



**CAPITAL IMPROVEMENT
PROJECTS (CIP),
DEBT SERVICE, and
INTERNAL SERVICE FUNDS**



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**CAPITAL IMPROVEMENT
PROJECTS (CIP)
ADOPTED BUDGET
FY18/19 – FY19/20**

CAPITAL IMPROVEMENT PROJECTS (CIP)



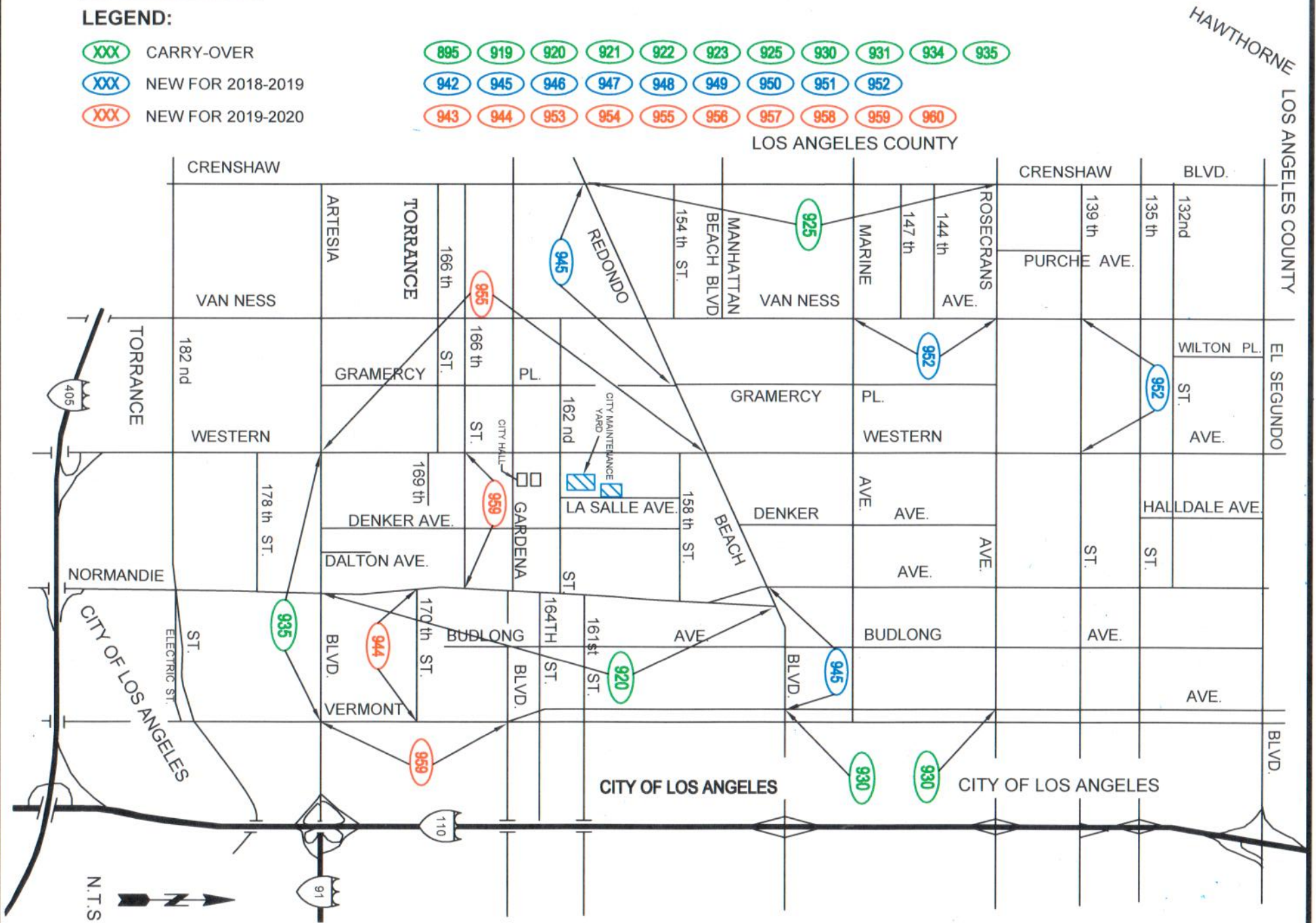
	FY 18/19	FY 19/20
PARK IMPROVEMENTS	\$1,595,564	\$1,250,000
City Parks, playgrounds, facility grounds and public parkways		
STREET IMPROVEMENTS	\$9,414,684	\$4,741,000
Maintain City streets, sanitary sewers, storm drain systems, sidewalks, curbs, crosswalks, signs		
Maintain and control City traffic signals		
Mechanical maintenance of City vehicles and equipment		
Ensure compliance with State mandated safety and air quality programs		
CAPITAL IMPROVEMENT PROJECTS TOTAL	\$11,010,248	\$5,991,000

CIP 2018 - 2020

LEGEND:

- (XXX) CARRY-OVER
- (XXX) NEW FOR 2018-2019
- (XXX) NEW FOR 2019-2020

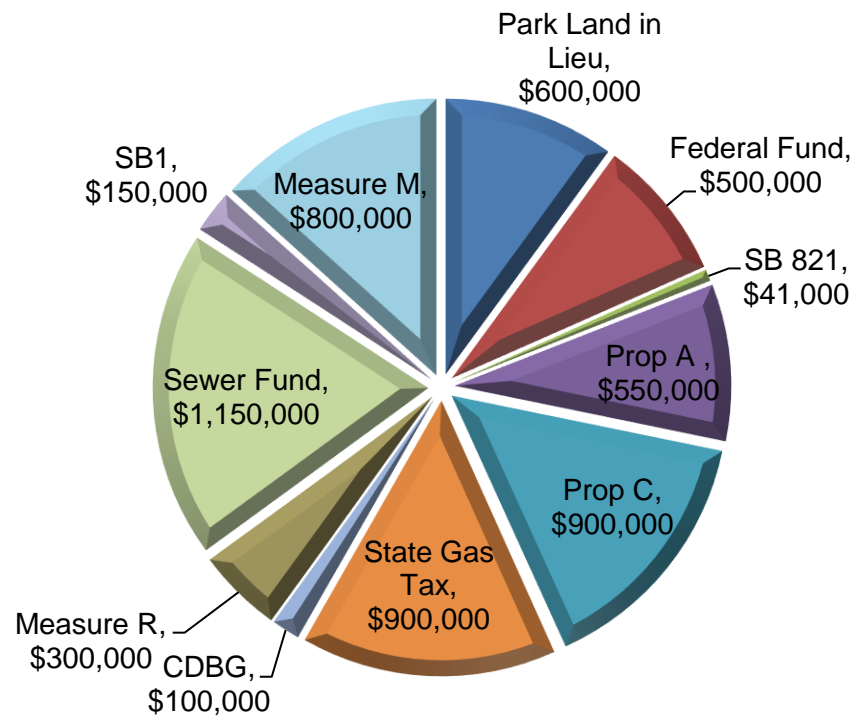
- (895) (919) (920) (921) (922) (923) (925) (930) (931) (934) (935)
- (942) (945) (946) (947) (948) (949) (950) (951) (952)
- (943) (944) (953) (954) (955) (956) (957) (958) (959) (960)



