase listed above is for capital payments to Los Angeles for the upgrade and renovation of the Hyperion system, which is estimated to be \$23.7 million.

As of last year, the Refuse Disposal Fund became responsible for the street sweeping operations of the City. The last rate increase was effective July 2001, which was the first rate increase in a decade. Even with the rate increase we still provide our customers with one of the lowest fees in southern California.

The Electric Fund shows a decrease of over \$29 million or 10.6% due to the decrease in wholesale power sales to other entities compared to last year's large increase in wholesale sales.

The Water Fund shows a no significant change when compared to last year.

ENTERPRISE FUNDS
SUMMARY OF THE BUDGET FOR THE YEAR ENDED JUNE 30, 2003

	Recreation Fund	Hazardous Disposal Fund	Fire Paramedic Fund	Parking Fund	Sewer Fund	Refuse Disposal Fund	Electric Works Fund	Water Works Fund	Total Electric & Water	TOTAL
ESTIMATED FINANCING RESOURCES										
<i>REVENUE</i>										
Operating Revenues	1,700,000	1,292,000	6,100,000	6,046,000	17,000,000	12,543,000	178,000,000	27,800,000	205,800,000	250,481,000
Non - Operating Revenues	460,000	175,000	10,000	600,000	1,700,000	14,000	9,829,000	665,000	10,494,000	13,453,000
Total Revenue	<u>\$ 2,160,000</u>	<u>\$ 1,467,000</u>	<u>\$ 6,110,000</u>	<u>\$ 6,646,000</u>	<u>\$ 18,700,000</u>	<u>\$ 12,557,000</u>	<u>\$ 187,829,000</u>	<u>\$ 28,465,000</u>	<u>\$ 216,294,000</u>	<u>\$ 263,934,000</u>
Contribution in Aid	-	-	-	-	-	-	1,200,000	200,000	1,400,000	1,400,000
Fund Balance - Prior Year	-	-	-	-	13,705,887	253,047	47,029,800	1,529,800	48,559,600	62,518,534
TOTAL	<u><u>\$ 2,160,000</u></u>	<u><u>\$ 1,467,000</u></u>	<u><u>\$ 6,110,000</u></u>	<u><u>\$ 6,646,000</u></u>	<u><u>\$ 32,405,887</u></u>	<u><u>\$ 12,810,047</u></u>	<u><u>\$ 236,058,800</u></u>	<u><u>\$ 30,194,800</u></u>	<u><u>\$ 266,253,600</u></u>	<u><u>\$ 327,852,534</u></u>
ESTIMATED REQUIREMENTS										
<i>EXPENDITURES</i>										
Operating expenses	2,166,442	1,533,761	5,794,625	5,737,008	8,736,590	12,415,770	160,954,400	22,769,100	183,723,500	220,107,696
Non - Operating Expenses	-	-	-	-	-	-	-	-	-	-
Capital Outlay	2,500	20,000	222,000	105,930	456,700	509,100	-	-	-	1,316,230
Capital Projects	-	-	-	125,000	24,810,000	1,140,000	72,441,400	7,160,700	79,602,100	105,677,100
Transfers to Other Funds	-	-	-	1,800,000	-	-	13,845,000	2,900,000	16,745,000	18,545,000
Revenue Bond Requirements	-	-	-	-	-	-	-	-	-	-
Total Appropriations	<u>\$ 2,168,942</u>	<u>\$ 1,553,761</u>	<u>\$ 6,016,625</u>	<u>\$ 7,767,938</u>	<u>\$ 34,003,290</u>	<u>\$ 14,064,870</u>	<u>\$ 247,240,800</u>	<u>\$ 32,829,800</u>	<u>\$ 280,070,600</u>	<u>\$ 345,646,026</u>
Depreciation	(12,210)	(105,437)	(52,426)	(1,975,750)	(1,597,403)	(1,254,823)	(11,182,000)	(2,635,000)	(13,817,000)	(18,815,049)
Unallocated	3,268	18,676	145,801	853,812	-	-	-	-	-	1,021,557
TOTAL	<u><u>\$ 2,160,000</u></u>	<u><u>\$ 1,467,000</u></u>	<u><u>\$ 6,110,000</u></u>	<u><u>\$ 6,646,000</u></u>	<u><u>\$ 32,405,887</u></u>	<u><u>\$ 12,810,047</u></u>	<u><u>\$ 236,058,800</u></u>	<u><u>\$ 30,194,800</u></u>	<u><u>\$ 266,253,600</u></u>	<u><u>\$ 327,852,534</u></u>