Capital Improvement Projects Adopted Budget Fiscal Year 2018/2019 \$11,010,248

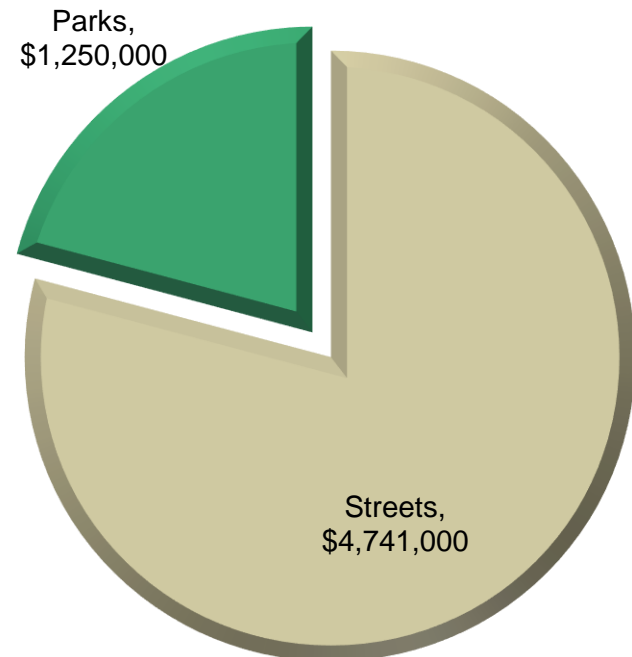
CAPITAL REVENUE

... *Where the money comes from ...*



CAPITAL EXPENDITURES

... *Where the money goes...*



<u>JOB NO.</u>	<u>PROJECT DESCRIPTION</u>		
925 (c)	Crenshaw St Improv. (RBB to Rosecrans)- \$448,443 Rehabilitate this arterial by providing new asphalt pavement overlay and striping between Redondo Beach Blvd. and Rosecrans Ave.	946 (n)	Local Street Improvement 2018-2019 - \$700,000 Rehabilitate local residential streets by providing new asphalt pavement and new striping.
930 (c)	Traffic Signal Improvement - \$1,500,000 Improve traffic signals at Vermont Ave. and Rosecrans Ave. and Vermont Ave. and Redondo Beach Blvd.	947 (n)	Pedestrian Safety 2018/2019 - \$350,000 Remove and replace damaged curb, gutter and sidewalk at various locations within the City for ADA compliance. Construct new curb ramps.
931 (c)	Pavement Management Program - \$8,800 This will rate pavement condition for all streets in the City.	948 (n)	Sidewalk Replacement 2018/2019 - \$41,000 Remove and replace damaged curb, gutter and sidewalk at various locations within the City for ADA compliance.
934 (c)	Local Road Maintenance 2017/2018 - \$343,441 Rehabilitate local residential streets by providing new asphalt pavement and new striping.	949 (n)	Local Road Maintenance 2018-2019 - \$750,000 Rehabilitate local residential streets by providing new asphalt pavement and new striping.
935 (c)	Artesia Bd. St Improv. (Western to Vermont) - \$2,523,000 Rehabilitate this arterial by providing new asphalt pavement, new striping, improve landscaping and improve traffic signals.	950 (n)	PW St & Highway Equip. Purchase 2018/2019 - \$150,000 This will provide new PW equipment to maintain existing streets throughout the City.
942 (n)	PW St & Highway Equip. Purchase 2018/2019 - \$200,000 This will provide new PW equipment to maintain existing streets throughout the City	951 (n)	Sewer Rehabilitation 2018/2019 - \$700,000 Rehabilitate City sewer lines.
945 (n)	RBB St Improvement (Crenshaw to Gramercy) - \$900,000 RBB St Improvement (Normandie to Vermont) Rehabilitate this arterial by providing new asphalt pavement, new striping, improve landscaping and improve traffic signals.	952 (n)	139th Street – Van Ness Ave to Western Ave - \$800,000 Van Ness Ave – Rosecrans Ave to Marine Ave Rehabilitate this arterial by providing new asphalt pavement, new striping, and improve traffic signals.

<u>JOB NO.</u>	<u>PROJECT DESCRIPTION</u>		
807 (c)	Multi Park Improvements- \$121,617 Resurface courts and asphalt; Replace baseball benches & Bleachers; Replace some irrigation, replace/update some picnic shelters	961 (n)	Bell Park Rehabilitation Program - \$269,000 Replace picnic shelters, bleachers, fencing, netting, asphalt; Renovate building, basketball courts and restrooms
810 (c)	Nakaoka Center Improvements - \$220,000 Upgrade audio visual system; replace auditorium floor and divider wall	962 (n)	Johnson Park and Rowley Park Tennis Court Rehab - \$150,000 Resurface courts, replace fencing, screens and nets
820 (c)	Fukai Park Rehabilitation - \$250,000 Replace playground equipment; Replace basketball standards and handball wall, repair/replace irrigation; renovate restrooms; replace picnic shelter.	963 (n)	Rec Facilities Landscaping and Outdoor Improv - \$75,000 Irrigation, landscaping, parking lot improvements
870 (c)	Rowley Park Renovation Program - \$359,947 Renovate gym bleachers & scoreboard; add exercise stations; renovate auditorium, replace manual operating doors with auto doors	968 (n)	Rowley Park Baseball Diamond Restroom Rehab - \$150,000 Replace or Rehabilitate Rowley Park Diamond #1 Restroom.

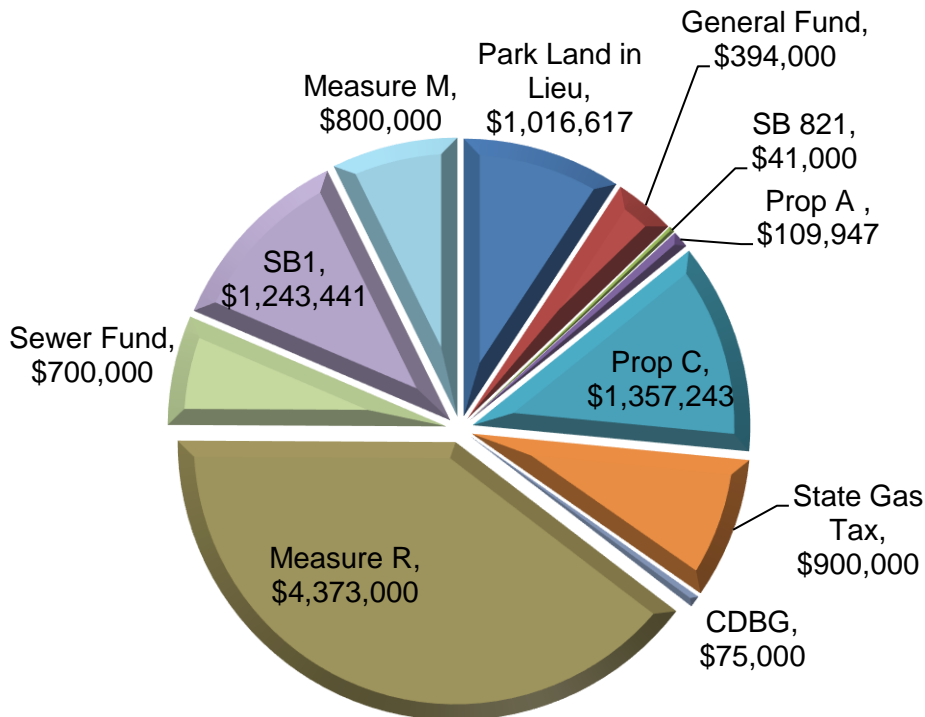
CAPITAL IMPROVEMENT PROGRAM FISCAL YEAR 2018-2019 FUNDING SUMMARY

FUNDING SOURCE		STREET IMPROVEMENTS	PROJECT COST
Prop C	#925 (c)	Crenshaw Blvd. Street Improvement (RBB to Rosecrans)	448,443 \$ 1,357,243
	#931 (c)	Pavement Management Program 2017-2018	8,800
	#945 (n)	RBB Street Improv. (Crenshaw to Gramercy & Normandue to Vermont)	900,000
		Prop C - Total	1,357,243
Gas Tax	#942 (n)	PW Street & Highway Equipment Purchase 2018-2019	200,000 \$ 900,000
	#946 (n)	Local Street Improvement 2018-2019	700,000
		Gas Tax - Total	900,000
Measure R	#930 (c)	Traffic Signal Improvement	1,500,000 \$ 4,373,000
	#935 (c)	Artesia Blvd. Street Improv (Western to Vermont)	2,523,000
	#947 (n)	Pedestrian Safety 2018-2019	350,000
		Measure R- Total	4,373,000
SB 1	#934 (c)	Local Road Maintenance 2017-2018	343,441 \$ 1,243,441
	#949 (n)	Local Road Maintenance 2018-2019	750,000
	#950 (n)	Public Works Street & Equipment Purchase 2018-2019	150,000
		SB 1- Total	1,243,441
Sewer	#951 (n)	Sewer Rehab 2018-2019	\$ 700,000
SB 821	#948 (n)	Sidewalk Replacement 2018-2019	\$ 41,000
Measure M	#952 (n)	139th Street-Van Ness to Western & Van Ness to Marine	\$ 800,000
		STREET IMPROVEMENTS SUBTOTAL	\$ 9,414,684
FUNDING SOURCE		PARK IMPROVEMENTS	PROJECT COST
Park Land in Lieu	#807 (c)	Multi-Park Improvements	121,617 \$ 1,016,617
	#810 (c)	Nakaoka Center Improvements	220,000
	#820 (c)	Mas Fukai Park Rehabilitation	125,000
	#870 (c)	Rowley Park Renovation	250,000
	#968 (c)	Rowley Park Baseball Diamond Restroom Rehabilitation	75,000
	#962 (c)	Johnson Park and Rowley Park Tennis Court Rehabilitation	150,000
	#963 (c)	Recreation Facilities Landscape and Outdoor Improvements	75,000
		Park Land in Lieu - Total	1,016,617
General Fund	#961 (n)	Bell Park Rehabilitation Program	269,000 \$ 394,000
	#820 (c)	Mas Fukai Park Rehabilitation	125,000
		General Fund - Total	394,000
Prop A Park Bond	#870 (c)	Rowley Park Renovation	\$ 109,947
CDBG	#968 (c)	Rowley Park Baseball Diamond Restroom Rehabilitation	\$ 75,000
		PARK IMPROVEMENTS SUBTOTAL	\$ 1,595,564
		CIP- FISCAL YEAR 2018-2019 TOTAL	\$ 11,010,248

Capital Improvement Projects Adopted Budget Fiscal Year 2019/2020 \$5,991,000

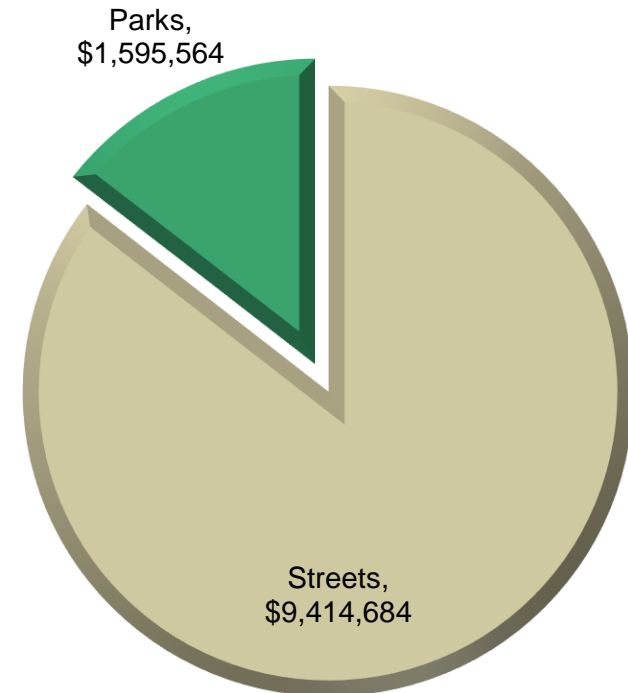
CAPITAL REVENUE

... Where the money comes from ...



CAPITAL EXPENDITURES

... Where the money goes...



<u>JOB NO.</u>	<u>PROJECT DESCRIPTION</u>		
943 (n)	PW St & Highway Equip. Purchase 2019/2020 - \$200,000 This will provide new PW equipment to maintain existing streets throughout the City.	957 (n)	Sewer Rehabilitation 2019/2020 - \$700,000 Rehabilitate City sewer lines.
944 (n)	170th St Improv. (Normandie to Vermont) - \$500,000 Rehabilitate this local collector by providing new asphalt pavement and striping between Normandie Ave. and Vermont Ave.	958 (n)	Sidewalk Replacement 2019/2020 - \$41,000 Remove and replace damaged curb, gutter and sidewalk at various locations within the City for ADA compliance.
953 (n)	Local Street Improvement 2019/2020 - \$700,000 Rehabilitate local residential streets by providing new pavement and new striping.	959 (n)	Vermont Ave – Artesia Blvd to Gardena Ave - \$800,000 166th St – Western Ave to Normandie Ave Rehabilitate this arterial by providing new asphalt pavement, new striping, and improve traffic signals.
954 (n)	PW St & Highway Equip. Purchase 2019/2020- \$150,000 This will provide new PW equipment to maintain existing streets throughout the City.	960 (n)	PW St & Highway Equip. Purchase 2019/2020 - \$450,000 This will provide new PW equipment to maintain existing streets throughout the City.
955 (n)	Western Ave St Improvement RBB to Artesia - \$900,000 Rehabilitate this arterial by providing new asphalt pavement, new striping, and improve traffic signals.		
956 (n)	Pedestrian Safety 2019/2020 - \$300,000 Remove and replace damaged curb, gutter and sidewalk at various locations within the City for ADA compliance. Construct new curb ramps.		

<u>JOB NO.</u>	<u>PROJECT DESCRIPTION</u>		
964 (n)	Wading Pool Rehab- \$350,000 Rehabilitate/Replace wading pools with splash pads	966 (n)	Thornburg Park Improvements - \$300,000 Renovate southern portion of the park to add recreation space and opportunities
965 (n)	Fukai Park Improvements - \$500,000 Add and rehabilitate building space	967 (n)	Multi Park Improvements - \$100,000 Renovate/repair recreation facilities

CAPITAL IMPROVEMENT PROGRAM FISCAL YEAR 2019-2020 FUNDING SUMMARY

FUNDING SOURCE		STREET IMPROVEMENTS	PROJECT COST
Gas Tax	#943 (n)	PW Street & Highway Equipment Purchase 2019-2020	200,000 \$
	#953 (n)	Local Street Improvement 2019-2020	700,000
		Gas Tax - Total	900,000
SEWER FUND	#957 (n)	Sewer Rehabilitation 2019-2020	700,000 \$
	#960 (n)	PW Street & Highway Equipment Purchase 2019-2020	450,000
		Sewer- Total	1,150,000
Federal Funds	#944 (n)	170th Street Improvement (Normandie to Vermont)	\$ 500,000
SB 1	#954 (n)	PW Street & Highway Equipment Purchase 2019-2020	\$ 150,000
Prop C	#955 (n)	Western Ave Street Improvement RBB to Artesia	\$ 900,000
Measure R	#956 (n)	Pedestrian Safety 2019-2020	\$ 300,000
SB 821	#958 (n)	Sidewalk Replacement 2019-2020	\$ 41,000
Measure M	#959 (n)	Vermont Ave-Artesia Blvd to Gardena Ave & 166th St-Western to Normandie	\$ 800,000
		STREET IMPROVEMENTS SUBTOTAL	\$ 4,741,000
FUNDING SOURCE		PARK IMPROVEMENTS	PROJECT COST
Park Land in Lieu	#964 (n)	Wading Pool Rehabilitations	100,000 \$
	#965 (n)	Fukai Park Improvements	250,000
	#966 (n)	Thornburg Park Improvements	150,000
	#967 (n)	Multi Park Improvements	100,000
		Park Land in Lieu - Total	600,000
Prop A	#964 (n)	Wading Pool Rehabilitations	250,000
	#965 (n)	Fukai Park Improvements	200,000 \$
	#966 (n)	Thornburg Park Improvements	100,000
		General Fund - Total	550,000
CDBG	#965 (n)	Fukai Park Improvements	50,000
	#966 (n)	Thornburg Park Improvements	50,000 \$
		General Fund - Total	100,000
		PARK IMPROVEMENTS SUBTOTAL	\$ 1,250,000
		CIP- FISCAL YEAR 2019-2020 TOTAL	\$ 5,991,000

CAPITAL IMPROVEMENT PROJECT (CIP) STREET REHABILITATION TEN (10) YEAR PLAN - FISCAL YEARS ENDING 2018-2027

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CAPITAL IMPROVEMENT PROJECT (CIP) STREET REHABILITATION TEN (10) YEAR PLAN - FISCAL YEARS ENDING 2018-2027

166th St - Western Ave to Normandie Ave (2 of 2)								
PW Street & Highway Equipment Purchase 2019/2020						\$ 450		
TOTAL Fiscal Year 2019 - 2020	\$ 500	\$ 150	\$ 900	\$ 41	\$ 800	\$ 1,150	\$ 300	\$ 900
FISCAL YEAR 2020 - 2021								
Budlong Ave St. Improvement - El Segundo to RBB			\$ 900					
Sidewalk Replacement 2020/2021 - Various				\$ 40				
Local Street Improvement 2020/2021 - Various								\$ 700
Pedestrian Safety Improvement 2020/2021 - Various							\$ 350	
Sewer Rehabilitation - Various						\$ 700		
Local Road Maintenance 2020/2021		\$ 750						
Crenshaw Blvd St. Improvement - Rosecrans to El Seg.					\$ 800			
TOTAL Fiscal Year 2020 - 2021		\$ 750	\$ 900	\$ 40	\$ 800	\$ 700	\$ 350	\$ 700
	FUNDING (\$1,000's)							
	Federal	SB1	Prop C	SB 821	Measure M	Sewer	Measure R	Gas Tax
FISCAL YEAR 2021 - 2022								
Van Ness Ave St Improvement - RBB to Marine			\$ 900					
Pedestrian Safety Improvement 2021/2022 - Various							\$ 350	
Local Street Improvement 2021/2022 - Various								\$ 700
Sidewalk Replacement 2021/2022 - Various				\$ 40				
Local Road Maintenance 2021/2022		\$ 750						
Sewer Rehabilitation 2021/2022 - Various						\$ 700		
Vermont Ave St Improvement - Rosecrans to 135th St					\$ 800			
TOTAL Fiscal Year 2021 - 2022		\$ 750	\$ 900	\$ 40	\$ 800	\$ 700	\$ 350	\$ 700
FISCAL YEAR 2022 - 2023								
Arterial Improvements			\$ 900					
Pedestrian Safety Improvement 2022/2023 - Various							\$ 350	
Local Street Improvement 2022/2023 - Various								\$ 700
Sidewalk Replacement - Various				\$ 40				

CAPITAL IMPROVEMENT PROJECT (CIP) STREET REHABILITATION TEN (10) YEAR PLAN - FISCAL YEARS ENDING 2018-2027

Sewer Rehabilitation 2022/2023 - Various						\$ 700		
Local Road Maintenance 2022/2023		\$ 750						
Arterial Improvements					\$ 800			
TOTAL Fiscal Year 2022 - 2023		\$ 750	\$ 900	\$ 40	\$ 800	\$ 700	\$ 350	\$ 700
FISCAL YEAR 2023 - 2024								
Pedestrian Safety Improvement 2023/2024 - Various							\$ 350	
Sidewalk Replacement - Various				\$ 40				
Local Street Improvement 2023/2024 - Various								\$ 700
Arterial Improvements			\$ 900					
Local Road Maintenance 2023/2024		\$ 750						
Arterial Improvements					\$ 800			
Sewer Rehabilitation						\$ 700		
Arterial Improvements	\$ 500							
TOTAL Fiscal Year 2023 - 2024	\$ 500	\$ 750	\$ 900	\$ 40	\$ 800	\$ 700	\$ 350	\$ 700
	FUNDING (\$1,000's)							
	Federal	SB1	Prop C	SB 821	Measure M	Sewer	Measure R	Gas Tax
FISCAL YEAR 2024 - 2025								
Pedestrian Safety Improvement 2024/2025 - Various							\$ 350	
Sidewalk Replacement - Various				\$ 40				
Local Street Improvement 2024/2025 - Various								\$ 700
Arterial Street Improvement			\$ 900					
Local Road Maintenance		\$ 750						
Sewer Rehabilitation						\$ 700		
Arterial Improvement					\$ 800			
TOTAL Fiscal Year 2024 - 2025	\$ -	\$ 750	\$ 900	\$ 40	\$ 800	\$ 700	\$ 350	\$ 700
FISCAL YEAR 2025 - 2026								
Pedestrian Safety Improvement 2025/2026 - Various							\$ 350	
Sidewalk Replacement - Various				\$ 40				
Local Street Improvement 2025/2026 - Various								\$ 700
Arterial Street Improvement			\$ 900					

CAPITAL IMPROVEMENT PROJECT (CIP) STREET REHABILITATION TEN (10) YEAR PLAN - FISCAL YEARS ENDING 2018-2027

Arterial Street Improvement					\$ 800			
Local Road Maintenance		\$ 750						
Sewer Rehabilitation						\$ 700		
TOTAL Fiscal Year 2025 - 2026		\$ 750	\$ 900	\$ 40	\$ 800	\$ 700	\$ 350	\$ 700
FISCAL YEAR 2026 - 2027								
Pedestrian Safety Improvement 2026/2027 - Various							\$ 350	
Sidewalk Replacement - Various				\$ 40				
Local Street Improvement 2026/2027 - Various								\$ 700
Arterial Street Improvement			\$ 900					
Arterial Street Improvement					\$ 800			
Local Road Maintenance		\$ 750						
Sewer Rehabilitation						\$ 700		
TOTAL Fiscal Year 2026 - 2027		\$ 750	\$ 900	\$ 40	\$ 800	\$ 700	\$ 350	\$ 700
	FUNDING (\$1,000's)							
	Federal	SB1	Prop C	SB 821	Measure M	Sewer	Measure R	Gas Tax
FISCAL YEAR 2027 - 2028								
Pedestrian Safety Improvement 2027/2028 - Various							\$ 350	
Sidewalk Replacement - Various				\$ 40				
Local Street Improvement 2027/2028 - Various								\$ 700
Arterial Street Improvement			\$ 900					
Arterial Street Improvement					\$ 800			
Local Road Maintenance		\$ 750						
Sewer Rehabilitation						\$ 700		
TOTAL Fiscal Year 2027 - 2028		\$ 750	\$ 900	\$ 40	\$ 800	\$ 700	\$ 350	\$ 700



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DEBT SERVICE

ADOPTED BUDGET

FY18/19 – FY19/20

CITY OF GARDENA
FISCAL YEAR 2018-2019
DEBT SERVICE REQUIREMENTS

Series	ORIGINAL ISSUE			BEGINNING BALANCE 07/01/2018			RETIRED FY 2018-19			ENDING BALANCE June 30, 2019		
	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
Certificates of Participation (COPs):												
2006 A ¹	21,010,000	27,690,971	48,700,971	8,710,000	3,850,331	12,560,331	490,000	540,067	1,030,067	8,220,000	3,310,264	11,530,264
2007 A	2,800,000	1,929,165	4,729,165	1,745,000	678,031	2,423,031	100,000	88,075	188,075	1,645,000	589,956	2,234,956
Direct Purchase Lease Bonds:												
2017 ²	1,635,000	121,078	1,756,078	1,635,000	103,968	1,738,968	245,000	31,309	276,309	1,390,000	72,659	1,462,659
Taxable Lease Revenue Refunding Bonds:												
2014 ¹	9,110,000	8,035,249	17,145,249	9,055,000	6,498,935	15,553,935	55,000	447,846	502,846	9,000,000	6,051,089	15,051,089
	\$41,055,000	\$37,776,463	\$78,831,463	\$21,145,000	\$11,131,265	\$32,276,265	\$890,000	\$1,107,297	\$1,997,297	\$20,255,000	\$10,023,968	\$30,278,968

Professional services and Admin. Fees: \$ 6,200

TOTAL: \$ 2,003,497

REVENUE SOURCES:

Transfer-in from General Fund

\$ 2,003,497

\$ 2,003,497

¹ In Fiscal Year 2014/2015, 2006 Series B was refunded by the 2014 Taxable Lease Revenue Refunding Bonds.

<p style="text-align: center;">DEBT SERVICE REQUIREMENTS 2006 REFUNDING CERTIFICATES OF PARTICIPATION SERIES A (Issued in 2006)</p>
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BOND ISSUES: **CITY OF GARDENA**

Refunding

DATE OF ISSUES: June 7, 2006

AMOUNT OF ISSUE: \$21,010,000.00

AMOUNT OUTSTANDING: **\$9,110,000.00 ***
(June 30, 2017)

DESCRIPTION: The 2006 Refunding Certificates of Participation Series AB&C are issued to (1) refinance certain financial obligations of the City in connection with a Memorandum of Understanding with certain financial institutions, (2) prepay and defease certain outstanding 1994 Refunding Certificates of Participation, (3) fund a reserve fund and (4) pay certain costs of issuance.

The total \$21,010,000 includes \$12,495,000 aggregate principal amount of Certificates of Participation (2006 Refinancing Project, Series A), and \$8,515,000 aggregate principal amount of Certificates of Participation Series B (the 2006C Certificates.)

***Note-**In Fiscal Year 2014-2015 the 2006 Certificate of Participation, Series B, was refunded by the 2014 Taxable Lease Revenue Refunding Bonds, Series 2014. The econmic gain on the current refunding was \$1,637,398 and the savings in debt service payments was \$2,360,051.

The bond interest rates vary from 3.625% to 4.500%.

PAYMENT DATES: January 1 and July 1

PAYMENT AGENT: US Bank

	DEBT SERVICE REQUIREMENTS		
	FY 2017-18	FY 2018-19	FY 2019-20
<u>REVENUE SOURCES</u>			
Transfer-in from General Fund	1,031,770	1,032,567	1,030,348
TOTAL:	\$ 1,031,770	\$ 1,032,567	\$ 1,030,348
<u>EXPENDITURES</u>			
Interest Expense	569,546	540,067	507,848
Principal payment	460,000	490,000	520,000
Administration and trustee fees	2,224	2,500	2,500
TOTAL:	\$ 1,031,770	\$ 1,032,567	\$ 1,030,348

**DEBT SERVICE REQUIREMENTS
2007 REVENUE BONDS SERIES A
(Issued in 2007)**

BOND ISSUES: **CITY OF GARDENA**
South Bay Communication Center

DATE OF ISSUES: January 24, 2007

AMOUNT OF ISSUE: \$2,800,000.00

AMOUNT OUTSTANDING: **\$1,840,000.00**
(June 30, 2017)

DESCRIPTION: The 2007 A Refunding Revenue Bonds are issued pursuant to Indenture of Trust, dated as of February 1, 2007 by and between the South Bay Regional Public Communications Authority (SBRPCA), and the Bank of New York Trust Company, N.A. as trustee. The bonds are issued to refund SBRPCA Revenue Bonds 2001 Series A (City of Gardena Project) in an amount of \$2,800,000, to fund the Reserve Account, and to pay certain costs of issuance.

PAYMENT DATES: January 1 and July 1

PAYMENT AGENT: Bank of New York Trust Company

DEBT SERVICE REQUIREMENTS

	FY 2017-18	FY 2018-19	FY 2019-20
<u>REVENUE SOURCES</u>			
Transfer-in from General Fund	189,737	189,275	189,275
TOTAL:	\$ 189,737	\$ 189,275	\$ 189,275
<u>EXPENDITURES</u>			
Interest Expense	92,825	88,075	83,075
Principal payment	95,000	100,000	105,000
Trustee admin. services	1,912	1,200	1,200
TOTAL:	\$ 189,737	\$ 189,275	\$ 189,275

DEBT SERVICE REQUIREMENTS
2017 DIRECT PURCHASE LEASE BONDS
(Issued in 2017)

BOND ISSUES: **CITY OF GARDENA**
Direct Purchase Lease

DATE OF ISSUES: June 2017

AMOUNT OF ISSUE: \$1,635,000.00

AMOUNT OUTSTANDING: **\$1,635,000.00**
(June 30, 2017)

DESCRIPTION: The 2017 Direct Purchase Lease Bonds were issued to (1) refund 2016 Certificate of Participation, Series C, (2) interests due and (3) cost of issuance

PAYMENT DATES: The bonds bear interest at 2.07%.
January 1 and July 1

PAYMENT AGENT: Zions Bank

DEBT SERVICE REQUIREMENTS

REVENUE SOURCES

Transfer-in from General Fund

TOTAL:

	FY 2017-18	FY 2018-19	FY 2019-20
	17,110	277,309	296,979
\$	17,110	\$ 277,309	\$ 296,979

EXPENDITURES

Interest Expense

Principal payment

Administration and trustee fees

TOTAL:

	17,110	31,309	25,979
	-	245,000	270,000
	-	1,000	1,000
\$	17,110	\$ 277,309	\$ 296,979

DEBT SERVICE REQUIREMENTS
2014 TAXABLE LEASE REVENUE REFUNDING BONDS
(Issued in 2015)

BOND ISSUES: **CITY OF GARDENA**
Taxable Lease Revenue Refunding Bonds

DATE OF ISSUES: May 1, 2015

AMOUNT OF ISSUE: \$9,110,000.00

AMOUNT OUTSTANDING: **\$9,110,000.00**
(June 30, 2017)

DESCRIPTION: The 2014 Taxable Lease Revenue Refunding Bonds, were issued to (a) refund the 2006B Certificates, (b) fund capitalized interest for a portion of the Bonds through May 1, 2017, and (c) pay a portion of the costs of the Bonds.

PAYMENT DATES: The bond interest rates vary from 3.950% to 5.000%.
May 1 and November 1

PAYMENT AGENT: US Bank

	DEBT SERVICE REQUIREMENTS		
	FY 2017-18	FY 2018-19	FY 2019-20
<u>REVENUE SOURCES</u>			
Transfer-in from General Fund	507,423	504,346	507,174
TOTAL:	\$ 507,423	\$ 504,346	\$ 507,174
<u>EXPENDITURES</u>			
Interest Expense	450,003	447,846	445,674
Principal payment	55,000	55,000	60,000
Administration and trustee fees	2,420	1,500	1,500
TOTAL:	\$ 507,423	\$ 504,346	\$ 507,174

CITY OF GARDENA
FISCAL YEAR 2019-2020
DEBT SERVICE REQUIREMENTS

Series	ORIGINAL ISSUE			BEGINNING BALANCE 07/01/2019			RETIRED FY 2019-20			ENDING BALANCE June 30, 2020		
	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
Certificates of Participation (COPs):												
2006 A ¹	21,010,000	27,690,971	48,700,971	8,220,000	3,310,264	11,530,264	520,000	507,848	1,027,848	7,700,000	2,802,416	10,502,416
2007 A	2,800,000	1,929,165	4,729,165	1,645,000	589,956	2,234,956	105,000	83,075	188,075	1,540,000	506,881	2,046,881
Direct Purchase Lease Bonds:												
2017 ²	1,635,000	121,078	1,756,078	1,390,000	72,659	1,462,659	270,000	25,979	295,979	1,120,000	46,680	1,166,680
Taxable Lease Revenue Refunding Bonds:												
2014 ¹	9,110,000	8,035,249	17,145,249	9,000,000	6,051,089	15,051,089	60,000	445,674	505,674	8,940,000	5,605,415	14,545,415
	\$41,055,000	\$37,776,463	\$78,831,463	\$20,255,000	\$10,023,968	\$30,278,968	\$955,000	\$1,062,576	\$2,017,576	\$19,300,000	\$8,961,392	\$28,261,392

Professional services and Admin. Fees: \$ 6,200

TOTAL: \$ 2,023,776

REVENUE SOURCES:

Transfer-in from General Fund

\$ 2,023,776

\$ 2,023,776

¹ In Fiscal Year 2014/2015, 2006 Series B was refunded by the 2014 Taxable Lease Revenue Refunding Bonds.

² In Fiscal Year 2016/2017, 2006 Series C was refunded by the 2017 Direct Purchase Lease Bonds.

<p style="text-align: center;">DEBT SERVICE REQUIREMENTS 2006 REFUNDING CERTIFICATES OF PARTICIPATION SERIES A (Issued in 2006)</p>
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BOND ISSUES: **CITY OF GARDENA**

Refunding

DATE OF ISSUES: June 7, 2006

AMOUNT OF ISSUE: \$21,010,000.00

AMOUNT OUTSTANDING: **\$9,110,000.00 ***
(June 30, 2017)

DESCRIPTION: The 2006 Refunding Certificates of Participation Series AB&C are issued to (1) refinance certain financial obligations of the City in connection with a Memorandum of Understanding with certain financial institutions, (2) prepay and defease certain outstanding 1994 Refunding Certificates of Participation, (3) fund a reserve fund and (4) pay certain costs of issuance.

The total \$21,010,000 includes \$12,495,000 aggregate principal amount of Certificates of Participation (2006 Refinancing Project, Series A), and \$8,515,000 aggregate principal amount of Certificates of Participation Series B (the 2006C Certificates.)

***Note-**In Fiscal Year 2014-2015 the 2006 Certificate of Participation, Series B, was refunded by the 2014 Taxable Lease Revenue Refunding Bonds, Series 2014. The econmic gain on the current refunding was \$1,637,398 and the savings in debt service payments was \$2,360,051.

The bond interest rates vary from 3.625% to 4.500%.

PAYMENT DATES: January 1 and July 1

PAYMENT AGENT: US Bank

	DEBT SERVICE REQUIREMENTS		
	FY 2017-18	FY 2018-19	FY 2019-20
<u>REVENUE SOURCES</u>			
Transfer-in from General Fund	1,031,770	1,032,567	1,030,348
TOTAL:	\$ 1,031,770	\$ 1,032,567	\$ 1,030,348
<u>EXPENDITURES</u>			
Interest Expense	569,546	540,067	507,848
Principal payment	460,000	490,000	520,000
Administration and trustee fees	2,224	2,500	2,500
TOTAL:	\$ 1,031,770	\$ 1,032,567	\$ 1,030,348

**DEBT SERVICE REQUIREMENTS
2007 REVENUE BONDS SERIES A
(Issued in 2007)**

BOND ISSUES: **CITY OF GARDENA**
South Bay Communication Center

DATE OF ISSUES: January 24, 2007

AMOUNT OF ISSUE: \$2,800,000.00

AMOUNT OUTSTANDING: **\$1,840,000.00**
(June 30, 2017)

DESCRIPTION: The 2007 A Refunding Revenue Bonds are issued pursuant to Indenture of Trust, dated as of February 1, 2007 by and between the South Bay Regional Public Communications Authority (SBRPCA), and the Bank of New York Trust Company, N.A. as trustee. The bonds are issued to refund SBRPCA Revenue Bonds 2001 Series A (City of Gardena Project) in an amount of \$2,800,000, to fund the Reserve Account, and to pay certain costs of issuance.

PAYMENT DATES: January 1 and July 1

PAYMENT AGENT: Bank of New York Trust Company

DEBT SERVICE REQUIREMENTS

	FY 2017-18	FY 2018-19	FY 2019-20
<u>REVENUE SOURCES</u>			
Transfer-in from General Fund	189,737	189,275	189,275
TOTAL:	\$ 189,737	\$ 189,275	\$ 189,275
<u>EXPENDITURES</u>			
Interest Expense	92,825	88,075	83,075
Principal payment	95,000	100,000	105,000
Trustee admin. services	1,912	1,200	1,200
TOTAL:	\$ 189,737	\$ 189,275	\$ 189,275

**DEBT SERVICE REQUIREMENTS
2017 DIRECT PURCHASE LEASE
(Issued in 2017)**

BOND ISSUES: **CITY OF GARDENA**
Direct Purchase Lease

DATE OF ISSUES: June 2017

AMOUNT OF ISSUE: \$1,635,000.00

AMOUNT OUTSTANDING: **\$1,635,000.00**
(June 30, 2017)

DESCRIPTION: The 2017 Direct Purchase Lease Bonds were issued to (1) refund 2016 Certificate of Participation, Series C, (2) interests due and (3) cost of issuance

PAYMENT DATES: The bonds bear interest at 2.07%.
January 1 and July 1

PAYMENT AGENT: Zions Bank

DEBT SERVICE REQUIREMENTS

REVENUE SOURCES

Transfer-in from General Fund

TOTAL:

	FY 2017-18	FY 2018-19	FY 2019-20
	17,110	277,309	296,979
\$	17,110	\$ 277,309	\$ 296,979

EXPENDITURES

Interest Expense

Principal payment

Administration and trustee fees

TOTAL:

	17,110	31,309	25,979
	-	245,000	270,000
	-	1,000	1,000
\$	17,110	\$ 277,309	\$ 296,979

DEBT SERVICE REQUIREMENTS
2014 TAXABLE LEASE REVENUE REFUNDING BONDS
(Issued in 2015)

BOND ISSUES: **CITY OF GARDENA**
Taxable Lease Revenue Refunding Bonds

DATE OF ISSUES: May 1, 2015

AMOUNT OF ISSUE: \$9,110,000.00

AMOUNT OUTSTANDING: **\$9,110,000.00**
(June 30, 2017)

DESCRIPTION: The 2014 Taxable Lease Revenue Refunding Bonds, were issued to (a) refund the 2006B Certificates, (b) fund capitalized interest for a portion of the Bonds through May 1, 2017, and (c) pay a portion of the costs of the Bonds.

PAYMENT DATES: The bond interest rates vary from 3.950% to 5.000%.
May 1 and November 1

PAYMENT AGENT: US Bank

	DEBT SERVICE REQUIREMENTS		
	FY 2017-18	FY 2018-19	FY 2019-20
<u>REVENUE SOURCES</u>			
Transfer-in from General Fund	507,423	504,346	507,174
TOTAL:	\$ 507,423	\$ 504,346	\$ 507,174
<u>EXPENDITURES</u>			
Interest Expense	450,003	447,846	445,674
Principal payment	55,000	55,000	60,000
Administration and trustee fees	2,420	1,500	1,500
TOTAL:	\$ 507,423	\$ 504,346	\$ 507,174



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INTERNAL SERVICE FUNDS

ADOPTED BUDGET

FY18/19 – FY19/20

INTERNAL SERVICE FUNDS

PUBLIC SERVICE GOAL: *To continually build and maintain adequate reserves through annual budget contributions to protect the City's investment in the cost of insurance and other ongoing administrative obligations.*

Internal Service Funds are established to cover the cost of insurance and other ongoing administrative obligations and to separate these funds from the General Fund account. The City is self-insured for general liability, worker's compensation and employee health benefits coverage. Funds in these accounts are used to pay all self-insured losses and related administrative costs with the balance in each account at the end of the fiscal year accumulated as reserves against future liabilities.

SELF- INSURANCE PROGRAMS

The City retains the services of Third Party Administrators (TPA) to handle claims for general liability, worker's compensation and health care claims. Current services are provided by:

General Liability Claims – Carl Warren & Co.

Workers Compensation Claims – AdminSure

Health Benefits Plan – Advanced Benefits Solutions

- **General Liability**

The General Liability Fund provides for the City's general liability, self-insurance program and other insurance needs in order to reduce cost and provide better control; to provide for the administration and legal service necessary for the operation of this program; to provide insurance protection against catastrophic loss or losses and to provide payment of liability insurance purchased in excess of the City's self insurance limits.

Charges to departments are established by the Chief Fiscal Officer and included in the budget manual. Upon recommendation from the finance committee, additional reserves may be transferred at year end from the General Fund reserves.

- **Workers Compensation**

The Workers Compensation Fund is established to pay administrative and legal services necessary for the operation of this program; to provide payment of compensation benefits and medical expenses associated with industrial injuries; to provide insurance protection against a catastrophic loss or losses; to review and analyze the City's industrial injury risks and determine the most suitable means of reducing employee exposure; and to develop procedures for administration of the City's Self-Insurance Compensation and Safety Program.

Charges to departments are established by the Chief Fiscal Officer and included in the budget manual.

- **Health Benefits**

The City is self-insured for health benefits for its employees and purchases reinsurance to transfer some of its risk. Rates are set by the Health Benefits Committee, which is comprised of management and one employee from each of the employee bargaining groups. The committee reviews the cost of health care, changes in benefits, and market trends in order to establish the rate for health insurance. Fund levels are set at 70% confidence rate.

The fund is supported through contributions of both employees and the City as negotiated each year with the employee bargaining groups. The City's contribution is \$1,060 per month for the employee and one dependent. Employees contribute an additional \$434 per month if they have more than one dependent insured. Rates for life insurance vary depending on the bargaining group.

Internal Service Funds	Audited 2016-2017	Adopted 2017-2018	Adopted 2018-2019	Proposed 2019-2020
Self-Insurance Liability	6,254,711	1,717,800	2,689,700	2,834,200
Self-Insurance Workers Compensation	1,396,742	1,781,100	1,584,560	1,587,820
Self-Insurance Health Benefit Fund	8,018,111	7,554,343	8,885,842	8,966,096
Total Internal Service Funds	15,669,564	11,053,243	13,160,102	13,388,116

